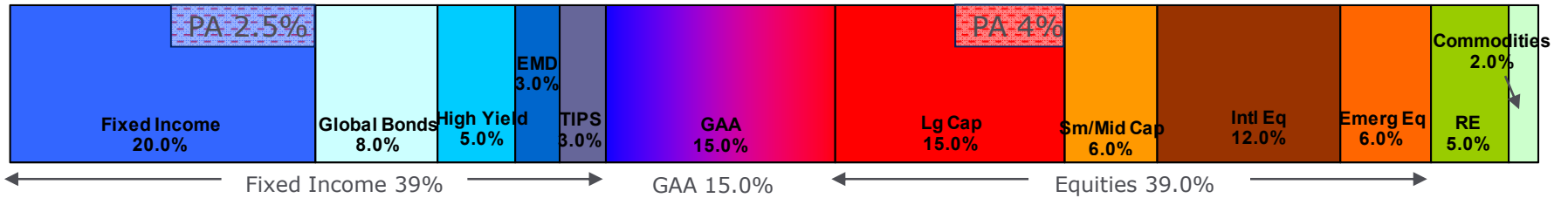




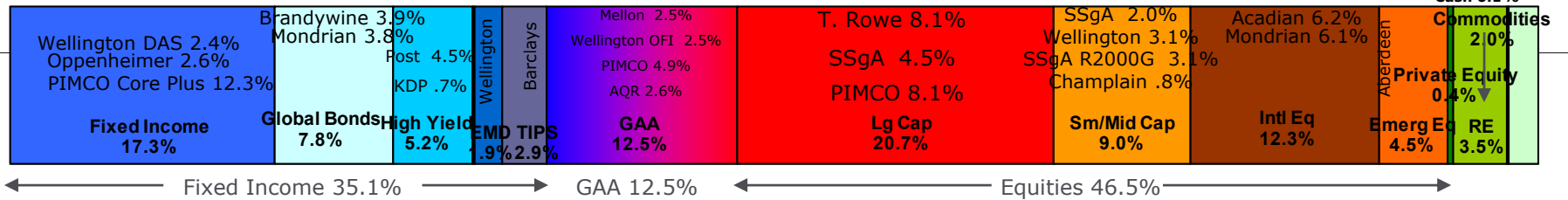
Vermont Municipal Employees' Retirement System

Total Plan Asset Allocation

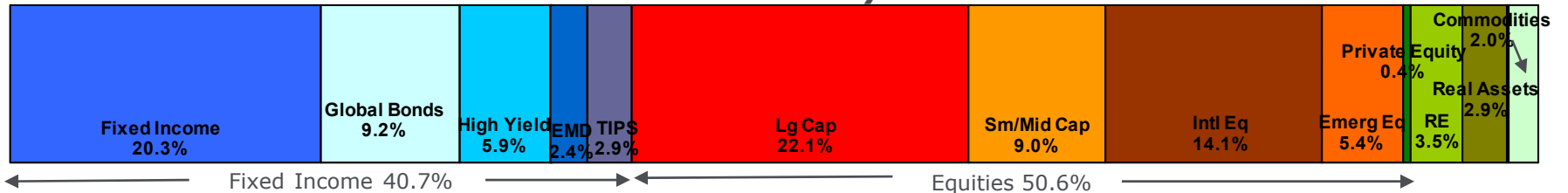
Target Asset Allocation



Current Asset Allocation by Manager



Current Asset Allocation by Asset Class



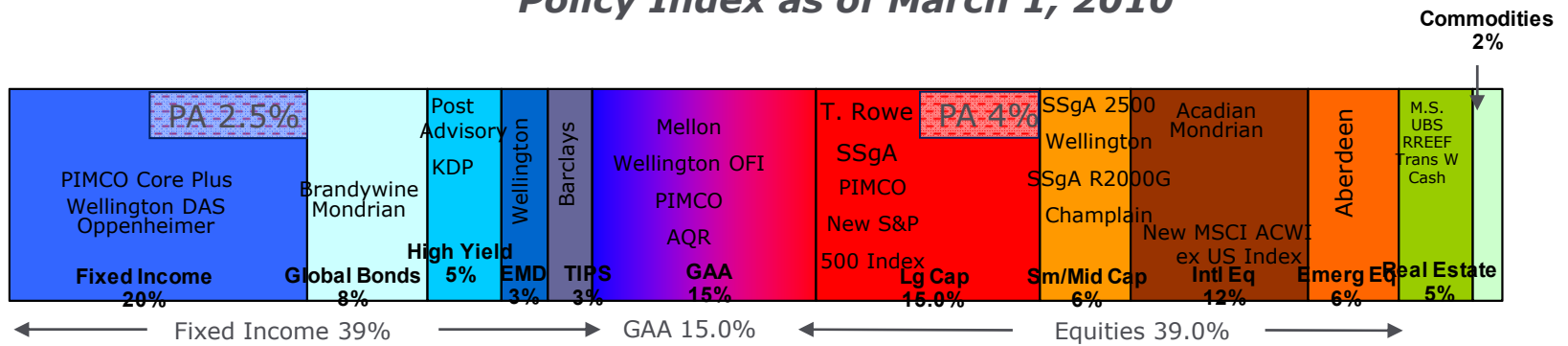
Numbers may not add up to 100% due to rounding.



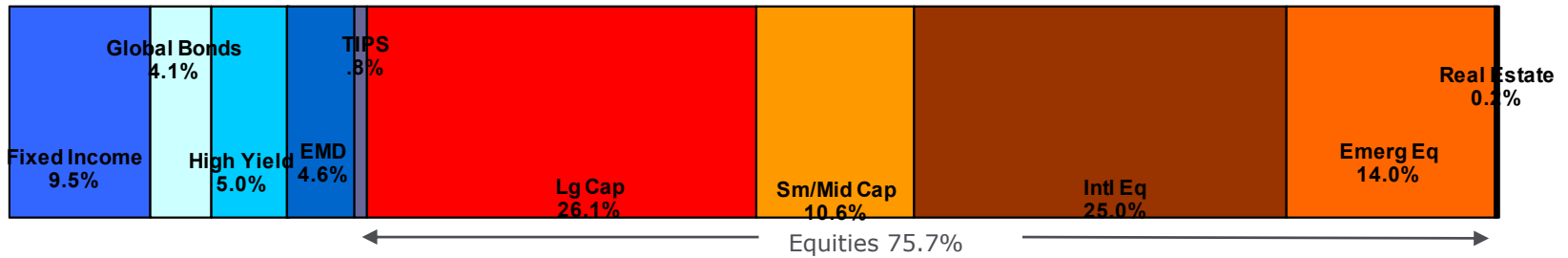
Period Ending 3/31/2010

Policy Asset Allocation and Risk Budgeting

Policy Index as of March 1, 2010



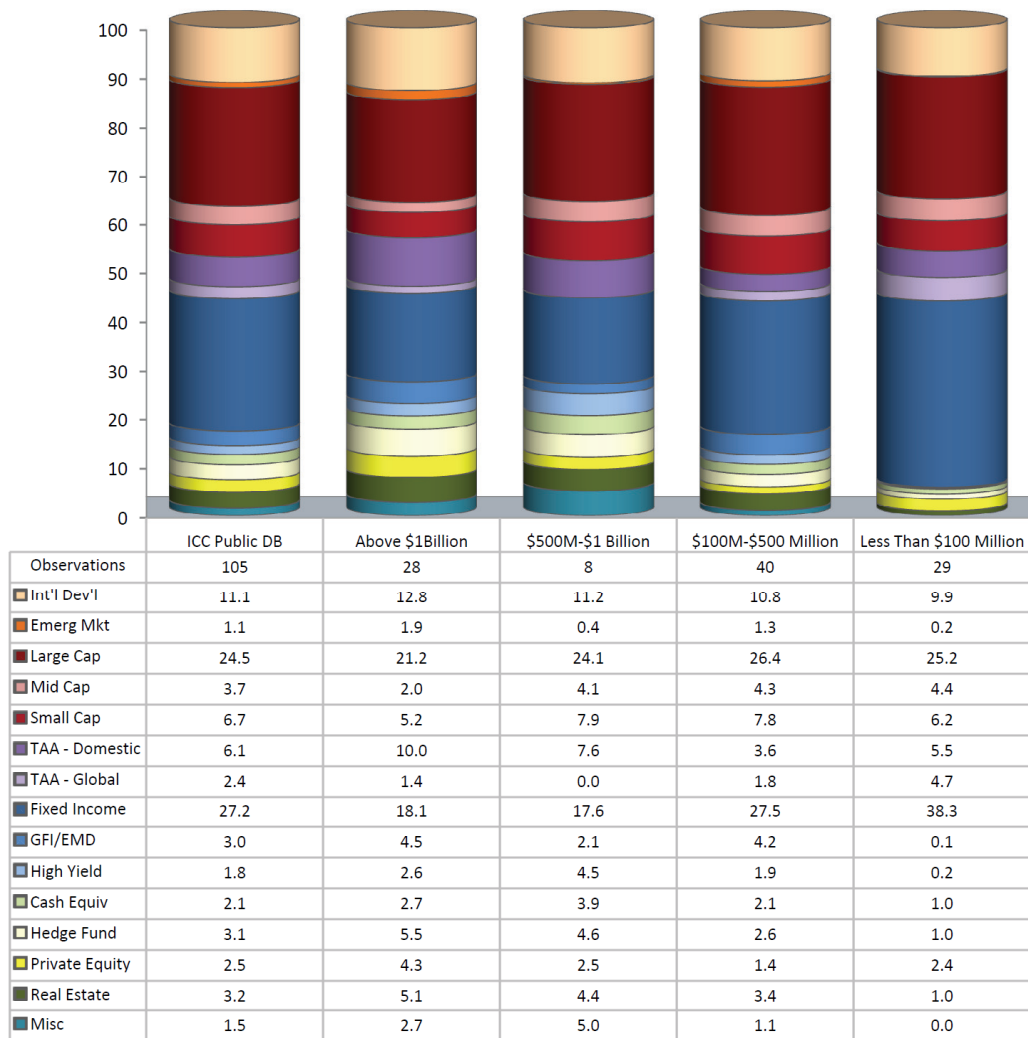
2010 NEPC Risk Budgeting Risk Allocation



Numbers may not add up to 100% due to rounding.



ICC Public DB Plans – Average Asset Allocation



Asset Breakdown

	Domestic Large Core	Domestic Smid	Domestic Small Core	Domestic Small Value	Domestic Small Growth	Core Fixed	High Yield	TIPS	Int'l Equity	EMD	Global Bonds	Real Estate	GAA	Other	Cash	Total
Composite	\$68,430	\$2,615	\$6,649	\$10,220	\$10,191	\$57,261	\$17,123	\$9,637	\$55,310	\$6,381	\$25,700	\$11,670	\$41,374	\$7,908	\$128	\$330,597
T. Rowe	26,687	0	0	0	0	0	0	0	0	0	0	0	0	0	0	\$26,687
PIMCO	26,877	0	0	0	0	0	0	0	0	0	0	0	0	0	0	\$26,877
SSgA Equal Wgt	14,866	0	0	0	0	0	0	0	0	0	0	0	0	0	0	\$14,866
Champlain	0	2,615	0	0	0	0	0	0	0	0	0	0	0	0	0	\$2,615
SSgA R-2500	0	0	6,649	0	0	0	0	0	0	0	0	0	0	0	0	\$6,649
Wellington	0	0	0	10,220	0	0	0	0	0	0	0	0	0	0	0	\$10,220
SSgA R-2000 Growth	0	0	0	0	10,191	0	0	0	0	0	0	0	0	0	0	\$10,191
Acadian	0	0	0	0	0	0	0	0	20,472	0	0	0	0	0	0	\$20,472
Mondrian	0	0	0	0	0	0	0	0	20,099	0	0	0	0	0	0	\$20,099
Aberdeen	0	0	0	0	0	0	0	0	14,739	0	0	0	0	0	0	\$14,739
Oppenheimer	0	0	0	0	0	8,587	0	0	0	0	0	0	0	0	0	\$8,587
Wellington DAS	0	0	0	0	0	7,931	0	0	0	0	0	0	0	0	0	\$7,931
PIMCO Core Plus	0	0	0	0	0	40,743	0	0	0	0	0	0	0	0	0	\$40,743
Post Advisory	0	0	0	0	0	0	14,756	0	0	0	0	0	0	0	0	\$14,756
KDP	0	0	0	0	0	0	2,367	0	0	0	0	0	0	0	0	\$2,367
Wellington EMD	0	0	0	0	0	0	0	0	0	6,381	0	0	0	0	0	\$6,381
Barclays	0	0	0	0	0	0	0	9,637	0	0	0	0	0	0	0	\$9,637
Mondrian	0	0	0	0	0	0	0	0	0	0	12,991	0	0	0	0	\$12,991
Brandywine	0	0	0	0	0	0	0	0	0	0	12,709	0	0	0	0	\$12,709
Morgan Stanely	0	0	0	0	0	0	0	0	0	0	0	4,989	0	0	0	\$4,989
UBS Realty	0	0	0	0	0	0	0	0	0	0	0	4,742	0	0	0	\$4,742
RREEF	0	0	0	0	0	0	0	0	0	0	0	1,409	0	0	0	\$1,409
Transwestern	0	0	0	0	0	0	0	0	0	0	0	107	0	0	0	\$107
Real Estate Cash	0	0	0	0	0	0	0	0	0	0	0	423	0	0	0	\$423
Mellon GA 1	0	0	0	0	0	0	0	0	0	0	0	0	8,287	0	0	\$8,287
PIMCO AA	0	0	0	0	0	0	0	0	0	0	0	0	16,299	0	0	\$16,299
Wellington OIF	0	0	0	0	0	0	0	0	0	0	0	0	8,673	0	0	\$8,673
AQR	0	0	0	0	0	0	0	0	0	0	0	0	8,115	0	0	\$8,115
Alt. Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	1,167	0	\$1,167
Schroders	0	0	0	0	0	0	0	0	0	0	0	0	0	6,741	0	\$6,741
Vermont Cash	0	0	0	0	0	0	0	0	0	0	0	0	0	0	128	\$128

(Dollars in 000's)



Total Fund Asset Growth Summary

VERMONT MUNICIPAL EMPLOYEES

MUNICIPAL SYSTEM COMPOSITE

Periods Ending March 31, 2010

Total Fund Asset Growth Summary (\$000)

	One Quarter	Year to Date	One Year	Since Inception
MUNI COMPOSITE				
Beginning Market Value	314,470	314,470	231,742	0
Net External Growth	4,687	4,687	2,509	56,712
Return on Investment	12,866	12,866	97,773	275,311
Income Received	4	4	-945	24,293
Gain/Loss	12,862	12,862	98,718	251,019
Ending Market Value	330,597	330,597	330,597	330,597

Return

4.0% 4.0% 42.6%



Fund Performance vs. Benchmark

VERMONT MUNICIPAL EMPLOYEES

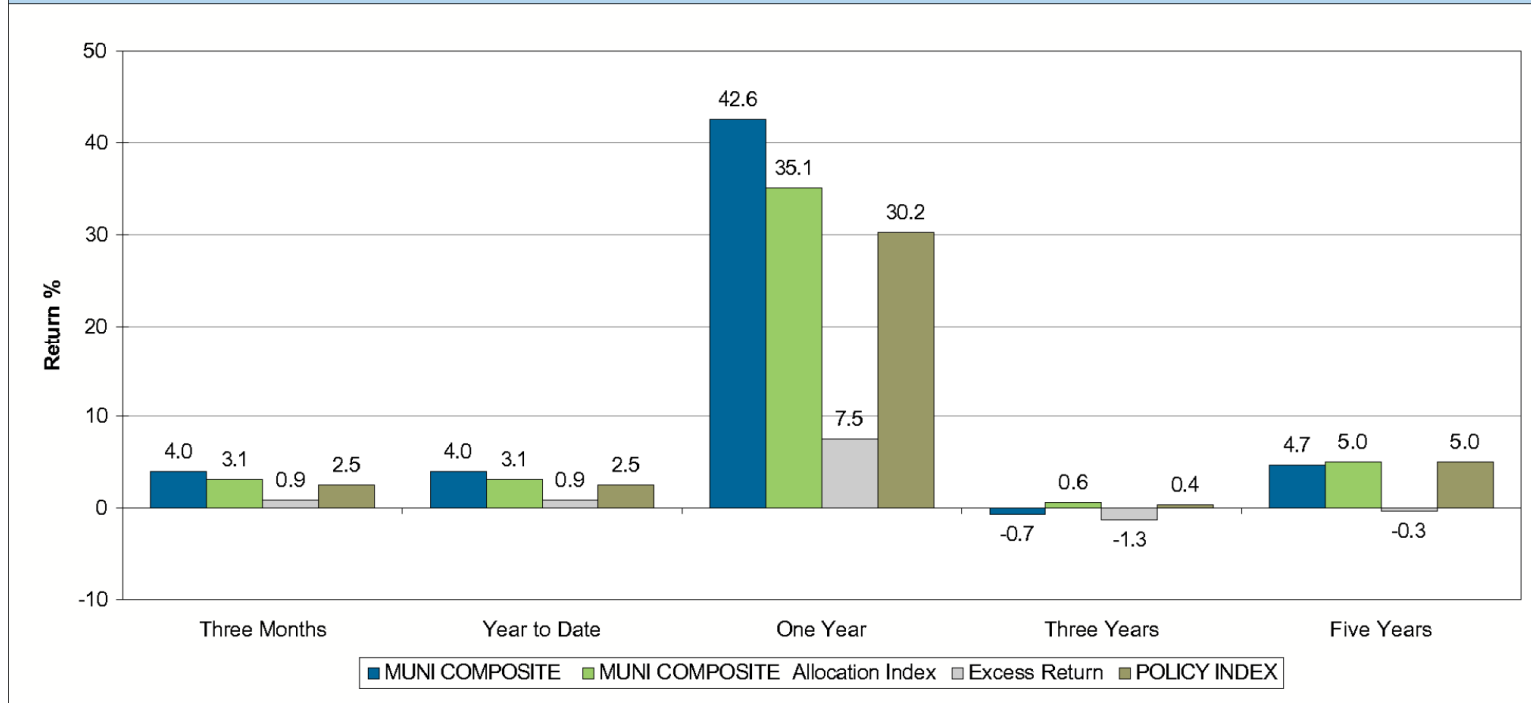
POLICY INDEX

Benchmark:

Periods Ending March 31, 2010

Fund Performance vs. Benchmark

MUNI COMPOSITE



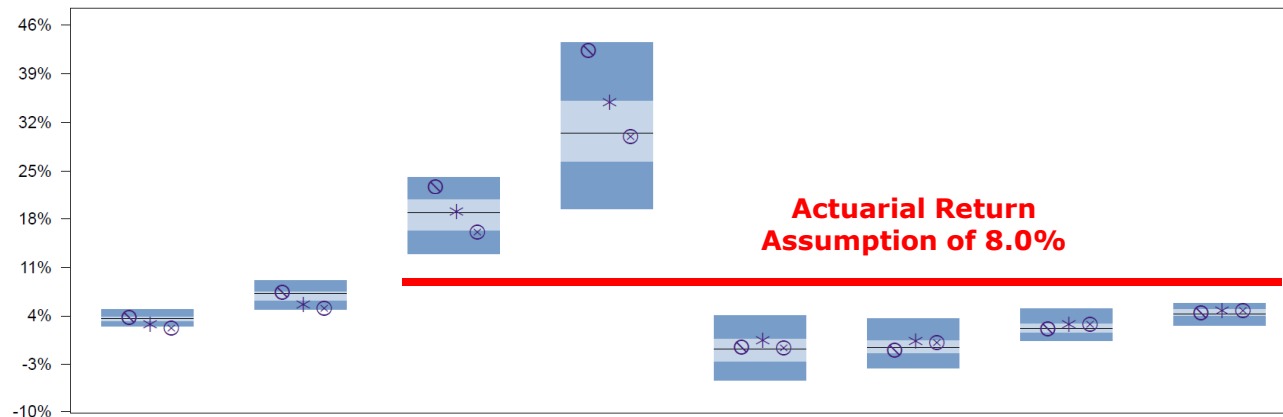
Total Public Funds Performance

VERMONT MUNICIPAL EMPLOYEES

Total Fund - Universe: Public Funds (DB)

Periods Ending March 31, 2010

Total Fund Performance - Trailing Periods



	One Quarter		Two Quarters		Three Quarters		One Year		Two Years		Three Years		Four Years		Five Years	
○ MUNI COMPOSITE	4.0	22	7.6	31	23.0	10	42.6	7	-0.2	41	-0.7	55	2.4	41	4.7	39
* MUNI Allocation	3.1	78	5.9	83	19.2	41	35.1	26	0.8	27	0.6	25	3.1	24	5.0	25
⊗ POLICY INDEX	2.5	93	5.3	92	16.3	75	30.2	51	-0.3	42	0.4	29	3.0	27	5.0	25
5th Percentile	4.9		9.1		24.1		43.5		4.1		3.6		5.0		5.8	
25th Percentile	4.0		7.6		20.8		35.2		0.8		0.6		3.0		5.0	
50th Percentile	3.6		7.2		18.8		30.4		-0.8		-0.5		2.2		4.3	
75th Percentile	3.2		6.1		16.2		26.3		-2.6		-1.4		1.6		3.9	
95th Percentile	2.5		4.9		12.9		19.4		-5.3		-3.5		0.4		2.6	

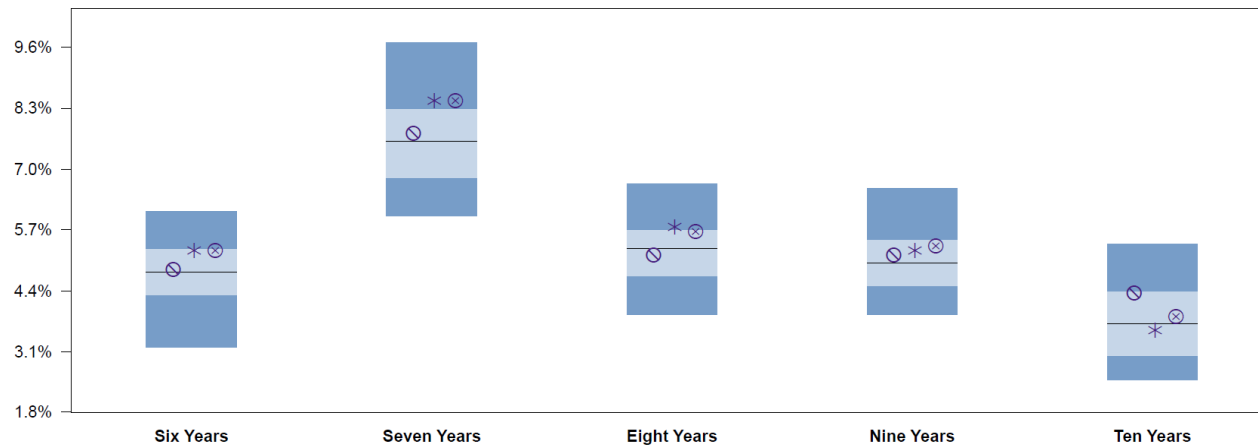
Total Public Funds Performance

VERMONT MUNICIPAL EMPLOYEES

Total Fund - Universe: Public Funds (DB)

Periods Ending March 31, 2010

Total Fund Performance - Trailing Periods



	Six Years		Seven Years		Eight Years		Nine Years		Ten Years	
⊙ MUNI COMPOSITE	4.9	41	7.8	45	5.2	55	5.2	34	4.4	25
* MUNI Allocation	5.3	24	8.5	21	5.8	21	5.3	32	3.6	53
⊙ POLICY INDEX	5.3	24	8.5	21	5.7	23	5.4	30	3.9	44
5th Percentile	6.1		9.7		6.7		6.6		5.4	
25th Percentile	5.3		8.3		5.7		5.5		4.4	
50th Percentile	4.8		7.6		5.3		5.0		3.7	
75th Percentile	4.3		6.8		4.7		4.5		3.0	
95th Percentile	3.2		6.0		3.9		3.9		2.5	

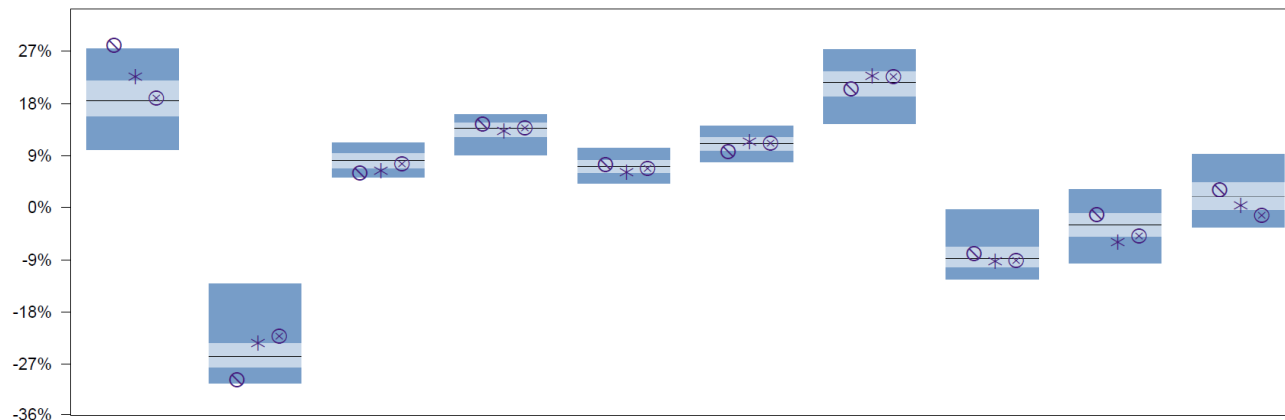
Total Public Funds Performance

VERMONT MUNICIPAL EMPLOYEES

Total Fund - Universe: Public Funds (DB)

Period Ending December 31, 2009

Total Fund Performance - One Year Time Periods



	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
○ MUNI COMPOSITE	28.4	-29.4	6.3	14.8	7.8	10.1	20.8	-7.6	-0.9	3.5
* MUNI Allocation	22.9	-23.0	6.7	13.6	6.5	11.7	23.1	-8.9	-5.6	0.7
⊗ POLICY INDEX	19.3	-21.9	8.0	14.1	7.1	11.5	23.0	-8.8	-4.6	-1.0
5th Percentile	27.5	-13.1	11.2	16.2	10.4	14.2	27.3	-0.3	3.2	9.3
25th Percentile	22.1	-23.3	9.6	14.8	8.3	12.3	23.6	-6.7	-0.9	4.5
50th Percentile	18.5	-25.6	8.2	13.7	7.2	11.1	21.7	-8.8	-2.9	1.9
75th Percentile	15.7	-27.6	6.8	12.2	6.0	9.8	19.2	-10.4	-5.1	-0.5
95th Percentile	10.1	-30.3	5.3	9.2	4.3	8.0	14.5	-12.3	-9.6	-3.4

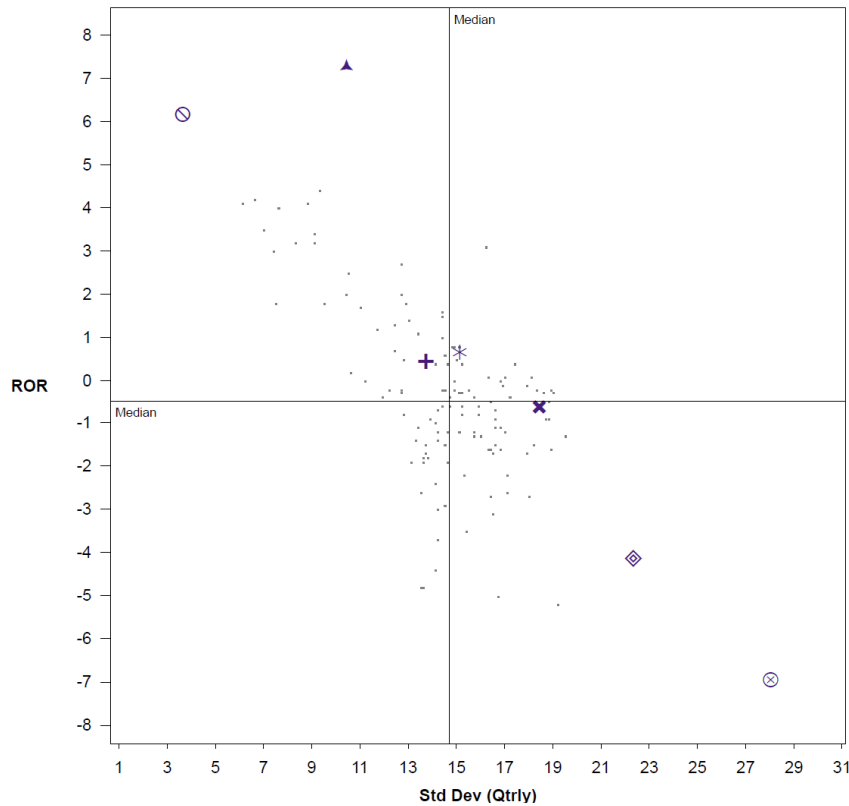
Risk vs. Return Analysis – 3 Years

VERMONT MUNICIPAL EMPLOYEES

Total Fund - Universe: Public Funds (DB)

Period Ending March 31, 2010

Risk vs. Return - 3 Year



NAME	Return	Std Dev	Sharpe Ratio
✖ MUNI COMPOSITE	-0.7 54	18.5 93	-0.1 46
* MUNI COMPOSITE Allocation Index	0.6 25	15.2 62	-0.1 28
+ POLICY INDEX	0.4 29	13.8 33	-0.1 38
◇ S&P 500	-4.2 97	22.4 100	-0.3 90
⊖ BC AGGREGATE	6.1 1	3.7 1	1.1 1
⊗ MSCI EAFE (NET)	-7.0 100	28.1 100	-0.3 95
▲ CITIGROUP WORLD GOVT BOND	7.2 1	10.5 12	0.5 1
Median	-0.5	14.7	-0.2

Funded status as of Fiscal Year 2009 = 90%



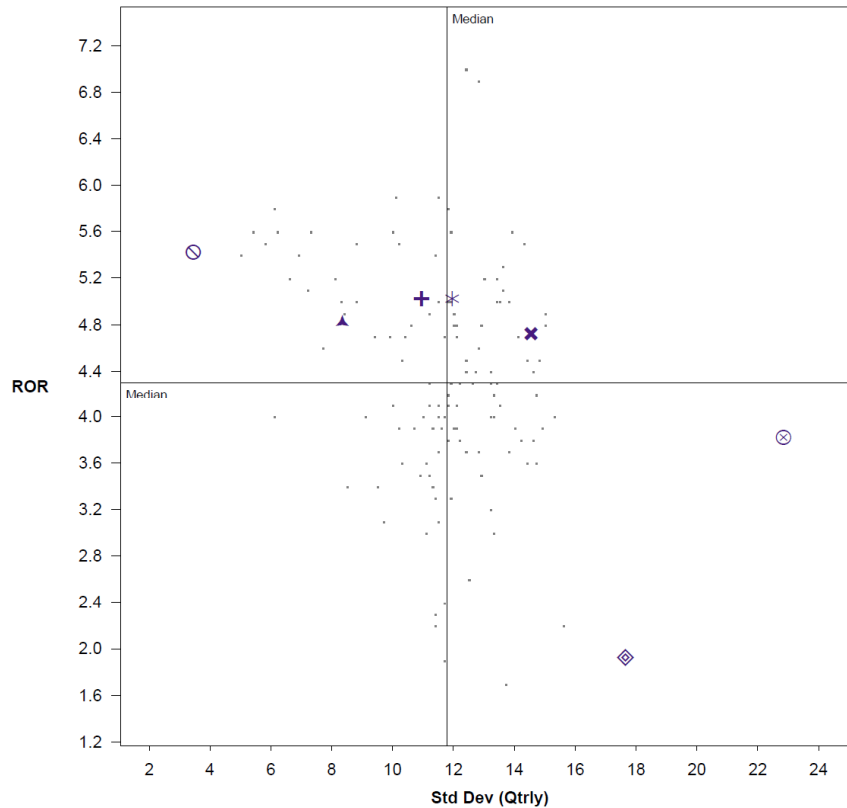
Risk vs. Return Analysis – 5 Years

VERMONT MUNICIPAL EMPLOYEES

Total Fund - Universe: Public Funds (DB)

Period Ending March 31, 2010

Risk vs. Return - 5 Year



NAME	Return	Standard Deviation	Sharpe Ratio
✖ MUNI COMPOSITE	4.7 38	14.6 92	0.1 50
* MUNI COMPOSITE Allocation Index	5.0 25	12.0 56	0.2 32
+ POLICY INDEX	5.0 25	11.0 27	0.2 22
◇ S&P 500	1.9 100	17.7 100	-0.1 99
⊘ BC AGGREGATE	5.4 13	3.5 1	0.7 1
⊗ MSCI EAFE (NET)	3.8 79	22.9 100	0.0 90
▲ CITIGROUP WORLD GOVT BOND	4.8 34	8.4 11	0.2 19
Median	4.3	11.8	0.1

Funded status as of Fiscal Year 2009 = 90%

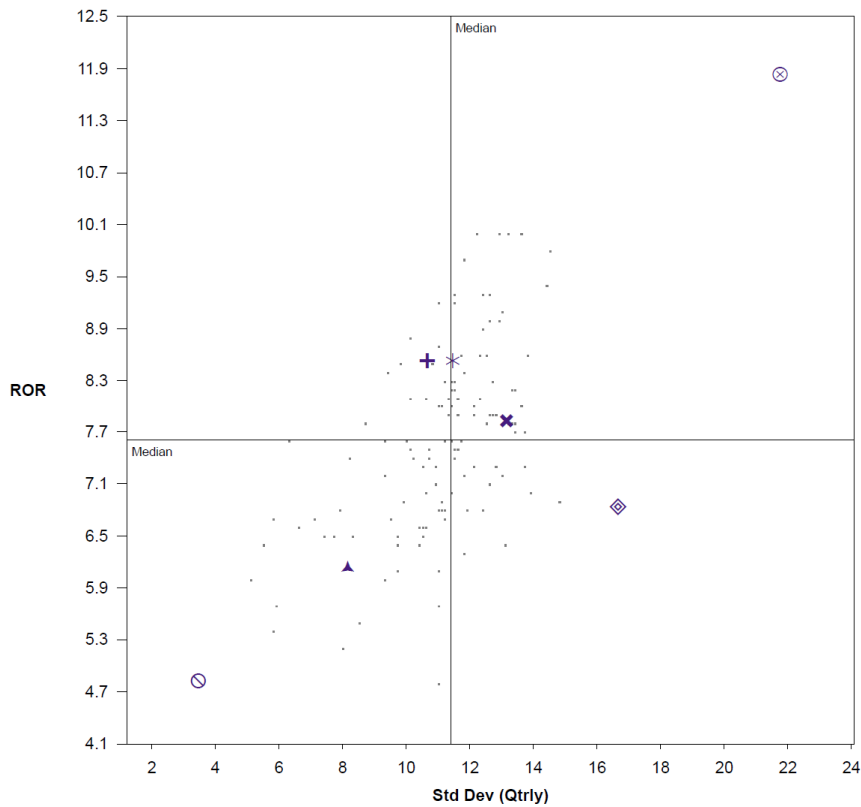
Risk vs. Return Analysis – 7 Years

VERMONT MUNICIPAL EMPLOYEES

Total Fund - Universe: Public Funds (DB)

Period Ending March 31, 2010

Risk vs. Return - 7 Year



NAME	Return	Standard Deviation	Sharpe Ratio
✘ MUNI COMPOSITE	7.8 45	13.2 88	0.4 76
* MUNI COMPOSITE Allocation Index	8.5 21	11.5 57	0.5 28
+ POLICY INDEX	8.5 21	10.7 33	0.6 19
◇ S&P 500	6.8 77	16.7 100	0.3 100
○ BC AGGREGATE	4.8 100	3.5 1	0.7 4
⊗ MSCI EAFE (NET)	11.8 1	21.8 100	0.4 69
▲ CITIGROUP WORLD GOVT BOND	6.1 92	8.2 10	0.4 62
Median	7.6	11.4	0.5

Funded status as of Fiscal Year 2009 = 90%



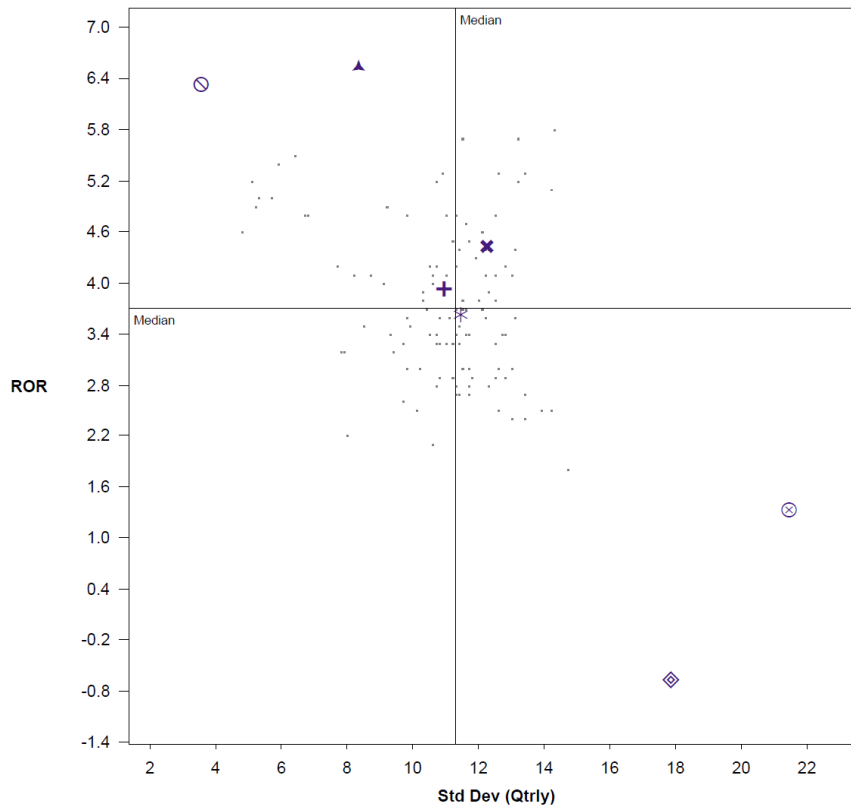
Risk vs. Return Analysis – 10 Years

VERMONT MUNICIPAL EMPLOYEES

Total Fund - Universe: Public Funds (DB)

Period Ending March 31, 2010

Risk vs. Return - 10 Year



NAME	Return	Standard Deviation	Sharpe Ratio
* MUNI COMPOSITE	4.4 24	12.3 73	0.1 34
* MUNI COMPOSITE Allocation Index	3.6 53	11.5 59	0.1 54
+ POLICY INDEX	3.9 44	11.0 43	0.1 44
◇ S&P 500	-0.7 100	17.9 100	-0.2 100
⊗ BC AGGREGATE	6.3 1	3.6 1	1.0 2
⊙ MSCI EAFE (NET)	1.3 100	21.5 100	-0.1 99
▲ CITIGROUP WORLD GOVT BOND	6.5 1	8.4 12	0.4 3
Median	3.7	11.3	0.1

Funded status as of Fiscal Year 2009 = 90%

