



NEPC, LLC

YOU DEMAND MORE. *So do we.*SM

VPIC - Municipal Employees

Investment Summary

Quarter Ending September 30, 2012

One Main Street, Cambridge, MA 02142 | TEL: 617.374.1300 | FAX: 617.374.1313 | www.nepc.com

CAMBRIDGE | ATLANTA | CHARLOTTE | CHICAGO | DETROIT | LAS VEGAS | SAN FRANCISCO

Total Fund

Vermont Municipal Employees

Total Fund Performance Summary

	Market Value	3 Mo	Rank	YTD	Rank	Fiscal YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank
Municipal Composite	\$432,317,176	5.1%	22	10.8%	43	5.1%	22	16.1%	54	10.5%	12	3.1%	33
<i>Policy Index</i>		4.5%	60	9.0%	91	4.5%	60	13.8%	84	7.9%	89	2.7%	46
<i>Allocation Index</i>		4.4%	64	8.7%	94	4.4%	64	13.3%	92	7.9%	89	2.7%	46
<i>ICC Public DB Median</i>		4.7%		10.5%		4.7%		16.3%		9.3%		2.5%	

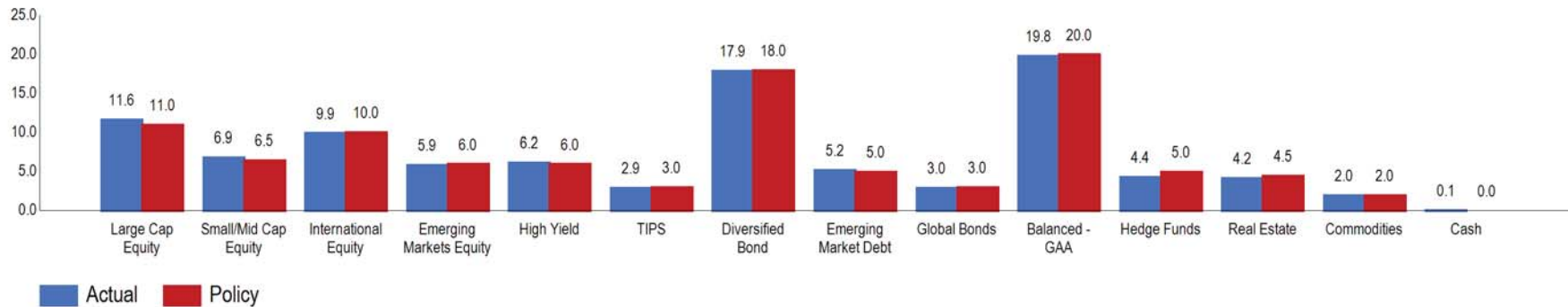
3 Years Ending September 30, 2012

	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Sortino Ratio RF	Rank
Municipal Composite	10.46%	12	8.88%	40	1.17	21	1.81	19
Policy Index	7.93%	89	8.68%	34	0.90	74	1.48	71

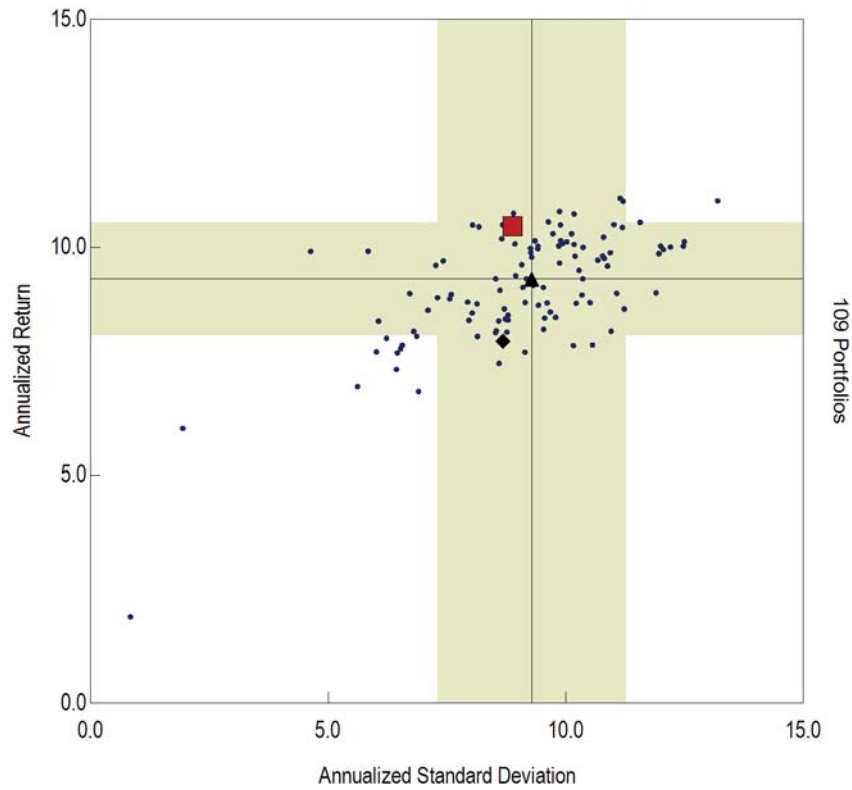
5 Years Ending September 30, 2012

	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Sortino Ratio RF	Rank
Municipal Composite	3.11%	33	13.52%	76	0.19	38	0.23	43
Policy Index	2.67%	46	11.57%	42	0.19	40	0.24	42

Actual vs Target Allocation (%)

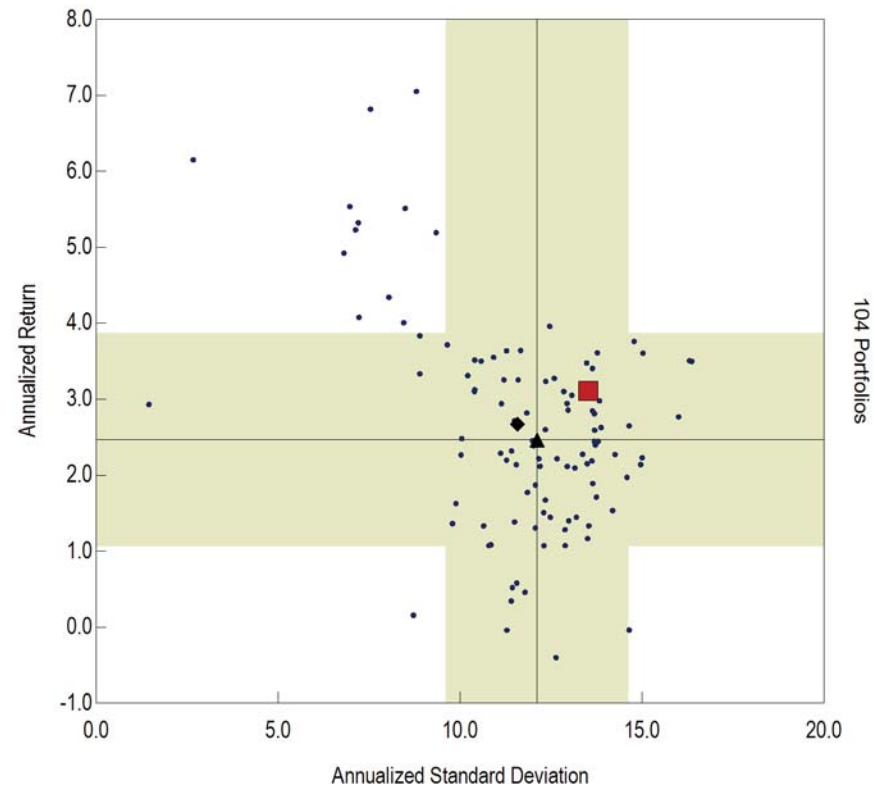


3 Years Ending September 30, 2012



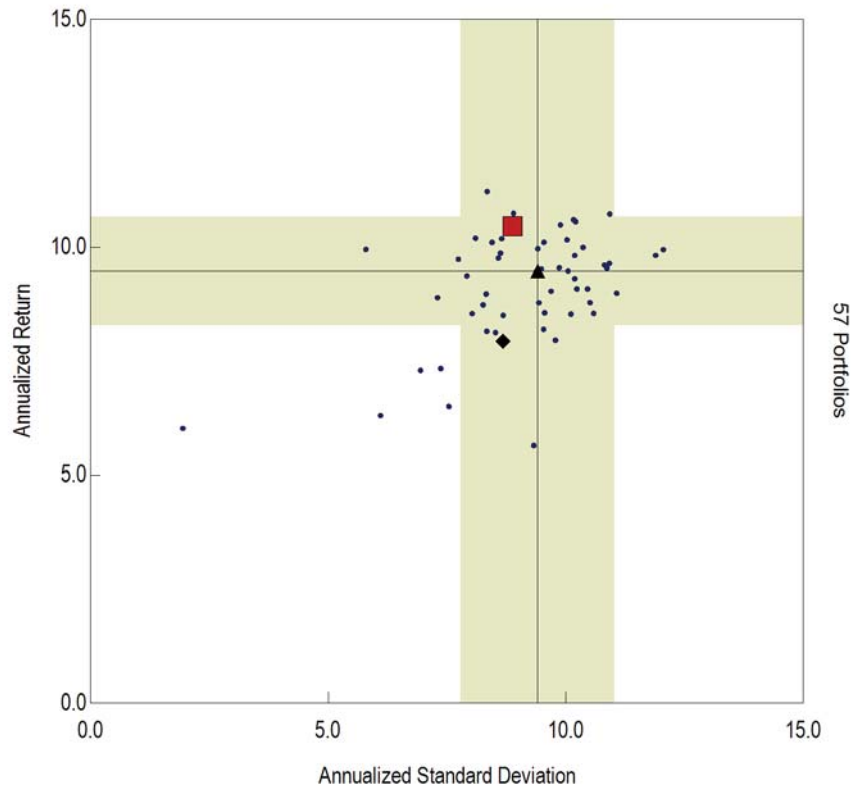
- Municipal Composite
- ◆ Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- ICC Public DB

5 Years Ending September 30, 2012



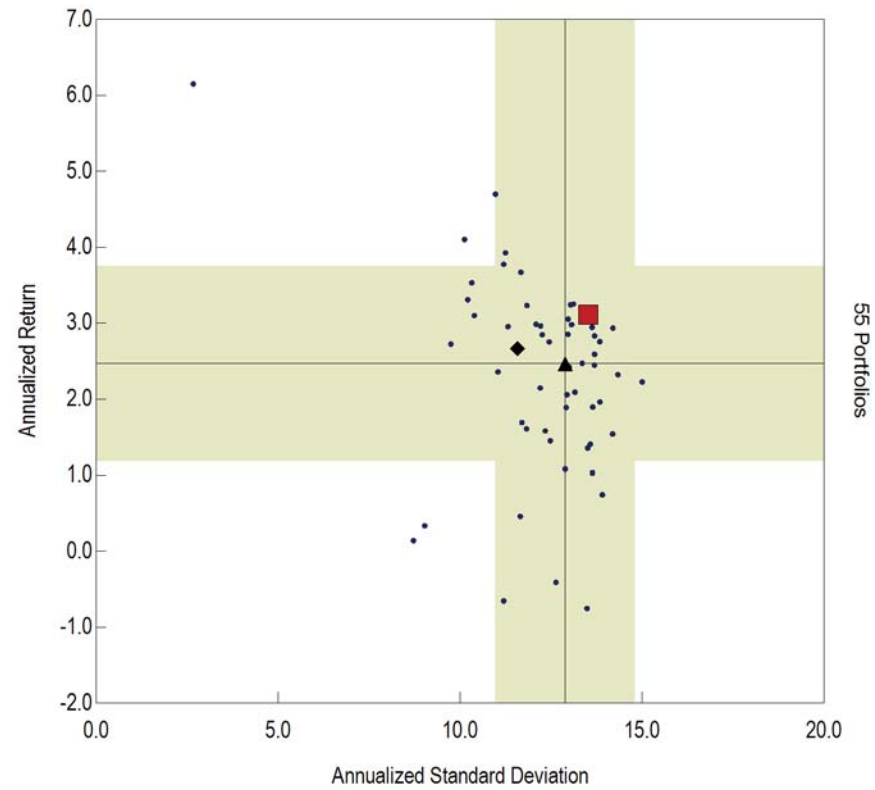
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3 Years Ending September 30, 2012



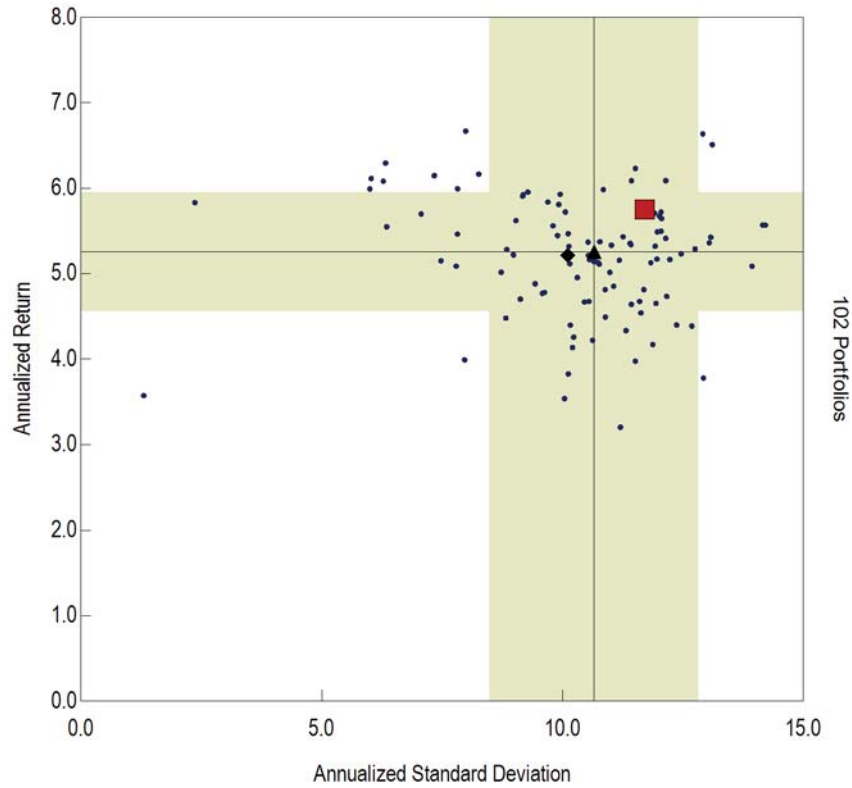
- Municipal Composite
- ◆ Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- IF Public DB > \$250mm Gross

5 Years Ending September 30, 2012



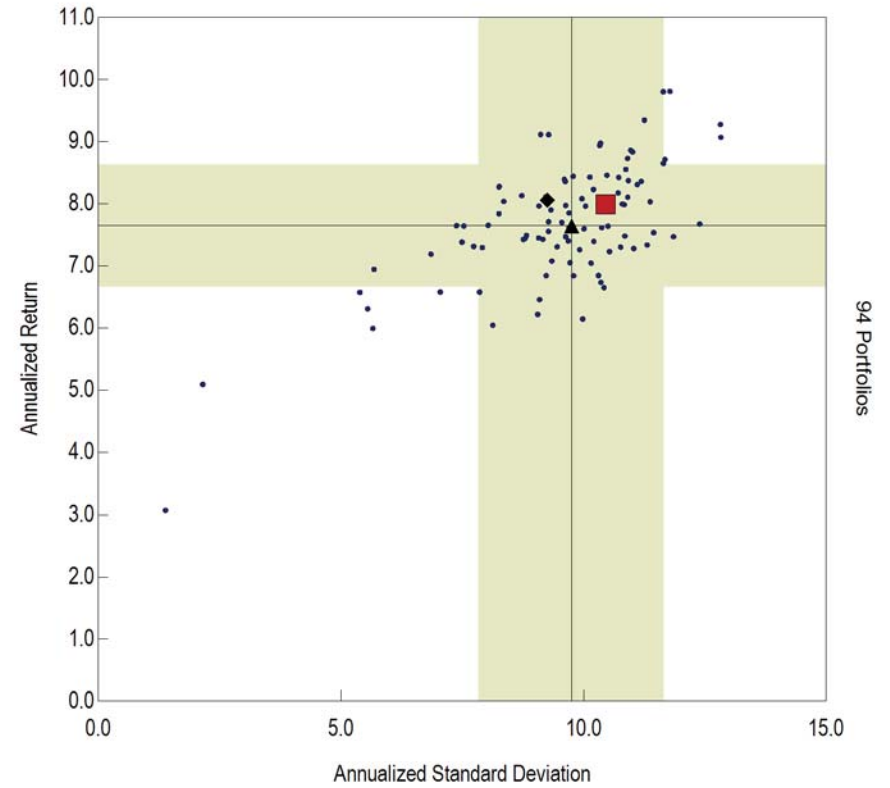
- Municipal Composite
- ◆ Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- IF Public DB > \$250mm Gross

7 Years Ending September 30, 2012



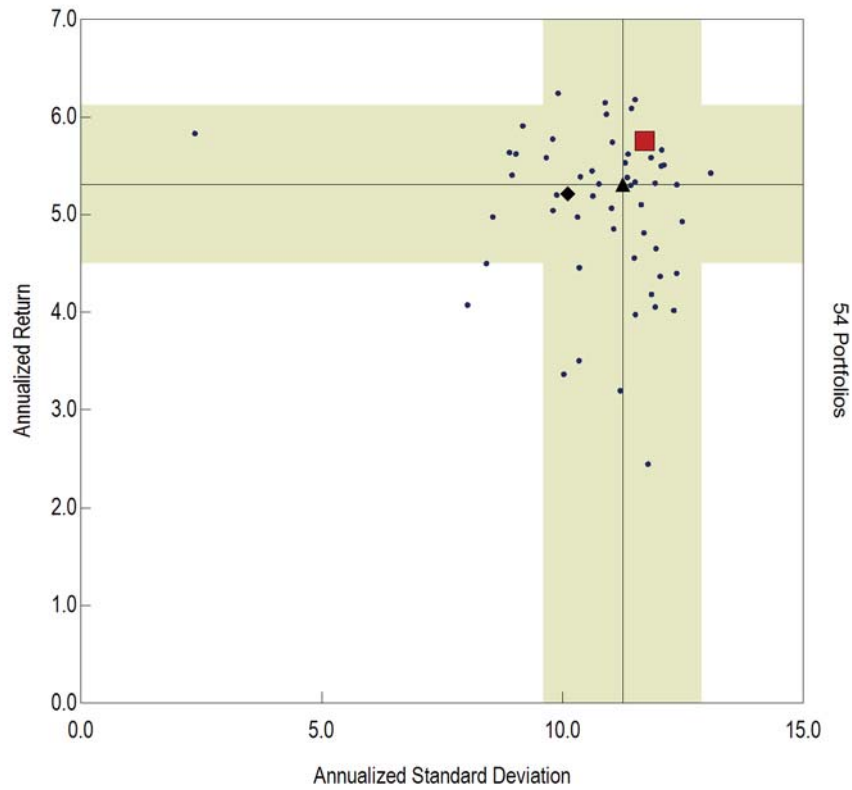
- Municipal Composite
- ◆ Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- ICC Public DB

10 Years Ending September 30, 2012



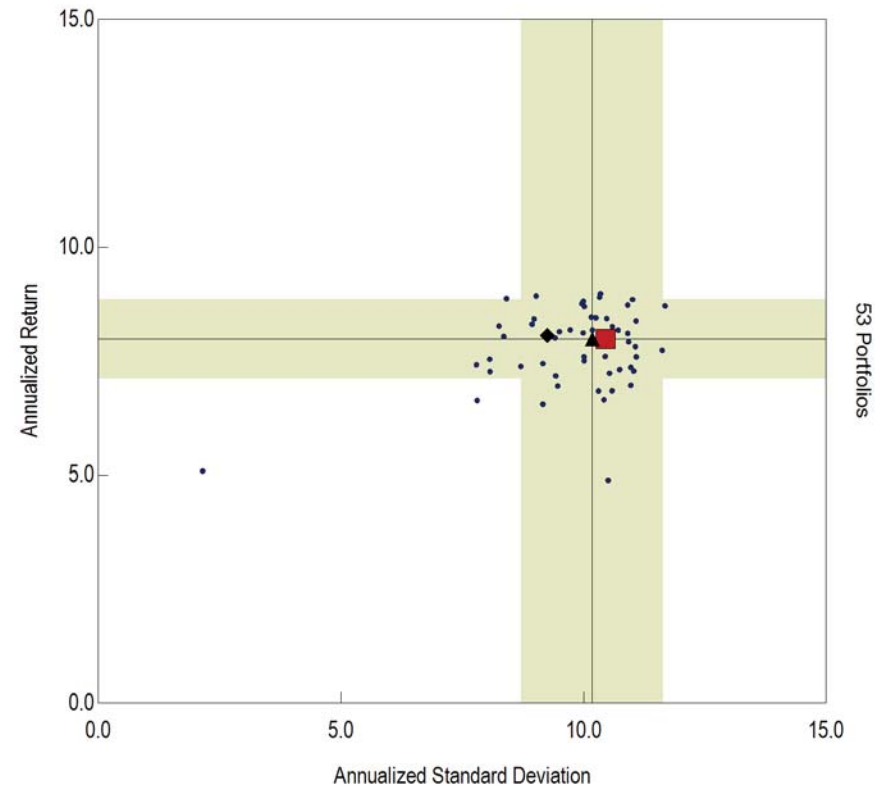
- Municipal Composite
- ◆ Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- ICC Public DB

7 Years Ending September 30, 2012



- Municipal Composite
- ◆ Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- IF Public DB > \$250mm Gross

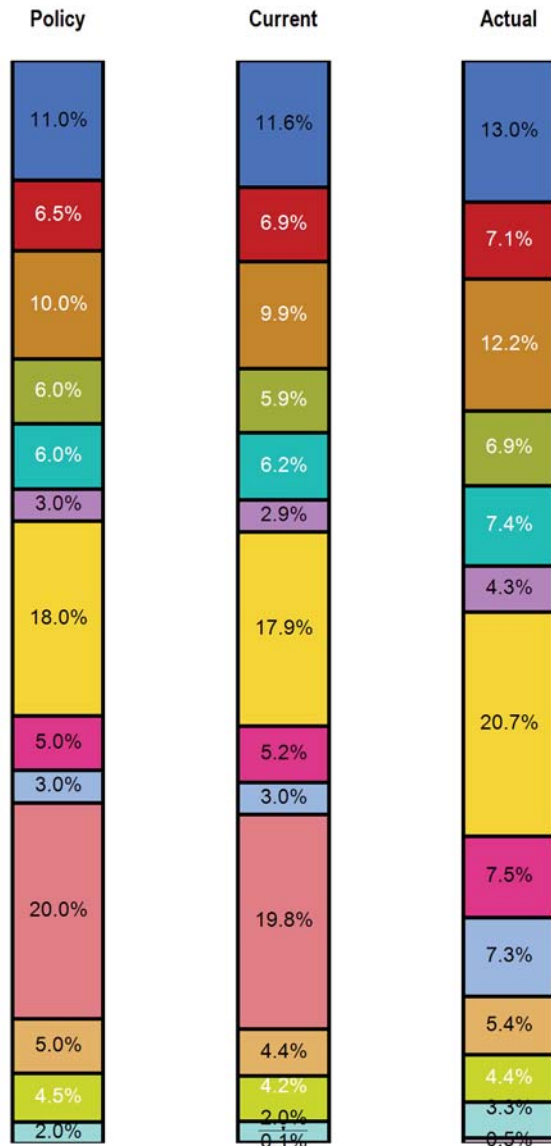
10 Years Ending September 30, 2012



- Municipal Composite
- ◆ Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- IF Public DB > \$250mm Gross

Vermont Municipal Employees

Total Fund Asset Allocation vs. Policy Targets

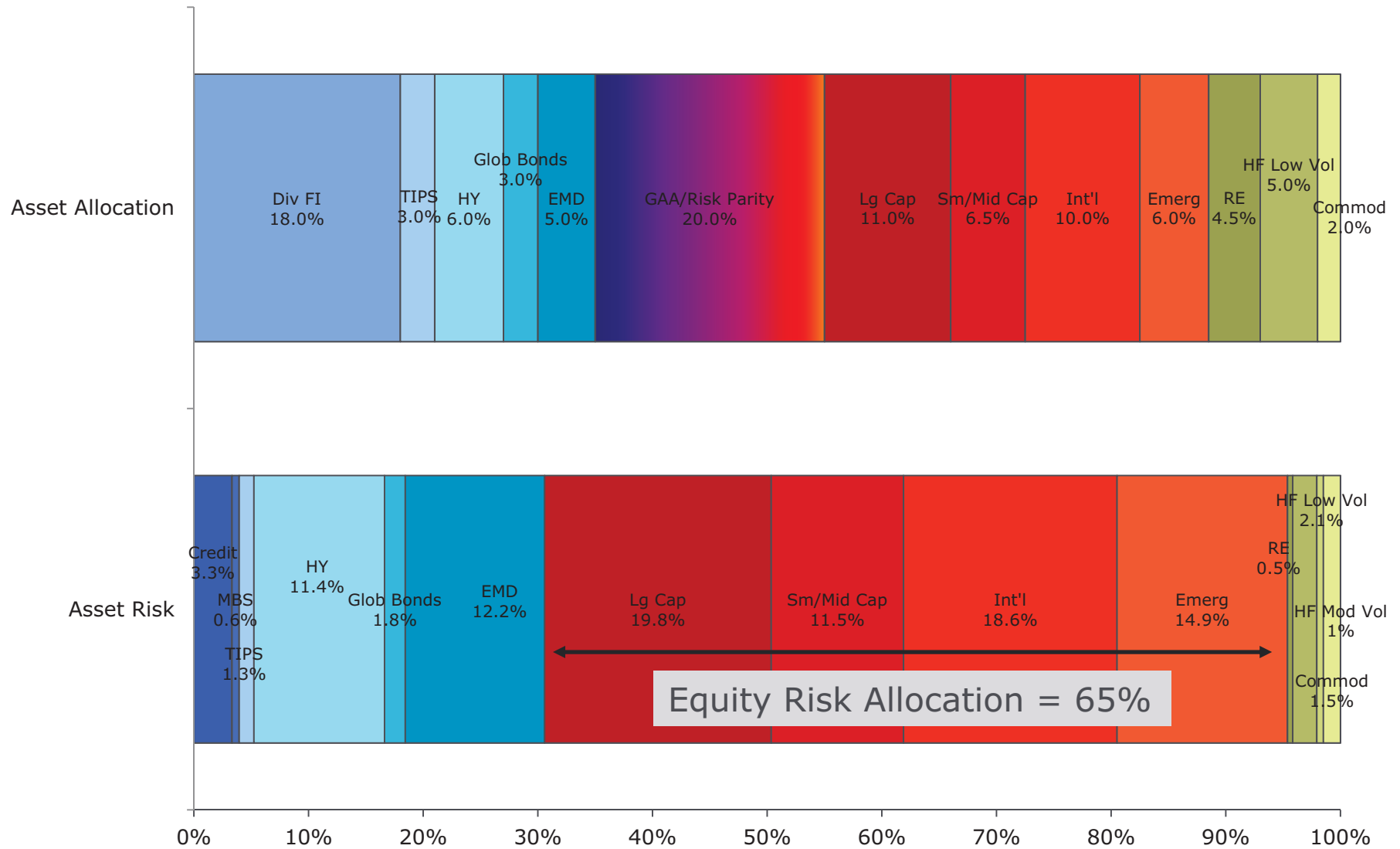


Asset Allocation vs. Target

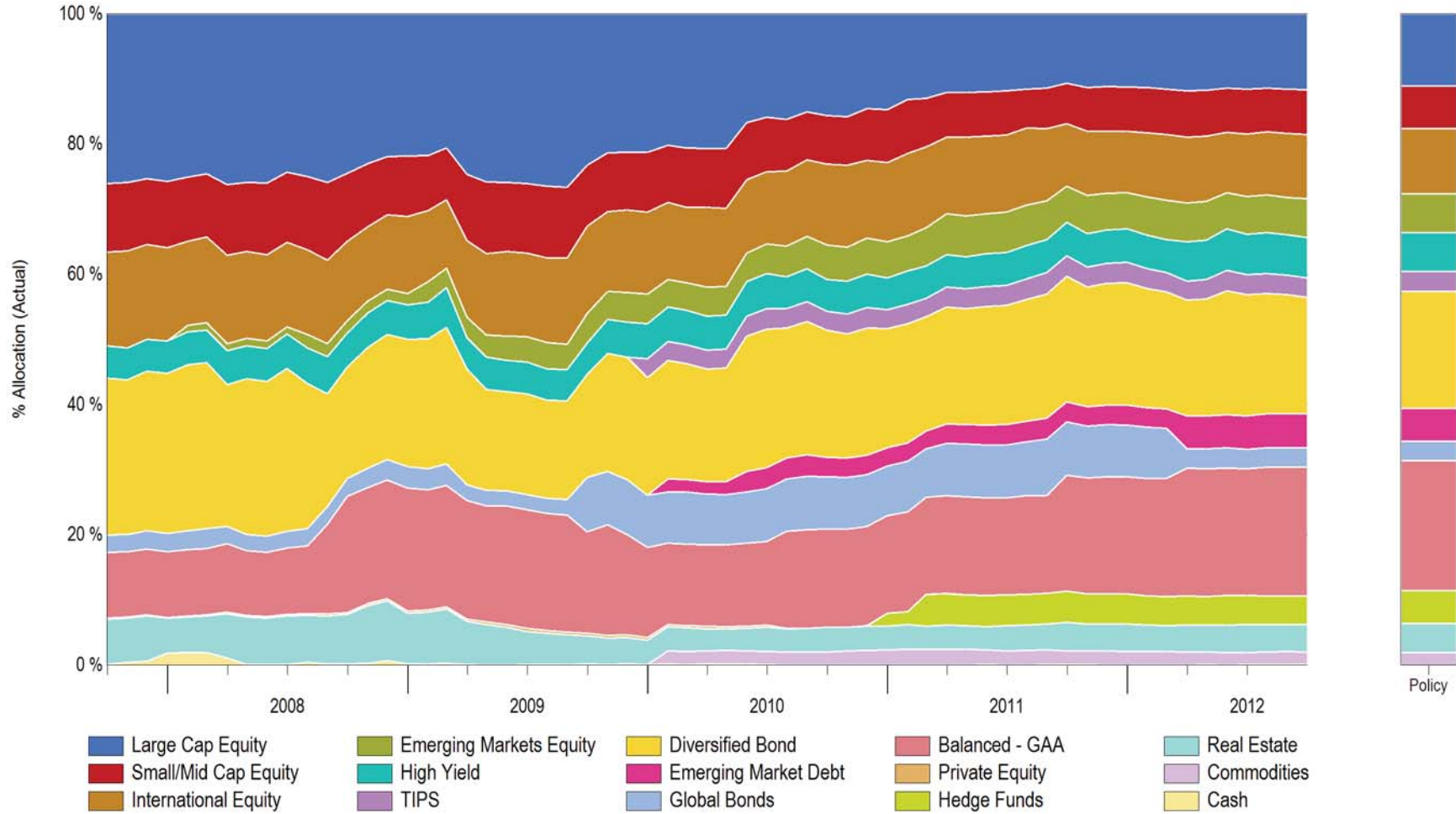
	Current	Policy	Current	Difference*
Large Cap Equity	\$50,291,490	11.0%	11.6%	0.6%
Small/Mid Cap Equity	\$29,681,064	6.5%	6.9%	0.4%
International Equity	\$42,819,136	10.0%	9.9%	-0.1%
Emerging Markets Equity	\$25,574,601	6.0%	5.9%	-0.1%
High Yield	\$26,866,449	6.0%	6.2%	0.2%
TIPS	\$12,744,494	3.0%	2.9%	-0.1%
Diversified Bond	\$77,519,150	18.0%	17.9%	-0.1%
Emerging Market Debt	\$22,565,763	5.0%	5.2%	0.2%
Global Bonds	\$12,806,984	3.0%	3.0%	0.0%
Balanced - GAA	\$85,648,124	20.0%	19.8%	-0.2%
Hedge Funds	\$18,849,820	5.0%	4.4%	-0.6%
Real Estate	\$18,193,081	4.5%	4.2%	-0.3%
Commodities	\$8,447,244	2.0%	2.0%	0.0%
Cash	\$309,776	--	0.1%	0.1%
Total	\$432,317,176	100.0%	100.0%	

*Difference between Policy and Current Allocation

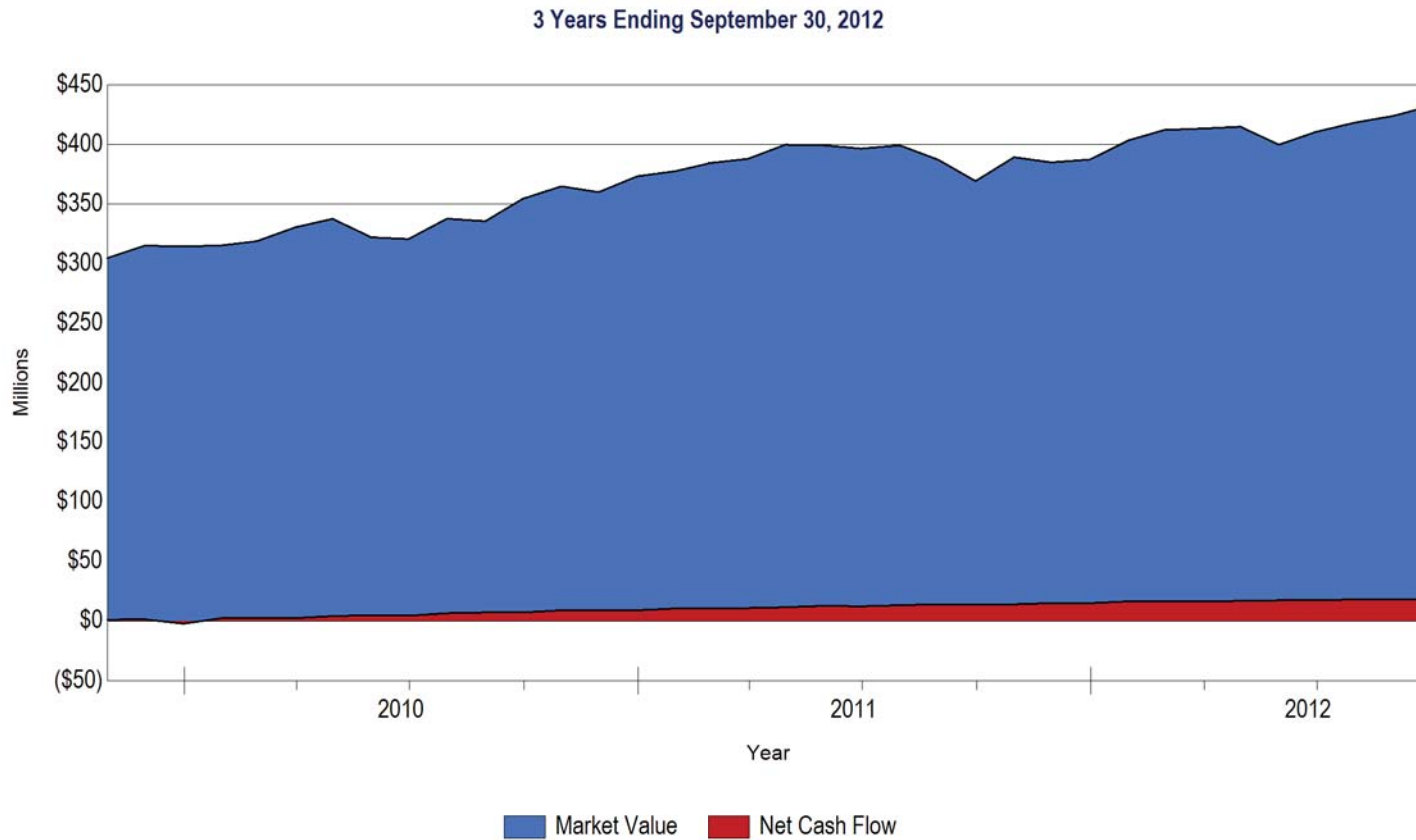
Total Plan Performance Analysis



Asset Allocation History



Total Fund Asset Growth Summary



	Last Three Months	Year-To-Date	Fiscal Year-To-Date	One Year	Three Years
Beginning Market Value	\$410,567,350	\$387,418,022	\$410,567,350	\$369,307,560	\$306,448,669
- Withdrawals	-\$84,576	-\$40,604,853	-\$84,576	-\$64,295,696	-\$353,224,796
+ Contributions	\$800,079	\$43,669,133	\$800,079	\$68,350,018	\$371,154,960
= Net Cash Flow	\$715,503	\$3,064,280	\$715,503	\$4,054,322	\$17,930,165
+ Net Investment Change	\$21,034,323	\$41,834,873	\$21,034,323	\$58,955,294	\$107,938,342
= Ending Market Value	\$432,317,176	\$432,317,176	\$432,317,176	\$432,317,176	\$432,317,176

Municipal Composite

Cash Flows
3 Months Ending September 30, 2012

Month Ending	Beginning Market Value	Withdrawals	Contributions	Net Cash Flow	Net Investment Change	Ending Market Value
Jul-12	\$410,567,350.13	-\$18,757.72	\$800,000.00	\$781,242.28	\$6,935,454.02	\$418,284,046.43
Aug-12	\$418,284,046.43	-\$17,755.55	\$0.00	-\$17,755.55	\$5,620,101.14	\$423,886,392.02
Sep-12	\$423,886,392.02	-\$48,062.82	\$78.69	-\$47,984.13	\$8,478,767.62	\$432,317,175.51

Vermont Municipal Employees

Total Fund Asset Growth Summary by Manager

	Quarter Ending September 30, 2012					Ending Market Value
	Beginning Market Value	Withdrawals	Contributions	Net Cash Flow	Net Investment Change	
Aberdeen	\$23,698,516	\$0	\$0	\$0	\$1,876,085	\$25,574,601
Acadian	\$16,285,202	\$0	\$0	\$0	\$1,148,636	\$17,433,838
Allianz Structured Alpha	\$11,039,903	\$0	\$0	\$0	\$260,765	\$11,300,668
AQR Global Risk Premium	\$33,159,548	\$0	\$0	\$0	\$2,711,729	\$35,871,277
Barclays TIPS	\$12,480,288	\$0	\$0	\$0	\$264,206	\$12,744,494
Champlain	\$8,577,939	\$0	\$0	\$0	\$319,060	\$8,896,998
GAM	\$3,668,053	\$0	\$0	\$0	\$113,156	\$3,781,209
Grosvenor	\$7,262,861	\$0	\$0	\$0	\$192,542	\$7,455,403
KDP	\$4,124,765	\$0	\$0	\$0	\$159,799	\$4,284,564
Mellon Global Expanded Alpha	\$7,903,421	\$0	\$0	\$0	\$581,776	\$8,485,197
Mondrian	\$15,664,965	\$0	\$800,000	\$800,000	\$981,736	\$17,446,701
Mondrian GFI	\$12,395,277	\$0	\$0	\$0	\$411,708	\$12,806,984
Morgan Stanley Prime Property	\$7,464,205	\$0	\$0	\$0	\$236,876	\$7,701,081
Permal	\$7,342,445	\$0	\$0	\$0	\$270,764	\$7,613,209
PIMCO All Asset	\$23,020,064	\$0	\$0	\$0	\$1,478,066	\$24,498,130
PIMCO Core Plus	\$26,873,885	\$0	\$0	\$0	\$624,622	\$27,498,507
PIMCO Unconstrained	\$26,320,729	\$0	\$0	\$0	\$299,376	\$26,620,104
Post Advisory	\$21,660,445	\$0	\$0	\$0	\$921,439	\$22,581,884
RREEF America REIT III	\$3,032,870	\$0	\$0	\$0	\$230,898	\$3,263,768
Schroder	\$7,650,012	\$0	\$0	\$0	\$797,232	\$8,447,244
SSgA ACWI Ex US	\$7,390,979	\$0	\$0	\$0	\$547,618	\$7,938,597
SSgA Russell 2000 Growth	\$8,617,401	\$0	\$0	\$0	\$415,740	\$9,033,140
SSgA S&P 400	\$2,419,765	\$0	\$0	\$0	\$131,739	\$2,551,504
SSgA S&P 500 Cap-Wgt	\$21,145,697	\$0	\$0	\$0	\$1,346,920	\$22,492,617
SSgA S&P 500 Equal-Wgt	\$12,857,847	\$0	\$0	\$0	\$749,180	\$13,607,027

Vermont Municipal Employees

Total Fund Asset Growth Summary by Manager

	Quarter Ending September 30, 2012					Ending Market Value
	Beginning Market Value	Withdrawals	Contributions	Net Cash Flow	Net Investment Change	
T. Rowe	\$13,310,297	\$0	\$0	\$0	\$881,549	\$14,191,846
Transwestern / Aslan III	\$81,916	\$0	\$0	\$0	\$0	\$81,916
UBS Trumbull	\$6,970,455	\$0	\$0	\$0	\$175,861	\$7,146,316
Vermont Cash	\$310,979	-\$1,287	\$79	-\$1,208	\$5	\$309,776
Wellington	\$8,799,552	\$0	\$0	\$0	\$399,869	\$9,199,421
Wellington DAS	\$12,017,542	\$0	\$0	\$0	\$82,328	\$12,099,870
Wellington OIF	\$15,936,937	\$0	\$0	\$0	\$856,584	\$16,793,520
Wellington Opportunistic EMD	\$21,082,592	\$0	\$0	\$0	\$1,483,171	\$22,565,763
Total	\$410,567,350	-\$1,287	\$800,079	\$798,792	\$20,951,034	\$432,317,176

Vermont Municipal Employees

Total Fund Performance Detail

	Market Value (\$)	% of Portfolio	2012 Q3 (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Municipal Composite	432,317,176	100.0	5.1	22	10.8	43	16.1	54	10.5	12	3.1	33
<i>Policy Index</i>			4.5	60	9.0	91	13.8	84	7.9	89	2.7	46
<i>Allocation Index</i>			4.4	64	8.7	94	13.3	92	7.9	89	2.7	46
<i>ICC Public DB Median</i>			4.7		10.5		16.3		9.3		2.5	
Large Cap Comp	50,291,490	11.6	6.3	49	15.9	41	29.9	35	14.0	25	2.2	42
<i>S&P 500</i>			6.4	47	16.4	36	30.2	33	13.2	37	1.1	63
<i>eA US Large Cap Equity Gross Median</i>			6.2		15.1		28.3		12.3		1.7	
T. Rowe	14,191,846	3.3	6.6	39	17.1	28	30.7	28	13.0	40	1.8	48
SSgA S&P 500 Cap-Wgt	22,492,617	5.2	6.4	47	16.5	35	30.3	32	--	--	--	--
<i>S&P 500</i>			6.4	47	16.4	36	30.2	33	13.2	37	1.1	63
SSgA S&P 500 Equal-Wgt	13,607,027	3.1	5.8	63	14.0	63	28.6	48	14.0	25	2.7	31
<i>S&P 500 Equal Weighted</i>			5.9	61	14.4	58	28.7	48	14.0	25	3.2	24
Small/Mid Cap Comp	29,681,064	6.9	4.5	71	12.8	54	29.4	48	15.1	41	4.1	40
<i>Russell 2000</i>			5.3	53	14.2	39	31.9	27	13.0	69	2.2	67
<i>eA US Small-Mid Cap Equity Gross Median</i>			5.4		13.1		29.2		14.3		3.2	
SSgA S&P 400	2,551,504	0.6	5.4	39	13.9	47	28.7	37	--	--	--	--
<i>S&P 400 MidCap</i>			5.4	39	13.8	47	28.5	38	14.3	42	3.8	35
<i>eA US Mid Cap Equity Gross Median</i>			5.1		13.4		27.0		13.8		3.0	
Champlain	8,896,998	2.1	3.7	83	11.6	71	24.9	70	14.8	35	--	--
<i>Russell 2500</i>			5.6	38	14.3	41	30.9	21	14.1	44	2.8	53
<i>eA US Mid Cap Equity Gross Median</i>			5.1		13.4		27.0		13.8		3.0	
Wellington	9,199,421	2.1	4.5	69	12.4	56	32.5	38	15.8	16	6.1	14
<i>Russell 2000 Value</i>			5.7	47	14.4	35	32.6	38	11.7	77	1.3	86
<i>eA US Small Cap Value Equity Gross Median</i>			5.4		12.8		30.8		13.3		3.5	
SSgA Russell 2000 Growth	9,033,140	2.1	4.8	66	14.2	58	31.2	51	14.3	69	3.0	53
<i>Russell 2000 Growth</i>			4.8	65	14.1	59	31.2	51	14.2	70	3.0	54
<i>eA US Small Cap Growth Equity Gross Median</i>			5.7		14.6		31.3		15.9		3.2	

Vermont Municipal Employees

Total Fund Performance Detail

	Market Value (\$)	% of Portfolio	2012 Q3 (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Int'l Equity Comp	42,819,136	9.9	6.7	77	9.0	89	12.4	91	3.2	74	-5.3	81
MSCI EAFE			6.9	70	10.1	78	13.8	80	2.1	88	-5.2	80
eA All EAFE Equity Gross Median			7.6		12.6		16.9		4.9		-3.6	
Acadian	17,433,838	4.0	7.1	63	11.2	68	13.7	80	3.6	69	-7.0	95
Mondrian	17,446,701	4.0	6.0	86	6.1	96	10.0	94	3.0	77	-3.6	51
MSCI EAFE			6.9	70	10.1	78	13.8	80	2.1	88	-5.2	80
SSgA ACWI Ex US	7,938,597	1.8	7.4	49	10.6	78	14.7	84	--	--	--	--
MSCI ACWI ex USA			7.4	49	10.4	79	14.5	86	3.2	86	-4.1	82
eA ACWI ex-US All Cap Equity Gross Median			7.4		12.6		18.3		6.5		-2.6	
Emerging Market Comp	25,574,601	5.9	7.9	--	--	--	--	--	--	--	--	--
Aberdeen	25,574,601	5.9	7.9	41	18.6	7	24.7	4	13.9	4	--	--
MSCI Emerging Markets			7.7	45	12.0	63	16.9	62	5.6	64	-1.3	61
eA Emg Mkts Equity Gross Median			7.7		13.0		18.1		6.7		-0.6	

Vermont Municipal Employees

Total Fund Performance Detail

	Market Value (\$)	% of Portfolio	2012 Q3 (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Diversified Fixed	77,519,150	17.9	1.7	84	6.2	27	9.1	9	8.6	10	5.8	92
Barclays Aggregate			1.6	87	4.0	90	5.2	89	6.2	83	6.5	83
eA US Core Fixed Inc Gross Median			2.2		5.5		6.7		7.1		7.2	
Allianz Structured Alpha	11,300,668	2.6	2.4	33	10.3	1	23.1	1	11.5	2	--	--
Citigroup 10 Year Treasury			0.9	99	4.4	81	5.6	82	8.4	13	8.5	6
PIMCO Core Plus	27,498,507	6.4	2.3	35	6.8	14	8.4	14	7.9	21	--	--
Barclays Aggregate			1.6	87	4.0	90	5.2	89	6.2	83	6.5	83
PIMCO Unconstrained	26,620,104	6.2	1.1	96	3.9	91	5.3	86	--	--	--	--
25% HY, 25% EMD, 50% BC Agg			3.6	3	8.7	3	12.4	1	9.4	4	8.4	9
3-Month Libor Total Return USD			0.1	99	0.4	99	0.5	99	0.4	99	1.2	99
Wellington DAS	12,099,870	2.8	0.7	99	6.3	25	7.5	33	10.7	2	--	--
Wellington Custom Benchmark			0.3	99	4.1	87	6.0	74	11.8	2	9.9	1
High Yield Comp	26,866,449	6.2	4.2	67	11.4	59	17.5	70	12.0	68	8.9	46
Barclays High Yield			4.5	41	12.1	42	19.4	30	12.9	40	9.3	34
eA US High Yield Fixed Inc Gross Median			4.4		11.8		18.5		12.6		8.7	
Post Advisory	22,581,884	5.2	4.3	61	11.7	53	17.5	70	12.2	62	9.1	42
KDP	4,284,564	1.0	3.9	81	9.9	83	17.1	71	10.3	92	--	--
Barclays High Yield			4.5	41	12.1	42	19.4	30	12.9	40	9.3	34
BofA Merrill Lynch US High Yield BB-B Rated			4.5	48	11.3	63	17.8	66	12.0	67	8.3	62
Global Fixed Income Comp	12,806,984	3.0	3.3	72	6.7	53	7.2	59	8.3	31	8.8	18
Citigroup WGBI			3.0	79	3.4	91	3.3	92	4.3	91	6.5	63
eA All Global Fixed Inc Gross Median			3.9		7.2		8.0		6.9		6.9	
Mondrian GFI	12,806,984	3.0	3.3	72	5.1	75	4.9	81	6.3	61	8.6	21
Citigroup WGBI			3.0	79	3.4	91	3.3	92	4.3	91	6.5	63
Emerging Market Debt	22,565,763	5.2										
Wellington Opportunistic EMD	22,565,763	5.2	7.0	32	15.7	34	21.0	35	--	--	--	--
JP Morgan EMBI Global TR			6.8	39	14.7	45	20.6	36	12.3	48	10.3	46
eA All Emg Mkts Fixed Inc Gross Median			6.5		14.5		19.1		12.2		10.2	
TIPS	12,744,494	2.9										
Barclays TIPS	12,744,494	2.9	2.1	--	6.2	--	9.0	--	--	--	--	--
Barclays US TIPS			2.1	--	6.2	--	9.1	--	9.3	--	7.9	--

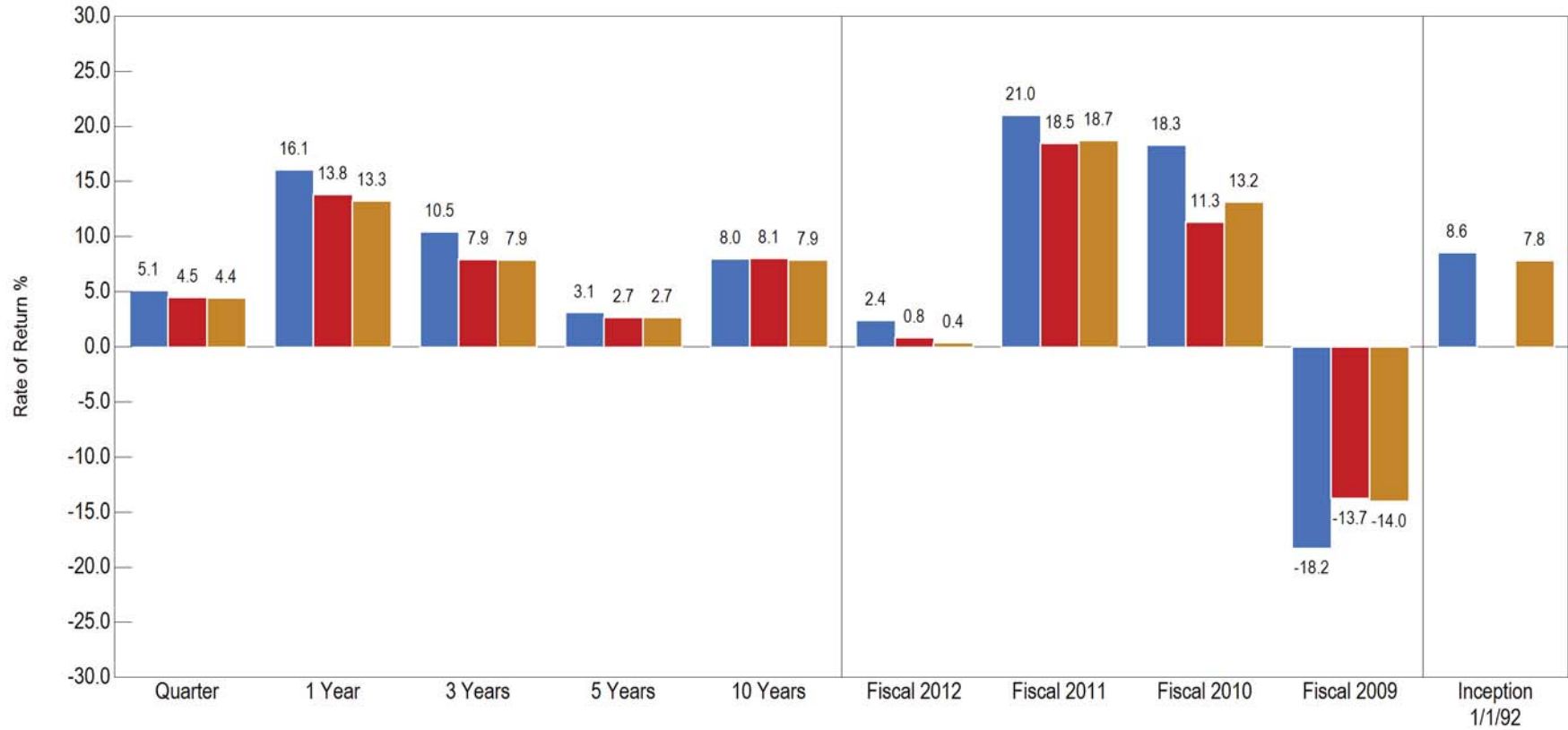
Vermont Municipal Employees

Total Fund Performance Detail

	Market Value (\$)	% of Portfolio	2012 Q3 (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Total Real Estate	18,193,081	4.2										
Morgan Stanley Prime Property	7,701,081	1.8	3.5	--	9.3	--	13.0	--	13.0	--	-0.9	--
UBS Trumbull	7,146,316	1.7	2.5	--	8.0	--	10.5	--	11.5	--	0.9	--
RREEF America REIT III	3,263,768	0.8	7.8	--	21.3	--	22.9	--	21.1	--	-15.5	--
Transwestern / Aslan III	81,916	0.0	0.0	--	1.3	--	-8.3	--	-22.4	--	-45.7	--
<i>NCREIF Property Index</i>			2.3	--	7.8	--	11.0	--	10.9	--	2.3	--
<i>NCREIF ODCE</i>			2.8	--	8.4	--	11.6	--	12.2	--	-1.1	--
Hedge Fund Comp	18,849,820	4.4	3.2	22	6.5	19	6.8	26	--	--	--	--
<i>eA HFN FOF - Multi-Strategy Net Median</i>			2.3		4.3		4.5		2.9		0.4	
Grosvenor	7,455,403	1.7	2.7	38	5.8	27	6.3	30	--	--	--	--
GAM	3,781,209	0.9	3.1	23	5.9	26	6.5	29	--	--	--	--
Permal	7,613,209	1.8	3.7	13	7.4	9	7.4	21	--	--	--	--
<i>HFRI Fund of Funds Composite Index</i>			2.4	47	3.4	63	2.9	60	1.5	69	-1.6	80
GAA Comp	85,648,124	19.8	7.1	6	12.7	8	17.6	22	11.6	13	5.1	35
<i>eA Global TAA Gross Median</i>			4.7		8.8		12.6		7.8		4.0	
Mellon Global Expanded Alpha	8,485,197	2.0	7.4	6	10.6	25	17.5	22	9.8	24	0.9	86
<i>Mellon CF GEA Index</i>			5.7	26	8.2	58	11.5	55	5.0	81	1.0	85
AQR Global Risk Premium	35,871,277	8.3	8.2	1	13.8	1	19.2	13	16.6	2	--	--
<i>60% MSCI World / 40% CITI WGBI</i>			5.3	35	9.6	38	14.7	38	6.9	64	2.1	76
PIMCO All Asset	24,498,130	5.7	6.7	10	13.0	3	18.1	20	11.1	15	7.6	8
<i>PIMCO All Asset Index</i>			2.9	83	7.2	64	10.8	67	8.5	33	6.9	15
<i>CPI + 5%</i>			2.5	84	5.7	75	7.1	78	7.4	54	7.2	13
Wellington OIF	16,793,520	3.9	5.4	33	11.2	23	14.0	43	6.4	74	--	--
<i>65% MSCI ACWI (Net) / 35% BC Agg</i>			5.0	40	9.9	35	15.6	32	7.3	56	1.4	83
Commodities	8,447,244	2.0										
Schroder	8,447,244	2.0	10.4	--	6.7	--	8.1	--	--	--	--	--
<i>Dow Jones-UBS Commodity Index TR</i>			9.7	--	5.6	--	6.0	--	5.3	--	-3.0	--
Cash	309,776	0.1										
Vermont Cash	309,776	0.1	0.0	--	0.1	--	0.1	--	0.2	--	1.0	--
<i>91 Day T-Bills</i>			0.0	--	0.1	--	0.1	--	0.1	--	0.5	--

Vermont Municipal Employees
Total Fund Return Summary

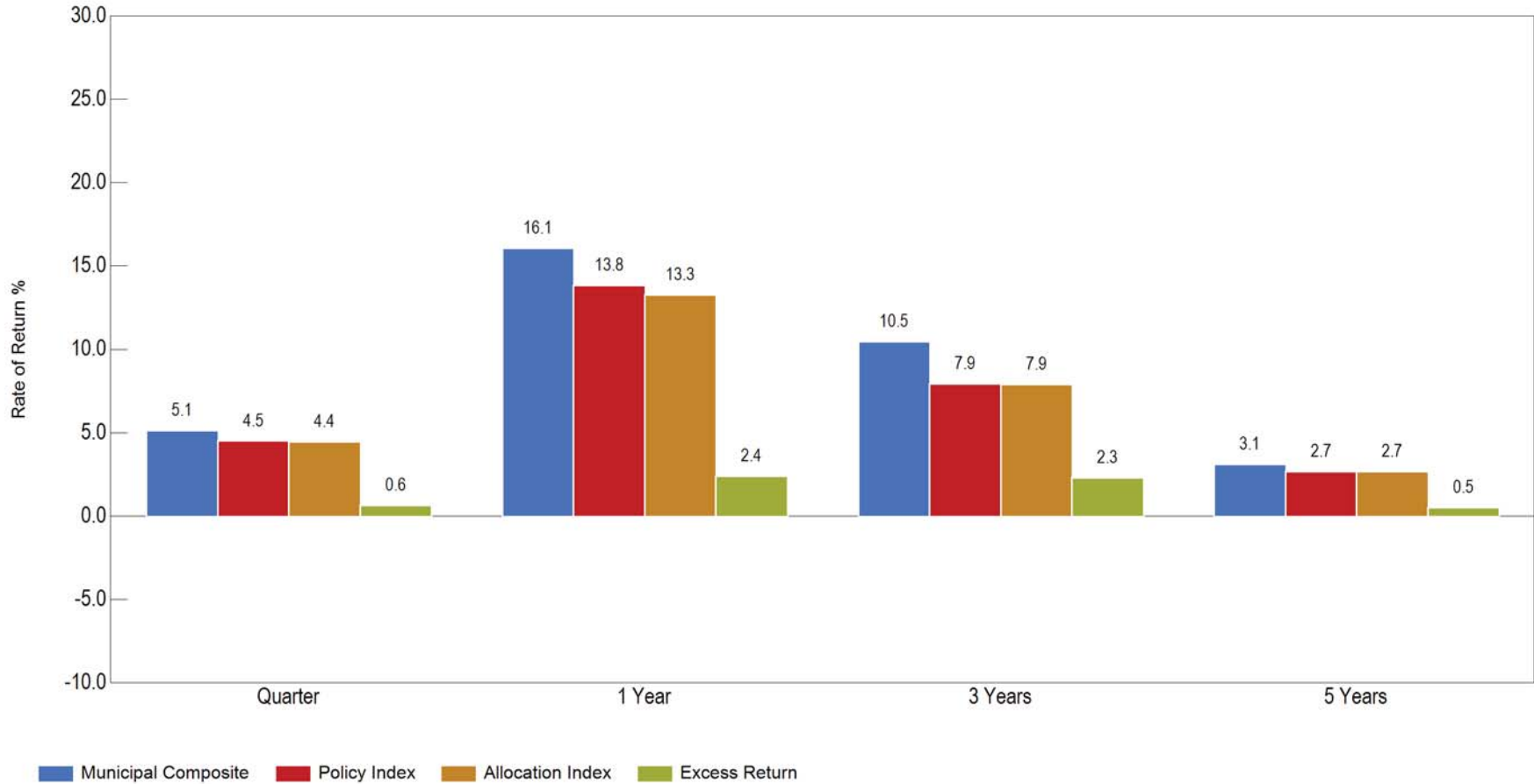
Return Summary Gross



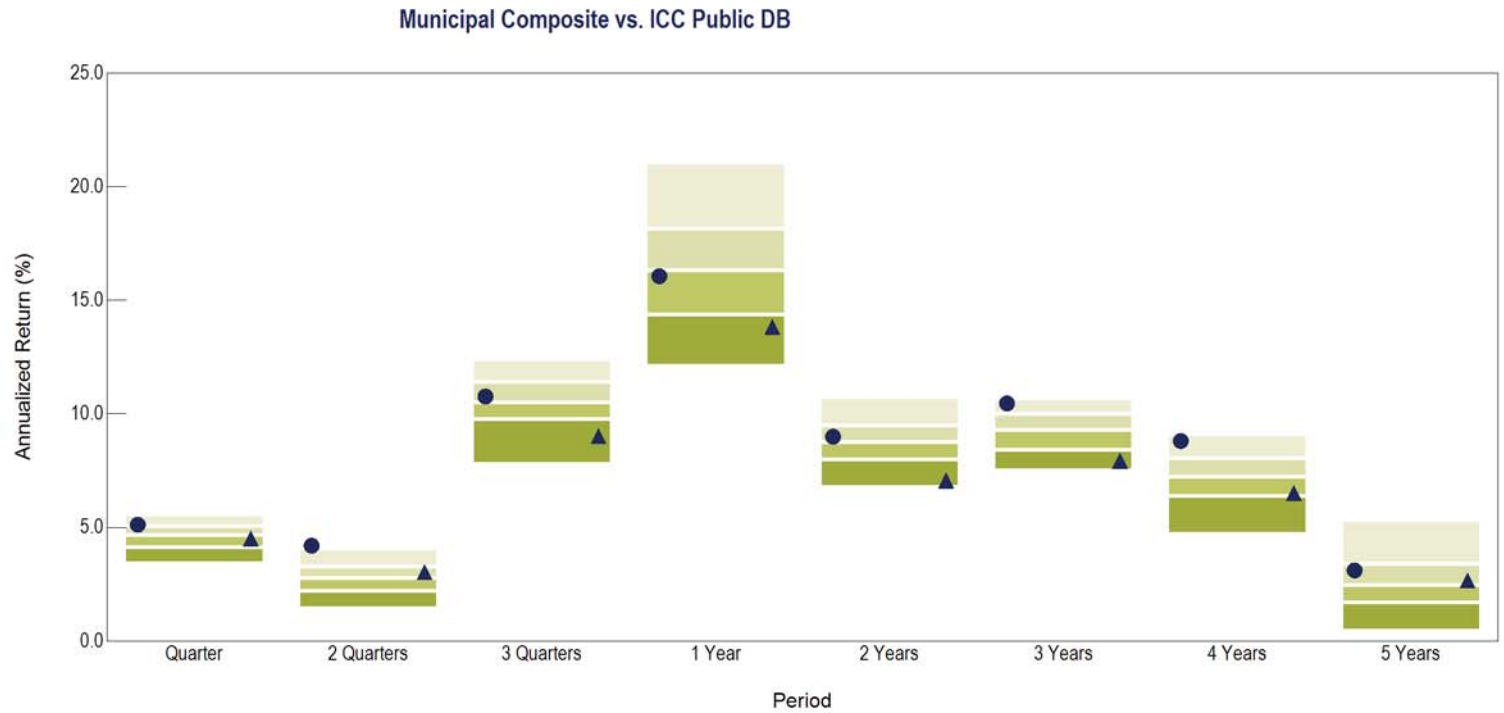
■ Municipal Composite
 ■ Policy Index
 ■ Allocation Index

Vermont Municipal Employees
Total Fund Return Summary

Return Summary Gross

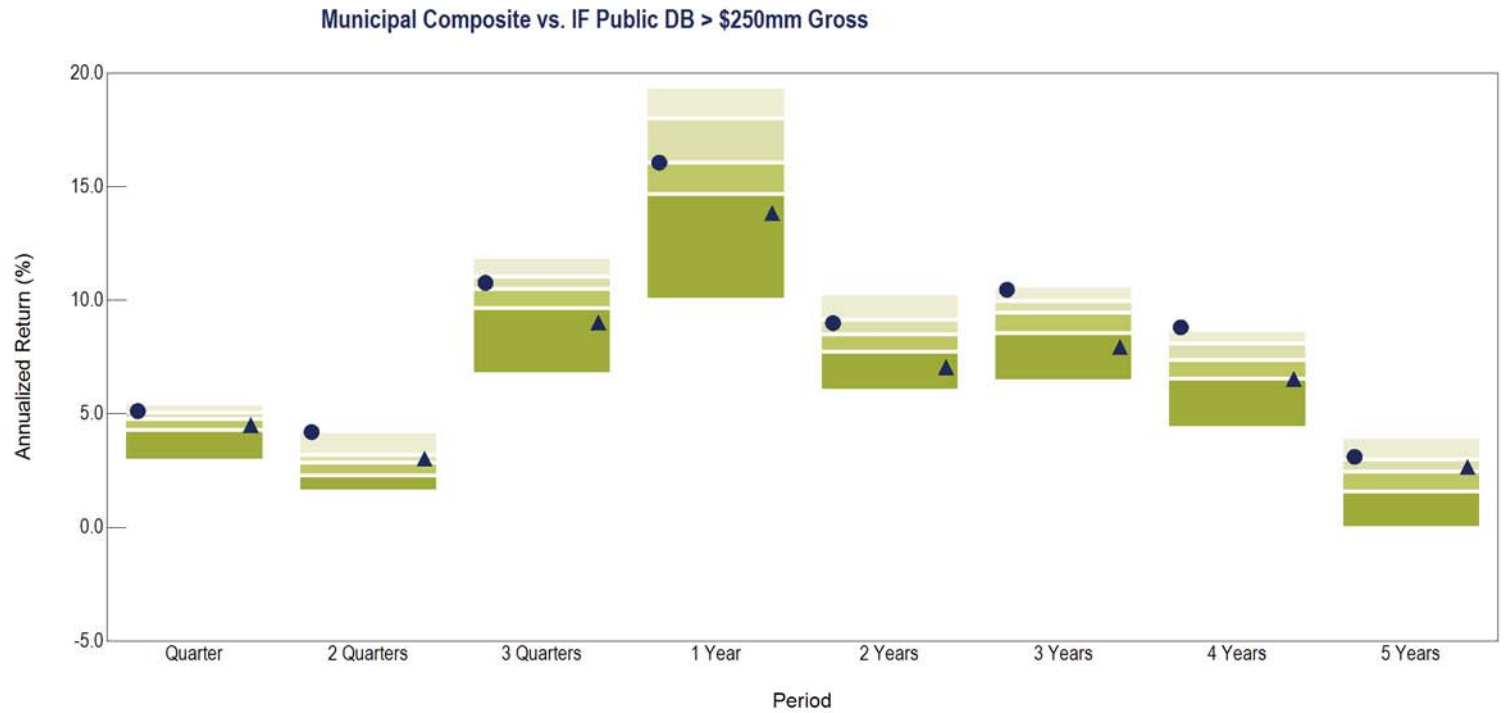


Total Fund Return Summary vs. Peer Universe



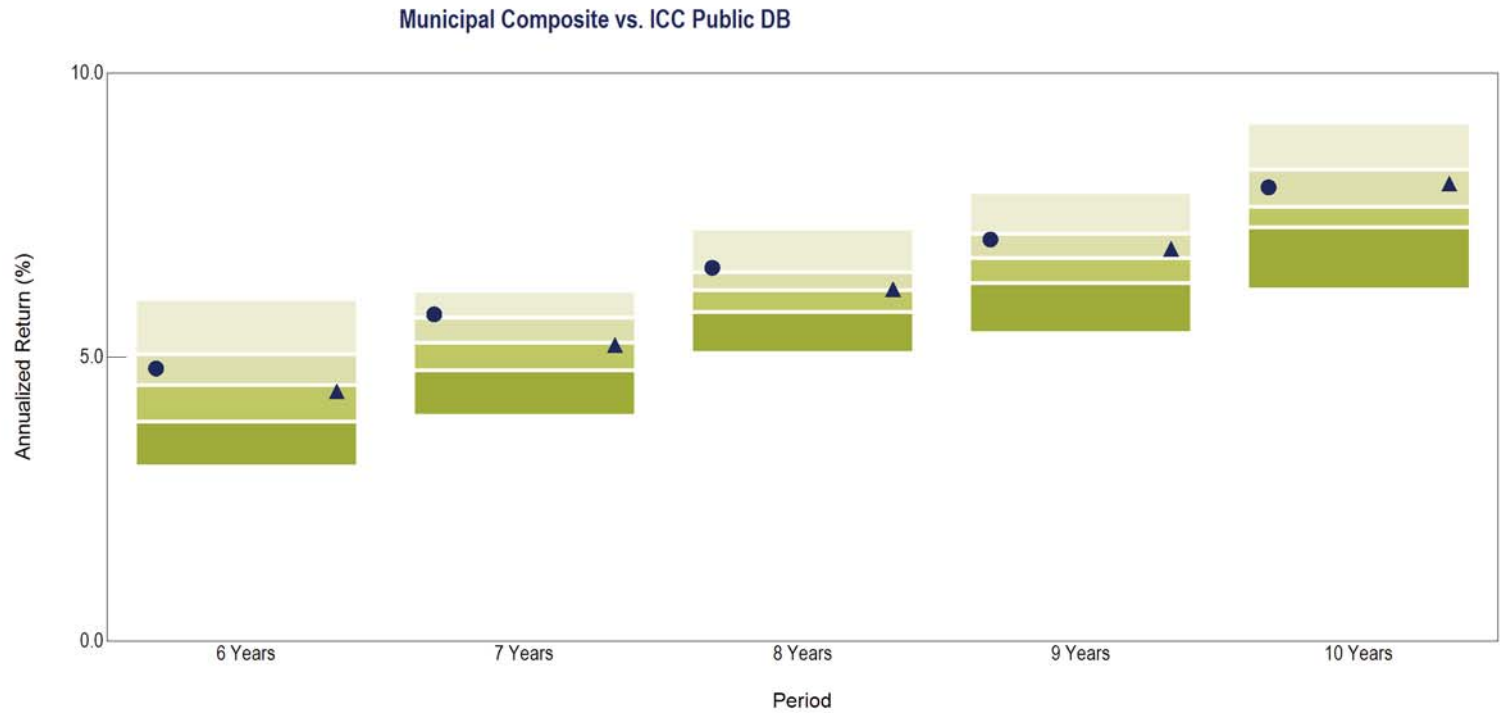
	Return (Rank)															
5th Percentile	5.6	4.0	12.4	21.0	10.7	10.7	9.1	5.3								
25th Percentile	5.1	3.3	11.4	18.2	9.5	10.0	8.1	3.4								
Median	4.7	2.8	10.5	16.3	8.8	9.3	7.2	2.5								
75th Percentile	4.1	2.2	9.8	14.4	8.0	8.4	6.4	1.7								
95th Percentile	3.4	1.5	7.8	12.1	6.8	7.5	4.7	0.5								
# of Portfolios	116	114	114	114	111	109	107	104								
● Municipal Composite	5.1 (22)	4.2 (4)	10.8 (43)	16.1 (54)	9.0 (45)	10.5 (12)	8.8 (8)	3.1 (33)								
▲ Policy Index	4.5 (60)	3.0 (42)	9.0 (91)	13.8 (84)	7.1 (90)	7.9 (89)	6.5 (71)	2.7 (46)								

Total Fund Return Summary vs. Peer Universe



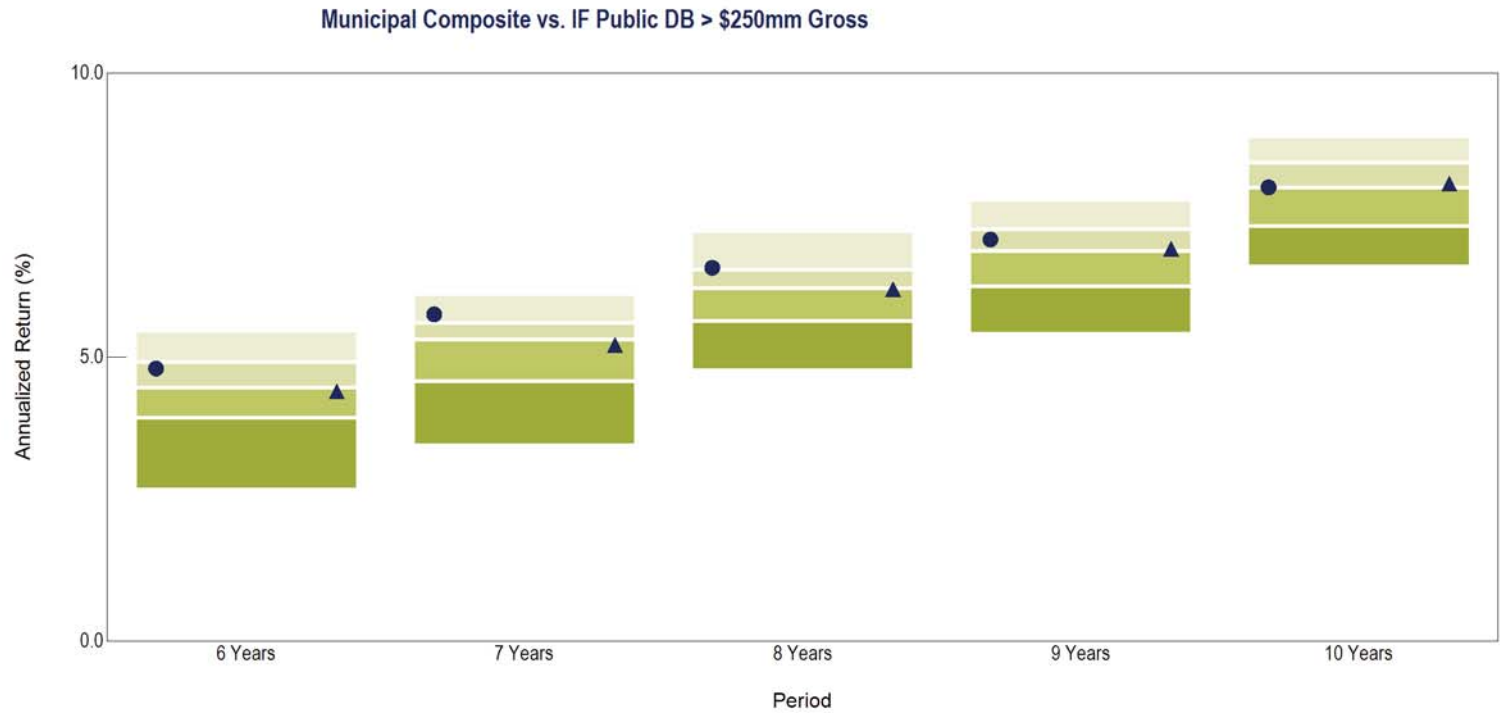
	Return (Rank)															
5th Percentile	5.4		4.2		11.9		19.4		10.3		10.6		8.7		4.0	
25th Percentile	5.1		3.2		11.1		18.0		9.2		10.0		8.1		3.0	
Median	4.8		2.9		10.5		16.1		8.5		9.5		7.4		2.5	
75th Percentile	4.3		2.3		9.7		14.7		7.8		8.6		6.6		1.6	
95th Percentile	3.0		1.6		6.8		10.0		6.0		6.5		4.4		0.0	
# of Portfolios	62		62		62		62		57		57		57		55	
● Municipal Composite	5.1	(19)	4.2	(7)	10.8	(40)	16.1	(53)	9.0	(34)	10.5	(11)	8.8	(1)	3.1	(21)
▲ Policy Index	4.5	(67)	3.0	(43)	9.0	(86)	13.8	(81)	7.1	(90)	7.9	(90)	6.5	(77)	2.7	(48)

Total Fund Return Summary vs. Peer Universe



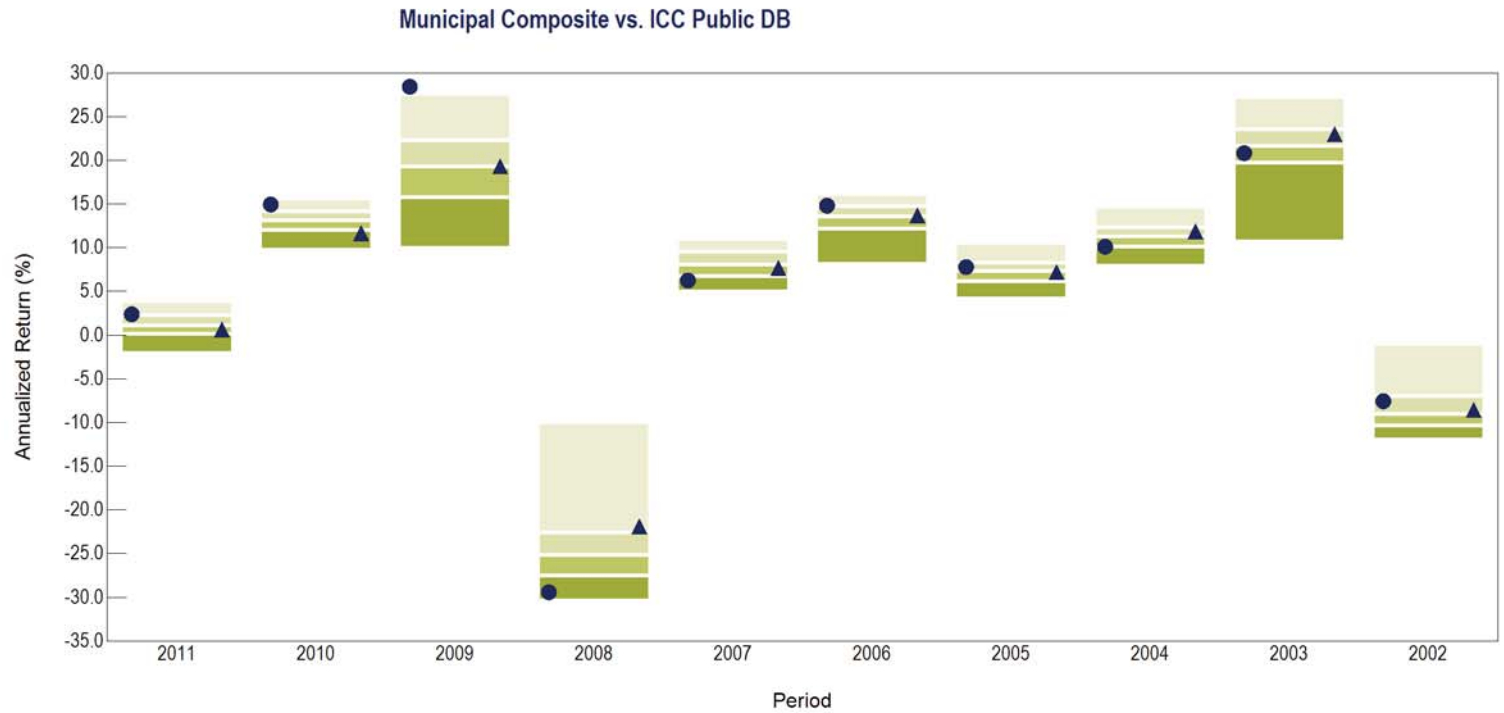
	Return (Rank)									
5th Percentile	6.0		6.2		7.3		7.9		9.1	
25th Percentile	5.1		5.7		6.5		7.2		8.3	
Median	4.5		5.3		6.2		6.7		7.6	
75th Percentile	3.9		4.8		5.8		6.3		7.3	
95th Percentile	3.1		4.0		5.1		5.4		6.2	
# of Portfolios	103		102		99		97		94	
● Municipal Composite	4.8	(35)	5.8	(22)	6.6	(22)	7.1	(32)	8.0	(38)
▲ Policy Index	4.4	(58)	5.2	(53)	6.2	(50)	6.9	(41)	8.1	(34)

Total Fund Return Summary vs. Peer Universe



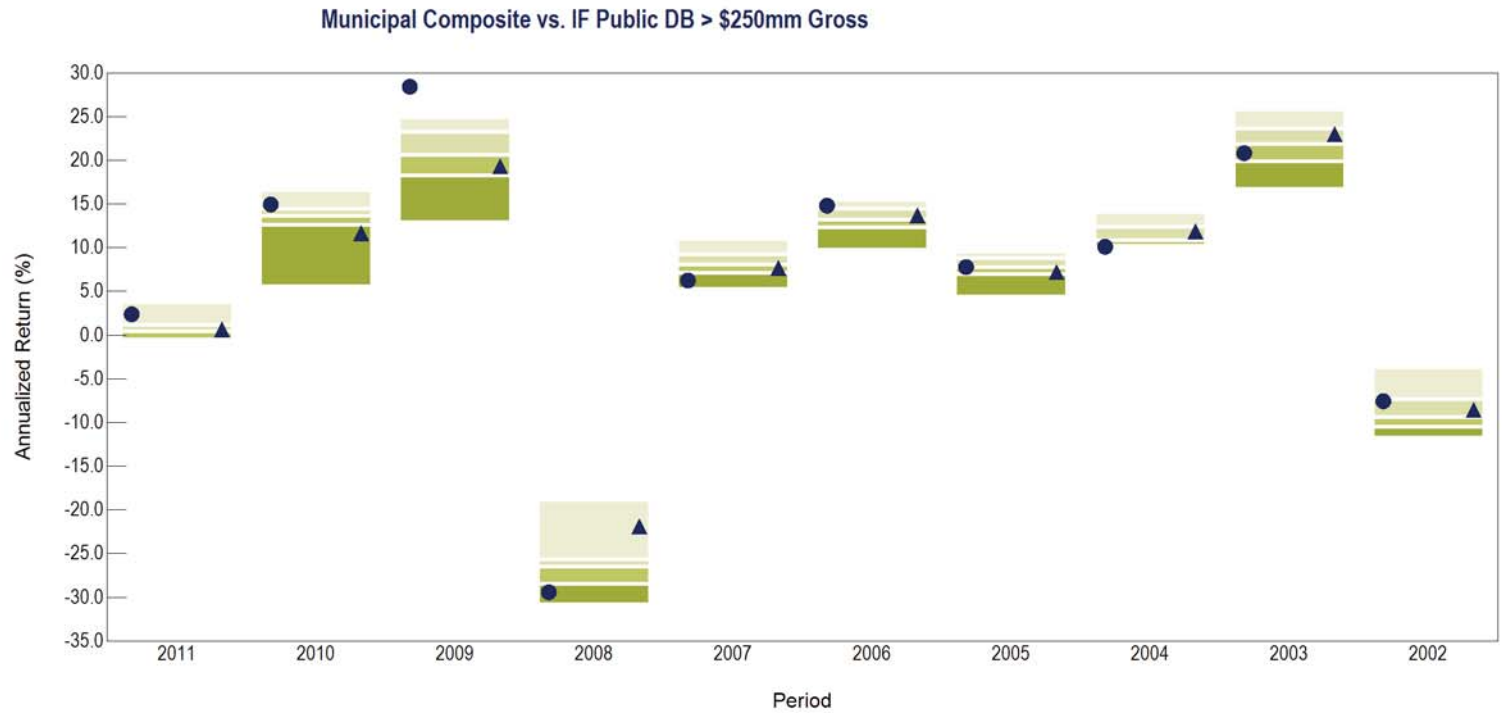
	Return (Rank)									
5th Percentile	5.5		6.1		7.2		7.8		8.9	
25th Percentile	4.9		5.6		6.5		7.3		8.4	
Median	4.5		5.3		6.2		6.9		8.0	
75th Percentile	3.9		4.6		5.6		6.3		7.3	
95th Percentile	2.7		3.5		4.8		5.4		6.6	
# of Portfolios	55		54		53		53		53	
● Municipal Composite	4.8	(36)	5.8	(16)	6.6	(24)	7.1	(39)	8.0	(51)
▲ Policy Index	4.4	(56)	5.2	(55)	6.2	(54)	6.9	(50)	8.1	(46)

Total Fund Return Summary vs. Peer Universe



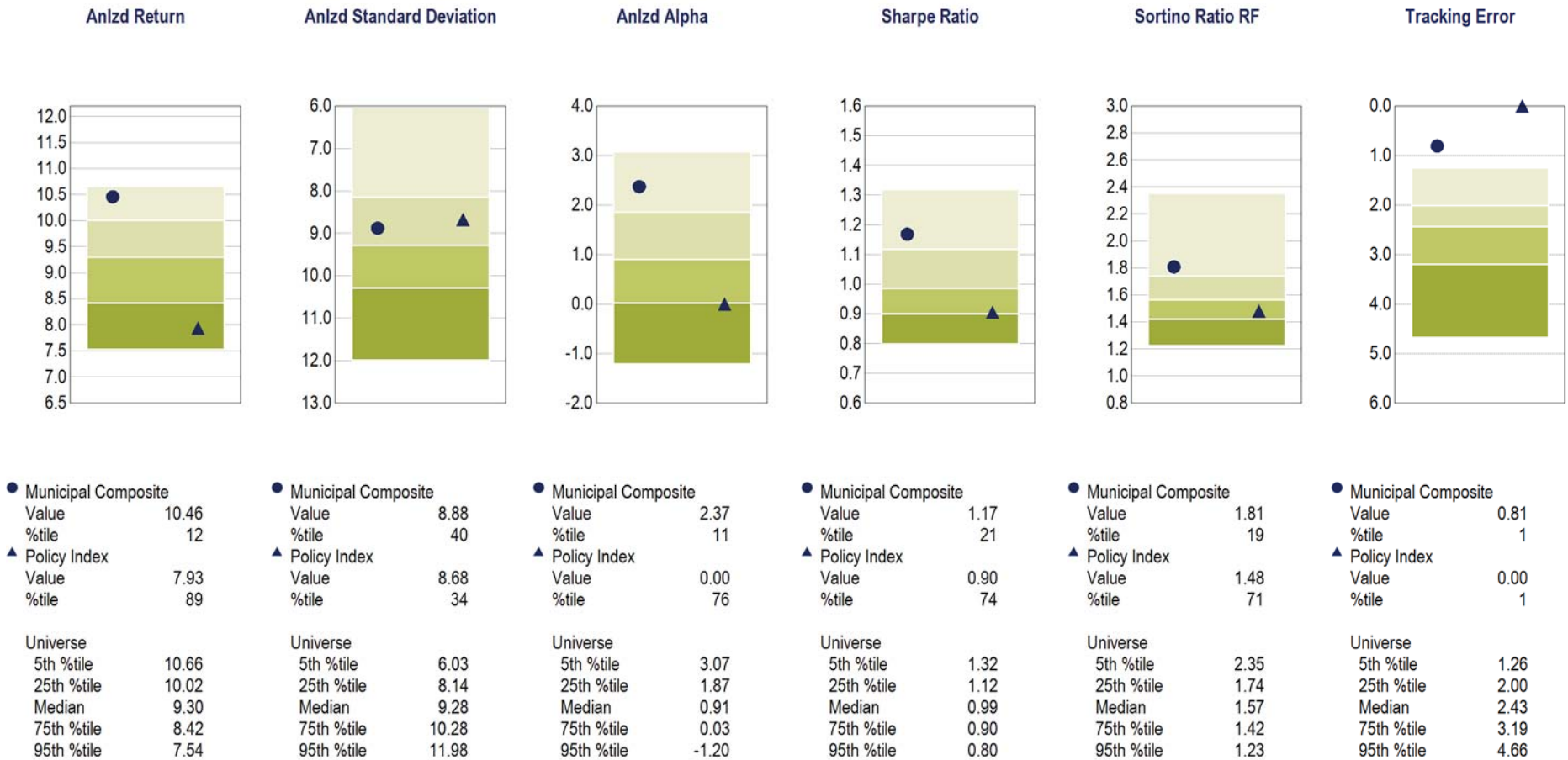
	Return (Rank)									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
5th Percentile	3.9	15.6	27.5	-10.0	11.0	16.1	10.5	14.6	27.2	-1.0
25th Percentile	2.3	14.2	22.3	-22.6	9.6	14.8	8.4	12.4	23.6	-6.9
Median	1.1	13.2	19.4	-25.1	8.1	13.6	7.4	11.4	21.7	-9.0
75th Percentile	0.2	12.1	15.8	-27.4	6.8	12.2	6.2	10.1	19.8	-10.3
95th Percentile	-2.0	9.8	10.1	-30.3	5.1	8.2	4.3	8.0	10.7	-11.9
# of Portfolios	146	144	144	141	140	139	137	133	132	129
● Municipal Composite	2.4 (21)	14.9 (14)	28.4 (3)	-29.4 (90)	6.3 (85)	14.8 (24)	7.8 (37)	10.1 (76)	20.8 (65)	-7.6 (34)
▲ Policy Index	0.6 (70)	11.7 (82)	19.3 (51)	-21.9 (23)	7.7 (56)	13.7 (48)	7.2 (55)	11.9 (34)	23.0 (37)	-8.5 (47)

Total Fund Return Summary vs. Peer Universe

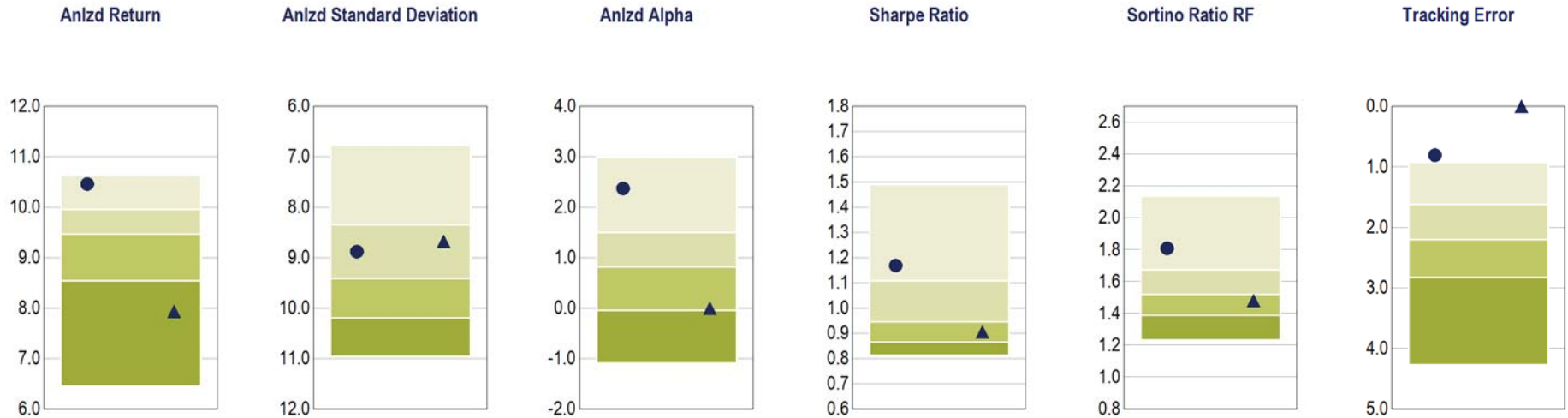


	Return (Rank)									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
5th Percentile	3.7	16.5	24.9	-18.9	10.9	15.5	9.5	14.1	25.8	-3.7
25th Percentile	1.2	14.5	23.3	-25.7	9.3	14.5	8.8	12.4	23.7	-7.3
Median	0.5	13.7	20.7	-26.4	8.1	13.2	7.8	10.9	21.9	-9.3
75th Percentile	-0.5	12.7	18.3	-28.4	7.2	12.3	7.0	10.2	19.9	-10.4
95th Percentile	-0.9	5.6	13.0	-30.7	5.4	9.8	4.5	9.8	16.8	-11.7
# of Portfolios	21	19	19	19	18	17	17	17	17	17
● Municipal Composite	2.4 (19)	14.9 (19)	28.4 (1)	-29.4 (88)	6.3 (89)	14.8 (13)	7.8 (54)	10.1 (88)	20.8 (67)	-7.6 (34)
▲ Policy Index	0.6 (44)	11.7 (90)	19.3 (64)	-21.9 (11)	7.7 (64)	13.7 (47)	7.2 (72)	11.9 (31)	23.0 (31)	-8.5 (41)

Municipal Composite vs. ICC Public DB
3 Years



Municipal Composite vs. IF Public DB > \$250mm Gross
3 Years



● Municipal Composite

Value 10.46
%tile 11

▲ Policy Index

Value 7.93
%tile 90

Universe

5th %tile 10.63
25th %tile 9.96
Median 9.48
75th %tile 8.56
95th %tile 6.46

● Municipal Composite

Value 8.88
%tile 43

▲ Policy Index

Value 8.68
%tile 38

Universe

5th %tile 6.77
25th %tile 8.34
Median 9.41
75th %tile 10.19
95th %tile 10.95

● Municipal Composite

Value 2.37
%tile 13

▲ Policy Index

Value 0.00
%tile 75

Universe

5th %tile 2.99
25th %tile 1.50
Median 0.82
75th %tile -0.04
95th %tile -1.08

● Municipal Composite

Value 1.17
%tile 24

▲ Policy Index

Value 0.90
%tile 62

Universe

5th %tile 1.49
25th %tile 1.11
Median 0.95
75th %tile 0.87
95th %tile 0.81

● Municipal Composite

Value 1.81
%tile 17

▲ Policy Index

Value 1.48
%tile 62

Universe

5th %tile 2.14
25th %tile 1.68
Median 1.52
75th %tile 1.39
95th %tile 1.23

● Municipal Composite

Value 0.81
%tile 3

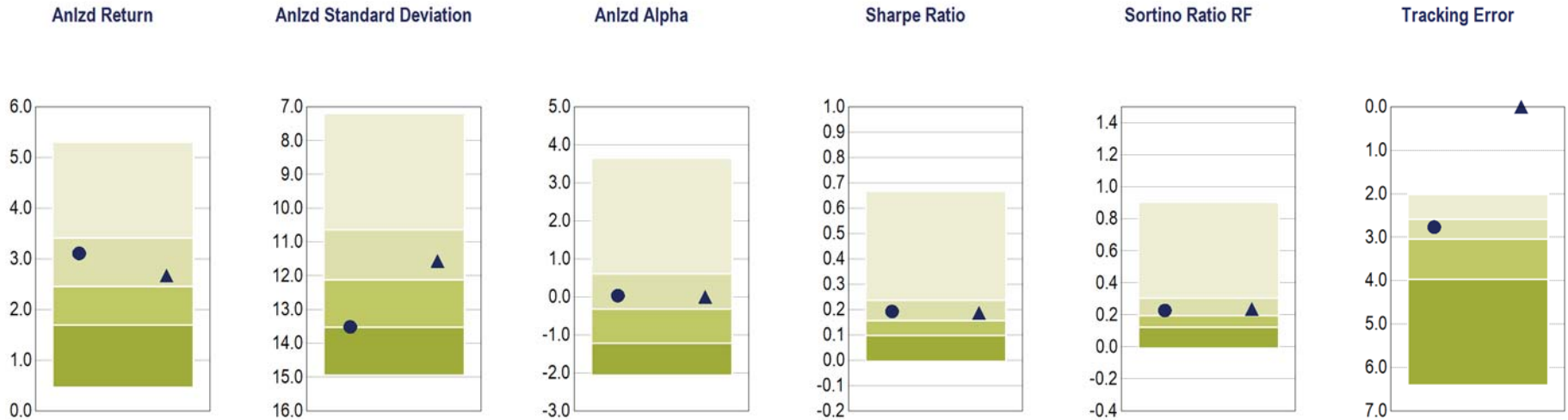
▲ Policy Index

Value 0.00
%tile 1

Universe

5th %tile 0.92
25th %tile 1.62
Median 2.19
75th %tile 2.82
95th %tile 4.26

Municipal Composite vs. ICC Public DB
5 Years



● Municipal Composite

Value 3.11
%tile 33

▲ Policy Index

Value 2.67
%tile 46

Universe

5th %tile 5.31
25th %tile 3.42
Median 2.46
75th %tile 1.71
95th %tile 0.47

● Municipal Composite

Value 13.52
%tile 76

▲ Policy Index

Value 11.57
%tile 42

Universe

5th %tile 7.20
25th %tile 10.62
Median 12.11
75th %tile 13.51
95th %tile 14.93

● Municipal Composite

Value 0.03
%tile 39

▲ Policy Index

Value 0.00
%tile 40

Universe

5th %tile 3.65
25th %tile 0.62
Median -0.32
75th %tile -1.21
95th %tile -2.05

● Municipal Composite

Value 0.19
%tile 38

▲ Policy Index

Value 0.19
%tile 40

Universe

5th %tile 0.67
25th %tile 0.24
Median 0.16
75th %tile 0.10
95th %tile 0.00

● Municipal Composite

Value 0.23
%tile 43

▲ Policy Index

Value 0.24
%tile 42

Universe

5th %tile 0.90
25th %tile 0.31
Median 0.20
75th %tile 0.12
95th %tile 0.00

● Municipal Composite

Value 2.77
%tile 38

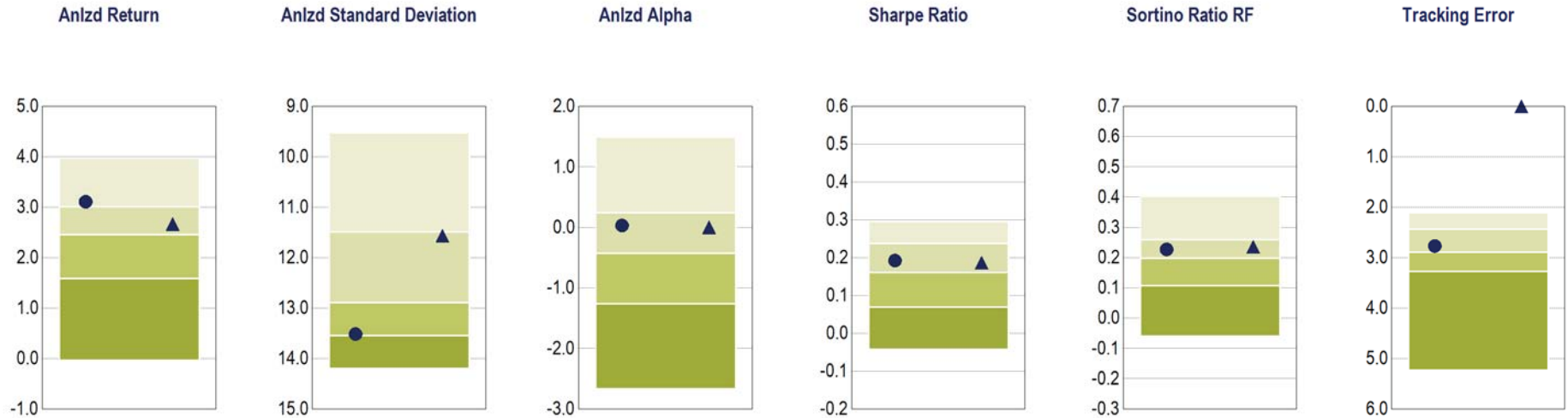
▲ Policy Index

Value 0.00
%tile 1

Universe

5th %tile 2.02
25th %tile 2.58
Median 3.03
75th %tile 3.96
95th %tile 6.39

Municipal Composite vs. IF Public DB > \$250mm Gross
5 Years



● Municipal Composite

Value 3.11
%tile 21
▲ Policy Index
Value 2.67
%tile 48

Universe
5th %tile 3.98
25th %tile 3.02
Median 2.47
75th %tile 1.59
95th %tile -0.02

● Municipal Composite

Value 13.52
%tile 75
▲ Policy Index
Value 11.57
%tile 26

Universe
5th %tile 9.52
25th %tile 11.48
Median 12.88
75th %tile 13.53
95th %tile 14.18

● Municipal Composite

Value 0.03
%tile 34
▲ Policy Index
Value 0.00
%tile 36

Universe
5th %tile 1.49
25th %tile 0.25
Median -0.42
75th %tile -1.25
95th %tile -2.66

● Municipal Composite

Value 0.19
%tile 37
▲ Policy Index
Value 0.19
%tile 40

Universe
5th %tile 0.30
25th %tile 0.24
Median 0.16
75th %tile 0.07
95th %tile -0.04

● Municipal Composite

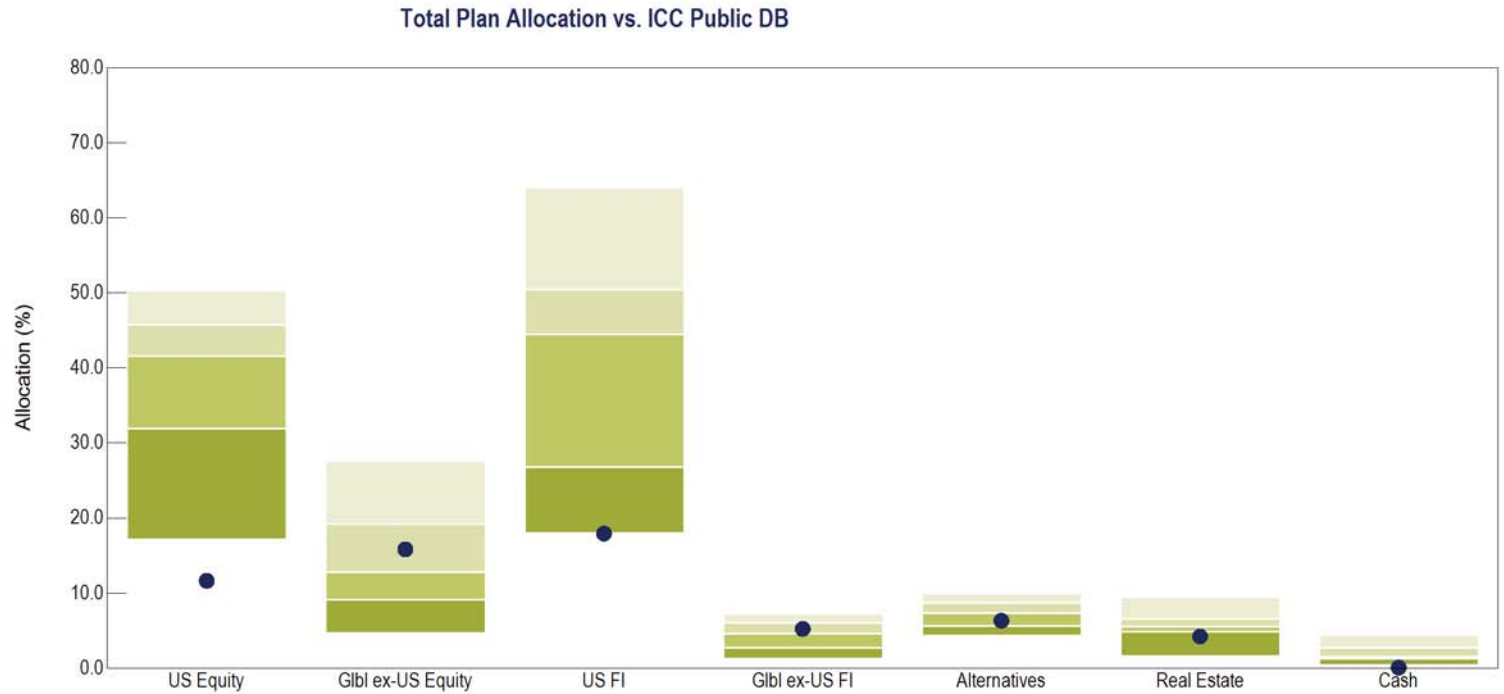
Value 0.23
%tile 36
▲ Policy Index
Value 0.24
%tile 33

Universe
5th %tile 0.40
25th %tile 0.26
Median 0.20
75th %tile 0.11
95th %tile -0.06

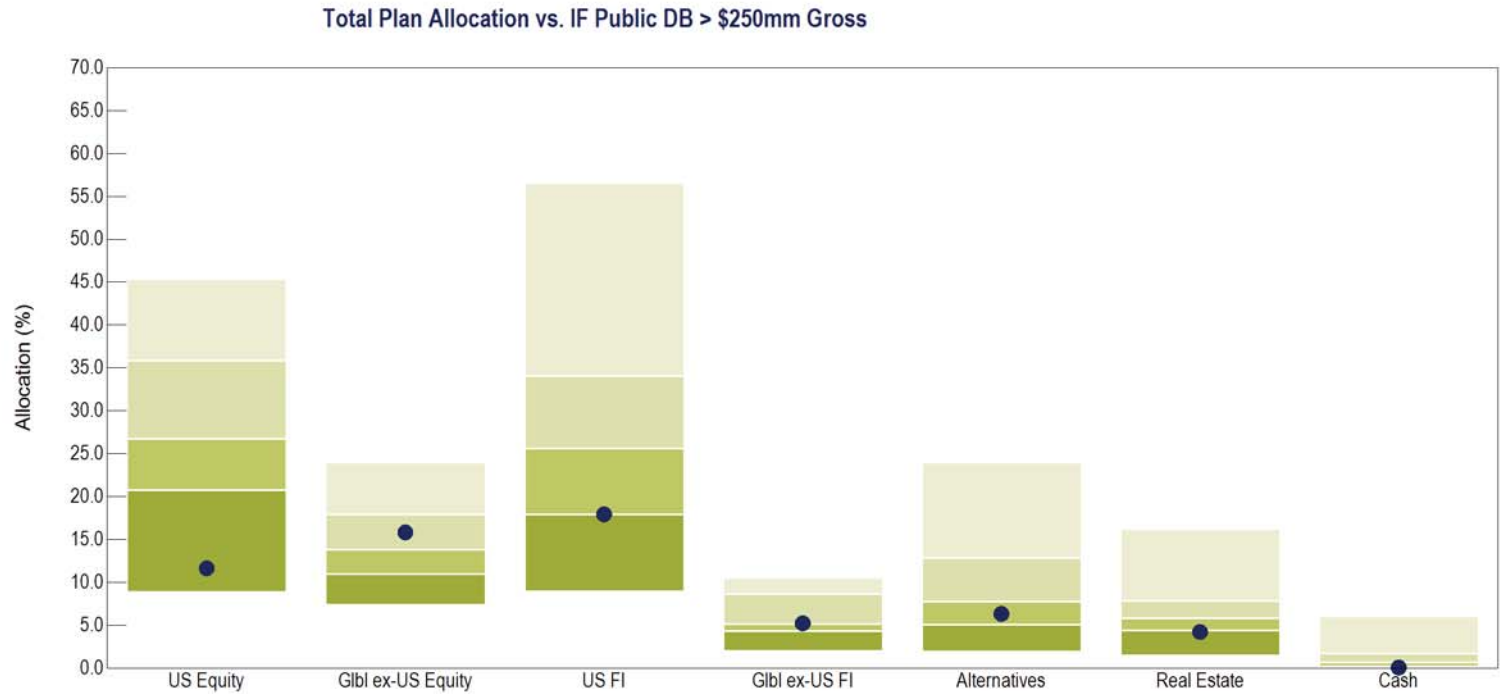
● Municipal Composite

Value 2.77
%tile 43
▲ Policy Index
Value 0.00
%tile 1

Universe
5th %tile 2.11
25th %tile 2.43
Median 2.88
75th %tile 3.27
95th %tile 5.22



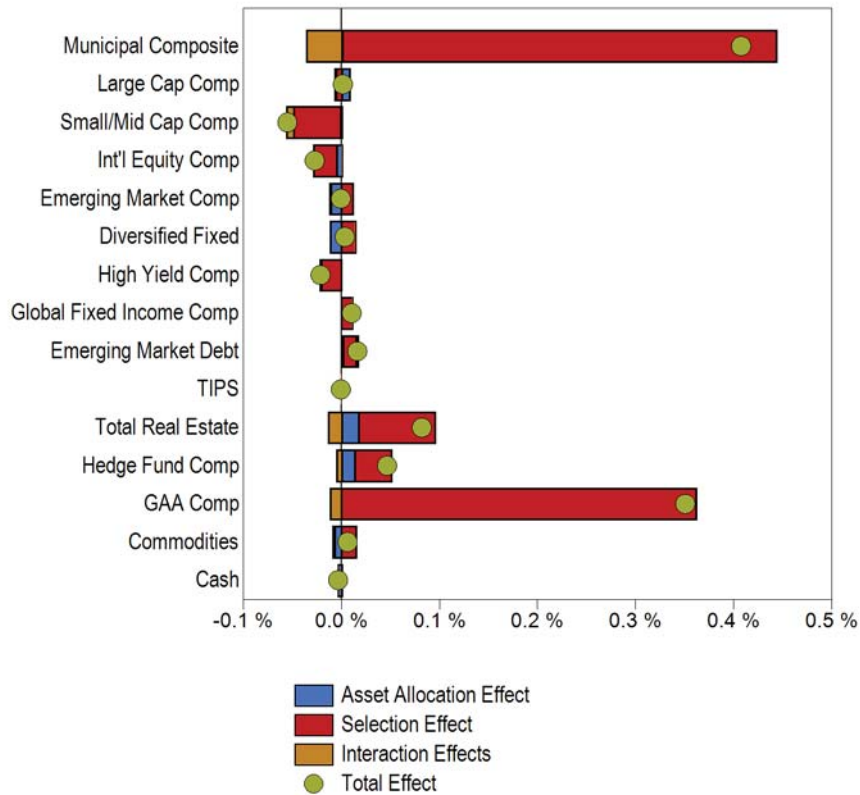
	Allocation (Rank)													
5th Percentile	50.3		27.6		64.1		7.2		9.9		9.5		4.5	
25th Percentile	45.8		19.3		50.5		6.1		8.8		6.7		2.8	
Median	41.7		12.9		44.5		4.7		7.4		5.6		1.6	
75th Percentile	32.0		9.2		26.9		2.8		5.7		4.9		1.3	
95th Percentile	17.3		4.8		18.1		1.3		4.4		1.7		0.5	
# of Portfolios	17		15		18		3		3		8		14	
● Municipal Composite	11.6	(99)	15.8	(41)	17.9	(96)	5.2	(41)	6.3	(67)	4.2	(83)	0.1	(99)



	Allocation (Rank)													
5th Percentile	45.3	23.9	56.5	10.5	23.9	16.2	6.0							
25th Percentile	35.9	18.0	34.1	8.7	12.9	7.9	1.7							
Median	26.8	13.8	25.7	5.2	7.8	5.9	0.7							
75th Percentile	20.9	11.1	18.0	4.4	5.1	4.5	0.2							
95th Percentile	8.9	7.4	9.0	2.1	2.0	1.6	0.0							
# of Portfolios	40	43	31	12	38	30	32							
● Municipal Composite	11.6	(88)	15.8	(36)	17.9	(77)	5.2	(46)	6.3	(65)	4.2	(80)	0.1	(91)

Total Fund Attribution Analysis

Attribution Effects Relative to Policy Index
3 Months Ending September 30, 2012



Attribution Summary
3 Months Ending September 30, 2012

	Actual Return	Target Return	Relative Return	Selection Effect	Asset Allocation Effect	Interaction Effects	Total Effects
Large Cap Comp	6.3%	6.4%	-0.1%	0.0%	0.0%	0.0%	0.0%
Small/Mid Cap Comp	4.5%	5.3%	-0.8%	0.0%	0.0%	0.0%	-0.1%
Int'l Equity Comp	6.7%	6.9%	-0.2%	0.0%	0.0%	0.0%	0.0%
Emerging Market Comp	7.9%	7.7%	0.2%	0.0%	0.0%	0.0%	0.0%
Diversified Fixed	1.7%	1.6%	0.1%	0.0%	0.0%	0.0%	0.0%
High Yield Comp	4.2%	4.5%	-0.3%	0.0%	0.0%	0.0%	0.0%
Global Fixed Income Comp	3.3%	3.0%	0.3%	0.0%	0.0%	0.0%	0.0%
Emerging Market Debt	7.0%	6.8%	0.3%	0.0%	0.0%	0.0%	0.0%
TIPS	2.1%	2.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Real Estate	3.8%	2.3%	1.5%	0.1%	0.0%	0.0%	0.1%
Hedge Fund Comp	3.2%	2.4%	0.7%	0.0%	0.0%	0.0%	0.0%
GAA Comp	7.1%	5.3%	1.8%	0.4%	0.0%	0.0%	0.4%
Commodities	10.4%	9.7%	0.7%	0.0%	0.0%	0.0%	0.0%
Cash	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	5.1%	4.7%	0.4%	0.4%	0.0%	0.0%	0.4%

Performance Attribution

	Last 3 Mo.	YTD	Fiscal YTD	1 Yr
Municipal Composite Return	5.1%		5.1%	
Policy Benchmark *	4.7%		4.7%	
Excess Return	0.4%		0.4%	
Selection Effect	0.4%		0.4%	
Asset Allocation Effect	0.0%		0.0%	
Interaction Effect	0.0%		0.0%	
Asset Class Returns				
Municipal Composite	5.1%	10.8%	5.1%	16.1%
Large Cap Comp	6.3%	15.9%	6.3%	29.9%
Small/Mid Cap Comp	4.5%	12.8%	4.5%	29.4%
Int'l Equity Comp	6.7%	9.0%	6.7%	12.4%
Emerging Market Comp	7.9%	18.6%	7.9%	24.7%
Diversified Fixed	1.7%	6.2%	1.7%	9.1%
High Yield Comp	4.2%	11.4%	4.2%	17.5%
Global Fixed Income Comp	3.3%	6.7%	3.3%	7.2%
Emerging Market Debt	7.0%	15.7%	7.0%	21.0%
TIPS	2.1%	6.2%	2.1%	9.0%
Total Real Estate	3.8%	10.7%	3.8%	13.5%
Hedge Fund Comp	3.2%	6.5%	3.2%	6.8%
GAA Comp	7.1%	12.7%	7.1%	17.6%
Commodities	10.4%	6.7%	10.4%	8.1%
Cash	0.0%	0.1%	0.0%	0.1%
Eqty Composite				
Mrs Re Comp CL				

* Calculated from benchmark returns and weightings of each component.

Vermont Municipal Employees

Total Fund Risk Statistics

3 Years Ending September 30, 2012

	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Sharpe Ratio	Rank	Sortino Ratio RF	Rank	Tracking Error	Rank
Municipal Composite	100.00%	10.46%	12	8.88%	40	2.37%	11	1.17	21	1.81	19	0.81%	1
Policy Index	--	7.93%	89	8.68%	34	0.00%	77	0.90	74	1.48	71	0.00%	1
Large Cap Comp	11.63%	14.02%	25	16.45%	57	0.11%	34	0.85	33	1.45	32	1.38%	1
S&P 500	--	13.20%	37	15.58%	34	0.00%	36	0.84	34	1.47	29	0.00%	1
Small/Mid Cap Comp	6.87%	15.06%	41	18.61%	33	3.74%	41	0.81	39	1.48	31	3.26%	2
Russell 2000	--	12.99%	69	21.28%	79	0.00%	78	0.61	77	1.08	75	0.00%	1
Int'l Equity Comp	9.90%	3.25%	74	18.09%	18	1.30%	72	0.18	71	0.26	72	2.28%	10
MSCI EAFE	--	2.12%	88	19.60%	56	0.00%	87	0.10	87	0.16	87	0.00%	1
Emerging Market Comp	5.92%	--	--	--	--	--	--	--	--	--	--	--	--
MSCI Emerging Markets	--	--	--	--	--	--	--	--	--	--	--	--	--
Diversified Fixed	17.93%	8.56%	10	3.08%	86	2.77%	15	2.75	36	6.39	20	1.77%	87
Barclays Aggregate	--	6.19%	83	2.70%	60	0.00%	84	2.26	80	3.26	84	0.00%	1
High Yield Comp	6.21%	11.96%	68	5.92%	25	1.65%	29	2.01	29	3.09	30	1.79%	63
Barclays High Yield	--	12.90%	40	7.31%	70	0.00%	69	1.75	66	2.63	60	0.00%	1
Global Fixed Income Comp	2.96%	8.29%	31	6.21%	45	4.52%	43	1.32	41	1.81	42	2.50%	17
Citigroup WGBI	--	4.29%	91	6.55%	55	0.00%	95	0.64	89	0.73	91	0.00%	1
Emerging Market Debt	5.22%	--	--	--	--	--	--	--	--	--	--	--	--
JP Morgan EMBI Global TR	--	--	--	--	--	--	--	--	--	--	--	--	--
TIPS	2.95%	--	--	--	--	--	--	--	--	--	--	--	--
Barclays US TIPS	--	--	--	--	--	--	--	--	--	--	--	--	--
Total Real Estate	4.21%	--	--	--	--	--	--	--	--	--	--	--	--
NCREIF Property Index	--	--	--	--	--	--	--	--	--	--	--	--	--
Hedge Fund Comp	4.36%	--	--	--	--	--	--	--	--	--	--	--	--
HFRI Fund of Funds Composite Index	--	--	--	--	--	--	--	--	--	--	--	--	--
GAA Comp	19.81%	11.55%	13	9.11%	44	6.72%	18	1.26	15	1.87	22	3.97%	23
60% MSCI ACWI (Net)/40% CITI WGBI	--	6.40%	74	11.55%	76	0.00%	80	0.55	68	0.84	70	0.00%	1
Commodities	1.95%	--	--	--	--	--	--	--	--	--	--	--	--
Dow Jones-UBS Commodity Index TR	--	--	--	--	--	--	--	--	--	--	--	--	--
Cash	0.07%	--	--	--	--	--	--	--	--	--	--	--	--
91 Day T-Bills	--	--	--	--	--	--	--	--	--	--	--	--	--

Vermont Municipal Employees

Total Fund Risk Statistics

5 Years Ending September 30, 2012

	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Sharpe Ratio	Rank	Sortino Ratio RF	Rank	Tracking Error	Rank
Municipal Composite	100.00%	3.11%	33	13.52%	76	0.11%	38	0.19	38	0.23	43	2.77%	38
Policy Index	--	2.67%	46	11.57%	42	0.00%	40	0.19	40	0.24	42	0.00%	1
Large Cap Comp	11.63%	2.15%	42	21.12%	81	1.05%	43	0.08	44	0.11	44	2.88%	9
S&P 500	--	1.05%	63	19.13%	45	0.00%	63	0.03	63	0.04	62	0.00%	1
Small/Mid Cap Comp	6.87%	4.12%	40	23.27%	49	2.02%	39	0.16	39	0.22	39	2.95%	1
Russell 2000	--	2.21%	67	24.75%	72	0.00%	71	0.07	69	0.10	69	0.00%	1
Int'l Equity Comp	9.90%	-5.29%	81	22.43%	26	-0.34%	87	-0.26	87	-0.35	83	2.39%	6
MSCI EAFE	--	-5.24%	80	23.52%	45	0.00%	82	-0.24	83	-0.35	82	0.00%	1
Emerging Market Comp	5.92%	--	--	--	--	--	--	--	--	--	--	--	--
MSCI Emerging Markets	--	--	--	--	--	--	--	--	--	--	--	--	--
Diversified Fixed	17.93%	5.79%	92	6.73%	98	-2.21%	99	0.78	99	0.73	99	5.13%	97
Barclays Aggregate	--	6.53%	83	3.57%	31	0.00%	79	1.69	57	2.65	40	0.00%	1
High Yield Comp	6.21%	8.92%	46	10.25%	21	2.26%	23	0.82	22	0.73	46	5.16%	70
Barclays High Yield	--	9.34%	34	14.13%	90	0.00%	82	0.62	78	0.65	72	0.00%	1
Global Fixed Income Comp	2.96%	8.80%	18	8.16%	50	2.94%	43	1.02	33	1.44	27	4.27%	31
Citigroup WGBI	--	6.45%	63	7.77%	42	0.00%	80	0.76	56	1.15	48	0.00%	1
Emerging Market Debt	5.22%	--	--	--	--	--	--	--	--	--	--	--	--
JP Morgan EMBI Global TR	--	--	--	--	--	--	--	--	--	--	--	--	--
TIPS	2.95%	--	--	--	--	--	--	--	--	--	--	--	--
Barclays US TIPS	--	--	--	--	--	--	--	--	--	--	--	--	--
Total Real Estate	4.21%	--	--	--	--	--	--	--	--	--	--	--	--
NCREIF Property Index	--	--	--	--	--	--	--	--	--	--	--	--	--
Hedge Fund Comp	4.36%	--	--	--	--	--	--	--	--	--	--	--	--
HFRI Fund of Funds Composite Index	--	--	--	--	--	--	--	--	--	--	--	--	--
GAA Comp	19.81%	5.15%	35	13.48%	60	3.48%	43	0.34	44	0.40	47	4.15%	17
60% MSCI ACWI (Net)/40% CITI WGBI	--	1.79%	80	14.31%	68	0.00%	80	0.09	80	0.12	80	0.00%	1
Commodities	1.95%	--	--	--	--	--	--	--	--	--	--	--	--
Dow Jones-UBS Commodity Index TR	--	--	--	--	--	--	--	--	--	--	--	--	--
Cash	0.07%	--	--	--	--	--	--	--	--	--	--	--	--
91 Day T-Bills	--	--	--	--	--	--	--	--	--	--	--	--	--