

**CITY OF AUSTIN
POLICE RETIREMENT FUND
FUND ANALYSIS FOR 2011**

| MONTH | RDBF | EQUITIES | FIXED INCOME | REAL ESTATE & TIMBER* | ALTERNATIVES | TOTAL | MONTHLY % CHANGE | QUARTERLY % CHANGE | YTD % CHANGE |
|--------|------------|----------------|---------------|-----------------------|----------------|----------------|------------------|--------------------|--------------|
| Jan-11 | 418,225.43 | 195,025,294.71 | 83,411,500.01 | 126,448,522.91 | 85,604,548.22 | 490,908,091.28 | 1.35% | | 1.35% |
| Feb-11 | 428,645.90 | 202,600,495.55 | 80,237,982.94 | 127,898,962.76 | 91,780,171.76 | 502,946,258.91 | 2.45% | | 3.83% |
| Mar-11 | 439,095.18 | 207,065,429.10 | 76,754,250.33 | 131,288,009.17 | 92,692,421.05 | 508,239,204.83 | 1.05% | 4.92% | 4.92% |
| Apr-11 | 454,803.64 | 211,019,440.92 | 77,910,589.02 | 130,052,926.15 | 93,228,129.48 | 512,665,889.21 | 0.87% | | 5.84% |
| May-11 | 465,275.61 | 208,346,340.02 | 78,342,070.69 | 133,540,791.62 | 94,372,865.68 | 515,067,343.62 | 0.47% | | 6.33% |
| Jun-11 | 475,680.01 | 202,366,411.70 | 65,507,119.05 | 138,767,825.45 | 99,434,560.84 | 506,551,597.05 | -1.65% | -0.33% | 4.58% |
| Jul-11 | 486,140.60 | 201,802,653.13 | 66,354,436.79 | 138,830,055.42 | 101,001,101.18 | 508,474,387.12 | 0.38% | | 4.97% |
| Aug-11 | 486,788.24 | 190,146,920.35 | 67,252,208.32 | 140,222,020.65 | 101,436,898.58 | 499,544,836.14 | -1.76% | | 3.13% |
| Sep-11 | 502,517.87 | 168,257,823.58 | 70,071,352.67 | 138,747,303.86 | 100,650,036.25 | 478,229,034.23 | -4.27% | -5.59% | -1.27% |
| Oct-11 | | | | | | 0.00 | -100.00% | | -100.00% |
| Nov-11 | | | | | | 0.00 | #DIV/0! | | -100.00% |
| Dec-11 | | | | | | 0.00 | #DIV/0! | -100.00% | -100.00% |

| MONTH | RDBF | EQUITIES | FIXED INCOME | REAL ESTATE | ALTERNATIVES TIMBER & ENERGY | TOTAL |
|--------|------------|----------------|---------------|----------------|---------------------------------|----------------|
| Oct-10 | 393,240.47 | 177,100,028.02 | 83,090,265.47 | 124,116,651.83 | 80,720,824.52 | 465,421,010.31 |
| Nov-10 | 398,013.15 | 180,171,016.54 | 85,218,303.63 | 123,846,681.58 | 84,061,832.26 | 473,695,847.16 |
| Dec-10 | 407,869.69 | 189,728,975.03 | 82,170,912.82 | 126,332,460.09 | 85,743,395.98 | 484,383,613.61 |

* - Timber Investments were combined with Real Estate Investments in April 2009.

**CITY OF AUSTIN
POLICE RETIREMENT FUND
ASSET ALLOCATION
AS OF SEPTEMBER 30, 2011**

| ASSET | MARKET VALUE | % OF TOTAL ASSETS | INV. POLICY TARGET | INV. POLICY RANGE |
|-----------------------------------|--------------------------|------------------------------|-------------------------------|------------------------------|
| Equity | 173,299,489.75 | 36.24% | 40.00% | 20-65% |
| Large Cap US Equity | 42,964,732.65 | 8.98% | | 0-55% |
| Small Cap US Equity | 24,060,496.67 | 5.03% | | 0-30% |
| International/Global | 47,219,072.53 | 9.87% | | 0-35% |
| Special Situations | 59,055,187.90 | 12.35% | | 0-30% |
| Fixed Income | 65,029,686.50 | 13.60% | 20.00% | 15-70% |
| Investment Grade* | 11,094,444.31 | 2.32% | | 0-50% |
| High Yield | 21,510,821.72 | 4.50% | | 0-25% |
| International/Global | 32,424,420.47 | 6.78% | | 0-30% |
| Private | 0.00 | 0.00% | | 0-25% |
| Real Estate | 138,747,303.86 | 29.01% | 25.00% | 0-40% |
| Opportunistic | 43,662,479.00 | 9.13% | | 0-30% |
| Value Added | 24,807,919.62 | 5.19% | | 0-30% |
| Core | 19,384,464.24 | 4.05% | | 0-30% |
| Timber | 50,892,441.00 | 10.64% | | 0-15% |
| Alternatives | 100,650,036.25 | 21.05% | 15.00% | 0-30% |
| Private Equity | 54,381,791.00 | 11.37% | | 0-20% |
| Hedge Funds | 46,268,245.25 | 9.67% | | 0-30% |
| Retiree Death Benefit Fund | 502,517.87 | 0.11% | 0.00% | |
| Total Assets | \$ 478,229,034.23 | 100.00% | 100.00% | |

* Liquidity Requirement - see IPS

Cash held in managers' accounts is included in their respective asset classes, not cash, as it is their decision when to invest the residual cash.