

MORRISON FIDUCIARY ADVISORS, INC.
1405 McFarland Road
Pittsburgh, Pennsylvania 15216
412.344.6052
www.morrisonadvisors.com

**INSTITUTIONAL
INVESTMENT
SOLUTIONS**



PREPARED BY

Frank R. Burnette
Principal & Senior Consultant

frb@morrisonadvisors.com

PREPARED FOR

**Beaver County
Retirement Board**

Abbreviated 4th Quarter 2008 Report

Dated:

February 18, 2009

GENERAL COMMENTS

- The GKM private equity contract is undergoing legal review by Eckert Seamans which has issued a opinion letter. This letter is being reviewed by this Consultant and the County's Solicitor.
- Next week, GKM will provide an update on their efforts to achieve the \$40mm in minimum commitments to their fund from investors with respect to the County's condition for proceeding with the investment.
- This Consultant recommended that Huntington Bank begin using a prime money market to invest cash reserve balances for the Fund to increase yield and this change was effected in January.



REVIEW SCHEDULE

The Combined Pension Board meetings will be held quarterly on the third Wednesday of each month at 2 pm. Manager presentations will be scheduled for the meeting held during the second month of each quarter in accordance with the following schedule:

- Wednesday, May 20, 2009
CIM/Attilanus

- Wednesday, August 19, 2009
McKee/Small Cap Managers

- Wednesday, November 18, 2009
CIM/Foreign Equity Managers

- Wednesday, February 17, 2010
McKee/Ameriserve



Beaver County Employees' Retirement Fund Performance Summary Table Periods Ending 12/31/08

Manager	1 Qtr	YTD	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	Incept Date	Incept Ret
Total Fund									
Total Return	-10.77	-20.25	-20.25	-8.62	-1.74	1.29	2.52	9/30/99	2.30
Policy Index	-11.59	-22.24	-22.24	-9.01	-2.53	1.02	1.96	9/30/99	2.07
Universe Median	-11.95	-23.47	-23.47	-9.25	-2.26	1.60	2.73		
Rank	34	32	32	43	37	62	58		
CIM All Cap Equity									
Total Return	-21.40	-33.99	-33.99	-18.11	-7.27	-2.06	-1.50	12/31/95	5.11
Policy Index	-22.19	-36.51	-36.51	-18.33	-8.25	-1.92	-1.29	12/31/95	4.92
Universe Median	-22.24	-36.89	-36.89	-18.44	-8.33	-1.83	-0.59		
Rank	22	25	25	37	26	58	76		
McKee All Cap Equity									
Total Return	-22.38	-36.27	-36.27	-18.46	-8.36	-1.10	2.29	11/30/99	2.94
Russell 3000	-22.78	-37.31	-37.31	-18.82	-8.63	-1.95	-0.11	11/30/99	0.65
Universe Median	-22.24	-36.89	-36.89	-18.44	-8.33	-1.83	-0.59		
Rank	53	40	40	54	56	40	22		
Boston Co International Equity									
Total Return	-22.84	-48.35	-48.35	-25.43				1/31/06	-12.03
MSCI EAFE (Net)	-19.95	-43.38	-43.38	-20.66				1/31/06	-9.42
Universe Median	-21.05	-43.76	-43.76	-19.20					
Rank	63	77	77	91					
CIM Fixed									
Total Return	4.18	3.31	3.31	4.97	4.61	3.92	4.53	12/31/95	5.33
LB Govt/Credit	6.42	5.71	5.71	6.48	5.57	4.64	5.54	12/31/95	6.03
Universe Median	3.66	4.52	4.52	5.78	5.36	4.50	5.19		
Rank	43	63	63	60	62	73	83		
McKee Fixed									
Total Return	3.59	6.83	6.83	7.04	6.30	5.39	6.08	11/30/99	6.75
LB U.S. Aggregate	4.57	5.24	5.24	6.10	5.51	4.65	5.36	11/30/99	6.30
Universe Median	3.66	4.52	4.52	5.78	5.36	4.50	5.19		
Rank	50	32	32	30	31	13	7		

Beaver County Employees' Retirement Fund

Performance Summary Table

Periods Ending 12/31/08

Manager	1 Qtr	YTD	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	Incept Date	Incept Ret
ERECT Funds									
Total Return	-3.23	-3.36	-3.36					3/31/07	-0.49
NCREIF Prop Index	-8.29	-6.46	-6.46					3/31/07	2.59
Universe Median	-7.55	-10.10	-10.10						
Rank	29	21	21						
Attilanus Fund I									
Total Return	-0.63	-1.53	-1.53	3.13	5.90			3/31/05	-0.64
8% Annual Return	1.94	8.00	8.00	8.00	8.00			3/31/05	8.00

Beaver County Employees' Retirement Fund Performance Summary Table Periods Ending 12/31/08

Manager	1 Qtr	YTD	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	Incept Date	Incept Ret
CIM Balanced									
Total Return	-10.58	-18.51	-18.51					9/30/07	-15.76
Policy Index	-10.82	-20.86	-20.86					9/30/07	-17.72
Universe Median	-10.58	-21.24	-21.24						
Rank	50	39	39						
McKee Balanced									
Total Return	-11.90	-21.47	-21.47					9/30/07	-18.85
Policy Index	-11.84	-21.79	-21.79					9/30/07	-18.38
Universe Median	-10.58	-21.24	-21.24						
Rank	67	54	54						

Beaver County Employees' Retirement Fund Total Fund Allocation By Manager Total Fund

December 31, 2008 \$161,662,741

