

PROJECTED AND ACTUAL INVESTMENT EXPENSES

Through Year End FY 2011-12

	<u>Projection*</u>	<u>Actual Expenses</u>	<u>Balance</u>	<u>% Expended</u>
External Investment Advisors				
Base Fees				
Domestic				
Equities	\$ 57,746,000	\$ 40,664,116	\$ 17,081,884	70.4%
Fixed Income	2,930,000	3,586,031	(656,031)	122.4%
International				
Equities	53,184,000	24,426,359	28,757,641	45.9%
Fixed Income	3,450,000	2,531,670	918,330	73.4%
Real Estate ³	216,477,000	93,234,668	123,242,332	43.1%
Infrastructure & Forestland ³	19,473,000	7,854,690	11,618,310	40.3%
Alternative Investment Mgmt. (AIM) ¹	516,852,000	292,000,449	224,851,551	56.5%
	<u>870,112,000</u>	<u>464,297,984</u>	<u>405,814,016</u>	<u>53.4%</u>
Performance Fees ²				
Domestic				
Equities	21,287,000	8,779,537	12,507,463	41.2%
International				
Equities	67,864,000	40,130,080	27,733,920	59.1%
Fixed Income	4,300,000	5,093,918	(793,918)	118.5%
Real Estate ³	39,720,000	55,081,402	(15,361,402)	138.7%
Infrastructure & Forestland ³	13,600,000	-	13,600,000	0.0%
	<u>146,771,000</u>	<u>109,084,938</u>	<u>37,686,062</u>	<u>74.3%</u>
Total External Investment Advisors	1,016,883,000	573,382,922	443,500,078	56.4%
Other Investment Expenses				
Master Custodian	6,979,000	7,712,021	(733,021)	110.5%
Portfolio Management Services/Subscriptions	21,447,000	20,628,137	818,863	96.2%
Appraisal Fees	5,578,000	3,511,715	2,066,285	63.0%
Auditor Fees	308,000	178,589	129,411	58.0%
Consultant Fees	50,452,000	21,160,211	29,291,789	41.9%
System Consultant Fees	4,175,000	4,440,524	(265,524)	106.4%
Legal Fees	16,171,000	9,049,820	7,121,180	56.0%
Tax Advisory Services	237,000	586,274	(349,274)	247.4%
Transaction Fees	3,036,000	3,028,933	7,067	99.8%
	<u>108,383,000</u>	<u>70,296,225</u>	<u>38,086,775</u>	<u>64.9%</u>
Total	<u>\$ 1,125,266,000</u>	<u>\$ 643,679,147</u>	<u>\$ 481,586,853</u>	<u>57.2%</u>

* External Investment Advisors 2011-12 projection information from the Investment Advisor Report, dated January 2012.

¹ The AIM Management fees are capitalized expenses and are included in the cost basis of the investment. Actual expenses do not reflect 100% of Base Fees paid.

² These amounts are highly volatile as they are based on performance of fund managers compared to various benchmarks. In addition, performance fees are calculated on various multi-year contracts and the performance period varies from manager to manager.

³ The final Real Estate and Infrastructure & Forestland expense amounts will be reflected in the FY 2011-12 Consolidated Annual Financial Report due to the quarterly reporting lag.