

QUARTERLY REVIEW & PERFORMANCE MEASUREMENT REPORT
for

Contra Costa County
Employees' Retirement
Association

FOR THE PERIOD ENDING
June 30, 2009

August 26, 2009

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MARKET OVERVIEW

Domestic Equity Markets

Domestic equities rebounded sharply in the second quarter as investors began to gain some clarity about the health of the banking system and credit markets continued to thaw. Continuing the rally that began in early March, equities were up sharply in April and May before slipping back somewhat in June. As investors began to regain their risk appetite, small capitalization stocks began to exceed large capitalization stocks in the second quarter. Large capitalization stocks, as measured by the S&P 500, returned 15.9% in the quarter. Small capitalization stocks, as measured by the Russell 2000®, returned 20.7%.

All ten S&P 500 sectors had positive returns this past quarter. Financials had the most positive return (35.6%), followed by Information Technology (19.7%), Industrials (18.9%), Consumer Discretionary (18.0%), Materials (16.2%), Energy (10.8%), Utilities (10.2%), Consumer Staples (9.8%), Health Care (8.9%), and Telecom Services (3.5%).

Growth-oriented securities had mixed results relative to value securities in the second quarter of 2009. In the domestic large capitalization area, the Russell 1000® Growth Index returned 16.3%, compared to the Russell 1000® Value Index return of 16.7%. In small cap securities, the difference was somewhat larger and reversed, with the Russell 2000® Growth Index return of 23.7% compared to the Russell 2000® Value Index return of 18.0%.

International Capital Markets

International equity markets rebounded even more sharply than domestic equity markets during the quarter, with the MSCI EAFE Index returning 25.9%. The MSCI EAFE return prior to translation into US\$ was 17.3%. The Pacific portion of EAFE return of 25.7% was quite close to the MSCI Europe Index return of 25.9% in US\$.

Domestic Bond Markets

The Barclays Capital Aggregate Index returned 1.8% during the quarter. Shorter-duration bonds outperformed longer-duration bonds. The Barclays Capital Long Government/Credit Index returned 0.9%, while the shorter Barclays Capital Government/Credit Index returned 1.9%. Credit issues led Government issues in the quarter as investors reversed their flight to safety that had been the dominant theme since last autumn. The Barclays Capital Government Bond Index returned -2.2% compared to 8.8% for the Barclays Capital Credit Index. The mortgage bond market sector performed was nearly flat in the quarter with the Citigroup Mortgage Index returning 0.4%.

Domestic Real Estate Market

The domestic real estate market, as measured by the NCREIF property index, returned -5.2% for the second quarter of 2009. The FTSE NAREIT Equity Index, which measures the domestic public REIT market, was up sharply 28.9% after many REITs issued additional equity which allayed concerns about their ability to meet short-term debt payments. Global real estate securities, measured by the FTSE EPRA/NAREIT Global Real Estate Index, returned 37.3%.

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KEY POINTS

Second Quarter, 2009

- The CCCERA Total Fund returned 11.6% for the second quarter, better than the 9.7% return of the median total fund and the 10.3% return of the median public fund. CCCERA Total Fund performance has been below median over the past three years but above median over the four through ten-year periods.
- CCCERA domestic equities returned 17.3% in the quarter, better than the 16.8% return of the Russell 3000® and the 16.6% return of the median equity manager.
- CCCERA international equities returned 19.4% for the quarter, trailing the 25.9% return of the MSCI EAFE Index and the 25.0% return of the median international equity manager.
- CCCERA fixed income returned 6.4% for the quarter, exceeding the Barclays U.S. Universal return of 2.9% and the median fixed income manager return of 3.0%.
- CCCERA alternative assets returned -0.1% for the quarter, trailing the 17.0% return of the S&P 500 + 400 basis points per year.
- CCCERA real estate returned 6.3% for the quarter, above the median real estate manager return of -6.3% and the CCCERA real estate benchmark return of 4.6%.
- Global equity and high yield were over-weighted vs. target at the end of the second quarter, offset by modest under-weights in global fixed income, real estate and alternative investments. Global equities are the “parking place” for assets intended for alternative investments.

WATCH LIST

<u>Manager</u>	<u>Since</u>	<u>Reason</u>
Adelante	2/25/2009	Performance
Delaware	11/25/2008	Performance
Emerald Advisors	5/28/2008	Performance
McKinley Capital	5/27/2009	Performance
Nogales Investors	5/28/2008	Performance
PIMCO (StocksPLUS)	5/28/2008	Performance
Progress	11/25/2008	Performance

SUMMARY

CCCERA's second quarter return of 11.6% was better than the median total fund and the median public fund. CCCERA slightly trailed the median funds over the past one through three-year periods. CCCERA has out-performed both medians over trailing time periods four years and longer, ranking well above median in both universes over the past five through ten-year periods.

CCCERA total domestic equities returned 17.3% for the quarter, exceeding the 16.8% return of the Russell 3000® and the 16.6% return of the median manager. Of CCCERA's domestic equity managers, PIMCO had the best absolute performance with a second quarter return of 21.9%, well above the S&P 500 return of 15.9%. Progress returned 20.5%, slightly trailing the 20.7% return of the Russell 2000® Index. Wentworth Hauser returned 19.7%, better than the 15.9% return of the S&P 500. Boston Partners returned 18.4%, better than the 16.7% return of the Russell 1000® Value Index. Emerald returned 16.5%, significantly trailing the 23.4% return of the Russell 2000® Growth Index. The Legacy ING portfolio, now managed on an interim basis by State Street, returned 16.1%, better than the 15.9% return of the S&P 500 Index. Intech Enhanced Plus returned 15.5%, trailing the S&P 500. Delaware returned 15.1%, trailing the Russell 1000 Growth Index return of 16.3%. Intech Large Cap Core returned 15.0%, trailing the 15.9% return of the S&P 500 Index. Finally, Rothschild returned 12.2%, trailing the Rothschild Small/Mid Value benchmark return of 18.8%.

CCCERA international equities returned 19.4%, trailing the 25.9% return of the MSCI EAFE Index and the 25.0% return of the median international manager. The GMO Intrinsic Value portfolio returned 22.6%, trailing the S&P Citi PMI EPAC Value Index return of 27.2% and the median international equity manager. McKinley Capital returned 16.3%, well below the MSCI ACWI ex-US Growth Index return of 24.1% and the median international equity manager.

CCCERA total domestic fixed income returned 6.4% for the second quarter, ahead of the 1.8% return the Barclays Universal and the 3.0% return of the median fixed income manager. Nicholas Applegate had the strongest return at 15.1%, but lagged the 23.2% return of the ML High Yield II Index and 17.8% for the median high yield manager. The workout portfolio overseen by Goldman Sachs returned 13.4%, well above the Barclays Aggregate return of 1.8%. The ING Clarion II fund returned 11.3%, below the ML High Yield II Index and the high yield fixed income median. ING Clarion III returned 9.8% in the second quarter. Lord Abbett returned 6.9%, well above the Barclays U.S. Aggregate and the median fixed income manager. PIMCO returned 6.0%, above the Barclays U.S. Aggregate and the median. Goldman Sachs returned 3.0%, above the Barclays U.S. Aggregate Index and matching the median fixed income manager. AFL-CIO returned 1.0% which trailed the Barclays U.S. Aggregate return of 1.8% and was below the median fixed income manager.

Lazard Asset Management returned 7.2% in the second quarter, better than the Barclays Global Aggregate return of 4.9% and ranking in the 40th percentile of global fixed income portfolios.

CCCERA total alternative investments returned -0.1% in the second quarter. Paladin III returned 8.6%, Energy Investor Fund reported a return of 6.3%, Bay Area Equity Fund reported a return of 6.0%, Nogales had a return of 5.5% for the quarter, Energy Investor Fund II reported a return of 1.9%, Energy Investor Fund III reported a return of 0.7%, Hancock PT Timber Fund returned 0.6%, Carpenter Community Bancfund returned -0.6%, Adams Street Partners reported a return of -2.6%, and Pathway returned -3.5%. (Due to timing constraints, all alternative portfolio returns except Hancock PT Timber Fund are for the quarter ending March 31.)

The median real estate manager returned -6.3% for the quarter while CCCERA's total real estate returned 6.3%. Invesco International REIT returned 32.7%, Adelante Capital REIT returned 32.3%, Prudential SPF II returned 5.1%, Willows Office Property returned 1.2%, DLJ RECP I returned 0.1%, DLJ's RECP III returned -0.9, DLJ's RECP II returned -10.4%, Black Rock Realty returned -14.7%, Fidelity II returned -19.0%, Invesco Fund I returned -25.7%, Fidelity III returned

-36.4%, DLJ RECP IV returned -36.6% and Invesco Fund II returned -39.3%. Also, please refer to the internal rate of return (IRR) table for closed-end funds on page 13, which is the preferred measurement for the individual closed-end debt, real estate and private equity funds.

Asset Allocation

The CCCERA fund at June 30, 2009 was above target in domestic equity at 42.1% compared to the target of 38.6%, international equity was above target at 10.9% vs. 10.4% and high yield fixed income at 3.6% vs. 3.0%. Asset classes below their respective targets included investment grade fixed income at 28.5% vs. 29.0%, real estate at 9.3% vs. 11.5% and alternatives at 5.2% vs. 7.0%. Cash was slightly below its target weight at 0.4% vs. 0.5%. Assets earmarked for alternative investments were temporarily invested in U.S. equities.

Second quarter securities lending income from the custodian, State Street Bank, totaled \$736,926.

Performance Compared to Investment Performance Objectives

The Statement of Investment Policies and Guidelines specifies investment objectives for each asset class. These goals are meant as targets, and one would not expect them to be achieved by every manager over every period. They do provide justification for focusing on sustained manager under-performance. We show the investment objectives and compliance with the objectives on the following page. We also include compliance with objectives in the manager comments.

Reflecting the Investment Policy, the table on page 5 includes performance after fees, as well as the performance gross of (before) fees which has previously been reported.

Summary of Managers Compliance with Investment Performance Objectives As of June 30, 2009

	Trailing 3 Years			Trailing 5 Years		
	<u>Gross</u> <u>Return</u>	<u>Net Return</u>	<u>Rank</u> <u>Target</u>	<u>Gross</u> <u>Return</u>	<u>Net Return</u>	<u>Rank</u> <u>Target</u>
DOMESTIC EQUITY						
Boston Partners	Yes	Yes	Yes	Yes	Yes	Yes
Delaware	No	No	Yes	-	-	-
Emerald Advisors	No	No	No	No	No	No
Intech - Enhanced Plus	Yes	No	No	Yes	Yes	No
Intech - Large Core	-	-	-	-	-	-
PIMCO Stocks Plus	No	No	No	No	No	No
Progress	No	No	No	No	No	No
Rothschild	Yes	Yes	No	Yes	Yes	Yes
Wentworth, Hauser	Yes	Yes	Yes	Yes	Yes	Yes
Total Domestic Equities	Yes	No	No	Yes	Yes	No
INT'L EQUITY						
GMO Intrinsic Value	No	No	No	-	-	-
McKinley Capital	No	No	No	-	-	-
Total Int'l Equities	No	No	No	Yes	No	No
DOMESTIC FIXED INCOME						
AFL-CIO Housing	Yes	Yes	Yes	Yes	Yes	Yes
Goldman Sachs	-	-	-	-	-	-
ING Clarion II	-	-	-	-	-	-
ING Clarion III	-	-	-	-	-	-
Lord Abbett	-	-	-	-	-	-
Nicholas Applegate	Yes	Yes	Yes	Yes	Yes	Yes
PIMCO	Yes	Yes	Yes	Yes	Yes	Yes
Workout (GSAM)	-	-	-	-	-	-
Total Domestic Fixed	No	No	No	No	No	No
GLOBAL FIXED INCOME						
Lazard Asset Management	-	-	-	-	-	-

Summary of Managers Compliance with Investment Performance Objectives (cont)
As of June 30, 2009

	Trailing 3 Years			Trailing 5 Years		
	<u>Gross Return</u>	<u>Net Return</u>	<u>Rank Target</u>	<u>Gross Return</u>	<u>Net Return</u>	<u>Rank Target</u>
ALTERNATIVE INVESTMENTS						
Adams Street	Yes	Yes	Yes	Yes	Yes	Yes
Bay Area Equity Fund	Yes	Yes	Yes	-	-	-
Carpenter Bancfund	-	-	-	-	-	-
Energy Investor Fund	Yes	Yes	Yes	Yes	Yes	Yes
Energy Investor Fund II	Yes	Yes	Yes	-	-	-
Energy Investor Fund III	-	-	-	-	-	-
Nogales	No	No	No	No	No	No
Paladin III	-	-	-	-	-	-
Pathway	Yes	Yes	Yes	Yes	Yes	Yes
Hancock PT Timber Fund	Yes	Yes	Yes	Yes	Yes	Yes
Total Alternative	Yes	Yes	Yes	Yes	Yes	Yes
REAL ESTATE						
Adelante Capital REIT	No	No	No	Yes	No	Yes
BlackRock Realty	No	No	No	-	-	-
DLJ RECP I	Yes	Yes	Yes	Yes	Yes	Yes
DLJ RECP II	No	No	Yes	Yes	Yes	Yes
DLJ RECP III	Yes	Yes	Yes	-	-	-
DLJ RECP IV	-	-	-	-	-	-
Fidelity II	No	No	No	No	No	No
Fidelity III	-	-	-	-	-	-
Invesco Fund I	No	No	No	-	-	-
Invesco Fund II	-	-	-	-	-	-
Invesco Int'l REIT	-	-	-	-	-	-
Prudential SPF II	Yes	No	Yes	Yes	Yes	Yes
Willows Office Property	Yes	Yes	Yes	Yes	Yes	Yes
Total Real Estate	No	No	No	No	No	No
CCCERA Total Fund	No	No	No	No	No	Yes

ASSET ALLOCATION
As of June 30, 2009

	<u>Market Value</u>	<u>% of Portion</u>	<u>% of Total</u>	<u>Target % of Total</u>
EQUITY - DOMESTIC				
Boston Partners	\$ 243,009,033	15.2 %	6.4 %	6.1 %
Delaware Investments	268,566,555	16.8	7.1	6.1
Emerald	111,603,872	7.0	2.9	2.7
State Street (Legacy ING)	181,850,230	11.3	4.8	5.0
Intech - Enhanced Plus	16,802,433	1.0	0.4	0.4
Intech - Large Core	178,600,655	11.1	4.7	4.6
PIMCO	174,415,613	10.9	4.6	3.3
Progress	115,493,529	7.2	3.0	2.7
Rothschild	98,683,517	6.2	2.6	2.7
Wentworth	213,301,419	13.3	5.6	5.0
TOTAL DOMESTIC	\$ 1,602,326,856	79.4 %	42.1 %	38.6 %
INTERNATIONAL EQUITY				
McKinley Capital	\$ 210,463,489	10.4 %	5.5 %	5.2 %
GMO Intrinsic Value	205,602,234	10.2	5.4	5.2
TOTAL INT'L EQUITY	\$ 416,065,723	20.6 %	10.9 %	10.4 %
TOTAL GLOBAL EQUITY	\$ 2,018,392,579	100.0 %	53.1 %	49.0 %
			<i>Range:</i>	<i>45 to 53 %</i>
FIXED INCOME				
AFL-CIO	\$ 133,543,501	12.3 %	3.5 %	3.4 %
Goldman Sachs	181,620,363	16.7	4.8	5.8
ING Clarion II	35,721,346	3.3	0.9	0.9
ING Clarion III	16,743,212	1.5	0.4	1.8
Lord Abbett	184,719,539	17.0	0.0	5.8
PIMCO	302,912,088	27.9	8.0	7.3
Workout (GSAM)	72,507,457	6.7	1.9	0.0
TOTAL US FIXED INCOME	\$ 927,767,506	85.5 %	24.4 %	25.0 %
GLOBAL FIXED				
Lazard Asset Mgmt	\$ 156,960,841	14.5 %	4.1 %	4.0 %
TOTAL GLOBAL FIXED	\$ 156,960,841	14.5 %	4.1 %	4.0 %
TOTAL INV GRADE FIXED	\$ 1,084,728,347	100.0 %	28.5 %	29.0 %
			<i>Range:</i>	<i>24 to 34 %</i>
HIGH YIELD				
Nicholas Applegate	\$ 135,318,605	100.0 %	3.6 %	3.0 %
TOTAL HIGH YIELD	\$ 135,318,605	100.0 %	3.6 %	3.0 %
			<i>Range:</i>	<i>1 to 5 %</i>

ASSET ALLOCATION
As of June 30, 2009

	<u>Market Value</u>	<u>% of Portion</u>	<u>% of Total</u>	<u>Target % of Total</u>
REAL ESTATE*				
Adelante Capital	\$ 156,960,206	44.4 %	4.1 %	1.4 %
BlackRock Realty	14,530,845	4.1	0.4	-
DLJ RECP I	173,703	0.0	0.0	-
DLJ RECP II	5,431,423	1.5	0.1	-
DLJ RECP III	52,630,875	14.9	1.4	-
DLJ RECP IV	6,696,118	1.9	0.2	-
Fidelity II	16,907,918	4.8	0.4	-
Fidelity III	8,829,612	2.5	0.2	-
Hearthstone I	-150,000	0.0	0.0	-
Hearthstone II	-99,596	0.0	0.0	-
Invesco Fund I	22,294,264	6.3	0.6	-
Invesco Fund II	7,893,091	2.2	0.2	-
Invesco International REIT	45,296,208	12.8	1.2	1.0
Prudential SPF II	184,607	0.1	0.0	-
Willows Office Property	15,560,000	4.4	0.4	-
TOTAL REAL ESTATE	\$ 353,139,274	100.0 %	9.3 %	11.5 %
			<i>Range:</i>	<i>8 to 14 %</i>
ALTERNATIVE INVESTMENTS*				
Adams Street Partners	\$ 50,177,586	25.4 %	1.3 %	- %
Bay Area Equity Fund	9,824,487	5.0	0.3	-
Carpenter Bancfund	10,986,834	5.6	0.3	-
Energy Investor Fund	14,414,328	7.3	0.4	-
Energy Investor Fund II	39,460,844	20.0	1.0	-
Energy Investor Fund III	16,680,304	8.4	0.4	-
Nogales	1,489,136	0.8	0.0	-
Paladin III	6,490,947	3.3	0.2	-
Pathway	40,679,546	20.6	1.1	-
Hancock PT Timber	7,440,049	3.8	0.2	-
TOTAL ALTERNATIVE	\$ 197,644,061	100.0 %	5.2 %	7.0 %
			<i>Range:</i>	<i>5 to 9 %</i>
CASH				
Custodian Cash	\$ 12,049,776	89.0 %	0.3 %	- %
Treasurer's Fixed	1,485,000	11.0	0.0	-
TOTAL CASH	\$ 13,534,776	100.0 %	0.4 %	0.5 %
			<i>Range:</i>	<i>0 to 1 %</i>
TOTAL ASSETS	\$ 3,802,757,642	100.0 %	100.0 %	100.0 %

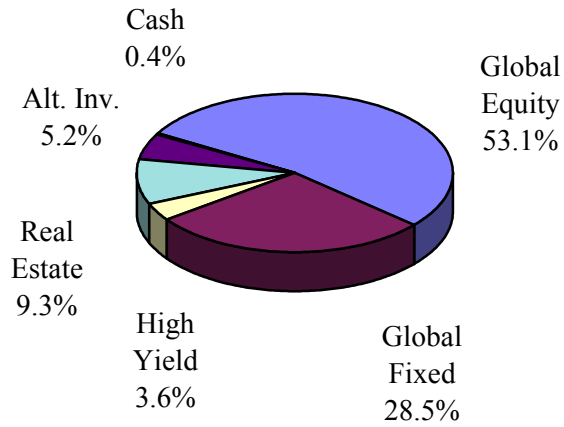
*CCCERA has committed \$85 million to ING Clarion Debt Opportunity Fund II, \$25 million to BlackRock (formerly SSR) Realty; \$15 million to DLJ RECP I; \$40 million to DLJ RECP II; \$75 million to DLJ III, \$100 million to DLJ IV; \$50 million to Fidelity II; \$75 million to Fidelity III; \$40 million to Prudential SPF-II; \$50 million to INVESCO I; \$85 million INVESCO II; \$130 million to Adams Street Partners; \$10 million to Bay Area Equity Fund; \$30 million to Carpenter, \$30 million to Energy Investors USPF I; \$50 million to USPF II; \$65 million to USPF III; \$15 million to Nogales; \$25 million to Paladin III; \$125 million to Pathway and \$15 million to Hancock PT Timber Fund III.

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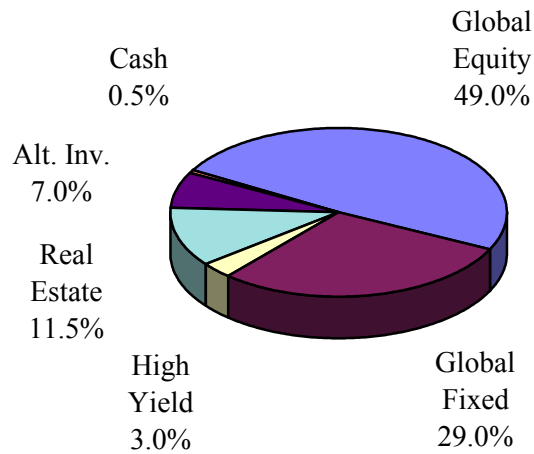
ASSET ALLOCATION

As of June 30, 2009

CCCERA Asset Allocation



Target Asset Allocation



CUMULATIVE PERFORMANCE STATISTICS
Performance through Second Quarter, 2009

DOMESTIC EQUITY	3 Mo	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	7 Yr	10 Yr
Boston Partners	18.4 %	-18.8 %	-17.8 %	-5.8 %	-1.1 %	1.6 %	3.7 %	3.5 %
<i>Rank vs Equity</i>	<i>34</i>	<i>14</i>	<i>35</i>	<i>27</i>	<i>22</i>	<i>19</i>	<i>37</i>	<i>30</i>
<i>Rank vs Lg Value</i>	<i>26</i>	<i>5</i>	<i>14</i>	<i>11</i>	<i>11</i>	<i>10</i>	<i>22</i>	<i>7</i>
Delaware	15.1	-22.7	-15.4	-7.6	-3.1	-	-	-
<i>Rank vs Equity</i>	<i>68</i>	<i>25</i>	<i>21</i>	<i>43</i>	<i>45</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Rank vs Lg Growth</i>	<i>43</i>	<i>24</i>	<i>48</i>	<i>74</i>	<i>64</i>	<i>-</i>	<i>-</i>	<i>-</i>
Emerald Advisors	16.5	-24.4	-20.6	-10.6	-3.1	-1.8	-	-
<i>Rank vs Equity</i>	<i>51</i>	<i>35</i>	<i>67</i>	<i>82</i>	<i>44</i>	<i>66</i>	<i>-</i>	<i>-</i>
<i>Rank vs Sm Cap Growth</i>	<i>85</i>	<i>46</i>	<i>69</i>	<i>78</i>	<i>52</i>	<i>81</i>	<i>-</i>	<i>-</i>
State Street (Legacy ING)	16.1	-25.2	-19.8	-8.1	-4.3	-2.0	0.8	-
<i>Rank vs Equity</i>	<i>53</i>	<i>40</i>	<i>54</i>	<i>50</i>	<i>69</i>	<i>69</i>	<i>87</i>	<i>-</i>
<i>Rank vs Lg Core</i>	<i>36</i>	<i>23</i>	<i>48</i>	<i>38</i>	<i>71</i>	<i>49</i>	<i>91</i>	<i>-</i>
Intech - Enhanced Plus	15.5	-26.5	-19.0	-8.2	-4.0	-1.2	2.2	-
<i>Rank vs Equity</i>	<i>64</i>	<i>56</i>	<i>44</i>	<i>54</i>	<i>59</i>	<i>53</i>	<i>57</i>	<i>-</i>
<i>Rank vs Lg Core</i>	<i>71</i>	<i>64</i>	<i>28</i>	<i>54</i>	<i>37</i>	<i>33</i>	<i>24</i>	<i>-</i>
Intech - Large Core	15.0	-26.0	-18.5	-	-	-	-	-
<i>Rank vs Equity</i>	<i>69</i>	<i>46</i>	<i>41</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Rank vs Lg Core</i>	<i>84</i>	<i>33</i>	<i>24</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
PIMCO Stocks Plus	21.9	-29.8	-22.8	-10.4	-6.1	-3.7	-	-
<i>Rank vs Equity</i>	<i>17</i>	<i>78</i>	<i>80</i>	<i>79</i>	<i>88</i>	<i>93</i>	<i>-</i>	<i>-</i>
<i>Rank vs Lg Core</i>	<i>7</i>	<i>93</i>	<i>85</i>	<i>90</i>	<i>96</i>	<i>98</i>	<i>-</i>	<i>-</i>
Progress	20.5	-32.5	-23.5	-12.0	-4.9	-2.5	-	-
<i>Rank vs Equity</i>	<i>23</i>	<i>86</i>	<i>84</i>	<i>88</i>	<i>79</i>	<i>85</i>	<i>-</i>	<i>-</i>
<i>Rank vs Small Core</i>	<i>51</i>	<i>87</i>	<i>83</i>	<i>88</i>	<i>76</i>	<i>88</i>	<i>-</i>	<i>-</i>
Rothschild	12.2	-29.2	-20.6	-8.6	-2.3	0.7	-	-
<i>Rank vs Equity</i>	<i>83</i>	<i>75</i>	<i>67</i>	<i>64</i>	<i>33</i>	<i>27</i>	<i>-</i>	<i>-</i>
<i>Rank vs Sm Cap Value</i>	<i>97</i>	<i>89</i>	<i>43</i>	<i>39</i>	<i>23</i>	<i>25</i>	<i>-</i>	<i>-</i>
Wentworth, Hauser	19.7	-20.5	-15.5	-5.5	-2.3	0.1	2.2	0.8
<i>Rank vs Equity</i>	<i>26</i>	<i>18</i>	<i>21</i>	<i>24</i>	<i>33</i>	<i>35</i>	<i>59</i>	<i>55</i>
<i>Rank vs Lg Core</i>	<i>10</i>	<i>7</i>	<i>7</i>	<i>10</i>	<i>16</i>	<i>14</i>	<i>25</i>	<i>24</i>
Total Domestic Equities	17.3	-25.0	-19.0	-8.1	-3.5	-1.1	1.1	-1.4
<i>Rank vs Equity</i>	<i>41</i>	<i>39</i>	<i>44</i>	<i>52</i>	<i>49</i>	<i>53</i>	<i>75</i>	<i>73</i>
Median Equity	16.6	-26.1	-19.5	-8.1	-3.5	-0.8	2.7	1.1
S&P 500	15.9	-26.2	-19.9	-8.2	-4.3	-2.2	0.9	-2.2
S&P 500 ex-Tobacco	15.9	-26.5	-20.2	-8.5	-4.5	-2.5	0.7	-
Russell 3000®	16.8	-26.6	-19.9	-8.4	-4.2	-1.8	1.5	-1.5
Russell 1000® Value	16.7	-29.0	-24.1	-11.1	-5.8	-2.1	1.1	-0.2
Russell 1000® Growth	16.3	-24.5	-15.7	-5.4	-2.7	-1.8	1.5	-4.2
Russell 2000®	20.7	-25.0	-20.7	-9.9	-4.3	-1.7	2.7	2.4
Rothschild Benchmark	18.8	-26.2	-23.1	-11.2	-5.8	-2.1	-	-
Russell 2000® Growth	23.4	-24.8	-18.1	-7.8	-2.7	-1.3	3.1	-0.9
INT'L EQUITY								
GMO Intrinsic Value	22.6	-30.6	-21.2	-7.6	0.1	-	-	-
<i>Rank vs Int'l Eq</i>	<i>64</i>	<i>52</i>	<i>59</i>	<i>67</i>	<i>68</i>	<i>-</i>	<i>-</i>	<i>-</i>
McKinley Capital	16.3	-43.4	-26.7	-10.6	-	-	-	-
<i>Rank vs Int'l Eq</i>	<i>93</i>	<i>96</i>	<i>91</i>	<i>89</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Total Int'l Equities	19.4	-36.9	-23.8	-8.9	0.1	3.0	5.4	2.5
<i>Rank vs Int'l Eq</i>	<i>88</i>	<i>85</i>	<i>83</i>	<i>83</i>	<i>69</i>	<i>68</i>	<i>72</i>	<i>79</i>
Median Int'l Equity	25.0	-30.4	-20.2	-6.6	1.1	3.9	7.2	5.0
MSCI EAFE Index	25.9	-31.0	-21.2	-7.5	0.1	2.8	5.3	1.6
MSCI ACWI ex-US	27.9	-30.5	-19.3	-5.4	2.2	5.0	7.1	2.9
S&P Citi PMI EPAC Value	27.2	-29.9	-21.9	-7.5	0.6	3.4	6.0	3.1
MSCI ACWI ex-US Growth	24.1	-33.5	-18.9	-5.4	2.1	4.4	5.8	1.0

Notes: Returns for periods longer than one year are annualized.

CUMULATIVE PERFORMANCE STATISTICS
Performance through Second Quarter, 2009

	<u>3 Mo</u>	<u>1 Yr</u>	<u>2 Yr</u>	<u>3 Yr</u>	<u>4 Yr</u>	<u>5 Yr</u>	<u>7 Yr</u>	<u>10 Yr</u>
DOMESTIC FIXED INCOME								
AFL-CIO Housing	1.0 %	8.3 %	7.9 %	7.4 %	5.4 %	5.8 %	5.7 %	6.6 %
<i>Rank vs Fixed Income</i>	78	13	17	15	20	16	26	16
Goldman Sachs	3.0	-	-	-	-	-	-	-
<i>Rank vs Fixed Income</i>	50	-	-	-	-	-	-	-
ING Clarion II*	11.3	-53.5	-44.4	-	-	-	-	-
<i>Rank vs High Yield</i>	88	98	98	-	-	-	-	-
ING Clarion III*	9.8	-	-	-	-	-	-	-
<i>Rank vs High Yield</i>	93	-	-	-	-	-	-	-
Lord Abbett	6.9	-	-	-	-	-	-	-
<i>Rank vs Fixed Income</i>	24	-	-	-	-	-	-	-
Nicholas Applegate	15.1	-0.6	0.0	3.6	4.0	5.0	7.2	-
<i>Rank vs High Yield</i>	72	5	2	2	3	4	11	-
PIMCO	6.0	6.5	7.5	7.0	5.2	5.7	5.9	-
<i>Rank vs Fixed Income</i>	29	29	22	23	27	18	22	-
Workout (GSAM)	13.4	-	-	-	-	-	-	-
<i>Rank vs Fixed Income</i>	8	-	-	-	-	-	-	-
Total Domestic Fixed	6.4	0.5	2.0	3.9	3.2	4.2	5.2	5.7
<i>Rank vs Fixed Income</i>	25	74	77	76	79	70	47	63
Median Fixed Income	3.0	4.7	5.7	5.8	4.5	4.8	5.1	6.0
Median High Yield Mgr.	17.8	-6.6	-4.5	0.2	1.2	2.8	5.7	-
Barclays Universal	2.9	4.9	5.6	5.9	4.4	5.0	5.3	6.0
Barclays Aggregate	1.8	6.1	6.6	6.4	4.6	5.0	5.1	6.0
Merrill Lynch HY II	23.2	-3.5	-2.7	1.9	2.6	4.1	7.4	4.4
Merrill Lynch BB/B	18.0	-3.4	-2.0	2.1	2.6	4.1	6.7	4.4
T-Bills	0.1	0.9	2.3	3.2	3.4	3.2	2.6	3.2
GLOBAL FIXED INCOME								
Lazard Asset Mgmt	7.2	-2.1	-	-	-	-	-	-
<i>Rank vs. Global Fixed</i>	40	79	-	-	-	-	-	-
Barclays Global Aggregate	4.9	2.8	7.7	6.7	5.0	5.5	-	-
ALTERNATIVE INVESTMENTS*								
Adams Street**	-2.6	-22.4	-6.6	3.6	8.0	8.9	6.8	10.4
Bay Area Equity Fund**	6.0	3.2	26.5	26.8	19.1	-	-	-
Carpenter Bancfund**	-0.6	13.6	-	-	-	-	-	-
Energy Investor Fund**	6.3	88.1	135.2	90.3	73.8	70.6	-	-
Energy Investor Fund II**	1.9	5.1	13.2	18.3	-	-	-	-
Energy Investor Fund III**	0.7	15.6	-	-	-	-	-	-
Nogales**	5.5	-51.0	-50.9	-33.4	-23.8	-17.4	-	-
Paladin III**	8.6	-0.9	-	-	-	-	-	-
Pathway**	-3.5	-24.1	-6.1	7.4	14.3	15.5	10.7	4.1
Hancock PT Timber Fund	0.6	12.3	11.0	12.8	11.8	11.2	8.2	6.5
Total Alternative	-0.1	-8.2	2.3	10.2	13.5	15.3	11.2	11.2
S&P 500 + 400 bps	17.0	-23.2	-16.7	-4.5	-0.4	1.7	5.0	1.7

Note: Returns for periods longer than one year are annualized.

** See also see Internal Rates of Return for closed-end funds on page 13.*

*** Performance as of March 31, 2009.*

CUMULATIVE PERFORMANCE STATISTICS
Performance through Second Quarter, 2009

	<u>3 Mo</u>	<u>1 Yr</u>	<u>2 Yr</u>	<u>3 Yr</u>	<u>4 Yr</u>	<u>5 Yr</u>	<u>7 Yr</u>	<u>10 Yr</u>
REAL ESTATE*								
Adelante Capital REIT	32.3 %	-47.8 %	-33.8 %	-20.7 %	-11.1 %	-3.2 %	2.2 %	- %
<i>Rank vs REITs</i>	<i>22</i>	<i>84</i>	<i>88</i>	<i>81</i>	<i>61</i>	<i>49</i>	<i>39</i>	<i>-</i>
BlackRock Realty	-14.7	-54.5	-30.9	-17.6	-7.3	-	-	-
<i>Rank</i>	<i>90</i>	<i>98</i>	<i>92</i>	<i>90</i>	<i>83</i>	<i>-</i>	<i>-</i>	<i>-</i>
DLJ RECP I**	0.3	12.3	32.3	37.4	27.1	24.0	20.0	16.9
<i>Rank</i>	<i>30</i>	<i>1</i>	<i>1</i>	<i>1</i>	<i>1</i>	<i>1</i>	<i>1</i>	<i>1</i>
DLJ RECP II**	-10.4	-32.0	-9.6	4.1	13.3	17.4	19.8	-
<i>Rank</i>	<i>81</i>	<i>72</i>	<i>30</i>	<i>9</i>	<i>4</i>	<i>1</i>	<i>1</i>	<i>-</i>
DLJ RECP III**	-0.9	-9.5	2.1	8.4	-	-	-	-
<i>Rank</i>	<i>34</i>	<i>12</i>	<i>7</i>	<i>4</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
DLJ RECP IV**	-36.6	-65.3	-	-	-	-	-	-
<i>Rank</i>	<i>98</i>	<i>98</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Fidelity II	-19.0	-59.1	-35.7	-24.4	-15.7	-9.4	-	-
<i>Rank</i>	<i>95</i>	<i>98</i>	<i>97</i>	<i>98</i>	<i>97</i>	<i>98</i>	<i>-</i>	<i>-</i>
Fidelity III	-36.4	-51.2	-	-	-	-	-	-
<i>Rank</i>	<i>98</i>	<i>97</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Invesco Fund I	-25.7	-45.9	-26.1	-11.7	-2.6	-	-	-
<i>Rank</i>	<i>96</i>	<i>93</i>	<i>83</i>	<i>80</i>	<i>76</i>	<i>-</i>	<i>-</i>	<i>-</i>
Invesco Fund II	-39.3	-89.2	-	-	-	-	-	-
<i>Rank</i>	<i>98</i>	<i>99</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Invesco Int'l REIT	32.7	-	-	-	-	-	-	-
<i>Rank vs REITs</i>	<i>21</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Prudential SPF II	5.1	-48.0	-10.1	7.2	17.2	20.8	18.3	15.0
<i>Rank</i>	<i>21</i>	<i>94</i>	<i>33</i>	<i>6</i>	<i>1</i>	<i>1</i>	<i>1</i>	<i>1</i>
Willows Office Property	1.2	4.3	22.6	16.5	14.2	12.8	8.8	15.9
<i>Rank</i>	<i>26</i>	<i>3</i>	<i>1</i>	<i>1</i>	<i>4</i>	<i>1</i>	<i>7</i>	<i>1</i>
Total Real Estate	6.3	-44.4	-27.4	-14.9	-6.0	0.5	4.8	6.8
<i>Rank</i>	<i>20</i>	<i>89</i>	<i>86</i>	<i>82</i>	<i>79</i>	<i>80</i>	<i>46</i>	<i>27</i>
Median Real Estate	-6.3	-30.3	-13.8	-4.7	0.5	3.5	4.5	6.3
Real Estate Benchmark	4.6	-24.6	-12.1	-3.6	1.8	5.6	7.1	8.3
DJ Wilshire REIT	31.7	-45.3	-31.9	-19.7	-10.8	-3.3	1.6	5.5
NCREIF Property Index	-5.2	-19.6	-6.3	1.0	5.1	7.6	8.1	8.5
NCREIF Index + 300 bps	-4.5	-17.0	-3.4	4.1	8.4	10.9	11.3	11.7
NCREIF Index + 500 bps	-4.0	-15.3	-1.5	6.0	10.3	12.9	13.4	13.8
NCREIF Apartment	-5.1	-20.9	-8.3	-1.6	3.2	5.8	7.0	8.1
NCREIF Apt + 300 bps	-4.4	-18.4	-5.4	1.4	6.2	9.0	10.1	11.3
CCCERA Total Fund	11.6 %	-18.7 %	-11.9 %	-3.3 %	0.6 %	2.8 %	5.0 %	3.6 %
<i>Rank vs. Total Fund</i>	<i>31</i>	<i>70</i>	<i>68</i>	<i>66</i>	<i>47</i>	<i>28</i>	<i>14</i>	<i>26</i>
<i>Rank vs. Public Fund</i>	<i>24</i>	<i>76</i>	<i>70</i>	<i>67</i>	<i>44</i>	<i>23</i>	<i>11</i>	<i>17</i>
Median Total Fund	9.7	-15.6	-10.4	-2.1	0.4	2.0	3.7	2.7
Median Public Fund	10.3	-15.1	-9.7	-2.2	0.1	1.8	3.6	2.5
CPI + 400 bps	2.4	2.6	5.9	6.2	6.8	6.7	6.8	6.9

Note: Returns for periods longer than one year are annualized.

** See also see Internal Rates of Return for closed-end funds on page 13.*

*** Performance as of March 31, 2009.*

CLOSED END FUNDS INTERNAL RATE OF RETURN (IRR)

	Gross of Fees		Net of Fees		Inception
	Fund Level IRR	CCCERA IRR	Fund Level IRR	CCCERA IRR	
FIXED INCOME					
ING Clarion II	-23.0%	-45.2%	-25.8%	-47.5%	07/01/06
ING Clarion III*	15.7%	15.6%	10.2%	11.6%	12/12/08
REAL ESTATE					
BlackRock Realty	-10.5%	-10.0%	-11.7%	-12.6%	11/19/04
DLJ RECP II	27.0%	22.8%	24.0%	18.6%	09/24/99
DLJ RECP III	5.0%	3.7%	3.0%	2.0%	06/23/05
DLJ RECP IV	-78.5%	-71.7%	-79.8%	-71.2%	02/11/08
Fidelity Growth Fund II	-18.5%	-18.5%	-19.8%	-19.9%	03/10/04
Fidelity Growth Fund III	-50.1%	-49.7%	-53.7%	-53.8%	03/30/07
Hearthstone I	n/a	n/a	3.6%	3.6%	06/15/95
Benchmark ¹	n/a	n/a	17.0%	17.0%	
Hearthstone II	n/a	n/a	27.1%	26.6%	06/17/98
Benchmark ²	n/a	n/a	17.0%	17.0%	
Invesco Real Estate I	-6.9%	-6.9%	-8.5%	-8.5%	02/01/05
Invesco Real Estate II	-91.2%	-91.2%	-91.6%	-91.5%	11/26/07
Prudential SPF II	13.6%	13.5%	11.8%	11.7%	05/14/96
ALTERNATIVE INVESTMENTS					
Adams Street Partners (combined)	12.8%	12.8%	9.5%	9.5%	03/18/96
Bay Area Equity Fund	20.1%	20.6%	8.8%	9.0%	06/14/04
Carpenter Bancfund	-35.8%	-8.8%	-23.4%	-21.3%	01/31/08
EIF US Power Fund I	36.8%	38.3%	32.1%	32.2%	11/26/03
EIF US Power Fund II	12.5%	10.8%	9.6%	8.0%	08/16/05
EIF US Power Fund III	9.8%	9.8%	1.4%	1.4%	05/30/07
Nogales	-26.3%	-27.2%	-35.6%	-36.2%	02/15/04
Paladin	-15.9%	-15.4%	-15.9%	-15.4%	11/30/07
Pathway	7.3%	7.3%	4.1%	4.1%	11/09/98
Benchmark ³	7.4%	7.4%	7.4%	7.4%	
Benchmark ⁴	-1.5%	-1.5%	-1.5%	-1.5%	
PruTimber	5.0%	5.1%	4.0%	4.1%	12/12/95

Benchmarks:

Hearthstone I

Benchmark¹

Target IRR range per CCCERA agreement

Hearthstone II

Benchmark²

Target IRR range per CCCERA agreement

Pathway

Benchmark³

Venture Economics Buyout Pooled IRR - 1999-2004 as of 9/30/08

* ING Clarion Fund III was incepted less than a year ago. Returns exhibited are changes in value over the initial investment.

AFTER-FEE CUMULATIVE PERFORMANCE STATISTICS
Performance through Second Quarter, 2009

DOMESTIC EQUITY	3 Mo	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	7 Yr	10 Yr
Boston Partners	18.3 %	-19.1 %	-18.0 %	-6.1 %	-1.4 %	1.2 %	3.4 %	3.2 %
Delaware	15.0	-23.1	-15.8	-8.0	-3.5	-	-	-
Emerald Advisors	16.3	-24.9	-21.1	-11.2	-3.7	-2.4	-	-
State Street (Legacy ING)	16.1	-25.4	-20.0	-8.3	-4.5	-2.3	-	-
Intech - Enhanced Plus	15.4	-26.7	-19.2	-8.5	-4.3	-1.4	-	-
Intech - Large Core	14.9	-26.2	-18.8	-	-	-	-	-
PIMCO Stocks Plus	21.8	-30.1	-23.2	-10.8	-6.5	-4.1	-	-
Progress	20.3	-33.0	-24.1	-12.6	-5.6	-3.2	-	-
Rothschild	12.0	-29.7	-21.2	-9.2	-3.0	0.1	-	-
Wentworth, Hauser	19.6	-20.7	-15.6	-5.7	-2.5	-0.1	1.9	0.5
Total Domestic Equities	17.2	-25.3	-19.3	-8.5	-3.8	-1.5	0.8	-1.8
Median Equity	16.6	-26.1	-19.5	-8.1	-3.5	-0.8	2.7	1.1
S&P 500	15.9	-26.2	-19.9	-8.2	-4.3	-2.2	0.9	-2.2
Russell 3000®	16.8	-26.6	-19.9	-8.4	-4.2	-1.8	1.5	-1.5
Russell 1000® Value	16.7	-29.0	-24.1	-11.1	-5.8	-2.1	1.1	-0.2
Russell 1000® Growth	16.3	-24.5	-15.7	-5.4	-2.7	-1.8	1.5	-4.2
Russell 2000®	20.7	-25.0	-20.7	-9.9	-4.3	-1.7	2.7	2.4
Russell 2500™ Value	18.8	-26.2	-23.1	-11.2	-5.8	-1.6	3.0	5.0
Russell 2000® Growth	23.4	-24.8	-18.1	-7.8	-2.7	-1.3	3.1	-0.9
INT'L EQUITY								
GMO Intrinsic Value	22.4	-31.0	-21.7	-8.2	-0.5	-	-	-
McKinley Capital	16.2	-43.8	-27.2	-11.1	-	-	-	-
Total Int'l Equities	19.2	-37.3	-24.3	-9.5	-0.4	2.5	5.0	2.1
Median Int'l Equity	25.0	-30.4	-20.2	-6.6	1.1	3.9	7.2	5.0
MSCI EAFE Index	25.9	-31.0	-21.2	-7.5	0.1	2.8	5.3	1.6
MSCI ACWI ex-US	27.9	-30.5	-19.3	-5.4	2.2	5.0	7.1	2.9
S&P Citi PMI EPAC Value	27.2	-29.9	-21.9	-7.5	0.6	3.4	6.0	3.1
MSCI ACWI ex-US Growth	24.1	-33.5	-18.9	-5.4	2.1	4.4	5.8	1.0
DOMESTIC FIXED INCOME								
AFL-CIO Housing	0.8	7.8	7.5	7.0	5.0	5.4	5.3	6.3
Goldman Sachs	2.9	-	-	-	-	-	-	-
ING Clarion II	9.9	-55.5	-46.4	-	-	-	-	-
ING Clarion III	8.0	-	-	-	-	-	-	-
Lord Abbett	6.8	-	-	-	-	-	-	-
Nicholas Applegate	15.0	-1.1	-0.4	3.1	3.5	4.5	6.7	-
PIMCO	5.9	6.2	7.2	6.7	4.9	5.4	-	-
Workout (GSAM)	13.3	-	-	-	-	-	-	-
Total Domestic Fixed	6.3	0.1	1.5	3.5	2.8	3.8	4.8	5.4
Median Fixed Income	3.0	4.7	5.7	5.8	4.5	4.8	5.1	6.0
Median High Yield Mgr.	17.8	-6.6	-4.5	0.2	1.2	2.8	5.7	3.4
Barclays Universal	2.9	4.9	5.6	5.9	4.4	5.0	5.3	6.0
Barclays Aggregate	1.8	6.1	6.6	6.4	4.6	5.0	5.1	6.0
Merrill Lynch HY II	23.2	-3.5	-2.7	1.9	2.6	4.1	7.4	4.4
Merrill Lynch BB/B	18.0	-3.4	-2.0	2.1	2.6	4.1	6.7	4.4
T-Bills	0.1	0.9	2.3	3.2	3.4	3.2	2.6	3.2
GLOBAL FIXED INCOME								
Lazard Asset Mgmt	7.1	-2.4	-	-	-	-	-	-
Barclays Global Aggregate	4.9	2.8	7.7	6.7	5.0	5.5	-	-

Note: Returns for periods longer than one year are annualized.

AFTER-FEE CUMULATIVE PERFORMANCE STATISTICS
Performance through Second Quarter, 2009

	<u>3 Mo</u>	<u>1 Yr</u>	<u>2 Yr</u>	<u>3 Yr</u>	<u>4 Yr</u>	<u>5 Yr</u>	<u>7 Yr</u>	<u>10 Yr</u>
ALTERNATIVE INVESTMENTS*								
Adams Street**	-3.1 %	-23.5 %	-8.1 %	1.8 %	6.1 %	6.8 %	4.6 %	8.3 %
Bay Area Equity Fund**	5.4	0.6	22.0	21.4	12.6	-	-	-
Carpenter Bancfund**	-2.0	-13.9	-	-	-	-	-	-
Energy Investor Fund**	5.4	79.7	118.0	79.7	65.3	62.7	-	-
Energy Investor Fund II**	1.2	2.6	9.9	14.5	-	-	-	-
Energy Investor Fund III**	-1.0	8.2	-	-	-	-	-	-
Nogales**	2.7	-76.8	-67.2	-49.6	-38.6	-31.7	-	-
Paladin III	8.4	-9.4	-	-	-	-	-	-
Pathway**	-4.0	-25.7	-8.1	5.1	12.1	13.2	8.1	-1.2
Hancock PT Timber Fund	0.3	11.2	10.0	11.7	10.8	10.1	7.2	5.5
Total Alternative	-0.9	-11.5	-0.9	7.2	10.6	12.2	8.1	8.5
S&P 500 + 400 bps	17.0	-23.2	-16.7	-4.5	-0.4	1.7	5.0	1.7
REAL ESTATE*								
Adelante Capital REIT	32.1	-48.1	-34.2	-21.2	-11.5	-3.7	1.7	-
BlackRock Realty	-15.1	-54.3	-30.7	-18.0	-8.8	-	-	-
DLJ RECP I**	0.3	12.3	27.2	33.5	24.2	21.4	17.8	15.3
DLJ RECP II**	-10.9	-32.8	-10.1	3.4	12.6	16.5	17.9	-
DLJ RECP III**	-1.2	-9.8	2.1	7.7	-	-	-	-
DLJ RECP IV**	-42.9	-65.5	-	-	-	-	-	-
Fidelity II	-19.5	-59.8	-36.6	-24.7	-16.5	-6.6	-	-
Fidelity III	-37.7	-53.2	-	-	-	-	-	-
Invesco Fund I	-26.0	-46.6	-26.8	-13.3	-4.2	-	-	-
Invesco Fund II	-39.8	-89.7	-	-	-	-	-	-
Invesco Int'l REIT	32.5	-27.4	-	-	-	-	-	-
Prudential SPF II	5.1	-48.5	-13.3	2.1	11.6	15.5	14.1	11.7
Willows Office Property	1.2	4.3	22.6	16.5	14.2	12.8	8.8	15.9
Total Real Estate	5.8	-45.0	-28.1	-15.7	-7.0	-0.5	3.7	5.6
Median Real Estate	-6.3	-30.3	-13.8	-4.7	0.5	3.5	4.5	6.3
Real Estate Benchmark	4.6	-24.6	-12.1	-3.6	1.8	5.6	7.1	8.3
DJ Wilshire REIT	31.7	-45.3	-31.9	-19.7	-10.8	-3.3	1.6	5.5
NCREIF Property Index	-5.2	-19.6	-6.3	1.0	5.1	7.6	8.1	8.5
NCREIF Index + 300 bps	-4.5	-17.0	-3.4	4.1	8.4	10.9	11.3	11.7
NCREIF Index + 500 bps	-4.0	-15.3	-1.5	6.0	10.3	12.9	13.4	13.8
NCREIF Apartment	-5.1	-20.9	-8.3	-1.6	3.2	5.8	7.0	8.1
NCREIF Apt + 300 bps	-4.4	-18.4	-5.4	1.4	6.2	9.0	10.1	11.3
CCCERA Total Fund	11.4 %	-19.2 %	-12.4 %	-3.8 %	0.1 %	2.3 %	4.5 %	3.2 %
CPI + 400 bps	2.4	2.6	5.9	6.2	6.8	6.7	6.8	6.9

See also IRRs on closed end funds (some fixed income, alternatives and real estate) on Page 13.

** Performance as of March 31, 2009.

YEAR BY YEAR PERFORMANCE STATISTICS
Performance through Second Quarter, 2009

DOMESTIC EQUITY	YTD	2008	2007	2006	2005	2004	2003
Boston Partners	4.5 %	-33.2 %	4.3 %	20.2 %	12.0 %	16.6 %	27.1 %
<i>Rank vs Equity</i>	<i>54</i>	<i>22</i>	<i>60</i>	<i>12</i>	<i>14</i>	<i>31</i>	<i>75</i>
<i>Rank vs Lg Value</i>	<i>27</i>	<i>16</i>	<i>24</i>	<i>36</i>	<i>14</i>	<i>32</i>	<i>81</i>
Delaware	15.1	-42.6	13.6	3.2	-	-	-
<i>Rank vs Equity</i>	<i>11</i>	<i>81</i>	<i>15</i>	<i>91</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Rank vs Lg Growth</i>	<i>15</i>	<i>76</i>	<i>33</i>	<i>74</i>	<i>-</i>	<i>-</i>	<i>-</i>
Emerald Advisors	6.8	-36.5	3.2	13.8	10.1	4.1	-
<i>Rank vs Equity</i>	<i>41</i>	<i>41</i>	<i>64</i>	<i>56</i>	<i>25</i>	<i>93</i>	<i>-</i>
<i>Rank vs Sm Cap Growth</i>	<i>66</i>	<i>35</i>	<i>48</i>	<i>39</i>	<i>20</i>	<i>86</i>	<i>-</i>
State Street (Legacy ING)	2.5	-36.7	5.8	15.9	5.4	11.2	26.7
<i>Rank vs Equity</i>	<i>73</i>	<i>41</i>	<i>44</i>	<i>38</i>	<i>61</i>	<i>60</i>	<i>77</i>
<i>Rank vs Lg Core</i>	<i>83</i>	<i>35</i>	<i>75</i>	<i>39</i>	<i>40</i>	<i>36</i>	<i>83</i>
Intech - Enhanced Plus	2.8	-37.0	7.4	14.4	8.9	15.3	29.4
<i>Rank vs Equity</i>	<i>71</i>	<i>48</i>	<i>36</i>	<i>54</i>	<i>34</i>	<i>37</i>	<i>60</i>
<i>Rank vs Lg Core</i>	<i>77</i>	<i>53</i>	<i>79</i>	<i>80</i>	<i>14</i>	<i>7</i>	<i>34</i>
Intech - Large Cap Core	2.2	-36.2	7.0	-	-	-	-
<i>Rank vs Equity</i>	<i>75</i>	<i>37</i>	<i>38</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Rank vs Lg Core</i>	<i>87</i>	<i>27</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
PIMCO Stocks Plus	7.1	-43.5	5.0	15.7	4.6	11.1	29.9
<i>Rank vs Equity</i>	<i>40</i>	<i>85</i>	<i>56</i>	<i>43</i>	<i>75</i>	<i>62</i>	<i>58</i>
<i>Rank vs Lg Core</i>	<i>18</i>	<i>97</i>	<i>68</i>	<i>64</i>	<i>78</i>	<i>15</i>	<i>29</i>
Progress	7.2	-42.5	6.1	15.4	9.1	-	-
<i>Rank vs Equity</i>	<i>39</i>	<i>81</i>	<i>42</i>	<i>46</i>	<i>32</i>	<i>-</i>	<i>-</i>
<i>Rank vs Sm Core</i>	<i>29</i>	<i>91</i>	<i>17</i>	<i>46</i>	<i>36</i>	<i>-</i>	<i>-</i>
Rothschild	-4.9	-28.6	1.8	21.3	11.2	20.7	-
<i>Rank vs Equity</i>	<i>95</i>	<i>11</i>	<i>70</i>	<i>9</i>	<i>18</i>	<i>15</i>	<i>-</i>
<i>Rank vs Sm Cap Value</i>	<i>87</i>	<i>28</i>	<i>31</i>	<i>19</i>	<i>23</i>	<i>39</i>	<i>-</i>
Wentworth, Hauser	11.7	-34.8	6.6	7.2	9.6	13.6	27.1
<i>Rank vs Equity</i>	<i>19</i>	<i>29</i>	<i>40</i>	<i>83</i>	<i>28</i>	<i>46</i>	<i>75</i>
<i>Rank vs Lg Core</i>	<i>3</i>	<i>16</i>	<i>36</i>	<i>98</i>	<i>9</i>	<i>15</i>	<i>82</i>
Total Domestic Equities	6.0	-37.5	6.5	13.5	8.8	13.0	31.0
<i>Rank vs Equity</i>	<i>46</i>	<i>55</i>	<i>40</i>	<i>60</i>	<i>35</i>	<i>49</i>	<i>50</i>
Median Equity	5.3	-37.0	5.5	15.0	6.5	12.9	31.0
S&P 500	3.2	-37.0	5.5	15.8	4.9	10.9	28.7
S&P 500 ex-Tobacco	3.1	-37.3	5.2	15.7	4.6	10.7	28.4
Russell 3000®	4.2	-37.3	5.1	15.7	6.1	12.0	31.0
Russell 1000® Value	-2.9	-36.9	-0.2	22.2	7.0	16.5	30.0
Russell 1000® Growth	11.5	-38.4	11.8	9.1	5.3	6.3	29.8
Russell 2000®	2.7	-33.8	-1.6	18.4	4.6	18.3	47.3
Rothschild Benchmark	-0.6	-32.0	-7.3	20.2	5.5	22.3	-
Russell 2000® Growth	11.4	-38.5	7.1	13.4	4.2	14.3	-
INT'L EQUITY							
GMO	2.1	-38.4	10.6	26.2	-	-	-
<i>Rank vs Int'l Eq</i>	<i>88</i>	<i>18</i>	<i>60</i>	<i>44</i>	<i>-</i>	<i>-</i>	<i>-</i>
McKinley Capital	4.3	-49.9	20.1	-	-	-	-
<i>Rank vs Int'l Eq</i>	<i>79</i>	<i>82</i>	<i>17</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Total Int'l Equities	3.1	-44.1	15.3	26.6	20.0	18.1	39.9
<i>Rank vs Int'l Eq</i>	<i>85</i>	<i>55</i>	<i>36</i>	<i>41</i>	<i>32</i>	<i>68</i>	<i>27</i>
Median Int'l Equity	9.8	-43.4	11.9	25.9	15.9	19.9	36.4
MSCI EAFE Index	8.4	-43.1	11.6	26.9	14.0	20.7	39.2
MSCI ACWI ex-US	14.4	-45.2	17.1	27.2	17.1	21.4	41.4
S&P Citi PMI EPAC Value	8.0	-43.7	12.2	28.1	15.7	23.5	42.1
MSCI ACWI ex-US Growth	12.6	-45.4	21.4	24.0	17.1	17.1	34.9

YEAR BY YEAR PERFORMANCE STATISTICS
Performance through Second Quarter, 2009

	<u>YTD</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
DOMESTIC FIXED INCOME							
AFL-CIO Housing	3.7 %	5.7 %	7.1 %	5.1 %	3.0 %	4.6 %	4.2 %
<i>Rank vs Fixed Income</i>	52	25	34	28	25	41	66
Goldman Sachs	5.2	-	-	-	-	-	-
<i>Rank vs Fixed Income</i>	39	-	-	-	-	-	-
ING Clarion II	-1.5	-64.9	-6.6	-	-	-	-
<i>Rank vs Fixed Income</i>	99	99	100	-	-	-	-
ING Clarion III	18.5	-	-	-	-	-	-
<i>Rank vs Fixed Income</i>	79	-	-	-	-	-	-
Lord Abbett	7.4	-	-	-	-	-	-
<i>Rank vs Fixed Income</i>	22	-	-	-	-	-	-
Nicholas Applegate	24.3	-20.0	7.1	10.2	3.8	9.1	21.2
<i>Rank vs. High Yield</i>	40	14	34	32	15	66	68
PIMCO	7.3	0.0	8.4	4.8	3.4	5.6	6.9
<i>Rank vs Fixed Income</i>	22	73	13	37	18	20	21
Workout (GSAM)	9.8	-	-	-	-	-	-
<i>Rank vs Fixed Income</i>	16	-	-	-	-	-	-
Total Domestic Fixed	7.6	-8.1	5.8	7.5	3.7	6.3	7.9
<i>Rank vs Fixed Income</i>	21	92	62	11	14	16	14
Median Fixed Income	3.9	3.9	6.5	4.5	2.5	4.4	4.6
Median High Yield Mgr.	22.9	-24.9	6.5	9.0	2.5	9.8	24.0
Barclays Universal	3.3	2.4	6.5	5.0	2.7	5.0	5.8
Barclays Aggregate	1.9	5.2	7.0	4.3	2.4	4.3	4.1
ML High Yield II	29.4	-26.2	2.1	11.7	2.7	10.8	28.1
T-Bills	0.1	2.1	5.0	4.8	3.1	1.3	1.1
Global Fixed Income							
Lazard Asset Mgmt	3.4	-0.4	-	-	-	-	-
<i>Rank vs. Global Fixed</i>	56	31	-	-	-	-	-
Barclays Global Aggregate	1.5	4.8	-	-	-	-	-
ALTERNATIVE INVESTMENTS							
Adams Street**	3.8	-4.9	27.9	23.5	17.0	13.0	4.5
Bay Area Equity Fund**	3.5	24.4	63.6	-6.5	1.9	-	-
Carpenter Bancfund	6.5	-	-	-	-	-	-
Energy Investor Fund**	97.9	220.5	2.2	12.7	84.2	-	-
Energy Investor Fund II**	-0.9	19.7	12.5	-	-	-	-
Energy Investor Fund III**	11.7	108.9	-	-	-	-	-
Nogales**	-51.1	-51.4	21.2	11.0	13.1	-	-
Paladin III**	-1.1	-10.9	-	-	-	-	-
Pathway**	-18.8	-6.6	50.4	21.4	42.5	12.2	0.2
Hancock PT Timber Fund	0.7	11.9	14.7	12.1	9.8	6.9	3.8
Total Alternative	-6.5	1.8	28.0	19.2	33.3	11.4	3.5
S&P 500 + 400 bps	5.2	-34.4	9.7	19.8	8.9	14.9	32.7

See also IRRs on closed end funds (some fixed income, alternatives and real estate) on Page 13.

** Performance as of March 31, 2009.

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YEAR BY YEAR PERFORMANCE STATISTICS
Performance through Second Quarter, 2009

	<u>YTD</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
REAL ESTATE							
Adelante Capital REIT	-9.1 %	-44.8 %	-16.9 %	38.2 %	16.7 %	36.9 %	36.1 %
<i>Rank</i>	24	65	55	13	4	11	53
BlackRock Realty	-36.5	-28.2	14.8	23.8	28.7	-	-
<i>Rank</i>	96	80	44	27	11	-	-
DLJ RECP I**	-1.8	39.0	34.2	41.2	14.2	11.8	4.2
<i>Rank</i>	20	1	2	6	62	54	84
DLJ RECP II**	-28.3	4.0	34.8	35.7	51.3	33.8	25.8
<i>Rank</i>	91	12	1	17	4	19	28
DLJ RECP III**	-9.5	1.7	30.5	10.2	-	-	-
<i>Rank</i>	26	16	2	79	-	-	-
DLJ RECP IV**	-61.9	-	-	-	-	-	-
<i>Rank</i>	99	-	-	-	-	-	-
Fidelity II	-32.2	-41.9	5.0	16.5	16.1	-	-
<i>Rank</i>	93	93	74	45	51	-	-
Fidelity III	-46.1	-10.7	-	-	-	-	-
<i>Rank</i>	98	58	-	-	-	-	-
Invesco Fund I	-27.7	-23.2	10.4	38.1	-	-	-
<i>Rank</i>	91	78	63	10	-	-	-
Invesco Fund II	-52.3	-81.3	-	-	-	-	-
<i>Rank</i>	99	100	-	-	-	-	-
Invesco Intl REIT	17	-	-	-	-	-	-
<i>Rank</i>	2	-	-	-	-	-	-
Prudential SPF II	5.8	-39.6	45.3	83.8	38.3	19.7	12.4
<i>Rank</i>	7	90	1	1	7	30	33
Willows Office Property	2.4	3.7	44.5	7.4	7.5	-8.9	7.9
<i>Rank</i>	14	13	1	87	80	96	67
Total Real Estate	-16.3	-34.2	-3.0	33.8	20.4	30.4	25.6
<i>Rank</i>	43	83	82	20	29	23	28
Median Real Estate	-19.2	-10.4	13.9	15.6	16.7	12.3	9.5
Real Estate Benchmark	1.7	-15.2	6.3	-	-	-	-
DJ Wilshire REIT Index	-13.0	-39.2	-17.6	36.0	13.8	33.1	36.2
NCREIF Property Index	-12.2	-6.5	15.8	16.6	20.1	14.5	9.0
CCCERA Total Fund	4.3	-26.5	7.3	15.3	10.8	13.38	23.5
<i>Rank vs. Total Fund</i>	53	68	45	13	5	15	20
<i>Rank vs. Public Fund</i>	39	74	42	11	2	8	19
Median Total Fund	4.7	-23.0	7.1	12.0	6.1	10.4	19.1
Median Public Fund	3.8	-22.9	6.9	11.9	6.0	10.0	20.4
CPI + 400 bps	4.6	4.2	8.3	6.6	7.6	7.4	6.5

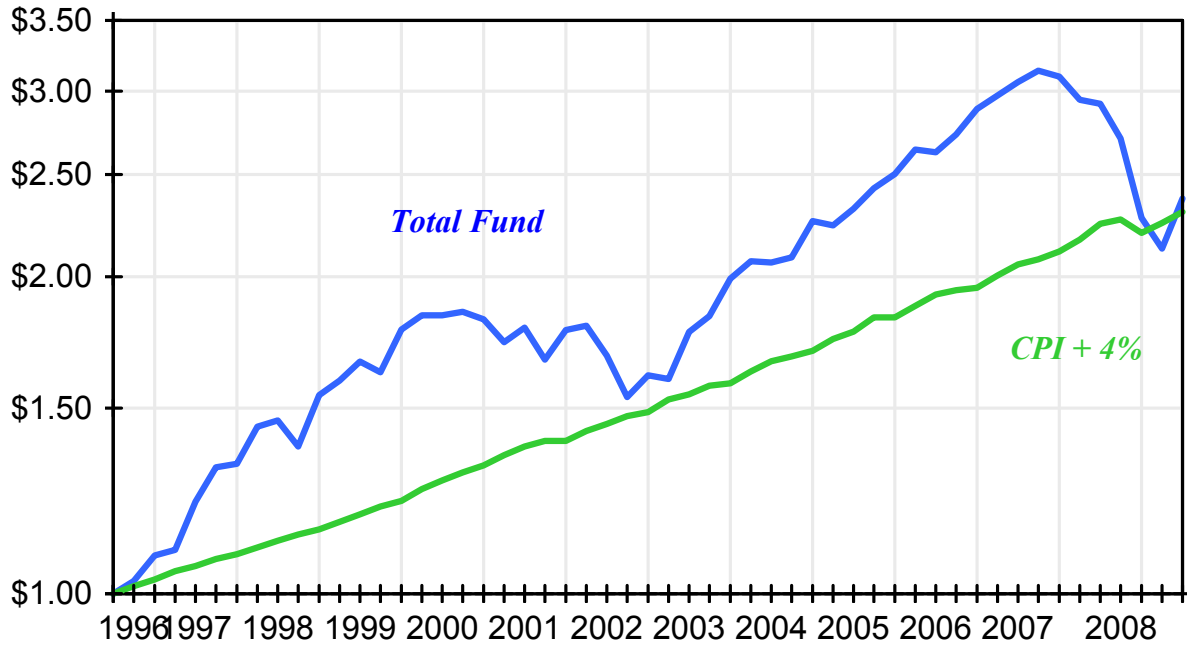
** Performance as of March 31, 2009.

TOTAL FUND PERFORMANCE

Total Fund

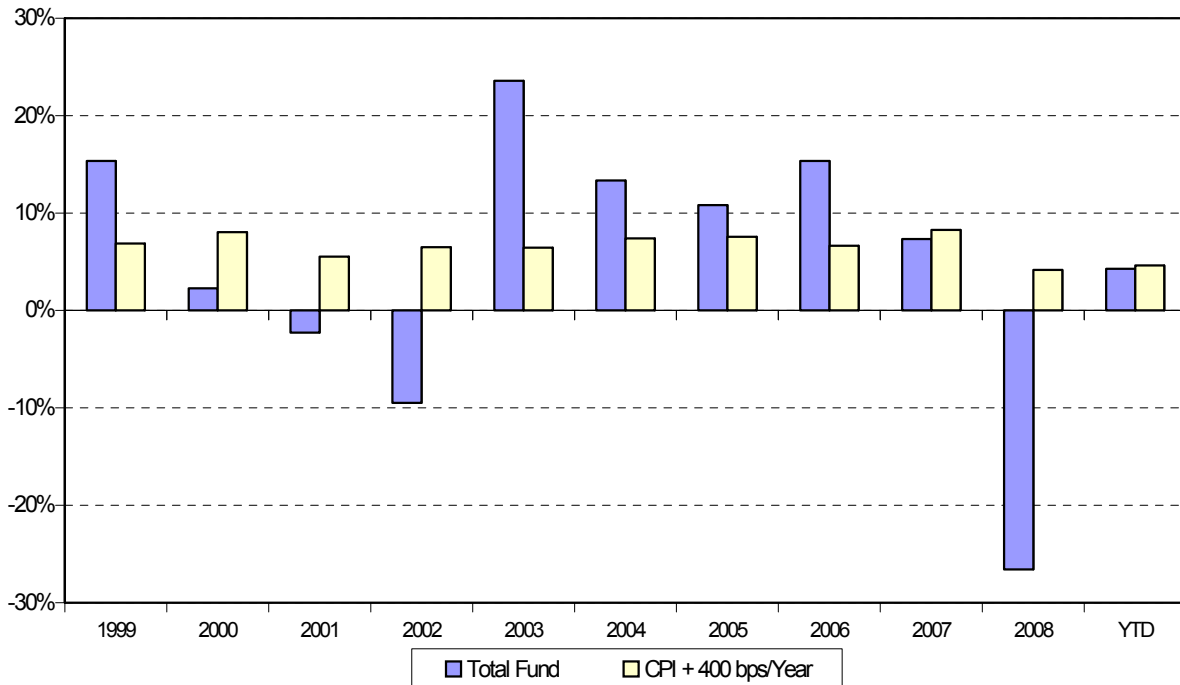
Total Fund vs. CPI + 4% per Year

Cumulative Value of \$1 (Gross of Fees)

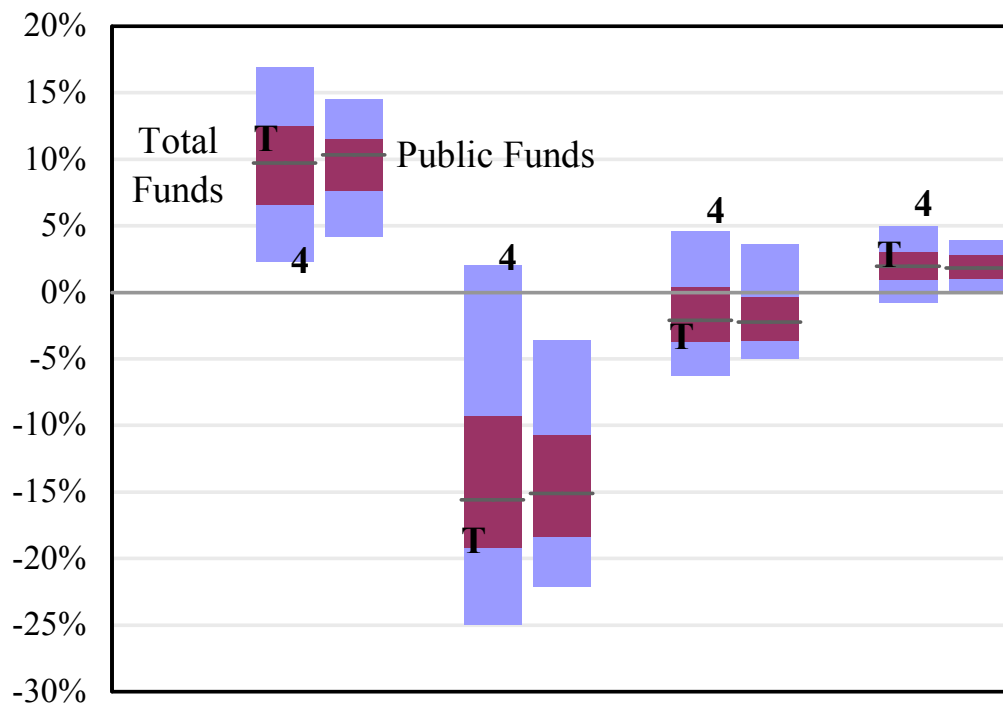


Total Fund vs. CPI plus 400 bps/Year

Year by Year Performance



Total Fund



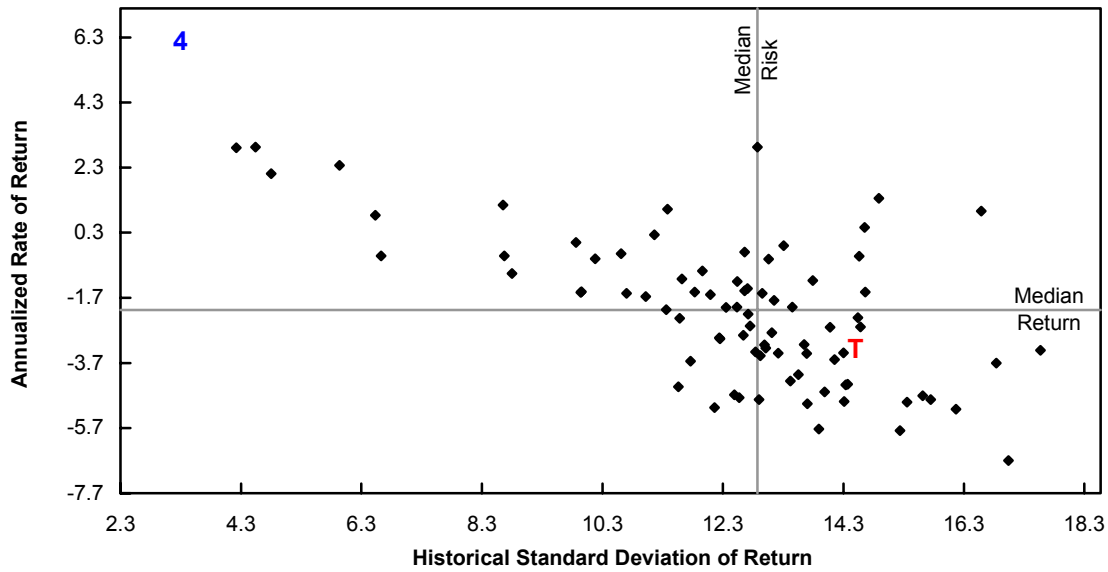
	<u>Qtr</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>
Total Fund (T)	11.6	-18.7	-3.3	2.8
<i>Rank v. Total Fd</i>	31	70	66	28
<i>Rank v. Public Fd</i>	24	76	67	23
CPI + 4% (4)	2.4	2.6	6.2	6.7
Total Fund Median	9.7	-15.6	-2.1	0.9
Total Public Median	10.3	-15.1	-2.2	1.8

CCCERA Total Fund returned 11.6% in the second quarter, above the 9.7% return of the median total fund and the 10.3% return of the median total public fund. For the one-year period, the Total Fund returned -18.7%, below the -15.6% for the median total fund and -15.1% for the median public fund. Over the longer periods CCCERA has performed better than both fund medians. As illustrated in the charts on the following two pages, CCCERA has exceeded the median total fund with a slightly higher risk level over the past five years. However, the CCCERA Total Fund did not exceed the CPI plus 400 basis points over the past five years.

TOTAL FUND PERFORMANCE

Performance and Variability

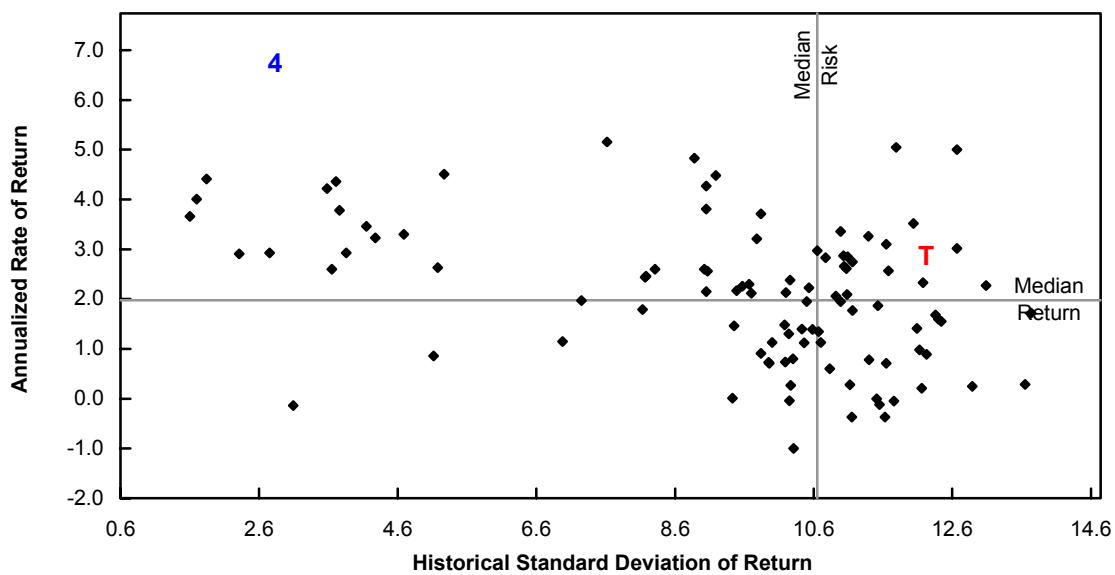
Three Years Ending June 30, 2009



	<u>Annualized Return</u>	<u>Standard Deviation</u>	<u>Risk/Reward Ratio</u>
Total Fund (T)	-3.3 %	14.5 %	-0.45
CPI + 4% (4)	6.2	3.3	0.88
Median Fund	-2.1	12.9	-0.41

Performance and Variability

Five Years Ending June 30, 2009



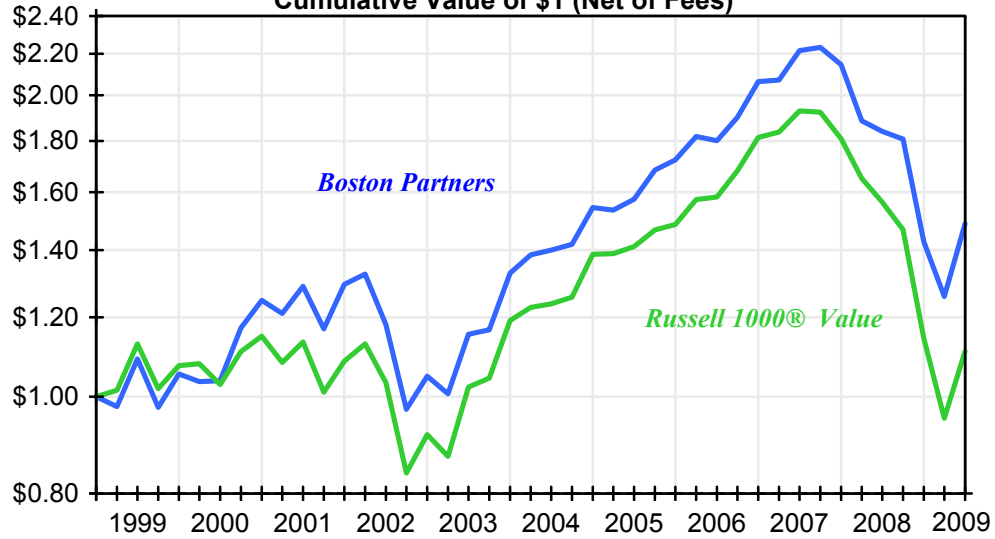
	<u>Annualized Return</u>	<u>Standard Deviation</u>	<u>Risk/Reward Ratio</u>
Total Fund (T)	2.8 %	14.5 %	-0.02
CPI + 4% (4)	6.7	3.3	1.07
Median Fund	2.0	12.9	-0.09

MANAGER COMMENTS – DOMESTIC EQUITY

Boston Partners

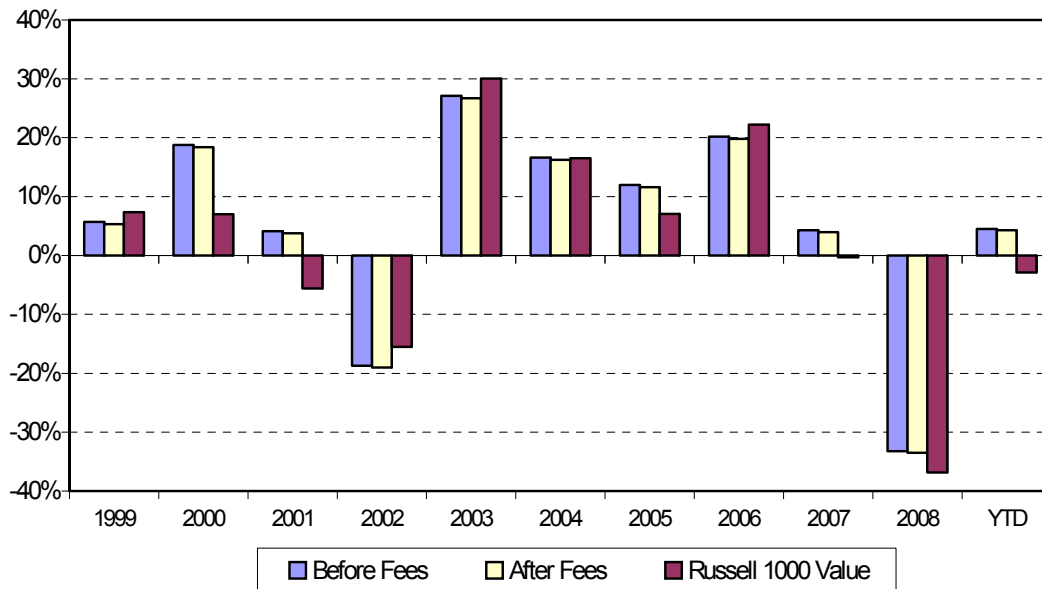
Boston Partners vs. Russell 1000 Value

Cumulative Value of \$1 (Net of Fees)

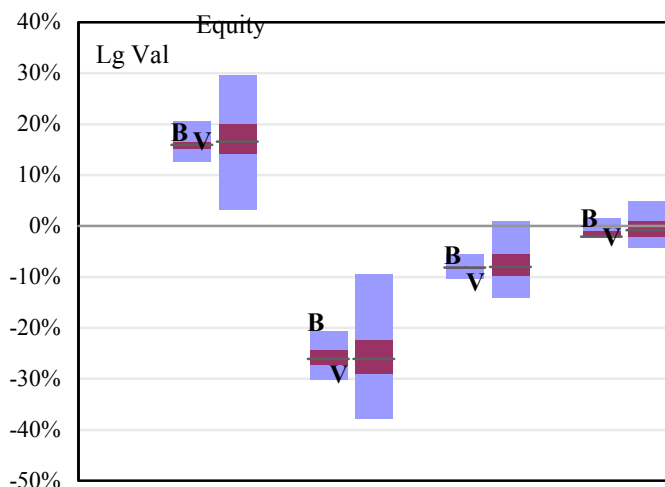


Boston vs. Russell 1000® Value

Year by Year Performance



Boston Partners



	Qtr	1 Year	3 Years	5 Years
Boston (B)	18.4	-18.8	-5.8	1.6
Rank v. Lg Value	26	5	11	10
Rank v. Equity	34	14	27	19
Rus 1000 Val (V)	16.7	-29.0	-11.1	-2.1
Lg Val Median	16.0	-26.1	-8.2	-2.2
Equity Median	16.6	-26.1	-8.1	-0.8

Portfolio Characteristics	Boston Partners	Russell 1000® Value
Eq Mkt Value (\$Mil)	238.8	N/A
Wtd. Avg. Cap (\$Bil)	59.5	63.5
Beta	1.03	1.09
Yield (%)	2.01	2.70
P/E Ratio	17.89	18.06
Cash (%)	2.1	0.0
Number of Holdings	87	676
Turnover Rate (%)	92.0	-

Sector	Boston Partners	Russell 1000® Value
Energy	14.8 %	19.7 %
Materials	1.1	3.6
Industrials	6.1	10.0
Cons. Discretionary	9.1	9.1
Consumer Staples	6.8	5.9
Health Care	12.9	9.9
Financials	31.4	22.9
Info Technology	12.5	4.9
Telecom Services	1.6	6.3
Utilities	3.8	7.8

Boston Partners' second quarter return of 18.4% was better than the 16.7% return of the Russell 1000® Value Index and ranked in the 26th percentile of large value managers. For the one-year period, Boston Partners returned -18.8%, better than the -29.0% return of the Russell 1000® Value Index. Over both the three and five-year periods, Boston Partners' performance was above the median large value equity manager and exceeded the Russell 1000® Value Index. Boston Partners is in compliance with CCCERA's performance objectives.

The portfolio had a slightly lower P/E ratio than the index, indicating somewhat more of a value bias than the index. At the end of the quarter, the portfolio held 87 stocks, concentrated in the large to mid capitalization sectors. Boston Partners' largest positive economic sector over-weights were in the financials, information technology and health care sectors, while the largest under-weights were in the energy, telecom services and utilities sectors.

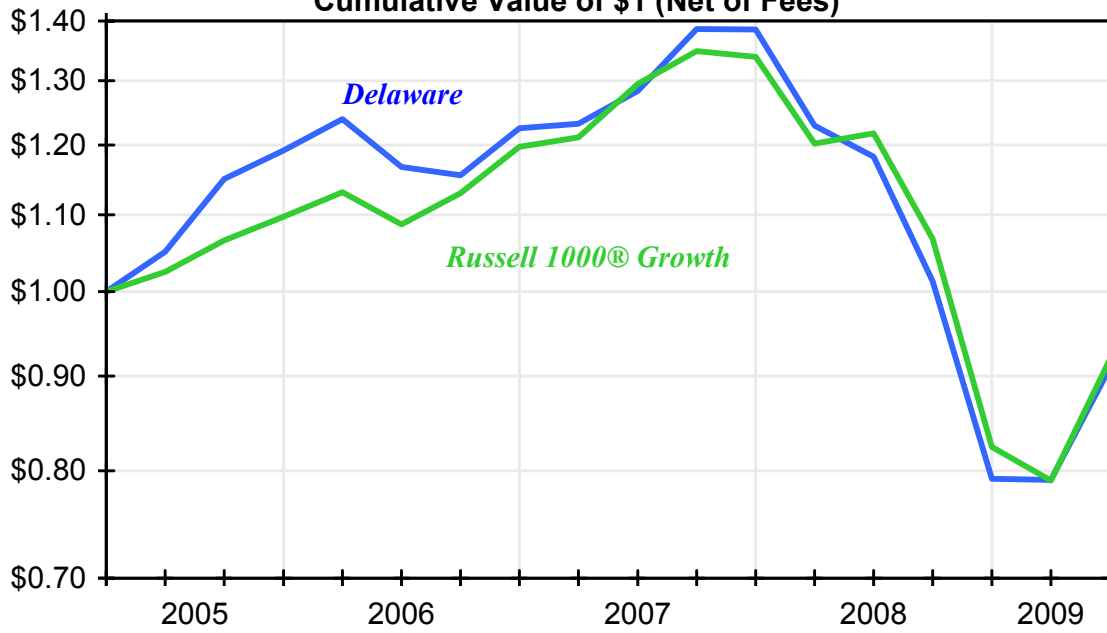
Boston Partners' second quarter performance relative to the Russell 1000® Value Index was hurt by stock selection decisions but helped significantly by sector allocation decisions. An overweight to the financials sector was the single largest contributor. Top performing holdings included Helix Energy Solutions (+111%), SLM Corp (+107%) and Bank of America (+94%), while the worst performing holdings included Gamestop (-21%), Wal Mart (-7%) and Cardinal Health Systems (-2%).

MANAGER COMMENTS – DOMESTIC EQUITY

Delaware

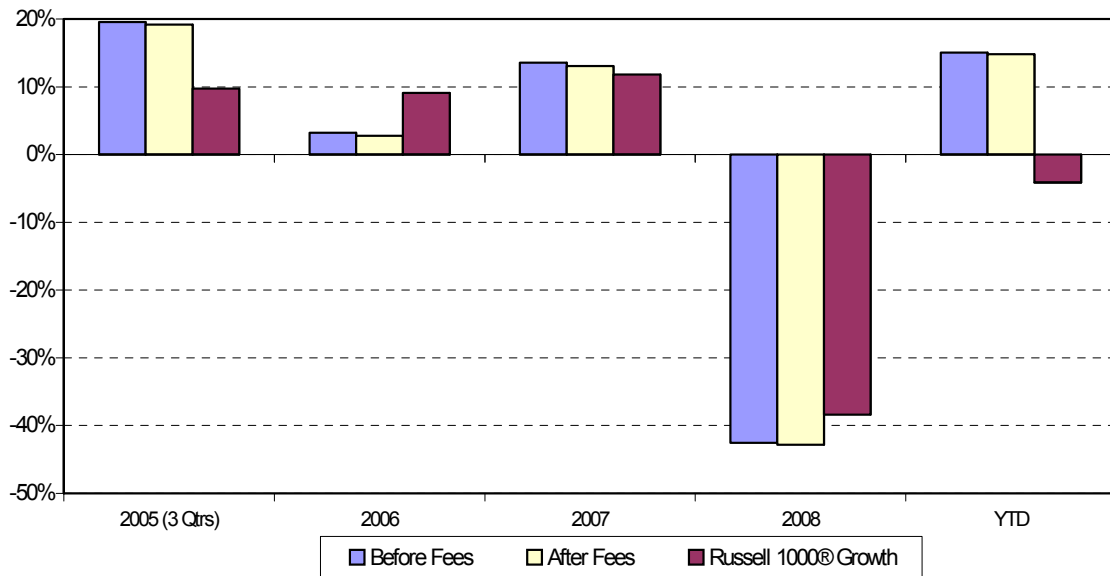
Delaware vs. Russell 1000 Growth

Cumulative Value of \$1 (Net of Fees)

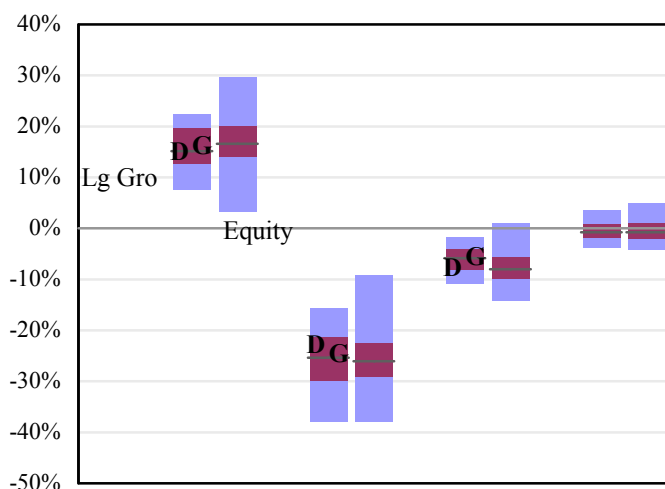


Delaware vs. Russell 1000® Growth

Year by Year Performance



Delaware



	<u>Qtr</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>
Delaware (D)	15.1	-22.7	-7.6	-
Rank v. Lg Gro	43	24	74	-
Rank v. Equity	68	25	43	-
Ru 1000 Gro (G)	16.3	-24.5	-5.4	-
Lg Gro Median	15.1	-25.4	-5.9	-0.8
Equity Median	16.6	-26.1	-8.1	-0.8

Portfolio Characteristics	Delaware	Russell 1000® Growth
Eq Mkt Value (\$Mil)	265.84	N/A
Wtd. Avg. Cap (\$Bil)	38.48	64.5
Beta	1.02	0.95
Yield (%)	0.89	1.81
P/E Ratio	21.79	17.42
Cash (%)	1.0	0.0
Number of Holdings	30	628
Turnover Rate (%)	80.6	-

Sector	Delaware	Russell 1000® Growth
Energy	3.3 %	4.4 %
Materials	5.0	3.8
Industrials	6.1	10.0
Cons. Discretionary	8.2	10.2
Consumer Staples	6.8	16.3
Health Care	17.3	17.2
Financials	12.1	5.0
Info Technology	38.0	31.4
Telecom Services	3.3	0.6
Utilities	0.0	1.0

Delaware's return of 15.1% for the second quarter trailed the 16.3% return of the Russell 1000® Growth Index, but ranked in the 43rd percentile in the universe of large growth equity managers.

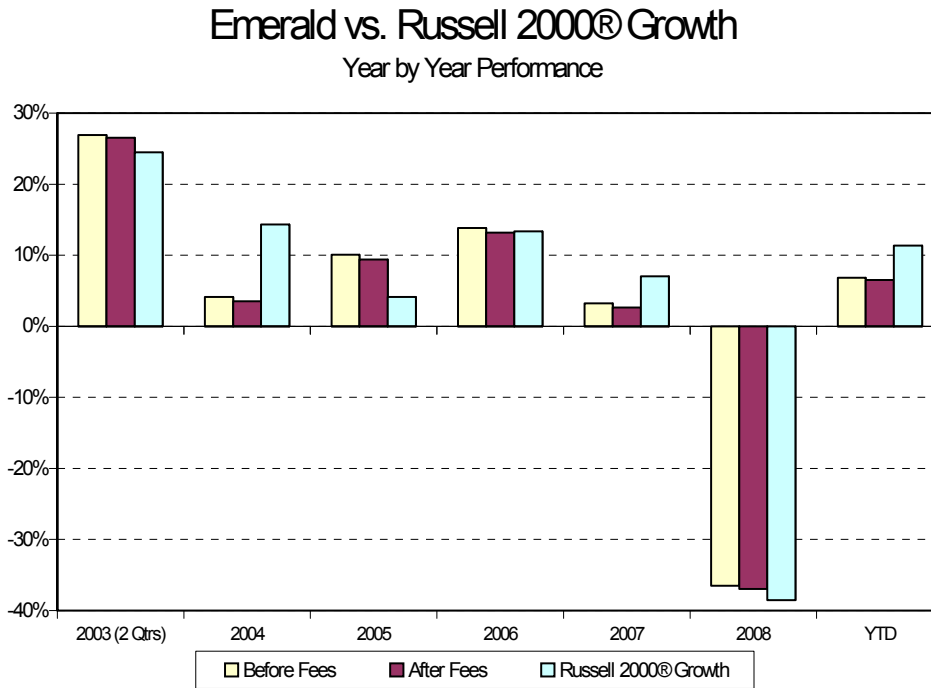
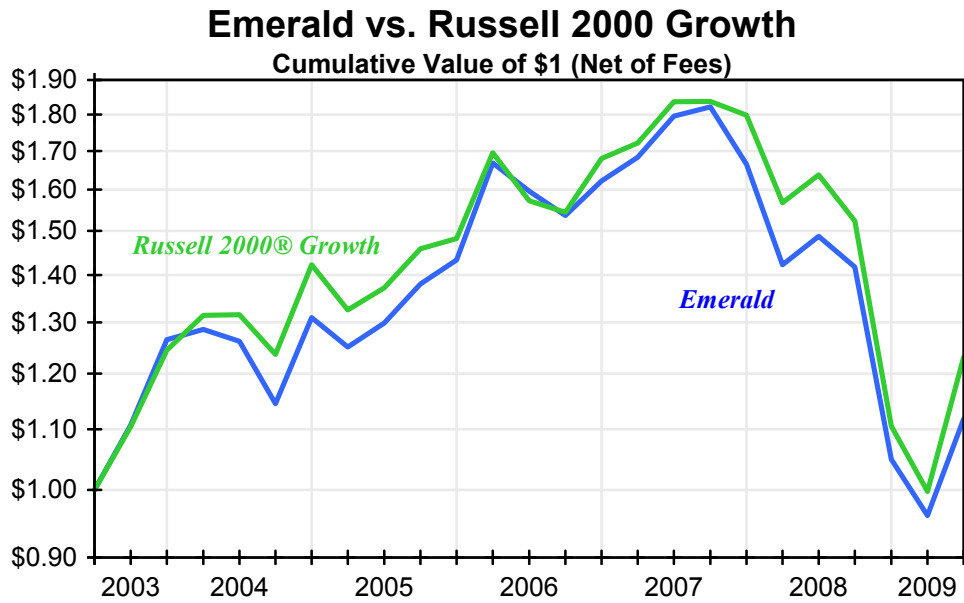
Over the past year, the portfolio returned -22.7%, better than the Russell 1000® Growth Index return of -24.5%, and ranked in the 24th percentile of large growth equity managers. Since inception performance approximately matches the Russell 1000® Growth Index, net of fees.

The portfolio (compared to the Russell 1000® Growth Index) had a below-index yield and an above-index P/E ratio. It included 30 stocks, concentrated in the large and mid capitalization sectors. Delaware's largest economic sector over-weights relative to the Russell 1000® Growth Index were in the financials, information technology and telecom sectors, while the largest under-weights were in the consumer staples, industrials and consumer discretionary sectors.

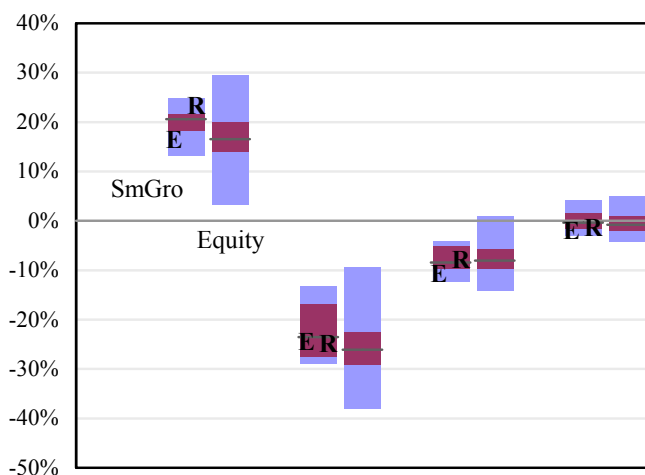
Delaware's second quarter performance relative to the Russell 1000® Growth Index was hurt by stock selection but helped by sector allocation decisions. Stock selection was weakest in the information technology, financials and industrials sectors. Trading decisions had a negative impact on performance for the quarter. The top performing holdings included Intuitive Surgical (+72%), Intercontinental Exchange (+53%) and Teradata (+44%). The worst performing holdings included Verisign (-2%), Allergan (0%) and Mastercard (0%).

MANAGER COMMENTS – DOMESTIC EQUITY

Emerald



Emerald



	Qtr	1 Year	3 Years	5 Years
Emerald (E)	16.5	-24.4	-10.6	-1.8
Rank v. Sm Gro	85	46	78	81
Rank v. Equity	51	35	82	66
Ru 2000 Gro (R)	23.4	-24.8	-7.8	-1.3
Sm Gro Median	20.6	-23.6	-8.4	-0.4
Equity Median	16.6	-26.1	-8.1	-0.8

Portfolio Characteristics	Emerald	Russell 2000® Growth
Eq Mkt Value (\$Mil)	107.66	N/A
Wtd. Avg. Cap (\$Bil)	1.29	0.83
Beta	1.21	1.22
Yield (%)	0.18	0.62
P/E Ratio	64.90	57.19
Cash (%)	2.5	0.0
Number of Holdings	122	1,272
Turnover Rate (%)	134.0	-

Sector	Emerald	Russell 2000® Growth
Energy	3.1 %	3.5 %
Materials	5.1	2.1
Industrials	8.4	15.1
Cons. Discretionary	16.7	15.1
Consumer Staples	3.1	4.1
Health Care	20.5	24.3
Financials	7.4	5.8
Info Technology	33.1	28.3
Telecom Services	2.0	1.6
Utilities	0.5	0.2

Emerald's return of 16.5% for the second quarter trailed the 23.4% return of the Russell 2000® Growth index and ranked in the 85th percentile in the universe of small growth equity managers. For the one-year period, Emerald returned -24.4%, better than the -24.8% return of the Russell 2000® Growth, and ranked in the 46th percentile in the universe of small growth equity managers. Over the past five years Emerald has returned -1.8%, trailing the index return of -1.3% and ranking below the small growth median. Emerald is not in compliance with CCCERA's performance objectives.

The portfolio has a beta of 1.21x compared to 1.22x for the Russell 2000® Growth Index and has a well below-index yield. It includes 122 stocks, concentrated in the small capitalization sector. Emerald's largest economic sector over-weights relative to the Russell 2000® Growth Index are in the information technology, materials and consumer discretionary sectors. The largest under-weights are in the industrials, health care and consumer staples sectors.

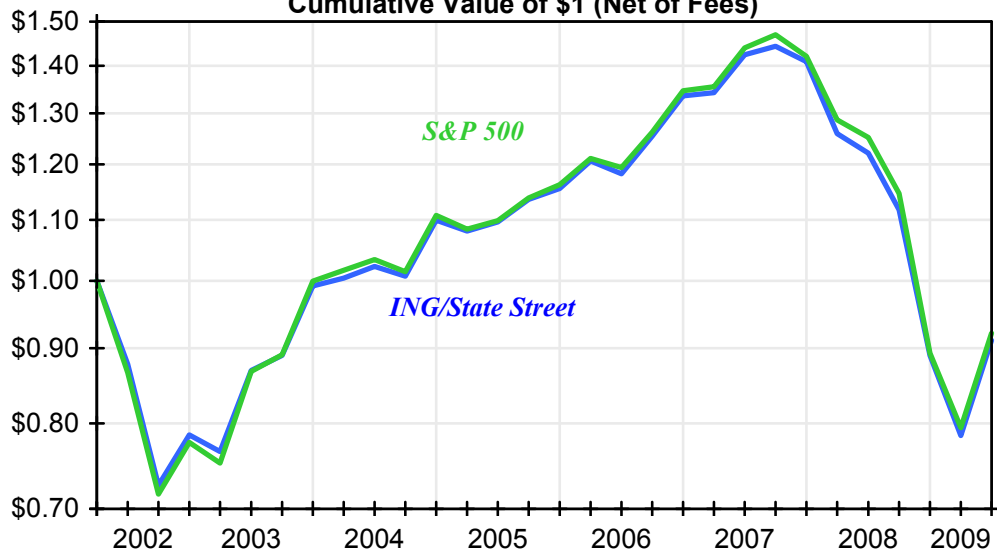
Emerald's second quarter performance relative to the Russell 2000® Growth Index was hurt significantly by stock selection while sector allocation decisions were neutral in aggregate and trading decisions were positive. Stock selection was weakest in the health care, information technology and materials sectors. The top performing holdings included RF Microdevices (+183%), Metalico (+174%) and Charming Shoppes (+166%). The worst performing holdings included Watson Wyatt (-24%), Myriad Genetics (-18%) and American Italian Pasta (-16%).

MANAGER COMMENTS – DOMESTIC EQUITY

State Street (Legacy ING)

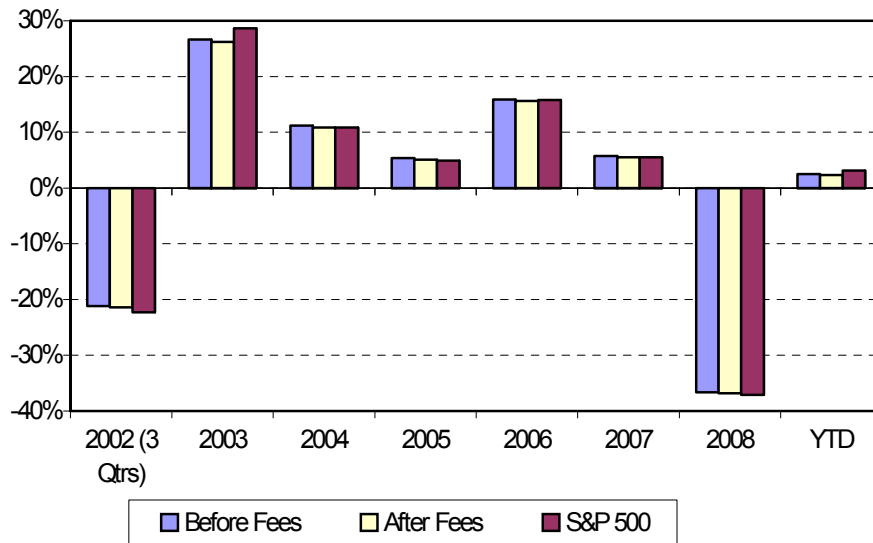
ING/State Street vs. S&P 500

Cumulative Value of \$1 (Net of Fees)

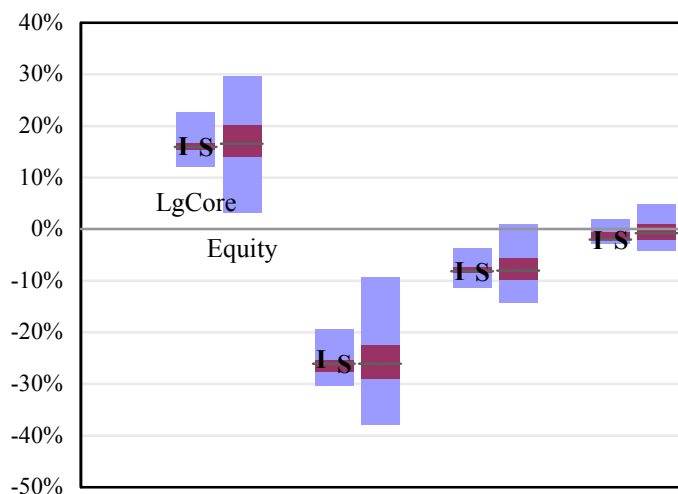


ING/State Street vs. S&P 500

Year by Year Performance



State Street (Legacy ING)



	<u>Qtr</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>
State Street (ING) (I)	16.1	-25.2	-8.1	-2.0
Rank v. Lg Core	36	23	38	49
Rank v. Equity	53	40	50	69
S&P 500 (S)	15.9	-26.2	-8.2	-2.2
LgCore Median	16.0	-26.1	-8.2	-2.0
Equity Median	16.6	-26.1	-8.1	-0.8

Portfolio Characteristics	State Street	S&P 500
Eq Mkt Value (\$Mil)	181.57	N/A
Wtd. Avg. Cap (\$Bil)	73.52	71.38
Beta	1.00	1.00
Yield (%)	2.43 %	2.35 %
P/E Ratio	16.62	16.70
Cash (%)	0.0 %	0.0 %

Number of Holdings	413	500
Turnover Rate (%)	119.5	-

Sector	State Street	S&P 500
Energy	12.5 %	12.4 %
Materials	3.2	3.2
Industrials	9.9	9.8
Cons. Discretionary	8.5	9.0
Consumer Staples	12.5	12.0
Health Care	13.8	14.0
Financials	13.2	13.6
Info Technology	18.4	18.4
Telecom Services	3.9	3.5
Utilities	4.3	4.1

ING was terminated during the first quarter and State Street is now overseeing the portfolio. State Street has agreed to manage these assets with a 0.5% targeted tracking error to the S&P 500 for up to one year at no cost to CCCERA. These assets will be used to fund the initial global equity investment.

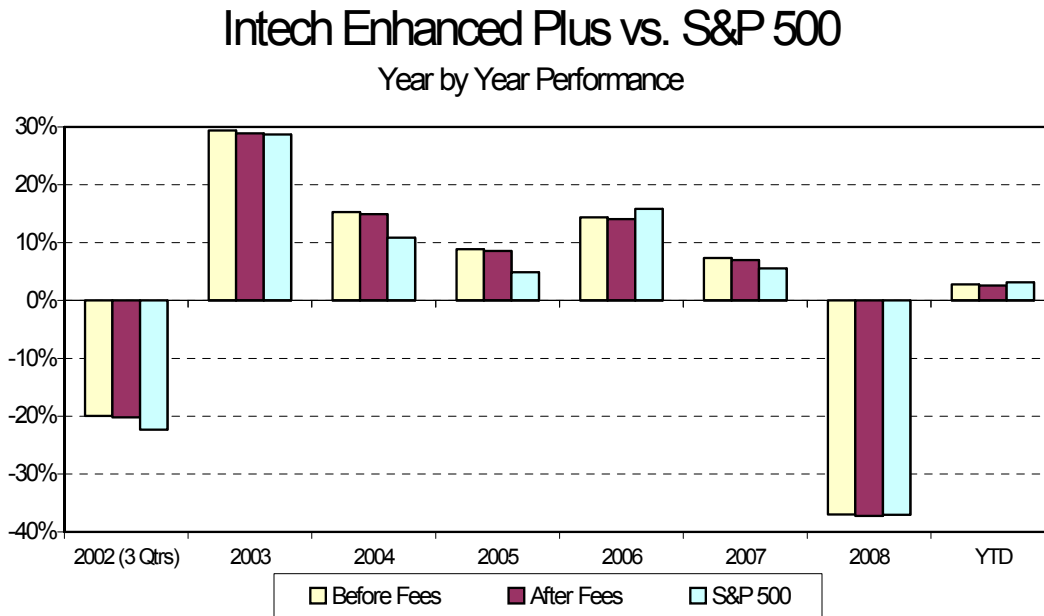
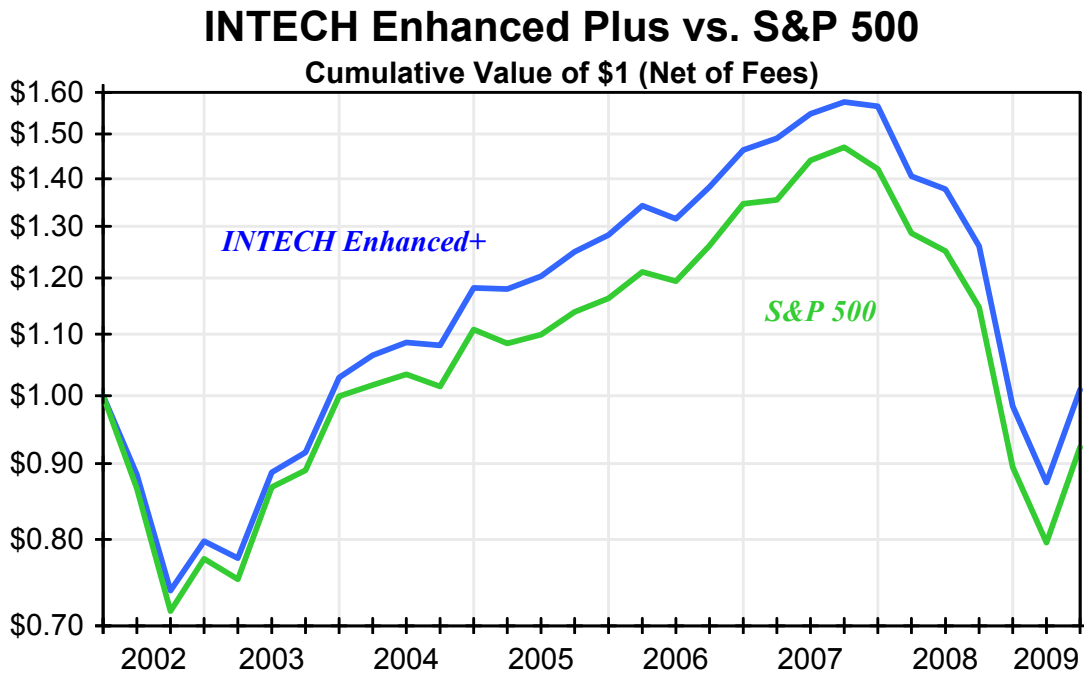
The portfolio returned 16.1% during the second quarter, which was better than the 15.9% return of the S&P 500 and ranked in the 36th percentile in the universe of large core equity managers. For the one-year period, the portfolio (under its combined managers) returned -25.2%, slightly better than the -26.2% return of the S&P 500.

The portfolio had a market beta, a higher yield and a below-market P/E ratio. It included 413 stocks, concentrated in the large capitalization sectors. The portfolio closely resembles the S&P 500. The portfolio's largest economic sector over-weights were in the consumer staples and telecom services sectors, while the largest under-weights were in the consumer discretionary and financials sectors.

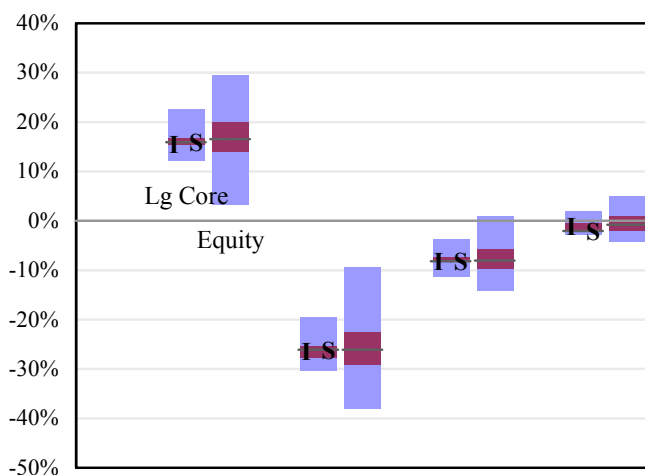
The portfolio's performance for the second quarter relative to the S&P 500 was helped by stock selection decisions but hurt by sector allocation decisions. The best performing holdings during the quarter included Genworth Financial (+268%), Office Depot (+248%) and Wyndham Worldwide (+190%), while the worst performing holdings included Keycorp (-33%), Eastman Kodak (-22%) and MetroPCS Communications (-22%).

MANAGER COMMENTS – DOMESTIC EQUITY

Intech - Enhanced Plus



Intech - Enhanced Plus



	Qtr	1 Year	3 Years	5 Years
INTECH Enh+ (I)	15.5	-26.5	-8.2	-1.2
Rank v. Lg Core	71	64	54	33
Rank v. Equity	64	56	54	53
S&P 500 (S)	15.9	-26.2	-8.2	-2.2
Lg Core Median	16.0	-26.1	-8.2	-2.0
Equity Median	16.6	-26.1	-8.1	-0.8

Portfolio Characteristics	Intech - Enhanced Plus	
	Plus	S&P 500
Eq Mkt Value (\$Mil)	16.71	N/A
Wtd. Avg. Cap (\$Bil)	68.82	71.38
Beta	0.94	1.00
Yield (%)	2.58 %	2.35 %
P/E Ratio	14.92	16.70
Cash (%)	0.4 %	0.0 %
Number of Holdings	423	500
Turnover Rate (%)	82.5	-

Sector	Intech - Enhanced Plus	
	Plus	S&P 500
Energy	13.2 %	12.4 %
Materials	2.2	3.2
Industrials	10.9	9.8
Cons. Discretionary	10.5	9.0
Consumer Staples	14.1	12.0
Health Care	13.6	14.0
Financials	11.8	13.6
Info Technology	15.1	18.4
Telecom Services	4.7	3.5
Utilities	3.9	4.1

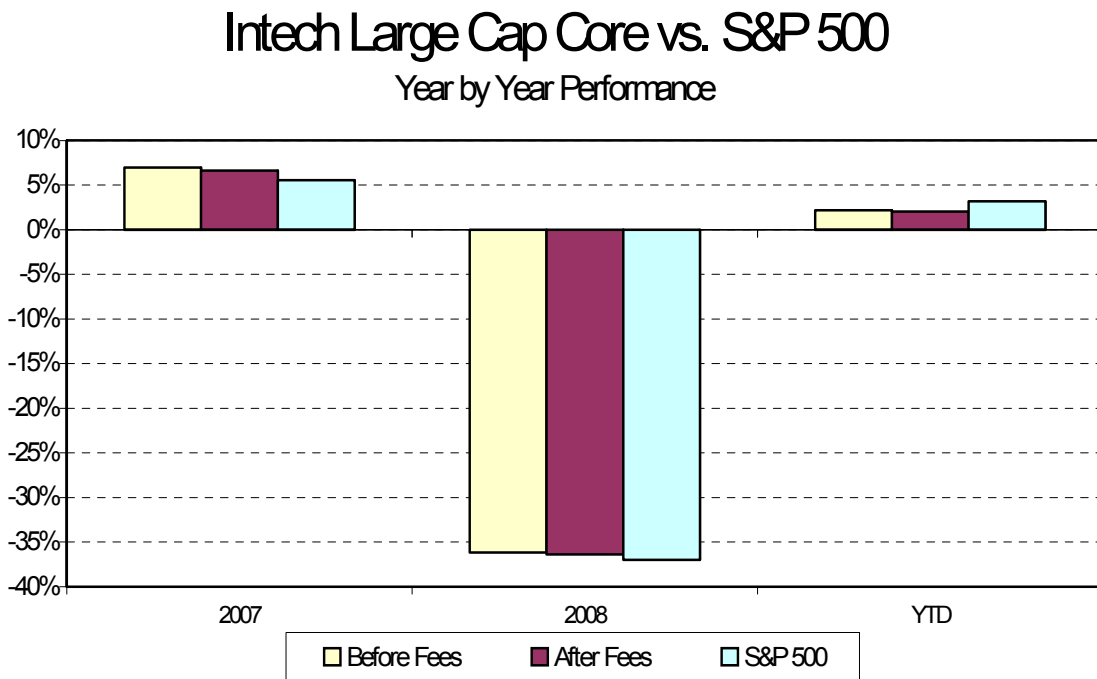
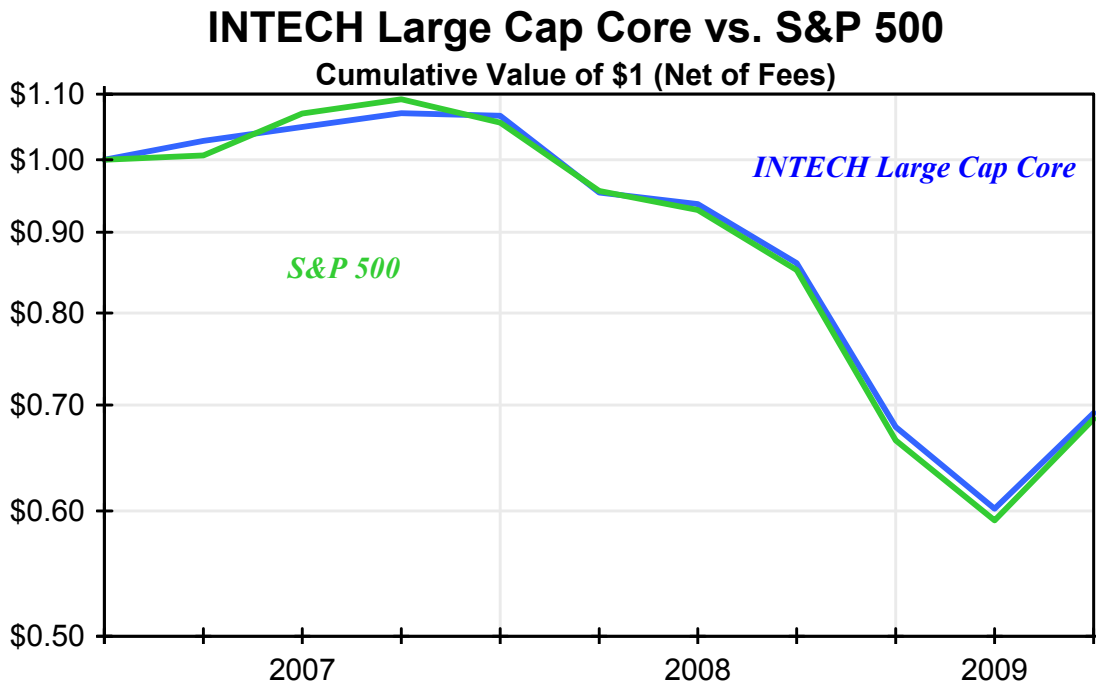
Intech's Enhanced Plus return of 15.5% for the second quarter trailed the 15.9% return of the S&P 500, and ranked in the 71st percentile in the universe of large core equity managers. For the one-year period, Intech returned -26.5%, again trailing the -26.2% for the S&P 500, and ranked in the 64th percentile. Over the past five years, Intech returned -1.2%, better than the -2.2% return of the S&P 500, and ranked in the 33rd percentile of large core equity managers. Intech Enhanced Plus is in compliance with CCCERA's performance objectives.

The portfolio has a below-market beta as the market of 0.94x, a higher yield and a below-market P/E ratio. The portfolio has 423 holdings concentrated in large capitalization sectors. The largest economic sector over-weights were in the consumer staples, consumer discretionary and telecom sectors, while largest under-weights were in the information technology, financials and materials sectors.

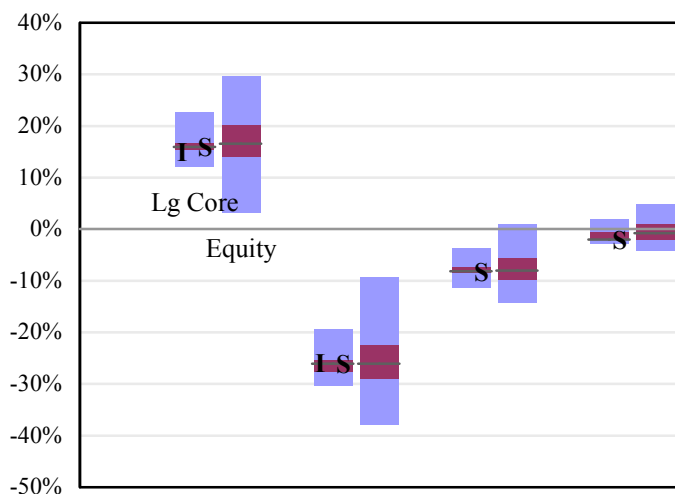
The portfolio's second quarter performance relative to the S&P 500 was hurt by stock selection, while sector allocation decisions were neutral in aggregate. Stock selection in the consumer discretionary sector hurt the most during the second quarter. The best performing portfolio stocks included Office Depot (+248%), Wyndham Worldwide (+190%) and AK Steel Holdings (+171%), while the worst performing holdings during the quarter included Keycorp (-33%), CIT Group (-25%) and MetroPCS Communications (-22%).

MANAGER COMMENTS – DOMESTIC EQUITY

Intech - Large Cap Core



Intech - Large Cap Core



	<u>Qtr</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>
Intech Lg Cap (I)	15.0	-26.0	-	-
Rank v. Lg Core	84	33	-	-
Rank v. Equity	69	46	-	-
S&P 500 (S)	15.9	-26.2	-8.2	-2.2
Lg Core Median	16.0	-26.1	-8.2	-2.0
Equity Median	16.6	-26.1	-8.1	-0.8

Portfolio Characteristics	Intech - Large Cap	S&P 500
Eq Mkt Value (\$Mil)	177.73	N/A
Wtd. Avg. Cap (\$Bil)	68.40	71.38
Beta	0.92	1.00
Yield (%)	2.69 %	2.35 %
P/E Ratio	14.55	16.70
Cash (%)	0.3 %	0.0 %

Sector	Intech - Large Cap	S&P 500
Energy	13.0 %	12.4 %
Materials	2.0	3.2
Industrials	11.7	9.8
Cons. Discretionary	9.8	9.0
Consumer Staples	15.1	12.0
Health Care	13.5	14.0
Financials	11.7	13.6
Info Technology	14.3	18.4
Telecom Services	5.1	3.5
Utilities	3.9	4.1

Intech's Large Cap Core (the larger, more aggressive Intech portfolio) had a return of 15.0% for the second quarter, which trailed the 15.9% return of the S&P 500 and ranked in the 84th percentile in the universe of large core equity managers. Over the past year, the portfolio has returned -26.0%, better than the S&P 500 return of -26.2% and ranked in the 33rd percentile of large core equity managers.

The Large Cap Core portfolio follows a somewhat more aggressive investment approach than the Intech Enhanced Plus portfolio. The portfolio has a beta of 0.92x, an above-market yield and a below-market P/E ratio. The portfolio has 392 holdings concentrated in large capitalization sectors. The largest economic sector over-weights were in the consumer staples, industrials and telecom sectors, while largest under-weights were in the information technology, financials and materials sectors.

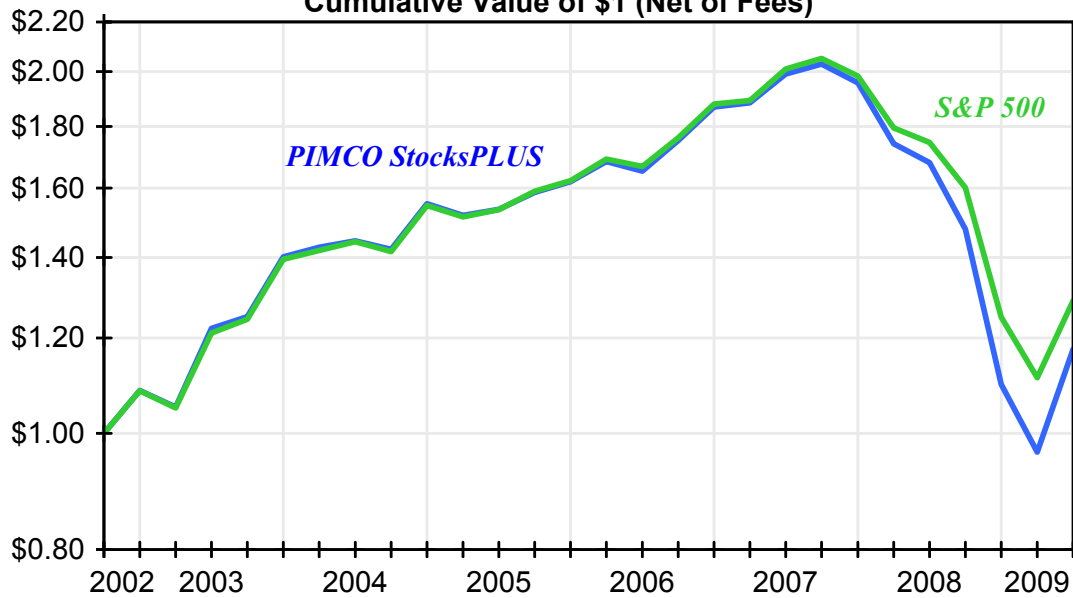
Intech's second quarter performance relative to the S&P 500 was hurt by both stock selection and sector allocation decisions. Active trading decisions had a small positive impact on performance. The best performing portfolio stocks included Office Depot (+248%), Wyndham Worldwide (+190%) and AK Steel Holdings (+171%), while the worst performing holdings during the quarter included Keycorp (-33%), CIT Group (-25%) and MetroPCS Communications (-22%).

MANAGER COMMENTS – DOMESTIC EQUITY

PIMCO

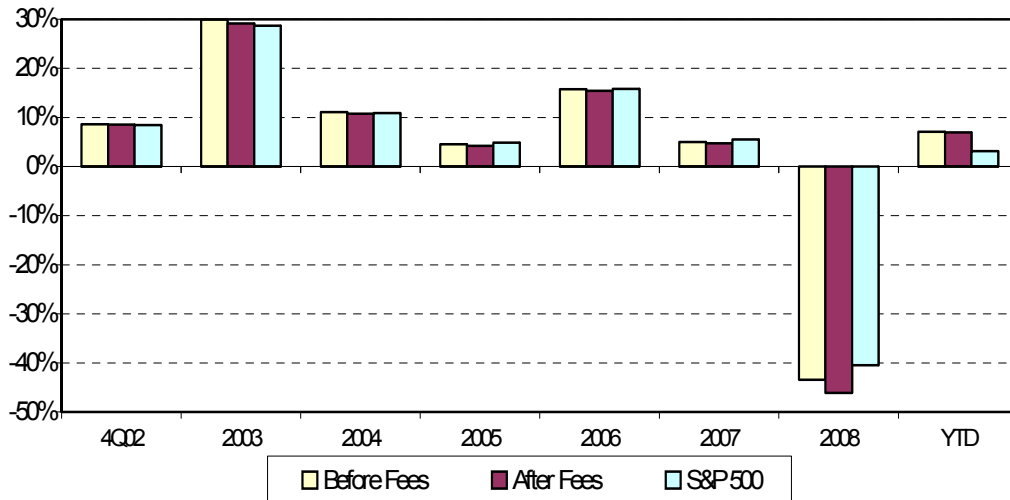
PIMCO StocksPLUS vs. S&P 500

Cumulative Value of \$1 (Net of Fees)

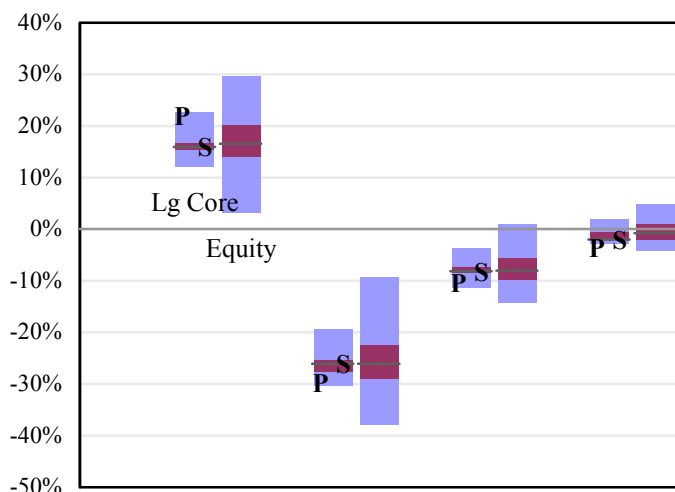


PIMCO vs. S&P 500

Year by Year Performance



PIMCO



	<u>Qtr</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>
PIMCO Stcks+ (P)	21.9	-29.8	-10.4	-3.7
Rank v. Lg Core	7	93	90	98
Rank v. Equity	17	78	79	93
S&P 500 (S)	15.9	-26.2	-8.2	-2.2
Lg Core Median	16.0	-26.1	-8.2	-2.0
Equity Median	16.6	-26.1	-8.1	-0.8

Portfolio

Characteristics	PIMCO	S&P 500
Eq Mkt Value (\$Mil)	174.4	N/A
Wtd. Avg. Cap (\$Bil)	*	71.38
Beta	*	1.01
Yield (%)	* %	2.35 %
P/E Ratio	*	16.70
Cash (%)	30.9 %	0.0 %

Number of Holdings	*	500
Turnover Rate (%)	2,110.60	-

Sector	PIMCO	S&P 500
Energy	* %	12.4 %
Materials	*	3.2
Industrials	*	9.8
Cons. Discretionary	*	9.0
Consumer Staples	*	12.0
Health Care	*	14.0
Financials	*	13.6
Info Technology	*	18.4
Telecom Services	*	3.5
Utilities	*	4.1

*PIMCO manages a synthetic equity portfolio and does not hold any equity securities.

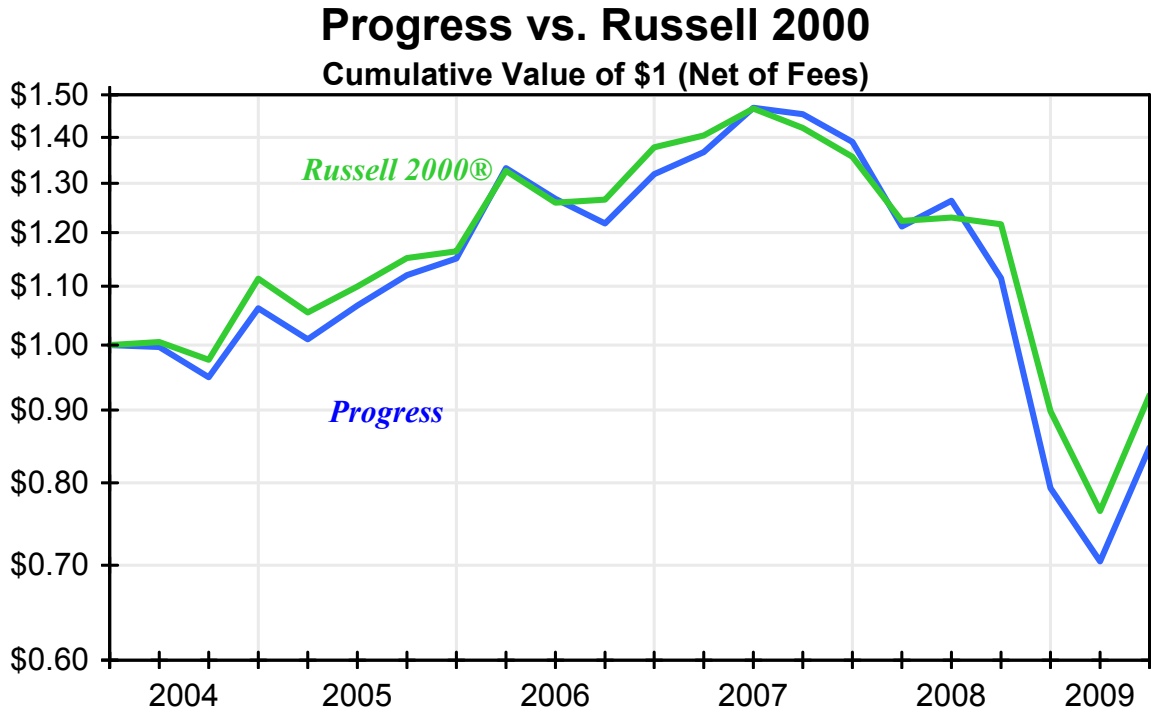
PIMCO's StocksPLUS (futures plus cash) portfolio returned 21.9% for the second quarter, well above the 15.9% return of the S&P 500, and ranked in the 7th percentile of large core managers. For the one-year period, PIMCO returned -29.8%, below the -26.2% return of the S&P 500, and ranked in the 93rd percentile. Over the past three and five years, the portfolio has trailed the median large core manager and trailed the return of the S&P 500. The portfolio has not met the objective of exceeding the S&P 500 over the past three or five years.

PIMCO's mix of fixed income strategies delivered a return well in excess of the benchmark in the second quarter. Strategies that boosted returns included a yield curve steepening strategy as yields climbed the most on the longer end of the curve, an emphasis on high quality Agency mortgages and non-Agency mortgages and finally an emphasis on the bonds of financial companies. The only significant detractor from second quarter performance was an extended duration that hurt as yields rose.

The firm expects that consumer debt exhaustion and deleveraging in the financial sector will constrain growth in the developed economies over the next three-five years. It also feels that deflation risks will dominate in the near term while inflation risk will creep back in further down the path to recovery when policymakers struggle to withdraw the current stimulus. Finally, the firm feels that a W-shaped recovery is likely. Against this economic backdrop, PIMCO is positioning the portfolio to favor high quality, yield-oriented securities and to maintain an extended duration to earn additional income in a steep yield curve environment.

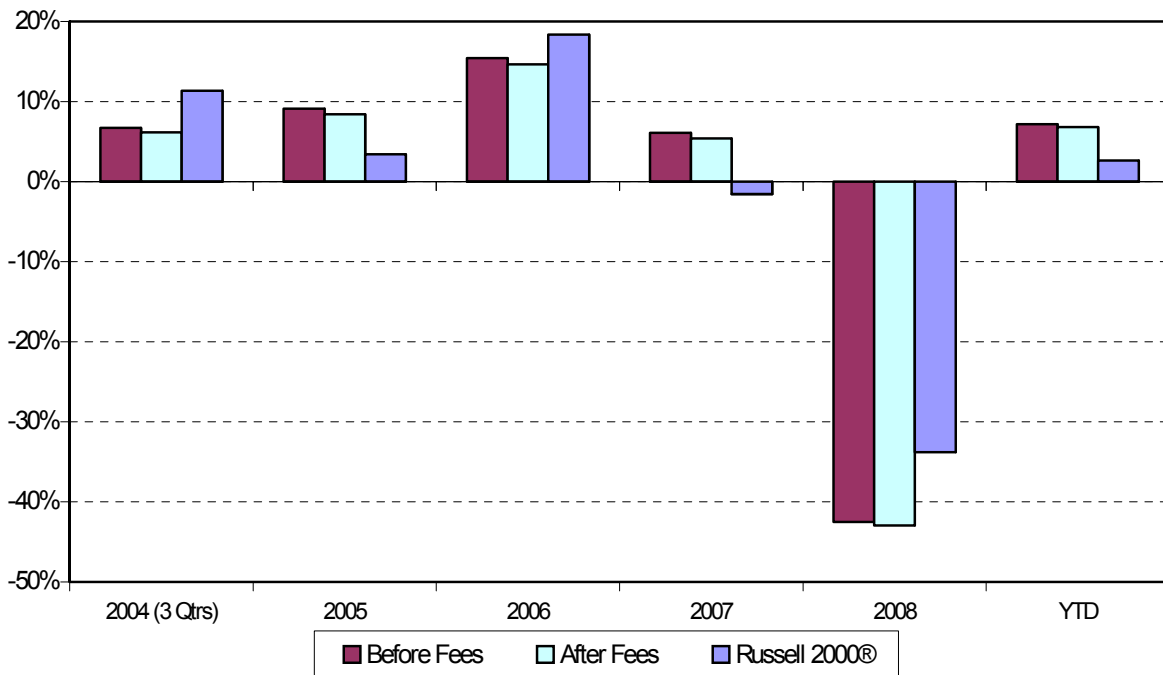
MANAGER COMMENTS – DOMESTIC EQUITY

Progress

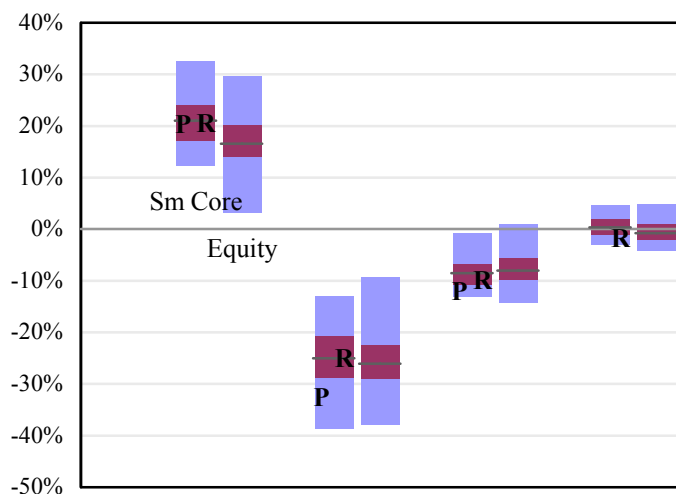


Progress vs. Russell 2000®

Year by Year Performance



Progress



	<u>Qtr</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>
Progress (P)	20.5	-32.5	-12.0	-2.5
Rank v. Sm Core	51	87	88	88
Rank v. Equity	23	86	88	85
Russell 2000® (R)	20.7	-25.0	-9.9	-1.7
Sm Core Median	21.1	-25.0	-8.6	0.3
Equity Median	16.6	-26.1	-8.1	-0.8

Portfolio Characteristics	Progress	Russell 2000®
Eq Mkt Value (\$Mil)	109.73	N/A
Wtd. Avg. Cap (\$Bil)	1.68	0.76
Beta	1.20	1.25
Yield (%)	1.70 %	1.49 %
P/E Ratio	23.92	45.71
Cash (%)	0.0 %	0.0 %
Number of Holdings	587	2,017
Turnover Rate (%)	3.8	-

Sector	Progress	Russell 2000®
Energy	5.7 %	4.5 %
Materials	6.3	3.8
Industrials	14.1	16.0
Cons. Discretionary	12.8	12.9
Consumer Staples	4.7	3.6
Health Care	14.6	14.9
Financials	16.4	19.5
Info Technology	19.7	20.1
Telecom Services	1.1	1.1
Utilities	4.6	3.6

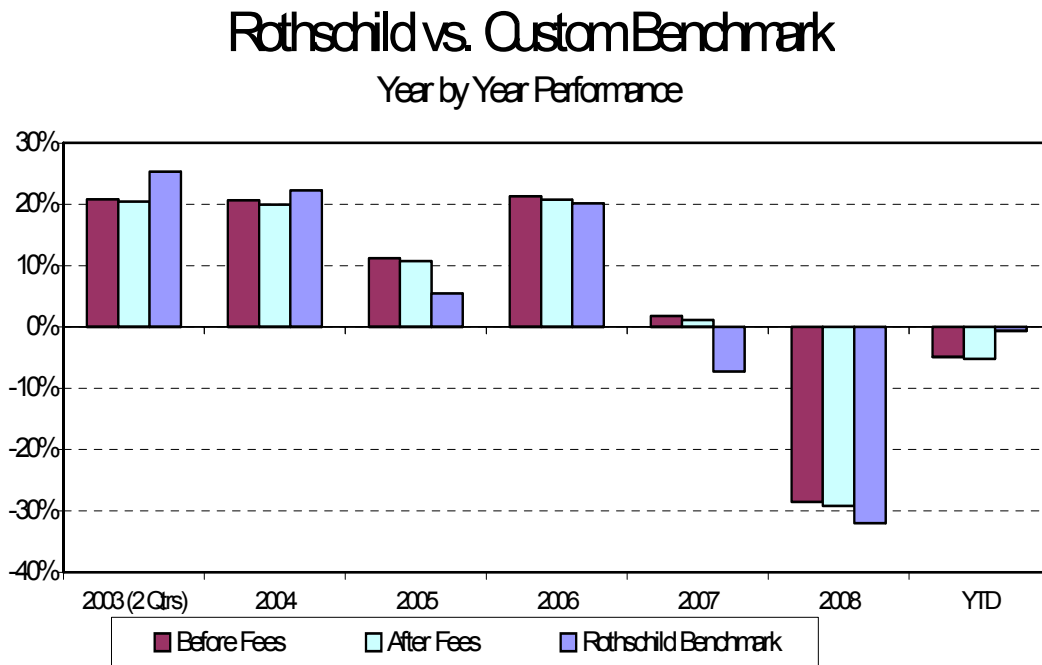
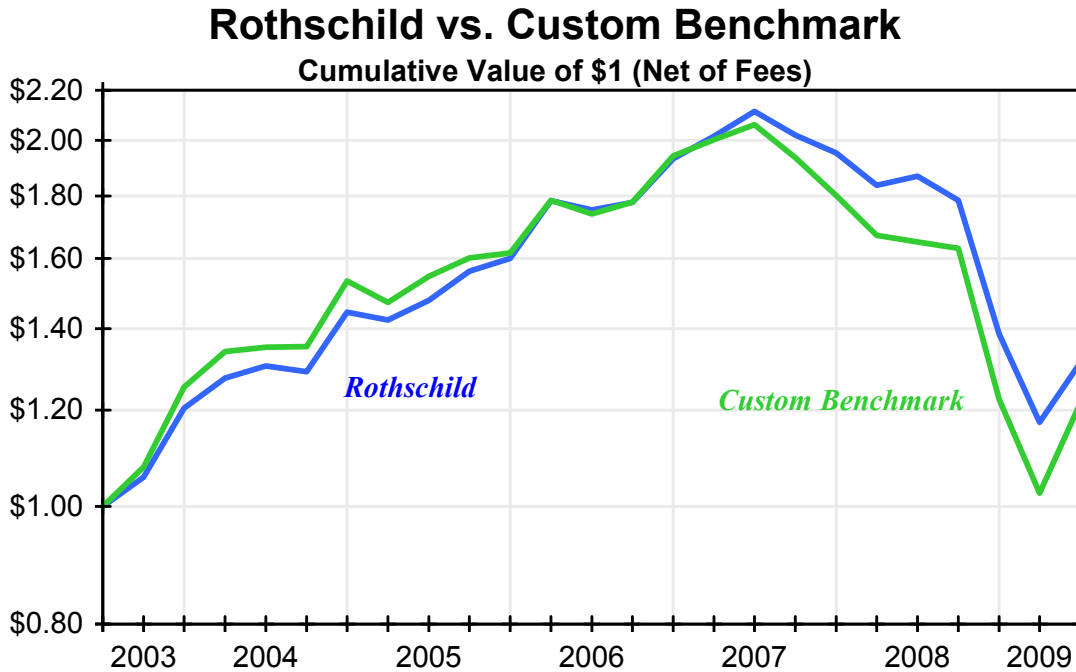
Progress, a manager of emerging managers that themselves invest in small capitalization stocks, returned 20.5% for the second quarter, nearly matching the 20.7% return of the Russell 2000® Index and ranking in the 51st percentile of small core managers. Over the past year, Progress returned -32.5%, below the -25.0% return of the Russell 2000® Index, and ranked in the 87th percentile of small cap equity managers. Over the past five years, Progress has trailed its benchmark and has ranked in the 88th percentile of the small core universe. Progress is not in compliance with the CCCERA performance objectives.

The portfolio had a beta of 1.20x, slightly lower than the Russell 2000® Index. The portfolio had an above-market yield and a below-market P/E ratio. It included 587 stocks, concentrated in the small and mid capitalization sectors. Progress' largest economic sector over-weights relative to the Russell 2000® were in the materials, energy and consumer staples sectors, while the largest under-weights were in the financials, industrials and information technology sectors.

The portfolio's second quarter performance was hurt by stock selection but helped by sector allocation decisions relative to the Russell 2000®. During the quarter, the best performing holdings included Map Pharmaceuticals (+482%), Geokinetics (+317%) and Spartech Corp (+274%). The worst performing holdings included Immucor (-45%), National Penn Bancshares (-44%) and Gasco Energy (-28%).

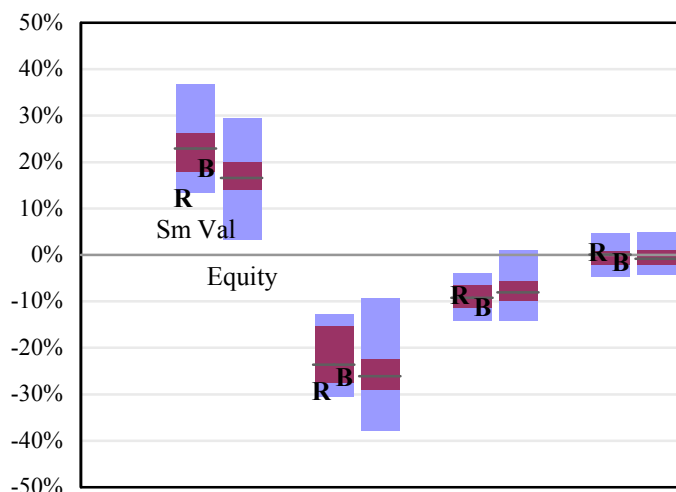
MANAGER COMMENTS – DOMESTIC EQUITY

Rothschild



The Rothschild custom benchmark is the Russell 2000® Value index through 2nd quarter, 2005, Russell 2500™ Value thereafter.

Rothschild



	<u>Qtr</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>
Rothschild (R)	12.2	-29.2	-8.6	0.7
Rank v. Sm Val	97	89	39	25
Rank v. Equity	83	75	64	27
Custom Bench (B)	18.8	-26.2	-11.2	-1.6
Sm Val Median	23.0	-23.6	-9.3	0.1
Equity Median	16.6	-26.1	-8.1	-0.8

The Rothschild custom benchmark is the Russell 2000® Value index through 2nd quarter, 2005, Russell 2500™ Value thereafter.

Portfolio	Rothschild	Russell 2500™ Value
Eq Mkt Value (\$Mil)	96.90	N/A
Wtd. Avg. Cap (\$Bil)	1.58	1.61
Beta	0.92	1.25
Yield (%)	1.89 %	2.47 %
P/E Ratio	27.73	40.84
Cash (%)	1.7 %	0.0 %
Number of Holdings	147	1,753
Turnover Rate (%)	94.0	-

Sector	Rothschild	Russell 2500™ Value
Energy	1.9 %	6.6 %
Materials	7.9	7.9
Industrials	13.4	12.7
Cons. Discretionary	12.1	11.4
Consumer Staples	6.3	3.4
Health Care	7.2	5.8
Financials	27.3	29.7
Info Technology	14.9	9.6
Telecom Services	1.5	2.1
Utilities	7.6	11.0

Rothschild's return of 12.2% for the second quarter trailed the 18.8% return of the Russell 2500™ Value Index and ranked in the 97th percentile in the universe of small value equity managers. For the one-year period, Rothschild returned -29.2%, again trailing the custom benchmark return of -26.2%, and ranked in the 89th percentile. Over the past three and five-year periods, Rothschild exceeded its custom benchmark and ranked in the 39th and 25th percentiles, respectively. This portfolio is in compliance with the CCCERA performance objectives.

The portfolio had a beta of 0.92x, lower than the index, a below-index yield and a below-index P/E ratio. It included 147 stocks, concentrated in the small and mid capitalization sectors. Rothschild's largest economic sector over-weights relative to the Russell 2500™ Value Index were in the information technology, consumer staples and health care sectors, while the largest under-weights were in the energy, utilities and financials sectors.

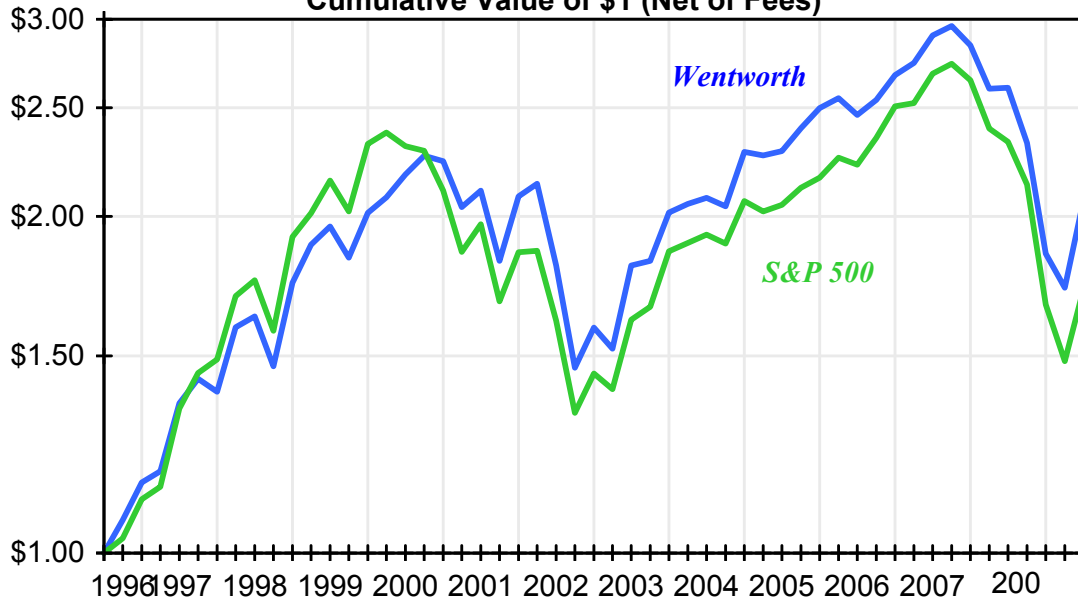
Rothschild's second quarter performance relative to the Russell 2500™ Value index was hurt significantly by stock selection while sector allocation decisions were slightly positive. Trading decisions had a negative impact on performance. Stock selection in the consumer discretionary and information technology sectors had the largest negative impacts on the portfolio during the second quarter. The best performing portfolio stocks were Global Cash Access (+108%), Altra Holdings (+93%) and Group 1 Automotive (+86%). The worst performing holdings included S&T Bancorp (-42%), Callaway Golf (-29%) and Spartan Stores (-19%).

MANAGER COMMENTS – DOMESTIC EQUITY

Wentworth, Hauser and Violich

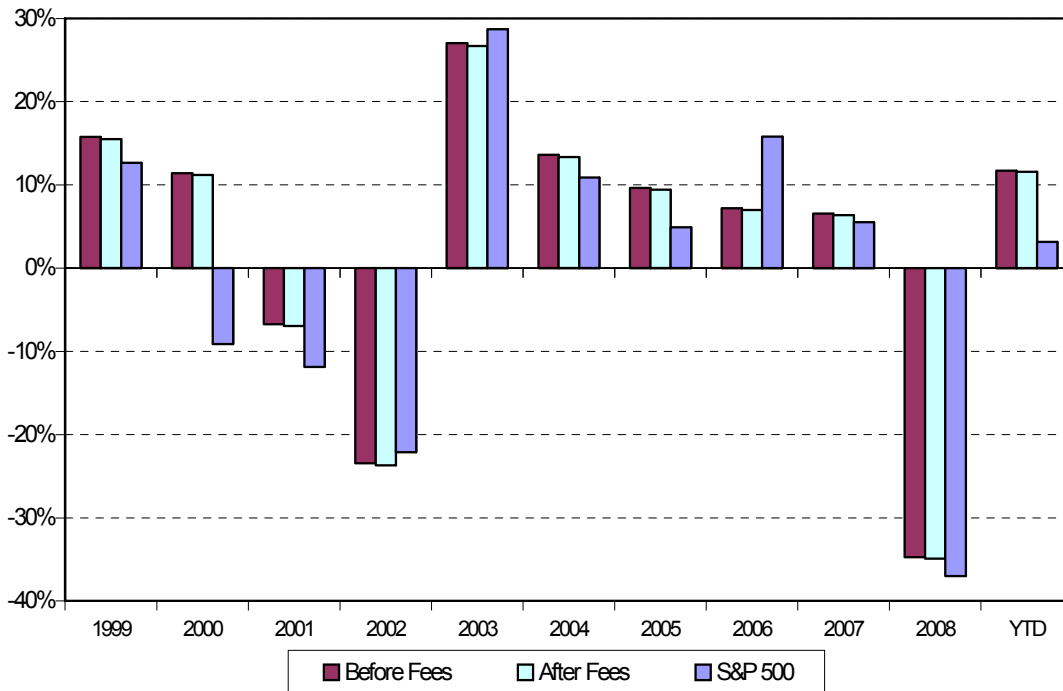
Wentworth, Hauser & Violich vs. S&P 500

Cumulative Value of \$1 (Net of Fees)

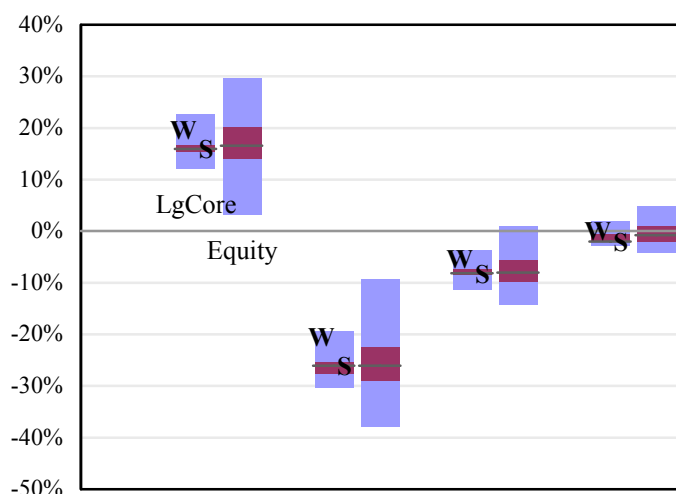


Wentworth vs. S&P 500

Year by Year Performance



Wentworth, Hauser and Violich



	<u>Qtr</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>
WHV (W)	19.7	-20.5	-5.5	0.1
Rank v. Lg Core	10	7	10	14
Rank v. Equity	26	18	24	35
S&P 500 (S)	15.9	-26.2	-8.2	-2.2
Lg Core Median	16.0	-26.1	-8.2	-2.0
Equity Median	16.6	-26.1	-8.1	-0.8

Portfolio

<u>Characteristics</u>	<u>Wentworth</u>	<u>S&P 500</u>
Eq Mkt Value (\$Mil)	209.68	N/A
Wtd. Avg. Cap (\$Bil)	53.27	71.38
Beta	1.02	1.00
Yield (%)	1.52	2.35
P/E Ratio	15.84	16.70
Cash (%)	1.7	0.0

Number of Holdings	39	500
Turnover Rate (%)	73.3	-

<u>Sector</u>	<u>Wentworth</u>	<u>S&P 500</u>
Energy	17.5 %	12.4 %
Materials	3.8	3.2
Industrials	11.0	9.8
Cons. Discretionary	6.4	9.0
Consumer Staples	10.7	12.0
Health Care	15.5	14.0
Financials	8.3	13.6
Info Technology	23.8	18.4
Telecom Services	0.0	3.5
Utilities	2.9	4.1

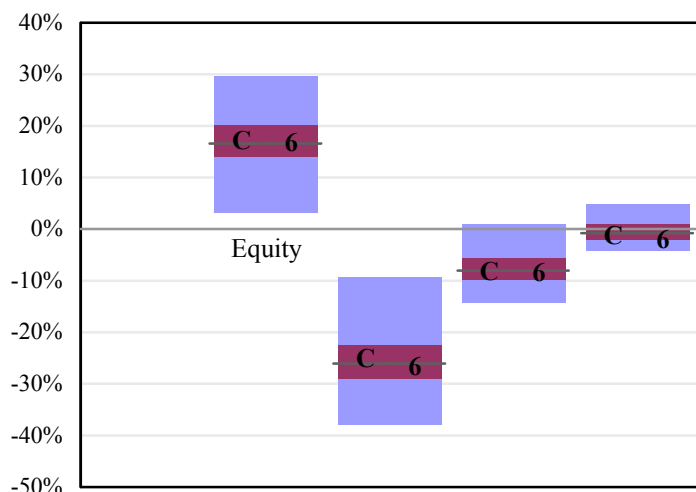
Wentworth's return of 19.7% for the second quarter was better than the 15.9% return of the S&P 500 and ranked in the 10th percentile of large core managers. For the one-year period, Wentworth returned -20.5%, better than the -26.2% return of the S&P 500, and ranked in the 7th percentile. Wentworth has exceeded the S&P 500 over the past three and five years. Wentworth ranked above median in the large core universe over both the trailing three and five-year time periods. Wentworth is in compliance with CCCERA performance guidelines.

The portfolio has a near-market beta of 1.02x, a below-market yield and a below-market P/E ratio. The portfolio has 39 holdings concentrated in large and mid capitalization sectors. The largest economic sector over-weights are in the information technology, energy and health care sectors, while largest under-weights are in the financials, telecom services and consumer discretionary sectors.

Wentworth's second quarter performance relative to the S&P 500 was helped by both stock selection and sector allocation decisions. Stock selection in the energy and health care sectors was particularly strong. The best performing portfolio stocks included Weatherford International (+77%), Wells Fargo (+71%) and Pactiv Corp (+49%) while the worst performing holdings included Burger King (-24%), Wal Mart (-7%) and Applied Materials (+3%).

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Total Domestic Equity



	<u>Qtr</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>
Total Equity (C)	17.3	-25.0	-8.1	-1.1
Rank v. Equity	41	39	52	53
Russell 3000® (6)	16.8	-26.6	-8.4	-1.8
Equity Median	16.6	-26.1	-8.1	-0.8

Portfolio Characteristics	Total Fund	Russell 3000®
Eq Mkt Value (\$Mil)	1,579.04	N/A
Wtd. Avg. Cap (\$Bil)	44.31	59.16
Beta	1.03	1.04
Yield (%)	1.70 %	2.19 %
P/E Ratio	18.96	18.55
Cash (%)	4.3 %	0.0 %

Sector	Total Fund	Russell 3000®
Energy	10.4 %	11.3 %
Materials	4.3	3.7
Industrials	9.2	10.4
Cons. Discretionary	9.4	9.9
Consumer Staples	8.5	10.6
Health Care	14.5	13.7
Financials	16.0	14.2
Info Technology	22.2	18.6
Telecom Services	2.6	3.2
Utilities	3.0	4.3

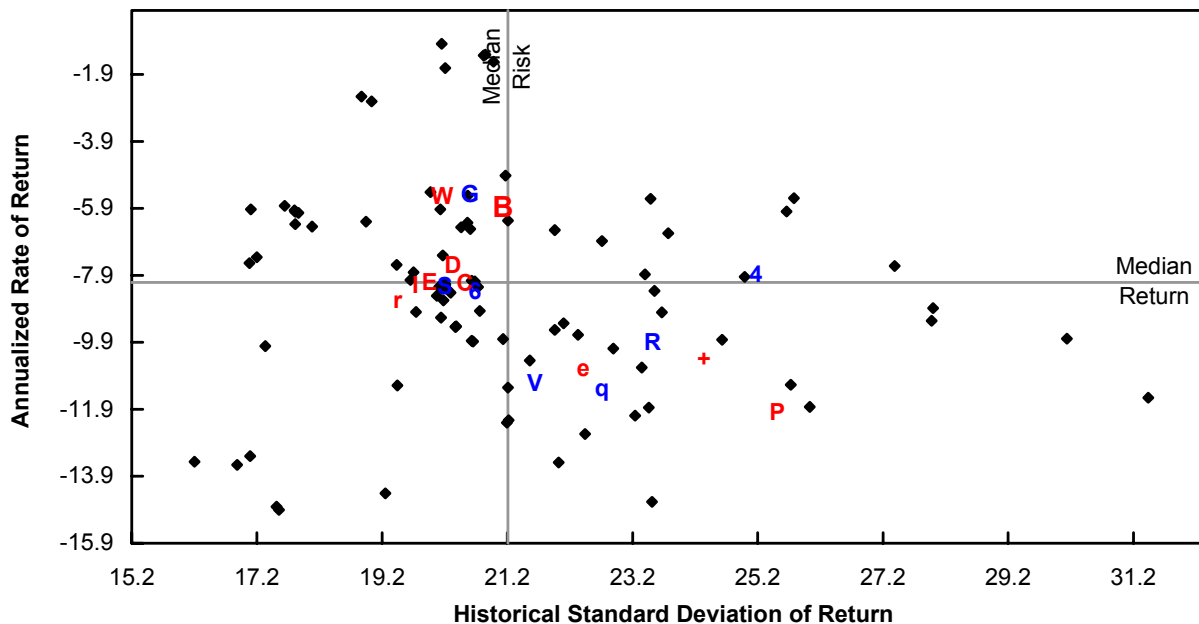
CCCERA total domestic equities returned 17.3% in the second quarter, which was better than the 16.8% return of the Russell 3000® Index, and ranked in the 41st percentile of all equity managers. For the one-year period, the CCCERA equity return of -25.0% was better than the -26.6% return of the Russell 3000® and the -26.1% return of the median manager. Over the past three years, CCCERA domestic equities exceeded the Russell 3000® index but marginally trailed the median manager. Over the past five years the domestic equities exceeded the Russell 3000®, but again trailed the median.

The combined domestic equity portfolio has a beta of 1.03x, a below-index yield and an above-index P/E ratio, that is, a slight growth bias. (This is confirmed by the chart on page 49.) The portfolio is broadly diversified with positions in 1,243 stocks. The combined portfolio's largest economic sector over-weights are in the information technology, financials and health care sectors, while the largest under-weights are in the consumer staples, industrials and utilities sectors.

MANAGER COMMENTS – DOMESTIC EQUITY

Domestic Equity Performance and Variability

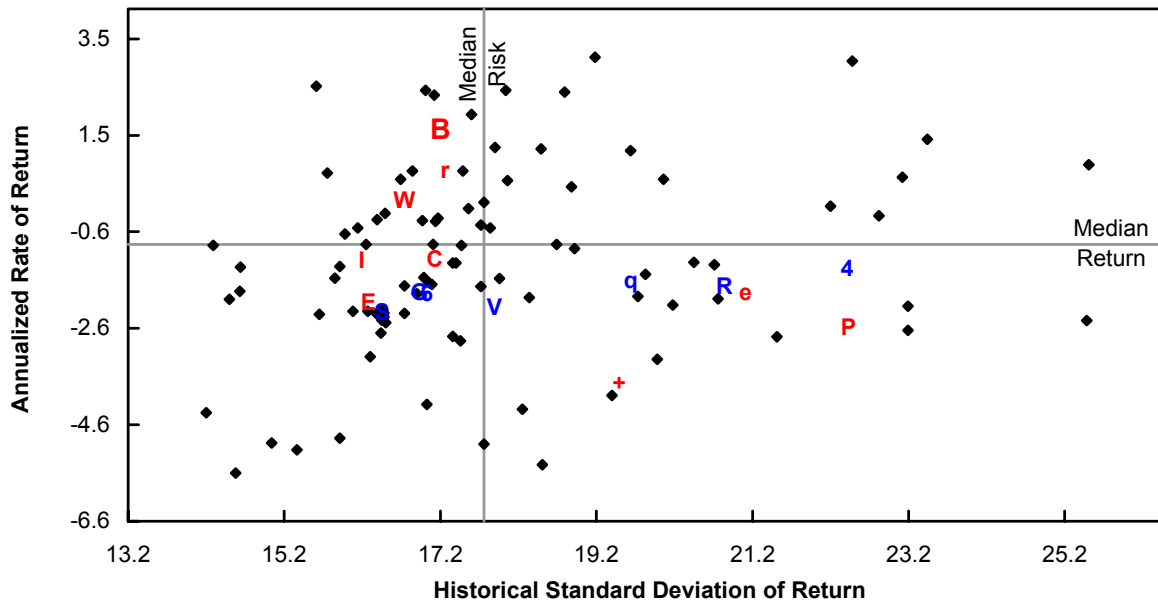
Three Years Ending June 30, 2009



Domestic Equity Manager	Annualized Return	Standard Deviation	Risk/Reward Ratio
Boston Partners (B)	-5.8 %	21.1 %	-0.43
Delaware (D)	-7.6	20.3	-0.53
Emerald (e)	-10.6	22.4	-0.62
ING Investment (E)	-8.1	20.0	-0.57
INTECH Enhanced (I)	-8.2	19.7	-0.58
PIMCO StocksPLUS (+)	-10.4	24.4	-0.56
Progress (P)	-12.0	25.5	-0.60
Rothschild (r)	-8.6	19.5	-0.61
Wentworth, Hauser (W)	-5.5	20.2	-0.43
Domestic Equitiy (C)	-8.1	20.5	-0.55
Russell® 3000 (6)	-8.4	20.7	-0.56
S&P 500 (S)	-8.2	20.2	-0.57
Russell 1000® Growth (G)	-5.4	20.6	-0.42
Russell 1000® Value (V)	-11.1	21.7	-0.66
Russell 2000® (R)	-9.9	23.5	-0.56
Russell 2000® Growth (4)	-7.8	25.2	-0.44
Russell 2500™ Value (q)	-11.2	22.7	-0.64
Median Equity Port.	-8.1	21.2	-0.53

Domestic Equity Performance and Variability

Five Years Ending June 30, 2009



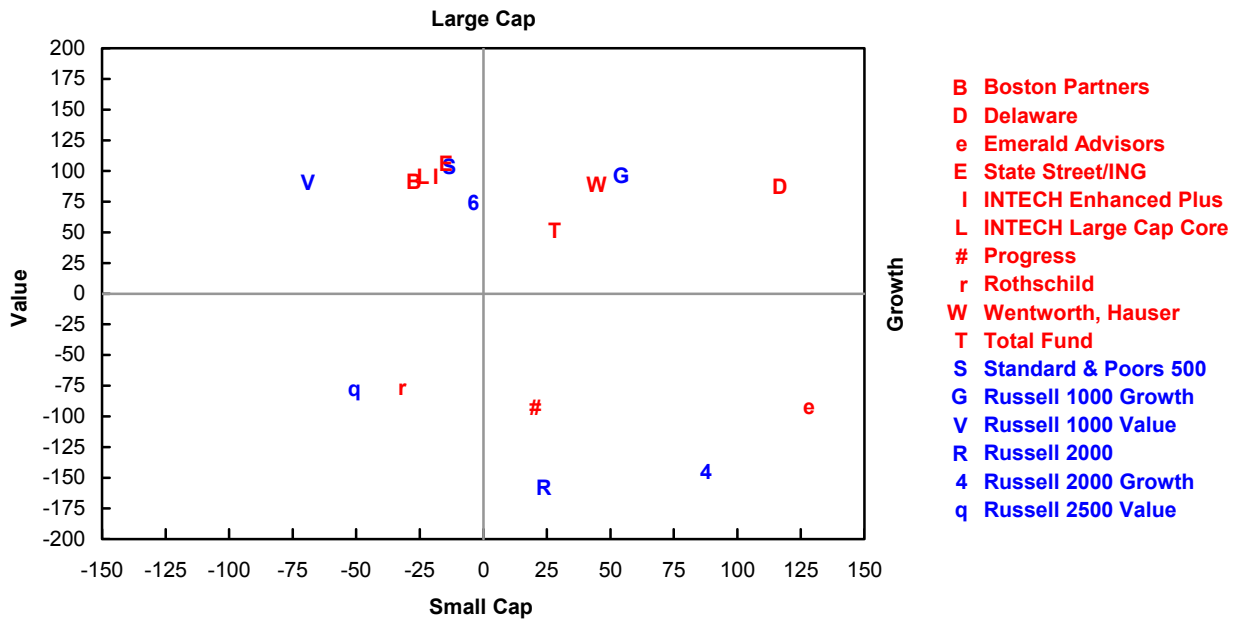
Domestic Equity Manager	Annualized Return	Standard Deviation	Risk/Reward Ratio
Boston Partners (B)	1.6 %	17.2 %	-0.09
Emerald (e)	-1.8	21.1	-0.24
ING Investment (E)	-2.0	16.3	-0.32
INTECH Enhanced (I)	-1.2	16.2	-0.27
PIMCO StocksPLUS (P)	-3.7	19.5	-0.35
Progress (P)	-2.5	22.4	-0.25
Rothschild (r)	0.7	17.3	-0.14
Wentworth, Hauser (W)	0.1	16.7	-0.18
Domestic Equity (C)	-1.1	17.1	-0.25
Russell® 3000 (6)	-1.8	17.0	-0.29
S&P 500 (S)	-2.2	16.5	-0.33
Russell 1000® Growth (G)	-1.8	16.9	-0.29
Russell 1000® Value (V)	-2.1	17.9	-0.30
Russell 2000® (R)	-1.7	20.8	-0.23
Russell 2000® Growth (4)	-1.3	22.4	-0.20
Russell 2500™ Value (q)	-1.6	19.6	-0.24
Median Equity Port.	-0.8	17.8	-0.22

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MANAGER COMMENTS - DOMESTIC EQUITY

Domestic Equity Style Map

As of June 30, 2009



PORTFOLIO PROFILE REPORT

	Russell 3000® 6/30/2009	Combined Equity 6/30/2009	Russell 1000® Value 6/30/2009	Boston 6/30/2009	Russell 1000® Growth 6/30/2009	Delaware 6/30/2009
Equity Market Value (\$000)		1,579,041		238,808		265,837
Beta	1.04	1.03	1.09	1.03	0.95	1.02
Yield	2.19	1.70	2.70	2.01	1.81	0.89
P/E Ratio	18.55	18.96	18.06	17.89	17.42	21.79
Standard Error	1.23	1.89	2.04	2.06	1.57	4.16
R ²	0.98	0.95	0.95	0.94	0.96	0.81
Wtd Cap Size (\$Mil)	59,165	44,313	63,487	59,499	64,482	38,478
Avg Cap Size (\$Mil)	598	3,755	2,999	13,806	3,599	21,145
Number of Holdings	2,986	1,243	676	87	628	30
Economic Sectors						
Energy	11.32	10.35	19.67	14.78	4.42	3.34
Materials	3.74	4.26	3.63	1.11	3.82	4.97
Industrials	10.44	9.20	9.98	6.08	9.98	6.05
Consumer Discretionary	9.91	9.37	9.06	9.10	10.24	8.21
Consumer Staples	10.61	8.52	5.85	6.80	16.30	6.79
Health Care	13.74	14.53	9.92	12.87	17.22	17.28
Financials	14.18	15.97	22.90	31.37	4.98	12.07
Information Technology	18.58	22.17	4.91	12.50	31.44	38.03
Telecom. Services	3.22	2.59	6.32	1.59	0.59	3.26
Utilities	4.25	3.02	7.77	3.79	1.00	0.00

PORTFOLIO PROFILE REPORT

	S&P 500 Cap Wtd 6/30/2009	State Street/ ING 6/30/2009	Intech Enhanced 6/30/2009	Intech Large Cap 6/30/2009	PIMCO+ (S&P 500) 6/30/2009	Wentworth 6/30/2009
Equity Market Value		181,574	16,712	177,729	174,416	209,680
Beta	1.00	1.00	0.94	0.92	1.00	1.02
Yield	2.35	2.43	2.58	2.69	2.35	1.52
P/E Ratio	16.70	16.62	14.92	14.55	16.70	15.84
Standard Error	0.00	1.05	1.01	1.17	0.00	3.01
R ²	1.00	0.98	0.98	0.97	1.00	0.89
Wtd Cap Size (\$Mil)	71,378	73,521	68,819	68,405	71,378	53,273
Avg Cap Size (\$Mil)	6,842	9,055	7,644	7,095	6,842	20,979
Number of Holdings	500	413	423	392	500	39
Economic Sectors						
Energy	12.42	12.45	13.18	13.01	12.42	17.48
Materials	3.23	3.15	2.20	2.00	3.23	3.84
Industrials	9.83	9.85	10.93	11.67	9.83	10.95
Consumer Discretionary	8.96	8.47	10.45	9.81	8.96	6.41
Consumer Staples	11.97	12.48	14.08	15.05	11.97	10.71
Health Care	13.97	13.80	13.61	13.46	13.97	15.51
Financials	13.59	13.22	11.81	11.68	13.59	8.33
Information Technology	18.40	18.43	15.12	14.28	18.40	23.83
Telecom. Services	3.54	3.86	4.69	5.09	3.54	0.00
Utilities	4.09	4.29	3.93	3.94	4.09	2.93

PORTFOLIO PROFILE REPORT

	Russell 2000® 6/30/2009	Progress 6/30/2009	Russell 2500™ Value 6/30/2009	Rothschild 6/30/2009	Russell 2000® Growth 6/30/2009	Emerald 6/30/2009
Equity Market Value		109,728		96,901		107,658
Beta	1.25	1.20	1.25	0.92	1.22	1.21
Yield	1.49	1.70	2.47	1.89	0.62	0.18
P/E Ratio	45.71	23.92	40.84	27.73	57.19	64.90
Standard Error	4.83	3.76	4.23	4.21	5.63	5.16
R ²	0.84	0.89	0.86	0.76	0.80	0.81
Wtd Cap Size (\$Mil)	762	1,684	1,611	1,579	826	1,293
Avg Cap Size (\$Mil)	317	897	402	961	347	1,002
Number of Holdings	2,017	587	1,753	147	1,272	122
Economic Sectors						
Energy	4.52	5.65	6.59	1.92	3.46	3.13
Materials	3.81	6.29	7.88	7.89	2.13	5.07
Industrials	16.00	14.11	12.65	13.44	15.06	8.44
Consumer Discretionary	12.88	12.80	11.36	12.09	15.05	16.69
Consumer Staples	3.60	4.69	3.36	6.27	4.07	3.12
Health Care	14.92	14.60	5.75	7.18	24.32	20.52
Financials	19.49	16.39	29.66	27.30	5.78	7.38
Information Technology	20.05	19.73	9.64	14.88	28.33	33.14
Telecom. Services	1.14	1.11	2.13	1.48	1.59	2.03
Utilities	3.58	4.63	10.98	7.55	0.21	0.47

PORTFOLIO PROFILE REPORT

	Russell 3000® 6/30/2009	Combined Equity 6/30/2009	Russell 1000® Value 6/30/2009	Boston 6/30/2009	Russell 1000® Growth 6/30/2009	Delaware 6/30/2009
Beta Sectors						
1 0.0 - 0.9	44.45	44.75	41.45	41.29	49.62	45.39
2 0.9 - 1.1	15.87	17.05	14.52	23.65	17.67	18.21
3 1.1 - 1.3	13.59	14.05	13.00	9.24	13.88	16.38
4 1.3 - 1.5	10.83	9.55	13.88	13.59	7.70	3.79
5 Above 1.5	15.26	14.60	17.15	12.23	11.13	16.23
Yield Sectors						
1 Above 5.0	23.83	31.84	12.04	15.76	28.95	39.48
3 3.0 - 5.0	18.22	20.14	22.60	35.46	15.49	31.67
3 1.5 - 3.0	25.60	24.84	23.81	27.03	29.66	22.38
4 0.0 - 1.5	23.28	17.20	26.26	16.77	22.71	6.47
5 0.0	9.08	5.97	15.28	4.97	3.19	0.00
P/E Sectors						
1 0.0 - 12.0	36.23	33.35	51.58	44.00	20.95	12.02
2 12.0 -20.0	43.05	38.35	33.36	37.14	54.36	27.94
3 20.0 -30.0	8.78	13.10	3.53	5.96	12.99	32.58
4 30.0 - 150.0	10.49	13.11	10.29	12.90	10.40	24.13
5 N/A	1.46	2.09	1.24	0.00	1.30	3.34
Capitalization Sectors						
1 Above 20.0 (\$Bil)	54.75	47.53	56.72	52.64	61.73	60.47
2 10.0 - 20.0	14.53	14.67	17.21	22.19	14.32	15.83
3 5.0 - 10.0	8.18	10.45	8.35	11.97	9.34	15.98
4 1.0 - 5.0	16.80	18.78	17.20	13.21	14.57	7.71
5 0.5 - 1.0	3.02	4.83	0.48	0.00	0.03	0.00
6 0.1 - 0.5	2.63	3.69	0.04	0.00	0.00	0.00
7 0.0 - 0.1	0.09	0.04	0.00	0.00	0.00	0.00
5 Yr Earnings Growth						
1 N/A	23.85	21.08	34.35	27.45	12.29	12.80
2 0.0 -10.0	21.51	18.56	22.53	18.03	19.45	6.45
3 10.0 -20.0	30.33	34.76	16.22	25.54	45.26	48.45
4 Above 20.0	24.32	25.59	26.90	28.98	22.99	32.30

PORTFOLIO PROFILE REPORT

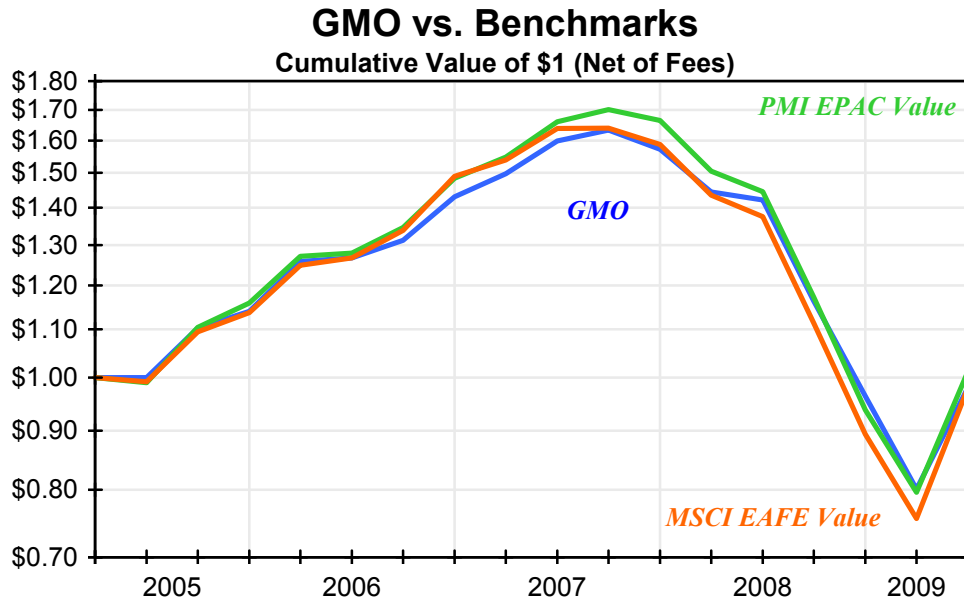
	S&P 500 Cap Wtd 6/30/2009	State Street/ ING 6/30/2009	Intech Enhanced 6/30/2009	Intech Large Cap 6/30/2009	PIMCO+ (S&P 500) 6/30/2009	Wentworth 6/30/2009
Beta Sectors						
1 0.0 - 0.9	46.80	47.41	54.13	55.97	46.80	42.63
2 0.9 - 1.1	16.79	16.47	15.60	14.52	16.79	16.70
3 1.1 - 1.3	13.53	13.01	10.56	10.19	13.53	20.76
4 1.3 - 1.5	10.25	10.53	8.66	8.30	10.25	8.42
5 Above 1.5	12.63	12.57	11.05	11.02	12.63	11.50
Yield Sectors						
1 Above 5.0	17.07	16.06	15.42	14.84	17.07	32.71
3 3.0 - 5.0	18.90	19.42	14.15	13.44	18.90	13.09
3 1.5 - 3.0	28.46	27.79	29.86	28.24	28.46	36.94
4 0.0 - 1.5	26.54	26.83	30.06	31.27	26.54	17.26
5 0.0	9.03	9.91	10.51	12.21	9.03	0.00
P/E Sectors						
1 0.0 - 12.0	35.46	36.27	37.18	38.73	35.46	35.83
2 12.0 -20.0	46.16	45.65	48.28	47.91	46.16	41.19
3 20.0 -30.0	7.54	7.45	7.07	6.09	7.54	7.04
4 30.0 - 150.0	10.02	9.82	6.45	6.30	10.02	11.42
5 N/A	0.81	0.81	1.01	0.97	0.81	4.51
Capitalization Sectors						
1 Above 20.0 (\$Bil)	66.43	68.55	55.75	54.77	66.43	55.84
2 10.0 - 20.0	17.13	17.25	18.30	19.02	17.13	18.27
3 5.0 - 10.0	9.13	8.07	13.66	14.26	9.13	14.81
4 1.0 - 5.0	7.25	6.06	12.11	11.80	7.25	11.08
5 0.5 - 1.0	0.07	0.07	0.18	0.15	0.07	0.00
6 0.1 - 0.5	0.00	0.00	0.00	0.00	0.00	0.00
7 0.0 - 0.1	0.00	0.00	0.00	0.00	0.00	0.00
5 Yr Earnings Growth						
1 N/A	22.39	22.89	18.04	18.46	22.39	14.22
2 0.0 -10.0	21.22	20.30	26.21	26.89	21.22	10.79
3 10.0 -20.0	31.48	30.89	30.84	30.61	31.48	50.21
4 Above 20.0	24.91	25.92	24.91	24.04	24.91	24.78

PORTFOLIO PROFILE REPORT

	Russell 2000® 6/30/2009	Progress 6/30/2009	Russell 2500™ Value 6/30/2009	Rothschild 6/30/2009	Russell 2000® Growth 6/30/2009	Emerald 6/30/2009
Beta Sectors						
1 0.0 - 0.9	30.28	33.73	33.16	54.29	28.54	29.84
2 0.9 - 1.1	12.68	12.92	11.88	14.93	13.29	12.17
3 1.1 - 1.3	15.22	14.39	12.20	13.08	17.91	15.87
4 1.3 - 1.5	12.09	11.30	12.76	10.59	12.53	13.70
5 Above 1.5	29.72	27.66	30.01	7.12	27.74	28.43
Yield Sectors						
1 Above 5.0	61.93	58.08	38.57	45.78	77.28	88.80
3 3.0 - 5.0	9.17	10.36	11.58	11.61	7.94	4.32
3 1.5 - 3.0	11.04	12.14	16.12	17.11	8.21	5.17
4 0.0 - 1.5	9.11	7.05	15.68	13.47	4.25	1.71
5 0.0	8.73	12.35	18.05	12.04	2.32	0.00
P/E Sectors						
1 0.0 - 12.0	41.69	36.44	53.67	39.75	36.42	30.78
2 12.0 -20.0	28.64	31.67	27.93	40.65	26.22	23.70
3 20.0 -30.0	13.49	17.07	8.38	11.62	17.00	20.97
4 30.0 - 150.0	12.33	11.01	7.24	6.71	15.92	20.33
5 N/A	3.85	3.81	2.78	1.28	4.43	4.22
Capitalization Sectors						
1 Above 20.0 (\$Bil)	0.00	0.00	0.00	0.00	0.00	0.00
2 10.0 - 20.0	0.00	0.20	0.00	0.00	0.00	0.00
3 5.0 - 10.0	0.00	4.28	0.00	0.00	0.00	0.00
4 1.0 - 5.0	28.18	49.49	65.10	64.34	33.31	53.79
5 0.5 - 1.0	36.46	24.34	18.19	17.81	35.19	29.56
6 0.1 - 0.5	34.13	21.06	16.00	17.85	30.72	16.65
7 0.0 - 0.1	1.23	0.64	0.71	0.00	0.79	0.00
5 Yr Earnings Growth						
1 N/A	33.30	27.07	40.24	36.18	26.05	20.75
2 0.0 -10.0	28.49	26.69	26.00	29.15	28.60	24.80
3 10.0 -20.0	21.33	27.20	17.38	22.77	26.17	29.16
4 Above 20.0	16.88	19.04	16.38	11.90	19.18	25.29

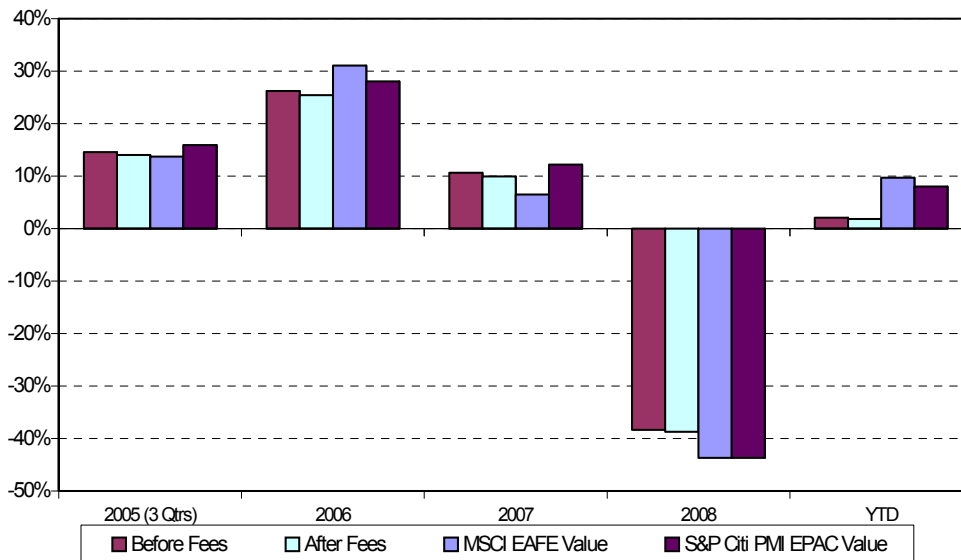
MANAGER COMMENTS – INTERNATIONAL EQUITY

Grantham, Mayo, van Otterloo & Co

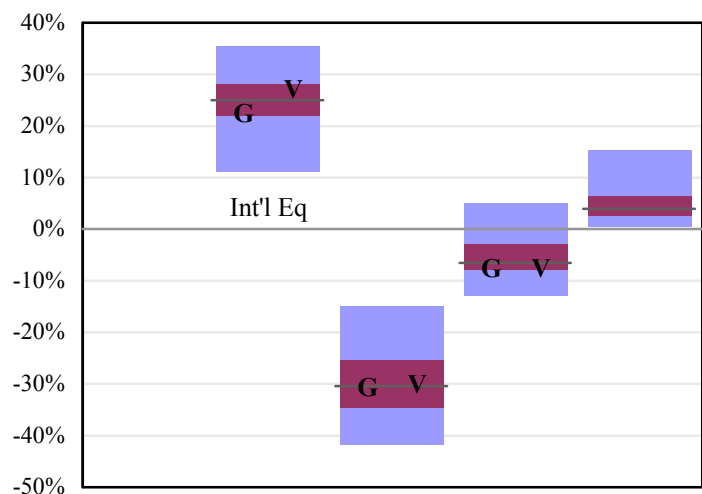


GMO vs. Benchmarks

Year by Year Performance



Grantham, Mayo, van Otterloo & Co



	Qtr	1 Year	3 Years	5 Years
GMO (G)	22.6	-30.6	-7.6	-
Rank v. Int'l Equity	64	59	67	-
PMI EPAC Val (V)	27.2	-29.9	-7.5	-
EAFE Value (E)	29.8	-28.7	-8.2	2.9
Int'l Eq Median	21.9	-34.6	-8.0	2.7

Portfolio Characteristics	GMO	MSCI EAFE
IEq Mkt Value (\$Mil)	205.6	N/A
Cash	0.0 %	0.0 %

Over-Weighted Countries	GMO	MSCI EAFE
Japan	30.0 %	24.1 %
Canada	3.2	0.0
Italy	4.6	3.5

Under-Weighted Countries	GMO	MSCI EAFE
Australia	3.3 %	7.4 %
Germany	4.4	7.7
Spain	2.1	4.5

The GMO value international equity portfolio returned 22.6% in the second quarter, trailing the 27.2% return of the S&P Citigroup PMI EPAC Value Index, and ranked in the 64th percentile of international equity managers. Over the past year, the portfolio has returned -30.6%, trailing the S&P Citigroup PMI EPAC Value Index return of -29.9% and ranking in the 59th percentile. Over the past three years, GMO has returned -7.6%, essentially matching the S&P Citi PMI EPAC Value Index return of -7.5% and ranking in the 67th percentile.

The portfolio's largest country over-weights were in Japan, Canada and Italy, while the largest under-weights were in Australia, Germany and Spain.

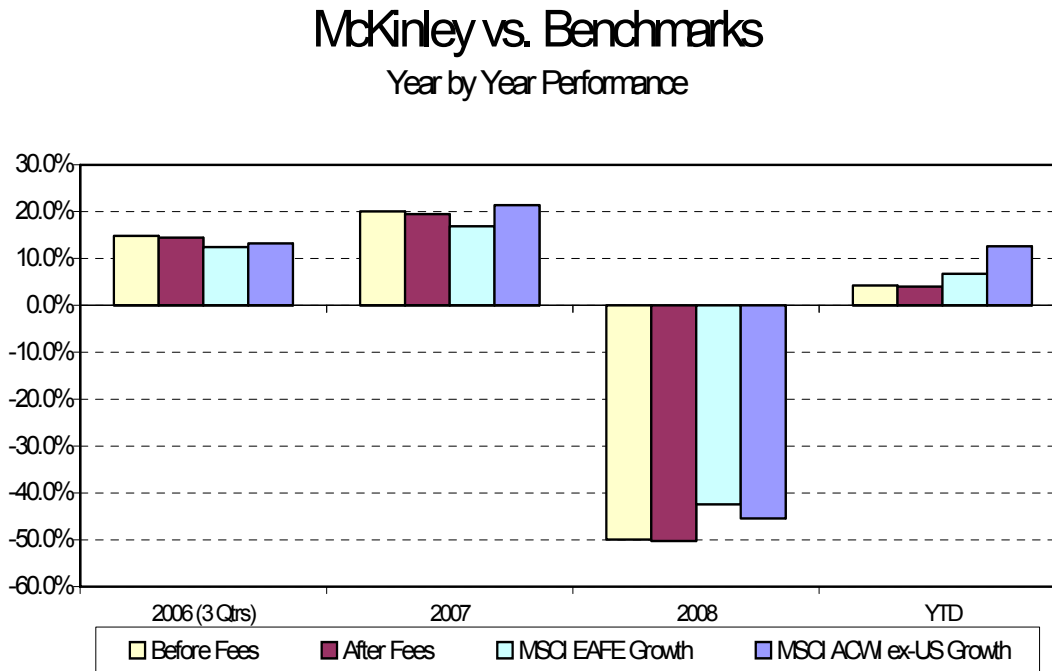
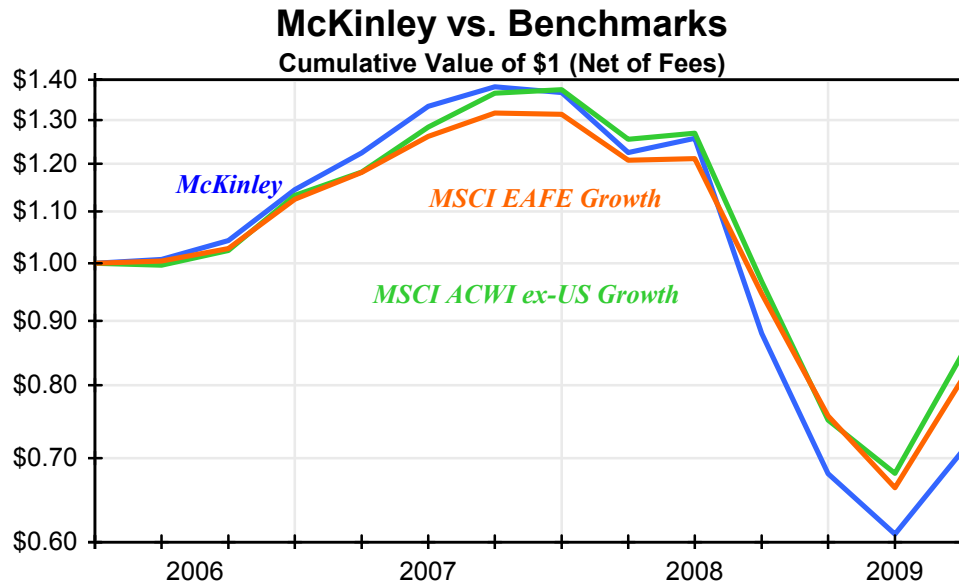
Stock selection decisions helped second quarter returns relative to EAFE while country allocation decisions detracted from relative results. Exposure to Japan had the most positive stock selection impact on performance. Trading decisions had a large negative impact on second quarter performance.

GMO's three-pronged investment discipline (momentum, quality-adjusted value and intrinsic value) delivered mixed results in the quarter. Stocks ranked highly by the quality-adjusted value portion of the model outperformed strongly, while those stocks chosen for their intrinsic value also outperformed, but less so. Unfortunately, those value stocks selected for their strong momentum characteristics underperformed dramatically and ultimately pulled the total portfolio into underperforming territory.

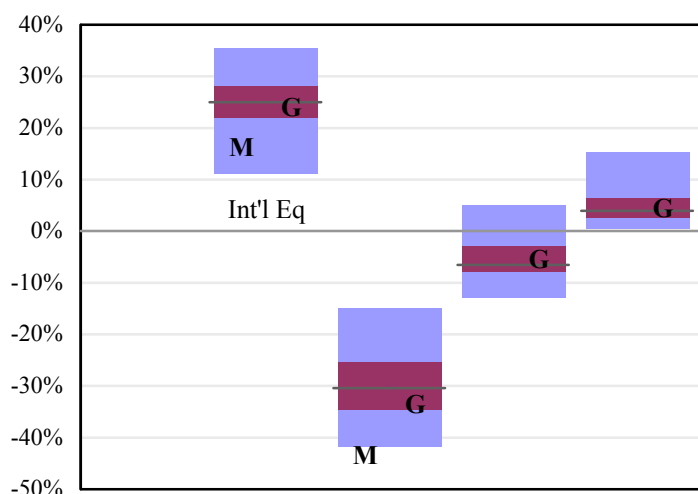
Individual stocks making significant positive contributions to performance included an overweight to Japanese auto maker Nissan Motor and consumer finance company Orix Corp. Stock positions that contributed most significantly to this quarters' underperformance included European pharmaceuticals GlaxoSmithKline and Novartis and Japanese retailer Seven & I Holdings.

MANAGER COMMENTS – INTERNATIONAL EQUITY

McKinley Capital



McKinley Capital



	<u>Qtr</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>
McKinley (M)	16.3	-43.4	-10.6	-
Rank v. Intl Eq	93	96	89	-
ACWI xUS Gro (G)	24.1	-33.5	-5.4	4.4
EAFE Growth (E)	21.7	-33.4	-7.0	2.6
Int'l Eq Median	21.9	-34.6	-8.0	2.7

Portfolio Characteristics	McKinley Capital	MSCI EAFE
IEq Mkt Value (\$Mil)	201.7	N/A
Cash	4.2 %	0.0 %

Over-Weighted Countries	McKinley Capital	MSCI EAFE
Hong Kong	10.1 %	2.4 %
Switzerland	14.2	7.4
China	4.6	0.0

Under-Weighted Countries	McKinley Capital	MSCI EAFE
Japan	12.3 %	24.1 %
France	4.9	9.8
Italy	0.0	3.5

The McKinley Capital portfolio returned 16.3% in the second quarter, well below the 24.1% return of the MSCI ACWI ex-US Growth Index. This return ranked in the 93rd percentile of international equity managers. Over the past year, McKinley returned -43.4%, below the -33.5% return of the MSCI ACWI ex-US Growth Index, and ranked in the 96th percentile of international equity managers. Over the past three years, the portfolio has returned -10.6%, again trailing the -5.4% return of the index and ranking in the 89th percentile.

The portfolio's largest country over-weights were in Hong Kong, Switzerland and China, while the largest under-weights were in Japan, France and Italy.

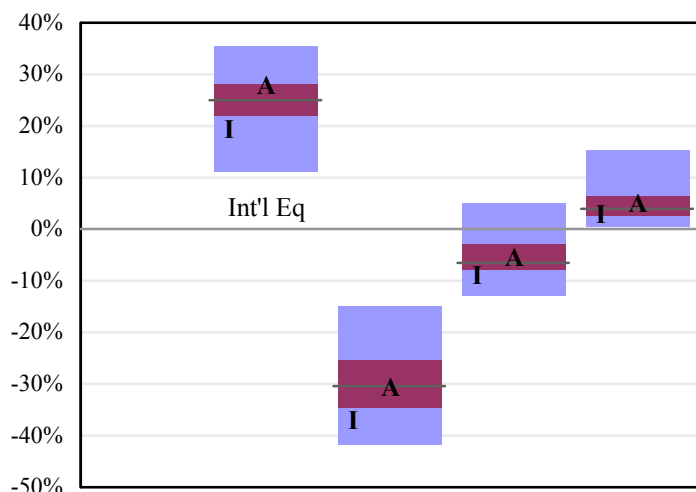
Both stock selection and country allocation decisions hurt performance relative to the MSCI EAFE Index in the second quarter. Stock selection was weak across the board, but most significantly in Japan and Switzerland. Active trading had a negative impact on second quarter returns.

On a sector basis, the major sources of underperformance were in the materials and information technology sectors. On a security basis, China Overseas Land & Investment, Standard Chartered and Vestas Wind Systems were positive contributors while Roche, Nokia and Xstrata had the largest negative impacts on second quarter performance. McKinley sees improving opportunities in India, Korea and Financials with relatively fewer opportunities in Switzerland, France and Consumer Staples.

During an on-site visit to McKinley's offices in mid-July Rob Gillam stated that, based upon historical trends, he believed their momentum strategy should begin to produce out-sized returns by year-end 2009.

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Total International Equity



	<u>Qtr</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>
Total Int'l Eq (I)	19.4	-36.9	-8.9	3.0
Rank v. Intl Eq	88	85	83	68
ACWI xUS (A)	27.9	-30.5	-5.4	5.0
EAFE (E)	25.9	-31.0	-7.5	2.8
Int'l Eq Median	21.9	-34.6	-8.0	2.7

Portfolio Characteristics	Total International	MSCI EAFE
IEq Mkt Value (\$Mil)	407.3	N/A
Cash	2.1 %	0.0 %

Over-Weighted Countries	Total International	MSCI EAFE
Hong Kong	5.4 %	2.4 %
Canada	2.7	0.0
Switzerland	9.8	7.4

Under-Weighted Countries	Total International	MSCI EAFE
Australia	4.7 %	7.4 %
Germany	5.6	7.7
Spain	2.5	4.5

The total international equity composite returned 19.4% in the second quarter, trailing the 25.9% return of the MSCI EAFE Index. This return ranked in the 88th percentile of international equity managers. Over the past year, the total international equity composite returned -36.9%, below the -31.0% return of the MSCI EAFE Index, and ranked in the 85th percentile of international equity managers. Over the past five years the total international equity composite has exceeded the return of the MSCI EAFE Index but has ranked below median in the international equity universe.

The composite's largest country over-weights were in Hong Kong, Canada and Switzerland, while the largest under-weights were in Australia, Germany and Spain.

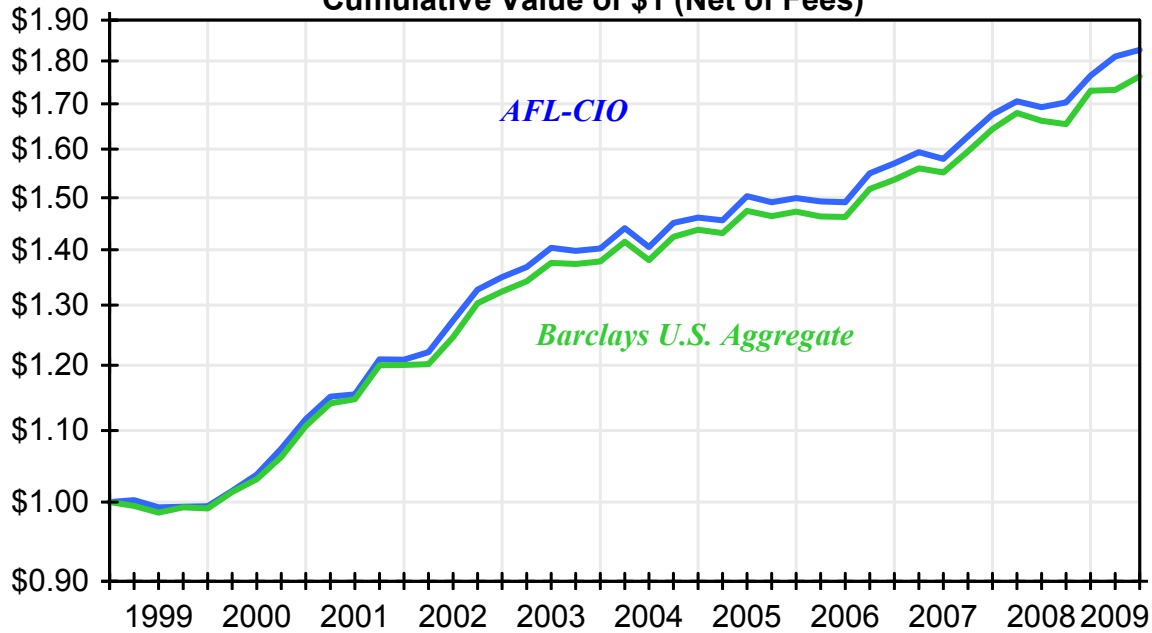
Stock selection in aggregate had a small positive impact on second quarter performance compared to EAFE while country allocation decisions were negative. Active trading had a significant negative impact on second quarter returns.

MANAGER COMMENTS – FIXED INCOME

AFL-CIO Housing Investment Trust

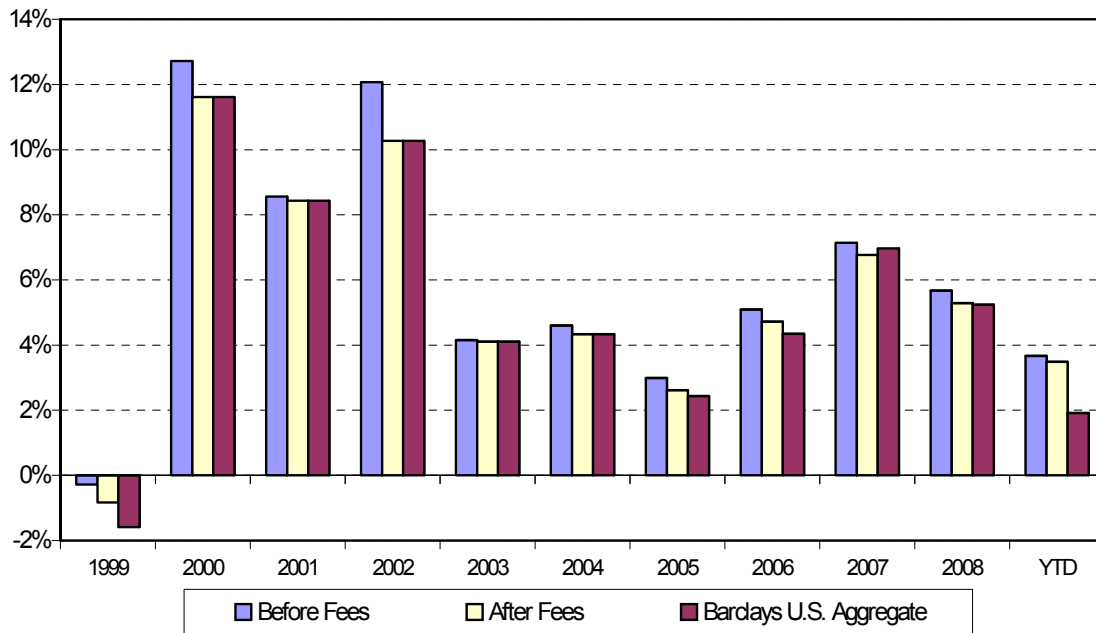
AFL-CIO vs. Barclays U.S. Aggregate

Cumulative Value of \$1 (Net of Fees)

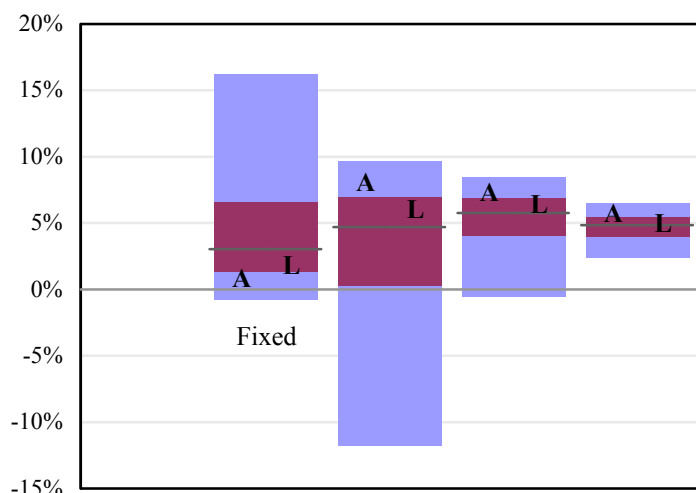


AFL-CIO vs. Barclays U.S. Aggregate

Year by Year Performance



AFL-CIO Housing Investment Trust



	Qtr	1 Year	3 Years	5 Years
AFL-CIO (A)	0.9	8.1	7.3	5.7
Rank v. Fixed	80	15	17	17
BC Agg (L)	1.8	6.1	6.4	5.0
Fixed Median	3.0	4.7	5.8	4.8

Portfolio Characteristics	AFL CIO	Barclays Aggregate
Mkt Value (\$Mil)	133.5	n/a
Yield to Maturity (%)	5.1 %	4.1 %
Duration (yrs)	4.0	4.3
Avg. Quality	AGY	AA1/AA2

Sectors	AFL CIO	Barclays Aggregate
Treasury/Agency	3 %	39 %
Single-Family MBS	34	38
Multi-Family MBS	58	0
Corporates	0	19
High Yield	0	0
ABS/CMBS	2	4
Other	0	0
Cash	3	0

AFL-CIO returned 0.9% in the second quarter, trailing the 1.8% return of the Barclays U.S. Aggregate. The portfolio ranked in the 80th percentile of fixed income managers. For the past year, AFL-CIO returned 8.1%, which was better than the 6.1% return of the Barclays U.S. Aggregate and ranked in the 15th percentile. Over the past three and five years, AFL-CIO has exceeded the Barclays U.S. Aggregate and the median, meeting performance objectives.

At the end of the second quarter, the AFL-CIO Housing Investment Trust had 3% in US Treasury notes, 34% of the portfolio allocated to single-family mortgage backed securities, 58% allocated to multi-family mortgage backed securities, 2% to private-label commercial mortgage backed securities and 3% to short-term securities. The AFL-CIO portfolio duration at the end of the second quarter was 4.0 years and the current yield of the portfolio was 5.1%.

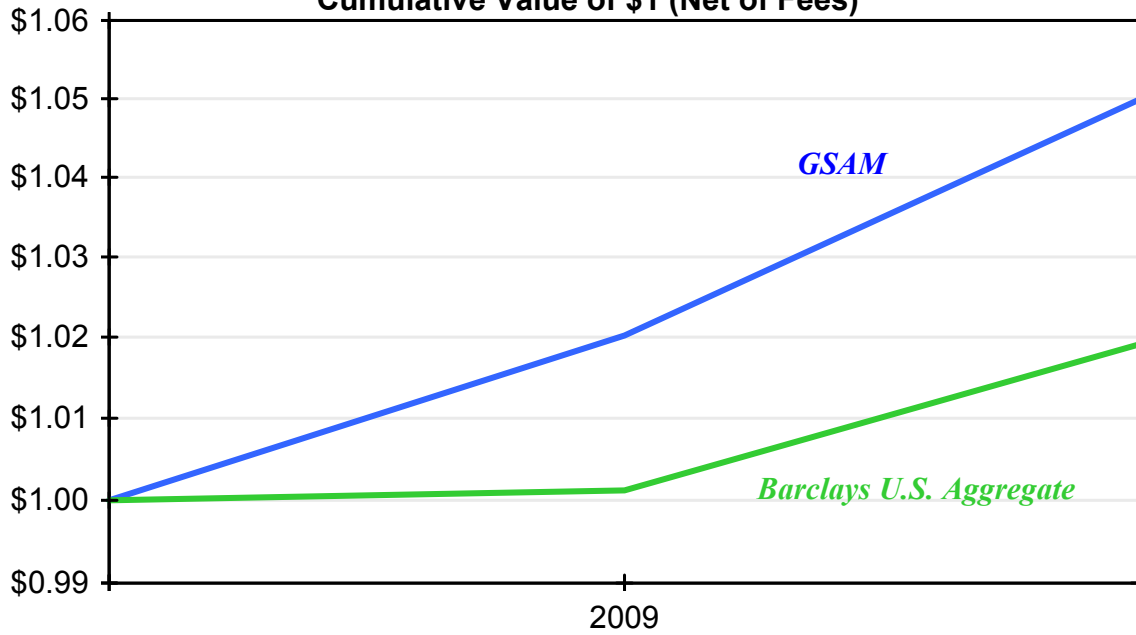
Although financial markets have stabilized in recent periods, the HIT feels that consensus indicators point to the U.S. economy likely experiencing slow growth and continued challenges for an extended period. The HIT is positioned with strong liquidity and capital positions and its specialization in agency and government-insured multifamily mortgage securities and particular focus on construction-related investment. Currently, these investments are available and offer attractive return opportunities. With rising unemployment and weak real estate fundamentals, the HIT feels that government-sponsored multifamily lending programs are likely to increase their issuances in the years to come.

MANAGER COMMENTS – FIXED INCOME

Goldman Sachs

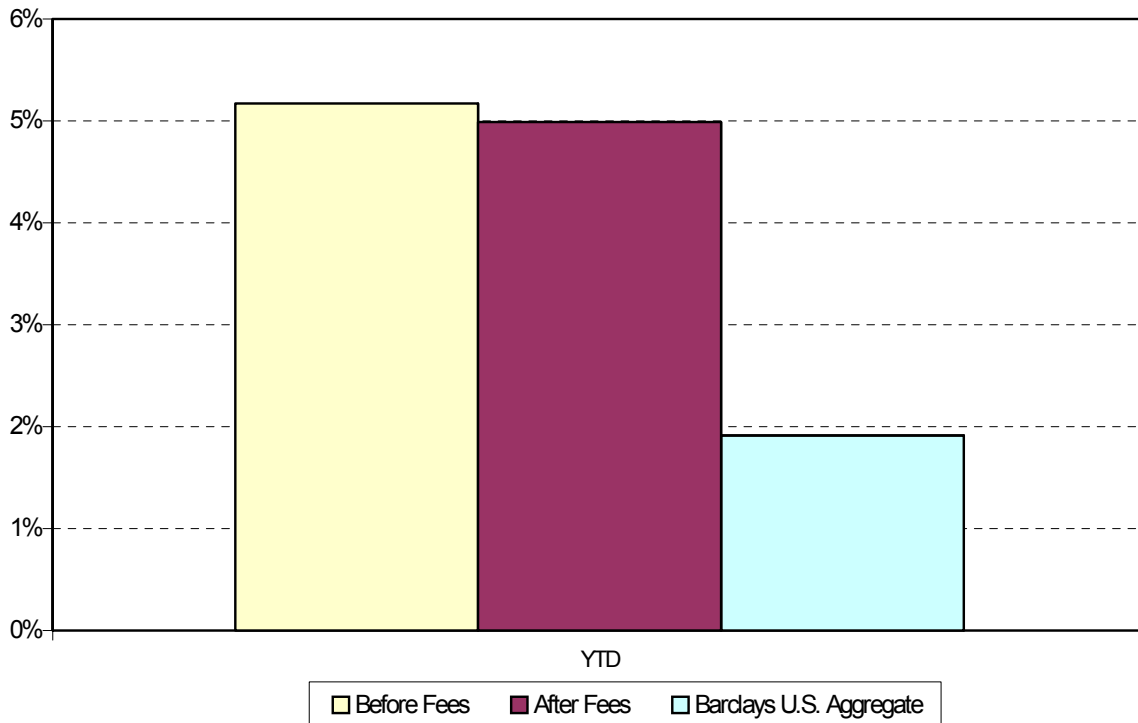
GSAM vs. Barclays U.S. Aggregate

Cumulative Value of \$1 (Net of Fees)

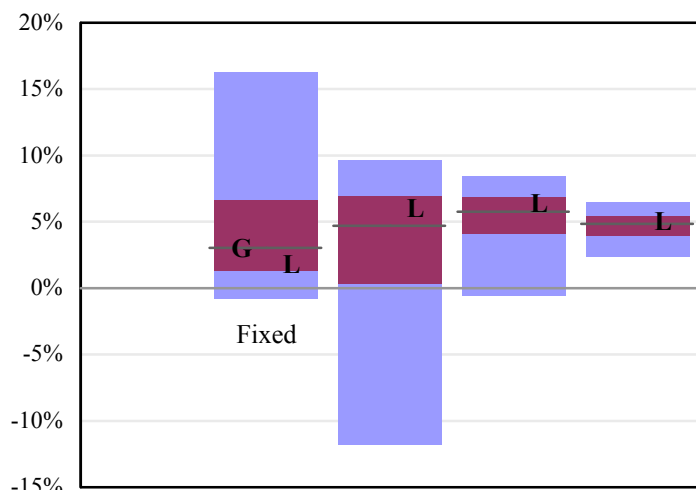


GSAM vs. Barclays U.S. Aggregate

Year by Year Performance



Goldman Sachs



	<u>Qtr</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>
GSAM (G)	3.0	-	-	-
Rank v. Fixed	50	-	-	-
BC Agg (L)	1.8	6.1	6.4	5.0
BC Uni (U)	2.9	4.9	5.9	5.0
Fixed Median	3.0	4.7	5.8	4.8

Portfolio Characteristics	Goldman Sachs	Barclays Aggregate
Mkt Value (\$Mil)	181.6	n/a
Yield to Maturity (%)	4.4 %	4.1 %
Duration (yrs)	3.5	4.3
Avg. Quality	AA	AA1/AA2

Sectors	Goldman Sachs	Barclays Aggregate
Treasury/Agency	25 %	39 %
Mortgages	41	38
Corporates	14	19
High Yield	6	0
Asset-Backed	0	4
CMBS	0	0
International	9	0
Emerging Markets	4	0
Other	0	0
Cash	1	0

The new Goldman Sachs account was funded during the fourth quarter of 2008 out of a portion of funds raised by liquidating the bulk of the Western Asset Management portfolio as well as some funds from PIMCO. (Goldman Sachs is also managing the workout portfolio of legacy WAMCO holdings that are illiquid in today's fixed income environment.)

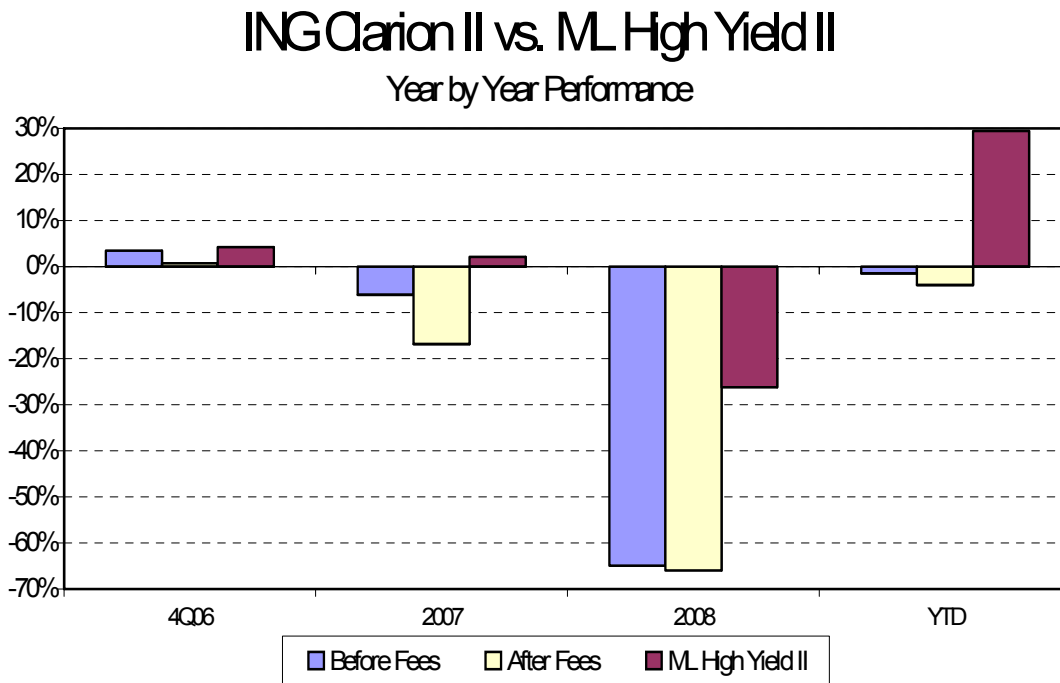
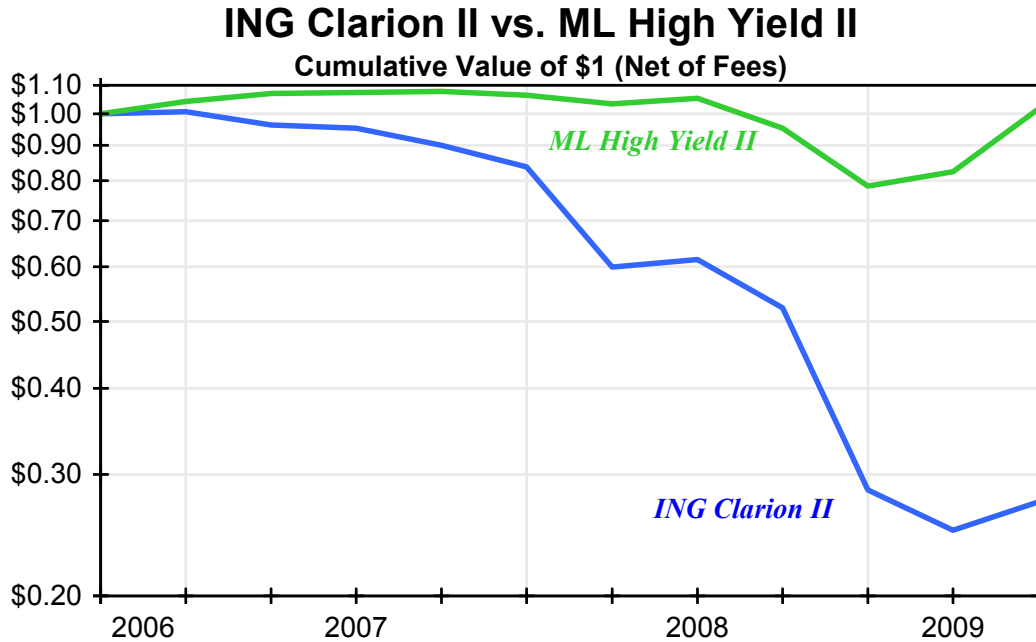
Goldman Sachs returned 3.0% in the second quarter, above of the 1.8% return of the Barclays U.S. Aggregate Index. This return ranked in the 50th percentile of fixed income managers.

GSAM has a moderately long position in mortgages with a preference for 15-year passthroughs and a small bias towards higher coupons. Within corporate debt, GSAM is modestly overweight but remains cautious because the default cycle is still quite young and they believe that liquidity stresses will rise in the near term. The firm is also taking modest exposure to high yield and emerging market debt.

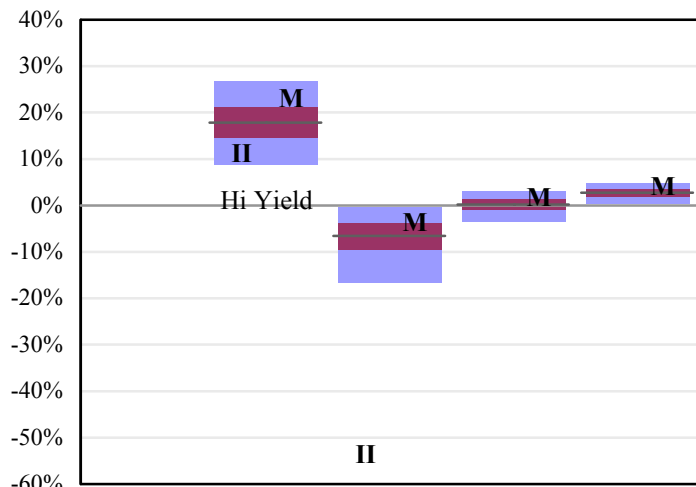
At the end of the second quarter, Goldman Sachs was overweight relative to the Barclays U.S. Aggregate in the non-index sectors, including high yield, international and emerging market debt. Goldman Sachs was underweight in the US government and investment-grade corporate debt sectors. The duration of the Goldman fixed income portfolio at the end of the second quarter was 3.5 years, shorter than the benchmark. The portfolio continues to have a slight yield advantage over the index.

MANAGER COMMENTS – FIXED INCOME

ING Clarion II



ING Clarion II



	<u>Qtr</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>
ING Clarion II (II)	11.3	-53.5	-	-
Rank v. Hi Yield	88	98	-	-
ML HY II (M)	23.2	-3.5	1.9	4.1
Hi Yield Median	17.8	-6.6	0.2	2.8

Portfolio Characteristics	ING Clarion II	ML High Yield II
Mkt Value (\$Mil)	35.7	n/a
Yield to Maturity (%)	47.5 %	13.1 %
Duration (yrs)	2.7	4.2
Avg. Quality	AA-	B1

Quality Distribution	ING Clarion II	ML High Yield II
AAA	74 %	0 %
AA	0	0
A	1	0
BBB	6	0
BB	3	43
B	7	31
CCC	0	26
Not Rated	0	0
Other	9	0

CCCERA funded the ING Clarion Debt Opportunity Fund II (ING Clarion II) on September 28, 2006 as a follow on to the very successful ING Clarion Fund. ING Clarion II returned 11.3% for the second quarter, which was below the Merrill Lynch High Yield Master II return of 23.2%, and ranked in the 88th percentile in the universe of high yield portfolios. Over the past year, the fund has returned -53.5%, well below the index return of -3.5%, and ranked in the 98th percentile. The time-weighted results thus far look extremely poor. In our conversations with Dan Heflin, he believes that the fund will ultimately produce a small positive return.

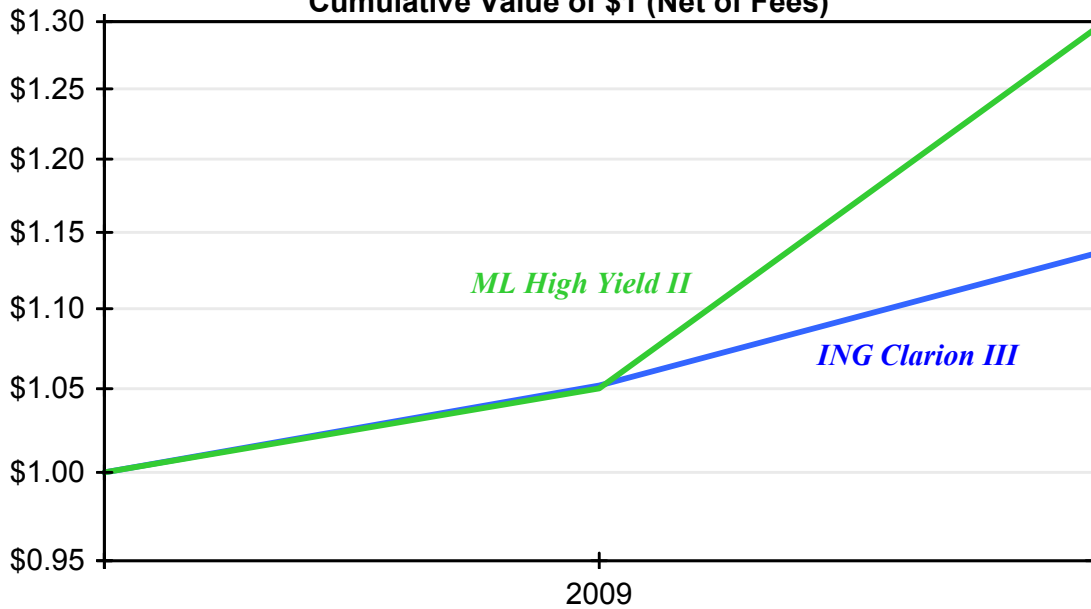
As of June 30, 2009, Fund II has called all capital commitments and has made investments in 77 investments with an acquisition value of \$702.3 million. The portfolio consists of 70.0% investment grade CMBS, 14.6% non-investment grade CMBS, 13.4% mezzanine loans and B-notes and 2.0% CRE CDO bonds (based on acquisition value). During the second quarter, CCCERA received distributions of \$2.0 million from the fund.

MANAGER COMMENTS – FIXED INCOME

ING Clarion III

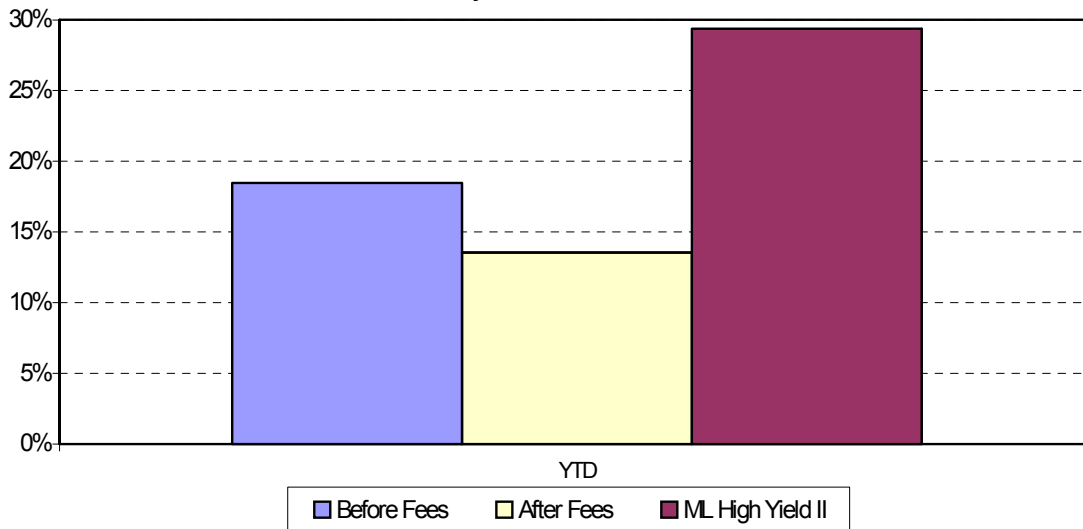
ING Clarion III vs. ML High Yield II

Cumulative Value of \$1 (Net of Fees)

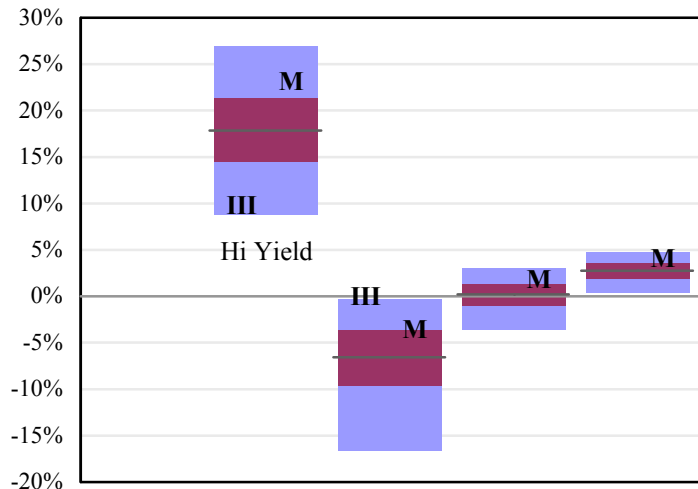


ING Clarion III vs. ML High Yield II

Year by Year Performance



ING Clarion III



	<u>Qtr</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>
ING Clarion III (III)	9.8	-	-	-
<i>Rank v. Hi Yield</i>	93	-	-	-
ML HY II (M)	23.2	-3.5	1.9	4.1
Hi Yield Median	17.8	-6.6	0.2	2.8

Portfolio Characteristics	ING Clarion III	ML High Yield II
Mkt Value (\$Mil)	16.7	n/a
Yield to Maturity (%)	13.6 %	13.1 %
Duration (yrs)	2.3	4.2
Avg. Quality	AAA	B1

Quality Distribution	ING Clarion III	ML High Yield II
AAA	100.0 %	0 %
AA	0.0	0
A	0.0	0
BBB	0.0	0
BB	0.0	43
B	0.0	31
CCC	0.0	26
Not Rated	0.0	0
Cash	0.0	0

CCCERA funded the ING Clarion Debt Opportunity Fund III (ING Clarion III) on December 12, 2008. In the second quarter, Fund III returned 9.8%, trailing the 23.2% return of the Merrill Lynch High Yield II Index. This return ranked in the 93rd percentile of high yield managers.

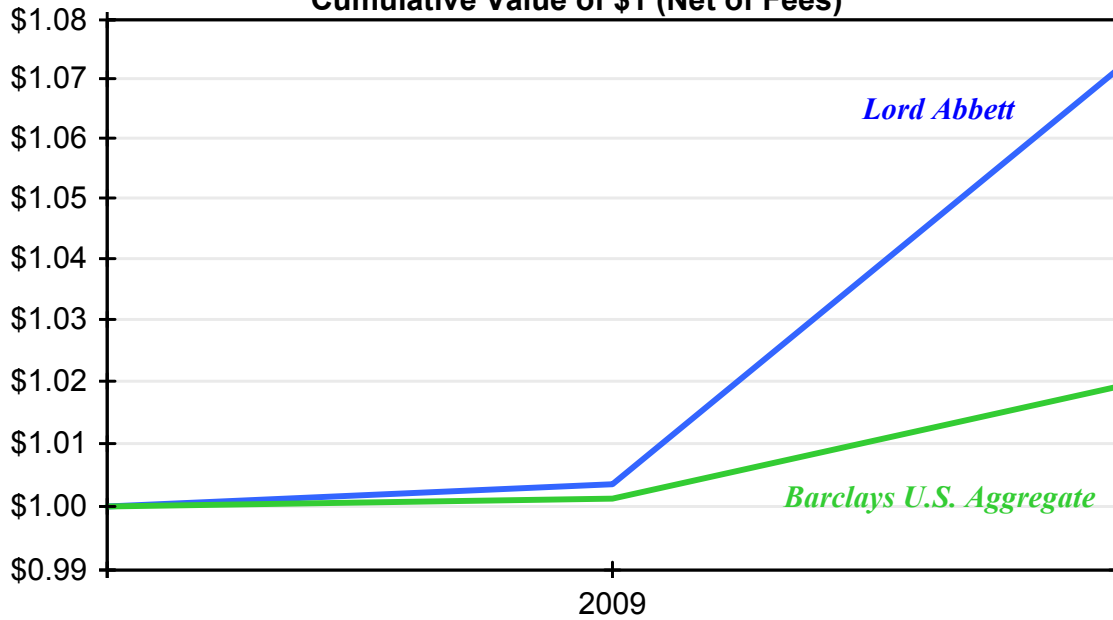
As with Funds I and II, ING Clarion Debt Opportunity Fund III invests in commercial mortgages purchased at a significant discount to face value. As of June 30, 2009, Fund III has made a total of 20 investments with an acquisition value of \$85.9 million. The quality breakdown of the current investments is 65.2% AAA rated CMBS and 34.8% AAA Interest-Only CMBS (based on acquisition values). The nominal yield to maturity on the portfolio was 13.6% at quarter-end.

MANAGER COMMENTS – FIXED INCOME

Lord Abbett

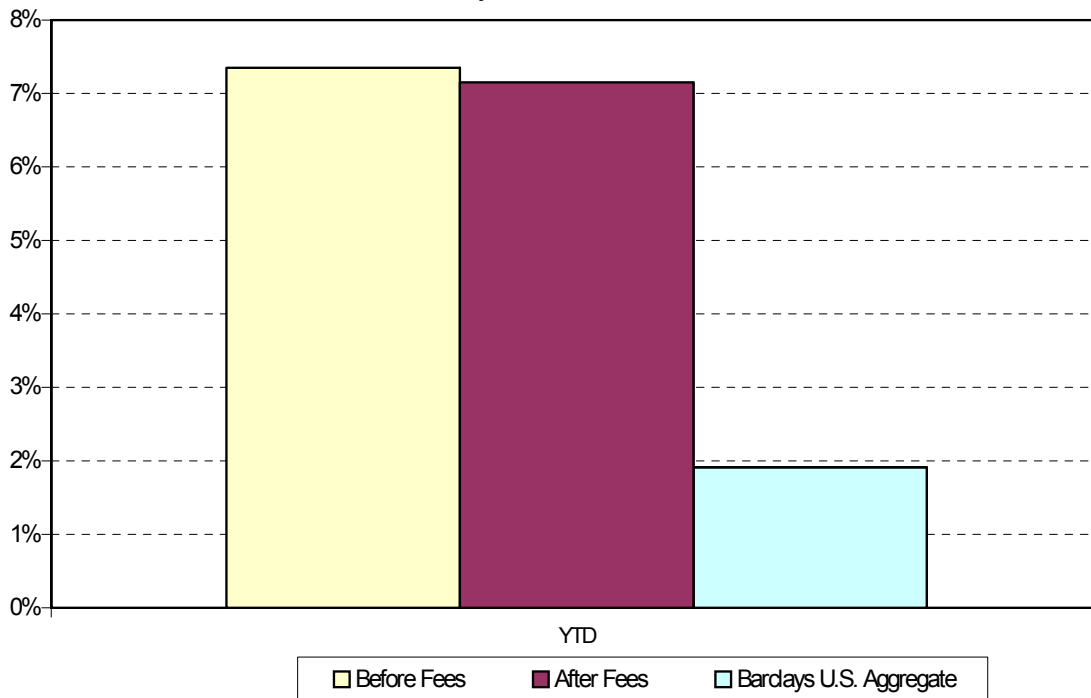
Lord Abbett vs. Barclays U.S. Aggregate

Cumulative Value of \$1 (Net of Fees)

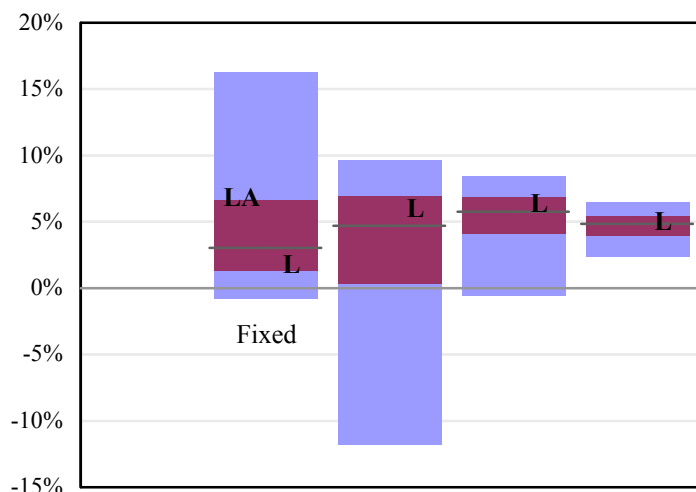


Lord Abbett vs. Barclays U.S. Aggregate

Year by Year Performance



Lord Abbett



	<u>Qtr</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>
Lord Abbett (LA)	6.9	-	-	-
Rank v. Fixed	24	-	-	-
BC Agg (L)	1.8	6.1	6.4	5.0
BC Uni (U)	2.9	4.9	5.9	5.0
Fixed Median	3.0	4.7	5.8	4.8

Portfolio Characteristics	Lord Abbett	Barclays Aggregate
Mkt Value (\$Mil)	184.7	n/a
Yield to Maturity (%)	5.0 %	4.1 %
Duration (yrs)	4.1	4.3
Avg. Quality	A	AA1/AA2

Sectors	Lord Abbett	Barclays Aggregate
Treasury/Agency	12 %	39 %
Mortgages	26	38
Corporates	19	19
High Yield	5	0
Asset-Backed	7	4
CMBS	18	0
International	5	0
Emerging Markets	0	0
Other	2	0
Cash	7	0

During the second quarter, Lord Abbett returned 6.9%, well above the 1.8% return of the Barclays U.S. Aggregate. This return ranked in the 24th percentile of fixed income managers.

At the end of the second quarter, Lord Abbett was overweight relative to the Barclays U.S. Aggregate in the high yield, ABS, CMBS and non-US sectors. Lord Abbett was underweight in the US government and mortgage sectors. The duration of the fixed income portfolio at the end of the second quarter was 4.1 years, slightly shorter than the benchmark. The portfolio has a yield advantage over the index, due primarily to the CMBS overweight in the portfolio.

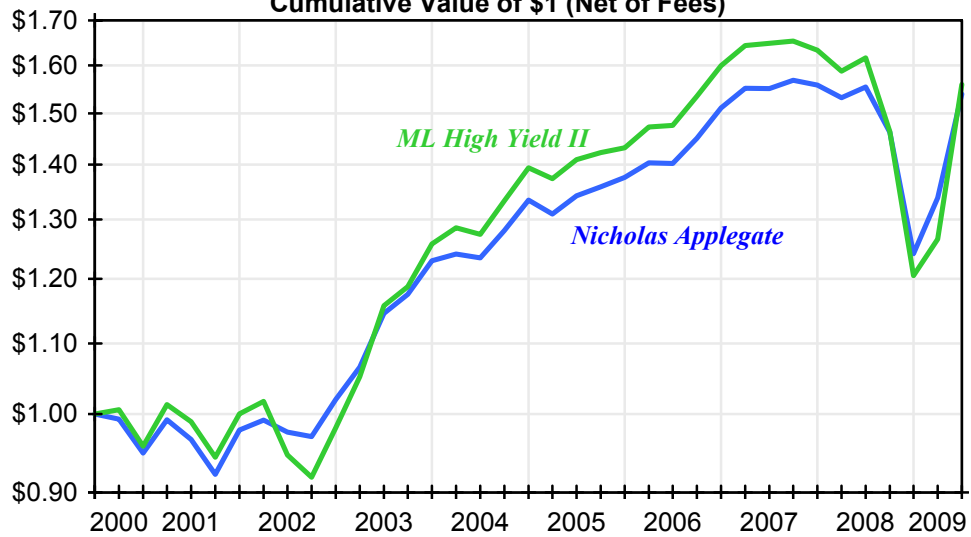
Lord Abbett's overweight to spread sectors helped performance during the second quarter as spreads continued to tighten across the board. The most significant factor contributing to overall performance was the portfolio's overweight to CMBS. The firm has considerably reduced this exposure but remains significantly overweight.

MANAGER COMMENTS – FIXED INCOME

Nicholas Applegate

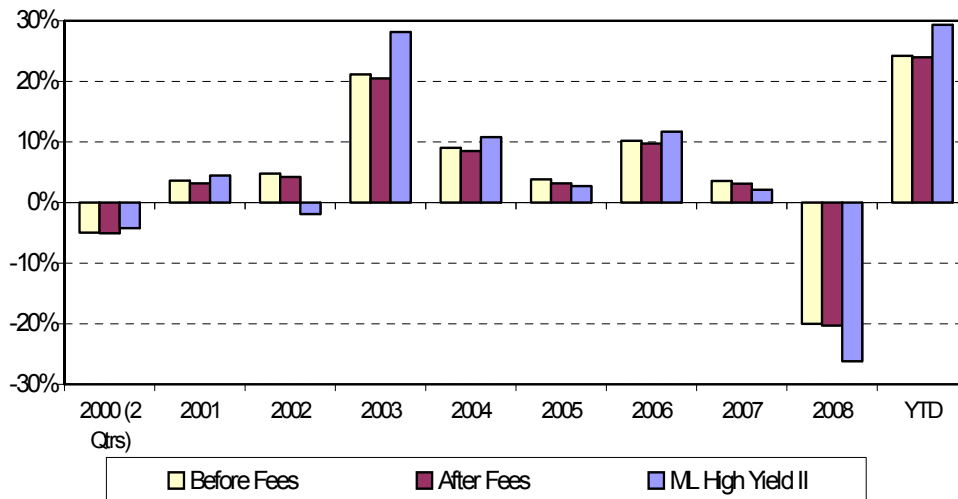
Nicholas Applegate vs. ML High Yield II

Cumulative Value of \$1 (Net of Fees)

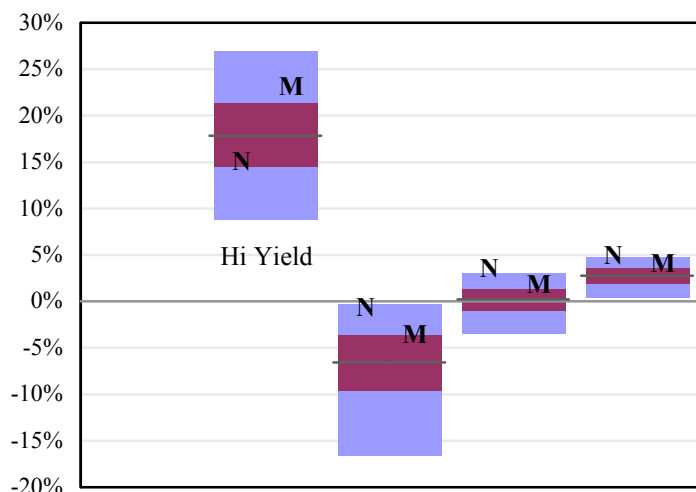


Nicholas Applegate vs. ML High Yield II

Year by Year Performance



Nicholas Applegate



Portfolio Characteristics	Nicholas Applegate	ML High Yield II
Mkt Value (\$Mil)	135.3	n/a
Yield to Maturity (%)	11.5 %	13.1 %
Duration (yrs)	4.0	4.2
Avg. Quality	BB	B1

Quality Distribution	Nicholas Applegate	ML High Yield II
A	0 %	0 %
BBB	3	0
BB	32	43
B	55	31
CCC	10	26

	Qtr	1 Year	3 Years	5 Years
Nich. Appl. (N)	15.1	-0.6	3.6	5.0
Rank v. Hi Yield	72	5	2	4
ML HY II (M)	23.2	-3.5	1.9	4.1
ML BB/B (B)	18.0	-3.4	2.1	4.1
Hi Yield Median	17.8	-6.6	0.2	2.8

Nicholas Applegate's high yield fixed income portfolio returned 15.1% for the second quarter, trailing the 23.2% return of the Merrill Lynch High Yield II Index, and ranked in the 72nd percentile of high yield managers. Nicholas Applegate returned -0.6% over the past year compared to -3.5% for the ML High Yield II Index and -6.6% for the median. For the five-year period, Nicholas Applegate's return of 5.0% was better than the 4.1% return of the ML High Yield II Index and ranked in the 4th percentile.

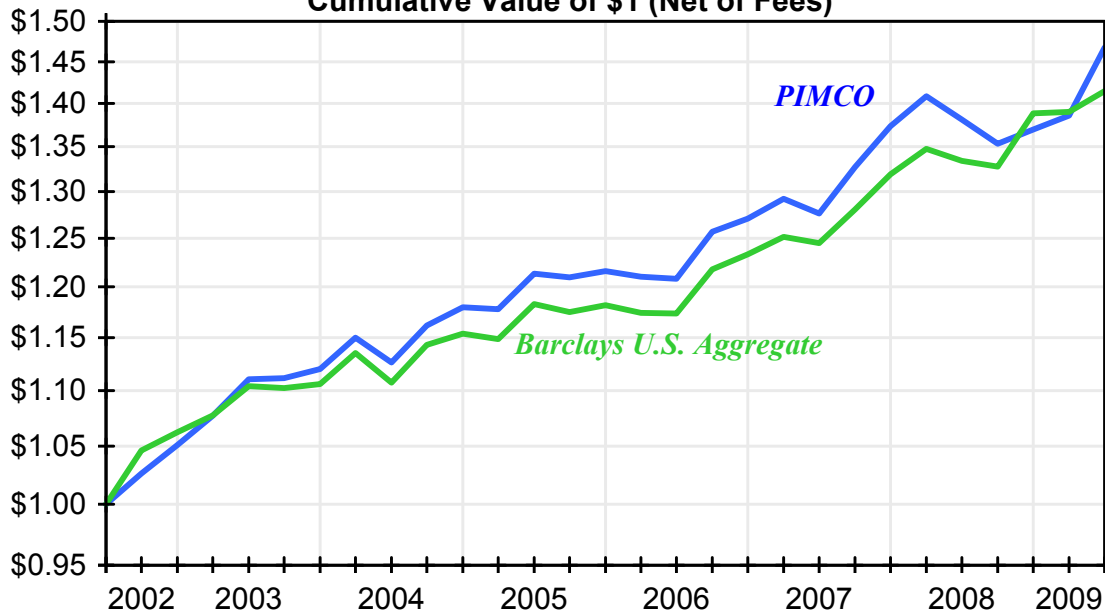
As of June 30, 2009, the Nicholas Applegate high yield portfolio was allocated 3% to BBB rated securities compared to 0% for the ML High Yield II Index, 32% to BB rated issues to 43% for the Index, 55% to B rated issues to 31% in the Index and 10% to CCC rated securities to 26% for the Index. The portfolio's June 30, 2009 duration was 4.0 years, slightly shorter than the 4.2 year duration of the ML High Yield II Index.

The portfolio's performance, while strong in an absolute sense, lagged the benchmark. Much of this was due to outsized returns from the lowest quality issuers (which Nicholas Applegate does not hold). Notably, 70% of the benchmark return generated in June was attributable to distressed issuers. Few individual securities contributed negatively to the portfolio's second quarter results. Nicholas Applegate made many new buys during the quarter, with the bulk of the purchases in the Financial, Consumer Cyclical and Gaming industries. New sells were concentrated among issuers that appreciated in price and spread level that was no longer attractive on a relative value basis. Some of those issuers were American Tower, Rogers Wireless and El Paso. Most other cash was raised by trimming existing positions driven higher by the market strength. The firm's outlook for the high yield market remains positive. It believes that the market was oversold, and that the rally that ensued was abrupt but not unfounded. The default rate needed to sustain the spread levels reached in the fourth quarter of 2008 was not realistic. Many strategists have reduced their default expectations to high single digits for the balance of 2009 and then falling in 2010.

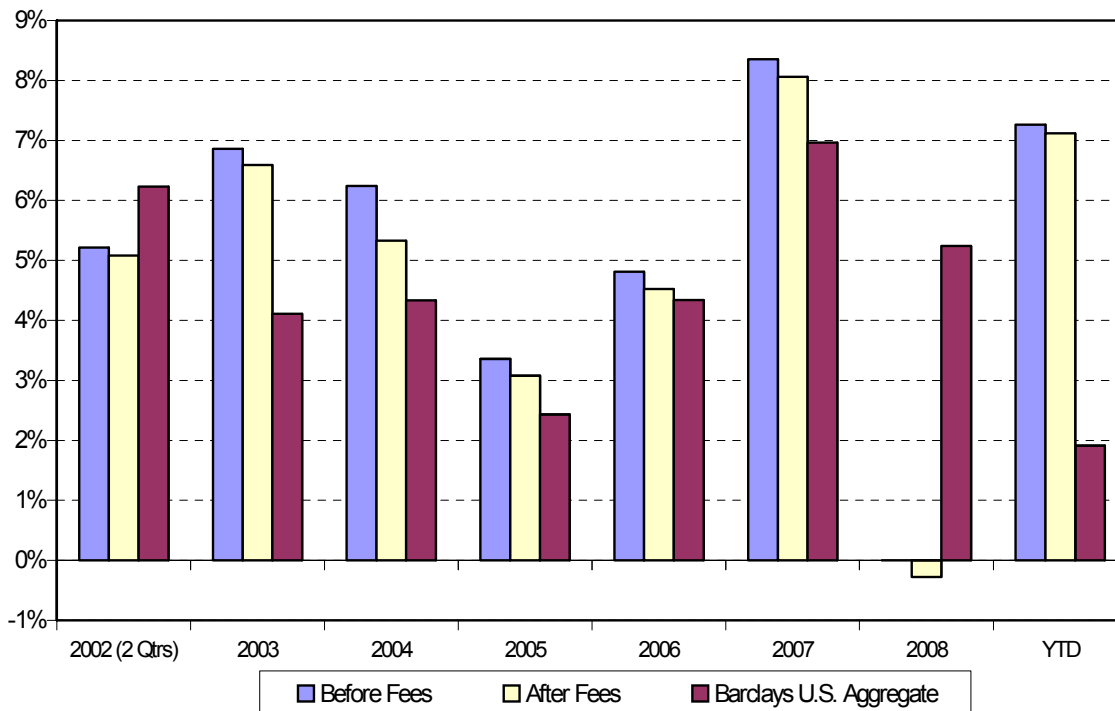
MANAGER COMMENTS – FIXED INCOME

PIMCO

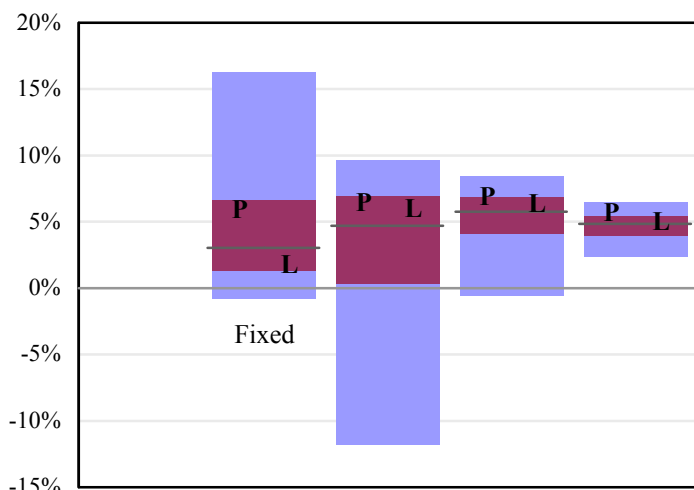
PIMCO vs. Barclays U.S. Aggregate
Cumulative Value of \$1 (Net of Fees)



PIMCO vs. Barclays U.S. Aggregate
Year by Year Performance



PIMCO



	<u>Qtr</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>
PIMCO (P)	6.0	6.5	7.0	5.7
Rank v. Fixed	29	29	23	18
BC Agg (L)	1.8	6.1	6.4	5.0
BC Uni (U)	2.9	4.9	5.9	5.0
Fixed Median	3.0	4.7	5.8	4.8

Portfolio Characteristics	PIMCO	Barclays Aggregate
Mkt Value (\$Mil)	302.9	n/a
Yield to Maturity (%)	8.0 %	4.1 %
Duration (yrs)	5.0	4.3
Avg. Quality	AA	AA1/AA2

Sectors	PIMCO	Barclays Aggregate
Treasury/Agency	15 %	39 %
Mortgages	50	38
Corporates	16	19
High Yield	2	0
Asset-Backed	0	4
CMBS	0	0
International	7	0
Emerging Markets	2	0
Other	3	0
Cash	5	0

PIMCO's return of 6.0% for the second quarter was better than the 1.8% return of the Barclays U.S. Aggregate and ranked in the 29th percentile in the universe of fixed income managers. For the one-year period, PIMCO's return of 6.5% was better than the 6.1% return of the Barclays U.S. Aggregate and ranked in the 29th percentile. Over the past five years, the portfolio has returned 5.7%, matching the Barclays U.S. Aggregate return of 5.0%, and ranked in the 18th percentile.

At the end of the second quarter, PIMCO has re-established an overweight position relative to the Barclays U.S. Aggregate in the mortgage sector while maintaining an underweight to government and investment-grade corporate issues. PIMCO had significant exposure to non-index sectors, including non-US sovereign debt, emerging markets and high yield. The duration of the PIMCO fixed income portfolio at the end of the second quarter was 5.0 years, up sharply from last quarter's 4.3 year duration and longer than the benchmark. The portfolio continues to have a significant yield advantage over the index, though it is reduced from that seen in prior quarters.

Second quarter performance was helped by yield curve steepening strategies, including exposure to short maturities in the U.S., U.K. and Europe, a substantial overweight to Agency mortgages, an emphasis on the bonds of financial companies, holdings of real return bonds, holdings of high quality consumer-related ABS that benefited as TALF program was implemented, and exposure to municipal bonds. The sole strategy that did not work during the second quarter was an above-index duration.

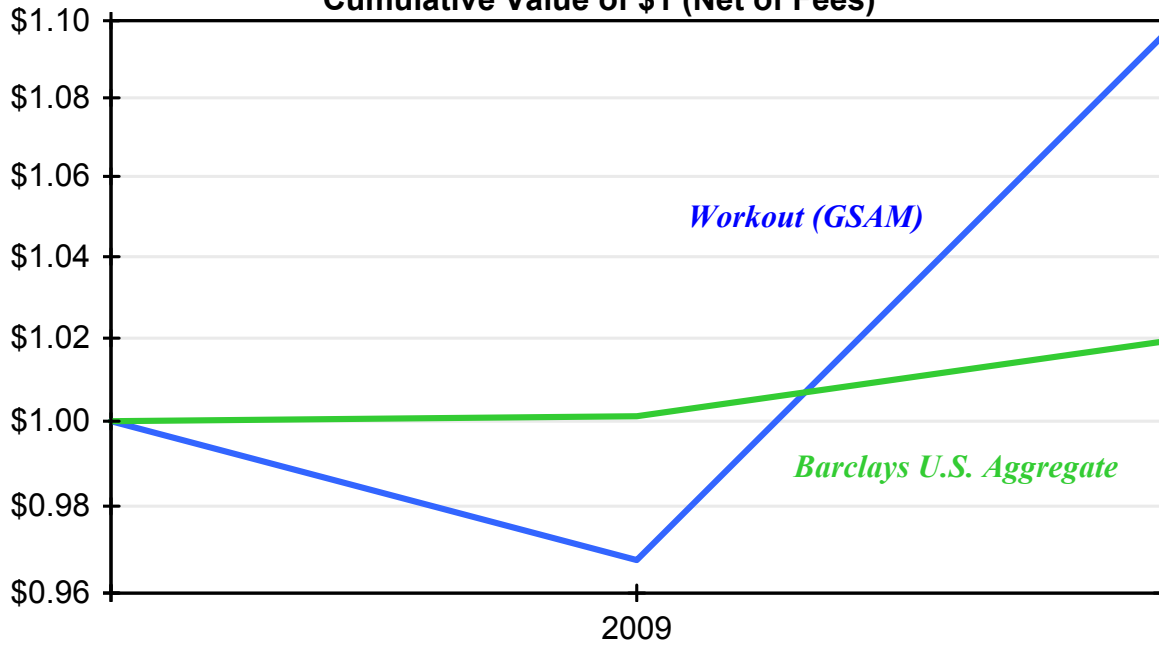
Looking forward, PIMCO plans to focus again on high quality assets that offer attractive yield premiums. The firm also intends to target a slightly longer duration than the benchmark.

MANAGER COMMENTS – FIXED INCOME

Workout Portfolio - Managed by Goldman Sachs

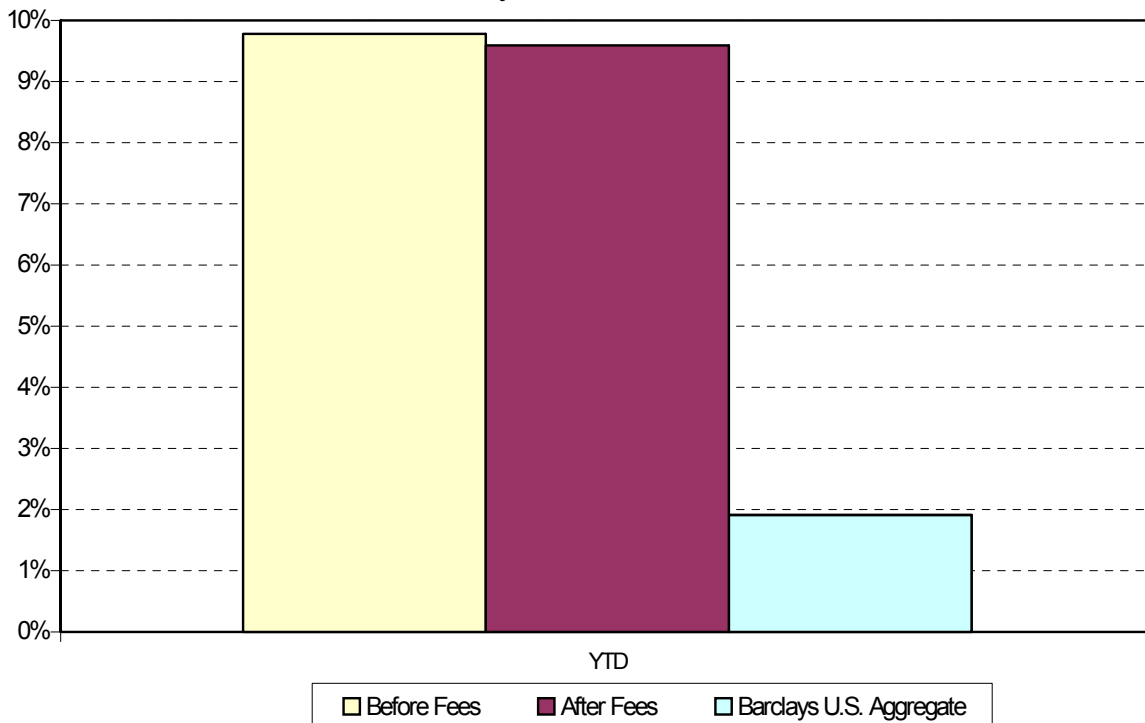
Workout vs. Barclays U.S. Aggregate

Cumulative Value of \$1 (Net of Fees)

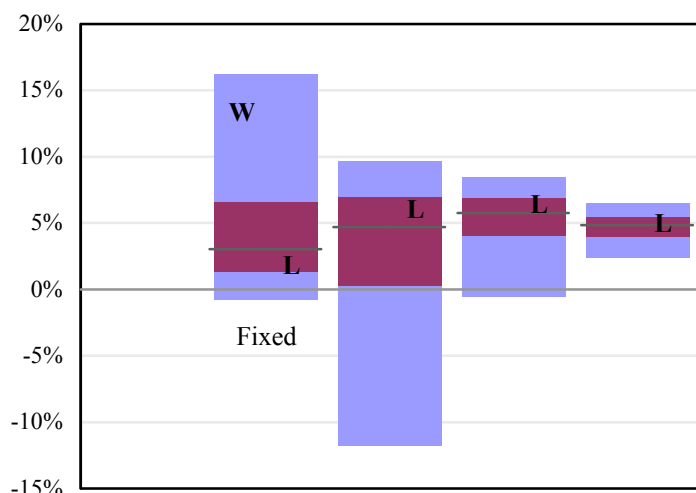


Workout vs. Barclays U.S. Aggregate

Year by Year Performance



Workout Portfolio



	Qtr	1 Year	3 Years	5 Years
Workout (W)	13.4	-	-	-
Rank v. Fixed	8	-	-	-
BC Agg (L)	1.8	6.1	6.4	5.0
BC Uni (U)	2.9	4.9	5.9	5.0
Fixed Median	3.0	4.7	5.8	4.8

Portfolio Characteristics	Workout (GSAM)	Barclays Aggregate
Mkt Value (\$Mil)	72.5	n/a
Yield to Maturity (%)	21.0 %	4.1 %
Duration (yrs)	0.2	4.3
Avg. Quality	AA	AA1/AA2

Sectors	Workout (GSAM)	Barclays Aggregate
Treasury/Agency	1 %	39 %
Mortgages	54	38
Corporates	3	19
High Yield	0	0
Asset-Backed	32	4
CMBS	0	0
International	0	0
Emerging Markets	0	0
Other	0	0
Cash	10	0

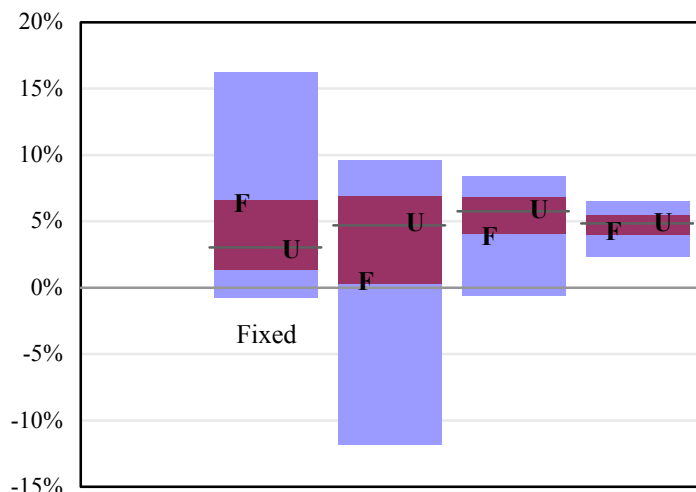
For the portion of the legacy Western Asset Management mandate that was deemed to be illiquid, Goldman Sachs was selected to oversee and dispose of securities as appropriate. The workout portfolio is comprised primarily of collateralized debt (both mortgage-backed and asset-backed securities) as well as corporate debt.

During the second quarter, this legacy portfolio returned 13.4%, significantly above the Barclays U.S. Aggregate return of the 1.8%, and ranked in the 8th percentile of fixed income managers.

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MANAGER COMMENTS – FIXED INCOME

Total Domestic Fixed Income



	<u>Qtr</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>
Total Fixed (F)	6.4	0.5	3.9	4.2
Rank v. Fixed	25	74	76	70
BC Uni (U)	2.9	4.9	5.9	5.0
BC Agg (L)	1.8	6.1	6.4	5.0
Fixed Median	3.0	4.7	5.8	4.8

Portfolio Characteristics	Total Fixed	Barclays Universal
Mkt Value (\$Mil)	1,063.1	n/a
Yield to Maturity (%)	9.2 %	4.7 %
Duration (yrs)	3.9	4.3
Avg. Quality	AA	AA

Sectors	Total Fixed	Barclays Universal
Treasury/Agency	11 %	34 %
Mortgages	41	34
Corporates	11	18
High Yield	15	5
Asset-Backed	3	4
CMBS	8	0
International	4	4
Emerging Markets	2	0
Other	1	1
Cash	3	0

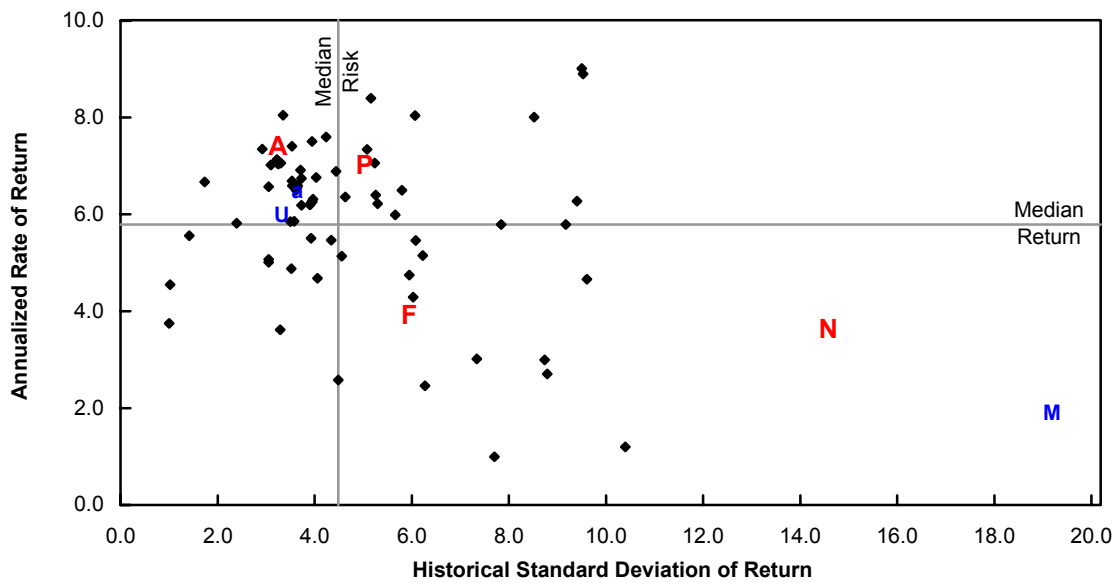
CCCERA total fixed income returned 6.4% in the second quarter, which was better than the 2.9% return of the Barclays Universal and the 1.8% return of the Barclays U.S. Aggregate, ranking in the 25th percentile in the universe of fixed income managers. For the one-year period, CCCERA's total fixed income returned 0.5%, below the 4.9% return of the Barclays Universal and the 6.1% return of the Barclays U.S. Aggregate. The CCCERA total fixed income returns trailed the Barclays Universal and the median fixed income manager over the three and five-year periods.

At the end of the second quarter, the aggregate fixed income position was underweight relative to the Barclays Universal in the US government and corporate debt sectors. These underweights were primarily offset by larger positions in high yield and CMBS debt. The duration of the total fixed income portfolio at the end of the second quarter was 3.9 years, shorter than the 4.3 year duration of the index.

MANAGER COMMENTS – FIXED INCOME

Domestic Fixed Income Performance and Variability

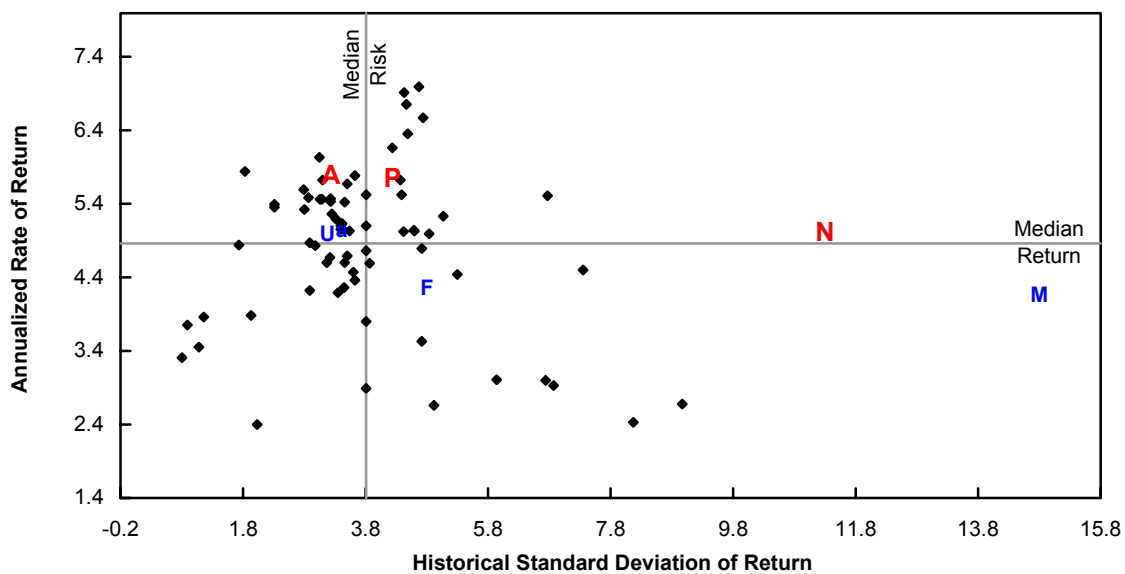
Three Years Ending June 30, 2009



	<u>Annualized Return</u>	<u>Standard Deviation</u>	<u>Risk/Reward Ratio</u>
Domestic Bond Managers			
AFL-CIO (A)	7.4 %	3.2 %	1.29
Nicholas Applegate (N)	3.6	14.5	0.02
PIMCO (P)	7.0	5.0	0.75
Total Fixed (F)	3.9	5.9	0.11
Lehman Aggregate (a)	6.4	3.6	0.89
ML High Yield II (M)	1.9	19.2	-0.07
Lehman Universal (U)	5.9	3.3	0.82
Median Bond Portfolio	5.8	4.5	0.56

Domestic Fixed Income Performance and Variability

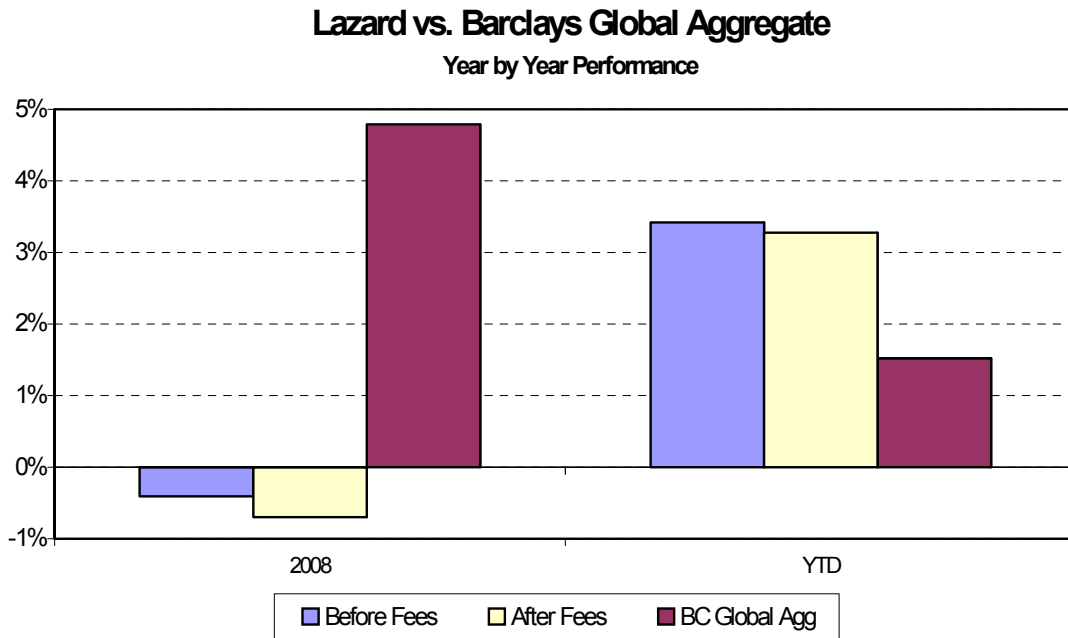
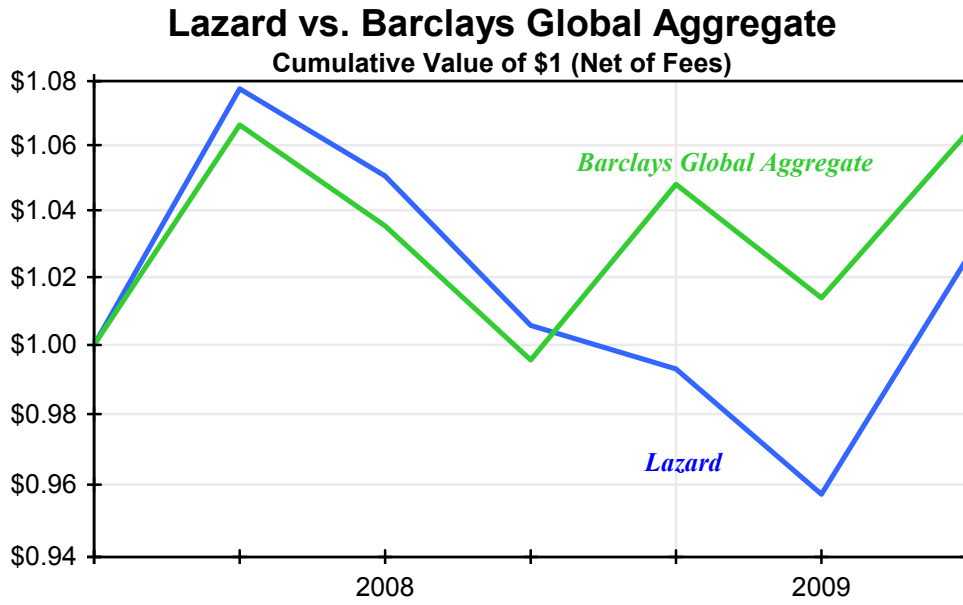
Five Years Ending June 30, 2009



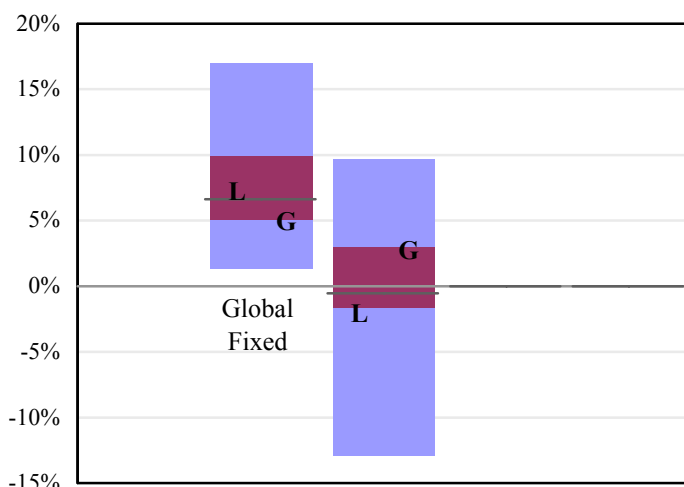
	<u>Annualized Return</u>	<u>Standard Deviation</u>	<u>Risk/Reward Ratio</u>
Domestic Bond Managers			
AFL-CIO (A)	5.8 %	3.3 %	0.80
Nicholas Applegate (N)	5.0	11.3	0.16
PIMCO (P)	5.7	4.3	0.60
Total Fixed (F)	4.2	4.8	0.22
Lehman Aggregate (a)	5.0	3.5	0.54
ML High Yield II (M)	4.1	14.8	0.06
Lehman Universal (U)	5.0	3.2	0.56
Median Bond Portfolio	4.8	3.9	0.43

MANAGER COMMENTS – GLOBAL FIXED INCOME

Lazard Asset Management



Lazard Asset Management



	<u>Qtr</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>
Lazard (L)	7.2	-2.1	-	-
Rank v. Glob FI	40	79	-	-
BC Global (G)	4.9	2.8	6.7	5.5
GI Fixed Median	6.6	-0.5	-	-

<u>Portfolio Characteristics</u>	<u>Lazard Asset Mgmt</u>	<u>Barclays Global Aggregate</u>
Mkt Value (\$Mil)	210.5	n/a
Yield to Maturity (%)	5.5 %	3.4 %
Duration (yrs)	4.7	5.3
Avg. Quality	AA+	AA

<u>Sectors</u>	<u>Lazard Asset Mgmt</u>	<u>Barclays Global Aggregate</u>
Treasury/Sovereign	28 %	59 %
Agency/Supranational	27	3
Corporate	12	16
High Yield	5	0
Emerging Markets/Other	14	8
Mortgage	5	14

Lazard Asset Management returned 7.2% in the second quarter. This return was well above the 4.9% return of the Barclays Global Aggregate and ranked in the 69th percentile in the universe of global fixed income managers. Over the past year, Lazard has returned -2.1%, trailing the Barclays Global Aggregate return of 2.8% and ranking in the 79th percentile.

Lazard's portfolio was underweight to treasuries/sovereign and mortgage securities and overweight to agency/supranational and emerging markets. The duration of the Lazard Asset Management portfolio at the end of the second quarter was 4.7 years, shorter than the 5.3 year duration of the index. The portfolio has a higher yield than the index.

Lazard's performance was helped by exposure to commodity-producing countries including Brazil, Canada, Australia, Chile and Norway. Country allocations also contributed to performance, including and overweight position in bonds in the Eurozone and Poland, and an underweight in U.S. and Japanese government bonds. The firm also added modest exposure to Greek bonds. Lazard continued to eliminate U.S. Treasuries from the strategy and reinvested these proceeds in other markets overseas or spread product denominated in U.S. dollars. The underweight to financial bonds proved to be the biggest headwind during the quarter as these bonds rebounded sharply.

The firm expects that the global economy will experience a W-shaped recovery, though an extraordinary amount of pessimism appears to be priced in and an increased appetite for risk is surfacing. Credit valuations are compelling globally, but Lazard believes that security selection will remain key to delivering excess returns in this environment.

MANAGER COMMENTS – REAL ESTATE

Adelante Capital Management \$156,960,206

Adelante Capital Management returned 32.3% for the second quarter, better than the 31.7% return of the Dow Jones Wilshire REIT Index, and ranked in the 22nd percentile of the REIT mutual fund universe. For the past year, Adelante returned -47.8%, trailing the REIT index return of -45.3% and ranking in the 84th percentile. The portfolio has performed similarly to the benchmark over longer time periods.

As of June 30, 2009, the portfolio consisted of 28 public REITs. Office properties comprised 15.0% of the underlying portfolio, apartments made up 18.1%, retail represented 24.4%, industrial was 9.2%, 6.6% was diversified/specialty, hotels accounted for 5.2%, manufactured homes made up 1.9% and 2.7% was cash. The properties were diversified regionally with 31.4% in the Northeast, 22.7% in the Pacific region, 13.5% in the Mideast, 12.3% in the Southeast, 6.4% in the East North Central region, 5.8% in the Southwest region, 4.6% in the Mountain, 1.8% in the West North Central region and 1.7% other.

BlackRock Realty \$14,530,845

BlackRock Realty Apartment Value Fund III (AVF III) returned -14.7% in the second quarter. Over the one-year period, BlackRock has returned -54.5%. CCCERA has an 18.7% interest in the AVF III.

As of June 30, 2009, the fund held 14 investments, all apartment properties. The properties are distributed regionally as follows: 38% in the Pacific, 15% in the Northeast, 21% in the East North Central, 10% in the Southwest and 16% in the Southeast. Average portfolio occupancy rate of developed existing properties was over 92%.

There will be no further acquisitions for the AVF III as the fund is fully invested. AVF III considers disposing assets that have completed their renovation program and have been stabilized for a minimum of one year.

DLJ Real Estate Capital Partners \$173,703

DLJ Real Estate Capital Partners (RECP) returned 0.3% in the quarter ending March 31, 2009. (Performance lags by one quarter due to the availability of financial reporting.) Over the one-year period, RECP has returned 12.3%. CCCERA has a 3.8% ownership interest in RECP.

RECP I completed its investment activities in 1999 and has since emphasized asset management and asset realizations. RECP I has essentially realized its entire portfolio of 49 investments, and DLJ remains focused on realizing the final residual values from a few remaining investments. These interests include two small commercial sites totaling approximately nine acres at DLJ's Gleannoch Farms investment and a note receivable from the transaction counterparty on the D'Andrea Ranch sale. These two positions have a combined current book value of \$4.9 million.

DLJ Real Estate Capital Partners II
\$5,431,423

DLJ Real Estate Capital Partners II (RECP II) reported a return of -10.4% in the quarter ending March 31, 2009. Over the one-year period, RECP II has returned -32.0%. CCCERA has a 3.4% ownership interest in RECP II.

As of March 31, 2009, the portfolio consisted of 40.3% retail, hotels accounted for 24.1%, land development made up 16.7%, residential accounted for 10.6%, sub-performing loans made up 5.1%, 1.3% was office properties and “other” made up 0.7%. The properties were diversified geographically with 16.9% in the Pacific, 29.9% in the Mountain region, 9.5% in the Northeast, 18.4% international, and 25.3% listed as “Various U.S.”.

The RECP II Fund acquired 51 investments with total capital committed of \$984 million. RECP II’s investment activities were completed in 2004 and the focus since has been on the management, positioning and realization of the portfolio. A total 44 of the properties have been sold while seven remain to be partially or fully realized. The Fund has received substantial proceeds from partial realizations on its remaining portfolio. These partial proceeds, together with the fully realized transactions, have allowed the Fund to distribute \$1.9 billion, representing 190% of the capital invested by the Fund. The firm believes that it will be some time before equilibrium returns to the real estate market, but is beginning to examine select opportunities for selling the remaining properties.

DLJ Real Estate Capital Partners III
\$52,630,875

DLJ Real Estate Capital Partners III (RECP III) reported a return of -10.4% in the first quarter. (Performance lags by one quarter due to financial reporting constraints.) Over the past year, RECP III returned -9.5%. CCCERA has a 6.7% ownership interest in RECP III.

As of March 31, 2009 the portfolio consisted of 38.9% hotel properties, 17.0% industrial/logistics, 15.5% mixed-use development, 10.0% vacation home development, 7.4% residential, 4.4% public securities, 3.1% land development, 2.3% retail and 1.4% other. The properties were diversified globally with 48.9% non-US and 51.1% US.

The Fund is fully invested in 49 investments; having committed \$1.2 billion of equity. There have been 15 realizations to date, generating a 74% gross IRR and a 2.2x multiple.

DLJ Real Estate Capital Partners IV
\$6,696,118

DLJ Real Estate Capital Partners IV (RECP IV) returned -36.6% in the quarter ending March 31, 2009. (Performance lags by one quarter due to financial reporting constraints.) Over the past year, the fund has returned -65.3%.

As of March 31, 2009 the portfolio consisted of 24.2% mixed-use development, 23.0% CMBS and loans, 17.2% development and construction company, 10.7% hotel properties, 8.5% office development, 4.5% retail development, 4.2% industrial, 3.8% commercial land development, 1.5% “other” investments, 1.4% public securities and 1.0% private securities in a public company. The properties were diversified globally with 44% non-US and 56% US.

To date, the Fund has completed 20 investments, investing approximately \$524 million of equity.

Fidelity Investments US Growth Fund II
\$16,907,918

Fidelity Investments returned -19.0% for the second quarter of 2009. For the one-year period, Fidelity had a total return of -59.1%.

Since inception through June 30, 2009, the fund has made 52 investments. 19 have been fully realized, with a realized gross CCCERA IRR of -18.5%. The remaining 32 projects are projected to realize a -5.1% IRR, bringing the overall fund to a projected IRR of -6.3%.

The portfolio consists of 16% apartment properties, 18% for sale housing, 11% senior housing, 6% retail, 4% office space and 41% student housing. The properties were diversified regionally with 31% in the Pacific, 4% in the Northeast, 2% in the Mideast, 18% in the Southeast, 38% in the Midwest, 4% in the Mountain region and 3% in the Southwest.

Fidelity Investments US Growth Fund III
\$8,829,612

Fidelity US Growth Fund III reported a return of -36.4% for the second quarter of 2009. Over the past year, the Fund has returned -51.2%.

Since inception through June 30, 2009, the fund has made 12 investments. 68% of the fund remains uncommitted. The remainder consists of 9% student housing, 2% retail, 6% office, 8% apartments, 1% industrial and 7% hotels. The properties were diversified regionally with 9% in the Pacific, 6% Mountain, 3% in the Southwest, 1% West North Central, 6% in the Southeast, 3% in the Mideast and 4% in the Northeast. Again, 68% remains uncommitted.

Hearthstone I & II
\$-150,000 & \$-99,596

The two Hearthstone homebuilding funds are approaching completion. Both funds now show negative asset values (owing to fund indebtedness). As always for closed-end funds, the best measure of performance is the internal rate of return (IRR), which is shown on page 13. By this measure, the first fund has been a disappointing performer (with its 3.6% annual IRR) and the second fund a strong one (with an annual IRR of 26.6%).

Invesco Real Estate Fund I
\$22,294,264

Invesco Real Estate Fund I (“IREF”) reported a second quarter total return of -25.7%. Over the past year, Invesco Real Estate Fund I returned -45.9%. CCCERA has a 15.6% interest in the Real Estate Fund I.

As of the second quarter, the portfolio consisted of 11 investments. Property type distribution was 10% retail, 22% industrial properties, 9% office and 59% multi-family. The properties were diversified regionally with 26% in the West, 51% in the South, 10% in the Midwest and 12% in the East.

The Fund has committed 103% of its equity capital. Since inception, IREF I has made fifteen investments, eleven currently held in the portfolio and four which were sold at disposition pricing in excess of the Fund's overall return target. The Fund is now in its operating and redemption phase. The operating performance for the eleven remaining investments is expected to be challenging given the severity of the macro economic contraction. Specifically, tenant activity has slowed substantially and economic incentives (to either renew existing leases or procure new tenants) have increased – both of which have put downward pressure on budgeted 2009 net operating income. While the Fund had planned to pay down lines of credit by selling selected properties, it will now need to call additional capital from investors (half was called in June and remainder is due in September) to cover this debt.

Invesco Real Estate Fund II
\$7,893,091

Invesco Real Estate Fund II returned -39.3% during the second quarter. Over the past year, the fund has returned -89.2%. CCCERA has an 18.8% ownership stake in the fund.

The Fund has closed on nine transactions nationwide, representing \$162 million of equity or 34% of fund capital commitments. The investments are distributed nationwide with 41% in the Pacific, 12% Southeast and 46% Northeast.

The Fund is still only about one third invested. Poor performance to date is the result of buying assets just before the recent decline in commercial real estate value. The poor timing was exacerbated through the use of leverage.

Invesco International REIT
\$7,893,091

The Invesco International REIT portfolio returned 32.7% in the second quarter. This return lagged the FTSE EPRA/NAREIT Global ex-US benchmark return of 38.9%. International REITs were up sharply in tandem with their domestic counterparts. Asian markets in general had an extremely strong quarter while Europe was more subdued.

Prudential Strategic Performance Fund II
\$184,607

For the second quarter, the Prudential Strategic Performance Fund-II (SPF-II) returned 5.1%. Over the one year period, the fund returned -48.0%. CCCERA accounts for 16.2% of SPF-II. The IRR over the life of the fund has been 13.5%.

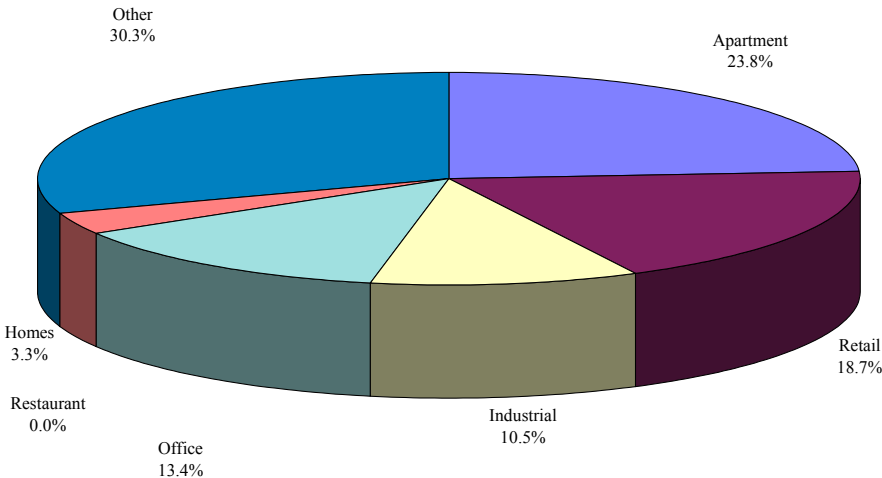
On March 31, 2009, SPF-II completed the UCC foreclosure of Monroe Center in New Jersey, resulting in the transfer of the borrower's membership interest to an affiliate of SPF-II. This is the sole remaining interest within SPF-II.

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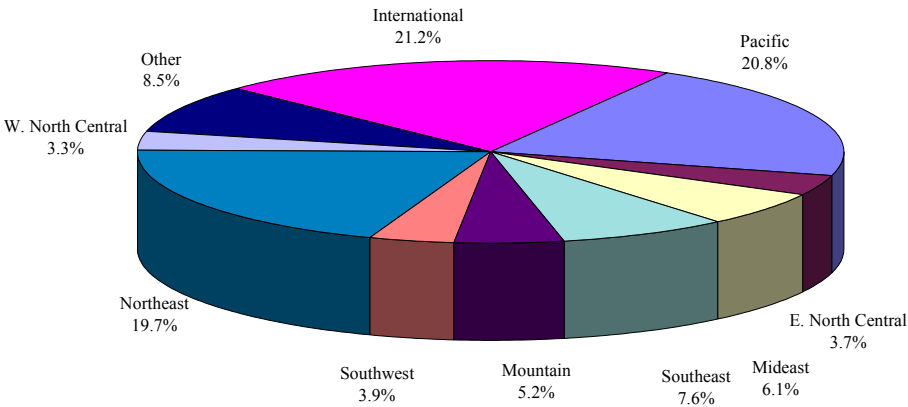
MANAGER COMMENTS – REAL ESTATE

Total Real Estate Diversification

Diversification by Property Type



Diversification by Geographic Region



MANAGER COMMENTS - ALTERNATIVE INVESTMENTS

Adams Street Partners

\$50,177,586

Adams Street had a first quarter gross return of -2.6% for the CCCERA's investments. (Performance lags by one quarter due to financial reporting constraints, which is typical for this type of investment vehicle.) For the one-year period, Adams Street has returned -22.4%. The portfolio continues in acquisition mode.

The Adams Street domestic portfolio (78% of the portfolio) is comprised of 40.5% venture capital funds, 10.7% special situations, 5.4% in mezzanine funds, 3.4% in restructuring/distressed debt and 40.1% in buyout funds. The Non-US program (22% of the portfolio) was allocated 28.3% to venture capital, 10.6% special situations, 2.0% mezzanine debt, 1.7% restructuring/distressed debt and 57.4% buyouts. These allocations are largely unchanged from the prior quarter.

Bay Area Equity Fund

\$9,824,487

Bay Area Equity Fund had a first quarter gross return of 6.0% (Performance lags by one quarter due to financial reporting constraints). For the one-year period, Bay Area Equity Fund has returned 3.2%. CCCERA has a 10.8% ownership interest in the Fund.

As of March 31, 2009, the Bay Area Equity Fund has 17 investments in private companies in the 10-county Bay Area, all of which are located in or near low- to middle-income neighborhoods. Currently, the Fund has invested \$77.9 million. One of the Fund's investments, Elephant Pharm, declared bankruptcy during the first quarter of 2009.

Carpenter Community BancFund

\$10,986,487

Carpenter had a first quarter gross return of -0.6% (Performance lags by one quarter due to financial reporting constraints). Over the past year, Carpenter has returned 13.6%.

As of March 31, 2009 the fund had investments in the common stock of five banks and preferred shares in a sixth bank.

Energy Investors - US Power Fund I

\$14,414,328

The Energy Investors Fund Group (EIF) had a first quarter gross return for this fund, which is in liquidation mode, of 6.3%. (Performance lags by one quarter due to financial reporting constraints.) For the one-year period, EIF had a total return of 88.1%. CCCERA has a 12.0% ownership interest in Fund I.

There were no cash distributions from the Fund during the first quarter, though there was a total of

\$11.15 million in cash distributions from projects to the Fund. The firm is now negotiating the sale of two of the Fund's investments.

Energy Investors - US Power Fund II
\$39,460,844

Energy Investors had a first quarter gross return of 1.9% for US Power Fund II. (Performance lags by one quarter due to financial reporting constraints.) Over the past year, the fund returned 5.1%. CCCERA has a 19.7% ownership interest in USPF-II.

During the first quarter of 2009, the Fund distributed \$2.0 million to its investors, bringing total distributions to \$69.4 million. The only significant change in the investment portfolio was an additional \$12 million investment in Panoche, which was funded with borrowings under the Fund's credit facility.

Energy Investors - US Power Fund III
\$16,680,304

During the first quarter, the fund had a gross return of 0.7%. Over the past year, the fund has returned 15.6%. CCCERA has a 6.9% ownership interest in USPF-III.

During the first quarter, there were no distributions from the Fund. Investment activity included acquiring a 91% interest in Niagara Mills (a 9.1 MW hydroelectric facility in Wisconsin) for \$27 million and an infusion of \$15.3 million in the development phase of the Astoria II project.

Nogales Investors Fund I
\$1,489,136

The Nogales Investors Fund I returned 5.5% in the quarter ended March 31. (Performance lags by one quarter due to financial reporting constraints.) For the one-year period, Nogales has returned -51.0%. CCCERA makes up 16.3% of the Fund.

As of March 31, 2009, the fund had a total of three active investments: Graphic Press, Video King and Denver Radio Company.

Paladin Fund III
\$6,490,947

Paladin Fund III returned -8.9% for the quarter ended March 31, 2009. As of March 31, 2009, Paladin Fund III had made eleven investments. In addition to the prior fund investments of Adapx, Digital Bridge Communications, Initiate Systems, Luminus, Quantalife, Renewable Energy Products, Royalty Pharma, Unitrends and Vital Renewable Energy Products (VREC) the Fund added investments in Paladin Ethanol Acquisition (PEA) and WiSpry. PEA was created by Paladin III to acquire deeply discounted ethanol facilities and infrastructure in the United States.

WiSpry manufactures tunable antennas for use in wireless communications. The market value of all 11 investments total \$28.3 million.

Pathway Private Equity Fund
\$40,679,546

The Pathway Private Equity Fund (PPEF) had a first quarter return of -3.5%. (Performance lags by one quarter due to financial reporting constraints.) For the one-year period, PPEF returned -24.1%.

PPEF contains a mixture of acquisition-related, venture capital, and other special equity investments. As of March 31, 2009 PPEF has made commitments of \$117.8 million across 39 private equity partnerships. Through March 31, 2009, the partnership has made distributions of \$38.9 million, which represents 53% of the Fund's total contribution.

PT Timber Fund III
\$7,440,049

The PT Timber Fund III had a second quarter return of 0.6%. For the one-year period, John Hancock reports a total return of 12.3%. CCCERA makes up 12.3% of Fund III.

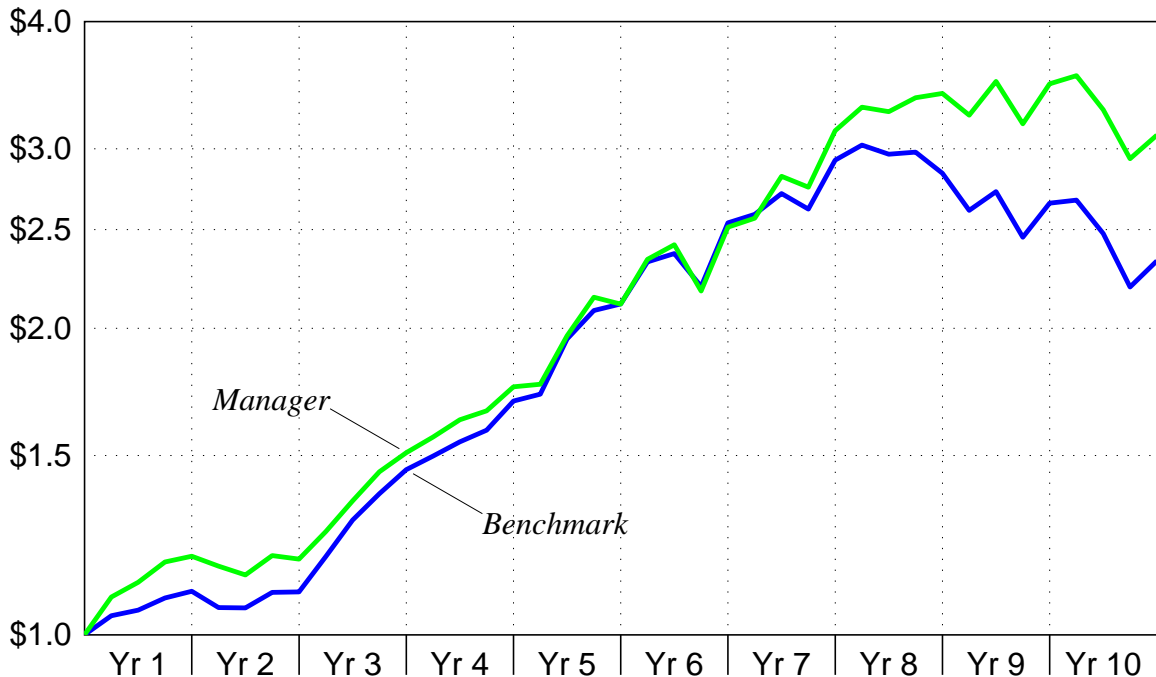
As of the end of the second quarter, PT-III's timberland portfolio is comprised of three properties: Covington in Alabama and Florida; Bonifay in Florida; and Choctaw in Mississippi. Choctaw is the focus of current activity, as the firm manages this timber-only investment to liquidate naturally as the timber matures and is sold. The firm is hesitant to attempt to sell the remaining investment in the current market and may contact investors about extending the fund's term.

APPENDIX – EXAMPLE CHARTS

How to Read the Cumulative Return Chart:

Manager vs. Benchmark

Cumulative Value of \$1

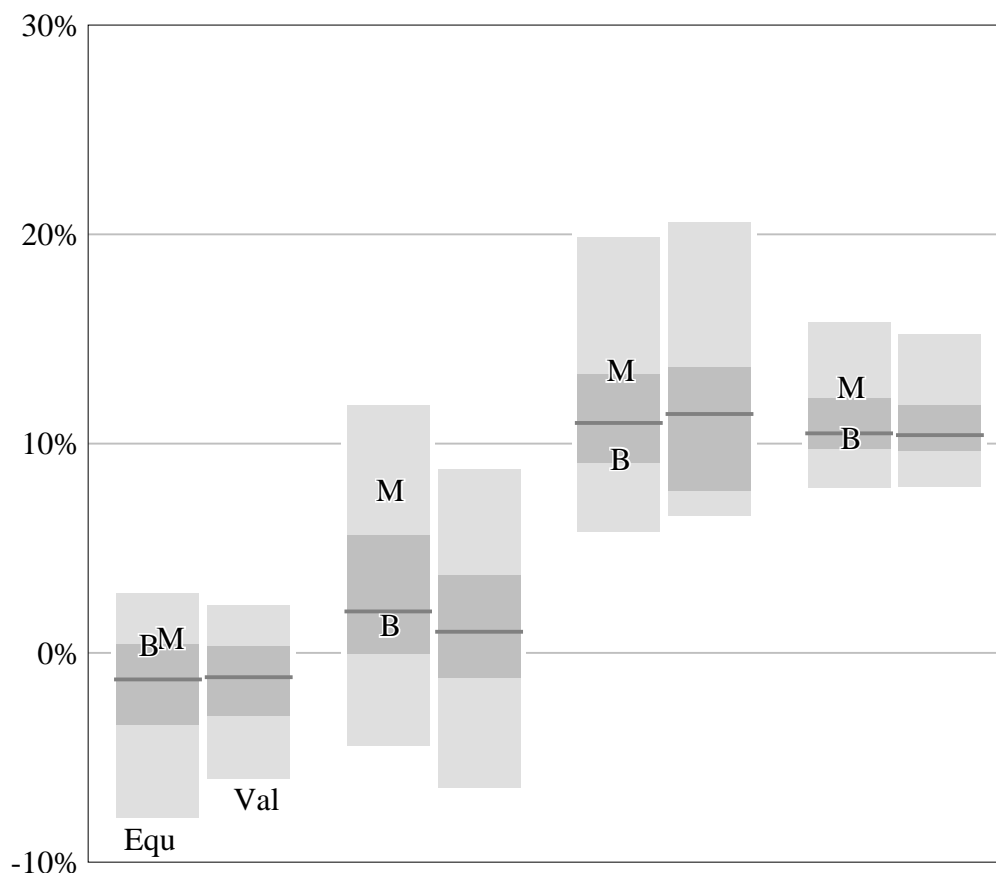


This chart shows the growth of \$1 invested in the 1st quarter of Year 1 with the manager vs. \$1 in the benchmark. Manager returns are the green line. Benchmark performance is the blue line. For example, in the above graph if \$1 had been invested with the manager at the beginning of the 1st quarter of 1985, it would have grown to approximately \$2 by the second quarter of Year 5 and would be above \$3 by the end of Year 10. Similarly, \$1 invested in the benchmark would have been worth near \$3 by the end of Year 7 and would be above \$2 by the end of the Year 10.

This is a semi-logarithmic or “log” graph. This is to show equal percentage moves with an equal slope at any place on the graph. For example, with equal scaling a manager who consistently returns 2% every quarter would show a return line which would steepen through time even though the growth rate is the same. With log scaling, a constant growth rate results in a straight line.

An advantage to using log graphs is that it is possible to compare managers more fairly to the benchmark. If the manager appears to be catching up to or losing ground to the benchmark on the log graph, then this is what is actually happening. This may not be the case with an arithmetic chart, where distortions are possible.

How to Read The Floating Bar Chart:



	<u>Last Qtr</u>	<u>1 Yr</u>	<u>3 Yrs</u>	<u>5 Yrs</u>
Manager (M)	0.8	7.8	13.5	12.7
<i>Rank v. Equity</i>	<i>18</i>	<i>13</i>	<i>23</i>	<i>19</i>
<i>Rank v. Value</i>	<i>15</i>	<i>10</i>	<i>25</i>	<i>12</i>
Benchmark (B)	0.4	1.3	9.3	10.3
Equity Median	-1.3	2.0	11.0	10.5
Value Median	-1.2	1.0	11.4	10.4

This chart shows Manager **M**'s cumulative performance for each of four time periods: the last quarter and one, three and five years. The time period is printed below the graph. Each **M** on the chart is performance for a different time period; the first **M** is the return for last quarter: 0.8%.

The benchmark index and two manager universes are presented for comparison. **B** is the benchmark's return, 0.4% for last quarter. The universes are labeled "Equ" for all equity and "Val" for value. Each universe for each period is shown as a shaded box divided into 4 portions. The box top is the return of the manager at the 5th percentile of the universe (better than 95% of managers), while the box bottom is the return at the 95th percentile. The shading changes at the 25th and 75th percentiles. The 50th percentile is the horizontal line drawn through the center of the box. The manager's return and ranking in each database for each period is shown in the table underneath the graph, as is return for the benchmark index and the median manager in each database.

DEFINITIONS

Alpha – Alpha is a measure of value added after adjusting for risk. Beta is the measure of risk used in the calculation of alpha, so the accuracy of alpha is dependent on the accuracy of beta. Alpha is the difference between the manager's return and what one would expect the manager to return after adjusting for the amount of risk taken. Mathematically, $\text{Alpha} = \text{Portfolio Return} - \text{Risk Free Rate} - \text{Beta} * (\text{Market Return} - \text{Risk Free Rate})$; $\alpha = r_p - r_f - \beta(r_m - r_f)$. A positive alpha is an indication of value added.

Asset Backed Security (ABS) – A fixed income security which has specifically pledged collateral such as car loans, credit card receivables, lease loans, etc.

Average Capitalization – Average capitalization is the sum of the capitalization of each stock in the portfolio divided by the number of stocks in the portfolio.

Barbell – A barbell yield curve strategy is a portfolio made up of long term and short term bonds with nothing (or very little) in between. This strategy performs well during periods when the yield curve flattens.

Beta – Beta is a measure of risk for domestic equities. The market has a beta of 1. A manager with a beta above 1 exhibits more risk than the market, while a manager with a beta below 1 is less risky than the market.

Bullet – A bullet yield curve strategy focuses on the intermediate area of the yield curve. This strategy performs well during periods when the yield curve steepens.

Collateralized Mortgage Obligation (CMO) – A CMO is a security backed by a pool of pass through securities and/or mortgages. Since CMOs derive their cash flow from the underlying mortgage collateral, they are referred to as derivatives. CMOs are structured so there are several classes of bondholders with varying stated maturities and varying certainty of the timing of cash flows.

Consumer Price Index – The Consumer Price Index is an indicator of the general level of prices. It attempts to compare the cost of purchasing a market basket of goods purchased by a typical consumer during a specific period with the cost of purchasing the same market basket of goods during an earlier period.

Coupon – The coupon rate is the annual coupon (i.e. interest) payment value divided by the par value of the bond.

Diversifiable Risk – Diversifiable risk – also known as specific risk, non-market risk and residual risk – is the risk of a portfolio that can be diversified away.

Duration – Duration is a weighted average maturity, expressed in years. All coupon and principal payments are weighted by the present value term for the expected time of payment. Duration is a measure of sensitivity to changes in interest rates with a longer duration indicating a greater sensitivity to changes in interest rates.

Dividend Yield – Dividend yield is calculated on common stock holdings, and is the ratio of the last twelve months dividend payments as a percentage of the most recent quarter-ending stock market value.

Growth Sector – Growth sectors are referred to in the Portfolio Profile Report (PPR) in our quarterly reports. The market is divided into five growth sectors based on the forecast of the fifth year growth rate in earnings per share. The PPR reports what portion of a manager's (or the composite's) portfolio is invested in stocks in each growth sector.

Interest Only Strip (IO) – An IO is a type of CMO that gets its cash flows from interest payments only. IOs benefit from a slowing in prepayments (i.e. interest rates rise) and under-perform in an accelerating prepayment environment (i.e. interest rates decline). IOs can be very volatile, but can offset volatility in the over all portfolio.

Market Capitalization - Market capitalization is a company's market value, or closing price times the number of shares outstanding.

Maturity – The maturity for an individual bond is calculated as the number of years until principal is paid. For a portfolio of bonds, the maturity is a weighted average maturity, where the weighting factors are the individual security's percentage of the total portfolio.

Median Manager – The median manager is the manager with the middle return when returns are ranked from high to low. Half of the managers will have a higher return and half will have a lower return.

Mortgage Pass Through – A mortgage pass through is a security which “passes through” to the holder the interest and principal payments on a group of mortgages.

Percentile Rank – A manager's rank signifies the percentage of managers in the universe performing better than the manager. For example, a manager with a rank of 10 means that only 10% of managers had returns greater than the managers over the period of measurement. Likewise, a rank of 50 (i.e. the median manager) indicates that 50% of managers in the universe did better and 50% did worse.

Planned Amortization Class (PAC) – A PAC is a type of CMO with the cash flows set up to be fairly certain. PACs appeal to investors who want more certain cash flow payments from a mortgage security than provided by the underlying collateral.

Price/Book Value – The price/book value for an individual common stock is the stock's price divided by book value per share. Book value per share is the company's common stockholders equity divided by the number of common shares outstanding.

Price/Earnings Ratio (P/E) – The P/E ratio of a common stock's price divided by earnings per share. The ratio is used as a valuation technique employed by investment managers.

Principal Only Strip (PO) – A PO is a type of CMO that gets its cash flows from principal payments only. POs are sold at a discount and perform well if prepayments come in faster than expected (i.e. interest rates decrease) and extend and perform poorly if prepayments come in

slower than expected (i.e. interest rates rise).

Quality – Quality relates to the credit risk of a bond (i.e. the issuer's ability to pay). Quality is most relevant for corporate bonds. Several rating organizations publish ratings of bonds including Moody's and Standard & Poor's. AAA is the highest quality rating, followed by AA+, AA, AA-, A+, A, A- and then BBB+, BBB, BBB-, BB+, BB, BB-, etc. Bonds rated above BBB- are said to be of investment grade.

R² (R Squared) – R² is a measure of how well a manager moves with the market. If a manager's performance closely tracks that of the market, the R² will be close to 1. Broadly diversified managers have an R² of 0.90 or greater, while the R² of un-diversified managers will be lower.

Return On Equity – The return on equity for a common stock is the annual net income divided by total common stockholders' equity.

Standard Deviation – Standard deviation is the degree of variability of a time series, such as quarterly returns, relative to the average. Standard deviation measures the volatility of the time series.

Weighted Capitalization – Weighted capitalization is the sum of the capitalization of each stock in the portfolio weighted by its percentage of the portfolio.

Yield to Maturity – The yield to maturity is the discount rate that equates the present value of cash flows (coupons and principal) to the market price taking into account the time value of money.