

QUARTERLY REVIEW & PERFORMANCE MEASUREMENT REPORT
for

Contra Costa County
Employees' Retirement
Association

FOR THE PERIOD ENDING
June 30, 2010

August 23, 2010

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MARKET OVERVIEW

Domestic Equity Markets

Domestic equities fell off sharply in the second quarter from their rally over the prior year. The S&P 500 was down 11.4% in the quarter. Small cap stocks also produced lower results, as the Russell 2000® Index lost 9.9%.

All of the ten S&P 500 sectors had negative returns during the second quarter. The Materials sector suffered the greatest loss (-15.1%), followed by Financials (-13.3%), Energy (-12.7%), Industrials (-12.3%), Information Technology (-12.2%), Health Care (-11.8%), Consumer Discretionary (-10.9%), Consumer Staples (-8.1%), Telecom Services (-4.3%) and Utilities (-3.8%).

In the second quarter, Value stocks performed modestly better than Growth in the large cap market segment, while Growth-oriented securities did better in the small cap market segment. In the domestic large capitalization arena, the Russell 1000® Value Index returned -11.1%, compared to the Russell 1000® Growth Index return of -11.7%. In small cap, the Russell 2000® Growth Index returned -9.2% while the Value Index returned -10.6%.

International Equity Markets

International equity markets were negatively impacted during the quarter as Europe responded to the sovereign debt issues in Spain, Portugal, and Greece. The MSCI EAFE Index lost 13.7%. The strengthening dollar hurt results for US investors as the MSCI EAFE return prior to translation into US\$ was -10.9%. The Europe portion of EAFE had a return of -14.8%, trailing the MSCI Asia Index return of -11.5% in US\$.

Domestic Bond Markets

The Barclays Capital Aggregate Index returned 3.5% during the quarter. Similar to last quarter, longer-duration bonds had better results than shorter-duration bonds. The Barclays Capital Long Government/ Credit Index returned 8.6% while the shorter Barclays Capital 1-3 Year Government/ Credit Index returned 1.1%. In a reversal of last quarter, credit issues trailed Government issues in the quarter as investors began a flight to safety in light of the volatile equity markets. The Barclays Capital Credit Index returned 3.3% compared to 4.3% for the Barclays Capital Treasury Index. The agency mortgage bond sector returned 2.9%. High yield fell off its strong recovery with the Merrill Lynch High Yield Master II Index returning -0.1%.

Real Estate

The domestic real estate market, as measured by the NCREIF ODCE Index, posted a preliminary return of 4.4% for the second quarter of 2010. Real estate markets remain soft, though some are now showing signs of stabilization. The FTSE NAREIT Equity Index, which measures the domestic public REIT market, was down 4.1%. Global real estate securities, as measured by the FTSE EPRA/NAREIT Global Developed Markets Index, returned -7.8%.

KEY POINTS

Second Quarter, 2010

- The CCCERA Total Fund returned -5.3% for the second quarter, trailing the -4.4% return of the median total fund but matching the -5.3% return of the median public fund. CCCERA Total Fund performance has been first quartile over the past bear, slightly below median over the past two-four years and above median over the five through ten-year periods.
- CCCERA domestic equities returned -11.2% in the quarter, slightly better than the -11.3% return of the Russell 3000® Index but trailing the -10.4% return of the median equity manager.
- CCCERA international equities returned -13.3% for the quarter, better than the -13.7% return of the MSCI EAFE Index but below the -12.1% return of the median international equity manager.
- CCCERA fixed income returned 2.9% for the quarter, trailing the Barclays U.S. Universal return of 3.1% but exceeding the median fixed income manager return of 2.7%.
- CCCERA alternative assets returned 1.5% for the quarter, better than the -10.5% return of the S&P 500 + 400 basis points per year.
- CCCERA real estate returned -0.9% for the quarter, hurt by the REIT portfolios. This return trailed the median real estate manager return of 1.2% and the CCCERA real estate benchmark return of 1.3%.
- Total equity was near its target weight of 48% at the end of the second quarter. Global fixed income was over target and alternative investments remained below their long-term target. Global equities are the “parking place” for assets intended for alternative investments.
- Several portfolio changes occurred during the second quarter of 2010, including the funding of the J.P. Morgan global equity portfolio, the Goldman Sachs opportunistic mandate and the Oaktree Private Investment Fund 2009. The legacy McKinley portfolio continues to be managed by State Street on an interim basis. William Blair has been selected to take over this mandate, pending successful contract negotiations and an on-site visit.
- ING Clarion Capital has been renamed Torchlight. ING has sold the business back to Dan Heflin and ING Clarion Partners. We will reflect this name change in the third quarter report.

WATCH LIST

<u>Manager</u>	<u>Since</u>	<u>Reason</u>
Adelante	2/25/2009	Performance
Emerald Advisors	5/28/2008	Performance
GMO	2/24/2010	Performance
INVESCO IREF I, II	2/24/2010	Performance
Nogales Investors	5/28/2008	Performance
PIMCO (StocksPLUS)	5/28/2008	Performance
Progress	11/25/2008	Performance
Rothschild	11/24/2009	Performance

- Adelante had a good second quarter, but has by not fully recovered from the persistent pattern of slight underperformance. An on-site visit was held with Adelante on July 15, 2010.
- Emerald had a strong second quarter, and results through the past two years are now above benchmark. However, the portfolio has lagged the benchmark over the trailing three and four-year periods. An on-site visit was held with Emerald on August 19, 2010.
- GMO had a poor second quarter and has lagged over the past years. This has pulled down longer-term results extending back to the past four years. An on-site visit was held with GMO on August 18, 2010.
- The INVESCO funds rank poorly in the real estate universe over the trailing periods. CCCERA staff held an on-site meeting with INVESCO in late May.
- Nogales will remain on the Watch List until the fund is completely wound down.
- PIMCO StocksPLUS had a good second quarter. The degree of outperformance was more muted than in past quarters.
- Progress had a good second quarter. Longer-term results continue to be negatively impacted by the portfolio's poor performance in the second half of 2008.
- Rothschild matched the benchmark in the second quarter. Nearly all trailing results lag the benchmark except the past five years.

SUMMARY

CCCERA's second quarter return of -5.3% was below the median total fund but matched the median public fund. Performance was strong over the past year. CCCERA slightly trailed the median funds over the past two through four-year periods. CCCERA has out-performed both medians over trailing time periods five years and longer.

CCCERA total domestic equities returned -11.2% for the quarter, slightly better than the -11.3% return of the Russell 3000® but trailing the -10.4% return of the median manager. Of CCCERA's domestic equity managers, Emerald had the best absolute return at -8.0%, better than the -9.2% return of the Russell 2000® Growth Index. Progress returned -8.9%, better than the -9.9% return of the Russell 2000® Index. Rothschild returned -10.2%, matching the Rothschild Small/Mid Value benchmark return of -10.2%. Intech Large Cap Core returned -10.2%, better than the -11.4% return of the S&P 500 Index. Intech Enhanced Plus returned -10.7%, also better than the S&P 500 Index. PIMCO returned -11.0%, above the S&P 500 return of -11.4%. Delaware returned -11.2%, better than the Russell 1000® Growth Index return of -11.4%. Boston Partners returned -11.7%, below the -11.1% return of the Russell 1000® Value Index. Finally, Wentworth Hauser returned -15.4%, trailing the S&P 500.

CCCERA international equities returned -13.3%, better than the -13.7% return of the MSCI EAFE Index but trailing the -12.1% return of the median international manager. The GMO Intrinsic Value portfolio returned -14.0%, slightly trailing the -13.8% return of the S&P Citi PMI EPAC Value Index. The legacy McKinley Capital portfolio returned -12.6%, trailing the MSCI ACWI ex-US Growth Index return of -12.3%. McKinley has been terminated and William Blair has been selected to manage the portfolio prospectively, pending successful contract negotiations.

CCCERA total domestic fixed income returned 2.9% for the second quarter, trailing the 3.1% return the Barclays Universal but better than the 2.7% return of the median fixed income manager. The ING Clarion II fund returned 6.5%, better than the ML High Yield II Index return of -0.1% and the high yield fixed income median return of -0.5%. The ING Clarion Fund III returned 3.9% in the second quarter, better than the Merrill Lynch High Yield II Index. The workout portfolio overseen by Goldman Sachs returned 3.4%, slightly below the Barclays Aggregate return of 3.5%. Goldman Sachs returned 3.3%, trailing the Barclays U.S. Aggregate Index but exceeding the median fixed income manager. PIMCO returned 3.1%, below the Barclays U.S. Aggregate but above the median. Lord Abbett returned 2.9%, trailing the Barclays U.S. Aggregate but better than the median fixed income manager. AFL-CIO returned 2.8% which trailed the Barclays U.S. Aggregate but slightly exceeded the median fixed income manager. Allianz Global (formerly Nicholas Applegate) returned 0.2%, which was better than the -0.1% return of the ML High Yield II Index and the -0.5% return of the median high yield manager.

Lazard Asset Management returned -0.2% in the second quarter, trailing the Barclays Global Aggregate return of 0.0% and ranked in the 59th percentile of global fixed income portfolios.

CCCERA total alternative investments returned 1.5% in the second quarter. Paladin III returned 4.4%, Nogales returned 3.6%, Adams Street Partners returned 3.3%, Bay Area Equity Fund returned 2.7%, Energy Investor Fund II returned 2.1%, Pathway returned 1.9%, Energy Investor Fund returned -1.1%, Carpenter Community Bancfund returned -1.9%, Energy Investor Fund III returned -2.0% and Hancock PT Timber Fund returned -7.9%. (Due to timing constraints, all alternative portfolio returns except Hancock PT Timber Fund are for the quarter ending March 31, 2010.)

The median real estate manager returned 1.2% for the quarter while CCCERA's total real estate returned -0.9%. BlackRock Realty returned 27.2%, Fidelity III returned 16.0%, Invesco Fund II returned 14.8%, Invesco Fund I returned 10.1%, Fidelity II returned 5.9%, DLJ's RECP II returned 1.6%, DLJ's RECP IV returned 1.1%, Willows Office Property returned 1.1%, DLJ RECP I returned 0.9%, DLJ RECP III returned 0.2%, Adelante Capital REIT returned -2.4% and Invesco International REIT returned -11.2%. Also, please refer to the internal rate of return (IRR) table for closed-end funds on page 15, 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, 2010 was above target in domestic equity at 34.0% compared to the target of 32.7%, investment grade fixed income (24.8% vs. 23.8%), global fixed income (4.2% vs. 4.0%) and real estate (12.1% vs. 11.5%). Asset classes below their respective targets included international equity (9.4% vs. 10.4%), global equity (4.6% vs. 5.0%) and alternatives (5.5% vs. 7.0%). High yield was near its target of 3% and cash was slightly above its target of 0.5%. Assets earmarked for alternative investments were temporarily invested in U.S. equities.

Private Investment Commitments

CCCERA has committed to various private investment vehicles across multiple asset classes. Within domestic fixed income, CCCERA has committed \$85 million to ING Clarion Debt Opportunity Fund II and \$85 million to ING Clarion Debt Opportunity Fund III.

Within real estate: \$15 million to DLJ RECP I; \$40 million to DLJ RECP II; \$75 million to DLJ III, \$100 million to DLJ IV; \$40 million to Prudential SPF-II; \$25 million to BlackRock Realty; \$50 million to INVESCO I; \$85 million INVESCO II; \$50 million to Fidelity II; and \$75 million to Fidelity III.

Within private equity: \$180 million to Adams Street Partners; \$30 million to Adams Street Secondary II; \$125 million to Pathway; \$30 million to Pathway 2008; \$15 million to Hancock PT Timber Fund III; \$30 million to Energy Investors USPF I; \$50 million to USPF II; \$65 million to USPF III; \$15 million to Nogales; \$10 million to Bay Area Equity Fund; \$10 million to Bay Area Equity Fund II; \$25 million to Paladin III and \$30 million to Carpenter Community BancFund.

Within the opportunistic allocation, CCCERA has made a \$40 million commitment to Oaktree Private Investment Fund 2009.

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 below 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, 2010

	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	Yes	No	Yes	No	No	No
Emerald Advisors	No	No	No	Yes	No	No
Intech - Enhanced Plus	Yes	Yes	Yes	Yes	Yes	Yes
Intech - Large Core	Yes	Yes	Yes	-	-	-
PIMCO Stocks Plus	No	No	No	No	No	No
Progress	No	No	No	No	No	No
Rothschild	No	No	No	Yes	Yes	No
Wentworth, Hauser	Yes	Yes	Yes	Yes	No	No
Total Domestic Equities	Yes	Yes	Yes	Yes	Yes	No
INT'L EQUITY						
GMO Intrinsic Value	No	No	No	-	-	-
McKinley Capital	No	No	No	-	-	-
Total Int'l Equities	No	No	No	No	No	No
DOMESTIC FIXED INCOME						
AFL-CIO Housing	Yes	No	Yes	Yes	No	Yes
Goldman Sachs	-	-	-	-	-	-
ING Clarion II	No	No	No	-	-	-
ING Clarion III	-	-	-	-	-	-
Lord Abbett	-	-	-	-	-	-
Allianz Global Investors	Yes	Yes	Yes	Yes	No	Yes
PIMCO	Yes	Yes	Yes	Yes	Yes	Yes
Workout (GSAM)	-	-	-	-	-	-
Total Domestic Fixed	No	No	No	Yes	No	Yes
GLOBAL FIXED INCOME						
Lazard Asset Management	-	-	-	-	-	-

Summary of Managers Compliance with Investment Performance Objectives (cont)
As of June 30, 2010

	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>
ALTERNATIVE INVESTMENTS						
Adams Street	Yes	Yes	Yes	Yes	Yes	Yes
Bay Area Equity Fund	Yes	Yes	Yes	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	No
Total Alternative	Yes	Yes	Yes	Yes	Yes	Yes
REAL ESTATE						
Adelante Capital REIT	No	No	No	No	No	No
BlackRock Realty	No	No	No	No	No	No
DLJ RECP I	Yes	Yes	Yes	Yes	Yes	Yes
DLJ RECP II	No	No	No	No	No	Yes
DLJ RECP III	No	No	Yes	-	-	-
DLJ RECP IV	-	-	-	-	-	-
Fidelity II	No	No	No	No	No	No
Fidelity III	-	-	-	-	-	-
Invesco Fund I	No	No	No	No	No	No
Invesco Fund II	-	-	-	-	-	-
Invesco Int'l REIT	-	-	-	-	No	-
Prudential SPF II	No	No	No	Yes	No	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, 2010

	<u>Market Value</u>	<u>% of Portion</u>	<u>% of Total</u>	<u>Target % of Total</u>
EQUITY - DOMESTIC				
Boston Partners	\$ 258,657,116	17.6 %	6.0 %	6.1 %
Delaware Investments	249,934,278	17.0	5.8	6.1
Emerald	119,099,785	8.1	2.8	2.7
Intech - Enhanced Plus	18,984,742	1.3	0.4	0.4
Intech - Large Core	195,983,977	13.3	4.5	4.6
PIMCO	187,511,704	12.8	4.3	2.4
Progress	119,708,527	8.2	2.8	2.7
Rothschild	120,176,400	8.2	2.8	2.7
Wentworth	198,065,705	13.5	4.6	5.0
TOTAL DOMESTIC	\$ 1,468,122,234	70.8 %	34.0 %	32.7 %
INTERNATIONAL EQUITY				
McKinley Capital	\$ 205,946,053	9.9 %	4.8 %	5.2 %
GMO Intrinsic Value	201,769,736	9.7	4.7	5.2
TOTAL INT'L EQUITY	\$ 407,715,789	19.7 %	9.4 %	10.4 %
GLOBAL EQUITY				
J.P. Morgan	\$ 197,924,617	9.5 %	4.6 %	5.0 %
TOTAL GLOBAL EQUITY	\$ 197,924,617	9.5 %	4.6 %	5.0 %
TOTAL EQUITY	\$ 2,073,762,640	100.0 %	48.0 %	48.1 %
			<i>Range:</i>	<i>45 to 53 %</i>
FIXED INCOME				
AFL-CIO	\$ 157,716,467	12.6 %	3.7 %	3.4 %
Goldman Sachs Core	242,407,280	19.3	5.6	5.4
ING Clarion II	39,073,896	3.1	0.9	0.9
ING Clarion III	20,461,283	1.6	0.5	1.8
Lord Abbett	241,356,852	19.3	0.0	5.4
PIMCO	346,071,940	27.6	8.0	6.9
Workout (GSAM)	25,172,181	2.0	0.6	0.0
TOTAL US FIXED INCOME	\$ 1,072,259,899	85.6 %	24.8 %	23.8 %
GLOBAL FIXED				
Lazard Asset Mgmt	\$ 180,871,719	14.4 %	4.2 %	4.0 %
TOTAL GLOBAL FIXED	\$ 180,871,719	14.4 %	4.2 %	4.0 %
TOTAL INV GRADE FIXED	\$ 1,253,131,618	100.0 %	29.0 %	27.8 %
			<i>Range:</i>	<i>24 to 34 %</i>
HIGH YIELD				
Allianz Global Investors	\$ 135,819,744	100.0 %	3.1 %	3.0 %
TOTAL HIGH YIELD	\$ 135,819,744	100.0 %	3.1 %	3.0 %
			<i>Range:</i>	<i>1 to 5 %</i>

ASSET ALLOCATION
As of June 30, 2010

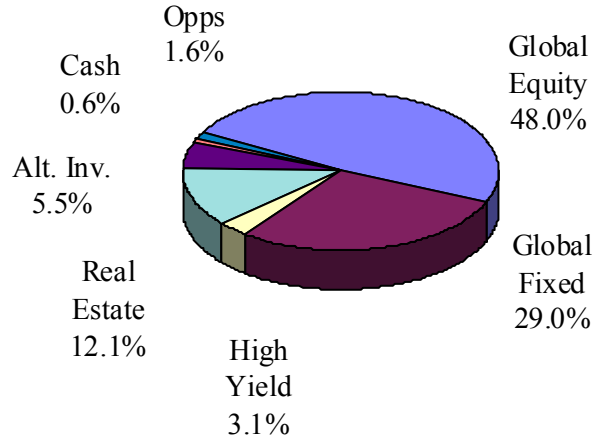
	<u>Market Value</u>	<u>% of Portion</u>	<u>% of Total</u>	<u>Target % of Total</u>
REAL ESTATE				
Adelante Capital	\$ 333,294,889	63.8 %	7.7 %	1.4 %
BlackRock Realty	13,739,096	2.6	0.3	-
DLJ RECP I	173,553	0.0	0.0	-
DLJ RECP II	4,228,875	0.8	0.1	-
DLJ RECP III	37,632,849	7.2	0.9	-
DLJ RECP IV	18,914,803	3.6	0.4	-
Fidelity II	15,380,071	2.9	0.4	-
Fidelity III	8,788,324	1.7	0.2	-
Hearthstone I	-85,000	0.0	0.0	-
Hearthstone II	-260,321	0.0	0.0	-
Invesco Fund I	22,552,515	4.3	0.5	-
Invesco Fund II	9,134,376	1.7	0.2	-
Invesco International REIT	42,972,533	8.2	1.0	1.0
Willows Office Property	15,560,000	3.0	0.4	-
TOTAL REAL ESTATE	\$ 522,026,563	100.0 %	12.1 %	11.5 %
			<i>Range:</i>	<i>8 to 14 %</i>
ALTERNATIVE INVESTMENTS				
Adams Street Partners	\$ 68,150,877	28.7 %	1.6 %	- %
Bay Area Equity Fund	10,433,115	4.4	0.2	-
Carpenter Bancfund	10,297,387	4.3	0.2	-
Energy Investor Fund	16,628,034	7.0	0.4	-
Energy Investor Fund II	44,783,675	18.8	1.0	-
Energy Investor Fund III	19,208,152	8.1	0.4	-
Nogales	2,219,584	0.9	0.1	-
Paladin III	9,575,252	4.0	0.2	-
Pathway	55,387,539	23.3	1.3	-
Hancock PT Timber	1,021,889	0.4	0.0	-
TOTAL ALTERNATIVE	\$ 237,705,504	100.0 %	5.5 %	7.0 %
			<i>Range:</i>	<i>5 to 9 %</i>
OPPORTUNISTIC				
Goldmans Sachs Opps	\$ 63,220,717	3.0 %	1.5 %	1.3 %
Oaktree PIF 2009	7,103,835	0.3	0.2	0.8
TOTAL OPPORTUNISTIC	\$ 70,324,552	3.4 %	1.6 %	2.1 %
CASH				
Custodian Cash	\$ 24,877,993	90.0 %	0.6 %	- %
Treasurer's Fixed	2,774,000	10.0	0.1	-
TOTAL CASH	\$ 27,651,993	100.0 %	0.6 %	0.5 %
			<i>Range:</i>	<i>0 to 1 %</i>
TOTAL ASSETS	\$ 4,320,422,614	100.0 %	100.0 %	100.0 %

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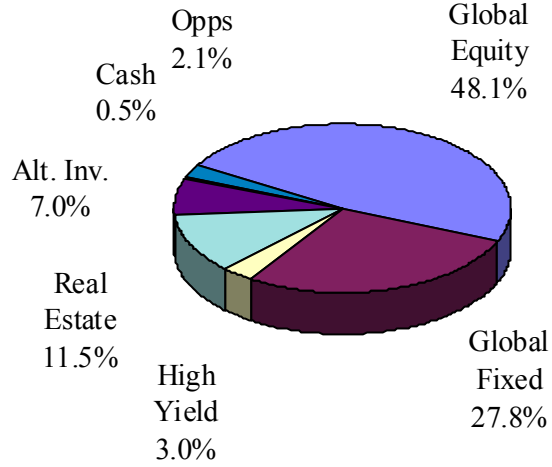
ASSET ALLOCATION

As of June 30, 2010

CCCERA Asset Allocation



Target Asset Allocation



CUMULATIVE PERFORMANCE STATISTICS
Performance through Second Quarter, 2010

DOMESTIC EQUITY	3 Mo	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	7 Yr	10 Yr
Boston Partners	-11.7 %	14.8 %	-3.5 %	-8.1 %	-1.1 %	1.9 %	6.1 %	5.4 %
<i>Rank vs Equity</i>	76	57	24	43	36	31	37	27
<i>Rank vs Lg Value</i>	63	73	15	18	13	8	12	21
Delaware	-11.2	13.8	-6.2	-6.6	-2.6	0.1	-	-
<i>Rank vs Equity</i>	61	69	39	30	57	55	-	-
<i>Rank vs Lg Growth</i>	31	32	20	37	75	61	-	-
Emerald Advisors	-8.0	22.3	-3.8	-8.3	-3.4	1.5	-	-
<i>Rank vs Equity</i>	24	22	25	45	76	36	-	-
<i>Rank vs Sm Cap Growth</i>	40	52	48	73	81	63	-	-
Intech - Enhanced Plus	-10.7	15.3	-7.9	-8.8	-2.8	-0.4	4.2	-
<i>Rank vs Equity</i>	53	53	56	51	60	65	57	-
<i>Rank vs Lg Core</i>	18	27	43	25	40	41	28	-
Intech - Large Core	-10.2	15.3	-7.6	-8.5	-	-	-	-
<i>Rank vs Equity</i>	47	54	52	48	-	-	-	-
<i>Rank vs Lg Core</i>	12	28	34	21	-	-	-	-
PIMCO Stocks Plus	-11.0	22.1	-7.4	-10.0	-3.2	-1.0	2.6	-
<i>Rank vs Equity</i>	56	23	49	73	74	82	90	-
<i>Rank vs Lg Core</i>	23	1	28	80	81	89	95	-
Progress	-8.9	22.3	-9.1	-10.6	-4.4	0.0	-	-
<i>Rank vs Equity</i>	30	22	75	78	86	57	-	-
<i>Rank vs Small Core</i>	36	53	83	82	87	84	-	-
Rothschild	-10.2	14.5	-10.0	-10.3	-3.3	0.8	-	-
<i>Rank vs Equity</i>	47	62	81	75	75	45	-	-
<i>Rank vs Sm Cap Value</i>	55	97	97	76	65	53	-	-
Wentworth, Hauser	-15.4	6.3	-8.1	-8.8	-2.7	-0.7	3.0	0.3
<i>Rank vs Equity</i>	98	94	64	50	58	70	77	60
<i>Rank vs Lg Core</i>	99	98	71	23	37	53	58	30
Total Domestic Equities	-11.2	15.8	-6.8	-8.7	-2.7	0.1	4.1	-0.7
<i>Rank vs Equity</i>	60	50	43	50	57	54	59	66
Median Equity	-10.4	15.9	-7.5	-8.7	-2.2	0.5	5.0	2.7
S&P 500	-11.4	14.4	-8.1	-9.8	-3.0	-0.8	2.8	-1.6
Russell 3000®	-11.3	15.7	-7.8	-9.5	-2.9	-0.5	3.5	-0.9
Russell 1000® Value	-11.1	16.9	-8.9	-12.3	-4.8	-1.7	3.5	2.4
Russell 1000® Growth	-11.7	13.6	-7.4	-6.9	-1.0	0.4	2.9	-5.1
Russell 2000®	-9.9	21.5	-4.6	-8.6	-2.9	0.4	5.8	3.0
Rothschild Benchmark	-10.2	26.5	-3.4	-9.3	-3.0	-0.1	-	-
Russell 2000® Growth	-9.2	18.0	-5.8	-7.5	-2.0	1.1	5.5	-1.7
INT'L EQUITY								
GMO Intrinsic Value	-14.0	1.9	-15.9	-14.2	-5.3	-	-	-
<i>Rank vs Int'l Eq</i>	77	93	77	85	89	-	-	-
McKinley Capital	-12.6	7.2	-22.1	-16.8	-6.5	-	-	-
<i>Rank vs Int'l Eq</i>	57	69	95	93	93	-	-	-
Total Int'l Equities	-13.3	4.5	-18.8	-15.3	-5.7	1.0	6.9	0.2
<i>Rank vs Int'l Eq</i>	65	82	90	89	91	81	83	93
Median Int'l Equity	-12.1	9.8	-12.0	-11.1	-2.5	2.8	8.9	3.4
MSCI EAFE Index	-13.7	6.4	-14.3	-12.9	-4.2	1.4	7.2	0.6
MSCI ACWI ex-US	-12.3	10.9	-12.3	-10.3	-1.5	3.8	9.4	2.3
S&P Citi PMI EPAC Value	-13.8	6.9	-13.5	-13.3	-4.1	1.8	8.0	2.6
MSCI ACWI ex-US Growth	-11.3	12.0	-13.7	-9.7	-1.3	4.0	8.4	0.0

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

CUMULATIVE PERFORMANCE STATISTICS
Performance through Second Quarter, 2010

	<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>
GLOBAL EQUITY								
J.P. Morgan Global	-12.1 %	-	-	-	-	-	-	-
<i>Rank vs Gbl Eq</i>	41	-	-	-	-	-	-	-
Total Global Equity	-12.1	-	-	-	-	-	-	-
<i>Rank vs Int'l Eq</i>	41	-	-	-	-	-	-	-
Median Global Equity	-12.3	11.0 %	-10.9 %	-10.6 %	-2.0 %	3.4 %	-	-
MSCI ACWI Index	-12.1	11.8	-11.1	-10.5	-2.7	1.2	5.6 %	-
MSCI World Index	-12.5	10.8	-11.3	-10.9	-3.2	0.6	5.1	-0.6 %
DOMESTIC FIXED INCOME								
AFL-CIO Housing	2.8	8.1	8.2	8.0	7.6	5.9	5.3	7.0
<i>Rank vs Fixed Income</i>	49	73	40	33	34	42	40	31
Goldman Sachs	3.3	10.3	-	-	-	-	-	-
<i>Rank vs Fixed Income</i>	30	48	-	-	-	-	-	-
ING Clarion II*	6.5	39.7	-19.4	-24.4	-	-	-	-
<i>Rank vs High Yield</i>	1	1	98	98	-	-	-	-
ING Clarion III*	3.9	32.5	-	-	-	-	-	-
<i>Rank vs High Yield</i>	1	4	-	-	-	-	-	-
Lord Abbett	2.9	13.9	-	-	-	-	-	-
<i>Rank vs Fixed Income</i>	41	23	-	-	-	-	-	-
Allianz Global Investors	0.2	23.1	10.6	7.2	8.2	7.5	7.9	7.1
<i>Rank vs High Yield</i>	14	54	6	2	2	4	7	9
PIMCO	3.1	15.3	10.8	10.0	9.0	7.1	6.4	-
<i>Rank vs Fixed Income</i>	35	19	11	9	9	11	16	-
Workout (GSAM)	3.4	40.8	-	-	-	-	-	-
<i>Rank vs Fixed Income</i>	25	1	-	-	-	-	-	-
Total Domestic Fixed	2.9	16.3	8.1	6.5	6.9	5.7	5.6	6.9
<i>Rank vs Fixed Income</i>	44	17	41	64	58	49	32	37
Median Fixed Income	2.7	10.2	7.8	7.4	7.1	5.7	5.1	6.6
Median High Yield Mgr.	-0.5	23.7	7.3	4.0	5.5	5.4	6.6	5.8
Barclays Universal	3.1	10.6	7.7	7.2	7.1	5.6	5.2	6.6
Barclays Aggregate	3.5	9.5	7.8	7.6	7.2	5.5	5.0	6.5
Merrill Lynch HY II	-0.1	27.5	10.9	6.5	7.8	7.1	8.0	7.1
Merrill Lynch BB/B	0.2	21.8	8.5	5.4	6.7	6.2	7.1	6.4
T-Bills	0.0	0.2	0.6	1.6	2.5	2.8	2.4	2.7
GLOBAL FIXED INCOME								
Lazard Asset Mgmt	-0.2	8.3	3.0	-	-	-	-	-
<i>Rank vs. Global Fixed</i>	59	55	76	-	-	-	-	-
Barclays Global Aggregate	0.0	5.0	3.9	6.8	6.3	5.0	-	-
ALTERNATIVE INVESTMENTS*								
Adams Street**	3.3	20.8	-3.2	1.7	7.6	10.5	11.4	4.2
Bay Area Equity Fund**	2.7	7.3	5.2	19.7	21.6	16.6	-	-
Carpenter Bancfund**	-1.9	-1.2	5.9	-	-	-	-	-
Energy Investor Fund**	-1.1	18.7	49.4	87.3	69.1	61.0	-	-
Energy Investor Fund II**	2.1	2.8	3.9	9.6	14.2	-	-	-
Energy Investor Fund III**	-2.0	-10.5	1.7	-	-	-	-	-
Nogales**	3.6	16.3	-24.5	-34.5	-23.4	-17.1	-	-
Paladin III**	4.4	16.0	7.2	-	-	-	-	-
Pathway**	1.9	22.2	-3.7	2.5	10.9	15.9	15.9	3.3
Hancock PT Timber Fund	-7.9	-14.0	-1.8	2.0	5.4	6.1	6.1	4.4
Total Alternative	1.5	11.0	1.0	5.1	10.4	13.0	14.0	6.6
S&P 500 + 400 bps	-10.5	18.9	-4.4	-6.2	0.9	3.2	7.0	2.4

CUMULATIVE PERFORMANCE STATISTICS
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	<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	-2.4 %	53.2 %	-10.6 %	-12.4 %	-6.5 %	-0.9 %	7.8 %	- %
<i>Rank vs REITs</i>	<i>11</i>	<i>34</i>	<i>80</i>	<i>84</i>	<i>81</i>	<i>66</i>	<i>40</i>	<i>-</i>
BlackRock Realty	27.2	-3.9	-33.9	-22.9	-14.4	-6.6	-	-
<i>Rank</i>	<i>1</i>	<i>40</i>	<i>89</i>	<i>91</i>	<i>90</i>	<i>90</i>	<i>-</i>	<i>-</i>
DLJ RECP I**	0.9	-0.1	5.9	20.5	26.9	21.1	19.1	15.1
<i>Rank</i>	<i>52</i>	<i>33</i>	<i>4</i>	<i>2</i>	<i>1</i>	<i>1</i>	<i>3</i>	<i>8</i>
DLJ RECP II**	1.6	-20.9	-26.7	-13.5	-2.8	5.5	13.3	12.1
<i>Rank</i>	<i>46</i>	<i>86</i>	<i>82</i>	<i>77</i>	<i>26</i>	<i>13</i>	<i>9</i>	<i>14</i>
DLJ RECP III**	0.2	-23.6	-16.8	-7.3	-0.7	-	-	-
<i>Rank</i>	<i>57</i>	<i>88</i>	<i>38</i>	<i>21</i>	<i>19</i>	<i>-</i>	<i>-</i>	<i>-</i>
DLJ RECP IV**	1.1	1.2	-40.7	-	-	-	-	-
<i>Rank</i>	<i>50</i>	<i>32</i>	<i>93</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Fidelity II	5.9	-6.9	-38.3	-27.3	-20.4	-14.0	-	-
<i>Rank</i>	<i>6</i>	<i>49</i>	<i>92</i>	<i>92</i>	<i>92</i>	<i>94</i>	<i>-</i>	<i>-</i>
Fidelity III	16.0	-33.2	-42.9	-	-	-	-	-
<i>Rank</i>	<i>2</i>	<i>93</i>	<i>93</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Invesco Fund I	10.1	-18.6	-33.6	-23.7	-13.5	-6.1	-	-
<i>Rank</i>	<i>2</i>	<i>85</i>	<i>89</i>	<i>91</i>	<i>89</i>	<i>89</i>	<i>-</i>	<i>-</i>
Invesco Fund II	14.8	-28.5	-72.2	-	-	-	-	-
<i>Rank</i>	<i>2</i>	<i>91</i>	<i>99</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Invesco Int'l REIT	-11.2	6.6	-11.9	-	-	-	-	-
<i>Rank vs REITs</i>	<i>98</i>	<i>100</i>	<i>88</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Willows Office Property	1.1	5.1	4.7	16.5	13.6	12.3	8.3	13.2
<i>Rank</i>	<i>50</i>	<i>29</i>	<i>6</i>	<i>3</i>	<i>1</i>	<i>4</i>	<i>27</i>	<i>8</i>
Total Real Estate	-0.9	22.3	-17.5	-13.6	-6.8	-0.9	6.6	7.8
<i>Rank</i>	<i>63</i>	<i>18</i>	<i>45</i>	<i>77</i>	<i>77</i>	<i>56</i>	<i>40</i>	<i>39</i>
Median Real Estate	1.2	-6.9	-18.0	-11.0	-5.0	-0.1	5.7	6.4
Real Estate Benchmark	1.3	12.8	-7.8	-4.5	0.3	3.9	8.0	8.6
Wilshire REIT	-4.2	55.5	-7.8	-10.3	-5.3	-0.4	7.7	9.7
NCREIF Property Index	3.3	-1.5	-11.0	-4.7	0.4	3.8	6.7	7.2
NCREIF Index + 300 bps	4.1	1.5	-8.2	-1.8	3.5	6.9	9.9	10.4
NCREIF Index + 500 bps	4.5	3.5	-6.4	0.1	5.4	8.9	12.0	12.4
NCREIF Apartment	4.4	-0.1	-11.1	-5.6	-1.2	2.5	5.6	6.9
NCREIF Apt + 300 bps	5.2	2.9	-8.4	-2.7	1.8	5.6	8.7	10.1
Total Fund	-5.3 %	14.7 %	-3.4 %	-3.8 %	0.9 %	3.3 %	6.3 %	4.0 %
<i>Rank vs. Total Fund</i>	<i>59</i>	<i>21</i>	<i>64</i>	<i>60</i>	<i>58</i>	<i>35</i>	<i>13</i>	<i>25</i>
<i>Rank vs. Public Fund</i>	<i>49</i>	<i>17</i>	<i>69</i>	<i>62</i>	<i>58</i>	<i>33</i>	<i>7</i>	<i>21</i>
Median Total Fund	-4.4	12.1	-2.2	-3.1	1.3	2.7	4.7	3.2
Median Public Fund	-5.3	12.0	-2.3	-3.0	1.4	2.8	4.9	3.1
CPI + 400 bps	1.2	5.1	3.9	5.6	5.9	6.4	6.6	6.9

* See also see Internal Rates of Return for closed-end funds on page 15.

** Performance as of March 31, 2010.

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	-25.4%	-25.1%	-28.0%	-27.7%	07/01/06
ING Clarion III	36.2%	34.3%	26.8%	21.5%	12/12/08
Oaktree*	1.5%	1.5%	1.5%	1.5%	02/18/10
REAL ESTATE					
BlackRock Realty	-9.2%	-8.8%	-10.3%	-11.0%	11/19/04
DLJ RECP II	26.4%	22.2%	23.4%	18.0%	09/24/99
DLJ RECP III	-4.9%	-5.6%	-6.5%	-7.2%	06/23/05
DLJ RECP IV	-34.1%	-27.6%	-37.0%	-31.0%	02/11/08
Fidelity Growth Fund II	-16.0%	-15.9%	-17.5%	-17.4%	03/10/04
Fidelity Growth Fund III	-41.2%	-40.7%	-45.8%	-45.7%	03/30/07
Hearthstone I	n/a	n/a	3.8%	3.7%	06/15/95
Hearthstone II	n/a	n/a	27.1%	26.7%	06/17/98
Invesco Real Estate I	-10.0%	-10.0%	-11.6%	-11.6%	02/01/05
Invesco Real Estate II	-57.2%	-57.2%	-58.3%	-58.3%	11/26/07
ALTERNATIVE INVESTMENTS					
Adams Street Partners (combine)	13.5%	13.5%	10.2%	10.2%	03/18/96
Bay Area Equity Fund	16.8%	17.1%	7.5%	7.7%	06/14/04
Carpenter Bancfund	-2.9%	-2.5%	-10.7%	-9.2%	01/31/08
EIF US Power Fund I	35.9%	37.2%	31.1%	31.1%	11/26/03
EIF US Power Fund II	10.7%	9.4%	7.0%	5.9%	08/16/05
EIF US Power Fund III	1.6%	1.6%	0.0%	0.0%	05/30/07
Nogales	-16.1%	-17.0%	-26.0%	-26.7%	02/15/04
Paladin	-8.9%	-8.8%	-8.9%	-8.8%	11/30/07
Pathway (combine)	9.4%	9.7%	5.0%	6.4%	11/09/98
Benchmark ³	7.8%	n/a	n/a	n/a	
Benchmark ⁴	-0.8%	n/a	n/a	n/a	
PruTimber	4.7%	4.8%	3.8%	3.9%	12/12/95

Benchmarks:

Pathway

Benchmark ³

Venture Economics Buyout Pooled IRR - 1999-2010 as of 3/31/10

Benchmark ⁴

Venture Economics Venture Capital IRR - 1999-2010 as of 3/31/2010

* Oaktree returns reflect change in value over investment period

AFTER-FEE CUMULATIVE PERFORMANCE STATISTICS
Performance through Second Quarter, 2010

	<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 EQUITY								
Boston Partners	-11.8 %	14.4 %	-3.8 %	-8.4 %	-1.4 %	1.6 %	5.7 %	5.1 %
Delaware	-11.3	13.3	-6.6	-7.0	-3.1	-0.4	-	-
Emerald Advisors	-8.2	21.5	-4.4	-8.9	-4.0	0.9	-	-
Intech - Enhanced Plus	-10.8	14.9	-8.2	-9.2	-3.1	-0.7	3.9	-
Intech - Large Core	-10.3	14.9	-7.9	-8.9	-	-	-	-
PIMCO Stocks Plus	-11.1	21.8	-7.7	-10.4	-3.6	-1.4	2.3	-
Progress	-9.0	21.5	-9.8	-11.2	-5.1	-0.7	-	-
Rothschild	-10.4	13.7	-10.6	-10.9	-4.0	0.2	-	-
Wentworth, Hauser	-15.5	6.0	-8.3	-9.0	-2.9	-0.9	2.8	0.0
Total Domestic Equities	-11.3	15.3	-7.2	-9.1	-3.0	-0.3	3.7	-1.0
Median Equity	-10.4	15.9	-7.5	-8.7	-2.2	0.5	5.0	2.7
S&P 500	-11.4	14.4	-8.1	-9.8	-3.0	-0.8	2.8	-1.6
Russell 3000®	-11.3	15.7	-7.8	-9.5	-2.9	-0.5	3.5	-0.9
Russell 1000® Value	-11.1	16.9	-8.9	-12.3	-4.8	-1.7	3.5	2.4
Russell 1000® Growth	-11.7	13.6	-7.4	-6.9	-1.0	0.4	2.9	-5.1
Russell 2000®	-9.9	21.5	-4.6	-8.6	-2.9	0.4	5.8	3.0
Russell 2500™ Value	-10.2	26.5	-3.4	-9.3	-3.0	-0.1	6.6	7.6
Russell 2000® Growth	-9.2	18.0	-5.8	-7.5	-2.0	1.1	5.5	-1.7
INT'L EQUITY								
GMO Intrinsic Value	-14.1	1.3	-16.4	-14.7	-5.9	-	-	-
McKinley Capital	-12.6	6.8	-22.5	-17.3	-6.9	-	-	-
Total Int'l Equities	-13.4	4.0	-19.2	-15.8	-6.3	0.5	6.4	-0.2
Median Int'l Equity	-12.1	9.8	-12.0	-11.1	-2.5	2.8	8.9	3.4
MSCI EAFE Index	-13.7	6.4	-14.3	-12.9	-4.2	1.4	7.2	0.6
MSCI ACWI ex-US	-12.3	10.9	-12.3	-10.3	-1.5	3.8	9.4	2.3
S&P Citi PMI EPAC Value	-13.8	6.9	-13.5	-13.3	-4.1	1.8	8.0	2.6
MSCI ACWI ex-US Growth	-11.3	12.0	-13.7	-9.7	-1.3	4.0	8.4	0.0
GLOBAL EQUITY								
J.P. Morgan	-12.2	-	-	-	-	-	-	-
Total Global Equities	-12.2	-	-	-	-	-	-	-
Median Global Equity	-12.3	11.0	-10.9	-10.6	-2.0	3.4	-	-
MSCI ACWI Index	-12.1	11.8	-11.1	-10.5	-2.7	1.2	5.6	-
MSCI World Index	-12.5	10.8	-11.3	-10.9	-3.2	0.6	5.1	-0.6
DOMESTIC FIXED INCOME								
AFL-CIO Housing	2.6	7.7	7.8	7.5	7.1	5.5	4.9	6.6
Goldman Sachs	3.2	10.0	-	-	-	-	-	-
ING Clarion II	5.3	33.1	-23.1	-27.5	-	-	-	-
ING Clarion III	2.4	20.0	-	-	-	-	-	-
Lord Abbett	2.9	13.7	-	-	-	-	-	-
Allianz Global Investors	0.1	22.6	10.1	6.7	7.7	7.1	7.4	6.5
PIMCO	3.1	14.9	10.5	9.7	8.7	6.8	6.2	-
Workout (GSAM)	3.4	40.6	-	-	-	-	-	-
Total Domestic Fixed	2.7	15.6	7.6	6.0	6.4	5.3	5.1	6.5
Median Fixed Income	2.7	10.2	7.8	7.4	7.1	5.7	5.1	6.6
Median High Yield Mgr.	-0.5	23.7	7.3	4.0	5.5	5.4	6.6	5.8
Barclays Universal	3.1	10.6	7.7	7.2	7.1	5.6	5.2	6.6
Barclays Aggregate	3.5	9.5	7.8	7.6	7.2	5.5	5.0	6.5
Merrill Lynch HY II	-0.1	27.5	10.9	6.5	7.8	7.1	8.0	7.1
Merrill Lynch BB/B	0.2	21.8	8.5	5.4	6.7	6.2	7.1	6.4
T-Bills	0.0	0.2	0.6	1.6	2.5	2.8	2.4	2.7
GLOBAL FIXED INCOME								
Lazard Asset Mgmt	-0.3	8.0	2.7	-	-	-	-	-
Barclays Global Aggregate	0.0	5.0	3.9	6.8	6.3	5.0	-	-

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

AFTER-FEE CUMULATIVE PERFORMANCE STATISTICS
Performance through Second Quarter, 2010

	<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**	2.7 %	17.7 %	-5.1 %	-0.2 %	5.6 %	8.3 %	9.1 %	2.2 %
Bay Area Equity Fund**	2.2	5.0	2.8	16.0	17.0	11.0	-	-
Carpenter Bancfund**	-3.0	-5.4	-9.7	-	-	-	-	-
Energy Investor Fund**	-1.6	15.4	44.0	76.3	60.9	53.9	-	-
Energy Investor Fund II**	1.6	0.6	1.5	6.7	10.9	-	-	-
Energy Investor Fund III**	-3.5	-15.7	-4.5	-	-	-	-	-
Nogales**	1.7	9.9	-49.5	-50.9	-38.7	-31.0	-	-
Paladin III	2.8	10.5	0.1	-	-	-	-	-
Pathway**	0.8	19.1	-6.0	0.2	8.5	13.5	13.2	0.6
Hancock PT Timber Fund	-8.1	-14.9	-2.7	1.0	4.4	5.1	5.1	3.4
Total Alternative	0.7	7.8	-2.3	1.9	7.4	10.1	10.8	3.9
S&P 500 + 400 bps	-10.5	18.9	-4.4	-6.2	0.9	3.2	7.0	2.4
REAL ESTATE*								
Adelante Capital REIT	-2.5	52.6	-11.1	-12.9	-7.0	-1.4	7.3	-
BlackRock Realty	26.8	-5.5	-34.3	-23.2	-15.1	-8.1	-	-
DLJ RECP I**	0.9	-0.1	5.9	17.3	24.2	18.9	17.0	13.6
DLJ RECP II**	1.2	-22.1	-27.6	-14.3	-3.7	4.6	12.0	10.5
DLJ RECP III**	-0.2	-24.7	-17.6	-7.8	-1.5	-	-	-
DLJ RECP IV**	-0.6	1.5	-40.8	-	-	-	-	-
Fidelity II	5.4	-9.0	-39.5	-28.5	-21.0	-15.1	-	-
Fidelity III	13.2	-42.6	-48.2	-	-	-	-	-
Invesco Fund I	9.6	-20.1	-36.5	-25.3	-15.5	-10.4	-	-
Invesco Fund II	13.9	-31.1	-73.4	-	-	-	-	-
Invesco Int'l REIT	-11.3	5.9	-12.3	-	-	-	-	-
Willows Office Property	1.1	5.1	4.7	16.5	13.6	12.3	8.3	13.2
Total Real Estate	-1.2	21.3	-18.3	-14.4	-7.7	-1.9	5.6	6.7
Median Real Estate	1.2	-6.9	-18.0	-11.0	-5.0	-0.1	5.7	6.4
Real Estate Benchmark	1.3	12.8	-7.8	-4.5	0.3	3.9	8.0	8.6
Wilshire REIT	-4.2	55.5	-7.8	-10.3	-5.3	-0.4	7.7	9.7
NCREIF Property Index	3.3	-1.5	-11.0	-4.7	0.4	3.8	6.7	7.2
NCREIF Index + 300 bps	4.1	1.5	-8.2	-1.8	3.5	6.9	9.9	10.4
NCREIF Index + 500 bps	4.5	3.5	-6.4	0.1	5.4	8.9	12.0	12.4
NCREIF Apartment	4.4	-0.1	-11.1	-5.6	-1.2	2.5	5.6	6.9
NCREIF Apt + 300 bps	5.2	2.9	-8.4	-2.7	1.8	5.6	8.7	10.1
CCCERA Total Fund	-5.5 %	14.0 %	-4.0 %	-4.4 %	0.4	2.7 %	5.8 %	3.5 %
CPI + 400 bps	1.2	5.1	3.9	5.6	5.9	6.4	6.6	6.9

See also IRRs on closed end funds (some fixed income, alternatives and real estate) on Page 15.

** Performance as of March 31, 2010.

YEAR BY YEAR PERFORMANCE STATISTICS
Performance through Second Quarter, 2010

DOMESTIC EQUITY	YTD	2009	2008	2007	2006	2005	2004
Boston Partners	-5.8 %	27.3 %	-33.2 %	4.3 %	20.2 %	12.0 %	16.6 %
<i>Rank vs Equity</i>	<i>57</i>	<i>57</i>	<i>22</i>	<i>60</i>	<i>12</i>	<i>14</i>	<i>31</i>
<i>Rank vs Lg Value</i>	<i>58</i>	<i>27</i>	<i>16</i>	<i>24</i>	<i>36</i>	<i>14</i>	<i>32</i>
Delaware	-9.0	43.9	-42.6	13.6	3.2	-	-
<i>Rank vs Equity</i>	<i>91</i>	<i>10</i>	<i>81</i>	<i>15</i>	<i>91</i>	<i>-</i>	<i>-</i>
<i>Rank vs Lg Growth</i>	<i>70</i>	<i>11</i>	<i>76</i>	<i>33</i>	<i>74</i>	<i>-</i>	<i>-</i>
Emerald Advisors	-2.0	33.2	-36.5	3.2	13.8	10.1	4.1
<i>Rank vs Equity</i>	<i>29</i>	<i>36</i>	<i>41</i>	<i>64</i>	<i>56</i>	<i>25</i>	<i>93</i>
<i>Rank vs Sm Cap Growth</i>	<i>65</i>	<i>54</i>	<i>35</i>	<i>48</i>	<i>39</i>	<i>20</i>	<i>86</i>
Intech - Enhanced Plus	-5.7	25.7	-37.0	7.4	14.4	8.9	15.3
<i>Rank vs Equity</i>	<i>56</i>	<i>70</i>	<i>48</i>	<i>36</i>	<i>54</i>	<i>34</i>	<i>37</i>
<i>Rank vs Lg Core</i>	<i>19</i>	<i>75</i>	<i>53</i>	<i>79</i>	<i>80</i>	<i>14</i>	<i>7</i>
Intech - Large Cap Core	-5.5	24.6	-36.2	7.0	-	-	-
<i>Rank vs Equity</i>	<i>53</i>	<i>75</i>	<i>37</i>	<i>38</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Rank vs Lg Core</i>	<i>16</i>	<i>85</i>	<i>27</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
PIMCO Stocks Plus	-4.8	37.3	-43.5	5.0	15.7	4.6	11.1
<i>Rank vs Equity</i>	<i>47</i>	<i>23</i>	<i>85</i>	<i>56</i>	<i>43</i>	<i>75</i>	<i>62</i>
<i>Rank vs Lg Core</i>	<i>10</i>	<i>6</i>	<i>97</i>	<i>68</i>	<i>64</i>	<i>78</i>	<i>15</i>
Progress	-1.9	33.5	-42.5	6.1	15.4	9.1	-
<i>Rank vs Equity</i>	<i>28</i>	<i>36</i>	<i>81</i>	<i>42</i>	<i>46</i>	<i>32</i>	<i>-</i>
<i>Rank vs Sm Core</i>	<i>63</i>	<i>40</i>	<i>91</i>	<i>17</i>	<i>46</i>	<i>36</i>	<i>-</i>
Rothschild	-4.2	13.7	-28.6	1.8	21.3	11.2	20.7
<i>Rank vs Equity</i>	<i>44</i>	<i>94</i>	<i>11</i>	<i>70</i>	<i>9</i>	<i>18</i>	<i>15</i>
<i>Rank vs Sm Cap Value</i>	<i>83</i>	<i>97</i>	<i>28</i>	<i>31</i>	<i>19</i>	<i>23</i>	<i>39</i>
Wentworth, Hauser	-12.2	35.2	-34.8	6.6	7.2	9.6	13.6
<i>Rank vs Equity</i>	<i>98</i>	<i>30</i>	<i>29</i>	<i>40</i>	<i>83</i>	<i>28</i>	<i>46</i>
<i>Rank vs Lg Core</i>	<i>99</i>	<i>8</i>	<i>16</i>	<i>36</i>	<i>98</i>	<i>9</i>	<i>15</i>
Total Domestic Equities	-6.2	30.8	-37.5	6.5	13.5	8.8	13.0
<i>Rank vs Equity</i>	<i>62</i>	<i>43</i>	<i>55</i>	<i>40</i>	<i>60</i>	<i>35</i>	<i>49</i>
Median Equity	-5.0	29.0	-37.0	5.5	15.0	6.5	12.9
S&P 500	-6.7	26.5	-37.0	5.5	15.8	4.9	10.9
Russell 3000®	-6.1	28.3	-37.3	5.1	15.7	6.1	12.0
Russell 1000® Value	-5.1	19.7	-36.9	-0.2	22.2	7.0	16.5
Russell 1000® Growth	-7.6	37.2	-38.4	11.8	9.1	5.3	6.3
Russell 2000®	-2.0	27.2	-33.8	-1.6	18.4	4.6	18.3
Rothschild Benchmark	-1.6	27.7	-32.0	-7.3	20.2	5.5	22.3
Russell 2000® Growth	-2.3	34.5	-38.5	7.1	13.4	4.2	14.3
INT'L EQUITY							
GMO	-12.8	19.3	-38.4	10.6	26.2	-	-
<i>Rank vs Int'l Eq</i>	<i>75</i>	<i>92</i>	<i>18</i>	<i>60</i>	<i>44</i>	<i>-</i>	<i>-</i>
McKinley Capital	-12.4	27.5	-49.9	20.1	-	-	-
<i>Rank vs Int'l Eq</i>	<i>72</i>	<i>72</i>	<i>82</i>	<i>17</i>	<i>-</i>	<i>-</i>	<i>-</i>
Total Int'l Equities	-12.6	23.3	-44.1	15.3	26.6	20.0	18.1
<i>Rank vs Int'l Eq</i>	<i>74</i>	<i>83</i>	<i>55</i>	<i>36</i>	<i>41</i>	<i>32</i>	<i>68</i>
Median Int'l Equity	-10.9	36.1	-43.4	11.9	25.9	15.9	19.9
MSCI EAFE Index	-12.9	32.5	-43.1	11.6	26.9	14.0	20.7
MSCI ACWI ex-US	-10.8	42.1	-45.2	17.1	27.2	17.1	21.4
S&P Citi PMI EPAC Value	-12.7	32.2	-43.7	12.2	28.1	15.7	23.5
MSCI ACWI ex-US Growth	-9.4	39.2	-45.4	21.4	24.0	17.1	17.1

YEAR BY YEAR PERFORMANCE STATISTICS
Performance through Second Quarter, 2010

	<u>YTD</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
DOMESTIC FIXED INCOME							
AFL-CIO Housing	5.0 %	6.7 %	5.7 %	7.1 %	5.1 %	3.0 %	4.6 %
<i>Rank vs Fixed Income</i>	46	61	25	34	28	25	41
Goldman Sachs Core	5.7	9.8	-	-	-	-	-
<i>Rank vs Fixed Income</i>	25	39	-	-	-	-	-
ING Clarion II	18.3	16.4	-64.9	-6.6	-	-	-
<i>Rank vs Fixed Income</i>	1	97	99	100	-	-	-
ING Clarion III	8.1	45.2	-	-	-	-	-
<i>Rank vs Fixed Income</i>	1	60	-	-	-	-	-
Lord Abbett	5.7	15.6	-	-	-	-	-
<i>Rank vs Fixed Income</i>	24	11	-	-	-	-	-
Allianz Global Investors	4.0	47.1	-20.0	7.1	10.2	3.8	9.1
<i>Rank vs. High Yield</i>	32	52	14	34	32	15	66
PIMCO	6.2	16.4	0.0	8.4	4.8	3.4	5.6
<i>Rank vs Fixed Income</i>	15	9	73	13	37	18	20
Workout (GSAM)	14.5	35.1	-	-	-	-	-
<i>Rank vs Fixed Income</i>	1	1	-	-	-	-	-
Total Domestic Fixed	6.3	17.8	-8.1	5.8	7.5	3.7	6.3
<i>Rank vs Fixed Income</i>	13	6	92	62	11	14	16
Median Fixed Income	4.8	8.3	3.9	6.5	4.5	2.5	4.4
Median High Yield Mgr.	3.6	47.3	-24.9	6.5	9.0	2.5	9.8
Barclays Universal	5.2	8.6	2.4	6.5	5.0	2.7	5.0
Barclays Aggregate	5.3	5.9	5.2	7.0	4.3	2.4	4.3
ML High Yield II	4.7	57.5	-26.2	2.1	11.7	2.7	10.8
T-Bills	0.1	0.2	2.1	5.0	4.8	3.1	1.3
Global Fixed Income							
Lazard Asset Mgmt	0.6	11.3	-0.4	-	-	-	-
<i>Rank vs. Global Fixed</i>	63	54	31	-	-	-	-
Barclays Global Aggregate	-0.3	6.9	4.8	-	-	-	-
ALTERNATIVE INVESTMENTS							
Adams Street**	3.8	-6.9	-4.9	27.9	23.5	17.0	13.0
Bay Area Equity Fund**	10.8	0.2	24.4	63.6	-6.5	1.9	-
Carpenter Bancfund	-1.7	7.1	-	-	-	-	-
Energy Investor Fund**	23.4	90.3	220.5	2.2	12.7	84.2	-
Energy Investor Fund II**	1.4	0.4	19.7	12.5	-	-	-
Energy Investor Fund III**	-9.9	11.0	108.9	-	-	-	-
Nogales**	8.7	-47.7	-51.4	21.2	11.0	13.1	-
Paladin III**	4.3	10.1	-10.9	-	-	-	-
Pathway**	9.0	-9.0	-6.6	50.4	21.4	42.5	12.2
Hancock PT Timber Fund	-8.1	-5.8	11.9	14.7	12.1	9.8	6.9
Total Alternative	5.4	-1.5	1.8	28.0	19.2	33.3	11.4
S&P 500 + 400 bps	-4.8	31.4	-34.4	9.7	19.8	8.9	14.9

See also IRRs on closed end funds (some fixed income, alternatives and real estate) on Page 15.

** Performance as of March 31, 2010.

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YEAR BY YEAR PERFORMANCE STATISTICS
Performance through Second Quarter, 2010

	<u>YTD</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
REAL ESTATE							
Adelante Capital REIT	7.8 %	29.3 %	-44.8 %	-16.9 %	38.2 %	16.7 %	36.9 %
<i>Rank</i>	8	48	65	55	13	4	11
BlackRock Realty	29.9	-53.1	-28.2	14.8	23.8	28.7	-
<i>Rank</i>	1	100	80	44	27	11	-
DLJ RECP I**	1.2	-3.1	39.0	34.2	41.2	14.2	11.8
<i>Rank</i>	62	27	1	2	6	62	54
DLJ RECP II**	-18.4	-30.5	4.0	34.8	35.7	51.3	33.8
<i>Rank</i>	95	74	12	1	17	4	19
DLJ RECP III**	-18.3	-15.4	1.7	30.5	10.2	-	-
<i>Rank</i>	95	32	16	2	79	-	-
DLJ RECP IV**	-17.1	-53.5	-	-	-	-	-
<i>Rank</i>	94	100	-	-	-	-	-
Fidelity II	5.3	-40.0	-41.9	5.0	16.5	16.1	-
<i>Rank</i>	19	93	93	74	45	51	-
Fidelity III	25.1	-71.2	-10.7	-	-	-	-
<i>Rank</i>	1	100	58	-	-	-	-
Invesco Fund I	15.8	-49.2	-23.2	10.4	38.1	-	-
<i>Rank</i>	1	98	78	63	10	-	-
Invesco Fund II	25.5	-72.8	-81.3	-	-	-	-
<i>Rank</i>	1	100	100	-	-	-	-
Invesco Intl REIT	-11	40	-	-	-	-	-
<i>Rank</i>	100	8	-	-	-	-	-
Willows Office Property	2.6	4.9	3.7	44.5	7.4	7.5	-8.9
<i>Rank</i>	51	24	13	1	87	80	96
Total Real Estate	3.0	-0.5	-34.2	-3.0	33.8	20.4	30.4
<i>Rank</i>	<i>44</i>	<i>26</i>	<i>83</i>	<i>82</i>	<i>20</i>	<i>29</i>	<i>23</i>
Median Real Estate	2.8	-28.7	-10.4	13.9	15.6	16.7	12.3
Real Estate Benchmark	1.7	-3.3	-15.2	6.3	-	-	-
DJ Wilshire REIT Index	5.2	28.6	-39.2	-17.6	36.0	13.8	33.1
NCREIF Property Index	4.1	-16.9	-6.5	15.8	16.6	20.1	14.5
CCCERA Total Fund	-1.9	21.9	-26.5	7.3	15.3	10.8	13.38
<i>Rank vs. Total Fund</i>	<i>61</i>	<i>32</i>	<i>68</i>	<i>45</i>	<i>13</i>	<i>5</i>	<i>15</i>
<i>Rank vs. Public Fund</i>	<i>55</i>	<i>26</i>	<i>74</i>	<i>42</i>	<i>11</i>	<i>2</i>	<i>8</i>
Median Total Fund	-1.1	18.4	-23.0	7.1	12.0	6.1	10.4
Median Public Fund	-1.6	18.1	-22.9	6.9	11.9	6.0	10.0
CPI + 400 bps	3.0	6.9	4.2	8.3	6.6	7.6	7.4

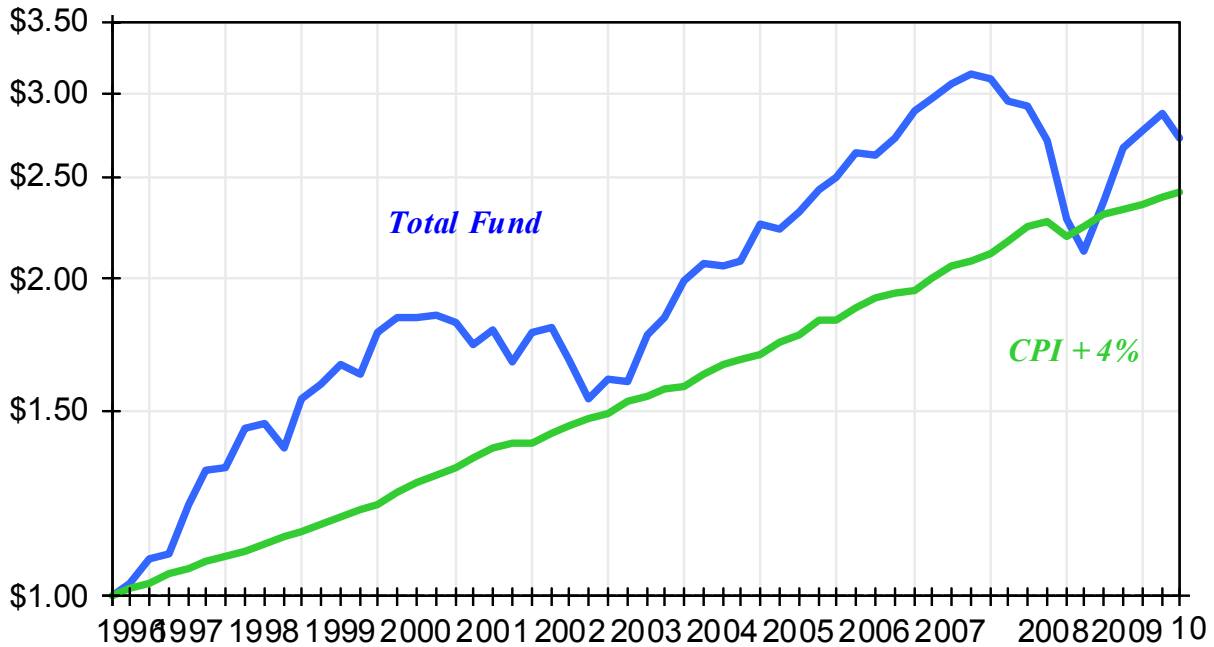
** Performance as of March 31, 2010.

TOTAL FUND PERFORMANCE

Total Fund

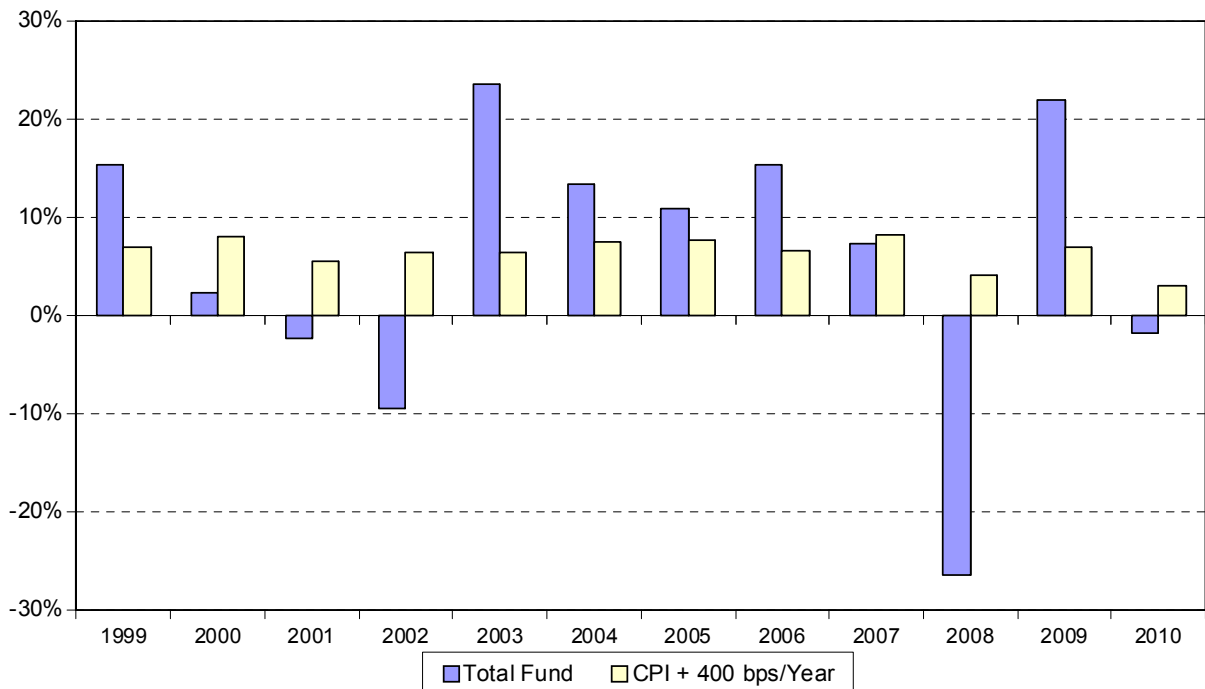
Total Fund vs. CPI + 4% per Year

Cumulative Value of \$1 (Gross of Fees)

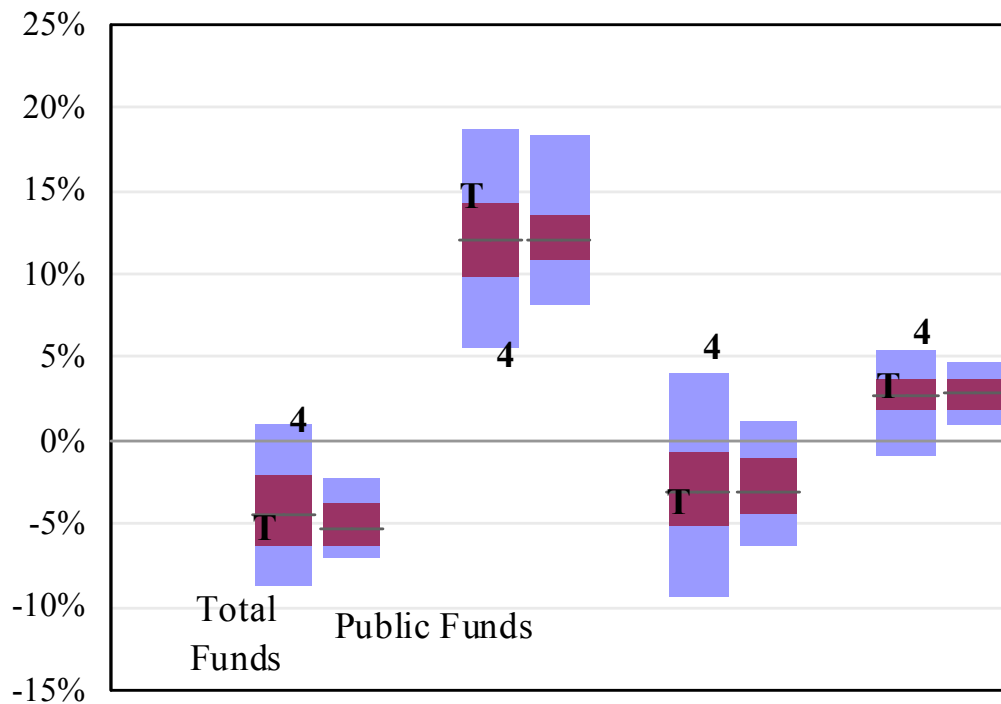


Total Fund vs. CPI plus 400 bps/Year

Year by Year Performance



Total Fund



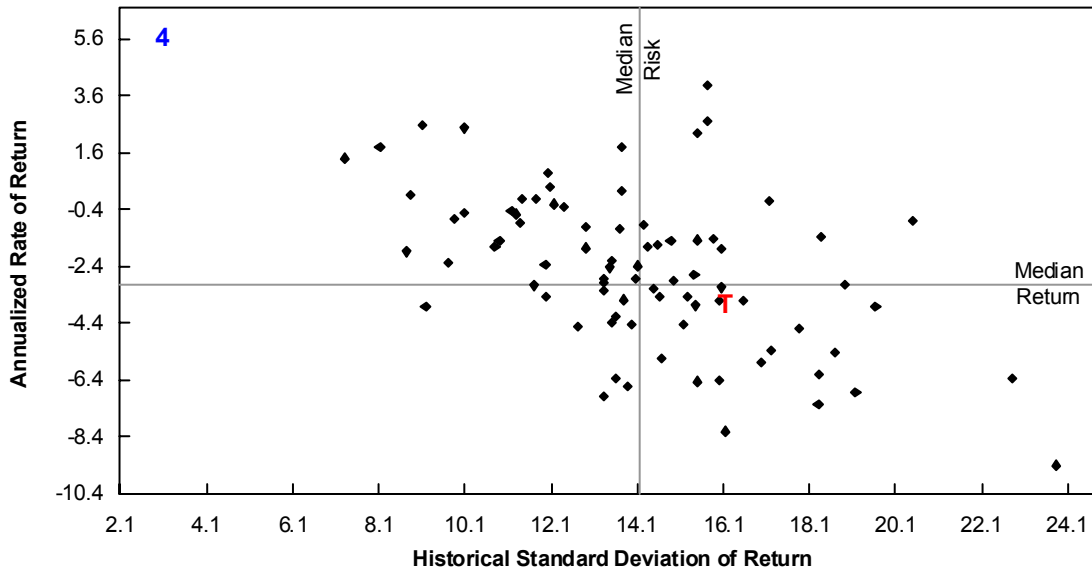
	Qtr	1 Year	3 Years	5 Years
Total Fund (T)	-5.3	14.7	-3.8	3.3
<i>Rank v. Total Fd</i>	59	21	60	35
<i>Rank v. Public Fd</i>	49	17	62	33
CPI + 4% (4)	1.2	5.1	5.6	6.4
Total Fund Median	-4.4	12.1	-3.1	1.8
Total Public Median	-5.3	12.0	-3.0	2.8

CCCERA Total Fund returned -5.3% in the second quarter, below the -4.4% return of the median total fund but matching the -5.3% return of the median total public fund. For the one-year period, the Total Fund returned 14.7%, better than the 12.1% for the median total fund and 12.0% 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

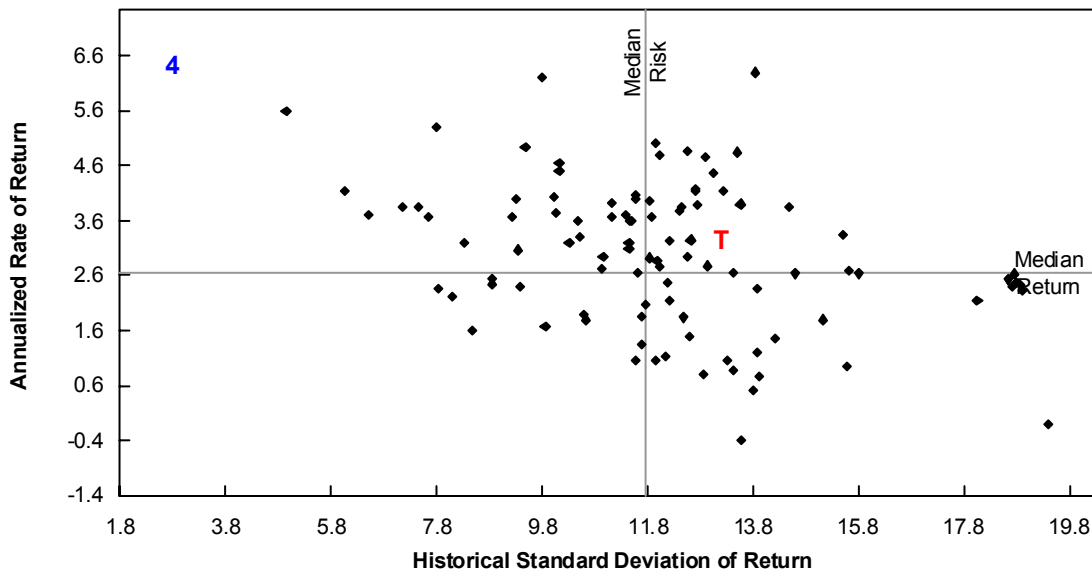
Three Years Ending June 30, 2010



	<u>Annualized Return</u>	<u>Standard Deviation</u>	<u>Risk/Reward Ratio</u>
Total Fund (T)	-3.8 %	16.2 %	-0.33
CPI + 4% (4)	5.6	3.1	1.29
Median Fund	-3.1	14.2	-0.33

Performance and Variability

Five Years Ending June 30, 2010



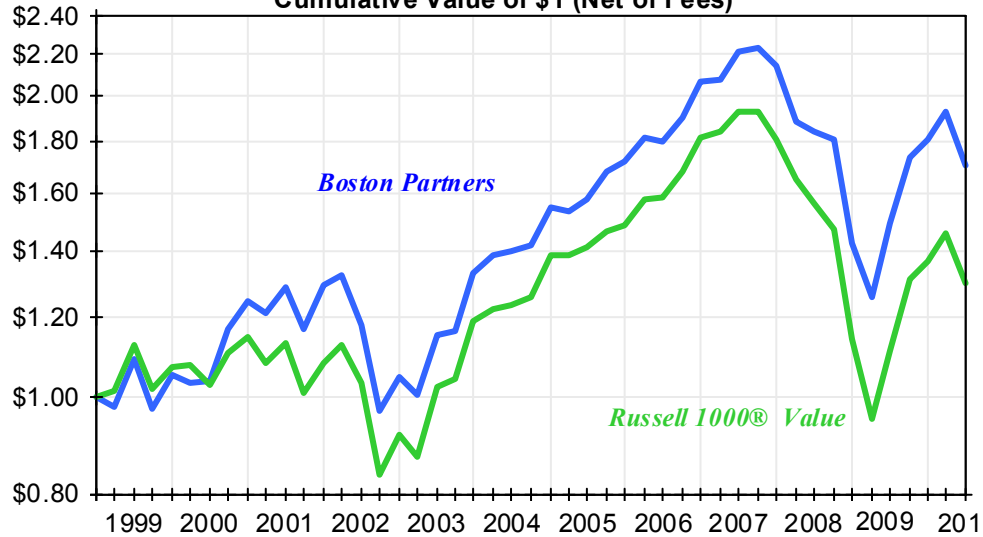
	<u>Annualized Return</u>	<u>Standard Deviation</u>	<u>Risk/Reward Ratio</u>
Total Fund (T)	3.3 %	16.2 %	0.03
CPI + 4% (4)	6.4	3.1	1.17
Median Fund	2.7	14.2	-0.01

MANAGER COMMENTS – DOMESTIC EQUITY

Boston Partners

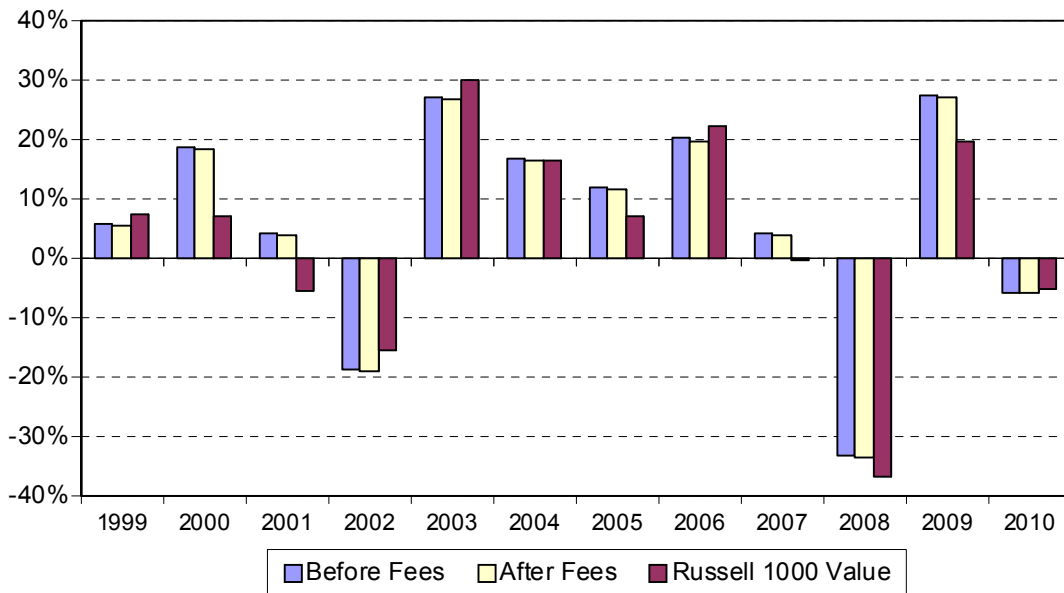
Boston Partners vs. Russell 1000 Value

Cumulative Value of \$1 (Net of Fees)

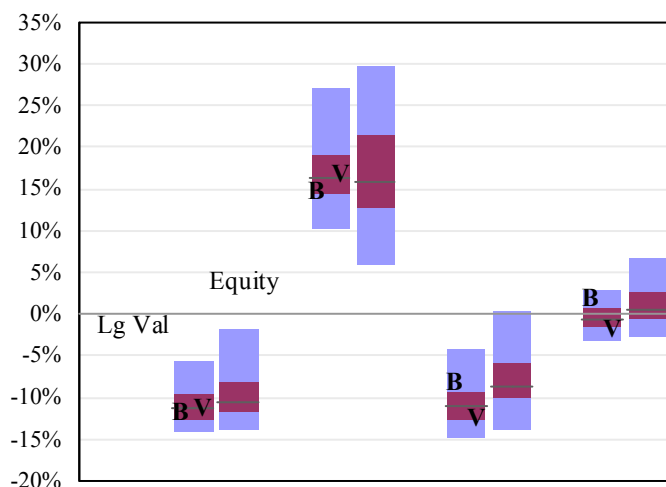


Boston vs. Russell 1000® Value

Year by Year Performance



Boston Partners



	Qtr	1 Year	3 Years	5 Years
Boston (B)	-11.7	14.8	-8.1	1.9
Rank v. Lg Value	63	73	18	8
Rank v. Equity	76	57	43	31
Rus 1000 Val (V)	-11.1	16.9	-12.3	-1.7
Lg Val Median	-11.1	16.4	-11.1	-1.6
Equity Median	-10.4	15.9	-8.7	0.5

Portfolio Characteristics	Boston Partners	Russell 1000® Value
Eq Mkt Value (\$Mil)	253.4	N/A
Wtd. Avg. Cap (\$Bil)	67.8	63.1
Beta	1.02	1.04
Yield (%)	1.63	2.51
P/E Ratio	13.82	16.56
Cash (%)	1.5	0.0
Number of Holdings	83	669
Turnover Rate (%)	71.2	-

Sector	Boston Partners	Russell 1000® Value
Energy	11.5 %	10.6 %
Materials	3.4	2.9
Industrials	6.7	9.1
Cons. Discretionary	11.7	7.3
Consumer Staples	5.9	10.5
Health Care	12.9	13.4
Financials	29.8	28.5
Info Technology	16.0	5.4
Telecom Services	0.5	5.0
Utilities	1.7	7.4

Boston Partners' second quarter return of -11.7% lagged the -11.1% return of the Russell 1000® Value Index and ranked in the 63rd percentile of large value managers. For the one-year period, Boston Partners returned 14.8%, lower than the 16.9% 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.

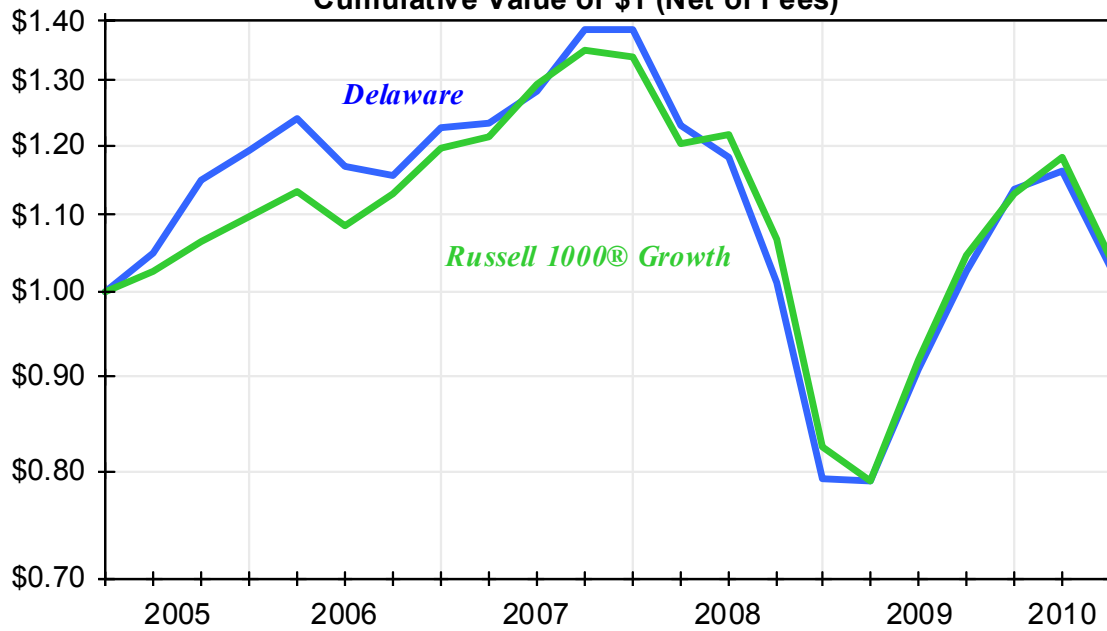
At the end of the quarter, the portfolio had a lower P/E ratio than the index and held 83 stocks, concentrated in the large to mid capitalization sectors. Boston Partners' largest positive economic sector over-weights were in the information technology, consumer discretionary and financials sectors, while the largest under-weights were in the utilities, consumer staples and telecom services sectors.

Boston Partners' second quarter performance relative to the Russell 1000® Value Index was helped by stock selection decisions but hurt by sector allocation and active trading decisions. Stock selection was strongest in the health care and energy sectors but underweight positions in the telecom and utilities sectors hurt performance. Top performing holdings included Pactiv Corp (+11%), Dr. Pepper Snapple Group (+7%) and EOG Resources (+6%), while the worst performing holdings included Guess Inc. (-33%), Walgreens (-28%) and eBay (-27%).

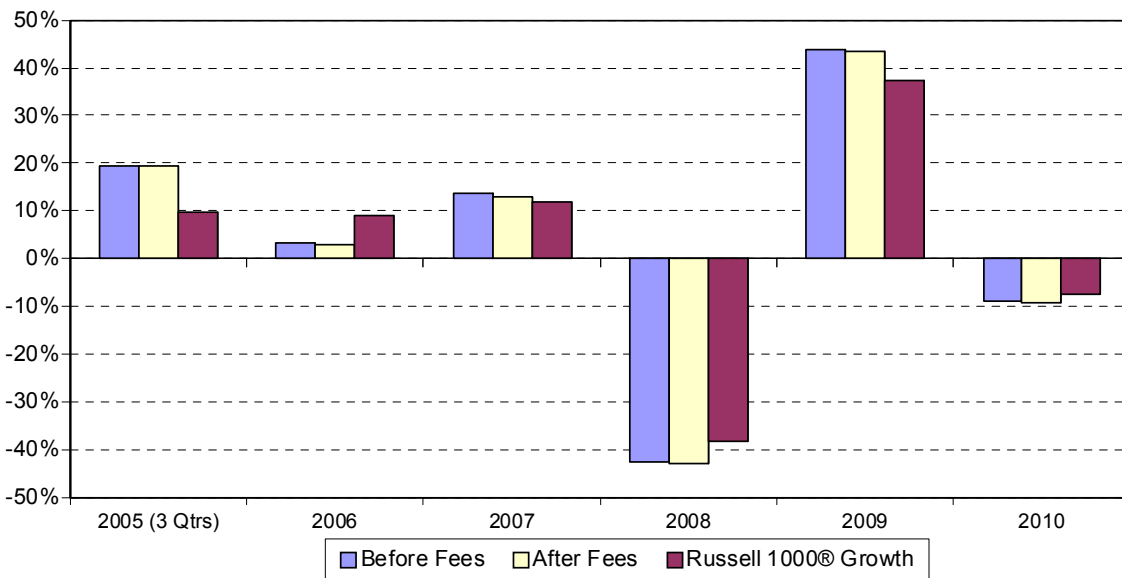
MANAGER COMMENTS – DOMESTIC EQUITY

Delaware

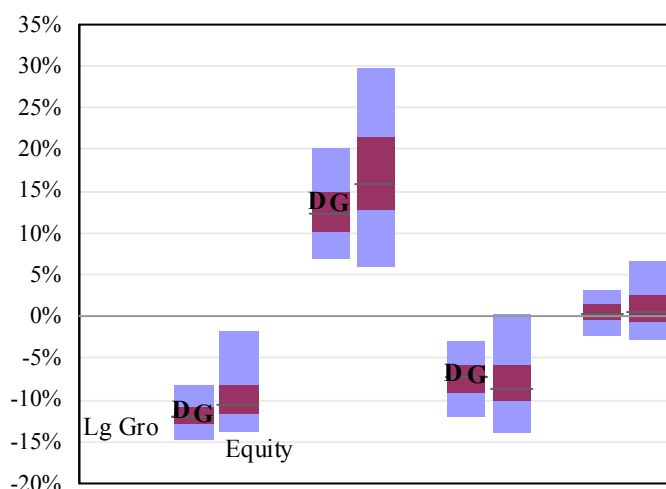
Delaware vs. Russell 1000 Growth Cumulative Value of \$1 (Net of Fees)



Delaware vs. Russell 1000® Growth Year by Year Performance



Delaware



	Qtr	1 Year	3 Years	5 Years
Delaware (D)	-11.2	13.8	-6.6	0.1
Rank v. Lg Gro	31	32	37	61
Rank v. Equity	61	69	30	55
Ru 1000 Gro (G)	-11.7	13.6	-6.9	0.4
Lg Gro Median	-12.0	12.4	-7.3	0.4
Equity Median	-10.4	15.9	-8.7	0.5

Portfolio Characteristics	Delaware	Russell 1000® Growth
Eq Mkt Value (\$Mil)	246.37	N/A
Wtd. Avg. Cap (\$Bil)	46.31	69.6
Beta	0.92	1.00
Yield (%)	0.76	1.68
P/E Ratio	21.61	17.99
Cash (%)	1.4	0.0
Number of Holdings	28	631
Turnover Rate (%)	35.8	-

Sector	Delaware	Russell 1000® Growth
Energy	4.4 %	10.1 %
Materials	2.6	4.6
Industrials	2.7	13.0
Cons. Discretionary	12.5	14.2
Consumer Staples	5.0	10.0
Health Care	18.1	11.0
Financials	10.1	4.7
Info Technology	40.1	31.4
Telecom Services	4.6	0.9
Utilities	0.0	0.2

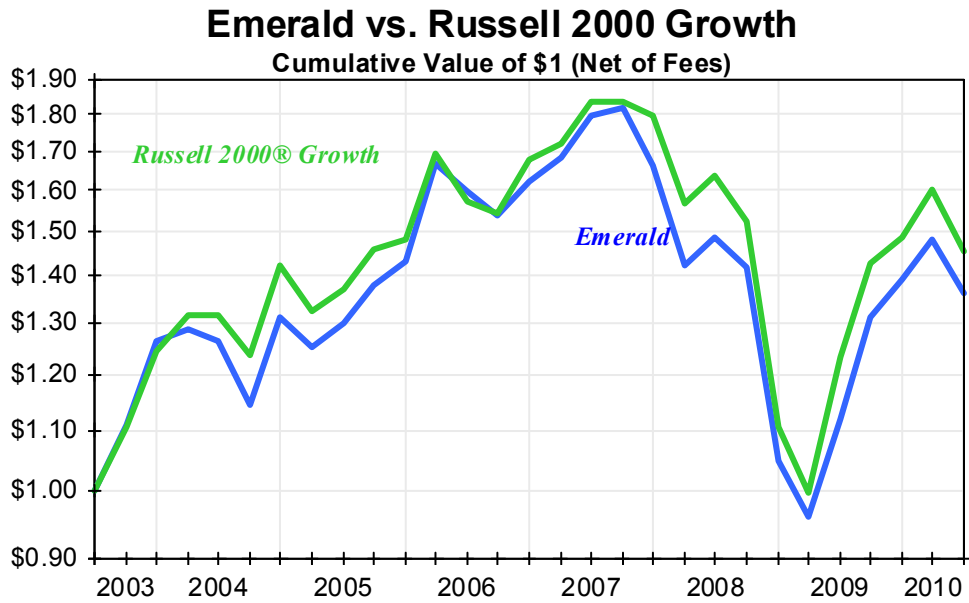
Delaware's return of -11.2% for the second quarter was better than the -11.7% return of the Russell 1000® Growth Index, and ranked in the 31st percentile in the universe of large growth equity managers. Over the past year, the portfolio returned 13.8%, slightly ahead of the Russell 1000® Growth Index return of 13.6%, and ranked in the 32nd percentile of large growth equity managers. Since inception performance slightly trails the Russell 1000® Growth Index, net of fees. Delaware is in compliance with some of CCCERA's performance objectives.

The portfolio (compared to the Russell 1000® Growth Index) had a below-index yield and an above-index P/E ratio. It included 28 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 information technology, health care and financials sectors, while the largest under-weights were in the industrials, energy and consumer staples sectors.

Delaware's second quarter performance relative to the Russell 1000® Growth Index was helped by stock selection decisions but hurt by sector allocation decisions. Stock selection was strongest in the energy and financials sectors. Trading decisions had a small negative impact on performance for the quarter. The top performing holdings included Apple Computer (+7%), EOG Resources (+6%) and Teradata (+6%). The worst performing holdings included Priceline.com (-31%), Walgreens (-28%) and Adobe Systems (-25%).

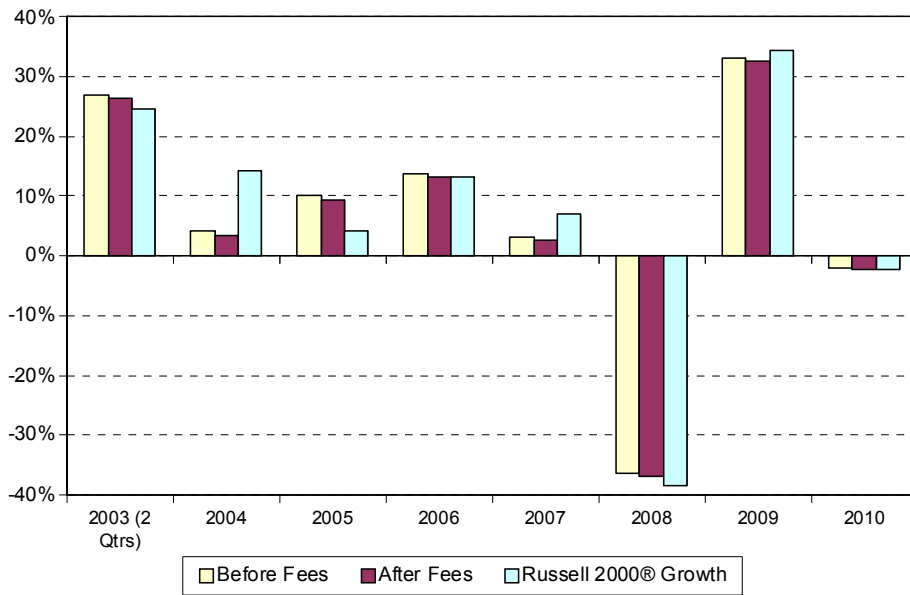
MANAGER COMMENTS – DOMESTIC EQUITY

Emerald

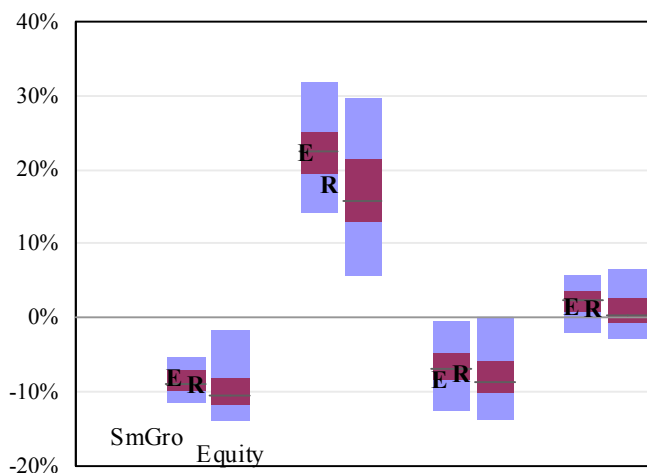


Emerald vs. Russell 2000® Growth

Year by Year Performance



Emerald



	Qtr	1 Year	3 Years	5 Years
Emerald (E)	-8.0	22.3	-8.3	1.5
Rank v. Sm Gro	40	52	73	63
Rank v. Equity	24	22	45	36
Ru 2000 Gro (R)	-9.2	18.0	-7.5	1.1
Sm Gro Median	-8.8	22.6	-6.7	2.4
Equity Median	-10.4	15.9	-8.7	0.5

Portfolio Characteristics	Emerald	Russell 2000® Growth
Eq Mkt Value (\$Mil)	118.45	N/A
Wtd. Avg. Cap (\$Bil)	1.19	0.98
Beta	1.32	1.26
Yield (%)	0.26	0.56
P/E Ratio	44.83	50.69
Cash (%)	0.5	0.0
Number of Holdings	120	1,291
Turnover Rate (%)	116.3	-

Sector	Emerald	Russell 2000® Growth
Energy	3.7 %	3.9 %
Materials	5.1	4.4
Industrials	11.9	17.3
Cons. Discretionary	21.9	17.8
Consumer Staples	1.7	3.3
Health Care	20.5	21.4
Financials	5.7	5.1
Info Technology	29.4	25.5
Telecom Services	0.0	1.3
Utilities	0.0	0.1

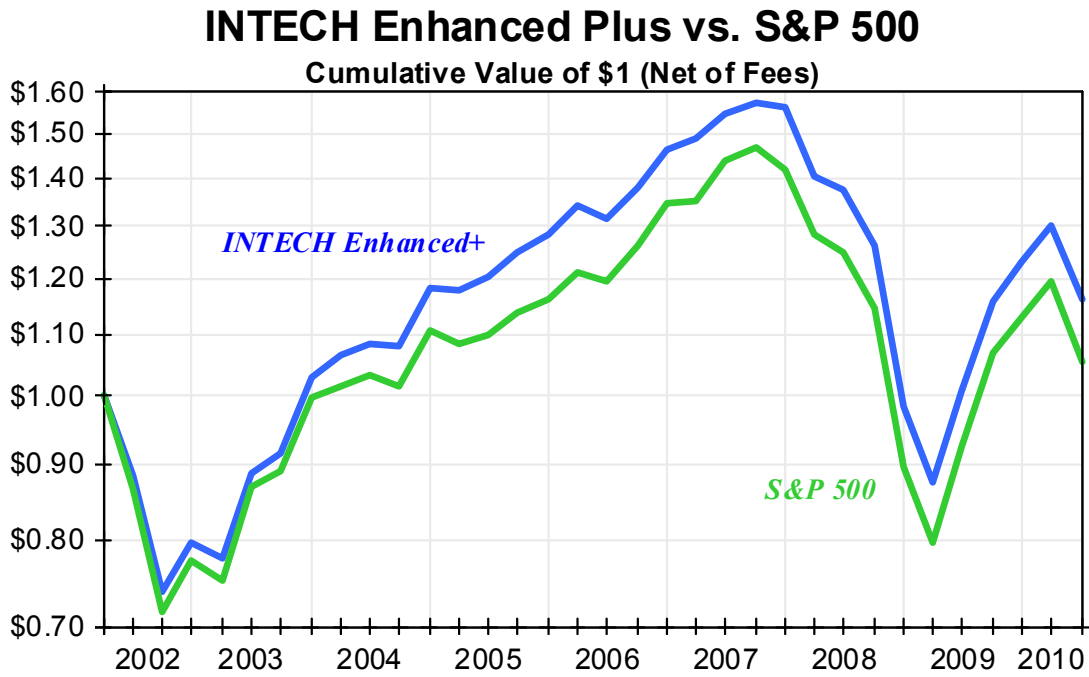
Emerald's return of -8.0% for the second quarter was better than the -9.2% return of the Russell 2000® Growth index and ranked in the 40th percentile in the universe of small growth equity managers. For the one-year period, Emerald returned 22.3%, better than the 18.0% return of the Russell 2000® Growth, and ranked in the 52nd percentile in the universe of small growth equity managers. Over the past five years Emerald has returned 1.5%, exceeding the index return of 1.1% but ranking below the small growth median. Emerald is in compliance with some of CCCERA's performance objectives.

The portfolio has a higher beta than the Russell 2000® Growth Index and a well below-index yield. It includes 125 stocks, concentrated in the small capitalization sectors. Emerald's largest economic sector over-weights relative to the Russell 2000® Growth Index are in the consumer discretionary, information technology and materials sectors. The largest under-weights are in the industrials, consumer staples and telecom sectors.

Emerald's second quarter performance relative to the Russell 2000® Growth Index was helped by stock selection decisions but hurt slightly by sector allocation decisions. Active trading detracted from performance. The top performing holdings included Cost Plus (+72%), Universal Display (+53%) and Rubicon Technology (+47%). The worst performing holdings included Valuevision Intl (-47%), Formfactor Inc. (-39%) and Horsehead Holding Corp (-36%).

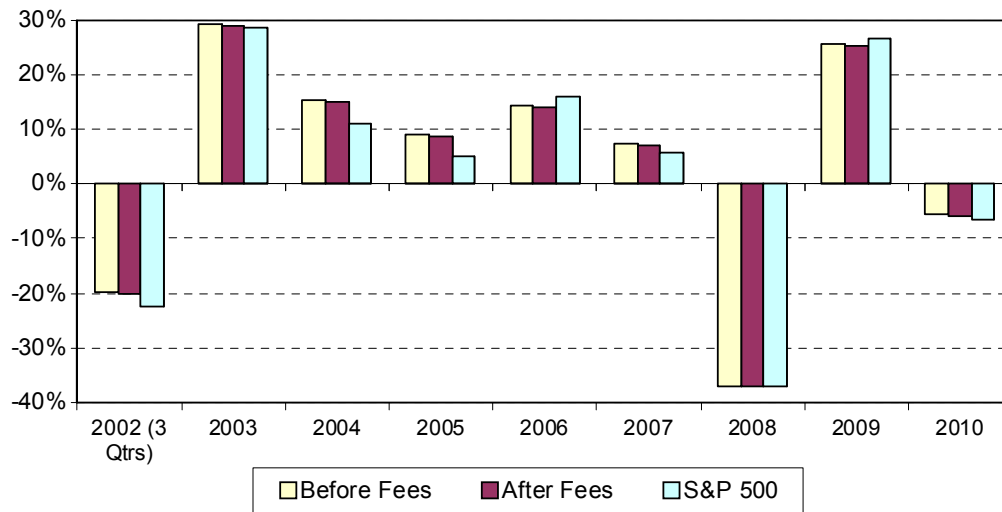
MANAGER COMMENTS – DOMESTIC EQUITY

Intech - Enhanced Plus

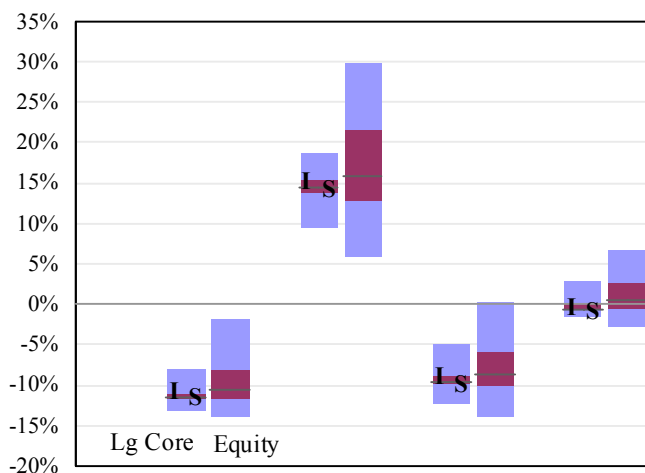


Intech Enhanced Plus vs. S&P 500

Year by Year Performance



Intech - Enhanced Plus



	Qtr	1 Year	3 Years	5 Years
INTECH Enh+ (I)	-10.7	15.3	-8.8	-0.4
Rank v. Lg Core	18	27	25	41
Rank v. Equity	53	53	51	65
S&P 500 (S)	-11.4	14.4	-9.8	-0.8
Lg Core Median	-11.4	14.5	-9.7	-0.6
Equity Median	-10.4	15.9	-8.7	0.5

Portfolio Characteristics	Intech - Enhanced Plus	S&P 500
Eq Mkt Value (\$Mil)	18.85	N/A
Wtd. Avg. Cap (\$Bil)	70.04	75.23
Beta	1.04	1.00
Yield (%)	2.12 %	2.19 %
P/E Ratio	15.46	16.62
Cash (%)	0.5 %	0.0 %

Number of Holdings	370	500
Turnover Rate (%)	93.1	-

Sector	Intech - Enhanced Plus	S&P 500
Energy	9.2 %	10.7 %
Materials	2.2	3.4
Industrials	9.5	10.5
Cons. Discretionary	10.8	10.1
Consumer Staples	10.8	11.5
Health Care	16.6	12.1
Financials	11.6	16.3
Info Technology	21.9	18.7
Telecom Services	3.5	3.0
Utilities	4.0	3.7

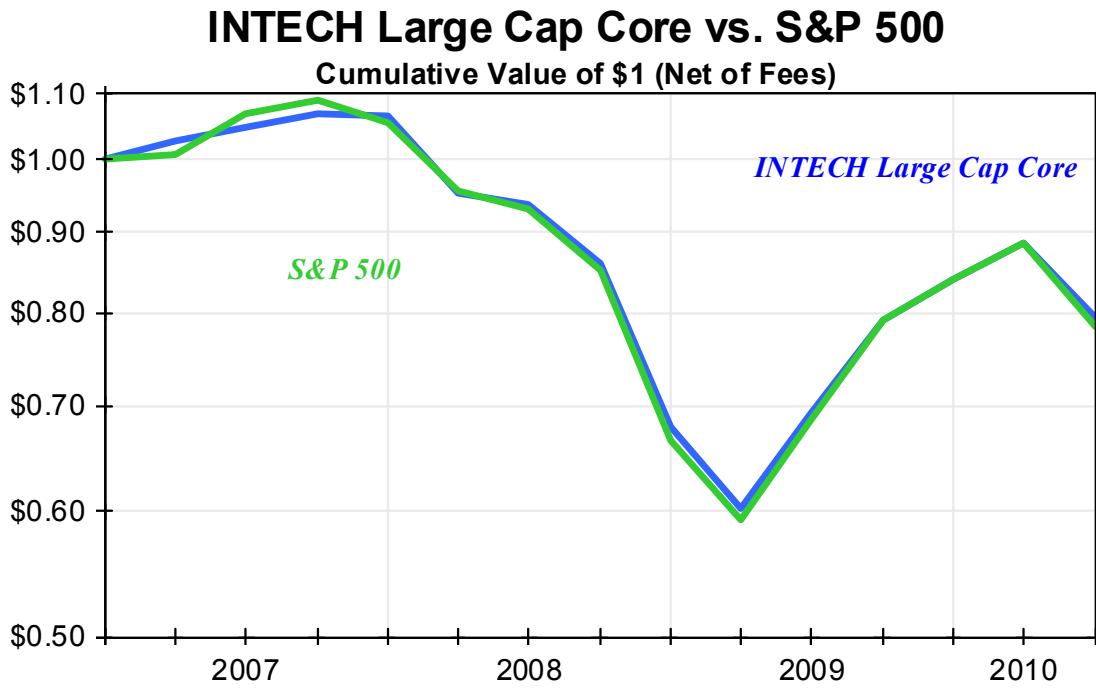
Intech's Enhanced Plus return of -10.7% for the second quarter was better than the -11.4% return of the S&P 500, and ranked in the 18th percentile in the universe of large core equity managers. For the one-year period, Intech returned 15.3%, exceeding the 14.4% return of the S&P 500, and ranked in the 27th percentile. Over the past five years, Intech returned -0.4%, better than the -0.8% return of the S&P 500, and ranked in the 41st percentile of large core equity managers. Intech Enhanced Plus is in compliance with CCCERA's performance objectives.

The portfolio has an above-market beta of 1.04x, a slightly lower yield and a below-market P/E ratio. The portfolio has 370 holdings concentrated in large capitalization sectors. The largest economic sector over-weights were in the health care, information technology and consumer discretionary sectors, while largest under-weights were in the financial, energy and materials sectors.

The portfolio's second quarter performance relative to the S&P 500 was helped by both stock selection and sector allocation decisions. Trading decisions were also beneficial. Stock selection in the information technology sector helped the most during the second quarter. The best performing portfolio stocks included Akamai Technologies (+29%), Sandisk (+21%) and Salesforce.com (+15%), while the worst performing holdings during the quarter included Anadarko Petroleum (-50%), Massey Energy (-48%) and Nvidia (-41%).

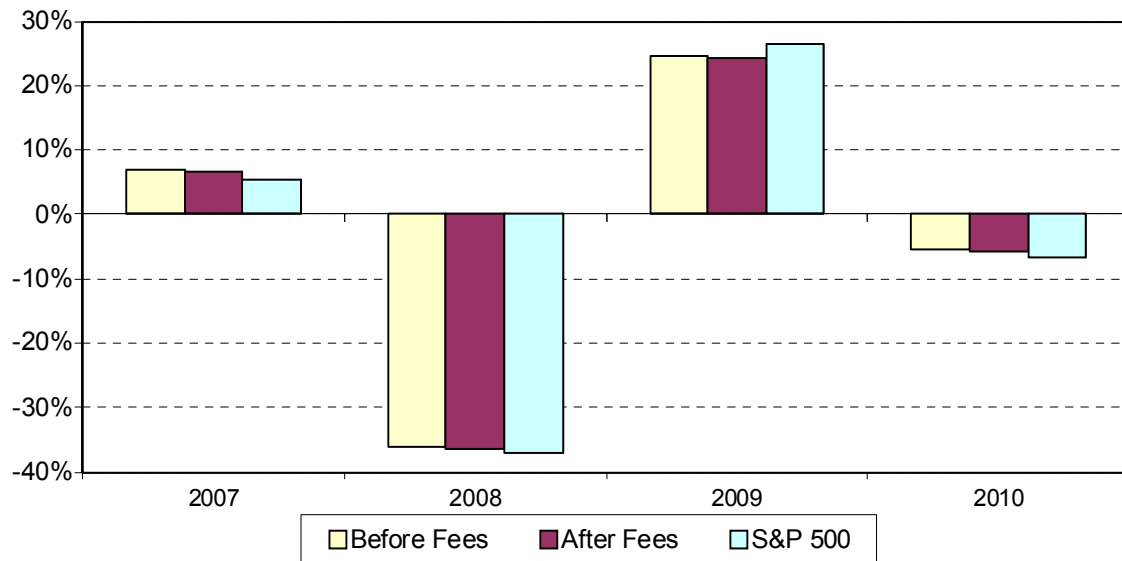
MANAGER COMMENTS – DOMESTIC EQUITY

Intech - Large Cap Core

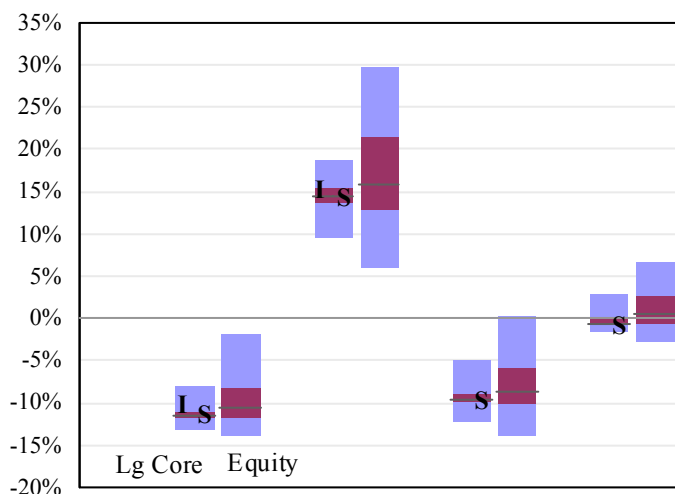


Intech Large Cap Core vs. S&P 500

Year by Year Performance



Intech - Large Cap Core



	Qtr	1 Year	3 Years	5 Years
Intech Lg Cap (I)	-10.2	15.3	-8.5	-
Rank v. Lg Core	12	28	21	-
Rank v. Equity	47	54	48	-
S&P 500 (S)	-11.4	14.4	-9.8	-0.8
Lg Core Median	-11.4	14.5	-9.7	-0.6
Equity Median	-10.4	15.9	-8.7	0.5

Portfolio Characteristics	Intech - Large Cap	S&P 500
Eq Mkt Value (\$Mil)	194.56	N/A
Wtd. Avg. Cap (\$Bil)	65.81	75.23
Beta	1.05	1.00
Yield (%)	2.02 %	2.19 %
P/E Ratio	15.42	16.62
Cash (%)	0.5 %	0.0 %
Number of Holdings	288	500
Turnover Rate (%)	135.7	-

Sector	Intech - Large Cap	S&P 500
Energy	7.7 %	10.7 %
Materials	2.2	3.4
Industrials	9.7	10.5
Cons. Discretionary	10.5	10.1
Consumer Staples	10.9	11.5
Health Care	19.9	12.1
Financials	8.5	16.3
Info Technology	22.6	18.7
Telecom Services	2.9	3.0
Utilities	5.1	3.7

Intech's Large Cap Core (the larger, more aggressive Intech portfolio) had a return of -10.2% for the second quarter, which was better than the -11.4% return of the S&P 500 and ranked in the 12th percentile in the universe of large core equity managers. Over the past three years, the portfolio has returned -8.5%, better than the S&P 500 return of -9.8% and ranked in the 21st percentile of large core equity managers. The Large Cap Core account is in compliance with CCCERA's performance objectives.

The Large Cap Core portfolio follows a somewhat more aggressive investment approach than the Intech Enhanced Plus portfolio. The portfolio has a beta of 1.05x, a below-market yield and a below-market P/E ratio. The portfolio has 288 holdings concentrated in large capitalization sectors. The largest economic sector over-weights were in the health care, information technology and utilities sectors, while largest under-weights were in the financials, energy and materials sectors.

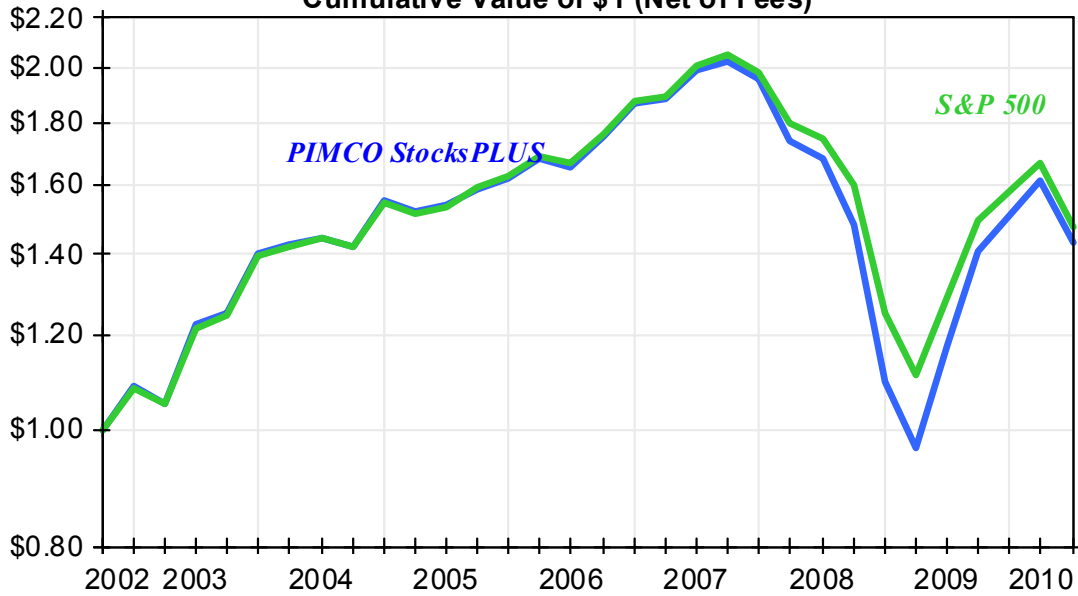
The portfolio's second quarter performance relative to the S&P 500 was helped by stock selection decisions while sector allocation decisions were neutral in aggregate. Stock selection was strongest in the information technology sector. The best performing portfolio stocks included Akamai Technologies (+29%), Sandisk (+21%) and Salesforce.com (+15%), while the worst performing holdings during the quarter included Anadarko Petroleum (-50%), Massey Energy (-48%) and Nvidia (-41%).

MANAGER COMMENTS – DOMESTIC EQUITY

PIMCO

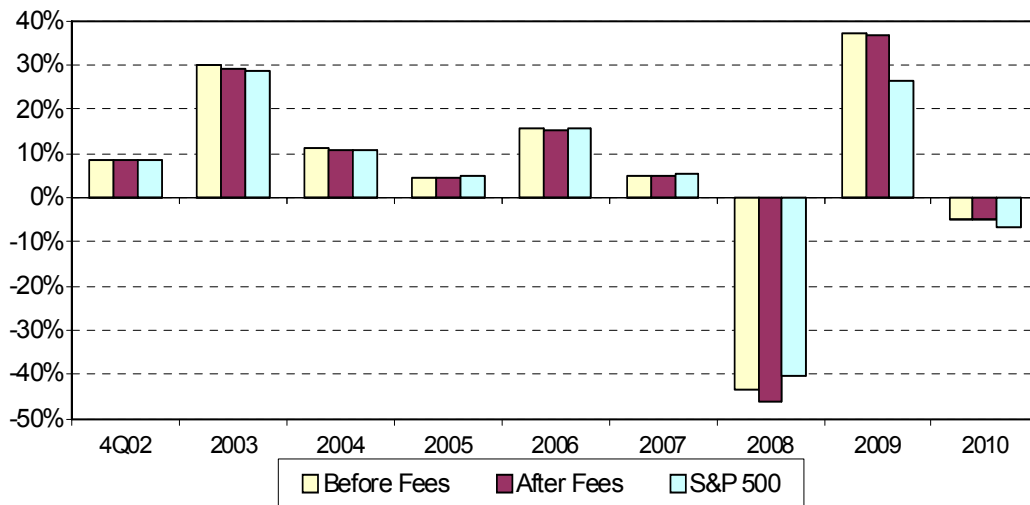
PIMCO StocksPLUS vs. S&P 500

Cumulative Value of \$1 (Net of Fees)

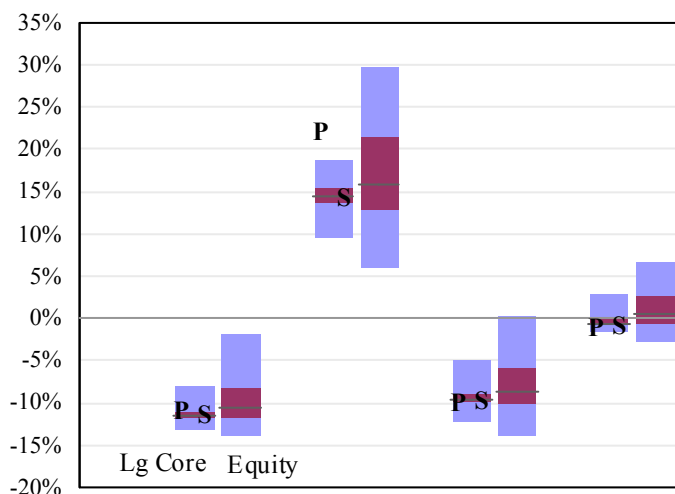


PIMCO vs. S&P 500

Year by Year Performance



PIMCO



	Qtr	1 Year	3 Years	5 Years
PIMCO Stock+ (P)	-11.0	22.1	-10.0	-1.0
Rank v. Lg Core	23	1	80	89
Rank v. Equity	56	23	73	82
S&P 500 (S)	-11.4	14.4	-9.8	-0.8
Lg Core Median	-11.4	14.5	-9.7	-0.6
Equity Median	-10.4	15.9	-8.7	0.5

Portfolio

Characteristics	PIMCO	S&P 500
Eq Mkt Value (\$Mil)	240.9	N/A
Wtd. Avg. Cap (\$Bil)	*	84.69
Beta	*	1.00
Yield (%)	* %	1.88 %
P/E Ratio	*	21.90
Cash (%)	19.3 %	0.0 %
Number of Holdings	*	500
Turnover Rate (%)	1,675.44	-

Sector

	PIMCO	S&P 500
Energy	* %	10.9 %
Materials	*	3.5
Industrials	*	10.6
Cons. Discretionary	*	10.0
Consumer Staples	*	11.3
Health Care	*	12.2
Financials	*	16.5
Info Technology	*	18.9
Telecom Services	*	2.8
Utilities	*	3.5

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

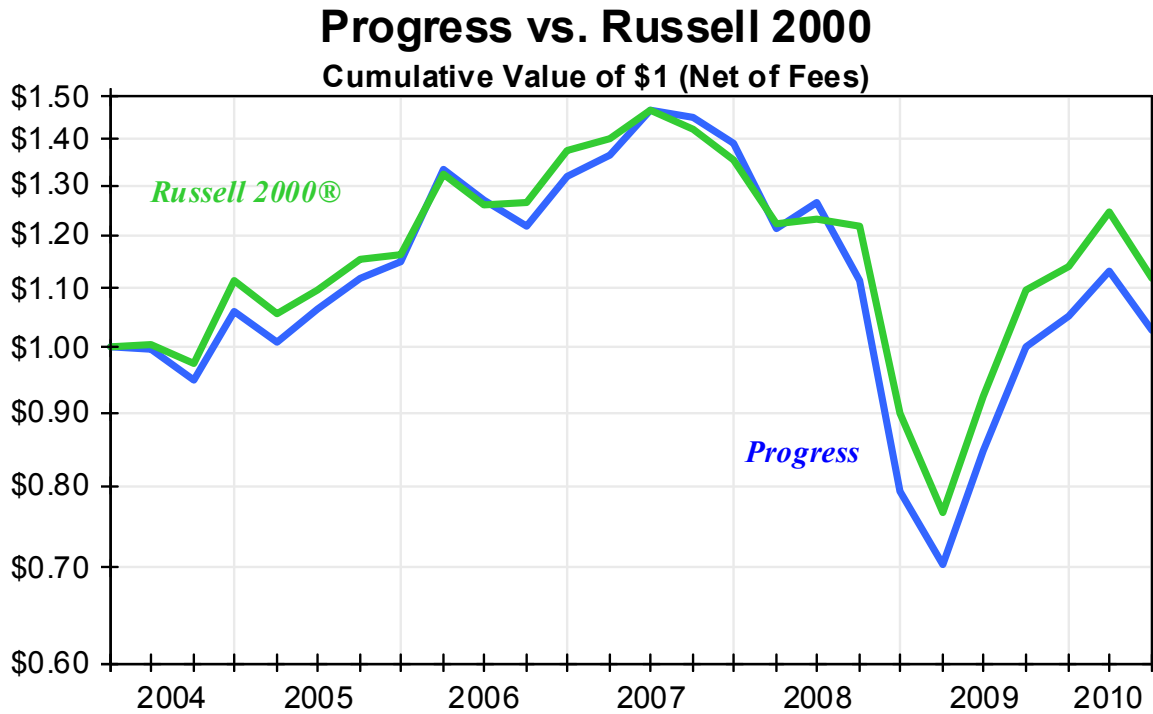
PIMCO's StocksPLUS (futures plus cash) portfolio returned -11.0% for the second quarter, better than the -11.4% return of the S&P 500, and ranked in the 23rd percentile of large core managers. For the one-year period, PIMCO returned 22.1%, better than the 14.4% return of the S&P 500, and ranked in the 1st 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.

Strategies that boosted PIMCO's second quarter returns included an extended duration as rates fell, exposure to Agency mortgages and holdings of CMBS and non-Agency MBS. Strategies that did not work during the quarter included an emphasis on short to intermediate maturities as the yield curve flattened, exposure to the bonds of financial companies and modest exposure to emerging market bonds and currencies as heightened risk aversion favored Treasuries and the U.S. Dollar.

The firm believes that the global economy remains on a rather bumpy journey to the "new normal". Financial markets will reflect a wider range of potential outcomes and a higher probability of extreme events. Disinflationary pressure will dominate over the next year as developed economies struggle to achieve self-sustaining growth.

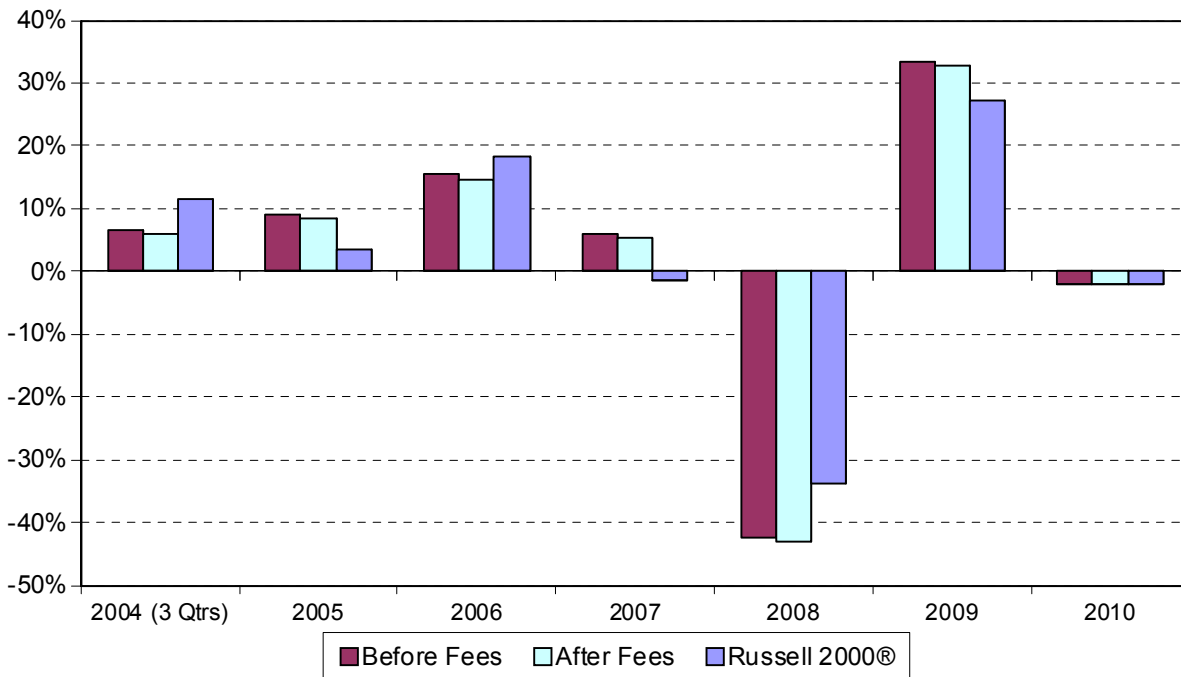
MANAGER COMMENTS – DOMESTIC EQUITY

Progress

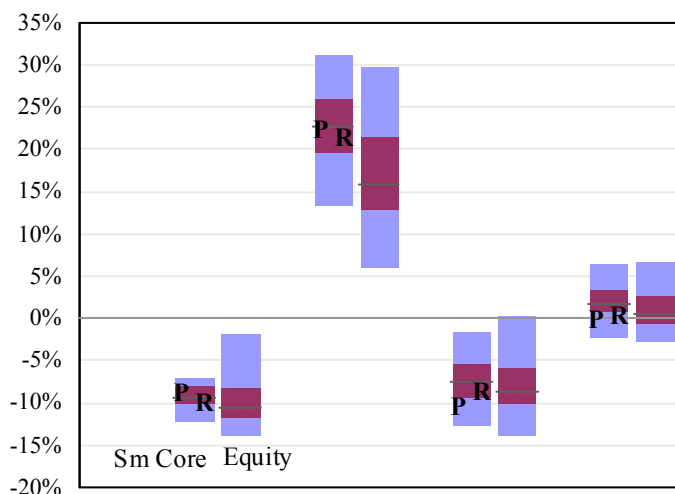


Progress vs. Russell 2000®

Year by Year Performance



Progress



	Qtr	1 Year	3 Years	5 Years
Progress (P)	-8.9	22.3	-10.6	-0.0
Rank v. Sm Core	36	53	82	84
Rank v. Equity	30	22	78	57
Russell 2000® (R)	-9.9	21.5	-8.6	0.4
Sm Core Median	-9.4	22.8	-7.6	1.7
Equity Median	-10.4	15.9	-8.7	0.5

Portfolio Characteristics	Progress	Russell 2000®
Eq Mkt Value (\$Mil)	117.20	N/A
Wtd. Avg. Cap (\$Bil)	1.51	0.92
Beta	1.20	1.24
Yield (%)	1.22 %	1.29 %
P/E Ratio	18.58	39.00
Cash (%)	0.0 %	0.0 %
Number of Holdings	502	2,010
Turnover Rate (%)	16.2	-

Sector	Progress	Russell 2000®
Energy	6.5 %	5.4 %
Materials	8.6	4.8
Industrials	15.7	15.8
Cons. Discretionary	12.5	13.7
Consumer Staples	3.9	3.3
Health Care	12.5	13.7
Financials	17.9	21.6
Info Technology	19.5	17.6
Telecom Services	0.9	1.0
Utilities	2.0	3.2

Progress, a manager of emerging managers that themselves invest in small capitalization stocks, returned -8.9% for the second quarter, better than the -9.9% return of the Russell 2000® Index and ranked in the 36th percentile of small core managers. Over the past year, Progress returned 22.3%, better than the 21.5% return of the Russell 2000® Index, but ranked in the 53rd percentile of small cap equity managers. Over the past five years, Progress has trailed its benchmark and ranked in the 84th percentile of the small core universe. Progress is not in compliance with CCCERA performance objectives.

The portfolio had a beta of 1.20, lower than the Russell 2000® Index, and a below-market yield. It included 502 stocks, concentrated in the small and mid capitalization sectors. Progress' largest economic sector over-weights relative to the Russell 2000® were in the materials, information technology and energy sectors, while the largest under-weights were in the financials, health care and consumer discretionary sectors.

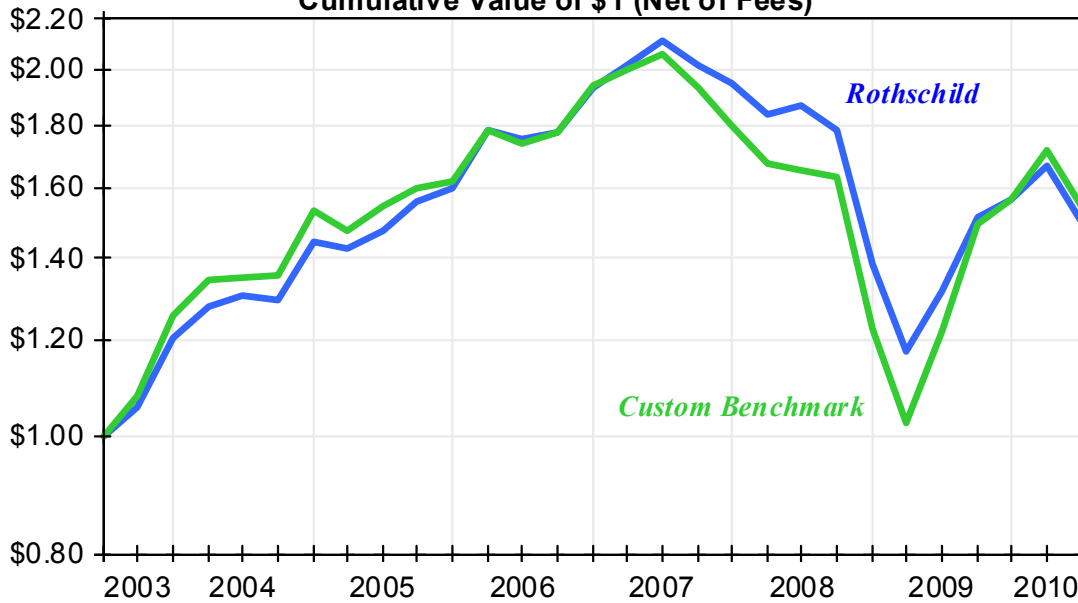
The portfolio's second quarter performance was helped by stock selection but hurt by sector allocation decisions relative to the Russell 2000®. During the quarter, the best performing holdings included Cirrus Logic (+88%), Am Gold (+79%) and Power-One Inc. (+60%). The worst performing holdings included Genoptix (-52%), Penson Worldwide (-44%) and Vanda Pharmaceuticals (-43%).

MANAGER COMMENTS – DOMESTIC EQUITY

Rothschild

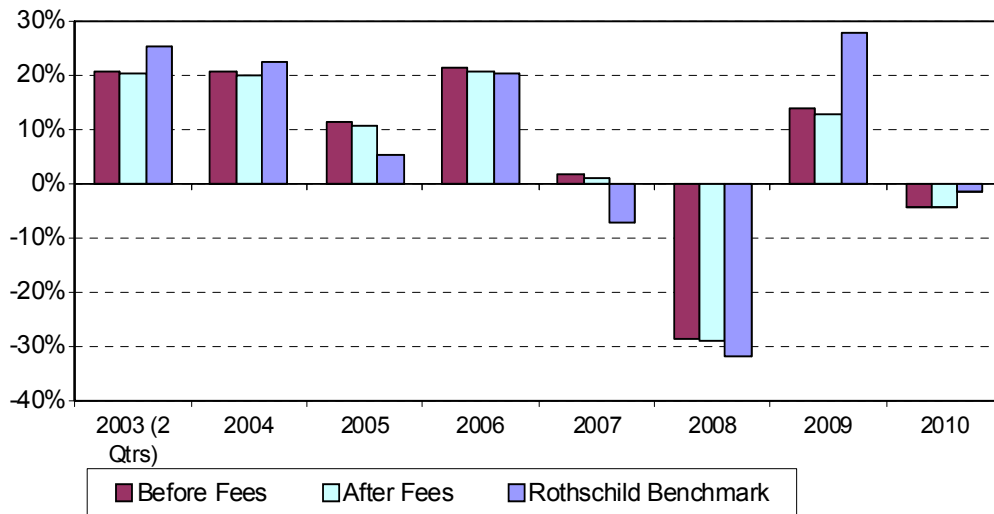
Rothschild vs. Custom Benchmark

Cumulative Value of \$1 (Net of Fees)



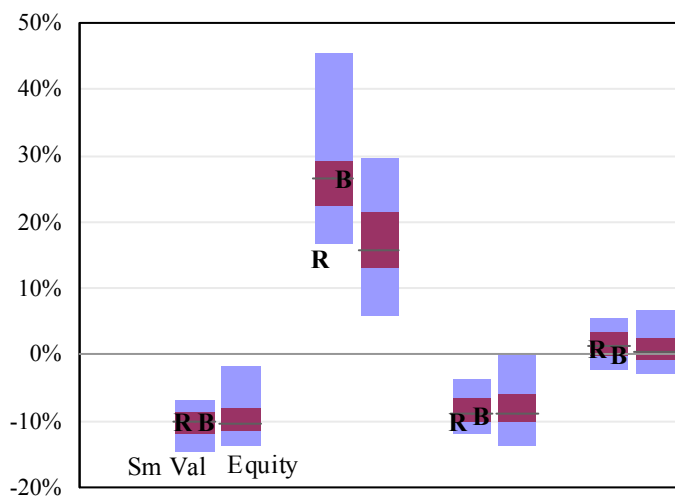
Rothschild vs. Custom Benchmark

Year by Year Performance



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

Rothschild



	Qtr	1 Year	3 Years	5 Years
Rothschild (R)	-10.2	14.5	-10.3	0.8
Rank v. Sm Val	55	97	76	53
Rank v. Equity	47	62	75	45
Custom Bench (B)	-10.2	26.5	-9.3	-0.1
Sm Val Median	-10.0	26.6	-8.7	1.3
Equity Median	-10.4	15.9	-8.7	0.5

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

Portfolio Characteristics	Rothschild	Russell 2500™ Value
Eq Mkt Value (\$Mil)	119.21	N/A
Wtd. Avg. Cap (\$Bil)	2.00	2.01
Beta	1.27	1.21
Yield (%)	1.65 %	2.15 %
P/E Ratio	16.29	25.20
Cash (%)	0.7 %	0.0 %
Number of Holdings	142	1,652
Turnover Rate (%)	85.6	-

Sector	Rothschild	Russell 2500™ Value
Energy	7.5 %	7.7 %
Materials	5.5	6.9
Industrials	14.5	11.7
Cons. Discretionary	12.1	9.7
Consumer Staples	1.7	3.8
Health Care	9.7	6.0
Financials	31.5	34.0
Info Technology	10.5	8.4
Telecom Services	0.0	0.9
Utilities	7.1	10.9

Rothschild's return of -10.2% for the second quarter matched the -10.2% return of the Russell 2500™ Value Index and ranked in the 55th percentile in the universe of small value equity managers. For the one-year period, Rothschild returned 14.5%, well below the custom benchmark return of 26.5 %, and ranked in the 97th percentile. Over the past five years, Rothschild exceeded its custom benchmark but ranked in the 53rd percentile. This portfolio is in compliance with some of the CCCERA performance objectives.

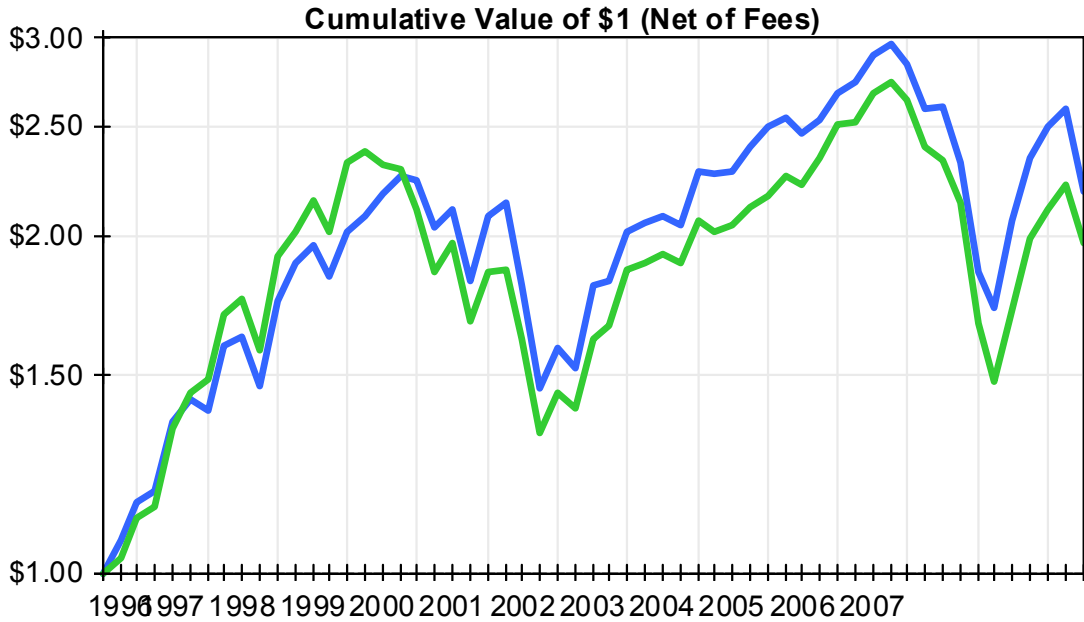
The portfolio had a beta of 1.27x, higher than the index, a below-index yield and a below-index P/E ratio. It included 142 stocks, concentrated in the small and mid capitalization sectors. Rothschild's largest economic sector over-weights relative to the Russell 2500™ Value Index were in the health care, industrials and consumer discretionary sectors, while the largest under-weights were in the utilities, financials and consumer staples sectors.

Rothschild's second quarter performance relative to the Russell 2500™ Value index was helped by stock selection but hurt by sector allocation decisions. Trading decisions also had a negative impact on performance. Stock selection in the industrials and consumer staples sectors had the largest positive impacts on the portfolio during the second quarter. The best performing portfolio stocks were American Italian Pasta (+36%), Dollar Thrifty Automotive (+33%) and Venoco Inc. (+28%). The worst performing holdings included Unisys Corp (-47%), La Z Boy (-41%) and O'Charleys (-41%).

MANAGER COMMENTS – DOMESTIC EQUITY

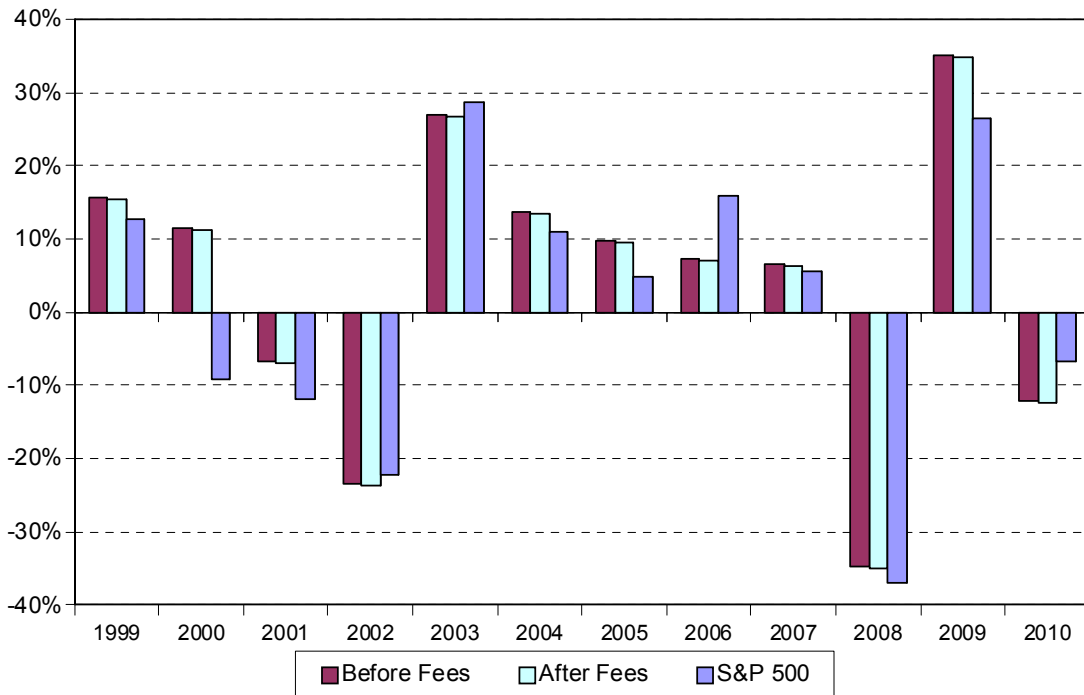
Wentworth, Hauser and Violich

Wentworth, Hauser & Violich vs. S&P 500

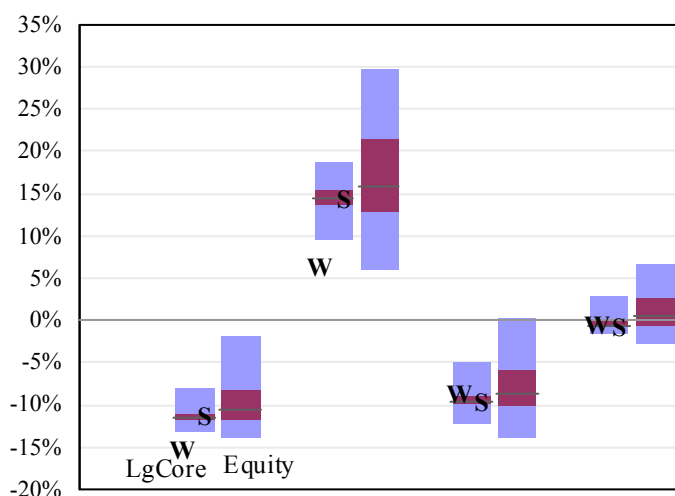


Wentworth vs. S&P 500

Year by Year Performance



Wentworth, Hauser and Violich



	Qtr	1 Year	3 Years	5 Years
WHV (W)	-15.4	6.3	-8.8	-0.7
Rank v. Lg Core	99	98	23	53
Rank v. Equity	98	94	50	70
S&P 500 (S)	-11.4	14.4	-9.8	-0.8
Lg Core Median	-11.4	14.5	-9.7	-0.6
Equity Median	-10.4	15.9	-8.7	0.5

Portfolio

Characteristics	Wentworth	S&P 500
Eq Mkt Value (\$Mil)	197.73	N/A
Wtd. Avg. Cap (\$Bil)	62.96	75.23
Beta	1.05	1.00
Yield (%)	1.46	2.19
P/E Ratio	17.56	16.62
Cash (%)	0.1	0.0
Number of Holdings	33	500
Turnover Rate (%)	77.5	-

Sector	Wentworth	S&P 500
Energy	13.7 %	10.7 %
Materials	5.2	3.4
Industrials	11.8	10.5
Cons. Discretionary	9.1	10.1
Consumer Staples	11.4	11.5
Health Care	12.7	12.1
Financials	14.7	16.3
Info Technology	21.4	18.7
Telecom Services	0.0	3.0
Utilities	0.0	3.7

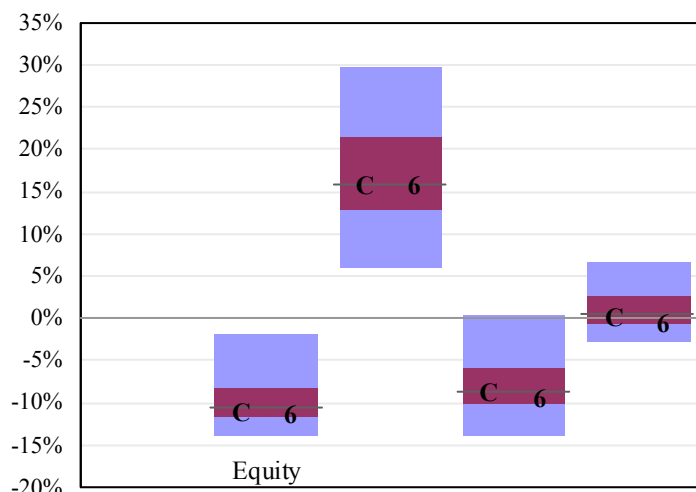
Wentworth's return of -15.4% for the second quarter was below the -11.4% return of the S&P 500 and ranked in the 99th percentile of large core managers. For the one-year period, Wentworth returned 6.3%, again well below the 14.4% return of the S&P 500, and ranked in the 98th percentile. Wentworth has exceeded the S&P 500 over the past three and five years. Wentworth ranked above median in the large core universe over the trailing three-year period but was slightly below median over the past five years. Wentworth is in compliance with some of the CCCERA performance guidelines.

The portfolio has an above-market beta of 1.05x, a below-market yield and an above-market P/E ratio. The portfolio has 33 holdings concentrated in large and mid capitalization sectors. The largest economic sector over-weights are in the energy, information technology and materials sectors, while largest under-weights are in the utilities, telecom services and financials sectors.

Wentworth's second quarter performance relative to the S&P 500 was hurt by both stock selection decisions and sector allocation decisions. Stock selection in the energy and consumer staples sectors was particularly weak. The best performing portfolio stocks included Apple Computer (+7%), Dollar Tree (+5%) and IntercontinentalExchange (+1%) while the worst performing holdings included Freeport-McMoran (-29%), Walgreens (-28%) and ITT Educational Services (-26%).

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Total Domestic Equity



	Qtr	1 Year	3 Years	5 Years
Total Equity (C)	-11.2	15.8	-8.7	0.1
Rank v. Equity	60	50	50	54
Russell 3000® (6)	-11.3	15.7	-9.5	-0.5
Equity Median	-10.4	15.9	-8.7	0.5

Portfolio Characteristics	Total Fund	Russell 3000®
Eq Mkt Value (\$Mil)	1,453.30	N/A
Wtd. Avg. Cap (\$Bil)	46.21	60.99
Beta	1.08	1.04
Yield (%)	1.38 %	2.04 %
P/E Ratio	17.66	18.03
Cash (%)	6.0 %	0.0 %
Number of Holdings	1,122	2,996
Turnover Rate (%)	224.8	-

Sector	Total Fund	Russell 3000®
Energy	8.5 %	9.9 %
Materials	4.1	3.8
Industrials	9.0	11.4
Cons. Discretionary	12.5	10.9
Consumer Staples	6.5	9.7
Health Care	15.0	12.3
Financials	16.9	17.1
Info Technology	23.7	18.2
Telecom Services	1.9	2.8
Utilities	2.0	3.8

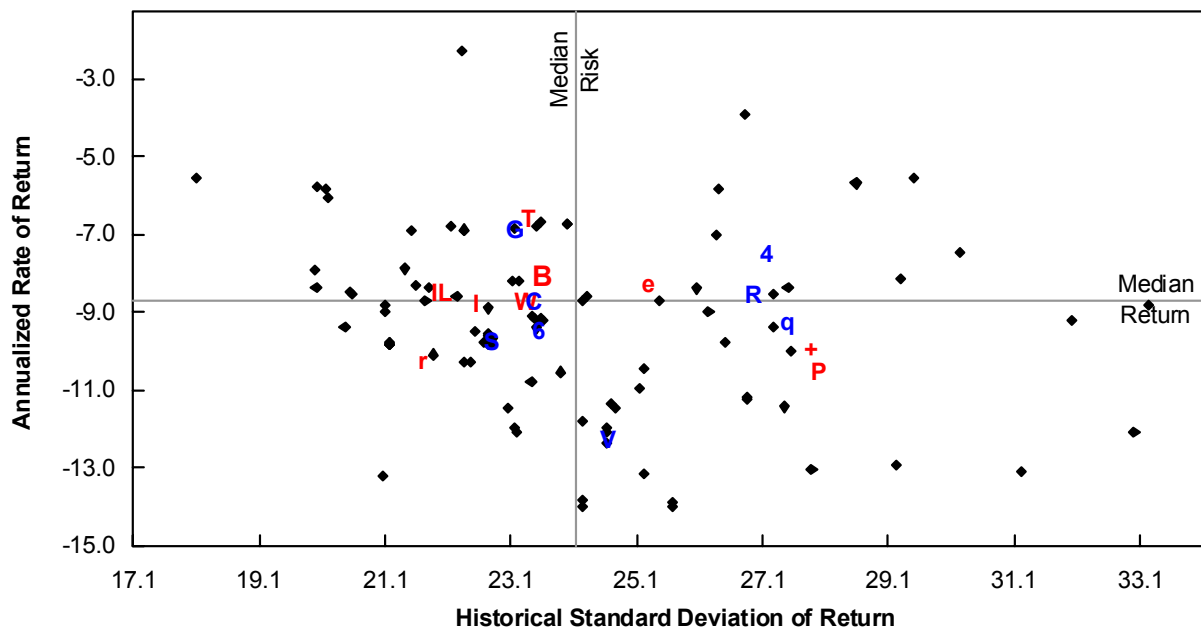
CCCERA total domestic equities returned -11.2% in the second quarter, which was marginally better than the -11.3% return of the Russell 3000® Index and ranked in the 60th percentile of all equity managers. For the one-year period, the CCCERA equity return of 15.8% was again slightly better than the 15.7% return of the Russell 3000® and ranked in the 50th percentile. Over the past three years, CCCERA domestic equities exceeded the Russell 3000® index and matched the median manager. Over the past five years the domestic equities exceeded the Russell 3000®, but trailed the median.

The combined domestic equity portfolio has a beta of 1.08x, a below-index yield and a below-index P/E ratio. The portfolio is broadly diversified with positions in 1,122 stocks. The combined portfolio's largest economic sector over-weights are in the information technology, health care and consumer discretionary sectors, while the largest under-weights are in the consumer staples, industrials and utilities sectors.

MANAGER COMMENTS – DOMESTIC EQUITY

Domestic Equity Performance and Variability

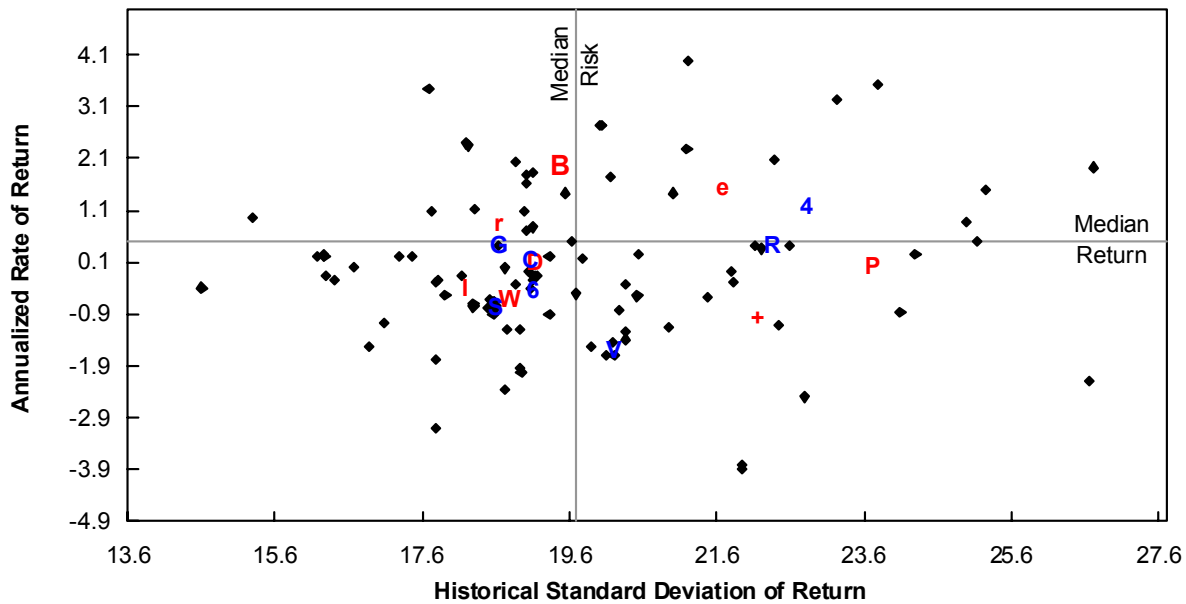
Three Years Ending June 30, 2010



Domestic Equity Manager	Annualized Return	Standard Deviation	Risk/Reward Ratio
Boston Partners (B)	-8.1 %	23.6 %	-0.41
Delaware (D)	-6.6	23.4	-0.35
Emerald (e)	-8.3	25.3	-0.39
INTECH Enhanced (I)	-8.8	22.6	-0.46
INTECH Large Core (IL)	-8.5	22.0	-0.46
PIMCO StocksPLUS (+)	-10.0	27.9	-0.42
Progress (P)	-10.6	28.0	-0.43
Rothschild (r)	-10.3	21.7	-0.55
Wentworth, Hauser (W)	-8.8	23.4	-0.44
Domestic Equity (C)	-8.7	23.5	-0.44
Russell® 3000 (6)	-9.5	23.6	-0.47
S&P 500 (S)	-9.8	22.8	-0.50
Russell 1000® Growth (G)	-6.9	23.2	-0.37
Russell 1000® Value (V)	-12.3	24.7	-0.56
Russell 2000® (R)	-8.6	27.0	-0.38
Russell 2000® Growth (4)	-7.5	27.2	-0.33
Russell 2500™ Value (q)	-9.3	27.5	-0.39
Median Equity Port.	-8.7	24.2	-0.43

Domestic Equity Performance and Variability

Five Years Ending June 30, 2010



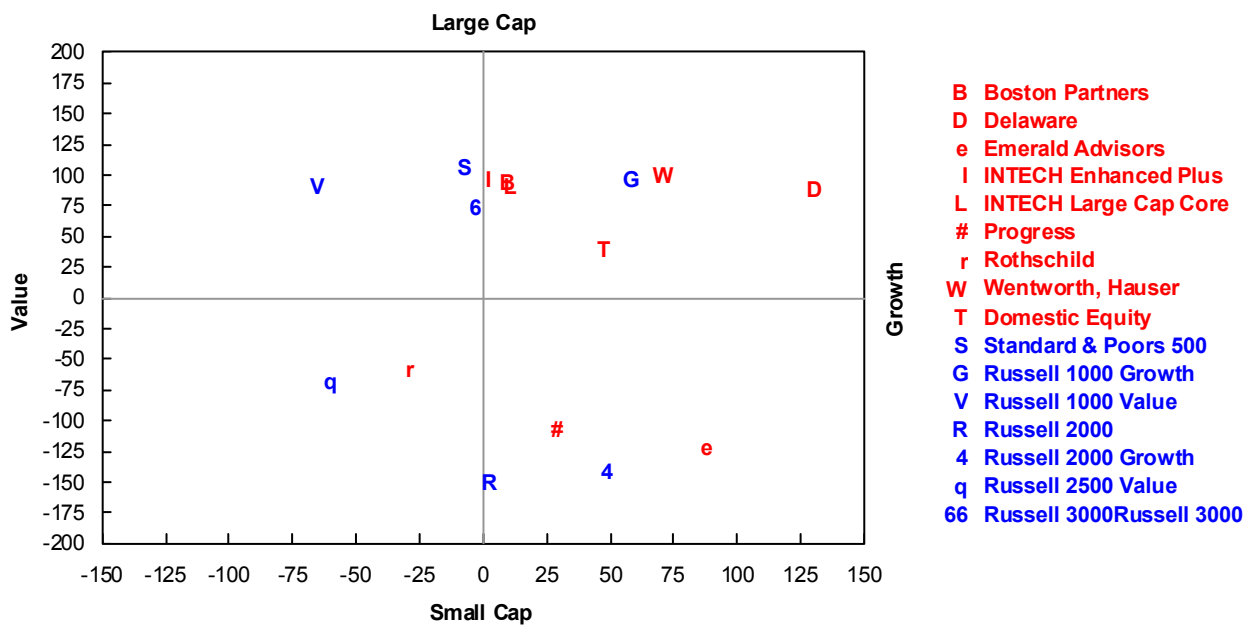
Domestic Equity Manager	Annualized Return	Standard Deviation	Risk/Reward Ratio
Boston Partners (B)	1.9 %	19.4 %	-0.04
Delaware (D)	0.1	19.1	-0.14
Emerald (e)	1.5	21.6	-0.06
INTECH Enhanced (I)	-0.4	18.1	-0.18
PIMCO StocksPLUS (+)	-1.0	22.1	-0.17
Progress (P)	0.0	23.7	-0.12
Rothschild (r)	0.8	18.6	-0.10
Wentworth, Hauser (W)	-0.7	18.7	-0.18
Domestic Equity (C)	0.1	19.0	-0.14
Russell® 3000 (6)	-0.5	19.1	-0.17
S&P 500 (S)	-0.8	18.5	-0.19
Russell 1000® Growth (G)	0.4	18.6	-0.13
Russell 1000® Value (V)	-1.7	20.2	-0.22
Russell 2000® (R)	0.4	22.3	-0.11
Russell 2000® Growth (4)	1.1	22.8	-0.07
Russell 2500™ Value (q)	-0.1	22.2	-0.13
Median Equity Port.	0.5	19.6	-0.12

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MANAGER COMMENTS - DOMESTIC EQUITY

Domestic Equity Style Map

As of June 30, 2010



PORTFOLIO PROFILE REPORT

	Russell 3000® 6/30/2010	Combined Equity 6/30/2010	Russell 1000® Value 6/30/2010	Boston 6/30/2010	Russell 1000® Growth 6/30/2010	Delaware 6/30/2010
Equity Market Value (\$000)		1,453,301		253,440		246,366
Beta	1.04	1.08	1.04	1.02	1.00	0.92
Yield	2.04	1.38	2.51	1.63	1.68	0.76
P/E Ratio	18.03	17.66	16.56	13.82	17.99	21.61
Standard Error	1.61	2.78	2.21	2.63	1.99	3.98
R ²	0.97	0.93	0.94	0.92	0.96	0.83
Wtd Cap Size (\$Mil)	60,993	46,212	63,061	67,823	69,552	46,311
Avg Cap Size (\$Mil)	745	4,584	3,809	16,968	4,625	25,163
Number of Holdings	2,996	1,122	669	83	631	28
Economic Sectors						
Energy	9.94	8.50	10.58	11.45	10.09	4.38
Materials	3.81	4.09	2.87	3.43	4.59	2.59
Industrials	11.42	9.04	9.10	6.73	13.02	2.74
Consumer Discretionary	10.94	12.47	7.27	11.68	14.19	12.49
Consumer Staples	9.71	6.46	10.53	5.88	10.02	4.96
Health Care	12.34	14.96	13.44	12.90	10.97	18.08
Financials	17.09	16.92	28.51	29.80	4.65	10.07
Information Technology	18.22	23.74	5.39	15.99	31.42	40.13
Telecom. Services	2.76	1.85	4.95	0.47	0.86	4.56
Utilities	3.76	1.96	7.36	1.67	0.18	0.00

PORTFOLIO PROFILE REPORT

	S&P 500	Intech	Intech	PIMCO+	Wentworth
	Cap Wtd	Enhanced	Large Cap	(S&P 500)	
	6/30/2010	6/30/2010	6/30/2010	6/30/2010	6/30/2010
Equity Market Value		18,846	194,555	187,512	197,729
Beta	1.00	1.04	1.05	1.00	1.05
Yield	2.19	2.12	2.02	2.19	1.46
P/E Ratio	16.62	15.46	15.42	16.62	17.56
Standard Error	0.00	1.42	1.80	0.00	2.64
R ²	1.00	0.98	0.97	1.00	0.93
Wtd Cap Size (\$Mil)	75,230	70,043	65,813	75,230	62,964
Avg Cap Size (\$Mil)	8,875	9,918	10,529	8,875	26,498
Number of Holdings	500	370	288	500	33
Economic Sectors					
Energy	10.69	9.22	7.70	10.69	13.65
Materials	3.37	2.16	2.15	3.37	5.18
Industrials	10.54	9.54	9.74	10.54	11.79
Consumer Discretionary	10.11	10.82	10.51	10.11	9.12
Consumer Staples	11.53	10.75	10.88	11.53	11.35
Health Care	12.09	16.55	19.87	12.09	12.74
Financials	16.32	11.56	8.54	16.32	14.74
Information Technology	18.68	21.88	22.62	18.68	21.43
Telecom. Services	3.00	3.49	2.94	3.00	0.00
Utilities	3.67	4.02	5.06	3.67	0.00

PORTFOLIO PROFILE REPORT

	Russell 2000® 6/30/2010	Progress 6/30/2010	Russell 2500™ Value 6/30/2010	Rothschild 6/30/2010	Russell 2000® Growth 6/30/2010	Emerald 6/30/2010
Equity Market Value		117,198		119,206		118,448
Beta	1.24	1.20	1.21	1.27	1.26	1.32
Yield	1.29	1.22	2.15	1.65	0.56	0.26
P/E Ratio	39.00	18.58	25.20	16.29	50.69	44.83
Standard Error	5.42	4.46	4.93	5.94	5.59	6.36
R ²	0.83	0.87	0.84	0.82	0.84	0.83
Wtd Cap Size (\$Mil)	921	1,512	2,006	1,995	975	1,189
Avg Cap Size (\$Mil)	399	912	525	1,540	426	948
Number of Holdings	2,010	502	1,652	142	1,291	120
Economic Sectors						
Energy	5.35	6.51	7.72	7.52	3.94	3.74
Materials	4.76	8.56	6.87	5.50	4.40	5.09
Industrials	15.80	15.74	11.68	14.53	17.27	11.93
Consumer Discretionary	13.70	12.47	9.68	12.10	17.75	21.88
Consumer Staples	3.28	3.89	3.83	1.65	3.26	1.70
Health Care	13.74	12.45	5.98	9.65	21.37	20.53
Financials	21.57	17.90	34.03	31.51	5.13	5.70
Information Technology	17.63	19.52	8.41	10.46	25.52	29.43
Telecom. Services	0.96	0.94	0.89	0.00	1.27	0.00
Utilities	3.21	2.03	10.93	7.08	0.08	0.00

PORTFOLIO PROFILE REPORT

	Russell 3000® 6/30/2010	Combined Equity 6/30/2010	Russell 1000® Value 6/30/2010	Boston 6/30/2010	Russell 1000® Growth 6/30/2010	Delaware 6/30/2010
Beta Sectors						
1 0.0 - 0.9	43.99	38.71	46.91	39.06	43.08	46.82
2 0.9 - 1.1	17.22	21.43	15.25	26.86	19.95	31.82
3 1.1 - 1.3	12.98	13.44	11.49	13.39	14.26	7.72
4 1.3 - 1.5	9.98	10.90	8.65	8.64	10.99	11.31
5 Above 1.5	15.83	15.53	17.70	12.05	11.72	2.34
Yield Sectors						
1 Above 5.0	25.37	35.41	14.78	16.99	29.91	45.95
3 3.0 - 5.0	20.10	23.37	25.77	35.79	15.79	27.44
3 1.5 - 3.0	24.74	24.10	21.19	28.50	30.81	23.90
4 0.0 - 1.5	21.59	12.87	24.20	18.25	21.18	2.71
5 0.0	8.21	4.25	14.07	0.47	2.31	0.00
P/E Sectors						
1 0.0 - 12.0	24.84	24.29	36.36	30.52	10.83	12.66
2 12.0 - 20.0	49.36	45.08	48.19	54.12	54.86	38.63
3 20.0 - 30.0	13.51	18.17	6.25	8.54	20.69	39.26
4 30.0 - 150.0	10.95	11.18	7.80	5.81	12.84	9.45
5 N/A	1.33	1.28	1.41	1.01	0.78	0.00
Capitalization Sectors						
1 Above 20.0 (\$Bil)	55.52	45.34	57.68	56.57	63.17	58.52
2 10.0 - 20.0	13.46	12.60	16.39	14.10	12.86	24.47
3 5.0 - 10.0	11.09	12.60	11.65	14.77	12.48	13.03
4 1.0 - 5.0	15.18	19.96	14.10	14.56	11.49	3.97
5 0.5 - 1.0	2.59	5.99	0.02	0.00	0.00	0.00
6 0.1 - 0.5	2.14	3.43	0.15	0.00	0.00	0.00
7 0.0 - 0.1	0.02	0.09	0.00	0.00	0.00	0.00
5 Yr Earnings Growth						
1 N/A	34.92	31.00	46.21	35.48	21.65	12.20
2 0.0 - 10.0	31.70	30.03	31.15	30.05	33.32	36.32
3 10.0 - 20.0	20.65	21.88	15.59	20.53	26.42	25.06
4 Above 20.0	12.73	17.10	7.05	13.94	18.61	26.42

PORTFOLIO PROFILE REPORT

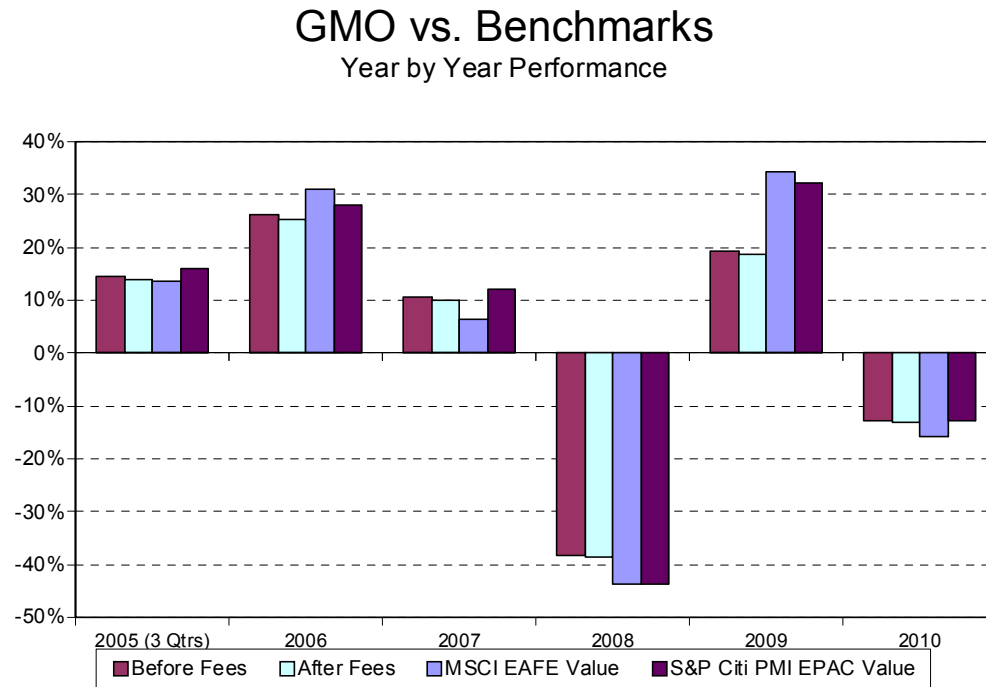
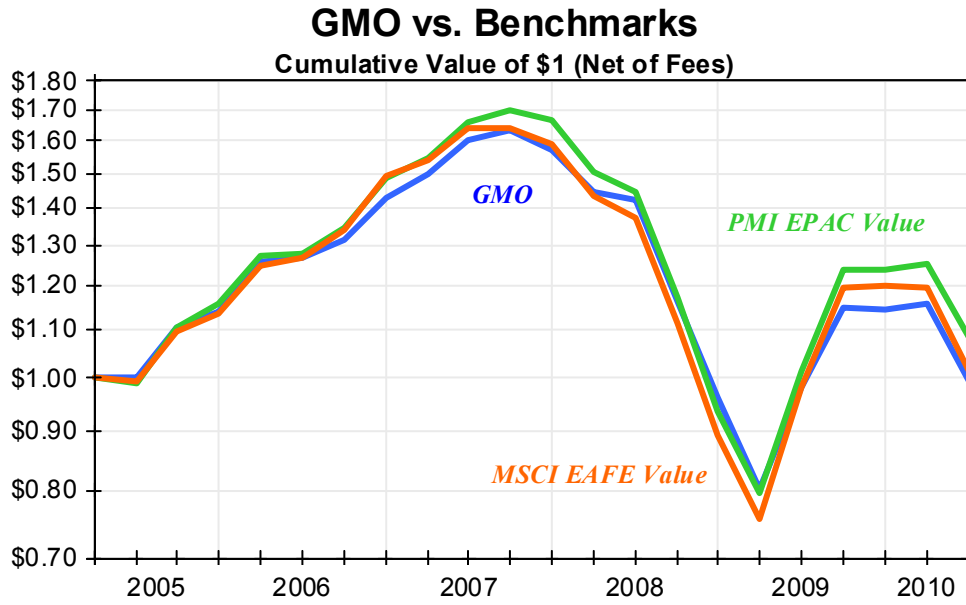
	S&P 500 Cap Wtd 6/30/2010	Intech Enhanced 6/30/2010	Intech Large Cap 6/30/2010	PIMCO+ (S&P 500) 6/30/2010	Wentworth 6/30/2010
Beta Sectors					
1 0.0 - 0.9	46.43	41.50	42.01	46.43	35.44
2 0.9 - 1.1	18.18	20.39	19.44	18.18	20.90
3 1.1 - 1.3	12.87	13.82	12.90	12.87	19.26
4 1.3 - 1.5	9.08	8.33	8.40	9.08	12.85
5 Above 1.5	13.44	15.95	17.25	13.44	11.55
Yield Sectors					
1 Above 5.0	18.64	21.98	26.58	18.64	23.42
3 3.0 - 5.0	21.39	20.14	18.53	21.39	28.62
3 1.5 - 3.0	26.77	26.94	24.16	26.77	37.18
4 0.0 - 1.5	24.74	23.13	22.62	24.74	7.21
5 0.0	8.46	7.82	8.11	8.46	3.57
P/E Sectors					
1 0.0 - 12.0	23.04	21.39	19.64	23.04	12.40
2 12.0 - 20.0	54.11	53.64	52.57	54.11	60.51
3 20.0 - 30.0	12.91	14.31	15.76	12.91	16.06
4 30.0 - 150.0	9.09	10.12	11.45	9.09	11.03
5 N/A	0.84	0.53	0.58	0.84	0.00
Capitalization Sectors					
1 Above 20.0 (\$Bil)	68.75	56.15	49.65	68.75	68.45
2 10.0 - 20.0	15.77	16.21	17.63	15.77	9.98
3 5.0 - 10.0	11.17	19.60	24.08	11.17	16.96
4 1.0 - 5.0	4.23	8.04	8.65	4.23	4.61
5 0.5 - 1.0	0.00	0.00	0.00	0.00	0.00
6 0.1 - 0.5	0.08	0.00	0.00	0.08	0.00
7 0.0 - 0.1	0.00	0.00	0.00	0.00	0.00
5 Yr Earnings Growth					
1 N/A	33.17	30.81	29.27	33.17	25.31
2 0.0 - 10.0	33.95	34.74	34.21	33.95	27.32
3 10.0 - 20.0	20.72	19.44	18.58	20.72	31.10
4 Above 20.0	12.16	15.01	17.94	12.16	16.26

PORTFOLIO PROFILE REPORT

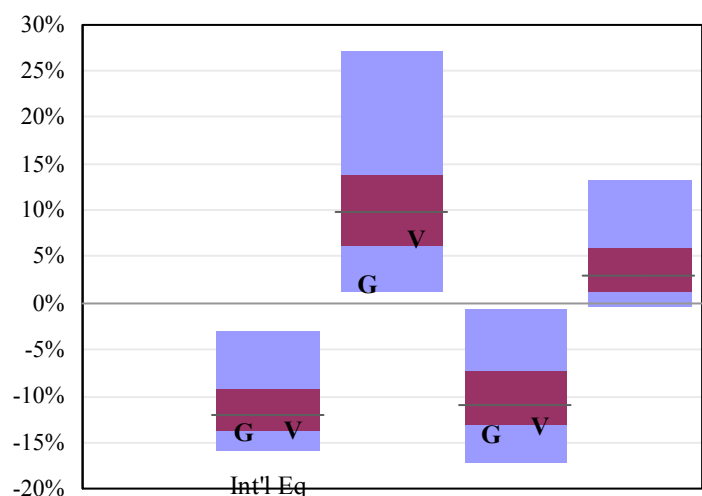
	Russell 2000® 6/30/2010	Progress 6/30/2010	Russell 2500™ Value 6/30/2010	Rothschild 6/30/2010	Russell 2000® Growth 6/30/2010	Emerald 6/30/2010
Beta Sectors						
1 0.0 - 0.9	32.13	32.30	34.24	31.26	29.37	22.26
2 0.9 - 1.1	13.02	15.36	15.37	14.17	12.97	10.99
3 1.1 - 1.3	14.35	12.27	10.59	15.75	15.85	16.26
4 1.3 - 1.5	11.93	11.68	11.75	9.80	13.68	19.37
5 Above 1.5	28.57	28.40	28.05	29.02	28.12	31.11
Yield Sectors						
1 Above 5.0	60.70	59.87	37.98	42.67	74.25	84.63
3 3.0 - 5.0	11.75	12.04	16.25	17.26	10.24	8.50
3 1.5 - 3.0	10.94	14.34	14.60	18.39	10.28	3.88
4 0.0 - 1.5	8.87	6.61	17.12	11.60	3.48	2.99
5 0.0	7.75	7.14	14.06	10.09	1.74	0.00
P/E Sectors						
1 0.0 - 12.0	38.54	34.53	40.58	39.89	31.34	39.24
2 12.0 -20.0	24.32	28.53	31.55	33.33	23.19	13.67
3 20.0 -30.0	14.53	15.82	11.76	13.41	18.23	18.41
4 30.0 - 150.0	18.55	18.97	12.97	11.97	23.21	21.05
5 N/A	4.06	2.14	3.14	1.39	4.04	7.63
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	0.32	0.00	0.00	0.00	0.00
3 5.0 - 10.0	0.00	3.63	0.94	3.63	0.00	0.00
4 1.0 - 5.0	42.18	47.00	73.30	76.04	46.05	52.52
5 0.5 - 1.0	31.94	30.26	13.15	14.06	32.12	29.42
6 0.1 - 0.5	25.67	18.61	12.55	6.28	21.59	17.17
7 0.0 - 0.1	0.21	0.20	0.07	0.00	0.25	0.89
5 Yr Earnings Growth						
1 N/A	46.69	37.11	52.45	54.68	37.10	39.54
2 0.0 -10.0	25.07	27.29	24.72	22.74	27.76	17.60
3 10.0 -20.0	16.52	21.22	11.70	8.83	21.85	24.15
4 Above 20.0	11.72	14.38	11.13	13.76	13.28	18.71

MANAGER COMMENTS – INTERNATIONAL EQUITY

Grantham, Mayo, van Otterloo & Co



Grantham, Mayo, van Otterloo & Co



	Qtr	1 Year	3 Years	5 Years
GMO (G)	-14.0	1.9	-14.2	-
Rank v. Int'l Equity	77	77	85	-
PMI EPAC Val (V)	-13.8	6.9	-13.3	-
EAFE Value (E)	-15.5	3.2	-14.9	0.4
Int'l Eq Median	-13.8	6.3	-13.1	1.3

Portfolio Characteristics	GMO	MSCI EAFE
IEq Mkt Value (\$Mil)	201.8	N/A
Cash	0.0 %	0.0 %

Over-Weighted Countries	GMO	MSCI EAFE
Japan	27.6 %	22.9 %
Italy	6.7	2.8
Canada	2.0	0.0

Under-Weighted Countries	GMO	MSCI EAFE
Germany	3.4 %	7.8 %
Australia	4.3	8.1
Switzerland	5.4	8.0

The GMO value international equity portfolio returned -14.0% in the second quarter, slightly below the -13.8% return of the S&P Citigroup PMI EPAC Value Index, and ranked in the 77th percentile of international equity managers. Over the past year, the portfolio has returned 1.9%, trailing the S&P Citigroup PMI EPAC Value Index return of 6.9% and ranked again in the 77th percentile. Over the past three years, GMO has returned -14.2%, below the -13.3% return of the S&P Citi PMI EPAC Value Index, and ranked in the 85th percentile. (GMO has slightly outperformed the EAFE Value Index over the past three years.) GMO is not in compliance with CCCERA guidelines.

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

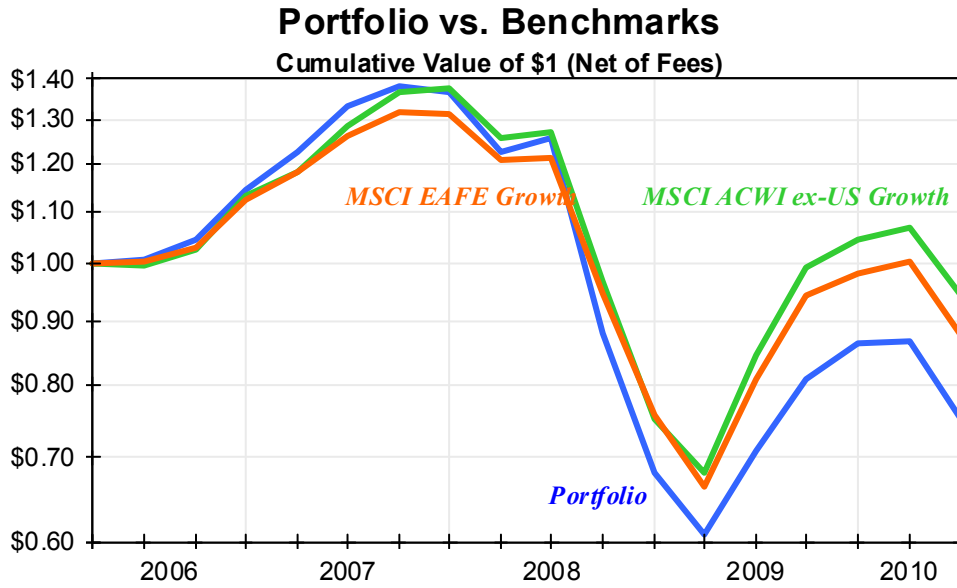
Both stock selection and country allocation decisions boosted performance relative to EAFE. Stock selection in the United Kingdom had the most positive impact on performance. Trading decisions had a large negative impact on second quarter performance.

GMO's three-pronged investment discipline (momentum, quality-adjusted value and intrinsic value) had mixed results in the quarter. Stocks ranked highly by the quality adjusted value process worked best and outperformed. Intrinsic value outperformed slightly as its focus on high quality stocks worked well. Valuation lagged. Stocks selected for their strong momentum characteristics underperformed slightly.

Individual stock positions that added significant value included underweights in British energy company BP and Finnish communications equipment maker Nokia as well as an overweight in pharmaceutical AstraZeneca. Significant detractors included positions in European financials Barclays, Société Générale, and BNP Paribas.

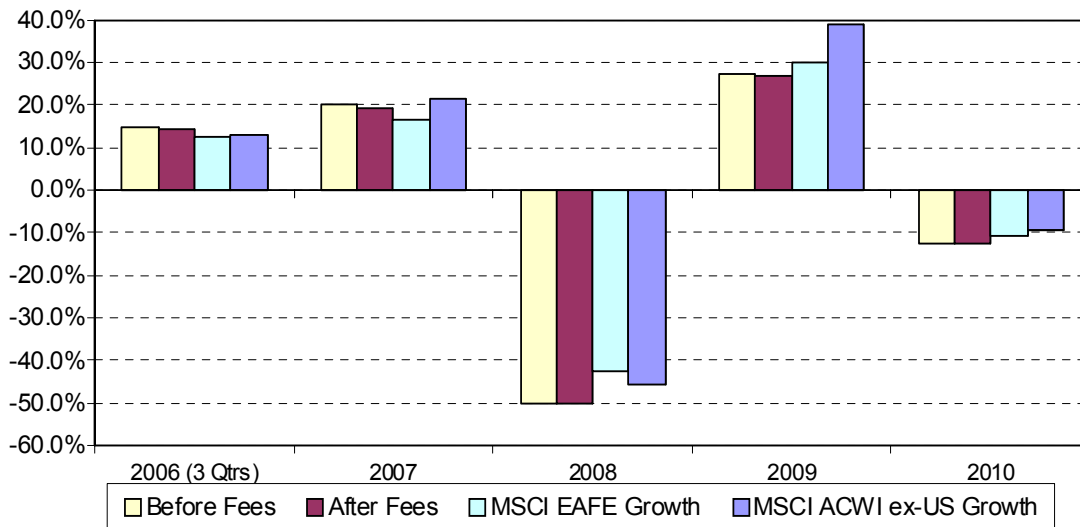
MANAGER COMMENTS – INTERNATIONAL EQUITY

Legacy McKinley Capital Portfolio

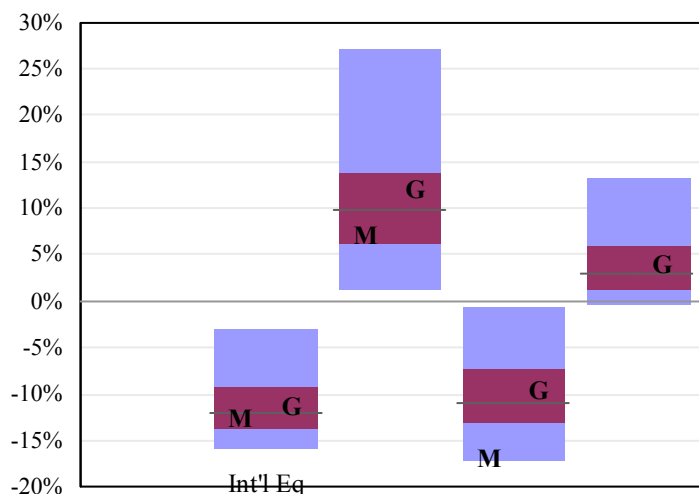


Portfolio vs. Benchmarks

Year by Year Performance



McKinley Capital/State Street Global



	Qtr	1 Year	3 Years	5 Years
McKinley/SS (M)	-12.6	7.2	-16.8	-
Rank v. Intl Eq	57	69	93	-
ACWI xUS Gro (G)	-11.3	12.0	-9.7	4.0
EAFE Growth (E)	-12.3	9.0	-11.4	2.0
Int'l Eq Median	-13.8	6.3	-13.1	1.3

Portfolio Characteristics	McKinley/SS	MSCI EAFE
IEq Mkt Value (\$Mil)	235.9	N/A
Cash	2.0 %	0.0 %

Over-Weighted Countries	McKinley/SS	MSCI EAFE
South Korea	6.7 %	0.0 %
India	4.2	0.0
Brazil	4.1	0.0

Under-Weighted Countries	McKinley/SS	MSCI EAFE
Japan	12.3 %	22.2 %
France	4.1	10.4
Spain	0.0	3.9

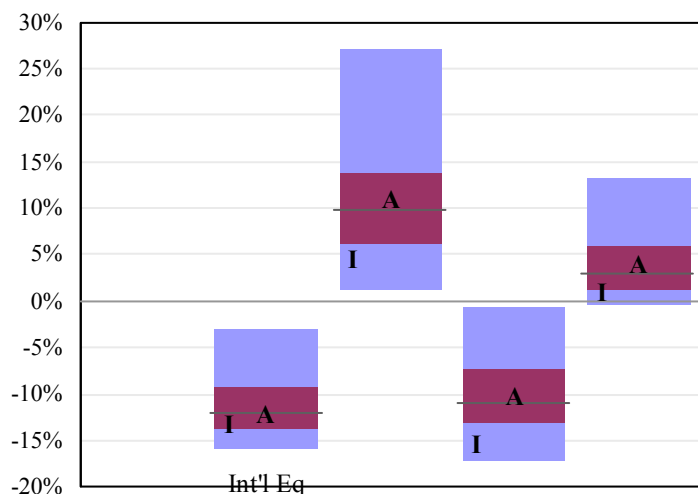
The Board terminated McKinley at the February 24, 2010 meeting. The account is now being managed by State Street Global Markets with a target of loosely replicating the MSCI EAFE Index. The portfolio was restructured in the second quarter.

The portfolio returned -12.6% in the quarter, trailing the -11.3% return of the MSCI ACWI ex-US Growth Index. This return ranked in the 57th percentile of international equity managers. Over the past year, the portfolio returned 7.2%, significantly below the 12.0% return of the MSCI ACWI ex-US Growth Index, and ranked in the 69th percentile of international equity managers. Over the past three years, the portfolio has returned -16.8%, again trailing the -9.7% return of the index and ranking in the 93rd percentile.

The portfolio's largest country over-weights were in South Korea, India and Brazil, while the largest under-weights were in Japan, France and Spain.

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Total International Equity



	Qtr	1 Year	3 Years	5 Years
Total Int'l Eq (I)	-13.3	4.5	-15.3	1.0
Rank v. Intl Eq	65	82	89	81
ACWI xUS (A)	-12.3	10.9	-10.3	3.8
EAFE (E)	-13.7	6.4	-12.9	1.4
Int'l Eq Median	-13.8	6.3	-13.1	1.3

Portfolio Characteristics	Total International	MSCI EAFE
IEq Mkt Value (\$Mil)	407.7	N/A
Cash	0.4 %	0.0 %

Over-Weighted Countries	Total International	MSCI EAFE
Canada	5.0 %	0.0 %
Brazil	2.0	0.0
China	1.9	0.0

Under-Weighted Countries	Total International	MSCI EAFE
United Kingdom	17.7 %	21.1 %
Germany	4.5	7.8
Australia	4.9	8.1

The total international equity composite returned -13.3% in the second quarter, slightly better than the -13.7% return of the MSCI EAFE Index. This return ranked in the 65th percentile of international equity managers. Over the past year, the total international equity composite returned 4.5%, lagging the 6.4% return of the MSCI EAFE Index, and ranked in the 82nd percentile of international equity managers. Over the past five years the total international equity composite trailed the return of the MSCI EAFE Index and ranked below median in the international equity universe.

The composite's largest country over-weights were in Canada, Brazil and China while the largest under-weights were in the United Kingdom, Germany and Australia.

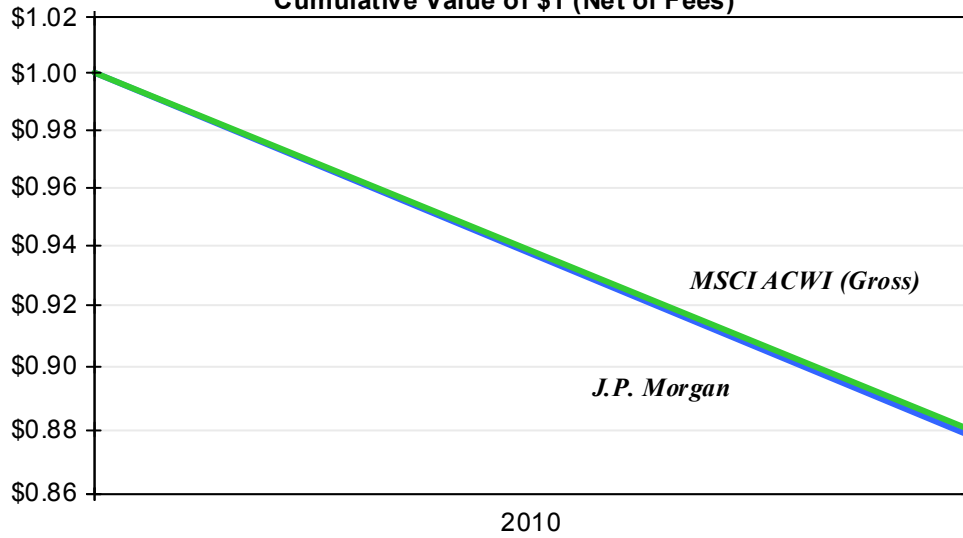
Stock selection decisions detracted from the overall international equity results in the second quarter while country allocation decisions had a strong positive impact on second quarter performance compared to EAFE. Active trading had a large negative impact on second quarter returns.

MANAGER COMMENTS – GLOBAL EQUITY

J.P. Morgan Global Opportunities

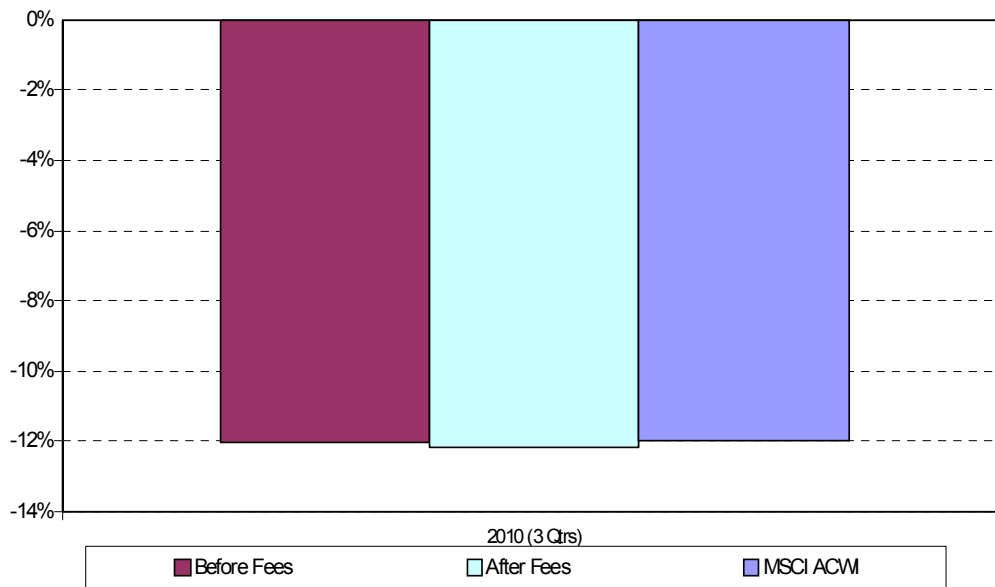
J.P. Morgan vs. MSCI ACWI

Cumulative Value of \$1 (Net of Fees)

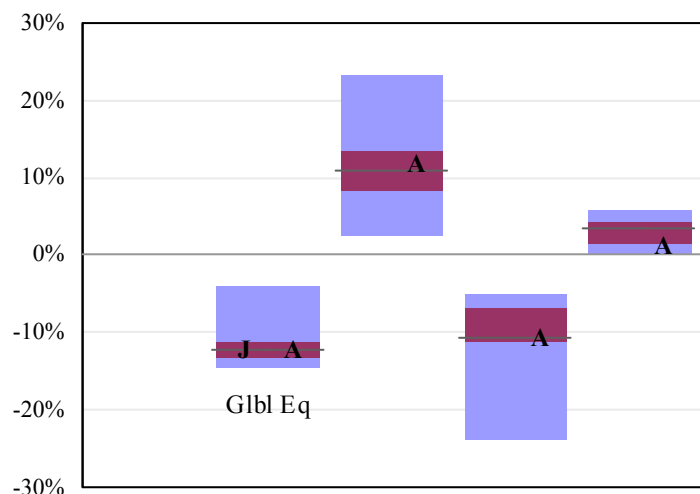


J.P. Morgan vs. MSCI ACWI (Gross)

Year by Year Performance



J.P. Morgan Global Opportunities



	Qtr	1 Year	3 Years	5 Years
J.P. Morgan (J)	-12.1	-	-	-
Rank v. Gbl Equity	41	-	-	-
MSCI ACWI (A)	-12.1	11.8	-10.5	1.2
Gbl Eq Median	-12.3	11.0	-10.6	3.4

Portfolio Characteristics	J.P. Morgan	MSCI ACWI
Eq Mkt Value (\$Mil)	197.9	N/A
Cash	0.0 %	0.0 %

Over-Weighted Countries	J.P. Morgan	MSCI ACWI
United Kingdom	16.9 %	8.3 %
France	10.5	3.8
Netherlands	6.4	1.1

Under-Weighted Countries	J.P. Morgan	MSCI ACWI
United States	9.8 %	41.9 %
Canada	3.1	4.5
Sweden	0.0	1.1

In its first full quarter, the new J.P. Morgan global equity portfolio returned -12.1%, nearly matching the -12.0% return of the MSCI ACWI benchmark, and ranked in the 41st percentile of global equity managers.

The portfolio's largest country over-weights were in the United Kingdom, France and the Netherlands, while the largest under-weights were in the United States, Canada and Sweden.

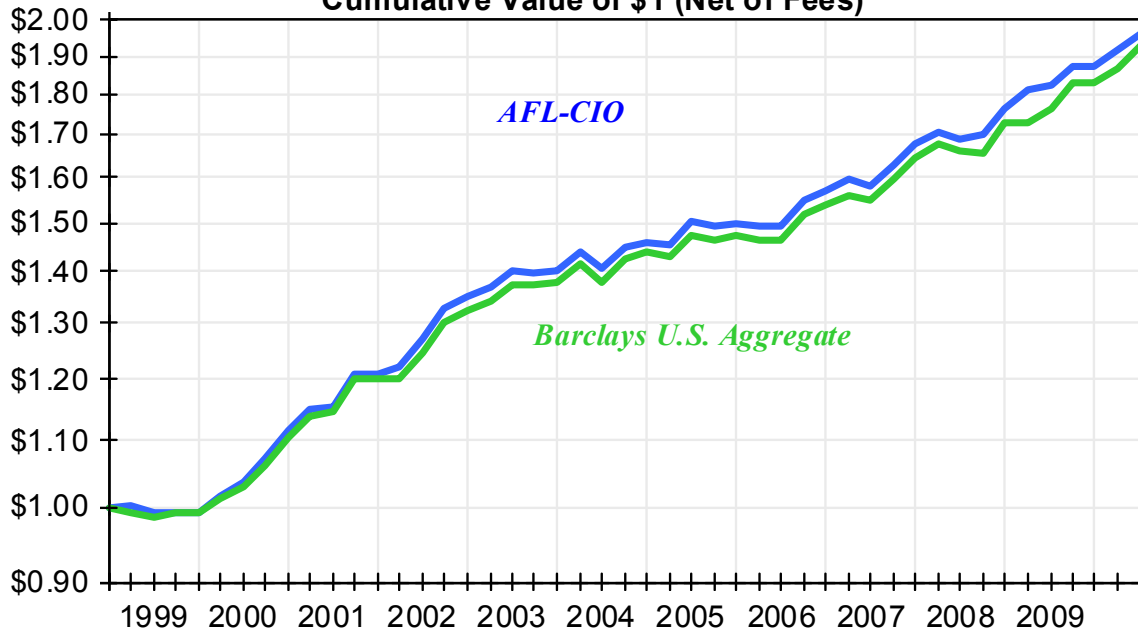
Both stock selection and country allocation decisions detracted from performance relative to the MSCI ACWI benchmark while trading decisions had a positive impact. Stock selection was weakest in Japan.

MANAGER COMMENTS – FIXED INCOME

AFL-CIO Housing Investment Trust

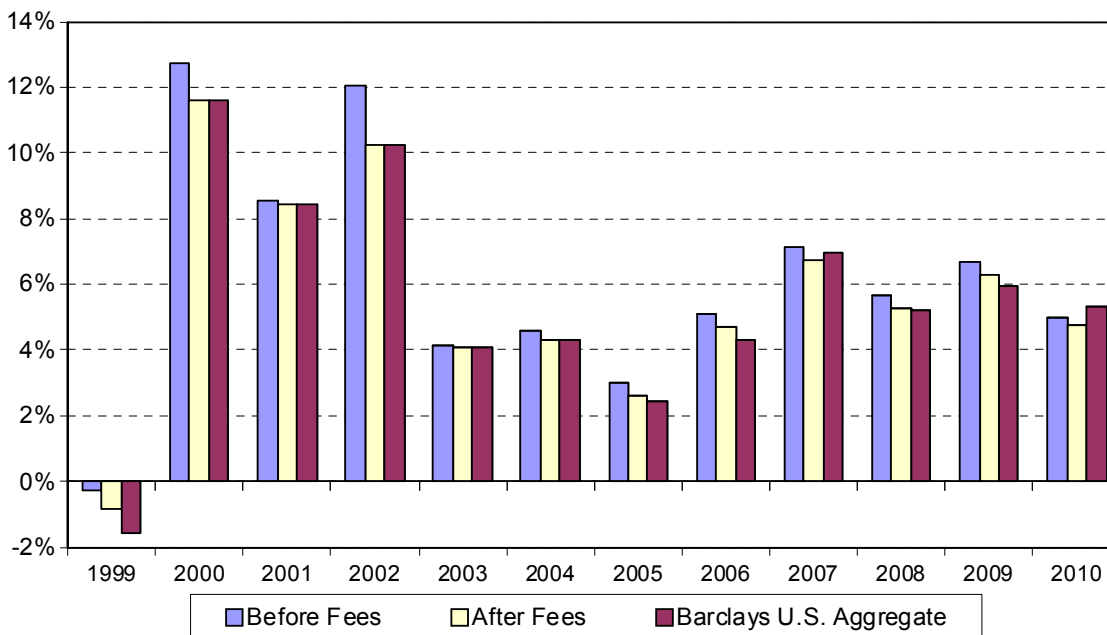
AFL-CIO vs. Barclays U.S. Aggregate

Cumulative Value of \$1 (Net of Fees)

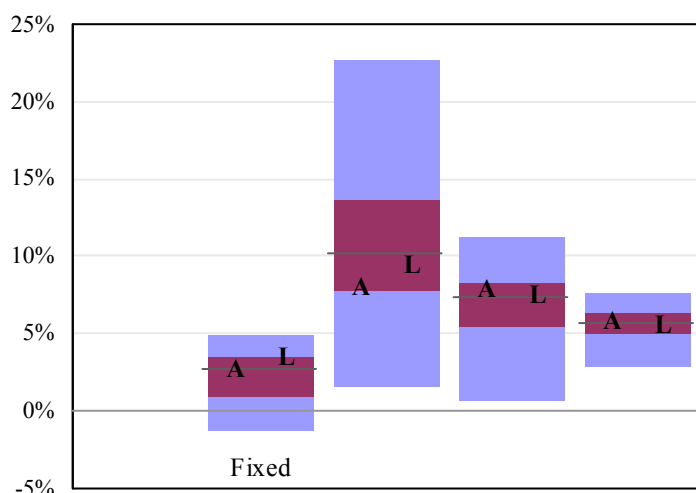


AFL-CIO vs. Barclays U.S. Aggregate

Year by Year Performance



AFL-CIO Housing Investment Trust



	Qtr	1 Year	3 Years	5 Years
AFL-CIO (A)	2.8	8.1	8.0	5.9
Rank v. Fixed	49	73	33	42
BC Agg (L)	3.5	9.5	7.6	5.5
Fixed Median	2.7	10.2	7.4	5.7

Portfolio Characteristics	AFL CIO	Barclays Aggregate
Mkt Value (\$Mil)	157.7	n/a
Yield to Maturity (%)	4.5 %	2.8 %
Duration (yrs)	4.4	4.3
Avg. Quality	AGY	AA1/AA2

Sectors	AFL CIO	Barclays Aggregate
Treasury/Agency	3 %	44 %
Single-Family MBS	26	34
Multi-Family MBS	67	0
Corporates	0	18
High Yield	0	0
ABS/CMBS	2	3
Other	0	0
Cash	3	0

The AFL-CIO Housing Investment Trust (HIT) returned 2.8% in the second quarter, trailing the 3.5% return of the Barclays U.S. Aggregate. The portfolio ranked in the 49th percentile of fixed income managers. For the past year, AFL-CIO returned 8.1%, which lagged the 9.5% return of the Barclays U.S. Aggregate and ranked in the 73rd 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, 26% allocated to single-family mortgage backed securities, 67% 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 4.4 years and the current yield of the portfolio was 4.5%.

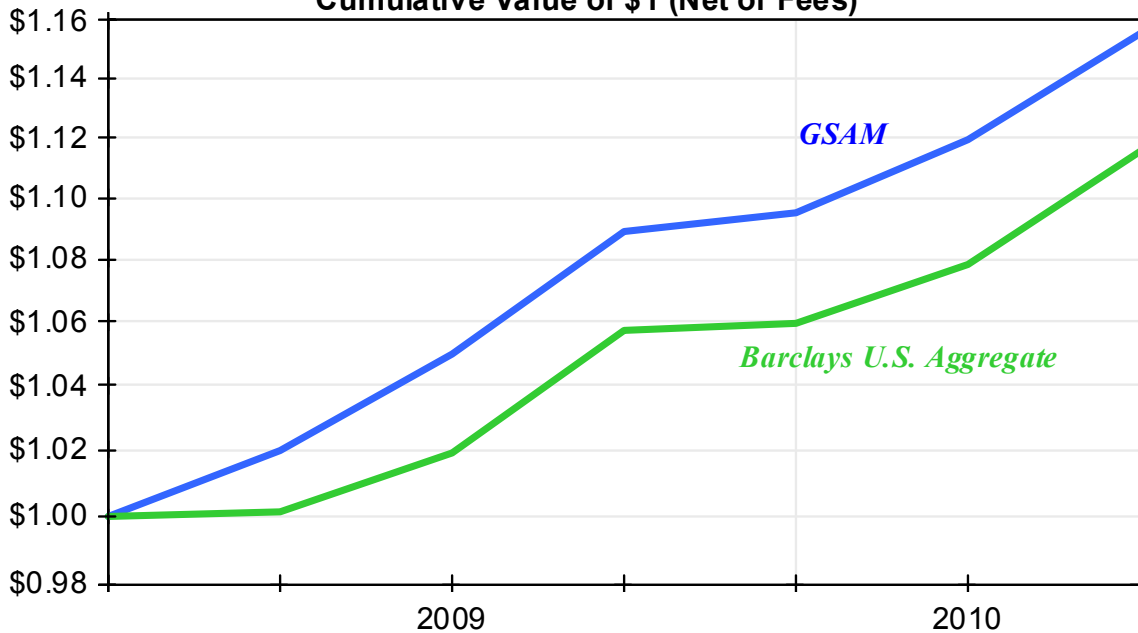
The HIT's second quarter results were negatively impacted by the portfolio's underweight to Treasuries, which experienced a dramatic rally with the market's flight to safety. Other factors detracting from performance included significant wide spreadening in the agency multifamily MBS holdings, and the an underweight to single family agency RMBS. The portfolio's yield advantage helped to buffer returns, as did the underweight to BBB securities and the lack of corporate bonds.

MANAGER COMMENTS – FIXED INCOME

Goldman Sachs – Core Plus

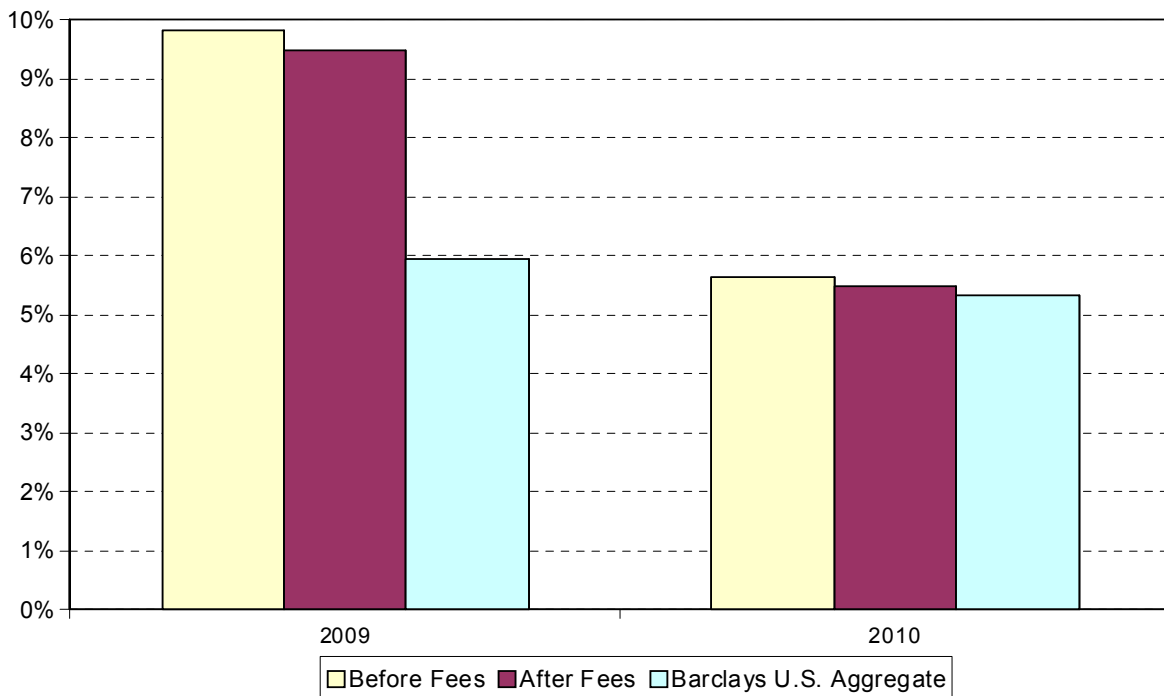
GSAM vs. Barclays U.S. Aggregate

Cumulative Value of \$1 (Net of Fees)

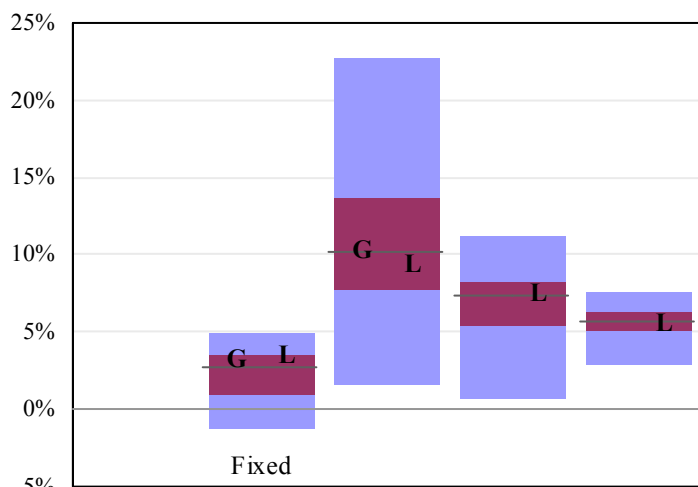


GSAM vs. Barclays U.S. Aggregate

Year by Year Performance



Goldman Sachs – Core Plus



	Qtr	1 Year	3 Years	5 Years
GSAM (G)	3.3	10.3	-	-
Rank v. Fixed	30	48	-	-
BC Agg (L)	3.5	9.5	7.6	5.5
BC Uni (U)	3.1	10.6	7.2	5.6
Fixed Median	2.7	10.2	7.4	5.7

Portfolio Characteristics	Goldman Sachs	Barclays Aggregate
Mkt Value (\$Mil)	242.4	n/a
Yield to Maturity (%)	3.3 %	2.8 %
Duration (yrs)	3.5	4.3
Avg. Quality	AA+	AA1/AA2

Sectors	Goldman Sachs	Barclays Aggregate
Treasury/Agency	45 %	44 %
Mortgages	26	34
Corporates	12	18
High Yield	2	0
Asset-Backed	4	3
CMBS	4	0
International	0	0
Emerging Markets	3	0
Other	0	0
Cash	5	0

The Goldman Sachs core plus portfolio returned 3.3% in the second quarter, trailing the 3.5% return of the Barclays U.S. Aggregate Index, but ranked in the 30th percentile of fixed income managers. Over the past year, GSAM returned 10.3%, above the 9.5% return of the Barclays U.S. Aggregate Index, and ranked in the 48th percentile.

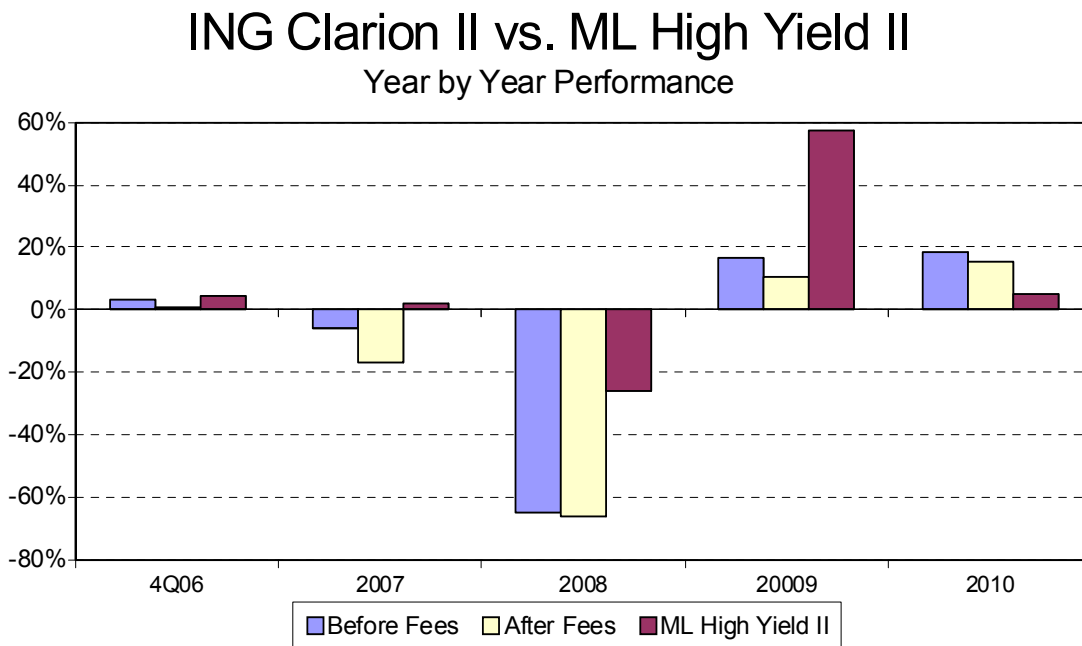
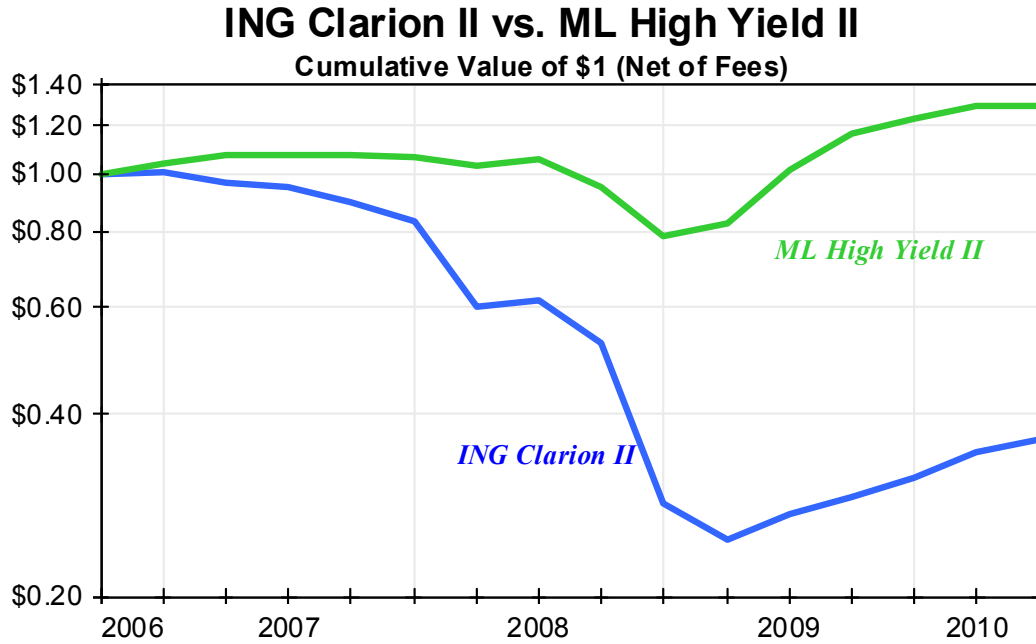
At the end of the second quarter, Goldman Sachs was overweight relative to the Barclays U.S. Aggregate in the non-index sectors, including high yield, CMBS and emerging market debt. Goldman Sachs was underweight in the mortgage and investment-grade corporate debt sectors. The duration of the Goldman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

Within corporate debt, GSAM remains modestly underweight and cautious because of the potential for a significantly higher default rate coupled with reduced liquidity. This posture is unchanged since the third quarter of 2009. The high yield market weakened during the quarter and detracted from overall results.

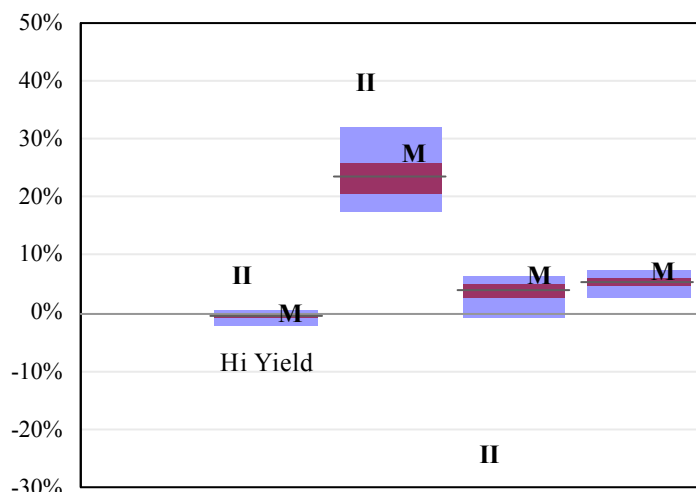
An on-site visit with Goldman Sachs was held on August 2, 2010. The primary purpose of the meeting was to discuss the level of personnel turnover that has occurred at senior levels over the past 18 months. While we came away from the meeting reassured that the portfolio is being appropriately, the level of turnover is such that we recommend placing the firm on the Watch List. If there are no additional senior-level departures through the end of the year, we will most likely then recommend removing the firm from the Watch List.

MANAGER COMMENTS – FIXED INCOME

ING Clarion II



ING Clarion II



	Qtr	1 Year	3 Years	5 Years
ING Clarion II (II)	6.5	39.7	-24.4	-
Rank v. Hi Yield	1	1	98	-
ML HY II (M)	-0.1	27.5	6.5	7.1
Hi Yield Median	-0.5	23.7	4.0	5.4

Portfolio Characteristics	ING Clarion II	ML High Yield II
Mkt Value (\$Mil)	39.1	n/a
Yield to Maturity (%)	31.5 %	9.0 %
Duration (yrs)	3.1	4.4
Avg. Quality	A	B1

Quality Distribution	ING Clarion II	ML High Yield II
AAA	57 %	0 %
AA	0	0
A	8	0
BBB	19	0
BB	1	41
B	13	41
CCC	0	18
Not Rated	0	0
Other	2	0

ING Clarion II returned 6.5% for the second quarter. This return was better than the Merrill Lynch High Yield Master II return of -0.1% and ranked in the 1st percentile in the universe of high yield portfolios. Over the past three years, the fund has returned -24.4%, well below the index return of 6.5%, and ranked in the 98th percentile. The time-weighted results thus far look extremely poor.

Fund II had called all capital commitments and made investments in 63 deals with an acquisition value of \$685.2 million. The continued weakness in the real estate market has impacted the portfolio, causing further credit deterioration. At this point, one mezzanine investment, eight CMBS deals and two CDO deal have stopped making payments. These investments collectively represent 20.2% of overall commitments. Another eight CMBS deals and one CDO position representing 7.3% of committed capital are making only partial interest payments.

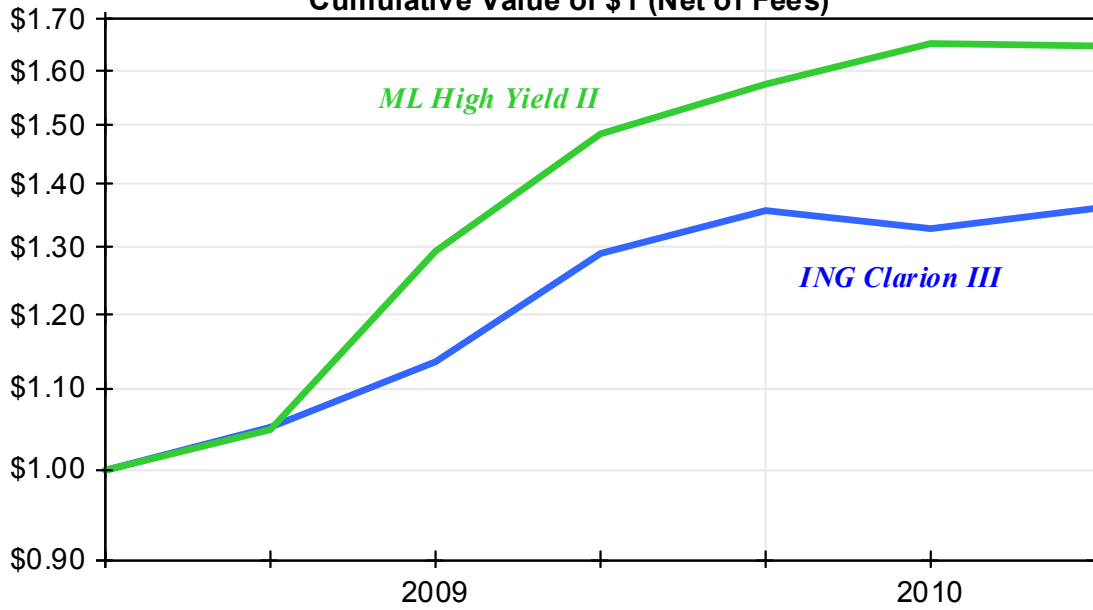
The portfolio consists of 68.8% investment grade CMBS, 15.4% non-investment grade CMBS, 13.8% mezzanine loans and B-notes and 2.0% CRE CDO bonds (based on acquisition value).

MANAGER COMMENTS – FIXED INCOME

ING Clarion III

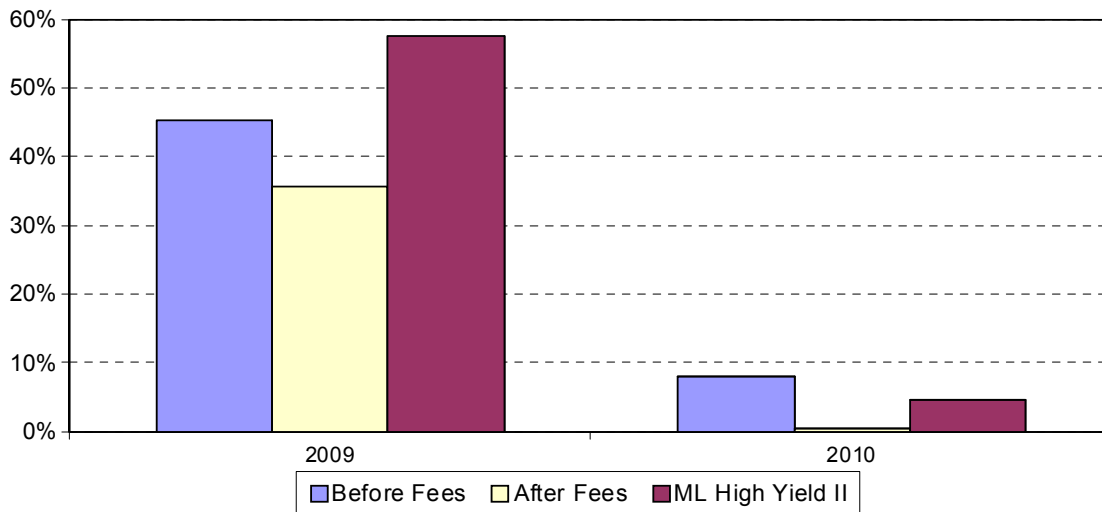
ING Clarion III vs. ML High Yield II

Cumulative Value of \$1 (Net of Fees)

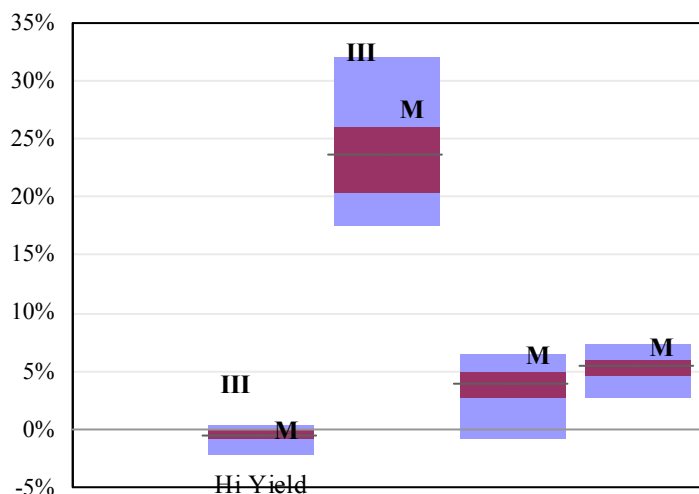


ING Clarion III vs. ML High Yield II

Year by Year Performance



ING Clarion III



	Qtr	1 Year	3 Years	5 Years
ING Clarion III (III)	3.9	32.5	-	-
Rank v. Hi Yield	1	4	-	-
ML HY II (M)	-0.1	27.5	6.5	7.1
Hi Yield Median	-0.5	23.7	4.0	5.4

Portfolio Characteristics	ING Clarion III	ML High Yield II
Mkt Value (\$Mil)	20.5	n/a
Yield to Maturity (%)	12.8 %	9.0 %
Duration (yrs)	2.5	4.4
Avg. Quality	AA	B1

Quality Distribution	ING Clarion III	ML High Yield II
AAA	70 %	0 %
AA	7	0
A	4	0
BBB	14	0
BB	0	41
B	0	41
CCC	0	18
Not Rated	5	0
Cash	0	0

In the second quarter, Fund III returned 3.9%, well above the -0.1% return of the Merrill Lynch High Yield II Index. This return ranked in the 1st percentile of high yield managers. Over the past year, the fund has returned 32.5%, better than the index return of 27.5% and ranked in the 4th percentile.

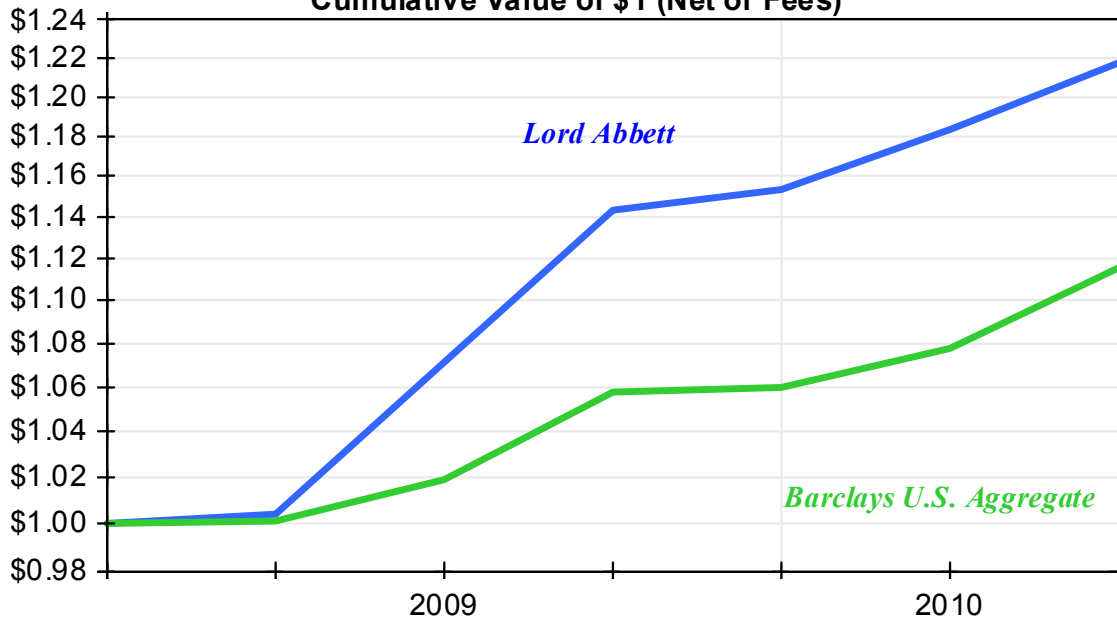
As of June 30, 2010, Fund III has called down 23.3% of committed capital and acquired a portfolio of 36 deals with an acquisition value of \$154.9 million. The breakdown of the current investments is 47.6% AAA-rated CMBS, 35.0% interest-only CMBS, 12.8% non-AAA CMBS and 4.6% first-lien mortgages (based on acquisition values). The nominal yield to maturity on the portfolio (including cash) was 12.5% at quarter-end.

MANAGER COMMENTS – FIXED INCOME

Lord Abbett

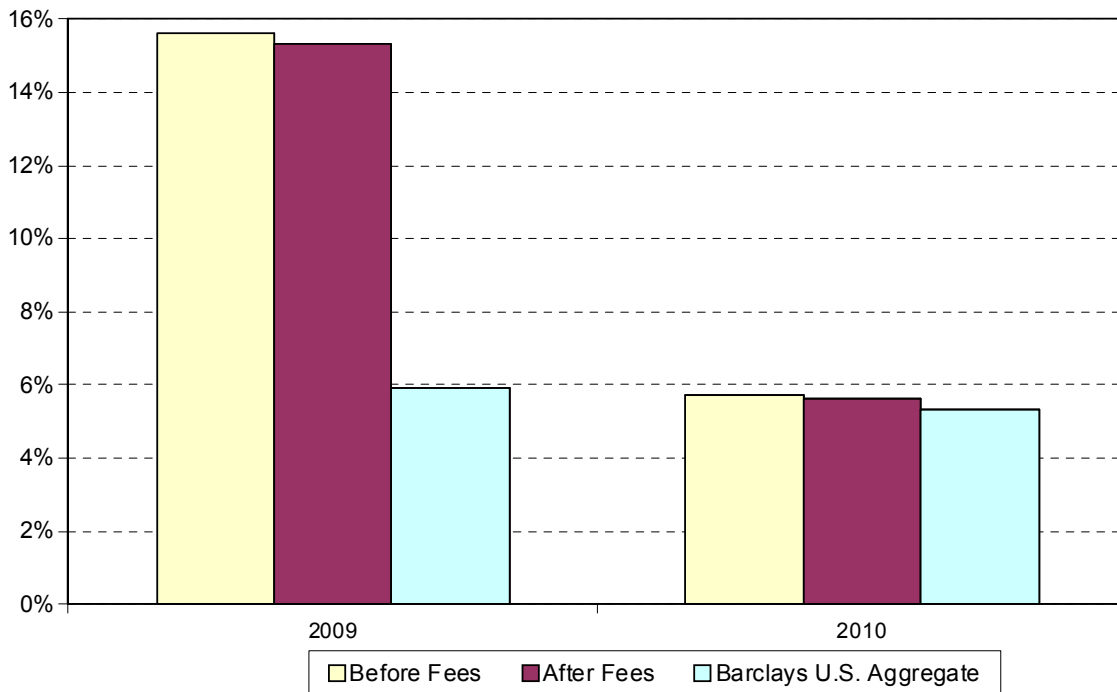
Lord Abbett vs. Barclays U.S. Aggregate

Cumulative Value of \$1 (Net of Fees)

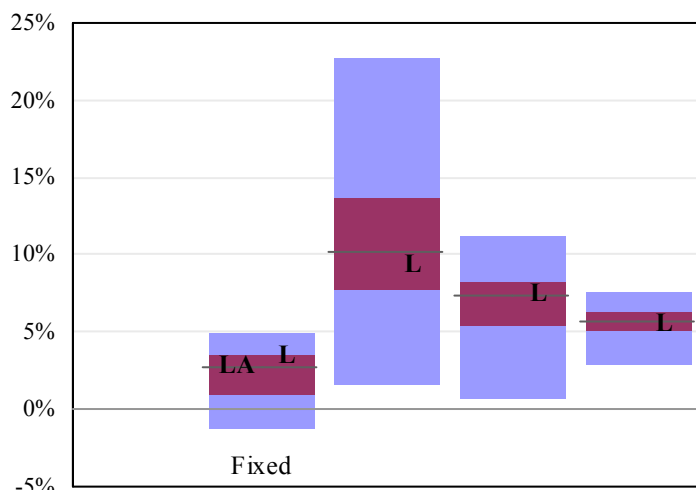


Lord Abbett vs. Barclays U.S. Aggregate

Year by Year Performance



Lord Abbett



	Qtr	1 Year	3 Years	5 Years
Lord Abbett (LA)	2.9	13.9	-	-
Rank v. Fixed	41	23	-	-
BC Agg (L)	3.5	9.5	7.6	5.5
BC Uni (U)	3.1	10.6	7.2	5.6
Fixed Median	2.7	10.2	7.4	5.7

Portfolio Characteristics	Lord Abbett	Barclays Aggregate
Mkt Value (\$Mil)	0.0	n/a
Yield to Maturity (%)	3.8 %	2.8 %
Duration (yrs)	4.2	4.3
Avg. Quality	AA	AA1/AA2

Sectors	Lord Abbett	Barclays Aggregate
Treasury/Agency	19 %	44 %
Mortgages	18	34
Corporates	21	18
High Yield	8	0
Asset-Backed	10	3
CMBS	18	0
International	5	0
Emerging Markets	0	0
Other	4	0
Cash	-3	0

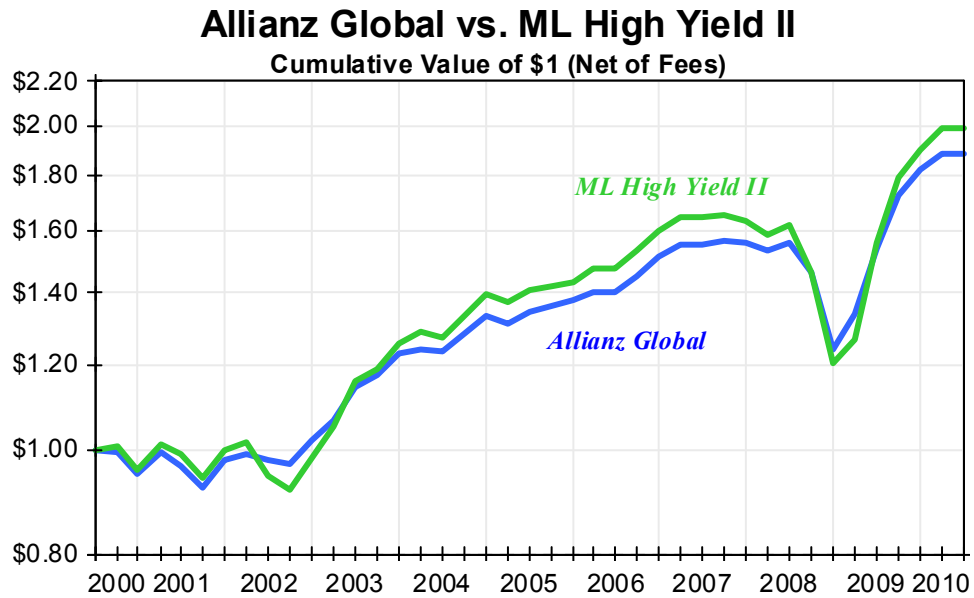
During the second quarter, Lord Abbett returned 2.9%, trailing the 3.5% return of the Barclays U.S. Aggregate, and ranked in the 41st percentile of fixed income managers. Over the past year, the portfolio has returned 13.9%, well above the Barclays U.S. Aggregate return of 9.5%, and ranked in the 23rd percentile.

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 4.2 years, slightly shorter than the benchmark. The portfolio has a yield advantage over the index, due primarily to the CMBS overweight in the portfolio.

The portfolio's underweight to Treasuries and exposure to emerging market debt contributed to underperformance during the quarter's flight to quality.

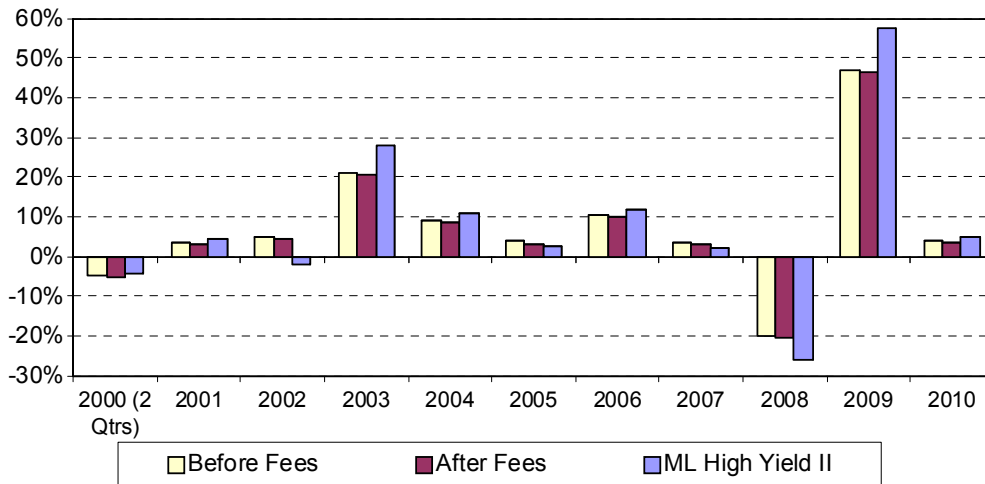
MANAGER COMMENTS – FIXED INCOME

Allianz Global Investors (formerly Nicholas Applegate)

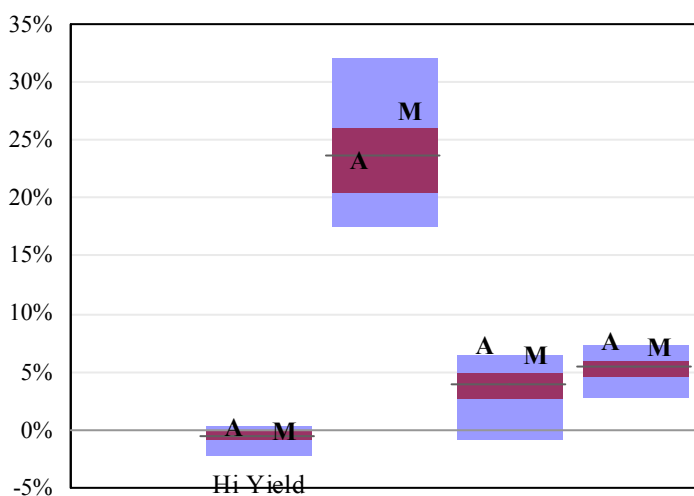


Allianz Global vs. ML High Yield II

Year by Year Performance



Allianz Global Investors (formerly Nicholas Applegate)



	Qtr	1 Year	3 Years	5 Years
Allianz Gblb (A)	0.2	23.1	7.2	7.5
Rank v. Hi Yield	14	54	2	4
ML HY II (M)	-0.1	27.5	6.5	7.1
ML BB/B (B)	0.2	21.8	5.4	6.2
Hi Yield Median	-0.5	23.7	4.0	5.4

Portfolio Characteristics	Allianz Global	ML High Yield II
Mkt Value (\$Mil)	135.8	n/a
Yield to Maturity (%)	9.0 %	9.0 %
Duration (yrs)	3.8	4.4
Avg. Quality	BB	B1

Quality Distribution	Allianz Global	ML High Yield II
A	0 %	0 %
BBB	2	0
BB	29	41
B	63	41
CCC	7	18

Allianz Global's high yield fixed income portfolio returned 0.2% for the second quarter, better than the -0.1% return of the Merrill Lynch High Yield II Index, and ranking in the 14th percentile of high yield managers. Allianz Global returned 23.1% over the past year compared to 27.5% for the ML High Yield II Index and 23.7% for the median. For the five-year period, Allianz Global's return of 7.5% was better than the 7.1% return of the ML High Yield II Index and ranked in the 4th percentile.

As of June 30, 2010, the Allianz Global high yield portfolio was allocated 2% to BBB rated securities compared to 0% for the ML High Yield II Index, 29% to BB rated issues to 41% for the Index, 63% to B rated issues to 41% in the Index and 7% to CCC rated securities to 18% for the Index. The portfolio's June 30, 2010 duration was 3.8 years, shorter than the 4.4 year duration of the ML High Yield II Index.

Several industries in the portfolio generated positive performance in the quarter. The top-performing industries were Technology, Energy and Healthcare. Industries that lagged in the quarter included Diversified Financial Services, Chemicals and Homebuilders. New buys in the quarter included: CIT Group, which received its first ratings since restructuring; Kemet Corp. and Wesco Distribution, both in the industrial space, one a manufacturer of industrial capacitors and the other a broad industrial distributor; Seagate, a new issue manufacturer of hard disk drives; and Triumph Group, a manufacturer of aircraft engine parts and accessories.

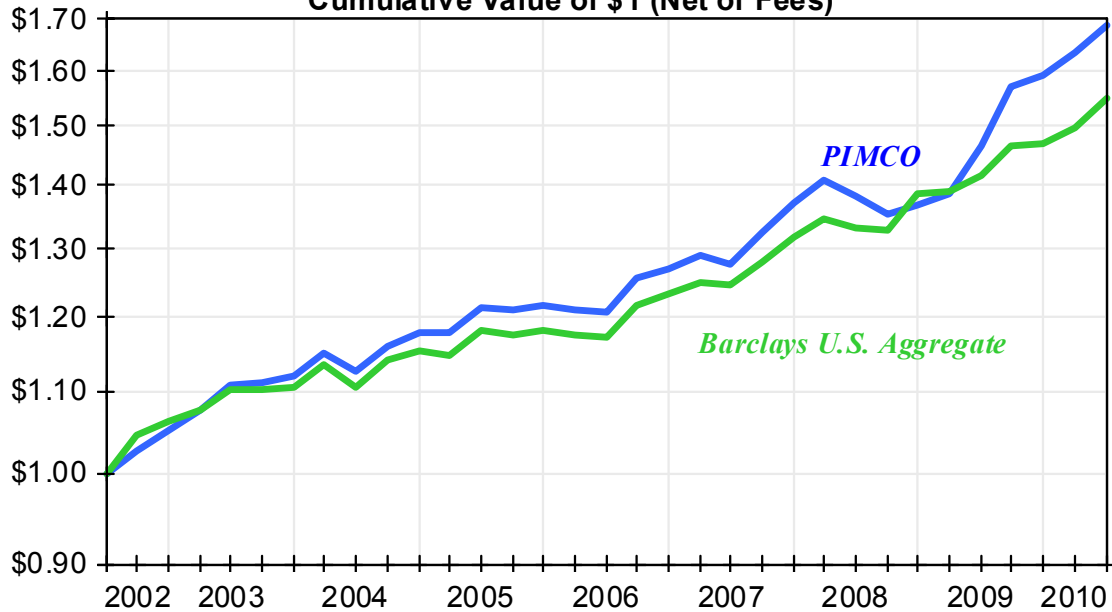
Sells in the portfolio included: Compass Minerals, Harland Clarke, Lear Corp. and Royal Caribbean Cruises, all sold due to relative value opportunities. Also Levi Strauss, Mariner Energy, Chesapeake Energy, Phillips Van-Heusen, AMR Holdco Inc. and BWAY Corp. bonds were all taken out (Tender/Call). JDA Software was sold after a negative judgment was announced in a lawsuit filed against I2 Technologies, a company that was acquired.

MANAGER COMMENTS – FIXED INCOME

PIMCO

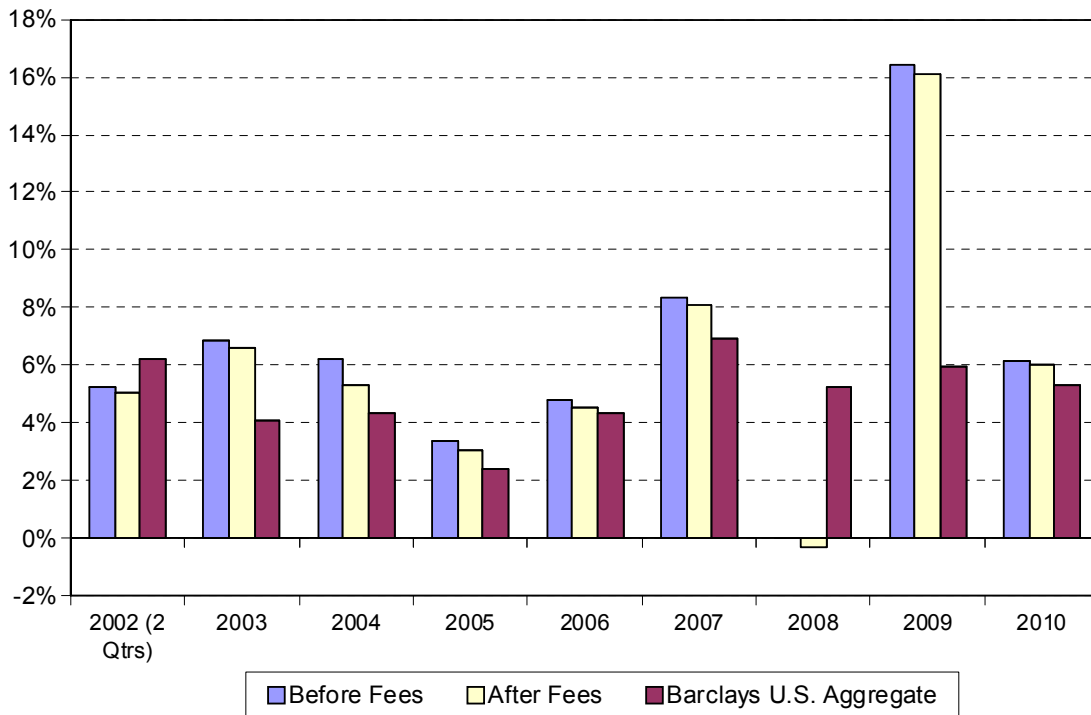
PIMCO vs. Barclays U.S. Aggregate

Cumulative Value of \$1 (Net of Fees)

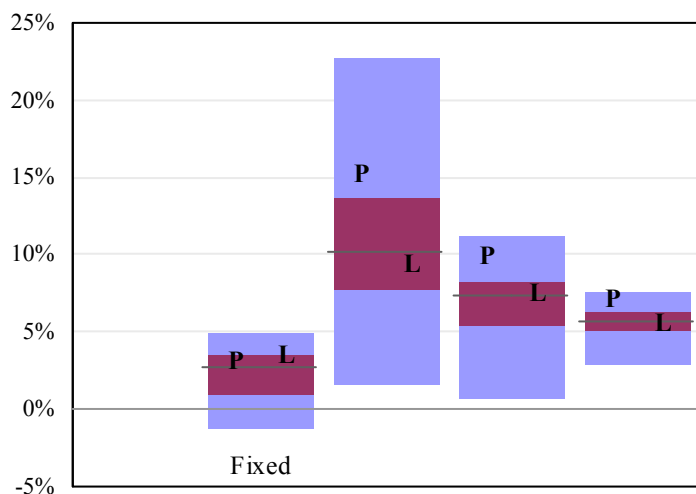


PIMCO vs. Barclays U.S. Aggregate

Year by Year Performance



PIMCO



	Qtr	1 Year	3 Years	5 Years
PIMCO (P)	3.1	15.3	10.0	7.1
Rank v. Fixed	35	19	9	11
BC Agg (L)	3.5	9.5	7.6	5.5
BC Uni (U)	3.1	10.6	7.2	5.6
Fixed Median	2.7	10.2	7.4	5.7

Portfolio Characteristics	PIMCO	Barclays Aggregate
Mkt Value (\$Mil)	346.1	n/a
Yield to Maturity (%)	3.4 %	2.8 %
Duration (yrs)	5.0	4.3
Avg. Quality	AA	AA1/AA2

Sectors	PIMCO	Barclays Aggregate
Treasury/Agency	24 %	44 %
Mortgages	25	34
Corporates	16	18
High Yield	2	0
Asset-Backed	0	3
CMBS	0	0
International	7	0
Emerging Markets	2	0
Other	3	0
Cash	21	0

PIMCO's return of 3.1% for the second quarter trailed the 3.5% return of the Barclays U.S. Aggregate but ranked in the 35th percentile in the universe of fixed income managers. For the one-year period, PIMCO's return of 15.3% was better than the 9.5% return of the Barclays U.S. Aggregate and ranked in the 19th percentile. Over the past five years, the portfolio has returned 7.1%, better than the Barclays U.S. Aggregate return of 5.5%, and ranked in the 11th percentile.

At the end of the second quarter, PIMCO continues to hold underweight position in government, mortgage 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, longer than the benchmark. The portfolio continues to have a yield advantage over the index, though it is reduced from that seen in prior quarters.

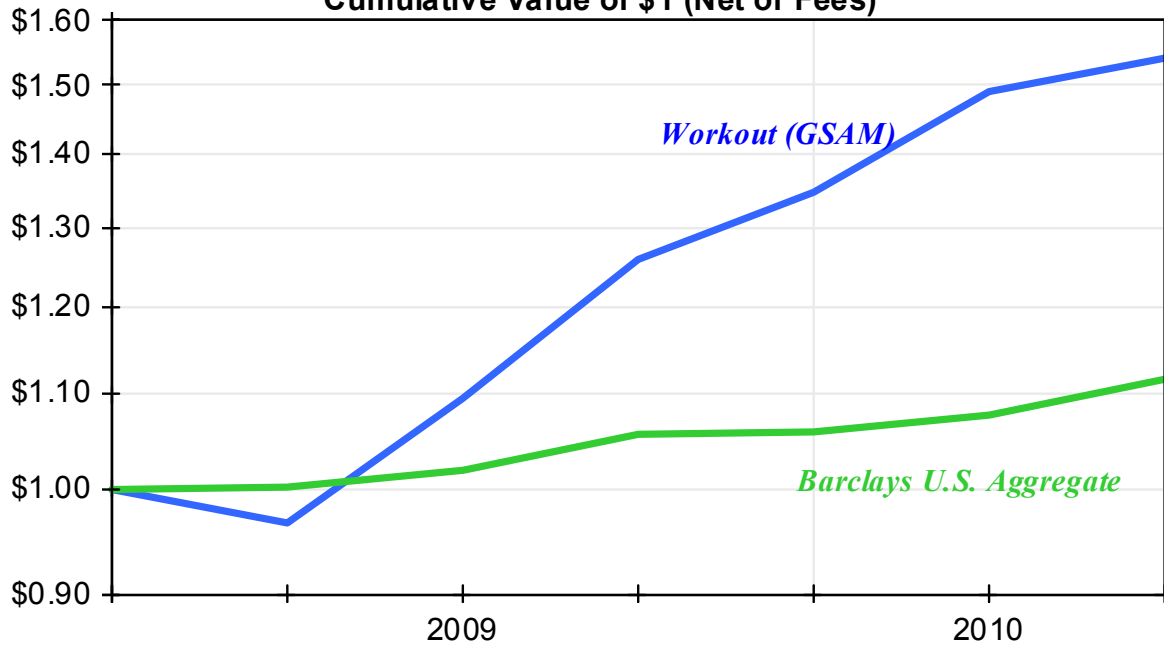
PIMCO's performance was helped by several strategies: a duration overweight as rates fell, mortgage security selection that avoided the most expensive issues and holdings of senior commercial and non-Agency RMBS. Strategies that negatively impact second quarter performance included an emphasis on short to intermediate maturities as the yield curve flattened, an overweight to the bonds of financial companies and modest exposure to emerging market bonds and currencies that suffered during the quarter's flight to safety.

MANAGER COMMENTS – FIXED INCOME

Workout Portfolio - Managed by Goldman Sachs

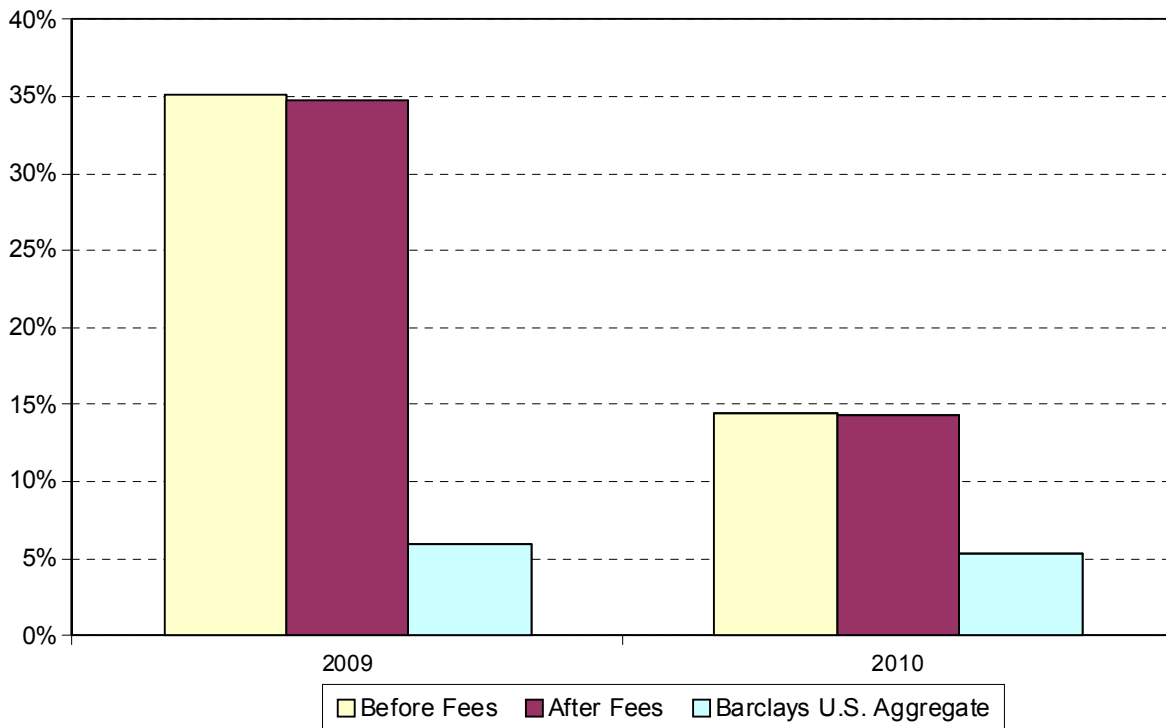
Workout vs. Barclays U.S. Aggregate

Cumulative Value of \$1 (Net of Fees)

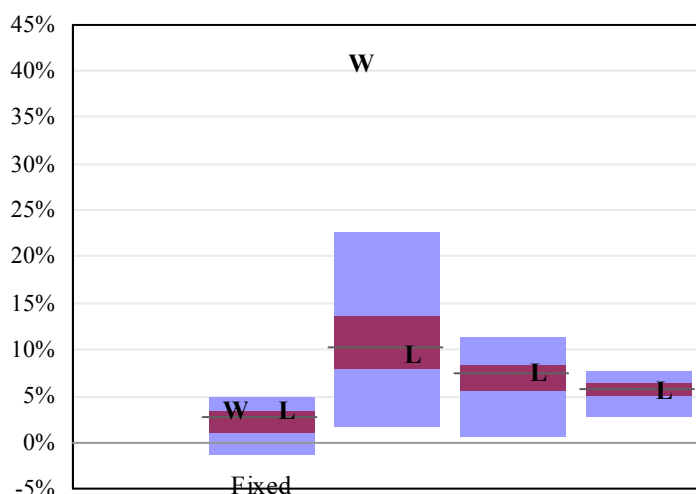


Workout vs. Barclays U.S. Aggregate

Year by Year Performance



Workout Portfolio – Managed by Goldman Sachs



	Qtr	1 Year	3 Years	5 Years
Workout (W)	3.4	40.8	-	-
Rank v. Fixed	25	1	-	-
BC Agg (L)	3.5	9.5	7.6	5.5
BC Uni (U)	3.1	10.6	7.2	5.6
Fixed Median	2.7	10.2	7.4	5.7

Portfolio Characteristics	Workout (GSAM)	Barclays Aggregate
Mkt Value (\$Mil)	25.2	n/a
Yield to Maturity (%)	9.4 %	2.8 %
Duration (yrs)	1.3	4.3
Avg. Quality	AA-	AA1/AA2

Sectors	Workout (GSAM)	Barclays Aggregate
Treasury/Agency	3 %	44 %
Mortgages	53	34
Corporates	11	18
High Yield	0	0
Asset-Backed	0	3
CMBS	0	0
International	0	0
Emerging Markets	0	0
Other	28	0
Cash	5	0

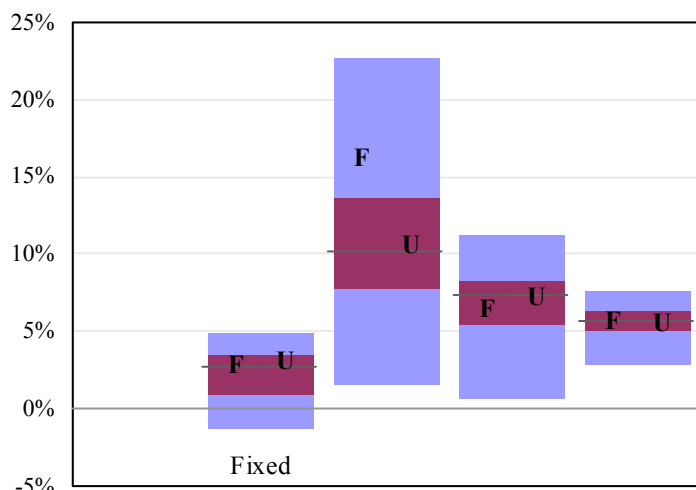
For the portion of the legacy Western Asset Management mandate that was deemed to be illiquid or trading at distressed prices that were unwarranted given the underlying instrument fundamentals, Goldman Sachs was selected to oversee and dispose of securities as appropriate. The workout portfolio is comprised primarily of mortgage-backed securities. Approximately \$30 million of this portfolio was transferred to the new GSAM opportunistic strategy in the second quarter of 2010.

During the second quarter, this legacy portfolio returned 3.4%, slightly below the Barclays U.S. Aggregate return of the 3.5%, and ranked in the 1st percentile of fixed income managers. Over the past year, the portfolio has returned 40.38%, far above the 9.5% return of the index.

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MANAGER COMMENTS – FIXED INCOME

Total Domestic Fixed Income



	Qtr	1 Year	3 Years	5 Years
Total Fixed (F)	2.9	16.3	6.5	5.7
Rank v. Fixed	44	17	64	49
BC Uni (U)	3.1	10.6	7.2	5.6
BC Agg (L)	3.5	9.5	7.6	5.5
Fixed Median	2.7	10.2	7.4	5.7

Portfolio Characteristics	Total Fixed	Barclays Universal
Mkt Value (\$Mil)	1,208.1	n/a
Yield to Maturity (%)	5.4 %	3.3 %
Duration (yrs)	4.1	4.4
Avg. Quality	AA	AA

Sectors	Total Fixed	Barclays Universal
Treasury/Agency	20 %	39 %
Mortgages	29	30
Corporates	12	16
High Yield	14	5
Asset-Backed	3	3
CMBS	10	0
International	3	2
Emerging Markets	1	1
Other	2	4
Cash	7	0

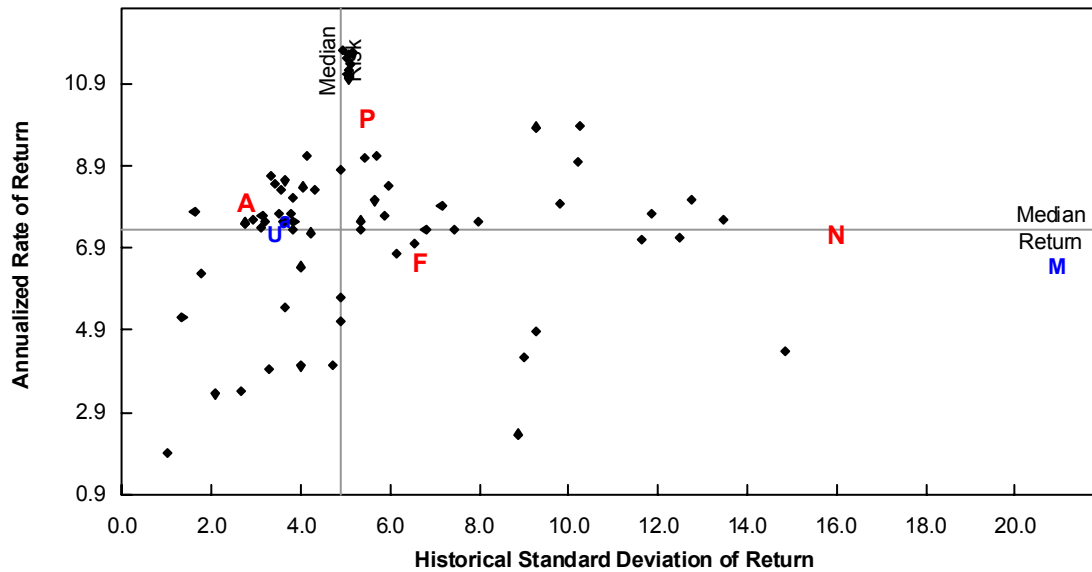
CCCERA total fixed income returned 2.9% in the second quarter, which trailed the 3.1% return of the Barclays Universal and the 3.5% return of the Barclays U.S. Aggregate, ranking in the 44th percentile in the universe of fixed income managers. For the one-year period, CCCERA's total fixed income returned 16.3%, better than the 10.6% return of the Barclays Universal and the 9.5% return of the Barclays U.S. Aggregate. The CCCERA total fixed income returns trailed the Barclays Universal Index and the median fixed income manager over the three years but has exceeded both over the past five years.

At the end of the second quarter, the aggregate fixed income position was underweight relative to the Barclays Universal in the US government, mortgage and corporate debt sectors. These underweight positions 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 4.1 years, shorter than the 4.4 year duration of the index.

MANAGER COMMENTS – FIXED INCOME

Domestic Fixed Income Performance and Variability

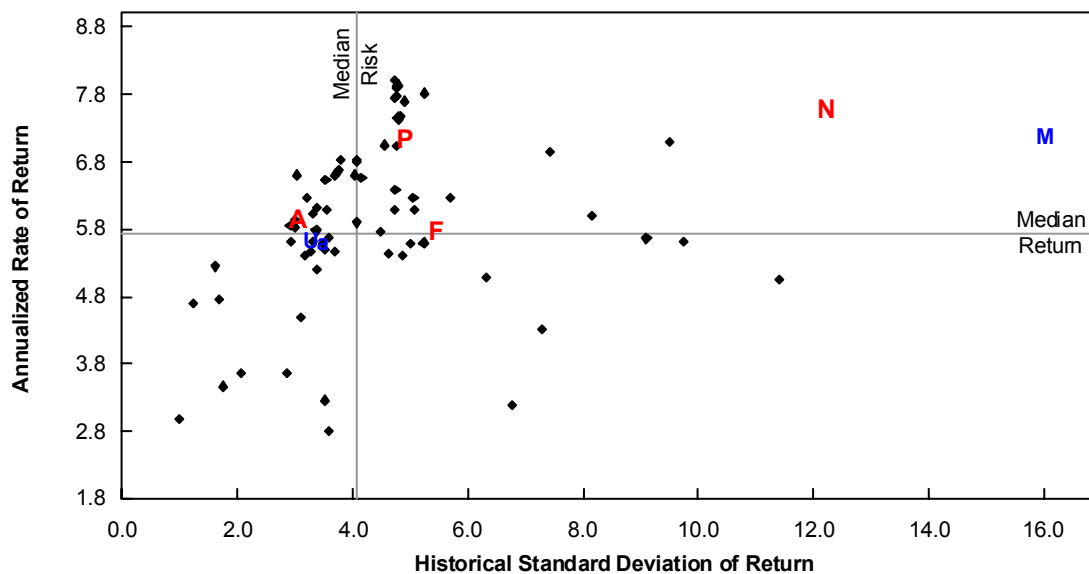
Three Years Ending June 30, 2010



	Annualized Return	Standard Deviation	Risk/Reward Ratio
Domestic Bond Managers			
AFL-CIO (A)	8.0 %	2.7 %	2.35
Nicholas Applegate (N)	7.2	16.0	0.35
PIMCO (P)	10.0	5.5	1.54
Total Fixed (F)	6.5	6.7	0.75
Barclays Aggregate (a)	7.6	3.6	1.67
ML High Yield II (M)	6.5	20.9	0.23
Barclays] Universal (U)	7.2	3.4	1.67
Median Bond Portfolio	7.4	4.9	1.19

Domestic Fixed Income Performance and Variability

Five Years Ending June 30, 2010

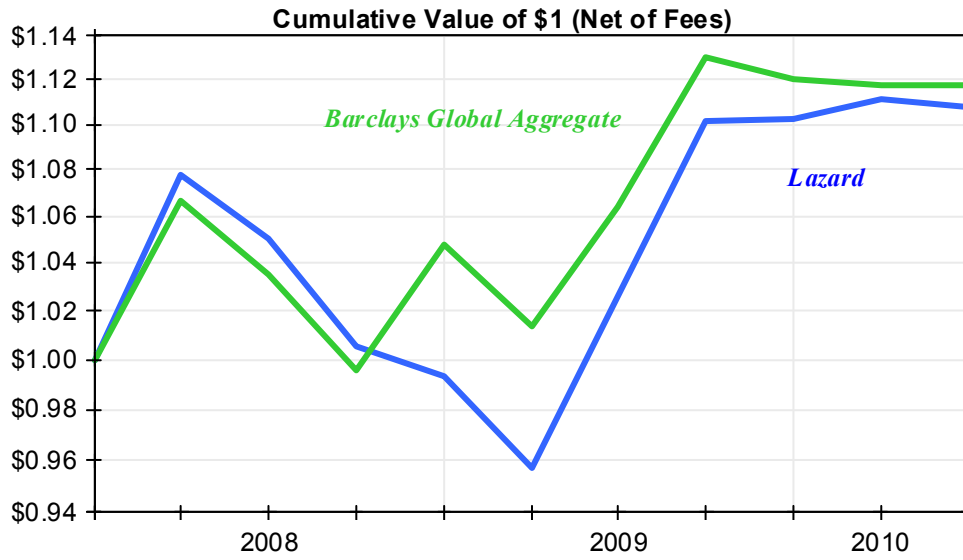


	<u>Annualized Return</u>	<u>Standard Deviation</u>	<u>Risk/Reward Ratio</u>
Domestic Bond Managers			
AFL-CIO (A)	5.9 %	3.1 %	1.02
Nicholas Applegate (N)	7.5	12.3	0.39
PIMCO (P)	7.1	4.9	0.88
Total Fixed (F)	5.7	5.5	0.54
Barclays Aggregate (a)	5.5	3.5	0.79
ML High Yield II (M)	7.1	16.1	0.27
Barclays Universal (U)	5.6	3.3	0.85
Median Bond Portfolio	5.7	4.1	0.72

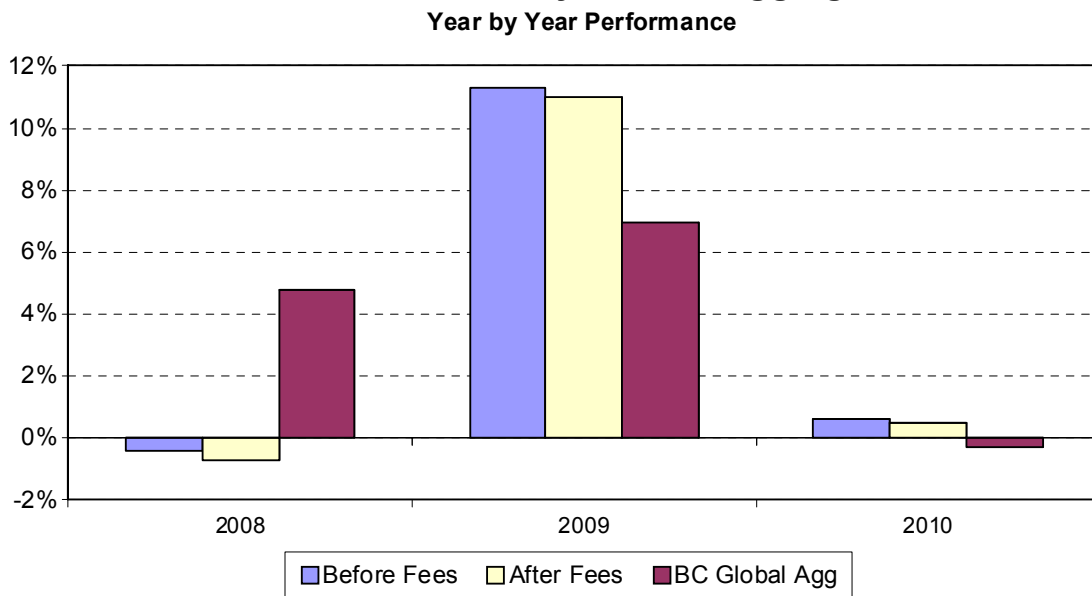
MANAGER COMMENTS – GLOBAL FIXED INCOME

Lazard Asset Management

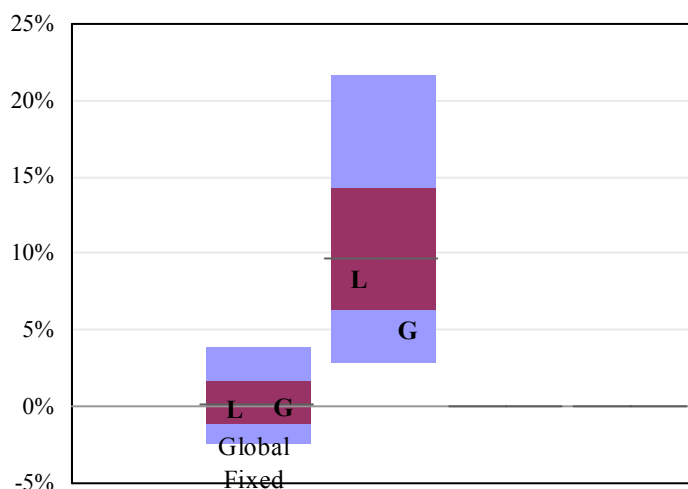
Lazard vs. Barclays Global Aggregate



Lazard vs. Barclays Global Aggregate



Lazard Asset Management



	Qtr	1 Year	3 Years	5 Years
Lazard (L)	-0.2	8.3	-	-
Rank v. Glob FI	59	55	-	-
BC Global (G)	-0.0	5.0	6.8	5.0
GI Fixed Median	0.2	9.7	-	-

Portfolio Characteristics	Lazard Asset Mgmt	Barclays Global Aggregate
Mkt Value (\$Mil)	0.0	n/a
Yield to Maturity (%)	3.9 %	2.5 %
Duration (yrs)	5.8	5.4
Avg. Quality	AA	AA1/AA2

Sectors	Lazard Asset Mgmt	Barclays Global Aggregate
Treasury/Sovereign	26 %	52 %
Agency/Supranational	25	11
Sovereign External Debt	14	2
Corporate	14	16
High Yield	3	0
Emerging Markets	16	0
Mortgage	0	19
Other	3	0

Lazard Asset Management returned -0.2% in the second quarter. This return was better than the 0.0% return of the Barclays Global Aggregate Index but ranked in the 59th percentile in the universe of global fixed income managers. Over the past year, Lazard has returned 8.3%, better than the Barclays Global Aggregate return of 5.0% but ranking in the 55th percentile.

Lazard's portfolio was underweight to treasuries/sovereign and mortgage securities and overweight to agency/supranational and emerging markets and other securities. The duration of the Lazard Asset Management portfolio at the end of the second quarter was 5.8 years, slightly shorter than the index. The portfolio has a higher yield than the index.

Absolute and relative results were negative during the quarter, with the bulk of the underperformance occurring in May. An underweight position in government bonds hurt performance as investors sought out the safe havens of U.S. Treasuries and other sovereign issues. Lazard added to high quality, but higher yielding, government-related bonds during the quarter. The firm avoided direct exposure to Greece, Italy, Spain and Portugal.

MANAGER COMMENTS – REAL ESTATE

Adelante Capital Management \$333,294,889

Adelante Capital Management returned -2.4% for the second quarter, above the -4.2% return of the Dow Jones Wilshire REIT Index, and ranked in the 11th percentile of the REIT mutual fund universe. For the past year, Adelante returned 53.2%, trailing the REIT index return of 55.5% but ranking in the 34th percentile. The portfolio has slightly trailed the benchmark over longer time periods.

As of June 30, 2010, the portfolio consisted of 36 public REITs. Office properties comprised 15.0% of the underlying portfolio, apartments made up 17.4%, retail represented 20.0%, industrial was 11.3%, 5.7% was diversified/specialty, storage represented 6.3%, healthcare accounted for 10.3%, hotels accounted for 7.6%, manufactured homes made up 1.8% and 4.5% was cash.

BlackRock Realty \$13,739,096

BlackRock Realty Apartment Value Fund III (AVF III) returned 27.2% in the second quarter. Over the one-year period, BlackRock has returned -3.9%. CCCERA has an 18.7% interest in the AVF III. In the second quarter, the Fund's positive return was primarily due to improving operations and asset write-ups.

AVF III is fully invested. The gross real estate value as of June 30, 2010 is \$219.8 million. In the second quarter, AVF III LTV declined 8.8% to its current level of 65%, meeting the Fund's target leverage.

The Fund has sold select assets and is experiencing market pricing above initial expectations. AVF III occupancy improved to 96% from 94% in the first quarter; 7 of the 8 assets had occupancies above 95%. Four assets were sold during the quarter; Oxford Ridge I & II had a loss of 4% to its previous carry value; Alexan Kirby sold at a 15% gain and McDowell Place sold at a gain of 11%.

DLJ Real Estate Capital Partners \$172,553

DLJ Real Estate Capital Partners (RECP) returned 0.9% in the quarter ending March 31, 2010. (Performance lags by one quarter due to the availability of financial reporting.) Over the one-year period, RECP has returned -0.1%. 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 approximately \$3.2 million. Since inception, the fund has realized a gross IRR of 17.0%.

DLJ Real Estate Capital Partners II
\$4,228,875

DLJ Real Estate Capital Partners II (RECP II) reported a return of 1.6% in the quarter ending June 30, 2010. Over the one-year period, RECP II has returned -20.9%. CCCERA has a 3.4% ownership interest in RECP II.

As of March 31, 2010, the portfolio consisted of 45% retail, hotels accounted for 18%, land development made up 19%, residential accounted for 9%, 1% made up office properties and 8% in “other”. The properties were diversified geographically with 82% domestic and 18% international.

The RECP II Fund acquired 51 investments with total capital committed of \$1 billion. 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 45 of the properties have been sold, while six remain to be partially or fully realized, generating profits of \$1.0 billion, a 34% gross IRR and 2.3x investment multiple. 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. Based on actual cash flows and the remaining book value, the overall gross IRR for RECP is 28%.

DLJ Real Estate Capital Partners III
\$37,632,849

DLJ Real Estate Capital Partners III (RECP III) reported a return of 0.2% in the fourth quarter. (Performance lags by one quarter due to financial reporting constraints.) Over the past year, RECP III returned -23.6%. CCCERA has a 7.0% ownership interest in RECP III.

As of March 31, 2010 the portfolio consisted of 46% hotel properties, 22% industrial/ logistics, 15% mixed-use development, 5% vacation home development, 10% residential, 3% retail and 1% other. The properties were diversified globally with 55% non-US and 45% US.

The Fund is fully invested in 49 investments; having committed \$1.3 billion of equity. There have been 19 realizations to date, generating profits of \$163 million, a 34% gross IRR and a 1.5x multiple.

DLJ Real Estate Capital Partners IV
\$18,914,803

DLJ Real Estate Capital Partners IV (RECP IV) returned 1.1% in the quarter ending March 31, 2010. (Performance lags by one quarter due to financial reporting constraints.) Over the past year, the fund has returned 1.2%.

As of March 31, 2010 the portfolio consisted of 43% senior and mezzanine loans, 15% mixed use development, 11% townhouse, 8% development and construction companies, 8% public securities, 5% hotel properties, 4% CMBS and loans, 4% industrial, 1% commercial land development, 1% “other” investments, 0% private securities in a public company. The properties were diversified globally with 31% non-US and 69% US.

To date, the Fund has completed 21 investments, investing approximately \$575 million of

equity. The Fund has sold 6 investments representing \$170 million of invested capital which generated \$98 million of proceeds. 12 of the remaining 15 investments were acquired prior to the financial market collapse and have been impacted by the market distress. With the remaining capital to be deployed, DLJ believes the distress and lack of liquidity in the current market will create compelling investment opportunities for the Fund. DLJ is beginning to see tentative signs of an overall economic recovery.

Fidelity Investments US Growth Fund II **\$15,380,071**

Fidelity Investments returned 5.9% for the first quarter of 2010. For the one-year period, Fidelity had a total return of -6.9%. The second quarter return was largely driven by a gain of \$11 million, or 6.6%, on the Fund's investment positions. This gain is attributable to increased disposition activity at attractive pricing relative to the Fund's recent fair market values.

The most significant gain resulted from the sale in June of Heritage Harbour, an apartment property in Bradenton, FL. The proceeds to the Fund were approximately \$7.7 million, which was well ahead of our most recent valuation of \$2.3 million.

Since inception through June 30, 2010, the fund has fully realized 25 investments, with a realized gross CCCERA IRR of -17.5%. The remaining 24 projects are projected to realize an -7.8% IRR, bringing the overall fund to a projected IRR of -9.6%.

The portfolio consists of 28% apartment properties, 25% for sale housing, 3% senior housing, 6% retail, 3% office, 16% student housing and 19% other. The properties were diversified regionally with 20% in the Pacific, 16% in the Mideast, 11% in the Midwest, 23% in the Southeast, 5% in the Northeast, 20% in the Mountain region and 5% in the Southwest.

Fidelity Investments US Growth Fund III **\$8,788,324**

Fidelity US Growth Fund III reported a return of 16.0% for the first quarter of 2010. Over the past year, the Fund has returned -33.2%. The second quarter return was driven by an increase of \$12.7 million, or 9.3%, in the fair market value of the Fund's investment positions.

The most significant write-up in the second quarter was an increase of \$60.1 million to \$71.2 million in the fair market value of the Fund's position in the ACC Student Housing Portfolio. The remaining assets in the ACC portfolio are under agreement to be sold at a price that would generate nearly \$75 million in net proceeds to FREG III. This sale is expected to take place during the third quarter.

Since inception through June 30, 2010, the fund has made 12 investments. 68% of the fund remains uncommitted. The remainder consists of 9% student housing, 1% 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, 2% in the Mideast and 5% in the Northeast.

Hearthstone I & II
\$-85,000 & \$-260,321

The two Hearthstone homebuilding funds are approaching completion. Both Funds show a negative asset value (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 16. By this measure, the first fund has been a modest performer (with its 3.7% annual IRR) and the second fund a strong one (with an annual IRR of 26.7%).

Invesco Real Estate Fund I
\$22,552,515

Invesco Real Estate Fund I (“IREF”) reported a second quarter total return of 10.1%. Over the past year, Invesco Real Estate Fund I returned -18.6%. CCCERA has a 15.6% interest in the Real Estate Fund I.

As of the second quarter, the portfolio consisted of 8 investments. Property type distribution was 10% retail, 20% industrial properties, 6% office and 64% multi-family. The properties were diversified regionally with 26% in the West, 52% 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, eight currently held in the portfolio and seven which were sold at disposition pricing in excess of the Fund’s overall return target.

During the first half of 2010, the Fund restructured a \$78 million Fannie Mae loan on the milestone Portfolio, executing a 5-year extension at a 3.37% fixed rate. This loan was captured by paying down 15% of the loan to 70% LTV, made possible by a 5% capital call from investors. The Fund also refinanced an \$11 million loan on the Red Lion Shopping Center at a rate of 6.25% for a 5-year term and finally made a contractual \$1.5 million paydown on the Fund’s line of credit, further reducing the balance of the Fund’s only recourse loan to \$10 million.

Invesco Real Estate Fund II
\$9,134,376

Invesco Real Estate Fund II returned 14.8% during the second quarter. Over the past year, the fund has returned -28.5%. CCCERA has an 18.7% ownership stake in the fund.

As of the second quarter, the Fund has \$225 million of equity available for future acquisitions and Invesco recommended to LPs that the Fund’s investment period be extended by 1 year from June 2011 to June 2012 to allow the Fund sufficient time to access what it believes will be attractive vintage years of 2010-2012. A substantial majority of LPs voted in favor of this extension.

The Fund has closed on ten transactions nationwide, representing \$178 million of equity or 39% of fund capital commitments. The investments are distributed nationwide with 41% in the West, 12% South and 47% East.

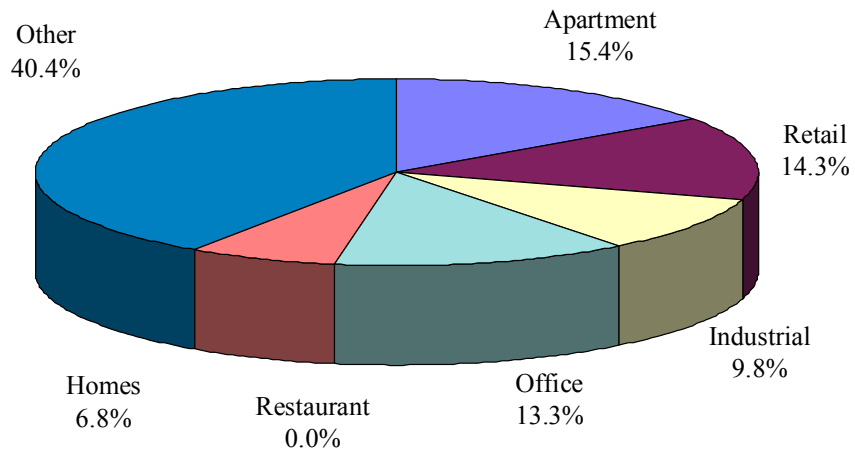
Invesco International REIT**\$42,972,533**

The Invesco International REIT portfolio returned -11.2% in the second quarter. This return fell below the FTSE EPRA/NAREIT Global ex-US benchmark return of -10.1%. Over the past year, the portfolio returned 6.6%, lagging the index return of 10.6%.

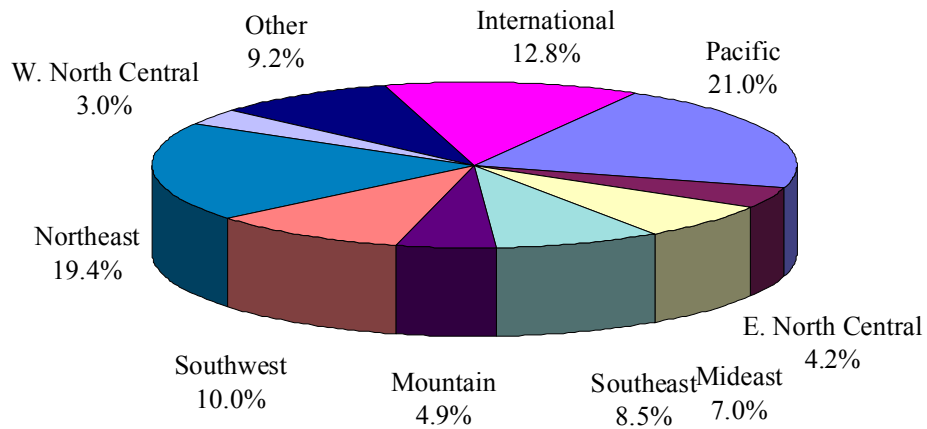
MANAGER COMMENTS – REAL ESTATE¹

Total Real Estate Diversification

Diversification by Property Type



Diversification by Geographic Region



¹ The diversification data for Adelante is as of the 1st quarter

MANAGER COMMENTS - ALTERNATIVE INVESTMENTS

Adams Street Partners

\$40,212,603

Adams Street had a first quarter gross return of 2.7% 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 returned 19.8%. The portfolio continues in acquisition mode.

The Adams Street domestic portfolio is comprised of 39.9% venture capital funds, 10.8% special situations, 5.7% in mezzanine funds, 3.2% in restructuring/ distressed debt and 40.4% in buyout funds. The Non-US program was allocated 26.2% to venture capital, 10.7% special situations, 1.8% mezzanine debt, 1.5% restructuring/distressed debt and 59.7% buyouts.

During the second quarter, there were four additions to personnel, David Arcauz, Jessica Wang, Michael Velcich and Weihan Chong. Mr. Arcauz, joined the Partnership Investment Team in London as a Principal, specializing in the sourcing and execution of large and pan-European mid-market buyout funds. Ms. Wang, based in Chicago is an associate and is responsible for supporting the Partnership Investment Team professionals. Mr. Velcich, also based in Chicago, is an associate and supports the Secondary Investment team. Mr. Chong, joined the Partnership Investment Team in Singapore as an associate and he is responsible for supporting the Primary and Secondary Investment Teams.

Bay Area Equity Fund

\$10,433,115

Bay Area Equity Fund had a first quarter gross return of 2.7% (Performance lags by one quarter due to financial reporting constraints). For the one-year period, Bay Area Equity Fund has returned 7.3%. CCCERA has a 13.3% ownership interest in the Fund.

As of March 31, 2010, the Bay Area Equity Fund has 18 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 \$83.1 million.

Carpenter Community BancFund

\$10,297,387

Carpenter had a first quarter gross return of -1.9% (Performance lags by one quarter due to financial reporting constraints). Over the past year, Carpenter has returned -1.2%.

As of March 31, 2010 the fund had completed investments in six banks totaling approximately \$107.5 million. Five of these investments are control investments where the Fund has a percentage ownership in excess of 30%. During the quarter, Bridge Capital Holdings and the Fund agreed on terms of a conversion of BBNK preferred stock held by the Fund into common

stock. When finalized, the conversion will result in the Fund holding a 34.8% ownership interest in BBNK.

Energy Investors - US Power Fund I
\$16,628,034

The Energy Investors Fund Group (EIF) had a first quarter gross return for this fund, which is in liquidation mode, of -1.1%. (Performance lags by one quarter due to financial reporting constraints.) For the one-year period, EIF had a total return of 18.7%. CCCERA has a 9.6% ownership interest in Fund I.

Subsequent to the reporting period, on April 6th, USPF Holdings made a \$2.26 million mandatory prepayment of the Term Loan Facility, representing the net proceeds from the \$2.42 million Astoria sale payment that was received on March 31, 2010. On May 13th, USPF Holdings made a \$1.02 million prepayment of the Term Loan Facility in satisfaction of the obligatory 50% excess cash flow sweep for the semi-annual calculation period from July 1, 2009 to March 31, 2010. The principal balance of the Loan Facility stands at \$124.1 million. The expected net proceeds from the pending Portfolio Transaction are expected to be more than sufficient to provide for the full repayment of the Term Loan Facility and a significant cash distribution to the Partners.

Energy Investors - US Power Fund II
\$44,783,675

Energy Investors had a second quarter gross return of 2.1% for US Power Fund II. (Performance lags by one quarter due to financial reporting constraints.) Over the past year, the fund returned 2.8%. CCCERA has a 19.1% ownership interest in USPF-II.

Fund II is fully committed at this time. During the quarter, the Fund received a total of \$24.2 million from its project investments. Of this amount, \$17.1 million represents sales proceeds received from the Glen Park, Astoria, Hot Sulphur Springs and Eastshore projects. The remaining \$7.1 million represents operating cash distributions from nine investments. The Fund also invested \$4.4 million in the portfolio this quarter, the largest of which was a \$3.3 million equity funding for Kleen Energy.

This quarter, the Fund's portfolio of investments decreased in value from \$235.6 to \$221.3 million.

Energy Investors - US Power Fund III
\$19,208,152

During the fourth quarter, the fund had a gross return of -2.0%. Over the past year, the fund has returned -10.5%. CCCERA has a 6.9% ownership interest in USPF-III.

After the end of the quarter, on April 7th, the Fund called \$80 million from its investors. This capital will be invested in Kleen Energy (\$40 million), Solar Power Partners (\$20 million) and

the acquisition of the Timberline landfill gas portfolio (\$20 million). The Fund's investment portfolio (at fair value) increased from \$702 million to \$750 million during the quarter. The \$48 million net increase reflects a \$27.4 equity draw for Kleen Energy, a \$19.2 million investment in Timberline, a \$2.3 million investment in Solar Power Partners, \$2.1 million of incremental investments for 5 separate development projects and a \$2.9 million decrease in the portfolio due to a return of capital distribution from the Calypso portfolio.

Nogales Investors Fund I
\$2,219,584

The Nogales Investors Fund I returned 3.6% in the quarter ended March 31, 2010. (Performance lags by one quarter due to financial reporting constraints.) For the one-year period, Nogales has returned 16.3%. CCCERA makes up 15.2% of the Fund. As of March 31, 2010, the Fund had one active investment with invested capital of \$10.3 million.

Oaktree Private Investment Fund 2009
\$7,103,835

The Oaktree PIF 2009 Fund was funded on February 18, 2010 with a commitment of \$40.0 million and an initial investment of \$7.0 million. The Oaktree PIF 2009 Fund returned 1.1% in the partial quarter ended March 31, 2010. (Performance lags by one quarter due to financial reporting constraints.)

Paladin Fund III
\$9,575,252

Paladin Fund III returned 4.4% for the quarter ended March 31, 2010. Over the past year, the fund has returned 16.0%.

As of March 31, 2010, Paladin Fund III had made thirteen investments. The market value of all 13 investments total \$26.9 million. Subsequent to the end of the quarter, the Fund executed bridge loans to Digital Bridge in the amounts of \$249,545 and \$582,271 and to REP in the amount of \$43,990, the Fund made follow on investments in PEA in the amounts of \$906,829 and \$68,680 and distributed proceeds related to the sale of CloudShield and Initiate of \$613,712 and \$5,350,220. Also, the Fund entered into a \$2 million guarantee for the benefit of Digital Bridge scheduled to expire on or upon the Company's next round of financing.

Pathway Private Equity Fund
\$55,387,539

The Pathway Private Equity Fund (PPEF) had a first quarter return of 1.9%. (Performance lags by one quarter due to financial reporting constraints.) For the one-year period, Pathway returned 22.2%.

PPEF contains a mixture of acquisition-related, venture capital, and other special equity investments. As of March 31, 2010, PPEF has made commitments of \$124.9 million across 42

private equity partnerships. Through March 31, 2010, the partnership has made distributions of \$43.3 million, which represents 52% of the Fund's total contribution.

PT Timber Fund III
\$1,021,889

The PT Timber Fund III had a second quarter return of -7.9%. For the one-year period, PT Timber returned -14.0%. CCCERA makes up 12.3% of Fund III.

On June 25, 2010, the remaining timberland investments were sold. With the final sale PT Timber Fund Three Separate Account (Account) has completed the liquidation process. The account will remain open to hold cash reserves against potential contract liabilities. The Account will retain in cash and cash equivalents a total of approximately \$7.5 million for potential contract liabilities.

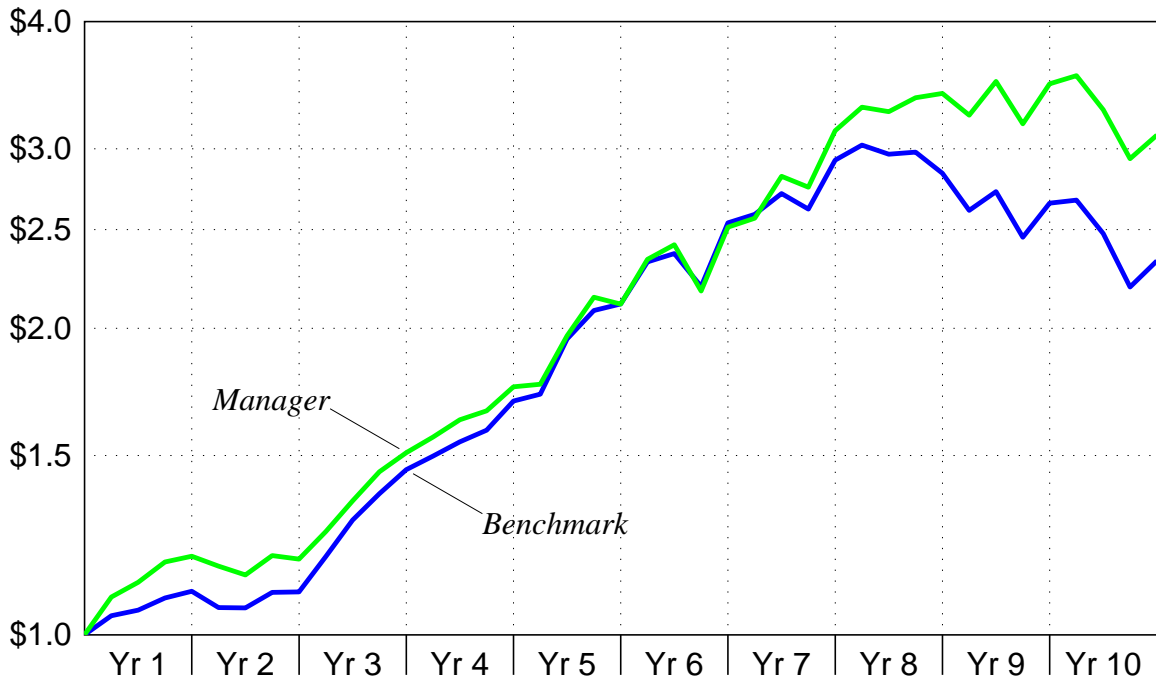
The final distribution is scheduled to take place during December 2010 and will be net of expenses incurred in connection with the liquidation as well as the settlement of outstanding liabilities.

APPENDIX – EXAMPLE CHARTS

How to Read the Cumulative Return Chart:

Manager vs. Benchmark

Cumulative Value of \$1

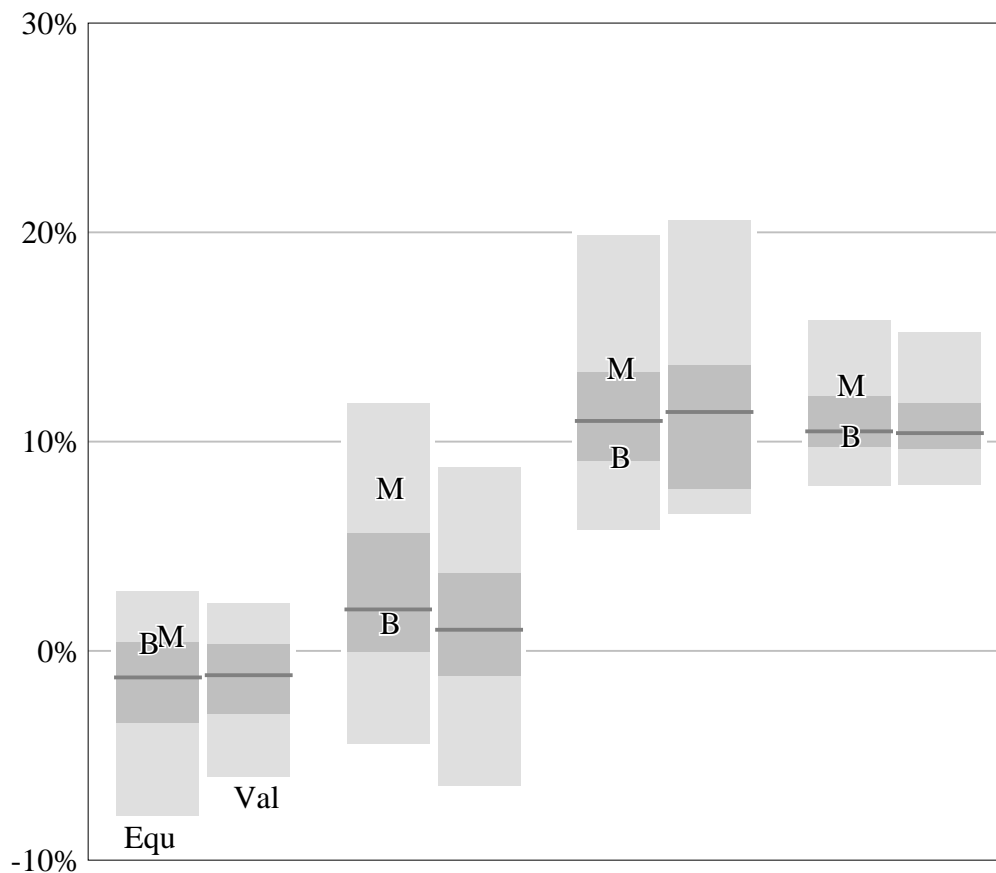


This chart shows the growth of \$1 invested in the 1st quarter of Year 1 with the manager vs. \$1 in the benchmark. Manager returns are the green line. Benchmark performance is the blue line. For example, in the above graph if \$1 had been invested with the manager at the beginning of the 1st quarter 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.