

QUARTERLY REVIEW & PERFORMANCE MEASUREMENT REPORT
for
Contra Costa County
Employees' Retirement Association

FOR THE PERIOD ENDING
March 31, 2008

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TABLE OF CONTENTS

KEY POINTS	1
WATCH LIST	1
SUMMARY	2
ASSET ALLOCATION.....	6
CUMULATIVE PERFORMANCE STATISTICS	10
CLOSED END FUNDS INTERNAL RATE OF RETURN (IRR).....	13
AFTER-FEE CUMULATIVE PERFORMANCE STATISTICS	14
YEAR BY YEAR PERFORMANCE STATISTICS	16
TOTAL FUND PERFORMANCE	20
MANAGER COMMENTS – DOMESTIC EQUITY.....	24
Boston Partners.....	24
Delaware.....	26
Emerald.....	28
ING Investment.....	30
Intech - Enhanced Plus.....	32
Intech - Large Cap Core.....	34
PIMCO.....	36
Progress.....	38
Rothschild.....	40
Wentworth, Hauser and Violich.....	42
Total Domestic Equity	45
Domestic Equity Performance and Variability	46
Domestic Equity Style Map.....	49
PORTFOLIO PROFILE REPORT	50
MANAGER COMMENTS – INTERNATIONAL EQUITY	56
Grantham, Mayo, van Otterloo & Co.....	56
McKinley Capital.....	58
Total International Equity	61
MANAGER COMMENTS – FIXED INCOME.....	62
AFL-CIO Housing Investment Trust	62
ING Clarion	64
ING Clarion II.....	66
Nicholas Applegate.....	68
PIMCO.....	70
Western Asset Management.....	72
Total Domestic Fixed Income.....	75
Domestic Fixed Income Performance and Variability	76
MANAGER COMMENTS – GLOBAL FIXED INCOME.....	78
Lazard Asset Management.....	78
MANAGER COMMENTS – REAL ESTATE.....	80
Adelante Capital Management.....	80
BlackRock Realty	80
DLJ Real Estate Capital Partners	80
DLJ Real Estate Capital Partners II	81
DLJ Real Estate Capital Partners III.....	81
Fidelity Investments US Growth Fund II.....	82
Fidelity Investments US Growth Fund III.....	82
Hearthstone I & II.....	82
Invesco Real Estate Fund I	83
Invesco Real Estate Fund II	83
Prudential Strategic Performance Fund II.....	83
Total Real Estate Diversification	84
MANAGER COMMENTS - ALTERNATIVE INVESTMENTS.....	85
Adams Street Partners.....	85
Bay Area Equity Fund	85
Energy Investors - US Power Fund I	85
Energy Investors - US Power Fund II.....	86
Energy Investors - US Power Fund III.....	86
Nogales Investors Fund I	86
Paladin Fund III	86
Pathway Private Equity Fund.....	87
PT Timber Fund III.....	87
APPENDIX – EXAMPLE CHARTS	88
DEFINITIONS.....	90

KEY POINTS

First Quarter, 2008

- Domestic equity markets had sharply negative returns in the first quarter. The S&P 500 Index returned -9.5% for the quarter while the Russell 2000® small capitalization index returned -9.9%.
- Domestic bond markets were positive in the quarter, with the Lehman Aggregate returning 2.2% and the median fixed income manager returning 1.7%.
- CCCERA Total Fund returned -5.0% for the first quarter, trailing the -4.8% return of the median total fund and the -4.8% return of the median public fund. CCCERA Total Fund performance has been well above the median fund over cumulative periods two years and longer ended March 31, 2008.
- CCCERA domestic equities returned -10.8% in the quarter, below the -9.5% return of the Russell 3000® and the -9.5% return of the median equity manager.
- CCCERA international equities returned -9.2% for the quarter, trailing the -8.8% return of the MSCI EAFE Index and the -8.8% return of the median international equity manager.
- CCCERA fixed income returned -0.8% for the quarter, well below the Lehman Universal return of 1.7% and the median fixed income manager return of 1.7%.
- CCCERA alternative assets returned 4.0% for the quarter, better than the -8.5% return of the S&P 500 + 400 basis points per year.
- CCCERA real estate returned 1.5% for the quarter, above the median real estate manager return of 1.2% but slightly below the CCCERA real estate benchmark return of 1.7%.
- Fixed income and real estate were slightly over-weighted vs. target at the end of the first quarter, offset by modest under-weightings in alternative investments and equities. US equities are the “parking place” for assets intended for alternative investments.

WATCH LIST

<u>Manager</u>	<u>Since</u>	<u>Reason</u>
Wentworth, Hauser	2/28/2007	Personnel changes, performance concerns
Western Asset	9/12/2007	Failure to meet reporting requirements

SUMMARY

There was continued turmoil in the equity markets during the first quarter. Larger capitalization stocks held up marginally better than small capitalization securities. Large capitalization stocks, as measured by the S&P 500, returned -9.5% in the first quarter while the Russell 2000® Index returned -9.9%. The median equity manager returned -9.5% and the broad market, represented by the Russell 3000® Index, returned -9.5%. International equity markets also had negative results in the first quarter, with the MSCI EAFE Index returning -8.8% and the MSCI ACWI ex-US Index returning -9.1%. The U.S. bond market was positive in the first quarter of 2008, with the Lehman Universal Index returning 1.7%, the Aggregate Index returning 2.2% and the median fixed income manager returning 1.7%. The domestic private real estate market continued to post positive results in the first quarter of 2008, with the NCREIF Index returning 1.6%. Publicly listed real estate was also positive with the Dow Jones Wilshire REIT Index returning 2.1%.

CCCERA's first quarter return of -5.0% slightly trailed both the median total fund and the median public fund. CCCERA also lagged the median funds over the past year. CCCERA has outperformed both medians over all trailing time periods two years and longer, ranking in the upper quartile of both universes over the past two through five-year periods.

CCCERA total domestic equities returned -10.8% for the quarter, below the -9.5% return of the Russell 3000® and the -9.5% return of the median manager. Of CCCERA's domestic equity managers, Rothschild had the strongest performance with a return of -5.8%, better than the -7.2% return of the Russell 2500™ Value Index. Wentworth returned -8.5%, better than the -9.5% return of the S&P 500. Intech Enhanced Plus returned -10.2%, below the S&P 500. Intech Large Cap Core returned -10.5%, also below the S&P 500. ING returned -10.6%, below the S&P 500 and the S&P 500 ex-Tobacco Indexes. PIMCO returned -10.9%, below the S&P 500. Delaware returned -11.2%, below the -10.2% return of the Russell 1000® Growth Index. Boston Partners returned -12.1%, below the -8.7% return of the Russell 1000® Value Index. Progress returned -12.7%, better than the -9.9% return of the Russell 2000® Index. Finally, Emerald returned -14.4%, trailing the -12.8% return of the Russell 2000® Growth Index.

CCCERA international equities returned -9.2%, below the -8.8% return of the MSCI EAFE Index and the -8.8% return of the median international manager. The GMO Intrinsic Value portfolio returned -8.0%, better than the S&P Citi PMI EPAC Value Index return of -9.6% and the median international equity manager. McKinley Capital returned -10.3%, below the MSCI ACWI ex-US Growth Index return of -7.8%, and below the median international equity manager.

CCCERA total domestic fixed income returned -0.8% for the first quarter, well below the 1.7% return the Lehman Universal and the 1.7% return of the median fixed income manager. AFL-CIO's return of 1.9% slightly trailed the Lehman Aggregate but was above the median fixed income manager. PIMCO returned 2.6%, above the Lehman Aggregate and the median. Western Asset returned -1.4%, below the Lehman Aggregate and the median. ING Clarion (mostly already liquidated) returned 1.9%, better than the high yield fixed income median of -3.3% and the -2.8% return of the Merrill Lynch High Yield Master II Index. ING Clarion II returned -27.8% in the first quarter, far below the ML High Yield II Index and the high yield fixed income median. Nicholas Applegate returned -1.6% versus -2.8% for the ML High Yield II Index and exceeded the high yield median manager.

Lazard Asset Management returned 7.8% in the first quarter, well above the Lehman Global Aggregate return of 6.6% and ranked in the 34th percentile of global fixed income portfolios.

CCCERA total alternative investments returned 4.0% in the first quarter. The Energy Investor Fund reported a return of 233.3%, Bay Area Equity Fund reported a return of 19.9%, Energy Investor Fund II reported a return of 9.9%, Adams Street Partners reported a return of 3.8%, Pathway returned 1.7%, Hancock PT Timber Fund returned 1.3%, and Nogales had a return of -48.6% for the quarter and. (Due to timing constraints, all alternative portfolio returns except Hancock PT Timber Fund are for the quarter ending December 31.)

The median real estate manager returned 1.2% for the quarter while CCCERA's total real estate returned 1.5%. The DLJ RECP II returned 5.3%; Prudential SPF-II returned 1.5%; DLJ's RECP III returned 2.3%; BlackRock Realty returned 2.1%; Adelante returned 1.6%; Willows Office property returned 1.4%; Fidelity II returned 1.4%; DLJ's RECP I returned 0.5%; Invesco returned -0.5%; and Invesco Fund II returned -10.0%. Also, please refer to the internal rate of return (IRR) table for closed-end funds on page 13, which is the preferred measurement for the individual closed-end real estate and private equity funds.

Asset Allocation

The CCCERA fund at March 31, 2008 was near target in domestic fixed income at 26% vs. the target of 25% and domestic equity at 42% versus the target of 43%. The fund was under-weight in alternatives at 4% versus the target of 5%. Assets earmarked for alternative investments were temporarily invested in U.S. equities. Other asset classes were near their respective targets.

First quarter securities lending income from the custodian, State Street Bank, totaled \$703,698.

Performance versus Investment Performance Objectives

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

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

**Summary of Managers Compliance with Investment Performance Objectives
As of March 31, 2008**

	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	No	No
Delaware	Yes	Yes	Yes	-	-	-
Emerald Advisors	No	No	No	-	-	-
ING Investments	No	No	No	No	No	No
Intech - Enhanced Plus	Yes	Yes	Yes	Yes	Yes	Yes
Intech - Large Core	-	-	-	-	-	-
PIMCO Stocks Plus	No	No	No	No	No	No
Progress	Yes	Yes	Yes	-	-	-
Rothschild	Yes	Yes	Yes	-	-	-
Wentworth, Hauser	No	No	No	Yes	No	No
Total Domestic Equities	Yes	No	Yes	Yes	No	No
INT'L EQUITY						
GMO Intrinsic Value	No	No	No	-	-	-
McKinley Capital	-	-	-	-	-	-
Total Int'l Equities	Yes	Yes	Yes	Yes	Yes	Yes
DOMESTIC FIXED INCOME						
AFL-CIO Housing	Yes	No	Yes	Yes	No	Yes
Nicholas Applegate	Yes	Yes	Yes	No	No	Yes
ING Clarion	Yes	Yes	Yes	-	-	-
ING Clarion II	-	-	-	-	-	-
PIMCO	Yes	Yes	Yes	Yes	Yes	Yes
Western Asset	No	No	No	No	No	No
Total Domestic Fixed	No	No	Yes	Yes	Yes	Yes
GLOBAL FIXED INCOME						
Lazard Asset Management	-	-	-	-	-	-
ALTERNATIVE INVESTMENTS						
Adams Street	Yes	No	-	Yes	Yes	-
Bay Area Equity Fund	Yes	No	-	-	-	-
Energy Investor Fund	Yes	Yes	-	-	-	-
Energy Investor Fund II	-	-	-	-	-	-
Energy Investor Fund III	-	-	-	-	-	-
Nogales	No	No	-	-	-	-
Paladin	-	-	-	-	-	-
Pathway	Yes	Yes	-	Yes	Yes	-
Hancock PT Timber Fund	Yes	No	-	No	No	-
Total Alternative	Yes	No	-	Yes	Yes	-
REAL ESTATE						
Adelante Capital REIT	Yes	Yes	Yes	Yes	Yes	Yes
BlackRock Realty	Yes	No	Yes	-	-	-
DLJ RECP I	Yes	Yes	Yes	No	No	Yes
DLJ RECP II	Yes	Yes	Yes	Yes	Yes	Yes
DLJ RECP III	-	-	-	-	-	-
Fidelity II	No	No	-	-	-	-
Fidelity III	-	-	-	-	-	-
Invesco Fund I	No	No	Yes	-	-	-
Invesco Fund II	-	-	-	-	-	-
Prudential SPF II	-	-	-	-	-	-
Willows Office Property	Yes	Yes	Yes	No	No	No
Total Real Estate	Yes	Yes	Yes	Yes	Yes	Yes
CCCERA Total Fund	Yes	Yes	Yes	Yes	Yes	Yes

ASSET ALLOCATION
As of March 31, 2008

	<u>Market Value</u>	<u>% of Portion</u>	<u>% of Total</u>	<u>Target % of Total</u>
EQUITY - DOMESTIC				
Boston Partners	\$ 315,102,553	15.2 %	6.4 %	6.8 %
Delaware Investments	316,286,566	15.3	6.5	6.8
Emerald	136,956,915	6.6	2.8	3.0
ING	263,867,850	12.8	5.4	5.6
Intech - Enhanced Plus	24,050,452	1.2	0.5	0.5
Intech - Large Core	241,437,083	11.7	4.9	5.1
PIMCO	217,922,327	10.5	4.4	3.6
Progress	133,648,241	6.5	2.7	3.0
Rothschild	148,525,651	7.2	3.0	3.0
Wentworth	270,145,097	13.1	5.5	5.6
TOTAL DOMESTIC	\$ 2,067,942,735	100.0 %	42.2 %	43.0 %
			<i>Range:</i>	<i>35 to 55 %</i>
INTERNATIONAL EQUITY				
McKinley Capital	\$ 271,416,934	49.3 %	5.5 %	5.75 %
GMO Intrinsic Value	279,268,632	50.7	5.7	5.75
TOTAL INT'L EQUITY	\$ 550,685,566	100.0 %	11.2 %	11.5 %
			<i>Range:</i>	<i>7 to 13 %</i>
FIXED INCOME - (non hy)				
AFL-CIO	\$ 191,356,206	15.0 %	3.9 %	3.6 %
ING Clarion	744,546	0.1	0.0	0.0
ING Clarion II	85,890,938	6.8	1.8	2.6
PIMCO	502,261,738	39.5	10.2	9.4
Western Asset	491,505,811	38.6	10.0	9.4
TOTAL FIXED INCOME	1,271,759,239	100.0 %	25.9 %	25.0 %
			<i>Range:</i>	<i>19 to 35 %</i>
HIGH YIELD				
Nicholas Applegate	\$ 102,208,263	100.0 %	2.1 %	2.0 %
TOTAL HIGH YIELD	102,208,263	100.0 %	2.1 %	2.0 %
			<i>Range:</i>	<i>1 to 4 %</i>
TOTAL U.S. FIXED	\$ 1,373,967,502	100.0 %	28.0 %	27.0 %
GLOBAL FIXED				
Fischer Francis	\$ 7,431	0.0 %	0.0 %	0.0 %
Lazard Asset Mgmt	226,509,341	100.0	4.6	4.0
TOTAL GLOBAL FIXED	\$ 226,516,772	100.0 %	4.6 %	4.0 %
			<i>Range:</i>	<i>3 to 7 %</i>

ASSET ALLOCATION
As of March 31, 2008

	<u>Market Value</u>	<u>% of Portion</u>	<u>% of Total</u>	<u>Target % of Total</u>
REAL ESTATE*				
Adelante Capital	\$ 246,697,519	53.8 %	5.0 %	- %
BlackRock Realty	32,181,093	7.0	0.7	-
DLJ RECP I	320,066	0.1	0.0	-
DLJ RECP II	9,599,297	2.1	0.2	-
DLJ RECP III	61,040,824	13.3	1.2	-
Fidelity II	43,499,567	9.5	0.9	-
Fidelity III	2,627,926	0.6	0.1	-
Hearthstone I	57,000	0.0	0.0	-
Hearthstone II	61,000	0.0	0.0	-
Invesco Fund I	36,312,258	7.9	0.7	-
Invesco Fund II	6,504,516	1.4	0.1	-
Prudential SPF II	4,329,766	0.9	0.1	-
Willows Office Property	15,560,000	3.4	0.3	-
TOTAL REAL ESTATE	\$ 458,790,832	100.0 %	9.4 %	9.0 %
			<i>Range:</i>	<i>5 to 12 %</i>
ALTERNATIVE INVESTMENTS*				
Adams Street Partners	\$ 58,912,492	29.8 %	1.2 %	- %
Bay Area Equity Fund	7,249,718	3.7	0.1	-
Energy Investor Fund	7,683,595	3.9	0.2	-
Energy Investor Fund II	42,687,107	21.6	0.9	-
Energy Investor Fund III	14,600,875	7.4	0.3	-
Nogales	5,567,057	2.8	0.1	-
Paladin III	4,137,141	2.1	0.1	-
Pathway	43,385,736	22.0	0.9	-
Hancock PT Timber	13,299,532	6.7	0.3	-
TOTAL ALTERNATIVE	\$ 197,523,253	100.0 %	4.0 %	5.0 %
			<i>Range:</i>	<i>0 to 7 %</i>
CASH				
Custodian Cash	\$ 24,515,600	96.2 %	0.5 %	- %
Treasurer's Fixed	958,000	3.8	0.0	-
TOTAL CASH	\$ 25,473,600	100.0 %	0.5 %	0.5 %
			<i>Range:</i>	<i>0 to 2 %</i>
TOTAL ASSETS	\$ 4,900,900,260	100.0 %	100.0 %	100.0 %

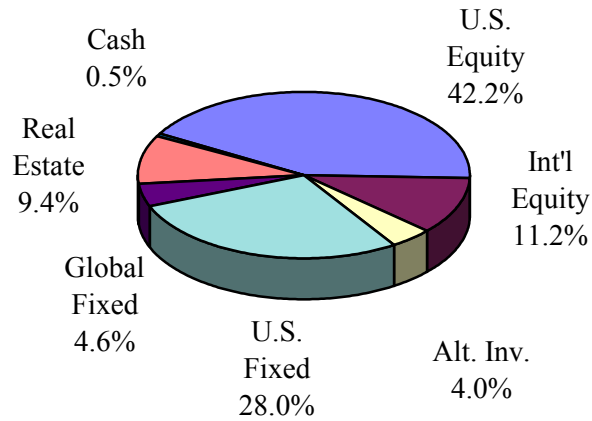
*CCCERA has committed \$85 million to ING Clarion Debt Opportunity Fund II, \$25 million to BlackRock (formerly SSR) Realty; \$15 million to DLJ RECP I; \$40 million to DLJ RECP II; \$75 million to DLJ III, \$100 million to DLJ IV; \$50 million to Fidelity II; \$75 million to Fidelity III; \$40 million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

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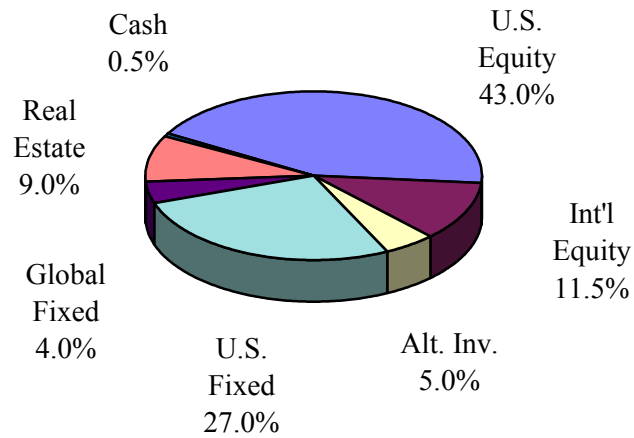
ASSET ALLOCATION

As of March 31, 2008

CCCERA Asset Allocation



Target Asset Allocation



CUMULATIVE PERFORMANCE STATISTICS
Performance through First Quarter, 2008

DOMESTIC EQUITY	3 Mo	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	7 Yr	10 Yr
Boston Partners	-12.1 %	-8.7 %	2.2 %	7.4 %	8.4 %	13.7 %	6.9 %	5.9 %
<i>Rank vs Equity</i>	<i>80</i>	<i>65</i>	<i>48</i>	<i>30</i>	<i>29</i>	<i>44</i>	<i>42</i>	<i>46</i>
<i>Rank vs Lg Value</i>	<i>96</i>	<i>53</i>	<i>58</i>	<i>36</i>	<i>46</i>	<i>60</i>	<i>45</i>	<i>59</i>
Delaware	-11.2	0.2	0.0	7.6	-	-	-	-
<i>Rank vs Equity</i>	<i>74</i>	<i>16</i>	<i>70</i>	<i>28</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Rank vs Lg Growth</i>	<i>62</i>	<i>38</i>	<i>82</i>	<i>32</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Emerald Advisors	-14.4	-15.0	-7.1	5.0	3.2	-	-	-
<i>Rank vs Equity</i>	<i>90</i>	<i>88</i>	<i>93</i>	<i>72</i>	<i>91</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Rank vs Sm Cap Growth</i>	<i>69</i>	<i>74</i>	<i>73</i>	<i>64</i>	<i>81</i>	<i>-</i>	<i>-</i>	<i>-</i>
ING Investments	-10.6	-5.9	2.4	5.5	6.1	10.8	-	-
<i>Rank vs Equity</i>	<i>66</i>	<i>53</i>	<i>45</i>	<i>65</i>	<i>60</i>	<i>83</i>	<i>-</i>	<i>-</i>
<i>Rank vs Lg Core</i>	<i>84</i>	<i>70</i>	<i>67</i>	<i>81</i>	<i>65</i>	<i>92</i>	<i>-</i>	<i>-</i>
Intech - Enhanced Plus	-10.2	-5.4	2.6	6.3	7.5	12.9	-	-
<i>Rank vs Equity</i>	<i>62</i>	<i>49</i>	<i>42</i>	<i>46</i>	<i>38</i>	<i>51</i>	<i>-</i>	<i>-</i>
<i>Rank vs Lg Core</i>	<i>81</i>	<i>62</i>	<i>66</i>	<i>35</i>	<i>21</i>	<i>27</i>	<i>-</i>	<i>-</i>
Intech - Large Core	-10.5	-6.9	-	-	-	-	-	-
<i>Rank vs Equity</i>	<i>65</i>	<i>58</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Rank vs Lg Core</i>	<i>83</i>	<i>76</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
PIMCO Stocks Plus	-10.9	-7.3	2.0	5.0	5.4	11.0	-	-
<i>Rank vs Equity</i>	<i>71</i>	<i>59</i>	<i>50</i>	<i>72</i>	<i>75</i>	<i>82</i>	<i>-</i>	<i>-</i>
<i>Rank vs Lg Core</i>	<i>85</i>	<i>76</i>	<i>73</i>	<i>89</i>	<i>93</i>	<i>89</i>	<i>-</i>	<i>-</i>
Progress	-12.7	-10.8	-4.0	7.0	5.6	-	-	-
<i>Rank vs Equity</i>	<i>84</i>	<i>73</i>	<i>87</i>	<i>37</i>	<i>72</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Rank vs Small Core</i>	<i>94</i>	<i>41</i>	<i>63</i>	<i>32</i>	<i>71</i>	<i>-</i>	<i>-</i>	<i>-</i>
Rothschild	-5.8	-8.3	2.0	9.4	10.2	-	-	-
<i>Rank vs Equity</i>	<i>11</i>	<i>63</i>	<i>50</i>	<i>13</i>	<i>12</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Rank vs Sm Cap Value</i>	<i>39</i>	<i>26</i>	<i>21</i>	<i>9</i>	<i>15</i>	<i>-</i>	<i>-</i>	<i>-</i>
Wentworth, Hauser	-8.5	-5.0	1.2	4.9	6.3	11.6	3.8	5.3
<i>Rank vs Equity</i>	<i>32</i>	<i>40</i>	<i>57</i>	<i>73</i>	<i>55</i>	<i>67</i>	<i>74</i>	<i>55</i>
<i>Rank vs Lg Core</i>	<i>23</i>	<i>30</i>	<i>80</i>	<i>90</i>	<i>50</i>	<i>51</i>	<i>57</i>	<i>27</i>
Total Domestic Equities	-10.8	-6.6	0.8	6.2	6.6	12.3	3.5	3.7
<i>Rank vs Equity</i>	<i>69</i>	<i>56</i>	<i>60</i>	<i>47</i>	<i>50</i>	<i>58</i>	<i>85</i>	<i>76</i>
Median Equity	-9.5	-5.4	2.0	6.1	6.6	13.2	5.9	5.7
S&P 500	-9.5	-5.1	3.0	5.9	6.1	11.3	3.7	3.5
S&P 500 ex-Tobacco	-9.5	-5.4	2.7	5.6	5.8	11.0	3.5	3.4
Russell 3000®	-9.5	-6.1	2.2	6.1	6.4	12.1	4.4	3.9
Russell 1000® Value	-8.7	-10.0	2.5	6.0	7.8	13.7	6.3	5.5
Russell 1000® Growth	-10.2	-0.8	3.1	6.3	5.0	10.0	2.1	1.3
Russell 2000®	-9.9	-13.0	-4.0	5.1	5.2	14.9	7.6	5.0
Rothschild Benchmark	-7.2	-16.6	-3.3	4.3	5.7	15.5	10.0	7.5
Russell 2000® Growth	-12.8	-8.9	-3.8	5.7	4.5	14.2	4.9	1.7
INT'L EQUITY								
GMO Intrinsic Value	-8.0	-2.9	7.8	13.8	-	-	-	-
<i>Rank vs Int'l Eq</i>	<i>37</i>	<i>58</i>	<i>60</i>	<i>56</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
McKinley Capital	-10.3	0.5	11.2	-	-	-	-	-
<i>Rank vs Int'l Eq</i>	<i>76</i>	<i>40</i>	<i>27</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Total Int'l Equities	-9.2	-1.2	9.5	16.7	15.6	23.5	11.1	8.8
<i>Rank vs Int'l Eq</i>	<i>60</i>	<i>46</i>	<i>40</i>	<i>30</i>	<i>39</i>	<i>35</i>	<i>60</i>	<i>65</i>
Median Int'l Equity	-8.8	-1.9	8.5	14.3	14.6	22.7	11.5	9.8
MSCI EAFE Index	-8.8	-2.3	8.6	13.8	14.2	21.9	9.6	6.6
MSCI ACWI ex-US	-9.1	2.6	11.1	16.5	16.4	24.0	11.6	7.7
S&P Citi PMI EPAC Value	-9.6	-2.8	8.8	14.6	15.1	23.5	11.3	8.1
MSCI ACWI ex-US Growth	-7.8	7.3	12.6	17.7	16.2	22.6	10.5	5.9

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

CUMULATIVE PERFORMANCE STATISTICS
Performance through First Quarter, 2008

	<u>3 Mo</u>	<u>1 Yr</u>	<u>2 Yr</u>	<u>3 Yr</u>	<u>4 Yr</u>	<u>5 Yr</u>	<u>7 Yr</u>	<u>10 Yr</u>
DOMESTIC FIXED INCOME								
AFL-CIO Housing	1.9 %	7.4 %	7.3 %	5.8 %	4.7 %	4.9 %	6.1 %	6.5 %
<i>Rank vs Fixed Income</i>	<i>47</i>	<i>44</i>	<i>36</i>	<i>30</i>	<i>30</i>	<i>35</i>	<i>23</i>	<i>22</i>
Nicholas Applegate	-1.6	-0.8	5.0	5.9	5.9	8.1	6.9	-
<i>Rank vs High Yield</i>	<i>18</i>	<i>21</i>	<i>13</i>	<i>23</i>	<i>22</i>	<i>40</i>	<i>67</i>	<i>-</i>
ING Clarion	1.9	-16.1	19.2	18.6	18.4	-	-	-
<i>Rank vs High Yield</i>	<i>1</i>	<i>100</i>	<i>1</i>	<i>1</i>	<i>1</i>	<i>-</i>	<i>-</i>	<i>-</i>
ING Clarion II	-27.8	-34.5	-	-	-	-	-	-
<i>Rank vs High Yield</i>	<i>100</i>	<i>100</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
PIMCO	2.6	9.3	8.2	6.4	5.5	5.8	-	-
<i>Rank vs Fixed Income</i>	<i>27</i>	<i>19</i>	<i>13</i>	<i>13</i>	<i>9</i>	<i>15</i>	<i>-</i>	<i>-</i>
Western Asset	-1.4	1.7	4.5	3.8	3.5	4.3	-	-
<i>Rank vs Fixed Income</i>	<i>82</i>	<i>83</i>	<i>85</i>	<i>93</i>	<i>88</i>	<i>67</i>	<i>-</i>	<i>-</i>
Total Domestic Fixed	-0.8	3.1	6.1	5.5	4.9	5.5	6.2	6.2
<i>Rank vs Fixed Income</i>	<i>80</i>	<i>79</i>	<i>60</i>	<i>48</i>	<i>23</i>	<i>20</i>	<i>21</i>	<i>34</i>
Median Fixed Income	1.7	6.8	6.7	5.4	4.4	4.6	5.6	6.0
Median High Yield Mgr.	-3.3	-3.0	4.4	5.2	5.5	7.9	7.6	n/a
Lehman Universal	1.7	6.6	6.8	5.5	4.5	5.0	5.9	6.1
Lehman Aggregate	2.2	7.7	7.1	5.5	4.4	4.6	5.7	6.0
Merrill Lynch HY II	-2.8	-3.4	3.8	5.0	5.4	8.6	6.6	4.9
Merrill Lynch BB/B	-2.0	-1.9	4.1	5.2	5.4	8.0	6.3	4.9
T-Bills	0.9	4.6	4.8	4.4	3.7	3.2	3.0	3.7
GLOBAL FIXED INCOME								
Lazard Asset Mgmt	7.8	-	-	-	-	-	-	-
<i>Rank vs. Global Fixed</i>	<i>34</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Lehman Global Aggregate	6.6	15.2	11.6	6.7	6.2	-	-	-
ALTERNATIVE INVESTMENTS*								
Adams Street**	3.8	18.4	23.9	21.3	19.5	18.1	7.6	16.2
Bay Area Equity Fund**	19.9	56.4	31.9	23.3	-	-	-	-
Energy Investor Fund**	233.3	195.4	93.0	70.2	66.2	-	-	-
Energy Investor Fund II**	9.9	20.9	26.5	-	-	-	-	-
Energy Investor Fund III**	NM	-	-	-	-	-	-	-
Nogales**	-48.6	-47.5	-19.6	-8.9	-	-	-	-
Paladin	-	-	-	-	-	-	-	-
Pathway**	1.7	29.8	31.3	32.1	28.6	24.9	-	-
Hancock PT Timber Fund	1.3	14.5	14.3	12.3	11.0	9.6	6.2	5.8
Total Alternative	4.4	19.4	23.2	22.6	22.5	19.9	9.6	13.6
S&P 500 + 400 bps	-8.5	-1.2	7.2	10.1	10.3	15.7	7.8	7.6

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

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

*** Performance as of December 31, 2007.*

CUMULATIVE PERFORMANCE STATISTICS
Performance through First Quarter, 2008

	<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	1.6 %	-18.8 %	0.1 %	14.2 %	13.4 %	20.1 %	- %	- %
<i>Rank vs REITs</i>	<i>38</i>	<i>62</i>	<i>42</i>	<i>5</i>	<i>13</i>	<i>13</i>	<i>-</i>	<i>-</i>
BlackRock Realty	2.1	10.5	14.9	18.8	-	-	-	-
<i>Rank</i>	<i>24</i>	<i>61</i>	<i>19</i>	<i>7</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
DLJ RECP I**	0.5	29.9	39.4	24.4	21.4	20.3	16.0	16.1
<i>Rank</i>	<i>73</i>	<i>1</i>	<i>1</i>	<i>4</i>	<i>9</i>	<i>21</i>	<i>24</i>	<i>4</i>
DLJ RECP II**	5.3	18.0	28.0	33.5	33.8	33.9	26.9	-
<i>Rank</i>	<i>5</i>	<i>3</i>	<i>2</i>	<i>2</i>	<i>2</i>	<i>1</i>	<i>2</i>	<i>-</i>
DLJ RECP III**	2.3	15.2	24.7	-	-	-	-	-
<i>Rank</i>	<i>22</i>	<i>13</i>	<i>2</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Fidelity II	1.4	4.0	7.8	12.2	12.6	-	-	-
<i>Rank</i>	<i>42</i>	<i>74</i>	<i>72</i>	<i>80</i>	<i>79</i>	<i>-</i>	<i>-</i>	<i>-</i>
Fidelity III	-1.9	-	-	-	-	-	-	-
<i>Rank</i>	<i>86</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Invesco Fund I	-0.5	5.8	15.2	15.3	-	-	-	-
<i>Rank</i>	<i>82</i>	<i>69</i>	<i>17</i>	<i>48</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Invesco Fund II	-10.0	-	-	-	-	-	-	-
<i>Rank</i>	<i>97</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Prudential SPF II	1.5	41.9	58.8	51.3	45.0	37.6	27.4	21.5
<i>Rank</i>	<i>32</i>	<i>1</i>	<i>1</i>	<i>1</i>	<i>1</i>	<i>1</i>	<i>1</i>	<i>1</i>
Willows Office Property	1.4	44.9	24.0	18.3	11.2	10.1	16.7	17.7
<i>Rank</i>	<i>42</i>	<i>1</i>	<i>2</i>	<i>11</i>	<i>87</i>	<i>91</i>	<i>20</i>	<i>1</i>
Total Real Estate	1.5	-6.9	7.8	17.8	16.9	20.3	16.7	14.3
<i>Rank</i>	<i>41</i>	<i>81</i>	<i>74</i>	<i>12</i>	<i>24</i>	<i>21</i>	<i>20</i>	<i>9</i>
Median Real Estate	1.2	11.5	13.1	15.2	14.7	14.7	12.3	12.0
Real Estate Benchmark	1.7	4.4	11.0	15.8	15.4	16.3	13.7	12.6
DJ Wilshire REIT	2.1	-18.8	-0.6	12.0	11.5	18.5	15.7	11.4
NCREIF Property Index	1.6	13.6	15.1	16.8	16.5	15.1	12.6	12.6
NCREIF Index + 300 bps	2.3	17.3	18.6	20.3	19.9	18.5	16.0	16.0
NCREIF Index + 500 bps	2.8	19.1	20.6	22.4	22.1	20.6	18.1	18.1
NCREIF Apartment	1.3	9.6	11.7	14.7	14.5	13.5	12.2	12.3
NCREIF Apt + 300 bps	2.0	12.8	15.0	18.1	17.8	16.8	15.5	15.6
CCCERA Total Fund	-5.0 %	-1.0 %	5.6 %	9.6 %	9.2 %	13.0 %	7.9 %	7.4 %
<i>Rank vs. Total Fund</i>	<i>53</i>	<i>70</i>	<i>35</i>	<i>6</i>	<i>6</i>	<i>7</i>	<i>7</i>	<i>7</i>
<i>Rank vs. Public Fund</i>	<i>52</i>	<i>70</i>	<i>32</i>	<i>3</i>	<i>2</i>	<i>5</i>	<i>6</i>	<i>6</i>
Median Total Fund	-4.8	0.5	5.0	6.9	6.6	9.7	5.8	5.7
Median Public Fund	-4.8	0.5	4.9	7.0	6.6	9.7	6.3	5.8
CPI + 400 bps	2.7	8.2	7.5	7.5	7.5	7.2	7.0	6.9

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

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

*** Performance as of December 31, 2007.*

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	31.5%	<i>n/a</i>	28.8%	<i>n/a</i>	02/19/04
ING Clarion II	-45.4%	<i>n/a</i>	-48.1%	<i>n/a</i>	07/01/06
REAL ESTATE					
BlackRock Realty	18.7%	<i>n/a</i>	16.3%	<i>n/a</i>	11/19/04
DLJ RECP I	17.0%	<i>n/a</i>	<i>n/a</i>	11.0%	05/14/96
DLJ RECP II	30.0%	<i>n/a</i>	<i>n/a</i>	20.0%	09/24/99
DLJ RECP III	33.0%	<i>n/a</i>	<i>n/a</i>	21.0%	06/23/05
Fidelity Growth Fund II	11.3%	10.2%	10.2%	9.1%	03/10/04
Fidelity Growth Fund III	-16.2%	-5.2%	-44.9%	-37.3%	03/30/07
Hearthstone I	<i>n/a</i>	<i>n/a</i>	4.5%	4.5%	06/15/95
Benchmark ¹	<i>n/a</i>	<i>n/a</i>	17.0%	17.0%	
Hearthstone II	<i>n/a</i>	<i>n/a</i>	30.0%	30.0%	06/17/98
Benchmark ²	<i>n/a</i>	<i>n/a</i>	17.0%	17.0%	
Invesco Real Estate I	16.4%	16.4%	13.1%	14.0%	02/01/05
Invesco Real Estate II	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	11/26/07
Prudential SPF II	<i>n/a</i>	13.6%	<i>n/a</i>	11.9%	05/14/96
ALTERNATIVE INVESTMENTS					
Adams Street Partners	19.8%	17.6%	<i>n/a</i>	10.7%	03/18/96
Bay Area Equity Fund	34.4%	32.5%	14.2%	15.0%	06/14/04
EIF US Power Fund I	29.3%	34.7%	24.5%	28.6%	11/26/03
EIF US Power Fund II	17.8%	16.3%	12.7%	11.5%	08/16/05
EIF US Power Fund III	5.9%	5.9%	-33.3%	-33.3%	05/30/07
Nogales	-5.4%	-7.1%	-11.5%	-12.5%	02/15/04
Paladin	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	11/30/07
Pathway	15.1%	15.1%	12.8%	12.8%	11/09/98
Benchmark ³	14.7%	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	
Benchmark ⁴	0.0%	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	
PruTimber	<i>n/a</i>	<i>n/a</i>	3.7%	3.8%	12/12/95

Benchmarks:

Hearthstone I

Benchmark ¹

Target IRR range per CCCERA agreement

Hearthstone II

Benchmark ²

Target IRR range per CCCERA agreement

Pathway

Benchmark ³

Venture Economics Buyout Pooled IRR - 1999-2004 as of 9/30/07

Benchmark ⁴

Venture Economics Venture Capital IRR - 1999-2004 as of 9/30/07

AFTER-FEE CUMULATIVE PERFORMANCE STATISTICS
Performance through First Quarter, 2008

	<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	-12.2 %	-9.0 %	1.8 %	7.1 %	8.0 %	13.4 %	6.5 %	3.7 %
Delaware	-11.3	-0.3	-0.4	7.1	-	-	-	-
Emerald Advisors	-14.6	-15.5	-7.7	4.4	2.5	-	-	-
ING Investments	-10.6	-6.2	2.2	5.2	5.8	10.5	-	-
Intech - Enhanced Plus	-10.3	-5.7	2.3	6.0	7.2	12.6	-	-
Intech - Large Core	-10.6	-7.2	-	-	-	-	-	-
PIMCO Stocks Plus	-11.0	-7.6	1.7	4.7	5.1	10.6	-	-
Progress	-12.8	-11.4	-4.6	6.2	4.9	-	-	-
Rothschild	-6.0	-8.9	1.4	8.8	9.5	-	-	-
Wentworth, Hauser	-8.5	-5.1	1.0	4.7	6.1	11.3	3.5	3.9
Total Domestic Equities	-10.8	-7.0	0.4	5.9	6.2	11.9	3.2	3.4
Median Equity	-9.5	-5.4	2.0	6.1	6.6	13.2	5.9	5.7
S&P 500	-9.5	-5.1	3.0	5.9	6.1	11.3	3.7	3.5
S&P 500 ex-Tobacco	-9.5	-5.4	2.7	5.6	5.8	11.0	3.5	3.4
Russell 3000®	-9.5	-6.1	2.2	6.1	6.4	12.1	4.4	3.9
Russell 1000® Value	-8.7	-10.0	2.5	6.0	7.8	13.7	6.3	5.5
Russell 1000® Growth	-10.2	-0.8	3.1	6.3	5.0	10.0	2.1	1.3
Russell 2000®	-9.9	-13.0	-4.0	5.1	5.2	14.9	7.6	5.0
Russell 2500™ Value	-7.2	-16.6	-3.3	4.4	6.3	15.6	10.3	7.9
Russell 2000® Growth	-12.8	-8.9	-3.8	5.7	4.5	14.2	4.9	1.7
INT'L EQUITY								
GMO Intrinsic Value	-8.1	-3.5	7.1	13.0	-	-	-	-
McKinley Capital	-10.4	0.0	10.7	-	-	-	-	-
Total Int'l Equities	-9.4	-1.8	8.9	16.1	15.1	23.1	10.8	8.4
Median Int'l Equity	-8.8	-1.9	8.5	14.3	14.6	22.7	11.5	9.8
MSCI EAFE Index	-8.8	-2.3	8.6	13.8	14.2	21.9	9.6	6.6
MSCI ACWI ex-US	-9.1	2.6	11.1	16.5	16.4	24.0	-	-
S&P Citi PMI EPAC Value	-9.6	-2.8	8.8	14.6	15.1	23.5	-	-
MSCI ACWI ex-US Growth	-7.8	7.3	12.6	17.7	16.2	22.6	10.5	5.9
DOMESTIC FIXED INCOME								
AFL-CIO Housing	1.8	7.0	6.9	5.4	4.3	4.5	5.8	6.3
Nicholas Applegate	-1.7	-1.3	4.5	5.4	5.4	7.6	6.4	-
ING Clarion	1.9	-16.1	18.7	17.3	16.5	-	-	-
ING Clarion II	-28.4	-37.7	-	-	-	-	-	-
PIMCO	2.6	9.0	7.9	6.2	5.2	5.5	-	-
Western Asset	-1.5	1.5	4.3	3.6	3.3	4.1	-	-
Total Domestic Fixed	-0.9	2.8	5.8	5.1	4.5	5.1	5.9	6.0
Median Fixed Income	1.7	6.8	6.7	5.4	4.4	4.6	5.6	6.0
Median High Yield Mgr.	-3.3	-3.0	4.4	5.2	5.5	7.9	n/a	n/a
Lehman Universal	1.7	6.6	6.8	5.5	4.5	5.0	5.9	6.1
Lehman Aggregate	2.2	7.7	7.1	5.5	4.4	4.6	5.7	6.0
Merrill Lynch HY II	-2.8	-3.4	3.8	5.0	5.4	8.6	6.6	4.9
Merrill Lynch BB/B	-2.0	-1.9	4.1	5.2	5.4	8.0	6.3	4.9
T-Bills	0.9	4.6	4.8	4.4	3.7	3.2	3.0	3.7
GLOBAL FIXED INCOME								
Lazard Asset Mgmt	7.8	-	-	-	-	-	-	-
Citigroup NonUS Govt Hdg	6.6	-	-	-	-	-	-	-

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

AFTER-FEE CUMULATIVE PERFORMANCE STATISTICS
Performance through First Quarter, 2008

	<u>3 Mo</u>	<u>1 Yr</u>	<u>2 Yr</u>	<u>3 Yr</u>	<u>4 Yr</u>	<u>5 Yr</u>	<u>7 Yr</u>	<u>10 Yr</u>
ALTERNATIVE INVESTMENTS*								
Adams Street**	3.4 %	16.0 %	21.5 %	18.9 %	17.0 %	15.6 %	5.3 %	14.0 %
Bay Area Equity Fund**	18.9	49.0	24.2	14.5	-	-	-	-
Energy Investor Fund**	228.5	168.3	82.0	62.1	58.4	-	-	-
Energy Investor Fund II**	9.3	16.7	20.6	-	-	-	-	-
Energy Investor Fund III**	-	-	-	-	-	-	-	-
Nogales**	-50.6	-50.3	-22.9	-12.3	-	-	-	-
Paladin III	-	-	-	-	-	-	-	-
Pathway**	1.1	27.3	28.8	29.7	26.0	22.1	5.1	-
Hancock PT Timber Fund	1.0	13.4	13.2	11.2	10.0	8.6	5.6	4.7
Total Alternative	3.6	16.6	20.7	20.0	19.5	16.7	7.0	11.1
S&P 500 + 400 bps	1.3	14.5	14.3	22.6	11.0	9.6	6.2	5.8
REAL ESTATE*								
Adelante Capital REIT	1.5	-19.2	-0.4	13.7	12.8	19.5	-	-
BlackRock Realty	2.0	8.9	13.0	15.7	-	-	-	-
DLJ RECP I**	0.5	29.9	38.9	23.7	20.4	19.1	15.0	14.6
DLJ RECP II**	5.7	17.6	27.4	32.7	32.6	32.2	24.7	-
DLJ RECP III**	2.6	15.0	23.7	-	-	-	-	-
Fidelity II	1.4	6.0	8.2	10.6	10.9	-	-	-
Fidelity III	-15.5	-	-	-	-	-	-	-
Invesco Fund I	-1.7	3.3	12.5	12.8	-	-	-	-
Invesco Fund II	-11.0	-	-	-	-	-	-	-
Prudential SPF II	1.0	34.0	47.9	42.6	38.0	31.8	23.1	18.2
Willows Office Property	1.4	44.9	24.0	18.3	11.2	10.1	16.7	17.6
Total Real Estate	1.2	-7.7	6.8	16.8	15.8	19.1	15.8	13.1
Median Real Estate	1.2	11.5	13.1	15.2	14.7	14.7	12.3	12.0
Real Estate Benchmark	1.7	4.4	11.0	15.8	15.4	16.3	13.7	12.6
DJ Wilshire REIT	2.1	-18.8	-0.6	12.0	11.5	18.5	15.7	11.4
NCREIF Property Index	1.6	13.6	15.1	16.8	16.5	15.1	12.6	12.6
NCREIF Index + 300 bps	2.3	17.3	18.6	20.3	19.9	18.5	16.0	16.0
NCREIF Index + 500 bps	2.8	19.1	20.6	22.4	22.1	20.6	18.1	18.1
NCREIF Apartment	1.3	9.6	11.7	14.7	14.5	13.5	12.2	12.3
NCREIF Apt + 300 bps	2.0	12.8	15.0	18.1	17.8	16.8	15.5	15.6
CCCERA Total Fund	-5.1 %	-1.4 %	5.1 %	9.1 %	8.7 %	12.5 %	7.4 %	7.0 %
CPI + 400 bps	2.7	8.2	7.5	7.5	7.5	7.2	7.0	6.9

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

** Performance as of December 31, 2007.

YEAR BY YEAR PERFORMANCE STATISTICS
Performance through First Quarter, 2008

DOMESTIC EQUITY	YTD	2007	2006	2005	2004	2003	2002
Boston Partners	-12.1 %	4.3 %	20.2 %	12.0 %	16.6 %	27.1 %	-18.7 %
<i>Rank vs Equity</i>	80	60	12	14	31	75	32
<i>Rank vs Lg Value</i>	96	24	36	14	32	81	54
Delaware	-11.2	13.6	3.2	-	-	-	-
<i>Rank vs Equity</i>	74	15	91	-	-	-	-
<i>Rank vs Lg Growth</i>	62	33	74	-	-	-	-
Emerald Advisors	-14.4	3.2	13.8	10.1	4.1	-	-
<i>Rank vs Equity</i>	90	64	56	25	93	-	-
<i>Rank vs Sm Cap Growth</i>	69	48	39	20	86	-	-
ING	-10.6	5.8	15.9	5.4	11.2	26.7	-
<i>Rank vs Equity</i>	66	44	38	61	60	77	-
<i>Rank vs Lg Core</i>	84	75	39	40	36	83	-
Intech - Enhanced Plus	-10.2	7.4	14.4	8.9	15.3	29.4	-
<i>Rank vs Equity</i>	62	36	54	34	37	60	-
<i>Rank vs Lg Core</i>	81	79	80	14	7	34	-
Intech - Large Cap Core	-10.5	7.0	-	-	-	-	-
<i>Rank vs Equity</i>	65	38	-	-	-	-	-
<i>Rank vs Lg Core</i>	83	-	-	-	-	-	-
PIMCO Stocks Plus	-10.9	5.0	15.7	4.6	11.1	29.9	-
<i>Rank vs Equity</i>	71	56	43	75	62	58	-
<i>Rank vs Lg Core</i>	85	68	64	78	15	29	-
Progress	-12.7	6.1	15.4	9.1	-	-	-
<i>Rank vs Equity</i>	84	42	46	32	-	-	-
<i>Rank vs Sm Core</i>	94	17	46	36	-	-	-
Rothschild	-5.8	1.8	21.3	11.2	20.7	-	-
<i>Rank vs Equity</i>	11	70	9	18	15	-	-
<i>Rank vs Sm Cap Value</i>	39	31	19	23	39	-	-
Wentworth, Hauser	-8.5	6.6	7.2	9.6	13.6	27.1	-23.4
<i>Rank vs Equity</i>	32	40	83	28	46	75	65
<i>Rank vs Lg Core</i>	23	36	98	9	15	82	77
Total Domestic Equities	-10.8	6.5	13.5	8.8	13.0	31.0	-28.0
<i>Rank vs Equity</i>	69	40	60	35	49	50	83
Median Equity	-9.5	5.5	15.0	6.5	12.9	31.0	-22.0
S&P 500	-9.5	5.5	15.8	4.9	10.9	28.7	-22.1
S&P 500 ex-Tobacco	-9.5	5.2	15.7	4.6	10.7	28.4	-22.3
Russell 3000®	-9.5	5.1	15.7	6.1	12.0	31.0	-21.6
Russell 1000® Value	-8.7	-0.2	22.2	7.0	16.5	30.0	-15.5
Russell 1000® Growth	-10.2	11.8	9.1	5.3	6.3	29.8	-27.9
Russell 2000®	-9.9	-1.6	18.4	4.6	18.3	47.3	-20.5
Rothschild Benchmark	-7.2	-7.3	20.2	5.5	22.3	-	-
Russell 2000® Growth	-12.8	7.1	13.4	4.2	14.3	-	-
INT'L EQUITY							
GMO	-8.0	10.6	26.2	-	-	-	-
<i>Rank vs Int'l Eq</i>	37	60	44	-	-	-	-
McKinley Capital	-10.3	20.1	-	-	-	-	-
<i>Rank vs Int'l Eq</i>	76	17	-	-	-	-	-
Total Int'l Equities	-9.2	15.3	26.6	20.0	18.1	39.9	-14.6
<i>Rank vs Int'l Eq</i>	60	36	41	32	68	27	45
Median Int'l Equity	-8.8	11.9	25.9	15.9	19.9	36.4	-15.0
MSCI EAFE Index	-8.8	11.6	26.9	14.0	20.7	39.2	-15.7
MSCI ACWI ex-US	-9.1	17.1	27.2	17.1	21.4	41.4	-14.7
S&P Citi PMI EPAC Value	-9.6	12.2	28.1	15.7	23.5	42.1	-13.1
MSCI ACWI ex-US Growth	-7.8	21.4	24.0	17.1	17.1	34.9	-14.7

YEAR BY YEAR PERFORMANCE STATISTICS
Performance through First Quarter, 2008

	<u>YTD</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
DOMESTIC FIXED INCOME							
AFL-CIO Housing	1.9 %	7.1 %	5.1 %	3.0 %	4.6 %	4.2 %	12.1 %
<i>Rank vs Fixed Income</i>	47	34	28	25	41	66	6
Nicholas Applegate	-1.6	7.1	10.2	3.8	9.1	21.2	4.8
<i>Rank vs. High Yield</i>	18	34	32	15	66	68	5
ING Clarion	1.9	-9.6	64.8	15.3	-	-	-
<i>Rank vs Fixed Income</i>	1	100	1	1	-	-	-
ING Clarion II	-27.8	-6.6	-	-	-	-	-
<i>Rank vs Fixed Income</i>	100	100	-	-	-	-	-
PIMCO	2.6	8.4	4.8	3.4	5.6	6.9	-
<i>Rank vs Fixed Income</i>	27	13	37	18	20	21	-
Western Asset	-1.4	4.7	5.2	2.4	6.5	7.1	-
<i>Rank vs Fixed Income</i>	82	80	27	56	15	18	-
Total Domestic Fixed	-0.8	5.8	7.5	3.7	6.3	7.9	9.1
<i>Rank vs Fixed Income</i>	80	62	11	14	16	14	52
Median Fixed Income	1.7	6.5	4.5	2.5	4.4	4.6	9.2
Median High Yield Mgr.	-3.3	6.5	9.0	2.5	9.8	24.0	-1.1
Lehman Universal	1.7	6.5	5.0	2.7	5.0	5.8	9.8
Lehman Aggregate	2.2	7.0	4.3	2.4	4.3	4.1	10.3
ML High Yield II	-2.8	2.1	11.7	2.7	10.8	28.1	-1.9
T-Bills	0.9	5.0	4.8	3.1	1.3	1.1	1.8
Global Fixed Income							
Lazard Asset Mgmt	7.8	-	-	-	-	-	-
<i>Rank vs. Global Fixed</i>	34	-	-	-	-	-	-
Lehman Global Aggregate	6.6	-	-	-	-	-	-
ALTERNATIVE INVESTMENTS							
Adams Street**	3.8	27.9	23.5	17.0	13.0	4.5	-10.9
Bay Area Equity Fund**	19.9	63.6	-6.5	1.9	-	-	-
Energy Investor Fund**	233.3	2.2	12.7	84.2	-	-	-
Energy Investor Fund II**	9.9	12.5	-	-	-	-	-
Energy Investor Fund III**	-	-	-	-	-	-	-
Nogales**	-48.6	21.2	11.0	13.1	-	-	-
Paladin	-	-	-	-	-	-	-
Pathway**	1.7	50.4	21.4	42.5	12.2	0.2	-23.1
Hancock PT Timber Fund	1.3	14.7	12.1	9.8	6.9	3.8	-1.1
Total Alternative	4.4	28.0	19.2	33.3	11.4	3.5	-9.3
S&P 500 + 400 bps	-2.4	9.7	19.8	8.9	14.9	32.7	-18.1

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

** Performance as of December 31, 2007.

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YEAR BY YEAR PERFORMANCE STATISTICS
Performance through First Quarter, 2008

	<u>YTD</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
REAL ESTATE							
Adelante Capital REIT	1.6 %	-16.9 %	38.2 %	16.7 %	36.9 %	36.1 %	4.2 %
<i>Rank</i>	38	55	13	4	11	53	47
BlackRock Realty	2.1	14.8	23.8	28.7	-	-	-
<i>Rank</i>	24	44	27	11	-	-	-
DLJ RECP I**	0.5	34.2	41.2	14.2	11.8	4.2	6.8
<i>Rank</i>	73	2	6	62	54	84	39
DLJ RECP II**	5.3	34.8	35.7	51.3	33.8	25.8	9.9
<i>Rank</i>	5	1	17	4	19	28	14
DLJ RECP III**	2.3	30.5	10.2	-	-	-	-
<i>Rank</i>	22	2	79	-	-	-	-
Fidelity II	1.4	5.0	16.5	16.1	-	-	-
<i>Rank</i>	42	74	45	51	-	-	-
Fidelity III	-1.9	-	-	-	-	-	-
<i>Rank</i>	86	-	-	-	-	-	-
Invesco Fund I	-0.5	10.4	38.1	-	-	-	-
<i>Rank</i>	82	63	10	-	-	-	-
Invesco Fund II	-10.0	-	-	-	-	-	-
<i>Rank</i>	97	-	-	-	-	-	-
Prudential SPF II	1.5	45.3	83.8	38.3	19.7	12.4	6.5
<i>Rank</i>	32	1	1	7	30	33	40
Willows Office Property	1.4	44.5	7.4	7.5	-8.9	7.9	8.2
<i>Rank</i>	42	1	87	80	96	67	29
Total Real Estate	1.5	-3.0	33.8	20.4	30.4	25.6	7.5
<i>Rank</i>	41	82	20	29	23	28	35
Median Real Estate	1.2	13.9	15.6	16.7	12.3	9.5	4.8
Real Estate Benchmark	1.7	6.3	-	-	-	-	-
DJ Wilshire REIT Index	2.1	-17.6	36.0	13.8	33.1	36.2	3.6
NCREIF Property Index	1.6	15.8	16.6	20.1	14.5	9.0	6.7
CCCERA Total Fund	-5.0	7.3	15.3	10.8	13.38	23.5	-9.5
<i>Rank vs. Total Fund</i>	53	45	13	5	15	20	63
<i>Rank vs. Public Fund</i>	52	42	11	2	8	19	69
Median Total Fund	-4.8	7.1	12.0	6.1	10.4	19.1	-8.1
Median Public Fund	-4.8	6.9	11.9	6.0	10.0	20.4	-8.0
CPI + 400 bps	2.7	8.3	6.6	7.6	7.4	6.5	6.5

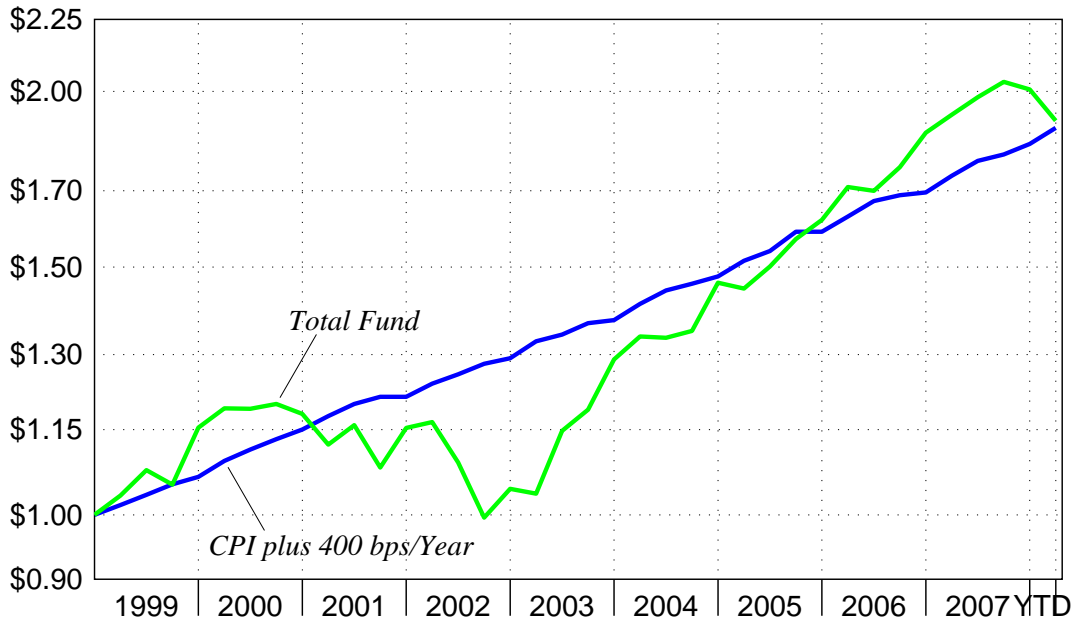
** Performance as of December 31, 2007.

TOTAL FUND PERFORMANCE

Total Fund

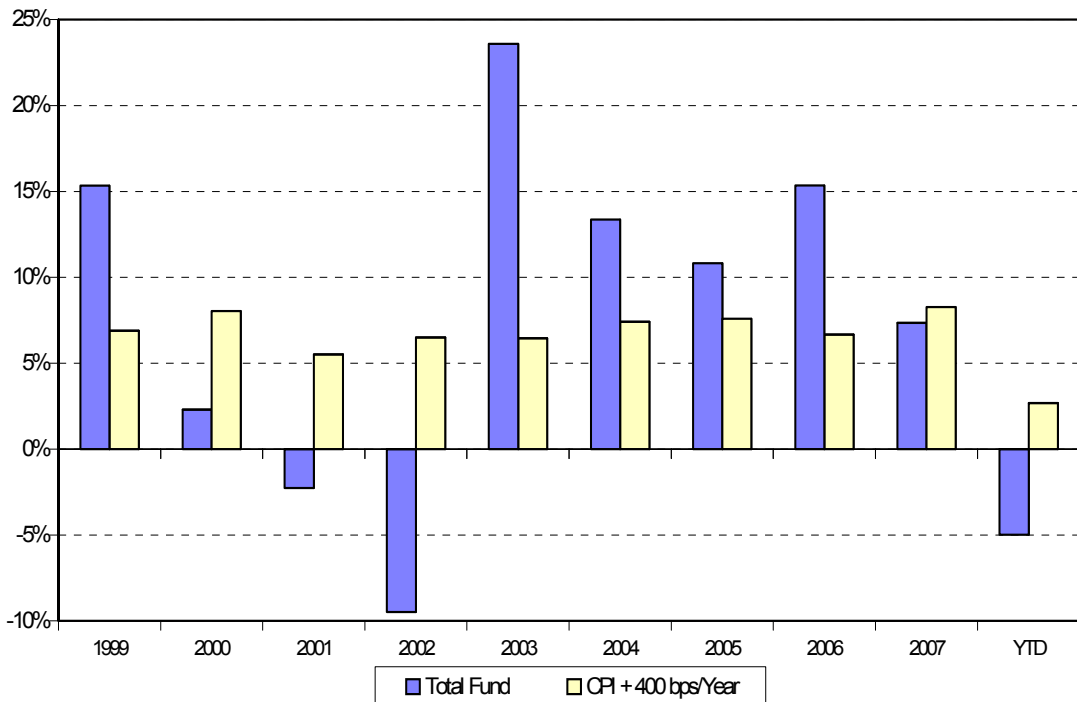
Total Fund vs. CPI plus 400 bps/Year

Cumulative Value of \$1 (Gross of Fees)

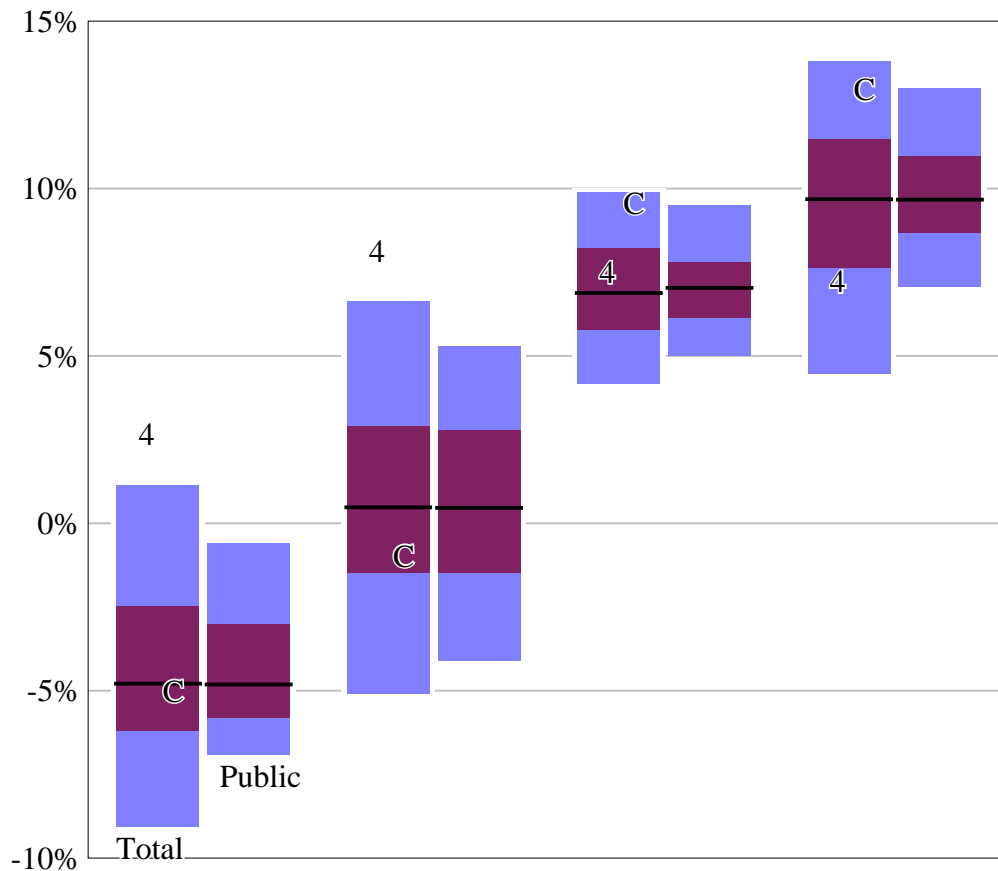


Total Fund vs. CPI plus 400 bps/Year

Year by Year Performance



Total Fund



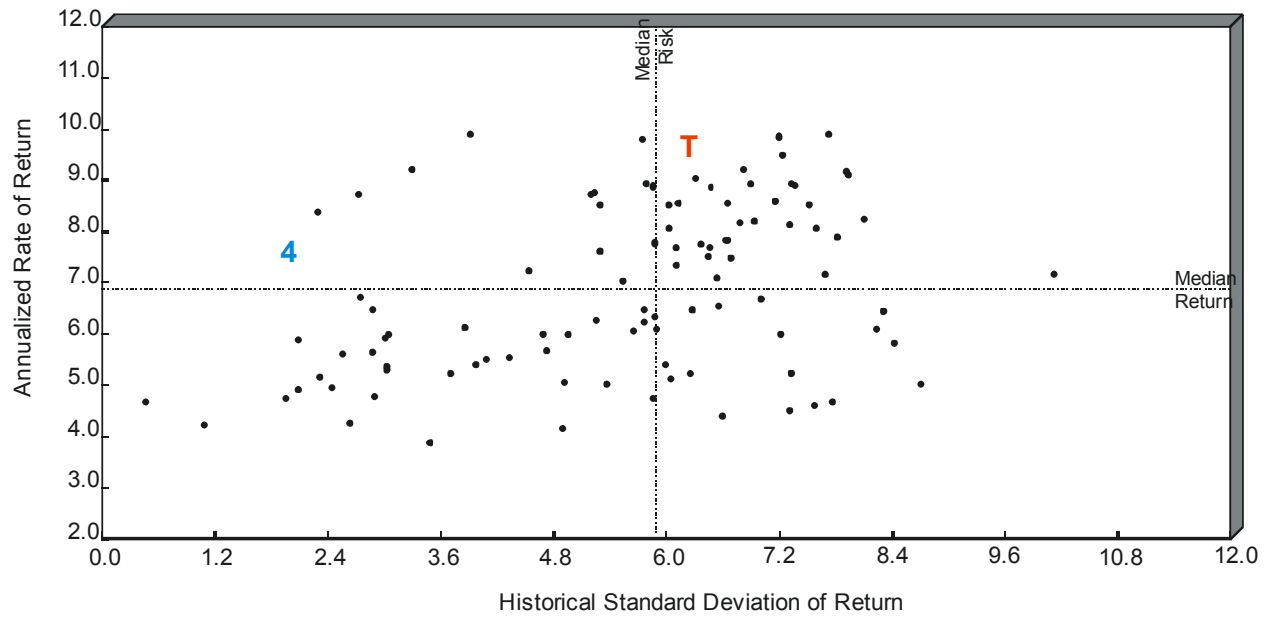
	<u>Last Qtr</u>	<u>1 Yr</u>	<u>3 Yrs</u>	<u>5 Yrs</u>
Total Fund (C)	-5.0	-0.9	9.6	13.0
Rank v. Total	53	70	6	7
Rank v. Public	52	70	3	5
CPI plus 400bp (4)	2.7	8.2	7.5	7.2
Total Fund Median	-4.8	0.5	6.9	9.7
Public Fund Median	-4.8	0.5	7.0	9.7

CCCERA Total Fund returned -5.0% in the first quarter, slightly below the -4.8% return of the median total fund and the -4.8% return of the median total public fund. For the one-year period, the Total Fund returned -0.9%, below the 0.5% for the median total fund and 0.5% for the median public fund. Over the longer periods CCCERA has performed much 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 three and five year periods. CCCERA Total Fund also exceeded the CPI plus 400 basis points over the past five years.

TOTAL FUND PERFORMANCE

Performance and Variability

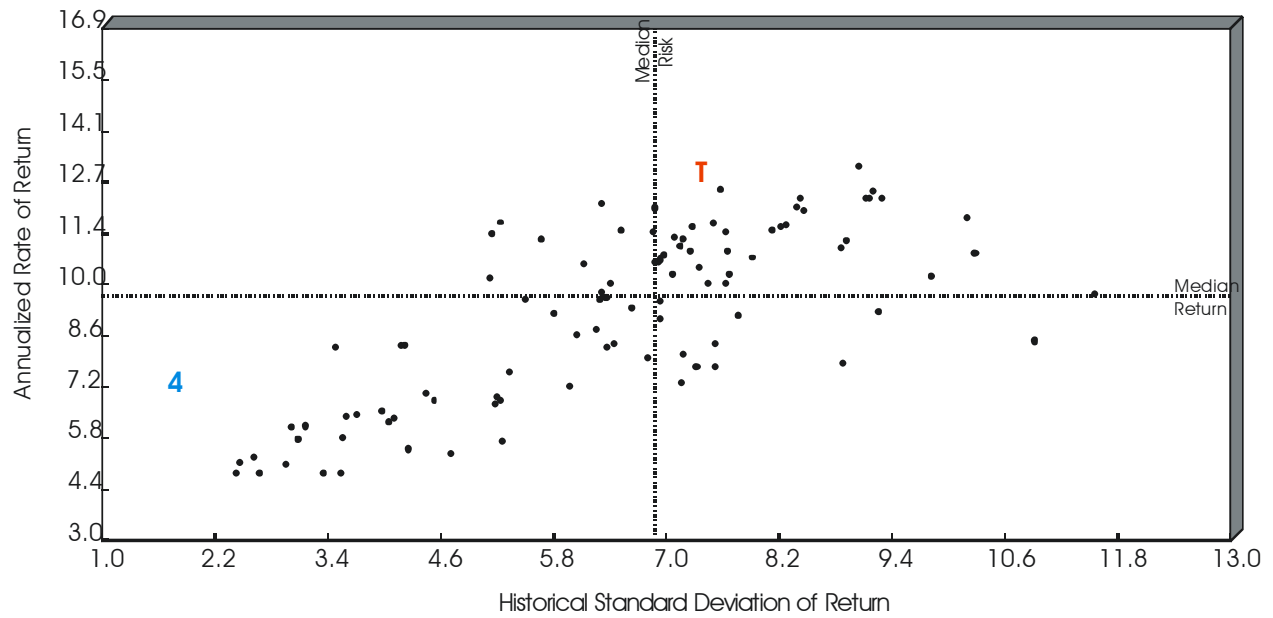
Three Years Ending March 31, 2008



	Annualized Return		Standard Deviation	
	Value	Rank	Value	Rank
T Total Fund	9.58	6	6.28	60
4 CPI + 400bps/yr	7.52	37	2.04	5
Median	6.88		5.88	

Performance and Variability

Five Years Ending March 31, 2008



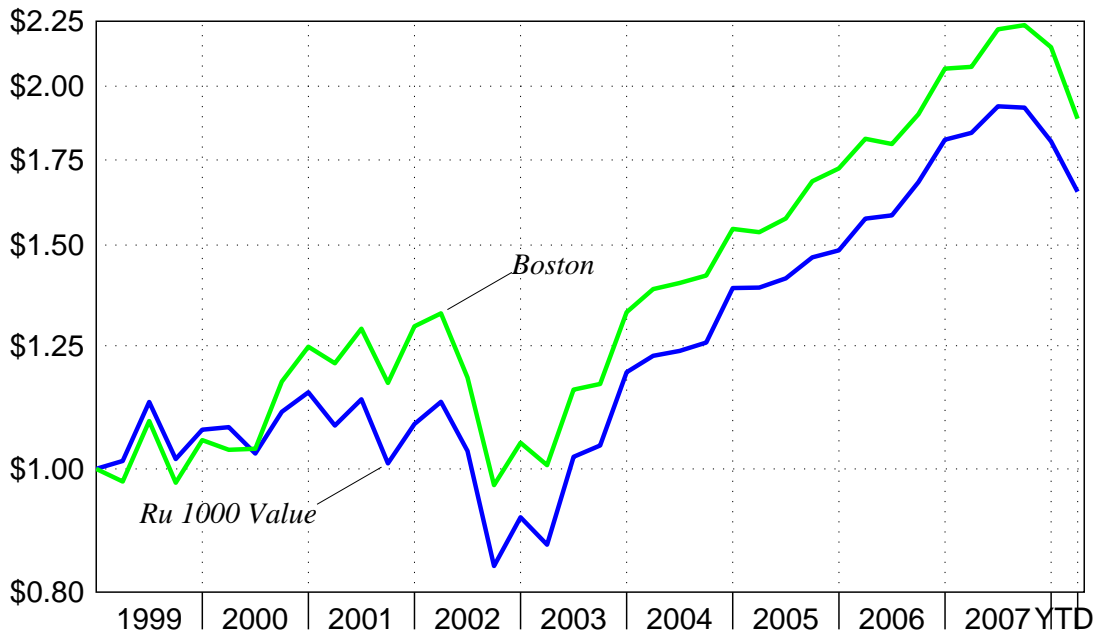
	Annualized Return		Standard Deviation	
	Value	Rank	Value	Rank
T Total Fund	12.98	7	7.44	64
4 CPI + 400bps/yr	7.24	77	1.83	3
Median	9.69		6.88	

MANAGER COMMENTS – DOMESTIC EQUITY

Boston Partners

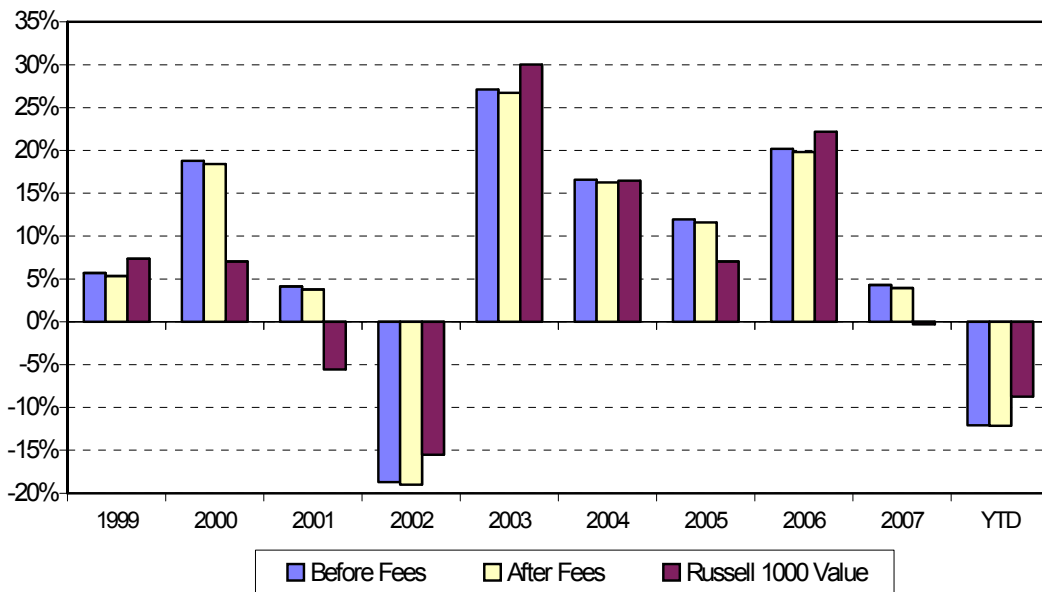
Boston Partners vs. Russell 1000 Value

Cumulative Value of \$1 (Net of Fees)

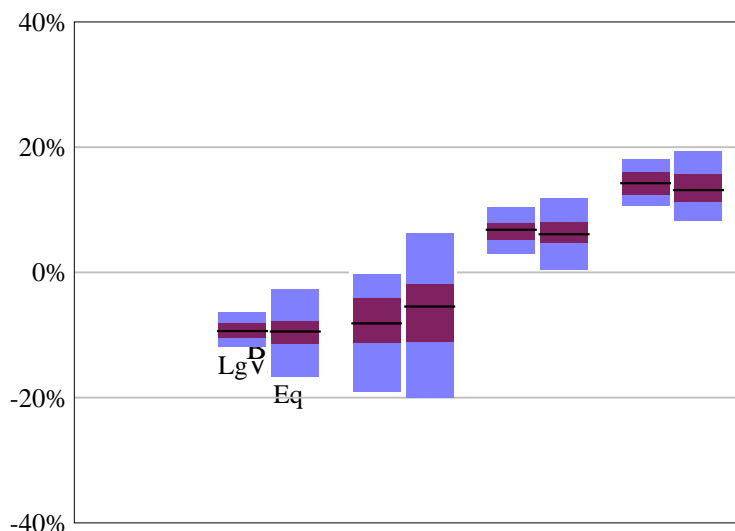


Boston vs. Russell 1000® Value

Year by Year Performance



Boston Partners



	<u>Last Qtr</u>	<u>1 Yr</u>	<u>3 Yrs</u>	<u>5 Yrs</u>
Boston (B)	-12.1	-8.7	7.4	13.7
Rank v. Lg Value	96	53	36	60
Rank v. Equity	80	65	30	44
Rus. 1000® Val. (r)	-8.7	-10.0	6.0	13.7
Lg Value Median	-9.4	-8.1	6.8	14.3
Equity Median	-9.5	-5.4	6.1	13.2

Portfolio Characteristics	Boston Partners	Russell 1000® Value
Eq Mkt Value (\$Mil)	307.3	N/A
Wtd. Avg. Cap (\$Bil)	85.5	107.1
Beta	0.97	0.94
Yield (%)	2.33	2.96
P/E Ratio	16.18	15.54
Cash (%)	2.5	0.0
Number of Holdings	75	618
Turnover Rate (%)	73.9	-

Sector	Boston Partners	Russell 1000® Value
Energy	14.0 %	17.0 %
Materials	1.7	4.3
Industrials	9.5	11.3
Cons. Discretionary	12.0	7.2
Consumer Staples	4.7	9.2
Health Care	13.2	7.4
Financials	25.0	27.8
Info Technology	15.2	3.1
Telecom Services	3.4	6.1
Utilities	1.2	6.6

Boston Partners' first quarter return of -12.1% was below the -8.7% return of the Russell 1000® Value Index and ranked in the 96th percentile of large value managers. For the one-year period, Boston Partners returned -8.7%, better than the -10.0% return of the Russell 1000® Value Index. Over both the three and five-year periods, Boston Partners' performance was above or near the median large value equity manager and matched or exceeded the Russell 1000® Value Index. Boston Partners is in compliance with most of CCCERA's performance objectives.

The portfolio had a higher P/E ratio and a lower yield than the index. At the end of the quarter, the portfolio held 75 stocks, concentrated in the large to mid capitalization sectors. Boston Partners' largest economic sector over-weightings were in the information technology, health care and consumer discretionary sectors, while the largest under-weightings were in the utilities, consumer staples and energy sectors.

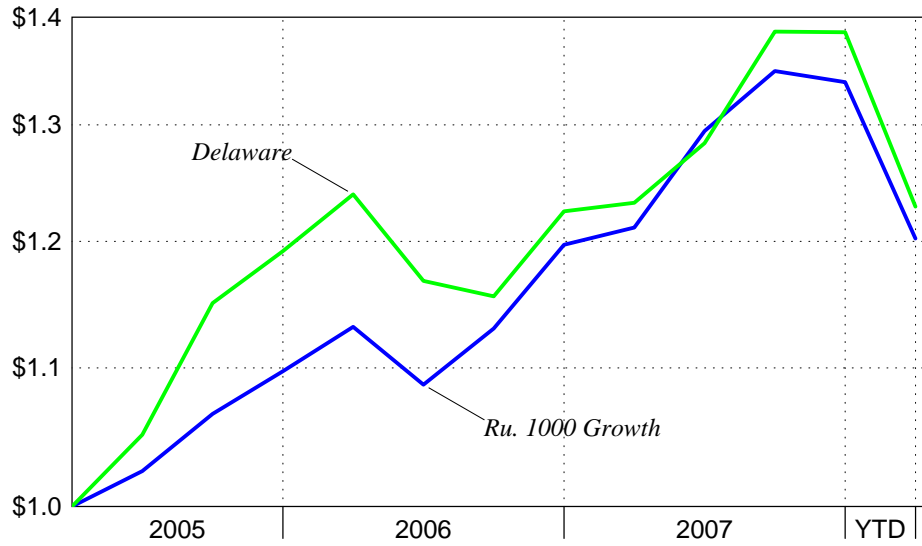
Boston Partners' first quarter performance relative to the Russell 1000® Value Index was hurt by both stock selection and sector allocation decisions. Stock selection decisions were weakest in the health care, industrials and financials sectors. Top performing holdings included Chesapeake Energy (+18%), Ross Stores (+18%) and IBM (+7%), while the worst performing holdings included Wellpoint (-50%), Citigroup (-26%) and Freddie Mac (-25%).

MANAGER COMMENTS – DOMESTIC EQUITY

Delaware

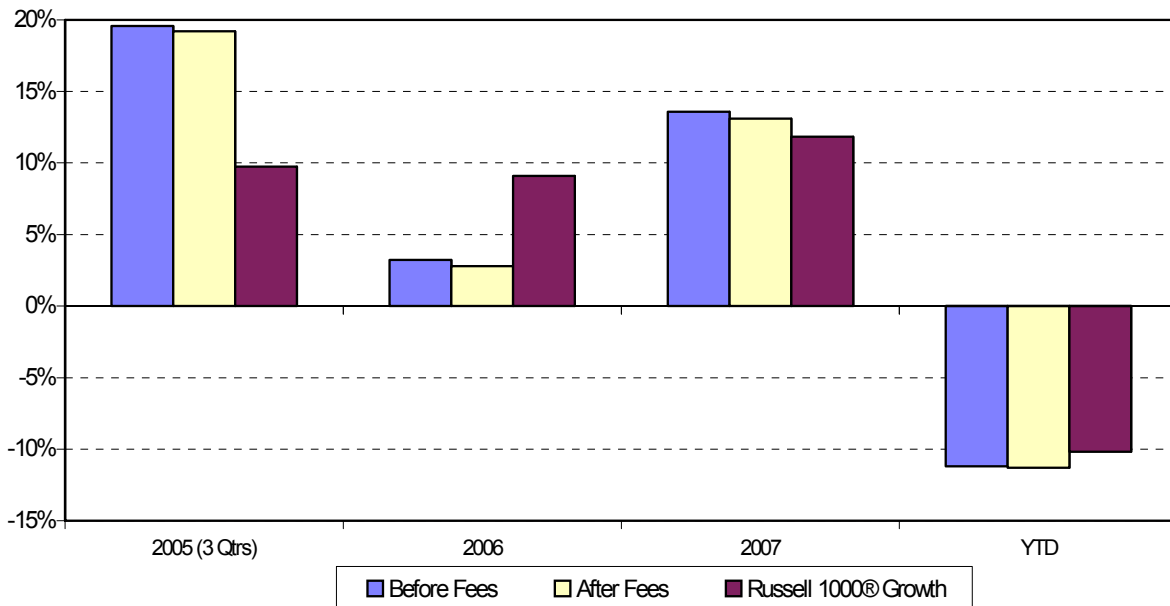
Delaware vs. Ru. 1000 Growth

Cumulative Value of \$1 (Net of Fees)

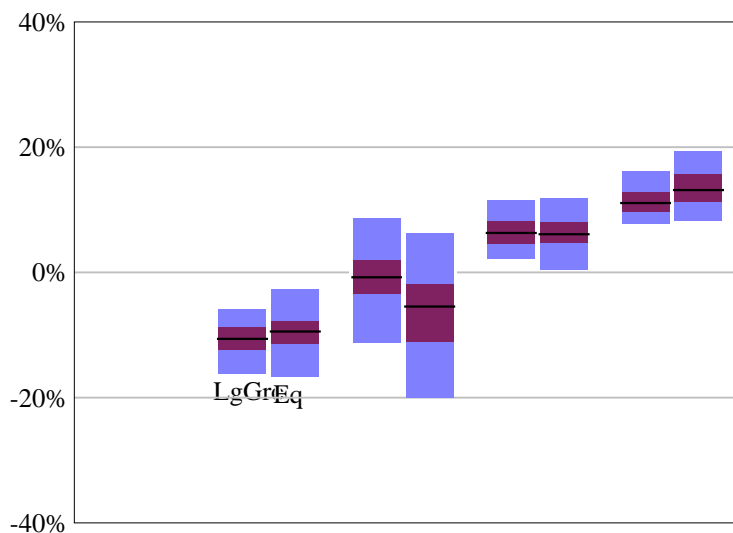


Delaware vs. Russell 1000® Growth

Year by Year Performance



Delaware



	Last Qtr	1 Yr	3 Yrs	5 Yrs
Delaware (D)	-11.2	0.2	7.6	-
Rank v. Lg Growth	62	38	32	-
Rank v. Equity	74	16	28	-
Ru 1000® Gro (R)	-10.2	-0.8	6.3	10.0
Lg Gro Median	-10.6	-0.8	6.3	11.1
Equity Median	-9.5	-5.4	6.1	13.2

Portfolio Characteristics	Delaware	Russell 1000® Growth
Eq Mkt Value (\$Mil)	312.10	N/A
Wtd. Avg. Cap (\$Bil)	46.68	67.6
Beta	1.26	1.10
Yield (%)	0.68	1.29
P/E Ratio	23.98	19.23
Cash (%)	1.3	0.0
Number of Holdings	29	687
Turnover Rate (%)	36.9	-

Sector	Delaware	Russell 1000® Growth
Energy	1.7 %	9.1 %
Materials	3.4	3.7
Industrials	6.6	13.5
Cons. Discretionary	13.6	11.4
Consumer Staples	7.4	11.3
Health Care	15.7	15.5
Financials	8.2	6.6
Info Technology	40.7	26.9
Telecom Services	2.8	0.6
Utilities	0.0	1.5

Delaware's return of -11.2% for the first quarter was below the -10.2% return of the Russell 1000® Growth Index, ranking in the 62nd percentile in the universe of large growth equity managers. Over the past year, the portfolio returned 0.2%, exceeding the Russell 1000® Growth Index return of -0.8%, and ranked in the 38th percentile of large growth equity managers. The portfolio got off to a good start in early 2005; since inception performance continues to exceed the Russell 1000® Growth Index.

The portfolio (compared to the Russell 1000® Growth Index) had a below-index yield and an above-index P/E ratio. It included 29 stocks, concentrated in the large and mid capitalization sectors. Delaware's largest economic sector over-weightings relative to the Russell 1000® Growth Index were in the information technology, consumer discretionary and telecom sectors, while the largest under-weightings were in the energy, industrials and consumer staples sectors.

Delaware's first quarter performance relative to the Russell 1000® Growth Index was hurt by both stock selection and sector allocation decisions. Stock selection in the financials and consumer discretionary sectors had the most negative impacts. Trading decisions had a small positive impact on performance for the quarter. The top performing holdings included EOG (+35%), Genentech (+21%) and Zimmer Holdings (+18%). The worst performing holdings included Unitedhealth Group (-41%), Google (-36%) and Intercontinental Exchange (-32%).

MANAGER COMMENTS – DOMESTIC EQUITY

Emerald

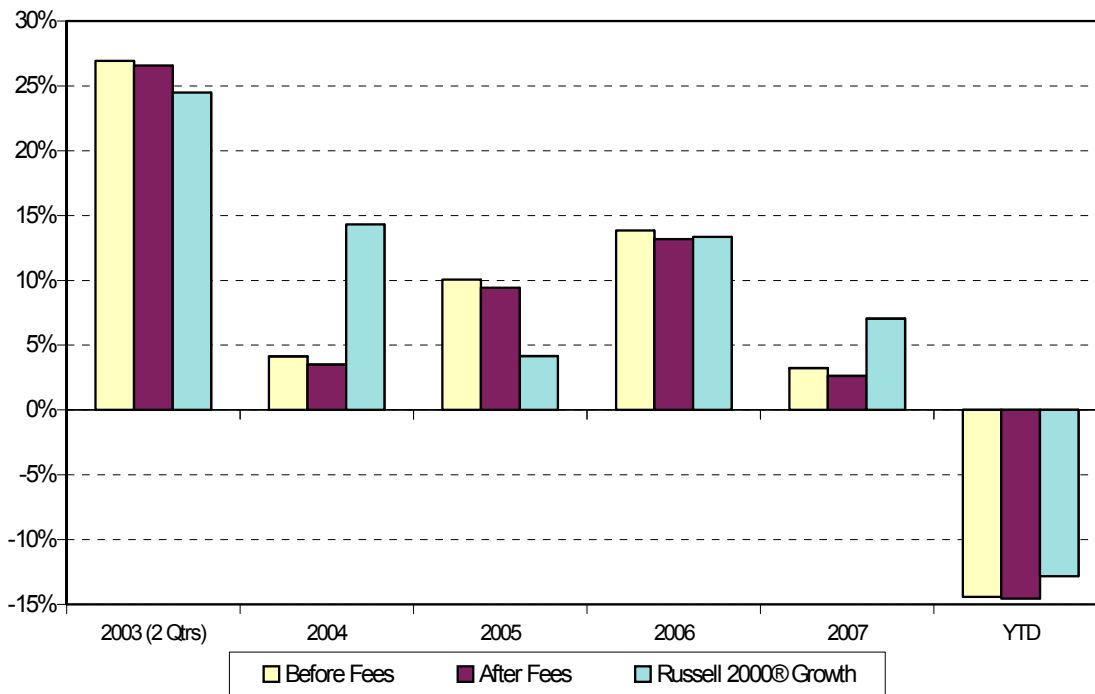
Emerald vs. Rus. 2000 Growth

Cumulative Value of \$1 (Net of Fees)

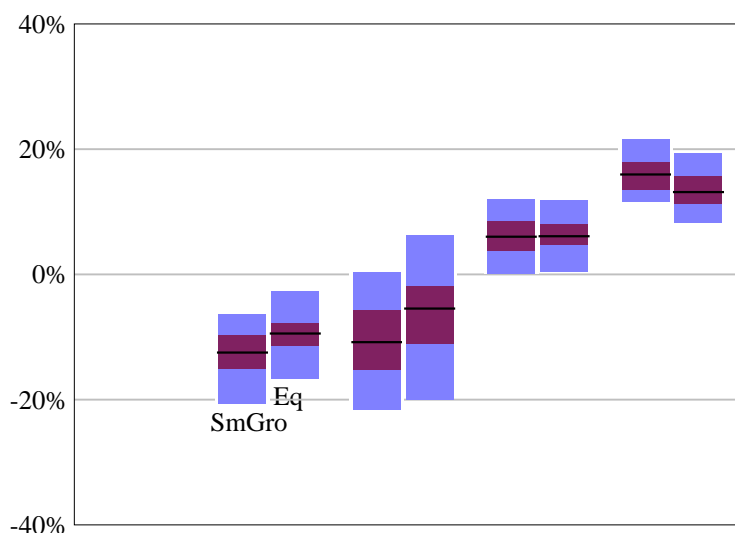


Emerald vs. Russell 2000® Growth

Year by Year Performance



Emerald



	<u>Last Qtr</u>	<u>1 Yr</u>	<u>3 Yrs</u>	<u>5 Yrs</u>
Emerald (E)	-14.4	-15.0	5.0	-
Rank v. Sm. Gro	69	74	64	-
Rank v. Equity	90	88	72	-
Ru 2000® Gro (R)	-12.8	-8.9	5.7	14.2
Sm. Gro Median	-12.5	-10.8	6.0	16.0
Equity Median	-9.5	-5.4	6.1	13.2

Portfolio Characteristics	Emerald	Russell 2000® Growth
Eq Mkt Value (\$Mil)	130.93	N/A
Wtd. Avg. Cap (\$Bil)	1.57	1.45
Beta	1.55	1.44
Yield (%)	0.23	0.67
P/E Ratio	32.99	34.91
Cash (%)	4.4	0.0
Number of Holdings	120	1,249
Turnover Rate (%)	91.7	-

Sector	Emerald	Russell 2000® Growth
Energy	5.4 %	8.6 %
Materials	5.1	4.1
Industrials	16.2	17.6
Cons. Discretionary	9.5	15.4
Consumer Staples	4.6	2.7
Health Care	22.0	19.9
Financials	5.0	8.3
Info Technology	29.9	21.8
Telecom Services	2.4	1.1
Utilities	0.0	0.6

Emerald's return of -14.4% for the first quarter was below the -12.8% return of the Russell 2000® Growth index and ranked in the 69th percentile in the universe of small growth equity managers. For the one-year period, Emerald returned -15.0%, below the -8.9% return of the Russell 2000® Growth and ranked in the 74th percentile in the universe of small growth equity managers. Over the three-year period, Emerald returned 5.0%, below the 5.7% return of the index, and ranked in the 64th percentile of small growth managers. Emerald is not in compliance with CCCERA's performance objectives over the past three years.

The portfolio has a beta of 1.55x compared to 1.44x for the Russell 2000® Growth Index and has a well below-index yield. It includes 120 stocks, concentrated in the small capitalization sector. Emerald's largest economic sector over-weightings relative to the Russell 2000® Growth Index are in the information technology, health care and consumer staples sectors. The largest under-weightings are in the consumer discretionary, financials and energy sectors.

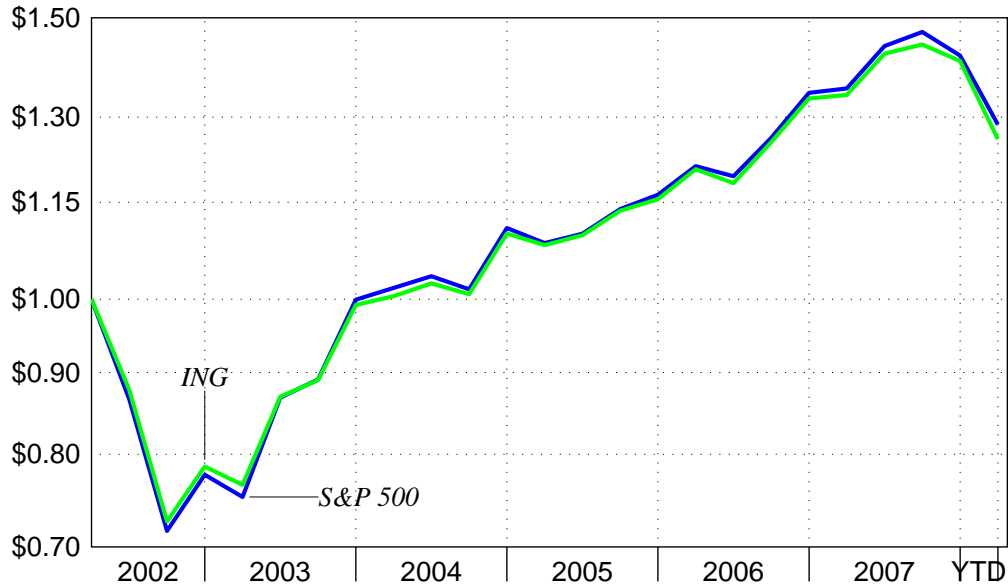
Emerald's first quarter performance relative to the Russell 2000® Growth Index was hindered by both stock selection and sector allocation decisions. Poor stock selection in the industrials sector was the largest single detriment to fourth quarter performance. Trading decisions had a negative impact on performance for the quarter. The top performing holdings included Wet Seal (+45%), Old Dominion (+38%) and Illumina (+28%). The worst performing holdings included AirCastle (-56%), Biomimetic Therapeutics (-54%) and Crocs (-53%).

MANAGER COMMENTS – DOMESTIC EQUITY

ING Investment

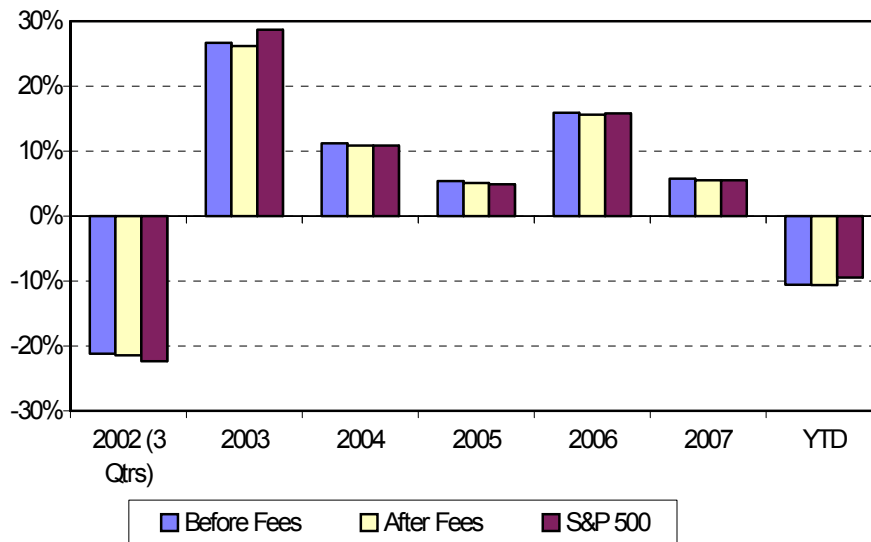
ING vs. S&P 500

Cumulative Value of \$1 (Net of Fees)

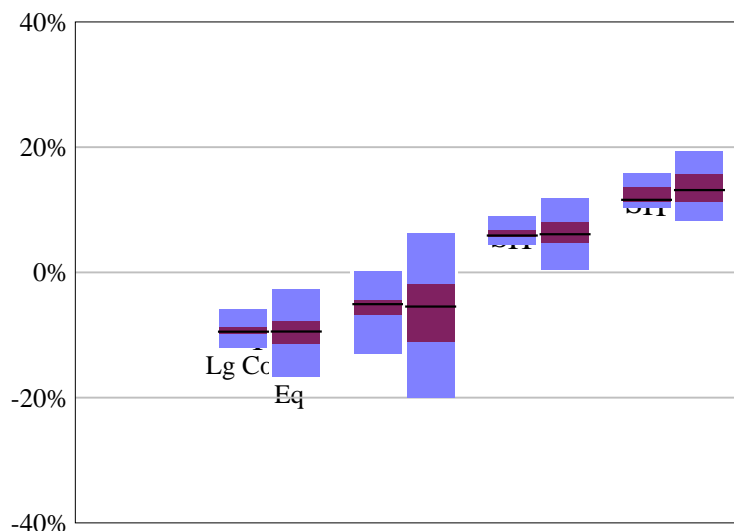


ING vs. S&P 500

Year by Year Performance



ING Investment Management



	<u>Last Qtr</u>	<u>1 Yr</u>	<u>3 Yrs</u>	<u>5 Yrs</u>
ING (I)	-10.6	-5.9	5.5	10.8
<i>Rank v. Lg Core</i>	84	70	81	92
<i>Rank v. Equity</i>	66	53	65	83
S&P 500 (S)	-9.5	-5.1	5.9	11.3
S&P 500 x-Tob (T)	-9.5	-5.4	5.6	11.0
Lg Core Median	-9.5	-5.1	5.9	11.6
Equity Median	-9.5	-5.4	6.1	13.2

Portfolio

<u>Characteristics</u>	<u>ING</u>	<u>S&P 500</u>
Eq Mkt Value (\$Mil)	263.25	N/A
Wtd. Avg. Cap (\$Bil)	97.38	96.22
Beta	1.00	1.00
Yield (%)	2.08 %	2.19 %
P/E Ratio	15.89	17.06
Cash (%)	0.2 %	0.0 %

Number of Holdings	288	500
Turnover Rate (%)	105.2	-

<u>Sector</u>	<u>ING</u>	<u>S&P 500</u>
Energy	13.6 %	13.3 %
Materials	3.8	3.6
Industrials	11.7	12.2
Cons. Discretionary	10.2	8.7
Consumer Staples	10.7	11.1
Health Care	11.3	11.7
Financials	16.2	16.8
Info Technology	15.9	15.7
Telecom Services	2.8	3.4
Utilities	3.7	3.6

ING's return of -10.6% for the first quarter was below the -9.5% return of the S&P 500 and the -9.5% return of the S&P 500 ex-Tobacco, and ranked in the 84th percentile in the universe of large core equity managers. For the one-year period, ING returned -5.9%, below the -5.1% return of the S&P 500 and the Tobacco-free Index return of -5.4%. ING has trailed the S&P 500 over the past three and five years. ING is not in compliance with CCCERA's performance objectives. As of June 2005, ING stopped using Innovest's rankings, but the portfolio is still tobacco-free (as are all CCCERA US equity portfolios).

The portfolio had a market beta, a lower yield and a below-market P/E ratio. It included 288 stocks, concentrated in large capitalization sectors. The portfolio closely resembles the S&P 500. ING's largest economic sector over-weightings were in the consumer discretionary and energy sectors, while the largest under-weightings were in the telecom services and financials sectors.

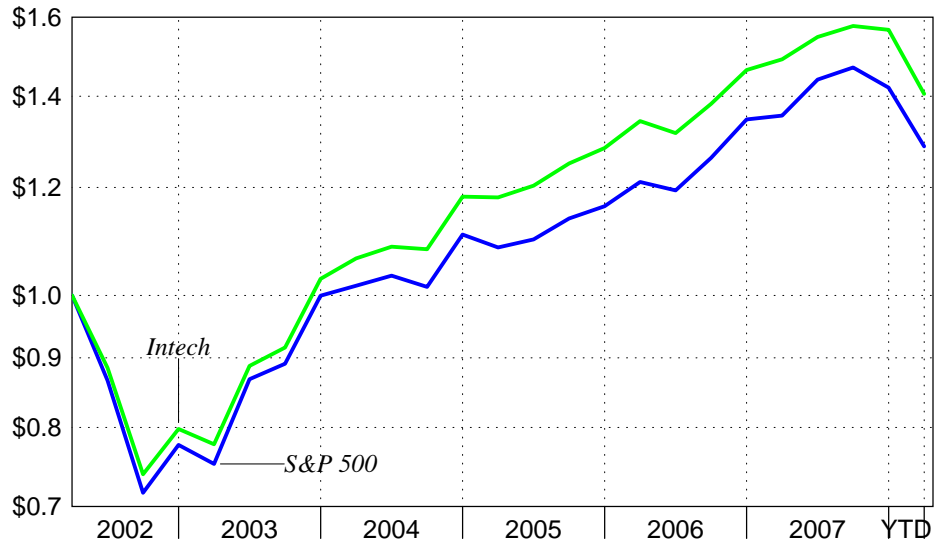
ING's performance for the first quarter relative to the S&P 500 was hurt by stock selection decisions. The best performing holdings during the quarter included Big Lots (+39%), Pulte Homes (+39%) and Celgene (+33%), while the worst performing holdings included CIT Group (-50%), Wellpoint (-50%) and Sprint (-49%).

MANAGER COMMENTS – DOMESTIC EQUITY

Intech - Enhanced Plus

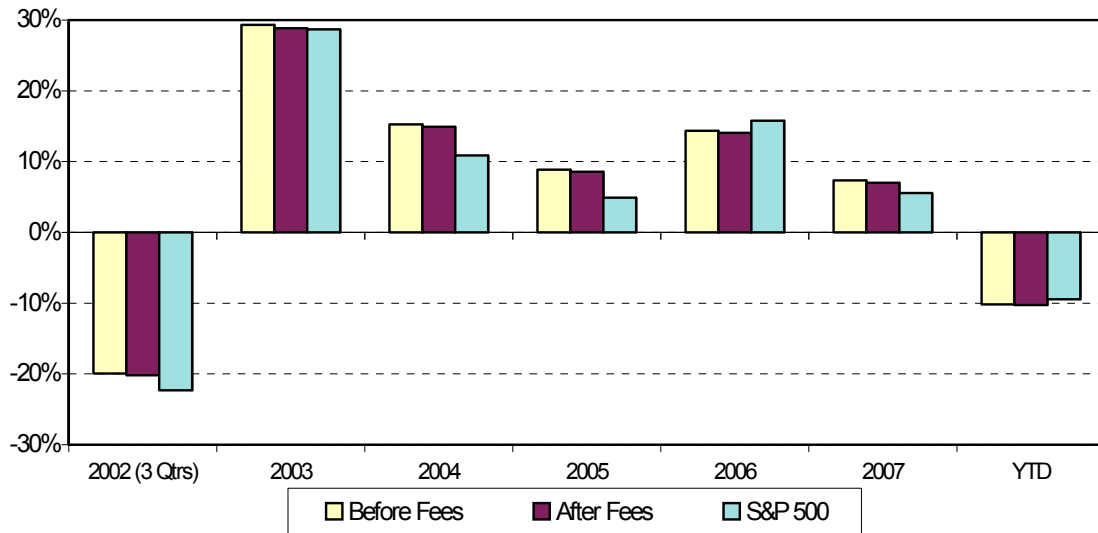
Intech Enhanced Plus vs. S&P 500

Cumulative Value of \$1 (Net of Fees)

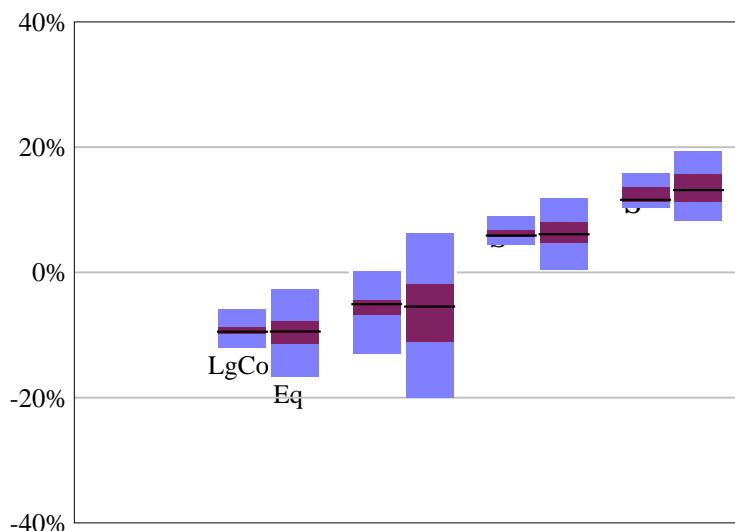


Intech Enhanced Plus vs. S&P 500

Year by Year Performance



Intech - Enhanced Plus



	<u>Last Qtr</u>	<u>1 Yr</u>	<u>3 Yrs</u>	<u>5 Yrs</u>
Intech Enhanced (I)	-10.2	-5.4	6.3	12.9
Rank v. Lg Core	81	62	35	27
Rank v. Equity	62	49	46	51
S&P 500 (S)	-9.5	-5.1	5.9	11.3
Lg Core Median	-9.5	-5.1	5.9	11.6
Equity Median	-9.5	-5.4	6.1	13.2

Portfolio Characteristics	Intech - Enhanced	
	Plus	S&P 500
Eq Mkt Value (\$Mil)	23.91	N/A
Wtd. Avg. Cap (\$Bil)	94.53	96.22
Beta	1.02	1.00
Yield (%)	1.96 %	2.19 %
P/E Ratio	17.34	17.06
Cash (%)	0.6 %	0.0 %

Number of Holdings	331	500
Turnover Rate (%)	82.1	-

Sector	Intech - Enhanced	
	Plus	S&P 500
Energy	12.8 %	13.3 %
Materials	2.9	3.6
Industrials	14.4	12.2
Cons. Discretionary	10.1	8.7
Consumer Staples	11.7	11.1
Health Care	13.6	11.7
Financials	10.8	16.8
Info Technology	13.0	15.7
Telecom Services	4.9	3.4
Utilities	6.0	3.6

Intech's return of -10.2% for the first quarter was below the -9.5% return of the S&P 500, ranking in the 81st percentile in the universe of large core equity managers. For the one-year period, Intech returned -5.4%, below -5.1% for the S&P 500 and ranking in the 62nd percentile. Over the past five years, Intech returned 12.9%, above the 11.3% return of the S&P 500, and ranked in the 27th percentile of large core equity managers. Over the past three and five years, Intech's performance exceeded the median large core equity manager and the S&P 500. Intech is in compliance with CCCERA's performance objectives.

The portfolio has nearly the same beta as the market at 1.02x, a lower yield and an above-market P/E ratio. The portfolio has 331 holdings concentrated in large capitalization sectors. The largest economic sector over-weightings were in the utilities, industrials and health care sectors, while largest under-weightings were in the financials, information technology and materials sectors.

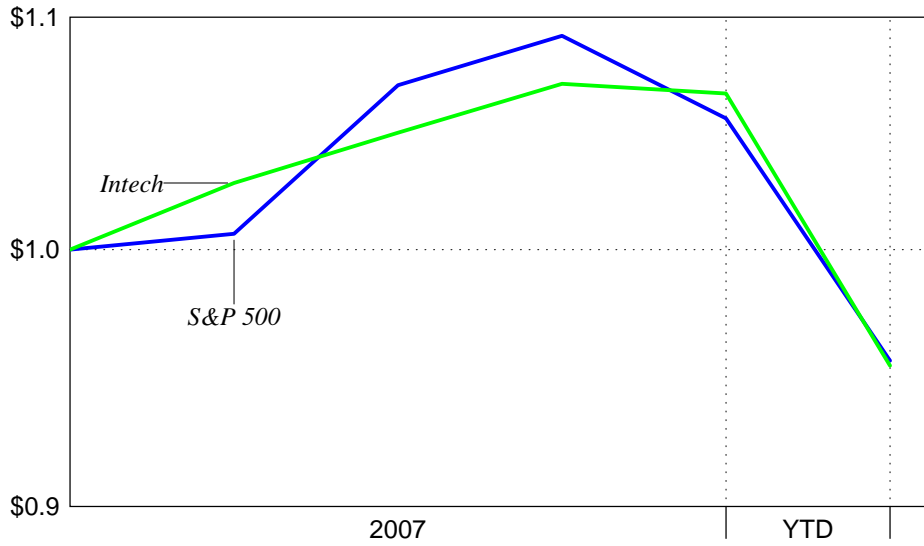
Intech's first quarter performance relative to the S&P 500 was helped by both stock selection and sector allocation decisions. Active trading decisions also had a positive impact on performance. Stock selection in the information technology sector and an underweight to the financials sector helped the most during the first quarter. The best performing portfolio stocks included Big Lots (+39%), Pulte Homes (+39%) and Celgene (+33%), while the worst performing holdings during the quarter included Wellpoint (-50%), Sprint (-49%) and Schering Plough (-46%).

MANAGER COMMENTS – DOMESTIC EQUITY

Intech - Large Cap Core

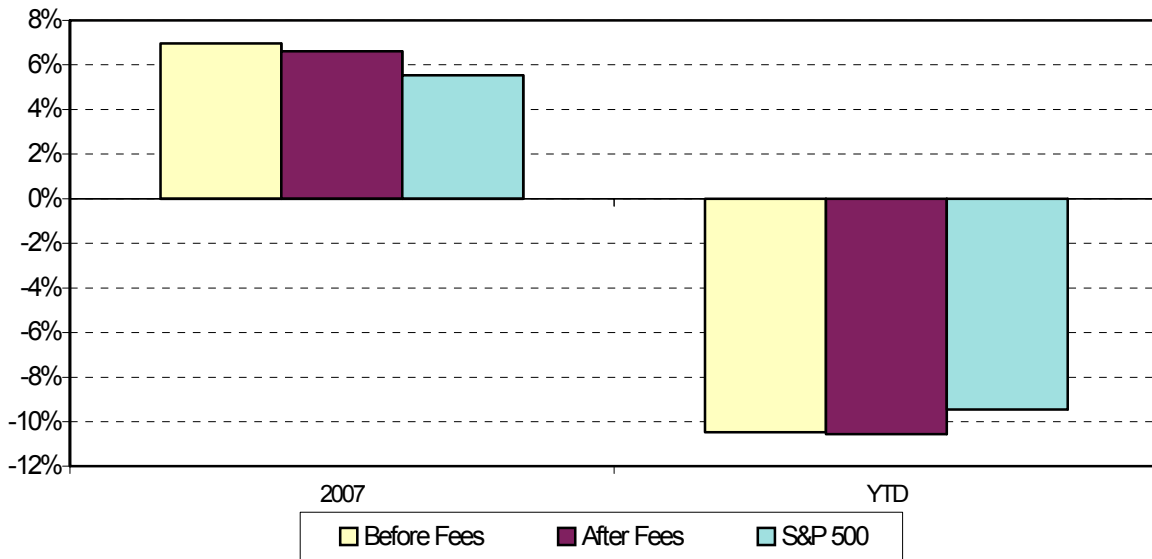
Intech Large Cap Core vs. S&P 500

Cumulative Value of \$1 (Net of Fees)

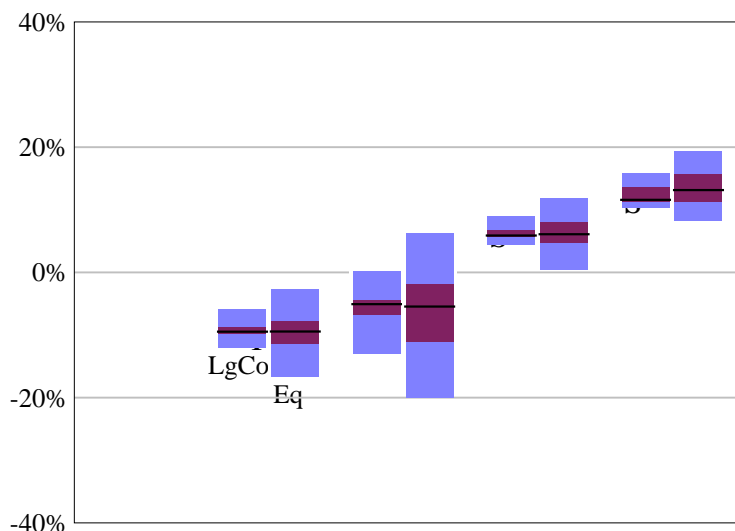


Intech Large Cap Core vs. S&P 500

Year by Year Performance



Intech - Large Cap Core



	Last Qtr	1 Yr	3 Yrs	5 Yrs
Intech Lg Core (I)	-10.5	-6.9	-	-
Rank v. Lg Core	83	76	-	-
Rank v. Equity	65	58	-	-
S&P 500 (S)	-9.5	-5.1	5.9	11.3
Lg Core Median	-9.5	-5.1	5.9	11.6
Equity Median	-9.5	-5.4	6.1	13.2

Portfolio Characteristics	Intech - Large Cap	S&P 500
Eq Mkt Value (\$Mil)	240.10	N/A
Wtd. Avg. Cap (\$Bil)	95.66	96.22
Beta	1.00	1.00
Yield (%)	1.99 %	2.19 %
P/E Ratio	17.66	17.06
Cash (%)	0.6 %	0.0 %
Number of Holdings	302	500
Turnover Rate (%)	102.2	-

Sector	Intech - Large Cap	S&P 500
Energy	13.5 %	13.3 %
Materials	2.8	3.6
Industrials	16.3	12.2
Cons. Discretionary	9.7	8.7
Consumer Staples	12.3	11.1
Health Care	13.3	11.7
Financials	7.3	16.8
Info Technology	12.2	15.7
Telecom Services	5.8	3.4
Utilities	6.8	3.6

Intech's Large Cap Core return of -10.5% for the first quarter was below the -9.5% return of the S&P 500 and ranked in the 83rd percentile in the universe of large core equity managers. Over the past year, the new Intech portfolio has returned -6.9%, below the S&P 500 return of -5.1% and ranked in the 76th percentile of large core equity managers.

The Large Cap Core portfolio follows a somewhat more aggressive investment approach than the Intech Enhanced Plus portfolio. The portfolio has a market beta of 1.00x, a lower than market yield and an above-market P/E ratio. The portfolio has 302 holdings concentrated in large capitalization sectors. The largest economic sector over-weightings were in the industrials, utilities and telecom sectors, while largest under-weightings were in the financials, information technology and materials sectors.

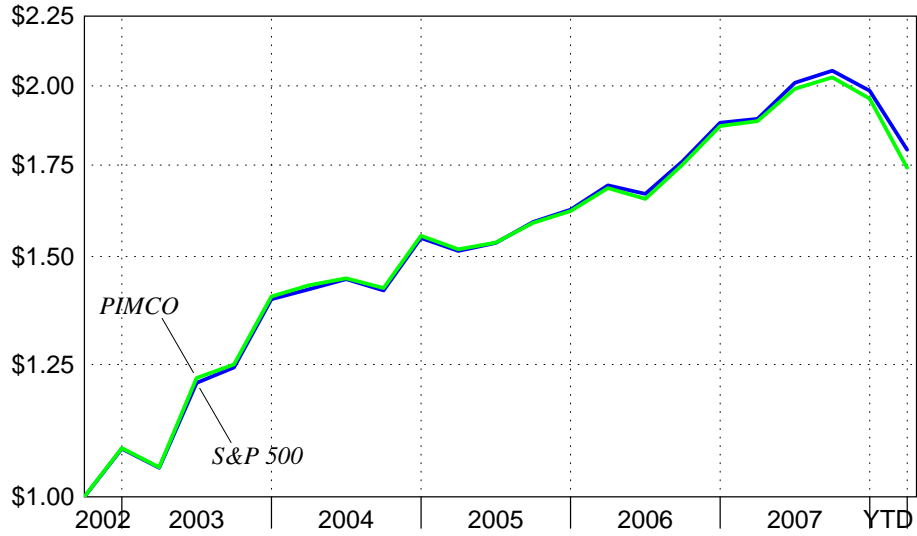
Intech's first quarter performance relative to the S&P 500 was hurt by stock selection but helped to a lesser extent by sector allocation decisions. Active trading decisions also had a positive impact on performance. Stock selection in the industrials and health care sectors hurt performance the most during the quarter. The best performing portfolio stocks included Big Lots (+39%), Pulte Homes (+39%) and Celgene (+33%), while the worst performing holdings during the quarter included Sprint (-49%), Schering Plough (-46%) and Nvidia (-42%).

MANAGER COMMENTS – DOMESTIC EQUITY

PIMCO

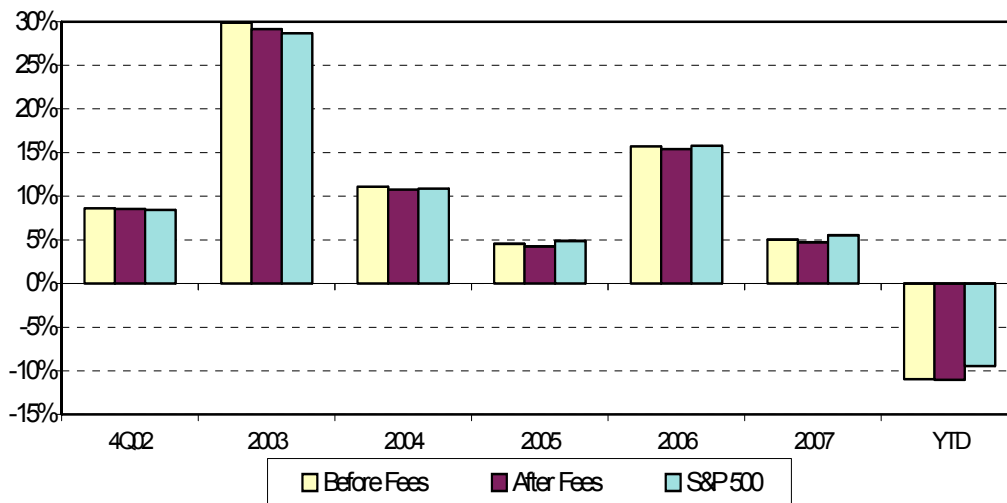
PIMCO Stocks Plus vs. S&P 500

Cumulative Value of \$1 (Net of Fees)

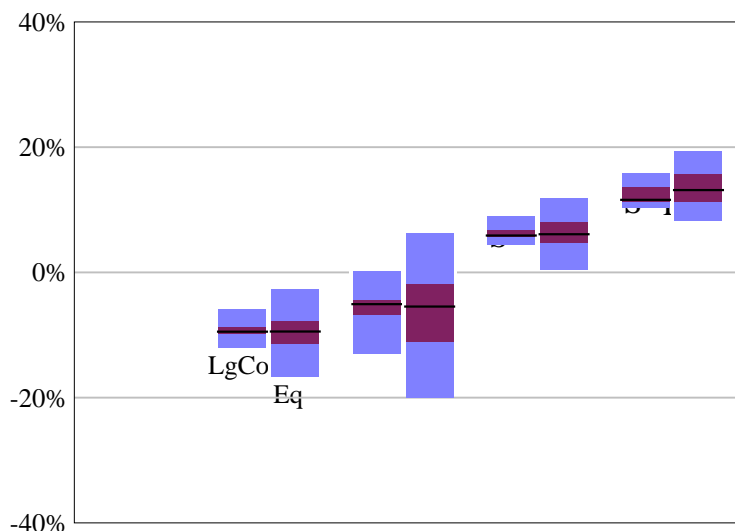


PIMCO vs. S&P 500

Year by Year Performance



PIMCO



	<u>Last Qtr</u>	<u>1 Yr</u>	<u>3 Yrs</u>	<u>5 Yrs</u>
PIMCO (P)	-10.9	-7.3	5.0	10.9
Rank v. Lg Core	85	76	89	89
Rank v. Equity	71	59	72	82
S&P 500 (S)	-9.5	-5.1	5.9	11.3
Lg Core Median	-9.5	-5.1	5.9	11.6
Equity Median	-9.5	-5.4	6.1	13.2

Portfolio

Characteristics	PIMCO	S&P 500
Eq Mkt Value (\$Mil)	217.9	N/A
Wtd. Avg. Cap (\$Bil)	*	96.22
Beta	*	1.00
Yield (%)	* %	2.19 %
P/E Ratio	*	17.06
Cash (%)	26.4 %	0.0 %

Number of Holdings	*	500
Turnover Rate (%)	989.7	-

Sector	PIMCO	S&P 500
Energy	* %	13.3 %
Materials	*	3.6
Industrials	*	12.2
Cons. Discretionary	*	8.7
Consumer Staples	*	11.1
Health Care	*	11.7
Financials	*	16.8
Info Technology	*	15.7
Telecom Services	*	3.4
Utilities	*	3.6

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

PIMCO's StocksPLUS (futures plus cash) portfolio returned -10.9% for the first quarter, below the -9.5% return of the S&P 500 and ranking in the 85th percentile of large core managers. For the one-year period, PIMCO returned -7.3%, below the -5.1% return of the S&P 500, and ranked in the 76th 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, but has almost matched the S&P 500 after fees since inception.

PIMCO's mix of fixed income strategies trailed the benchmark in the first quarter. Strategies that detracted from returns included an overweight to mortgages, which experienced widening spreads across all quality grades, holdings of investment-grade corporates, which suffered from deleveraging trends, holdings of short-duration home equity asset-backed bonds and modest holdings of municipal bonds, which lagged taxable bonds amid continued concern about the credit quality of municipal bond insurers. Strategies that added value included US, UK and European interest rate exposure, as rates fell across developed markets, and US duration exposure which was focused on shorter maturities.

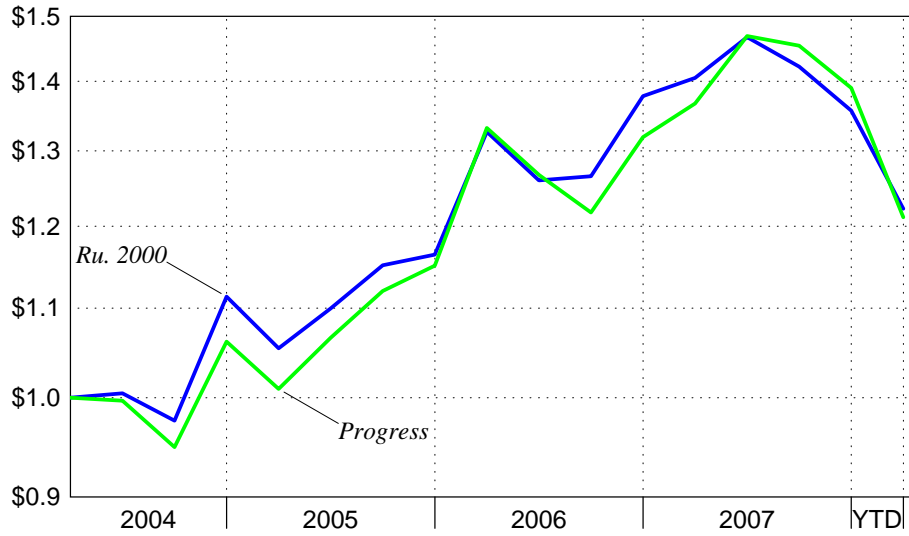
PIMCO believes that much of this past quarter's underperformance is due to temporary market dislocations. The firm will manage StocksPLUS portfolios in the short term to mitigate downside risk to portfolios with a focus on high quality assets, many of which now offer compelling valuations. The firm will also emphasize short/intermediate maturity bonds which are expected to produce gains as they approach maturity. They will also emphasize high quality mortgages. Finally, they will opportunistically add corporate bonds with attractive valuation and look to add municipal bonds which have relatively high premium due to reduced liquidity.

MANAGER COMMENTS – DOMESTIC EQUITY

Progress

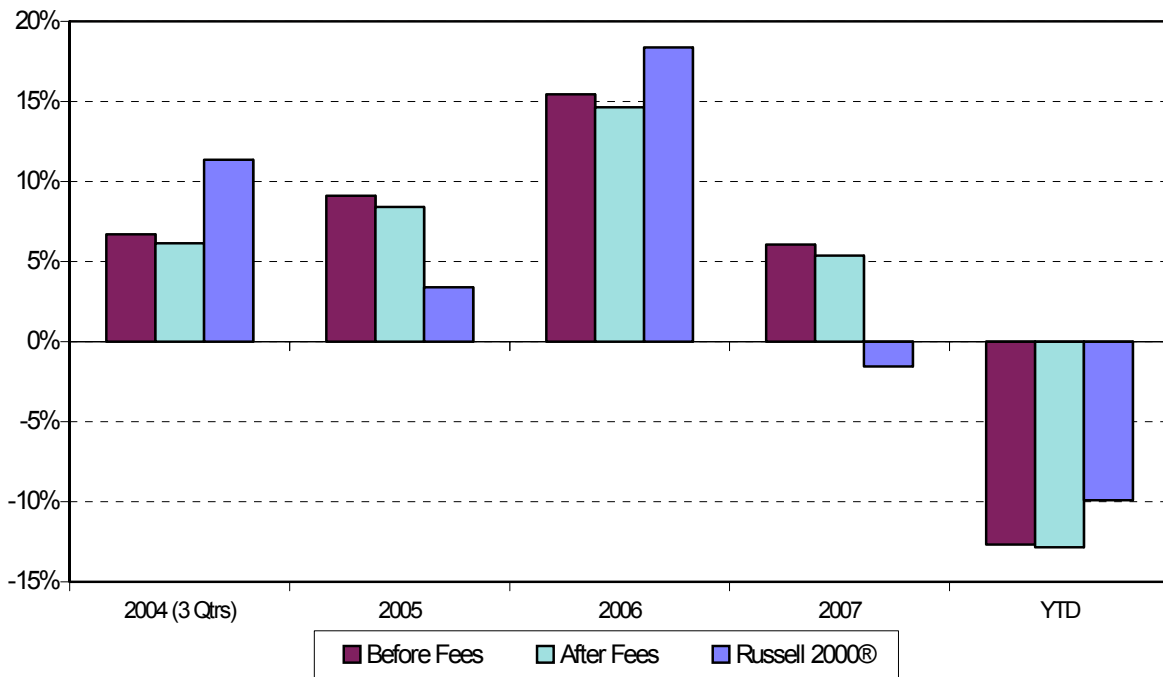
Progress vs. Russell 2000

Cumulative Value of \$1 (Net of Fees)

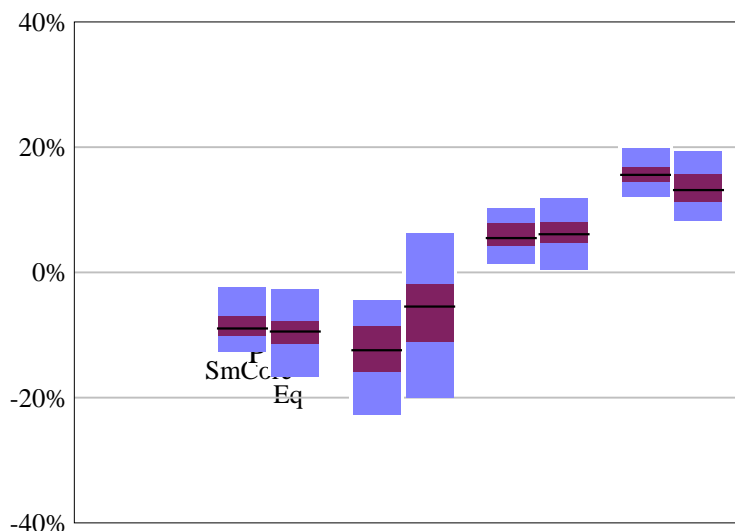


Progress vs. Russell 2000®

Year by Year Performance



Progress



	Last Qtr	1 Yr	3 Yrs	5 Yrs
Progress (P)	-12.7	-10.8	7.0	-
Rank v. Small Core	94	41	32	-
Rank v. Equity	84	73	37	-
Russell 2000® (R)	-9.9	-13.0	5.1	14.9
Small Cap Median	-9.0	-12.4	5.5	15.6
Equity Median	-9.5	-5.4	6.1	13.2

Portfolio Characteristics	Progress	Russell 2000®
Eq Mkt Value (\$Mil)	133.65	N/A
Wtd. Avg. Cap (\$Bil)	1.88	1.30
Beta	1.27	1.32
Yield (%)	1.14 %	1.44 %
P/E Ratio	22.66	26.43
Cash (%)	0.0 %	0.0 %
Number of Holdings	584	1,901
Turnover Rate (%)	0.8	-

Sector	Progress	Russell 2000®
Energy	9.9 %	7.7 %
Materials	7.0	5.7
Industrials	17.9	15.4
Cons. Discretionary	14.2	13.3
Consumer Staples	2.9	3.4
Health Care	12.1	13.0
Financials	13.1	20.0
Info Technology	17.2	17.1
Telecom Services	1.5	1.3
Utilities	4.1	3.0

Progress, a manager of emerging managers that themselves invest in small capitalization stocks, returned -12.7% for the first quarter, below the -9.9% return of the Russell 2000® Index and ranking in the 94th percentile of small core managers. Over the past year, Progress returned -10.8%, better than the -13.0% return of the Russell 2000® Index, and ranked in the 41st percentile of small cap equity managers. Over the past three years, Progress has exceeded its benchmark and has ranked in the 32nd percentile of the small core universe. Progress is in compliance with the CCCERA performance objectives.

The portfolio had a beta of 1.27x, slightly lower than the Russell 2000® Index. The portfolio had a below-market yield and a below-market P/E ratio. It included 584 stocks, concentrated in the small and mid capitalization sectors. Progress' largest economic sector over-weightings relative to the Russell 2000® were in the industrials, energy and materials sectors, while the largest under-weightings were in the financials, health care and consumer staples sectors.

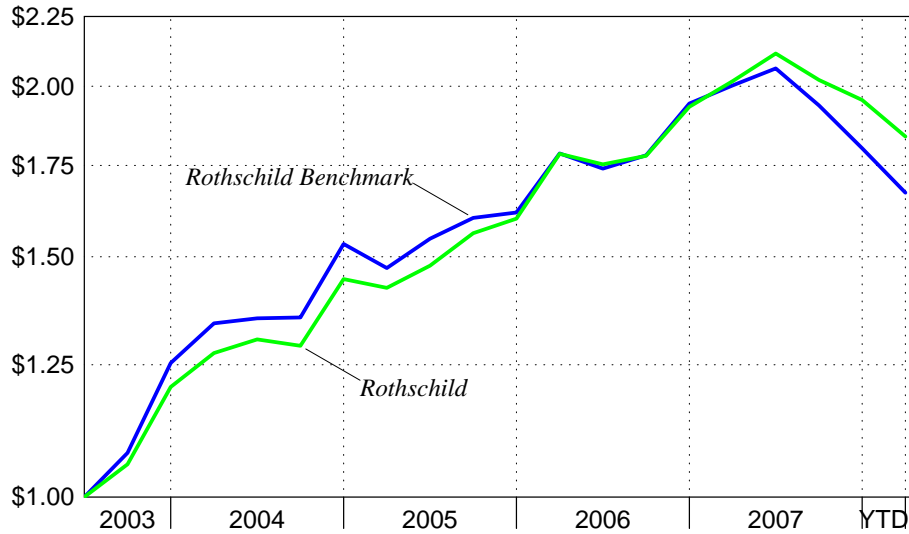
The portfolio's first quarter performance was hurt by both stock selection and sector allocation decisions relative to the Russell 2000®. Stock selection in the industrials and financials sectors was particularly weak. During the quarter, the best performing holdings included BPZ Energy (+94%), Walter Industries (+75%) and Stillwater Mining (+60%). The worst performing holdings included the SIRF Technology (-80%), Sun-Times Media Group (-67%) and Jackson Hewitt (-63%).

MANAGER COMMENTS – DOMESTIC EQUITY

Rothschild

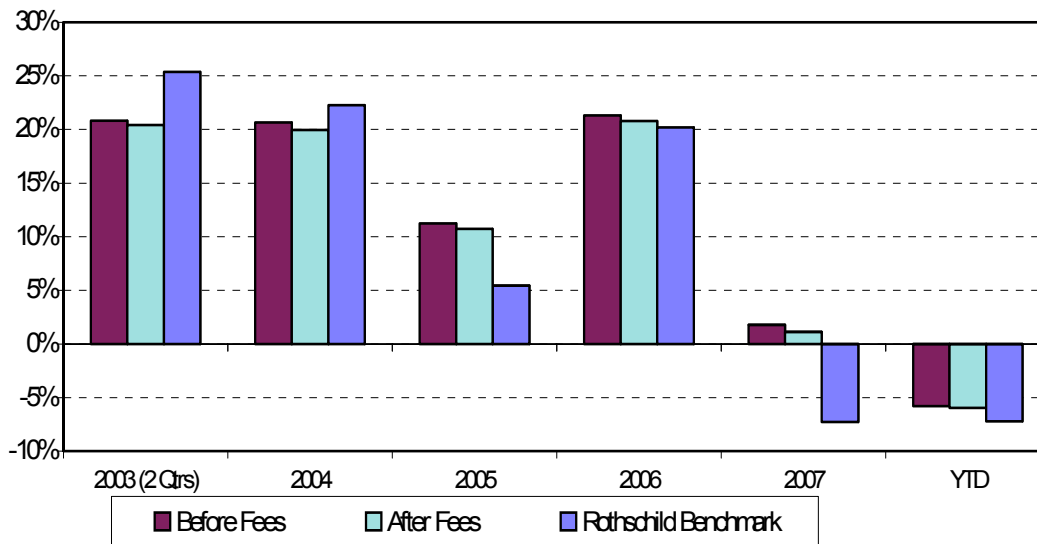
Rothschild vs. Custom Bench

Cumulative Value of \$1 (Net of Fees)



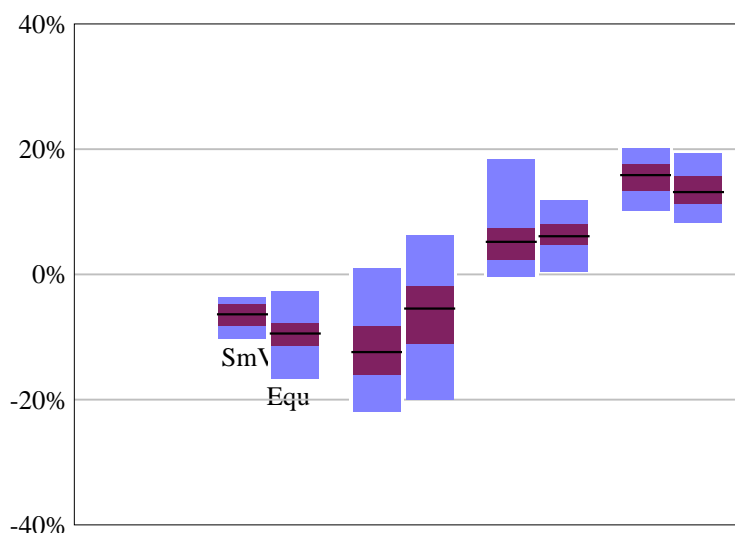
Rothschild vs. Custom Benchmark

Year by Year Performance



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

Rothschild



	Last Qtr	1 Yr	3 Yrs	5 Yrs
Rothschild (R)	-5.8	-8.3	9.4	-
Rank v. Sm. Value	39	26	9	-
Rank v. Equity	11	63	13	-
Custom Bench (B)	-7.2	-16.6	4.3	15.5
Sm. Value Median	-6.4	-12.4	5.2	15.9
Equity Median	-9.5	-5.4	6.1	13.2

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

Rothschild's return of -5.8% for the first quarter was better than the -7.2% return of the Russell 2500™ Value Index and ranked in the 39th percentile in the universe of small value equity managers. For the one-year period, Rothschild returned -8.3%, better than the custom benchmark return of -16.6% and ranked in the 26th percentile. Over the past three years, Rothschild exceeded its custom benchmark and ranked the 9th percentile. This portfolio is in compliance with the CCCERA performance objectives.

The portfolio had a beta of 1.06x, lower than the Index, a below-index yield and a below-index P/E ratio. It included 131 stocks, concentrated in the small and mid capitalization sectors. Rothschild's largest economic sector over-weightings relative to the Russell 2500™ were in the industrials, health care and information technology sectors, while the largest under-weightings were in the financials, consumer discretionary and materials sectors.

Rothschild's first quarter performance relative to the Russell 2500™ Value index was helped by stock selection but hurt by sector allocation decisions. Trading decisions had a positive impact on performance. Stock selection in the energy and health care sectors had the largest positive impacts on the portfolio during the first quarter. The best performing portfolio stocks were Compass Minerals (+45%), Olympic Steel (+42%) and Perry Ellis (+42%). The worst performing holdings included Pharmanet (-36%), Foundry Networks (-34%) and CRA Intl (-32%).

Portfolio Characteristics	Rothschild	Russell 2500™ Value
Eq Mkt Value (\$Mil)	146.95	N/A
Wtd. Avg. Cap (\$Bil)	2.45	2.38
Beta	1.06	1.12
Yield (%)	1.61 %	2.51 %
P/E Ratio	15.64	18.63
Cash (%)	1.1 %	0.0 %
Number of Holdings	131	1,594
Turnover Rate (%)	73.9	-

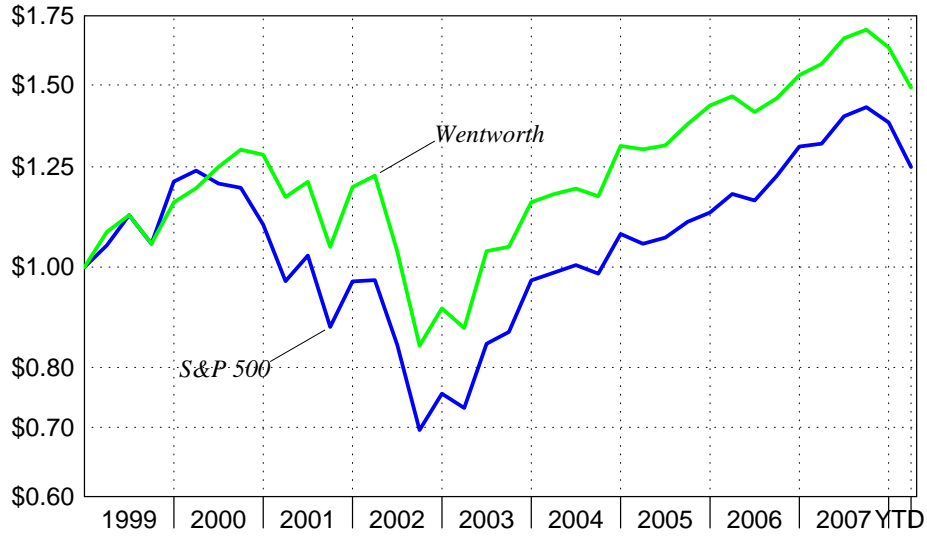
Sector	Rothschild	Russell 2500™ Value
Energy	6.1 %	6.6 %
Materials	7.7	8.9
Industrials	15.3	11.6
Cons. Discretionary	8.3	10.1
Consumer Staples	6.1	4.4
Health Care	8.1	5.1
Financials	25.8	31.9
Info Technology	11.8	9.4
Telecom Services	0.9	1.5
Utilities	9.9	10.5

MANAGER COMMENTS – DOMESTIC EQUITY

Wentworth, Hauser and Violich

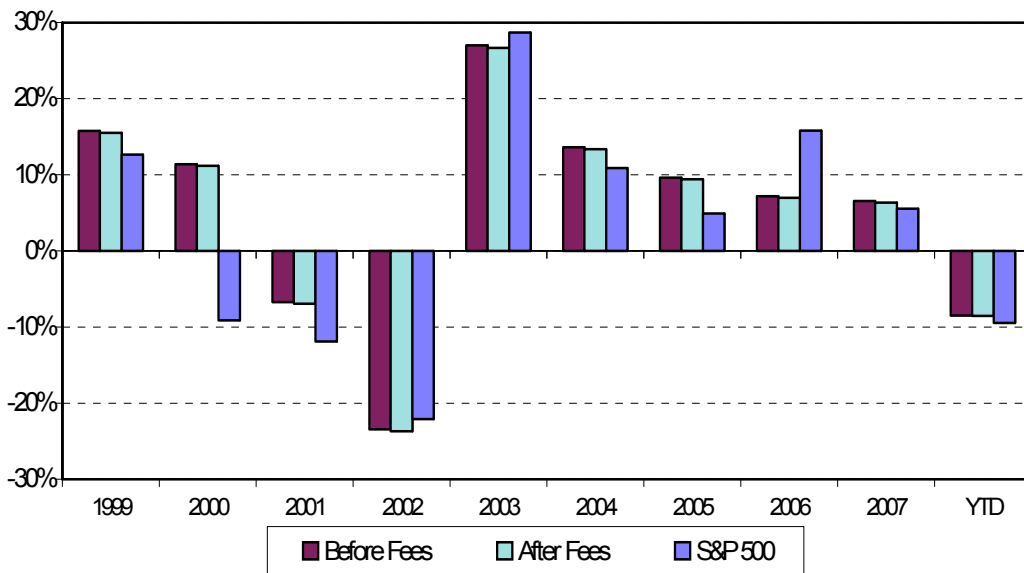
Wentworth, Hauser vs. S&P 500

Cumulative Value of \$1 (Net of Fees)

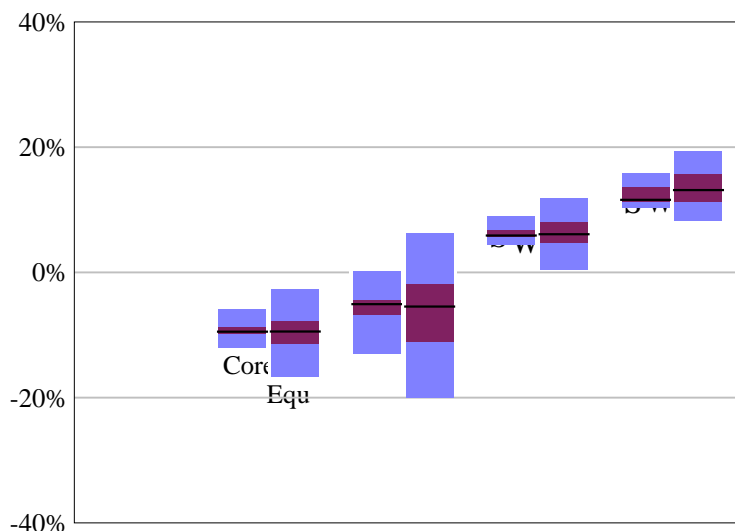


Wentworth vs. S&P 500

Year by Year Performance



Wentworth, Hauser and Violich



	Last Qtr	1 Yr	3 Yrs	5 Yrs
Wentworth (W)	-8.5	-5.0	4.9	11.6
Rank v. Lg Core	23	30	90	51
Rank v. Equity	32	40	73	67
S&P 500 (S)	-9.5	-5.1	5.9	11.3
Lg Core Median	-9.5	-5.1	5.9	11.6
Equity Median	-9.5	-5.4	6.1	13.2

Portfolio

Characteristics	Wentworth	S&P 500
Eq Mkt Value (\$Mil)	262.75	N/A
Wtd. Avg. Cap (\$Bil)	76.73	96.22
Beta	1.01	1.00
Yield (%)	1.69	2.19
P/E Ratio	17.78	17.06
Cash (%)	2.7	0.0
Number of Holdings	37	500
Turnover Rate (%)	37.7	-

Sector	Wentworth	S&P 500
Energy	17.6 %	13.3 %
Materials	0.0	3.6
Industrials	14.0	12.2
Cons. Discretionary	6.7	8.7
Consumer Staples	17.5	11.1
Health Care	12.3	11.7
Financials	10.1	16.8
Info Technology	18.0	15.7
Telecom Services	0.0	3.4
Utilities	3.9	3.6

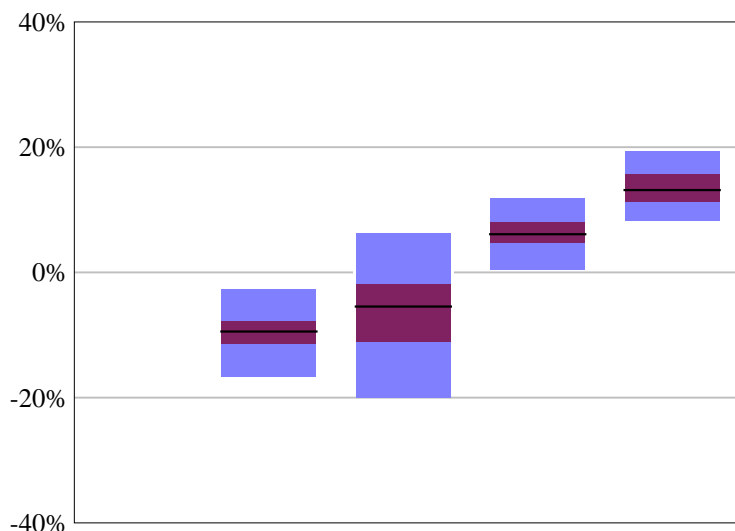
Wentworth's return of -8.5% for the first quarter was better than the -9.5% return of the S&P 500 and ranked in the 23rd percentile of large core managers. For the one-year period, Wentworth returned -5.0%, better the -5.1% return of the S&P 500, and ranked in the 30th percentile. Wentworth has trailed the S&P 500 over the past three years but exceeded the index over the past five years. The portfolio has ranked below the median of the large core universe over both time periods. Wentworth is in compliance with some of CCCERA performance guidelines.

The portfolio has a near-market beta of 1.01x, a below-market yield and an above-market P/E ratio. The portfolio has 37 holdings concentrated in large and mid capitalization sectors. The largest economic sector over-weightings are in the consumer staples, energy and information technology sectors, while largest under-weightings are in the financials, materials and telecom services sectors.

Wentworth's first quarter performance relative to the S&P 500 was hurt by stock selection decisions but helped by sector allocation decisions. Stock selection in the financials and industrials sectors was particularly weak, but this was offset by strong stock selection in the energy sector. The best performing portfolio stocks included XTO Energy (+21%), BJ Services (+18%) and WalMart (+11%) while the worst performing holdings included Unitedhealth Group (-41%), UBS (-37%) and Cadence Designs (-37%).

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Total Domestic Equity



	<u>Last Qtr</u>	<u>1 Yr</u>	<u>3 Yrs</u>	<u>5 Yrs</u>
Total Equity (B)	-10.8	-6.6	6.2	12.3
Rank v. Equity	69	56	47	58
Russell 3000® (R)	-9.5	-6.1	6.1	12.1
Equity Median	-9.5	-5.4	6.1	13.2

Portfolio Characteristics	Total Fund	Russell 3000®
Eq Mkt Value (\$Mil)	2,038.87	N/A
Wtd. Avg. Cap (\$Bil)	65.55	79.83
Beta	1.09	1.05
Yield (%)	1.64 %	2.04 %
P/E Ratio	19.29	17.75
Cash (%)	4.2 %	0.0 %
Number of Holdings	1,165	2,899
Turnover Rate (%)	166.8	-

Sector	Total Fund	Russell 3000®
Energy	11.0 %	12.5 %
Materials	3.4	4.2
Industrials	12.5	12.7
Cons. Discretionary	10.4	9.7
Consumer Staples	9.2	9.7
Health Care	13.2	11.7
Financials	14.2	17.0
Info Technology	20.1	15.6
Telecom Services	2.7	3.1
Utilities	3.4	3.9

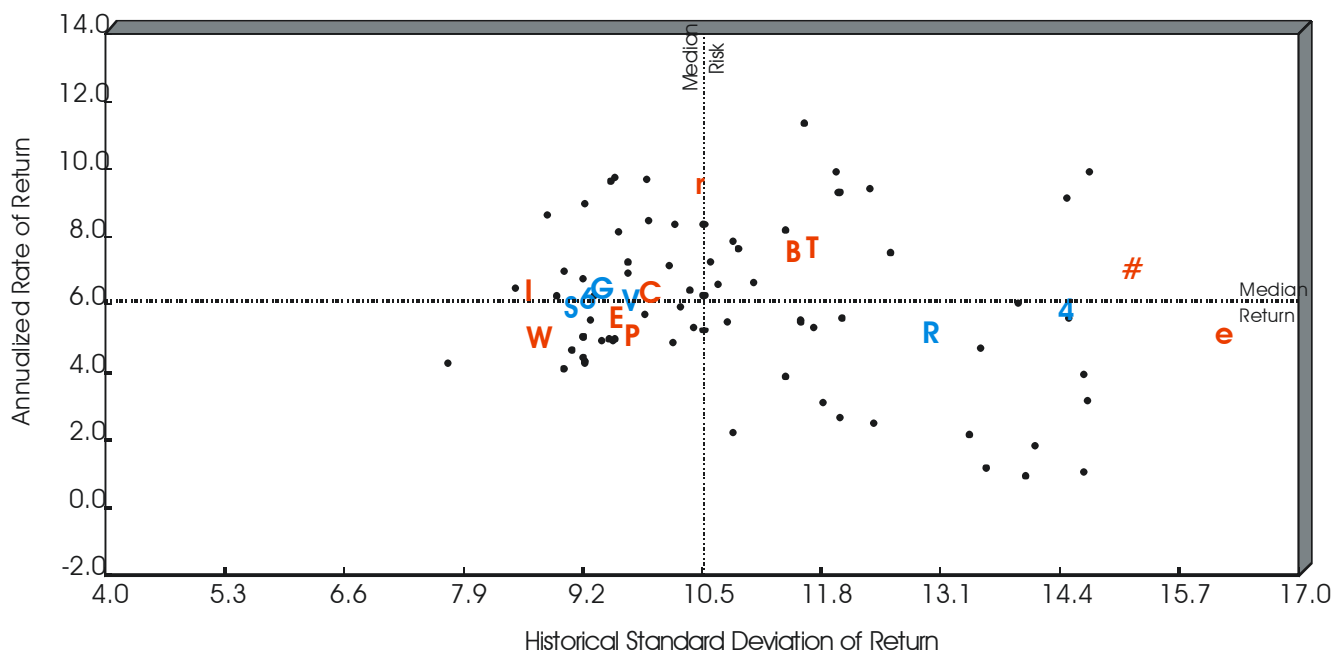
CCCERA total domestic equities returned -10.8% in the first quarter, below the -9.5% return of the Russell 3000® Index, and ranked in the 69th percentile of all equity managers. For the one-year period, the CCCERA equity return of -6.6% was below the -6.1% return of the Russell 3000® and the -5.4% return of the median manager. Over the past three and five years, CCCERA domestic equities exceeded the Russell 3000® index. Returns exceeded the median over the past three years but trailed the median over the past five years.

The combined domestic equity portfolio has a beta of 1.09x, a below-index yield and an above-index P/E ratio. The portfolio is broadly diversified with 1,165 stocks. The combined portfolio's largest economic sector over-weightings are in the information technology, health care and consumer discretionary sectors, while the largest under-weightings are in the financials, energy and materials sectors.

MANAGER COMMENTS – DOMESTIC EQUITY

Domestic Equity Performance and Variability

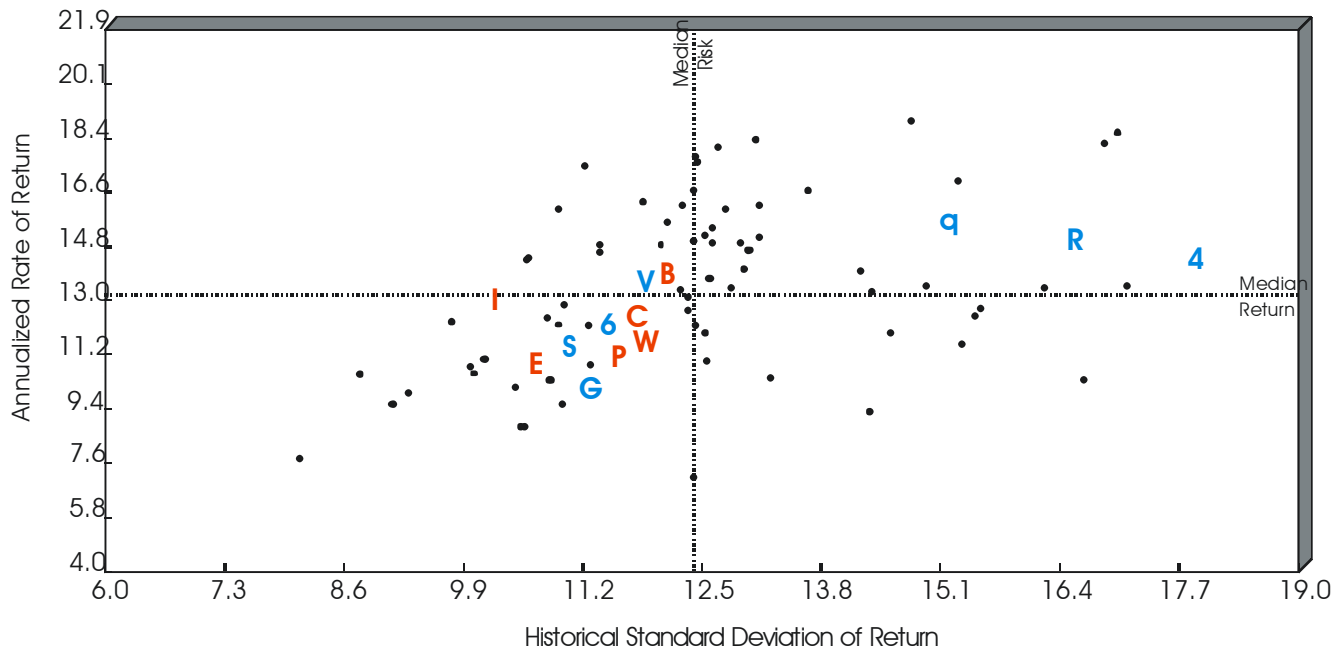
Three Years Ending March 31, 2008



		Annualized Return		Standard Deviation	
		Value	Rank	Value	Rank
B	Boston Partners	7.44	30	11.56	65
T	Delaware	7.58	28	11.78	67
e	Emerald Advisors	4.99	72	16.23	96
E	ING Investment Mgmt	5.49	65	9.63	37
I	Intech Enhanced Plus	6.30	46	8.73	12
P	PIMCO	5.11	70	9.69	38
#	Progress Investment Mgmt Co	6.98	37	15.22	92
r	Rothschild Asset Management	9.44	13	10.58	52
W	Wentworth, Hauser & Violich	4.89	73	8.75	12
C	Domestic Equity	6.22	47	9.96	42
6	Russell 3000®	6.11	49	9.31	29
S	Standard & Poors 500	5.85	57	9.19	22
G	Russell 1000 Growth®	6.34	45	9.43	33
V	Russell 1000 Value®	6.00	51	9.78	40
R	Russell 2000®	5.06	71	13.05	79
4	Russell 2000 Growth®	5.74	61	14.53	89
	Median	6.09		10.52	

Domestic Equity Performance and Variability

Five Years Ending March 31, 2008



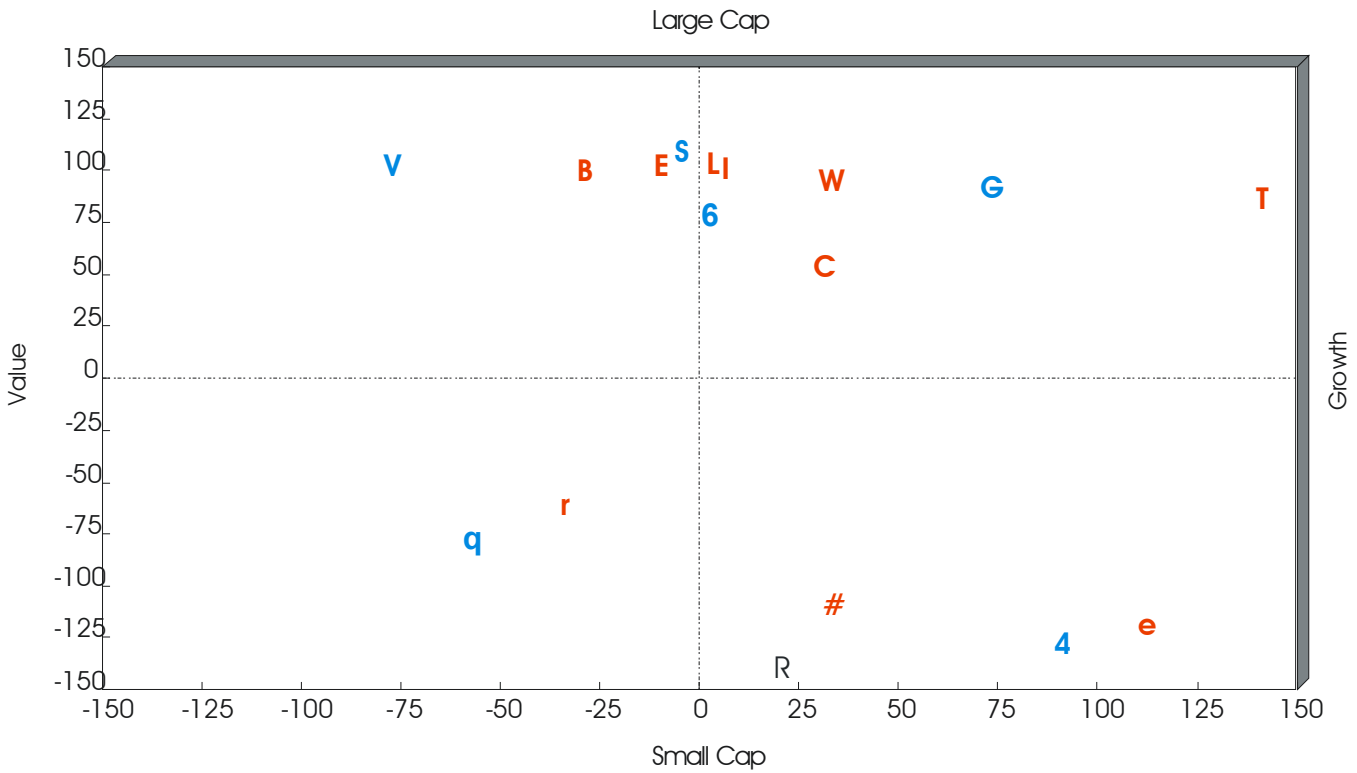
	Annualized Return		Standard Deviation	
	Value	Rank	Value	Rank
B Boston Partners	13.73	44	12.08	47
E ING Investment Mgmt	10.78	83	10.77	18
I Intech Enhanced Plus	12.91	51	10.35	13
P PIMCO StocksPLUS	11.03	81	11.65	40
W Wentworth, Hauser & Violich	11.55	67	11.90	44
C Domestic Equity	12.32	58	11.82	42
6 Russell 3000®	12.07	61	11.54	39
S Standard & Poors 500	11.32	73	11.13	27
G Russell 1000 Growth®	9.97	89	11.31	33
V Russell 1000 Value®	13.67	45	11.99	46
R Russell 2000®	14.90	31	16.63	88
4 Russell 2000 Growth®	14.24	38	17.93	92
q Russell 2500 Value®	15.56	26	15.24	82
Median	13.18		12.41	

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MANAGER COMMENTS - DOMESTIC EQUITY

Domestic Equity Style Map

As of March 31, 2008



	Growth-Value	Size
B Boston Partners	-27.18	97.85
T Delaware	143.37	84.39
e Emerald Advisors	113.48	-120.52
E ING Investment Mgmt	-6.86	104.51
I Intech Enhanced Plus	7.00	100.21
L Intech Large Cap Core	5.32	101.91
# Progress Investment Mgmt Co	34.57	-110.70
r Rothschild Asset Management	-31.43	-62.66
W Wentworth, Hauser & Violich	33.60	93.98
C Domestic Equity	32.30	52.13
S Standard & Poors 500	-5.69	106.09
G Russell 1000 Growth®	74.04	89.97
V Russell 1000 Value®	-75.74	100.89
R Russell 2000®	22.03	-141.57
4 Russell 2000 Growth®	92.35	-129.53
q Russell 2500 Value ®	-56.14	-78.50
6 Russell 3000 ®	3.82	76.72

PORTFOLIO PROFILE REPORT

	Russell 3000® 3/31/2008	Combined Equity 3/31/2008	Russell 1000® Value 3/31/2008	Boston 3/31/2008	Russell 1000® Growth 3/31/2008	Delaware 3/31/2008
Equity Market Value		2,038,871,381		307,306,567		312,101,093
Beta	1.05	1.09	0.94	0.97	1.10	1.26
Yield	2.04	1.64	2.96	2.33	1.29	0.68
P/E Ratio	17.75	19.29	15.54	16.18	19.23	23.98
Standard Error	1.05	2.27	1.49	1.35	1.77	4.46
R ²	0.96	0.84	0.91	0.93	0.90	0.63
Wtd Cap Size (\$Mil)	79,834	65,548.54	107,095	85,473	67,596	46,684
Avg Cap Size (\$Mil)	942	18,303.10	4,685	25,318	5,276	24,977
Number of Holdings	2,899	1,165	618	75	687	29
Economic Sectors						
Energy	12.48	10.99	16.95	14.04	9.14	1.69
Materials	4.15	3.36	4.33	1.74	3.72	3.38
Industrials	12.67	12.47	11.33	9.54	13.46	6.58
Consumer Discretionary	9.65	10.39	7.15	11.99	11.35	13.58
Consumer Staples	9.74	9.17	9.21	4.72	11.27	7.39
Health Care	11.70	13.20	7.35	13.16	15.49	15.72
Financials	17.03	14.23	27.83	25.02	6.60	8.16
Information Technology	15.62	20.05	3.11	15.17	26.88	40.73
Telecom. Services	3.11	2.73	6.11	3.42	0.64	2.77
Utilities	3.86	3.40	6.63	1.21	1.45	0.00

PORTFOLIO PROFILE REPORT

	S&P 500		Intech	Intech	PIMCO	
	Cap Wtd	ING	Enhanced	Large Cap	StocksPLUS	Wentworth
	3/31/2008	3/31/2008	3/31/2008	3/31/2008	3/31/2008	3/31/2008
Equity Market Value		263,249,591	23,906,220	240,101,437	217,922,327	262,751,293
Beta	1.00	1.00	1.02	1.00	1.00	1.01
Yield	2.19	2.08	1.96	1.99	2.19	1.69
P/E Ratio	17.06	15.89	17.34	17.66	17.06	17.78
Standard Error	0.00	0.87	1.34	1.54	0.00	2.29
R ²	1.00	0.97	0.94	0.92	1.00	0.82
Wtd Cap Size (\$Mil)	96,218	97,377	94,531	95,662	96,218	76,727
Avg Cap Size (\$Mil)	11,286	16,374	14,410	14,532	11,286	40,485
Number of Holdings	500	288	331	302	500	37
Economic Sectors						
Energy	13.25	13.59	12.77	13.53	13.25	17.55
Materials	3.57	3.82	2.87	2.79	3.57	0.00
Industrials	12.18	11.73	14.43	16.28	12.18	14.04
Consumer Discretionary	8.65	10.22	10.08	9.70	8.65	6.69
Consumer Staples	11.07	10.71	11.65	12.32	11.07	17.49
Health Care	11.73	11.33	13.57	13.26	11.73	12.28
Financials	16.81	16.17	10.79	7.30	16.81	10.09
Information Technology	15.70	15.93	12.95	12.17	15.70	17.99
Telecom. Services	3.44	2.77	4.86	5.83	3.44	0.00
Utilities	3.61	3.74	6.03	6.83	3.61	3.87

PORTFOLIO PROFILE REPORT

	Russell 2000® 3/31/2008	Progress 3/31/2008	Russell 2500™ Value 3/31/2008	Rothschild 3/31/2008	Russell 2000® Growth 3/31/2008	Emerald 3/31/2008
Equity Market Value		133,648,241		146,954,010		130,930,602
Beta	1.32	1.27	1.12	1.06	1.44	1.55
Yield	1.44	1.14	2.51	1.61	0.67	0.23
P/E Ratio	26.43	22.66	18.63	15.64	34.91	32.99
Standard Error	4.06	3.94	2.92	3.09	5.17	4.58
R ²	0.74	0.74	0.79	0.75	0.68	0.75
Wtd Cap Size (\$Mil)	1,304	1,884	2,380	2,452	1,448	1,570
Avg Cap Size (\$Mil)	513	1,078	661	1,596	530	935
Number of Holdings	1,901	584	1,594	131	1,249	120
Economic Sectors						
Energy	7.73	9.94	6.55	6.13	8.57	5.40
Materials	5.74	7.01	8.92	7.70	4.05	5.11
Industrials	15.39	17.94	11.59	15.32	17.62	16.15
Consumer Discretionary	13.29	14.18	10.08	8.29	15.35	9.53
Consumer Staples	3.35	2.91	4.37	6.11	2.69	4.57
Health Care	12.99	12.10	5.13	8.08	19.89	22.01
Financials	20.04	13.13	31.86	25.79	8.33	5.01
Information Technology	17.13	17.21	9.43	11.77	21.83	29.86
Telecom. Services	1.30	1.52	1.54	0.93	1.06	2.35
Utilities	3.04	4.06	10.53	9.87	0.61	0.00

PORTFOLIO PROFILE REPORT

	Russell 3000® 3/31/2008	Combined Equity 3/31/2008	Russell 1000® Value 3/31/2008	Boston 3/31/2008	Russell 1000® Growth 3/31/2008	Delaware 3/31/2008
Beta Sectors						
1 0.0 - 0.9	42.77	41.14	54.31	45.83	34.87	33.24
2 0.9 - 1.1	20.00	16.81	18.07	15.69	22.67	15.85
3 1.1 - 1.3	12.02	11.47	12.13	15.22	11.44	6.66
4 1.3 - 1.5	8.46	8.93	6.11	12.05	10.14	3.97
5 Above 1.5	16.75	21.64	9.38	11.21	20.88	40.28
Yield Sectors						
1 Above 5.0	21.39	28.74	6.42	13.40	29.45	44.91
3 3.0 - 5.0	23.54	24.18	16.76	21.10	31.32	35.42
3 1.5 - 3.0	31.70	30.41	34.63	37.00	32.25	19.67
4 0.0 - 1.5	15.49	11.84	27.84	19.56	5.28	0.00
5 0.0	7.87	4.83	14.36	8.94	1.70	0.00
P/E Sectors						
1 0.0 - 12.0	21.98	22.59	33.91	36.44	10.09	10.96
2 12.0 -20.0	46.58	41.37	48.47	53.31	47.27	14.44
3 20.0 -30.0	20.56	21.57	12.98	6.88	27.79	31.55
4 30.0 - 150.0	9.40	12.76	3.58	2.16	13.36	39.55
5 N/A	1.49	1.71	1.06	1.21	1.49	3.49
Capitalization Sectors						
1 Above 20.0 (\$Bil)	61.92	55.64	69.20	70.52	65.35	57.60
2 10.0 - 20.0	12.19	11.96	13.24	13.95	13.22	23.44
3 5.0 - 10.0	9.29	8.78	7.74	9.79	12.04	13.81
4 1.0 - 5.0	12.83	17.26	9.68	5.74	9.31	5.15
5 0.5 - 1.0	2.30	4.05	0.10	0.00	0.07	0.00
6 0.1 - 0.5	1.46	2.28	0.03	0.00	0.01	0.00
7 0.0 - 0.1	0.01	0.02	0.00	0.00	0.00	0.00
5 Yr Earnings Growth						
1 N/A	14.26	10.92	19.39	10.08	8.33	0.00
2 0.0 -10.0	24.15	25.36	28.99	20.02	19.22	31.51
3 10.0 -20.0	29.61	29.55	18.37	28.83	40.14	24.19
4 Above 20.0	31.97	34.16	33.24	41.07	32.32	44.30

PORTFOLIO PROFILE REPORT

	S&P 500		Intech	Intech	PIMCO	
	Cap Wtd	ING	Enhanced	Large Cap	StocksPLUS	Wentworth
	3/31/2008	3/31/2008	3/31/2008	3/31/2008	3/31/2008	3/31/2008
Beta Sectors						
1 0.0 - 0.9	45.52	45.74	44.24	44.94	45.52	51.00
2 0.9 - 1.1	20.66	20.44	19.67	21.20	20.66	17.04
3 1.1 - 1.3	11.80	11.79	12.97	11.89	11.80	7.21
4 1.3 - 1.5	8.07	8.95	8.14	7.90	8.07	6.29
5 Above 1.5	13.95	13.08	14.98	14.05	13.95	18.46
Yield Sectors						
1 Above 5.0	14.61	14.00	16.79	16.06	14.61	16.96
3 3.0 - 5.0	24.43	25.11	24.63	22.69	24.43	28.60
3 1.5 - 3.0	35.88	38.97	38.16	39.83	35.88	42.00
4 0.0 - 1.5	17.10	15.85	14.30	16.26	17.10	10.64
5 0.0	7.98	6.08	6.12	5.15	7.98	1.79
P/E Sectors						
1 0.0 - 12.0	21.02	22.39	17.75	16.15	21.02	24.88
2 12.0 - 20.0	49.84	53.56	50.38	51.16	49.84	41.56
3 20.0 - 30.0	20.53	16.92	24.21	26.23	20.53	28.45
4 30.0 - 150.0	7.35	6.73	7.31	6.19	7.35	5.11
5 N/A	1.26	0.40	0.35	0.28	1.26	0.00
Capitalization Sectors						
1 Above 20.0 (\$Bil)	75.32	72.95	66.46	68.29	75.32	76.85
2 10.0 - 20.0	13.94	14.38	18.20	18.43	13.94	3.86
3 5.0 - 10.0	7.91	9.20	12.62	10.99	7.91	8.01
4 1.0 - 5.0	2.82	3.47	2.71	2.28	2.82	11.27
5 0.5 - 1.0	0.00	0.00	0.00	0.00	0.00	0.00
6 0.1 - 0.5	0.00	0.00	0.00	0.00	0.00	0.00
7 0.0 - 0.1	0.00	0.00	0.00	0.00	0.00	0.00
5 Yr Earnings Growth						
1 N/A	13.20	10.28	12.92	15.22	13.20	11.61
2 0.0 - 10.0	24.60	24.70	24.99	23.86	24.60	24.47
3 10.0 - 20.0	29.90	29.82	30.69	29.13	29.90	32.39
4 Above 20.0	32.31	35.20	31.41	31.79	32.31	31.53

PORTFOLIO PROFILE REPORT

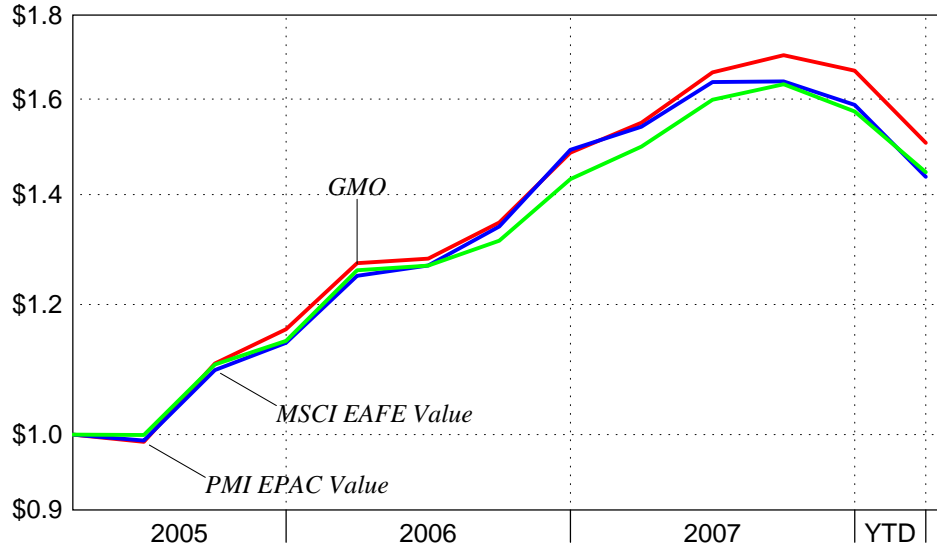
	Russell 2000® 3/31/2008	Progress 3/31/2008	Russell 2500TM Value 3/31/2008	Rothschild 3/31/2008	Russell 2000® Growth 3/31/2008	Emerald 3/31/2008
Beta Sectors						
1 0.0 - 0.9	26.44	29.62	40.53	43.05	19.39	14.78
2 0.9 - 1.1	14.42	12.30	17.00	14.25	11.63	6.39
3 1.1 - 1.3	14.99	15.14	13.56	13.14	14.51	14.88
4 1.3 - 1.5	11.37	12.38	8.67	11.73	12.55	15.49
5 Above 1.5	32.79	30.56	20.25	17.83	41.92	48.46
Yield Sectors						
1 Above 5.0	56.40	61.49	30.61	38.83	72.44	83.73
3 3.0 - 5.0	14.18	15.41	16.53	19.72	12.64	10.04
3 1.5 - 3.0	11.80	8.57	20.60	21.03	7.73	5.14
4 0.0 - 1.5	8.50	6.23	16.30	16.01	3.66	0.00
5 0.0	9.12	8.29	15.96	4.41	3.53	1.09
P/E Sectors						
1 0.0 - 12.0	28.22	23.58	32.12	28.46	25.02	21.38
2 12.0 -20.0	31.65	31.12	40.80	42.07	23.69	28.63
3 20.0 -30.0	18.60	20.46	14.03	22.43	22.68	20.70
4 30.0 - 150.0	17.69	21.24	10.79	6.42	23.55	21.75
5 N/A	3.84	3.60	2.27	0.63	5.06	7.55
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	0.60	0.00	0.00	0.00	0.00
3 5.0 - 10.0	1.11	3.18	7.80	6.45	1.27	0.22
4 1.0 - 5.0	52.03	59.89	66.97	75.78	56.43	57.85
5 0.5 - 1.0	28.30	24.14	15.06	10.90	26.14	26.17
6 0.1 - 0.5	18.37	11.85	10.06	6.87	16.03	15.73
7 0.0 - 0.1	0.18	0.34	0.11	0.00	0.14	0.03
5 Yr Earnings Growth						
1 N/A	22.36	17.76	25.83	17.89	18.31	11.95
2 0.0 -10.0	27.19	27.76	28.17	27.12	25.53	26.08
3 10.0 -20.0	28.84	29.53	23.76	32.32	31.76	34.74
4 Above 20.0	21.61	24.95	22.24	22.68	24.41	27.23

MANAGER COMMENTS – INTERNATIONAL EQUITY

Grantham, Mayo, van Otterloo & Co

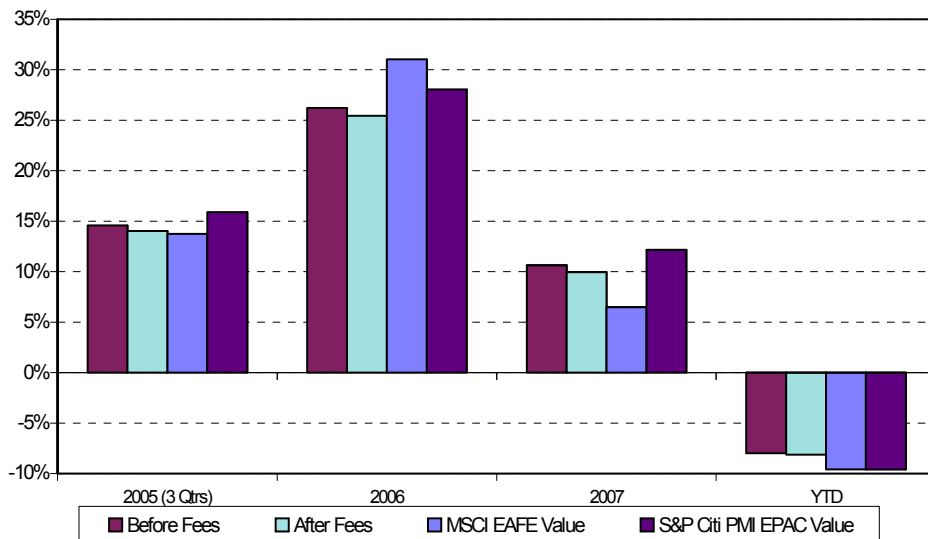
GMO vs. Benchmarks

Cumulative Value of \$1 (Net of Fees)

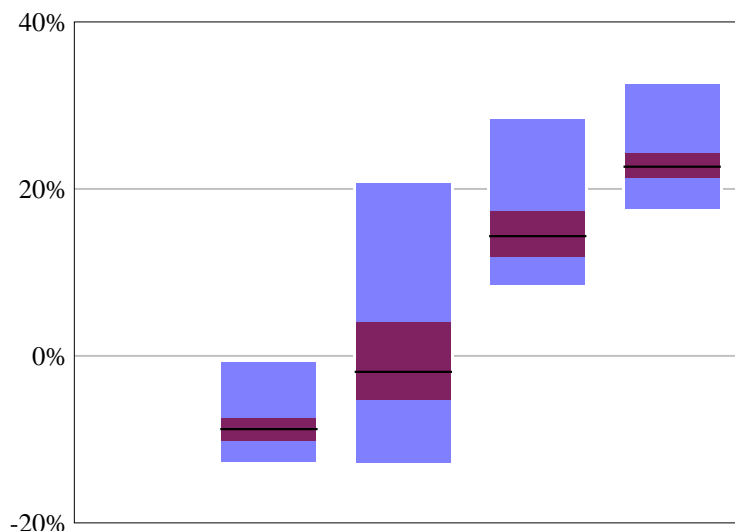


GMO vs. Benchmarks

Year by Year Performance



Grantham, Mayo, van Otterloo & Co



	<u>Last Qtr</u>	<u>1 Yr</u>	<u>3 Yrs</u>	<u>5 Yrs</u>
GMO (G)	-8.0	-2.9	13.8	-
Rank v. Intl Eq	37	58	56	-
PMI EPAC Val (V)	-9.6	-2.8	14.6	23.5
EAFE Value (E)	-9.6	-6.8	12.8	23.5
Int'l Median	-8.8	-1.9	14.3	22.7

Portfolio Characteristics	GMO	MSCI EAFE
IEq Mkt Value (\$Mil)	279.3	N/A
Cash	0.0 %	0.0 %

Over-Weighted Countries	GMO	MSCI EAFE
Finland	4.1 %	1.8 %
France	12.1	10.2
Japan	21.7	20.1

Under-Weighted Countries	GMO	MSCI EAFE
Germany	6.7 %	9.2 %
Spain	2.3	4.4
Switzerland	5.4	7.2

The GMO value international equity portfolio returned -8.0% in the first quarter, better than the -9.6% return of the S&P Citigroup PMI EPAC Value Index, and ranked in the 37th percentile of international equity managers. Over the past year, the portfolio has returned -2.9%, nearly matching the S&P Citigroup PMI EPAC Value Index return of -2.8% but ranking in the 58th percentile. Over the past three years, GMO has returned 13.8%, below the S&P Citi PMI EPAC Value Index return of 14.6%, and ranking in the 56th percentile.

The portfolio's largest country over-weightings were in Finland, France and Japan, while the largest under-weightings were in Germany, Spain and Switzerland.

Stock selection decisions boosted first quarter relative returns vs. EAFE while country selection decisions were neutral in aggregate. Stock selection in Germany had the largest positive impact on performance. Trading decisions had a positive impact on first quarter performance.

GMO's three-pronged investment discipline (momentum, quality-adjusted and intrinsic value) had mixed results in the first quarter. The intrinsic value model worked well while the quality-adjusted value model performed in line with the benchmark. Stocks selected from the momentum model underperformed the index. Holding a position in Mitsubishi Corp helped performance, as did avoiding exposure to UBS. Stocks that detracted from first quarter results included GlaxoSmithKline, Sanofi-Aventis and Vodafone.

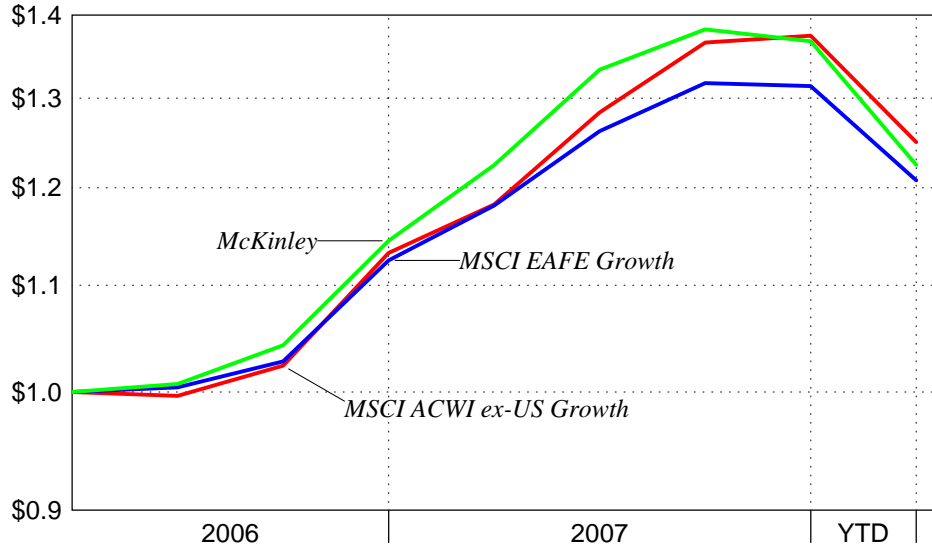
The firm made two changes to their value models during the first quarter. They modified the intrinsic value discipline to place a greater emphasis on the stability of profitability. This was done to make the portfolio more defensive. The firm also modified the quality-adjusted value discipline to incorporate a write-down on the fundamentals of the financial sector. GMO believes that trailing data provides an overly optimistic view of the sector's prospects.

MANAGER COMMENTS – INTERNATIONAL EQUITY

McKinley Capital

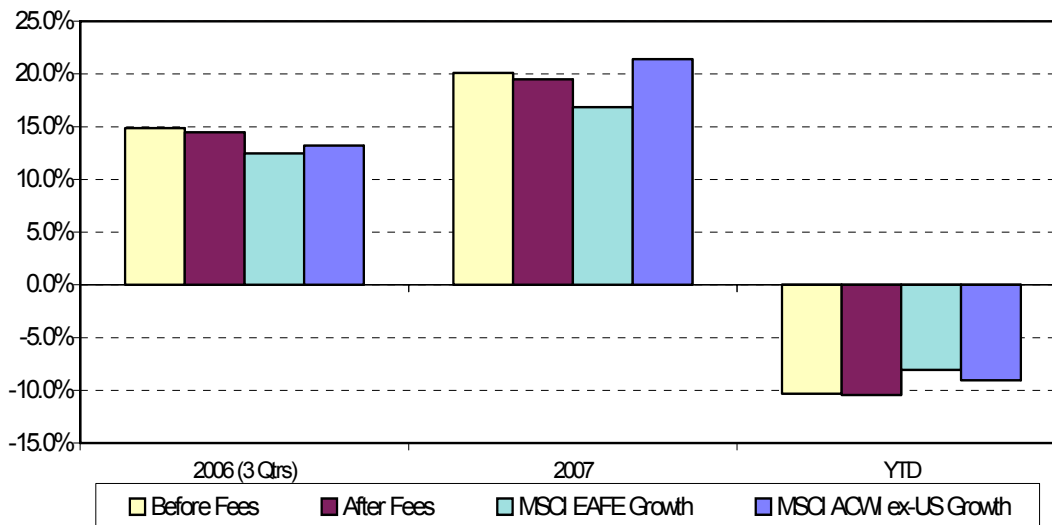
McKinley Capital vs. Benchmarks

Cumulative Value of \$1 (Net of Fees)

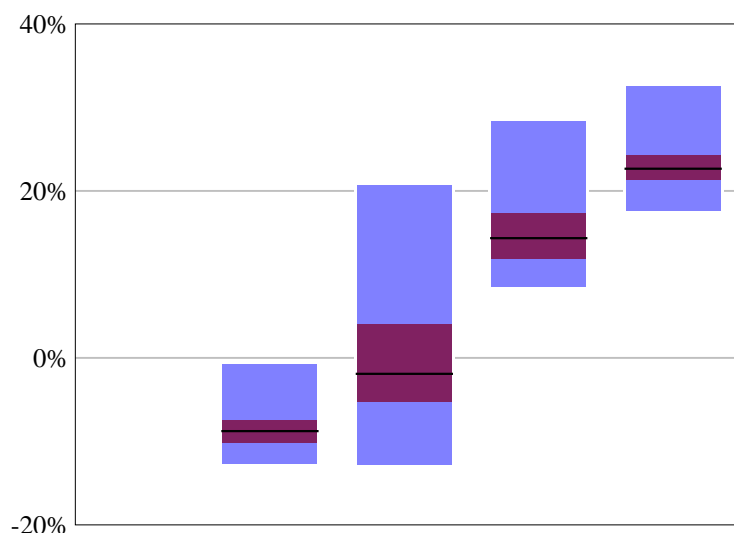


McKinley vs. Benchmarks

Year by Year Performance



McKinley Capital



	<u>Last Qtr</u>	<u>1 Yr</u>	<u>3 Yrs</u>	<u>5 Yrs</u>
McKinley (M)	-10.3	0.5	-	-
Rank v. Intl Eq	76	40	-	-
ACWI xUS Gro (G)	-7.8	7.3	17.7	22.6
EAFE Growth (E)	-8.1	2.3	14.7	20.2
Int'l Median	-8.8	-1.9	14.3	22.7

Portfolio Characteristics	McKinley Capital	MSCI EAFE
IEq Mkt Value (\$Mil)	263.7	N/A
Cash	2.8 %	0.0 %

Over-Weighted Countries	McKinley Capital	MSCI EAFE
Canada	4.3 %	0.0 %
Netherlands	7.1	3.0
Switzerland	10.9	7.2

Under-Weighted Countries	McKinley Capital	MSCI EAFE
Japan	7.8 %	20.1 %
France	2.4	10.2
Italy	0.0	3.9

The McKinley Capital portfolio returned -10.3% in the first quarter, below the -7.8% return of the MSCI ACWI ex-US Growth Index. This return ranked in the 76th percentile of international equity managers. Over the past year, McKinley returned 0.5%, again trailing the 7.3% return of the MSCI ACWI ex-US Growth Index, but ranked in the 40th percentile of international equity managers.

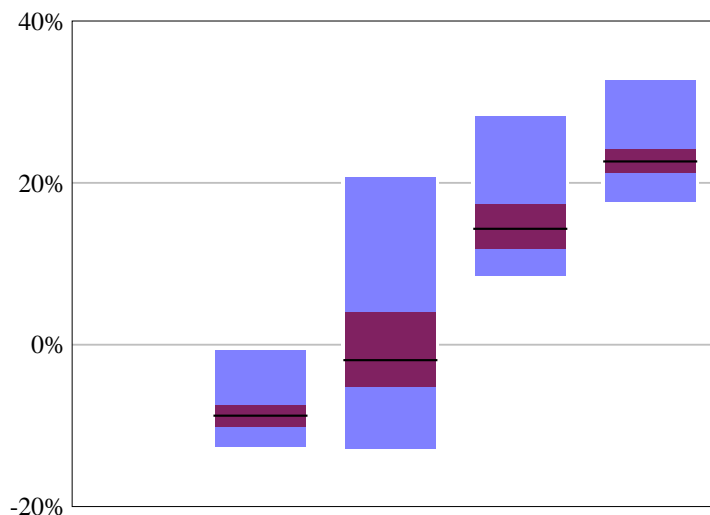
The portfolio's largest country over-weightings were in Canada, Netherlands and Switzerland, while the largest under-weightings were in Japan, France and Italy.

Stock selection decisions detracted from first quarter results while country allocation decisions relative to EAFE were slightly positive. Stock selection was particularly weak in Canada and Finland. Active trading had a significant negative impact on first quarter returns.

Holdings in QBE Insurance Group (Australia), Vodafone Group (UK) and London Stock Exchange (UK) negatively impacted first quarter performance while holdings in Japan Steel Works (Japan), Smith & Nephew (UK) and Syngenta (Switzerland) boosted performance. The firm's investment process is currently identifying relatively more companies in the Energy and Materials sectors, and – on a country basis – in Canada, China and Brazil.

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Total International Equity



	<u>Last Qtr</u>	<u>1 Yr</u>	<u>3 Yrs</u>	<u>5 Yrs</u>
Total Int'l Eq (I)	-9.2	-1.2	16.7	23.5
Rank v. Intl Eq	60	46	30	35
ACWI ex-US (A)	-9.1	2.6	16.5	24.0
EAFE (E)	-8.8	-2.3	13.8	21.9
Int'l Median	-8.8	-1.9	14.3	22.7

Portfolio Characteristics	Total International	MSCI EAFE
IEq Mkt Value (\$Mil)	543.0	N/A
Cash	1.4 %	0.0 %

Over-Weighted Countries	Total International	MSCI EAFE
Canada	2.5 %	0.0 %
Netherlands	5.5	3.0
United States	2.4	0.1

Under-Weighted Countries	Total International	MSCI EAFE
Japan	14.8 %	20.1 %
France	7.3	10.2
Italy	2.1	3.9

The total international equity composite returned -9.2% in the first quarter, marginally trailing the -8.8% return of the MSCI EAFE Index. This return ranked in the 60th percentile of international equity managers. Over the past year, total international equity returned -1.2%, better than the -2.3% return of the MSCI EAFE Index, and ranked in the 46th percentile of international equity managers. Over the past three and five years the total international equity composite has exceeded the return of the MSCI EAFE Index and has ranked well above median in the international equity universe.

The composite's largest country over-weightings were in Canada, the Netherlands and the United States, while the largest under-weightings were in Japan, France and Italy.

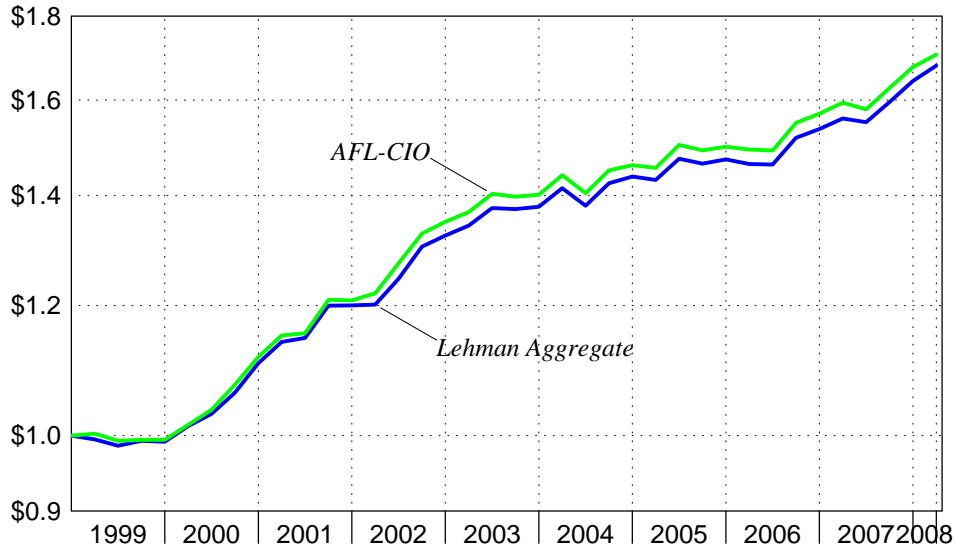
Stock selection in aggregate detracted from first quarter performance vs. EAFE while country allocation decisions were slightly positive. Stock selection was particularly weak in the United Kingdom. Active trading had a small negative impact on first quarter returns.

MANAGER COMMENTS – FIXED INCOME

AFL-CIO Housing Investment Trust

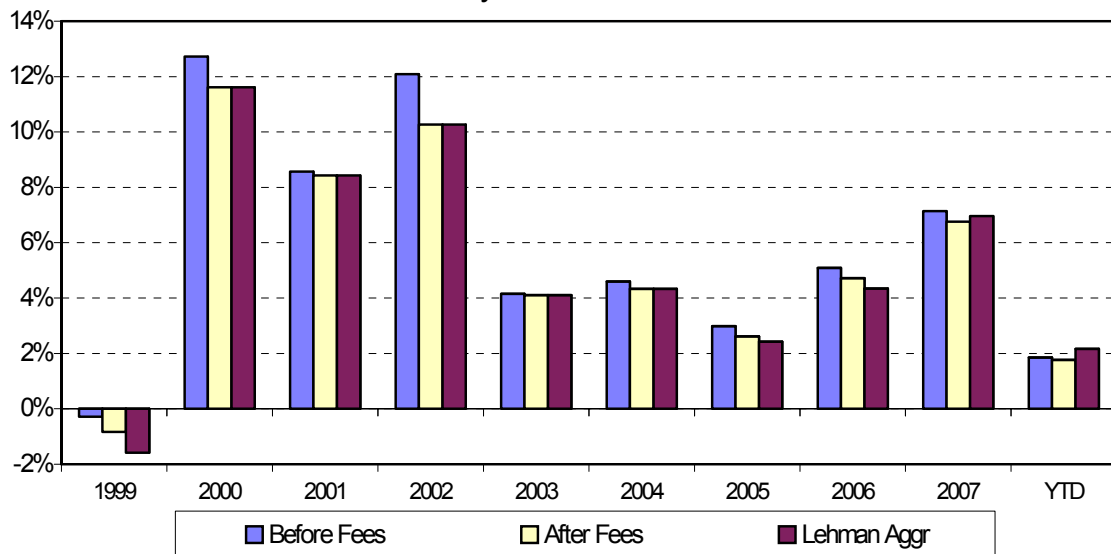
AFL-CIO vs. Lehman Aggregate

Cumulative Value of \$1 (Net of Fees)

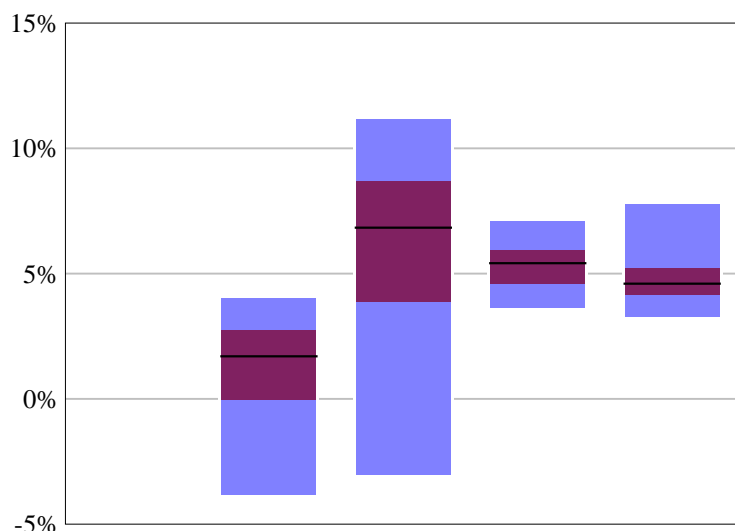


AFL-CIO vs. Lehman Aggregate

Year by Year Performance



AFL-CIO Housing Investment Trust



	<u>Last Qtr</u>	<u>1 Yr</u>	<u>3 Yrs</u>	<u>5 Yrs</u>
AFL-CIO (A)	1.9	7.3	5.8	4.9
Rank	47	44	30	35
LB Agg (L)	2.2	7.7	5.5	4.6
Fixed Median	1.7	6.8	5.4	4.6

Portfolio Characteristics	AFL CIO	Lehman Aggregate
Mkt Value (\$Mil)	191.4	n/a
Yield to Maturity (%)	5.0 %	4.6 %
Duration (yrs)	4.7	4.4
Avg. Quality	AGY	AA+

Sectors	AFL CIO	Lehman Aggregate
Treasury/Agency	7 %	36 %
Single-Family MBS	31	39
Multi-Family MBS	54	0
Corporates	0	19
High Yield	0	0
ABS/CMBS	4	6
Other	3	0
Cash	3	0

AFL-CIO returned 1.9% in the first quarter, slightly below the 2.2% return of the Lehman Aggregate. The portfolio ranked in the 47th percentile of fixed income managers. For the past year, AFL-CIO returned 7.3%, which was below the 7.7% return of the Lehman Aggregate but ranked in the 44th percentile. Over the past three and five years, AFL-CIO has exceeded the Lehman Aggregate and the median, meeting performance objectives.

At the end of the first quarter, the AFL-CIO Housing Investment Trust had 7% in US Treasury notes, 31% of the portfolio allocated to single-family mortgage backed securities, 54% allocated to multi-family mortgage back securities, 4% to private-label commercial mortgage backed securities, 3% to state housing and construction mortgages and 2% to short-term securities. The AFL-CIO portfolio duration at the end of the first quarter was 4.7 years and the current yield of the portfolio was 5.0%.

Positive contributions to the HIT's performance in the first quarter included an ongoing yield advantage over the Index and an overweight to AAA-rated securities. The overweight to agency-insured CMBS detracted from first quarter results as the spreads on these securities widened tremendously. An underweight to Treasuries and an overweight to spread product also hurt first quarter performance.

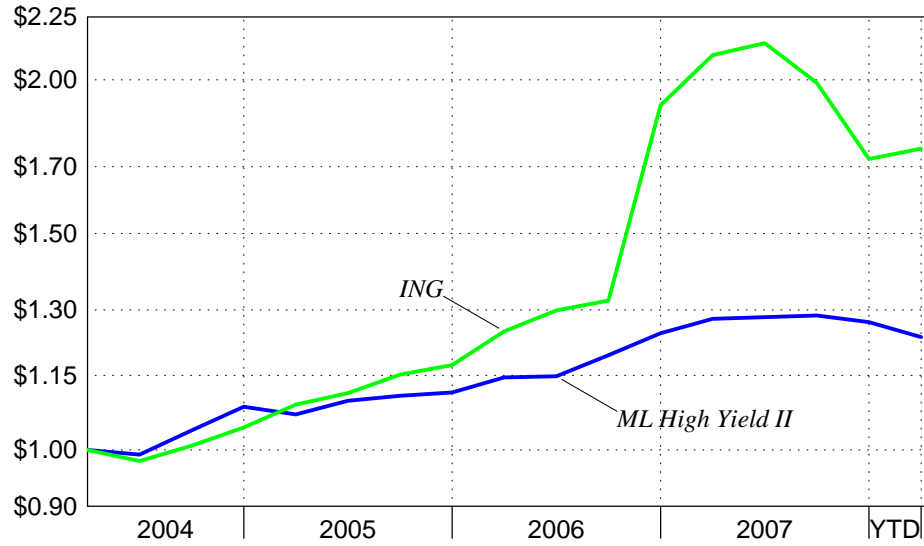
If the slowdown in the residential housing market and credit deterioration continues throughout 2008, the Trust expects that its strategy of underweighting the lower-quality sectors of the investment-grade fixed income market is expected to continue. The Trust also anticipates maintaining its strategy of interest rate neutrality relative to its benchmark. Attractive valuation opportunities are presenting themselves in the market as Agency-insured Multifamily MBS spreads are trading cheap relative to their underlying fundamentals; the HIT will look for attractive entry points.

MANAGER COMMENTS – FIXED INCOME

ING Clarion

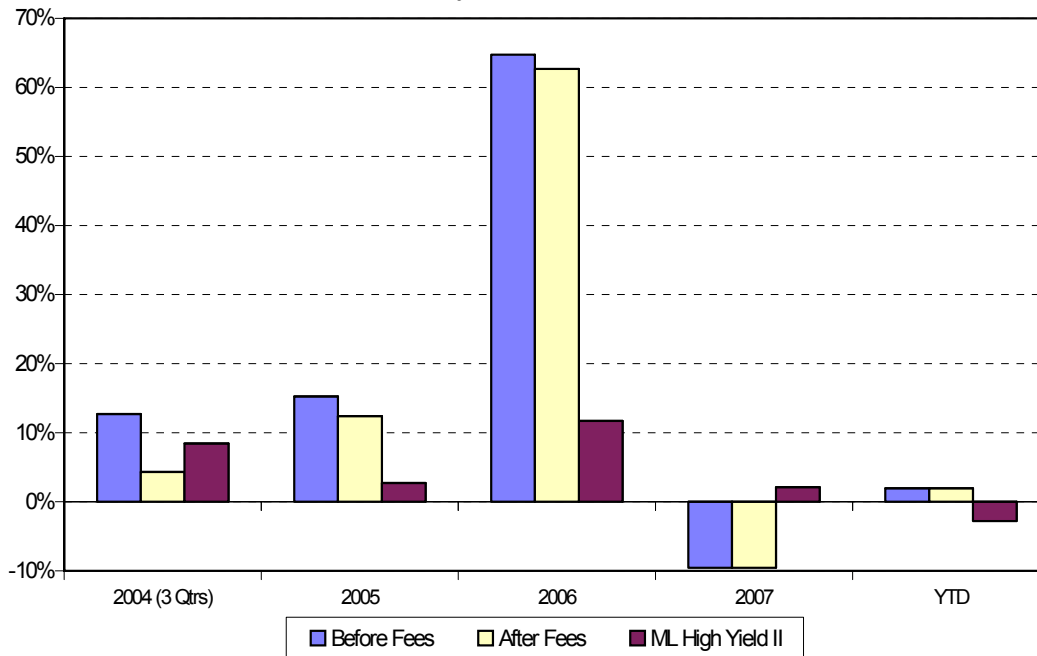
ING Clarion vs. ML High Yield II

Cumulative Value of \$1 (Net of Fees)

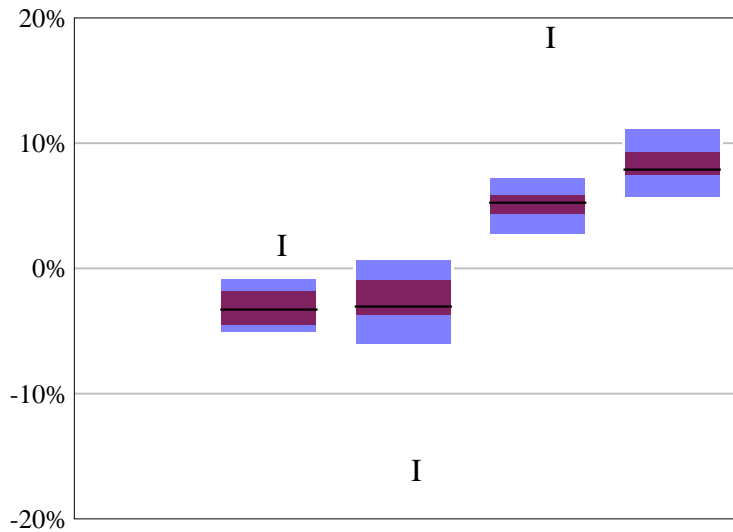


ING Clarion vs. ML High Yield II

Year by Year Performance



ING Clarion



Portfolio Characteristics	ING Clarion	ML High Yield II
Mkt Value (\$Mil)	0.7	n/a
Yield to Maturity (%)	n/a %	10.5 %
Duration (yrs)	n/a	4.5
Avg. Quality	n/a	B

Quality Distribution	ING Clarion	ML High Yield II
A	n/a %	0 %
BBB	n/a	0
BB	n/a	41
B	n/a	42
CCC	n/a	17
Not Rated	n/a	0
Cash	n/a	0

	<u>Last Qtr</u>	<u>1 Yr</u>	<u>3 Yrs</u>	<u>5 Yrs</u>
ING Clarion (I)	1.9	-16.1	18.5	-
Rank v. High Yield	1	100	1	-
ML HY II (M)	-2.8	-3.4	5.0	8.6
Hi Yield Median	-3.3	-3.0	5.2	7.9

Currently, this fund is nearly liquidated, with very high returns locked in. In the first quarter, ING Clarion returned 1.9% for the first quarter. This return was above the Merrill Lynch High Yield Master II Index return of -2.8% and ranked in the 1st percentile of high yield portfolios. Over the past year, the portfolio has returned -16.1%, well below the ML High Yield II return of -3.4%, and ranked in the 100th percentile. Over the past three years, the portfolio has returned 18.5%, well above the ML High Yield II return of 5.0% and ranked in the 1st percentile. This has been an extremely successful long term investment.

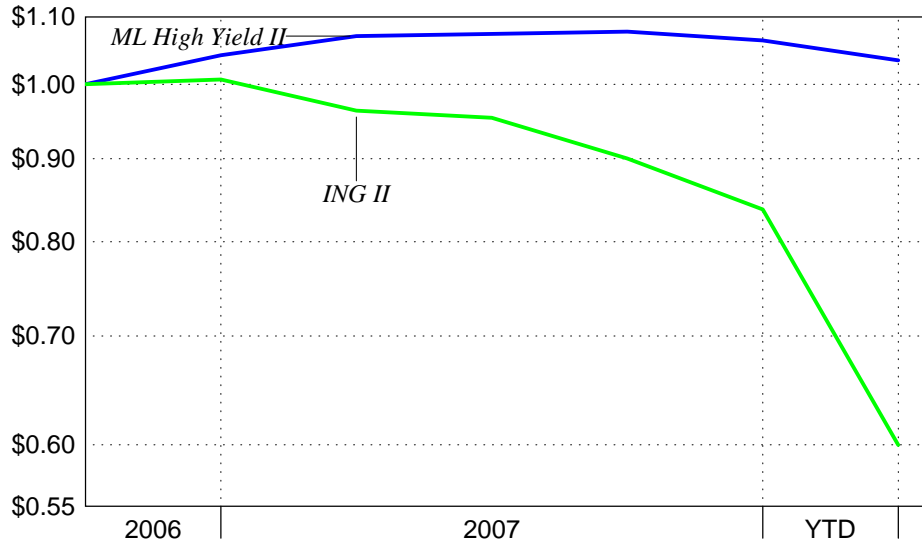
The fund continues to hold a small, residual interest in Ansonia CDO 2006-1. CCCERA's portion of this interest was valued at \$744,546.

MANAGER COMMENTS – FIXED INCOME

ING Clarion II

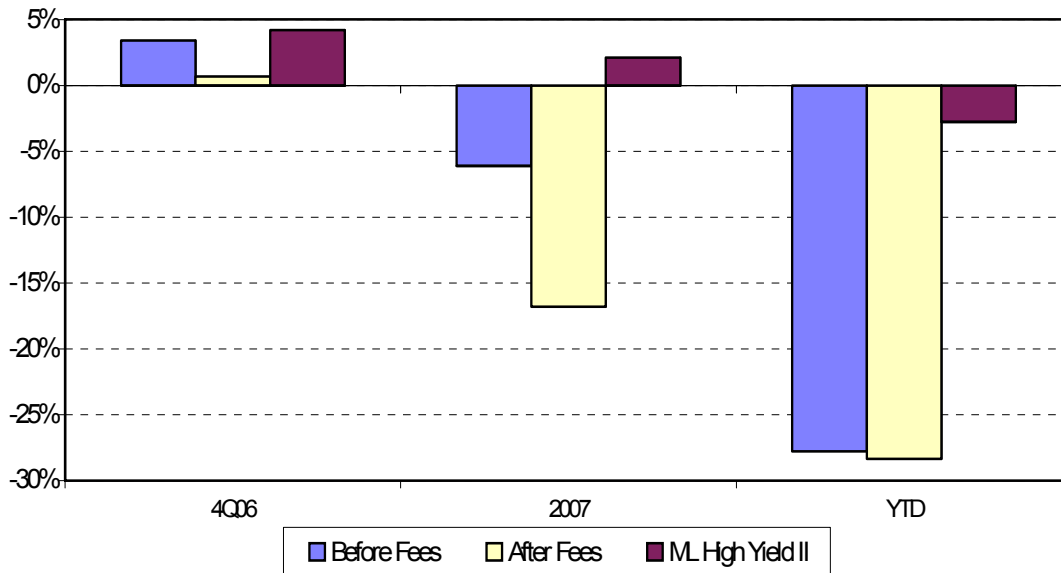
ING Clarion II vs. ML High Yield II

Cumulative Value of \$1 (Net of Fees)

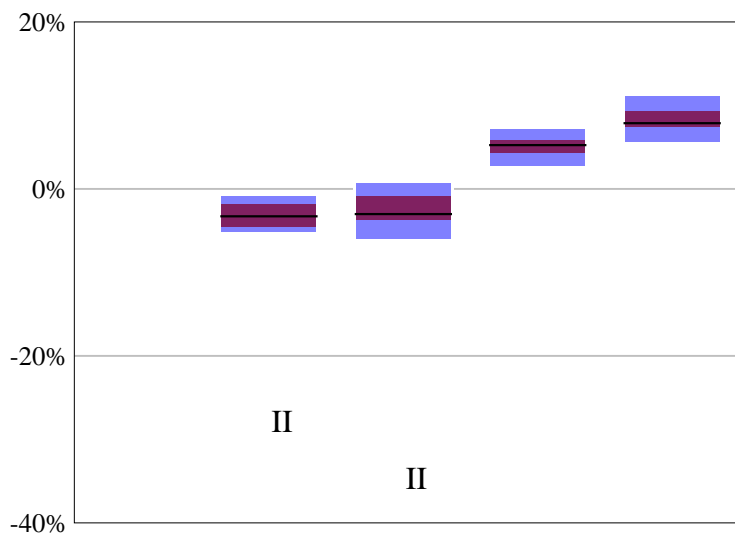


ING Clarion II vs. ML High Yield II

Year by Year Performance



ING Clarion II



	<u>Last Qtr</u>	<u>1 Yr</u>	<u>3 Yrs</u>	<u>5 Yrs</u>
ING Clarion II (II)	-27.8	-34.5	-	-
Rank v. High Yield 100	100	100	-	-
ML HY II (M)	-2.8	-3.4	5.0	8.6
Hi Yield Median	-3.3	-3.0	5.2	7.9

Portfolio Characteristics	ING Clarion II	ML High Yield II
Mkt Value (\$Mil)	85.9	n/a
Yield to Maturity (%)	13.7 %	10.5 %
Duration (yrs)	2.5	4.5
Avg. Quality	A-	B

Quality Distribution	ING Clarion II	ML High Yield II
A	0 %	0 %
BBB	37	0
BB	2	41
B	0	42
CCC	3	17
Not Rated	19	0
Cash	40	0

CCCERA funded the ING Clarion Debt Opportunity Fund II (ING Clarion II) on September 28, 2006 as a follow on to the very successful ING Clarion Fund that was substantially liquidated in 2006. ING Clarion II returned -27.8% for the first quarter, which was far below the Merrill Lynch High Yield Master II return of -2.8%, and ranked in the 100th percentile in the universe of high yield portfolios. Over the past year, the fund has returned -34.5%, again well below the index, and ranked in the 100th percentile. While the time-weighted results thus far look poor, we continue to believe that the fund is well positioned for a strong return over the coming years.

ING Clarion invests in lower quality mortgages purchased at a significant discount. As of March 31, 2008, the fund has invested in 45 classes of 19 CMBS issues, 3 mezzanine loans and 5 CMBS credit default swaps.

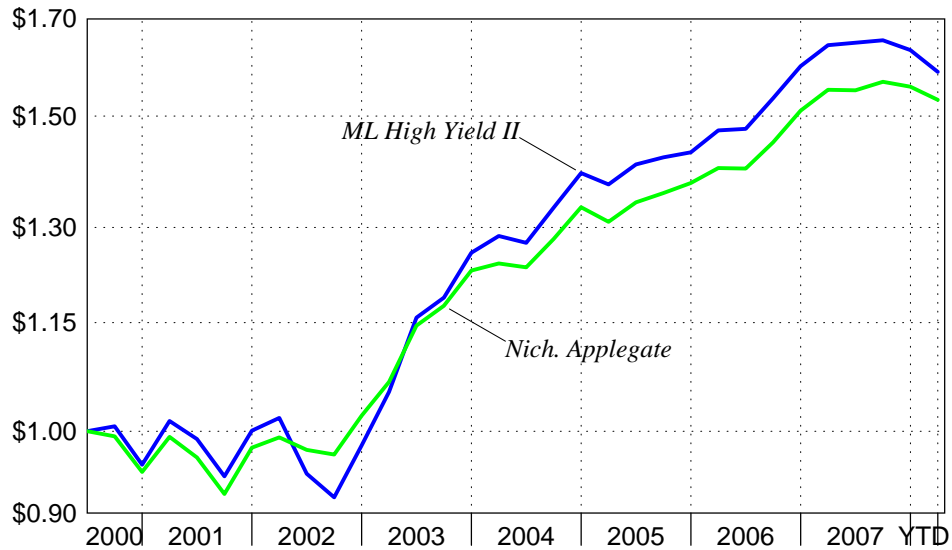
The firm believes that the continued widespread pressure in the CMBS market during the first quarter was driven by technical pressure rather than any material credit deterioration. It also believes that this dislocation in prices has created significant investment opportunities for the fund.

MANAGER COMMENTS – FIXED INCOME

Nicholas Applegate

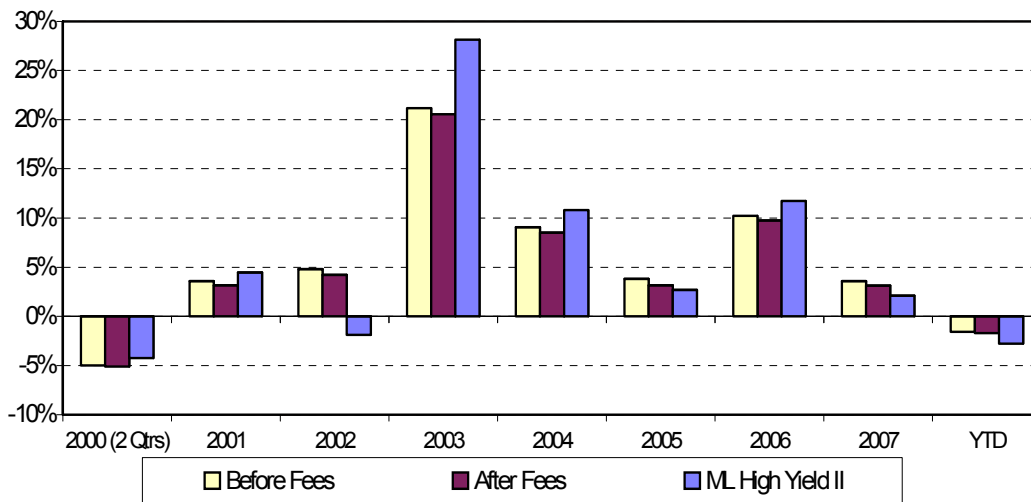
Nicholas-Applegate vs. Benchmarks

Cumulative Value of \$1 (Net of Fees)

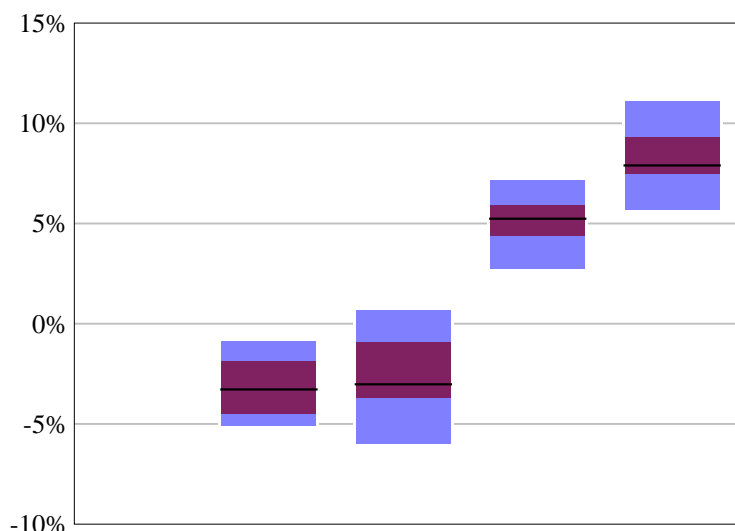


Nicholas Applegate vs. Benchmarks

Year by Year Performance



Nicholas Applegate



Portfolio Characteristics	Nicholas Applegate	ML High Yield II
Mkt Value (\$Mil)	102.2	n/a
Yield to Maturity (%)	9.3 %	10.5 %
Duration (yrs)	4.4	4.5
Avg. Quality	BB	B

Quality Distribution	Nicholas Applegate	ML High Yield II
A	0 %	0 %
BBB	3	0
BB	39	41
B	57	42
CCC	1	17

	Last Qtr	1 Yr	3 Yrs	5 Yrs
Nich. Appl. (N)	-1.6	-0.8	5.9	8.1
Rank v. High Yield	18	21	23	40
ML HY II (M)	-2.8	-3.4	5.0	8.6
ML BB/B (B)	-2.0	-1.9	5.2	8.0
Hi Yield Median	-3.3	-3.0	5.2	7.9

Nicholas Applegate's high yield fixed income portfolio returned -1.6% for the first quarter, better than the -2.8% return of the Merrill Lynch High Yield II Index, and ranked in the 18th percentile of high yield managers. Nicholas Applegate returned -0.8% in the past year versus -3.4% for the ML High Yield II Index and -3.0% for the median. For the five-year period, Nicholas Applegate's return of 8.1% was below the 8.6% return of the ML High Yield II Index but above the 7.9% return of the median high yield manager.

As of March 31, 2008, the Nicholas Applegate high yield portfolio was allocated 3% to BBB rated securities vs. 0% for the ML High Yield II Index, 39% to BB rated issues versus 41% for the Index, 57% to B rated issues versus 42% in the Index and 1% to CCC rated securities versus 17% for the Index. The portfolio's March 31, 2008 duration was 4.4 years, shorter than 4.5 years for the ML High Yield II Index.

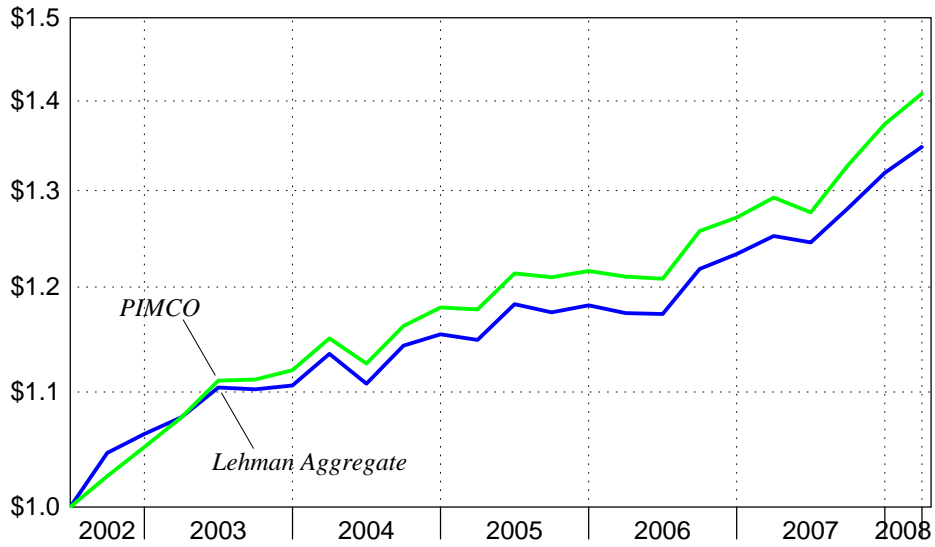
Positive contributors to quarterly performance included PSE&G, Southwestern Energy and Copano Energy. PSE&G tendered for its bonds at a make-whole premium. Southwestern Energy and Copano Energy posted better-than-expected quarters and issued favorable outlooks for 2008. Negative performers included RH Donnelley Corp, Idearc Inc. and Harland Clarke Holdings. RH Donnelley and Idearc gave weaker-than-expected outlooks. Idearc was sold, and RH Donnelley was trimmed. Harland Clarke Holdings was lower despite reporting a good quarter. During the first quarter, there were 22 upgrades and 6 downgrades in the portfolio. There were few changes to the portfolio composition during the quarter. One new issue purchased was Southwestern Energy, an E&P company with good growth prospects in the Fayetteville Shale. The team also bought Amkor Technology and AK Steel in the secondary market. Amkor is a semi-conductor manufacturer, and AK is an integrated steel maker. Sells included Idearc Inc. and Intelsat Ltd. One holding, PSE&G, was tendered.

MANAGER COMMENTS – FIXED INCOME

PIMCO

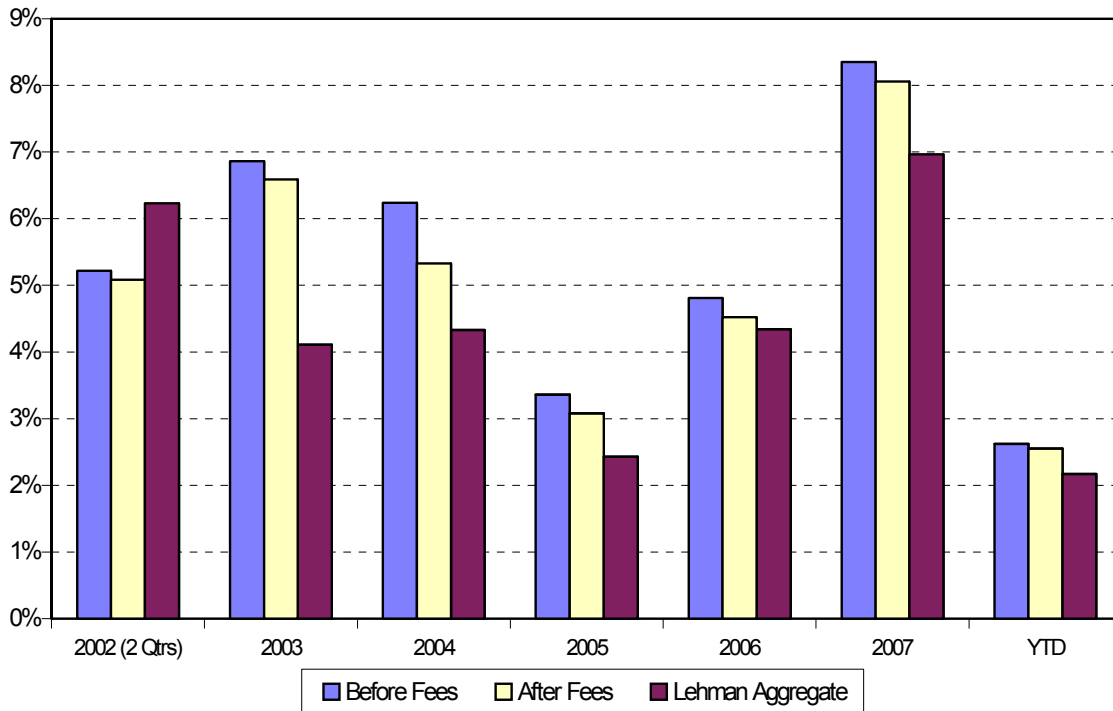
PIMCO vs. Lehman Aggregate

Cumulative Value of \$1 (Net of Fees)

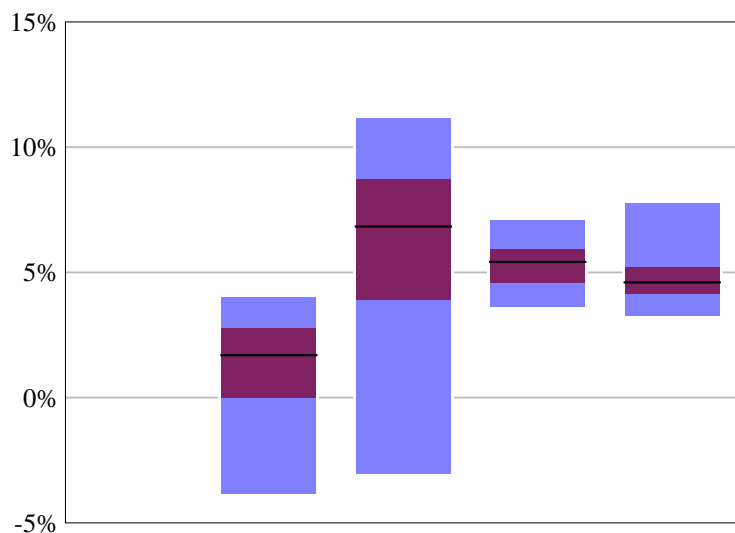


PIMCO vs. Lehman Aggregate

Year by Year Performance



PIMCO



	<u>Last Qtr</u>	<u>1 Yr</u>	<u>3 Yrs</u>	<u>5 Yrs</u>
PIMCO (P)	2.6	9.3	6.4	5.8
Rank	27	19	13	15
LB Agg (L)	2.2	7.7	5.5	4.6
LB Univ (U)	1.7	6.6	5.5	5.0
Fixed Median	1.7	6.8	5.4	4.6

Portfolio Characteristics	PIMCO	Lehman Aggregate
Mkt Value (\$Mil)	502.3	n/a
Yield to Maturity (%)	4.9 %	4.6 %
Duration (yrs)	4.6	4.4
Avg. Quality	AA	AA+

Sectors	PIMCO	Lehman Aggregate
Treasury/Agency	13 %	36 %
Mortgages	49	39
Corporates	15	19
High Yield	2	0
Asset-Backed	0	6
CMBS	0	0
International	7	0
Emerging Markets	4	0
Other	1	0
Cash	9	0

PIMCO's return of 2.6% for the first quarter was above the 2.2% return of the Lehman Aggregate and ranked in the 27th percentile in the universe of fixed income managers. For the one-year period, PIMCO's return of 9.3% was better than the 7.7% return of the Lehman Aggregate and ranked in the 19th percentile. Over the past five years, the portfolio has returned 5.8%, again above the Lehman Aggregate return of 4.6%, and ranked in the 15th percentile.

During the first quarter, PIMCO reduced the allocation to treasury and agency securities by 2%. The allocation to mortgages was up 1% and investment grade credits were up by 6%. International securities were down 3%, emerging markets were down 3% and cash was up 1%. All other sector allocations were unchanged. The duration of the PIMCO fixed income portfolio at the end of the first quarter was 4.6 years, down from last quarter's 5.0 year duration but still slightly longer than the benchmark. The portfolio has a modest yield advantage over the index.

First quarter performance was helped by UK and European interest rate exposure, as those rates fell along with an emphasis on shorter maturities in the US and UK as these yield curves steepened. Other contributing strategies included an underweight to corporate debt and exposure to emerging market currencies as the US dollar continued to weaken. Strategies that detracted from first quarter results included an overweight to high quality mortgages, holdings of home equity asset-backed bonds and an allocation to municipal bonds, which trailed taxable bonds amid concerns about municipal bond insurers.

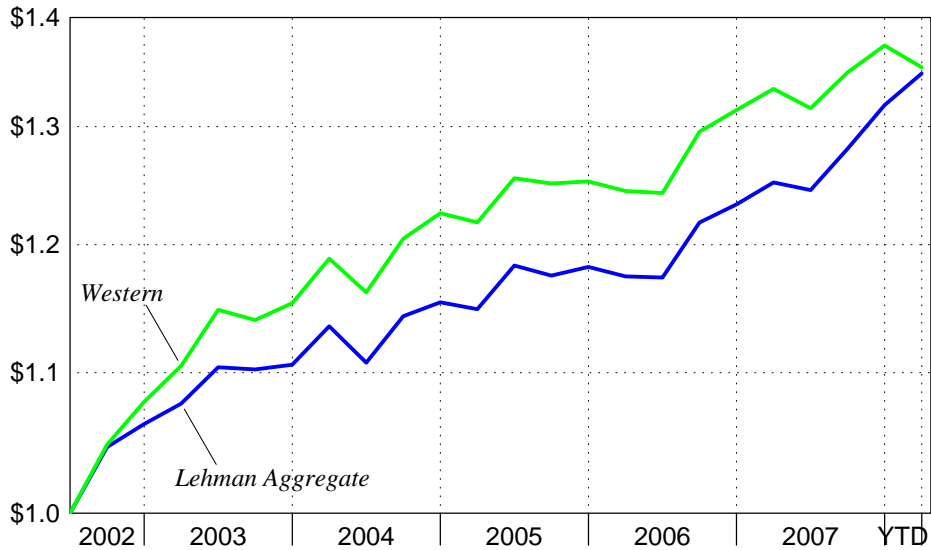
Looking forward, PIMCO plans to safeguard assets by prudently taking advantage of attractive yields on high quality assets. PIMCO also plans to transition from an above-index duration toward an emphasis on short/intermediate maturities, including an emphasis on short maturities in the US and UK. The firm also plans to maintain its overweight to high quality mortgage-backed bonds and continue to insulate the portfolio from the sub-prime crisis by owning high quality short term asset-backed bonds backed by strong collateral.

MANAGER COMMENTS – FIXED INCOME

Western Asset Management

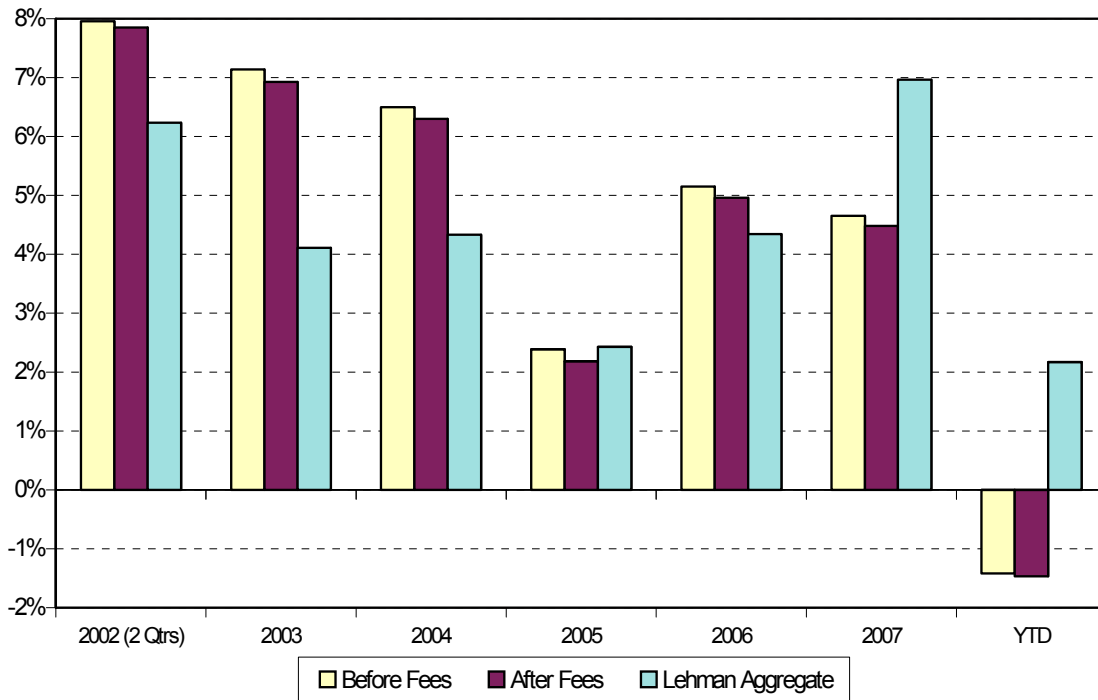
Western Asset Mgmt vs. Lehman Aggregate

Cumulative Value of \$1 (Net of Fees)

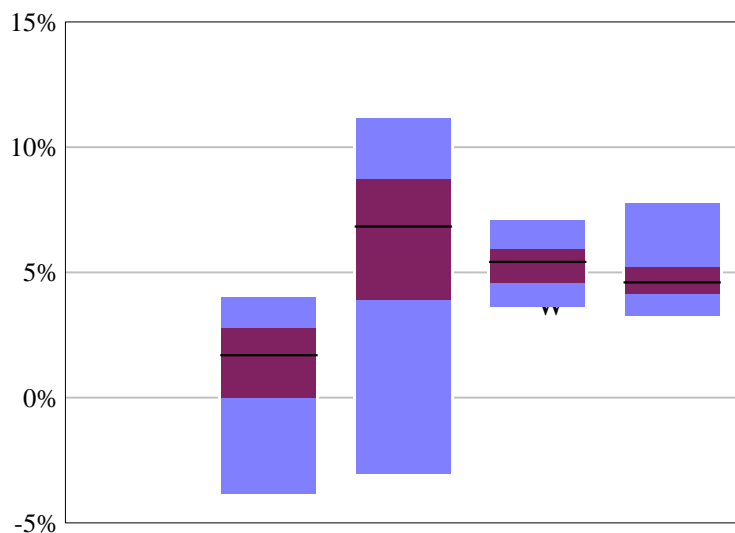


Western Asset vs. Lehman Aggregate

Year by Year Performance



Western Asset Management



	<u>Last Qtr</u>	<u>1 Yr</u>	<u>3 Yrs</u>	<u>5 Yrs</u>
Western Asset (W)	-1.4	1.6	3.8	4.3
Rank	82	83	93	67
LB Agg (L)	2.2	7.7	5.5	4.6
LB Univ (U)	1.7	6.6	5.5	5.0
Fixed Median	1.7	6.8	5.4	4.6

Portfolio Characteristics	Western Asset	Lehman Aggregate
Mkt Value (\$Mil)	491.5	n/a
Yield to Maturity (%)	6.0 %	4.6 %
Duration (yrs)	4.2	4.4
Avg. Quality	AA+	AA+

Sectors	Western Asset	Lehman Aggregate
Treasury/Agency	6 %	36 %
Mortgages	55	39
Corporates	25	19
High Yield	0	0
Asset-Backed	1	6
CMBS	5	0
International	2	0
Emerging Markets	0	0
Other	0	0
Cash	6	0

The Board has voted to terminate Western and distribute the assets to Goldman Sachs and Lord Abbett. The timing of the transition has yet to be determined. Western Asset Management's return of -1.4% for the first quarter was well below the 2.2% return of the Lehman Aggregate and ranked in the 82nd percentile in the universe of fixed income managers. For the one-year period, Western's return of 1.6% trailed the 7.7% return of the Lehman Aggregate and ranked in the 83rd percentile. Over the past five years, Western returned 4.3%, below the Lehman Aggregate return of 4.6%, and ranked in the 67th percentile.

During the first quarter, Western Asset made a number of changes to the portfolio. The allocations to treasuries/agencies was down 6% while the mortgage allocation was up by 1%. Corporates were up 9% and CMBS was down 1%. The duration of the Western Asset fixed income portfolio at the end of the first quarter was 4.2 years, shorter than the 4.7 year duration at the end of the previous quarter and shorter than that of the index. The portfolio has a higher yield than the index.

Western Asset Management's first quarter performance was hurt by several factors. While the portfolio was underweight in the corporate sector, these holdings still detracted from performance as spreads widened further during the first quarter. The portfolio's overweight to mortgages, moderate exposure to high yield bonds and a moderate exposure to non-dollar bonds also detracted from performance. A tactically long duration added to first quarter performance, as did a bulleted exposure to the front end of the yield curve and a moderate exposure to TIPS. Western had put together these strategies with the expectation that they would offset one another.

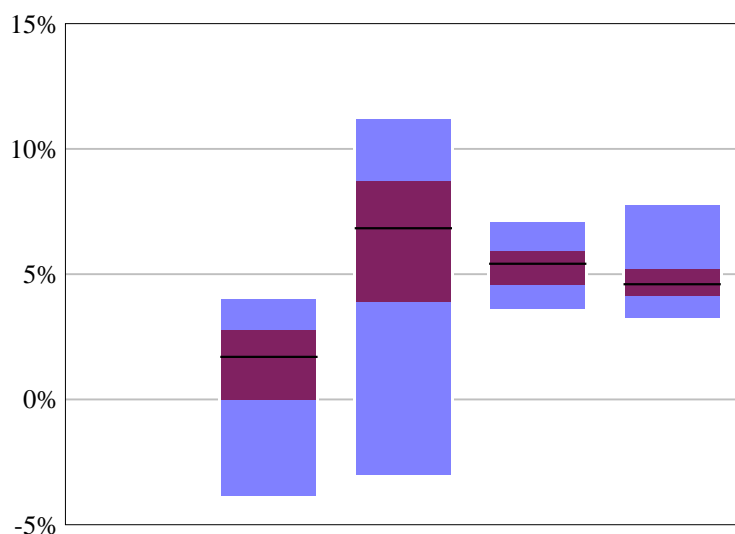
Western Asset intends to maintain a tactical duration, allowing duration to rise and fall with interest rates. This is a departure from the tactically long duration position of the past two quarters. Western also intends to increase its exposure to the corporate sector and maintain an overweight to the mortgage sector. The firm believes that the value opportunities in today's

fixed income market are unprecedented.

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MANAGER COMMENTS – FIXED INCOME

Total Domestic Fixed Income



	<u>Last Qtr</u>	<u>1 Yr</u>	<u>3 Yrs</u>	<u>5 Yrs</u>
CCC Total (C)	-0.8	3.1	5.5	5.5
Rank	80	79	48	20
LB Univ (U)	1.7	6.6	5.5	5.0
LB Agg (L)	2.2	7.7	5.5	4.6
Fixed Median	1.7	6.8	5.4	4.6

Portfolio Characteristics	Total Fixed	Lehman Universal
Mkt Value (\$Mil)	1,374.0	n/a
Yield to Maturity (%)	6.2 %	4.9 %
Duration (yrs)	4.3	4.5
Avg. Quality	AA	AA

Sectors	Total Fixed	Lehman Universal
Treasury/Agency	8 %	31 %
Mortgages	49	34
Corporates	15	17
High Yield	9	5
Asset-Backed	0	6
CMBS	2	0
International	4	2
Emerging Markets	2	2
Other	0	3
Cash	8	0

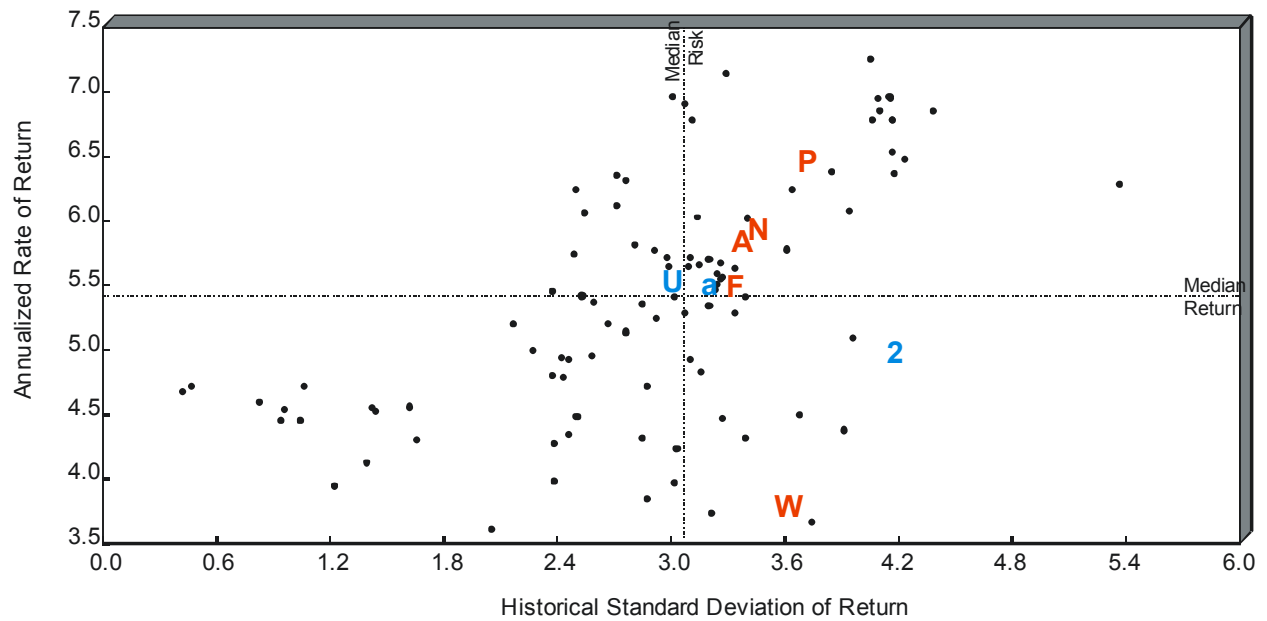
CCCERA total fixed income returned -0.8% in the first quarter, well below the 1.7% return of the Lehman Universal and the 2.2% return of the Lehman Aggregate, ranking in the 80th percentile in the universe of fixed income managers. For the one-year period, CCCERA's total fixed income returned 3.1%, again below the 6.6% return of the Lehman Universal and the 7.7% return of the Lehman Aggregate. The CCCERA total fixed income returns have matched or exceeded the Lehman Universal and the median fixed income manager over both the three and five year periods.

During the first quarter, the allocation to treasury/agency securities was down by 3%, mortgages were down 1%, corporates were up 6%, high yield was down 5%, CMBS was up 1%, international was down 1%, emerging markets were up 1% and cash was up by 2%. All other sector allocations were unchanged. The duration of the total fixed income portfolio at the end of the first quarter was 4.3 years, slightly shorter than the 4.5 year duration of the index.

MANAGER COMMENTS – FIXED INCOME

Domestic Fixed Income Performance and Variability

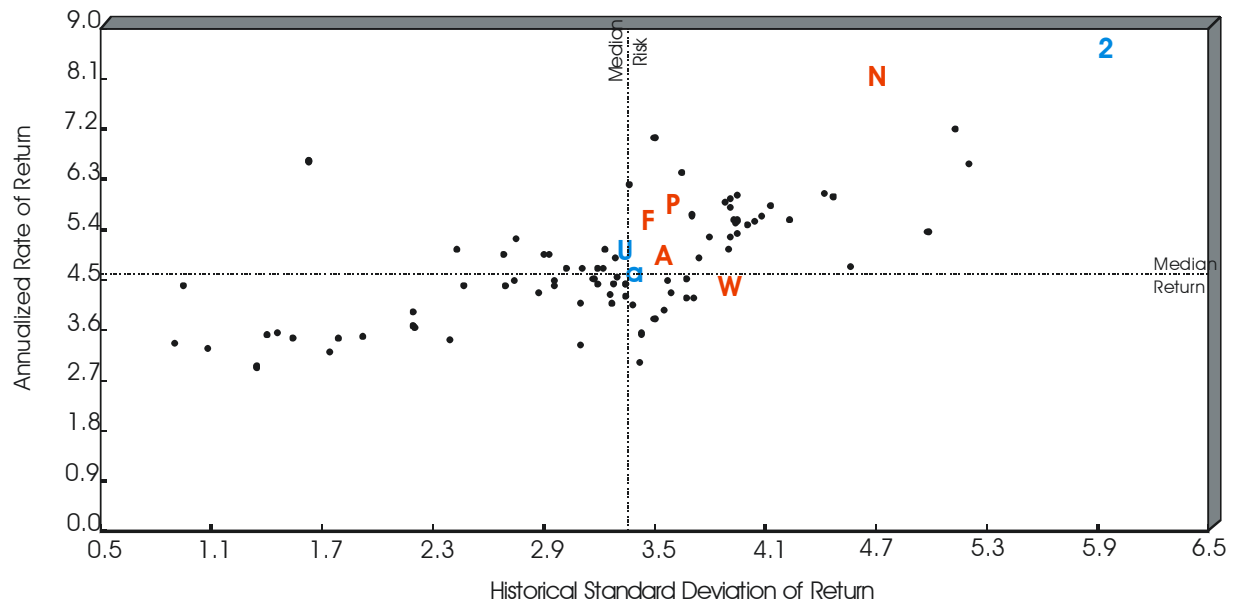
Three Years Ending March 31, 2008



		Annualized Return		Standard Deviation	
		Value	Rank	Value	Rank
A	AFL-CIO	5.81	30	3.39	71
N	Nicholas Applegate	5.90	25	3.47	74
P	PIMCO	6.43	13	3.74	80
W	Western Asset Management	3.76	93	3.61	78
F	Total Fixed Income	5.46	48	3.36	69
a	LB Aggregate	5.48	47	3.23	61
2	ML High Yield II	4.95	67	4.21	90
U	Lehman Universal	5.51	46	3.02	48
	Median	5.42		3.07	

Domestic Fixed Income Performance and Variability

Five Years Ending March 31, 2008

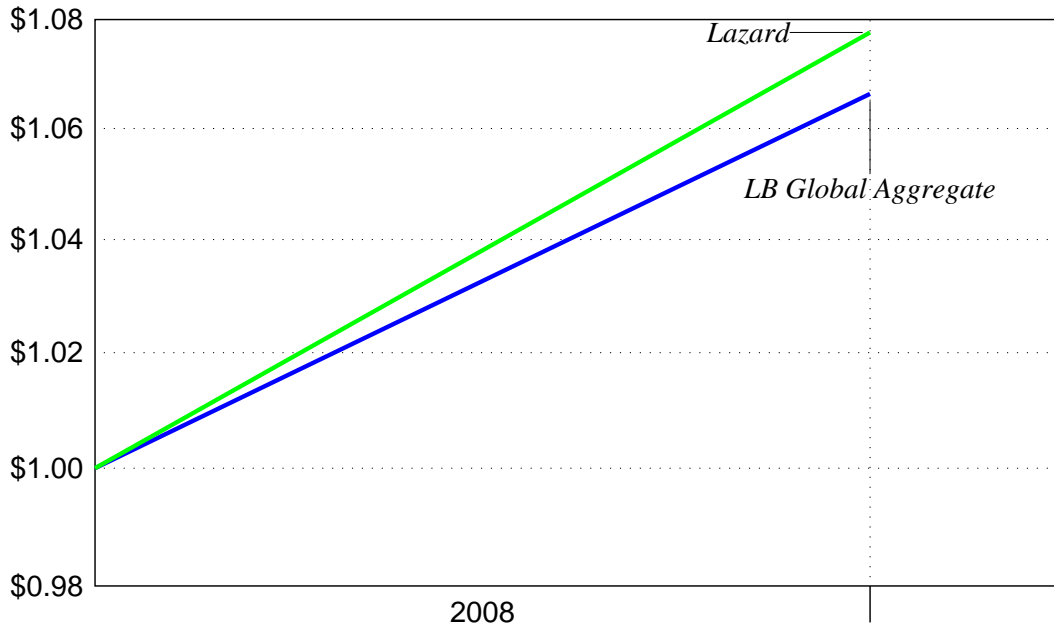


		Annualized Return		Standard Deviation	
		Value	Rank	Value	Rank
A	AFL-CIO	4.87	35	3.57	65
N	Nicholas Applegate	8.08	4	4.72	91
P	PIMCO	5.80	15	3.63	68
W	Western Asset Management	4.33	67	3.91	77
F	Total Fixed Income	5.51	20	3.50	62
a	LB Aggregate	4.58	51	3.41	55
2	ML High Yield II	8.59	3	5.97	96
U	Lehman Universal	4.97	30	3.37	52
	Median	4.60		3.36	

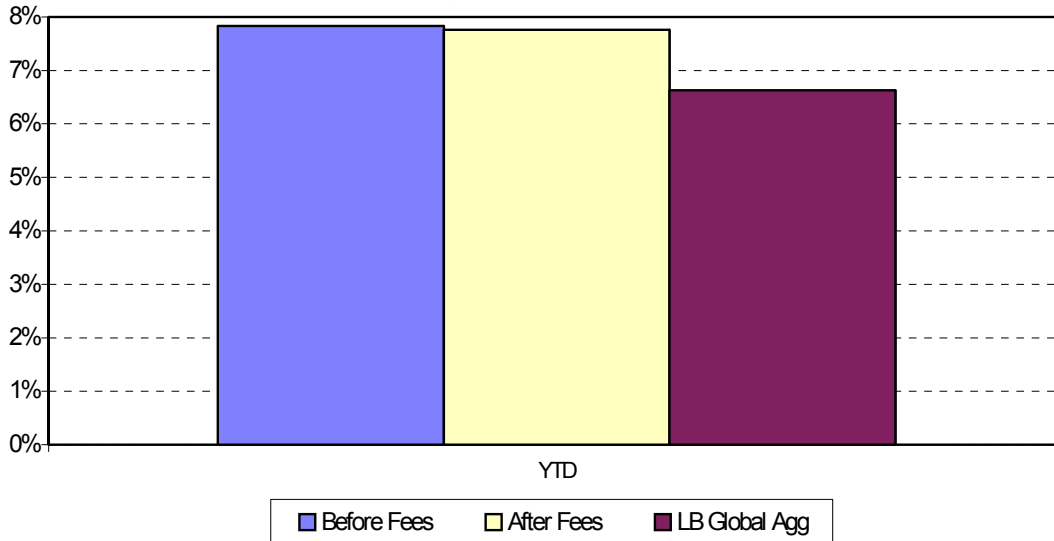
MANAGER COMMENTS – GLOBAL FIXED INCOME

Lazard Asset Management

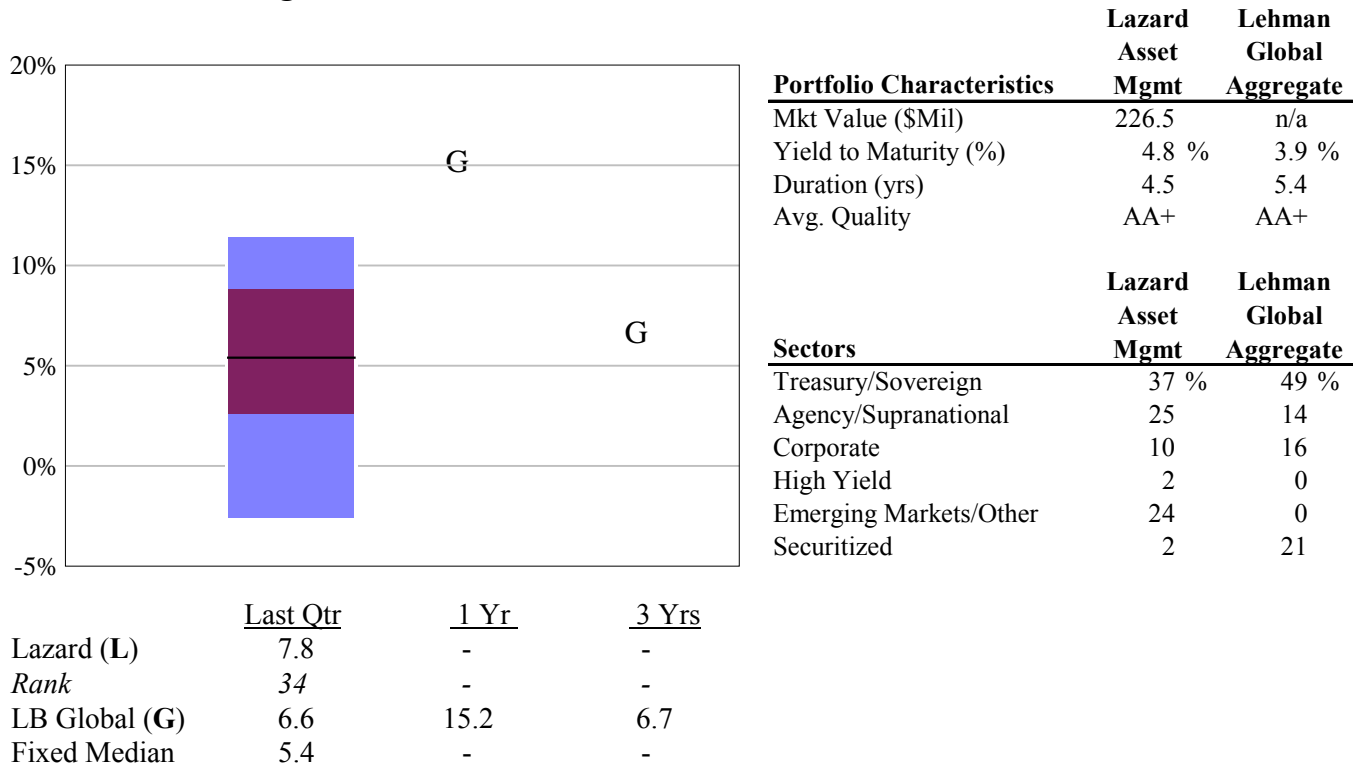
Lazard vs. LB Global Aggregate Cumulative Value of \$1 (Net of Fees)



Lazard vs. LB Global Aggregate Year by Year Performance



Lazard Asset Management



Lazard Asset Management returned 7.8% in their first full quarter as a plan manager. This return was above the 6.6% return of the Lehman Global Aggregate and ranked in the 34th percentile in the universe of fixed income managers.

Lazard's portfolio was underweight to treasuries/sovereign and securitized securities and overweight to agency/supranational and emerging markets. The duration of the Lazard Asset Management portfolio at the end of the first quarter was 4.5 years, shorter than the 5.4 year duration of the index. The portfolio has a higher yield than the index.

MANAGER COMMENTS – REAL ESTATE

Adelante Capital Management \$246,347,520

Adelante Capital Management returned 1.6% for the first quarter, slightly trailing the 2.1% return of the Dow Jones Wilshire Index, but ranked in the 38th percentile of the REIT mutual fund universe. For the past year, Adelante returned -18.8%, matching the REIT index return but ranking in the 62nd percentile. The portfolio has done better than its index over longer periods. Despite the weak 2007, Adelante has returned 20.1% per year for the past five years, 1.6% per year better than the index and in the 13th percentile.

As of March 31, the portfolio consisted of 28 REITs. Office properties comprised 15.3% of the underlying total portfolio, apartments made up 18.8%, retail represented 30.6%, industrial accounted for 12.3%, 7.4% is accounted for as diversified/specialty, hotels accounted for 10.4%, and 4.1% is cash. The properties were diversified regionally with 7.1% in the East North Central region, 13.7% in the Mideast, 7.9% in the Mountain, 30.5% in the Northeast, 21.1% in the Pacific region, 9.8% in the Southeast, 5.9% in the Southwest region, 2.3% in the West North Central region and 1.8% other.

BlackRock Realty \$32,181,093

BlackRock Realty Apartment Value Fund III (AVF III) reported a first quarter total return of 2.1%. Over the one-year period, BlackRock has returned 10.5%. CCCERA has an 18.7% interest in the AVF III.

The fund holds 16 investments, all apartment properties. The properties are distributed regionally as follows: 43% in the Pacific, 14% in the Northeast, 19% in the East North Central, 8% in the Southwest and 16% in the Southeast. Average portfolio occupancy rate of developed existing properties is around 82%.

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

DLJ Real Estate Capital Partners \$320,066

DLJ Real Estate Capital Partners (RECP) reported a return of 0.5% in the quarter ending December 31, 2007. (Performance lags by one quarter due to the availability of financial reporting.) Over the one-year period, RECP has returned 29.9%. 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 assets, all land.

DLJ Real Estate Capital Partners II
\$9,599,297

DLJ Real Estate Capital Partners II (RECP II) reported a return of 5.3% in the quarter ending December 31, 2007. (Performance lags by one quarter due to financial reporting constraints.) Over the one-year period, RECP II has returned 18.0%. CCCERA has a 3.4% ownership interest in RECP II.

As of December 31, the portfolio consisted of 3.1% office properties. Hotels accounted for 24.0%, residential accounted for 15.9%, land development made up 11.4%, retail made up 39.9%, sub-performing loans made up 4.7% and “other” made up 1.0%. The properties were diversified regionally with 14.1% in the Pacific, 10.0% in the Northeast, 33.4% in the Southwest, 16.3% internationally, and 26.2% listed as “Various U.S.”.

The RECP II Fund acquired 51 investments with total capital committed of \$984 million. RECP II’s investment activities were completed in 2004 and the focus thereafter has been on the management, positioning and realization of the portfolio. Some 43 of the properties have been sold; eight remain to be partially or fully realized. The Fund has received substantial proceeds as partial realizations on its remaining portfolio. These partial proceeds, together with the fully realized transaction, have allowed the Fund to distribute \$1.8 billion, representing 184% of the capital invested by the Fund.

The Fund expects to continue to harvest the majority of the portfolio over the next year.

DLJ Real Estate Capital Partners III
\$61,040,824

DLJ Real Estate Capital Partners III (RECP III) reported a return of 2.3% in the quarter ending December 31, 2007. (Performance lags by one quarter due to financial reporting constraints.) Over the past year, RECP III returned 15.2%. CCCERA has a 6.7% ownership interest in RECP III.

As of December 31, 2007 the portfolio consisted of 0.9% office properties, hotels accounted for 31.8%, residential accounted for 15.5%, land development made up 5.3%, public securities 12.1%, mixed use development accounted for 12.0%, industrial/logistics made up 10.6%, vacation home development company made up 9.5%, land development 3.4%, “other” securities accounted for 3.0% and retail made up 2.1%. The properties were diversified regionally with 12.1% in the Pacific, 11.1% in the Northeast, 1.1% in the Southeast, 55.1% internationally, and 20.6% listed as “Various U.S.”.

As of December 31, the Fund is now fully invested in 49 investments; committing \$1.1 billion of equity.

Fidelity Investments US Growth Fund II
\$43,299,807

Fidelity Investments returned 1.4% for the first quarter of 2008. For the one-year period, Fidelity had a total return of 4.0%.

Since inception, the fund has made 52 investments. Twelve have been fully realized; the remaining 40 are projected to realize a 16% IRR. The portfolio consists of 33% apartment properties, office space accounted for 2%, retail accounted for 6%, for sale housing accounted for 21%, hotels accounted for 9%, self storage made up 2%, land made up 4%, student housing accounted for 17%, industrial accounted for 3% and golf courses made up the remaining 1% of the portfolio. The properties were diversified regionally with 20% in the Pacific, 5% in the Northeast, 29% in the Southeast, 11% in the Mideast, 17% in the Mountain region, 14% in the Midwest and 4% in the Southwest.

Fidelity Investments US Growth Fund III
\$1,752,390

Fidelity US Growth Fund III reported a return of -1.9% for the first quarter of 2008.

Since inception, the fund has made 3 investments. The portfolio consists of 56% mixed use developments and 44% apartment properties. The properties were diversified regionally with 56% in the Southwest, 26% in the Southeast, and 18% in the Mountain region.

Hearthstone I & II
(\$57,000 & \$61,000)

The two Hearthstone homebuilding funds are approaching completion. Both funds are again showing positive asset values. For a number of quarters, both funds showed negative asset values owing to fund indebtedness. Given the negative asset values, ongoing calculation of quarterly time-weighted performance for the two funds was not meaningful. (We do include the income in the combined real estate and the total fund performance.) As always for closed-end funds, the best measure of performance is the internal rate of return (IRR), shown on page 13. By this measure, the first fund has been a disappointing performer (with its 4.5% annual IRR) and the second fund a strong one (with an annual IRR projected to be 30%).

Invesco Real Estate Fund I

\$36,312,258

Invesco Real Estate Fund I (“IREF”) reported a first quarter total return of -0.5%. Over the past year, Invesco Real Estate Fund I returned 5.8%. CCCERA has a 15.4% interest in the Real Estate Fund I.

As of the first quarter, the portfolio consisted of 12 properties. The portfolio consisted of 10% retail, 17% industrial properties, 3% office and 60% multi-family. The properties were diversified regionally with 17% in the West, 5% in the South, 12% in the Midwest and 15% in the East. 52% was invested in high yield CMBS issues.

The Fund has committed 103% of its equity capital and has called 74%. Since inception, IREF I has made fifteen investments, twelve of which are currently held in the portfolio and three which have been sold at disposition pricing in excess of the Fund’s overall return target. The Fund is now in its operating and redemption phase.

Invesco Real Estate Fund II

\$6,504,516

Invesco Real Estate Fund II returned -10.0% during the first quarter. The fund has a target size of \$500 million in equity and leverage is limited to a maximum of 65%. Final closing is anticipated in 2Q 2008. The Fund has closed on six transactions nationwide, two of which are CMBS deals.

Prudential Strategic Performance Fund II

\$4,329,766

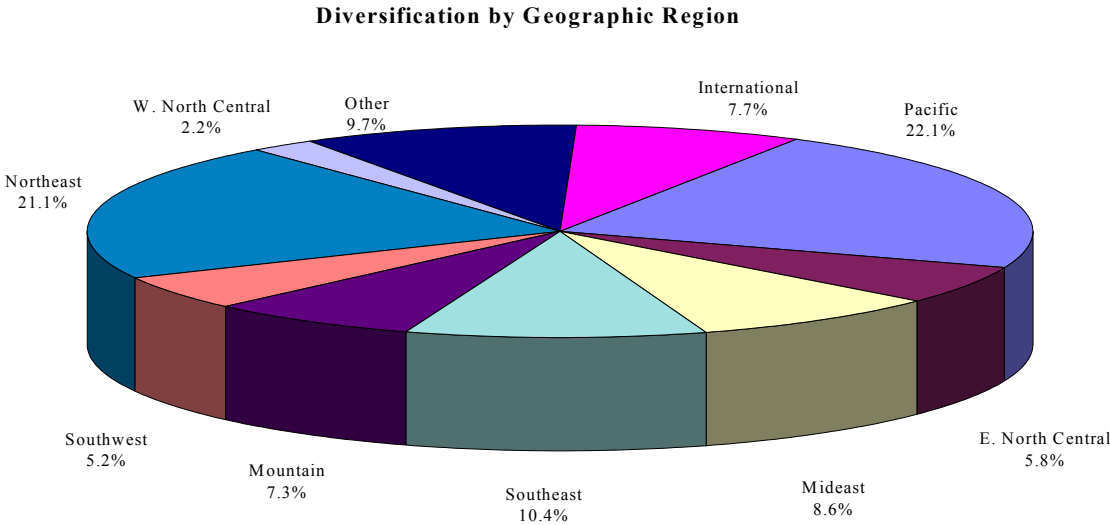
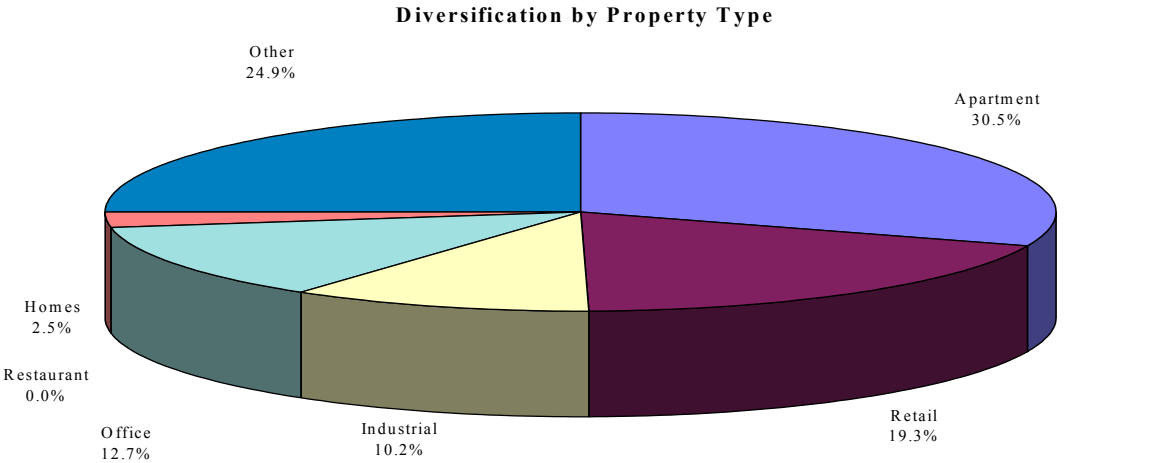
For the first quarter, the Prudential Strategic Performance Fund-II (SPF-II) returned 1.5%. Over the one year period, the fund returned 41.9%. CCCERA accounts for 16.2% of SPF-II.

As of December 31, the portfolio was invested in three remaining properties: one office property (35.5%) and two residential complexes (64.5%). The regional distribution of the portfolio is 35.5% in the Southeast and 64.5% Northeast.

There were three transactions during the first quarter. The Fund advanced the final \$1.9 million on the Plaza San Remo mezzanine loan for financing the construction of a mixed-use condominium complex in Coral Gables, FL. On February 12, 2008, the Fund purchased the defaulted senior loan on the Monroe center property in order to protect its original \$10.4 million investment. Finally, the Fund issued a short-term extension on the West 22nd Street mezzanine loan, extending the maturity date to June 30, 2008.

MANAGER COMMENTS – REAL ESTATE

Total Real Estate Diversification



MANAGER COMMENTS - ALTERNATIVE INVESTMENTS

Adams Street Partners

\$58,912,495

Adams Street reported a fourth quarter return of 3.8% for the CCCERA's investments. For the one-year period, Adams Street has returned 18.4%. (Performance lags by one quarter due to financial reporting constraints, which is typical for this type of investment vehicle.) The portfolio continues in acquisition mode.

The Adam's portfolio is comprised of 35.8% venture capital funds, 5.7% in mezzanine funds, 43.2% in buyout funds, 11.4% in special situation funds, and 3.9% in restructuring/distressed debt. Geographically, 77.8% of the commitment is in the U.S.

Bay Area Equity Fund

\$7,249,718

Bay Area Equity Fund reported a fourth quarter return of 19.9% (Performance lags by one quarter due to financial reporting constraints). For the one-year period, Bay Area Equity Fund has returned 56.4%. CCCERA has a 12.5% ownership interest in the Fund.

As of December 31, 2007, the Bay Area Equity Fund has 15 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 \$36 million.

Effective January 24, 2008 the private equity professionals managing the fund formed DBL Investors. Subsequent to that date, Michael Dorsey left DBL. Nancy Pfund continues with a new partner, Cynthia Ringo, with whom we have met.

Energy Investors - US Power Fund I

\$7,683,595

The Energy Investors Fund Group (EIF) reported a fourth quarter return for this fund, which is in liquidation mode, of 233.4%. (Performance lags by one quarter due to financial reporting constraints.) For the one-year period, EIF reports a total return of 2.2%. CCCERA has a 12.0% ownership interest in Fund I.

The Fund received approximately \$12.6 million in project cash distributions during the fourth quarter, comprised of \$3.4 million from Black River Generation, \$3.3 million from Blackhawk, \$3.0 million from Hamakua Land Partnership, \$1.3 million from Mustang Station, \$1.3 million from Glen Park and \$0.3 million from Crockett Cogeneration. Most of the big gain came from adoption of "fair value accounting".

Energy Investors - US Power Fund II
\$42,687,107

Energy Investors reported a fourth quarter return of 9.9% for US Power Fund II. (Performance lags by one quarter due to financial reporting constraints.) Over the past year, the fund returned 20.1%. CCCERA has a 19.7% ownership interest in USPF-II.

During the fourth quarter of 2007, the Fund received \$6.3 million in cash distribution from eight of its portfolio investments, including its first distribution from EIF Calypso and B.L. England. The fund distributed \$364 million to its investors in 2007, including a \$1.5 million distribution in the fourth quarter.

As previously reported, the USPF II Fund invested \$75 million in November 2007 to acquire an 8.8% position in EIF Calypso. EIF Calypso acquired a diversified portfolio of power plants.

Energy Investors - US Power Fund III
\$14,600,875

As of year end, the fund has invested \$415 million (approximately 30% of its capital) in three separate investments. These investments included the development of the 660 MV Green Line transmission project, the development and construction of the 620 MV Kleen Energy power generation facility and, finally, a portfolio of 14 diversified power plants. The diversified portfolio was acquired through a 47.1% interest in EIF Calypso which in turn acquired 80% of a portfolio of 14 operating plants previously owned by Cogentrix Energy. USPF III was the lead equity participant. After the end of the quarter, the Fund has invested another \$127 million. These additional investments bring the total to 20.

Nogales Investors Fund I
\$5,567,057

The Nogales Investors Fund I returned -48.6% in the fourth quarter. (Performance lags by one quarter due to financial reporting constraints.) The extremely poor fourth quarter return was primarily attributable to an investment in a Denver-area radio station. For the one-year period, Nogales has returned -47.5%. CCCERA makes up 16.3% of the Fund.

The total capital committed to the Partnership is \$98.8 million consisting of Limited and General Partner's capital commitments of \$97.0 million and \$1.8 million, respectively.

The General Partner made distributed \$1.4 million to the limited partners during the fourth quarter.

Paladin Fund III
\$4,130,808

The Paladin Fund III has made four investments to date.

Pathway Private Equity Fund
\$43,385,736

The Pathway Private Equity Fund (PPEF) reported a fourth quarter return of 1.7%. (Performance lags by one quarter due to financial reporting constraints.) For the one-year period, PPEF return of 29.8%. PPEF contains a mixture of acquisition-related, venture capital, and other special equity investments.

The PPEF received \$4.1 million in distributions, increasing the total distributions received to \$34.8 million, which represents 62% of the Fund's total contribution.

PT Timber Fund III
\$13,299,532

The PT Timber Fund III reported a first quarter return of 1.3%. For the one-year period, John Hancock reports a total return of 14.5%. CCCERA makes up 16.3% of the Fund III.

As of the end of the fourth quarter, PT-3's timberland portfolio is comprised of five properties: Covington in Alabama and Florida; Bonifay in Florida; Choctaw in Mississippi; Alexander Plantations LLC in Alabama, Louisiana and Mississippi; and Hamakua in Hawaii.

Cash generated at the property level is now trailing the budget by 22%. The Fund has scaled back its projections for the full year significantly from last quarter, and has reduced the full year estimates by 5%

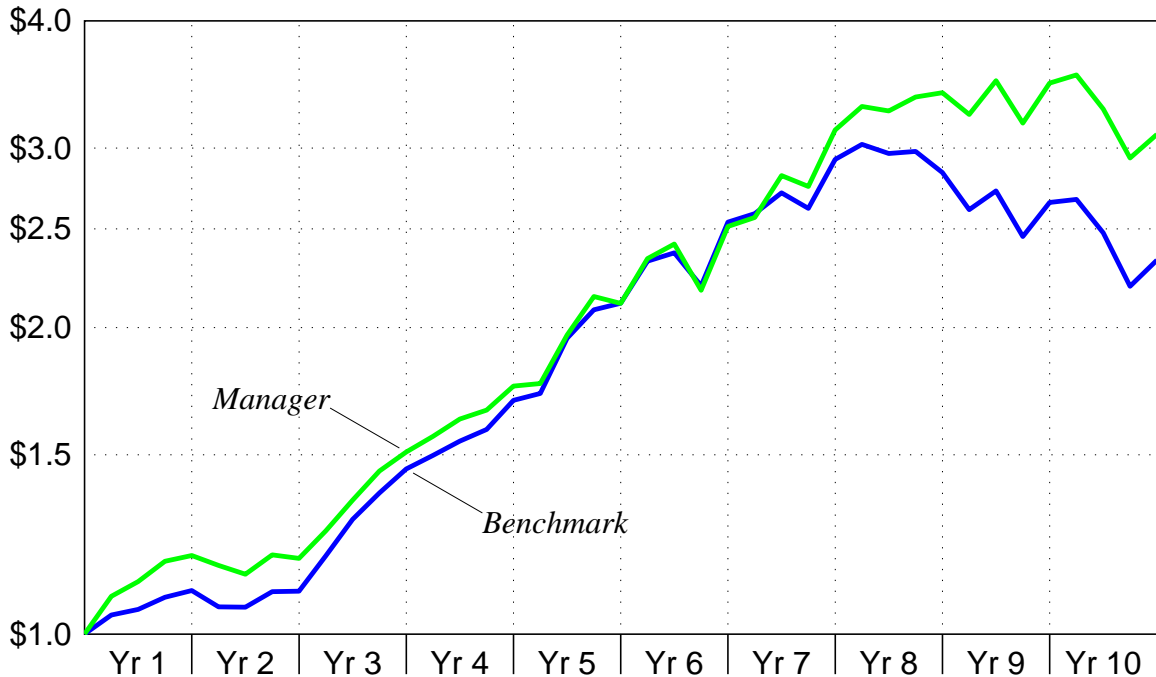
The Hamakua property in Hawaii is now under contract to be sold and the firm hopes to have the sale complete by June 2008.

APPENDIX – EXAMPLE CHARTS

How to Read the Cumulative Return Chart:

Manager vs. Benchmark

Cumulative Value of \$1

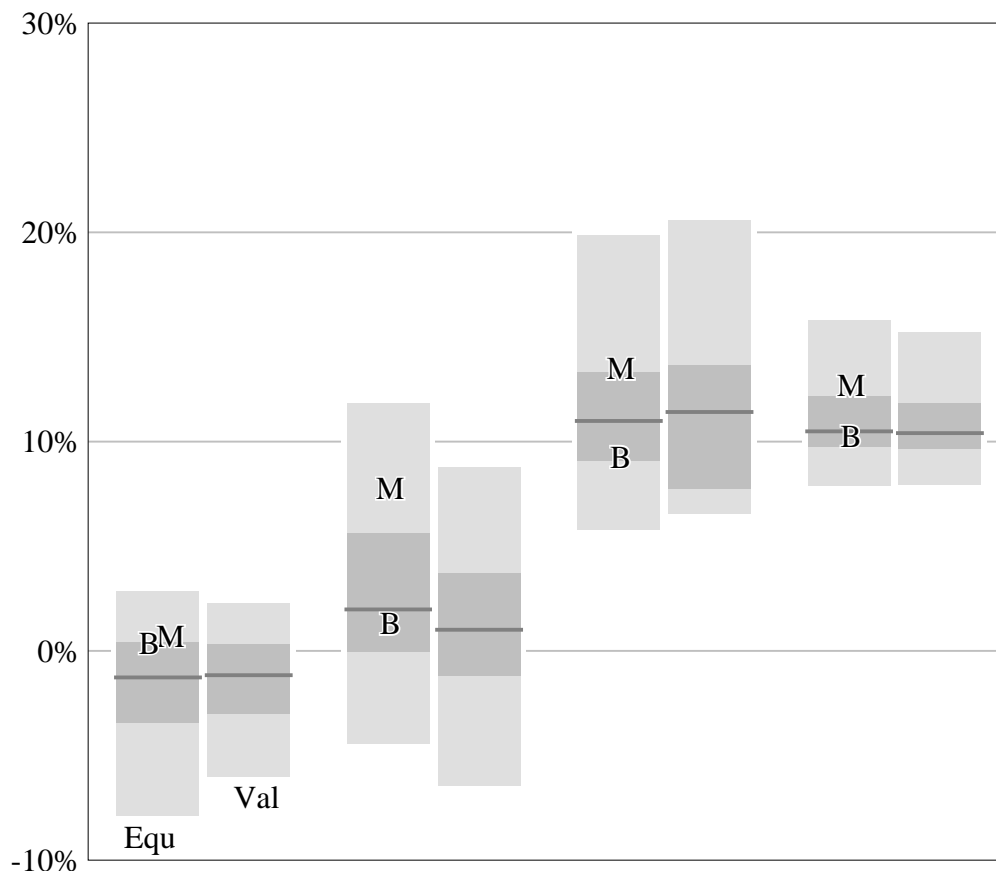


This chart shows the growth of \$1 invested in the 1st quarter of Year 1 with the manager vs. \$1 in the benchmark. Manager returns are the green line. Benchmark performance is the blue line. For example, in the above graph if \$1 had been invested with the manager at the beginning of the 1st quarter of 1985, it would have grown to approximately \$2 by the first 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.