QUARTERLY REVIEW & PERFORMANCE MEASUREMENT REPORT for

Contra Costa County Employees' Retirement Association

FOR THE PERIOD ENDING December 31, 2007

February 18, 2008

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KEY POINTS

Fourth Quarter, 2007

- Domestic equity markets had negative returns in the fourth quarter. The S&P 500 Index returned -3.3% for the quarter while the Russell 2000® small capitalization index returned -4.6%.
- Domestic bond markets were positive in the quarter, with the Lehman Aggregate returning 3.0% and the median fixed income manager returning 2.3%.
- CCCERA Total Fund returned -1.2% for the fourth quarter, trailing the -0.4% return of the median total fund and the -0.6% return of the median public fund. CCCERA Total Fund performance has been well above the median fund over longer cumulative periods ended December 31, 2007.
- CCCERA domestic equities returned -2.8% in the quarter, better than the -3.4% return of the Russell 3000® and the -3.3% return of the median equity manager.
- CCCERA international equities returned -2.2% for the quarter, trailing the -1.7% return of the MSCI EAFE Index and the -1.1% return of the median international equity manager.
- CCCERA fixed income returned 2.1% for the quarter, below the Lehman Universal return of 2.7% and the median fixed income manager return of 2.3%.
- CCCERA alternative assets returned 3.2% for the quarter, better than the -2.4% return of the S&P 500 + 400 basis points per year.
- CCCERA real estate returned -5.3% for the quarter, below the median real estate manager return of 1.9% and the CCCERA real estate benchmark return of -1.3%. REITs substantially underperformed private real estate in the quarter, and CCCERA's exposure to REITs through Adelante hurt returns.
- Domestic equities, international equities and domestic fixed income were over-weighted vs. target at the end of the fourth quarter, offset by under-weightings in alternative investments and commodities. US equities are the "parking place" for assets intended for alternative investments while US fixed income has been the parking place for the commodities allocation. Real estate, international fixed income and cash & equivalents were all close to target levels at quarter end.

WATCH LIST

<u>Manager</u>	Since Since	Reason
ING Investments	2/22/2006	Personnel changes, performance concerns
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 fourth quarter. Larger capitalization stocks out performed small capitalization securities. Large capitalization stocks, as measured by the S&P 500, returned -3.3% in the fourth quarter while the Russell 2000® Index returned -4.6%. The median equity manager returned -3.3% and the broad market, represented by the Russell 3000® Index, returned -3.4%. International equity markets also had negative results in the fourth quarter, with the MSCI EAFE Index returning -1.7% and the MSCI ACWI ex-US Index returning -0.6%. The U.S. bond market was positive in the fourth quarter of 2007, with the Lehman Universal Index returning 2.7, the Aggregate Index returning 3.0% and the median fixed income manager returning 2.3%. The domestic private real estate market continued to post positive results in the fourth quarter of 2007, with the NCREIF Index returning 3.2%, while the publicly traded real estate market was down sharply with the Dow Jones Wilshire REIT Index returning -13.5%.

CCCERA's fourth quarter return of -1.2% trailed both the median total fund and the median public fund. CCCERA has out-performed both medians over all trailing time periods one year and longer, ranking in the upper quartile of both universes over the past two through five-year periods.

CCCERA total domestic equities returned -2.8% for the quarter, better than the -3.4% return of the Russell 3000® and the -3.3% return of the median manager. Of CCCERA's domestic equity managers, Delaware had the strongest performance with a return of 0.1%, better than the -0.8% return of the Russell 1000® Growth Index. Intech Large Cap Core returned -0.3%, better than the S&P 500. Intech Enhanced Plus returned -0.6%, also better than the S&P 500. ING returned -2.3%, better than the S&P 500 and the S&P 500 ex-Tobacco Indexes. Rothschild returned -3.2%, better than the -7.0% return of the Russell 2500® Value Index. PIMCO returned -3.5%, slightly trailing the S&P 500. Boston Partners returned -3.8%, better than the -5.8% return of the Russell 1000® Value Index. Wentworth returned -3.9%, below the -3.3% return of the S&P 500. Progress returned -4.2%, better than the -4.6% return of the Russell 2000® Index. Finally, Emerald returned -8.5%, trailing the -2.1% return of the Russell 2000® Growth Index substantially.

CCCERA international equities returned -2.2%, trailing the -1.7% return of the MSCI EAFE Index and the -1.1% return of the median international manager. The GMO Intrinsic Value portfolio returned -3.6%, below the S&P Citi PMI EPAC Value Index return of -2.2% and the median international equity manager. McKinley Capital returned -0.9%, below the MSCI ACWI ex-US Growth Index return of 0.6%, but above the median international equity manager.

CCCERA total domestic fixed income returned 2.1% for the fourth quarter, below the 2.7% return the Lehman Universal and the 2.3% return of the median fixed income manager. AFL-CIO's return of 3.1% exceeded the Lehman Aggregate and the median fixed income manager. PIMCO returned 3.6%, well above the Lehman Aggregate and the median. Western Asset returned 1.9%, below the Lehman Aggregate and the median. ING Clarion (mostly already liquidated) returned -13.3%, well below the high yield fixed income median of -0.6% and the -1.2% return of the Merrill Lynch High Yield Master II Index. ING Clarion II returned -6.1% in the fourth quarter, also below the ML High Yield II Index and the high yield fixed income median. Nicholas Applegate returned -0.5% versus -1.2% for the ML High Yield II Index and exceeded the high yield median manager.

The Fischer Francis Trees & Watts international fixed income portfolio was terminated in December and replaced by Lazard Asset Management. Lazard is running a global fixed income portfolio. We will report on Lazard's performance in the first quarter 2008 report.

CCCERA total alternative investments returned 3.2% in the fourth quarter. The Hancock PT Timber Fund returned 7.6%, Bay Area Equity Fund reported a return of 5.3%, Pathway returned 4.9%, Energy Investor Fund II reported a return of 3.4%, Adams Street Partners reported a return of 1.6%, Nogales had a return of 0.9% for the quarter and Energy Investor Fund reported a return of -12.9%. (Due to timing constraints, all alternative portfolio returns except Hancock PT Timber

Fund are for the quarter ending September 30.)

The median real estate manager returned 1.9% for the quarter while CCCERA's total real estate returned -5.3%. The vast bulk of this underperformance is attributable to the overweight to REIT securities, as these were down sharply in the quarter. The Willows Office property returned 41.0% following its appraisal; Prudential SPF-II returned 22.9%; DLJ's RECP III returned 7.9%; DLJ's RECP II returned 9.1%; DLJ's RECP I returned 5.9%; Invesco returned 3.6%; Fidelity II returned 3.4%; BlackRock Realty returned 1.6%; Adelante returned -14.0% and FFCA returned -28.6%. 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 December 31, 2007 was near target in domestic fixed income at 26% vs. the target of 25% and domestic equity at 44% versus the target of 43%. The fund was under-weight in alternatives at 3% versus the target of 5% and commodities at 0% versus the target of 2%. (Subsequent to year-end, the Board eliminated the commodities allocation and increased the fixed income allocation by 2%). Assets earmarked for alternative investments were temporarily invested in U.S. equities while assets earmarked for commodities are temporarily invested in U.S. fixed income. Other asset classes were near their respective targets.

Fourth quarter securities lending income from the custodian, State Street Bank, totaled \$544,214.

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 December 31, 2007

	T	railing 3 Yea	rs	Trailing 5 Years			
	Gross		Rank	Gross		Rank	
DOMESTIC EQUITY	Return	Net Return	Target	Return	Net Return	Target	
Boston Partners	Yes	Yes	Yes	Yes	Yes	Yes	
Delaware	-	-	-	-	-	-	
Emerald Advisors	Yes	Yes	No	-	-	-	
ING Investments	Yes	Yes	Yes	No	No	No	
Intech - Enhanced Plus	Yes	Yes	Yes	Yes	Yes	Yes	
Intech - Large Core	-	-	-	-	-	-	
PIMCO Stocks Plus	No	No	No	Yes	No	No	
Progress	Yes	Yes	Yes	-	-	-	
Rothschild	Yes	Yes	Yes	-	_ .	-	
Wentworth, Hauser	No	No	No	No	No	No	
Total Domestic Equities	Yes	Yes	Yes	Yes	Yes	No	
INT'L EQUITY							
GMO Intrinsic Value	-	-	-	-	-	-	
McKinley Capital	-	-	-	-	-	-	
Total Int'l Equities	Yes	Yes	Yes	Yes	Yes	Yes	
DOMESTIC FIXED INCOME							
AFL-CIO Housing	Yes	Yes	Yes	Yes	No	Yes	
Nicholas Applegate	Yes	No	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	Yes	Yes	Yes	
Total Domestic Fixed	Yes	Yes	Yes	Yes	Yes	Yes	
Total Domestic Fixed	165	1 65	165	1 03	1 CS	1 03	
ALTERNATIVE INVESTMENTS							
Adams Street	Yes	Yes	-	No	No	-	
Bay Area Equity Fund	Yes	No	-	-	-	-	
Energy Investor Fund	Yes	Yes	-	-	-	-	
Energy Investor Fund II	-	-	-	-	-	-	
Nogales	Yes	No	-	-	-	-	
Pathway	Yes	Yes	-	Yes	Yes	-	
Hancock PT Timber Fund	No	No	-	No	No	-	
Total Alternative	Yes	Yes	-	Yes	No	-	
REAL ESTATE							
Adelante Capital REIT	Yes	Yes	Yes	Yes	Yes	Yes	
BlackRock Realty	Yes	Yes	Yes	-	-	-	
DLJ RECP I	Yes	Yes	Yes	No	No	Yes	
DLJ RECP II	Yes	Yes	Yes	Yes	Yes	Yes	
DLJ RECP III	-	-	-	-	-	-	
FFCA	No	No	No	No	No	No	
Fidelity II	No	No	No	-	-	-	
Invesco Fund I	-	-	-	_	_	_	
Prudential SPF II	Yes	Yes	Yes	Yes	Yes	Yes	
U.S. Realty	No	No	Yes	No	No	Yes	
Willows Office Property	Yes	Yes	Yes	No	No	No	
Total Real Estate	Yes	No	Yes	Yes	Yes	Yes	
CCCEDA Total Fund	Vac	Voc	Vas	Vac	Voc	Vos	
CCCERA Total Fund	Yes	Yes	Yes	Yes	Yes	Yes	

ASSET ALLOCATION As of December 31, 2007

115 01 2 000111001 01, 2007			% of	% of	Target
EQUITY - DOMESTIC	I	Market Value	Portion	Total	% of Total
Boston Partners	\$	342,406,824	14.7 %	6.5 %	6.8 %
Delaware Investments		386,401,470	16.6	7.4	6.8
Emerald		146,720,621	6.3	2.8	3.0
ING		289,894,713	12.5	5.5	5.6
Intech - Enhanced Plus		26,902,719	1.2	0.5	0.5
Intech - Large Core		270,981,362	11.7	5.2	5.1
PIMCO		270,142,592	11.6	5.2	3.6
Progress		153,317,972	6.6	2.9	3.0
Rothschild		148,891,048	6.4	2.8	3.0
Wentworth		286,962,922	12.4	5.5	5.6
TOTAL DOMESTIC	\$	2,322,622,243	100.0 %	44.4 %	43.0 %
				Range:	35 to 55 %
INTERNATIONAL EQUIT	Y				
McKinley Capital	\$	311,809,970	51.7 %	6.0 %	5.75 %
GMO Intrinsic Value		291,133,541	48.3	5.6	5.75
TOTAL INT'L EQUITY	\$	602,943,511	100.0 %	11.5 %	11.5 %
				Range:	7 to 13 %
FIXED INCOME - (non hy)					
AFL-CIO	\$	196,378,685	14.7 %	3.8 %	3.6 %
ING Clarion		730,384	0.1	0.0	0.0
ING Clarion II		57,899,757	4.3	1.1	1.8
PIMCO		552,606,218	41.2	10.6	8.8
Western Asset		532,619,941	39.7	10.2	8.8
TOTAL FIXED INCOME		1,340,234,985	100.0 %	25.6 %	23.0 %
				Range:	19 to 35 %
HIGH YIELD					
Nicholas Applegate	\$	101,568,099	100.0 %	1.9 %	2.0 %
TOTAL HIGH YIELD		101,568,099	100.0 %	1.9 %	2.0 %
				Range:	1 to 4 %
TOTAL U.S. FIXED	\$	1,441,803,084	100.0 %	27.5 %	25.0 %
GLOBAL FIXED					
Fischer Francis	\$	18,765,806	9.3 %	0.4 %	0.0 %
Lazard Asset Mgmt		183,913,299	90.7	3.5	4.0
TOTAL GLOBAL FIXED	\$	202,679,105	100.0 %	3.9 %	4.0 %
				Range:	3 to 7 %

ASSET ALLOCATION As of December 31, 2007

As 01 December 31, 2007			% of	% of	Target	
	N	Aarket Value	Portion	Total	% of Total	
REAL ESTATE						
Adelante Capital	\$	246,347,520	53.5 %	4.7 %	- %	
BlackRock Realty		32,666,065	7.1	0.6	-	
DLJ RECP I		318,606	0.1	0.0	-	
DLJ RECP II		10,376,866	2.3	0.2	-	
DLJ RECP III		61,421,095	13.3	1.2	-	
FFCA		2,767,219	0.6	0.1	-	
Fidelity II		42,102,180	9.2	0.8	-	
Fidelity III		1,752,390	0.4	0.0	-	
Hearthstone I		-215,000 *	0.0	0.0	-	
Hearthstone II		-86,000	0.0	0.0	-	
Invesco Fund I		35,370,034	7.7	0.7	-	
Invesco Fund II		7,305,180	1.6	0.1	-	
Prudential SPF II		4,404,459	1.0	0.1	-	
Willows Office Property		15,560,000	3.4	0.3	-	
TOTAL REAL ESTATE	\$	460,090,614	100.0 %	8.8 %	9.0 %	
				Range:	5 to 12 %	
COMMODITIES						
N/A	\$	-	0.0 %	0.0 %	2.0 %	
TOTAL COMMODITIES	\$	-	0.0 %	0.0 %	2.0 %	
	a en la	TC		Range:	0 to 3 %	
ALTERNATIVE INVESTM			25.0.0/	1 1 0/	0/	
Adams Street Partners	\$	59,270,223	35.0 %	1.1 %	- %	
Bay Area Equity Fund		5,888,698	3.5	0.1	-	
Energy Investor Fund		2,339,158	1.4	0.0	-	
Energy Investor Fund II		33,718,555	19.9	0.6	-	
Energy Investor Fund III		-391,261	-0.2	0.0	-	
Nogales		12,706,051	7.5	0.2	-	
Pathway		42,130,808	24.9	0.8	-	
Hancock PT Timber	Ф	13,513,786	8.0	0.3	- - -	
TOTAL ALTERNATIVE	\$	169,176,018	100.0 %	3.2 %	5.0 %	
CASH				Range:	0 to 7 %	
Custodian Cash	\$	33,558,822	90.6 %	0.6 %	- %	
Treasurer's Fixed	Ψ	3,494,000	9.4	0.0 70	- 70	
TOTAL CASH	\$	37,052,822	100.0 %	0.7 %	0.5 %	
1011111 011011	Ψ	31,032,022	100.0 /0	Range:	0.3 %	
				Runge.	0 10 2 /0	
TOTAL ASSETS	\$	5,236,367,396	100.0 %	100.0 %	100.0 %	

^{*}For a discussion of the negative asset value of the Hearthstone Fund, please refer to page 81.

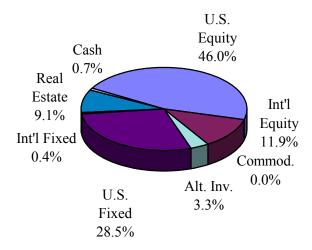
^{**}CCCERA has committed \$85 million to ING Clarion Debt Opportunity Fund II, \$25 million to BlackRock (formerly SSR) Realty; \$15 million to DLJ RECP I; \$40 million to DLJ RECP II; \$75 million to DLJ III, \$100 million to DLJ IV, \$12 million to FFCA, \$50 million to Fidelity II; \$75 million to 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; \$125 million to Pathway and \$15 million to Hancock PT Timber Fund III.

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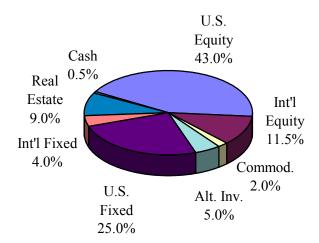
ASSET ALLOCATION

As of December 31, 2007

CCCERA Asset Allocation



Target Asset Allocation



CUMULATIVE PERFORMANCE STATISTICS Performance through Fourth Quarter, 2007

DOMESTIC EQUITY	3 Mo		9 Mo	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr
Boston Partners	-3.8 %		3.9 %	4.3 %	12.0 %	12.0 %	13.1 %	15.8 %
Rank vs Equity	<i>60</i>	55	50	<i>60</i>	25	18	18	38
Rank vs Lg Value	35	32	30	34	29	21	28	41
Delaware	0.1	8.2	12.8	13.6	8.3	-	-	-
Rank vs Equity	18	7	12	15	69	-	-	-
Rank vs Lg Growth	47	29	43	44	<i>67</i>	-	-	-
Emerald Advisors	-8.5	-7.0	-0.7	3.2	8.4	9.0	7.7	-
Rank vs Equity	92	<i>76</i>	<i>71</i>	64	<i>68</i>	52	84	_
Rank vs Sm Cap Growth	90	<i>74</i>	<i>70</i>	64	58	54	80	_
ING Investments	-2.3	-1.0	5.2	5.8	10.7	8.9	9.5	12.7
Rank vs Equity	<i>37</i>	36	36	44	<i>37</i>	<i>52</i>	61	<i>79</i>
Rank vs Lg Core	15	20	20	27	31	49	47	80
Intech - Enhanced Plus	-0.6	1.4	5.4	7.4	10.8	10.2	11.4	14.8
Rank vs Equity	21	26	35	36	36	33	35	48
Rank vs Lg Core	5	6	18	13	28	18	21	22
Intech - Large Core	-0.3	1.8	4.0	7.0		-		
Rank vs Equity	20	25	49	38	_	_	_	_
Rank vs Lg Core	4	5	61	16	_	_	_	_
PIMCO Stocks Plus	-3.5	-1.5	4.1	5.0	10.2	8.3	9.0	12.8
Rank vs Equity	-5.5 56	46	49	56	51	67	7.0 74	73
Rank vs Lquuy Rank vs Lg Core	63	53	60	66	<i>69</i>	84	84	<i>67</i>
Progress	-4.2	-5.1	2.2	6.1	10.7	10.1	04	U7
Rank vs Equity	-4.2 64	-5.1 65	58	42	38	33	-	-
Rank vs Equity Rank vs Small Core	26	03 18	36 16	42 15	22	33 17	-	-
							12.5	-
Rothschild	-3.2	-7.2	-2.7	1.8	11.1	11.2	13.5	-
Rank vs Equity	45	77	<i>79</i>	70	32	23	16	-
Rank vs Sm Cap Value	12	15	20	16	9	7	20	10.6
Wentworth, Hauser	-3.9	-1.9	3.9	6.6	6.9	7.8	9.2	12.6
Rank vs Equity	60	49	50	40	79	74	65	81
Rank vs Lg Core	69	60	63	18	96	90	60	85
Total Domestic Equities	-2.8	-0.9	4.6	6.5	9.9	9.5	10.4	14.2
Rank vs Equity	42	36	44	40	55	43	46	54
Median Equity	-3.3	-2.0	3.9	5.5	10.4	9.1	10.1	14.7
S&P 500	-3.3	-1.3	4.9	5.5	10.5	8.6	9.2	12.8
S&P 500 ex-Tobacco	-3.5	-1.6	4.6	5.2	10.3	8.4	9.0	12.6
Russell 3000®	-3.4	-1.8	3.8	5.1	10.3	8.9	9.7	13.6
Russell 1000® Value	-5.8	- 6.0	-1.4	-0.2	10.5	9.3	11.1	14.6
Russell 1000® Growth	-0.8	3.4	10.5	11.8	10.5	8.7	8.1	12.1
Russell 2000®	-4.6	-7.5	-3.4	-1.6	7.9	6.8	9.6	16.3
INTU FOUTV								
INT'L EQUITY	2.6	1.2		10.6	10.3			
GMO Intrinsic Value	-3.6	-1.3	5.5	10.6	18.2	-	-	-
Rank vs Int'l Eq	76	70	65	60	56	-	-	-
McKinley Capital	-0.9	2.8	12.1	20.1	-	-	-	-
Rank vs Int'l Eq	48	39	31	17	-	-	-	<u>-</u>
Total Int'l Equities	-2.2	0.8	8.8	15.3	20.8	20.6	19.9	23.7
Rank vs Int'l Eq	66	49	44	36	29	33	39	34
Median Int'l Equity	-1.1	0.7	7.3	11.9	18.8	18.2	18.7	22.8
MSCI EAFE Index	-1.7	0.5	7.2	11.6	19.0	17.3	18.2	22.1
MSCI ACWI ex-US	-0.6	4.0	12.8	17.1	22.0	20.4	20.6	24.5
S&P Citi PMI EPAC Value	-2.2	0.2	7.6	12.2	19.9	18.4	19.7	23.9
MSCI ACWI ex-US Growth	0.6	7.1	16.3	21.4	22.7	20.8	19.8	22.7

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

CUMULATIVE PERFORMANCE STATISTICS Performance through Fourth Quarter, 2007

	3 Mo	6 Mo	9 Mo	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr_
DOMESTIC FIXED INCOME	E							
AFL-CIO Housing	3.1 %	6.3 %	5.4 %	7.1 %	6.1 %	5.1 %	5.0 %	4.8 %
Rank vs Fixed Income	24	21	38	34	24	22	25	34
Nicholas Applegate	-0.5	0.7	0.7	3.6	6.9	5.8	6.6	9.4
Rank vs High Yield	48	26	51	55	36	21	44	32
ING Clarion	-13.3	-19.5	-17.7	-9.6	22.1	19.8	-	-
Rank vs High Yield	100	100	100	100	1	1	-	-
ING Clarion II	-6.1	-10.6	-9.3	-6.6	-	_	-	-
Rank vs High Yield	100	100	100	100	-	-	-	-
PIMCO	3.6	7.7	6.5	8.4	6.6	5.5	5.5	5.8
Rank vs Fixed Income	12	<i>10</i>	14	13	11	11	13	13
Western Asset	1.9	4.4	3.1	4.7	4.9	4.1	4.7	5.2
Rank vs Fixed Income	60	58	<i>79</i>	80	81	83	39	23
Total Domestic Fixed	2.1	5.0	4.0	5.8	6.6	5.7	5.8	6.2
Rank vs Fixed Income	54	48	66	<i>62</i>	<i>10</i>	<i>10</i>	<i>10</i>	10
Median Fixed Income	2.3	4.9	4.8	6.5	5.7	4.6	4.5	4.5
Median High Yield Mgr.	-0.6	-0.8	0.9	3.8	6.4	5.2	6.6	8.9
Lehman Universal	2.7	5.4	4.8	6.5	5.8	4.7	4.8	5.0
Lehman Aggregate	3.0	5.9	5.4	7.0	5.6	4.6	4.5	4.4
Merrill Lynch HY II	-1.2	-0.9	-0.6	2.1	6.8	5.4	6.7	10.7
Merrill Lynch BB/B	-0.8	0.1	0.2	2.6	6.5	5.5	6.5	9.6
T-Bills	1.1	2.4	3.7	5.0	4.9	4.3	3.6	3.1
GLOBAL FIXED INCOME								
Lazard Asset Mgmt	_	_	_	-	-	_	-	-
Lehman Global Aggregate	3.0	1.9	2.9	3.6	3.4	4.6	4.2	4.1
ALTERNATIVE INVESTME	NTS*							
Adams Street**	1.6	9.6	14.1	27.9	25.7	22.7	20.2	16.9
Bay Area Equity Fund**	5.3	24.2	30.5	63.6	23.7	16.0	-	-
Energy Investor Fund**	-12.9	-12.7	-11.4	2.2	7.4	28.5	-	-
Energy Investor Fund II**	3.4	8.0	10.0	12.5	-	-	-	-
Nogales**	0.9	1.6	2.3	21.2	16.0	15.0	-	-
Pathway**	4.9	16.2	27.7	50.4	35.1	37.5	30.7	23.9
Hancock PT Timber Fund	7.6	9.3	13.1	14.7	13.4	12.2	10.9	9.4
Total Alternative	3.2	9.9	14.4	28.0	23.5	26.7	22.7	18.6
S&P 500 + 400 bps	-2.4	0.6	8.0	9.7	14.9	12.9	13.5	17.3

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 September 30, 2007.

CUMULATIVE PERFORMANCE STATISTICS Performance through Fourth Quarter, 2007

	3 Mo	6 Mo	9 Mo	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr
REAL ESTATE*								
Adelante Capital REIT	-14.0 %	-12.7 %	-20.1 %	-16.9 %	7.2 %	10.3 %	16.4 %	20.1 %
Rank vs REITs	84	<i>74</i>	<i>70</i>	55	26	<i>12</i>	<i>10</i>	13
BlackRock Realty	1.6	4.7	8.2	14.8	19.2	22.3	-	-
Rank	53	56	65	44	8	6	-	-
DLJ RECP I**	5.9	28.2	29.3	34.2	37.7	29.4	24.7	20.3
Rank	6	1	2	2	1	3	6	18
DLJ RECP II**	9.1	9.7	12.0	34.8	35.3	40.4	38.7	36.0
Rank	4	7	24	1	1	1	2	1
DLJ RECP III**	7.9	13.2	12.6	30.5	19.9	-	-	-
Rank	5	4	<i>20</i>	2	6	-	-	-
FFCA	-28.6	-29.0	-29.6	-27.1	-10.9	0.8	5.1	4.8
Rank	100	100	100	98	98	96	95	95
Fidelity II	3.4	4.9	2.5	5.0	10.6	12.4	-	-
Rank	10	54	80	<i>74</i>	7 0	67	-	-
Invesco Fund I	3.6	-1.7	6.3	10.4	23.4	-	-	-
Rank	9	<i>81</i>	70	63	5	-	-	-
Prudential SPF II	22.9	26.4	39.7	45.3	63.5	54.6	45.0	37.8
Rank	2	1	1	1	1	1	1	1
Willows Office Property	41.0	41.6	42.8	44.5	24.6	18.6	11.0	10.4
Rank	2	1	1	1	4	14	83	85
Total Real Estate	-5.3	-3.8	-7.9	-3.0	14.0	16.1	19.5	20.7
Rank	82	<i>84</i>	90	82	<i>60</i>	43	13	14
Median Real Estate	1.9	5.3	10.6	13.9	14.4	15.8	15.1	14.1
Real Estate Benchmark	-1.3	1.7	2.6	6.3	13.8	15.4	16.4	16.3
DJ Wilshire REIT	-13.5	-12.3	-20.5	-17.6	5.9	8.5	14.2	18.3
NCREIF Property Index	3.2	6.9	11.8	15.8	16.2	17.5	16.7	15.1
NCREIF Index + 300 bps	4.0	8.4	14.6	19.6	19.8	21.0	20.2	18.6
NCREIF Index + 500 bps	4.4	9.4	15.8	21.4	21.8	23.1	22.3	20.7
NCREIF Apartment	1.9	4.8	8.3	11.4	13.0	15.7	15.0	13.7
NCREIF Apt + 300 bps	2.6	6.4	10.6	14.6	16.3	19.0	18.3	17.1
CCCERA Total Fund	-1.2 %	1.3 %	4.3 %	7.3 %	11.3 %	11.1 %	11.7 %	14.0 %
Rank vs. Total Fund	71	55	70	45	23	11	9	<i>10</i>
Rank vs. Public Fund	67	50	68	42	16	7	3	4
Median Total Fund	-0.4	1.6	5.1	7.1	9.5	8.4	8.8	10.6
Median Public Fund	-0.6	1.4	5.1	6.9	9.4	8.4	8.7	11.0
CPI + 400 bps	1.7	2.8	5.3	8.3	7.4	7.5	7.5	7.3

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 September 30, 2007.

REAL ESTATE AND ALTERNATIVE INVESTMENT PORTFOLIO IRR RETURNS

	Gross of Fees		Net of	f Fees	
	Fund Level IRR	CCCERA IRR	Fund Level IRR	CCCERA IRR	Inception
REAL ESTATE					
BlackRock Realty	20.0%	n/a	17.3%	n/a	11/19/04
DLJ RECP I	17.0%	n/a	n/a	11.0%	05/14/96
DLJ RECP II	30.0%	n/a	n/a	20.0%	09/24/99
DLJ RECP III	38.0%	n/a	n/a	24.0%	06/23/05
FFCA	n/a	n/a	n/a	n/a	03/11/92
Fidelity Growth Fund II	n/a	n/a	10.1%	n/a	03/10/04
Fidelity Growth Fund III	n/a	n/a	-35.3%	n/a	03/30/07
Hearthstone I	n/a	n/a	4.5%	4.5%	06/15/95
Benchmark ¹	n/a	n/a	17.0%	17.0%	
Hearthstone II	n/a	n/a	30.0%	31.0%	06/17/98
Benchmark ²	n/a	n/a	17.0%	17.0%	
Invesco Real Estate I	19.9%	19.9%	15.6%	16.9%	02/01/05
Invesco Real Estate II	n/a	n/a	n/a	n/a	11/26/07
Prudential SPF II	n/a	13.7%	n/a	12.0%	05/14/96
ALTERNATIVE INVESTMEN	NTS				
Adams Street Partners	17.4%	17.4%	n/a	14.8%	03/18/96
Bay Area Equity Fund	24.4%	21.1%	10.5%	9.0%	06/14/04
EIF US Power Fund I	25.3%	29.3%	20.2%	23.0%	11/26/03
EIF US Power Fund II	12.3%	11.4%	7.0%	6.3%	08/16/05
Nogales	18.1%	15.5%	10.8%	9.3%	02/15/04
Pathway	15.4%	15.4%	13.1%	13.1%	11/09/98
Benchmark ³	13.1%	n/a	n/a	n/a	
Benchmark 4	-1.2%	n/a	n/a	n/a	
PruTimber	n/a	n/a	3.7%	3.8%	12/12/95
Benchmarks: Hearthstone I					
Benchmark ¹ Hearthstone II	Target IRR rai	nge per CCCER.	A agreement		
Benchmark ² Pathway	Target IRR rai	nge per CCCER.	A agreement		
Benchmark ³ Benchmark ⁴		•		-2004 as of 9/30/07	,
Denchinark	venture Econo	omics venture C	apitai ikk - 1999	9-2004 as of 9/30/07	

AFTER-FEE CUMULATIVE PERFORMANCE STATISTICS Performance through Fourth Quarter, 2007

DOMESTIC EQUITY	3 Mo	6 Mo	9 Mo_	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr
Boston Partners	-3.9 %	-3.2 %	3.6 %	4.0 %	11.6 %	11.6 %	12.7 %	15.4 %
Delaware	0.0	7.9	12.4	13.1	7.8	-	-	-
Emerald Advisors	-8.6	-7.3	-1.1	2.6	7.8	8.3	7.1	-
ING Investments	-2.3	-1.1	5.0	5.5	10.4	8.6	9.2	12.4
Intech - Enhanced Plus	-0.7	1.2	5.1	7.0	10.5	9.9	11.1	14.5
Intech - Large Core	-0.4	1.6	3.7	6.6	-	-	-	-
PIMCO Stocks Plus	-3.5	-1.7	3.8	4.7	9.9	8.0	8.7	12.5
Progress	-4.4	-5.4	1.7	5.4	9.9	9.4	-	-
Rothschild	-3.3	-7.5	-3.1	1.1	10.4	10.5	12.8	-
Wentworth, Hauser	-3.9	-2.0	3.7	6.4	6.7	7.6	9.0	12.3
Total Domestic Equities	-2.9	-1.1	4.3	6.1	9.5	9.2	10.0	13.9
Median Equity	-3.3	-2.0	3.9	5.5	10.4	9.1	10.1	14.7
S&P 500	-3.3	-1.3	4.9	5.5	10.5	8.6	9.2	12.8
S&P 500 ex-Tobacco	-3.5	-1.6	4.6	5.2	10.3	8.4	9.0	12.6
Russell 3000®	-3.4	-1.8	3.8	5.1	10.3	8.9	9.7	13.6
Russell 1000® Value	-5.8	-6.0	-1.4	-0.2	10.5	9.3	11.1	14.6
Russell 1000® Growth	-0.8	3.4	10.5	11.8	10.5	8.7	8.1	12.1
Russell 2000®	-4.6	-7.5	-3.4	-1.6	7.9	6.8	9.6	16.3
Russell 2500 TM Value	-7.0	-12.6	-10.1	-7.3	5.6	6.3	9.9	16.2
Russell 2000® Growth	-2.1	-2.1	4.5	7.1	10.2	8.1	9.6	16.5
INTU FOLITY								
INT'L EQUITY GMO Intrinsic Value	-3.7	-1.6	5.0	9.9	17.4			
McKinley Capital	-3.7 -1.0	-1.6 2.6	3.0 11.7	9.9 19.5		-	-	-
Total Int'l Equities	-1.0 -2.4	0.4	8.4	19.5 14.7	20.2	20.1	19.5	23.3
Median Int'l Equity	-2.4 -1.1	0.4	7.3	14.7 11.9	18.8	18.2	18.7	22.8
MSCI EAFE Index	-1.1 -1.7	0.7	7.3 7.2	11.9	19.0	17.3	18.7	22.8
MSCI ACWI ex-US	-1.7 -0.6					20.4	20.6	24.5
		4.0	12.8	17.1	22.0			
S&P Citi PMI EPAC Value	-2.2	0.2	7.6	12.2	19.9	18.4	19.7	23.9
MSCI ACWI ex-US Growth	0.6	7.1	16.3	21.4	22.7	20.8	19.8	22.7
DOMESTIC FIXED INCOMI	r F							
AFL-CIO Housing	3.0	6.1	5.1	6.8	5.7	4.7	4.6	4.4
Nicholas Applegate	-0.6	0.5	0.4	3.1	6.4	5.3	6.1	8.9
ING Clarion	-13.3	-19.5	-17.7	-9.6	21.3	18.2	-	-
ING Clarion II	-7.0	-12.2	-13.1	-16.8	-	-	<u>-</u>	_
PIMCO	3.5	7.6	6.3	8.1	6.3	5.2	5.2	5.5
Western Asset	3.5 1.8	4.3	3.0	6.1 4.5	6.3 4.7	3.9	5.2 4.5	5.5 5.0
Total Domestic Fixed	2.8	1.6	3.3	6.3	5.6	5.2	5.2	6.0
Median Fixed Income	2.3	4.9	4.8	6.5	5.7	4.6	4.5	4.5
Median High Yield Mgr.	-0.6	-0.8	0.9	3.8	6.4	5.2	6.6	8.9
Lehman Universal	2.7	5.4	4.8	6.5	5.8	4.7	4.8	5.0
Lehman Aggregate	3.0	5.9	5.4	7.0	5.6	4.6	4.5	4.4
Merrill Lynch HY II	-1.2	-0.9	-0.6	2.1	6.8	5.4	6.7	10.7
Merrill Lynch BB/B	-0.8	0.1	0.2	2.6	6.5	5.5	6.5	9.6
T-Bills	1.1	2.4	3.7	5.0	4.9	4.3	3.6	3.1

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

AFTER-FEE CUMULATIVE PERFORMANCE STATISTICS Performance through Fourth Quarter, 2007

	3 Mo	6 Mo	9 Mo	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr
ALTERNATIVE INVESTME	NTS*							<u></u>
Adams Street**	1.0 %	8.5 %	12.2 %	25.2 %	23.1 %	20.1 %	17.6 %	14.3 %
Bay Area Equity Fund**	3.6	20.7	25.4	55.3	15.7	6.5	_	-
Energy Investor Fund**	-18.7	-19.2	-18.3	-6.2	1.7	22.8	-	-
Energy Investor Fund II**	2.0	5.7	6.9	8.4	-	-	_	-
Nogales**	0.1	0.3	0.5	18.5	13.1	11.3	-	-
Pathway**	4.3	15.0	25.9	47.7	32.6	35.1	27.8	21.1
Hancock PT Timber Fund	7.3	8.8	12.3	13.7	12.4	11.2	9.8	8.4
Total Alternative	2.6	8.6	12.5	25.3	21.2	24.1	19.2	15.5
S&P 500 + 400 bps	-2.4	0.6	8.0	9.7	14.9	12.9	13.5	17.3
-								
REAL ESTATE*								
Adelante Capital REIT	-14.2	-12.9	-20.4	-17.3	6.7	9.7	15.8	19.5
BlackRock Realty	1.6	4.3	6.9	13.0	16.4	19.1	-	-
DLJ RECP I**	5.9	28.2	29.3	33.5	37.1	28.4	23.6	19.1
DLJ RECP II**	9.1	9.3	11.3	33.5	34.4	39.3	37.2	33.9
DLJ RECP III**	7.9	13.2	12.0	29.2	18.8	-	-	-
FFCA	-28.7	-29.2	-29.9	-27.5	-11.4	0.1	4.3	4.1
Fidelity II	2.8	4.6	4.5	7.0	10.0	10.9	-	-
Invesco Fund I	3.1	-1.5	5.0	8.6	21.1	-	-	-
Prudential SPF II	19.9	22.0	32.7	37.2	51.7	45.5	38.0	32.1
Willows Office Property	41.0	41.6	42.8	44.5	24.6	18.6	11.0	10.4
Total Real Estate	-5.6	-4.2	-8.4	-3.8	13.0	15.0	18.4	19.6
Median Real Estate	1.9	5.3	10.6	13.9	14.4	15.8	15.1	14.1
Real Estate Benchmark	-1.3	1.7	2.6	6.3	13.8	15.4	16.4	16.3
DJ Wilshire REIT	-13.5	-12.3	-20.5	-17.6	5.9	8.5	14.2	18.3
NCREIF Property Index	3.2	6.9	11.8	15.8	16.2	17.5	16.7	15.1
NCREIF Index + 300 bps	4.0	8.4	14.6	19.6	19.8	21.0	20.2	18.6
NCREIF Index + 500 bps	4.4	9.4	15.8	21.4	21.8	23.1	22.3	20.7
NCREIF Apartment	1.9	4.8	8.3	11.4	13.0	15.7	15.0	13.7
NCREIF Apt + 300 bps	2.6	6.4	10.6	14.6	16.3	19.0	18.3	17.1
-								
CCCERA Total Fund	-1.4 %	1.0 %	3.9 %	7.0 %	10.8 %	10.6 %	11.2 %	13.5 %
CPI + 400 bps	1.7	2.8	5.3	8.3	7.4	7.5	7.5	7.3

YEAR BY YEAR PERFORMANCE STATISTICS Performance through Fourth Quarter, 2007

DOMESTIC FOLLTS	2005	2006	2005	2004	2002	2002	2001
DOMESTIC EQUITY	2007	2006 20.2 0/	2005 12.0 0/	2004	2003	2002 19.7 0/	<u>2001</u>
Boston Partners	4.3 %	20.2 %	12.0 %	16.6 %	27.1 %	-18.7 %	4.1 %
Rank vs Equity	60	12	14	31	75 91	32 54	21
Rank vs Lg Value	24	<i>36</i>	14	32	81	34	22
Delaware	13.6 15	3.2 91	-	-	-	-	-
Rank vs Equity			-	-	-	-	-
Rank vs Lg Growth	<i>33</i>	<i>74</i>	10.1	- 4.1	-	-	-
Emerald Advisors	3.2 64	13.8 56	10.1 25	93	-	-	-
Rank vs Equity	48	30 39	23 20	93 86	-	-	-
Rank vs Sm Cap Growth ING	48 5.8	39 15.9	2 <i>0</i> 5.4	30 11.2	- 26.7	-	-
	5.8 44	38	5.4 61	60	20.7 77	-	-
Rank vs Equity	75	30 39	40	36	83	-	-
Rank vs Lg Core	7.4	14.4	8.9	15.3	29.4	-	-
Intech - Enhanced Plus		14.4 54	3.9 34	37		-	-
Rank vs Equity	36 79	34 80			60	-	-
Rank vs Lg Core		80	14	7	34	-	-
Intech - Large Cap Core	7.0	-	-	-	-	-	-
Rank vs Equity	38	-	-	-	-	-	-
Rank vs Lg Core	-	<u>-</u>	-	-	-	-	-
PIMCO Stocks Plus	5.0	15.7	4.6	11.1	29.9	-	-
Rank vs Equity	56	43	75	62	58	-	-
Rank vs Lg Core	68	64	<i>78</i>	15	29	-	-
Progress	6.1	15.4	9.1	-	-	-	-
Rank vs Equity	42	46	32	-	-	-	-
Rank vs Sm Core	<i>17</i>	46	36	-	-	-	-
Rothschild	1.8	21.3	11.2	20.7	-	-	-
Rank vs Equity	7 0	9	18	15	-	-	-
Rank vs Sm Cap Value	31	19	23	39	-	-	-
Wentworth, Hauser	6.6	7.2	9.6	13.6	27.1	-23.4	-6.7
Rank vs Equity	40	83	28	46	<i>75</i>	65	42
Rank vs Lg Core	36	98	9	15	82	77	11
Total Domestic Equities	6.5	13.5	8.8	13.0	31.0	-28.0	-9.2
Rank vs Equity	40	60	35	49	50	<i>83</i>	48
Median Equity	5.5	15.0	6.5	12.9	31.0	-22.0	-9.7
S&P 500	5.5	15.8	4.9	10.9	28.7	-22.1	-11.9
S&P 500 ex-Tobacco	5.2	15.7	4.6	10.7	28.4	-22.3	-12.1
Russell 3000®	5.1	15.7	6.1	12.0	31.0	-21.6	-11.5
Russell 1000® Value	-0.2	22.2	7.0	16.5	30.0	-15.5	-5.6
Russell 1000® Growth	11.8	9.1	5.3	6.3	29.8	-27.9	-20.4
Russell 2000®	-1.6	18.4	4.6	18.3	47.3	-20.5	2.5
INT'L EQUITY							
GMO	10.6	26.2	_	_	_	_	_
Rank vs Int'l Eq	60	44	_	_	_	_	_
McKinley Capital	20.1	_	_	_	_	_	_
Rank vs Int'l Eq	17	_	_	_	_	_	_
Total Int'l Equities	15.3	26.6	20.0	18.1	39.9	-14.6	-18.1
Rank vs Int'l Eq	36	41	32	68	27	45	59
Median Int'l Equity	11.9	25.9	15.9	19.9	36.4	-15.0	-16.5
MSCI EAFE Index	11.9	26.9	13.9	20.7	39.2	-15.0	-10.3 -21.2
MSCI ACWI ex-US	17.1	20.9	17.1	20.7	39.2 41.4	-13.7 -14.7	-21.2 -19.5
S&P Citi PMI EPAC Value	17.1	28.1	17.1	23.5	41.4	-14.7 -13.1	-19.3 -18.1
	21.4						
MSCI ACWI ex-US Growth	41.4	24.0	17.1	17.1	34.9	-14.7	-23.4

YEAR BY YEAR PERFORMANCE STATISTICS Performance through Fourth Quarter, 2007

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
DOMESTIC FIXED INCO							
AFL-CIO Housing	7.1 %	5.1 %	3.0 %	4.6 %	4.2 %	12.1 %	8.6 %
Rank vs Fixed Income	34	28	25	41	66	6	43
Nicholas Applegate	3.6	10.2	3.8	9.1	21.2	4.8	3.6
Rank vs. High Yield	55	32	15	66	68	5	40
ING Clarion	-31.7	64.8	15.3	-	-	-	-
Rank vs Fixed Income	100	1	1	-	-	-	-
ING Clarion II	-6.6	-	-	-	-	-	-
Rank vs Fixed Income	100	-	-	-	-	-	-
PIMCO	8.4	4.8	3.4	5.6	6.9	-	-
Rank vs Fixed Income	13	37	18	20	21	-	-
Western Asset	4.7	5.2	2.4	6.5	7.1	-	-
Rank vs Fixed Income	80	27	56	15	18	-	-
Total Domestic Fixed	5.7	7.5	3.7	6.3	7.9	9.1	7.2
Rank vs Fixed Income	62	11	14	16	14	52	<i>75</i>
Median Fixed Income	6.5	4.5	2.5	4.4	4.6	9.2	8.4
Median High Yield Mgr.	3.8	9.0	2.5	9.8	24.0	-1.1	2.7
Lehman Universal	6.5	5.0	2.7	5.0	5.8	9.8	8.1
Lehman Aggregate	7.0	4.3	2.4	4.3	4.1	10.3	8.4
Citigroup Mortgage	7.0	5.2	2.7	4.8	3.1	8.8	8.2
ML High Yield II	2.1	11.7	2.7	10.8	28.1	-1.9	
T-Bills	5.0	4.8	3.1	1.3	1.1	1.8	4.4
ALTERNATIVE INVESTM	TENTS						
Adams Street**	27.9	23.5	17.0	13.0	4.5	-10.9	-28.9
Bay Area Equity Fund**	63.6	-6.5	1.9	_	_	_	-
Energy Investor Fund**	2.2	12.7	84.2	_	_	_	_
Energy Investor Fund II**	12.5	_	_	_	_	_	_
Nogales**	21.2	11.0	13.1	_	_	_	_
Pathway**	50.4	21.4	42.5	12.2	0.2	-23.1	-33.9
Hancock PT Timber Fund	14.7	12.1	9.8	6.9	3.8	-1.1	0.2
Total Alternative	28.0	19.2	33.3	11.4	3.5	-9.3	-22.8
S&P 500 + 400 bps	9.7	19.8	8.9	14.9	32.7	-18.1	-7.9

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

^{**} Performance as of September 30, 2007.

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YEAR BY YEAR PERFORMANCE STATISTICS Performance through Fourth Quarter, 2007

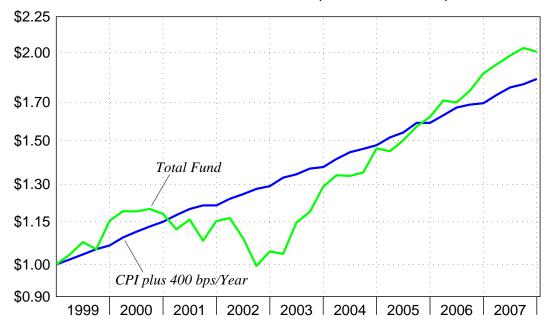
	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
REAL ESTATE							
Adelante Capital REIT	-16.9 %	38.2 %	16.7 %	36.9 %	36.1 %	4.2 %	- %
Rank	55	13	4	11	53	47	-
BlackRock Realty	14.8	23.8	28.7	-	-	-	-
Rank	44	27	11	-	-	-	-
DLJ RECP I**	34.2	41.2	14.2	11.8	4.2	6.8	9.0
Rank	2	6	62	54	84	39	35
DLJ RECP II**	34.8	35.7	51.3	33.8	25.8	9.9	4.9
Rank	1	<i>17</i>	4	19	28	14	66
DLJ RECP III**	30.5	10.2	-	-	-	-	-
Rank	2	<i>79</i>	-	-	-	-	-
FFCA	-27.1	25.3	29.3	14.5	9.6	9.9	10.2
Rank	98	25	11	39	43	13	21
Fidelity II	5.0	16.5	16.1	-	-	-	-
Rank	<i>74</i>	45	51	-	_	-	-
Invesco Fund I	10.4	38.1	-	_	_	-	-
Rank	63	10	-	-	-	-	-
Prudential SPF II	45.3	83.8	38.3	19.7	12.4	6.5	4.1
Rank	1	1	7	30	33	40	68
Willows Office Property	44.5	7.4	7.5	-8.9	7.9	8.2	66.1
Rank	1	<i>87</i>	80	96	<i>67</i>	29	1
Total Real Estate	-3.0	33.8	20.4	30.4	25.6	7.5	10.2
Rank	<i>82</i>	20	29	23	28	35	25
Median Real Estate	13.9	15.6	16.7	12.3	9.5	4.8	7.3
DJ Wilshire REIT Index	-17.6	36.0	13.8	33.1	36.2	3.6	12.2
NCREIF Property Index	15.8	16.6	20.1	14.5	9.0	6.7	6.3
CCCERA Total Fund	7.3	15.3	10.8	13.38	23.5	-9.5	-2.4
Rank vs. Total Fund	45	13	5	15	20	63	54
Rank vs. Public Fund	42	11	2	8	19	69	47
Median Total Fund	7.1	12.0	6.1	10.4	19.1	-8.1	-1.6
Median Public Fund	6.9	11.9	6.0	10.0	20.4	-8.0	-2.4
CPI + 400 bps	8.3	6.6	7.6	7.4	6.5	6.5	5.5

^{**} Performance as of September 30, 2007.

Total Fund

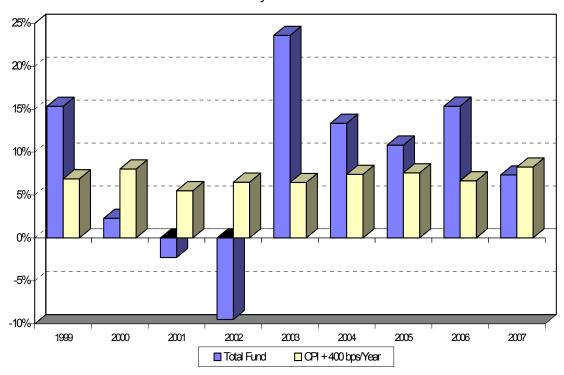
Total Fund vs. CPI plus 400 bps/Year

Cumulative Value of \$1 (Gross of Fees)

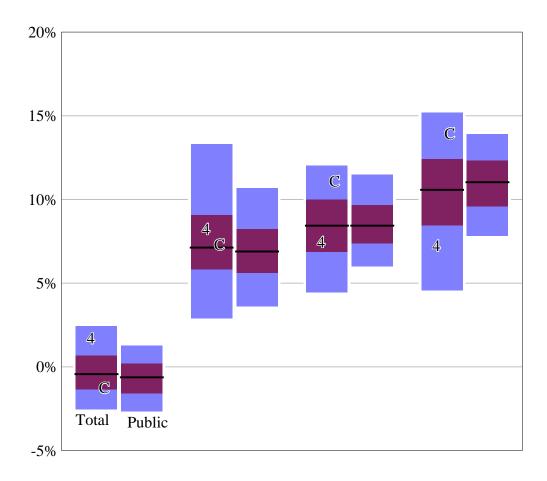


Total Fund vs. CPI plus 400 bps/Year

Year by Year Performance



Total Fund



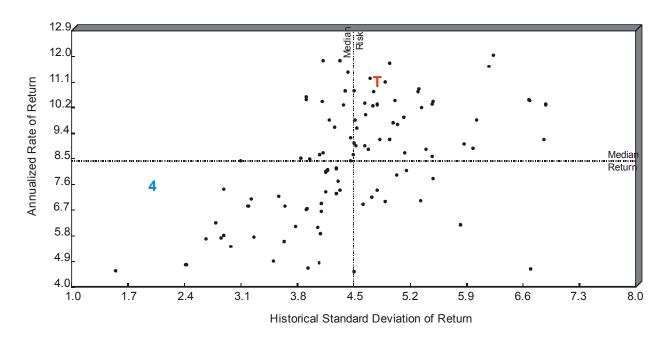
	<u>Last Qtr</u>	<u>1 Yr</u>	3 Yrs	<u>5 Yrs</u>
Total Fund (C)	-1.2	7.3	11.1	14.0
Rank v. Total	71	45	11	10
Rank v. Public	67	42	7	4
CPI plus 400bp (4)	1.7	8.3	7.5	7.3
Total Fund Median	-0.4	7.1	8.4	10.6
Public Fund Median	-0.6	6.9	8.4	11.0

CCCERA Total Fund returned -1.2% in the fourth quarter, below the -0.4% return of the median total fund and the -0.6% return of the median total public fund. For the one-year period, the Total Fund returned 7.3%, above 7.1% for the median total fund and 6.9% 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

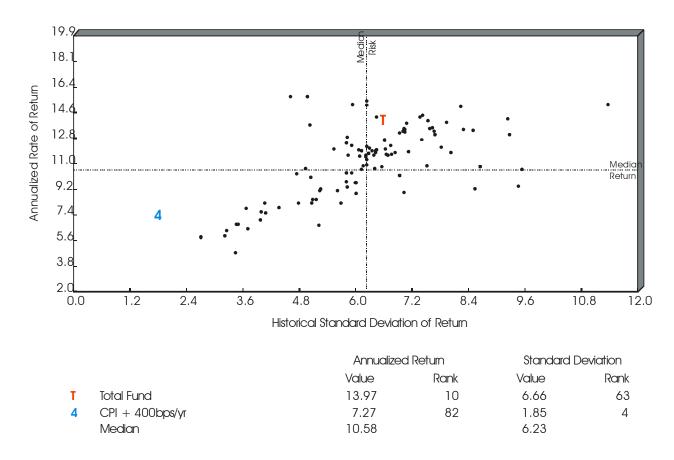




		Annualize	Annualized Return		Deviation
		Value	Rank	Value	Rank
Т	Total Fund	11.12	11	4.82	64
4	CPI + 400bps/yr	7.49	65	2.03	6
	Median	8.43		4.50	

Performance and Variability

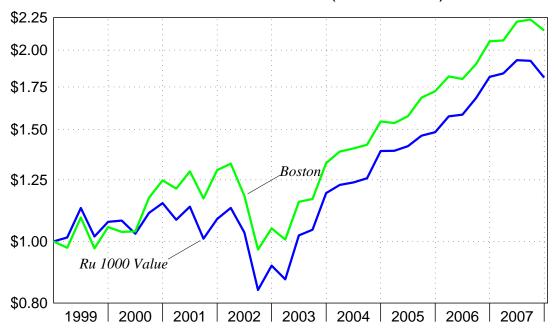
Five Years Ending December 31, 2007



Boston Partners

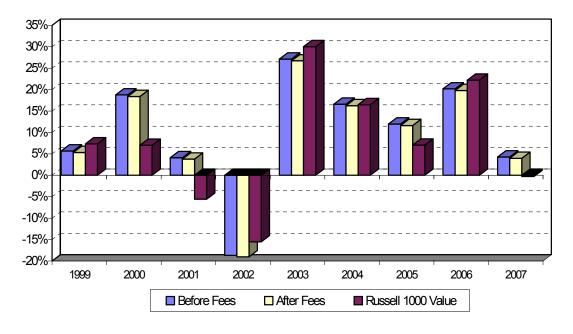
Boston Partners vs. Russell 1000 Value

Cumulative Value of \$1 (Net of Fees)

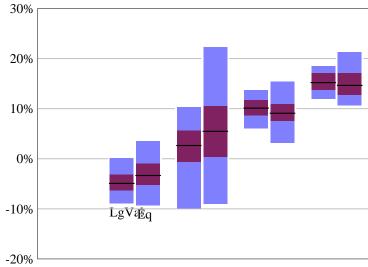


Boston vs. Russell 1000® Value

Year by Year Performance



Boston Partners



	Last Qtr	<u>1 Yr</u>	3 Yrs	5 Yrs
Boston (B)	-3.8	4.3	12.0	15.8
Rank v. Lg Value	35	34	21	41
Rank v. Equity	60	60	18	38
Rus. 1000® Val.	(r)-5.8	-0.2	9.3	14.6
Lg Value Median	1 - 4.9	2.7	10.1	15.2
Equity Median	-3.3	5.5	9.1	14.7

Portfolio	Boston	Russell
Characteristics	Partners	1000® Value
Eq Mkt Value (\$Mil)	333.3	N/A
Wtd. Avg. Cap (\$Bil)	97.2	115.6
Beta	0.94	0.97
Yield (%)	1.94	2.73
P/E Ratio	16.06	15.15
Cash (%)	2.7	0.0
Number of Holdings	80	618
Turnover Rate (%)	68.6	-

Boston	Russell
Partners	1000® Value
12.2 %	16.5 %
1.6	4.1
10.3	10.6
10.3	7.2
4.3	8.7
15.7	7.3
23.5	29.1
17.3	3.4
3.6	6.5
1.2	6.7
	Partners 12.2 % 1.6 10.3 10.3 4.3 15.7 23.5 17.3 3.6

Boston Partners' fourth quarter return of -3.8% was better than the -5.8% return of the Russell 1000® Value Index and ranked in the 35th percentile of large value managers. For the one-year period, Boston Partners returned 4.3%, better than the -0.2% return of the Russell 1000® Value Index. Over both the three and five-year periods, Boston Partners' performance was above the median large value equity manager and exceeded the Russell 1000® Value Index. Boston Partners is in compliance with CCCERA's performance objectives.

The portfolio had a higher P/E ratio than the index and a lower yield than the index. It included 80 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 financials, utilities and consumer staples sectors.

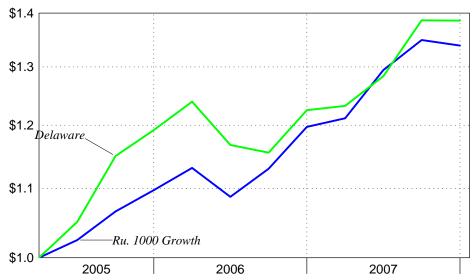
Boston Partners' fourth quarter performance relative to the Russell 1000® Value Index was helped by stock selection decisions but hurt by sector allocation decisions. Stock selection decisions in the information technology and consumer discretionary sectors had the strongest positive impacts on the portfolio. Top performing holdings included Microsoft (+21%), Berkshire Hathaway (+20%) and Apache Corp (+20%), while the worst performing holdings included MBIA (-69%), Avis Budget Group (-43%) and Freddie Mac (-42%).

MANAGER COMMENTS - DOMESTIC EQUITY

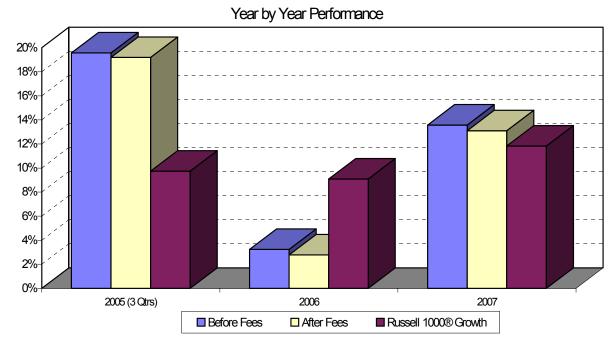
Delaware

Delaware vs. Ru. 1000 Growth

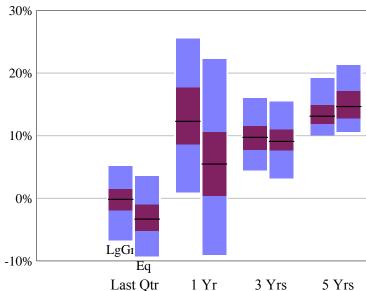
Cumulative Value of \$1 (Net of Fees)



Delaware vs. Russell 1000® Growth



Delaware



1070	Eq			
	Last Qtr	<u>1 Yr</u>	3 Yrs	5 Yrs
Delaware (D)	0.1	13.6	-	-
Rank v. Lg Grow	vth 47	44	-	-
Rank v. Equity	18	15	-	-
Ru 1000® Gro (R) -0.8	11.8	8.7	12.1
Lg Growth Med	ian -0.2	12.3	9.7	13.1
Equity Median	-3.3	5.5	9.1	14.7

Portfolio		1000®
Characteristics	Delaware	Growth
Eq Mkt Value (\$Mil)	383.58	N/A
Wtd. Avg. Cap (\$Bil)	57.80	78.8
Beta	1.15	1.08
Yield (%)	0.68	1.11
P/E Ratio	28.07	21.61
Cash (%)	0.7	0.0
Number of Holdings	30	689
Turnover Rate (%)	19.2	-

Duccoll

Russell

		russen
		1000®
Sector	Delaware	Growth
Energy	0.0 %	8.8 %
Materials	3.6	3.4
Industrials	5.9	13.0
Cons. Discretionary	14.2	11.2
Consumer Staples	8.9	10.3
Health Care	16.1	15.9
Financials	8.9	7.0
Info Technology	39.4	28.3
Telecom Services	3.1	0.7
Utilities	0.0	1.4

Delaware's return of 0.1% for the fourth quarter was better than the -0.8% return of the Russell 1000® Growth Index, ranking in the 47th percentile in the universe of large growth equity managers. Over the past year, the portfolio returned 13.6%, exceeding the Russell 1000® Growth Index return of 11.8%, and ranked in the 44th percentile of large growth equity managers. The portfolio got off to a good start in early 2005; since inception performance exceeds 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 30 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 utilities sectors.

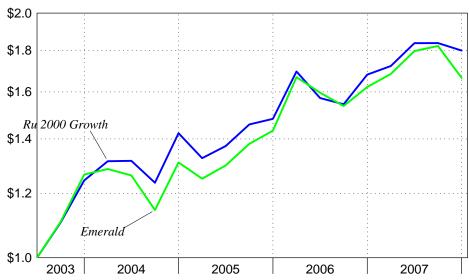
Delaware's fourth quarter performance relative to the Russell 1000® Growth Index was boosted significantly by stock selection but hurt by sector allocation decisions. Stock selection in the financials and consumer discretionary sectors had the most positive impacts. Trading decisions had a small negative impact on performance for the quarter. The top performing holdings included Mastercard (+46%), Apple Computer (+29%) and Intercontinental Exchange (+27%). The worst performing holdings included Sandisk (-40%), Weight Watchers (-21%) and Sun Microsystems (-19%).

MANAGER COMMENTS - DOMESTIC EQUITY

Emerald

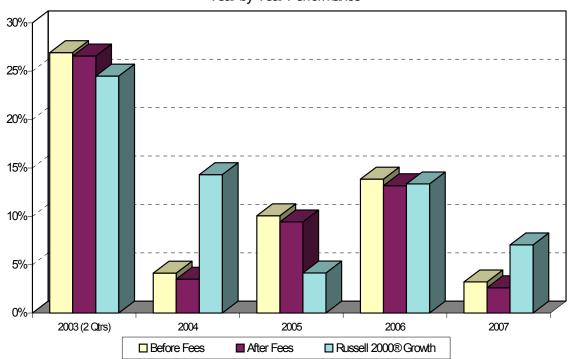
Emerald vs. Rus. 2000 Growth

Cumulative Value of \$1 (Net of Fees)

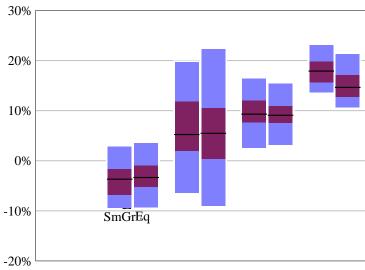


Emerald vs. Russell 2000® Growth

Year by Year Performance



Emerald



	Last Qtr	<u>1 Yr</u>	3 Yrs	5 Yrs
Emerald (E)	-8.5	3.2	9.0	-
Rank v. Sm. Gro	90	64	54	-
Rank v. Equity	92	64	52	-
Ru 2000® Gro (R) -2.1	7.1	8.1	16.5
Sm. Gro Median	-3.7	5.3	9.3	17.9
Equity Median	-3.3	5.5	9.1	14.7

Portfolio		2000®
Characteristics	Emerald	Growth
Eq Mkt Value (\$Mil)	140.00	N/A
Wtd. Avg. Cap (\$Bil)	1.77	1.59
Beta	1.65	1.46
Yield (%)	0.14	0.56
P/E Ratio	35.67	44.89
Cash (%)	4.6	0.0
Number of Holdings	129	1,269
Turnover Rate (%)	97.6	-

Russell

Russell

		2000®
Sector	Emerald	Growth
Energy	4.1 %	7.2 %
Materials	1.9	4.0
Industrials	16.2	16.9
Cons. Discretionary	9.1	15.3
Consumer Staples	3.1	2.5
Health Care	22.2	21.7
Financials	4.2	7.7
Info Technology	36.6	23.0
Telecom Services	2.7	1.3
Utilities	0.0	0.5

Emerald's return of -8.5% for the fourth quarter was well below the -2.1% return of the Russell 2000® Growth index and ranked in the 90th percentile in the universe of small growth equity managers. For the one-year period, Emerald returned 3.2%, below the 7.1% return of the Russell 2000® Growth and ranked in the 64th percentile in the universe of small growth equity managers. Over the three-year period, Emerald returned 9.0%, above the 8.1% return of the index, but ranked in the 54th percentile of small growth managers. Emerald is in compliance with some of CCCERA's performance objectives over the past three years.

The portfolio has a beta of 1.65x compared to 1.46x for the Russell 2000® Growth Index and has a well below-index yield. It includes 129 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 and telecom services sectors. The largest underweightings are in the consumer discretionary, financials and energy sectors.

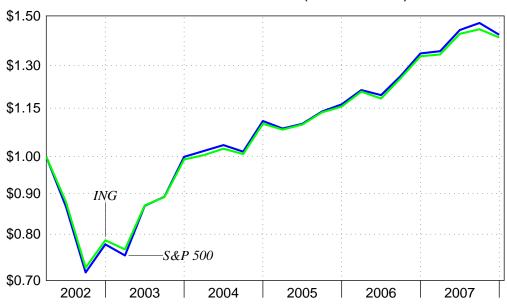
Emerald's fourth quarter performance relative to the Russell 2000® Growth Index was hindered primarily by stock selection decisions. Stock selection was weakest in the consumer discretionary and information technology sectors. Trading decisions had a small positive impact on performance for the quarter. The top performing holdings included Evergreen Solar (+93%), Biomarin Pharmaceuticals (+42%) and Demandtec (+41%). The worst performing holdings included Smith & Wesson (-68%), Smith Micro Software (-47%) and Environmental Tectonics (-45%).

MANAGER COMMENTS - DOMESTIC EQUITY

ING Investment

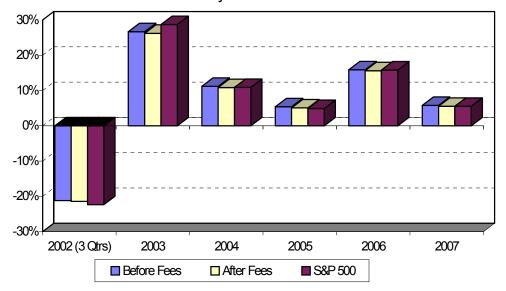
ING vs. S&P 500

Cumulative Value of \$1 (Net of Fees)



ING vs. S&P 500

Year by Year Performance



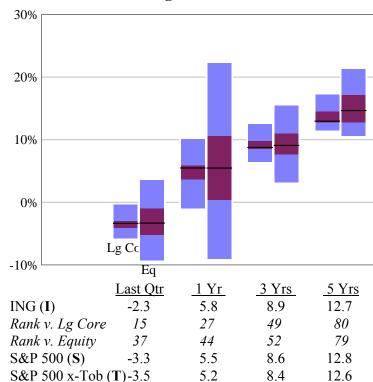
ING Investment Management

Lg Core Median

Equity Median

-3.4

-3.3



5.5

5.5

Portfolio		
Characteristics	ING	S&P 500
Eq Mkt Value (\$Mil)	289.77	N/A
Wtd. Avg. Cap (\$Bil)	110.25	108.01
Beta	1.00	1.00
Yield (%)	1.78 %	1.98 %
P/E Ratio	16.96	17.56
Cash (%)	0.0 %	0.0 %
Number of Holdings	249	500
Turnover Rate (%)	96.7	-

Sector	ING	S&P 500
Energy	13.4 %	12.9 %
Materials	3.3	3.3
Industrials	11.5	11.5
Cons. Discretionary	9.5	8.5
Consumer Staples	9.6	10.2
Health Care	11.4	12.0
Financials	17.1	17.6
Info Technology	17.5	16.8
Telecom Services	3.0	3.6
Utilities	3.8	3.6

ING's return of -2.3% for the fourth quarter was better the -3.3% return of the S&P 500 and the -3.5% return of the S&P 500 ex-Tobacco, and ranked in the 15th percentile in the universe of large core equity managers. For the one-year period, ING returned 5.8%, better than the 5.5% return of the S&P 500 and the Tobacco-free Index return of 5.2%. ING has exceeded the S&P 500 over the past three years but slightly trailed over the past five years. ING is not in compliance with CCCERA's performance objectives over the past five years. As of June 2005, ING stopped using Innovest's rankings, but the portfolio is still tobacco-free (as are all CCCERA US equity portfolios).

13.0

14.7

8.8

9.1

The portfolio had a market beta, a lower yield and a below-market P/E ratio. It included 249 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 information technology sectors, while the largest under-weightings were in the consumer staples and telecom services sectors.

ING's performance for the fourth quarter relative to the S&P 500 was helped slightly by stock selection decisions. The bulk of the fourth quarter performance came from active trading decisions. The best performing holdings during the quarter included Hess Corp (+52%), MEMC Electric Materials (+50%) and Archer Daniels Midland (+41%), while the worst performing holdings included MBIA (-69%), SLM Corp (-59%) and Ambac Financial Group (-59%).

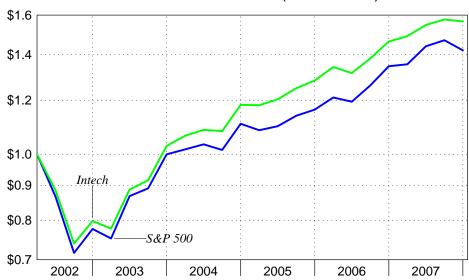
The strategy rebounded after a difficult third quarter. Vincent Costa reported that ING responded to the August difficulties by cutting its targeted tracking error in half and holding more securities. They also recalibrated factor weights in their quantitative model to adjust to the new growth market environment.

MANAGER COMMENTS - DOMESTIC EQUITY

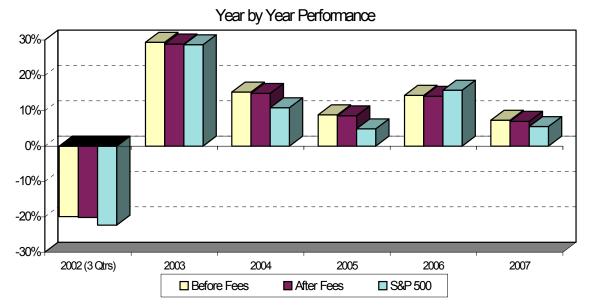
Intech - Enhanced Plus

Intech Enhanced Plus vs. S&P 500

Cumulative Value of \$1 (Net of Fees)



Intech Enhanced Plus vs. S&P 500



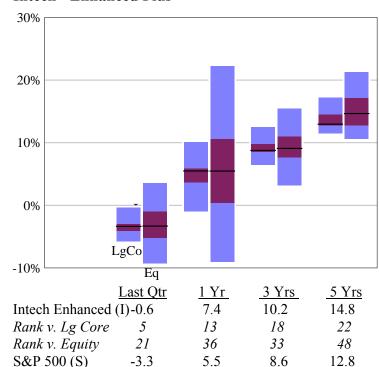
Intech - Enhanced Plus

Lg Core Median

Equity Median

-3.4

-3.3



5.5

5.5

8.8

9.1

	Intech -	
Portfolio	Enhanced	
Characteristics	Plus	S&P 500
Eq Mkt Value (\$Mil)	26.81	N/A
Wtd. Avg. Cap (\$Bil)	104.45	108.01
Beta	1.01	1.00
Yield (%)	1.74 %	1.98 %
P/E Ratio	18.50	17.56
Cash (%)	0.4 %	0.0 %
Number of Holdings	289	500
Turnover Rate (%)	83.2	-

Intech -	
Enhanced	
Plus	S&P 500
11.9 %	12.9 %
3.8	3.3
13.1	11.5
11.8	8.5
9.5	10.2
14.1	12.0
10.1	17.6
12.8	16.8
5.4	3.6
7.4	3.6
	Enhanced Plus 11.9 % 3.8 13.1 11.8 9.5 14.1 10.1 12.8 5.4

Intech's return of -0.6% for the fourth quarter was much better than the -3.3% return of the S&P 500, ranking in the 5th percentile in the universe of large core equity managers. For the one-year period, Intech returned 7.4%, better than 5.5% for the S&P 500 and ranking in the 13th percentile. Over the past five years, Intech returned 14.8%, above the 12.8% return of the S&P 500, and ranked in the 22nd 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.

13.0

14.7

The portfolio has nearly the same beta as the market at 1.01x, a lower yield and an above-market P/E ratio. The portfolio has 289 holdings concentrated in large capitalization sectors. The largest economic sector over-weightings were in the utilities, consumer discretionary and health care sectors, while largest under-weightings were in the financials, information technology and energy sectors.

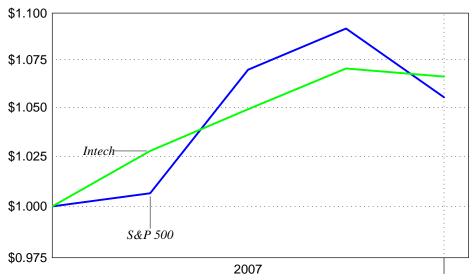
Intech's fourth quarter performance relative to the S&P 500 was helped by both stock selection and sector allocation decisions. Active trading decisions also had a positive impact on performance. Stock selection in the information technology sector and an underweight to the financials sector helped the most during the fourth quarter. The best performing portfolio stocks included Hess Corp (+52%), MEMC Electric Materials (+50%) and Trane Inc (+32%), while the worst performing holdings during the quarter included Washington Mutual (-61%), SLM Corp (-59%) and Big Lots (-46%).

MANAGER COMMENTS - DOMESTIC EQUITY

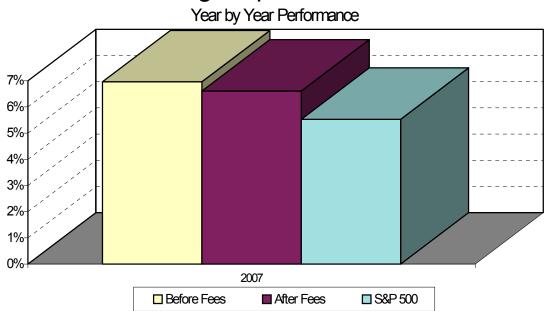
Intech - Large Cap Core

Intech Large Cap Core vs. S&P 500

Cumulative Value of \$1 (Net of Fees)



Intech Large Cap Core vs. S&P 500



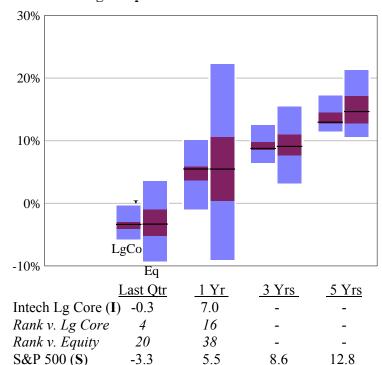
Intech - Large Cap Core

Lg Core Median

Equity Median

-3.4

-3.3



5.5

5.5

Portfolio	Intech -	
Characteristics	Large Cap	S&P 500
Eq Mkt Value (\$Mil)	270.23	N/A
Wtd. Avg. Cap (\$Bil)	102.89	108.01
Beta	1.02	1.00
Yield (%)	1.68 %	1.98 %
P/E Ratio	19.05	17.56
Cash (%)	0.3 %	0.0 %
Number of Holdings	257	500
Turnover Rate (%)	109.7	-

	Intech -	
Sector	Large Cap	S&P 500
Energy	11.6 %	12.9 %
Materials	4.0	3.3
Industrials	14.5	11.5
Cons. Discretionary	12.4	8.5
Consumer Staples	9.4	10.2
Health Care	14.3	12.0
Financials	6.7	17.6
Info Technology	12.1	16.8
Telecom Services	6.4	3.6
Utilities	8.5	3.6

Intech's Large Cap Core return of -0.3% for the fourth quarter was much better than the -3.3% return of the S&P 500 and ranked in the 4th percentile in the universe of large core equity managers. Over the past year, the new Intech portfolio has returned 7.0%, above the S&P 500 return of 5.5% and ranked in the 16th percentile of large core equity managers.

13.0

14.7

8.8

9.1

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 1.02x, a lower than market yield and an above-market P/E ratio. The portfolio has 257 holdings concentrated in large capitalization sectors. The largest economic sector over-weightings were in the utilities, consumer discretionary and industrials sectors, while largest under-weightings were in the financials, information technology and energy sectors.

Intech's fourth quarter performance relative to the S&P 500 was helped by 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 performance the most during the quarter. The best performing portfolio stocks included Hess Corp (+52%), MEMC Electric Materials (+50%) and Archer Daniels Midland (+41%), while the worst performing holdings during the quarter included Washington Mutual (-61%), SLM Corp (-59%) and Big Lots (-46%).

MANAGER COMMENTS - DOMESTIC EQUITY

PIMCO

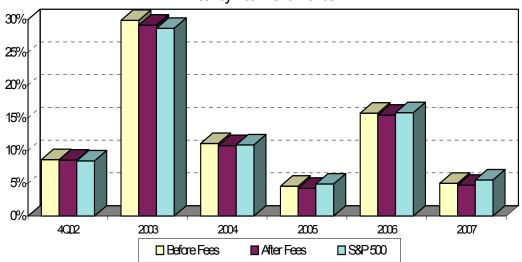
PIMCO Stocks Plus vs. S&P 500

Cumulative Value of \$1 (Net of Fees)

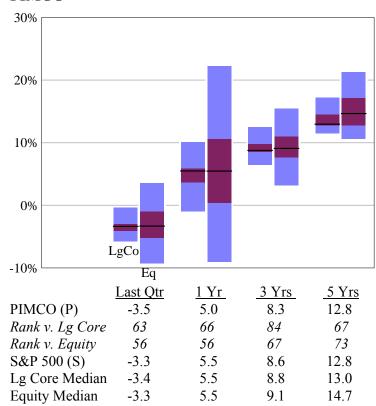


PIMOOVs. S&P 500

Year by Year Performance



PIMCO



Portfolio		
Characteristics	PIMCO	S&P 500
Eq Mkt Value (\$Mil)	270.1	N/A
Wtd. Avg. Cap (\$Bil)	*	108.01
Beta	*	1.00
Yield (%)	* %	1.98 %
P/E Ratio	*	17.56
Cash (%)	-3.2 %	0.0 %
Number of Holdings	*	500
Turnover Rate (%)	808.9	-

Sector	PIMCO	S&P 500
Energy	* %	12.9 %
Materials	*	3.3
Industrials	*	11.5
Cons. Discretionary	*	8.5
Consumer Staples	*	10.2
Health Care	*	12.0
Financials	*	17.6
Info Technology	*	16.8
Telecom Services	*	3.6
Utilities	*	3.6

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

PIMCO's StocksPLUS (futures plus cash) portfolio returned -3.5% for the fourth quarter, slightly trailing the -3.3% return of the S&P 500 and ranking in the 63rd percentile of large core managers. For the one-year period, PIMCO returned 5.0%, below the 5.5% return of the S&P 500, and ranked in the 66th percentile. Over the past three and five years, the portfolio has trailed the median larger core manager and trailed or matched the return of the S&P 500. The portfolio has not met the objective of exceeding the S&P 500 over the past three years, but has essentially matched the S&P 500 before fees since inception. With the return of an upward sloping yield curve PIMCO should be able to do better.

PIMCO's mix of fixed income strategies trailed the benchmark in the fourth quarter. Strategies that detracted from returns included corporate holdings, which experienced widening spreads, mortgage holdings that lagged Treasuries amid risking volatility and modest holdings of municipal bonds, which lagged taxable bonds amide concerns about liquidity and the credit quality of municipal bond insurers. Strategies that added value included US duration exposure which was focused on shorter maturities, strategies designed to benefit from US yield curve exposure and short duration asset-backed holdings.

PIMCO 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 maturities in the US and UK where central banks may cut rates by more than the market expects. They will also target high quality mortgages and continue to insulate the portfolio from the sub-prime market. 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

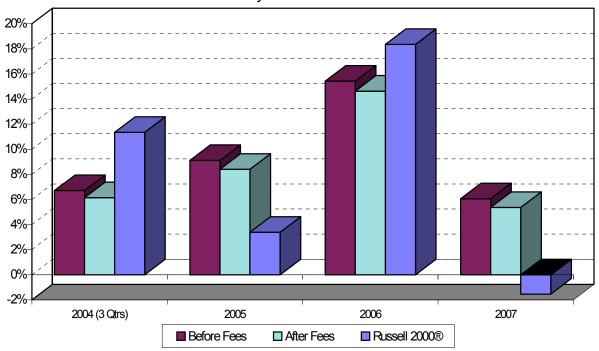
Progress vs. Russell 2000

Cumulative Value of \$1 (Net of Fees)

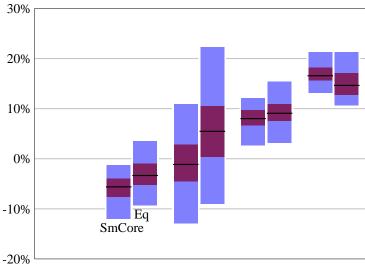


Progress vs. Russell 2000®

Year by Year Performance



Progress



<u>]</u>	Last Qtr	<u>1 Yr</u>	3 Yrs	5 Yrs
Progress (P)	-4.2	6.1	10.1	-
Rank v. Small Cor	e 26	15	17	-
Rank v. Equity	64	42	33	-
Russell 2000® (R)	-4.6	-1.6	6.8	16.3
Small Cap Median	-5.6	-1.1	8.0	16.6
Equity Median	-3.3	5.5	9.1	14.7

Portfolio		Russell
Characteristics	Progress	2000®
Eq Mkt Value (\$Mil)	153.32	N/A
Wtd. Avg. Cap (\$Bil)	2.10	1.41
Beta	1.38	1.38
Yield (%)	0.92 %	1.29 %
P/E Ratio	27.12	31.22
Cash (%)	0.0 %	0.0 %
Number of Holdings	561	1,930
Turnover Rate (%)	0.6	-

		Russell
Sector	Progress	2000®
Energy	8.0 %	6.7 %
Materials	7.0	5.6
Industrials	17.3	15.1
Cons. Discretionary	15.8	13.4
Consumer Staples	2.6	3.1
Health Care	13.3	14.4
Financials	12.2	18.9
Info Technology	18.4	18.3
Telecom Services	1.7	1.5
Utilities	3.7	3.0

Progress, a manager of emerging managers that themselves invest in small capitalization stocks, returned -4.2% for the fourth quarter, better than the -4.6% return of the Russell 2000® Index and ranking in the 26th percentile of small core managers. Over the past year, Progress returned 6.1%, well above the -1.6% return of the Russell 2000® Index, and ranked in the 15th percentile of small cap equity managers. Over the past three years, Progress has exceeded its benchmark and has ranked in the 17th percentile of the small core universe. Progress is in compliance with the CCCERA performance objectives.

The portfolio had a beta of 1.38x, the same as that of the Russell 2000® Index. The portfolio had a below-market yield and a below-market P/E ratio. It included 561 stocks, concentrated in the small and mid capitalization sectors. Progress' largest economic sector over-weightings relative to the Russell 2000® were in the consumer discretionary, industrials and materials sectors, while the largest under-weightings were in the financials, health care and consumer staples sectors.

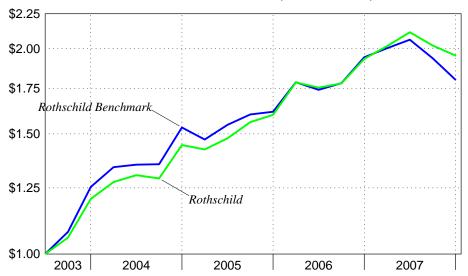
The portfolio's fourth quarter performance was boosted relative to the Russell 2000® by sector allocation and active trading decisions. An underweight to the financials sector had the most positive sector allocation impact. Aggregate trading decisions had a positive impact on performance. During the quarter, the best performing holdings included Canadian Solar (+198%), Solarfun Power Holdings (+147%) and First Solar (+127%). The worst performing holdings included the Delta Apparel (-58%), Compucredit (-54%) and US Concrete (-49%).

MANAGER COMMENTS – DOMESTIC EQUITY

Rothschild

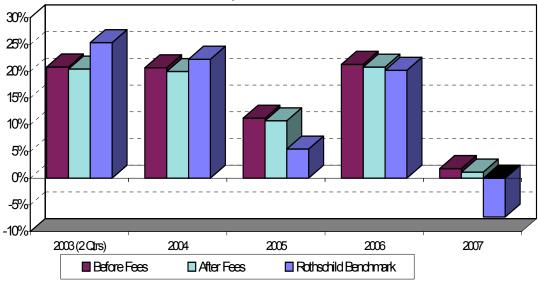
Rothschild vs. Custom Bench

Cumulative Value of \$1 (Net of Fees)



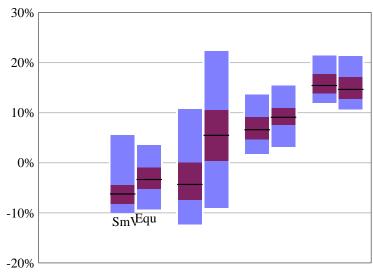
Rothschild vs. Oustom Benchmark

Year by Year Performance



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

Rothschild



<u>L</u>	ast Qtr	<u>1 Yr</u>	3 Yrs	5 Yrs
Rothschild (R)	-3.2	1.8	11.2	-
Rank v. Sm. Value	12	16	7	-
Rank v. Equity	45	70	23	-
Custom Bench (B)	-7.0	-7.3	5.5	16.0
Sm. Value Median	-6.2	-4.3	6.6	15.4
Equity Median	-3.3	5.5	9.1	14.7

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

Portfolio		Russell 2500 TM
Characteristics	Rothschild	Value
Eq Mkt Value (\$Mil)	147.83	N/A
Wtd. Avg. Cap (\$Bil)	2.59	2.52
Beta	1.21	1.21
Yield (%)	1.46 %	2.28 %
P/E Ratio	17.35	19.65
Cash (%)	0.7 %	0.0 %
Number of Holdings	137	1,611
Turnover Rate (%)	98.5	-

		2500^{TM}
Sector	Rothschild	Value
Energy	5.9 %	5.9 %
Materials	6.8	8.6
Industrials	15.0	11.7
Cons. Discretionary	9.3	10.1
Consumer Staples	5.0	4.1
Health Care	8.6	5.3
Financials	24.8	31.5
Info Technology	13.7	10.1
Telecom Services	1.1	1.8
Utilities	10.0	10.9

Russell

Rothschild's return of -3.2% for the fourth quarter was better than the -7.0% return of the Russell 2500TM Value Index and ranked in the 12th percentile in the universe of small value equity managers. For the one-year period, Rothschild returned 1.8%, exceeding the custom benchmark return of -7.3% and ranked in the 16th percentile. Over the past three years, Rothschild exceeded its custom benchmark and ranked the 7th percentile. This portfolio is in compliance with the CCCERA performance objectives.

The portfolio had a beta of 1.21x, the same as the Index, a below-index yield and a below-index P/E ratio. It included 137 stocks, concentrated in the small and mid capitalization sectors. Rothschild's largest economic sector over-weightings relative to the Russell 2500TM were in the information technology, industrials and health care sectors, while the largest under-weightings were in the financials, materials and utilities sectors.

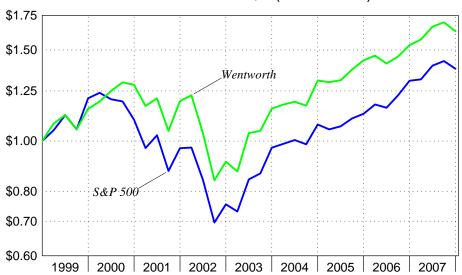
Rothschild's fourth quarter performance relative to the Russell 2500TM Value index was helped by both stock selection and sector allocation decisions. Trading decisions also had a positive impact on performance. Stock selection in the consumer discretionary, industrial and materials sectors had the largest positive impacts on the portfolio during the fourth quarter. The best performing portfolio stocks were Perrigo (+64%), Terra Industrials (+53%) and Devry (+41%). The worst performing holdings included Advanta Corp (-70%), Ellis Perry Intl (-46%) and Colonial Bankcorp (-37%).

MANAGER COMMENTS - DOMESTIC EQUITY

Wentworth, Hauser and Violich

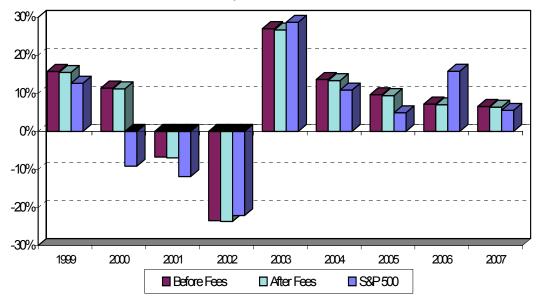
Wentworth, Hauser vs. S&P 500

Cumulative Value of \$1 (Net of Fees)



Wentworth vs. S&P 500

Year by Year Performance



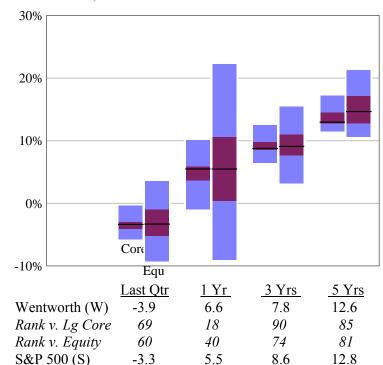
Wentworth, Hauser and Violich

Lg Core Median

Equity Median

-3.4

-3.3



5.5

5.5

Portfolio		
Characteristics	Wentworth	S&P 500
Eq Mkt Value (\$Mil)	279.61	N/A
Wtd. Avg. Cap (\$Bil)	85.34	108.01
Beta	1.02	1.00
Yield (%)	1.72	1.98
P/E Ratio	17.64	17.56
Cash (%)	2.6	0.0
Number of Holdings	37	500
Turnover Rate (%)	37.0	-

Wentworth	S&P 500
16.6 %	12.9 %
0.0	3.3
14.4	11.5
6.3	8.5
16.1	10.2
12.6	12.0
12.8	17.6
17.6	16.8
0.0	3.6
3.7	3.6
	16.6 % 0.0 14.4 6.3 16.1 12.6 12.8 17.6 0.0

Wentworth's return of -3.9% for the fourth quarter was below the -3.3% return of the S&P 500 and ranked in the 69th percentile of large core managers. For the one-year period, Wentworth returned 6.6%, above the 5.5% return of the S&P 500, and ranked in the 18th percentile. Wentworth has trailed the S&P 500 over the past three years and slightly trailed 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 not in compliance with CCCERA performance guidelines.

13.0 14.7

8.8

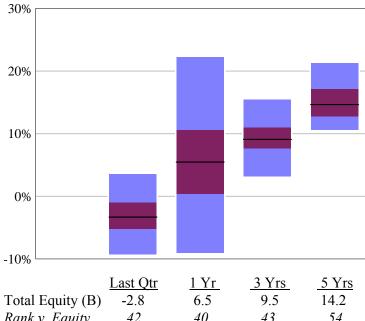
9.1

The portfolio has an above-market beta of 1.02x, 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 industrials sectors, while largest under-weightings are in the financials, telecom services and materials sectors.

Wentworth's fourth quarter performance relative to the S&P 500 was hurt by stock selection decisions but helped somewhat by sector allocation decisions. Stock selection in the consumer staples and energy sectors was particularly weak. The best performing portfolio stocks included Microsoft (+21%), Unitedhealth Group (+20%) and Viacom (+13%) while the worst performing holdings included Broadcom (-28%), Merrill Lynch (-24%) and Cadence Designs (-23%).

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Total Domestic Equity



Total Equity (B) Rank v. Equity Russell 3000® (R	Last Qtr	1 Yr	3 Yrs	5 Yrs
	-2.8	6.5	9.5	14.2
	42	40	43	54
) -3.4	5.1	8.9	13.6
Equity Median	-3.3	5.1	8.9 9.1	13.6

Portfolio		Russell
Characteristics	Total Fund	3000®
Eq Mkt Value (\$Mil)	2,294.56	N/A
Wtd. Avg. Cap (\$Bil)	74.57	88.72
Beta	1.10	1.06
Yield (%)	1.45 %	1.83 %
P/E Ratio	20.95	18.60
Cash (%)	0.8 %	0.0 %
Number of Holdings	1,143	2,929
Turnover Rate (%)	151.2	-

		Russell
Sector	Total Fund	3000®
Energy	9.7 %	12.0 %
Materials	3.2	3.9
Industrials	12.0	12.1
Cons. Discretionary	10.7	9.6
Consumer Staples	8.4	9.0
Health Care	14.0	12.0
Financials	14.3	17.6
Info Technology	21.4	16.6
Telecom Services	3.0	3.3
Utilities	3.5	3.9

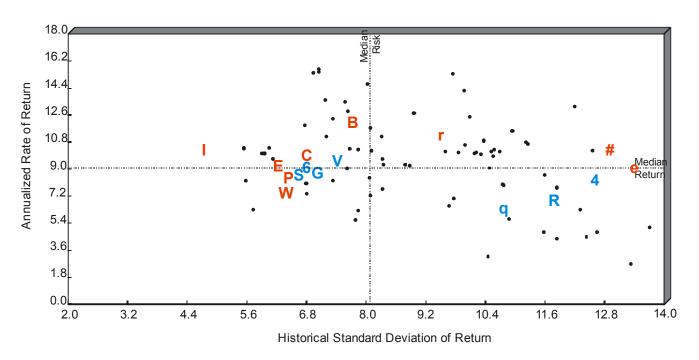
CCCERA total domestic equities returned -2.8% in the fourth quarter, above the -3.4% return of the Russell 3000® Index, and ranked in the 42nd percentile of all equity managers. For the oneyear period, the CCCERA equity return of 6.5% exceeded the 5.1% return of the Russell 3000® and the 5.5% return of the median manager. Over the past three and five years, CCCERA domestic equities exceed 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 1.10x, a below-index yield and an aboveindex P/E ratio. The portfolio is broadly diversified with 1,143 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 and energy sectors.

MANAGER COMMENTS – DOMESTIC EQUITY

Domestic Equity Performance and Variability

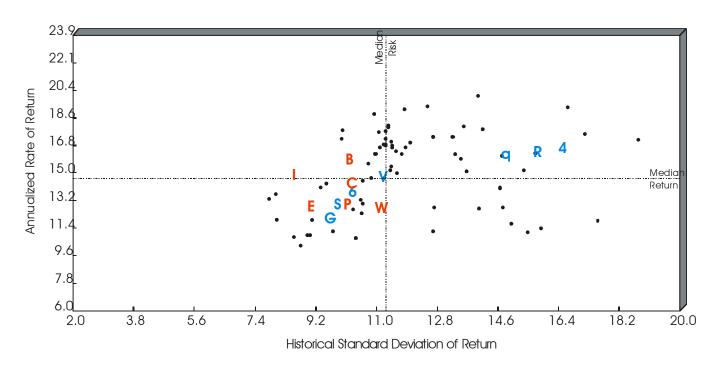
Three Years Ending December 31, 2007



		Annualized Return		Standard Deviation	
		Value	Rank	Value	Rank
В	Boston Partners	11.96	18	7.75	47
е	Emerald Advisors	8.95	52	13.44	94
Е	ING Investment Mgmt	8.91	52	6.41	15
1	Intech Enhanced Plus	10.15	33	4.83	3
P	PIMCO StocksPLUS	8.32	67	6.64	24
#	Progress Investment Mgmt Co	10.13	33	12.96	92
r	Rothschild Asset Management	11.16	23	9.58	66
W	Wentworth, Hauser & Violich	7.79	74	6.42	15
C	Domestic Equity	9.54	43	6.80	29
6	Russell 3000®	8.90	53	6.74	27
S	Standard & Poors 500	8.63	59	6.63	22
G	Russell 1000 Growth®	8.69	56	6.98	34
V	Russell 1000 Value ®	9.30	46	7.45	42
R	Russell 2000 ®	6.80	81	11.81	87
4	Russell 2000 Growth ®	8.11	70	12.65	91
q	Russell 2500 Value ®	6.28	83	10.80	78
	Median	9.08		8.08	

Domestic Equity Performance and Variability

Five Years Ending December 31, 2007



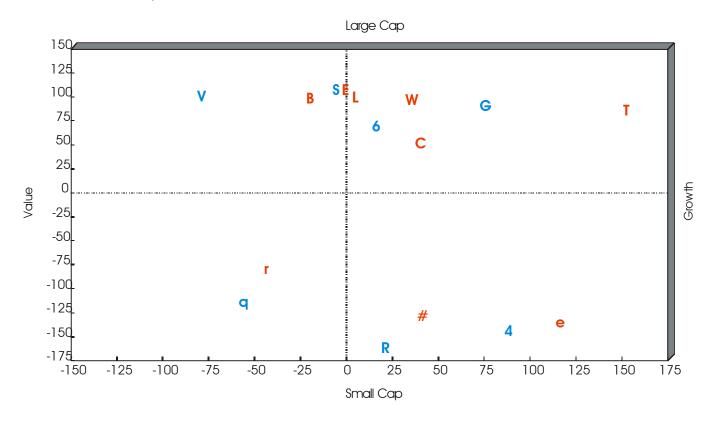
		Annualized Return		Standard I	Deviation
		Value	Rank	Value	Rank
В	Boston Partners	15.78	38	10.28	33
E	ING Investment Mgmt	12.70	79	9.16	10
1	Intech Enhanced Plus	14.79	48	8.69	8
P	PIMCO StocksPLUS	12.83	73	10.23	32
W	Wentworth, Hauser & Violich	12.58	81	11.17	49
C	Domestic Equity	14.23	54	10.31	33
6	Russell 3000®	13.63	63	10.36	34
S	Standard & Poors 500	12.83	73	9.96	24
G	Russell 1000 Growth®	12.11	86	9.78	17
V	Russell 1000 Value®	14.62	50	11.28	51
R	Russell 2000®	16.25	33	15.85	89
4	Russell 2000 Growth®	16.50	31	16.58	91
q	Russell 2500 Value®	16.16	34	14.90	85
	Median	14.65		11.28	

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MANAGER COMMENTS - DOMESTIC EQUITY

Domestic Equity Style Map

As of December 31, 2007



	Growth-Value	Size
B Boston Partners	-18.16	96.92
T Delaware	154.50	84.36
e Emerald Advisors	117.43	-137.25
E ING Investment Mgmt	1.13	105.98
Intech Enhanced Plus	7.25	97.51
L Intech Large Cap Core	7.01	98.19
# Progress Investment Mgmt Co	42.21	-130.19
r Rothschild Asset Management	-41.13	-81.27
W Wentworth, Hauser & Violich	36.15	95.02
C Domestic Equity	40.91	49.45
S Standard & Poors 500	-4.08	105.19
G Russell 1000 Growth®	76.18	89.42
V Russell 1000 Value®	-77.18	98.65
Russell 2000®	22.49	-162.92
4 Russell 2000 Growth®	89.61	-145.75
q Russell 2500 Value ®	-62.32	-94.84
6 Russell 3000®	4.83	73.40

			Russell		Russell	
	Russell	Combined	1000®		1000®	
	3000®	Equity	Value	Boston	Growth	Delaware
	12/31/2007	12/31/2007	12/31/2007	12/31/2007	12/31/2007	12/31/2007
Equity Market Value		2,294,559,960		333,267,801		383,581,136
	1.06	1 10	0.05	0.04	1.00	1 15
Beta	1.06	1.10	0.97	0.94	1.08	1.15
Yield	1.83	1.45	2.73	1.94	1.11	0.68
P/E Ratio	18.60	20.95	15.15	16.06	21.61	28.07
Standard Error	1.05	2.36	1.42	1.56	1.75	4.44
R^2	0.96	0.82	0.92	0.89	0.89	0.57
Wtd Cap Size (\$Mil)	88,721	74,572.17	115,573	97,204	78,829	57,802
Avg Cap Size (\$Mil)	1,082	19,317.41	5,200	22,240	5,858	22,287
Number of Holdings	2,929	1,143	618	80	689	30
Economic Sectors						
Energy	11.97	9.65	16.49	12.16	8.75	0.00
Materials	3.88	3.18	4.06	1.62	3.44	3.59
Industrials	12.10	12.02	10.60	10.31	12.96	5.87
Consumer Discretionary	9.63	10.66	7.22	10.33	11.19	14.21
Consumer Staples	9.02	8.38	8.73	4.31	10.27	8.89
Health Care	12.02	13.98	7.28	15.66	15.93	16.11
Financials	17.63	14.26	29.07	23.53	7.04	8.85
Information Technology	16.59	21.35	3.35	17.31	28.31	39.39
Telecom. Services	3.30	3.01	6.50	3.57	0.69	3.10
Utilities	3.86	3.51	6.69	1.21	1.43	0.00

Cap Wtd 12/31/2007 ING 12/31/2007 Enhanced 12/31/2007 Large Cap 12/31/2007 StocksPLUS 12/31/2007 Wentworth 12/31/2007 Equity Market Value 289,769,999 26,806,567 270,232,361 270,142,592 279,611,596 Beta 1.00 1.00 1.01 1.02 1.00 1.02 Yield 1.98 1.78 1.74 1.68 1.98 1.72 P/E Ratio 17.56 16.96 18.50 19.05 17.56 17.64 Standard Error R ² 1.00 0.00 1.02 1.35 1.48 0.00 2.09 R ² 1.00 0.95 0.93 0.91 1.00 0.83 Wtd Cap Size (\$Mil) 108,013 110,249 104,449 102,889 108,013 85,343 According (\$Mil) 108,013 110,500 147,100 147,100 147,217 140,2707 140,206		S&P 500		Intech	Intech	PIMCO	
Equity Market Value 289,769,999 26,806,567 270,232,361 270,142,592 279,611,596 Beta 1.00 1.00 1.01 1.02 1.00 1.02 Yield 1.98 1.78 1.74 1.68 1.98 1.72 P/E Ratio 17.56 16.96 18.50 19.05 17.56 17.64 Standard Error 0.00 1.02 1.35 1.48 0.00 2.09 R² 1.00 0.95 0.93 0.91 1.00 0.83 Wtd Cap Size (\$Mil) 108,013 110,249 104,449 102,889 108,013 85,343		Cap Wtd	ING	Enhanced	Large Cap	StocksPLUS	Wentworth
Beta 1.00 1.00 1.01 1.02 1.00 1.02 Yield 1.98 1.78 1.74 1.68 1.98 1.72 P/E Ratio 17.56 16.96 18.50 19.05 17.56 17.64 Standard Error 0.00 1.02 1.35 1.48 0.00 2.09 R² 1.00 0.95 0.93 0.91 1.00 0.83 Wtd Cap Size (\$Mil) 108,013 110,249 104,449 102,889 108,013 85,343	_	12/31/2007	12/31/2007	12/31/2007	12/31/2007	12/31/2007	12/31/2007
Yield 1.98 1.78 1.74 1.68 1.98 1.72 P/E Ratio 17.56 16.96 18.50 19.05 17.56 17.64 Standard Error 0.00 1.02 1.35 1.48 0.00 2.09 R² 1.00 0.95 0.93 0.91 1.00 0.83 Wtd Cap Size (\$Mil) 108,013 110,249 104,449 102,889 108,013 85,343	Equity Market Value		289,769,999	26,806,567	270,232,361	270,142,592	279,611,596
Yield 1.98 1.78 1.74 1.68 1.98 1.72 P/E Ratio 17.56 16.96 18.50 19.05 17.56 17.64 Standard Error 0.00 1.02 1.35 1.48 0.00 2.09 R² 1.00 0.95 0.93 0.91 1.00 0.83 Wtd Cap Size (\$Mil) 108,013 110,249 104,449 102,889 108,013 85,343	Reta	1.00	1.00	1.01	1.02	1.00	1.02
P/E Ratio 17.56 16.96 18.50 19.05 17.56 17.64 Standard Error 0.00 1.02 1.35 1.48 0.00 2.09 R² 1.00 0.95 0.93 0.91 1.00 0.83 Wtd Cap Size (\$Mil) 108,013 110,249 104,449 102,889 108,013 85,343							
Standard Error 0.00 1.02 1.35 1.48 0.00 2.09 R² 1.00 0.95 0.93 0.91 1.00 0.83 Wtd Cap Size (\$Mil) 108,013 110,249 104,449 102,889 108,013 85,343							
R ² 1.00 0.95 0.93 0.91 1.00 0.83 Wtd Cap Size (\$Mil) 108,013 110,249 104,449 102,889 108,013 85,343	1/L Ratio	17.50	10.70	10.50	17.03	17.50	17.04
Wtd Cap Size (\$Mil) 108,013 110,249 104,449 102,889 108,013 85,343	Standard Error	0.00	1.02	1.35	1.48	0.00	2.09
	R^2	1.00	0.95	0.93	0.91	1.00	0.83
	Will Constitute (ANCI)	100.012	110.240	104 440	102 000	100.013	05.242
	* '	*	,	· · · · · · · · · · · · · · · · · · ·	*	ŕ	
Avg Cap Size (\$Mil) 12,797 19,599 17,103 17,317 12,797 48,306	Avg Cap Size (\$Mil)	12,797	19,599	17,103	17,317	12,797	48,306
Number of Holdings 500 249 289 257 500 37	Number of Holdings	500	249	289	257	500	37
Economic Sectors	Economic Sectors						
Energy 12.86 13.38 11.90 11.55 12.86 16.57	Energy	12.86	13.38	11.90	11.55	12.86	16.57
Materials 3.33 3.29 3.84 4.02 3.33 0.00	Materials	3.33	3.29	3.84	4.02	3.33	0.00
Industrials 11.52 11.49 13.14 14.54 11.52 14.40	Industrials	11.52	11.49	13.14	14.54	11.52	14.40
Consumer Discretionary 8.48 9.52 11.81 12.42 8.48 6.34	Consumer Discretionary	8.48	9.52	11.81	12.42	8.48	6.34
Consumer Staples 10.24 9.59 9.53 9.42 10.24 16.05	Consumer Staples	10.24	9.59	9.53	9.42	10.24	16.05
Health Care 11.97 11.35 14.11 14.33 11.97 12.55	Health Care	11.97	11.35	14.11	14.33	11.97	12.55
Financials 17.58 17.07 10.07 6.69 17.58 12.82	Financials	17.58	17.07	10.07	6.69	17.58	12.82
Information Technology 16.78 17.52 12.83 12.14 16.78 17.61	Information Technology	16.78	17.52	12.83	12.14	16.78	17.61
Telecom. Services 3.63 2.99 5.41 6.40 3.63 0.00		3.63	2.99	5.41	6.40	3.63	0.00
Utilities 3.62 3.82 7.36 8.48 3.62 3.66	Utilities	3.62	3.82	7.36	8.48	3.62	3.66

	ъ п		Russell 2500 TM		Russell	
	Russell	ъ.		B 4 191	2000®	
	2000®	Progress	Value	Rothschild	Growth	Emerald
Equity Morlest Volvo	12/31/2007	12/31/2007	12/31/2007	12/31/2007	12/31/2007	12/31/2007
Equity Market Value		153,317,972		147,833,789		139,996,147
Beta	1.38	1.38	1.21	1.21	1.46	1.65
Yield	1.29	0.92	2.28	1.46	0.56	0.14
P/E Ratio	31.22	27.12	19.65	17.35	44.89	35.67
Standard Error	4.17	4.44	2.70	2.94	5.34	5.38
R^2	0.72	0.71	0.82	0.80	0.63	0.68
Wtd Cap Size (\$Mil)	1,412	2,099	2,519	2,585	1,585	1,770
Avg Cap Size (\$Mil)	581	1,150	712	1,701	631	1,108
Number of Holdings	1,930	561	1,611	137	1,269	129
Economic Sectors						
Energy	6.69	8.00	5.89	5.87	7.15	4.12
Materials	5.56	6.97	8.60	6.78	4.02	1.85
Industrials	15.09	17.34	11.72	14.97	16.87	16.24
Consumer Discretionary	13.37	15.82	10.11	9.26	15.28	9.06
Consumer Staples	3.08	2.58	4.13	4.97	2.49	3.06
Health Care	14.42	13.30	5.33	8.55	21.67	22.16
Financials	18.91	12.24	31.47	24.75	7.68	4.23
Information Technology	18.33	18.36	10.06	13.74	22.98	36.55
Telecom. Services	1.54	1.71	1.80	1.08	1.33	2.72
Utilities	3.02	3.69	10.89	10.03	0.53	0.00

			Russell		Russell	
	Russell	Combined	1000®		1000®	
	3000 ®	Equity	Value	Boston	Growth	Delaware
	12/31/2007	12/31/2007	12/31/2007	12/31/2007	12/31/2007	12/31/2007
Beta Sectors						
1 0.0 - 0.9	42.65	39.53	51.40	50.57	37.73	26.69
2 0.9 - 1.1	15.45	14.45	14.15	11.85	17.11	16.97
3 1.1 - 1.3	14.44	13.08	13.99	12.29	14.79	17.62
4 1.3 - 1.5	12.25	12.86	11.17	16.46	13.34	10.49
5 Above 1.5	15.21	20.07	9.30	8.83	17.04	28.22
Yield Sectors						
1 Above 5.0	22.13	30.33	6.33	16.36	30.41	44.39
3 3.0 - 5.0	31.35	30.59	26.07	29.93	38.87	36.22
3 1.5 - 3.0	25.38	25.95	28.18	37.78	25.26	17.03
4 0.0 - 1.5	14.69	9.04	26.46	8.22	5.10	2.36
5 0.0	6.45	4.08	12.96	7.71	0.36	0.00
P/E Sectors						
1 0.0 - 12.0	18.14	15.19	29.44	23.21	6.80	7.24
2 12.0 -20.0	38.25	35.27	43.22	53.86	35.75	19.49
3 20.0 -30.0	29.00	29.16	21.05	16.58	37.60	33.09
4 30.0 - 150.0	12.79	18.55	5.08	6.35	17.97	36.80
5 N/A	1.83	1.83	1.22	0.00	1.89	3.38
Capitalization Sectors						
1 Above 20.0 (\$Bil)	62.69	57.44	69.52	71.77	66.89	55.94
2 10.0 - 20.0	12.96	13.51	14.05	11.72	14.11	34.52
3 5.0 - 10.0	8.68	7.02	7.78	9.76	10.68	4.68
4 1.0 - 5.0	12.30	16.53	8.58	6.75	8.27	4.86
5 0.5 - 1.0	2.06	3.77	0.07	0.00	0.05	0.00
6 0.1 - 0.5	1.30	1.71	0.01	0.00	0.00	0.00
7 0.0 - 0.1	0.00	0.02	0.00	0.00	0.00	0.00
5 Yr Earnings Growth						
1 N/A	13.50	11.50	16.29	5.53	9.35	4.33
2 0.0 -10.0	22.60	23.41	26.22	21.92	18.62	23.14
3 10.0 -20.0	31.99	31.05	22.96	28.14	41.09	36.20
4 Above 20.0	31.91	34.03	34.53	44.41	30.94	36.32

	S&P 500		Intech	Intech	PIMCO	
	Cap Wtd	ING	Enhanced		StocksPLUS	Wentworth
	12/31/2007	12/31/2007	12/31/2007	12/31/2007	12/31/2007	12/31/2007
Beta Sectors						
1 0.0 - 0.9	45.57	46.31	47.72	46.28	45.57	48.14
2 0.9 - 1.1	16.50	15.43	13.04	12.46	16.50	17.78
3 1.1 - 1.3	14.13	11.97	12.59	13.75	14.13	6.09
4 1.3 - 1.5	12.59	14.57	15.60	16.58	12.59	9.48
5 Above 1.5	11.22	11.72	11.05	10.94	11.22	18.51
Yield Sectors						
1 Above 5.0	14.82	15.28	18.20	18.79	14.82	15.82
3 3.0 - 5.0	33.96	36.87	36.35	34.21	33.96	34.55
3 1.5 - 3.0	28.46	31.10	27.31	30.14	28.46	40.26
4 0.0 - 1.5	16.31	12.11	13.19	13.40	16.31	5.91
5 0.0	6.45	4.64	4.95	3.46	6.45	3.45
P/E Sectors						
1 0.0 - 12.0	17.18	17.68	12.23	10.32	17.18	10.20
2 12.0 -20.0	41.09	42.24	41.42	39.53	41.09	34.37
3 20.0 - 30.0	29.80	29.90	32.06	35.21	29.80	40.55
4 30.0 - 150.0	10.72	9.23	13.31	13.83	10.72	14.89
5 N/A	1.20	0.95	0.98	1.12	1.20	0.00
Capitalization Sectors						
1 Above 20.0 (\$Bil)	76.55	78.67	66.97	68.28	76.55	81.03
2 10.0 - 20.0	14.46	12.05	18.53	18.88	14.46	2.11
3 5.0 - 10.0	6.78	7.05	10.98	9.69	6.78	7.71
4 1.0 - 5.0	2.21	2.23	3.42	3.01	2.21	9.15
5 0.5 - 1.0	0.01	0.00	0.10	0.13	0.01	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	11.90	8.31	13.97	16.45	11.90	13.45
2 0.0 -10.0	22.72	20.58	24.61	23.57	22.72	22.19
3 10.0 -20.0	32.76	32.36	28.17	26.63	32.76	33.17
4 Above 20.0	32.62	38.74	33.25	33.35	32.62	31.20

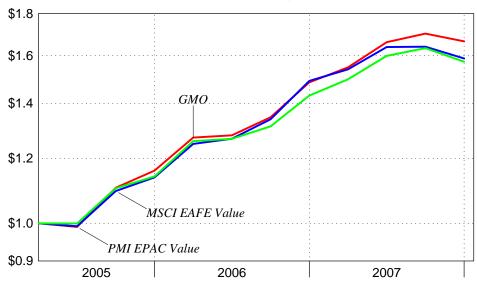
			Russell		Russell	
	Russell		2500TM		2000®	
	2000®	Progress	Value	Rothschild	Growth	Emerald
	12/31/2007	12/31/2007	12/31/2007	12/31/2007	12/31/2007	12/31/2007
Beta Sectors						
1 0.0 - 0.9	24.24	25.02	33.22	35.03	20.62	11.66
2 0.9 - 1.1	12.49	9.27	14.91	14.96	11.24	10.29
3 1.1 - 1.3	14.83	15.18	17.17	14.56	14.10	11.72
4 1.3 - 1.5	11.61	10.88	8.84	9.25	10.35	12.87
5 Above 1.5	36.83	39.65	25.86	26.19	43.70	53.46
Yield Sectors						
1 Above 5.0	58.60	66.79	32.01	42.86	74.72	86.54
3 3.0 - 5.0	14.87	13.70	18.41	19.83	12.86	11.12
3 1.5 - 3.0	10.80	7.77	19.21	14.79	7.18	1.57
4 0.0 - 1.5	8.14	6.17	16.78	17.66	2.20	0.00
5 0.0	7.60	5.57	13.59	4.86	3.04	0.77
P/E Sectors						
1 0.0 - 12.0	25.38	19.48	28.23	21.67	21.88	17.35
2 12.0 -20.0	26.02	22.68	39.70	34.67	17.26	15.35
3 20.0 -30.0	20.03	20.39	18.01	26.38	21.24	23.19
4 30.0 - 150.0	23.72	32.32	11.32	14.15	32.91	38.93
5 N/A	4.84	5.14	2.75	3.13	6.71	5.18
Capitalization Sectors						
1 Above 20.0 (\$Bil)	0.00	0.30	0.00	0.00	0.00	0.00
2 10.0 - 20.0	0.00	1.77	0.00	0.00	0.00	0.00
3 5.0 - 10.0	1.52	3.86	10.02	8.92	1.31	1.47
4 1.0 - 5.0	56.96	63.18	67.01	72.03	62.38	62.63
5 0.5 - 1.0	25.18	20.48	13.44	14.60	23.12	23.64
6 0.1 - 0.5	16.29	10.15	9.49	4.45	13.14	12.24
7 0.0 - 0.1	0.05	0.25	0.03	0.00	0.04	0.02
5 Yr Earnings Growth						
1 N/A	23.70	19.98	26.44	23.33	20.84	15.53
2 0.0 -10.0	26.76	25.94	27.97	29.95	24.13	27.15
3 10.0 -20.0	27.29	28.10	23.42	21.51	30.40	36.03
4 Above 20.0	22.24	25.98	22.17	25.20	24.64	21.29

MANAGER COMMENTS - INTERNATIONAL EQUITY

Grantham, Mayo, van Otterloo & Co

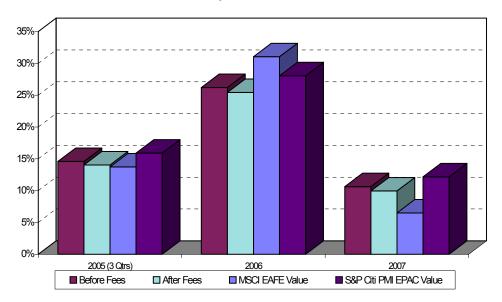
GMO vs. Benchmarks

Cumulative Value of \$1 (Net of Fees)

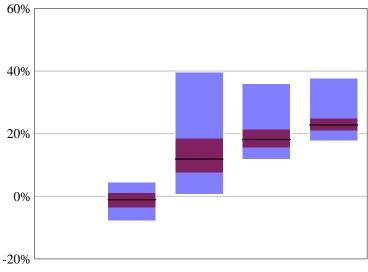


GMO vs. Benchmarks

Year by Year Performance



Grantham, Mayo, van Otterloo & Co



Cash	0.0 %	0.0 %
		MSCI
Over-Weighted Countries	GMO	EAFE
France	13.0 %	10.1 %
Japan	22.7	19.9
Germany	11.1	9.4

GMO

291.1

Portfolio Characteristics

IEq Mkt Value (\$Mil)

MSCI

EAFE

Under-Weighted		MSCI
Countries	GMO	EAFE
Switzerland	3.4 %	6.6 %
Spain	1.8	4.4
Australia	4.9	6.5

<u>I</u>	ast Qtr	<u>1 Yr</u>	3 Yrs	5 Yrs
GMO(G)	-3.6	10.6	-	-
Rank v. Intl Eq	76	60	-	-
PMI EPAC Val (V)-2.2	12.2	18.4	23.9
EAFE Value (E)	-3.2	6.5	16.9	23.8
Int'l Median	-1.1	11.9	18.2	22.8

The GMO value international equity portfolio returned -3.6% in the fourth quarter, below the -2.2% return of the S&P Citigroup PMI EPAC Value Index, and ranked in the 76th percentile of international equity managers. Over the past year, the portfolio has returned 10.6%, trailing the S&P Citigroup PMI EPAC Value Index return of 12.2% and ranking in the 60th percentile.

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

Both stock selection and country allocation decisions detracted from fourth quarter relative returns vs. EAFE. Stock selection in Germany had the largest negative impact on performance. Trading decisions had a small negative impact on fourth quarter performance.

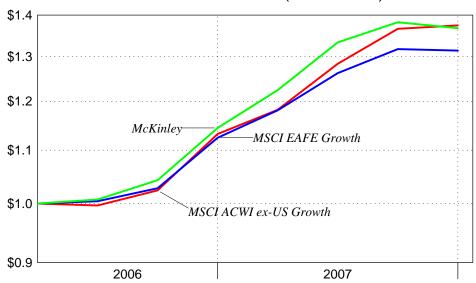
GMO's investment discipline had disappointing results in the fourth quarter as all three components (momentum, quality-adjusted and intrinsic value) underperformed relative to the index. Positions in British wireless telecommunications provider Vodafone, French pharmaceutical Sanofi-Aventis and UK mining company Rio Tinto all helped fourth quarter results. The stocks that had the largest negative impact on fourth quarter performance included the Japanese shipping company Kawasaki Kisen Kaisha, the British financial company Royal Bank of Scotland and Dutch financial ING.

MANAGER COMMENTS - INTERNATIONAL EQUITY

McKinley Capital

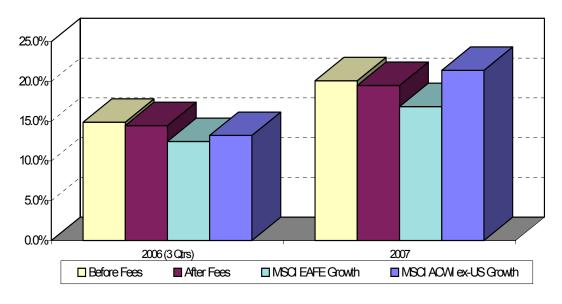
McKinley Capital vs. Benchmarks

Cumulative Value of \$1 (Net of Fees)

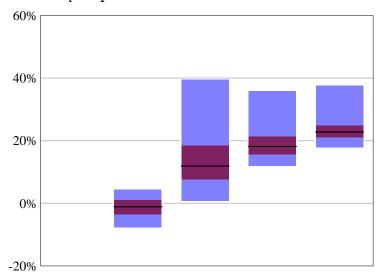


McKinley vs. Benchmarks

Year by Year Performance



McKinley Capital



Characteristics	Capital	EAFE
IEq Mkt Value (\$Mil)	308.9	N/A
Cash	0.9 %	0.0 %
Over-Weighted	McKinley	MSCI
Countries	Capital	EAFE
Hong Kong	6.2 %	2.3 %
Germany	12.3	9.4

McKinley

MSCI

Portfolio

Under-Weighted	McKinley	MSCI
Countries	Capital	EAFE
Japan	12.2 %	19.9 %
France	4.0	10.1
United Kingdom	19.7	22.4

	Last Qtr	<u>1 Yr</u>	3 Yrs	5 Yrs
McKinley (M)	-0.9	20.1	-	-
Rank v. Intl Eq	48	17	-	-
ACWI xUSG (G)	0.6	21.4	20.8	22.7
EAFE Growth (E)	-0.3	16.8	17.7	20.2
Int'l Median	-1.1	11.9	18.2	22.8

The McKinley Capital portfolio returned -0.9% in the fourth quarter, trailing the 0.6% return of the MSCI ACWI ex-US Growth Index. This return ranked in the 48th percentile of international equity managers. Over the past year, McKinley returned 20.1%, again trailing the 21.4% return of the MSCI ACWI ex-US Growth Index, but ranked in the 17th percentile of international equity managers.

The portfolio's largest country over-weightings were in Hong Kong, Germany and the Netherlands, while the largest under-weightings were in Japan, France and the United Kingdom.

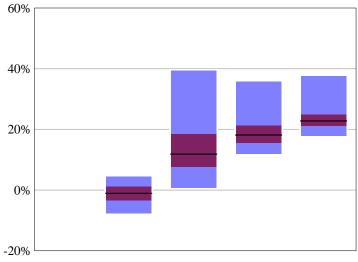
Both stock selection and country allocation decisions relative to EAFE boosted fourth quarter returns. Stock selection was particularly strong in the United Kingdom and Sweden. Active trading had a significant negative impact on fourth quarter returns.

Holdings in Unilever (Netherlands), Bayer AG (Germany) and Research in Motion (Canada) positively impacted fourth quarter performance while holdings in Acergy (Norway), AP Moller-Maersk (Denmark) and Infineon Technologies (Germany) detracted from performance. The firm's investment process is currently identifying relatively more companies in the Telecom and Energy sectors, and – on a country basis – in Canada, the Netherlands and Hong Kong.

As we reported in a earlier in a memo dated January 8, 2008, Robert B. (Bob) Gillam shifted a number of his responsibilities to the next generation of the firm. Robert A. (Rob) Gillam has assumed the Chief Investment Officer role in addition to his existing responsibilities as Directior of Global Equities. J.L. McCarrey has assumed the role of Chief Operating Officer and Diane Wilke has been named the Executive Management Officer. We view these changes as a positive development. However, as is the case with any change of responsibilities at an investment manager, we will continue to monitor McKinley Capital closely in the coming months.

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Total International Equity



	Last Qtr	<u>1 Yr</u>	3 Yrs	5 Yrs
Total Int'l Eq (I)	-2.2	15.3	20.6	23.7
Rank v. Intl Eq	66	36	33	34
ACWI ex-US (A)	0.6	17.1	20.4	24.5
EAFE (E)	-1.7	11.6	17.3	22.1
Int'l Median	-1.1	11.9	18.2	22.8

Portfolio	Total		MSCI
Characteristics	Internation	onal	EAFE
IEq Mkt Value (\$Mil)	600.0		N/A
Cash	1.4	%	0.0 %

Over-Weighted	Total	MSCI
Countries	International	EAFE
Germany	11.7 %	9.4 %
Netherlands	4.9	3.0
Hong Kong	3.8	2.3

Under-Weighted Countries	Total International	MSCI EAFE
Japan	17.2 %	19.9 %
France	8.3	10.1
United Kingdom	20.8	22.4

The total international equity composite returned -2.2% in the fourth quarter, trailing the -1.7% return of the MSCI EAFE Index. This return ranked in the 66th percentile of international equity managers. Over the past year, total international equity has returned 15.3%, better than the 11.6% return of the MSCI EAFE Index, and ranked in the 36th 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 Germany, the Netherlands and Hong Kong, while the largest under-weightings were in Japan, France and the United Kingdom.

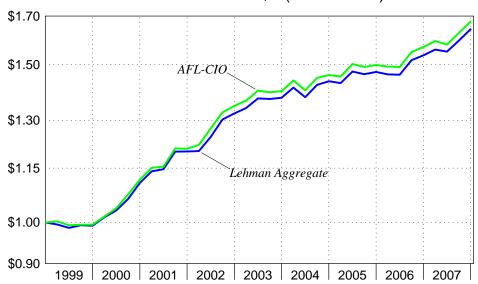
Stock selection in aggregate contributed to fourth quarter performance vs. EAFE while country allocation decisions detracted slightly from returns. Stock selection was particularly strong in the United Kingdom, Sweden and Canada. Active trading had a negative impact on fourth quarter returns.

MANAGER COMMENTS - FIXED INCOME

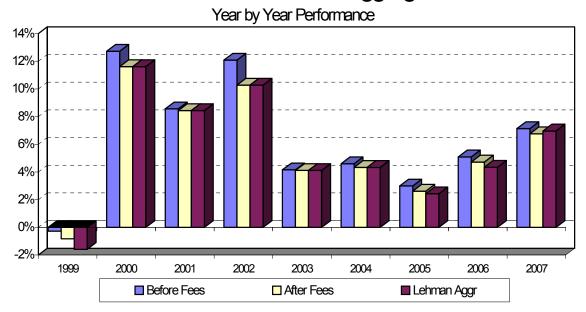
AFL-CIO Housing Investment Trust

AFL-CIO vs. Lehman Aggregate

Cumulative Value of \$1 (Net of Fees)



AFL-CIO vs. Lehman Aggregate



AFL-CIO Housing Investment Trust



-3%				
	Last Qtr	<u>1 Yr</u>	3 Yrs	5 Yrs
AFL-CIO (A)	3.1	7.1	5.1	4.8
Rank	24	34	22	34
LB Agg (L)	3.0	7.0	4.6	4.4
Fixed Median	2.3	6.5	4.6	4.5

Portfolio		Lehman
Characteristics	AFL CIO	Aggregate
Mkt Value (\$Mil)	196.4	n/a
Yield to Maturity (%)	5.2 %	4.9 %
Duration (yrs)	4.6	4.4
Avg. Quality	AAA	AA+

		Lehman
Sectors	AFL CIO	Aggregate
Treasury/Agency	7 %	35 %
Single-Family MBS	30	39
Multi-Family MBS	58	0
Corporates	0	20
High Yield	0	0
Asset-Backed	0	7
CMBS	3	0
International	0	0
Emerging Markets	0	0
Cash	2	0

AFL-CIO returned 3.1% in the fourth quarter, slightly above the 3.0% return of the Lehman Aggregate. The portfolio ranked in the 24th percentile of fixed income managers. For the past year, AFL-CIO returned 7.1%, which was better than the 7.0% return of the Lehman Aggregate and ranked in the 34th percentile. Over the past five years, AFL-CIO has exceeded the Lehman Aggregate and the median, meeting performance objectives.

At the end of the fourth quarter, the AFL-CIO Housing Investment Trust had 7% in US Treasury notes, 30% of the portfolio allocated to single-family mortgage backed securities, 58% allocated to multi-family mortgage back securities, 3% to private-label commercial mortgage backed securities and 2% to short-term securities. The AFL-CIO portfolio duration at the end of the fourth quarter was 4.6 years and the current yield of the portfolio was 5.2%.

Positive contributions to the HIT's performance in the fourth quarter included: its ongoing yield advantage over the Index; its non-allocation to structured ABS and Corporates (as these spread sectors were the worst performing sectors, posting negative excess return for the quarter); and, its overweight to the highest credit quality sector of the investment grade universe. Over 98% percent of the HIT portfolio is AAA-rated or carries a government or GSE guarantee. The HIT has no subprime mortgages in its portfolio.

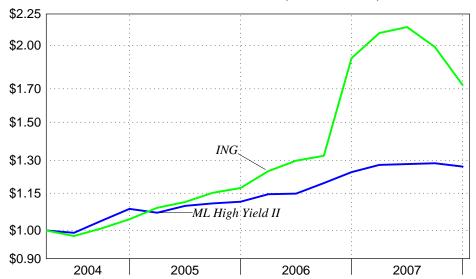
If the slowdown in the residential housing market continues in 2008, the Trust expects that it will maintain its strategy of underweighting the lower-quality sectors of the investment-grade fixed income market is expected to continue. The Trust also anticipates maintaining its strategy of interest rate neutrality relative to its benchmark. The absence of any HIT investment in pools of sub-prime mortgage loans should also help. 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

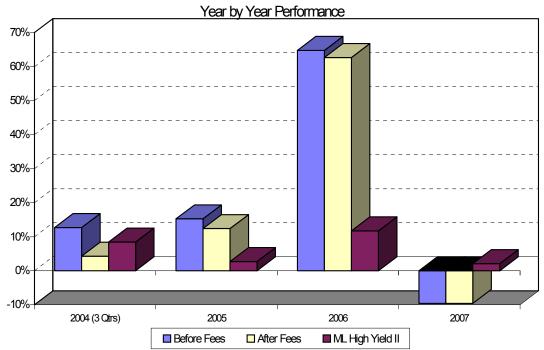
ING Clarion

ING Clarion vs. ML High Yield II

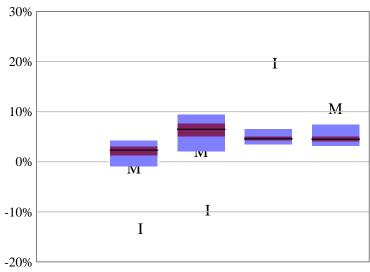
Cumulative Value of \$1 (Net of Fees)



ING Clarion vs. ML High Yield II



ING Clarion



Yield to Maturity (%)	n/a %	9.4 %
Duration (yrs)	n/a	4.7
Avg. Quality	n/a	В
	ING	ML High
Quality Distribution	Clarion	Yield II
A	n/a %	0 %

ING

Clarion

0.7

n/a

n/a

n/a

n/a

n/a

n/a

ML High

Yield II

n/a

0

39

42

18

 $0 \\ 0$

Portfolio

BBB

CCC

Cash

Not Rated

BB

В

Characteristics

Mkt Value (\$Mil)

]	Last Qtr	<u>1 Yr</u>	3 Yrs	5 Yrs
ING Clarion (I)	-13.3	-9.6	19.8	-
Rank v. High Yield	1 100	100	1	-
ML HY II (M)	-1.2	2.1	5.4	10.7
Hi Yield Median	2.3	6.5	4.6	4.5

Currently, this fund continues be almost fully liquidated, with very high returns locked in. Meanwhile, ING Clarion returned -13.3% for the fourth quarter. This return was well below the Merrill Lynch High Yield Master II Index return of -1.2% and ranked in the 100th percentile of high yield portfolios. This has had the effect of reducing longer-term performance. Over the past year, the portfolio has returned -9.6%, again well below the ML High Yield II return of 2.1%, and ranked in the 100th percentile. Over the past three years, the portfolio has returned 19.8%, well above the ML High Yield II return of 5.4% and ranked in the 1st percentile. This has been an extremely successful long term investment.

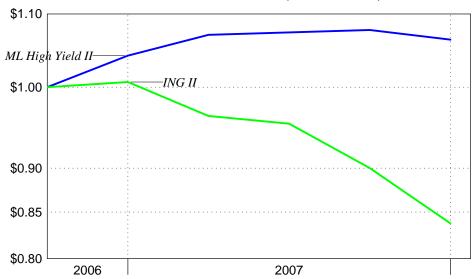
The fund continues to hold a small, residual interest in Ansonia CDO 2006-1. CCCERA's portion of this interest was valued at \$730,384.

MANAGER COMMENTS - FIXED INCOME

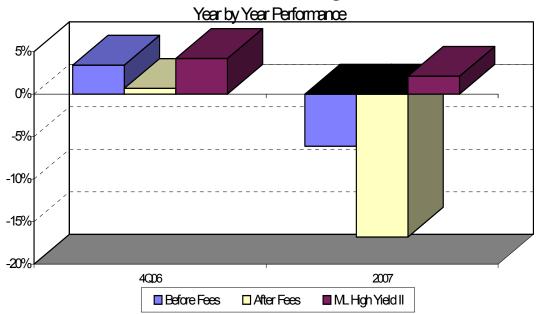
ING Clarion II

ING Clarion II vs. ML High Yield II

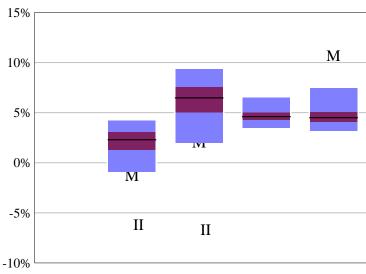
Cumulative Value of \$1 (Net of Fees)



ING Clarion II vs. ML High Yield II



ING Clarion II



Portfolio	ING	ML High	
Characteristics	Clarion II	Yield II	
Mkt Value (\$Mil)	57.9	n/a	
Yield to Maturity (%)	48.4 %	9.4 %	
Duration (yrs)	4.4	4.7	
Avg. Quality	В	В	

	ING	ML High	
Quality Distribution	Clarion II	Yield II	
A	0 %	0 %	
BBB	0	0	
BB	0	39	
В	0	42	
CCC	94	18	
Not Rated	6	0	
Cash	0	0	

<u>I</u>	Last Qtr	<u>1 Yr</u>	3 Yrs	5 Yrs
ING Clarion II (II)	-6 .1	-6.6	-	-
Rank v. High Yiela	! 100	100	-	-
ML HY II (M)	-1.2	2.1	5.4	10.7
Hi Yield Median	2.3	6.5	4.6	4.5

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 -6.1% for the fourth quarter, which was below the Merrill Lynch High Yield Master II return of -1.2%, and ranked in the 100th percentile in the universe of high yield portfolios. Over the past year, the fund has returned -6.6%, again below the index and ranked in the 100th percentile.

ING Clarion invests in lower quality mortgages purchased at a significant discount. As of December 31, 2007, the fund has invested in 30 classes of 12 CMBS issues, 3 mezzanine loans and one CMBS credit default swap.

The firm believes that the wide spread pressure in the CMBS market during the fourth 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.

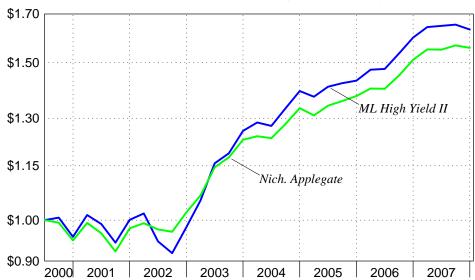
Dan Heflin reports that widening spreads present extraordinary opportunities. Meanwhile, obtaining portfolio leverage is no longer an option, except through credit default swaps.

MANAGER COMMENTS - FIXED INCOME

Nicholas Applegate

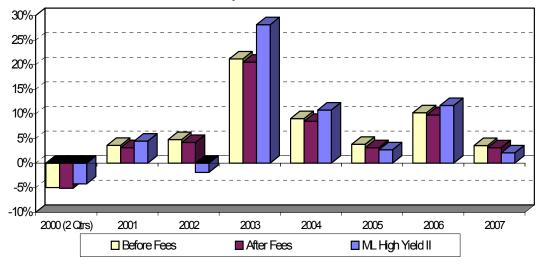
Nicholas-Applegate vs. Benchmarks

Cumulative Value of \$1 (Net of Fees)

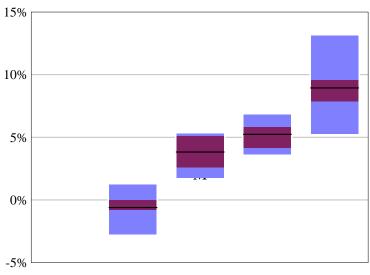


Nicholas Applegate vs. Benchmarks

Year by Year Performance



Nicholas Applegate



Portfolio	Nicholas	ML High	
Characteristics	Applegate	Yield II	
Mkt Value (\$Mil)	101.6	n/a	
Yield to Maturity (%)	8.5 %	9.4 %	
Duration (yrs)	4.3	4.7	
Avg. Quality	BB	В	

	Nicholas	ML High
Quality Distribution	Applegate	Yield II
A	0 %	0 %
BBB	3	0
BB	32	39
В	63	42
CCC	2	18

]	Last Qtr	<u>1 Yr</u>	3 Yrs	5 Yrs
Nich. Appl. (N)	-0.5	3.6	5.8	9.4
Rank v. High Yield	d 48	55	21	32
ML HY II (M)	-1.2	2.1	5.4	10.7
$ML BB/B (\mathbf{B})$	-0.8	2.6	5.5	9.6
Hi Yield Median	-0.6	3.8	5.2	8.9

Nicholas Applegate's high yield fixed income portfolio returned -0.5% for the fourth quarter, better than the -1.2% return of the Merrill Lynch High Yield II Index, and ranked in the 48th percentile of high yield managers. Nicholas Applegate returned 3.6% in the past year versus 2.1% for the ML High Yield II Index and 3.8% for the median. For the five-year period, Nicholas Applegate's return of 9.4% was below the 10.7% return of the ML High Yield II Index but above the 8.9% return of the median high yield manager.

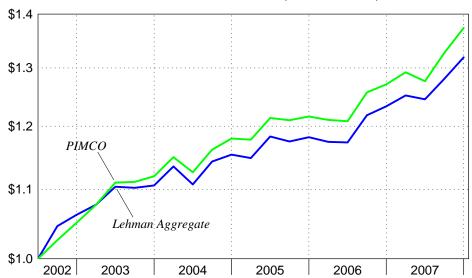
As of December 31, 2007, the Nicholas Applegate high yield portfolio was allocated 3% to BBB rated securities vs. 0% for the ML High Yield II Index, 32% to BB rated issues versus 39% for the Index, 63% to B rated issues versus 42% in the Index and 2% to CCC rated securities versus 18% for the Index. The portfolio's December 31, 2007 duration was 4.3 years, shorter than 4.7 years for the ML High Yield II Index.

Most of the portfolio's outperformance during the fourth quarter was the result of strong relative performance from the portfolios existing bond holdings, rather than the result of any significant trading. Positive movers included Williams Scotsman, Domtar Corp, Millicom International and Mosaic Co. Negative performers included Accuride and GMAC within the auto sector and E*Trade in the financial sector. E*Trade was sold during the quarter. There were eleven positive rating actions and eight downgrades in the quarter for the portfolio's holdings. The additions to the portfolio in the quarter came from both new issues and the secondary markets. Sales included Lyondell Chemical, Metro PCS, Central Garden and Pet. Lyondell was acquired by Basell, while the others were sold after posting weaker than expected quarterly operational performance.

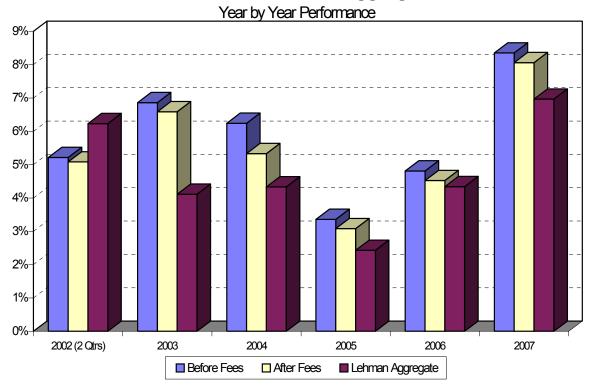
PIMCO

PIMCO vs. Lehman Aggregate

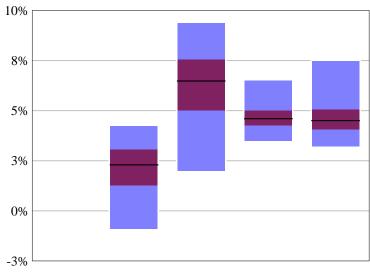
Cumulative Value of \$1 (Net of Fees)



PIMCO vs. Lehman Aggregate



PIMCO



-3%				
	Last Qtr	<u>1 Yr</u>	3 Yrs	5 Yrs
PIMCO(P)	3.6	8.4	5.5	5.8
Rank	12	13	11	13
LB Agg (L)	3.0	7.0	4.6	4.4
LB Univ (U)	2.6	5.3	4.3	4.9
Fixed Median	2.3	6.5	4.6	4.5

Portfolio		Lehman
Characteristics	PIMCO	Aggregate
Mkt Value (\$Mil)	552.6	n/a
Yield to Maturity (%)	5.3 %	4.9 %
Duration (yrs)	5.0	4.4
Avg. Quality	AA+	AA+

		Lehman
Sectors	PIMCO	Aggregate
Treasury/Agency	15 %	35 %
Mortgages	48	39
Corporates	9	20
High Yield	2	0
Asset-Backed	0	7
CMBS	0	0
International	10	0
Emerging Markets	7	0
Other	1	0
Cash	8	0

PIMCO's return of 3.6% for the fourth quarter was above the 3.0% return of the Lehman Aggregate and ranked in the 12th percentile in the universe of fixed income managers. For the one-year period, PIMCO's return of 8.4% was better than the 7.0% return of the Lehman Aggregate and ranked in the 13th percentile. Over the past five years, the portfolio has returned 5.8%, again above the Lehman Aggregate return of 4.4%, and ranked in the 13th percentile.

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

Fourth quarter performance was helped by an above-benchmark duration as interest rates fell. Other contributing strategies included an emphasis on shorter maturities in the US and UK, strong mortgage security selection (avoiding sub-prime exposure), an underweight to corporate debt and currency exposure - particularly in the emerging markets. The only significant detractor from performance was a modest allocation to municipal bonds, which did not keep pace with taxable bonds amid concerns about liquidity and the credit quality of municipal bond insurers.

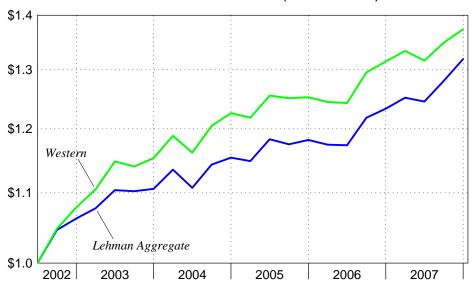
Looking forward, PIMCO plans to mitigate downside risk to portfolios by focusing on high quality assets, many of which are now offering compelling yields. PIMCO also plans to target above-index duration, emphasize short maturities in the US and UK, overweight high quality mortgage-backed bonds and continue to insulate the portfolio from the sub-prime crisis by owning high quality short term asset-backed bonds backed by strong collateral. These strategies are largely unchanged from the prior quarter.

MANAGER COMMENTS - FIXED INCOME

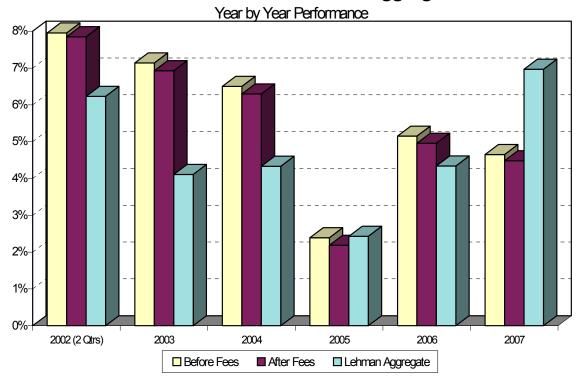
Western Asset Management

Western Asset Mgmt vs. Lehman Aggregate

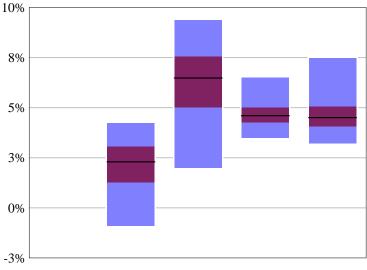
Cumulative Value of \$1 (Net of Fees)



Western Asset vs. Lehman Aggregate



Western Asset Management



-,-				
	Last Qtr	<u>1 Yr</u>	3 Yrs	5 Yrs
Western Asset (V	V) 1.9	4.7	4.1	5.2
Rank	60	80	83	23
LB Agg (L)	3.0	7.0	4.6	4.4
LB Univ (U)	2.6	5.3	4.3	4.9
Fixed Median	2.3	6.5	4.6	4.5

Portfolio	Western	Lehman
Characteristics	Asset	Aggregate
Mkt Value (\$Mil)	532.6	n/a
Yield to Maturity (%)	7.0 %	4.9 %
Duration (yrs)	4.7	4.4
Avg. Quality	AA+	AA+

	Western	Lehman
Sectors	Asset	Aggregate
Treasury/Agency	12 %	35 %
Mortgages	54	39
Corporates	16	20
High Yield	6	0
Asset-Backed	1	7
CMBS	4	0
International	3	0
Emerging Markets	0	0
Other	0	0
Cash	6	0

Western Asset Management's return of 1.9% for the fourth quarter trailed the 3.0% return of the Lehman Aggregate and ranked in the 60th percentile in the universe of fixed income managers. For the one-year period, Western's return of 4.7% trailed the 7.0% return of the Lehman Aggregate and ranked in the 80th percentile. Over the past five years, Western returned 5.2%, above the Lehman Aggregate return of 4.4%, and ranked in the 23rd percentile.

During the fourth quarter, Western Asset made few changes to the portfolio. The allocations to treasuries/agencies was unchanged while the mortgage allocation was down by 6%. Corporates were up 2%, asset-backed securities were up 1% and cash was up 4%. All other sectors were unchanged. The duration of the Western Asset fixed income portfolio at the end of the fourth quarter was 4.7 years, shorter than the 5.3 year duration at the end of the previous quarter, and longer than that of the index. The portfolio has a significantly higher yield than the index.

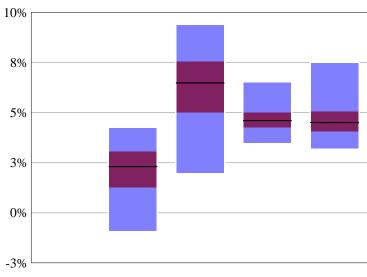
Western Asset Management's fourth quarter performance was hurt by several factors. While the portfolio was underweight in the corporate sector, these holdings still detracted from performance as spreads widened further during the fourth quarter. The portfolio's overweight to mortgages, moderate exposure to high yield bonds and a moderate exposure to non-dollar bonds also detracted from performance. Tactical duration adjustments added to fourth 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. However, during the fourth quarter, all sectors of the fixed income markets underperformed treasuries.

Western Asset intends to maintain a tactically long duration, allowing duration to fall towards neutral as interest rates fall. This is a departure from the tactically neutral duration position of the past several quarters. Western also intends to maintain its underweight to the corporate sector and 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



	Last Qtr	1 Yr	3 Yrs	5 Yrs
CCC Total (C)	2.1	5.8	5.7	6.2
Rank	54	62	10	10
LB Univ (U)	2.7	6.5	4.7	5.0
LB Agg (L)	3.0	7.0	4.6	4.4
Fixed Median	2.3	6.5	4.6	4.5

Portfolio	Total	Lehman
Characteristics	Fixed	Universal
Mkt Value (\$Mil)	1,441.8	n/a
Yield to Maturity (%)	7.9 %	5.3 %
Duration (yrs)	4.8	4.5
Avg. Quality	AA	AA

	Total	Lehman
Sectors	Fixed	Universal
Treasury/Agency	11 %	31 %
Mortgages	50	33
Corporates	9	17
High Yield	14	5
Asset-Backed	0	6
CMBS	1	0
International	5	2
Emerging Markets	3	2
Other	0	3
Cash	6	0

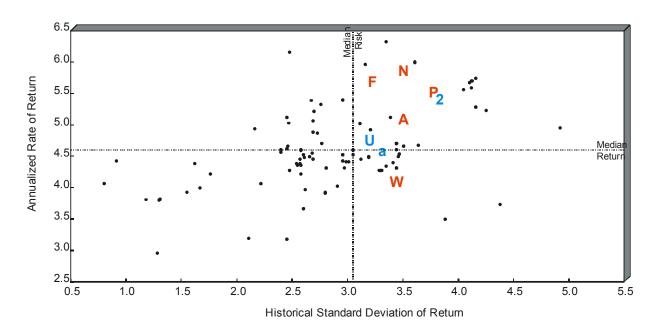
CCCERA total fixed income returned 2.1% in the fourth quarter, below the 2.7% return of the Lehman Universal and the 3.0% return of the Lehman Aggregate, and ranking in the 54th percentile in the universe of fixed income managers. For the one-year period, CCCERA's total fixed income returned 5.8%, again below the 6.5% return of the Lehman Universal and the 7.0% return of the Lehman Aggregate. The CCCERA total fixed income returns have significantly exceeded the Lehman Universal and the median fixed income manager over both the three and five year periods.

During the fourth quarter, the allocation to treasury/agency securities was down by 1%, mortgages were down 1%, high yield was down 1%, asset-backed securities were down 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 fourth quarter was 4.8 years, slightly longer than the 4.5 year duration of the index.

MANAGER COMMENTS – FIXED INCOME

Domestic Fixed Income Performance and Variability

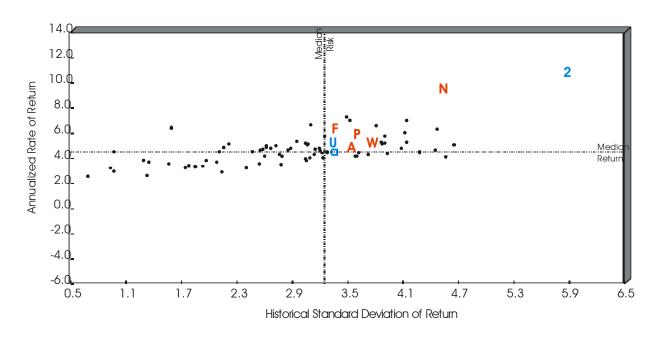
Three Years Ending December 31, 2007



		Annualized Return		Standard Deviation	
		Value	Rank	Value	Rank
A	AFL-CIO	5.06	22	3.52	77
N	Nicholas Applegate	5.84	8	3.52	77
P	PIMCO	5.49	11	3.79	83
W	Western Asset Management	4.06	83	3.44	74
F	Total Fixed Income	5.65	10	3.24	62
а	LB Aggregate	4.56	54	3.34	67
2	ML High Yield II	5.42	12	3.80	83
U	Lehman Universal	4.73	38	3.21	60
	Median	4.60		3.05	

Domestic Fixed Income Performance and Variability

Five Years Ending December 31, 2007



		Annualized Return		Standard Deviation	
		Value	Rank	Value	Rank
Α	AFL-CIO	4.79	34	3.56	66
N	Nicholas Applegate	9.40	1	4.55	90
P	PIMCO	5.79	13	3.63	70
W	Western Asset Management	5.15	23	3.77	73
F	Total Fixed Income	6.22	10	3.39	58
a	LB Aggregate	4.42	56	3.38	58
2	ML High Yield II	10.72	1	5.90	95
U	Lehman Universal	4.99	27	3.38	58
	Median	4.50		3.25	

MANAGER COMMENTS – GLOBAL FIXED INCOME

Lazard Asset Management

The Lazard Asset Management Global Fixed Income account was funded in December 2007. We will report on this portfolio in the first quarter 2008 report.

MANAGER COMMENTS – REAL ESTATE

Adelante Capital Management \$246,347,520

Adelante Capital Management reported a return of -14.0% for the fourth quarter, slightly worse than the -13.5% of the Dow Jones Wilshire Index and in the 84th percentile of the REIT mutual fund universe. For the full 2007, Adelante return of -16.9% was better than the REIT index return of -17.6%, and ranked in the 55th percentile of the universe. 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, 2% per year better than the index and in the 13th percentile.

As of December 31, the portfolio consisted of 25 holdings. Office properties comprised 16.6% of the portfolio, apartments made up 19.6%, retail represented 27.1%, industrial accounted for 13.3%, 8.1% is accounted for as diversified/specialty, hotels accounted for 11.0%, and 4.3% 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.

The -13.5% return of the REIT index contrasted to the positive 3.2% of the NCREIF index. The NCREIF index is based on appraisals, which are not updated frequently, while REITS have come down to where they are now trading at a deep discount to appraised value. We expect appraised values on direct real estate to be under pressure over the coming months, reflecting the current tightness in lending.

BlackRock Realty \$32,666,065

BlackRock Realty Apartment Value Fund III (AVF III) reported a fourth quarter total return of 1.6%. Over the one-year period, BlackRock has returned 14.8%. 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: 44% in the Pacific, 13% in the Northeast, 20% in the East North Central, 7% in the Southwest and 16% in the Southeast. Average portfolio occupancy rate of developed existing properties is around 90%.

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 \$318,606

DLJ Real Estate Capital Partners (RECP) reported a return of 5.6% in the quarter ending September 30, 2007. (Performance lags by one quarter due to the availability of financial reporting.) Over the one-year period (September to September), RECP has returned 34.2%. 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 \$10,376,866

DLJ Real Estate Capital Partners II (RECP II) reported a return of 9.1% in the quarter ending September 30, 2007. (Performance lags by one quarter due to financial reporting constraints.) Over the one-year period (September to September), RECP II has returned 34.8%. CCCERA has a 3.4% ownership interest in RECP II.

As of September 30, the portfolio consisted of 2.5% office properties. Hotels accounted for 25.3%, residential accounted for 17.6%, land development made up 13.0%, retail made up 28.7% and "other" made up 2.6%. The properties were diversified regionally with 13.0% in the Pacific, 14.1% in the Northeast, 29.7% in the Southeast, 17.9% internationally, and 25.3% listed as "Various U.S.".

The RECP II Fund acquired 51 investments with total capital committed of \$981 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 40 of the properties have been sold; eleven 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 \$1.74 billion, representing 177% 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 \$61,421,095

DLJ Real Estate Capital Partners III (RECP III) reported a return of 7.9% in the quarter ending September 30, 2007. (Performance lags by one quarter due to financial reporting constraints.) Over the past year (September to September), RECP III returned 30.5%. CCCERA has a 6.7% ownership interest in RECP III.

As of September 30, 2007 the portfolio consisted of 0.9% office properties, hotels accounted for 39.3%, residential accounted for 15.4%, land development made up 5.3%, retail made up 1.4%, mixed use development accounted for 10.9%, vacation home development company made up 11.5%, industrial/logistics made up 12.5%, sub-performing loans made up 0.3%, public securites 2.2% and "other" made up 0.5%. The properties were diversified regionally with 13.1% in the Pacific, 8.8% in the Northeast, 1.2% in the Southeast, 538% internationally, and 23.1% listed as

"Various U.S.".

As of September 30, the Fund has completed 49 investments; committing \$1.1 billion of equity, with one last investment pending. The fund is at the end of its investment period.

FFCA Co-Investment Limited Partnership \$2,767,219

In its last full quarter, FFCA reported a fourth quarter total return of -28.6%. This return is not representative of the reasonable return the Fund has achieved over the years. It reflects sale of the last few properties.

Fidelity Investments US Growth Fund II \$42,102,180

Fidelity Investments reported a return of 3.4% for the fourth quarter of 2007. For the one-year period, Fidelity reported a total return of 5.0%.

Since inception, the fund has made 50 investments. Eleven have been fully realized; the remaining 39 are projected to realize a 17% return. The portfolio consists of 26% apartment properties, office space accounted for 3%, retail accounted for 5%, for sale housing accounted for 23%, hotels accounted for 7%, self storage made up of 1%, land made up 9%, student housing accounted for 15%, industrial accounted for 1%, and golf courses made up the remaining 1% of the portfolio. The properties were diversified regionally with 19% in the Pacific, 6% in the Northeast, 20% in the Southeast, 15% in the Mideast, 19% in the Mountain region, 10% in the Midwest and 5% in the Southwest.

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

The US Growth Fund III was funded during the fourth quarter.

Hearthstone I & II (-\$86,000 & -\$215,000)

The two Hearthstone homebuilding funds are approaching completion. Both funds are showing negative asset values. The reason for the negative values is that the liabilities associated with those values are due in the future. Funds required to pay the liabilities either are associated with still existing projects or have been advanced to the fund participants. When the liabilities become due, CCCERA will have to return the advances and/or the liabilities will be paid from future profits from the few remaining projects.

Given the negative asset values, ongoing calculation of quarterly time-weighted performance for the two funds is 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 \$35,370,034

Invesco Real Estate Fund I ("IREF") reported a fourth quarter total return of 3.6%. Over the past year, Invesco Real Estate Fund I returned 10.4%. CCCERA has a 15.1% interest in the Real Estate Fund I.

As of the third quarter, the portfolio consisted of 12 properties. The portfolio consisted of 28% retail, 16% industrial properties, 18% office and 38% multi-family. The properties were diversified regionally with 18% in the West, 61% in the South, 7% in the Midwest and 14% in the East. High yield debt (CMBS) was not included in the calculations.

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 \$7,305,180

Invesco Real Estate Fund II was funded during the fourth 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 \$4,404,459

For the fourth quarter, the Prudential Strategic Performance Fund-II (SPF-II) reported a total return of 22.9%, 7.5% from income and 15.4% from appreciation. Over the one year period, the fund returned 45.3%, 32.0% from income and 13.4% from appreciation. CCCERA accounts for 16.2% of SPF-II.

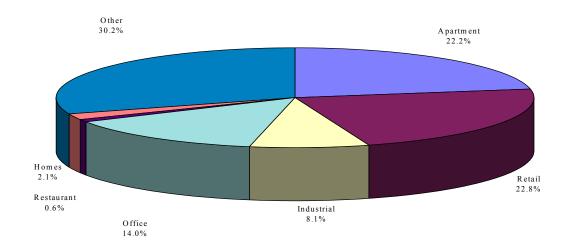
As of December 31, the portfolio was invested in three remaining properties: one office property (34.2%) and two residential complexes (65.8%). The regional distribution of the portfolio is 342% in the Southeast and 65.8% Northeast.

There were three dispositions during the fourth quarter. The Silverton Mezzanine Loan was prepaid by the borrower on November 2, 2007. An IRR of 118.9% was achieved over the 31 month holding period. The Myrtles at Olde Towne apartment complex in Portsmouth, Virginia was sold on December 21, 2007 for \$36.0 million (net SPF proceeds of \$19.1 million). Finally, the Heights at Olde Towne apartment complex in Portsmouth, Virginia was also sold on December 21, 2007 for a gross price of \$17.0 million (net SPF proceeds of \$4.6 million). Because these latter assets were never funded, they generated an infinite IRR.

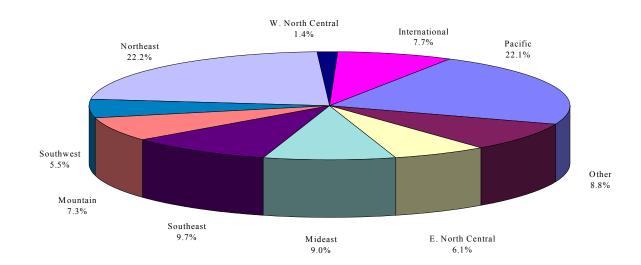
MANAGER COMMENTS - REAL ESTATE

Total Real Estate Diversification

Diversification by Property Type



Diversification by Geographic Region



MANAGER COMMENTS - ALTERNATIVE INVESTMENTS

Adams Street Partners \$59,270,223

Adams Street reported a third quarter return of 1.6% for the CCCERA's investments. For the one-year period, Adams Street has returned 27.9%. (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 33.9% venture capital funds, 5.3% in mezzanine funds, 46.5% in buyout funds, 10.8% in special situation funds, and 3.7% in restructuring/distressed debt. Geographically, 78.4% of the commitment is in the U.S.

Bay Area Equity Fund \$5,888,698

Bay Area Equity Fund reported a third quarter return of 5.3% (Performance lags by one quarter due to financial reporting constraints). For the one-year period, Bay Area Equity Fund has returned 63.6%. CCCERA has a 13.3% ownership interest in the Fund.

As of June 30, 2007, the Bay Area Equity Fund has 17 investments in private companies in the 10-county Bay Area, all of which are located in or near low- to middle-income neighborhoods. Currently, the Fund has invested \$34 million with approximately \$16 million reserved for follow-on investments, for a total of \$50 million in funds invested and reserved.

Effective January 24, 2008 the private equity professionals managing the fund have formed DBL Investors. They continue to run the fund under this name.

Energy Investors - US Power Fund I \$2,339,158

The Energy Investors Fund Group (EIF) reported a third quarter return for this fund, which is in liquidation mode, of -12.9%. (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.

No distributions occurred during the third quarter. On September 28, 2007, the Fund's wholly-owned subsidiary USPF Holdings, LLC made its first mandatory principal payment, in the amount of \$720,000, on its \$288 million Institutional Term Loan. Also during the quarter, USPF Holdings complied with the requirement under its Credit Agreement to mitigate its exposure to rising interest rates. As required, USPF Holdings entered into interest rate protection agreements to protect 50% of the original principal amount of its Term Loan for three years, locking in an average underlying interest rate of 5.072%.

During the third quarter, the Fund received approximately \$308 thousand in project cash distributions, comprised of \$266 thousand from Mustang Station and \$42,000 from Crockett.

Energy Investors - US Power Fund II \$33,718,555

Energy Investors reported a third quarter return of 3.4% for US Power Fund II. (Performance lags by one quarter due to financial reporting constraints.) Over the past year, the fund returned 12.5%. CCCERA has a 19.7% ownership interest in USPF-II.

During the third quarter of 2007, the Fund invested its remaining cash equity commitments to the Neptune project, when it achieved commercial operation. The Northbrook investment added a 15th hydroelectric project to its portfolio through the \$6.0 million acquisition of a lessor interest in the Haypress project, a 10 MW run-of-the-river facility with a long-term power purchase agreement with Pacific Gas & Electric Company.

In August, the Fund committed to provide \$9.0 million of development funding and up to \$11.6 million of letters of credit for Kleen Energy Systems. Kleen is a proposed 620 MW dual fuel-fired combined cycle generating station located in Middletown, Connecticut that was one of the winning bidders (award is undergoing an appeal) of the State of Connecticut's RFP for new generating capacity. USPF III made a simultaneous commitment to Kleen.

The Fund received \$4.2 million in cash from six portfolio investments during the third quarter and made a \$2.5 million distribution.

Energy Investors - US Power Fund III -\$391,261

After the close of the third quarter of 2007, the Fund closed on the acquisition of 80% of a portfolio of 14 operating plants previously owned by Cogentrix Energy. USPF III was the lead equity participant. Also after the end of the quarter, the Fund executed a merger agreement to purchase a majority interest in Landfill Energy Systems. LES owns fourteen operating landfill gas-to-energy projects in seven states, representing 65.8 MW of net installed capacity.

Nogales Investors Fund I \$12,706,051

The Nogales Investors Fund I reported a third quarter return of 0.9%. (Performance lags by one quarter due to financial reporting constraints.) For the one-year period, Nogales has returned 21.2%. CCCERA makes up 15.2% 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 four distributions to the limited partners during the third quarter. There were no new investments during the third quarter.

Pathway Private Equity Fund \$42,130,808

The Pathway Private Equity Fund (PPEF) reported a third quarter return of 4.9%. (Performance lags by one quarter due to financial reporting constraints.) For the one-year period, PPEF reports a total return of 50.4%. PPEF contains a mixture of acquisition-related, venture capital, and other special equity investments.

The PPEF received \$2.9 million in distributions, increasing the total distributions received to \$30.7 million, which represents 60% of the Fund's total contribution.

PT Timber Fund III \$13,513,786

John Hancock reported for Fund III a fourth quarter return of 7.6%. For the one-year period, John Hancock reports a total return of 14.7%. CCCERA makes up 16.3% of the Fund III.

As of the end of the third 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.

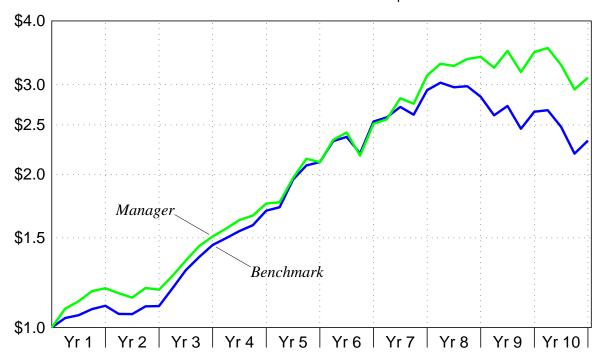
Cash generated at the property level is now running at 6 percent ahead of budget. The Fund has scaled back its projections for the full year a bit from last quarter, such that its now estimates \$4.0 million greater for the year than originally budgeted. Relatively dry weather in the southeastern U.S. meant timer production constraints were few, facilitating ample supply, especially in light of modest demand in the lumber and panel sectors. Timber revenue on the Choctaw property, for example, fell back again due to less-than-expected volume production, but has more than compensated via favorable price variances.

Alexander Plantations, the major generator of cash flow for the portfolio, progressed its timber sale program. For pine sawtimber, the highest-value and primary product grown on the property, prices remained above budget, though down from the favorable levels that prevailed in the first half of the year. Lesser products' prices were similar to those obtained in the first half. The combined effect was the Alexander Plantations' blended average timber price fell nearly 4 percent but, at \$32.82 per ton, is 15% above budget year-to-date. Timber volume harvested is now trailing budget by just 4 percent, and Hancock believes it will meet or exceed budget by year-end.

How to Read the Cumulative Return Chart:

Manager vs. Benchmark

Cumulative Value of \$1

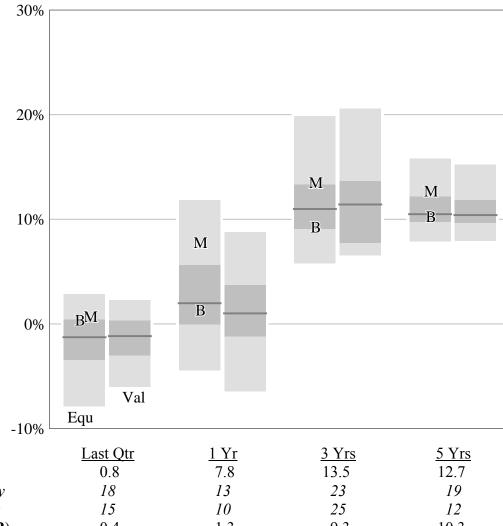


This chart shows the growth of \$1 invested in the 1st quarter of Year 1 with the manager vs. \$1 in the benchmark. Manager returns are the green line. Benchmark performance is the blue line. For example, in the above graph if \$1 had been invested with the manager at the beginning of the 1st quarter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



Manager (M)	0.8	7.8	13.5	12.7
Rank v. Equity	18	13	23	19
Rank v. Value	15	10	25	12
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, Alpha = Portfolio Return - Risk Free Rate - Beta * (Market Return - 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.

 \mathbb{R}^2 (R Squared) – \mathbb{R}^2 is a measure of how well a manager moves with the market. If a manager's performance closely tracks that of the market, the \mathbb{R}^2 will be close to 1. Broadly diversified managers have an \mathbb{R}^2 of 0.90 or greater, while the \mathbb{R}^2 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.