QUARTERLY REVIEW & PERFORMANCE MEASUREMENT REPORT
for

Contra Costa County Employees' Retirement Association

FOR THE PERIOD ENDING
June 30, 2005

August 30, 2005

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TABLE OF CONTENTS

KEY POINTS

Second Quarter, 2005

- Domestic equity markets were positive in the second quarter. The S&P 500 index returned 1.4% for the quarter and the Russell 2000 small capitalization index returned 4.3%.
- Domestic bond markets were also positive in the quarter, with the Lehman Aggregate returning 3.0% and the median fixed income manager returning 2.5%.
- CCCERA Total Fund returned 3.7% for the second quarter, exceeding 2.0% for the median total fund and the 2.0% for the median public fund. CCCERA Total Fund performance has been above the median fund over all longer cumulative periods ended June 30, 2005.
- CCCERA domestic equities returned 2.4% in the quarter, ahead of the S&P 500 and slightly ahead of the median equity manager.
- CCCERA international equities returned 0.5% for the quarter, above -0.8% for the MSCI EAFE index and -0.5% for the median international equity manager.
- CCCERA fixed income returned 3.1% for the quarter, slightly above the Lehman Aggregate and median fixed income manager.
- CCCERA international fixed income returned 3.1% for the quarter, slightly below the 3.2% return of the Citigroup Non US Government Hedged Index.
- CCCERA real estate returned 13.9% for the quarter, well above the median real estate manager.
- CCCERA alternative assets returned 1.3% for the quarter.
- Domestic equities were over-weighted vs. target at the end of the second quarter, offset by an under-weighting in alternative investments. US equities are the "parking place" for assets intended for alternatives. International equities, real estate, domestic fixed income, international fixed income and cash & equivalents were all close to target levels at quarter end.
- Dreyfus was terminated during the quarter following its announcement that the small cap core equity investment team would leave effective June 30, 2005. The Dreyfus assets were transitioned to Rothschild and Emerald. Fountain Capital was also terminated during the quarter and a portion of its assets were contributed to the Nicholas Applegate high yield fixed income portfolio in the July 2005.
- The Board selected four international growth equity finalists to replace Capital Guardian. The finalist interviews will be held September 21, 2005.

WATCH LIST

Manager	Since	Reason
Boston Partners	3/2005	Personnel changes
Delaware	4/2005	Ownership
Prudential Timber	11/2004	Ownership and Personnel
US Realty	5/2003	Personnel changes

SUMMARY

The domestic equity markets had positive returns in the second quarter of 2005, with the S&P 500 returning 1.4%. Small capitalization stocks out-performed larger capitalization issues, with the Russell 2000 returning 4.3%. The median equity manager returned 2.3% and the broad market, represented by the Russell 3000, returned 2.2%. International equity markets had weak results, with the MSCI EAFE Index returning -0.8% and the median international equity manager returning -0.5%. Emerging markets posted good results, with the MSCI Emerging Markets Index returning 4.2%. The U.S. bond market was positive in the quarter with the Lehman Aggregate Index returning 3.0% and the median fixed income manager returning 2.5%. Hedged international bonds performed similarly, with the Citigroup Hedged Index returning 3.2%. Real estate returns were positive, with the NAREIT Equity Index of publicly traded real estate investment trust securities returning 13.5% while the NCREIF Property Index returned 5.3%. The median real estate manager returned 4.6%.

CCCERA's second quarter return of 3.7% exceeded both the median total fund and the median public fund. CCCERA has out-performed both medians over all trailing time periods.

CCCERA total domestic equities returned 2.4% for the quarter, better than the 1.4% return of the S&P 500 and slightly better than the 2.3% return of the median manager. Of CCCERA's active equity managers, Progress had the strongest domestic equity performance with a return of 5.8%, better than the 4.3% return of the Russell 2000. Delaware retuned 5.2%, well above the 2.5% return of the Russell 1000 Growth. Rothschild returned 4.0% versus 5.1% for the Russell 2000 Value. Emerald also returned 4.0%, better than the Russell 2000 Growth Index return of 3.5%. Boston Partners returned 2.6%, above the S&P 500 and the Russell 1000 Value Index. ING returned 1.5%, slightly better than the S&P 500. PIMCO returned 1.2%, slightly trailing the S&P 500. Finally, Wentworth returned 0.9%, trailing the S&P 500.

CCCERA international equities returned 0.5%, above the -0.8% return of the Morgan Stanley Capital International Europe, Australia, Far East Index and the -0.5% return of the median international manager. Capital Guardian's developed market portfolio return of -0.5% was slightly better than the MSCI EAFE and matched the median manager. The GMO Intrinsic Value portfolio returned 0.1%, above both the MSCI EAFE and the median international equity manager. The Capital Guardian emerging market portfolio returned 6.1% versus 4.2% for the MSCI Emerging Market Free Index.

CCCERA total domestic fixed income returned 3.1% for the second quarter, above 3.0% for the Lehman Aggregate and 2.5% for the median fixed income manager. AFL-CIO's return of 3.4% was above the Lehman Aggregate, the fixed income median and the Citigroup Mortgage Index. PIMCO returned 3.1%, above the Lehman Aggregate and the median. Western Asset also returned 3.1%, above the Lehman Aggregate and the median. ING Clarion returned 2.8%, above the fixed income median. Nicholas Applegate returned 2.7% versus 2.3% for the Citigroup High Yield Index and 3.1% for the Merrill Lynch BB/B Index.

The Fischer Francis Trees & Watts international hedged fixed income portfolio returned 3.1% for the second quarter, slightly below the 3.2% return of the Salomon Non US Government Hedged Index.

CCCERA total alternative investments returned 1.3% in the second quarter. Nogales had a return of 3.8% for the quarter; Energy Investor Fund reported a return of 2.9%, PruTimber reported a return of 0.8%; Pathway returned 0.6%, Adams Street Partners reported a return of 0.5% and the Bay Area Equity Fund returned 0.0% for the second quarter. (Due to timing constraints, all alternative portfolio returns except PruTimber are for the quarter ending March 31.)

The median real estate manager returned 4.6% for the quarter. CCCERA's total real estate returned 13.9%. Adelante Capital's REIT portfolio returned 17.8%; Prudential SPF-II returned 15.5%; Fidelity returned 8.5%; FFCA returned 2.5%; US Realty returned 2.3%; DLJ's RECP II returned 2.0%; Willows Office property returned 2.0%; BlackRock Realty returned 1.2%, DLJ's RECP I returned 0.2%; and Invesco returned -4.8%.

Asset Allocation
The CCCERA fund at June 30, 2005 was over-weighted in domestic equity at 42% versus the target of 39%, and under-weight in alternatives at 2% versus the target of 5%. (Assets earmarked for alternative investments are temporarily invested in U.S. equities.) Other classes were near targets.

Securities lending income for the quarter totaled $123,551 from CCCERA's custodian, State Street Bank.

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 below. We also include compliance with objectives in the manager comments.

Investment Performance Objectives – over a market cycle of 3-4-5 years:

- Domestic equity managers are expected to have a rate of return in excess of the S&P 500 after adjusting for risk and to have above median performance in the Wilshire COOP database. The enhanced index portfolios are expected to exceed the S&P 500.
- U.S. fixed managers are expected to exceed the Lehman Aggregate index and have above median performance. High yield managers are expected to exceed the Citi High Yield Index.
- International equity managers are expected to have a rate of return in excess of the MSCI EAFE index after adjusting for risk and to have above-median performance in the COOP database.
- The international fixed income manager is expected to exceed the Citi International Government Fixed Hedged Index.
- Real estate managers are expected to return of the Consumer Price Index + 500 basis points.
- Alternative managers are expected to have a return in excess of the S&P 500 and peers.
- The total fund is expected to have a return 400 basis points above the CPI.

Summary of Managers Compliance with Investment Performance Objectives

Managers Meeting Objectives:	Adelante Capital, AFL-CIO, Boston Partners, DLJ II, DLJ I, FFCA, FFTW, Intech, PIMCO (fixed income), Prudential SPF II, US Realty, Western Asset
Managers Meeting Some Objectives:	Adams Street, Nicholas-Applegate, PruTimber, Wentworth, Willows
Managers Not Meeting Objectives:	Capital Guardian (developed), Capital Guardian (emerging), ING (equity), Pathway,

The Total Fund, while exceeding total and public fund medians, has trailed the CPI + 400 basis points (4%) over the five-year period.

ASSET ALLOCATION

As of June 30, 2005

EQUITY - DOMESTIC	Market Value	% of Portion	% of Total	Target % of Total
Boston	$ 201,326,236	12.9 %	5.4 %	5.7 %
Delaware Investments	188,634,070	12.1	5.1	5.7
Dreyfus	565,399	0.0	0.0	0.0
Emerald	127,205,936	8.2	3.4	3.9
ING	190,993,684	12.2	5.1	5.7
Intech	198,106,057	12.7	5.3	5.7
PIMCO	285,745,426	18.3	7.7	5.7
Progress	37,592,481	2.4	1.0	1.0
Rothschild	132,612,749	8.5	3.6	3.9
Wentworth	196,599,318	12.6	5.3	5.7
TOTAL DOMESTIC	$ 1,559,381,356	100.0 %	41.8 %	43.0 %
			Range:	*35 to 55 %*
INTERNATIONAL EQUITY				
Capital Guardian	$ 220,132,037	49.2 %	5.9 %	5.2 %
Cap. Grd. Emg Mkt	49,061,333	11.0	1.3	1.1
GMO Intrinsic Value	178,365,613	39.9	4.8	5.2
TOTAL INT'L EQUITY	$ 447,558,983	100.0 %	12.0 %	11.5 %
			Range:	*7 to 13 %*
FIXED DOM - (non hy)				
AFL-CIO	$ 151,027,628	15.3 %	4.0 %	3.5 %
ING Clarion	39,173,927	4.0	1.1	1.7
PIMCO	398,262,000	40.4	10.7	8.9
Western Asset	396,366,457	40.2	10.6	8.9
TOTAL FIXED DOM	984,830,012	100.0	26.4	23.0
			Range:	*19 to 35 %*
HIGH YIELD				
Fountain Capital	22,949,982	31.9 %	0.6 %	0.0 %
Nicholas Applegate	48,969,545	68.1	1.3	2.0
TOTAL HIGH YIELD	71,919,527	100.0	1.9	2.0
			Range:	*1 to 4 %*
TOTAL U.S. FIXED	*$ 1,056,749,539*	*200.0 %*	*28.3 %*	*25.0 %*
INTERNATIONAL FIXED				
Fischer Francis	$ 155,815,032	100.0 %	4.2 %	4.0 %
TOTAL INT'L FIXED	$ 155,815,032	100.0 %	4.2 %	4.0 %
			Range:	*3 to 7 %*

ASSET ALLOCATION

As of June 30, 2005

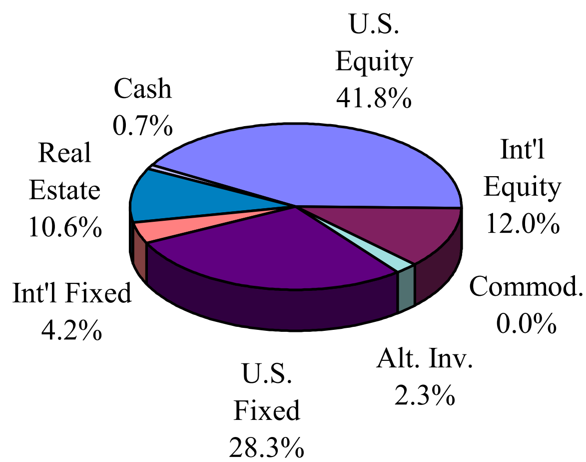
	Market Value	% of Portion	% of Total	Target % of Total
REAL ESTATE				
BlackRock Realty	$ 11,881,826	3.0 %	0.3 %	- %
DLJ RECP I	3,290,953	0.8	0.1	-
DLJ RECP II	20,376,852	5.1	0.5	-
FFCA	6,739,847	1.7	0.2	-
Fidelity	18,727,150	4.7	0.5	-
Hearthstone I	-364,000	-0.1	0.0	-
Hearthstone II	-1,195,000	-0.3	0.0	-
Invesco Fund I	8,072,928	2.0	0.2	-
Adelante Capital	284,207,142	71.7	7.6	-
BlackRock Realty MAC	16,456	0.0	0.0	-
Prudential SPF II	29,292,693	7.4	0.8	-
U.S. Realty	4,372,154	1.1	0.1	-
Willows Office Property	11,000,000	2.8	0.3	-
TOTAL REAL ESTATE	$ 396,419,001	100.0 %	10.6 %	9.0 %
			Range:	*5 to 12 %*
COMMODITIES				
N/A	$ -	0.0	0.0	2.0
TOTAL COMMODITIES	$ -	0.0 %	0.0 %	2.0 %
			Range:	*0 to 3 %*
ALTERNATIVE INVESTMENTS				
Adams Street Partners	$ 29,966,563	34.5 %	0.8 %	- %
Bay Area Equity Fund	1,937,578	2.2	0.1	-
Energy Investor Fund	15,122,101	17.4	0.4	-
Nogales	7,060,987	8.1	0.2	-
Pathway	19,297,040	22.2	0.5	-
PruTimber	13,441,262	15.5	0.4	-
TOTAL ALTERNATIVE	$ 86,825,531	100.0 %	2.3 %	5.0 %
Custodian Cash	$ 12,096,660	45.7 %	0.3 %	- %
Treasurer's Fixed	14,377,000	54.3	0.4	-
TOTAL CASH	$ 26,473,660	100.0 %	0.7 %	0.5 %
TOTAL ASSETS	**$ 3,729,223,102**	**100.0 %**	**100.0 %**	**100.0 %**

**CCCERA has committed $25 million to BlackRock (formerly SSR) Realty; $15 million to DLJ RECP I; $40 million to DLJ RECP II; $75 million to DLJ III, $50 million to Fidelity; $40 million to Prudential's SPF-II; $40 million to US Realty; $50 million to INVESCO Real Estate; $90 million to Adams Street Partners Venture Capital Fund; $10 million to Bay Area Equity Fund; $30 million to Energy Investor Fund; $15 million to Nogales; $45 million to Pathway and $15 million to PruTimber.

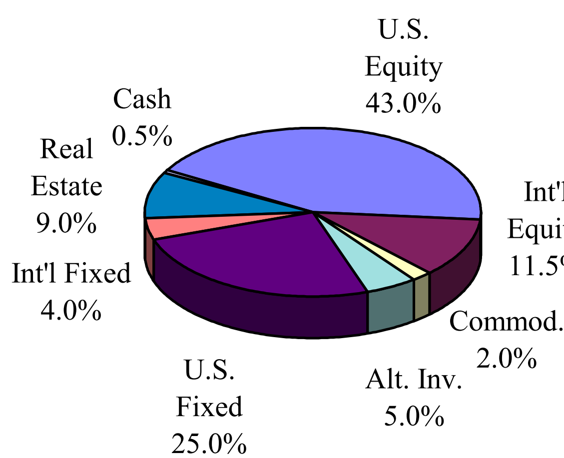
ASSET ALLOCATION

As of June 30, 2005

CCCERA Asset Allocation



Target Asset Allocation



CUMULATIVE PERFORMANCE STATISTICS
Performance through Second Quarter, 2005

DOMESTIC EQUITY	3 Mo	6 Mo	9 Mo	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr
Boston Partners	**2.6 %**	**2.1 %**	**11.2 %**	**12.8 %**	**17.1 %**	**10.4 %**	**5.5 %**	**9.1 %**
Rank vs Equity	***44***	***23***	***47***	***24***	***39***	***49***	***39***	***25***
Rank vs Lg Value	***29***	***38***	***61***	***40***	***44***	***53***	***46***	***32***
Delaware	**5.2**	-	-	-	-	-	-	-
Rank vs Equity	***10***	-	-	-	-	-	-	-
Rank vs Lg Growth	***14***	-	-	-	-	-	-	-
Emerald Advisors	**4.0**	**-0.5**	**14.0**	**3.5**	**14.7**	-	-	-
Rank vs Equity	***21***	***59***	***23***	***83***	***56***	-	-	-
Rank vs Sm Cap Growth	***40***	***47***	***30***	***62***	***67***	-	-	-
ING	**1.5**	**-0.1**	**9.1**	**7.5**	**12.7**	**8.1**	-	-
Rank vs Equity	***64***	***53***	***62***	***53***	***70***	***76***	-	-
Rank vs Lg Core	***32***	***36***	***30***	***26***	***33***	***65***	-	-
Intech	**2.1**	**2.0**	**11.6**	**11.2**	**16.8**	**11.2**	-	-
Rank vs Equity	***54***	***24***	***43***	***31***	***40***	***42***	-	-
Rank vs Lg Core	***23***	***4***	***10***	***4***	***4***	***10***	-	-
Progress	**5.8**	**0.8**	**12.9**	**7.7**	-	-	-	-
Rank vs Equity	***6***	***40***	***31***	***51***	-	-	-	-
Rank vs All Sm Cap	***10***	***43***	***52***	***65***	-	-	-	-
Rothschild	**4.0**	**2.6**	**15.0**	**13.9**	**22.3**	-	-	-
Rank vs Equity	***21***	***18***	***18***	***17***	***16***	-	-	-
Rank vs Sm Cap Value	***33***	***32***	***45***	***41***	***65***	-	-	-
Wentworth, Hauser	**0.9**	**0.3**	**12.2**	**10.4**	**12.8**	**8.5**	**2.3**	**1.2**
Rank vs Equity	***81***	***48***	***38***	***36***	***70***	***66***	***57***	***53***
Rank vs Lg Core	***77***	***26***	***9***	***4***	***32***	***32***	***18***	***13***
PIMCO Stocks Plus	**1.2**	**-1.0**	**8.2**	**6.5**	**12.4**	-	-	-
Rank vs Equity	***77***	***71***	***74***	***60***	***77***	-	-	-
Rank vs Lg Core	***72***	***80***	***72***	***33***	***63***	-	-	-
Total Domestic Equities	**2.4**	**0.3**	**10.7**	**8.8**	**14.7**	**7.6**	**0.6**	**-1.5**
Rank vs Equity	***47***	***47***	***50***	***45***	***55***	***80***	***81***	***63***
Median Equity	2.3	0.1	10.7	8.1	15.5	10.4	3.4	2.2
S&P 500	1.4	-0.8	8.3	6.3	12.5	8.3	1.0	-2.4
Russell 2000	4.3	-1.3	12.7	9.5	20.8	12.8	7.0	5.7
Russell 3000	2.3	0.0	10.2	8.1	14.1	9.5	2.1	-1.4
Russell 1000 Value	1.7	1.8	12.3	14.1	17.5	11.0	5.6	6.6
Russell 1000 Growth	2.5	-1.7	7.3	1.7	9.5	7.3	-2.4	-10.4
INT'L EQUITY								
Capital Guardian	**-0.5**	**-0.8**	**12.4**	**11.5**	**20.2**	**10.8**	**5.8**	**-1.7**
Rank vs Int'l Eq	***50***	***67***	***83***	***83***	***81***	***77***	***79***	***91***
Cap. Guard. Emg. Mkt.	**6.1**	**8.4**	**25.4**	**35.2**	**32.0**	**23.4**	**15.6**	**4.9**
Rank vs MS Emg Mkt Eq	***4***	***4***	***20***	***27***	***53***	***33***	***76***	***72***
GMO	**0.1**	-	-	-	-	-	-	-
Rank vs Int'l Eq	***38***	-	-	-	-	-	-	-
Total Int'l Equities	**0.5**	**0.7**	**15.3**	**15.2**	**23.2**	**12.9**	**7.1**	**-0.6**
Rank vs Int'l Eq	***33***	***41***	***29***	***38***	***44***	***47***	***55***	***82***
Median Int'l Equity	-0.5	0.0	14.4	14.4	22.9	12.7	7.7	3.9
Median MS Emg Mkt Eq	3.9	5.5	22.9	32.1	32.4	22.4	17.0	6.9
MSCI EAFE Index	-0.8	-0.9	14.4	14.1	23.1	12.5	6.6	-0.2
MSCI EM Free Index	4.2	6.3	24.6	34.9	34.2	24.4	18.2	7.7

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

CUMULATIVE PERFORMANCE STATISTICS
Performance through Second Quarter, 2005

	3 Mo	6 Mo	9 Mo	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr
DOMESTIC FIXED INCOME								
AFL-CIO Housing	**3.4 %**	**3.1 %**	**3.9 %**	**7.4 %**	**3.8 %**	**6.0 %**	**7.2 %**	**8.0 %**
Rank vs Fixed Income	***6***	***10***	***26***	***24***	***37***	***36***	***22***	***24***
Nicholas Applegate	**2.7**	**0.9**	**5.2**	**9.3**	**8.8**	**11.8**	**9.1**	**6.6**
Rank vs MS High Yield	***15***	***27***	***33***	***42***	***59***	***52***	***28***	***37***
ING Clarion	**2.8**	**8.0**	**12.1**	**16.4**	**-**	**-**	**-**	**-**
Rank vs Fixed Income	***35***	***1***	***1***	***1***	***-***	***-***	***-***	***-***
PIMCO	**3.1**	**3.0**	**4.7**	**8.0**	**4.8**	**7.0**	**-**	**-**
Rank vs Fixed Income	***20***	***11***	***8***	***14***	***12***	***14***	***-***	***-***
Western Asset	**3.1**	**2.5**	**4.4**	**8.3**	**4.8**	**8.1**	**-**	**-**
Rank vs Fixed Income	***20***	***34***	***14***	***11***	***13***	***8***	***-***	***-***
Total Domestic Fixed	**3.1**	**2.8**	**4.7**	**8.4**	**5.2**	**7.8**	**7.5**	**8.0**
Rank vs Fixed Income	***21***	***20***	***8***	***10***	***10***	***9***	***18***	***26***
Median Fixed Income	2.5	2.0	3.2	6.1	3.5	5.7	6.3	7.4
Median MS High Yield Mgr.	1.9	0.4	4.6	8.5	9.2	11.9	7.9	5.9
Lehman Aggregate	3.0	2.5	3.5	6.8	3.5	5.8	6.5	7.4
Citigroup Mortgage	2.4	2.2	3.5	6.3	4.2	4.8	5.8	6.9
Citigroup High Yield	2.3	0.8	5.6	10.4	10.4	15.5	10.1	7.7
Merrill Lynch BB/B	3.1	1.7	5.4	10.5	9.6	12.5	8.4	6.7
T-Bills	0.7	1.3	1.8	2.2	1.6	1.6	1.8	2.6
INT'L FIXED INCOME								
Fischer Francis	**3.1**	**4.1**	**7.0**	**9.5**	**5.3**	**6.2**	**5.8**	**-**
Citigroup NonUS Govt Hdg	3.2	4.4	6.7	9.2	4.4	5.5	5.3	-
ALTERNATIVE INVESTMENTS								
Adams Street**	**0.5**	**7.8**	**10.8**	**12.5**	**13.8**	**5.2**	**0.3**	**-1.7**
Bay Area Equity Fund**	**0.0**	**-0.3**	**-0.3**	**-**	**-**	**-**	**-**	**-**
Energy Investor Fund**	**2.9**	**47.7**	**55.5**	**58.6**	**-**	**-**	**-**	**-**
Nogales**	**3.8**	**7.2**	**10.6**	**14.2**	**-**	**-**	**-**	**-**
Pathway**	**0.6**	**15.5**	**17.9**	**20.2**	**15.9**	**6.0**	**-4.8**	**-7.9**
PruTimber	**0.8**	**1.9**	**6.6**	**8.6**	**6.1**	**3.6**	**2.5**	**2.7**
Total Alternative	**1.3**	**16.8**	**20.8**	**23.0**	**16.3**	**7.9**	**2.4**	**0.5**

Note: Returns for periods longer than one year are annualized.
See also see Internal Rates of Return for closed end funds on page 77.

*** Performance as of March 31, 2005.*

CUMULATIVE PERFORMANCE STATISTICS
Performance through Second Quarter, 2005

	3 Mo	6 Mo	9 Mo	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr
REAL ESTATE								
BlackRock Realty	**1.2 %**	**- %**	**- %**	**- %**	**- %**	**- %**	**- %**	**- %**
Rank	***78***	-	-	-	-	-	-	-
DLJ RECP I**	**0.2**	**13.2**	**9.4**	**12.4**	**14.1**	**11.2**	**10.0**	**9.5**
Rank	***83***	***8***	***65***	***58***	***43***	***50***	***52***	***55***
DLJ RECP II**	**2.0**	**25.1**	**32.6**	**35.4**	**35.7**	**29.1**	**23.0**	**19.2**
Rank	***72***	***3***	***4***	***7***	***5***	***5***	***9***	***17***
FFCA	**2.5**	**5.7**	**14.5**	**17.5**	**11.5**	**11.2**	**10.7**	**11.6**
Rank	***68***	***70***	***38***	***37***	***58***	***50***	***43***	***31***
Fidelity	**8.5**	**10.8**	**19.1**	**21.1**	-	-	-	-
Rank	***21***	***18***	***25***	***25***	-	-	-	-
Invesco Fund I	**-4.8**	-	-	-	-	-	-	-
Rank	***97***	-	-	-	-	-	-	-
Adelante Capital REIT	**17.8**	**7.6**	**26.1**	**35.7**	**33.0**	**23.1**	-	-
Rank vs REIT Mut Fds	***1***	***8***	***11***	***15***	***11***	***10***	-	-
Prudential SPF II	**15.5**	**25.0**	**31.0**	**36.1**	**26.6**	**19.8**	**15.5**	**14.7**
Rank	***3***	***3***	***5***	***6***	***20***	***21***	***28***	***25***
U.S. Realty	**2.3**	**5.2**	**5.7**	**8.4**	**9.7**	**12.0**	**12.4**	**12.4**
Rank	***69***	***74***	***81***	***77***	***63***	***48***	***31***	***30***
Willows Office Property	**2.0**	**4.3**	**5.6**	**7.7**	**-1.2**	**2.1**	**14.9**	**14.1**
Rank	***73***	***76***	***81***	***80***	***92***	***87***	***28***	***26***
Total Real Estate	**13.9**	**10.2**	**24.9**	**31.8**	**28.1**	**21.2**	**19.6**	**17.4**
Rank	***12***	***19***	***10***	***17***	***20***	***18***	***19***	***19***
Median Real Estate	4.6	7.0	12.2	15.2	12.6	11.4	10.2	10.8
NCREIF Property Index	5.3	9.0	14.1	18.0	14.4	12.1	10.4	10.6
NAREIT Index	13.5	4.9	20.3	30.1	28.3	20.3	19.6	20.7
CPI + 500 bps	1.9	4.8	6.3	7.7	8.1	8.0	7.5	7.7
CCCERA Total Fund	**3.7 %**	**2.7 %**	**11.2 %**	**12.4 %**	**14.4 %**	**11.3 %**	**6.7 %**	**4.8 %**
Rank vs. Total Fund	***1***	***5***	***8***	***4***	***14***	***7***	***18***	***35***
Rank vs. Public Fund	***4***	***8***	***8***	***6***	***7***	***8***	***14***	***27***
Median Total Fund	2.0	1.0	8.3	8.1	11.5	8.8	5.3	4.1
Median Public Fund	2.0	1.2	8.3	8.0	11.0	8.4	5.5	4.4
CPI + 400 bps	1.6	4.2	5.5	6.7	7.1	7.0	6.5	6.6

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

*** Performance as of March 31, 2005.*

AFTER-FEE CUMULATIVE PERFORMANCE STATISTICS
Performance through Second Quarter, 2005

	3 Mo	6 Mo	9 Mo	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr
DOMESTIC EQUITY								
Boston Partners	**2.5 %**	**1.9 %**	**10.9 %**	**12.4 %**	**16.8 %**	**10.1 %**	**5.1 %**	**8.7 %**
Delaware	**5.0**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Emerald Advisors	**3.8**	**-0.9**	**13.5**	**2.9**	**14.0**	**-**	**-**	**-**
ING	**1.4**	**-0.2**	**8.9**	**7.2**	**12.4**	**7.8**	**-**	**-**
Intech	**2.0**	**1.9**	**11.3**	**10.9**	**16.5**	**10.8**	**-**	**-**
Progress	**5.6**	**0.4**	**12.3**	**6.9**	**-**	**-**	**-**	**-**
Rothschild	**3.8**	**2.3**	**14.4**	**13.2**	**21.5**	**-**	**-**	**-**
Wentworth, Hauser	**0.9**	**0.1**	**12.0**	**10.1**	**12.5**	**8.2**	**2.0**	**1.0**
PIMCO Stocks Plus	**1.1**	**-1.1**	**8.0**	**6.2**	**12.1**	**-**	**-**	**-**
S&P 500	1.4	-0.8	8.3	6.3	12.5	8.3	1.0	-2.4
Russell 2000	4.3	-1.3	12.7	9.5	20.8	12.8	7.0	5.7
Russell 3000	2.3	0.0	10.2	8.1	14.1	9.5	2.1	-1.4
Russell 1000 Value	1.7	1.8	12.3	14.1	17.5	11.0	5.6	6.6
Russell 1000 Growth	2.5	-1.7	7.3	1.7	9.5	7.3	-2.4	-10.4
INT'L EQUITY								
Capital Guardian	**-0.6**	**-1.1**	**12.0**	**11.0**	**19.7**	**10.3**	**5.3**	**-2.1**
Cap. Guard. Emg. Mkt.	**5.9**	**8.1**	**24.8**	**34.3**	**31.1**	**22.6**	**14.8**	**4.2**
GMO Intrinsic Value	**0.0**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
MSCI EAFE Index	-0.8	-0.9	14.4	14.1	23.1	12.5	6.6	-0.2
MSCI EM Free Index	4.2	6.3	24.6	34.9	34.2	24.4	18.2	7.7
DOMESTIC FIXED INCOME								
AFL-CIO Housing	**3.3**	**2.9**	**3.6**	**7.0**	**3.4**	**5.7**	**6.8**	**7.7**
Nicholas Applegate	**2.5**	**0.6**	**4.8**	**8.7**	**8.3**	**11.2**	**8.5**	**6.0**
ING Clarion	**2.2**	**6.6**	**10.3**	**13.6**	**-**	**-**	**-**	**-**
PIMCO	**3.0**	**2.9**	**4.5**	**7.8**	**4.5**	**6.7**	**-**	**-**
Western Asset	**3.0**	**2.4**	**4.2**	**8.1**	**4.6**	**7.9**	**-**	**-**
Lehman Aggregate	3.0	2.5	3.5	6.8	3.5	5.8	6.5	7.4
Citigroup Mortgage	2.4	2.2	3.5	6.3	4.2	4.8	5.8	6.9
Citigroup High Yield	2.3	0.8	5.6	10.4	10.4	15.5	10.1	7.7
T-Bills	0.7	1.3	1.8	2.2	1.6	1.6	1.8	2.6
INT'L FIXED INCOME								
Fischer Francis	**3.0**	**3.9**	**6.8**	**9.2**	**4.9**	**5.9**	**5.5**	**-**
Citigroup NonUS Govt Hdg	3.2	0.0	6.7	9.2	4.4	5.5	5.3	-

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

YEAR BY YEAR PERFORMANCE STATISTICS
Performance through Second Quarter, 2005

DOMESTIC EQUITY	YTD	2004	2003	2002	2001	2000	1999
Boston Partners	**2.1 %**	**16.6 %**	**27.1 %**	**-18.7 %**	**4.1 %**	**18.8 %**	**5.7 %**
Rank vs Equity	*23*	*31*	*75*	*32*	*21*	*13*	*74*
Rank vs Lg Value	*38*	*32*	*81*	*54*	*22*	*15*	*59*
Delaware	-	-	-	-	-	-	-
Rank vs Equity	-	-	-	-	-	-	-
Rank vs Lg Growth	-	-	-	-	-	-	-
Emerald Advisors	**-0.5**	**4.1**	-	-	-	-	-
Rank vs Equity	*59*	*93*	-	-	-	-	-
Rank vs Sm Cap Growth	*47*	*86*	-	-	-	-	-
ING	**-0.1**	**11.2**	**26.7**	-	-	-	-
Rank vs Equity	*53*	*60*	*77*	-	-	-	-
Rank vs Lg Core	*36*	*36*	*83*	-	-	-	-
Intech	**2.0**	**15.3**	**29.4**	-	-	-	-
Rank vs Equity	*24*	*37*	*60*	-	-	-	-
Rank vs Lg Core	*4*	*7*	*34*	-	-	-	-
Progress	**0.8**	-	-	-	-	-	-
Rank vs Equity	*40*	-	-	-	-	-	-
Rank vs All Sm Cap	*43*	-	-	-	-	-	-
Rothschild	**2.6**	**20.7**	-	-	-	-	-
Rank vs Equity	*18*	*15*	-	-	-	-	-
Rank vs Sm Cap Value	*32*	*39*	-	-	-	-	-
Wentworth, Hauser	**0.3**	**13.6**	**27.1**	**-23.4**	**-6.7**	**11.4**	**15.8**
Rank vs Equity	*48*	*46*	*75*	*65*	*42*	*24*	*59*
Rank vs Lg Core	*26*	*15*	*82*	*77*	*11*	*2*	*86*
PIMCO Stocks Plus	**-1.0**	**11.1**	**29.9**	-	-	-	-
Rank vs Equity	*71*	*62*	*58*	-	-	-	-
Rank vs Lg Core	*80*	*15*	*29*	-	-	-	-
Total Domestic Equities	**0.3**	**13.0**	**31.0**	**-28.0**	**-9.2**	**-2.8**	**18.9**
Rank vs Equity	*47*	*49*	*50*	*83*	*48*	*50*	*53*
Median Equity	0.1	12.9	31.0	-22.0	-9.7	-2.7	20.3
S&P 500	-0.8	10.9	28.7	-22.1	-11.9	-9.1	21.0
Russell 2000	-1.3	18.3	47.3	-20.5	2.5	-3.0	21.3
Russell 3000	0.0	12.0	31.0	-21.6	-11.5	-7.5	20.9
Russell 1000 Value	1.8	16.5	30.0	-15.5	-5.6	7.0	7.3
Russell 1000 Growth	-1.7	6.3	29.8	-27.9	-20.4	-22.4	33.2
INT'L EQUITY							
Capital Guardian	**-0.8**	**15.2**	**37.3**	**-14.9**	**-16.5**	**-18.5**	**67.6**
Rank vs Int'l Eq	*67*	*84*	*43*	*48*	*49*	*76*	*10*
Cap. Guard. Emg. Mkt.	**8.4**	**21.6**	**51.5**	**-9.9**	**-3.4**	**-31.0**	**77.9**
Rank vs MS Emg Mkt Eq	*4*	*65*	*66*	*85*	*42*	*48*	*28*
GMO	-	-	-	-	-	-	-
Rank vs Int'l Eq	-	-	-	-	-	-	-
Total Int'l Equities	**0.7**	**18.1**	**39.9**	**-14.6**	**-18.1**	**-18.2**	**53.6**
Rank vs Int'l Eq	*41*	*68*	*27*	*45*	*59*	*74*	*31*
Median Int'l Equity	0.0	19.9	36.4	-15.0	-16.5	-14.0	29.5
Median MS Emg Mkt Eq	5.5	24.4	54.4	-6.5	-4.1	-31.5	66.7
MSCI EAFE Index	-0.9	20.7	39.2	-15.7	-21.2	-14.0	27.3
MSCI EM Free Index	6.3	26.0	56.3	-6.0	-2.4	-30.6	66.4

YEAR BY YEAR PERFORMANCE STATISTICS
Performance through Second Quarter, 2005

	YTD	2004	2003	2002	2001	2000	1999
DOMESTIC FIXED INCOME							
AFL-CIO Housing	**3.1 %**	**4.6 %**	**4.2 %**	**12.1 %**	**8.6 %**	**12.7 %**	**-0.3 %**
Rank vs Fixed Income	***10***	***41***	***66***	***6***	***43***	***9***	***52***
Nicholas Applegate	**0.9**	**9.1**	**21.2**	**4.8**	**3.6**	**-**	**-**
Rank	***27***	***66***	***68***	***5***	***40***	-	-
ING Clarion	**8.0**	-	-	-	-	-	-
Rank vs Fixed Income	***1***	-	-	-	-	-	-
PIMCO	**3.0**	**5.6**	**6.9**	-	-	-	-
Rank vs Fixed Income	***11***	***20***	***21***	-	-	-	-
Western Asset	**2.5**	**6.5**	**7.1**	-	-	-	-
Rank vs Fixed Income	***34***	***15***	***18***	-	-	-	-
Total Domestic Fixed	**2.8**	**6.3**	**7.9**	**9.1**	**7.2**	**10.7**	**-0.4**
Rank vs Fixed Income	***20***	***16***	***14***	***52***	***75***	***49***	***55***
Median Fixed Income	2.0	4.4	4.6	9.2	8.4	10.7	-0.3
Median MS High Yield Mgr.	0.4	9.8	24.0	-1.1	2.7	-8.1	4.0
Lehman Aggregate	2.5	4.3	4.1	10.3	8.4	11.6	-0.8
Citigroup Mortgage	2.2	4.8	3.1	8.8	8.2	11.3	1.8
Citigroup High Yield	0.8	10.8	30.6	-1.5	5.4	-5.7	1.7
T-Bills	1.3	1.3	1.1	1.8	4.4	6.1	4.6
INT'L FIXED INCOME							
Fischer Francis	**4.1**	**6.4**	**3.5**	**7.3**	**5.4**	-	-
Citigroup NonUS Govt Hdg	4.4	5.2	1.9	6.9	6.1	9.6	2.7
ALTERNATIVE INVESTMENTS							
Adams Street**	**7.8**	**13.0**	**4.5**	**-10.9**	**-28.9**	**92.1**	**39.8**
Bay Area Equity Fund**	**-0.3**	-	-	-	-	-	-
Energy Investor Fund**	**47.7**	-	-	-	-	-	-
Nogales**	**7.2**	-	-	-	-	-	-
Pathway**	**15.5**	**12.2**	**0.2**	**-23.1**	**-33.9**	**39.3**	-
PruTimber	**1.9**	**6.9**	**3.8**	**-1.1**	**0.2**	**3.3**	**7.3**
Total Alternative	**16.8**	**10.5**	**3.5**	**-9.3**	**-22.8**	**59.5**	**22.7**

See also IRRs on closed end funds (real estate and alternatives) on Page 77.

*** Performance is as of March 31, 2005.*

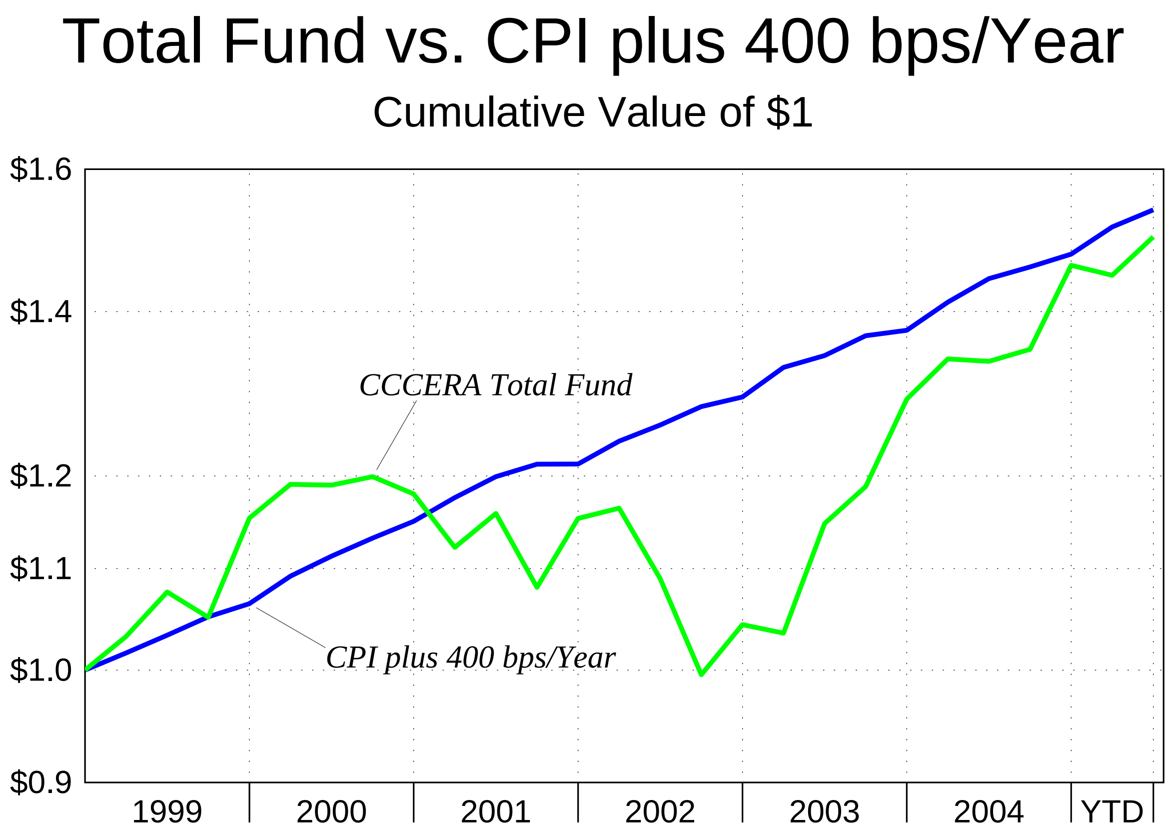
YEAR BY YEAR PERFORMANCE STATISTICS
Performance through Second Quarter, 2005

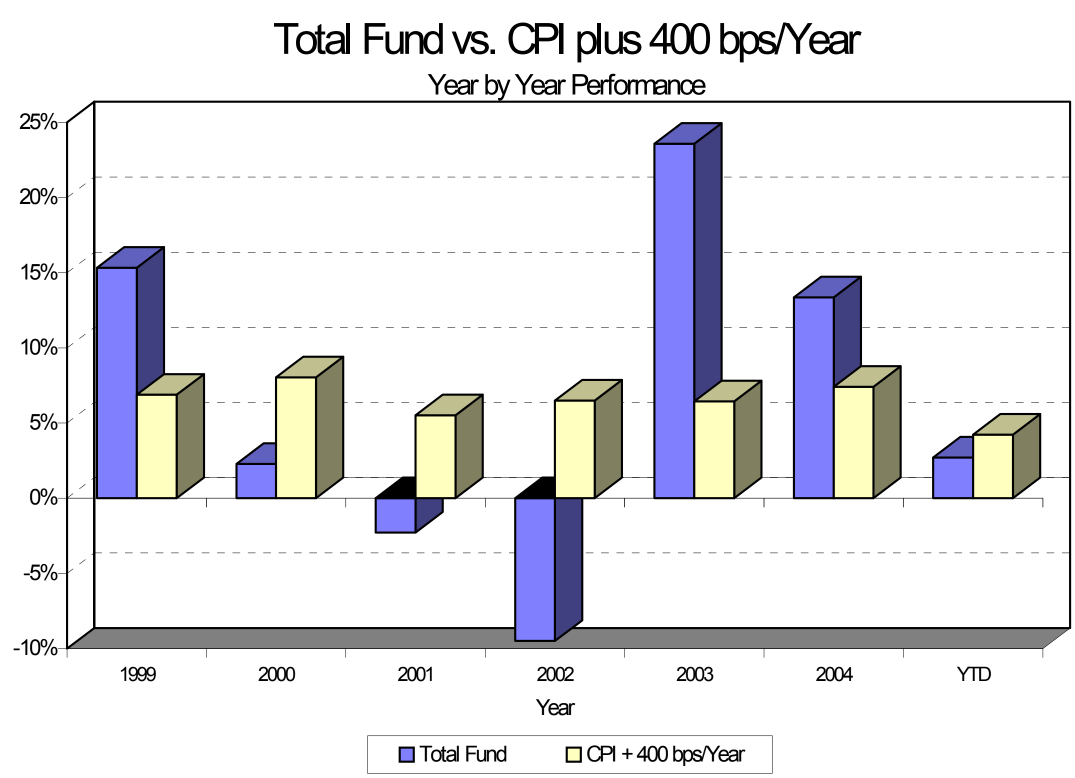
	YTD	2004	2003	2002	2001	2000	1999
REAL ESTATE							
BlackRock Realty	**- %**	**- %**	**- %**	**- %**	**- %**	**- %**	**- %**
Rank	-	-	-	-	-	-	-
DLJ RECP I**	**13.2 %**	**11.8 %**	**4.2 %**	**6.8 %**	**9.0 %**	**14.9 %**	**24.2 %**
Rank	***8***	***54***	***84***	***39***	***35***	***38***	***3***
DLJ RECP II**	**25.1**	**33.8**	**25.8**	**9.9**	**4.9**	**-4.3**	**-**
Rank	***3***	***19***	***28***	***14***	***66***	***88***	-
FFCA	**5.7**	**14.5**	**9.6**	**9.9**	**10.2**	**15.1**	**10.9**
Rank	***70***	***39***	***43***	***13***	***21***	***37***	***32***
Fidelity	**10.8**	-	-	-	-	-	-
Rank	***18***	-	-	-	-	-	-
Invesco Fund I	-	-	-	-	-	-	-
Rank	-	-	-	-	-	-	-
Adelante Capital REIT	**7.6**	**36.9**	**36.1**	**4.2**	-	-	-
Rank	***8***	***11***	***53***	***47***	-	-	-
Prudential SPF II	**25.0**	**19.7**	**12.4**	**6.5**	**4.1**	**11.7**	**7.7**
Rank	***3***	***30***	***33***	***40***	***68***	***57***	***46***
U.S. Realty	**5.2**	**8.3**	**17.2**	**13.8**	**11.1**	**11.1**	**22.6**
Rank	***74***	***69***	***32***	***2***	***20***	***64***	***3***
Willows Office Property	**4.3**	**-8.9**	**7.9**	**8.2**	**66.1**	**10.6**	-
Rank	***76***	***96***	***67***	***29***	***1***	***65***	-
Total Real Estate	**10.2**	**30.4**	**25.6**	**7.5**	**10.2**	**11.0**	**12.4**
Rank	***19***	***23***	***28***	***35***	***25***	***64***	***20***
Median Real Estate	7.0	12.3	9.5	4.8	7.3	12.7	6.9
NCREIF Property Index	9.0	14.5	9.0	6.7	6.3	10.3	9.3
NAREIT Index	4.9	30.4	38.5	5.2	15.5	25.9	-7.6
CPI + 500 bps	4.8	8.5	7.5	7.6	6.7	10.2	7.6
CCCERA Total Fund	**2.7**	**13.38**	**23.5**	**-9.5**	**-2.4**	**2.2**	**16.3**
Rank vs. Total Fund	***5***	***15***	***20***	***63***	***54***	***53***	***23***
Rank vs. Public Fund	***8***	***8***	***19***	***69***	***47***	***48***	***19***
Median Total Fund	1.0	10.4	19.1	-8.1	-1.6	2.8	10.6
Median Public Fund	1.2	10.0	20.4	-8.0	-2.4	2.1	12.0
CPI + 400 bps	4.2	7.4	6.5	6.5	5.5	9.1	6.7

*** Performance is as of March 31, 2005.*

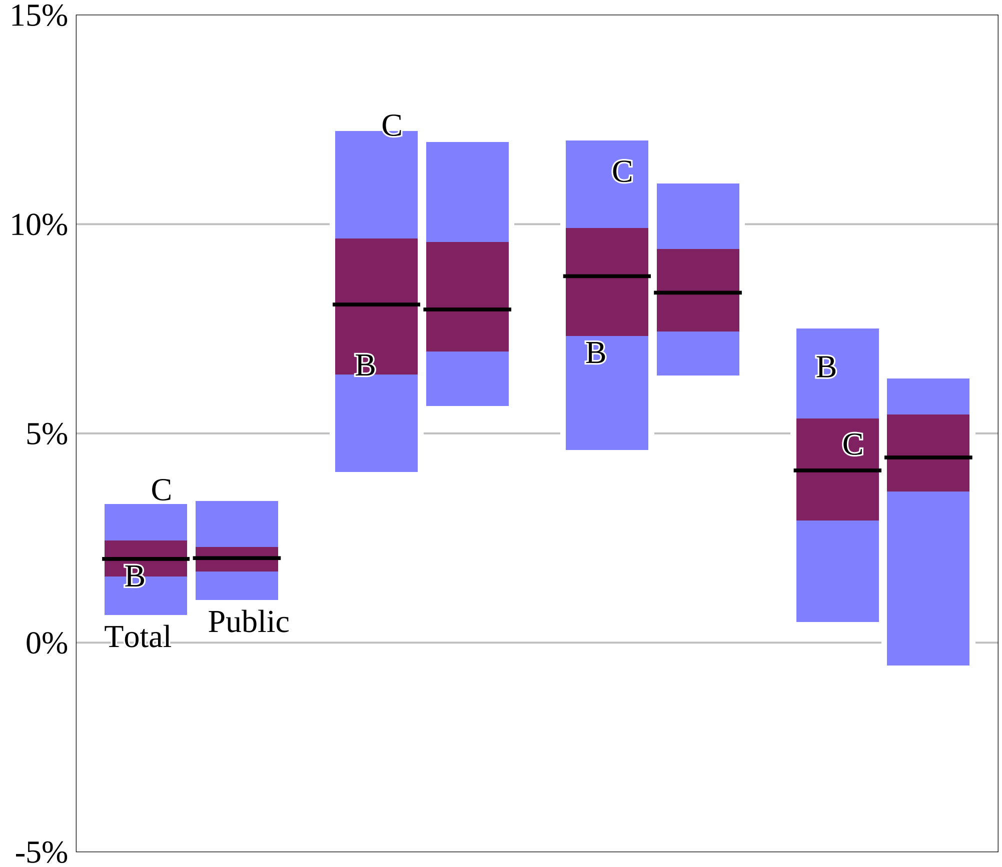
TOTAL FUND PERFORMANCE

Total Fund





Total Fund



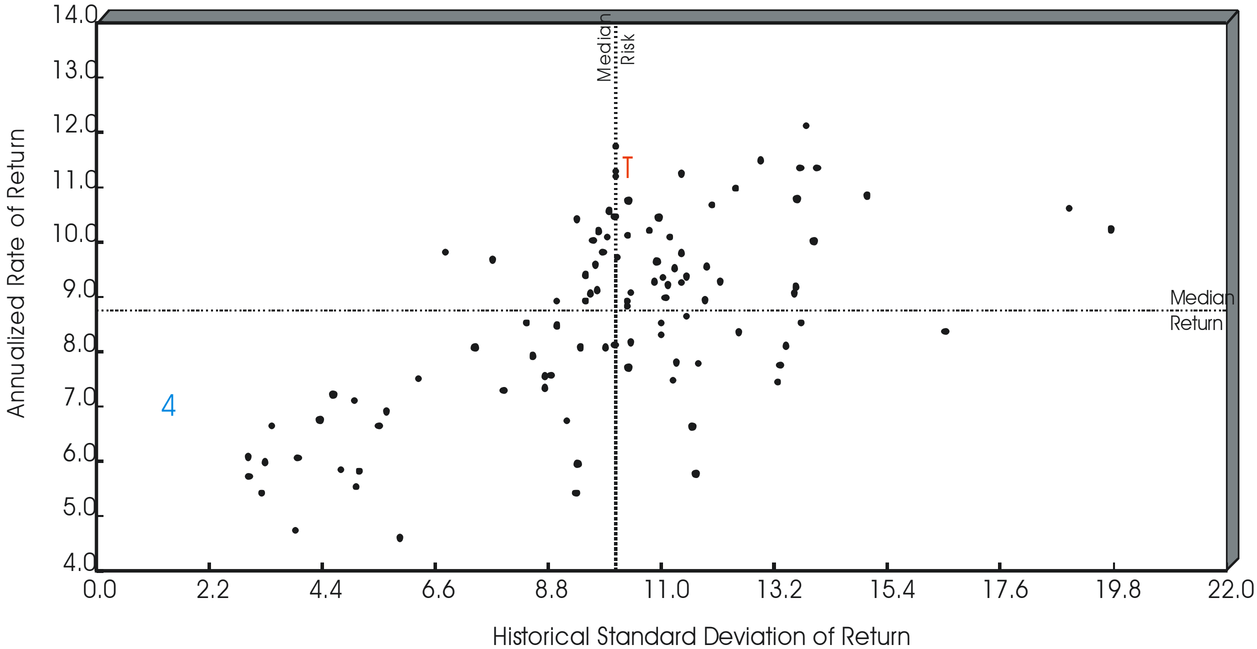
	Last Qtr	1 Yr	3 Yrs	5 Yrs
Total Fund (C)	3.7	12.4	11.3	4.8
Rank v. Total	*1*	*4*	*7*	*35*
Rank v. Public	*4*	*6*	*8*	*27*
CPI plus 400 (B)	1.6	6.7	7.0	6.6
Total Fund Median	2.0	8.1	8.8	4.1
Public Fund Median	2.0	8.0	8.4	4.4

CCCERA Total Fund returned 3.7% in the second quarter, exceeding the 2.0% return of the median total fund and the median total public fund. For the one-year period, the Total Fund returned 12.4%, well above 8.1% for the median total fund and 8.0% for the median public fund. Over the longer periods CCCERA has performed better than both fund medians. As illustrated in the charts on the following two pages, over the three-year period CCCERA has exceeded the median total fund with the same risk, and has exceeded the median total fund with a similar risk level over the five-year period. Despite strong relative performance over recent years, CCCERA Total Fund trailed the CPI plus 400 basis points over the past five years.

TOTAL FUND PERFORMANCE

Performance and Variability

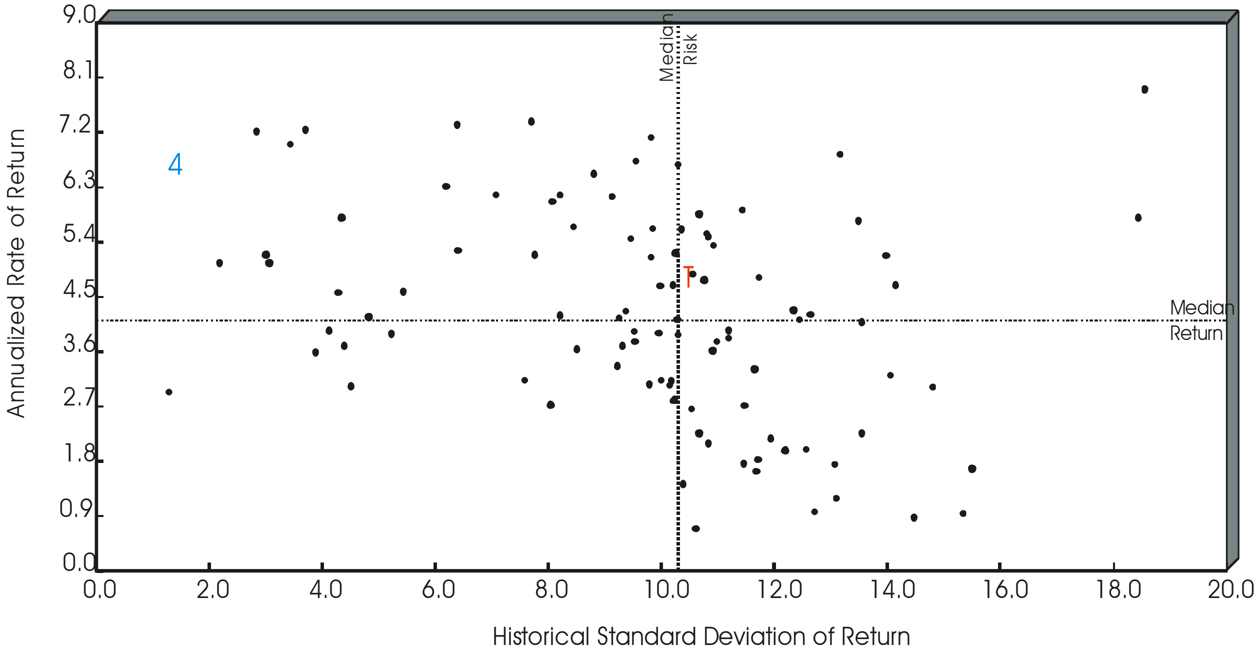
Three Years Ending June 30, 2005



		Annualized Return		Standard Deviation	
		Value	Rank	Value	Rank
T	Total Fund	11.29	7	10.49	58
4	CPI + 400bps/yr (add 32bps/mth)	6.96	79	1.51	2
	Median	8.76		10.11	

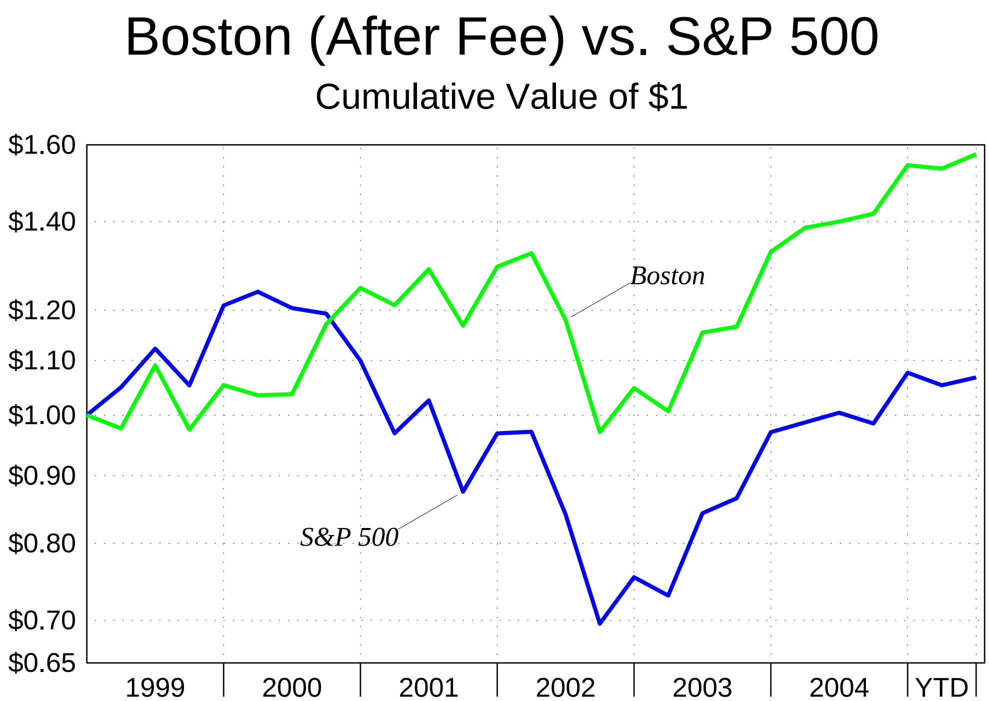
Performance and Variability

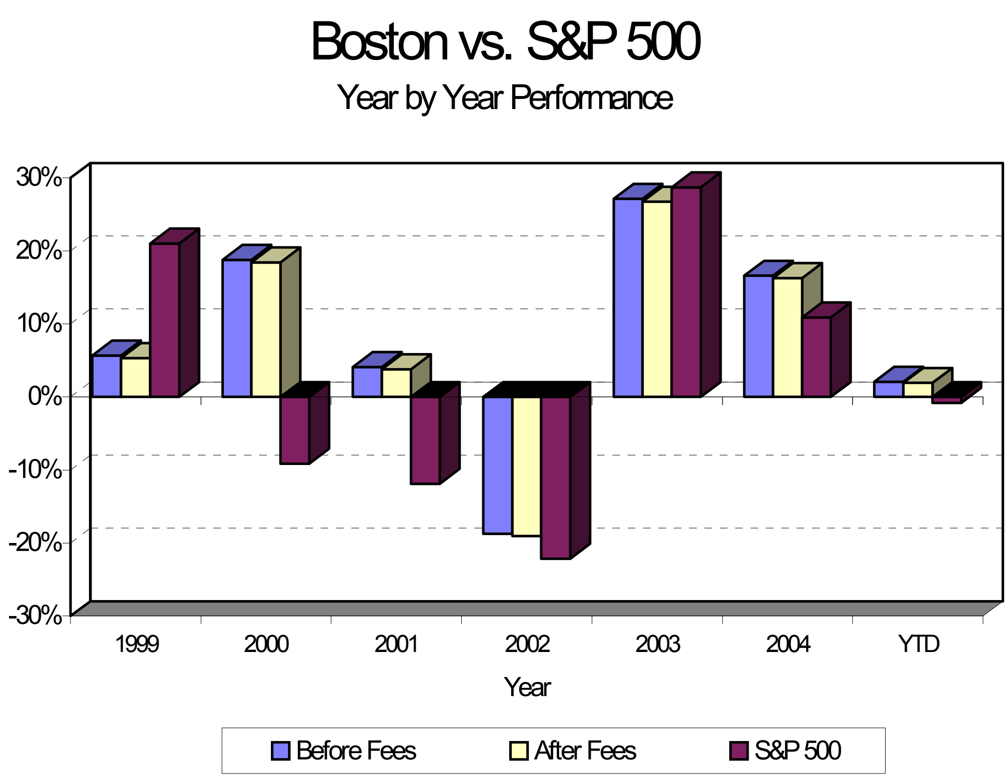
Five Years Ending June 30, 2005



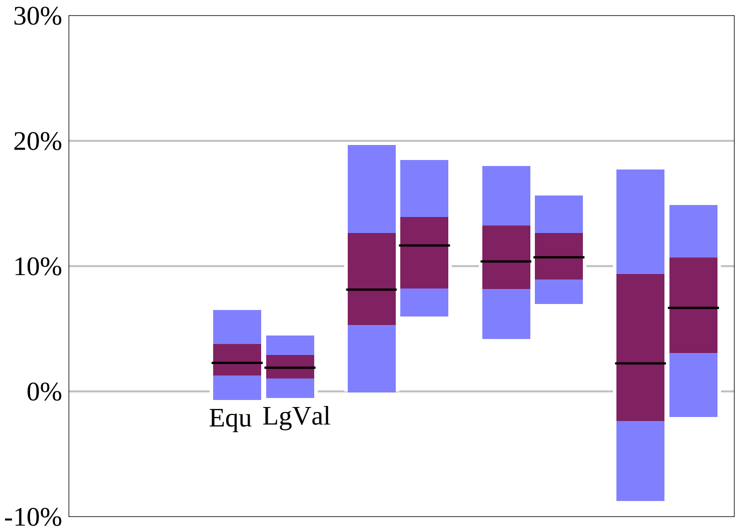
		Annualized Return		Standard Deviation	
		Value	Rank	Value	Rank
T	Total Fund	4.77	35	10.61	57
4	CPI + 400bps/yr (add 32bps/mth)	6.62	11	1.47	2
	Median	4.12		10.30	

Boston Partners





Boston Partners



	Last Qtr	1 Yr	3 Yrs	5 Yrs
Boston (B)	2.6	12.8	10.4	9.1
Rank v. Equity	*44*	*24*	*49*	*25*
Rank v. Lg Value	*29*	*40*	*53*	*32*
S&P 500 (S)	1.4	6.3	8.3	-2.4
Rus. 1000 Val. (r)	1.7	14.1	11.0	6.6
Equity Median	2.3	8.1	10.4	2.2
Lg Value Median	1.9	11.7	10.7	6.7

Portfolio Characteristics	Boston Partners	S&P 500
Mkt Value ($Mil)	195.1	N/A
Wtd. Avg. Cap ($Bil)	53.0	89.2
Beta	1.13	1.00
Yield (%)	1.52	1.84
P/E Ratio	17.32	19.74
Cash (%)	3.1	0.0
Number of Holdings	84	500
Turnover Rate (%)	64.9	-

Sector	Boston Partners	S&P 500
Energy	14.9 %	8.8 %
Materials	4.1	3.0
Industrials	9.6	11.2
Cons. Discretionary	14.9	11.4
Consumer Staples	1.4	10.1
Health Care	5.8	13.4
Financials	29.2	20.3
Info Technology	15.1	15.1
Telecom Services	5.2	3.2
Utilities	0.0	3.5

Boston Partners' second quarter return of 2.6% was above 1.4% for the S&P 500, 2.3% for the median equity manager, 1.9% return of the median large value equity manager and the 1.7% return of the Russell 1000 Value Index. For the one-year period, Boston returned 12.8%, above 6.3% for the S&P 500 and 8.1% for the median manager but trailing the 14.1% return of the Russell 1000 Value Index. Over both the three and five year periods, Boston's performance was above the median equity manager and exceeded the S&P 500 on both a risk-adjusted and absolute basis (page 36). Boston is in compliance with CCCERA's performance objectives.

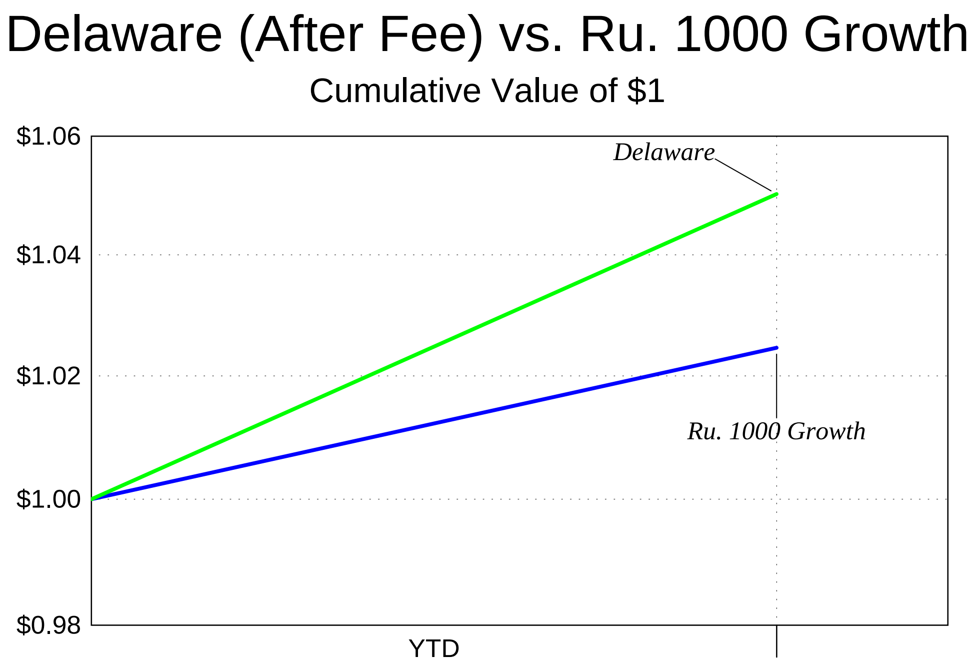
The portfolio has a slightly above market beta of 1.13x, a below-market P/E ratio and a below-market yield. It includes 84 stocks, concentrated in the large to mid capitalization sectors. Boston's largest economic sector over-weightings are in financials and energy, and the largest under-weightings are in the information consumer staples and health care sectors. Boston's second quarter portfolio turnover was at an annual rate of 64.9%.

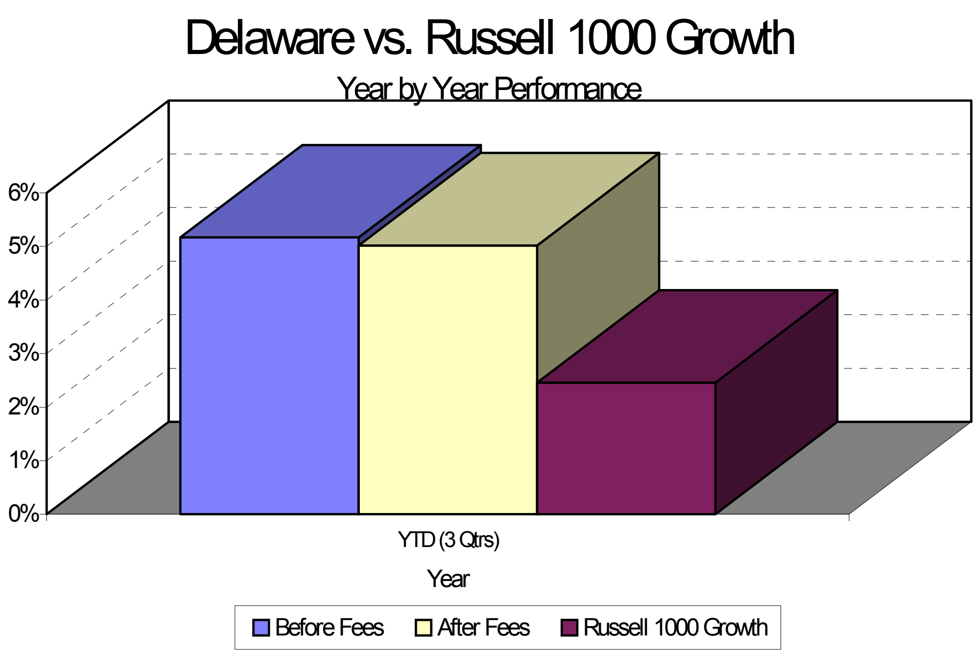
Boston Partners' second quarter performance relative to the S&P 500 was helped by stock selection and to a lesser extent by sector allocation decisions. Trading decisions during the quarter had a small positive impact. Stock selection decisions in the energy sector had the strongest positive impact on the portfolio. Top performing holdings included Tenaris S A (+30%), CB Richard Ellis Group (+25%) and GTech Holdings Corporation (+25%), while the worst performing holdings included Lexmark International (-19%), Tyco International (-13%) and WW Grainger (-12%).

Finally, Bill Krantz and Wayne Sharp continue to move away from daily portfolio management responsibilities in anticipation of their retirements later this year.

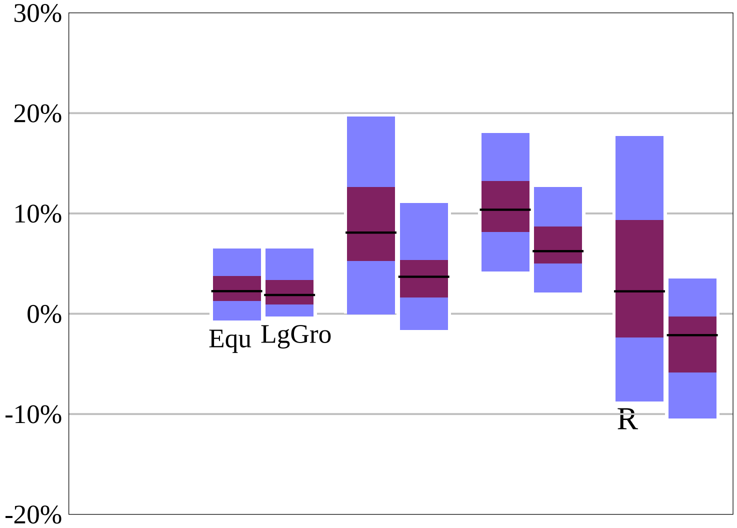
MANAGER COMMENTS – DOMESTIC EQUITY

Delaware





Delaware



	Last Qtr	1 Yr	3 Yrs	5 Yrs
Delaware (**D**)	5.2	-	-	-
Rank v. Equity	*10*	-	-	-
Rank v. Lg Growth	*14*	-	-	-
Rus. 1000 Gro. (**R**)	2.5	1.7	7.3	-10.4
Equity Median	2.3	8.1	10.4	2.2
Lg Growth Median	1.9	3.7	6.3	-2.1

Portfolio Characteristics	**Delaware**	**S&P 500**
Mkt Value ($Mil)	186.57	N/A
Wtd. Avg. Cap ($Bil)	43.46	89.2
Beta	1.10	1.00
Yield (%)	0.56	1.84
P/E Ratio	32.59	19.74
Cash (%)	4.1	0.0
Number of Holdings	29	500
Turnover Rate (%)	-	-

Sector	**Delaware**	**S&P 500**
Energy	0.0 %	8.8 %
Materials	3.3	3.0
Industrials	6.4	11.2
Cons. Discretionary	20.8	11.4
Consumer Staples	10.4	10.1
Health Care	19.5	13.4
Financials	10.8	20.3
Info Technology	25.8	15.1
Telecom Services	3.0	3.2
Utilities	0.0	3.5

Delaware's return of 5.2% for the second quarter was better than the 2.5% return of the Russell 1000 Growth index and exceeded the 1.9% return of the large cap growth median, ranking in the 14th percentile in the universe of large growth equity managers.

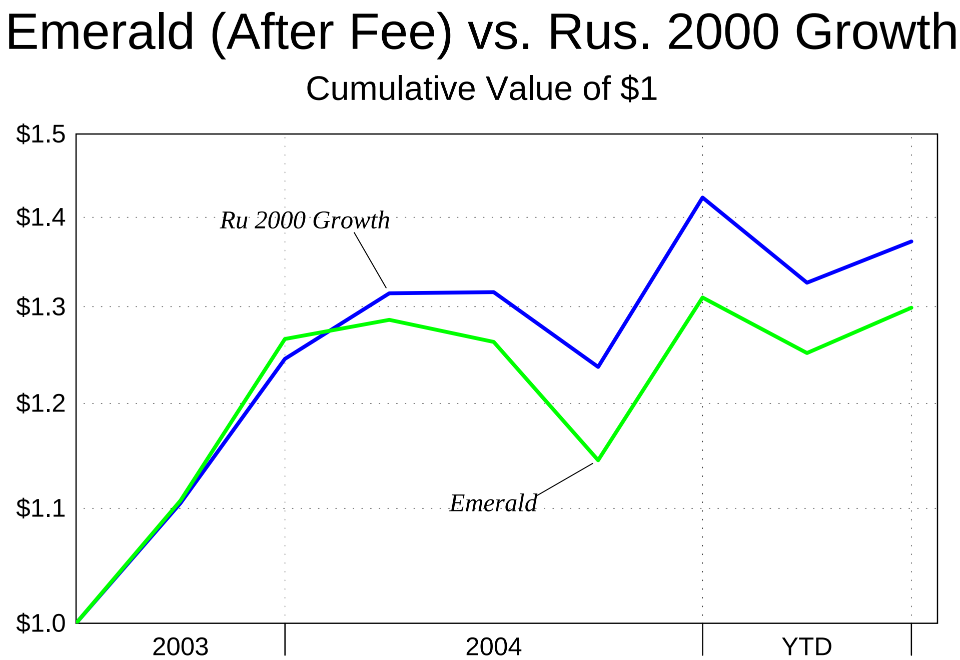
The portfolio (compared to the S&P 500 Index) has a beta of 1.10x and a below-market yield. It includes 29 stocks, concentrated in the large and mid capitalization sectors. Delaware's largest economic sector over-weightings relative to the S&P 500 are in the information technology and consumer discretionary sectors, while the largest under-weightings are in the financials and energy sectors.

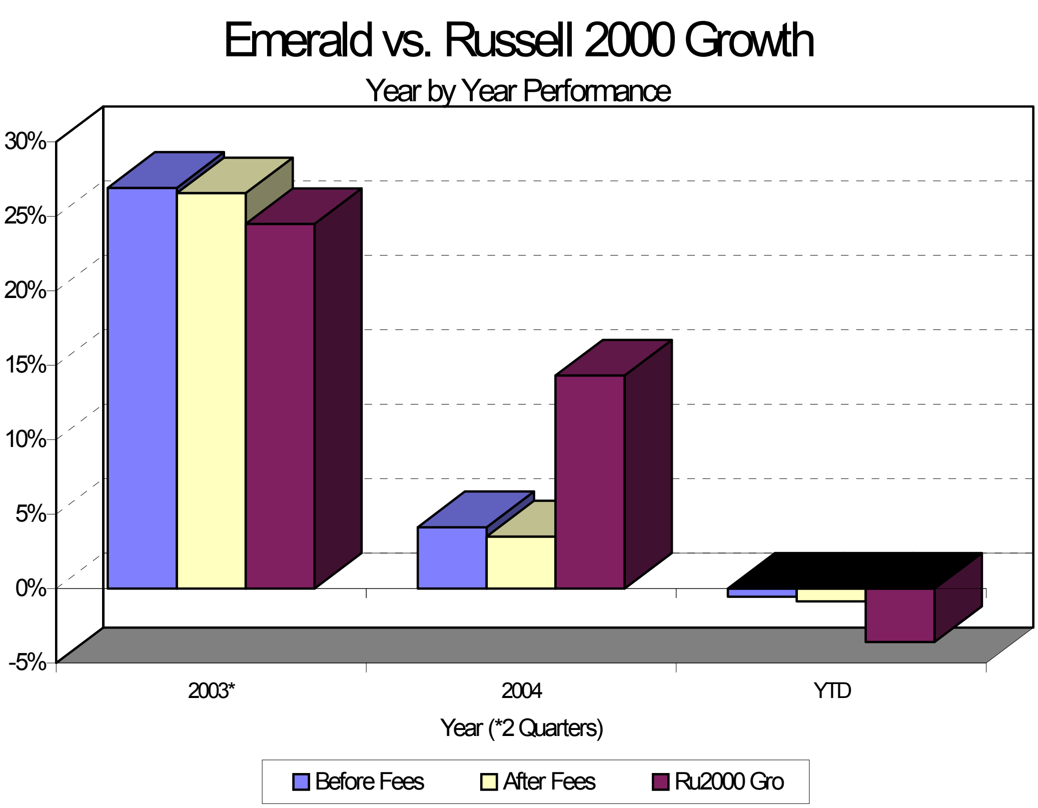
Delaware's second quarter performance relative to the S&P 500 Index was helped significantly by stock selection but hurt to a lesser extent by sector allocation decisions. Stock selection helped performance the most in the health care and financials sectors. Trading decisions had a strongly positive impact on performance for the quarter. The top performing holdings included Chicago Mercantile (+53%), Genentech (+42%) and Allergan Inc (+23%). The most negative holdings included Lexmark Intl (-19%), Sandisk Corp (-15%) and Navteq Corp (-14%). At the end of the quarter, the largest holdings were Genentech (6.4%), Qualcomm Inc (4.9%) and Allergan Inc (4.6%).

Delaware has been quite successful at attracting business, both from former Transamerica clients and new clients, and has around $5 billion in the product. The portfolio team will shortly move into new space at 101 California in San Francisco.

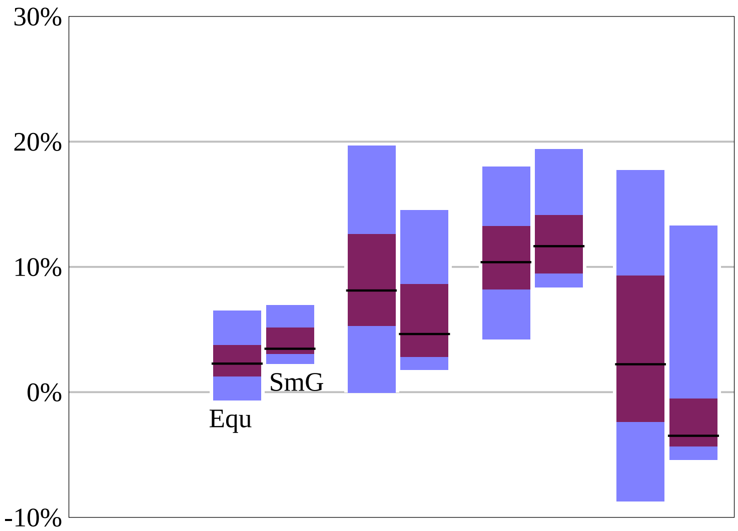
MANAGER COMMENTS – DOMESTIC EQUITY

Emerald





Emerald



	Last Qtr	1 Yr	3 Yrs	5 Yrs
Emerald (E)	4.0	3.5	-	-
Rank v. Equity	*21*	*83*	-	-
Rank v. Sm. Gro	*40*	*62*	-	-
Ru 2000 Gro (R)	3.5	4.3	11.4	-4.5
Equity Median	2.3	8.1	10.4	2.2
Sm. Gro Median	3.5	4.6	11.7	-3.5

Portfolio Characteristics	Emerald	Russell 2000
Mkt Value ($Mil)	123.23	N/A
Wtd. Avg. Cap ($Bil)	1.17	0.98
Beta	1.38	1.19
Yield (%)	0.27	1.11
P/E Ratio	34.92	34.46
Cash (%)	3.1	0.0
Number of Holdings	130	1,999
Turnover Rate (%)	68.8	-

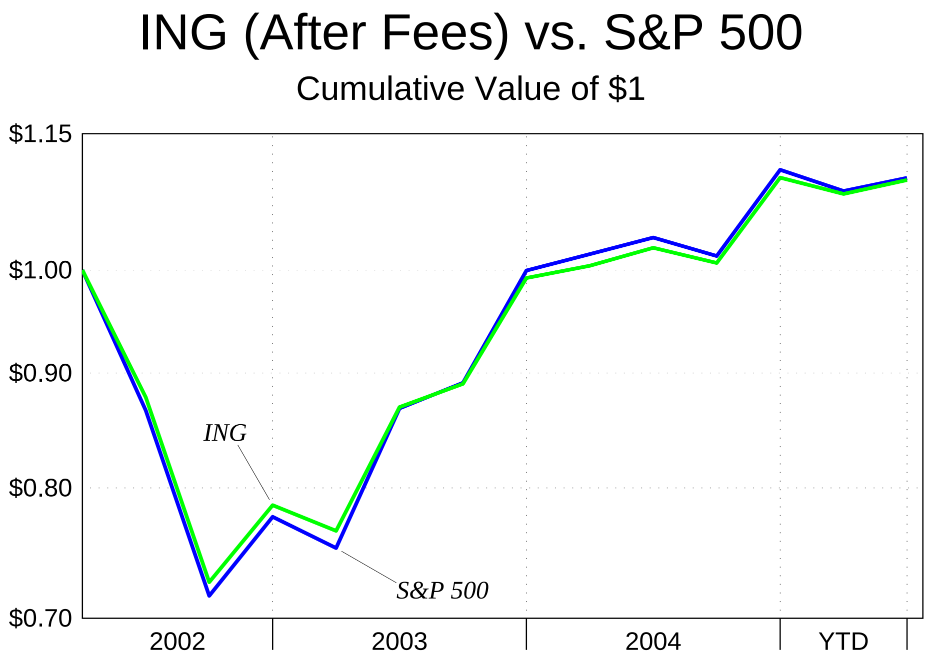
Sector	Emerald	Russell 2000
Energy	5.4 %	5.5 %
Materials	3.4	4.6
Industrials	16.6	13.9
Cons. Discretionary	16.3	16.4
Consumer Staples	1.5	3.1
Health Care	17.4	12.4
Financials	10.4	22.7
Info Technology	29.0	17.6
Telecom Services	0.0	1.3
Utilities	0.0	2.7

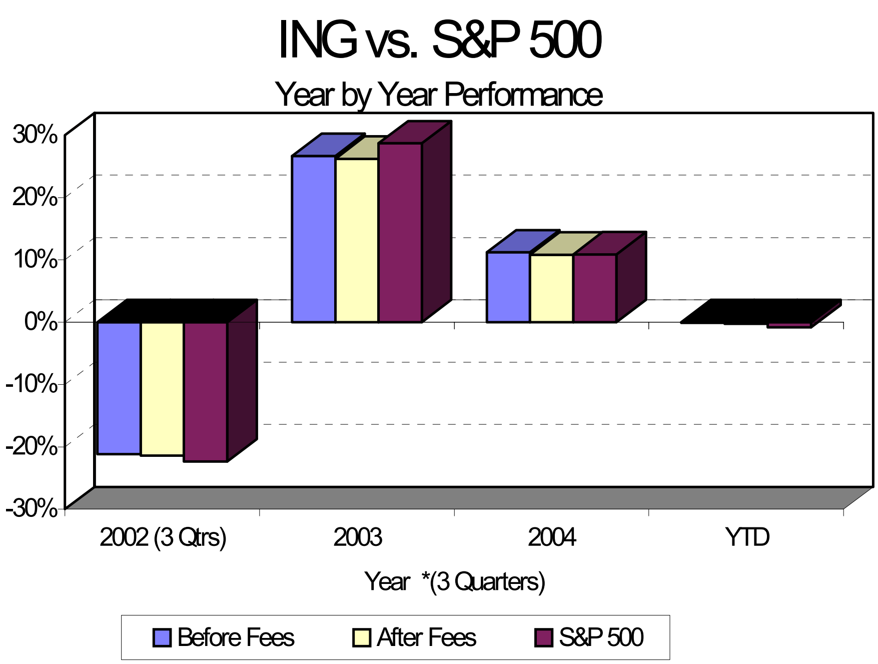
Emerald's return of 4.0% for the second quarter was better than the 3.5% return of the Russell 2000 Growth index and exceeded the 3.5% return of the small cap growth median, ranking in the 40th percentile in the universe of small growth equity managers. For the one-year period, Emerald returned 3.5%, below the 4.3% return of the Russell 2000 Growth and 4.6% return of the small cap growth median. Emerald's one-year performance ranks in the 62nd percentile in the universe of small growth equity managers.

The portfolio (compared to the Russell 2000 Index) has a beta of 1.38x versus 1.19x for the Index and a below-market yield. It includes 130 stocks, concentrated in the small capitalization sector. Emerald's largest economic sector over-weightings relative to the Russell 2000 are in the information technology and health care sectors, while the largest under-weightings are in the financials and utilities sectors. Portfolio turnover was at an annual rate of 68.8%.

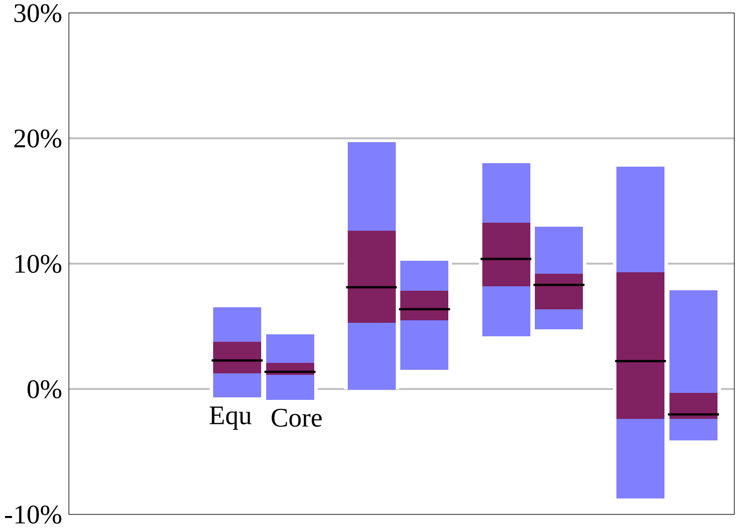
Emerald feels that the positive performance of equity markets was somewhat surprising considering the current macroeconomic environment. Emerald's second quarter performance relative to the Russell 2000 Growth Index was helped significantly by stock selection but hurt slightly by sector allocation decisions. Stock selection helped performance the most in the information technology and health care sectors. Trading decisions had a negative impact on performance for the quarter. The top performing holdings included Nutri Systems (+134%), Neurometrix (+110%) and Lifecell Corp (+78%). The most negative holdings included Harmonic Lightwaves (-49%), Navigant Consulting (-35%) and Martek Biosciences (-35%). At the end of the quarter, the largest holdings were Micros Systems (3.0%), Airgas Inc (2.0%) and Wesco International (2.0%). Ken Mertz and Stacey Sears continue to be concerned with high oil prices and the prospect of more interest rate hikes, but they see a number of niche opportunities available on a stock by stock basis through the remainder of 2005.

ING Investment Management





ING Investment Management



	Last Qtr	1 Yr	3 Yrs	5 Yrs
ING (I)	1.5	7.5	8.1	-
Rank v. Equity	*64*	*53*	*76*	-
Rank v. Lg Core	*32*	*26*	*65*	-
S&P 500 (S)	1.4	6.3	8.3	-2.4
Equity Median	2.3	8.1	10.4	2.2
Lg Core Median	1.4	6.4	8.3	-2.0

Portfolio Characteristics	**ING**	**S&P 500**
Mkt Value ($Mil)	190.36	N/A
Wtd. Avg. Cap ($Bil)	89.67	89.18
Beta	0.97	1.00
Yield (%)	1.66 %	1.84 %
P/E Ratio	18.77	19.74
Cash (%)	0.3 %	0.0 %
Number of Holdings	412	500
Turnover Rate (%)	75.7	-

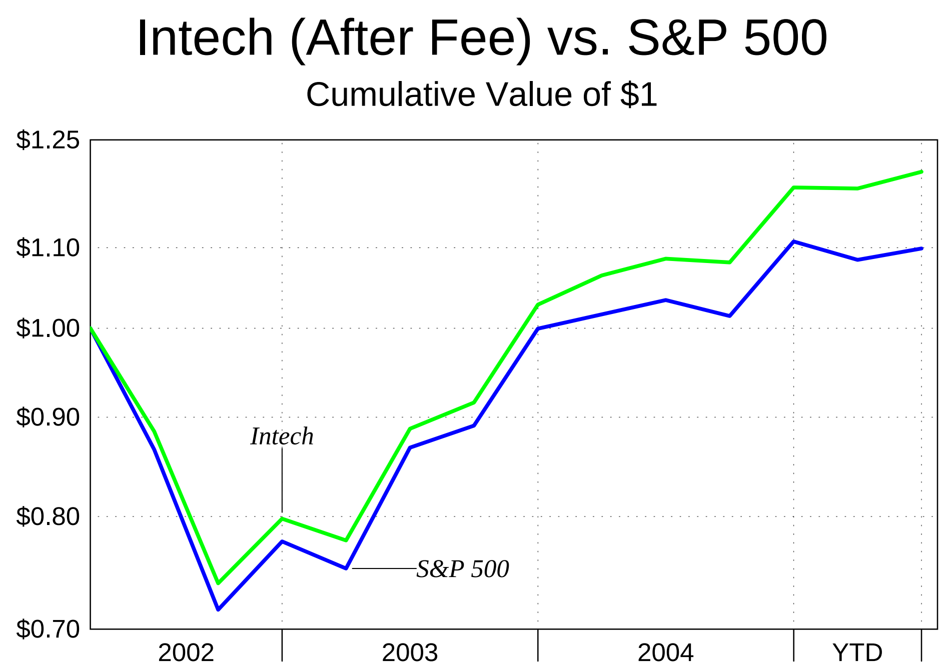
Sector	**ING**	**S&P 500**
Energy	10.1 %	8.8 %
Materials	2.4	3.0
Industrials	10.8	11.2
Cons. Discretionary	11.1	11.4
Consumer Staples	9.3	10.1
Health Care	14.0	13.4
Financials	19.3	20.3
Info Technology	17.1	15.1
Telecom Services	3.1	3.2
Utilities	2.9	3.5

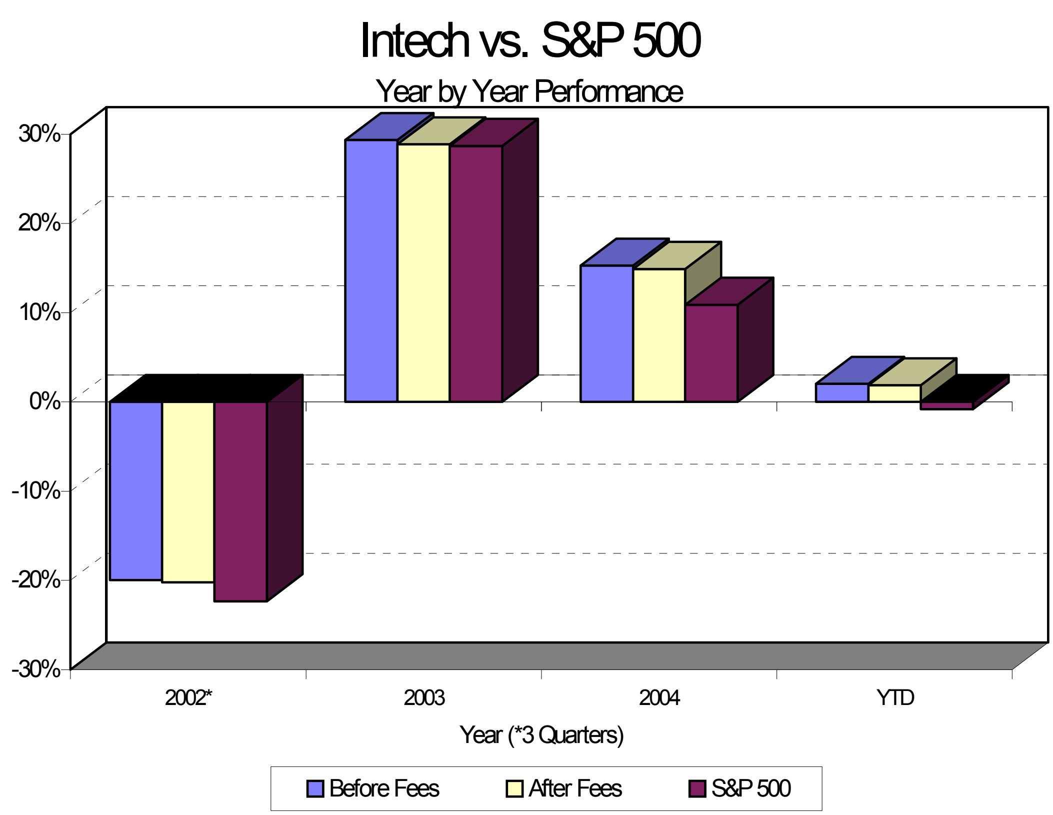
ING's return of 1.5% for the second quarter was slightly better than the 1.4% return of the S&P 500, ranking in the 64th percentile in the universe of equity managers. For the one-year period, ING returned 7.5%, above 6.3% for the S&P 500. ING's composite (managed similarly to CCCERA's portfolio but without the Innovest inputs) returned 1.4% for the second quarter and 7.6% for the one year period. Over the past three years, the cumulative composite return matches CCCERA's cumulative return. Over the past three years, ING's performance is below the median equity manager and slightly trails the S&P 500 on an absolute basis but is slightly ahead of the benchmark on a risk-adjusted basis (page 36), so ING is not in compliance with CCCERA's performance objectives. As of now, ING is no longer using Innovest's rankings.

The portfolio has a near market beta, a lower yield and a below-market price/earnings (P/E) ratio. It includes 412 stocks, concentrated in large capitalization sectors, and shows similar-to-market historical growth. As expected, the portfolio continues to be structured very similarly to the S&P 500. ING's largest economic sector over-weightings are in the information technology and energy sectors, while the largest under-weightings are in the financials and consumer staples. Portfolio turnover was at an annual rate of 75.7% this quarter, higher than last quarter's 73.2%.

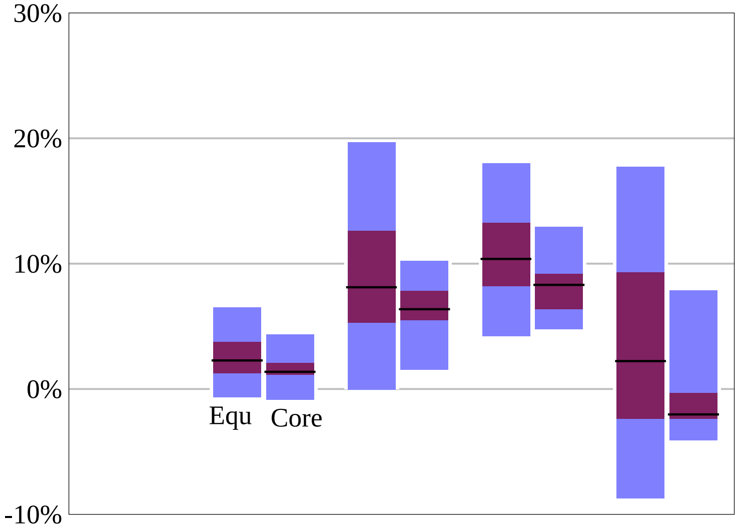
ING's performance for the second quarter relative to the S&P 500 was helped slightly by both stock selection and sector allocation decisions, although no individual sector had a significant impact. Trading decisions during the quarter added value. The largest portfolio holdings at the end of the quarter were Exxon Mobil (3.9%), General Electric (3.3%) and Bank of America (2.4%). The best performing holdings during the quarter included LSI Logic (+52%), Corning (+49%) and Millipore (+31%), while the worst performing holdings included US Steel (-32%), Avaya Inc (-29%) and Qlogic (-24%). Doug Cote believes the portfolio is positioned to capitalize on holdings with superior growth, profitability and balance sheet strength relative to their valuations in terms of earnings and cash flows.

Intech


Intech (After Fee) vs. S&P 500
Cumulative Value of $1
$1.25
$1.10
$1.00
$0.90
$0.80
$0.70
Intech
S&P 500
2002
2003
2004
YTD


Intech vs. S&P 500
Year by Year Performance
30%
20%
10%
0%
-10%
-20%
-30%
2002*
2003
2004
YTD
Year (*3 Quarters)
Before Fees
After Fees
S&P 500

Intech



	Last Qtr	1 Yr	3 Yrs	5 Yrs
Intech (I)	2.1	11.2	11.2	-
Rank v. Equity	*54*	*31*	*42*	-
Rank v. Lg Core	*23*	*4*	*10*	-
S&P 500 (S)	1.4	6.3	8.3	-2.4
Equity Median	2.3	8.1	10.4	2.2
Lg Core Median	1.4	6.4	8.3	-2.0

Portfolio Characteristics	Intech	S&P 500
Mkt Value ($Mil)	197.09	N/A
Wtd. Avg. Cap ($Bil)	63.52	89.18
Beta	0.85	1.00
Yield (%)	1.82 %	1.84 %
P/E Ratio	19.34	19.74
Cash (%)	0.5 %	0.0 %
Number of Holdings	418	500
Turnover Rate (%)	72.2	-

Sector	Intech	S&P 500
Energy	8.7 %	8.8 %
Materials	3.8	3.0
Industrials	14.4	11.2
Cons. Discretionary	12.9	11.4
Consumer Staples	9.7	10.1
Health Care	10.8	13.4
Financials	22.0	20.3
Info Technology	10.1	15.1
Telecom Services	3.0	3.2
Utilities	4.7	3.5

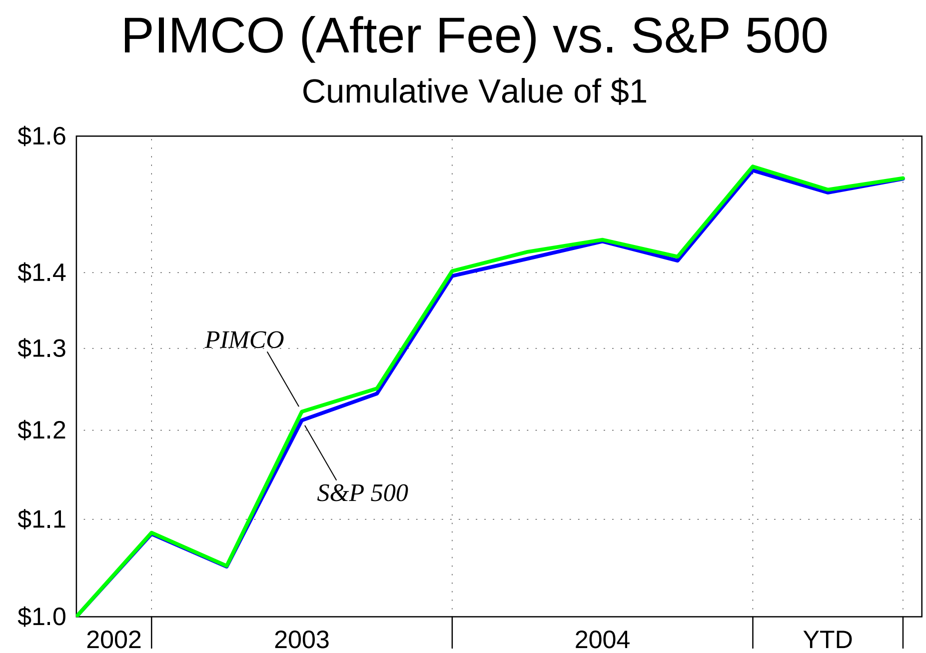
Intech's return of 2.1% for the second quarter exceeded 1.4% for the S&P 500 but slightly trailed 2.3% for the median equity manager, ranking in the 54th percentile in the universe of equity managers. For the one-year period, Intech returned 11.2%, exceeding 6.3% for the S&P 500 and 8.1% for the median equity manager. Over the past three years, Intech has returned 11.2%, above the 8.3% return of the S&P 500 and ranking in the 42nd percentile of equity managers. Over the past three years, Intech's performance is above the median equity manager and exceeds the S&P 500 on both a risk-adjusted and absolute basis (page 36). Intech is in compliance with CCCERA's performance objectives.

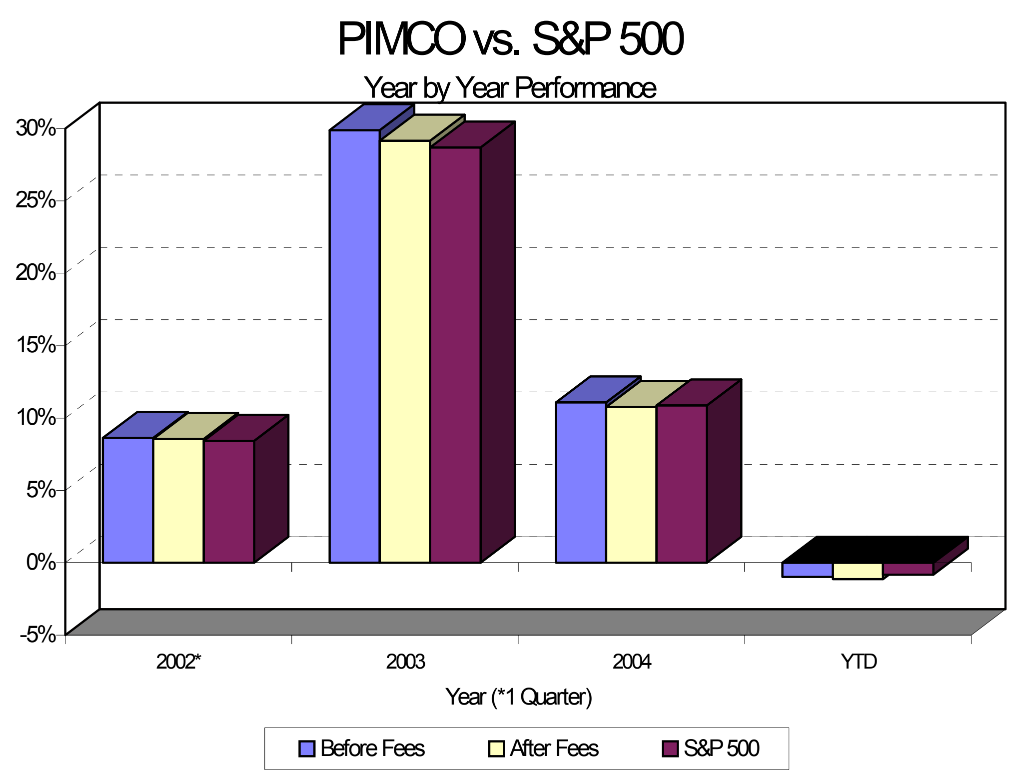
Intech uses a mathematical, quantitative approach to managing funds. The portfolio has a below-market beta of 0.85x, a similar yield and a slightly below-market P/E ratio. The portfolio has 418 holdings concentrated in large capitalization sectors, and shows similar-to-market growth. The largest economic sector over-weightings were in industrials, financials and consumer discretionary sectors, while largest under-weightings were in information technology and health care sectors. Second quarter portfolio turnover was at an annual rate of 72.2%.

Intech's second quarter performance relative to the S&P 500 was helped by both stock selection and sector allocation decisions. Trading decisions were nominally beneficial. Stock selection in the energy sector helped performance the most during the quarter, overweighting the sector also had a major positive impact on second quarter performance. The best performing portfolio stocks included Corning (+49%), KB Home (+30%), and Best Buy (+27%), while the worst performing holdings during the quarter included Symbol Technologies (-32%), Avaya Inc (-29%) and Qlogic Corp (-24%).

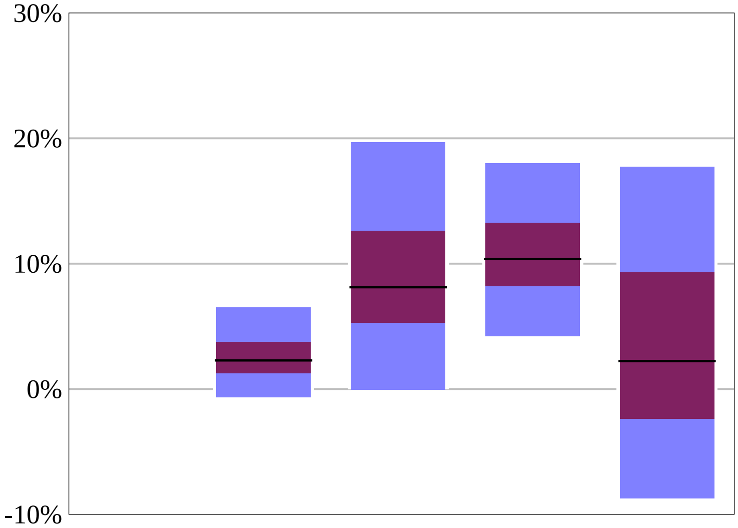
MANAGER COMMENTS – DOMESTIC EQUITY

PIMCO





PIMCO



	Last Qtr	1 Yr	3 Yrs	5 Yrs
PIMCO (P)	1.2	6.5	-	-
S&P 500 (S)	1.4	6.3	8.3	-2.4
Equity Median	2.3	8.1	10.4	2.2

Portfolio Characteristics	PIMCO	S&P 500
Mkt Value ($Mil)	197.09	N/A
Wtd. Avg. Cap ($Bil)	*	89.18
Beta	*	1.00
Yield (%)	* %	1.84 %
P/E Ratio	*	19.74
Cash (%)	51.6 %	0.0 %
Number of Holdings	*	500
Turnover Rate (%)	935.5	-

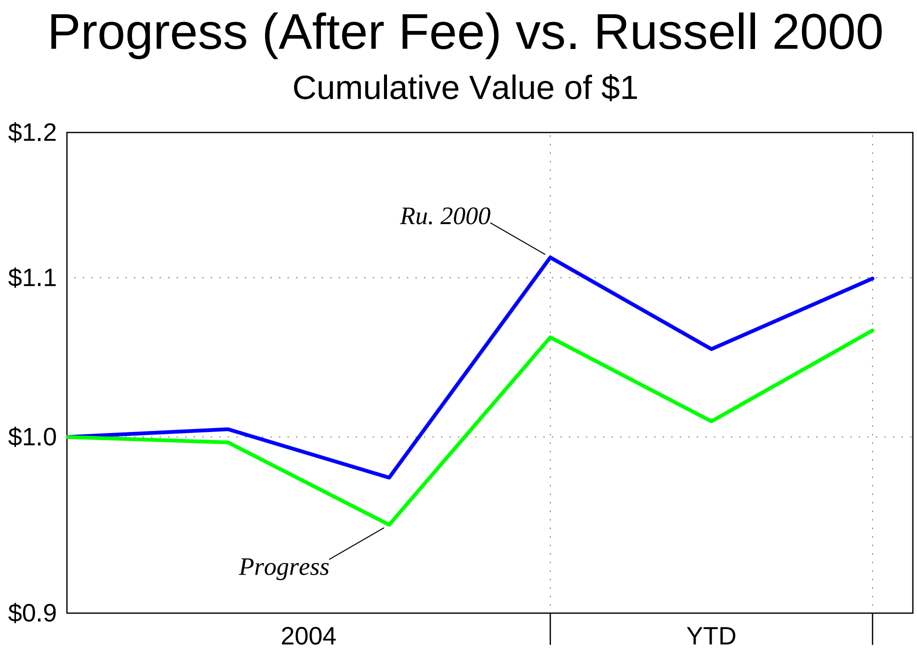
Sector	PIMCO	S&P 500
Energy	* %	8.8 %
Materials	*	3.0
Industrials	*	11.2
Cons. Discretionary	*	11.4
Consumer Staples	*	10.1
Health Care	*	13.4
Financials	*	20.3
Info Technology	*	15.1
Telecom Services	*	3.2
Utilities	*	3.5

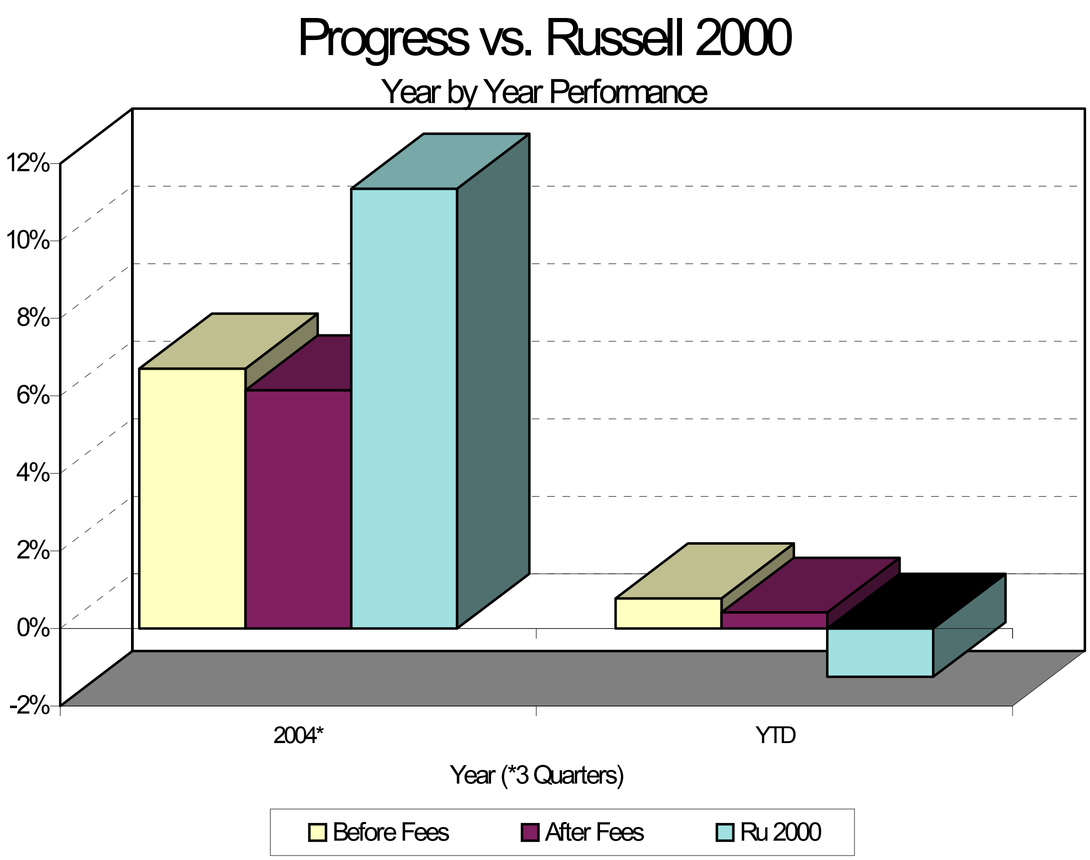
*PIMCO manages a synthetic equity portfolio and does not hold any equity securities.

PIMCO's Stock Plus (futures plus cash) portfolio returned 1.2% for the second quarter, trailing the 1.4% return of the S&P 500 and the 2.3% return of the median equity manager. For the one-year period, PIMCO returned 6.5%, slightly above the 6.3% return of the S&P 500 but trailing the 8.1% return of the median equity manager.

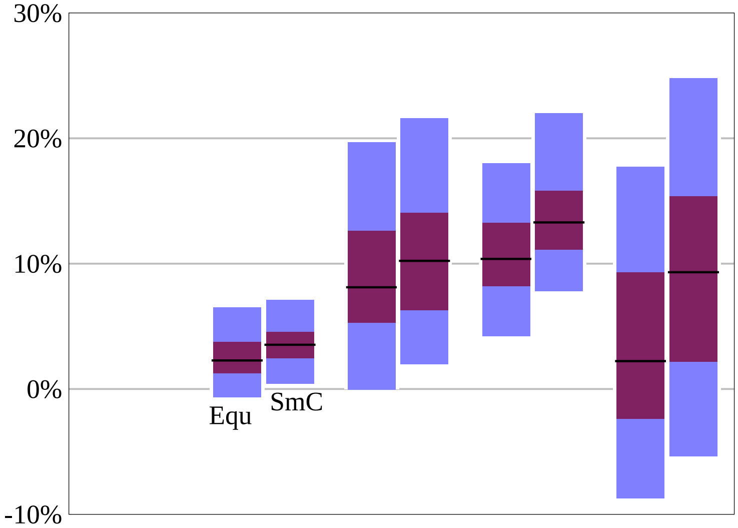
PIMCO's performance was hurt by a yield curve strategy designed to benefit from an increase in intermediate U.S. yields, as these yields fell, exposure to real return bonds and a strategy designed to benefit from richness in U.S. swaps. Positive contributors to second quarter performance included limited interest rate exposure in the U.S., exposure to Eurozone issuers and mortgages where lower coupon passthroughs added value.

Progress


Progress (After Fee) vs. Russell 2000
Cumulative Value of $1
$1.2
$1.1
$1.0
$0.9
Ru. 2000
Progress
2004
YTD


Progress vs. Russell 2000
Year by Year Performance
12%
10%
8%
6%
4%
2%
0%
-2%
2004*
YTD
Year (*3 Quarters)
Before Fees
After Fees
Ru 2000

Progress



	Last Qtr	1 Yr	3 Yrs	5 Yrs
Progress (P)	5.8	7.7	-	-
Rank v. Equity	*6*	*51*	-	-
Rank v. Small Cap	*10*	*65*	-	-
Russell 2000 (R)	4.3	9.5	12.8	5.7
Equity Median	2.3	8.1	10.4	2.2
Small Cap Median	3.5	10.2	13.3	9.3

Portfolio Characteristics	**Progress**	**Russell 2000**
Mkt Value ($Mil)	37.59	N/A
Wtd. Avg. Cap ($Bil)	1.91	0.98
Beta	1.13	1.19
Yield (%)	0.77 %	1.11 %
P/E Ratio	28.52	34.46
Cash (%)	0.0 %	0.0 %
Number of Holdings	508	1,999
Turnover Rate (%)	0.7	-

Sector	**Progress**	**Russell 2000**
Energy	8.3 %	5.5 %
Materials	2.6	4.6
Industrials	10.8	13.9
Cons. Discretionary	21.0	16.4
Consumer Staples	3.7	3.1
Health Care	10.7	12.4
Financials	25.5	22.7
Info Technology	12.6	17.6
Telecom Services	3.1	1.3
Utilities	1.7	2.7

Progress, a manager of emerging managers that themselves invest in small capitalization stocks, returned 5.8% for the second quarter, better than the 4.3% return of the Russell 2000 index and the 3.5% return of the small cap median. Progress' second quarter performance ranked in the 10th percentile of small capitalization equity managers. Over the past year, Progress has returned 7.7%, below the 9.5% return of the Russell 2000 Index and ranking in the 65th percentile of small cap equity managers.

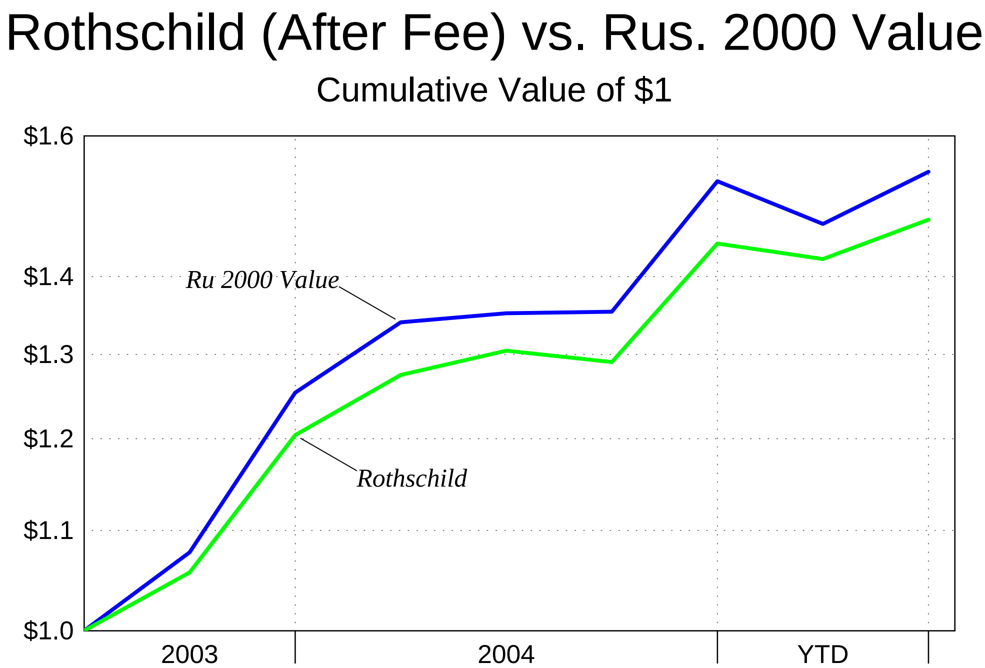
The portfolio has a beta of 1.13x compared to 1.19x for the Russell 2000 Index, a below-market yield and a below market P/E ratio. It includes 508 stocks, concentrated in the small and mid capitalization sectors. Progress' largest economic sector over-weightings relative to the Russell 2000 are in consumer discretionary and financials, while the largest under-weightings are in the information technology and industrials sectors.

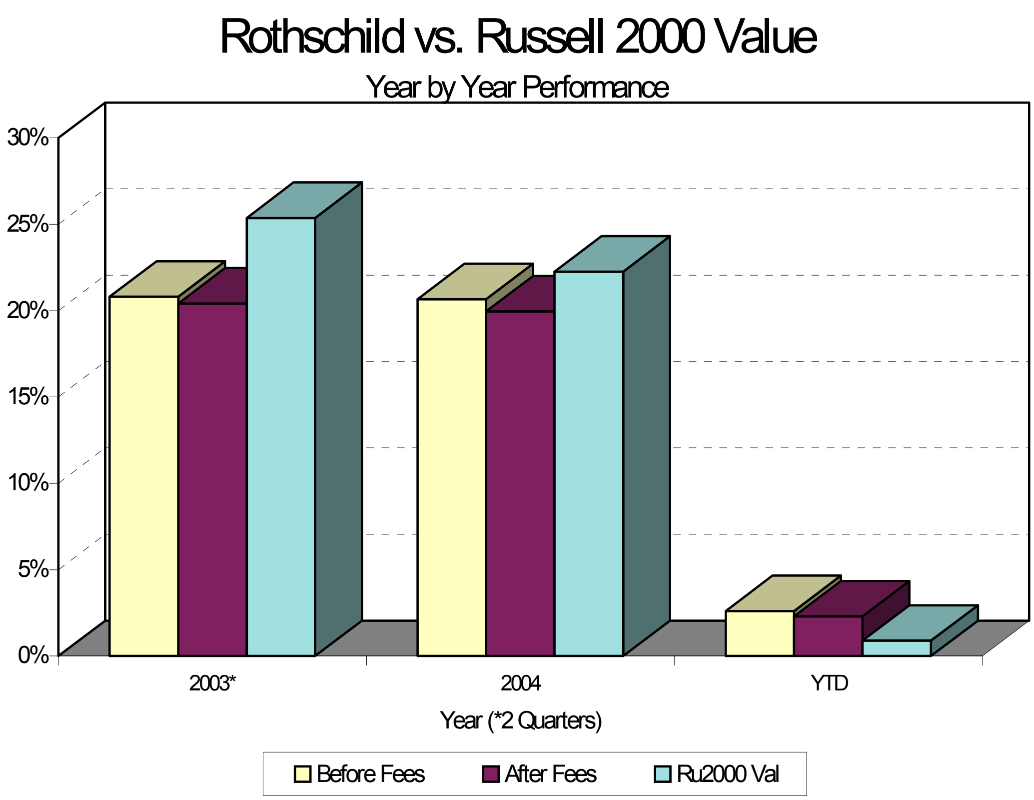
The portfolio's performance for the second quarter was helped relative to the Russell 2000 by stock selection and sector allocation decisions. Stock selection in the consumer discretionary sector boosted performance the most during the quarter. Aggregate trading decisions had a positive impact on performance. The top ten largest holdings at quarter end accounted for 9.0% of the combined portfolio, with the largest being Hansen Nat Corp (1.5%), Psychiatric Solution (1.0%) and Lifepoint Hospitals (1.0%). During the quarter, the best performing holdings included Nutri Systems Inc (+134%), Par Technology Corp (+106%) and Vertex Pharmaceuticals (+80%).

Donna Gilding, CIO, recently left Progress, and the firm is conducting a national search to replace her. Several lower ranking employees also recently left to join Clayton Jue, former CIO of Progress, at his new firm.

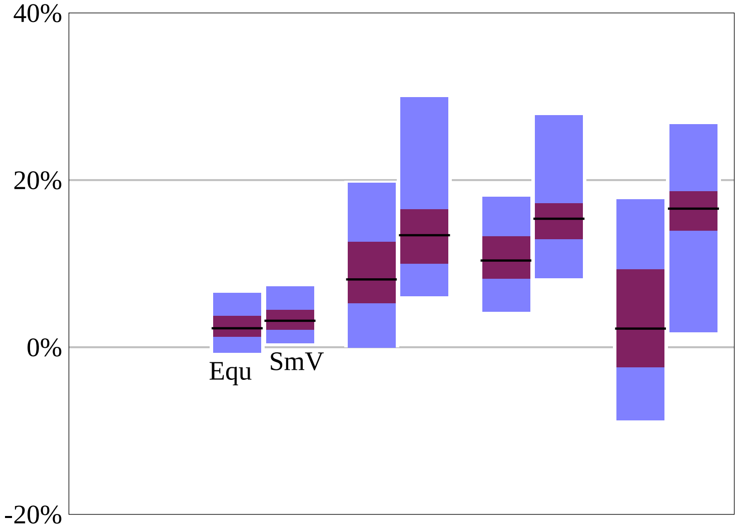
MANAGER COMMENTS – DOMESTIC EQUITY

Rothschild





Rothschild



	Last Qtr	1 Yr	3 Yrs	5 Yrs
Rothschild (R)	4.0	13.9	-	-
Rank v. Equity	*21*	*17*	-	-
Rank v. Sm. Value	*33*	*41*	-	-
Ru. 2000 Val. (r)	5.1	14.4	14.2	16.1
Equity Median	2.3	8.1	10.4	2.2
Sm. Value Median	3.2	13.4	15.4	16.6

Portfolio Characteristics	Rothschild	Russell 2000
Mkt Value ($Mil)	132.01	N/A
Wtd. Avg. Cap ($Bil)	2.00	0.98
Beta	0.85	1.19
Yield (%)	1.61 %	1.11 %
P/E Ratio	21.84	34.46
Cash (%)	0.5 %	0.0 %
Number of Holdings	169	1,999
Turnover Rate (%)	74.0	-

Sector	Rothschild	Russell 2000
Energy	6.0 %	5.5 %
Materials	9.0	4.6
Industrials	13.9	13.9
Cons. Discretionary	11.1	16.4
Consumer Staples	3.8	3.1
Health Care	6.6	12.4
Financials	29.9	22.7
Info Technology	11.6	17.6
Telecom Services	0.0	1.3
Utilities	8.1	2.7

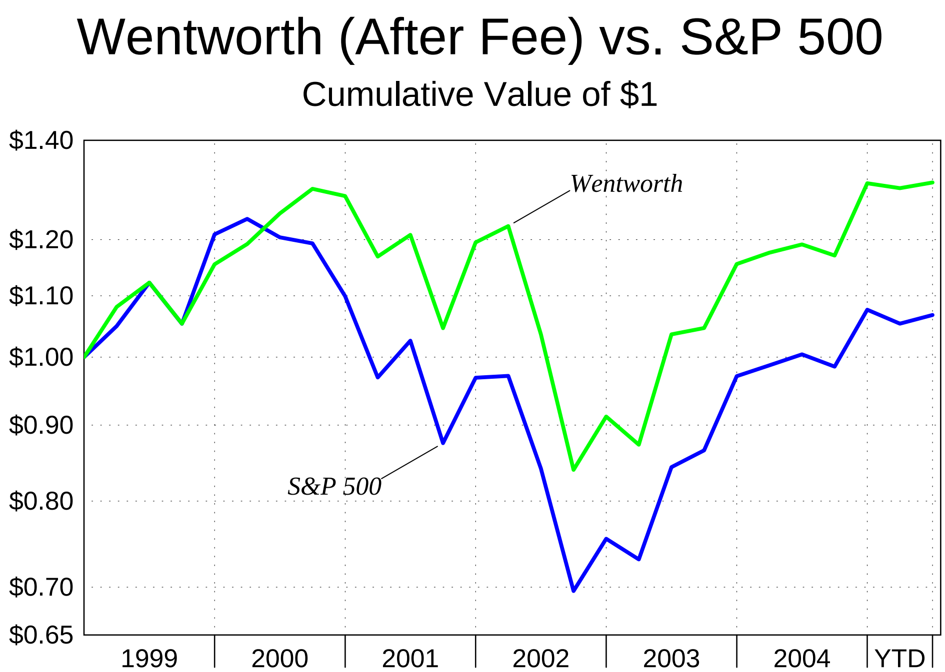
Rothschild's return of 4.0% for the second quarter was below the 5.1% return of the Russell 2000 Value index but above the 3.2% return of the small cap value median, ranking in the 33rd percentile in the universe of small value equity managers. For the one-year period, Rothschild returned 13.9%, slightly trailing 14.4% for the Russell 2000 Value but exceeding the 13.4% return of the median small value equity manager. Rothschild's one-year performance ranks in the 41st percentile in the universe of small cap value equity managers.

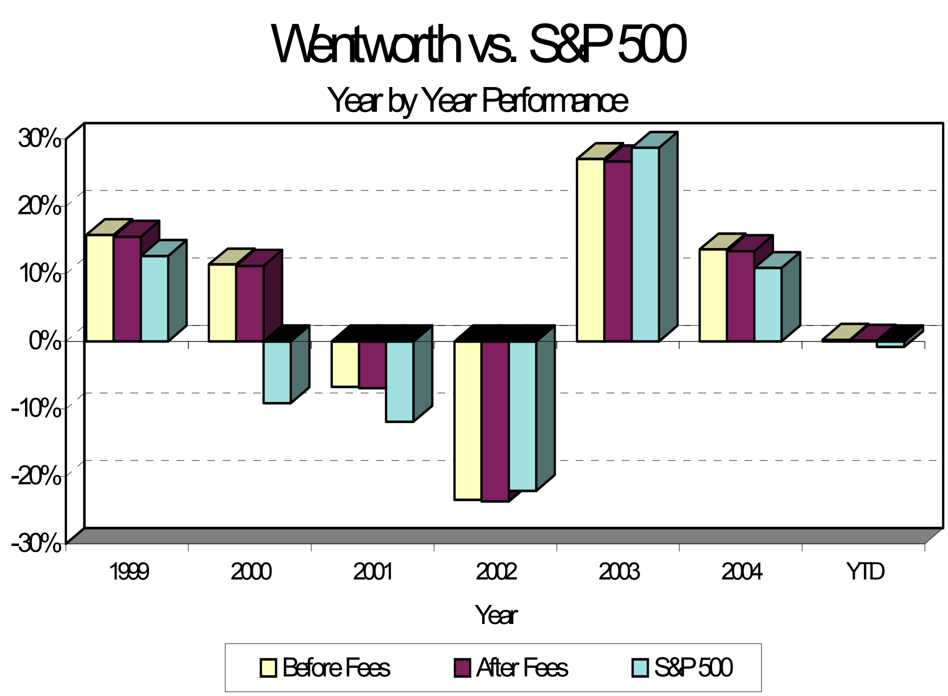
The portfolio (compared to the Russell 2000 Index) has a beta of 0.85x versus 1.19x for the Index, an above-market yield and a below market P/E ratio. It includes 169 stocks, concentrated in the small capitalization sectors. Rothschild's largest economic sector over-weightings relative to the Russell 2000 are in financials, utilities and materials, while the largest under-weightings are in the information technology, health care and consumer discretionary sectors. Second quarter portfolio turnover was at an annual rate of 74.0%, up from last quarter's rate of 62.8%.

Rothschild's second quarter performance relative to the Russell 2000 Value index was helped by stock selection and to a lesser extent by sector allocation decisions. Trading decisions had a small positive impact on performance. Stock selection in the consumer discretionary sectors helped performance the most during the second quarter. The best performing portfolio stocks were URS Corp (+30%), Photronic Labs (+29%) and Buckle Inc (+27%). The worst performing holdings included Prg-Schultz International (-44%), Navigant Consulting (-35%) and Commercial Metals (-30%). The ten largest holdings account for 11.8% of the portfolio at quarter end.

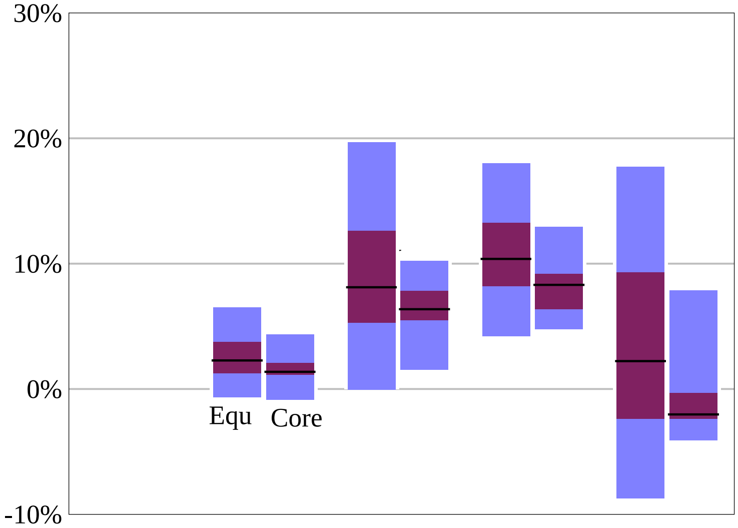
MANAGER COMMENTS – DOMESTIC EQUITY

Wentworth, Hauser and Violich





Wentworth, Hauser and Violich



	Last Qtr	1 Yr	3 Yrs	5 Yrs
Wentworth (W)	0.9	10.4	8.5	1.2
Rank v. Equity	*81*	*36*	*66*	*53*
Rank v. Lg Core	*77*	*4*	*32*	*13*
S&P 500 (S)	1.4	6.3	8.3	-2.4
Equity Median	2.3	8.1	10.4	2.2
Lg Core Median	1.4	6.4	8.3	-2.0

Portfolio Characteristics	**Wentworth**	**S&P 500**
Mkt Value ($Mil)	195.90	N/A
Wtd. Avg. Cap ($Bil)	65.49	89.18
Beta	1.15	1.00
Yield (%)	1.42	1.84
P/E Ratio	18.03	19.74
Cash (%)	0.4	0.0
Number of Holdings	40	500
Turnover Rate (%)	29.2	-

Sector	**Wentworth**	**S&P 500**
Energy	14.9 %	8.8 %
Materials	2.3	3.0
Industrials	11.1	11.2
Cons. Discretionary	17.2	11.4
Consumer Staples	10.2	10.1
Health Care	10.8	13.4
Financials	15.4	20.3
Info Technology	15.0	15.1
Telecom Services	0.0	3.2
Utilities	3.0	3.5

Wentworth's return of 0.9% for the second quarter was below the 1.4% return of the S&P 500 and 2.3% for the median equity manager. For the one-year period, Wentworth returned 10.4%, exceeding the 6.3% return of the S&P 500 and 8.1% for the median manager. Wentworth has trailed the S&P 500 on a risk-adjusted basis over the past three years (page 36) but has exceeded the index on both an absolute and relative basis over the past five years. It has not met the objectives of exceeding the median equity manager over the three year period (but it has exceeded the median core manager).

The portfolio has an above-market beta of 1.15x, a below-market yield and a below-market P/E ratio. The portfolio has 40 holdings concentrated in large and mid capitalization sectors, and shows above-market growth. The largest economic sector over-weightings are in energy and consumer discretionary, while largest under-weightings are in the financial and telecom services sectors. Second quarter portfolio turnover was at an annual rate of 29.2%.

Wentworth’s second quarter performance relative to the S&P 500 was helped by stock selection, while sector allocation decisions had a negative impact. Stock selection in the consumer discretionary sector contributed the most to relative performance. The best performing portfolio stocks included Nordstrom Inc (+23%), Intel Corp (+13%) and Constellation Energy (+12%) while the worst performing holdings were IBM (-19%), Harley Davidson (-14%) and Alcoa (-14%). At the end of the quarter, the three largest holdings represented 10.3% of the portfolio, Costco Wholesale, Caremark RX and Wyeth.

MANAGER COMMENTS – DOMESTIC EQUITY

Domestic Equity Regression Analysis

Three Year Regression for Periods Ending June 30, 2005
T-Bills and S&P 500 used for Market Line Calculations.

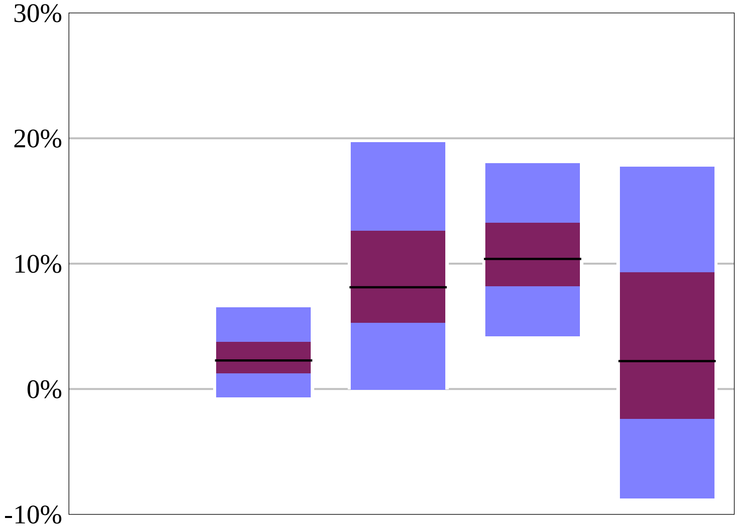
Portfolio Component	Comp'd Retn.	Std. Devn.	Alpha	Beta	R^2	Sharpe Ratio[1]
T-Bill	1.50	0.29				
S&P 500	8.26	18.05	1.00	0.00	1.00	0.37
Boston Partners	10.44	18.20	2.07	0.99	0.97	0.49
ING	8.06	17.22	0.10	0.96	1.00	0.38
INTECH	11.19	16.85	3.14	0.94	0.99	0.58
Wentworth	8.45	20.13	-0.43	1.09	0.98	0.35
Total Equity	7.58	21.38	-1.63	1.16	0.98	0.28
Russell 1000 Val	10.99	20.04	1.95	1.09	0.98	0.47
Russell 1000 Gro	7.25	16.54	-0.32	0.90	0.96	0.35
Russell 2000	12.81	25.03	2.18	1.31	0.94	0.45

Five Year Regression for Periods Ending June 30, 2005
T-Bills and S&P 500 used for Market Line Calculations.

Portfolio Component	Comp'd Retn.	Std. Devn.	Alpha	Beta	R^2	Sharpe Ratio
T-Bill	2.60	0.90				
S&P 500	-2.39	20.17	1.00	0.00	1.00	-0.25
Boston Partners	9.06	18.20	10.52	0.78	0.77	0.35
Wentworth	1.21	21.16	3.70	1.00	0.94	-0.07
Total Equity	-1.47	22.11	1.29	1.07	0.98	-0.18
Russell 1000 Val	6.55	18.51	8.31	0.84	0.85	0.21
Russell 1000 Gro	-10.35	27.29	-7.06	1.24	0.89	-0.47
Russell 2000	5.71	26.93	9.49	1.22	0.90	0.12

[1] The Sharpe Ratio is equal to the return on the portfolio minus the risk free rate divided by the portfolio's standard deviation. [Sharpe Ratio = $(r_p - r_f)/s_p$].

Total Domestic Equity



	Last Qtr	1 Yr	3 Yrs	5 Yrs
Total Equity (**B**)	2.4	8.8	7.6	-1.5
Rank	*47*	*45*	*80*	*63*
S&P 500 (**S**)	1.4	6.3	8.3	-2.4
Equity Median	2.3	8.1	10.4	2.2

Portfolio Characteristics	**Total Fund**	**S&P 500**
Mkt Value ($Mil)	1,396.16	N/A
Wtd. Avg. Cap ($Bil)	48.87	89.18
Beta	1.06	1.00
Yield (%)	1.30 %	1.84 %
P/E Ratio	21.29	19.74
Cash (%)	10.5 %	0.0 %
Number of Holdings	1,182	500
Turnover Rate (%)	187.7	-

Sector	**Total Fund**	**S&P 500**
Energy	8.9 %	8.8 %
Materials	3.8	3.0
Industrials	11.5	11.2
Cons. Discretionary	15.2	11.4
Consumer Staples	7.0	10.1
Health Care	12.0	13.4
Financials	19.8	20.3
Info Technology	17.1	15.1
Telecom Services	2.3	3.2
Utilities	2.5	3.5

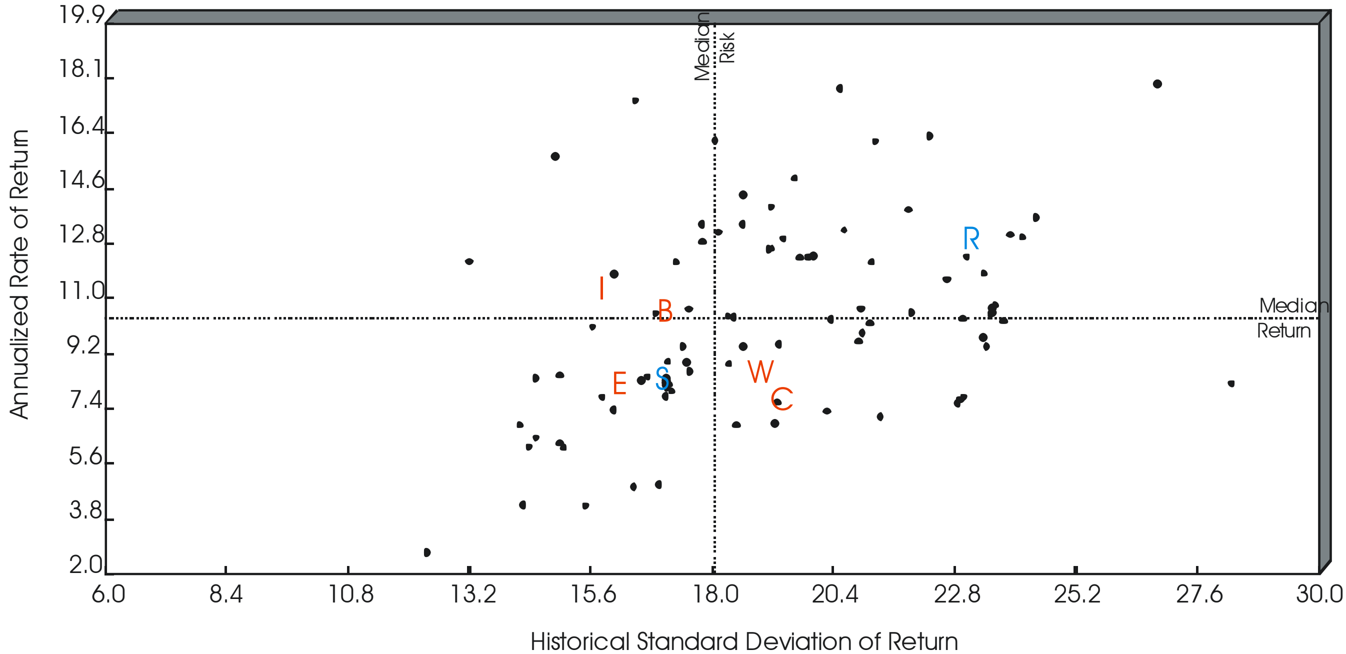
CCCERA total domestic equities returned 2.4% in the second quarter, better than 1.4% for the S&P 500 and 2.3% for the median equity manager. For the one-year period, the CCCERA equity return of 8.8% was well above 6.3% for the S&P 500 and 8.1% for the median manager. For the three-year period, CCCERA domestic equities have trailed the S&P 500 on an absolute and risk-adjusted basis. For the five-year period, CCCERA domestic equities trailed the median equity manager but exceeded the S&P 500 on both an absolute and risk-adjusted basis (page 36).

The combined domestic equity portfolio has a fundamental beta of 1.06x, a below-market yield and an above-market P/E ratio. The portfolio is broadly diversified with 1,182 stocks, and resembles the broad market with an R^2 of 0.92 to the S&P 500. The combined portfolio's largest economic sector over-weightings are in consumer discretionary and information technology, while the largest under-weightings are in the consumer staples and health care sectors.

MANAGER COMMENTS – DOMESTIC EQUITY

Domestic Equity Performance and Variability

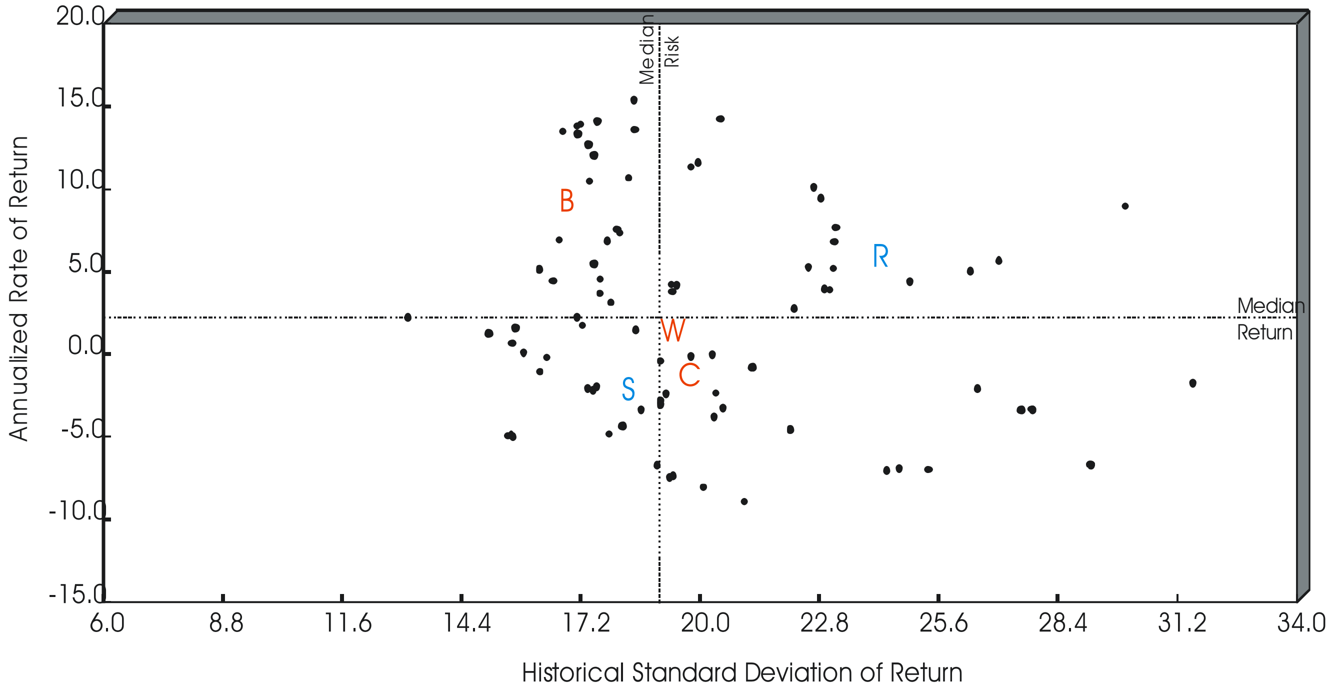
Three Years Ending June 30, 2005



		Annualized Return		Standard Deviation	
		Value	Rank	Value	Rank
E	Ing Investment Mgmt	8.06	76	16.29	24
B	Boston Partners	10.44	49	17.20	42
I	Intech	11.19	42	16.05	22
W	Wentworth, Hauser & Violich	8.46	66	18.99	61
C	Domestic Equity	7.58	80	19.44	65
S	Standard & Poors 500	8.27	72	17.13	40
R	Russell 2000	12.81	27	23.26	89
	Median	10.37		18.06	

Domestic Equity Performance and Variability

Five Years Ending June 30, 2005



		Annualized Return		Standard Deviation	
		Value	Rank	Value	Rank
B	Boston Partners	9.05	25	17.01	20
W	Wentworth, Hauser & Violich	1.22	53	19.41	55
C	Domestic Equity	-1.47	63	19.82	58
S	Standard & Poors 500	-2.38	75	18.47	45
R	Russell 2000	5.71	38	24.36	83
	Median	2.23		19.06	

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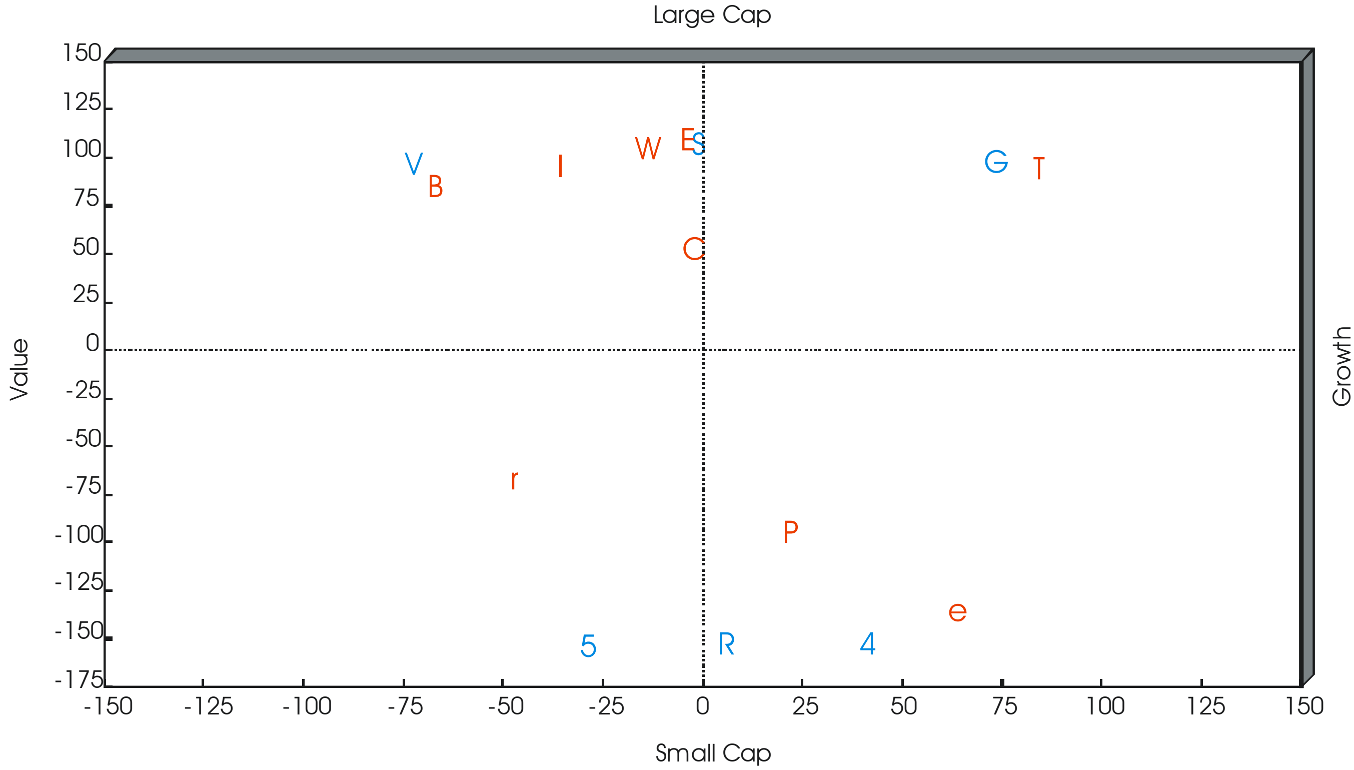
Domestic Equity Style Map

As of June 30, 2005



		Growth-Value	Size
E	Ing Investment Mgmt	-2.44	106.93
B	Boston Partners	-65.45	83.23
T	Delaware Inves.(Formerly Transamerica)	86.37	92.61
e	Emerald Advisors	65.12	-137.34
I	Intech	-32.69	93.94
P	Progress Investment Mgmt Co	23.51	-96.72
r	Rothschild Asset Management	-45.00	-68.59
W	Wentworth, Hauser & Violich	-13.54	102.22
C	Domestic Equity	-1.67	50.94
S	Standard & Poors 500	0.86	105.49
G	Russell 1000 Growth	74.20	95.51
V	Russell 1000 Value	-71.11	94.21
R	Russell 2000	7.29	-155.08
4	Russell 2000 Growth	42.79	-154.26
5	Russell 2000 Value	-27.36	-155.87

PORTFOLIO PROFILE REPORT

	PIMCO/ S&P 500 Cap Wtd 6/30/2005	Russell 3000 6/30/2005	Russell 2000 6/30/2005	ING 6/30/2005	Delaware 6/30/2005	Boston 6/30/2005
Equity Market Value	138,262,207			190,357,190	186,567,525	195,125,366
Beta	1.00	1.02	1.19	0.97	1.10	1.13
Yield	1.84	1.71	1.11	1.66	0.56	1.52
P/E Ratio	19.74	21.15	34.46	18.77	32.59	17.32
Standard Error	0.00	1.56	5.92	1.20	4.54	2.80
R^2	1.00	0.96	0.69	0.97	0.78	0.9
Wtd Cap Size ($Mil)	89,175.17	72,225.13	983.50	89,669.2	43,461.4	52,958.90
Avg Cap Size ($Mil)	10,852.60	964.50	548.69	12,434.0	15,153.3	12,844.54
Number of Holdings	500	2,999	1,999	412	29	84
Economic Sectors						
Energy	8.78	8.00	5.45	10.06	0.00	14.89
Materials	2.96	3.21	4.61	2.42	3.25	4.07
Industrials	11.19	10.50	13.90	10.78	6.41	9.55
Consumer Discretionary	11.43	12.85	16.38	11.12	20.81	14.86
Consumer Staples	10.12	8.50	3.06	9.31	10.43	1.44
Health Care	13.39	13.52	12.39	14.02	19.50	5.75
Financials	20.33	21.31	22.67	19.27	10.80	29.16
Information Technology	15.14	15.32	17.56	17.09	25.77	15.06
Telecom. Services	3.19	3.05	1.28	3.07	3.03	5.22
Utilities	3.47	3.74	2.69	2.86	0.00	0.00

PORTFOLIO PROFILE REPORT

	Emerald 6/30/2005	Intech 6/30/2005	Progress 6/30/2005	Rothschild 6/30/2005	Wentworth 6/30/2005	Combined Equity 6/30/2005
Equity Market Value	123,226,167	197,089,362	37,592,481	132,011,675	195,898,606	1,396,157,256
Beta	1.38	0.85	1.13	0.85	1.15	1.06
Yield	0.27	1.82	0.77	1.61	1.42	1.30
P/E Ratio	34.92	19.34	28.52	21.84	18.03	21.29
Standard Error	7.81	2.19	7.67	4.75	2.36	2.33
R^2	0.63	0.89	0.45	0.57	0.93	0.92
Wtd Cap Size ($Mil)	1,172.40	63,518.27	1,908.84	1995.3	65,491.3	48,866.38
Avg Cap Size ($Mil)	736.46	12,544.75	1,166.91	1334.88	32,851.5	3,734.04
Number of Holdings	130	418	508	169	40	1,182
Economic Sectors						
Energy	5.35	8.65	8.33	5.99	14.88	8.90
Materials	3.44	3.80	2.58	8.99	2.34	3.80
Industrials	16.63	14.44	10.82	13.93	11.14	11.47
Consumer Discretionary	16.30	12.88	21.03	11.08	17.23	15.16
Consumer Staples	1.46	9.73	3.68	3.81	10.19	6.95
Health Care	17.44	10.77	10.65	6.55	10.83	12.00
Financials	10.41	21.97	25.49	29.91	15.43	19.80
Information Technology	28.98	10.05	12.63	11.62	15.03	17.11
Telecom. Services	0.00	2.97	3.12	0.00	0.00	2.28
Utilities	0.00	4.73	1.66	8.12	2.95	2.54

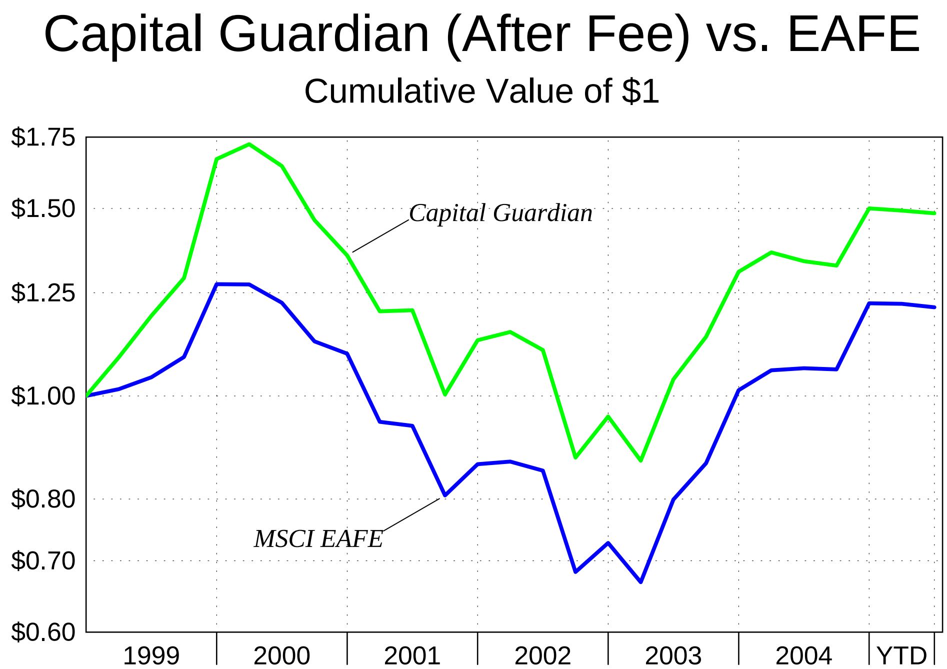
PORTFOLIO PROFILE REPORT

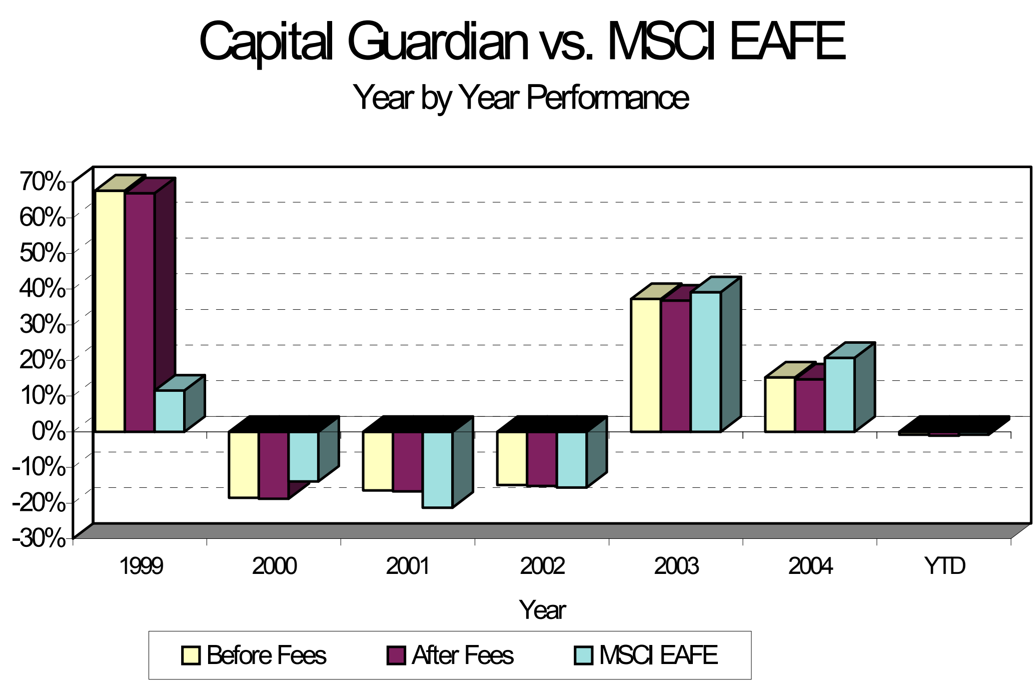
	S&P 500 Cap Wtd 6/30/2005	Russell 3000 6/30/2005	Russell 2000 6/30/2005	ING 6/30/2005	Delaware 6/30/2005	Boston 6/30/2005
Beta Sectors						
1 0.0 - 0.9	53.57	52.78	44.65	56.28	46.63	42.24
2 0.9 - 1.1	11.46	11.57	10.26	11.05	7.92	6.74
3 1.1 - 1.3	5.75	6.48	9.40	5.02	14.92	10.64
4 1.3 - 1.5	8.73	8.11	6.92	6.54	8.14	9.30
5 Above 1.5	20.49	21.05	28.78	21.12	22.38	31.08
Yield Sectors						
1 Above 5.0	1.22	2.01	5.70	0.85	0.00	1.79
3 3.0 - 5.0	19.42	17.97	6.70	15.37	0.00	11.44
3 1.5 - 3.0	32.50	28.48	13.27	32.58	13.09	35.25
4 0.0 - 1.5	33.23	30.20	18.99	36.72	44.70	31.10
5 0.0	13.64	21.33	55.33	14.48	42.21	20.41
P/E Sectors						
1 0.0 - 12.0	10.11	9.64	8.23	13.77	0.00	20.83
2 12.0 -20.0	39.65	37.73	27.83	36.90	14.44	50.06
3 20.0 -30.0	34.55	32.14	23.60	34.55	37.81	19.54
4 30.0 - 150.0	11.39	14.10	19.49	11.26	39.40	5.13
5 N/A	4.31	6.39	20.85	3.52	8.35	4.44
Capitalization Sectors						
1 Above 20.0 ($Bil)	70.91	56.78	0.00	73.71	44.66	43.68
2 10.0 - 20.0	17.76	14.43	0.00	16.92	28.52	20.78
3 5.0 - 10.0	8.18	9.30	0.00	6.90	22.15	18.01
4 1.0 - 5.0	3.13	14.85	46.94	2.47	4.66	17.54
5 0.5 - 1.0	0.02	2.89	33.02	0.00	0.00	0.00
6 0.1 - 0.5	0.00	1.75	20.03	0.00	0.00	0.00
7 0.0 - 0.1	0.00	0.00	0.01	0.00	0.00	0.00
5 Yr Earnings Growth						
1 N/A	23.96	27.54	45.52	19.29	12.74	37.12
2 0.0 -10.0	32.99	30.88	24.43	31.31	23.22	29.6
3 10.0 -20.0	30.09	27.9	18.07	33.91	44.54	19.54
5 Above 20.0	12.96	13.68	11.98	15.49	19.5	13.73

PORTFOLIO PROFILE REPORT

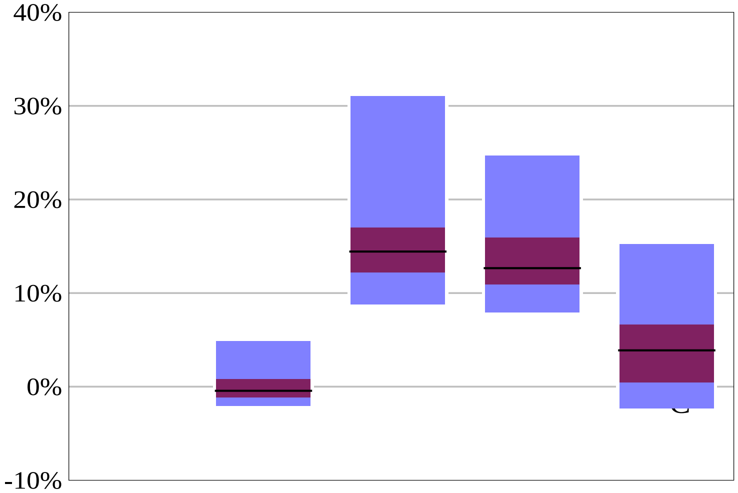
	Emerald 6/30/2005	Intech 6/30/2005	Progress 6/30/2005	Rothschild 6/30/2005	Wentworth 6/30/2005	Combined Equity 6/30/2005
Beta Sectors						
1 0.0 - 0.9	33.31	61.51	44.63	59.17	37.42	48.24
2 0.9 - 1.1	10.51	12.04	13.49	15.74	15.32	11.29
3 1.1 - 1.3	9.54	7.12	11.15	8.02	9.98	9.40
4 1.3 - 1.5	8.62	7.15	5.61	4.84	14.76	8.60
5 Above 1.5	38.02	12.18	25.11	12.23	22.53	22.47
Yield Sectors						
1 Above 5.0	1.56	1.08	2.13	3.25	0.00	1.13
3 3.0 - 5.0	0.00	19.49	7.37	19.15	4.90	10.10
3 1.5 - 3.0	3.26	31.82	10.44	21.66	33.09	25.40
4 0.0 - 1.5	15.51	36.88	18.70	23.42	45.42	34.42
5 0.0	79.68	10.73	61.35	32.51	16.59	28.95
P/E Sectors						
1 0.0 - 12.0	2.04	10.14	5.06	6.79	8.46	9.29
2 12.0 -20.0	21.27	42.48	30.15	43.55	37.68	35.53
3 20.0 -30.0	31.99	31.46	21.41	25.72	42.43	31.89
4 30.0 - 150.0	28.53	12.21	30.12	16.88	11.42	17.49
5 N/A	16.18	3.71	13.27	7.06	0.00	5.80
Capitalization Sectors						
1 Above 20.0 ($Bil)	0.00	49.29	0.52	0.00	70.10	43.28
2 10.0 - 20.0	0.00	25.57	0.98	0.00	13.62	16.21
3 5.0 - 10.0	1.47	18.84	3.63	0.00	15.26	12.73
4 1.0 - 5.0	48.31	6.31	56.80	78.25	1.02	19.51
5 0.5 - 1.0	25.71	0.00	22.86	17.92	0.00	5.04
6 0.1 - 0.5	23.86	0.00	14.21	3.83	0.00	3.13
7 0.0 - 0.1	0.64	0.00	1.00	0.00	0.00	0.09
5 Yr Earnings Growth						
1 N/A	22.75	20.63	18.88	31.91	20.05	22.92
2 0.0 -10.0	38.70	31.90	29.71	32.12	24.55	29.55
3 10.0 -20.0	21.58	33.59	28.03	25.52	39.42	32.02
5 Above 20.0	16.97	13.89	23.38	10.46	15.99	15.52

Capital Guardian Trust Company





Capital Guardian Trust Company



	Last Qtr	1 Yr	3 Yrs	5 Yrs
Capital Guard. (C)	-0.5	11.4	10.8	-1.7
Rank	*50*	*83*	*77*	*91*
EAFE (E)	-0.8	14.1	12.5	-0.2
Int'l Median	-0.5	14.4	12.7	3.9

Portfolio Characteristics	**Capital Guardian**	**MSCI EAFE**
Mkt Value ($Mil)	220.1	N/A
Cash	0.2 %	0.0 %

Over-Weighted Countries	**Capital Guardian**	**MSCI EAFE**
Netherlands	9.9 %	5.2 %
Canada	4.0	0.0
Japan	24.8	21.8

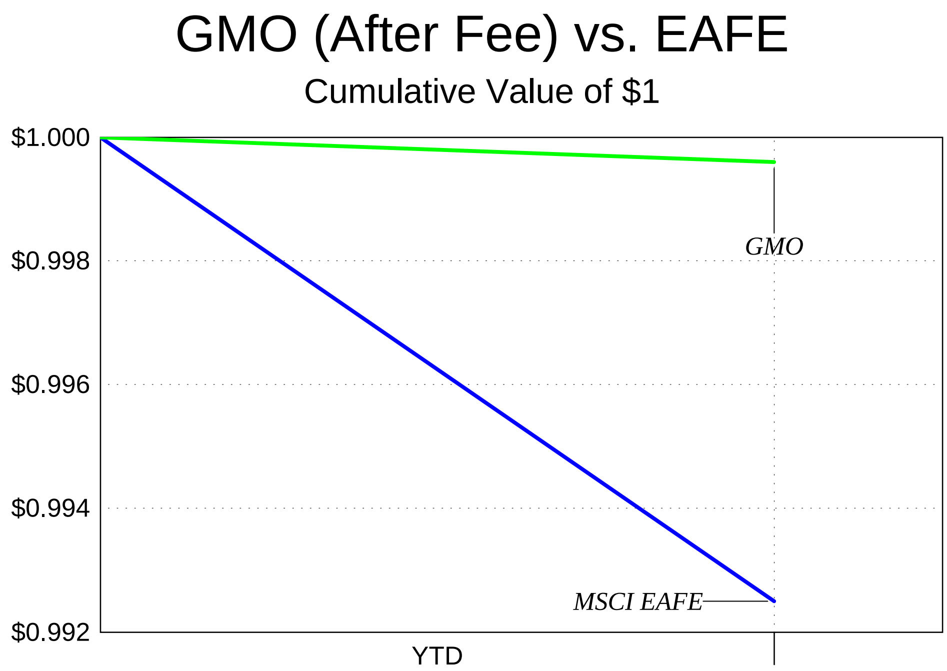
Under-Weighted Countries	**Capital Guardian**	**MSCI EAFE**
United Kingdom	14.8 %	25.2 %
Italy	0.5	4.0
Australia	2.5	5.4

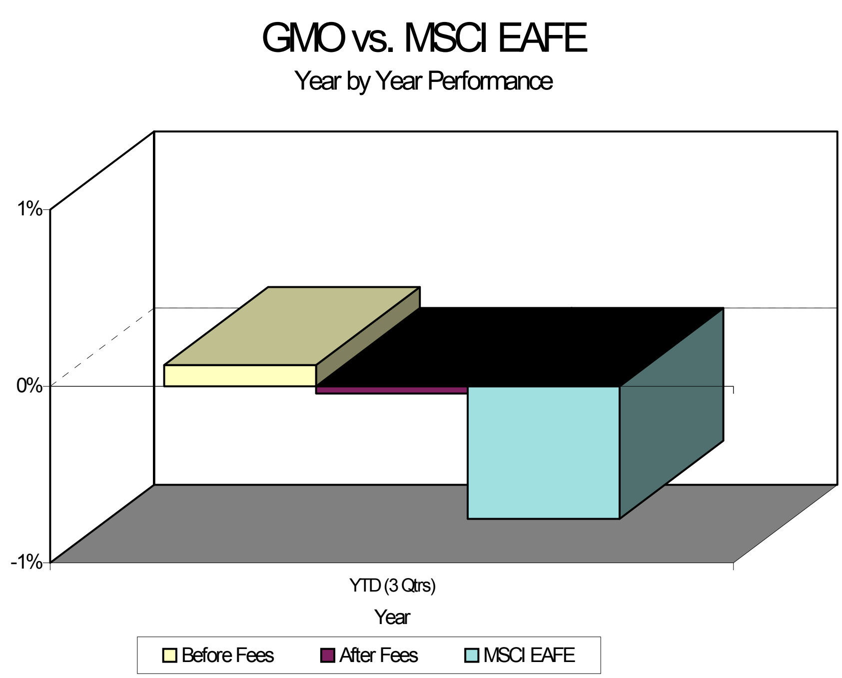
The Capital Guardian core international portfolio returned -0.5% in the second quarter, better than -0.8% for the MSCI EAFE Index and matching -0.5% for the median international equity manager. For the one-year period, Capital Guardian's return of 11.4% was below 14.1% for MSCI EAFE and 14.4% for the median international manager. Capital Guardian has not met the performance objectives of exceeding MSCI EAFE and the median over the past three and five year periods.

The best performing countries of the MSCI EAFE Index for the quarter, in US$ terms, were Norway (+13.8%), Austria (+8.1%) and Denmark (+7.8%), while the worst performing countries of the Index for the second quarter, in US$ terms, were Portugal (-10.9%), Ireland (-8.5%) and Japan (-5.8%). The portfolio's largest country over-weightings were the Netherlands, Canada (not in MSCI EAFE), and Japan, while the largest under-weightings were in the United Kingdom, Italy and Australia. At the end of the quarter, 4.2% of the portfolio was invested in emerging markets.

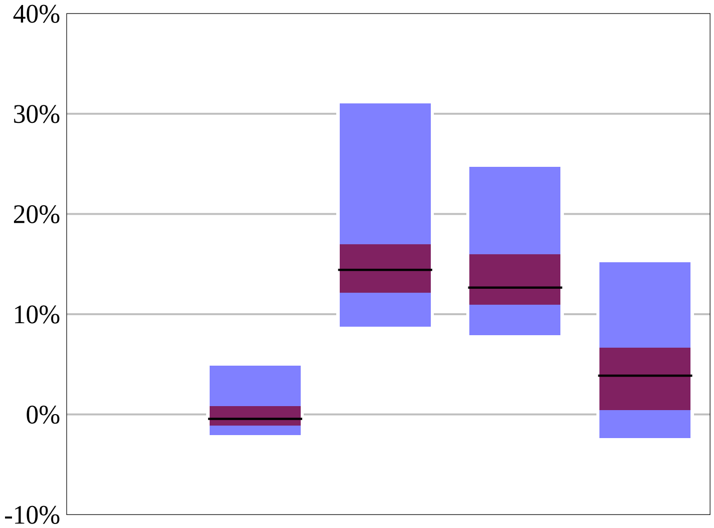
Portfolio performance was helped by stock selection in the telecom and consumer discretionary sectors as well as Japan. Remaining underweight to the UK also helped due to the currency impact. Small cap stocks also boosted second quarter performance. An overweight position in the telecom sector and an underweight position in the energy sector both detracted from performance. Capital Guardian believes that a combination of solid corporate profits and low interest rates argues for higher equity valuations going forward.

Grantham, Mayo, van Otterloo & Co





Grantham, Mayo, van Otterloo & Co



	Last Qtr	1 Yr	3 Yrs	5 Yrs
GMO (**G**)	0.1	-	-	-
Rank	*38*	-	-	-
EAFE (**E**)	-0.8	14.1	12.5	-0.2
Int'l Median	-0.5	14.4	12.7	3.9

Portfolio Characteristics	**GMO**	**MSCI EAFE**
Mkt Value ($Mil)	178.4	N/A
Cash	0.0 %	0.0 %

Over-Weighted Countries	**GMO**	**MSCI EAFE**
Netherlands	9.5 %	5.2 %
Italy	7.6	4.0
Belgium	3.2	1.3

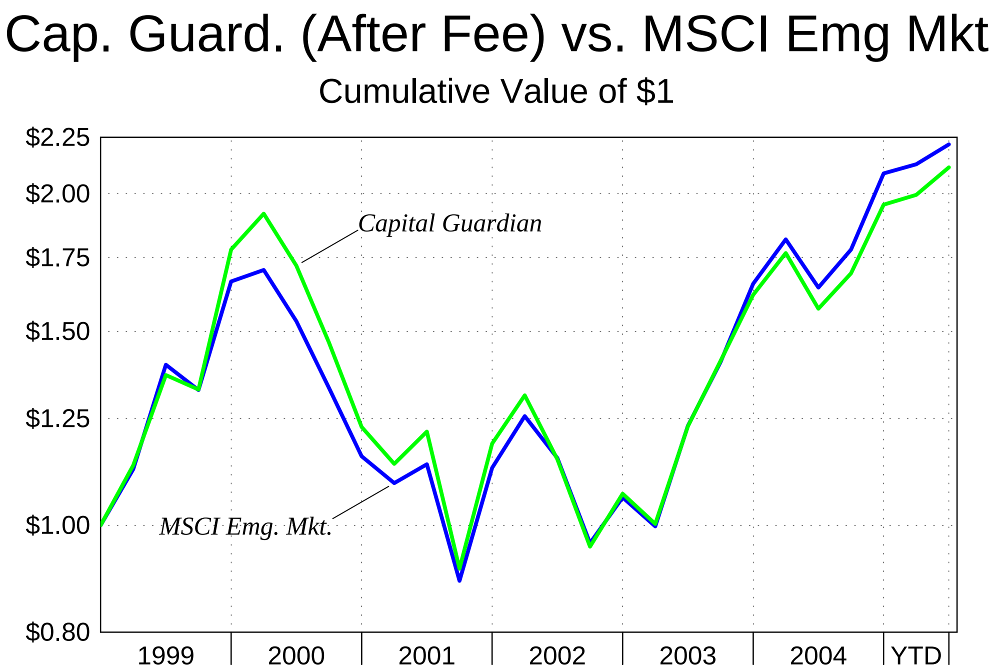
Under-Weighted Countries	**GMO**	**MSCI EAFE**
Switzerland	2.0 %	6.7 %
France	4.7	9.2
United Kingdom	21.3	25.2

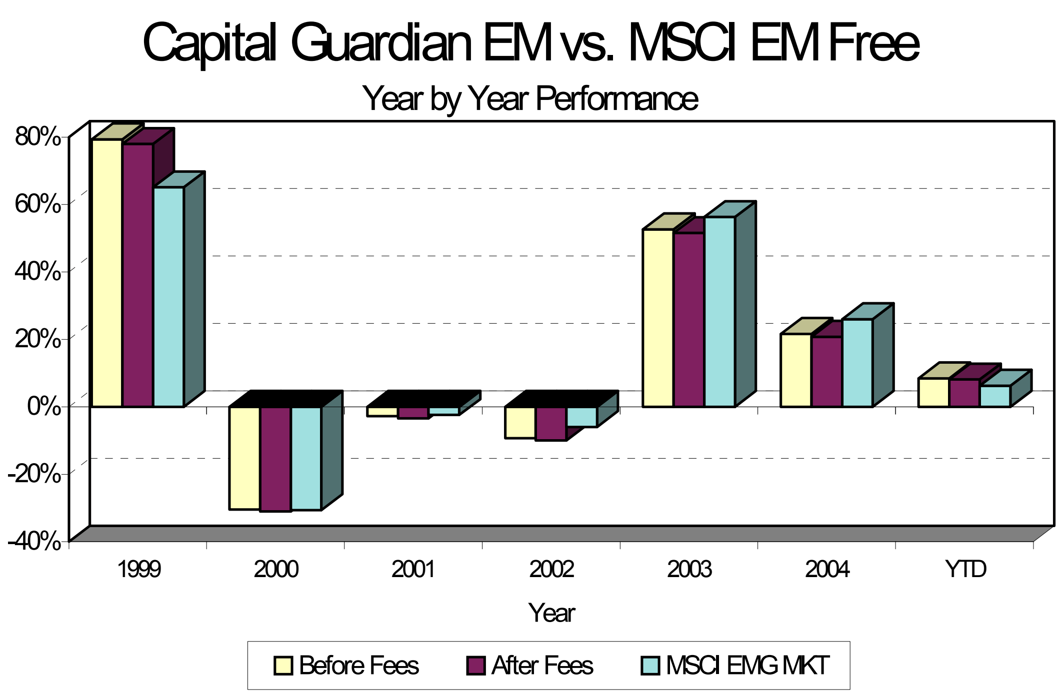
The GMO value international portfolio returned 0.1% in the second quarter, better than -0.8% for the MSCI EAFE Index and matching -0.5% for the median international equity manager.

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

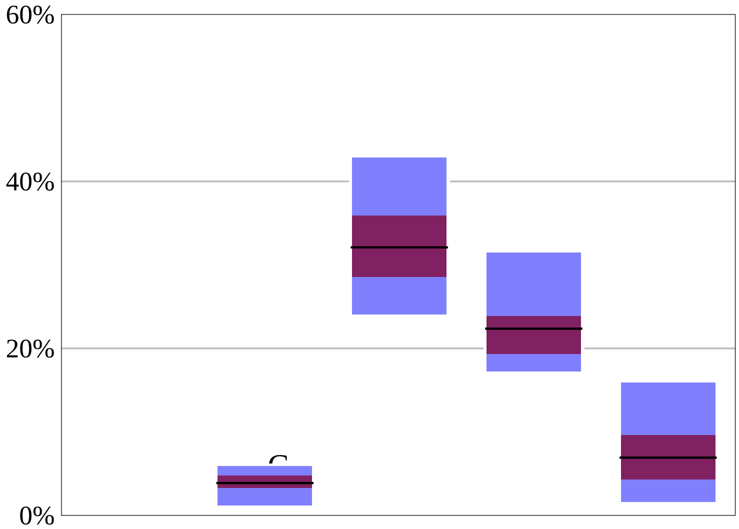
The strategy is overweight in the health care and utilities sectors and underweight in technology, telecom and materials sectors. Sector exposures helped relative performance. Country allocation had no net impact in the second quarter. Currency had a significant impact on absolute return as the US dollar continued its rise against all EAFE currencies which detracted from strong local stock market returns. Both GMO’s Valuation and Momentum investment disciplines added significant value. Positions in British pharmaceutical company GlaxoSmithKline, energy related companies such as OMV, the Austrian oil company, and Canadian Natural Resources, as well as Dutch bank ABN AMRO all added to this quarter’s outperformance. Holding British bank Lloyds TSB Group and Dutch bank/insurer ING Groep as well as not holding strong performers like the Swiss pharmaceutical maker Roche and Swedish technology company Ericsson detracted from relative performance.

Capital Guardian Emerging Markets





Capital Guardian Emerging Markets



	Last Qtr	1 Yr	3 Yrs	5 Yrs
Capital Guard. (C)	6.1	35.2	23.4	4.9
Rank	*4*	*27*	*33*	*72*
MSCI Emg Mkt (E)	4.2	34.9	24.4	7.7
MS Em Mkt Median	3.9	32.1	22.4	6.9

Portfolio Characteristics	Capital Guardian	MSCI EM Free
Mkt Value ($Mil)	49.1	N/A
Cash	0.0 %	0.0 %

Over-Weighted Countries	Capital Guardian	MSCI EM Free
India	10.3 %	5.9 %
Brazil	12.1	9.6
South Korea	18.0	16.6
Malaysia	5.0	3.6

Under-Weighted Countries	Capital Guardian	MSCI EM Free
Taiwan	12.5 %	17.8 %
China	3.7	7.6
South Africa	7.3	10.0

Capital Guardian's emerging market equity portfolio returned 6.1% in the second quarter, better than 4.2% for the MSCI Emerging Market Free index and 3.9% for the median emerging market equity mutual fund. For the one year period, Capital Guardian's return of 35.2% was slightly above 34.9% for the MSCI Emerging Market Free Index and 32.1% for the median. For the five-year period, Capital Guardian returned 4.9% versus 7.7% for the MSCI Emerging Market Free Index and 6.9% for the median emerging market equity mutual fund. Capital Guardian has not met the objective of exceeding the Index and the median over the three and five year periods.

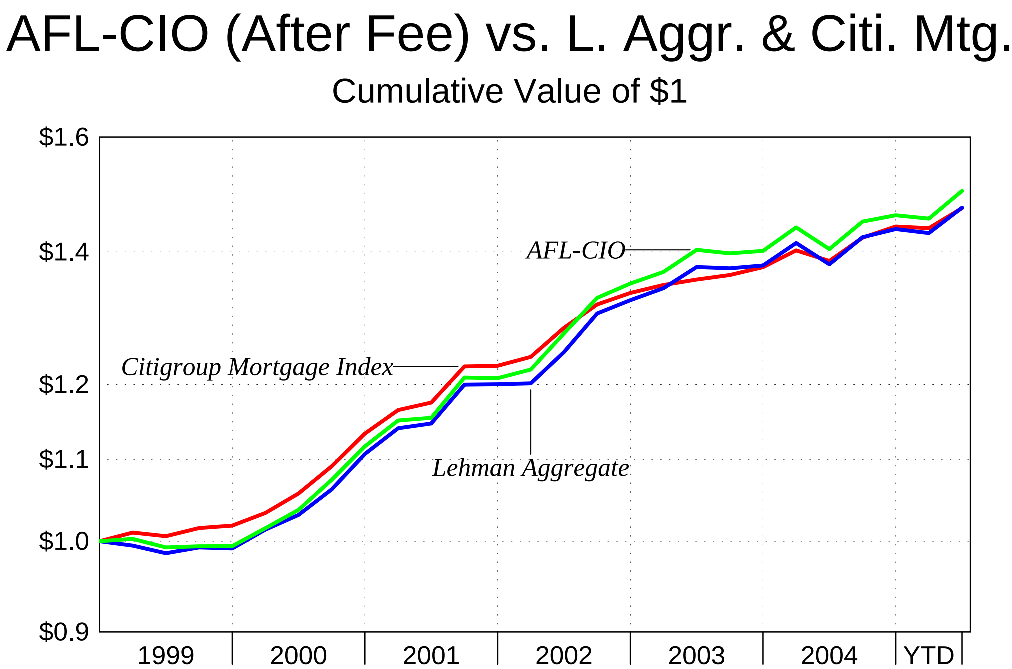
The top performing emerging market countries were Egypt (+105%), Jordan (+58%) and Sri Lanka (+39%). The worst performing countries were Venezuela (-14%), South Africa (-7%) and Morocco (-5%). The Europe & Middle East region was strongly positive for the quarter with a return of 6.7%, the Latin American region was up 11.5% and the Asian region was up 6.7%. The portfolio's largest country over-weightings were India, Brazil, South Korea and Malaysia, while the largest under-weightings were Taiwan, China and South Africa.

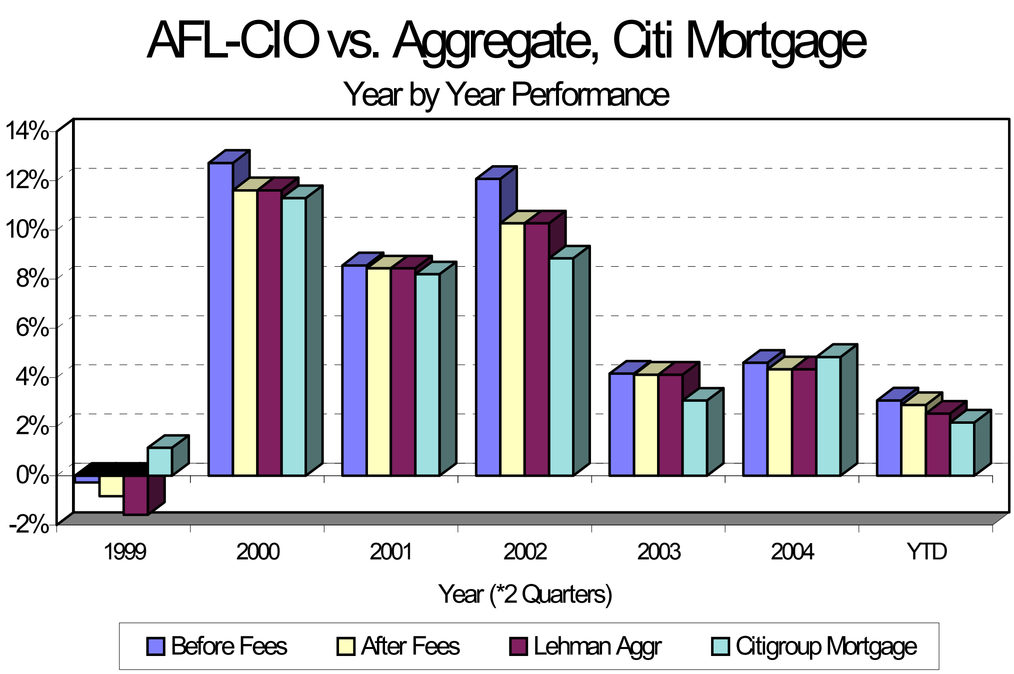
The portfolio's relative performance was helped by overweight positions in India and Mexico, which posted double-digit gains in US dollar terms, and by the underweight stance in South Africa. Stock selection was also strong in many markets. On a sector basis, the portfolio's underweight position in materials and overweight position in consumer staples supported relative returns, while its underweight in energy was a detractor.

Barring a sharp correction in China's economy or a steep rise in oil prices from current levels, Capital Guardian expects many emerging markets economies, particularly in Asia, to enjoy a sustained expansion of domestic demand, which should in turn support corporate profits and stocks. Nevertheless, valuations continue to be quite high and the firm is seeking out those countries and sectors that look the cheapest.

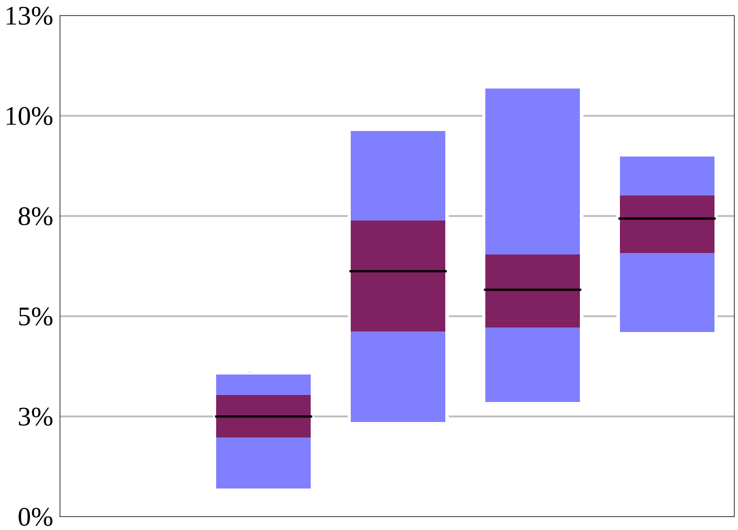
MANAGER COMMENTS – FIXED INCOME

AFL-CIO Housing Investment Trust





AFL-CIO Housing Investment Trust



	Last Qtr	1 Yr	3 Yrs	5 Yrs
AFL-CIO (A)	3.4	7.4	6.0	8.0
Rank	*6*	*24*	*36*	*24*
L. Agg (L)	3.0	6.8	5.8	7.4
Citi. Mtg. (C)	2.4	6.3	4.8	6.9
Fixed Median	2.5	6.1	5.7	7.4

Portfolio Characteristics	**AFL-CIO**
Mkt. Value ($mil)	151.0
Duration (yrs)	4.0
Current Yield (%)	5.3

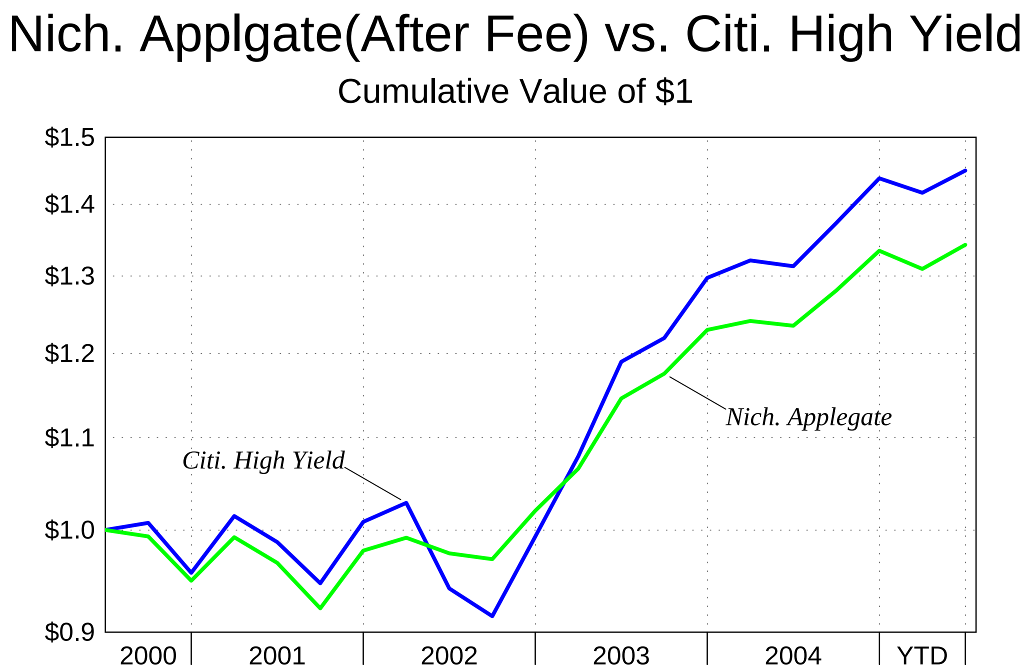
Diversification by Sector	**AFL-CIO**
Single Family MBS	31%
Construction Related CMBS	12
Agency CMBS	47
US Treasury	10
Short-term	1

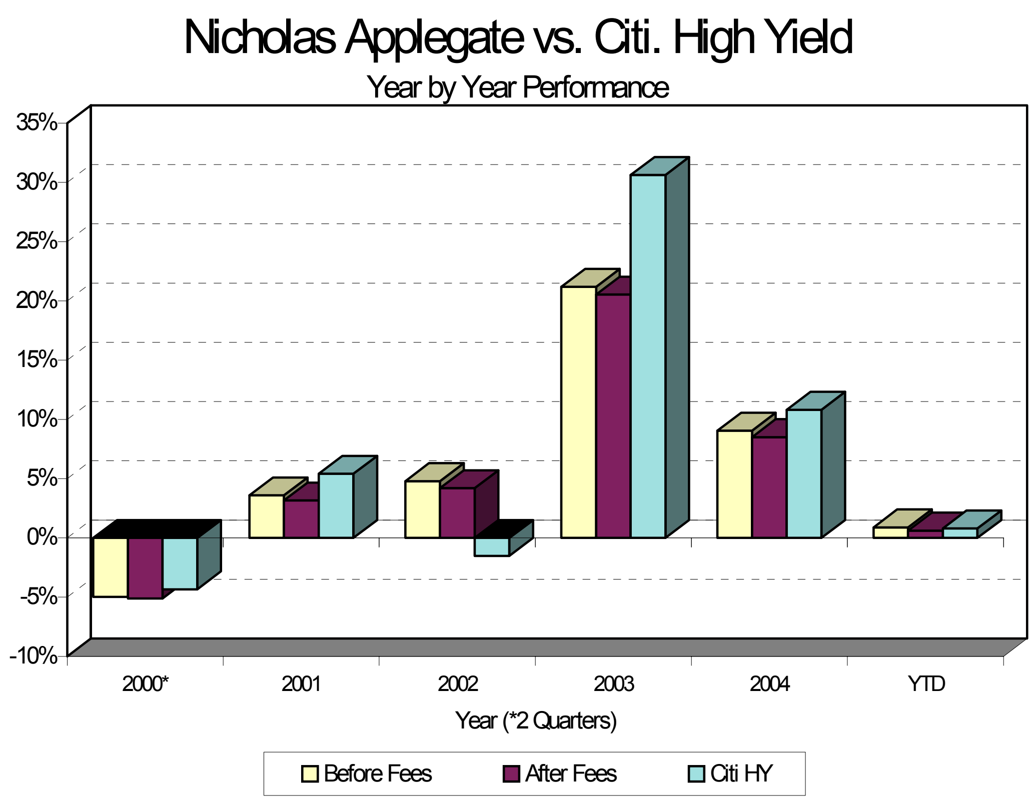
AFL-CIO returned 3.4% in the second quarter, better than the 3.0% return of the Lehman Aggregate and the 2.4% return of the Citigroup Mortgage index. The portfolio ranked in the 6th percentile of fixed income managers. For the past year, AFL-CIO returned 7.4%, which was above the 6.8% return of the Lehman Aggregate, the 6.3% return of the Citigroup Mortgage and the 6.1% return of the median fixed income manager. Over longer periods, AFL-CIO has exceeded the benchmarks and the median, meeting performance objectives.

At the end of the second quarter, the AFL-CIO Housing Investment Trust had 31% of the portfolio allocated to single family mortgage backed securities (up 2% from the end of the previous quarter), 12% allocated to construction related CMBS (down 1%), 43% allocated to agency CMBS (down 4%), 10 to US Treasury notes (down 3) and 1 to short-term (down 1%). The AFL-CIO portfolio duration at the end of the second quarter was 4.0 years and the current yield of the portfolio was 5.3%.

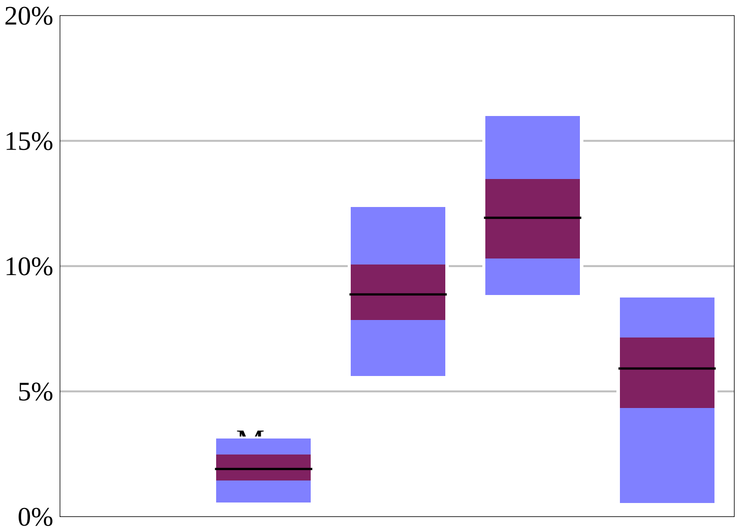
AFL-CIO reports that in the second quarter the Trust issued new financing commitments in the amount of $38.0 million for a multi-family project having a total of 1,742 units and issued pre-commitments in the amount of $118.5 million. The Trust's HIT HOME mortgage program originated mortgage loans for 725 union households valued at $127.5 million during the quarter. The Trust will maintain its defensive duration posture versus the Lehman Aggregate to help offset the impact of potentially rising rates. Finally, as the yield curve has flattened a great deal this year, the Trust's ongoing duration barbell strategy may be gradually reduced.

Nicholas Applegate





Nicholas Applegate



	Last Qtr	1 Yr	3 Yrs	5 Yrs
Nich. Appl. (N)	2.7	9.3	11.0	6.6
Rank	*15*	*42*	*52*	*37*
Citi. Hi Yield (C)	2.3	10.4	15.5	7.7
ML BB/B (M)	3.1	10.5	12.4	6.7
MS Hi Yield Median	1.9	8.9	11.9	5.9

Portfolio Characteristics	Nich. Appl.	Citi. HY
Mkt. Value ($mil)	49.0	N/A
Yield to Maturity (%)	7.6	8.0
Duration (years)	3.9	4.5
Avg. Quality	BB	B+
Cash	1.4	0.0

Quality Distribution	Nich. Appl.	Citi. HY
BBB	2%	0%
BB	32	41
B	65	46
CCC	2	13

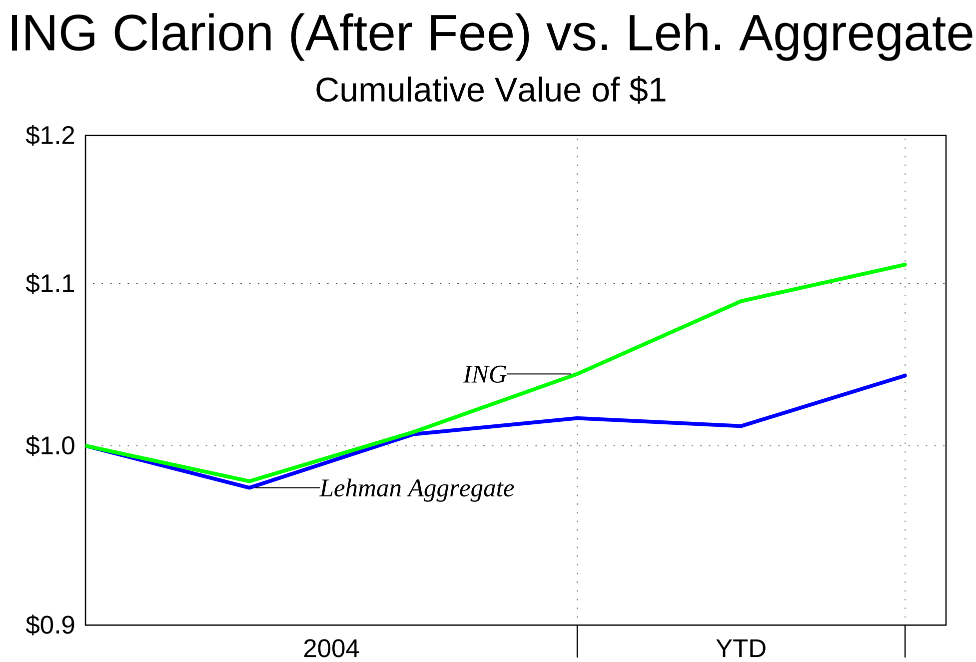
Nicholas Applegate's high yield fixed income portfolio returned 2.7% for the second quarter, better than the 2.3% return of the Citigroup High Yield Index and 1.9% for the median high yield fixed income mutual fund but below 3.1% for the Merrill Lynch BB/B Index. For the year, Nicholas Applegate returned 9.3% versus 10.4% for the Index, 10.5% for the Merrill Lynch BB/B Index, and 8.9% for the median. For the five-year period, Nicholas Applegate's return of 6.6% was above 5.9% for the median, but below 7.7% for the Citigroup High Yield Index and 6.7% for the BB/B Index.

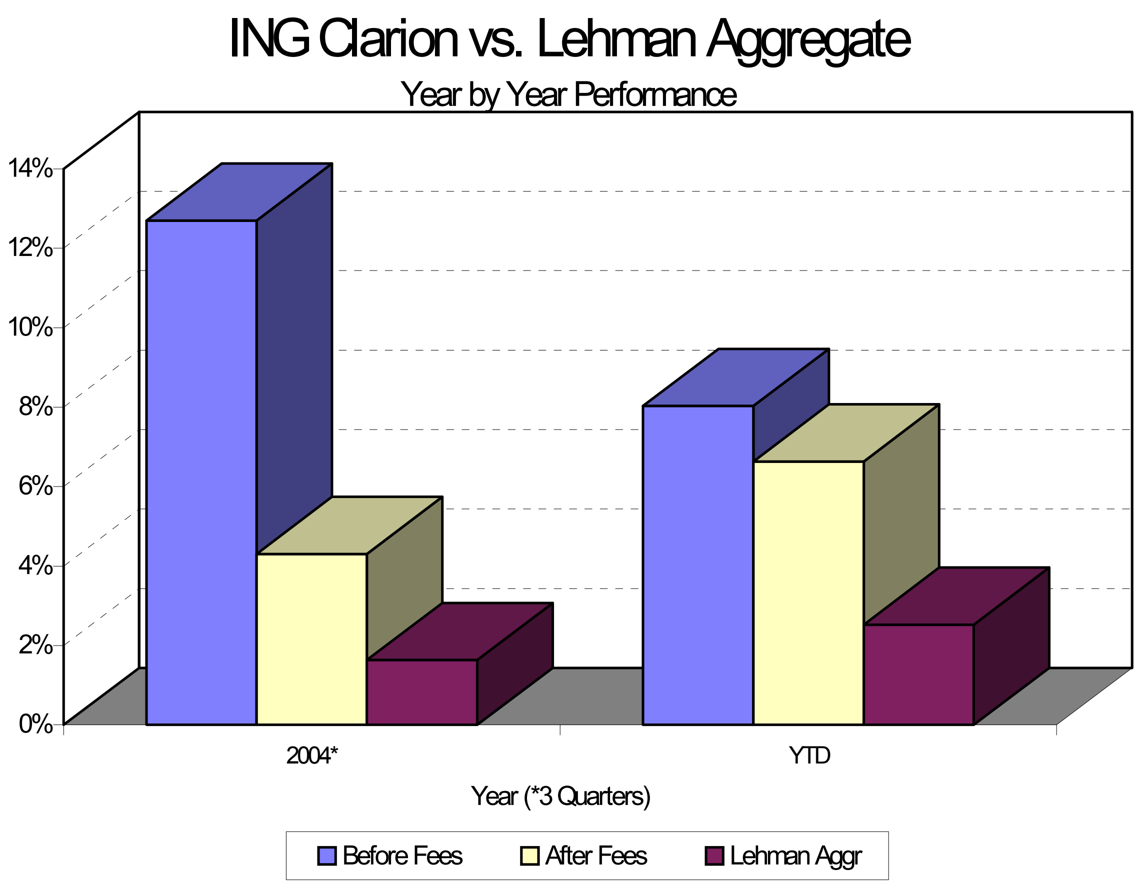
As of June 30, 2005, the Nicholas Applegate high yield portfolio was allocated 2% to BBB rated securities vs. 0% for the Index, 32% to BB rated issues versus 41% for the Index, 65% to B rated issues versus 46% in the Citigroup High Yield Index and 2% to C rated securities versus 13% for the Index. At the end of the quarter, 1.4% of the portfolio was invested in cash and equivalent securities. The portfolio's June 30, 2005, duration was 3.9 years, shorter than 4.5 years for the Citigroup High Yield Index.

The downgrade of GM to high yield was a major issue in the high yield universe during the second quarter. GM added 15 basis point to the unconstrained index versus the constrained index in June. The other issue that added significantly to the benchmark returns was Calpine, which was CCC-rated and not held in the portfolio. In the second quarter of 2005, there were thirteen portfolio issues upgraded in seventeen separate actions. The upgrades included holdings in several industries. Equally important to long-term performance, there were no downgrades for the period. The portfolio upgrade/downgrade ratio greatly exceeded the 1:1 ratio of the broad market. In addition to the upgraded names that helped performance for the quarter, more duration- sensitive names helped as interest rates declined. There were no significant negative movers for the quarter.

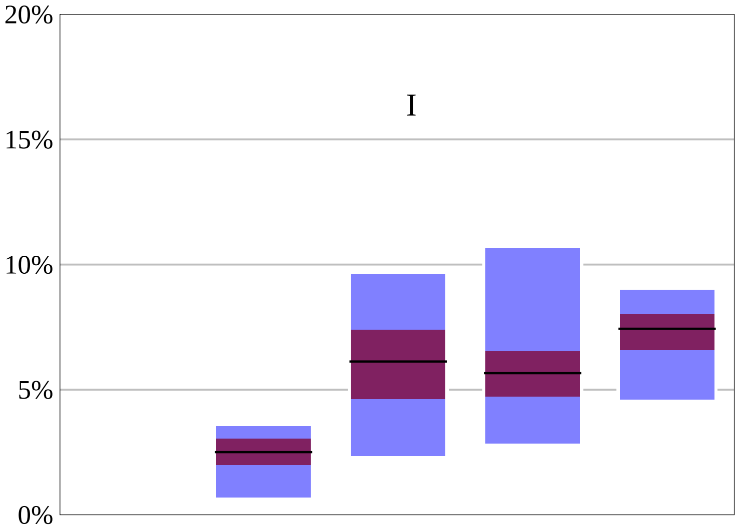
MANAGER COMMENTS – FIXED INCOME

ING Clarion





ING Clarion



	Last Qtr	1 Yr	3 Yrs	5 Yrs
ING Clarion (I)	2.8	16.4	-	-
Rank	*35*	*1*	-	-
L. Agg (L)	3.0	6.8	5.8	7.4
Fixed Median	2.5	6.1	5.7	7.4

Portfolio Characteristics	**ING**
Mkt. Value ($mil)	39.2

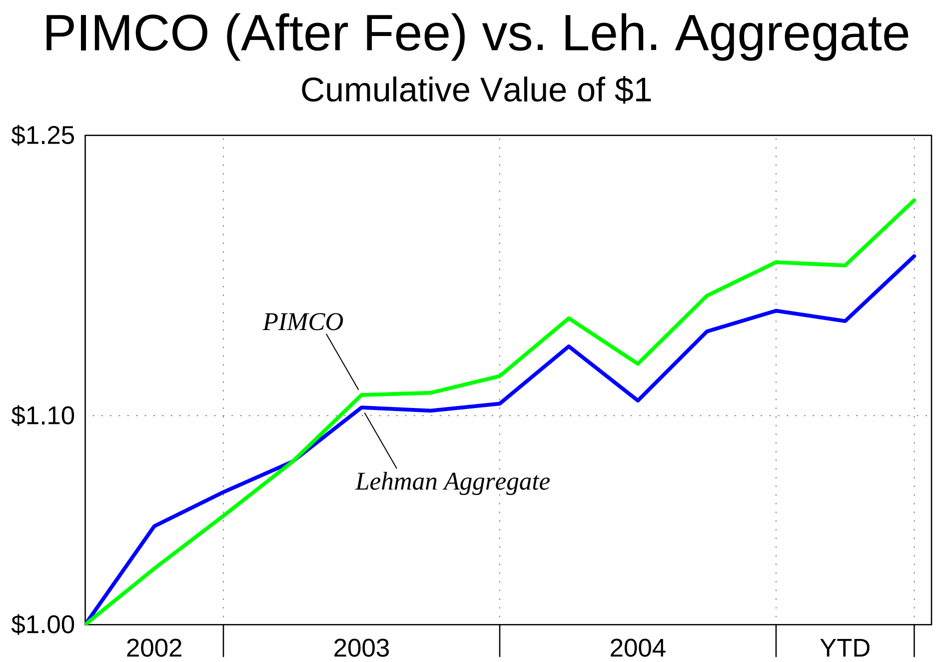
ING Clarion invests in lower quality mortgages purchased at a significant discount. Its return of 2.8% for the second quarter was below the Lehman Aggregate return of 3.0% but above the median fixed income manager return of 2.5%. ING Clarion ranked in the 35th percentile in the universe of fixed income managers. Over the past year, the portfolio has returned 16.4%, far above the benchmark return of 6.8% and the fixed income median of 6.1%.

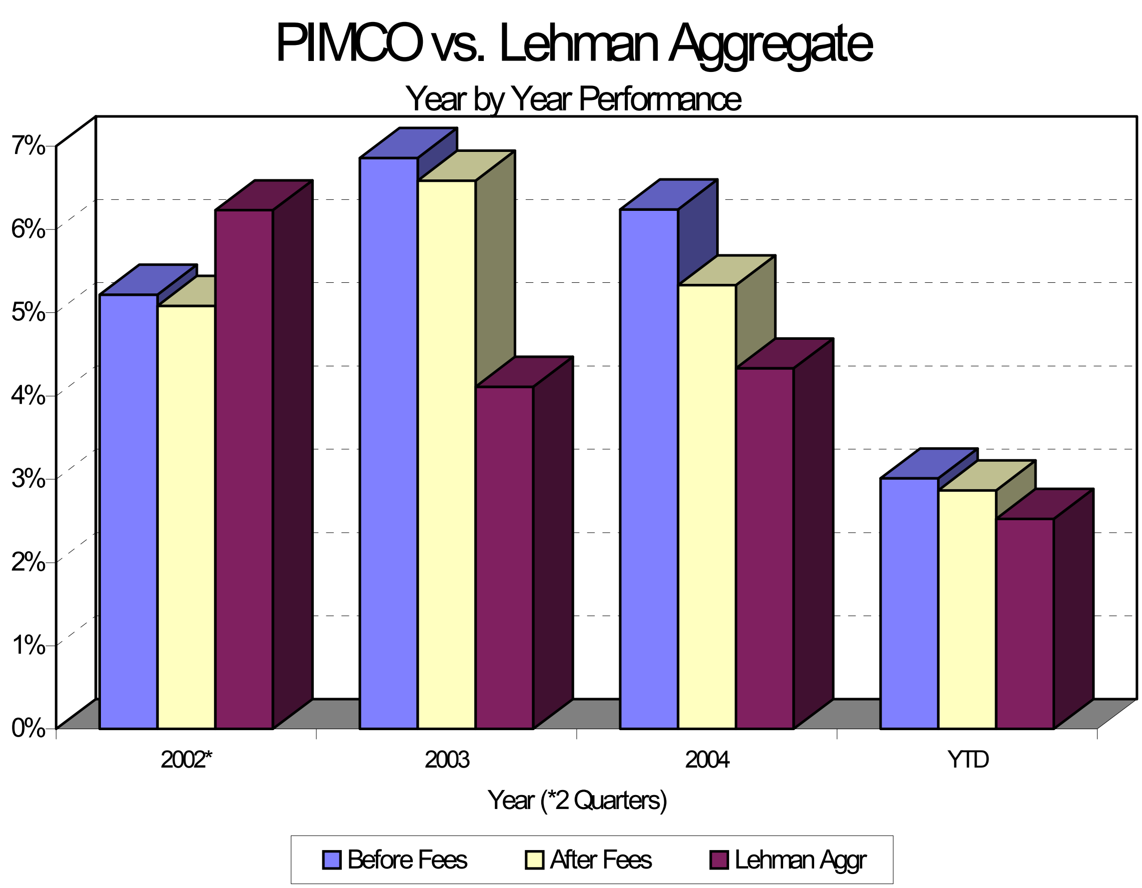
As of June 30, 2005, the portfolio consisted of 81 investments purchased at an average price of approximately 44% of par. The fund was offered ten investment opportunities, and pursued three deals.

One transaction closed shortly prior to June 30, 2005. In the transaction, the Fund acquired 6 classes of securities from one securitization deal. All classes were acquired at significant discounts to par at an average nominal yield to maturity of approximately 12% and a nominal cash-on-cash yield of approximately 9%.

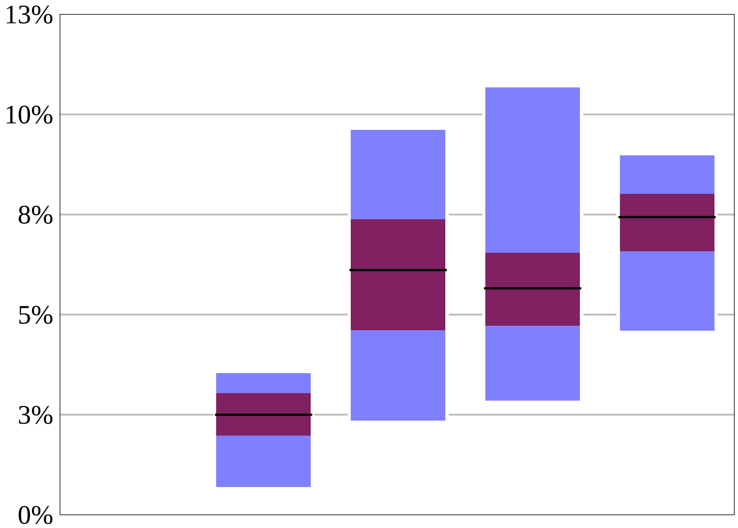
MANAGER COMMENTS – FIXED INCOME

PIMCO





PIMCO



	Last Qtr	1 Yr	3 Yrs	5 Yrs
PIMCO (P)	3.1	8.0	6.9	-
Rank	*20*	*14*	14	-
L. Agg (L)	3.0	6.8	5.8	7.4
Fixed Median	2.5	6.1	5.7	7.4

Portfolio Characteristics	**PIMCO**	**L. Agg**
Mkt. Value ($mil)	398.3	N/A
Yield to Maturity (%)	4.6	4.5
Duration (years)	4.1	4.2
Avg. Quality	AAA	AA+

Sectors	**PIMCO**	**L. Agg**
Treasury/Agency	44%	37%
Mortgages	37	34
Corporates	5	24
High Yield	0	0
Asset Backed	0	1
CMBS	0	3
Cash	2	0
International	6	0
Emerging Markets	4	0
Other	2	0

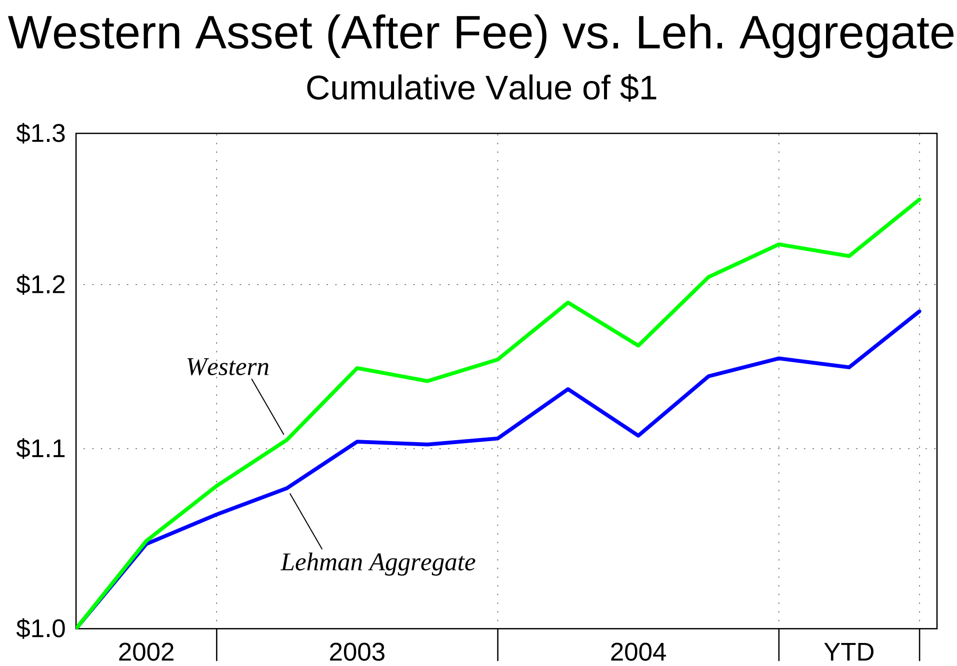
PIMCO's return of 3.1% for the second quarter was better than the Lehman Aggregate return of 3.0% and was above median fixed income manager return of 2.5%. PIMCO ranked in the 20th percentile in the universe of fixed income managers. For the one-year period, PIMCO's return of 8.0% was above the 6.8% return of the Lehman Aggregate and 6.1% for the median, ranking in the 14th percentile. Over the past three years, the portfolio has returned 6.9%, above the Lehman Aggregate return of 5.8% and ranking in the 14th percentile.

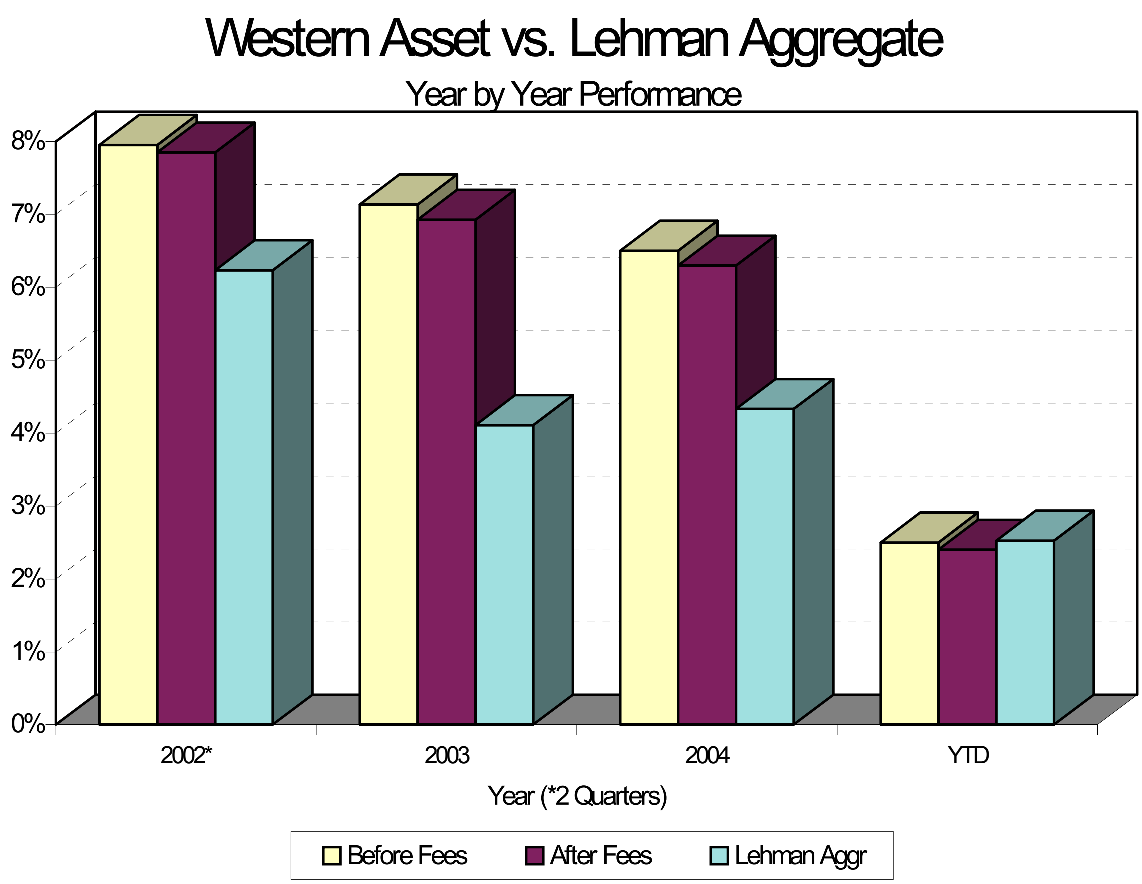
During the second quarter, PIMCO reduced the allocation to treasuries and agencies by 2% and international by 1%. The reduced allocations were offset by increased allocations to cash by 2% and mortgages by 1%. The zero position in high yield remains from the end of the previous quarter. Duration of the PIMCO fixed income portfolio at the end of the second quarter was 4.1 years, shorter than the 4.5 year duration at the end of last quarter.

Second quarter performance was helped by the portfolio's mortgage coupon and security selection, which more than offset the negative impact of widening mortgage yield premiums earlier in the period. A corporate underweight also helped amid concerns about the auto sector and corporate restructurings. Exposure to eurozone and emerging market bonds was also beneficial.

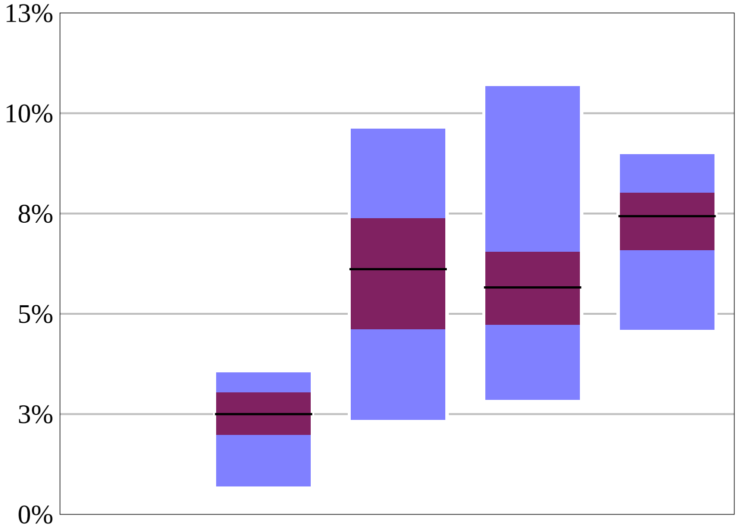
MANAGER COMMENTS – FIXED INCOME

Western Asset Management





Western Asset Management



	Last Qtr	1 Yr	3 Yrs	5 Yrs
Western Asset (W)	3.1	8.3	8.1	-
Rank	*20*	*11*	8	-
L. Agg (L)	3.0	6.8	5.8	7.4
Fixed Median	2.5	6.1	5.7	7.4

Portfolio

Characteristics	**Western**	**L. Aggr**
Mkt. Value ($mil)	396.4	N/A
Yield to Maturity (%)	4.8	4.5
Duration (years)	3.7	4.2
Avg. Quality	AA	AA+

Sectors	**Western**	**L. Aggr**
Treasury/Agency	43 %	37 %
Mortgages	23	34
Corporates	18	24
High Yield	4	0
Asset Backed	1	1
CMBS	1	3
Cash	1	0
International	6	0
Emerging Markets	4	0
Other	0	0

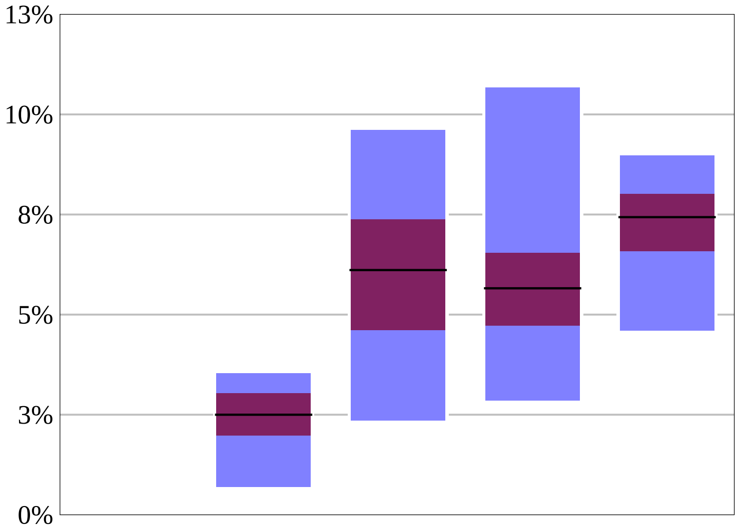
Western Asset Management's return of 3.1% for the second quarter was slightly better than the 3.0% return of the Lehman Aggregate and the 2.5% return of the median fixed income manager. The second quarter performance ranked in the 20th percentile in the universe of fixed income managers. For the one-year period, Western's return of 8.3% was above the 6.8% return of the Aggregate, ranking in the 11th percentile. Over the past three years, Western returned 8.1%, above the Lehman Aggregate return of 5.8%, and ranked in the 8th percentile.

During the second quarter, Western Asset increased its allocation to Treasuries/Agencies by 1%, mortgages by 2%, investment grade corporates by 2%, high yield by 1% and international by 1%. These increased allocations were offset by decreased allocations to cash by 4%. The allocations to asset backed securities and CMBS were unchanged from the end of the previous quarter. The duration of the Western Asset fixed income portfolio at the end of the second quarter was 4.8 years, longer than the 4.5 year duration at the end of the previous quarter, and longer than that of the index.

Western Asset Management's second quarter performance was helped by exposures to high yield, non-dollar and emerging markets debt. A defensive duration position hurt the portfolio, as did a moderate exposure to TIPS.

MANAGER COMMENTS – FIXED INCOME

Total Domestic Fixed Income



	Last Qtr	1 Yr	3 Yrs	5 Yrs
CCC Total (C)	3.1	8.4	7.8	8.0
Rank	*21*	*10*	*9*	*26*
L. Agg (L)	3.0	6.8	5.8	7.4
Fixed Median	2.5	6.1	5.7	7.4

Portfolio

Characteristics	**Combined***	**L.Agg**
Mkt. Value ($mil)	1,017.6	N/A
Yield to Maturity (%)	5.0	4.5
Duration (years)	3.9	4.2

Sectors	**Combined***	**L. Agg**
Treasury/Agency	35%	37%
Mortgages	37	34
Corporates	9	24
High Yield	8	0
Asset Backed	0	1
CMBS	0	3
Cash	2	0
International	5	0
Other	4	0

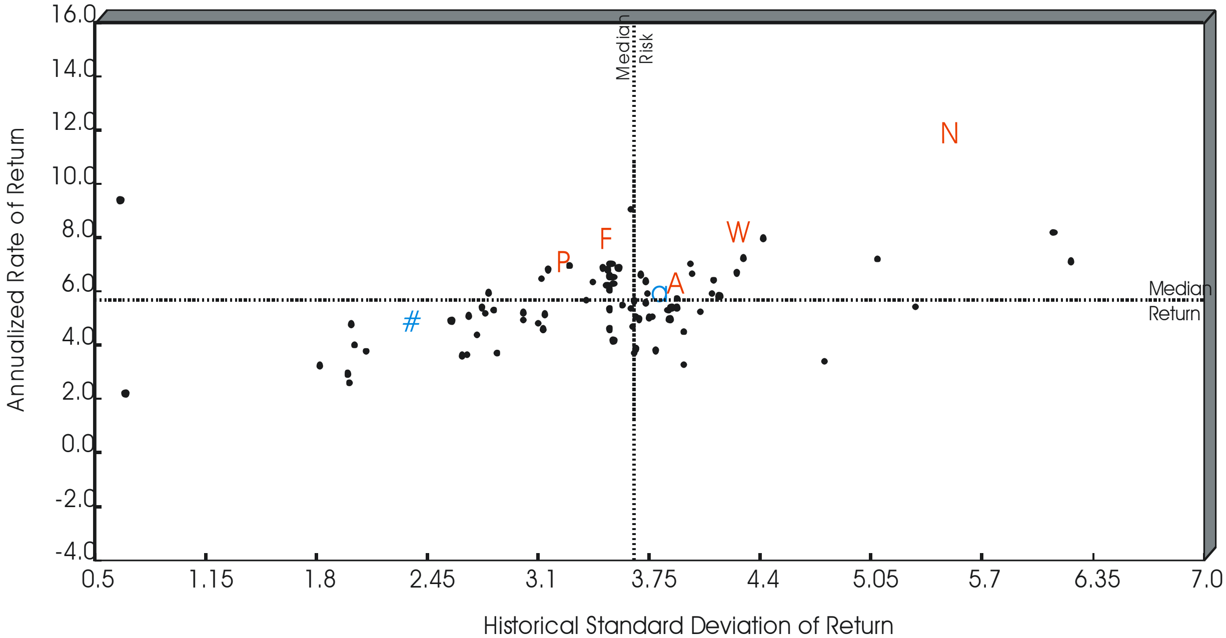
**Exclusive of ING Clarion portfolio.*

CCCERA total fixed income returned 3.1% in the second quarter, better than 3.0% for the Lehman Aggregate and 2.5% for the median fixed income manager, ranking in the 21st percentile in the universe of fixed income managers. For the one-year period, CCCERA's total fixed income returned 8.4%, exceeding 6.8% for the Aggregate and 6.1% for the median manager. CCCERA total fixed income's returns have exceeded the Aggregate and the median fixed income manager over both the three and five year periods.

During the second quarter, the allocation to non-dollar securities decreased by 3%. High yield was down 2% and cash was down 1%. The allocations to other securities and mortgages increased by 3% each. This was offset by increased allocations to other securities by 3%, mortgages by 3% and corporate by 2%. Duration of the total fixed income portfolio at the end of the second quarter was 3.9 years, shorter than the 4.2 year duration of the index.

Domestic Fixed Income Performance and Variability

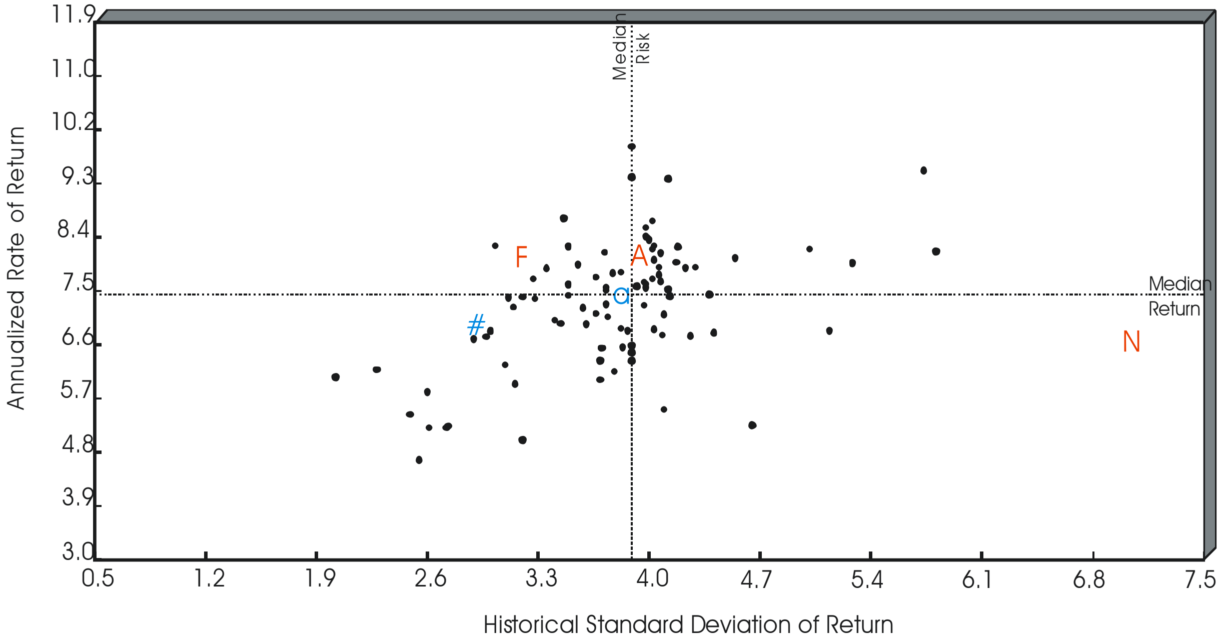
Three Years Ending June 30, 2005



		Annualized Return		Standard Deviation	
		Value	Rank	Value	Rank
A	AFL-CIO	6.03	36	3.91	71
N	Nicholas Applegate	11.79	3	5.53	95
P	PIMCO #2433	6.95	14	3.28	26
W	Western Asset Management	8.08	8	4.28	86
F	Total Fixed Income	7.80	9	3.53	39
a	LB Aggregate	5.76	46	3.85	65
#	SB Mortgage	4.75	74	2.37	11
	Median	5.66		3.66	

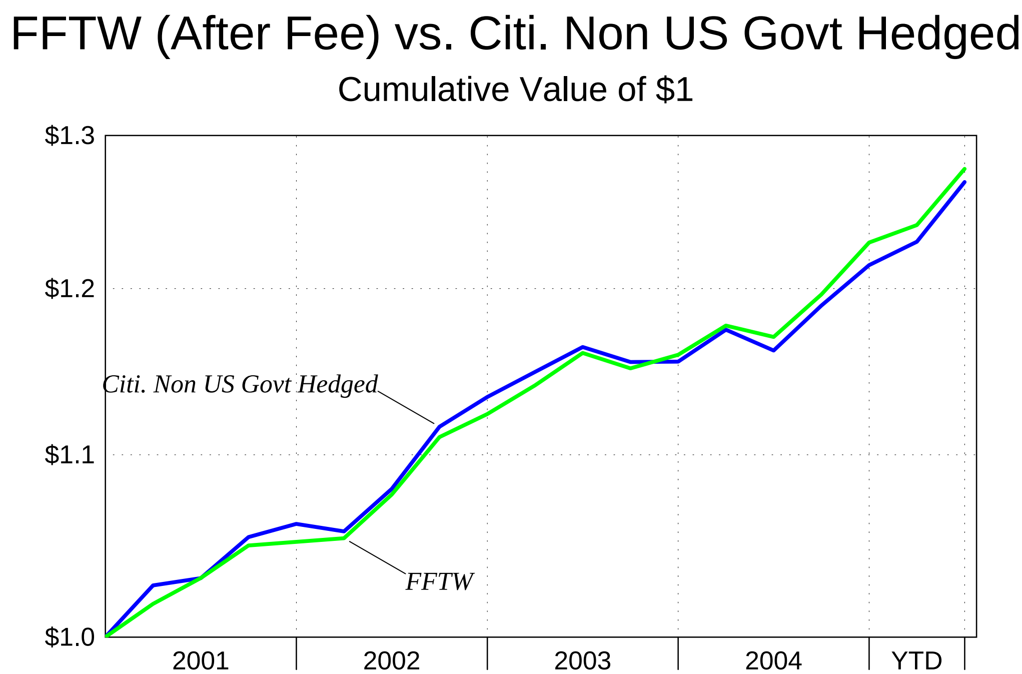
Domestic Fixed Income Performance and Variability

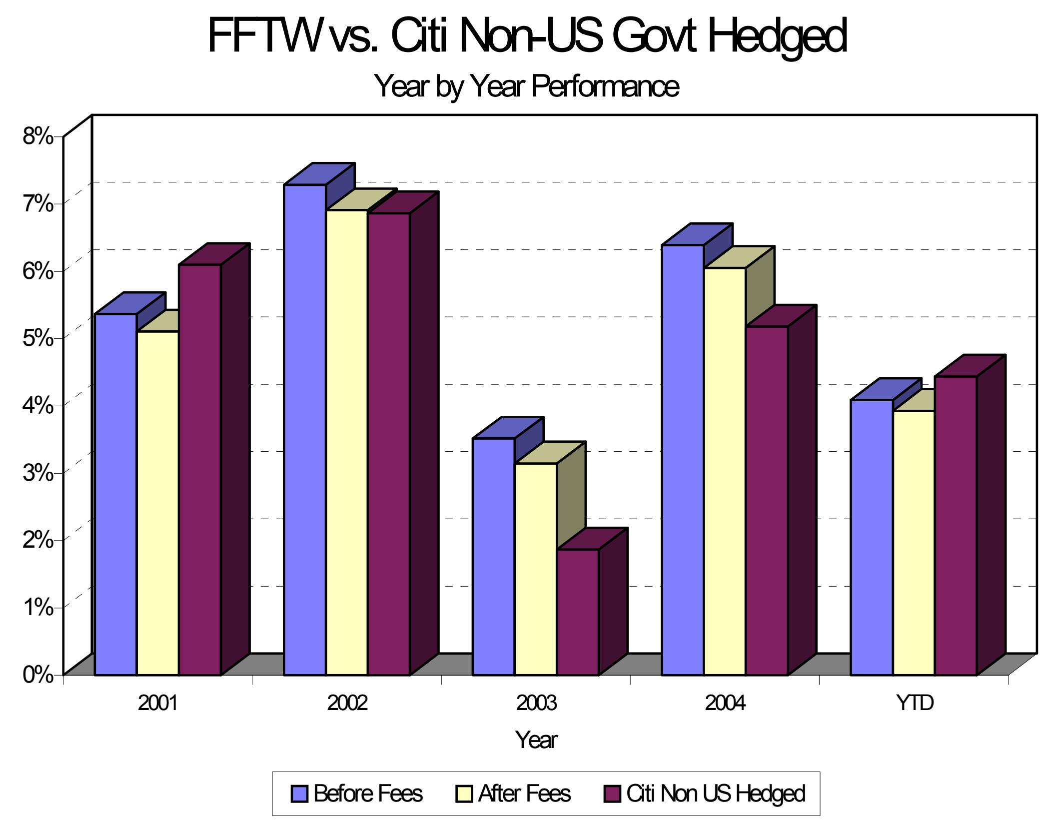
Five Years Ending June 30, 2005



		Annualized Return		Standard Deviation	
		Value	Rank	Value	Rank
A	AFL-CIO	8.04	24	3.97	54
N	Nicholas Applegate	6.59	75	7.07	97
F	Total Fixed Income	8.00	26	3.23	18
a	LB Aggregate	7.41	52	3.85	47
#	SB Mortgage	6.86	69	2.92	12
	Median	7.44		3.89	

Fischer Francis Trees & Watts





Fischer Francis Trees & Watts

Performance

	Last Qtr	1 Yr	3 Yrs	5 Yrs
FFTW	3.1	9.5	6.2	-
Citi. NonUS Hdg	3.2	9.2	5.5	6.3

Portfolio

Characteristics	FFTW	Citi. NonUS
Mkt. Value ($mil)	155.8	N/A
Duration (years)	5.9	6.1

Over-Weighted Countries	FFTW	Citigroup NonUS
United States	10%	0%
Netherlands	8	3

Under-Weighted Countries	FFTW	Citigroup NonUS
Japan	14%	37%
Italy	0	11

Non-Government Securities	FFTW	Citigroup NonUS
Non-US ABS	12%	0%
US ABS	8	0
Non-US Credit	1	0
US Credit	0	0
Non-US Gov/Agency	77	100
US Gov/Agency	2	0

Fischer Francis Trees & Watts' (FFTW) portfolio returned 3.1% for the second quarter, below 3.2% for the Citigroup Non US Government Hedged Index. For the past year, FFTW returned 9.5%, above the 9.2% return of the Index. For the three-year period, FFTW's return of 6.2% was above the 5.5% return of the Index, achieving performance objectives.

As of June 30, 2005, the portfolio's largest country over-weightings are the in the United States and Netherlands, while the largest under-weightings are in Japan and Italy. The portfolio contained 12% non-US asset backed securities, 8% US asset backed securities, 1% other non-US credits and 0% US Credits. The portfolio's second quarter duration was 5.9 years, longer than the 5.6 year duration of the Citigroup Non US Government Index.

Interest rate positions had a negative impact on performance for the quarter. In Europe, the overweight positions were reduced in April and May before being built up again in June. The underweight duration position in Japan failed to add value during the quarter. Aggregate corporate credit positions were slightly positive for the quarter. The portfolio remained underweight US dollar credit position throughout the quarter, contributing to returns. Currency exposure had a slight negative impact. The firm built up the long position on the US dollar vs. both the euro and yen during the quarter. The continued strengthening of the US dollar was not anticipated by FFTW. The firm remains positive on the US dollar and negative on the euro.

MANAGER COMMENTS – REAL ESTATE

Adelante Capital Management (formerly Lend Lease Rosen)

Adelante Capital Management reported a return of 17.8% for the second quarter, ranking in the 1st percentile in the universe of REIT Mutual funds. Adelante's one-year return of 35.7% out-performed the NAREIT Index return of 30.1%.

As of June 30, the portfolio consisted of 27 properties. The portfolio consisted of office properties made up 19.6% of the portfolio; apartments were 25.2%; retail represented 31.3%; industrials accounted for 12.4%; 7.1% is accounted as diversified/specialty, and 4.4% is accounted for as cash. The properties were diversified regionally with 7% in the East North Central region, 14% in the Mideast, 7% in the Mountain, 22% in the Northeast, 29% in the Pacific region, 9% in the Southeast, 7% in the Southwest region, 2% in the West North Central region, and 3% unclassified.

As the new earnings season begins in earnest, Adelante does not anticipate a significant move forward for REITs until recent gains are digested and operating fundamentals catch up to pricing.

DLJ Real Estate Capital Partners

DLJ Real Estate Capital Partners (RECP) reported a return of 0.2% in the quarter ending March 31, 2005. (Performance lags by one quarter due to financial reporting constraints.) Over the one-year period, RECP has returned 12.4%. CCCERA has a 3.8% ownership interest in RECP.

The portfolio as of March 31 consisted of office properties comprising 34.6% of the portfolio; retail represented 18.4%; land development accounted for 44.6%; and industrial accounted for 2.4%. The properties were diversified regionally with 3.1% in the Southeast, 28.1% in the Pacific, 29.8% in the Southwest region, 12.5% internationally, and 26.6% listed as "other".

To date, the RECP I fund has fully realized 40 of its original 49 investments, generating profits of $367 million. These proceeds from the sale of a portion of the assets in the 10 remaining portfolio investments have generated total realized proceeds of $882 million to date, representing 141% of the capital originally invested in the portfolio.

In March of 1999, RECP I completed an investment in Windsong Preserve, a 150-acre parcel of land located in Winter Park, Florida. Together with their operating partner, East-West Partners, they completed the development of 257 residential lots in eleven different size and location categories in 2000, and immediately focused on actively marketing and selling lots. In the first quarter of 2005, RECP disposed of the remaining lots, realizing overall profits of $14.3 million.

In December 1998, RECP I acquired a commercial real estate portfolio, referred to as the Phoenix Home Life Portfolio which included 51 commercial properties aggregating 4.8 million square feet of net rentable area, with a diverse mix of property types (office, retail and flex) and geographic locations. In the first quarter of 2005, RECP I capitalized on the favorable capital market environment by refinancing the existing non-recourse loan with its lender, GECC, providing an additional $11.1 million. These refinancing proceeds, along with proceeds from sales of 46 of 51 assets, have enabled the Fund to return all of the equity invested in this transaction along with a modest profit to date. The extension of the loan maturity to December 2006 allows for additional flexibility while positioning the remaining five properties for sale.

DLJ Real Estate Capital Partners II

DLJ Real Estate Capital Partners II (RECP II) reported a return of 2.0% in quarter of ending March 31, 2005. (Performance lags by one quarter due to financial reporting constraints.) Over the one-year period, RECP II has returned 35.4%. CCCERA has a 3.4% ownership interest in RECP II.

As of March 31 the fund held 51 investments. The portfolio consisted of office properties making up 12.9% of the portfolio; hotel accounted for 20.2%; residential accounted for 26.8%; land development made up 6.2%; assisted living facilities made up 2.6%; retail made up 4.2%; sub-performing loan made up 11.1%, warehouse/logistics made up 16.0% and “other” made up 0.0%. The properties were diversified regionally with 13.3% in the Pacific, 9.9% in the Northeast, 4.9% in the Southeast, 37.4% internationally, and 34.5% list as “Various U.S.”.

To date, RECP II has fully realized 18 of its 51 investments, generating profits of $374 million. Including proceeds received from the remaining portfolio investments, RECP II has generated $971 million of realized proceeds, or 104% of the capital originally invested in the portfolio. The existing portfolio continues to experience very positive results and they expect some sizeable realizations over the remainder of 2005.

The Warner Center was acquired by RECP II in May of 2003 for $111 million, this building located in Woodland Hills, CA. Capitalizing on the extremely strong Southern California office market, they conducted a competitive sale process resulting in the Fund selling the asset for $154 million in January of 2005.

In June 2000, RECP II acquired 100 Morton Street; a 62,772 square foot development site in New York City’s West Village and formed a partnership with J.D. Carlisle Development Corp. The partnership created significant value through the re-zoning of the site and the development of a mixed-use residential complex. RECP II fully realized this investment in January 2005 with a profit of $741.1 million.

In September 2003, RECP II formed a partnership with WCB Properties to invest $106 million in Serrento Mesa, a multi-use complex situated on 25.8 acres in suburban San Diego, CA. At acquisition, the property was less than 60% leased. Through proactive management, RECP II was able to complete approximately 121,500 square feet of leasing, which was significantly ahead of their underwriting projections. Capitalizing on this rapid lease-up and strong Southern California office market, the Fund was able to sell the asset for $185 million in March 2005.

BlackRock Realty

BlackRock Realty Apartment Value Fund III (AVF III) reported a second quarter total return of 1.2%. CCCERA has a 23.9% interest in the AVF III.

As of June 30, 2005, the fund held eight investments. The portfolio consisted of 100% apartment properties. The properties were diversified regionally with 65.0% in the Pacific, 10.0% in the Northeast, and 24.9% in the Southeast. During the quarter, average portfolio occupancy rate of stabilized properties (minus two Oxford properties) was 90% while the average portfolio occupancy rate of properties under development (two Oxford properties) was 33%. Average rental rate decreased from $985 to $940 while the properties under development average rental rate increased from $800 to $840.

On January 27, 2005 the Fund acquired two properties, Oxford Ridge and Oxford Creek, in metropolitan Atlanta, Georgia. On April 29, 2005 the Fund closed its seventh acquisition, the Park Place Apartments in Tukwila, Washington, outside Seattle. The Fund acquired its eighth property, the Meadowlands, in Rialto, California, on June 22, 2005.

During the second quarter of 2005, the Fund executed Subscription Agreement documents for $23.0 million in commitments, raising the total investor commitments to $110.0 million as of June 30, 2005. In addition, the Fund received written indication of investor interest totaling $3.0 million, subject to review and execution of Subscription Agreements.

FFCA Co-Investment Limited Partnership

FFCA reported a second quarter total return of 2.5%. For the one-year period, FFCA reported a total return of 17.5%. Over longer periods, FFCA has met the objective of exceeding the CPI plus 500 basis points. CCCERA has a 33.3% interest in the Co-Investment.

The Co-Investment's portfolio includes 37 restaurant properties. It is diversified regionally with 31.7% in the Southeast region, 8.5% in the Southwest region, 6.5% in the Mountain region, 20.9% in the West North Central region, 23.9% in the East North Central region and 8.5% in the Mideast region.

The fund continues to receive the contractual payments on these properties. Rental income for the six-month period ended June 30, 2005 decreased by $22,112. This is primarily due to rent associated with sold properties. Participating income decreased by approximately $45,174 for the six-month period ended June 30, 2005, primarily due to rent associated with a sold property and from an operator that did not have participating income over the same period in 2005, offset by increased sales revenue from other operators. The credit in the current period for default expenses represents the reversal of a property tax accrual.

Fidelity Investments

Fidelity Investments reported a return of 8.5% for the second quarter of 2005. For the one-year period, Fidelity reported a total return of 21.1%

As of June 30, the fund was comprised of 22 investments representing over $220 million of invested or committed capital. The portfolio consisted of 13.1% apartment properties; office space accounted for 1%; condominiums accounted for 12%; self storage made up of 1%; land made up of 9%; student housing accounted for 3%; golf courses made up 1% and as-yet unallocated properties comprised of 60% of the portfolio. The properties were diversified regionally with 8% in the Pacific, 4% in the Northeast, 6% in the Southeast, 14% Mideast, 6% in the Mountain region, 2% in the Southwest, and 60% list as “Unallocated.”

Fidelity Real Estate Growth Fund II added six new investments to the portfolio during the quarter. In April, Fidelity provided $8.9 million of equity financing to acquire Tropicana Gardens, student housing located adjacent to the University of California, Santa Barbara campus. Two investments were finalized in May for a total of $33 million of committed capital. Bella Vista Apartments, a 1,008-unit apartment complex in Richmond, California, was acquired through $18 million of equity financing. Fidelity also committed $25 million in mezzanine debt financing to acquire entitled land in Loudon County, Virginia for the development of the Ritz-Carlton. The project will consist of a golf course, spa and 164 single-family lots.

In June, Fidelity closed on its $7.3 million equity investment in Colonial Fort Myers, a 592-unit apartment development in Fort Myers, Florida. The fund also provided $13.5 million in mezzanine notes for the development of Newport Lofts, a 168-unit condo high-rise in Las Vegas. Lastly, the Fund acquired The Atlantic at Marina Bay, a condo conversion project just south of Boston, Massachusetts, for $7.7 million of mezzanine debt. The fund continues to have a robust pipeline of opportunities that is expected to bring about several additional investments during the second half of 2005.

As of June 30, the fund has called over $247 million of capital. The fund made its fourth distribution to investors during the second quarter, returning $14 million. Distributions have totaled $34 million since the fund's inception.

Invesco Real Estate Fund I

Invesco Real Estate Fund I reported a second quarter total return of -4.8%. CCCERA has a 15.6% interest in the Real Estate Fund I.

As of June 30, the portfolio consisted of 4 properties. The portfolio consisted of office & industrial properties at 40.3% of the portfolio, retail represented 32.5% and 27.2% are comprised of mixed use. The properties were diversified regionally with 10.5% in the Northeast and 89.5% in the Southwest region

As of the end of the first quarter 2005, the Fund had equity commitments for two investments which totaled $52.6 million or 16% of the Fund's total equity. With the close of the second quarter, the Fund committed on two additional investments ($54.2 million) bringing the total committed capital to 33%. Consequently, investment pace is in line with the Fund's three year investment period. It is anticipated that two additional investments ($43.6) million will close in the third quarter, thus bringing the Fund's total commitments to 47%.

In April, the Fund acquired the Pratt Portfolio, a two million square foot industrial and office portfolio in Denver MSA. The portfolio has many value-added attributes including: an inefficient sale process, leasing opportunities, improving tenant demand, and an ability to execute over time on a pieces worth more than the whole disposition strategy.

In June, the Fund acquired Baederwood Shopping Center, a well-located grocery-anchored shopping center in Philadelphia. The value-add strategy is two-fold: (i) convert the tenant mix to lifestyle tenants from its current basic goods and services orientation, and (ii) expand and modernize the While Foods grocery-anchor. A third value-add that may be realized (subject to re-zoning) is the development of apartment units on a 9 acre land tract that was part of the acquisition.

Prudential Strategic Performance Fund II

For the second quarter, the Prudential Strategic Performance Fund-II (SPF-II) reported a total return of 14.5%, 1.9% from income and 13.6% from appreciation. Over the one year period, the fund returned 36.1%, 9.6% from income and 26.5% from appreciation. CCCERA accounts for 16.3% of SPF-II.

As of June 30, the portfolio was invested in 21 properties - eight office properties (41.4%), one industrial (9.0%), ten residential complexes (41.0%), and two retail (8.5%). The regional distribution of the portfolio contains 8.6% in the Southeast region, 13.9% in the Southwest region, 24.1% in the Pacific region, 5.8% Northeast, 6.8% Mountain, 0.0% East North Central, and 40.8% Mideast. Current occupancy at the office buildings averages 100%, remaining the same as last quarter. The industrial properties continue 100% leased. The residential properties are 47% leased, higher than the last quarter. The retail properties are 95% leased, lower than the last quarter.

On May 23, 2005, SPF-II provided a $6.0 million mezzanine loan to JBG Residential Properties for financing the construction of Silverton Condominiums, a 210-unit luxury condominium project located in Silver Spring, Maryland. The mezzanine load has a rate of 16% plus a stepped percentage of gross sales proceeds from condominium sales. The current base case anticipates that SPF-II will receive consideration of approximately $17.3 million for providing the mezzanine loan, and the loan will be retired in late 2006. The project is currently 82.4 presold.

SPF-II's $3.4 million mezzanine loan secured by Turnberry Place, a 274-unit garden community in Baton Rouge, LA was paid off by the borrower. Total consideration for $4.5 million was received, which included $1.2 million in deferred interest.

As of June 30, 2005, SPF-II declared a dividend of $24.88 per share or approximately $3.4 million for the second quarter 2005. The dividend was paid to investors on July 29, 2005. Since inception, SPF-II has paid dividends of approximately $101.3 million or 49.0% of the total capital called from investors. Dividend distributions, which investors can elect to re-invest, are anticipated to continue to be paid on a quarterly basis.

U.S. Realty

For the second quarter, US Realty reported a total return of 2.3%. For the one-year period, US Realty reported a total return of 8.4%. CCCERA has a 33.3% interest in the investment.

On March 31, the portfolio held one investment: Four Allegheny Center. This is an office property located in the Northeast region.

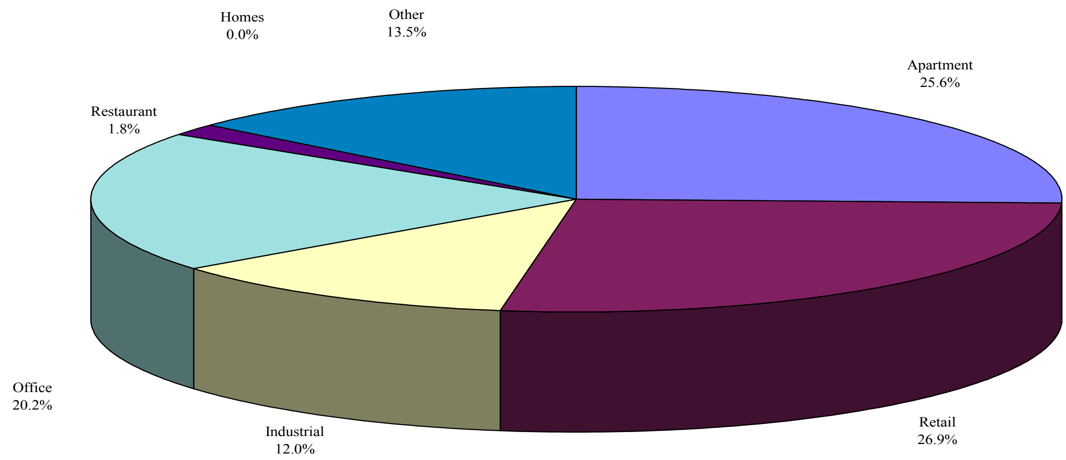
On May 25, 2005, Ingram Micro Office Campus was sold for a gross sale price of $21,600,000. After satisfying the mortgage balance ($9,338,274, the prepayment premium on the mortgage ($1,239,303), closing costs and adjustments ($490,782), interest due and miscellaneous fees ($41,470), net proceeds from the sale of $10,490,171 plus flow of $243,328 were distributed by the Fund. On May 30, 2005, $3,577,833 was distributed to each Member. Reserves of $16,000 have been retained to cover the estimated cost of final accounting and tax preparation.

On June 24, 2005, Mellon Financial Office Building was sold for a gross price of $33,727,927. After satisfying the mortgage balance (13,089,289), interest due and miscellaneous fees ($88,825), the prepayment premium on the mortgage ($2,355,244) and closing costs and adjustments ($1,013,714), net proceeds from the sale were $17,180,855. After the USRA incentive Fee ($138,805) plus cash flow of $432,158, the total distribution from the Fund was $17,474,208. A distribution of $5,824,736 was made to each Member on June 28, 2005. Reserves of $16,000 have been retained to cover the estimated costs of final accounting and tax return preparation.

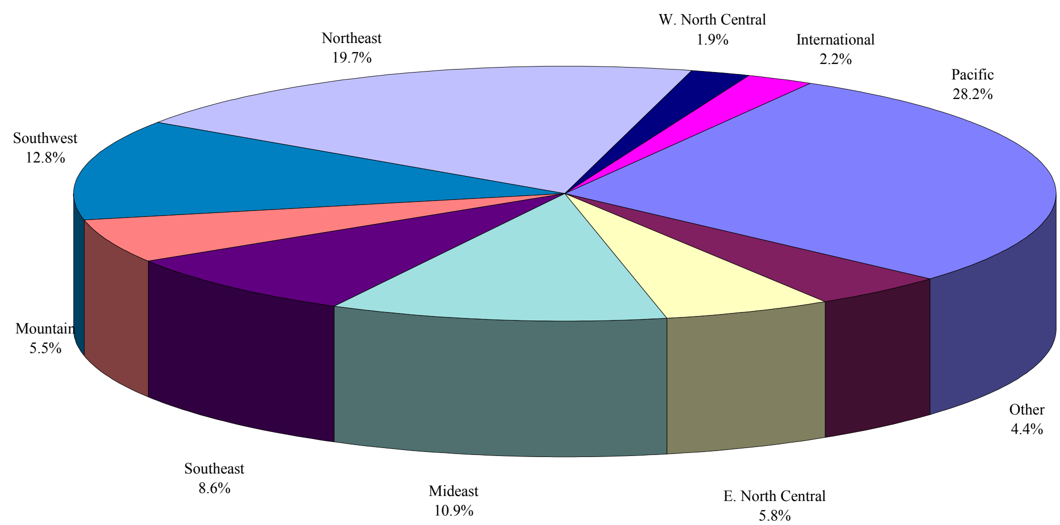
MANAGER COMMENTS – REAL ESTATE

Total Real Estate Diversification

Diversification by Property Type



Diversification by Geographic Region



ALTERNATIVE INVESTMENTS

Adams Street Partners

Adams Street reported a first quarter return of 0.5% for Partnership Trust. For the one-year period, Adams Street has returned 12.5%. (Performance lags by one quarter due to financial reporting constraints. This is typical for this type of investment vehicle.) The portfolio will still be acquiring investments for several years. CCCERA makes up 3.0% of the Fund.

Funds are 40.1% in venture capital funds, 7.9% in mezzanine funds, 34.6% in buyout funds, 10.3% in special situation funds, and 7.1% in restructuring/distressed debt. Regionally 84.1% of the commitment is in the U.S. and 15.9% is non-U.S.

Adam Street is concerned with equity market volatility and increased cash flows into alternative investments and continues to review its portfolio construction accordingly. The large amount of available capital in the buyout sector and potentially changing capital market environment have created uncertainties for future returns. However, Adams continues to selectively invest in funds it believes are differentiated and will provide strong returns.

Bay Area Equity Fund

Bay Area Equity Fund reported a first quarter return of 0.0% (Performance lags by one quarter due to financial reporting constraints). CCCERA has a 13.3% ownership interest in the Fund.

As of March 31, 2005, the Fund has committed approximately 25% of the assets under management. The portfolio consisted of six properties. All properties were located in California.

Energy Investors Funds Group

The Energy Investors Fund Group (EIF) reported a first quarter return of 2.9%. CCCERA has a 12.0% ownership interest in EIF. (Performance lags by one quarter due to financial reporting constraints. This is typical for this type of investment vehicle.) For the one-year period, EIF reports a total return of 58.6%.

As of March 31, 2005, the USPF portfolio had committed $260 million of capital and assembled a diverse portfolio of contracted power generation and electric transmission assets. The Fund's portfolio is performing well and consistent with its original return objectives. During the first quarter, the Fund distributed $49.5 million to their Limited Partners, bringing total distributions since inception to $105 million. The portfolio cash flows are underpinned by long-term offtake contracts yielding stable annual cash distributions which are expected to continue well into the life of the Fund.

EIF continues to seek to add value for existing projects through debt refinancing, contract optimization and other cost savings. While EIF's current outlook for investment opportunities in the U.S. power sector remains robust, the US Power Fund is already fully committed.

Nogales Investors Fund I

The Nogales Investors Fund I reported a first quarter return of 3.8%. CCCERA has a 15.2% ownership interest in Fund. . For the one-year period, Nogales has returned 14.2%. (Performance lags by one quarter due to financial reporting constraints. This is typical for this type of investment vehicle). CCCERA makes up 15.2% of the Fund.

During the quarter ended March 31, 2005, the total committed to the Partnership was $98,800,000 consisting of Limited and General Partner's capital commitments of $97,000,000 and $1,800,000, respectively. Nogales Investors Management, LLC earned $623,918 in fee income and $54,838 in monitoring fees for the quarter ended March 31, 2005. In accordance with the Partnership Agreement, the aggregate sum of: 1) Fee Income – net of unreimbursed transaction expenses – and; 2) Monitoring Fees resulted in a reduction of approximately $429,189 in Management Fees taken during the 2nd quarter beginning April 1, 2005.

As of March 31, 2005, the General Partner executed two new investments and a follow-on investment. On January 14, 2005, the Partnership invested $10,900,000 in motorhome manufacturer, Alfa Leisure, Inc. On January 31, 2005, the Partnership invested $10,000,000 in electronic gaming device manufacturer VKGS, LLC (Video King). Finally, on February 14, 2005, the Partnership made a $2,000,000 follow-on investment in commercial printer, Graphic Press.

Pathway Private Equity Fund

The Pathway Private Equity Fund (PPEF) reported a first quarter return of 0.6% (Performance lags by one quarter due to financial reporting constraints.) For the one-year period, PPEF reports a total return of 20.2%. PPEF contains a mixture of acquisition-related, venture capital, and other special equity investments.

As of March 31, 2005, PPEF has contributed $27.8 million, approximately 63.9% of its $43.5 million in capital commitments. During the first quarter, the PPEF portfolio experienced a slight gain, generating a 0.2% return. PPEF has received $7.5 million in distributions, which represent 27.0% of the fund's total contributions.

At March 31, 2005, PPEF's investment in GTCR was valued at a net gain of $932,691, an increase of $160,577 from December 31, 2004. The increase was due primarily to the write-up in value of an electronic payment company.

PPEF's investment in Blackstone IV was valued at a net gain of $1.3 million at March 31, 2005, an increase of $66,231 from the prior quarter. The increase was due primarily to increases in the value of a chemical company and financial service company. During the quarter, the chemical company completed a $240 million convertible preferred offering raising $1.1 billion in senior credit facilities.

PruTimber

PruTimber reported for Fund III a second quarter return of 0.8%. For the one-year period, PruTimber reports a total return of 8.6%. CCCERA makes up 12.3% of the Fund III.

As of June 30, 2005, PruTimber Fund III remains invested in six timberland properties. One property is located in Hawaii and the remaining five properties are located in the Southeastern United States.

PruTimber is being sold to John Hancock. A closing date of the sale should occur during August or mid-September. In August 2005, Barry Beers who conducted many of the dispositions for the fund resigned.

PruTimer's total return for the quarter consisted of positive income returns and negative appreciation returns. The income portion was generated by continued strong timer sale margins and the appreciation component reflected a significant decline in the appraised value of the Tyrrell (NC) property. Recent timber inventory activity on the Tyrrell property revealed poorer than average timber quality. The incorporation of this finding into the aggregate corresponding downward reduction in value of $1.05 million. The Fund made a $2.0 million cash distribution during the quarter, increasing distributions for the year and since inception to $6.0 million and $34.2 million, respectively. Net asset value decreased by $1.42 million to end the quarter at $109.28 million.

REAL ESTATE AND ALTERNATIVE INVESTMENT PORTFOLIO IRR RETURNS

	Gross of Fees		Net of Fees		
	Fund Level IRR	**CCCERA IRR**	**Fund Level IRR**	**CCCERA IRR**	**Inception**
REAL ESTATE					
DLJ RECP I	17.0%	*n/a*	*n/a*	11.0%	05/14/96
DLJ RECP II	27.0%	*n/a*	*n/a*	17.0%	04/00/99
FFCA	*n/a*	*n/a*	*n/a*	*n/a*	03/11/92
Fidelity	19.9%	19.4%	15.1%	22.1%	3/10/2004
Invesco Real Estate I	-16.5%	-16.5%	-17.3%	-17.3%	2/1/2005
Prudential SPF II	*n/a*	*n/a*	*n/a*	*n/a*	05/14/96
U.S. Realty	13.1%	13.1%	12.4%	12.4%	10/10/95
ALTERNATIVE INVESTMENTS					
Adams Street Partners	15.5%	15.5%	*n/a*	12.4%	12/22/95
Benchmark [3]	9.9%	*n/a*	*n/a*	*n/a*	
Benchmark [4]	-1.1%	*n/a*	*n/a*	*n/a*	
Bay Area Equity Fund	-35.9%	-40.9%	-44.0%	-47.5%	06/14/04
Energy Investor Fund	32.0%	48.0%	25.5%	37.2%	11/26/03
Nogales	14.2%	6.0%	-12.9%	-17.7%	02/15/04
Pathway	1.8%	1.8%	-1.2%	-1.2%	11/09/98
Benchmark [5]	8.4%	*n/a*	*n/a*	*n/a*	
Benchmark [6]	-8.7%	*n/a*	*n/a*	*n/a*	
PruTimber	*n/a*	*n/a*	1.9%	1.9%	12/12/95

Benchmarks:

Adams Street Partners

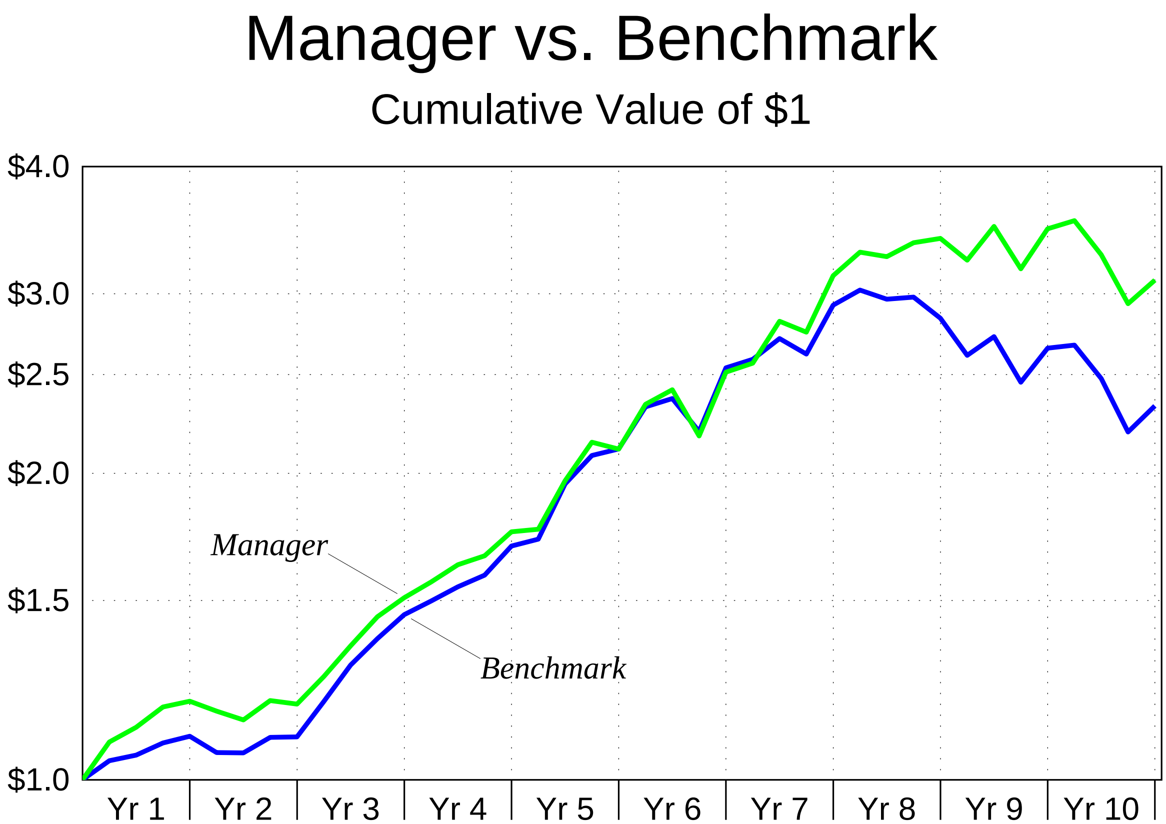
Benchmark [3] Venture Economic aggregate upper quartile return for vintage years 1996-2004

Benchmark [4] Venture Economic aggregate median quartile return for vintage years 1996-2004

Pathway

Benchmark [5] Venture Economics Buyout Pooled IRR - 1999-2004 as of 6/30/04

How to Read the Cumulative Return Chart:

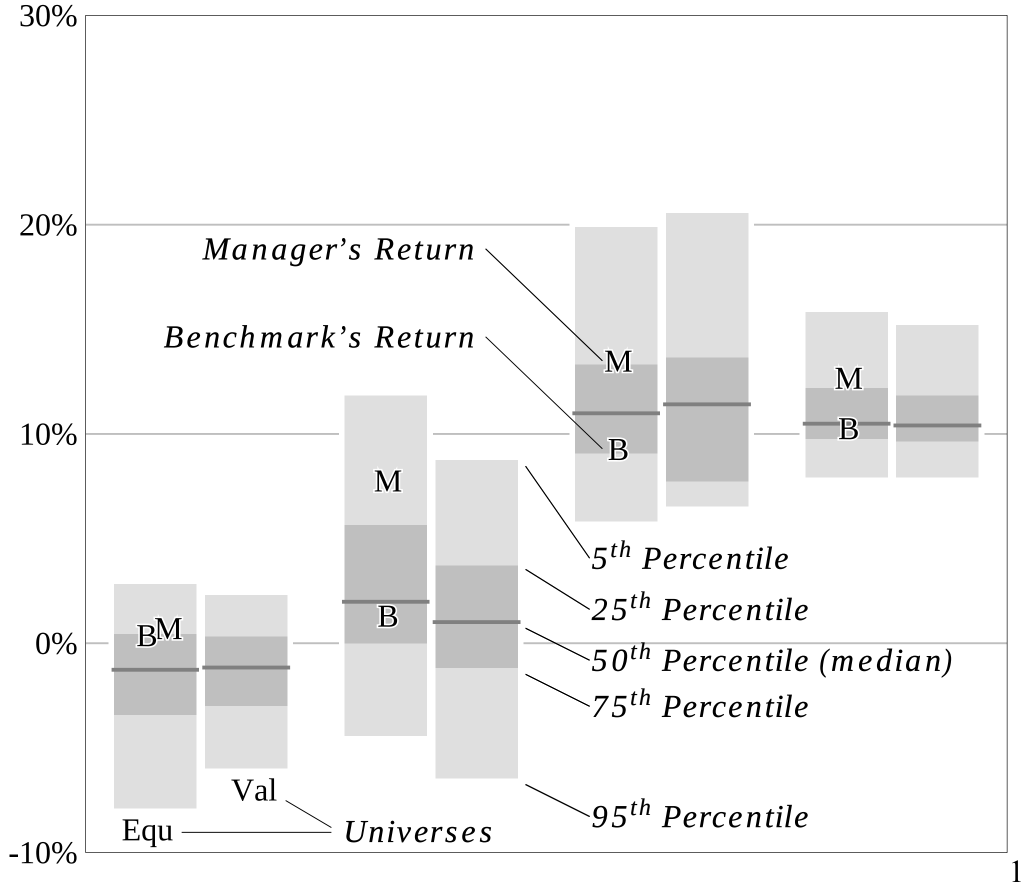


This chart shows the growth of $1 invested in the 1st quarter of Year 1 with the manager vs. $1 in the benchmark. Manager returns are the green line. Benchmark performance is the blue line. For example, in the above graph if $1 had been invested with the manager at the beginning of the 1st quarter of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

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

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

How to Read The Floating Bar Chart:



	Last Qtr	1 Yr	3 Yrs	5 Yrs
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 5^{th} percentile of the universe (better than 95% of managers), while the box bottom is the return at the 95^{th} percentile. The shading changes at the 25^{th} and 75^{th} percentiles. The 50^{th} 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.

R^2 (R Squared) – 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 R^2 will be close to 1. Broadly diversified managers have an R^2 of 0.90 or greater, while the 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.