

Asset Allocation

Sacramento County Employees Retirement System

Asset Summary
As of June 30, 2008

	<u>Total Market Value</u>	<u>% of Total Fund</u>		<u>% of Asset Class</u>	
Total Fund	\$ 5,743.7	100.0	%	100.0	%
Domestic Equity	1,522.5	26.5		100.0	
Large Cap Core	769.4	13.4		50.5	
AllianceBernstein L.P. Passive	679.5	11.8		44.6	
Westridge Management	89.9	1.6		5.9	
Large Cap Growth	259.0	4.5		17.0	
Independence Inv. LLC	0.0	0.0		0.0	
INTECH	126.7	2.2		8.3	
Wells Capital Management	132.3	2.3		8.7	
Large Cap Value	194.5	3.4		12.8	
LSV Asset Management Large Cap Value	98.5	1.7		6.5	
Pzena Investment Management	96.0	1.7		6.3	
Small Cap Growth	125.4	2.2		8.2	
Bear Stearns Asset Mgmt.	47.7	0.8		3.1	
M.A. Weatherbie & Co., Inc.	77.8	1.4		5.1	
Small Cap Value	174.1	3.0		11.4	
Dalton Greiner Hartman Maher	74.9	1.3		4.9	
TCW Group	1.2	0.0		0.1	
Wedge Capital Management	48.0	0.8		3.2	
Thompson, Siegel & Walmsley	50.1	0.9		3.3	
International Equity	1,131.0	19.7		100.0	
INVESCO Global	232.2	4.0		20.5	
Capital Guardian Trust Company International Equity	273.0	4.8		24.1	
LSV Asset Management International Equity	227.5	4.0		20.1	
AXA Rosenberg Inv. Mgmt. LLC	49.5	0.9		4.4	
Capital Guardian Trust Company Emerging Markets Growth	348.8	6.1		30.8	

All dollars in millions, numbers may not add due to rounding

Sacramento County Employees Retirement System

Asset Summary
As of June 30, 2008

	<u>Total Market Value</u>	<u>% of Total Fund</u>		<u>% of Asset Class</u>	
Fixed Income	\$ 1,159.9	20.2	%	100.0	%
Lehman Brothers Asset Mgmt	387.6	6.7		33.4	
Metropolitan West Capital Mgmt	391.4	6.8		33.7	
Bradford & Marzec, Inc.	380.9	6.6		32.8	
Hedge Fund	304.8	5.3		100.0	
Blackstone Alternative Asset	156.1	2.7		51.2	
Grosvenor Capital Mgmt.	148.7	2.6		48.8	
Total Real Estate	793.3	13.8		100.0	
Separate Account Portfolios	482.7	8.4		60.8	
BlackRock Realty Leveraged	197.9	3.4		24.9	
BlackRock Realty Portfolio II Leveraged	105.4	1.8		13.3	
Cornerstone Real Est Adv Leveraged	153.4	2.7		19.3	
UBS Realty Inv LLC	9.7	0.2		1.2	
AEW Capital Management, LP	7.5	0.1		0.9	
Hines Real Estate Invmt	8.8	0.2		1.1	
REITS	149.7	2.6		18.9	
Principal Global Investors	47.9	0.8		6.0	
Urdang Investment Mgmt. Inc.	49.9	0.9		6.3	
State Street Global Advisors REIT	51.9	0.9		6.5	
Ltd. Partnerships	161.0	2.8		20.3	
BlackRock Realty Granite Property Fund	73.7	1.3		9.3	
Cornerstone Real Est Adv Patriot Fund	87.3	1.5		11.0	
Heitman Advisory JMB V	0.0	0.0		0.0	
Private Equity	261.1	4.5		100.0	
HarbourVest Partners, LLC	13.1	0.2		5.0	
State Street Global Advisors Russell 2000 Swap	244.3	4.3		93.6	
Goldman Sachs & Company	3.8	0.1		1.4	

All dollars in millions, numbers may not add due to rounding

Sacramento County Employees Retirement System

Asset Summary
As of June 30, 2008

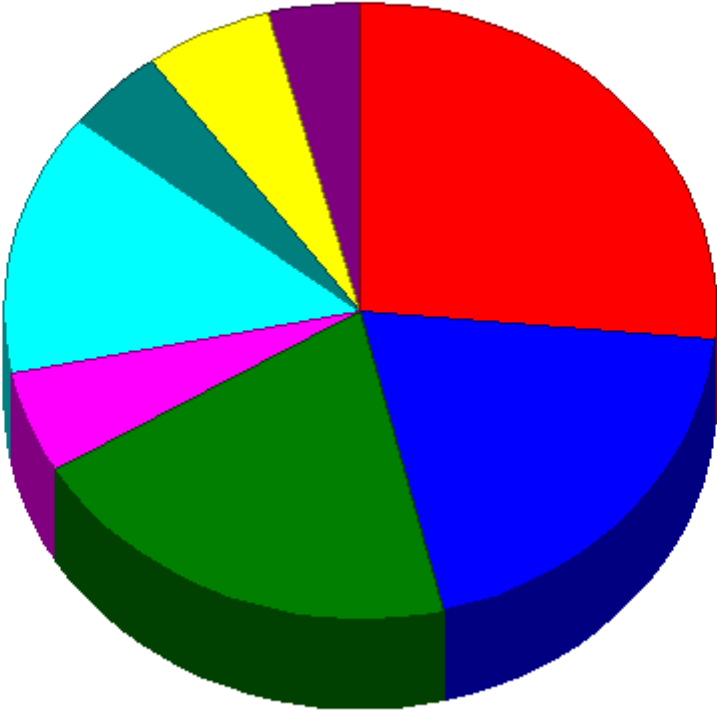
	<u>Total Market Value</u>	<u>% of Total Fund</u>		<u>% of Asset Class</u>	
Total Fund	\$ 5,743.7	100.0	%	100.0	%
Opportunistic	332.2	5.8		100.0	
PIMCO Advisors Inst Services Distressed Mortgage Fund	11.6	0.2		3.5	
European Credit Mgmt - CorePlus	47.5	0.8		14.3	
State Street Global Advisors Real Asset Strategy	186.4	3.2		56.1	
Lehman Brothers Strategic Commodities Fund	63.6	1.1		19.1	
Blackstone Alternative Asset	23.1	0.4		7.0	
Cash/Cash Overlay	238.7	4.2		100.0	
Total Cash	33.0	0.6		13.8	
State Street Global Advisors Futures Overlay	60.5	1.1		25.4	
Cash Account Transition	145.2	2.5		60.8	

All dollars in millions, numbers may not add due to rounding

Sacramento County Employees Retirement System
Asset Allocation
As of June 30, 2008

Actual

■ Domestic Equity	26.5%
■ International Equity	19.7%
■ Fixed Income	20.2%
■ Hedge Fund	5.3%
■ Real Estate	13.8%
■ Private Equity	4.5%
■ Opportunistic	5.8%
■ Cash/Cash Overlay	4.2%



Total Market Value
\$ 5,743,731,168

Numbers may not add due to rounding

Sacramento County Employees Retirement System
 Asset Allocation
 As of June 30, 2008

Prior Asset Allocation - March 31, 2008

■ Domestic Equity	27.0 %
■ International Equity	20.2 %
■ Fixed Income	20.3 %
■ Hedge Fund	5.1 %
■ Real Estate	13.3 %
■ Private Equity	4.5 %
■ Opportunistic	5.1 %
■ Cash/Cash Overlay	4.5 %



**Total Market Value
 \$ 5,833,314,466***

Current Asset Allocation - June 30, 2008

■ Domestic Equity	26.5 %
■ International Equity	19.7 %
■ Fixed Income	20.2 %
■ Hedge Fund	5.3 %
■ Real Estate	13.8 %
■ Private Equity	4.5 %
■ Opportunistic	5.8 %
■ Cash/Cash Overlay	4.2 %



**Total Market Value
 \$ 5,743,731,168**

* Market value changed from \$5,833,074,595 due to BlackRock Realty adjusted market value

Sacramento County Employees Retirement System
 Asset Allocation
 As of June 30, 2008

Actual

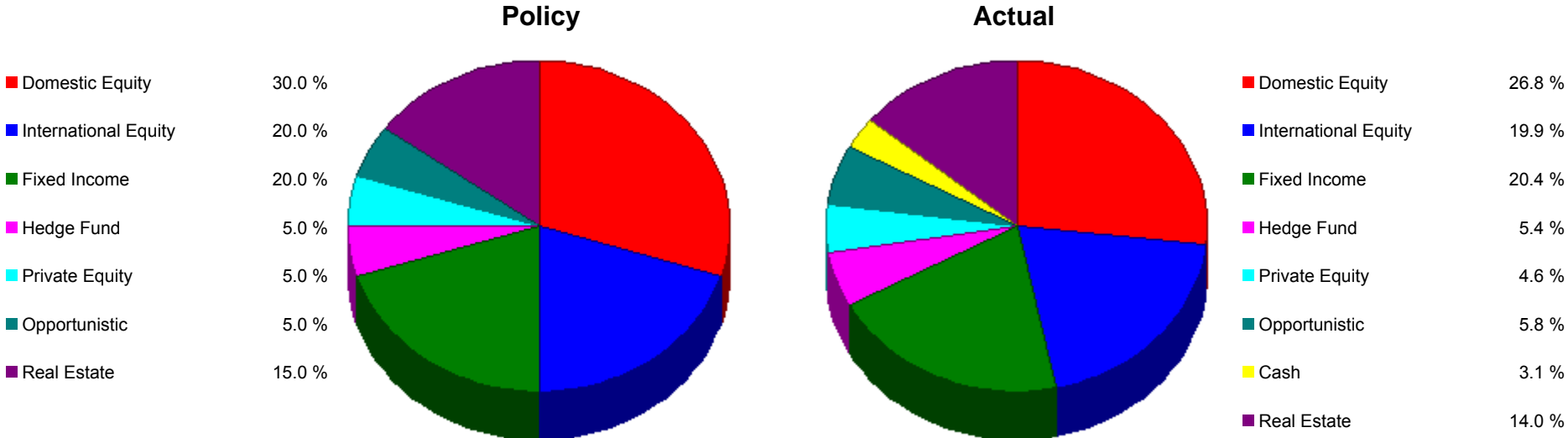
■ Total Domestic Equity	26.5%
■ Total International Equity	19.7%
■ Total Domestic Fixed Income	20.2%
■ Hedge Funds	5.3%
■ Total Real Estate	13.8%
■ Private Equity	4.5%
■ Opportunistic	5.8%
■ Total Cash	0.6%
■ State Street Global Advisors Futures Overlay	1.1%
■ Cash Account Transition	2.5%



Total Market Value
\$ 5,743,731,168

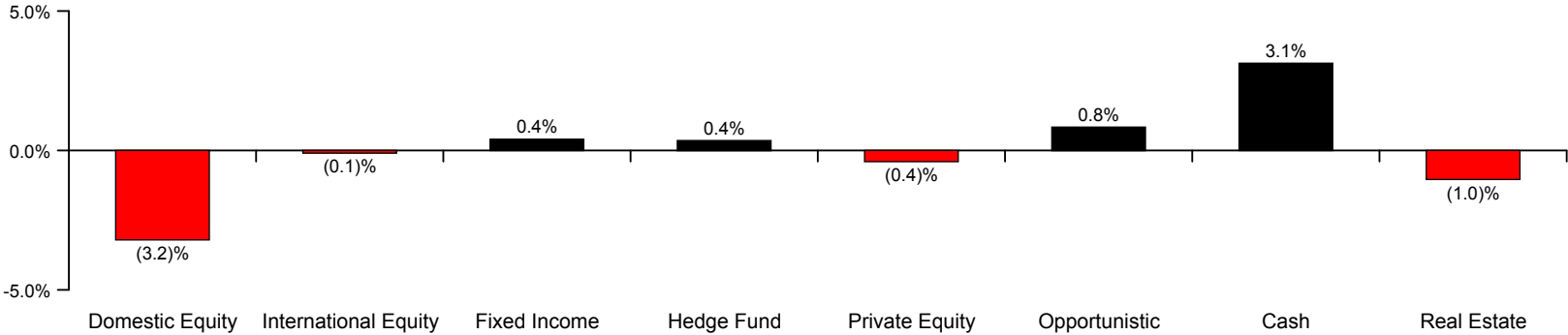
Numbers may not add due to rounding

Sacramento County Employees Retirement System
 Excluding SSgA Overlay
 Asset Allocation
 As of June 30, 2008



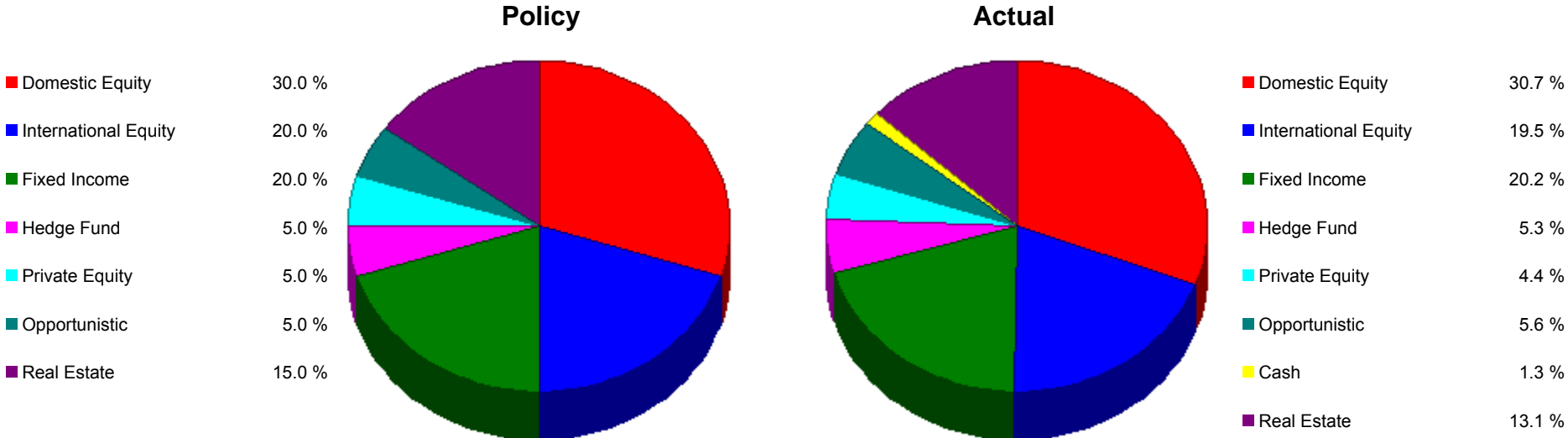
**Total Market Value
 \$ 5,683,207,004**

Asset Allocation vs. Policy



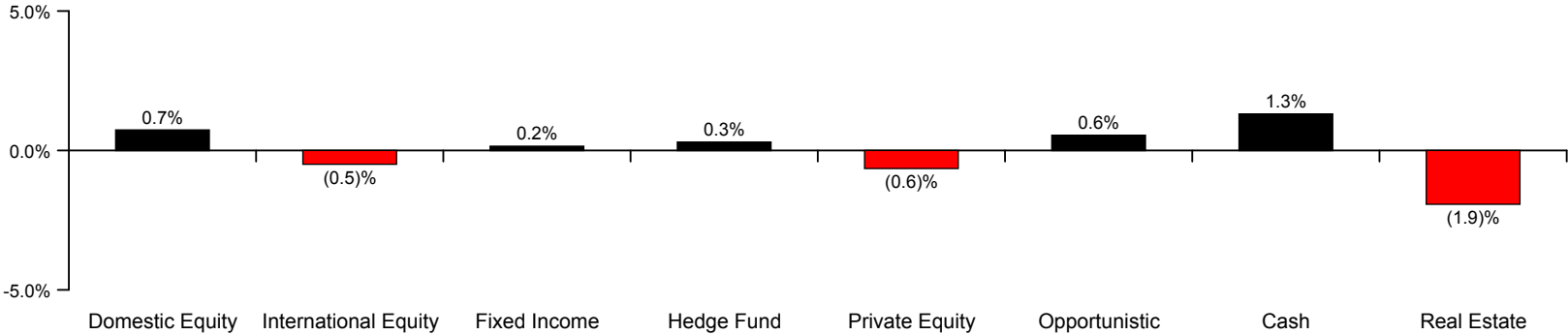
Numbers may not add due to rounding

Sacramento County Employees Retirement System
 Including SSgA Overlay
 Asset Allocation
 As of June 30, 2008



**Total Market Value
 \$ 5,743,731,168**

Asset Allocation vs. Policy



Numbers may not add due to rounding

Sacramento County Employees' Retirement System
Financial Reconciliation
Quarter Ending June 30, 2008

Manager	Beginning Market Value	Net Cash Flow	Investment Income	Capital Gain/Loss	Net Investment Gain/Loss	Ending Market Value
AllianceBernstein L.P. Passive	844,536,995	(154,813,579)	26,289	(10,227,589)	(10,201,300)	679,522,117
Independence Inv. LLC	125,733,736	(134,365,450)	210,434	8,427,775	8,638,210	6,496
INTECH	124,509,925	(151,321)	6,183	2,359,962	2,366,144	126,724,748
LSV Asset Management Large Cap Value	108,351,475	(798,777)	803,869	(9,900,245)	(9,096,377)	98,456,322
Pzena Investment Management	109,747,666	(859,001)	849,422	(13,708,556)	(12,859,134)	96,029,531
Bear Stearns Asset Mgmt.	48,033,030	(35,569)	157,921	(482,941)	(325,020)	47,672,440
M.A. Weatherbie & Co., Inc.	78,365,181	(275,605)	85,105	(404,407)	(319,302)	77,770,274
Dalton Greiner Hartman Maher	74,911,150	(555,182)	449,457	81,298	530,756	74,886,724
TCW Group	61,301,920	(63,236,802)	52,433	3,058,300	3,110,733	1,175,850
INVESCO Global	240,633,578	(3,525,035)	21,151	(4,923,095)	(4,901,943)	232,206,599
Capital Guardian Trust Company International Equity	281,114,222	(3,646,676)	58,918	(4,479,403)	(4,420,485)	273,047,061
Bank of Ireland Asset Mgmt Ltd	2,235	--	0	(12)	(12)	2,223
LSV Asset Management International Equity	243,136,410	(4,954,071)	6,949	(10,669,355)	(10,662,406)	227,519,933
AXA Rosenberg Inv. Mgmt. LLC	49,317,226	(582,529)	460	749,489	749,949	49,484,646
Capital Guardian Trust Company Emerging Mkt Growth	361,417,066	(551,161)	--	(12,106,516)	(12,106,516)	348,759,389
Lehman Brothers Asset Mgmt	397,629,802	(5,650,200)	164,133	(4,557,963)	(4,393,831)	387,585,771
Metropolitan West Capital Mgmt	398,382,151	(3,688,022)	6,684,699	(9,977,423)	(3,292,724)	391,401,405
Bradford & Marzec, Inc.	390,655,788	(6,035,296)	93,211	(3,798,552)	(3,705,341)	380,915,152
Blackstone Alternative Asset	151,462,955	--	--	4,686,370	4,686,370	156,149,325
Grosvenor Capital Mgmt.	146,887,920	--	--	1,783,680	1,783,680	148,671,600

Sacramento County Employees' Retirement System
Financial Reconciliation
Quarter Ending June 30, 2008

Manager	Beginning Market Value	Net Cash Flow	Investment Income	Capital Gain/Loss	Net Investment Gain/Loss	Ending Market Value
BlackRock Realty Leveraged	197,377,655*	611,050	--	(150,921)	(150,921)	197,910,822
BlackRock Realty Port. II Leveraged	105,280,000	60,959	--	89,041	89,041	105,430,000
Cornerstone Real Est Adv Leveraged	188,528,070	(33,847,553)	--	(1,902,447)	(1,902,447)	153,433,304
UBS Realty Inv LLC	5,780,036	3,750,000	--	140,878	140,878	9,670,915
AEW Capital Management, LP	7,453,409	--	--	(1,601)	(1,601)	7,451,808
Hines Real Estate Invtmt	6,492,200	2,491,259	--	(191,868)	(191,868)	8,791,592
Principal Global Investors	50,413,103	--	489,899	(3,012,730)	(2,522,831)	47,890,272
Urdang Investment Mgmt. Inc.	52,095,235	(43,339)	602,147	(2,768,995)	(2,166,848)	49,885,048
BlackRock Realty Granite Prop Fund	73,981,063	--	--	(271,968)	(271,968)	73,709,095
Cornerstone Real Est Adv Patriot Fund	85,580,478	1,411,135	--	(121,013)	(121,013)	87,271,151
Heitman Advisory JMB V	8,438	--	103	--	103	8,541
Cash Account	203,076,655	(170,000,227)	1,043,291	(1,114,789)	(71,498)	33,004,930
Cash Account Transition	86,122	150,003,089	565	(4,869,799)	(4,869,234)	145,219,976
State Street Global Advisors Futures Overlay	61,218,791	--	--	(694,627)	(694,627)	60,524,165
PIMCO Advisors Inst Services Distressed Mort	9,085,968	3,600,000	3,780	(1,057,404)	(1,053,624)	11,632,344
European Credit Mgmt - CorePlus	46,427,006	--	131	1,121,176	1,121,308	47,548,314
State Street Global Advisors Real Asset Strategy	243,696,156	(80,000,000)	--	22,665,394	22,665,394	186,361,550
HarbourVest Partners, LLC	11,431,469	725,000	--	894,363	894,363	13,050,832
State Street Global Advisors Russell 2000 Swap	249,172,180	--	1,701,745	(6,534,848)	(4,833,104)	244,339,077
Wells Capital Management	--	134,142,246	12,591	(1,842,622)	(1,830,031)	132,312,215

* Beginning market value changed from \$197,137,784 due to an adjustment of \$239,871

Mercer

Numbers may not add due to rounding

Sacramento County Employees' Retirement System
 Financial Reconciliation
 Quarter Ending June 30, 2008

Manager	Beginning Market Value	Net Cash Flow	Investment Income	Capital Gain/Loss	Net Investment Gain/Loss	Ending Market Value
Westridge Management	--	90,000,000	--	(113,492)	(113,492)	89,886,508
Wedge Capital Management	--	52,412,604	1,937	(4,414,240)	(4,412,303)	48,000,301
Thompson, Siegel & Walmsley	--	50,581,050	4,089	(517,160)	(513,071)	50,067,979
State Street Global Advisors REIT	--	59,986,454	12,798	(8,103,105)	(8,090,308)	51,896,146
Goldman Sachs & Company	--	3,750,000	--	--	--	3,750,000
Lehman Brothers Asset Mgmt	--	60,000,000	--	3,553,940	3,553,940	63,553,940
Blackstone Alternative Asset	--	19,599,953	--	3,542,787	3,542,787	23,142,740
Total	\$5,833,314,466	(\$34,490,597)	\$13,543,709	(\$69,765,232)	(\$56,221,523)	\$5,743,731,168

*Market value changed from \$5,833,074,585 due to BlackRock Realty revised marked value

Note:

For real estate leveraged portfolios "capital expenditures" and "acquisition/disposition" are listed under the "net cash flow" column, and "unrealized appreciation/depreciation" is listed under the "capital gains/loss" column.

Starting with the second quarter of 2006, real estate leveraged assets are used in the Total Fund assets. Prior to this quarter, real estate unleveraged assets were used. The ending market values were adjusted by the difference between the current quarter mortgage notes payable and the prior quarter mortgage notes payable as shown below:

	Mortgage Notes Payable		
	Prior Quarter	Current Quarter	Difference
BlackRock Lev	97,862,216	97,789,178	(73,038)
BlackRock II Lev	17,420,000	17,420,000	-
Cornerstone Lev	78,521,930	77,866,696	(655,234)
Cornerstone Patriot Fund	16,699,233	16,298,682	(400,551)

Performance

Sacramento County Employees Retirement System
Performance Summary
Period Ending June 30, 2008

	Market Value	Annualized						Inception to Date				
		Quarter		YTD		1 Year			3 Years		5 Years	
Total Fund	\$ 5,743.7	(0.7)%	52	(5.7)%	52	(4.5)%	56	8.2 %	59	10.2 %	56	9.4 %
Total Fund-Net	5,743.7	(0.8)	54	(5.8)	54	(4.8)	62	7.9	62	10.0	60	9.2
<i>Rank vs. Total Funds Billion Dollar - Public</i>												
<i>Total Funds Billion Dollar - Public Med</i>		(0.7)		(5.6)		(4.3)		8.4		10.4		--
<i>Benchmark</i>		(1.0)		(5.4)		(3.0)		8.5		10.5		9.6
<i>Benchmark (CURRENT)*</i>		(0.5)		(4.6)		(1.8)		9.1		--		--
<i>New Total Benchmark (ALM)</i>		0.1		(4.7)		(3.1)		8.2		10.3		--
SSgA Overlay Impact												
Total Fund without SSgA Overlay	5,683.2	(0.1)		(5.8)		(4.6)		--		--		5.3
Total Fund with SSgA Overlay	5,743.7	(1.0)		(6.4)		(5.0)		--		--		5.0
Total Domestic Equity	1,522.5	(1.8)	74	(12.2)	76	(14.4)	72	3.6	94	7.9	83	10.3
Total Domestic Equity-Net	1,522.5	(1.9)	75	(12.3)	78	(14.6)	73	3.4	96	7.7	88	10.1
<i>Rank vs. US Equity Billion Dollar Segment - Public</i>												
<i>US Equity Billion Dollar Segment - Public Med</i>		(1.2)		(10.7)		(12.8)		5.1		8.9		--
<i>Russell 3000 Index</i>		(1.7)		(11.0)		(12.7)		4.7		8.4		10.1
Total Large Cap Domestic Equity	1,222.9	(2.1)	64	(12.2)	71	(14.0)	71	4.0	76	7.8	76	3.0
Total Large Cap Domestic Equity-Net	1,222.9	(2.1)	65	(12.3)	72	(14.2)	72	3.9	78	7.7	78	2.8
<i>Rank vs. Mercer US Equity Large Cap Equity Universe</i>												
<i>Mercer US Equity Large Cap Equity Universe Med</i>		(0.8)		(10.4)		(10.5)		5.8		9.4		--
<i>Russell 1000 Index</i>		(1.9)		(11.2)		(12.4)		4.8		8.2		3.5
Large Cap Core												
AllianceBernstein L.P. Passive	679.5	(1.9)	62	(11.2)	60	(12.3)	61	4.8	65	8.2	71	10.2
AllianceBernstein L.P. Passive-Net	679.5	(1.9)	62	(11.2)	60	(12.3)	61	4.8	65	8.2	71	10.2
<i>Rank vs. Mercer US Equity Large Cap Equity Universe</i>												
<i>Mercer US Equity Large Cap Equity Universe Med</i>		(0.8)		(10.4)		(10.5)		5.8		9.4		--
<i>Russell 1000 Index</i>		(1.9)		(11.2)		(12.4)		4.8		8.2		10.1
Westridge	89.9	--		--		--		--		--		--
Westridge-Net	89.9	--		--		--		--		--		--
<i>Rank vs. Mercer US Equity Large Cap Equity Universe</i>												
<i>Mercer US Equity Large Cap Equity Universe Med</i>		(0.8)		(10.4)		(10.5)		5.8		9.4		--
<i>Russell 1000 Index</i>		(1.9)		(11.2)		(12.4)		4.8		8.2		--

*Benchmark (CURRENT) excludes the SSgA overlay, PMCO and the European Credit Mgmt.

Sacramento County Employees Retirement System
Performance Summary
Period Ending June 30, 2008

	Market Value	Annualized										
		Quarter		YTD		1 Year		3 Years		5 Years		Inception to Date
Large Cap Growth												
Wells Capital	\$ 132.3	--	%	--	%	--	%		%	--	%	(1.9)%
Wells Capital-Net	132.3	--		--		--		--		--		--
<i>Rank vs. Mercer US Equity Large Cap Growth Universe</i>												
<i> Mercer US Equity Large Cap Growth Universe Med</i>		1.8		(9.1)		(3.8)		7.3		9.2		--
<i> Russell 1000 Growth Index</i>		1.2		(9.1)		(6.0)		5.9		7.3		(3.8)
INTECH	126.7	1.8	50	(11.1)	73	(6.6)	64	--		--		2.7
INTECH-Net	126.7	1.8	50	(11.3)	74	(7.0)	67	--		--		2.4
<i>Rank vs. Mercer US Equity Large Cap Growth Universe</i>												
<i> Mercer US Equity Large Cap Growth Universe Med</i>		1.8		(9.1)		(3.8)		7.3		9.2		--
<i> Russell 1000 Growth Index</i>		1.2		(9.1)		(6.0)		5.9		7.3		4.3
Large Cap Value												
LSV Asset Management Large Cap Value	98.5	(8.5)	93	(18.2)	93	(23.9)	89	3.8	65	--		7.1
LSV Asset Management Large Cap Value-Net	98.5	(8.6)	93	(18.5)	94	(24.7)	90	2.9	77	--		6.2
<i>Rank vs. Mercer US Equity Large Cap Value Universe</i>												
<i> Mercer US Equity Large Cap Value Universe Med</i>		(3.1)		(11.6)		(15.5)		5.1		10.0		--
<i> Russell 1000 Value Index</i>		(5.3)		(13.6)		(18.8)		3.5		8.9		5.7
Pzena Investment Management	96.0	(11.8)	96	(20.6)	96	(34.6)	96	(3.8)	95	--		0.5
Pzena Investment Management-Net	96.0	(11.9)	96	(20.7)	96	(34.7)	96	(4.1)	95	--		0.1
<i>Rank vs. Mercer US Equity Large Cap Value Universe</i>												
<i> Mercer US Equity Large Cap Value Universe Med</i>		(3.1)		(11.6)		(15.5)		5.1		10.0		--
<i> Russell 1000 Value Index</i>		(5.3)		(13.6)		(18.8)		3.5		8.9		5.7
Total Small Cap Domestic Equity	299.6	(0.8)	73	(12.4)	79	(16.9)	55	1.1	81	8.0	91	13.0
Total Small Cap Domestic Equity-Net	299.6	(0.9)	74	(12.7)	81	(17.4)	58	0.5	85	7.3	95	12.3
<i>Rank vs. Mercer US Equity Small Cap Universe</i>												
<i> Mercer US Equity Small Cap Universe Med</i>		1.6		(9.2)		(15.8)		4.9		11.3		--
<i> Russell 2000 Index</i>		0.6		(9.4)		(16.2)		3.8		10.3		11.4
Small Cap Growth												
Bear Stearns Asset Mgmt.	47.7	(0.8)	92	(16.7)	90	(26.0)	97	--		--		(12.3)
Bear Stearns Asset Mgmt.-Net	47.7	(0.8)	91	(16.8)	90	(26.2)	97	--		--		(12.6)
<i>Rank vs. Mercer US Equity Small Cap Growth Universe</i>												
<i> Mercer US Equity Small Cap Growth Universe Med</i>		4.5		(10.3)		(11.1)		6.2		10.9		--
<i> Russell 2000 Growth Index</i>		4.5		(8.9)		(10.8)		6.1		10.4		5.0

Sacramento County Employees Retirement System
Performance Summary
Period Ending June 30, 2008

	Market Value	Annualized										
		Quarter		YTD		1 Year		3 Years		5 Years		Inception to Date
M.A. Weatherbie & Co., Inc.	\$ 77.8	(0.4)%	90	(15.5)%	84	(11.5)%	52	4.4 %	72	8.5 %	79	10.2 %
M.A. Weatherbie & Co., Inc.-Net	77.8	(0.6)	91	(15.9)	86	(12.2)	56	3.4	76	7.6	92	9.3
<i>Rank vs. Mercer US Equity Small Cap Growth Universe</i>												
<i> Mercer US Equity Small Cap Growth Universe Med</i>		4.5		(10.3)		(11.1)		6.2		10.9		--
<i> Russell 2000 Growth Index</i>		4.5		(8.9)		(10.8)		6.1		10.4		13.0
Small Cap Value												
Dalton Greiner Hartman Maher	74.9	0.7	34	(4.7)	23	(5.8)	5	6.2	31	13.2	33	10.8
Dalton Greiner Hartman Maher-Net	74.9	0.5	36	(5.1)	27	(6.5)	7	5.6	36	12.5	42	10.0
<i>Rank vs. Mercer US Equity Small Cap Value Universe</i>												
<i> Mercer US Equity Small Cap Value Universe Med</i>		(0.6)		(8.0)		(18.9)		3.9		11.8		--
<i> Russell 2000 Value Index</i>		(3.5)		(9.8)		(21.6)		1.4		10.0		8.9
Wedge Capital Management	48.0	--		--		--		--		--		(7.5)
Wedge Capital Management-Net	48.0	--		--		--		--		--		--
<i>Rank vs. Mercer US Equity Small Cap Value Universe</i>												
<i> Mercer US Equity Small Cap Value Universe Med</i>		(0.6)		(8.7)		(18.9)		3.9		11.8		--
<i> Russell 2000 Value Index</i>		(3.5)		(9.8)		(21.6)		1.4		10.0		(6.5)
Thompson, Siegel & Walmsley	50.1	--		--		--		--		--		0.3
Thompson, Siegel & Walmsley-Net	50.1	--		--		--		--		--		--
<i>Rank vs. Mercer US Equity Small Cap Value Universe</i>												
<i> Mercer US Equity Small Cap Value Universe Med</i>		(0.6)		(8.0)		(18.9)		3.9		11.8		--
<i> Russell 2000 Value Index</i>		(3.5)		(9.8)		(21.6)		1.4		10.0		(6.5)
Total International Equity	1,131.0	(2.7)	93	(10.9)	82	(8.6)	60	16.4	29	19.1	47	7.9
Total International Equity-Net	1,131.0	(2.9)	94	(11.1)	86	(9.1)	65	15.8	45	18.5	62	7.6
<i>Rank vs. Non-US Equity Billion Dollar Segment - Public</i>												
<i> Non-US Equity Billion Dollar Segment - Public Med</i>		(1.0)		(10.1)		(7.7)		15.6		18.8		--
<i> MSCI EAFE Net Dividend Index</i>		(2.3)		(11.0)		(10.6)		12.8		16.7		6.7

Sacramento County Employees Retirement System

Performance Summary

Period Ending June 30, 2008

	Market Value	Annualized										
		Quarter		YTD		1 Year		3 Years		5 Years		Inception to Date
Total Intl Equity - Established Mkts	\$ 782.3	(2.5)%	73	(11.3)%	68	(13.2)%	83	12.5 %	77	15.6 %	86	5.3 %
Total Intl Equity - Established Mkts-Net	782.3	(2.6)	75	(11.5)	71	(13.7)	85	12.0	83	15.1	91	4.9
<i>Rank vs. Mercer Intl Equity Universe</i>												
<i> Mercer Intl Equity Universe Med</i>		(1.3)		(10.0)		(8.6)		14.8		18.0		--
<i> MSCI EAFE Net Dividend Index</i>		(2.3)		(11.0)		(10.6)		12.8		16.7		5.8
INVECO Global	232.2	(2.2)	67	(12.3)	79	(12.9)	82	11.3	87	--		9.9
INVECO Global-Net	232.2	(2.2)	70	(12.5)	82	(13.3)	84	10.7	90	--		9.4
<i>Rank vs. Mercer Intl Equity Universe</i>												
<i> Mercer Intl Equity Universe Med</i>		(1.3)		(10.0)		(8.6)		14.8		18.0		--
<i> MSCI EAFE Net Dividend Index</i>		(2.3)		(11.0)		(10.6)		12.8		16.7		11.4
Capital Guardian Trust Company International Equity	273.0	(1.9)	60	(10.5)	57	(8.2)	48	14.2	58	16.6	76	3.5
Capital Guardian Trust Company International Equity-Net	273.0	(1.8)	60	(10.5)	57	(8.4)	49	13.9	63	16.1	81	3.0
<i>Rank vs. Mercer Intl Equity Universe</i>												
<i> Mercer Intl Equity Universe Med</i>		(1.3)		(10.0)		(8.6)		14.8		18.0		--
<i> MSCI EAFE Net Dividend Index</i>		(2.3)		(11.0)		(10.6)		12.8		16.7		3.5
<i> MSCI EAFE Net Div-Growth Index</i>		0.0		(8.1)		(4.4)		14.7		16.3		1.0
LSV Asset Management International Equity	227.5	(4.5)	90	(12.8)	86	(18.5)	96	11.3	87	--		9.8
LSV Asset Management International Equity-Net	227.5	(4.6)	90	(12.9)	87	(19.2)	96	10.5	91	--		9.1
<i>Rank vs. Mercer Intl Equity Universe</i>												
<i> Mercer Intl Equity Universe Med</i>		(1.3)		(10.0)		(8.6)		14.8		18.0		--
<i> MSCI EAFE Net Dividend Index</i>		(2.3)		(11.0)		(10.6)		12.8		16.7		10.5
<i> MSCI EAFE Net Div-Value Index</i>		(4.6)		(13.8)		(16.6)		10.9		17.0		9.1
AXA Rosenberg Inv. Mgmt. LLC	49.5	1.5	11	(4.8)	6	(15.7)	57	14.9	60	--		12.4
AXA Rosenberg Inv. Mgmt. LLC-Net	49.5	1.3	12	(5.0)	7	(16.3)	60	14.0	69	--		11.6
<i>Rank vs. Mercer Intl Equity Small Cap Universe</i>												
<i> Mercer Intl Equity Small Cap Universe Med</i>		(2.1)		(9.5)		(14.8)		15.9		23.5		--
<i> MSCI Small Cap World Ex United States Net Composite</i>		(3.6)		(9.8)		(17.3)		10.2		19.2		8.6
<i> S&P/Citigroup Extended Market Index World Ex United States</i>		(3.3)		(10.0)		(14.5)		14.0		20.8		11.6

Sacramento County Employees Retirement System
Performance Summary
Period Ending June 30, 2008

	Market Value	Annualized										
		Quarter		YTD		1 Year		3 Years		5 Years		Inception to Date
Total Intl Equity - Emerging Mkts	\$ 348.8	(3.4)%	91	(10.0)%	42	4.2 %	70	30.3 %	28	30.9 %	68	12.4 %
Total Intl Equity - Emerging Mkts-Net	348.8	(3.5)	91	(10.3)	48	3.6	75	29.5	47	30.1	77	11.7
<i>Rank vs. Mercer Emerging Markets Equity Universe</i>												
<i> Mercer Emerging Markets Equity Universe Med</i>		0.6		(10.4)		6.3		29.3		32.0		--
<i> MSCI Emerging Markets Investable Market Index</i>		(2.1)		(13.1)		0.7		23.5		25.6		11.9
Capital Guardian Trust Company Emerging Markets Growth	348.8	(3.4)	91	(10.0)	42	4.2	70	30.3	28	30.9	68	12.4
Capital Guardian Trust Company Emerging Markets Growth-Net	348.8	(3.5)	91	(10.3)	48	3.6	75	29.5	47	30.1	77	11.7
<i>Rank vs. Mercer Emerging Markets Equity Universe</i>												
<i> Mercer Emerging Markets Equity Universe Med</i>		0.6		(10.4)		6.3		29.3		32.0		--
<i> MSCI Emerging Markets Investable Market Index</i>		(2.1)		(13.1)		0.7		23.5		25.6		11.9
Total Domestic Fixed Income	1,159.9	(1.0)	78	0.2	57	5.5	46	3.9	61	4.2	41	7.8
Total Domestic Fixed Income-Net	1,159.9	(1.0)	80	0.1	58	5.3	53	3.7	71	4.1	46	7.7
<i>Rank vs. US Fixed Income Billion Dollar Segment - Public</i>												
<i> US Fixed Income Billion Dollar Segment - Public Med</i>		(0.7)		0.6		5.4		4.1		3.9		--
<i> Lehman Brothers Aggregate Bond</i>		(1.0)		1.1		7.1		4.1		3.9		7.3
Lehman Brothers Asset Mgmt	387.6	(1.1)	75	0.1	64	5.6	50	3.6	77	3.6	73	7.4
Lehman Brothers Asset Mgmt-Net	387.6	(1.1)	76	0.1	65	5.6	50	3.5	78	3.5	75	7.4
<i>Rank vs. Mercer US Fixed Combined Universe</i>												
<i> Mercer US Fixed Combined Universe Med</i>		(0.7)		0.8		5.6		4.3		4.0		--
<i> Lehman Brothers Aggregate Bond</i>		(1.0)		1.1		7.1		4.1		3.9		7.5
Metropolitan West Capital Mgmt	391.4	(0.8)	60	0.4	59	6.0	46	4.5	37	5.2	18	5.5
Metropolitan West Capital Mgmt-Net	391.4	(0.9)	62	0.3	60	5.8	48	4.3	47	5.0	19	5.3
<i>Rank vs. Mercer US Fixed Combined Universe</i>												
<i> Mercer US Fixed Combined Universe Med</i>		(0.7)		0.8		5.6		4.3		4.0		--
<i> Lehman Brothers Aggregate Bond</i>		(1.0)		1.1		7.1		4.1		3.9		5.1
Bradford & Marzec, Inc.	380.9	(1.0)	67	0.1	64	4.8	58	3.5	79	4.0	47	8.1
Bradford & Marzec, Inc.-Net	380.9	(1.0)	71	(0.0)	66	4.6	61	3.3	83	3.8	63	7.9
<i>Rank vs. Mercer US Fixed Combined Universe</i>												
<i> Mercer US Fixed Combined Universe Med</i>		(0.7)		0.8		5.6		4.3		4.0		--
<i> Lehman Brothers Aggregate Bond</i>		(1.0)		1.1		7.1		4.1		3.9		7.4

Sacramento County Employees Retirement System
Performance Summary
Period Ending June 30, 2008

	Market Value	Annualized										
		Quarter	YTD	1 Year	3 Years	5 Years	Inception to Date					
Hedge Funds												
Blackstone Alternative Asset	\$ 156.1	3.1%	(1.9)%	2.3%	9.9%	--%	11.5%					
Blackstone Alternative Asset-Net	156.1	3.1	(2.4)	1.3	8.5	--	10.2					
<i>T-Bill + 5%</i>		1.6	3.5	8.0	9.0	8.0	8.6					
<i>CS Tremont Hedge Funds Long/Short Equity Index</i>		3.8	(0.5)	3.1	12.1	11.6	12.3					
Grosvenor Capital Mgmt.	148.7	1.2	(4.5)	(3.8)	7.1	--	8.3					
Grosvenor Capital Mgmt.-Net	148.7	1.0	(4.9)	(4.6)	6.2	--	7.5					
<i>T-Bill + 5%</i>		1.6	3.5	8.0	9.0	8.0	8.6					
<i>CS Tremont Hedge Funds Long/Short Equity Index</i>		3.8	(0.5)	3.1	12.1	11.6	12.3					
Total Real Estate	793.3	(0.8)	64	0.8	60	3.2	78	13.9	60	15.3	62	8.3
<i>Rank vs. Real Estate Billion Dollar Segment - Public</i>												
<i>Real Estate Billion Dollar Segment - Public Med</i>			(0.3)	1.6	8.3	15.0	15.9	--				
<i>NCREIF Property Index - EWB Calc</i>			0.6	2.2	9.2	15.0	14.7	8.7				
Separate Accounts Portfolios												
BlackRock Realty Unleveraged	295.7	1.0	2.6	7.2	14.9	14.4	12.8					
<i>NCREIF Property Index - EWB Calc</i>		0.6	2.2	9.2	15.0	14.7	12.3					
BlackRock Realty Leveraged	197.9	0.7	2.3	7.8	18.2	17.3	13.9					
<i>NCREIF Property Index - EWB Calc</i>		0.6	2.2	9.2	15.0	14.7	12.1					
BlackRock Realty Portfolio II Unleveraged	122.9	1.4	3.7	8.6	14.4	16.5	13.0					
<i>NCREIF Property Index - EWB Calc</i>		0.6	2.2	9.2	15.0	14.7	12.2					
BlackRock Realty Portfolio II Leveraged	105.4	1.4	3.7	8.8	16.0	--	20.8					
<i>NCREIF Property Index - EWB Calc</i>		0.6	2.2	9.2	15.0	14.7	15.7					
Cornerstone Real Est Adv Unleveraged	231.3	0.8	2.3	4.8	8.4	--	9.0					
<i>NCREIF Property Index - EWB Calc</i>		0.6	2.2	9.2	15.0	14.7	15.7					
Cornerstone Real Est Adv Leveraged	153.4	1.0	3.0	4.8	10.6	--	11.8					
<i>NCREIF Property Index - EWB Calc</i>		0.6	2.2	9.2	15.0	14.7	15.6					

Sacramento County Employees Retirement System
Performance Summary
Period Ending June 30, 2008

	Market Value	Annualized									
		Quarter	YTD		1 Year	3 Years	5 Years	Inception to Date			
Value Added											
UBS Realty Inv LLC	\$ 9.7	1.7%	5.6 %		8.8%	--%	-- %	21.8%			
UBS Realty Inv LLC-Net	9.7	1.5	3.9		7.3	--	--	15.9			
<i>NCREIF PROPERTY + 2%</i>		1.0	3.1		11.2	17.0	16.7	14.9			
AEW Capital Management, LP	7.5	1.6	2.0		3.3	--	--	2.8			
AEW Capital Management, LP-Net	7.5	1.0	1.0		1.9	--	--	1.6			
<i>NCREIF PROPERTY + 2%</i>		1.0	3.1		11.2	17.0	16.7	12.6			
Hines Real Estate Invmt	8.8	(2.1)	(17.0)		(22.2)	--	--	(22.2)			
Hines Real Estate Invmt-Net	8.8	(3.2)	(19.0)		(25.1)	--	--	(25.1)			
<i>NCREIF PROPERTY + 2%</i>		1.0	3.1		11.2	17.0	16.7	11.2			
REITS											
Principal Global Investors	47.9	(5.0)	56	(3.1)	54	(11.3)	33	--	--	1.4	
Principal Global Investors-Net	47.9	(5.1)	59	(3.3)	60	(11.7)	40	--	--	1.0	
<i>Rank vs. Mercer US Real Estate Public REITS Universe</i>											
<i>Mercer US Real Estate Public REITS Universe Med</i>		(4.9)		(3.0)		(12.8)		6.0		15.8	--
<i>FTSE NAREIT Equity REITs Perf Only</i>		(4.9)		(3.6)		(13.6)		5.0		14.3	0.9
Urdang Investment Mgmt. Inc.	49.9	(4.2)	24	(1.3)	14	(9.8)	12	--	--	2.9	
Urdang Investment Mgmt. Inc.-Net	49.9	(4.4)	31	(1.7)	17	(10.3)	18	--	--	2.4	
<i>Rank vs. Mercer US Real Estate Public REITS Universe</i>											
<i>Mercer US Real Estate Public REITS Universe Med</i>		(4.9)		(3.0)		(12.8)		6.0		15.8	--
State Street Global Advisors REIT	51.9	--		--		--		--	--	--	(10.8)
State Street Global Advisors REIT-Net	51.9	--		--		--		--	--	--	--
<i>Rank vs. Mercer US Real Estate Public REITS Universe</i>											
<i>Mercer US Real Estate Public REITS Universe Med</i>		(4.9)		(3.0)		(12.8)		6.0		15.8	--
<i>FTSE NAREIT Equity REITs Perf Only</i>		(4.9)		(3.6)		(13.6)		5.0		14.3	(10.2)

Sacramento County Employees Retirement System
Performance Summary
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	Market Value	Annualized					Inception to Date
		Quarter	YTD	1 Year	3 Years	5 Years	
Limited Partnerships							
BlackRock Realty Granite Property Fund <i>NCREIF Property Index - EWB Calc</i>	\$ 73.7	(0.1)% 0.6	1.3 % 2.2	8.0 % 9.2	--% 15.0	--% 14.7	16.2 % 14.0
Cornerstone Real Est Adv Patriot Fund <i>NCREIF Property Index - EWB Calc</i>	87.3	1.6 0.6	1.8 2.2	6.7 9.2	15.3 15.0	-- 14.7	15.8 15.8
Heitman Advisory JMB V <i>NCREIF Property Index - EWB Calc</i>	0.0	0.4 0.6	1.1 2.2	3.3 9.2	7.6 15.0	22.1 14.7	12.1 9.1
Private Equity							
HarbourVest Partners, LLC	13.1	7.8	4.2	--	--	--	4.2
HarbourVest Partners, LLC-Net <i>S&P 500 + 2.0%</i>	13.1	7.8 (2.4)	4.2 (10.9)	-- (11.1)	-- 6.4	-- 9.6	4.2 (11.1)
State Street Global Advisors Russell 2000 Swap	244.3	(1.9)	--	--	--	--	(1.4)
State Street Global Advisors Russell 2000 Swap-Net <i>Russell 2000 Index</i>	244.3	(1.9) 0.6	-- (9.4)	-- (16.2)	-- 3.8	-- 10.3	(1.4) (2.7)
Goldman Sachs	3.8	--	--	--	--	--	--
Goldman Sach-Net <i>S&P 500 + 2.0%</i>	3.8	-- (2.4)	-- (10.9)	-- (11.1)	-- 6.4	-- 9.6	-- --
Opportunistic							
PIMCO Advisors Inst Services Distressed Mortgage Fund	11.6	(0.5)	(13.9)	--	--	--	(13.9)
PIMCO Advisors Inst Services Distressed Mortgage Fund-Net	11.6	(0.8)	(14.3)	--	--	--	(14.3)
European Credit Mgmt. - CorePlus	47.5	2.4	(4.6)	--	--	--	(4.6)
European Credit Mgmt. - CorePlus-Net <i>Lehman Brothers Aggregate Bond</i>	47.5	2.4 (1.0)	(4.6) 1.1	-- 7.1	-- 4.1	-- 3.9	(4.6) 1.1

Sacramento County Employees Retirement System
Performance Summary
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	Market Value	Annualized									
		Quarter	YTD	1 Year	3 Years	5 Years	Inception to Date				
State Street Global Advisors Real Asset Strategy	\$ 186.4	9.8 %	--%	--%	--%	--%	17.9 %				
State Street Global Advisors Real Asset Strategy-Net	186.4	9.7	--	--	--	--	17.9				
<i>Blended Benchmark*</i>		12.1	--	--	--	--	19.1				
Commodities	86.7	12.5	--	--	--	--	12.5				
Lehman Brothers Asset Mgmt	63.6	--	--	--	--	--	9.6				
Lehman Brothers Asset Mgmt-Net	63.6	--	--	--	--	--	--				
<i>Goldman Sachs Commodity Index (SPGSCITR)</i>		28.7	41.4	76.0	19.7	21.3	19.2				
Blackstone Alternative Asset	23.1	--	--	--	--	--	17.9				
Blackstone Alternative Asset-Net	23.1	--	--	--	--	--	--				
<i>Goldman Sachs Commodity Index (SPGSCITR)</i>		28.7	41.4	76.0	19.7	21.3	19.2				
Total Cash	33.0	0.1	79	0.9	66	3.2	88	4.5	83	3.8	4.8
<i>Rank vs. Cash and Equivalents Segment - Billion Dollar Public</i>											
<i>Cash and Equivalents Segment - Billion Dollar Public Med</i>		0.8		1.7		5.1		6.6		--	--
<i>Citigroup Treasury Bill-3 Month</i>		0.4		1.1		3.3		4.1		3.1	3.9

* Blended benchmark is composed of 30% DJ Wilshire REIT, 50% S&P GSCI, 20% Lehman Brothers US TIPS