

**FRESNO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION  
COMPLIANCE EVALUATION REPORT  
1st QUARTER 2007**

**TABLE OF CONTENTS**

**SECTION**

**I - Executive Summary**

**II - Worksheet Summary**

**III - Private and Public Managers'  
Compliance Representations**

**IV - Compliance Worksheet**

999 Third Avenue, Suite 3650  
Seattle, Washington 98104  
206.622.3700

2321 Rosecrans Avenue, Suite 2250  
El Segundo, California 90245  
310.297.1777

## **Executive Summary**

### **1st Quarter 2007**

This report covers Wurts & Associates' evaluation of the investments within the portfolios relative to the Fresno County Employees' Retirement Association's (Association) Investment Policy and Guidelines (Guidelines). It contains a compliance worksheet summary of the investments evaluated, the private and public managers' representations regarding compliance, and a detailed compliance worksheet specifying the scope of each evaluation.

The Association's portfolio is comprised of both commingled vehicles and separate accounts. All of the separate account managers employed by the Association have specific language within the Guidelines for Wurts & Associates to evaluate. Please refer to Exhibit A which is a table summarizing the managers employed by the Association, the type of investment vehicle used by each, the general asset class of the investment, and whether or not the Guidelines contain specific language.

Investments made by managers using a commingled vehicle are typically governed by a partnership agreement or prospectus. The reason for this is that since commingled investment vehicles are designed to accommodate many different investors, only one common document may govern the investment strategy.

#### **Public Market Managers**

All managers employed by the Association that manage publicly traded securities have specific language in the Guidelines. Wurts & Associates has evaluated each manager's compliance relative to these guidelines and they are contained in this report. Grantham, Mayo, Van Otterloo & Company (GMO), Mondrian Investment Partners Limited, and State Street Global Advisors are employed through the usage of a commingled fund. The investment policies of these managers shall be governed by their prospectuses.

#### **Private Market Managers**

Private Market Investment Managers are given full discretion within the scope of their assigned segment, governed by their Limited Partnership Agreements. All private equity managers employed by the Association are made through commingled vehicles and none of them has specific language in the Guidelines to evaluate. All have warranted that they have complied with the appropriate governing authority over their investment strategy. Wurts & Associates is unable to verify this compliance.

#### **Real Estate Managers**

The Real Estate Investment Managers employed are given full discretion within the scope of the relevant language that governs the investment strategy. None of them has specific language in the Guidelines to evaluate. All have warranted that they have complied with the appropriate governing authority over their investment strategy. Wurts & Associates is unable to verify this compliance.

## Summary of Findings

Of the managers employed by the Association that have specific guidelines, Wurts & Associates has determined the following:

<b>Manager</b>	<b>In Compliance</b>	<b>Out of Compliance</b>
Aronson + Johnson + Ortiz	✓	
Artisan Partners Limited Partnership	✓	
Brandywine Asset Management	✓	
Kalmar Investments Inc.	✓	
Wellington Capital Management	✓	
Enhanced Investment Technologies (INTECH)	✓	
TCW Asset Management Company	✓	
State Street Global Advisors	✓	
Mondrian Investment Partners Limited	✓	
Oechsle International	✓	
Franklin Templeton (International)	✓	
BlackRock, Inc.	✓	
Weiss, Peck & Greer	✓	
Bradford & Marzec	✓	
Loomis Sayles	✓	
Grantham, Mayo & van Otterloo	✓	

We are pleased to report this quarter that there were no material breaches of any consequence by any of the managers we audit.



Jeffrey MacLean  
President & Chief Operating Officer

### Disclaimer

Wurts & Associates, Inc. has exercised all reasonable professional care in the evaluation of the each investment manager's compliance to the Investment Policy and Guidelines of the Fresno County Employees' Retirement Association as of December 31, 2003. This report is provided to the Board of Trustees in conjunction with our responsibilities under the investment consulting agreement. Our professionals necessarily relied on data provided by third parties (e.g., Bloomberg, Advent, custodian banks) to perform our evaluation. Wurts & Associates makes no claims as to the accuracy of the data used in this evaluation and shall not be held liable for damages caused by errors or omissions in content, except to the extent arising from our sole gross negligence.

## Exhibit A

Investment Manager	Investment Vehicle	General Asset Class	Enforcable Guidelines
Aronson + Johnston + Ortiz	Separate Account	Public Market (Equity)	Yes
Artisan Partners Limited Partnership	Separate Account	Public Market (Equity)	Yes
Brandywine Asset Management	Separate Account	Public Market (Equity)	Yes
Kalmar Investments Inc.	Separate Account	Public Market (Equity)	Yes
Wellington Capital Management	Separate Account	Public Market (Equity)	Yes
Enhanced Investment Technologies (INTECH)	Separate Account	Public Market (Equity)	Yes
TCW Asset Management Company	Separate Account	Public Market (Equity)	Yes
State Street Global Advisors	Commingled Fund	Public Market (Equity)	No
Mondrian Investment Partners Limited	Commingled Fund	Public Market (Equity)	No
Oechsle International	Separate Account	Public Market (Equity)	Yes
Franklin Templeton (International)	Separate Account	Public Market (Equity)	Yes
BlackRock, Inc.	Separate Account	Public Market (Fixed Income)	Yes
Weiss, Peck & Greer	Separate Account	Public Market (Fixed Income)	Yes
Bradford & Marzec	Separate Account	Public Market (Fixed Income)	Yes
Loomis Sayles	Separate Account	Public Market (Fixed Income)	Yes
Grantham, Mayo, Van Otterloo & Co	Commingled Fund	Public Market (Fixed Income)	No
Heitman / JMB Real Estate III, IV & V	Commingled Fund	Real Estate	No
Heitman / JMB Group Trust V	Commingled Fund	Real Estate	No
Sentinel Real Estate Corp.	Commingled Fund	Real Estate	No
TA Associates II, IV, & V	Commingled Fund	Real Estate	No
BCI Fund V	Commingled Fund	Private Market	No
The Blackstone Group (Private Equity)	Commingled Fund	Private Market	No
Blackstone Alternative Asset Management (Hedge Fund of Funds)	Commingled Fund	Private Market	No
DT Capital Partners	Commingled Fund	Private Market	No
Landmark	Commingled Fund	Private Market	No
Lonestar	Commingled Fund	Private Market	No
New Mountain	Commingled Fund	Private Market	No
TCW Fund III & IV	Commingled Fund	Private Market	No
Warburg Fund & Warburg Fund VIII	Commingled Fund	Private Market	No
JER Fund I & II	Commingled Fund	Real Estate	No

Client: **Fresno County Employees Retirement Association**

Analysis Date: **March 31, 2007**

Asset Class: Domestic Equity

Manager	Style	Market Cap Weighting	Diversification: at Market	Commercial Paper Rating	Weighted Avg Market Cap	Allowable Securities
Aronson + Johnson + Ortiz	M/LV					
Artisan Partners Ltd.	SG					
Brandywine Asset Mgmt.	SV					
Kalmar Investments Inc.	SG					
Wellington Management Co.	LV					
TCW Asset Management Company	LG					
Enhanced Investment Technologies (INTECH)	LG					
State Street Global Advisors	LG(p)					

Asset Class: International Equity

Manager		Market Cap Weighting	Diversification: at Market	Commercial Paper Rating	Weighted Avg Market Cap	Allowable Securities
Oechsle International	INT					
Franklin Templeton Cos.	INT					
Mondrian Investment Partners Limited	INT					

Asset Class: Domestic Fixed Income

Manager		Bond Quality	Diversification: at Market	Duration	Commercial Paper Rating	Derivatives Restricted	Prohibited Securities
BlackRock, Inc.	CP						
Bradford & Marzec, Inc.	CP						
Loomis, Sayles & Co.	CP						
Western Asset Management Company	CP						
Grantham, Mayo, Van Otterloo & Co.	GB						

**Legend**

	No Violation - In Compliance with Policy Guidelines
	Potential Violation - Currently Being Researched
	Confirmed Violation - Out of Compliance with Policy Guidelines
	Not Applicable



**MONDRIAN**  
INVESTMENT PARTNERS LIMITED

June 12, 2007

Wurts & Associates Inc.  
2321 Rosecrans Avenue  
Suite 2250  
El Segundo, CA 90245

Attn: Anthony Ferrara

Dear Anthony,

On behalf of Mondrian Investment Partners Limited (Investment Manager for the Mondrian Investment Emerging Markets Equity Fund, L.P. ("Fund")), I certify the Fund is in compliance with its stated investment objectives and strategies, as described in the Confidential Information Memorandum.

Sincerely,

Andrew Miller  
Senior Portfolio Manager



Fifth Floor, 10 Graham Street, London EC2V 7JD, UK  
Telephone 020 7477 7000 • Fax 020 7776 8500 • [www.mondrian.com](http://www.mondrian.com)

Registered office as above. Registered number 2533342 England. For your security and for training purposes, telephone conversations may be recorded.  
Mondrian Investment Partners Limited is authorized and regulated by the Financial Services Authority in the conduct of investment business.  
Mondrian Investment Partners is a trademark of Mondrian Investment Partners Limited.

The Blackstone Group

**Robert M. Barrack**  
Managing Director &  
Chief Financial Officer  
Private Equity

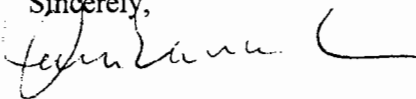
June 12, 2007

Mr. Anthony Ferrara  
Wurts & Associates  
2321 Rosecrans Avenue  
Suite 2250  
El Segundo, CA 90245

Dear Anthony:

In response to your request on behalf of the Board of Trustees of the Fresno County Employees Retirement Association, please accept this letter as confirmation by Blackstone Management Associates III L.L.C., the General Partner of Blackstone Capital Partners III Merchant Banking Fund L.P. ("BCP III"), that, to the best of its knowledge, BCP III was not in material breach of the terms of its Partnership Agreement for the first quarter of 2007.

Sincerely,



cc: Roberto Peña, FCERA

345 Park Avenue  
New York, NY 10154  
212 583-5587

Blackstone Financial Services<sup>SM</sup>



Brandywine Global Investment Management, LLC  
2929 Arch Street, 8th Floor / Philadelphia, PA 19104  
800 348 2499 / 215 609 3500 / [brandywineglobal.com](http://brandywineglobal.com)

April 4, 2007

Mr. Tony Ferrara  
Wurts & Associates  
2321 Rosecrans, Suite 2250  
El Segundo, CA 90245

Dear Mr. Ferrara:

Please accept this letter as a confirmation that Brandywine Global Investment Management LLC is in compliance with the attached guidelines and mandates for Fresno County Employees' Retirement Association with an effective date as of August 2003 from the period beginning 1/1/2007 and ending 3/31/2007.

Sincerely,

A handwritten signature in black ink, appearing to read "Henry Otto".

Henry Otto  
Managing Director/Portfolio Manager

Enclosure

cc: Roberto Pena, FCERA



Fresno County Employees Retirement Association  
Certification of Compliance Statement  
First Quarter, 2007

---

This statement is to verify that to the best of our knowledge and based upon Wellington Management's systems, all transactions and positions Fresno County Employees Retirement Association's Research Value portfolio for the period January 1, 2007 – March 31, 2007, have been reviewed and are in compliance with the investment management agreement and Wellington Management's internal policies.

*Sue Bonfeld*

---

Sue Bonfeld  
Vice President  
Wellington Management

3/31/2007

---

Date

**COMPLIANCE WITH INVESTMENT GUIDELINES**

Investment Manager Name: Artisan Partners Limited Partnership  
Account Name: Fresno County Employees Retirement Association  
Quarter Ending: March 31, 2007

We were in compliance with the Investment Guidelines for the Fresno County Employees Retirement Association portfolio during the quarter specified above.

We were not in compliance with all the Investment Guidelines during the quarter specified above. Attached are a summary of any guideline deviations and a brief explanation of the deviation.

By: Brooke J. Billick  
Name: Brooke J. Billick  
Title: Chief Compliance Officer and Associate Counsel  
Date: April 18, 2007

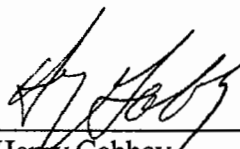
# BLACKROCK

April 24, 2007

## COMPLIANCE CERTIFICATION

BlackRock performs compliance checks daily on the Fresno County Employees' Retirement Association, FCERA ("Client") account and, if necessary, BlackRock rebalances or otherwise takes such action for the account to ensure compliance with the relevant investment policies and guidelines applicable to the account that have been previously communicated to us and are currently in effect for the account ("Guidelines"). Therefore, and on that basis, for the period from January 1, 2007 to March 30, 2007, the Client's account has been in compliance, in all material respects, with its Guidelines.

BLACKROCK

By:   
Henry Gabbay  
Managing Director



*Oechsle International Advisors, LLC*

Tony Ferrara  
Wurts & Associates  
999 Third Avenue  
Seattle WA, 98104

April 11, 2007

Re: Compliance with Investment Guidelines for Fresno County

This statement is to confirm that the assets invested by Oechsle International Advisors, LLC ("Oechsle") were managed in accordance with the Account's Investment Guidelines for the fourth quarter January 1, 2007 through March 31, 2007.

Oechsle agrees and acknowledges that the Account will continue to be managed according to the Investment Guidelines. If you have any questions, please do not hesitate to contact me at 617-330-8825.

Regards,

A handwritten signature in cursive script that reads "Elizabeth Brooks". The signature is written in black ink and is positioned above the printed name and title.

Elizabeth Brooks  
Associate Compliance Officer



# LANDMARK PARTNERS

April 2, 2007

Mr. Anthony Ferrara  
Wurts & Associates  
2321 Rosecrans  
Suite 2250  
El Segundo, CA 90245

Dear Mr. Ferrara:

This letter is to formally notify the Board of Trustees of the Fresno County Employees Retirement Association that for the period beginning January 1, 2007 and ending March 31, 2007, the management of their portfolio investment in Landmark Equity Partners X, LP is in compliance with the guidelines as indicated in the Amended and Restated Partnership Agreement dated June 23, 2000.

Sincerely,

Landmark Equity Advisors LLC

  
Tina St. Pierre  
*Vice President*

cc: Mr. Roberto Peña, FCERA

**Fresno County Employees Retirement Association  
Investment Holdings and Transaction Certification  
March 31, 2007**

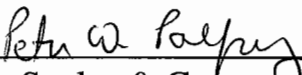
This is to certify that the investment portfolio managed on behalf of the Fresno County Employees Retirement Association March 31, 2007, was in compliance with the *Fresno County Employees Retirement Association Investment Policy* with the following exceptions:

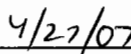
NONE

  
\_\_\_\_\_  
Loomis, Sayles & Company, L.P.

  
\_\_\_\_\_  
Date

*Mari Shimokawa*  
*Vice President, Legal & Compliance*

  
\_\_\_\_\_  
Loomis, Sayles & Company, L.P.

  
\_\_\_\_\_  
Date

*Peter W. Palfrey*  
*Vice President, Portfolio Manager*

April 27, 2007

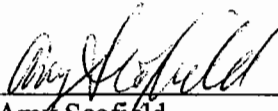
Mr. Anthony Ferrara  
Wurts & Associates  
2321 Rosecrans, Suite 2250  
El Segundo, CA 90245

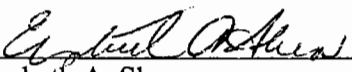
Dear Mr. Ferrara:

The S&P 500 Flagship Fund, in which the Fresno County Employees' Retirement Association is invested, is in compliance with the fund guidelines and restrictions outlined in its Fund Declaration as of March 31, 2007.

Should you have any questions or require additional information, please feel free to contact Amy Scofield directly at (617) 664-1502, or Neil Tremblay of Client Services at (415) 836-9854.

Sincerely,

  
\_\_\_\_\_  
Amy Scofield  
Compliance Associate  
Compliance and Risk Management

  
\_\_\_\_\_  
Elizabeth A. Shea  
Principal and Senior Compliance Officer  
Compliance and Risk Management

cc: Neil Tremblay, SSgA  
Roberto Pena, FCERA



April 2, 2007

Mr. John Lee  
Consultant  
Wurts & Associates, Inc.  
2321 Rosecrans Avenue, Suite 2250  
El Segundo, California 90245

**Re: Fresno CERA**

Dear Mr. Lee:

This letter is to certify that to the best of our knowledge, the investment portfolio managed on behalf of the Fresno County Employees' Retirement Association was in compliance with stated investment objectives, policies and guidelines during the first quarter of 2007.

Please contact me at (626) 844-9946 should you have any questions.

Sincerely,

Christine K. Sol  
Compliance Officer



TRUST COMPANY OF THE WEST

865 SOUTH FIGUEROA STREET, LOS ANGELES, CALIFORNIA 90017

TEL: 213 244 0138 FAX: 213 244 0741 E-MAIL: delia.roges@tcw.com

DELIA M. ROGES  
SENIOR VICE PRESIDENT



April 23, 2007

Mr. Anthony Ferrara  
Wurts & Associates  
2321 Rosecrans Avenue, Suite 2250  
El Segundo, CA 90245

Dear Mr. Ferrara:

To the best of our knowledge, based upon TCW's routine Compliance Department monitoring procedures and the representations made to me by the portfolio manager of the Fresno County Employees' Retirement Association ("FCERA") Concentrated Core Equity account, the account has been in material compliance with the account guidelines for the calendar quarter ended March 31, 2007 (except for any matters that FCERA has noted to us and any matters that we have otherwise reported to FCERA).

If you have any questions, please do not hesitate to contact me at (213) 244-0138.

Sincerely,  
A handwritten signature in cursive script that reads "Delia M. Roges".

DMR/bvf

cc: Mr. Roberto Pena, Fresno County Employees' Retirement Association  
Mr. Paul Douglas, Trust Company of the West



April 18, 2007

Mr. Joel Wetrosky  
Senior Analyst  
Wurts & Associates  
2321 Rosecrans, Suite 2250  
El Segundo, CA 90245

Re: Fresno County Employees

Dear Mr. Wetrosky:

In reply to your request for a written certification, please be advised that the investment portfolio managed for the above account was in compliance with all investment guidelines during the first quarter 2007.

If you have any questions or require additional information, please contact me at your convenience.

Sincerely,

  
Edward T. Bradford

cc: Roberto Pena, FCERA



Grantham, Mayo, Van Otterloo & Co. LLC  
40 Rowes Wharf | Boston, MA 02110  
T: (617) 330-7500 | F: (617) 261-0134 | www.gmo.com

April 12, 2007

Mr. Scott Garrett  
Wurts & Associates  
2321 Rosecrans, Suite 2250  
El Segundo, California 90245

Re: **Compliance Certification for the Fresno County Employees Retirement Association's (the "Fund's") Investment in GMO Global Bond Fund, a Series of GMO Trust**

Dear Mr. Garrett:

On behalf of Grantham, Mayo, Van Otterloo & Co. LLC ("GMO"), I hereby certify that during the review period of January 1, 2007 through March 31, 2007 the GMO Global Bond Fund was in compliance with the investment restrictions set forth in the GMO Trust Prospectus dated June 30, 2006 and the Statement of Additional Information.

Please do not hesitate to contact me at 617-790-5049 if you have any questions.

Sincerely,

Mark A. Mitchelson  
Compliance Specialist

cc: Roberto Pena, FCERA

April 19, 2007

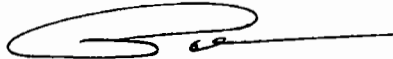
Mr. Anthony Ferrara  
Wurts & Associates  
2321 Rosecrans  
Suite 2250  
El Segundo, CA 90245  
*Via e-mail: aferrara@wurts.com*

Re: Fresno County Employees' Retirement Association (I0240LG.240) ("Portfolio")

Dear Mr. Ferrara:

The purpose of this correspondence is to certify that for the period January 1, 2007, through March 31, 2007, INTECH has complied with the Portfolio's Investment Manager specific guidelines dated June 17, 2004.

Sincerely,



Patricia Flynn  
Chief Compliance Officer

cc: Robert Pena, Retirement Administrator (*via e-mail: rpena@co.fresno.ca.us*)

**INTECH  
Holdings By Weight**

Account: 0240

Name: Fresno County Employees' Retirement Association

Strategy: Large Cap Growth Blended

Benchmark: Growth Index - Blended

Date: 3/31/2007

Cusip	Ticker	Name	Market Value	Acct Weight	Bench Weight	Over/Under
30231G102	XOM	EXXON MOBIL CORP	7,175,295.00	4.55	6.99	-2.44
478160104	JNJ	JOHNSON & JOHNSON	4,730,410.00	3.00	2.84	0.16
500255104	KSS	KOHL'S CORP	3,876,466.00	2.46	0.41	2.05
02209S103	MO	ALTRIA GROUP INC	3,723,144.00	2.36	1.50	0.86
194162103	CL	COLGATE-PALMOLIVE CO	3,346,179.00	2.12	0.56	1.56
594918104	MSFT	MICROSOFT CORP	3,121,440.00	1.98	2.19	-0.21
20030N101	CMCSA	COMCAST CORP	3,049,125.00	1.93	0.42	1.51
713448108	PEP	PEPSICO INC	3,000,032.00	1.90	1.69	0.21
68389X105	ORCL	ORACLE CORP	2,996,835.00	1.90	1.18	0.72
459902102	IGT	INTERNATIONAL GAME T	2,959,854.00	1.88	0.22	1.66
151020104	CELG	CELGENE CORP	2,801,364.00	1.78	0.32	1.46
00130H105	AES	AES CORP/THE	2,743,800.00	1.74	0.23	1.51
369604103	GE	GENERAL ELECTRIC CO	2,627,248.00	1.67	2.37	-0.70
126650100	CVS	CVS/CAREMARK CORP	2,448,418.00	1.55	0.49	1.06
50540R409	LH	LABORATORY CORP OF A	2,338,686.00	1.48	0.14	1.34
167760107	CME	CHICAGO MERCANTILE E	2,289,578.00	1.45	0.30	1.15
444859102	HUM	HUMANA INC	2,239,572.00	1.42	0.16	1.26
369550108	GD	GENERAL DYNAMICS COR	2,207,960.00	1.40	0.50	0.90
134429109	CPB	CAMPBELL SOUP CO	2,185,095.00	1.39	0.14	1.25
097023105	BA	BOEING CO	2,169,404.00	1.38	0.59	0.79
412822108	HOG	HARLEY-DAVIDSON INC	2,120,875.00	1.34	0.25	1.09
17275R102	CSCO	CISCO SYSTEMS INC	2,067,930.00	1.31	2.51	-1.20
742718109	PG	PROCTER & GAMBLE CO	2,036,721.00	1.29	3.24	-1.95
370334104	GIS	GENERAL MILLS INC	2,008,590.00	1.27	0.14	1.13
67066G104	NVDA	NVIDIA CORP	1,982,942.00	1.26	0.17	1.09
071813109	BAX	BAXTER INTERNATIONAL	1,801,314.00	1.14	0.56	0.58
65248E104	NWS/A	NEWS CORP	1,747,872.00	1.11	0.30	0.81
38259P508	GOOG	GOOGLE INC	1,741,008.00	1.10	1.62	-0.52
580645109	MHP	MCGRAW-HILL COS INC/	1,678,896.00	1.06	0.36	0.70
278865100	ECL	ECOLAB INC	1,672,700.00	1.06	0.12	0.94
192446102	CTSH	COGNIZANT TECHNOLOGY	1,650,649.00	1.05	0.20	0.85
883556102	TMO	THERMO FISHER SCIENT	1,650,275.00	1.05	0.15	0.90
529771107	LXK	LEXMARK INTERNATIONA	1,601,804.00	1.02	0.09	0.93
902911106	UST	UST INC	1,588,652.00	1.01	0.10	0.91
681919106	OMC	OMNICOM GROUP INC	1,576,652.00	1.00	0.28	0.72
929042109	VNO	VORNADO REALTY TRUST	1,539,486.00	0.98	0.10	0.88
25459L106	DTV	DIRECTV GROUP INC/TH	1,522,620.00	0.97	0.10	0.87
432848109	HLT	HILTON HOTELS CORP	1,481,552.00	0.94	0.13	0.81
580135101	MCD	MCDONALD'S CORP	1,455,115.00	0.92	0.49	0.43
539830109	LMT	LOCKHEED MARTIN CORP	1,426,194.00	0.90	0.26	0.64
037833100	AAPL	APPLE INC	1,337,904.00	0.85	0.68	0.17
571903202	MAR	MARRIOTT INTERNATION	1,331,712.00	0.84	0.15	0.69
863667101	SYK	STRYKER CORP	1,313,136.00	0.83	0.32	0.51
002824100	ABT	ABBOTT LABORATORIES	1,311,300.00	0.83	0.78	0.05
345838106	FRX	FOREST LABORATORIES	1,286,000.00	0.82	0.27	0.55
038020103	ABI	APPLERA CORP - APPLI	1,230,112.00	0.78	0.09	0.69
824348106	SHW	SHERWIN-WILLIAMS CO/	1,221,740.00	0.77	0.08	0.69
74460D109	PSA	PUBLIC STORAGE INC	1,192,842.00	0.76	0.08	0.68

210371100	CEG	CONSTELLATION ENERGY	1,165,130.00	0.74	0.14	0.60
983024100	WYE	WYETH	1,150,690.00	0.73	1.10	-0.37
577081102	MAT	MATTEL INC	1,135,884.00	0.72	0.08	0.64
774341101	COL	ROCKWELL COLLINS INC	1,131,117.00	0.72	0.18	0.54
579780206	MKC	MCCORMICK & CO INC	1,117,080.00	0.71	0.08	0.63
98956P102	ZMH	ZIMMER HOLDINGS INC	1,093,248.00	0.69	0.33	0.36
254687106	DIS	WALT DISNEY CO	1,074,216.00	0.68	0.48	0.20
30161N101	EXC	EXELON CORP	1,051,263.00	0.67	0.37	0.30
053332102	AZO	AUTOZONE INC	1,037,934.00	0.66	0.10	0.56
054303102	AVP	AVON PRODUCTS INC	1,013,472.00	0.64	0.27	0.37
695257105	PTV	PACTIV CORP	1,005,452.00	0.64	0.07	0.57
166764100	CVX	CHEVRON CORP	968,876.00	0.61	1.35	-0.74
487836108	K	KELLOGG CO	966,884.00	0.61	0.21	0.40
184502102	CCU	CLEAR CHANNEL COMMUN	953,088.00	0.60	0.14	0.46
CASHUSD	#EMPTY	Cash	928,926.00	0.59	0.00	0.59
459506101	IFF	INTERNATIONAL FLAVOR	887,736.00	0.56	0.06	0.50
018490102	AGN	ALLERGAN INC	886,560.00	0.56	0.28	0.28
375558103	GILD	GILEAD SCIENCES INC	872,100.00	0.55	0.58	-0.03
01741R102	ATI	ALLEGHENY TECHNOLOGI	810,844.00	0.51	0.05	0.46
067383109	BCR	CR BARD INC	795,100.00	0.50	0.13	0.37
38141G104	GS	GOLDMAN SACHS GROUP	764,531.00	0.48	0.57	-0.09
125509109	CI	CIGNA CORP	756,098.00	0.48	0.12	0.36
880779103	TEX	TEREX CORP	710,424.00	0.45	0.06	0.39
12497T101	CBG	CB RICHARD ELLIS GRO	693,854.00	0.44	0.06	0.38
918204108	VFC	VF CORP	685,746.00	0.43	0.05	0.38
676220106	ODP	OFFICE DEPOT INC	681,716.00	0.43	0.09	0.34
026874107	AIG	AMERICAN INTERNATION	665,478.00	0.42	2.85	-2.43
564055101	HCR	MANOR CARE INC	663,192.00	0.42	0.04	0.38
655664100	JWN	NORDSTROM INC	629,986.00	0.40	0.12	0.28
871503108	SYMC	SYMANTEC CORP	629,720.00	0.40	0.26	0.14
055921100	BMC	BMC SOFTWARE INC	618,879.00	0.39	0.04	0.35
461202103	INTU	INTUIT INC	618,336.00	0.39	0.15	0.24
654106103	NKE	NIKE INC	616,308.00	0.39	0.33	0.06
59156R108	MET	METLIFE INC	612,555.00	0.39	0.33	0.06
988498101	YUM	YUM! BRANDS INC	612,256.00	0.39	0.25	0.14
806857108	SLB	SCHLUMBERGER LTD	580,440.00	0.37	0.61	-0.24
035229103	BUD	ANHEUSER-BUSCH COS I	565,152.00	0.36	0.63	-0.27
518439104	EL	ESTEE LAUDER COS INC	547,120.00	0.35	0.09	0.26
03076C106	AMP	AMERIPRISE FINANCIAL	537,116.00	0.34	0.14	0.20
750438103	RSH	RADIOSHACK CORP	529,788.00	0.34	0.06	0.28
49446R109	KIM	KIMCO REALTY CORP	526,392.00	0.33	0.06	0.27
212485106	CVG	CONVERGYS CORP	523,446.00	0.33	0.04	0.29
826552101	SIAL	SIGMA-ALDRICH CORP	494,088.00	0.31	0.09	0.22
053484101	AVB	AVALONBAY COMMUNITIE	494,000.00	0.31	0.06	0.25
58551A108	MEL	MELLON FINANCIAL COR	487,482.00	0.31	0.11	0.20
017361106	AYE	ALLEGHENY ENERGY INC	481,572.00	0.31	0.03	0.28
731572103	RL	POLO RALPH LAUREN CO	467,195.00	0.30	0.09	0.21
494368103	KMB	KIMBERLY-CLARK CORP	465,732.00	0.30	0.28	0.02
189754104	COH	COACH INC	465,465.00	0.30	0.30	0.00
20449H109	CBSS	COMPASS BANCSHARES I	460,960.00	0.29	0.06	0.23
61166W101	MON	MONSANTO CO	456,168.00	0.29	0.20	0.09
806605101	SGP	SCHERING-PLOUGH CORP	441,323.00	0.28	0.25	0.03
717081103	PFE	PFIZER INC	434,472.00	0.28	1.63	-1.35
670346105	NUE	NUCOR CORP	429,858.00	0.27	0.32	-0.05
872540109	TJX	TJX COS INC	412,488.00	0.26	0.20	0.06
74144T108	TROW	T ROWE PRICE GROUP I	405,834.00	0.26	0.11	0.15
845905108	SOV	SOVEREIGN BANCORP IN	389,232.00	0.25	0.05	0.20
74834L100	DGX	QUEST DIAGNOSTICS	374,025.00	0.24	0.13	0.11
941848103	WAT	WATERS CORP	371,200.00	0.24	0.10	0.14

855244109	SBUX	STARBUCKS CORP	370,048.00	0.23	0.38	-0.15
244199105	DE	DEERE & CO	358,512.00	0.23	0.18	0.05
931142103	WMT	WAL-MART STORES INC	356,820.00	0.23	1.88	-1.65
090613100	BMET	BIOMET INC	322,924.00	0.20	0.17	0.03
089302103	BIG	BIG LOTS INC	319,056.00	0.20	0.02	0.18
189054109	CLX	CLOROX CO	318,450.00	0.20	0.16	0.04
337738108	FISV	FISERV INC	318,360.00	0.20	0.15	0.05
64120L104	NTAP	NETWORK APPLIANCE IN	303,116.00	0.19	0.22	-0.03
931422109	WAG	WALGREEN CO	302,874.00	0.19	0.75	-0.56
891027104	TMK	TORCHMARK CORP	295,155.00	0.19	0.06	0.13
242370104	DF	DEAN FOODS CO	294,462.00	0.19	0.06	0.13
913017109	UTX	UNITED TECHNOLOGIES	273,000.00	0.17	1.05	-0.88
670008101	NVLS	NOVELLUS SYSTEMS INC	272,170.00	0.17	0.03	0.14
871829107	SYX	SYSCO CORP	267,257.00	0.17	0.34	-0.17
460690100	IPG	INTERPUBLIC GROUP OF	258,510.00	0.16	0.03	0.13
427056106	HPC	HERCULES INC	255,974.00	0.16	0.02	0.14
075887109	BDX	BECTON DICKINSON & C	253,737.00	0.16	0.31	-0.15
057224107	BHI	BAKER HUGHES INC	251,294.00	0.16	0.20	-0.04
929160109	VMC	VULCAN MATERIALS CO	244,608.00	0.16	0.07	0.09
950590109	WEN	WENDY'S INTERNATIONA	222,230.00	0.14	0.02	0.12
307000109	FDO	FAMILY DOLLAR STORES	207,340.00	0.13	0.04	0.09
281020107	EIX	EDISON INTERNATIONAL	201,433.00	0.13	0.14	-0.01
023139108	ABK	AMBAC FINANCIAL GROU	172,780.00	0.11	0.14	-0.03
256669102	DG	DOLLAR GENERAL CORP	167,085.00	0.11	0.07	0.04
002896207	ANF	ABERCROMBIE & FITCH	166,496.00	0.11	0.11	0.00
747277101	QLGC	QLOGIC CORP	163,200.00	0.10	0.04	0.06
12541W209	CHRW	CH ROBINSON WORLDWID	162,350.00	0.10	0.14	-0.04
053499109	AV	AVAYA INC	158,254.00	0.10	0.02	0.08
713409100	PBG	PEPSI BOTTLING GROUP	137,127.00	0.09	0.07	0.02
615369105	MCO	MOODY'S CORP	124,120.00	0.08	0.24	-0.16
354613101	BEN	FRANKLIN RESOURCES I	120,830.00	0.08	0.18	-0.10
023135106	AMZN	AMAZON.COM INC	107,433.00	0.07	0.20	-0.13
191216100	KO	COCA-COLA CO/THE	105,600.00	0.07	0.94	-0.87
74251V102	PFJ	PRINCIPAL FINANCIAL	101,779.00	0.06	0.11	-0.05
585055106	MDT	MEDTRONIC INC	98,120.00	0.06	0.92	-0.86
92220P105	VAR	VARIAN MEDICAL SYSTE	95,380.00	0.06	0.10	-0.04
053015103	ADP	AUTOMATIC DATA PROCE	91,960.00	0.06	0.43	-0.37
222372104	CFC	COUNTRYWIDE FINANCIA	80,736.00	0.05	0.32	-0.27
093671105	HRB	H&R BLOCK INC	77,848.00	0.05	0.11	-0.06
443683107	HCBK	HUDSON CITY BANCORP	72,504.00	0.05	0.07	-0.02
235851102	DHR	DANAHER CORP	71,450.00	0.05	0.28	-0.23
91324P102	UNH	UNITEDHEALTH GROUP I	68,861.00	0.04	1.17	-1.13
665859104	NTRS	NORTHERN TRUST CORP	66,154.00	0.04	0.08	-0.04
94973V107	WLP	WELLPOINT INC	64,880.00	0.04	0.32	-0.28
748356102	STR	QUESTAR CORP	62,447.00	0.04	0.12	-0.08
703395103	PDCO	PATTERSON COS INC	56,784.00	0.04	0.08	-0.04
237194105	DRI	DARDEN RESTAURANTS	49,428.00	0.03	0.10	-0.07
696429307	PLL	PALL CORP	49,400.00	0.03	0.04	-0.01
98385X106	XTO	XTO ENERGY INC	49,329.00	0.03	0.33	-0.30
G90078109	RIG	TRANSOCEAN INC	49,020.00	0.03	0.18	-0.15
177376100	CTXS	CITRIX SYSTEMS INC	48,045.00	0.03	0.09	-0.06
847560109	SE	SPECTRA ENERGY CORP	47,286.00	0.03	0.06	-0.03
982526105	WWY	WM WRIGLEY JR CO	45,837.00	0.03	0.18	-0.15
31428X106	FDX	FEDEX CORP	42,972.00	0.03	0.34	-0.31
969457100	WMB	WILLIAMS COS INC	42,690.00	0.03	0.09	-0.06
302182100	ESRX	EXPRESS SCRIPTS INC	40,360.00	0.03	0.18	-0.15
21036P108	STZ	CONSTELLATION BRANDS	33,888.00	0.02	0.04	-0.02
413619107	HET	HARRAH'S ENTERTAINME	33,780.00	0.02	0.17	-0.15
26874Q100	ESV	ENSCO INTERNATIONAL	32,640.00	0.02	0.07	-0.05

87161C105	SNV	SYNOVUS FINANCIAL CO	32,340.00	0.02	0.09	-0.07
037604105	APOL	APOLLO GROUP INC	30,730.00	0.02	0.10	-0.08
539320101	LIZ	LIZ CLAIBORNE INC	29,995.00	0.02	0.07	-0.05
449934108	RX	IMS HEALTH INC	29,660.00	0.02	0.09	-0.07
857477103	STT	STATE STREET CORP	25,900.00	0.02	0.19	-0.17
524908100	LEH	LEHMAN BROTHERS HOLD	21,021.00	0.01	0.21	-0.20
00724F101	ADBE	ADOBE SYSTEMS INC	20,850.00	0.01	0.40	-0.39
G95089101	WFT	WEATHERFORD INTERNAT	18,040.00	0.01	0.15	-0.14
14149Y108	CAH	CARDINAL HEALTH INC	14,590.00	0.01	0.48	-0.47
62886E108	NCR	NCR CORP	9,554.00	0.01	0.07	-0.06
<b>TOTAL</b>			<b>99.91</b>	<b>70.08</b>	<b>29.83</b>	



ARONSON + JOHNSON + ORTIZ

230 SOUTH BROAD STREET  
TWENTIETH FLOOR  
PHILADELPHIA, PA 19102

215/546-7500  
215/546-7506 FAX  
ajopartners.com

April 10, 2007



Mr. Tony Ferrara  
Wurts & Associates Inc.  
2321 Rosecrans Avenue  
Suite 2250  
El Segundo, California 90245

Re: FRESNO COMPLIANCE

Dear Tony:

We're pleased to certify:

**The portfolio managed for the Fresno County Employees' Retirement Association remained in compliance with all investment guidelines from January 1, 2007, to March 31, 2007.**

We welcome your questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Dietrick', with a stylized flourish at the end.

Joseph F. Dietrick  
dietrick@ajopartners.com

eja (FX)

cc: Roberto L. Peña



**Fresno County Employees Retirement Association  
Investment Guidelines Certification Statement**

**Certification of Investment Manager**

To the best of our knowledge, the undersigned investment manager certifies that its investment decisions have stayed within the restrictions outlined in accordance with the provisions of the Board's Investments Policy Statement and Investment Guidelines agreed upon on May 27, 2004.

Signature: \_\_\_\_\_

*Nancy Romito*

By: Nancy Romito

Title: Client Services Director

Firm: Kalmar Investments Inc.

Date: April 9, 2007

Reporting Period: First Quarter 2007

# WARBURG PINCUS

Warburg Pincus LLC  
466 Lexington Avenue  
New York, NY 10017-3147

212-878-0600 tel  
212-878-9351 fax

www.warburgpincus.com

June 11, 2007

Mr. Anthony Ferrara  
Wurts & Associates  
2321 Rosecrans Avenue  
Suite 2250  
El Segundo, CA 90245

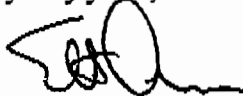
**Re: Warburg Pincus – Fresno County Employees Retirement Association**

Dear Mr. Ferrara:

In response to your request in connection with the investment by Board of Trustees of the Fresno County Employees Retirement Association in Warburg Pincus Private Equity VIII, L.P. and Warburg Pincus Equity Partners, L.P., we confirm that each fund was in compliance in all material respects with the terms of its respective partnership agreement and governing documents from **January 1, 2007 through March 30, 2007.**

If you have any questions regarding the above matter, please do not hesitate to contact me.

Very truly yours,



Scott A. Arenare  
Managing Director and General Counsel

SAA:js

cc: Mr. Roberto Peña  
Fresno County Employees Retirement Association

New York  
Menlo Park  
London  
Frankfurt  
Hong Kong  
Beijing  
Shanghai  
Tokyo  
Mumbai



BCI Partners, Inc.  
411 Hackensack Avenue  
Hackensack, NJ 07601

Telephone 201.342.5001  
Facsimile 201.342.5002

June 12, 2007

Mr. Tony Ferrara  
Wurts & Associates  
2321 Rosecrans, Suite 2250  
El Segundo, CA 90245

Dear Tony:

We certify that we are in compliance with the investment guidelines as stated in the BCI Growth V, L.P. Limited Partnership Agreement dated December 18, 1998, for the period January 1, 2007 and ending March 31, 2007.

Sincerely,

A handwritten signature in black ink, appearing to be "J. Barton Goodwin", written over a horizontal line.

J. Barton Goodwin  
General Partner

cc: Roberto Pena

## Domestic Equity 1

### Domestic Equity Accounts 3/31/2007

<b>Aronson + Johnson + Ortiz</b>	
Guideline	In Compliance
No single equity position > 5% of company's total market cap	Yes
≤ 7% per issue at <b>market</b>	Yes
All commercial paper obligations to have min. rtgs. of P-2 (Moody's) or A-2 (S&P's)	Yes
Weighted average market cap should not fall below \$5B	Yes
No derivatives, non-AD foreign stocks without consent of Association	Yes

<b>Artisan Partners Limited Partnership</b>	
Guideline	In Compliance
No single equity position > 5% of that company's total market cap	Yes
≤ 7% per issue at <b>market</b>	Yes
Initial position mkt caps shall be between \$100M and \$2B	Yes
No derivatives, non-ADR foreign stocks, non-U.S. jurisdictional	Yes

<b>Brandywine Asset Management</b>	
Guideline	In Compliance
No single equity position > 5% of company's total market cap	Yes
≤ 5% per issue at <b>market</b>	Yes
All commercial paper obligations to have min. rtgs. of P-2 (Moody's) or A-2 (S&P's)	Yes
Weighted average market cap should be +/-30% of Russell 2000 Value Index w/o notification	Yes
No derivatives, non-ADR foreign stocks without consent of Association	Yes

<b>Kalmar Investments Inc.</b>	
Guideline	In Compliance
No single equity position > 5% of that company's total market cap	Yes
≤ 8% per issue at <b>market</b>	Yes
All commercial paper obligations to have min. rtgs. of P-2 (Moody's) or A-2 (S&P's)	Yes
Initial position caps shall be between \$100M and \$2B	Yes <sup>1</sup>
No derivatives, non-ADR foreign stocks, non-U.S. jurisdictional	Yes

<sup>1</sup>Kalmar Investments deviated from its market capitalization range stated in the guidelines. The guidelines state that: "The Manager uses a blend of smaller companies ranging in market capitalization for the portfolio from **approximately** \$100 million to \$2 billion at the initiation of the position." Kalmar purchased four securities (out of ninety-two holdings), which at the time of initial purchase had a market capitalization of \$2.40 billion

## Domestic Equity 2

### Domestic Equity Accounts 3/31/2007

<b>Enhanced Investment Technologies (INTECH)</b>	
Guideline	In Compliance
No single equity position > 5% of that company's total market cap	Yes
Weight of any holding shall not exceed benchmark holding by more than 2.5%	Yes
All commercial paper obligations to have min. rtgs. of P-2 (Moody's) or A-2 (S&P's)	Yes
Weighted average market cap should not fall below \$10B	Yes
No derivatives, non-ADR foreign stocks without consent of Association	Yes

<b>TCW Asset Management Company</b>	
Guideline	In Compliance
No single equity position > 5% of that company's total market cap	Yes
≤ 10% per issue at <b>market</b>	Yes
All commercial paper obligations to have min. rtgs. of P-2 (Moody's) or A-2 (S&P's)	Yes
Minimum cap of each security must be \$3B at time of purchase. Free receives excluded.	Yes
No derivatives, non-ADR foreign stocks without consent of Association	Yes

<b>Wellington Capital Management</b>	
Guideline	In Compliance
No single equity position > 5% of company's total market cap	Yes
≤ 7% per issue at <b>market</b>	Yes
All commercial paper obligations to have min. rtgs. of P-2 (Moody's) or A-2 (S&P's)	Yes
Weighted average market cap should not fall below \$5B	Yes
No derivatives, non-ADR foreign stocks without consent of Association	Yes

<b>State Street Global Advisors</b>	
Guideline	In Compliance
The investment policies of State Street shall be governed by the State Street's Fund Declaration.	Yes*

\*The Association's investment in State Street is made through a commingled vehicle. Therefore, the Association's investment guidelines do not govern the investment processes of the fund.

## International Equity

### International Equity Accounts 3/31/2007

<b>Oechsle International</b>	
Guideline	In Compliance
No single equity position > 5% of company's total market cap	Yes
≤ 5% per issue at <b>market</b>	Yes
All commercial paper obligations to have min. rtgs. of P-2 (Moody's) or A-2 (S&P's)	Yes
Weighted average market cap should not fall below \$1B	Yes
No derivatives without consent of Association	Yes

<b>Franklin Templeton</b>	
Guideline	In Compliance
No single equity position > 5% of company's total market cap	Yes
≤ 5% per issue at <b>market</b>	Yes
All commercial paper obligations to have min. rtgs. of P-2 (Moody's) or A-2 (S&P's)	Yes
Weighted average market cap should not fall below \$1B	Yes
No derivatives without consent of Association	Yes

<b>Mondrian Investment Partners Limited</b>	
Guideline	In Compliance
The investment policies of Mondrian shall be governed by the Mondrian Emerging Markets Equity Fund, L.P.'s Offering Memorandum.	Yes*

\*The Association's investment in Mondrian is made through a commingled vehicle. Therefore, the Association's investment guidelines do not govern the investment processes of the fund.

## Domestic Fixed Income

### Domestic Fixed Income Accounts

3/31/2007

<b>BlackRock, Inc.</b>	
Guideline	In Compliance
80% of portfolio to be comprised of investment grade (BBB or higher)	Yes
≤ 5% per issue at <b>market</b> except U.S. Govt. Bonds	Yes
Duration shall not exceed Lehman aggregate Bond Index by +/- 30%	Yes
All commercial paper obligations to have min. rtgs. of P-2 (Moody's) or A-2 (S&P's)	Yes
Use of derivatives to be disclosed quarterly to Association. No derivatives outside of benchmark duration	Yes
No use of stock options, margins, letter stocks, emer. mkt. securities, Z-Bonds, etc.	Yes

<b>Loomis Sayles</b>	
Guideline	In Compliance
80% of portfolio to be comprised of investment grade (BBB or higher) (inform Board)	Yes
≤ 5% per issue at <b>market</b> except U.S. Govt. Bonds	Yes
Duration shall not exceed Lehman aggregate Bond Index by more than 30%	Yes
All commercial paper obligations to have min. rtgs. of P-2 (Moody's) or A-2 (S&P's)	Yes
Use of derivatives to be disclosed quarterly to Association. No derivatives outside of benchmark duration	Yes
No use of stock options, margins, letter stocks, emer. mkt. securities, Z-Bonds, etc.	Yes

<b>Bradford Marzec</b>	
Guideline	In Compliance
80% of portfolio to be comprised of investment grade (BBB or higher)	Yes
≤ 5% per issue at <b>market</b> except U.S. Govt. Bonds	Yes
Duration shall not exceed Lehman aggregate Bond Index by more than 30%	Yes
All commercial paper obligations to have min. rtgs. of P-2 (Moody's) or A-2 (S&P's)	Yes
Use of derivatives to be disclosed quarterly to Association. No derivatives outside of benchmark duration	Yes
No use of stock options, margins, letter stocks, emer. mkt. securities, Z-Bonds, etc.	Yes



## Domestic Fixed Income 2

### Domestic Fixed Income Accounts

3/31/2007

<b>Western Asset Management Company</b>	
<b>Guideline</b>	<b>In Compliance</b>
80% of portfolio to be comprised of securities rated BBB- or higher	Yes
≤ 5% per issue at <b>market</b> except U.S. Govt. Bonds	Yes
Duration shall not exceed Lehman aggregate Bond Index by more than 30%	Yes
All commercial paper obligations to have min. rtgs. of P-2 (Moody's) or A-2 (S&P's)	Yes
No use of stock options, margins, letter stocks, emer. mkt. securities, Z-Bonds, etc.	Yes