

Fresno County Employees' Retirement Association  
Investment Performance Review  
Period Ending: September 30, 2006

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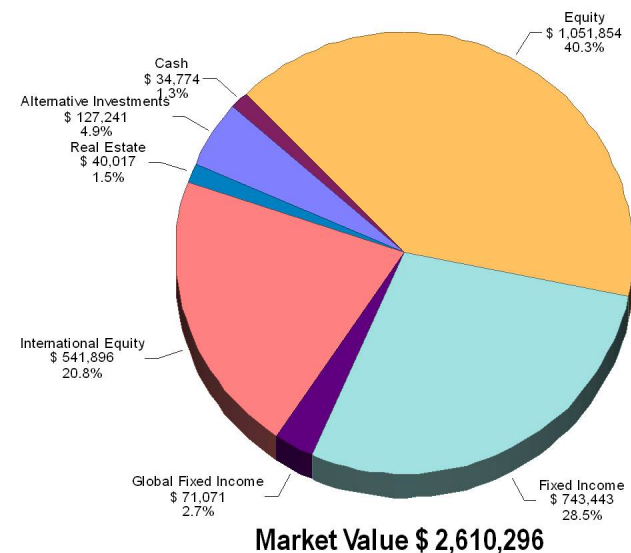
# Fresno County Employees' Retirement Association

## Executive Summary

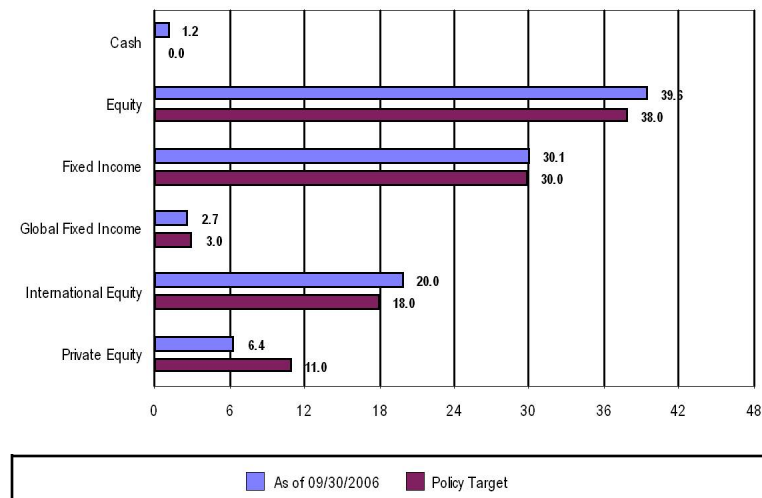
Period Ending: September 30, 2006

	Quarter Return	Quarter Rnk	YTD Return	YTD Rnk	One Year Return	One Year Rnk	Three Years Return	Three Years Rnk	Five Years Return	Five Years Rnk
<b>Total</b>										
Total Segment Return										
TOTAL FUND	3.8	49	8.0	32	10.5	35	13.4	18	9.9	27
TOTAL FUND - NET	3.7	54	7.7	42	10.1	44	13.0	24	9.5	36
Policy Index										
POLICY INDEX	4.3	18	7.9	35	10.0	45	11.9	47	9.0	49
<b>Domestic Equity</b>										
Equity Segment Return										
TOTAL U.S. EQUITY	3.3	49	5.7	60	7.8	63	14.4	50	9.9	53
RUSSELL 3000 INDEX	4.7		8.0		10.2		13.0		8.1	
<b>International Equity</b>										
International Equity Segment Return										
TOTAL FOREIGN EQUITY	4.5	43	13.5	63	18.2	76	19.9	88	12.6	91
MSCI ACWI ex U.S. GROSS	4.0		14.3		19.4		23.9		16.4	
MSCI EAFE INDEX	4.0		14.9		19.6		22.8		14.7	
MSCI EMER MKTS FREE	5.0		12.7		20.8		31.0		28.9	
<b>Domestic Fixed Income</b>										
Fixed Income Segment Return										
TOTAL U.S. FIXED	3.8	39	3.5	40	4.2	40	3.9	49	4.5	77
LB AGGREGATE INDEX	3.8		3.1		3.7		3.4		4.8	
<b>Global Fixed Income</b>										
Global Fixed Income Segment Return										
TOTAL GLOBAL FIXED	1.4	65	5.0	31	3.6	43	6.1	17	8.7	45
JPM GLOBAL GBI T/U	1.6		6.1		4.1		4.7		7.6	
<b>Real Estate</b>										
Real Estate Segment Return										
TOTAL REALTY	4.9	30	25.6	16	36.2	11	21.3	36	17.0	29
NCREIF CLASSIC PROP.	3.5		11.6		17.2		16.0		11.6	
NCREIF PROPERTY INDEX	3.5		11.6		17.6		16.4		12.4	
<b>Alternative Investments</b>										
Alternative Investments Segment Return										
TOTAL ALT. INV	3.4		8.0		14.6		19.3		10.5	
S & P 500 + 4.47%	6.8		12.0		15.6		17.2		11.7	
<b>Cash</b>										
Cash Segment Return										
TOTAL CASH	1.1	78	3.5	54	4.4	56	2.7	50	2.2	61
91-DAY T-BILLS	1.3		3.5		4.5		2.7		2.3	

### Asset Allocation By Style - (000's)



### Asset Allocation vs Policy As of 09/30/2006



# Fresno County Employees' Retirement Association

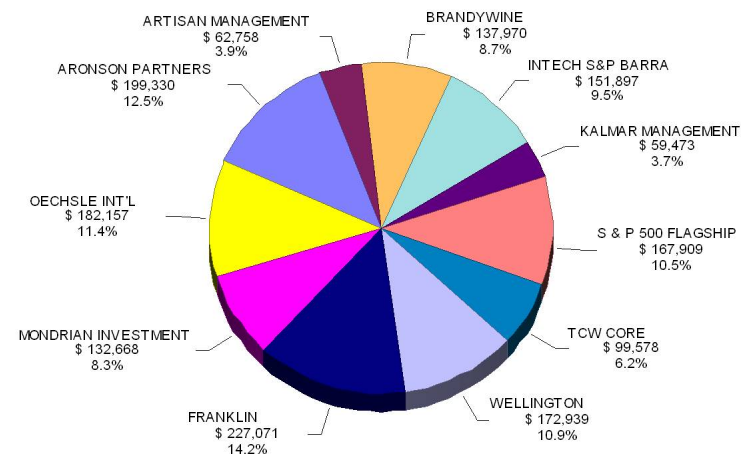
## Executive Summary (Domestic Equity & Intl Equity)

Period Ending: September 30, 2006

	Quarter Return Rnk	YTD Return Rnk	One Year Return Rnk	Three Years Return Rnk	Five Years Return Rnk	Inception to Date
<b>Domestic Equity</b>						
Equity Large Cap						
S & P 500 FLAGSHIP	5.7 25	8.5 44	10.8 49			9.2
S & P 500 INDEX	5.7	8.5	10.8	12.3	7.0	9.0
Equity Large Cap Growth						
INTECH S&P BARRA	5.1 12	4.0 24	7.8 24			7.9
S & P GROWTH INDEX	6.1	5.8	7.4	8.5	4.8	5.7
TCW CORE	-1.7 96	-8.3 95	-2.9 95			1.1
RUSSELL 1000 GROWTH	3.9	3.0	6.1	8.4	4.4	5.2
Equity Large Cap Value						
ARONSON PARTNERS	4.7 76	10.7 62	12.5 69	18.0 37	13.9 15	14.6
RUSSELL 1000 VALUE	6.2	13.2	14.6	17.2	10.7	11.4
WELLINGTON	4.4 81	9.1 80	9.9 87	17.1 53	10.5 53	8.2
RUSSELL 1000 VALUE	6.2	13.2	14.6	17.2	10.7	8.0
Equity Small Cap Growth						
ARTISAN MANAGEMENT	-1.2 48	1.6 79	1.7 82			7.7
RUSSELL 2000 GROWTH	-1.7	4.2	5.9	11.8	10.1	6.6
KALMAR MANAGEMENT	0.5 24	3.0 72	4.6 69			13.2
RUSSELL 2000 GROWTH	-1.7	4.2	5.9	11.8	10.1	6.6
Equity Small Cap Value						
BRANDYWINE	2.3 24	7.9 55	8.0 59	17.3 72	18.0 49	14.0
RUSSELL 2000 VALUE	2.6	13.3	14.0	19.0	17.0	13.3

<b>International Equity</b>						
Emerging Markets Equity						
MONDRIAN INVESTMENT	4.7 66	8.8 90				14.8
MSCI EMER MKTS FREE	5.0	12.7	20.8	31.0	28.9	19.4
International Equity						
FRANKLIN	5.0 30	16.9 20	19.9 52	20.6 81	14.0 82	9.3
MSCI EAFE INDEX	4.0	14.9	19.6	22.8	14.7	7.1
OECHSLE INT'L	3.9 68	13.0 69				19.6
MSCI EAFE INDEX	4.0	14.9	19.6	22.8	14.7	20.3

### Asset Allocation By Account - (000's)



Market Value \$ 1,593,750

# Fresno County Employees' Retirement Association

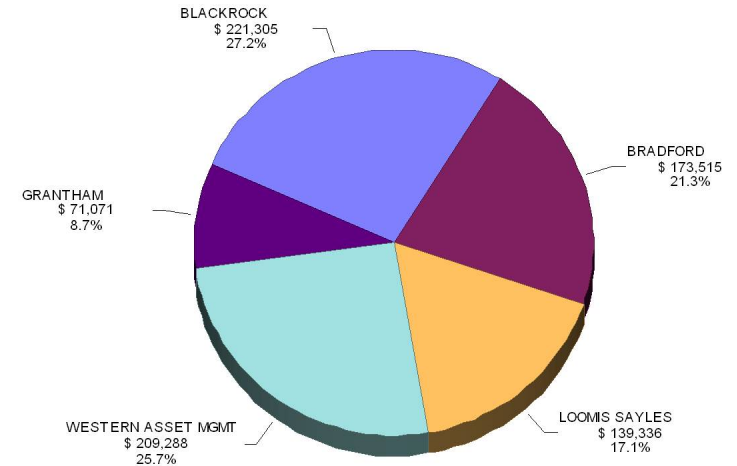
## Executive Summary (Domestic & Global Fixed Income)

Period Ending: September 30, 2006

	Quarter Return Rnk	YTD Return Rnk	One Year Return Rnk	Three Years Return Rnk	Five Years Return Rnk	Inception to Date
<b>Domestic Fixed Income</b>						
Fixed Income						
BLACKROCK	3.4 61	3.3 58	4.0 53			4.7
LB AGGREGATE INDEX	3.8	3.1	3.7	3.4	4.8	4.3
BRADFORD	3.9 30	3.4 50	4.1 47	4.2 39	5.0 64	6.9
LB AGGREGATE INDEX	3.8	3.1	3.7	3.4	4.8	6.4
LOOMIS SAYLES	4.0 24	3.7 30	4.5 28	4.2 35	4.1 83	4.0
LB AGGREGATE INDEX	3.8	3.1	3.7	3.4	4.8	5.1
WESTERN ASSET MGMT	4.0 21	4.0 13	4.5 16			3.9
LB AGGREGATE INDEX	3.8	3.1	3.7	3.4	4.8	2.6

<b>Global Fixed Income</b>						
Global Fixed Income						
GRANTHAM	1.4 65	7.9 1	6.4 4	7.1 5	9.3 41	6.7
JPM GLOBAL GBI T/U	1.6	6.1	4.1	4.7	7.6	5.5

Asset Allocation By Account - (000's)



Market Value \$ 814,514

Inception dates: BlackRock - June 04, Boston Partners - Dec 97, Bradford - May 96, Loomis Sayles - July 01, Grantham - May 99, Western Asset Management - May 05. Inception returns for benchmarks were calculated to the nearest full month. Return greater than 1 year is annualized.

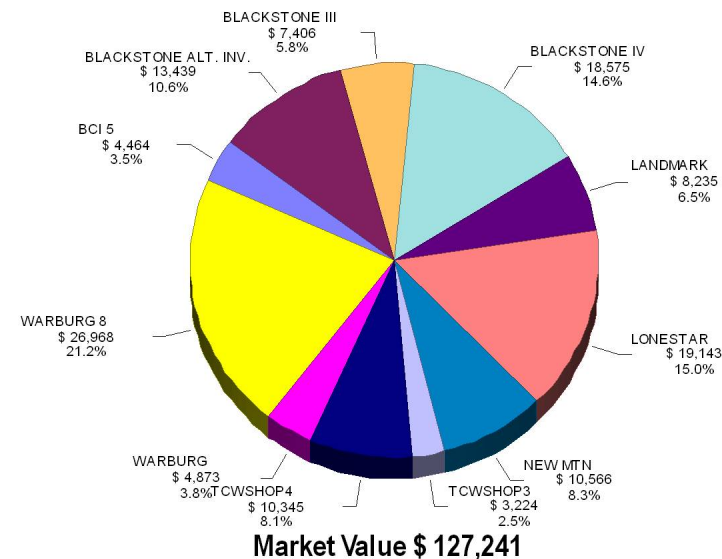
# Fresno County Employees' Retirement Association

## Executive Summary (Alt. Investment)

Period Ending: September 30, 2006

Alternative Investments	Quarter	YTD	One Year	Three Years	Five Years
	Return Rnk	Return Rnk	Return Rnk	Return Rnk	Return Rnk
Alternative Investments					
Alternative Investments					
BCI 5	-0.3	-8.0	-7.9	2.9	-10.1
BLACKSTONE ALT. INV.	0.0	5.6	7.5	7.2	
BLACKSTONE III	-5.9	-3.6	-9.6	6.1	2.3
BLACKSTONE IV	4.9	9.7	17.0		
LANDMARK	7.4	18.8	37.6	22.7	8.0
LONESTAR	10.3	-2.2	21.0	37.2	
NEW MTN	-3.1	10.4	17.1	25.0	31.1
TCWSHOP3	2.4	2.4	1.3	6.4	1.5
TCWSHOP4	0.3	3.7	-0.4	4.5	
WARBURG	-0.1	26.0	23.3	31.6	20.5
WARBURG 8	7.0	22.8	28.9	16.4	10.6
Index Returns					
S & P 500 + 4.47%	6.8	12.0	15.6	17.2	11.7

Asset Allocation By Account - (000's)



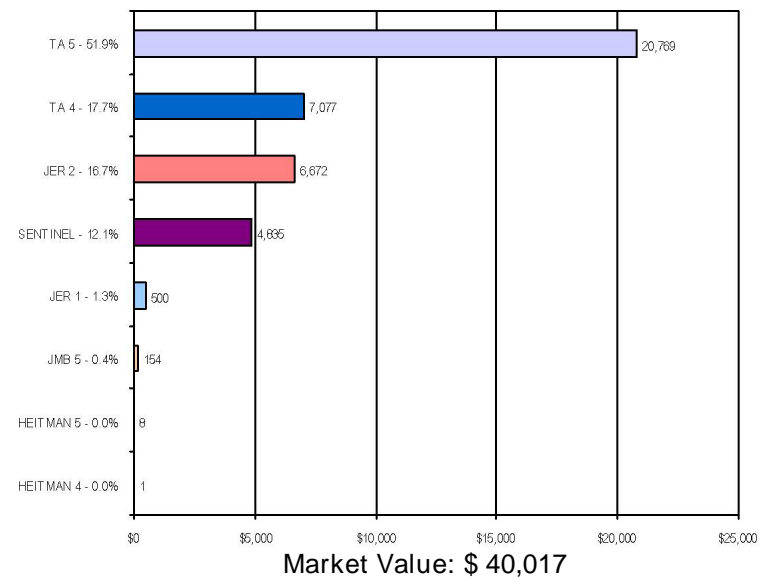
# Fresno County Employees' Retirement Association

## Executive Summary (Real Estate)

Period Ending: September 30, 2006

	Quarter Return Rnk	YTD Return Rnk	One Year Return Rnk	Three Years Return Rnk	Five Years Return Rnk
<b>Real Estate</b>					
Real Estate					
HEITMAN 4	2.2 58	7.5 73	8.2 80	3.4 88	8.0 70
HEITMAN 5	-11.1 99	-3.1 94	-3.1 93	14.9 59	20.3 22
JER 1	15.0 5	17.5 24	17.5 44	16.7 51	15.1 38
JER 2	13.1 6	51.7 2	86.5 1	30.8 14	20.0 22
JMB 5	0.0 77	1.0 87	13.3 68	30.9 14	21.0 21
SENTINEL	2.2 58	7.2 75	14.4 61	13.6 65	11.1 56
TA 4	4.1 39	22.9 19	31.0 16	19.7 41	14.1 42
TA 5	2.9 52	22.2 19	28.0 19	16.1 54	17.8 25
<b>Index Returns</b>					
NCREIF CLASSIC PROP.	3.5	11.6	17.2	16.0	11.6
NCREIF PROPERTY INDEX	3.5	11.6	17.6	16.4	12.4

Asset Allocation By Account - (000's)



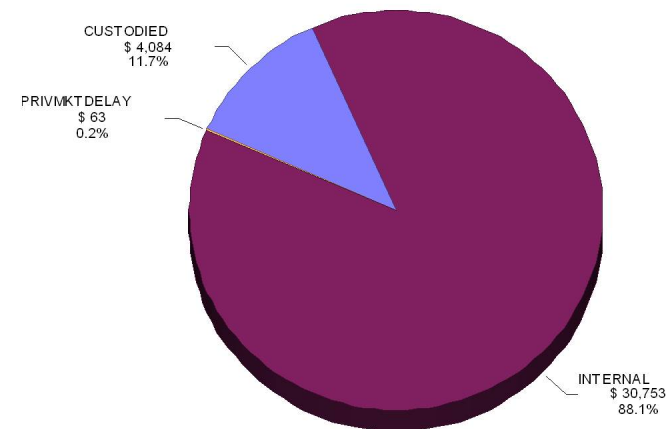
# Fresno County Employees' Retirement Association

## Executive Summary (Cash)

Period Ending: September 30, 2006

Cash	Quarter		YTD		One Year		Three Years		Five Years	
	Return	Rnk	Return	Rnk	Return	Rnk	Return	Rnk	Return	Rnk
<b>Cash &amp; Equivalents</b>										
CUSTODIED	1.1	78	3.7	29	4.5	47	2.8	46	2.3	57
INTERNAL	0.0	98	0.2	99	0.8	99	1.3	98	1.5	94
PRIVMKTDELAY										
<b>Index Returns</b>										
91-DAY T-BILLS	1.3		3.5		4.5		2.7		2.3	

Asset Allocation By Account - (000's)



Market Value \$ 34,774

# Fresno County Employees' Retirement Association

## Alternative Investments

Period Ending: September 30, 2006

Inception Date	Alternative Investment - Illiquid	Total Commitment (000's)	Capital Called (000's)	Capital Returned (000's)	Data as of September 30, 2006					
					Market Values (000's)	One Quarter Return	One Year Return	Three Years Return	Five Years Return	(IRR) Since Inception
05/15/99	BCI Growth V, L.P.*	\$20,000	\$18,949	\$4,824	\$4,465	-0.4	-7.9	2.9	-10.1	-13.6%
12/12/01	Lone Star Fund IV	\$20,000	\$19,045	\$22,202	\$19,143	10.4	21.0	37.2	N/A	NA
05/29/98	TCW Shop III	\$15,000	\$15,000	\$13,178	\$3,224	2.4	1.3	6.4	1.5	1.8%
02/27/02	TCW Shop IV	\$15,000	\$18,985	\$10,710	\$10,345	0.3	-0.4	4.5	N/A	7.2%
08/31/01	WP Private Equity VIII, L.P.	\$25,000	\$25,000	\$8,894	\$26,968	7.0	28.9	16.4	10.6	15.2%
06/26/98	WP Equity Partners, L.P.	\$20,000	\$20,000	\$27,391	\$4,873	-0.1	23.3	31.6	20.5	10.2%
12/01/01	Blackstone Alternative Asset **	\$10,000	\$10,000	\$0	\$13,439	0.6	11.4	7.6	NA	6.7%
					Data as of June 30, 2006					
06/27/97	Blackstone III	\$15,000	\$15,375	\$11,132	\$7,406	-5.9	-9.6	6.1	2.3	17.3%
11/11/02	Blackstone IV	\$20,000	\$18,178	\$9,362	\$18,575	4.9	17.0	NA	NA	75.6%
06/23/00	Landmark Equity X, L.P.	\$20,000	\$18,466	\$12,126	\$8,235	7.4	37.6	22.7	8.0	4.9%
12/22/99	New Mountain Partners, L.P.	\$20,000	\$18,269	\$13,461	\$10,566	-3.1	17.1	25.0	31.1	NA

**Total Alt. Investment - Illiquid**      \$200,000      \$197,267      \$133,280      **\$127,239**

**Total Alternative Investment**

**\$127,239**

**% of Total Fund (Market Value)**

**4.9%**



# Fresno County Employees' Retirement Association

Real Estate

Period Ending: September 30, 2006

Inception Date	Real Estate	Contributions (000's)	Distributions (000's)	Data as of September 30, 2006					
				Market Values (000's)	One Quarter Return	One Year Return	Three Years Return	Five Years Return	(IRR) Since Inception
01/24/89	Heitman RE IV	\$2,500	\$3,287	\$1	2.2	8.2	3.4	8.0	NA
12/02/91	Heitman RE V	\$10,000	\$18,507	\$8	-11.1	-3.1	14.9	20.3	NA
04/12/89	JMB V*	\$10,000	\$17,681	\$154	0.5	14.5	35.8	21.5	NA
06/06/86	Sentinel	\$7,500	\$2,352	\$4,835	2.2	14.4	13.6	11.1	2.2%
				Data as of June 30, 2006					
02/28/97	TA Realty IV	\$20,000	\$34,716	\$7,078	4.1	31.0	19.7	14.1	NA
04/15/99	TA Realty V	\$20,000	\$14,905	\$20,769	2.9	28.0	16.1	17.8	NA
09/15/97	JER I	\$11,611	\$7,894	\$500	15.0	17.5	16.7	15.2	13.8%
05/27/99	JER II	\$20,698	\$12,867	\$6,672	13.1	86.5	30.8	20.1	10.6%
<b>Total Real Estate</b>		\$102,309	\$112,209	\$40,017					

**Total Real Estate**

**\$40,017**

**% of Total Fund (Market Value)**

**1.53%**

\*All data is as of 6/30/2006.