

Asset Allocation

Sacramento County Employees Retirement System

Asset Summary
As of September 30, 2005

	<u>Total Market Value</u>	<u>% of Total Fund</u>		<u>% of Asset Class</u>	
Total Fund	\$ 4,945.2	100.0	%	100.0	%
Domestic Equity	1,731.4	35.0		100.0	
All Cap Index					
Alliance Capital Mgmt L.P. Passive	981.4	19.8		56.7	
Large Cap Growth					
Independence Inv. LLC	232.1	4.7		13.4	
Large Cap Value	250.3	5.1		14.5	
Trinity Investment Management	82.3	1.7		4.8	
LSV Asset Management Large Cap Value	86.5	1.7		5.0	
Pzena Investment Management	81.4	1.6		4.7	
Small Cap Growth	135.1	2.7		7.8	
Bank of New York	62.0	1.3		3.6	
M.A. Weatherbie & Co., Inc.	73.2	1.5		4.2	
Small Cap Value	132.4	2.7		7.6	
Dalton Greiner Hartman Maher	69.5	1.4		4.0	
TCW Group	63.0	1.3		3.6	
International Equity	1,053.4	21.3		100.0	
INVESCO Global	238.2	4.8		22.6	
Capital Guardian Trust Company International Equity	259.4	5.2		24.6	
LSV Asset Management International Equity	239.3	4.8		22.7	
AXA Rosenberg Inv. Mgmt. LLC	56.7	1.1		5.4	
Capital Guardian Trust Company Emerging Markets Growth	259.8	5.3		24.7	
Fixed Income	1,231.5	24.9		100.0	
Lehman Brothers Asset Mgmt Passive	376.0	7.6		30.5	
Metropolitan West Asset Mgmt	370.8	7.5		30.1	
Bradford & Marzec, Inc.	372.8	7.5		30.3	
Bradford & Marzec, Inc. (temporary portfolio)	111.8	2.3		9.1	

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

Sacramento County Employees Retirement System

Asset Summary
As of September 30, 2005

	<u>Total Market Value</u>	<u>% of Total Fund</u>		<u>% of Asset Class</u>	
Hedge Fund	\$ 227.7	4.6	%	100.0	%
Blackstone Alternative Asset	118.5	2.4		52.0	
Grosvenor Capital Mgmt.	109.2	2.2		48.0	
Total Real Estate	609.6	12.3		100.0	
Separate Account Portfolios	538.4	10.9		88.3	
BlackRock Realty Unleveraged	344.0	7.0		56.4	
BlackRock Realty Portfolio II Unleveraged	101.0	2.0		16.6	
Cornerstone Real Est Adv Unleveraged	93.4	1.9		15.3	
Ltd. Partnerships	71.2	1.4		11.7	
Cornerstone Real Est Adv Open-end Fund Unleveraged	70.1	1.4		11.5	
Heitman Capital Mgmt Corp V	0.2	0.0		0.0	
JMB Group V	0.9	0.0		0.2	
Cash					
Total Cash	91.7	1.9		100.0	

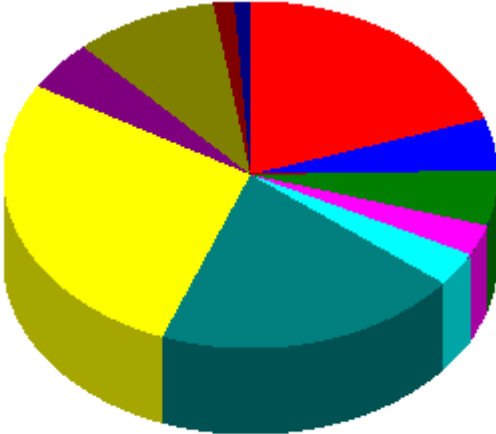
All dollars in millions, numbers may not add due to rounding

Sacramento County Employees Retirement System

Asset Allocation
As of September 30, 2005

Prior Asset Allocation - June 30, 2005

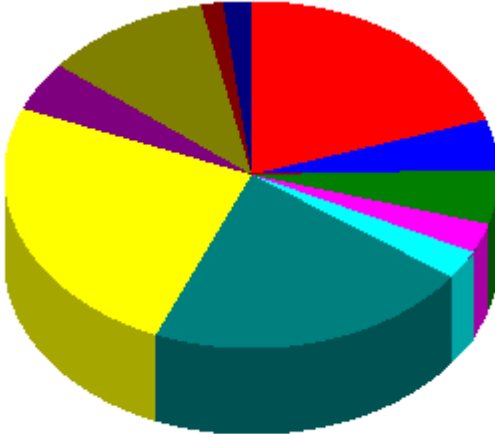
■ All Cap Index	19.8 %
■ Large Cap Growth	4.8 %
■ Large Cap Value	5.1 %
■ Small Cap Growth	2.8 %
■ Small Cap Value	3.2 %
■ International Equity	20.0 %
■ Fixed Income	27.7 %
■ Hedge Fund	4.7 %
■ Separate Account Portfolios	9.4 %
■ Ltd. Partnerships	1.4 %
■ Cash	1.0 %



**Total Market Value
\$ 4,696,865,091**

Current Asset Allocation - September 30, 2005

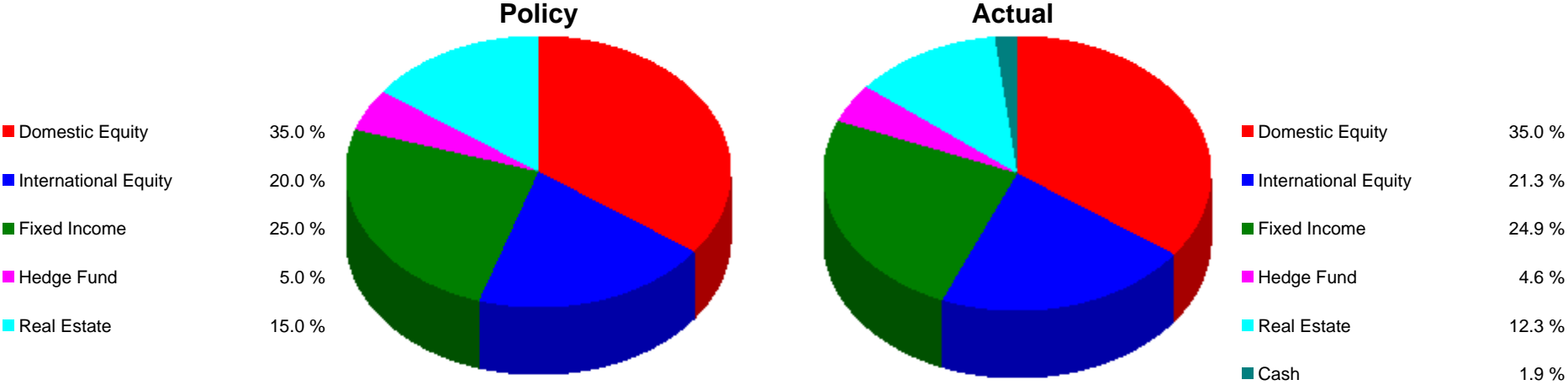
■ All Cap Index	19.8 %
■ Large Cap Growth	4.7 %
■ Large Cap Value	5.1 %
■ Small Cap Growth	2.7 %
■ Small Cap Value	2.7 %
■ International Equity	21.3 %
■ Fixed Income	24.9 %
■ Hedge Fund	4.6 %
■ Separate Account Portfolios	10.9 %
■ Ltd. Partnerships	1.4 %
■ Cash	1.9 %



**Total Market Value
\$ 4,945,225,941**

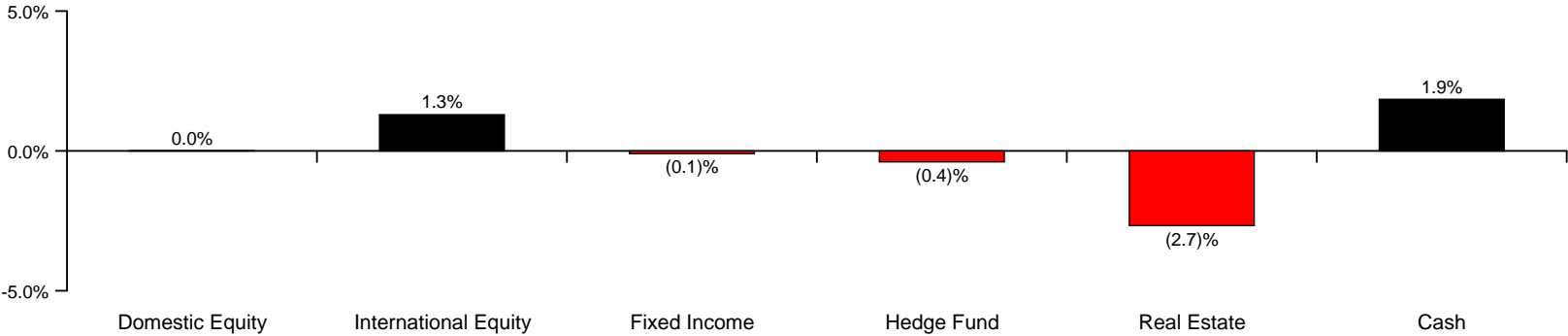
Sacramento County Employees Retirement System

Asset Allocation
As of September 30, 2005



**Total Market Value
\$ 4,945,225,941**

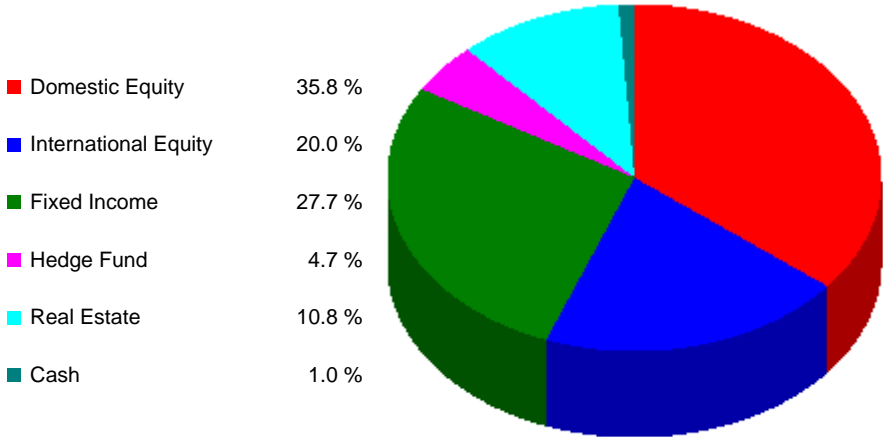
Asset Allocation vs. Policy



Numbers may not add due to rounding

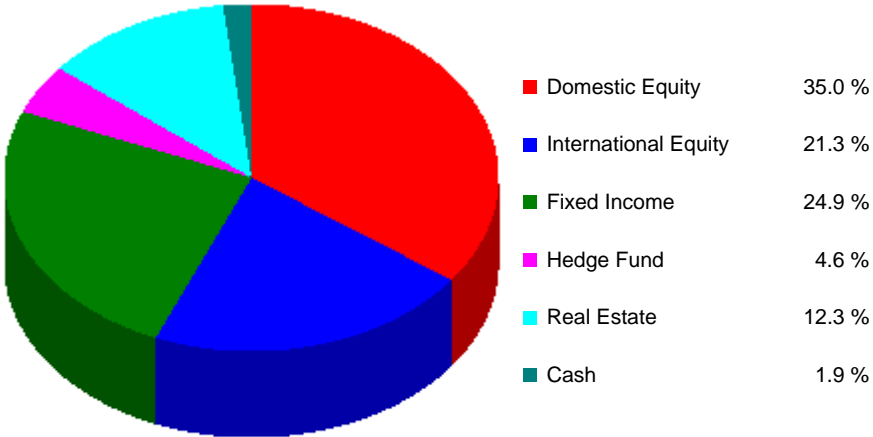
Sacramento County Employees Retirement System
 Asset Allocation
 As of September 30, 2005

Prior Asset Allocation - June 30, 2005



**Total Market Value
 \$ 4,696,865,091**

Current Asset Allocation - September 30, 2005



**Total Market Value
 \$ 4,945,225,941**

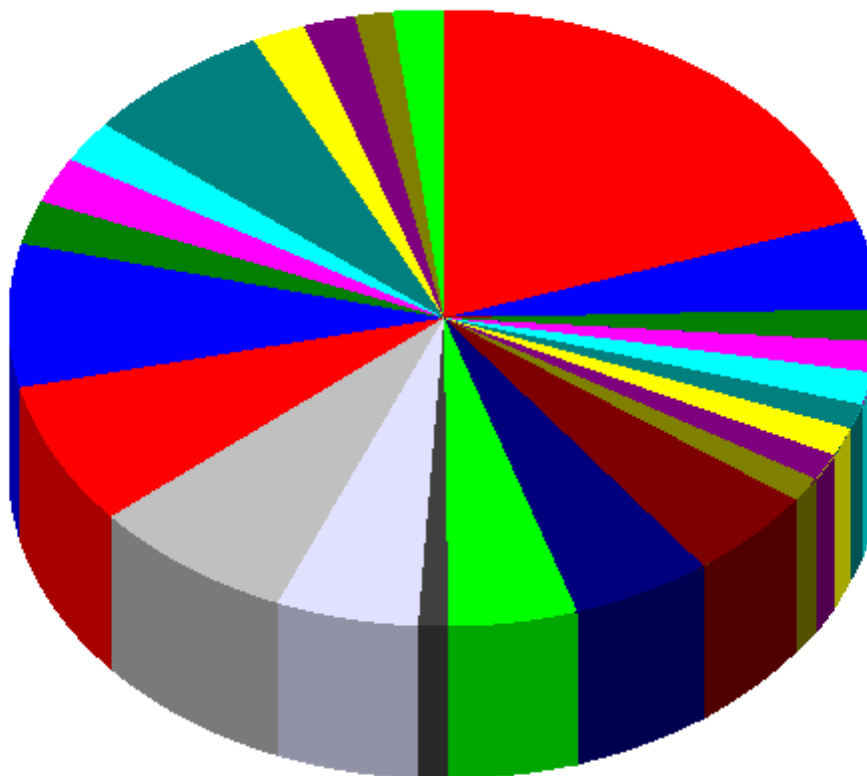
Sacramento County Employees Retirement System

Asset Allocation
As of September 30, 2005

Actual

■ Alliance Capital Mgmt L.P. Passive	19.8%
■ Independence Inv. LLC	4.7%
■ LSV Asset Management Large Cap Value	1.7%
■ Pzena Investment Management	1.6%
■ Trinity Investment Management	1.7%
■ Bank of New York	1.3%
■ M.A. Weatherbie & Co., Inc.	1.5%
■ Dalton Greiner Hartman Maher	1.4%
■ TCW Group	1.3%
■ INVESCO Global	4.8%
■ Capital Guardian Trust Company International Equity	5.2%
■ LSV Asset Management International Equity	4.8%
■ AXA Rosenberg Inv. Mgmt. LLC	1.1%
■ Capital Guardian Trust Company Emerging Markets Growth	5.3%
■ Lehman Brothers Asset Mgmt Passive	7.6%
■ Metropolitan West Asset Mgmt	7.5%
■ Bradford & Marzec, Inc.	7.5%
■ Bradford & Marzec, Inc. (temporary portfolio)	2.3%
■ Blackstone Alternative Asset	2.4%

■ Grosvenor Capital Mgmt.	2.2%
■ BlackRock Realty Unleveraged	7.0%
■ BlackRock Realty Portfolio II Unleveraged	2.0%
■ Cornerstone Real Est Adv Unleveraged	1.9%
■ Cornerstone Real Est Adv Open-end Fund Unleveraged	1.4%
■ Heitman Capital Mgmt Corp V	0.0%
■ JMB Group V	0.0%
■ Total Cash	1.9%



Total Market Value
\$ 4,945,225,941

Performance

Sacramento County Employees Retirement System
Performance Summary
Period Ending September 30, 2005

	Market Value	Annualized						Inception to Date				
		Quarter		YTD		1 Year			3 Years		5 Years	
Total Fund	\$ 4,822.8	4.4 %	48	7.0 %	33	14.8 %	65	15.6 %	66	4.6 %	50	9.7 %
Total Fund-Net	4,822.8	4.4		6.8		14.6		15.3		4.4		9.5
<i>Rank vs. Total Funds Billion Dollar - Public</i>												
<i>Total Funds Billion Dollar - Public Med</i>		4.4		6.3		15.6		16.2		4.6		--
<i>Benchmark</i>		4.6		6.9		15.3		15.5		4.5		9.9
<i>Benchmark (CURRENT)</i>		4.6		6.6		--		--		--		--
Total Domestic Equity	1,731.4	3.5	95	3.9	76	14.7	71	18.0	89	0.1	72	11.4
Total Domestic Equity-Net	1,731.4	3.5		3.8		14.5		17.7		(0.1)		11.3
<i>Rank vs. US Equity Billion Dollar Segment - Public</i>												
<i>US Equity Billion Dollar Segment - Public Med</i>		4.3		4.7		16.0		19.1		1.2		--
<i>Russell 3000 Index</i>		4.0		4.0		14.6		18.1		(0.7)		11.0
Total Large Cap Domestic Equity	1,463.8	3.8	61	4.4	53	15.0	51	17.3	58	(0.2)	57	3.0
Total Large Cap Domestic Equity-Net	1,463.8	3.7		4.4		14.9		17.2		(0.3)		2.8
<i>Rank vs. Mercer US Equity Large Cap Equity Universe</i>												
<i> Mercer US Equity Large Cap Equity Universe Med</i>		4.3		4.7		15.1		17.9		0.9		--
<i>Russell 1000 Index</i>		3.9		4.1		14.3		17.7		(1.3)		3.5
All Cap Index												
Alliance Capital Mgmt L.P. Passive	981.4	3.9	57	4.1	57	14.2	57	17.6	54	(0.8)	63	11.3
Alliance Capital Mgmt L.P. Passive-Net	981.4	3.9		4.1		14.2		17.6		(0.8)		11.3
<i>Rank vs. Mercer US Equity Large Cap Equity Universe</i>												
<i> Mercer US Equity Large Cap Equity Universe Med</i>		4.3		4.7		15.1		17.9		0.9		--
<i>Benchmark (Russell 1000 Index)</i>		3.9		4.1		14.3		17.7		(1.2)		11.2
Large Cap Growth												
Independence Inv. LLC	232.1	2.7	84	2.5	67	13.6	54	12.9	82	(7.5)	69	(0.1)
Independence Inv. LLC-Net	232.1	2.7		2.4		13.5		12.6		(7.8)		(0.3)
<i>Rank vs. Mercer US Equity Large Cap Growth Universe</i>												
<i> Mercer US Equity Large Cap Growth Universe Med</i>		4.6		3.9		14.0		15.4		(5.3)		--
<i>Russell 1000 Growth Index</i>		4.0		2.2		11.6		14.7		(8.6)		0.3

Sacramento County Employees Retirement System
Performance Summary
Period Ending September 30, 2005

	Market Value	Annualized									
		Quarter		YTD		1 Year		3 Years		5 Years	
Large Cap Value											
LSV Asset Management Large Cap Value	\$ 86.5	7.0 %	11	12.0 %	5	--%		--%		--%	22.7 %
LSV Asset Management Large Cap Value-Net	86.5	7.0		11.9		--		--		--	22.4
Pzena Investment Management	81.4	3.4	68	6.8	40	--		--		--	17.9
Pzena Investment Management-Net	81.4	3.3		6.5		--		--		--	17.5
<i>Rank vs. Mercer US Equity Large Cap Value Universe</i>											
<i> Mercer US Equity Large Cap Value Universe Med</i>		4.2		6.0		16.3		20.3		6.8	--
<i> Russell 1000 Value Index</i>		3.9		5.7		16.7		20.5		5.8	14.8
Trinity Investment Management											
Trinity Investment Management-Net	82.3	1.9	88	4.3	67	15.0	65	20.6	46	6.6	54
Trinity Investment Management-Net	82.3	1.8		4.2		14.8		20.3		6.3	8.8
<i>Rank vs. Mercer US Equity Large Cap Value Universe</i>											
<i> Mercer US Equity Large Cap Value Universe Med</i>		4.2		6.0		16.3		20.3		6.8	--
<i> Russell 1000 Value Index</i>		3.9		5.7		16.7		20.5		5.8	9.9
Total Small Cap Domestic Equity	267.6	2.3	92	1.1	89	13.1	91	21.0	83	(0.7)	84
Total Small Cap Domestic Equity-Net	267.6	2.1		0.6		12.5		20.1		(1.5)	14.8
<i>Rank vs. Mercer US Equity Small Cap Universe</i>											
<i> Mercer US Equity Small Cap Universe Med</i>		5.7		6.4		21.0		25.0		11.2	--
<i> Russell 2000 Index</i>		4.7		3.4		18.0		24.1		6.4	13.2
Small Cap Growth											
Bank of New York	62.0	(0.2)	99	(0.5)	96	11.0	98	--		--	10.1
Bank of New York-Net	62.0	(0.3)		(1.0)		10.4		--		--	9.4
<i>Rank vs. Mercer US Equity Small Cap Growth Universe</i>											
<i> Mercer US Equity Small Cap Growth Universe Med</i>		6.5		5.5		20.9		23.1		(0.2)	--
<i> Russell 2000 Growth Index</i>		6.3		2.5		18.0		23.2		(2.5)	14.9
M.A. Weatherbie & Co., Inc.											
M.A. Weatherbie & Co., Inc.-Net	73.2	2.7	95	2.0	84	13.9	94	--		--	17.1
M.A. Weatherbie & Co., Inc.-Net	73.2	2.4		1.3		13.2		--		--	16.1
<i>Rank vs. Mercer US Equity Small Cap Growth Universe</i>											
<i> Mercer US Equity Small Cap Growth Universe Med</i>		6.5		5.5		20.9		23.1		(0.2)	--
<i> Russell 2000 Growth Index</i>		6.3		2.5		18.0		23.2		(2.5)	22.3

Sacramento County Employees Retirement System
Performance Summary
Period Ending September 30, 2005

	Market Value	Annualized										
		Quarter		YTD		1 Year		3 Years		5 Years		Inception to Date
Small Cap Value												
Dalton Greiner Hartman Maher	\$ 69.5	4.3 %	59	4.8 %	64	15.9 %	78	22.8 %	76	--%		14.2 %
Dalton Greiner Hartman Maher-Net	69.5	4.2		4.3		15.3		22.1		--		13.4
TCW Group	63.0	2.0	87	(2.7)	96	11.2	92	24.7	60	--		10.5
TCW Group-Net	63.0	1.9		(3.1)		10.6		23.8		--		9.7
<i>Rank vs. Mercer US Equity Small Cap Value Universe</i>												
<i> Mercer US Equity Small Cap Value Universe Med</i>		4.8		6.7		20.4		25.9		17.1		--
<i> Russell 2000 Value Index</i>		3.1		4.0		17.8		24.9		15.2		14.2
Total International Equity	1,053.4	12.3	13	14.0	20	30.7	27	27.0	42	5.0	47	7.1
Total International Equity-Net	1,053.4	12.2		13.7		30.2		26.4		4.5		6.9
<i>Rank vs. Non-US Equity Billion Dollar Segment - Public</i>												
<i> Non-US Equity Billion Dollar Segment - Public Med</i>		11.5		11.8		28.9		26.8		5.0		--
<i> MSCI EAFE Net Dividend Index</i>		10.4		9.1		25.8		24.6		3.2		6.1
Total Intl Equity - Established Mkts	793.6	11.0	49	10.8	48	26.6	53	23.4	67	2.7	72	3.8
Total Intl Equity - Established Mkts-Net	793.6	10.9		10.6		26.2		23.0		2.3		3.4
<i>Rank vs. Mercer Intl Equity Universe</i>												
<i> Mercer Intl Equity Universe Med</i>		11.0		10.6		27.0		25.1		4.7		--
<i> MSCI EAFE Net Dividend Index</i>		10.4		9.1		25.8		24.6		3.2		4.3
INVESCO Global	238.2	9.5	78	--		--		--		--		8.0
INVESCO Global-Net	238.2	9.4		--		--		--		--		7.9
<i>Rank vs. Mercer Intl Equity Universe</i>												
<i> Mercer Intl Equity Universe Med</i>		11.0		10.6		27.0		25.1		4.7		--
<i> MSCI EAFE Net Dividend Index</i>		10.4		9.1		25.8		24.6		3.2		9.3
Capital Guardian Trust Company International Equity	259.4	12.4	28	11.0	46	26.4	54	24.7	56	3.1	68	0.1
Capital Guardian Trust Company International Equity-Net	259.4	12.2		10.6		25.8		24.1		2.6		(0.4)
<i>Rank vs. Mercer Intl Equity Universe</i>												
<i> Mercer Intl Equity Universe Med</i>		11.0		10.6		27.0		25.1		4.7		--
<i> MSCI EAFE Net Dividend Index</i>		10.4		9.1		25.8		24.6		3.2		0.5
<i> MSCI EAFE Net Div-Growth Index</i>		10.5		8.6		25.0		20.9		(0.5)		(4.0)

Sacramento County Employees Retirement System

Performance Summary

Period Ending September 30, 2005

	Market Value	Annualized										
		Quarter		YTD		1 Year		3 Years		5 Years		Inception to Date
LSV Asset Management International Equity	\$ 239.3	10.5 %	60	11.1 %	45	--%		--%		--%		11.1 %
LSV Asset Management International Equity-Net	239.3	10.5		11.1		--		--		--		11.1
<i>Rank vs. Mercer Intl Equity Universe</i>												
<i>Mercer Intl Equity Universe Med</i>		11.0		10.6		27.0		25.1		4.7		10.6
<i>MSCI EAFE Net Dividend Index</i>		10.4		9.1		25.8		24.6		3.2		9.1
<i>MSCI EAFE Net Div-Value Index</i>		10.3		9.6		26.6		28.3		6.7		9.6
AXA Rosenberg Inv. Mgmt. LLC	56.7	13.4	46	--		--		--		--		10.4
AXA Rosenberg Inv. Mgmt. LLC-Net	56.7	13.3		--		--		--		--		10.3
<i>Rank vs. Mercer Intl Equity Small Cap Universe</i>												
<i>Mercer Intl Equity Small Cap Universe Med</i>		13.0		18.2		37.2		35.2		11.2		--
<i>MSCI Small Cap World Ex United States Net Composite</i>		11.9		16.5		36.6		34.8		13.2		10.1
<i>S&P/Citigroup Extended Market Index World Ex United States</i>		11.0		14.5		33.5		33.1		10.8		8.1
Total Intl Equity - Emerging Mkts	259.8	16.5	80	26.3	50	46.0	63	37.8	78	11.6	94	6.2
Total Intl Equity - Emerging Mkts-Net	259.8	16.3		25.8		45.2		37.0		10.9		5.6
Capital Guardian Trust Company Emerging Markets Growth	259.8	16.5	80	26.3	50	46.0	63	37.8	78	11.6	94	6.2
Capital Guardian Trust Company Emerging Markets Growth-Net	259.8	16.3		25.8		45.2		37.0		10.9		5.6
<i>Rank vs. Mercer Emerging Markets Equity Universe</i>												
<i>Mercer Emerging Markets Equity Universe Med</i>		18.5		26.3		47.7		40.9		16.4		--
<i>MSCI Emerging Markets Index</i>		18.1		25.5		47.2		39.6		14.5		8.2
Total Domestic Fixed Income	1,119.7	(0.4)	62	2.0	63	3.5	63	6.0	51	7.0	68	8.3
Total Domestic Fixed Income-Net	1,119.7	(0.5)		1.9		3.4		5.8		6.8		8.2
<i>Rank vs. US Fixed Income Billion Dollar Segment - Public</i>												
<i>US Fixed Income Billion Dollar Segment - Public Med</i>		(0.3)		2.1		4.0		6.0		7.3		--
<i>Lehman Brothers Aggregate Bond</i>		(0.7)		1.8		2.8		4.0		6.6		7.7
Lehman Brothers Asset Mgmt Passive	376.0	(0.7)	88	1.9	55	2.9	58	4.1	55	6.8	43	8.0
Lehman Brothers Asset Mgmt Passive-Net	376.0	(0.7)		1.8		2.8		4.0		6.7		7.9
<i>Rank vs. Mercer US Fixed Combined Universe</i>												
<i>Mercer US Fixed Combined Universe Med</i>		(0.3)		2.0		3.1		4.3		6.7		--
<i>Lehman Brothers Aggregate Bond</i>		(0.7)		1.8		2.8		4.0		6.6		7.8

Sacramento County Employees Retirement System
Performance Summary
Period Ending September 30, 2005

	Market Value	Annualized										
		Quarter		YTD		1 Year		3 Years		5 Years		Inception to Date
Metropolitan West Asset Mgmt	\$ 370.8	(0.1)%	43	2.2 %	31	4.1 %	23	8.3 %	15	--%		5.9 %
Metropolitan West Asset Mgmt-Net	370.8	(0.2)		2.1		3.9		8.1		--		5.7
<i>Rank vs. Mercer US Fixed Combined Universe</i>												
<i>Mercer US Fixed Combined Universe Med</i>		(0.3)		2.0		3.1		4.3		6.7		--
<i>Lehman Brothers Aggregate Bond</i>		(0.7)		1.8		2.8		4.0		6.6		5.4
Bradford & Marzec, Inc.	372.8	(0.5)	74	2.0	50	3.6	31	5.7	26	7.1	34	8.8
Bradford & Marzec, Inc.-Net	372.8	(0.6)		1.8		3.4		5.4		6.8		8.6
<i>Rank vs. Mercer US Fixed Combined Universe</i>												
<i>Mercer US Fixed Combined Universe Med</i>		(0.3)		2.0		3.1		4.3		6.7		--
<i>Benchmark (Lehman Brothers Aggregate Bond)</i>		(0.7)		1.8		2.8		4.0		6.6		7.8
Bradford & Marzec, Inc. (temporary portfolio)	111.8	0.9		2.2		2.5		--		--		2.3
Bradford & Marzec, Inc. (temporary portfolio)-Net	111.8	0.9		2.1		2.4		--		--		2.3
Hedge Funds	227.7	4.3		9.0		16.1		--		--		15.1
Blackstone Alternative Asset	118.5	5.6		10.9		19.1		--		--		19.2
Blackstone Alternative Asset-Net	118.5	5.1		9.5		17.4		--		--		17.6
Grosvenor Capital Mgmt.	109.2	3.0		6.9		12.2		--		--		12.6
Grosvenor Capital Mgmt.-Net	109.2	2.7		6.4		11.6		--		--		12.0
<i>CSFB Tremont Hedge Funds Long/Short Equity Index</i>		5.9		6.8		14.8		12.3		5.1		16.0
Total Real Estate	487.1	5.6	31	21.3	25	23.7	42	14.6	50	11.6	64	7.2
<i>Rank vs. Real Estate Billion Dollar Segment - Public</i>												
<i>Real Estate Billion Dollar Segment - Public Med</i>		3.4		14.8		22.1		14.6		13.3		--
<i>NCREIF Property Index</i>		4.4		13.9		19.2		13.1		11.0		7.8
Separate Accounts Portfolios												
BlackRock Realty Unleveraged	344.0	4.4		13.9		15.7		12.5		10.3		11.8
BlackRock Realty Leveraged	281.1	5.2		17.1		18.7		13.3		10.8		--
<i>NCREIF Property Index</i>		4.4		13.9		19.2		13.1		11.0		11.6
BlackRock Realty Portfolio II Unleveraged	101.0	6.5		32.2		34.6		15.8		13.0		13.0
BlackRock Realty Portfolio II Leveraged	81.1	7.7		41.4		43.9		--		--		--
<i>NCREIF Property Index</i>		4.4		13.9		19.2		13.1		11.0		11.0

Sacramento County Employees Retirement System

Performance Summary

Period Ending September 30, 2005

	Market Value	Annualized					
		Quarter	YTD	1 Year	3 Years	5 Years	Inception to Date
Cornerstone Real Estate Advisers, Inc Unleveraged	\$ 93.4	1.4 %	9.5 %	11.3 %	--%	--%	11.8 %
Cornerstone Real Estate Advisers, Inc. Leveraged	63.6	2.6	16.6	19.4	--	--	18.4
<i>NCREIF Property Index</i>		4.4	13.9	19.2	13.1	11.0	17.9
Limited Partnerships							
Cornerstone Real Est Adv Open-end Fund Unleveraged	70.1	5.1	14.8	18.3	--	--	18.3
Cornerstone Real Est Adv Open-end Fund Leveraged	60.3	6.3	17.3	20.3	--	--	20.3
<i>NCREIF Property Index</i>		4.4	13.9	19.2	13.1	11.0	19.2
Heitman Capital Mgmt Corp V	0.2	0.8	2.1	2.6	34.4	20.5	12.3
JMB Group V	0.9	1.1	10.2	31.0	32.5	21.7	12.9
<i>NCREIF Property Index</i>		4.4	13.9	19.2	13.1	11.0	--
Total Cash	91.7	1.1	2.9	3.5	2.8	3.3	4.9
<i>Rank vs. Cash and Equivalents Segment - Billion Dollar Public</i>		35	44	42			
<i>Cash and Equivalents Segment - Billion Dollar Public Med</i>		0.9	2.4	2.9	--	--	--
<i>Citigroup Treasury Bill-3 Month</i>		0.8	2.1	2.5	1.6	2.3	3.8