

The following comments were made as a result of a request of the Administrator of the Plan to each investment manager. The comments were written for the Trustees of the Board, but in a spirit of open government, the responses are being provided to your information.

DHJ:

There is obviously a lot of uncertainty and concern over the state of the financial/credit markets given the bankruptcy of Lehman and the capital liquidity issue that AIG is currently trying to deal with. We are seeing a market very comparable to that of February and the events surrounding Bear Stearns. The market will definitely be looking to the Fed later this afternoon to offer some relief when they meet and make an announcement regarding the Fed Funds rate. Based on the futures market, there is a 90% probability priced in that the Fed will cut rates by 25bps to 1.75%. If this occurs, there will likely be some stabilization in the financial markets and a bounce in stocks. The VIX measure of volatility has spiked up to a level above that of each of the 3 prior market bottoms this year, representing a very bearish sentiment that often coincides with an oversold equity market. However, If the Fed does not cut rates and if there is no solution for AIG's troubles other than bankruptcy, there will likely be more downside pressure on the stock market.

In terms of equity portfolio exposure to the events that are presently occurring, I would characterize it as follows:

* The portfolio is basically equal-weighted Financials related to the Russell 1000 Growth index so there is minimal sector allocation exposure.

* Within Financials, we own a 55 basis point position in Bank America (which is actually still up 15% QTD) and 30 basis points in Merrill Lynch. It was announced yesterday that Merrill will be acquired by Bank America and on that news, Merrill was flat in the very negative market for financial that saw many names down double-digits.

* In terms of other Financial holdings with credit exposure, American Express has some exposure through its credit card operations (possibility of rising card balance charge-offs), but the position in the portfolio is the same as the stock's weight in the Russell so there is no relative risk.

* Industrial holding General Electric does have exposure to the credit markets through its GE Financial subsidiaries and we are currently evaluating the 1.00% position in the portfolio. At present, it would not appear that GE would be faced with any of the liquidity/capital funding issues that have plagued the likes of LEH and AIG. It is likely however that further balance sheet write-downs will be necessary.

Beth McWilliams for Janna Woods
Davis Hamilton Jackson & Associates

Cohen and Steers:

Please see the notes below regarding some of the financials that have been making headlines and how we are positioned relative to the benchmark.

As of 9/15/08:

Lehman Brothers: (0.0% CNS weight; 0.003% index weight) We do not hold Lehman Brothers in the portfolio.

Merrill Lynch: (0.0% CNS weight; 0.45% index weight) We do not hold Merrill Lynch in the portfolio.

AIG: (0.28% CNS weight; 0.19% index weight) As of Monday, September 15th we had a slight overweight in AIG relative to the benchmark. AIG's overall business remains in relatively good shape

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although pricing is weakening. However, the impact to the balance sheet (from exposure to credit default swaps) remains unknown and estimates are now that the company needs to raise new equity of \$40bn. At the moment, hedge funds are leveraging the default swaps/credit ratings issue to cause a negative run on the equity. Fortunately, AIG has several good businesses to sell but this will take time. Meanwhile, we expect bridge loans to be arranged which should enable the company to put together a more durable capital structure.

BAC: (1.65% CNS weight; 2.09% index weight) We have a market weight in Bank of America relative to the benchmark. The bank's acquisition of Merrill Lynch is a good move but some concerns remain, namely the quality of some of Merrill's assets (CDO exposure). In addition, BAC is still digesting their acquisition of Country Wide Financial. The Merrill acquisition could raise some assimilation issues, particularly since BAC was in the process of reducing exposure to Wall Street. We like the combination longer-term and continue to hold BAC shares.

Morgan Stanley: (1.08% CNS weight; 0.58% index weight) We have an overweight in Morgan Stanley relative to the Russell 1000 Value Index. Morgan Stanley is scheduled to report their earnings tomorrow.

As you know, this is a fluid situation and Rick and his team are working through all the data points and the "noise". But this should address specifically your account's exposure and our current thinking, to the best of my knowledge.

Please call me with any questions or concerns.

Best regards,
Nancy

Buckhead Small Cap:

It is impossible to say what is going to happen, as the markets are so volatile that the direction will likely change twice while I am writing this!

But, just to bring you current with the portfolio as of yesterday:

Month-to-Date	Sunrise	-1.71%	Russell 2000 Value	-4.23%
Qtr-to-Date		+4.72%		+5.46%
Year-to-Date		+0.64%		-4.92%

The bottom line is good for Sunrise, as we are ahead of the Russell 2000 Value for the month by 250 basis points, and, while down a little on a relative basis for the quarter so far at -74 basis points, for the year to date we are beating the benchmark by over 550 basis points. Looking at all the Russell Indices across market cap and style categories, we are the only positive on a year to date basis. The benchmark for small cap value is down almost 5%, and every other category is down 10-20%.

Again, there is no way for me to say with any confidence where the markets will be at quarter end, or even tomorrow. While there certainly will be more fall-out as these financial institutions continue to convulse their way to a new equilibrium, I somehow am getting a sense that we may be getting closer to the bottoming process than at any point since last summer. That's my two cents' worth – please give me a call if you have questions or would like me to elaborate.

Sabrina

END