

**COMMUNITY FUNDS, INC.**  
**INVESTMENT POOL PERFORMANCE**  
For the Period Ending December 31, 2010  
(Returns are Net of Fees)

|                                               | <u>MARKET</u><br><u>VALUE</u> | <u>% OF</u><br><u>TOTAL</u> | <u>TARGET</u> | <u>1 MONTH</u> | <u>QTR</u> | <u>6 MONTHS</u> | <u>YEAR</u><br><u>TO DATE</u> | <u>1 YEAR</u> | <u>3 YEARS</u> | <u>5 YEARS</u> |
|-----------------------------------------------|-------------------------------|-----------------------------|---------------|----------------|------------|-----------------|-------------------------------|---------------|----------------|----------------|
| <b><u>U.S. EQUITY</u></b>                     |                               |                             |               |                |            |                 |                               |               |                |                |
| <b>U.S. Growth</b>                            |                               |                             |               |                |            |                 |                               |               |                |                |
| iShares(R 1000 Growth)                        | \$ 41,360,491                 | 5.9                         | 13%           | 5.43           | 11.83      | 26.21           | 16.36                         | 16.36         | -0.79          | 3.44           |
| Russell 1000 Growth Index                     |                               |                             |               | 5.51           | 11.83      | 26.37           | 16.71                         | 16.71         | -0.47          | 3.75           |
| Vanguard Mid Cap Growth Index Fund            | \$ 15,074,511                 | 2.2                         |               | 6.37           | 15.53      | 33.20           | 28.93                         | 28.93         | ****           | ****           |
| MSCI US Mid Cap Growth Index                  |                               |                             |               | 6.40           | 15.62      | 33.38           | 29.24                         | 29.24         | ****           | ****           |
| Frontier Small Cap Fd LP                      | \$ 32,694,035                 | 4.7                         |               | 8.55           | 19.95      | 32.35           | 29.43                         | 29.43         | 5.36           | 6.99           |
| Russell 2000 Growth Index                     |                               |                             |               | 7.59           | 17.11      | 32.14           | 29.09                         | 29.09         | 2.18           | 5.30           |
| <b>U.S. Value</b>                             |                               |                             |               |                |            |                 |                               |               |                |                |
| Vanguard Value Index Fund                     | \$ 19,685,664                 | 2.8                         | 13%           | 7.89           | 10.22      | 20.98           | 14.56                         | 14.56         | ****           | ****           |
| MSCI US Prime Market Value Index              |                               |                             |               | 7.88           | 10.20      | 20.97           | 14.54                         | 14.54         | ****           | ****           |
| Pzena                                         | \$ 27,363,286                 | 3.9                         |               | 6.82           | 10.08      | 22.28           | 14.92                         | 14.92         | -3.95          | -1.89          |
| Russell 1000 Value Index                      |                               |                             |               | 7.89           | 10.54      | 21.74           | 15.51                         | 15.51         | -4.42          | 1.28           |
| Southeastern                                  | \$ 37,223,105                 | 5.3                         |               | 6.45           | 9.41       | 18.10           | 15.39                         | 15.39         | -0.30          | 3.93           |
| Russell 1000 Value Index                      |                               |                             |               | 7.89           | 10.54      | 21.74           | 15.51                         | 15.51         | -4.42          | 1.28           |
| Morgan Stanley US Real Estate                 | \$ 20,270,132                 | 2.9                         |               | 4.52           | 8.11       | 22.30           | 29.86                         | 29.86         | 4.36           | 5.64           |
| NAREIT Equity REIT Index.                     |                               |                             |               | 4.66           | 7.43       | 21.21           | 27.95                         | 27.95         | 0.65           | 3.03           |
| <b>U.S. Core</b>                              |                               |                             |               |                |            |                 |                               |               |                |                |
| John Bristol - Equity                         | \$ 63,350,681                 | 9.0                         | 8%            | 6.39           | 11.88      | 25.00           | 14.57                         | 14.57         | 0.40           | 3.61           |
| S&P 500 Index                                 |                               |                             |               | 6.68           | 10.76      | 23.27           | 15.06                         | 15.06         | -2.86          | 2.29           |
| <b>Consolidated US Equity</b>                 | \$ 257,021,905                | 36.6                        |               | 6.52           | 12.00      | 24.55           | 18.59                         | 18.59         | 0.08           | 2.94           |
| S&P 500 Index                                 |                               |                             |               | 6.68           | 10.76      | 23.27           | 15.06                         | 15.06         | -2.86          | 2.29           |
| <b><u>INTERNATIONAL EQUITY</u></b>            |                               |                             |               |                |            |                 |                               |               |                |                |
| <b>Developed International</b>                |                               |                             |               |                |            |                 |                               |               |                |                |
| Vanguard Total International Stock Index Fund | \$ 27,432,583                 | 3.9                         | 16%           | 8.34           | 7.11       | 26.28           | 11.12                         | 11.12         | ****           | ****           |
| MSCI All Country World Free Ex US Index       |                               |                             |               | 8.11           | 7.78       | 25.90           | 11.97                         | 11.97         | ****           | ****           |
| Capital Guardian Int'l Equity                 | \$ 50,702,396                 | 7.2                         |               | 7.97           | 8.76       | 24.46           | 11.41                         | 11.41         | -6.58          | 2.03           |
| MSCI EAFE Index                               |                               |                             |               | 8.10           | 6.61       | 24.18           | 7.75                          | 7.75          | -7.02          | 2.46           |
| Axiom Int'l Investors                         | \$ 32,533,691                 | 4.6                         |               | 6.93           | 8.89       | 25.09           | 7.63                          | 7.63          | -9.70          | 2.98           |
| MSCI All Country World Free Ex US Index       |                               |                             |               | 7.83           | 7.20       | 24.98           | 11.15                         | 11.15         | -5.03          | 4.82           |
| <b>Emerging Markets</b>                       |                               |                             |               |                |            |                 |                               |               |                |                |
| Capital Int'l Emerging Markets Growth Fund    | \$ 40,501,863                 | 5.8                         | 6%            | 4.73           | 5.17       | 23.54           | 16.97                         | 16.97         | 1.65           | 14.72          |
| * MSCI Emerging Markets IMI                   |                               |                             |               | 6.99           | 7.44       | 27.29           | 20.06                         | 20.06         | 0.40           | 13.28          |
| <b>Consolidated International Equity</b>      | \$ 151,170,533                | 21.5                        |               | 6.93           | 7.51       | 24.67           | 12.01                         | 12.01         | -5.14          | 5.07           |
| MSCI EAFE Index                               |                               |                             |               | 8.10           | 6.61       | 24.18           | 7.75                          | 7.75          | -7.02          | 2.46           |

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|                                                                        | <u>MARKET<br/>VALUE</u> | <u>% OF<br/>TOTAL</u> | <u>TARGET</u> | <u>1 MONTH</u> | <u>QTR</u>    | <u>6 MONTHS</u> | <u>YEAR<br/>TO DATE</u> | <u>1 YEAR</u> | <u>3 YEARS</u> | <u>5 YEARS</u> |
|------------------------------------------------------------------------|-------------------------|-----------------------|---------------|----------------|---------------|-----------------|-------------------------|---------------|----------------|----------------|
| <b><u>EQUITY ORIENTED HEDGE FUNDS</u></b>                              |                         |                       | 7%            |                |               |                 |                         |               |                |                |
| Drake Capital Offshore Partners<br>@ Hedge Fund Research Fund of Funds | \$ 22,081,800           | 3.2                   |               | 2.55<br>1.97   | 4.81<br>3.37  | 9.64<br>6.76    | 10.25<br>5.46           | 10.25<br>5.46 | 1.23<br>-2.59  | ****<br>****   |
| TS World Development<br>MSCI World Energy Sector                       | \$ 6,511,791            | 0.9                   |               | 6.96<br>10.08  | 8.17<br>17.00 | 9.91<br>35.46   | 7.07<br>12.52           | 7.07<br>12.52 | ****<br>****   | ****<br>****   |
| <b>Total Equity Oriented Hedge Funds</b>                               | \$ 28,593,591           | 4.1                   |               | 3.52           | 5.56          | 9.70            | 9.62                    | 9.62          | 1.10           | ****           |
| <b>Aggregate Marketable Equity</b>                                     | \$ 436,786,029          | 62.2                  |               | 6.46           | 9.98          | 23.50           | 15.97                   | 15.97         | -1.56          | 3.97           |
| S&P 500 Index                                                          |                         |                       |               | 6.68           | 10.76         | 23.27           | 15.06                   | 15.06         | -2.86          | 2.29           |
| <b><u>PRIVATE EQUITY</u></b>                                           |                         |                       | 5%            |                |               |                 |                         |               |                |                |
| ^ Abbott Cap Private Equ Fd IV                                         | \$ 3,437,152            | 0.5                   |               | 0.00           | 0.00          | 0.00            | 6.48                    | 6.48          | -3.02          | 7.35           |
| ^ Abbott Cap Private Equ Fd V                                          | \$ 2,813,197            | 0.4                   |               | 0.00           | 0.00          | 0.00            | 2.86                    | 2.86          | -3.70          | -2.18          |
| ^ AG Net Lease Realty Fd                                               | \$ 18,062,141           | 2.6                   |               | 0.00           | 0.00          | 0.00            | 5.89                    | 5.89          | 7.88           | ****           |
| ^ AG Net Lease Realty Fd II                                            | \$ 1,312,384            | 0.2                   |               | 0.00           | 0.00          | 0.00            | ****                    | ****          | ****           | ****           |
| ^ CA Resources Bain X                                                  | \$ 4,337,145            | 0.6                   |               | 0.00           | 0.00          | 0.00            | -1.85                   | -1.85         | ****           | ****           |
| ^ Commonfund Capital Private Equity Partners V                         | \$ 3,983,172            | 0.6                   |               | 0.00           | 0.00          | 0.00            | 9.48                    | 9.48          | 0.31           | 7.74           |
| ^ Commonfund Capital Private Equity Partners VI                        | \$ 6,821,115            | 1.0                   |               | 0.00           | 0.00          | 0.00            | 11.03                   | 11.03         | -3.97          | -3.26          |
| ^ Commonfund Capital Private Equity Partners VII                       | \$ 3,188,181            | 0.5                   |               | 0.00           | 0.00          | 0.00            | 3.05                    | 3.05          | -2.01          | ****           |
| ^ Commonfund Capital International Partners V                          | \$ 1,612,345            | 0.2                   |               | 0.00           | 0.00          | 0.00            | 5.99                    | 5.99          | -3.88          | -0.12          |
| ^ Commonfund Capital International Partners VI                         | \$ 1,978,792            | 0.3                   |               | 0.00           | 0.00          | 0.00            | 3.52                    | 3.52          | -0.24          | ****           |
| ^ Hall Capital Partners Private Equity I                               | \$ 4,195,610            | 0.6                   |               | 0.00           | 0.00          | 0.00            | 9.95                    | 9.95          | 4.56           | 12.30          |
| ^ Morgan Stanley Emerging Private Markets I                            | \$ 2,096,793            | 0.3                   |               | 0.00           | 0.00          | 0.00            | 24.04                   | 24.04         | 5.46           | ****           |
| ^ Warburg Pincus X                                                     | \$ 6,221,273            | 0.9                   |               | 0.00           | 0.00          | 0.00            | 10.15                   | 10.15         | -3.20          | ****           |
| ^ <b>Total Private Equity</b><br>^ Returns are Dollar Weighted {IRR}   | \$ 60,059,299           | 8.6                   |               | 0.00           | 0.00          | 0.00            | 7.01                    | 7.01          | 1.23           | 4.14           |
| <b>Aggregate Equity</b>                                                | \$ 496,845,328          | 70.8                  |               | 5.87           | 9.21          | 20.94           | 14.73                   | 14.73         | -1.77          | 3.92           |
| S&P 500 Index                                                          |                         |                       |               | 6.68           | 10.76         | 23.27           | 15.06                   | 15.06         | -2.86          | 2.29           |

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|                                                                                                                                                                                                                                       | <u>MARKET</u><br><u>VALUE</u> | <u>% OF</u><br><u>TOTAL</u> | <u>TARGET</u> | <u>1 MONTH</u> | <u>QTR</u> | <u>6 MONTHS</u> | <u>YEAR</u><br><u>TO DATE</u> | <u>1 YEAR</u> | <u>3 YEARS</u> | <u>5 YEARS</u> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|-----------------------------|---------------|----------------|------------|-----------------|-------------------------------|---------------|----------------|----------------|
| <b><u>ABSOLUTE RETURN HEDGE FUNDS</u></b>                                                                                                                                                                                             |                               |                             | 12%           |                |            |                 |                               |               |                |                |
| AG Super Fund LP                                                                                                                                                                                                                      | \$ 26,510,785                 | 3.8                         |               | 3.05           | 5.34       | 9.98            | 15.64                         | 15.64         | 3.10           | 5.09           |
| Davidson Kemper                                                                                                                                                                                                                       | \$ 30,653,560                 | 4.4                         |               | 1.17           | 1.89       | 4.97            | 9.53                          | 9.53          | 6.47           | 8.82           |
| OZ Overseas Fd II                                                                                                                                                                                                                     | \$ 28,303,410                 | 4.0                         |               | -0.02          | 4.84       | 8.10            | 9.69                          | 9.69          | 5.45           | ****           |
| <b>Total Absolute Return</b>                                                                                                                                                                                                          | \$ 85,467,755                 | 12.2                        |               | 1.34           | 3.91       | 7.52            | 11.40                         | 11.40         | 5.02           | 7.32           |
| Benchmark: 8% annual return                                                                                                                                                                                                           |                               |                             |               | 0.64           | 1.94       | 3.92            | 8.00                          | 8.00          | 8.00           | 8.00           |
| <b><u>FIXED INCOME</u></b>                                                                                                                                                                                                            |                               |                             | 20%           |                |            |                 |                               |               |                |                |
| Vanguard Intermediate-Term Bond Index Fund                                                                                                                                                                                            | \$ 18,039,025                 | 2.6                         |               | -2.37          | -2.92      | 1.68            | 9.49                          | 9.49          | ****           | ****           |
| Barclays Capt 5-10 Year US Government/Credit Index                                                                                                                                                                                    |                               |                             |               | -2.43          | -2.94      | 1.69            | 9.42                          | 9.42          | ****           | ****           |
| Metropolitan West                                                                                                                                                                                                                     | \$ 52,033,125                 | 7.4                         |               | -0.81          | -0.40      | 2.90            | 12.41                         | 12.41         | 9.71           | 8.38           |
| Barclays Capt Aggregate Bond Index                                                                                                                                                                                                    |                               |                             |               | -1.08          | -1.30      | 1.15            | 6.54                          | 6.54          | 5.90           | 5.80           |
| John Bristol - Fixed Income                                                                                                                                                                                                           | \$ 15,114,612                 | 2.2                         |               | -0.63          | -0.48      | 1.55            | 5.98                          | 5.98          | 6.48           | 6.41           |
| Barclays Capt Aggregate Bond Index                                                                                                                                                                                                    |                               |                             |               | -1.08          | -1.30      | 1.15            | 6.54                          | 6.54          | 5.90           | 5.80           |
| Vanguard Inflation-Protected Securities                                                                                                                                                                                               | \$ 16,520,617                 | 2.4                         |               | -1.57          | -0.74      | 1.84            | 6.33                          | 6.33          | ****           | ****           |
| Barclays Capt US Treasury Inflation Notes Index                                                                                                                                                                                       |                               |                             |               | -1.55          | -0.65      | 1.82            | 6.31                          | 6.31          | ****           | ****           |
| <b>Consolidated Fixed Income</b>                                                                                                                                                                                                      | \$ 101,707,380                | 14.5                        |               | -1.19          | -0.93      | 2.27            | 9.90                          | 9.90          | 8.09           | 7.41           |
| Barclays Capt Aggregate Bond Index                                                                                                                                                                                                    |                               |                             |               | -1.08          | -1.30      | 1.15            | 6.54                          | 6.54          | 5.90           | 5.80           |
| <b><u>MONEY MARKETS</u></b>                                                                                                                                                                                                           |                               |                             |               |                |            |                 |                               |               |                |                |
| Dreyfus Institutional Reserves Money Fund                                                                                                                                                                                             | \$ 17,965,268                 | 2.6                         |               | 0.02           | 0.05       | 0.15            | 1.00                          | 1.00          | 1.95           | 3.31           |
| U.S. 30 Day T-Bill Total Return                                                                                                                                                                                                       |                               |                             |               | 0.01           | 0.03       | 0.07            | 0.11                          | 0.11          | 0.50           | 2.11           |
| <b><u>FIXED + CASH</u></b>                                                                                                                                                                                                            | \$ 119,672,648                | 17.1                        |               | -1.03          | -0.79      | 2.03            | 8.89                          | 8.89          | 7.39           | 6.88           |
| Barclays Capt Aggregate Bond Index                                                                                                                                                                                                    |                               |                             |               | -1.08          | -1.30      | 1.15            | 6.54                          | 6.54          | 5.90           | 5.80           |
| <b>TOTAL INVESTMENT POOL</b>                                                                                                                                                                                                          | \$ 701,985,730                | 100.0                       |               | 4.09           | 6.73       | 15.54           | 13.31                         | 13.31         | 0.63           | 4.89           |
| <b>Policy Benchmark</b> (Allocation on page 4)                                                                                                                                                                                        |                               |                             |               | 4.04           | 5.65       | 15.02           | 12.13                         | 12.13         | -0.13          | 4.46           |
| <p>@ Source: Hedge Fund Research, Inc., ©HFR, Inc 2010. www.hedgefundresearch.com<br/> * Reflects MSCI EMERGING MARKETS from 4/01/02-11/30/07 and MSCI EMERGING MARKETS INVESTABLE MARKET INDEX, a broader benchmark, thereafter.</p> |                               |                             |               |                |            |                 |                               |               |                |                |
| <b><u>BALANCED FUND</u></b>                                                                                                                                                                                                           |                               |                             |               |                |            |                 |                               |               |                |                |
| <b>John Bristol Consolidated</b>                                                                                                                                                                                                      | \$ 78,465,293                 | 11.2                        |               | 4.96           | 9.07       | 19.00           | 12.87                         | 12.87         | 2.49           | 4.74           |
| Custom Balanced Blend                                                                                                                                                                                                                 |                               |                             |               | 4.35           | 7.07       | 16.42           | 12.92                         | 12.92         | 0.20           | 3.68           |
| (70% S&P 500/30% Barclays Capt Aggregate Bond Index )                                                                                                                                                                                 |                               |                             |               |                |            |                 |                               |               |                |                |

**COMMUNITY FUNDS, INC.  
INVESTMENT POOL PERFORMANCE  
For the Period Ending December 31, 2010  
(Returns are Net of Fees)**

**COMMUNITY FUNDS, INC. INVESTMENT POOL  
POLICY PORTFOLIO BENCHMARK - RETURN FOR PERIOD ENDED 12/31/2010**

**Policy Allocation December 2010**

| <b>Asset Class</b>                    | <b>Weight</b> | <b>Index</b>                  | <b>1 Month<br/>December<br/>Return</b> | <b>Weighted<br/>Average</b> |
|---------------------------------------|---------------|-------------------------------|----------------------------------------|-----------------------------|
| U.S. Growth                           | 13%           | RUSSELL 3000 GROWTH           | 5.68%                                  | 0.74%                       |
| U.S. Value                            | 13%           | RUSSELL 3000 VALUE            | 7.92%                                  | 1.03%                       |
| U.S. Core                             | 8%            | S & P 500                     | 6.68%                                  | 0.53%                       |
| International - Developed Equities    | 16%           | MSCI EAFE                     | 8.10%                                  | 1.30%                       |
| International - Emerging Mkts.        | 6%            | MSCI EM[EMERGING MARKETS] IMI | 6.99%                                  | 0.42%                       |
| Real Estate                           |               |                               |                                        | 0.00%                       |
| Private Equity                        | 5%            | Cambridge Priv Equ*           | 0.52%                                  | 0.03%                       |
| Absolute Return Hedge                 | 12%           | Absolute Return               | 0.64%                                  | 0.08%                       |
| Equity-Oriented Hedge                 | 7%            | HFRI Fund of Fd               | 1.97%                                  | 0.14%                       |
| Commodities                           |               |                               |                                        | 0.00%                       |
| Fixed Income - Bonds                  | 20%           | Barclays Capt Aggr.           | -1.08%                                 | -0.22%                      |
| Fixed Income - Inflation linked bonds |               |                               |                                        | 0.00%                       |
| Total Pool                            | 100%          |                               |                                        | 4.04%                       |

\* For the quarter ended 9/30/2010