

Memorandum

Date: August 3, 2011
To: CCCERA Board of Retirement
From: Cary Hally, Retirement CIO; Chih-chi Chu, Retirement Investment Analyst
Subject: Semi-Annual Rebalancing

MEETING DATE

AUG 10 2011

AGENDA ITEM

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The following represents the transactions implemented to perform the semi-annual rebalancing of CCCERA's assets, using the old targets as authorized by the Board on July 13, 2011. All of the following rebalancing transactions occurred (or will occur) between the end of July and August.

Funds were withdrawn from the following investment managers:

Cash proceeds from prepayments	\$155 million
Delaware Investments	\$5 million
Emerald Advisors	\$12 million
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	\$172 million

Proceeds were (or will be) contributed with the following investment managers:

Goldman Sachs Asset Management (Core Plus)	\$18 million
Lord Abbett	\$19 million
Alliance Global Investors	\$8 million
AFL-CIO	\$10 million
PIMCO Stock Plus	\$67 million
Wentworth, Hauser and Violich	\$6 million
PIMCO Total Return	\$14 million
Lazard Asset Management	\$5 million
William Blair	\$11 million
Tradewinds	\$8 million
State Street Cash	\$6 million
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	\$172 million

The PIMCO fixed income portfolio is the designated temporary investment vehicle for the uncalled commitments of \$4 million to Torchlight Fund III. Goldman Sachs and Lord Abbett Core Fixed Income Accounts were adjusted down according to their pro rata shares in the temporary Goldman Sachs "Hold" portfolio, approximately at \$22 million. The PIMCO Stocks Plus portfolio is the temporary investment vehicle for the alternative investment allocation as well as the uncalled \$17 million commitment for Oaktree 2009 Fund. Amounts less than 0.1% were not rebalanced. Details of the rebalancing are provided in the following table.

	% of Total Target	6/30/2011 Market Value	Over/Under Target*	Rebalance	Market Value After Rebalance	% of Total After Rebalance
Boston Partners	5.5%	298,008,000	1,223,600		298,008,000	5.5%
Delaware Investment Adv.	5.5%	302,157,000	5,372,600	(5,000,000)	297,157,000	5.5%
Emerald Advisors	3.5%	200,398,000	11,535,200	(12,000,000)	188,398,000	3.5%
Intech (Enhanced Core)	0.4%	24,652,000	3,067,680		24,652,000	0.5%
Intech (Core)	3.4%	187,428,000	3,961,280		187,428,000	3.5%
PIMCO (Stock Plus)	2.5%	169,790,000	34,888,000	67,000,000	236,790,000	4.4%
SSgM - Small Value	3.5%	187,274,000	(1,588,800)		187,274,000	3.5%
Wentworth, Hauser and Violech	3.8%	198,853,000	(6,198,040)	6,000,000	204,853,000	3.8%
Total Domestic Equity	28.1%	1,568,560,000	52,261,520	56,000,000	1,624,560,000	30.1%
GMO	5.2%	283,655,000	3,058,840		283,655,000	5.3%
William Blair	5.2%	269,977,000	(10,619,160)	11,000,000	280,977,000	5.2%
Total International Equity	10.4%	553,632,000	(7,560,320)	11,000,000	564,632,000	10.5%
JPMorgan Global Opportunities	4.8%	256,396,000	(2,615,840)		256,396,000	4.8%
First Eagle	2.4%	127,025,000	(2,480,920)		127,025,000	2.4%
Tradewinds	2.4%	121,223,000	(8,282,920)	8,000,000	129,223,000	2.4%
Total Global Equity	9.6%	504,644,000	(13,379,680)	8,000,000	512,644,000	9.5%
Total Equity	48.1%	2,626,836,000	31,321,520	75,000,000	2,701,836,000	50.1%
AFL-CIO Housing Investment Trust	3.4%	174,048,000	(9,418,720)	10,000,000	184,048,000	3.4%
PIMCO (Total Return)	7.0%	358,313,000	(19,412,600)	14,000,000	372,313,000	6.9%
Goldman Sachs "Hold" Portfolio	0.0%	22,488,000	22,488,000		22,488,000	0.4%
Goldman Sachs Asset Management	5.5%	271,971,000	(24,813,400)	18,000,000	289,971,000	5.4%
Lord Abbett	5.5%	271,275,000	(25,509,400)	19,000,000	290,275,000	5.4%
Torchlight Debt Opp. Fund II	0.9%	51,272,000	2,707,280		51,272,000	1.0%
Torchlight Debt Opp. Fund III	1.5%	73,865,000	(7,076,200)		73,865,000	1.4%
Total Domestic Fixed Income	23.8%	1,223,232,000	(61,035,040)	61,000,000	1,284,232,000	23.8%
Lazard Asset Management	4.0%	210,550,000	(5,293,200)	5,000,000	215,550,000	4.0%
Total Global FI (incl. Long Bonds)	27.8%	1,433,782,000	(66,328,240)	66,000,000	1,499,782,000	27.8%
Allianz Global Investors	3.0%	153,835,000	(8,047,400)	8,000,000	161,835,000	3.0%
Total High Yield Fixed Income	3.0%	153,835,000	(8,047,400)	8,000,000	161,835,000	3.0%
Adelante Capital Management (REIT)	1.4%	336,361,000	260,815,880	-	336,361,000	6.2%
Invesco International REIT	1.0%	56,527,000	2,566,200	-	56,527,000	1.0%
Other Real Estate Investments	9.1%	225,758,000	(265,285,280)	-	225,758,000	4.2%
Total Real Estate	11.5%	618,646,000	(1,903,200)	-	618,646,000	11.5%
Total Alternative Investments	7.0%	292,598,000	(85,127,600)	0	292,598,000	5.4%
County Treasurer	-	2,080,000		-	2,080,000	0.0%
State Street Bank (cash)	-	21,316,000		6,000,000	27,316,000	0.5%
Total Cash & Equivalents	0.5%	23,396,000	(3,584,400)	6,000,000	29,396,000	0.5%
Goldman Sachs Credit Opportunities	1.3%	67,726,000	(2,423,040)	-	67,726,000	1.3%
Oaktree 2009	0.8%	24,261,000	(18,907,640)	-	24,261,000	0.4%
Total Market Opportunities	2.1%	91,987,000	(21,330,680)	-	91,987,000	1.7%
TOTAL CCCERA FUND	100.0%	5,241,080,000	(155,000,000)	155,000,000 **	5,396,080,000	100.0%

*Over/Under Target column takes into consideration the prepayment proceeds of \$155 million.

** Represents prepayment contributions at the end of July 2011.