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MENDOCINO COUNTY
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Date: April 15, 2015
To: Board of Retirement
From: Stan Conwell, Financial & Investment Officer
Subject: Monthly Investment Report

Preliminary Monthly Investment Report for the month ending February 28, 2015

Market value of investments at the end of the month are presented in column A. The target analysis for the investment portfolio is shown in columns B and C. Column B displays actual percent of portfolio and column C displays the target percent of portfolio. All investment classes are well within target ranges. The market value of investments at the beginning of the fiscal year are shown in Column D. Column E presents the difference between Column A and D, or the change in market value during the current fiscal year. As of February 28, 2015 the fiscal year change in market value is \$7,920,139. Investments in this report are tracked using fair market value which is the current valuation method used for financial reporting. The total on this report differs from the total assets reported on the Statement of Plan Net Position because the investment report only includes investments and cash and does not include receivables. Please note that rounding may occur in the attached report and can cause figures to vary by a few dollars.

Mendocino County Employees' Retirement Association
Monthly Investment Report
February 28, 2015

	A	B	C	D	E
	Market Value of Investments	Percent of Portfolio	Target % (2013 Study)	Start of Fiscal Year Market Value	Fiscal Year Change in Market Value ¹
Domestic Fixed Income					
PIMCO - Total Return Institutional	60,127,845	13.46%	14.00%	57,374,762	2,753,082
Dodge & Cox - Income Fund	60,471,030	13.54%	14.00%	58,101,916	2,369,114
Total Domestic Fixed Income	\$ 120,598,875	27.00%	28.00%	\$ 115,476,679	\$ 5,122,196
Small Cap Growth					
Alliance Bernstein - US Small Cap Growth Fund	6,839,379	1.53%	1.52%	6,694,534	144,845
RS Investments - Small Cap Growth Fund Y	5,407,241	1.21%	1.14%	4,732,133	675,108
Total Small Cap Growth	12,246,620			11,426,667	819,953
AMG Funds - Micro-Cap Institutional	8,441,431	1.89%	1.90%	8,035,800	405,631
Total Small Cap Growth/Micro Cap	20,688,051	4.63%	4.56%	19,462,467	1,225,584
Small Cap Value					
Prudential	12,809,048	2.87%	2.66%	12,598,958	210,090
Total Small Cap Value	12,809,048	2.87%	2.66%	12,598,958	210,090
Total Small/Micro Cap Equities	\$ 33,497,099	7.50%	7.22%	\$ 32,061,425	\$ 1,435,674
Mid Cap Growth					
Morgan Stanley	5,079,283	1.14%	1.14%	4,777,614	301,669
Janus - Enterprise Fund	5,384,934	1.21%	1.14%	4,758,310	626,624
Total Mid Cap Growth	10,464,217	2.34%	2.28%	9,535,924	928,293
Mid Cap Value					
Fidelity Low Priced Stock Fund	5,161,994	1.16%	1.14%	4,894,239	267,755
Royce - Total Return Fund	4,818,066	1.08%	1.14%	4,817,934	132
Total Mid Cap Value	9,980,060	2.23%	2.28%	9,712,173	267,886
Total Mid Cap Equities	\$ 20,444,277	4.58%	4.56%	19,248,097	\$ 1,196,179
Large Cap Core					
Vanguard Institutional Index Fund	22,767,487	5.10%	4.94%	23,915,904	(1,148,417)
Total Large Cap Core	22,767,487	5.10%	4.94%	23,915,904	(1,148,417)
Large Cap Growth					
Harbor Capital Appreciation Fund	25,764,209	5.77%	5.32%	23,908,392	1,855,816
Janus - Research Fund	25,841,900	5.79%	5.32%	24,594,682	1,247,217
Total Large Cap Growth	51,606,108	11.55%	10.64%	48,503,075	3,103,034
Large Cap Value					
Dodge & Cox Stock Fund	23,434,451	5.25%	5.32%	23,740,685	(306,234)
Boston Partners (Formerly ROBECO)	25,176,935	5.64%	5.32%	23,467,671	1,709,264
Total Large Cap Value	48,611,386	10.88%	10.64%	47,208,356	1,403,030
Total Large Cap Equities	\$ 122,984,981	27.53%	26.22%	119,627,334	\$ 3,357,647
International Stock					
American Funds - EuroPacific	21,536,440	4.82%	4.69%	21,616,103	(79,663)
Harbor international	20,421,750	4.57%	4.69%	21,451,634	(1,029,884)
Columbia Management - International Fund	11,190,577	2.51%	2.50%	11,776,362	(585,785)
Janus Overseas	16,438,470	3.68%	4.69%	19,581,811	(3,143,341)
Mondrian	21,537,524	4.82%	4.69%	22,571,671	(1,034,147)
Oakmark	16,309,568	3.65%	3.75%	16,478,315	(168,747)
Total International Stock	\$ 107,434,329	24.05%	25.00%	113,475,897	\$ (6,041,568)
Real Estate					
RREEF - Comingled Fund	8,803,624	1.97%	1.80%	7,623,257	1,180,368
RREEF - America REIT II ²	17,570,320	3.93%	3.50%	16,484,323	1,085,997
Cornerstone Fund ²	13,145,266	2.94%	3.50%	12,561,621	583,645
625 Kings Court	864,000	0.19%	0.20%	864,000	-
Total Real Estate	\$ 40,383,210	9.04%	9.00%	37,533,200	\$ 2,850,010
Total Investments ³	\$ 445,342,770	99.70%	100.00%	437,422,631	\$ 7,920,139
Cash in County Treasury	1,362,016	0.30%	0.00%	4,966,310	(3,604,294)
Total All Available Funds	\$ 446,704,786	100.00%	100.00%		

1. Fiscal year change may include market value changes due to rebalancing activities.

2. Priced quarterly.

3. Totals may differ between this report and the Statement of Plan Net Position due to rounding.