

James R. Wilbanks, Ph.D.
Retirement Administrator



Telephone: (707) 463-4328
(707) 467-6473
Fax: (707) 467-6472

MENDOCINO COUNTY
EMPLOYEES' RETIREMENT ASSOCIATION
625-B KINGS COURT
UKIAH, CALIFORNIA 95482-5027

Date: March 16, 2016
To: Board of Retirement
From: Stan Conwell, Financial & Investment Officer
Subject: Monthly Investment Report

Preliminary Monthly Investment Report for the month ending January 31, 2016

The Cost Basis of investments at the end of the month are displayed in column A. Market value of investments at the end of the month are presented in column B. Unrealized Gain/Loss is presented in Column C. The target analysis for the investment portfolio is shown in columns D and E. Column D displays actual percent of portfolio and column E 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 F. Column G presents the difference between Column B and F, or the change in market value during the current fiscal year. As of January 31, 2016 the fiscal year change in market value decreased by \$37,192,764 with cash and \$36,304,772 excluding cash. 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
January 31, 2016

	A	B	C	D	E	F	G
	Cost Basis	Market Value	Unrealized Gain/Loss	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	59,558,892	58,316,949	(1,241,944)	14.33%	14.00%	58,685,664	(368,715)
Dodge & Cox - Income Fund	58,467,480	57,724,978	(742,502)	14.18%	14.00%	59,093,726	(1,368,748)
Total Domestic Fixed Income	\$ 118,026,372	\$ 116,041,927	\$ (1,984,445)	28.51%	28.00%	\$ 117,779,390	\$ (1,737,463)
Small Cap Growth							
Alliance Bernstein - US Small Cap Growth Fund	2,482,995	5,606,675	3,123,680	1.38%	1.52%	7,199,605	(1,592,930)
RS Investments - Small Cap Growth Fund Y	2,830,684	4,550,344	1,719,661	1.12%	1.14%	5,866,230	(1,315,886)
Total Small Cap Growth	5,313,679	10,157,020	4,843,341			13,065,835	(2,908,815)
AMG Funds - Micro-Cap Institutional	7,391,446	6,826,728	(564,718)	1.68%	1.90%	8,783,420	(1,956,691)
Total Small Cap Growth/Micro Cap	12,705,125	16,983,748	4,278,622	4.17%	4.56%	21,849,255	(4,865,507)
Small Cap Value							
Prudential	15,008,686	10,879,938	(4,128,748)	2.67%	2.66%	12,838,894	(1,958,956)
Total Small Cap Value	15,008,686	10,879,938	(4,128,748)	2.67%	2.66%	12,838,894	(1,958,956)
Total Small/Micro Cap Equities	\$ 27,713,812	\$ 27,863,686	\$ 149,874	6.85%	7.22%	\$ 34,688,149	\$ (6,824,463)
Mid Cap Growth							
Morgan Stanley	4,413,106	4,037,234	(375,873)	0.99%	1.14%	4,956,476	(919,242)
Janus - Enterprise Fund	3,729,919	4,941,462	1,211,543	1.21%	1.14%	5,384,934	(443,472)
Total Mid Cap Growth	8,143,026	8,978,696	835,671	2.21%	2.28%	10,341,410	(1,362,714)
Mid Cap Value							
Fidelity Low Priced Stock Fund	3,300,069	4,728,047	1,427,978	1.16%	1.14%	5,239,964	(511,916)
Royce - Total Return Fund	4,215,421	4,238,139	22,718	1.04%	1.14%	4,798,388	(560,248)
Total Mid Cap Value	7,515,490	8,966,187	1,450,696	2.20%	2.28%	10,038,351	(1,072,164)
Total Mid Cap Equities	\$ 15,658,516	\$ 17,944,883	\$ 2,286,367	4.41%	4.56%	\$ 20,379,761	\$ (2,434,878)
Large Cap Core							
Vanguard Institutional Index Fund	18,542,971	20,880,883	2,337,912	5.13%	4.94%	22,468,787	(1,587,904)
Total Large Cap Core	18,542,971	20,880,883	2,337,912	5.13%	4.94%	22,468,787	(1,587,904)
Large Cap Growth							
Harbor Capital Appreciation Fund	15,258,385	21,780,746	6,522,360	5.35%	5.32%	25,167,195	(3,386,449)
Janus - Research Fund	17,219,508	21,844,967	4,625,459	5.37%	5.32%	24,479,426	(2,634,459)
Total Large Cap Growth	32,477,893	43,625,713	11,147,820	10.72%	10.64%	49,646,621	(6,020,908)
Large Cap Value							
Dodge & Cox Stock Fund	14,160,405	20,453,086	6,292,681	5.03%	5.32%	23,440,177	(2,987,091)
Boston Partners (Formerly ROBECCO)	13,969,190	21,333,363	7,364,172	5.24%	5.32%	24,880,798	(3,547,435)
Total Large Cap Value	28,129,595	41,786,449	13,656,854	10.27%	10.64%	48,320,976	(6,534,527)
Total Large Cap Equities	\$ 79,150,459	\$ 106,293,045	\$ 27,142,585	26.12%	26.22%	\$ 120,436,383	\$ (14,143,339)
International Stock							
American Funds - EuroPacific	17,473,444	20,917,697	3,444,253	5.14%	4.69%	21,826,245	(908,548)
Harbor international	21,664,411	20,689,313	(975,098)	5.08%	4.69%	20,566,543	122,770
Columbia Management - International Fund	8,511,206	10,460,387	1,949,181	2.57%	2.50%	11,196,474	(736,088)
Janus Overseas (Liquidated Sept. 2015)	-	-	-	0.00%	4.69%	17,083,718	(17,083,718)
Mondrian	20,399,962	21,432,950	1,032,988	5.27%	4.69%	21,110,219	322,731
Oakmark	19,581,963	20,223,268	641,305	4.97%	3.75%	16,061,266	4,162,002
Total International Stock	\$ 87,630,987	\$ 93,723,615	\$ 6,092,628	23.03%	25.00%	\$ 107,844,466	\$ (14,120,851)
Real Estate							
RREEF - Comingled Fund	6,651,482	8,558,420	1,906,938	2.10%	1.80%	7,967,998	590,422
RREEF - America REIT II ²	13,942,343	20,316,074	6,373,732	4.99%	3.50%	18,914,666	1,401,408
Cornerstone Fund ²	10,960,586	14,852,398	3,891,812	3.65%	3.50%	13,888,006	964,391
625 Kings Court	901,112	864,000	(37,112)	0.21%	0.20%	864,000	-
Total Real Estate	\$ 32,455,522	\$ 44,590,893	\$ 12,135,370	10.96%	9.00%	\$ 41,634,671	\$ 2,956,222
Total Investments ³	\$ 360,635,669	\$ 406,458,049	\$ 45,822,380	99.87%	100.00%	\$ 442,762,820	\$ (36,304,772)
Cash in County Treasury							
	Beg of Year	End of Period					
	\$ 1,398,150	\$ 510,158	\$ (887,992)	0.13%	0.00%	\$ 1,398,150	\$ (887,992)
Total All Available Funds	\$ 362,033,819	\$ 406,968,206	\$ 44,934,388	100.00%	100.00%	444,160,970	(37,192,764)

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 net position due to rounding.