

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: August 19, 2015
To: Board of Retirement
From: Stan Conwell, Financial & Investment Officer
Subject: Monthly Investment Report

Preliminary Monthly Investment Report for the month ending June 30, 2015

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 June 30, 2015 the fiscal year change in market value is \$5,340,189. 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
June 30, 2015

	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	57,556,369	58,685,664	1,129,295	13.21%	14.00%	57,374,762	1,310,902
Dodge & Cox - Income Fund	58,445,754	59,093,726	647,972	13.30%	14.00%	58,101,916	991,810
Total Domestic Fixed Income	\$ 116,002,123	\$ 117,779,390	\$ 1,777,267	26.52%	28.00%	\$ 115,476,679	\$ 2,302,711
Small Cap Growth							
Alliance Bernstein - US Small Cap Growth Fund	1,967,850	7,199,605	5,231,755	1.62%	1.52%	6,694,534	505,071
RS Investments - Small Cap Growth Fund Y	2,755,512	5,866,230	3,110,718	1.32%	1.14%	4,732,133	1,134,097
Total Small Cap Growth	4,723,362	13,065,835	8,342,473			11,426,667	1,639,168
AMG Funds - Micro-Cap Institutional	6,518,139	8,783,420	2,265,280	1.98%	1.90%	8,035,800	747,620
Total Small Cap Growth/Micro Cap	11,241,501	21,849,255	10,607,754	4.92%	4.56%	19,462,467	2,386,788
Small Cap Value							
Prudential	11,336,382	12,838,894	1,502,512	2.89%	2.66%	12,598,958	239,936
Total Small Cap Value	11,336,382	12,838,894	1,502,512	2.89%	2.66%	12,598,958	239,936
Total Small/Micro Cap Equities	\$ 22,577,883	\$ 34,688,149	\$ 12,110,266	7.81%	7.22%	\$ 32,061,425	\$ 2,626,724
Mid Cap Growth							
Morgan Stanley	3,882,212	4,956,476	1,074,264	1.12%	1.14%	4,777,614	178,862
Janus - Enterprise Fund	3,525,879	5,384,934	1,859,055	1.21%	1.14%	4,758,310	626,624
Total Mid Cap Growth	7,408,091	10,341,410	2,933,319	2.33%	2.28%	9,535,924	805,486
Mid Cap Value							
Fidelity Low Priced Stock Fund	3,075,784	5,239,964	2,164,180	1.18%	1.14%	4,894,239	345,724
Royce - Total Return Fund	3,661,241	4,798,388	1,137,147	1.08%	1.14%	4,817,934	(19,547)
Total Mid Cap Value	6,737,025	10,038,351	3,301,326	2.26%	2.28%	9,712,173	326,178
Total Mid Cap Equities	\$ 14,145,116	\$ 20,379,761	\$ 6,234,645	4.59%	4.56%	\$ 19,248,097	\$ 1,131,664
Large Cap Core							
Vanguard Institutional Index Fund	18,740,113	22,468,787	3,728,674	5.06%	4.94%	23,915,904	(1,447,117)
Total Large Cap Core	18,740,113	22,468,787	3,728,674	5.06%	4.94%	23,915,904	(1,447,117)
Large Cap Growth							
Harbor Capital Appreciation Fund	14,838,653	25,167,195	10,328,542	5.67%	5.32%	23,908,392	1,258,802
Janus - Research Fund	15,890,771	24,479,426	8,588,655	5.51%	5.32%	24,594,682	(115,256)
Total Large Cap Growth	30,729,424	49,646,621	18,917,197	11.18%	10.64%	48,503,075	1,143,546
Large Cap Value							
Dodge & Cox Stock Fund	13,353,825	23,440,177	10,086,353	5.28%	5.32%	23,740,685	(300,507)
Boston Partners (Formerly ROBECO)	14,500,000	24,880,798	10,380,798	5.60%	5.32%	23,467,671	1,413,127
Total Large Cap Value	27,853,825	48,320,976	20,467,151	10.88%	10.64%	47,208,356	1,112,620
Total Large Cap Equities	\$ 77,323,362	\$ 120,436,383	\$ 43,113,022	27.12%	26.22%	\$ 119,627,334	\$ 809,049
International Stock							
American Funds - EuroPacific	14,833,805	21,826,245	6,992,441	4.91%	4.69%	21,616,103	210,142
Harbor international	17,261,482	20,566,543	3,305,061	4.63%	4.69%	21,451,634	(885,091)
Columbia Management - International Fund	7,543,475	11,196,474	3,652,999	2.52%	2.50%	11,776,362	(579,887)
Janus Overseas	19,599,565	17,083,718	(2,515,847)	3.85%	4.69%	19,581,811	(2,498,093)
Mondrian	17,299,962	21,110,219	3,810,257	4.75%	4.69%	22,571,671	(1,461,452)
Oakmark	12,257,452	16,061,266	3,803,814	3.62%	3.75%	16,478,315	(417,050)
Total International Stock	\$ 88,795,742	\$ 107,844,466	\$ 19,048,724	24.28%	25.00%	\$ 113,475,897	\$ (5,631,431)
Real Estate							
RREEF - Comingled Fund	6,651,482	7,967,998	1,316,516	1.79%	1.80%	7,623,257	344,741
RREEF - America REIT II ²	13,577,014	18,914,666	5,337,652	4.26%	3.50%	16,484,323	2,430,344
Cornerstone Fund ²	10,707,035	13,888,006	3,180,972	3.13%	3.50%	12,561,621	1,326,386
625 Kings Court	901,112	864,000	(37,112)	0.19%	0.20%	864,000	-
Total Real Estate	\$ 31,836,643	\$ 41,634,671	\$ 9,798,028	9.37%	9.00%	\$ 37,533,200	\$ 4,101,471
Total Investments ³	\$ 350,680,869	\$ 442,762,820	\$ 92,081,952	99.69%	100.00%	\$ 437,422,631	\$ 5,340,189
Cash in County Treasury							
	4,966,310	1,398,150	(3,568,160)	0.31%	0.00%	4,966,310	(3,568,160)
Total All Available Funds	\$ 355,647,179	\$ 444,160,970	\$ 88,513,792	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 Net Position due to rounding.