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MENDOCINO COUNTY
EMPLOYEES' RETIREMENT ASSOCIATION
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Date: September 16, 2015
To: Board of Retirement
From: Stan Conwell, Financial & Investment Officer
Subject: Monthly Investment Report

Preliminary Monthly Investment Report for the month ending July 31, 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 July 31, 2015 the fiscal year change in market value is \$1,023,135. 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
July 31, 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	59,184,880	1,628,511	13.27%	14.00%	58,685,664	499,216
Dodge & Cox - Income Fund	58,445,754	59,267,531	821,777	13.29%	14.00%	59,093,726	173,805
Total Domestic Fixed Income	\$ 116,002,123	\$ 118,452,411	\$ 2,450,288	26.56%	28.00%	\$ 117,779,390	\$ 673,021
Small Cap Growth							
Alliance Bernstein - US Small Cap Growth Fund	1,967,850	7,179,997	5,212,147	1.61%	1.52%	7,199,605	(19,608)
RS Investments - Small Cap Growth Fund Y	2,755,512	5,953,693	3,198,182	1.34%	1.14%	5,866,230	87,463
Total Small Cap Growth	4,723,362	13,133,690	8,410,329			13,065,835	67,855
AMG Funds - Micro-Cap Institutional	6,518,139	8,604,825	2,086,686	1.93%	1.90%	8,783,420	(178,594)
Total Small Cap Growth/Micro Cap	11,241,501	21,738,516	10,497,015	4.87%	4.56%	21,849,255	(110,739)
Small Cap Value							
Prudential	11,336,382	12,545,405	1,209,023	2.81%	2.66%	12,838,894	(293,489)
Total Small Cap Value	11,336,382	12,545,405	1,209,023	2.81%	2.66%	12,838,894	(293,489)
Total Small/Micro Cap Equities	\$ 22,577,883	\$ 34,283,921	\$ 11,706,038	7.69%	7.22%	\$ 34,688,149	\$ (404,228)
Mid Cap Growth							
Morgan Stanley	3,882,212	5,004,370	1,122,158	1.12%	1.14%	4,956,476	47,895
Janus - Enterprise Fund	3,525,879	5,420,554	1,894,674	1.22%	1.14%	5,384,934	35,619
Total Mid Cap Growth	7,408,091	10,424,924	3,016,833	2.34%	2.28%	10,341,410	83,514
Mid Cap Value							
Fidelity Low Priced Stock Fund	3,075,784	5,262,955	2,187,171	1.18%	1.14%	5,239,964	22,991
Royce - Total Return Fund	3,661,241	4,693,433	1,032,192	1.05%	1.14%	4,798,388	(104,954)
Total Mid Cap Value	6,737,025	9,956,388	3,219,363	2.23%	2.28%	10,038,351	(81,963)
Total Mid Cap Equities	\$ 14,145,116	\$ 20,381,312	\$ 6,236,196	4.57%	4.56%	\$ 20,379,761	\$ 1,550
Large Cap Core							
Vanguard Institutional Index Fund	18,740,113	22,939,618	4,199,506	5.14%	4.94%	22,468,787	470,831
Total Large Cap Core	18,740,113	22,939,618	4,199,506	5.14%	4.94%	22,468,787	470,831
Large Cap Growth							
Harbor Capital Appreciation Fund	14,838,653	25,584,921	10,746,268	5.74%	5.32%	25,167,195	417,726
Janus - Research Fund	15,890,771	24,717,055	8,826,284	5.54%	5.32%	24,479,426	237,629
Total Large Cap Growth	30,729,424	50,301,976	19,572,552	11.28%	10.64%	49,646,621	655,355
Large Cap Value							
Dodge & Cox Stock Fund	13,353,825	23,705,141	10,351,316	5.32%	5.32%	23,440,177	264,963
Boston Partners (Formerly ROBECO)	14,500,000	24,171,983	9,671,983	5.42%	5.32%	24,880,798	(708,815)
Total Large Cap Value	27,853,825	47,877,124	20,023,299	10.74%	10.64%	48,320,976	(443,852)
Total Large Cap Equities	\$ 77,323,362	\$ 121,118,718	\$ 43,795,357	27.16%	26.22%	\$ 120,436,383	\$ 682,335
International Stock							
American Funds - EuroPacific	14,833,805	21,856,523	7,022,719	4.90%	4.69%	21,826,245	30,278
Harbor international	17,261,482	20,557,678	3,296,196	4.61%	4.69%	20,566,543	(8,865)
Columbia Management - International Fund	7,543,475	10,997,312	3,453,837	2.47%	2.50%	11,196,474	(199,162)
Janus Overseas	19,599,565	16,351,413	(3,248,153)	3.67%	4.69%	17,083,718	(732,306)
Mondrian	17,299,962	21,462,032	4,162,070	4.81%	4.69%	21,110,219	351,813
Oakmark	12,257,452	16,211,554	3,954,103	3.64%	3.75%	16,061,266	150,288
Total International Stock	\$ 88,795,742	\$ 107,436,513	\$ 18,640,771	24.09%	25.00%	\$ 107,844,466	\$ (407,953)
Real Estate							
RREEF - Comingled Fund	6,651,482	8,446,407	1,794,925	1.89%	1.80%	7,967,998	478,409
RREEF - America REIT II ²	13,577,014	18,914,666	5,337,652	4.24%	3.50%	18,914,666	-
Cornerstone Fund ²	10,707,035	13,888,006	3,180,972	3.11%	3.50%	13,888,006	-
625 Kings Court	901,112	864,000	(37,112)	0.19%	0.20%	864,000	-
Total Real Estate	\$ 31,836,643	\$ 42,113,080	\$ 10,276,437	9.44%	9.00%	\$ 41,634,671	\$ 478,409
Total Investments ³	\$ 350,680,869	\$ 443,785,956	\$ 93,105,087	99.52%	100.00%	\$ 442,762,820	\$ 1,023,135
Cash in County Treasury							
	1,398,150	2,158,563	760,413	0.48%	0.00%	1,398,150	760,413
Total All Available Funds	\$ 352,079,019	\$ 445,944,519	\$ 93,865,500	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.