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MENDOCINO COUNTY
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Date: January 19, 2016
To: Board of Retirement
From: Stan Conwell, Financial & Investment Officer
Subject: Monthly Investment Report

Preliminary Monthly Investment Report for the month ending November 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 November 30, 2015 the fiscal year change in market value decreased by \$10,788,143 with cash and \$10,984,708 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
November 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	58,130,979	574,610	13.41%	14.00%	58,685,664	(554,685)
Dodge & Cox - Income Fund	58,445,754	58,746,116	300,362	13.56%	14.00%	59,093,726	(347,610)
Total Domestic Fixed Income	\$ 116,002,123	\$ 116,877,095	\$ 874,972	26.97%	28.00%	\$ 117,779,390	\$ (902,295)
Small Cap Growth							
Alliance Bernstein - US Small Cap Growth Fund	1,967,850	6,788,771	4,820,921	1.57%	1.52%	7,199,605	(410,834)
RS Investments - Small Cap Growth Fund Y	2,755,512	5,476,902	2,721,391	1.26%	1.14%	5,866,230	(389,328)
Total Small Cap Growth	4,723,362	12,265,673	7,542,312			13,065,835	(800,162)
AMG Funds - Micro-Cap Institutional	6,518,139	8,042,443	1,524,304	1.86%	1.90%	8,783,420	(740,976)
Total Small Cap Growth/Micro Cap	11,241,501	20,308,117	9,066,616	4.69%	4.56%	21,849,255	(1,541,138)
Small Cap Value							
Prudential	11,336,382	12,658,936	1,322,554	2.92%	2.66%	12,838,894	(179,958)
Total Small Cap Value	11,336,382	12,658,936	1,322,554	2.92%	2.66%	12,838,894	(179,958)
Total Small/Micro Cap Equities	\$ 22,577,883	\$ 32,967,053	\$ 10,389,170	7.61%	7.22%	\$ 34,688,149	\$ (1,721,096)
Mid Cap Growth							
Morgan Stanley	3,882,212	4,559,810	677,598	1.05%	1.14%	4,956,476	(396,665)
Janus - Enterprise Fund	3,525,879	5,394,861	1,868,982	1.24%	1.14%	5,384,934	9,927
Total Mid Cap Growth	7,408,091	9,954,671	2,546,580	2.30%	2.28%	10,341,410	(386,739)
Mid Cap Value							
Fidelity Low Priced Stock Fund	3,259,812	5,130,673	1,870,861	1.18%	1.14%	5,239,964	(109,290)
Royce - Total Return Fund	3,672,720	4,656,232	983,512	1.07%	1.14%	4,798,388	(142,156)
Total Mid Cap Value	6,932,533	9,786,905	2,854,373	2.26%	2.28%	10,038,351	(251,446)
Total Mid Cap Equities	\$ 14,340,624	\$ 19,741,577	\$ 5,400,953	4.56%	4.56%	\$ 20,379,761	\$ (638,185)
Large Cap Core							
Vanguard Institutional Index Fund	18,412,139	22,324,543	3,912,405	5.15%	4.94%	22,468,787	(144,244)
Total Large Cap Core	18,412,139	22,324,543	3,912,405	5.15%	4.94%	22,468,787	(144,244)
Large Cap Growth							
Harbor Capital Appreciation Fund	13,735,045	24,178,842	10,443,797	5.58%	5.32%	25,167,195	(988,353)
Janus - Research Fund	15,130,694	23,848,807	8,718,112	5.50%	5.32%	24,479,426	(630,619)
Total Large Cap Growth	28,865,739	48,027,649	19,161,910	11.08%	10.64%	49,646,621	(1,618,972)
Large Cap Value							
Dodge & Cox Stock Fund	13,353,825	22,623,207	9,269,382	5.22%	5.32%	23,440,177	(816,971)
Boston Partners (Formerly ROBECO)	13,969,190	23,462,535	9,493,344	5.41%	5.32%	24,880,798	(1,418,263)
Total Large Cap Value	27,323,015	46,085,742	18,762,726	10.63%	10.64%	48,320,976	(2,235,234)
Total Large Cap Equities	\$ 74,600,893	\$ 116,437,934	\$ 41,837,040	26.87%	26.22%	\$ 120,436,383	\$ (3,998,450)
International Stock							
American Funds - EuroPacific	16,733,805	22,799,817	6,066,013	5.26%	4.69%	21,826,245	973,572
Harbor international	20,661,482	22,405,791	1,744,309	5.17%	4.69%	20,566,543	1,839,248
Columbia Management - International Fund	8,043,475	11,247,996	3,204,521	2.60%	2.50%	11,196,474	51,522
Janus Overseas (Liquidated Sept. 2015)	-	-	-	0.00%	4.69%	17,083,718	(17,083,718)
Mondrian	20,399,962	22,753,837	2,353,875	5.25%	4.69%	21,110,219	1,643,618
Oakmark	19,581,963	22,957,228	3,375,266	5.30%	3.75%	16,061,266	6,895,963
Total International Stock	\$ 85,420,687	\$ 102,164,670	\$ 16,743,983	23.57%	25.00%	\$ 107,844,466	\$ (5,679,796)
Real Estate							
RREEF - Comingled Fund	6,651,482	8,681,693	2,030,210	2.00%	1.80%	7,967,998	713,695
RREEF - America REIT II ²	13,753,926	19,629,880	5,875,955	4.53%	3.50%	18,914,666	715,214
Cornerstone Fund ²	10,851,839	14,414,211	3,562,372	3.33%	3.50%	13,888,006	526,204
625 Kings Court	901,112	864,000	(37,112)	0.20%	0.20%	864,000	-
Total Real Estate	\$ 32,158,358	\$ 43,589,784	\$ 11,431,425	10.06%	9.00%	\$ 41,634,671	\$ 1,955,113
Total Investments ³	\$ 345,100,569	\$ 431,778,112	\$ 86,677,543	99.63%	100.00%	\$ 442,762,820	\$ (10,984,708)
Cash in County Treasury	Beg of Year \$ 1,398,150	End of Period \$ 1,594,715	\$ 196,565	0.37%	0.00%	\$ 1,398,150	\$ 196,565
Total All Available Funds	\$ 346,498,719	\$ 433,372,827	\$ 86,874,108	100.00%	100.00%	444,160,970	(10,788,143)

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.