



MENDOCINO COUNTY EMPLOYEES
RETIREMENT ASSOCIATION

Callan's Portfolio Characteristics



MENDOCINO COUNTY EMPLOYEES
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Equity Characteristics

Market Cap

The total value of a company's outstanding common shares owned by stockholders

Dynavax at June 30, 2023

Item	Amount
Shares Outstanding	128,779,000
Price per share	x \$12.92
Market Cap	\$1,663,824,680

Dynavax is a small cap company at June 30, 2023.

Apple and Microsoft are currently the largest companies in the world with market caps of \$2.87 and \$2.83 Trillion.

Size Category	Amount
Mega Cap	Greater than \$200B
Large Cap	Greater than \$10B but less than \$200B
Mid Cap	Greater than \$2B but less than \$10B
Small Cap	Greater than \$250M but less than \$2B
Micro Cap	Less than \$250M

Price / Forecasted Earnings

A variation of the price-to-earnings ratio using a prediction of a company's future earnings

AT&T at January 8, 2024

Item	Amount
Price per share	\$17.32
Future earnings per share	÷ \$2.44
Price / Forecasted Earnings	7.10

Ratio should be compared for companies in the same industry.

This ratio shows the expectations of the market and is the price you must pay per unit of future earnings.

High Price/Forecasted Earnings are typical of growth companies, while low Price/Forecasted Earnings are typical of value companies.

Price / Book

A comparison of a firm's market capitalization to its book value

AT&T at September 30, 2023

Item	Amount
Price per share	\$15.02
Book value per share	÷ \$14.50
Price / Book	1.04

$$P/B = \frac{\text{Market Price per Share}}{\frac{(\text{Total Assets} - \text{intangible assets} - \text{total liabilities})}{\text{Number of shares}}}$$

Book Value

This ratio shows the value given by the market for each dollar of a company's net worth.

Growth companies tend to have P/B ratios greater than 1.0, while Value companies tend to have P/B ratios less than (or around) 1.0.

A very high or very low P/B ratio should prompt additional review of other metrics to determine if the ratio is justified.

Dividend Yield

The return earned solely on dividend payments

AT&T at January 8, 2024

Item	Amount
Annual Dividends per share	\$1.11
Price per share	÷ \$17.32
Dividend Yield	6.41%

AT&T has paid a dividend of \$0.2775 dollars per share for each of the last four quarters. (Trailing-12 months)

Different businesses in different industries will have varying dividend yields.

Value companies typically pay out greater dividend yields compared to Growth companies because of stronger business fundamentals (mature stable businesses).

This dynamic is reflected in MCERA's investment manager profiles.

Forecasted Earnings Growth

A forecast based on analyst's expectations of a company's growth and profitability

Callan reports a 12-month forward estimate of company growth and profitability.

MSCI Combined Z-Score

A measurement that describes the value's relationship to the mean of a group of values

MSCI uses 3 variables for value and 5 variables for growth to calculate a Value and Growth score for each fund. These values are then combined as reported. Tracks the relative value-ness or growth-ness of the managers.



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Fixed Income Characteristics

Duration

A measurement of bond price sensitivity to changes in interest rates

Duration of Dodge and Cox

As of Date	Duration
9/30/2023	5.72
6/30/2023	5.23
3/31/2023	5.30
12/31/2022	5.45
9/30/2022	5.50
6/30/2022	5.20
3/31/2022	4.97
12/31/2021	4.74

Duration of Pimco

As of Date	Duration
9/30/2023	6.18
6/30/2023	5.86
3/31/2023	5.61
12/31/2022	5.81
9/30/2022	5.87
6/30/2022	5.49
3/31/2022	5.87
12/31/2021	5.88

“Average Life” (Effective Maturity)

The length of time, considering call options, until a bond reaches maturity

“Average Life” of Dodge and Cox

As of Date	Average Life
9/30/2023	10.44
6/30/2023	9.93
3/31/2023	10.32
12/31/2022	10.43
9/30/2022	10.48
6/30/2022	9.77
3/31/2022	8.94
12/31/2021	8.30

“Average Life” of Pimco

As of Date	Average Life
9/30/2023	8.44
6/30/2023	8.20
3/31/2023	8.07
12/31/2022	8.13
9/30/2022	7.86
6/30/2022	6.96
3/31/2022	7.31
12/31/2021	8.23

Effective Yield

The return on a bond that has its interest payments reinvested at the same rate as the bond

Effective Yield of Dodge and Cox

As of Date	Effective Yield
9/30/2023	6.17%
6/30/2023	5.69%
3/31/2023	5.46%
12/31/2022	5.75%
9/30/2022	5.75%
6/30/2022	4.67%
3/31/2022	3.52%
12/31/2021	2.06%

Effective Yield of Pimco

As of Date	Effective Yield
9/30/2023	6.24%
6/30/2023	5.49%
3/31/2023	5.13%
12/31/2022	5.71%
9/30/2022	6.19%
6/30/2022	5.15%
3/31/2022	4.20%
12/31/2021	2.56%

Coupon Rate

The interest rate paid on a bond

Coupon Rate of Dodge and Cox

As of Date	Coupon Rate
9/30/2023	4.33%
6/30/2023	4.23%
3/31/2023	4.31%
12/31/2022	4.24%
9/30/2022	3.84%
6/30/2022	3.52%
3/31/2022	3.24%
12/31/2021	2.95%

Coupon Rate of Pimco

As of Date	Coupon Rate
9/30/2023	3.99%
6/30/2023	3.89%
3/31/2023	3.77%
12/31/2022	3.54%
9/30/2022	3.23%
6/30/2022	2.71%
3/31/2022	2.32%
12/31/2021	2.09%



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Real Estate Characteristics

Sectors/Regions

What Core sectors and regions does MCERA have exposure?

RREEF Exposures at September 30, 2023

Property Type	Amount	Region	Amount
Retail	12%	West	45%
Office	17%	South	20%
Industrial	44%	North	5%
Residential	27%	East	30%
Total	100%	Total	100%

Barings Exposures at September 30, 2023

Property Type	Amount	Region	Amount
Retail	13%	West	45%
Office	19%	South	29%
Industrial	35%	North	2%
Residential	29%	East	25%
Self Storage	4%	Total	100%
Total	100%		

Income & Appreciation

Real Estate returns are reported in two parts – Income and Appreciation

RREEF Net of Fee Returns at September 30, 2023

Period	Income	Appreciation	Total
Trailing 12 months	2.8%	-15.7%	-13.2%
Trailing 36 months	3.0%	3.5%	6.6%
Trailing 60 months	3.1%	2.3%	5.4%
Trailing 120 months	4.9%	2.1%	7.1%

NCREIF Fund Index Net of Fee Equal Weight Returns at September 30, 2023

Period	Income
Trailing 12 months	-13.08%
Trailing 36 months	6.69%
Trailing 60 months	5.22%
Trailing 120 months	7.55%

*RREEF Inception – 10/1/98

Income & Appreciation

Real Estate returns are reported in two parts – Income and Appreciation

Barings Net of Fee Returns at
September 30, 2023

Period	Income	Appreciation	Total
Trailing 12 months	2.76%	-16.89%	-14.48%
Trailing 36 months	2.85%	-0.31%	2.53%
Trailing 60 months	3.05%	-0.17%	2.88%
Trailing 120 months	3.19%	2.90%	6.15%

NCREIF Fund Index Net of Fee
Equal Weight Returns at
September 30, 2023

Period	Income
Trailing 12 months	-13.08%
Trailing 36 months	6.69%
Trailing 60 months	5.22%
Trailing 120 months	7.55%

*Barings Inception – 7/1/04

Occupancy Rate

Measures the ratio of occupied to total usable rental space

RREEF Occupancy Rates at September 30, 2023

Item	Amount
Retail	89%
Office	81%
Industrial	94%
Residential	91%
Total	91%

Barings Occupancy Rates at September 30, 2023

Item	Amount
Retail	99%
Office	91%
Industrial	98%
Residential	95%
Total	96%

Leverage

The fund's economic share of total leverage divided by the Fund's economic share of total assets

RREEF leverage at September 30, 2023

22.83%

Barings leverage at September 30, 2023

30.48%

Fund Type	Leverage	Expected Net Return
Core	<40%	< 8%
Core-Plus	45-60%	8-10%
Value-Add	60-75%	10-12%
Opportunistic	+70%	13+%



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Thank you