



City of San Diego

City of San Diego Funds Commission

Semi-Annual Report to the Rules Committee

October 26, 2011



Funds Commission

- **City Charter §41(a)**
- **Supervision and control over all trust ,
perpetuity and investment funds**
- **Five (5) Commissioners: one bank
official, two citizens, City Attorney and
City Treasurer, ex officio**



Funds Commissioners

- **David Walters, Chair**
Senior VP – Bank of Southern California
- **Geri LaChance**
EVP, COO – North Island Credit Union
- **David S. Tam**
Financial Advisor – Edward Jones



Funds

- **Mt. Hope Cemetery Perpetuity**
- **Edwin A. Benjamin Memorial (1964)**
- **Effie E. Sergeant Memorial (1994)**
- **Gladys Edna Peters Memorial (1997)**
- **Jane Cameron La Jolla Library (2009)**
- **Los Penasquitos Canyon Preserve (1996)**



Asset Allocation

- **Cemetery Fund income requirement drives asset allocation toward emphasis on bonds and dividend-paying stocks**
- **Target allocation is 65% bonds/35% stocks**



Asset Allocation (cont.)

- **Each of the other Funds has a long-term strategy incorporating capital appreciation and income**
- **Target allocation is 65% stocks/35% bonds**



Investment Performance

As of September 30, 2011

	Allocation		Performance %						
	Market Values (\$)	%	1 Quarter	Year To Date	1 Year	3 Years	5 Years	7 Years	10 Years
Pensaquitos - Composite	2,411,461		(12.8)	(8.3)	(2.3)	4.5	2.2	4.5	5.4
Pensaquitos - Policy Index			(9.0)	(4.7)	0.7	3.7	1.5	4.0	4.6
Benjamin Composite	868,995		(12.7)	(8.4)	(2.7)	4.0	2.4	4.6	5.2
Benjamin - Policy Index			(9.0)	(4.7)	0.7	3.7	1.5	4.0	4.6
Sergeant - Composite	429,940		(12.8)	(8.2)	(2.3)	4.6	2.3	4.4	5.3
Sergeant - Policy Index			(9.0)	(4.7)	0.7	3.7	1.5	4.0	4.6
Peters - Composite	310,160		(12.8)	(8.3)	(2.2)	4.7	2.3	4.5	5.4
Peters - Policy Index			(9.0)	(4.7)	0.7	3.7	1.5	4.0	4.6
Cameron Composite	2,846,211		(12.8)	(8.3)	(2.3)	N/A	N/A	N/A	N/A
Cameron - Policy Index			(9.0)	(4.7)	0.7	3.7	1.5	4.0	4.6
Cemetery Fund Composite	9,516,826		(3.8)	(0.3)	1.2	3.7	1.4	2.9	3.4
Cemetery - Policy Index			(3.2)	0.5	3.0	5.9	4.0	4.9	5.2

The Policy Index consists of 45% S&P 500 / 20% MSCI EAFE / 35% Barclays Capital Aggregate ,with the exception of the Cemetery Fund which has a Policy Index consisting of 25% S&P 500 / 10% MSCI EAFE / 65% Barclays Capital Aggregate. Performance is net of Manager fees.



Investment Performance

Calendar Year Performance

	Allocation		Performance %				
	Market Values (\$)	%	2010	2009	2008	2007	2006
Pensaquitos - Composite	2,411,461		14.7	22.8	(23.4)	7.0	12.7
Pensaquitos - Policy Index			11.2	20.5	(25.5)	7.3	13.7
Benjamin Composite	868,995		14.4	20.0	(21.5)	8.2	12.8
Benjamin - Policy Index			11.2	20.5	(25.5)	7.3	13.7
Sergeant - Composite	429,940		14.7	22.7	(23.0)	7.0	11.8
Sergeant - Policy Index			11.2	20.5	(25.5)	7.3	13.7
Peters - Composite	310,160		14.7	23.0	(23.2)	6.9	12.2
Peters - Policy Index			11.2	20.5	(25.5)	7.3	13.7
Cameron Composite	2,846,211		14.8	N/A	N/A	N/A	N/A
Cameron - Policy Index			11.2	20.5	(25.5)	7.3	13.7
Cemetery Fund Composite	9,516,826		7.2	9.3	(15.2)	4.8	9.6
Cemetery - Policy Index			9.3	13.8	(12.3)	7.1	9.2

The Policy Index consists of 45% S&P 500 / 20% MSCI EAFE / 35% Barclays Capital Aggregate ,with the exception of the Cemetery Fund which has a Policy Index consisting of 25% S&P 500 / 10% MSCI EAFE / 65% Barclays Capital Aggregate.
Performance is net of Manager fees.



Investment Performance

As of October 24, 2011

Fund	Market Value	MTD	YTD
Pensaquitos Composite	\$ 2,538,540	6.8	(2.1)
<i>Pensaquitos Policy Index</i>		6.5	0.7
Benjamin Composite	\$ 926,457	6.7	(2.3)
<i>Benjamin Policy Index</i>		6.5	0.7
Sergeant Composite	\$ 452,473	6.8	(2.0)
<i>Sergeant Policy Index</i>		6.5	0.7
Peters Composite	\$ 326,440	6.8	(2.1)
<i>Peters Policy Index</i>		6.5	0.7
Cameron Composite	\$ 3,035,366	6.7	(2.1)
<i>Cameron Policy Index</i>		6.5	0.7
Cemetery Composite	\$ 9,802,767	3.0	2.7
<i>Cemetery Policy Index</i>		3.2	3.2

The Policy Index consists of 45% S&P 500 / 20% MSCI EAFE / 35% Barclays Capital Aggregate ,with the exception of the Cemetery Fund which has a Policy Index consisting of 25% S&P 500 / 10% MSCI EAFE / 65% Barclays Capital Aggregate.



Questions?