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MENDOCINO COUNTY
EMPLOYEES' RETIREMENT ASSOCIATION
625-B KINGS COURT
UKIAH, CALIFORNIA 95482-5027

Date: March 16, 2016
To: Board of Retirement
From: Stan Conwell, Financial & Investment Officer
Subject: Monthly Financial Report

Preliminary Monthly Financial Reports, month ending January 31, 2016

1. Statement of Plan Net Position

The report indicates the assets available for future payments to retirees and any current liabilities owed at the end of the month. Cash decreased to \$510,158 during the month and total net position decreased to \$406.8 million.

2. Statement of Changes in Plan Net Position

This report details the current fiscal year additions to and deductions from the fund for the most recent month and fiscal year-to-date. For the month, there was a decrease in net position of \$19.1 million and year to date net position decreased by \$37.3 million. The decrease was mainly due to unrealized losses related to increased concerns over global market conditions. Administrative Expenses this month include the yearly LRS/Pension Gold fee of \$130,058.10.

3. Cash Flow Analysis

This report reviews the sources and uses of cash during the month and year-to-date. MCERA monitors the cash allocation within the fund in accordance with the cash management policy. Cash decreased by \$698,923 during the month.

4. Office Building Rental Income – Net of Expenses

This report details the \$7,402 in net income for the monthly report period associated with the 625 Kings Court trust fund asset. YTD expenses are above budget due to higher expenses in each category including costs related to building repairs.

5. Vendor Ledgers

The Vendor Ledgers report includes vendor transactions and balances for the monthly report period. The report total ties to accounts payable on the Statement of Plan Net Position. Vendors with no activity this month and a zero balance were excluded.

MENDOCINO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
STATEMENT OF PLAN NET POSITION
January 31, 2016
Preliminary

ASSETS

CASH AND EQUIVALENTS

Trust Cash - Held at County	\$	510,158
		<u>510,158</u>

TOTAL CASH AND EQUIVALENTS		510,158
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CURRENT ASSETS

Accounts Receivable		129,745
Recoupments		90,323
		<u>220,068</u>

TOTAL CURRENT ASSETS		220,068
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INVESTMENTS, ADJUSTED TO MARKET

Unrealized Gain (Loss)		45,822,383
Fixed Income		118,026,371
International Equities		87,630,986
Small Cap Equities		27,713,811
Mid Cap Equities		15,658,516
Large Cap Equities		79,150,460
Real Estate		32,455,522
		<u>406,458,049</u>

TOTAL INVESTMENTS, AT MARKET		406,458,049
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TOTAL ASSETS	\$	407,188,275
		<u><u>407,188,275</u></u>

LIABILITIES

CURRENT LIABILITIES

Accounts Payable	\$	30,948
Wage Attachments		200
Accrued Wages - 1920 Account		289,029
		<u>320,177</u>

TOTAL CURRENT LIABILITIES		320,177
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TOTAL NET POSITION	\$	406,868,098
		<u><u>406,868,098</u></u>

Note: This statement is preliminary and subject to change throughout the fiscal quarter as new information becomes available

MENDOCINO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
STATEMENT OF CHANGES IN PLAN NET POSITION
For the Seven Months Ended January 31, 2016
Preliminary

	CURRENT MONTH	YEAR TO DATE
ADDITIONS		
CONTRIBUTIONS		
Employer	\$ 1,476,465	\$ 10,448,097
Plan Members	425,565	3,214,203
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TOTAL CONTRIBUTIONS	1,902,030	13,662,300
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INVESTMENT INCOME		
Unrealized Gain (Loss)	(18,433,898)	(46,259,568)
Rental Income, Net of Expenses	7,402	48,948
Interest	521	2,898
Dividends	123,316	4,691,325
Capital Gains	0	9,343,539
Less Investment Expense	0	(138,484)
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Net Investment Income	(18,302,659)	(32,311,342)
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TOTAL ADDITIONS	(16,400,629)	(18,649,042)
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DEDUCTIONS		
Benefit Payments & Refunds	(2,584,605)	(17,917,557)
Administrative Expenses	(186,189)	(782,650)
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TOTAL DEDUCTIONS	2,770,794	18,700,207
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Increase (Decrease) in Net Position	(19,171,423)	(37,349,249)
	<hr/>	<hr/>
NET POSITION		
Beginning of Period	426,039,519	444,217,351
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End of Period	\$ 406,868,096	\$ 406,868,102
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Note: This statement is preliminary and subject to change throughout the fiscal quarter as new information becomes available

MENDOCINO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
CASH FLOW ANALYSIS
For the Seven Months Ended January 31, 2016
Preliminary

	CURRENT MONTH	YEAR TO DATE
ADDITIONS		
CONTRIBUTIONS		
Employer	1,476,465	10,448,097
Plan Member	425,565	3,214,203
	1,902,030	13,662,300
INVESTMENT INCOME		
Rental Income, Net of Expenses	7,402	48,948
Interest	521	2,898
Dividends	123,316	2,074,664
Capital Gains	0	0
Less Investment Expense	0	(138,484)
	131,239	1,988,026
	2,033,269	15,650,326
DEDUCTIONS		
Benefit Payments & Refunds	(2,584,604)	(17,917,556)
Administrative Expenses	(186,189)	(782,650)
	(2,770,793)	(18,700,206)
OTHER INCREASES/(DECREASES)		
Accounts Receivable	59,393	656,805
Accounts Payable	(20,792)	(500,310)
Sale/Purchase of Investments	0	2,005,402
	38,601	2,161,897
INCREASE (DECREASE) IN CASH	\$ (698,923)	\$ (887,983)
SUMMARY		
Cash at End of Period	\$ 510,158	\$ 510,158
Cash at Beginning of Period	1,209,080	1,398,146
INCREASE (DECREASE) IN CASH	\$ (698,922)	\$ (887,988)

Note: This statement is preliminary and subject to change throughout the fiscal quarter as new information becomes available

Mendocino County Employees' Retirement Association

Rental Income - Net of Expenses

For the Seven Months Ending January 31, 2016

	<u>Current Month</u>	<u>Total Budget</u>	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>YTD Difference</u>
Revenues					
Rental Income	\$ 10,785	129,518	\$ 75,494	75,494	0
Total Revenues	<u>10,785</u>	<u>129,518</u>	<u>75,494</u>	<u>75,494</u>	<u>0</u>
Building Expenses					
Landscape & Maintenance	1,798	20,400	12,255	11,900	(355)
Security	325	1,800	1,282	1,050	(232)
Insurance	0	2,500	2,681	2,500	(181)
Utilities	1,260	16,750	10,328	10,150	(178)
Total building operating expenses	<u>3,383</u>	<u>41,450</u>	<u>26,546</u>	<u>25,600</u>	<u>(946)</u>
Net Income	<u>\$ 7,402</u>	<u>88,068</u>	<u>\$ 48,948</u>	<u>49,894</u>	<u>946</u>

MCERA
Vendor Ledgers
For the Period From Jan 1, 2016 to Jan 31, 2016

Filter Criteria includes: Report order is by ID.

Vendor ID Vendor	Date	Trans No	Type	Paid	Debit Amt	Credit Amt	Balance
aflac AFLAC, INC.	1/1/16	Balance Fwd					3,628.20
	1/7/16	4226543	CDJ		3,628.20		0.00
	1/31/16	Aflac Jan. 2016	PJ	*		3,574.26	3,574.26
amcre AMCRE	1/1/16	Balance Fwd					900.08
	1/1/16	Amcre Jan. 20	PJ	*		910.08	1,810.16
	1/7/16	4226548	CDJ		900.08		910.08
att AT&T	1/14/16	4226958	CDJ		92.90	92.90	0.00
	1/28/16	4228034	CDJ		120.45	120.45	0.00
calapr CALAPRS	1/7/16	4226575	CDJ		3,100.00	3,100.00	0.00
	1/14/16	4227015	CDJ		500.00	500.00	0.00
	1/14/16	4227014	CDJ		100.00	100.00	0.00
calass Callan Associates, Inc.	1/28/16	4228088	CDJ		60.00	60.00	0.00
cituki City of Ukiah	1/28/16	4228420	CDJ		26.18	26.18	0.00
	1/28/16	4228421	CDJ		107.69	107.69	0.00
	1/28/16	4228422	CDJ		126.16	126.16	0.00
	1/28/16	4228423	CDJ		206.14	206.14	0.00
	1/28/16	4228424	CDJ		259.40	259.40	0.00
clemen Clearly Mendocino Water Comp	1/14/16	4227049	CDJ		12.00	12.00	0.00
coumen County of Mendocino	1/1/16	Balance Fwd					6,899.22
	1/7/16	AJE 010716	CDJ		155.12	155.12	6,899.22
	1/19/16	AJE 011916	CDJ		6,899.22		0.00
	1/20/16	AJE 012016	CDJ		2.84	2.84	0.00
	1/22/16	AJE 012216	CDJ		114.25	114.25	0.00
crwlkr Craig Walker	1/7/16	4226922	CDJ		619.67	619.67	0.00
curdis Curry's Discount Inc.	1/28/16	4228136	CDJ		11.22	11.22	0.00
depval Deep Valley Security	1/14/16	4227093	CDJ		162.31	162.31	0.00
	1/14/16	4227092	CDJ		44.95	44.95	0.00
	1/14/16	4227091	CDJ		24.95	24.95	0.00
edd EDD	1/28/16	EDD ACH 012	CDJ		50,687.70	50,687.70	0.00
galllp Gallina, LLP	1/1/16	Balance Fwd					22,000.00
	1/14/16	497781 A	CDJ		22,000.00		0.00
gfoa Government Finance Officers A	1/28/16	4228197	CDJ		160.00	160.00	0.00
hanbri Hanson Bridgett	1/1/16	Balance Fwd					533.50
	1/14/16	4227150	CDJ		533.50		0.00
irs IRS	1/31/16	IRS ACH 0128	CDJ		218,992.03	218,992.03	0.00
linsol Linea Solutions	1/1/16	Balance Fwd					10,285.00
	1/14/16	4227206	CDJ		10,285.00		0.00
LRS Inc Levi, Ray & Shoup, Inc	1/28/16	4228238	CDJ		130,058.10	130,058.10	0.00
	1/28/16	4228237	CDJ		4,650.00	4,650.00	0.00
moncle	1/14/16	4227247	CDJ		990.00	990.00	0.00

MCERA
Vendor Ledgers
For the Period From Jan 1, 2016 to Jan 31, 2016

Filter Criteria includes: Report order is by ID.

Vendor ID Vendor	Date	Trans No	Type	Paid	Debit Amt	Credit Amt	Balance
Moonlight Cleaning Service	1/14/16	4227246	CDJ		400.00	400.00	0.00
pacgro	1/1/16	Balance Fwd					21,375.05
Pacific Group Agencies, Inc.	1/7/16	4226809	CDJ		21,375.05		0.00
	1/31/16	Pedit Jan. 201	PJ	*		22,997.67	22,997.67
pge PG&E	1/28/16	4228325	CDJ		469.91	469.91	0.00
segal	1/1/16	Balance Fwd					20,495.00
SEGAL	1/14/16	4227374	CDJ		1,500.00		18,995.00
	1/14/16	4227375	CDJ		18,995.00		0.00
soncou	1/1/16	Balance Fwd					7,392.00
Sonoma County Counsel	1/28/16	4228390	CDJ		4,158.00		3,234.00
sonswe	1/28/16	4228393	CDJ		52.00	52.00	0.00
Sonoma Sweepers, Inc.	1/28/16	4228394	CDJ		90.00	90.00	0.00
	1/28/16	4228395	CDJ		152.00	152.00	0.00
tosfin	1/14/16	4227414	CDJ		212.52	212.52	0.00
Toshiba Financial Services							
ukiwas	1/14/16	511075	CDJ		64.21	64.21	0.00
Ukiah Waste Solutions, Inc.							
usban	1/22/16	4728 122215	PJ	*		262.72	262.72
US Bank	1/22/16	6884 012216	PJ			157.20	419.92
	1/22/16	4728 - 012216	PJ			74.67	494.59
	1/29/16	AJE 012916	CDJ		262.72		231.87
verwir	1/28/16	4228449	CDJ		37.30	37.30	0.00
Verizon Wireless							
Report Total					503,398.77	440,838.60	30,947.88