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

Date: April 20, 2016
To: Board of Retirement
From: Stan Conwell, Financial & Investment Officer
Subject: Monthly Financial Report

Preliminary Monthly Financial Reports, month ending February 29, 2016

1. Statement of Plan Net Position

This report presents the assets available for future payments to retirees and any current liabilities owed at the end of the month. Cash increased to \$933,258 during the month and total net position decreased to \$403.5 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 \$3.2 million and year to date net position decreased by \$40.6 million.

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. \$1,000,000 of the RREEF Commingled REIT fund was sold in February resulting in a net cash increase of \$423,099 during the month.

4. Office Building Rental Income – Net of Expenses

This report details the \$7,582 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 and security system maintenance.

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
February 29, 2016
Preliminary

ASSETS

CASH AND EQUIVALENTS

Trust Cash - Held at County	\$	933,258
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TOTAL CASH AND EQUIVALENTS		933,258
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CURRENT ASSETS

Accounts Receivable		136,420
Recoupments		89,721

TOTAL CURRENT ASSETS		226,141
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INVESTMENTS, ADJUSTED TO MARKET

Unrealized Gain (Loss)		42,919,802
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		31,675,497

TOTAL INVESTMENTS, AT MARKET		402,775,443
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TOTAL ASSETS	\$	403,934,842
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LIABILITIES

CURRENT LIABILITIES

Accounts Payable	\$	67,751
Accrued Wages - 1920 Account		335,817

TOTAL CURRENT LIABILITIES		403,568
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TOTAL NET POSITION	\$	403,531,274
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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
STATEMENT OF CHANGES IN PLAN NET POSITION
For the Eight Months Ended February 29, 2016
Preliminary

	CURRENT MONTH	YEAR TO DATE
ADDITIONS		
CONTRIBUTIONS		
Employer	\$ 1,459,215	\$ 11,907,311
Plan Members	485,782	3,699,985
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TOTAL CONTRIBUTIONS	1,944,997	15,607,296
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INVESTMENT INCOME		
Unrealized Gain (Loss)	(2,902,581)	(49,162,149)
Rental Income, Net of Expenses	7,583	56,530
Interest	59	2,957
Dividends	129,991	4,821,316
Capital Gains	219,975	9,563,514
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Less Investment Expense	0	(238,829)
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Net Investment Income	(2,544,973)	(34,956,661)
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TOTAL ADDITIONS	(599,976)	(19,349,365)
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DEDUCTIONS		
Benefit Payments & Refunds	(2,557,736)	(20,475,295)
Administrative Expenses	(78,769)	(861,420)
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TOTAL DEDUCTIONS	2,636,505	21,336,715
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Increase (Decrease) in Net Position	(3,236,481)	(40,686,080)
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NET POSITION		
Beginning of Period	406,767,758	444,217,351
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End of Period	\$ 403,531,277	\$ 403,531,271
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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 Eight Months Ended February 29, 2016
Preliminary

	CURRENT MONTH	YEAR TO DATE
ADDITIONS		
CONTRIBUTIONS		
Employer	1,459,215	11,907,311
Plan Member	485,782	3,699,985
	1,944,997	15,607,296
INVESTMENT INCOME		
Rental Income, Net of Expenses	7,583	56,530
Interest	59	2,957
Dividends	129,991	2,204,655
Capital Gains	0	0
Less Investment Expense	0	(238,829)
	137,633	2,025,313
	2,082,630	17,632,609
DEDUCTIONS		
Benefit Payments & Refunds	(2,557,736)	(20,475,294)
Administrative Expenses	(78,769)	(861,420)
	(2,636,505)	(21,336,714)
OTHER INCREASES/(DECREASES)		
Accounts Receivable	(6,073)	650,733
Accounts Payable	(16,953)	(416,919)
Sale/Purchase of Investments	1,000,000	3,005,402
	976,974	3,239,216
INCREASE (DECREASE) IN CASH	\$ 423,099	\$ (464,889)
SUMMARY		
Cash at End of Period	\$ 933,258	\$ 933,258
Cash at Beginning of Period	510,163	1,398,146
INCREASE (DECREASE) IN CASH	\$ 423,095	\$ (464,888)

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 Eight Months Ending February 29, 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	\$ 86,278	86,278	0
Total Revenues	<u>10,785</u>	<u>129,518</u>	<u>86,278</u>	<u>86,278</u>	<u>0</u>
Building Expenses					
Landscape & Maintenance	1,626	20,400	13,881	13,600	(281)
Security	163	1,800	1,445	1,200	(245)
Insurance	0	2,500	2,681	2,500	(181)
Utilities	1,413	16,750	11,741	11,400	(341)
Total building operating expenses	<u>3,202</u>	<u>41,450</u>	<u>29,748</u>	<u>28,700</u>	<u>(1,048)</u>
Net Income	<u>\$ 7,583</u>	<u>88,068</u>	<u>\$ 56,530</u>	<u>57,578</u>	<u>1,048</u>

MCERA
Vendor Ledgers
For the Period From Feb 1, 2016 to Feb 29, 2016

Filter Criteria includes: Report order is by ID.

Vendor ID Vendor	Date	Trans No	Typ P	Debit Amt	Credit Amt	Balance
aflac AFLAC, INC.	2/1/16	Balance Fwd				3,574.26
	2/2/16	2002089	CDJ	3,574.26		0.00
	2/29/16	2002180	CDJ	3,574.26	3,574.26	0.00
amcre AMCRE	2/1/16	Balance Fwd				910.08
	2/4/16	2002090	CDJ	910.08		0.00
	2/29/16	2002181	CDJ	911.42	911.42	0.00
att AT&T	2/4/16	4228488	CDJ	117.68	117.68	0.00
	2/11/16	4228960	CDJ	93.14	93.14	0.00
	2/25/16	4229971	CDJ	112.31	112.31	0.00
caldis California State Dusbursement Uni	2/9/16	ACH CAL 0209	CDJ	200.00	200.00	0.00
	2/24/16	ACH CAL 0224	CDJ	200.00	200.00	0.00
cituki City of Ukiah	2/25/16	4230301	CDJ	215.72	215.72	0.00
	2/25/16	4230299	CDJ	113.15	113.15	0.00
	2/25/16	4230300	CDJ	134.66	134.66	0.00
	2/25/16	4230298	CDJ	26.05	26.05	0.00
	2/25/16	4230302	CDJ	219.81	219.81	0.00
clemen Clearly Mendocino Water Compan	2/4/16	4228572	CDJ	36.00	36.00	0.00
coumen County of Mendocino	2/2/16	AJE 020216	CDJ	963.01	963.01	0.00
	2/16/16	AJE 021616	CDJ	8,027.53	8,027.53	0.00
curdis Curry's Discount Inc.	2/25/16	4230046	CDJ	43.20	43.20	0.00
	2/25/16	4230045	CDJ	23.07	23.07	0.00
depval Deep Valley Security	2/25/16	4230051	CDJ	44.95	44.95	0.00
	2/25/16	4230050	CDJ	24.95	24.95	0.00
edd EDD	2/24/16	ACH EDD 0224	CDJ	51,322.70	51,322.70	0.00
hanbri Hanson Bridgett	2/25/16	4230116	CDJ	145.50	145.50	0.00
Intshrd Integrity Shred	2/4/16	513956	CDJ	28.00	28.00	0.00
	2/4/16	513837	CDJ	28.00	28.00	0.00
	2/4/16	513283	CDJ	28.00	28.00	0.00
irs IRS	2/24/16	ACH IRS 0224	CDJ	216,666.21	216,666.21	0.00
jamwil James Wilbanks	2/4/16	4228939	CDJ	18.49	18.49	0.00
	2/11/16	4229396	CDJ	642.39	642.39	0.00
katric Katy Richardson	2/25/16	4230260	CDJ	230.16	230.16	0.00
linsol Linea Solutions	2/25/16	4230160	CDJ	6,421.25	6,421.25	0.00
menacc Mendocino Access Television	2/25/16	42300191	CDJ	670.00	670.00	0.00
moncle Moonlight Cleaning Service	2/25/16	4230203	CDJ	990.00	990.00	0.00
	2/25/16	4230202	CDJ	435.00	435.00	0.00
Monpart Mondrian Investment Partners Lim	2/1/16	Balance Fwd				42,344.92
	2/25/16	4230200	CDJ	42,344.92		0.00
Nossmn	2/11/16	4229231	CDJ	97.80	97.80	0.00

MCERA
Vendor Ledgers
For the Period From Feb 1, 2016 to Feb 29, 2016

Filter Criteria includes: Report order is by ID.

Vendor ID Vendor	Date	Trans No	Typ	P	Debit Amt	Credit Amt	Balance
Nossaman LLP							
pacgro	2/1/16	Balance Fwd					22,997.67
Pacific Group Agencies, Inc.	2/3/16	2002091	CDJ		22,997.67		0.00
	2/29/16	2002182	CDJ		22,912.77	22,912.77	0.00
pge PG&E	2/25/16	4230227	CDJ		640.62	640.62	0.00
Rangood Randall Goodman	2/11/16	4229117	CDJ		208.96	208.96	0.00
segal SEGAL	2/1/16	Balance Fwd					58,000.00
soncou	2/1/16	Balance Fwd					3,234.00
Sonoma County Counsel	2/4/16	4228878	CDJ		3,234.00		0.00
	2/29/16	9169	PJ	*		5,890.50	5,890.50
sonswe	2/4/16	4228879	CDJ		51.50	51.50	0.00
Sonoma Sweepers, Inc.	2/4/16	4228880	CDJ		149.35	149.35	0.00
tosfin Toshiba Financial Services	2/25/16	4230296	CDJ		212.52	212.52	0.00
ukiwas Ukiah Waste Solutions, Inc.	2/25/16	517123	CDJ		62.83	62.83	0.00
usban	2/1/16	Balance Fwd					231.87
US Bank	2/22/16	6884 - 022216	PJ			1,672.62	1,904.49
	2/22/16	4728 - 022216	PJ			417.65	2,322.14
	2/22/16	4728 - 032216	PJ			1,538.77	3,860.91
verwir Verizon Wireless	2/25/16	4230329	CDJ		50.89	50.89	0.00
Report Total					390,154.78	326,613.39	67,751.41