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

Date: February 17, 2016  
To: Board of Retirement  
From: Stan Conwell, Financial & Investment Officer  
Subject: Monthly Financial Report

**Preliminary Monthly Financial Reports, month ending December 31, 2015**

**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 \$1.2 million during the month and total net position decreased to \$426 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 \$7.35 million and year to date net position decreased by \$18.2 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. Cash decreased by \$385,635 during the month.

**4. Office Building Rental Income – Net of Expenses**

This report details the \$7,850 in net income for the monthly report period associated with the 625 Kings Court trust fund asset. YTD expenses are slightly 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**  
**December 31, 2015**  
**Preliminary**

**ASSETS**

**CASH AND EQUIVALENTS**

Trust Cash - Held at County	\$	1,209,081
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<b>TOTAL CASH AND EQUIVALENTS</b>		<b>1,209,081</b>
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**CURRENT ASSETS**

Accounts Receivable		188,525
Recoupments		90,936

<b>TOTAL CURRENT ASSETS</b>		<b>279,461</b>
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**INVESTMENTS, ADJUSTED TO MARKET**

Unrealized Gain (Loss)		64,256,281
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

<b>TOTAL INVESTMENTS, AT MARKET</b>		<b>424,891,947</b>
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<b>TOTAL ASSETS</b>	<b>\$</b>	<b>426,380,489</b>
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**LIABILITIES**

**CURRENT LIABILITIES**

Accounts Payable	\$	93,508
Accrued Wages - 1920 Account		247,461

<b>TOTAL CURRENT LIABILITIES</b>		<b>340,969</b>
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<b>TOTAL NET POSITION</b>	<b>\$</b>	<b>426,039,520</b>
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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 Six Months Ended December 31, 2015**  
**Preliminary**

	<b>CURRENT MONTH</b>	<b>YEAR TO DATE</b>
<b>ADDITIONS</b>		
<b>CONTRIBUTIONS</b>		
Employer	\$ 1,467,406	\$ 8,971,635
Plan Members	423,836	2,788,638
	<hr/>	<hr/>
<b>TOTAL CONTRIBUTIONS</b>	<b>1,891,242</b>	<b>11,760,273</b>
	<hr/>	<hr/>
<b>INVESTMENT INCOME</b>		
Unrealized Gain (Loss)	(22,421,262)	(27,825,670)
Rental Income, Net of Expenses	7,850	41,545
Interest	0	2,377
Dividends	2,874,972	4,568,009
Capital Gains	13,396,867	9,343,539
	<hr/>	<hr/>
Less Investment Expense	(53,146)	(138,484)
	<hr/>	<hr/>
<b>Net Investment Income</b>	<b>(6,194,719)</b>	<b>(14,008,684)</b>
	<hr/>	<hr/>
<b>TOTAL ADDITIONS</b>	<b>(4,303,477)</b>	<b>(2,248,411)</b>
	<hr/>	<hr/>
<b>DEDUCTIONS</b>		
Benefit Payments & Refunds	(2,917,777)	(15,332,955)
Administrative Expenses	(135,447)	(596,464)
	<hr/>	<hr/>
<b>TOTAL DEDUCTIONS</b>	<b>3,053,224</b>	<b>15,929,419</b>
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<b>Increase (Decrease) in Net Position</b>	<b>(7,356,701)</b>	<b>(18,177,830)</b>
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<b>NET POSITION</b>		
Beginning of Period	433,396,225	444,217,351
	<hr/>	<hr/>
End of Period	\$ 426,039,524	\$ 426,039,521
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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 Six Months Ended December 31, 2015**  
**Preliminary**

	<b>CURRENT MONTH</b>	<b>YEAR TO DATE</b>
<b>ADDITIONS</b>		
<b>CONTRIBUTIONS</b>		
Employer	1,467,406	8,971,635
Plan Member	423,836	2,788,638
	<b>1,891,242</b>	<b>11,760,273</b>
<b>INVESTMENT INCOME</b>		
Rental Income, Net of Expenses	7,850	41,545
Interest	0	2,377
Dividends	736,739	1,951,348
Capital Gains	0	0
Less Investment Expense	(53,146)	(138,484)
	<b>691,443</b>	<b>1,856,786</b>
<b>TOTAL ADDITIONS</b>	<b>2,582,685</b>	<b>13,617,059</b>
<b>DEDUCTIONS</b>		
Benefit Payments & Refunds	(2,917,777)	(15,332,955)
Administrative Expenses	(135,447)	(596,464)
	<b>(3,053,224)</b>	<b>(15,929,419)</b>
<b>OTHER INCREASES/(DECREASES)</b>		
Accounts Receivable	(22,717)	597,412
Accounts Payable	107,620	(479,519)
Sale/Purchase of Investments	1	2,005,402
	<b>84,904</b>	<b>2,123,295</b>
<b>INCREASE (DECREASE) IN CASH</b>	<b>\$ (385,635)</b>	<b>\$ (189,065)</b>
<b>SUMMARY</b>		
Cash at End of Period	\$ 1,209,081	\$ 1,209,081
Cash at Beginning of Period	1,594,719	1,398,146
<b>INCREASE (DECREASE) IN CASH</b>	<b>\$ (385,638)</b>	<b>\$ (189,065)</b>

**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 Six Months Ending December 31, 2015

	<u>Current Month</u>	<u>Total Budget</u>	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>YTD Difference</u>
<b>Revenues</b>					
Rental Income	\$ 10,785	129,518	\$ 64,709	64,709	0
Total Revenues	<u>10,785</u>	<u>129,518</u>	<u>64,709</u>	<u>64,709</u>	<u>0</u>
<b>Building Expenses</b>					
Landscape & Maintenance	1,717	20,400	10,457	10,200	(257)
Security	163	1,800	957	900	(57)
Insurance	0	2,500	2,681	2,500	(181)
Utilities	1,055	16,750	9,069	8,900	(169)
Total building operating expenses	<u>2,935</u>	<u>41,450</u>	<u>23,164</u>	<u>22,500</u>	<u>(664)</u>
Net Income	\$ <u>7,850</u>	<u>88,068</u>	\$ <u>41,545</u>	<u>42,209</u>	<u>664</u>

**MCERA**  
**Vendor Ledgers**  
**For the Period From Dec 1, 2015 to Dec 31, 2015**

Filter Criteria includes: Report order is by ID.

Vendor ID Vendor	Date	Trans No	Typ	Paid	Debit Amt	Credit Amt	Balance
aflac AFLAC, INC.	12/1/15	Balance Fwd					3,628.20
	12/10/15	4224676	CDJ		3,628.20		0.00
	12/31/15	AFLAC Dec 2015	PJ	*		3,628.20	3,628.20
amcre AMCRE	12/1/15	Balance Fwd					897.42
	12/10/15	4224684	CDJ		897.42		0.00
	12/31/15	AMCRE Dec 2015	PJ	*		900.08	900.08
att AT&T	12/3/15	4224145	CDJ		111.13	111.13	0.00
	12/17/15	4225292	CDJ		92.90	92.90	0.00
calass Callan Associates, Inc.	12/30/15	4225957	CDJ		36,400.00	36,400.00	0.00
caldis California State Dusbursement	12/31/15	CAL ACH 123115	CDJ		200.00	200.00	0.00
cituki City of Ukiah	12/1/15	Balance Fwd					1,138.68
	12/3/15	4224595	CDJ		35.95		1,102.73
	12/3/15	4224598	CDJ		261.26		841.47
	12/3/15	4224596	CDJ		107.69		733.78
	12/3/15	4224597	CDJ		253.94		479.84
	12/3/15	4224599	CDJ		479.84		0.00
	12/30/15	4226453	CDJ		251.21	251.21	0.00
	12/30/15	4226452	CDJ		225.93	225.93	0.00
	12/30/15	4226451	CDJ		147.46	147.46	0.00
	12/30/15	4226449	CDJ		26.23	26.23	0.00
	12/30/15	4226450	CDJ		107.69	107.69	0.00
clemen Clearly Mendocino Water Com	12/10/15	4224766	CDJ		24.00	24.00	0.00
coumen County of Mendocino	12/4/15	AJE 120415	CDJ		114.58	114.58	0.00
	12/11/15	AJE 121115	CDJ		1,153.50	1,153.50	0.00
	12/31/15	201512-1920	PJ	*		6,899.22	6,899.22
curdis Curry's Discount Inc.	12/3/15	4224263	CDJ		84.62	84.62	0.00
	12/3/15	4224262	CDJ		43.20	43.20	0.00
	12/10/15	4224817	CDJ		12.15	12.15	0.00
	12/10/15	4224816	CDJ		7.61	7.61	0.00
	12/10/15	4224818	CDJ		43.20	43.20	0.00
	12/30/15	4226051	CDJ		45.09	45.09	0.00
depval Deep Valley Security	12/10/15	4224823	CDJ		44.95	44.95	0.00
	12/10/15	4224822	CDJ		24.95	24.95	0.00
edd EDD	12/31/15	EDD ACH 123115	CDJ		50,652.70	50,652.70	0.00
gallp Gallina, LLP	12/31/15	GA201823	PJ	*		22,000.00	22,000.00
hanbri Hanson Bridgett	12/10/15	4224905	CDJ		1,045.00	1,045.00	0.00
	12/31/15	1157585	PJ	*		533.50	533.50
irs IRS	12/31/15	IRS ACH 123115	CDJ		219,419.17	219,419.17	0.00
jamwil James Wilbanks	12/10/15	4225255	CDJ		363.54	363.54	0.00
jefrac Jeffrey A Rapp, MD	12/3/15	4224526	CDJ		1,941.60	1,941.60	0.00
	12/10/15	4225092	CDJ		1,414.88	1,414.88	0.00
Jerihar	12/17/15	4225497	CDJ		300.00	300.00	0.00

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**Vendor Ledgers**  
**For the Period From Dec 1, 2015 to Dec 31, 2015**

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Vendor ID Vendor	Date	Trans No	Typ	Paid	Debit Amt	Credit Amt	Balance
Jerilyn Harris							
johsak John Sakowicz	12/17/15	4225736	CDJ		300.00	300.00	0.00
judzel Judith Zeller	12/17/15	4225867	CDJ		43.70	43.70	0.00
linsol Linea Solutions	12/10/15 12/31/15	4224968 MD-2015-C12	CDJ PJ	*	14,588.75	14,588.75 10,285.00	0.00 10,285.00
LRS Inc Levi, Ray & Shoup, Inc	12/3/15	4224412	CDJ		5,250.00	5,250.00	0.00
mmro Managed Medical Review Orga	12/30/15	4226208	CDJ		3,750.00	3,750.00	0.00
moncle Moonlight Cleaning Service	12/10/15 12/10/15	4225010 4225009	CDJ CDJ		990.00 400.00	990.00 400.00	0.00 0.00
Nossmn Nossaman LLP	12/17/15	4225644	CDJ		146.70	146.70	0.00
pacgro Pacific Group Agencies, Inc.	12/1/15 12/10/15 12/31/15	Balance Fwd 4225064 PEDIT Dec. 2015	CDJ PJ	*	21,407.55	21,375.05	21,407.55 0.00 21,375.05
pge PG&E	12/17/15	4225660	CDJ		232.20	232.20	0.00
Rangood Randall Goodman	12/10/15	4224894	CDJ		409.75	409.75	0.00
ricsho Richard Shoemaker	12/17/15	4225750	CDJ		200.00	200.00	0.00
segal SEGAL	12/31/15 12/31/15	272708 272412	PJ PJ	*		1,500.00 18,995.00	1,500.00 20,495.00
shasch Shari Schapmire	12/10/15	4225127	CDJ		409.75	409.75	0.00
soncou Sonoma County Counsel	12/3/15 12/3/15 12/31/15 12/31/15	4224573 4224572 9052 9103	CDJ CDJ PJ PJ		4,793.25 924.00	4,793.25 924.00 3,234.00 4,158.00	0.00 0.00 3,234.00 7,392.00
sonswe Sonoma Sweepers, Inc.	12/10/15 12/10/15 12/10/15	4225154 4225153 4225155	CDJ CDJ CDJ		126.56 51.50 149.35	126.56 51.50 149.35	0.00 0.00 0.00
tedste Ted Stephens	12/17/15	4225770	CDJ		200.00	200.00	0.00
timknu Timothy Knudsen	12/17/15	4225533	CDJ		300.00	300.00	0.00
tosfin Toshiba Financial Services	12/17/15	4225786	CDJ		212.52	212.52	0.00
ukiwas Ukiah Waste Solutions, Inc.	12/17/15	507580	CDJ		64.21	64.21	0.00
usban US Bank	12/1/15 12/30/15	Balance Fwd AJE 123015	CDJ		655.88		771.81 115.93

**MCERA**  
**Vendor Ledgers**  
**For the Period From Dec 1, 2015 to Dec 31, 2015**

Filter Criteria includes: Report order is by ID.

<b>Vendor ID Vendor</b>	<b>Date</b>	<b>Trans No</b>	<b>Typ</b>	<b>Paid</b>	<b>Debit Amt</b>	<b>Credit Amt</b>	<b>Balance</b>
	12/30/15	AJE 123015 A	CDJ		115.93		0.00
verwir	12/3/15	4224631	CDJ		62.82	62.82	0.00
Verizon Wireless	12/30/15	4226484	CDJ		48.91	48.91	0.00
<b>Report Total</b>					<b>375,794.92</b>	<b>441,459.31</b>	<b>93,508.05</b>