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

Date: May 18, 2016
To: Board of Retirement
From: Stan Conwell, Financial & Investment Officer
Subject: Monthly Financial Report

Preliminary Monthly Financial Reports, month ending March 31, 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 decreased slightly to \$910,305 during the month and total net position increased to \$423.1 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. There was a strong market recovery in March that contributed to the \$19.6 million increase in net position for the month. The year to date net position has decreased by \$21 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 slightly to \$910,305 during the month.

4. Office Building Rental Income – Net of Expenses

This report details the \$7,553 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. Please note Small World Solutions was recently rebranded as Life Status 360. They provide death audit services once a year. 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****March 31, 2016****Preliminary****ASSETS****CASH AND EQUIVALENTS**Trust Cash - Held at County \$ 910,305**TOTAL CASH AND EQUIVALENTS** **910,305****CURRENT ASSETS**Recoupments 89,209**TOTAL CURRENT ASSETS** **89,209****INVESTMENTS, ADJUSTED TO MARKET**

Unrealized Gain (Loss) 61,868,111

Fixed Income 118,108,960

International Equities 87,630,986

Small Cap Equities 27,713,811

Mid Cap Equities 15,669,767

Large Cap Equities 79,628,524

Real Estate 31,955,338**TOTAL INVESTMENTS, AT MARKET** **422,575,497****TOTAL ASSETS** \$ **423,575,011****LIABILITIES****CURRENT LIABILITIES**

Accounts Payable \$ 53,468

Accrued Wages - 1920 Account 377,463**TOTAL CURRENT LIABILITIES** **430,931****TOTAL NET POSITION** \$ **423,144,080****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 Nine Months Ended March 31, 2016
Preliminary

| | CURRENT MONTH | YEAR TO DATE |
|--|----------------------|---------------------|
| ADDITIONS | | |
| CONTRIBUTIONS | | |
| Employer | \$ 1,411,047 | \$ 13,318,360 |
| Plan Members | 422,199 | 4,122,185 |
| | <hr/> | <hr/> |
| TOTAL CONTRIBUTIONS | 1,833,246 | 17,440,545 |
| | <hr/> | <hr/> |
| INVESTMENT INCOME | | |
| Unrealized Gain (Loss) | 18,948,309 | (30,213,840) |
| Rental Income, Net of Expenses | 7,553 | 64,083 |
| Interest | 1,098 | 4,055 |
| Dividends | 1,083,392 | 5,904,708 |
| Capital Gains | 443,620 | 10,007,134 |
| | <hr/> | <hr/> |
| Less Investment Expense | (47,564) | (286,393) |
| | <hr/> | <hr/> |
| Net Investment Income | 20,436,408 | (14,520,253) |
| | <hr/> | <hr/> |
| TOTAL ADDITIONS | 22,269,654 | 2,920,292 |
| | <hr/> | <hr/> |
| DEDUCTIONS | | |
| Benefit Payments & Refunds | (2,582,036) | (23,057,328) |
| Administrative Expenses | (74,812) | (936,231) |
| | <hr/> | <hr/> |
| TOTAL DEDUCTIONS | 2,656,848 | 23,993,559 |
| | <hr/> | <hr/> |
| Increase (Decrease) in Net Position | 19,612,806 | (21,073,267) |
| | <hr/> | <hr/> |
| NET POSITION | | |
| Beginning of Period | 403,531,274 | 444,217,351 |
| | <hr/> | <hr/> |
| End of Period | \$ 423,144,080 | \$ 423,144,084 |
| | <hr/> <hr/> | <hr/> <hr/> |

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 Nine Months Ended March 31, 2016
Preliminary

| | CURRENT MONTH | YEAR TO DATE |
|--|----------------------|---------------------|
| ADDITIONS | | |
| CONTRIBUTIONS | | |
| Employer | 1,411,047 | 13,318,360 |
| Plan Member | 422,199 | 4,122,185 |
| | 1,833,246 | 17,440,545 |
| INVESTMENT INCOME | | |
| Rental Income, Net of Expenses | 7,553 | 64,083 |
| Interest | 1,098 | 4,055 |
| Dividends | 675,267 | 2,879,922 |
| Capital Gains | 0 | 0 |
| Less Investment Expense | (47,564) | (286,393) |
| | 636,354 | 2,661,667 |
| TOTAL CONTRIBUTIONS | 1,833,246 | 17,440,545 |
| TOTAL INVESTMENT INCOME | 636,354 | 2,661,667 |
| TOTAL ADDITIONS | 2,469,600 | 20,102,212 |
| DEDUCTIONS | | |
| Benefit Payments & Refunds | (2,582,036) | (23,057,327) |
| Administrative Expenses | (74,812) | (936,231) |
| | (2,656,848) | (23,993,558) |
| TOTAL DEDUCTIONS | (2,656,848) | (23,993,558) |
| OTHER INCREASES/(DECREASES) | | |
| Accounts Receivable | 136,932 | 787,664 |
| Accounts Payable | 27,362 | (389,557) |
| Sale/Purchase of Investments | (1) | 3,005,401 |
| | 164,293 | 3,403,508 |
| TOTAL OTHER INCREASES/(DECREASES) | 164,293 | 3,403,508 |
| INCREASE (DECREASE) IN CASH | \$ (22,955) | \$ (487,838) |
| SUMMARY | | |
| Cash at End of Period | \$ 910,305 | \$ 910,305 |
| Cash at Beginning of Period | 933,258 | 1,398,146 |
| INCREASE (DECREASE) IN CASH | \$ (22,953) | \$ (487,841) |

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 Nine Months Ending March 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 | \$ 10,787 | 129,518 | \$ 97,065 | 97,088 | 23 |
| Total Revenues | <u>10,787</u> | <u>129,518</u> | <u>97,065</u> | <u>97,088</u> | <u>23</u> |
| Building Expenses | | | | | |
| Landscape & Maintenance | 1,833 | 20,400 | 15,714 | 15,300 | (414) |
| Security | 187 | 1,800 | 1,632 | 1,350 | (282) |
| Insurance | 0 | 2,500 | 2,681 | 2,500 | (181) |
| Utilities | 1,214 | 16,750 | 12,955 | 12,650 | (305) |
| Total building operating expenses | <u>3,234</u> | <u>41,450</u> | <u>32,982</u> | <u>31,800</u> | <u>(1,182)</u> |
| Net Income | \$ <u>7,553</u> | <u>88,068</u> | \$ <u>64,083</u> | <u>65,288</u> | <u>1,205</u> |

MCERA
Vendor Ledgers
For the Period From Mar 1, 2016 to Mar 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. | 3/31/16 | 2002290 | CDJ | | 3,552.19 | 3,552.19 | 0.00 |
| amcre AMCRE | 3/31/16 | 2002291 | CDJ | | 909.40 | 909.40 | 0.00 |
| att AT&T | 3/17/16 | 4232381 | CDJ | | 117.41 | 117.41 | 0.00 |
| | 3/31/16 | 4233337 | CDJ | | 112.12 | 112.12 | 0.00 |
| calass Callan Associates, Inc. | 3/31/16 | SI-1603269 | PJ | * | | 36,400.00 | 36,400.00 |
| caldis California State Dusbursement | 3/29/16 | ACH Cal 0329 | CDJ | | 200.00 | 200.00 | 0.00 |
| cituki City of Ukiah | 3/24/16 | 4233273 | CDJ | | 26.30 | 26.30 | 0.00 |
| | 3/24/16 | 4233275 | CDJ | | 121.97 | 121.97 | 0.00 |
| | 3/24/16 | 4233274 | CDJ | | 107.69 | 107.69 | 0.00 |
| | 3/24/16 | 4233277 | CDJ | | 234.83 | 234.83 | 0.00 |
| | 3/24/16 | 4233276 | CDJ | | 215.50 | 215.50 | 0.00 |
| clemen Clearly Mendocino Water Comp | 3/10/16 | 4231898 | CDJ | | 48.00 | 48.00 | 0.00 |
| coumen County of Mendocino | 3/3/16 | AJE 030316 | CDJ | | 217.08 | 217.08 | 0.00 |
| | 3/9/16 | AJE 030916 | CDJ | | 955.06 | 955.06 | 0.00 |
| | 3/25/16 | AJE 032516 | CDJ | | 886.90 | 886.90 | 0.00 |
| | 3/31/16 | AJE 033116 | CDJ | | 2.60 | 2.60 | 0.00 |
| curdis Curry's Discount Inc. | 3/3/16 | 4230434 | CDJ | | 31.76 | 31.76 | 0.00 |
| | 3/17/16 | 4232476 | CDJ | | 35.87 | 35.87 | 0.00 |
| depval Deep Valley Security | 3/10/16 | 4231975 | CDJ | | 44.95 | 44.95 | 0.00 |
| | 3/10/16 | 4231974 | CDJ | | 24.95 | 24.95 | 0.00 |
| edd EDD | 3/29/16 | ACH EDD 032 | CDJ | | 52,129.70 | 52,129.70 | 0.00 |
| hanbri Hanson Bridgett | 3/10/16 | 4232045 | CDJ | | 1,211.50 | 1,211.50 | 0.00 |
| irs IRS | 3/29/16 | ACH IRS 0329 | CDJ | | 225,552.64 | 225,552.64 | 0.00 |
| Jerihar Jerilyn Harris | 3/31/16 | 4233495 | CDJ | | 300.00 | 300.00 | 0.00 |
| johsak John Sakowicz | 3/31/16 | 4233680 | CDJ | | 400.00 | 400.00 | 0.00 |
| judzel Judith Zeller | 3/3/16 | 4230711 | CDJ | | 57.70 | 57.70 | 0.00 |
| life360 Life Status 360 | 3/31/16 | 4233549 | CDJ | | 900.00 | 900.00 | 0.00 |
| linsol Linea Solutions | 3/17/16 | 4232588 | CDJ | | 3,465.00 | 3,465.00 | 0.00 |
| | 3/31/16 | MD-206-C03 | PJ | * | | 3,898.13 | 3,898.13 |
| moncle Moonlight Cleaning Service | 3/10/16 | 4232154 | CDJ | | 435.00 | 435.00 | 0.00 |
| | 3/10/16 | 4232155 | CDJ | | 990.00 | 990.00 | 0.00 |
| pacgro Pacific Group Agencies, Inc. | 3/31/16 | 2002292 | CDJ | | 22,520.77 | 22,520.77 | 0.00 |

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

Filter Criteria includes: Report order is by ID.

| Vendor ID Vendor | Date | Trans No | Type | Paid | Debit Amt | Credit Amt | Balance |
|---------------------------------------|---------|--------------|------|------|-------------------|-------------------|------------------|
| pge PG&E | 3/17/16 | 4232670 | CDJ | | 444.97 | 444.97 | 0.00 |
| ricshe Richard Shoemaker | 3/31/16 | 4233694 | CDJ | | 200.00 | 200.00 | 0.00 |
| segal SEGAL | 3/1/16 | Balance Fwd | | | | | 58,000.00 |
| | 3/24/16 | 4233235 | CDJ | | 58,000.00 | | 0.00 |
| | 3/24/16 | 4233234 | CDJ | | 16,632.00 | 16,632.00 | 0.00 |
| | 3/31/16 | 278745 | PJ | * | | 1,500.00 | 1,500.00 |
| soncou Sonoma County Counsel | 3/1/16 | Balance Fwd | | | | | 5,890.50 |
| | 3/31/16 | 4230640 | CDJ | | 5,890.50 | | 0.00 |
| | 3/31/16 | 9231 | PJ | * | | 4,158.00 | 4,158.00 |
| | 3/31/16 | 9280 | PJ | * | | 3,003.00 | 7,161.00 |
| sonswe Sonoma Sweepers, Inc. | 3/3/16 | 4230642 | CDJ | | 152.00 | 152.00 | 0.00 |
| | 3/3/16 | 4230641 | CDJ | | 52.00 | 52.00 | 0.00 |
| | 3/31/16 | 4233704 | CDJ | | 152.00 | 152.00 | 0.00 |
| | 3/31/16 | 4233703 | CDJ | | 52.00 | 52.00 | 0.00 |
| tedste Ted Stephens | 3/31/16 | 4233709 | CDJ | | 400.00 | 400.00 | 0.00 |
| timknu Timothy Knudsen | 3/31/16 | 4233534 | CDJ | | 400.00 | 400.00 | 0.00 |
| tosfin Toshiba Financial Services | 3/17/16 | 4232778 | CDJ | | 212.52 | 212.52 | 0.00 |
| ukiwas Ukiah Waste Solutions, Inc. | 3/17/16 | 521221 | CDJ | | 62.83 | 62.83 | 0.00 |
| usban US Bank | 3/1/16 | Balance Fwd | | | | | 3,860.91 |
| | 3/4/16 | AJE 030416 | CDJ | | 157.20 | | 3,703.71 |
| | 3/4/16 | AJE 030416 A | CDJ | | 74.67 | | 3,629.04 |
| | 3/22/16 | 6884-032216 | PJ | | | 879.78 | 4,508.82 |
| verwir Verizon Wireless | 3/31/16 | 4233748 | CDJ | | 42.01 | 42.01 | 0.00 |
| Report Total | | | | | 398,731.59 | 384,448.13 | 53,467.95 |