

Date: December 13, 2017  
To: Board of Retirement  
From: Stan Conwell, Financial & Investment Officer  
Subject: Monthly Financial Report

## **Preliminary Monthly Financial Reports, month ending October, 2017**

### **1. Statement of Plan Net Position**

This report presents the assets available for future payments to retirees and any liabilities owed at the end of the month. Cash decreased to \$362,298 during the month. Total investments, at market increased to \$509.2 million and includes \$600,000 called by the RREEF America II real estate fund at the beginning of the quarter. Total net position increased to \$509.3 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 an increase of nearly \$6.0 million and year-to-date net position increased by \$25.2 million. The \$135,975 in administrative expenses includes the annual fiduciary insurance premium and progress billing for annual audit.

### **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 investment policy statement. There was a net cash decrease of \$1,129,367 during the month.

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

This report details the \$4,405 in net income for the monthly report period associated with the 625 Kings Court trust fund asset. Utilities expense is elevated this month due to the timing of invoices.

### **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**  
**October 31, 2017**  
**Preliminary**

**ASSETS**

**CASH AND EQUIVALENTS**

Trust Cash - Held at County \$ 362,298

**TOTAL CASH AND EQUIVALENTS** 362,298

**CURRENT ASSETS**

Accounts Receivable 6,468  
 Recoupments 71,068

**TOTAL CURRENT ASSETS** 77,536

**EQUIPMENT**

Pension Gold Software 555,682

**TOTAL EQUIPMENT** 555,682

**INVESTMENTS, ADJUSTED TO MARKET**

Unrealized Gain (Loss) 115,721,832  
 Fixed Income 104,006,408  
 International Equities 121,878,834  
 Small Cap Equities 21,075,845  
 Mid Cap Equities 23,042,381  
 Large Cap Equities 86,354,494  
 Real Estate 37,131,746

**TOTAL INVESTMENTS, AT MARKET** 509,211,540

**TOTAL ASSETS** \$ 510,207,056

**LIABILITIES**

**CURRENT LIABILITIES**

Accounts Payable \$ 73,988  
 Accrued Wages - 1920 Account 191,183  
 Accrued Courts POB Payments 85,349

**TOTAL CURRENT LIABILITIES** 350,520

**OTHER LIABILITIES**

Pension Gold Software 555,682

**TOTAL OTHER LIABILITIES** 555,682

**TOTAL NET POSITION** \$ 509,300,854

**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 Four Months Ended October 31, 2017**  
**Preliminary**

	<b>CURRENT MONTH</b>	<b>YEAR TO DATE</b>
<b>ADDITIONS</b>		
<b>CONTRIBUTIONS</b>		
Employer	\$ 1,545,587	\$ 6,364,947
Plan Members	453,548	1,954,141
	<hr/>	<hr/>
<b>TOTAL CONTRIBUTIONS</b>	<b>1,999,135</b>	<b>8,319,088</b>
	<hr/>	<hr/>
<b>INVESTMENT INCOME</b>		
Unrealized Gain (Loss)	6,788,561	14,152,335
Rental Income, Net of Expenses	4,405	26,204
Interest	20	399
Dividends	102,500	1,545,565
Capital Gains	56,892	12,823,431
Less Investment Expense	0	(128,714)
	<hr/>	<hr/>
<b>Net Investment Income</b>	<b>6,952,378</b>	<b>28,419,220</b>
	<hr/>	<hr/>
<b>TOTAL ADDITIONS</b>	<b>8,951,513</b>	<b>36,738,308</b>
	<hr/>	<hr/>
<b>DEDUCTIONS</b>		
Benefit Payments & Refunds	(2,818,951)	(11,113,451)
Administrative Expenses	(135,975)	(350,724)
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<b>TOTAL DEDUCTIONS</b>	<b>2,954,926</b>	<b>11,464,175</b>
	<hr/>	<hr/>
<b>Increase (Decrease) in Net Position</b>	<b>5,996,587</b>	<b>25,274,133</b>
	<hr/>	<hr/>
<b>NET POSITION</b>		
Beginning of Period	503,304,261	484,026,717
	<hr/>	<hr/>
End of Period	\$ 509,300,848	\$ 509,300,850
	<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 Four Months Ended October 31, 2017**  
**Preliminary**

	<b>CURRENT MONTH</b>	<b>YEAR TO DATE</b>
<b>ADDITIONS</b>		
<b>CONTRIBUTIONS</b>		
Employer	1,545,587	6,364,947
Plan Member	453,548	1,954,141
	<b>1,999,135</b>	<b>8,319,088</b>
<b>INVESTMENT INCOME</b>		
Rental Income, Net of Expenses	4,405	26,204
Interest	20	399
Dividends	0	0
Capital Gains	0	0
Less Investment Expense	0	(128,714)
	<b>4,425</b>	<b>(102,111)</b>
<b>TOTAL ADDITIONS</b>	<b>2,003,560</b>	<b>8,216,977</b>
<b>DEDUCTIONS</b>		
Benefit Payments & Refunds	(2,818,951)	(11,113,448)
Administrative Expenses	(135,975)	(350,724)
	<b>(2,954,926)</b>	<b>(11,464,172)</b>
<b>OTHER INCREASES/(DECREASES)</b>		
Accounts Receivable	10,536	1,003,777
Accounts Payable	11,463	(538,240)
Sale/Purchase of Investments	(200,000)	1,462,111
	<b>(178,001)</b>	<b>1,927,648</b>
<b>INCREASE (DECREASE) IN CASH</b>	<b>\$ (1,129,367)</b>	<b>\$ (1,319,547)</b>
<b>SUMMARY</b>		
Cash at End of Period	\$ 362,298	\$ 362,298
Cash at Beginning of Period	1,491,658	1,681,844
<b>INCREASE (DECREASE) IN CASH</b>	<b>\$ (1,129,360)</b>	<b>\$ (1,319,546)</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 Four Months Ending October 31, 2017

	<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	\$ 10,879	130,732	\$ 43,517	43,517	0
Total Revenues	<u>10,879</u>	<u>130,732</u>	<u>43,517</u>	<u>43,517</u>	<u>0</u>
<b>Building Expenses</b>					
Landscape & Maintenance	1,697	21,000	5,125	7,000	1,875
Security	70	1,020	345	340	(5)
Insurance	0	2,950	2,543	2,950	407
Utilities	4,707	18,000	9,300	6,700	(2,600)
Total building operating expenses	<u>6,474</u>	<u>42,970</u>	<u>17,313</u>	<u>16,990</u>	<u>(323)</u>
Net Income	<u>\$ 4,405</u>	<u>87,762</u>	<u>\$ 26,204</u>	<u>26,527</u>	<u>323</u>

**MCERA**  
**Vendor Ledgers**  
**For the Period From Oct 1, 2017 to Oct 31, 2017**

Filter Criteria includes: Report order is by ID.

Vendor ID Vendor	Date	Trans No	Type	Paid	Debit Amt	Credit Amt	Balance
aflac AFLAC, INC.	10/26/17	2003570	CDJ		3,532.81	3,532.81	0.00
allins Alliant Insurance Services, Inc.	10/26/17	4270079	CDJ		41,454.00	41,454.00	0.00
amcre AMCRE	10/26/17	2003571	CDJ		946.08	946.08	0.00
att AT&T	10/5/17 10/26/17	4268968 4270064	CDJ CDJ		148.14 139.59	148.14 139.59	0.00 0.00
BofA P-Card Bank of America P-Card	10/13/17 10/13/17	AJE 101317 - 2 AJE 101317 - 2	CDJ CDJ		457.32 131.82	457.32 131.82	0.00 0.00
Brwnarm Brown Armstrong	10/5/17 10/19/17	4269002 4269778	CDJ CDJ		6,244.82 23,451.33	6,244.82 23,451.33	0.00 0.00
calass Callan Associates, Inc.	10/1/17 10/13/17	Balance Fwd 4269359					37,492.00 0.00
caldis California State Dusbursement	10/30/17	Cal 103017	CDJ		200.00	200.00	0.00
cituki City of Ukiah	10/5/17 10/5/17 10/5/17 10/5/17 10/26/17 10/26/17 10/26/17 10/26/17 10/26/17	4269034 4269032 4269030 4269031 4269033 4270126 4270127 4270128 4270129 4270130	CDJ CDJ CDJ CDJ CDJ CDJ CDJ CDJ CDJ CDJ		769.97 537.03 35.74 109.11 725.69 33.46 109.11 423.82 659.23 1,206.54	769.97 537.03 35.74 109.11 725.69 33.46 109.11 423.82 659.23 1,206.54	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00
coumen County of Mendocino	10/18/17 10/27/17 10/30/17 10/31/17	AJE101817 AJE102717 AJE 103017 AJE103117	CDJ CDJ CDJ CDJ		131.41 1.39 871.16 16.85	131.41 1.39 871.16 16.85	0.00 0.00 0.00 0.00
depval Deep Valley Security	10/13/17 10/13/17	4269412 4269411	CDJ CDJ		44.95 24.95	44.95 24.95	0.00 0.00
edd EDD	10/30/17	EDD 103017	CDJ		53,475.39	53,475.39	0.00
hanbri Hanson Bridgett	10/13/17	4269472	CDJ		202.00	202.00	0.00
Invtec Investec Asset Management N	10/1/17	Balance Fwd					25,532.36
irs IRS	10/30/17	IRS 103017	CDJ		254,346.92	254,346.92	0.00
Jerihar Jerilyn Harris	10/26/17	4270246	CDJ		300.00	300.00	0.00
KaSmith Kathryn Smith	10/26/17	4270444	CDJ		200.00	200.00	0.00
LePrk Lee Parker	10/26/17	4270364	CDJ		200.00	200.00	0.00
mmro	10/1/17	Balance Fwd					3,105.00

**MCERA**  
**Vendor Ledgers**  
**For the Period From Oct 1, 2017 to Oct 31, 2017**

Filter Criteria includes: Report order is by ID.

Vendor ID Vendor	Date	Trans No	Type	Paid	Debit Amt	Credit Amt	Balance
Managed Medical Review Orga	10/5/17	4269147	CDJ		3,105.00		0.00
moncle	10/13/17	4269559	CDJ		1,030.00	1,030.00	0.00
Moonlight Cleaning Service	10/13/17	4269558	CDJ		455.00	455.00	0.00
Monpart	10/1/17	Balance Fwd					48,455.62
Mondrian Investment Partners L							
Offspt	10/5/17	4269260	CDJ		4,023.42	4,023.42	0.00
Office Spot							
pacgro	10/26/17	2003572	CDJ		23,344.26	23,344.26	0.00
Pacific Group Agencies, Inc.							
Patsul	10/26/17	4270453	CDJ		537.86	537.86	0.00
Patrick Sullivan							
pge	10/19/17	4269959	CDJ		32.19	32.19	0.00
PG&E							
ricsho	10/26/17	4270440	CDJ		300.00	300.00	0.00
Richard Shoemaker							
segal	10/1/17	Balance Fwd					8,264.00
SEGAL	10/5/17	4269235	CDJ		6,764.00		1,500.00
	10/13/17	4269657	CDJ		1,500.00		0.00
soncou	10/1/17	Balance Fwd					7,040.00
Sonoma County Counsel	10/5/17	4269242	CDJ		704.00		6,336.00
	10/5/17	4269243	CDJ		6,336.00		0.00
sonswe	10/5/17	4269245	CDJ		157.00	157.00	0.00
Sonoma Sweepers, Inc.	10/5/17	4269244	CDJ		54.50	54.50	0.00
StateStreet	10/1/17	Balance Fwd					4,484.76
State Street Bank & Trust	10/13/17	4269672	CDJ		4,484.76		0.00
timknu	10/26/17	4270287	CDJ		300.00	300.00	0.00
Timothy Knudsen							
tosfin	10/13/17	4269691	CDJ		224.19	224.19	0.00
Toshiba Financial Services							
ukiwas	10/19/17	607371	CDJ		65.08	65.08	0.00
Ukiah Waste Solutions, Inc.							
VerExp	10/13/17	4269711	CDJ		31.08	31.08	0.00
Veritiv Express							
verwir	10/5/17	4269282	CDJ		44.29	44.29	0.00
Verizon Wireless	10/26/17	4270487	CDJ		58.81	58.81	0.00
<b>Report Total</b>					<b>482,174.07</b>	<b>421,788.31</b>	<b>73,987.98</b>