



Date: May 9, 2018
To: Board of Retirement
From: Stan Conwell, Financial & Investment Officer
Subject: Monthly Financial Report

Preliminary Monthly Financial Reports, month ending March 31, 2018

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 held at the County increased to \$125,768 during the month. An additional \$1,500,000 of cash was reserved for the RREEF America II capital call that occurred in April 2nd. All committed capital has now been called by the RREEF fund. Total investments, at market decreased to \$517.9 million. Total net position decreased as well to \$518.9 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 were three pay periods during the month of March resulting in an increase in contributions. Investment expense in March is composed mostly of investment management and consulting fees. For the month there was a decrease of \$4.8 million and year-to-date net position remained positive with an increase of \$34.9 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 investment policy statement. There was a net cash increase of \$1,563,720 during the month. \$1,500,000 of assets were sold in March to raise cash for the RREEF America II capital call.

4. Office Building Rental Income – Net of Expenses

This report details the \$5,920 in net income for the monthly report period associated with the 625 Kings Court trust fund asset. A number of County maintenance invoices, from prior months, were received and paid during March. Utilities expense is elevated for the fiscal year due to higher than expected water and sewer expense.

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
March 31, 2018
Preliminary

ASSETS

CASH AND EQUIVALENTS

Trust Cash - Held at County	\$	125,768
Custodian Cash - State Street		1,500,000
		<u>1,625,768</u>

TOTAL CASH AND EQUIVALENTS		<u>1,625,768</u>
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CURRENT ASSETS

Accounts Receivable		112,348
Recoupments		69,211
		<u>181,559</u>

TOTAL CURRENT ASSETS		<u>181,559</u>
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EQUIPMENT

Pension Gold Software		476,299
		<u>476,299</u>

TOTAL EQUIPMENT		<u>476,299</u>
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INVESTMENTS, ADJUSTED TO MARKET

Unrealized Gain (Loss)		99,971,139
Fixed Income		105,443,280
International Equities		122,793,360
Small Cap Equities		24,031,159
Mid Cap Equities		23,548,651
Large Cap Equities		101,825,608
Real Estate		40,301,804
		<u>517,915,001</u>

TOTAL INVESTMENTS, AT MARKET		<u>517,915,001</u>
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TOTAL ASSETS	\$	<u><u>520,198,627</u></u>
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LIABILITIES

CURRENT LIABILITIES

Accounts Payable	\$	244,165
Accrued Wages - 1920 Account		439,341
Accrued Courts POB Payments		85,023
		<u>768,529</u>

TOTAL CURRENT LIABILITIES		<u>768,529</u>
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OTHER LIABILITIES

Pension Gold Software		476,299
		<u>476,299</u>

TOTAL OTHER LIABILITIES		<u>476,299</u>
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TOTAL NET POSITION	\$	<u><u>518,953,799</u></u>
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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 Nine Months Ended March 31, 2018
Preliminary

	CURRENT MONTH	YEAR TO DATE
ADDITIONS		
CONTRIBUTIONS		
Employer	\$ 2,325,285	\$ 14,957,169
Plan Members	672,259	4,448,682
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TOTAL CONTRIBUTIONS	2,997,544	19,405,851
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INVESTMENT INCOME		
Unrealized Gain (Loss)	(6,256,346)	(1,598,358)
Rental Income, Net of Expenses	5,018	60,728
Interest	0	9,472
Dividends	1,019,456	5,254,755
Capital Gains	648,164	38,589,721
Less Investment Expense	(244,095)	(658,717)
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Net Investment Income	(4,827,803)	41,657,601
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TOTAL ADDITIONS	(1,830,259)	61,063,452
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DEDUCTIONS		
Benefit Payments & Refunds	(2,843,811)	(25,179,276)
Administrative Expenses	(159,842)	(957,094)
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TOTAL DEDUCTIONS	3,003,653	26,136,370
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Increase (Decrease) in Net Position	(4,833,912)	34,927,082
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NET POSITION		
Beginning of Period	523,787,705	484,026,717
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End of Period	\$ 518,953,793	\$ 518,953,799
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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 Nine Months Ended March 31, 2018
Preliminary

	CURRENT MONTH	YEAR TO DATE
ADDITIONS		
CONTRIBUTIONS		
Employer	2,325,285	14,957,169
Plan Member	672,259	4,448,682
	<u>2,997,544</u>	<u>19,405,851</u>
INVESTMENT INCOME		
Rental Income, Net of Expenses	5,018	60,728
Interest	0	9,472
Dividends	0	0
Capital Gains	0	0
Less Investment Expense	(244,095)	(658,717)
	<u>(239,077)</u>	<u>(588,517)</u>
TOTAL ADDITIONS	<u>2,758,467</u>	<u>18,817,334</u>
DEDUCTIONS		
Benefit Payments & Refunds	(2,843,812)	(25,179,277)
Administrative Expenses	(159,842)	(957,094)
	<u>(3,003,654)</u>	<u>(26,136,371)</u>
OTHER INCREASES/(DECREASES)		
Accounts Receivable	(4,068)	899,753
Accounts Payable	312,975	(199,614)
Sale/Purchase of Investments	1,500,000	6,483,438
	<u>1,808,907</u>	<u>7,262,960</u>
INCREASE (DECREASE) IN CASH	<u>\$ 1,563,720</u>	<u>\$ (56,077)</u>
SUMMARY		
Cash at End of Period	\$ 1,625,768	\$ 1,625,768
Cash at Beginning of Period	62,041	1,681,844
INCREASE (DECREASE) IN CASH	<u>\$ 1,563,727</u>	<u>\$ (56,076)</u>

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, 2018

	<u>Current Month</u>	<u>Total Budget</u>	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>YTD Difference</u>
Revenues					
Rental Income	\$ 10,938	130,732	\$ 97,973	97,959	(14)
Total Revenues	<u>10,938</u>	<u>130,732</u>	<u>97,973</u>	<u>97,959</u>	<u>(14)</u>
Building Expenses					
Landscape & Maintenance	4,012	21,000	16,174	15,750	(424)
Security	240	1,020	978	765	(213)
Insurance	0	2,950	2,543	2,950	407
Utilities	1,668	18,000	17,550	13,300	(4,250)
Total building operating expenses	<u>5,920</u>	<u>42,970</u>	<u>37,245</u>	<u>32,765</u>	<u>(4,480)</u>
Net Income	<u>\$ 5,018</u>	<u>87,762</u>	<u>\$ 60,728</u>	<u>65,194</u>	<u>4,466</u>

MCERA
Vendor Ledgers
For the Period From Mar 1, 2018 to Mar 31, 2018

Filter Criteria includes: Report order is by ID.

Vendor ID Vendor	Date	Trans No	Type	Debit Amt	Credit Amt	Balance
aflac AFLAC, INC.	3/31/18	2003821	CDJ	3,560.71	3,560.71	0.00
amcre AMCRE	3/31/18	2003822	CDJ	953.76	953.76	0.00
att AT&T	3/1/18	4277494	CDJ	138.36	138.36	0.00
	3/29/18	4279153	CDJ	135.62	135.62	0.00
BofA P-Card Bank of America P-Card	3/12/18	2491-031218	CDJ	215.71	215.71	0.00
	3/31/18	2102 -033118	PJ		1,123.68	1,123.68
calass Callan Associates, Inc.	3/30/18	4280034	PJ		38,616.75	38,616.75
caldis California State Disbursement	3/28/18	Cal 032818	CDJ	200.00	200.00	0.00
Cheiron Cheiron, Inc	3/30/18	31582	PJ *		47,322.50	47,322.50
cituki City of Ukiah	3/22/18	4278788	CDJ	650.62	650.62	0.00
	3/22/18	4278786	CDJ	112.38	112.38	0.00
	3/22/18	4278784	CDJ	18.90	18.90	0.00
	3/22/18	4278358	CDJ	230.95	230.95	0.00
	3/22/18	4278787	CDJ	150.56	150.56	0.00
coumen County of Mendocino	3/6/18	AJE030618	CDJ	173.67	173.67	0.00
	3/8/18	AJE 030818	CDJ	120.87	120.87	0.00
	3/12/18	AJE 031218	CDJ	2.60	2.60	0.00
	3/21/18	AJE 032118	CDJ	594.46	594.46	0.00
	3/21/18	AJE 032118 A	CDJ	434.92	434.92	0.00
	3/22/18	AJE 032218	CDJ	516.71	516.71	0.00
	3/29/18	AJE032918	CDJ	809.13	809.13	0.00
	3/29/18	AJE032918 A	CDJ	1,191.65	1,191.65	0.00
	3/29/18	AJE032918 B	CDJ	704.62	704.62	0.00
	3/29/18	AJE032918 C	CDJ	445.25	445.25	0.00
	3/29/18	AJE 032918 Cap1	CDJ	35,000.00	35,000.00	0.00
	3/29/18	AJE 032918 Cap2	CDJ	3,579.08	3,579.08	0.00
	3/29/18	AJE 032918 Cap3	CDJ	37,079.00	37,079.00	0.00
	3/30/18	20182-1920	PJ *		802.99	802.99
	3/30/18	20183-1920	PJ *		493.86	1,296.85
depval Deep Valley Security	3/15/18	4278393	CDJ	44.95	44.95	0.00
	3/15/18	4278392	CDJ	24.95	24.95	0.00
	3/22/18	4278817	CDJ	170.00	170.00	0.00
edd EDD	3/29/18	EDD 032918	CDJ	53,685.19	53,685.19	0.00
hanbri Hanson Bridgett	3/1/18	Balance Fwd				626.00
	3/22/18	4278876	CDJ	140.00	140.00	626.00
Intshrd Integrity Shred	3/29/18	AJE 032918	CDJ	28.00	28.00	0.00
Invtec Investec Asset Management	3/31/18	92141	PJ		32,428.58	32,428.58
irs IRS	3/29/18	IRS 032918	CDJ	225,759.22	225,759.22	0.00
jamwil James Wilbanks	3/15/18	4278690	CDJ	453.26	453.26	0.00

MCERA
Vendor Ledgers
For the Period From Mar 1, 2018 to Mar 31, 2018

Filter Criteria includes: Report order is by ID.

Vendor ID Vendor	Date	Trans No	Type	Debit Amt	Credit Amt	Balance
Jerihar Jerilyn Harris	3/31/18	192006214	PJ *		300.00	300.00
KaSmith Kathryn Smith	3/31/18	192006211	PJ *		300.00	300.00
LePrk Lee Parker	3/31/18	192006212	PJ *		300.00	300.00
LRS Inc	3/1/18	Balance Fwd				5,562.00
Levi, Ray & Shoup, Inc	3/1/18	4277658	CDJ	5,562.00		0.00
	3/22/18	4278922	CDJ	1,050.00	1,050.00	0.00
moncle	3/15/18	4278535	CDJ	455.00	455.00	0.00
Moonlight Cleaning Service	3/15/18	4278536	CDJ	1,030.00	1,030.00	0.00
Monpart Mondrian Investment Partners	3/31/18	Q3 2018 Invoice	PJ		45,175.02	45,175.02
pacgro Pacific Group Agencies, Inc.	3/31/18	2003823	CDJ	24,703.37	24,703.37	0.00
pge PG&E	3/22/18	4278986	CDJ	436.20	436.20	0.00
ricsho Richard Shoemaker	3/31/18	192006213	PJ *		100.00	100.00
segal	3/1/18	Balance Fwd				7,000.00
SEGAL	3/22/18	4279055	CDJ	4,276.00	4,276.00	7,000.00
	3/29/18	4279532	CDJ	7,000.00		0.00
	3/30/18	329490	PJ *		1,500.00	1,500.00
soncou	3/1/18	Balance Fwd				17,984.00
Sonoma County Counsel	3/1/18	4277780	CDJ	7,360.00		10,624.00
	3/29/18	4279543	CDJ	10,624.00		0.00
sonswe	3/1/18	4277782	CDJ	157.00	157.00	0.00
Sonoma Sweepers, Inc.	3/1/18	4277781	CDJ	54.50	54.50	0.00
StateStreet	3/30/18	1712119149-6012	PJ *		4,659.41	4,659.41
State Street Bank & Trust	3/30/18	1801119149-6012	PJ *		4,625.23	9,284.64
	3/30/18	1802119149-6012	PJ *		4,498.19	13,782.83
timknu Timothy Knudsen	3/31/18	192006215	PJ *		300.00	300.00
tosfin Toshiba Financial Services	3/15/18	4278653	CDJ	224.19	224.19	0.00
TRowe T.Rowe Price	3/31/18	20180331-1045-A	PJ		60,992.59	60,992.59
ukiwas Ukiah Waste Solutions, Inc.	3/15/18	628550	CDJ	68.87	68.87	0.00
verwir Verizon Wireless	3/15/18	4279117	CDJ	49.47	49.47	0.00
WageGarn Wage Garnishment (Other)	3/31/18	2003824	CDJ	700.00	700.00	0.00
Report Total				431,075.70	644,068.50	244,164.80