

Date: October 4, 2019  
To: Board of Retirement  
From: F. Robert Reveles – Financial/Investment Officer  
Subject: Monthly Financial Report

Preliminary Monthly Financial Reports, month ending August, 2019

**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 \$122,287 during the month. Total market value of investments decreased to \$523 million while total net position decreased to \$523 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 net position decreased by \$8.11 million while year to date net position decreased by \$9.79 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 \$1,622,858 during the month.

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

This report details the \$5,617 in net income for the monthly report period associated with the 625 Kings Court trust fund asset.

**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****August 31, 2019****Preliminary****ASSETS****CASH AND EQUIVALENTS**

Trust Cash - Held at County \$ 122,287

**TOTAL CASH AND EQUIVALENTS** 122,287**CURRENT ASSETS**

Recoupments 62,898

**TOTAL CURRENT ASSETS** 62,898**EQUIPMENT**

Pension Gold Software 396,916

**TOTAL EQUIPMENT** 396,916**INVESTMENTS, ADJUSTED TO MARKET**Unrealized Gain (Loss) 83,435,796  
Fixed Income 110,166,075  
International Equities 133,017,653  
Small Cap Equities 25,705,866  
Mid Cap Equities 25,403,231  
Large Cap Equities 100,930,502  
Real Estate 44,232,991**TOTAL INVESTMENTS, AT MARKET** 522,892,114**TOTAL ASSETS** \$ 523,474,215**LIABILITIES****CURRENT LIABILITIES**Accounts Payable \$ 4,533  
AMCRE Dues 972  
Federal Withholding 910  
State Withholding 150  
Wage Attchments 700  
Accrued Wages - 1920 Account 104,801  
Accrued Courts POB Payments 30,494  
AFLAC Insurance 3,777**TOTAL CURRENT LIABILITIES** 146,337**OTHER LIABILITIES**

Pension Gold Software 396,916

**TOTAL OTHER LIABILITIES** 396,916**TOTAL NET POSITION** \$ 522,930,962**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 Two Months Ended August 31, 2019**  
**Preliminary**

|  | CURRENT MONTH         | YEAR TO DATE          |
|--|-----------------------|-----------------------|
| <b>ADDITIONS</b>                           |                       |                       |
| <b>CONTRIBUTIONS</b>                       |                       |                       |
| Employer                                   | \$ 2,600,857          | \$ 3,456,322          |
| Plan Members                               | 739,924               | 976,260               |
|  | <u>3,340,781</u>      | <u>4,432,582</u>      |
| <b>TOTAL CONTRIBUTIONS</b>                 |                       |                       |
|  | <u>3,340,781</u>      | <u>4,432,582</u>      |
| <b>INVESTMENT INCOME</b>                   |                       |                       |
| Unrealized Gain (Loss)                     | (8,616,066)           | (8,239,408)           |
| Rental Income, Net of Expenses             | 5,617                 | 8,534                 |
| Interest                                   | 0                     | 0                     |
| Dividends                                  | 152,091               | 308,733               |
| Capital Gains                              | 300,456               | 300,456               |
|  | <u>(4,619)</u>        | <u>(9,152)</u>        |
| Less Investment Expense                    | (4,619)               | (9,152)               |
|  | <u>(8,162,521)</u>    | <u>(7,630,837)</u>    |
| <b>Net Investment Income</b>               |                       |                       |
|  | <u>(8,162,521)</u>    | <u>(7,630,837)</u>    |
| <b>TOTAL ADDITIONS</b>                     |                       |                       |
|  | <u>(4,821,740)</u>    | <u>(3,198,255)</u>    |
| <b>DEDUCTIONS</b>                          |                       |                       |
| Benefit Payments & Refunds                 | (3,195,306)           | (6,468,846)           |
| Administrative Expenses                    | (94,992)              | (128,954)             |
|  | <u>(3,290,298)</u>    | <u>(6,597,800)</u>    |
| <b>TOTAL DEDUCTIONS</b>                    |                       |                       |
|  | <u>(3,290,298)</u>    | <u>(6,597,800)</u>    |
| <b>Increase (Decrease) in Net Position</b> | <u>(8,112,038)</u>    | <u>(9,796,055)</u>    |
| <b>NET POSITION</b>                        |                       |                       |
| <b>Beginning of Period</b>                 | <u>531,043,002</u>    | <u>532,727,019</u>    |
| <b>End of Period</b>                       | <u>\$ 522,930,964</u> | <u>\$ 522,930,964</u> |

**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 Two Months Ended August 31, 2019**  
**Preliminary**

|  | CURRENT MONTH       | YEAR TO DATE        |
|--|---------------------|---------------------|
| <b>ADDITIONS</b>                         |                     |                     |
| <b>CONTRIBUTIONS</b>                     |                     |                     |
| Employer                                 | 2,600,857           | 3,456,322           |
| Plan Member                              | 739,924             | 976,260             |
|  | <u>3,340,781</u>    | <u>4,432,582</u>    |
| <b>TOTAL CONTRIBUTIONS</b>               |                     |                     |
| <b>INVESTMENT INCOME</b>                 |                     |                     |
| Rental Income, Net of Expenses           | 5,617               | 8,534               |
| Interest                                 | 0                   | 0                   |
| Dividends                                | 0                   | 0                   |
| Capital Gains                            | 0                   | 0                   |
| Less Investment Expense                  | (4,619)             | (9,152)             |
|  | <u>998</u>          | <u>(618)</u>        |
| <b>TOTAL INVESTMENT INCOME</b>           |                     |                     |
| <b>TOTAL ADDITIONS</b>                   | <u>3,341,779</u>    | <u>4,431,964</u>    |
| <b>DEDUCTIONS</b>                        |                     |                     |
| Benefit Payments & Refunds               | (3,195,307)         | (6,468,537)         |
| Administrative Expenses                  | (94,992)            | (128,954)           |
|  | <u>(3,290,299)</u>  | <u>(6,597,491)</u>  |
| <b>TOTAL DEDUCTIONS</b>                  |                     |                     |
| <b>OTHER INCREASES/(DECREASES)</b>       |                     |                     |
| Accounts Receivable                      | 2,409               | 1,150,210           |
| Accounts Payable                         | (185,650)           | (894,538)           |
| Sale/Purchase of Investments             | 1,754,619           | 1,754,619           |
|  | <u>1,571,378</u>    | <u>2,010,291</u>    |
| <b>TOTAL OTHER INCREASES/(DECREASES)</b> |                     |                     |
| <b>INCREASE (DECREASE) IN CASH</b>       | <u>\$ 1,622,858</u> | <u>\$ (155,236)</u> |
| <b>SUMMARY</b>                           |                     |                     |
| Cash at End of Period                    | \$ 122,287          | \$ 122,287          |
| Cash at Beginning of Period              | (1,500,569)         | 277,833             |
|  | <u>1,622,856</u>    | <u>(155,546)</u>    |
| <b>INCREASE (DECREASE) IN CASH</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 Two Months Ending August 31, 2019

|                                   | <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                     | \$ 11,041            | 0                   | \$ 15,498         | 0                 | (15,498)              |
|                                   | <u>11,041</u>        | <u>0</u>            | <u>15,498</u>     | <u>0</u>          | <u>(15,498)</u>       |
| Total Revenues                    | <u>11,041</u>        | <u>0</u>            | <u>15,498</u>     | <u>0</u>          | <u>(15,498)</u>       |
| <br><b>Building Expenses</b>      |                      |                     |                   |                   |                       |
| Landscape & Maintenance           | 2,524                | 0                   | 4,009             | 0                 | (4,009)               |
| Security                          | 25                   | 0                   | 50                | 0                 | (50)                  |
| Insurance                         | 1,532                | 0                   | 1,532             | 0                 | (1,532)               |
| Utilities                         | 1,343                | 0                   | 1,373             | 0                 | (1,373)               |
|                                   | <u>5,424</u>         | <u>0</u>            | <u>6,964</u>      | <u>0</u>          | <u>(6,964)</u>        |
| Total building operating expenses | <u>5,424</u>         | <u>0</u>            | <u>6,964</u>      | <u>0</u>          | <u>(6,964)</u>        |
| Net Income                        | \$ <u>5,617</u>      | <u>0</u>            | \$ <u>8,534</u>   | <u>0</u>          | <u>(8,534)</u>        |

MCERA  
Aged Payables  
As of Aug 31, 2019

Filter Criteria includes: 1) Includes Drop Shipments. Report order is by ID. Report is printed in Detail Format.

| Vendor ID<br>Vendor<br>Contact<br>Telephone 1                              | Invoice/CM #  | 0 - 30   | 31 - 60 | 61 - 90 | Over 90 days | Amount Due |
|--|---------------|----------|---------|---------|--------------|------------|
| StateStreet<br>State Street Bank & Trust<br>Tommy Jaynes<br>1-816-871-7585 | 1907119149-60 | 4,533.24 |         |         |              | 4,533.24   |
| StateStreet<br>State Street Bank & Tru                                     |               | 4,533.24 |         |         |              | 4,533.24   |
| Report Total   |               | 4,533.24 |         |         |              | 4,533.24   |
|  |               |          |         |         |              |            |