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

Date: March 15, 2017
To: Board of Retirement
From: Stan Conwell, Financial & Investment Officer
Subject: Monthly Financial Report

Preliminary Monthly Financial Reports, month ending January 31, 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 increased to \$252,053 during the month. Total net position increased to \$453.6 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 in net position of \$8.3 million and year-to-date net position increased by \$27.2 million. Administrative expense was elevated due to the annual Pension Gold software fee of \$136,465.10.

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 \$507,133 during the month. \$1,500,000 of equity assets were sold to raise cash during the month.

4. Office Building Rental Income – Net of Expenses

This report details the \$8,402 in net income for the monthly report period associated with the 625 Kings Court trust fund asset. Current month net income was higher than expected due to lower utilities 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
January 31, 2017
Preliminary

ASSETS

CASH AND EQUIVALENTS

Trust Cash - Held at County \$ 252,053

TOTAL CASH AND EQUIVALENTS 252,053

CURRENT ASSETS

Accounts Receivable 6,431
 Recoupments 75,533

TOTAL CURRENT ASSETS 81,964

EQUIPMENT

Pension Gold Software 1,157,851

TOTAL EQUIPMENT 1,157,851

INVESTMENTS, ADJUSTED TO MARKET

Unrealized Gain (Loss) 84,316,474
 Fixed Income 96,419,276
 International Equities 114,399,939
 Small Cap Equities 25,529,560
 Mid Cap Equities 18,133,310
 Large Cap Equities 81,195,755
 Real Estate 33,662,297

TOTAL INVESTMENTS, AT MARKET 453,656,611

TOTAL ASSETS \$ 455,148,479

LIABILITIES

CURRENT LIABILITIES

Accounts Payable \$ 73,692
 Accrued Wages - 1920 Account 289,611

TOTAL CURRENT LIABILITIES 363,303

OTHER LIABILITIES

Pension Gold Software 1,157,851

TOTAL OTHER LIABILITIES 1,157,851

TOTAL NET POSITION \$ 453,627,325

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 Seven Months Ended January 31, 2017
Preliminary

	CURRENT MONTH	YEAR TO DATE
ADDITIONS		
CONTRIBUTIONS		
Employer	\$ 1,528,238	\$ 10,598,777
Plan Members	436,417	3,131,845
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TOTAL CONTRIBUTIONS	1,964,655	13,730,622
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INVESTMENT INCOME		
Unrealized Gain (Loss)	8,903,663	19,911,832
Rental Income, Net of Expenses	8,402	49,752
Interest	5,138	8,007
Dividends	98,474	4,219,098
Capital Gains	346,833	9,608,731
Less Investment Expense	0	(296,108)
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Net Investment Income	9,362,510	33,501,312
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TOTAL ADDITIONS	11,327,165	47,231,934
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DEDUCTIONS		
Benefit Payments & Refunds	(2,816,184)	(19,228,783)
Administrative Expenses	(187,103)	(713,839)
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TOTAL DEDUCTIONS	3,003,287	19,942,622
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Increase (Decrease) in Net Position	8,323,878	27,289,312
	<hr/>	<hr/>
NET POSITION		
Beginning of Period	445,303,443	426,338,012
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End of Period	\$ 453,627,321	\$ 453,627,324
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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 Seven Months Ended January 31, 2017
Preliminary

	CURRENT MONTH	YEAR TO DATE
ADDITIONS		
CONTRIBUTIONS		
Employer	1,528,238	10,598,777
Plan Member	436,417	3,131,845
	1,964,655	13,730,622
INVESTMENT INCOME		
Rental Income, Net of Expenses	8,402	49,752
Interest	5,138	8,007
Dividends	0	0
Capital Gains	0	0
Less Investment Expense	0	(296,108)
	13,540	(238,349)
	1,978,195	13,492,273
DEDUCTIONS		
Benefit Payments & Refunds	(2,816,182)	(19,228,782)
Administrative Expenses	(187,103)	(713,839)
	(3,003,285)	(19,942,621)
OTHER INCREASES/(DECREASES)		
Accounts Receivable	7,800,512	856,478
Accounts Payable	(104,754)	(596,218)
Sale/Purchase of Investments	(6,300,000)	6,554,155
	1,532,223	6,950,880
INCREASE (DECREASE) IN CASH	\$ 507,133	\$ 500,532
SUMMARY		
Cash at End of Period	\$ 252,053	\$ 252,053
Cash at Beginning of Period	(255,080)	(248,479)
INCREASE (DECREASE) IN CASH	\$ 507,133	\$ 500,532

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 Seven Months Ending January 31, 2017

	<u>Current Month</u>	<u>Total Budget</u>	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>YTD Difference</u>
Revenues					
Rental Income	\$ 10,831	130,068	\$ 75,815	75,815	0
Total Revenues	<u>10,831</u>	<u>130,068</u>	<u>75,815</u>	<u>75,815</u>	<u>0</u>
Building Expenses					
Landscape & Maintenance	1,425	24,900	12,546	14,525	1,979
Security	145	2,100	983	1,225	242
Insurance	0	2,870	2,810	2,870	60
Utilities	859	18,200	9,724	11,050	1,326
Total building operating expenses	<u>2,429</u>	<u>48,070</u>	<u>26,063</u>	<u>29,670</u>	<u>3,607</u>
Net Income	<u>\$ 8,402</u>	<u>81,998</u>	<u>\$ 49,752</u>	<u>46,145</u>	<u>(3,607)</u>

MCERA
Vendor Ledgers
For the Period From Jan 1, 2017 to Jan 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.	1/31/17	2003067	CDJ		3,537.41	3,537.41	0.00
amcre AMCRE	1/31/17	2003068	CDJ		934.40	934.40	0.00
att AT&T	1/26/17	4253582	CDJ		134.41	134.41	0.00
calapr CALAPRS	1/12/17	4252791	CDJ		500.00	500.00	0.00
	1/12/17	4252790	CDJ		200.00	200.00	0.00
caldis California State Dusbursement	1/27/17	Cal 012717	CDJ		200.00	200.00	0.00
cituki City of Ukiah	1/26/17	4253940	CDJ		212.05	212.05	0.00
clemen Clearly Mendocino Water Comp	1/12/17	4252810	CDJ		24.00	24.00	0.00
coumen County of Mendocino	1/1/17	Balance Fwd					6,465.55
	1/13/17	AJE 011317	CDJ		119.14	119.14	6,465.55
	1/17/17	AJE010117	CDJ		2,204.32		4,261.23
curdis Curry's Discount Inc.	1/19/17	4253204	CDJ		12.14	12.14	0.00
	1/19/17	4253203	CDJ		4.92	4.92	0.00
depval Deep Valley Security	1/12/17	4252847	CDJ		44.95	44.95	0.00
	1/12/17	4252846	CDJ		24.95	24.95	0.00
	1/12/17	4252848	CDJ		75.00	75.00	0.00
edd EDD	1/27/17	EDD 012717	CDJ		53,143.55	53,143.55	0.00
galllp Gallina, LLP	1/1/17	Balance Fwd					3,900.00
	1/12/17	566389	CDJ		3,900.00		0.00
irs IRS	1/27/17	IRS 012717	CDJ		219,220.95	219,220.95	0.00
judzel Judith Zeller	1/26/17	4253998	CDJ		36.72	36.72	0.00
life360 Life Status 360	1/19/17	4253308	CDJ		5.00	5.00	0.00
LRS Inc Levi, Ray & Shoup, Inc	1/26/17	4253770	CDJ		2,775.00	2,775.00	0.00
	1/26/17	4253771	CDJ		136,465.10	136,465.10	0.00
moncle Moonlight Cleaning Service	1/19/17	4253364	CDJ		435.00	435.00	0.00
	1/19/17	4253365	CDJ		990.00	990.00	0.00
Monpart Mondrian Investment Partners L	1/1/17	Balance Fwd					51,492.19
pacgro Pacific Group Agencies, Inc.	1/31/17	2003069	CDJ		23,590.47	23,590.47	0.00
pge PG&E	1/26/17	4253390	CDJ		583.67	583.67	0.00
segal SEGAL	1/1/17	Balance Fwd					1,500.00
	1/12/17	4253025	CDJ		1,500.00		0.00

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

Filter Criteria includes: Report order is by ID.

Vendor ID Vendor	Date	Trans No	Type	Paid	Debit Amt	Credit Amt	Balance
StateStreet State Street Bank & Trust	1/1/17	Balance Fwd					17,939.00
tosfin Toshiba Financial Services	1/19/17	4253058	CDJ		217.83	217.83	0.00
ukiwas Ukiah Waste Solutions, Inc.	1/19/17	567541	CDJ		62.83	62.83	0.00
usban US Bank	1/1/17	Balance Fwd					2,879.92
	1/17/17	AJE013117	CDJ		2,455.68		424.24
	1/31/17	AJE013117 A	CDJ		424.24		0.00
verwir Verizon Wireless	1/26/17	4253963	CDJ		38.47	38.47	0.00
Report Total					454,072.20	443,587.96	73,692.42