



Merced County Employees' Retirement Association

**AGENDA
RETIREMENT BOARD MEETING**

Thursday, July 27, 2023, 8:30 A.M.

Location: Merced County Administration Building
2222 M Street, Merced, CA
Merced Conference Room, Basement
Zoom Conference Information:

<https://us06web.zoom.us/j/93030195748?pwd=NGhFeGltSVhaSTIsK2JGWE83TVFydz09>

Dial In Number: 669-900-6833, MEETING ID: 930 3019 5748, PASSCODE: 095484

(For use only if Zoom Connection Malfunctions)

Telephone Number: 1-310-372-7549, Conference Code: 975839

1. Call to Order- 8:30 A.M.

The Retirement Board may discuss and take action on the following:

2. Roll Call

3. Teleconference Request

Trustee Teleconference Request (Govt. Code §54953(f)(2)(A)(i)).

4. Approval of Minutes – May 25, 2023 and June 22, 2023.

5. Public Comment

Members of the public may comment on any item under the Board's jurisdiction including items on the Board's agenda. Matters presented under this item will not be discussed or acted upon by the Board at this time. Persons addressing the Board will be limited to a maximum of five (5) minutes in total. Please state your name for the record.

6. Consent Calendar

Consent matters are expected to be routine and may be acted upon, without discussion, as one unit. If an item is taken off the Consent Calendar for discussion, it will be heard as the last item(s) of the Open Session as appropriate:

a. Retirements: Pursuant to Govt. Code § 31663.25 or § 31672.

<u>Name</u>	<u>Effective Date</u>
Jill McCabe	06/30/2023
Mark Conover	07/01/2023
Alfred Hauhuth	07/01/2023
Julie Siegel	07/03/2023
Clementina Mora	07/11/2023

b. Monthly Budget Report Submitted for May 2023. June 2023's report will be delayed due to year end closing.

c. Monthly performance by Meketa Group.

d. Performance of alternative portfolio by Cliffwater, LLC.

7. Closed Session

As provided in the Ralph M. Brown Act, Government Code sections 54950 et seq., the Board may meet in closed session with members of its staff, county employees and its attorneys. These sessions are not open to the public and may not be attended by members of the public. The matters the Board will meet on in closed session are identified



Merced County Employees' Retirement Association

below. Any public reports of action taken in the closed session will be made in accordance with Government Code sections 54957.1:

- a. Public Employee Appointment (Govt. Code § 54957).
Title: Assistant Plan Administrator.

8. Report Out of Closed Session

9. Open Session

- a. Board to nominate and elect board seats of Chair, Vice Chair and Secretary – Staff.
- b. Board to appoint ad hoc subcommittees for the following;
 - Ad hoc Performance of the Chief Investment Officer, Plan Administrator and Assistant Plan Administrator – Chair to appoint trustees.
 - Ad hoc Audit – Chair to appoint trustees.
- c. Discussion and possible action to approve error correction policy - Staff.
- d. Discussion and possible action to approve the classification specification and salary resolution of the Assistant Plan Administrator position and give the Plan Administrator permission to work with County HR to create and recruit for the position - Staff.

10. Information Sharing & Agenda Item Requests

11. Adjournment

The Agenda and supporting documentation, including any material that was submitted to the Merced County Employees' Retirement Association Board after the distribution of the Agenda, are available online at www.mercedcera.com.

All supporting documentation for Agenda items, including any material that was submitted to the retirement board after the distribution of the Agenda, is also available for public inspection Monday through Friday from 8:00 a.m. to 5:00 p.m. at the administrative office for the Merced County Employees' Retirement Association located at 3199 M Street, Merced, California 95348.

Persons who require accommodation for a disability in order to review an agenda, or to participate in a meeting of the Merced County Employees' Retirement Association per the American Disabilities Act (ADA), may obtain assistance by requesting such accommodation in writing addressed to Merced County Employees' Association, 3199 M Street, Merced, CA 95348 or telephonically by calling (209) 726-2724. Any such request for accommodation should be made at least 48 hours prior to the scheduled meeting for which assistance is requested.

Persons who require accommodation for any audio, visual or other disability or Spanish or Hmong interpretation in order to review an agenda, or to participate in a meeting of the Merced County Employees' Retirement Association per the American Disabilities Act (ADA), may obtain assistance by requesting such accommodation. Please address your written request to Merced County Employees' Association, 3199 M Street, Merced, CA 95348 or telephonically by calling (209) 726-2724. Any such request for accommodation should be made at least 48 hours prior to the scheduled meeting for which assistance is requested.

Spanish and Hmong interpreters are available.

Interpretes de espanol y hmong estan disponibles.
Peb muaj tug paab txhais lug Mev hab Hmoob.



Merced County Employees' Retirement Association

**MINUTES
RETIREMENT BOARD MEETING**

Thursday, May 25, 2023, 8:30 A.M.

Location: Merced County Administration Building
2222 M Street, Merced, CA
Los Banos and Livingston Conference Rooms, Basement
Zoom Conference Information:

<https://us06web.zoom.us/j/93030195748?pwd=NGhFeGltSVhaSTIsK2JGWE83TVFydz09>

Dial In Number: 669-900-6833, MEETING ID: 930 3019 5748, PASSCODE: 095484

(For use only if Zoom Connection Malfunctions)

Telephone Number: 1-310-372-7549, Conference Code: 975839

1. Call to Order- 8:30 A.M.

The Retirement Board may discuss and take action on the following:

2. Roll Call

Board Members Present: Scott Johnston, Scott Silveira, Karen Adams, Mike Harris, Dave Ness (arrived at 8:33 A.M.), Al Peterson, Ryan Paskin, and Janey Cabral. Absent: Corrina Brown and Aaron Rosenberg. Counsel: Jeff Grant and Tom Ebersole Staff: Kristie Santos, Martha Sanchez Barboa, Brenda Mojica, Sheri Villagrana, Monica Gallegos, Nikki Barraza, and Mark Harman.

3. Teleconference Request

Trustee Teleconference Request (Govt. Code §54953(f)(2)(A)(i)).

None.

4. Approval of Minutes – April 27, 2023

Motion to approve the minutes from April 27, 2023:

1st - Johnston/ 2nd – Harris, passes (7-0)

5. Public Comment

Members of the public may comment on any item under the Board's jurisdiction including items on the Board's agenda. Matters presented under this item will not be discussed or acted upon by the Board at this time. Persons addressing the Board will be limited to a maximum of five (5) minutes in total. Please state your name for the record.

None.

6. Consent Calendar

Consent matters are expected to be routine and may be acted upon, without discussion, as one unit. If an item is taken off the Consent Calendar for discussion, it will be heard as the last item(s) of the Open Session as appropriate:

a. Retirements: Pursuant to Govt. Code § 31663.25 or § 31672.

<u>Name</u>	<u>Effective Date</u>
Tia Maxson	04/01/2023
Catalina Eliserio	04/28/2023
Robert Kuhlemeier	04/29/2023
William Hass	04/29/2023
Dana Brantley	04/29/2023
Robert Porta	05/05/2023



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Scott Oakes	05/06/2023
Nanica Richard	05/10/2023
Sharon Mendonca	05/13/2023
Diana Severson	05/16/2023

- b. Monthly Budget Report Submitted.
- c. Approval of non-pensionable pay code 458-HSA Social Worker Mentor pay for Merced County.
- d. Approval of new audit contract.
- e. Information on trustee election timeline.
- f. The following rebalancing took place during the month of May:

Portfolio Rebalancing Report for May 2023					
From			To		
Manager	Asset Class	Amount	Manager	Asset Class	Amount
Vanguard Short-Term Treasury Index	Fixed Income	-\$10,000,000	Wellington Core Bond	Fixed Income	\$10,000,000

**Motion to approve the consent agenda as presented:
1st - Silveira/ 2nd – Cabral, passes (8-0)**

7. Closed Session

As provided in the Ralph M. Brown Act, Government Code sections 54950 et seq., the Board may meet in closed session with members of its staff, county employees and its attorneys. These sessions are not open to the public and may not be attended by members of the public. The matters the Board will meet on in closed session are identified below. Any public reports of action taken in the closed session will be made in accordance with Government Code sections 54957.1:

- a. Discussion and possible action regarding investments (Govt. Code § 54956.81) in recommended funds by Cliffwater LLC.
- b. Conference with Legal Counsel – Anticipated Litigation. Initiation of litigation pursuant to Government Code section 54956.9, subdivision (d)(4): One case.

8. Report Out of Closed Session

- a. Discussion and possible action regarding investments (Govt. Code § 54956.81) in recommended funds by Cliffwater LLC.
A commitment of up to \$20 million to *One William Street Credit Opportunity Fund, L.P.*, a long-based credit fund offering diversified exposure across broad credit categories, subject to satisfactory legal negotiations.

1st – Silveira/2nd – Johnston, passes (8-0)

- b. Conference with Legal Counsel – Anticipated Litigation. Initiation of litigation pursuant to Government Code section 54956.9, subdivision (d)(4): One case.

No Action Taken.



Merced County Employees' Retirement Association

9. Open Session

- a. Review and possible adoption of MercedCERA's pension administration resolution – Staff.
1st – Ness/ 2nd – Johnston, passes (8-0)
- b. Review and possible adoption of MercedCERA's annual budget for FY 23-24 - Staff.
1st – Cabral/ 2nd – Harris, passes (8-0)
- c. Review and possible adoption of resolution thanking attorney Jeff Grant for his service to MercedCERA and the Board of Retirement with introduction of new Board Counsel – Chair.
1st – Adams/ 2nd – Peterson, passes (8-0)
- d. Discussion on Meketa Quarterly performance with information on MercedCERA's fixed income portfolio – Meketa Group.
No Action Taken.

10. Information Sharing & Agenda Item Requests

Trustee Paskin will not be in attendance at the June 22nd Meeting.

11. Adjournment

Meeting adjourned at 10:16 A.M.

The Agenda and supporting documentation, including any material that was submitted to the Merced County Employees' Retirement Association Board after the distribution of the Agenda, are available online at www.mercedcera.com.

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Merced County Employees' Retirement Association

**MINUTES
RETIREMENT BOARD MEETING**

Thursday, June 22, 2023, 8:30 A.M.

Location: Merced County Administration Building
2222 M Street, Merced, CA
Los Banos and Livingston Conference Rooms, Basement
Zoom Conference Information:

<https://us06web.zoom.us/j/93030195748?pwd=NGhFeGltSVhaSTIsK2JGWE83TVFydz09>

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Telephone Number: 1-310-372-7549, Conference Code: 975839

1. Call to Order- 8:31 A.M.

The Retirement Board may discuss and take action on the following:

2. Roll Call

Board Members Present: Scott Johnston, Scott Silveira, Karen Adams, Mike Harris, Al Peterson, Aaron Rosenberg. Absent: Dave Ness, Corrina Brown, Janey Cabral, and Ryan Paskin. Counsel: Tom Ebersole. Staff: Kristie Santos, Martha Sanchez Barboa, Brenda Mojica, Sheri Villagrana, Nikki Barraza and Jennifer Figueroa.

3. Teleconference Request

Trustee Teleconference Request (Govt. Code §54953(f)(2)(A)(i)).

None.

4. Public Comment

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None.

5. Consent Calendar

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- a. Retirements: Pursuant to Govt. Code § 31663.25 or § 31672.

<u>Name</u>	<u>Effective Date</u>
Ronald Spuur	05/26/2023
Melvin Mckinney	05/29/2023
Anthony Ryland	06/03/2023
Nicole Pollack	06/07/2023

- b. Approve the interest crediting rate of 3.06012% compounded semi-annually for June 30th for the active and deferred reserves and 6.75% interest crediting rate for retired and employer reserves – Staff.

Motion to approve the consent agenda as presented:

1st - Harris/ 2nd – Peterson, passes (6-0)

7. Open Session



Merced County Employees' Retirement Association

- a. Discussion and possible action to confirm the appointment of Gaurav Patankar as MercedCERA's Chief Investment Officer effective July 17, 2023 at an annual salary of \$250,000, a one-time non-pensionable signing bonus in the amount of \$10,000, with benefits matching the benefits and allowances afforded to County of Merced Unrepresented Management A level employees - Staff.
1st – Silveira/ 2nd – Harris, passes (6-0)

6. Information Sharing & Agenda Item Requests

- Trustee Adams will not be in attendance at the July 27th meeting.
- The Plan Administrator will be remote at the July 27th meeting.

7. Adjournment

Meeting adjourned at 8:36 A.M.

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Merced County Employees' Retirement Association
 Non-Administrative Expenditures Report (Preliminary)
 For the Month Ended May 31, 2023

Non-Administrative Expenses		Original Projection	Current Projection	Expended 05/2023	Expended YTD	Bal Remaining	% Exp YTD
21800 · Investment Expenses		3,160,000.00	3,160,000.00	141,059.30	2,191,767.03	968,232.97	69%
5/2/2023	Nossaman - Inv 546525 - Rockpoint REF VII			261.00			
5/2/2023	Nossaman - Inv 546538 - EnCap FMF V			3,554.10			
5/2/2023	Nossaman - Inv 546540 - KV VIII & Seed F			2,566.00			
5/2/2023	Nossaman - Inv 546543 - Cortec GF VIII			79.20			
5/2/2023	Nossaman - Inv 546548 - Hudson Bay HF			24,082.30			
5/2/2023	Nossaman - Inv 546980 - Ares Europe VI			6,456.30			
5/5/2023	UBS TPF - 2023-Q1 Mgt Fee			57,475.07			
5/10/2023	Cliffwater - Inv 6964 - 2023-04 PE & HF Consulting Svc			33,333.33			
5/17/2023	KKR GII II - Cap Call - 2023-Q1 Mgt Fee			11,997.00			
5/25/2023	Golden Valley Engineering - Prof Svcs Thru 2023-04-29			1,255.00			
Total 21800 · Investment Expenses				141,059.30			
21802 · Actuarial Services		250,000.00	250,000.00	85,000.00	219,905.25	30,094.75	88%
5/25/2023	Segal - Inv 462652 - Actuarial Svcs thru 2023-03			85,000.00			
Total 21802 · Actuarial Services				85,000.00			
21812 · Data Processing		90,000.00	90,000.00	5,300.12	57,415.81	32,584.19	64%
5/22/2023	2023-04 IS Billing			4,727.01			
5/22/2023	2023-04 Cradlepoint Chgs			270.00			
5/25/2023	Comcast - 2023-05 Svcs			303.11			
Total 21812 · Data Processing				5,300.12			
21834 · Legal Services		365,000.00	365,000.00	31,539.12	211,862.32	153,137.68	58%
5/1/2023	Nossaman - 2023-03 Legal Svc			2,739.50			
5/1/2023	Nossaman - 2023-03 Legal Svc			893.20			
5/1/2023	Nossaman - 2023-03 Legal Svc			63.80			
5/2/2023	Nossaman - 2023-02 Legal Svc			7,242.50			
5/2/2023	Nossaman - 2023-02 Legal Svc			191.40			
5/2/2023	Nossaman - 2023-02 Legal Svc			765.60			
5/10/2023	2023-05 Cost Alloc - Co Couns			3,416.25			
5/15/2023	Ted Cabral - 2023-04 Legal Svcs			98.04			
5/15/2023	Ted Cabral - 2023-04 Legal Svcs			178.00			
5/15/2023	Ted Cabral - 2023-04 Legal Svcs			10.00			
5/15/2023	Ted Cabral - 2023-04 Legal Svcs			7,106.00			
5/15/2023	Ted Cabral - 2023-04 Legal Svcs			1,165.50			
5/15/2023	Ted Cabral - 2023-04 Legal Svcs			3,100.33			
5/15/2023	Ted Cabral - 2023-04 Legal Svcs			166.50			
5/15/2023	Ted Cabral - 2023-04 Legal Svcs			1,385.50			
5/25/2023	Hanson Bridgett - Legal Svcs Thru 2023-04-30			2,187.60			
5/25/2023	Nossaman - 2023-04 Legal Svc			829.40			
Total 21834 · Legal Services				31,539.12			

Merced County Employees' Retirement Association
Non-Administrative Expenditures Report (Preliminary)
For the Month Ended May 31, 2023

Non-Administrative Expenses	Original Projection	Current Projection	Expended 05/2023	Expended YTD	Bal Remaining	% Exp YTD
21840 · Custodial Banking Services	140,000.00	140,000.00	42,966.01	106,010.27	33,989.73	76%
5/3/2023 Northern Trust - 2023-05 STIF Custodial Fee			3,216.01			
5/24/2023 Northern Trust - 2022-Q3 Billing Adjustment			4,875.00			
5/24/2023 Northern Trust - 2022-Q4 Billing Adjustment			4,875.00			
5/24/2023 Northern Trust - 2023-Q1 Custody Fee			30,000.00			
Total 21840 · Custodial Banking Services			42,966.01			
22350 · Software and Technology	400,000.00	400,000.00	7,880.65	394,728.89	5,271.11	99%
5/2/2023 CPAS - 2023-05 Hosting			6,107.00			
5/10/2023 PensionX - Inv MCERA-0030 - 2023-05 SLA			900.00			
5/15/2023 LexisNexis - 2023-04 Accurint & Batch Svcs			873.65			
Total 22350 · Software and Technology			7,880.65			
Depreciation Expense	250,000.00	250,000.00	-	-	250,000.00	
Total Non-Administrative Items	4,655,000.00	4,655,000.00	313,745.20	3,181,689.57	1,473,310.43	68%

Merced County Employees' Retirement Association
Non-Administrative Expenses Prev Year Comparison (Preliminary)
5/31/2023

Expense	<u>May 2023</u>	<u>May 2022</u>	<u>\$ Change</u>	<u>% Change</u>
62025 · Non-Administrative Expenses				
21800 · Investment Expenses	\$ 141,059.30	\$ 145,603.56	\$ (4,544.26)	-3.12%
21802 · Actuarial Services	85,000.00	-	85,000.00	100.00%
21812 · Data Processing	5,300.12	4,430.29	869.83	19.63%
21834 · Legal Services	31,539.12	28,248.65	3,290.47	11.65%
21840 · Custodial Banking Services	42,966.01	26,032.97	16,933.04	65.05%
22350 · Software and Technology	7,880.65	8,658.84	(778.19)	-8.99%
Depreciation Expense	-	-	-	
Total 62025 · Non-Administrative Expenses	<u>\$ 313,745.20</u>	<u>\$ 212,974.31</u>	<u>\$ 100,770.89</u>	47.32%

Merced County Employees' Retirement Association
Capital Asset Expenditures Report (Preliminary)
For the Month Ended May 31, 2023

Capital Assets Expenditures	Adopted	Current Budget	Expended 05/2023	Expended YTD	Bal Remaining	% Exp YTD
81386 - Cubicle Expansion	27,384.43	27,384.43	-	27,304.24	80.19	100%
Total 81386 - Cubicle Expansion			-			
Total Capital Assets Expenditures	27,384.43	27,384.43	-	27,304.24	80.19	100%

Merced County Employees' Retirement Association
Administrative Expenditures Report (Preliminary)
For the Month Ended May 31, 2023

Administrative Budget	Adopted	Current Budget	Expended 05/2023	Expended YTD	Bal Remaining	% Exp YTD
10110 · Salaries & Wages	1,800,000.00	1,800,000.00	109,158.03	1,278,292.21	521,707.79	71%
5/10/2023 Office Payroll 2023 PP 10			51,840.70			
5/19/2023 March 2023 PARS			6.46			
5/26/2023 Office Payroll 2023 PP 11			57,310.87			
Total 10110 · Salaries & Wages			109,158.03			
20600 · Communications	7,100.00	7,100.00	638.52	5,720.82	1,379.18	81%
5/2/2023 AT&T - 2023-04 CALNET			145.75			
5/22/2023 2023-04 Comm Chgs			238.96			
5/22/2023 2023-04 iPhone Chgs			245.00			
Total 20600 · Communications			629.71			
20900 · Household Expense	14,750.00	14,750.00	996.78	14,255.11	494.89	97%
5/15/2023 Bob's Pest Control - 2023-04 Pest Control			40.00			
5/25/2023 Geil Enterprises - 2023-05 Custodial Svcs			900.00			
5/25/2023 ADT - 2023-06 Security Svc			56.78			
Total 20900 · Household Expense			996.78			
21000 · Insurance - Other	100,000.00	100,000.00	-	99,177.00	823.00	99%
Total 21000 · Insurance - Other			-			
21301 · Maintenance Structure Improvement	15,000.00	15,000.00	164.08	11,306.00	3,694.00	75%
5/22/2023 2023-03 DPW Chgs			164.08			
Total 21301 · Maintenance Structure Improvement			164.08			
21500 · Membership	7,500.00	7,500.00	-	6,210.00	1,290.00	83%
Total 21500 · Membership			-			
21700 · Office Expense - General	18,000.00	18,000.00	92.34	14,958.31	3,041.69	83%
5/15/2023 First Choice - 2023-03 Water Svc			32.67			
5/22/2023 2023-04 Stores Billing			27.00			
5/25/2023 First Choice - 2023-05 Water Svc			32.67			
Total 21700 · Office Expense - General			92.34			
21710 · Office Expense - Postage	18,000.00	18,000.00	109.73	15,652.21	2,347.79	87%
5/22/2023 2023-04 Mailroom Chgs			109.73			
Total 21710 · Office Expense - Postage			109.73			

Merced County Employees' Retirement Association
Administrative Expenditures Report (Preliminary)
For the Month Ended May 31, 2023

Administrative Budget	Adopted	Current Budget	Expended 05/2023	Expended YTD	Bal Remaining	% Exp YTD
21805 · Audits	90,000.00	90,000.00	-	47,107.50	42,892.50	52%
Total 21805 · Audits			-			
21808 · Board Membership	18,000.00	18,000.00	300.00	6,800.00	11,200.00	38%
5/2/2023 2023-03 Bd Mtg			100.00			
5/2/2023 2023-03 Bd Mtg			100.00			
5/2/2023 2023-03 Bd Mtg			100.00			
Total 21808 · Board Membership			300.00			
21811 · Court Reporters	2,000.00	2,000.00	-	-	2,000.00	0%
Total 21811 · Court Reporters			-			
21872 · Investigations	1,000.00	1,000.00	-	-	1,000.00	0%
Total 21872 · Investigations			-			
21900 · Publications & Legal Notices	4,750.00	4,750.00	-	3,762.62	987.38	79%
Total 21900 · Publications & Legal Notices			-			
22300 · Spec Dept Exp - Other	500.00	500.00	-	326.48	173.52	65%
Total 22300 · Spec Dept Exp - Other			-			
22310 · Election Expense	20,000.00	20,000.00	-	8,512.41	11,487.59	43%
Total 22310 · Election Expense			-			
22327 · Spec Dept Exp - Cost Allocation	40,450.00	40,450.00	3,367.00	37,037.00	3,413.00	92%
5/10/2023 2023-05 Cost Allocation			3,367.00			
Total 22327 · Spec Dept Exp - Cost Allocation			3,367.00			
22500 · Transportation & Travel	400.00	400.00	-	88.86	311.14	22%
Total 22500 · Transportation & Travel			-			
22505 · Trans & Travel - Staff Development	4,000.00	4,000.00	-	1,429.95	2,570.05	36%
Total 22505 · Trans & Travel - Staff Development			-			

Merced County Employees' Retirement Association
Administrative Expenditures Report (Preliminary)
For the Month Ended May 31, 2023

Administrative Budget	Adopted	Current Budget	Expended 05/2023	Expended YTD	Bal Remaining	% Exp YTD
22515 · Trans & Travel - In State	35,000.00	35,000.00	-	28,692.31	6,307.69	82%
Total 22515 · Trans & Travel - In State			-			
22516 · Trans & Travel - Out of State	7,500.00	7,500.00	789.36	1,689.36	5,810.64	23%
5/22/2023 Car Rental - NCPERS Conference			125.53			
5/22/2023 Airfare - NCPERS Conference			663.83			
Total 22516 · Trans & Travel - Out of State			789.36			
22600 · Utilities	18,500.00	18,500.00	1,084.94	15,250.30	3,249.70	82%
5/10/2023 PG&E - 2023-04 Svcs			869.90			
5/15/2023 City of Merced - 2023-04 WS&G			215.04			
Total 22600 · Utilities			1,084.94			
Depreciation Expense	25,000.00	25,000.00	-	-	25,000.00	
Total Administrative Budget	2,247,450.00	2,247,450.00	116,691.97	1,596,268.45	651,181.55	71%

Merced County Employees' Retirement Association

July 27, 2023

May Performance

- 1. Forward Looking Calendar**
- 2. Economic and Market Update as of May 31, 2023**
- 3. Performance Highlights as of May 31, 2023**
- 4. Performance Update as of May 31, 2023**
- 5. Disclaimer, Glossary, and Notes**

Forward Looking Calendar

2023 Forward Looking Calendar

Status	Meeting	Topic 1	Topic 2	Topic 3
Completed	January	Performance Review (November)	GQG International Watch Memo	
	February	Quarterly Performance Review (22Q4)	Meketa's Capital Market Expectations	
	March	Performance Review-Consent (January)	Silicon Valley Bank Memo	
	April	Performance Review-Consent (February)		
	May	Quarterly Performance Review (23Q1)	US Fixed Income Manager Update	
	June	Performance Review-Consent (April)		
Current	July	Performance Review-Consent (May)		
Future	August	Quarterly Performance Review (23Q2)	Update on GQG Watch List Status Macro Market Outlook- China	CIO Introductions
	September	Performance Review (July)	Macroeconomic Update	
	October	Performance Review (August)	Consultant Search	
	November	Quarterly Performance Report (22Q3)		
	December	Performance Report (October)		

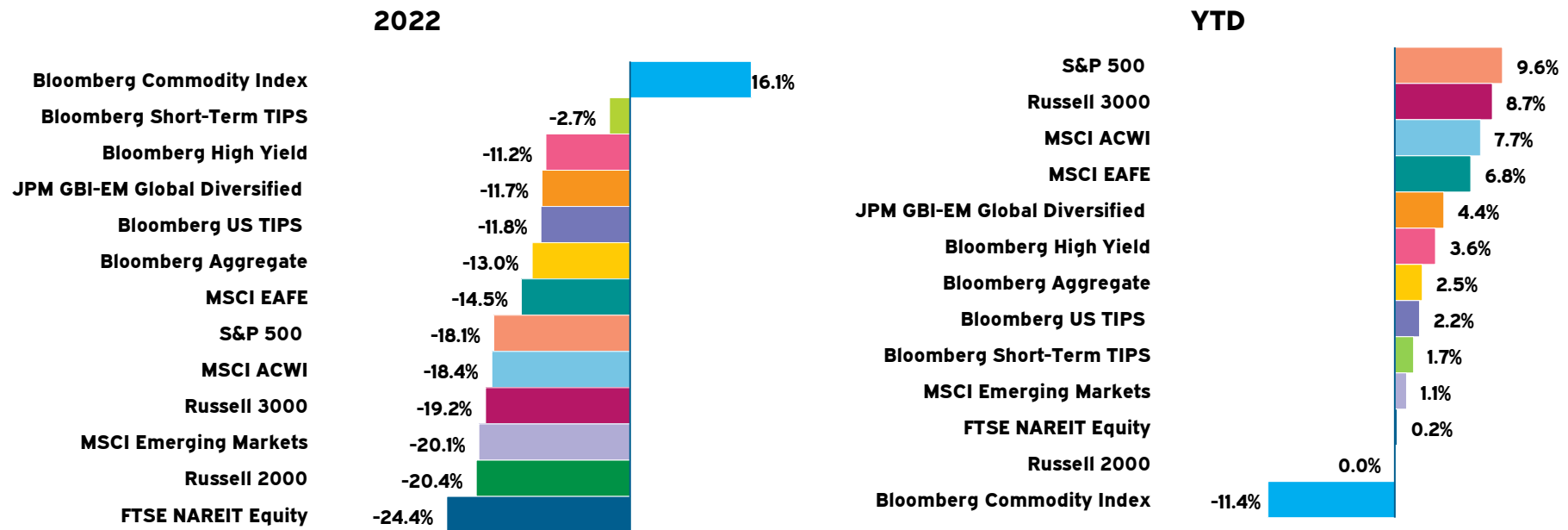
Economic and Market Update

Data as of May 31, 2023

Commentary

- Asset returns were mixed in May with US stocks posting modest gains, while non-US equity markets and fixed income declined. Except for commodities, most public market asset classes remain up for the year.
- Debt ceiling issues continued to hang over the markets in May particularly weighing on short-term interest rates. Shortly after the end of the month a deal was reached.
 - In May, the Fed increased interest rates for the tenth time, to a range of 5.0% - 5.25%. They decided to hold rates steady at the June meeting but hinted that further rate hikes could come at upcoming meetings.
 - US equity markets (Russell 3000) rose in May (+0.4%) adding to YTD gains (+8.7%). Some of the largest technology names drove positive results. Growth stocks continued to outpace value stocks, particularly in the large cap space.
 - Non-US developed equity markets declined in May (MSCI EAFE -4.2%) falling behind US equities in 2023 (+6.8% versus +8.7%). A strengthening US dollar weighed on results, as declines in local currency terms were better, at -1.6%.
 - Emerging market equities fell in May (-1.7%) driven by declines in China (-8.4%). They significantly trail developed market equities YTD returning +1.1%, due partly to higher US-China tensions.
 - Rates generally rose in May leading to bond markets declining, with the broad US bond market (Bloomberg Aggregate) falling 1.1% for the month. It remains positive (+2.5%) year-to-date, though, on declining inflation and expectations for the Fed to end their rate hikes soon.
- This year, the paths of inflation and monetary policy, slowing global growth and the war in Ukraine will all be key.

Index Returns¹



→ After a particularly difficult 2022, most public market assets are up thus far in 2023, building on gains from the fourth quarter of last year.

→ Risk sentiment has been supported by expectations that policy tightening could be ending soon, as inflation continues to fall, and growth has slowed.

¹ Source: Bloomberg and FactSet. Data is as of May 31, 2023.

Domestic Equity Returns¹

Domestic Equity	May (%)	Q1 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
S&P 500	0.4	7.5	9.6	2.9	12.9	11.0	12.0
Russell 3000	0.4	7.2	8.7	2.0	12.2	10.1	11.4
Russell 1000	0.5	7.5	9.3	2.4	12.4	10.6	11.7
Russell 1000 Growth	4.6	14.4	20.8	9.5	12.8	13.8	14.8
Russell 1000 Value	-3.9	1.0	-1.4	-4.5	11.6	6.8	8.4
Russell MidCap	-2.8	4.1	0.6	-4.5	10.2	6.9	9.3
Russell MidCap Growth	0.1	9.1	7.6	5.8	5.8	8.2	10.6
Russell MidCap Value	-4.4	1.3	-3.2	-9.5	12.3	5.2	8.0
Russell 2000	-0.9	2.7	0.0	-4.7	9.2	2.7	7.4
Russell 2000 Growth	0.0	6.1	4.9	2.7	4.6	2.7	7.9
Russell 2000 Value	-2.0	-0.7	-5.0	-11.5	13.6	2.1	6.4

US Equities: Russell 3000 Index rose 0.4% in May and 8.7% YTD.

- US stocks rose slightly in May, as equity investors navigated Fed policy expectations and the debt ceiling debate, bringing year-to-date gains just shy of 9.0%.
- There was wide disparity in equity sector returns for the month, with artificial intelligence optimism fueling large gains in the technology sector and concerns over potentially weaker demand weighing on energy and materials.
- Large cap stocks continue to outperform small cap stocks. This dynamic has been driven by the heavily weighted growth names in the large cap index. Growth stocks also continue to outperform value stocks, which, in the small cap space, has been led by the outperformance of semiconductor-related stocks.

¹ Source: Bloomberg. Data is as of May 31, 2023.

Foreign Equity Returns¹

Foreign Equity	May (%)	Q1 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
MSCI ACWI ex. US	-3.6	6.9	4.8	-1.4	7.2	2.2	3.8
MSCI EAFE	-4.2	8.5	6.8	3.1	8.5	3.2	4.6
MSCI EAFE (Local Currency)	-1.6	7.5	8.2	6.2	11.4	5.6	6.9
MSCI EAFE Small Cap	-4.2	4.9	2.6	-4.7	5.2	0.3	5.5
MSCI Emerging Markets	-1.7	4.0	1.1	-8.5	3.5	-0.7	1.9
MSCI Emerging Markets (Local Currency)	-1.0	3.8	2.0	-4.7	4.9	1.8	4.8
MSCI China	-8.4	4.7	-9.1	-14.7	-8.8	-7.0	1.9

Foreign Equity: Developed international equities (MSCI EAFE) fell 4.2% in May bringing the YTD results down to +6.8%. Emerging market equities (MSCI EM) also declined 1.7% for the month, dropping the YTD results to +1.1%.

- As US equities rose in May, non-US equities fell. This led to developed markets (MSCI EAFE) now trailing US equities for the year (6.8% versus 8.7%) and the gap between US and emerging market equities (MSCI Emerging Markets) widening (2.6% versus 8.7%).
- Euro and UK equity markets were weak after both the ECB and the Bank of England delivered rate hikes in May and continued to signal further tightening. Equities in Japan continued strong though, as investors remain optimistic that Japan may finally emerge from decades of stagflation. A strengthening US dollar also depressed results in developed market equities.
- China continued to weigh on emerging market equities, declining 8.4% in May, as the recovery showed signs of slowing and economic data came in weak including retail sales, industrial production, and exports.

¹ Source: Bloomberg. Data is as of May 31, 2023.

Fixed Income Returns¹

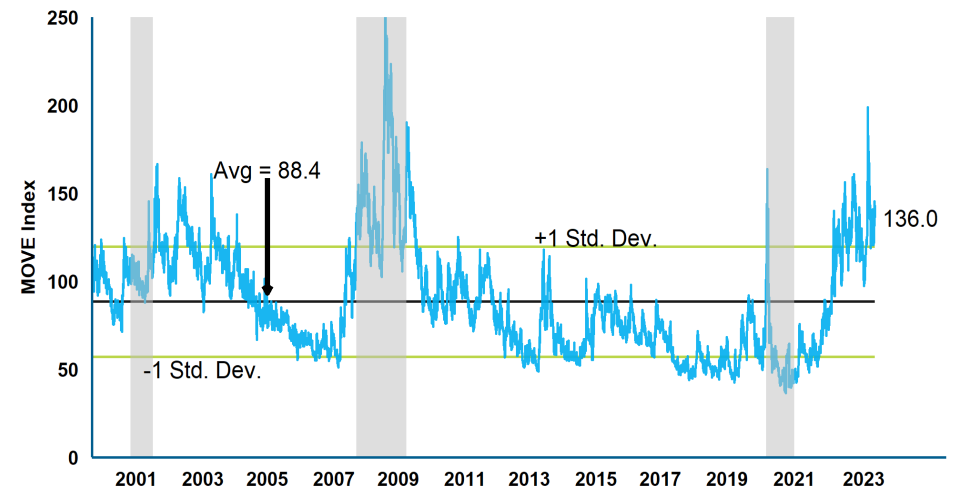
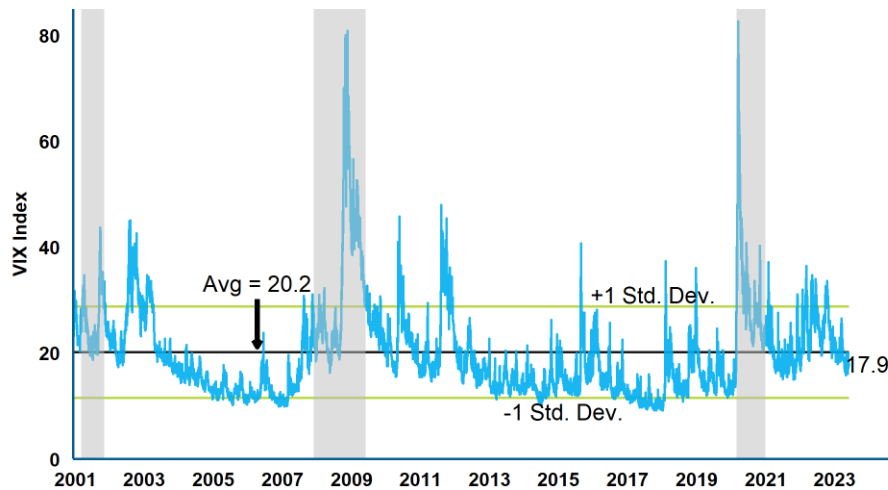
Fixed Income	May (%)	Q1 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Current Yield (%)	Duration (Years)
Bloomberg Universal	-1.0	2.9	2.5	-1.9	-3.1	1.0	1.6	5.0	6.3
Bloomberg Aggregate	-1.1	3.0	2.5	-2.1	-3.6	0.8	1.4	4.6	6.5
Bloomberg US TIPS	-1.2	3.3	2.2	-4.2	0.4	2.6	1.7	4.3	6.9
Bloomberg Short-term TIPS	-0.7	2.2	1.7	-1.2	2.7	2.8	1.6	4.9	2.6
Bloomberg High Yield	-0.9	3.6	3.6	0.0	2.9	3.1	4.0	8.8	4.1
JPM GBI-EM Global Diversified (USD)	-1.6	5.2	4.4	3.1	-2.3	-0.9	-1.3	6.9	5.0

Fixed Income: The Bloomberg Universal declined 1.0% in May as global sovereign debt yields generally rose. Bonds retained a positive start to the year (+2.5% YTD) though as inflation continues to decline.

- Market uncertainty resumed in May, leading to fixed income declines as the debt ceiling deadline loomed and better-than-expected employment data pushed up policy rate expectations.
- The TIPS index and the short-term TIPS index posted negative returns for the month with the short-term TIPS index outperforming the overall US bond market (Bloomberg Aggregate) and the broader TIPS index slightly trailing.
- High yield bonds (-0.9%) sold off in May but also outperformed the broad US bond market (Bloomberg Aggregate). Emerging market bonds (-1.6%) were the worst performers for the month.

¹ Source: Bloomberg. JPM GBI-EM data is from InvestorForce. Data is as of May 31, 2023. The yield and duration data from Bloomberg is defined as the index's yield to worst and modified duration respectively.

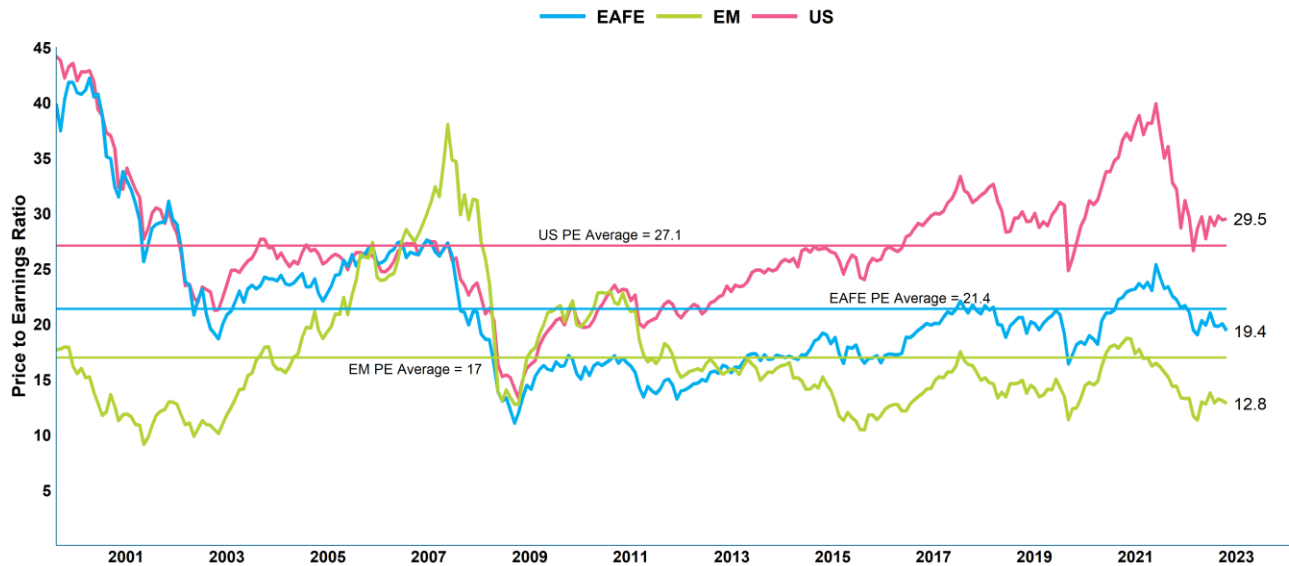
Equity and Fixed Income Volatility¹



- Volatility in equities (VIX) rose slightly in May but remains low as investors continue to anticipate the end of the Fed's policy tightening.
- In comparison, the bond market remains on edge after last year's historic losses and continued volatility in interest rates this year due to policy uncertainty and issues in the banking sector. The MOVE (fixed income volatility) remains well above (136.0) its long-run average (88.4), but off its recent peak during the heart of the banking crises.

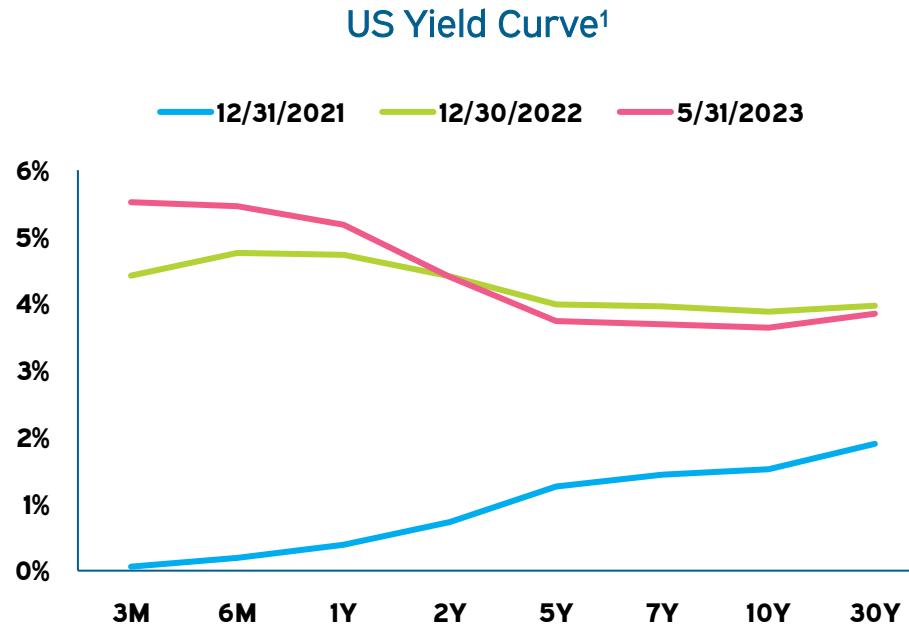
¹ Equity and Fixed Income Volatility – Source: Bloomberg. Implied volatility as measured using VIX Index for equity markets and the MOVE Index to measure interest rate volatility for fixed income markets. Data is as of May 2023. The average line indicated is the average of the VIX and MOVE values between January 2000 and May 2023.

Equity Cyclically Adjusted P/E Ratios¹



- After its dramatic decline last year the US equity price-to-earnings ratio remains above its long-run (21st century) average.
- International developed market valuations are below their own long-term average, with those for emerging markets the lowest and well under the long-term average.

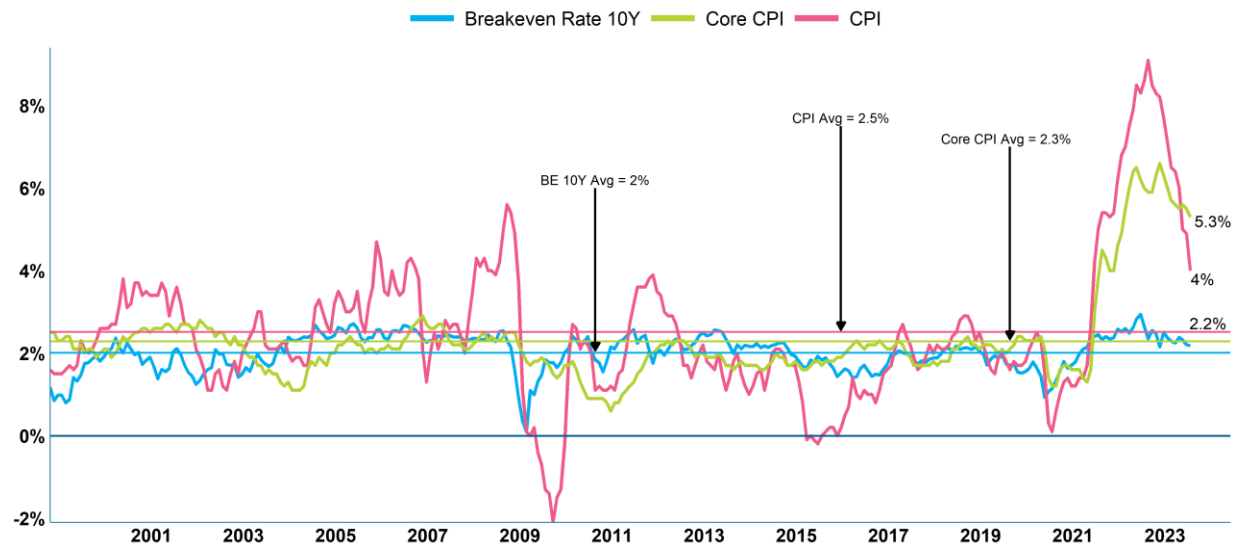
¹ US Equity Cyclically Adjusted P/E on S&P 500 Index. Source: Robert Shiller, Yale University, and Meketa Investment Group. Developed and Emerging Market Equity (MSCI EAFE and EM Index) Cyclically Adjusted P/E – Source: MSCI and Bloomberg. Earnings figures represent the average of monthly “as reported” earnings over the previous ten years. Data is as of May 2023. The average line is the long-term average of the US, EM, and EAFE PE values from December 1999 to the recent month-end respectively.



- Interest rates have declined this year for longer-dated maturities given ongoing improvements in inflation-related risks and signs policy makers are nearing their terminal policy rate for this cycle. Shorter-dated yields have increased though, driven by debt ceiling concerns.
- During May, interest rates rose across the yield curve particularly at the very front-end (< 3 months) as the debt ceiling debate continued. Maturities from two years out also drifted higher as market participants considered the possibility of additional policy rate increases as economic data remains strong.
- The yield curve remains inverted with the spread between two-year and ten-year Treasuries finishing the month at -0.75%. The more closely watched measure (by the Fed) of the three-month and ten-year Treasuries spread also remained inverted at -1.76%. Inversions in the yield curve have often preceded recessions.

¹ Source: Bloomberg. Data is as of May 31, 2023.

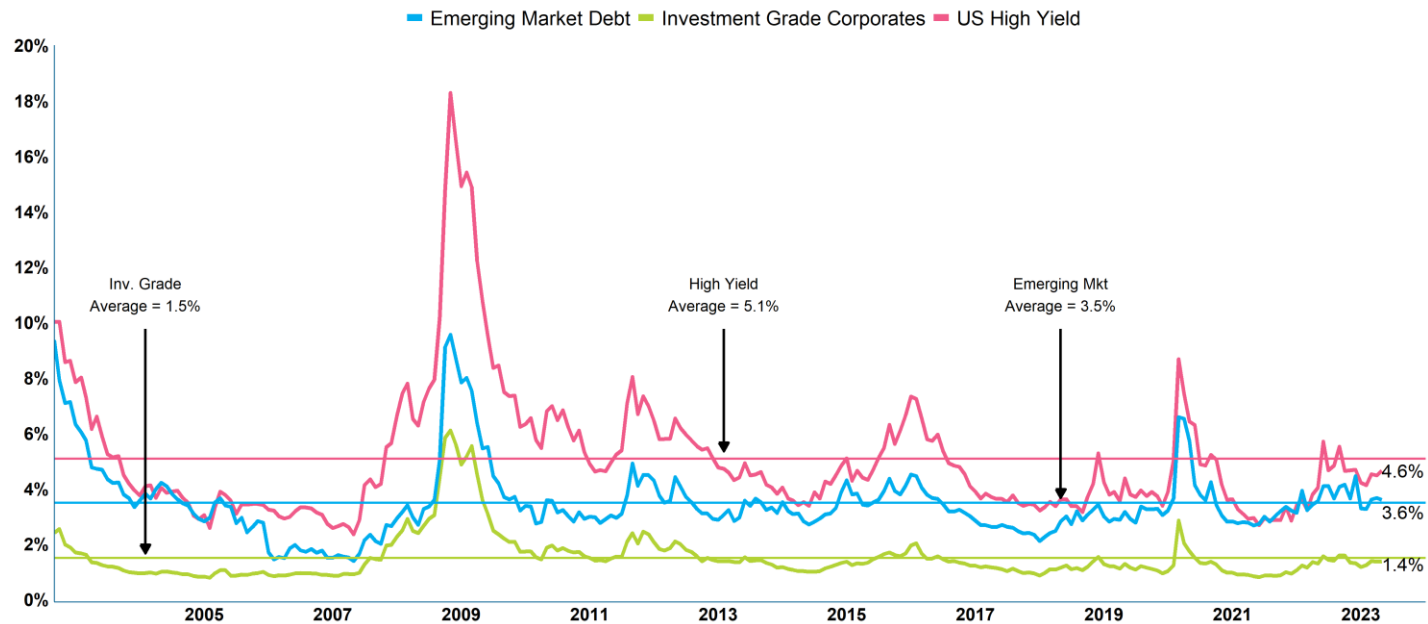
Ten-Year Breakeven Inflation and CPI¹



- Headline inflation continued to decline in May, with the year-over-year reading falling from 4.9% to 4.0% and coming in slightly below estimates. The month-over-month rate of price increases also fell (0.1% versus 0.4%), with food prices ticking up slightly (0.2%) and energy prices declining (-3.6%).
- Core inflation – excluding food and energy - fell (5.5% to 5.3%), coming in slightly above forecasts. It remains stubbornly high driven by shelter costs.
- Inflation expectations (breakevens) remain well below current inflation as investors continue to expect inflation to track back toward the Fed’s 2% average target.

¹ Source: Bloomberg. Data is as May 31, 2023. The CPI and 10 Year Breakeven average lines denote the average values from August 1998 to the present month-end, respectively. Breakeven values represent month-end values for comparative purposes.

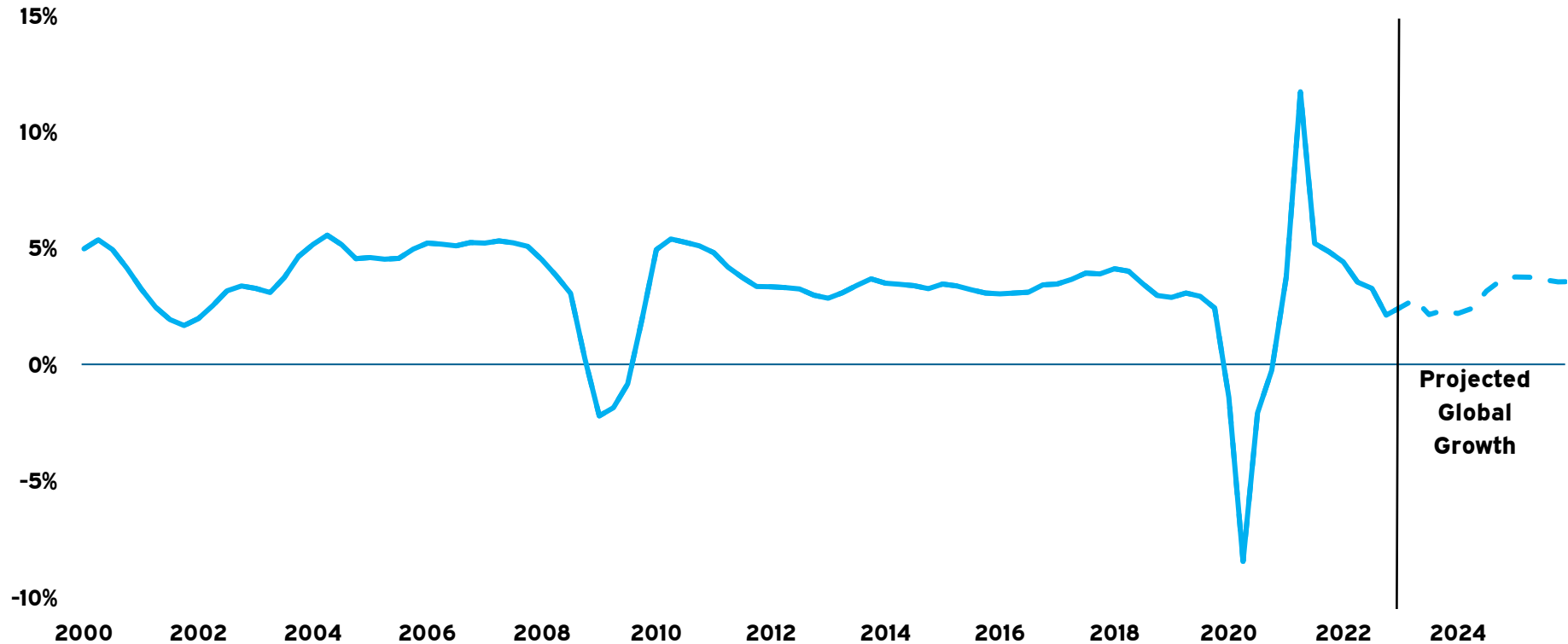
Credit Spreads vs. US Treasury Bonds¹



- Spreads (the added yield above a comparable maturity Treasury) were relatively stable in May as government and corporate bonds both declined.
- High yield spreads remain below their long-term average. Investment grade spreads and emerging market spreads are narrower than high yield spreads and close to their respective long-term averages.

¹ Sources: Bloomberg. Data is as of May 31, 2023. Average lines denote the average of the investment grade, high yield, and emerging market spread values from August 2000 to the recent month-end, respectively.

Global Real Gross Domestic Product (GDP) Growth¹

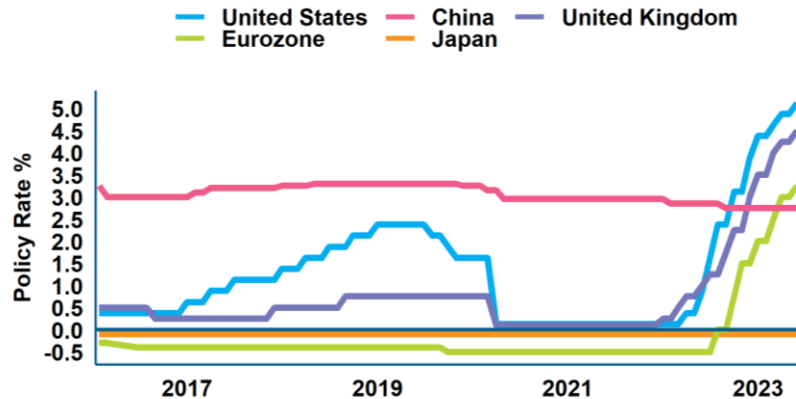


- Global economies are expected to slow this year compared to 2022, with risks of recession as the impacts of policymakers' aggressive tightening to fight inflation flow through economies.
- The delicate balancing act of central banks trying to reduce inflation without dramatically depressing growth will remain key.

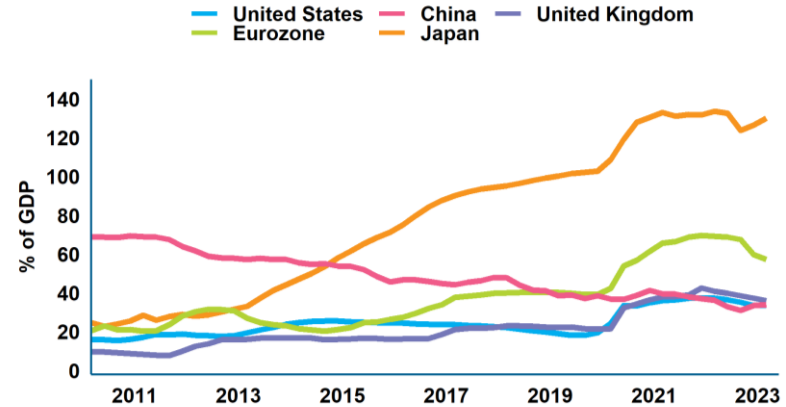
¹ Source: Oxford Economics (World GDP, US\$ prices & PPP exchange rate, real, % change YoY). Updated May 2023.

Central Bank Response¹

Policy Rates



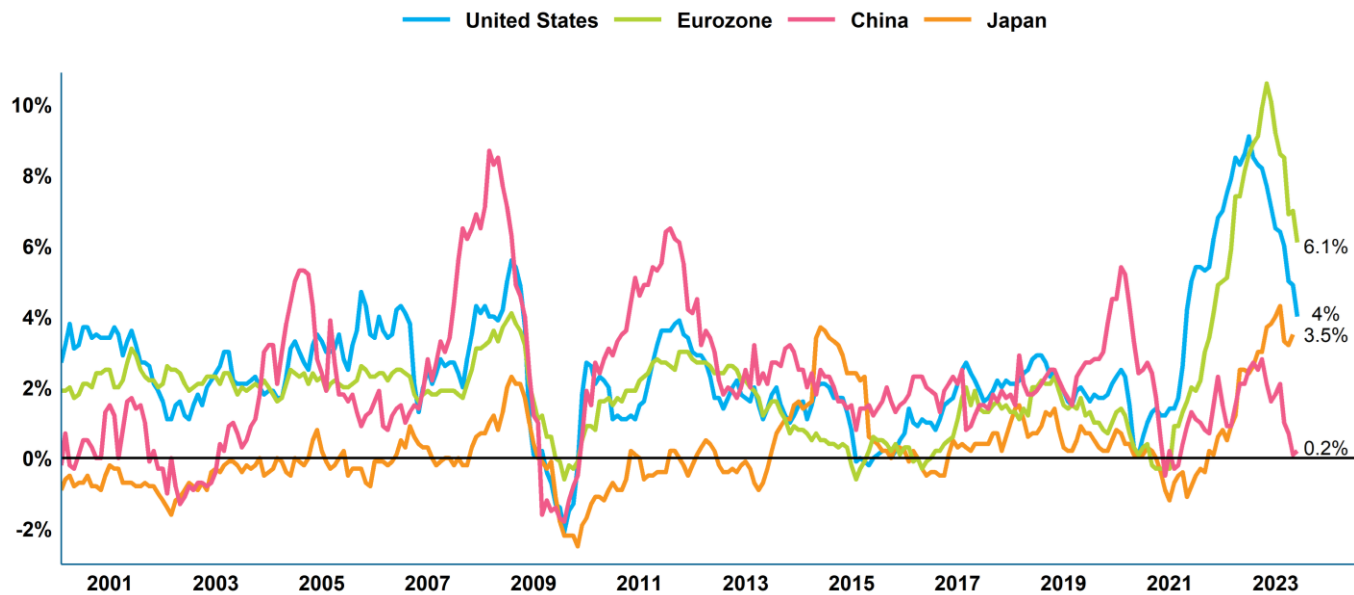
Balance Sheet as % of GDP



- In 2022, many central banks aggressively reduced pandemic-era policy support in the face of high inflation, with the US taking the most aggressive approach. Slowing inflation and growth have led to expectations for reductions in policy tightening going forward.
- The Fed remained committed to fighting inflation despite pressures in the banking sector, raising rates another 25 basis points to a range of 5.0% to 5.25% at its May meeting. After month-end, the FOMC paused its tightening campaign but hinted that one or two additional rate hikes could come later this year.
- In China, the central bank has continued to cut interest rates and inject liquidity into the banking system, as weaker than expected economic data appears to indicate a widespread slowdown.
- Looking ahead, the risk remains for a policy error as central banks attempt to balance multiple goals, bringing down inflation, maintaining financial stability, and supporting growth.

¹ Source: Bloomberg. Policy rate data is as of May 31, 2023. China policy rate is defined as the medium-term lending facility 1 year interest rate. Balance sheet as % of GDP is based on quarterly data and is as of March 31, 2023.

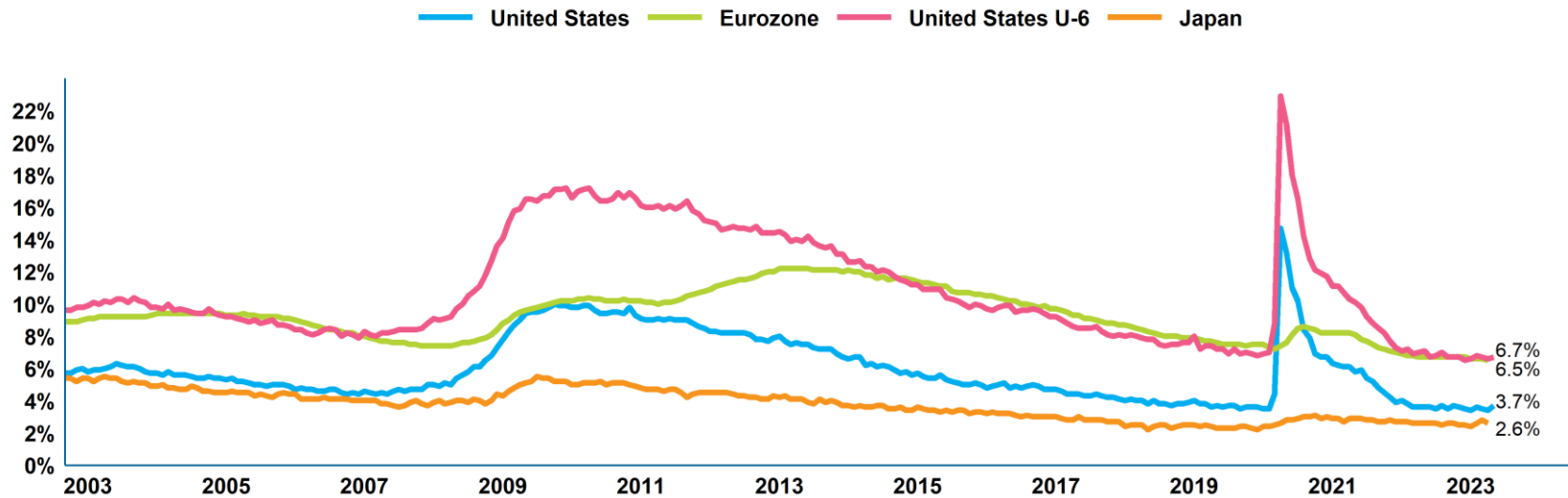
Inflation (CPI Trailing Twelve Months)¹



- Inflation pressures continued to decline globally due to the easing of supply chain issues from the pandemic, declining energy prices, and tighter monetary policy.
- In the US, inflation fell to 4.0% at month-end, while eurozone inflation also fell (6.1% from 7.0%) a level well off its peak. Despite 2023's significant declines in the US and Europe, inflation levels remain elevated compared to central bank targets.
- Inflation remains lower in China and Japan. In Japan inflation reaccelerated in April. In China, inflation levels were only slightly above 0% at month-end as the reopening of their economy has led to an uneven economic recovery.

¹ Source: Bloomberg. Data is as May 31, 2023. The most recent Japanese inflation data is as of April 2023.

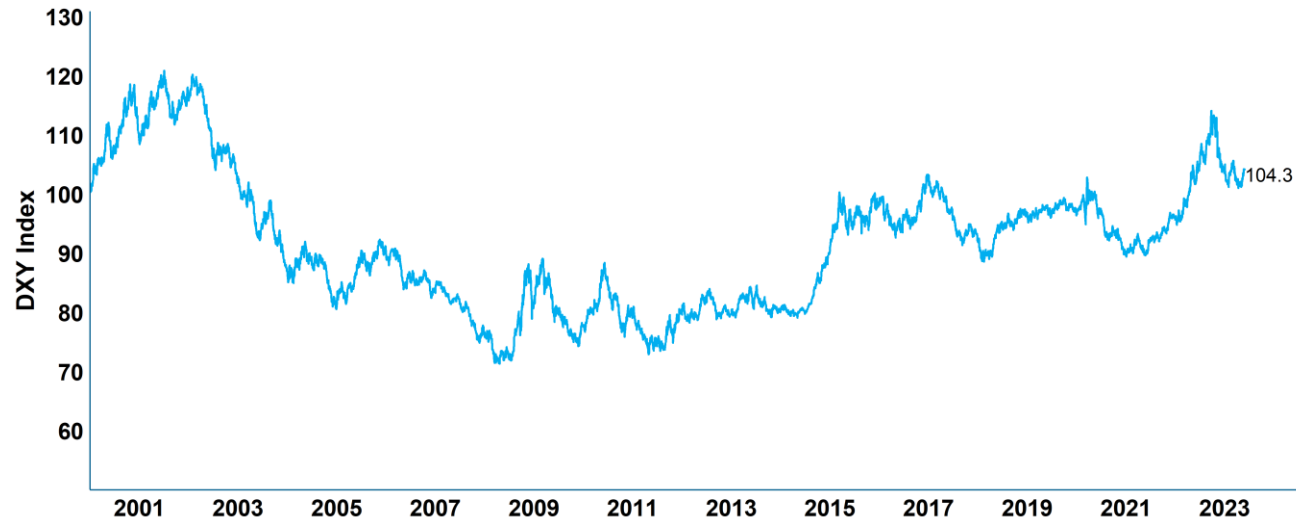
Unemployment¹



- Despite slowing growth and high inflation, the US labor market still shows signs of resiliency. Unemployment in the US, which experienced the steepest rise, recently returned to pre-pandemic levels. Broader measures of unemployment (U-6) remain higher at 6.7% but also declined dramatically from their peak.
- The strong labor market and higher wages, although beneficial for workers, motivates the Fed's efforts to fight inflation, leading to higher unemployment.
- Unemployment in Europe has also declined but remains higher than the US, while levels in Japan have been flat through the pandemic given less layoffs.

¹ Source: Bloomberg. Data is as May 31, 2023, for the US. The most recent data for Eurozone and Japanese unemployment is as of April 2023.

US Dollar versus Broad Currencies¹



- The dollar finished 2022 much higher than it started, due to the increased pace of policy tightening, stronger relative growth, and safe-haven flows.
- Late last year and into this year, the dollar declined, as weaker economic data and lower inflation led to investors anticipating the end of Fed tightening. In May, we did see a slight strengthening in the dollar though.
- This year, the track of inflation across economies and the corresponding monetary policies will be key drivers of currency moves.

¹ Source: Bloomberg. Data as of May 31, 2023.

Summary

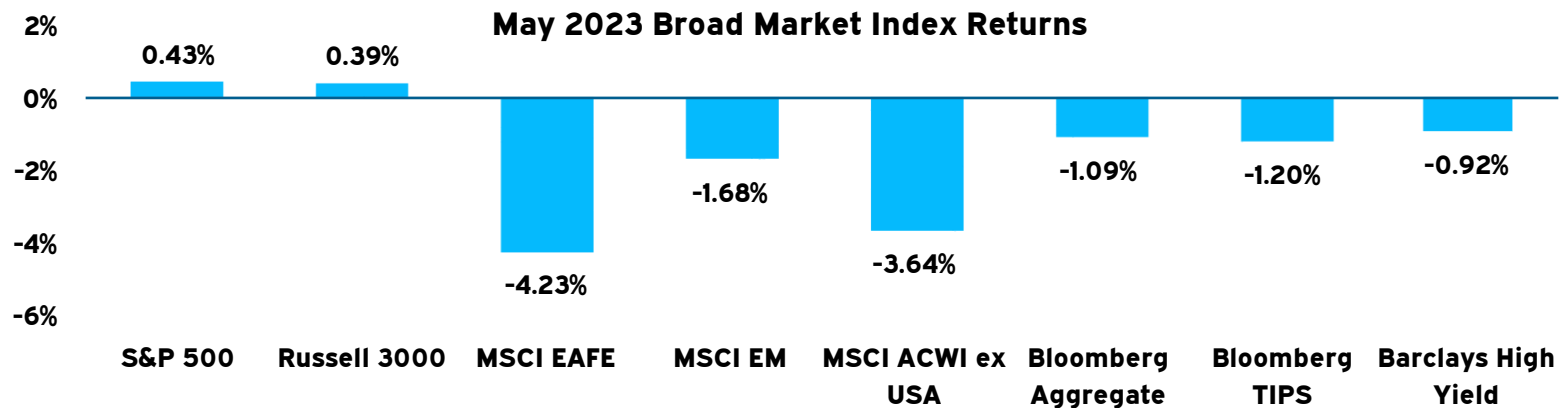
Key Trends:

- The impacts of still relatively high inflation will remain key, with bond market volatility likely to stay high.
- Recent issues related to the banking sector seem to have subsided for now but are a reminder that there is a delicate balance for central banks to continue to fight inflation but also to try to maintain financial stability.
- Global monetary policies could diverge in 2023. The risk of policy errors remains elevated as central banks try to reduce persistent inflation while not tipping their economies into recession.
- Growth is expected to slow globally this year, with many economies forecast to tip into recession. Inflation, monetary policy, and the war will all be key.
- In the US, consumers could feel pressure as certain components of inflation remain high (e.g., shelter), borrowing cost are elevated, and the job market may weaken.
- The key for US equities going forward will be whether earnings can remain resilient if growth continues to slow.
- Equity valuations remain lower in both emerging and developed markets, but risks remain, including potential continued strength in the US dollar, higher inflation weighing particularly on Europe, and China's sluggish economic reopening and on-going weakness in the real estate sector.

Performance Highlights

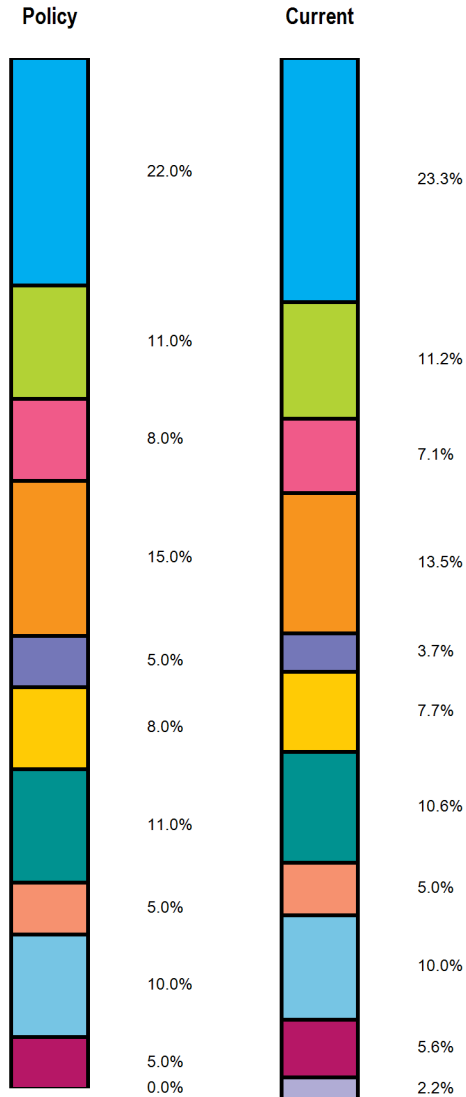
As of May 31, 2023

Market Review and Performance Summary for May 2023



- May saw declines across most equity markets, driven by uncertainty around Fed policy and Debt ceiling negotiations. US Equities saw marginal positive returns, with growth outpacing value stocks as strong performance from mega-cap tech stocks drove returns. Developed International Equities saw declines as the strengthening US dollar served as a headwind. Emerging Markets continued to struggle as heightened US-China tensions weighed on Chinese equities. Broad US Fixed Income continued to struggle as high inflation continued to serve as a major headwind, with debt ceiling concerns adding to the uncertainty over the period.
- Merced CERA reported a monthly return of -0.5% net of fees. US Equities led all equities for the month on an absolute basis, returning 0.4%. Developed International Equities also saw negative absolute returns of -3.4%, though the asset class outpaced relative to index by 50 basis points, due to relative outperformance from First eagle and GQG. Emerging Markets saw negative absolute returns of -0.8%, outperforming the index by 90 basis points due to relative outperformance from the benchmark agnostic Artisan Developing World. US Fixed Income also declined over the period, returning -1.2% on an absolute basis. Opportunistic Credit returned 0.5%, outpacing the index by 130 basis points in part due to strong outperformance from Sculptor Credit Opportunities Domestic Partners fund.
- As of May 31, 2023, total assets for the Merced CERA Portfolio are estimated at \$1.10 billion.

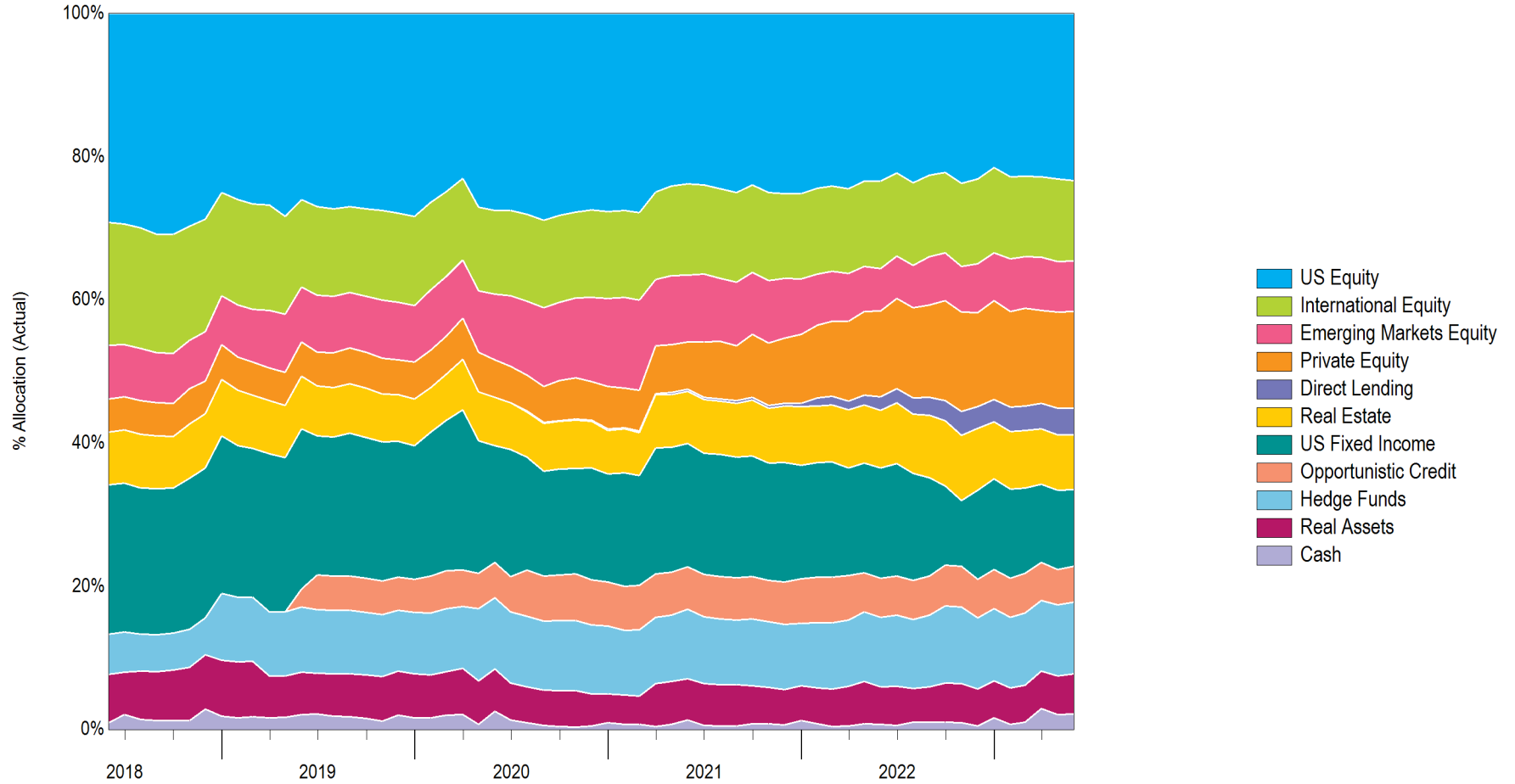
Performance Update
As of May 31, 2023



Allocation vs. Targets and Policy							
	Current Balance	Current Allocation	Policy	Difference	Policy Range	Within IPS Range?	
US Equity	\$255,602,316	23.3%	22.0%	1.3%	16.0% - 27.0%	Yes	
International Equity	\$122,829,710	11.2%	11.0%	0.2%	6.0% - 16.0%	Yes	
Emerging Markets Equity	\$77,876,943	7.1%	8.0%	-0.9%	4.0% - 12.0%	Yes	
Private Equity	\$147,944,819	13.5%	15.0%	-1.5%	5.0% - 20.0%	Yes	
Direct Lending	\$40,130,284	3.7%	5.0%	-1.3%	0.0% - 10.0%	Yes	
Real Estate	\$84,565,853	7.7%	8.0%	-0.3%	6.0% - 10.0%	Yes	
US Fixed Income	\$116,645,402	10.6%	11.0%	-0.4%	6.0% - 16.0%	Yes	
Opportunistic Credit	\$54,959,840	5.0%	5.0%	0.0%	3.0% - 7.0%	Yes	
Hedge Funds	\$109,596,884	10.0%	10.0%	0.0%	5.0% - 15.0%	Yes	
Real Assets	\$61,199,975	5.6%	5.0%	0.6%	3.0% - 7.0%	Yes	
Cash	\$24,202,388	2.2%	0.0%	2.2%	0.0% - 5.0%	Yes	
Total	\$1,095,554,413	100.0%	100.0%				

Cash range displayed for illustrative purposes only.

Asset Allocation History 5 Years Ending May 31, 2023



Asset Class Performance Summary												
	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Fund (Net)*	1,095,554,413	100.0	-0.5	-0.2	3.8	4.6	0.9	7.9	6.5	7.2	7.9	Dec-94
Total Fund (Gross)*			-0.5	-0.2	3.9	4.9	1.2	8.3	6.9	7.5	8.0	
<i>Policy Index</i>			-1.4	0.4	5.4	3.4	-0.5	7.6	6.4	7.3	6.1	Dec-94
Total Fund w/o Alternatives (Net)	627,914,211	57.3	-0.8	-0.4	5.8	6.6	0.2	5.6	5.6	6.7	--	Dec-94
Total Fund w/o Alternatives (Gross)			-0.8	-0.3	5.9	6.9	0.6	6.0	5.9	7.1	--	
<i>Policy Index w/o AI</i>			-1.2	-0.4	5.0	6.3	-0.2	5.9	4.7	6.1	--	Dec-94
US Equity (Net)	255,602,316	23.3	0.4	1.3	8.3	11.1	1.9	11.3	9.3	11.6	10.0	Dec-94
US Equity (Gross)			0.4	1.3	8.4	11.3	2.1	11.5	9.6	11.9	10.1	
<i>Russell 3000</i>			0.4	1.5	8.7	11.3	2.0	12.2	9.6	11.2	10.0	Dec-94
International Equity (Net)	200,706,652	18.3	-2.4	-2.9	5.7	5.9	-2.0	5.4	4.4	5.0	5.3	Dec-98
International Equity (Gross)			-2.3	-2.7	6.1	6.7	-1.2	6.3	5.1	5.7	5.7	
<i>International Equity Custom</i>			-3.0	-1.9	4.6	7.2	-1.5	7.0	2.1	4.1	4.1	Dec-98
Developed International Equity (Net)	122,829,710	11.2	-3.4	-1.3	3.2	6.0	-3.4	7.2	4.0	4.9	3.8	Jan-08
Developed International Equity (Gross)			-3.3	-1.2	3.5	6.7	-2.7	8.0	4.5	5.4	4.3	
<i>Custom Blended Developed International Equity BM</i>			-3.9	-1.5	6.1	12.3	1.5	8.5	3.1	4.5	2.8	Jan-08
Emerging Markets Equity (Net)	77,876,943	7.1	-0.8	-5.2	10.0	6.0	1.1	0.7	3.8	4.2	4.0	Apr-12
Emerging Markets Equity (Gross)			-0.8	-5.1	10.5	7.0	2.1	1.7	4.8	5.2	5.0	
<i>MSCI EM</i>			-1.7	-2.8	1.1	-2.0	-8.5	3.5	-0.5	2.1	2.1	Apr-12
US Fixed Income (Net)	116,645,402	10.6	-1.2	-0.3	2.1	-1.8	-3.3	-4.0	0.3	1.4	4.4	Dec-94
US Fixed Income (Gross)			-1.2	-0.3	2.1	-1.8	-3.3	-3.9	0.4	1.5	4.5	
<i>US Fixed Income Custom Benchmark</i>			-1.0	-0.4	2.4	-0.4	-1.9	-3.4	0.7	1.5	4.6	Dec-94
Opportunistic Credit (Net)	54,959,840	5.0	0.5	1.3	4.0	5.9	2.2	5.5	--	--	3.8	May-19
Opportunistic Credit (Gross)			0.5	1.3	4.3	6.5	2.8	6.0	--	--	4.2	
<i>50% Barclays US Aggregate / 25% Barclays US High Yield / 25% Credit Suisse Leveraged Loans</i>			-0.8	0.0	3.2	3.4	0.4	0.3	--	--	1.4	May-19

Data prior to March 2018 provided by prior consultant.

Total Fund | As of May 31, 2023

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Real Estate (Net)	84,565,853	7.7	-0.8	-0.7	-1.8	-2.1	0.3	4.7	3.8	6.1	--	Mar-99
Real Estate (Gross)			-0.8	-0.7	-1.8	-2.1	0.3	4.7	3.8	6.6	7.7	
<i>Custom Blended Real Estate Benchmark</i>			0.0	0.0	-3.2	-7.5	-3.1	8.0	7.0	8.7	7.4	Mar-99
<i>CPI + 5% (Seasonally Adjusted)</i>			0.5	1.3	3.5	7.5	9.3	11.1	9.1	7.9	--	Mar-99
Private Real Estate (Net)	68,934,045	6.3	0.0	0.0	-1.7	0.2	6.4	6.5	4.8	6.6	--	Mar-99
Private Real Estate (Gross)			0.0	0.0	-1.7	0.2	6.4	6.5	4.9	7.1	8.0	
<i>Custom Blended Real Estate Benchmark</i>			0.0	0.0	-3.2	-7.5	-3.1	8.0	7.0	8.7	7.4	Mar-99
Private Equity (Net)	147,944,819	13.5	0.0	0.0	1.0	1.1	1.8	24.1	16.8	14.1	10.4	Jun-05
Private Equity (Gross)			0.0	0.0	1.0	1.1	1.8	24.1	16.8	14.1	10.5	
<i>Custom Private Equity Benchmark</i>			-2.4	4.9	15.5	-7.3	-4.9	15.9	16.1	16.1	--	Jun-05
Direct Lending (Net)	40,130,284	3.7	0.0	0.0	1.6	3.4	4.2	--	--	--	9.1	Jul-20
Direct Lending (Gross)			0.0	0.0	1.6	3.4	4.2	--	--	--	9.1	
<i>S&P LSTA Leverage Loan Index + 2%</i>			0.0	1.2	5.0	10.2	8.0	8.0	5.8	5.8	7.8	Jul-20
Hedge Fund (Net)	109,596,884	10.0	0.6	0.7	1.9	3.6	2.1	7.5	4.0	--	4.2	Jun-14
Hedge Fund (Gross)			0.6	0.8	2.2	4.3	2.9	8.5	4.7	--	4.7	
<i>Custom Blended Hedge Fund Benchmark</i>			0.1	0.4	1.1	2.5	1.1	5.3	3.0	--	3.2	Jun-14
Real Assets (Net)	61,199,975	5.6	-1.2	-1.1	3.0	8.4	7.8	13.7	10.4	9.3	--	Mar-99
Real Assets (Gross)			-1.2	-1.1	3.0	8.5	7.8	13.9	10.5	9.8	--	
<i>Custom Blended Real Assets Benchmark</i>			-7.5	-6.3	-4.2	1.5	-10.4	2.7	5.4	7.1	--	Mar-99
<i>CPI + 5% (Seasonally Adjusted)</i>			0.5	1.3	3.5	7.5	9.3	11.1	9.1	7.9	--	Mar-99
Private Infrastructure (Net)	27,326,539	2.5	0.0	0.0	4.8	8.7	11.8	13.8	11.9	--	9.8	Dec-14
Private Infrastructure (Gross)			0.0	0.0	4.8	8.7	11.8	14.0	12.1	--	9.9	
<i>S&P Global Infrastructure TR USD</i>			-5.5	-3.1	0.8	1.1	-6.7	9.1	5.1	6.1	4.6	Dec-14
Private Natural Resources (Net)	21,093,038	1.9	0.0	0.0	6.2	17.9	27.4	16.5	13.6	--	15.8	Sep-15
Private Natural Resources (Gross)			0.0	0.0	6.2	17.9	27.4	16.5	13.6	--	15.8	
<i>S&P Global Natural Resources Index TR USD</i>			-9.4	-9.6	-9.1	1.7	-14.3	16.9	4.3	4.4	10.3	Sep-15
Cash (Net)	24,202,388	2.2	0.4	0.8	3.5	1.4	1.5	0.6	0.8	--	--	
Cash (Gross)			0.4	0.8	3.5	1.4	1.5	0.6	0.8	--	--	

Real Assets includes State Street Real Asset NL Fund.

Trailing Net Performance													
	Market Value (\$)	% of Portfolio	% of Sector	1 Mo (%)	QTD (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Fund(Net)*	1,095,554,413	100.0	--	-0.5	-0.2	3.8	4.6	0.9	7.9	6.5	7.2	7.9	Dec-94
<i>Policy Index</i>				-1.4	0.4	5.4	3.4	-0.5	7.6	6.4	7.3	6.1	Dec-94
Total Fund w/o Alternatives(Net)	627,914,211	57.3	57.3	-0.8	-0.4	5.8	6.6	0.2	5.6	5.6	6.7	--	Dec-94
<i>Policy Index w/o AI</i>				-1.2	-0.4	5.0	6.3	-0.2	5.9	4.7	6.1	--	Dec-94
US Equity(Net)	255,602,316	23.3	40.7	0.4	1.3	8.3	11.1	1.9	11.3	9.3	11.6	10.0	Dec-94
<i>Russell 3000</i>				0.4	1.5	8.7	11.3	2.0	12.2	9.6	11.2	10.0	Dec-94
BNY Mellon Large Cap(Net)	177,616,201	16.2	69.5	0.5	1.7	9.2	11.5	2.2	12.4	10.6	--	12.2	Mar-16
<i>Russell 1000</i>				0.5	1.7	9.3	11.8	2.4	12.5	10.6	11.8	12.2	Mar-16
BNY Mellon Newton Dynamic US Equity(Net)	51,408,130	4.7	20.1	0.4	1.7	8.8	10.2	0.7	11.0	11.0	13.4	14.8	Dec-12
<i>S&P 500</i>				0.4	2.0	9.6	12.2	2.9	12.9	11.0	12.0	13.0	Dec-12
Champlain Small Cap(Net)	26,577,985	2.4	10.4	-0.3	-2.2	2.2	9.8	3.1	--	--	--	5.2	Nov-20
<i>Russell 2000</i>				-0.9	-2.7	0.0	3.9	-4.7	9.2	2.7	7.4	6.4	Nov-20
International Equity(Net)	200,706,652	18.3	32.0	-2.4	-2.9	5.7	5.9	-2.0	5.4	4.4	5.0	5.3	Dec-98
<i>International Equity Custom</i>				-3.0	-1.9	4.6	7.2	-1.5	7.0	2.1	4.1	4.1	Dec-98
Developed International Equity(Net)	122,829,710	11.2	61.2	-3.4	-1.3	3.2	6.0	-3.4	7.2	4.0	4.9	3.8	Jan-08
<i>Custom Blended Developed International Equity BM</i>				-3.9	-1.5	6.1	12.3	1.5	8.5	3.1	4.5	2.8	Jan-08
First Eagle International Value Fund(Net)	48,966,639	4.5	39.9	-3.6	-2.0	4.1	6.7	0.4	6.0	--	--	2.4	Dec-19
<i>MSCI EAFE</i>				-4.2	-1.5	6.8	13.6	3.1	8.5	3.2	4.6	3.6	Dec-19
<i>MSCI World ex USA</i>				-4.4	-1.6	6.2	12.1	1.5	8.8	3.4	4.5	3.8	Dec-19
GQG International Equity(Net)	46,684,269	4.3	38.0	-3.2	0.6	3.3	5.3	-5.1	7.4	--	--	5.4	Dec-19
<i>MSCI ACWI ex USA</i>				-3.6	-2.0	4.8	7.9	-1.4	7.2	2.2	3.8	2.6	Dec-19

Historical returns for the US Equity Composite prior to January 2012 and for the International Equity Composite prior to December 2010 are gross only.

	Market Value (\$)	% of Portfolio	% of Sector	1 Mo (%)	QTD (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Acadian ACWI ex U.S. Small Cap Equity(Net)	13,719,315	1.3	11.2	-3.2	-3.7	1.2	4.9	-8.6	11.5	--	--	7.3	May-19
<i>MSCI ACWI ex US Small Cap</i>				-2.8	-1.3	3.3	7.2	-4.6	8.1	1.4	4.8	3.7	May-19
Driehaus International Small Cap Growth(Net)	13,459,487	1.2	11.0	-3.6	-2.6	0.9	6.5	-4.9	7.4	--	--	6.4	May-19
<i>MSCI ACWI ex US Small Cap Growth NR USD</i>				-2.3	-1.4	4.2	7.1	-5.1	5.3	1.2	5.1	3.6	May-19
Emerging Markets Equity(Net)	77,876,943	7.1	38.8	-0.8	-5.2	10.0	6.0	1.1	0.7	3.8	4.2	4.0	Apr-12
<i>MSCI EM</i>				-1.7	-2.8	1.1	-2.0	-8.5	3.5	-0.5	2.1	2.1	Apr-12
Artisan Developing World TR(Net)	53,855,247	4.9	69.2	-0.6	-4.8	16.7	12.6	8.2	-0.8	--	--	3.5	Dec-19
<i>MSCI Emerging Markets</i>				-1.7	-2.8	1.1	-2.0	-8.5	3.5	-0.7	1.9	0.0	Dec-19
RWC(Net)	24,021,696	2.2	30.8	-1.3	-6.1	-2.6	-6.0	-11.5	4.9	--	--	-1.5	Dec-19
<i>MSCI Emerging Markets</i>				-1.7	-2.8	1.1	-2.0	-8.5	3.5	-0.7	1.9	0.0	Dec-19
US Fixed Income(Net)	116,645,402	10.6	18.6	-1.2	-0.3	2.1	-1.8	-3.3	-4.0	0.3	1.4	4.4	Dec-94
<i>US Fixed Income Custom Benchmark</i>				-1.0	-0.4	2.4	-0.4	-1.9	-3.4	0.7	1.5	4.6	Dec-94
Wellington Core Bond(Net)	50,545,782	4.6	43.3	-1.4	0.6	1.4	--	--	--	--	--	3.7	Nov-22
<i>Bloomberg US Aggregate TR</i>				-1.1	-0.5	2.5	-0.6	-2.1	-3.6	0.8	1.4	5.7	Nov-22
Brandywine US Fixed Income(Net)	33,627,855	3.1	28.8	-1.4	-1.1	3.9	--	--	--	--	--	1.0	Nov-22
<i>Bloomberg US Aggregate TR</i>				-1.1	-0.5	2.5	-0.6	-2.1	-3.6	0.8	1.4	5.7	Nov-22
Vanguard Total Bond Market Index Fund(Net)	17,846,455	1.6	15.3	-1.1	-0.5	2.6	-0.5	-2.0	-3.7	--	--	-0.1	May-19
<i>Bloomberg US Aggregate TR</i>				-1.1	-0.5	2.5	-0.6	-2.1	-3.6	0.8	1.4	-0.1	May-19
Payden & Rygel Low Duration Fund(Net)	8,084,299	0.7	6.9	-0.2	0.0	0.9	--	--	--	--	--	4.6	Nov-22
<i>Bloomberg US Treasury 1-3 Yr TR</i>				-0.4	-0.1	1.5	0.7	0.0	-0.9	1.0	0.8	2.3	Nov-22
Vanguard Short-Term Treasury Index Fund(Net)	6,541,010	0.6	5.6	-0.4	-0.1	1.5	0.6	0.0	-1.0	1.0	--	1.0	Feb-18
<i>Bloomberg US Govt 1-3 Yr TR</i>				-0.3	-0.1	1.5	0.7	0.0	-0.9	1.0	0.8	1.1	Feb-18
<i>Bloomberg US Govt 1-5 Yr TR</i>				-0.5	-0.1	1.7	0.4	-0.3	-1.6	1.0	0.9	1.1	Feb-18

Historical returns for the US Fixed Income Composite prior to December 2010 are gross only.

	Market Value (\$)	% of Portfolio	% of Sector	1 Mo (%)	QTD (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Opportunistic Credit(Net)	54,959,840	5.0	8.8	0.5	1.3	4.0	5.9	2.2	5.5	--	--	3.8	May-19
<i>50% Barclays US Aggregate / 25% Barclays US High Yield / 25% Credit Suisse Leveraged Loans</i>				-0.8	0.0	3.2	3.4	0.4	0.3	--	--	1.4	May-19
GoldenTree Multi-Sector Credit(Net)	23,788,241	2.2	43.3	0.1	1.1	4.0	8.7	3.5	6.0	--	--	3.8	Jun-19
<i>50% BBg US High Yield TR/50% Credit Suisse Leveraged Loans</i>				-0.5	0.5	3.8	7.5	2.8	4.4	3.4	3.9	3.0	Jun-19
Sculptor Credit Opportunities Domestic Partners, LP(Net)	19,460,624	1.8	35.4	1.5	2.2	5.0	3.8	1.6	--	--	--	9.3	Jul-20
<i>50% BBg US High Yield TR/50% Credit Suisse Leveraged Loans</i>				-0.5	0.5	3.8	7.5	2.8	4.4	3.4	3.9	4.1	Jul-20
PIMCO Income Fund(Net)	11,710,975	1.1	21.3	-0.3	0.2	2.8	4.3	0.9	2.1	--	--	1.6	Apr-19
<i>Bloomberg US Aggregate TR</i>				-1.1	-0.5	2.5	-0.6	-2.1	-3.6	0.8	1.4	-0.1	Apr-19
Real Estate(Net)	84,565,853	7.7	7.7	-0.8	-0.7	-1.8	-2.1	0.3	4.7	3.8	6.1	--	Mar-99
<i>Custom Blended Real Estate Benchmark</i>				0.0	0.0	-3.2	-7.5	-3.1	8.0	7.0	8.7	7.4	Mar-99
<i>CPI + 5% (Seasonally Adjusted)</i>				0.5	1.3	3.5	7.5	9.3	11.1	9.1	7.9	--	Mar-99
Vanguard REIT Index(Net)	15,631,807	1.4	18.5	-4.0	-3.7	-2.0	-9.0	-15.8	--	--	--	2.9	Aug-20
<i>Spliced Vanguard REIT Benchmark</i>				-4.0	-3.7	-1.9	-8.9	-15.7	4.9	4.2	5.5	3.0	Aug-20

Private Markets values are cash flow adjusted from preliminary 12/31/2022 NAVs.

Data prior to March 2018 provided by prior consultant.

Private Real Estate results prior to 1/1/2019 were included in the Real Assets composite. All results for the Private Real Estate composite that include the period prior to 1/1/2019 will reflect only the latest lineup of managers that Meketa received information for, therefore it may not reflect the entire Private Real Estate composite at that given time.

	Market Value (\$)	% of Portfolio	% of Sector	1 Mo (%)	QTD (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Private Real Estate(Net)	68,934,045	6.3	81.5	0.0	0.0	-1.7	0.2	6.4	6.5	4.8	6.6	--	Mar-99
<i>Custom Blended Real Estate Benchmark</i>				0.0	0.0	-3.2	-7.5	-3.1	8.0	7.0	8.7	7.4	Mar-99
UBS Trumbull Property(Net)	27,609,423	2.5	40.1	0.0	0.0	-5.3	-1.3	7.0	5.9	3.9	6.2	6.6	Mar-99
Patron Capital V(Net)	5,998,445	0.5	8.7	0.0	0.0	6.5	-12.4	-11.0	-8.2	-7.0	--	0.7	Jan-16
Cerberus Real Estate Debt Fund, L.P.(Net)	5,116,447	0.5	7.4	0.0	0.0	0.6	2.7	2.5	--	--	--	10.0	Jul-20
Taconic CRE Dislocation Onshore Fund III(Net)	5,070,361	0.5	7.4	0.0	0.0	2.6	8.5	11.7	--	--	--	7.6	Jun-21
Rockpoint Real Estate Fund VI, L.P.(Net)	4,222,392	0.4	6.1	0.0	0.0	-2.6	-2.8	6.1	14.1	--	--	11.8	May-20
AG Realty Value Fund X, L.P.(Net)	3,681,311	0.3	5.3	0.0	0.0	-0.1	6.9	13.2	15.7	--	--	6.9	Jun-19
Taconic CRE Dislocation Fund II(Net)	3,034,676	0.3	4.4	0.0	0.0	14.7	18.7	21.2	10.8	--	--	9.9	Nov-18
Carlyle Realty VIII(Net)	2,824,438	0.3	4.1	0.0	0.0	-7.3	1.8	29.1	45.7	19.4	--	11.1	Dec-17
Carmel Partners Investment Fund VIII(Net)	2,729,083	0.2	4.0	0.0	0.0	-1.9	-6.9	-15.0	--	--	--	-13.0	Mar-22
Rockpoint Real Estate Fund VII L.P.(Net)	2,612,470	0.2	3.8	0.0	0.0	5.6	--	--	--	--	--	9.5	Aug-22
Carmel Partners Investment Fund VII(Net)	2,594,070	0.2	3.8	0.0	0.0	-2.2	5.0	9.4	-9.5	--	--	-22.0	Apr-19
Starwood Distressed Opportunity Fund XII Global(Net)	1,878,559	0.2	2.7	0.0	0.0	0.2	4.9	11.7	--	--	--	150.0	Jun-21
Greenfield Gap VII(Net)	948,056	0.1	1.4	0.0	0.0	-14.5	-3.0	-1.5	19.4	17.3	--	15.8	Dec-14
Carlyle Realty Partners IX(Net)	614,315	0.1	0.9										

	Market Value (\$)	% of Portfolio	% of Sector	1 Mo (%)	QTD (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Private Equity(Net)	147,944,819	13.5	13.5	0.0	0.0	1.0	1.1	1.8	24.1	16.8	14.1	10.4	Jun-05
<i>Custom Private Equity Benchmark</i>				-2.4	4.9	15.5	-7.3	-4.9	15.9	16.1	16.1	--	Jun-05
Ocean Avenue II(Net)	9,143,134	0.8	6.2	0.0	0.0	-4.6	8.5	12.9	50.8	33.1	--	23.2	Jun-14
Genstar Capital Partners IX(Net)	9,040,999	0.8	6.1	0.0	0.0	3.0	28.4	34.4	34.0	--	--	27.5	Jul-19
Cortec Group Fund VII(Net)	8,891,803	0.8	6.0	0.0	0.0	24.9	32.3	31.6	37.1	--	--	30.7	Dec-19
Spark Capital Growth Fund III(Net)	8,741,962	0.8	5.9	0.0	0.0	-25.6	-2.6	7.0	19.2	--	--	17.6	Mar-20
Thoma Bravo Discover Fund III(Net)	8,489,594	0.8	5.7	0.0	0.0	3.0	-1.0	4.5	--	--	--	6.3	Jun-21
Taconic Market Dislocation Fund III L.P.(Net)	8,180,437	0.7	5.5	0.0	0.0	2.1	-2.2	0.6	--	--	--	14.8	Jul-20
Summit Partners Growth Equity Fund X-A(Net)	7,583,164	0.7	5.1	0.0	0.0	3.7	4.7	2.8	11.6	--	--	4.7	Mar-20
TCV X(Net)	6,514,653	0.6	4.4	0.0	0.0	-0.6	-27.6	-34.7	28.5	--	--	17.2	Apr-19
Carrick Capital Partners III(Net)	6,235,712	0.6	4.2	0.0	0.0	1.0	-3.3	-2.0	16.9	--	--	11.3	Aug-18
Marlin Heritage Europe II, L.P.(Net)	6,180,871	0.6	4.2	0.0	0.0	10.4	7.6	10.5	--	--	--	-1.6	Oct-20
GTCR Fund XII(Net)	5,467,695	0.5	3.7	0.0	0.0	1.7	-1.9	3.4	28.9	16.5	--	16.5	Jun-18
Genstar Capital Partners X(Net)	5,282,172	0.5	3.6	0.0	0.0	1.2	1.6	4.4	--	--	--	6.2	Oct-21
Cressey & Company Fund VI(Net)	4,476,791	0.4	3.0	0.0	0.0	2.7	-4.6	-5.0	26.9	--	--	16.9	Jan-19
Accel-KKR Growth Capital Partners III(Net)	4,458,062	0.4	3.0	0.0	0.0	3.7	0.4	-2.8	20.9	--	--	10.4	Jul-19
Khosla Ventures VII(Net)	4,337,616	0.4	2.9	0.0	0.0	4.2	4.6	1.4	--	--	--	5.2	Jan-21
Adams Street(Net)	4,161,386	0.4	2.8	0.0	0.0	-1.7	-13.3	-20.3	15.0	12.3	12.9	8.3	Sep-05
GTCR Fund XIII/A & B(Net)	3,946,643	0.4	2.7	0.0	0.0	-2.6	-2.0	7.8	--	--	--	112.2	Jun-21

Adams Street includes Adams Street 2005, Adams Street 2007, and Adams Street 2011.

	Market Value (\$)	% of Portfolio	% of Sector	1 Mo (%)	QTD (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
TCV XI(Net)	3,697,270	0.3	2.5	0.0	0.0	-4.8	-17.3	-23.2	--	--	--	-5.5	Feb-21
Summit Partners Venture Capital Fund V-A(Net)	3,304,869	0.3	2.2	0.0	0.0	2.2	-3.8	-1.6	--	--	--	-6.0	May-21
Davidson Kempner Long-Term Distressed Opportunities Fund IV(Net)	3,067,068	0.3	2.1	0.0	0.0	11.0	24.0	39.4	22.1	17.7	--	17.2	Apr-18
Pantheon II(Net)	3,053,136	0.3	2.1	0.0	0.0	0.8	-8.1	-13.3	17.6	14.1	14.0	12.7	Dec-11
Accel-KKR Capital Partners VI(Net)	2,892,906	0.3	2.0	0.0	0.0	0.0	0.0	1.8	--	--	--	-5.9	Feb-21
Nautic Partners X(Net)	2,739,736	0.3	1.9	0.0	0.0	4.8	4.2	2.6	--	--	--	-0.5	Jan-22
Thoma Bravo Discovery Fund IV(Net)	2,614,963	0.2	1.8										
Spark Capital VI(Net)	2,432,911	0.2	1.6	0.0	0.0	0.1	4.4	7.1	-2.0	--	--	-1.8	Mar-20
TCV Velocity Fund I(Net)	1,912,860	0.2	1.3	0.0	0.0	-4.8	-15.8	-19.8	--	--	--	-27.2	Feb-22
Summit Partners Growth Equity Fund XI-A(Net)	1,704,782	0.2	1.2	0.0	0.0	9.8	-0.3	-61.8	--	--	--	-56.2	Mar-22
Khosla Ventures Seed E(Net)	1,579,275	0.1	1.1	0.0	0.0	-0.6	2.0	1.0	--	--	--	142.9	Feb-21
Spark Capital Growth Fund IV(Net)	1,395,695	0.1	0.9	0.0	0.0	55.3	40.1	35.2	--	--	--	23.7	Jan-22
Accel-KKR Growth Capital Partners IV(Net)	1,145,776	0.1	0.8	0.0	0.0	0.7	-7.1	-26.8	--	--	--	-23.4	Mar-22
Cortec Group Fund VIII, L.P.(Net)	1,009,940	0.1	0.7	0.0	--	--	--	--	--	--	--	0.0	Apr-23
Marlin Heritage III(Net)	933,232	0.1	0.6										
Spark Capital VII(Net)	889,090	0.1	0.6	0.0	0.0	-2.4	-7.0	-8.9	--	--	--	-6.7	Feb-22
Invesco VI(Net)	837,127	0.1	0.6	0.0	0.0	0.0	-33.7	-37.7	39.9	26.0	--	19.3	Jun-13

Pantheon II includes Pantheon US Fund IX, Pantheon Asia Fund VI, and Pantheon Europe Fund VII.

Invesco VI is adjusting from the 9/30/2022 NAV.

	Market Value (\$)	% of Portfolio	% of Sector	1 Mo (%)	QTD (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
GTCR Strategic Growth Fund I/A&B LP(Net)	690,353	0.1	0.5										
Threshold Ventures IV LP(Net)	673,214	0.1	0.5	0.0	0.0	-8.7	--	--	--	--	--	-20.7	Jul-22
Pantheon I(Net)	127,026	0.0	0.1	0.0	0.0	5.5	-10.7	-15.8	-10.1	-12.5	-3.0	-1.3	Dec-05
Pantheon Secondary(Net)	110,896	0.0	0.1	0.0	0.0	0.1	-2.2	-3.8	-8.1	-4.2	-1.2	0.6	Jun-07
Direct Lending(Net)	40,130,284	3.7	3.7	0.0	0.0	1.6	3.4	4.2	--	--	--	9.1	Jul-20
<i>S&P LSTA Leverage Loan Index + 2%</i>				<i>0.0</i>	<i>1.2</i>	<i>5.0</i>	<i>10.2</i>	<i>8.0</i>	<i>8.0</i>	<i>5.8</i>	<i>5.8</i>	<i>7.8</i>	<i>Jul-20</i>
Ares Senior Direct Lending Fund II(Net)	10,153,538	0.9	25.3	0.0	0.0	1.3	3.9	6.5	--	--	--	6.7	Jan-22
AG Direct Lending Fund IV Annex(Net)	9,476,559	0.9	23.6	0.0	0.0	2.9	6.9	6.9	--	--	--	6.3	May-22
Varagon Capital Direct Lending Fund(Net)	8,467,745	0.8	21.1	0.0	0.0	-1.3	-1.8	-2.2	--	--	--	-1.5	Jan-22
Silver Point Specialty Credit Fund II, L.P.(Net)	5,929,532	0.5	14.8	0.0	0.0	3.0	3.7	4.4	--	--	--	9.3	Jul-20
AG Direct Lending Fund V(Net)	4,475,311	0.4	11.2	0.0	0.0	3.7	--	--	--	--	--	5.3	Aug-22
Silver Point Specialty Credit Fund III(Net)	987,940	0.1	2.5	0.0	0.0	--	--	--	--	--	--	0.0	Mar-23
Accel-KKR Credit Partners II LP(Net)	639,659	0.1	1.6	0.0	0.0	--	--	--	--	--	--	0.0	Mar-23
Hedge Fund(Net)	109,596,884	10.0	10.0	0.6	0.7	1.9	3.6	2.1	7.5	4.0	--	4.2	Jun-14
<i>Custom Blended Hedge Fund Benchmark</i>				<i>0.1</i>	<i>0.4</i>	<i>1.1</i>	<i>2.5</i>	<i>1.1</i>	<i>5.3</i>	<i>3.0</i>	<i>--</i>	<i>3.2</i>	<i>Jun-14</i>
Silver Point Capital(Net)	18,497,378	1.7	16.9	0.7	1.9	3.4	6.4	3.4	16.1	8.2	--	8.3	Nov-17
Wellington-Archipelago(Net)	15,411,972	1.4	14.1	2.1	3.2	5.1	7.4	5.9	7.8	4.9	--	5.4	Aug-17
Taconic Opportunity Fund(Net)	13,584,576	1.2	12.4	0.4	0.1	-0.1	-0.5	-5.1	5.1	--	--	2.8	Dec-18
Laurion Capital(Net)	13,503,366	1.2	12.3	1.6	0.3	3.4	1.9	3.9	6.6	--	--	9.9	Aug-18
Sculptor (OZ) Domestic II(Net)	12,936,918	1.2	11.8	-0.5	0.6	5.1	5.1	1.6	3.3	4.2	--	5.2	Jun-14

Pantheon I includes Pantheon US Fund VI and Pantheon Europe Fund IV. Pantheon Europe Fund IV is adjusted from the 12/31/2021 NAV.
 Pantheon Secondary includes Pantheon GLO SEC III B.

	Market Value (\$)	% of Portfolio	% of Sector	1 Mo (%)	QTD (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Caxton Global Investments(Net)	10,900,076	1.0	9.9	-2.6	-3.9	-6.9	-3.3	-3.5	--	--	--	4.2	May-21
Marshall Wace Global Opportunities(Net)	10,787,179	1.0	9.8	2.6	2.9	5.6	9.9	9.0	5.6	--	--	6.1	May-20
Graham Absolute Return(Net)	9,493,026	0.9	8.7	-0.4	-1.5	-2.1	0.8	2.0	9.6	3.8	--	4.1	Aug-17
Marshall Wace Eureka(Net)	4,482,393	0.4	4.1	1.8	2.8	1.0	2.1	2.3	8.2	5.1	--	5.9	Nov-17
Real Assets(Net)	61,199,975	5.6	5.6	-1.2	-1.1	3.0	8.4	7.8	13.7	10.4	9.3	--	Mar-99
<i>Custom Blended Real Assets Benchmark</i>				-7.5	-6.3	-4.2	1.5	-10.4	2.7	5.4	7.1	--	Mar-99
<i>CPI + 5% (Seasonally Adjusted)</i>				0.5	1.3	3.5	7.5	9.3	11.1	9.1	7.9	--	Mar-99
SSgA(Net)	12,780,398	1.2	20.9	-5.5	-5.0	-5.0	-4.1	-12.9	11.0	4.6	--	5.1	Apr-17
<i>Real Asset NL Custom Blended Index</i>				-5.2	-4.8	-4.8	-4.1	-12.9	11.2	4.6	--	5.2	Apr-17
Private Infrastructure(Net)	27,326,539	2.5	44.7	0.0	0.0	4.8	8.7	11.8	13.8	11.9	--	9.8	Dec-14
<i>S&P Global Infrastructure TR USD</i>				-5.5	-3.1	0.8	1.1	-6.7	9.1	5.1	6.1	4.6	Dec-14
ISQ Global Infrastructure Fund II(Net)	5,219,378	0.5	19.1	0.0	0.0	6.4	10.9	12.7	14.5	4.3	--	4.4	Jul-18
KKR Global II(Net)	4,625,441	0.4	16.9	0.0	0.0	4.7	6.0	9.6	28.1	19.8	--	15.9	Dec-14
KKR Global Infrastructure Investors IV(Net)	4,419,679	0.4	16.2	0.0	0.0	1.8	-2.7	1.1	--	--	--	--	Sep-21
KKR Global Infrastructure Investors III(Net)	3,974,221	0.4	14.5	0.0	0.0	2.2	4.4	10.7	-0.4	--	--	-4.0	Jan-19
Ardian Infrastructure Fund V(Net)	3,947,613	0.4	14.4	0.0	0.0	12.4	12.1	10.1	-12.1	--	--	-10.4	Oct-19
North Haven Infra Structure II(Net)	2,807,329	0.3	10.3	0.0	0.0	2.1	15.1	18.6	9.5	10.5	--	8.9	May-15
ISQ Global Infrastructure Fund III(Net)	1,440,625	0.1	5.3	0.0	0.0	7.3	11.6	16.5	--	--	--	--	Jun-21
BlackRock Global Infrastructure Fund IV(Net)	892,253	0.1	3.3										

	Market Value (\$)	% of Portfolio	% of Sector	1 Mo (%)	QTD (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Private Natural Resources(Net)	21,093,038	1.9	34.5	0.0	0.0	6.2	17.9	27.4	16.5	13.6	--	15.8	Sep-15
<i>S&P Global Natural Resources Index TR USD</i>				-9.4	-9.6	-9.1	1.7	-14.3	16.9	4.3	4.4	10.3	Sep-15
EnCap XI(Net)	5,746,299	0.5	27.2	0.0	0.0	6.6	29.2	47.4	13.6	1.3	--	-8.3	Jul-17
BlackRock Global Energy and Power Infrastructure Fund III LP(Net)	4,455,469	0.4	21.1	0.0	0.0	4.7	9.9	12.3	6.0	--	--	14.0	Jul-19
Tailwater Energy Fund IV, LP(Net)	3,431,320	0.3	16.3	0.0	0.0	16.8	31.0	36.6	14.8	--	--	7.2	Oct-19
Carnelian Energy Capital IV(Net)	2,854,297	0.3	13.5										
EnCap IV(Net)	1,824,312	0.2	8.6	0.0	0.0	1.2	4.5	11.7	45.8	28.6	--	25.0	Feb-18
EnCap Flatrock Midstream Fund V(Net)	1,721,333	0.2	8.2	--	--	--	--	--	--	--	--	--	Jun-23
GSO Energy Opportunities(Net)	473,696	0.0	2.2	0.0	0.0	7.2	51.6	64.4	26.6	17.0	--	18.5	Nov-15
Taurus Mining(Net)	387,954	0.0	1.8	0.0	0.0	3.4	30.8	69.7	42.6	30.5	--	26.0	Sep-15
Taurus Mining Annex(Net)	198,357	0.0	0.9	0.0	0.0	4.4	15.8	52.9	24.7	23.7	--	25.5	Jan-17
Cash(Net)	24,202,388	2.2	2.2	0.4	0.8	3.5	1.4	1.5	0.6	0.8	--	--	
Cash(Net)	23,277,039	2.1	96.2	0.4	0.8	3.7	1.4	1.5	0.6	1.0	0.9	--	Sep-03
Treasury Cash(Net)	925,348	0.1	3.8										

*One or more accounts have been excluded from the composite for the purposes of performance calculations and market value.

Disclaimer, Glossary, and Notes

WE HAVE PREPARED THIS REPORT (THIS "REPORT") FOR THE SOLE BENEFIT OF THE INTENDED RECIPIENT (THE "RECIPIENT").

SIGNIFICANT EVENTS MAY OCCUR (OR HAVE OCCURRED) AFTER THE DATE OF THIS REPORT AND THAT IT IS NOT OUR FUNCTION OR RESPONSIBILITY TO UPDATE THIS REPORT. ANY OPINIONS OR RECOMMENDATIONS PRESENTED HEREIN REPRESENT OUR GOOD FAITH VIEWS AS OF THE DATE OF THIS REPORT AND ARE SUBJECT TO CHANGE AT ANY TIME. ALL INVESTMENTS INVOLVE RISK. THERE CAN BE NO GUARANTEE THAT THE STRATEGIES, TACTICS, AND METHODS DISCUSSED HERE WILL BE SUCCESSFUL.

INFORMATION USED TO PREPARE THIS REPORT WAS OBTAINED FROM INVESTMENT MANAGERS, CUSTODIANS, AND OTHER EXTERNAL SOURCES. WHILE WE HAVE EXERCISED REASONABLE CARE IN PREPARING THIS REPORT, WE CANNOT GUARANTEE THE ACCURACY OF ALL SOURCE INFORMATION CONTAINED HEREIN.

CERTAIN INFORMATION CONTAINED IN THIS REPORT MAY CONSTITUTE "FORWARD - LOOKING STATEMENTS," WHICH CAN BE IDENTIFIED BY THE USE OF TERMINOLOGY SUCH AS "MAY," "WILL," "SHOULD," "EXPECT," "AIM," "ANTICIPATE," "TARGET," "PROJECT," "ESTIMATE," "INTEND," "CONTINUE" OR "BELIEVE," OR THE NEGATIVES THEREOF OR OTHER VARIATIONS THEREON OR COMPARABLE TERMINOLOGY. ANY FORWARD-LOOKING STATEMENTS, FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS IN THIS PRESENTATION ARE BASED UPON CURRENT ASSUMPTIONS. CHANGES TO ANY ASSUMPTIONS MAY HAVE A MATERIAL IMPACT ON FORWARD - LOOKING STATEMENTS, FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS. ACTUAL RESULTS MAY THEREFORE BE MATERIALLY DIFFERENT FROM ANY FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS IN THIS PRESENTATION.

PERFORMANCE DATA CONTAINED HEREIN REPRESENT PAST PERFORMANCE. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

Credit Risk: Refers to the risk that the issuer of a fixed income security may default (i.e., the issuer will be unable to make timely principal and/or interest payments on the security).

Duration: Measure of the sensitivity of the price of a bond to a change in its yield to maturity. Duration summarizes, in a single number, the characteristics that cause bond prices to change in response to a change in interest rates. For example, the price of a bond with a duration of three years will rise by approximately 3% for each 1% decrease in its yield to maturity. Conversely, the price will decrease 3% for each 1% increase in the bond's yield. Price changes for two different bonds can be compared using duration. A bond with a duration of six years will exhibit twice the percentage price change of a bond with a three-year duration. The actual calculation of a bond's duration is somewhat complicated, but the idea behind the calculation is straightforward. The first step is to measure the time interval until receipt for each cash flow (coupon and principal payments) from a bond. The second step is to compute a weighted average of these time intervals. Each time interval is measured by the present value of that cash flow. This weighted average is the duration of the bond measured in years.

Information Ratio: This statistic is a measure of the consistency of a portfolio's performance relative to a benchmark. It is calculated by subtracting the benchmark return from the portfolio return (excess return), and dividing the resulting excess return by the standard deviation (volatility) of this excess return. A positive information ratio indicates outperformance versus the benchmark, and the higher the information ratio, the more consistent the outperformance.

Jensen's Alpha: A measure of the average return of a portfolio or investment in excess of what is predicted by its beta or "market" risk. $\text{Portfolio Return} - [\text{Risk Free Rate} + \text{Beta} * (\text{market return} - \text{Risk Free Rate})]$.

Market Capitalization: For a firm, market capitalization is the total market value of outstanding common stock. For a portfolio, market capitalization is the sum of the capitalization of each company weighted by the ratio of holdings in that company to total portfolio holdings; thus it is a weighted-average capitalization. Meketa Investment Group considers the largest 65% of the broad domestic equity market as large capitalization, the next 25% of the market as medium capitalization, and the smallest 10% of stocks as small capitalization.

Market Weighted: Stocks in many indices are weighted based on the total market capitalization of the issue. Thus, the individual returns of higher market-capitalization issues will more heavily influence an index's return than the returns of the smaller market-capitalization issues in the index.

Maturity: The date on which a loan, bond, mortgage, or other debt/security becomes due and is to be paid off.

Prepayment Risk: The risk that prepayments will increase (homeowners will prepay all or part of their mortgage) when mortgage interest rates decline; hence, investors' monies will be returned to them in a lower interest rate environment. Also, the risk that prepayments will slow down when mortgage interest rates rise; hence, investors will not have as much money as previously anticipated in a higher interest rate environment. A prepayment is any payment in excess of the scheduled mortgage payment.

Price-Book Value (P/B) Ratio: The current market price of a stock divided by its book value per share. Meketa Investment Group calculates P/B as the current price divided by Compustat's quarterly common equity. Common equity includes common stock, capital surplus, retained earnings, and treasury stock adjusted for both common and nonredeemable preferred stock. Similar to high P/E stocks, stocks with high P/B's tend to be riskier investments.

Price-Earnings (P/E) Ratio: A stock's market price divided by its current or estimated future earnings. Lower P/E ratios often characterize stocks in low growth or mature industries, stocks in groups that have fallen out of favor, or stocks of established blue chip companies with long records of stable earnings and regular dividends. Sometimes a company that has good fundamentals may be viewed unfavorably by the market if it is an industry that is temporarily out of favor. Or a business may have experienced financial problems causing investors to be skeptical about its future. Either of these situations would result in lower relative P/E ratios. Some stocks exhibit above-average sales and earnings growth or expectations for above average growth. Consequently, investors are willing to pay more for these companies' earnings, which results in elevated P/E ratios. In other words, investors will pay more for shares of companies whose profits, in their opinion, are expected to increase faster than average. Because future events are in no way assured, high P/E stocks tend to be riskier and more volatile investments. Meketa Investment Group calculates P/E as the current price divided by the I/B/E/S consensus of twelve-month forecast earnings per share.

Quality Rating: The rank assigned a security by such rating services as Fitch, Moody's, and Standard & Poor's. The rating may be determined by such factors as (1) the likelihood of fulfillment of dividend, income, and principal payment of obligations; (2) the nature and provisions of the issue; and (3) the security's relative position in the event of liquidation of the company. Bonds assigned the top four grades (AAA, AA, A, BBB) are considered investment grade because they are eligible bank investments as determined by the controller of the currency.

Sharpe Ratio: A commonly used measure of risk-adjusted return. It is calculated by subtracting the risk free return (usually three-month Treasury bill) from the portfolio return and dividing the resulting excess return by the portfolio's total risk level (standard deviation). The result is a measure of return per unit of total risk taken. The higher the Sharpe ratio, the better the fund's historical risk adjusted performance.

STIF Account: Short-term investment fund at a custodian bank that invests in cash-equivalent instruments. It is generally used to safely invest the excess cash held by portfolio managers.

Standard Deviation: A measure of the total risk of an asset or a portfolio. Standard deviation measures the dispersion of a set of numbers around a central point (e.g., the average return). If the standard deviation is small, the distribution is concentrated within a narrow range of values. For a normal distribution, about two thirds of the observations will fall within one standard deviation of the mean, and 95% of the observations will fall within two standard deviations of the mean.

Style: The description of the type of approach and strategy utilized by an investment manager to manage funds. For example, the style for equities is determined by portfolio characteristics such as price-to-book value, price-to-earnings ratio, and dividend yield. Equity styles include growth, value, and core.

Tracking Error: A divergence between the price behavior of a position or a portfolio and the price behavior of a benchmark, as defined by the difference in standard deviation.

Yield to Maturity: The yield, or return, provided by a bond to its maturity date; determined by a mathematical process, usually requiring the use of a “basis book.” For example, a 5% bond pays \$5 a year interest on each \$100 par value. To figure its current yield, divide \$5 by \$95—the market price of the bond—and you get 5.26%. Assume that the same bond is due to mature in five years. On the maturity date, the issuer is pledged to pay \$100 for the bond that can be bought now for \$95. In other words, the bond is selling at a discount of 5% below par value. To figure yield to maturity, a simple and approximate method is to divide 5% by the five years to maturity, which equals 1% pro rata yearly. Add that 1% to the 5.26% current yield, and the yield to maturity is roughly 6.26%.

$$\frac{5\% \text{ (discount)}}{5 \text{ (yrs. to maturity)}} = 1\% \text{ pro rata, plus } 5.26\% \text{ (current yield)} = 6.26\% \text{ (yield to maturity)}$$

Yield to Worst: The lowest potential yield that can be received on a bond without the issuer actually defaulting. The yield to worst is calculated by making worst-case scenario assumptions on the issue by calculating the returns that would be received if provisions, including prepayment, call, or sinking fund, are used by the issuer.

NCREIF Property Index (NPI): Measures unleveraged investment performance of a very large pool of individual commercial real estate properties acquired in the private market by tax-exempt institutional investors for investment purposes only. The NPI index is capitalization-weighted for a quarterly time series composite total rate of return.

NCREIF Fund Index - Open End Diversified Core Equity (NFI-ODCE): Measures the investment performance of 28 open-end commingled funds pursuing a core investment strategy that reflects funds' leverage and cash positions. The NFI-ODCE index is equal-weighted and is reported gross and net of fees for a quarterly time series composite total rate of return.

Sources: [Investment Terminology](#), International Foundation of Employee Benefit Plans, 1999.
[The Handbook of Fixed Income Securities](#), Fabozzi, Frank J., 1991

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Throughout this report, numbers may not sum due to rounding.

Returns for periods greater than one year are annualized throughout this report.

Values shown are in millions of dollars, unless noted otherwise.

June 22,
2023

Alternative Investment Performance

Merced County Employees' Retirement Association



Strictly Confidential. Not for Distribution.

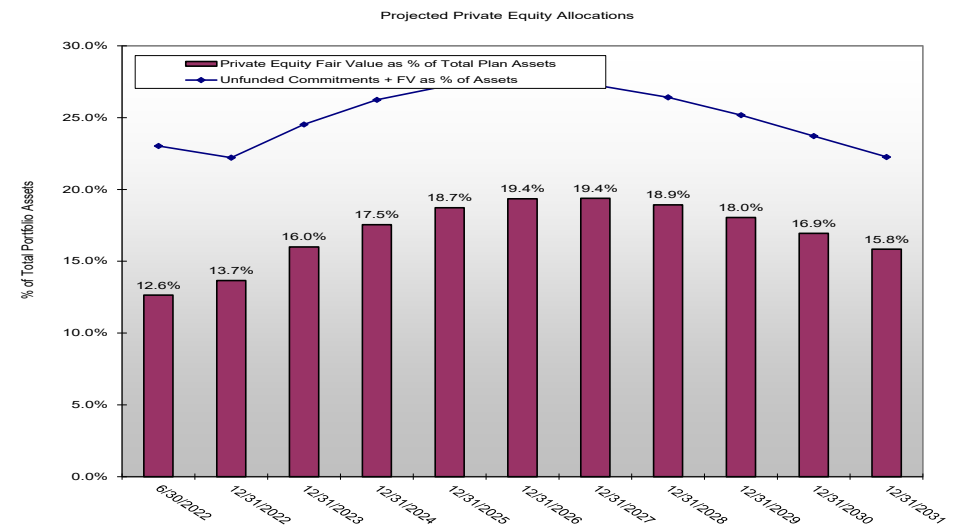
MercedCERA Private Equity Capital Budget & Implementation Plan

15% fund level target; an increase from 9% in 2018

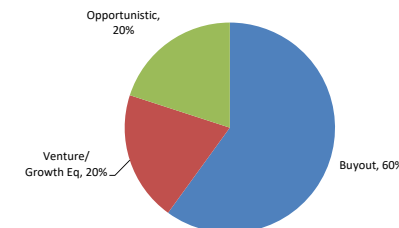
- Annual capital budget target of \$50 mm
 - Range of \$35-\$65 million
- Target 5-10 investments, range of \$5-\$15 million per inv; average size of \$7 million per
- Actual exposure is higher than projections due to public market declines
- Targets for strategy exposures remain the same
- Update capital budgets on an annual basis

Performance comparisons:

- Long term investment objective: Earn a return premium over public equity (Russell 3000 + 3%)
- Recommended primary asset class benchmark: Cambridge Associates Global Private Equity & VC Index
- Recommended fund benchmarks: Each fund will be compared to the Cambridge Associates strategy universe for the respective vintage years and each vintage year will be compared to Cambridge Associates Global Private Equity & VC Index



Target Strategy Diversification



	Target	Ranges
Buyout	60%	40-80%
Venture/Growth Eq	20%	10-30%
Opportunistic	20%	10-30%
	100%	

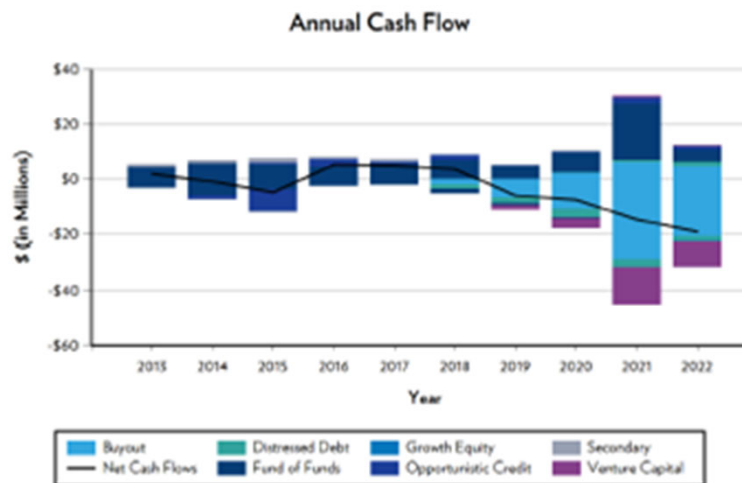
Note: MCERA's existing private equity portfolio was modeled using vintage year drawdown/return of capital assumptions patterned after historical category averages. Total fund growth of 5.5%.

MercedCERA Private Equity Investment Structure & Portfolio Assessment

Investment structure (15% fund target; 13.0% invested as of Mar 2023):

- Current portfolio is barbelled with half of commitments in 2007 & earlier FoFs and half in 2011 & later FoFs
 - Overall portfolio is improving; VY 2014 & earlier funds are mature with the funds in VY 2017-2022 developing their portfolios
 - There were annual gains of \$2 million, including a \$500K gain in 4Q; contributions exceed distributions by \$19 million as the newer portfolios are being built and the exit market has slowed
 - Portfolio is diversified by strategy but overall it is in a negative cash flow situation

Annual Summary									
(in thousands)	Total Partnerships	Total Commitment	(A) Contributions	(B) Distributions	(C) Fair Value	(B+C) Total Value	(B+C-A) Gain Loss	Net IRR	Benchmark
December 31, 2021	48	\$251,908	\$139,211	\$102,470	\$125,625	\$228,095	\$88,883	12.61%	13.39%
December 31, 2022	52	\$280,322	\$170,626	\$114,750	\$146,411	\$261,161	\$90,535	11.67%	12.27%
Annual Change	4	\$28,414	\$31,415	\$12,280	\$20,786	\$33,066	\$1,652		



Note: Net cash flow is the for the respective calendar year.

MercedCERA Private Equity Performance – as of Dec 31, 2022



Partnership Name	Strategy	(A)		(B)		(C)		(D) Fair Value	(C+D)		IRR	
		Commit. Amount	Unfund. Amount	Cumulat. Cont.	% Drawn	Cumulat. Dist.	Total Value		(C+D-B) Gain/Loss	Net IRR	Bench.	TVPI
Vintage Year 2004												
* Invesco Partnership Fund IV, L.P.	Fund of Funds	10,000	2,417	7,898	76%	16,233	0	16,233	8,336	11.75%	7.68%	2.06x
Vintage Year 2004 Total		10,000	2,417	7,898	76%	16,233	0	16,233	8,336	11.75%	8.15%	2.06x
Vintage Year 2005												
ASP 2005 Non-US Fund	Fund of Funds	1,500	74	1,426	95%	1,873	55	1,927	502	4.52%	5.15%	1.35x
ASP 2005 US Fund	Fund of Funds	3,500	177	3,323	95%	5,251	94	5,345	2,022	7.10%	7.58%	1.61x
Pantheon Ventures Euro Fund IV	Fund of Funds	1,072	46	1,284	96%	1,641	27	1,667	384	4.55%	5.15%	1.30x
Pantheon Ventures USA Fund VI	Fund of Funds	3,750	206	3,544	95%	5,329	38	5,367	1,823	6.44%	7.58%	1.51x
Vintage Year 2005 Total		9,822	503	9,576	95%	14,093	214	14,307	4,730	6.19%	7.37%	1.49x
Vintage Year 2006												
Pantheon Global Secondary Fund III	Secondary	10,000	540	9,460	95%	10,400	111	10,511	1,051	1.88%	N/A	1.11x
Vintage Year 2006 Total		10,000	540	9,460	95%	10,400	111	10,511	1,051	1.88%	7.11%	1.11x
Vintage Year 2007												
ASP 2007 Direct Fund	Fund of Funds	450	12	438	97%	955	116	1,071	633	11.81%	11.38%	2.44x
ASP 2007 Non-US Fund	Fund of Funds	1,575	78	1,497	95%	2,217	271	2,488	991	7.96%	7.51%	1.66x
ASP 2007 US Fund	Fund of Funds	2,475	115	2,360	95%	4,438	463	4,901	2,541	12.41%	11.38%	2.08x
Vintage Year 2007 Total		4,500	205	4,295	95%	7,610	851	8,461	4,166	10.91%	9.09%	1.97x
Vintage Year 2011												
ASP 2011 Direct Fund	Fund of Funds	500	37	463	93%	645	280	925	462	13.59%	21.94%	2.00x
ASP 2011 Emerging Markets Fund	Fund of Funds	500	64	436	87%	490	524	1,014	578	13.26%	9.75%	2.33x
ASP 2011 Non-US Developed Fund	Fund of Funds	1,500	239	1,261	84%	1,741	846	2,587	1,326	14.26%	9.75%	2.05x
ASP 2011 US Fund	Fund of Funds	2,500	326	2,175	87%	3,634	1,790	5,424	3,250	17.21%	21.94%	2.49x
Pantheon Asia Fund VI	Fund of Funds	1,000	76	925	92%	924	687	1,610	685	9.69%	9.75%	1.74x
Pantheon Euro Fund VII	Fund of Funds	1,495	187	1,505	87%	1,984	980	2,965	1,459	12.26%	9.75%	1.97x
Pantheon Ventures USA Fund IX	Fund of Funds	2,000	186	1,814	91%	2,886	1,600	4,486	2,672	16.43%	21.94%	2.47x
Vintage Year 2011 Total		9,495	1,116	8,579	88%	12,304	6,708	19,011	10,433	14.62%	12.43%	2.22x
Vintage Year 2013												
Invesco Partnership Fund VI, L.P.	Fund of Funds	5,000	1,548	3,958	69%	13,474	837	14,311	10,353	23.65%	12.39%	3.62x
Vintage Year 2013 Total		5,000	1,548	3,958	69%	13,474	837	14,311	10,353	23.65%	13.42%	3.62x
Vintage Year 2014												
Ocean Avenue Fund II	Fund of Funds	10,000	1,000	9,000	90%	14,395	9,421	23,816	14,816	20.85%	19.24%	2.65x
* RavenOpp Fund II	Opp Credit	10,000	474	9,526	95%	9,739	0	9,739	213	0.58%	8.23%	1.02x
Vintage Year 2014 Total		20,000	1,474	18,526	93%	24,134	9,421	33,554	15,028	13.17%	16.61%	1.81x

Note: The benchmark represents the Cambridge Associates LLC median for the respective strategy and vintage year. At the vintage year level, the Cambridge Associates LLC Global Private Equity & VC[®] median is used for the respective vintage year.

MercedCERA Private Equity Performance – as of Dec 31, 2022



Partnership Name	Strategy	(A)	Unfund. Amount	(B)	% Drawn	(C)	(D) Fair Value	(C+D)	(C+D-B) Gain/Loss	IRR Net IRR	IRR Bench.	TVPI
		Commit. Amount		Cumulat. Cont.		Cumulat. Dist.		Total Value				
Vintage Year 2017												
GTCR XII	Buyout	5,000	911	4,151	82%	2,204	5,468	7,671	3,520	27.90%	23.91%	1.85x
Vintage Year 2017 Total		5,000	911	4,151	82%	2,204	5,468	7,671	3,520	27.90%	20.39%	1.85x
Vintage Year 2018												
Carrick Capital Partners III, L.P.	Buyout	5,000	258	4,742	95%	581	6,213	6,794	2,052	16.96%	21.64%	1.43x
Cressey & Company Fund VI LP	Buyout	5,000	1,325	3,926	74%	1,885	4,477	6,362	2,436	26.58%	21.64%	1.62x
DK Distressed IV	Distressed Debt	5,000	343	4,743	93%	2,039	6,285	8,324	3,581	17.62%	13.91%	1.76x
Vintage Year 2018 Total		15,000	1,926	13,411	87%	4,505	16,975	21,480	8,069	19.32%	20.22%	1.60x
Vintage Year 2019												
Accel-KKR Growth Partners III	Buyout	5,000	711	4,289	86%	306	4,945	5,250	961	11.59%	22.53%	1.22x
Cortec Group Fund VII, L.P.	Buyout	10,000	1,196	11,012	88%	2,210	13,799	16,008	4,997	31.72%	22.53%	1.45x
Genstar Capital Partners IX, L.P.	Buyout	7,000	808	6,639	88%	2,938	9,322	12,259	5,620	37.77%	22.53%	1.85x
Summit Partners Growth Fund X	Buyout	8,000	2,499	7,263	69%	1,762	7,534	9,296	2,033	19.23%	22.53%	1.28x
TCV X, L.P.	Venture Capital	5,000	1,247	3,753	75%	459	6,515	6,973	3,221	25.13%	21.99%	1.86x
Vintage Year 2019 Total		35,000	6,461	32,956	82%	7,674	42,113	49,787	16,831	27.06%	19.36%	1.51x
Vintage Year 2020												
Accel-KKR Capital Partners VI, LP	Buyout	5,000	2,554	2,446	49%	0	2,446	2,446	0	N/M	N/M	1.00x
GTCR Fund XIII/A & B LP	Buyout	8,000	3,908	4,092	51%	872	3,947	4,818	727	N/M	N/M	1.18x
Marlin Heritage Europe II, L.P.	Buyout	7,504	2,841	4,075	62%	220	5,716	5,936	1,861	32.26%	20.07%	1.46x
Thoma Bravo Discover Fund III, L.P.	Buyout	8,000	604	7,396	92%	0	8,013	8,013	618	N/M	N/M	1.08x
Taconic Mkt Dislocation Fund III L.P.	Distressed Debt	8,000	1,950	6,291	76%	237	7,343	7,580	1,288	14.00%	12.29%	1.20x
Spark Capital Growth Fund III, L.P.	Venture Capital	6,000	0	6,000	100%	791	9,006	9,797	3,797	35.81%	15.51%	1.63x
Spark Capital VI, L.P.	Venture Capital	3,000	765	2,235	75%	0	2,403	2,403	168	4.58%	15.51%	1.08x
Summit Partners Venture Fund V	Venture Capital	6,000	2,885	3,115	52%	0	3,091	3,091	-24	N/M	N/M	0.99x
Vintage Year 2020 Total		51,504	15,508	35,649	70%	2,120	41,964	44,084	8,435	18.61%	15.17%	1.24x

Note: The benchmark represents the Cambridge Associates LLC median for the respective strategy and vintage year. At the vintage year level, the Cambridge Associates LLC Global Private Equity & VC[®] median is used for the respective vintage year.

MercedCERA Private Equity Performance – as of Dec 31, 2022



Partnership Name	Strategy	(A)	(B)	(C)		(D)	(C+D)	(C+D-B)	IRR		TVPI	
		Commit. Amount	Unfund. Amount	Cumulat. Cont.	% Drawn	Cumulat. Dist.	Fair Value	Total Value	Gain/Loss	Net IRR		Bench.
Vintage Year 2021												
Genstar Capital Partners X, L.P.	Buyout	8,000	3,996	4,004	50%	0	4,187	4,187	183	N/M	N/M	1.05x
Nautic Partners X, L.P.	Buyout	8,000	5,912	2,088	26%	0	2,179	2,179	91	N/M	N/M	1.04x
Summit Partners Growth Fund XI	Buyout	8,000	7,094	906	11%	0	954	954	47	N/M	N/M	1.05x
Khosla Ventures Seed E, L.P.	Venture Capital	2,000	760	1,240	62%	0	1,509	1,509	269	N/M	N/M	1.22x
Khosla Ventures VII, L.P.	Venture Capital	6,000	2,340	3,660	61%	0	4,098	4,098	438	N/M	N/M	1.12x
TCV Velocity Fund I, L.P.	Venture Capital	8,000	6,829	1,171	15%	0	886	886	-285	N/M	N/M	0.76x
TCV XI, L.P.	Venture Capital	8,000	3,905	4,095	51%	0	3,697	3,697	-398	N/M	N/M	0.90x
Vintage Year 2021 Total		48,000	30,836	17,164	36%	0	17,510	17,510	345	N/M	N/M	1.02x
Vintage Year 2022												
Accel-KKR Growth Capital IV	Buyout	5,000	3,854	1,146	23%	0	1,045	1,045	-101	N/M	N/M	0.91x
Marlin Heritage III, L.P.	Buyout	8,000	7,827	173	2%	0	28	28	-145	N/M	N/M	0.16x
Thoma Bravo Discover Fund IV, L.P.	Buyout	8,000	6,764	1,236	15%	0	1,191	1,191	-45	N/M	N/M	0.96x
GTCR Strategic Growth Fund I	Growth Equity	6,000	5,812	188	3%	0	25	25	-163	N/M	N/M	0.13x
Spark Capital Growth Fund IV, L.P.	Venture Capital	6,000	4,980	1,020	17%	0	856	856	-164	N/M	N/M	0.84x
Spark Capital VII, L.P.	Venture Capital	3,000	2,040	960	32%	0	889	889	-71	N/M	N/M	0.93x
Threshold Ventures IV, L.P.	Venture Capital	5,000	4,720	280	6%	0	208	208	-72	N/M	N/M	0.74x
Vintage Year 2022 Total		41,000	35,997	5,003	12%	0	4,241	4,241	-762	N/M	N/M	0.85x
Vintage Year 2023												
Accel-KKR Capital Partners VII LP	Buyout	8,000	8,000	0	0%	0	0	0	0	N/M	N/M	N/A
GTCR XIV/A & B LP	Buyout	8,000	8,000	0	0%	0	0	0	0	N/M	N/M	N/A
Vintage Year 2023 Total		16,000	16,000	0	0%	0	0	0	0	N/M	N/M	N/A
Portfolio Total :		280,322	115,443	170,626	59%	114,750	146,411	261,161	90,535	11.67%	12.27%	1.53x
Portfolio Strategy Totals												
Buyout		134,504	69,063	69,584	49%	12,977	81,460	94,437	24,853	23.57%		1.36x
Distressed Debt		13,000	2,293	11,034	82%	2,275	13,628	15,903	4,870	16.61%		1.44x
Fund of Funds		48,818	6,790	43,306	86%	78,109	18,030	96,139	52,832	12.43%		2.22x
Growth Equity		6,000	5,812	188	3%	0	25	25	-163	N/M		0.13x
Opportunistic Credit		10,000	474	9,526	95%	9,739	0	9,739	213	0.58%		1.02x
Secondary		10,000	540	9,460	95%	10,400	111	10,511	1,051	1.88%		1.11x
Venture Capital		58,000	30,471	27,529	47%	1,250	33,158	34,407	6,878	16.94%		1.25x
Portfolio Total :		280,322	115,443	170,626	59%	114,750	146,411	261,161	90,535	11.67%	12.27%	1.53x

Note: The benchmark represents the Cambridge Associates LLC median for the respective strategy and vintage year. At the vintage year level, the Cambridge Associates LLC Global Private Equity & VC[®] median is used for the respective vintage year.

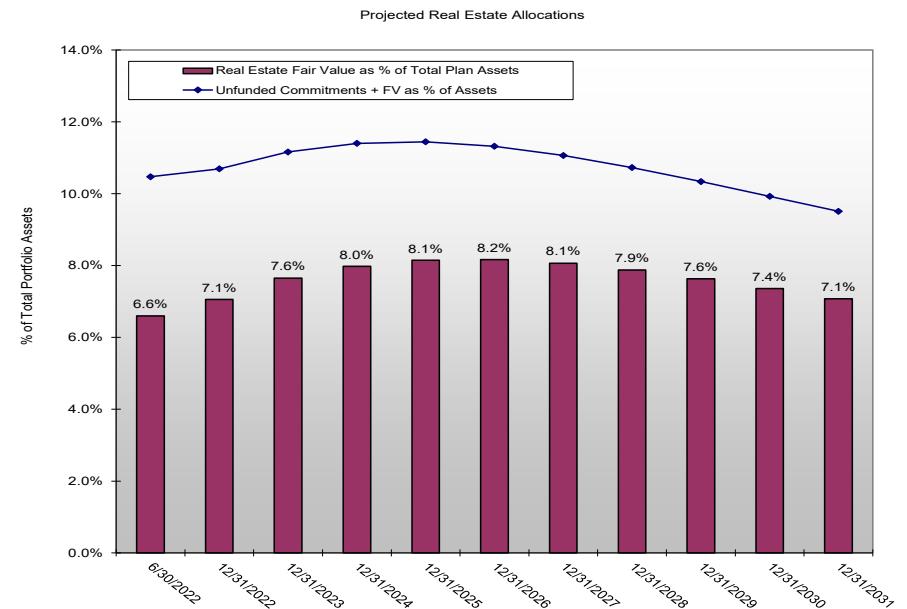
MercedCERA Real Estate Capital Budget & Implementation Plan

8% fund level target; same as prior target

- Keep annual capital budget at \$20 million
 - Range of \$10-\$30 million
- Target 2-4 investments, range of \$5-\$10 million per inv
 - Average investment size of \$8 million
 - If an average of 2-4 GP partnership commitments per year, expect a total of 8-16 GP relationships over a 4 year fund raising cycle
- Continue using REITS as a substitute until funding private real estate investments is needed; core RE target is 25% of RE portfolio

Performance comparisons:

- Long term investment objective: Earn a return premium over inflation (CPI-U + 5%)
- Recommended primary asset class benchmark: NCREIF NFI-ODCE; revisit over time as the structure of the portfolio changes
- Recommended fund benchmarks: Cambridge Associates strategy universe for the respective vintage years and each vintage year will be compared to Cambridge Associates Global Real Estate Index



Note: MCERA's existing real estate portfolio was modeled using vintage year drawdown/return of capital assumptions patterned after historical averages. Only the private RE portfolio is modeled. Total fund growth rate of 5.5%.

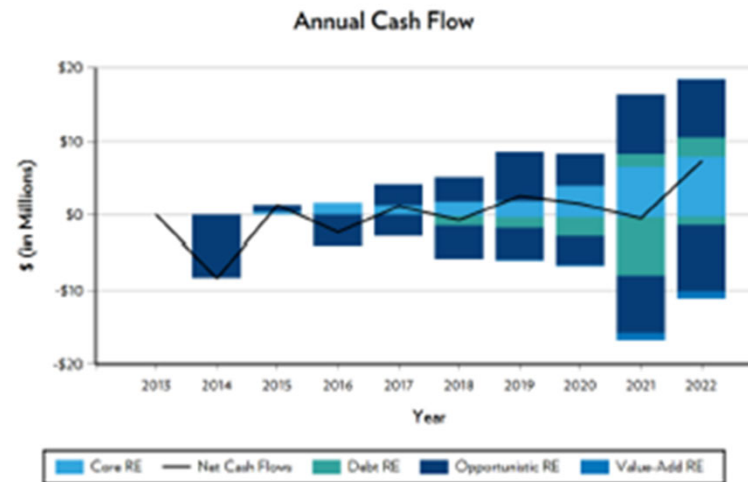
MercedCERA Real Estate Investment Structure & Portfolio Assessment

Real estate investment structure (8% target, 7.7% actual as of Mar 2023)

- MCERA invested in 1999 in a private core real estate fund; direct program began in 2014
- Distributions exceed contributions by \$11 million over the past year; Valuation improved by \$7 million over the past year although there was a decrease of \$1.3 million in the past quarter

Annual Summary

(in thousands)	Total Partnerships	Total Commitment	(A) Contributions	(B) Distributions	(C) Fair Value	(B+C) Total Value	(B+C-A) Gain Loss	Net IRR	Benchmark
December 31, 2021	12	\$99,499	\$66,760	\$57,351	\$71,449	\$128,800	\$62,039	8.75%	8.89%
December 31, 2022	14	\$114,757	\$77,894	\$79,319	\$67,889	\$147,208	\$69,314	8.84%	8.75%
Annual Change	2	\$15,258	\$11,134	\$21,968	-\$3,560	\$18,408	\$7,275		



Note: Net cash flow is the for the respective calendar year.

MercedCERA Real Estate Performance – as of Dec 31, 2022

Real Estate Portfolio

- MCERA began investing in the UBS Trumbull core real estate fund in 1999 and this represents the bulk of the real estate portfolio
 - Opportunistic funds began being added in 2014 and they are being developed
- Overall performance has met objectives, driven by the core RE fund; opportunistic fund performance is not meaningful

Partnership Name	Strategy	(A)		(B)		(C)		(C+D)		IRR	Bench.	TVPI
		Commit. Amount	Unfund. Amount	Cumulat. Cont.	% Drawn	Cumulat. Dist.	(D) Fair Value	Total Value	(C+D-B) Gain/Loss			
Vintage Year 1999												
UBS Trumbull Property Fund	Core RE	17,000	0	18,438	100%	41,424	28,003	69,427	50,989	8.48%	10.20%	3.77x
Vintage Year 1999 Total		17,000	0	18,438	100%	41,424	28,003	69,427	50,989	8.48%	12.95%	3.77x
Vintage Year 2014												
Greenfield Acquisition Partners VII,	Opportunistic RE	13,000	1,876	12,662	86%	20,191	1,574	21,765	9,103	13.22%	13.26%	1.72x
Vintage Year 2014 Total		13,000	1,876	12,662	86%	20,191	1,574	21,765	9,103	13.22%	11.07%	1.72x
Vintage Year 2016												
Patron Capital Fund V	Opportunistic RE	12,757	1,900	11,602	85%	7,246	6,521	13,767	2,165	6.62%	7.09%	1.19x
Vintage Year 2016 Total		12,757	1,900	11,602	85%	7,246	6,521	13,767	2,165	6.62%	11.25%	1.19x
Vintage Year 2017												
Carlyle Realty Partners VIII, L.P.	Opportunistic RE	5,000	3,147	4,233	37%	3,259	2,944	6,203	1,970	27.59%	15.54%	1.47x
Vintage Year 2017 Total		5,000	3,147	4,233	37%	3,259	2,944	6,203	1,970	27.59%	14.03%	1.47x
Vintage Year 2018												
Taconic CRE Dislocation Fund II	Debt RE	5,000	550	4,672	89%	2,996	3,321	6,317	1,645	12.52%	12.71%	1.35x
AG Realty Value Fund X, L.P.	Opportunistic RE	5,000	1,394	4,550	72%	2,186	3,881	6,068	1,518	18.62%	24.13%	1.33x
Vintage Year 2018 Total		10,000	1,944	9,221	81%	5,182	7,203	12,385	3,164	14.75%	12.02%	1.34x
Vintage Year 2019												
Rockpoint Real Estate Fund VI, L.P.	Opportunistic RE	5,000	1,190	4,002	76%	556	4,222	4,778	776	14.76%	19.47%	1.19x
Carmel Partners Investment Fund VII,	Value-Add RE	5,000	2,656	2,365	47%	20	2,310	2,330	-35	-1.09%	4.25%	0.99x
Vintage Year 2019 Total		10,000	3,846	6,366	62%	576	6,532	7,108	742	8.75%	10.80%	1.12x
Vintage Year 2020												
Cerberus Real Estate Debt Fund, L.P.	Debt RE	7,000	2,440	4,555	65%	0	5,116	5,116	562	7.91%	15.25%	1.12x
Starwood Distressed Opp Fund XII	Opportunistic RE	8,000	6,400	1,600	20%	2	1,879	1,881	281	N/M	N/M	1.18x
Vintage Year 2020 Total		15,000	8,840	6,155	41%	2	6,995	6,997	843	9.91%	14.47%	1.14x
Vintage Year 2021												
Taconic CRE Dislocation III L.P.	Debt RE	8,000	4,480	4,772	44%	1,438	3,825	5,263	491	N/M	N/M	1.10x
Carlyle Realty Partners IX, L.P.	Opportunistic RE	8,000	7,738	262	3%	0	62	62	-200	N/M	N/M	0.24x
Carmel Partners Fund VIII, L.P.	Opportunistic RE	8,000	6,220	1,781	22%	0	1,618	1,618	-163	N/M	N/M	0.91x
Vintage Year 2021 Total		24,000	18,438	6,815	23%	1,438	5,505	6,943	128	N/M	N/M	1.02x
Vintage Year 2022												
Rockpoint Real Estate Fund VII, L.P.	Opportunistic RE	8,000	5,587	2,401	30%	0	2,612	2,612	211	N/M	N/M	1.09x
Vintage Year 2022 Total		8,000	5,587	2,401	30%	0	2,612	2,612	211	N/M	N/M	1.09x
Portfolio Total :		114,757	45,578	77,894	60%	79,319	67,889	147,208	69,314	8.84%	8.75%	1.89x

Note: The benchmark at the total portfolio level is NCREIF NFI-ODCE. Private real estate benchmark at the fund level is the Cambridge Value Add or Opportunistic RE Indices while the Cambridge Global Real Estate Index at the vintage year level.

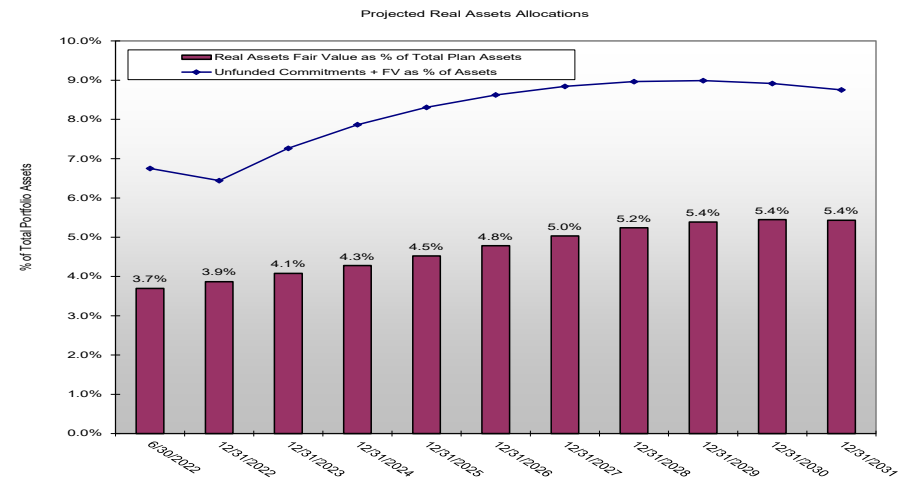
MercedCERA Real Asset Capital Budget & Implementation Plan

5% fund level target; a decrease from the prior 6% target in 2018

- Keep annual capital budget target at \$18 million
 - Range of \$10-\$25 million
- Target 2-4 investments, range of \$5-\$10 million per inv
 - Average investment size of \$8 million
 - If an average of 2-4 GP partnership commitments per year, expect a total of 8-16 GP relationships over a 4 year fund raising cycle
- Portfolio targeted to be equally split between infrastructure and energy/natural resource funds

Performance comparisons:

- Long term investment objective: Earn a return premium over inflation (CPI-U + 5%)
- Recommended primary asset class benchmark: 50/50 Cambridge Global Infrastructure/Cambridge Energy Upstream & Royalties and Private Energy Index
- Recommended fund benchmarks: Each fund will be compared to the Cambridge Associates strategy universe for the respective vintage years and each vintage year will be compared to the 50/50 index



Note: MCERA's existing real asset portfolio was modeled using vintage year drawdown/return of capital assumptions patterned after historical category averages. Only the private RA portfolio is modeled. Total fund growth rate of 5.5%.

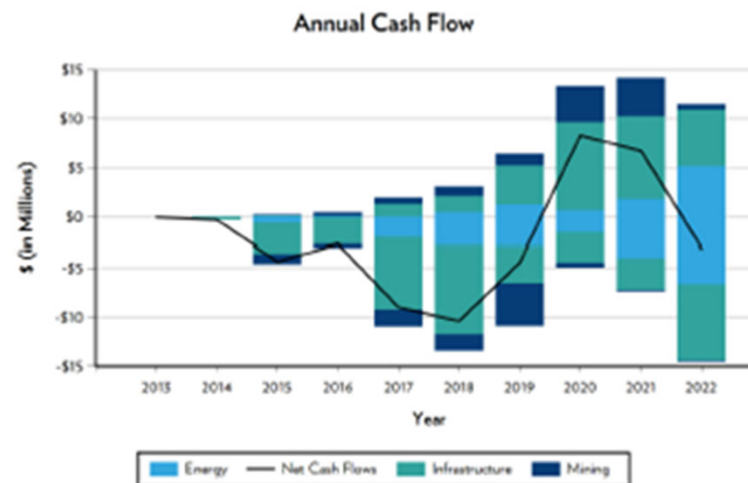
MercedCERA Real Assets Investment Structure & Portfolio Assessment

Real assets investment structure (5% target, 5.3% actual as of Mar 2023)

- Program is designed to be equally divided between private infrastructure and natural resource funds along with a public real asset component
 - Private fund commitments began in 2014 to infrastructure and 2015 to natural resources
- The majority of the portfolio is in development, but there were annual gains of \$6 million with \$2 million in 4Q
 - Contributions exceeded distributions by \$3 million as the older infrastructure funds continue to return capital

Annual Summary

(in thousands)	Total Partnerships	Total Commitment	(A) Contributions	(B) Distributions	(C) Fair Value	(B+C) Total Value	(B+C-A) Gain Loss	Net IRR	Benchmark
December 31, 2021	14	\$83,480	\$55,686	\$39,972	\$33,940	\$73,913	\$18,227	12.53%	2.70%
December 31, 2022	16	\$101,206	\$70,247	\$51,155	\$43,487	\$94,642	\$24,394	13.16%	4.30%
Annual Change	2	\$17,726	\$14,561	\$11,183	\$9,547	\$20,729	\$6,167		



Note: Net cash flow is the for the respective calendar year.

MercedCERA Real Assets Performance – as of Dec 31, 2022

Real Asset Portfolio

- MCERA began allocating to real assets in 2014 via direct fund commitments
- Portfolio is in its development stage; the energy funds have improved in value as energy prices have risen; the VY 2017-22 funds are maturing/being built out

Partnership Name	Strategy	(A) Commit. Amount	Unfund. Amount	(B) Cumulat. Cont.	% Drawn	(C) Cumulat. Dist.	(D) Fair Value	(C+D) Total Value	(C+D-B) Gain/Loss	Net IRR	IRR Bench.	TVPI
Vintage Year 2014												
KKR Global Infrastructure II	Infrastructure	10,000	423	11,123	96%	14,291	5,259	19,550	8,427	16.75%	9.06%	1.76x
Vintage Year 2014 Total		10,000	423	11,123	96%	14,291	5,259	19,550	8,427	16.75%		1.76x
Vintage Year 2015												
GSO Energy Select Opportunities Fund	Energy	7,500	3,454	4,501	54%	5,220	1,158	6,378	1,876	9.92%	10.09%	1.42x
North Haven Infrastructure Partners II	Infrastructure	10,000	1,161	11,601	88%	12,861	2,807	15,668	4,067	10.07%	7.38%	1.35x
Taurus Mining Finance Fund	Mining	5,000	522	5,355	90%	5,811	431	6,242	887	8.06%	N/A	1.17x
Vintage Year 2015 Total		22,500	5,136	21,458	77%	23,892	4,396	28,288	6,831	9.71%		1.32x
Vintage Year 2016												
Taurus Mining Finance Annex Fund	Mining	5,000	948	4,658	81%	5,702	240	5,942	1,284	17.75%	N/A	1.28x
Vintage Year 2016 Total		5,000	948	4,658	81%	5,702	240	5,942	1,284	17.75%		1.28x
Vintage Year 2017												
EnCap Energy Capital Fund XI, L.P.	Energy	5,000	927	4,204	81%	651	5,570	6,220	2,017	19.76%	14.74%	1.48x
ISQ Global Infrastructure Fund II	Infrastructure	5,000	851	5,247	83%	1,845	5,444	7,289	2,042	15.04%	9.99%	1.39x
Vintage Year 2017 Total		10,000	1,778	9,450	82%	2,496	11,014	13,510	4,059	17.06%		1.43x
Vintage Year 2018												
EnCap Flatrock Midstream IV, L.P.	Energy	3,000	660	2,419	78%	781	2,049	2,830	412	8.36%	10.36%	1.17x
Ardian Infrastructure Fund V	Infrastructure	4,706	1,459	3,298	69%	87	3,748	3,834	536	13.20%	11.04%	1.16x
KKR Global Infrastructure Investors III	Infrastructure	5,000	913	4,444	82%	1,134	4,018	5,152	709	7.99%	11.04%	1.16x
Vintage Year 2018 Total		12,706	3,032	10,160	76%	2,002	9,815	11,817	1,656	9.23%		1.16x
Vintage Year 2019												
Global E&P Infrastructure Fund III	Energy	5,000	1,538	3,763	69%	750	3,745	4,496	732	12.02%	12.76%	1.19x
Tailwater Energy Fund IV, LP	Energy	5,000	2,599	3,212	48%	1,978	2,918	4,897	1,685	23.62%	21.52%	1.52x
Vintage Year 2019 Total		10,000	4,137	6,975	59%	2,729	6,664	9,392	2,417	18.25%		1.35x

Note: Benchmark is 50% S&P Natural Resources and 50% S&P Infrastructure. Benchmarks for individual funds are the respective Cambridge strategy benchmark.

MercedCERA Real Assets Performance – as of Dec 31, 2022



Partnership Name	Strategy	(A) Commit. Amount	Unfund. Amount	(B) Cumulat. Cont.	% Drawn	(C) Cumulat. Dist.	(D) Fair Value	(C+D) Total Value	(C+D-B) Gain/Loss	Net IRR	IRR Bench.	TVPI
Vintage Year 2021												
ISQ Global Infra Fund III (UST)	Infrastructure	5,000	4,457	543	11%	1	570	571	28	N/M	N/M	1.05x
KKR Global Infrastructure Investors IV	Infrastructure	8,000	4,684	3,359	41%	42	3,249	3,292	-67	N/M	N/M	0.98x
Vintage Year 2021 Total		13,000	9,141	3,901	30%	43	3,819	3,862	-39	N/M		0.99x
Vintage Year 2022												
BlackRock Global Infra Fund IV	Energy	10,000	9,344	656	7%	0	603	603	-53	N/M	N/M	0.92x
Carnelian Energy Capital IV L.P.	Energy	8,000	6,134	1,866	23%	0	1,678	1,678	-188	N/M	N/M	0.90x
Vintage Year 2022 Total		18,000	15,478	2,522	14%	0	2,281	2,281	-241	N/M		0.90x
Portfolio Total :		101,206	40,074	70,247	60%	51,155	43,487	94,642	24,394	13.16%	4.30%	1.35x
Portfolio Strategy Totals												
Energy		43,500	24,656	20,621	43%	9,381	17,721	27,101	6,481	13.21%		1.31x
Infrastructure		47,706	13,948	39,613	71%	30,261	25,095	55,356	15,743	13.39%		1.40x
Mining		10,000	1,470	10,013	85%	11,513	671	12,184	2,171	11.74%		1.22x
Portfolio Total :		101,206	40,074	70,247	60%	51,155	43,487	94,642	24,394	13.16%	4.30%	1.35x

Note: Benchmark is 50% S&P Natural Resources and 50% S&P Infrastructure. Benchmarks for individual funds are the respective Cambridge strategy benchmark.

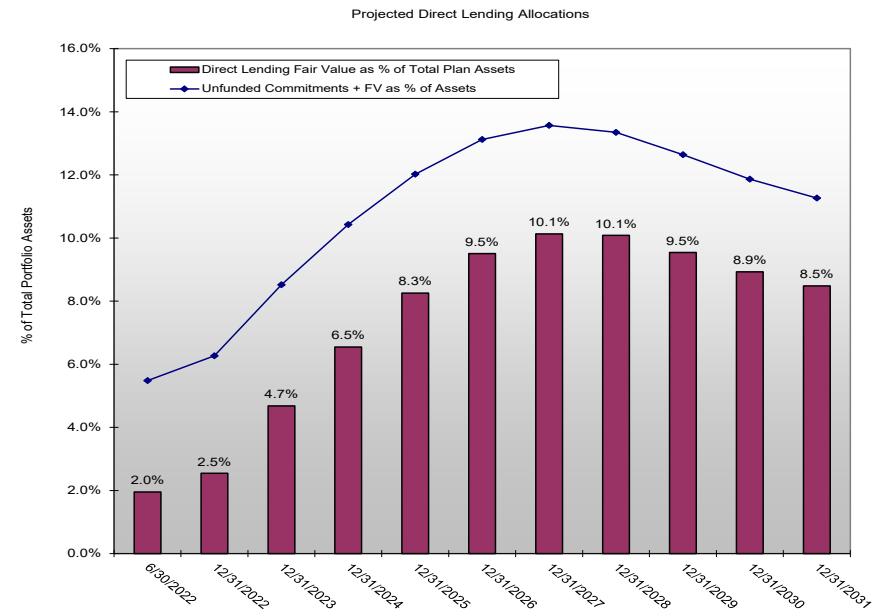
MercedCERA Direct Lending Capital Budget & Implementation Plan

5% fund level target approved in Oct 2021

- Lower capital budget from \$40 mm to \$30 mm for 2023
 - Range of \$20-\$40 million
- Target 2-4 investments, range of \$10-\$25 million per inv
 - Average investment size of \$15 million
- Managers have been rapidly deploying capital and public markets have declined in value

Performance comparisons:

- Recommended primary asset class benchmark: Morningstar LSTA US Leveraged Loan Index + 2% (formerly called S&P LSTA)

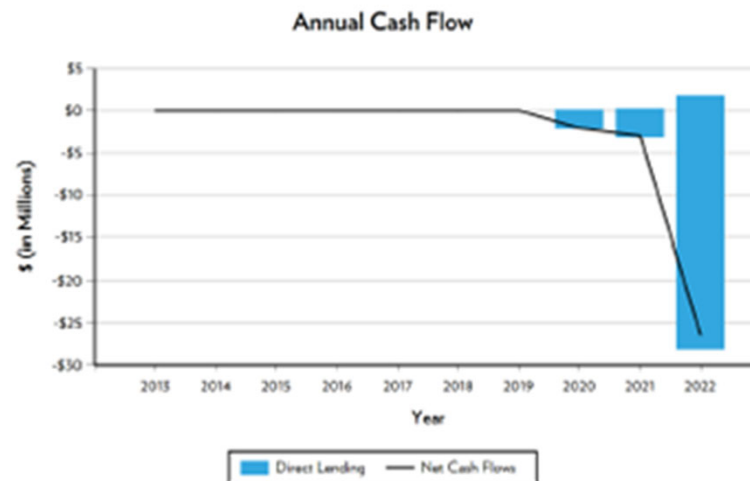


MercedCERA Direct Lending Investment Structure & Portfolio Assessment

Direct Lending investment structure (5% target, 3.6% actual as of Mar 2023)

- Program was approved with the asset allocation in Oct 2021
- Silver Point was moved over from the PE portfolio and new commitments began at year end 2021
- The overall portfolio is immature with the funds in the early stage of development
 - Contributions exceed distributions by \$26 mm as the program is being built out; gains over the past year

Annual Summary									
(in thousands)	Total Partnerships	Total Commitment	(A) Contributions	(B) Distributions	(C) Fair Value	(B+C) Total Value	(B+C-A) Gain Loss	Net IRR	Benchmark
December 31, 2021	2	\$28,000	\$5,395	\$344	\$5,775	\$6,119	\$724	N/M	N/M
December 31, 2022	7	\$98,000	\$33,556	\$2,133	\$33,443	\$35,576	\$2,019	8.14%	3.86%
Annual Change	5	\$70,000	\$28,161	\$1,789	\$27,668	\$29,457	\$1,295		



MercedCERA Direct Lending Performance – as of Sep 30, 2022

Direct Lending Portfolio

- Silver Point was moved over from PE to DL
- Portfolio is in its early stages of development so performance is not meaningful

Partnership Name	Strategy	(A) Commit. Amount	Unfund. Amount	(B) Cumulat. Cont.	% Drawn	(C) Cumulat. Dist.	(D) Fair Value	(C+D) Total Value	(C+D-B) Gain/Loss	Net IRR	IRR Bench.	TVPI
Vintage Year 2019												
Silver Point Specialty Credit Fund II,	Direct Lending	8,000	1,211	6,594	85%	1,153	6,298	7,451	858	9.05%	4.04%	1.13x
Vintage Year 2019 Total		8,000	1,211	6,594	85%	1,153	6,298	7,451	858	9.05%		1.13x
Vintage Year 2021												
Ares Senior Direct Lending Fund II L.P.	Direct Lending	20,000	13,312	7,178	33%	490	7,207	7,697	519	N/M	N/M	1.07x
Varagon Capital Direct Lending Fund	Direct Lending	20,000	14,000	6,000	30%	282	5,558	5,840	-160	N/M	N/M	0.97x
Vintage Year 2021 Total		40,000	27,312	13,178	32%	772	12,765	13,537	359	N/M		1.03x
Vintage Year 2022												
Accel-KKR Credit Partners II LP	Direct Lending	10,000	10,000	0	0%	0	0	0	0	N/M	N/M	N/A
AG Direct Lending Fund IV Annex, L.P.	Direct Lending	10,000	500	9,535	95%	208	9,904	10,112	577	N/M	N/M	1.06x
AG Direct Lending Fund V	Direct Lending	10,000	5,750	4,250	43%	0	4,475	4,475	225	N/M	N/M	1.05x
Vintage Year 2022 Total		30,000	16,250	13,785	46%	208	14,380	14,588	802	N/M		1.06x
Vintage Year 2023												
Silver Point Specialty Credit Fund III,	Direct Lending	20,000	20,000	0	0%	0	0	0	0	N/M	N/M	N/A
Vintage Year 2023 Total		20,000	20,000	0	0%	0	0	0	0	N/M		N/A
Portfolio Total :		98,000	64,773	33,556	34%	2,133	33,443	35,576	2,019	8.14%	3.86%	1.06x

Note: Benchmark is Morningstar LSTA.

MercedCERA Hedge Fund Performance – as of Apr 30, 2023



Fund	Market Value	Actual %	Returns							Std Dev	Sharpe Ratio	Incep Date
			Apr	QTD	YTD	1 Year	3 Year	5 Year	Incep			
Market Neutral												
Laurion Capital, Ltd.	13,298,647	12.2%	-1.03%	-1.03%	2.60%	5.23%	7.94%	-	10.43%	12.64%	0.71	Jul-18
Market Neutral - HF Total	13,298,647	12.2%	-1.03%	-1.03%	2.60%	5.23%	5.91%	3.51%	3.40%	9.15%	0.22	Oct-17
HFRI Relative Value (Total) Index			0.25%	0.25%	1.59%	0.52%	6.99%	3.50%	3.52%	5.44%	0.33	Oct-17
Credit/Distressed												
Silver Point Capital Fund, L.P.	18,370,815	16.9%	1.20%	1.20%	2.69%	0.48%	17.08%	8.09%	8.27%	7.49%	0.85	Dec-17
Credit/Distressed - HF Total	18,370,815	16.9%	1.20%	1.20%	2.69%	0.48%	17.08%	8.09%	8.27%	7.49%	0.85	Dec-17
HFRI EDDistressed/Restructuring Index			-0.06%	-0.06%	0.83%	-3.69%	11.37%	4.58%	4.66%	7.80%	0.39	Dec-17
Event Driven												
Taconic Opportunity Fund L.P.	13,530,506	12.4%	-0.27%	-0.27%	-0.51%	-5.17%	5.21%	-	2.60%	6.10%	0.17	Dec-18
Event Driven - HF Total	13,530,506	12.4%	-0.27%	-0.27%	-0.51%	-5.17%	5.21%	-	2.60%	6.10%	0.17	Dec-18
HFRI Event-Driven (Total) Index			0.18%	0.18%	1.56%	-0.12%	10.22%	-	5.11%	9.32%	0.40	Dec-18
Equity Long/Short												
Archipelago Partners, L.P.	15,076,826	13.8%	1.20%	1.20%	3.32%	4.16%	8.97%	5.77%	5.96%	7.44%	0.58	Sep-17
Marshall Wace Funds LP - MW Eureka (US) Fund	4,404,485	4.0%	1.22%	1.22%	-0.05%	2.69%	10.43%	6.97%	7.35%	5.94%	0.91	Dec-17
Marshall Wace Funds LP - MW Global Opportun	10,515,541	9.7%	0.32%	0.32%	2.92%	6.73%	5.32%	-	5.18%	9.03%	0.44	Apr-20
Equity Long/Short - HF Total	29,996,852	27.5%	0.89%	0.89%	2.67%	4.83%	7.84%	5.19%	5.57%	7.03%	0.55	Sep-17
HFRI Equity Hedge (Total) Index			0.41%	0.41%	2.93%	0.10%	10.05%	5.02%	5.41%	10.17%	0.39	Sep-17
Global Macro-Discretionary												
Caxton Global Investments (USA) LLC	11,189,657	10.3%	-1.36%	-1.36%	-4.44%	-0.01%	-	-	5.78%	6.16%	0.58	May-21
Graham Absolute Return Trading Ltd.	9,532,838	8.8%	-0.97%	-0.97%	-1.09%	4.34%	13.04%	5.51%	5.64%	9.04%	0.45	Sep-17
Global Macro-Discretionary - HF Total	20,722,495	19.0%	-1.18%	-1.18%	-2.93%	1.95%	12.38%	5.14%	5.31%	8.62%	0.44	Sep-17
HFRI Macro (Total) Index			0.68%	0.68%	-1.78%	-2.39%	6.94%	4.70%	4.16%	5.24%	0.46	Sep-17
Multi-Strategy												
Sculptor Domestic Partners II, L.P.	13,013,093	11.9%	1.30%	1.30%	6.37%	0.21%	6.47%	6.04%	6.04%	7.35%	0.65	Jul-14
Multi-Strategy - HF Total	13,013,093	11.9%	1.30%	1.30%	6.37%	0.21%	6.47%	6.04%	6.04%	7.35%	0.65	Jul-14
HFRI Relative Value (Total) Index			0.25%	0.25%	1.59%	0.52%	6.99%	3.50%	3.41%	4.63%	0.45	Jul-14
MCERA Hedge Fund Portfolio	108,932,408	100.0%	0.21%	0.21%	1.57%	1.69%	8.90%	4.85%	4.59%	5.26%	0.62	Jul-14
Benchmarks												
HFRI Fund of Funds Composite Index			0.70%	0.70%	1.40%	-0.06%	6.22%	3.20%	2.89%	5.13%	0.31	Jul-14
Market Indices												
Libor3Month			0.43%	0.43%	1.64%	3.97%	1.50%	1.78%	1.37%	0.37%	-	Jul-14
Bloomberg US Aggregate Bond Index			0.61%	0.61%	3.59%	-0.43%	-3.15%	1.18%	1.40%	4.49%	0.03	Jul-14
Bloomberg US High Yield Bond Index			1.00%	1.00%	4.60%	1.22%	4.71%	3.28%	3.63%	7.81%	0.32	Jul-14
S&P 500 TR			1.56%	1.56%	9.17%	2.66%	14.52%	11.45%	11.00%	15.45%	0.67	Jul-14
MSCI AC World Index Free - Net			1.44%	1.44%	8.85%	2.06%	12.04%	7.03%	6.87%	14.95%	0.43	Jul-14
MSCI EAFE - Net			2.82%	2.82%	11.53%	8.42%	11.68%	3.63%	3.62%	15.31%	0.22	Jul-14
MSCI EMF (Emerging Markets Free) - Net			-1.13%	-1.13%	2.78%	-6.51%	4.32%	-1.05%	1.56%	17.47%	0.10	Jul-14

Important Notice

This presentation was prepared exclusively for information and discussion purposes, and is not meant to be, nor shall it be construed as, an attempt to define all information that may be material to you. All information including opinions or facts expressed herein are current as of the date appearing in this presentation and is subject to change without notice. All information has been obtained from sources believed to be reliable. No representation, warranty, or undertaking, express or implied, is given as to the accuracy or completeness of the information or opinions contained in this presentation. Past performance does not guarantee future performance.

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References to market or composite indices (such as the S&P 500), benchmarks or other measures of relative market performance over a specified period of time (each, an “index”) are provided for information only. Reference to an index does not imply that a portfolio will achieve returns, volatility or other results similar to the index. The composition of an index may not reflect the manner in which a portfolio is constructed in relation to expected or achieved returns, portfolio guidelines, restrictions, sectors, correlations, concentrations, volatility or tracking error targets, all of which are subject to change over time.

The S&P/LSTA U.S. Leveraged Loan Index is a market value weighted index tracking institutional leveraged loans in the United States based upon market weightings, spreads and interest payment, including Term Loan A, Term Loan B and Second Lien tranches.

The Bloomberg Barclays U.S. Corporate High Yield Index (Bloomberg Barclays High Yield) measures the USD-denominated, high yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody’s, Fitch and S&P is Ba1/BB+/BB+ or below. Bonds from issuers with an emerging markets country of risk, based on the indices’ EM country definition are excluded.

The Bloomberg Barclays U.S. Aggregate Index represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities.

The NCREIF Property Index is a quarterly time series composite total rate of return measure of investment performance of a very large pool of individual commercial real estate properties acquired in the private market for investment purposes only. All properties in the index have been acquired, at least in part, on behalf of tax-exempt institutional investors.

The Cambridge Private Equity Index is based on data compiled from global institutional-quality buyout, growth equity, private equity energy, venture capital and mezzanine funds, including fully liquidated partnerships, formed between 1986 and 2016.

The Russell 3000 Index is a capitalization-weighted stock market index that seeks to track the entire U.S stock market. It measures the performance of the 3,000 largest publicly held companies incorporated in the United States based on market capitalization.



Merced County Employees' Retirement Association

DATE: July 27, 2023
TO: MercedCERA Board of Retirement
FROM: Kristie Santos, Plan Administrator
SUBJECT: Error Correction Policy
ITEM NUMBER: Open Session Item C
ITEM TYPE: Action

STAFF RECOMMENDATION:

1. Approve the error correction policy as presented by staff.

DISCUSSION:

The Board of Retirement approved bylaws recently (December of 2022), which includes language pertaining to error corrections and appeal rights of all members and beneficiaries. Bylaws language sets forth general steps to be taken by members to appeal any potential errors or corrections. The language in the MercedCERA Bylaws is not specific as to what interest rate will be used in correction calculations, nor does the existing language articulate procedures for notifying members of corrections by MercedCERA Staff.

This policy, in conjunction with the error correction language in the bylaws, clarifies the policy and procedure(s) to be used by MercedCERA when correcting member account errors. Most notably, the policy contains the following:

- All references to "interest" refers to the semiannual interest crediting rate for member and or retirees for the period(s) to be corrected. Active and deferred members will be paid the interest credited on their accounts in accordance with the MercedCERA Board Approved Interest Crediting Policy and retirees' interest will be the average of the ten-year US Treasury Bond over the period of over/under payment. The Board of Retirement has the ability and discretion to change the interest rate, as needed, dependent upon the circumstances of the under/over payment or collection of contributions.
- MercedCERA shall notify members of errors, and provide an opportunity for administrative appeal, in accordance with following procedure and MercedCERA's Bylaws:
 - Upon the discovery of an error concerning the payment of benefits or collection of contributions, MercedCERA staff shall conduct an investigation to determine the cause of the error. As soon as practicable, staff shall form a plan to correct the error prospectively and retroactively in accordance with this policy. Staff shall consult with the Benefits Manager, and the Plan Administrator as appropriate. The Plan Administrator may, in their discretion, decide not to pursue recovery when overpaid benefits are \$100

or less.

- Staff shall send a Notice of Correction (Notice) to the member containing information about the nature of the error and a proposed plan for prospective and retroactive corrections. The Notice shall be sent via Certified Mail or other method that allows staff to verify its receipt by the member.
- If the member does not object, or respond to the Notice in writing by the date identified in the letter (90 days after date of the Notice), the member will be deemed to have agreed and consented to all aspects of the Notice, including the proposed repayment plan. The repayment plan is thereafter deemed final, and MercedCERA will proceed to implement the recovery plan.
- If the member does not agree with the proposed correction plan in the Notice, or any other aspect of the Notice (e.g., whether MercedCERA correctly calculated the error), the member must object to the Notice in writing within the 90 day period to the Plan Administrator. In addition, the member may confer with the Plan Administrator and attempt to negotiate an agreement with alternative terms. The Plan Administrator has the authorization to accept the alternate terms or deny the alternate terms.
- If no agreement is reached between the member and the Plan Administrator, the member has the right to request to address the Board of Retirement in an open session meeting to review the matter. The Board may review and the Board's decision will be final.
- The member may appeal the Plan Administrator's decision in accordance with the MercedCERA's Appeal Process. As a part of that appeal process, the Plan Administrator and/or the Board may consider an agreement of compromise in accordance with this policy.
- At the conclusion of the administrative appeal process, there should be a final administrative decision about the scope of the error and a plan of correction for MercedCERA to implement. Per Judicial review, the Board's decision shall be subject to Code of Civil Procedure section 1094.6. MercedCERA shall then take all reasonable steps to implement, administer, and enforce the final administrative decision. The Board may meet in closed session to consider whether to initiate any litigation so that MercedCERA may obtain and execute on a civil judgment.
- Any member has a right to appeal to a Judicial Review of the Code of Civil Procedure of the State of California.

Attached to this agenda item is the proposed policy and the existing approved MercedCERA Bylaws for reference (beginning on p.12)

Staff recommends adopting the error correction policy.



Merced County Employees' Retirement Association

Error Correction Policy

Purpose

The purpose of this policy is to establish a framework for correcting errors in connection with the payment of member benefits and the collection of member contributions. In particular, this policy sets out MercedCERA's authority and procedures for making prospective corrections (i.e., adjusting benefits and contributions on a going forward basis) and retroactive corrections (i.e., recouping past over-payments and refunding past over-collections) in accordance with the MercedCERA Bylaws.

Policy

This policy pertains to three categories of errors caused by the acts and omissions of MercedCERA and/or MercedCERA members:

1. Overpayment of member benefits;
2. The over-collection or under-collection of member contributions; and
3. The underpayment of member benefits.

For the avoidance of doubt, this policy, and the procedures, do not apply to errors, under-collections, over-collections, and other correctible events driven by employer operations.

Interest

All references to "interest" refers to the semiannual interest crediting rate for Member and or Retirees for the period(s) to be corrected. Active and deferred members will be paid the interest credited on their accounts in accordance with the MercedCERA Board Approved Interest Crediting Policy and retirees' interest will be the average of the ten year US Treasury Bond over the period of over/under payment. The Board of Retirement has the ability and discretion to change the interest rate, as needed, dependent upon the circumstances of the under/over payment or collection of contributions.

Correcting the Overpayment of Member Benefits

On occasion, MercedCERA may discover that it has paid a retirement allowance or other benefit to a member or beneficiary (collectively, "member") in excess of what is owed under the law. When that occurs, MercedCERA shall take steps to make prospective and retroactive corrections as soon as practicable in accordance with this policy. No action will be commenced by or against the Board of Retirement or the Association more than 10 years after all obligations to or on behalf of the member have been discharged.

Please note, this policy does not apply to rounding of retirement estimates and retirement benefits by the pension administration system. Rounding is considered to be \$2 or less difference between estimates and the benefit payout.

1. Prospective Corrections (Adjusting Benefits Going Forward)

With respect to prospective corrections, MercedCERA shall adjust the amount of the member's benefit to ensure that, going forward, the member receives a benefit that does not exceed what is owed under the law.

Where there has been a system-wide error affecting a significant number of members, MercedCERA may encounter practical limitations on its ability to gather the facts necessary to recreate the members' final compensation and achieve exact prospective corrections. If, in the judgment of the Board, the cost of such fact gathering and prospective correction exceeds what is administratively prudent under the circumstances, the Board may authorize alternative corrective actions so long as they reasonably protect members' rights and are consistent with the prudent administration of fund assets.

2. Retroactive Corrections (Recovery of Overpaid Benefits)

With respect to retroactive corrections, MercedCERA shall take all reasonable steps to recover and collect overpaid benefits, plus interest, from members in accordance with the following criteria:

- a. Where the overpayment of a benefit was due to fraudulent reports made or caused to be made by the member, or the member caused his or her final compensation to be improperly increased or overstated at the time of retirement, MercedCERA shall seek recovery of such overpayments from the member. See Gov. Code § 31539. MercedCERA may use any and all collection methods and legal remedies that, in its judgment, would facilitate a full recovery. MercedCERA may seek to recover overpayments from the member in a lump sum or by installment plan (which may, but need not be, over the same period of time that the error occurred). MercedCERA may also offset the amount of overpayment to be recovered against future benefit payments. MercedCERA may also seek recovery by adjusting the allowance so that the retired member or the retired member and his/her beneficiary will receive the actuarial equivalent of the allowance to which the member is entitled. MercedCERA may also institute an action against the member for declaratory, legal, and equitable relief. The Plan Administrator as a designee of the Board, may commence action up to 10 years from the date of the overpayment or upon the discovery of the facts, fraud or intentional misrepresentation whichever is later.
- b. Where the overpayment of a benefit was due to an act or omission by MercedCERA, the member, or beneficiary, MercedCERA shall seek recovery of such overpayments from the member. MercedCERA may use any and all collection methods and legal remedies that, in its judgment, will most likely facilitate a full recovery. The right to recovery shall expire 10 years from the date the incorrect payment was made or the discovery of the error was made, whichever is later.
- c. Where the overpayment of a benefit was due to inadvertent error by MercedCERA (including an inadvertent error in statutory or legal interpretation), and such error would (in the judgment of the Board through their designee of the Plan Administrator, with consultation with legal counsel) subject MercedCERA to valid equitable defenses and potential fiduciary claims by the member, MercedCERA need not seek to recover such overpayments from the member unless ordered to do so by the IRS and/or a final, non-appealable order of a court of competent jurisdiction. The right to commence recovery shall expire 10 years from the date the incorrect payment was made or the discovery of the of the error was made, whichever is later.
- d. If the member is not receiving an ongoing benefit and has received an overpayment in a lump sum benefit of up to \$25,000, then the Plan Administrator shall have authority

pursuant to the MercedCERA Bylaws to take action to recover the overpayment. If the member is not receiving an ongoing benefit and has received an overpayment in a lump sum benefit of more than \$25,000, then the Plan Administrator will pursue collection efforts after consultation with the Board.

To the extent MercedCERA is unable to collect any overpayments from members, those overpayments will be reconciled through the Actuarial Accrued Liability as part of the annual actuarial valuation process.

3. Correcting Over Collection or Under Collection of Member Contributions

When MercedCERA has over-collected or under-collected member contributions, MercedCERA shall take steps to make prospective and retroactive corrections as soon as practicable in accordance with this policy.

In the event an active or deferred member overpaid member contributions, MercedCERA will refund the full overpayment amount, plus interest, to such member. In the event contributions were overpaid by a member who has since retired, the full amount of overpaid contributions will be refunded to the member, plus interest, with any offset necessary to recover overpaid benefits, if any.

In the event of an active or deferred member underpaid their contributions, the full underpaid amount must be collected, plus interest, in order for the member to be entitled to their benefits under the law. In the event of any underpaid contributions by a retired member, the full member contribution underpayment will be recouped, plus interest, to support the continuing payment of ongoing monthly benefits supported by those contributions. MercedCERA may recoup the contribution underpayment from the retired member by deducting from their benefits.

MercedCERA shall take actions to collect underpaid contributions and refund overpaid contributions. Although MercedCERA will strive to commence corrective recovery actions in a timely manner, no limitations period applies to the administrative actions described above.

To the extent MercedCERA is unable to recoup any underpaid contributions from members as described above, the shortfall will be reconciled through the Actuarial Accrued Liability as part of the annual actuarial valuation process.

4. Correcting the Underpayment of Member Benefits

When MercedCERA has underpaid a retirement allowance or other benefit to a member, MercedCERA shall take steps to make prospective and retroactive corrections as soon as practicable in accordance with this policy.

With respect to prospective corrections, MercedCERA shall adjust the amount of the member's benefit to ensure that, going forward, the member receives a benefit in the amount owed under the law.

With respect to retroactive corrections, MercedCERA shall pay the member an amount equal to the member's underpayment with interest. Interest will be the average ten year Treasury Bond of the US Government over the period of correction, compounded monthly.

5. Notice of Correction and Administrative Appeal

MercedCERA shall notify members of errors, and provide an opportunity for administrative appeal, in accordance with following procedure and MercedCERA's Bylaws:

- a. Upon the discovery of an error concerning the payment of benefits or collection of contributions, MercedCERA staff shall conduct an investigation to determine the cause of the error. As soon as practicable, staff shall form a plan to correct the error prospectively and retroactively in accordance with this policy. Staff shall consult with the Benefits Manager, and the Plan Administrator as appropriate. The Plan Administrator may, in their discretion, decide not to pursue recovery when overpaid benefits are \$100 or less.
- b. Staff shall send a Notice of Correction (Notice) to the member containing information about the nature of the error and a proposed plan for prospective and retroactive corrections. The Notice shall be sent via Certified Mail or other method that allows staff to verify its receipt by the member.
- c. If the member does not object, or respond to the Notice of Correction in writing by the date identified in the letter (90 days after date of the Notice), the member will be deemed to have agreed and consented to all aspects of the Notice, including the proposed repayment plan. The repayment plan is thereafter deemed final, and MercedCERA will proceed to implement the recovery plan.
- d. If the member does not agree with the proposed correction plan in the Notice, or any other aspect of the Notice (e.g., whether MercedCERA correctly calculated the error), the member must object to the Notice in writing within the approximately 90 day period to the Plan Administrator. In addition, the member may confer with the Plan Administrator and attempt to negotiate an agreement with alternative terms. The Plan Administrator has the authorization to accept the alternate terms or deny the alternate terms.
- e. If no agreement is reached between the member and the Plan Administrator, the member has the right to request to address the Board of Retirement in an open session meeting to review the matter. The Board may review and the Board's decision will be final.
- f. The member may appeal the Plan Administrator's decision in accordance with the MercedCERA's Appeal Process. As a part of that appeal process, the Plan Administrator and/or the Board may consider an agreement of compromise in accordance with this policy.
- g. At the conclusion of the administrative appeal process, there should be a final administrative decision about the scope of the error and a plan of correction for MercedCERA to implement. Per Judicial review, of the Board's decision shall be subject to Code of Civil Procedure section 1094.6. MercedCERA shall then take all reasonable steps to implement, administer, and enforce the final administrative decision. The Board may meet in closed session to consider whether to initiate

any litigation so that MercedCERA may obtain and execute on a civil judgment.

- h. Any member has a right to appeal to a Judicial Review of the Code of Civil Procedure of the State of California.

6. Modified Procedures for Overpaid Persons Not Receiving Ongoing Benefits

Where MercedCERA has overpaid an individual that is not receiving ongoing benefits, a modified procedure applies.

After staff sends a Notice of Correction pursuant to this policy, staff shall reach out to the individual and attempt to obtain his or her affirmative agreement to the proposed repayment plan. The Plan Administrator and the individual may also negotiate for some alternative repayment plan. If the agreement involves a compromise in the amount owed, the agreement must be reviewed and approved by the Board (depending on whether the total overpayment exceeds \$25,000). Any such agreement must be in writing and fully executed by both parties.

If the parties come to terms on a plan for repayment, MercedCERA shall implement the agreed upon plan. If the individual subsequently breaches the agreement, MercedCERA may, at its discretion, use any available legal remedy to enforce the agreement, including by obtaining a civil judgment against the individual and executing on the judgment.

If the parties cannot come to terms on a plan for repayment, then the administrative appeal process prevails, and MercedCERA may take all reasonable steps to implement, administer, and enforce the final administrative decision, including by obtaining and executing on a civil judgment.

7. Contents of Notice of Correction

The Notice of Correction shall inform members of the following;

- If a member has objections to any aspect of the Notice, they must contact the Plan Administrator by a certain date. Generally, that date should be no less than 90 days after the date of Notice.
- A members may submit an administrative appeal in accordance with the MercedCERA Bylaws and this policy to dispute the proposed correction plan or any aspect of the Notice.
- Inform the member of the amount of the prospective correction, the total amount previously under/overpaid to the member, and the amount of any interest charged or credited.
- The correction shall be made with the next available benefit payment after the 90 days as stated in the Notice.
- Identify the expected duration of the repayment to recover the overpaid amount plus interest.
- In the event of any under-payment of contributions by the member, the Notice shall inform the member that the correction will commence, if practicable, with the next available payroll if the member is in active service or otherwise for deferred members, and that full contribution underpayment amount, plus interest on contributions, will need to be recouped to be entitled to the monthly benefits supported by those contributions.

8. Reporting Out of Corrections

The Plan Administrator may, at any time, bring information to the Board in open session on any correction. Any and all information may be presented in aggregate to protect our members identity and rights to privacy.

The Board's Counsel may bring information to the Board in closed session with the threat of litigation.



Merced County Employees' Retirement Association

**Board of Retirement Bylaws
December 2022**

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Name

The name of this association is the Merced County Employees' Retirement Association ("MercedCERA" or "Association").

Purpose of Association

This Association is established pursuant and subject to the County Employees Retirement Law of 1937("CERL"), found at California Government Code section 31450 et seq. This Association is governed by the CERL as supplemented by these bylaws. These bylaws are intended to implement the CERL, not to conflict with the CERL, and shall be interpreted accordingly. If any portion of these bylaws conflict with the CERL, the CERL shall prevail.

Definitions

Words, terms, and phrases used in these bylaws that are defined in the CERL shall have the meaning ascribed in the CERL, unless specified otherwise in these bylaws.

Delegation to the Plan Administrator

The management of the Association shall be vested in the Board of Retirement ("Board"). The day to day operations of the Association is delegated to the Plan Administrator or designee. In addition to the normal duties required to administer the Association on a day to day basis, the Plan Administrator is authorized to perform the following duties which would otherwise be reserved for the Board:

- Under Government Code section 31535, issue subpoenas and subpoenas duces tecum.
- Under Government Section Code 31629, release unclaimed funds provided the claimant has adequately established their identity and makes application for funds.
- Under Government Section Code 31724, determine that the effective date of a member's disability retirement is a date earlier than the date the application was filed if the delay in filing was due to administrative oversight or inability to ascertain permanency of incapacity and where credible documentation exists to support such findings.
- Correct administrative error in the calculation of retirement benefits, with the issue of retroactive correction, reserved to the Board's discretion to be exercised in accordance with applicable law.
- Exercise the authority granted under the Board's "Delegation of Authority for Plan Administrator Policy" and "Investment Delegation of Authority Policy".

Fiscal Year

MercedCERA's fiscal year shall be July 1 to June 30.

Communication and Requests to the Board

Unless brought personally to the Board at its regular meeting, all communication and requests to the Board, whether addressed to the Chair or to any individual member, shall be in writing. The Board may respond to such communication if placed on the agenda for a Board Meeting. Communication to the Board should be sent to Attention: Board of Retirement, 3199 M Street,

Merced, California 95348.

Officers

At the first regular meeting in July of each year, or as soon as practicable thereafter, the Board shall elect from its members a Chair, Vice Chair and Secretary, for a term of one (1) year or until the successor is duly elected. Should any officer fail for any reason to complete the term, the Board shall elect a successor for the balance of the unexpired term at its next regular meeting, or when practicable. Officers may be removed by a two-thirds vote of the entire Board.

Election and Appointment of Board Members

Pursuant to Government Code section 31520.1, and section 31520.5, the Board shall be composed of nine (9) members, one alternate safety member and one alternate retired member.

The Board of Retirement seats are as follows;

Seat 1 – County Treasurer

Seat 2 – Elected by general membership (active employees)

Seat 3 – Elected by general membership (active employees)

Seat 4 – Appointed by the Board of Supervisors

Seat 5 – Appointed by the Board of Supervisors (currently a Board of Supervisor)

Seat 6 – Appointed by the Board of Supervisors

Seat 7 – Elected by safety membership (active employees)

Seat 8 – Elected by retired membership

Seat 9 – Appointed by the Board of Supervisors

Alternate Safety Seat (Seat 7a) – Elected by safety membership (shall be a different county safety personnel classification than Seat 7 Trustee)

Alternate Retiree Seat (Seat 8a) – Elected by retired membership

The Board shall determine the procedure to be used for the election of the second, third, seventh, eighth, the alternate safety member, and the alternate retired member:

- a) The election may be conducted by the County Registrar of Voters who may establish the filing dates for candidates, the method of election, all election rules, the election date, and who shall conduct the election and certify the results, or
- b) The election may be conducted by Association staff. The Plan Administrator will establish a procedure which will be brought to the Board for approval.

The candidate who receives the highest number of votes of the ballots cast for the seat shall be declared the winner unless the CERL requires otherwise. The newly elected Board member may assume the seat for which the candidate ran at the first Board meeting following the expiration of the term of the incumbent, or if the seat is vacant, may assume the seat at the first meeting following the election if sworn in.

The Registrar of Voters or the MercedCERA Board of Retirement may appoint a candidate to a seat in lieu of an election if only one candidate submits a declaration of candidacy for

the seat.

Approval of these bylaws by the Board of Supervisors shall be deemed its approval of the election method for Board seats.

Pursuant to Government Code section 31521, the fourth, fifth, sixth, eighth, ninth and alternate retired members of the Board shall receive compensation at the rate of one hundred dollars (\$100) per meeting, limited to no more than five meetings per month. A Board member must be an appointed member of a committee or subcommittee to receive compensation for attendance at a committee or subcommittee meeting. Mileage and travel costs will not be reimbursed for attendance at Board meetings. The fifth seat (Seat 5), as an active member on the Board of Supervisor, receives a salary from the County and therefore all meeting stipends from the Association are waived to attend meetings.

Alternate trustees shall have the same access and rights as other Board members. Including, but not limited to, access to information, consultants, travel, conferences and trainings. The alternate retired member shall receive compensation for attending meetings regardless of eligibility to vote at the meetings.

Plan Administrator

Under Government Code section 31522.2 the Plan Administrator is appointed by the Board of Retirement and is not subject to County civil service or merit system rules. The person appointed is a county employee and the position shall be included in the salary ordinance or salary resolutions adopted by the Board of Supervisors. The Plan Administrator shall be directed by, shall serve at the pleasure of and may be dismissed by the will of, the appointing Board. The Board shall deliver performance appraisals for and set the salary of the Plan Administrator.

Chief Investment Officer

Under Government Code section 31522.3 the Chief Investment Officer is appointed by the Board of Retirement and is not subject to County civil service or merit system rules. The person appointed is a county employee and shall be included in the salary ordinance or salary resolution adopted by the Board of Supervisors. The Chief Investment Officer shall serve at the pleasure of, and may be dismissed at the will of the appointing Board. The Board shall deliver performance appraisals for and set the salary range of the Chief Investment Officer.

Regular Meetings

Regular Board Meetings shall be held on the Fourth Thursday of each month at 8:30AM except for meetings in November and December. Meetings in November and December will be scheduled to avoid any conflicts with holidays (usually the first or second Thursday of the month). Meetings will be held at the County Administrative Building, located at 2222 M Street, Merced, CA, basement conference rooms unless the place or dates of the meeting are changed by order of the Board and timely noticed. Meetings may be adjourned by a Board member or the Plan Administrator if a quorum is not present to conduct the meeting. The Plan Administrator may cancel a meeting if it is confirmed in advance that a quorum will not be present, or there is no need for the meeting due to lack of business to conduct.

Special Meetings

Special meetings of the Board may be called in accordance with the Brown Act.

Attendance

Attendance at Board meetings is expected by every Board member. Board member attendance is critical for the Association to conduct its business. Without a quorum (five members) no business may be conducted. With less than all members attending, every member's perspective is not included in all decisions. Every meeting is an opportunity, not only to conduct the Association's business, but to learn more about the Association's business and how to improve the Association.

Board Education Hours

A Board member may earn one hour of education credit monthly by attending the MercedCERA Board Meetings, which allows a Board member to fulfill the requirement of obtaining 24 hours of education for every two-year period served on the Board. Thirty minutes of education will be granted each month with the Association's subscription(s) of investment and economic periodicals such as the Wall Street Journal and Pension & Investments Online. Board members will be offered the subscription(s) with the expectation that Trustees stay informed on current events impacting MercedCERA's investments. Board members are also expected to attend a minimum of one MercedCERA supported education event each year (see Appendix A for pre-approved events).

Training

In addition to statutorily required education requirements, the Board recognizes the importance of training for all trustees to enable them to perform the duties of their position. All Board members are encouraged to attend training courses held annually that are sponsored by organizations such as, but not limited to, SACRS, CALAPRS, or other educational organizations. Trainings that involve travel (in state or out of state) will be scheduled by Association staff. The training budget for the Association is set by the Board of Retirement during the yearly budget process. Training classes may also include, but are not limited to, investment education trips and investor (education) days held by MercedCERA managers and General Partners. Items listed in Appendix A do not have to be requested in a public meeting and approved by the Board of Retirement. Any education or training trip not listed in Appendix A, must be added to the agenda and approved by the Board of Retirement prior to Board member attendance.

Board Meeting Governance

Rosenberg's Rules of Order, except as otherwise provided herein, may guide the Board in its proceedings. Further, the Ralph M. Brown Act shall govern the Board in its proceedings.

Quorum

Five (5) members of the Board constitute a quorum, except for Disability Hearings where four (4) members constitute a quorum. A decision made by the Board shall be effective with the vote of the greater of a majority of all members present.

In the event a majority of the Board is at a purely social or ceremonial occasion, the Board members in attendance shall not discuss among themselves business that is within the subject matter jurisdiction of the Board.

Minutes

The Chair shall cause to be recorded in the minutes, the date, time and place of each meeting of the Board, the names of members present, all official acts of the Board, the motions and seconds, the votes given by Board members, except where the action is unanimous, and when requested, a member's dissent or approval with reasons, and shall cause the minutes to be written up and presented for approval at the next regular meeting. The minutes shall be submitted by the Plan Administrator and approved and signed by the Chair and Secretary, and shall form part of the permanent records of the Board.

Disability Retirement Hearings

Disability retirement hearings shall be scheduled and conducted as provided by the Board's Disability Retirement Handbook.

Confidentiality

No Board member or staff shall publicly disclose any information received and discussed in a closed session, unless the information is authorized to be disclosed by law or by action of the Board. Disclosure by a Board member or staff, either directly or indirectly, of any confidential information obtained in closed session shall be subject to, among other available remedies, disciplinary action or referral to a grand jury.

Meeting Agendas

Items may be set on meeting agendas as follows:

- By the Plan Administrator with approval from the Chair and or Vice Chair.
- A Trustee, during a Board meeting when the regular agenda item of "Trustee Information" is addressed, may direct the Plan Administrator to place an item on a future agenda.
- Outside a Board meeting, a member of the public, consultant, or member of the Board may forward items to the Plan Administrator for possible inclusion on an agenda.
- Members of the public may appear at any open session of a Board meeting and during the "Public Comment" portion of the meeting request that an item be placed on a future agenda and that item may be included on the Agenda.

Committees

The Investment Committee and the Crisis Response Committees are permanent sub-committees. The Officers of the Board will operate as the Crisis Response Committee which will be the Chair, Vice Chair and Secretary. For all other committees, Board Members may be appointed by the Chair to committees of the Board as needed. These committees may be ad hoc in nature.

Travel

Board members and staff shall follow the County's travel policy for travel except for the following; Board and staff of MercedCERA shall receive reimbursement for actual, reasonable, and necessary travel expenses. Reasonable expenses may include airfare (must

be refundable airfare as MercedCERA will not hold, pay for or reimburse for vouchers or coupons of canceled flights), train fare, mileage (IRS approved or Merced County approved rates), ferry, toll, parking, shuttle, taxi service (including tip), ride services such as Uber or Lyft (including tips), hotel lodging, meals including tips, necessary business calls or use of business centers for Association business, tips for portage and other expenses which are incurred for MercedCERA travel. The traveler should present receipts for all items which are easily obtainable (such as lodging and meals), but may also claim amounts for such expenses as bridge toll, taxi service, or tips for portage for which receipts are not generally given. MercedCERA will not pay or reimburse for any costs of alcohol or any costs incurred by spouses, family members, or friends accompanying the staff, Trustee, or potential candidate unless explicitly approved by the Board of Retirement. If receipts are not presented, then MercedCERA will pay the County's per diem costs.

Board Members and staff may have to travel on Board business which may not be defined under the procedures of the Merced County Travel Policy. If certain aspects of the travel do not fall within the County's policy (followed for ease), the Plan Administrator may approve the travel cost or may place an agenda item for the Board's consideration of that travel cost.

If eligible Board Members travel as a result of subcommittee business, the Trustee may be eligible for the MercedCERA Meeting stipend as prescribed in the CERL in addition to travel reimbursement.

The Board may also bring potential candidates to meet the Board during the recruitment process for positions of the Plan Administrator or Chief Investment Officer. Reimbursement of actual expenses of those candidates will be subject to the approval of the Plan Administrator, or in the absence of a Plan Administrator, the Board.

Membership

Membership in the Association shall be as defined by the CERL and by the California Public Employees' Pension Reform Act of 2013 (PEPRA).

Mandatory Membership

Any employee of the County of Merced, Merced County Superior Court, or of any special district included in the Association, who is eligible for membership, shall be considered to be a member on the first day of employment (as adopted by Board Resolution 98-02 in 1998). Newly hired employees who have attained the age of 60 and elected officials have the option of waiving membership. Employees hired prior to 1998 became members on the first day of the next payroll period following appointment to a full time permanent position. For members with incoming reciprocity, the Association may delay the effective start date of a member up to 12 weeks after the date of employment or may terminate credited service with the Association no earlier than 12 weeks prior to the member's termination from employment for the purpose of establishing reciprocity with another public retirement system as described in the CERL.

Exempt

The following classifications shall be exempt from membership in this Association:

- a) Extra Help

- b) Seasonal Employee
- c) Intermittent Employee
- d) Part Time Employees
- e) Student Intern/Assistant

Association's Normal Retirement Age and Employment Regulations

The Board has adopted a policy defining normal retirement age as 50 for safety members and as age 60 for general members. The resolutions also require that a bona fide separation from service must occur before any retired member, who is younger than normal retirement age, can be employed as a retiree by an Association's employer. These regulations do not apply to safety members 50 years or older or a retiring general member, 60 years or older.

Evidence of Birth

Members are required to submit a copy of their birth certificate to the Plan Administrator before the Association issues a benefit payment. If a birth certificate is not available because such a record does not exist, then a member may submit one of the following: infant baptismal certificate, hospital birth record, current valid passport or valid passport card. If those records are not available, then the member may submit any two (different) of the following: a notarized affidavit by an older member of the family, a certificate of military service, a marriage certificate if age is shown on the certificate, a naturalization certificate issued by the United States government, a child's birth certificate if the age of the member is shown on the certificate, or a current California Real ID. A member's failure to comply with this requirement shall give the Board the discretion to determine the rate of contribution.

In the event of a discrepancy of age, the latest birth date shall prevail. The evidence of birth shall be submitted to the Plan Administrator. If the evidence does not meet the criteria above or is not acceptable to the Plan Administrator, a request may be submitted to the Board to determine which evidence of birth shall be accepted. Any member contribution shortfall that may arise from the difference in age, shall be paid by the member to the Association, prior to retirement.

Evidence of Beneficiary

At the time of applying for a retirement benefit, the member shall provide evidence of marriage or Domestic Partner Registration if the designated beneficiary is a spouse or domestic partner. Evidence of birth as described above, shall be submitted for beneficiaries.

Election of Benefits

Prior to the first warrant being issued to a member for a retirement allowance, such member shall be furnished with a statement indicating the amount of his or her retirement allowance, calculated in accordance with the unmodified and various optional modes of settlement. Such statement shall provide for the signature of the member, indicating the choice as to type of allowance selected and, when signed by the Plan Administrator or any other authorized retirement staff, shall constitute the annuity certificate provided for in Government Section Code 31760.

After the initial retirement payment is processed for payment (estimated 5 business days prior to actual receipt of payment by member) no changes shall be made to the option selected by

the member. No changes shall be made to the beneficiary named by the member unless Option 1 (return of employee contributions) was selected.

Reciprocal members who are granted a disability retirement may be subject to an offset of their retirement allowance, in accordance with Government Code section 31838.5.

Member Contributions

Member contribution rates for Tiers 1, 2 and 3 shall be based on compensation earnable and member age at entry into the Association and shall be deducted only for the pay periods during which service for compensation is rendered. Contributions for Tier 4 members shall be a flat rate based on plan type, safety or general.

Refund of Contributions

- a) A member terminating membership and employment from the Association employer may receive a refund of contributions, including interest last credited, if any. The date of termination is the date the employee last received compensation on payroll. A request for a refund shall be made in writing and the Plan Administrator may make payment in whole, or in part withheld, for a period not to exceed six months after date of separation.
- b) A deferred member may receive a refund of contributions if not classified as an outgoing reciprocal member; an outgoing reciprocal member may receive a refund upon receipt of confirmation in writing from the reciprocal system that the member has terminated employment.
- c) At the Board meetings preceding June 30th and December 31st of each year, the Board will declare the rate of interest which shall be credited to the members' and employers' accounts prospectively in accordance with the Board's Interest Crediting Policy as provided in the CERL.

Redeposits

After a refund of contributions, if, prior to filing an application for retirement, a member fails to redeposit, or communicate in writing to the Association, an intent to redeposit, the member forfeits credit for past service and the rate of contribution is then based on the member's age at the time of reentry into the Association.

An eligible member who wishes to redeposit the amount previously withdrawn plus interest may do so upon application to the Association. Under Government Code section 31831.3, the redeposit of contributions for service credit from a previous employment within a different benefit tier allows the member reentry into that former tier. If no request is made regarding a specific duration for repayment or if redeposit is not made in cash, the redeposit shall be made by means of increased contributions plus interest (see Board's Policy on Interest Crediting) until such redeposit has been completed, provided that this period shall not extend beyond five years after the date of reentrance into the Association. If a member terminates employment during a service purchase or redeposit, the remainder of payments must be made in a lump sum or service and contributions made toward the purchase or redeposit will be refunded.

Acceptance of Plan to Plan Transfers and Rollovers

For County of Merced and District 457(b) Plans, to the extent authorized by both federal and state law and the Merced County Board of Supervisors or the District Board of Directors, the Association shall accept plan to plan fund transfers and accept direct rollover funds from eligible 457(b) plans of the County of Merced and Districts to satisfy all or part of the payment of contributions for the limited purposes of redepositing withdrawn contributions and purchasing extra help or permanent time in a non-covered position, time as an elective officer with break in service, military service, and sick leave without pay. The amount transferred or rolled over shall not exceed the amount required for the applicable purpose. Further, all transfers must be timely made in the form and manner established by the Plan Administrator. No transfer or rollover shall be accepted if, or to the extent, that it does not comply with federal and state tax laws.

True Up of Plan to Plan Transfers and Direct Rollovers

Effective on adoption of these bylaws, the Association will apply applicable interest on plan to plan transfers and direct rollovers based upon the date in which the funds were effectively received by the Association and the agreed upon date of transfer or rollover in the member's purchase agreement. If the member does not pay the amount owed for the applicable purpose by the date required on the redeposit agreement, the Plan Administrator shall, as soon as reasonably possible, inform the member of the additional amount owed to complete the redeposit agreement. The member will have 30 days to pay the additional amount owed by personal check or cashier's check. If the deposit for the additional amount is not received by the Association within 30 working days after the date that the Plan Administrator notifies the member of the additional amount owed, then all of the transferred or rolled over funds will be returned to the qualified 457(b) or 457 plan and the purchase will be voided and treated as never having occurred. However, personal check or cashier's check shall be accepted if, or to the extent, that it does not comply with federal tax law. If the member pays more than the amount owed for the applicable purpose by the date required by the redeposit or purchase agreement, the Association will return the excess amount immediately and directly to the transferring 457 plan.

Correction of Errors or Omissions

Pursuant to Government Code section 31539, and for the purpose of payments into or out of the retirement fund for adjustments of errors or omissions:

- a) No action may be commenced by or against the Board or the Association more than ten (10) years after all obligations to or on behalf of the member, former member, beneficiary, or annuity beneficiary have been discharged.
- b) If the Association makes an error that results in incorrect payment to a member, former member, beneficiary, or annuity beneficiary, the Association's right to commence recovery shall expire ten (10) years from the date the incorrect payment was made or the error was discovered, whichever is later.
- c) If an incorrect payment is made due to lack of information or inaccurate information regarding the eligibility of a member, former member, beneficiary, or annuity beneficiary to receive benefits, the period of limitation shall commence with the discovery of the incorrect payment.
- d) Notwithstanding any other provision of this section, if an incorrect payment

has been made on the basis of fraud or intentional misrepresentation by a member, beneficiary, annuity beneficiary, or other party in relation to or on behalf of a member, beneficiary, or annuity beneficiary, then the Board may commence an action up to 10 years from the date of the payment or upon discovery of the facts, fraud, or intentional misrepresentation, whichever is later.

- e) For overpayments less than \$100, the Plan Administrator shall make a request for payment, but if no payment is made, the Plan Administrator may write off the account.
- f) If the member is receiving an ongoing benefit and the Association, or employer error caused an overpayment in a benefit, then the Association may collect from the member's ongoing benefit, until the overpayment is discharged.
- g) If the member is not receiving an ongoing benefit and has received an overpayment in a lump sum benefit of up to \$25,000, then the Plan Administrator shall have authority pursuant to these bylaws to take action to recover the overpayment. If the member is not receiving an ongoing benefit and has received an overpayment in a lump sum benefit of more than \$25,000, then the Plan Administrator will pursue collection efforts after consultation with the Board.

Corrections to Employee Contributions

- a) The amount of any underpayment of employee contributions must be made to the Association prior to retirement through the employer's payroll system unless the Plan Administrator determines that the underpayment is de minimis and cost of collection would exceed the benefit of recovery. If the underpayment of employee contributions is discovered at or after termination of service, the amount of the underpayment will be deducted from the member's monthly benefit payment.
- b) In accordance with Title 26 of the U.S. Code, overpayment of employee contributions made on a pretax basis will be returned to the employee by the Association on separation from service with all employers that contribute to the Association or after the employee reaches normal retirement age. Prior to that time, the employer may correct the overpayment through its payroll system and the Association will credit the employer with the amount of the correction.
- c) In the collecting, withdrawing, redepositing, and returning of employee contributions, whether for mandatory or permissive employee contributions, the Association will act as an agent for the member's employer in arranging for the collection of employee contributions (and redeposits) that are made through the employer's payroll system.

IRS Minimum Distribution Requirements

IRS Regulation 401(a)9 requires MercedCERA to reduce a beneficiary's monthly benefit if the beneficiary is a non-spouse beneficiary who is ten (10) or more years younger than the member.

Appeals and Review of Benefit Calculations

Requests for the review or change of pension benefits for which any member feels have been made in error by the Association shall be addressed in writing to the Plan Administrator within 90 days of the member's first monthly benefit payment. The Plan Administrator will review and provide a written response to the member on the calculations in question. The Plan Administrator has the authority to verify the calculations by the Association's actuary.

If the member disputes the Plan Administrator's review and outcome of the calculations, the member may request the Board to review the matter. The Board will review the matter at a regularly scheduled Board meeting in open session. The member may attend the Board meeting, and the Board, may invite the member to briefly address the issue, prior to its decision on the matter.

A decision by the Board is final. The Board will direct its Counsel to prepare a written decision to the member.

Judicial review of final Board of Retirement decisions shall be subject to Code of Civil Procedure section 1094.6, as provided by these bylaws. Following final decision on disputed matters, the Plan Administrator shall send to the member written notice as follows: "Pursuant to the Retirement Board's bylaws, action to seek judicial review of this decision is governed by the provisions of Section 1094.6 of the Code of Civil Procedure of the State of California. You are advised that any such petition must be filed no later than the ninetieth (90th) day following the date a decision becomes final."

Current Service

Credit shall be given for each hour of service rendered for compensation after July 1, 1950, for which a contribution is made by the employee to the Association unless the member qualifies for a thirty (30) year exemption.

When computing service, such service shall be calculated by hours. No member shall be credited with more than 2,080 hours of service in any one year, unless there is a 27th pay period making the total hours 2160 hours in any one year.

A member may purchase and receive retirement service credit for any Association employer service that is rendered prior to becoming a member for which contributions were not made. Under certain conditions, military and medical leave without pay may also be purchased.

A member may pay for service credit purchases by a lump sum rollover of eligible funds or through payroll deductions. A purchase made through payroll deductions which is not completed in full requires Board approval to receive partial retirement service credit.

Compensation Earnable

The Board will determine whether compensation qualifies as "Compensation Earnable" at such time that additional items of compensation are made known to the Board. Additionally, in the event an Association employer alters the manner in which compensation is paid, the Board will consider whether the altered benefit continues to meet the definition of

“Compensation Earnable” or “Pensionable Compensation”.

Pursuant to the CERL and PEPRA, the “Compensation Earnable” or “Pensionable Compensation“ of a member shall include only those items indicated by their title and pay code for which a retirement contribution is calculated and as listed in the pay code schedule maintained by the Auditor and as periodically amended, entitled, “Merced County Human Resources Department, Personnel Table, Attendance Special Pay” and as approved by Resolution of the Board.

For the purpose of calculating a final average compensation, it will be calculated based on 26 consecutive biweekly pay periods for Tier 1 members and 78 consecutive biweekly periods for Tier 2, 3 and 4 members.

Additional Contributions

No additional contributions in excess of those provided in the CERL or PEPRA can be made by any member of the Association.

Amendments of Bylaws

The Board may amend these bylaws at any regular Board meeting by an affirmative vote of at least five (5) Board members, and amendments shall become effective immediately following approval by the Merced County Board of Supervisors. Bylaws should be reviewed minimally every three years for amendments and or changes.

Repeals

All former bylaws, regulations and resolutions of policy inconsistent with these regulations are hereby repealed.

The foregoing bylaws were adopted by the Merced County Employees’ Retirement Association Board upon motion.

Approved by Board of Supervisors February 28, 2006

Approved by Board of Supervisors October 16, 2007

Approved by Board of Supervisors May 12, 2009

Approved by Board of Supervisors, September 28, 2010

Approved by Board of Supervisors, February 25, 2014

Approved by Board of Supervisors, November 8, 2016

Approved by Board of Supervisors, January 9, 2018

Approved by Board of Supervisors, December 6, 2022

Appendix A

Pre-approved travel for all Trustees and Staff:

- Committee meetings and/or Plan Administrator or Chief Investment Officer meetings of the organizations named below of which the Board and/or staff member has been appointed
- State Association of County Retirement Systems (SACRS) regular meetings
- National Conference on Public Employee Retirement Systems (NCPERS) annual conference, annual safety conference and annual legislative workshop
- CALAPRS sponsored meetings
- National Association of State Retirement Administrators (NASRA) conferences
- SACRS sponsored meetings
- Global Financial Markets Institute programs
- CSAC California State Association of Counties
- Institute of Fiduciary Education conferences
- International Institute for Research annual Public Funds conference
- Pension and Investments conferences
- Pacific Pension Institute conferences
- Institutional Investor forums
- Council of Institutional Investors conferences
- Opal Financial Group conferences
- CRCEA California Retired County Employees' Association
- The Pension Bridge conferences
- Conferences sponsored by the Board of Retirement's retained consultants, investment managers, and pension software vendor
- Public Pension Financial Forum (P2F2) annual conference
- Government Finance Officers Association (GFOA) conference and trainings
- Institutional Limited Partners Association (ILPA) conference
- Chartered Financial Analyst (CFA) trainings
- Chartered Alternative Investment Analyst (CAIA) conference and Prism training
- Education hosted by other 1937 Act Pension Systems, CalPERS or CalSTRS
- GIOA Conferences



Merced County Employees' Retirement Association

DATE: July 27, 2023

TO: MercedCERA Board of Retirement

FROM: Kristie Santos, Plan Administrator

SUBJECT: Assistant Plan Administrator Classification Specification and Salary Range

ITEM NUMBER: Open Session Item D

ITEM TYPE: Action

STAFF RECOMMENDATION:

1. Approve the Assistant Plan Administrator proposed classification specification and salary resolution and authorize the Plan Administrator to work with the County of Merced to create the position and begin recruitment.

DISCUSSION:

The Board of Retirement approved in the March 23, 2023 meeting to add an Assistant Plan Administrator position and classification to the MercedCERA organization. This position will be controlled by the MercedCERA Board under Government Code section 31522.3 of the CERL. Under Government Code section 31522.3, and Board of Supervisors Resolution No. 2022-74, the Board of Retirement has the authority to create the position and set the salary for the position of Assistant Plan Administrator. The Assistant Plan Administrator is being created to assist with critical projects and succession planning in the organization. Because of the complexities of pension work and the organization's pension system, it is essential to have a classification that is focused on the integrity of calculations, mandated reporting, and critical projects.

In small organizations, like MercedCERA, succession planning is essential and sometimes overlooked. MercedCERA has worked very hard to address some knowledge gaps that exist in the organization today, but work is still required.

Attached is the draft classification specification of the Assistant Plan Administrator and a draft Salary Resolution, both of which are in line with other deputy or assistant positions within the County. This was done for ease and transparency within the position.

It is recommended that the Board of Retirement approve the following;

- Assistant Plan Administrator Classification Specification document,
- Salary Resolution for Assistant Plan Administrator,
- Give the Plan Administrator permission to work with Merced County Human Resources to create and begin recruiting for the position.

**RESOLUTION OF THE BOARD OF RETIREMENT OF MERCED COUNTY
EMPLOYEES' RETIREMENT ASSOCIATION RESOLUTION 2023-04
REGARDING THE POSITION OF ASSISTANT PLAN ADMINISTRATOR**

WHEREAS, Government Code section 31522.3 authorizes the Board of Retirement, if it has appointed personnel under Government Code section 31522.1, to appoint assistant administrators and chief investment officers as County employees not subject to County civil service or merit system rules provided that the Board of Supervisors has adopted a resolution making that section applicable in the County of Merced, and

WHEREAS, on July 19, 2022, the Board of Supervisors, in Resolution No. 2022-74, made Government Code section 31522.3 applicable in the County of Merced, and

WHEREAS, under Government Code section 31522.3, and Board of Supervisors Resolution No. 2022-74, the Board of Retirement has the authority to create the position and set the salary for the position of Assistant Plan Administrator (subsequently "Assistant Plan Administrator"), and

WHEREAS, the Board of Retirement desires to set the salary range and the process for raises within that range for the Assistant Plan Administrator the initial salary range of \$125,049.60 to \$152,235.20 on July 27, 2023, and

NOW, THEREFORE BE IT RESOLVED THAT, the Board of Retirement hereby creates the position and adopts a salary range of \$125,049.60 to \$152,235.20 for the Assistant Administrator position. That range will be increased as provided for in salary increases given to County employees classified as B Level Unrepresented Management.

BE IT FURTHER RESOLVED THAT, the Board of Retirement will set the Assistant Plan Administrator's salary at an amount and may be amended, and salary increases as follows:

1. The Board of Retirement will conduct a yearly review of the Assistant Plan Administrator's performance as near as practicable to the anniversary date of the appointment date.
2. The Assistant Plan Administrator will automatically receive all salary increases provided to County employees classified as B Level Unrepresented Management.
3. At its discretion, the Board of Retirement may increase the Assistant Plan Administrator's salary at any time, and in any amount, and may, in the future, grant a non-pensionable bonus based on performance criteria established by the Board.

ADOPTED: July 27, 2023

Aye:
Nay:
Abstain:
Absent:

Chair, Ryan Paskin

ATTEST:

Kristen Santos, Plan Administrator

ASSISTANT PLAN ADMINISTRATOR

Class Code:
7539

Bargaining Unit: "B" Level Unrepresented Management

MERCED COUNTY
Established Date: XXXX, 2023
Revision Date: XXXX

SALARY RANGE

\$60.12 - \$73.19 Hourly
\$4,809.60 - \$5,855.20 Biweekly
\$10,420.80 - \$12,686.27 Monthly
\$125,049.60 - \$152,235.20 Annually

DESCRIPTION:

Under administrative direction of the Plan Administrator, assists with the overall management and direction of the Merced County Employees' Retirement Association (MercedCERA); ensures that strategic direction and internal systems, operations, staff and functions are in accordance with the policies and regulations established by Federal and State statutes, and the Board of Retirement; provides highly complex staff assistance to the Plan Administrator; performs the duties of the Plan Administrator in the Administrator's absence; and performs related duties as required.

The Assistant Plan Administrator is a single position senior management class that assists the Plan Administrator to direct the day-to-day functions of the Retirement Department. Successful performance of the work requires a specialized knowledge of the 1937 (California) County Employees Retirement Act, retiree benefit administration, public accounting and investment principles for a 1937 Act system, proven ability to manage a complex organization, and applicable State, Federal and local regulations. Work requires a high degree of technical knowledge, initiative, sound business judgment, and the ability to make sound independent decisions in recommending, implementing, and administering departmental policy procedures.

The Assistant Plan Administrator is distinguished from the Retirement Fiscal Manager (Benefits and Fiscal) by the latter's management of retirement benefits services.

EXAMPLES OF DUTIES:

Duties may include, but are not limited to, the following:

- Assists the Plan Administrator in managing and directing the operations and functions of the Merced County Employees' Retirement Association; keeps the Plan Administrator apprised of current activities.

- Assists in developing department goals and objectives; assists in the development of and implementation of policies and procedures.
- Plans, organizes, and directs Retirement Association activities including technological support systems, record retention, retiree benefit administration, fiscal management and customer service functions.
- Assists with the preparation and implementation of the MercedCERA budget; participates in the forecast of additional funds needed for staffing, equipment, materials and supplies; assists with the administration of the approved budget.
- Develops and implements MercedCERA work plan; assigns work activities, projects and programs; monitors work flow; reviews and evaluates work products, methods and procedures.
- Recommends the appointment of personnel; provides or coordinates staff training; conducts performance evaluations; implements discipline procedures as required; maintains discipline and high standards necessary for the efficient and professional operation of MercedCERA; assists with the implementation of departmental succession planning.
- Monitors and reviews pending and approved legislation, laws and regulations for the impact on MercedCERA operations.
- Establishes, implements and monitors internal control processes and procedures.
- Acts as an intermediary for the Plan Administrator in highly sensitive and critical matters.
- Acts as technical expert to member agencies, employees and retirees; responds to the more complex and sensitive questions; interprets County Employees' Retirement Law (CERL) provisions to accurately respond to inquiries.
- Acts as a project manager for important and critical projects.
- Conducts and/or manages a variety of administrative, feasibility, analytical and performance studies related to existing practices, procedures, methods, programs, services; prepares clear and concise study findings and recommendations.
- Investigates and analyzes facts and relevant retirement laws and practices; prepares and presents reports and findings and conclusions.
- Builds and maintains positive working relationships with co-workers, MercedCERA employees, the Retirement Board, member agencies, retirees, and the public.
- Represents MercedCERA to outside groups and organizations; participates in outside community and professional groups and committees; provides technical assistance as necessary; makes presentations regarding MercedCERA programs at public meetings, administrative hearings and related functions.

KNOWLEDGE OF:

- Principles and practices of retirement benefit administration, public accounting and investment principles for a 1937 Act system.
- Administrative techniques, principles, practices and the problems associated with governmental pension administration.
- Principles and practices of legislative review, relations and processes.
- Organization, function, and administrative structure of public retirement systems, including the role of the Retirement Board.
- Techniques of planning, performing and directing administrative, feasibility, analytical and performance studies.
- 1937 (California) County Employees Retirement Act, and other applicable State, Federal and local regulations.
- Principles and practices of policy development and implementing.
- Principles and practices of leadership, motivation, team building and conflict resolution.
- Data analysis and statistical sampling techniques.

- Governmental accounting principles and practices, including GASB.
- Information systems management.
- Principles and practices of business correspondence and report writing.
- Budgeting procedures and techniques.
- Principles and practices of organizational analysis and management.
- Principles and practices of supervision, training, and personnel management.
- Modern office procedures, methods and computer equipment.

ABILITY TO:

- Plan, organize, direct, manage, and coordinate the operations, functions, and programs of a 1937 Act County Pension System.
- Set direction and vision for Association.
- Provide direction, supervision, training, development, and work evaluation for all staff.
- Develop budgets and control expenditures.
- Review the work of staff and resolve a variety of complex problems.
- Insure proper implementation of legislation, pension system updates, and litigation.
- Be responsible for the development, maintenance, and implementation of Association statistics, records, reports and projects.
- Coordinate operations, functions, and services with employers or government agencies.
- Effectively represent the Merced County Employee Retirement Association in contacts with the public, employers, peers, attorneys, and other government agencies.
- Establish and maintain cooperative working relationships with those contacted during the course of work.
- Provide direction and communicate effectively with all levels of staff.
- Work cooperatively with the Board of Retirement, Plan Administrator and other managers and vendors to develop agency policy and direction.

MINIMUM QUALIFICATIONS:

Experience:

At least six (6) years of management experience above journey level in retirement administration or any of the following; benefits and fiscal management, knowledge of investments, personnel and administrative analysis or accounting, auditing and budgeting. Four (4) years of this experience must have been in a full time supervisory capacity.

Education:

A graduate degree in Human Resources, Public Administration or Business Administration. (Additional qualifying experience may be substituted for the required education on a year-for-year basis).

SKILLS AND ABILITIES:

ESSENTIAL FUNCTIONS

- Communicate effectively with others in person and over the telephone.
- Operate a personal computer and other office equipment, including repetitive hand and arm motions.
- Analyze data, interpret policies and laws, procedures and regulations, and develop appropriate conclusions.
- Meet deadlines under stressful conditions; complete multiple priority projects with conflicting deadlines.
- Resolve conflicts and respond appropriately to inquiries and complaints.
- Establish, implement and achieve goals and objectives; Train, evaluate and supervise managers.
- Maintain confidential information in accordance with legal standards and/or County regulations.
- Represent MercedCERA; conduct presentations.
- Administer a budget, personnel and programs; Assure compliance with funding.
- Frequent use of depth perception, peripheral vision and color perception.
- Frequently lift, carry, reach, push, pull, twist and manipulate large and small objects.
- Frequent use of hand-eye coordination; Normal dexterity, frequent holding and grasping.
- Occasionally lift and carry up to 40 pounds.
- Regular attendance is an essential function.

ADDITIONAL INFORMATION:

FLSA: Exempt
Probationary Period: At Will Classification