

**MercedCERA INVESTMENT RETIREMENT BOARD AGENDA  
THURSDAY, JULY 22, 2021 – 8:15 A.M.  
MERCED COUNTY EMPLOYEES’ RETIREMENT ASSOCIATION**

**MERCED COUNTY ADMINISTRATION BUILDING  
2222 M STREET, MERCED  
LOS BANOS AND LIVINGSTON CONFERENCE ROOMS, BASEMENT  
ZOOM CONFERENCE**

<https://us06web.zoom.us/j/93030195748?pwd=NGhFeGltSVhaSTlsK2JGWE83TVFvdz09>

**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

**CALL TO ORDER:** 8:15 A.M.

**Important Notice Regarding SARS-COV-2**

In order to minimize the spread of COVID-19, the Board of Retirement is meeting at the County of Merced Administration Building conference center to provide for sufficient social distancing for the Board and members of the public. Additionally, members of the MercedCERA Board as well as members of the public may elect to participate in this meeting offsite via conference call. Members of the public may attend the meeting in person or listen to the meeting and offer public comment telephonically by calling into the telephone number provided above and entering the stated conference code. If you have any issues participating in the meeting telephonically or require reasonable accommodation for your participation, please contact MercedCERA staff at 209-726-2724. Please turn your cell phone or other electronic device to non-audible mode.

**ROLL CALL**

**APPROVAL OF MINUTES** – July 8, 2021

**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.

**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.

**(1) DISCUSSION AND POSSIBLE ACTION REGARDING INVESTMENTS IN RECOMMENDED FUNDS, ROLL CALL VOTE REQUIRED.**

(Govt. Code § 54956.81)

1. Discussion and possible action to adopt the recommendation regarding Funds/Managers – Cliffwater
2. Discussion and update of one fund – Staff

## **RETURN TO OPEN SESSION**

Report on any action taken in closed session.

## **REGULAR CALENDAR**

### **BOARD ACTION/DISCUSSION**

Pursuant to Govt. Code § 31594 and MercedCERA's Investment Objectives & Policy Statement due diligence analysis requirement:

1. Discussion and possible action on monthly and preliminary quarterly performance - Meketa
2. Discussion on presentation 'Putting it all together: Understanding asset class roles within the fund.' – Meketa
3. Discussion and possible action on filling full time Office Assistant position and extra help position already allocated to MercedCERA – Staff.
4. Discussion on MercedCERA's new website (Mercedcera.com) – Staff.
5. Review calendar of any training sessions and authorize expenditures for Trustees and Plan Administrator. Pursuant to Govt. Code § 31522.8 and MercedCERA's Trustees Education and Training Policy requirements. Examples of upcoming training and educational sessions:
  - CALAPRS Principles for Pension Governance for Trustees, September 28-30, 2021 (virtual half days).
  - SACRS Fall Conference, November 9-12, 2021, Hollywood, CA.

## **INFORMATION ONLY**

### **MercedCERA UPCOMING BOARD MEETINGS:**

Please note: The MercedCERA Board Meeting and/or Education Day times and dates may be changed in accordance with the Ralph M. Brown Act by the MercedCERA Board as required.

- August 12, 2021
- August 26, 2021

## **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.co.merced.ca.us/retirement](http://www.co.merced.ca.us/retirement).

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.

**MercedCERA ADMINISTRATIVE RETIREMENT BOARD MINUTES  
THURSDAY, JULY 8, 2021 – 8:15 A.M.  
MERCED COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**

**MERCED COUNTY ADMINISTRATION BUILDING  
2222 M STREET, MERCED  
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**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**

**CALL TO ORDER - 8:15 A.M.**

**ROLL CALL**

**Board members present:** Ryan Paskin, Scott Johnston, Al Peterson, Janey Cabral, Scott Silveira, Wendy Alvares, Michael Harris, Aaron Rosenberg, David Ness and Karen Adams (arrived at 8:18 A.M.). **Counsel:** Jeff Grant. **Staff:** Kristen Santos, Martha Sanchez, Alexis Curry, Michelle Lee, Mark Harman, Brenda Mojica and Sheri Villagrana.

**APPROVAL OF MINUTES – June 24, 2021**

**The MercedCERA Board voted unanimously via roll call vote to approve the June 24, 2021 minutes.**

**Cabral/ Johnston U/A (8-0)**

**PUBLIC COMMENT**

- **Mary McWatters- Is a retiree who retired in 2014 as part of the 'stay order group'. The county and state have stopped the Alameda Litigation, so why is MercedCERA still in litigation?**

**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.

**(1) CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION**

(Govt. Code § 54956.9(d)(1))

Name of Case: CCC Deputy Sheriffs Assoc. v. CCCERA, et al, Case No. MSN12-1870 (AFSCME v. MercedCERA)

**No action taken.**

## **RETURN TO OPEN SESSION**

Report on any action taken in closed session.

## **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 Board Action/Discussion as appropriate.

### **RETIREMENTS:** Pursuant to Govt. Code § 31663.25 or § 31672

All items of earnable compensation for service or disability retirements listed below are in compliance with the pay code schedule approved by the Board of Retirement. The retirement is authorized; however, administrative adjustments may be necessary to alter the amount due to: audit, late arrival of data, court order, etc.

a. Culotta, Deborah	Sheriff	9 Yrs. Svc	Eff: 06/19/2021
b. Coughlin, Ernie	Animal Control	14 Yrs. Svc	Eff: 06/19/2021
c. Cervantes, Mary	Commerce Aviation	11 Yrs. Svc.	Eff: 06/30/2021
d. Slaughter, Frances	Courts	6 Yrs. Svc.	Eff: 07/03/2021
e. Joyner, Brenda	Hospital	6 Yrs. Svc.	Eff: 06/08/2021
f. Parras, Stacy	H.S.A.	6 Yrs. Svc.	Eff:05/01/2020 NSCD
g. Elias, Robert	H.S.A.	5 Yrs. Svc.	Eff:08/06/2018 NSCD

YTD fiscal year 2021/2022 retirees: 1

YTD fiscal year 2020/2021 retirees: 87

YTD fiscal year 2019/2020 retirees: 105

YTD fiscal year 2018/2019 retirees: 104

**MONTHLY BUDGET REPORT:** None Submitted Due to End of Year Closing.

**The MercedCERA Board voted unanimously via roll call vote to approve the consent calendar.**

**Johnston/ Silveira U/A (9-0)**

## **BOARD ACTION/DISCUSSION**

1. Discussion and possible action to approve an updated implementation date for Resolution 2020-1 for those retirees who retired July 12, 2014 to August 2020 (known as the “Estoppel Group”) with terminal pay – Ashley Dunning, Nossaman.

**The MercedCERA Board voted unanimously via roll call vote to amend paragraph 1 of Res. 2020-1 effective date to first feasible retiree payroll date (no sooner than September 2021) to remove the terminal pay item from those who retired on or after July 12, 2014 with no adjustments for past periods.**

**Silveira/ Peterson U/A (9-0)**

2. Discussion and possible action regarding implementation of Resolution 2020-1 for those retirees who retired with terminal pay between January 1, 2013 to July 12, 2014 (known as the “Stay Order Group”) pursuant to a stay order issued in CCC Deputy Sheriffs Assoc. v. CCCERA, et al, Case No. MSN12-1870 (AFSCME v. MercedCERA) – Ashley Dunning, Nossaman.

**The MercedCERA Board voted unanimously via roll call vote that this implementation of Resolution 2020-1 will not apply to the members who retired from January 1, 2013 to**

**July 12, 2014 (known as the ‘Stay Order Group’), until resolved either by litigation, in the courts or stipulated judgement.**

**Adams/ Silveira U/A (9-0)**

3. Discussion and possible action to approve MercedCERA Board seats of Chair, Vice Chair and Secretary for Fiscal Year 2021-2022 – Chair.

**The MercedCERA Board voted unanimously via roll call vote to nominate and maintain our current seats for the Chair, Vice Chair and Secretary. The Board voted to reelect Chair Paskin, Vice Chair Johnston and Secretary Peterson to remain in the Board seats for another year.**

**Silveira/Alvares U/A (9-0)**

4. Discussion and possible action to approve the non-pensionable pay code MTP (Management Time Payout) for the Superior Court of Merced County– Staff.

**The MercedCERA Board voted unanimously via roll call vote to approve the non-pensionable pay code of MTP (Management Time Payout) for the Superior Court of Merced County.**

**Cabral/Johnston U/A (9-0)**

5. Review calendar of any training sessions and authorize expenditures for Trustees and Plan Administrator. Pursuant to Govt. Code § 31522.8 and MercedCERA’s Trustees Education and Training Policy requirements. Examples of upcoming training and educational sessions:

- CALAPRS Principles for Trustees, September 28-30, 2021 (virtual).
- SACRS Fall Conference, November 9-12, 2021 (in person/virtual conference TBD).

**No action taken.**

### **INFORMATION ONLY**

- **Trustee Cabral-** Thanked our current Chair, Vice Chair and Secretary.
- **Trustee Adams-** Wished she could be present in person at the meeting, but on vacation for her birthday. Thanked our current Chair, Vice Chair and Secretary.
- **Plan Administrator-** Wished Trustee Adams a happy birthday and thanked Martha and Mark for running the meeting.
- **Fiscal Manager-** Reminded trustees that their insurance checks are due.

### **MercedCERA UPCOMING BOARD MEETINGS**

Please note: The MercedCERA Board Meeting and/or Education Day times and dates may be changed in accordance with the Ralph M. Brown Act by the MercedCERA Board as required.

- July 22, 2021
- August 12, 2021

### **ADJOURNMENT**

**The meeting adjourned at 9:50 A.M.**

Accepted By,

Trustee Name/Position

Signature

Date

Ryan Paskin/Chair		
Al Peterson/Secretary		

# Merced County Employees' Retirement Association

July 22, 2021

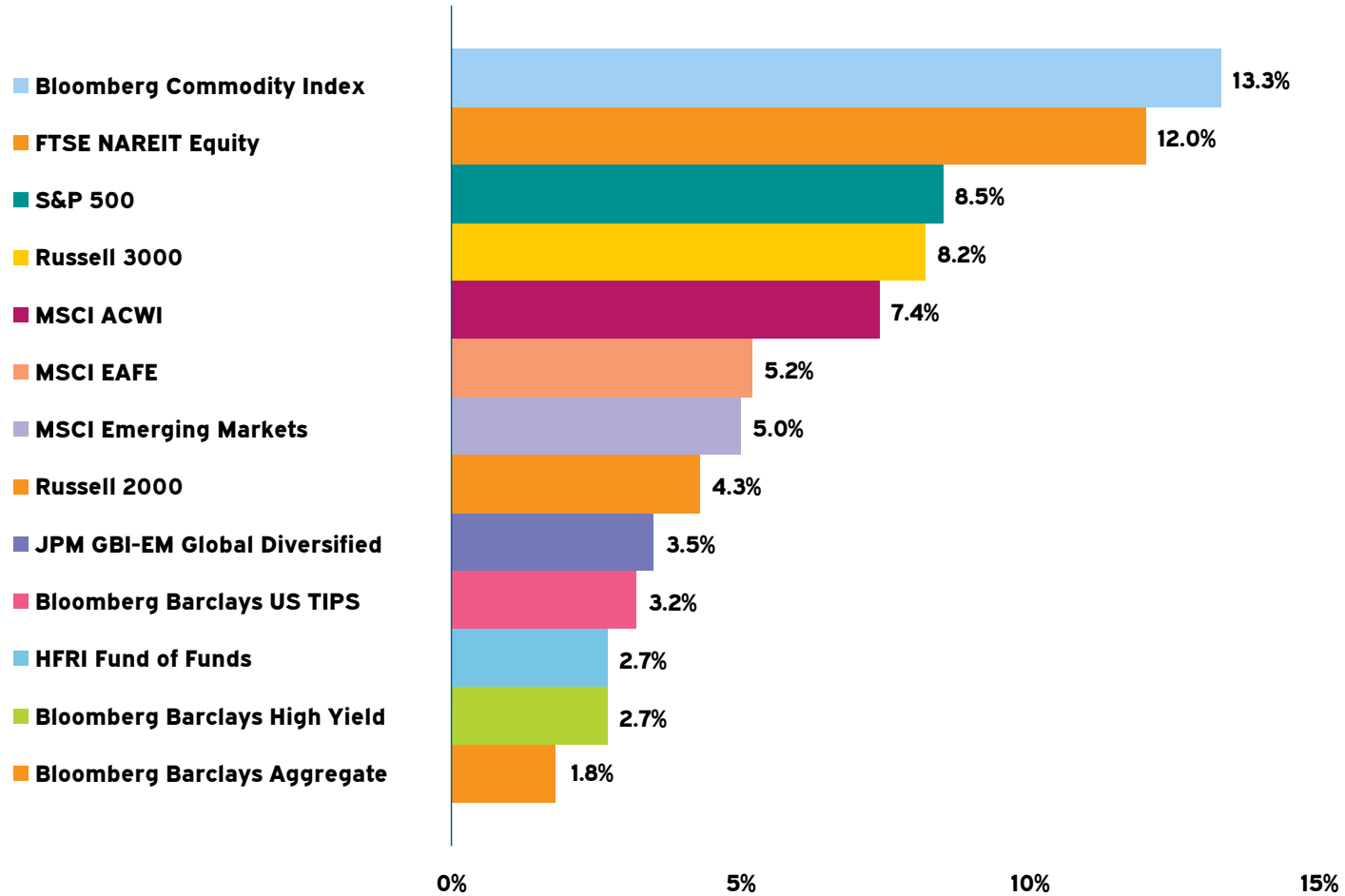
Performance Update

1. The World Markets Second Quarter of 2021
2. Performance Highlights as of June 30, 2021
3. Preliminary Performance Update as of June 30, 2021
4. Disclaimer, Glossary, and Notes



# **The World Markets Second Quarter of 2021**

### The World Markets<sup>1</sup> Second Quarter of 2021



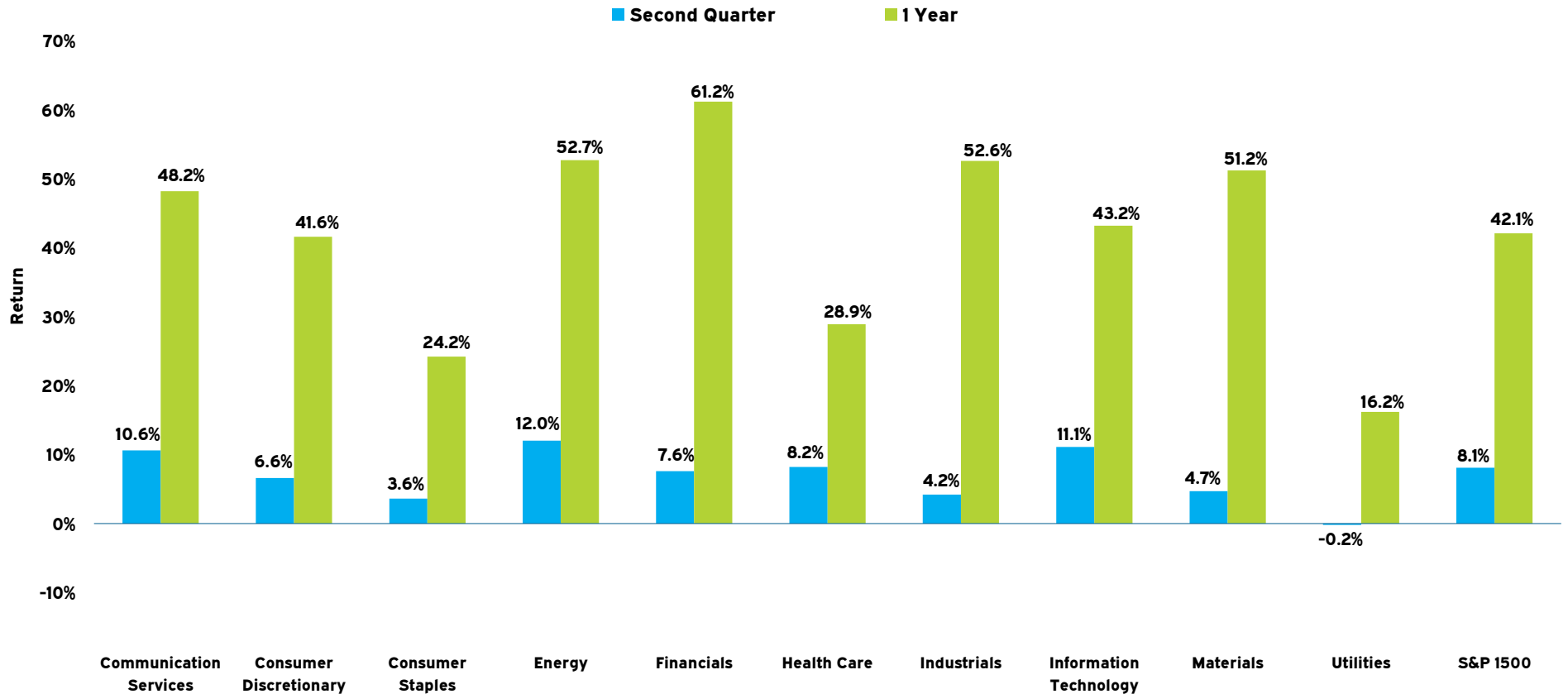
<sup>1</sup> Source: InvestorForce.

Index Returns<sup>1</sup>

	2Q21 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
<b>Domestic Equity</b>						
S&P 500	8.5	15.3	40.8	18.7	17.6	14.8
Russell 3000	8.2	15.1	44.2	18.7	17.9	14.7
Russell 1000	8.5	15.0	43.1	19.2	18.0	14.9
Russell 1000 Growth	11.9	13.0	42.5	25.1	23.7	17.9
Russell 1000 Value	5.2	17.0	43.7	12.4	11.9	11.6
Russell MidCap	7.5	16.2	49.8	16.4	15.6	13.2
Russell MidCap Growth	11.1	10.4	43.8	22.4	20.5	15.1
Russell MidCap Value	5.7	19.5	53.1	11.9	11.8	11.7
Russell 2000	4.3	17.5	62.0	13.5	16.5	12.3
Russell 2000 Growth	3.9	9.0	51.4	15.9	18.8	13.5
Russell 2000 Value	4.6	26.7	73.3	10.3	13.6	10.8
<b>Foreign Equity</b>						
MSCI ACWI (ex. US)	5.6	9.3	35.9	9.4	11.1	5.5
MSCI EAFE	5.2	8.8	32.3	8.3	10.3	5.9
MSCI EAFE (Local Currency)	4.8	12.7	27.1	7.5	10.0	8.1
MSCI EAFE Small Cap	4.4	9.1	41.1	8.4	12.0	8.4
MSCI Emerging Markets	5.0	7.4	40.9	11.3	13.0	4.3
MSCI Emerging Markets (Local Currency)	3.8	7.9	36.1	12.0	13.6	7.6
<b>Fixed Income</b>						
Bloomberg Barclays Universal	2.0	-1.1	1.1	5.6	3.5	3.7
Bloomberg Barclays Aggregate	1.8	-1.6	-0.3	5.3	3.0	3.4
Bloomberg Barclays US TIPS	3.2	1.7	6.5	6.5	4.2	3.4
Bloomberg Barclays High Yield	2.7	3.6	15.4	7.4	7.5	6.7
JPM GBI-EM Global Diversified	3.5	-3.4	6.6	4.1	3.2	0.5
<b>Other</b>						
FTSE NAREIT Equity	12.0	21.3	32.8	11.8	8.0	10.2
Bloomberg Commodity Index	13.3	21.2	45.6	3.9	2.4	-4.4
HFRI Fund of Funds	2.7	4.8	18.1	6.3	6.1	3.8

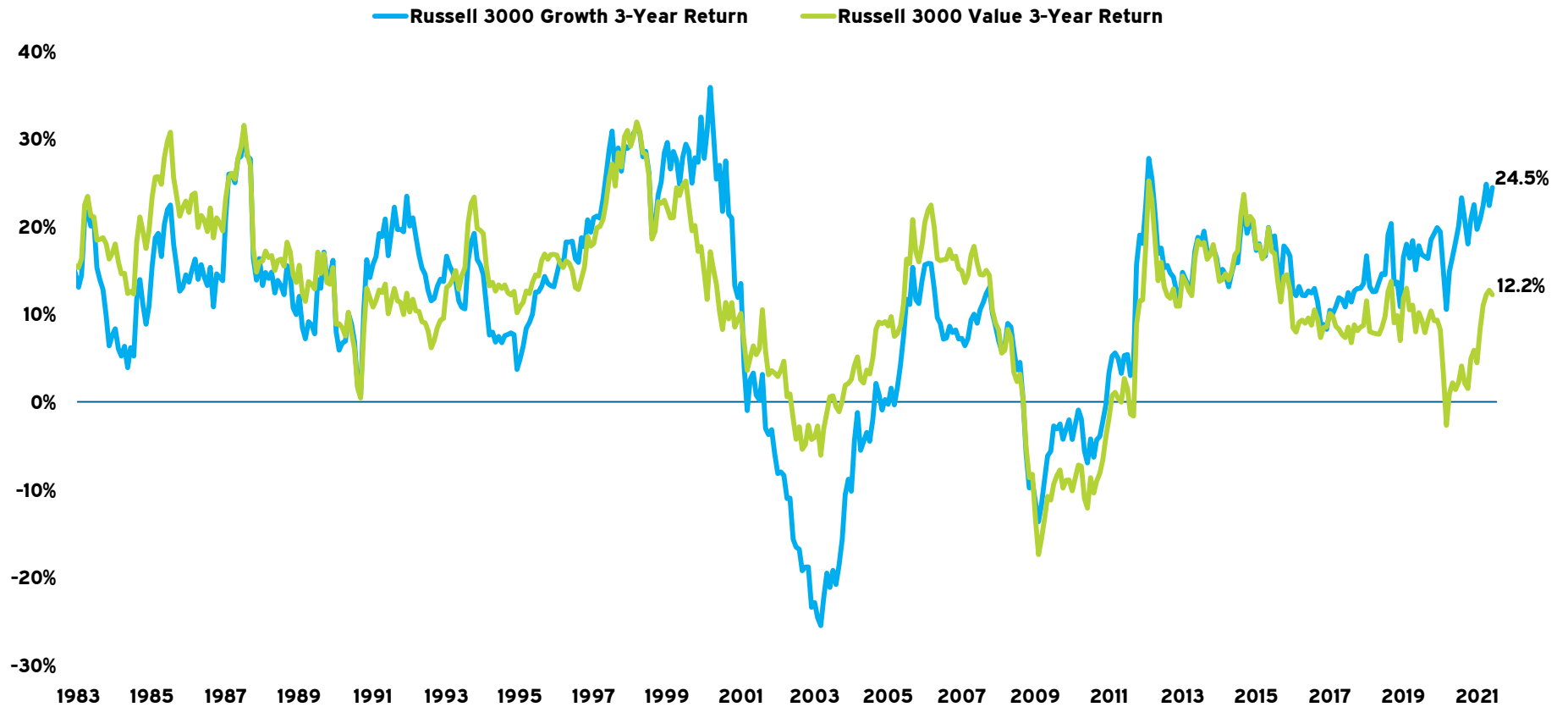
<sup>1</sup> Source: InvestorForce.

### S&P Sector Returns<sup>1</sup>



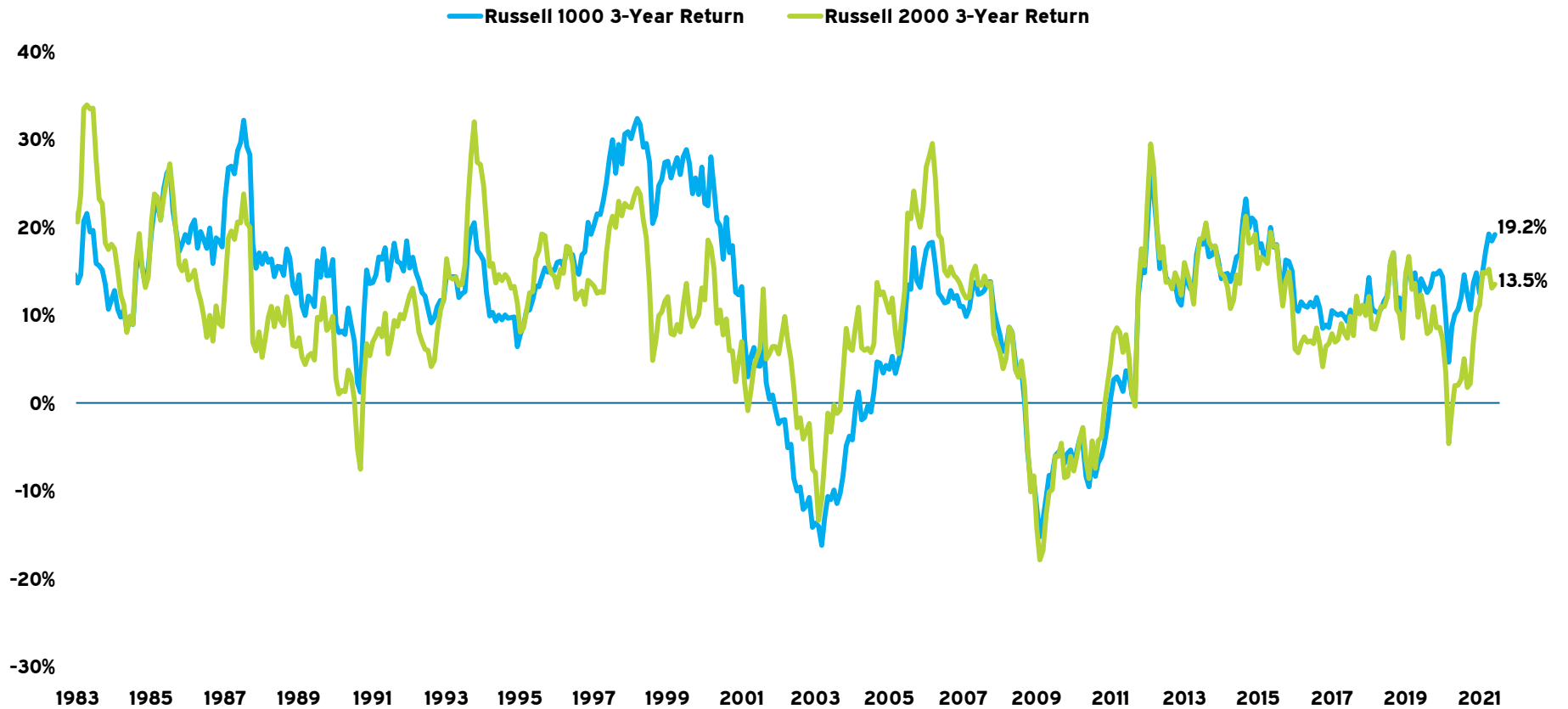
<sup>1</sup> Source: InvestorForce. Represents S&P 1500 (All Cap) data.

### Growth and Value Rolling Three Year Returns<sup>1</sup>



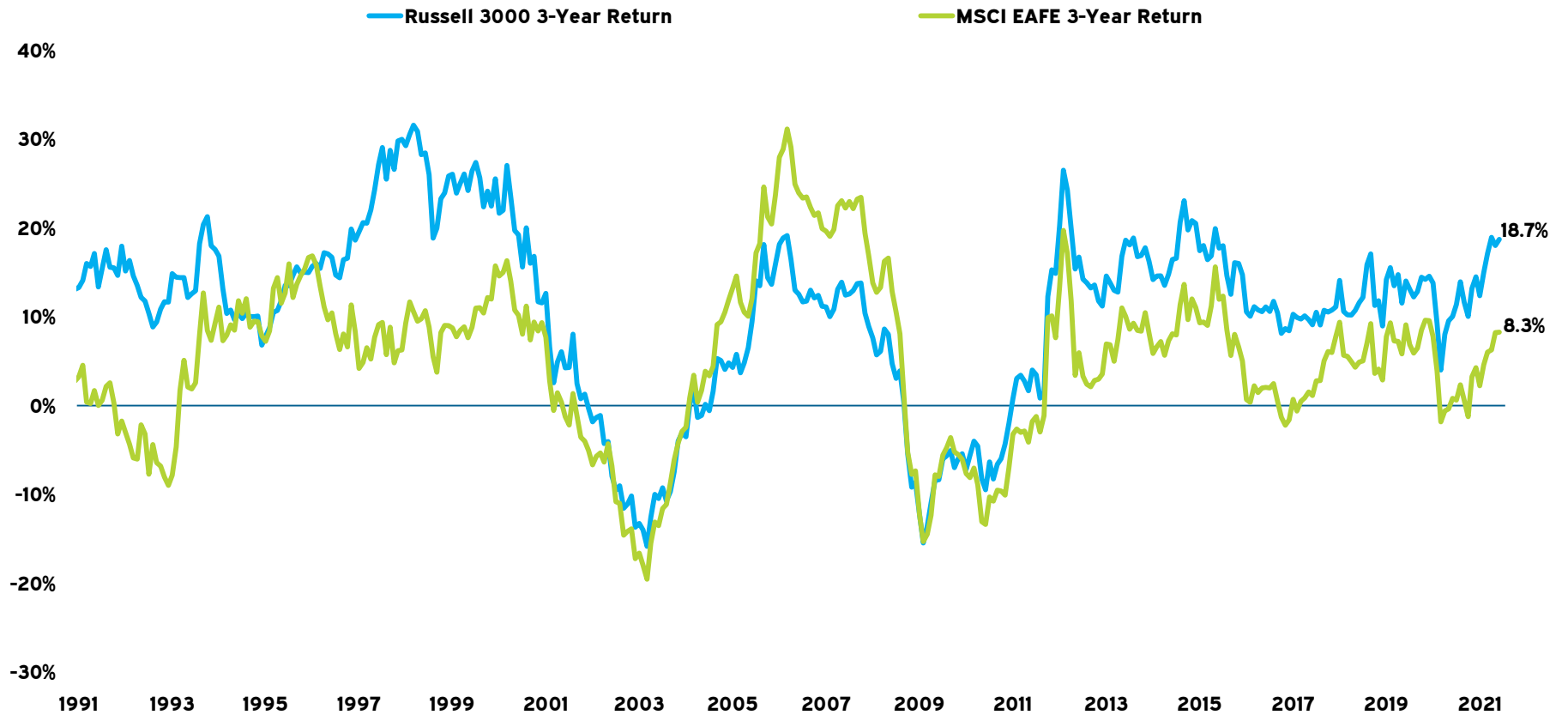
<sup>1</sup> Source: InvestorForce.

Large Cap (Russell 1000) and Small Cap (Russell 2000) Rolling Three Year Returns<sup>1</sup>



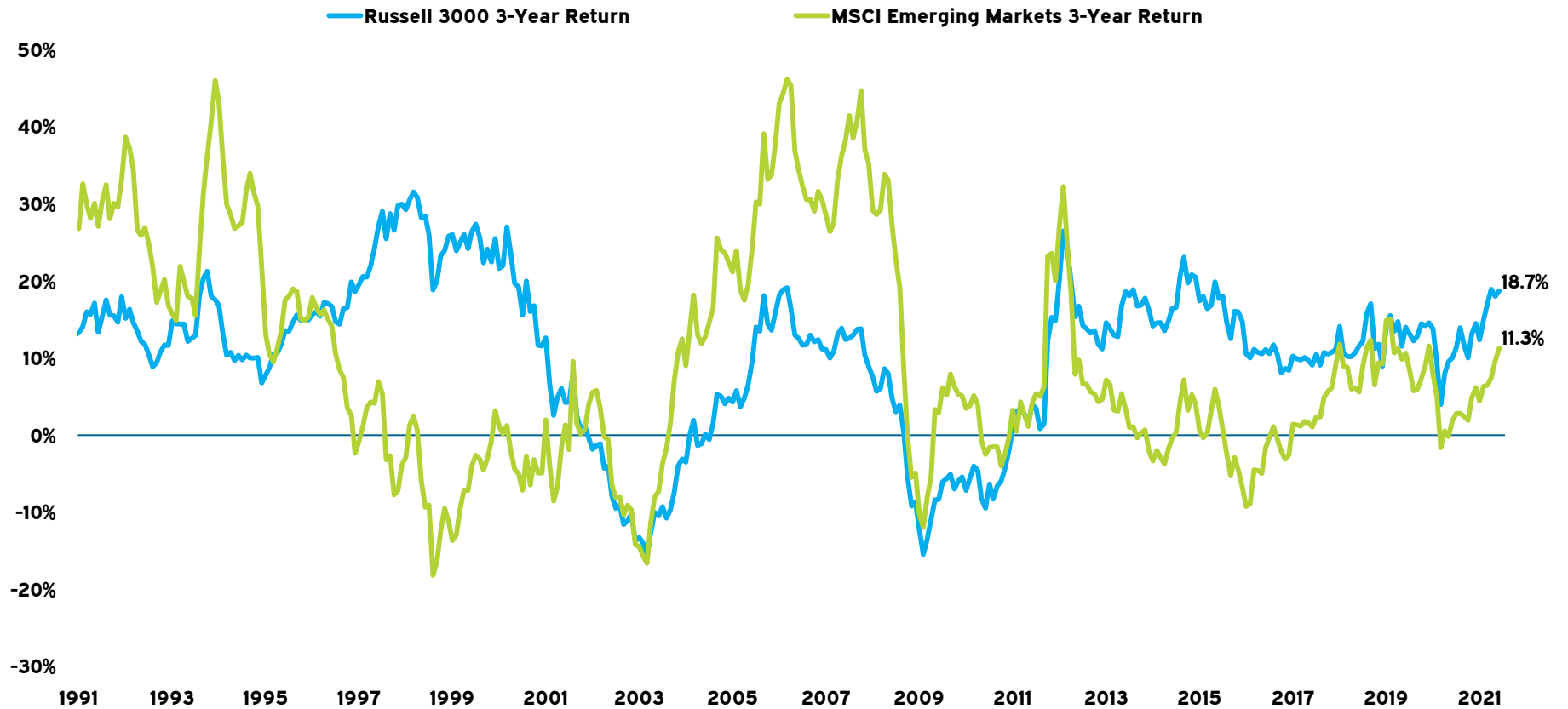
<sup>1</sup> Source: InvestorForce.

US and Developed Market Foreign Equity Rolling Three-Year Returns<sup>1</sup>



<sup>1</sup> Source: InvestorForce.

US and Emerging Market Equity Rolling Three-Year Returns<sup>1</sup>

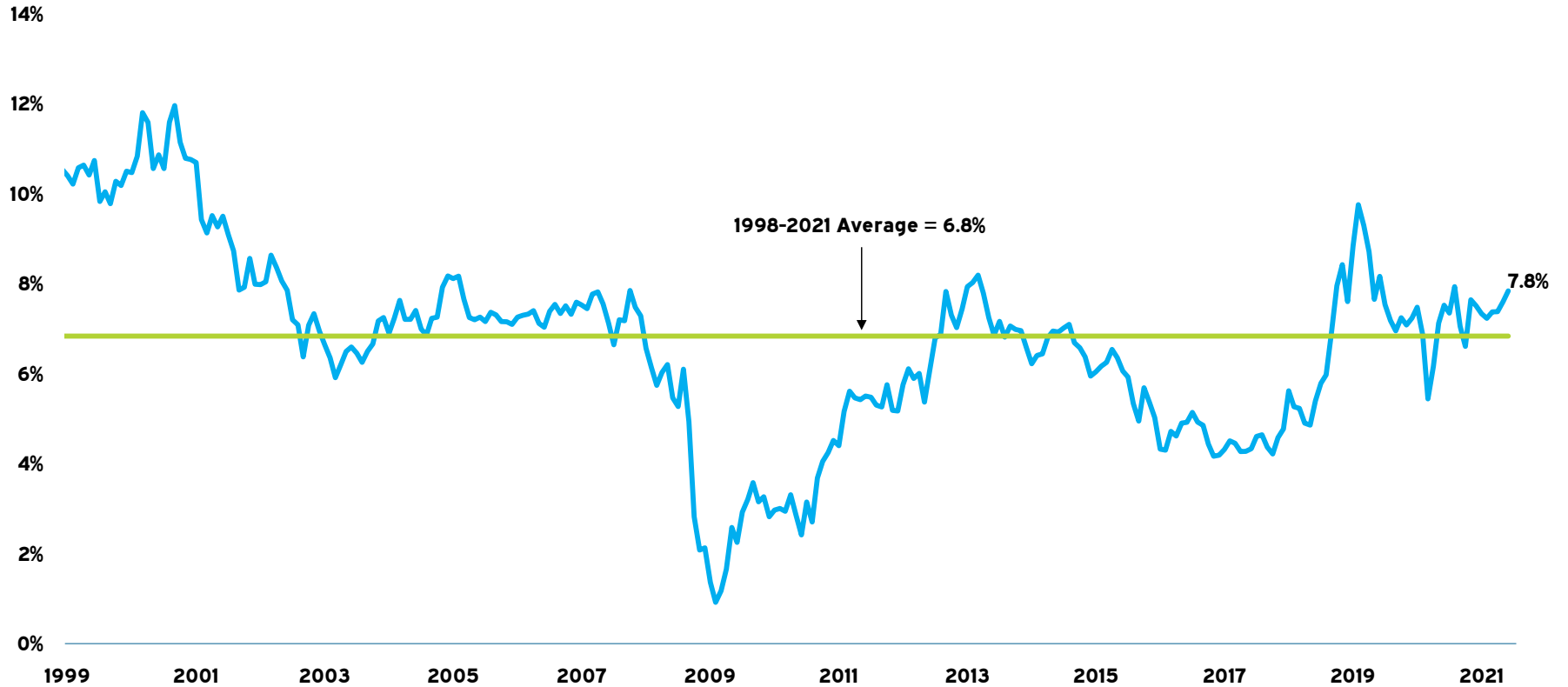


<sup>1</sup> Source: InvestorForce.



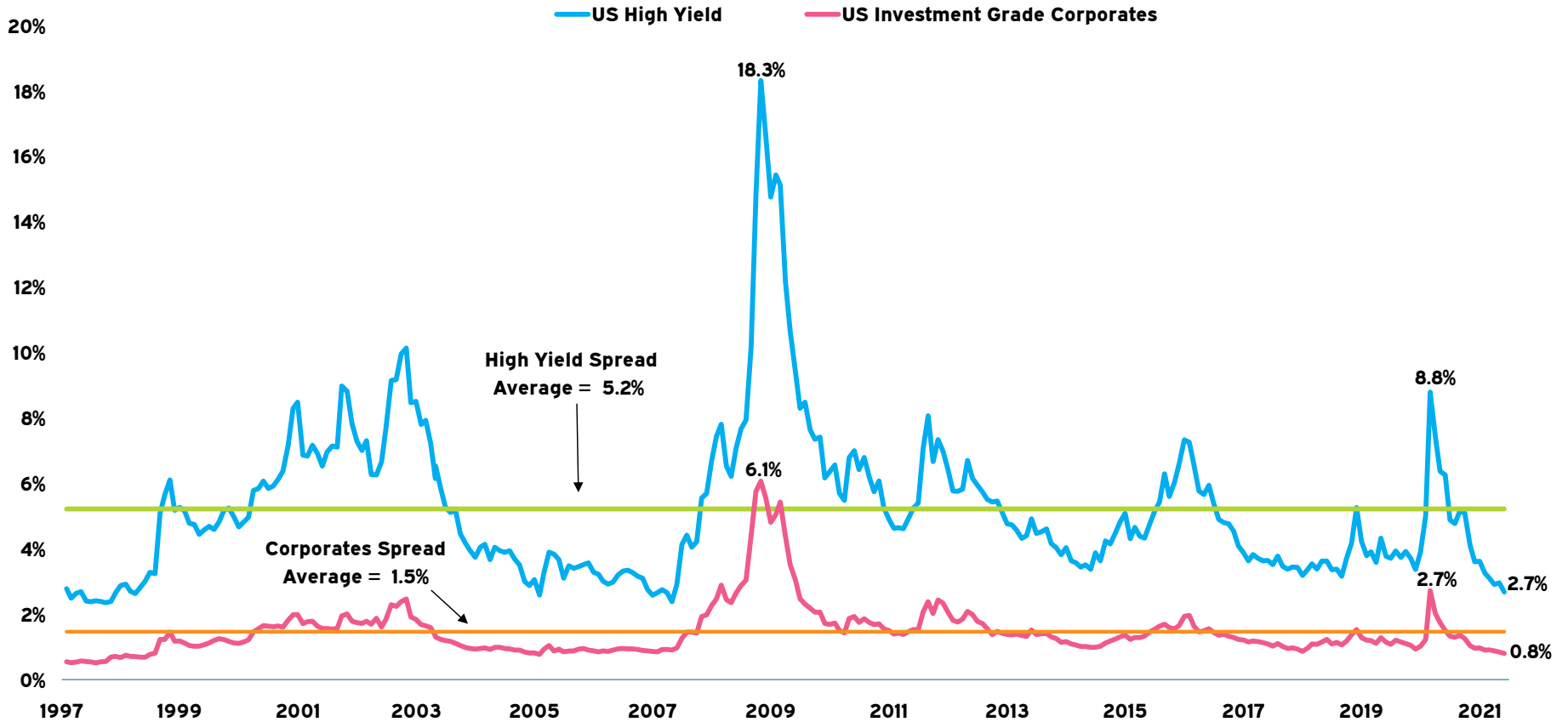
### Rolling Ten-Year Returns: 65% Stocks and 35% Bonds<sup>1</sup>

— 65% Stocks (MSCI ACWI) / 35% Bonds (Bloomberg Barclays Aggregate) 10-Year Rolling Return



<sup>1</sup> Source: InvestorForce.

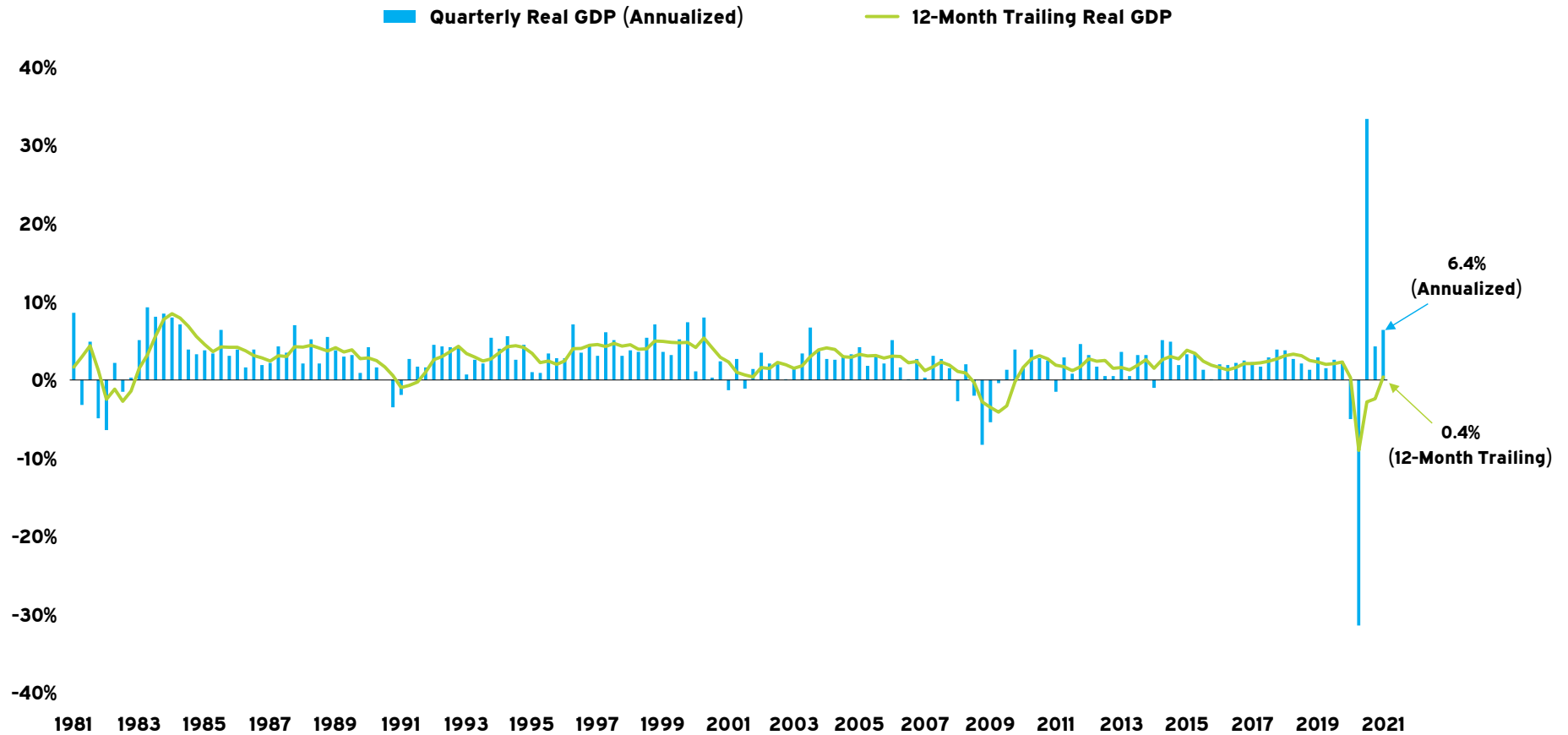
Credit Spreads vs. US Treasury Bonds<sup>1,2</sup>



<sup>1</sup> Source: Barclays Live. Data represents the OAS.

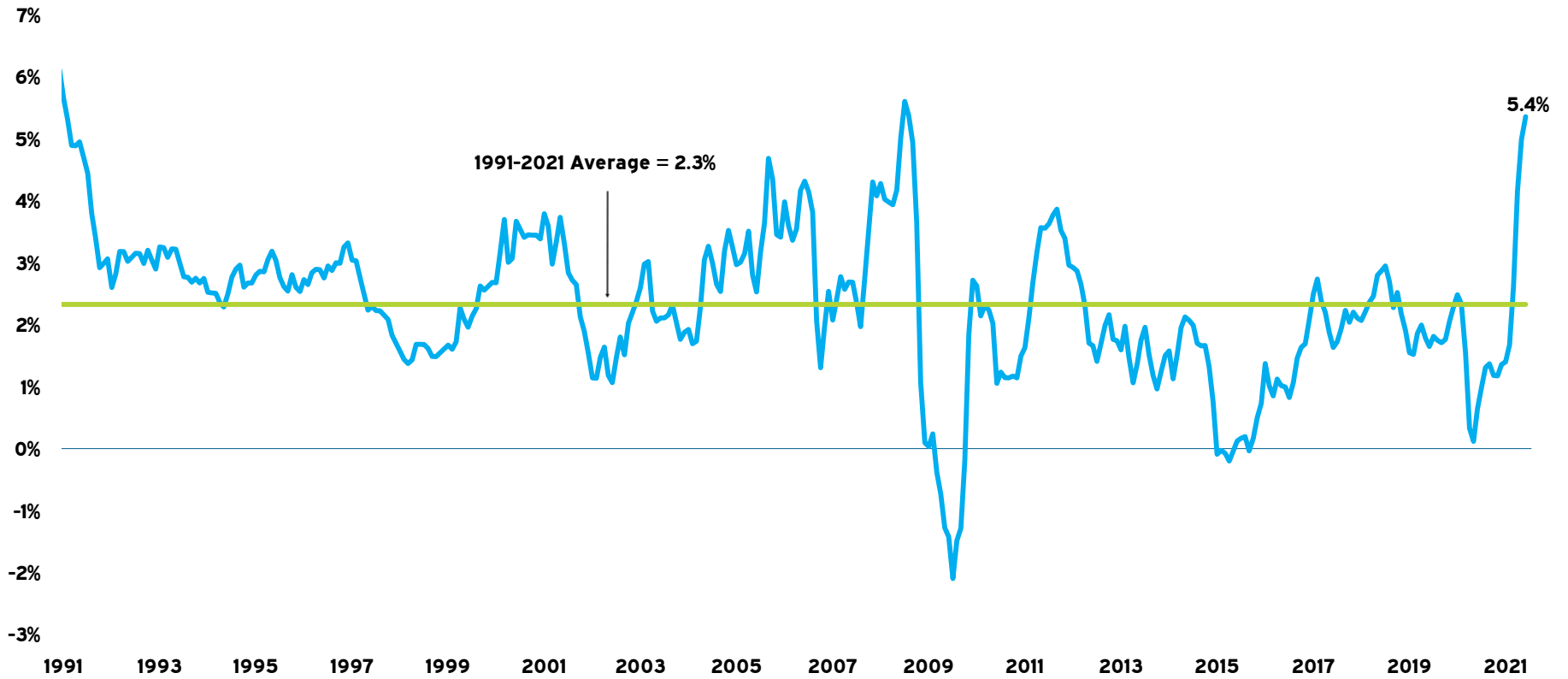
<sup>2</sup> The median high yield spread was 4.7% from 1997-2021.

### US Real Gross Domestic Product (GDP) Growth<sup>1</sup>



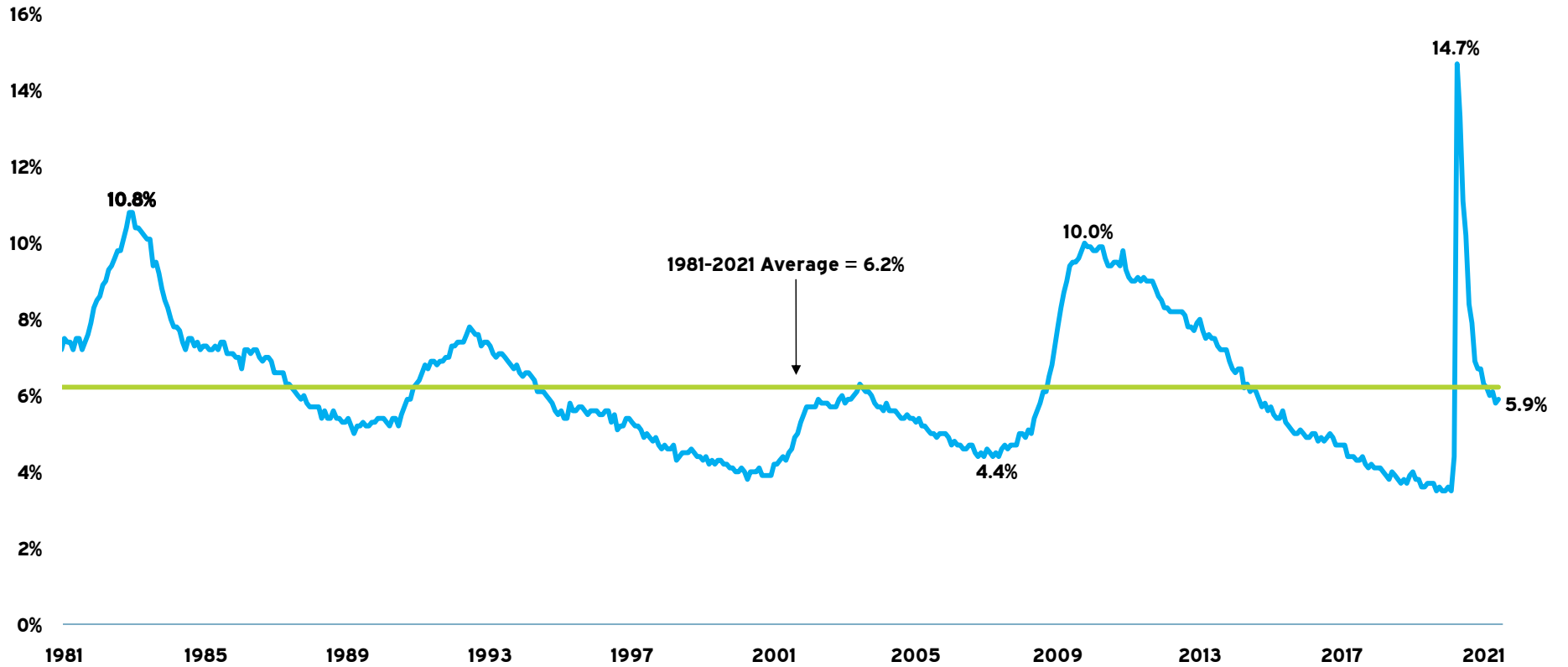
<sup>1</sup> Source: Bureau of Economic Analysis. Data is as of Q1 2021 and represents the third estimate.

### US Inflation (CPI) Trailing Twelve Months<sup>1</sup>



<sup>1</sup> Source: Bureau of Labor Statistics. Data is non-seasonally adjusted CPI, which may be volatile in the short-term. Data is as of June 30, 2021.

US Unemployment<sup>1</sup>

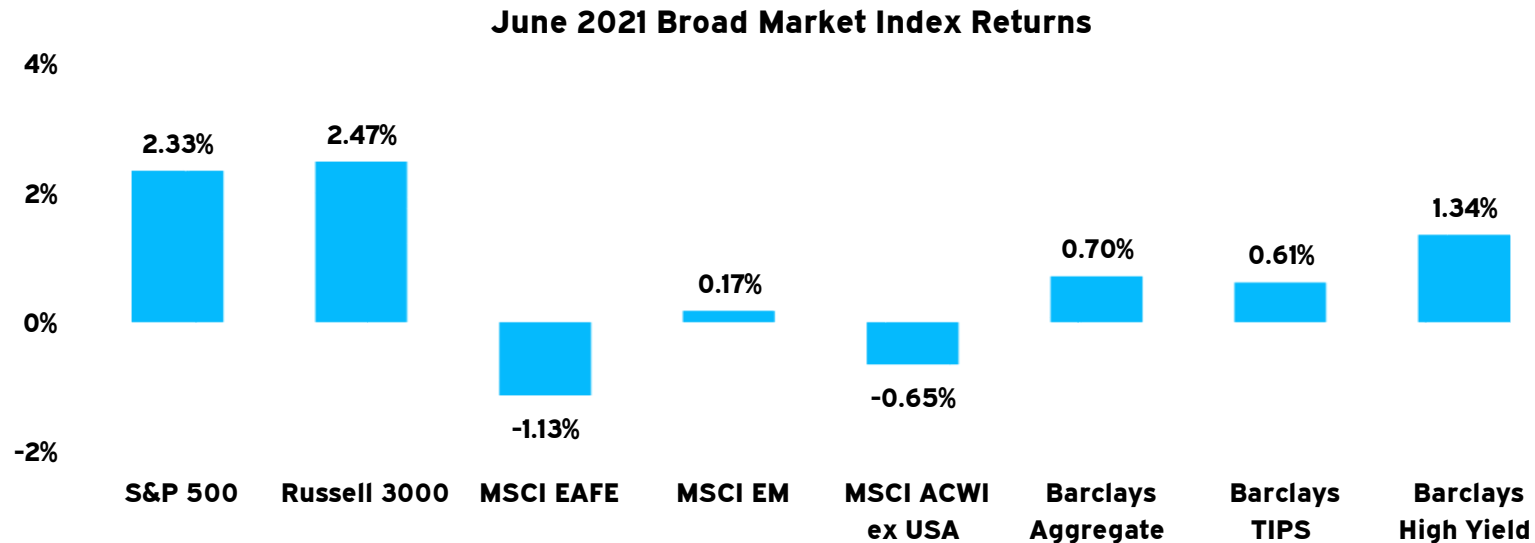


<sup>1</sup> Source: Bureau of Labor Statistics. Data is as of June 30, 2021.

# **Performance Highlights**

As of June 30, 2021

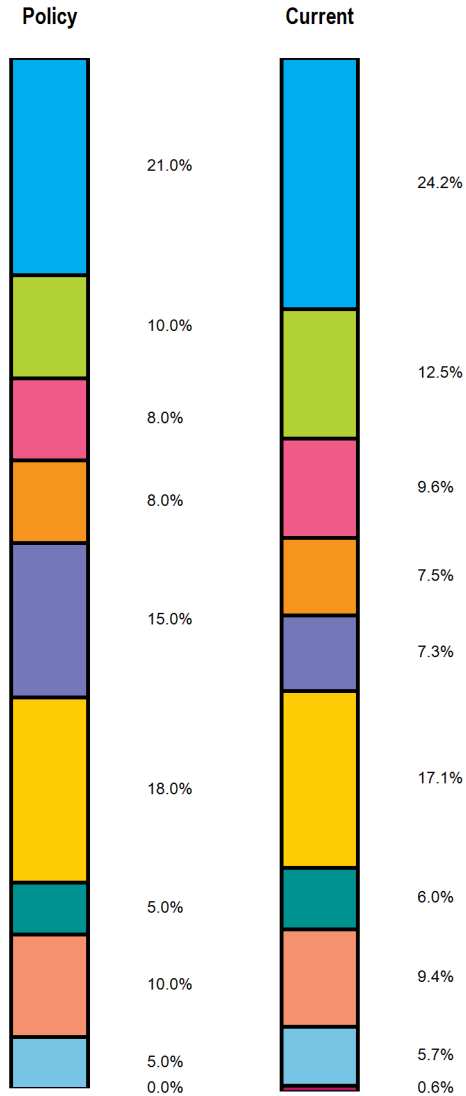
### Market Review and Performance Summary for June 2021



- U.S. equities continued to climb higher in June, while performance from Non-U.S. equity indices was a bit weaker. Within fixed income, long U.S. Treasury yields continued their recent trend lower, despite market worries about higher inflation.
- Merced CERA reported a monthly return of +1.1% net of fees. Most major asset classes reported positive returns, led by Emerging Market equities, up +4.2% as a result of superior manager selection, while Developed International equities were the only negative asset class with a -0.7% return.
- As of June 30, 2021, total assets for the Merced CERA Portfolio are estimated at \$1.13 billion.

**Preliminary Performance Update**  
As of June 30, 2021

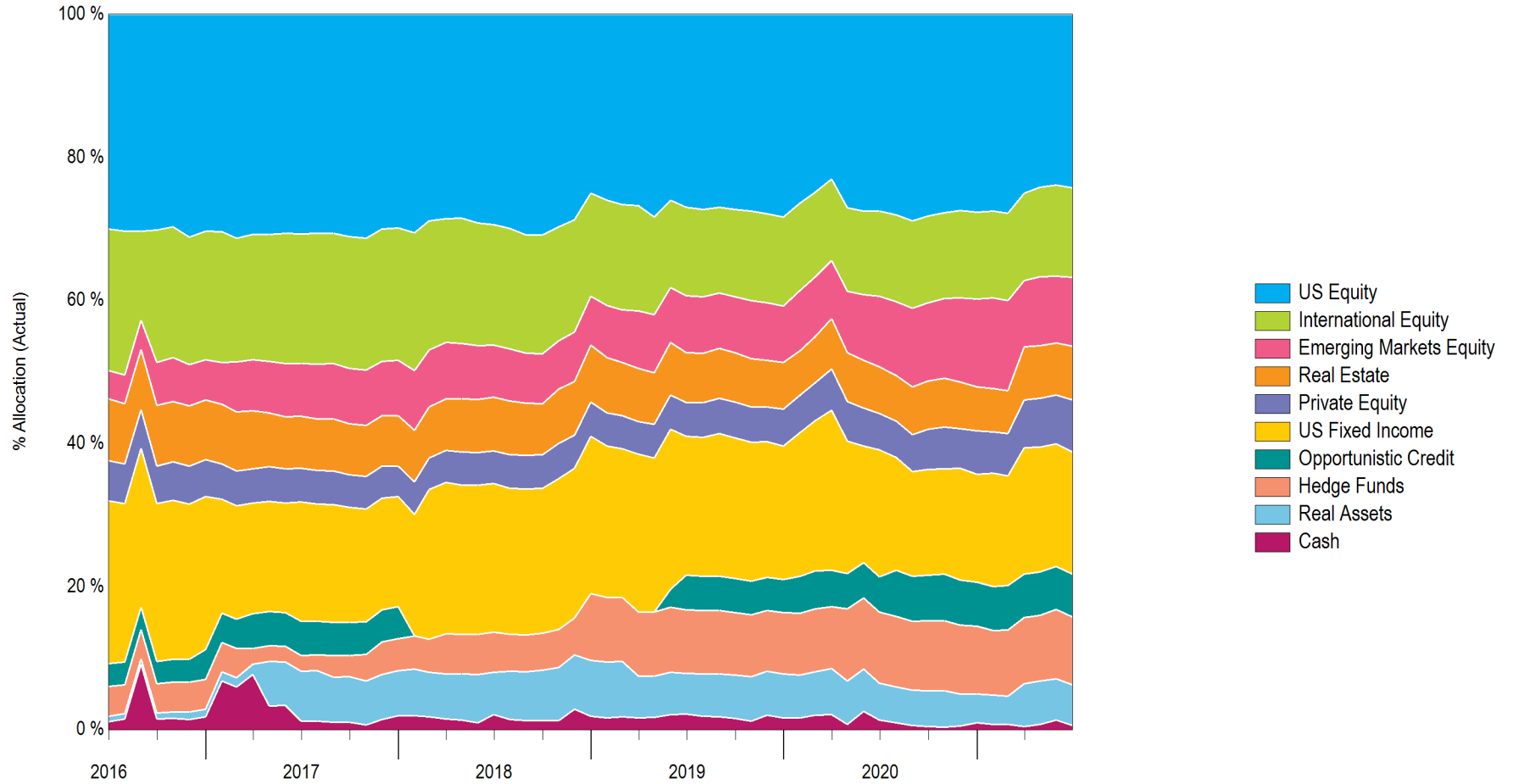




Allocation vs. Targets and Policy							
	Current Balance	Current Allocation	Policy	Difference	Policy Range	Within IPS Range?	
US Equity	\$274,866,063	24.2%	21.0%	3.2%	15.0% - 26.0%	Yes	
International Equity	\$142,104,719	12.5%	10.0%	2.5%	5.0% - 15.0%	Yes	
Emerging Markets Equity	\$109,043,645	9.6%	8.0%	1.6%	4.0% - 12.0%	Yes	
Real Estate	\$85,326,951	7.5%	8.0%	-0.5%	6.0% - 10.0%	Yes	
Private Equity	\$82,622,610	7.3%	15.0%	-7.7%	5.0% - 20.0%	Yes	
US Fixed Income	\$194,041,807	17.1%	18.0%	-0.9%	13.0% - 23.0%	Yes	
Opportunistic Credit	\$67,588,955	6.0%	5.0%	1.0%	3.0% - 7.0%	Yes	
Hedge Funds	\$107,062,214	9.4%	10.0%	-0.6%	5.0% - 15.0%	Yes	
Real Assets	\$65,181,059	5.7%	5.0%	0.7%	3.0% - 7.0%	Yes	
Cash	\$6,393,268	0.6%	0.0%	0.6%	0.0% - 5.0%	Yes	
<b>Total</b>	<b>\$1,134,231,290</b>	<b>100.0%</b>	<b>100.0%</b>				

Cash range displayed for illustrative purposes only.

#### Asset Allocation History 5 Years Ending June 30, 2021



Asset Class Performance Summary											
	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Total Fund (Net)*</b>	<b>1,134,231,290</b>	<b>100.0</b>	<b>1.1</b>	<b>5.0</b>	<b>8.0</b>	<b>25.1</b>	<b>11.9</b>	<b>11.4</b>	<b>8.6</b>	<b>8.5</b>	<b>Dec-94</b>
<b>Total Fund (Gross)*</b>			<b>1.2</b>	<b>5.1</b>	<b>8.2</b>	<b>25.6</b>	<b>12.2</b>	<b>11.7</b>	<b>9.0</b>	<b>8.7</b>	
<i>Policy Index</i>			0.9	3.6	8.1	24.9	10.8	11.0	9.0	6.6	Dec-94
<b>Total Fund w/o Alternatives (Net)</b>	<b>787,645,188</b>	<b>69.4</b>	<b>1.6</b>	<b>6.1</b>	<b>8.1</b>	<b>28.5</b>	<b>14.0</b>	<b>13.0</b>	<b>8.7</b>	--	<b>Dec-94</b>
<b>Total Fund w/o Alternatives (Gross)</b>			<b>1.6</b>	<b>6.3</b>	<b>8.4</b>	<b>29.1</b>	<b>14.4</b>	<b>13.4</b>	<b>9.6</b>	--	
<i>Policy Index w/o AI</i>			1.0	5.1	8.1	28.0	11.9	11.7	--	--	Dec-94
<b>US Equity (Net)</b>	<b>274,866,063</b>	<b>24.2</b>	<b>2.6</b>	<b>8.9</b>	<b>14.8</b>	<b>41.5</b>	<b>17.6</b>	<b>17.6</b>	<b>14.5</b>	<b>10.9</b>	<b>Dec-94</b>
<b>US Equity (Gross)</b>			<b>2.6</b>	<b>8.9</b>	<b>15.0</b>	<b>41.9</b>	<b>17.9</b>	<b>17.9</b>	<b>14.7</b>	<b>11.0</b>	
<i>Russell 3000</i>			2.5	8.2	15.1	44.2	18.0	17.7	14.5	10.9	Dec-94
<b>International Equity (Net)</b>	<b>251,148,364</b>	<b>22.1</b>	<b>1.4</b>	<b>7.6</b>	<b>9.1</b>	<b>41.6</b>	<b>17.7</b>	<b>16.2</b>	<b>8.0</b>	<b>7.0</b>	<b>Dec-98</b>
<b>International Equity (Gross)</b>			<b>1.4</b>	<b>7.8</b>	<b>9.6</b>	<b>42.8</b>	<b>18.4</b>	<b>16.8</b>	<b>8.6</b>	<b>7.3</b>	
<i>International Equity Custom</i>			-0.2	5.6	8.9	37.3	10.1	12.0	6.4	5.2	Dec-98
<b>Developed International Equity (Net)</b>	<b>142,104,719</b>	<b>12.5</b>	<b>-0.7</b>	<b>7.2</b>	<b>10.5</b>	<b>30.6</b>	<b>10.6</b>	<b>12.0</b>	<b>6.3</b>	<b>5.1</b>	<b>Jan-08</b>
<b>Developed International Equity (Gross)</b>			<b>-0.7</b>	<b>7.4</b>	<b>10.9</b>	<b>31.5</b>	<b>11.0</b>	<b>12.3</b>	<b>6.9</b>	<b>5.6</b>	
<i>Custom Blended Developed International Equity BM</i>			-1.2	5.2	9.3	34.9	8.9	10.6	6.1	3.9	Jan-08
<b>Emerging Markets Equity (Net)</b>	<b>109,043,645</b>	<b>9.6</b>	<b>4.2</b>	<b>8.1</b>	<b>7.0</b>	<b>53.9</b>	<b>27.4</b>	<b>22.2</b>	--	<b>10.8</b>	<b>Apr-12</b>
<b>Emerging Markets Equity (Gross)</b>			<b>4.3</b>	<b>8.4</b>	<b>7.6</b>	<b>55.4</b>	<b>28.5</b>	<b>23.3</b>	--	<b>11.8</b>	
<i>Custom Blended Emerging Markets Benchmark</i>			1.3	6.3	8.7	42.5	11.9	13.6	4.7	6.2	Apr-12
<b>US Fixed Income (Net)</b>	<b>194,041,807</b>	<b>17.1</b>	<b>0.7</b>	<b>1.8</b>	<b>-1.6</b>	<b>-0.3</b>	<b>4.8</b>	<b>3.4</b>	<b>3.8</b>	<b>5.2</b>	<b>Dec-94</b>
<b>US Fixed Income (Gross)</b>			<b>0.7</b>	<b>1.9</b>	<b>-1.5</b>	<b>-0.2</b>	<b>4.9</b>	<b>3.6</b>	<b>4.0</b>	<b>5.4</b>	
<i>BBgBarc US Aggregate TR</i>			0.7	1.8	-1.6	-0.3	5.0	3.6	3.6	5.5	Dec-94
<b>Opportunistic Credit (Net)</b>	<b>67,588,955</b>	<b>6.0</b>	<b>0.7</b>	<b>2.6</b>	<b>5.2</b>	<b>15.0</b>	--	--	--	<b>7.3</b>	<b>May-19</b>
<b>Opportunistic Credit (Gross)</b>			<b>0.7</b>	<b>2.7</b>	<b>5.5</b>	<b>15.6</b>	--	--	--	<b>7.6</b>	
<i>50% Barclays US Aggregate / 25% Barclays US High Yield / 25% Credit Suisse Leveraged Loans</i>			0.8	2.0	1.0	6.4	--	--	--	5.6	May-19

The current US Fixed Income benchmark is the Barclays US Agg. Please refer to the benchmark history for the composition of the US Fixed Income benchmark in earlier periods. Data prior to March 2018 provided by prior consultant.

Total Fund | As of June 30, 2021

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Real Estate (Net)</b>	<b>85,326,951</b>	<b>7.5</b>	<b>0.7</b>	<b>3.0</b>	<b>5.1</b>	<b>5.5</b>	<b>3.2</b>	<b>4.8</b>	<b>6.7</b>	--	<b>Mar-99</b>
<b>Real Estate (Gross)</b>			<b>0.7</b>	<b>3.0</b>	<b>5.1</b>	<b>5.5</b>	<b>3.2</b>	<b>4.9</b>	<b>7.4</b>	<b>8.0</b>	
<i>Custom Blended Real Estate Benchmark</i>			<i>2.1</i>	<i>2.1</i>	<i>4.3</i>	<i>3.1</i>	<i>4.5</i>	<i>5.6</i>	<i>8.6</i>	<i>7.1</i>	<i>Mar-99</i>
<i>CPI + 5% (Seasonally Adjusted)</i>			<i>1.3</i>	<i>3.6</i>	<i>6.1</i>	<i>10.7</i>	<i>7.7</i>	<i>7.6</i>	<i>7.0</i>	--	<i>Mar-99</i>
<b>Private Real Estate (Net)</b>	<b>61,077,412</b>	<b>5.4</b>	<b>0.0</b>	<b>0.0</b>	<b>1.1</b>	<b>0.9</b>	<b>1.7</b>	<b>3.9</b>	<b>6.2</b>	--	<b>Mar-99</b>
<b>Private Real Estate (Gross)</b>			<b>0.0</b>	<b>0.0</b>	<b>1.1</b>	<b>0.9</b>	<b>1.7</b>	<b>4.0</b>	<b>6.9</b>	<b>7.8</b>	
<i>Custom Blended Real Estate Benchmark</i>			<i>2.1</i>	<i>2.1</i>	<i>4.3</i>	<i>3.1</i>	<i>4.5</i>	<i>5.6</i>	<i>8.6</i>	<i>7.1</i>	<i>Mar-99</i>
<b>Private Equity (Net)</b>	<b>82,622,610</b>	<b>7.3</b>	<b>0.0</b>	<b>0.2</b>	<b>12.3</b>	<b>30.9</b>	<b>12.8</b>	<b>13.2</b>	<b>9.9</b>	<b>8.9</b>	<b>Jun-05</b>
<b>Private Equity (Gross)</b>			<b>0.0</b>	<b>0.2</b>	<b>12.3</b>	<b>30.9</b>	<b>12.8</b>	<b>13.2</b>	<b>10.2</b>	<b>9.0</b>	
<i>Custom Private Equity Benchmark</i>			<i>0.0</i>	<i>0.0</i>	<i>16.6</i>	<i>42.9</i>	<i>19.4</i>	<i>19.6</i>	<i>18.5</i>	--	<i>Jun-05</i>
<i>Russell 3000 +3% 1-Quarter Lag</i>			<i>3.8</i>	<i>7.1</i>	<i>23.7</i>	<i>67.2</i>	<i>20.6</i>	<i>20.1</i>	<i>17.2</i>	<i>13.6</i>	<i>Jun-05</i>
<b>Hedge Fund (Net)</b>	<b>107,062,214</b>	<b>9.4</b>	<b>0.1</b>	<b>3.0</b>	<b>7.9</b>	<b>18.1</b>	<b>5.6</b>	<b>7.4</b>	--	<b>5.0</b>	<b>Jun-14</b>
<b>Hedge Fund (Gross)</b>			<b>0.1</b>	<b>3.2</b>	<b>8.4</b>	<b>19.3</b>	<b>6.3</b>	<b>7.9</b>	--	<b>5.3</b>	
<i>Custom Blended Hedge Fund Benchmark</i>			<i>0.3</i>	<i>2.7</i>	<i>4.8</i>	<i>18.1</i>	<i>6.3</i>	<i>6.2</i>	--	<i>4.5</i>	<i>Jun-14</i>
<b>Real Assets (Net)</b>	<b>65,181,059</b>	<b>5.7</b>	<b>-0.1</b>	<b>3.1</b>	<b>7.1</b>	<b>16.0</b>	<b>8.5</b>	<b>7.7</b>	<b>8.1</b>	--	<b>Mar-99</b>
<b>Real Assets (Gross)</b>			<b>-0.1</b>	<b>3.2</b>	<b>7.2</b>	<b>16.2</b>	<b>8.6</b>	<b>7.9</b>	<b>8.8</b>	--	
<i>Custom Blended Real Assets Benchmark</i>			<i>0.0</i>	<i>0.0</i>	<i>5.4</i>	<i>12.4</i>	<i>4.5</i>	<i>6.6</i>	--	--	<i>Mar-99</i>
<i>CPI + 5% (Seasonally Adjusted)</i>			<i>1.3</i>	<i>3.6</i>	<i>6.1</i>	<i>10.7</i>	<i>7.7</i>	<i>7.6</i>	<i>7.0</i>	--	<i>Mar-99</i>
<b>Private Infrastructure (Net)</b>	<b>20,888,893</b>	<b>1.8</b>	<b>0.0</b>	<b>-0.1</b>	<b>6.1</b>	<b>9.8</b>	<b>12.1</b>	<b>11.7</b>	--	<b>9.1</b>	<b>Dec-14</b>
<b>Private Infrastructure (Gross)</b>			<b>0.0</b>	<b>0.0</b>	<b>6.3</b>	<b>10.0</b>	<b>12.3</b>	<b>11.8</b>	--	<b>9.2</b>	
<i>Cambridge Infrastructure (1 Quarter Lagged)</i>			<i>0.0</i>	<i>0.0</i>	<i>4.7</i>	<i>13.2</i>	<i>8.1</i>	<i>10.7</i>	<i>8.8</i>	<i>10.1</i>	<i>Dec-14</i>
<b>Private Natural Resources (Net)</b>	<b>11,866,336</b>	<b>1.0</b>	<b>0.0</b>	<b>0.0</b>	<b>1.8</b>	<b>12.1</b>	<b>3.1</b>	<b>8.9</b>	--	<b>10.6</b>	<b>Sep-15</b>
<b>Private Natural Resources (Gross)</b>			<b>0.0</b>	<b>0.0</b>	<b>1.8</b>	<b>12.1</b>	<b>3.1</b>	<b>8.9</b>	--	<b>10.6</b>	
<i>Cambridge Energy Upstream &amp; Royalties &amp; Private Energy (1 Quarter Lagged)</i>			<i>0.0</i>	<i>0.0</i>	<i>6.1</i>	<i>11.6</i>	--	--	--	--	<i>Sep-15</i>
<b>Cash (Net)</b>	<b>6,393,268</b>	<b>0.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.2</b>	<b>0.9</b>	--	--	--	
<b>Cash (Gross)</b>			<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.2</b>	<b>0.9</b>	--	--	--	

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

Private Markets values are cash flow adjusted from 12/31/2020 NAVs unless otherwise noted.

Real Assets includes State Street Real Asset NL Fund.

Trailing Net Performance													
	Market Value (\$)	% of Portfolio	% of Sector	1 Mo (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date	
<b>Total Fund(Net)*</b>	<b>1,134,231,290</b>	<b>100.0</b>	<b>--</b>	<b>1.1</b>	<b>5.0</b>	<b>8.0</b>	<b>25.1</b>	<b>11.9</b>	<b>11.4</b>	<b>8.6</b>	<b>8.5</b>	<b>Dec-94</b>	
<i>Policy Index</i>				0.9	3.6	8.1	24.9	10.8	11.0	9.0	6.6	Dec-94	
<b>Total Fund w/o Alternatives(Net)</b>	<b>787,645,188</b>	<b>69.4</b>	<b>69.4</b>	<b>1.6</b>	<b>6.1</b>	<b>8.1</b>	<b>28.5</b>	<b>14.0</b>	<b>13.0</b>	<b>8.7</b>	<b>--</b>	<b>Dec-94</b>	
<i>Policy Index w/o AI</i>				1.0	5.1	8.1	28.0	11.9	11.7	--	--	Dec-94	
<b>US Equity(Net)</b>	<b>274,866,063</b>	<b>24.2</b>	<b>34.9</b>	<b>2.6</b>	<b>8.9</b>	<b>14.8</b>	<b>41.5</b>	<b>17.6</b>	<b>17.6</b>	<b>14.5</b>	<b>10.9</b>	<b>Dec-94</b>	
<i>Russell 3000</i>				2.5	8.2	15.1	44.2	18.0	17.7	14.5	10.9	Dec-94	
Mellon Dynamic US Equity(Net)	125,744,992	11.1	45.7	2.8	10.3	16.1	40.0	20.4	19.4	--	19.0	Dec-12	
<i>S&amp;P 500</i>				2.3	8.5	15.3	40.8	18.7	17.6	14.8	16.2	Dec-12	
Mellon Large Cap(Net)	117,285,063	10.3	42.7	2.5	8.5	15.2	43.3	19.2	18.0	--	17.7	Mar-16	
<i>Russell 1000</i>				2.5	8.5	15.0	43.1	19.2	18.0	14.9	17.6	Mar-16	
Champlain Small Cap(Net)	31,836,007	2.8	11.6	1.9	4.4	9.6	--	--	--	--	36.1	Nov-20	
<i>Russell 2000</i>				1.9	4.3	17.5	62.0	13.5	16.5	12.3	51.2	Nov-20	
<b>International Equity(Net)</b>	<b>251,148,364</b>	<b>22.1</b>	<b>31.9</b>	<b>1.4</b>	<b>7.6</b>	<b>9.1</b>	<b>41.6</b>	<b>17.7</b>	<b>16.2</b>	<b>8.0</b>	<b>7.0</b>	<b>Dec-98</b>	
<i>International Equity Custom</i>				-0.2	5.6	8.9	37.3	10.1	12.0	6.4	5.2	Dec-98	
<b>Developed International Equity(Net)</b>	<b>142,104,719</b>	<b>12.5</b>	<b>56.6</b>	<b>-0.7</b>	<b>7.2</b>	<b>10.5</b>	<b>30.6</b>	<b>10.6</b>	<b>12.0</b>	<b>6.3</b>	<b>5.1</b>	<b>Jan-08</b>	
<i>Custom Blended Developed International Equity BM</i>				-1.2	5.2	9.3	34.9	8.9	10.6	6.1	3.9	Jan-08	
GQG International Equity(Net)	58,083,019	5.1	40.9	-0.5	8.7	11.4	27.6	--	--	--	17.5	Dec-19	
<i>MSCI ACWI ex USA</i>				-0.6	5.5	9.2	35.7	9.4	11.1	5.4	15.7	Dec-19	
First Eagle International Value Fund(Net)	51,044,420	4.5	35.9	-2.0	4.4	5.7	21.8	--	--	--	8.3	Dec-19	
<i>MSCI EAFE</i>				-1.1	5.2	8.8	32.3	8.3	10.3	5.9	12.9	Dec-19	
<i>MSCI World ex USA</i>				-1.0	5.6	9.9	33.6	8.6	10.4	5.7	13.4	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. Developed International Equity and Emerging Markets Equity composites were only reported as one composite prior to March 2018.

Total Fund | As of June 30, 2021

	Market Value (\$)	% of Portfolio	% of Sector	1 Mo (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Driehaus International Small Cap Growth(Net)	17,194,550	1.5	12.1	-0.3	8.0	12.7	53.0	--	--	--	26.8	May-19
<i>MSCI ACWI ex US Small Cap Growth NR USD</i>				0.3	6.8	10.3	44.9	11.9	13.3	7.9	20.0	May-19
Acadian ACWI ex U.S. Small Cap Equity(Net)	15,782,730	1.4	11.1	1.9	10.5	22.3	55.5	--	--	--	22.5	May-19
<i>MSCI ACWI ex US Small Cap</i>				-0.6	6.4	12.2	47.0	9.8	12.0	7.0	16.5	May-19
<b>Emerging Markets Equity(Net)</b>	<b>109,043,645</b>	<b>9.6</b>	<b>43.4</b>	<b>4.2</b>	<b>8.1</b>	<b>7.0</b>	<b>53.9</b>	<b>27.4</b>	<b>22.2</b>	<b>--</b>	<b>10.8</b>	<b>Apr-12</b>
<i>Custom Blended Emerging Markets Benchmark</i>				1.3	6.3	8.7	42.5	11.9	13.6	4.7	6.2	Apr-12
Artisan Developing World TR(Net)	77,865,186	6.9	71.4	5.9	9.6	7.1	52.7	--	--	--	52.0	Dec-19
<i>MSCI Emerging Markets</i>				0.2	5.0	7.4	40.9	11.3	13.0	4.3	21.8	Dec-19
RWC(Net)	31,178,459	2.7	28.6	0.2	4.6	7.5	58.8	--	--	--	26.1	Dec-19
<i>MSCI Emerging Markets</i>				0.2	5.0	7.4	40.9	11.3	13.0	4.3	21.8	Dec-19
<b>US Fixed Income(Net)</b>	<b>194,041,807</b>	<b>17.1</b>	<b>24.6</b>	<b>0.7</b>	<b>1.8</b>	<b>-1.6</b>	<b>-0.3</b>	<b>4.8</b>	<b>3.4</b>	<b>3.8</b>	<b>5.2</b>	<b>Dec-94</b>
<i>BBgBarc US Aggregate TR</i>				0.7	1.8	-1.6	-0.3	5.0	3.6	3.6	5.5	Dec-94
Vanguard Total Bond Market Index Fund(Net)	92,480,167	8.2	47.7	0.8	2.0	-1.7	-0.4	--	--	--	5.3	May-19
<i>BBgBarc US Aggregate TR</i>				0.7	1.8	-1.6	-0.3	5.3	3.0	3.4	5.2	May-19
Barrow Hanley(Net)	90,968,525	8.0	46.9	0.7	1.9	-1.7	-0.1	5.8	3.3	3.5	3.8	Mar-10
<i>BBgBarc US Aggregate TR</i>				0.7	1.8	-1.6	-0.3	5.3	3.0	3.4	3.7	Mar-10
Vanguard Short-Term Treasury Index Fund(Net)	10,593,114	0.9	5.5	-0.2	0.0	-0.1	0.0	2.7	--	--	2.5	Feb-18
<i>BBgBarc US Govt 1-3 Yr TR</i>				-0.2	0.0	-0.1	0.1	2.7	1.6	1.2	2.6	Feb-18
<i>BBgBarc US Govt 1-5 Yr TR</i>				-0.3	0.1	-0.5	-0.3	3.3	1.8	1.6	3.1	Feb-18

The current US Fixed Income benchmark is the Barclays US Agg. Please refer to the benchmark history for the composition of the US Fixed Income benchmark in earlier periods.

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

	Market Value (\$)	% of Portfolio	% of Sector	1 Mo (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Opportunistic Credit(Net)</b>	<b>67,588,955</b>	<b>6.0</b>	<b>8.6</b>	<b>0.7</b>	<b>2.6</b>	<b>5.2</b>	<b>15.0</b>	--	--	--	<b>7.3</b>	<b>May-19</b>
<i>50% Barclays US Aggregate / 25% Barclays US High Yield / 25% Credit Suisse Leveraged Loans</i>				0.8	2.0	1.0	6.4	--	--	--	5.6	May-19
PIMCO Income Fund(Net)	25,585,133	2.3	37.9	0.3	2.0	1.8	9.6	--	--	--	5.4	Apr-19
<i>BBgBarc US Aggregate TR</i>				0.7	1.8	-1.6	-0.3	5.3	3.0	3.4	5.2	Apr-19
GoldenTree Multi-Sector Credit(Net)	23,719,588	2.1	35.1	0.7	2.2	4.7	16.3	--	--	--	7.3	Jun-19
<i>50% BBgBarc US High Yield TR/50% Credit Suisse Leveraged Loans</i>				0.9	2.1	3.6	13.5	5.9	6.3	5.6	6.3	Jun-19
Sculptor Credit Opportunities Domestic Partners, LP(Net)	18,284,234	1.6	27.1	1.3	4.1	11.3	21.9	--	--	--	21.9	Jul-20
<i>50% BBgBarc US High Yield TR/50% Credit Suisse Leveraged Loans</i>				0.9	2.1	3.6	13.5	5.9	6.3	5.6	13.5	Jul-20
<b>Real Estate(Net)</b>	<b>85,326,951</b>	<b>7.5</b>	<b>7.5</b>	<b>0.7</b>	<b>3.0</b>	<b>5.1</b>	<b>5.5</b>	<b>3.2</b>	<b>4.8</b>	<b>6.7</b>	--	<b>Mar-99</b>
<i>Custom Blended Real Estate Benchmark</i>				2.1	2.1	4.3	3.1	4.5	5.6	8.6	7.1	Mar-99
<i>CPI + 5% (Seasonally Adjusted)</i>				1.3	3.6	6.1	10.7	7.7	7.6	7.0	--	Mar-99
Vanguard REIT Index(Net)	24,249,539	2.1	28.4	2.6	11.7	21.4	--	--	--	--	29.1	Aug-20
<i>Spliced Vanguard REIT Benchmark</i>				2.6	11.7	21.4	34.5	12.0	7.2	9.8	29.2	Aug-20
<b>Private Real Estate(Net)</b>	<b>61,077,412</b>	<b>5.4</b>	<b>71.6</b>	<b>0.0</b>	<b>0.0</b>	<b>1.1</b>	<b>0.9</b>	<b>1.7</b>	<b>3.9</b>	<b>6.2</b>	--	<b>Mar-99</b>
<i>Custom Blended Real Estate Benchmark</i>				2.1	2.1	4.3	3.1	4.5	5.6	8.6	7.1	Mar-99
UBS Trumbull Property(Net)	33,291,925	2.9	54.5	0.0	0.0	-1.7	-4.7	-0.8	1.2	5.5	6.2	Mar-99
Patron Capital V(Net)	7,768,625	0.7	12.7	0.0	0.0	-0.1	11.2	-2.2	7.1	--	6.6	Jan-16

GoldenTree Multi-Sector Credit market value based on manager estimate.

Sculptor Credit Opportunities Domestic Partners market value based on manager estimate.

Private Markets values are cash flow adjusted from 12/31/2020 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.

## Total Fund | As of June 30, 2021

	Market Value (\$)	% of Portfolio	% of Sector	1 Mo (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Greenfield Gap VII(Net)	5,831,292	0.5	9.5	0.0	0.0	15.1	18.0	13.6	13.6	--	13.4	Dec-14
Taconic CRE Dislocation Fund II(Net)	4,159,772	0.4	6.8	0.0	0.0	2.0	4.3	--	--	--	7.1	Nov-18
AG Realty Value Fund X, L.P.(Net)	2,523,108	0.2	4.1	0.0	0.0	7.7	14.2	--	--	--	-2.9	Jun-19
Taconic CRE Dislocation Onshore Fund III(Net)	2,400,000	0.2	3.9									
Cerberus Real Estate Debt Fund, L.P.(Net)	2,068,549	0.2	3.4	0.0	0.0	3.6	20.9	--	--	--	20.9	Jul-20
Carlyle Realty VIII(Net)	1,708,016	0.2	2.8	0.0	0.0	3.8	-0.7	-3.0	--	--	-11.0	Dec-17
Rockpoint Real Estate Fund VI, L.P.(Net)	783,471	0.1	1.3	0.0	0.0	6.4	3.4	--	--	--	0.1	May-20
Carmel Partners Investment Fund VII(Net)	552,969	0.0	0.9	0.0	0.0	-5.8	-20.1	--	--	--	-37.3	Apr-19
Starwood Distressed Opportunity Fund XII Global(Net)	-10,314	0.0	0.0									
<b>Private Equity(Net)</b>	<b>82,622,610</b>	<b>7.3</b>	<b>7.3</b>	<b>0.0</b>	<b>0.2</b>	<b>12.3</b>	<b>30.9</b>	<b>12.8</b>	<b>13.2</b>	<b>9.9</b>	<b>8.9</b>	<b>Jun-05</b>
<i>Custom Private Equity Benchmark</i>				0.0	0.0	16.6	42.9	19.4	19.6	18.5	--	Jun-05
<i>Russell 3000 +3% 1-Quarter Lag</i>				3.8	7.1	23.7	67.2	20.6	20.1	17.2	13.6	Jun-05
Adams Street(Net)	6,652,137	0.6	8.1	0.0	0.0	20.5	57.6	18.3	16.9	14.1	8.8	Sep-05
Ocean Avenue II(Net)	6,613,992	0.6	8.0	0.0	0.0	47.2	59.7	27.2	26.7	--	17.9	Jun-14
Summit Partners Growth Equity Fund X-A(Net)	5,993,190	0.5	7.3	0.0	0.0	4.9	16.0	--	--	--	10.6	Mar-20
TCV X(Net)	5,637,977	0.5	6.8	0.0	0.0	29.8	80.0	--	--	--	23.5	Apr-19
Davidson Kempner Long-Term Distressed Opportunities Fund IV(Net)	5,241,907	0.5	6.3	0.0	0.0	2.9	17.6	8.5	--	--	8.1	Apr-18
Genstar Capital Partners IX(Net)	5,033,634	0.4	6.1	0.0	0.0	9.8	38.3	--	--	--	18.0	Jul-19

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

Pantheon I includes Pantheon US Fund VI and Pantheon Europe Fund IV.

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

Pantheon Secondary includes Pantheon GLO SEC III B.



## Total Fund | As of June 30, 2021

	Market Value (\$)	% of Portfolio	% of Sector	1 Mo (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Invesco VI(Net)	4,570,524	0.4	5.5	0.0	0.0	0.0	30.6	13.0	14.0	--	12.8	Jun-13
Carrick Capital Partners III(Net)	4,563,892	0.4	5.5	0.0	0.0	15.7	26.6	--	--	--	8.3	Aug-18
Cortec Group Fund VII(Net)	4,047,991	0.4	4.9	0.0	0.0	28.0	54.6	--	--	--	28.1	Dec-19
Silver Point Specialty Credit Fund II, L.P.(Net)	3,887,676	0.3	4.7	0.0	4.5	10.2	18.7	--	--	--	18.7	Jul-20
Spark Capital Growth Fund III(Net)	3,811,339	0.3	4.6	0.0	0.0	-2.0	-11.2	--	--	--	-8.5	Mar-20
Pantheon II(Net)	3,746,352	0.3	4.5	0.0	0.0	11.4	42.1	17.3	16.4	--	13.3	Dec-11
GTCR Fund XII(Net)	3,693,867	0.3	4.5	0.0	0.0	2.7	40.1	9.7	--	--	9.4	Jun-18
Cressey & Company Fund VI(Net)	3,001,199	0.3	3.6	0.0	0.0	4.8	28.9	--	--	--	9.1	Jan-19
Taconic Market Dislocation Fund III L.P.(Net)	2,965,287	0.3	3.6	0.0	0.0	10.7	10.7	--	--	--	10.7	Jul-20
Thoma Bravo Discover Fund III(Net)	2,700,449	0.2	3.3	0.0	--	--	--	--	--	--	0.0	Jun-21
Raven Asset Fund II(Net)	2,609,774	0.2	3.2	0.0	0.0	-0.4	-18.0	-5.4	-4.4	--	-4.2	Aug-14
Accel-KKR Growth Capital Partners III(Net)	2,061,355	0.2	2.5	0.0	0.0	1.4	5.9	--	--	--	-6.0	Jul-19
Marlin Heritage Europe II, L.P.(Net)	1,577,481	0.1	1.9	0.0	0.0	-3.4	--	--	--	--	-3.4	Oct-20
TCV XI(Net)	1,501,497	0.1	1.8	0.0	0.0	--	--	--	--	--	0.0	Feb-21
Spark Capital VI(Net)	1,213,434	0.1	1.5	0.0	0.0	-2.7	-14.5	--	--	--	-11.1	Mar-20
Khosla Ventures VII(Net)	636,000	0.1	0.8	0.0	0.0	0.0	--	--	--	--	0.0	Jan-21
Summit Partners Venture Capital Fund V-A(Net)	301,462	0.0	0.4	0.0	--	--	--	--	--	--	0.0	May-21
Pantheon Secondary(Net)	270,918	0.0	0.3	0.0	0.0	-3.4	11.5	1.7	1.8	1.1	2.6	Jun-07
Pantheon I(Net)	198,506	0.0	0.2	0.0	0.0	11.8	12.1	-9.1	-2.3	1.5	1.0	Dec-05

Historical returns for Invesco IV prior to April 2012 are gross only.

Total Fund | As of June 30, 2021

	Market Value (\$)	% of Portfolio	% of Sector	1 Mo (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Accel-KKR Capital Partners VI(Net)	196,899	0.0	0.2	0.0	0.0	--	--	--	--	--	-28.5	Feb-21
Invesco IV(Net)	1,154	0.0	0.0	0.0	0.0	0.0	-19.6	6.6	12.4	9.7	9.8	Jun-05
GTCR Fund XIII/A & B(Net)	-5,284	0.0	0.0									
Khosla Ventures Seed E(Net)	-102,000	0.0	-0.1									
<b>Hedge Fund(Net)</b>	<b>107,062,214</b>	<b>9.4</b>	<b>9.4</b>	<b>0.1</b>	<b>3.0</b>	<b>7.9</b>	<b>18.1</b>	<b>5.6</b>	<b>7.4</b>	<b>--</b>	<b>5.0</b>	<b>Jun-14</b>
<i>Custom Blended Hedge Fund Benchmark</i>				0.3	2.7	4.8	18.1	6.3	6.2	--	4.5	Jun-14
Silver Point Capital(Net)	16,590,339	1.5	15.5	3.4	8.2	17.9	35.7	10.0	--	--	9.6	Nov-17
Laurion Capital(Net)	15,170,431	1.3	14.2	-1.6	8.7	28.7	38.3	--	--	--	23.4	Aug-18
Wellington-Archipelago(Net)	13,856,899	1.2	12.9	0.2	2.5	3.2	11.6	5.5	--	--	5.8	Aug-17
Taconic Opportunity Fund(Net)	13,811,431	1.2	12.9	0.7	2.0	6.8	15.1	--	--	--	5.7	Dec-18
Sculptor (OZ) Domestic II(Net)	13,807,610	1.2	12.9	1.2	2.0	5.3	17.3	10.5	11.0	--	8.1	Jun-14
Caxton Global Investments(Net)	9,737,000	0.9	9.1	-2.6	--	--	--	--	--	--	-2.6	May-21
Marshall Wace Global Opportunities(Net)	9,604,559	0.8	9.0	0.0	-0.2	-7.5	5.5	--	--	--	5.7	May-20
Graham Absolute Return(Net)	8,067,480	0.7	7.5	-2.6	-1.3	4.7	14.8	2.2	--	--	2.8	Aug-17
Marshall Wace Eureka(Net)	4,040,729	0.4	3.8	1.3	3.3	3.9	17.3	6.4	--	--	7.1	Nov-17
KLS Diversified(Net)	2,375,736	0.2	2.2	-0.6	-1.0	2.5	10.9	-2.9	--	--	-1.1	Oct-17
<b>Real Assets(Net)</b>	<b>65,181,059</b>	<b>5.7</b>	<b>5.7</b>	<b>-0.1</b>	<b>3.1</b>	<b>7.1</b>	<b>16.0</b>	<b>8.5</b>	<b>7.7</b>	<b>8.1</b>	<b>--</b>	<b>Mar-99</b>
<i>Custom Blended Real Assets Benchmark</i>				0.0	0.0	5.4	12.4	4.5	6.6	--	--	Mar-99
<i>CPI + 5% (Seasonally Adjusted)</i>				1.3	3.6	6.1	10.7	7.7	7.6	7.0	--	Mar-99
SSgA(Net)	32,425,830	2.9	49.7	-0.3	6.7	12.4	29.7	6.5	--	--	6.6	Apr-17

Total Fund | As of June 30, 2021

	Market Value (\$)	% of Portfolio	% of Sector	1 Mo (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Private Infrastructure(Net)</b>	<b>20,888,893</b>	<b>1.8</b>	<b>32.0</b>	<b>0.0</b>	<b>-0.1</b>	<b>6.1</b>	<b>9.8</b>	<b>12.1</b>	<b>11.7</b>	<b>--</b>	<b>9.1</b>	<b>Dec-14</b>
<i>Cambridge Infrastructure (1 Quarter Lagged)</i>				0.0	0.0	4.7	13.2	8.1	10.7	8.8	10.1	Dec-14
North Haven Infrastructure II(Net)	7,292,424	0.6	34.9	0.0	0.0	1.6	0.2	7.3	9.0	--	6.6	May-15
KKR Global II(Net)	6,627,949	0.6	31.7	0.0	-0.3	12.1	23.8	21.7	17.2	--	15.4	Dec-14
ISQ Global Infrastructure Fund II(Net)	3,975,724	0.4	19.0	0.0	0.0	8.1	15.0	-1.5	--	--	-1.5	Jul-18
KKR Global Infrastructure Investors III(Net)	2,252,867	0.2	10.8	0.0	0.0	-2.9	4.4	--	--	--	-6.5	Jan-19
Ardian Infrastructure Fund V(Net)	739,929	0.1	3.5	0.0	0.0	10.3	-27.9	--	--	--	-22.3	Oct-19
<b>Private Natural Resources(Net)</b>	<b>11,866,336</b>	<b>1.0</b>	<b>18.2</b>	<b>0.0</b>	<b>0.0</b>	<b>1.8</b>	<b>12.1</b>	<b>3.1</b>	<b>8.9</b>	<b>--</b>	<b>10.6</b>	<b>Sep-15</b>
<i>Cambridge Energy Upstream &amp; Royalties &amp; Private Energy (1 Quarter Lagged)</i>				0.0	0.0	6.1	11.6	--	--	--	--	Sep-15
GSO Energy Opportunities(Net)	2,583,420	0.2	21.8	0.0	0.0	7.0	35.8	-1.5	7.4	--	8.2	Nov-15
Tailwater Energy Fund IV, LP(Net)	1,976,029	0.2	16.7	0.0	0.0	-2.0	3.1	--	--	--	-22.4	Oct-19
BlackRock Global Energy and Power Infrastructure Fund III LP(Net)	1,900,033	0.2	16.0	0.0	0.0	1.0	35.5	--	--	--	18.8	Jul-19
EnCap XI(Net)	1,518,429	0.1	12.8	0.0	0.0	2.1	-4.5	-19.6	--	--	-26.8	Jul-17
EnCap IV(Net)	1,329,802	0.1	11.2	0.0	0.0	4.8	8.7	3.9	--	--	0.9	Feb-18
Taurus Mining(Net)	1,293,660	0.1	10.9	0.0	0.0	-3.7	-4.3	2.8	6.7	--	9.5	Sep-15
Taurus Mining Annex(Net)	1,264,963	0.1	10.7	0.0	0.0	0.9	8.6	19.7	--	--	23.1	Jan-17
<b>Cash(Net)</b>	<b>6,393,268</b>	<b>0.6</b>	<b>0.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.2</b>	<b>0.9</b>	<b>--</b>	<b>--</b>	<b>--</b>	
Cash(Net)	5,578,134	0.5	87.3	0.0	0.0	0.0	0.2	1.2	1.1	-4.8	--	Sep-03
Treasury Cash(Net)	815,134	0.1	12.7									

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

**Benchmark History**

As of June 30, 2021

Total Fund		
1/1/2020	Present	21% Russell 3000 / 10% Custom Blended Developed International Equity BM / 8% Custom Blended Emerging Markets Benchmark / 18% BBgBarc US Aggregate TR / 10% Custom Blended Hedge Fund Benchmark / 15% Custom Private Equity Benchmark / 5% Custom Blended Real Assets Benchmark / 8% Custom Blended Real Estate Benchmark / 5% 50% Barclays US Aggregate / 25% Barclays US High Yield / 25% Credit Suisse Leveraged Loans
7/1/2019	12/31/2019	21% US Equity Custom / 18% International Equity Custom / 18% US Fixed Custom / 10% Custom Blended Hedge Fund Benchmark / 15% Thomson Reuters Cambridge Private Equity Index / 5% Real Asset Custom / 8% NCREIF ODCE (net) / 5% 50% Barclays US Aggregate / 25% Barclays US High Yield / 25% Credit Suisse Leveraged Loans
1/1/2019	6/30/2019	21% US Equity Custom / 18% International Equity Custom / 23% US Fixed Custom / 10% Custom Blended Hedge Fund Benchmark / 15% Thomson Reuters Cambridge Private Equity Index / 5% Real Asset Custom / 8% NCREIF ODCE (net)
1/1/2017	12/31/2018	27% US Equity Custom / 23% International Equity Custom / 22% US Fixed Custom / 5% Custom Blended Hedge Fund Benchmark / 9% Thomson Reuters Cambridge Private Equity Index / 14% Real Asset Custom
7/1/2014	12/31/2016	22.7% Russell 1000 / 5.7% Russell 2000 / 23.6% International Equity Custom / 28.5% US Fixed Custom / 4.5% Custom Blended Hedge Fund Benchmark / 8% NCREIF ODCE (net) / 7% Cambridge Assoc. U.S. Private Equity Legacy Index
Total Fund w/o Alternatives		
1/1/2017	Present	37.5% US Equity Custom / 31.94% International Equity Custom / 30.56% US Fixed Custom
7/1/2014	12/31/2016	28.2% Russell 1000 / 7.1% Russell 2000 / 29.3% International Equity Custom / 35.4% US Fixed Custom
US Equity		
1/1/2020	Present	Russell 3000
12/31/1994	12/31/2019	80% R1000 / 20% R2000
International Equity		
1/1/2019	Present	56% MSCI EAFE Gross / 44% MSCI Emerging Markets Gross
1/1/2017	12/31/2018	69.56% MSCI EAFE Gross / 30.44% MSCI Emerging Markets Gross
7/1/2013	12/31/2016	MSCI ACWI ex USA Gross
Developed International Equity		
1/1/2020	Present	80% MSCI EAFE / 20% MSCI ACWI ex US Small Cap
1/31/2008	12/31/2019	MSCI EAFE
Emerging Markets Equity		
1/1/2020	Present	MSCI Emerging Markets
4/30/2012	12/31/2019	MSCI Emerging Markets Gross
US Fixed Income		
1/1/2020	Present	BBgBarc US Aggregate TR
3/1/2018	12/31/2019	77.27% BBgBarc US Aggregate TR / 22.73% BBgBarc US Govt 1-5 Yr TR
1/1/2017	2/28/2018	77.27% BBgBarc US Aggregate TR / 22.73% Credit Suisse Leveraged Loans
8/1/2014	12/31/2016	71.93% BBgBarc US Aggregate TR / 17.54% ICE BofA US High Yield TR / 10.53% Credit Suisse Leveraged Loans
12/31/1994	7/31/2014	US Fixed Custom

Opportunistic Credit		
5/1/2019	Present	50% BBgBarc US Aggregate TR / 25% BBgBarc US High Yield TR / 25% Credit Suisse Leveraged Loans
Real Estate		
1/1/2020	Present	NCREIF ODCE (lagged one quarter)
3/31/1999	12/31/2019	NCREIF ODCE (net)
Vanguard REIT Index		
8/31/2020	Present	MSCI US IMI Real Estate 25-50 GR USD
Private Real Estate		
1/1/2020	Present	NCREIF ODCE (lagged one quarter)
3/31/1999	12/31/2019	NCREIF ODCE (net)
Private Equity		
1/1/2020	Present	Cambridge Global Private Equity & VC (1 Quarter Lagged)
6/30/2005	12/31/2019	Thomson Reuters Cambridge Private Equity Index
Hedge Fund		
7/1/2017	Present	100% HFRI Fund of Funds Composite Index
1/1/2015	6/30/2017	50% HFRI Fund of Funds Composite Index / 50% HFRI RV: Multi-Strategy Index
Real Assets		
1/1/2020	Present	50% Cambridge Infrastructure (1 Quarter Lagged) / 50% Cambridge Energy Upstream & Royalties & Private Energy (1 Quarter Lagged)
3/31/1999	12/31/2019	Real Asset Custom
Private Infrastructure		
12/31/2014	Present	Cambridge Infrastructure (1 Quarter Lagged)
Private Natural Resources		
9/30/2015	Present	Cambridge Energy Upstream & Royalties & Private Energy (1 Quarter Lagged)
SSgA		
4/30/2017	Present	25% Bloomberg Roll Select Commodities Index TR USD / 25% S&P Global LargeMidCap Commodity and Resources NR USD / 10% S&P Global Infrastructure TR USD / 15% DJ US Select REIT TR USD / 25% BBgBarc US TIPS TR

Annual Investment Expense Analysis				
As Of June 30, 2021				
Name	Fee Schedule	Market Value	Estimated Fee Value	Estimated Fee
<b>Total Fund w/o Alternatives</b>		<b>\$787,645,188</b>		
<b>US Equity</b>		<b>\$274,866,063</b>		
Mellon Dynamic US Equity	0.30% of Assets	\$125,744,992	\$377,235	0.30%
Mellon Large Cap	0.04% of First 100.0 Mil, 0.02% Thereafter	\$117,285,063	\$43,457	0.04%
Champlain Small Cap	1.00% of Assets	\$31,836,007	\$318,360	1.00%
<b>International Equity</b>		<b>\$251,148,364</b>		
<b>Developed International Equity</b>		<b>\$142,104,719</b>		
Acadian ACWI ex U.S. Small Cap Equity	0.99% of Assets	\$15,782,730	\$156,249	0.99%
Driehaus International Small Cap Growth	0.90% of Assets	\$17,194,550	\$154,751	0.90%
GQG International Equity	0.50% of Assets	\$58,083,019	\$290,415	0.50%
First Eagle International Value Fund	0.79% of Assets	\$51,044,420	\$403,251	0.79%
<b>Emerging Markets Equity</b>		<b>\$109,043,645</b>		
Artisan Developing World TR	1.05% of Assets	\$77,865,186	\$817,584	1.05%
RWC	0.87% of Assets	\$31,178,459	\$271,253	0.87%
<b>US Fixed Income</b>		<b>\$194,041,807</b>		
Barrow Hanley	0.30% of First 50.0 Mil, 0.20% of Next 100.0 Mil, 0.15% Thereafter	\$90,968,525	\$231,937	0.25%
Vanguard Short-Term Treasury Index Fund	0.05% of Assets	\$10,593,114	\$5,297	0.05%
Vanguard Total Bond Market Index Fund	0.04% of Assets	\$92,480,167	\$32,368	0.04%
<b>Opportunistic Credit</b>		<b>\$67,588,955</b>		
PIMCO Income Fund	0.50% of Assets	\$25,585,133	\$127,926	0.50%
GoldenTree Multi-Sector Credit	0.70% of Assets	\$23,719,588	\$166,037	0.70%
Sculptor Credit Opportunities Domestic Partners, LP	Performance-based 1.00 and 20.00	\$18,284,234	\$182,842	1.00%

Name	Fee Schedule	Market Value	Estimated Fee Value	Estimated Fee
<b>Real Estate</b>		<b>\$85,326,951</b>		
Vanguard REIT Index	0.10% of Assets	\$24,249,539	\$24,250	0.10%
<b>Private Real Estate</b>		<b>\$61,077,412</b>		
Greenfield Gap VII		\$5,831,292		
Patron Capital V		\$7,768,625		
UBS Trumbull Property		\$33,291,925		
Carlyle Realty VIII		\$1,708,016		
Taconic CRE Dislocation Fund II		\$4,159,772		
Carmel Partners Investment Fund VII		\$552,969		
AG Realty Value Fund X, L.P.		\$2,523,108		
Rockpoint Real Estate Fund VI, L.P.		\$783,471		
Cerberus Real Estate Debt Fund, L.P.		\$2,068,549		
Taconic CRE Dislocation Onshore Fund III		\$2,400,000		
Starwood Distressed Opportunity Fund XII Global		-\$10,314		
Invesco IV		\$1,154		
Invesco VI		\$4,570,524		
Ocean Avenue II		\$6,613,992		
Pantheon I		\$198,506		
Pantheon II		\$3,746,352		
Pantheon Secondary		\$270,918		
Raven Asset Fund II		\$2,609,774		
Davidson Kempner Long-Term Distressed Opportunities Fund IV		\$5,241,907		
GTCR Fund XII		\$3,693,867		
Carrick Capital Partners III		\$4,563,892		
Cressey & Company Fund VI		\$3,001,199		
TCV X		\$5,637,977		

Name	Fee Schedule	Market Value	Estimated Fee Value	Estimated Fee
Accel-KKR Growth Capital Partners III		\$2,061,355		
Genstar Capital Partners IX		\$5,033,634		
Cortec Group Fund VII		\$4,047,991		
Spark Capital Growth Fund III		\$3,811,339		
Spark Capital VI		\$1,213,434		
Summit Partners Growth Equity Fund X-A		\$5,993,190		
Taconic Market Dislocation Fund III L.P.		\$2,965,287		
Silver Point Specialty Credit Fund II, L.P.		\$3,887,676		
Marlin Heritage Europe II, L.P.		\$1,577,481		
Khosla Ventures VII		\$636,000		
Accel-KKR Capital Partners VI		\$196,899		
Khosla Ventures Seed E		-\$102,000		
TCV XI		\$1,501,497		
Thoma Bravo Discover Fund III		\$2,700,449		
Summit Partners Venture Capital Fund V-A		\$301,462		
GTCR Fund XIII/A & B		-\$5,284		
<b>Hedge Fund</b>		<b>\$107,062,214</b>		
Sculptor (OZ) Domestic II	Performance-based 1.50 and 20.00	\$13,807,610	\$243,953	1.77%
Graham Absolute Return	Performance-based 1.75 and 20.00	\$8,067,480	\$141,181	1.75%
Wellington-Archipelago	Performance-based 1.00 and 20.00	\$13,856,899	\$144,112	1.04%
KLS Diversified	Performance-based 2.00 and 20.00	\$2,375,736	\$47,515	2.00%
Marshall Wace Eureka	Performance-based 2.00 and 20.00	\$4,040,729	\$91,272	2.26%
Silver Point Capital	Performance-based 1.50 and 20.00	\$16,590,339	\$360,010	2.17%
Laurion Capital	Performance-based 2.00 and 20.00	\$15,170,431	\$303,409	2.00%
Taconic Opportunity Fund	Performance-based 1.40 and 20.00	\$13,811,431	\$213,801	1.55%
Marshall Wace Global Opportunities	Performance-based 2.00 and 20.00	\$9,604,559	\$192,091	2.00%
Caxton Global Investments		\$9,737,000		



Name	Fee Schedule	Market Value	Estimated Fee Value	Estimated Fee
<b>Real Assets</b>		<b>\$65,181,059</b>		
SSgA	0.30% of First 50.0 Mil, 0.27% of Next 50.0 Mil, 0.25% Thereafter	\$32,425,830	\$97,277	0.30%
<b>Private Infrastructure</b>		<b>\$20,888,893</b>		
KKR Global II		\$6,627,949		
North Haven Infrastructure II		\$7,292,424		
ISQ Global Infrastructure Fund II		\$3,975,724		
KKR Global Infrastructure Investors III		\$2,252,867		
Ardian Infrastructure Fund V		\$739,929		
<b>Private Natural Resources</b>		<b>\$11,866,336</b>		
EnCap XI		\$1,518,429		
EnCap IV		\$1,329,802		
GSO Energy Opportunities		\$2,583,420		
Taurus Mining		\$1,293,660		
Taurus Mining Annex		\$1,264,963		
BlackRock Global Energy and Power Infrastructure Fund III LP		\$1,900,033		
Tailwater Energy Fund IV, LP		\$1,976,029		
<b>Cash</b>		<b>\$6,393,268</b>		
Cash		\$5,578,134		
Treasury Cash		\$815,134		

## **Disclaimer, Glossary, and Notes**

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**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.

# Merced County Employees' Retirement Association

July 22, 2021

Putting It All Together:  
Understanding Asset Class Roles  
Within the Fund

**Putting It All Together: Understanding Asset Class Roles Within the Fund****Introduction**

- Over the last several months, Meketa has covered relevant topics with the Board in preparation for the September meeting on asset allocation. The goal was for the Board to become familiar with the prevailing market conditions and the challenges most plan sponsors face in meeting their actuarial returns under such an environment.
- Specific topics covered:
  - A refresher on Meketa’s capital market expectations: how these are constructed, and updated annually. In general for 2021 CME’s, we have observed a decline in expected returns across most asset classes.
  - The impact of declining yields and high equity prices on (lower) future expected returns.
  - Investing in a low interest rate environment and how best to position portfolios: thinking outside the box.
  - Inflationary concerns creating an additional challenge across most asset classes.
  - Recognition that in order to maintain the same expected return, one will have to accept more risk.
- For today’s presentation, we highlight MCERA’s current policy targets and review the role each of the various asset classes have within the Plan.



**Putting It All Together: Understanding Asset Class Roles Within the Fund**
**Current Allocation**

	Target Mix (%)	Minimum (%)	Maximum (%)	Actual (%)
Total Domestic Equity	21.0	15.0	26.0	24.2
Developed Market Equity	10.0	5.0	15.0	12.5
Emerging Market Equity	8.0	4.0	12.0	9.6
Private Equity	15.0	5.0	20.0	7.3
Real Estate	8.0	6.0	10.0	7.5
Domestic Fixed Income	18.0	13.0	23.0	17.1
Opportunistic Fixed Income	5.0	3.0	7.0	6.0
Hedge Funds	10.0	5.0	15.0	9.4
Real Assets	5.0	3.0	7.0	5.7

Putting It All Together: Understanding Asset Class Roles Within the Fund

Understanding Asset Class Roles within the Fund<sup>1</sup>

Asset Class	Role	Objective	2021 Return Expectations <sup>2</sup>	Risk Level (Std Dev.)
Public Equity	Provide capital appreciation in a diversified portfolio.	Return-Seeking		
Domestic			6.8 (7.4)	18.0 (17.0)
Dev. International			7.1 (7.9)	19.0 (19.0)
Emerging Market			8.1 (9.1)	24.0 (24.0)
Fixed Income	Provide income, capital preservation, and diversification from equities. Fixed income investments can also be a source of for cash outflows and benefit payments.	Risk-Mitigating	1.8 (3.0)	4.0 (4.0)
Opportunistic Credit	Generate high total returns, and/or hedge rising interest rates.	Return-Seeking	4.1 (5.1)	10.0 (10.0)
Real Estate (Core, Value-Add, Opportunistic)	The main role of core real estate is to offer a steady income stream similar to fixed income, in addition to providing an opportunity for capital appreciation. Core real estate will offer higher levels of income, whereas value-add and opportunistic strategies will encompass higher levels of capital appreciation and higher risk. As a whole, the asset class offers diversification benefits.	Inflation Hedge	6.9 (7.5)	17.0 (15.0)

<sup>1</sup> Return assumption and standard deviation for real assets is comprised of 50% private natural resources and 50% private infrastructure. For opportunistic fixed income, calculation is comprised of 50% bank loans and 50% high yield.

<sup>2</sup> Returns in parenthesis reflect 2020 CMEs.

Putting It All Together: Understanding Asset Class Roles Within the Fund

Understanding Asset Class Roles within the Fund (Continued)<sup>1</sup>

Asset Class	Role	Objective	2021 Return Expectations <sup>2</sup>	Risk Level (Std Dev.)
Private Equity	The private markets are inefficient and illiquid due partially to privately negotiated, non-auction pricing mechanisms. High return premiums are expected by investors who are willing to accept the illiquid and inefficient characteristics of the private markets.	Return-Seeking	9.1 (9.4)	28.0(26.0)
Hedge Funds	Provide a diversified set of risk exposures. These investments have little-to-no correlation to the broader equity and credit markets and are expected to achieve an attractive risk-adjusted return.	Risk-Mitigating	4.3 (4.9)	7.0(7.0)
Real Assets	Protect against inflation and improve diversification.	Inflation Hedging	7.7 (7.8)	18.5(17.5)

<sup>1</sup> Return assumption and standard deviation for real assets is comprised of 50% private natural resources and 50% private infrastructure. For opportunistic fixed income, calculation is comprised of 50% bank loans and 50% high yield.

<sup>2</sup> Returns in parenthesis reflect 2020 CMEs.

**Putting It All Together: Understanding Asset Class Roles Within the Fund****Other Asset Classes/Approaches to Consider**

- Tail Risk Hedging
- Gold
- Long Duration Treasuries
- Tips

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**Merced County Employees' Retirement Association (MercedCERA)  
RETIREMENT BOARD AGENDA ITEM**

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**DATE:** July 22, 2021

**TO:** MercedCERA Board of Retirement

**FROM:** Kristie Santos, Plan Administrator

**SUBJECT:** Filling Upcoming Opening for Office Assistant I/II/III

**ITEM NUMBER:** 3

**ITEM TYPE:** Action

**STAFF RECOMMENDATION:**

1. Approval for MercedCERA to fill the upcoming open Office Assistant I/II/III vacancy and fill the current Extra Help Office Assistant position.

**DISCUSSION:**

Currently MercedCERA's staff allocation includes two full time Office Assistant (OA) I/II/III positions and a vacant Extra Help Office Assistant position. The two full time OAs are vital for MercedCERA to function effectively and to timely meet all stakeholder needs. Unfortunately, one of the current OAs has resigned from their full time position, effective July 31, 2021 and simultaneously requested to transition to the vacant Extra Help (EH) temporary position effective August 1, 2021.

Due to the current amount of work requirements in the office related to normal business, the 2021 Audit (virtual) and the Alameda related recalculations, it is vital that we have the OA position filled as soon as possible. Our OAs were instrumental in both last year's virtual Audit and ongoing file management of Alameda affected members. It is expected that the EH employee would continue to support the office as they have been and also assist with the training of the new OA. The length of time the EH position will be needed is unknown at this time, but re-evaluation of the timeframe will occur as time sensitive functions are completed.

Staff recommends the following:

1. Approval for MercedCERA to fill the upcoming open Office Assistant I/II/III vacancy and fill the current Extra Help Office Assistant position.