

**MCERA INVESTMENT RETIREMENT BOARD AGENDA**  
**THURSDAY, JULY 23, 2020**  
**MERCED COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**  
**TELEPHONE NUMBER: 1-310-372-7549, CONFERENCE CODE: 975839**

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

**Based on guidance from the California Department of Public Health and the California Governor's Office, in order to minimize the spread of the SARS-COV-2 virus, MCERA's building will be closed to the public during MCERA Board meetings. Members of the MCERA Board will participate in this meeting offsite via conference call. Members of the public may 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 MCERA staff at 209-726-2724.**

**Please turn your cell phone or other electronic device to non-audible mode or mute.**

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

- ROLL CALL.
- APPROVAL OF MINUTES – July 9, 2020.

**PUBLIC COMMENT**

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

**BOARD ACTION<sup>1</sup>/DISCUSSION**

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

1. Discussion on capital markets update – Meketa Group.
2. Discussion and possible action on quarterly performance ending June 30<sup>th</sup> by Meketa with possible action on any managers/funds – Meketa Group.
3. Discussion and possible action to adopt "MercedCERA" as a new acronym for the Merced County Employees' Retirement Association – Staff.
4. Discussion and possible action on the feasibility of construction for MCERA's new building potentially located at 690 W. 19<sup>th</sup> Street, Merced, CA. – Staff.
5. Review calendar of any training sessions and authorize expenditures for Trustees and Plan Administrator. Pursuant to Govt. Code § 31522.8 and MCERA's Trustees Education and Training Policy requirements. Examples of upcoming training and educational sessions:
  - a. SACRS Public Pension Investment Management Program (via Zoom Webinar), July 28, 2020 to August 13, 2020.
  - b. CALAPRS Principles for Trustees, August 18, 25 and 26, 2020 (online).
  - c. Nossaman Fiduciary Forum September 30 – October 2, 2020 (virtual conference).

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<sup>1</sup> "Action" means that the Board may dispose of any item by any action, including but not limited to the following acts: approve, disapprove, authorize, modify, defer, table, take no action, or receive and file.

## **INFORMATION ONLY**

### **MCERA UPCOMING BOARD MEETINGS**

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

- August 13, 2020
- August 27, 2020

### **ADJOURNMENT**

All supporting documentation is available for public review online at [www.co.merced.ca.us/retirement](http://www.co.merced.ca.us/retirement)

Any material related to an item on this Agenda submitted to the Merced County Employees' Retirement Association, after distribution of the Agenda packet is available for public inspection at [www.co.merced.ca.us/retirement](http://www.co.merced.ca.us/retirement)

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 by emailing the Merced County Employees' Association at [MCERA@co.merced.ca.us](mailto:MCERA@co.merced.ca.us), 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.

**MCERA ADMINISTRATIVE & INVESTMENT RETIREMENT BOARD**  
**AGENDA**  
**THURSDAY, JULY 9, 2020**  
**MERCED COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**  
**TELEPHONE NUMBER: 1-310-372-7549, CONFERENCE CODE: 975839**

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

**Board Members Present:** Ryan Paskin, Scott Johnston, Al Peterson, David Ness, Darlene Ingersoll, Scott Silveira, Michael Rhodes, Karen Adams, Jason Goins, **Counsel:** Jeff Grant.  
**Staff:** Kristen Santos, Martha Sanchez, Ninebra Maryoonani, Sheri Villagrana, Brenda Mojica.  
**Absent:** Janey Cabral, Kalisa Rochester

**APPROVAL OF MINUTES – June 25, 2020.**

Motion to approve the June 25, 2020 meeting minutes.  
Ingersoll/Peterson U/A (8-0)

**PUBLIC COMMENT**

No Comment.

**CLOSED SESSION**

1. Discussion and possible action to adopt the recommendation of three Funds/Managers – Cliffwater.

The MCERA Board of Retirement voted to invest unanimously via roll call vote in the following investments pending legal review of all fund documents. Silveira/Adams U/A (8-0):

1. An investment in Taconic Market Dislocation Fund III for an \$8mm,
  2. An investment in TCV XI Fund for an \$8mm,
  3. An investment in Starwood Opportunity Fund XII for an \$8mm.
- 
2. No action taken on disabilities.

**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. Yates, Annamarie	Behavioral Health	19 Yrs. Svc.	Eff. 07/04/2020
b. Manuel, Isabel	Behavioral Health	20 Yrs. Svc.	Eff. 06/27/2020
c. Bettencourt, Leland	Human Resources	5 Yrs. Svc.	Eff. 07/01/2020
<del>d. Linder, Fredrick</del>	<del>Admin Services</del>	<del>14 Yrs. Svc.</del>	<del>Eff. 07/06/2020</del>
e. Valenzuela, Monica	HSA	26 Yrs. Svc.	Eff. 06/18/2020
f. Renoir, Corinne	Behavioral Health	15 Yrs. Svc.	Eff. 06/18/2020

YTD fiscal year 2019/2020 retirees: ~~106~~ 105

YTD fiscal year 2018/2019 retirees: 101  
YTD fiscal year 2017/2018 retirees: 082

**REFUND OF SERVICE PURCHASE:** None

**DEATH BENEFIT:** None

**MONTHLY BUDGET REPORT:** Due to year end, there is no monthly budget report.

Motion to approve consent calendar with correction to item #e, to reflect HSA instead of HAS. Ingersoll/Adams U/A (8-0)

**BOARD ACTION<sup>1</sup>/DISCUSSION**

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

1. Discussion and possible action on Legislative Report – Staff.  
No action taken.
  
2. Review calendar of any training sessions and authorize expenditures for Trustees and Plan Administrator. Pursuant to Govt. Code § 31522.8 and MCERA's Trustees Education and Training Policy requirements. Examples of upcoming training and educational sessions:
  - a. SACRS Public Pension Investment Management Program (via Zoom Webinar), July 28, 2020 to August 13, 2020.
  - b. CALAPRS Principles for Trustees, August 18, 25 and 26, 2020 (online).
  - c. Nossaman Fiduciary Forum September 30 – October 2, 2020 (virtual conference).Motion to approve Plan Administrator to attend (dial into) Nossaman Fiduciary Forum from September 30 to October 2, 2020. Peterson/Rhodes U/A (8-0).

**INFORMATION ONLY**

No information items.

**ADJOURNMENT**

The meeting adjourned at 9:16AM

Respectfully submitted,

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Ryan Paskin, Chair

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Al Peterson, Secretary

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Date

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# Merced County Employees' Retirement Association

July 23, 2020

June Performance Report:  
Preliminary

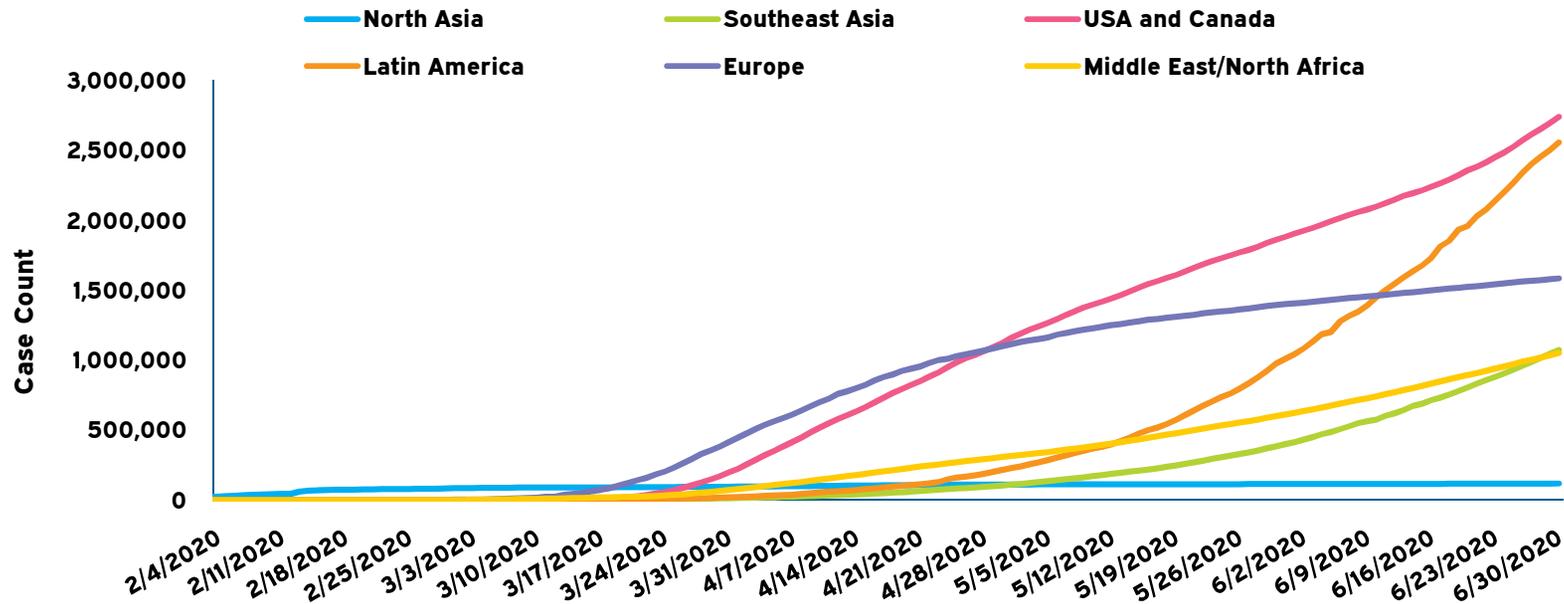
1. Economic and Market Update
2. Preliminary Performance Highlights
3. June Performance Update
4. IFR Progress & Upcoming Action Items

# Economic and Market Update

Data as of June 30, 2020



### Case Count by Select Region<sup>1,2</sup>

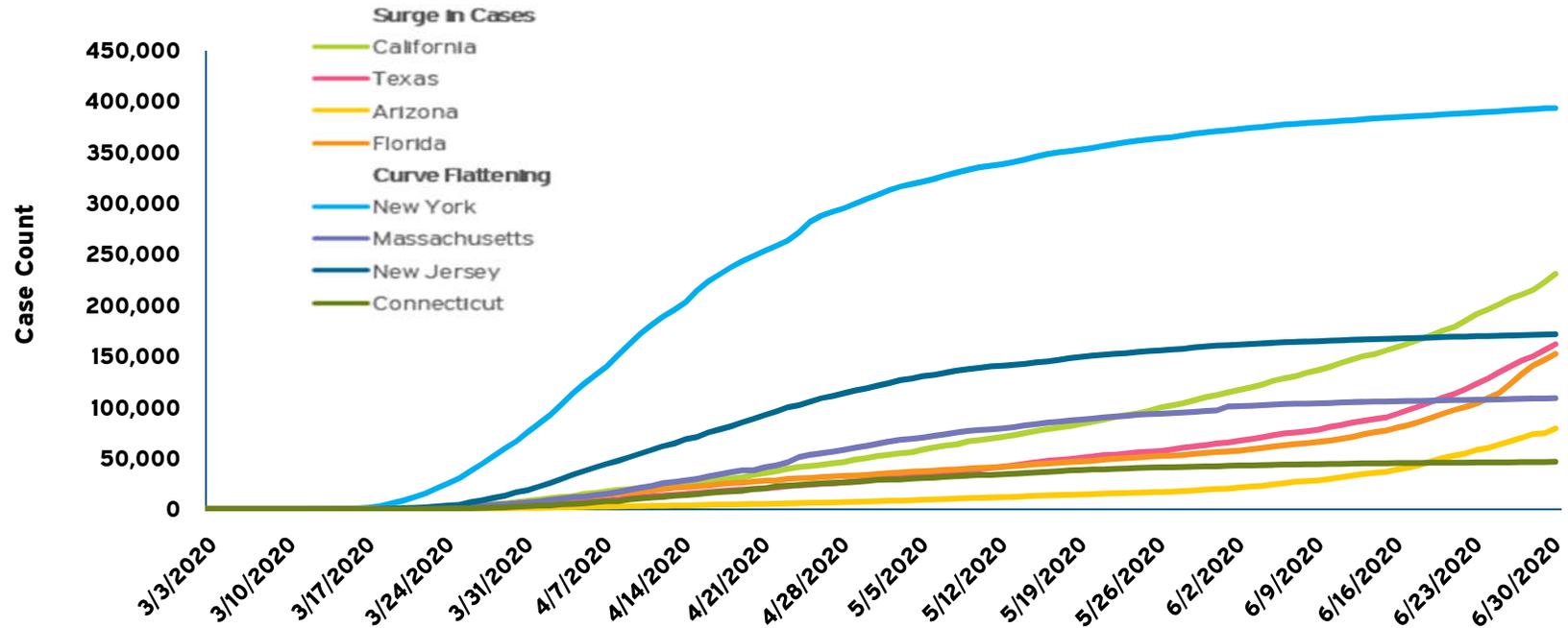


- Cases of COVID-19 continue to grow globally with now over 11.5 million reported cases across 188 countries.
- The US remains the epicenter with numbers in Latin America surging, driven by Brazil, which now has the second highest case count.

<sup>1</sup> Source: Bloomberg. Data is as of June 30, 2020.

<sup>2</sup> North Asia: China, Hong Kong, Japan, South Korea, and Taiwan. Southeast Asia: Singapore, India, Indonesia, Malaysia, Pakistan, Philippines, Thailand, Bangladesh, Sri Lanka, and Vietnam. Europe: Austria, Belarus, Bulgaria, Croatia, Czech Republic, Denmark, France, Germany, Hungary, Italy, Netherlands, Norway, Poland, Romania, Spain, Sweden, United Kingdom, Switzerland, and Ukraine. Latin America: Chile, Brazil, Mexico, Argentina, Colombia, Peru, Venezuela, Ecuador, Panama, Paraguay, Costa Rica, Bolivia, Uruguay, El Salvador, Honduras, Cuba, Dominican Republic, Haiti, and Nicaragua. Middle East/North Africa: Algeria, Bahrain, Egypt, Iran, Iraq, Israel, Jordan, Kuwait, Lebanon, Libya, Morocco, Oman, Qatar, Saudi Arabia, Syria, Turkey, Tunisia, United Arab Emirates, and Yemen.

### COVID-19 Cases by State<sup>1</sup>



- As the US economy slowly reopens, there has been a spike in cases in certain states that is creating stress on their healthcare systems, leading to officials slowing, or reversing, reopening plans.
- Some of the states that were hardest hit in the early stages continue to make progress on containing it.
- Looking forward, a continued trend of rising cases could significantly weigh on economic growth.

<sup>1</sup> Source: Bloomberg. Data is as of June 30, 2020.

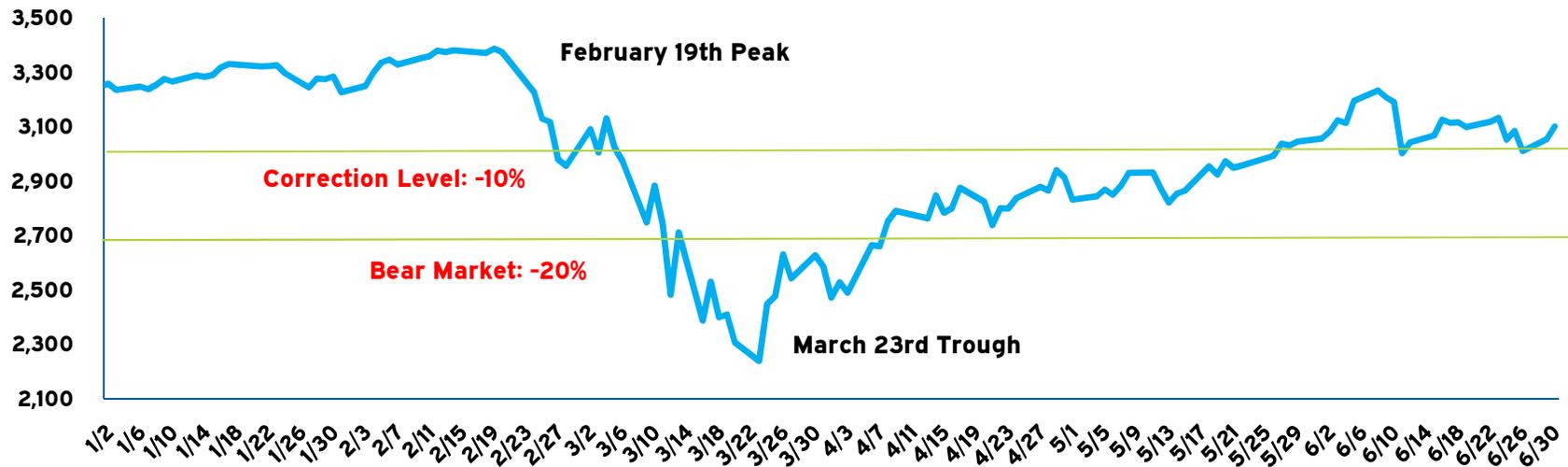
Market Returns<sup>1</sup>

Indices	Q2	YTD	1 Year	3 Year	5 Year	10 Year
S&P 500	20.5%	-3.1%	7.5%	10.7%	10.7%	14.0%
MSCI EAFE	14.9%	-11.3%	-5.1%	0.8%	2.1%	5.7%
MSCI Emerging Markets	18.1%	-9.8%	-3.4%	1.9%	2.9%	3.3%
MSCI China	15.3%	3.5%	13.1%	8.6%	5.3%	6.4%
Bloomberg Barclays Aggregate	2.9%	6.1%	8.7%	5.3%	4.3%	3.8%
Bloomberg Barclays TIPS	4.2%	6.0%	8.3%	5.0%	3.7%	3.5%
Bloomberg Barclays High Yield	10.2%	-3.8%	0.0%	3.3%	4.8%	6.7%
10-year US Treasury	0.7%	12.7%	14.2%	6.6%	4.8%	4.7%
30-year US Treasury	-0.7%	24.9%	29.8%	12.4%	9.7%	8.5%

- Global risk assets have recovered meaningfully from their lows, largely driven by record fiscal and monetary policy stimulus; the S&P 500 recovered by over 39% from the mid-March lows.
- Risk assets have reacted positively to the gradual re-opening of the global economy, some economic data beating expectations, and the potential for a vaccine being developed sooner than initially expected.
- Despite the recovery in risk assets, yields on safe-haven assets like US Treasuries remain at record lows due to expectations for extremely accommodative monetary policy for the foreseeable future.

<sup>1</sup> Source: InvestorForce and Bloomberg. Data is as of June 30, 2020.

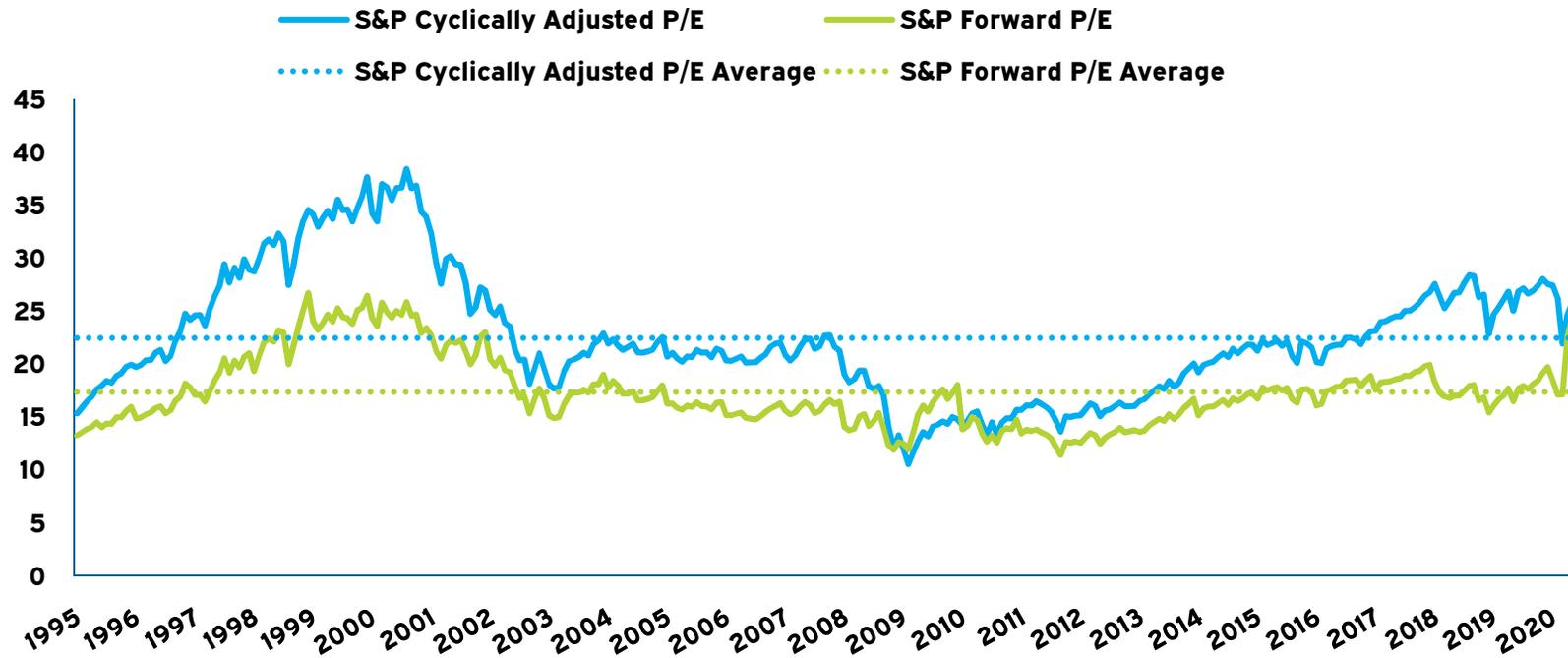
### S&P 500 Continues to Recover<sup>1</sup>



- Given the anticipated economic carnage surrounding the pandemic, US stocks declined from a February peak into bear market (-20%) territory at the fastest pace in history.
- From the February 19 peak, the S&P 500 plunged 34% in just 24 trading days.
- The index rebounded from its lows, and is only down around 3% year-to-date through the end of June, primarily due to the unprecedented monetary and fiscal stimulus announced in the US, as well as improvements in virus data, and the economy slowly reopening.
- It is unclear whether the US equity market's recovery is temporary, particularly given the recent surge in cases.

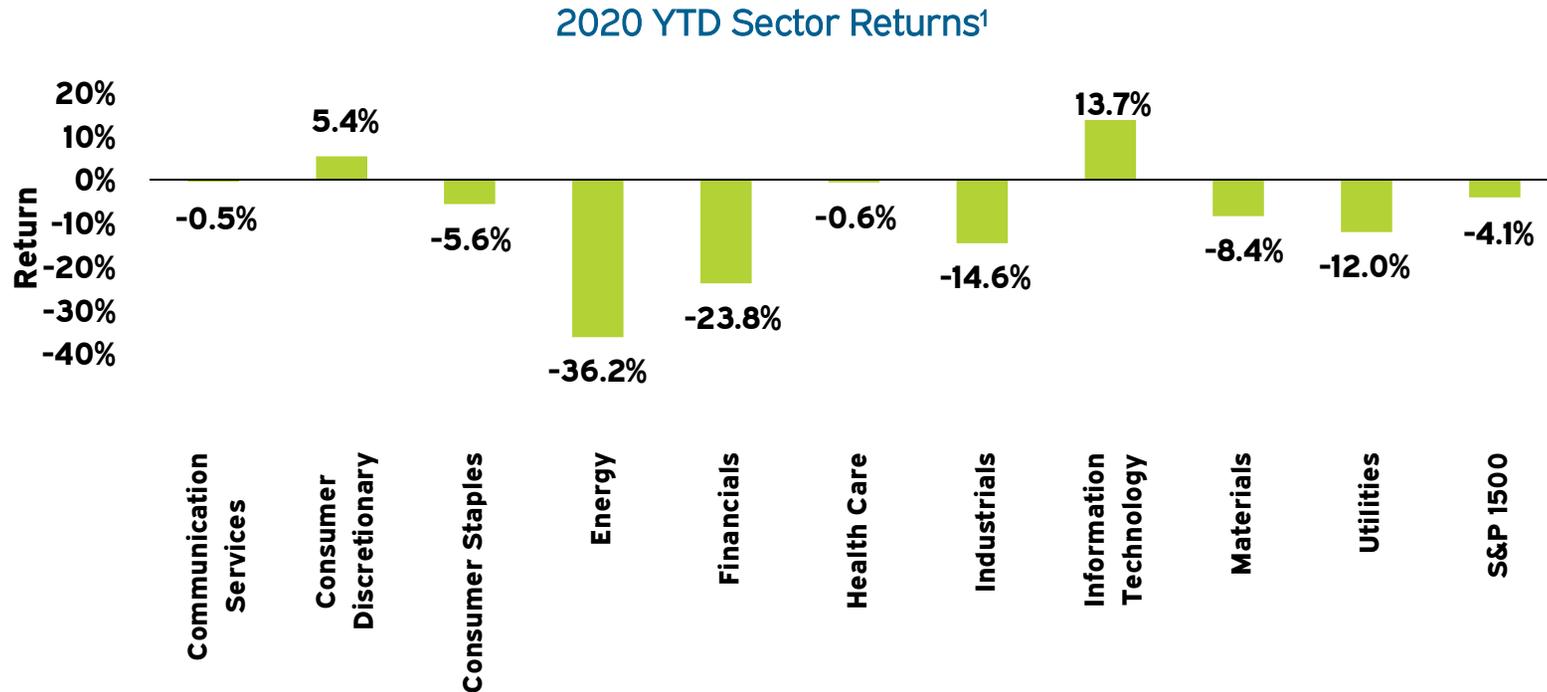
<sup>1</sup> Source: Bloomberg. Data is as of June 30, 2020.

### S&P Equity Valuations<sup>1</sup>



- Valuations based on both forward and backward looking earnings for the US stock market remain well above long-term averages, driven by the recent run.
- Many are looking to improvements in earnings to support market levels as the US economy continues to reopen.
- The key risk remains that a spike in COVID-19 cases could slow, or reverse, the reopening plans.

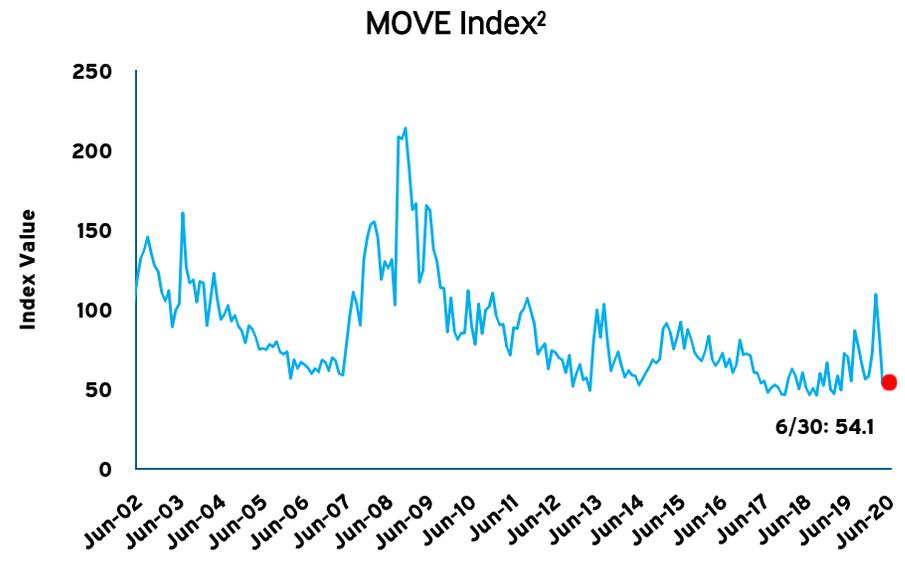
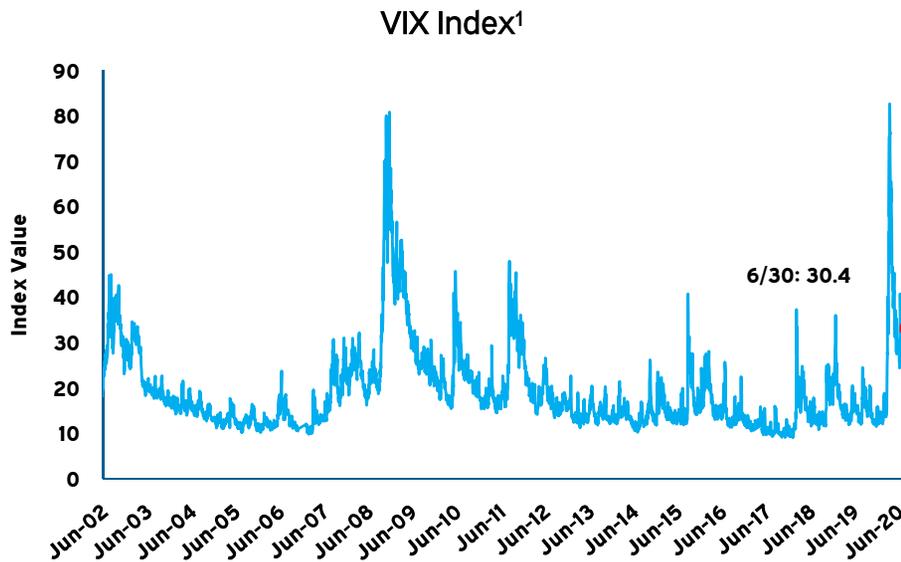
<sup>1</sup> Source: Bloomberg. Data is as of June 30, 2020.



- Information technology is the best performing sector, with a narrow group of companies like Amazon and Netflix largely driving market gains. The outperformance has been due to consumers moving to online purchases and entertainment.
- The consumer discretionary sector also experienced gains as the economy slowly reopens, people return to work, and as stimulus checks are spent.
- The energy sector has seen some improvements given supply cuts and economies starting to reopen, but it remains the sector with the greatest decline, triggered by the fall in oil prices.

<sup>1</sup> Source: Bloomberg. Data is as of June 30, 2020.

Volatility has Declined



- Given the recent fiscal and monetary support and corresponding improvement in investor risk sentiment, expectations of short-term equity volatility, as measured by the VIX index, continues to decline from record levels but remains elevated.
- At the recent height, the VIX reached 82.7, surpassing the pinnacle of volatility during the GFC, showing the magnitude of the crisis, and of investor fear.
- Expectations of volatility within fixed income, represented by the MOVE index, remain near historic lows given the broad monetary support including interest rate cuts, funding programs, quantitative easing, and forward guidance.

<sup>1</sup> Source: Chicago Board of Exchange. Data is as of June 30, 2020.

<sup>2</sup> Source: Bloomberg. Data is as of June 30, 2020.

## Global Financial Crisis Comparison

	2007-2009 Global Financial Crisis	COVID-19 Crisis
<b>Primary Causes</b>	<p>Excess Risk Taking Due to:</p> <ul style="list-style-type: none"> <li>Deregulation, un-constrained securitization, shadow banking system, fraud</li> </ul>	<p>Pandemic/Natural Disaster:</p> <ul style="list-style-type: none"> <li>Large scale global restrictions on businesses and individuals leading to immediate and significant deterioration in economic fundamentals</li> </ul>
<b>Fiscal Measures</b>	<ul style="list-style-type: none"> <li>American Recovery Reinvestment Act of 2009: \$787 billion</li> <li>Economic Stimulus Act of 2008: \$152 billion</li> </ul>	<ul style="list-style-type: none"> <li>PPP Act: \$659 billion</li> <li>CARES Act of 2020: \$2.3 trillion</li> <li>Families First Coronavirus Response Act: \$150 billion</li> <li>Coronavirus Preparedness &amp; Response Supplemental Appropriations Act 2020: \$8.3 billion</li> <li>National Emergency: \$50 billion</li> </ul>
<b>Monetary Measures</b>		
Lowering Fed Funds Rate	X	X
Quantitative Easing	X	X
Primary Dealer Repos	X	X
Central Bank Swap Lines	X	X
Commercial Paper Funding Facility	X	X
Primary Dealers Credit Facility	X	X
Money Market Lending Facility	X	X
Term Auction Facility	X	
TALF	X	X
TSLF	X	
FIMA Repo Facility		X
Primary & Secondary Corp. Debt		X
PPP Term Facility		X
Municipal Liquidity Facility		X
Main Street Loan Facility		X

### Global Financial Crisis Comparison (continued)

- The US **fiscal** response to the COVID-19 Crisis has been materially larger than the response to the 2007-2009 Global Financial Crisis (GFC), and stimulus is acutely focused on areas of the economy showing the greatest need, including small and mid-sized companies. For example, the Paycheck Protection Program (PPP) helps small businesses keep employees working by offering forgivable loans to cover salaries.
- On the **monetary** side, markets targeted during both crises represent those most in need, but for the COVID-19 Crisis the policy response was dramatically faster, measured in weeks, not years, as in the GFC.
- Of the monetary stimulus measures, the corporate debt (Primary & Secondary Corporate Debt) programs and Main Street Loan Facility are new and garnered much attention from market participants.
- Through the end of June, Fed programs have experienced various degrees of usage. However, at this point, none has come close to reaching program limits. Still, the psychological value of knowing the programs are available, if necessary, likely supports market sentiment.

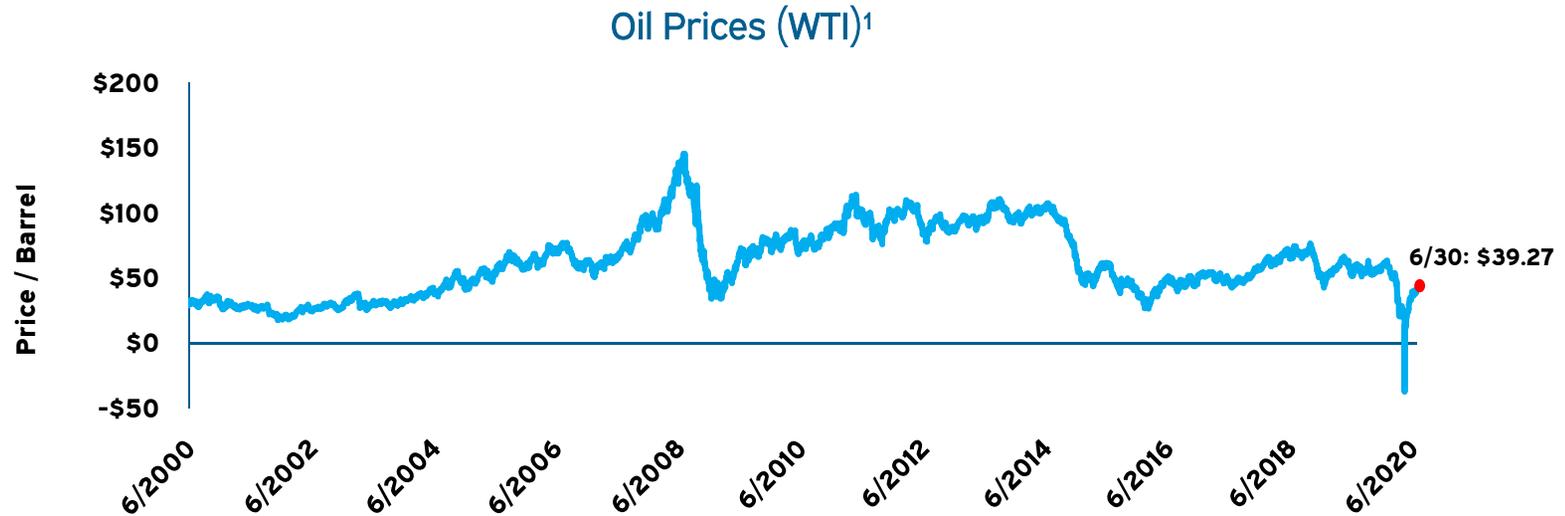
### Historic \$2T US Fiscal Stimulus

Destination	Amount (\$ Billion)
Individuals	\$560
Large Corporations	\$500
Small Business	\$377
State & Local Governments	\$340
Public Health	\$154
Student Loans	\$44
Safety Net	\$26

- Late in March, a historic \$2 trillion fiscal package was approved in the US, representing close to 10% of GDP and including support across the economy.
- Individuals received cash payments of up to \$1,200 per adult and \$500 per child, and extended and higher weekly unemployment benefits (+\$600/week).
- The package also includes a \$500 billion lending program for distressed industries like airlines, and \$377 billion in loans to small businesses (this program was recently extended).
- Other parts of the package include allocations to state and local governments, support for public health, student loan relief, and a safety net.
- With certain programs scheduled to expire, active discussions are going on now related to the next round of fiscal stimulus, with various extensions and expansions being considered.

## Policy Responses

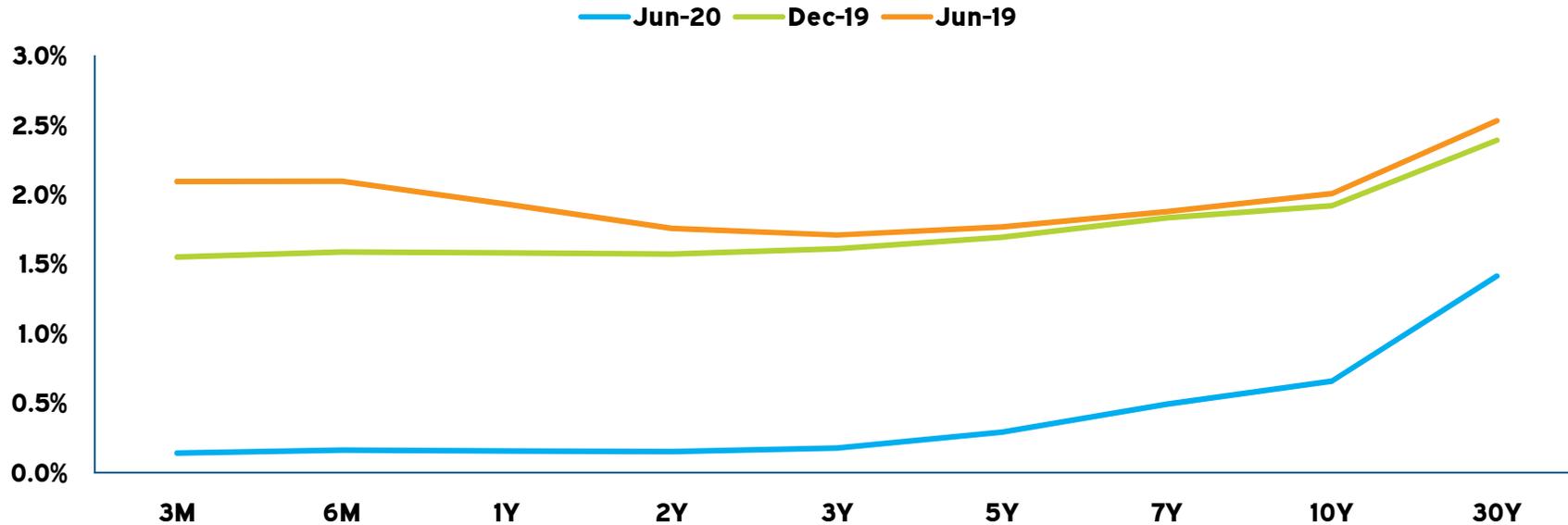
	Fiscal	Monetary
United States	\$50 billion to states for virus related support, interest waived on student loans, flexibility on tax payments and filings, expanded COVID-19 testing, paid sick leave for hourly workers, \$2 trillion package for individuals, businesses, and state/local governments. Additional \$484 billion package to replenish small business loans, provide funding to hospitals, and increase testing.	Cut policy rates to zero, unlimited QE4, offering trillions in repo market funding, restarted CPFF, PDCF, MMMF programs to support lending and financing market, expanded US dollar swap lines with foreign central banks, announced IG corporate debt buying program with subsequent amendment for certain HY securities, Main Street Lending program, Muni liquidity facility, repo facility with foreign central banks, and easing of some financial regulations for lenders.
Euro Area	Germany: Launched 750 billion euro stimulus package. France: 45 billion euro for workers, guaranteed up to 300 billion euro in corporate borrowing. Italy: 25 billion euro emergency decree, suspending mortgage payments for impacted workers. Spain: 200 billion euro and 700 million euro loan and aid package, respectively.	Targeted longer-term refinancing operations aimed at small and medium sized businesses, under more favorable pricing, and announced the 750 billion euro Pandemic Emergency Purchase Program, and then expanded the purchases to 1.53 trillion and including lower-quality corporate debt
Japan	\$1.1 trillion in small business loans, direct funding program to stop virus spread among nursing homes and those affected by school closures, and direct payments to individuals	Initially increased QE purchases (ETFs, corporate bonds, and CP) and then expanded to unlimited purchases and doubling of corporate debt and commercial paper, expanded collateral and liquidity requirements, and 0% interest loans to businesses hurt by virus
China	Tax cuts, low-interest business loans, extra payments to gov't benefit recipients.	Expanded repo facility, policy rate cuts, purchase of small business loans, and lowered reserve requirements.
Canada	\$7.1 billion in loans to businesses to help with virus damage.	Cut policy rates, expanded bond-buying and repos, lowered bank reserve requirements.
UK (BOE)	Tax cut for retailers, small business cash grants, benefits for those infected with virus, expanded access to gov't benefits for self and un-employed.	Lowered policy rates and capital requirements for UK banks, restarts QE program and subsequently increased the purchase amounts.
Australia	\$11.4 billion, subsidies for impacted industries like tourism, one-time payment to gov't benefit recipients.	Policy rate cut, started QE.



- Global oil markets rallied from April lows, including from the technically-induced negative levels that saw the May futures contract trade at nearly -\$40 per barrel.
- In addition to improvements in sentiment as the global economy begins to reopen and some measures of economic fundamentals reporting better than expected numbers, OPEC+ recently agreed to extend supply cuts of 9.7 million barrels/day (~10% of global output) through July.
- Counterbalancing the OPEC+ production cut agreement, US oil producers (particularly shale output) are reportedly turning wells back on as the price of oil rises.

<sup>1</sup> Source: Bloomberg. Represents WTI first available futures contract. Data is as of June 30, 2020.

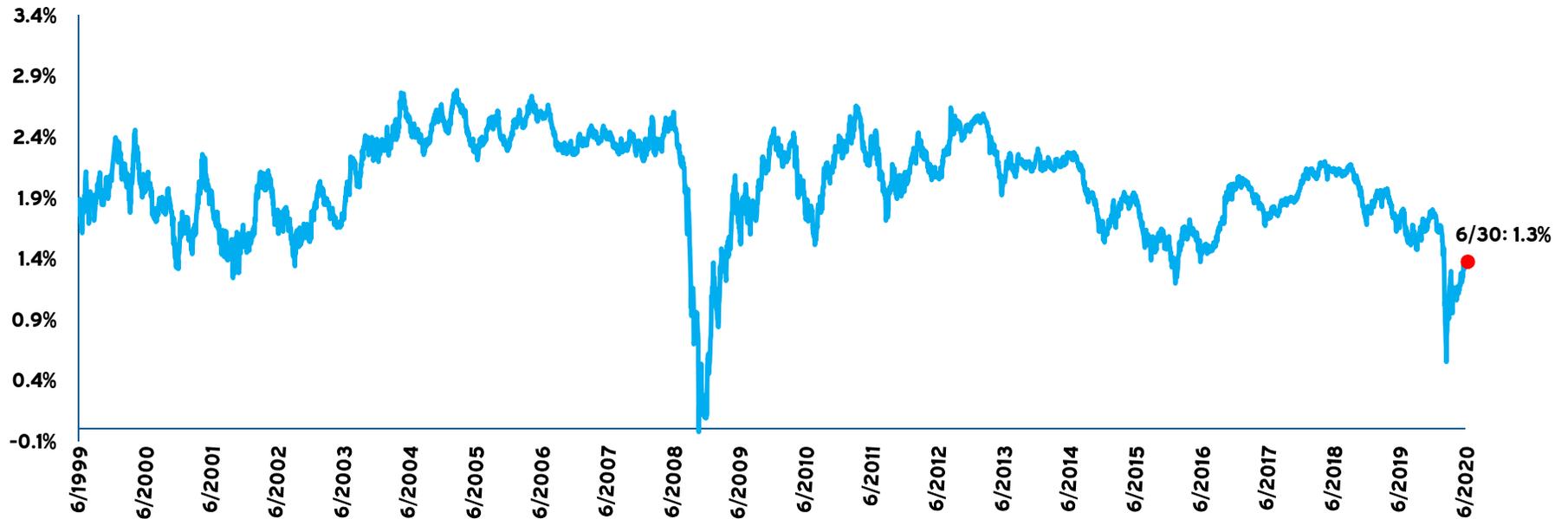
### US Yield Curve Declines<sup>1</sup>



- The US Treasury yield curve has declined materially since 2019, largely due to central bank policy actions, safe-haven demand, and weak economic expectations.
- Yields out to the 5-year maturity point have been principally driven by cuts to monetary policy rates, the Federal Reserve’s ongoing purchase program, and commitments by policy makers to keep policy rates accommodative for the foreseeable future.
- Longer-dated yields have also been heavily influenced by monetary policy actions, but have recently risen on modest increases in longer-term inflation expectations.

<sup>1</sup> Source: Bloomberg. Data is as of June 30, 2020.

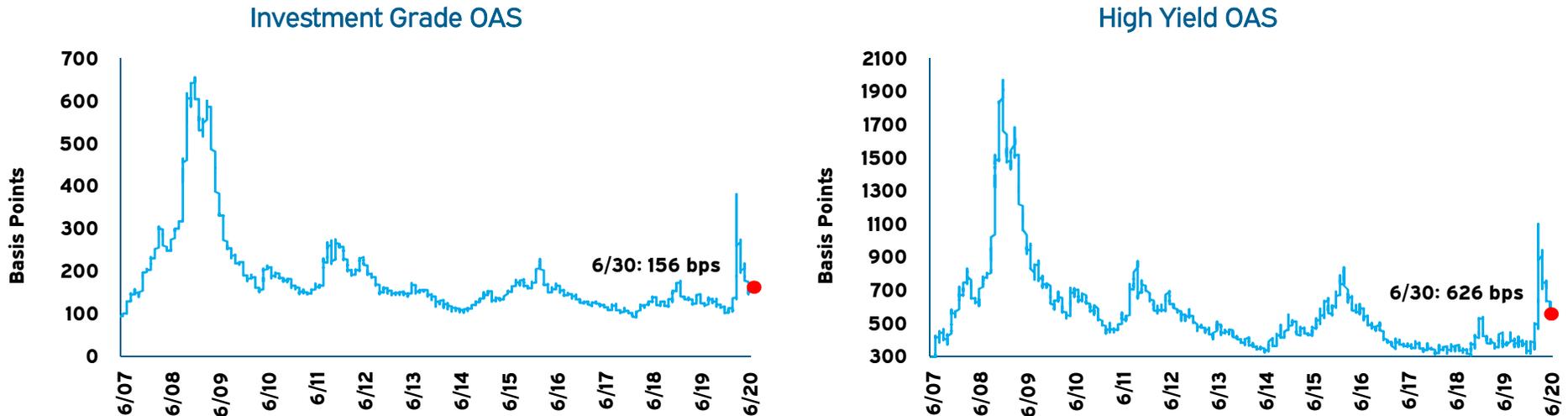
10-Year Breakeven Inflation<sup>1</sup>



- Inflation breakeven rates initially declined sharply, due to a combination of lower growth and inflation expectations, as well as liquidity dynamics in TIPS during the height of rate volatility.
- Liquidity eventually improved and breakeven rates increased, but given the uncertainty regarding economic growth and the inflationary effects of the unprecedented US fiscal and monetary responses, inflation expectations remain well below historical averages.

<sup>1</sup> Source: Bloomberg. Data is as of June 30, 2020.

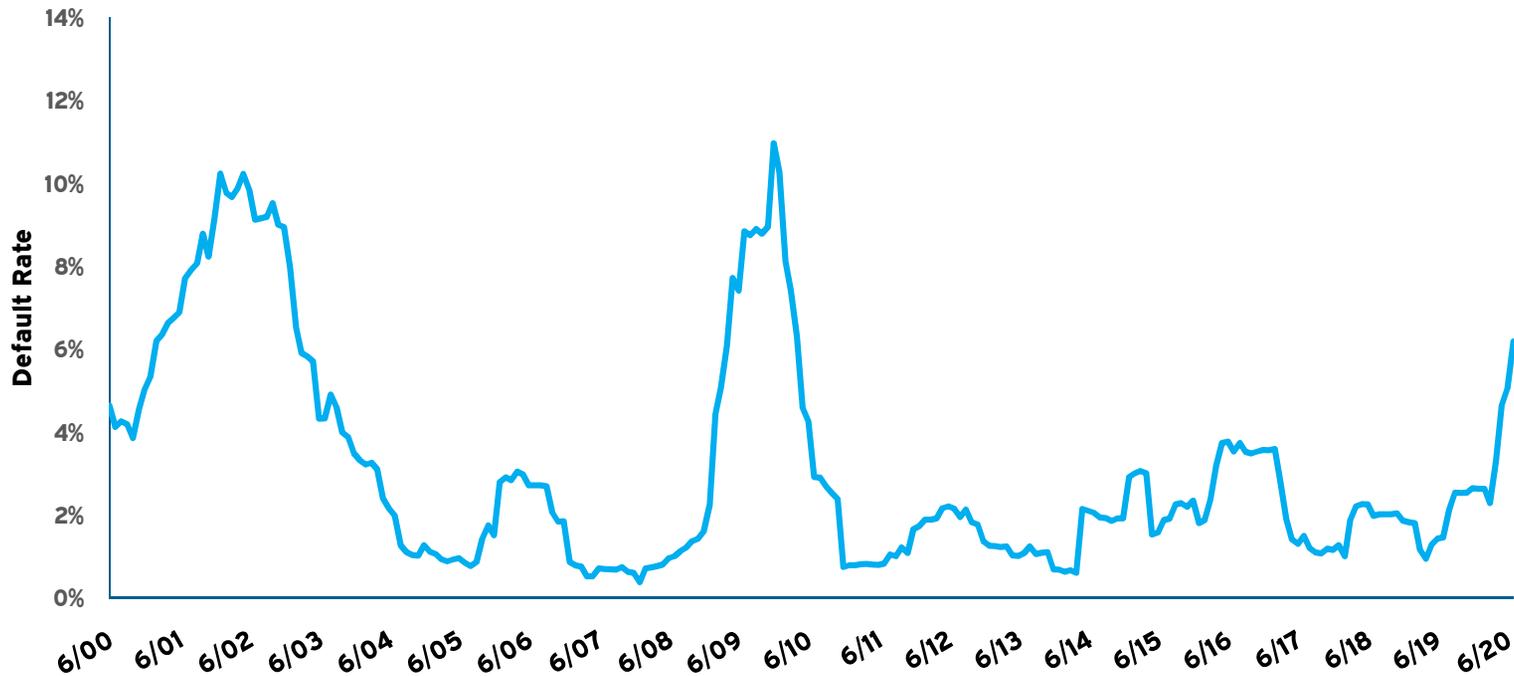
### Credit Spreads (High Yield & Investment Grade)<sup>1</sup>



- Credit spreads (the spread above a comparable Treasury bond) for investment grade and high yield corporate debt expanded sharply as investors sought safety.
- Investment grade bonds held up better than high yield bonds. The Federal Reserve’s corporate debt purchase program for investment grade and certain high yield securities that were recently downgraded from investment grade, was well received by investors, leading to a decline in spreads.
- Overall, corporate debt issuance has more than doubled since 2008, which magnifies the impact of deterioration in the corporate debt market. This is particularly true in the energy sector, which represents over 10% of the high yield bond market.

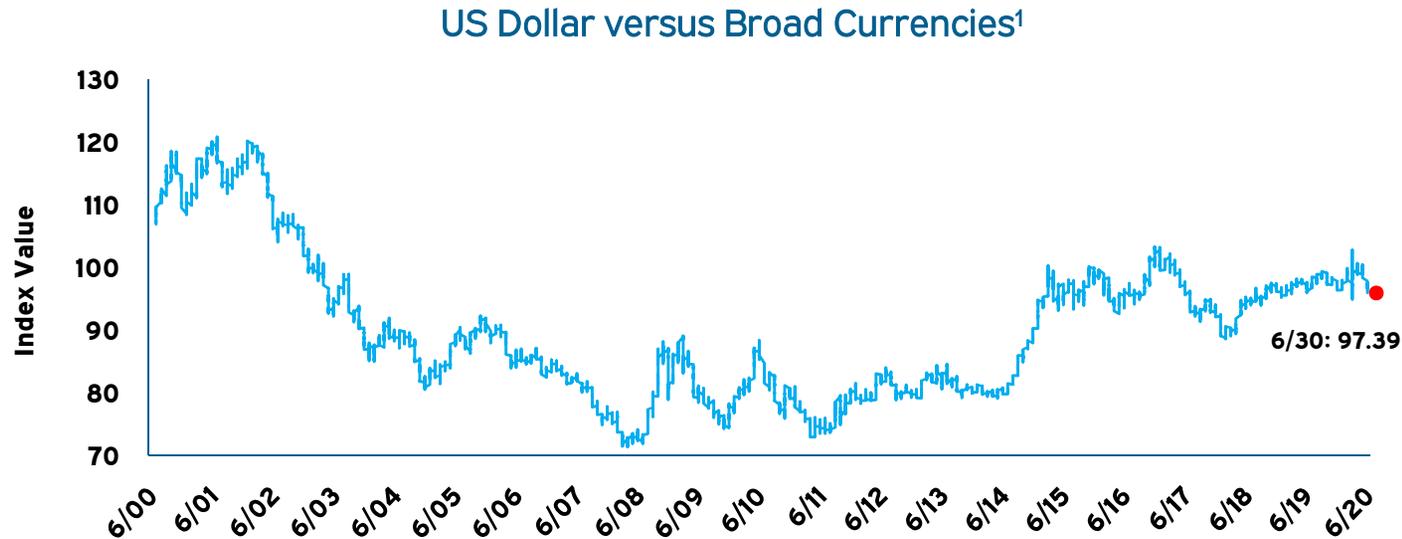
<sup>1</sup> Source: Federal Reserve Bank of St. Louis Economic Research. Data is as of June 30, 2020.

US High Yield Credit Defaults<sup>1</sup>



- Even though spreads have declined given the Federal Reserve’s support, defaults, particularly in the high yield sector, increased dramatically.
- The energy sector has been hard hit given the decline in oil prices, with defaults reaching double-digit levels and expectations for them to increase.

<sup>1</sup> Source: J.P. Morgan; S&P LCD. Data is as of June 30, 2020.



- When financial markets began aggressively reacting to COVID-19 developments, the US dollar came under selling pressure as investors sought safe-haven exposure in currencies like the Japanese yen given its current account surplus and its status as the largest creditor globally.
- As the crisis grew into a pandemic, investors' preferences shifted to holding US dollars and highly liquid, short-term securities like US Treasury bills. This global demand for US dollars led to appreciation versus most major currencies.
- A relatively strong US dollar makes US goods more expensive for overseas consumers and causes commodity prices outside the US to rise, affecting foreign countries, and particularly emerging markets.
- To help ease global demand for US dollars, the Federal Reserve, working with a number of global central banks, re-established the US dollar swap program, providing some relief to other currencies. Usage of the program continues to decline as dollar funding demands have eased.

<sup>1</sup> Source: Bloomberg. Represents the DXY Index. Data is as of June 30, 2020.

## Economic Impact

### Supply Chain Disruptions:

- Factories closing, increased cost of stagnant inventory, and disrupted supply agreements.
- Reduced travel, tourism, and separation policies including closed borders: Significant impact on service-based economies.

### Labor Force Impacts:

- Huge layoffs across service and manufacturing economies.
- Increased strains as workforce productivity declines from increased societal responsibilities (e.g., home schooling of children) and lower functionality working from home.
- Illnesses from the disease will also depress the labor force.

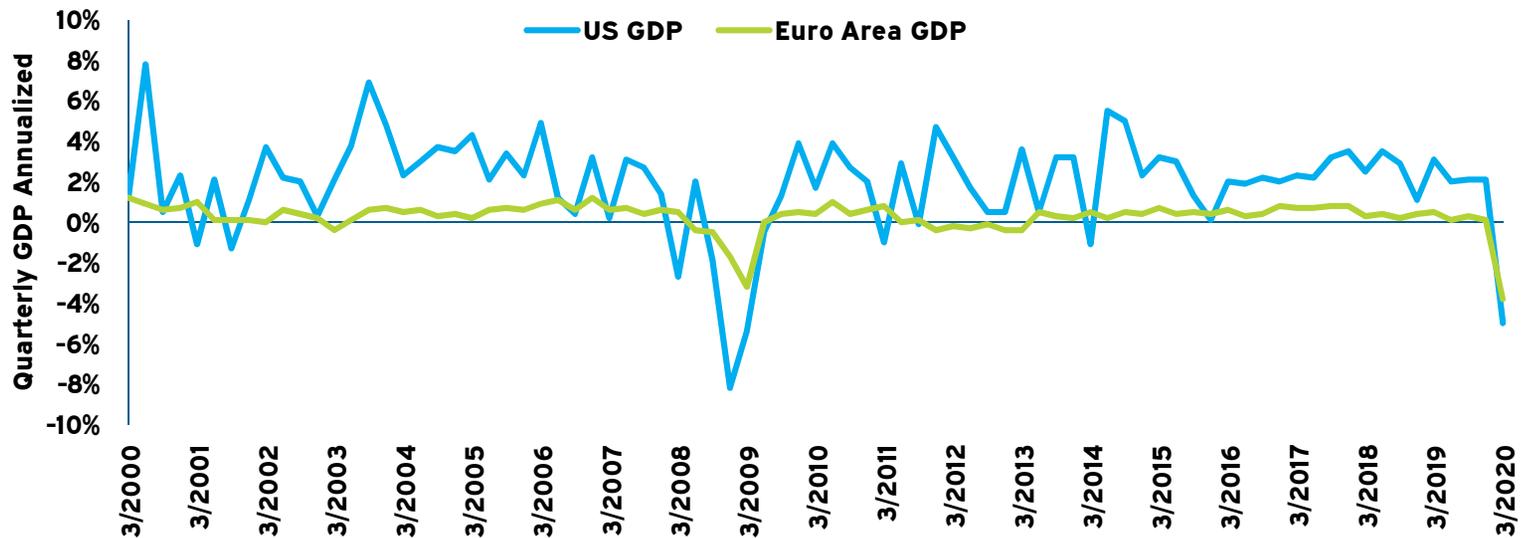
### Declines in Business and Consumer Sentiment:

- Sentiment drives investment and consumption, which leads to increased recessionary pressures as sentiment slips.

### Wealth Effect:

- As financial markets decline and wealth deteriorates, consumer spending will be impacted.

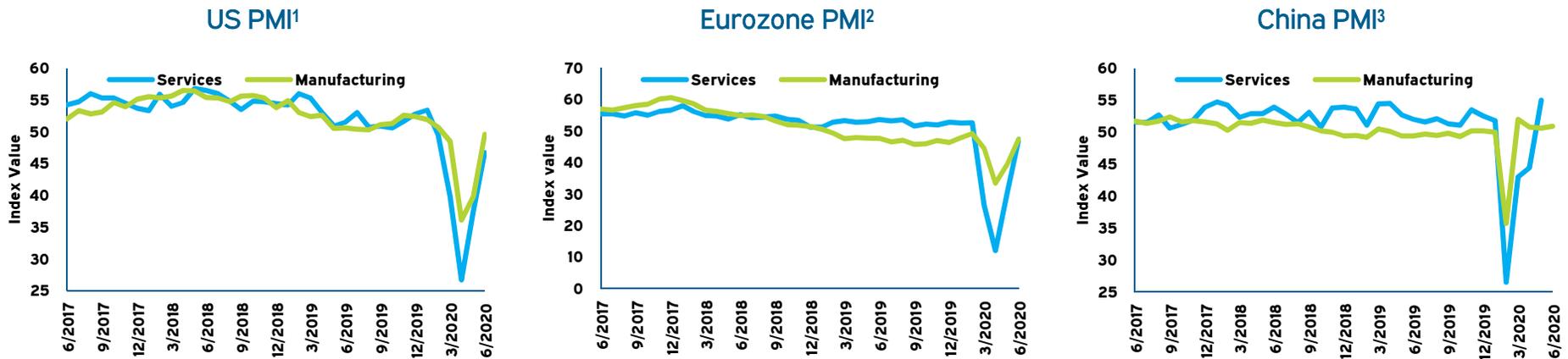
### GDP Data Shows First Signs of Crisis<sup>1</sup>



- The global economy faces major recessionary pressures this year, but optimism remains for improvements in 2021, as economies are expected to gradually reopen.
- In the US, the third estimate for first quarter GDP came in at -5.0%, with personal consumption declining the most since 1980. Eurozone GDP fell (-3.6%) with the major economies in France, Spain, and Italy experiencing historic declines.
- Bloomberg Economics estimates that second quarter US GDP could be as low as -5.6% (YoY).

<sup>1</sup> Source: Bloomberg. Q1 2020 data represents third estimate of GDP for Euro Area and third estimate of GDP for United States.

### Global PMIs



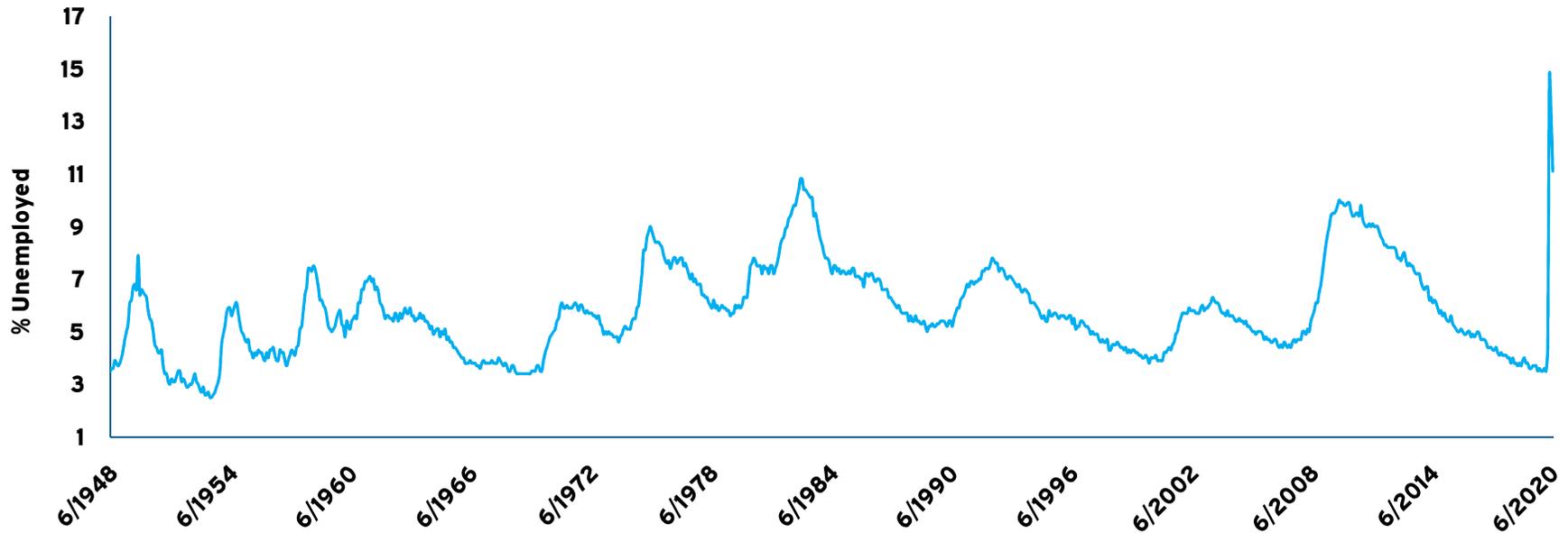
- Purchasing Managers Indices (PMI), based on surveys of private sector companies, collapsed across the world to record lows, as output, new orders, production, and employment have been materially impacted by closed economies. The service sector was particularly hard hit by the stay at home orders.
- Readings below 50 represent contractions across underlying components and act as a leading indicator of economic activity, including the future paths of GDP, employment, and industrial production.
- Recently, there have been improvements in data as economies reopen, contributing to the optimism in equity markets.

<sup>1</sup> Source: Bloomberg. US Markit Services and Manufacturing PMI. Data is as of June 2020.

<sup>2</sup> Source: Bloomberg. Eurozone Markit Services and Manufacturing PMI. Data is as of June 2020.

<sup>3</sup> Source: Bloomberg. Caixin Manufacturing PMI data is as of June 2020. Caixin Services PMI as of May 2020

US Unemployment Rate<sup>1</sup>

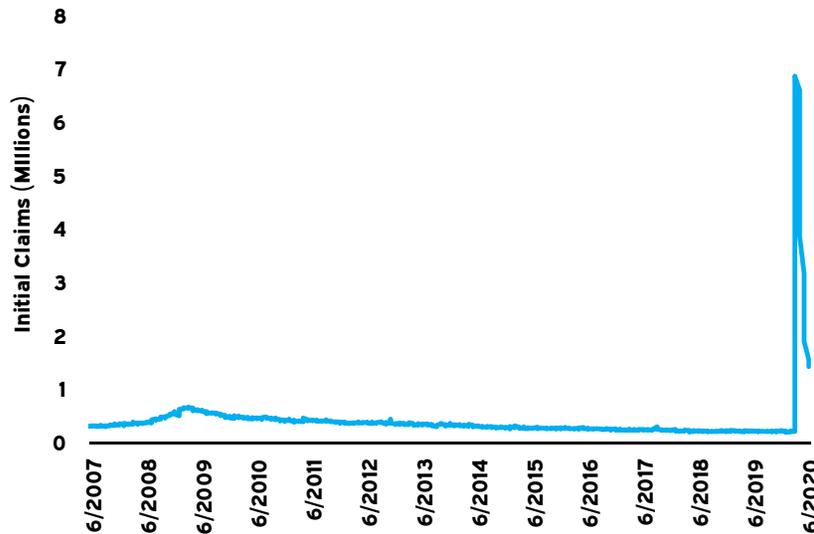


- In May, the unemployment rate continued its decline from the recent April 14.7% peak, falling to 11.1%.
- Despite the improvement, unemployment levels remain well above pre-virus readings and are likely higher than reported due to issues related to some workers being misclassified. According to the Bureau of Labor Statistics, absent the misclassification issue, the June unemployment rate would be higher by 1.0%.
- The recent increase in COVID-19 cases could lead to an increase in the unemployment rate going forward.

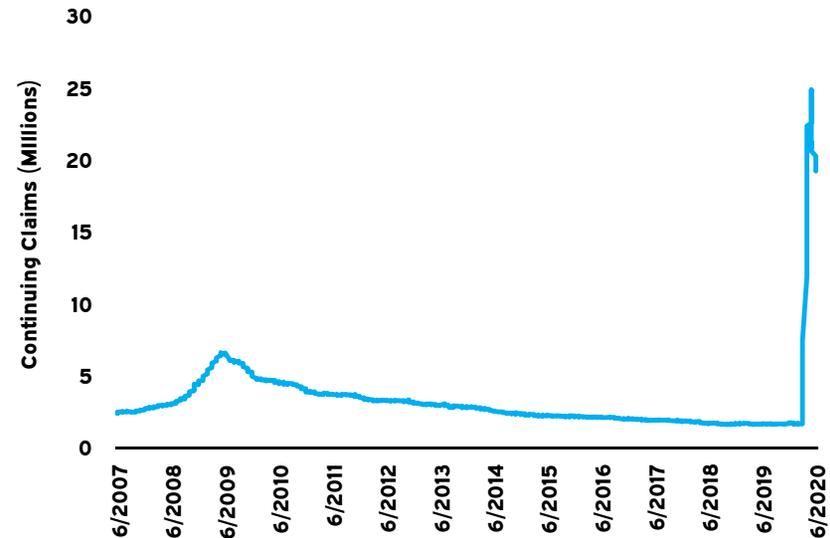
<sup>1</sup> Source: Bloomberg. Data is as of June 30, 2020.

**US Jobless Claims**

**US Initial Jobless Claims<sup>1</sup>**



**Continuing Claims<sup>2</sup>**

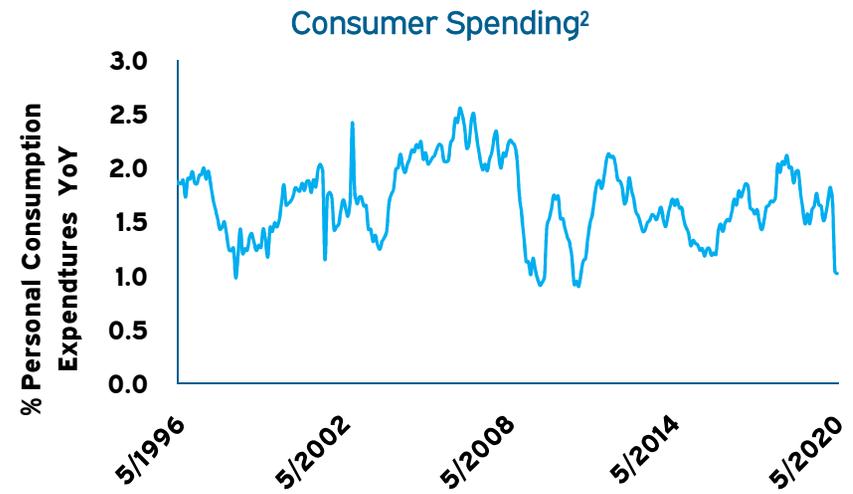


- Over the last 15 weeks, close to 49 million people filed for initial unemployment. This level far exceeds the 22 million jobs added since the GFC, highlighting the unprecedented impact of the virus.
- Despite the continued decline in initial jobless claims, the 1.4 million level of the last reading remains many multiples above the worst reading during the Global Financial Crisis.
- Continuing jobless claims (i.e., those currently receiving benefits) has also declined from record levels, but remains elevated.

<sup>1</sup> Source: Bloomberg. First reading of seasonally adjusted initial jobless claims. Data is as of June 26, 2020.

<sup>2</sup> Source: Bloomberg. US Continuing Jobless Claims SA. Data is as of June 19, 2020.

### Savings and Spending



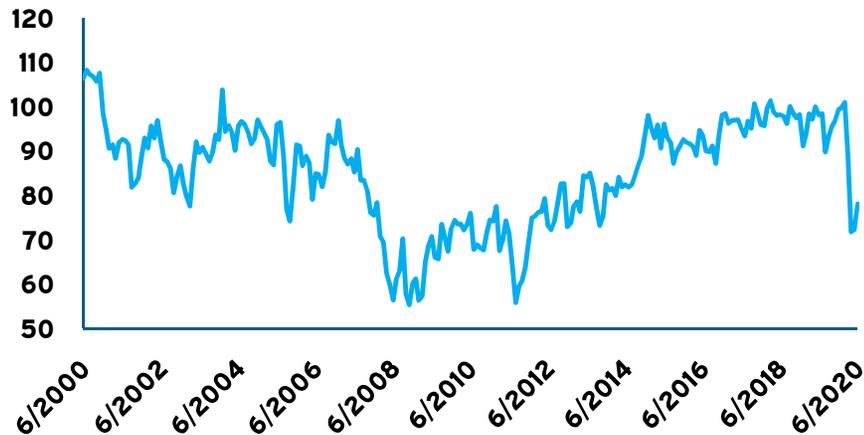
- Fiscal programs including stimulus checks, enhanced unemployment benefits, and loans to small businesses through the Paycheck Protection Program (PPP) have largely supported income levels through the shutdown.
- Despite the income support, the savings rate has increased at the expense of spending, driven by uncertainties related to the future of the job market and stimulus programs.

<sup>1</sup> Source: Bloomberg. Data is as of June 30, 2020.

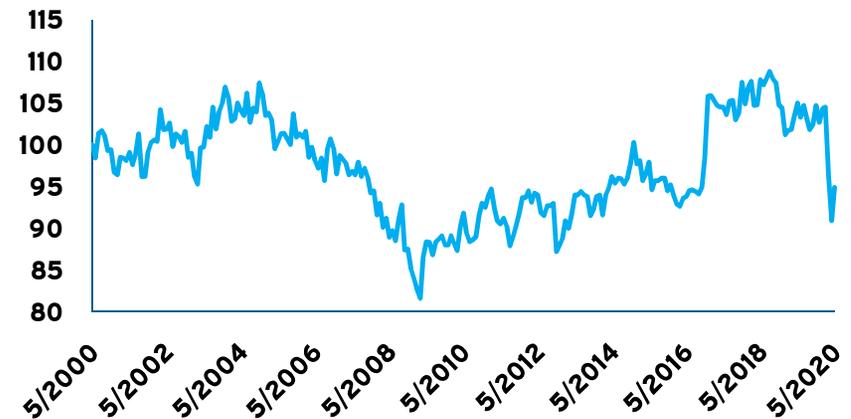
<sup>2</sup> Source: Bloomberg. Data is as of May 31, 2020.

### Sentiment Indicators

University of Michigan Consumer Sentiment<sup>1</sup>



Small Business Confidence<sup>2</sup>



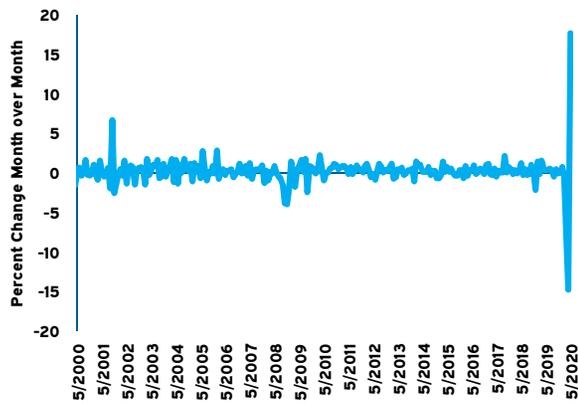
- A strong indicator of future economic activity are the attitudes of businesses and consumers today.
- Consumer spending comprises close to 70% of US GDP, making the attitudes of consumers an important driver of economic growth. Additionally, small businesses comprise a majority of the economy, making sentiment in that segment important too.
- Sentiment indicators have shown some improvements as the economy re-opens, but they remain well below prior levels.

<sup>1</sup> Source: Bloomberg. University of Michigan Consumer Sentiment Index. Data is as of June 30, 2020.

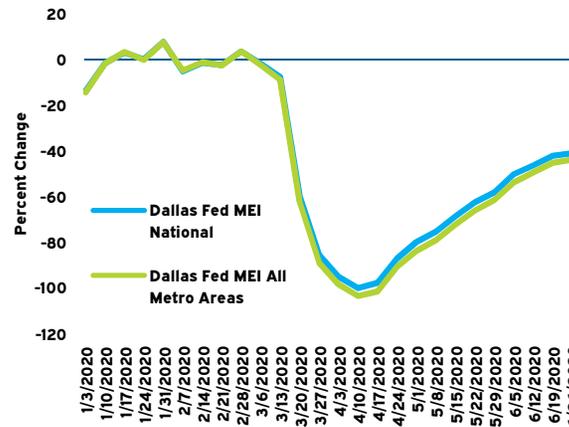
<sup>2</sup> Source: Bloomberg. NFIB Small Business Optimism Index. Data is as of May 30, 2020.

### Some US Data has Improved

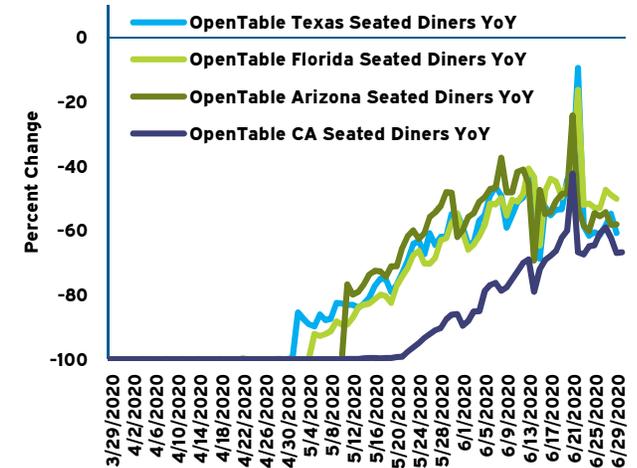
Retail Sales<sup>1</sup>



Dallas Fed Mobility and Engagement Index<sup>2</sup>



OpenTable Seated Diners YoY % Change<sup>3</sup>



- There have been improvements in high frequency data, but overall levels remain well below prior readings.
- Generally, people have become more active as restrictions eased and stores reopened. Retail sales recovered from a record decline with a record increase, more than double the forecast.
- States that eased restrictions on restaurants saw initial improvements before declining, as in-store dining has been cited as a key contributor to increases in cases.

<sup>1</sup> Source: Bloomberg. Data is as of May 31, 2020 and represents the US Retail Sales SA MoM%

<sup>2</sup> Source: Bloomberg. Data is as of June 26, 2020 and represents the deviation from normal mobility behaviors induced by COVID-19 (formerly the "Social Distancing Index").

<sup>3</sup> Source Bloomberg. Data is as of June 30, 2020 and represents some states that eased restaurant restrictions.

### Government Re-Opening Recommendation<sup>1</sup>

Phase One	Phase Two	Phase Three
<ul style="list-style-type: none"> <li>• Vulnerable individuals continue to stay at home.</li> <li>• Avoid groups of more than 10 people if social distancing is not possible.</li> <li>• Minimize non-essential travel.</li> <li>• Work remotely if possible with restrictions in the office for those businesses that open.</li> <li>• Schools remain closed, but some larger venues can open with strict protocols.</li> <li>• Outpatient elective surgeries can resume.</li> </ul>	<ul style="list-style-type: none"> <li>• Vulnerable individuals continue to stay at home.</li> <li>• Avoid groups of more than 50 people if social distancing is not possible.</li> <li>• Non-essential travel resumes.</li> <li>• Continue to work remotely if possible with restrictions in the office for those businesses that open.</li> <li>• Schools can reopen.</li> <li>• Inpatient elective surgeries can resume</li> </ul>	<ul style="list-style-type: none"> <li>• Vulnerable individuals can return to public life with social distancing.</li> <li>• Workplaces can reopen without restrictions.</li> <li>• Larger venues can operate under reduced social distancing protocols.</li> </ul>

- The Trump administration announced guidelines for re-opening the US economy.
- Guidelines recommend states document a “downward trajectory” in new cases for two weeks before beginning a three-phase process to scale back distancing measures and reopen local economies.
- States should also document an additional two-week period decline in instances between each of the three phases, and be prepared to reinstate social distancing measures should cases rebound.
- The recent spike in cases in certain states, and the potential for similar increases elsewhere, remains a significant headwind to the re-opening plans in the US.

<sup>1</sup> Source: <https://www.whitehouse.gov/openingamerica/>

### Looking Forward...

- There will be significant economic impact and a global recession.
  - How deep it will be and how long it will last depend on factors (below) that are unknowable at this time.
- The length of the virus and country responses will be key considerations.
  - As of now, it is not clear the end is in sight, particularly given the recent increases in cases in certain areas; however, individual countries are attempting to lay the groundwork to support a recoveries in their economies.
- Central banks and governments are pledging support, but will it be enough?
  - Market reactions to announced policies have been positive, but additional support will likely be required until the virus gets better contained.
- Expect heightened market volatility given the recent spike in cases and valuation levels.
  - This has been a consistent theme recently; volatility is likely to remain elevated for some time.
- It is important to retain a long-term focus.
  - History supports the argument that maintaining a long-term focus will ultimately prove beneficial for diversified portfolios.

### Prior Drawdowns and Recoveries from 1926-2020<sup>1</sup>

Period	Peak-to-Trough Decline of the S&P 500	Approximate Time to Recovery
Sept 1929 to June 1932	-85%	266 months
February 1937 to April 1942	-57%	48 months
May 1946 to February 1948	-25%	27 months
August 1956 to October 1957	-22%	11 months
December 1961 to June 1962	-28%	14 months
February 1966 to October 1966	-22%	7 months
November 1968 to May 1970	-36%	21 months
January 1973 to October 1974	-48%	69 months
September 1976 to March 1978	-19%	17 months
November 1980 to August 1982	-27%	3 months
August 1987 to December 1987	-32%	19 months
July 1990 to October 1990	-20%	4 months
July 1998 to August 1998	-19%	3 months
March 2000 to October 2002	-49%	56 months
October 2007 to March 2009	-57%	49 months
February 2020 to May 2020	-34%	TBD
<b>Average</b>	<b>-36%</b>	<b>41 months</b>
<b>Average ex. Great Depression</b>	<b>-33%</b>	<b>25 months</b>

- As markets continue to recover questions remain about whether the ultimate low has been seen.
- Markets are continuing to reprice amid the uncertain impact of the virus on companies and the broader economy, which means this drawdown is still being defined in the context of history.
- That said, financial markets have experienced material declines with some frequency, and while certain declines took a meaningful time to recover, in all cases they eventually did.

<sup>1</sup> Source: Goldman Sachs. Recent peak to trough declines are through June 30, 2020.

### Implications for Clients

- Portfolios have generally experienced significant improvements from the March lows.
- Even though equity markets have recovered from their lows, it is important to remain vigilant and be prepared to rebalance if volatility increases again.
  - Before rebalancing, consider changes in liquidity needs given the potential for cash inflows to decline in some cases.
  - Also, consider the cost of rebalancing if investment liquidity declines.
- Diversification works. The latest decline was an example of a flight to quality leading to gains in very high quality bonds.

### Performance YTD (through June 30, 2020)

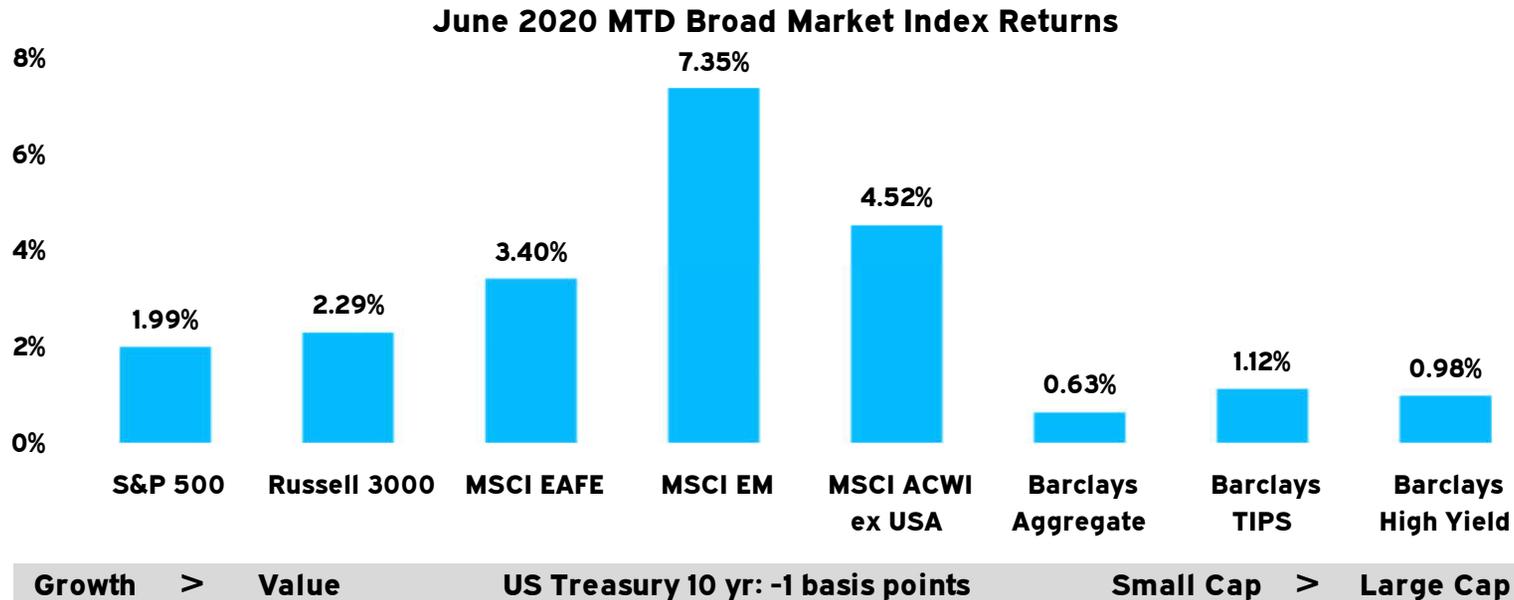
S&P 500	ACWI (ex. US)	Aggregate Bond Index	Balanced Portfolio <sup>1</sup>
-3.1%	-11.2%	6.1%	-2.6%

- Meketa will continue to monitor the situation and communicate frequently.
  - The situation is fluid and the economic impact is uncertain at this stage.
- Please feel free to reach out with any questions.

<sup>1</sup> Source: InvestorForce. Balanced Portfolio represents 60% MSCI ACWI and 40% Bloomberg Barclays Global Aggregate.

**Preliminary Performance Highlights**  
As of June 30, 2020

Market Review and Performance Summary for June 2020

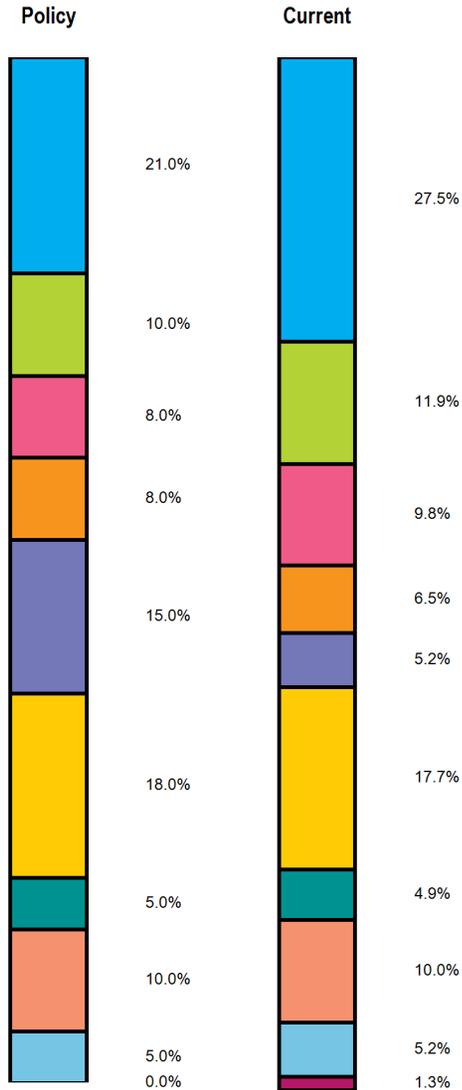


- Equity and fixed income markets posted positive returns, with markets embracing risk.
- Rates across the yield curve were largely unchanged from the previous month.
- Implied equity market volatility (as measured by VIX index) finished lower, despite mid-month spikes.

As of June 30, 2020, preliminary total assets for the MCERA Portfolio stood at \$915.7 million.

- MCERA reported an overall monthly return of +2.4%, and +11.8% for the quarter with all asset classes positive or flat for the month. This preliminary performance is not reflective of the first quarter drawdowns in private asset classes.
- Within the MCERA Portfolio, performance was led by Emerging Markets Equity, which posted both the strongest absolute returns for the month (+10.2%) as well as benchmark-relative returns (+2.8%).

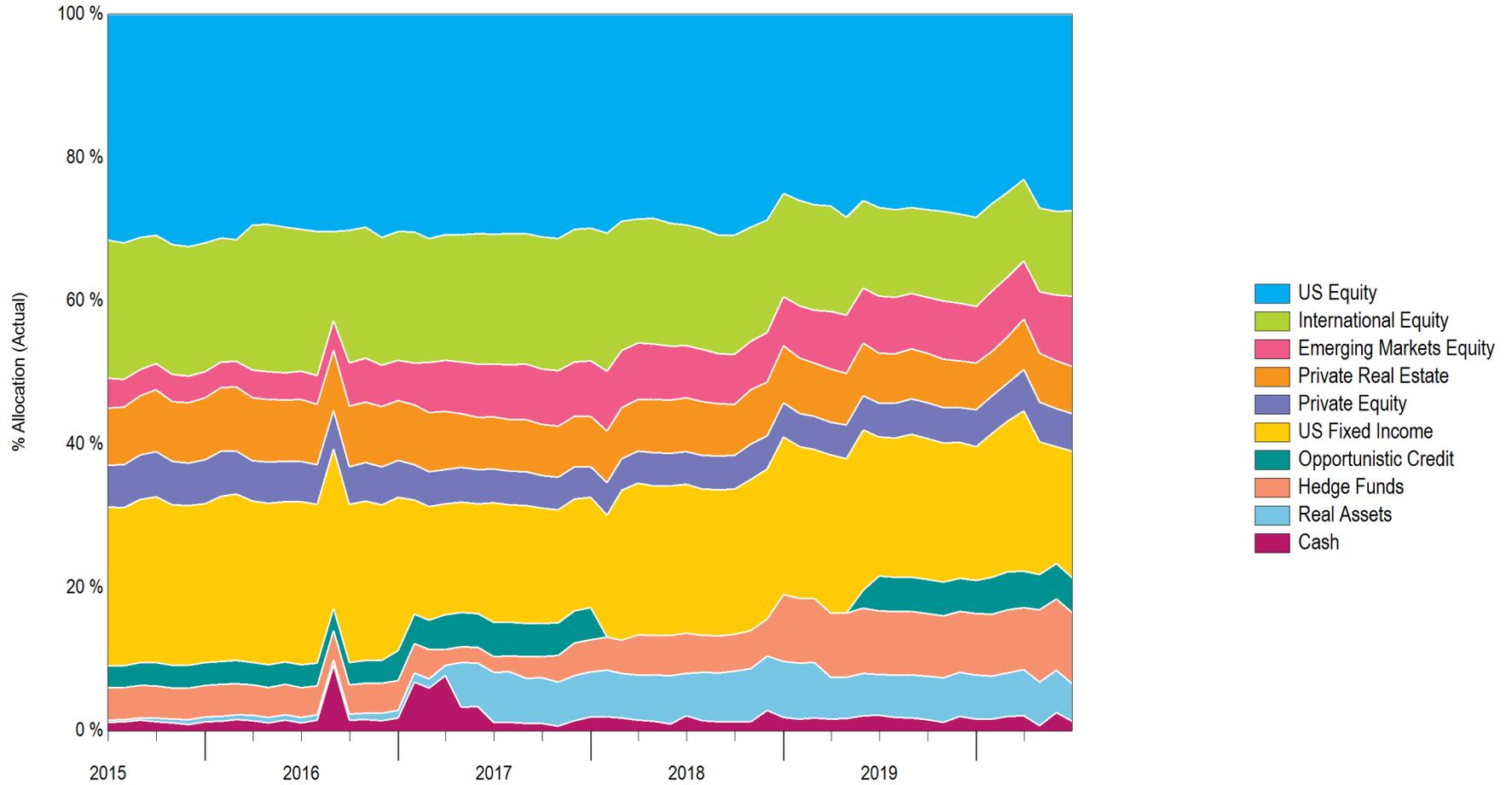
## June **Performance** Update



Allocation vs. Targets and Policy							
	Current Balance	Current Allocation	Policy	Difference	Policy Range	Within IPS Range?	
US Equity	\$251,493,831	27.5%	21.0%	6.5%	15.0% - 26.0%	No	
International Equity	\$108,704,665	11.9%	10.0%	1.9%	5.0% - 15.0%	Yes	
Emerging Markets Equity	\$90,032,690	9.8%	8.0%	1.8%	4.0% - 12.0%	Yes	
Private Real Estate	\$59,950,156	6.5%	8.0%	-1.5%	6.0% - 10.0%	Yes	
Private Equity	\$47,822,114	5.2%	15.0%	-9.8%	5.0% - 20.0%	Yes	
US Fixed Income	\$161,928,168	17.7%	18.0%	-0.3%	13.0% - 23.0%	Yes	
Opportunistic Credit	\$44,723,038	4.9%	5.0%	-0.1%	3.0% - 7.0%	Yes	
Hedge Funds	\$91,139,405	10.0%	10.0%	0.0%	5.0% - 15.0%	Yes	
Real Assets	\$47,807,184	5.2%	5.0%	0.2%	3.0% - 7.0%	Yes	
Cash	\$12,138,838	1.3%	0.0%	1.3%	0.0% - 5.0%	Yes	
<b>Total</b>	<b>\$915,740,090</b>	<b>100.0%</b>	<b>100.0%</b>				

Cash range displayed for illustrative purposes only.

#### Asset Allocation History 5 Years Ending June 30, 2020



Asset Class Performance Summary												
	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Total Fund (Net)*</b>	<b>915,740,090</b>	<b>100.0</b>	<b>2.4</b>	<b>11.8</b>	<b>6.8</b>	<b>1.2</b>	<b>6.8</b>	<b>7.1</b>	<b>6.7</b>	<b>8.6</b>	<b>7.9</b>	<b>Dec-94</b>
<b>Total Fund (Gross)*</b>			<b>2.4</b>	<b>11.9</b>	<b>7.1</b>	<b>1.3</b>	<b>7.1</b>	<b>7.3</b>	<b>7.0</b>	<b>8.9</b>	<b>8.1</b>	
<i>Policy Index</i>			<i>1.8</i>	<i>9.2</i>	<i>5.3</i>	<i>-0.2</i>	<i>5.3</i>	<i>6.5</i>	<i>6.7</i>	<i>9.0</i>	<i>6.0</i>	<i>Dec-94</i>
<b>Total Fund w/o Alternatives (Net)</b>	<b>656,882,392</b>	<b>71.7</b>	<b>3.0</b>	<b>16.0</b>	<b>9.5</b>	<b>1.9</b>	<b>9.5</b>	<b>7.9</b>	<b>7.3</b>	<b>--</b>	<b>--</b>	<b>Dec-94</b>
<b>Total Fund w/o Alternatives (Gross)</b>			<b>3.1</b>	<b>16.1</b>	<b>9.8</b>	<b>2.0</b>	<b>9.8</b>	<b>8.2</b>	<b>7.6</b>	<b>--</b>	<b>--</b>	
<i>Policy Index w/o AI</i>			<i>2.7</i>	<i>14.2</i>	<i>3.5</i>	<i>-3.0</i>	<i>3.5</i>	<i>5.9</i>	<i>6.1</i>	<i>--</i>	<i>--</i>	<i>Dec-94</i>
<b>US Equity (Net)</b>	<b>251,493,831</b>	<b>27.5</b>	<b>2.1</b>	<b>21.0</b>	<b>6.3</b>	<b>-4.0</b>	<b>6.3</b>	<b>10.2</b>	<b>10.7</b>	<b>13.9</b>	<b>9.9</b>	<b>Dec-94</b>
<b>US Equity (Gross)</b>			<b>2.1</b>	<b>21.1</b>	<b>6.6</b>	<b>-3.9</b>	<b>6.6</b>	<b>10.4</b>	<b>10.9</b>	<b>14.1</b>	<b>10.0</b>	
<i>Russell 3000</i>			<i>2.3</i>	<i>22.0</i>	<i>6.1</i>	<i>-3.5</i>	<i>6.1</i>	<i>9.5</i>	<i>9.6</i>	<i>13.5</i>	<i>9.8</i>	<i>Dec-94</i>
<b>International Equity (Net)</b>	<b>198,737,355</b>	<b>21.7</b>	<b>6.4</b>	<b>24.5</b>	<b>14.6</b>	<b>4.7</b>	<b>14.6</b>	<b>7.5</b>	<b>5.8</b>	<b>7.6</b>	<b>5.6</b>	<b>Dec-98</b>
<b>International Equity (Gross)</b>			<b>6.4</b>	<b>24.7</b>	<b>15.1</b>	<b>5.0</b>	<b>15.1</b>	<b>8.0</b>	<b>6.3</b>	<b>8.2</b>	<b>5.9</b>	
<i>International Equity Custom</i>			<i>5.2</i>	<i>16.5</i>	<i>-3.9</i>	<i>-10.4</i>	<i>-3.9</i>	<i>1.6</i>	<i>2.9</i>	<i>5.9</i>	<i>3.9</i>	<i>Dec-98</i>
<b>Developed International Equity (Net)</b>	<b>108,704,665</b>	<b>11.9</b>	<b>3.4</b>	<b>16.4</b>	<b>3.9</b>	<b>-3.6</b>	<b>3.9</b>	<b>3.8</b>	<b>3.4</b>	<b>6.9</b>	<b>3.3</b>	<b>Jan-08</b>
<b>Developed International Equity (Gross)</b>			<b>3.5</b>	<b>16.6</b>	<b>4.2</b>	<b>-3.4</b>	<b>4.2</b>	<b>4.0</b>	<b>3.7</b>	<b>7.3</b>	<b>3.7</b>	
<i>Custom Blended Developed International Equity Benchmark</i>			<i>3.4</i>	<i>16.5</i>	<i>-5.4</i>	<i>-11.6</i>	<i>-5.4</i>	<i>0.7</i>	<i>2.0</i>	<i>5.7</i>	<i>1.8</i>	<i>Jan-08</i>
<b>Emerging Markets Equity (Net)</b>	<b>90,032,690</b>	<b>9.8</b>	<b>10.2</b>	<b>35.8</b>	<b>30.6</b>	<b>16.8</b>	<b>30.6</b>	<b>13.2</b>	<b>10.9</b>	<b>--</b>	<b>6.5</b>	<b>Apr-12</b>
<b>Emerging Markets Equity (Gross)</b>			<b>10.3</b>	<b>36.1</b>	<b>31.5</b>	<b>17.2</b>	<b>31.5</b>	<b>14.2</b>	<b>11.9</b>	<b>--</b>	<b>7.4</b>	
<i>Custom Blended Emerging Markets Benchmark</i>			<i>7.4</i>	<i>18.1</i>	<i>-3.2</i>	<i>-9.8</i>	<i>-3.2</i>	<i>2.2</i>	<i>3.2</i>	<i>3.6</i>	<i>2.5</i>	<i>Apr-12</i>
<b>US Fixed Income (Net)</b>	<b>161,928,168</b>	<b>17.7</b>	<b>0.7</b>	<b>3.2</b>	<b>8.4</b>	<b>6.1</b>	<b>8.4</b>	<b>5.1</b>	<b>4.4</b>	<b>4.3</b>	<b>5.5</b>	<b>Dec-94</b>
<b>US Fixed Income (Gross)</b>			<b>0.7</b>	<b>3.3</b>	<b>8.5</b>	<b>6.2</b>	<b>8.5</b>	<b>5.3</b>	<b>4.6</b>	<b>4.7</b>	<b>5.6</b>	
<i>BBqBarc US Aggregate TR</i>			<i>0.6</i>	<i>2.9</i>	<i>8.4</i>	<i>6.1</i>	<i>8.4</i>	<i>5.3</i>	<i>4.6</i>	<i>4.0</i>	<i>5.8</i>	<i>Dec-94</i>
<b>Opportunistic Credit (Net)</b>	<b>44,723,038</b>	<b>4.9</b>	<b>2.0</b>	<b>8.8</b>	<b>-0.4</b>	<b>-2.9</b>	<b>-0.4</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>1.1</b>	<b>May-19</b>
<b>Opportunistic Credit (Gross)</b>			<b>2.0</b>	<b>8.9</b>	<b>-0.2</b>	<b>-2.7</b>	<b>-0.2</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>1.2</b>	
<i>50% Barclays US Aggregate / 25% Barclays US High Yield / 25% Credit Suisse Leveraged Loans</i>			<i>0.9</i>	<i>6.4</i>	<i>3.9</i>	<i>1.0</i>	<i>3.9</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>5.0</i>	<i>May-19</i>

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.

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Private Real Estate (Net)</b>	<b>59,950,156</b>	<b>6.5</b>	<b>NA</b>	<b>NA</b>	<b>-0.9</b>	<b>2.8</b>	<b>-0.9</b>	<b>4.5</b>	<b>5.6</b>	<b>--</b>	<b>--</b>	<b>Mar-99</b>
<b>Private Real Estate (Gross)</b>			<b>NA</b>	<b>NA</b>	<b>-0.9</b>	<b>2.8</b>	<b>-0.9</b>	<b>4.5</b>	<b>6.1</b>	<b>8.9</b>	<b>8.1</b>	
<i>Custom Blended Real Estate Benchmark</i>			1.0	1.0	4.9	2.5	4.9	5.9	7.1	10.2	7.3	Mar-99
<i>CPI + 5% (Seasonally Adjusted)</i>			1.0	0.9	5.7	2.0	5.7	6.9	6.7	--	--	Mar-99
<b>Private Equity (Net)</b>	<b>47,822,114</b>	<b>5.2</b>	<b>NA</b>	<b>NA</b>	<b>3.8</b>	<b>0.9</b>	<b>3.8</b>	<b>11.2</b>	<b>8.6</b>	<b>9.5</b>	<b>7.8</b>	<b>Jun-05</b>
<b>Private Equity (Gross)</b>			<b>NA</b>	<b>NA</b>	<b>3.8</b>	<b>0.9</b>	<b>3.8</b>	<b>11.2</b>	<b>8.6</b>	<b>9.7</b>	<b>7.9</b>	
<i>Custom Blended Private Equity Benchmark</i>			NA	NA	12.8	6.1	12.8	15.2	13.7	--	--	Jun-05
<i>Russell 3000 +3% 1-Quarter Lag</i>			-13.5	-20.3	-6.4	-12.4	-6.4	7.1	8.9	13.4	10.7	Jun-05
<b>Hedge Fund (Net)</b>	<b>91,139,405</b>	<b>10.0</b>	<b>2.2</b>	<b>5.8</b>	<b>-2.1</b>	<b>-3.3</b>	<b>-2.1</b>	<b>2.6</b>	<b>2.2</b>	<b>--</b>	<b>3.0</b>	<b>Jun-14</b>
<b>Hedge Fund (Gross)</b>			<b>2.2</b>	<b>6.0</b>	<b>-1.5</b>	<b>-3.0</b>	<b>-1.5</b>	<b>3.0</b>	<b>2.4</b>	<b>--</b>	<b>3.1</b>	
<i>Custom Blended Hedge Fund Benchmark</i>			1.3	7.2	-0.2	-2.2	-0.2	2.1	2.0	--	2.3	Jun-14
<b>Real Assets (Net)</b>	<b>47,807,184</b>	<b>5.2</b>	<b>0.5</b>	<b>2.8</b>	<b>2.1</b>	<b>-2.1</b>	<b>2.1</b>	<b>6.4</b>	<b>6.7</b>	<b>--</b>	<b>--</b>	<b>Mar-99</b>
<b>Real Assets (Gross)</b>			<b>0.5</b>	<b>2.8</b>	<b>2.3</b>	<b>-2.0</b>	<b>2.3</b>	<b>6.5</b>	<b>7.1</b>	<b>--</b>	<b>--</b>	
<i>Custom Blended Real Assets Benchmark</i>			NA	NA	4.7	0.3	4.7	9.3	8.7	--	--	Mar-99
<i>CPI + 5% (Seasonally Adjusted)</i>			1.0	0.9	5.7	2.0	5.7	6.9	6.7	--	--	Mar-99
<b>Private Infrastructure (Net)</b>	<b>18,664,096</b>	<b>2.0</b>	<b>NA</b>	<b>NA</b>	<b>7.9</b>	<b>2.6</b>	<b>7.9</b>	<b>11.4</b>	<b>6.8</b>	<b>--</b>	<b>7.5</b>	<b>Dec-14</b>
<b>Private Infrastructure (Gross)</b>			<b>NA</b>	<b>NA</b>	<b>8.0</b>	<b>2.7</b>	<b>8.0</b>	<b>11.5</b>	<b>6.8</b>	<b>--</b>	<b>7.6</b>	
<i>S&amp;P Global Infrastructure Net TR USD</i>			-1.3	13.6	-15.4	-19.7	-15.4	-1.8	1.7	6.0	1.0	Dec-14
<b>Private Natural Resources (Net)</b>	<b>13,749,210</b>	<b>1.5</b>	<b>NA</b>	<b>NA</b>	<b>6.0</b>	<b>0.7</b>	<b>6.0</b>	<b>9.1</b>	<b>--</b>	<b>--</b>	<b>15.0</b>	<b>Sep-15</b>
<b>Private Natural Resources (Gross)</b>			<b>NA</b>	<b>NA</b>	<b>6.0</b>	<b>0.7</b>	<b>6.0</b>	<b>9.1</b>	<b>--</b>	<b>--</b>	<b>15.0</b>	
<i>S&amp;P Global Natural Resources Index TR USD</i>			2.1	20.5	-16.8	-19.1	-16.8	-0.1	0.9	1.5	6.6	Sep-15
<b>Cash (Net)</b>	<b>12,138,838</b>	<b>1.3</b>	<b>0.0</b>	<b>0.1</b>	<b>1.3</b>	<b>0.5</b>	<b>1.3</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	
<b>Cash (Gross)</b>			<b>0.0</b>	<b>0.1</b>	<b>1.3</b>	<b>0.5</b>	<b>1.3</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</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 12/31/2019 NAVs, as 3/31/2020 NAVs were unavailable at the time of this report.

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>915,740,090</b>	<b>100.0</b>	<b>--</b>	<b>2.4</b>	<b>11.8</b>	<b>1.2</b>	<b>6.8</b>	<b>7.1</b>	<b>6.7</b>	<b>8.6</b>	<b>7.9</b>	<b>Dec-94</b>	
<i>Policy Index</i>				1.8	9.2	-0.2	5.3	6.5	6.7	9.0	6.0	Dec-94	
<b>Total Fund w/o Alternatives(Net)</b>	<b>656,882,392</b>	<b>71.7</b>	<b>71.7</b>	<b>3.0</b>	<b>16.0</b>	<b>1.9</b>	<b>9.5</b>	<b>7.9</b>	<b>7.3</b>	<b>--</b>	<b>--</b>	<b>Dec-94</b>	
<i>Policy Index w/o AI</i>				2.7	14.2	-3.0	3.5	5.9	6.1	--	--	Dec-94	
<b>US Equity(Net)</b>	<b>251,493,831</b>	<b>27.5</b>	<b>38.3</b>	<b>2.1</b>	<b>21.0</b>	<b>-4.0</b>	<b>6.3</b>	<b>10.2</b>	<b>10.7</b>	<b>13.9</b>	<b>9.9</b>	<b>Dec-94</b>	
<i>Russell 3000</i>				2.3	22.0	-3.5	6.1	9.5	9.6	13.5	9.8	Dec-94	
Mellon Dynamic US Equity(Net)	113,026,663	12.3	44.9	1.7	19.5	-1.1	11.1	13.6	13.8	--	16.5	Dec-12	
<i>S&amp;P 500</i>				2.0	20.5	-3.1	7.5	10.7	10.7	14.0	13.2	Dec-12	
Mellon Large Cap(Net)	97,505,279	10.6	38.8	2.2	21.8	-2.8	7.5	10.6	--	--	12.3	Mar-16	
<i>Russell 1000</i>				2.2	21.8	-2.8	7.5	10.6	10.5	14.0	12.3	Mar-16	
DFA Small Cap(Net)	25,787,713	2.8	10.3	2.6	23.0	-16.9	-11.5	-0.9	2.9	--	3.6	Jun-14	
<i>Russell 2000</i>				3.5	25.4	-13.0	-6.6	2.0	4.3	10.5	4.7	Jun-14	
PanAgora(Net)	15,174,175	1.7	6.0	3.3	25.7	-13.7	-7.0	2.3	4.0	--	6.4	Sep-13	
<i>Russell 2000</i>				3.5	25.4	-13.0	-6.6	2.0	4.3	10.5	5.9	Sep-13	
<b>International Equity(Net)</b>	<b>198,737,355</b>	<b>21.7</b>	<b>30.3</b>	<b>6.4</b>	<b>24.5</b>	<b>4.7</b>	<b>14.6</b>	<b>7.5</b>	<b>5.8</b>	<b>7.6</b>	<b>5.6</b>	<b>Dec-98</b>	
<i>International Equity Custom</i>				5.2	16.5	-10.4	-3.9	1.6	2.9	5.9	3.9	Dec-98	
<b>Developed International Equity(Net)</b>	<b>108,704,665</b>	<b>11.9</b>	<b>54.7</b>	<b>3.4</b>	<b>16.4</b>	<b>-3.6</b>	<b>3.9</b>	<b>3.8</b>	<b>3.4</b>	<b>6.9</b>	<b>3.3</b>	<b>Jan-08</b>	
<i>Custom Blended Developed International Equity Benchmark</i>				3.4	16.5	-11.6	-5.4	0.7	2.0	5.7	1.8	Jan-08	
GQG International Equity(Net)	45,511,998	5.0	41.9	4.4	17.4	1.1	--	--	--	--	1.1	Dec-19	
<i>MSCI ACWI ex USA</i>				4.5	16.1	-11.0	-4.8	1.1	2.3	5.0	-7.1	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, 2020

	Market Value (\$)	% of Portfolio	% of Sector	1 Mo (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
First Eagle International Value Fund(Net)	41,901,321	4.6	38.5	1.9	11.6	-6.9	--	--	--	--	-6.9	Dec-19
<i>MSCI EAFE</i>				3.4	14.9	-11.3	-5.1	0.8	2.1	5.7	-8.5	Dec-19
<i>MSCI World ex USA</i>				3.4	15.3	-11.5	-5.4	0.8	2.0	5.4	-8.7	Dec-19
Driehaus International Small Cap Growth(Net)	11,138,886	1.2	10.2	5.3	26.2	-4.7	6.8	--	--	--	7.9	May-19
<i>MSCI ACWI ex US Small Cap Growth NR USD</i>				3.7	27.2	-5.8	3.3	3.2	4.4	7.2	2.1	May-19
Acadian ACWI ex U.S. Small Cap Equity(Net)	10,152,460	1.1	9.3	3.7	23.5	-8.4	0.0	--	--	--	-0.2	May-19
<i>MSCI ACWI ex US Small Cap</i>				3.3	22.8	-12.8	-4.3	-0.2	2.5	6.0	-4.5	May-19
<b>Emerging Markets Equity(Net)</b>	<b>90,032,690</b>	<b>9.8</b>	<b>45.3</b>	<b>10.2</b>	<b>35.8</b>	<b>16.8</b>	<b>30.6</b>	<b>13.2</b>	<b>10.9</b>	<b>--</b>	<b>6.5</b>	<b>Apr-12</b>
<i>Custom Blended Emerging Markets Benchmark</i>				7.4	18.1	-9.8	-3.2	2.2	3.2	3.6	2.5	Apr-12
Artisan Developing World TR(Net)	70,396,776	7.7	78.2	10.1	38.4	27.1	--	--	--	--	27.1	Dec-19
<i>MSCI Emerging Markets</i>				7.4	18.1	-9.8	-3.4	1.9	2.9	3.3	-3.1	Dec-19
RWC(Net)	19,635,914	2.1	21.8	10.4	27.1	-9.1	--	--	--	--	-9.1	Dec-19
<i>MSCI Emerging Markets</i>				7.4	18.1	-9.8	-3.4	1.9	2.9	3.3	-3.1	Dec-19
<b>US Fixed Income(Net)</b>	<b>161,928,168</b>	<b>17.7</b>	<b>24.7</b>	<b>0.7</b>	<b>3.2</b>	<b>6.1</b>	<b>8.4</b>	<b>5.1</b>	<b>4.4</b>	<b>4.3</b>	<b>5.5</b>	<b>Dec-94</b>
<i>BBgBarc US Aggregate TR</i>				0.6	2.9	6.1	8.4	5.3	4.6	4.0	5.8	Dec-94
Barrow Hanley(Net)	69,492,915	7.6	42.9	0.9	4.5	7.1	9.9	5.7	4.6	3.8	4.2	Mar-10
<i>BBgBarc US Aggregate TR</i>				0.6	2.9	6.1	8.7	5.3	4.3	3.8	4.1	Mar-10
Vanguard Total Bond Market Index Fund(Net)	66,844,423	7.3	41.3	0.7	3.0	6.4	9.0	--	--	--	10.4	May-19
<i>BBgBarc US Aggregate TR</i>				0.6	2.9	6.1	8.7	5.3	4.3	3.8	10.3	May-19
Vanguard Short-Term Treasury Index Fund(Net)	25,590,830	2.8	15.8	0.0	0.3	3.0	4.1	--	--	--	3.6	Feb-18
<i>BBgBarc US Govt 1-3 Yr TR</i>				0.0	0.3	3.0	4.1	2.7	1.9	1.4	3.7	Feb-18
<i>BBgBarc US Govt 1-5 Yr TR</i>				0.1	0.4	4.2	5.3	3.3	2.3	1.8	4.6	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>44,723,038</b>	<b>4.9</b>	<b>6.8</b>	<b>2.0</b>	<b>8.8</b>	<b>-2.9</b>	<b>-0.4</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>1.1</b>	<b>May-19</b>
<i>50% Barclays US Aggregate / 25% Barclays US High Yield / 25% Credit Suisse Leveraged Loans</i>				0.9	6.4	1.0	3.9	--	--	--	5.0	May-19
PIMCO Income Fund(Net)	24,336,561	2.7	54.4	1.8	6.5	-1.7	0.7	--	--	--	1.9	Apr-19
<i>BBgBarc US Aggregate TR</i>				0.6	2.9	6.1	8.7	5.3	4.3	3.8	10.3	Apr-19
GoldenTree Multi-Sector Credit(Net)	20,386,477	2.2	45.6	2.1	11.9	-4.3	-1.7	--	--	--	-0.4	Jun-19
<i>50% BBgBarc US High Yield TR/50% Credit Suisse Leveraged Loans</i>				1.2	9.9	-4.3	-1.1	2.7	3.9	5.5	0.1	Jun-19
<b>Private Real Estate(Net)</b>	<b>59,950,156</b>	<b>6.5</b>	<b>6.5</b>	<b>NA</b>	<b>NA</b>	<b>2.8</b>	<b>-0.9</b>	<b>4.5</b>	<b>5.6</b>	<b>--</b>	<b>--</b>	<b>Mar-99</b>
<i>Custom Blended Real Estate Benchmark</i>				1.0	1.0	2.5	4.9	5.9	7.1	10.2	7.3	Mar-99
<i>CPI + 5% (Seasonally Adjusted)</i>				1.0	0.9	2.0	5.7	6.9	6.7	--	--	Mar-99
UBS Trumbull Property(Net)	37,505,088	4.1	62.6	NA	NA	-0.4	-3.4	2.0	4.0	7.5	6.7	Mar-99
Greenfield Gap VII(Net)	9,271,728	1.0	15.5	NA	NA	7.1	18.7	14.8	14.9	--	13.6	Dec-14
Patron Capital V(Net)	6,356,809	0.7	10.6	NA	NA	20.0	-12.4	10.6	--	--	7.2	Jan-16
Taconic CRE Dislocation Fund II(Net)	2,953,759	0.3	4.9	NA	NA	4.1	13.2	--	--	--	7.7	Nov-18
AG Realty Value Fund X, L.P.(Net)	1,429,063	0.2	2.4	NA	NA	2.5	-15.8	--	--	--	-14.7	Jun-19
Carlyle Realty VIII(Net)	1,368,321	0.1	2.3	NA	NA	5.8	11.5	--	--	--	-20.0	Dec-17
Rockpoint Real Estate Fund VI, L.P.(Net)	792,390	0.1	1.3	NA	--	--	--	--	--	--	0.0	May-20
Carmel Partners Investment Fund VII(Net)	272,998	0.0	0.5	NA	NA	-10.4	-39.9	--	--	--	-44.6	Apr-19

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

Private Markets values are cash flow adjusted from 12/31/2019 NAVs, as 3/31/2020 NAVs were unavailable at the time of this report.

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, 2020

	Market Value (\$)	% of Portfolio	% of Sector	1 Mo (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Private Equity(Net)</b>	<b>47,822,114</b>	<b>5.2</b>	<b>5.2</b>	<b>NA</b>	<b>NA</b>	<b>0.9</b>	<b>3.8</b>	<b>11.2</b>	<b>8.6</b>	<b>9.5</b>	<b>7.8</b>	<b>Jun-05</b>
<i>Custom Blended Private Equity Benchmark</i>				<i>NA</i>	<i>NA</i>	<i>6.1</i>	<i>12.8</i>	<i>15.2</i>	<i>13.7</i>	<i>--</i>	<i>--</i>	<i>Jun-05</i>
<i>Russell 3000 +3% 1-Quarter Lag</i>				<i>-13.5</i>	<i>-20.3</i>	<i>-12.4</i>	<i>-6.4</i>	<i>7.1</i>	<i>8.9</i>	<i>13.4</i>	<i>10.7</i>	<i>Jun-05</i>
Ocean Avenue II(Net)	9,011,470	1.0	18.8	NA	NA	0.2	4.7	19.9	14.6	--	11.0	Jun-14
Adams Street(Net)	6,510,987	0.7	13.6	NA	NA	4.9	3.4	11.2	10.6	12.0	7.0	Sep-05
Invesco VI(Net)	6,324,856	0.7	13.2	NA	NA	0.0	7.1	12.2	10.4	--	11.2	Jun-13
Davidson Kempner Long-Term Distressed Opportunities Fund IV(Net)	4,659,047	0.5	9.7	NA	NA	5.1	6.9	--	--	--	10.5	Apr-18
Pantheon II(Net)	3,704,464	0.4	7.7	NA	NA	1.9	2.7	11.7	12.0	--	10.9	Dec-11
Raven Asset Fund II(Net)	3,171,723	0.3	6.6	NA	NA	-8.6	-5.1	4.9	-0.6	--	-1.6	Aug-14
Cortec Group Fund VII(Net)	2,794,779	0.3	5.8	NA	NA	-1.0	--	--	--	--	-1.0	Dec-19
GTCR Fund XII(Net)	2,382,459	0.3	5.0	NA	NA	7.5	38.7	--	--	--	0.0	Jun-18
TCV X(Net)	1,810,390	0.2	3.8	NA	NA	0.8	-8.7	--	--	--	-7.1	Apr-19
Genstar Capital Partners IX(Net)	1,628,686	0.2	3.4	NA	NA	5.8	--	--	--	--	5.4	Jul-19
Carrick Capital Partners III(Net)	1,405,162	0.2	2.9	NA	NA	2.0	22.7	--	--	--	2.6	Aug-18
Cressey & Company Fund VI(Net)	1,341,155	0.1	2.8	NA	NA	11.3	15.7	--	--	--	-1.6	Jan-19
Accel-KKR Growth Capital Partners III(Net)	1,192,697	0.1	2.5	NA	NA	-0.5	-16.6	--	--	--	-16.6	Jul-19
Summit Partners Growth Equity Fund X-A(Net)	599,062	0.1	1.3	NA	NA	--	--	--	--	--	-16.4	Mar-20
Pantheon Secondary(Net)	381,051	0.0	0.8	NA	NA	-12.3	-13.0	2.2	1.0	2.2	2.7	Jun-07
Pantheon I(Net)	375,931	0.0	0.8	NA	NA	-24.1	-32.2	-7.9	-3.7	2.3	0.6	Dec-05

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, 2020

	Market Value (\$)	% of Portfolio	% of Sector	1 Mo (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Spark Capital Growth Fund III(Net)	270,000	0.0	0.6	NA	NA	--	--	--	--	--	0.0	Mar-20
Spark Capital VI(Net)	195,000	0.0	0.4	NA	NA	--	--	--	--	--	0.0	Mar-20
Invesco IV(Net)	63,195	0.0	0.1	NA	NA	0.0	159.5	38.6	25.1	19.1	14.6	Jun-05
<b>Hedge Fund(Net)</b>	<b>91,139,405</b>	<b>10.0</b>	<b>10.0</b>	<b>2.2</b>	<b>5.8</b>	<b>-3.3</b>	<b>-2.1</b>	<b>2.6</b>	<b>2.2</b>	<b>--</b>	<b>3.0</b>	<b>Jun-14</b>
<i>Custom Blended Hedge Fund Benchmark</i>				<i>1.3</i>	<i>7.2</i>	<i>-2.2</i>	<i>-0.2</i>	<i>2.1</i>	<i>2.0</i>	<i>--</i>	<i>2.3</i>	<i>Jun-14</i>
Wellington-Archipelago(Net)	12,246,698	1.3	13.4	3.2	8.7	-2.2	1.7	--	--	--	3.9	Aug-17
Silver Point Capital(Net)	12,224,814	1.3	13.4	3.3	6.9	-0.9	-1.3	--	--	--	0.9	Nov-17
Taconic Opportunity Fund(Net)	11,996,289	1.3	13.2	2.4	4.7	-4.8	-3.9	--	--	--	-0.2	Dec-18
Sculptor (OZ) Domestic II(Net)	11,514,802	1.3	12.6	3.3	12.1	5.0	7.9	7.6	6.2	--	6.6	Jun-14
Laurion Capital(Net)	10,882,870	1.2	11.9	2.6	6.9	23.8	22.1	--	--	--	16.2	Aug-18
Marshall Wace Global Opportunities(Net)	9,108,110	1.0	10.0	-0.5	--	--	--	--	--	--	1.2	May-20
KLS Diversified(Net)	7,713,497	0.8	8.5	4.8	2.1	-15.1	-16.4	--	--	--	-5.3	Oct-17
Graham Absolute Return(Net)	6,891,269	0.8	7.6	1.2	6.4	-10.1	-9.8	--	--	--	-1.0	Aug-17
Winton(Net)	5,183,916	0.6	5.7	-2.8	-4.9	-17.2	-15.2	--	--	--	-5.3	Oct-17
Marshall Wace Eureka(Net)	3,377,139	0.4	3.7	1.0	5.2	-1.3	3.0	--	--	--	3.5	Nov-17
<b>Real Assets(Net)</b>	<b>47,807,184</b>	<b>5.2</b>	<b>5.2</b>	<b>0.5</b>	<b>2.8</b>	<b>-2.1</b>	<b>2.1</b>	<b>6.4</b>	<b>6.7</b>	<b>--</b>	<b>--</b>	<b>Mar-99</b>
<i>Custom Blended Real Assets Benchmark</i>				<i>NA</i>	<i>NA</i>	<i>0.3</i>	<i>4.7</i>	<i>9.3</i>	<i>8.7</i>	<i>--</i>	<i>--</i>	<i>Mar-99</i>
<i>CPI + 5% (Seasonally Adjusted)</i>				<i>1.0</i>	<i>0.9</i>	<i>2.0</i>	<i>5.7</i>	<i>6.9</i>	<i>6.7</i>	<i>--</i>	<i>--</i>	<i>Mar-99</i>
SSgA(Net)	15,393,879	1.7	32.2	1.6	10.3	-11.0	-8.6	0.3	--	--	0.1	Apr-17
<i>Real Asset NL Custom Blended Index</i>				<i>1.6</i>	<i>10.5</i>	<i>-11.8</i>	<i>-9.2</i>	<i>0.3</i>	<i>--</i>	<i>--</i>	<i>0.1</i>	<i>Apr-17</i>

Historical returns for Invesco IV prior to April 2012 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>Private Infrastructure(Net)</b>	<b>18,664,096</b>	<b>2.0</b>	<b>39.0</b>	<b>NA</b>	<b>-0.1</b>	<b>2.6</b>	<b>7.9</b>	<b>11.4</b>	<b>6.8</b>	<b>--</b>	<b>7.5</b>	<b>Dec-14</b>
<i>S&amp;P Global Infrastructure Net TR USD</i>				<i>-1.3</i>	<i>13.6</i>	<i>-19.7</i>	<i>-15.4</i>	<i>-1.8</i>	<i>1.7</i>	<i>6.0</i>	<i>1.0</i>	<i>Dec-14</i>
North Haven Infrastructure II(Net)	7,506,337	0.8	40.2	NA	NA	5.8	11.6	16.7	8.5	--	8.4	May-15
KKR Global II(Net)	5,248,738	0.6	28.1	NA	NA	1.0	5.3	8.8	9.0	--	9.5	Dec-14
ISQ Global Infrastructure Fund II(Net)	3,266,439	0.4	17.5	NA	NA	2.5	9.1	--	--	--	-9.3	Jul-18
KKR Global Infrastructure Investors III(Net)	1,682,072	0.2	9.0	NA	NA	-0.5	-0.1	--	--	--	-10.6	Jan-19
Ardian Infrastructure Fund V(Net)	960,510	0.1	5.1	NA	NA	-0.5	--	--	--	--	-0.5	Oct-19
<b>Private Natural Resources(Net)</b>	<b>13,749,210</b>	<b>1.5</b>	<b>28.8</b>	<b>NA</b>	<b>NA</b>	<b>0.7</b>	<b>6.0</b>	<b>9.1</b>	<b>--</b>	<b>--</b>	<b>15.0</b>	<b>Sep-15</b>
<i>S&amp;P Global Natural Resources Index TR USD</i>				<i>2.1</i>	<i>20.5</i>	<i>-19.1</i>	<i>-16.8</i>	<i>-0.1</i>	<i>0.9</i>	<i>1.5</i>	<i>6.6</i>	<i>Sep-15</i>
GSO Energy Opportunities(Net)	3,885,380	0.4	28.3	NA	NA	0.3	0.4	7.1	--	--	13.1	Nov-15
Taurus Mining(Net)	3,010,421	0.3	21.9	NA	NA	1.7	8.9	10.3	--	--	16.1	Sep-15
Taurus Mining Annex(Net)	2,552,324	0.3	18.6	NA	NA	3.3	16.0	20.0	--	--	25.6	Jan-17
EnCap XI(Net)	1,205,955	0.1	8.8	NA	NA	-8.8	-15.0	--	--	--	-26.2	Jul-17
EnCap IV(Net)	1,177,468	0.1	8.6	NA	NA	0.9	9.1	--	--	--	1.7	Feb-18
BlackRock Global Energy and Power Infrastructure Fund III LP(Net)	1,133,162	0.1	8.2	NA	NA	17.8	--	--	--	--	--	Jul-19
Tailwater Energy Fund IV, LP(Net)	784,500	0.1	5.7	NA	NA	-14.8	--	--	--	--	-14.8	Oct-19
<b>Cash(Net)</b>	<b>12,138,838</b>	<b>1.3</b>	<b>1.3</b>	<b>0.0</b>	<b>0.1</b>	<b>0.5</b>	<b>1.3</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	
Cash(Net)	11,231,143	1.2	92.5	0.0	0.1	0.6	1.7	1.5	1.1	--	--	Sep-03
Treasury Cash(Net)	907,695	0.1	7.5									

\*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, 2020

Total Fund		
1/1/2020	Present	21% Russell 3000 / 10% Custom Blended Developed International Equity Benchmark / 8% Custom Blended Emerging Markets Benchmark / 18% BBgBarc US Aggregate TR / 10% Custom Blended Hedge Fund Benchmark / 15% Custom Blended 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
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	50% Cambridge Associates Global Private Equity Index / 50% Cambridge Venture Capital (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
3/31/1999	12/31/2019	Real Asset Custom
Private Infrastructure		
12/31/2014	Present	S&P Global Infrastructure Net TR USD
Private Natural Resources		
9/30/2015	Present	S&P Global Natural Resources Index TR USD
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, 2020				
Name	Fee Schedule	Market Value	Estimated Fee Value	Estimated Fee
<b>Total Fund w/o Alternatives</b>		<b>\$656,882,392</b>		
<b>US Equity</b>		<b>\$251,493,831</b>		
Mellon Dynamic US Equity	0.30% of Assets	\$113,026,663	\$339,080	0.30%
Mellon Large Cap	0.04% of First 100.0 Mil, 0.02% Thereafter	\$97,505,279	\$39,002	0.04%
DFA Small Cap	0.33% of Assets	\$25,787,713	\$85,099	0.33%
PanAgora	0.80% of Assets	\$15,174,175	\$121,393	0.80%
<b>International Equity</b>		<b>\$198,737,355</b>		
<b>Developed International Equity</b>		<b>\$108,704,665</b>		
Acadian ACWI ex U.S. Small Cap Equity	0.99% of Assets	\$10,152,460	\$100,509	0.99%
Driehaus International Small Cap Growth	0.90% of Assets	\$11,138,886	\$100,250	0.90%
GQG International Equity	0.50% of Assets	\$45,511,998	\$227,560	0.50%
First Eagle International Value Fund	0.79% of Assets	\$41,901,321	\$331,020	0.79%
<b>Emerging Markets Equity</b>		<b>\$90,032,690</b>		
Artisan Developing World TR	1.05% of Assets	\$70,396,776	\$739,166	1.05%
RWC	0.87% of Assets	\$19,635,914	\$170,832	0.87%
<b>US Fixed Income</b>		<b>\$161,928,168</b>		
Barrow Hanley	0.30% of First 50.0 Mil, 0.20% of Next 100.0 Mil, 0.15% Thereafter	\$69,492,915	\$188,986	0.27%
Vanguard Short-Term Treasury Index Fund	0.05% of Assets	\$25,590,830	\$12,795	0.05%
Vanguard Total Bond Market Index Fund	0.04% of Assets	\$66,844,423	\$23,396	0.04%
<b>Opportunistic Credit</b>		<b>\$44,723,038</b>		
PIMCO Income Fund	0.50% of Assets	\$24,336,561	\$121,683	0.50%
GoldenTree Multi-Sector Credit	0.75% of Assets	\$20,386,477	\$152,899	0.75%

Name	Fee Schedule	Market Value	Estimated Fee Value	Estimated Fee
<b>Private Real Estate</b>		<b>\$59,950,156</b>		
Greenfield Gap VII		\$9,271,728		
Patron Capital V		\$6,356,809		
UBS Trumbull Property		\$37,505,088		
Carlyle Realty VIII		\$1,368,321		
Taconic CRE Dislocation Fund II		\$2,953,759		
Carmel Partners Investment Fund VII		\$272,998		
AG Realty Value Fund X, L.P.		\$1,429,063		
Rockpoint Real Estate Fund VI, L.P.		\$792,390		
Invesco IV		\$63,195		
Invesco VI		\$6,324,856		
Ocean Avenue II		\$9,011,470		
Pantheon I		\$375,931		
Pantheon II		\$3,704,464		
Pantheon Secondary		\$381,051		
Raven Asset Fund II		\$3,171,723		
Davidson Kempner Long-Term Distressed Opportunities Fund IV		\$4,659,047		
GTCR Fund XII		\$2,382,459		
Carrick Capital Partners III		\$1,405,162		
Cressey & Company Fund VI		\$1,341,155		
TCV X		\$1,810,390		
Accel-KKR Growth Capital Partners III		\$1,192,697		
Genstar Capital Partners IX		\$1,628,686		
Cortec Group Fund VII		\$2,794,779		
Spark Capital Growth Fund III		\$270,000		
Spark Capital VI		\$195,000		
Summit Partners Growth Equity Fund X-A		\$599,062		
<b>Hedge Fund</b>		<b>\$91,139,405</b>		
Sculptor (OZ) Domestic II	Performance-based 1.50 and 20.00	\$11,514,802	\$247,981	2.15%
Graham Absolute Return	Performance-based 1.75 and 20.00	\$6,891,269	\$137,825	2.00%

## Total Fund | As of June 30, 2020

Name	Fee Schedule	Market Value	Estimated Fee Value	Estimated Fee
Wellington-Archipelago	Performance-based 1.00 and 20.00	\$12,246,698	\$200,846	1.64%
KLS Diversified	Performance-based 2.00 and 20.00	\$7,713,497	\$228,474	2.96%
Winton	Performance-based 0.90 and 20.00	\$5,183,916	\$46,655	0.90%
Marshall Wace Eureka	Performance-based 2.00 and 20.00	\$3,377,139	\$73,959	2.19%
Silver Point Capital	Performance-based 1.50 and 20.00	\$12,224,814	\$265,278	2.17%
Laurion Capital		\$10,882,870		
Taconic Opportunity Fund		\$11,996,289		
Marshall Wace Global Opportunities		\$9,108,110		
<b>Real Assets</b>		<b>\$47,807,184</b>		
SSgA	0.30% of First 50.0 Mil, 0.27% of Next 50.0 Mil, 0.25% Thereafter	\$15,393,879	\$46,182	0.30%
<b>Private Infrastructure</b>		<b>\$18,664,096</b>		
KKR Global II		\$5,248,738		
North Haven Infrastructure II		\$7,506,337		
ISQ Global Infrastructure Fund II		\$3,266,439		
KKR Global Infrastructure Investors III		\$1,682,072		
Ardian Infrastructure Fund V		\$960,510		
<b>Private Natural Resources</b>		<b>\$13,749,210</b>		
EnCap XI		\$1,205,955		
EnCap IV		\$1,177,468		
GSO Energy Opportunities		\$3,885,380		
Taurus Mining		\$3,010,421		
Taurus Mining Annex		\$2,552,324		
BlackRock Global Energy and Power Infrastructure Fund III LP		\$1,133,162		
Tailwater Energy Fund IV, LP		\$784,500		
<b>Cash</b>		<b>\$12,138,838</b>		
Cash		\$11,231,143		
Treasury Cash		\$907,695		

## **IFR Progress & Upcoming Action Items**

Below we provide an update on the Initial Fund Review (IFR) and a timeline for the outstanding action items.

Fund Governance	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20 and after
<b>Investment Policy Statement</b>							
Review and update policy							
<b>Investment Manager Guidelines</b>							
No action necessary at this time							
<b>Governance Structure</b>							
Consider reducing IC meetings to quarterly or every other month							
<b>Crisis Response Plan</b>							
Establish a crisis response plan							
Asset Allocation & Portfolio Construction	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20 and after
<b>Asset Allocation</b>							
<b>Portfolio Construction</b>							
Manager Structure & Manager Evaluation							
Review of all Underlying Benchmarks							
Domestic Equity							
International Equity							
Fixed Income							
Private Markets & Hedge Funds							
Active and Passive Investment Management							

- The Domestic Equity Review is slated for the **August** meeting.

### IFR Progress & Upcoming Action Items

Operations	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20 and after
<b>Custody Services</b>							
Review Periodically							
<b>Transition Management</b>							
Retain a panel of transition managers							
<b>Securities Lending</b>							
No action necessary at this time							
<b>Expenses</b>							
Review management fees of investment managers							
<b>Cash Sweep</b>							
Utilize Govt MMF							
<b>Commission Recapture</b>							
No action necessary at this time							
<b>Legal &amp; Actuarial</b>							
No action necessary at this time							
<b>Proxy Voting</b>							
No action necessary at this time							

- Review of investment manager fees planned for the **September** meeting.
- Due to Government Money Markets current low yields offerings, recommendation to use a Government Money Market Fund for a cash sweep has been put on pause. We will continue to monitor any changes in the investment landscape.

**Disclaimer**

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.

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

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**DATE:** July 23, 2020

**TO:** MCERA Board of Retirement

**FROM:** Kristie Santos, Plan Administrator

**SUBJECT:** Use of "MercedCERA" as a new acronym for the Merced County Employees' Retirement Association.

**ITEM NUMBER:** 3

**ITEM TYPE:** Action

**STAFF RECOMMENDATION:**

1. Formally adopt the new acronym of "MercedCERA" for the Merced County Employees' Retirement Association.

**DISCUSSION:**

The Merced County Employees' Retirement Association has always been known as "MCERA" within Merced County and to our vendors and other contractors. The acronym "MCERA" is shared by two other retirement systems/associations; the Marin County Employees' Retirement Association and the Mendocino County Employees' Retirement Association. Recently, the Merced County Employees' Retirement Association began a multi-month project of a new website design, which includes rebranding the organization with a new look and feel that reflects the progressive nature of the organization.

The Retirement Board ad hoc subcommittee and staff met with Digital Deployment (chosen vendor for the website redesign project) to discuss that several retirement systems share the same acronym and how this may be confusing for customers, vendors and members of the public. As a result, the subcommittee and staff all agreed upon rebranding the Merced County Employees' Retirement Association as "MercedCERA" instead of "MCERA". This new acronym will distinguish this organization from the other retirement systems/associations when customers, members and the public search for the Merced County Employees' Retirement Association on the internet.

If approved by this Board, the use of "MercedCERA" will be not only be on our new website but will be incorporated in all facets of branding for this organization including but not limited to logos, letterhead, correspondence, forms, signage, etc.

It is anticipated that proof of concept logos and webpages will be coming to the full Board of Retirement for approval in September of 2020 and November of 2020 respectively.



Preliminary Most Probable Cost Estimate For  
**MCERA- Option A**  
 Two-Story: Total 12,300 sq.ft.  
 690 W. 19TH STREET  
 CITY OF MERCED, CA

JN: 19-148.1

ITEM DESCRIPTION	APPROX. QUANTITY	UNIT	UNIT PRICE	AMOUNT
<b>CIVIL IMPROVEMENTS</b>				
<b>GENERAL</b>				
GENERAL CONDITIONS	1	L.S.	\$ 220,000.00	\$ 220,000.00
TRAFFIC CONTROL	21	DAY	\$ 134.00	\$ 2,814.00
MOBILIZATION	1	L.S.	\$ 30,000.00	\$ 30,000.00
FENCING & TEMP. UTILITIES, STURCTURES	1	L.S.	\$ 50,000.00	\$ 50,000.00
EQUIPMENT RENTAL	1	L.S.	\$ 40,000.00	\$ 40,000.00
			<b>General Total</b>	<b>\$ 342,814.00</b>
<b>EARTHWORK</b>				
DEMOLITION	1	L.S.	\$ 20,000.00	\$ 20,000.00
GRADING - CUT / FILL / COMPACTION	1	L.S.	\$ 50,000.00	\$ 50,000.00
			<b>Earthwork Total</b>	<b>\$ 70,000.00</b>
<b>A.C./CONCRETE</b>				
4"A.C. / 9.5" CL. 2 A.B. AT 95% R.C. / 12" COMPACTED NATIVE SOIL AT 90% R.C. AND FOGSEAL	5,750	S.F.	\$ 3.50	\$ 20,125.00
4" CONCRETE SIDEWALK	1,840	S.F.	\$ 6.50	\$ 11,960.00
6" CURB	380	L.F.	\$ 17.00	\$ 6,460.00
ACCESSIBLE RAMP	2	EA.	\$ 3,000.00	\$ 6,000.00
DRIVEWAY APPROACH	1	L.S.	\$ 20,000.00	\$ 20,000.00
			<b>A.C./Concrete Total</b>	<b>\$ 64,545.00</b>
<b>WATER</b>				
2" DIA. WATER PIPE (SCH 80 PVC) - DOMESTIC	80	L.F.	\$ 25.00	\$ 2,000.00
4" DIA. WATER PIPE (SCH 80 PVC) - FIRELINE	80	L.F.	\$ 45.00	\$ 3,600.00
1" DIA. WATER PIPE (SCH 80 PVC) - LANDSCAPING	80	L.F.	\$ 15.00	\$ 1,200.00
4" DOUBLE CHECK VALVE	1	EA.	\$ 5,000.00	\$ 5,000.00
2" METER	1	EA.	\$ 2,000.00	\$ 2,000.00
2" BACK FLOW PREVENTOR	1	EA.	\$ 3,000.00	\$ 3,000.00
1" METER	1	EA.	\$ 1,000.00	\$ 1,000.00
1" BACK FLOW PREVENTOR	1	EA.	\$ 1,500.00	\$ 1,500.00
FDC-FIRE DEPARTMENT CONNECTION	1	EA.	\$ 1,000.00	\$ 1,000.00
			<b>Water Total</b>	<b>\$ 20,300.00</b>
<b>SEWER</b>				
6" DIA. SEWER PIPE	80	L.F.	\$ 45.00	\$ 3,600.00
SANITARY SEWER CLEAN OUT	1	EA.	\$ 500.00	\$ 500.00
			<b>Sewer Total</b>	<b>\$ 4,100.00</b>



Preliminary Most Probable Cost Estimate For  
**MCERA- Option A**  
 Two-Story: Total 12,300 sq.ft.  
 690 W. 19TH STREET  
 CITY OF MERCED, CA

JN: 19-148.1

ITEM DESCRIPTION	APPROX. QUANTITY	UNIT	UNIT PRICE	AMOUNT
<b>STORM DRAIN</b>				
6' DIA UNDERGROUND STORAGE	75	L.F.	\$ 500.00	\$ 37,500.00
6" DIA. STORM DRAIN PIPE	350	L.F.	\$ 45.00	\$ 15,750.00
CATCH BASIN	1	EA.	\$ 2,500.00	\$ 2,500.00
PUMP STATION & FILTRATION SYS.	1	L.S.	\$ 50,000.00	\$ 50,000.00
			<b>Storm Drain Total</b>	<b>\$ 105,750.00</b>
<b>MISCELLANEOUS</b>				
SWPPP	1	L.S.	\$ 10,000.00	\$ 10,000.00
QSP INSPECTION	1	L.S.	\$ 15,000.00	\$ 15,000.00
TRASH ENCLOSURE	1	EA.	\$ 20,000.00	\$ 20,000.00
SITE ELECTRICAL & LIGHTING	1	L.S.	\$ 20,000.00	\$ 20,000.00
PAVEMENT MARKING	1	L.S.	\$ 5,000.00	\$ 5,000.00
LANDSCAPING	1	L.S.	\$ 20,000.00	\$ 20,000.00
			<b>Miscellaneous Total</b>	<b>\$ 90,000.00</b>
			<b>CIVIL IMPROVEMENT TOTAL</b>	<b>\$ 697,509.00</b>
<b>BUILDING</b>				
TOTAL SQ.FT.	12,300	S.F.	\$300.00	\$ 3,690,000.00
			<b>BUILDING TOTAL</b>	<b>\$ 3,690,000.00</b>
<b>CONSTRUCTION FEE TOTALS</b>				
			<i>Sub-Total</i>	\$ 4,387,509.00
			<i>Insurance &amp; bond 3%</i>	\$ 131,625.27
			<i>Overhead 15%</i>	\$ 658,126.35
			<i>Contingency 15%</i>	\$ 658,126.35
			<b>CONSTRUCTION FEE TOTALS</b>	<b>\$ 5,835,386.97</b>
<b>CITY FEES</b>				
IMPACT FEE	12,300	S.F.	\$ 7.00	\$ 86,124.60
WATER SVC FEE	1	L.S.	\$ 63,689.00	\$ 63,689.00
SEWER CONNECTION FEE	12,300	S.F.	\$ 3.69	\$ 45,362.40
SCHOOL FEE	12,300	S.F.	\$ 0.61	\$ 7,503.00
PERMIT FEE	1	L.S.	\$ 11,437.50	\$ 11,437.50
PLAN CHECK	1	L.S.	\$ 7,434.38	\$ 7,434.38
			<b>CITY FEES TOTAL</b>	<b>\$ 221,550.88</b>
<b>PROFESSIONAL SERVICE FEES</b>				
CIVIL, ARCH, STRU. EMP, LANDSCAPING DESIGN& CD			<i>7% of Construction Fees Subtotal</i>	\$ 307,125.63
CONSTRUCTION ADMIN.			<i>5% of Construction Fees Subtotal</i>	\$ 219,375.45
TESTING	1	L.S.	\$ 50,000.00	\$ 50,000.00
			<b>PROFESSIONAL SERVICE FEES TOTAL</b>	<b>\$ 576,501.08</b>
<b>PROJECT BUDGET GRAND TOTAL</b>				<b>\$ 6,633,438.93</b>



Preliminary Most Probable Cost Estimate For  
**MCERA- Option B**  
 One-Story 7,100 sq.ft.  
 690 W. 19TH STREET  
 CITY OF MERCED, CA

JN: 19-148.1

ITEM DESCRIPTION	APPROX. QUANTITY	UNIT	UNIT PRICE	AMOUNT
<b>CIVIL IMPROVEMENTS</b>				
<b>GENERAL</b>				
GENERAL CONDITIONS	1	L.S.	\$ 200,000.00	\$ 200,000.00
TRAFFIC CONTROL	21	DAY	\$ 134.00	\$ 2,814.00
MOBILIZATION	1	L.S.	\$ 30,000.00	\$ 30,000.00
FENCING & TEMP. UTILITIES, STURCTURES	1	L.S.	\$ 50,000.00	\$ 50,000.00
EQUIPMENT RENTAL	1	L.S.	\$ 40,000.00	\$ 40,000.00
			<b>General Total</b>	<b>\$ 322,814.00</b>
<b>EARTHWORK</b>				
DEMOLITION	1	L.S.	\$ 20,000.00	\$ 20,000.00
GRADING - CUT / FILL / COMPACTION	1	L.S.	\$ 50,000.00	\$ 50,000.00
			<b>Earthwork Total</b>	<b>\$ 70,000.00</b>
<b>A.C./CONCRETE</b>				
4"A.C. / 9.5" CL. 2 A.B. AT 95% R.C. / 12" COMPACTED NATIVE SOIL AT 90% R.C. AND FOGSEAL	5,750	S.F.	\$ 3.50	\$ 20,125.00
4" CONCRETE SIDEWALK	1,840	S.F.	\$ 6.50	\$ 11,960.00
6" CURB	380	L.F.	\$ 17.00	\$ 6,460.00
ACCESSIBLE RAMP	2	EA.	\$ 3,000.00	\$ 6,000.00
DRIVEWAY APPROACH	1	L.S.	\$ 20,000.00	\$ 20,000.00
			<b>A.C./Concrete Total</b>	<b>\$ 64,545.00</b>
<b>WATER</b>				
2" DIA. WATER PIPE (SCH 80 PVC) - DOMESTIC	80	L.F.	\$ 25.00	\$ 2,000.00
4" DIA. WATER PIPE (SCH 80 PVC) - FIRELINE	80	L.F.	\$ 45.00	\$ 3,600.00
1" DIA. WATER PIPE (SCH 80 PVC) - LANDSCAPING	80	L.F.	\$ 15.00	\$ 1,200.00
4" DOUBLE CHECK VALVE	1	EA.	\$ 5,000.00	\$ 5,000.00
2" METER	1	EA.	\$ 2,000.00	\$ 2,000.00
2" BACK FLOW PREVENTOR	1	EA.	\$ 3,000.00	\$ 3,000.00
1" METER	1	EA.	\$ 1,000.00	\$ 1,000.00
1" BACK FLOW PREVENTOR	1	EA.	\$ 1,500.00	\$ 1,500.00
FDC-FIRE DEPARTMENT CONNECTION	1	EA.	\$ 1,000.00	\$ 1,000.00
			<b>Water Total</b>	<b>\$ 20,300.00</b>
<b>SEWER</b>				
6" DIA. SEWER PIPE	80	L.F.	\$ 45.00	\$ 3,600.00
SANITARY SEWER CLEAN OUT	1	EA.	\$ 500.00	\$ 500.00
			<b>Sewer Total</b>	<b>\$ 4,100.00</b>



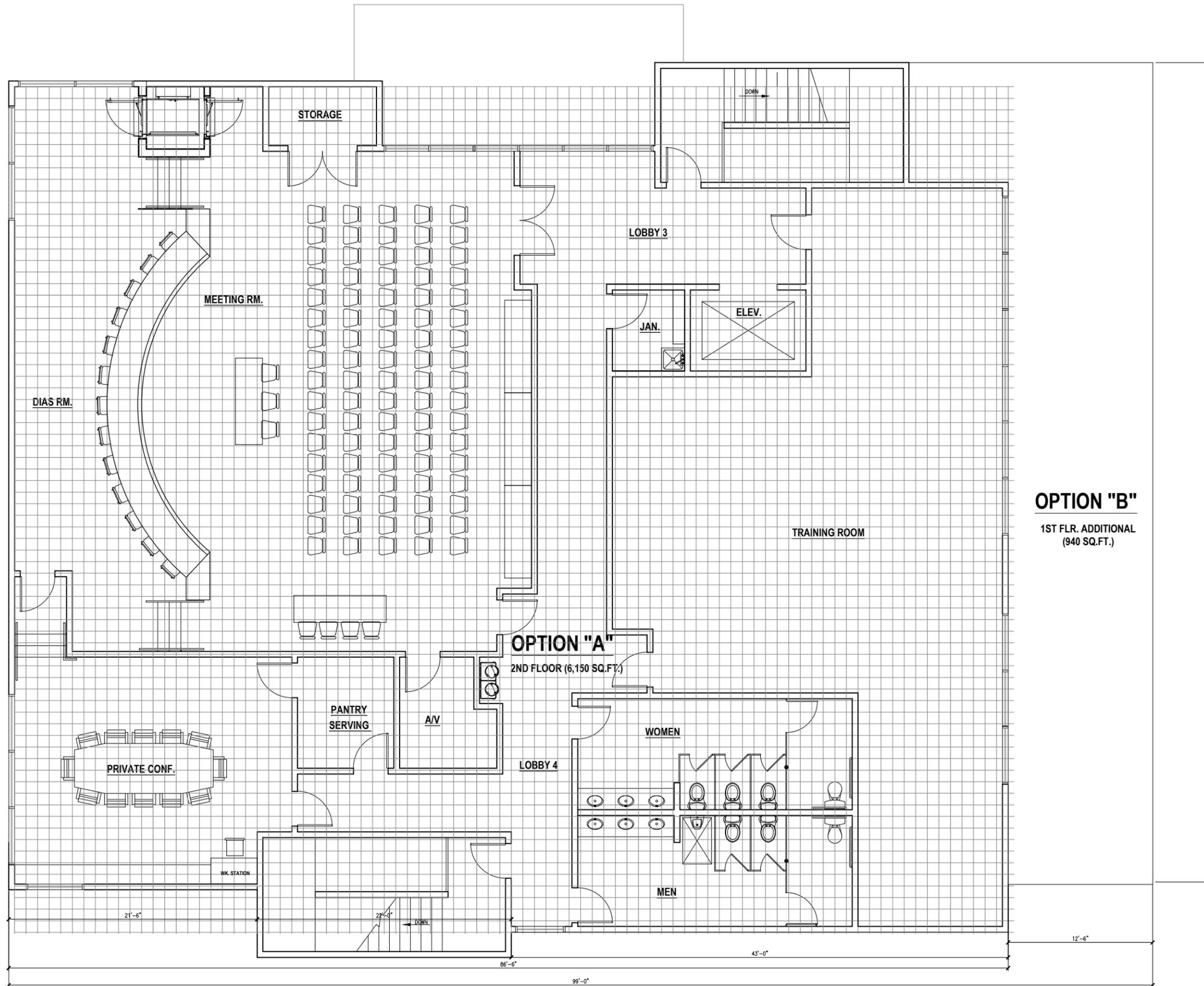
Preliminary Most Probable Cost Estimate For  
**MCERA- Option B**  
 One-Story 7,100 sq.ft.  
 690 W. 19TH STREET  
 CITY OF MERCED, CA

JN: 19-148.1

ITEM DESCRIPTION	APPROX. QUANTITY	UNIT	UNIT PRICE	AMOUNT
<b>STORM DRAIN</b>				
6' DIA UNDERGROUND STORAGE	75	L.F.	\$ 500.00	\$ 37,500.00
6" DIA. STORM DRAIN PIPE	350	L.F.	\$ 45.00	\$ 15,750.00
CATCH BASIN	1	EA.	\$ 2,500.00	\$ 2,500.00
PUMP STATION & FILTRATION SYS.	1	L.S.	\$ 50,000.00	\$ 50,000.00
<b>Storm Drain Total</b>				<b>\$ 105,750.00</b>
<b>MISCELLANEOUS</b>				
SWPPP	1	L.S.	\$ 10,000.00	\$ 10,000.00
QSP INSPECTION	1	L.S.	\$ 15,000.00	\$ 15,000.00
TRASH ENCLOSURE	1	EA.	\$ 20,000.00	\$ 20,000.00
SITE ELECTRICAL & LIGHTING	1	L.S.	\$ 20,000.00	\$ 20,000.00
PAVEMENT MARKING	1	L.S.	\$ 5,000.00	\$ 5,000.00
LANDSCAPING	1	L.S.	\$ 20,000.00	\$ 20,000.00
<b>Miscellaneous Total</b>				<b>\$ 90,000.00</b>
<b>CIVIL IMPROVEMENT TOTAL</b>				<b>\$ 677,509.00</b>
<b>BUILDING</b>				
TOTAL SQ.FT.	7,100	S.F.	\$300.00	\$ 2,130,000.00
<b>BUILDING TOTAL</b>				<b>\$ 2,130,000.00</b>
<b>CONSTRUCTION FEE TOTALS</b>				
<i>Sub-Total</i>				\$ 2,807,509.00
<i>Insurance &amp; bond 3%</i>				\$ 84,225.27
<i>Overhead 15%</i>				\$ 421,126.35
<i>Contingency 15%</i>				\$ 421,126.35
<b>CONSTRUCTION FEE TOTALS</b>				<b>\$ 3,733,986.97</b>
<b>CITY FEES</b>				
IMPACT FEE	7,100	S.F.	\$ 7.00	\$ 49,714.20
WATER SVC FEE	1	L.S.	\$ 63,689.00	\$ 63,689.00
SEWER CONNECTION FEE	7,100	S.F.	\$ 3.69	\$ 26,184.80
SCHOOL FEE	7,100	S.F.	\$ 0.61	\$ 4,331.00
PERMIT FEE	1	L.S.	\$ 6,679.10	\$ 6,679.10
PLAN CHECK	1	L.S.	\$ 4,341.42	\$ 4,341.42
<b>CITY FEES TOTAL</b>				<b>\$ 154,939.52</b>
<b>PROFESSIONAL SERVICE FEES</b>				
CIVIL, ARCH, STRU. EMP, LANDSCAPING DESIGN& CD			7% of Construction Fees Subtotal	\$ 196,525.63
CONSTRUCTION ADMIN.			5% of Construction Fees Subtotal	\$ 140,375.45
TESTING	1	L.S.	\$ 50,000.00	\$ 50,000.00
<b>PROFESSIONAL SERVICE FEES TOTAL</b>				<b>\$ 386,901.08</b>
<b>PROJECT BUDGET GRAND TOTAL</b>				<b>\$ 4,275,827.57</b>



**FIRST FLOOR PLAN**



**SECOND FLOOR PLAN**



Preliminary Most Probable Cost Estimate For  
**MCERA- Option A**  
 Two-Story: Total 12,300 sq.ft.  
 690 W. 19TH STREET  
 CITY OF MERCED, CA

JN: 19-148.1

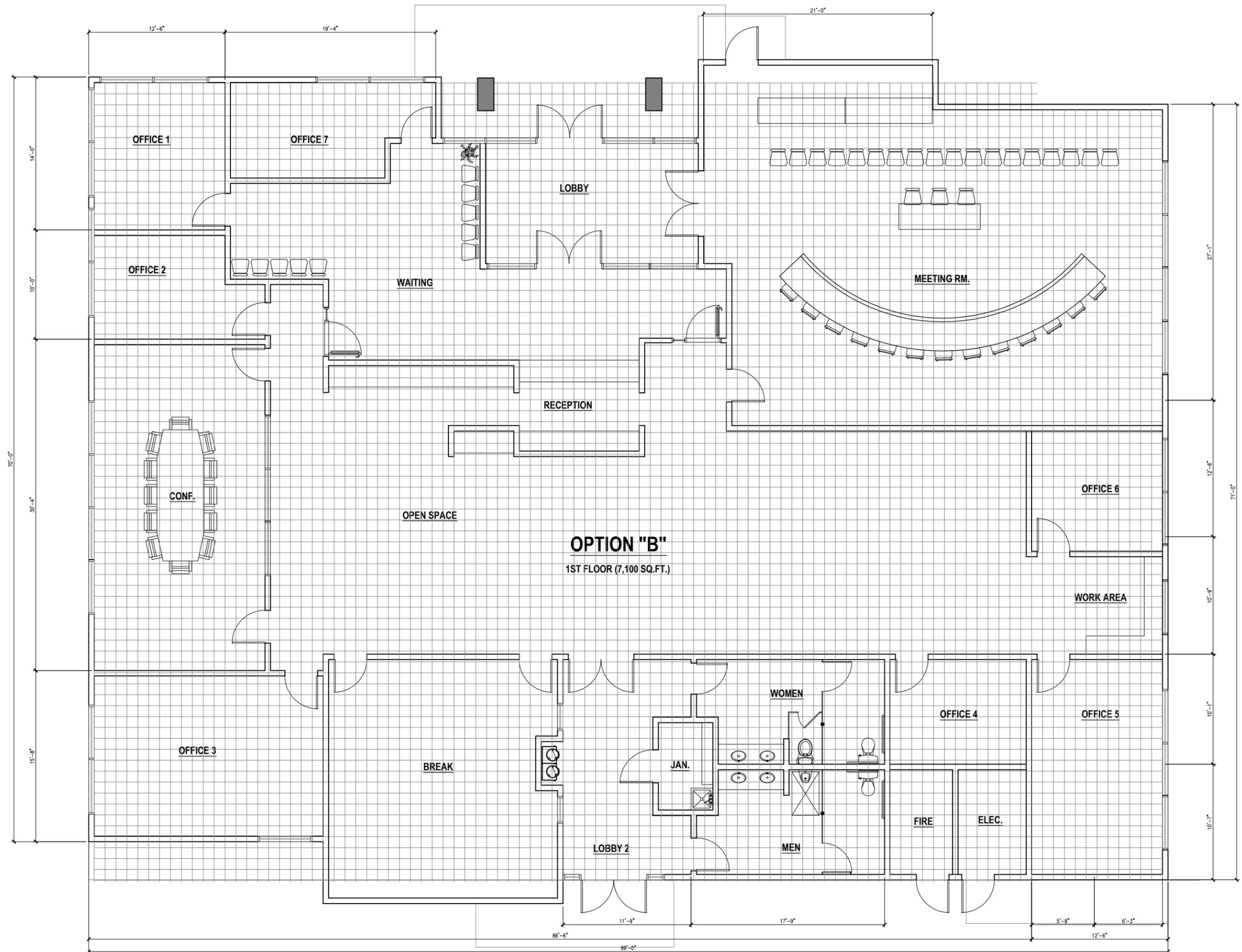
ITEM DESCRIPTION	APPROX. QUANTITY	UNIT	UNIT PRICE	AMOUNT
<b>CIVIL IMPROVEMENTS</b>				
<b>GENERAL</b>				
GENERAL CONDITIONS	1	L.S.	\$ 220,000.00	\$ 220,000.00
TRAFFIC CONTROL	21	DAY	\$ 134.00	\$ 2,814.00
MOBILIZATION	1	L.S.	\$ 30,000.00	\$ 30,000.00
FENCING & TEMP. UTILITIES, STURCTURES	1	L.S.	\$ 50,000.00	\$ 50,000.00
EQUIPMENT RENTAL	1	L.S.	\$ 40,000.00	\$ 40,000.00
			<b>General Total</b>	<b>\$ 342,814.00</b>
<b>EARTHWORK</b>				
DEMOLITION	1	L.S.	\$ 20,000.00	\$ 20,000.00
GRADING - CUT / FILL / COMPACTION	1	L.S.	\$ 50,000.00	\$ 50,000.00
			<b>Earthwork Total</b>	<b>\$ 70,000.00</b>
<b>A.C./CONCRETE</b>				
4"A.C. / 9.5" CL. 2 A.B. AT 95% R.C. / 12" COMPACTED NATIVE SOIL AT 90% R.C. AND FOGSEAL	5,750	S.F.	\$ 3.50	\$ 20,125.00
4" CONCRETE SIDEWALK	1,840	S.F.	\$ 6.50	\$ 11,960.00
6" CURB	380	L.F.	\$ 17.00	\$ 6,460.00
ACCESSIBLE RAMP	2	EA.	\$ 3,000.00	\$ 6,000.00
DRIVEWAY APPROACH	1	L.S.	\$ 20,000.00	\$ 20,000.00
			<b>A.C./Concrete Total</b>	<b>\$ 64,545.00</b>
<b>WATER</b>				
2" DIA. WATER PIPE (SCH 80 PVC) - DOMESTIC	80	L.F.	\$ 25.00	\$ 2,000.00
4" DIA. WATER PIPE (SCH 80 PVC) - FIRELINE	80	L.F.	\$ 45.00	\$ 3,600.00
1" DIA. WATER PIPE (SCH 80 PVC) - LANDSCAPING	80	L.F.	\$ 15.00	\$ 1,200.00
4" DOUBLE CHECK VALVE	1	EA.	\$ 5,000.00	\$ 5,000.00
2" METER	1	EA.	\$ 2,000.00	\$ 2,000.00
2" BACK FLOW PREVENTOR	1	EA.	\$ 3,000.00	\$ 3,000.00
1" METER	1	EA.	\$ 1,000.00	\$ 1,000.00
1" BACK FLOW PREVENTOR	1	EA.	\$ 1,500.00	\$ 1,500.00
FDC-FIRE DEPARTMENT CONNECTION	1	EA.	\$ 1,000.00	\$ 1,000.00
			<b>Water Total</b>	<b>\$ 20,300.00</b>
<b>SEWER</b>				
6" DIA. SEWER PIPE	80	L.F.	\$ 45.00	\$ 3,600.00
SANITARY SEWER CLEAN OUT	1	EA.	\$ 500.00	\$ 500.00
			<b>Sewer Total</b>	<b>\$ 4,100.00</b>



Preliminary Most Probable Cost Estimate For  
**MCERA- Option A**  
 Two-Story: Total 12,300 sq.ft.  
 690 W. 19TH STREET  
 CITY OF MERCED, CA

JN: 19-148.1

ITEM DESCRIPTION	APPROX. QUANTITY	UNIT	UNIT PRICE	AMOUNT
<b>STORM DRAIN</b>				
6' DIA UNDERGROUND STORAGE	75	L.F.	\$ 500.00	\$ 37,500.00
6" DIA. STORM DRAIN PIPE	350	L.F.	\$ 45.00	\$ 15,750.00
CATCH BASIN	1	EA.	\$ 2,500.00	\$ 2,500.00
PUMP STATION & FILTRATION SYS.	1	L.S.	\$ 50,000.00	\$ 50,000.00
			<b>Storm Drain Total</b>	<b>\$ 105,750.00</b>
<b>MISCELLANEOUS</b>				
SWPPP	1	L.S.	\$ 10,000.00	\$ 10,000.00
QSP INSPECTION	1	L.S.	\$ 15,000.00	\$ 15,000.00
TRASH ENCLOSURE	1	EA.	\$ 20,000.00	\$ 20,000.00
SITE ELECTRICAL & LIGHTING	1	L.S.	\$ 20,000.00	\$ 20,000.00
PAVEMENT MARKING	1	L.S.	\$ 5,000.00	\$ 5,000.00
LANDSCAPING	1	L.S.	\$ 20,000.00	\$ 20,000.00
			<b>Miscellaneous Total</b>	<b>\$ 90,000.00</b>
			<b>CIVIL IMPROVEMENT TOTAL</b>	<b>\$ 697,509.00</b>
<b>BUILDING</b>				
TOTAL SQ.FT.	12,300	S.F.	\$300.00	\$ 3,690,000.00
			<b>BUILDING TOTAL</b>	<b>\$ 3,690,000.00</b>
<b>CONSTRUCTION FEE TOTALS</b>				
			<i>Sub-Total</i>	\$ 4,387,509.00
			<i>Insurance &amp; bond 3%</i>	\$ 131,625.27
			<i>Overhead 15%</i>	\$ 658,126.35
			<i>Contingency 15%</i>	\$ 658,126.35
			<b>CONSTRUCTION FEE TOTALS</b>	<b>\$ 5,835,386.97</b>
<b>CITY FEES</b>				
IMPACT FEE	12,300	S.F.	\$ 7.00	\$ 86,124.60
WATER SVC FEE	1	L.S.	\$ 63,689.00	\$ 63,689.00
SEWER CONNECTION FEE	12,300	S.F.	\$ 3.69	\$ 45,362.40
SCHOOL FEE	12,300	S.F.	\$ 0.61	\$ 7,503.00
PERMIT FEE	1	L.S.	\$ 11,437.50	\$ 11,437.50
PLAN CHECK	1	L.S.	\$ 7,434.38	\$ 7,434.38
			<b>CITY FEES TOTAL</b>	<b>\$ 221,550.88</b>
<b>PROFESSIONAL SERVICE FEES</b>				
CIVIL, ARCH, STRU. EMP, LANDSCAPING DESIGN& CD			<i>7% of Construction Fees Subtotal</i>	\$ 307,125.63
CONSTRUCTION ADMIN.			<i>5% of Construction Fees Subtotal</i>	\$ 219,375.45
TESTING	1	L.S.	\$ 50,000.00	\$ 50,000.00
			<b>PROFESSIONAL SERVICE FEES TOTAL</b>	<b>\$ 576,501.08</b>
<b>PROJECT BUDGET GRAND TOTAL</b>				<b>\$ 6,633,438.93</b>



**FIRST FLOOR PLAN**



Preliminary Most Probable Cost Estimate For  
**MCERA- Option B**  
 One-Story 7,100 sq.ft.  
 690 W. 19TH STREET  
 CITY OF MERCED, CA

JN: 19-148.1

ITEM DESCRIPTION	APPROX. QUANTITY	UNIT	UNIT PRICE	AMOUNT
<b>CIVIL IMPROVEMENTS</b>				
<b>GENERAL</b>				
GENERAL CONDITIONS	1	L.S.	\$ 200,000.00	\$ 200,000.00
TRAFFIC CONTROL	21	DAY	\$ 134.00	\$ 2,814.00
MOBILIZATION	1	L.S.	\$ 30,000.00	\$ 30,000.00
FENCING & TEMP. UTILITIES, STURCTURES	1	L.S.	\$ 50,000.00	\$ 50,000.00
EQUIPMENT RENTAL	1	L.S.	\$ 40,000.00	\$ 40,000.00
			<b>General Total</b>	<b>\$ 322,814.00</b>
<b>EARTHWORK</b>				
DEMOLITION	1	L.S.	\$ 20,000.00	\$ 20,000.00
GRADING - CUT / FILL / COMPACTION	1	L.S.	\$ 50,000.00	\$ 50,000.00
			<b>Earthwork Total</b>	<b>\$ 70,000.00</b>
<b>A.C./CONCRETE</b>				
4"A.C. / 9.5" CL. 2 A.B. AT 95% R.C. / 12" COMPACTED NATIVE SOIL AT 90% R.C. AND FOGSEAL	5,750	S.F.	\$ 3.50	\$ 20,125.00
4" CONCRETE SIDEWALK	1,840	S.F.	\$ 6.50	\$ 11,960.00
6" CURB	380	L.F.	\$ 17.00	\$ 6,460.00
ACCESSIBLE RAMP	2	EA.	\$ 3,000.00	\$ 6,000.00
DRIVEWAY APPROACH	1	L.S.	\$ 20,000.00	\$ 20,000.00
			<b>A.C./Concrete Total</b>	<b>\$ 64,545.00</b>
<b>WATER</b>				
2" DIA. WATER PIPE (SCH 80 PVC) - DOMESTIC	80	L.F.	\$ 25.00	\$ 2,000.00
4" DIA. WATER PIPE (SCH 80 PVC) - FIRELINE	80	L.F.	\$ 45.00	\$ 3,600.00
1" DIA. WATER PIPE (SCH 80 PVC) - LANDSCAPING	80	L.F.	\$ 15.00	\$ 1,200.00
4" DOUBLE CHECK VALVE	1	EA.	\$ 5,000.00	\$ 5,000.00
2" METER	1	EA.	\$ 2,000.00	\$ 2,000.00
2" BACK FLOW PREVENTOR	1	EA.	\$ 3,000.00	\$ 3,000.00
1" METER	1	EA.	\$ 1,000.00	\$ 1,000.00
1" BACK FLOW PREVENTOR	1	EA.	\$ 1,500.00	\$ 1,500.00
FDC-FIRE DEPARTMENT CONNECTION	1	EA.	\$ 1,000.00	\$ 1,000.00
			<b>Water Total</b>	<b>\$ 20,300.00</b>
<b>SEWER</b>				
6" DIA. SEWER PIPE	80	L.F.	\$ 45.00	\$ 3,600.00
SANITARY SEWER CLEAN OUT	1	EA.	\$ 500.00	\$ 500.00
			<b>Sewer Total</b>	<b>\$ 4,100.00</b>



Preliminary Most Probable Cost Estimate For  
**MCERA- Option B**  
 One-Story 7,100 sq.ft.  
 690 W. 19TH STREET  
 CITY OF MERCED, CA

JN: 19-148.1

ITEM DESCRIPTION	APPROX. QUANTITY	UNIT	UNIT PRICE	AMOUNT
<b>STORM DRAIN</b>				
6' DIA UNDERGROUND STORAGE	75	L.F.	\$ 500.00	\$ 37,500.00
6" DIA. STORM DRAIN PIPE	350	L.F.	\$ 45.00	\$ 15,750.00
CATCH BASIN	1	EA.	\$ 2,500.00	\$ 2,500.00
PUMP STATION & FILTRATION SYS.	1	L.S.	\$ 50,000.00	\$ 50,000.00
<b>Storm Drain Total</b>				<b>\$ 105,750.00</b>
<b>MISCELLANEOUS</b>				
SWPPP	1	L.S.	\$ 10,000.00	\$ 10,000.00
QSP INSPECTION	1	L.S.	\$ 15,000.00	\$ 15,000.00
TRASH ENCLOSURE	1	EA.	\$ 20,000.00	\$ 20,000.00
SITE ELECTRICAL & LIGHTING	1	L.S.	\$ 20,000.00	\$ 20,000.00
PAVEMENT MARKING	1	L.S.	\$ 5,000.00	\$ 5,000.00
LANDSCAPING	1	L.S.	\$ 20,000.00	\$ 20,000.00
<b>Miscellaneous Total</b>				<b>\$ 90,000.00</b>
<b>CIVIL IMPROVEMENT TOTAL</b>				<b>\$ 677,509.00</b>
<b>BUILDING</b>				
TOTAL SQ.FT.	7,100	S.F.	\$300.00	\$ 2,130,000.00
<b>BUILDING TOTAL</b>				<b>\$ 2,130,000.00</b>
<b>CONSTRUCTION FEE TOTALS</b>				
<i>Sub-Total</i>				\$ 2,807,509.00
<i>Insurance &amp; bond 3%</i>				\$ 84,225.27
<i>Overhead 15%</i>				\$ 421,126.35
<i>Contingency 15%</i>				\$ 421,126.35
<b>CONSTRUCTION FEE TOTALS</b>				<b>\$ 3,733,986.97</b>
<b>CITY FEES</b>				
IMPACT FEE	7,100	S.F.	\$ 7.00	\$ 49,714.20
WATER SVC FEE	1	L.S.	\$ 63,689.00	\$ 63,689.00
SEWER CONNECTION FEE	7,100	S.F.	\$ 3.69	\$ 26,184.80
SCHOOL FEE	7,100	S.F.	\$ 0.61	\$ 4,331.00
PERMIT FEE	1	L.S.	\$ 6,679.10	\$ 6,679.10
PLAN CHECK	1	L.S.	\$ 4,341.42	\$ 4,341.42
<b>CITY FEES TOTAL</b>				<b>\$ 154,939.52</b>
<b>PROFESSIONAL SERVICE FEES</b>				
CIVIL, ARCH, STRU. EMP, LANDSCAPING DESIGN& CD			7% of Construction Fees Subtotal	\$ 196,525.63
CONSTRUCTION ADMIN.			5% of Construction Fees Subtotal	\$ 140,375.45
TESTING	1	L.S.	\$ 50,000.00	\$ 50,000.00
<b>PROFESSIONAL SERVICE FEES TOTAL</b>				<b>\$ 386,901.08</b>
<b>PROJECT BUDGET GRAND TOTAL</b>				<b>\$ 4,275,827.57</b>