Callan

Mendocino County Employees Retirement Association

Mendocino County Employees' Retirement Association

Performance Review

Quarter ended June 30, 2026

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MCERA Board Education Calendar

FY 2026 – 2027

✓ June
Asset Allocation by Function

✓ July
Closed End and Direct Investing Considerations

August
Quarterly Investment Update

September
Liquidity Management & Active Risk Budgeting

October
Risk Mitigation & Private Equity Education

November
Actuarial Valuation Presentation

Quarterly Investment Update

December
Private Credit Education

January
Capital Market Expectations

California Retirement System Investment Experience Review

February
Investment Philosophy Review

Quarterly Investment Update

March
Asset Liability Study

April
Mid Cap Value Strategy Update

Performance Measurement Framework

May
Investment Policy Statement Update

Quarterly Investment Update

Agenda

- Economic and Capital Markets Review
- MCERA 2Q 2026 Performance

Economic and Capital Markets Review

Public market equities rebound sharply in the quarter

Stocks up big after posting losses in 1Q

- Double-digit gains in the quarter amid solid economic activity and strong earnings
- Small caps topped large caps in the U.S.
- Emerging markets led developed non-U.S.

Fixed income gains despite rising rates

- Coupon income and spread tightening offset higher Treasury yields.

Summary of economic measures

- Headline CPI-U rose 3.5% (year-over-year), up from 3.3% in March but down from 4.2% in May; the core index rose a more modest 2.6%, in line with the prior quarter.
- The job market improved slightly in the quarter, adding an average of 111,000 jobs per month vs. 73,000 in 1Q, but the overall trend is still down over the last few years.
- GDP growth has remained resilient, with it rising 1.5% in 2Q, although below estimates.

Returns for Periods ended 6/30/26

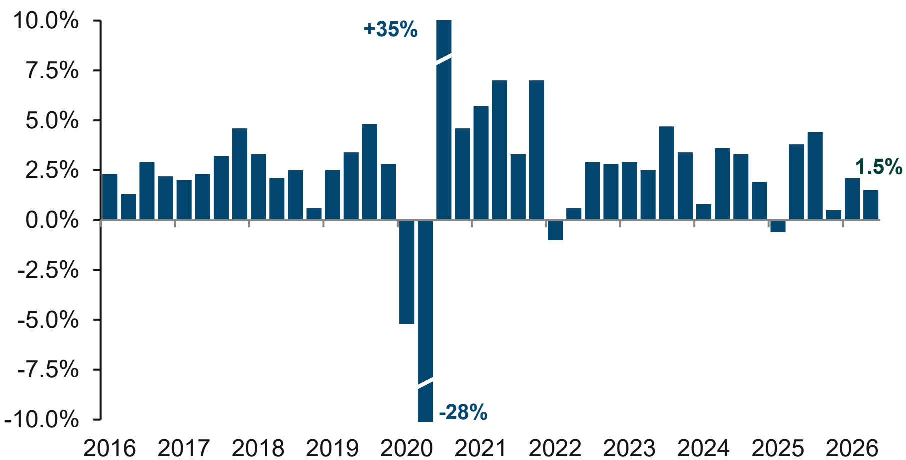
	Quarter	1 Year	3 Years	5 Years	10 Years	25 Years
U.S. Equity						
Russell 3000	15.44	22.82	20.36	12.31	15.06	9.59
S&P 500	15.20	22.32	20.61	13.41	15.51	9.55
Russell 2000	21.49	40.78	18.60	6.98	11.62	8.80
Global ex-U.S. Equity						
MSCI World ex USA	10.22	20.99	16.90	9.32	9.84	6.59
MSCI Emerging Markets	24.05	43.51	23.03	7.20	10.08	9.50
MSCI ACWI ex USA Small Cap	9.62	19.83	16.42	6.30	9.10	8.87
Fixed Income						
Bloomberg Aggregate	0.67	3.79	4.16	0.08	1.54	3.65
90-day T-Bill	0.88	3.84	4.64	3.52	2.34	1.80
Bloomberg Long Gov/Credit	1.53	3.92	1.86	-3.84	0.70	4.95
Bloomberg Global Agg ex-US	0.99	-1.95	2.70	-2.89	-0.66	3.20
Real Estate						
NCREIF Property	1.24	4.86	1.07	3.21	4.66	7.19
FTSE Nareit Equity	12.43	21.53	12.47	5.90	6.10	9.19
Alternatives						
Cambridge Private Equity*	0.38	10.79	7.58	7.84	13.59	11.57
Cambridge Senior Debt*	-0.69	6.53	7.70	7.26	7.53	5.15
HFRI Fund Weighted	6.47	16.32	11.51	6.58	7.26	6.04
Bloomberg Commodity	-8.08	25.46	11.69	9.37	5.83	2.57
Gold Spot Price	-13.68	22.09	27.92	17.92	11.83	11.41
Inflation: CPI-U	1.13	3.53	3.06	4.21	3.32	2.55

*Cambridge Private Equity and Cambridge Senior Debt data as of 1Q26.
Returns greater than one year are annualized.
Sources: Bloomberg, Callan, Cambridge, FTSE Russell, HFRI, MSCI, NCREIF, S&P Dow Jones Indices

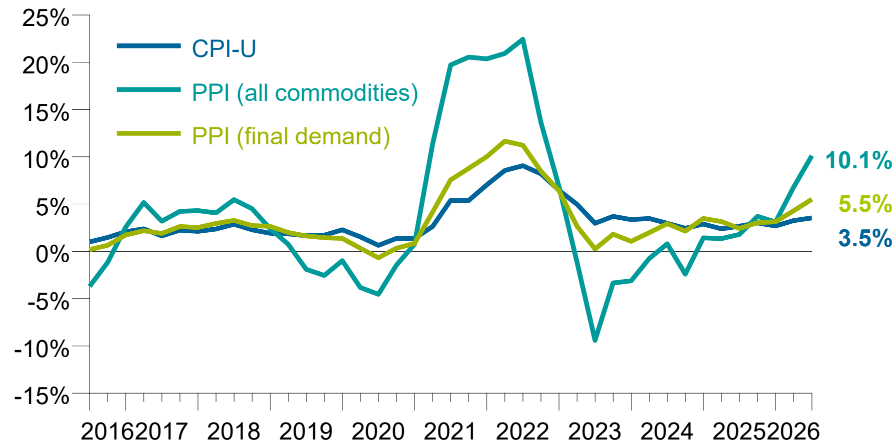
U.S. Economy—Summary

For periods ended 6/30/26

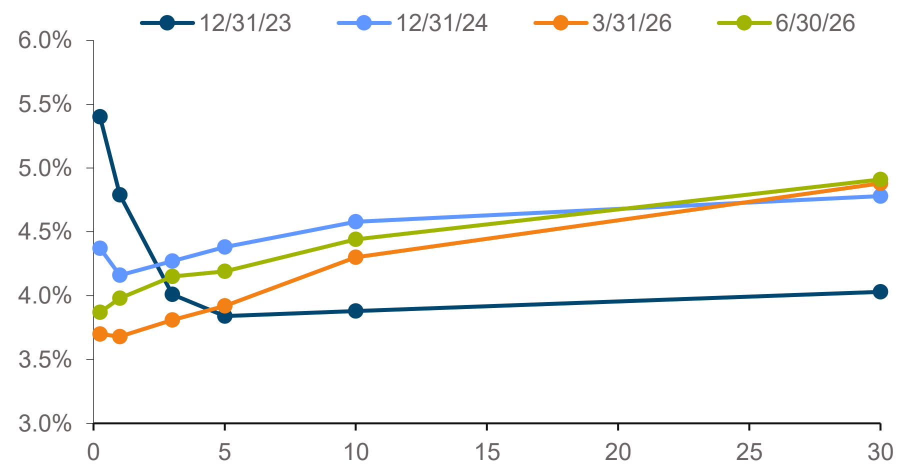
Quarterly Real GDP Growth



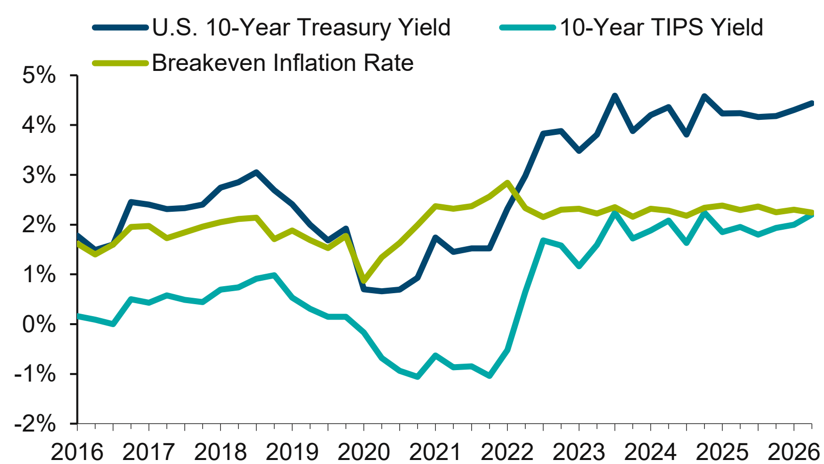
Inflation Year-Over-Year



U.S. Treasury Yield Curves



Historical 10-Year Yields



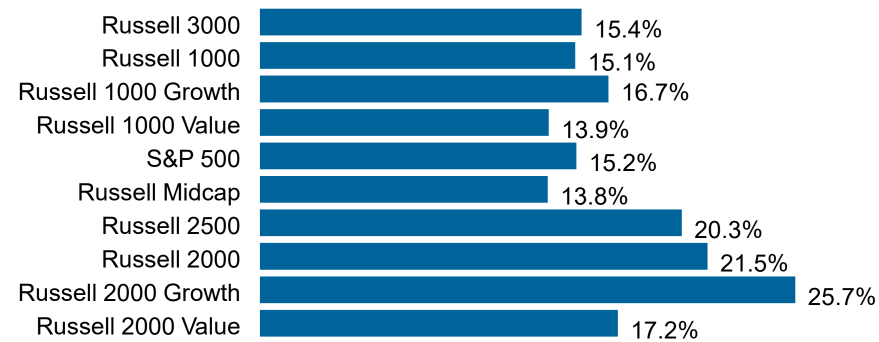
Sources: Bureau of Labor Statistics, Callan, Federal Reserve, Blue Chip consensus for projected GDP.

U.S. Equity Performance: 2Q26

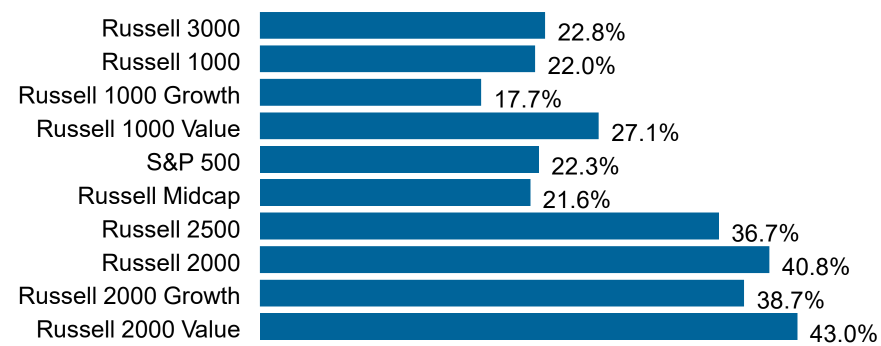
The S&P 500 Index rockets to new all-time highs in 2Q26 as markets pivoted during 1H26

- The S&P 500 Index gained 15.2% in 2Q26, a big reversal following the decline of 4.3% in 1Q26. The results were driven across the AI value-chain, especially memory and semiconductor stocks, superseding Mag 7 dominance. The S&P 500 had 24 all-time closing highs in 1H26.
- Large cap returns for 1H26 were more broad-based as the S&P 500 Equal Weight Index gained 12.1% vs. 10.2% for the S&P 500 market cap-weighted Index.
- In a reversal from 1Q26, 9 of the 11 S&P sectors posted gains. Technology (+31.8%) was the best-performing sector followed by Industrials (+14.9%). The worst-performing sectors were Energy (-13.4%) and Utilities (-0.5%).
- Small caps continued to outperform large caps, with the Russell 2000 up 21.5% during 2Q26 and 40.8% for trailing one-year period.
- Growth outperformed value across the market cap spectrum during 2Q26, though value still outperformed growth year-over-year.

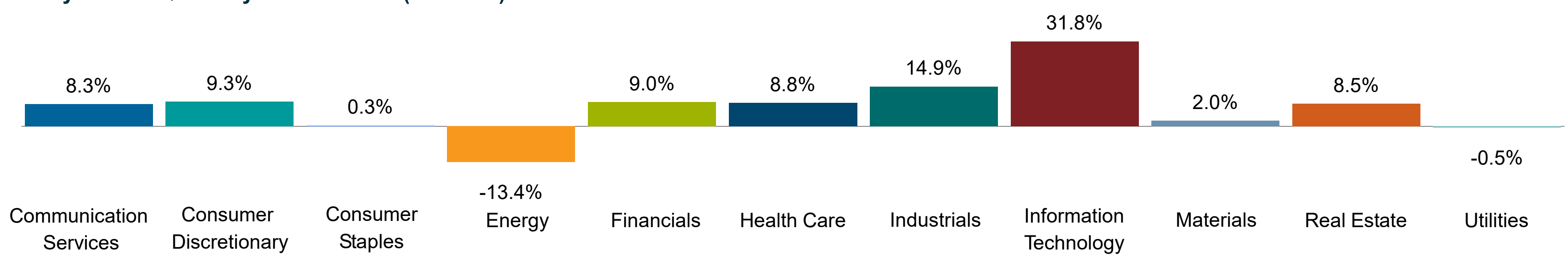
U.S. Equity: Quarter Ended 6/30/26



U.S. Equity: One Year Ended 6/30/26



Industry Sector Quarterly Performance (S&P 500) as of 6/30/26



Sources: FTSE Russell, S&P Dow Jones Indices

Small Caps: Finally (back) in Favor?

Small cap outperforms relative to large cap and Mag 7 stocks—blip or new regime change?

2Q26 returns rebounded across style spectrum

- Russell 2000 gained 21.5% in 2Q26.
- Best quarter since 4Q20, 8th best since 1978
- 1H26 gain of 22.6% best first half since 1991

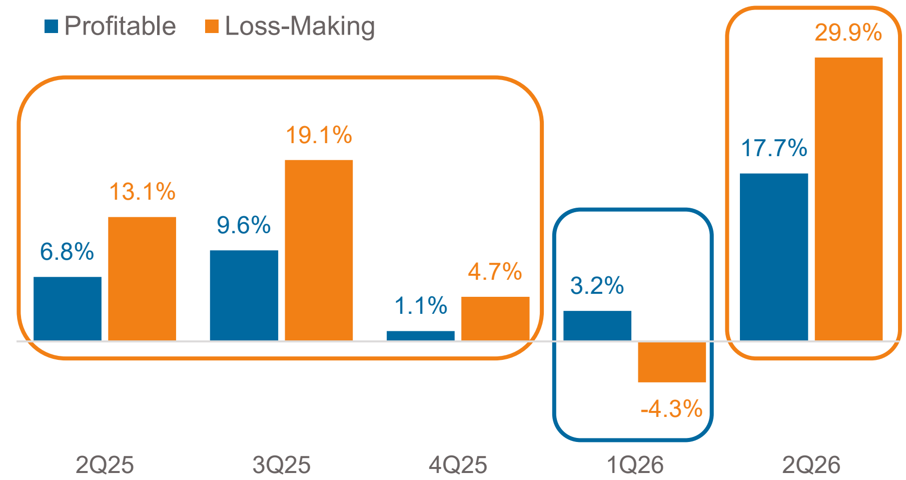
Mr. Market in 2Q26: 'No earnings, no problem!'

- Small cap managers that underperformed during 2Q and 1H26 were driven by:
  - Underweight to high beta (momentum) securities: highest beta, highest projected sales growth, most liquid names, non-dividend payers, and prior year winners
  - Underweight to low quality and non-earners: loss-makers beat profitable companies by more than 1,200 bps in 2Q26

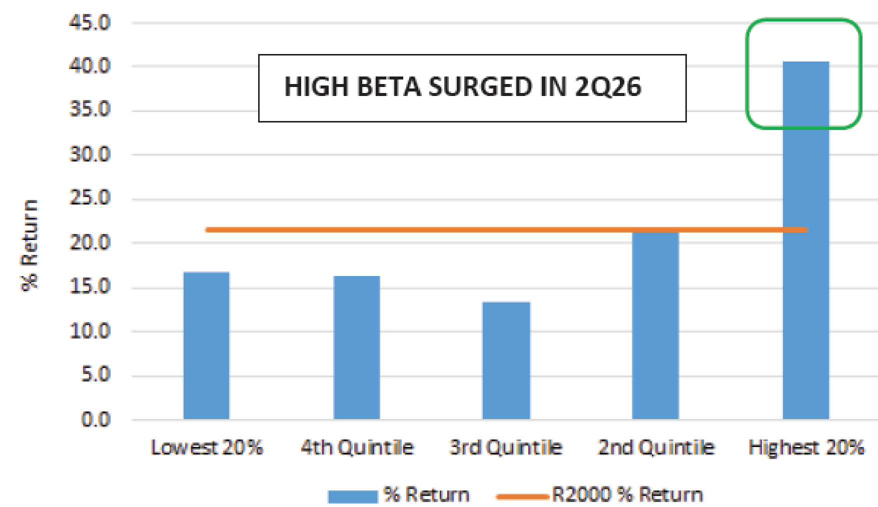
S&P Small Cap Index lagged Russell 2000 by 700 bps

- S&P 600 is on track to underperform for a third consecutive year, something not seen in 30+ year history.

Non-Earners Outperform Profitable Companies Prior 4 of 5 Quarters



Highest Beta Stocks Performed Best



Sources: Furey, FactSet as of 6/30/26

AI Exposure Update: Don't Forget about Memory Stocks!

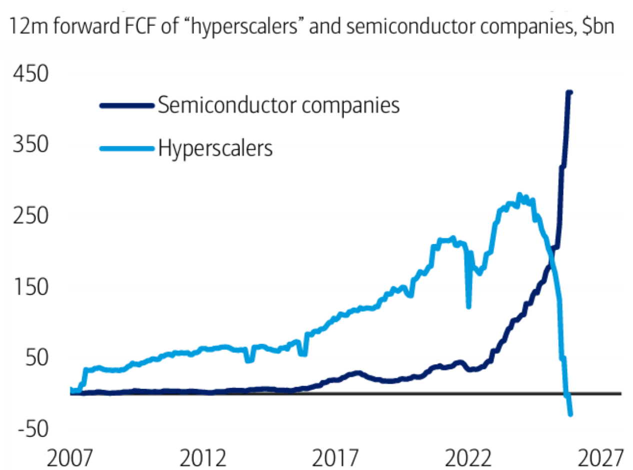
Exposure to AI in portfolios remains important, but stock selection within the AI cohort matters

AI-related returns broadened YTD 2026

– Software re-priced in early 2026, remained impaired through 6/30/26
– Hyperscalers (e.g., the Mag 7) struggled due to investors questioning future returns on capital amid accelerating capex.
– Semiconductor (e.g. Nvidia) and hardware performance were boosted by increasing demand from the hyperscalers for compute and memory (storage).
– Power stocks have been boosted by continued infrastructure buildouts.

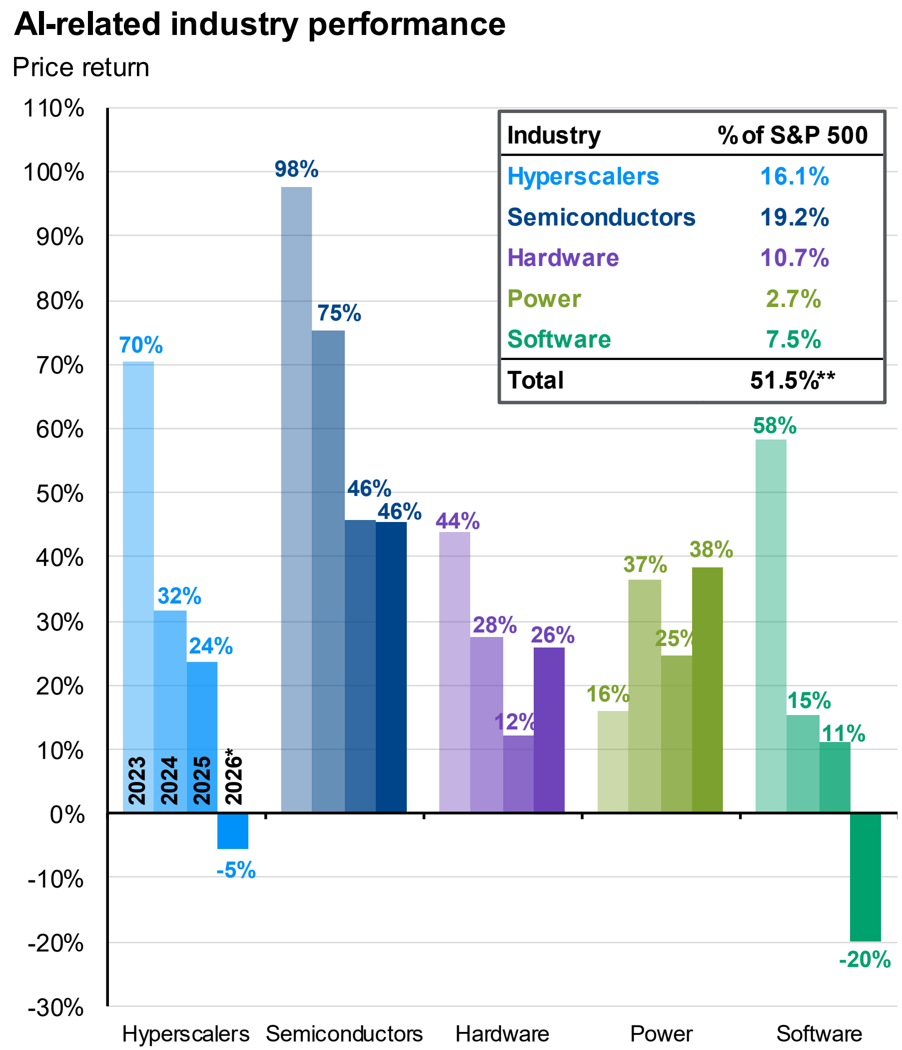
AI Story has Evolved

A generational transfer in free cash flow is taking place



Hyperscalers = AMZN, GOOGL, META, MSFT, PORCL
Semiconductor companies = NVDA, MU, AVGO, & AMAT

Dispersion in Returns Within AI-adjacent Industries



Industry	% of S&P 500
Hyperscalers	16.1%
Semiconductors	19.2%
Hardware	10.7%
Power	2.7%
Software	7.5%
Total	51.5%**

Sources: Bank of America, JP Morgan

June 2026 Russell U.S. Indexes Reconstitution

Key benchmark changes and potential implications

Key Change	What Changed
Continued AI-driven market concentration	• The largest companies further extended their dominance. • The 10 largest companies increased 48% in total market cap to $26.4 trillion; 10 companies now exceed $1 trillion in market cap (vs. 7 last year). • Growth benchmarks became even more concentrated in technology and semiconductor companies.
Style reclassifications	• Several AI-related and cyclical companies moved between Value and Growth style benchmarks. • The gap between Dynamic and Defensive stocks remains wide.
Market cap migrations	• Numerous successful small-cap companies graduated into larger-cap indices. • Many AI-related companies moved from Small Cap to Mid Cap or Large Cap. • This turnover continues to reshape the opportunity set for active small-cap managers.
Mid- and small-cap benchmark changes	• Meaningful shifts in sector weights, notably higher Technology exposure in Mid Cap and higher Health Care / lower Industrials in Small Cap. • These changes alter benchmark sector and style exposures.
Twice-yearly reconstitution	• Beginning in December 2026, Russell will rebalance twice annually (June and December).

Implications for MCERA's U.S. Equity Portfolio

Passive Large Cap (S&P 500 Index)	Active Mid Cap Managers	Active Small Cap Managers
No direct impact from the Russell reconstitution. • MCERA's passive large-cap allocation is benchmarked to the S&P 500 Index, which is maintained independently of the Russell reconstitution.	**Higher tracking error potential.** • The Russell Midcap benchmark has higher Technology and AI-related company exposure. • Managers with lower Technology exposure or more diversified portfolios may experience higher tracking error.	**Greater impact from benchmark changes.** • Many small-cap companies graduated to larger-cap indices, including several AI-related names. • Health Care weight increased while Industrials declined in the Small Cap benchmark. • Managers with structural underweights to biotech or different sector positioning may experience higher active risk and benchmark-relative performance differences.

Source: FTSE Russell, June 26, 2026, Russell US Indexes Reconstitution: Summary of Changes

Global/Global ex-U.S. Equity Performance: 2Q26

Growth reclaims leadership

Broad market

- Developed ex-U.S. markets lagged the U.S. in 2Q26, reversing 1Q's leadership, though strong emerging markets drove the MSCI ACWI ex USA Index up 14.5%.
- Japan and the euro zone led developed ex-U.S. markets in 2Q26, while the U.K. lagged.
- South Korea and Taiwan led on AI-driven semiconductor strength. Brazil lagged amid persistent inflation and election uncertainty, while China (retail/auto weakness) and India (oil-driven volatility) missed the quarter's rally.
- MSCI EM concentration increased, with the top five holdings reaching roughly 35% of the index.

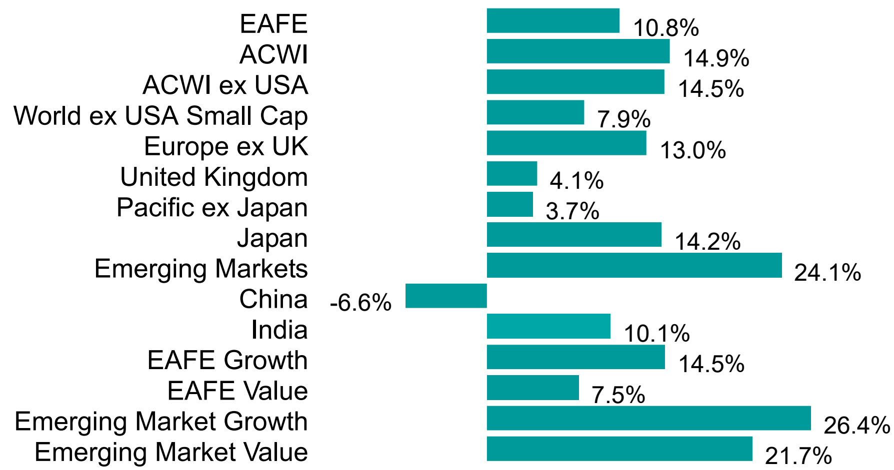
Growth vs. value

- Growth decisively reversed the prior quarter's trend, outperforming value across global markets.
- Technology was the clear sector leader, driven by AI enthusiasm and further supported by the successful June SpaceX IPO.
- Energy was the only major sector to post a loss as oil prices retreated sharply from 1Q highs.

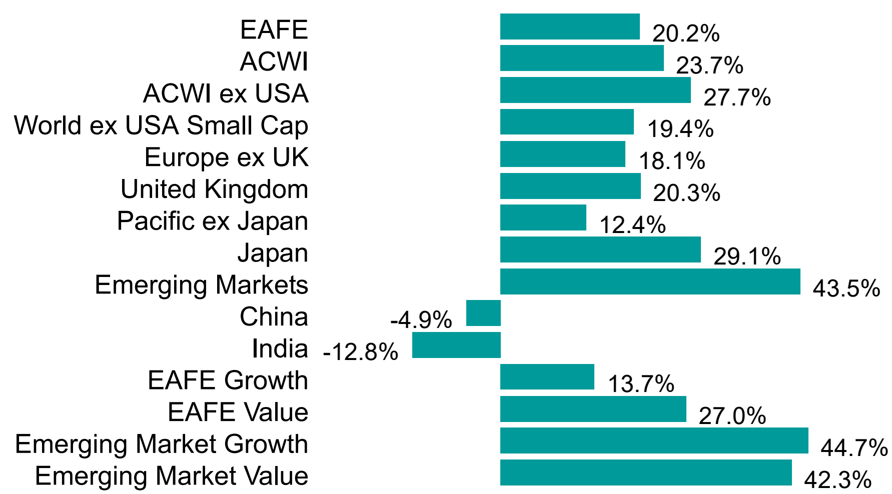
U.S. dollar

- The U.S. dollar strengthened modestly in 2Q26 (DXY: +1.2%), driven by wider U.S. rate differentials, and remained a modest headwind for global ex-U.S. equity returns.

Global Equity Returns: Quarter Ended 6/30/26



Global Equity Returns: One Year Ended 6/30/26



Source: MSCI

U.S. Fixed Income Performance: 2Q26

A new Fed chair in town; positive performance across the board

Macro environment: A new Fed chair and hawkish rhetoric

- The Fed held rates unchanged at the June meeting, the first under new Chair Kevin Warsh.
- Consistently stubborn inflation led to hawkish rhetoric, and a keener eye on the inflation side of the Fed's dual mandate.
- Treasury yields rose across the belly and long end of the curve due to persistently sticky inflation.

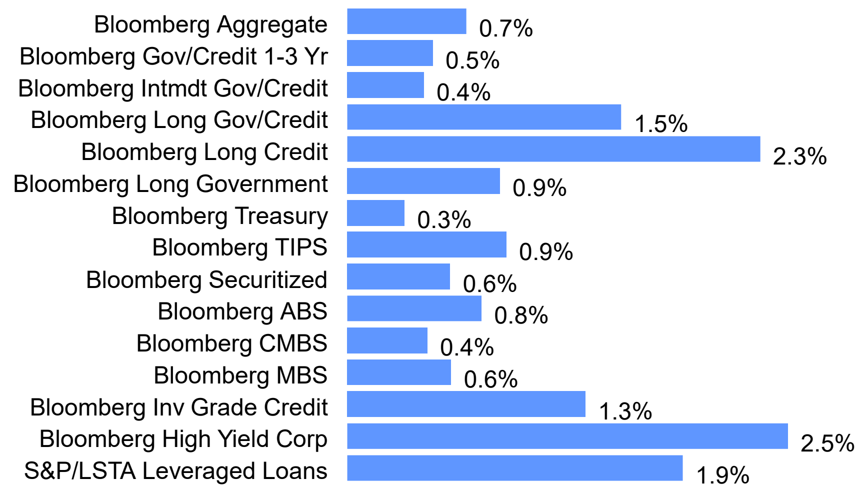
Performance and drivers: Tighter credit spreads

- The Bloomberg US Aggregate Bond Index gained 0.7%, supported by tighter IG credit spreads versus the end of 1Q.
- IG corporate returns outpaced Treasuries due to spread tightening.

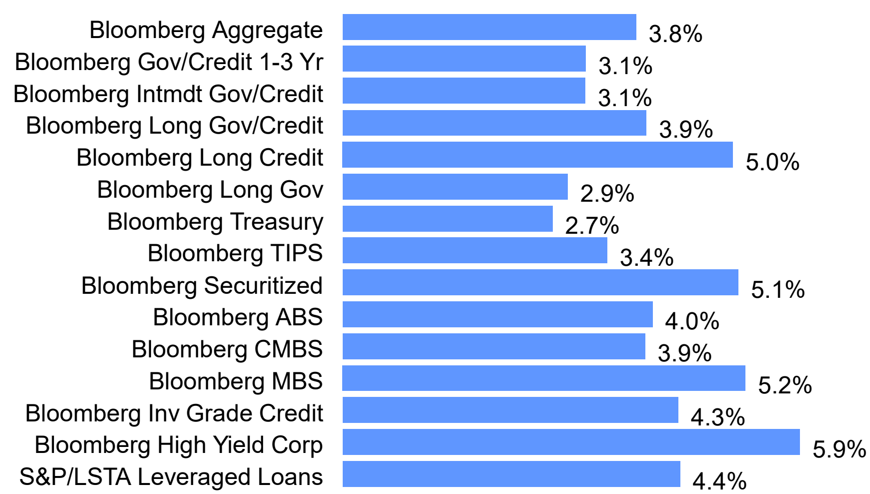
Valuations: Uptick in volatility fades

- Credit spreads widened at the end of 1Q amid continued geopolitical developments in the Middle East. However, credit spreads approached historic tights over the course of 2Q.
- Overall, yield should be the primary driver of fixed income returns moving forward. Market data has historically shown higher starting yields to be a key driver of fixed income returns, which is pertinent as credit spreads continue to hover near historic tights.

U.S. Fixed Income Returns: Quarter Ended 6/30/26



U.S. Fixed Income Returns: One Year Ended 6/30/26



Sources: Bloomberg, Callan, SIFMA Research, S&P Dow Jones Indices, U.S. Treasury

U.S. Private Real Estate Performance: 2Q26

Sector appreciation stays relatively flat, outside of Senior Housing

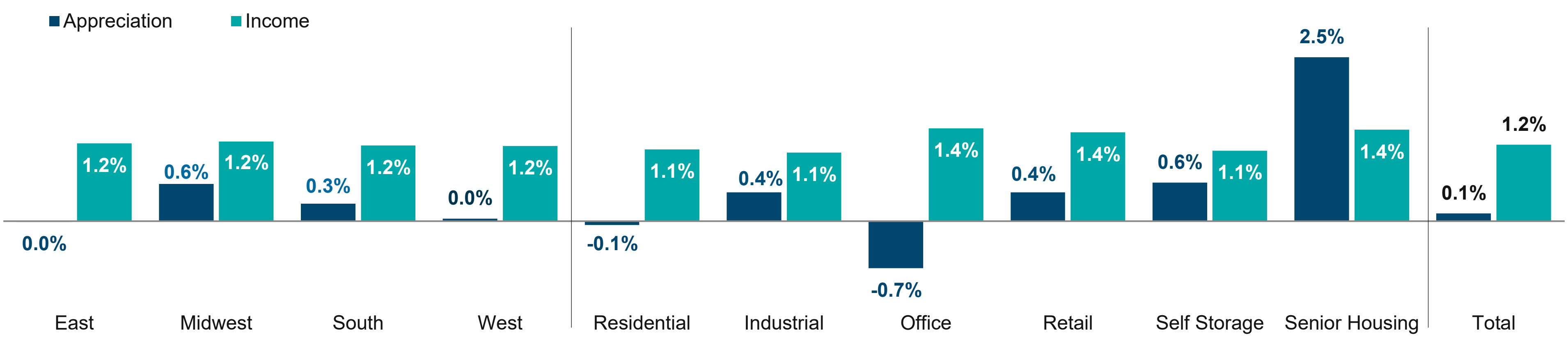
Fundamentals show stabilization

- Income returns remained positive and continued to drive total returns.
- Property sector returns driven by income; Residential and Office experienced negative appreciation, while Industrial, Retail, Self Storage, and Senior Housing all had positive appreciation.
- The West region lagged in performance, largely due to softening industrial fundamentals in Southern California.
- Manager return dispersion within the ODCE Index remains elevated, driven by portfolio composition and sector exposure.

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
NCREIF ODCE	1.5%	4.5%	-0.6%	2.7%	4.6%
Income	1.0%	4.1%	4.1%	3.9%	4.0%
Appreciation	0.5%	0.4%	-4.5%	-1.1%	0.6%
NCREIF Property Index	1.3%	4.8%	1.1%	3.2%	4.7%
Income	1.2%	4.7%	4.7%	4.4%	4.5%
Appreciation	0.1%	0.1%	-3.5%	-1.2%	0.2%

Returns are gross of fees and geometrically linked

NCREIF Property Index Quarterly Returns by Region and Property Type



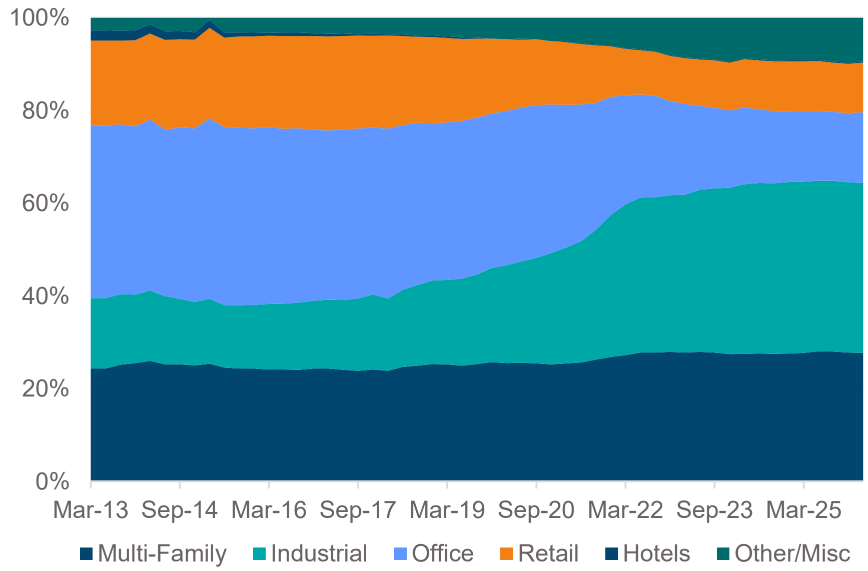
Source: NCREIF; ODCE return is net

ODCE Sector Exposure: 2Q26

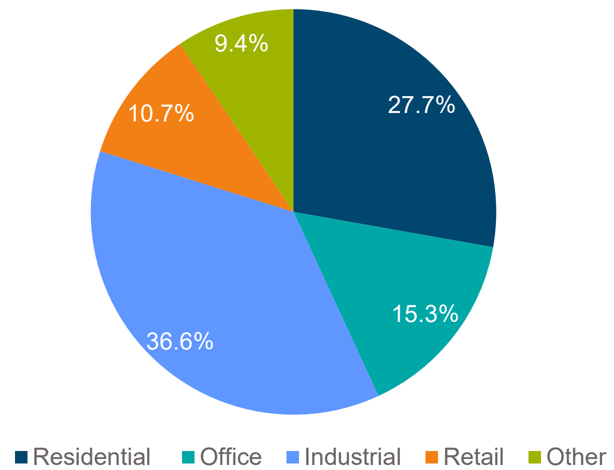
NCREIF NFI-ODCE value weight (net)

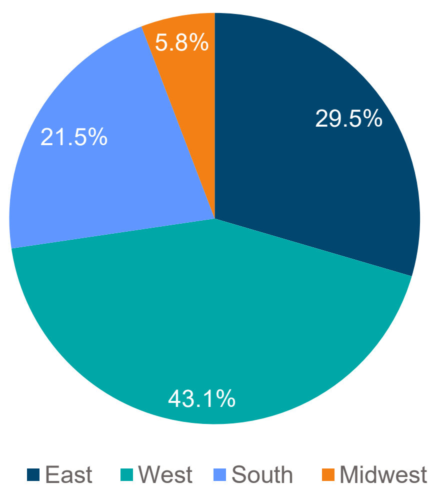
– Private core real estate exposures have shifted meaningfully over time, with Office and Retail declining and Industrial and Multi-family increasing.
– Allocations to alternative property types are steadily growing. Portfolios are shifting toward lower-capex and less GDP-linked sectors.
– U.S. geographic exposure remains concentrated in coastal regions.

Historical Property Sector Exposure



Property Type and U.S. Geographic Concentrations





Source: NCREIF
Sector data as of 1Q26, the latest available at time of publication

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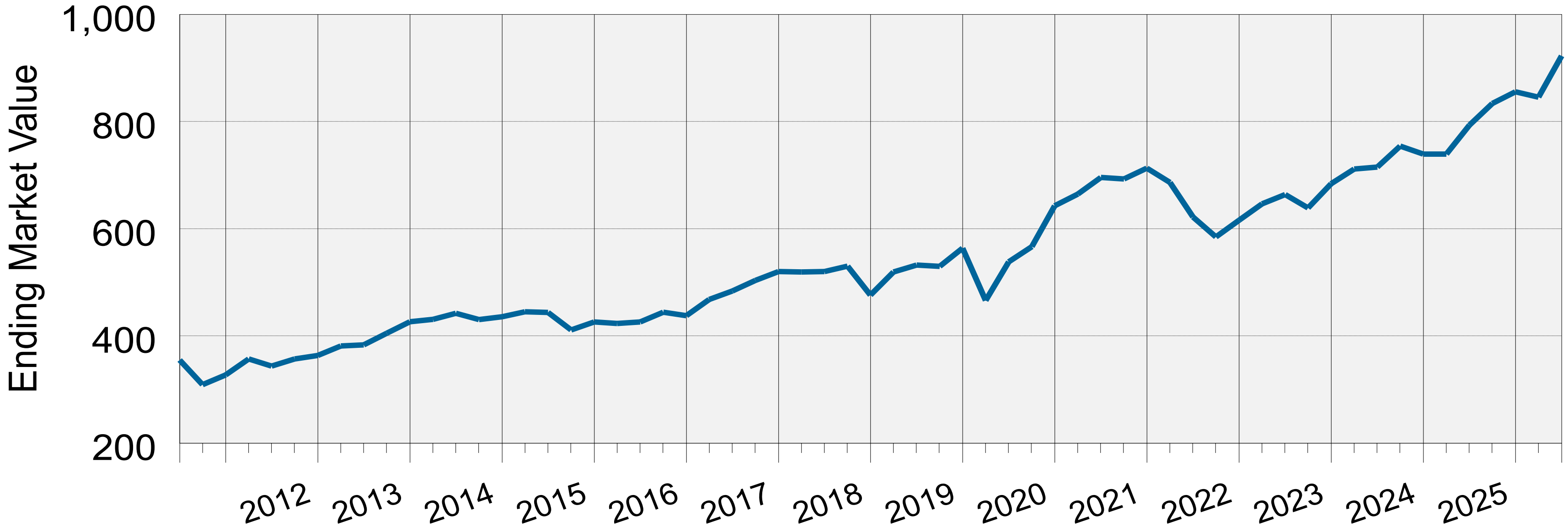
MCERA Plan Performance

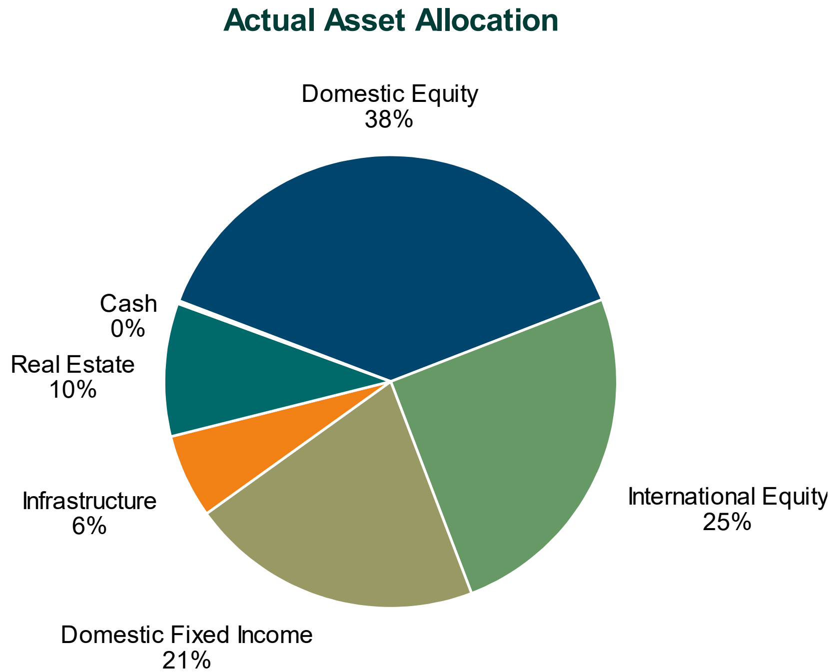
Total MCERA Plan Growth

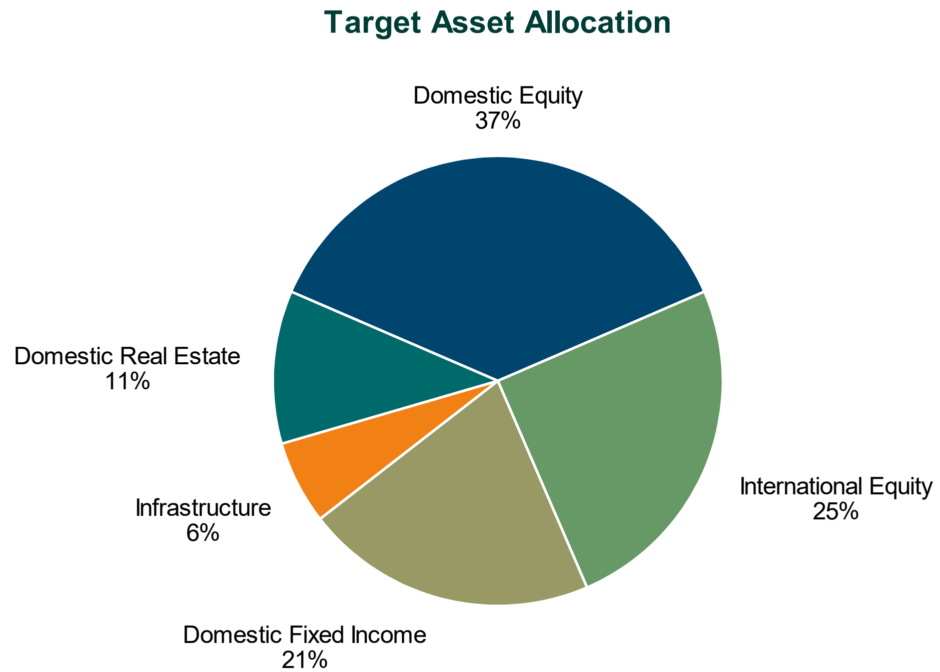
MCERA Ending Market Value for 15 Years Ended June 30, 2026



	June 30, 2026				June 30, 2025	
	Market Value	Weight	Net New Inv.	Inv. Return	Market Value	Weight
Domestic Equities	$353,133,807	38.28%	$(14,737,524)	$69,990,912	$297,880,418	37.54%
International Equities	$231,402,582	25.08%	$(24,526,976)	$51,788,555	$204,141,003	25.72%
Domestic Fixed Income	$192,499,006	20.87%	$24,123,324	$8,399,646	$159,976,037	20.16%
Infrastructure	$55,623,562	6.03%	$(9,514,297)	$6,120,332	$59,017,528	7.44%
Real Estate	$88,043,069	9.54%	$11,568,740	$4,149,783	$72,324,547	9.11%
Cash	$1,813,764	0.20%	$1,590,281	$0	$223,483	0.03%
Total Fund	$922,515,791	100.00%	$(11,496,453)	$140,449,228	$793,563,016	100.00%

MCERA Actual vs Target Asset Allocation as of June 30, 2026

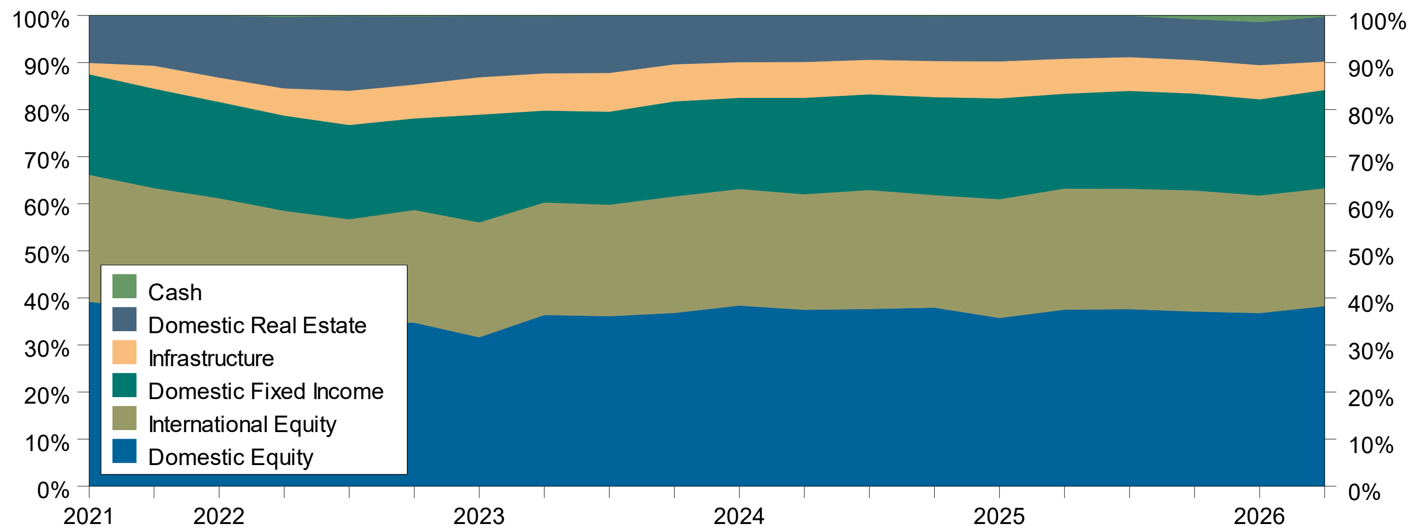




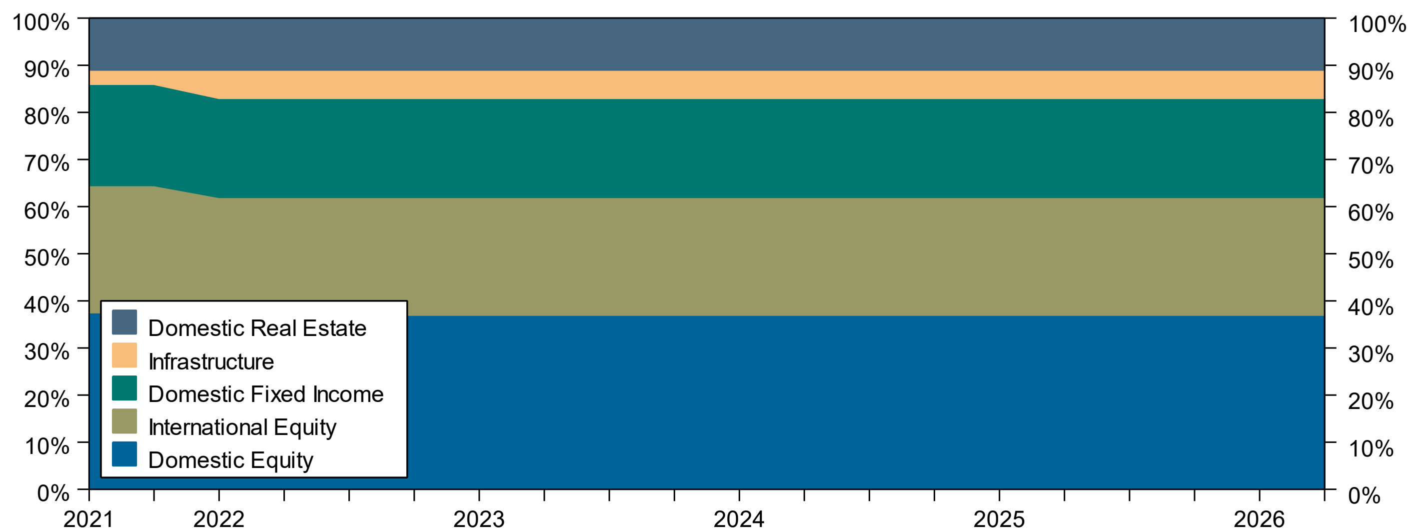
Asset Class	$000s Actual	Weight Actual	Target	Percent Difference	$000s Difference
Domestic Equity	353,134	38.3%	37.0%	1.3%	11,803
International Equity	231,403	25.1%	25.0%	0.1%	774
Domestic Fixed Income	192,499	20.9%	21.0%	(0.1%)	(1,229)
Infrastructure	55,624	6.0%	6.0%	0.0%	273
Real Estate	88,043	9.5%	11.0%	(1.5%)	(13,434)
Cash	1,814	0.2%	0.0%	0.2%	1,814
Total	922,516	100.0%	100.0%		

MCERA Actual vs Target Historical Asset Allocation

Actual Historical Asset Allocation



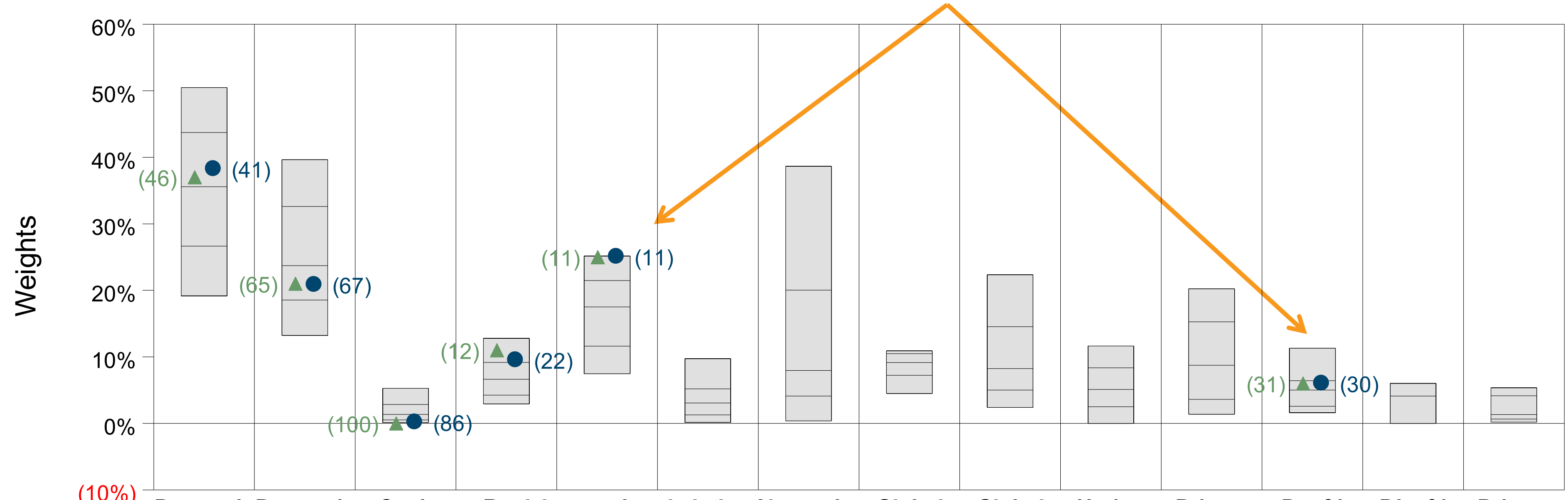
Target Historical Asset Allocation



MCERA Asset Class Weights vs Callan Public Fund Sponsor Database

Asset Class Weights vs Callan Public Fund Sponsor Database

Currently Invested



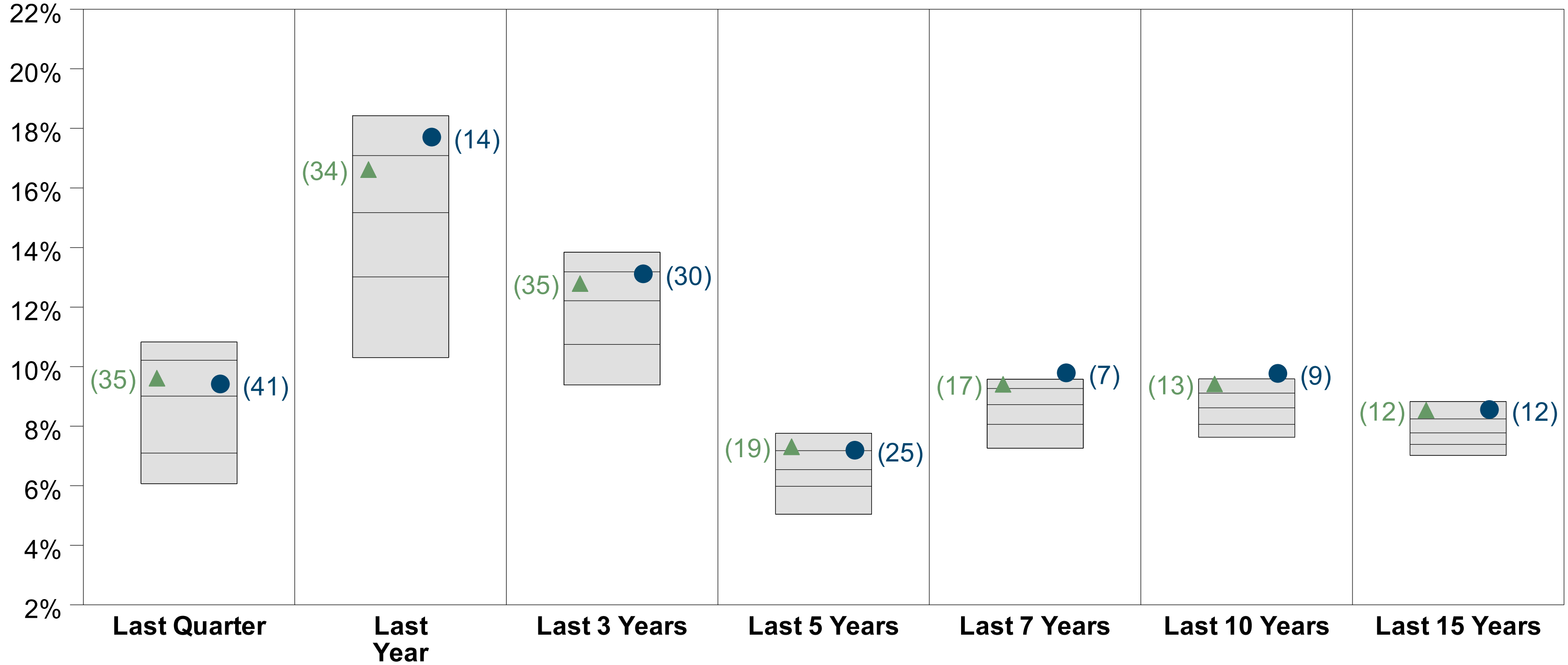
	Domestic Equity	Domestic Fixed Income	Cash	Real Estate	International Equity	Intl Fixed-Inc	Alternative	Global Balanced	Global Equity Broad	Hedge Funds	Private Equity	Dvsfd Real Assets	Dvsfd Multi-Asset	Private Debt
10th Percentile	50.49	39.64	5.26	12.79	25.14	9.71	38.66	10.91	22.36	11.65	20.26	11.31	6.01	5.37
25th Percentile	43.73	32.61	2.83	9.16	21.47	5.19	20.03	10.49	14.54	8.36	15.28	6.43	5.99	4.16
Median	35.58	23.72	1.34	6.62	17.51	3.07	7.94	9.12	8.24	5.10	8.74	5.01	5.98	1.33
75th Percentile	26.64	18.55	0.53	4.24	11.61	1.27	4.12	7.22	5.00	2.49	3.62	2.57	4.11	0.63
90th Percentile	19.16	13.23	0.13	2.92	7.46	0.13	0.38	4.48	2.38	0.01	1.37	1.60	0.00	0.19
Fund ●	38.28	20.87	0.20	9.54	25.08	-	-	-	-	-	-	6.03	-	-
Target ▲	37.00	21.00	0.00	11.00	25.00	-	-	-	-	-	-	6.00	-	-
% Group Invested	99.17%	99.59%	90.04%	77.59%	95.85%	27.39%	36.06%	14.52%	19.92%	22.41%	43.98%	29.05%	2.49%	4.98%

Asset Distribution Across Investment Managers

	June 30, 2026				March 31, 2026	
	Market Value	Weight	Net New Inv.	Inv. Return	Market Value	Weight
Domestic Equities	**$353,133,807**	**38.28%**	**$(7,936,878)**	**$49,802,567**	**$311,268,117**	**36.81%**
Large Cap Equities	**$244,828,981**	**26.54%**	**$(4,936,878)**	**$32,872,765**	**$216,893,094**	**25.65%**
Vanguard S&P 500 Index	244,828,981	26.54%	(4,936,878)	32,872,765	216,893,094	25.65%
Mid Cap Equities	**$53,617,702**	**5.81%**	**$0**	**$6,395,178**	**$47,222,523**	**5.58%**
Fidelity Low Price Stocks	26,187,705	2.84%	0	2,560,298	23,627,407	2.79%
Janus Enterprise	27,429,997	2.97%	0	3,834,880	23,595,117	2.79%
Small Cap Equities	**$54,687,124**	**5.93%**	**$(3,000,000)**	**$10,534,624**	**$47,152,500**	**5.58%**
Prudential Small Cap Value	27,204,266	2.95%	0	3,747,047	23,457,219	2.77%
AB Small Cap Growth	27,482,859	2.98%	(3,000,000)	6,787,577	23,695,282	2.80%
International Equities	**$231,402,582**	**25.08%**	**$(5,208,891)**	**$25,071,395**	**$211,540,078**	**25.02%**
SSGA World Developed ex U.S.	144,561,482	15.67%	(1,208,891)	11,741,601	134,028,772	15.85%
Brandes Intl Small Cap	10,495,445	1.14%	0	(76,352)	10,571,797	1.25%
T. Rowe Price Intl Small Cap	11,643,562	1.26%	0	1,072,256	10,571,306	1.25%
Artisan EM	31,986,458	3.47%	(1,300,000)	4,980,174	28,306,284	3.35%
NinetyOne	32,715,635	3.55%	(2,700,000)	7,353,716	28,061,919	3.32%
Domestic Fixed Income	**$192,499,006**	**20.87%**	**$18,026,023**	**$1,902,029**	**$172,570,955**	**20.41%**
Dodge & Cox Income	97,296,464	10.55%	10,500,000	719,490	86,076,974	10.18%
PIMCO	95,202,543	10.32%	7,526,023	1,182,539	86,493,981	10.23%
Infrastructure	**$55,623,562**	**6.03%**	**$(7,429,067)**	**$1,634,731**	**$61,417,899**	**7.26%**
IFM Global Infrastructure	28,327,637	3.07%	(4,000,000)	1,015,670	31,311,967	3.70%
JP Morgan Infrastructure	27,295,925	2.96%	(3,429,067)	619,061	30,105,932	3.56%
Real Estate	**$88,043,069**	**9.54%**	**$9,856,447**	**$1,028,959**	**$77,157,664**	**9.13%**
RREEF Private Fund	34,571,958	3.75%	(81,835)	286,882	34,366,910	4.06%
Barings Core Property Fund	31,839,659	3.45%	(1,183,699)	418,134	32,605,224	3.86%
Kayne Anderson Core Real Estate	20,171,453	2.19%	11,158,314	287,609	8,725,530	1.03%
625 Kings Court	1,460,000	0.16%	(36,334)	36,334	1,460,000	0.17%
Cash	**$1,813,764**	**0.20%**	**$(9,791,145)**	**$0**	**$11,604,909**	**1.37%**
Cash	324,866	0.04%	119,957	0	204,909	0.02%
Pending Trade	1,488,898	0.16%	(9,911,102)	0	11,400,000	1.35%
Total Fund	**$922,515,791**	**100.0%**	**$(2,483,512)**	**$79,439,681**	**$845,559,622**	**100.0%**

MCERA Total Fund Performance as of June 30, 2026

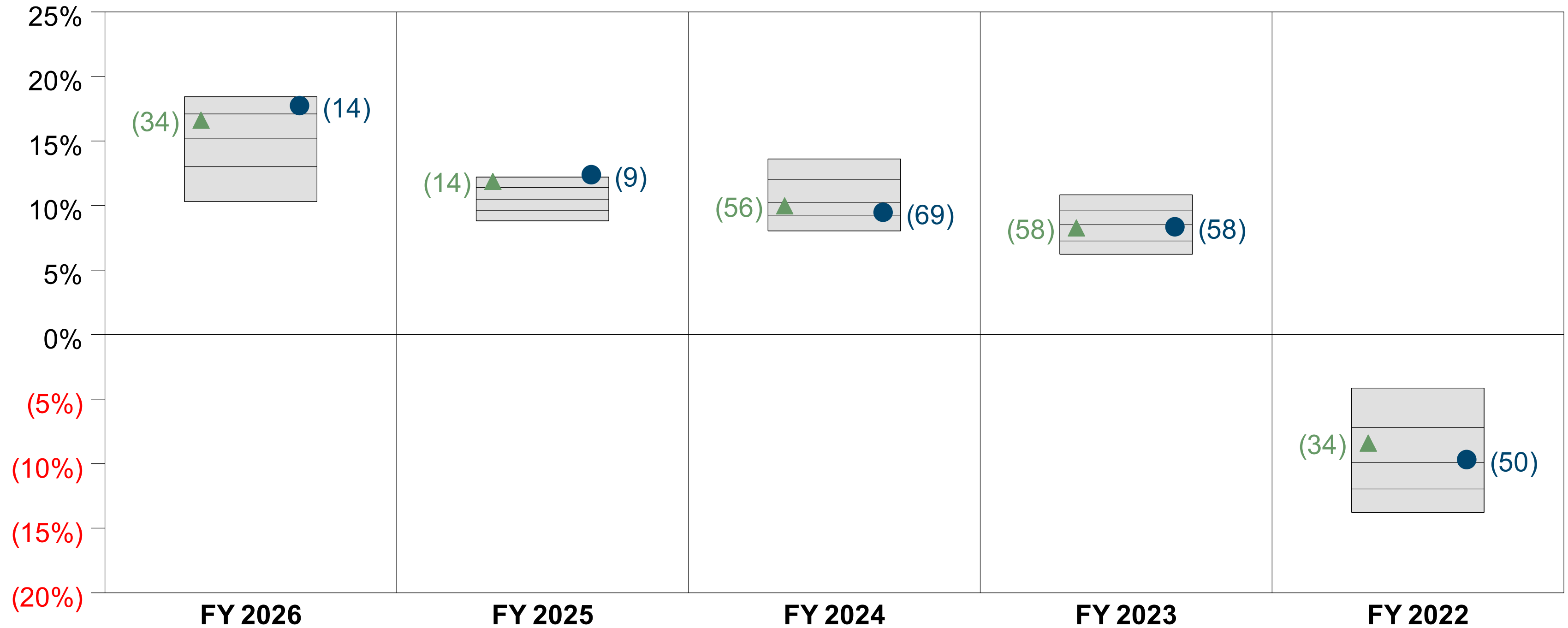
Performance vs Callan Public Fund Sponsor Database (Net)



	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years	Last 10 Years	Last 15 Years
10th Percentile	10.83	18.42	13.84	7.76	9.58	9.59	8.83
25th Percentile	10.21	17.09	13.18	7.18	9.26	9.11	8.25
Median	9.01	15.17	12.21	6.54	8.72	8.62	7.77
75th Percentile	7.10	13.01	10.75	5.98	8.06	8.06	7.39
90th Percentile	6.07	10.31	9.39	5.04	7.26	7.63	7.02
Total Fund ●	9.39	17.68	13.09	7.17	9.76	9.74	8.53
Total Fund Benchmark ▲	9.61	16.62	12.79	7.31	9.41	9.42	8.54

The Callan Public Fund Sponsor Database consists of public employee pension total funds including both Callan LLC client and surveyed non-client funds. Returns greater than one year are annualized.

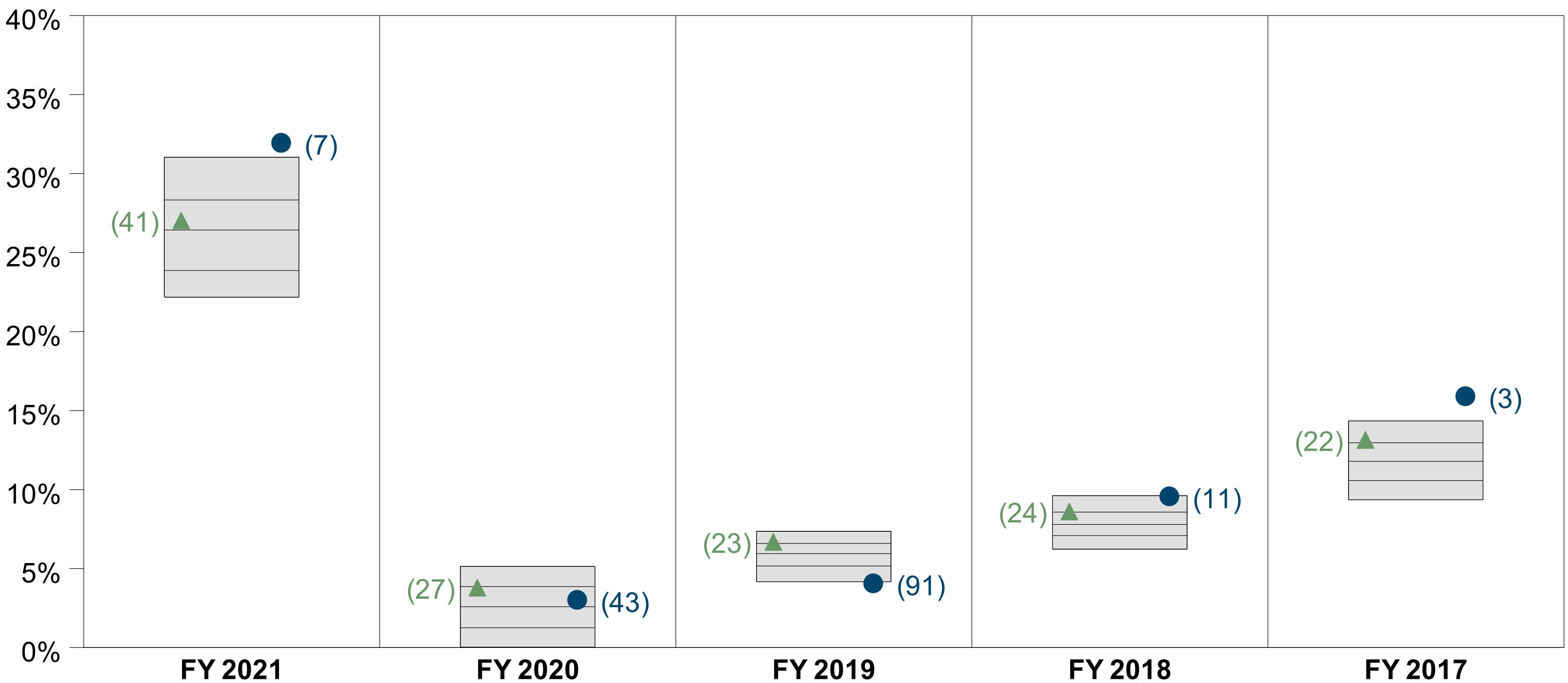
MCERA Total Fund Fiscal Year Performance (FYE June 30)



	FY 2026	FY 2025	FY 2024	FY 2023	FY 2022
10th Percentile	18.42	12.21	13.61	10.83	(4.13)
25th Percentile	17.09	11.40	12.02	9.59	(7.21)
Median	15.17	10.49	10.25	8.51	(9.91)
75th Percentile	13.01	9.64	9.19	7.25	(11.96)
90th Percentile	10.31	8.81	8.04	6.22	(13.77)
Total Fund ●	17.68	12.33	9.41	8.29	(9.74)
Total Fund Benchmark ▲	16.62	11.88	9.98	8.27	(8.40)

Callan

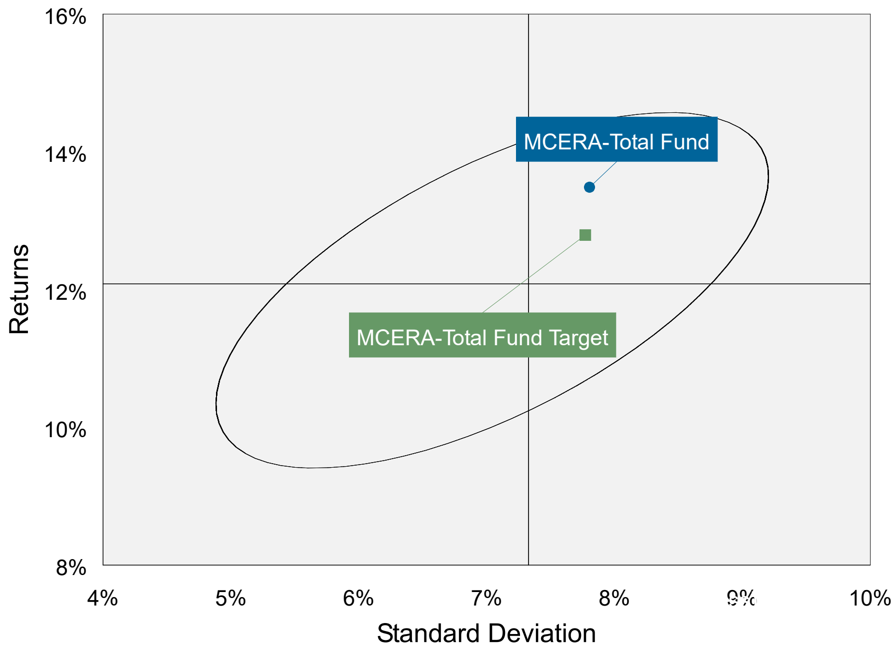
MCERA Total Fund Fiscal Year Performance



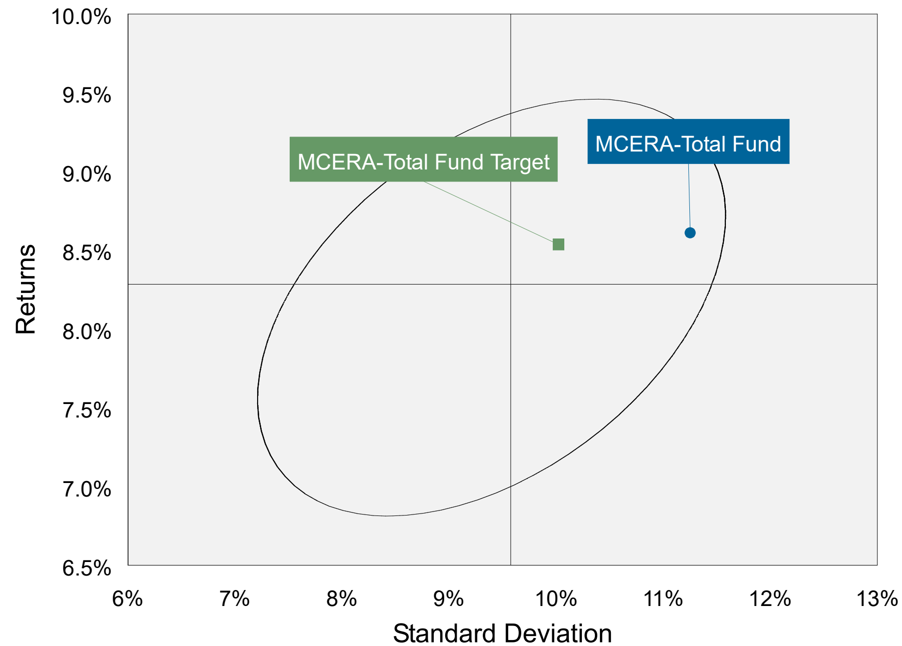
	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017
10th Percentile	31.03	5.13	7.35	9.61	14.34
25th Percentile	28.33	3.86	6.59	8.58	12.96
Median	26.42	2.59	5.95	7.79	11.79
75th Percentile	23.86	1.26	5.16	7.08	10.57
90th Percentile	22.17	0.02	4.18	6.23	9.35
Total Fund ●	31.89	2.96	4.01	9.52	15.86
Total Fund Benchmark ▲	27.03	3.79	6.70	8.61	13.14

MCERA Annualized Return vs Risk

3 Years Ended June 30, 2026
Group: Callan Public Fund Sponsor Database



15 Years Ended June 30, 2026
Group: Callan Public Fund Sponsor Database



- The chart on the left plots 3-year annualized return vs standard deviation of the MCERA Total Fund and the Total Fund Target; the chart on the right covers the last 15 years.
- Over the trailing 3-year period the MCERA Total Fund has achieved an annualized return higher than the Total Fund Target with similar volatility. Over the trailing 15-year period the MCERA Total Fund has achieved an annualized return in line with the Total Fund Target with higher volatility.

Total Fund Relative Attribution

Relative Attribution Effects for Quarter ended June 30, 2026

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equities	38%	37%	16.06%	15.43%	0.23%	0.01%	0.23%
International Equities	25%	25%	11.87%	14.49%	(0.65%)	(0.00%)	(0.65%)
Domestic Fixed Income	21%	21%	1.05%	0.67%	0.08%	0.05%	0.13%
Infrastructure	6%	6%	2.99%	1.30%	0.11%	(0.05%)	0.06%
Real Estate	10%	11%	1.00%	1.30%	(0.03%)	0.11%	0.08%
Cash	0%	0%	(0.00%)	(0.00%)	0.00%	(0.08%)	(0.08%)
Total			**9.39% =**	**9.61% +**	**(0.26%) +**	**0.03%**	**(0.23%)**

One Year Relative Attribution Effects

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equities	37%	37%	23.88%	22.81%	0.37%	0.02%	0.40%
International Equities	26%	25%	26.52%	27.66%	(0.26%)	(0.06%)	(0.32%)
Domestic Fixed Income	21%	21%	5.09%	3.79%	0.29%	0.06%	0.35%
Infrastructure	7%	6%	10.94%	3.54%	0.55%	(0.13%)	0.42%
Real Estate	9%	11%	4.63%	3.54%	0.11%	0.18%	0.29%
Cash	0%	0%	0.00%	0.00%	0.00%	(0.07%)	(0.07%)
Total			**17.68% =**	**16.62% +**	**1.07% +**	**(0.00%)**	**1.07%**

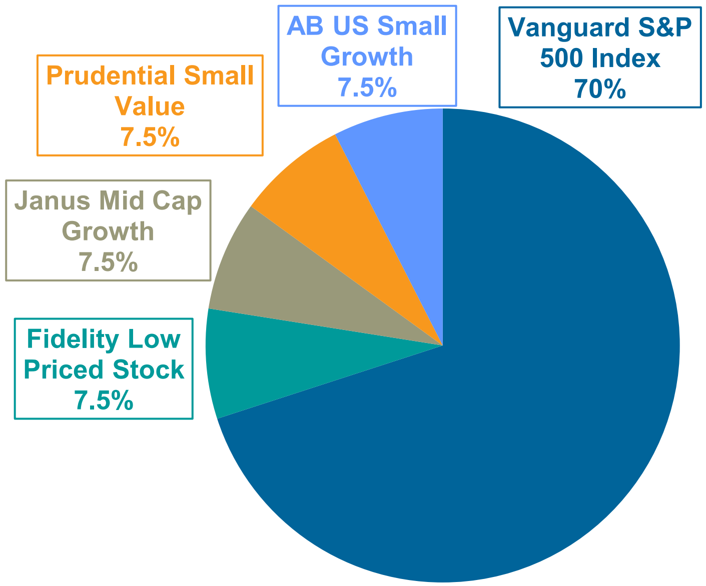
MCERA Total Fund Performance

Returns for Periods Ended June 30, 2026

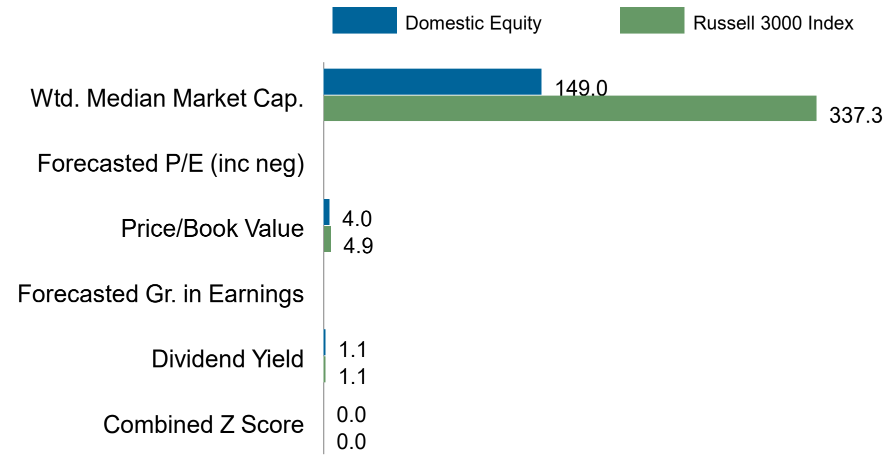
	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years	Last 10 Years	Last 15 Years
MCERA-Domestic Equity Funds	**16.06**	**23.88**	**19.17**	**11.69**	**15.07**	**15.16**	**13.47**
Russell 3000 Index	15.43	22.81	20.35	12.30	15.51	15.06	13.89
MCERA-International Equity Funds	**11.87**	**26.52**	**17.82**	**7.49**	**10.25**	**9.70**	**6.45**
MSCI ACWI ex US Index	14.49	27.66	19.01	9.12	10.53	10.35	6.98
MCERA-Fixed Income Funds	**1.05**	**5.09**	**5.42**	**1.03**	**2.26**	**2.61**	**3.02**
Bloomberg Aggregate Index	0.67	3.79	4.16	0.08	1.22	1.54	2.28
MCERA-Infrastructure Funds	**2.99**	**10.94**	**9.99**	**10.02**	**--**	**--**	**--**
NFI-ODCE Equal Wt Net Index	1.30	3.54	(1.64)	1.88	2.70	3.96	6.48
MCERA-Real Estate Funds	**1.00**	**4.63**	**(1.51)**	**1.18**	**2.18**	**3.44**	**5.85**
NFI-ODCE Equal Wt Net Index	1.30	3.54	(1.64)	1.88	2.70	3.96	6.48
MCERA-Total Fund	**9.39**	**17.68**	**13.09**	**7.17**	**9.76**	**9.74**	**8.53**
MCERA-Total Fund Target	9.61	16.62	12.79	7.31	9.41	9.42	8.54

Current Quarter Target = 37% Russell 3000 Index, 25% MSCI ACWI ex US (Net), 21% Blomberg Aggregate Index, 17% NCREIF NFI-ODCE Equal Weight Net.

Domestic Equity Composite



Portfolio Characteristics as of June 30, 2026

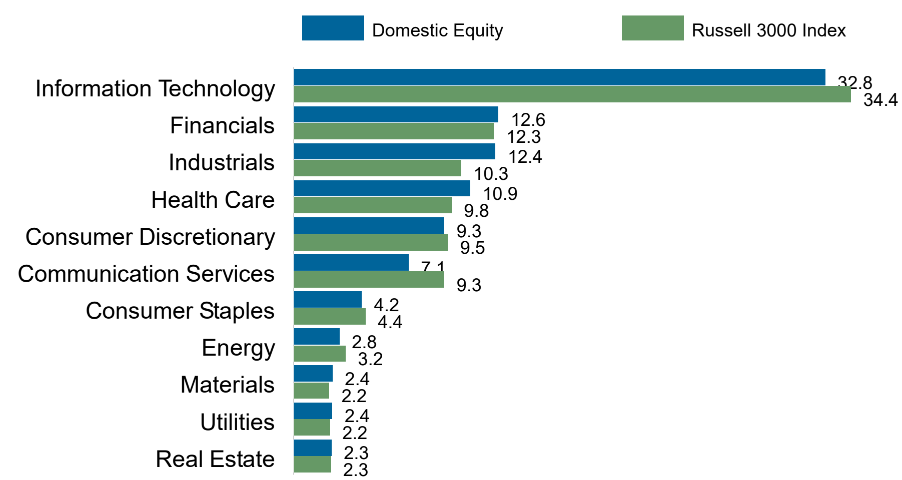


Style Exposure Matrix
Holdings as of June 30, 2026

-- Domestic Equity
-- Russell 3000 Index

	Value	Core	Growth	Total
Large	10.0% (79) 12.3% (75)	17.9% (117) 21.5% (108)	38.3% (99) 48.9% (102)	66.2% (295) 82.8% (285)
Mid	3.8% (119) 3.7% (143)	7.0% (158) 4.5% (208)	7.6% (115) 4.4% (221)	18.4% (392) 12.6% (572)
Small	2.1% (99) 0.8% (241)	6.8% (261) 1.8% (502)	4.5% (160) 1.6% (401)	13.4% (520) 4.3% (1144)
Micro	1.0% (153) 0.2% (392)	0.7% (115) 0.1% (341)	0.2% (28) 0.1% (126)	2.0% (296) 0.4% (859)
Total	16.9% (450) 17.0% (851)	32.4% (651) 27.9% (1159)	50.6% (402) 55.1% (850)	100.0% (1503) 100.0% (2860)

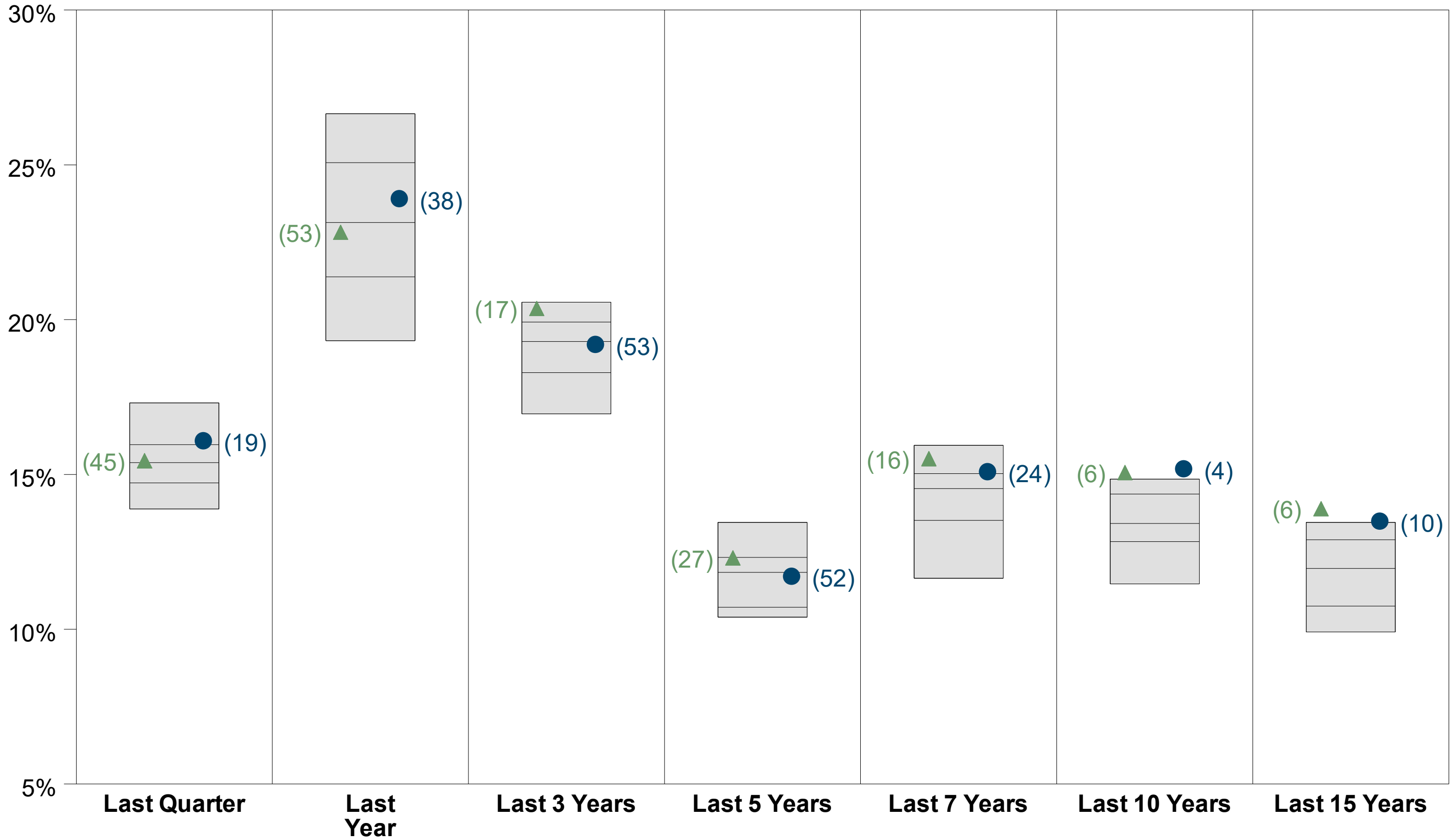
Sector Allocation as of June 30, 2026



MCERA Domestic Equity Composite Performance

For Periods Ended June 30, 2026

Performance vs Callan Public Fund Sponsor Database-Domestic Equity (Nt)

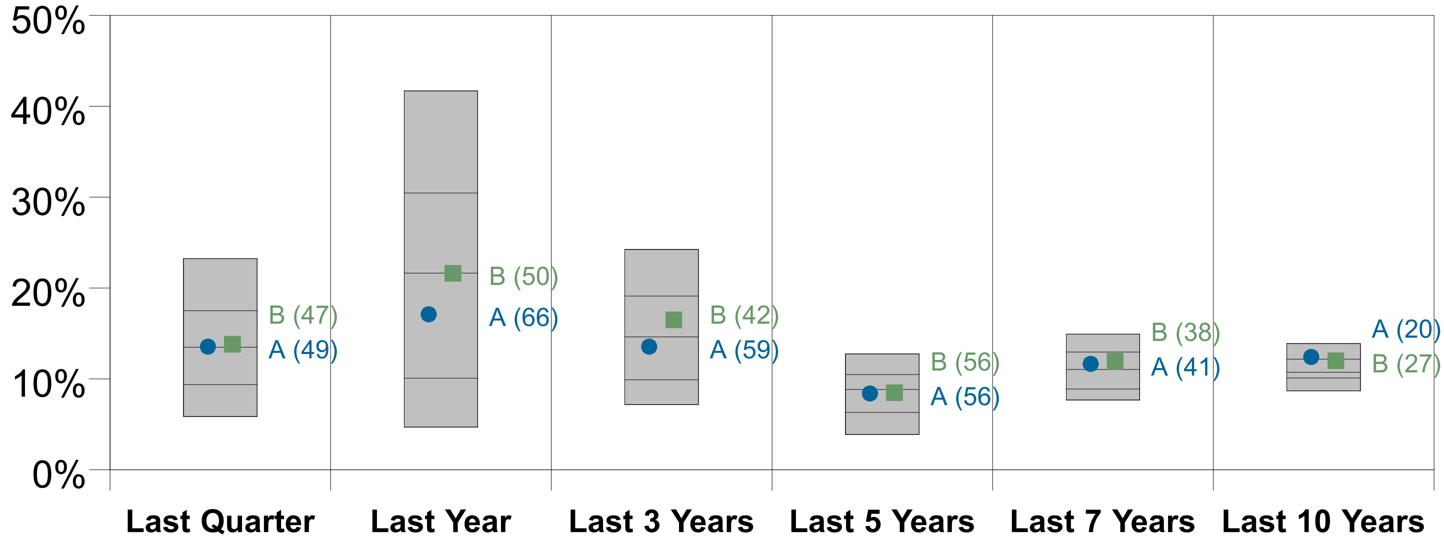


	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years	Last 10 Years	Last 15 Years
10th Percentile	17.31	26.65	20.56	13.45	15.94	14.85	13.45
25th Percentile	15.96	25.07	19.92	12.32	15.02	14.37	12.89
Median	15.38	23.13	19.29	11.83	14.54	13.42	11.96
75th Percentile	14.72	21.38	18.29	10.71	13.52	12.83	10.75
90th Percentile	13.88	19.32	16.96	10.39	11.65	11.47	9.91
Domestic Equity ●	16.06	23.88	19.17	11.69	15.07	15.16	13.47
Russell 3000 Index ▲	15.44	22.82	20.36	12.31	15.51	15.06	13.89

MCERA Domestic Mid Cap Equity Composite Performance

For Periods Ended June 30, 2026

Performance vs Callan Mid Cap Mutual Funds (Net)

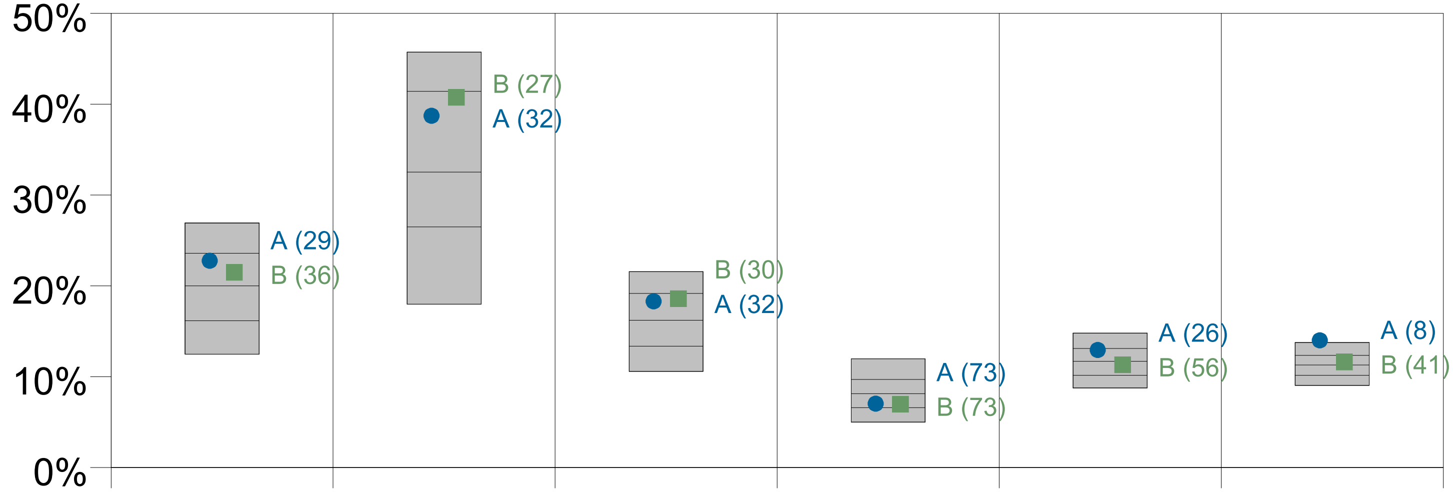


		Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years	Last 10 Years
10th Percentile		23.26	41.71	24.25	12.76	14.93	13.90
25th Percentile		17.52	30.46	19.13	10.49	12.96	12.18
Median		13.50	21.66	14.63	8.85	11.06	10.74
75th Percentile		9.39	10.08	9.92	6.32	8.90	10.11
90th Percentile		5.86	4.72	7.18	3.90	7.70	8.69
MCERA-Mid Cap Funds	● A	13.54	17.11	13.56	8.41	11.64	12.42
Russell:Midcap Index	■ B	13.83	21.63	16.51	8.50	11.93	12.00

MCERA Domestic Small Cap Equity Composite Performance

For Periods Ended June 30, 2026

Performance vs Callan Small Cap Mutual Funds (Net)



	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years	Last 10 Years
10th Percentile	26.92	45.74	21.58	11.97	14.81	13.77
25th Percentile	23.61	41.43	19.19	9.71	13.13	12.36
Median	20.01	32.55	16.22	8.13	11.71	11.30
75th Percentile	16.17	26.50	13.38	6.62	10.16	10.16
90th Percentile	12.49	17.98	10.59	5.02	8.78	9.07
MCERA-Small Cap Fds ● A	22.78	38.73	18.31	7.03	12.94	14.01
Russell:2000 Index ■ B	21.49	40.78	18.60	6.98	11.34	11.62

Domestic Equity

Returns and Rankings for Periods Ended June 30, 2026

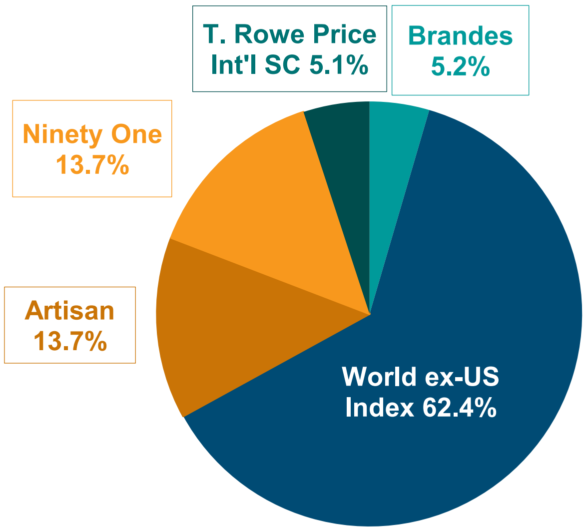
	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 10 Years	Last 15 Years
MCERA-Domestic Eq Fds	**16.06**	**23.88**	**19.17**	**11.69**	**15.16**	**13.47**
Russell 3000 Index	15.44	22.82	20.36	12.31	15.06	13.89
Large Cap Equity						
Vanguard S&P 500 Index	**15.20**	**22.30**	**20.59**	**13.38**	**15.48**	**--**
S&P 500 Index	15.20	22.32	20.61	13.41	15.51	14.36
MCERA-Mid Cap Funds	**13.54**	**17.11**	**13.56**	**8.41**	**12.42**	**10.86**
Russell Midcap Index	13.83	21.63	16.51	8.50	12.00	11.63
Fidelity Low Priced Stock	**10.84**	**19.97**	**14.74**	**9.07**	**11.46**	**10.80**
Russell Midcap Value Index	13.40	26.62	16.51	9.48	10.63	10.98
Ranking vs. Mid Cap Value Equity	62	58	38	57	31	36
Janus Mid Cap Growth	**16.25**	**14.13**	**12.42**	**7.62**	**13.18**	**12.70**
Russell Midcap Growth Index	14.55	6.17	15.61	6.03	13.04	12.01
Ranking vs Mid Cap Growth Equity	60	35	52	9	19	1
MCERA-Small Cap Funds	**22.78**	**38.73**	**18.31**	**7.03**	**14.01**	**12.00**
Russell 2000 Index	21.49	40.78	18.60	6.98	11.62	10.52
Prudential Small Cap Value	**15.97**	**42.62**	**19.48**	**10.11**	**10.61**	**9.82**
Russell 2000 Value Index	17.19	43.01	18.73	8.23	10.89	9.97
Ranking vs Small Cap Value Equity	58	4	7	18	49	45
AB Small Cap Growth	**29.59**	**34.93**	**17.00**	**2.95**	**14.57**	**12.43**
Russell 2000 Growth Index	25.71	38.74	18.44	5.57	11.97	10.81
Ranking vs Small Cap Growth Equity	24	46	33	58	21	18

Returns and Rankings for Calendar Years

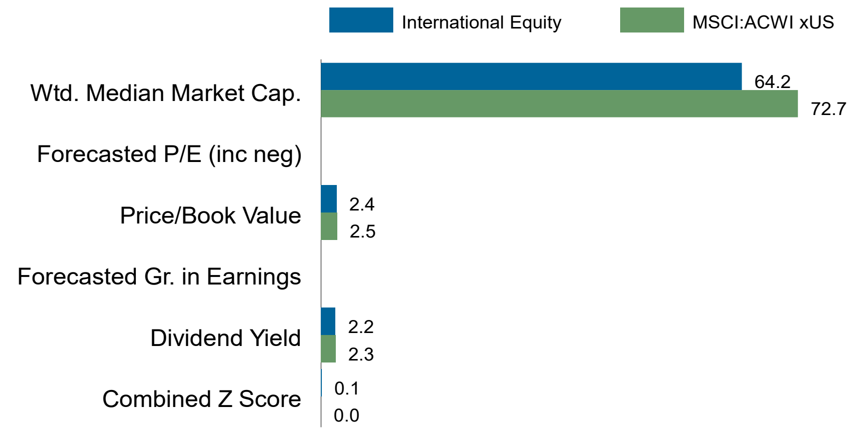
	2025	2024	2023	2022	2021	2020
MCERA-Domestic Eq Fds	**15.51**	**20.73**	**23.54**	**(18.04)**	**27.45**	**20.87**
Russell 3000 Index	17.15	23.81	25.96	(19.21)	25.66	20.89
Large Cap Equity						
Vanguard S&P 500 Index	**17.86**	**24.99**	**26.27**	**(18.13)**	**28.69**	**18.39**
S&P 500 Index	17.88	25.02	26.29	(18.11)	28.71	18.40
MCERA-Mid Cap Funds	**11.15**	**11.22**	**16.32**	**(10.90)**	**20.94**	**15.06**
Russell Midcap Index	10.60	15.34	17.23	(17.32)	22.58	17.10
Fidelity Low Priced Stock	**14.77**	**7.09**	**14.35**	**(5.80)**	**24.52**	**9.32**
Russell Midcap Value Index	11.05	13.07	12.71	(12.03)	28.34	4.96
Ranking vs. Mid Cap Value Equity	22	89	47	28	83	18
Janus Mid Cap Growth	**7.75**	**15.39**	**18.10**	**(15.94)**	**17.50**	**20.44**
Russell Midcap Growth Index	8.66	22.10	25.87	(26.72)	12.73	35.59
Ranking vs Mid Cap Growth Equity	40	39	71	1	16	87
MCERA-Small Cap Funds	**9.20**	**11.97**	**18.07**	**(24.74)**	**25.70**	**30.14**
Russell 2000 Index	12.81	11.54	16.93	(20.44)	14.82	19.96
Prudential Small Cap Value	**13.81**	**5.14**	**17.07**	**(11.12)**	**41.79**	**(2.96)**
Russell 2000 Value Index	12.59	8.05	14.65	(14.48)	28.27	4.63
Ranking vs Small Cap Value Equity	10	84	33	45	3	82
AB Small Cap Growth	**5.09**	**18.90**	**18.27**	**(38.85)**	**9.72**	**54.10**
Russell 2000 Growth Index	13.01	15.15	18.66	(26.36)	2.83	34.63
Ranking vs Small Cap Growth Equity	68	21	36	94	44	28

The Domestic Equity Target is comprised of 100% Russell 3000 Index.

International Equity Composite



Portfolio Characteristics as of June 30, 2026

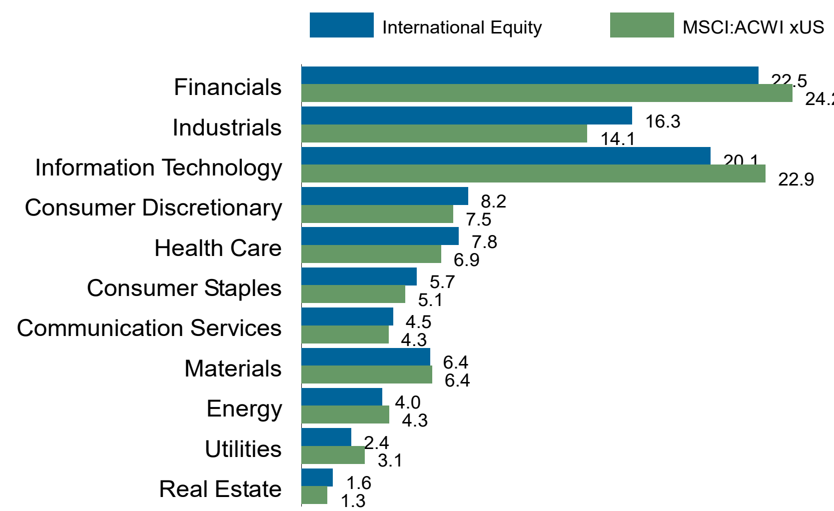


Region & Style Exposure Matrix
Holdings as of June 30, 2026

-- International Equity
-- MSCI ACWI ex US Index

	Value	Core	Growth	Total
Europe	11.2% (161) 10.2% (139)	15.3% (165) 14.5% (134)	14.8% (172) 14.3% (137)	41.4% (498) 38.9% (410)
N. America	2.2% (28) 2.1% (23)	4.5% (46) 3.9% (30)	2.9% (35) 2.7% (29)	9.6% (109) 8.6% (82)
Pacific	5.0% (107) 4.2% (88)	9.3% (115) 8.9% (100)	8.6% (111) 8.3% (86)	22.9% (333) 21.4% (274)
Emerging	4.2% (37) 7.7% (355)	8.2% (66) 8.8% (334)	13.7% (86) 14.5% (446)	26.1% (189) 31.0% (1135)
Total	22.7% (333) 24.1% (605)	37.3% (392) 36.1% (598)	40.0% (404) 39.8% (698)	100.0% (1129) 100.0% (1901)

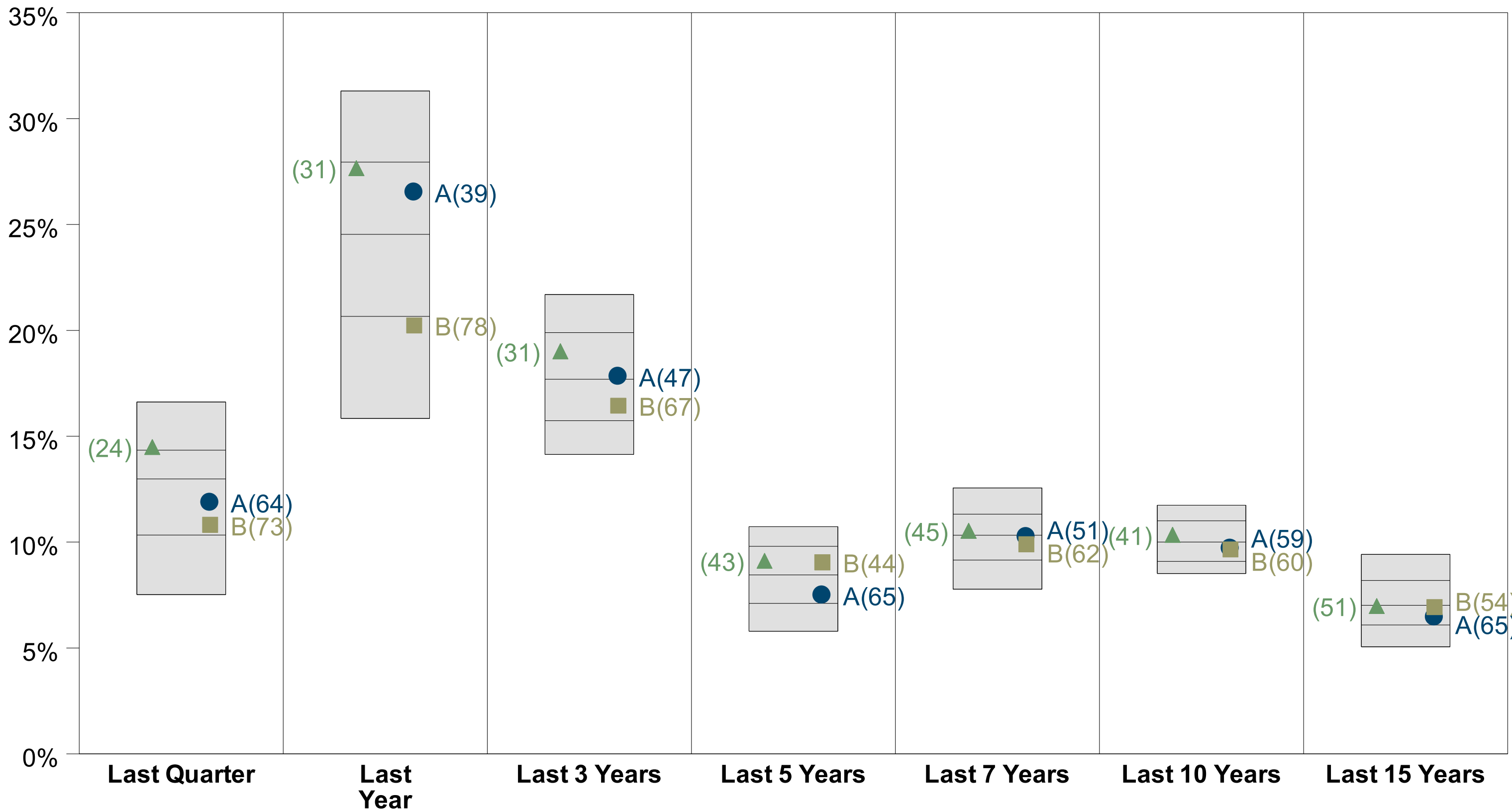
Sector Allocation as of June 30, 2026



MCERA International Equity Composite Performance

For Periods Ended June 30, 2026

Performance vs Callan Public Fund Sponsor Database-International Equity (Nt)



	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years	Last 10 Years	Last 15 Years
10th Percentile	16.62	31.31	21.70	10.73	12.56	11.75	9.42
25th Percentile	14.34	27.94	19.89	9.80	11.32	11.00	8.19
Median	12.99	24.54	17.69	8.45	10.33	10.01	7.02
75th Percentile	10.33	20.66	15.74	7.11	9.15	9.10	6.09
90th Percentile	7.53	15.84	14.14	5.79	7.77	8.52	5.06
International Equity ● A	11.87	26.52	17.82	7.49	10.25	9.70	6.45
MSCI EAFE Index ■ B	10.82	20.23	16.44	9.05	9.90	9.66	6.93
MSCI ACWI xUS (Net) ▲	14.49	27.66	19.01	9.12	10.53	10.35	6.98

International Equity Composite

Returns and Rankings for Periods Ended June 30, 2026

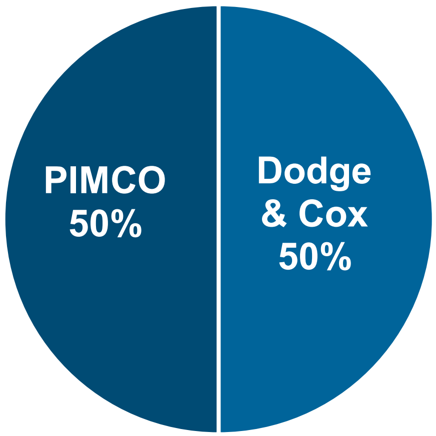
	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 10 Years	Last 15 Years
MCERA-Intl Eq Fds	**11.87**	**26.52**	**17.82**	**7.49**	**9.70**	**6.45**
MSCI ACWI ex US Index	14.49	27.66	19.01	9.12	10.35	6.98
SSGA World Developed ex U.S.	**8.78**	**21.29**	**--**	**--**	**--**	**--**
MSCI World xUS Index	10.22	20.99	16.90	9.32	9.84	6.89
Ranking vs Callan Non US Equity	66	51	--	--	--	--
T. Rowe Price Intl Small Cap	**9.87**	**17.53**	**15.30**	**2.57**	**--**	**--**
MSCI:ACWI xUS Small	9.62	19.83	16.42	6.30	9.10	6.78
Ranking vs. Callan Int'l Small Cap	30	41	46	63	--	--
Brandes Intl Small Cap	**(0.91)**	**5.92**	**--**	**--**	**--**	**--**
MSCI:ACWI xUS Small	9.62	19.83	16.42	6.30	9.10	6.78
Ranking vs Callan Int'l Small Cap	96	79	--	--	--	--
NinetyOne	**26.57**	**51.82**	**28.28**	**9.42**	**--**	**--**
MSCI Emerging Markets Index	24.05	43.51	23.03	7.20	10.08	5.25
Ranking vs. Callan EM Equity	40	45	12	15	--	--
Artisan EM	**17.88**	**39.37**	**--**	**--**	**--**	**--**
MSCI Emerging Markets Index	24.05	43.51	23.03	7.20	10.08	5.25
Ranking vs Callan EM Equity	81	81	--	--	--	--

Returns and Rankings for Calendar Years

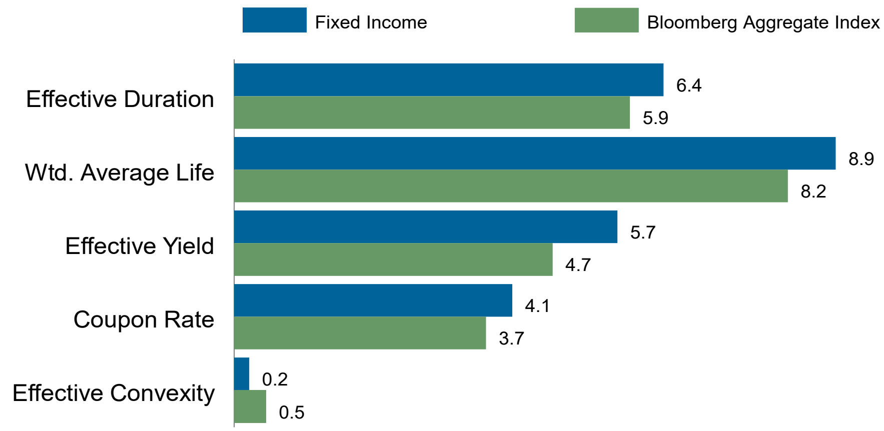
	2025	2024	2023	2022	2021	2020
MCERA-Intl Eq Fds	**34.52**	**3.72**	**16.42**	**(18.55)**	**6.37**	**15.49**
MSCI ACWI ex US Index	32.39	5.88	16.21	(15.57)	8.29	11.13
MSCI:EAFE	31.22	3.82	18.24	(14.45)	11.26	7.82
Harbor International	**28.49**	**4.29**	**16.23**	**(13.71)**	**9.60**	**11.17**
MSCI:EAFE	31.22	3.82	18.24	(14.45)	11.26	7.82
Ranking vs. Callan Non-US Equity	55	48	61	30	46	47
Oakmark International	**32.72**	**(4.65)**	**18.47**	**(15.40)**	**7.44**	**5.31**
MSCI:EAFE	31.22	3.82	18.24	(14.45)	11.26	7.82
Ranking vs. Callan Non-US Equity	42	97	37	43	69	73
EuroPacific	**29.18**	**5.04**	**16.05**	**(22.72)**	**2.84**	**25.27**
MSCI ACWI ex US Index	32.39	5.88	16.21	(15.57)	8.29	11.13
Ranking vs. Callan Non-US Equity	53	40	65	77	90	11
Mondrian International	**--**	**4.28**	**19.39**	**(12.66)**	**6.51**	**0.36**
MSCI ACWI ex US Index	32.39	5.88	16.21	(15.57)	8.29	11.13
Ranking vs. Callan Non-US Equity	--	48	21	25	70	91
T. Rowe Price Intl Small Cap	**26.27**	**5.13**	**14.46**	**(29.51)**	**8.25**	**38.67**
MSCI:ACWI xUS Small	29.26	3.36	15.66	(19.97)	12.93	14.24
Ranking vs. Callan Non-US Equity	57	31	47	74	77	12
NinetyOne	**38.14**	**13.91**	**9.90**	**(22.66)**	**(0.28)**	**16.41**
MSCI Emerging Markets Index	33.57	7.50	9.83	(20.09)	(2.54)	18.31
Ranking vs. Callan EM Equity	20	4	54	41	43	57

The International Equity Target is comprised of 100% MSCI ACWI ex US Index (Gross) prior to 6/30/2024 and MSCI ACWI ex US Index (Net) thereafter.

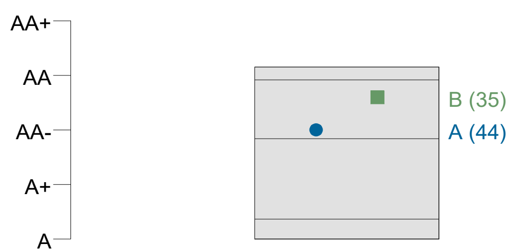
Fixed Income Composite



Portfolio Characteristics as of June 30, 2026

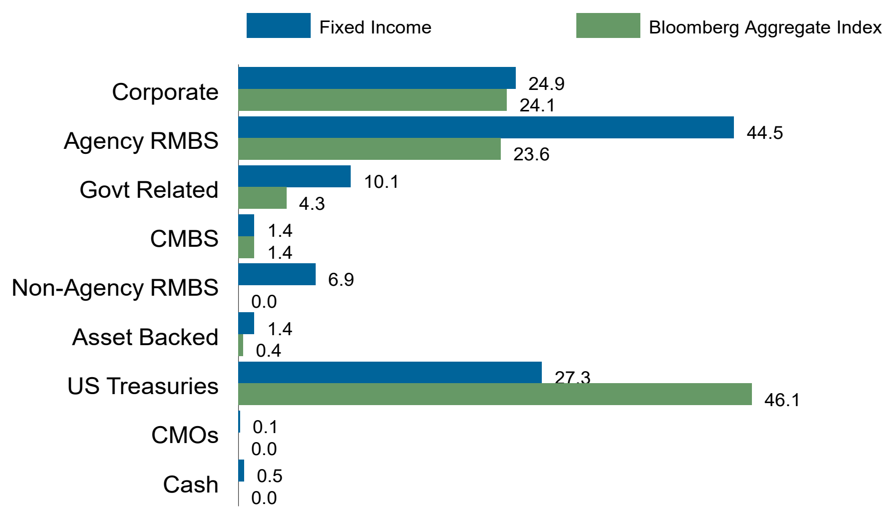


Quality Rating as of June 30, 2026
vs Callan Core Bond Peer Group



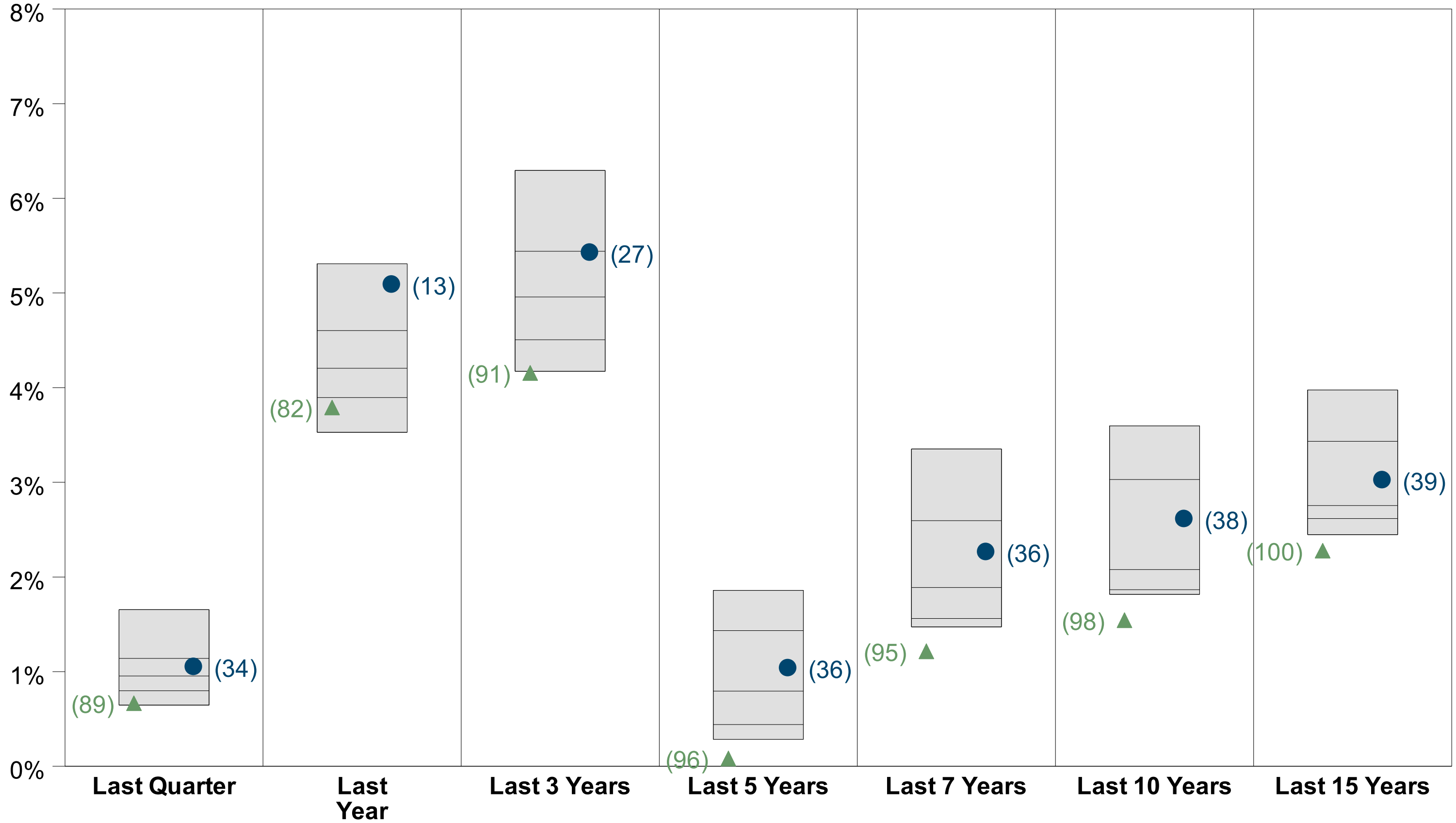
10th Percentile		AA
25th Percentile		AA
Median		AA-
75th Percentile		A
90th Percentile		A
MCERA-Fixed Income Fds	● A	AA-
Blmbg:Aggregate	■ B	AA

Sector Allocation as of June 30, 2026



MCERA Fixed Income Composite Performance
For Periods Ended June 30, 2026

Performance vs Callan Public Fund Sponsor Database-Domestic Fixed Inc (Nt)



	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years	Last 10 Years	Last 15 Years
10th Percentile	1.65	5.31	6.29	1.86	3.35	3.60	3.98
25th Percentile	1.14	4.60	5.44	1.43	2.59	3.03	3.43
Median	0.95	4.20	4.96	0.79	1.89	2.08	2.75
75th Percentile	0.80	3.90	4.51	0.44	1.56	1.86	2.62
90th Percentile	0.65	3.53	4.17	0.28	1.47	1.82	2.45
Domestic Fixed Income ●	1.05	5.09	5.42	1.03	2.26	2.61	3.02
Blmbg:Aggregate ▲	0.67	3.79	4.16	0.08	1.22	1.54	2.28

Fixed Income Composite

Returns and Rankings for Periods Ended June 30, 2026

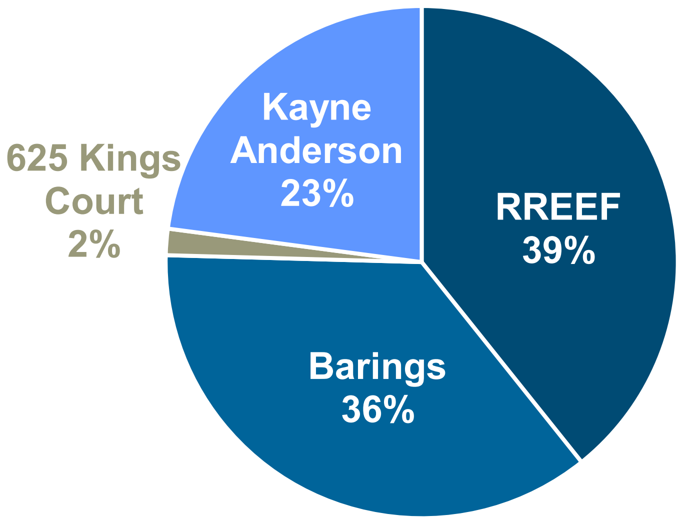
	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 10 Years	Last 15 Years
MCERA-Fixed Income Funds	**1.05**	**5.09**	**5.42**	**1.03**	**2.61**	**3.02**
Fixed Income Target	0.67	3.79	4.16	0.08	1.54	2.28
Dodge & Cox	**0.77**	**4.68**	**5.23**	**1.33**	**2.92**	**3.28**
Bloomberg Aggregate Index	0.67	3.79	4.16	0.08	1.54	2.28
Ranking vs. Core Fixed Income	31	3	5	1	1	1
PIMCO	**1.33**	**5.51**	**5.62**	**0.74**	**2.28**	**2.75**
Bloomberg Aggregate Index	0.67	3.79	4.16	0.08	1.54	2.28
Ranking vs. Core Plus Fixed Income	3	1	7	15	30	48

Returns and Rankings for Calendar Years

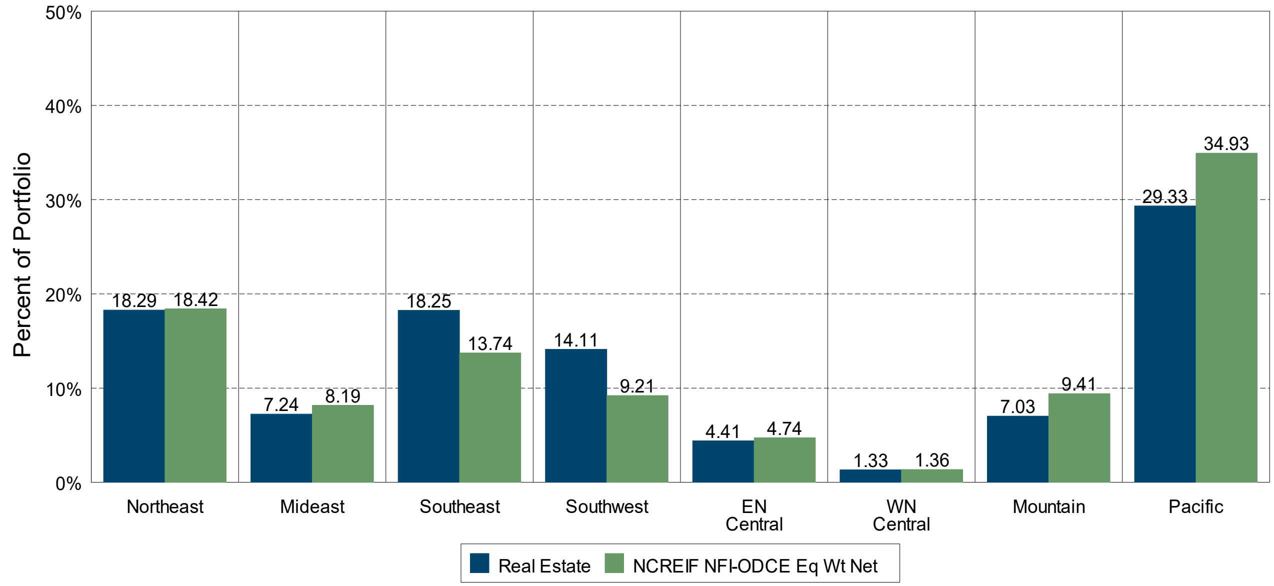
	2025	2024	2023	2022	2021	2020
MCERA-Fixed Income Funds	**8.83**	**2.43**	**7.01**	**(12.50)**	**(0.88)**	**9.27**
Fixed Income Target	7.30	1.25	5.53	(13.01)	(1.54)	7.51
Dodge & Cox	**8.32**	**2.26**	**7.69**	**(10.88)**	**(0.91)**	**9.45**
Bloomberg Aggregate Index	7.30	1.25	5.53	(13.01)	(1.54)	7.51
Ranking vs. Core Fixed Income	1	19	3	3	10	16
PIMCO	**9.33**	**2.60**	**6.30**	**(14.09)**	**(0.84)**	**8.88**
Bloomberg Aggregate Index	7.30	1.25	5.53	(13.01)	(1.54)	7.51
Ranking vs. Core Plus Fixed Income	1	19	50	48	57	41

Fixed Income Target is comprised of 100% Bloomberg US Aggregate Index

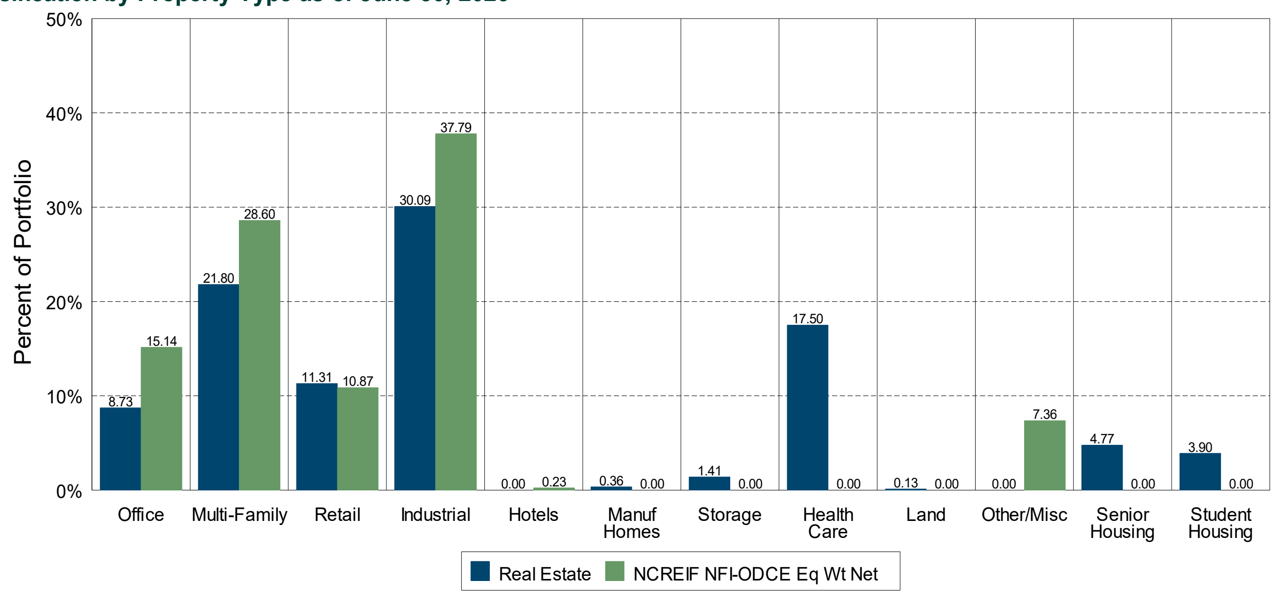
MCERA Real Estate Composite



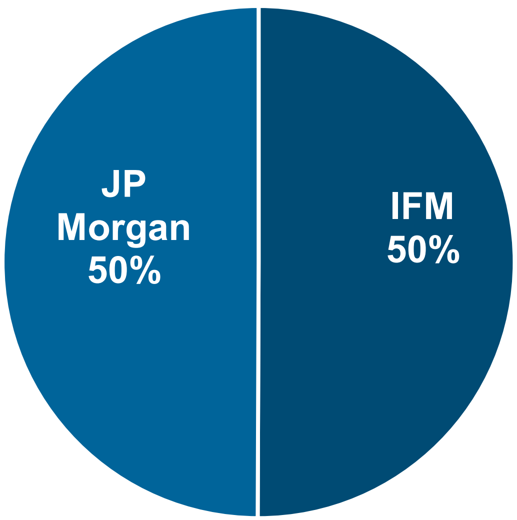
Diversification by Geographic Region as of June 30, 2026



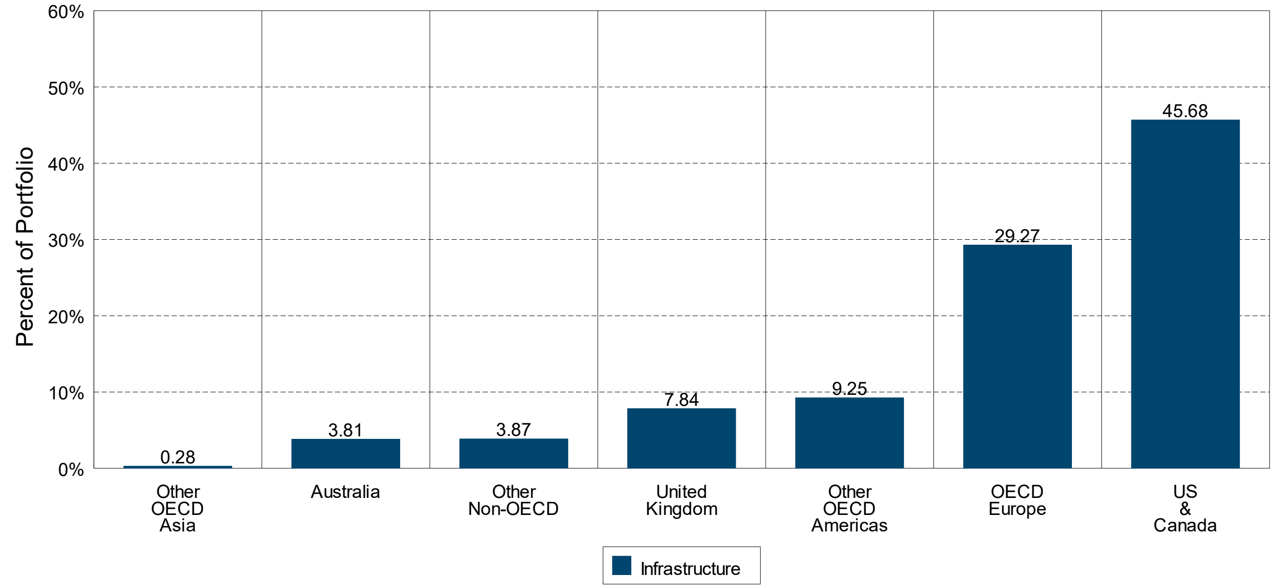
Diversification by Property Type as of June 30, 2026



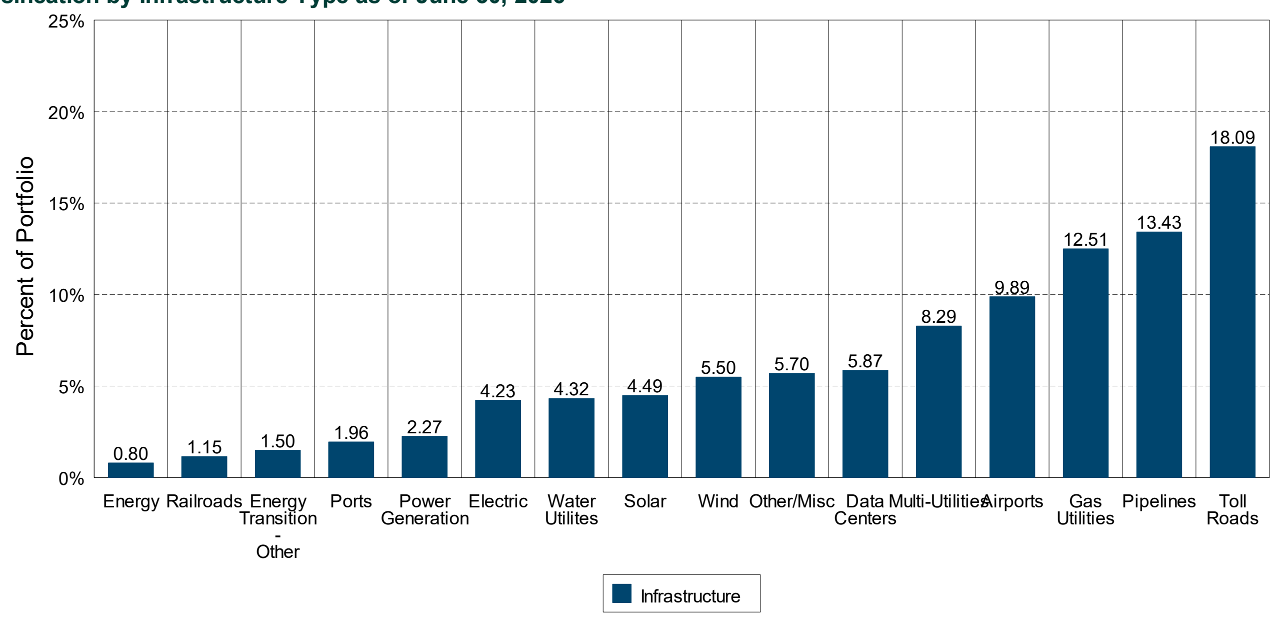
MCERA Infrastructure Composite



Diversification by Geographic Region as of June 30, 2026



Diversification by Infrastructure Type as of June 30, 2026



Real Assets Returns

Returns and Rankings for Periods Ended June 30, 2026

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 10 Years	Last 15 Years
MCERA-Real Estate Funds	**1.00**	**4.63**	**(1.51)**	**1.18**	**3.44**	**5.85**
Real Estate Custom Benchmark	1.30	3.54	(1.64)	1.88	3.80	6.29
Barings Core Property Fund	**1.09**	**4.05**	**(2.72)**	**(0.40)**	**2.55**	**--**
NFI-ODCE Equal Wt Net Index	1.30	3.54	(1.64)	1.88	3.96	6.48
Ranking vs Callan Core Open End RE	56	46	72	90	85	--
RREEF Private Fund	**0.60**	**4.62**	**(0.96)**	**2.52**	**4.35**	**6.90**
NFI-ODCE Equal Wt Net Index	1.30	3.54	(1.64)	1.88	3.96	6.48
Ranking vs. Callan Core Open End RE	92	28	53	42	48	34
Kayne Anderson Core Real Estate	**1.43**	**--**	**--**	**--**	**--**	**--**
NFI-ODCE Equal Wt Net Index	1.30	3.54	(1.64)	1.88	3.96	6.48
Ranking vs. Callan Core Open End RE	22	--	--	--	--	--
625 Kings Court	**2.49**	**9.28**	**10.79**	**3.10**	**11.40**	**11.79**
MCERA- Infrastructure	**2.99**	**10.94**	**9.99**	**10.02**	**--**	**--**
IFM Global Infrastructure	3.72	10.75	8.82	--	--	--
JP Morgan Infrastructure	2.29	11.19	11.15	10.71	--	--
NFI-ODCE Equal Wt Net Index	1.30	3.54	(1.64)	1.88	3.96	6.48
US DOL:CPI All Urban Cons	1.13	3.53	3.06	4.21	3.32	2.65

Returns and Rankings for Calendar Years

	2025	2024	2023	2022	2021	2020
MCERA-Real Estate Funds	**4.75**	**0.47**	**(18.33)**	**4.98**	**22.04**	**0.54**
Real Estate Custom Benchmark	2.93	(2.43)	(13.33)	7.56	21.88	0.75
Barings Core Property Fund	**4.38**	**1.23**	**(21.51)**	**2.21**	**18.98**	**(0.32)**
NFI-ODCE Equal Wt Net Index	2.93	(2.43)	(13.33)	7.56	21.88	0.75
Ranking vs Callan Core Open End RE	43	23	89	92	70	78
RREEF Private Fund	**4.59**	**(0.41)**	**(15.41)**	**7.65**	**23.88**	**1.12**
NFI-ODCE Equal Wt Net Index	2.93	(2.43)	(13.33)	7.56	21.88	0.75
Ranking vs. Callan Core Open End RE	34	41	71	60	33	57
625 Kings Court	**18.49**	**6.90**	**(18.69)**	**5.29**	**44.26**	**5.27**
MCERA- Infrastructure	**11.05**	**8.67**	**9.87**	**9.27**	**--**	**--**
IFM Global Infrastructure	11.27	6.24	8.71	8.17	--	--
JP Morgan Infrastructure	10.83	11.09	11.04	10.06	--	--
NFI-ODCE Equal Wt Net Index	2.93	(2.43)	(13.33)	7.56	21.88	0.75
US DOL:CPI All Urban Cons	2.68	2.89	3.35	6.45	7.04	1.36

Real Estate Custom Benchmark is 50% NAREIT Composite Index and 50% NFI-ODCE Equal Weight Net through 12/31/2011; 20% NAREIT Composite Index and 80% NFI-ODCE Equal Weight Net through 12/31/2016 and NFI-ODCE Equal Weight Net thereafter.

Manager Monitoring Summary

June 30, 2026

	Overall	Philosophy/ Process	Org/Team	Performance
Domestic Equity				
Vanguard S&P 500 Index	Green	Green	Green	Green
Fidelity Low Priced Stock	Green	Green	Green	Green
Janus Enterprise	Green	Green	Green	Green
Prudential Small Cap Value	Green	Green	Green	Green
AB US Small Growth	Green	Green	Green	Green
Non-US Equity				
SSGA World Dev ex-US	Green	Green	Green	Green
T. Rowe Price Intl Small Cap	Green	Green	Green	Green
Brandes Intl Small Cap	Green	Green	Green	Green
Artisan	Green	Green	Green	Green
NinetyOne	Green	Green	Green	Green
Fixed Income				
Dodge & Cox Income	Green	Green	Green	Green
PIMCO	Green	Green	Green	Green
Infrastructure				
IFM Global Infrastructure	Green	Green	Green	Green
JP Morgan Infrastructure	Green	Green	Green	Green
Real Estate				
RREEF America II	Green	Green	Green	Green
Barings Core Property Fund	Yellow	Green	Yellow	Yellow
Kayne Anderson	Blue	Green	Blue	Green

Legend:

Green	Blue	Yellow	Red
Within Expectations; no issues	*Notable Status; noteworthy item but no concerns*	*Cautionary Status; noteworthy item and monitoring closely*	*Under Review Status; noteworthy item with concerns*

Comments

- **Barings:** Co-PM Deb Schwarz left the firm at the end of June. Deb Schwarz and Chris Berry have been co-PMs since 2018 and have worked to reposition the fund over the last few years. Chris is now the sole PM; all others on the fund team are staying in place. Underperformance driven largely by write downs on four office assets in the portfolio. The Fund has made progress in reducing office exposure and cleaning up their debt stack. **MCERA is in process of replacing Barings with LaSalle.**

- Bridgepoint Group has agreed to acquire **Kayne Anderson Real Estate**, creating a $117 billion private markets platform with real estate as a new investment vertical. Kayne Anderson Real Estate is expected to continue operating independently under the Kayne Bridgepoint brand, with no planned changes to investment leadership, investment process, investment committees, or day-to-day decision making. While the announced governance structure and long-term retention incentives are supportive of continuity, the integration, governance, cultural fit, and retention of key investment professionals should be monitored as the transaction progresses. At this time, we do not believe the transaction warrants any action.

Appendix

Manager Monitoring Criteria

Noteworthy items may include but are not limited to:

Org/Team:

- Change in key decision maker or portfolio manager team
- New decision makers added/taken off portfolio management team; change of responsibilities
- Announced future investment team transitions
- Parent/ownership change; M&A activity
- C-suite and personnel turnover
- Declining assets under management impacting financial stability
- Reduction of head count or other cost saving measures
- Legal, compliance, or SEC violations and examinations
- New teams/strategies/offices added to the overall organization
- Change/reduction in central/dedicated analyst staff
- Additional responsibilities given to team members that take time away from portfolio management

Performance:

- Underperformance relative to the appropriate market index and/or peer group over a reasonable period
- Unexpected results given market conditions, and currently losing or at risk of losing clients/assets

Product/Philosophy/Process:

- Change of underlying process and/or implementation
- Performance pattern does not match philosophy/process/portfolio holdings
- Concerns with portfolio construction guidelines
- Investment Team cannot express a concise philosophy of what they are trying to accomplish/competitive advantage
- Notable strategy asset increase or decrease movements
- Notable changes to portfolio characteristics (number of securities, portfolio turnover, weighting scheme, duration, relative index sector/industry/country guidelines, etc.)
- Change in strategy/platform assets under management and client concentration
- Vehicle specific considerations (securities lending, liquidity, availability)
- Fees

Overall:

- Any of the criteria listed or combination thereof

● *Positive status; no issues* ● *Notable status; noteworthy item but no concerns* ● *Cautionary status; noteworthy item and monitoring closely*
● *Under Review status; noteworthy item with concerns*

MCERA Investment Beliefs

1. **Focus on the Long-Run**
   - MCERA is a long-term investor and holds a 50+ year investment horizon
   - Asset allocation decision is the single most important determinant of long-term investment returns
2. **Diversification Adds Value**
   - Diversification is prudent and provides value by reducing volatility
   - Lower investment volatility leads to more stable contribution rates
3. **Understand and Manage Risk**
   - Willing to accept risk that is understood for which they receive compensation
   - Seek to avoid risk that is not understood, or for which there is insufficient compensation
4. **Simple is Often Better**
   - Research has shown that complexity in the investment program often provides no net benefit to the plan
   - Avoid overly complex investment structure or vehicles
5. **Public Investment Markets are Largely Efficient**
   - Utilize index funds in efficient market segments
6. **Investment Costs Matter**
   - Evaluate value provided by various experts that require expenditure of funds
7. **Strong Governance is Vital**
   - Implement and maintain documented governance policies and monitor said policies

Work Plan

2026-2027 Fiduciary Calendar

Last Completed	A8:AC23A22A8:AB22A8A8:AB23	1Q26	2Q26	3Q26	4Q26	1Q27	2Q27	3Q27	4Q27
	Strategic Planning & Implementation								
Oct-23	Review Investment Policy Statement								
Jan-26	Capital Market Projections								
Feb-23	Asset Liablity Study								
Aug-22	Discusss Alternative Asset Classes								
Oct-23	Domestic Equity Structure								
Aug-24	International Equity Structure								
May-25	Real Assets Structure								
Feb-26	Fixed Income Structure								
Aug-25	Manager Searches (as needed)								
	Monitoring & Evaluation								
Mar-26	Quarterly Performance Reviews	4Q25	1Q26	2Q26	3Q26	4Q26	1Q27	2Q27	3Q27
Apr-26	Monthly "Flash" Report								
May-26	Ongoing Monitoring and Qualitative Review								
	Research & Education								
May-26	Research Papers and Publications								
Mar-26	"Callan College"								
Oct-25	Regional Workshops								
Apr-26	National Client Conference								

Callan Update

Published Research Highlights: 2Q26

Research Café: Portfolio Options for Nonprofits

Webinar: How the Pension Worm Has Turned: From Deficit to Surplus

Research Café: Blockchain Technology

New Feature: Callan EconIndicators

Recent Blog Posts

Big Changes After the 2026 Russell Reconstitution

Nicole Wubbena

The Evolution of the Repurchase Agreement Market: Traditional vs. Tokenized Repo

Bo Abesamis III

Mega-IPOs Are Changing Index Rules: Will Your 401(k) Feel It?

David Wang

Additional Reading

Active vs. Passive quarterly charts

Capital Markets Review quarterly newsletter

Monthly Updates to the Periodic Table

Market Pulse Flipbook quarterly markets update

Market Intelligence (clients-only)

Real Estate Indicators market outlook

Callan Institute Events

Upcoming conferences, workshops, and webinars

2027 National Conference

Our annual conference, which will take place on April 4-6, 2027, will feature a diverse speaker line-up covering topics including geopolitics, the economy/capital markets, and other educational areas. There will also be Callan-led workshops and a Market Intel "Live" session led by senior Callan consultants and research specialists.

Stay tuned for invitations for this event in early 2027!

Mark Your Calendar

2026 Regional Workshops

October 20, 2026 – Atlanta

October 22, 2026 – San Francisco

2026 Virtual "Callan College" for Institutional Investors

September 22-23, 2026 – Virtual

Watch your email for further details and an invitation.

Upcoming Webinars

August 25, 2026

Research Café: Affordable Housing

October 23, 2026

3Q Market Intel Webinar

Callan On-Demand Education (CODE)

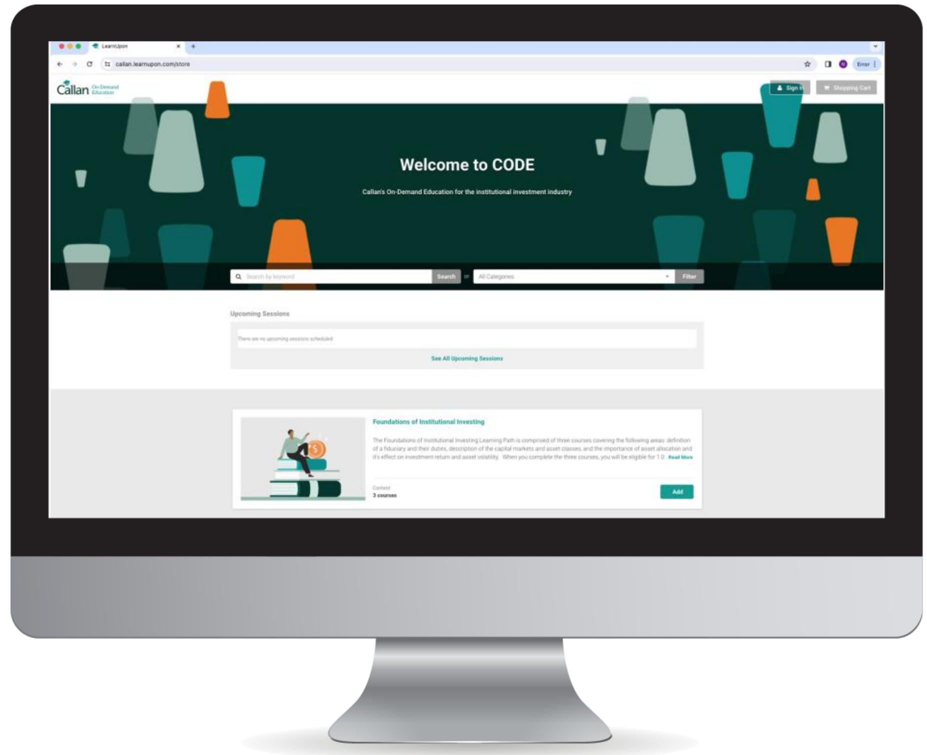
Callan On-Demand Education

- ▶ Variety of educational courses
- ▶ Interactive and engaging
- ▶ Self-guided modules
- ▶ Eligible for continuing education credits
- ▶ Learning at your own pace

CODE courses are designed for investment professionals of all levels—and they're self-guided. Access them anytime, from anywhere, and get continuing education credits for each completed course.

CODE is for you, your colleagues, your new hires, and your interns. It's for anyone interested in learning about institutional investing.

callan.learnupon.com



3 Reasons to Take CODE Courses

1. Become a better fiduciary
2. Earn Continuing Education Credits
3. Learn from Callan's investment experts

Callan Updates

Firm updates by the numbers, as of June 30, 2026

Total Associates: ~200

Company Ownership:

- 100% employee ownership
- ~70% of employees are equity owners
- No outside ownership interests allow us to stay 100% focused on our core business: consulting

Total Investment Consultants: 50+

Total Specialty and Research Consultants: 65+

Total CFA/CAIA/FRMs: 60+

Total Institutional Investor Client Funds: 475+

Provides advisory services to institutional investor/asset owner clients with more than $4+ trillion

"Callan's AI philosophy is simple: encourage broad experimentation, let people use AI wherever it appears useful, see what actually improves our work, and then take the best recurring use cases and build them into enterprise tools, workflows, or agents… AI is not replacing investment judgment, legal judgment, or client judgment."

— Greg Allen, CEO & Chief Research Officer in his recent blog post, *How Callan Is—and Is Not—Using AI Tools*

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Important Disclosures (continued)

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