

August 24,
2023

Alternative Investment Performance Merced County Employees' Retirement Association



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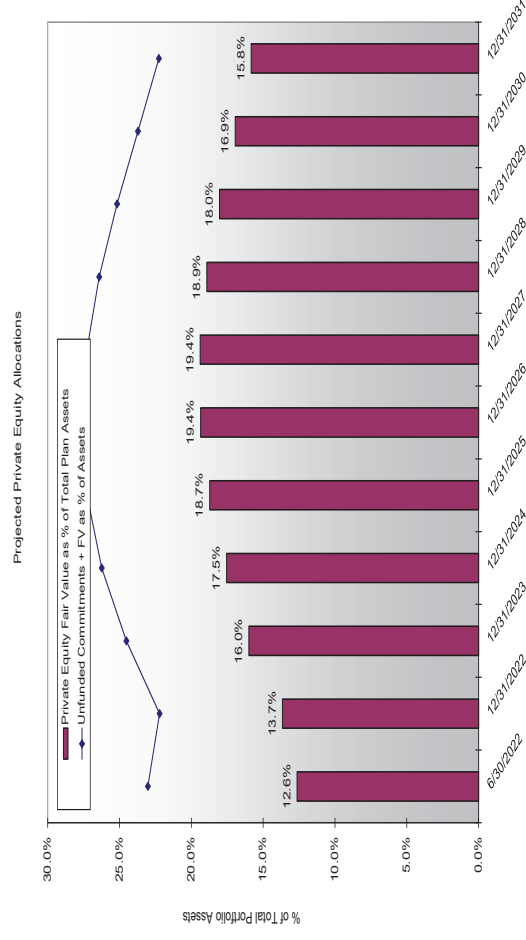
MercedCERA Private Equity Capital Budget & Implementation Plan



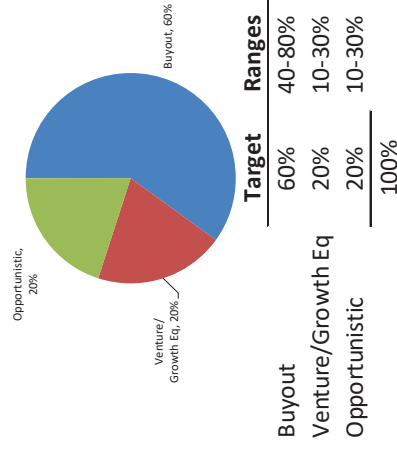
- 15% fund level target; an increase from 9% in 2018
- Annual capital budget target of \$50 mm
 - Range of \$35-\$65 million
- Target 5-10 investments, range of \$5-\$15 million per inv; average size of \$7 million per
- Actual exposure is higher than projections due to public market declines
- Targets for strategy exposures remain the same
- Update capital budgets on an annual basis

Performance comparisons:

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



Target Strategy Diversification



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

MercedCERA Private Equity Investment Structure & Portfolio Assessment

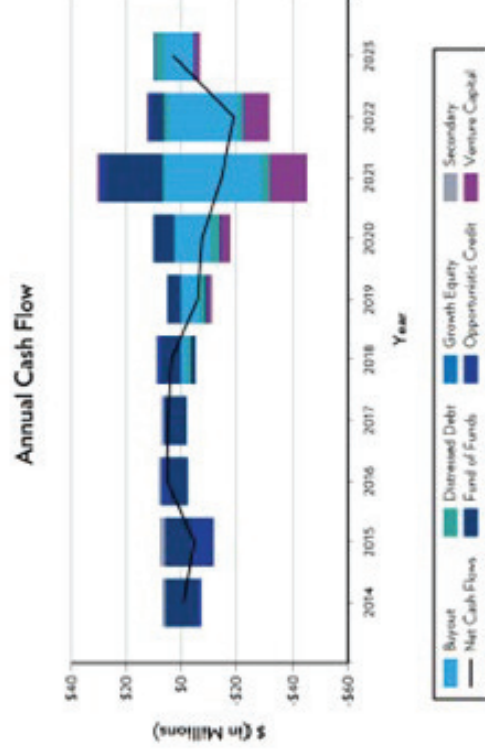


Investment structure (15% fund target; 13.5% invested as of May 2023):

- Legacy FoFs are winding down and the direct portfolio is beginning to mature
 - Overall portfolio is improving; VY 2014 & earlier funds are mature with the funds in VY 2017-2023 developing their portfolios
 - There were annual gains of \$2 million, including a \$1 million gain in 1Q; contributions exceed distributions by \$12 million as the newer portfolios are being built and the exit market has slowed
 - Portfolio is diversified by strategy but overall it is in a negative cash flow situation

Annual Summary

(in thousands)	Total Partnerships	Total Commitment	(A) Contributions	(B) Distributions	(C) Fair Value	(B+C) Total Value	(B+C-A) Gain Loss	Net IRR	Benchmark
March 31, 2022	50	\$264,697	\$145,743	\$104,580	\$131,006	\$235,585	\$89,843	12.41%	13.19%
March 31, 2023	56	\$303,893	\$177,729	\$124,537	\$144,809	\$269,346	\$91,617	11.49%	12.24%
Annual Change	4	\$39,196	\$31,986	\$19,957	\$13,803	\$33,761	\$1,774		



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

MercedCERA Private Equity Performance – as of Mar 31, 2023



Partnership Name	Strategy	(A)		(B)		(C)		(D)	(C+D)	(C+D-B)	IRR	Bench.	TVPI
		Commit. Amount	Unfund. Amount	Unfund. Cont.	Cumulat. Drawn	Cumulat. Dist.	Fair Value						
Vintage Year 2004													
* Invesco Partnership Fund IV, L.P.	Fund of Funds	10,000	2,417	7,898	76%	16,233	0	16,233	8,336	11.75%	7.68%	2.06x	
Vintage Year 2004 Total		10,000	2,417	7,898	76%	16,233	0	16,233	8,336	11.75%	8.15%	2.06x	
Vintage Year 2005													
ASP 2005 Non-US Fund	Fund of Funds	1,500	74	1,426	95%	1,873	57	1,930	504	4.53%	4.58%	1.35x	
ASP 2005 US Fund	Fund of Funds	3,500	177	3,323	95%	5,251	93	5,345	2,021	7.10%	7.64%	1.61x	
Pantheon Ventures Euro Fund IV	Fund of Funds	1,087	46	1,284	96%	1,641	27	1,668	384	4.55%	4.58%	1.30x	
Pantheon Ventures USA Fund VI	Fund of Funds	3,750	206	3,544	95%	5,329	36	5,365	1,821	6.44%	7.64%	1.51x	
Vintage Year 2005 Total		9,837	504	9,576	95%	14,093	214	14,307	4,730	6.19%	7.37%	1.49x	
Vintage Year 2006													
Pantheon Global Secondary Fund III "B"	Secondary	10,000	540	9,460	95%	10,400	111	10,511	1,051	1.88%	N/A	1.11x	
Vintage Year 2006 Total		10,000	540	9,460	95%	10,400	111	10,511	1,051	1.88%	7.30%	1.11x	
Vintage Year 2007													
ASP 2007 Direct Fund	Fund of Funds	450	12	438	97%	963	111	1,074	635	11.80%	11.70%	2.45x	
ASP 2007 Non-US Fund	Fund of Funds	1,575	78	1,497	95%	2,217	276	2,494	997	7.97%	7.54%	1.67x	
ASP 2007 US Fund	Fund of Funds	2,475	115	2,360	95%	4,438	463	4,901	2,541	12.38%	11.70%	2.08x	
Vintage Year 2007 Total		4,500	205	4,295	95%	7,618	851	8,469	4,174	10.90%	9.10%	1.97x	
Vintage Year 2011													
ASP 2011 Direct Fund	Fund of Funds	500	37	463	93%	691	232	923	460	13.45%	20.33%	1.99x	
ASP 2011 Emerging Markets Fund	Fund of Funds	500	64	436	87%	505	506	1,011	575	13.01%	9.60%	2.32x	
ASP 2011 Non-US Developed Fund	Fund of Funds	1,500	239	1,261	84%	1,795	797	2,592	1,332	14.14%	9.60%	2.06x	
ASP 2011 US Fund	Fund of Funds	2,500	326	2,175	87%	3,634	1,746	5,380	3,206	16.92%	20.33%	2.47x	
Pantheon Asia Fund VI	Fund of Funds	1,000	71	930	93%	944	666	1,610	680	9.49%	9.60%	1.73x	
Pantheon Euro Fund VII	Fund of Funds	1,516	182	1,513	88%	2,056	927	2,983	1,470	12.18%	9.60%	1.97x	
Pantheon Ventures USA Fund IX	Fund of Funds	2,000	186	1,814	91%	2,947	1,510	4,457	2,643	16.16%	20.33%	2.46x	
Vintage Year 2011 Total		9,516	1,106	8,591	88%	12,573	6,383	18,956	10,365	14.41%	12.23%	2.21x	
Vintage Year 2013													
Invesco Partnership Fund VI, L.P.	Fund of Funds	5,000	1,548	3,958	69%	13,474	769	14,243	10,285	23.55%	20.15%	3.60x	
Vintage Year 2013 Total		5,000	1,548	3,958	69%	13,474	769	14,243	10,285	23.55%	13.38%	3.60x	
Vintage Year 2014													
Ocean Avenue Fund II	Fund of Funds	10,000	1,000	9,000	90%	14,673	8,763	23,435	14,435	20.28%	19.69%	2.60x	
* Raven Asset-Based Opportunity Fund II	Opportunistic Credit	10,000	474	9,526	95%	9,739	0	9,739	213	0.58%	8.24%	1.02x	
Vintage Year 2014 Total		20,000	1,474	18,526	93%	24,411	8,763	33,174	14,648	12.82%	16.25%	1.79x	

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

MercedCERA Private Equity Performance – as of Mar 31, 2023



Partnership Name	Strategy	(A) Commit. Amount	Unfund. Amount	(B) Cumulat. Cont.	% Drawn	(C) Cumulat. Dist.	(D) Fair Value	(C+D) Total Value	(C+D-B) Gain/Loss	Net IRR	IRR Bench.	TVPI
Vintage Year 2017												
GTCR XII	Buyout	5,000	911	4,089	82%	2,141	5,339	7,480	3,391	25.39%	23.21%	1.83x
Vintage Year 2017 Total		5,000	911	4,089	82%	2,141	5,339	7,480	3,391	25.39%	20.22%	1.83x
Vintage Year 2018												
Carrick Capital Partners III, L.P.	Buyout	5,000	235	4,765	95%	581	6,284	6,865	2,101	15.73%	21.38%	1.44x
Cressey & Company Fund VI LP	Buyout	5,000	1,325	3,926	74%	1,885	4,522	6,407	2,481	24.88%	21.38%	1.63x
Davidson Kempner Long-Distressed Debt		5,000	343	4,743	93%	5,257	3,373	8,630	3,887	17.87%	14.38%	1.82x
Term Distressed Opportunities Fund IV LP		15,000	1,903	13,433	87%	7,723	14,179	21,902	8,469	18.75%	19.43%	1.63x
Vintage Year 2019												
Accel-KKR Growth Capital Partners III	Buyout	5,000	693	4,307	86%	809	4,502	5,312	1,005	10.75%	20.83%	1.23x
Cortec Group Fund VII, L.P.	Buyout	10,000	1,255	11,166	87%	7,672	8,438	16,110	4,944	27.41%	20.83%	1.44x
Genstar Capital Partners IX, L.P.	Buyout	7,000	1,102	6,662	84%	3,006	9,424	12,430	5,768	34.90%	20.83%	1.87x
Summit Partners Growth X-A, L.P.	Buyout	8,000	2,450	7,313	69%	1,762	8,106	9,868	2,555	20.60%	20.83%	1.35x
TCV X, L.P.	Venture Capital	5,000	1,247	3,753	75%	459	6,678	7,136	3,383	23.97%	18.11%	1.90x
Vintage Year 2019 Total		35,000	6,748	33,200	81%	13,708	37,147	50,855	17,655	25.10%	18.40%	1.53x
Vintage Year 2020												
Accel-KKR Capital Partners VI, LP	Buyout	5,000	2,107	2,893	58%	0	2,893	2,893	0	0.00%	17.36%	1.00x
GTCR Fund XIII/A & B LP	Buyout	8,000	3,908	4,092	51%	872	3,881	4,752	661	N/M	N/M	1.16x
Marlin Heritage Europe II, L.P.	Buyout	7,607	2,405	4,546	68%	220	6,433	6,654	2,107	30.00%	18.21%	1.46x
Thoma Bravo Discover Fund III, L.P.	Buyout	8,000	604	7,396	92%	0	8,076	8,076	680	N/M	N/M	1.09x
Taconic Market Dislocation Fund III L.P.	Distressed Debt	8,000	1,950	6,291	76%	237	7,314	7,551	1,260	11.66%	12.91%	1.20x
Spark Capital Growth Fund III, L.P.	Venture Capital	6,000	0	6,000	100%	791	9,046	9,837	3,837	31.22%	12.80%	1.64x
Spark Capital VI, L.P.	Venture Capital	3,000	735	2,265	76%	0	2,356	2,356	91	2.18%	12.80%	1.04x
Summit Partners Venture V-A, L.P.	Venture Capital	6,000	2,782	3,218	54%	0	3,155	3,155	-62	N/M	N/M	0.98x
Vintage Year 2020 Total		51,607	14,492	36,700	72%	2,120	43,155	45,275	8,574	15.72%	13.61%	1.23x

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

MercedCERA Private Equity Performance – as of Mar 31, 2023



Partnership Name	Strategy	(A) Commit. Amount	(B) Unfund. Amount	(B) Cumulat. Cont.	(B) % Drawn	(C) Cumulat. Dist.	(D) Fair Value	(C+D) Total Value	(C+D-B) Gain/Loss	Net IRR	IRR Bench.	TVPI
Vintage Year 2021												
Genstar Capital Partners X, L.P.	Buyout	8,000	3,459	4,541	57%	0	4,801	4,801	260	N/M	N/M	1.06x
Nautic Partners X, L.P.	Buyout	8,000	5,351	2,692	33%	43	2,785	2,828	136	N/M	N/M	1.05x
Summit Partners Growth E XI-A, L.P.	Buyout	8,000	6,543	1,457	18%	0	1,531	1,531	74	N/M	N/M	1.05x
Khosia Ventures Seed E, L.P.	Venture Capital	2,000	690	1,310	66%	0	1,711	1,711	401	27.60%	-1.43%	1.31x
Khosia Ventures VII, L.P.	Venture Capital	6,000	2,100	3,900	65%	0	4,397	4,397	497	9.79%	-1.43%	1.13x
TCV Velocity Fund I, L.P.	Venture Capital	8,000	5,802	2,198	27%	0	1,821	1,821	-377	N/M	N/M	0.83x
TCV XI, L.P.	Venture Capital	8,000	3,905	4,095	51%	0	3,720	3,720	-375	-6.66%	-1.43%	0.91x
Vintage Year 2021 Total		48,000	27,851	20,192	42%	43	20,765	20,808	616	3.27%	0.14%	1.03x
Vintage Year 2022												
Accel-KKR Growth Capital Partners IV	Buyout	5,000	3,753	1,247	25%	0	1,152	1,152	-95	N/M	N/M	0.92x
Marlin Heritage III, L.P.	Buyout	8,000	7,827	173	2%	0	76	76	-97	N/M	N/M	0.44x
Thoma Bravo Discover Fund IV, L.P.	Buyout	8,000	5,340	2,660	33%	0	2,746	2,746	86	N/M	N/M	1.03x
GTCR Strategic Growth Fund I/A&B LP	Growth Equity	6,000	5,335	665	11%	0	498	498	-167	N/M	N/M	0.75x
Spark Capital Growth Fund IV, L.P.	Venture Capital	6,000	4,440	1,560	26%	0	1,358	1,358	-202	N/M	N/M	0.87x
Spark Capital VII, L.P.	Venture Capital	3,000	2,040	960	32%	0	871	871	-89	N/M	N/M	0.91x
Threshold Ventures IV, L.P.	Venture Capital	5,000	4,455	545	11%	0	443	443	-102	N/M	N/M	0.81x
Vintage Year 2022 Total		41,000	33,190	7,810	19%	0	7,144	7,144	-666	N/M	N/M	0.91x
Vintage Year 2023												
Accel-KKR Capital Partners VII LP	Buyout	8,000	8,000	0	0%	0	0	0	0	N/M	N/M	N/A
Cortec Group Fund VIII, L.P.	Buyout	10,000	10,000	0	0%	0	-11	-11	-11	N/M	N/M	N/A
GTCR XIV/A & B LP	Buyout	8,000	8,000	0	0%	0	0	0	0	N/M	N/M	N/A
Summit Partners Europe IV	Growth Equity	5,433	5,433	0	0%	0	0	0	0	N/M	N/M	N/A
Khosia Ventures Seed F, L.P.	Venture Capital	2,000	2,000	0	0%	0	0	0	0	N/M	N/M	N/A
Khosia Ventures VIII	Venture Capital	6,000	6,000	0	0%	0	0	0	0	N/M	N/M	N/A
Vintage Year 2023 Total		39,433	39,433	0	0%	0	-11	-11	-11	N/M	N/M	N/A
Portfolio Total :		303,893	132,322	177,729	56%	124,537	144,809	269,346	91,617	11.49%	12.24%	1.52x

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

MercedCERA Private Equity Performance – as of Mar 31, 2023



	(A) Commit. Amount	Unfund. Amount	(B) Cumulat. Cont.	% Drawn	(C) Cumulat. Dist.	(D) Fair Value	(C+D) Total Value	(C+D-B) Gain/Loss	Net IRR	IRR Bench.	TVPI
Totals	144,607	75,269	73,923	48%	18,992	80,977	99,968	26,046	21.35%		1.35x
Buyout	13,000	2,293	11,034	82%	5,494	10,687	16,181	5,147	16.02%		1.47x
Fund of Funds	48,853	6,780	43,319	86%	78,663	16,980	95,643	52,325	12.33%		2.21x
Growth Equity	11,433	10,769	665	6%	0	498	498	-167	N/M		0.75x
Opportunistic Credit	10,000	474	9,526	95%	9,739	0	9,739	213	0.58%		1.02x
Secondary	10,000	540	9,460	95%	10,400	111	10,511	1,051	1.88%		1.11x
Venture Capital	66,000	36,197	29,803	45%	1,250	35,556	36,806	7,003	14.63%		1.23x
Portfolio Total :	303,893	132,322	177,729	56%	124,537	144,809	269,346	91,617	11.49%	12.24%	1.52x

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

MercedCERA Real Estate Capital Budget & Implementation Plan



8% fund level target; same as prior target

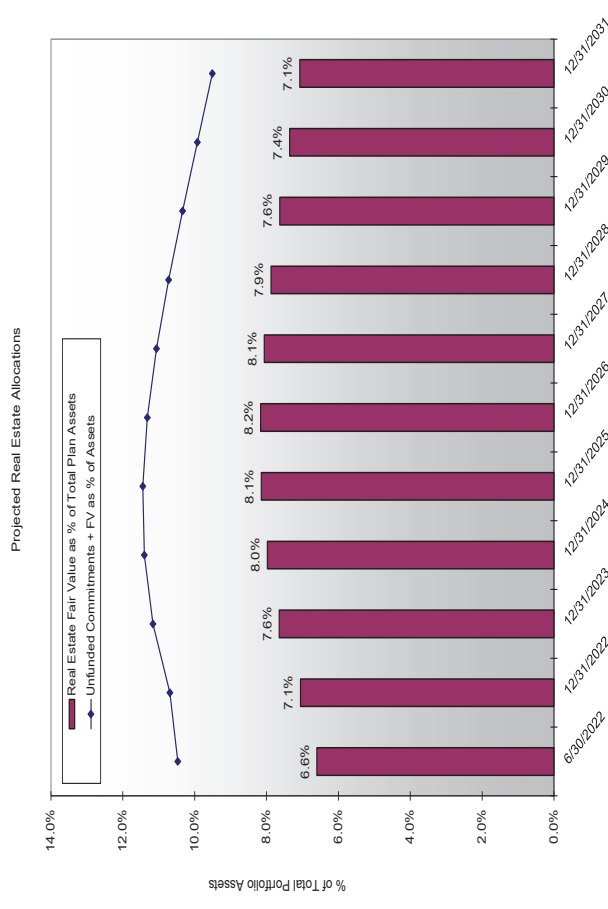
- Keep annual capital budget at \$20 million
 - Range of \$10-\$30 million
- Target 2-4 investments, range of \$5-\$10 million per inv
 - Average investment size of \$8 million
- If an average of 2-4 GP partnership commitments per year, expect a total of 8-16 GP relationships over a 4 year fund raising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

Performance comparisons:

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

Real Estate Index

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



MercedCERA Real Estate Investment Structure & Portfolio Assessment

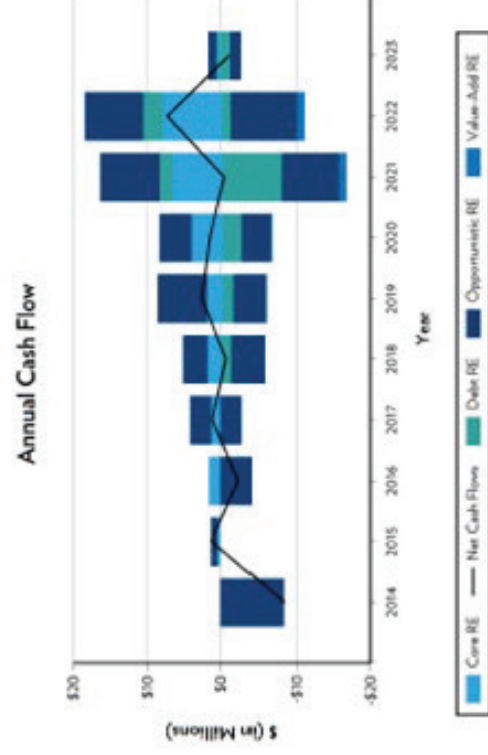


Real estate investment structure (8% target, 7.7% actual as of May 2023)

- MCERA invested in 1999 in a private core real estate fund; direct program began in 2014
- Distributions exceed contributions by \$2 million over the past year; Valuation decreased by \$2 million over the past year with almost all of the markdowns in the past quarter

Annual Summary

(in thousands)	Total Partnerships	Total Commitment	(A) Contributions	(B) Distributions	(C) Fair Value	(B+C) Total Value	(B+C-A) Gain Loss	Net IRR	Benchmark
March 31, 2022	13	\$107,232	\$69,159	\$67,014	\$71,640	\$138,655	\$69,496	9.09%	9.04%
March 31, 2023	14	\$114,932	\$80,687	\$80,984	\$67,273	\$148,256	\$67,569	8.68%	8.58%
Annual Change	1	\$7,700	\$11,528	\$13,970	-\$4,367	\$9,601	-\$1,927		



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

MercedCERA Real Estate Performance – as of Mar 31, 2023



Real Estate Portfolio

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

Partnership Name	Strategy	(A)		(B)		(C)		(D)	(C+D)	(C+D-B)	Net IRR	IRR Bench.	TVPI
		Committ. Amount	Unfund. Amount	Unfund. Cont.	Cumulat. Cont.	% Drawn	Cumulat. Dist.						
Vintage Year 1999													
UBS Trumbull Property Fund	Core RE	17,000	0	18,501	100%	41,650	100%	25,819	67,469	48,968	8.32%	10.20%	3.65x
Vintage Year 1999 Total		17,000	0	18,501	100%	41,650	100%	25,819	67,469	48,968	8.32%	12.95%	3.65x
Vintage Year 2014													
Greenfield Acquisition Partners VII, L.P.	Opportunistic RE	13,000	1,876	12,662	86%	20,626	86%	1,169	21,795	9,133	13.21%	10.84%	1.72x
Vintage Year 2014 Total		13,000	1,876	12,662	86%	20,626	86%	1,169	21,795	9,133	13.21%	9.69%	1.72x
Vintage Year 2016													
Patron Capital Fund V	Opportunistic RE	12,932	1,869	11,658	86%	7,674	86%	6,446	14,121	2,462	7.10%	7.71%	1.21x
Vintage Year 2016 Total		12,932	1,869	11,658	86%	7,674	86%	6,446	14,121	2,462	7.10%	10.75%	1.21x
Vintage Year 2017													
Carlyle Realty Partners VIII, L.P.	Opportunistic RE	5,000	3,207	4,252	36%	3,398	36%	2,811	6,209	1,957	25.77%	13.03%	1.46x
Vintage Year 2017 Total		5,000	3,207	4,252	36%	3,398	36%	2,811	6,209	1,957	25.77%	9.75%	1.46x
Vintage Year 2018													
Taconic CRE Dislocation Fund II	Debt RE	5,000	550	4,709	89%	3,282	89%	3,044	6,326	1,617	11.77%	14.02%	1.34x
AG Realty Value Fund X, L.P.	Opportunistic RE	5,000	1,344	4,600	73%	2,336	73%	3,749	6,086	1,486	16.73%	21.29%	1.32x
Vintage Year 2018 Total		10,000	1,894	9,309	81%	5,619	81%	6,793	12,412	3,103	13.63%	12.14%	1.33x
Vintage Year 2019													
Rockpoint Real Estate Fund VI, L.P.	Opportunistic RE	5,000	1,190	4,002	76%	556	76%	4,245	4,801	799	12.91%	16.97%	1.20x
Carmel Partners Investment Fund VII, L.P.	Value-Add RE	5,000	2,604	2,416	48%	20	48%	2,390	2,410	-6	-0.17%	7.11%	1.00x
Vintage Year 2019 Total		10,000	3,794	6,418	62%	576	62%	6,635	7,211	793	7.93%	10.32%	1.12x
Vintage Year 2020													
Cerberus Real Estate Debt Fund, L.P.	Debt RE	7,000	2,440	4,555	65%	0	65%	5,186	5,186	631	7.59%	11.51%	1.14x
Starwood Distressed Opp Fund XII	Opportunistic RE	8,000	6,400	1,600	20%	2	20%	1,799	1,801	201	N/M	N/M	1.13x
Vintage Year 2020 Total		15,000	8,840	6,155	41%	2	41%	6,984	6,987	832	8.24%	11.06%	1.14x
Vintage Year 2021													
Taconic CRE Dislocation Fund III L.P.	Debt RE	8,000	3,280	6,018	59%	1,438	59%	5,026	6,464	447	N/M	N/M	1.07x
Carlyle Realty Partners IX, L.P.	Opportunistic RE	8,000	7,520	480	6%	0	6%	228	228	-252	N/M	N/M	0.48x
Carmel Partners Investment Fund VIII, L.P.	Opportunistic RE	8,000	5,169	2,832	35%	0	35%	2,650	2,650	-182	N/M	N/M	0.94x
Vintage Year 2021 Total		24,000	15,968	9,331	33%	1,438	33%	7,905	9,343	12	N/M	N/M	1.00x
Vintage Year 2022													
Rockpoint Real Estate Fund VII, L.P.	Opportunistic RE	8,000	5,587	2,401	30%	0	30%	2,711	2,711	309	N/M	N/M	1.13x
Vintage Year 2022 Total		8,000	5,587	2,401	30%	0	30%	2,711	2,711	309	N/M	N/M	1.13x
Portfolio Total:		114,932	43,035	80,687	63%	80,984	63%	67,273	148,256	67,569	8.68%	8.58%	1.84x

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

MercedCERA Real Asset Capital Budget & Implementation Plan



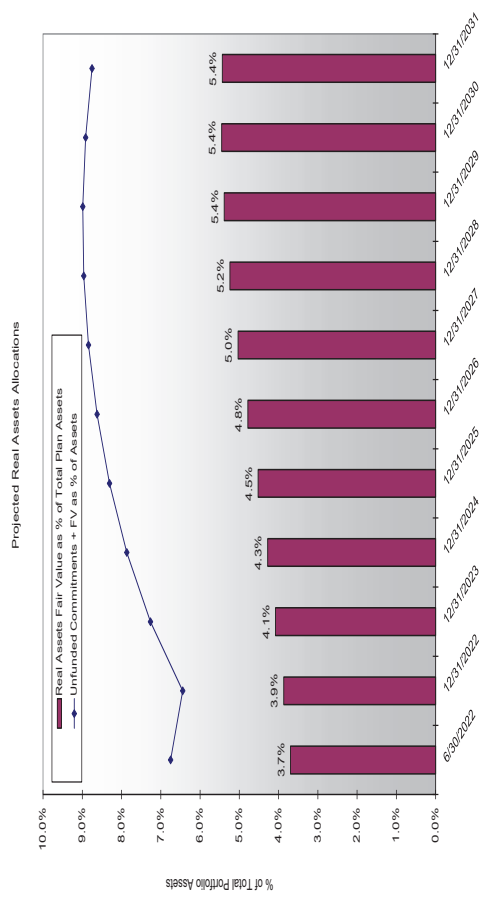
5% fund level target; a decrease from the prior 6% target in 2018

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

Performance comparisons:

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

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



MercedCERA Real Assets Investment Structure & Portfolio Assessment

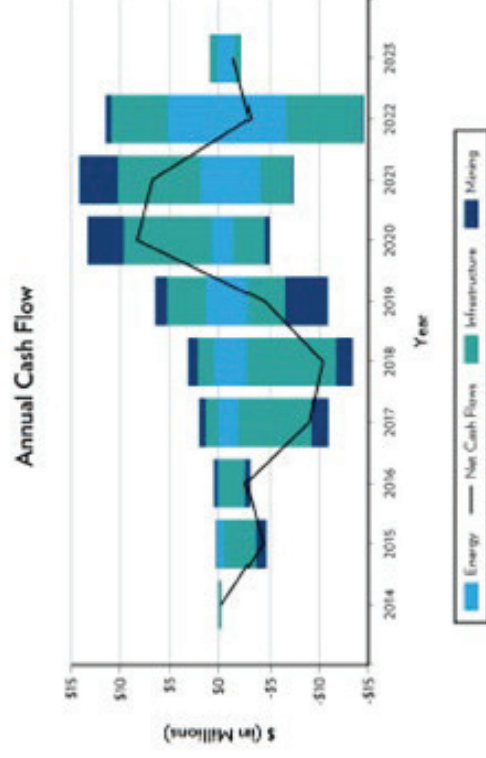


Real assets investment structure (5% target, 5.6% actual as of May 2023)

- Program is designed to be equally divided between private infrastructure and natural resource funds along with a public real asset component
 - Private fund commitments began in 2014 to infrastructure and 2015 to natural resources
- The majority of the portfolio is in development, but there were annual gains of \$6 million with \$2 million in 1Q
 - Contributions exceeded distributions by \$3 million as the older infrastructure funds continue to return capital

Annual Summary

(in thousands)	Total Partnerships	Total Commitment	(A) Contributions	(B) Distributions	(C) Fair Value	(B+C) Total Value	(B+C-A) Gain Loss	Net IRR	Benchmark
March 31, 2022	14	\$83,381	\$59,354	\$42,392	\$36,738	\$79,130	\$19,776	12.80%	4.97%
March 31, 2023	16	\$101,271	\$72,563	\$52,048	\$46,386	\$98,434	\$25,871	13.20%	4.24%
Annual Change	2	\$17,890	\$13,209	\$9,656	\$9,648	\$19,304	\$6,095		



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

MercedCERA Real Assets Performance – as of Mar 31, 2023



Real Asset Portfolio

- MCERA began allocating to real assets in 2014 via direct fund commitments
- Portfolio is in its development stage; the energy funds have improved in value as energy prices have risen; the VY 2017-23 funds are maturing/being built out

Partnership Name	Strategy	(A)		(B)		(C)		(D)	(C+D)	(C+D-B)	Net IRR	IRR	Bench.	TVPI
		Commit. Amount	Unfund. Amount	Cumulat. Cont.	% Drawn	Cumulat. Dist.	Fair Value							
Vintage Year 2014														
KKR Global Infrastructure II	Infrastructure	10,000	423	11,138	96%	14,940	5,159	20,099	8,961	17.15%	10.89%	1.80x		
Vintage Year 2014 Total		10,000	423	11,138	96%	14,940	5,159	20,099	8,961	17.15%		1.80x		
Vintage Year 2015														
GSO Energy Select Opportunities Fund	Energy	7,500	3,454	4,501	54%	5,220	1,199	6,419	1,918	9.97%	9.65%	1.43x		
North Haven Infrastructure Partners II LP	Infrastructure	10,000	1,161	11,601	88%	12,861	2,736	15,597	3,996	9.82%	9.86%	1.34x		
Taurus Mining Finance Fund	Mining	5,000	522	5,355	90%	5,854	406	6,260	905	8.13%	N/A	1.17x		
Vintage Year 2015 Total		22,500	5,136	21,458	77%	23,936	4,341	28,276	6,819	9.59%		1.32x		
Vintage Year 2016														
Taurus Mining Finance Annex Fund	Mining	5,000	948	4,658	81%	5,743	204	5,947	1,289	17.72%	N/A	1.28x		
Vintage Year 2016 Total		5,000	948	4,658	81%	5,743	204	5,947	1,289	17.72%		1.28x		
Vintage Year 2017														
EnCap Energy Capital Fund XI, L.P.	Energy	5,000	821	4,313	84%	722	5,780	6,502	2,189	19.20%	14.69%	1.51x		
ISQ Global Infrastructure Fund II	Infrastructure	5,000	851	5,247	83%	1,845	5,379	7,224	1,978	13.57%	8.58%	1.38x		
Vintage Year 2017 Total		10,000	1,672	9,560	83%	2,567	11,159	13,726	4,167	16.03%		1.44x		
Vintage Year 2018														
EnCap Flatrock Midstream IV, L.P.	Energy	3,000	641	2,438	79%	781	2,090	2,871	433	8.04%	10.92%	1.18x		
Ardian Infrastructure Fund V	Infrastructure	4,771	1,479	3,298	69%	87	3,905	3,991	693	13.97%	10.06%	1.21x		
KKR Global Infrastructure Investors III	Infrastructure	5,000	854	4,512	83%	1,157	4,385	5,541	1,030	10.23%	10.06%	1.23x		
Vintage Year 2018 Total		12,771	2,973	10,248	77%	2,025	10,380	12,404	2,157	10.48%		1.21x		
Vintage Year 2019														
Global Energy & Power Infra III F, L.P.	Energy	5,000	869	4,464	83%	817	4,503	5,320	856	12.09%	20.42%	1.19x		
Tailwater Energy Fund IV, LP	Energy	5,000	2,086	3,725	58%	1,978	3,412	5,390	1,665	21.52%	20.86%	1.45x		
Vintage Year 2019 Total		10,000	2,955	8,189	70%	2,795	7,915	10,710	2,521	17.02%		1.31x		

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

MercedCERA Real Assets Performance – as of Mar 31, 2023



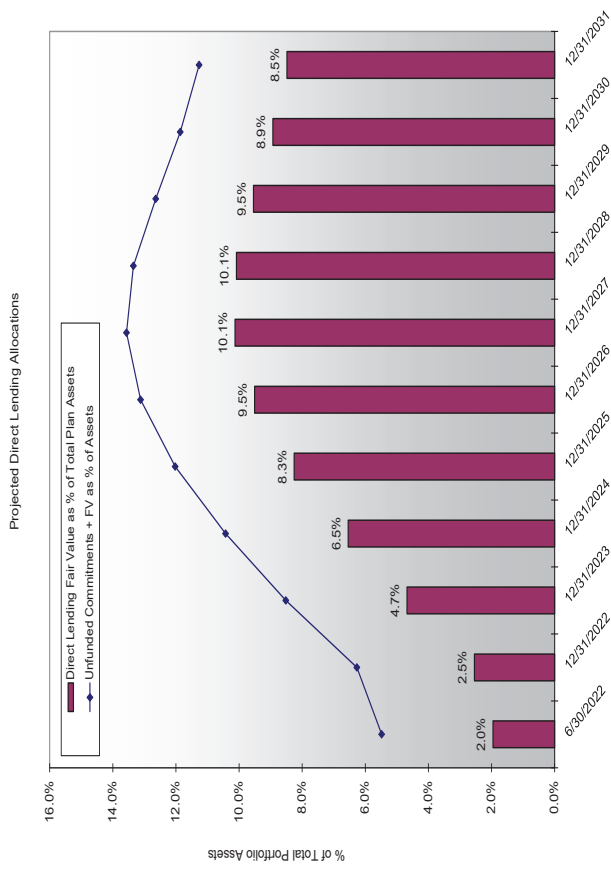
Partnership Name	Strategy	(A) Commit. Amount	Unfund. Amount	(B) Cumulat. Cont.	% Drawn	(C) Cumulat. Dist.	(D) Fair Value	(C+D) Total Value	(C+D-B) Gain/Loss	Net IRR	IRR Bench.	TVPI
Vintage Year 2021												
ISQ Global Infrastructure Fund III	Infrastructure	5,000	3,855	1,145	23%	1	1,194	1,194	49	N/M	N/M	1.04x
KKR Global Infrastructure Investors IV	Infrastructure	8,000	4,684	3,359	41%	42	3,381	3,424	65	N/M	N/M	1.02x
Vintage Year 2021 Total		13,000	8,539	4,504	34%	43	4,575	4,618	114	N/M	N/M	1.03x
Vintage Year 2022												
BlackRock Global Infrastructure IV D, L.P.	Energy	10,000	9,344	656	7%	0	540	540	-116	N/M	N/M	0.82x
Carnelian Energy Capital IV L.P.	Energy	8,000	5,847	2,153	27%	0	2,113	2,113	-39	N/M	N/M	0.98x
Vintage Year 2022 Total		18,000	15,191	2,809	16%	0	2,653	2,653	-156	N/M	N/M	0.94x
Portfolio Total :		101,271	37,837	72,563	63%	52,048	46,386	98,434	25,871	13.20%	4.24%	1.36x
Portfolio Strategy Totals												
Energy		43,500	23,061	22,250	47%	9,518	19,637	29,156	6,905	12.98%	N/M	1.31x
Infrastructure		47,771	13,306	40,299	72%	30,932	26,138	57,071	16,771	13.53%	N/M	1.42x
Mining		10,000	1,470	10,013	85%	11,598	610	12,208	2,194	11.76%	N/M	1.22x
Portfolio Total :		101,271	37,837	72,563	63%	52,048	46,386	98,434	25,871	13.20%	4.24%	1.36x

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

MercedCERA Direct Lending Capital Budget & Implementation Plan



- 5% fund level target approved in Oct 2021
 - Lower capital budget from \$40 mm to \$30 mm for 2023
 - Range of \$20-\$40 million
 - Target 2-4 investments, range of \$10-\$25 million per inv
 - Average investment size of \$15 million
 - Managers have been rapidly deploying capital and public markets have declined in value
- Performance comparisons:
- Recommended primary asset class benchmark: Morningstar LSTA US Leveraged Loan Index + 2% (formerly called S&P LSTA)



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

MercedCERA Direct Lending Investment Structure & Portfolio Assessment

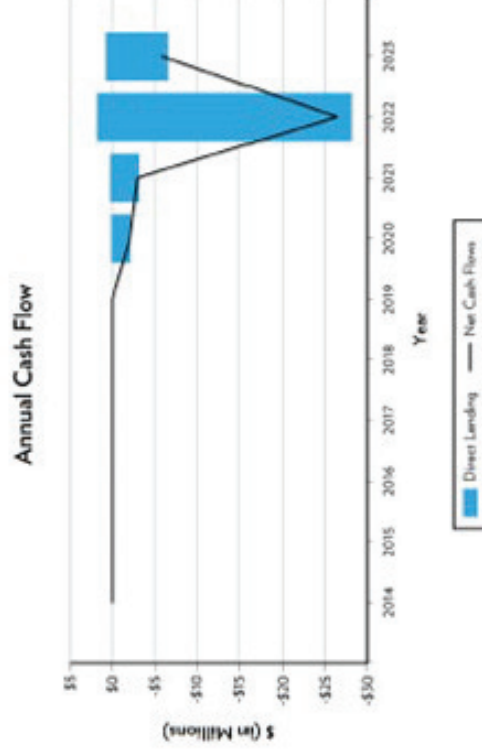


Direct Lending investment structure (5% target, 3.7% actual as of May 2023)

- Program was approved with the asset allocation in Oct 2021
- Silver Point was moved over from the PE portfolio and new commitments began at year end 2021
- The overall portfolio is immature with the funds in the early stage of development
 - Contributions exceed distributions by \$24 mm as the program is being built out; gains over the past year

Annual Summary

(in thousands)	Total Partnerships	Total Commitment	(A) Contributions	(B) Distributions	(C) Fair Value	(B+C) Total Value	(B+C-A) Gain Loss	Net IRR	Benchmark
March 31, 2022	3	\$48,000	\$13,986	\$537	\$14,321	\$14,858	\$873	N/M	N/M
March 31, 2023	8	\$118,000	\$40,192	\$2,874	\$40,550	\$43,423	\$3,231	9.60%	4.69%
Annual Change	5	\$70,000	\$26,206	\$2,337	\$26,229	\$28,565	\$2,358		



MercedCERA Direct Lending Performance – as of Mar 31, 2023



Direct Lending Portfolio

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

Partnership Name	Strategy	(A) Commit. Amount	Unfund. Amount	(B) Cumulat. Cont.	% Drawn	(C) Cumulat. Dist.	(D) Fair Value	(C+D) Total Value	(C+D-B) Gain/Loss	Net IRR	IRR Bench.	TVPI
Vintage Year 2019												
Silver Point Specialty Credit Fund II, L.P.	Direct Lending	8,000	1,211	6,594	85%	1,322	6,329	7,650	1,057	9.62%	4.53%	1.16x
Vintage Year 2019 Total		8,000	1,211	6,594	85%	1,322	6,329	7,650	1,057	9.62%		1.16x
Vintage Year 2021												
Ares Senior Direct Lending Fund II L.P.	Direct Lending	20,000	11,598	9,186	42%	784	9,263	10,047	861	N/M	N/M	1.09x
Varagon Capital Direct Lending Fund	Direct Lending	20,000	11,000	9,000	45%	372	8,657	9,030	30	N/M	N/M	1.00x
Vintage Year 2021 Total		40,000	22,598	18,186	44%	1,157	17,920	19,077	891	N/M		1.05x
Vintage Year 2022												
Accel-KKR Credit Partners II LP	Direct Lending	10,000	9,360	640	6%	0	833	833	193	N/M	N/M	1.30x
AG Direct Lending Fund IV Annex, L.P.	Direct Lending	10,000	500	9,535	95%	395	9,948	10,343	808	N/M	N/M	1.08x
AG Direct Lending Fund V	Direct Lending	10,000	5,750	4,250	43%	0	4,567	4,567	317	N/M	N/M	1.07x
Vintage Year 2022 Total		30,000	15,610	14,425	48%	395	15,348	15,744	1,319	N/M		1.09x
Vintage Year 2023												
Ares Capital Europe VI (D) Levered, L.P.	Direct Lending	20,000	20,000	0	0%	0	0	0	0	N/M	N/M	N/A
Silver Point Specialty Credit Fund III, L.P.	Direct Lending	20,000	19,012	988	5%	0	952	952	-36	N/M	N/M	0.96x
Vintage Year 2023 Total		40,000	39,012	988	2%	0	952	952	-36	N/M		0.96x
Portfolio Total :		118,000	78,432	40,192	34%	2,874	40,550	43,423	3,231	9.60%	4.69%	1.08x

Note: Benchmark is Morningstar LSTA.

MercedCERA Hedge Fund Performance – as of July 31, 2023



Fund	Market Value	Actual %	Jul	QTD	YTD	Returns 1 Year	3 Year	5 Year	Incep	Std Dev	Sharpe Ratio	Incep Date
Market Neutral												
Laurion Capital, Ltd.	13,340,461	11.8%	0.15%	0.15%	2.92%	3.57%	6.82%	10.37%	9.96%	12.37%	0.67	Jul-18
Market Neutral - HF Total	13,340,461	11.8%	0.15%	0.15%	2.92%	3.57%	4.05%	2.75%	3.31%	8.99%	0.19	Oct-17
HFRI Relative Value (Total) Index			0.87%	0.87%	3.42%	4.06%	5.61%	3.56%	3.68%	5.33%	0.34	Oct-17
Credit/Distressed												
Silver Point Capital Fund, L.P.	18,572,487	16.5%	-0.10%	-0.10%	3.82%	6.81%	14.73%	8.10%	8.10%	7.33%	0.82	Dec-17
Credit/Distressed - HF Total	18,572,487	16.5%	-0.10%	-0.10%	3.82%	6.81%	14.73%	8.10%	8.10%	7.33%	0.82	Dec-17
HFRI EDDistressed/Restructuring Index			1.21%	1.21%	3.50%	2.11%	9.53%	4.50%	4.93%	7.66%	0.41	Dec-17
Event Driven												
Taconic Opportunity Fund L.P.	13,827,984	12.3%	1.02%	1.02%	1.68%	0.09%	4.73%	-	2.94%	5.95%	0.20	Dec-18
Event Driven - HF Total	13,827,984	12.3%	1.02%	1.02%	1.68%	0.09%	4.73%	-	2.94%	5.95%	0.20	Dec-18
HFRI Event-Driven (Total) Index			2.58%	2.58%	5.10%	5.86%	8.87%	-	5.60%	9.19%	0.43	Dec-18
Equity Long/Short												
Archipelago Partners, L.P.	15,701,592	13.9%	0.68%	0.68%	7.60%	10.77%	7.67%	6.26%	6.43%	7.32%	0.63	Sep-17
Marshall Wace Funds LP - MW Eureka (US) Fund	4,482,556	4.0%	0.23%	0.23%	1.72%	4.16%	8.70%	7.11%	7.34%	5.84%	0.90	Dec-17
Marshall Wace Funds LP - MW Global Opportunities (US) Fund	10,741,735	9.5%	1.00%	1.00%	5.14%	9.85%	5.19%	-	5.45%	8.82%	0.45	Apr-20
Equity Long/Short - HF Total	30,925,883	27.5%	0.73%	0.73%	5.85%	9.44%	6.92%	5.51%	5.87%	6.92%	0.58	Sep-17
HFRI Equity Hedge (Total) Index			2.03%	2.03%	7.83%	7.44%	8.29%	5.79%	6.00%	10.03%	0.44	Sep-17
Global Macro-Discretionary												
Caxton Global Investments (USA) LLC	10,854,140	9.6%	0.64%	0.64%	-7.31%	-3.27%	-	-	3.71%	6.22%	0.21	May-21
Graham Absolute Return Trading Ltd.	9,743,148	8.6%	2.08%	2.08%	1.09%	5.18%	10.77%	6.29%	5.78%	8.87%	0.46	Sep-17
Global Macro-Discretionary - HF Total	20,597,289	18.3%	1.32%	1.32%	-3.52%	0.55%	9.11%	5.33%	4.97%	8.49%	0.38	Sep-17
HFRI Macro (Total) Index			0.47%	0.47%	-0.36%	0.87%	6.50%	5.13%	4.24%	5.15%	0.45	Sep-17
Multi-Strategy												
Hudson Bay Fund LP	15,129,278	13.4%	0.58%	0.58%	-	-	-	-	0.86%	0.73%	-	Jun-23
Sculptor Domestic Partners II, L.P.	264,914	0.2%	0.00%	0.00%	8.28%	6.82%	4.21%	6.05%	6.07%	7.28%	0.64	Jul-14
Multi-Strategy - HF Total	15,394,192	13.7%	0.44%	0.44%	7.63%	6.18%	4.00%	5.93%	6.00%	7.26%	0.64	Jul-14
HFRI Relative Value (Total) Index			0.87%	0.87%	3.42%	4.06%	5.61%	3.56%	3.52%	4.57%	0.45	Jul-14
MCERA Hedge Fund Portfolio	112,658,295	100.0%	0.62%	0.62%	3.09%	5.07%	7.47%	4.82%	4.63%	5.19%	0.61	Jul-14
Benchmarks												
HFRI Fund of Funds Composite Index			1.04%	1.04%	3.36%	3.99%	4.63%	3.50%	3.03%	5.07%	0.32	Jul-14
Market Indices												
SOFR 90 Day			0.42%	0.42%	2.67%	3.79%	1.35%	1.52%	-	-	-	Jul-14
ML 3-month T-Bills			0.40%	0.40%	2.66%	3.95%	1.40%	1.12%	1.12%	0.39%	-2.48	Jul-14
Bloomberg US Aggregate Bond Index			-0.07%	-0.07%	2.02%	-3.37%	-4.46%	0.75%	1.19%	4.45%	-0.04	Jul-14
Bloomberg US High Yield Bond Index			1.38%	1.38%	6.83%	4.41%	2.04%	3.41%	3.77%	7.73%	0.33	Jul-14
S&P 500 TR			3.21%	3.21%	20.65%	13.02%	13.72%	12.20%	11.90%	15.36%	0.72	Jul-14
MSCI AC World Index Free - Net			3.66%	3.66%	18.11%	12.91%	10.41%	8.24%	7.64%	14.89%	0.47	Jul-14
MSCI EAFE - Net			3.24%	3.24%	15.28%	16.79%	9.25%	4.55%	3.89%	15.27%	0.23	Jul-14
MSCI EMF (Emerging Markets Free) - Net			6.22%	6.22%	11.42%	8.35%	1.46%	1.71%	2.42%	17.39%	0.14	Jul-14

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

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

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

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

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

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