

December 31, 2025



**Mendocino County Employees'
Retirement Association**

**Investment Measurement Service
Monthly Review**

Investment Manager Asset Allocation

The table below contrasts the distribution of assets across the Fund's investment managers as of December 31, 2025, with the distribution as of November 30, 2025. The change in asset distribution is broken down into the dollar change due to Net New Investment and the dollar change due to Investment Return.

Asset Distribution Across Investment Managers

	December 31, 2025			Inv. Return	November 30, 2025	
	Market Value	Weight	Net New Inv.		Market Value	Weight
Domestic Equities	\$317,840,459	37.16%	\$(4,100,645)	\$774,064	\$321,167,040	37.90%
Large Cap Equities	\$222,859,808	26.06%	\$(4,100,645)	\$164,763	\$226,795,690	26.76%
Vanguard S&P 500 Index	222,859,808	26.06%	(4,100,645)	164,763	226,795,690	26.76%
Mid Cap Equities	\$46,852,885	5.48%	\$0	\$587,434	\$46,265,450	5.46%
Fidelity Low Price Stocks	23,406,006	2.74%	0	372,671	23,033,336	2.72%
Janus Enterprise	23,446,878	2.74%	0	214,764	23,232,115	2.74%
Small Cap Equities	\$48,127,767	5.63%	\$0	\$21,867	\$48,105,900	5.68%
Prudential Small Cap Value	23,783,686	2.78%	0	256,939	23,526,746	2.78%
AB Small Cap Growth	24,344,081	2.85%	0	(235,072)	24,579,153	2.90%
International Equities	\$220,217,318	25.75%	\$(3,659,551)	\$6,807,127	\$217,069,741	25.61%
SSGA World Developed ex U.S.	137,339,232	16.06%	(3,659,551)	4,117,573	136,881,209	16.15%
Brandes Intl Small Cap	11,350,668	1.33%	0	265,800	11,084,869	1.31%
T. Rowe Price Intl Small Cap	11,247,852	1.32%	0	336,444	10,911,408	1.29%
Artisan EM	30,156,157	3.53%	0	992,704	29,163,452	3.44%
NinetyOne	30,123,409	3.52%	0	1,094,606	29,028,803	3.43%
Domestic Fixed Income	\$176,222,779	20.60%	\$0	\$(158,269)	\$176,381,048	20.81%
Dodge & Cox Income	87,730,361	10.26%	0	(103,374)	87,833,735	10.36%
PIMCO	88,492,418	10.35%	0	(54,896)	88,547,313	10.45%
Infrastructure	\$60,337,962	7.05%	\$0	\$896,163	\$59,441,798	7.01%
IFM Global Infrastructure	31,165,198	3.64%	0	896,163	30,269,034	3.57%
JP Morgan Infrastructure	29,172,764	3.41%	0	0	29,172,764	3.44%
Real Estate	\$71,986,265	8.42%	\$(1,297,155)	\$0	\$73,283,420	8.65%
RREEF Private Fund	38,518,841	4.50%	0	0	38,518,841	4.55%
Barings Core Property Fund	32,007,424	3.74%	(1,297,155)	0	33,304,579	3.93%
625 Kings Court	1,460,000	0.17%	0	0	1,460,000	0.17%
Cash	\$137,941	0.02%	\$(15,637)	\$0	\$153,578	0.02%
Cash	137,941	0.02%	(15,637)	0	153,578	0.02%
Pending Trade	\$8,600,000	1.01%	\$8,600,000	\$0	-	-
Pending Trade	8,600,000	1.01%	8,600,000	0	-	-
Total Fund	\$855,342,724	100.0%	\$(472,988)	\$8,319,086	\$847,496,626	100.0%

Investment Manager Returns

The table below details the rates of return for the fund's investment managers over various time periods ended December 31, 2025. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended December 31, 2025

	Last Month	Fiscal YTD	Last 36 Months	Last 60 Months	Last 120 Months
Domestic Equities	0.23%	10.31%	19.88%	12.47%	13.78%
Russell 3000 Index	(0.02%)	10.78%	22.25%	13.15%	14.29%
Large Cap Equities					
Vanguard S&P 500 Index	0.06%	10.98%	22.98%	14.40%	14.79%
S&P 500 Index	0.06%	11.00%	23.01%	14.42%	14.82%
Mid Cap Equities					
Fidelity Low Priced Stock	1.62%	7.22%	12.02%	10.52%	10.25%
Russell MidCap Value Idx	0.06%	7.69%	12.27%	9.83%	9.78%
Janus Enterprise (1)	0.92%	4.37%	13.66%	7.72%	12.79%
Russell MidCap Growth Idx	(1.34%)	(1.03%)	18.64%	6.65%	12.49%
Small Cap Equities					
Prudential Small Cap Value (2)	1.09%	17.06%	11.89%	12.04%	8.97%
US Small Cap Value Idx	0.74%	14.60%	12.30%	10.82%	9.73%
Russell 2000 Value Index	0.18%	16.27%	11.73%	8.88%	9.27%
AB US Small Growth (3)	(0.96%)	6.97%	13.91%	(0.17%)	11.57%
Russell 2000 Growth Index	(1.28%)	13.56%	15.59%	3.18%	9.57%

(1) Switched share class in July 2016.

(2) Switched share class in Septemeber 2015.

(3) Switched to a mutual fund in September 2015.

Investment Manager Returns

The table below details the rates of return for the fund's investment managers over various time periods ended December 31, 2025. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended December 31, 2025

	Last Month	Fiscal YTD	Last 36 Months	Last 60 Months	Last 120 Months
International Equities	3.12%	12.65%	17.55%	7.07%	8.11%
MSCI ACWI xUS (Net)	3.00%	12.29%	17.33%	7.91%	8.41%
SSGA World Developed ex U.S. MSCI World xUS (Net)	3.01% 3.00%	10.88% 10.81%	- 17.64%	- 9.46%	- 8.55%
Brandes Intl Small Cap	2.33%	8.31%	-	-	-
T. Rowe Price Intl Small Cap	2.99%	8.30%	14.96%	3.00%	-
MSCI ACWI ex US Small Cap	1.96%	9.84%	15.61%	6.91%	8.13%
Artisan EM	3.40%	18.46%	-	-	-
NinetyOne	3.70%	18.18%	20.03%	5.93%	-
MSCI EM	2.99%	15.88%	16.40%	4.20%	8.42%
Domestic Fixed Income	(0.09%)	4.13%	6.05%	0.68%	2.97%
Blmbg:Aggregate	(0.15%)	3.15%	4.66%	(0.36%)	2.01%
Dodge & Cox Income	(0.12%)	3.83%	6.06%	1.05%	3.35%
PIMCO	(0.06%)	4.42%	6.04%	0.31%	2.56%
Blmbg:Aggregate	(0.15%)	3.15%	4.66%	(0.36%)	2.01%
Infrastructure	1.51%	3.95%	9.34%	-	-
IFM Global Infrastructure	2.96%	5.02%	8.72%	-	-
JP Morgan Infrastructure	0.00%	2.84%	9.92%	-	-
NCREIF NFI-ODCE Eq Wt Net	0.15%	0.92%	(4.62%)	2.61%	4.13%
Real Estate	0.00%	1.36%	(5.24%)	1.74%	3.61%
Real Estate Custom Benchmark (1)	0.15%	0.92%	(4.62%)	2.61%	4.17%
RREEF Private	0.00%	1.59%	(4.47%)	3.06%	4.42%
Barings Core Property Fund	0.00%	1.08%	(6.31%)	0.00%	2.67%
NFI-ODCE Equal Weight Net	0.15%	0.92%	(4.62%)	2.61%	4.13%
625 Kings Court	0.00%	1.90%	0.19%	8.85%	11.15%
Total Fund	0.98%	8.34%	12.69%	7.40%	8.93%
Total Fund Benchmark*	0.74%	7.82%	12.60%	7.41%	8.92%

* Current Quarter Target = 37.0% Russell 3000 Index, 25.0% MSCI ACWI xUS (Net), 21.0% Blmbg:Aggregate, 11.0% NCREIF NFI-ODCE Eq Wt Net and 6.0% NCREIF NFI-ODCE Eq Wt Net.

(1) Real Estate Custom Benchmark is 20% NAREIT Composite Index and 80% NFI-ODCE Equal Weight Net through 12/31/2016 and 100% NFI-ODCE Equal Weight Net thereafter.

Important Disclosures

Information contained in this document may include confidential, trade secret and/or proprietary information of Callan and the client. It is incumbent upon the user to maintain such information in strict confidence. Neither this document nor any specific information contained herein is to be used other than by the intended recipient for its intended purpose.

The content of this document is particular to the client and should not be relied upon by any other individual or entity. There can be no assurance that the performance of any account or investment will be comparable to the performance information presented in this document.

Certain information herein has been compiled by Callan from a variety of sources believed to be reliable but for which Callan has not necessarily verified for accuracy or completeness. Information contained herein may not be current. Callan has no obligation to bring current the information contained herein.

Callan's performance, market value, and, if applicable, liability calculations are inherently estimates based on data available at the time each calculation is performed and may later be determined to be incorrect or require subsequent material adjustment due to many variables including, but not limited to, reliance on third party data, differences in calculation methodology, presence of illiquid assets, the timing and magnitude of unrecognized cash flows, and other data/assumptions needed to prepare such estimated calculations. In no event should the performance measurement and reporting services provided by Callan be used in the calculation, deliberation, policy determination, or any other action of the client as it pertains to determining amounts, timing or activity of contribution levels or funding amounts, rebalancing activity, benefit payments, distribution amounts, and/or performance-based fee amounts, unless the client understands and accepts the inherent limitations of Callan's estimated performance, market value, and liability calculations.

Callan's performance measurement service reports estimated returns for a portfolio and compares them against relevant benchmarks and peer groups, as appropriate; such service may also report on historical portfolio holdings, comparing them to holdings of relevant benchmarks and peer groups, as appropriate ("portfolio holdings analysis"). To the extent that Callan's reports include a portfolio holdings analysis, Callan relies entirely on holdings, pricing, characteristics, and risk data provided by third parties including custodian banks, record keepers, pricing services, index providers, and investment managers. Callan reports the performance and holdings data as received and does not attempt to audit or verify the holdings data. Callan is not responsible for the accuracy or completeness of the performance or holdings data received from third parties and such data may not have been verified for accuracy or completeness.

Callan's performance measurement service may report on illiquid asset classes, including, but not limited to, private real estate, private equity, private credit, hedge funds and infrastructure. The final valuation reports, which Callan receives from third parties, for of these types of asset classes may not be available at the time a Callan performance report is issued. As a result, the estimated returns and market values reported for these illiquid asset classes, as well as for any composites including these illiquid asset classes, including any total fund composite prepared, may not reflect final data, and therefore may be subject to revision in future quarters.

The content of this document may consist of statements of opinion, which are made as of the date they are expressed and are not statements of fact. The opinions expressed herein may change based upon changes in economic, market, financial and political conditions and other factors. Callan has no obligation to bring current the opinions expressed herein.

The information contained herein may include forward-looking statements regarding future results. The forward-looking statements herein: (i) are best estimations consistent with the information available as of the date hereof and (ii) involve known and unknown risks and uncertainties. Actual results may vary, perhaps materially, from the future results projected in this document. Undue reliance should not be placed on forward-looking statements.

Callan is not responsible for reviewing the risks of individual securities or the compliance/non-compliance of individual security holdings with a client's investment policy guidelines.

This document should not be construed as legal or tax advice on any matter. You should consult with legal and tax advisers before applying any of this information to your particular situation.

Reference to, or inclusion in this document of, any product, service or entity should not necessarily be construed as recommendation, approval, or endorsement or such product, service or entity by Callan. This document is provided in connection with Callan's consulting services and should not be viewed as an advertisement of Callan, or of the strategies or products discussed or referenced herein.

The issues considered and risks highlighted herein are not comprehensive and other risks may exist that the user of this document may deem material regarding the enclosed information. Please see any applicable full performance report or annual communication for other important disclosures.

Unless Callan has been specifically engaged to do so, Callan does not conduct background checks or in-depth due diligence of the operations of any investment manager search candidate or investment vehicle, as may be typically performed in an operational due diligence evaluation assignment and in no event does Callan conduct due diligence beyond what is described in its report to the client.

Any decision made on the basis of this document is sole responsibility of the client, as the intended recipient, and it is incumbent upon the client to make an independent determination of the suitability and consequences of such a decision.

Callan undertakes no obligation to update the information contained herein except as specifically requested by the client.

Past performance is no guarantee of future results.