

FUND EVALUATION REPORT

San Jose Federated Retiree Health Care 115 Trust

Quarterly Review
September 30, 2017



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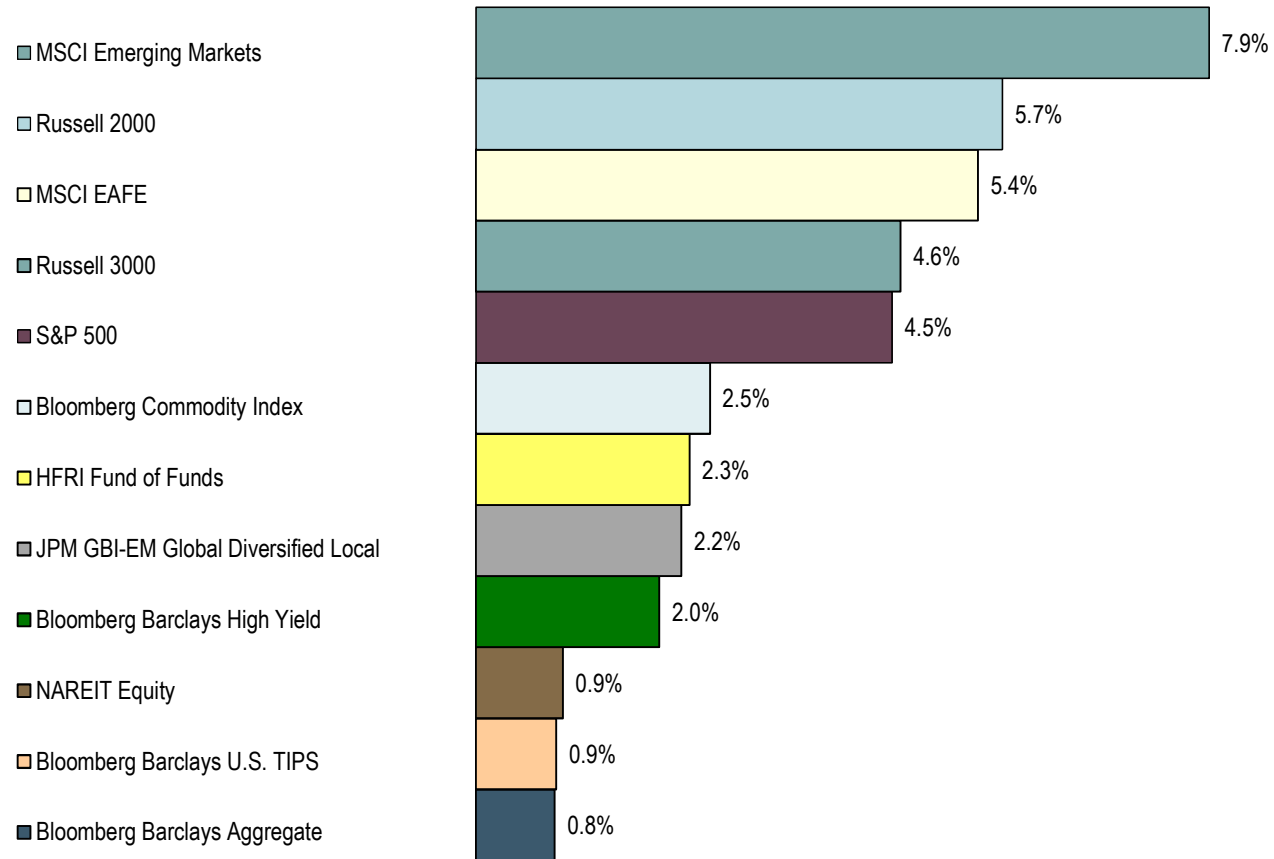
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Meketa Investment Group has prepared this report on the basis of sources believed to be reliable. The data are based on matters as they are known as of the date of preparation of the report, and not as of any future date, and will not be updated or otherwise revised to reflect information that subsequently becomes available.

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 - Aggregate Fund Overview
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The World Markets Third Quarter of 2017

The World Markets¹ Third Quarter of 2017



¹ Source: InvestorForce.

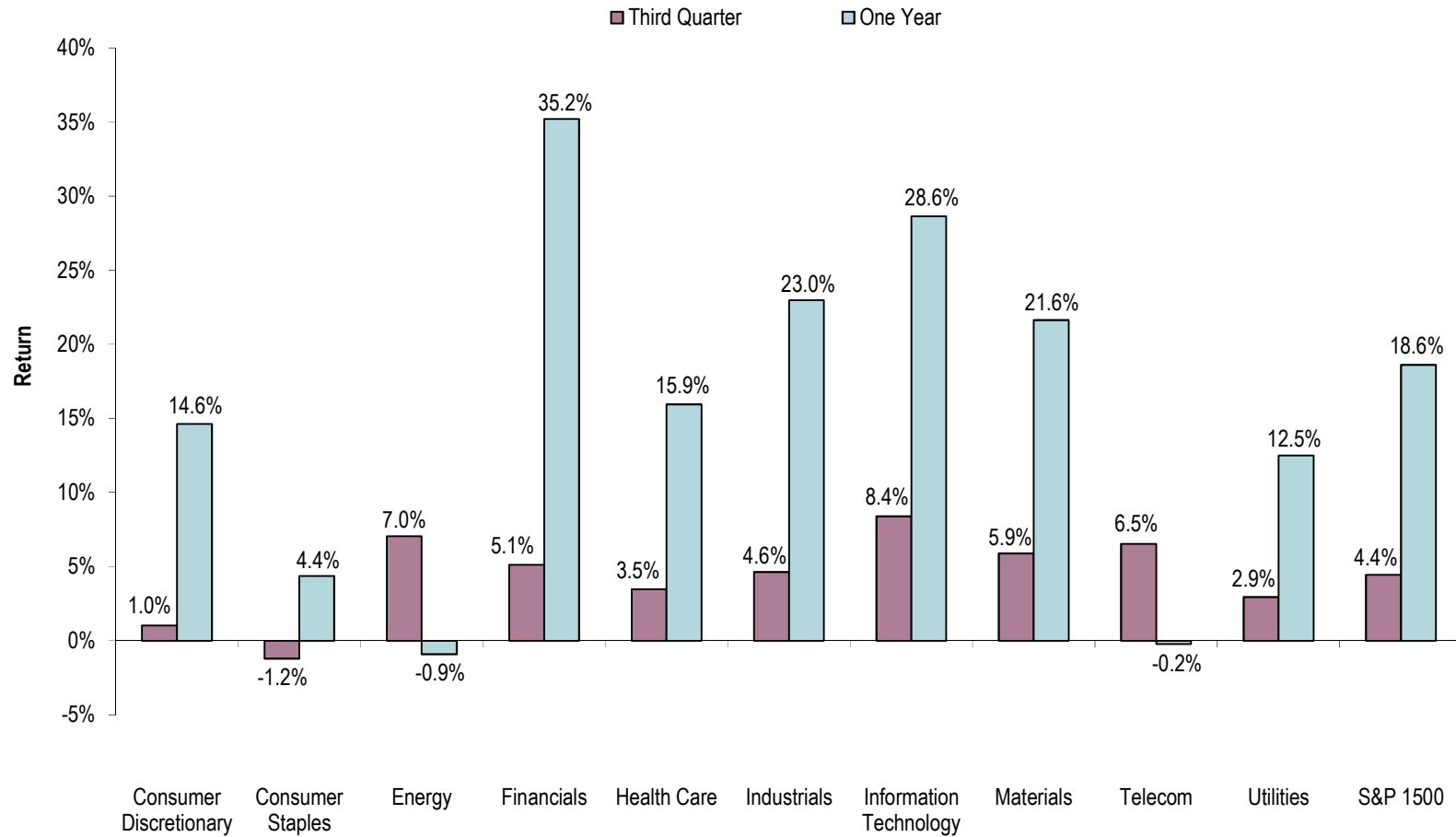


Index Returns¹

	3Q17 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
Domestic Equity						
Russell 3000	4.6	13.9	18.7	10.7	14.2	7.6
Russell 1000	4.5	14.2	18.5	10.6	14.3	7.5
Russell 1000 Growth	5.9	20.7	21.9	12.7	15.3	9.1
Russell 1000 Value	3.1	7.9	15.1	8.5	13.2	5.9
Russell MidCap	3.5	11.7	15.3	9.5	14.3	8.1
Russell MidCap Growth	5.3	17.3	17.8	10.0	14.2	8.2
Russell MidCap Value	2.1	7.4	13.4	9.2	14.3	7.9
Russell 2000	5.7	10.9	20.7	12.2	13.8	7.8
Russell 2000 Growth	6.2	16.8	21.0	12.2	14.3	8.5
Russell 2000 Value	5.1	5.7	20.5	12.1	13.3	7.1
Foreign Equity						
MSCI ACWI (ex. U.S.)	6.2	21.1	19.6	4.7	7.0	1.3
MSCI EAFE	5.4	20.0	19.1	5.0	8.4	1.3
MSCI EAFE (Local Currency)	3.4	11.2	19.0	7.9	12.3	2.6
MSCI EAFE Small Cap	7.5	25.4	21.8	11.1	12.8	4.6
MSCI Emerging Markets	7.9	27.8	22.5	4.9	4.0	1.3
MSCI Emerging Markets (Local Currency)	7.6	23.5	21.8	8.5	7.9	3.9
Fixed Income						
Bloomberg Barclays Universal	1.0	3.7	1.0	3.1	2.5	4.6
Bloomberg Barclays Aggregate	0.8	3.1	0.1	2.7	2.1	4.3
Bloomberg Barclays U.S. TIPS	0.9	1.7	-0.7	1.6	0.0	3.9
Bloomberg Barclays High Yield	2.0	7.0	8.9	5.8	6.4	7.8
JPM GBI-EM Global Diversified (Local Currency)	2.2	8.0	6.5	7.6	6.4	8.3
Other						
NAREIT Equity	0.9	3.7	0.7	9.4	9.5	5.8
Bloomberg Commodity Index	2.5	-2.9	-0.3	-10.4	-10.5	-6.8
HFRI Fund of Funds	2.3	5.6	6.5	2.2	3.9	1.1

¹ Source: InvestorForce.

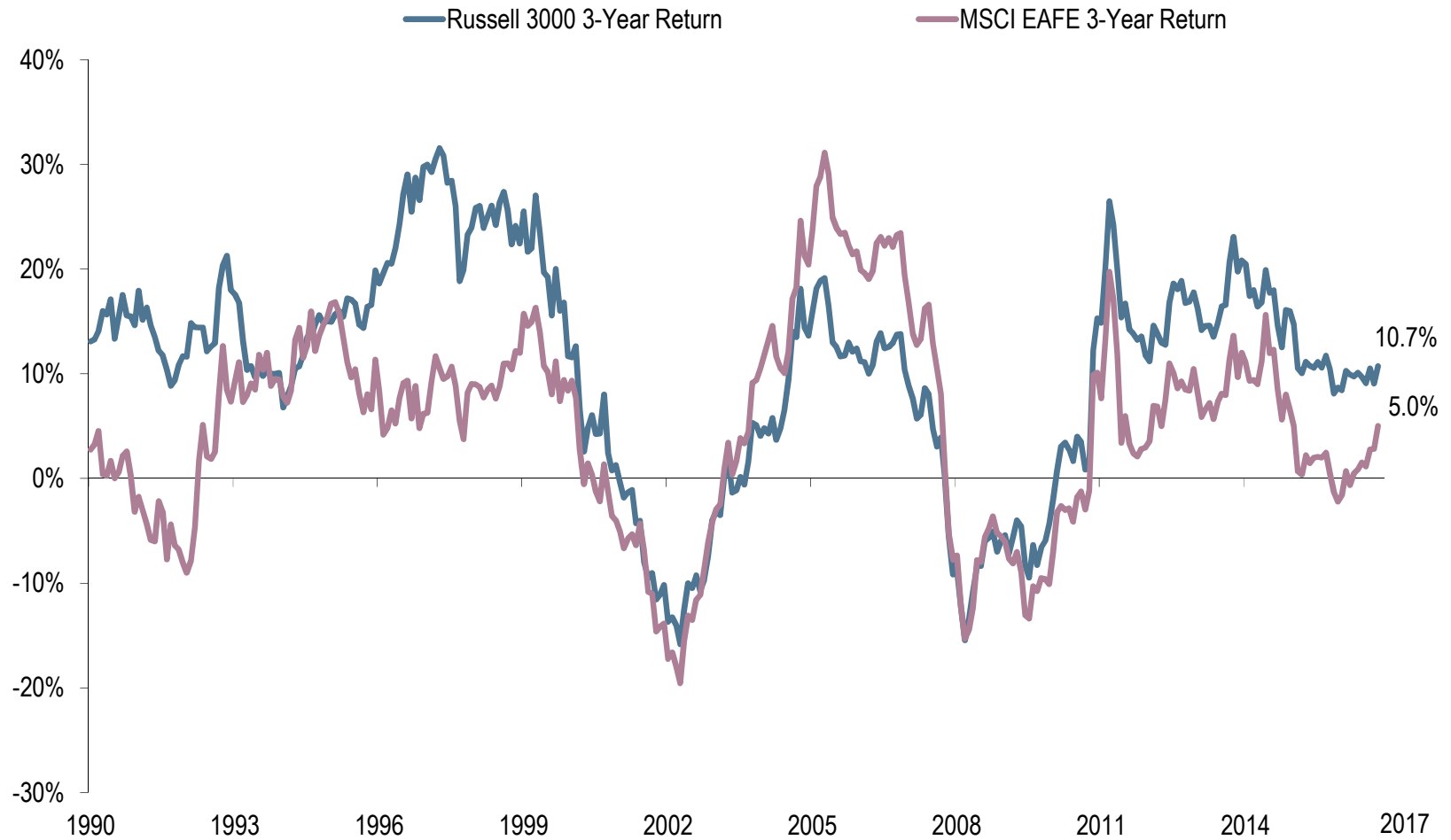
S&P Sector Returns¹



¹ Source: InvestorForce. Represents S&P 1500 (All Cap) data.



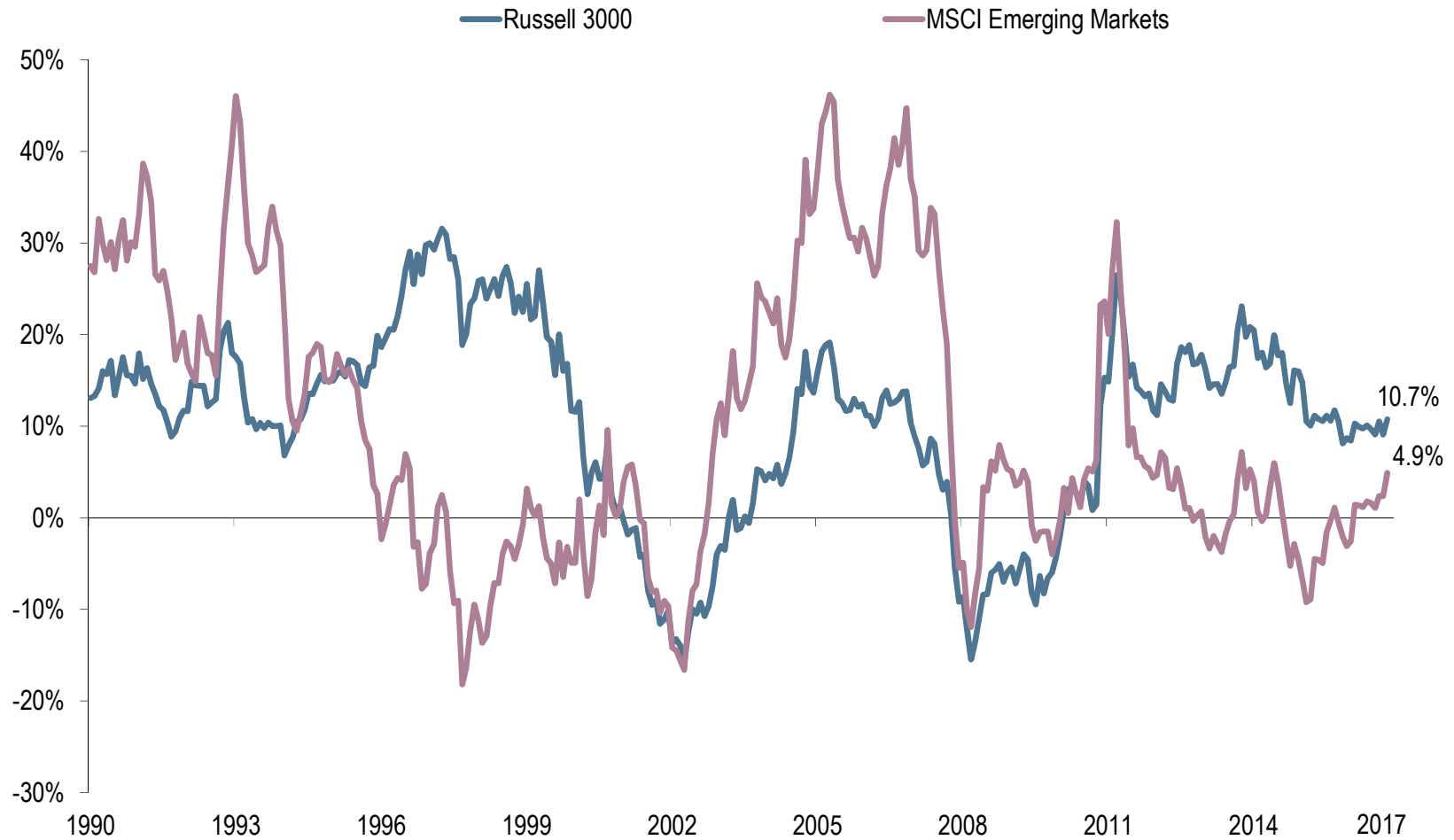
U.S. and Developed Market Foreign Equity Rolling Three-Year Returns¹



¹ Source: InvestorForce.



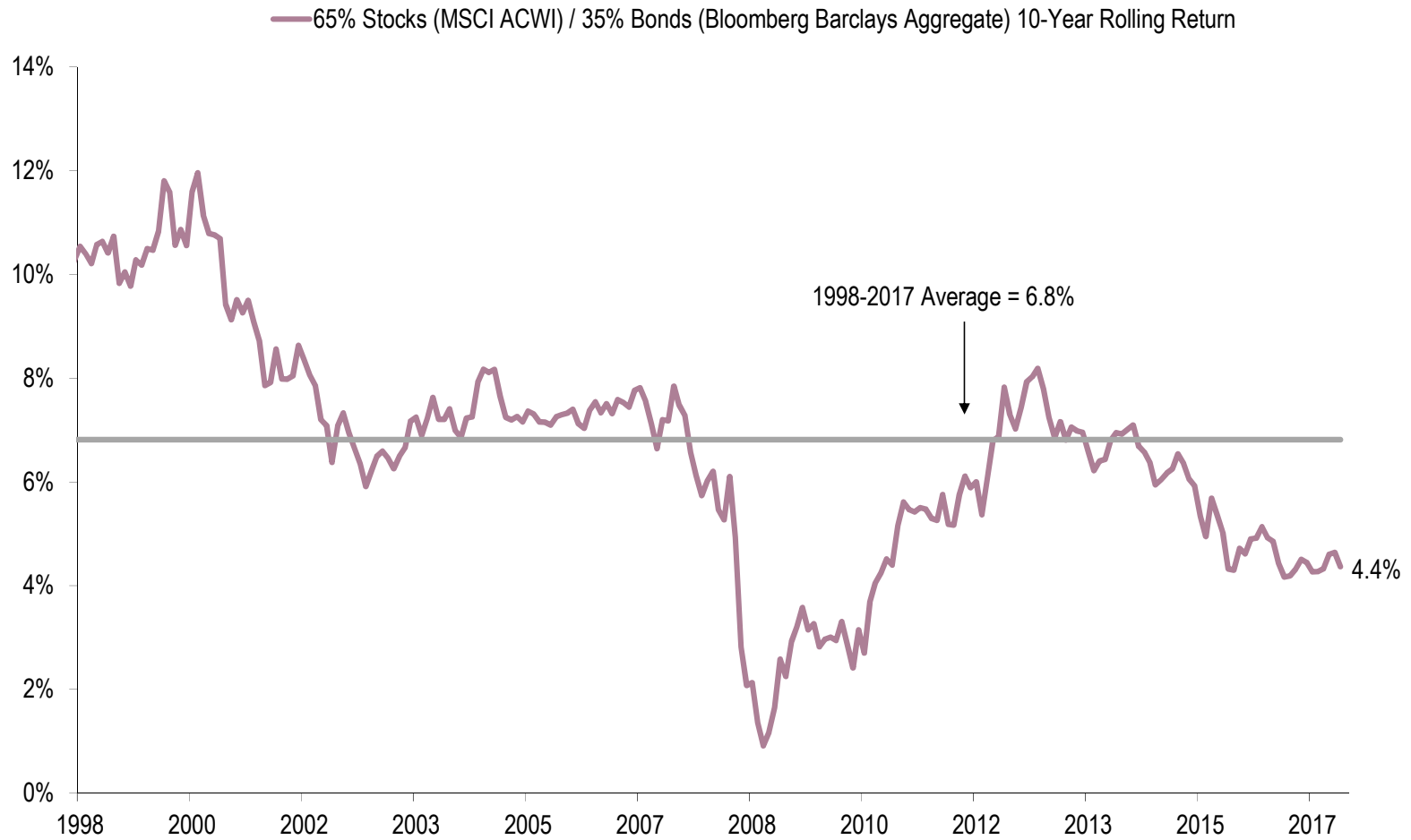
U.S. and Emerging Market Equity Rolling Three-Year Returns¹



¹ Source: InvestorForce.



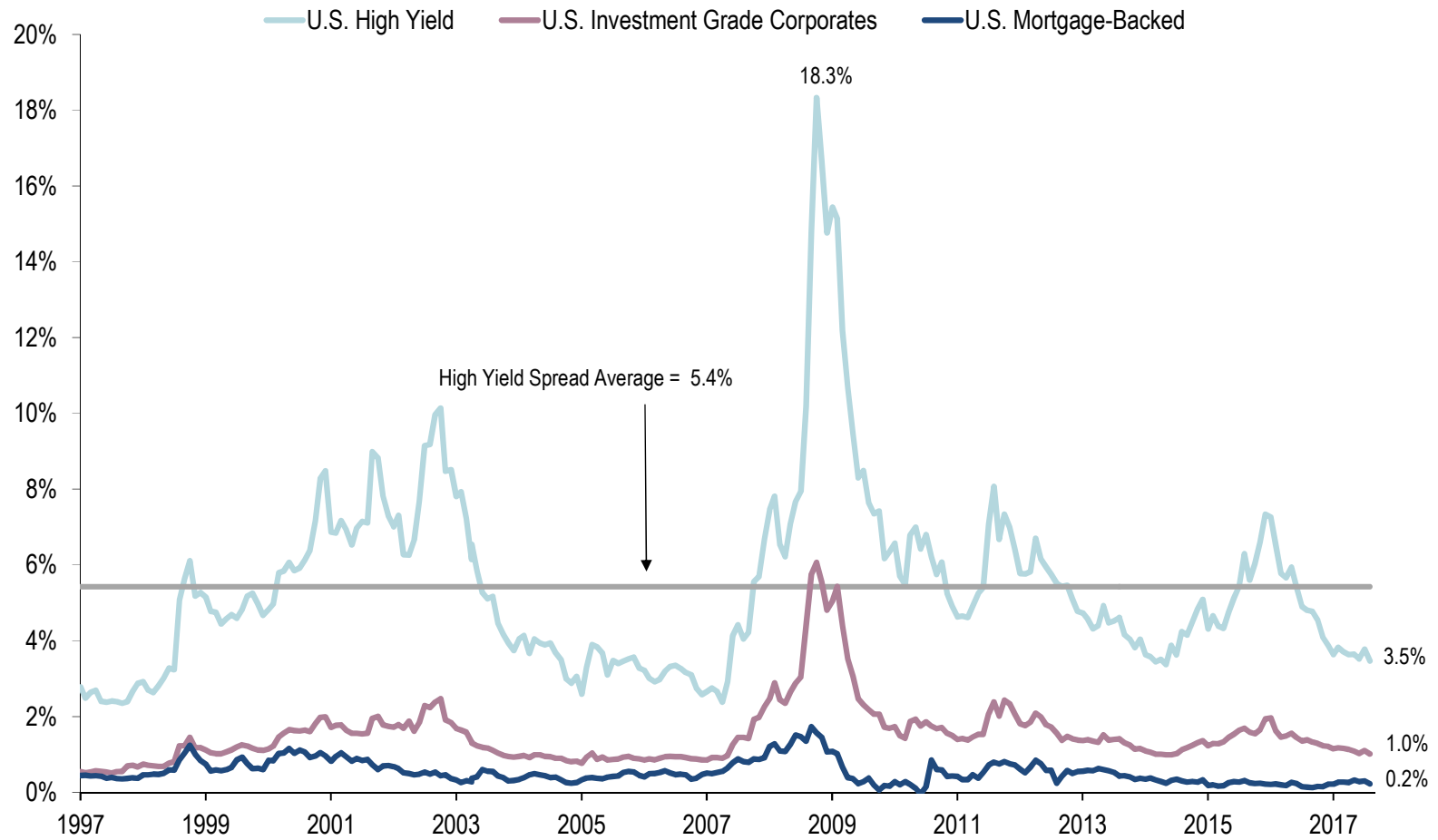
Rolling Ten-Year Returns: 65% Stocks and 35% Bonds¹



¹ Source: InvestorForce.



Credit Spreads vs. U.S. Treasury Bonds^{1,2}

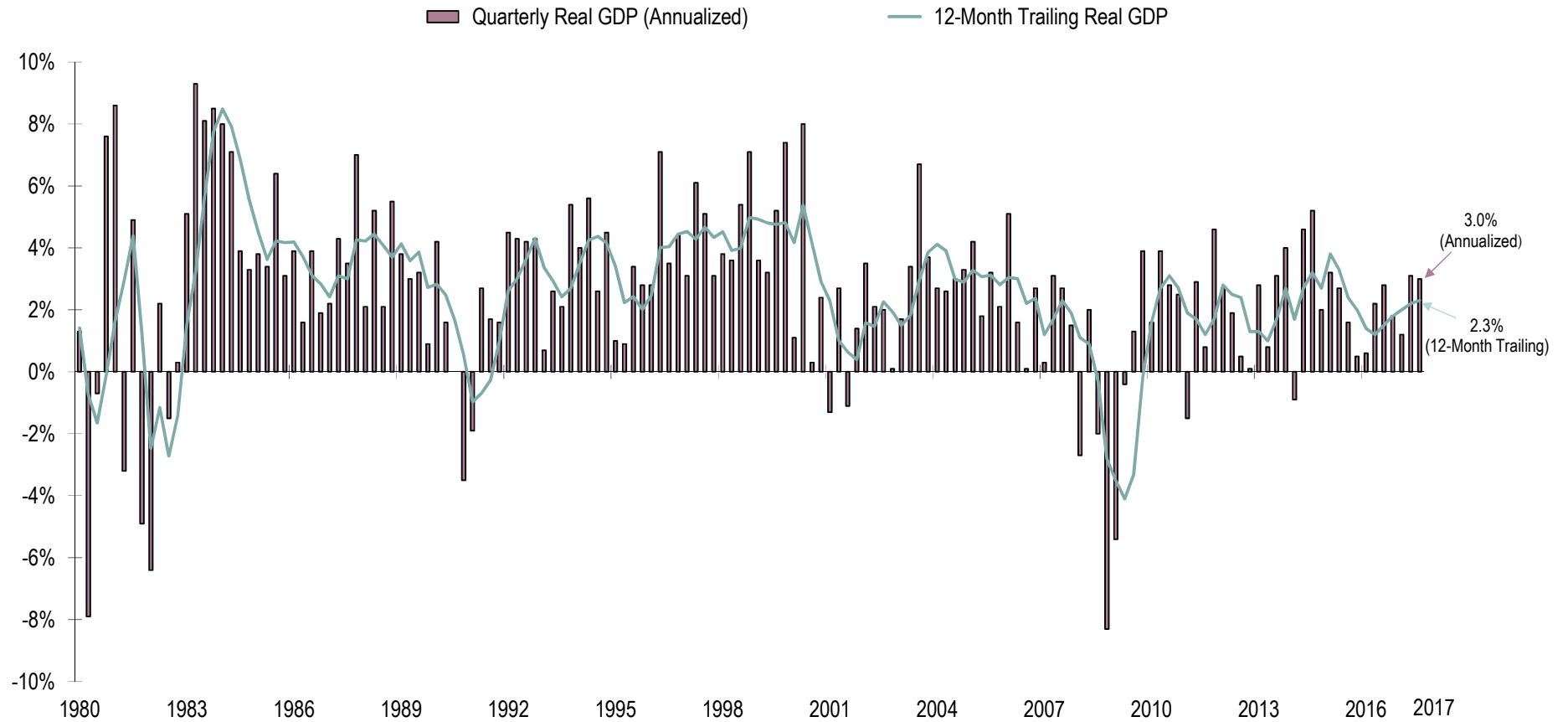


¹ Source: Barclays Live.

² The median high yield spread was 5.0% from 1997-2017.



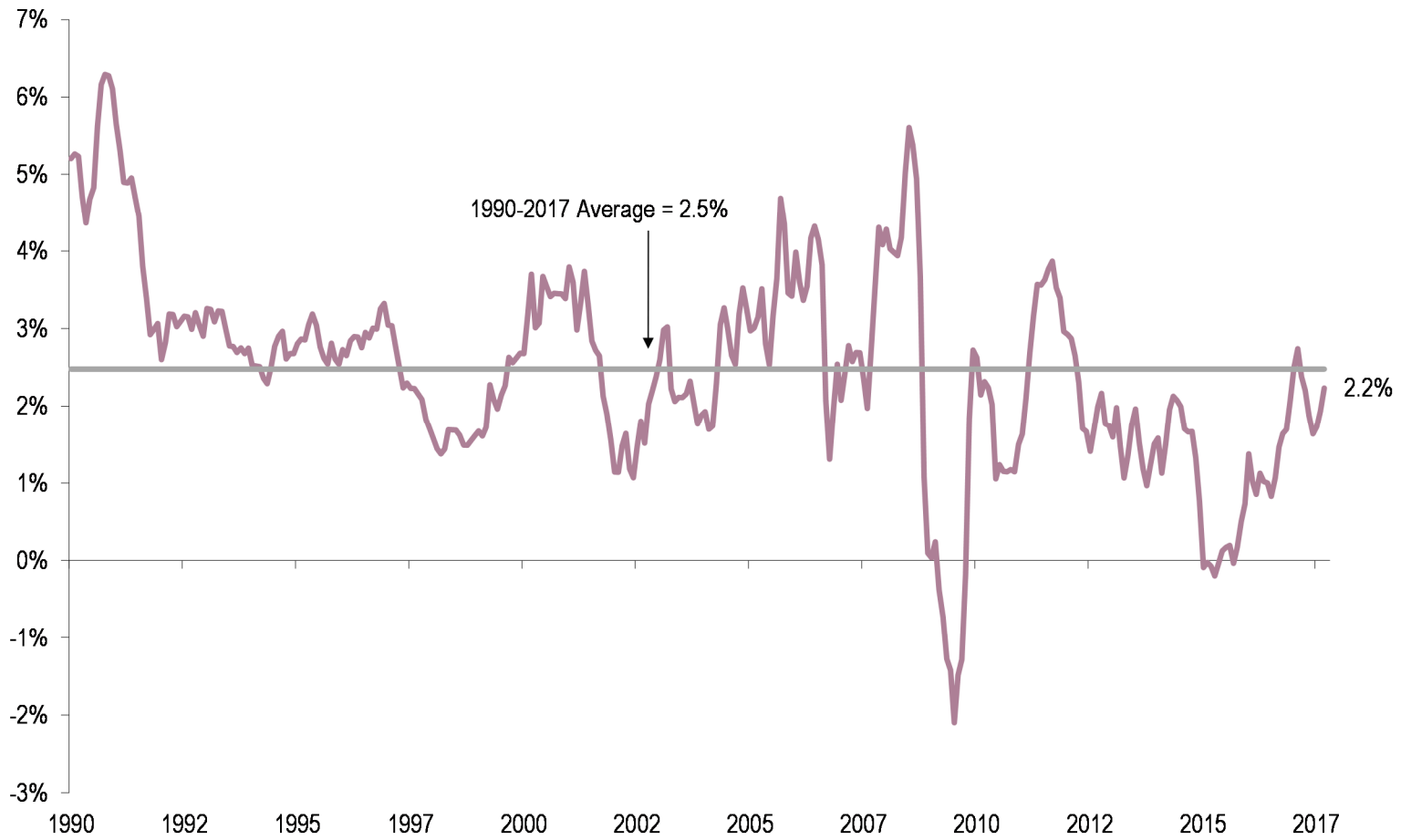
U.S. Real Gross Domestic Product (GDP) Growth¹



¹ Source: Bureau of Economic Analysis. Data is as of the third quarter of 2017 and represents the first estimate.



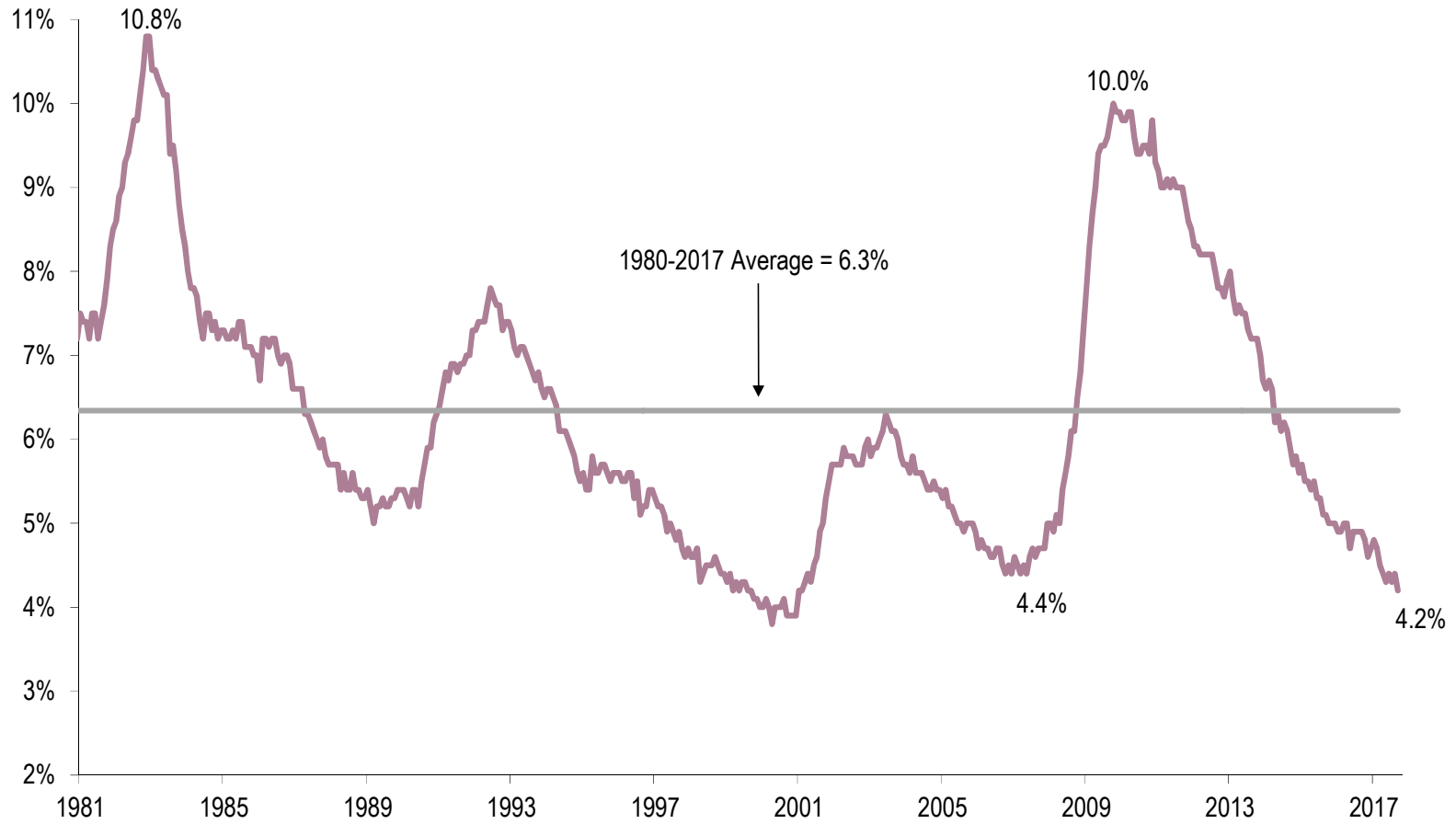
U.S. Inflation (CPI) Trailing Twelve Months¹



¹ Source: Bureau of Labor Statistics. Data is non-seasonally adjusted CPI, which may be volatile in the short-term. Data is as of September 30, 2017.



U.S. Unemployment¹



¹ Source: Bureau of Labor Statistics. Data is as of September 30, 2017.



**Executive Summary
As of September 30, 2017**

The value of the San Jose Federated Retiree Health Care Trust's assets was \$250.1 million on September 30, 2017, an increase of \$30.4 million from the end of the prior quarter. The Trust had \$20.9 million of net cash inflows for the quarter.

- The Health Care Trust's net of fees performance was +3.0% for the quarter, underperforming the Policy and Custom Benchmark returns of +4.0% and +3.2%, respectively. For the calendar year-to-date period the Trust returned +9.0%, compared to 11.4% for the Policy Benchmark and 9.5% for the Custom Benchmark.
- The Health Care Trust's equity allocation ended the quarter outside of its target range (37.0% vs. policy range of 40%-54%), and the cash allocation ended the quarter outside of its target range (17.9% vs. target range of 0%-5%).
- On an absolute basis, all broad asset classes had positive returns for the quarter and year-to-date periods. Relative to benchmarks, broad asset class returns were mixed.
 - Total Global Equity returned +5.3% for the quarter and +18.1% year-to-date. Total Global Equity performance matched the MSCI ACWI IMI in the quarter and outperformed by 90 basis points over the year-to-date period. For the quarter, the returns for subcomponents of the composite were all positive: Global Equity (+5.2%), U.S. Equity (+4.4%), International Equity (+5.4%), and Emerging Markets Equity (+6.4%).
 - Global Fixed Income trailed the BBgBarc Global Aggregate for the quarter (+0.7% vs. +1.8%) and year-to-date (+2.3% vs. +6.3%).
 - Real Assets returned +4.3% for the quarter and +7.8% year-to-date. Real Asset subcomponents were all positive for the quarter: Real Estate (+1.0%), Commodities (+2.6%), Infrastructure (+3.5%), and Natural Resources (+11.2%).
- The Health Care Trust did not add any additional investment managers during the quarter.

Artisan

- Artisan Global Value returned +5.2% for the quarter and +17.4% year-to-date, outperforming the MSCI ACWI Value by 60 and 460 basis points over the same periods, respectively. For the quarter, 84% of the portfolio's invested capital posted positive returns. The three largest contributors for the quarter were Baidu, Telefonica Brasil, and Samsung Electronics.

Cove Street

- Cove Street Small Cap Value underperformed the Russell 2000 Value for the quarter (+3.0% vs. +6.9%), but year-to-date Cove Street (+6.9%) has outperformed the benchmark by 120 basis points. Detractors in the quarter were highlighted by retailer Cherokee and aerospace products distributor Wesco Aircraft, while contributors were led by services provider Heritage-Crystal Clean and chemical company American Vanguard.

Aberdeen

- Aberdeen Frontier Markets Equity returned +1.4% for the quarter and +15.4% over the year-to-date period, trailing the MSCI Frontier Markets' Equity Index by 660 and 950 basis points despite strong absolute performance. For the quarter, Aberdeen's overweight exposure to Pakistani equities were the biggest drag on performance, while Habib Bank was the top detractor in the portfolio. Nigerian holdings supported relative performance, with Guaranty Trust Bank and Zenith Bank being the largest contributors.

Pinnacle

- Pinnacle Natural Resources returned +0.6% for the quarter and -6.4% over the one-year period, underperforming the Bloomberg Commodity Index by 190 and 350 basis points over the same periods, respectively. The fund currently has its largest exposure to energy, metals, and agricultural commodity-related markets.

¹ All returns calculated by the System's Custodian and are shown net of fees.



Third Quarter Manager Summary

Investment Manager	Asset Class	Changes/ Announcements	Performance Concerns	Meketa Recommendation ¹	Comments
Artisan Global Value	Global Equity	---	---	---	---
Aberdeen Frontier Markets Equity	Frontier Markets Equity	Yes	---	Hold	Merger Completion, Personnel Changes
Cove Street Small Cap Value	Small Cap Equity	Yes	---	Hold	Personnel Changes
American Core Realty Fund, LLC	Core Real Estate	---	---	---	---
PRISA I	Core Real Estate	---	---	---	---
Credit Suisse Risk Parity Commodity	Commodities	---	---	---	---
Pinnacle Natural Resources	Commodities	---	Yes	Hold	Significant Underperformance

¹ The Meketa Investment Group recommendations are based on organizational or resource changes at each manager.



Aberdeen

- During the quarter, the Global Emerging Markets Equity team added one analyst.
- In the third quarter, the merger of Aberdeen and Standard Life was successfully completed after a sanction by the Court of Session in Scotland. The new firm is now called Standard Life Aberdeen plc.

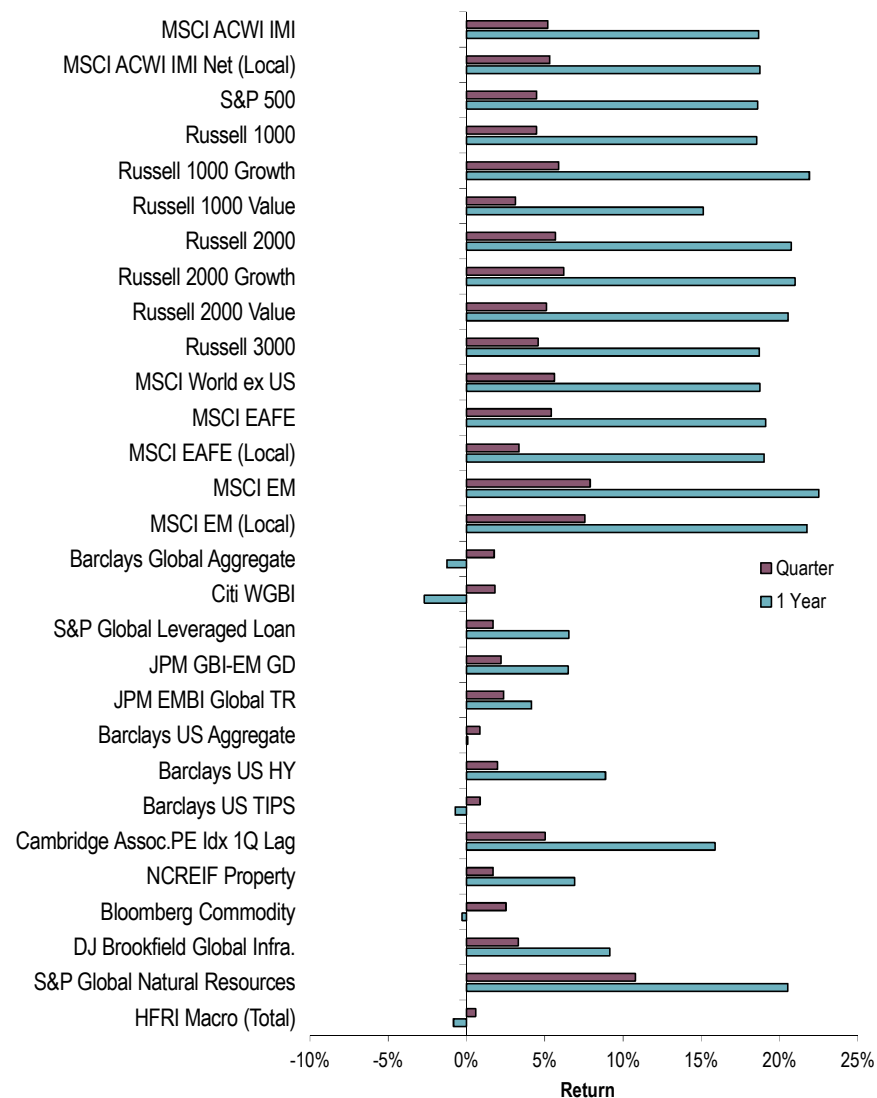
Cove Street

- During the quarter, Cove Street Capital Small Cap Value added one investment professional to the team.

Pinnacle

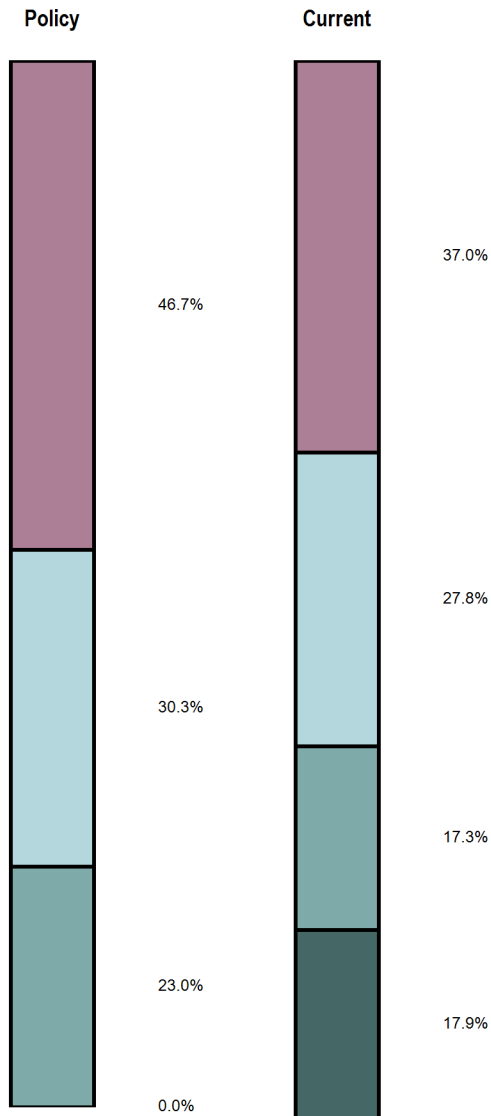
- Pinnacle Natural Resources underperformed the Bloomberg Commodity Index by 190 basis points in the quarter and is 1,130 basis points behind the benchmark since inception in January 2016.

Benchmark	Scope	3Q17 (%)	1 YR (%)	3 YR (%)	5YR (%)	10 YR (%)
Global Equity						
MSCI ACWI IMI	World	5.2	18.6	7.4	10.2	3.9
MSCI ACWI IMI Net (Local)	World (Local)	5.3	18.7	7.7	10.4	4.2
Domestic Equity						
S&P 500	Large Core	4.5	18.6	10.8	14.2	7.4
Russell 1000	Large Core	4.5	18.5	10.6	14.3	7.6
Russell 1000 Growth	Large Growth	5.9	21.9	12.7	15.3	9.1
Russell 1000 Value	Large Value	3.1	15.1	8.5	13.2	5.9
Russell 2000	Small Core	5.7	20.7	12.2	13.8	7.8
Russell 2000 Growth	Small Growth	6.2	21.0	12.2	14.3	8.5
Russell 2000 Value	Small Value	5.1	20.5	12.1	13.3	7.1
Russell 3000	All Cap Core	4.6	18.7	10.7	14.2	7.6
International Equity						
MSCI World ex. U.S.	World ex. U.S.	5.6	18.7	4.6	7.8	1.3
MSCI EAFE	Int'l Developed	5.4	19.1	5.0	8.4	1.3
MSCI EAFE (Local)	Int'l Developed (Local)	3.4	19.0	7.9	12.3	2.6
MSCI Emerging Markets	Emerg. Markets	7.9	22.5	4.9	4.0	1.3
MSCI Emerging Markets (Local)	Emerg. Markets (Local)	7.6	21.8	8.5	7.9	3.9
Global Fixed Income						
Barclays Global Aggregate	Global Core Bonds	1.8	-1.3	1.3	0.5	3.3
Citi WGBI	World Gov. Bonds	1.8	-2.7	0.9	-0.4	3.0
S&P Global Leveraged Loan	Bank Loans	1.7	6.5	3.5	4.0	4.5
JPM GBI-EM GD	Emerg. Bonds (Local)	2.2	6.5	7.6	6.4	8.3
JPM EMBI Global TR	Emerg. Bonds	2.4	4.2	6.1	4.3	7.3
Domestic Fixed Income						
Barclays U.S. Aggregate	Core Bonds	0.8	0.1	2.7	2.1	4.3
Barclays U.S. High Yield	High Yield	2.0	8.9	5.8	6.4	7.8
Barclays U.S. TIPS	Inflation	0.9	-0.7	1.6	0.0	3.9
Other						
Cambridge Assoc. PE Index (1Q-Lag)	Private Equity	5.0	15.9	10.8	13.9	8.9
NCREIF Property	Real Estate	1.7	6.9	9.8	10.3	6.2
Bloomberg Commodities	Commodities	2.5	-0.3	-10.4	-10.5	-6.8
DJ Brookfield Global Infrastructure	Infrastructure	3.3	9.2	4.0	9.0	7.0
S&P Global Natural Resources	Natural Resources	10.8	20.5	1.3	1.1	-0.7
HFRI Macro (Total)	Hedge Funds	0.6	-0.8	0.6	0.7	2.0



3Q17 Review

As of September 30, 2017



Allocation vs. Targets and Policy							
	Current Balance	Current Allocation	Policy	Difference	Policy Range	Within IPS Range?	
Total Global Equity	\$92,438,611	37.0%	46.7%	-9.7%	40.0% - 54.0%	No	
Global Fixed Income	\$69,549,625	27.8%	30.3%	-2.5%	20.0% - 40.0%	Yes	
Real Assets	\$43,358,926	17.3%	23.0%	-5.7%	15.0% - 30.0%	Yes	
Cash	\$44,771,439	17.9%	0.0%	17.9%	0.0% - 5.0%	No	
Total	\$250,118,600	100.0%	100.0%				

Total Fund Aggregate

As of September 30, 2017

Asset Class Net Performance Summary

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Total Fund Aggregate	250,118,600	100.0	3.0	3.0	9.0	9.0	3.1	4.9	--	4.9	Jul-11
Consumer Price Index			0.8	0.8	2.2	2.2	1.2	1.3	--	1.4	Jul-11
San Jose Healthcare Policy Benchmark			4.0	4.0	11.4	10.1	4.4	5.9	--	5.2	Jul-11
San Jose Healthcare Custom Benchmark			3.2	3.2	9.5	8.2	2.8	4.9	--	5.0	Jul-11
InvestorForce Health & Welfare \$50mm - \$250mm Gross Median			2.1	2.1	6.2	6.4	4.8	5.1	5.1	5.4	Jul-11
InvestorForce Health & Welfare \$50mm - \$250mm Gross Rank			30	30	32	29	89	54	--	62	Jul-11
Total Global Equity	92,438,611	37.0	5.3	5.3	18.1	19.1	8.0	10.7	--	11.5	Dec-11
MSCI ACWI IMI Net USD			5.3	5.3	17.2	18.7	7.7	10.4	--	11.1	Dec-11
Global Fixed Income	69,549,625	27.8	0.7	0.7	2.3	0.2	2.1	1.1	--	1.8	Dec-11
BBgBarc Global Aggregate TR			1.8	1.8	6.3	-1.3	1.3	0.5	--	1.3	Dec-11
Real Assets	43,358,926	17.3	4.3	4.3	7.8	8.8	-4.6	-5.5	--	-5.8	Aug-11
NCREIF ODCE Equal Weighted (Net)			1.7	1.7	4.9	6.9	10.1	10.6	--	10.9	Aug-11
Bloomberg Commodity Index TR USD			2.5	2.5	-2.9	-0.3	-10.4	-10.5	--	-9.9	Aug-11
DJ Brookfield Global Infrastructure Net TR USD			3.3	3.3	15.2	9.2	4.0	--	--	--	Aug-11
S&P Global Natural Resources Index TR USD			10.8	10.8	13.0	20.5	1.3	1.1	--	-1.1	Aug-11
Cash	44,771,439	17.9									
91 Day T-Bills											

¹ Fiscal Year begins July 1.² Please see the Appendix for composition of the San Jose Health Care 115 Trust Policy Benchmark.³ Custom Benchmark consists of the individual benchmarks that comprise the Policy Benchmark weighted accordingly to actual allocations and re-adjusted monthly.

As of September 30, 2017

Trailing Net Performance

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Total Global Equity	92,438,611	37.0	5.3	5.3	18.1	19.1	8.0	10.7	--	11.5	Dec-11
<i>MSCI ACWI IMI Net USD</i>			5.3	5.3	17.2	18.7	7.7	10.4	--	11.1	Dec-11
Global Equity	35,177,582	14.1	5.2	5.2	17.4	20.2	--	--	--	10.3	Jul-15
<i>MSCI ACWI IMI Net USD</i>			5.3	5.3	17.2	18.7	--	--	--	8.6	Jul-15
Artisan Global Value	35,177,582	14.1	5.2	5.2	17.4	20.2	--	--	--	8.9	Jun-15
<i>MSCI ACWI Value NR USD</i>			4.6	4.6	12.8	18.2	--	--	--	6.2	Jun-15
<i>eA Global Value Equity Net Median</i>			4.2	4.2	14.7	17.5	6.8	10.4	4.2	6.5	Jun-15
<i>eA Global Value Equity Net Rank</i>			29	29	25	30	--	--	--	19	Jun-15
U.S. Equity	15,501,657	6.2	4.4	4.4	12.9	17.8	--	--	--	10.7	Jul-15
<i>Russell 3000</i>			4.6	4.6	13.9	18.7	--	--	--	11.0	Jul-15
Northern Trust Russell 3000	13,440,256	5.4	4.6	4.6	13.9	18.7	--	--	--	10.0	Jun-15
<i>Russell 3000</i>			4.6	4.6	13.9	18.7	--	--	--	9.8	Jun-15
Cove Street Small Cap Value	2,061,402	0.8	3.0	3.0	6.9	12.3	--	--	--	7.7	Jun-15
<i>Russell 2000 Value</i>			5.1	5.1	5.7	20.5	--	--	--	11.2	Jun-15
<i>eA US Small Cap Value Equity Net Median</i>			5.0	5.0	6.6	19.8	11.0	14.0	7.9	10.0	Jun-15
<i>eA US Small Cap Value Equity Net Rank</i>			84	84	45	95	--	--	--	76	Jun-15
International Equity	30,174,722	12.1	5.4	5.4	20.4	19.3	--	--	--	6.3	Jul-15
<i>MSCI EAFE</i>			5.4	5.4	20.0	19.1	--	--	--	5.9	Jul-15
Northern Trust EAFE Index	23,533,010	9.4	5.4	5.4	20.2	19.3	--	--	--	6.1	Jul-15
<i>MSCI EAFE</i>			5.4	5.4	20.0	19.1	--	--	--	5.9	Jul-15

¹ Fiscal Year begins July 1.² Vanguard international equity strategies may temporarily differ from the benchmark due to fair value pricing. Fair value pricing is an adjustment made to prices in the index after the markets close for securities that trade on foreign exchanges.³ The Vanguard Spliced Developed Markets Index reflects the performance of the MSCI EAFE Index through May 28, 2013; FTSE Developed ex North America Index through December 20, 2015; FTSE Developed All Cap ex US Transition Index thereafter. Benchmark returns are adjusted for withholding taxes.

Total Fund Aggregate

As of September 30, 2017

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Vanguard Developed Markets Index	6,641,712	2.7	5.6	5.6	21.1	19.3	5.9	8.9	--	9.0	Dec-11
<i>Spliced Developed (ex. U.S.) Index</i>			5.7	5.7	20.4	19.3	5.8	8.9	--	9.2	Dec-11
Emerging Markets Equity	11,584,649	4.6	6.4	6.4	21.9	17.5	--	--	--	7.4	Jul-15
<i>MSCI Emerging Markets</i>			7.9	7.9	27.8	22.5	--	--	--	7.4	Jul-15
Vanguard Emerging Markets Stock Index	9,181,952	3.7	7.8	7.8	23.7	18.9	--	--	--	19.8	Apr-16
<i>Spliced Emerging Markets Index</i>			7.6	7.6	22.8	19.1	--	--	--	19.2	Apr-16
Aberdeen Frontier Markets Equity	2,402,697	1.0	1.4	1.4	15.4	12.4	--	--	--	1.7	Jul-15
<i>MSCI Frontier Markets</i>			8.0	8.0	24.9	25.5	--	--	--	5.7	Jul-15
Global Fixed Income	69,549,625	27.8	0.7	0.7	2.3	0.2	2.1	1.1	--	1.8	Dec-11
<i>BBgBarc Global Aggregate TR</i>			1.8	1.8	6.3	-1.3	1.3	0.5	--	1.3	Dec-11
Global Core	69,549,625	27.8	0.7	0.7	2.3	0.2	--	--	--	2.1	Jul-15
<i>BBgBarc Global Aggregate TR</i>			1.8	1.8	6.3	-1.3	--	--	--	3.6	Jul-15
Northern Trust Barclays Aggregate	48,020,554	19.2	0.8	0.8	3.3	-0.1	--	--	--	2.3	Jun-15
<i>BBgBarc US Aggregate TR</i>			0.8	0.8	3.1	0.1	--	--	--	2.3	Jun-15
Vanguard Short-Term Inflation-Protected Securities	21,529,071	8.6	0.4	0.4	0.6	0.4	--	--	--	1.0	Mar-15
<i>BBgBarc US Treasury TIPS 0-5 Yr TR</i>			0.5	0.5	0.7	0.5	--	--	--	1.0	Mar-15

¹ Fiscal Year begins July 1.

² Vanguard international equity strategies may temporarily differ from the benchmark due to fair value pricing. Fair value pricing is an adjustment made to prices in the index after the markets close for securities that trade on foreign exchanges.

³ The Vanguard Spliced Emerging Markets Index reflects performance of the Select Emerging Markets Index through August 23, 2006; MSCI Emerging Markets Index through January 9, 2013; FTSE Emerging Transition Index through June 27, 2013; FTSE Emerging Index through November 1, 2015; FTSE Emerging Markets All Cap China A Transition Index through September 18, 2016; and FTSE Emerging Markets All Cap China A Inclusion Index thereafter. Benchmark returns are adjusted for withholding taxes.



As of September 30, 2017

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Real Assets	43,358,926	17.3	4.3	4.3	7.8	8.8	-4.6	-5.5	--	-5.8	Aug-11
<i>NCREIF ODCE Equal Weighted (Net)</i>			1.7	1.7	4.9	6.9	10.1	10.6	--	10.9	Aug-11
<i>Bloomberg Commodity Index TR USD</i>			2.5	2.5	-2.9	-0.3	-10.4	-10.5	--	-9.9	Aug-11
<i>DJ Brookfield Global Infrastructure Net TR USD</i>			3.3	3.3	15.2	9.2	4.0	--	--	--	Aug-11
<i>S&P Global Natural Resources Index TR USD</i>			10.8	10.8	13.0	20.5	1.3	1.1	--	-1.1	Aug-11
Real Estate	11,103,696	4.4	1.0	1.0	4.8	6.5	--	--	--	6.6	Jul-15
<i>NCREIF ODCE Equal Weighted (Net)</i>			1.7	1.7	4.9	6.9	--	--	--	8.9	Jul-15
American Core Realty Fund, LLC	6,807,560	2.7	1.7	1.7	4.7	6.3	--	--	--	6.7	Jul-15
<i>NCREIF ODCE Equal Weighted (Net)</i>			1.7	1.7	4.9	6.9	--	--	--	8.9	Jul-15
PRISA	4,296,136	1.7	0.0	0.0	4.9	6.8	--	--	--	4.9	Apr-16
<i>NCREIF ODCE Equal Weighted (Net)</i>			1.7	1.7	4.9	6.9	--	--	--	7.3	Apr-16
Commodities	11,291,186	4.5	2.6	2.6	1.9	4.4	--	--	--	-6.6	Jan-15
<i>Bloomberg Commodity Index TR USD</i>			2.5	2.5	-2.9	-0.3	--	--	--	-7.0	Jan-15
Credit Suisse Risk Parity Commodity Fund	8,626,226	3.4	3.2	3.2	4.8	8.1	-7.2	-6.1	--	-5.8	Aug-11
<i>Bloomberg Commodity Index TR USD</i>			2.5	2.5	-2.9	-0.3	-10.4	-10.5	--	-9.9	Aug-11
Pinnacle Natural Resources, L.P.	2,664,960	1.1	0.6	0.6	-6.4	-6.1	--	--	--	-6.5	Jan-16
<i>Bloomberg Commodity Index TR USD</i>			2.5	2.5	-2.9	-0.3	--	--	--	4.8	Jan-16
Infrastructure	10,609,504	4.2	3.5	3.5	15.9	10.0	--	--	--	5.6	Jun-15
<i>DJ Brookfield Global Infrastructure Net TR USD</i>			3.3	3.3	15.2	9.2	--	--	--	4.4	Jun-15
Rhumblin DJ Brookfield Infrastructure	10,609,504	4.2	3.5	3.5	15.9	10.0	--	--	--	5.6	Jun-15
<i>DJ Brookfield Global Infrastructure Net TR USD</i>			3.3	3.3	15.2	9.2	--	--	--	4.4	Jun-15

¹ Fiscal Year begins July 1.² Infrastructure tracking error due to a cash position resulting from a delay in the ability to invest in certain markets.

Total Fund Aggregate

As of September 30, 2017

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Public Natural Resources	10,354,540	4.1	11.2	11.2	10.4	15.6	--	--	--	1.9	Jun-15
<i>S&P Global Natural Resources Index TR USD</i>			10.8	10.8	13.0	20.5	--	--	--	4.5	Jun-15
Rhumbline Global LargeMid Natural Resources	10,354,540	4.1	11.2	11.2	10.4	15.6	--	--	--	1.9	Jun-15
<i>S&P Global Lrg MidCap Commo Resource NET</i>			10.9	10.9	9.8	14.8	--	--	--	1.1	Jun-15
Cash	44,771,439	17.9									
<i>91 Day T-Bills</i>											

Total Fund Aggregate

As of September 30, 2017

Fiscal Year Performance

	Fiscal 2017 (%)	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)
Total Fund Aggregate	8.7	-2.7	-2.7	16.2	9.0
<i>Consumer Price Index</i>	1.6	1.0	0.1	2.1	1.8
<i>San Jose Healthcare Policy Benchmark</i>	9.2	0.7	-3.4	16.8	8.7
<i>San Jose Healthcare Custom Benchmark</i>	7.5	-0.7	-4.4	16.3	9.2
Total Global Equity	20.3	-5.5	1.8	23.1	19.1
<i>MSCI ACWI IMI Net USD</i>	19.0	-3.9	0.8	23.4	17.1
Global Equity	21.9	-2.8	--	--	--
<i>MSCI ACWI IMI Net USD</i>	19.0	-3.9	--	--	--
<i>Artisan Global Value</i>	21.9	-2.8	--	--	--
<i>MSCI ACWI Value NR USD</i>	19.0	-4.8	--	--	--
U.S. Equity	18.6	1.7	--	--	--
<i>Russell 3000</i>	18.5	2.1	--	--	--
<i>Northern Trust Russell 3000</i>	18.5	2.5	--	--	--
<i>Russell 3000</i>	18.5	2.1	--	--	--
<i>Cove Street Small Cap Value</i>	18.7	-1.1	--	--	--
<i>Russell 2000 Value</i>	24.9	-2.6	--	--	--

¹ Fiscal Year begins July 1.

² Please see the Appendix for composition of the San Jose Health Care 115 Trust Policy Benchmark.

³ Custom Benchmark consists of the individual benchmarks that comprise the Policy Benchmark weighted accordingly to actual allocations and re-adjusted monthly.

⁴ Vanguard international equity strategies may temporarily differ from the benchmark due to fair value pricing. Fair value pricing is an adjustment made to prices in the index after the markets close for securities that trade on foreign exchanges.

⁵ The Vanguard Spliced Developed Markets Index reflects the performance of the MSCI EAFE Index through May 28, 2013; FTSE Developed ex North America Index through December 20, 2015; FTSE Developed All Cap ex US Transition Index thereafter. Benchmark returns are adjusted for withholding taxes.



Total Fund Aggregate

As of September 30, 2017

	Fiscal 2017 (%)	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)
International Equity	20.4	-9.6	--	--	--
<i>MSCI EAFE</i>	20.3	-10.2	--	--	--
Northern Trust EAFE Index	20.5	-10.0	--	--	--
<i>MSCI EAFE</i>	20.3	-10.2	--	--	--
Vanguard Developed Markets Index	20.2	-8.4	-4.0	23.6	18.4
<i>Spliced Developed (ex. U.S.) Index</i>	20.5	-8.9	-3.9	23.7	18.6
Emerging Markets Equity	18.4	-6.7	--	--	--
<i>MSCI Emerging Markets</i>	23.7	-12.1	--	--	--
Vanguard Emerging Markets Stock Index	18.9	--	--	--	--
<i>Spliced Emerging Markets Index</i>	19.4	--	--	--	--
Aberdeen Frontier Markets Equity	16.4	-12.0	--	--	--
<i>MSCI Frontier Markets</i>	19.2	-12.1	--	--	--
Global Fixed Income	-0.2	4.3	0.8	4.3	-2.8
<i>BBgBarc Global Aggregate TR</i>	-2.2	8.9	-7.1	7.4	-2.2
Global Core	-0.2	4.3	--	--	--
<i>BBgBarc Global Aggregate TR</i>	-2.2	8.9	--	--	--
Northern Trust Barclays Aggregate	-0.4	6.2	--	--	--
<i>BBgBarc US Aggregate TR</i>	-0.3	6.0	--	--	--
Vanguard Short-Term Inflation-Protected Securities	0.3	1.7	--	--	--
<i>BBgBarc US Treasury TIPS 0-5 Yr TR</i>	0.3	1.7	--	--	--

¹ Fiscal Year begins July 1.

² Vanguard international equity strategies may temporarily differ from the benchmark due to fair value pricing. Fair value pricing is an adjustment made to prices in the index after the markets close for securities that trade on foreign exchanges.

³ The Vanguard Spliced Emerging Markets Index reflects performance of the Select Emerging Markets Index through August 23, 2006; MSCI Emerging Markets Index through January 9, 2013; FTSE Emerging Transition Index through June 27, 2013; FTSE Emerging Index through November 1, 2015; FTSE Emerging Markets All Cap China A Transition Index through September 18, 2016; and FTSE Emerging Markets All Cap China A Inclusion Index thereafter. Benchmark returns are adjusted for withholding taxes.



As of September 30, 2017

	Fiscal 2017 (%)	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)
Real Assets	5.3	-6.7	-22.7	14.8	-11.2
<i>NCREIF ODCE Equal Weighted (Net)</i>	7.2	11.2	13.6	11.4	10.8
<i>Bloomberg Commodity Index TR USD</i>	-6.5	-13.3	-23.7	8.2	-8.0
<i>DJ Brookfield Global Infrastructure Net TR USD</i>	8.0	3.2	-3.7	28.3	--
<i>S&P Global Natural Resources Index TR USD</i>	15.3	-8.9	-17.6	21.7	-2.6
Real Estate	6.2	7.6	--	--	--
<i>NCREIF ODCE Equal Weighted (Net)</i>	7.2	11.2	--	--	--
American Core Realty Fund, LLC	5.5	7.8	--	--	--
<i>NCREIF ODCE Equal Weighted (Net)</i>	7.2	11.2	--	--	--
PRISA	7.4	--	--	--	--
<i>NCREIF ODCE Equal Weighted (Net)</i>	7.2	--	--	--	--
Commodities	-1.5	-14.7	--	--	--
<i>Bloomberg Commodity Index TR USD</i>	-6.5	-13.3	--	--	--
Credit Suisse Risk Parity Commodity Fund	1.4	-11.4	-19.7	13.9	-7.4
<i>Bloomberg Commodity Index TR USD</i>	-6.5	-13.3	-23.7	8.2	-8.0
Pinnacle Natural Resources, L.P.	-9.7	--	--	--	--
<i>Bloomberg Commodity Index TR USD</i>	-6.5	--	--	--	--
Infrastructure	8.9	3.3	--	--	--
<i>DJ Brookfield Global Infrastructure Net TR USD</i>	8.0	3.2	--	--	--
Rhumblin DJ Brookfield Infrastructure	8.9	3.3	--	--	--
<i>DJ Brookfield Global Infrastructure Net TR USD</i>	8.0	3.2	--	--	--

¹ Fiscal Year begins July 1.² Infrastructure tracking error due to a cash position resulting from a delay in the ability to invest in certain markets.

Total Fund Aggregate

As of September 30, 2017

	Fiscal 2017 (%)	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)
Public Natural Resources	8.9	-9.9	--	--	--
<i>S&P Global Natural Resources Index TR USD</i>	15.3	-8.9	--	--	--
Rhumbline Global LargeMid Natural Resources	8.9	-9.9	--	--	--
<i>S&P Global Lrg MidCap Commo Resource NET</i>	8.3	-9.7	--	--	--
Cash					
91 Day T-Bills					

¹ Fiscal Year begins July 1.

As of September 30, 2017

Cash Flow Summary

QTD Ending September 30, 2017

	Beginning Market Value	Contributions	Withdrawals	Net Investment Change	Ending Market Value	Period Return
Aberdeen Frontier Markets Equity	\$2,369,710	\$0	-\$9,014	\$42,001	\$2,402,697	1.4%
American Core Realty Fund, LLC	\$6,694,456	\$0	-\$18,721	\$131,825	\$6,807,560	1.7%
Artisan Global Value	\$33,428,529	\$0	-\$91,415	\$1,840,468	\$35,177,582	5.2%
Cove Street Small Cap Value	\$2,001,098	\$0	-\$4,053	\$64,357	\$2,061,402	3.0%
Credit Suisse Risk Parity Commodity Fund	\$8,359,261	\$0	-\$9,015	\$275,980	\$8,626,226	3.2%
Internal Cash Account	\$37,285,855	\$21,109,520	-\$16,057,057	\$2,433,122	\$44,771,439	0.2%
Northern Trust Barclays Aggregate	\$31,627,170	\$16,000,000	-\$3,600	\$396,985	\$48,020,554	0.8%
Northern Trust EAFE Index	\$22,327,053	\$0	-\$2,895	\$1,208,852	\$23,533,010	5.4%
Northern Trust Russell 3000	\$12,853,002	\$0	-\$991	\$588,245	\$13,440,256	4.6%
Pinnacle Natural Resources, L.P.	\$2,649,684	\$0	-\$6,959	\$22,235	\$2,664,960	0.6%
PRISA	\$4,296,136	\$0	-\$10,740	\$10,740	\$4,296,136	0.0%
Rhumblin DJ Brookfield Infrastructure	\$10,251,247	\$0	-\$2,662	\$360,919	\$10,609,504	3.5%
Rhumblin Global LargeMid Natural Resources	\$9,314,439	\$0	-\$1,214	\$1,041,315	\$10,354,540	11.2%
Vanguard Developed Markets Index	\$6,291,799	\$0	-\$1,143	\$351,056	\$6,641,712	5.6%
Vanguard Emerging Markets Stock Index	\$8,519,341	\$0	-\$3,426	\$666,037	\$9,181,952	7.8%
Vanguard Short-Term Inflation-Protected Securities	\$21,433,617	\$0	-\$3,767	\$99,220	\$21,529,071	0.4%
Total	\$219,702,395	\$37,109,520	-\$16,226,673	\$9,533,359	\$250,118,600	3.0%

¹ Fiscal Year begins July 1.

As of September 30, 2017

Cash Flow Summary

Fiscal YTD Ending September 30, 2017

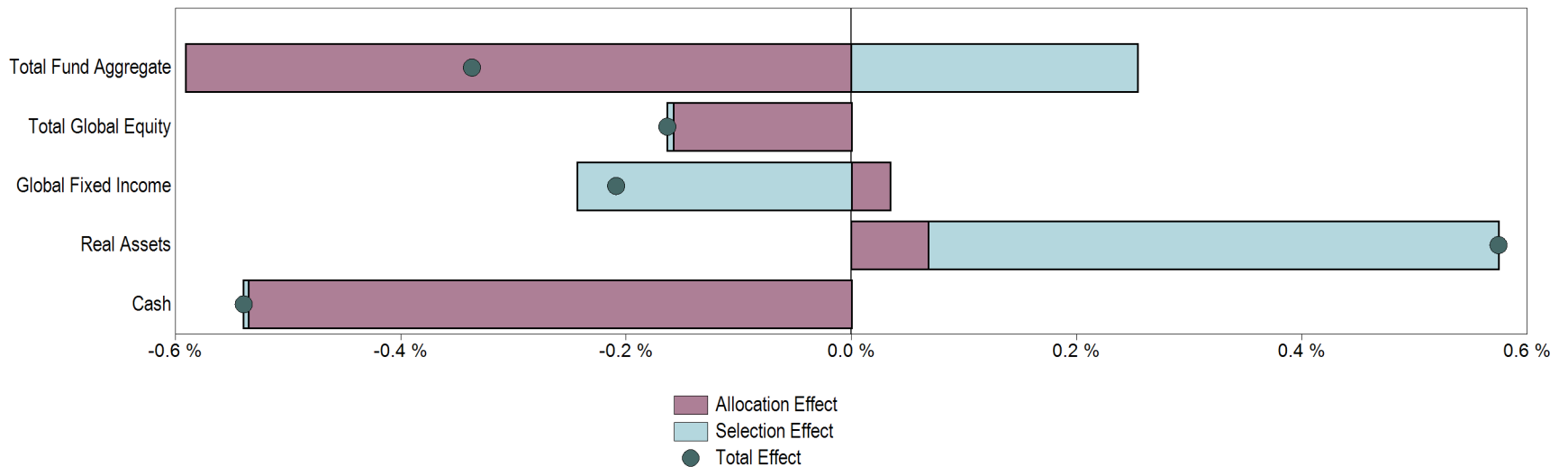
	Beginning Market Value	Contributions	Withdrawals	Net Investment Change	Ending Market Value	Period Return
Aberdeen Frontier Markets Equity	\$2,369,710	\$0	-\$9,014	\$42,001	\$2,402,697	1.39%
American Core Realty Fund, LLC	\$6,694,456	\$0	-\$18,721	\$131,825	\$6,807,560	1.69%
Artisan Global Value	\$33,428,529	\$0	-\$91,415	\$1,840,468	\$35,177,582	5.23%
Cove Street Small Cap Value	\$2,001,098	\$0	-\$4,053	\$64,357	\$2,061,402	3.01%
Credit Suisse Risk Parity Commodity Fund	\$8,359,261	\$0	-\$9,015	\$275,980	\$8,626,226	3.19%
Internal Cash Account	\$37,285,855	\$21,109,520	-\$16,057,057	\$2,433,122	\$44,771,439	0.24%
Northern Trust Barclays Aggregate	\$31,627,170	\$16,000,000	-\$3,600	\$396,985	\$48,020,554	0.83%
Northern Trust EAFE Index	\$22,327,053	\$0	-\$2,895	\$1,208,852	\$23,533,010	5.40%
Northern Trust Russell 3000	\$12,853,002	\$0	-\$991	\$588,245	\$13,440,256	4.57%
Pinnacle Natural Resources, L.P.	\$2,649,684	\$0	-\$6,959	\$22,235	\$2,664,960	0.58%
PRISA	\$4,296,136	\$0	-\$10,740	\$10,740	\$4,296,136	0.00%
Rhumblin DJ Brookfield Infrastructure	\$10,251,247	\$0	-\$2,662	\$360,919	\$10,609,504	3.49%
Rhumblin Global LargeMid Natural Resources	\$9,314,439	\$0	-\$1,214	\$1,041,315	\$10,354,540	11.17%
Vanguard Developed Markets Index	\$6,291,799	\$0	-\$1,143	\$351,056	\$6,641,712	5.56%
Vanguard Emerging Markets Stock Index	\$8,519,341	\$0	-\$3,426	\$666,037	\$9,181,952	7.78%
Vanguard Short-Term Inflation-Protected Securities	\$21,433,617	\$0	-\$3,767	\$99,220	\$21,529,071	0.45%
Total	\$219,702,395	\$37,109,520	-\$16,226,673	\$9,533,359	\$250,118,600	2.96%

¹ Fiscal Year begins July 1.

Attribution Summary
QTD Ending September 30, 2017

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
Total Global Equity	5.3%	5.3%	0.0%	0.0%	-0.2%	-0.2%
Global Fixed Income	0.7%	1.8%	-1.1%	-0.2%	0.0%	-0.2%
Real Assets	4.3%	1.7%	2.6%	0.5%	0.1%	0.6%
Cash	0.2%	0.3%	0.0%	0.0%	-0.5%	-0.5%
Total	3.1%	3.4%	-0.3%	0.3%	-0.6%	-0.3%

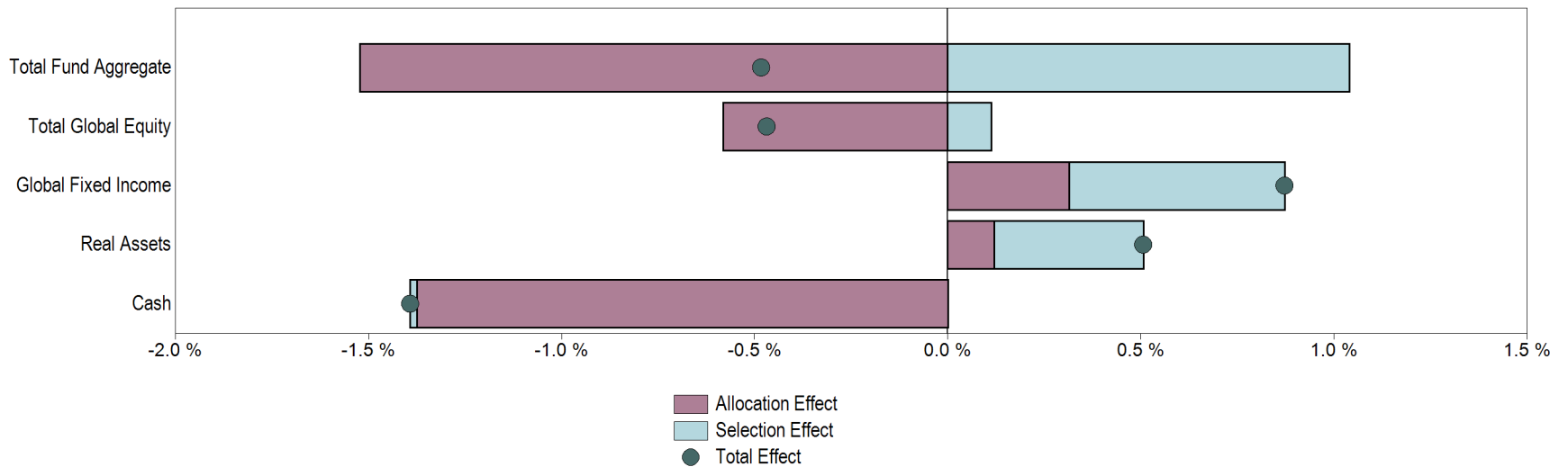
Attribution Effects
QTD Ending September 30, 2017



Attribution Summary
1 Year Ending September 30, 2017

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
Total Global Equity	19.1%	18.7%	0.4%	0.1%	-0.6%	-0.5%
Global Fixed Income	0.2%	-1.3%	1.4%	0.6%	0.3%	0.9%
Real Assets	8.8%	6.9%	1.9%	0.4%	0.1%	0.5%
Cash	0.6%	0.7%	-0.1%	0.0%	-1.4%	-1.4%
Total	9.2%	9.7%	-0.5%	1.0%	-1.5%	-0.5%

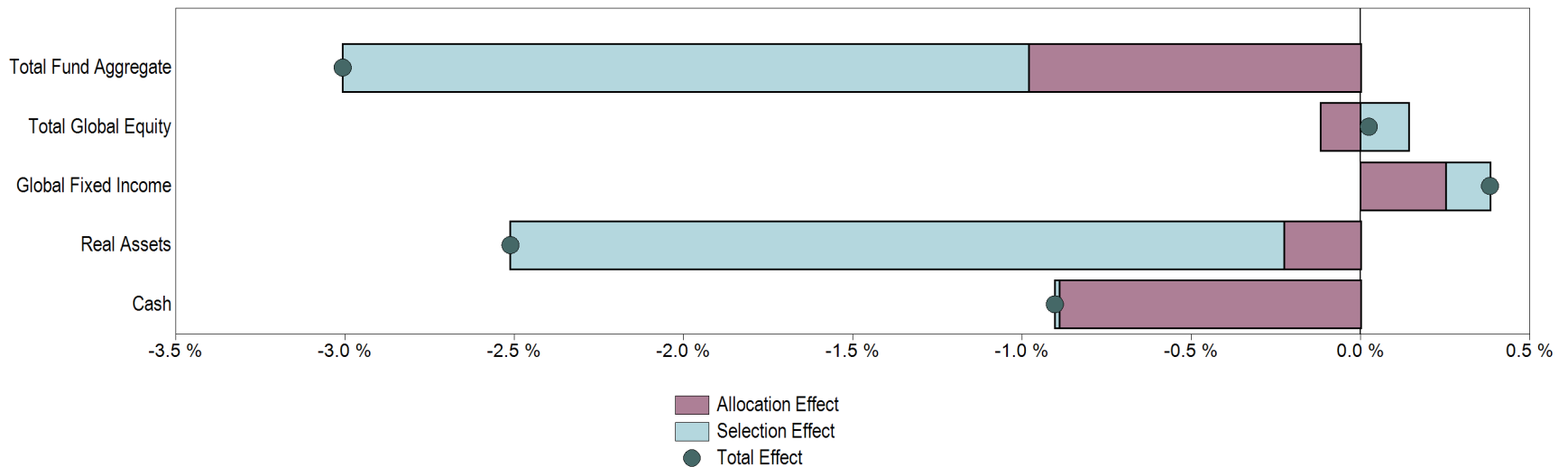
Attribution Effects
1 Year Ending September 30, 2017



**Attribution Summary
3 Years Ending September 30, 2017**

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
Total Global Equity	8.0%	7.7%	0.3%	0.1%	-0.1%	0.0%
Global Fixed Income	2.1%	1.3%	0.8%	0.1%	0.3%	0.4%
Real Assets	-4.6%	10.1%	-14.7%	-2.3%	-0.2%	-2.5%
Cash	0.2%	0.3%	-0.1%	0.0%	-0.9%	-0.9%
Total	3.4%	6.5%	-3.0%	-2.0%	-1.0%	-3.0%

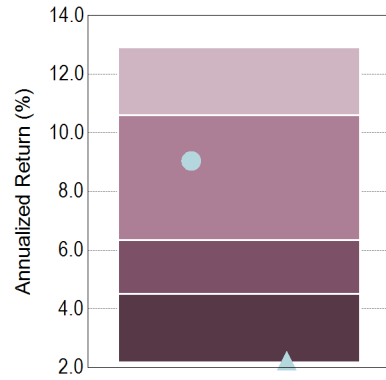
**Attribution Effects
3 Years Ending September 30, 2017**



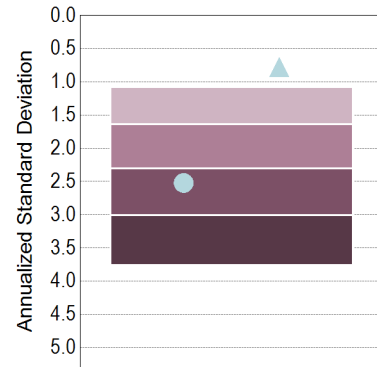
Total Fund Risk Statistics vs. Peer Universe (Trailing 1 Year)

As of September 30, 2017

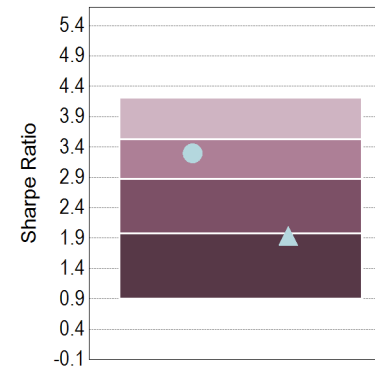
Annualized Return (%)
vs. InvestorForce Health & Welfare
\$50mm - \$250mm Gross



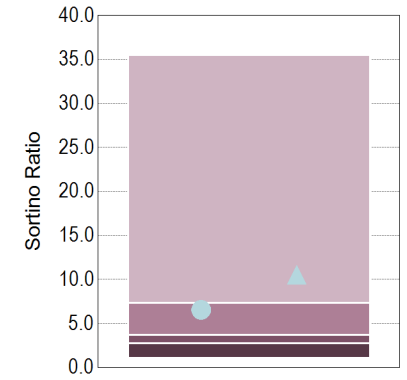
Annualized Standard Deviation
vs. InvestorForce Health & Welfare
\$50mm - \$250mm Gross



Sharpe Ratio
vs. InvestorForce Health & Welfare
\$50mm - \$250mm Gross



Sortino Ratio
vs. InvestorForce Health & Welfare
\$50mm - \$250mm Gross



● Total Fund Aggregate	
Value	9.0
Rank	29
▲ Consumer Price Index	
Value	2.2
Rank	95
Universe	
5th %tile	12.9
25th %tile	10.6
Median	6.4
75th %tile	4.5
95th %tile	2.2

● Total Fund Aggregate	
Value	2.5
Rank	57
▲ Consumer Price Index	
Value	0.8
Rank	4
Universe	
5th %tile	1.1
25th %tile	1.6
Median	2.3
75th %tile	3.0
95th %tile	3.8

● Total Fund Aggregate	
Value	3.3
Rank	34
▲ Consumer Price Index	
Value	1.9
Rank	78
Universe	
5th %tile	4.2
25th %tile	3.5
Median	2.9
75th %tile	2.0
95th %tile	0.9

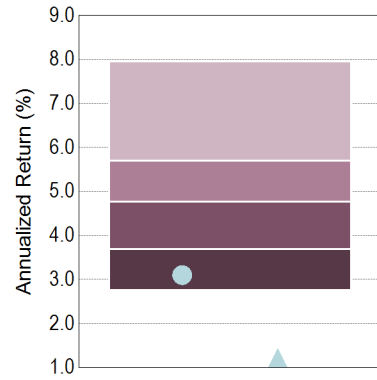
● Total Fund Aggregate	
Value	6.5
Rank	38
▲ Consumer Price Index	
Value	10.5
Rank	14
Universe	
5th %tile	35.5
25th %tile	7.4
Median	3.8
75th %tile	2.8
95th %tile	1.1



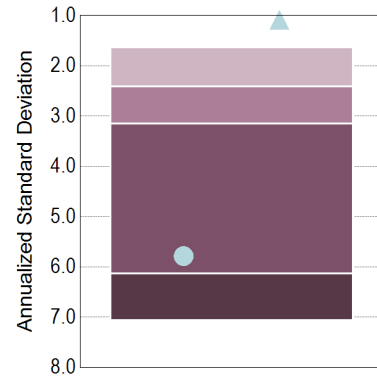
Total Fund Risk Statistics vs. Peer Universe (Trailing 3 Years)

As of September 30, 2017

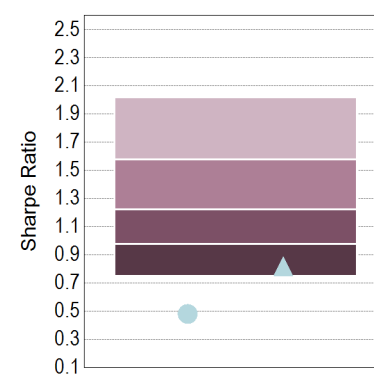
Annualized Return (%) vs. InvestorForce Health & Welfare \$50mm - \$250mm Gross



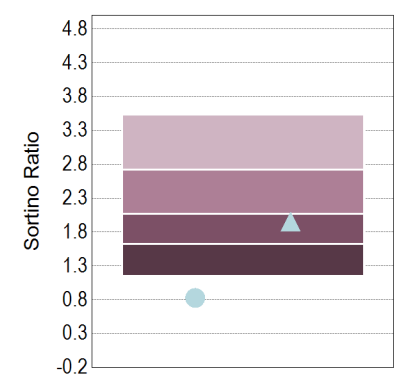
Annualized Standard Deviation vs. InvestorForce Health & Welfare \$50mm - \$250mm Gross



Sharpe Ratio vs. InvestorForce Health & Welfare \$50mm - \$250mm Gross



Sortino Ratio vs. InvestorForce Health & Welfare \$50mm - \$250mm Gross



● Total Fund Aggregate	
Value	3.1
Rank	89
▲ Consumer Price Index	
Value	1.2
Rank	99
Universe	
5th %tile	8.0
25th %tile	5.7
Median	4.8
75th %tile	3.7
95th %tile	2.8

● Total Fund Aggregate	
Value	5.8
Rank	74
▲ Consumer Price Index	
Value	1.1
Rank	1
Universe	
5th %tile	1.6
25th %tile	2.4
Median	3.1
75th %tile	6.1
95th %tile	7.0

● Total Fund Aggregate	
Value	0.5
Rank	99
▲ Consumer Price Index	
Value	0.8
Rank	93
Universe	
5th %tile	2.0
25th %tile	1.6
Median	1.2
75th %tile	1.0
95th %tile	0.8

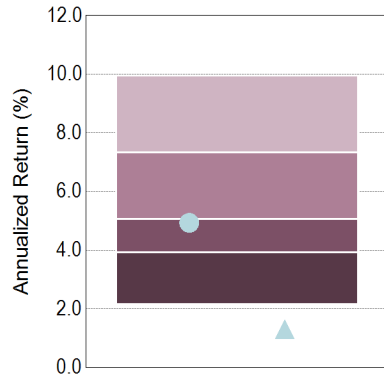
● Total Fund Aggregate	
Value	0.8
Rank	99
▲ Consumer Price Index	
Value	2.0
Rank	54
Universe	
5th %tile	3.5
25th %tile	2.7
Median	2.1
75th %tile	1.6
95th %tile	1.2



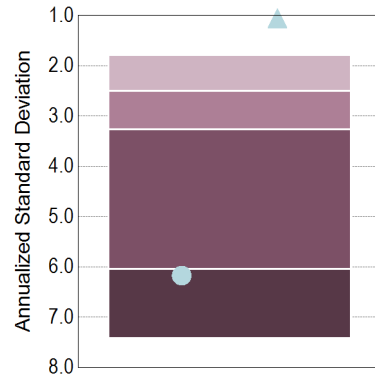
Total Fund Risk Statistics vs. Peer Universe (Trailing 5 Years)

As of September 30, 2017

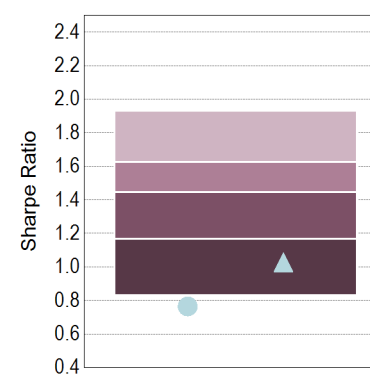
Annualized Return (%) vs. InvestorForce Health & Welfare \$50mm - \$250mm Gross



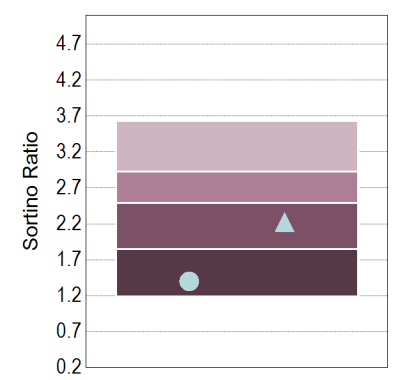
Annualized Standard Deviation vs. InvestorForce Health & Welfare \$50mm - \$250mm Gross



Sharpe Ratio vs. InvestorForce Health & Welfare \$50mm - \$250mm Gross



Sortino Ratio vs. InvestorForce Health & Welfare \$50mm - \$250mm Gross



● Total Fund Aggregate	
Value	4.9
Rank	54
▲ Consumer Price Index	
Value	1.3
Rank	99
Universe	
5th %tile	10.0
25th %tile	7.4
Median	5.1
75th %tile	4.0
95th %tile	2.2

● Total Fund Aggregate	
Value	6.2
Rank	77
▲ Consumer Price Index	
Value	1.1
Rank	1
Universe	
5th %tile	1.8
25th %tile	2.5
Median	3.2
75th %tile	6.0
95th %tile	7.4

● Total Fund Aggregate	
Value	0.8
Rank	97
▲ Consumer Price Index	
Value	1.0
Rank	83
Universe	
5th %tile	1.9
25th %tile	1.6
Median	1.5
75th %tile	1.2
95th %tile	0.8

● Total Fund Aggregate	
Value	1.4
Rank	93
▲ Consumer Price Index	
Value	2.2
Rank	59
Universe	
5th %tile	3.6
25th %tile	2.9
Median	2.5
75th %tile	1.9
95th %tile	1.2

