

FUND EVALUATION REPORT

San Jose Federated Retiree Health Care 115 Trust

Quarterly Review
June 30, 2015



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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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Executive Summary As of June 30, 2015

The value of the San Jose Federated Retiree Health Care Trust was \$120.1 million on June 30, 2015, up from \$112.5 million at the end of the first calendar quarter.

- The increase in assets was due to both positive investment performance and contributions totaling \$6.7 million for the quarter.
- Second quarter performance for the Health Care Trust was +0.8% net-of-fees. Trust performance was +2.2% for the calendar year-to-date period and -2.7% for the fiscal year.
- The Health Care Trust outperformed both the Custom Benchmark and the Policy Benchmark during the second calendar quarter, and is also outperforming both benchmarks over all trailing periods shown in this report. For the quarter, global equity returned +2.1%, outperforming the MSCI ACWI IMI Index return of +0.5%; fixed income outperformed the Barclays Global Aggregate -1.0% vs. -1.2%; and real assets returned +1.3%, while sub-asset class benchmark returns were mixed.
- The Health Care Trust had significant changes to the manager roster during the second quarter to align with the new asset allocation that was adopted at the October 2014 meeting. Terminations during the quarter included Vanguard Emerging Markets, Vanguard Russell 3000, and Vanguard Total Bond Market Index. Newly funded managers during the quarter include Northern Trust EAFE, Artisan Global Value, Vontobel Emerging Markets, Northern Trust Russell 3000, Aberdeen Frontier Markets, Cove Street Small Cap Value, Northern Trust Barclays Aggregate, Rhumblin S&P Global Large MidCap Commodity & Natural Resources, and Rhumblin Dow Jones Brookfield Global Infrastructure.

Investment Manager	Asset Class	Changes/ Announcements	Performance Concerns	Meketa Recommendation ¹	Comments
Aberdeen	Frontier Markets Equity	Yes	---	Hold	Purchase of SVG Capital and Flag Capital Management
Artisan	Global Equity	---	---	---	
Cove Street	Small Cap Equity	Yes	---	Hold	Analyst Departure
Vontobel	Emerging Markets Equity	---	---	---	
Credit Suisse	Commodities	Yes	---	Hold	DOL QPAM Exemption, CEO Departure
First Quadrant	Commodities	---	---	---	

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



Aberdeen

- In May 2015, Aberdeen agreed to acquire FLAG Capital Management, a manager of private equity and real asset solutions with offices in Stamford, Boston and Hong Kong. The acquisition is expected to close in the third quarter of 2015.
- In June 2015, Aberdeen completed the purchase of SVG Capital plc's outstanding stake in the joint venture vehicle Aberdeen SVG Private Equity. Aberdeen had previously acquired a 50.1% stake in the joint venture vehicle in May 2013.

Cove Street

- In June 2015, one of Cove Street's analysts, Rohan Rangaraj, left the firm.

Credit Suisse

- On May 19, 2014, Credit Suisse AG, the parent company of Credit Suisse Asset Management, pled guilty (under an agreement with regulators) to charges of helping U.S. citizens avoid taxes overseas.
- On November 14, 2014, the U.S. Department of Labor (DOL) announced that it had granted Credit Suisse a one year interim exemption to enable them to continue acting as a Qualified Professional Asset Manager (QPAM) for its ERISA clients. The DOL also has proposed a ten year exemption that will run throughout the period of QPAM disqualification (i.e., through November 21, 2024). At that point, Credit Suisse will no longer need any QPAM exemption, as the disqualification period will have terminated. In the case of 23 firms that have sought exemptions from the DOL since 1997, every waiver has been granted.
- The DOL held a public hearing on January 15, 2015, to seek comment on the proposed ten year exemption. None of the comments or requests for a hearing was made by a plan fiduciary, participant or beneficiary whose assets are managed by Credit Suisse.

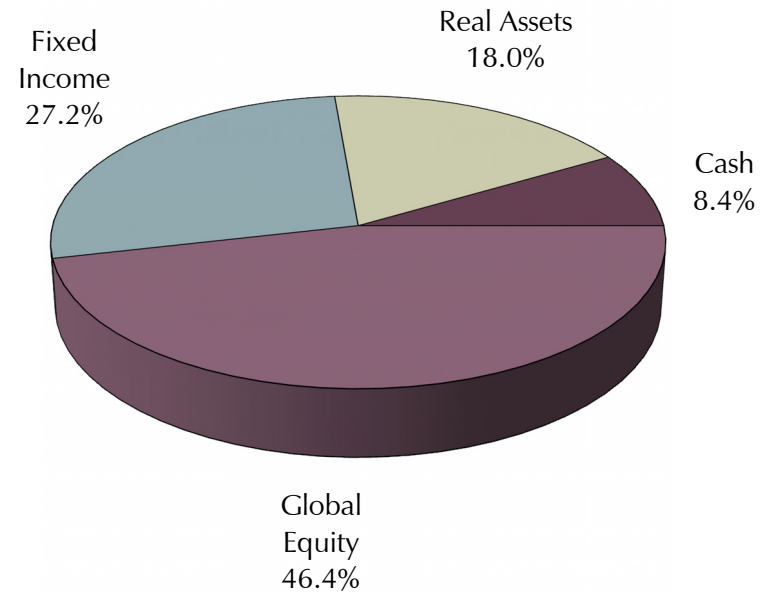
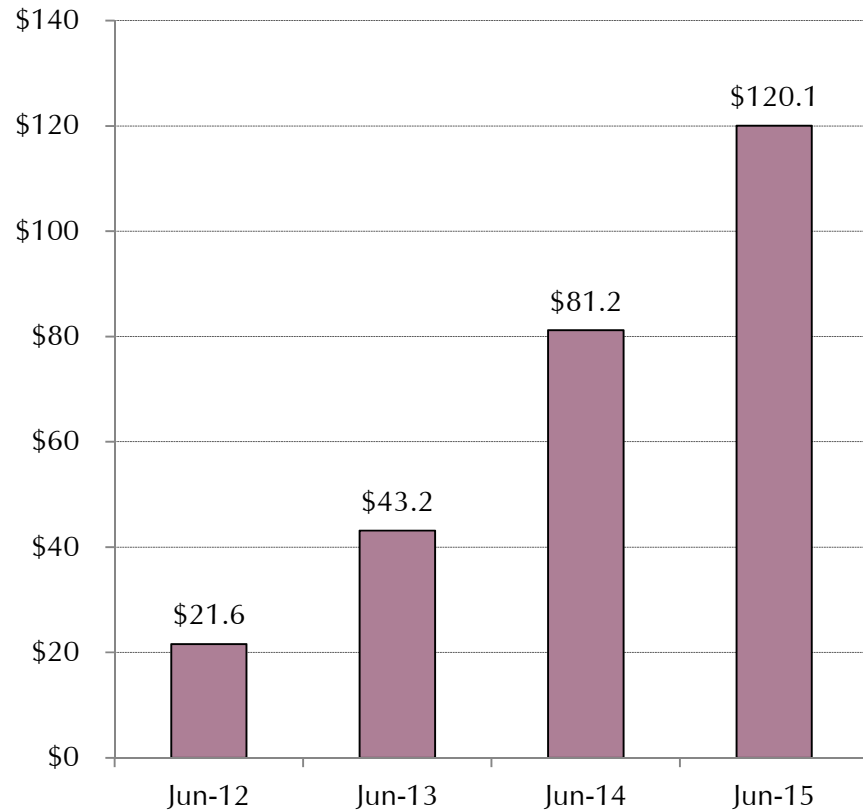
Credit Suisse (continued)

- At this time, it does not appear that the activities for which the parent company was punished should have a material impact on Credit Suisse Asset Management's ability to invest commodities for the System. We provided a memo to the Board dated June 10, 2014, and we will continue to monitor the situation going forward.
- On July 1, 2015, Tidjane Thiam replaced Brady Dougan as CEO of Credit Suisse Group.

**Fund Summary
As of June 30, 2015**

**San Jose Federated Retiree Health Care
115 Trust**

**Aggregate Assets
as of 6/30/15**



**San Jose Federated Retiree Health Care
115 Trust**

**Aggregate Assets
Asset Summary as of 6/30/15**

	Market Value 6/30/15 (\$ mm)	% of Health Care Trust	Target Allocation (%)	Target Range (%)	Market Value 3/31/15 (\$ mm)
Total Fund Aggregate	120.1	100.0	NA	NA	112.5
Global Equity	55.8	46.4	46.7	40-54	57.0
Fixed Income	32.6	27.2	30.3	20-40	25.4
Real Assets	21.6	18.0	23.0	15-30	11.7
Cash	10.0	8.4	0.0	0-5	18.5



San Jose Federated Retiree Health Care
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Aggregate Assets
Portfolio Roster as of 6/30/15

	Market Value 6/30/15 (\$ mm)	% of Asset Class	% of Health Care Trust	Target Allocation (%)	Target Range (%)	Market Value 3/31/15 (\$ mm)
Total Fund Aggregate	120.1	NA	100.0	NA	NA	112.5
Global Equity	55.8	100.0	46.4	46.7	40-54	57.0
Northern Trust EAFE Index-NL ¹	17.8	32.0	14.9			0.0
Artisan Global Value ²	16.9	30.3	14.1			0.0
Vontobel Emerging Markets Equity ²	6.9	12.5	5.8			0.0
Vanguard Developed Markets Index	5.7	10.3	4.8			25.0
Northern Trust Russell 3000 ²	4.9	8.8	4.1			0.0
Aberdeen Frontier Markets Equity ¹	2.0	3.6	1.7			0.0
Cove Street Small Cap Value ²	1.5	2.6	1.2			0.0
Vanguard Emerging Markets Stock Index ³	0.0	0.0	0.0			10.0
Vanguard Russell 3000 Index ³	0.0	0.0	0.0			22.0
Fixed Income	32.6	100.0	27.2	30.3	20-40	25.4
Investment Grade Bonds	20.9	63.9	17.4	12.7	8-18	15.6
Northern Trust Barclays Aggregate Index-NL ²	20.9	63.9	17.4			0.0
Vanguard Total Bond Market Index ³	0.0	0.0	0.0			15.6

¹ Funded June 2015.

² Funded May 2015.

³ Liquidated May 2015.



San Jose Federated Retiree Health Care
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Aggregate Assets
Portfolio Roster as of 6/30/15

	Market Value 6/30/15 (\$ mm)	% of Asset Class	% of Health Care Trust	Target Allocation (%)	Target Range (%)	Market Value 3/31/15 (\$ mm)
Fixed Income (continued)						
TIPS	11.8	36.1	9.8	12.7	8-18	9.7
Vanguard Short-Term Inflation-Protected Securities	11.8	36.1	9.8			9.7
Global Credit	0.0	0.0	0.0	5.0	2-8	0.0
Real Return Assets						
Commodities	11.9	55.1	10.0	6.0	2-10	11.7
Credit Suisse Risk Parity Commodity Fund	7.6	35.2	6.3			7.4
First Quadrant Balanced Risk Parity Commodity Fund	4.3	19.9	3.6			4.3
Public Natural Resources	4.8	22.2	4.0	5.0	2-8	0.0
Rhumblin S&P Global Large MidCap Commodity & NR ¹	4.8	22.2	4.0			0.0
Public Infrastructure	4.9	22.7	4.1	5.0	2-8	0.0
Rhumblin DJ Brookfield Global Infrastructure ¹	4.9	22.7	4.1			0.0
Core Real Estate	0.0	0.0	0.0	7.0	4-10	0.0
Cash	10.0	100.0	8.4	0.0	0-5	18.5

¹ Funded June 2015.



**San Jose Federated Retiree Health Care
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**Aggregate Assets
Performance as of 6/30/15**

	2Q15 (%)	Cal YTD (%)	Fiscal YR ¹ / 1 YR (%)	3 YR (%)	Performance Inception Date	Since Inception (%)
Total Fund Aggregate	0.8	2.2	-2.7	7.2	7/1/11	5.5
<i>CPI Medical Care (Inflation)</i>	0.5	2.8	3.8	2.9		3.1
<i>San Jose Healthcare Policy Benchmark²</i>	0.3	0.7	-3.4	7.0		4.7
<i>San Jose Healthcare Custom Benchmark³</i>	0.1	0.2	-4.4	6.7		5.4
Global Equity	2.1	5.7	1.6	14.2	12/1/11	13.4
<i>MSCI ACWI IMI</i>	0.5	3.1	0.8	13.3		12.7
Fixed Income	-1.0	0.4	0.9	0.7	12/1/11	1.7
<i>Barclays Global Aggregate</i>	-1.2	-3.1	-7.1	-0.8		-0.1
Real Assets	1.3	-5.0	-22.7	-7.6	8/1/11	-9.5
<i>Bloomberg Commodity Index</i>	4.7	-1.6	-23.7	-8.8		-11.1
<i>S&P Global Natural Resources</i>	0.1	-2.5	-17.6	-0.8		-5.4
<i>DJ Brookfield Global Infrastructure Index</i>	-2.6	-3.6	-3.7	12.3		11.9
<i>NCREIF ODCE Equal Weighted (net)</i>	3.7	7.0	13.6	11.9		12.1

¹ Fiscal Year begins July 1.

² Please see page 9 of the Fund Summary 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.



San Jose Federated Retiree Health Care
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Aggregate Assets
Performance as of 6/30/15

	2Q15 (%)	Cal YTD (%)	Fiscal YR ¹ / 1 YR (%)	3 YR (%)	Performance Inception Date	Since Inception (%)
Global Equity	2.1	5.7	1.6	14.2	12/1/11	13.4
Northern Trust EAFE Index-NL ²	NA	NA	NA	NA	7/1/15	NA
<i>MSCI EAFE</i>	0.6	5.5	-4.2	12.0		NA
Artisan Global Value	NA	NA	NA	NA	6/1/15	-2.1
<i>MSCI ACWI Value</i>	0.3	0.5	-3.4	11.8		-2.8
Vontobel Emerging Markets Equity	NA	NA	NA	NA	6/1/15	-0.8
<i>MSCI Emerging Markets</i>	0.7	2.9	-5.1	3.7		-2.6
Vanguard Developed Markets Index ³	1.0	6.6	-3.9	12.0	12/1/11	10.4
<i>Spliced Developed Markets Index⁴</i>	0.7	5.8	-3.9	12.1		10.6
Northern Trust Russell 3000	NA	NA	NA	NA	6/1/15	-1.7
<i>Russell 3000</i>	0.1	1.9	7.3	17.7		-1.7
Aberdeen Frontier Markets Equity ²	NA	NA	NA	NA	7/1/15	NA
<i>MSCI Frontier Markets</i>	0.0	-3.2	-13.9	13.0		NA
Cove Street Small Cap Value	NA	NA	NA	NA	6/1/15	-1.7
<i>Russell 2000 Value</i>	-1.2	0.8	0.8	15.5		0.1

¹ Fiscal Year begins July 1.

² Performance will be available on 7/31/15.

³ 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.

⁴ The Vanguard Spliced Developed Markets Index reflects the performance of the MSCI EAFE Index through May 28, 2013; and the FTSE Developed ex North America Index thereafter.



San Jose Federated Retiree Health Care
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Aggregate Assets
Performance as of 6/30/15

	2Q15 (%)	Cal YTD (%)	Fiscal YR ¹ / 1 YR (%)	3 YR (%)	Performance Inception Date	Since Inception (%)
Fixed Income	-1.0	0.4	0.9	0.7	12/1/11	1.7
Investment Grade Bonds	-1.8	-0.2	NA	NA	1/1/15	-0.2
Northern Trust Barclays Aggregate Index-NL	NA	NA	NA	NA	6/1/15	-1.1
<i>Barclays Aggregate</i>	-1.7	-0.1	1.9	1.8		-1.1
TIPS	0.5	1.4	NA	NA	1/1/15	1.4
Vanguard Short-Term Inflation-Protected Securities	0.5	NA	NA	NA	3/1/15	0.2
<i>Barclays U.S. TIPS 0-5 Years</i>	0.6	1.0	-1.9	-0.1		0.2
Real Assets	1.3	-5.0	-22.7	-7.6	8/1/11	-9.5
Commodities	2.5	-3.9	NA	NA	1/1/15	-3.9
Credit Suisse Risk Parity Commodity Fund	2.9	-2.4	-19.7	-5.4	8/1/11	-7.2
<i>Custom Risk Parity Commodity Benchmark²</i>	2.8	-2.4	-20.1	-5.5		-7.4
<i>Bloomberg Commodity Index</i>	4.7	-1.6	-23.7	-8.8		-11.1
First Quadrant Balanced Risk Parity Commodity Fund	1.8	-6.4	-25.2	-8.8	8/1/11	-11.0
<i>Custom Risk Parity Commodity Benchmark²</i>	2.8	-2.4	-20.1	-5.5		-7.4
<i>Bloomberg Commodity Index</i>	4.7	-1.6	-23.7	-8.8		-11.1

¹ Fiscal Year begins July 1.

² Custom Risk Parity Commodity Benchmark returns provided by Credit Suisse.



San Jose Federated Retiree Health Care
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Aggregate Assets
Performance as of 6/30/15

	2Q15 (%)	Cal YTD (%)	Fiscal YR ¹ / 1 YR (%)	3 YR (%)	Performance Inception Date	Since Inception (%)
Real Assets (continued)						
Public Natural Resources	NA	NA	NA	NA	6/1/15	-4.2
Rhumblin S&P Global Large MidCap Commodity & NR ²	NA	NA	NA	NA	6/1/15	-4.2
<i>S&P Global Large MidCap Commodity and Resources</i>	0.1	-3.6	-19.7	-2.7		-5.2
<i>S&P Global Natural Resources</i>	0.1	-2.5	-17.6	-0.8		-4.9
Public Infrastructure	NA	NA	NA	NA	6/1/15	-2.5
Rhumblin DJ Brookfield Global Infrastructure ²	NA	NA	NA	NA	6/1/15	-2.5
<i>DJ Brookfield Global Infrastructure Index</i>	-2.6	-3.6	-3.7	12.3		-4.1

¹ Fiscal Year begins July 1.

² Tracking error due to a cash position resulting from a delay in the ability to invest in certain markets.



**San Jose Federated Retiree Health Care
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**Aggregate Assets
Performance as of 6/30/15**

Time Period	%	Composition
1/1/2015-Present	46.7	MSCI ACWI IMI
	30.3	Barclays Global Aggregate
	6.0	Bloomberg Commodity Index
	5.0	S&P Global Natural Resources
	5.0	DJ Brookfield Global Infrastructure
	7.0	NCREIF ODCE Equal Weight Net
7/1/2011-12/31/2014	26.5	Russell 3000
	26.5	MSCI EAFE
	6	MSCI Emerging Markets
	1	Barclays Aggregate Float Adjusted
	12	Barclays U.S. TIPS
	13	Custom Risk Parity Benchmark ¹

¹ Custom Risk Parity Commodity Benchmark returns provided by Credit Suisse.

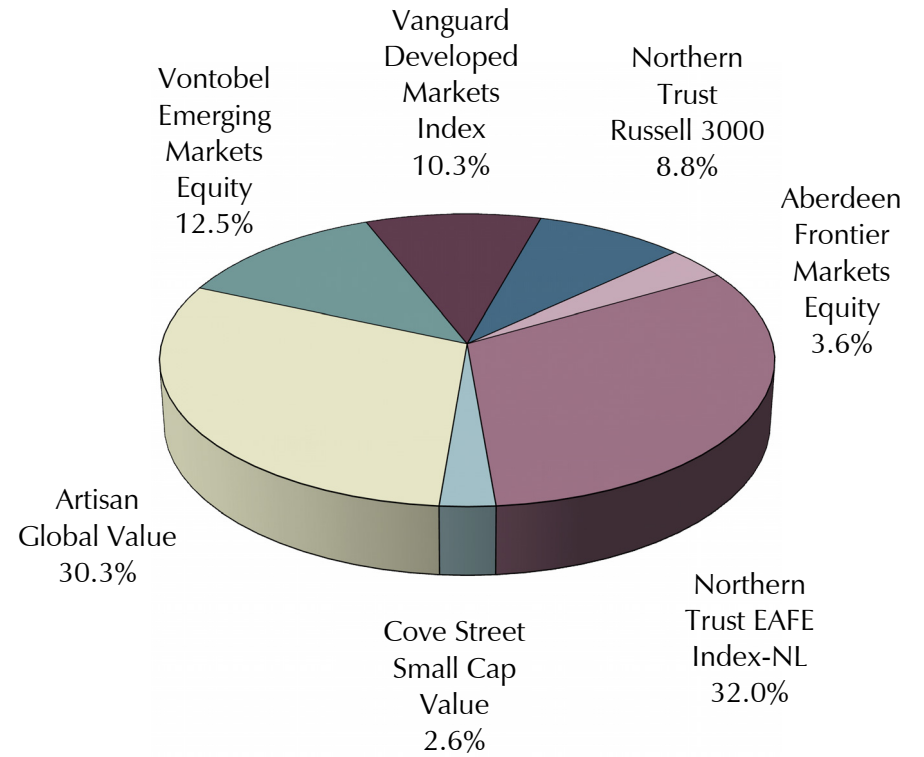
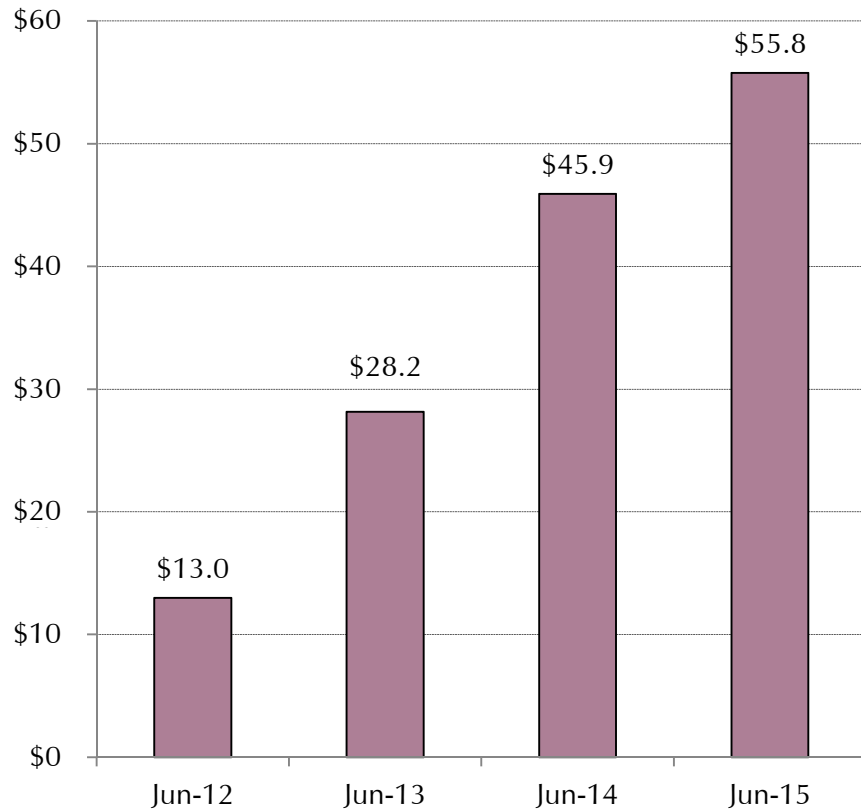


Fund Detail

Global Equity Assets
As of June 30, 2015

**San Jose Federated Retiree Health Care
115 Trust**

**Global Equity Assets
as of 6/30/15**



**San Jose Federated Retiree Health Care
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**Global Equity Assets
Risk as of 6/30/15**

Risk: (forty-three months)	Aggregate Global Equity 6/30/15	MSCI ACWI IMI 6/30/15
Annualized Return (%)	13.4	12.7
Standard Deviation (%)	12.2	11.8
Best Monthly Return (%)	6.0	6.1
Worst Monthly Return (%)	-8.8	-9.0
Beta	1.01	1.00
Correlation to Index	0.99	1.00
Correlation to Total Fund Return	0.98	NA
Sharpe Measure (risk-adjusted return)	1.10	1.07
Information Ratio	0.43	NA



**San Jose Federated Retiree Health Care
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**Global Equity Assets
Characteristics as of 6/30/15**

	Aggregate Global Equity 6/30/15	MSCI ACWI IMI 6/30/15	Aggregate Global Equity 3/31/15
Capitalization Structure:			
Weighted Average Market Cap. (US\$ billion)	65.0	76.0	70.7
Median Market Cap. (US\$ billion)	3.5	1.4	3.0
Large (% over US\$20 billion)	66	61	62
Medium (% US\$3 billion to US\$20 billion)	29	29	32
Small (% under US\$3 billion)	5	10	6
Fundamental Structure:			
Price-Earnings Ratio	19	18	19
Price-Book Value Ratio	2.4	1.9	2.0
Dividend Yield (%)	2.4	2.4	2.5
Historical Earnings Growth Rate (%)	9	10	10
Projected Earnings Growth Rate (%)	10	11	11



**San Jose Federated Retiree Health Care
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**Global Equity Assets
Diversification as of 6/30/15**

Diversification:	Aggregate Global Equity 6/30/15	MSCI ACWI IMI 6/30/15	Aggregate Global Equity 3/31/15
Number of Holdings	4,072	8,616	5,437
% in 5 largest holdings	7	5	4
% in 10 largest holdings	13	7	7

Largest Five Holdings:	% of Portfolio	Economic Sector
Oracle	1.7	Software & Services
Royal Bank of Scotland	1.4	Banks
Bank of New York Mellon	1.4	Diversified Financials
Citigroup	1.3	Banks
Novartis	1.2	Pharmaceuticals & Biotech.



**San Jose Federated Retiree Health Care
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**Global Equity Assets
Sector Allocation as of 6/30/15**

Sector Allocation (%):	Aggregate Global Equity 6/30/15	MSCI ACWI IMI 6/30/15	Aggregate Global Equity 3/31/15
Financials	29	22	23
Consumer Staples	13	9	9
Information Technology	15	14	13
Telecommunication Services	3	3	4
Utilities	2	3	3
Materials	4	6	6
Industrials	10	11	11
Energy	4	7	7
Health Care	9	12	11
Consumer Discretionary	10	13	12

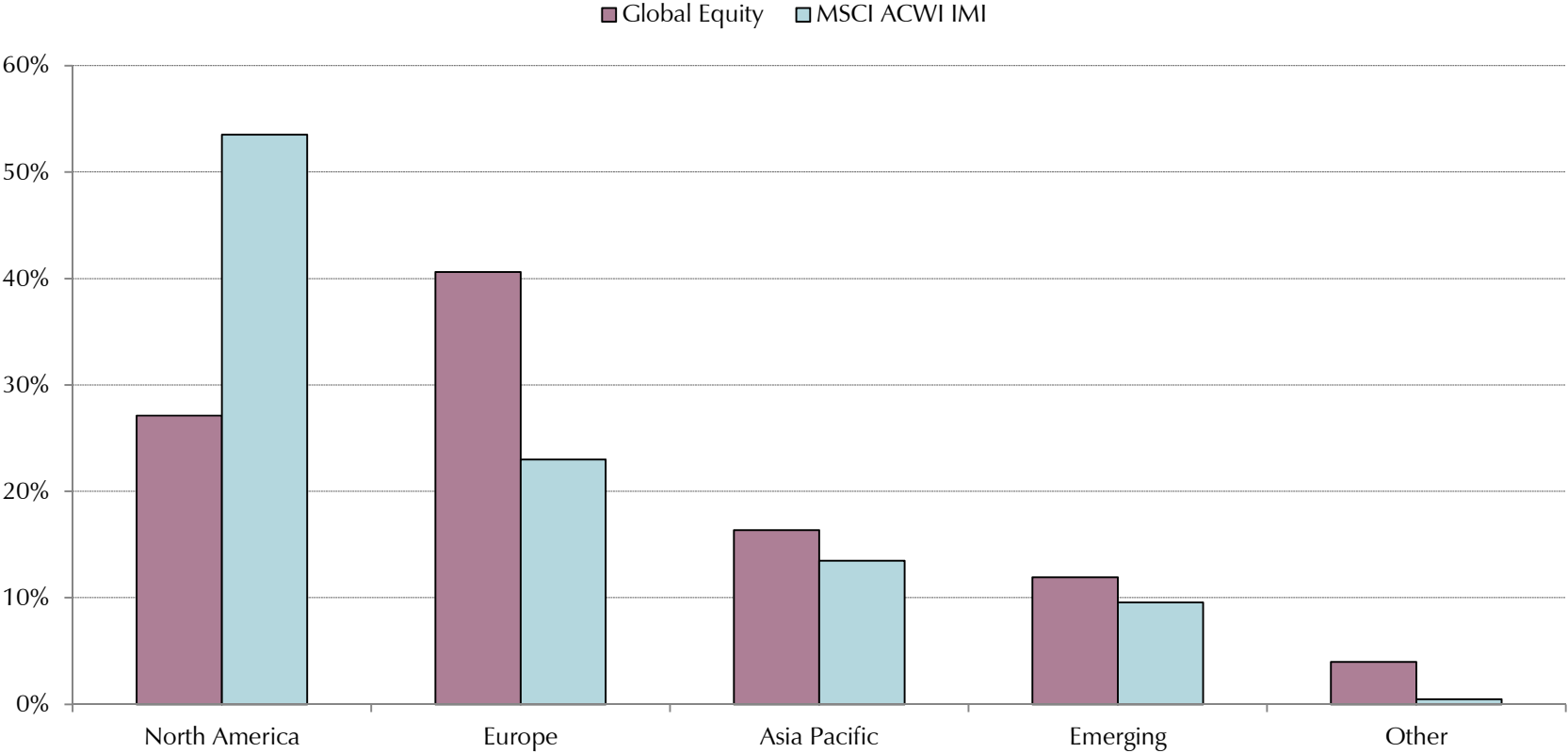


San Jose Federated Retiree Health Care
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Global Equity Assets
Country & Region Breakdown as of 6/30/15

	Aggregate Global Equity 6/30/15 (%)	MSCI ACWI IMI 6/30/15 (%)		Aggregate Global Equity 6/30/15 (%)	MSCI ACWI IMI 6/30/15 (%)
North America	27.1	53.5	Asia Pacific	16.4	13.5
United States of America	26.4	50.3	Japan	9.9	8.2
Europe	40.6	23.0	Australia	2.9	2.3
United Kingdom	14.0	6.6	Singapore	1.1	0.6
Switzerland	7.3	3.3	Hong Kong	2.5	2.3
Denmark	2.1	0.6	Emerging	11.9	9.5
France	4.1	2.9	India	3.1	0.9
Netherlands	2.7	1.6	Brazil	1.5	0.7
Germany	3.7	2.9	South Korea	2.2	1.6
Belgium	1.1	0.5	Other	4.0	0.5
Spain	1.4	1.1	Bermuda	1.2	0.2
Sweden	1.2	1.1			
Italy	1.0	0.9			

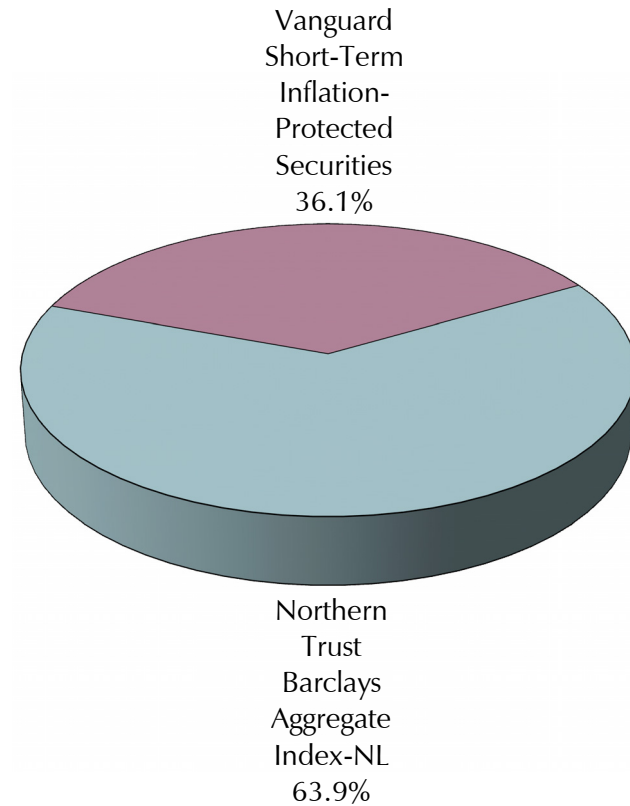
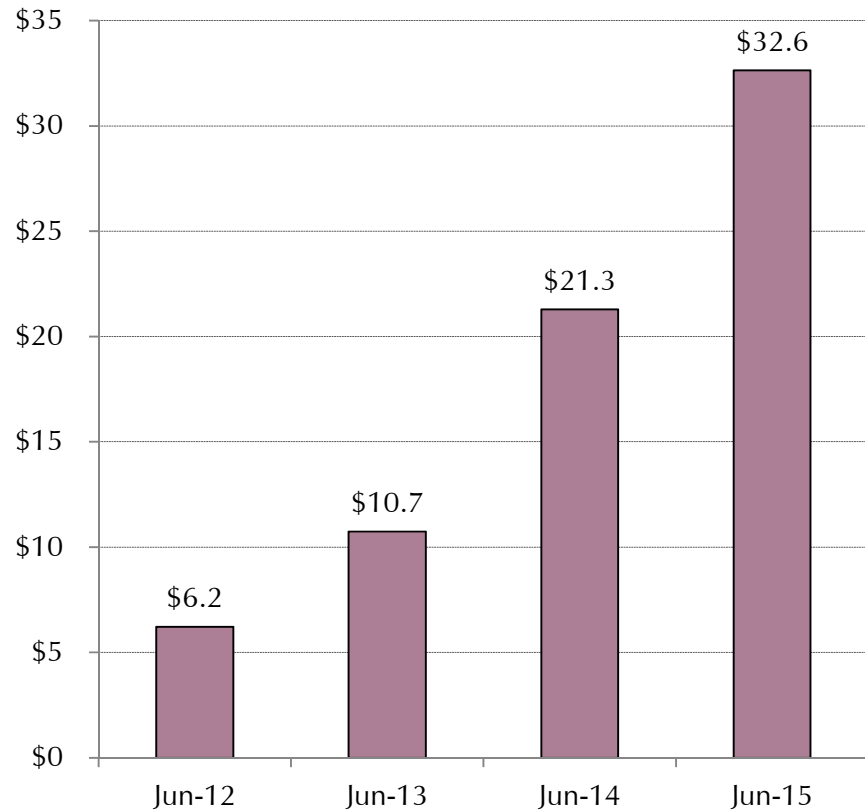




Fixed Income Assets
As of June 30, 2015

**San Jose Federated Retiree Health Care
115 Trust**

**Fixed Income Assets
as of 6/30/15**



**San Jose Federated Retiree Health Care
115 Trust**

**Fixed Income Assets
Risk as of 6/30/15**

	Aggregate Fixed Income 6/30/15	Barclays Global Aggregate 6/30/15
Risk: (forty-three months)		
Annualized Return (%)	1.7	-0.1
Standard Deviation (%)	3.8	3.9
Best Monthly Return (%)	2.6	2.1
Worst Monthly Return (%)	-2.8	-3.0
Beta	0.66	1.00
Correlation to Index	0.68	1.00
Correlation to Total Fund Return	0.19	NA
Sharpe Measure (risk-adjusted return) ¹	0.42	Neg.
Information Ratio	0.56	NA

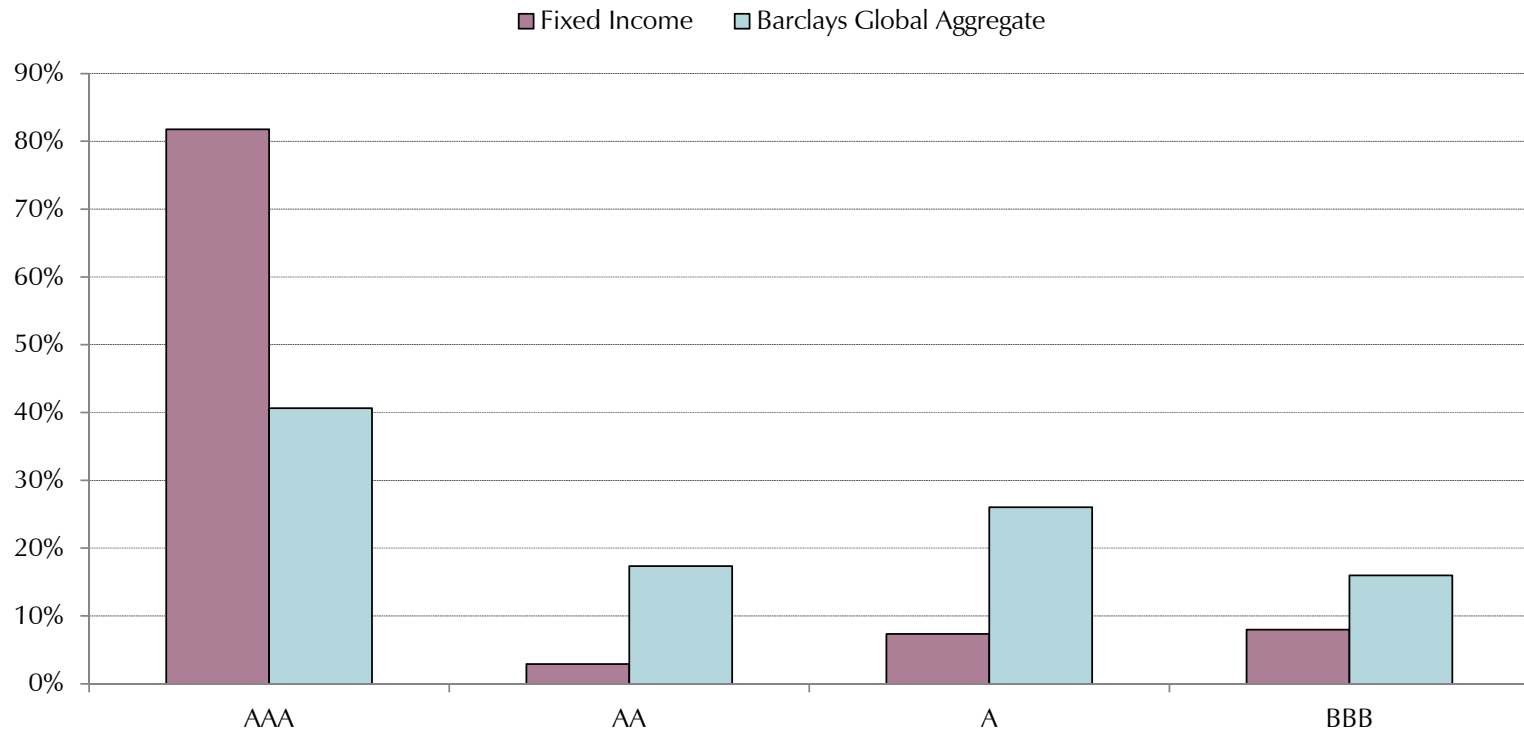
¹ A negative Sharpe ratio indicates that the portfolio underperformed the risk-free rate during the sample period.



**San Jose Federated Retiree Health Care
115 Trust**

**Fixed Income Assets
Characteristics as of 6/30/15**

Duration & Yield:	Aggregate Fixed Income 6/30/15	Barclays Global Aggregate 6/30/15	Aggregate Fixed Income 3/31/15
Average Effective Duration (years)	4.5	6.5	4.3
Yield to Maturity (%)	1.9	1.8	1.6



**San Jose Federated Retiree Health Care
115 Trust**

**Fixed Income Assets
Diversification as of 6/30/15**

	Aggregate Fixed Income 6/30/15	Barclays Global Aggregate 6/30/15	Aggregate Fixed Income 3/31/15
Market Allocation (%):			
United States	94	38	95
Foreign (developed markets)	4	56	4
Foreign (emerging markets)	2	6	1
Currency Allocation (%):			
Non-U.S. Dollar Exposure	0	55	0
Sector Allocation (%):			
U.S. Treasury-Nominal	23	15	25
U.S. Treasury-TIPS	36	0	38
U.S. Agency	2	1	2
Mortgage Backed	18	12	12
Corporate	15	18	16
Bank Loans	0	0	0
Local & Provincial Government	1	3	0
Sovereign & Supranational	3	47	4
Commercial Mortgage Backed	1	1	1
Asset Backed	0	0	0
Cash Equivalent	0	0	0
Other	0	3	0



**Portfolio Reviews
As of June 30, 2015**

Global Equity Portfolio Reviews
As of June 30, 2015

San Jose Federated Retiree Health Care 115 Trust

Northern Trust MSCI EAFE Index-NL Portfolio Detail as of 6/30/15

Mandate: International Equities
Developed Markets

Active/Passive: Passive

Market Value: \$17.8 million

Portfolio Manager: Team

Location: Chicago, Illinois

Inception Date: 7/1/2015

Account Type: Commingled

	Value	Core	Growth
Large			
Medium			
Small			

Fee Schedule:

0.05% on all assets

Liquidity Constraints:

Daily

Strategy:

This Northern Trust EAFE Index strategy seeks to replicate the returns of the MSCI EAFE index, a proxy for developed market equity performance (excluding the U.S. and Canada). The strategy provides broad diversification (there are 21 developed country indices within the index) at minimal expense.

Performance data will be available on 7/31/2015.

	6/30/15	
	Northern Trust MSCI EAFE Index-NL	MSCI EAFE
Capitalization Structure:		
Weighted Average Market Cap. (US\$ billion)	57.8	57.7
Median Market Cap. (US\$ billion)	8.9	9.1
Large (% over US\$20 billion)	67	67
Medium (% US\$3 billion to US\$20 billion)	32	32
Small (% under US\$3 billion)	1	1
Fundamental Structure:		
Price-Earnings Ratio	18	18
Price-Book Value Ratio	1.8	1.8
Dividend Yield (%)	3.0	3.0
Historical Earnings Growth Rate (%)	7	7
Projected Earnings Growth Rate (%)	9	9
Sector Allocation (%):		
Materials	7	7
Health Care	11	11
Consumer Staples	11	11
Utilities	4	4
Consumer Discretionary	13	13
Telecommunication Services	5	5
Industrials	13	13
Information Technology	5	5
Energy	5	5
Financials	26	26
Diversification:		
Number of Holdings	938	908
% in 5 largest holdings	8	8
% in 10 largest holdings	12	12
Region Allocation (%):		
North America	0	0
Europe	65	65
Asia Pacific	35	35
Emerging	0	0
Other	1	1
Largest Five Holdings:		
		Industry
Nestle	1.8	Food, Beverage & Tobacco
Novartis	1.8	Pharmaceuticals & Biotech.
Roche	1.5	Pharmaceuticals & Biotech.
Toyota Motor	1.4	Automobiles & Components
HSBC	1.3	Banks



San Jose Federated Retiree Health Care 115 Trust

Mandate: Global Equities
Active/Passive: Active
Market Value: \$16.9 million
Portfolio Manager: N. David Samra
 Daniel J. O'Keefe
Location: San Francisco, California
Inception Date: 6/1/2015
Account Type: Mutual Fund (APHGX)

	Value	Core	Growth
Large			
Medium			
Small			

Fee Schedule:
 1.04% on all assets

Liquidity Constraints:
 Daily

Strategy:

Artisan employs a bottom-up investment approach seeking to identify undervalued quality businesses that offer the potential for superior risk/reward outcomes. Artisan runs a somewhat concentrated portfolio of 40 to 60 stocks. They are benchmark-agnostic, and willing to have exposures that are materially different than the benchmark.

Performance (%):	2Q15	Fiscal YR ¹ / 1 YR	Since 6/1/15
Artisan Global Value	NA	NA	-2.1
MSCI ACWI Value	0.3	-3.4	-2.8
Peer International Value	1.4	-5.8	-2.7
Peer Ranking (percentile)	NA	NA	14

Artisan Global Value Portfolio Detail as of 6/30/15

	6/30/15	
	Artisan Global Value	MSCI ACWI Value
Capitalization Structure:		
Weighted Average Market Cap. (US\$ billion)	85.0	89.2
Median Market Cap. (US\$ billion)	30.5	8.2
Large (% over US\$20 billion)	77	75
Medium (% US\$3 billion to US\$20 billion)	22	24
Small (% under US\$3 billion)	0	1
Fundamental Structure:		
Price-Earnings Ratio	16	15
Price-Book Value Ratio	2.3	1.5
Dividend Yield (%)	1.8	3.3
Historical Earnings Growth Rate (%)	8	4
Projected Earnings Growth Rate (%)	10	6
Sector Allocation (%):		
Information Technology	28	9
Financials	39	31
Consumer Staples	8	8
Industrials	8	8
Health Care	8	9
Consumer Discretionary	4	7
Telecommunication Services	0	5
Utilities	0	5
Materials	0	6
Energy	3	11
Diversification:		
Number of Holdings	47	1,318
% in 5 largest holdings	22	8
% in 10 largest holdings	39	14
Region Allocation (%):		
North America	52	53
Europe	38	23
Asia Pacific	1	13
Emerging	5	10
Other	4	0
Largest Five Holdings:		
		Industry
Oracle	5.4	Software & Services
Bank of New York Mellon	4.6	Diversified Financials
Royal Bank of Scotland	4.5	Banks
Citigroup	4.0	Banks
Arch Capital	3.7	Insurance

¹ Fiscal Year begins July 1.



San Jose Federated Retiree Health Care 115 Trust

Vontobel Emerging Markets Equity Portfolio Detail as of 6/30/15

Mandate: International Equities
Emerging Markets

Active/Passive: Active

Market Value: \$6.9 million

Portfolio Manager: Rajiv Jain

Location: New York, New York

Inception Date: 6/1/2015

Account Type: Commingled

	Value	Core	Growth
Large			
Medium			
Small			

Fee Schedule:

0.95% on first \$150 mm, 0.85% thereafter

Liquidity Constraints:

Daily

Strategy:

Vontobel believes that long-term, stable, and superior earnings growth drives investment returns and risk-adjusted outperformance. Thus they seek to invest in businesses that are predictable (strong franchise, low capital intensity, shareholder oriented management, etc.), sustainable (ability to replicate or exceed past success in terms of growth, operating margins, ROE, ROA etc.), and are trading at an attractive margin of safety (to at least a 25% discount to their assessment of intrinsic value). They believe in building concentrated portfolios (50 to 90 stocks) of high conviction positions with little attention paid to the benchmark.

Performance (%):	2Q15	Fiscal YR ¹ / 1 YR	Since 6/1/15
Vontobel Emerging Markets Equity	NA	NA	-0.8
MSCI Emerging Markets	0.7	-5.1	-2.6
Peer Emerging Markets	0.7	-6.9	-2.4
Peer Ranking (percentile)	NA	NA	8

	6/30/15	
	Vontobel Emerging Markets Equity	MSCI Emerging Markets
Capitalization Structure:		
Weighted Average Market Cap. (US\$ billion)	44.4	39.7
Median Market Cap. (US\$ billion)	19.2	5.0
Large (% over US\$20 billion)	67	44
Medium (% US\$3 billion to US\$20 billion)	32	49
Small (% under US\$3 billion)	1	7
Fundamental Structure:		
Price-Earnings Ratio	24	15
Price-Book Value Ratio	4.7	1.6
Dividend Yield (%)	2.2	2.7
Historical Earnings Growth Rate (%)	20	10
Projected Earnings Growth Rate (%)	15	13
Sector Allocation (%):		
Consumer Staples	34	8
Health Care	3	2
Utilities	3	3
Consumer Discretionary	8	9
Information Technology	17	18
Telecommunication Services	5	7
Financials	27	30
Materials	2	7
Industrials	0	7
Energy	1	8
Diversification:		
Number of Holdings	73	836
% in 5 largest holdings	23	12
% in 10 largest holdings	37	19
Region Allocation (%):		
Asia Pacific	52	59
Latin America	19	14
Europe/MidEast/Africa	5	17
Frontier	1	0
Other	22	10
Largest Five Holdings:		
		Industry
British American Tobacco	5.5	Food, Beverage & Tobacco
Housing Development Financial	5.4	Banks
HDFC Bank	4.5	Banks
AmBev	4.1	Food, Beverage & Tobacco
ITC	3.4	Food, Beverage & Tobacco

¹ Fiscal Year begins July 1.



San Jose Federated Retiree Health Care 115 Trust

Vanguard Developed Markets Index Portfolio Detail as of 6/30/15

Mandate: International Equities
Developed Markets

Active/Passive: Passive

Market Value: \$5.7 million

Portfolio Manager: Duane Kelly
Michael Perre

Location: Valley Forge, Pennsylvania

Inception Date: 12/1/2011

Account Type: Mutual Fund (VTMNX)

	Value	Core	Growth
Large			
Medium			
Small			

Fee Schedule:

0.07% on all assets

Liquidity Constraints:

Daily

Strategy:

The Vanguard Developed Markets Index Fund seeks to track the performance of the FTSE Developed ex. North America index, which measures the investment return of stocks issued by companies located in the major markets of Europe and the Pacific Region. The fund employs a passive management investment approach by investing all, or substantially all, of its assets in the common stocks included in the index.

Performance (%):	2Q15	Fiscal YR ¹ / 1 YR	3 YR	Since 12/1/11
Vanguard Developed Markets Index	1.0	-3.9	12.0	10.4
Spliced Developed Markets Index ²	0.7	-3.9	12.1	10.6

Risk: (forty-three months)	Standard Deviation	Beta	Sharpe Measure	Info. Ratio	Correlation to Index
Vanguard Developed Markets Index	14.2%	1.01	0.73	NA	0.99
Spliced Developed Markets Index ²	14.0	1.00	0.75	NA	1.00

	6/30/15		3/31/15	
	Vanguard Developed Markets Index	FTSE Developed ex. North America	Vanguard Developed Markets Index	FTSE Developed ex. North America
Capitalization Structure:				
Weighted Average Market Cap. (US\$ billion)	54.3	54.3	56.1	56.2
Median Market Cap. (US\$ billion)	6.1	6.1	6.0	6.0
Large (% over US\$20 billion)	63	63	63	63
Medium (% US\$3 billion to US\$20 billion)	34	34	34	34
Small (% under US\$3 billion)	3	3	3	3

Fundamental Structure:

Price-Earnings Ratio	18	18	19	19
Price-Book Value Ratio	1.7	1.7	1.7	1.6
Dividend Yield (%)	2.9	2.8	2.8	2.8
Historical Earnings Growth Rate (%)	7	7	7	7
Projected Earnings Growth Rate (%)	9	9	9	9

Sector Allocation (%):

Consumer Discretionary	13	13	14	14
Health Care	11	11	11	11
Industrials	13	13	13	13
Financials	25	25	25	25
Information Technology	6	6	6	6
Energy	5	5	5	5
Telecommunication Services	4	4	4	4
Utilities	3	3	3	3
Materials	8	8	8	8
Consumer Staples	11	11	11	11

Diversification:

Number of Holdings	1,387	1,370	1,392	1,376
% in 5 largest holdings	7	7	7	7
% in 10 largest holdings	11	11	11	11

Region Allocation (%):

Europe	60	60	60	61
Asia Pacific	35	35	35	34
Emerging	4	4	4	4
Other	1	1	1	1

Largest Five Holdings:

		Industry
Nestle	1.6	Food, Beverage & Tobacco
Novartis	1.5	Pharmaceuticals & Biotech.
Roche	1.4	Pharmaceuticals & Biotech.
Toyota Motor	1.3	Automobiles & Components
HSBC	1.2	Banks

¹ Fiscal Year begins July 1.

² The Vanguard Spliced Developed Markets Index reflects the performance of the MSCI EAFE Index through May 28, 2013; and the FTSE Developed ex North America Index thereafter.



San Jose Federated Retiree Health Care 115 Trust

Mandate: Domestic Equities
Active/Passive: Passive
Market Value: \$4.9 million
Portfolio Manager: Team
Location: Chicago, Illinois
Inception Date: 6/1/2015
Account Type: Commingled

	Value	Core	Growth
Large			
Medium			
Small			

Fee Schedule:
0.05% on all assets

Liquidity Constraints:
Daily

Strategy:
The Northern Trust Russell 3000 Index strategy seeks to replicate the return of the Russell 3000 Index. Northern Trust employs a proprietary process in combination with low-cost trade execution to accomplish this objective. To efficiently manage cash flows, Northern Trust seeks to maximize the liquidity of trade lists and match the relevant benchmark's systemic risk. The result is a portfolio that tightly tracks the index while incurring lower transaction costs.

Performance (%):	Fiscal YR ¹ /		
	2Q15	1 YR	Since 6/1/15
Northern Trust Russell 3000	NA	NA	-1.7
Russell 3000	0.1	7.3	-1.7

Northern Trust Russell 3000 Portfolio Detail as of 6/30/15

	6/30/15	
	Northern Trust Russell 3000	Russell 3000
Capitalization Structure:		
Weighted Average Market Cap. (US\$ billion)	103.6	103.2
Median Market Cap. (US\$ billion)	2.2	1.6
Large (% over US\$20 billion)	68	68
Medium (% US\$3 billion to US\$20 billion)	25	25
Small (% under US\$3 billion)	7	8
Fundamental Structure:		
Price-Earnings Ratio	20	20
Price-Book Value Ratio	2.5	2.5
Dividend Yield (%)	1.9	1.9
Historical Earnings Growth Rate (%)	12	12
Projected Earnings Growth Rate (%)	11	11
Sector Allocation (%):		
Industrials	11	11
Consumer Discretionary	13	13
Materials	4	3
Consumer Staples	8	8
Utilities	3	3
Financials	18	18
Telecommunication Services	2	2
Energy	7	7
Information Technology	19	19
Health Care	15	15
Diversification:		
Number of Holdings	2,538	3,003
% in 5 largest holdings	9	9
% in 10 largest holdings	14	14
Largest Ten Holdings:		
		Industry
Apple	3.2	Technology Equipment
Microsoft	1.6	Software & Services
ExxonMobil	1.5	Energy
Johnson & Johnson	1.2	Pharmaceuticals & Biotech.
General Electric	1.2	Capital Goods
Wells Fargo & Company	1.1	Banks
Berkshire Hathaway	1.1	Diversified Financials
JP Morgan Chase	1.1	Banks
Procter & Gamble	0.9	Household Products
Pfizer	0.9	Pharmaceuticals & Biotech.

¹ Fiscal Year begins July 1.



San Jose Federated Retiree Health Care 115 Trust

Aberdeen Frontier Markets Equity Portfolio Detail as of 6/30/15

Mandate: International Equities
Frontier Markets

Active/Passive: Active

Market Value: \$2.0 million

Portfolio Manager: Devan Kaloo

Location: London, United Kingdom

Inception Date: 7/1/2015

Account Type: Commingled

	Value	Core	Growth
Large			
Medium			
Small			

Fee Schedule:
1.50% on all assets

Liquidity Constraints:
Monthly

Strategy:
The objective of the Frontier Markets Equity Fund is to achieve total return in excess of the MSCI Frontier Markets Index through investing in companies listed, domiciled or headquartered, or with a significant portion of their revenues, profits and/or assets derived frontier economies.

Performance data will be available on 7/31/2015.

	6/30/15	
	Aberdeen Frontier Markets Equity	MSCI Frontier Markets
Capitalization Structure:		
Weighted Average Market Cap. (US\$ billion)	4.9	4.7
Median Market Cap. (US\$ billion)	2.4	1.5
Large (% over US\$20 billion)	5	0
Medium (% US\$3 billion to US\$20 billion)	46	49
Small (% under US\$3 billion)	49	51
Fundamental Structure:		
Price-Earnings Ratio	18	12
Price-Book Value Ratio	3.7	1.7
Dividend Yield (%)	3.2	3.8
Historical Earnings Growth Rate (%)	11	10
Projected Earnings Growth Rate (%)	11	12
Sector Allocation (%):		
Consumer Staples	29	8
Industrials	9	3
Information Technology	5	0
Health Care	8	3
Consumer Discretionary	2	0
Telecommunication Services	12	14
Utilities	0	1
Materials	1	7
Energy	6	12
Financials	27	51
Diversification:		
Number of Holdings	45	124
% in 5 largest holdings	24	23
% in 10 largest holdings	42	33
Region Allocation (%):		
Asia	21	17
Europe & CIS	7	10
Americas	0	11
Africa	28	29
Middle East	7	32
Emerging	16	0
Other	22	0
Largest Five Holdings:		
		Industry
John Keells Holdings	5.1	Capital Goods
EPAM SYSTEMS	5.0	Software & Services
MTN Group	5.0	Telecom Services
Safaricom	4.8	Telecom Services
Krka dd Novo Mesto	4.0	Pharmaceuticals & Biotech.



San Jose Federated Retiree Health Care 115 Trust

Mandate: Domestic Equities
Active/Passive: Active
Market Value: \$1.5 million
Portfolio Manager: Jeffrey Bronchick
Location: El Segundo, California
Inception Date: 6/1/2015
Account Type: Separately Managed

	Value	Core	Growth
Large			
Medium			
Small			

Fee Schedule:

0.80% on all assets

Liquidity Constraints:

Daily

Strategy:

Cove Street Capital manages a fundamental, bottom-up research driven value portfolio of small capitalization companies. It is a relatively concentrated portfolio, usually consisting of between 30-40 companies. The strategy focuses on finding statistically cheap companies with high quality business models.

Guidelines:

Maximum of 10% in non-U.S. issuers. Maximum 10% in preferred stock, convertibles or other equity equivalents. Maximum of 15% in single issuer. Maximum of 30% in any single industry. Maximum cash balance of 15%. Maximum 10% in illiquid securities.

Performance (%):	2Q15	Fiscal YR ¹ / 1 YR	Since 6/1/15
Cove Street Small Cap Value	NA	NA	-1.7
Russell 2000 Value	-1.2	0.8	0.1
Peer Small Cap Value	-0.5	1.8	0.1
Peer Ranking (percentile)	NA	NA	93

Cove Street Small Cap Value Portfolio Detail as of 6/30/15

	6/30/15	
	Cove Street Small Cap Value	Russell 2000 Value
Capitalization Structure:		
Weighted Average Market Cap. (US\$ billion)	1.4	1.7
Median Market Cap. (US\$ million)	571.2	697.1
Large (% over US\$20 billion)	0	0
Medium (% US\$3 billion to US\$20 billion)	12	12
Small (% under US\$3 billion)	88	88
Fundamental Structure:		
Price-Earnings Ratio	28	18
Price-Book Value Ratio	2.0	1.6
Dividend Yield (%)	0.4	2.1
Historical Earnings Growth Rate (%)	-3	10
Projected Earnings Growth Rate (%)	14	10
Sector Allocation (%):		
Consumer Discretionary	35	11
Information Technology	16	10
Health Care	5	4
Consumer Staples	3	3
Materials	4	4
Energy	6	6
Telecommunication Services	0	1
Industrials	11	12
Utilities	0	6
Financials	19	42
Diversification:		
Number of Holdings	29	1,319
% in 5 largest holdings	29	2
% in 10 largest holdings	48	4
Largest Ten Holdings:		
		Industry
Carrols Restaurant Group, Inc.	6.2	Consumer Services
Belmond 'A'	6.1	Consumer Services
The Liberty Ventures Group	5.7	Retailing
ViaSat	5.3	Technology Equipment
Heritage-Crystal Clean	5.3	Commercial Services
Forestar Group	4.8	Real Estate
Neustar	4.5	Software & Services
American Vanguard Corporation	3.8	Materials
Cherokee	3.5	Consumer Durables
Gp Strategies	3.2	Commercial Services

¹ Fiscal Year begins July 1.



Fixed Income Portfolio Reviews
As of June 30, 2015

San Jose Federated Retiree Health Care 115 Trust

Northern Trust Barclays Aggregate Index-NL Portfolio Detail as of 6/30/15

Mandate: Investment Grade Bonds
Active/Passive: Passive
Market Value: \$20.9 million
Portfolio Manager: Bradford Adams
 Alexander Matturri Jr., CFA
Location: Chicago, Illinois
Inception Date: 6/1/2015
Account Type: Commingled

	Short	Int.	Long
High			
Medium			
Low			

Fee Schedule:
0.03% on all assets

Liquidity Constraints:
Daily

Strategy:
The Northern Trust Aggregate Bond Index strategy seeks to replicate the returns of the Barclays Aggregate index, an index covering the broad domestic investment grade bond market. The fund is passively managed, employing statistical methods to replicate performance and composition of the index. The portfolio is comprised of U.S. Treasury, government agency, investment grade corporate bonds, mortgage- and asset-backed sectors of the fixed income markets.

Performance (%):	2Q15	Fiscal YR ¹ / 1 YR	Since 6/1/15
Northern Trust Barclays Aggregate Index-NL	NA	NA	-1.1
Barclays Aggregate	-1.7	1.9	-1.1

	6/30/15	
	Northern Trust Barclays Aggregate	Barclays Aggregate
Duration & Yield:		
Average Effective Duration (years)	5.6	5.6
Yield to Maturity (%)	2.4	2.4
Quality Structure (%):		
Average Quality	AA+	AA+
AAA (includes Treasuries and Agencies)	72	71
AA	4	4
A	12	12
BBB	13	13
BB	0	0
B	0	0
Below B	0	0
Non-Rated	0	0
Sector Allocation (%):		
U.S. Treasury-Nominal	36	36
U.S. Treasury-TIPS	0	0
U.S. Agency	3	3
Mortgage Backed	28	28
Corporate	24	24
Bank Loans	0	0
Local & Provincial Government	1	1
Sovereign & Supranational	5	5
Commercial Mortgage Backed	2	2
Asset Backed	1	1
Cash Equivalent	0	0
Other	0	0
Market Allocation (%):		
United States	91	91
Foreign (developed markets)	7	7
Foreign (emerging markets)	2	2
Currency Allocation (%):		
Non-U.S. Dollar Exposure	0	0

¹ Fiscal Year begins July 1.



San Jose Federated Retiree Health Care 115 Trust

Vanguard Short-Term Inflation-Protected Securities Portfolio Detail as of 6/30/15

Mandate: TIPS
Active/Passive: Passive
Market Value: \$11.8 million
Portfolio Manager: Gemma Wright-Casparius
Location: Valley Forge, Pennsylvania
Inception Date: 3/1/2015
Account Type: Mutual Fund (VTSPX)

	Short	Int.	Long
High			
Medium			
Low			

Fee Schedule:
0.07% on all assets

Liquidity Constraints:
Daily

Strategy:
The fund seeks to track an index that measures the performance of inflation-protected public obligations of the U.S. Treasury that have a remaining maturity of less than five years. It is designed to generate returns more closely correlated with realized inflation over the near term, and to offer investors the potential for less volatility of returns relative to a longer-duration TIPS fund. The fund invests in bonds that are backed by the full faith and credit of the federal government and whose principal is adjusted semiannually based on inflation.

Performance (%):	2Q15	Fiscal YR ¹ / 1 YR	Since 3/1/15
Vanguard Short-Term Inflation-Protected Securities	0.5	NA	0.2
Barclays U.S. TIPS 0-5 Years	0.6	-1.9	0.2

	6/30/15		3/31/15	
	Vanguard Short-Term Inflation-Protected Securities	Barclays U.S. TIPS 0-5 Years	Vanguard Short-Term Inflation-Protected Securities	Barclays U.S. TIPS 0-5 Years
Duration & Yield:				
Average Effective Duration (years)	2.4	1.5	2.3	1.5
Yield to Maturity (%) ²	0.9	0.9	1.0	0.5
Quality Structure (%):				
Average Quality	AAA	AAA	AAA	AAA
AAA (includes Treasuries and Agencies)	100	100	100	100
AA	0	0	0	0
A	0	0	0	0
BBB	0	0	0	0
BB	0	0	0	0
B	0	0	0	0
Below B	0	0	0	0
Non-Rated	0	0	0	0
Sector Allocation (%):				
U.S. Treasury-Nominal	0	0	0	0
U.S. Treasury-TIPS	100	100	100	100
U.S. Agency	0	0	0	0
Mortgage Backed	0	0	0	0
Corporate	0	0	0	0
Bank Loans	0	0	0	0
Local & Provincial Government	0	0	0	0
Sovereign & Supranational	0	0	0	0
Commercial Mortgage Backed	0	0	0	0
Asset Backed	0	0	0	0
Cash Equivalent	0	0	0	0
Other	0	0	0	0
Market Allocation (%):				
United States	100	100	100	100
Foreign (developed markets)	0	0	0	0
Foreign (emerging markets)	0	0	0	0
Currency Allocation (%):				
Non-U.S. Dollar Exposure	0	0	0	0

¹ Fiscal Year begins July 1.

² This figure is an estimated yield-to-maturity (YTM) for the fund. It is calculated by adding the trailing 12-month inflation adjustment to the "real" (i.e., before inflation) YTM of the fund. Adding the 12-month inflation adjustment allows the fund's yield to be more directly comparable to those of other bond funds. Investors should recognize that the actual YTM will depend upon the level of inflation experienced going forward.



Real Assets Portfolio Reviews
As of June 30, 2015

Commodities Portfolio Reviews
As of June 30, 2015

San Jose Federated Retiree Health Care 115 Trust

Credit Suisse Risk Parity Commodity Fund Portfolio Detail as of 6/30/15

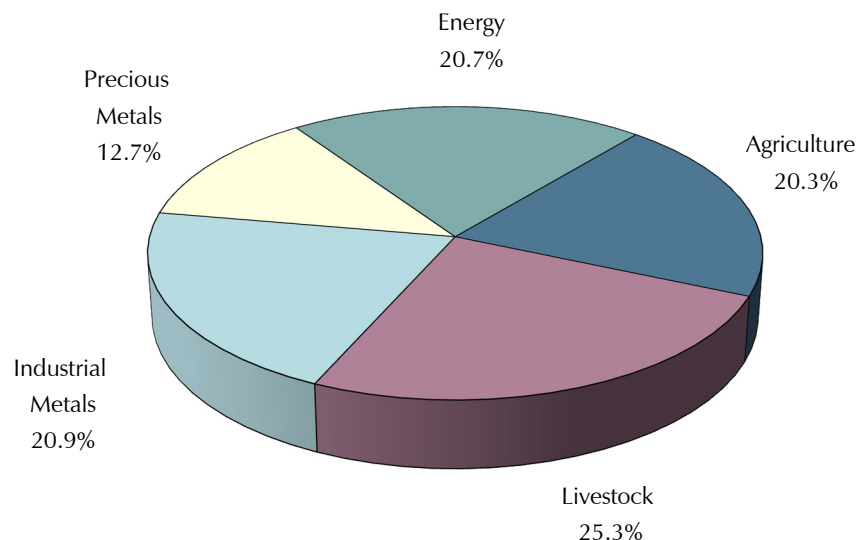
Mandate: Commodity
Active/Passive: Active
Market Value: \$7.6 million
Portfolio Manager: Christopher A. Burton
Location: New York, New York
Inception Date: 8/1/2011
Account Type: Commingled

Fee Schedule:
 0.42% on first \$100 mm; 0.37% thereafter

Liquidity Constraints:
 Daily

Strategy:
 Credit Suisse Asset Management (CSAM) seeks to provide a commodity-based investment return with reduced risk, measured by standard deviation, versus traditional commodity indices. The team aims to capture the spot return of commodities while employing active management techniques to exploit commodity market inefficiencies. The commodities team at CSAM utilizes futures to replicate the risk-based index. The portfolio consists of five commodity complexes (energy, industrial metals, precious metals, agriculture, and livestock) and 24 commodities included in the S&P- Goldman Sachs Commodities Index. CSAM allocates 20% of capital to each of the commodity complexes. Within each commodity complex, the strategy equal weights the specific commodities. The portfolio is rebalanced on a monthly basis. Active strategies used by CSAM seek to exploit the time period (roll date) the fund purchases commodities, using a quantitative and qualitative assessment. Collateral for the fund is actively managed and invested in U.S. Treasuries and agency securities.

Current Allocation:



Performance (%):	2Q15	Fiscal YR ¹ / 1 YR	3 YR	Since 8/1/11
Credit Suisse Risk Parity Commodity Fund	2.9	-19.7	-5.4	-7.2
Custom Risk Parity Commodity Benchmark ²	2.8	-20.1	-5.5	-7.4
Bloomberg Commodity Index	4.7	-23.7	-8.8	-11.1

Risk: (forty-seven months)	Standard Deviation	Beta	Sharpe Measure ³	Info. Ratio	Correlation to Index
Credit Suisse Risk Parity Commodity Fund	10.5%	0.98	Neg.	0.21	1.00
Custom Risk Parity Commodity Benchmark ²	10.6	1.00	Neg.	NA	1.00

¹ Fiscal Year begins July 1.

² Custom Risk Parity Commodity Benchmark returns provided by Credit Suisse.

³ A negative Sharpe ratio indicates that the portfolio underperformed the risk-free rate during the sample period.



San Jose Federated Retiree Health Care 115 Trust

First Quadrant Balanced Risk Parity Commodity Fund Portfolio Detail as of 6/30/15

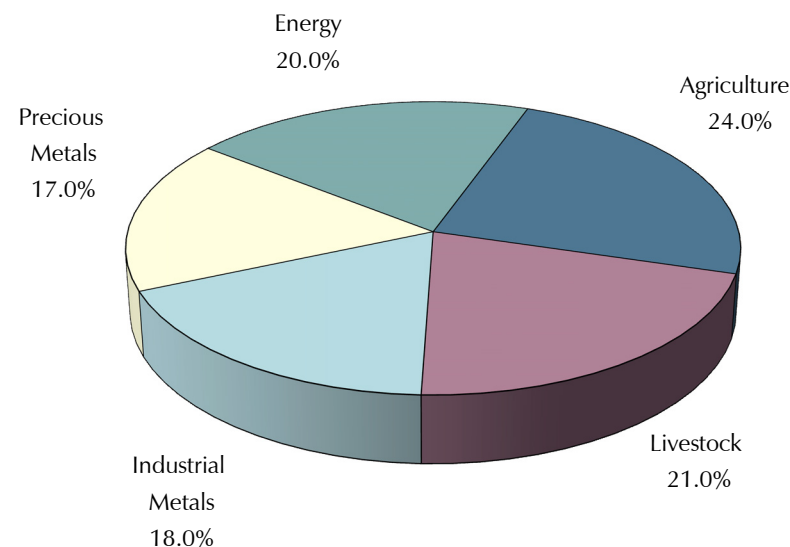
Mandate: Commodity
Active/Passive: Active
Market Value: \$4.3 million
Portfolio Manager: Team
Location: Pasadena, California
Inception Date: 8/1/2011
Account Type: Commingled

Fee Schedule:
 0.35% on all assets

Liquidity Constraints:
 Monthly

Strategy:
 First Quadrant believes that there are inherent flaws to commodity indices, and they seek to produce a strategy which providing investors a higher correlation to inflation over the long run. First Quadrant utilizes futures and swaps to gain exposure to five commodity complexes, representing twenty specific commodities, and targets 20% risk to each of the commodity complexes. The complexes are energy, industrial metals, precious metals, agriculture, and livestock. The firm employs a quantitative methodology and uses risk as the weighting for each commodity product, making adjustments to the allocations depending upon the perceived volatility environment (high risk, low risk, or moderate risk). The firm will modify the investment exposure based upon the predicted environment ranging from 88% (in a high volatility environment) to 146% (in a low volatility environment). Collateral for the portfolio is actively managed and invested in U.S. Treasuries and agency securities.

Current Allocation:



Performance (%):	2Q15	Fiscal YR ¹ / 1 YR	3 YR	Since 8/1/11
First Quadrant Risk Parity Commodity Fund	1.8	-25.2	-8.8	-11.0
Custom Risk Parity Commodity Benchmark ²	2.8	-20.1	-5.5	-7.4
Bloomberg Commodity Index	4.7	-23.7	-8.8	-11.1

Risk: (forty-seven months)	Standard Deviation	Beta	Sharpe Measure ³	Info. Ratio	Correlation to Index
First Quadrant Risk Parity Commodity Fund	11.6%	1.08	Neg.	Neg.	0.96
Custom Risk Parity Commodity Benchmark ²	10.6	1.00	Neg.	NA	1.00

¹ Fiscal Year begins July 1.

² Custom Risk Parity Commodity Benchmark returns provided by Credit Suisse.

³ A negative Sharpe ratio indicates that the portfolio underperformed the risk-free rate during the sample period.



Natural Resources Portfolio Review
As of June 30, 2015

San Jose Federated Retiree Health Care 115 Trust

Rhumblin S&P Global Large MidCap Commodity & NR Portfolio Detail as of 6/30/15

Mandate: Natural Resources
Active/Passive: Passive
Market Value: \$4.8 million
Portfolio Manager: Team
Location: Boston, Massachusetts
Inception Date: 6/1/2015
Account Type: Separately Managed

Fee Schedule:
0.048% on all assets

Liquidity Constraints:
Daily

Strategy:
This passive index fund seeks an investment return that approximates the performance of the S&P Global Large MidCap Commodities and Resources index. The index has equal exposure to three major natural resources industries: energy, materials, and agriculture. It generally holds over 75% in large capitalization companies and the balance in mid capitalization stocks, typically holding 220 to 260 securities. While the index invests in over thirty countries, the most exposure is in the United States, Canada, and the United Kingdom.

Performance (%):	2Q15	Fiscal YR ¹ / 1 YR	Since 6/1/15
Rhumblin S&P Global Large MidCap Commodity & NR²	NA	NA	-4.2
S&P Global Large MidCap Commodity and Resources	0.1	-19.7	-5.2
S&P Global Natural Resources	0.1	-17.6	-4.9

	6/30/15	
	Rhumblin S&P Global LargeMid Commodity & NR	S&P Global Large MidCap Commodity and Resources
Capitalization Structure:		
Weighted Average Market Cap. (US\$ billion)	60.0	57.7
Median Market Cap. (US\$ billion)	8.3	7.4
Large (% over US\$20 billion)	66	64
Medium (% US\$3 billion to US\$20 billion)	30	32
Small (% under US\$3 billion)	3	4
Fundamental Structure:		
Price-Earnings Ratio	15	16
Price-Book Value Ratio	1.5	1.5
Dividend Yield (%)	3.3	3.3
Historical Earnings Growth Rate (%)	-1	-1
Projected Earnings Growth Rate (%)	5	4
Sector Allocation (%):		
Energy	34	34
Materials	58	58
Consumer Discretionary	0	0
Financials	0	0
Health Care	0	0
Industrials	0	0
Information Technology	0	0
Telecommunication Services	0	0
Utilities	0	0
Consumer Staples	8	9
Diversification:		
Number of Holdings	164	220
% in 5 largest holdings	28	26
% in 10 largest holdings	44	42

Largest Ten Holdings:		Industry
Monsanto	7.4	Materials
ExxonMobil	5.9	Energy
Syngenta	5.3	Materials
BHP Billiton	4.7	Materials
Archer-Daniels	4.4	Food, Beverage & Tobacco
Rio Tinto	3.6	Materials
Potash Corporation	3.5	Materials
Chevron	3.1	Energy
GlencoreXstrata	3.1	Materials
BHP Billiton	2.8	Materials

¹ Fiscal Year begins July 1.

² Tracking error due to a cash position resulting from a delay in the ability to invest in certain markets.

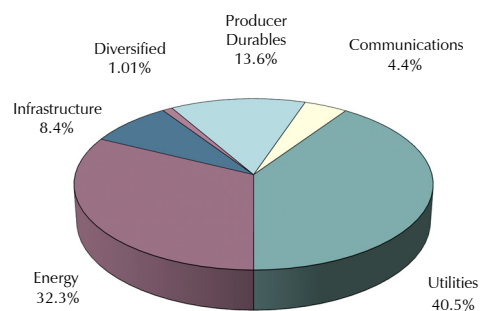


Infrastructure Portfolio Review
As of June 30, 2015

San Jose Federated Retiree Health Care 115 Trust

Rhumbline DJ Brookfield Global Infrastructure Portfolio Detail as of 6/30/15

Mandate: Infrastructure
Active/Passive: Passive
Market Value: \$4.9 million
Portfolio Manager: Team
Location: Boston, Massachusetts
Inception Date: 6/1/2015
Account Type: Separately Managed



Fee Schedule:
0.10% on all assets

Liquidity Constraints:
Daily

Strategy:
The Rhumbline Dow Jones Brookfield Infrastructure Index aims to measure the stock performance of companies worldwide whose primary business is the ownership and operation of (rather than service of) infrastructure assets. To be included in the index, a company must have more than 70% of estimated cash flows (based on publicly available information) derived from the following infrastructure sectors: airports, toll roads, ports, communications, electricity transmission & distribution, oil & gas storage & transportation, and water.

Performance (%)	2Q15	Fiscal YR ¹ / 1 YR	Since 6/1/15
Rhumbline DJ Brookfield Global Infrastructure²	NA	NA	-2.5
DJ Brookfield Global Infrastructure Index	-2.6	-3.7	-4.1

Country Allocation:	Portfolio Allocation (%)
United States	50.3
International Developed Markets	45.6
Canada	12.5
United Kingdom	9.5
Hong Kong	2.3
Spain	5.0
Australia	4.0
Italy	3.7
Japan	2.5
France	2.1
Luxembourg	1.7
Singapore	0.4
Netherlands	0.4
New Zealand	0.4
Switzerland	0.4
Germany	0.4
Belgium	0.2
Emerging Markets	4.3
Mexico	0.7
China	3.3
Brazil	0.2

¹ Fiscal Year begins July 1.

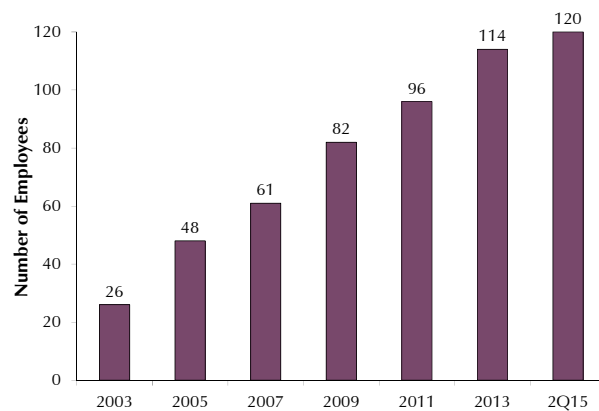
² Tracking error due to a cash position resulting from a delay in the ability to invest in certain markets.



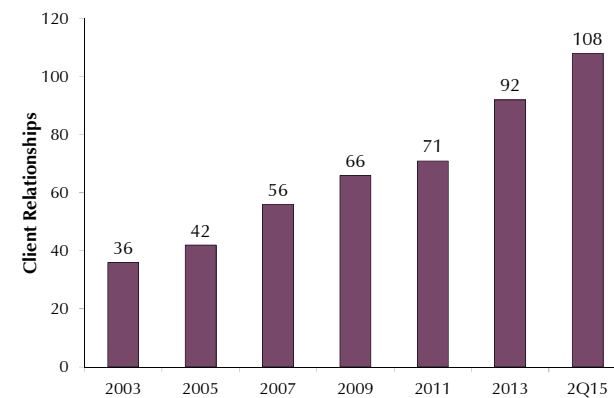
Meketa Investment Group Corporate Update

- Staff of 120, including 71 investment professionals and 23 CFA Charterholders
- 108 clients, with 195 funds throughout the United States
- Significant investment in staff and resources
- Offices in Boston, Miami, Portland (OR), San Diego, and London
- Clients have aggregate assets of over \$800 billion
 - Over \$20 billion in assets committed to alternative investments
 - Private Equity
 - Infrastructure
 - Natural Resources
 - Real Estate
 - Hedge Funds
 - Commodities

Employee Growth



Client Growth



Meketa Investment Group is proud to work for 4.9 million American families everyday



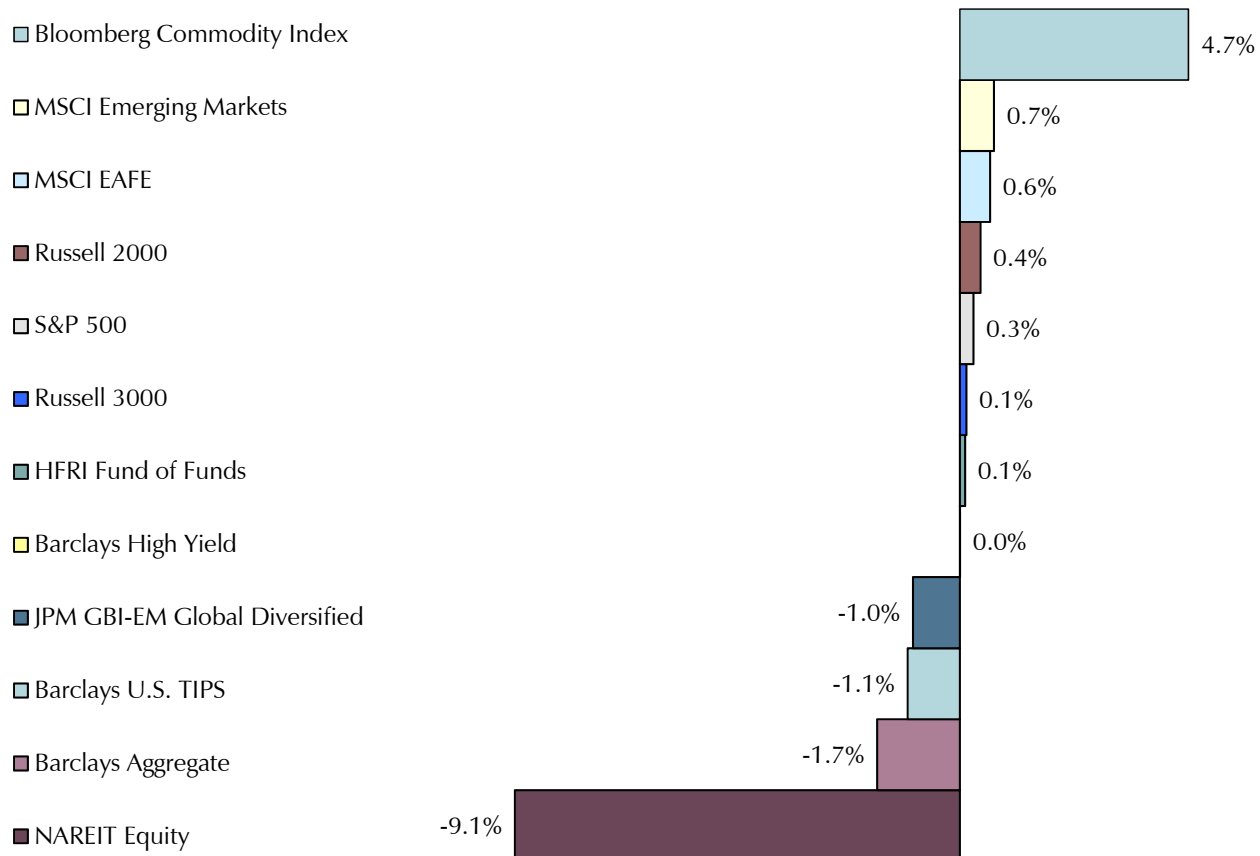
Asset Classes Followed Intensively by Meketa Investment Group

Domestic Equities	International Equities	Private Equity	Real Assets	Fixed Income	Hedge Funds
<ul style="list-style-type: none"> - Passive - Enhanced Index - Large Cap - Midcap - Small Cap - Microcap - 130/30 	<ul style="list-style-type: none"> - Large Cap Developed - Small Cap Developed - Emerging Markets - Frontier Markets 	<ul style="list-style-type: none"> - Buyouts - Venture Capital - Private Debt - Special Situations - Secondaries - Fund of Funds 	<ul style="list-style-type: none"> - Public REITs - Core Real Estate - Value Added Real Estate - Opportunistic Real Estate - Infrastructure - Timber - Natural Resources - Commodities 	<ul style="list-style-type: none"> - Short-Term - Core - Core Plus - TIPS - High Yield - Bank Loans - Distressed - Global - Emerging Markets 	<ul style="list-style-type: none"> - Long/Short Equity - Event Driven - Relative Value - Fixed Income Arbitrage - Multi Strategy - Market Neutral - Global Macro - Fund of Funds - Portable Alpha

Appendices

The World Markets
Second Quarter of 2015

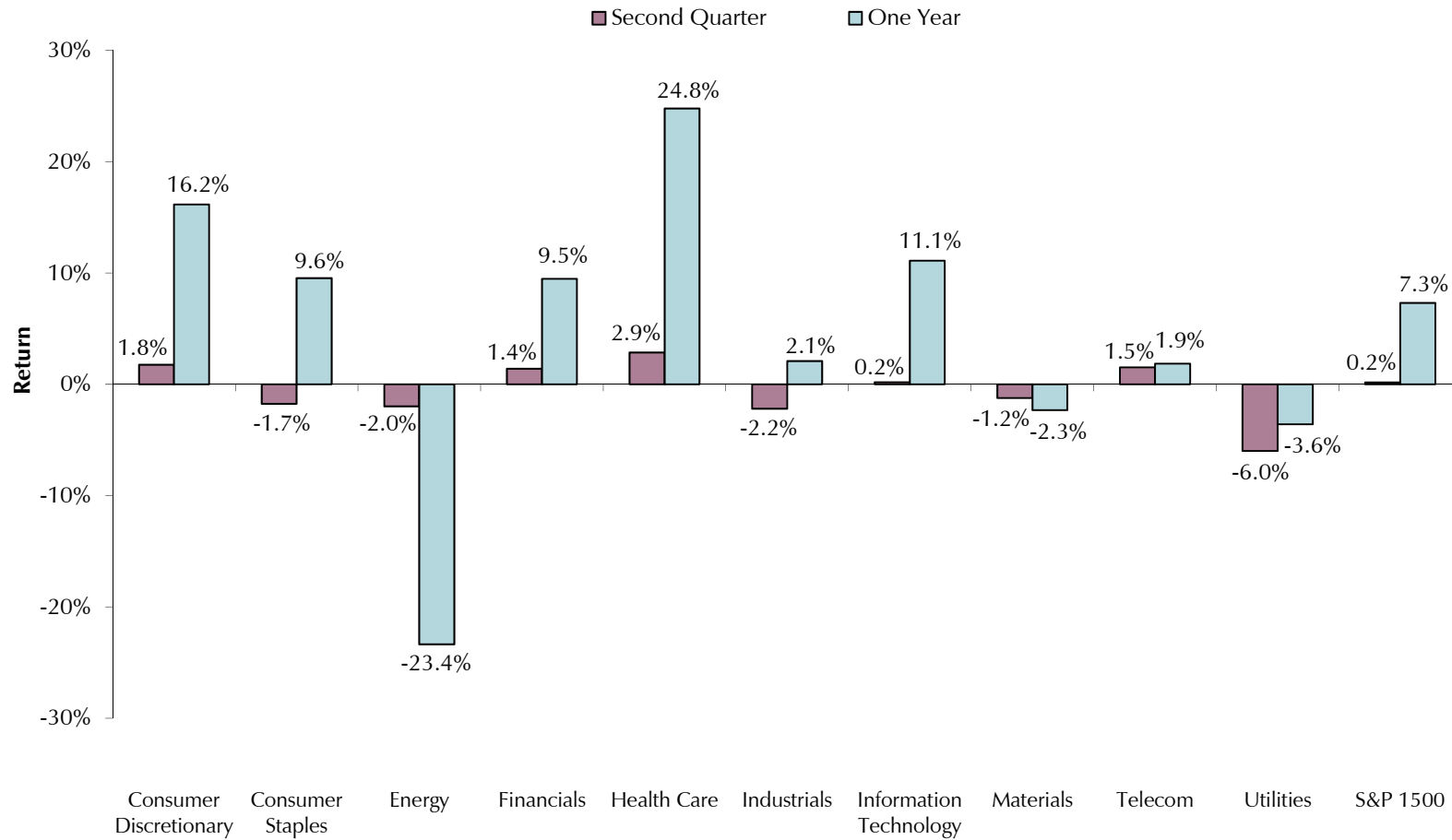
The World Markets
Second Quarter of 2015



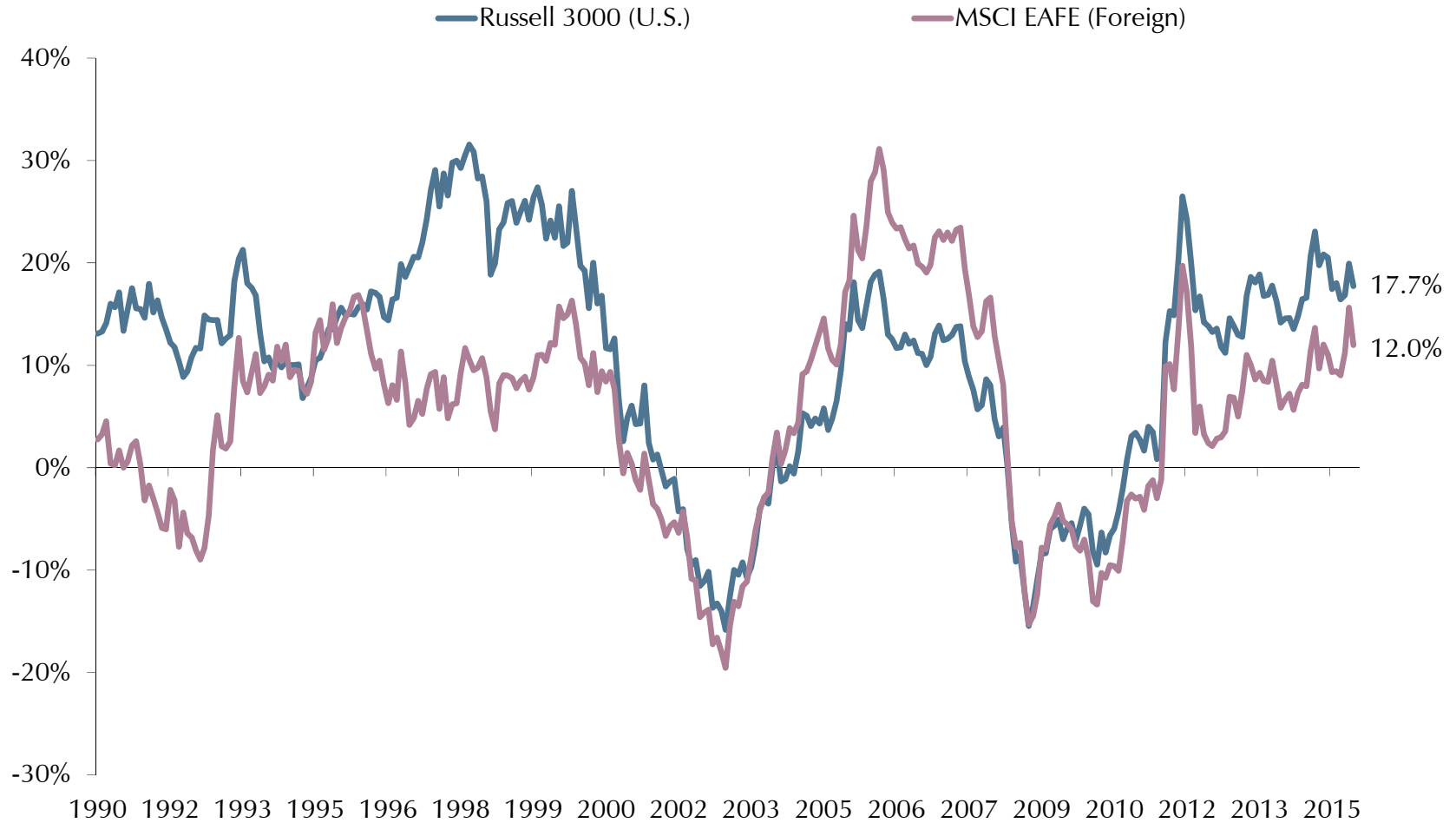
Index Returns

	2Q15 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
Domestic Equity						
Russell 3000	0.1	1.9	7.3	17.7	17.5	8.2
Russell 1000	0.1	1.7	7.4	17.7	17.6	8.1
Russell 1000 Growth	0.1	4.0	10.6	18.0	18.6	9.1
Russell 1000 Value	0.1	-0.6	4.1	17.3	16.5	7.0
Russell MidCap	-1.5	2.4	6.6	19.3	18.2	9.4
Russell MidCap Growth	-1.1	4.2	9.5	19.2	18.7	9.7
Russell MidCap Value	-2.0	0.4	3.7	19.1	17.7	8.9
Russell 2000	0.4	4.8	6.5	17.8	17.1	8.4
Russell 2000 Growth	2.0	8.7	12.3	20.1	19.3	9.9
Russell 2000 Value	-1.2	0.8	0.8	15.5	14.8	6.9
Foreign Equity						
MSCI ACWI (ex. U.S.)	0.5	4.0	-5.3	9.4	7.8	5.5
MSCI EAFE	0.6	5.5	-4.2	12.0	9.5	5.1
MSCI EAFE (local currency)	-1.8	8.8	11.8	18.1	11.3	5.4
MSCI EAFE Small Cap	4.3	10.1	-0.8	15.7	12.4	6.6
MSCI Emerging Markets	0.7	2.9	-5.1	3.7	3.7	8.1
MSCI Emerging Markets (local currency)	0.7	5.6	6.2	8.6	6.9	9.7
Fixed Income						
Barclays Universal	-1.4	0.3	1.6	2.3	3.8	4.7
Barclays Aggregate	-1.7	-0.1	1.9	1.8	3.3	4.4
Barclays U.S. TIPS	-1.1	0.3	-1.7	-0.8	3.3	4.1
Barclays High Yield	0.0	2.5	-0.4	6.8	8.6	7.9
JPMorgan GBI-EM Global Diversified	-1.0	-4.9	-15.4	-3.8	0.9	5.9
Other						
NAREIT Equity	-9.1	-5.4	4.1	9.1	14.4	7.0
Bloomberg Commodity Index	4.7	-1.6	-23.7	-8.8	-3.9	-2.6
HFRI Fund of Funds	0.1	2.6	3.9	6.2	4.1	3.2

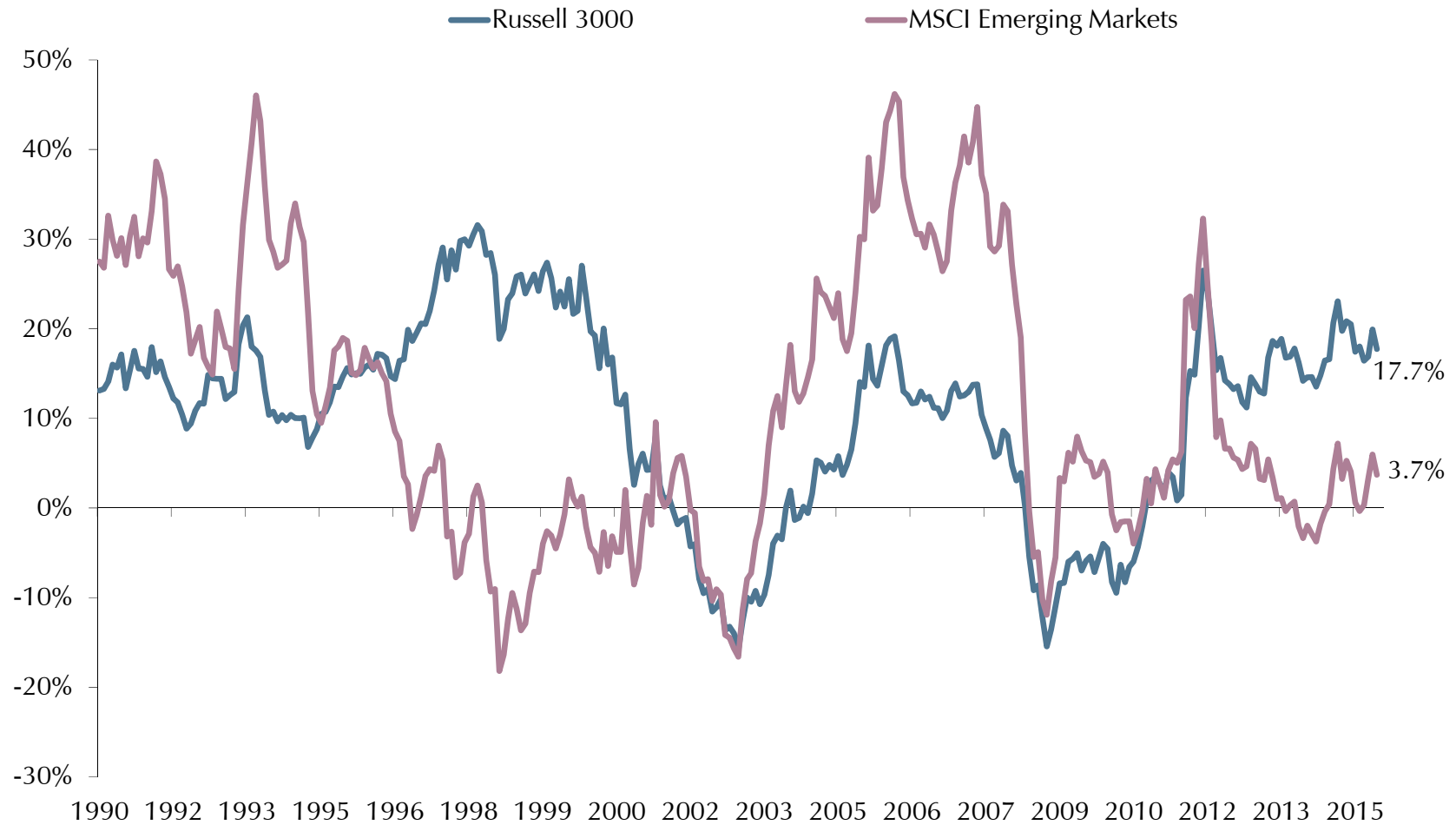
S&P Sector Returns



U.S. and Developed Market Foreign Equity Rolling Three Year Returns

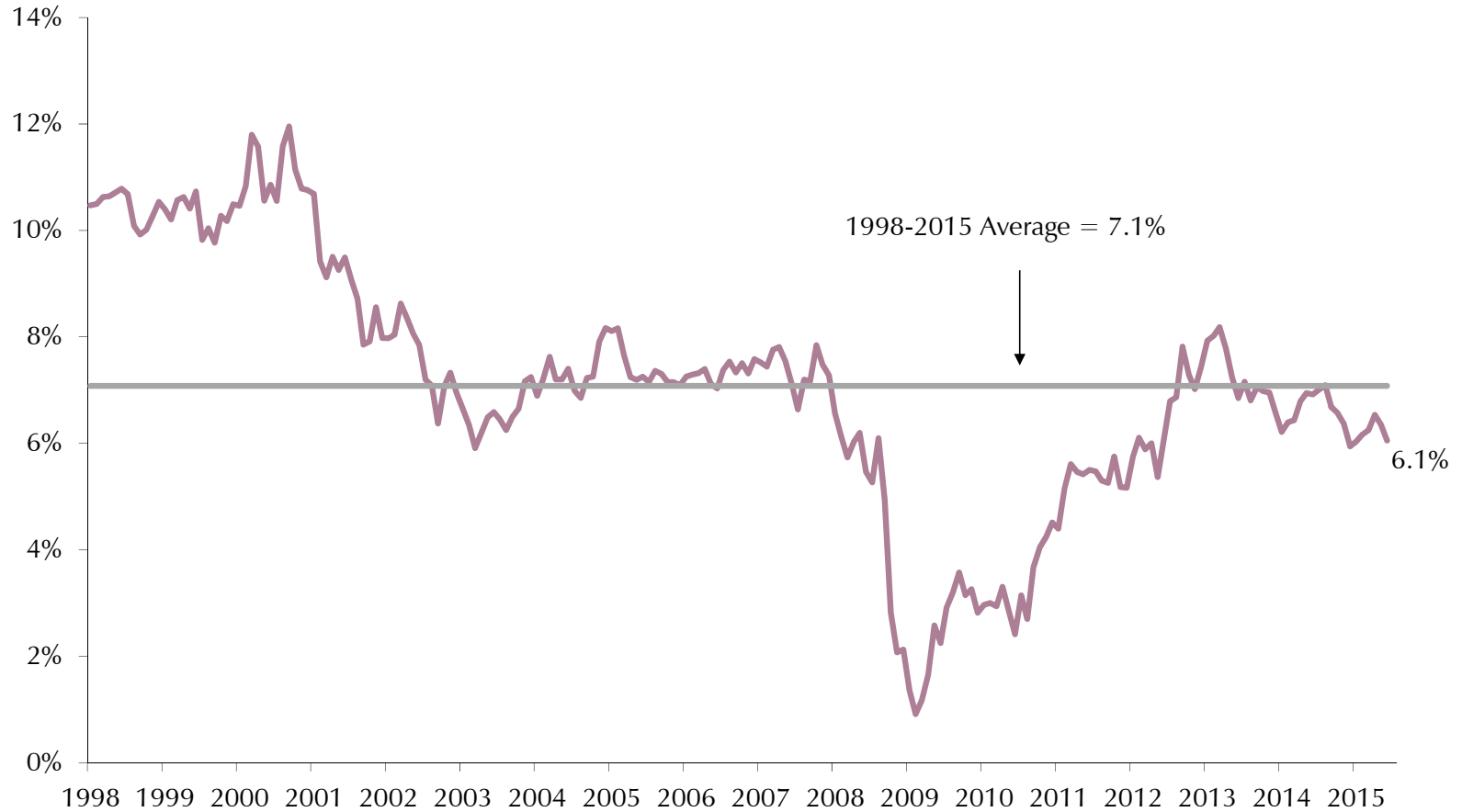


U.S. and Emerging Market Equity Rolling Three Year Returns

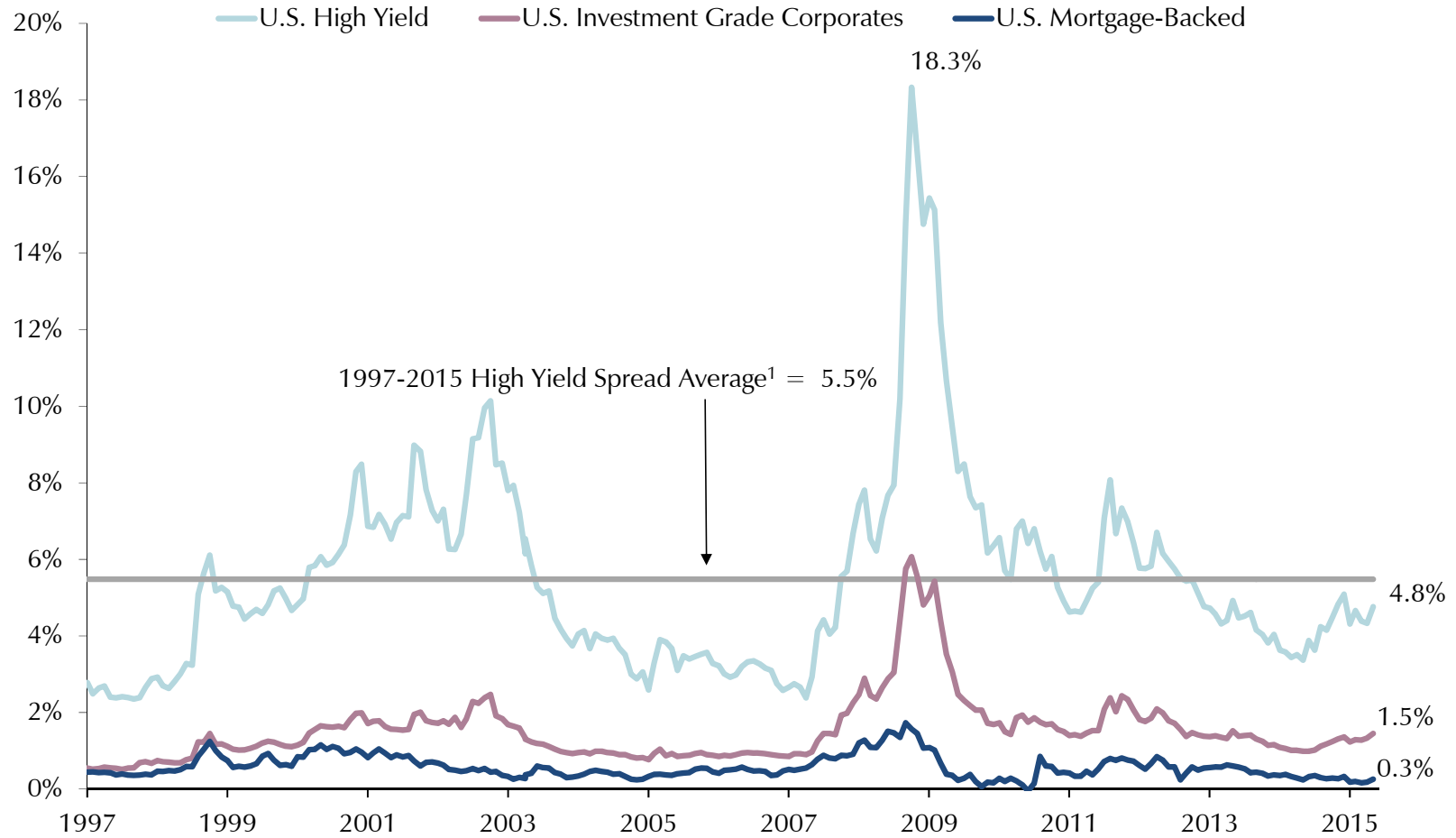


Rolling Ten-Year Returns: 65% Stocks and 35% Bonds

— 65% Stocks (MSCI ACWI) / 35% Bonds (Barclays Aggregate) 10-Year Rolling Return



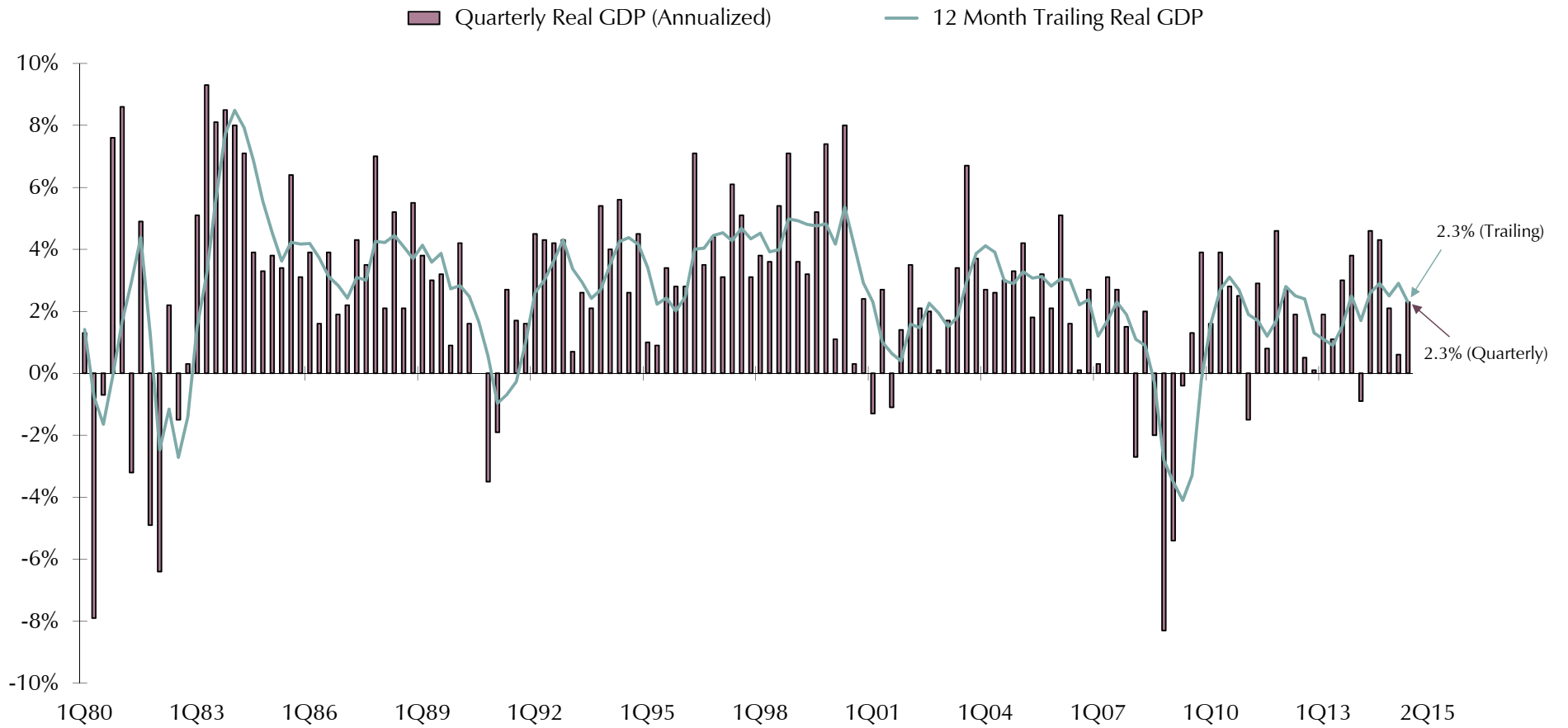
Credit Spreads vs. U.S. Treasury Bonds



¹ Median high yield spread average was 4.9% from 1997-2015.



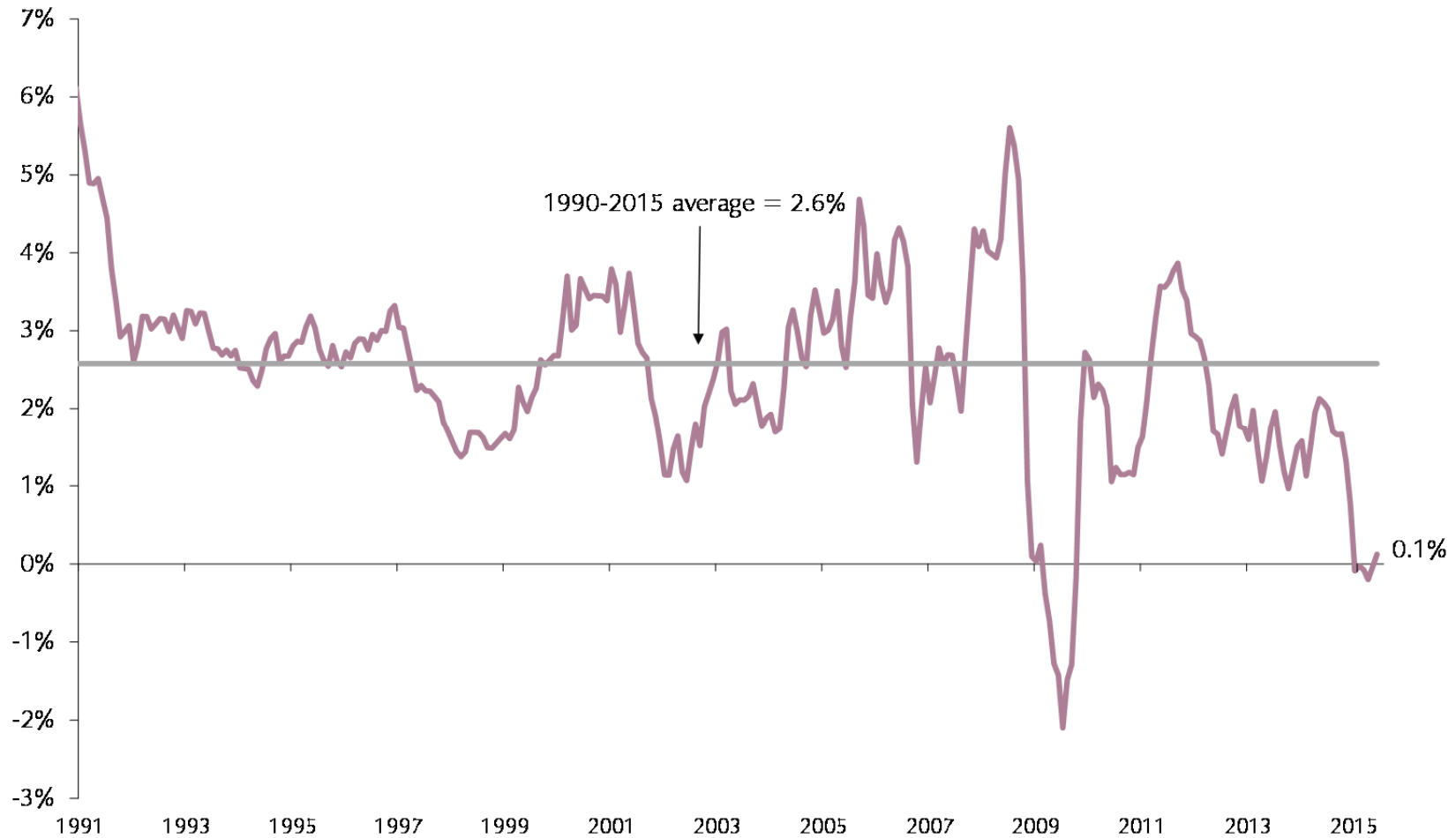
U.S. Real Gross Domestic Product (GDP) Growth¹



¹ First quarter 2015 GDP was revised upward from -0.2% to +0.6%.



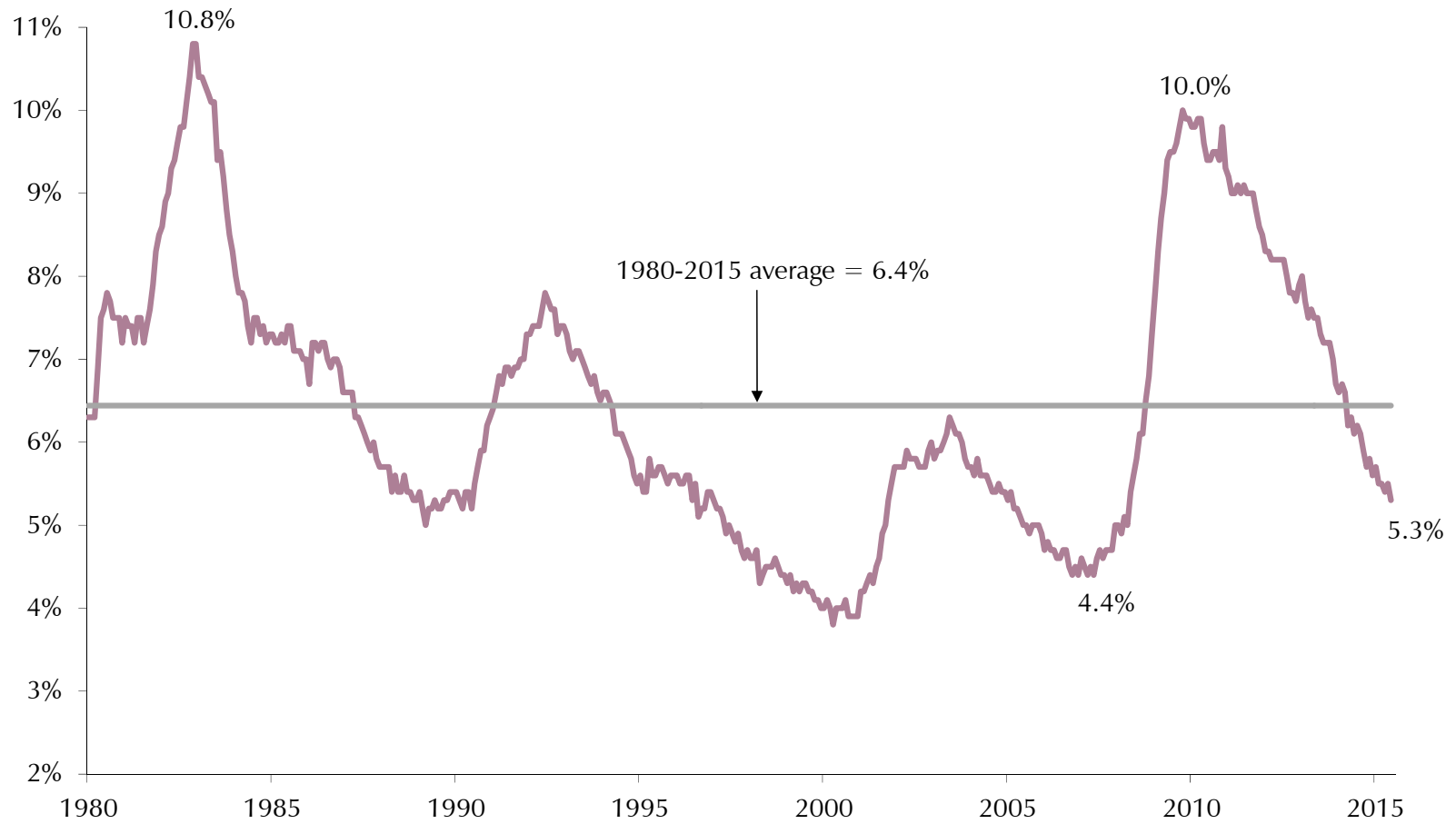
**U.S. Inflation (CPI)
Trailing Twelve Months¹**



¹ Data is non-seasonally adjusted CPI, which may be volatile in the short-term.



U.S. Unemployment



Glossary and Notes
As of June 30, 2015

Credit Risk: Refers to the risk that the issuer of a fixed income security may default (i.e., the issuer will be unable to make timely principal and/or interest payments on the security.)

Duration: Measure of the sensitivity of the price of a bond to a change in its yield to maturity. Duration summarizes, in a single number, the characteristics that cause bond prices to change in response to a change in interest rates. For example, the price of a bond with a duration of three years will rise by approximately 3% for each 1% decrease in its yield to maturity. Conversely, the price will decrease 3% for each 1% increase in the bond's yield. Price changes for two different bonds can be compared using duration. A bond with a duration of six years will exhibit twice the percentage price change of a bond with a three-year duration. The actual calculation of a bond's duration is somewhat complicated, but the idea behind the calculation is straightforward. The first step is to measure the time interval until receipt for each cash flow (coupon and principal payments) from a bond. The second step is to compute a weighted average of these time intervals. Each time interval is measured by the present value of that cash flow. This weighted average is the duration of the bond measured in years.

Information Ratio: This statistic is a measure of the consistency of a portfolio's performance relative to a benchmark. It is calculated by subtracting the benchmark return from the portfolio return (excess return), and dividing the resulting excess return by the standard deviation (volatility) of this excess return. A positive information ratio indicates outperformance versus the benchmark, and the higher the information ratio, the more consistent the outperformance.

Market Capitalization: For a firm, market capitalization is the total market value of outstanding common stock. For a portfolio, market capitalization is the sum of the capitalization of each company weighted by the ratio of holdings in that company to total portfolio holdings; thus it is a weighted-average capitalization. Meketa Investment Group considers the largest 65% of the broad domestic equity market as large capitalization, the next 25% of the market as medium capitalization, and the smallest 10% of stocks as small capitalization.

Market Weighted: Stocks in many indices are weighted based on the total market capitalization of the issue. Thus, the individual returns of higher market-capitalization issues will more heavily influence an index's return than the returns of the smaller market-capitalization issues in the index.

Maturity: The date on which a loan, bond, mortgage or other debt/security becomes due and is to be paid off.

Prepayment Risk: The risk that prepayments will increase (homeowners will prepay all or part of their mortgage) when mortgage interest rates decline; hence, investors' monies will be returned to them in a lower interest rate environment. Also, the risk that prepayments will slow down when mortgage interest rates rise; hence, investors will not have as much money as previously anticipated in a higher interest rate environment. A prepayment is any payment in excess of the scheduled mortgage payment.

Price-Book Value (P/B) Ratio: The current market price of a stock divided by its book value per share. Meketa Investment Group calculates P/B as the current price divided by Compustat's quarterly common equity. Common equity includes common stock, capital surplus, retained earnings, and treasury stock adjusted for both common and nonredeemable preferred stock. Similar to high P/E stocks, stocks with high P/B's tend to be riskier investments.

Price-Earnings (P/E) Ratio: A stock's market price divided by its current or estimated future earnings. Lower P/E ratios often characterize stocks in low growth or mature industries, stocks in groups that have fallen out of favor, or stocks of established blue chip companies with long records of stable earnings and regular dividends. Sometimes a company that has good fundamentals may be viewed unfavorably by the market if it is an industry that is temporarily out of favor. Or a business may have experienced financial problems causing investors to be skeptical about its future. Either of these situations would result in lower relative P/E ratios. Some stocks exhibit

above-average sales and earnings growth or expectations for above average growth. Consequently, investors are willing to pay more for these companies' earnings, which results in elevated P/E ratios. In other words, investors will pay more for shares of companies whose profits, in their opinion, are expected to increase faster than average. Because future events are in no way assured, high P/E stocks tend to be riskier and more volatile investments. Meketa Investment Group calculates P/E as the current price divided by the I/B/E/S consensus of twelve-month forecast earnings per share.

Quality Rating: The rank assigned a security by such rating services as Fitch, Moody's, and Standard & Poor's. The rating may be determined by such factors as (1) the likelihood of fulfillment of dividend, income, and principal payment of obligations; (2) the nature and provisions of the issue; and (3) the security's relative position in the event of liquidation of the company. Bonds assigned the top four grades (AAA, AA, A, BBB) are considered investment grade because they are eligible bank investments as determined by the controller of the currency.

Sharpe Ratio: A commonly used measure of risk-adjusted return. It is calculated by subtracting the risk free return (usually three-month Treasury bill) from the portfolio return and dividing the resulting excess return by the portfolio's total risk level (standard deviation). The result is a measure of return per unit of total risk taken. The higher the Sharpe ratio, the better the fund's historical risk adjusted performance.

Standard Deviation: A measure of the total risk of an asset or a portfolio. Standard deviation measures the dispersion of a set of numbers around a central point (e.g., the average return). If the standard deviation is small, the distribution is concentrated within a narrow range of values. For a normal distribution, about two thirds of the observations will fall within one standard deviation of the mean, and 95% of the observations will fall within two standard deviations of the mean.

STIF Account: Short-term investment fund at a custodian bank that invests in cash-equivalent instruments. It is generally used to safely invest the excess cash held by portfolio managers.

Style: The description of the type of approach and strategy utilized by an investment manager to manage funds. For example, the style for equities is determined by portfolio characteristics such as price-to-book value, price-to-earnings ratio, and dividend yield. Equity styles include growth, value, and core.

Yield to Maturity: The yield, or return, provided by a bond to its maturity date; determined by a mathematical process, usually requiring the use of a "basis book." For example, a 5% bond pays \$5 a year interest on each \$100 par value. To figure its current yield, divide \$5 by \$95—the market price of the bond—and you get 5.26%. Assume that the same bond is due to mature in five years. On the maturity date, the issuer is pledged to pay \$100 for the bond that can be bought now for \$95. In other words, the bond is selling at a discount of 5% below par value. To figure yield to maturity, a simple and approximate method is to divide 5% by the five years to maturity, which equals 1% pro rata yearly. Add that 1% to the 5.26% current yield, and the yield to maturity is roughly 6.26%.

$$\frac{5\% \text{ (discount)}}{5 \text{ (yrs. to maturity)}} = 1\% \text{ pro rata, plus } 5.26\% \text{ (current yield)} = 6.26\% \text{ (yield to maturity)}$$

Sources: [Investment Terminology](#), International Foundation of Employee Benefit Plans, 1999.
[The Handbook of Fixed Income Securities](#), Fabozzi, Frank J., 1991.

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Throughout this report, numbers may not sum due to rounding.

Returns for periods greater than one year are annualized throughout this report.

Values shown are in millions of dollars, unless noted otherwise.