

FUND EVALUATION REPORT

City of San Jose Police and Fire Department Retirement Plan Health Care Trust

Quarterly Review
March 31, 2017



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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 March 31, 2017

The value of the City of San Jose Police and Fire Department Retirement Plan – Health Care Trust’s assets were \$100.6 million on March 31, 2017, an increase of \$3.5 million from the end of the prior quarter. The Trust had \$0.4 million in net cash inflows for the quarter.

- The Health Care Trust’s net of fees performance was +3.2% for the quarter, underperforming the Policy Benchmark (+4.2%), but outperforming the Allocation index (+2.7%). Over the fiscal year-to-date and one-year periods, the Trust returned +5.0% and 7.7%, respectively.
- The Health Care Trust’s cash allocation ended the quarter outside of its target range (17.1% vs. target range of 0%-5%).
- All broad asset classes were positive for the quarter and one-year periods.
 - Global Equity returned +7.1% for the quarter and +16.0% over the one-year period, outperforming the MSCI ACWI IMI’s returns of +6.8% and +15.4%, respectively.
 - Global Fixed Income returned +0.9% for the quarter and +0.4% over the one-year period, approximately inline with the BBgBarc US Aggregate for both periods.
 - Real Assets was in line with the benchmark for the quarter (+1.4%), but is outperforming the benchmark by 100 basis points over the one-year period (+7.3% vs. +6.3%). For the quarter, Credit Suisse (+2.2%) outperformed the Bloomberg Commodities Index (-2.3%), Wellington Diverse Inflation Hedge (-0.7%) underperformed CPI +5% Unadjusted, and Vanguard REIT (+1.0%) was in line with the MSCI US REIT Index.
 - GTAA returned +3.0% for the quarter, underperforming the 60% MSCI World/40% Citi WGBI by 140 basis points. For the quarter, GMO Benchmark Free Allocation (+4.7%) and PIMCO All Asset All Authority (+4.6%) outperformed their respective benchmarks, while Standard Life GARS (+0.6%) slightly underperformed.
- The Trust did not add any additional investment managers during the quarter.

Investment Manager	Asset Class	Changes/ Announcements	Performance Concerns	Meketa Recommendation ¹	Comments
Credit Suisse Risk Parity Commodity	Commodities	---	---	---	---
Wellington Diverse Inflation Hedge	Infrastructure	---	---	---	Termination approved by Investment Committee
GMO Benchmark Free Allocation Fund	GTAA	Yes	---	Hold	Personnel Changes
PIMCO All Asset All Authority	GTAA	---	---	---	---
Standard Life GARS	GTAA	---	---	Hold	Potential Merger

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



Wellington

- Subsequent to the end of the first quarter, Wellington Diverse Inflation Hedge's termination was approved by the Investment Committee.

GMO

- On January 17, 2017, Andy Martin was hired to fill the newly created Head of Investment Teams role. The position reports directly to the CEO and oversees all of GMO's investment teams, with the exception of Asset Allocation.
- On February 13, 2017, Scott Hayward joined GMO as the Chief Executive Officer and a member of the GMO Board of Directors. Mr. Hayward succeeded Peg McGetrick, who had been serving as the interim CEO. Ms. McGetrick remains a member of the GMO Board of Directors.
- During the first quarter, one investment professional left the team that manages the GMO Benchmark-Free Allocation strategy. There were six other departures on the team during the first quarter, but they were internally transferred to newly created investment teams for other strategies.

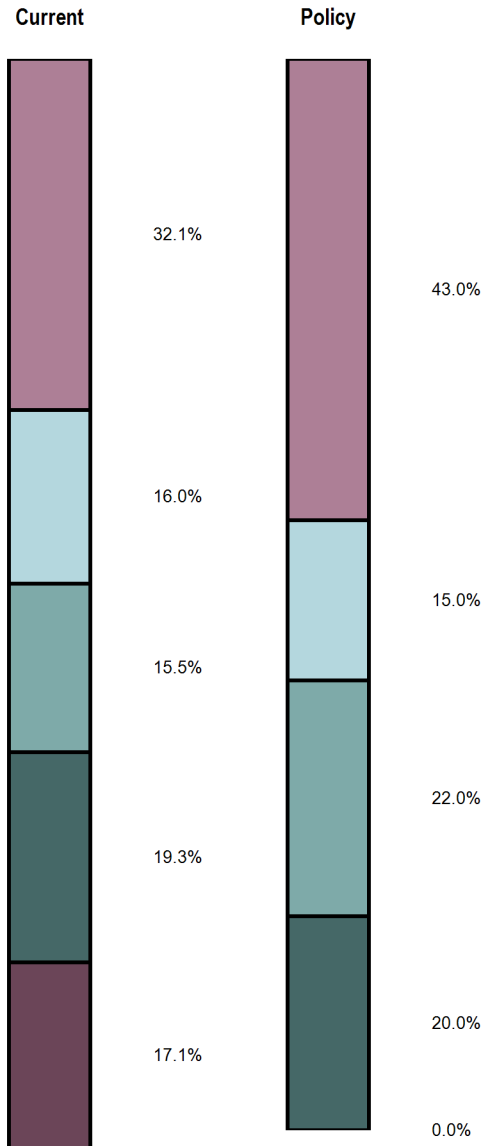
Standard Life

- On March 6, 2017, a possible all-share merger of Standard Life and Aberdeen was announced. The potential merger is subject to shareholder and regulatory approvals.

1Q17 Review

Total Fund Aggregate

As of March 31, 2017



Allocation vs. Targets and Policy

	Current Balance	Current Allocation	Policy	Difference	Policy Range	Within IPS Range?
Total Global Equity	\$32,312,069	32.1%	43.0%	-10.9%	25.0% - 50.0%	Yes
Total Global Fixed Income	\$16,059,101	16.0%	15.0%	1.0%	5.0% - 25.0%	Yes
Total Real Assets	\$15,544,936	15.5%	22.0%	-6.5%	12.0% - 25.0%	Yes
Total GTAA	\$19,430,121	19.3%	20.0%	-0.7%	0.0% - 25.0%	Yes
Total Cash	\$17,221,081	17.1%	0.0%	17.1%	0.0% - 5.0%	No
Total	\$100,567,309	100.0%	100.0%			

As of March 31, 2017

Asset Class Net Performance Summary

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Health Care Trust	100,567,309	100.0	3.2	5.0	7.7	2.5	--	--	4.7	Jul-12
<i>Policy Benchmark</i>			4.2	6.6	9.4	3.5	--	--	5.4	Jul-12
<i>Allocation Index</i>			2.7	5.2	7.7	3.8	--	--	5.7	Jul-12
Global Equity Composite	32,312,069	32.1	7.1	14.2	16.0	5.4	--	--	10.7	Aug-12
<i>MSCI ACWI IMI (Net)</i>			6.8	14.2	15.4	5.1	--	--	10.3	Aug-12
Global Fixed Income Composite	16,059,101	16.0	0.9	-1.9	0.4	2.6	--	--	1.7	Aug-12
<i>BBgBarc US Aggregate TR</i>			0.8	-1.7	0.4	2.7	--	--	1.8	Aug-12
Real Assets	15,544,936	15.5	1.4	-0.2	7.3	--	--	--	3.8	Jul-15
<i>Real Assets Custom Benchmark</i>			1.4	-0.4	6.3	--	--	--	3.3	Jul-15
Real Estate Composite	6,871,059	6.8	1.0	-3.5	3.1	10.0	--	--	9.1	Aug-12
<i>MSCI US REIT Gross</i>			1.0	-3.4	3.2	10.1	--	--	9.2	Aug-12
Commodities Composite	7,380,373	7.3	2.2	1.9	10.3	-9.0	--	--	-7.9	Oct-12
<i>Bloomberg Commodity Index TR USD</i>			-2.3	-3.6	8.7	-13.9	--	--	-11.5	Oct-12
Infrastructure Composite	1,293,504	1.3	-0.7	6.1	15.8	-6.5	--	--	-5.3	Jan-14
<i>DJ Brookfield Global Infrastructure Net TR USD</i>			7.5	4.1	11.9	4.7	--	--	5.9	Jan-14
GTAA Composite	19,430,121	19.3	3.0	5.6	7.1	--	--	--	-1.1	Sep-14
<i>60% MSCI World & 40% Citigroup WGBI</i>			4.4	5.0	7.1	--	--	--	1.9	Sep-14
Cash	17,221,081	17.1	0.1	0.3	0.3	0.1	--	--	0.1	Jul-12
<i>91 Day T-Bills</i>			0.1	0.3	0.4	0.2	--	--	0.1	Jul-12

¹ Fiscal Year begins July 1.

Total Fund Aggregate

As of March 31, 2017

Trailing Net Performance

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Global Equity Composite	32,312,069	32.1	7.1	14.2	16.0	5.4	--	--	10.7	Aug-12
<i>MSCI ACWI IMI (Net)</i>			6.8	14.2	15.4	5.1	--	--	10.3	Aug-12
Vanguard Total World Stock Index Fund	32,312,069	32.1	7.1	14.2	16.0	5.4	--	--	10.7	Aug-12
<i>MSCI ACWI IMI (Net)</i>			6.8	14.2	15.4	5.1	--	--	10.3	Aug-12
Global Fixed Income Composite	16,059,101	16.0	0.9	-1.9	0.4	2.6	--	--	1.7	Aug-12
<i>BBgBarc US Aggregate TR</i>			0.8	-1.7	0.4	2.7	--	--	1.8	Aug-12
Vanguard Total Bond Market Index Fund	16,059,101	16.0	0.9	-1.9	0.4	2.6	--	--	1.7	Aug-12
<i>BBgBarc US Aggregate TR</i>			0.8	-1.7	0.4	2.7	--	--	1.8	Aug-12
Real Assets	15,544,936	15.5	1.4	-0.2	7.3	--	--	--	3.8	Jul-15
<i>Real Assets Custom Benchmark</i>			1.4	-0.4	6.3	--	--	--	3.3	Jul-15
Real Estate Composite	6,871,059	6.8	1.0	-3.5	3.1	10.0	--	--	9.1	Aug-12
<i>MSCI US REIT Gross</i>			1.0	-3.4	3.2	10.1	--	--	9.2	Aug-12
Vanguard REIT Index Fund	6,871,059	6.8	1.0	-3.5	3.1	10.0	--	--	9.1	Aug-12
<i>MSCI US REIT</i>			0.7	-4.3	1.9	8.7	--	--	7.9	Aug-12
Commodities Composite	7,380,373	7.3	2.2	1.9	10.3	-9.0	--	--	-7.9	Oct-12
<i>Bloomberg Commodity Index TR USD</i>			-2.3	-3.6	8.7	-13.9	--	--	-11.5	Oct-12
Credit Suisse	7,380,373	7.3	2.2	1.9	10.3	-9.0	--	--	-6.8	Nov-12
<i>Bloomberg Commodity Index TR USD</i>			-2.3	-3.6	8.7	-13.9	--	--	-10.9	Nov-12

¹ Fiscal Year begins July 1.

Total Fund Aggregate

As of March 31, 2017

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Infrastructure Composite	1,293,504	1.3	-0.7	6.1	15.8	-6.5	--	--	-5.3	Jan-14
<i>DJ Brookfield Global Infrastructure Net TR USD</i>			7.5	4.1	11.9	4.7	--	--	5.9	Jan-14
Wellington	1,293,504	1.3	-0.7	6.1	15.8	-6.5	--	--	-5.3	Jan-14
<i>CPI + 5% (Unadjusted)</i>			2.2	4.9	7.5	6.1	--	--	6.5	Jan-14
GTAA Composite	19,430,121	19.3	3.0	5.6	7.1	--	--	--	-1.1	Sep-14
<i>60% MSCI World & 40% Citigroup WGBI</i>			4.4	5.0	7.1	--	--	--	1.9	Sep-14
GMO	3,340,418	3.3	4.7	7.2	8.1	--	--	--	0.4	Sep-14
<i>60% MSCI World & 40% Citigroup WGBI</i>			4.4	5.0	7.1	--	--	--	1.9	Sep-14
PIMCO	8,307,205	8.3	4.6	7.6	12.4	--	--	--	-1.5	Sep-14
<i>CPI + 6.5% (Seasonally Adjusted)</i>			2.0	6.6	9.2	--	--	--	7.6	Sep-14
<i>60% MSCI World & 40% Citigroup WGBI</i>			4.4	5.0	7.1	--	--	--	1.9	Sep-14
Standard Life	7,782,499	7.7	0.6	3.0	2.2	--	--	--	-0.2	Feb-15
<i>91-Day T-Bills + 5%</i>			1.4	4.1	5.4	--	--	--	5.2	Feb-15
<i>60% MSCI World & 40% Citigroup WGBI</i>			4.4	5.0	7.1	--	--	--	4.2	Feb-15
Cash	17,221,081	17.1	0.1	0.3	0.3	0.1	--	--	0.1	Jul-12
<i>91 Day T-Bills</i>			0.1	0.3	0.4	0.2	--	--	0.1	Jul-12
Cash	17,221,081	17.1	0.1	0.3	0.3	0.1	--	--	0.1	Jul-12
<i>91 Day T-Bills</i>			0.1	0.3	0.4	0.2	--	--	0.1	Jul-12

¹ Fiscal Year begins July 1.

As of March 31, 2017

Fiscal Year Performance

	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)
Health Care Trust	0.3	-1.7	14.5	5.0	--
<i>Policy Benchmark</i>	1.3	-1.0	14.3	5.3	--
<i>Allocation Index</i>	2.3	0.1	14.6	5.3	--
Global Equity Composite	-3.3	1.2	23.6	--	--
<i>MSCI ACWI IMI (Net)</i>	-3.9	0.8	23.3	--	--
Vanguard Total World Stock Index Fund	-3.3	1.2	23.6	--	--
<i>MSCI ACWI IMI (Net)</i>	-3.9	0.8	23.3	--	--
Global Fixed Income Composite	6.1	1.7	4.3	--	--
<i>BBgBarc US Aggregate TR</i>	6.0	1.9	4.4	--	--
Vanguard Total Bond Market Index Fund	6.1	1.7	4.3	--	--
<i>BBgBarc US Aggregate TR</i>	6.0	1.9	4.4	--	--
Real Assets	7.0	--	--	--	--
<i>Real Assets Custom Benchmark</i>	6.3	--	--	--	--
Real Estate Composite	23.9	3.8	13.4	--	--
<i>MSCI US REIT Gross</i>	24.1	3.9	13.4	--	--
Vanguard REIT Index Fund	23.9	3.8	13.4	--	--
<i>MSCI US REIT</i>	22.4	2.7	12.0	--	--
Commodities Composite	-11.4	-19.7	14.0	--	--
<i>Bloomberg Commodity Index TR USD</i>	-13.3	-23.7	8.2	--	--

¹ Fiscal Year begins July 1.

As of March 31, 2017

	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)
Credit Suisse	-11.4	-19.7	13.9	--	--
<i>Bloomberg Commodity Index TR USD</i>	-13.3	-23.7	8.2	--	--
Infrastructure Composite	-7.7	-21.3	--	--	--
<i>DJ Brookfield Global Infrastructure Net TR USD</i>	3.2	-3.7	--	--	--
Wellington	-7.7	-21.3	--	--	--
<i>CPI + 5% (Unadjusted)</i>	6.0	5.1	--	--	--
GTAA Composite	-3.3	--	--	--	--
<i>60% MSCI World & 40% Citigroup WGBI</i>	2.9	--	--	--	--
GMO	-4.3	--	--	--	--
<i>60% MSCI World & 40% Citigroup WGBI</i>	2.9	--	--	--	--
PIMCO	-2.1	--	--	--	--
<i>CPI + 6.5% (Seasonally Adjusted)</i>	7.4	--	--	--	--
<i>60% MSCI World & 40% Citigroup WGBI</i>	2.9	--	--	--	--
Standard Life	-3.9	--	--	--	--
<i>91-Day T-Bills + 5%</i>	5.2	--	--	--	--
<i>60% MSCI World & 40% Citigroup WGBI</i>	2.9	--	--	--	--
Cash	0.0	0.0	0.0	0.0	--
<i>91 Day T-Bills</i>	0.2	0.0	0.0	0.1	--
Cash	0.0	0.0	0.0	0.0	--
<i>91 Day T-Bills</i>	0.2	0.0	0.0	0.1	--

¹ Fiscal Year begins July 1.

Total Fund Aggregate

As of March 31, 2017

Cash Flow Summary

Quarter Ending March 31, 2017

	Beginning Market Value	Contributions	Withdrawals	Net Cash Flow	Net Investment Change	Ending Market Value
Cash	\$16,748,124	\$400,039	\$52,406	\$452,445	\$20,513	\$17,221,081
Credit Suisse	\$7,222,960	\$0	-\$7,100	-\$7,100	\$164,513	\$7,380,373
GMO	\$3,190,214	\$0	\$0	\$0	\$150,203	\$3,340,418
PIMCO	\$7,944,559	\$0	\$0	\$0	\$362,645	\$8,307,205
Standard Life	\$7,733,072	\$0	-\$14,354	-\$14,354	\$63,780	\$7,782,499
Vanguard REIT Index Fund	\$6,805,553	\$0	\$0	\$0	\$65,506	\$6,871,059
Vanguard Total Bond Market Index Fund	\$15,914,173	\$0	\$0	\$0	\$144,927	\$16,059,101
Vanguard Total World Stock Index Fund	\$30,169,403	\$0	\$0	\$0	\$2,142,666	\$32,312,069
Wellington	\$1,303,016	\$0	-\$2,872	-\$2,872	-\$6,640	\$1,293,504
Total	\$97,031,074	\$400,039	\$28,081	\$428,119	\$3,108,115	\$100,567,309

Cash Flow Summary

Fiscal YTD Ending March 31, 2017

	Beginning Market Value	Contributions	Withdrawals	Net Cash Flow	Net Investment Change	Ending Market Value
Cash	\$4,881,059	\$18,284,894	-\$5,977,913	\$12,306,981	\$33,041	\$17,221,081
Credit Suisse	\$5,244,328	\$2,000,000	-\$21,020	\$1,978,980	\$157,065	\$7,380,373
GMO	\$3,117,009	\$0	\$0	\$0	\$223,409	\$3,340,418
PIMCO	\$5,223,916	\$2,500,000	\$0	\$2,500,000	\$583,289	\$8,307,205
Standard Life	\$7,556,569	\$0	-\$22,358	-\$22,358	\$248,288	\$7,782,499
Vanguard REIT Index Fund	\$7,118,996	\$0	\$0	\$0	-\$247,937	\$6,871,059
Vanguard Total Bond Market Index Fund	\$14,871,747	\$1,500,000	\$0	\$1,500,000	-\$312,646	\$16,059,101
Vanguard Total World Stock Index Fund	\$28,294,994	\$0	\$0	\$0	\$4,017,075	\$32,312,069
Wellington	\$1,219,374	\$0	-\$8,387	-\$8,387	\$82,517	\$1,293,504
Total	\$77,527,992	\$24,284,894	-\$6,029,678	\$18,255,216	\$4,784,100	\$100,567,309

¹ Fiscal Year begins July 1.

Total Fund Aggregate

As of March 31, 2017

Cash Flow Summary

1 Year Ending March 31, 2017

	Beginning Market Value	Contributions	Withdrawals	Net Cash Flow	Net Investment Change	Ending Market Value
Cash	\$4,016,315	\$20,695,238	-\$7,523,512	\$13,171,726	\$33,041	\$17,221,081
Credit Suisse	\$4,843,179	\$2,000,000	-\$25,948	\$1,974,052	\$563,142	\$7,380,373
GMO	\$3,090,476	\$0	-\$6,616	-\$6,616	\$256,558	\$3,340,418
PIMCO	\$4,996,628	\$2,500,000	-\$12,095	\$2,487,905	\$822,672	\$8,307,205
Standard Life	\$6,105,229	\$1,500,000	-\$22,358	\$1,477,642	\$199,628	\$7,782,499
Vanguard REIT Index Fund	\$6,665,958	\$0	-\$1,690	-\$1,690	\$206,791	\$6,871,059
Vanguard Total Bond Market Index Fund	\$14,528,251	\$1,500,000	-\$2,569	\$1,497,431	\$33,419	\$16,059,101
Vanguard Total World Stock Index Fund	\$27,861,880	\$0	-\$11,325	-\$11,325	\$4,461,514	\$32,312,069
Wellington	\$1,117,332	\$0	-\$10,787	-\$10,787	\$186,960	\$1,293,504
Total	\$73,225,247	\$28,195,238	-\$7,616,901	\$20,578,336	\$6,763,725	\$100,567,309

Cash Flow Summary Since Inception

Ending March 31, 2017

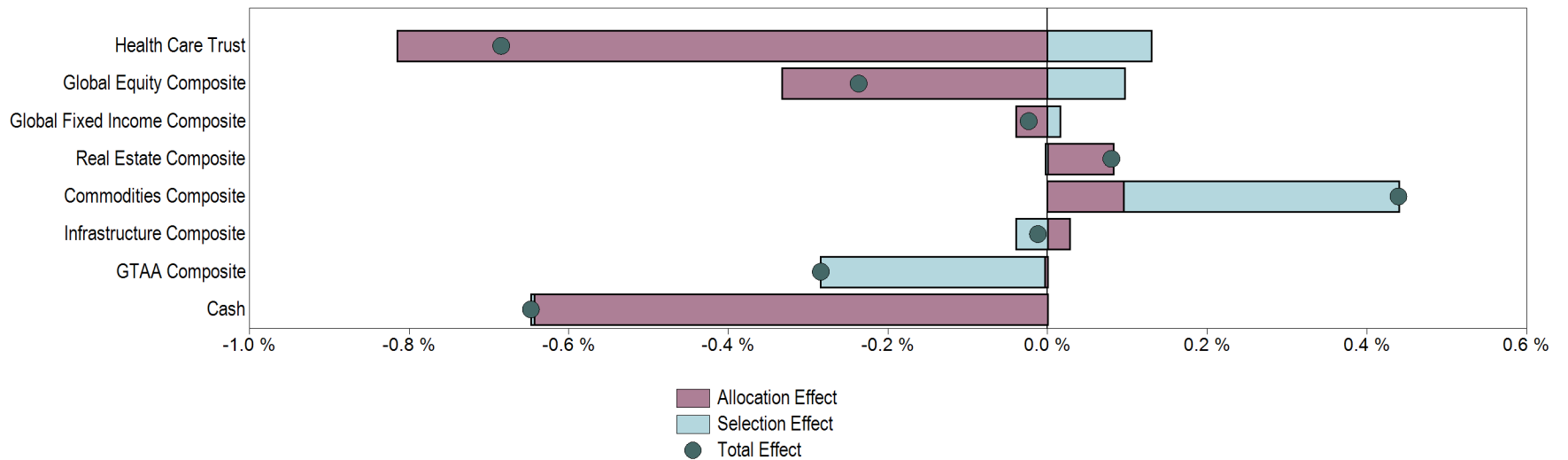
	Beginning Market Value	Contributions	Withdrawals	Net Cash Flow	Net Investment Change	Ending Market Value
Cash	\$0	\$97,320,775	-\$80,133,174	\$17,187,601	\$33,481	\$17,221,081
Credit Suisse	--	\$8,800,000	-\$569,131	\$8,230,869	-\$850,496	\$7,380,373
First Quadrant	--	\$890,000	-\$742,610	\$147,390	-\$147,390	--
GMO	--	\$3,950,000	-\$704,232	\$3,245,768	\$94,650	\$3,340,418
PIMCO	--	\$8,150,000	-\$73,188	\$8,076,812	\$230,393	\$8,307,205
Standard Life	--	\$7,800,000	-\$22,358	\$7,777,642	\$4,857	\$7,782,499
Vanguard REIT Index Fund	--	\$4,988,695	-\$16,554	\$4,972,141	\$1,898,918	\$6,871,059
Vanguard Total Bond Market Index Fund	--	\$19,110,434	-\$4,227,831	\$14,882,603	\$1,176,498	\$16,059,101
Vanguard Total World Stock Index Fund	--	\$24,671,390	-\$121,989	\$24,549,401	\$7,762,668	\$32,312,069
Wellington	--	\$1,590,000	-\$33,483	\$1,556,517	-\$263,012	\$1,293,504
Total	\$0	\$177,271,294	-\$86,644,551	\$90,626,742	\$9,940,566	\$100,567,309

¹ Fiscal Year begins July 1.

Attribution Summary
3 Months Ending March 31, 2017

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
Global Equity Composite	7.1%	6.8%	0.3%	0.1%	-0.3%	-0.2%
Global Fixed Income Composite	0.9%	0.8%	0.1%	0.0%	0.0%	0.0%
Real Estate Composite	1.0%	1.0%	0.0%	0.0%	0.1%	0.1%
Commodities Composite	2.2%	-2.3%	4.5%	0.3%	0.1%	0.4%
Infrastructure Composite	-0.7%	2.2%	-2.9%	0.0%	0.0%	0.0%
GTAA Composite	3.0%	4.4%	-1.4%	-0.3%	0.0%	-0.3%
Cash	0.1%	0.1%	0.0%	0.0%	-0.6%	-0.6%
Total	3.2%	3.9%	-0.7%	0.1%	-0.8%	-0.7%

Attribution Effects
3 Months Ending March 31, 2017



¹ Fiscal Year begins July 1.



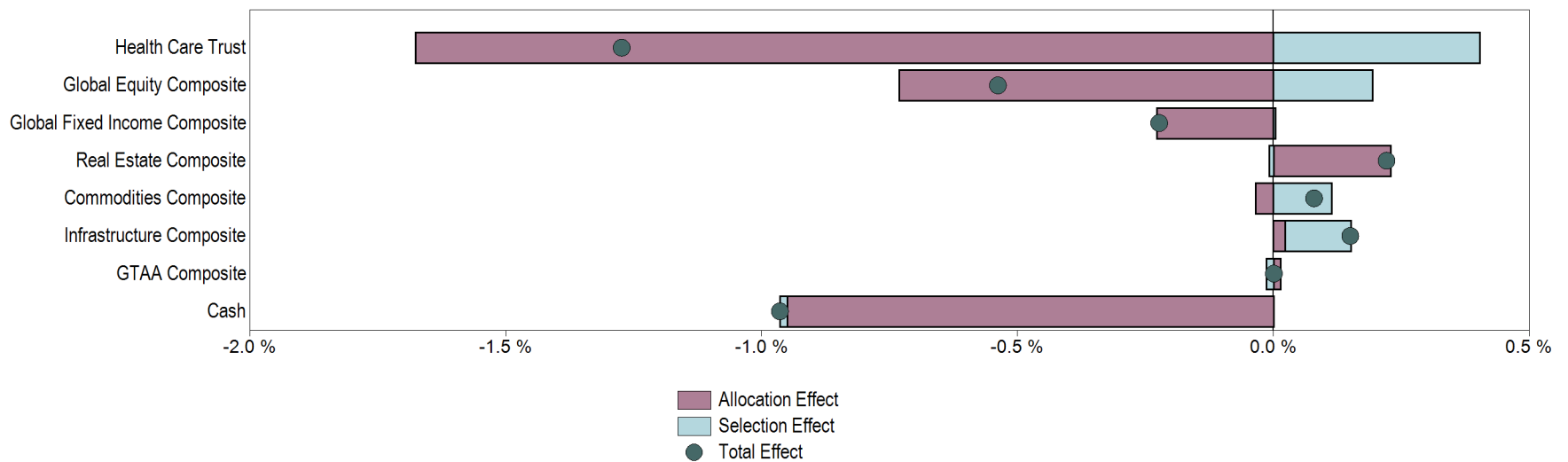
Total Fund Aggregate

As of March 31, 2017

Attribution Summary
1 Year Ending March 31, 2017

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
Global Equity Composite	16.0%	15.4%	0.6%	0.2%	-0.7%	-0.5%
Global Fixed Income Composite	0.4%	0.4%	0.0%	0.0%	-0.2%	-0.2%
Real Estate Composite	3.1%	3.2%	-0.1%	0.0%	0.2%	0.2%
Commodities Composite	10.3%	8.7%	1.6%	0.1%	0.0%	0.1%
Infrastructure Composite	15.8%	7.5%	8.3%	0.1%	0.0%	0.2%
GTAA Composite	7.1%	7.1%	0.0%	0.0%	0.0%	0.0%
Cash	0.3%	0.4%	-0.1%	0.0%	-1.0%	-1.0%
Total	8.2%	9.5%	-1.3%	0.4%	-1.7%	-1.3%

Attribution Effects
1 Year Ending March 31, 2017



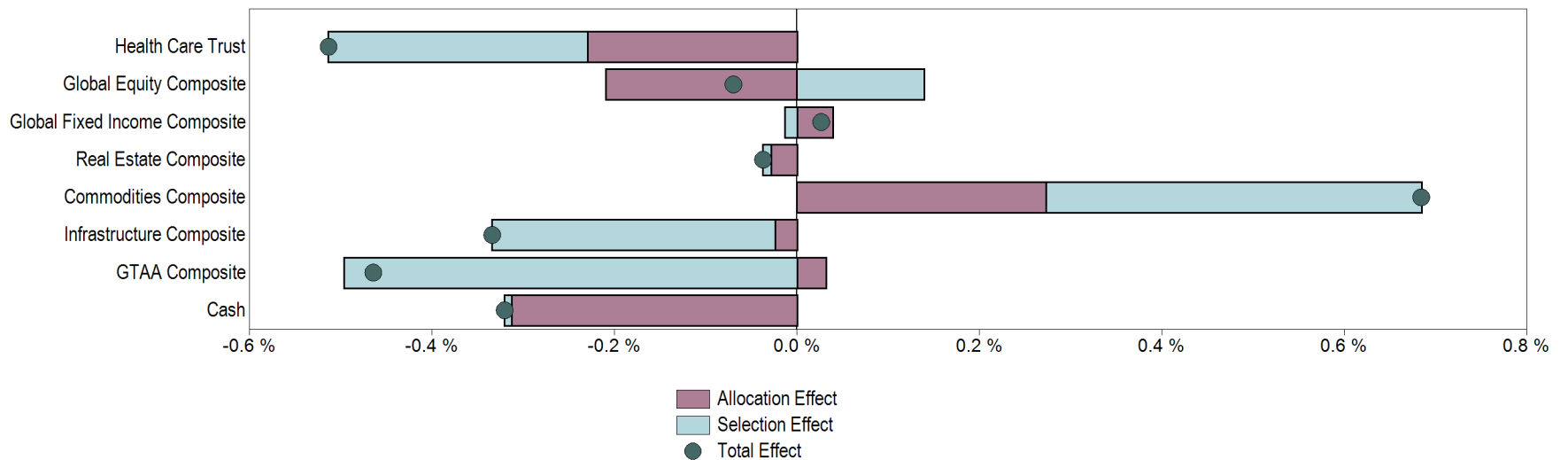
¹ Fiscal Year begins July 1.



Attribution Summary
3 Years Ending March 31, 2017

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
Global Equity Composite	5.4%	5.1%	0.4%	0.1%	-0.2%	-0.1%
Global Fixed Income Composite	2.6%	2.7%	-0.1%	0.0%	0.0%	0.0%
Real Estate Composite	10.0%	10.1%	-0.1%	0.0%	0.0%	0.0%
Commodities Composite	-9.0%	-13.9%	4.9%	0.4%	0.3%	0.7%
Infrastructure Composite	-6.5%	6.1%	-12.5%	-0.3%	0.0%	-0.3%
GTAA Composite	--	--	--	-0.5%	0.0%	-0.5%
Cash	0.1%	0.2%	-0.1%	0.0%	-0.3%	-0.3%
Total	2.6%	3.1%	-0.5%	-0.3%	-0.2%	-0.5%

Attribution Effects
3 Years Ending March 31, 2017



¹ Fiscal Year begins July 1.



Benchmark History
As of March 31, 2017

Health Care Trust		
1/1/2017	Present	43% MSCI ACWI IMI (Net) / 15% BBgBarc US Aggregate TR / 10% MSCI US REIT Gross / 9% Bloomberg Commodity Index TR USD / 3% CPI + 5% (Unadjusted) / 20% 60% MSCI World & 40% Citigroup WGBI
9/1/2014	12/31/2016	43% MSCI ACWI IMI (Net) / 15% BBgBarc US Aggregate TR / 10% MSCI US REIT Gross / 9% Custom Commodity Risk Parity Index / 3% CPI + 5% (Unadjusted) / 20% 60% MSCI World & 40% Citigroup WGBI
Global Equity Composite		
8/1/2012	Present	MSCI ACWI IMI Net USD
Global Fixed Income Composite		
8/1/2012	Present	BBgBarc US Aggregate TR
Real Assets		
7/1/2015	Present	Real Assets Custom Benchmark
Real Estate Composite		
8/1/2012	Present	MSCI US REIT Gross
Liquid Real Assets Composite		
		No Benchmark Selected
Commodities Composite		
10/1/2012	Present	Bloomberg Commodity Index TR USD
Infrastructure Composite		
1/1/2014	Present	DJ Brookfield Global Infrastructure Net TR USD
GTAA Composite		
9/1/2014	Present	60% MSCI World / 40% Citi WGBI
Cash		
7/1/2012	Present	91 Day T-Bills

Vanguard Total World Stock Index Fund

As of March 31, 2017

Account Information

Account Name	Vanguard Total World Stock Index Fund
Account Structure	Mutual Fund
Investment Style	Passive
Inception Date	8/01/12
Account Type	Equity
Benchmark	MSCI ACWI IMI (Net)
Universe	eA All Global Equity Net

Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Vanguard Total World Stock Index Fund	7.1	14.2	16.0	5.4	--	--	10.7	Aug-12
MSCI ACWI IMI (Net)	6.8	14.2	15.4	5.1	8.5	4.2	10.3	Aug-12
eA All Global Equity Net Median	6.4	11.8	13.0	5.1	8.9	4.2	10.3	Aug-12
eA All Global Equity Net Rank	39	34	25	43	--	--	45	Aug-12

Top 10 Holdings

APPLE	2.9%
MICROSOFT	2.0%
AMAZON.COM	1.5%
EXXON MOBIL	1.4%
JOHNSON & JOHNSON	1.4%
FACEBOOK CLASS A	1.4%
JP MORGAN CHASE & CO.	1.3%
BERKSHIRE HATHAWAY 'B'	1.3%
GENERAL ELECTRIC	1.1%
AT&T	1.0%
Total	15.2%

Vanguard Total World Stock Index Fund Characteristics

	Portfolio Q1-17	Index Q1-17	Portfolio Q4-16
Market Value			
Market Value (\$M)	32.3	--	30.2
Number Of Holdings	3581	--	3568
Characteristics			
Weighted Avg. Market Cap. (\$B)	124.7	--	113.7
Median Market Cap (\$B)	1.0	--	1.0
P/E Ratio	24.8	--	23.6
Yield	1.9	--	2.0
EPS Growth - 5 Yrs.	9.8	--	8.6
Price to Book	4.7	--	4.3
Beta (holdings; domestic)	1.0	--	1.0
Sector Distribution			
Energy	6.2	--	7.1
Materials	3.4	--	3.4
Industrials	10.7	--	10.9
Consumer Discretionary	12.5	--	12.3
Consumer Staples	8.3	--	8.4
Health Care	13.4	--	13.1
Financials	14.9	--	15.4
Information Technology	21.1	--	19.9
Telecommunication Services	2.2	--	2.4
Utilities	3.2	--	3.2
Real Estate	4.1	--	4.1

Vanguard Total Bond Market Index Fund

As of March 31, 2017

Account Information

Account Name	Vanguard Total Bond Market Index Fund
Account Structure	Mutual Fund
Investment Style	Passive
Inception Date	8/01/12
Account Type	US Fixed Income
Benchmark	BBgBarc US Aggregate TR
Universe	eA All US Fixed Inc Net

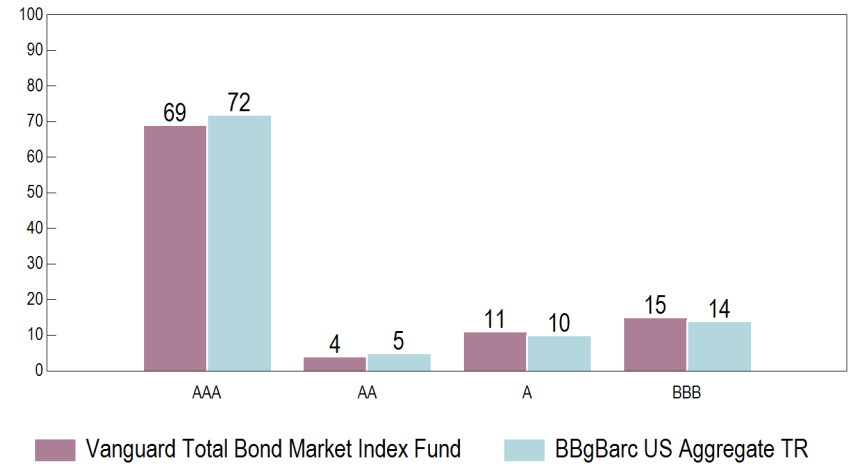
Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Vanguard Total Bond Market Index Fund	0.9	-1.9	0.4	2.6	--	--	1.7	Aug-12
BBgBarc US Aggregate TR	0.8	-1.7	0.4	2.7	2.3	4.3	1.8	Aug-12
eA All US Fixed Inc Net Median	1.1	0.0	1.7	2.7	2.9	4.4	2.3	Aug-12
eA All US Fixed Inc Net Rank	59	87	80	54	--	--	66	Aug-12

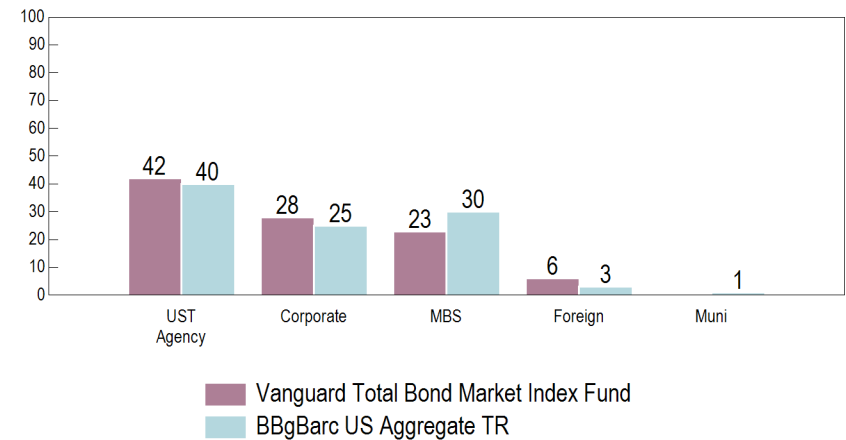
Vanguard Total Bond Market Index Fund Characteristics vs. BBgBarc US Aggregate TR

	Portfolio Q1-17	Index Q1-17	Portfolio Q4-16
Fixed Income Characteristics			
Yield to Maturity	2.6	2.5	2.6
Average Duration	6.1	6.0	6.0
Average Quality	AAA	AA	AAA

Credit Quality Allocation



Sector Allocation



Vanguard REIT Index Fund

As of March 31, 2017

Account Information

Account Name	Vanguard REIT Index Fund
Account Structure	Mutual Fund
Investment Style	Passive
Inception Date	8/01/12
Account Type	REITS
Benchmark	MSCI US REIT
Universe	eA US REIT Net

Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Vanguard REIT Index Fund	1.0	-3.5	3.1	10.0	--	--	9.1	Aug-12
MSCI US REIT	0.7	-4.3	1.9	8.7	8.5	3.3	7.9	Aug-12
eA US REIT Net Median	0.7	-3.5	2.5	10.0	9.8	5.1	9.2	Aug-12
eA US REIT Net Rank	36	50	41	56	--	--	51	Aug-12

Top 10 Holdings

SIMON PROPERTY GROUP	6.6%
PUBLIC STORAGE	3.9%
EQUINIX	3.7%
PROLOGIS	3.3%
WELLTOWER	3.1%
AVALONBAY COMMNS.	3.1%
VENTAS	2.8%
EQUITY RESD.TST.PROPS. SHBI	2.8%
BOSTON PROPERTIES	2.5%
VORNADO REALTY TRUST	2.1%
Total	33.8%

Vanguard REIT Index Fund Characteristics

	Portfolio Q1-17	Portfolio Q4-16
Market Value		
Market Value (\$M)	6.9	6.8
Number Of Holdings	158	155
Characteristics		
Weighted Avg. Market Cap. (\$B)	15.6	15.5
Median Market Cap (\$B)	3.2	3.0
P/E Ratio	33.4	34.3
Yield	4.0	4.0
EPS Growth - 5 Yrs.	19.8	21.9
Price to Book	3.5	3.7
Beta (holdings; domestic)	0.7	0.7

Sector Distribution

Energy	0.0	0.0
Materials	0.0	0.0
Industrials	0.0	0.0
Consumer Discretionary	0.0	0.0
Consumer Staples	0.0	0.0
Health Care	0.0	0.0
Financials	1.3	0.7
Information Technology	0.0	0.0
Telecommunication Services	0.0	0.0
Utilities	0.0	0.0
Real Estate	98.7	99.3



Account Information

Account Name	Credit Suisse
Account Structure	Commingled Fund
Investment Style	Active
Inception Date	11/01/12
Account Type	US Inflation Protected Fixed
Benchmark	Bloomberg Commodity Index TR USD
Universe	

Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Credit Suisse	2.2	1.9	10.3	-9.0	--	--	-6.8	Nov-12
<i>Bloomberg Commodity Index TR USD</i>	-2.3	-3.6	8.7	-13.9	-9.5	-6.2	-10.9	Nov-12

Account Information

Account Name	Wellington
Account Structure	Commingled Fund
Investment Style	Active
Inception Date	1/01/14
Account Type	Multi Strategy
Benchmark	CPI + 5% (Unadjusted)
Universe	

Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Wellington	-0.7	6.1	15.8	-6.5	--	--	-5.3	Jan-14
CPI + 5% (Unadjusted)	2.2	4.9	7.5	6.1	--	--	6.5	Jan-14

Account Information

Account Name	GMO
Account Structure	Mutual Fund
Investment Style	Active
Inception Date	9/01/14
Account Type	Global Allocations
Benchmark	
Universe	

Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
GMO	4.7	7.2	8.1	--	--	--	0.4	Sep-14
<i>60% MSCI World & 40% Citigroup WGBI</i>	4.4	5.0	7.1	2.9	5.4	4.1	1.9	Sep-14

Account Information

Account Name	PIMCO
Account Structure	Mutual Fund
Investment Style	Active
Inception Date	9/01/14
Account Type	Global Allocations
Benchmark	CPI + 6.5% (Seasonally Adjusted)
Universe	

Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
PIMCO	4.6	7.6	12.4	--	--	--	-1.5	Sep-14
<i>CPI + 6.5% (Seasonally Adjusted)</i>	2.0	6.6	9.2	7.7	7.8	8.3	7.6	Sep-14
<i>60% MSCI World & 40% Citigroup WGBI</i>	4.4	5.0	7.1	2.9	5.4	4.1	1.9	Sep-14

Account Information

Account Name	Standard Life
Account Structure	Commingled Fund
Investment Style	Active
Inception Date	2/01/15
Account Type	Global Allocations
Benchmark	91-Day T-Bills + 5%
Universe	

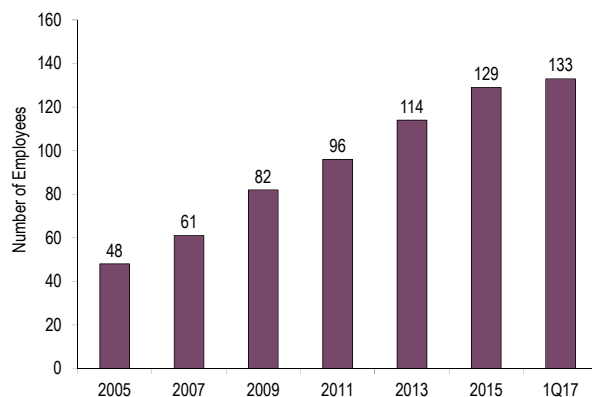
Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Standard Life	0.6	3.0	2.2	--	--	--	-0.2	Feb-15
91-Day T-Bills + 5%	1.4	4.1	5.4	5.2	5.1	5.6	5.2	Feb-15
60% MSCI World & 40% Citigroup WGBI	4.4	5.0	7.1	2.9	5.4	4.1	4.2	Feb-15

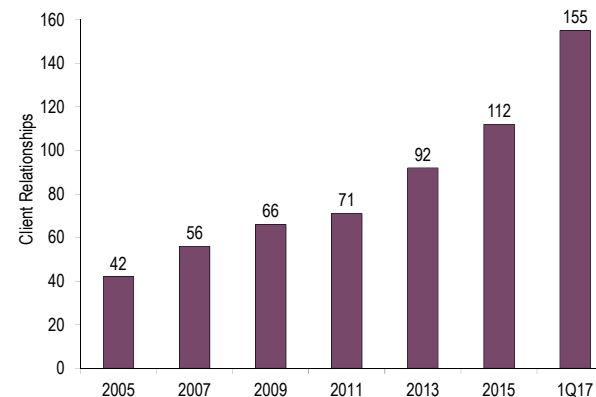
Meketa Investment Group Corporate Update

- Staff of 133, including 87 investment professionals and 26 CFA Charterholders
- 155 clients, with over 250 funds throughout the United States
- Significant investment in staff and resources
- Offices in Boston, Chicago, Miami, Portland (OR), San Diego, and London
- Clients have aggregate assets of over \$980 billion
 - Over \$60 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 over 5 million American families everyday.



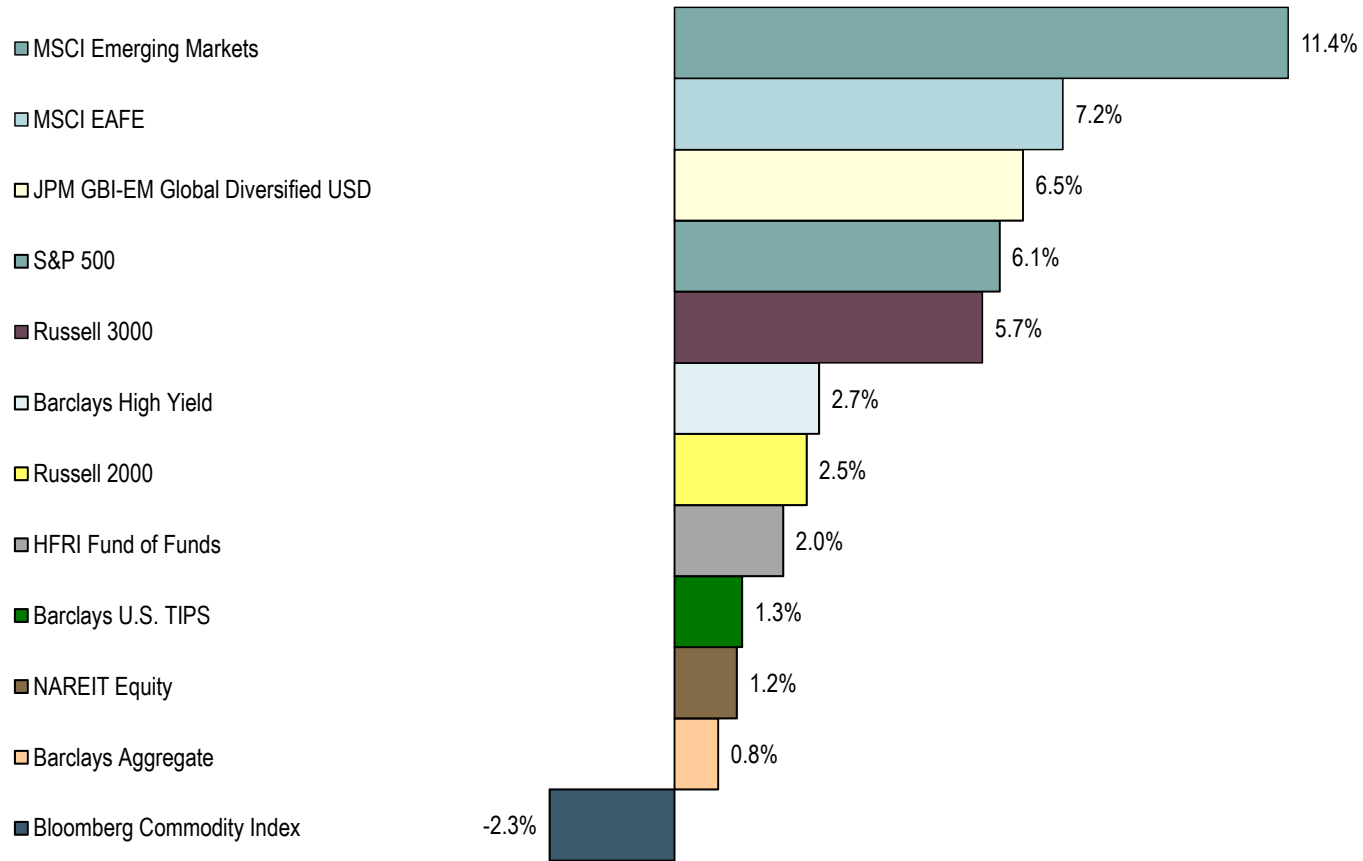
Asset Classes Followed Intensively by Meketa Investment Group

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
First Quarter of 2017**

The World Markets¹ First Quarter of 2017



¹ Source: Thomson Reuters.

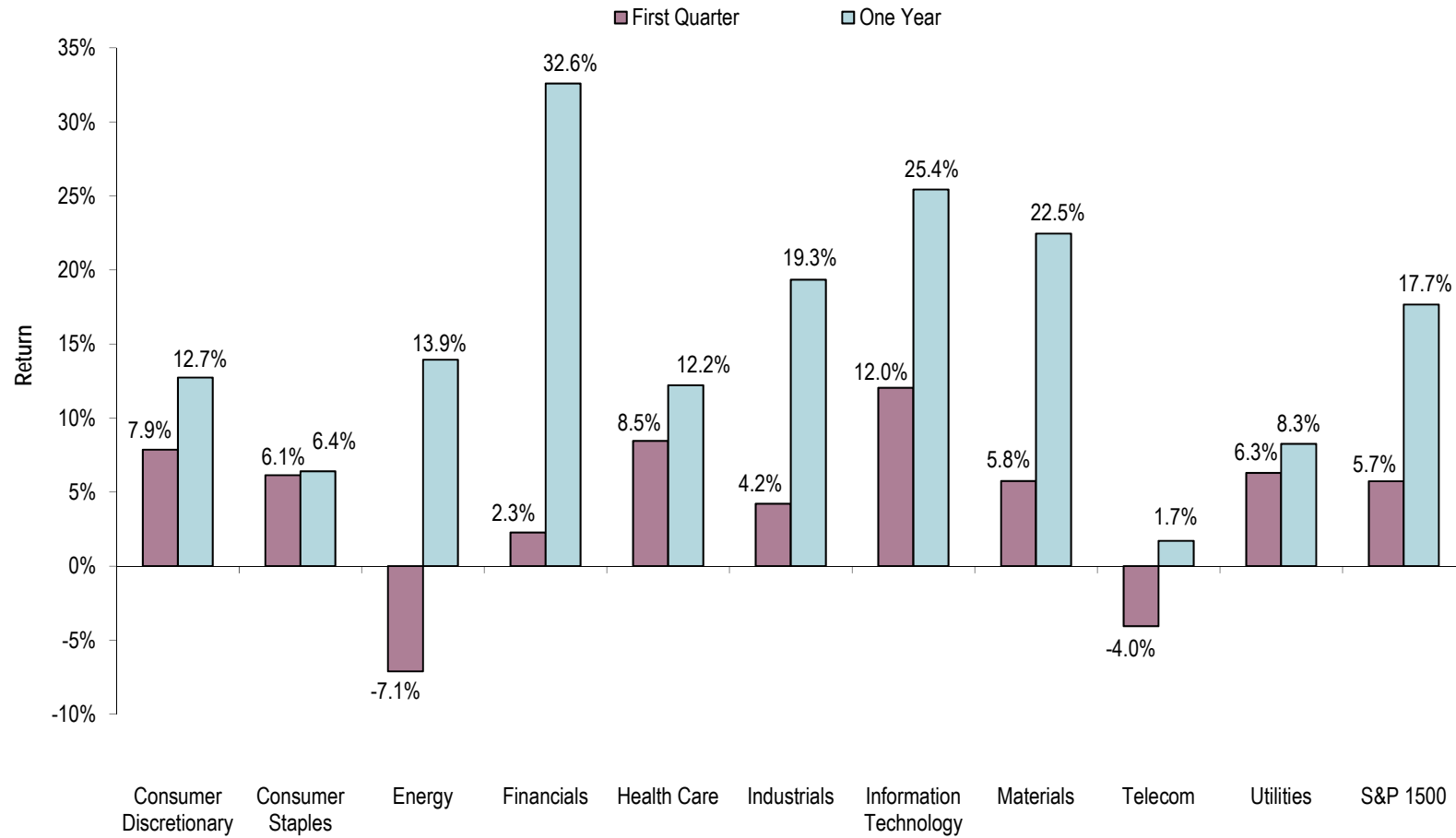


Index Returns¹

	1Q17 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
Domestic Equity					
Russell 3000	5.7	18.1	9.8	13.2	7.5
Russell 1000	6.0	17.4	10.0	13.3	7.6
Russell 1000 Growth	8.9	15.8	11.3	13.3	9.1
Russell 1000 Value	3.3	19.2	8.7	13.1	5.9
Russell MidCap	5.1	17.0	8.5	13.1	7.9
Russell MidCap Growth	6.9	14.1	7.9	12.0	8.1
Russell MidCap Value	3.8	19.8	8.9	14.1	7.5
Russell 2000	2.5	26.2	7.2	12.4	7.1
Russell 2000 Growth	5.3	23.0	6.7	12.1	8.1
Russell 2000 Value	-0.1	29.4	7.6	12.5	6.1
Foreign Equity					
MSCI ACWI (ex. U.S.)	7.9	13.1	0.6	4.4	1.4
MSCI EAFE	7.2	11.7	0.5	5.8	1.1
MSCI EAFE (local currency)	4.7	18.0	7.3	10.7	2.3
MSCI EAFE Small Cap	8.0	11.0	3.6	9.2	3.0
MSCI Emerging Markets	11.4	17.2	1.2	0.8	2.7
MSCI Emerging Markets (local currency)	7.8	15.1	5.6	5.1	4.9
Fixed Income					
Bloomberg Barclays Universal	1.1	1.9	3.0	2.8	4.5
Bloomberg Barclays Aggregate	0.8	0.4	2.7	2.3	4.3
Bloomberg Barclays U.S. TIPS	1.3	1.5	2.0	1.0	4.2
Bloomberg Barclays High Yield	2.7	16.4	4.6	6.8	7.5
JPMorgan GBI-EM Global Diversified USD	6.5	5.5	-2.7	-1.6	4.1
Other					
NAREIT Equity	1.2	3.6	10.3	10.0	4.8
Bloomberg Commodity Index	-2.3	8.7	-13.9	-9.5	-6.2
HFRI Fund of Funds	2.0	5.9	1.7	3.1	1.2

¹ Source: Thomson Reuters.

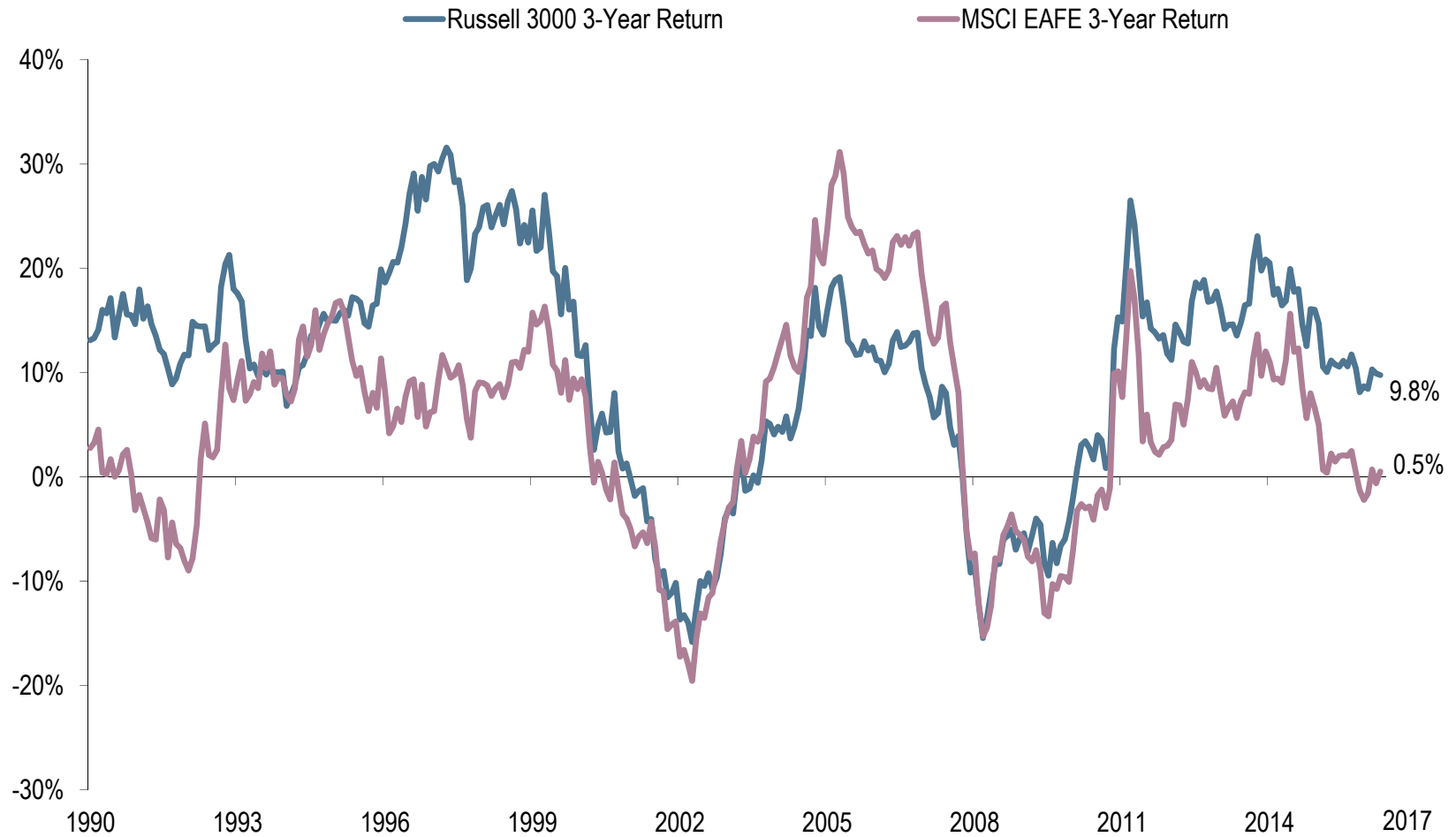
S&P Sector Returns¹



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



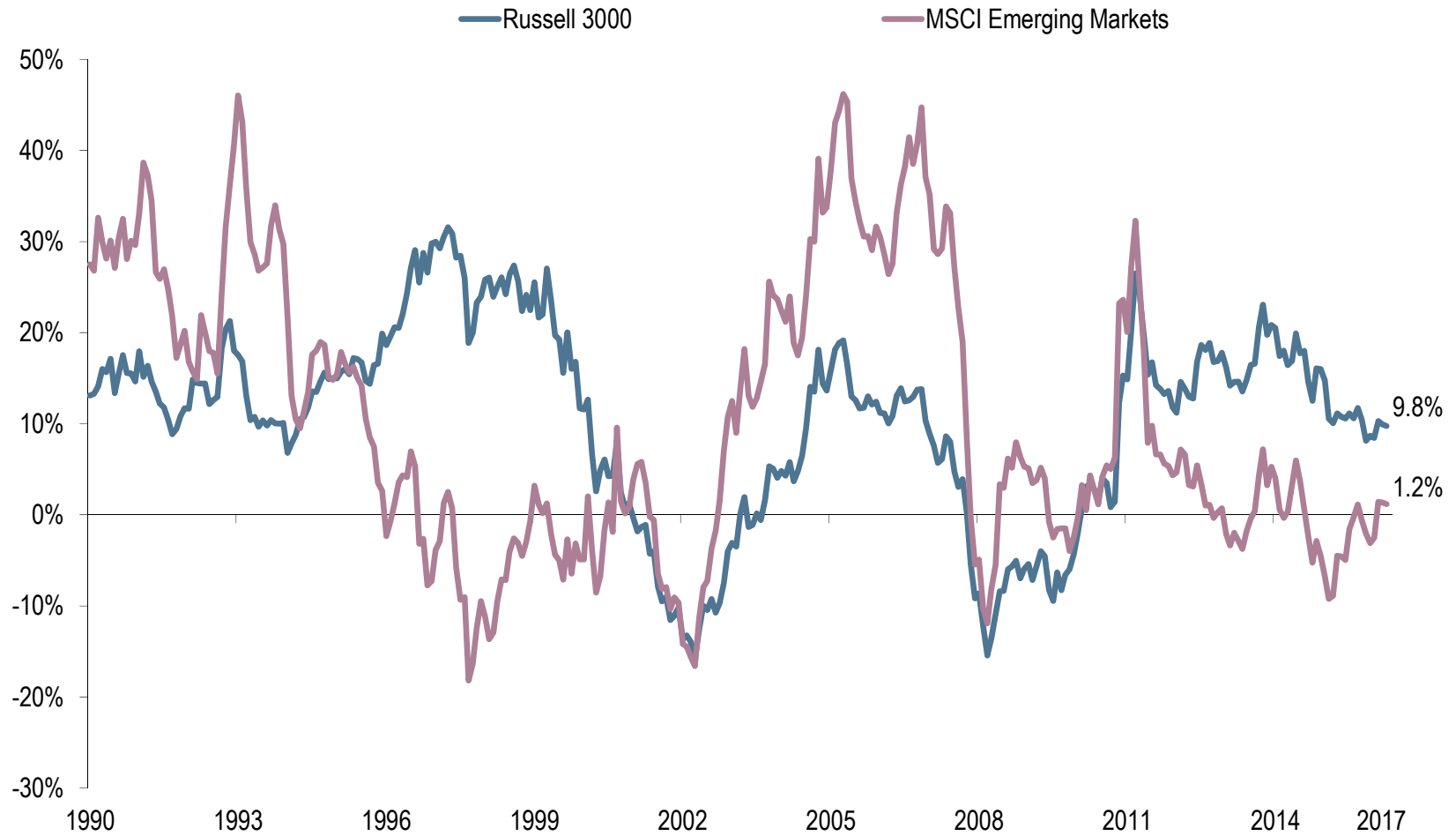
U.S. and Developed Market Foreign Equity Rolling Three-Year Returns¹



¹ Source: Thomson Reuters.



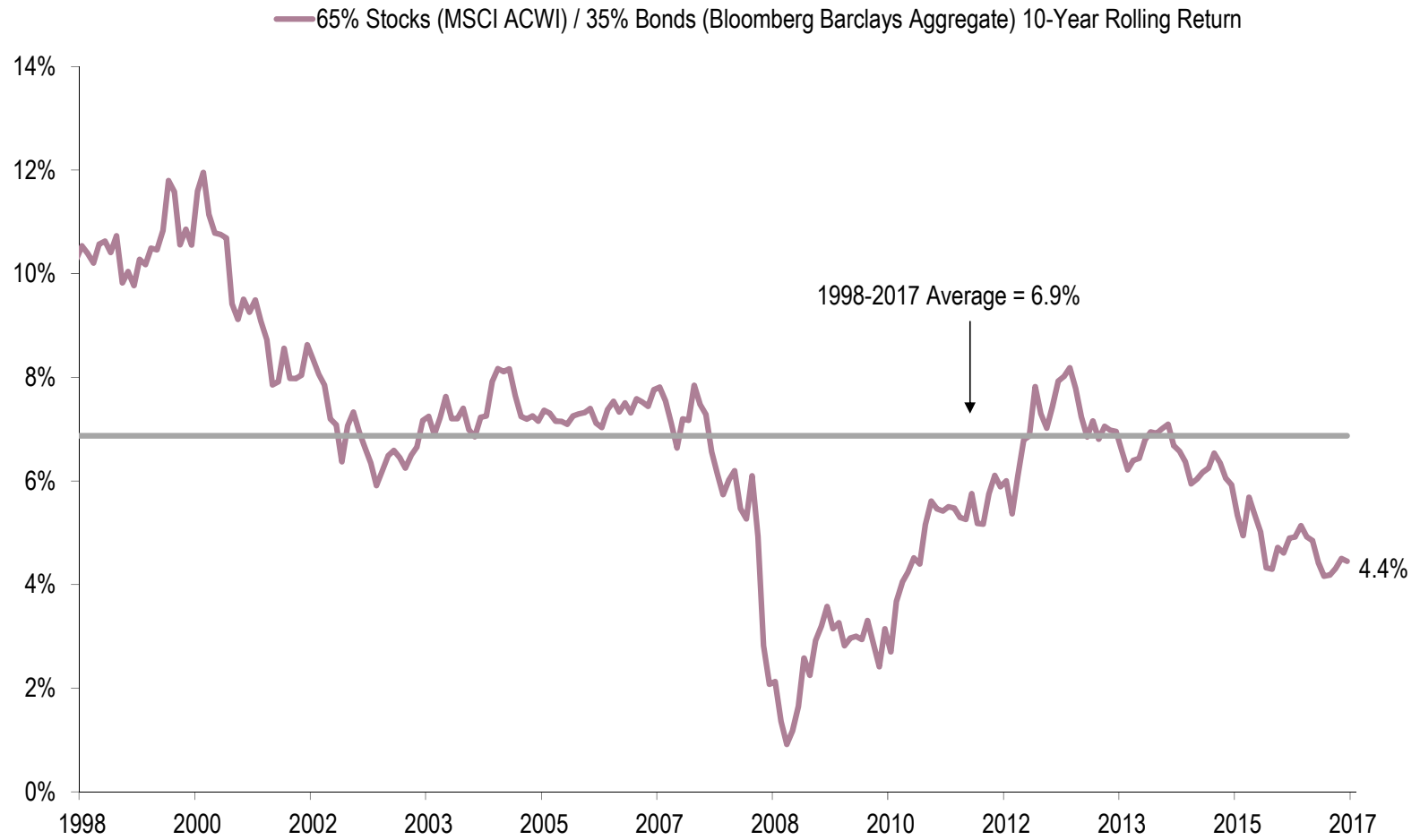
U.S. and Emerging Market Equity Rolling Three-Year Returns¹



¹ Source: Thomson Reuters.



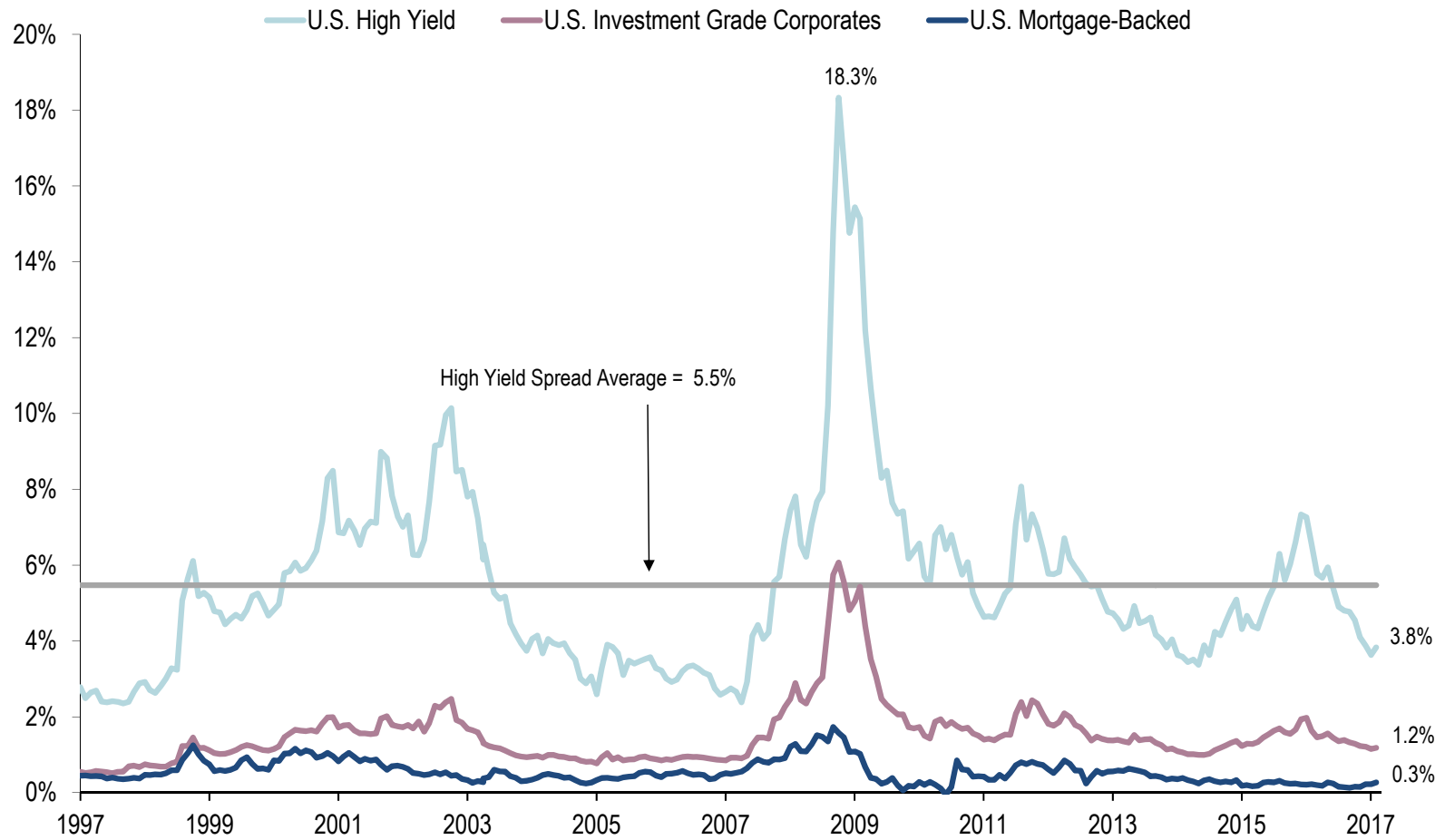
Rolling Ten-Year Returns: 65% Stocks and 35% Bonds¹



¹ Source: Thomson Reuters.



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

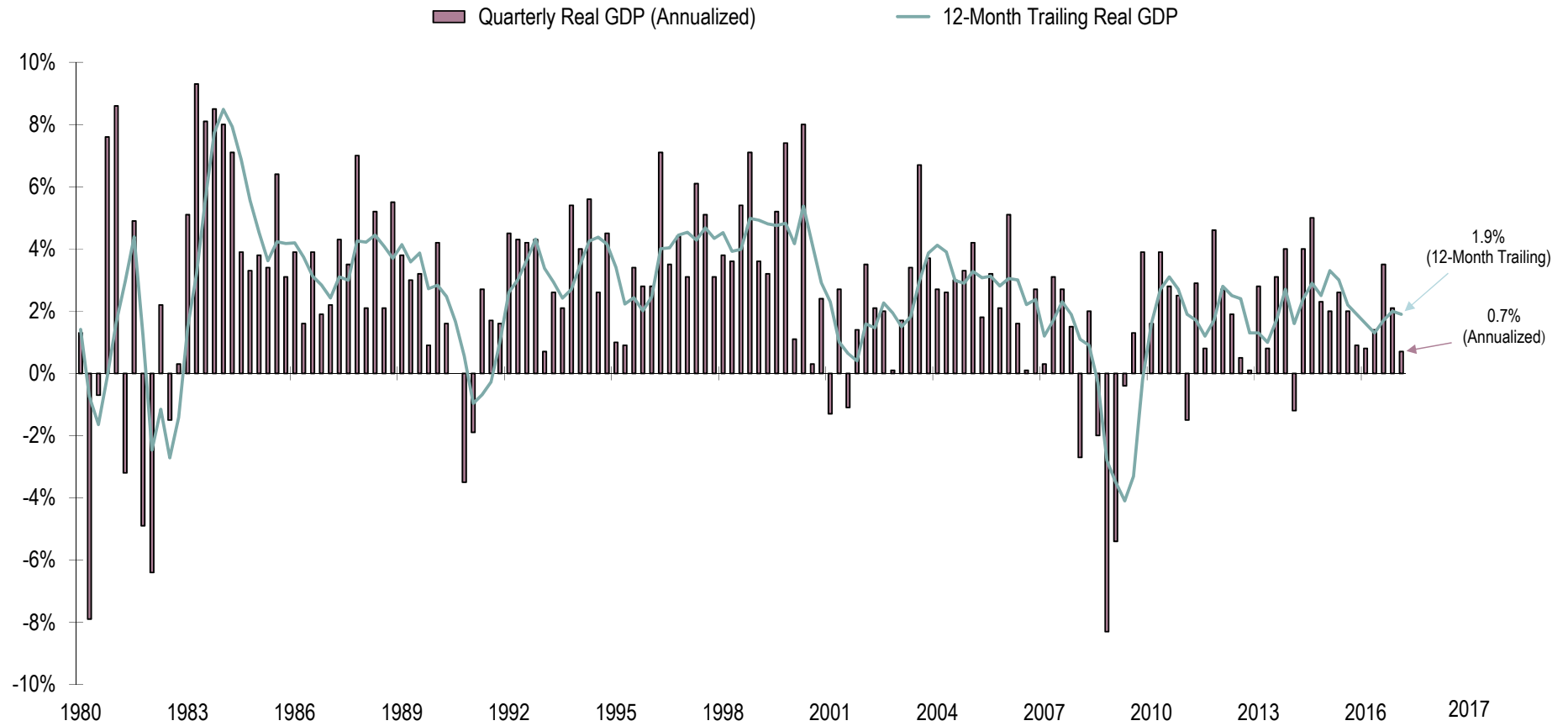


¹ Source: Barclays Live.

² The median high yield spread was 5.1% from 1997-2017.



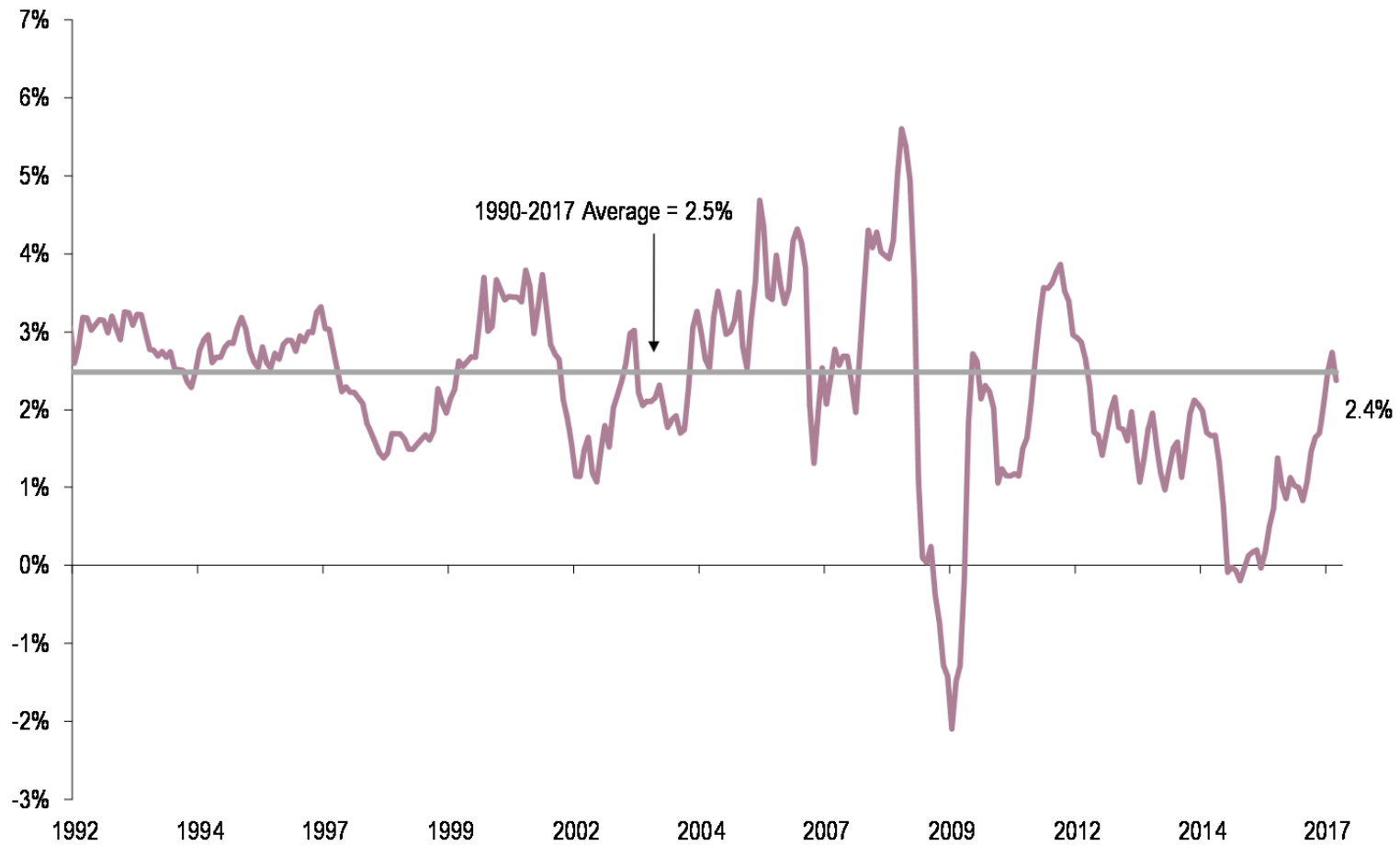
U.S. Real Gross Domestic Product (GDP) Growth¹



¹ Source: Bureau of Economic Analysis. Data is as of Q1 2017 and represents the first estimate.



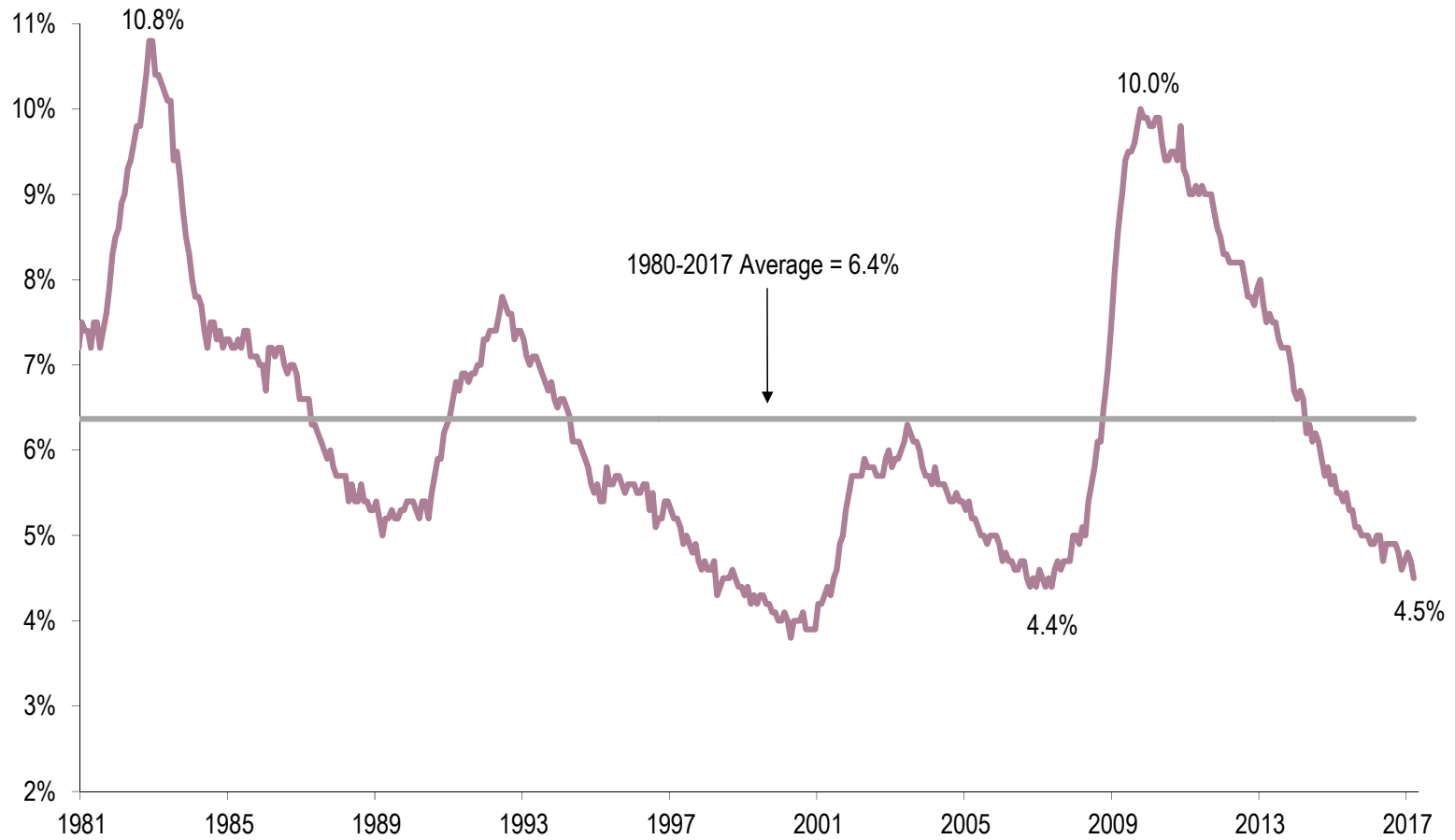
U.S. Inflation (CPI) Trailing Twelve Months¹



¹ Source: Bureau of Labor Statistics. Data is non-seasonally adjusted CPI, which may be volatile in the short-term. Data is as of March 31, 2017.



U.S. Unemployment¹



¹ Source: Bureau of Labor Statistics. Data is as of March 31, 2017.



Glossary and Notes

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.

Jensen's Alpha: A measure of the average return of a portfolio or investment in excess of what is predicted by its beta or "market" risk. $\text{Portfolio Return} - [\text{Risk Free Rate} + \text{Beta} * (\text{market return} - \text{Risk Free Rate})]$.

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.