

FUND EVALUATION REPORT

San Jose Federated Retiree Health Care 115 Trust

Quarterly Review
September 30, 2015



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ITEM #4 FED IC 12-15-2015 MTG

Data is provided for informational purposes only, may not be complete, and cannot be relied upon for any purpose other than for discussion.

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

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- Aggregate Fund Overview
- Third Quarter Manager Summary

2. Fund Summary

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- The World Markets in the Third Quarter of 2015
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Executive Summary

As of September 30, 2015

The value of the San Jose Federated Retiree Health Care Trust was \$133.9 million on September 30, 2015, up from \$120.1 million at the end of the previous quarter.

- The increase in assets was due to net inflows of \$22.8 million.
- Third quarter performance for the Health Care Trust was -6.4% net of fees. Trust performance was -5.7% for the trailing one-year period and was 3.1% annualized for the trailing three-year period.
- The Health Care Trust outperformed the Policy and the Custom Benchmarks during the third quarter, by 10 basis points and 20 basis points, respectively. The outperformance over the calendar year-to-date is more pronounced, with the Trust outperforming the Policy Benchmark by 1.6%, and outperforming the Custom Benchmark by 2.1%.
- For the quarter, Global Equity (-9.1%) beat the MSCI ACWI IMI Index (-9.6%), Fixed Income (+0.6%) underperformed the Barclays Global Aggregate (+0.9%), and Real Assets (-12.0%) had mixed results relative to benchmarks for its sub-asset classes. Nearly all active managers outperformed their respective benchmarks, particularly within Global Equity.
- The Health Care Trust fully funded a \$4.0 million commitment to the American Core Realty Fund at the beginning of the third quarter. With the funding of Core Real Estate, the only sub-asset class remaining to be funded is Global Credit.
- The Health Care Trust remains slightly underweight (though within the target range) for each of the broad asset classes (Global Equity, Fixed Income, and Real Assets), with an overweight position in Cash. Cash represents 10.0% of the Health Care Trust, above the target allocation of 0.0%, and outside the target range of 0 to 5%. With respect to the sub-asset classes, all were within their target ranges except for Core Real Estate and Global Credit, with both allocations below target ranges.

San Jose Federated Retiree Health Care 115 Trust

Third Quarter Manager Summary

Investment Manager	Asset Class	Changes/ Announcements	Performance Concerns	Meketa Recommendation ¹	Comments
Aberdeen Frontier Markets Equity	Frontier Markets Equity	Yes	---	Hold	Multiple acquisitions
American Core Realty Fund, LLC	Core Real Estate	---	---	---	---
Artisan Global Value	Global Equity	Yes	---	Hold	Opening of strategy
Cove Street Small Cap Value	Small Cap Equity	---	---	---	---
Vontobel Emerging Markets Equity	Emerging Markets Equity	---	---	---	---
Credit Suisse Risk Parity Commodity	Commodities	Yes	---	Hold	DOL QPAM Exemption
First Quadrant Balanced Risk Parity	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 closed on September 1, 2015.
- In August 2015, Aberdeen agreed to acquire Arden Asset Management LLC, a hedge fund solutions provider with offices in New York and London. The acquisition is subject to approval by regulatory authorities, the Board of Trustees and shareholders of certain mutual funds. The transaction is being targeted to close during 4Q15.
- In September 2015, Aberdeen agreed to acquire Advance Emerging Capital (AEC), a London, U.K. based specialist fund of fund investment manager. Acquisition is subject to regulatory approval.
- In September 2015, Aberdeen agreed to acquire Parmenion, a Bristol, UK based financial technology company. Acquisition is subject to regulatory approval.

Artisan

- Effective October 1, 2015, Artisan Partners will reopen the Artisan Global Value strategy across all pooled vehicles, including Artisan Global Value Fund. The strategy will remain closed to most new separate accounts. The strategy is managed by the Artisan Partners Global Value Team, led by portfolio managers Dan O'Keefe and David Samra.

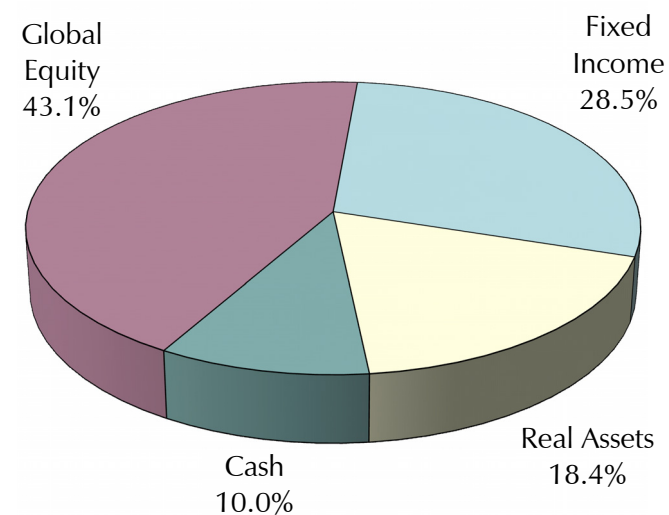
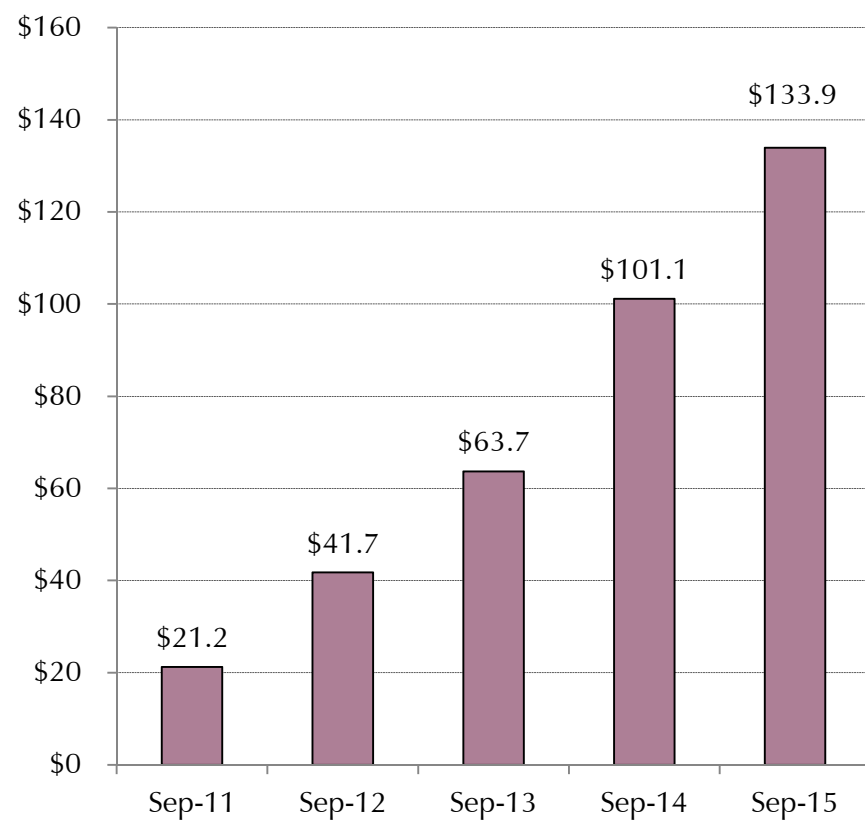
Credit Suisse

- On October 2, 2015, the U.S. Department of Labor granted Credit Suisse and its affiliates a five-year exemption to enable the firm to continue acting as a Qualified Professional Asset Manager (“QPAM”) for its ERISA clients. Under this five-year exemption, Credit Suisse is permitted to reapply to the DOL for an additional five-year exemption to run throughout the remaining period of the QPAM class exemption disqualification (i.e., from November 21, 2014 through November 21, 2024). At that point, Credit Suisse will no longer need an individual QPAM exemption as the QPAM class exemption disqualification period will have lapsed. Credit Suisse continues to believe that it will satisfy the conditions imposed by the DOL through the five-year exemption.

Fund Summary
As of September 30, 2015

San Jose Federated Retiree Health Care 115 Trust

Aggregate Assets as of 9/30/15



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

**Aggregate Assets
Asset Summary as of 9/30/15**

	Market Value 9/30/15 (\$ mm)	% of Health Care Trust	Target Allocation (%)	Target Range (%)	Market Value 6/30/15 (\$ mm)
Total Fund Aggregate	133.9	100.0	NA	NA	120.1
Global Equity	57.7	43.1	46.7	40-54	55.8
Fixed Income	38.2	28.5	30.3	20-40	32.6
Real Assets	24.7	18.4	23.0	15-30	21.6
Cash	13.4	10.0	0.0	0-5	10.0



**San Jose Federated Retiree Health Care
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**Aggregate Assets
Portfolio Roster as of 9/30/15**

	Market Value 9/30/15 (\$ mm)	% of Asset Class	% of Health Care Trust	Target Allocation (%)	Target Range (%)	Market Value 6/30/15 (\$ mm)
Total Fund Aggregate	133.9	NA	100.0	NA	NA	120.1
Global Equity	57.7	100.0	43.1	46.7	40-54	55.8
Northern Trust EAFE Index	18.5	32.1	13.8			17.8
Artisan Global Value	18.0	31.2	13.4			16.9
Vontobel Emerging Markets Equity	7.1	12.4	5.3			6.9
Northern Trust Russell 3000-NL	5.2	9.1	3.9			4.9
Vanguard Developed Markets Index	5.2	8.9	3.8			5.7
Aberdeen Frontier Markets Equity	2.1	3.7	1.6			2.0
Cove Street Small Cap Value	1.5	2.7	1.1			1.5
Fixed Income	38.2	100.0	28.5	30.3	20-40	32.6
Investment Grade Bonds	21.2	55.5	15.8	12.7	8-18	20.9
Northern Trust Barclays Aggregate Index-NL	21.2	55.5	15.8			20.9
TIPS	17.0	44.5	12.7	12.7	8-18	11.8
Vanguard Short-Term Inflation-Protected Securities	17.0	44.5	12.7			11.8
Global Credit	0.0	0.0	0.0	5.0	2-8	0.0



**San Jose Federated Retiree Health Care
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**Aggregate Assets
Portfolio Roster as of 9/30/15**

	Market Value 9/30/15 (\$ mm)	% of Asset Class	% of Health Care Trust	Target Allocation (%)	Target Range (%)	Market Value 6/30/15 (\$ mm)
Real Assets	24.7	100.0	18.4	23.0	15-30	21.6
Core Real Estate	4.1	16.7	3.1	7.0	4-10	0.0
American Core Realty Fund, LLC	4.1	16.7	3.1			0.0
Commodities	10.3	42.0	7.7	6.0	2-10	11.9
Credit Suisse Risk Parity Commodity Fund	6.7	27.1	5.0			7.6
First Quadrant Balanced Risk Parity Commodity Fund	3.7	14.9	2.7			4.3
Public Infrastructure	5.6	22.6	4.2	5.0	2-8	4.9
Rhumblin DJ Brookfield Global Infrastructure	5.6	22.6	4.2			4.9
Public Natural Resources	4.6	18.7	3.5	5.0	2-8	4.8
Rhumblin S&P Global Large MidCap Commodity & NR	4.6	18.7	3.5			4.8
Cash	13.4	100.0	10.0	0.0	0-5	10.0

San Jose Federated Retiree Health Care 115 Trust

Aggregate Assets Performance as of 9/30/15

	Fiscal YTD ¹ / 3Q15 (%)	Cal YTD (%)	1 YR (%)	3 YR (%)	Performance Inception Date	Since Inception (%)
Total Fund Aggregate	-6.4	-4.3	-5.7	3.1	7/1/11	3.6
<i>CPI Medical Care (Inflation)</i>	0.2	3.0	3.8	2.7		3.0
<i>San Jose Healthcare Policy Benchmark²</i>	-6.5	-5.9	-7.0	2.8		2.7
<i>San Jose Healthcare Custom Benchmark³</i>	-6.6	-6.4	-7.8	2.5		3.4
Global Equity	-9.1	-4.0	-4.6	8.0	12/1/11	9.7
<i>MSCI ACWI IMI</i>	-9.6	-6.8	-6.2	7.2		8.9
Fixed Income	0.6	0.9	2.1	0.4	12/1/11	1.7
<i>Barclays Global Aggregate</i>	0.9	-2.3	-3.3	-1.6		0.1
Real Assets	-12.0	-16.3	-25.5	-13.5	8/1/11	-11.7
<i>NCREIF ODCE Equal Weighted (net)</i>	3.4	10.6	13.8	12.2		12.2
<i>Bloomberg Commodity Index</i>	-14.5	-15.8	-26.0	-16.0		-13.7
<i>DJ Brookfield Global Infrastructure Index</i>	-8.5	-11.8	-10.5	6.9		8.8
<i>S&P Global Natural Resources</i>	-22.5	-24.4	-30.8	-11.1		-10.7

¹ Fiscal Year begins July 1.

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

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



**San Jose Federated Retiree Health Care
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**Aggregate Assets
Performance as of 9/30/15**

	Fiscal YTD¹/ 3Q15 (%)	Cal YTD (%)	1 YR (%)	3 YR (%)	Performance Inception Date	Since Inception (%)
Global Equity	-9.1	-4.0	-4.6	8.0	12/1/11	9.7
Northern Trust EAFE Index-NL	-10.2	NA	NA	NA	7/1/15	-10.2
<i>MSCI EAFE</i>	-10.2	-5.3	-8.7	5.6		-10.2
Artisan Global Value	-7.6	NA	NA	NA	6/1/15	-9.5
<i>MSCI ACWI Value</i>	-10.3	-9.9	-10.8	5.5		-12.8
Vontobel Emerging Markets Equity	-10.6	NA	NA	NA	6/1/15	-11.3
<i>MSCI Emerging Markets</i>	-17.9	-15.5	-19.3	-5.3		-20.0
Northern Trust Russell 3000-NL	-7.2	NA	NA	NA	6/1/15	-8.8
<i>Russell 3000</i>	-7.2	-5.4	-0.5	12.5		-8.8
Vanguard Developed Markets Index ²	-9.9	-4.0	-8.0	5.9	12/1/11	6.8
<i>Spliced Developed Markets Index³</i>	-10.2	-4.9	-8.4	5.8		6.9
Aberdeen Frontier Markets Equity	-9.2	NA	NA	NA	7/1/15	-9.2
<i>MSCI Frontier Markets</i>	-10.6	-13.4	-24.2	6.3		-10.6
Cove Street Small Cap Value	-10.1	NA	NA	NA	6/1/15	-11.6
<i>Russell 2000 Value</i>	-10.7	-10.1	-1.6	9.2		-10.6

¹ Fiscal Year begins July 1.

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

³ The Vanguard Spliced Developed Markets Index reflects the performance of the MSCI EAFE Index through May 28, 2013; and the FTSE Developed ex. North America Index thereafter.



**San Jose Federated Retiree Health Care
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**Aggregate Assets
Performance as of 9/30/15**

	Fiscal YTD ¹ / 3Q15 (%)	Cal YTD (%)	1 YR (%)	3 YR (%)	Performance Inception Date	Since Inception (%)
Fixed Income	0.6	0.9	2.1	0.4	12/1/11	1.7
Investment Grade Bonds	1.2	1.0	NA	NA	1/1/15	1.0
Northern Trust Barclays Aggregate Index-NL	1.2	NA	NA	NA	6/1/15	0.2
<i>Barclays Aggregate</i>	1.2	1.1	2.9	1.7		0.1
TIPS	-0.6	0.8	NA	NA	1/1/15	0.8
Vanguard Short-Term Inflation-Protected Securities	-0.6	NA	NA	NA	3/1/15	-0.4
<i>Barclays U.S. TIPS 0-5 Years</i>	-0.6	0.3	-1.2	-0.7		-0.4
Real Assets	-12.0	-16.3	-25.5	-13.5	8/1/11	-11.7
Core Real Estate	3.0	NA	NA	NA	7/1/15	3.0
American Core Realty Fund, LLC	3.0	NA	NA	NA	7/1/15	3.0
<i>NCREIF ODCE Equal Weighted (net)</i>	3.4	10.6	13.8	12.2		3.4
Commodities	-13.4	-16.7	NA	NA	1/1/15	-16.7
Credit Suisse Risk Parity Commodity Fund	-12.3	-14.3	-24.4	-11.6	8/1/11	-9.7
<i>Custom Risk Parity Commodity Benchmark²</i>	-12.0	-14.1	-24.3	-11.6		-9.8
<i>Bloomberg Commodity Index</i>	-14.5	-15.8	-26.0	-16.0		-13.7
First Quadrant Balanced Risk Parity Commodity Fund	-15.3	-20.7	-28.3	-15.6	8/1/11	-13.8
<i>Custom Risk Parity Commodity Benchmark²</i>	-12.0	-14.1	-24.3	-11.6		-9.8
<i>Bloomberg Commodity Index</i>	-14.5	-15.8	-26.0	-16.0		-13.7

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 9/30/15**

	Fiscal YTD¹/ 3Q15 (%)	Cal YTD (%)	1 YR (%)	3 YR (%)	Performance Inception Date	Since Inception (%)
Real Assets (continued)						
Public Infrastructure	-8.3	NA	NA	NA	6/1/15	-10.6
Rhumblin DJ Brookfield Global Infrastructure ²	-8.3	NA	NA	NA	6/1/15	-10.6
<i>DJ Brookfield Global Infrastructure Index</i>	-8.5	-11.8	-10.5	6.9		-12.2
Public Natural Resources	-23.0	NA	NA	NA	6/1/15	-26.0
Rhumblin S&P Global Large MidCap Commodity & NR ²	-23.0	NA	NA	NA	6/1/15	-26.0
<i>S&P Global Large MidCap Commodity and Resources</i>	-23.1	-25.9	-32.9	-13.2		-27.1
<i>S&P Global Natural Resources</i>	-22.5	-24.4	-30.8	-11.1		-26.3

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 115 Trust

Policy Benchmark Description as of 9/30/15

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

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

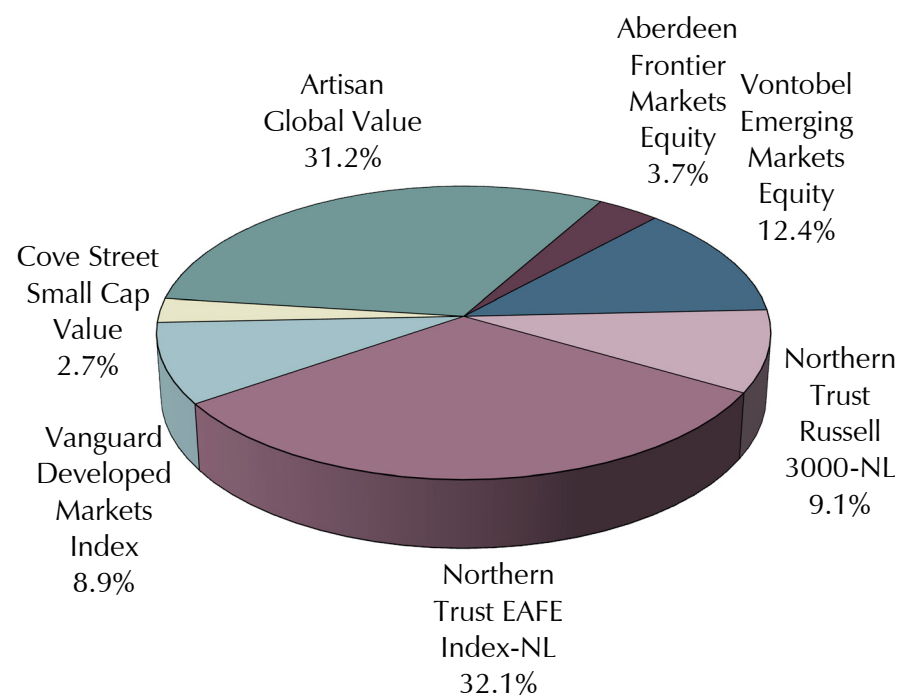
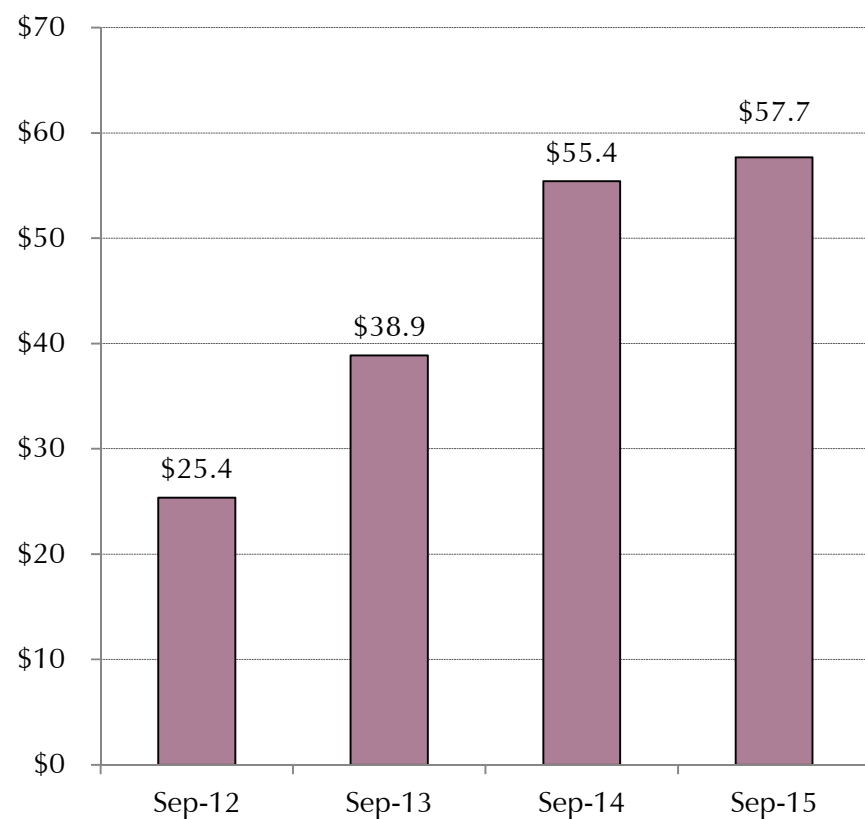


Fund Detail

**Global Equity Assets
As of September 30, 2015**

San Jose Federated Retiree Health Care 115 Trust

Global Equity Assets as of 9/30/15



**San Jose Federated Retiree Health Care
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**Global Equity Assets
Risk as of 9/30/15**

Risk: (forty-six months)	Aggregate Global Equity 9/30/15	MSCI ACWI IMI 9/30/15
Annualized Return (%)	9.7	8.9
Standard Deviation (%)	12.5	12.1
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)	0.77	0.73
Information Ratio	0.51	NA

**San Jose Federated Retiree Health Care
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**Global Equity Assets
Characteristics as of 9/30/15**

	Aggregate Global Equity 9/30/15	MSCI ACWI IMI 9/30/15	Aggregate Global Equity 6/30/15
Capitalization Structure:			
Weighted Average Market Cap. (US\$ billion)	60.4	71.4	65.0
Median Market Cap. (US\$ billion)	2.9	1.3	3.5
Large (% over US\$20 billion)	63	59	66
Medium (% US\$3 billion to US\$20 billion)	31	30	29
Small (% under US\$3 billion)	6	10	5
Fundamental Structure:			
Price-Earnings Ratio	17	17	19
Price-Book Value Ratio	2.2	1.7	2.4
Dividend Yield (%)	2.7	2.6	2.4
Historical Earnings Growth Rate (%)	9	9	9
Projected Earnings Growth Rate (%)	10	11	10

**San Jose Federated Retiree Health Care
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**Global Equity Assets
Diversification as of 9/30/15**

Diversification:	Aggregate Global Equity 9/30/15	MSCI ACWI IMI 9/30/15	Aggregate Global Equity 6/30/15
Number of Holdings	4,225	8,570	4,072
% in 5 largest holdings	7	5	7
% in 10 largest holdings	13	7	13

Largest Five Holdings:	% of Portfolio	Economic Sector
Oracle	1.7	Software & Services
Bank of New York Mellon	1.5	Diversified Financials
Royal Bank of Scotland	1.4	Banks
Arch Capital	1.4	Insurance
Microsoft	1.3	Software & Services

**San Jose Federated Retiree Health Care
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**Global Equity Assets
Sector Allocation as of 9/30/15**

Sector Allocation (%):	Aggregate Global Equity 9/30/15	MSCI ACWI IMI 9/30/15	Aggregate Global Equity 6/30/15
Financials	29	22	29
Consumer Staples	14	10	13
Telecommunication Services	4	3	3
Information Technology	14	14	15
Utilities	2	3	2
Materials	4	5	4
Industrials	9	11	10
Health Care	10	12	9
Energy	4	6	4
Consumer Discretionary	10	13	10

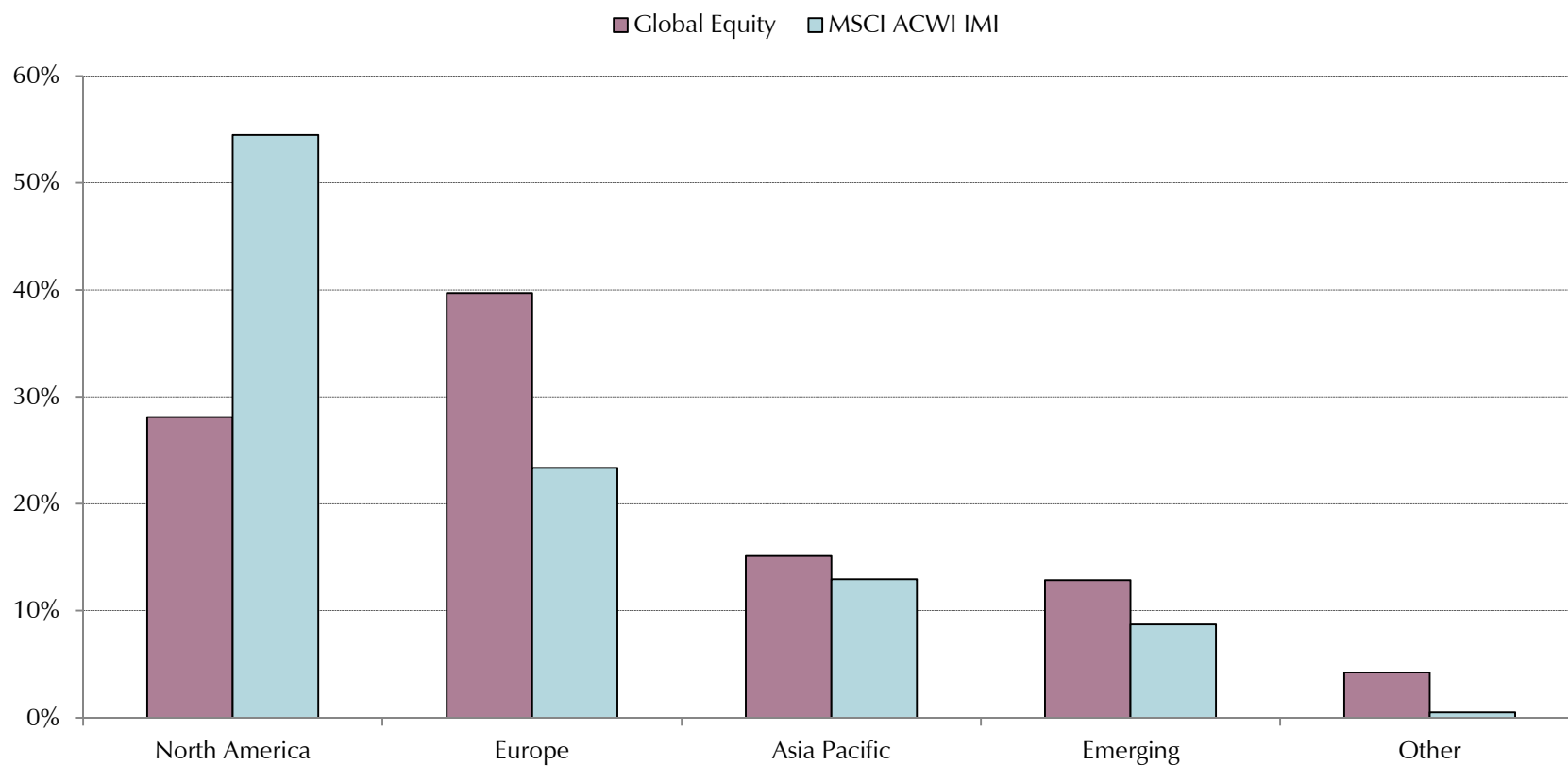
**San Jose Federated Retiree Health Care
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**Global Equity Assets
Country & Region Breakdown as of 9/30/15**

	Aggregate Global Equity 9/30/15 (%)	MSCI ACWI IMI 9/30/15 (%)
North America	28.1	54.5
United States of America	27.5	51.4
Europe	39.7	23.4
United Kingdom	14.2	6.6
Switzerland	7.0	3.4
Denmark	2.2	0.6
Netherlands	2.7	1.5
Germany	3.6	2.9
France	3.7	3.1
Belgium	1.1	0.5
Spain	1.4	1.1
Sweden	1.1	1.1
Italy	1.0	0.9

	Aggregate Global Equity 9/30/15 (%)	MSCI ACWI IMI 9/30/15 (%)
Asia Pacific	15.1	12.9
Japan	9.3	8.1
Australia	2.6	2.2
Hong Kong	2.4	2.1
Emerging	12.9	8.7
India	3.7	0.9
Brazil	1.8	0.5
South Korea	2.5	1.6
Other	4.2	0.5
Bermuda	1.4	0.2

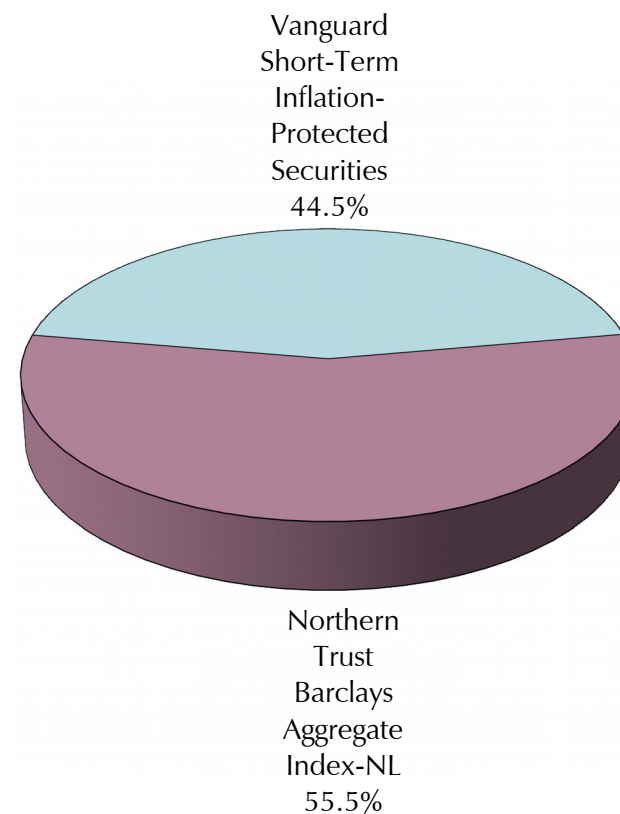
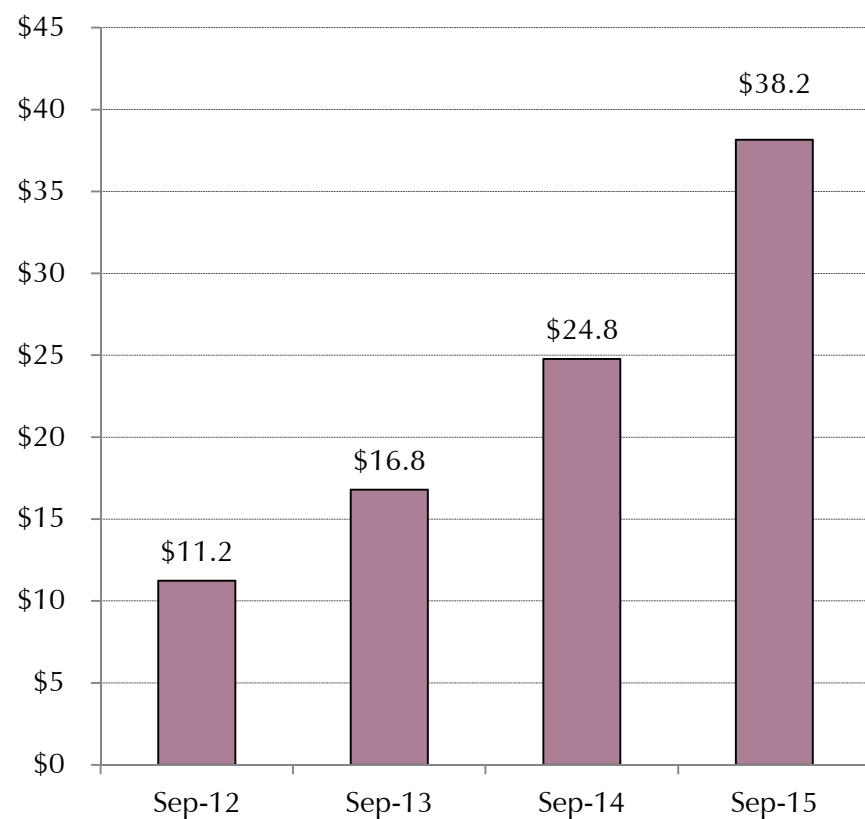




**Fixed Income Assets
As of September 30, 2015**

San Jose Federated Retiree Health Care 115 Trust

Fixed Income Assets as of 9/30/15



**San Jose Federated Retiree Health Care
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**Fixed Income Assets
Risk as of 9/30/15**

Risk: (forty-six months)	Aggregate Fixed Income 9/30/15	Barclays Global Aggregate 9/30/15
Annualized Return (%)	1.7	0.1
Standard Deviation (%)	3.7	3.8
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	0.18	NA
Sharpe Measure (risk-adjusted return)	0.44	0.03
Information Ratio	0.51	NA

San Jose Federated Retiree Health Care 115 Trust

Fixed Income Assets Characteristics as of 9/30/15

Duration & Yield:

Average Effective Duration (years)

Aggregate
Fixed Income
9/30/15

4.1

Barclays Global
Aggregate
9/30/15

6.6

Aggregate
Fixed Income
6/30/15

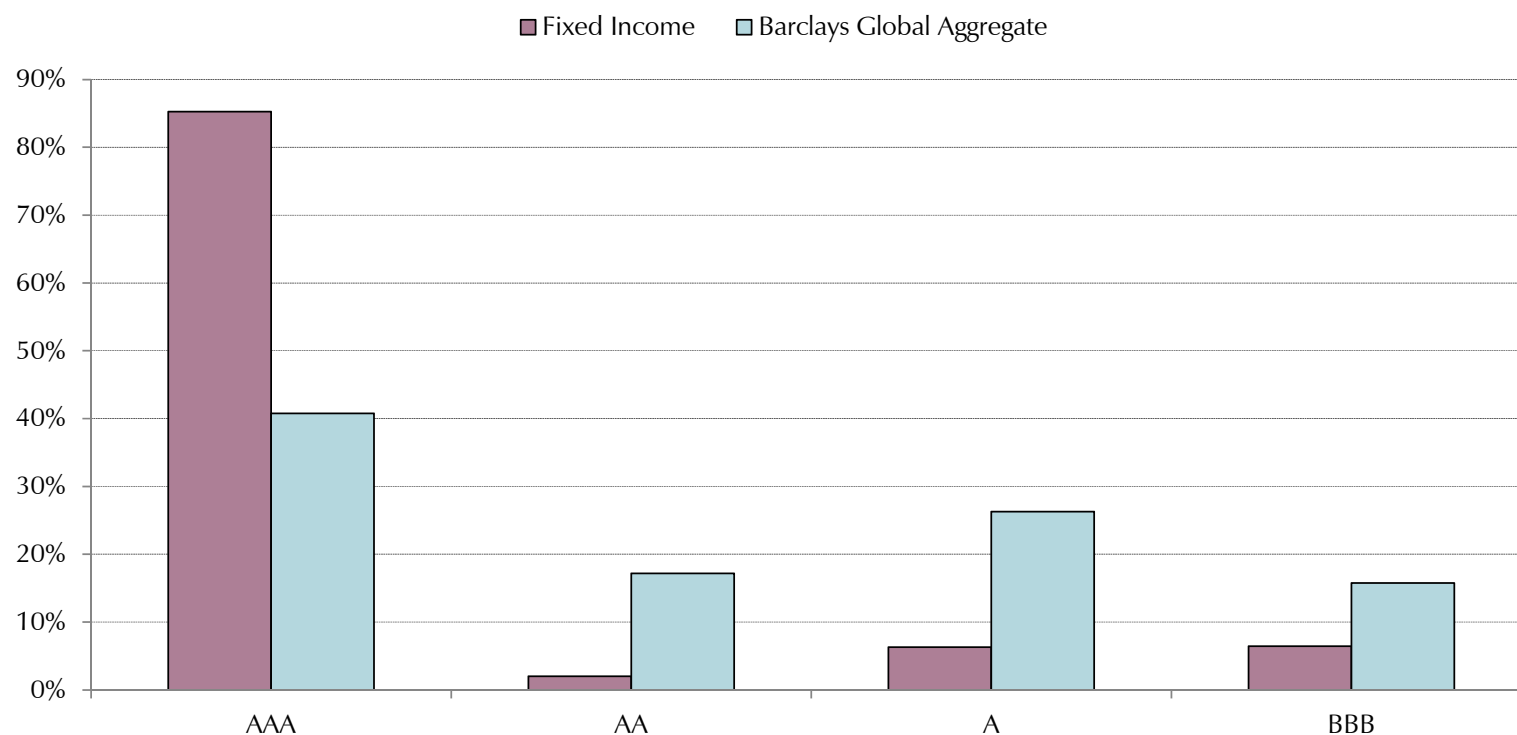
4.5

Yield to Maturity (%)

1.7

1.7

1.9



**San Jose Federated Retiree Health Care
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**Fixed Income Assets
Diversification as of 9/30/15**

	Aggregate Fixed Income 9/30/15	Barclays Global Aggregate 9/30/15	Aggregate Fixed Income 6/30/15
Market Allocation (%):			
United States	95	39	94
Foreign (developed markets)	4	56	4
Foreign (emerging markets)	1	6	2
Currency Allocation (%):			
Non-U.S. Dollar Exposure	0	55	0
Sector Allocation (%):			
U.S. Treasury-Nominal	20	15	23
U.S. Treasury-TIPS	45	0	36
U.S. Agency	2	1	2
Mortgage Backed	16	12	18
Corporate	13	18	15
Bank Loans	0	0	0
Local & Provincial Government	0	3	1
Sovereign & Supranational	3	47	3
Commercial Mortgage Backed	1	1	1
Asset Backed	0	0	0
Cash Equivalent	0	0	0
Other	0	3	0

Portfolio Reviews
As of September 30, 2015

**Global Equity Portfolio Reviews
As of September 30, 2015**

San Jose Federated Retiree Health Care 115 Trust

Mandate: International Equities,
Developed Markets

Active/Passive: Passive

Market Value: \$18.5 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:

The 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.

	Fiscal YTD/ 3Q15	Since 7/1/15
Performance (%):		
Northern Trust EAFE Index-NL	-10.2	-10.2
MSCI EAFE	-10.2	-10.2

Northern Trust EAFE Index-NL Portfolio Detail as of 9/30/15

	9/30/15		6/30/15	
	Northern Trust EAFE Index-NL	MSCI EAFE	Northern Trust EAFE Index-NL	MSCI EAFE
Capitalization Structure:				
Weighted Average Market Cap. (US\$ billion)	53.0	52.8	57.8	57.7
Median Market Cap. (US\$ billion)	8.0	8.1	8.9	9.1
Large (% over US\$20 billion)	64	64	67	67
Medium (% US\$3 billion to US\$20 billion)	34	34	32	32
Small (% under US\$3 billion)	1	1	1	1
Fundamental Structure:				
Price-Earnings Ratio	16	16	18	18
Price-Book Value Ratio	1.5	1.5	1.8	1.8
Dividend Yield (%)	3.3	3.3	3.0	3.0
Historical Earnings Growth Rate (%)	7	7	7	7
Projected Earnings Growth Rate (%)	9	9	9	9
Sector Allocation (%):				
Consumer Staples	12	12	11	11
Health Care	12	12	11	11
Utilities	4	4	4	4
Materials	7	7	7	7
Energy	5	5	5	5
Telecommunication Services	5	5	5	5
Consumer Discretionary	13	13	13	13
Information Technology	5	5	5	5
Industrials	12	12	13	13
Financials	26	26	26	26
Diversification:				
Number of Holdings	938	910	938	908
% in 5 largest holdings	8	8	8	8
% in 10 largest holdings	13	13	12	12
Region Allocation (%):				
North America	0	0	0	0
Europe	66	66	65	65
Asia Pacific	33	33	35	35
Emerging	0	0	0	0
Other	1	1	1	1
Largest Five Holdings:				
		Industry		
Nestle	2.1	Food, Beverage & Tobacco		
Novartis	1.8	Pharmaceuticals & Biotech.		
Roche	1.6	Pharmaceuticals & Biotech.		
Toyota Motor	1.4	Automobiles & Components		
HSBC	1.3	Banks		

¹ Fiscal Year begins July 1.



San Jose Federated Retiree Health Care 115 Trust

Mandate: Global Equities
Active/Passive: Active
Market Value: \$18.0 million
Portfolio Manager: 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:

1.06% 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.

	Fiscal YTD/ 3Q15	Since 6/1/15
Performance (%):		
Artisan Global Value	-7.6	-9.5
MSCI ACWI Value	-10.3	-12.8
Peer International Value	-10.6	-13.1
Peer Ranking (percentile)	8	9

Artisan Global Value Portfolio Detail as of 9/30/15

	9/30/15		6/30/15	
	Artisan Global Value	MSCI ACWI Value	Artisan Global Value	MSCI ACWI Value
Capitalization Structure:				
Weighted Average Market Cap. (US\$ billion)	80.0	84.1	85.0	89.2
Median Market Cap. (US\$ billion)	26.7	7.2	30.5	8.2
Large (% over US\$20 billion)	74	72	77	75
Medium (% US\$3 billion to US\$20 billion)	25	26	22	24
Small (% under US\$3 billion)	1	2	0	1
Fundamental Structure:				
Price-Earnings Ratio	16	14	16	15
Price-Book Value Ratio	2.2	1.3	2.3	1.5
Dividend Yield (%)	2.3	3.7	1.8	3.3
Historical Earnings Growth Rate (%)	7	4	8	4
Projected Earnings Growth Rate (%)	9	6	10	6
Sector Allocation (%):				
Information Technology	25	9	28	9
Financials	41	31	39	31
Industrials	8	8	8	8
Health Care	9	9	8	9
Consumer Staples	8	9	8	8
Consumer Discretionary	4	6	4	7
Telecommunication Services	2	6	0	5
Materials	0	5	0	6
Utilities	0	6	0	5
Energy	3	10	3	11
Diversification:				
Number of Holdings	47	1,310	47	1,318
% in 5 largest holdings	22	8	22	8
% in 10 largest holdings	40	14	39	14
Region Allocation (%):				
North America	52	55	52	53
Europe	35	23	38	23
Asia Pacific	1	13	1	13
Emerging	8	9	5	10
Other	4	0	4	0
Largest Five Holdings:		Industry		
Oracle	5.3	Software & Services		
Bank of New York Mellon	4.6	Diversified Financials		
Royal Bank of Scotland	4.4	Banks		
Arch Capital	4.3	Insurance		
Citigroup	3.9	Banks		

¹ Fiscal Year begins July 1.



San Jose Federated Retiree Health Care 115 Trust

Mandate: International Equities,
Emerging Markets

Active/Passive: Active

Market Value: \$7.1 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:

0.85% on all assets

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.

	Fiscal YTD ¹ / 3Q15	Since 6/1/15
Performance (%):		
Vontobel Emerging Markets Equity	-10.6	-11.3
MSCI Emerging Markets	-17.9	-20.0
Peer Emerging Markets	-16.3	-18.2
Peer Ranking (percentile)	4	4

Vontobel Emerging Markets Equity Portfolio Detail as of 9/30/15

	9/30/15		6/30/15	
	Vontobel Emerging Markets Equity	MSCI Emerging Markets	Vontobel Emerging Markets Equity	MSCI Emerging Markets
Capitalization Structure:				
Weighted Average Market Cap. (US\$ billion)	39.5	33.4	44.4	39.7
Median Market Cap. (US\$ billion)	15.8	4.2	19.2	5.0
Large (% over US\$20 billion)	61	35	67	44
Medium (% US\$3 billion to US\$20 billion)	38	55	32	49
Small (% under US\$3 billion)	2	10	1	7
Fundamental Structure:				
Price-Earnings Ratio	22	13	24	15
Price-Book Value Ratio	4.2	1.3	4.7	1.6
Dividend Yield (%)	2.3	2.7	2.2	2.7
Historical Earnings Growth Rate (%)	19	10	20	10
Projected Earnings Growth Rate (%)	13	12	15	13
Sector Allocation (%):				
Consumer Staples	39	9	34	8
Health Care	4	3	3	2
Utilities	4	3	3	3
Telecommunication Services	5	7	5	7
Consumer Discretionary	7	9	8	9
Information Technology	14	18	17	18
Materials	2	7	2	7
Financials	24	29	27	30
Energy	1	8	1	8
Industrials	0	7	0	7
Diversification:				
Number of Holdings	71	836	73	836
% in 5 largest holdings	27	13	23	12
% in 10 largest holdings	42	19	37	19
Region Allocation (%):				
Asia Pacific	62	69	61	69
Latin America	17	13	19	14
Europe/MidEast/Africa	6	17	5	17
Frontier	1	0	1	0
Other	15	0	14	0
Largest Five Holdings:				
		Industry		
British American Tobacco	6.9	Food, Beverage & Tobacco		
Housing Development Financial	5.7	Banks		
HDFC Bank	5.0	Banks		
ITC	4.8	Food, Beverage & Tobacco		
SABMiller	4.2	Food, Beverage & Tobacco		

¹ Fiscal Year begins July 1.



San Jose Federated Retiree Health Care 115 Trust

Mandate: Domestic Equities
Active/Passive: Passive
Market Value: \$5.2 million
Portfolio Manager: Team
Location: Chicago, Illinois
Inception Date: 6/1/2015
Account Type: Commingled

	Value	Core	Growth
Large			
Medium			
Small			

Fee Schedule:
 0.03% 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.

	Fiscal YTD ¹ / 3Q15	Since 6/1/15
Performance (%):		
Northern Trust Russell 3000	-7.2	-8.8
Russell 3000	-7.2	-8.8

Northern Trust Russell 3000 Portfolio Detail as of 9/30/15

	9/30/15		6/30/15	
	Northern Trust Russell 3000	Russell 3000	Northern Trust Russell 3000	Russell 3000
Capitalization Structure:				
Weighted Average Market Cap. (US\$ billion)	97.4	97.4	103.6	103.2
Median Market Cap. (US\$ billion)	1.7	1.4	2.2	1.6
Large (% over US\$20 billion)	67	67	68	68
Medium (% US\$3 billion to US\$20 billion)	25	25	25	25
Small (% under US\$3 billion)	8	8	7	8
Fundamental Structure:				
Price-Earnings Ratio	19	19	20	20
Price-Book Value Ratio	2.3	2.3	2.5	2.5
Dividend Yield (%)	2.1	2.1	1.9	1.9
Historical Earnings Growth Rate (%)	11	11	12	12
Projected Earnings Growth Rate (%)	11	11	11	11
Sector Allocation (%):				
Consumer Discretionary	14	14	13	13
Energy	6	6	7	7
Utilities	3	3	3	3
Financials	18	18	18	18
Consumer Staples	9	9	8	8
Telecommunication Services	2	2	2	2
Materials	3	3	4	3
Information Technology	20	20	19	19
Industrials	11	11	11	11
Health Care	14	14	15	15
Diversification:				
Number of Holdings	2,660	2,979	2,538	3,003
% in 5 largest holdings	9	9	9	9
% in 10 largest holdings	14	14	14	14
Largest Ten Holdings:				
		Industry		
Apple	3.0	Technology Equipment		
Microsoft	1.7	Software & Services		
ExxonMobil	1.5	Energy		
Johnson & Johnson	1.2	Pharmaceuticals & Biotech.		
General Electric	1.2	Capital Goods		
Berkshire Hathaway	1.2	Diversified Financials		
Wells Fargo & Company	1.1	Banks		
JP Morgan Chase	1.1	Banks		
AT&T	0.9	Telecom Services		
Amazon.com	0.9	Retailing		

¹ Fiscal Year begins July 1.



San Jose Federated Retiree Health Care 115 Trust

Mandate: International Equities,
Developed Markets

Active/Passive: Passive

Market Value: \$5.2 million

Portfolio Manager: Christine D. Franquin

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 (%):	Fiscal YTD ¹ / 3Q15	1 YR	3 YR	Since 12/1/11
Vanguard Developed Markets Index	-9.9	-8.0	5.9	6.8
Spliced Developed Markets Index ²	-10.2	-8.4	5.8	6.9

Risk: (forty-six months)	Standard Deviation	Beta	Sharpe Measure	Info. Ratio	Correlation to Index
Vanguard Developed Markets Index	14.3%	1.00	0.47	NA	0.99
Spliced Developed Markets Index ²	14.2	1.00	0.48	NA	1.00

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.

Vanguard Developed Markets Index Portfolio Detail as of 9/30/15

	9/30/15 Vanguard Developed Markets Index	FTSE Developed ex. North America	6/30/15 Vanguard Developed Markets Index	FTSE Developed ex. North America
Capitalization Structure:				
Weighted Average Market Cap. (US\$ billion)	49.4	49.4	54.3	54.3
Median Market Cap. (US\$ billion)	5.5	5.6	6.1	6.1
Large (% over US\$20 billion)	60	60	63	63
Medium (% US\$3 billion to US\$20 billion)	36	36	34	34
Small (% under US\$3 billion)	4	4	3	3
Fundamental Structure:				
Price-Earnings Ratio	16	16	18	18
Price-Book Value Ratio	1.4	1.4	1.7	1.7
Dividend Yield (%)	3.2	3.2	2.9	2.8
Historical Earnings Growth Rate (%)	7	7	7	7
Projected Earnings Growth Rate (%)	10	10	9	9
Sector Allocation (%):				
Health Care	11	11	11	11
Financials	25	25	25	25
Industrials	13	13	13	13
Consumer Discretionary	14	14	13	13
Utilities	4	4	3	3
Information Technology	6	6	6	6
Energy	4	4	5	5
Telecommunication Services	4	4	4	4
Materials	7	7	8	8
Consumer Staples	12	12	11	11
Diversification:				
Number of Holdings	1,422	1,390	1,387	1,370
% in 5 largest holdings	7	7	7	7
% in 10 largest holdings	11	11	11	11
Region Allocation (%):				
North America	0	0	0	0
Europe	61	62	60	60
Asia Pacific	34	33	35	35
Emerging	4	4	4	4
Other	1	1	1	1
Largest Five Holdings:				
		Industry		
Nestle	1.8	Food, Beverage & Tobacco		
Novartis	1.5	Pharmaceuticals & Biotech.		
Roche	1.5	Pharmaceuticals & Biotech.		
Toyota Motor	1.2	Automobiles & Components		
HSBC	1.2	Banks		



San Jose Federated Retiree Health Care 115 Trust

Mandate: International Equities,
Frontier Markets

Active/Passive: Active

Market Value: \$2.1 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 firm believes, given the inefficiency of markets, that competitive long-term returns are achieved by identifying high quality stocks at attractive valuations and holding them for the long term. The firm believes that sound fundamentals drive stock prices over time and they employ a fundamental bottom-up investment approach based upon a rigorous and disciplined proprietary research effort which originates with direct company due diligence visits. The objective of the Frontier Markets Equity strategy 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 from frontier economies.

	Fiscal YTD ¹ / 3Q15	Since 7/1/15
Aberdeen Frontier Markets Equity	-9.2	-9.2
MSCI Frontier Markets	-10.6	-10.6
Peer Frontier Markets	-7.8	-7.8
Peer Ranking (percentile)	61	61

Aberdeen Frontier Markets Equity Portfolio Detail as of 9/30/15

	9/30/15		6/30/15	
	Aberdeen Frontier Markets Equity	MSCI Frontier Markets	Aberdeen Frontier Markets Equity	MSCI Frontier Markets
Capitalization Structure:				
Weighted Average Market Cap. (US\$ billion)	3.9	4.2	4.9	4.7
Median Market Cap. (US\$ billion)	1.9	1.4	2.4	1.5
Large (% over US\$20 billion)	4	0	5	0
Medium (% US\$3 billion to US\$20 billion)	39	42	46	49
Small (% under US\$3 billion)	57	58	49	51
Fundamental Structure:				
Price-Earnings Ratio	18	11	18	12
Price-Book Value Ratio	3.4	1.5	3.7	1.7
Dividend Yield (%)	3.3	4.0	3.2	3.8
Historical Earnings Growth Rate (%)	11	10	11	10
Projected Earnings Growth Rate (%)	13	12	11	12
Sector Allocation (%):				
Consumer Staples	31	9	29	8
Information Technology	5	0	5	0
Health Care	8	3	8	3
Industrials	8	3	9	3
Consumer Discretionary	2	0	2	0
Utilities	0	1	0	1
Telecommunication Services	12	14	12	14
Energy	6	9	6	12
Materials	1	8	1	7
Financials	27	53	27	51
Diversification:				
Number of Holdings	46	122	45	124
% in 5 largest holdings	23	23	24	23
% in 10 largest holdings	42	32	42	33
Region Allocation (%):				
Asia	21	17	21	17
Europe & CIS	7	10	7	10
Americas	0	9	0	11
Africa	30	30	28	29
Middle East	7	33	7	32
Emerging	15	0	16	0
Other	20	0	22	0
Largest Five Holdings:				
		Industry		
EPAM SYSTEMS	5.2	Software & Services		
Safaricom	5.0	Telecom Services		
John Keells Holdings	4.8	Capital Goods		
Vietnam Dairy Products	4.2	Food, Beverage & Tobacco		
East African Breweries	4.2	Food, Beverage & Tobacco		

¹ Fiscal Year begins July 1.



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, preferred stock, illiquids, convertibles or other equity equivalents; maximum of 15% in single issuer; maximum cash balance of 15%.

	Fiscal YTD ¹ / 3Q15	Since 6/1/15
Performance (%):		
Cove Street Small Cap Value	-10.1	-11.6
Russell 2000 Value	-10.7	-10.6
Peer Small Cap Value	-9.9	-9.6
Peer Ranking (percentile)	56	78

Cove Street Small Cap Value Portfolio Detail as of 9/30/15

	9/30/15		6/30/15	
	Cove Street Small Cap Value	Russell 2000 Value	Cove Street Small Cap Value	Russell 2000 Value
Capitalization Structure:				
Weighted Average Market Cap. (US\$ billion)	1.3	1.6	1.4	1.7
Median Market Cap. (US\$ million)	517.7	586.2	571.2	697.1
Large (% over US\$20 billion)	0	0	0	0
Medium (% US\$3 billion to US\$20 billion)	17	11	12	12
Small (% under US\$3 billion)	83	89	88	88
Fundamental Structure:				
Price-Earnings Ratio	31	17	28	18
Price-Book Value Ratio	2.0	1.5	2.0	1.6
Dividend Yield (%)	0.6	2.3	0.4	2.1
Historical Earnings Growth Rate (%)	0	8	-3	10
Projected Earnings Growth Rate (%)	13	10	14	10
Sector Allocation (%):				
Consumer Discretionary	33	10	35	11
Information Technology	19	11	16	10
Materials	8	3	4	4
Industrials	14	12	11	12
Health Care	5	4	5	4
Consumer Staples	3	3	3	3
Telecommunication Services	0	1	0	1
Energy	2	5	6	6
Utilities	0	7	0	6
Financials	15	44	19	42
Diversification:				
Number of Holdings	35	1,304	29	1,319
% in 5 largest holdings	28	2	29	2
% in 10 largest holdings	45	4	48	4
Largest Ten Holdings:				
		Industry		
Carrols Restaurant Group, Inc.	6.3	Consumer Services		
ViaSat	6.0	Technology Equipment		
Forestar Group	5.5	Real Estate		
FMC	5.2	Materials		
Belmond 'A'	4.7	Consumer Services		
Heritage-Crystal Clean	4.0	Commercial Services		
Avid Technology	3.7	Technology Equipment		
GP Strategies	3.5	Commercial Services		
Francesca's Holdings	3.2	Retailing		
American Vanguard Corporation	3.1	Materials		

¹ Fiscal Year begins July 1.



**Fixed Income Portfolio Reviews
As of September 30, 2015**

San Jose Federated Retiree Health Care 115 Trust

Northern Trust Barclays Aggregate Index-NL Portfolio Detail as of 9/30/15

Mandate: Investment Grade Bonds
Active/Passive: Passive
Market Value: \$21.2 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.

	Fiscal YTD ¹ / 3Q15	Since 6/1/15
Performance (%):		
Northern Trust Barclays Aggregate Index-NL	1.2	0.2
Barclays Aggregate	1.2	0.1

	9/30/15		6/30/15	
	Northern Trust Barclays Aggregate-NL	Barclays Aggregate	Northern Trust Barclays Aggregate-NL	Barclays Aggregate
Duration & Yield:				
Average Effective Duration (years)	5.3	5.6	5.6	5.6
Yield to Maturity (%)	2.2	2.3	2.4	2.4
Quality Structure (%):				
Average Quality	AA+	AA+	AA+	AA+
AAA (includes Treasuries and Agencies)	73	72	72	71
AA	4	4	4	4
A	11	11	12	12
BBB	12	12	13	13
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	37	36	36	36
U.S. Treasury-TIPS	0	0	0	0
U.S. Agency	3	3	3	3
Mortgage Backed	28	28	28	28
Corporate	24	24	24	24
Bank Loans	0	0	0	0
Local & Provincial Government	1	1	1	1
Sovereign & Supranational	5	4	5	5
Commercial Mortgage Backed	2	2	2	2
Asset Backed	1	1	1	1
Cash Equivalent	1	0	0	0
Other	0	0	0	0
Market Allocation (%):				
United States	92	91	91	91
Foreign (developed markets)	6	7	7	7
Foreign (emerging markets)	2	2	2	2
Currency Allocation (%):				
Non-U.S. Dollar Exposure	0	0	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 9/30/15

Mandate: TIPS
Active/Passive: Passive
Market Value: \$17.0 million
Portfolio Manager: John Hollyer, CFA
Kenneth E. Volpert, CFA
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.

	Fiscal YTD ¹ / 3Q15	Since 3/1/15
Performance (%):		
Vanguard Short-Term Inflation-Protected Securities	-0.6	-0.4
Barclays U.S. TIPS 0-5 Years	-0.6	-0.4

	9/30/15		6/30/15	
	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)	2.6	1.3	2.4	1.5
Yield to Maturity (%) ²	1.0	1.2	0.9	0.9
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 September 30, 2015**

**Core Real Estate Portfolio Review
As of September 30, 2015**

San Jose Federated Retiree Health Care 115 Trust

American Core Realty Fund, LLC Portfolio Detail as of 9/30/15

Strategy: Real Estate
Open-End
Diversified Core

Market Value: \$4.1 million

Senior Professionals: Scott W. Darling
Gregory A. Blomstrand

Location: Glendale, California

Inception Date: 7/1/2015

Account Type: Commingled

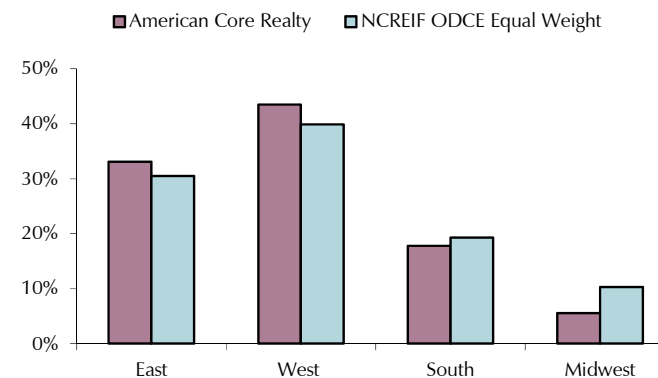
of Investments: 79

Liquidity Constraints: Quarterly

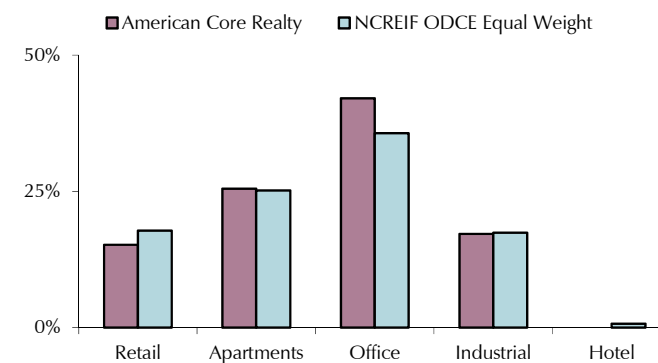
Fee Schedule: 1.10% on first \$25 mm; 0.95% on next \$50 mm; 0.85% thereafter

Investment Strategy: American Realty targets institutional-quality office, industrial, retail, and multifamily properties in the United States. In general, the strategy seeks properties in the \$5 to \$50 million range. Target properties will be 80% to 100% occupied, less than ten years old, and diversified by tenant base.

Geographic Region:



Property Type:



Performance (%):	Fiscal YTD ¹ / 3Q15	Since 7/1/15
American Core Realty Fund, LLC	3.0	3.3
NCREIF ODCE Equal Weighted (net)	3.4	3.4

¹ Fiscal Year begins July 1.



**Commodities Portfolio Reviews
As of September 30, 2015**

San Jose Federated Retiree Health Care 115 Trust

Credit Suisse Risk Parity Commodity Fund Portfolio Detail as of 9/30/15

Mandate: Commodity
Active/Passive: Active
Market Value: \$6.7 million
Portfolio Manager: Christopher A. Burton
Location: New York, New York
Inception Date: 8/1/2011
Account Type: Commingled

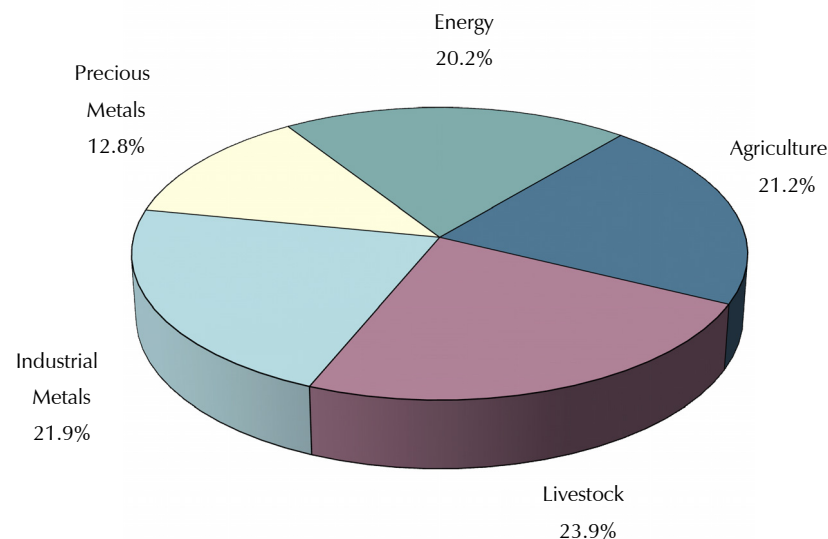
Fee Schedule:
 0.42% on first \$100 mm; 0.37% thereafter

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 (%):	Fiscal YTD ¹ / 3Q15	1 YR	3 YR	Since 8/1/11
Credit Suisse Risk Parity Commodity Fund	-12.3	-24.4	-11.6	-9.7
Custom Risk Parity Commodity Benchmark ²	-12.0	-24.3	-11.6	-9.8
Bloomberg Commodity Index	-14.5	-26.0	-16.0	-13.7

Risk: (fifty months)	Standard Deviation	Beta	Sharpe Measure ³	Info. Ratio	Correlation to Index
Credit Suisse Risk Parity Commodity Fund	10.5%	0.99	Neg.	0.12	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 9/30/15

Mandate: Commodity
Active/Passive: Active
Market Value: \$3.7 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

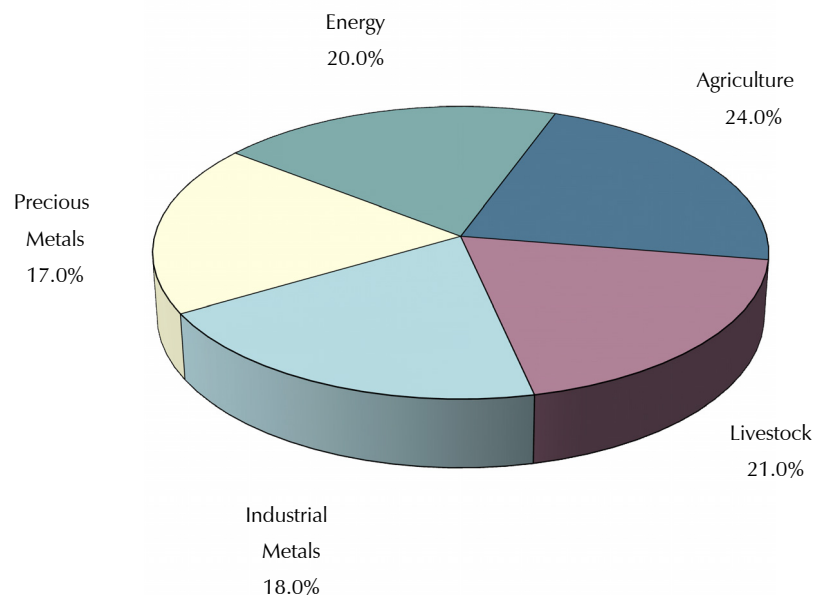
Strategy:

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.

Performance (%):	Fiscal YTD ¹ / 3Q15	1 YR	3 YR	Since 8/1/11
First Quadrant Balanced Risk Parity Commodity Fund	-15.3	-28.3	-15.6	-13.8
Custom Risk Parity Commodity Benchmark ²	-12.0	-24.3	-11.6	-9.8
Bloomberg Commodity Index	-14.5	-26.0	-16.0	-13.7

Risk: (fifty months)	Standard Deviation	Beta	Sharpe Measure ³	Info. Ratio	Correlation to Index
First Quadrant Balanced Risk Parity Commodity Fund	11.7%	1.10	Neg.	Neg.	0.96
Custom Risk Parity Commodity Benchmark ²	10.6	1.00	Neg.	NA	1.00

Current Allocation:



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.



Infrastructure Portfolio Review As of September 30, 2015

San Jose Federated Retiree Health Care 115 Trust

Rhumblin DJ Brookfield Global Infrastructure Portfolio Detail as of 9/30/15

Mandate: Infrastructure
Active/Passive: Passive
Market Value: \$5.6 million
Portfolio Manager: Team
Location: Boston, Massachusetts
Inception Date: 6/1/2015
Account Type: Separately Managed

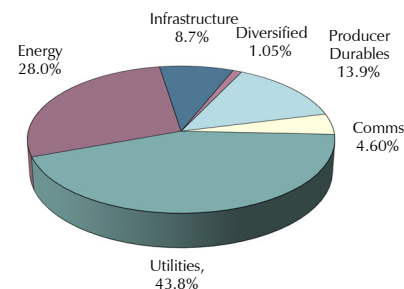
Fee Schedule:
 0.10% on all assets

Liquidity Constraints:
 Daily

Strategy:

The Rhumblin 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 (%):	Fiscal YTD ¹ / 3Q15	Since 6/1/15
Rhumblin DJ Brookfield Global Infrastructure²	-8.3	-10.6
DJ Brookfield Global Infrastructure Index	-8.5	-12.2



Country Allocation:	Portfolio Allocation (%)
United States	48.8
International Developed Markets	47.0
Canada	11.5
United Kingdom	10.8
Hong Kong	2.3
Spain	5.4
Australia	4.4
Italy	4.2
Japan	2.4
France	2.2
Luxembourg	1.9
Singapore	0.4
Netherlands	0.4
New Zealand	0.4
Switzerland	0.4
Germany	0.4
Belgium	0.2
Emerging Markets	4.2
Mexico	0.9
China	3.1
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.



**Natural Resources Portfolio Review
As of September 30, 2015**

San Jose Federated Retiree Health Care 115 Trust

Rhumbline S&P Global Large MidCap Commodity & NR Portfolio Detail as of 9/30/15

Mandate: Natural Resources
Active/Passive: Passive
Market Value: \$4.6 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. While the index invests in over thirty countries, the most exposure is in the United States, Canada, and the United Kingdom.

	Fiscal YTD ¹ / 3Q15	Since 6/1/15
Performance (%):		
Rhumbline S&P Global Large MidCap Commodity & NR²	-23.0	-26.0
S&P Global Large MidCap Commodity and Resources	-23.1	-27.1
S&P Global Natural Resources	-22.5	-26.3

	9/30/15		6/30/15	
	Rhumbline S&P Global Large MidCap Commodity & NR	S&P Global Large MidCap Commodity and Resources	Rhumbline S&P Global Large MidCap Commodity & NR	S&P Global Large MidCap Commodity and Resources
Capitalization Structure:				
Weighted Average Market Cap. (US\$ billion)	51.8	51.8	60.0	57.7
Median Market Cap. (US\$ billion)	6.9	6.1	8.3	7.4
Large (% over US\$20 billion)	56	55	66	64
Medium (% US\$3 billion to US\$20 billion)	39	39	30	32
Small (% under US\$3 billion)	5	5	3	4
Fundamental Structure:				
Price-Earnings Ratio	14	14	15	16
Price-Book Value Ratio	1.3	1.3	1.5	1.5
Dividend Yield (%)	4.2	4.2	3.3	3.3
Historical Earnings Growth Rate (%)	-5	-5	-1	-1
Projected Earnings Growth Rate (%)	2	2	5	4
Sector Allocation (%):				
Consumer Staples	9	8	8	9
Consumer Discretionary	0	0	0	0
Financials	0	0	0	0
Health Care	0	0	0	0
Industrials	0	0	0	0
Information Technology	0	0	0	0
Telecommunication Services	0	0	0	0
Utilities	0	0	0	0
Energy	35	35	34	34
Materials	56	57	58	58
Diversification:				
Number of Holdings	155	181	164	220
% in 5 largest holdings	28	27	28	26
% in 10 largest holdings	43	42	44	42
Largest Ten Holdings:				
		Industry		
Monsanto	6.9	Materials		
ExxonMobil	6.6	Energy		
BHP Billiton	5.0	Materials		
Syngenta	4.9	Materials		
Archer-Daniels	4.2	Food, Beverage & Tobacco		
Rio Tinto	4.0	Materials		
Chevron	3.3	Energy		
Potash Corporation	2.9	Materials		
BHP Billiton	2.7	Materials		
AGRIUM	2.3	Materials		

¹ Fiscal Year begins July 1.

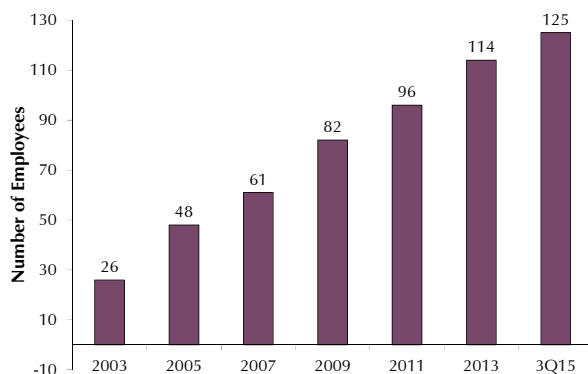
² Tracking error due to a cash position resulting from a delay in the ability to invest in certain markets.



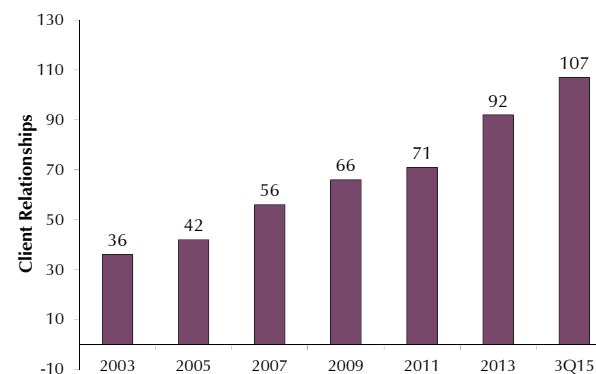
Meketa Investment Group Corporate Update

- Staff of 125, including 75 investment professionals and 24 CFA Charterholders
- 107 clients, with over 180 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



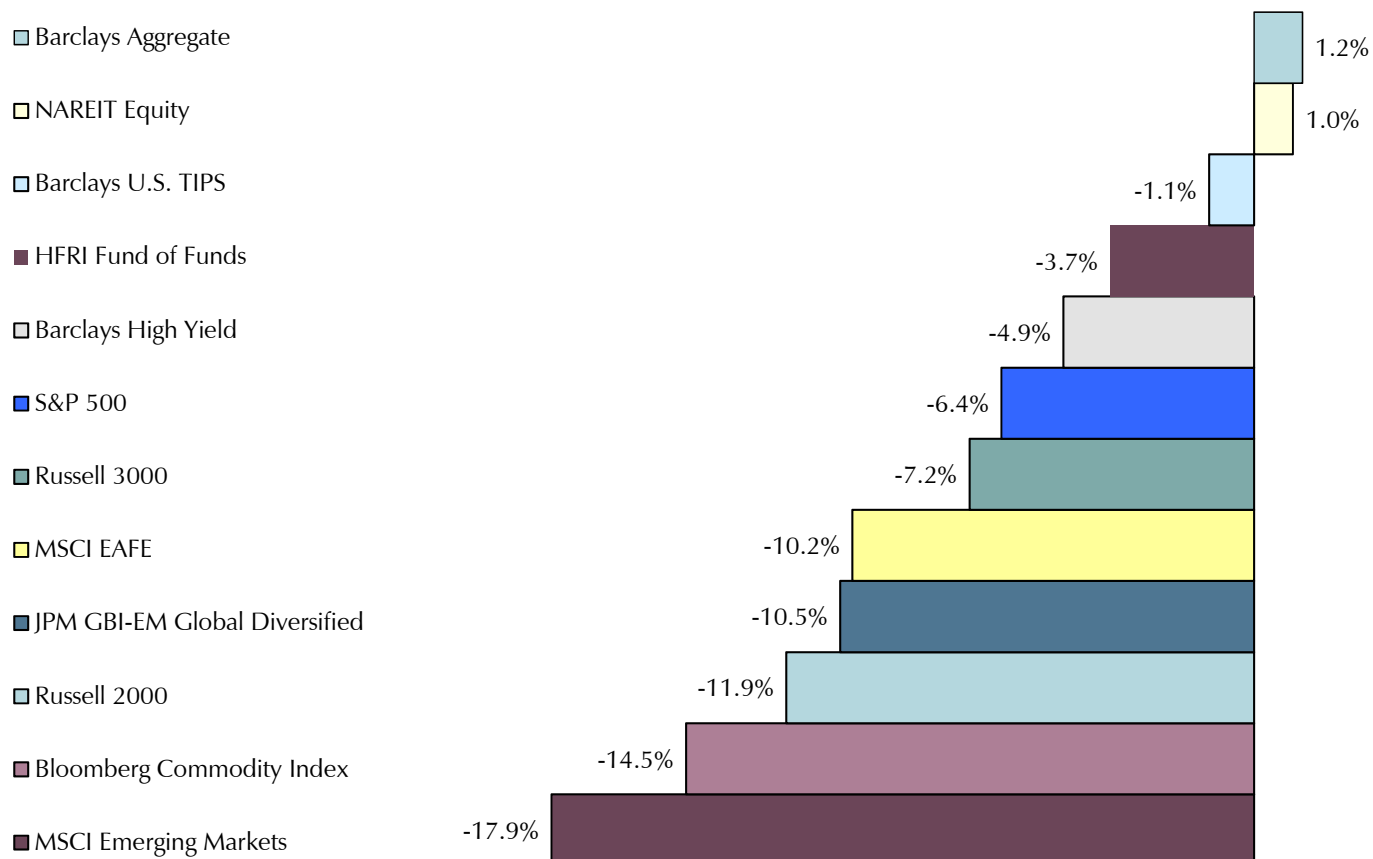
Asset Classes Followed Intensively by Meketa Investment Group

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 Third Quarter of 2015

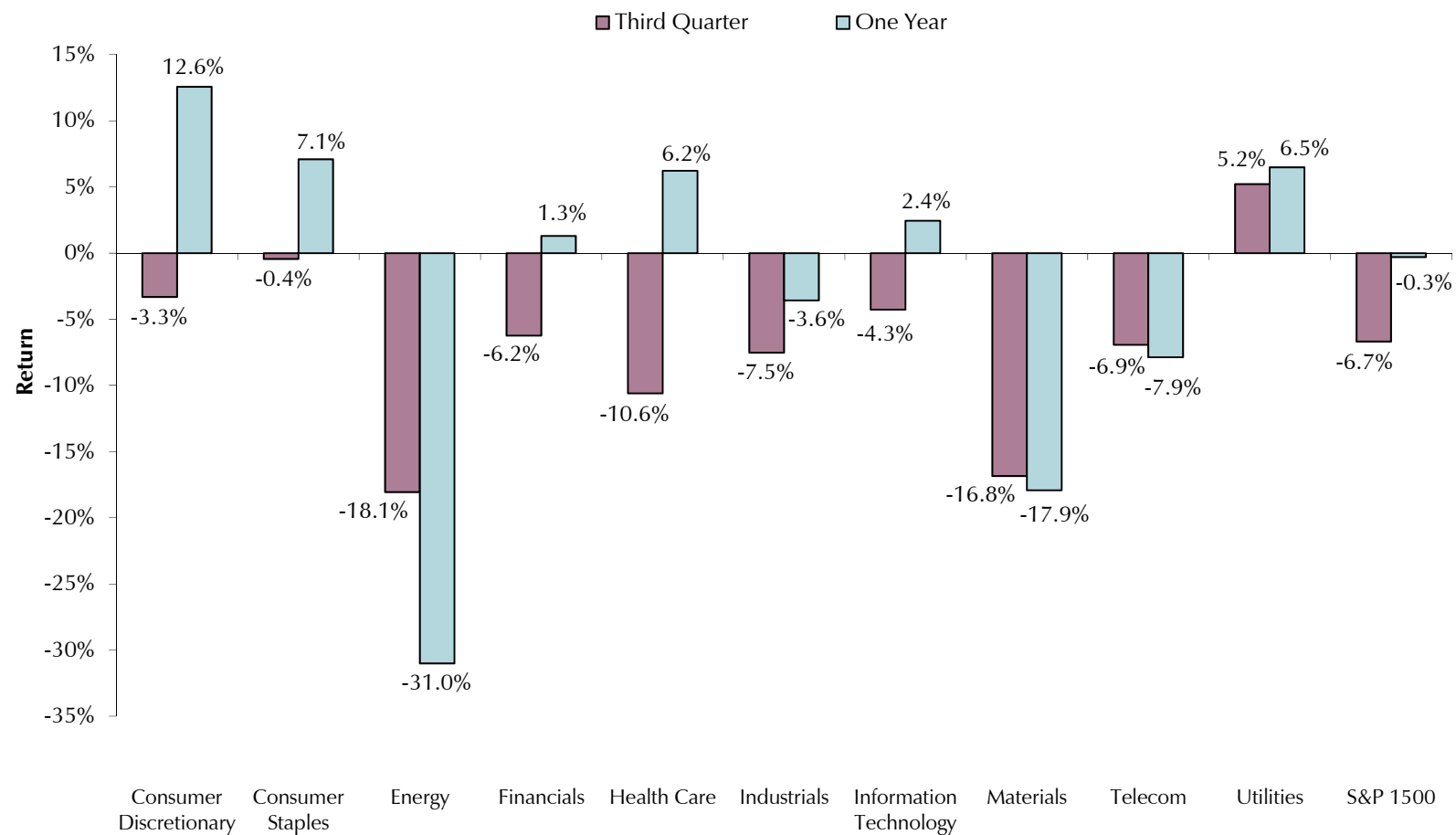
The World Markets
Third Quarter of 2015



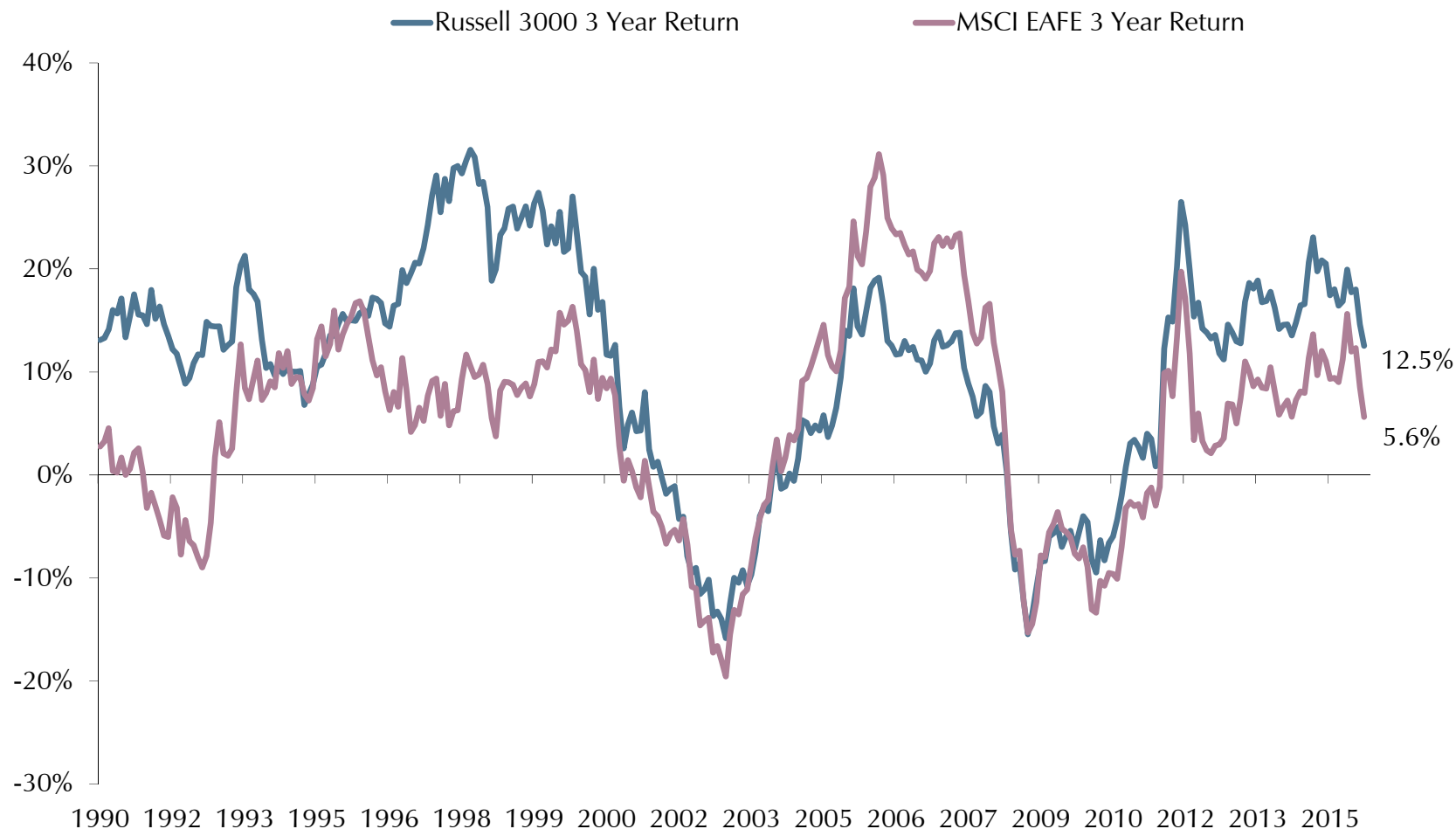
Index Returns

	3Q15 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
Domestic Equity						
Russell 3000	-7.2	-5.4	-0.5	12.5	13.3	6.9
Russell 1000	-6.8	-5.2	-0.6	12.7	13.4	7.0
Russell 1000 Growth	-5.3	-1.5	3.2	13.6	14.5	8.1
Russell 1000 Value	-8.4	-9.0	-4.4	11.6	12.3	5.7
Russell MidCap	-8.0	-5.8	-0.2	13.9	13.4	7.9
Russell MidCap Growth	-8.0	-4.1	1.4	14.0	13.6	8.1
Russell MidCap Value	-8.0	-7.7	-2.1	13.7	13.2	7.4
Russell 2000	-11.9	-7.7	1.2	11.0	11.7	6.5
Russell 2000 Growth	-13.1	-5.5	4.0	12.8	13.3	7.7
Russell 2000 Value	-10.7	-10.1	-1.6	9.2	10.2	5.3
Foreign Equity						
MSCI ACWI (ex. U.S.)	-12.2	-8.6	-12.2	2.3	1.8	3.0
MSCI EAFE	-10.2	-5.3	-8.7	5.6	4.0	3.0
MSCI EAFE (local currency)	-9.0	-0.9	0.8	12.7	7.7	3.3
MSCI EAFE Small Cap	-6.8	2.6	0.3	10.2	7.3	4.7
MSCI Emerging Markets	-17.9	-15.5	-19.3	-5.3	-3.6	4.3
MSCI Emerging Markets (local currency)	-12.1	-7.1	-7.1	2.1	1.7	6.6
Fixed Income						
Barclays Universal	0.7	1.0	2.3	1.9	3.4	4.8
Barclays Aggregate	1.2	1.1	2.9	1.7	3.1	4.6
Barclays U.S. TIPS	-1.1	-0.8	-0.8	-1.8	2.5	4.0
Barclays High Yield	-4.9	-2.5	-3.4	3.5	6.1	7.3
JPMorgan GBI-EM Global Diversified	-10.5	-14.9	-19.8	-8.7	-3.6	4.5
Other						
NAREIT Equity	1.0	-4.5	7.8	9.0	11.9	6.8
Bloomberg Commodity Index	-14.5	-15.8	-26.0	-16.0	-8.9	-5.7
HFRI Fund of Funds	-3.7	-1.1	-0.1	4.1	2.7	2.4

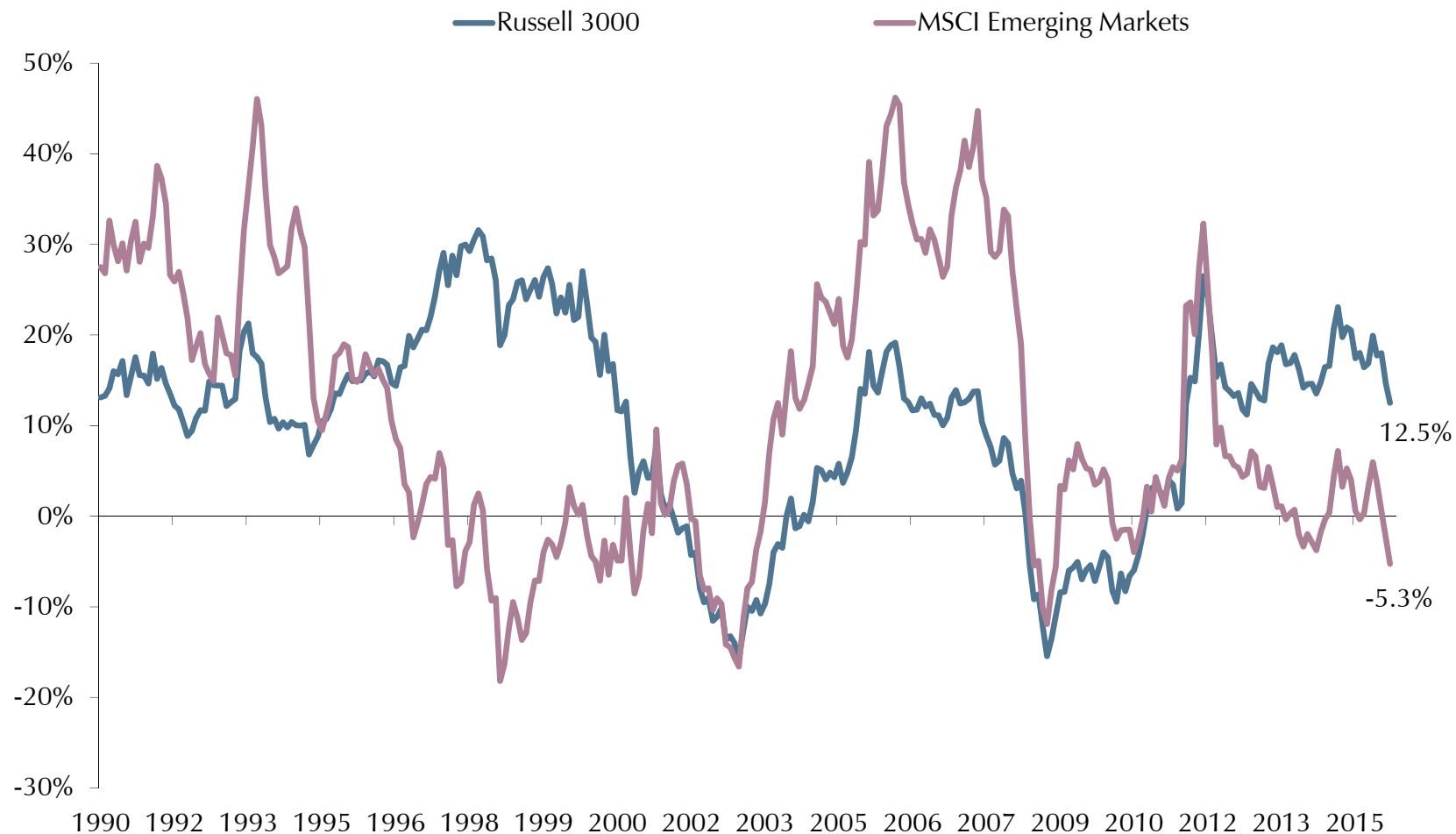
S&P Sector Returns



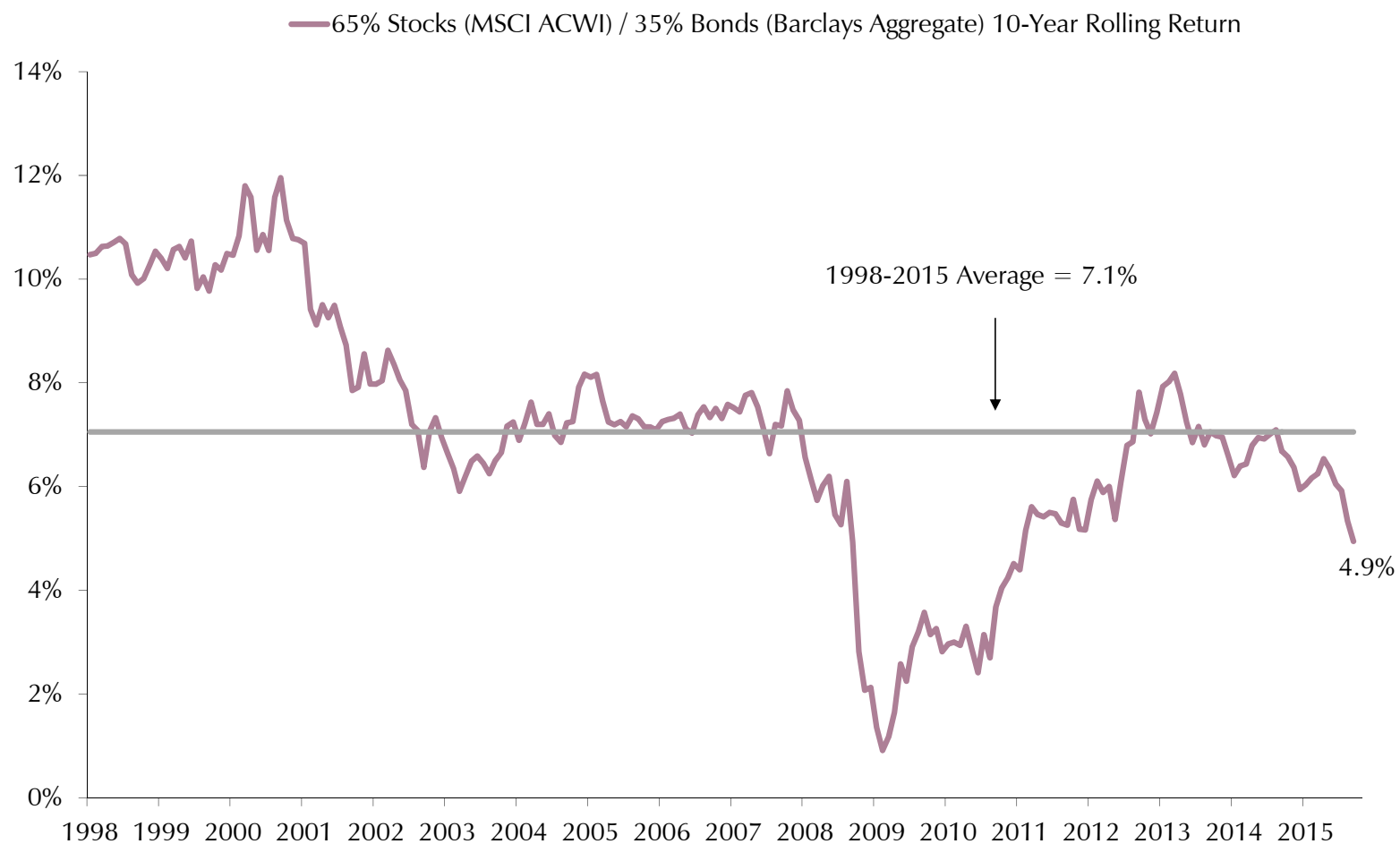
U.S. and Developed Market Foreign Equity Rolling Three Year Returns



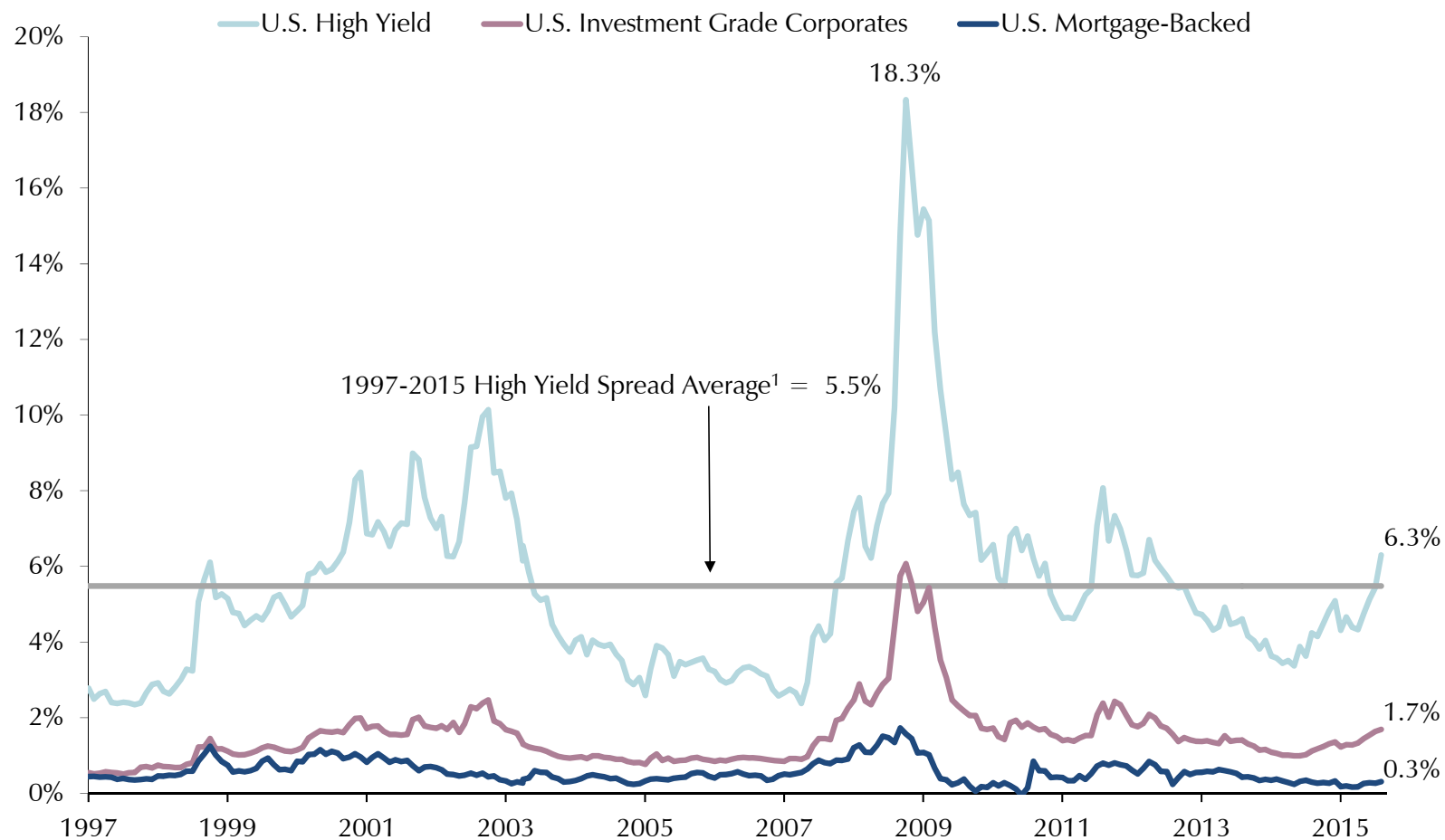
U.S. and Emerging Market Equity Rolling Three Year Returns



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

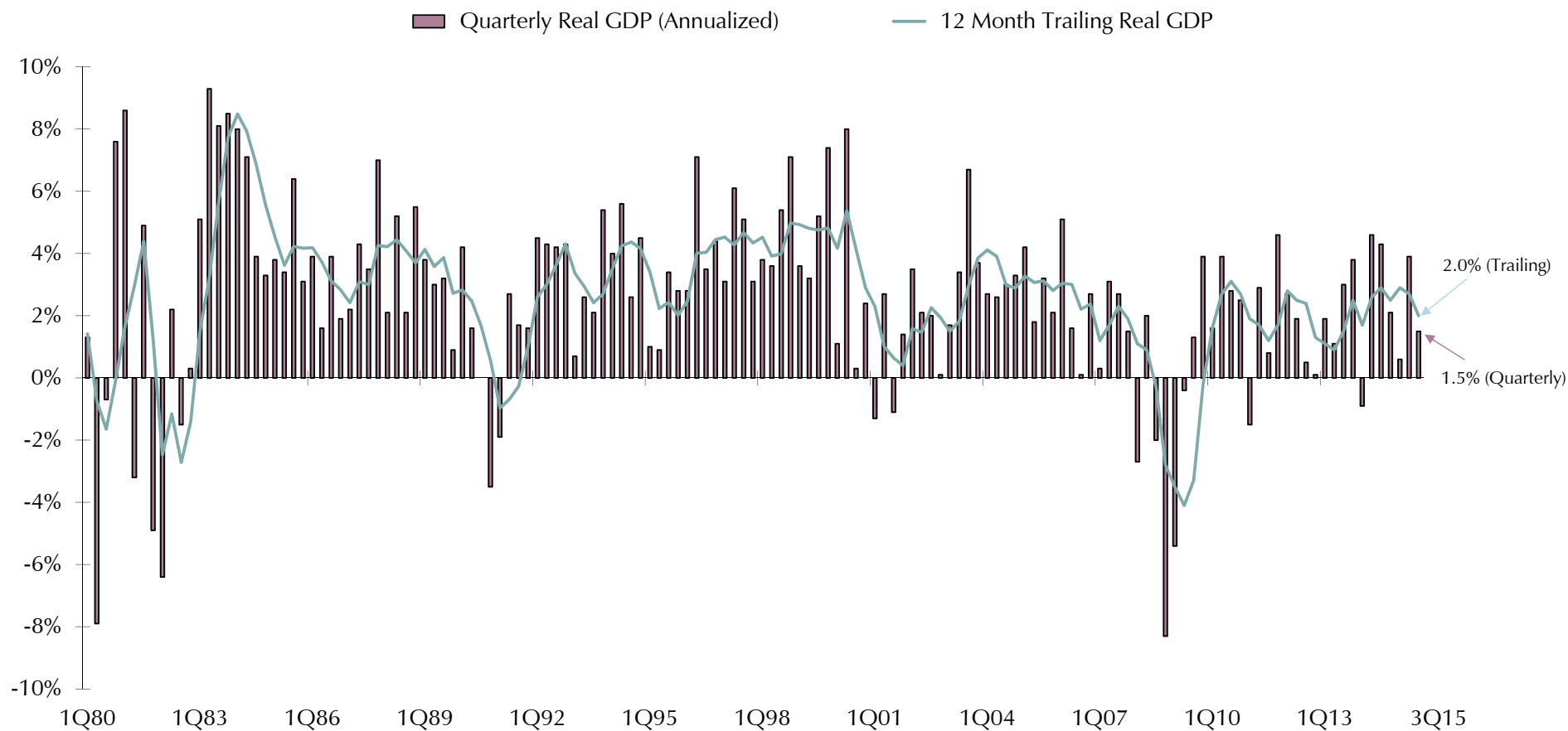


Credit Spreads vs. U.S. Treasury Bonds

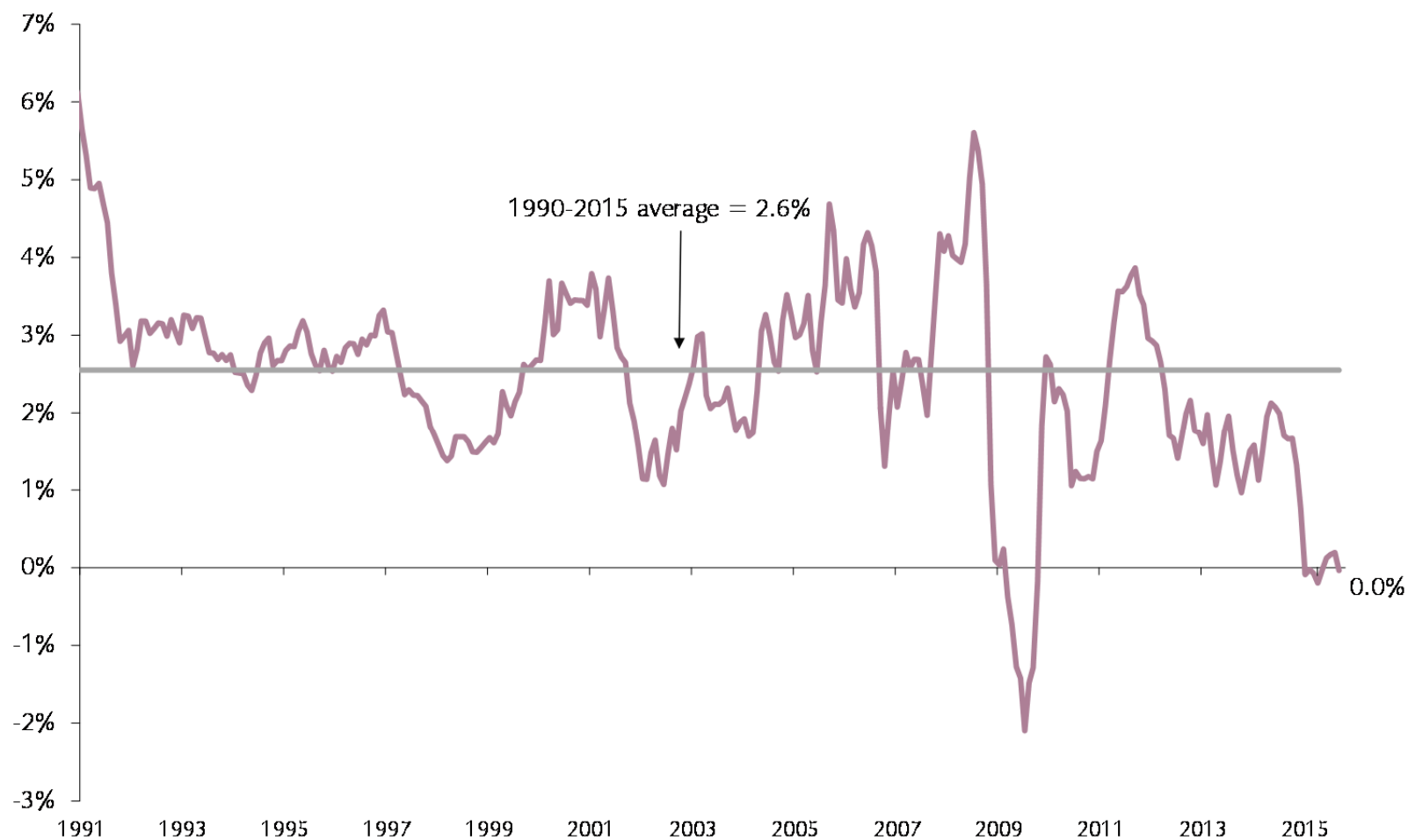


¹ Median high yield spread average was 5.0% from 1997-2015.

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

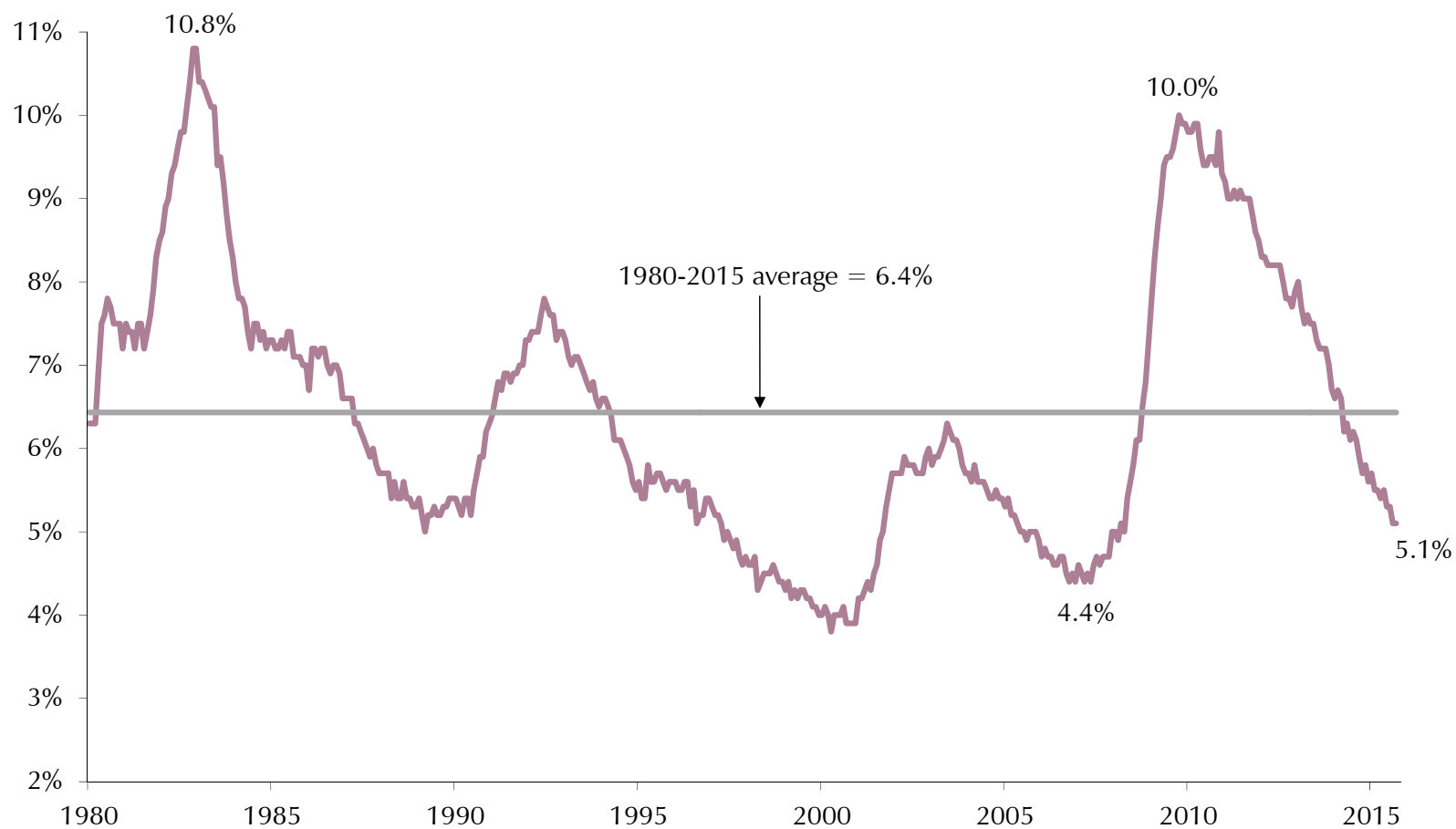


**U.S. Inflation (CPI)
Trailing Twelve Months¹**



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

U.S. Unemployment



**Glossary and Notes
As of September 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.

The Russell Indices ®, TM, SM are trademarks/service marks of the Frank Russell Company.

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.