

FUND EVALUATION REPORT

San Jose Federated City Employees' Retirement System

Quarterly Review
December 31, 2016



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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 December 31, 2016**

The value of the San Jose Federated City Employees' Retirement System assets was \$2.0 billion on December 31, 2016, a decrease of approximately \$46.0 million from the end of the prior quarter. The System had net cash outflows of \$50.3 million during the quarter.

- The Retirement System's net of fees performance for the quarter was +0.2%, outperforming the Policy and Custom Benchmark returns of -0.3% and -0.5%, respectively. The Retirement System underperformed the peer Public Defined Benefit Plans > \$1 Billion Universe's median return of +0.8%.
- The Retirement System returned +6.3% over the trailing one-year period, underperforming the Policy Benchmark (+8.0), Custom Benchmark (+7.3%), and peer median (+7.7%). The System's standard deviation of returns was 4.0% over the trailing one-year period, versus 6.3% for the peer median.
 - Total Global Equity returned +1.0% for the quarter, slightly underperforming the MSCI ACWI IMI's return of +1.3%. Global Equity returned +4.2%, U.S. Equity returned +4.0%, International Equity returned -1.8% for the quarter, Emerging Markets Equity returned -2.6%, and Marketable Alternative Equity was flat.
 - Global Fixed Income returned -2.0% for the quarter, outperforming the Custom Benchmark's return of -6.0%. Global Core returned -2.2% for the quarter, Non-Investment Grade Credit returned +3.9%, and Emerging Markets Debt returned -5.4%.
 - Real Assets returned +0.8% for the quarter, and +13.9% for the trailing one-year period. Over the trailing one-year period, three of the four subcomponents had returns in excess of 10%: Real Estate (+12.5%), Commodities (+3.8%), Infrastructure (+12.5%) and Natural Resources (+30.6%).
- The Retirement System added three investment managers during the quarter: Northern Trust Russell 1000 (U.S. Equity), Northern Trust MSCI World Ex. U.S. (International Equity), DFA Emerging Markets Value (Emerging Markets).

Artisan

- Artisan Global Value returned +2.8% for the quarter and +11.4% over the trailing one-year period, underperforming the MSCI ACWI IMI Value's returns of +4.8% and +12.6%, respectively. For the quarter, financial sector stocks led performance as the sector rallied post-Trump election on speculation of relaxed regulations and an increase in U.S. interest rates. Over the trailing one-year period, the top contributors to performance were Telefonica Brazil (+54%), Samsung Electronics (+40%), and Qualcomm (+35%).

Cove Street

- Cove Street Small Cap Value had very strong absolute performance, returning +9.0% for the quarter and +20.0% over the trailing one-year period, but underperformed the Russell 2000 Value's returns of +14.1% and +31.7% over the same periods, respectively. Cove Street's technology holdings were their worst performing sector in 2016 (-861 basis points) and their lack of exposure to steel and mining detracted from relative performance as stocks tied to infrastructure spending in the benchmark were up nearly 70% for 2016 (Cove Street's holdings in these sectors returned +36%).

Oberweis

- Oberweis International Opportunities returned -7.5% for the quarter and -4.3% over the trailing one-year period, underperforming the MSCI World Ex. USA Small Cap Growth returns of -5.3% and +0.9% over the same periods, respectively. Over the trailing one-year period, the strategy's Japanese holdings were the largest detractor (-564 basis points) as the Yen was especially volatile throughout the period.

Blackrock

- Blackrock Long Government Index returned -11.4% for the quarter. The strategy is passively managed to track the BBgBarc U.S. Government Long Index. Performance for the quarter was negatively affected by the increase in interest rates as the bulk of the holdings are in U.S. Treasuries. The strategy's effective duration was 16.4 years at the end of the quarter.

¹ All returns shown as reported by the System's custodian.



Fourth Quarter Manager Summary

Investment Manager	Asset Class	Changes/ Announcements	Performance Concerns	Meketa Recommendation ¹	Comments
Artisan Global Value	Global Equity	---	---	---	---
Oberweis International Opps.	Int'l Small Cap Equity	---	---	---	---
Cove Street Small Cap Value	Small Cap Equity	---	Yes	Hold	Significant Underperformance in 2016
Aberdeen Frontier Markets Equity	Frontier Markets Equity	Yes	---	Hold	Personnel Changes
Senator Global Opportunity	Long-Short Equity	---	---	---	---
Horizon Portfolio I	Long-Short Equity	---	---	---	---
Sandler Plus	Long-Short Equity	---	---	---	---
Marshall Wace Eureka	Long-Short Equity	---	---	---	---
Voya Securitized Credit	Global Credit	---	---	---	---
Davidson Kempner Inst.	Long-Short Credit	---	---	---	---
BlueBay EM Select Debt	Global Credit	Yes	---	Hold	Personnel Changes
Credit Suisse Risk Parity	Commodities	---	---	---	---
Pinnacle Natural Resources	Commodities	---	Yes	Hold	Significant Underperformance in 2016

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



Aberdeen

- Subsequent to the end of the fourth quarter, Andrew Smith, Co-Head of Americas and Chief Operating Officer left the Group Management Board (“GMB”). The GMB is responsible for the management and operational development of the overall business. The GMB reports to the Aberdeen Asset Management PLC Board of Directors.

BlueBay

- Alex Khein, BlueBay’s current CEO will be resigning as CEO and his responsibilities will be transferred to Erich Gerth. Mr. Gerth is BlueBay’s Global Head of Business Development, and will formerly assume CEO responsibilities around May 1, 2017. Mr. Khein is remaining on as an adviser through the end of 2017.
- Subsequent to the end of the fourth quarter, BlueBay notified Meketa Investment Group of the following changes: Timothy Ash has joined the Firm as an Emerging Markets Senior Sovereign Strategist; Russel Matthews is moving from the Investment Grade team to the Emerging Markets team; Shikeb Farooqui and Stanislav Gelfer, Emerging Market Economists, have left the Firm; and Graham Stock’s title changed from Head of Emerging Market Sovereign Research to Emerging Market Senior Sovereign Strategies.

4Q16 Review

As of December 31, 2016

Allocation vs. Targets and Policy

	Current Balance	Current Allocation	Russell Overlay Net Position	Policy	Policy Range	Within IPS Range?
Total Global Equity	\$557,115,838	27.8%	29.7%	28.0%	20.0% - 36.0%	Yes
US Equity	\$93,279,838	4.7%	4.3%	--	--	--
International Equity	\$164,211,122	8.2%	9.3%	--	--	--
Global Equity	\$147,023,686	7.3%	7.5%	--	--	--
Emerging Markets Equity	\$34,981,811	1.7%	2.7%	--	--	--
Marketable Alternative Equity	\$117,619,381	5.9%	5.9%	6.0%	3.0% - 9.0%	Yes
Private Equity	\$62,916,723	3.1%	3.1%	9.0%	4.0% - 14.0%	No
Global Fixed Income	\$396,417,202	19.8%	18.1%	19.0%	9.0% - 29.0%	Yes
Global Core	\$303,930,345	15.2%	13.5%	12.0%	7.0% - 17.0%	Yes
Non-Investment Grade Credit	\$42,402,679	2.1%	2.1%	4.0%	0.0% - 6.0%	Yes
Emerging Markets	\$50,084,177	2.5%	2.5%	3.0%	0.0% - 5.0%	Yes
Private Debt	\$82,188,600	4.1%	4.1%	5.0%	0.0% - 10.0%	Yes
Real Assets	\$447,327,877	22.3%	22.3%	23.0%	15.0% - 30.0%	Yes
Real Estate	\$112,238,904	5.6%	5.6%	7.0%	4.0% - 10.0%	Yes
Commodities	\$129,319,449	6.5%	6.5%	6.0%	2.0% - 10.0%	Yes
Infrastructure	\$95,814,639	4.8%	4.8%	5.0%	2.0% - 8.0%	Yes
Natural Resources	\$109,954,885	5.5%	5.5%	5.0%	2.0% - 8.0%	Yes
Absolute Return	\$262,776,832	13.1%	13.1%	11.0%	6.0% - 16.0%	Yes
GTAA/Oppportunistic	--	--	0.0%	5.0%	0.0% - 8.0%	Yes
Cash	\$192,887,277	9.6%	9.5%	0.0%	0.0% - 10.0%	Yes
Total	\$2,001,630,349	100.0%	100.0%	100.0%		

¹ Data in the column titled "Russell Overlay Net Position" is based on physical exposures, adjusted for synthetic positions provided by Russell Investments.

² Global Equity includes <\$0.1 million of residuals from terminated managers or previous transitions.

³ Cash includes the cash account, cash equitized in the Russell Investments Overlay program, cash from private manager distributions, and residuals from the Terminated Manager Account.

As of December 31, 2016

Asset Class Net Performance Summary

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Total Fund Aggregate	2,001,630,349	100.0	0.2	2.5	6.3	2.4	5.0	3.3	6.7	Jan-94
<i>Total Fund Ex Overlay (net)</i>			0.2	2.2	5.8	2.2	4.9	3.3	6.6	Jan-94
<i>Consumer Price Index</i>			0.0	0.2	2.1	1.2	1.4	1.8	2.2	Jan-94
<i>San Jose FCERS Policy Benchmark</i>			-0.3	2.2	8.0	1.9	5.6	3.9	6.9	Jan-94
<i>San Jose FCERS Custom Benchmark</i>			-0.5	1.6	7.3	1.9	5.1	3.4	--	Jan-94
<i>InvestorForce Public DB > \$1B Net Median</i>			0.8	4.6	7.7	4.1	8.1	4.8	7.1	Jan-94
<i>InvestorForce Public DB > \$1B Net Rank</i>			79	96	90	92	96	95	69	Jan-94
Total Global Equity	557,115,838	27.8	1.0	6.4	6.1	3.2	9.3	--	7.4	May-10
<i>MSCI ACWI IMI Net USD</i>			1.3	6.9	8.4	3.2	9.6	--	7.3	May-10
Global Equity	147,023,686	7.3	4.2	11.6	12.2	--	--	--	5.9	Jul-15
<i>MSCI ACWI IMI Net USD</i>			1.3	6.9	8.4	--	--	--	1.8	Jul-15
US Equity	93,279,838	4.7	4.0	10.2	14.6	--	--	--	7.2	Jul-15
<i>Russell 3000</i>			4.2	8.8	12.7	--	--	--	7.3	Jul-15
International Equity	164,211,122	8.2	-1.8	4.3	0.5	--	--	--	-3.0	Jul-15
<i>MSCI World ex USA</i>			-0.4	5.9	2.7	--	--	--	-3.0	Jul-15
Emerging Markets Equity	34,981,811	1.7	-2.6	2.3	0.9	--	--	--	-5.5	Jul-15
<i>MSCI Emerging Markets</i>			-4.2	4.5	11.2	--	--	--	-5.5	Jul-15
Marketable Alternative Equity	117,619,381	5.9	0.0	1.6	0.7	--	--	--	3.8	Oct-14
<i>HFRI Equity Hedge (Total) Index</i>			1.3	5.9	5.5	--	--	--	1.9	Oct-14

¹ Fiscal Year begins July 1.² Beginning in July 2012, fees are accounted for on a cash basis. Previously, fees were accounted for on an accrual basis.³ Please see the Appendix for composition of the San Jose FCERS Policy Benchmark.⁴ San Jose FCERS Custom Benchmark consists of the individual benchmarks that comprise the San Jose FCERS Policy Benchmark weighted accordingly to actual allocations and re-adjusted monthly.⁵ Global Equity includes <\$0.1 million of residuals from terminated managers or previous transitions.⁵ Returns for the Equity Aggregate are gross of fees through June 2015 and net of fees thereafter.

As of December 31, 2016

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Private Equity	62,916,723	3.1	2.3	3.4	5.3	9.9	10.8	7.4	6.4	Jan-06
<i>Cambridge Associates Private Equity Composite</i>			3.9	4.2	5.4	9.1	11.9	9.6	10.4	Jan-06
Global Fixed Income	396,417,202	19.8	-2.0	-1.0	2.8	1.1	2.3	--	2.3	Jan-12
<i>Fixed Income Custom Benchmark</i>			-6.0	-4.7	3.9	0.5	0.6	--	0.6	Jan-12
Global Core	303,930,345	15.2	-2.2	-1.6	1.8	--	--	--	1.0	Jul-15
<i>BBgBarc Global Aggregate TR</i>			-7.1	-6.3	2.1	--	--	--	1.3	Jul-15
Non-Investment Grade Credit	42,402,679	2.1	3.9	4.5	5.5	-1.4	--	--	0.6	Feb-13
<i>50% BAML Global HY / 50% S&P Global Leveraged Loan</i>			1.9	6.3	12.3	4.0	--	--	6.1	Feb-13
Emerging Markets	50,084,177	2.5	-5.4	-1.9	7.5	--	--	--	0.1	Jul-15
<i>50% JPM EMBI GD / 50% JPM GBI-EM</i>			-5.1	-1.9	10.2	--	--	--	2.6	Jul-15
Private Debt	82,188,600	4.1	-1.4	0.1	1.4	4.3	6.5	--	5.8	Dec-10
<i>S&P Global Leveraged Loan +2%</i>			2.8	6.6	12.0	4.3	6.8	--	6.4	Dec-10
Real Assets	447,327,877	22.3	0.8	2.3	13.9	0.4	-1.4	--	0.0	May-10
Real Estate	112,238,904	5.6	2.6	5.5	12.5	16.3	14.0	5.7	9.4	Jan-94
<i>NCREIF Property Index</i>			1.7	3.5	8.0	11.0	10.9	6.9	9.6	Jan-94
Commodities	129,319,449	6.5	2.3	-0.8	3.8	-9.9	-8.5	--	-5.1	May-10
<i>Bloomberg Commodity Index TR USD</i>			2.7	-1.3	11.8	-11.3	-9.0	--	-6.2	May-10
Infrastructure	95,814,639	4.8	-5.5	-3.3	12.5	--	--	--	3.5	Mar-14
<i>DJ Brookfield Global Infrastructure Net TR USD</i>			-5.2	-3.2	12.5	--	--	--	2.8	Mar-14
Natural Resources	109,954,885	5.5	4.7	9.6	30.6	-4.6	--	--	-3.6	Nov-12
<i>S&P Global Natural Resources Index TR USD</i>			6.7	13.1	32.3	-3.2	--	--	-1.4	Nov-12

¹ Fiscal Year begins July 1.² Cambridge Associates Private Equity Composite (40% Secondary and 60% Fund of Funds) used since 1Q14. Data for the Venture Economics Private Equity Index was used through 4Q13, but the index was discontinued in early 2014.³ Returns for the Fixed Income, Private Debt, and Real Assets Aggregates are gross of fees through June 2015 and net of fees thereafter.⁴ Prior to 7/1/2015, Fixed Income Custom Benchmark was 100% Barclays Global Aggregate. After 7/1/2015, Fixed Income Custom Benchmark consists of 80% Barclays Global Aggregate, 5% JPM GBI-EM GD, 5% JPM EMBI GD, 5% S&P Global Leveraged Loan, and 5% BAML Global HY Index.

Total Fund Aggregate

As of December 31, 2016

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Absolute Return	262,776,832	13.1	1.2	1.2	1.5	2.7	--	--	3.5	Nov-12
<i>HFRI Macro (Total) Index</i>			-0.6	-1.6	1.1	1.8	--	--	1.4	Nov-12
Relative Value	102,735,531	5.1	0.5	2.1	3.2	--	--	--	3.2	Oct-14
<i>HFRI Relative Value (Total) Index</i>			1.8	4.9	7.7	--	--	--	2.8	Oct-14
Macro	160,041,301	8.0	1.6	0.7	0.6	--	--	--	1.2	Oct-14
<i>HFRI Macro (Total) Index</i>			-0.6	-1.6	1.1	--	--	--	0.9	Oct-14
GTAA/Opportunistic	--	--	--	--	--	--	--	--	--	
Cash	192,887,277	9.6								

¹ Fiscal Year begins July 1.

² Cash includes the cash account, cash equitized in the Russell Investments Overlay program, cash from private manager distributions, and residuals from the Terminated Manager Account.



As of December 31, 2016

Trailing Net Performance

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Total Global Equity	557,115,838	27.8	1.0	6.4	6.1	3.2	9.3	--	7.4	May-10
<i>MSCI ACWI IMI Net USD</i>			1.3	6.9	8.4	3.2	9.6	--	7.3	May-10
Global Equity	147,023,686	7.3	4.2	11.6	12.2	--	--	--	5.9	Jul-15
<i>MSCI ACWI IMI Net USD</i>			1.3	6.9	8.4	--	--	--	1.8	Jul-15
Artisan Global Value	146,751,354	7.3	2.8	10.1	11.4	4.8	13.0	--	10.9	Mar-11
<i>MSCI ACWI Value NR USD</i>			4.8	10.3	12.6	2.8	9.0	--	5.2	Mar-11
Russell Currency Hedge	272,332	0.0								
US Equity	93,279,838	4.7	4.0	10.2	14.6	--	--	--	7.2	Jul-15
<i>Russell 3000</i>			4.2	8.8	12.7	--	--	--	7.3	Jul-15
Cove Street Small Cap Value	32,014,564	1.6	4.9	14.4	20.0	--	--	--	6.4	May-14
<i>Russell 2000 Value</i>			14.1	24.2	31.7	--	--	--	9.7	May-14
Northern Trust Russell 1000 Index	61,265,269	3.1	--	--	--	--	--	--	5.9	Nov-16
<i>Russell 1000</i>			--	--	--	--	--	--	5.9	Nov-16
Northern Trust Russell 3000 Index	5	0.0								
<i>Russell 3000</i>										
International Equity	164,211,122	8.2	-1.8	4.3	0.5	--	--	--	-3.0	Jul-15
<i>MSCI World ex USA</i>			-0.4	5.9	2.7	--	--	--	-3.0	Jul-15

¹ Fiscal Year begins July 1.² Returns for the Equity Aggregate are gross of fees through June 2015 and net of fees thereafter.³ Total Global Equity includes <\$0.1 million of residuals from terminated managers or previous transitions. Global Equity includes a partial currency hedge initiated on August 21, 2015 of the following currencies: Australian Dollar, Canadian Dollar, Swiss Franc, Euro, British Pound Sterling, and Japanese Yen. As of the date of this report, the unrealized profit or loss was \$0.3 mm and the total net exposure of the hedge was \$26.0 mm.

Total Fund Aggregate

As of December 31, 2016

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Northern Trust MSCI World ex. U.S. <i>MSCI World ex USA</i>	135,796,951	6.8	--	--	--	--	--	--	1.6	Nov-16
			--	--	--	--	--	--	1.6	Nov-16
Oberweis International Opportunities <i>MSCI World ex US Small Cap Growth</i>	28,413,271	1.4	-7.5	-3.1	-4.3	--	--	--	-0.2	Nov-15
			-5.3	1.5	0.9	--	--	--	2.2	Nov-15
Emerging Markets Equity	34,981,811	1.7	-2.6	2.3	0.9	--	--	--	-5.5	Jul-15
<i>MSCI Emerging Markets</i>			-4.2	4.5	11.2	--	--	--	-5.5	Jul-15
Aberdeen Frontier Markets <i>MSCI Frontier Markets</i>	17,444,204	0.9	-2.6	2.3	-1.0	-5.2	--	--	-4.8	Dec-13
<i>MSCI Frontier Markets</i>			0.5	3.2	2.7	-2.1	--	--	-1.4	Dec-13
<i>MSCI Frontier Markets ex GCC NR USD</i>			-1.9	1.0	2.5	-5.1	--	--	-4.9	Dec-13
Dimensional Fund Advisors EM Value <i>MSCI Emerging Markets</i>	17,537,607	0.9	--	--	--	--	--	--	-3.1	Nov-16
			--	--	--	--	--	--	-4.4	Nov-16
Marketable Alternative Equity	117,619,381	5.9	0.0	1.6	0.7	--	--	--	3.8	Oct-14
<i>HFRI Equity Hedge (Total) Index</i>			1.3	5.9	5.5	--	--	--	1.9	Oct-14
Senator Global Opportunity Offshore Fund <i>HFRI Event-Driven (Total) Index</i>	36,350,247	1.8	-0.3	5.0	2.8	2.5	--	--	5.9	Apr-13
			3.6	8.2	10.6	2.5	--	--	4.3	Apr-13
Horizon Portfolio I <i>HFRI Equity Hedge (Total) Index</i>	31,218,156	1.6	-0.5	-3.1	-1.1	4.2	--	--	5.3	Jul-13
			1.3	5.9	5.5	2.1	--	--	4.3	Jul-13
Sandler Plus Offshore Fund Ltd <i>HFRI Equity Hedge (Total) Index</i>	25,396,648	1.3	-0.7	0.4	0.4	6.2	--	--	6.7	May-13
			1.3	5.9	5.5	2.1	--	--	4.0	May-13
Marshall Wace Eureka Fund <i>HFRI Equity Hedge (Total) Index</i>	24,654,331	1.2	1.7	4.3	1.3	--	--	--	7.4	Apr-14
			1.3	5.9	5.5	--	--	--	1.8	Apr-14

¹ Fiscal Year begins July 1.² Cambridge Associates Private Equity Composite (40% Secondary and 60% Fund of Funds) used since 1Q14. Data for the Venture Economics Private Equity Index was used through 4Q13, but the index was discontinued in early 2014.

Total Fund Aggregate

As of December 31, 2016

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Private Equity	62,916,723	3.1	2.3	3.4	5.3	9.9	10.8	7.4	6.4	Jan-06
<i>Cambridge Associates Private Equity Composite</i>			3.9	4.2	5.4	9.1	11.9	9.6	10.4	Jan-06
Pantheon USA Fund VII	26,964,645	1.3	3.5	5.8	7.7	12.8	13.3	--	--	Jan-07
<i>Cambridge Associates Private Equity Composite</i>			3.9	4.2	5.4	9.1	11.9	--	--	Jan-07
Partners Group Secondary 2011, L.P.	12,293,862	0.6	2.6	3.3	7.8	15.7	--	--	25.4	Nov-12
<i>Cambridge Associates Private Equity Composite</i>			3.9	4.2	5.4	9.1	--	--	11.8	Nov-12
Pathway Private Equity Fund VIII	8,048,941	0.4	0.2	-0.1	-2.5	7.5	10.6	--	--	Aug-04
<i>Cambridge Associates Private Equity Composite</i>			3.9	4.2	5.4	9.1	11.9	--	--	Aug-04
Pantheon Global Secondary Fund III 'B'	8,915,447	0.4	2.0	0.7	-1.1	1.3	1.8	--	--	Jan-07
<i>Cambridge Associates Private Equity Composite</i>			3.9	4.2	5.4	9.1	11.9	--	--	Jan-07
Partners Group Secondary 2008, L.P.	2,538,677	0.1	-7.5	-6.4	3.0	0.6	4.4	--	--	Dec-08
<i>Cambridge Associates Private Equity Composite</i>			3.9	4.2	5.4	9.1	11.9	--	--	Dec-08
Great Hill Equity Partners IV, LP	4,155,151	0.2	6.0	12.3	19.2	27.6	26.0	--	--	Oct-08
<i>Cambridge Associates Private Equity Composite</i>			3.9	4.2	5.4	9.1	11.9	--	--	Oct-08
Global Fixed Income	396,417,202	19.8	-2.0	-1.0	2.8	1.1	2.3	--	2.3	Jan-12
<i>Fixed Income Custom Benchmark</i>			-6.0	-4.7	3.9	0.5	0.6	--	0.6	Jan-12
Global Core	303,930,345	15.2	-2.2	-1.6	1.8	--	--	--	1.0	Jul-15
<i>BBgBarc Global Aggregate TR</i>			-7.1	-6.3	2.1	--	--	--	1.3	Jul-15
Northern Trust Intermediate Gov't 1-10 Year	97,311,891	4.9	-2.2	-2.4	1.0	1.5	--	--	0.8	Oct-12
<i>BBgBarc US Govt Int TR</i>			-2.2	-2.4	1.1	1.6	--	--	0.8	Oct-12

¹ Fiscal Year begins July 1.

² Cambridge Associates Private Equity Composite (40% Secondary and 60% Fund of Funds) used since 1Q14. Data for the Venture Economics Private Equity Index was used through 4Q13, but the index was discontinued in early 2014.

³ Returns for the Fixed Income Aggregate are gross of fees through June 2015 and net of fees thereafter.

⁴ Prior to 7/1/2015, Fixed Income Custom Benchmark was 100% Barclays Global Aggregate. After 7/1/2015, Fixed Income Custom Benchmark consists of 80% Barclays Global Aggregate, 5% JPM GBI-EM GD, 5% JPM EMBI GD, 5% S&P Global Leveraged Loan, and 5% BAML Global HY Index.

Total Fund Aggregate

As of December 31, 2016

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Northern Trust TIPS 0-5 Years	111,331,672	5.6	-0.2	0.1	2.8	--	--	--	-0.1	Jul-14
<i>BBgBarc US Treasury TIPS 0-5 Yr TR</i>			-0.2	0.1	2.8	--	--	--	-0.1	<i>Jul-14</i>
Voya Securitized Credit	58,693,684	2.9	0.4	3.4	6.7	--	--	--	4.4	Jul-15
<i>BBgBarc Global Aggregate Securitized TR</i>			-3.0	-2.2	1.1	--	--	--	1.1	<i>Jul-15</i>
BlackRock Long Government Index	36,593,098	1.8	-11.4	-11.6	--	--	--	--	-6.2	Jun-16
<i>BBgBarc US Govt Long TR</i>			-11.5	-11.8	--	--	--	--	-6.4	<i>Jun-16</i>
Non-Investment Grade Credit	42,402,679	2.1	3.9	4.5	5.5	-1.4	--	--	0.6	Feb-13
<i>50% BAML Global HY / 50% S&P Global Leveraged Loan</i>			1.9	6.3	12.3	4.0	--	--	6.1	<i>Feb-13</i>
Davidson Kempner Institutional Partners, L.P.	36,566,797	1.8	2.0	3.7	6.4	4.0	--	--	5.1	Feb-13
<i>HFRI Event-Driven (Total) Index</i>			3.6	8.2	10.6	2.5	--	--	4.4	<i>Feb-13</i>
Claren Road Credit Fund	5,835,882	0.3	18.4	10.0	7.6	-5.6	--	--	-5.2	Jul-13
<i>HFRI RV: Fixed Income-Corporate Index</i>			2.6	6.8	11.6	3.5	--	--	4.2	<i>Jul-13</i>
Emerging Markets	50,084,177	2.5	-5.4	-1.9	7.5	--	--	--	0.1	Jul-15
<i>50% JPM EMBI GD / 50% JPM GBI-EM</i>			-5.1	-1.9	10.2	--	--	--	2.6	<i>Jul-15</i>
BlueBay Emerging Market Select Debt	50,084,177	2.5	-5.4	-1.9	7.5	--	--	--	0.1	Jul-15
<i>50% JPM EMBI GD / 50% JPM GBI-EM</i>			-5.1	-1.9	10.2	--	--	--	2.6	<i>Jul-15</i>
Private Debt	82,188,600	4.1	-1.4	0.1	1.4	4.3	6.5	--	5.8	Dec-10
<i>S&P Global Leveraged Loan +2%</i>			2.8	6.6	12.0	4.3	6.8	--	6.4	<i>Dec-10</i>
Medley Opportunity Fund II	39,804,847	2.0	2.9	4.2	3.5	6.6	7.9	--	7.0	Jun-11
<i>3-Month LIBOR + 5%</i>			1.5	2.9	5.8	5.5	5.4	--	5.4	<i>Jun-11</i>
White Oak Direct Lending Account	26,054,515	1.3	-10.0	-11.2	-0.5	3.1	4.3	--	4.0	Feb-11
<i>3-Month LIBOR + 5%</i>			1.5	2.9	5.8	5.5	5.4	--	5.4	<i>Feb-11</i>

¹ Fiscal Year begins July 1.² Returns for the Private Debt Aggregate are gross of fees through June 2015 and net of fees thereafter.

Total Fund Aggregate

As of December 31, 2016

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
GSO Direct Lending Account <i>3-Month LIBOR + 5%</i>	11,567,650	0.6	2.2	11.4	-2.0	0.4	5.0	--	8.0	Mar-11
			1.5	2.9	5.8	5.5	5.4	--	5.4	Mar-11
Cross Ocean USD ESS II <i>S&P Global Leveraged Loan +2%</i>	4,761,588	0.2	3.7	--	--	--	--	--	8.1	Aug-16
			2.8	--	--	--	--	--	4.7	Aug-16
Real Assets	447,327,877	22.3	0.8	2.3	13.9	0.4	-1.4	--	0.0	May-10
Real Estate	112,238,904	5.6	2.6	5.5	12.5	16.3	14.0	5.7	9.4	Jan-94
<i>NCREIF Property Index</i>			1.7	3.5	8.0	11.0	10.9	6.9	9.6	Jan-94
PRISA <i>NCREIF ODCE Equal Weighted (net)</i>	37,128,326	1.9	2.0	3.8	9.1	12.0	11.6	4.6	7.0	Jul-04
			2.0	3.9	8.3	11.3	11.2	4.7	6.9	Jul-04
American Realty <i>NCREIF ODCE Equal Weighted (net)</i>	39,412,042	2.0	1.6	2.8	8.1	11.2	11.0	4.8	4.8	Jan-07
			2.0	3.9	8.3	11.3	11.2	4.7	4.7	Jan-07
DRA Growth and Income Fund V <i>NCREIF Property Index</i>	1,441,205	0.1	4.8	31.6	39.6	28.7	18.7	8.7	8.4	Jan-06
			1.7	3.5	8.0	11.0	10.9	6.9	7.8	Jan-06
DRA Growth and Income Fund VII <i>NCREIF Property Index</i>	14,799,003	0.7	7.3	11.7	28.9	20.3	17.1	--	18.3	Apr-12
			1.7	3.5	8.0	11.0	10.9	--	10.9	Apr-12
DRA Growth & Income Fund VIII <i>NCREIF Property Index</i>	12,716,448	0.6	4.7	7.1	11.0	--	--	--	11.5	Jan-15
			1.7	3.5	8.0	--	--	--	10.6	Jan-15
DRA Growth and Income Fund VI <i>NCREIF Property Index</i>	2,977,728	0.1	3.4	4.3	15.7	23.7	16.8	--	10.6	Jan-08
			1.7	3.5	8.0	11.0	10.9	--	6.0	Jan-08

¹ Fiscal Year begins July 1.

² Returns for the Real Assets Aggregate are gross of fees through June 2015 and net of fees thereafter.



Total Fund Aggregate

As of December 31, 2016

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Fidelity Real Estate Growth Fund III	1,599,435	0.1	-3.6	-6.0	-0.1	17.5	16.7	--	-7.5	Jan-08
<i>NCREIF Property Index</i>			1.7	3.5	8.0	11.0	10.9	--	6.0	Jan-08
Tristan Capital Partners	2,164,717	0.1	-6.1	-5.0	3.8	--	--	--	3.8	Jan-16
<i>NCREIF Property Index</i>			1.7	3.5	8.0	--	--	--	8.0	Jan-16
Commodities	129,319,449	6.5	2.3	-0.8	3.8	-9.9	-8.5	--	-5.1	May-10
<i>Bloomberg Commodity Index TR USD</i>			2.7	-1.3	11.8	-11.3	-9.0	--	-6.2	May-10
Credit Suisse Risk Parity Commodity Index	91,354,609	4.6	3.1	-0.3	8.8	-7.7	-6.2	--	-7.4	Apr-11
<i>Custom Risk Parity Commodity Benchmark</i>			2.8	-0.8	7.6	-7.9	-6.4	--	-7.6	Apr-11
<i>Bloomberg Commodity Index TR USD</i>			2.7	-1.3	11.8	-11.3	-9.0	--	-10.8	Apr-11
Pinnacle Natural Resources, L.P.	37,964,840	1.9	0.3	-3.0	-5.1	--	--	--	-5.1	Jan-16
<i>Bloomberg Commodity Index TR USD</i>			2.7	-1.3	11.8	--	--	--	11.8	Jan-16
Infrastructure	95,814,639	4.8	-5.5	-3.3	12.5	--	--	--	3.5	Mar-14
<i>DJ Brookfield Global Infrastructure Net TR USD</i>			-5.2	-3.2	12.5	--	--	--	2.8	Mar-14
Rhumblin DJ Brookfield Global Infrastructure	91,973,413	4.6	-5.2	-3.0	12.9	--	--	--	-2.1	Jun-15
<i>DJ Brookfield Global Infrastructure Net TR USD</i>			-5.2	-3.2	12.5	--	--	--	-2.6	Jun-15
Global Infrastructure Partners III	3,831,660	0.2	-10.8	--	--	--	--	--	-10.8	Sep-16
<i>DJ Brookfield Global Infrastructure Net TR USD</i>			-5.2	--	--	--	--	--	-2.5	Sep-16
SSgA DJ Brookfield Infrastructure Index	9,565	0.0								
Natural Resources	109,954,885	5.5	4.7	9.6	30.6	-4.6	--	--	-3.6	Nov-12
<i>S&P Global Natural Resources Index TR USD</i>			6.7	13.1	32.3	-3.2	--	--	-1.4	Nov-12

¹ Fiscal Year begins July 1.² Custom Risk Parity Commodity Benchmark returns provided by Credit Suisse.³ Rhumblin's tracking error due to cash positions that resulted from a delay in the ability to invest in certain markets.

Total Fund Aggregate

As of December 31, 2016

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Rhumbline S&P Global Large MidCap Commodity & NR	109,938,675	5.5	4.7	9.6	30.6	--	--	--	-3.8	Jun-15
<i>S&P Global LargeMidCap Commodity and Resources GR USD</i>			4.6	9.7	31.5	--	--	--	-3.7	Jun-15
Northern Trust Global LargeMid Natural Resources	16,210	0.0								
Absolute Return	262,776,832	13.1	1.2	1.2	1.5	2.7	--	--	3.5	Nov-12
<i>HFRI Macro (Total) Index</i>			-0.6	-1.6	1.1	1.8	--	--	1.4	Nov-12
Relative Value	102,735,531	5.1	0.5	2.1	3.2	--	--	--	3.2	Oct-14
<i>HFRI Relative Value (Total) Index</i>			1.8	4.9	7.7	--	--	--	2.8	Oct-14
Arrowgrass International Fund Ltd	18,940,261	0.9	0.8	2.7	1.4	3.7	--	--	5.3	Nov-12
<i>HFRI Relative Value (Total) Index</i>			1.8	4.9	7.7	3.7	--	--	4.8	Nov-12
DE Shaw	39,288,559	2.0	-0.5	2.0	6.3	12.0	--	--	11.7	Apr-13
<i>HFRI Fund Weighted Composite Index</i>			1.2	4.2	5.5	2.4	--	--	3.3	Apr-13
Hudson Bay Fund	771,818	0.0	0.5	1.6	3.2	-0.5	--	--	0.7	Aug-13
<i>HFRI Relative Value (Total) Index</i>			1.8	4.9	7.7	3.7	--	--	4.3	Aug-13
JD Capital	20,130,212	1.0	0.6	--	--	--	--	--	0.6	Oct-16
<i>HFRI Relative Value (Total) Index</i>			1.8	--	--	--	--	--	1.8	Oct-16
Pine River Fund Ltd	23,604,680	1.2	1.4	1.5	-0.5	0.3	--	--	2.7	Jan-13
<i>HFRI Relative Value (Total) Index</i>			1.8	4.9	7.7	3.7	--	--	4.6	Jan-13
Macro	160,041,301	8.0	1.6	0.7	0.6	--	--	--	1.2	Oct-14
<i>HFRI Macro (Total) Index</i>			-0.6	-1.6	1.1	--	--	--	0.9	Oct-14
AHL Frontier Fund	10,205,012	0.5	1.0	2.1	--	--	--	--	2.1	Jun-16
<i>Barclay BTOP50 Index TR USD</i>			-2.6	-4.9	--	--	--	--	-4.9	Jun-16

¹ Fiscal Year begins July 1.

Total Fund Aggregate

As of December 31, 2016

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
BlueTrend Fund Limited	17,477,255	0.9	-4.2	-11.1	-11.0	1.2	--	--	-3.5	Apr-13
<i>Barclay BTOP50 Index TR USD</i>			-2.6	-4.9	-4.4	2.1	--	--	1.3	Apr-13
Brevan Howard Fund, Limited	26,321,912	1.3	5.4	4.7	1.5	--	--	--	-0.5	Aug-15
<i>HFRI Macro (Total) Index</i>			-0.6	-1.6	1.1	--	--	--	-0.5	Aug-15
Dymon Asia Macro	28,082,200	1.4	13.2	11.5	13.6	--	--	--	9.3	Sep-15
<i>HFRI Macro (Total) Index</i>			-0.6	-1.6	1.1	--	--	--	0.7	Sep-15
Kepos Alpha Fund	17,619,920	0.9	-6.5	-7.3	-7.2	1.3	--	--	-0.6	Mar-13
<i>HFRI Macro: Systematic Diversified Index</i>			-2.4	-5.1	-1.4	2.1	--	--	1.3	Mar-13
Keynes Leveraged Quantitative Strategies Fund	19,154,600	1.0	-2.2	-1.6	-4.2	--	--	--	-4.2	Jan-16
<i>Barclay BTOP50 Index TR USD</i>			-2.6	-4.9	-4.4	--	--	--	-4.4	Jan-16
MKP Opportunity Offshore, L.P.	10,016,446	0.5	5.9	5.2	1.3	--	--	--	-0.7	Jul-15
<i>HFRI Macro (Total) Index</i>			-0.6	-1.6	1.1	--	--	--	0.1	Jul-15
Pharo Management, Ltd.	31,163,955	1.6	-1.3	1.1	--	--	--	--	6.3	Apr-16
<i>HFRI Macro (Total) Index</i>			-0.6	-1.6	--	--	--	--	-0.4	Apr-16
GTAA/Oppportunistic	--	--	--	--	--	--	--	--	--	
Cash	192,887,277	9.6								
Internal Cash Account	163,595,692	8.2								
Russell Investments Overlay	29,288,014	1.5								

¹ Fiscal Year begins July 1.² Cash includes the cash account, cash equitized in the Russell Investments Overlay program, cash from private manager distributions, and residuals from the Terminated Manager Account.³ Overlay returns provided by Russell Investments.

As of December 31, 2016

Fiscal Year Performance

	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)	Fiscal 2010 (%)	Fiscal 2009 (%)	Fiscal 2008 (%)	Fiscal 2007 (%)
Total Fund Aggregate	-0.7	-1.0	14.2	8.0	-3.3	18.9	13.7	-17.0	-3.4	15.9
<i>Total Fund Ex Overlay (net)</i>	-0.9	-0.8	14.0	7.1	-2.6	18.9	13.7	-17.0	-3.4	15.9
<i>Consumer Price Index</i>	1.0	0.1	2.1	1.8	1.7	3.6	1.1	-1.4	5.0	2.7
<i>San Jose FCERS Policy Benchmark</i>	1.3	-3.3	17.0	8.3	-2.4	22.0	12.1	-15.3	-3.0	15.7
<i>San Jose FCERS Custom Benchmark</i>	0.7	-1.8	13.2	8.9	-3.2	18.6	11.4	-15.3	-2.8	18.3
Total Global Equity	-4.3	0.8	22.6	17.8	-7.1	31.7	--	--	--	--
<i>MSCI ACWI IMI Net USD</i>	-3.9	0.8	23.4	17.1	-6.9	31.0	--	--	--	--
Global Equity	-2.3	--	--	--	--	--	--	--	--	--
<i>MSCI ACWI IMI Net USD</i>	-3.9	--	--	--	--	--	--	--	--	--
<i>Artisan Global Value</i>	-2.0	0.6	24.4	27.7	2.8	--	--	--	--	--
<i>MSCI ACWI Value NR USD</i>	-4.8	-3.4	22.8	17.8	-7.8	--	--	--	--	--
<i>Russell Currency Hedge</i>										
US Equity	0.6	--	--	--	--	--	--	--	--	--
<i>Russell 3000</i>	2.1	--	--	--	--	--	--	--	--	--
<i>Cove Street Small Cap Value</i>	-2.3	-1.6	--	--	--	--	--	--	--	--
<i>Russell 2000 Value</i>	-2.6	0.8	--	--	--	--	--	--	--	--
<i>Northern Trust Russell 1000 Index</i>	--	--	--	--	--	--	--	--	--	--
<i>Russell 1000</i>	--	--	--	--	--	--	--	--	--	--

¹ Fiscal Year begins July 1.² Beginning in July 2012, fees are accounted for on a cash basis. Previously, fees were accounted for on an accrual basis.³ Please see the Appendix for composition of the San Jose FCERS Policy Benchmark.⁴ San Jose FCERS Custom Benchmark consists of the individual benchmarks that comprise the San Jose FCERS Policy Benchmark weighted accordingly to actual allocations and re-adjusted monthly.⁵ Global Equity includes <\$0.1 million of residuals from terminated managers or previous transitions.⁵ Returns for the Equity Aggregate are gross of fees through June 2015 and net of fees thereafter.⁶ Global Equity includes a partial currency hedge initiated on August 21, 2015 of the following currencies: Australian Dollar, Canadian Dollar, Swiss Franc, Euro, British Pound Sterling, and Japanese Yen. As of the date of this report, the unrealized profit or loss was -\$0.2 mm and the total net exposure of the hedge was \$27.6 mm.

Total Fund Aggregate

As of December 31, 2016

	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)	Fiscal 2010 (%)	Fiscal 2009 (%)	Fiscal 2008 (%)	Fiscal 2007 (%)
Northern Trust Russell 3000 Index <i>Russell 3000</i>										
International Equity	-8.4	--	--	--	--	--	--	--	--	--
<i>MSCI World ex USA</i>	-9.8	--	--	--	--	--	--	--	--	--
Northern Trust MSCI World ex. U.S. <i>MSCI World ex USA</i>	--	--	--	--	--	--	--	--	--	--
Oberweis International Opportunities <i>MSCI World ex US Small Cap Growth</i>	--	--	--	--	--	--	--	--	--	--
Emerging Markets Equity	-10.2	--	--	--	--	--	--	--	--	--
<i>MSCI Emerging Markets</i>	-12.1	--	--	--	--	--	--	--	--	--
Aberdeen Frontier Markets <i>MSCI Frontier Markets</i>	-12.0	-9.4	--	--	--	--	--	--	--	--
<i>MSCI Frontier Markets ex GCC NR USD</i>	-9.8	-13.9	--	--	--	--	--	--	--	--
Dimensional Fund Advisors EM Value <i>MSCI Emerging Markets</i>	--	--	--	--	--	--	--	--	--	--
Marketable Alternative Equity	-2.1	--	--	--	--	--	--	--	--	--
<i>HFRI Equity Hedge (Total) Index</i>	-5.0	--	--	--	--	--	--	--	--	--
Senator Global Opportunity Offshore Fund <i>HFRI Event-Driven (Total) Index</i>	-9.3	9.0	15.6	--	--	--	--	--	--	--
	-3.8	-0.8	11.2	--	--	--	--	--	--	--

¹ Fiscal Year begins July 1.

As of December 31, 2016

	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)	Fiscal 2010 (%)	Fiscal 2009 (%)	Fiscal 2008 (%)	Fiscal 2007 (%)
Horizon Portfolio I	5.2	7.0	9.8	--	--	--	--	--	--	--
<i>HFRI Equity Hedge (Total) Index</i>	-5.0	2.4	12.5	--	--	--	--	--	--	--
Sandler Plus Offshore Fund Ltd	6.8	16.6	2.9	--	--	--	--	--	--	--
<i>HFRI Equity Hedge (Total) Index</i>	-5.0	2.4	12.5	--	--	--	--	--	--	--
Marshall Wace Eureka Fund	0.4	15.7	--	--	--	--	--	--	--	--
<i>HFRI Equity Hedge (Total) Index</i>	-5.0	2.4	--	--	--	--	--	--	--	--
Private Equity	2.4	13.3	19.3	9.6	9.7	17.4	12.6	-23.8	14.0	2.9
<i>Cambridge Associates Private Equity Composite</i>	6.9	5.8	19.6	13.2	9.6	19.1	23.1	-22.9	9.8	22.4
Pantheon USA Fund VII	4.4	16.5	21.7	10.2	12.1	13.0	11.0	--	--	--
<i>Cambridge Associates Private Equity Composite</i>	6.9	5.8	19.6	13.2	9.6	19.1	23.1	--	--	--
Partners Group Secondary 2011, L.P.	9.4	24.8	21.6	--	--	--	--	--	--	--
<i>Cambridge Associates Private Equity Composite</i>	6.9	5.8	19.6	--	--	--	--	--	--	--
Pathway Private Equity Fund VIII	-3.7	14.5	22.2	10.9	14.0	21.2	16.2	--	--	--
<i>Cambridge Associates Private Equity Composite</i>	6.9	5.8	19.6	13.2	9.6	19.1	23.1	--	--	--
Pantheon Global Secondary Fund III 'B'	-2.9	0.1	9.4	2.0	-0.1	14.0	10.3	--	--	--
<i>Cambridge Associates Private Equity Composite</i>	6.9	5.8	19.6	13.2	9.6	19.1	23.1	--	--	--
Partners Group Secondary 2008, L.P.	-2.4	0.5	22.6	7.5	8.8	36.3	3.6	--	--	--
<i>Cambridge Associates Private Equity Composite</i>	6.9	5.8	19.6	13.2	9.6	19.1	23.1	--	--	--
Great Hill Equity Partners IV, LP	11.6	41.9	26.4	29.0	69.1	-10.1	7.0	--	--	--
<i>Cambridge Associates Private Equity Composite</i>	6.9	5.8	19.6	13.2	9.6	19.1	23.1	--	--	--

¹ Fiscal Year begins July 1.

² Cambridge Associates Private Equity Composite (40% Secondary and 60% Fund of Funds) used since 1Q14. Data for the Venture Economics Private Equity Index was used through 4Q13, but the index was discontinued in early 2014. Not available at the time of this report.

³ Returns for the Fixed Income Aggregate are gross of fees through June 2015 and net of fees thereafter.

⁴ Prior to 7/1/2015, Fixed Income Custom Benchmark was 100% Barclays Global Aggregate. After 7/1/2015, Fixed Income Custom Benchmark consists of 80% Barclays Global Aggregate, 5% JPM GBI-EM GD, 5% JPM EMBI GD, 5% S&P Global Leveraged Loan, and 5% BAML Global HY Index.

Total Fund Aggregate

As of December 31, 2016

	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)	Fiscal 2010 (%)	Fiscal 2009 (%)	Fiscal 2008 (%)	Fiscal 2007 (%)
Global Fixed Income	2.2	-0.7	4.5	3.6	--	--	--	--	--	--
<i>Fixed Income Custom Benchmark</i>	9.4	-7.1	7.4	-2.2	--	--	--	--	--	--
Global Core	3.2	--	--	--	--	--	--	--	--	--
<i>BBgBarc Global Aggregate TR</i>	8.9	--	--	--	--	--	--	--	--	--
Northern Trust Intermediate Gov't 1-10 Year	3.9	1.7	1.5	--	--	--	--	--	--	--
<i>BBgBarc US Govt Int TR</i>	3.9	1.8	1.5	--	--	--	--	--	--	--
Northern Trust TIPS 0-5 Years	1.6	-1.9	--	--	--	--	--	--	--	--
<i>BBgBarc US Treasury TIPS 0-5 Yr TR</i>	1.7	-1.9	--	--	--	--	--	--	--	--
Voya Securitized Credit	3.2	--	--	--	--	--	--	--	--	--
<i>BBgBarc Global Aggregate Securitized TR</i>	3.9	--	--	--	--	--	--	--	--	--
BlackRock Long Government Index	--	--	--	--	--	--	--	--	--	--
<i>BBgBarc US Govt Long TR</i>	--	--	--	--	--	--	--	--	--	--
Non-Investment Grade Credit	-2.9	-9.8	7.6	--	--	--	--	--	--	--
<i>50% BAML Global HY / 50% S&P Global Leveraged Loan</i>	0.9	-0.8	17.1	--	--	--	--	--	--	--
Davidson Kempner Institutional Partners, L.P.	2.0	0.3	9.9	--	--	--	--	--	--	--
<i>HFRI Event-Driven (Total) Index</i>	-3.8	-0.8	11.2	--	--	--	--	--	--	--
Claren Road Credit Fund	-10.4	-16.9	1.2	--	--	--	--	--	--	--
<i>HFRI RV: Fixed Income-Corporate Index</i>	0.6	-1.4	9.0	--	--	--	--	--	--	--
Emerging Markets	2.1	--	--	--	--	--	--	--	--	--
<i>50% JPM EMBI GD / 50% JPM GBI-EM</i>	6.0	--	--	--	--	--	--	--	--	--
BlueBay Emerging Market Select Debt	2.1	--	--	--	--	--	--	--	--	--
<i>50% JPM EMBI GD / 50% JPM GBI-EM</i>	6.0	--	--	--	--	--	--	--	--	--

¹ Fiscal Year begins July 1.² Returns for the Private Debt Aggregate are gross of fees through June 2015 and net of fees thereafter.

Total Fund Aggregate

As of December 31, 2016

	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)	Fiscal 2010 (%)	Fiscal 2009 (%)	Fiscal 2008 (%)	Fiscal 2007 (%)
Private Debt	3.6	4.0	10.2	11.5	9.3	--	--	--	--	--
<i>S&P Global Leveraged Loan +2%</i>	3.0	-0.2	10.0	9.1	5.6	--	--	--	--	--
Medley Opportunity Fund II	2.6	7.9	10.2	9.7	4.6	--	--	--	--	--
<i>3-Month LIBOR + 5%</i>	5.5	5.3	5.3	5.4	5.5	--	--	--	--	--
White Oak Direct Lending Account	17.5	-1.4	12.2	15.0	-2.0	--	--	--	--	--
<i>3-Month LIBOR + 5%</i>	5.5	5.3	5.3	5.4	5.5	--	--	--	--	--
GSO Direct Lending Account	-15.5	3.8	7.9	14.0	27.4	--	--	--	--	--
<i>3-Month LIBOR + 5%</i>	5.5	5.3	5.3	5.4	5.5	--	--	--	--	--
Cross Ocean USD ESS II	--	--	--	--	--	--	--	--	--	--
<i>S&P Global Leveraged Loan +2%</i>	--	--	--	--	--	--	--	--	--	--
Real Assets	-1.9	-10.4	19.4	-10.1	-10.9	27.7	--	--	--	--
Real Estate	14.8	22.0	13.4	9.7	12.2	15.3	-23.3	-24.2	10.7	21.7
<i>NCREIF Property Index</i>	10.6	13.0	11.2	10.7	12.0	16.7	-1.5	-19.6	9.2	17.2
PRISA	13.3	13.3	12.7	9.7	12.6	20.5	-4.5	-37.7	7.0	17.6
<i>NCREIF ODCE Equal Weighted (net)</i>	11.2	13.6	11.4	10.8	11.5	19.3	-8.5	-31.4	7.5	16.0
American Realty	12.3	12.9	11.5	10.3	11.0	16.5	-12.1	-26.2	9.4	--
<i>NCREIF ODCE Equal Weighted (net)</i>	11.2	13.6	11.4	10.8	11.5	19.3	-8.5	-31.4	7.5	--
DRA Growth and Income Fund V	22.4	27.0	7.8	3.7	4.6	8.4	-20.1	-10.6	17.2	9.1
<i>NCREIF Property Index</i>	10.6	13.0	11.2	10.7	12.0	16.7	-1.5	-19.6	9.2	17.2
DRA Growth and Income Fund VII	23.3	17.3	15.2	16.6	--	--	--	--	--	--
<i>NCREIF Property Index</i>	10.6	13.0	11.2	10.7	--	--	--	--	--	--

¹ Fiscal Year begins July 1.² Returns for the Real Assets Aggregate are gross of fees through June 2015 and net of fees thereafter.

Total Fund Aggregate

As of December 31, 2016

	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)	Fiscal 2010 (%)	Fiscal 2009 (%)	Fiscal 2008 (%)	Fiscal 2007 (%)
DRA Growth & Income Fund VIII	10.9	--	--	--	--	--	--	--	--	--
<i>NCREIF Property Index</i>	10.6	--	--	--	--	--	--	--	--	--
DRA Growth and Income Fund VI	21.5	36.8	16.6	5.1	28.4	11.4	-15.1	-8.4	--	--
<i>NCREIF Property Index</i>	10.6	13.0	11.2	10.7	12.0	16.7	-1.5	-19.6	--	--
Fidelity Real Estate Growth Fund III	12.8	41.5	17.9	13.6	13.4	34.8	-68.4	-31.7	--	--
<i>NCREIF Property Index</i>	10.6	13.0	11.2	10.7	12.0	16.7	-1.5	-19.6	--	--
Tristan Capital Partners	--	--	--	--	--	--	--	--	--	--
<i>NCREIF Property Index</i>	--	--	--	--	--	--	--	--	--	--
Commodities	-15.5	-22.4	16.0	-10.9	-11.8	27.2	--	--	--	--
<i>Bloomberg Commodity Index TR USD</i>	-13.3	-23.7	8.2	-8.0	-14.3	25.9	--	--	--	--
Credit Suisse Risk Parity Commodity Index	-11.4	-19.7	13.9	-7.4	-10.0	--	--	--	--	--
<i>Custom Risk Parity Commodity Benchmark</i>	-11.6	-20.1	14.3	-7.8	-9.5	--	--	--	--	--
<i>Bloomberg Commodity Index TR USD</i>	-13.3	-23.7	8.2	-8.0	-14.3	--	--	--	--	--
Pinnacle Natural Resources, L.P.	--	--	--	--	--	--	--	--	--	--
<i>Bloomberg Commodity Index TR USD</i>	--	--	--	--	--	--	--	--	--	--
Infrastructure	3.9	-2.8	--	--	--	--	--	--	--	--
<i>DJ Brookfield Global Infrastructure Net TR USD</i>	3.2	-3.7	--	--	--	--	--	--	--	--
Rhumblin DJ Brookfield Global Infrastructure	3.9	--	--	--	--	--	--	--	--	--
<i>DJ Brookfield Global Infrastructure Net TR USD</i>	3.2	--	--	--	--	--	--	--	--	--
Global Infrastructure Partners III	--	--	--	--	--	--	--	--	--	--
<i>DJ Brookfield Global Infrastructure Net TR USD</i>	--	--	--	--	--	--	--	--	--	--
SSgA DJ Brookfield Infrastructure Index										

¹ Fiscal Year begins July 1.² Rhumblin's tracking error due to cash position that resulted from a delay in the ability to invest in certain markets.

Total Fund Aggregate

As of December 31, 2016

	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)	Fiscal 2010 (%)	Fiscal 2009 (%)	Fiscal 2008 (%)	Fiscal 2007 (%)
Natural Resources	-9.5	-19.3	21.4	--	--	--	--	--	--	--
<i>S&P Global Natural Resources Index TR USD</i>	-8.9	-17.6	21.7	--	--	--	--	--	--	--
Rhumbline S&P Global Large MidCap Commodity & NR	-9.5	--	--	--	--	--	--	--	--	--
<i>S&P Global LargeMidCap Commodity and Resources GR USD</i>	-9.2	--	--	--	--	--	--	--	--	--
Northern Trust Global LargeMid Natural Resources										
Absolute Return	0.0	5.0	4.9	--	--	--	--	--	--	--
<i>HFRI Macro (Total) Index</i>	1.8	4.1	1.5	--	--	--	--	--	--	--
Relative Value	-0.3	--	--	--	--	--	--	--	--	--
<i>HFRI Relative Value (Total) Index</i>	-0.2	--	--	--	--	--	--	--	--	--
Arrowgrass International Fund Ltd	0.0	5.5	6.4	--	--	--	--	--	--	--
<i>HFRI Relative Value (Total) Index</i>	-0.2	1.8	9.0	--	--	--	--	--	--	--
DE Shaw	7.2	17.2	13.7	--	--	--	--	--	--	--
<i>HFRI Fund Weighted Composite Index</i>	-2.4	2.3	9.1	--	--	--	--	--	--	--
Hudson Bay Fund	-2.0	-2.9	--	--	--	--	--	--	--	--
<i>HFRI Relative Value (Total) Index</i>	-0.2	1.8	--	--	--	--	--	--	--	--
JD Capital	--	--	--	--	--	--	--	--	--	--
<i>HFRI Relative Value (Total) Index</i>	--	--	--	--	--	--	--	--	--	--
Pine River Fund Ltd	-8.8	7.5	4.4	--	--	--	--	--	--	--
<i>HFRI Relative Value (Total) Index</i>	-0.2	1.8	9.0	--	--	--	--	--	--	--
Macro	1.8	--	--	--	--	--	--	--	--	--
<i>HFRI Macro (Total) Index</i>	1.8	--	--	--	--	--	--	--	--	--

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.

Total Fund Aggregate

As of December 31, 2016

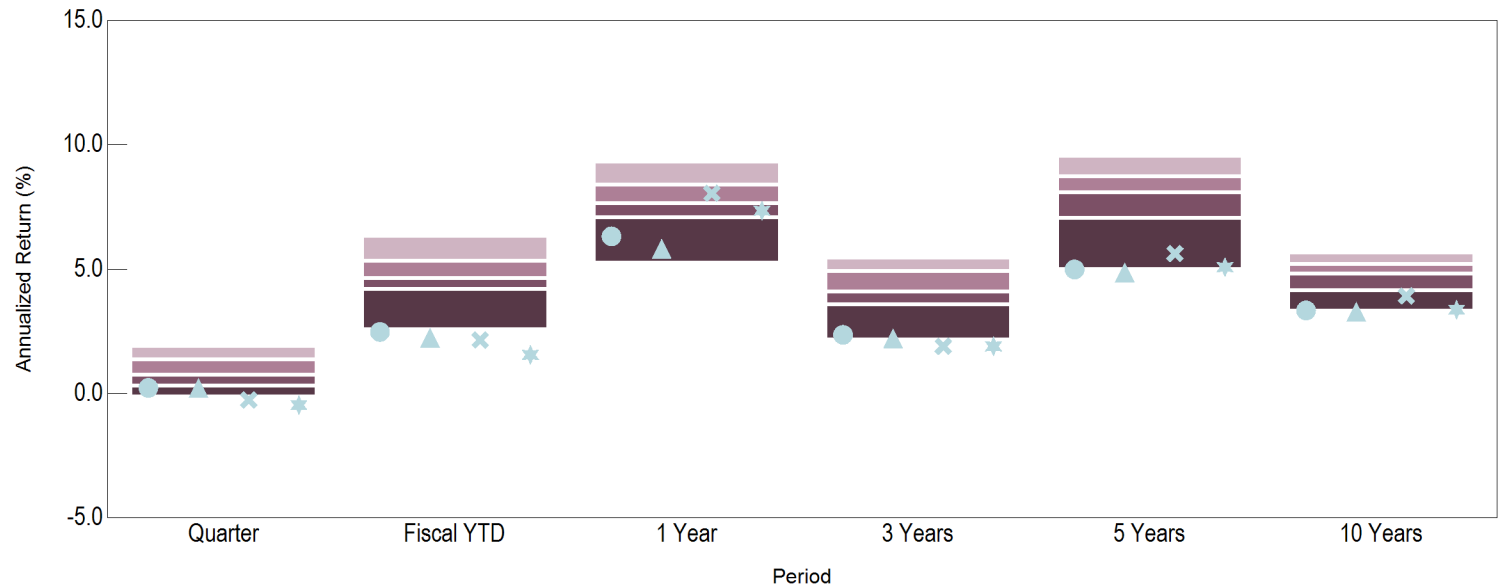
	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)	Fiscal 2010 (%)	Fiscal 2009 (%)	Fiscal 2008 (%)	Fiscal 2007 (%)
AHL Frontier Fund	--	--	--	--	--	--	--	--	--	--
<i>Barclay BTOP50 Index TR USD</i>	--	--	--	--	--	--	--	--	--	--
BlueTrend Fund Limited	6.7	3.0	4.9	--	--	--	--	--	--	--
<i>Barclay BTOP50 Index TR USD</i>	2.8	8.2	0.8	--	--	--	--	--	--	--
Brevan Howard Fund, Limited	--	--	--	--	--	--	--	--	--	--
<i>HFRI Macro (Total) Index</i>	--	--	--	--	--	--	--	--	--	--
Dymon Asia Macro	--	--	--	--	--	--	--	--	--	--
<i>HFRI Macro (Total) Index</i>	--	--	--	--	--	--	--	--	--	--
Kepos Alpha Fund	6.6	4.7	4.9	--	--	--	--	--	--	--
<i>HFRI Macro: Systematic Diversified Index</i>	3.1	8.6	0.2	--	--	--	--	--	--	--
Keynes Leveraged Quantitative Strategies Fund	--	--	--	--	--	--	--	--	--	--
<i>Barclay BTOP50 Index TR USD</i>	--	--	--	--	--	--	--	--	--	--
MKP Opportunity Offshore, L.P.	-6.0	--	--	--	--	--	--	--	--	--
<i>HFRI Macro (Total) Index</i>	1.8	--	--	--	--	--	--	--	--	--
Pharo Management, Ltd.	--	--	--	--	--	--	--	--	--	--
<i>HFRI Macro (Total) Index</i>	--	--	--	--	--	--	--	--	--	--
GTAA/Oppportunistic	--	--	--	--	--	--	--	--	--	--
Cash										
Internal Cash Account										
Russell Investments Overlay										

¹ Fiscal Year begins July 1.

² Overlay returns provided by Russell Investments.



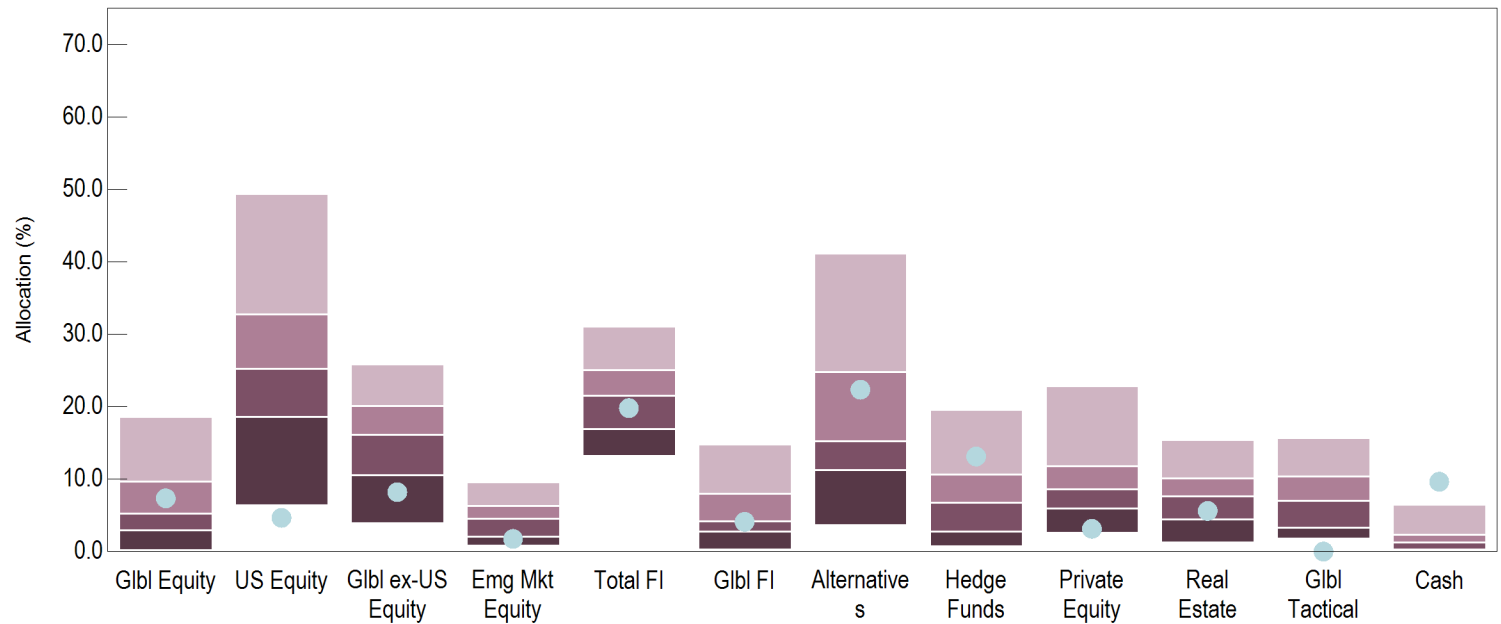
InvestorForce Public DB > \$1B Net Accounts



	Return (Rank)									
5th Percentile	1.9	(79)	6.3	(96)	9.3	(90)	5.4	(92)	9.5	(96)
25th Percentile	1.4	(79)	5.4	(97)	8.4	(94)	4.9	(95)	8.8	(98)
Median	0.8	(97)	4.6	(98)	7.7	(36)	4.1	(97)	8.1	(94)
75th Percentile	0.3	(97)	4.2	(98)	7.1	(67)	3.6	(97)	7.1	(95)
95th Percentile	-0.1	(98)	2.6	(99)	5.3	(67)	2.2	(97)	5.0	(95)
# of Portfolios	62		62		62		60		60	
● Total Fund Aggregate	0.2	(79)	2.5	(96)	6.3	(90)	2.4	(92)	5.0	(96)
▲ Total Fund Ex Overlay (net)	0.2	(79)	2.2	(97)	5.8	(94)	2.2	(95)	4.9	(98)
× San Jose FCERS Policy Benchmark	-0.3	(97)	2.2	(98)	8.0	(36)	1.9	(97)	5.6	(94)
* San Jose FCERS Custom Benchmark	-0.5	(98)	1.6	(99)	7.3	(67)	1.9	(97)	5.1	(95)



Total Plan Allocation vs. InvestorForce Public DB > \$1B Net
As of December 31, 2016



	Allocation (Rank)											
5th Percentile	18.6	49.3	25.8	9.6	31.0	14.8	41.1	19.6	22.8	15.4	15.7	6.5
25th Percentile	9.7	32.8	20.2	6.4	25.1	8.0	24.9	10.7	11.9	10.2	10.5	2.4
Median	5.3	25.3	16.2	4.6	21.6	4.2	15.3	6.8	8.7	7.7	7.1	1.4
75th Percentile	3.0	18.7	10.7	2.1	17.0	2.9	11.3	2.8	6.1	4.5	3.4	0.4
95th Percentile	0.3	6.5	4.0	0.9	13.3	0.3	3.8	0.8	2.7	1.4	1.9	0.1
# of Portfolios	23	53	51	41	59	28	56	42	53	52	22	55
● Total Fund Aggregate	7.3 (41)	4.7 (98)	8.2 (82)	1.7 (81)	19.8 (59)	4.1 (51)	22.3 (28)	13.1 (17)	3.1 (89)	5.6 (65)	0.0 (99)	9.6 (2)



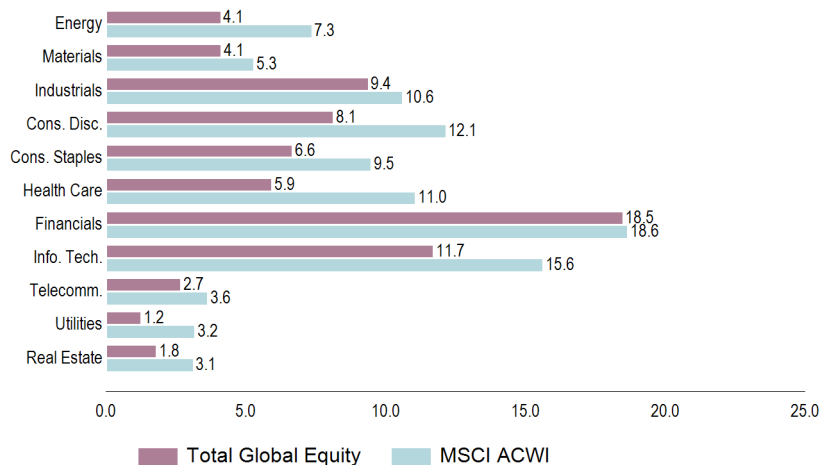
Total Global Equity

As of December 31, 2016

Asset Allocation on December 31, 2016

	Actual	Actual
Aberdeen Frontier Markets	\$17,444,204	3.1%
Artisan Global Value	\$146,751,354	26.3%
Cove Street Small Cap Value	\$32,014,564	5.7%
Dimensional Fund Advisors EM Value	\$17,537,607	3.1%
Horizon Portfolio I	\$31,218,156	5.6%
Marshall Wace Eureka Fund	\$24,654,331	4.4%
Northern Trust MSCI World ex. U.S.	\$135,796,951	24.4%
Northern Trust Russell 1000 Index	\$61,265,269	11.0%
Northern Trust Russell 3000 Index	\$5	0.0%
Oberweis International Opportunities	\$28,413,271	5.1%
Russell Currency Hedge	\$272,332	0.0%
Russell EAFE Small Cap	\$900	0.0%
Sandler Plus Offshore Fund Ltd	\$25,396,648	4.6%
Senator Global Opportunity Offshore Fund	\$36,350,247	6.5%

Sector Allocation (%) vs MSCI ACWI



Total Equity Characteristics

	Portfolio Q4-16	Index Q4-16	Portfolio Q3-16
Market Value			
Market Value (\$M)	557.12	--	535.10
Number Of Holdings	7938	2486	5778
Characteristics			
Weighted Avg. Market Cap. (\$B)	64.08	93.92	69.48
Median Market Cap (\$B)	1.67	8.37	1.83
P/E Ratio	21.12	21.49	20.39
Yield	2.36	2.46	2.51
EPS Growth - 5 Yrs.	7.21	7.04	6.91
Price to Book	3.22	3.23	3.34
Beta (holdings; domestic)	1.09	1.03	1.09

Top 10 Holdings

HORIZON PORTFOLIO I LIMITED LIMITED PARTNERSHIP	5.6%
SANDLER PLUS LP	4.6%
SENATOR GL OPP OFFSH FD LTD MUTUAL FUND	4.5%
CASH - USD	4.5%
MARSHALL WACE FUNDS LIMITED PARTNERSHIP	4.5%
SENATOR GL OPP OFFSH FD LTD SERIES 77	2.1%
CITIGROUP	1.1%
MICROSOFT	1.1%
BANK OF NEW YORK MELLON	1.1%
ARCH CAP.GP.	1.1%
Total	30.1%

¹ Characteristics exclude Marketable Alternatives Equity.



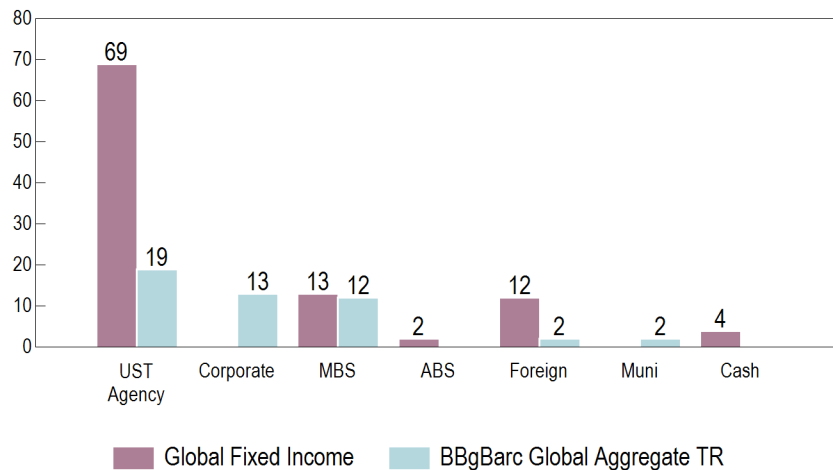
Asset Allocation on December 31, 2016

	Actual	Actual
BlackRock Long Government Index	\$36,593,098	9.2%
BlueBay Emerging Market Select Debt	\$50,084,177	12.6%
Claren Road Credit Fund	\$5,835,882	1.5%
Davidson Kempner Institutional Partners, L.P.	\$36,566,797	9.2%
Northern Trust Intermediate Gov't 1-10 Year	\$97,311,891	24.5%
Northern Trust TIPS 0-5 Years	\$111,331,672	28.1%
Voya Securitized Credit	\$58,693,684	14.8%
Total	\$396,417,202	100.0%

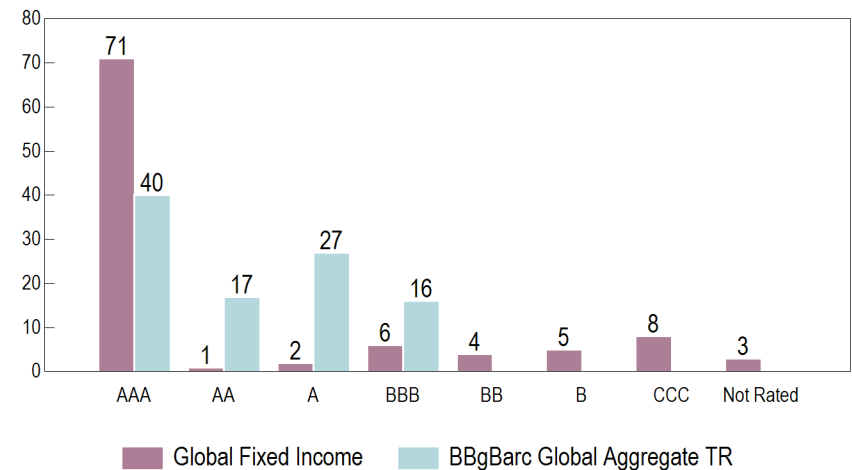
Fixed Income Assets Characteristics vs. BBgBarc Global Aggregate TR

	Portfolio Q4-16	Index Q4-16	Portfolio Q3-16
Fixed Income Characteristics			
Yield to Maturity	2.8	1.6	2.4
Average Duration	4.6	6.9	5.0
Average Quality	AA	AA	AA

Sector Allocation



Credit Quality Allocation



¹ Characteristics exclude Non-Investment Grade Credit.



Artisan Global Value

As of December 31, 2016

Account Information

Account Name	Artisan Global Value
Account Structure	Separate Account
Investment Style	Active
Inception Date	3/01/11
Account Type	Global Equity
Benchmark	MSCI ACWI Value NR USD
Universe	eA Global Value Equity Net

Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Artisan Global Value	2.8	10.1	11.4	4.8	13.0	--	10.9	Mar-11
MSCI ACWI Value NR USD	4.8	10.3	12.6	2.8	9.0	2.6	5.2	Mar-11
eA Global Value Equity Net Median	2.2	8.4	9.4	2.8	9.9	3.4	6.6	Mar-11
eA Global Value Equity Net Rank	42	37	35	18	7	--	1	Mar-11

Top 10 Holdings

CASH - USD	13.5%
SAMSUNG ELECTRONICS	4.0%
ARCH CAP.GP.	4.0%
BANK OF NEW YORK MELLON	4.0%
CITIGROUP	3.9%
ORACLE	3.4%
MICROSOFT	3.3%
QUALCOMM	3.3%
MARSH & MCLENNAN	3.2%
ABB LTD N	3.2%
Total	45.7%

Artisan Global Value Characteristics

	Portfolio Q4-16	Index Q4-16	Portfolio Q3-16
Market Value			
Market Value (\$M)	146.8	--	142.8
Number Of Holdings	48	2486	52
Characteristics			
Weighted Avg. Market Cap. (\$B)	91.2	93.9	91.3
Median Market Cap (\$B)	34.6	8.4	31.9
P/E Ratio	19.3	21.5	17.9
Yield	2.1	2.5	2.2
EPS Growth - 5 Yrs.	9.0	7.0	8.8
Price to Book	2.7	3.2	2.8
Beta (holdings; domestic)	1.1	1.0	1.1
Sector Distribution			
Energy	2.3	7.3	2.4
Materials	0.0	5.3	0.0
Industrials	9.3	10.6	10.0
Consumer Discretionary	3.3	12.1	3.7
Consumer Staples	6.4	9.5	6.8
Health Care	5.4	11.0	6.2
Financials	34.5	18.6	31.3
Information Technology	22.3	15.6	25.1
Telecommunication Services	2.9	3.6	3.3
Utilities	0.0	3.2	0.0
Real Estate	0.0	3.1	0.0



Northern Trust Russell 1000 Index

As of December 31, 2016

Account Information

Account Name	Northern Trust Russell 1000 Index
Account Structure	Commingled Fund
Investment Style	Passive
Inception Date	11/01/16
Account Type	US Stock Large
Benchmark	Russell 1000
Universe	

Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Northern Trust Russell 1000 Index	--	--	--	--	--	--	5.9	Nov-16
<i>Russell 1000</i>	3.8	8.0	12.1	8.6	14.7	7.1	5.9	Nov-16

Top 10 Holdings

APPLE	3.0%
MICROSOFT	2.3%
EXXON MOBIL	1.8%
JOHNSON & JOHNSON	1.5%
JP MORGAN CHASE & CO.	1.5%
BERKSHIRE HATHAWAY 'B'	1.5%
AMAZON.COM	1.4%
GENERAL ELECTRIC	1.4%
AT&T	1.3%
FACEBOOK CLASS A	1.2%
Total	16.9%

Northern Trust Russell 1000 Index Characteristics

	Portfolio	Index
	Q4-16	Q4-16
Market Value		
Market Value (\$M)	61.3	--
Number Of Holdings	960	999
Characteristics		
Weighted Avg. Market Cap. (\$B)	127.5	125.2
Median Market Cap (\$B)	8.3	8.3
P/E Ratio	23.4	22.4
Yield	2.0	2.0
EPS Growth - 5 Yrs.	8.4	8.3
Price to Book	4.5	4.1
Beta (holdings; domestic)	1.0	1.0

Sector Distribution

Energy	7.4	7.3
Materials	3.2	3.3
Industrials	10.3	10.5
Consumer Discretionary	12.6	12.5
Consumer Staples	9.0	8.8
Health Care	12.4	13.1
Financials	15.0	15.1
Information Technology	20.4	20.2
Telecommunication Services	2.7	2.6
Utilities	3.2	3.1
Real Estate	3.8	3.7



Cove Street Small Cap Value

As of December 31, 2016

Account Information

Account Name	Cove Street Small Cap Value
Account Structure	Separate Account
Investment Style	Active
Inception Date	5/01/14
Account Type	US Stock Small Cap Value
Benchmark	Russell 2000 Value
Universe	eA US Small Cap Value Equity Net

Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Cove Street Small Cap Value	4.9	14.4	20.0	--	--	--	6.4	May-14
Russell 2000 Value	14.1	24.2	31.7	8.3	15.1	6.3	9.7	May-14
eA US Small Cap Value Equity Net Median	12.0	20.6	26.2	8.0	14.9	7.6	9.0	May-14
eA US Small Cap Value Equity Net Rank	97	91	83	--	--	--	76	May-14

Top 10 Holdings

CASH - USD	9.5%
HERITAGE CRYSTAL CLEAN	4.9%
FMC	4.9%
VIASAT	4.6%
LIBERTY GLOBAL LILAC CLASS A	4.1%
CARROLS RESTAURANT GP.	4.1%
GP STRATEGIES	3.8%
TEGNA	3.6%
SCRIPPS E W 'A'	3.2%
BELMOND 'A'	2.9%
Total	45.6%

Cove Street Small Cap Value Characteristics

	Portfolio Q4-16	Index Q4-16	Portfolio Q3-16
Market Value			
Market Value (\$M)	32.0	--	30.5
Number Of Holdings	35	1369	35
Characteristics			
Weighted Avg. Market Cap. (\$B)	2.0	2.0	1.8
Median Market Cap (\$B)	1.1	0.7	0.8
P/E Ratio	21.3	21.5	22.3
Yield	0.7	1.6	0.5
EPS Growth - 5 Yrs.	-8.8	8.5	-11.7
Price to Book	2.9	1.8	2.9
Beta (holdings; domestic)	1.4	1.2	1.5
Sector Distribution			
Energy	1.3	5.9	1.3
Materials	11.1	4.6	8.1
Industrials	17.1	12.6	21.3
Consumer Discretionary	29.1	9.9	26.6
Consumer Staples	0.0	2.8	0.0
Health Care	2.8	4.3	3.6
Financials	6.0	33.2	6.1
Information Technology	15.7	10.4	16.0
Telecommunication Services	2.5	0.7	1.8
Utilities	0.0	6.0	0.0
Real Estate	4.8	9.6	6.4

Oberweis International Opportunities

As of December 31, 2016

Account Information

Account Name	Oberweis International Opportunities
Account Structure	Separate Account
Investment Style	Active
Inception Date	11/01/15
Account Type	International Small Stocks
Benchmark	MSCI World ex US Small Cap Growth
Universe	eA ACWI ex-US All Cap Equity Net

Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Oberweis International Opportunities	-7.5	-3.1	-4.3	--	--	--	-0.2	Nov-15
<i>MSCI World ex US Small Cap Growth</i>	-5.3	1.5	0.9	1.8	8.5	2.7	2.2	Nov-15
<i>eA ACWI ex-US All Cap Equity Net Median</i>	-3.5	2.7	1.7	-0.7	7.1	1.8	-0.8	Nov-15
<i>eA ACWI ex-US All Cap Equity Net Rank</i>	95	97	83	--	--	--	45	Nov-15

Top 10 Holdings

CASH - USD	3.6%
MICRO FOCUS INTL.	2.4%
JUST EAT	2.1%
LOGITECH 'R'	2.0%
MITSUI CHEMICALS	1.9%
KOITO MANUFACTURING	1.8%
PAREX RESOURCES	1.8%
MORINAGA	1.7%
TELEPERFORMANCE	1.7%
JAPAN LIFELINE	1.7%
Total	20.6%

Oberweis International Opportunities Characteristics

	Portfolio Q4-16	Index Q4-16	Portfolio Q3-16
Market Value			
Market Value (\$M)	28.4	--	30.7
Number Of Holdings	103	2454	37
Characteristics			
Weighted Avg. Market Cap. (\$B)	3.9	2.1	5.3
Median Market Cap (\$B)	3.1	1.0	3.6
P/E Ratio	27.8	19.5	23.0
Yield	1.4	2.2	2.2
EPS Growth - 5 Yrs.	14.9	10.0	13.8
Price to Book	4.3	2.4	4.7
Beta (holdings; domestic)	1.0	1.0	0.8
Sector Distribution			
Energy	5.1	4.8	0.0
Materials	9.9	10.9	7.9
Industrials	19.6	21.0	29.7
Consumer Discretionary	19.0	15.4	12.0
Consumer Staples	10.0	6.5	3.6
Health Care	7.7	6.5	0.0
Financials	2.9	11.0	23.5
Information Technology	19.0	9.8	17.9
Telecommunication Services	0.0	1.0	0.0
Utilities	1.0	2.3	0.0
Real Estate	2.1	10.5	5.2



As of December 31, 2016

Account Information

Account Name	Northern Trust MSCI World ex. U.S.
Account Structure	Commingled Fund
Investment Style	Passive
Inception Date	11/01/16
Account Type	Non-US Stock All
Benchmark	MSCI World ex USA
Universe	

Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Northern Trust MSCI World ex. U.S.	--	--	--	--	--	--	1.6	Nov-16
MSCI World ex USA	-0.4	5.9	2.7	-1.6	6.1	0.9	1.6	Nov-16

Top 10 Holdings

NESTLE 'R'	1.7%
NOVARTIS 'R'	1.2%
ROCHE HOLDING	1.2%
HSBC HOLDINGS	1.2%
TOYOTA MOTOR	1.2%
ROYAL DUTCH SHELL A(LON)	0.9%
BP (OTC)	0.9%
TOTAL	0.8%
ROYAL DUTCH SHELL B	0.8%
BRITISH AMERICAN TOBACCO	0.8%
Total	10.7%

Northern Trust MSCI ACWI ex. U.S. Characteristics

	Portfolio Q4-16	Index Q4-16
Market Value		
Market Value (\$M)	135.8	--
Number Of Holdings	1051	1024
Characteristics		
Weighted Avg. Market Cap. (\$B)	49.8	49.4
Median Market Cap (\$B)	8.5	8.6
P/E Ratio	21.5	21.0
Yield	3.1	3.0
EPS Growth - 5 Yrs.	5.7	5.4
Price to Book	3.0	2.4
Beta (holdings; domestic)	1.0	1.0

Sector Distribution

Energy	7.0	7.1
Materials	7.8	8.2
Industrials	13.3	13.4
Consumer Discretionary	11.7	11.8
Consumer Staples	10.4	10.5
Health Care	9.7	9.7
Financials	22.9	23.1
Information Technology	5.1	5.2
Telecommunication Services	4.2	4.3
Utilities	3.2	3.2
Real Estate	3.4	3.5

Aberdeen Frontier Markets

As of December 31, 2016

Account Information

Account Name	Aberdeen Frontier Markets
Account Structure	Commingled Fund
Investment Style	Active
Inception Date	12/01/13
Account Type	International Emerging Stocks
Benchmark	MSCI Frontier Markets
Universe	

Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Aberdeen Frontier Markets	-2.6	2.3	-1.0	-5.2	--	--	-4.8	Dec-13
MSCI Frontier Markets	0.5	3.2	2.7	-2.1	5.2	-0.6	-1.4	Dec-13
MSCI Frontier Markets ex GCC NR USD	-1.9	1.0	2.5	-5.1	4.2	-2.7	-4.9	Dec-13

Top 10 Holdings

VIETNAM DAIRY PRODUCTS	6.1%
JOHN KEELLS HOLDINGS	5.1%
SAFARICOM	4.8%
EPAM SYSTEMS	4.4%
HABIB BANK	4.1%
BRD GROUPE SOCIETE GL.	3.9%
MTN GROUP	3.4%
BANK OF GEORGIA HDG.	3.3%
HIKMA PHARMACEUTICALS	3.1%
COCA COLA ICECEK	3.1%
Total	41.4%

Aberdeen Frontier Markets Characteristics

	Portfolio Q4-16	Index Q4-16	Portfolio Q3-16
Market Value			
Market Value (\$M)	17.4	--	17.9
Number Of Holdings	48	123	46
Characteristics			
Weighted Avg. Market Cap. (\$B)	3.6	4.3	3.7
Median Market Cap (\$B)	1.5	1.6	1.7
P/E Ratio	21.9	14.3	22.0
Yield	3.4	4.1	3.5
EPS Growth - 5 Yrs.	13.1	8.0	11.7
Price to Book	5.1	2.7	5.0
Beta (holdings; domestic)	1.1	1.1	1.1

Sector Distribution

Energy	4.8	8.3	4.5
Materials	6.3	7.2	4.0
Industrials	8.3	2.7	8.7
Consumer Discretionary	2.8	1.1	1.5
Consumer Staples	26.2	10.2	30.0
Health Care	7.5	2.6	7.9
Financials	22.7	43.5	22.7
Information Technology	6.9	0.8	6.3
Telecommunication Services	12.2	14.0	12.3
Utilities	0.0	3.6	0.0
Real Estate	2.3	4.5	2.2

Dimensional Fund Advisors EM Value

As of December 31, 2016

Account Information

Account Name	Dimensional Fund Advisors EM Value
Account Structure	Mutual Fund
Investment Style	Active
Inception Date	11/01/16
Account Type	Equity
Benchmark	MSCI Emerging Markets
Universe	

Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Dimensional Fund Advisors EM Value	--	--	--	--	--	--	-3.1	Nov-16
MSCI Emerging Markets	-4.2	4.5	11.2	-2.6	1.3	1.8	-4.4	Nov-16

Top 10 Holdings

CHINA CON.BANK 'H'	3.3%
RELIANCE INDUSTRIES	2.0%
OAO GAZPROM ADS (LON)	1.8%
INDL.& COML.BK.OF CHINA 'H'	1.5%
BANK OF CHINA 'H'	1.5%
PTT FB	1.4%
PTRO.BRAO.ADR 1:2	1.3%
HYUNDAI MOTOR	1.2%
PTRO.BRAO.ADR 1:2	1.2%
STANDARD BK.GP.	1.1%
Total	16.4%

Dimensional Fund Advisors EM Value Characteristics

	Portfolio Q4-16	Index Q4-16
Market Value		
Market Value (\$M)	17.5	--
Number Of Holdings	2215	832
Characteristics		
Weighted Avg. Market Cap. (\$B)	18.8	48.4
Median Market Cap (\$B)	0.4	4.6
P/E Ratio	13.0	18.3
Yield	3.0	2.6
EPS Growth - 5 Yrs.	1.1	8.7
Price to Book	1.2	2.6
Beta (holdings; domestic)	1.2	1.1

Sector Distribution

Energy	15.5	7.9
Materials	16.4	7.4
Industrials	9.1	5.8
Consumer Discretionary	9.5	10.3
Consumer Staples	3.8	7.2
Health Care	0.5	2.5
Financials	29.6	24.4
Information Technology	8.3	23.2
Telecommunication Services	2.2	5.9
Utilities	1.7	2.9
Real Estate	3.3	2.6



Account Information

Account Name	Senator Global Opportunity Offshore Fund
Account Structure	Hedge Fund
Investment Style	Active
Inception Date	4/01/13
Account Type	Long/Short Equity
Benchmark	HFRI Event-Driven (Total) Index
Universe	

Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Senator Global Opportunity Offshore Fund	-0.3	5.0	2.8	2.5	--	--	5.9	Apr-13
<i>HFRI Event-Driven (Total) Index</i>	3.6	8.2	10.6	2.5	5.7	4.1	4.3	Apr-13

Account Information

Account Name	Horizon Portfolio I
Account Structure	Hedge Fund
Investment Style	Active
Inception Date	7/01/13
Account Type	Long/Short Equity
Benchmark	HFRI Equity Hedge (Total) Index
Universe	

Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Horizon Portfolio I	-0.5	-3.1	-1.1	4.2	--	--	5.3	Jul-13
<i>HFRI Equity Hedge (Total) Index</i>	1.3	5.9	5.5	2.1	5.5	2.9	4.3	Jul-13

Account Information

Account Name	Sandler Plus Offshore Fund Ltd
Account Structure	Hedge Fund
Investment Style	Active
Inception Date	5/01/13
Account Type	Long/Short Equity
Benchmark	HFRI Equity Hedge (Total) Index
Universe	

Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Sandler Plus Offshore Fund Ltd	-0.7	0.4	0.4	6.2	--	--	6.7	May-13
<i>HFRI Equity Hedge (Total) Index</i>	1.3	5.9	5.5	2.1	5.5	2.9	4.0	May-13

Account Information

Account Name	Marshall Wace Eureka Fund
Account Structure	Hedge Fund
Investment Style	Active
Inception Date	4/01/14
Account Type	Long/Short Equity
Benchmark	HFRI Equity Hedge (Total) Index
Universe	

Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Marshall Wace Eureka Fund	1.7	4.3	1.3	--	--	--	7.4	Apr-14
<i>HFRI Equity Hedge (Total) Index</i>	1.3	5.9	5.5	2.1	5.5	2.9	1.8	Apr-14

San Jose Federated City Employees' Retirement System
Northern Trust Intermediate Gov't 1-10 Year

As of December 31, 2016

Account Information

Account Name	Northern Trust Intermediate Gov't 1-10 Year
Account Structure	Commingled Fund
Investment Style	Passive
Inception Date	10/01/12
Account Type	US Fixed Income
Benchmark	BBgBarc US Govt Int TR
Universe	

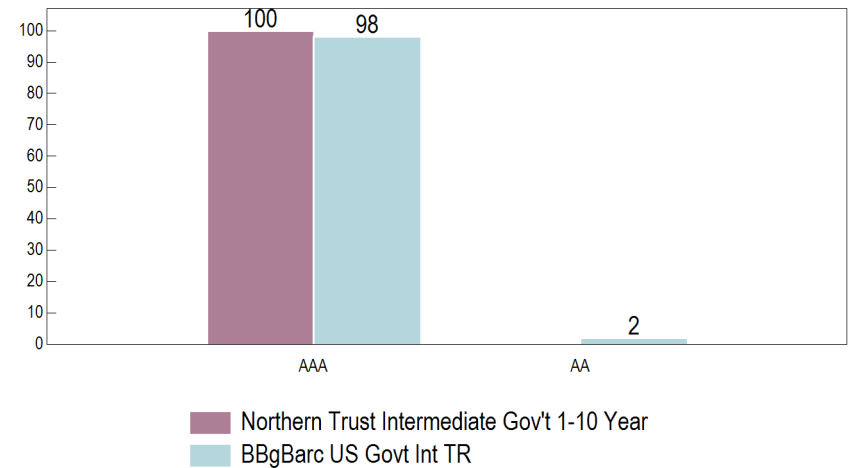
Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Northern Trust Intermediate Gov't 1-10 Year	-2.2	-2.4	1.0	1.5	--	--	0.8	Oct-12
BBgBarc US Govt Int TR	-2.2	-2.4	1.1	1.6	1.0	3.4	0.8	Oct-12

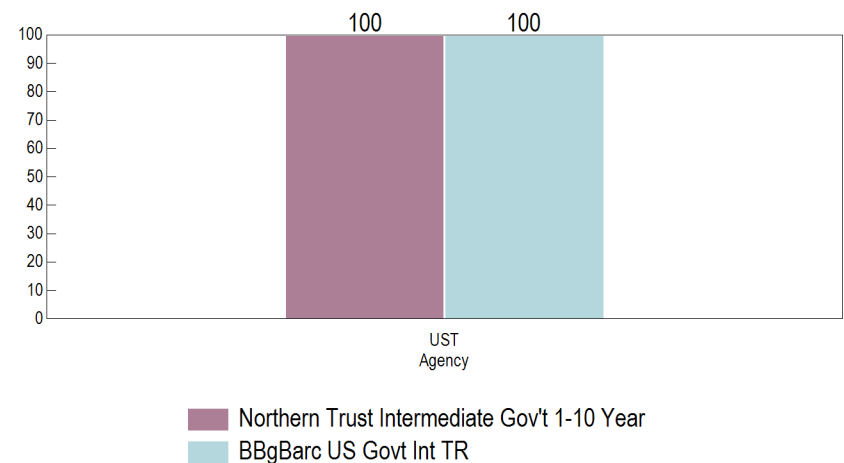
Northern Trust Intermediate Gov't 1-10 Year Characteristics vs. BBgBarc US Govt Int TR

	Portfolio Q4-16	Index Q4-16	Portfolio Q3-16
Fixed Income Characteristics			
Yield to Maturity	1.7	1.7	1.1
Average Duration	3.9	3.9	3.9
Average Quality	AAA	AAA	AAA

Credit Quality Allocation



Sector Allocation



Account Information

Account Name	Northern Trust TIPS 0-5 Years
Account Structure	Separate Account
Investment Style	Passive
Inception Date	7/01/14
Account Type	US Inflation Protected Fixed
Benchmark	BBgBarc US Treasury TIPS 0-5 Yr TR
Universe	

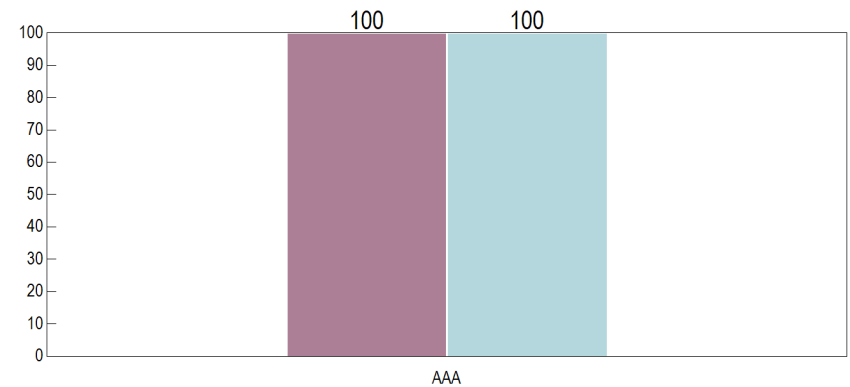
Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Northern Trust TIPS 0-5 Years	-0.2	0.1	2.8	--	--	--	-0.1	Jul-14
BBgBarc US Treasury TIPS 0-5 Yr TR	-0.2	0.1	2.8	0.5	0.5	2.8	-0.1	Jul-14

Northern Trust TIPS 0-5 Years Characteristics vs. BBgBarc US Treasury TIPS 0-5 Yr TR

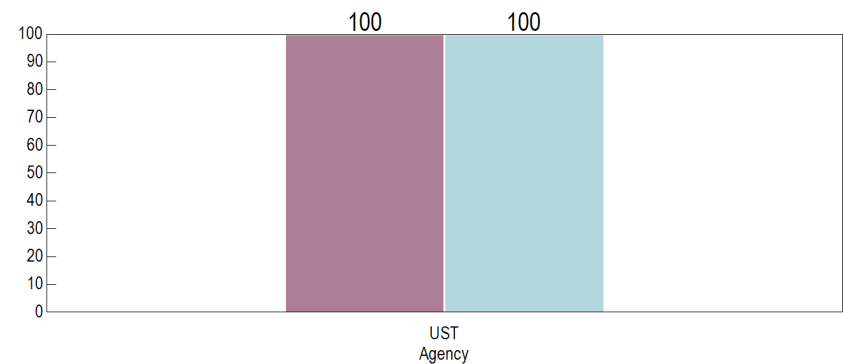
	Portfolio Q4-16	Index Q4-16	Portfolio Q3-16
Fixed Income Characteristics			
Yield to Maturity	1.2	-0.3	0.8
Average Duration	1.8	1.5	2.2
Average Quality	AAA	AAA	AAA

Credit Quality Allocation



■ Northern Trust TIPS 0-5 Years
■ BBgBarc US Treasury TIPS 0-5 Yr TR

Sector Allocation



■ Northern Trust TIPS 0-5 Years
■ BBgBarc US Treasury TIPS 0-5 Yr TR

Account Information

Account Name	Voya Securitized Credit
Account Structure	Separate Account
Investment Style	Active
Inception Date	7/01/15
Account Type	Global Fixed Income
Benchmark	BBgBarc Global Aggregate Securitized TR
Universe	

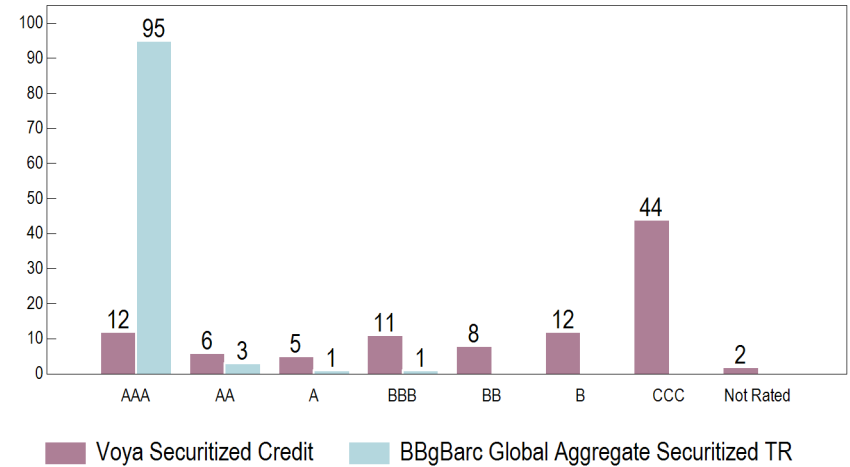
Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Voya Securitized Credit	0.4	3.4	6.7	--	--	--	4.4	Jul-15
BBgBarc Global Aggregate Securitized TR	-3.0	-2.2	1.1	1.3	1.9	3.9	1.1	Jul-15

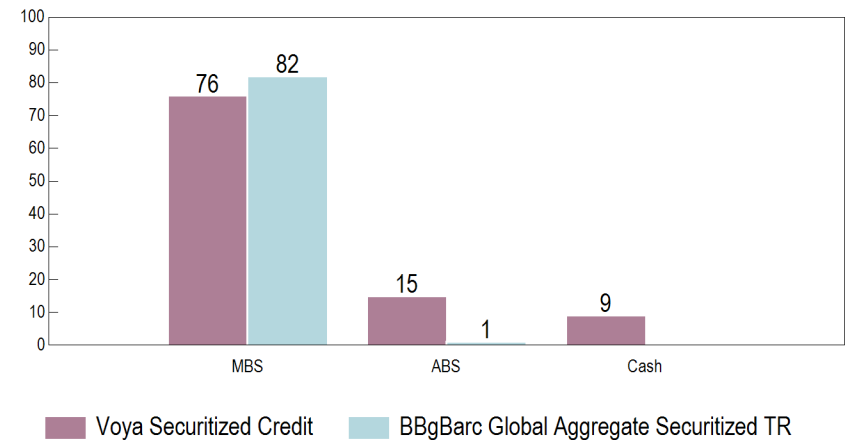
Voya Securitized Credit Characteristics vs. BBgBarc Global Aggregate Securitized TR

	Portfolio Q4-16	Index Q4-16	Portfolio Q3-16
Fixed Income Characteristics			
Yield to Maturity	5.4	2.2	5.0
Average Duration	4.0	4.7	2.2
Average Quality	CCC	AAA	CCC

Credit Quality Allocation



Sector Allocation



Account Information

Account Name	BlackRock Long Government Index
Account Structure	Commingled Fund
Investment Style	Passive
Inception Date	6/01/16
Account Type	US Fixed Income Investment Grade
Benchmark	BBgBarc US Govt Long TR
Universe	

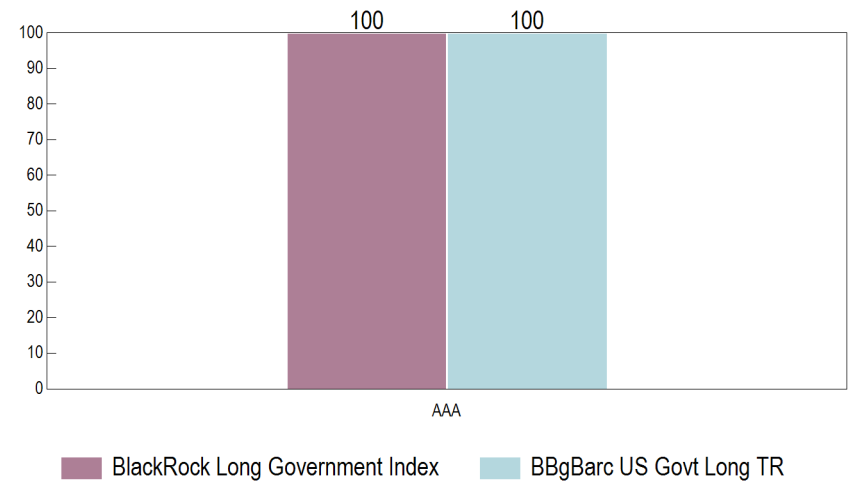
Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
BlackRock Long Government Index	-11.4	-11.6	--	--	--	--	-6.2	Jun-16
BBgBarc US Govt Long TR	-11.5	-11.8	1.4	7.7	2.6	6.6	-6.4	Jun-16

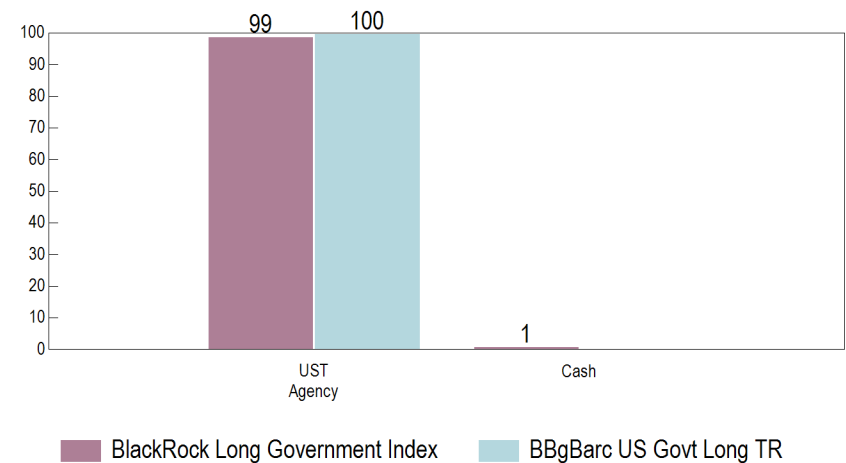
BlackRock Long Government Index Characteristics vs. BBgBarc US Govt Long TR

	Portfolio Q4-16	Index Q4-16
Fixed Income Characteristics		
Yield to Maturity	3.0	3.0
Average Duration	16.4	17.2
Average Quality	AAA	AAA

Credit Quality Allocation



Sector Allocation



Account Information

Account Name	Claren Road Credit Fund
Account Structure	Other
Investment Style	Active
Inception Date	7/01/13
Account Type	Hedge Fund
Benchmark	HFRI RV: Fixed Income-Corporate Index
Universe	

Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Claren Road Credit Fund	18.4	10.0	7.6	-5.6	--	--	-5.2	Jul-13
<i>HFRI RV: Fixed Income-Corporate Index</i>	2.6	6.8	11.6	3.5	5.4	3.7	4.2	Jul-13

Account Information

Account Name	Davidson Kempner Institutional Partners, L.P.
Account Structure	Other
Investment Style	Active
Inception Date	2/01/13
Account Type	Hedge Fund
Benchmark	HFRI Event-Driven (Total) Index
Universe	

Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Davidson Kempner Institutional Partners, L.P.	2.0	3.7	6.4	4.0	--	--	5.1	Feb-13
<i>HFRI Event-Driven (Total) Index</i>	3.6	8.2	10.6	2.5	5.7	4.1	4.4	Feb-13

BlueBay Emerging Market Select Debt

As of December 31, 2016

Account Information

Account Name	BlueBay Emerging Market Select Debt
Account Structure	Commingled Fund
Investment Style	Active
Inception Date	7/01/15
Account Type	International Emerging Market Debt
Benchmark	50% JPM EMBI GD / 50% JPM GBI-EM
Universe	

Portfolio Performance Summary

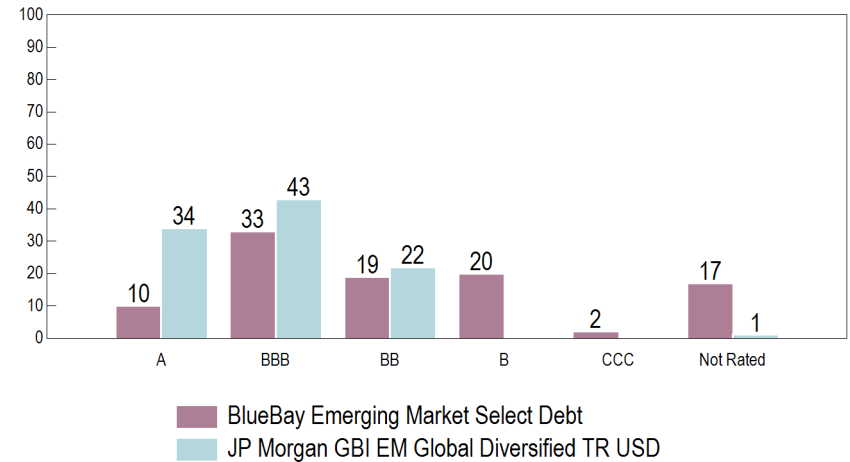
	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
BlueBay Emerging Market Select Debt	-5.4	-1.9	7.5	--	--	--	0.1	Jul-15
50% JPM EMBI GD / 50% JPM GBI-EM	-5.1	-1.9	10.2	1.0	2.3	5.4	2.6	Jul-15

BlueBay Emerging Market Select Debt Characteristics

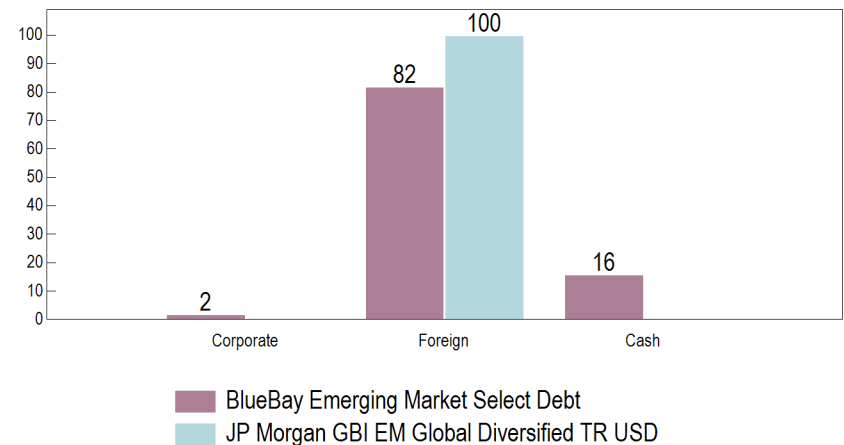
vs.

	Portfolio Q4-16	Portfolio Q3-16
Fixed Income Characteristics		
Yield to Maturity	5.3	5.7
Average Duration	4.3	6.7
Average Quality	BBB	BBB

Credit Quality Allocation



Sector Allocation



Account Information

Account Name	Credit Suisse Risk Parity Commodity Index
Account Structure	Commingled Fund
Investment Style	Active
Inception Date	4/01/11
Account Type	Real Assets
Benchmark	Custom Risk Parity Commodity Benchmark
Universe	

Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Credit Suisse Risk Parity Commodity Index	3.1	-0.3	8.8	-7.7	-6.2	--	-7.4	Apr-11
Custom Risk Parity Commodity Benchmark	2.8	-0.8	7.6	-7.9	-6.4	--	-7.6	Apr-11
Bloomberg Commodity Index TR USD	2.7	-1.3	11.8	-11.3	-9.0	-5.6	-10.8	Apr-11

Account Information

Account Name	Pinnacle Natural Resources, L.P.
Account Structure	Other
Investment Style	Active
Inception Date	1/01/16
Account Type	Real Assets
Benchmark	Bloomberg Commodity Index TR USD
Universe	

Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Pinnacle Natural Resources, L.P.	0.3	-3.0	-5.1	--	--	--	-5.1	Jan-16
Bloomberg Commodity Index TR USD	2.7	-1.3	11.8	-11.3	-9.0	-5.6	11.8	Jan-16

Rhumbline DJ Brookfield Global Infrastructure

As of December 31, 2016

Account Information

Account Name	Rhumbline DJ Brookfield Global Infrastructure
Account Structure	Separate Account
Investment Style	Passive
Inception Date	6/01/15
Account Type	Infrastructure
Benchmark	DJ Brookfield Global Infrastructure Net TR USD
Universe	

Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Rhumbline DJ Brookfield Global Infrastructure	-5.2	-3.0	12.9	--	--	--	-2.1	Jun-15
DJ Brookfield Global Infrastructure Net TR USD	-5.2	-3.2	12.5	3.9	--	--	-2.6	Jun-15

Top 10 Holdings

NATIONAL GRID	5.7%
AMERICAN TOWER	5.5%
KINDER MORGAN	4.8%
ENBRIDGE	4.8%
TRANSCANADA	4.8%
CROWN CASTLE INTL.	3.8%
PG&E	3.8%
SPECTRA ENERGY	3.5%
SEMPRA EN.	3.1%
EDISON INTL.	2.9%
Total	42.8%

Rhumbline DJ Brookfield Global Infrastructure Characteristics

	Portfolio Q4-16	Portfolio Q3-16
Market Value		
Market Value (\$M)	92.0	144.0
Number Of Holdings	105	98
Characteristics		
Weighted Avg. Market Cap. (\$B)	22.2	23.8
Median Market Cap (\$B)	5.7	6.3
P/E Ratio	31.4	34.5
Yield	3.5	3.3
EPS Growth - 5 Yrs.	2.0	2.5
Price to Book	2.8	3.0
Beta (holdings; domestic)	0.6	0.6

Sector Distribution

Energy	30.6	28.8
Materials	0.0	0.0
Industrials	12.5	13.5
Consumer Discretionary	1.4	1.5
Consumer Staples	0.0	0.0
Health Care	0.0	0.0
Financials	0.4	0.4
Information Technology	0.0	0.0
Telecommunication Services	2.1	2.2
Utilities	43.2	43.7
Real Estate	9.4	9.5

Rhumbline S&P Global Large MidCap Commodity & NR

As of December 31, 2016

Account Information

Account Name	Rhumbline S&P Global Large MidCap Commodity & NR
Account Structure	Separate Account
Investment Style	Passive
Inception Date	6/01/15
Account Type	Infrastructure
Benchmark	S&P Global LargeMidCap Commodity and Resources GR USD
Universe	

Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Rhumbline S&P Global Large MidCap Commodity & NR	4.7	9.6	30.6	--	--	--	-3.8	Jun-15
S&P Global LargeMidCap Commodity and Resources GR USD	4.6	9.7	31.5	-4.6	-1.9	2.4	-3.7	Jun-15

Top 10 Holdings

MONSANTO	6.8%
EXXON MOBIL	6.2%
SYNGENTA	5.5%
ARCHER-DANLS.-MIDL.	3.9%
BHP BILLITON	3.8%
CHEVRON	3.7%
RIO TINTO	3.0%
GLENCORE	2.7%
POTASH CORPORATION OF SASKATCHEWAN	2.2%
BHP BILLITON	2.2%
Total	40.2%

Rhumbline S&P Global Large MidCap Commodity & NR Characteristics

	Portfolio Q4-16	Portfolio Q3-16
Market Value		
Market Value (\$M)	109.9	105.0
Number Of Holdings	188	181
Characteristics		
Weighted Avg. Market Cap. (\$B)	63.7	58.7
Median Market Cap (\$B)	8.5	8.3
P/E Ratio	22.9	19.5
Yield	2.5	2.6
EPS Growth - 5 Yrs.	-7.7	-7.7
Price to Book	2.6	2.4
Beta (holdings; domestic)	1.2	1.3

Sector Distribution

Energy	34.3	32.6
Materials	55.1	53.9
Industrials	0.0	0.0
Consumer Discretionary	0.0	0.0
Consumer Staples	10.1	13.0
Health Care	0.0	0.0
Financials	0.0	0.0
Information Technology	0.0	0.0
Telecommunication Services	0.0	0.0
Utilities	0.0	0.0
Real Estate	0.0	0.0

Global Macroeconomic Outlook December 2016

Global Economic Outlook¹

In 2017, the IMF is forecasting overall higher growth, but they highlight uncertainty related to policies of the new U.S. administration.

- The IMF's 2017 forecast for global growth is 3.4%, up from the 3.1% projection for 2016. A further increase to 3.6% is projected in 2018.
- In advanced economies, the IMF projections for 2017 and 2018 growth are 1.9% and 2.0%, respectively, up from the 1.6% estimate for 2016. The near term increases in growth are driven partly by anticipated U.S. fiscal stimulus. Despite the subdued market reaction to the "Brexit" vote, risks to growth and investment remain, particularly for the U.K.
- Growth projections for emerging economies are higher in 2017 (4.5%) and 2018 (4.8%) compared to the 4.1% estimate for 2016. Within emerging market countries, economic conditions remain varied. Russia and Brazil are expected to emerge from recessions, while China's growth is projected to continue to slow. India remains a bright spot with growth projections of close to 8.0% in 2018.
- Inflation expectations continue to trend upward in light of wage pressures and potential fiscal policies.

	Real GDP (%)			Inflation (%)		
	IMF 2017 Forecast	IMF 2018 Forecast	Actual 10 Year Average	IMF 2017 Forecast	IMF 2018 Forecast	Actual 10 Year Average
World	3.4	3.6	3.5	3.3	3.3	3.9
U.S.	2.3	2.5	1.3	2.3	2.6	1.8
European Union	1.7	1.8	0.9	1.3	1.6	1.7
Japan	0.8	0.5	0.4	0.5	0.6	0.3
China	6.5	6.0	9.0	2.3	2.4	2.9
Emerging Markets (ex. China)	3.2	4.0	4.1	5.9	5.1	6.6

¹ Source: IMF. World Economic Outlook. October 2016 edition and January 2017 update. "Actual 10 Year Average" represents data from 2007 to 2016. Data after 2015 is an estimate.

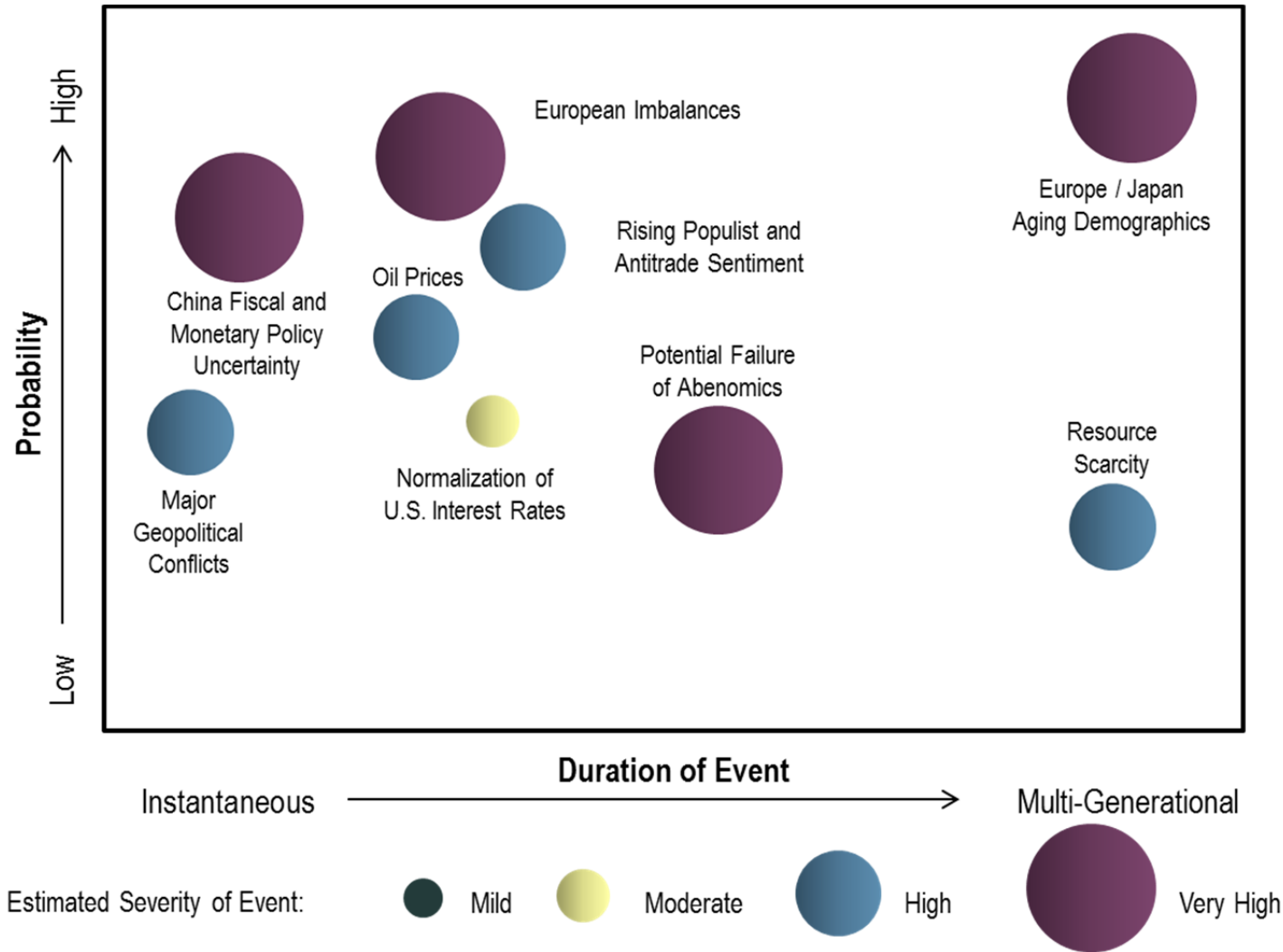
Global Economic Outlook, Continued

Fiscal stimulus in the U.S. is likely going forward and will have a global impact. The balance of fiscal and monetary policy will be a key issue.

- In a move that was largely anticipated by the markets, the Federal Reserve made their only rate increase in 2016 (0.50% to 0.75%) in December. After the presidential election, expectations for the pace of tightening increased given the pro-growth policies of the new administration. The pace and timing of fiscal and monetary stimulus will be key considerations in the U.S.
- In December, the European Central Bank (ECB) pledged to extend its bond-buying program (i.e., quantitative easing) until the end of 2018, while lowering monthly purchases starting in April 2017 from 80 billion euros to 60 billion euros. They continue to keep interest rates at record lows with the bank deposit rate at -0.4% and its key interest rate at close to 0%.
- The Bank of Japan (BOJ) made no changes to its policies at the year-end meeting. They will maintain the scale of their asset purchase program, keep bank deposit rates negative (-0.1%), and continue to target a 0% yield on the 10-year Japanese government bond. The latter was a recent change in policy targeted to alleviate the pressure on banks from narrowing margins.
- In the fourth quarter, China's economy grew above expectations at 6.8%, driven by continued government spending and historic bank lending. Corporate debt levels, a hot property market, capital outflows, and the relationship with the new U.S. administration are key issues for the world's second largest economy.

Several issues are of primary concern: 1) increased populist and antitrade sentiment globally; 2) uncertainty related to the U.S. economy and policies; 3) declining growth in China, along with uncertain fiscal and monetary policies; 4) continued economic sluggishness in Europe, and risks related to the U.K.'s exit from the European Union; 5) divergent growth in emerging economies.

Macroeconomic Risk Matrix



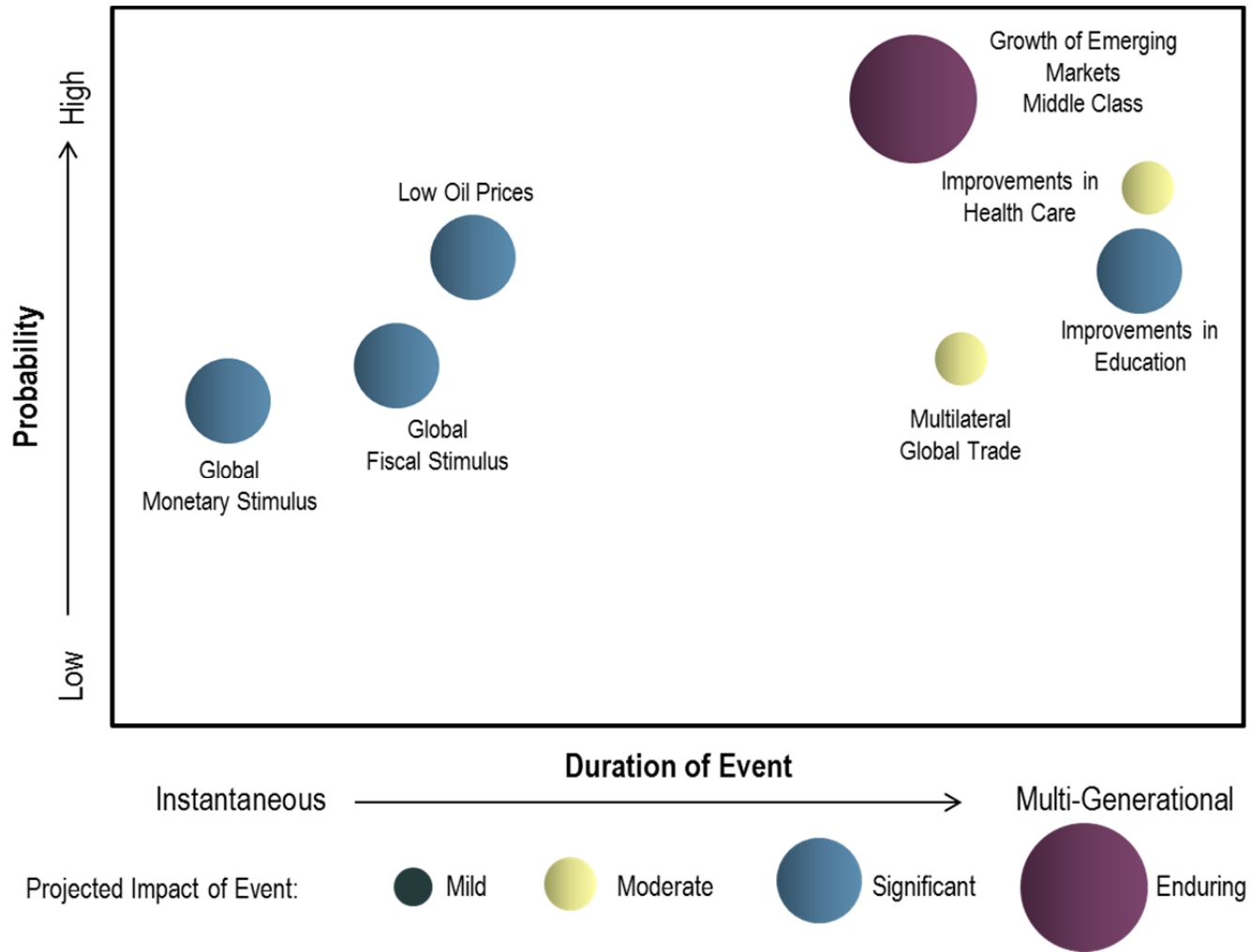
Macroeconomic Risk Overviews

Low Oil Prices	Although oil prices recently increased, they remain historically low. An extended period of low oil prices will hurt countries such as Iran, Russia, and Venezuela that depend heavily on oil export revenues. Low prices will continue to hurt oil exploration and production (E&P) companies, and companies that support the oil industry. Recently, the stress of low oil prices particularly affected E&P companies, with bond defaults ticking up. The risk of increased geopolitical tensions also exists with depressed oil prices.
European Imbalances	The crisis is rooted in structural issues in the Eurozone related to the combination of a single currency combined with 17 fiscal authorities. In the broader European Union, tensions exist, as highlighted in the recent U.K. referendum, related to policies on immigration, laws, and budgetary contributions. Additional countries leaving either group, particularly the Eurozone, could set a dangerous precedent, especially if they ultimately experience growth. The massive influx of refugees into Europe from the Middle East and North Africa exacerbates economic stress.
Potential Failure of Abenomics	Japan is engaged in a historic stimulus program, referred to as “Abenomics” to fight its decades of deflation. The plan includes monetary, fiscal, and structural components. If Japan overshoots with its policies, or dramatically changes them unexpectedly, it could prove disruptive to markets and growth.
Europe/Japan Aging Demographics	In Japan and Europe, birth rates have declined for decades, resulting in populations becoming older and smaller relative to the rest of the world. These demographic trends will have a negative long-term impact on GDP growth and fiscal budgets, amplifying debt problems.
Major Geopolitical Conflicts	Terror attacks in Berlin and Florida highlight the continued threat of terrorism. Within Europe, this complicates the refugee crisis, as countries try to balance maintaining open borders with preventing terrorists from entering their countries. Other unresolved geopolitical issues remain, including efforts to retake Mosul in Iraq from ISIS, the civil war in Syria, and North Korea’s nuclear aspirations.

Macroeconomic Risk Overviews, Continued

China Fiscal and Monetary Policy Uncertainty	The process of transitioning from a growth model based on fixed asset investment by the government, to a model of consumption-based growth will be difficult. Similar policies as China's decision to unexpectedly devalue their currency or to support stock prices could prove disruptive and decrease confidence in China's government. Capital outflows remain a key issue in China. They have made some efforts to tighten regulations to stem outflows, but higher rates and growth in the U.S. could add outflow pressures. China's abandonment of its support of the yuan, and a resulting major devaluation of the currency, could prove particularly disruptive to global markets and trade. The hot property market and the growing mountain of debt in the corporate sector remain other key risks.
Normalization of U.S. Interest Rates	After the Global Financial Crisis, the U.S. injected massive amounts of liquidity into the financial system in an effort to prevent depression-like declines in economic activity. Additionally, the central bank reduced short-term interest rates to record lows. Post-election expectations have increased for the pace of tightening by the Fed due to pro-growth policies of the new administration. Further tightening could weigh on growth globally, particularly in emerging economies, and soften the impact of fiscal stimulus.
Resource Scarcity	The growing world population, urbanization, and a growing middle class, particularly in emerging economies, could all lead to a scarcity of resources, including food, water, land, energy, and minerals. As demand continues to grow and supply declines, certain commodity prices may skyrocket, hurting the living standards of many and increasing the risk of geopolitical conflicts.
Rising Populist and Antitrade Sentiment	The recent votes in the U.S. (presidential election) and U.K. ("Brexit") highlight the growing populist/antitrade sentiment. Stagnant wages, growing inequality, and the perception of jobs being lost abroad are key contributors. Reducing trade and imposing tariffs would likely lead to inflation, reduced efficiencies, and heightened tensions between countries.

Positive Macroeconomic Trends Matrix



Positive Macroeconomic Trends Overviews

Low Oil Prices	Although oil prices have recently increased, they remain low historically. Low oil prices will likely have a positive impact on global growth, particularly for energy importers like China, Japan, and India. Consumers should benefit from falling oil prices, in the form of lower prices for gasoline and heating oil.
Growth of Emerging Markets Middle Class	In emerging economies, the size of the middle class is projected to grow significantly over the next twenty years. This growing middle class should increase consumption globally, which in turn will drive GDP growth and create jobs.
Multilateral Global Trade	Increased trade and investment, and access to foreign capital and export markets for corporations, should lead to greater global growth. The recent U.S. presidential election and the U.K.'s vote to leave the European Union illustrate growing anti-trade sentiment, which could create a headwind to trade going forward.
Improvements in Education/Healthcare	Literacy rates and average life spans have increased globally, particularly in emerging economies. Higher literacy rates will drive future growth, helping people learn new skills and improve existing skills. When people live longer, it increases incentives for long-term investments in education and training, resulting in a more productive work force and ultimately more growth.
Global Monetary Stimulus	Developed market central banks embarked on a massive monetary stimulus campaign in the aftermath of the Global Financial Crisis. The U.S., European, and Japanese central banks continue to maintain interest rates at record lows. Japan and Europe continue asset purchase programs, while the U.S. ended its program and has since increased interest rates twice. Additionally, many emerging market central banks have reduced interest rates to stimulate growth. Given slow growth and low prices globally it is likely central banks will continue to maintain loose monetary policy. If central banks continue to provide liquidity and keep interest rates low, this should stimulate growth.
Global Fiscal Stimulus	Given the slow growth globally, and the limited room for additional monetary stimulus, there could be a shift to fiscal stimulus. With interest rates still low, borrowing for infrastructure investments is affordable. If productive investment options are not available, reducing taxes is an option. Increased fiscal stimulus could help growth while reducing the reliance on monetary policy. The new U.S. administration's proposed policies on cutting taxes and increasing spending on infrastructure could have a major impact.

Key Elections in 2016/2017

Date	Country	Type
June 2016	United Kingdom	E.U. Referendum
November 2016	United States	Presidential
December 2016	Italy	Constitutional Referendum
March 2017	Netherlands	Parliamentary
April 2017	France	Presidential
June 2017	France	Parliamentary
September 2017	Germany	Parliamentary
TBD 2017/2018	Italy	Parliamentary

- Recent votes in the U.S. and U.K. demonstrate growing frustrations with government officials, the widening gap between the rich and the poor, and the perception that jobs are being lost abroad.
- In 2017, several key elections loom on the horizon in Europe, with the potential for more populist candidates to be elected.

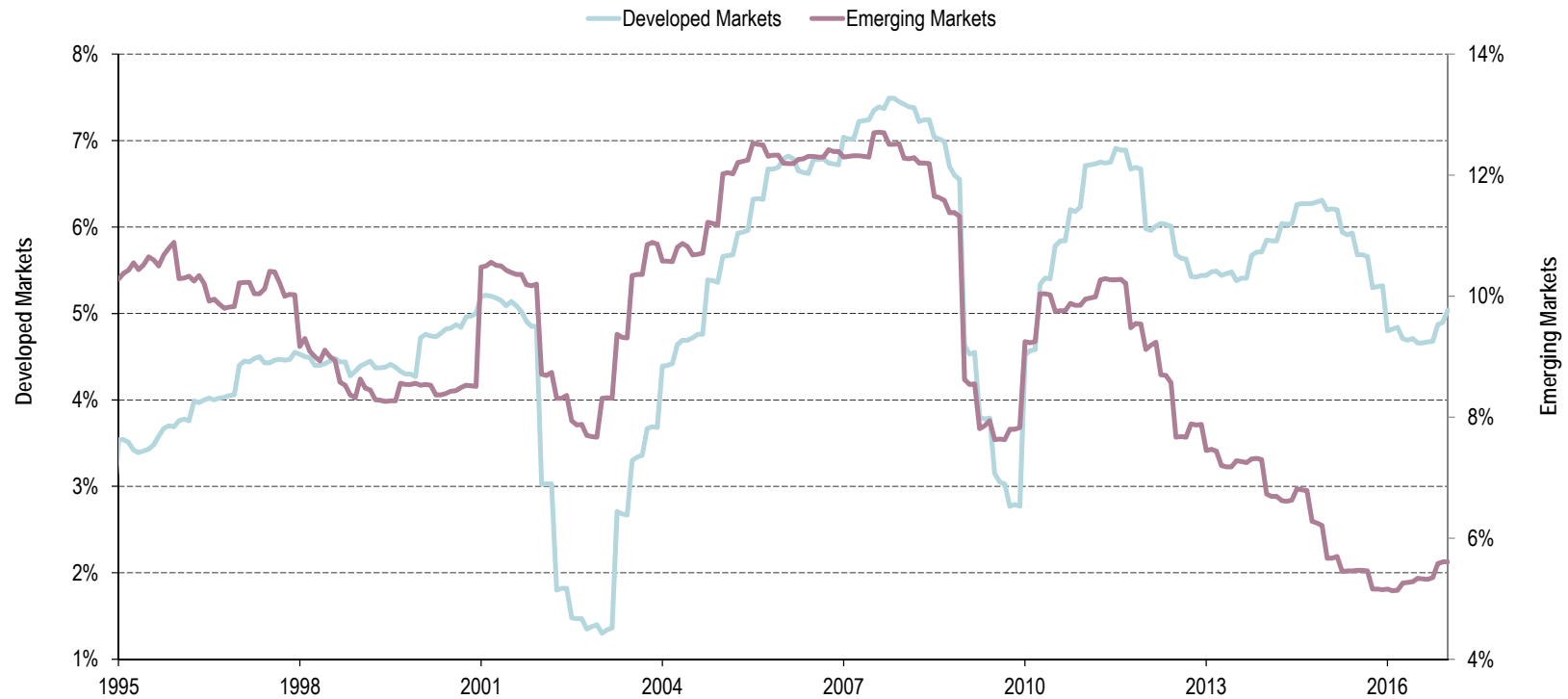
Global Nominal Gross Domestic Product (GDP) Growth¹



- Global growth prior to the Global Financial Crisis, and in the period immediately following it, was much higher than current levels.
- Growth is forecasted to increase slightly in the coming years, but remain below long-term averages due to varied headwinds.

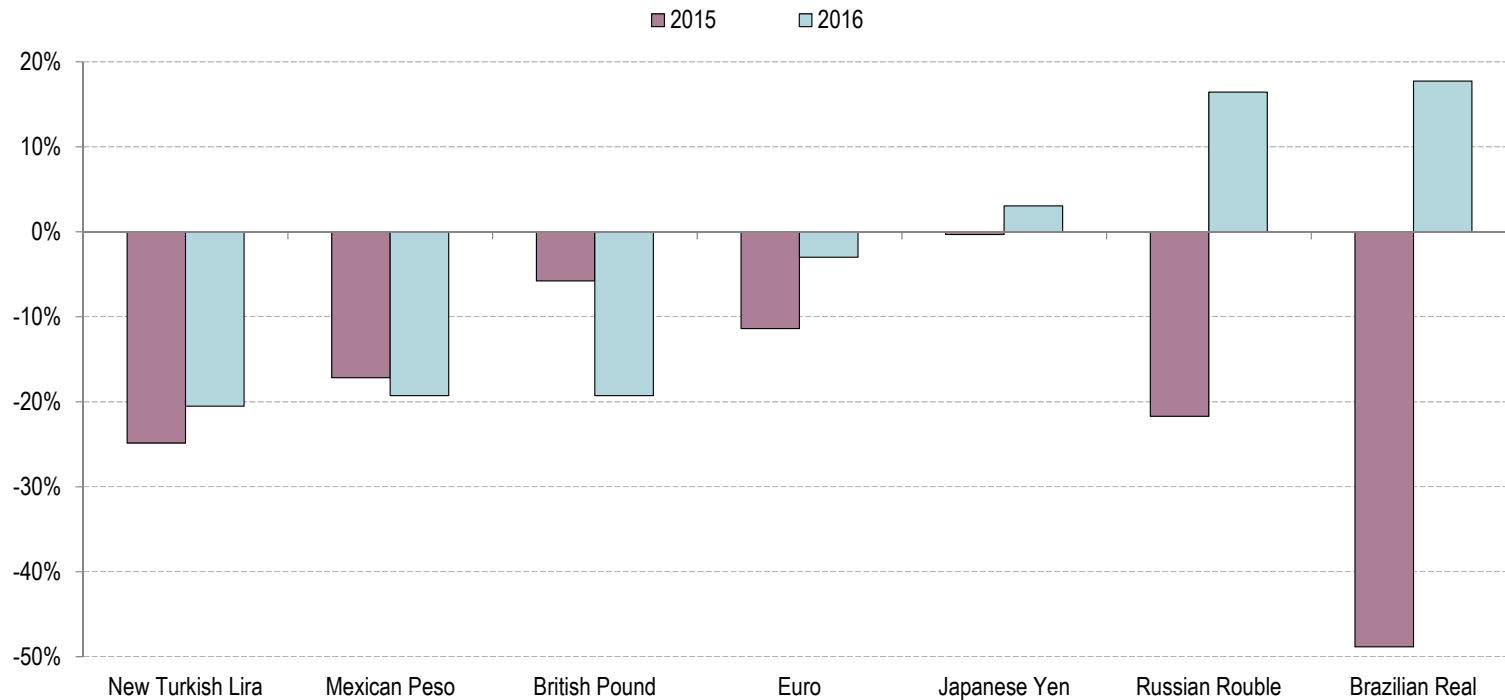
¹ Source: Oxford Economics. Updated October 2016. GDP data after 2015 are estimates.

Net Corporate Profits¹



- Corporate profits rose from their lows in 2009 largely driven by cost cutting, but recently started to decline.
- Looking forward, margins could feel further pressure if costs continue to rise at a faster pace than revenues, and wages keep increasing. This could result in less investment by companies, ultimately leading to lower employment, wages, and overall economic growth.

¹ Source: Thomson Reuters. Represents net profit margins of non-financial companies. Dual axes are used for trend comparison purposes.

Major Currency Values versus the U.S. Dollar¹

- After its initial decline in early 2016, the U.S. dollar finished the year overall stronger as investors focused on planned pro-growth policies in the U.S. and anticipated higher interest rates.
- Results were varied across currencies with the Mexican peso, Turkish lira, and British pound posting dramatic declines. Proposed antitrade policies of the new U.S. administration particularly hurt the peso, while fears of a so-called “hard exit” from the European Union hurt the pound and political uncertainties weighed on the lira.

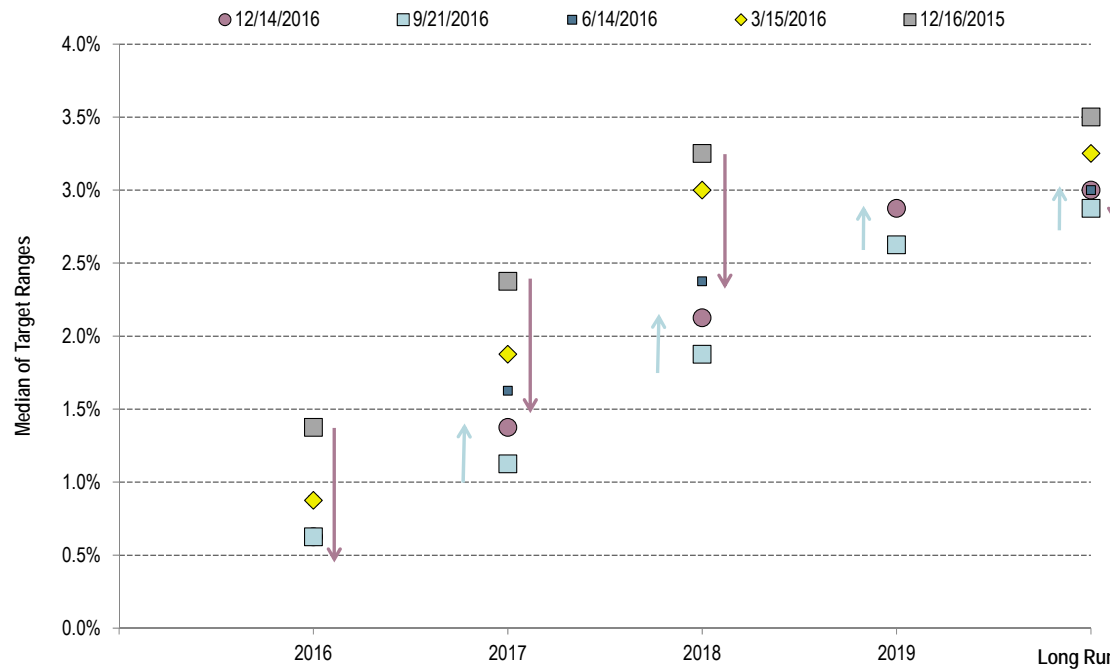
¹ Source: Thomson Reuters. Data is as of December 31, 2016.

Proposed Policies of the New U.S. Administration

Growth Positive	Growth Negative
Lower Taxes	Policy Uncertainty
Infrastructure Spending	Protectionist Trade
Deregulation	Restrictive Immigration

- During campaigning, Donald Trump proposed a variety of policies with varied potential impacts on economic growth.
- Since the election, investors have focused on the pro-growth policies including lower taxes, more infrastructure spending, and less regulation and focused less on policies that could potentially hurt growth like a protectionist trade stance and tougher immigration policies. This has led to a stronger U.S. dollar and higher inflation expectations.
- This environment has generally benefited U.S. stocks, while hurting U.S. bonds and foreign assets.
- Looking ahead, the distinction between campaign rhetoric and policy will be a key consideration. Timing is also important, as the impact of fiscal policy will likely not be felt until 2018, or later, with the Fed needing to make policy decisions in the interim.

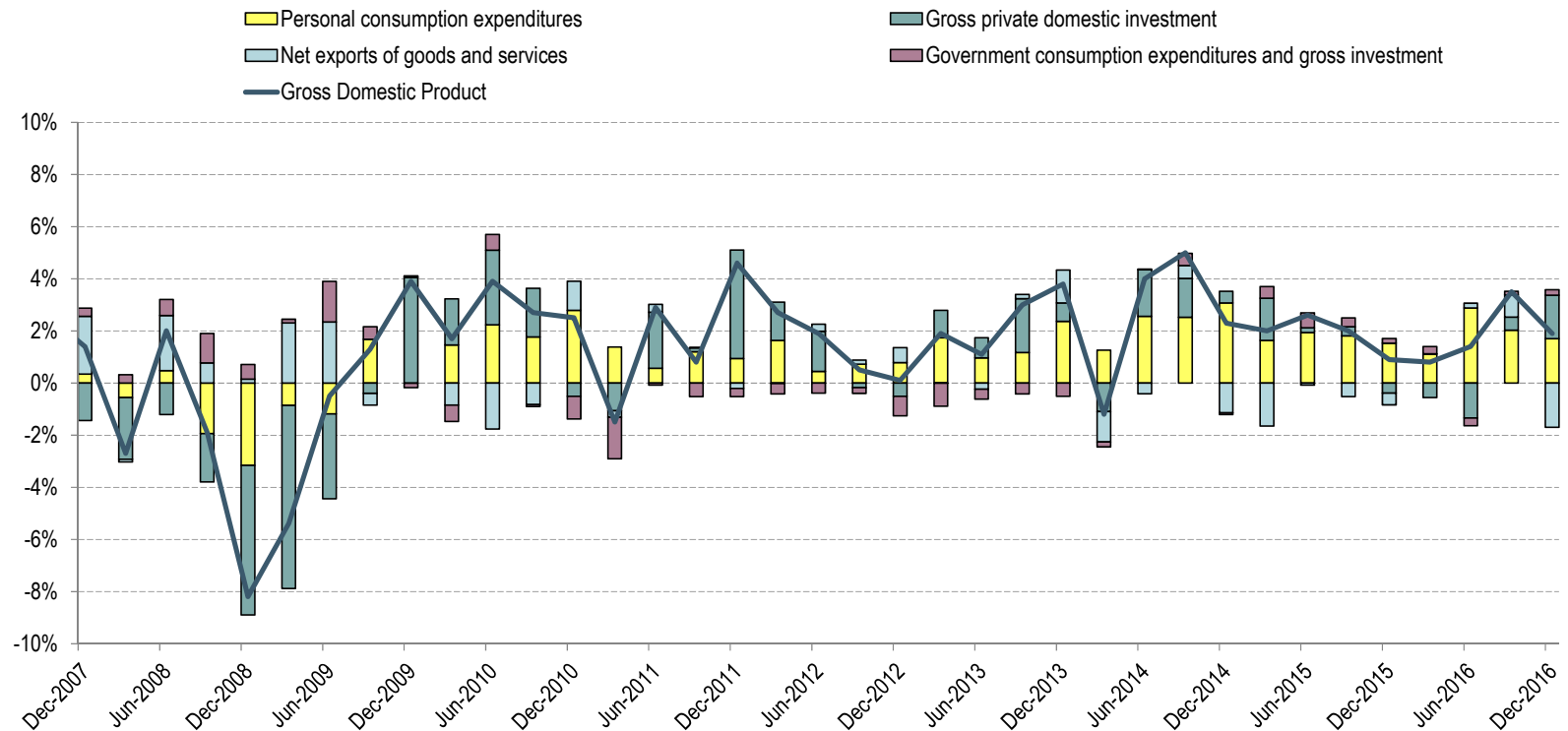
U.S. Monetary Policy¹



- As largely expected, the U.S. Federal Reserve increased short-term interest rates by 0.25% in December to 0.75%. This represented the only increase in 2016 and the second increase since the record low levels of 0.25%.
- Prior to the U.S. election, inflationary pressures were mounting and unemployment was half the level of its peak.
- After the election, proposed pro-growth policies increased expectations for growth and inflation and led to the Fed raising their expectations of rate increases going forward.

¹ Source: Federal Reserve. Represents the median FOMC estimate of the fed funds rate.

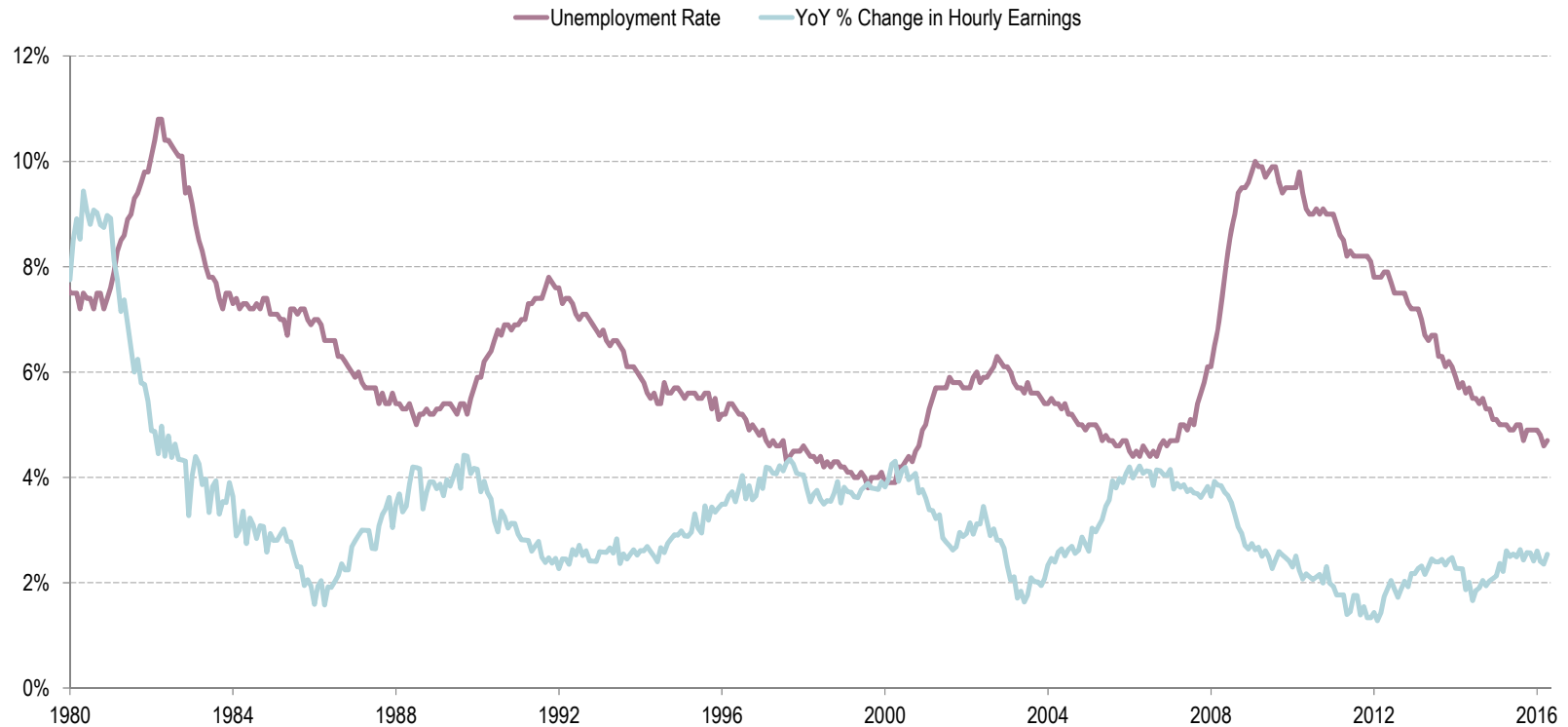
U.S. Real Gross Domestic Product (GDP) Growth¹



- U.S. GDP grew at an annualized rate of 1.9% in the final quarter of 2016, a level below estimates and the 3.5% rate of the prior quarter. GDP grew at the same rate (1.9%) over the trailing year.
- Consumer spending and business investment made positive contributions to growth, while weaker net exports detracted from growth.

¹ Source: U.S. Bureau of Economic Analysis. Data is as of the fourth quarter of 2016 and represents the first estimate.

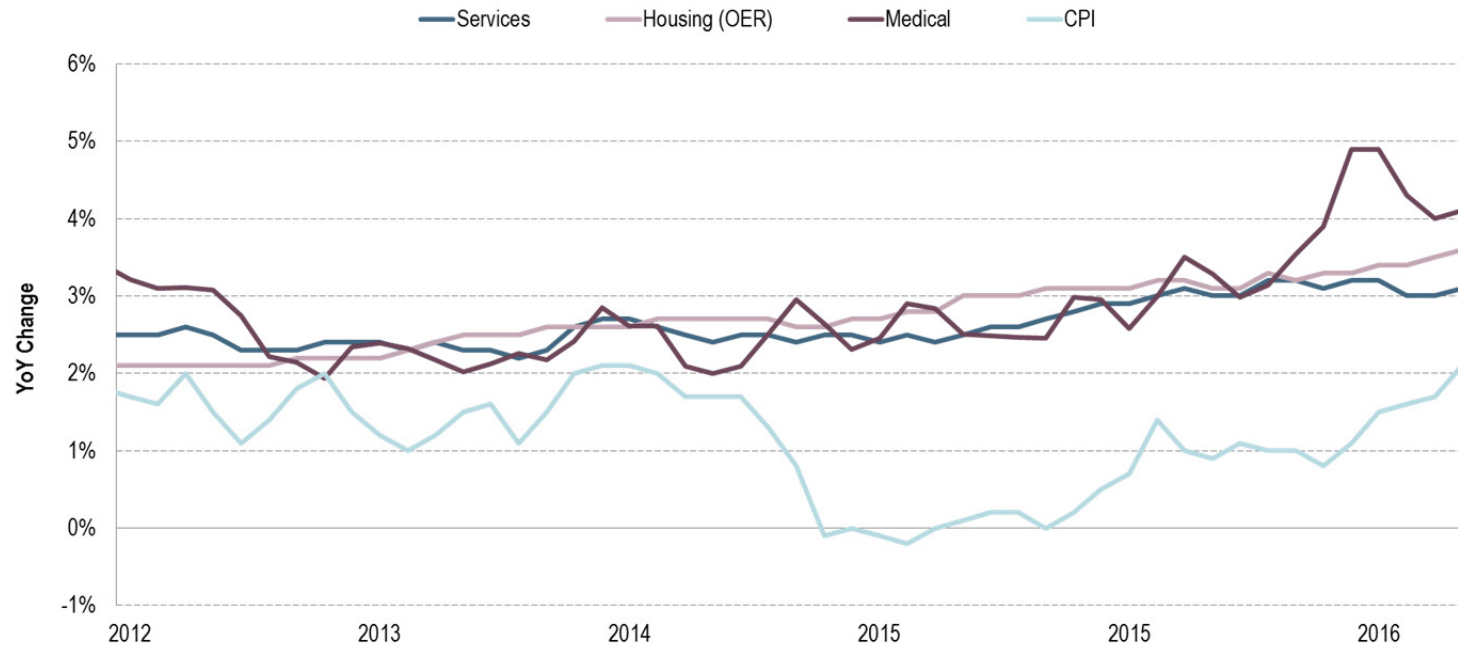
U.S. Employment & Wages¹



- Unemployment finished 2016 at 4.7%, a dramatic decline from the 2009 peak.
- Wages have begun to rise, albeit less so than in prior recoveries.
- Higher wages could lead to inflationary pressures and weigh on corporate profits.

¹ Source: Bureau of Labor Statistics. Data is as of December 31, 2016.

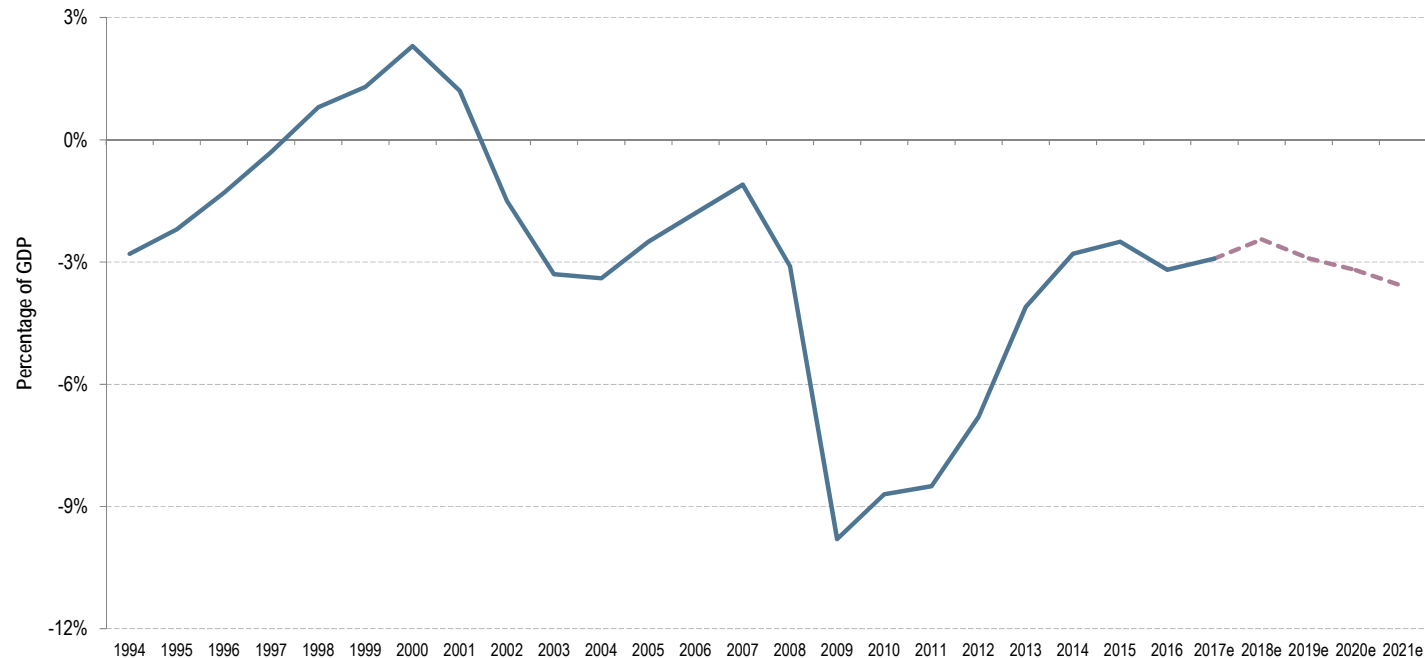
U.S. Inflation Components¹



- From the lows of 2015, inflation in the U.S. increased recently, but remains under the historical average.
- Many components of inflation are tracking above 3% including medical (4.1%), housing (3.6%), and services (3.1%).
- As the impact of oil's decline falls out of the inflation calculation and the recent rise is captured, there will be further inflationary pressure.

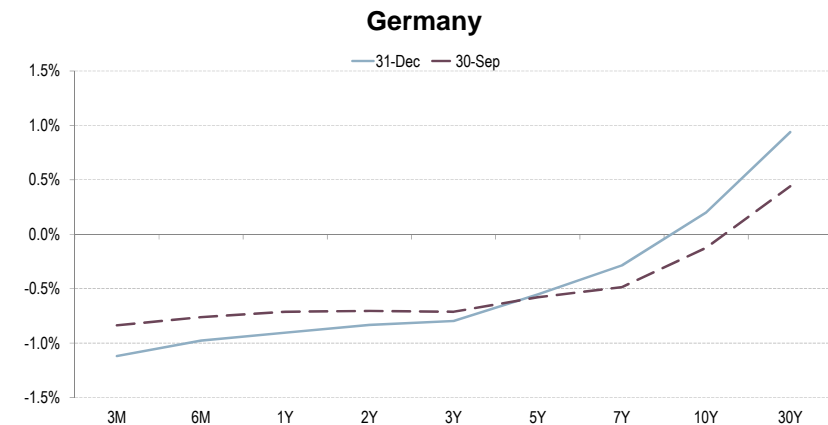
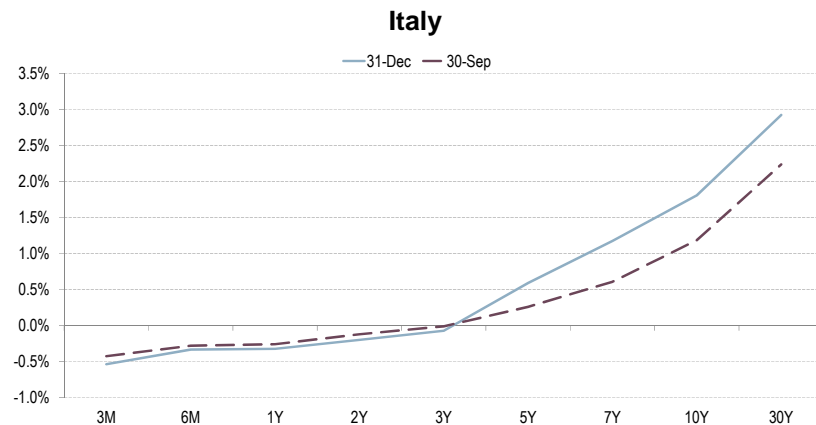
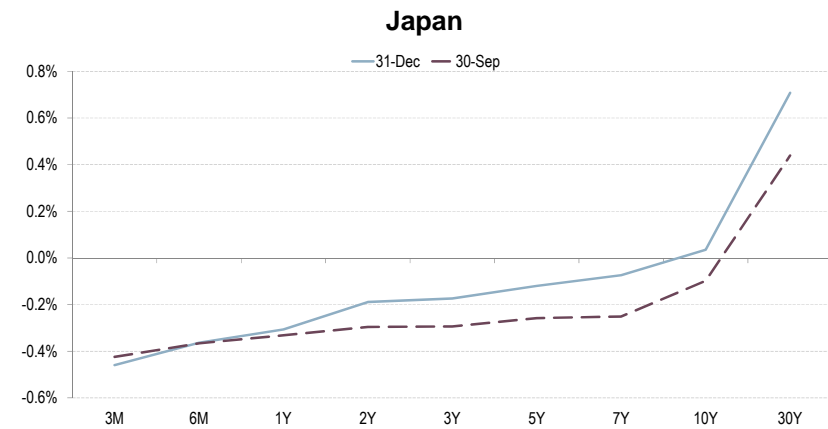
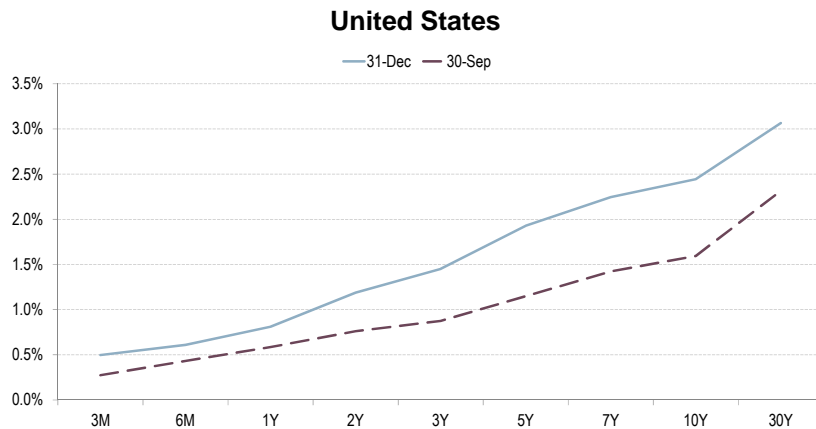
¹ Source: Bloomberg; Bureau of Labor Statistics. Data is as of December 31, 2016.

U.S. Budget Deficit as a Percentage of GDP¹



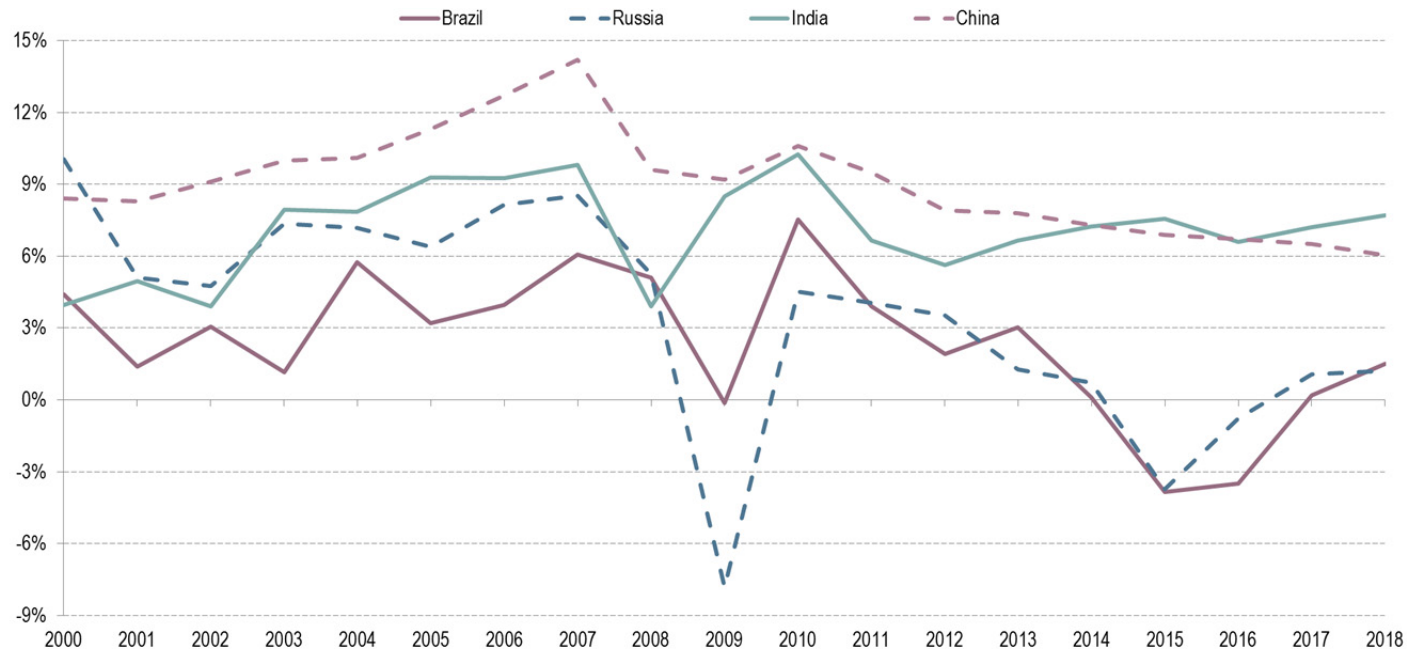
- From the lows of 2009, driven by the large Global Financial Crisis stimulus, the deficit improved as the economy strengthened, stimulus was removed, and taxes were increased for the wealthy.
- In the coming years, projections are for a higher deficit driven by spending on social programs (Social Security and Medicare) and higher debt interest payments.
- Policies proposed by the new U.S. administration of lowering taxes and increasing spending on infrastructure could put further strains on the U.S. budget deficit and debt load.

¹ Source: Congressional Budget Office (CBO). Dashed line represents CBO's projections.

Government Bond Yield Curves¹

- After the U.S. election, rates rose across the yield curve as inflation and growth expectations increased. The U.S. ten-year Treasury yield rose from 1.6% to 2.4% during the quarter.
- Elsewhere, the Italian referendum contributed to an increase in yields on longer dated bonds, while in Japan, policies targeting the ten-year yield at 0% showed results.

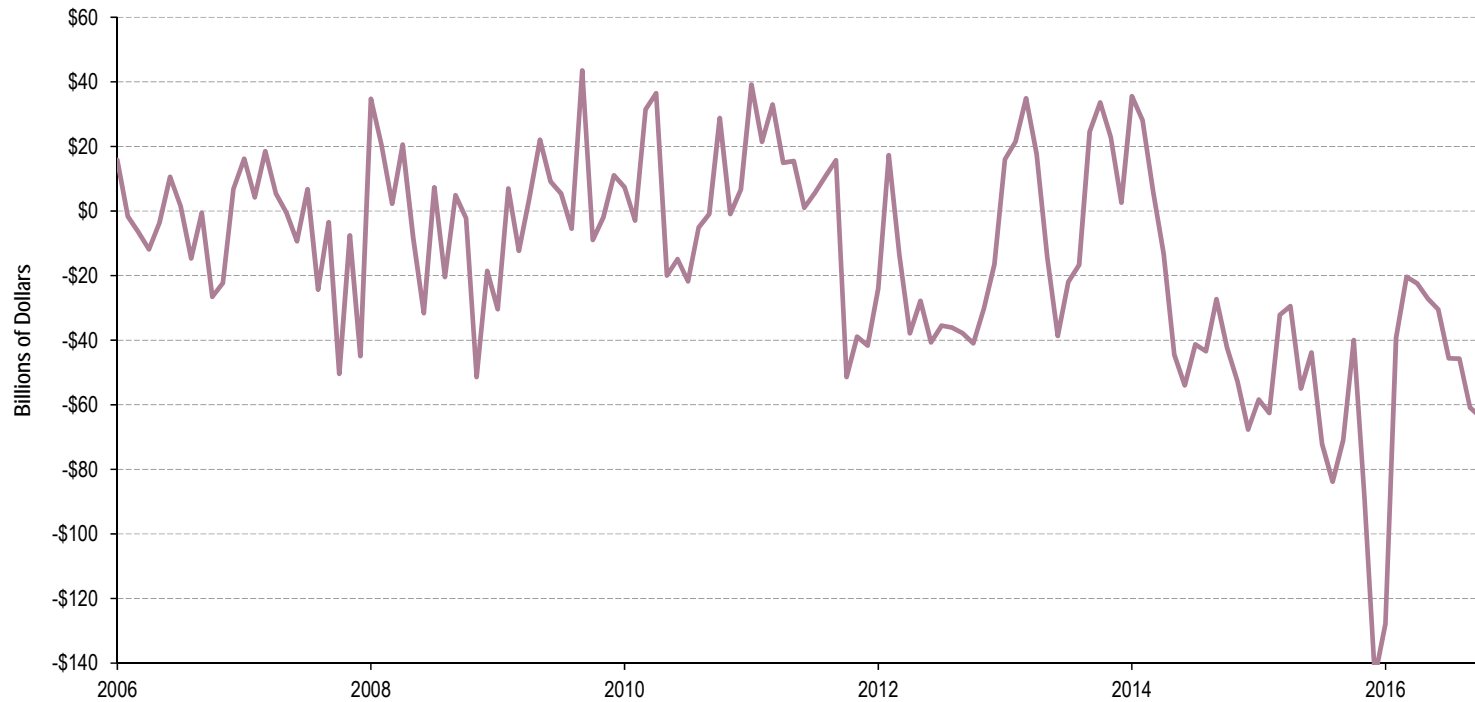
¹ Source: Bloomberg. Data is as of December 31, 2016.

Emerging Market GDP¹

- Growth in emerging economies remains uneven and has trended downward since 2010.
- Russia and Brazil are projected to emerge from recession in 2017, while China's economy is forecasted to continue to slow. India remains a bright spot with stable growth forecasted at a level above China.
- Going forward, if the U.S. dollar remains strong, countries with large dollar denominated debt could face headwinds, along with countries hurt by possible U.S. protectionist trade policies.

¹ Source: IMF. World Economic Outlook. October 2016 edition and January 2017 update. GDP data estimates start after 2015.

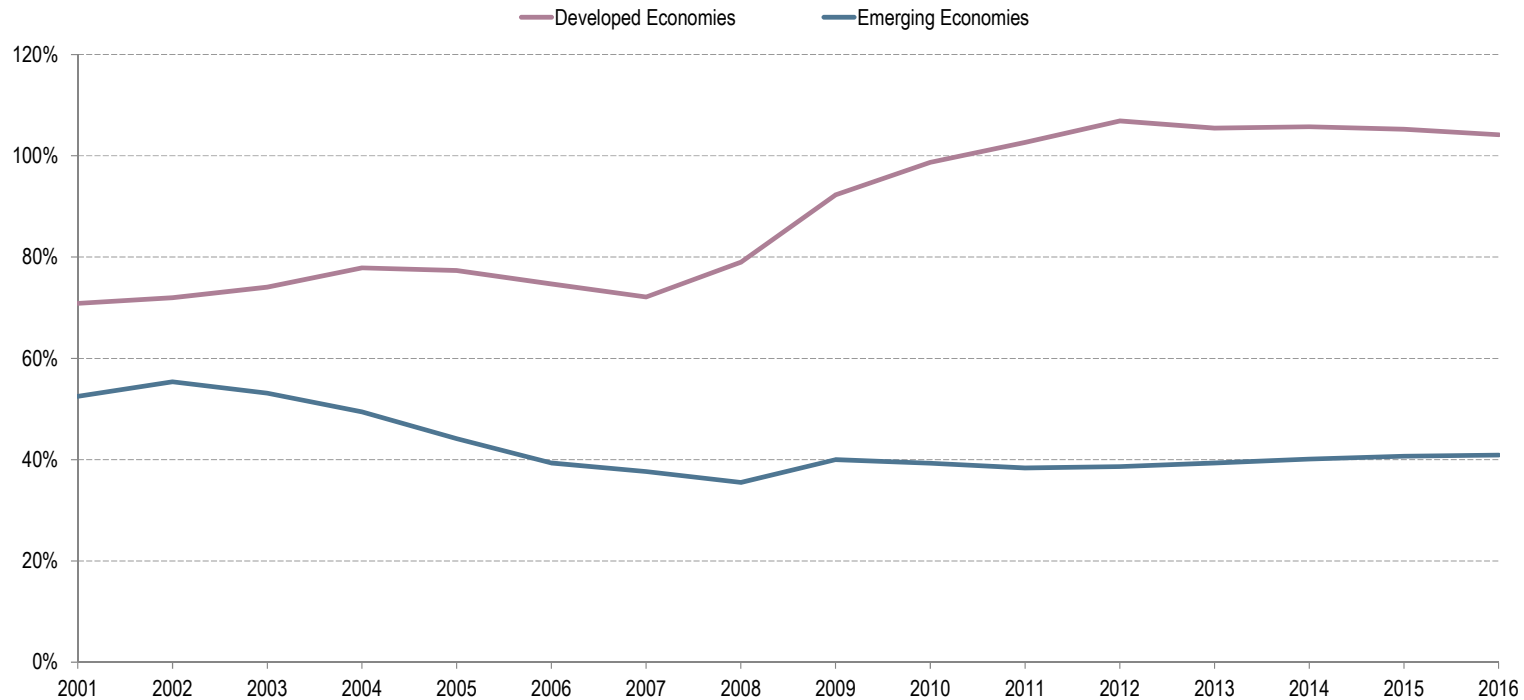
China: Net FX Capital Flow¹



- As growth in China continues to slow and rates in the U.S. are expected to increase, China has experienced capital outflows.
- These outflows have led to downward pressure on the currency and a negative feedback loop as investors anticipate further declines.
- China has used some of its currency reserves to support the yuan, but cannot do this indefinitely. They recently tightened regulations on outward flows in an effort to support the currency.

¹ Source: Oxford Economics/Haver Analytics.

Government Debt as a % of GDP¹



- Emerging market equities have lagged U.S. equities over the past several years. Prior to the U.S. election, emerging market equities were staging a recovery and were well ahead of U.S. equities for the year. Post-election the trend reversed due to U.S. dollar strength and protectionist fears.
- The long-term growth thesis remains in place for emerging markets. Lower debt levels, improving demographics, and opportunities for improving productivity should help bolster emerging economies' growth.

¹ Source: IMF, World Economic Outlook, October 2016. GDP data estimates start after 2015.

Summary

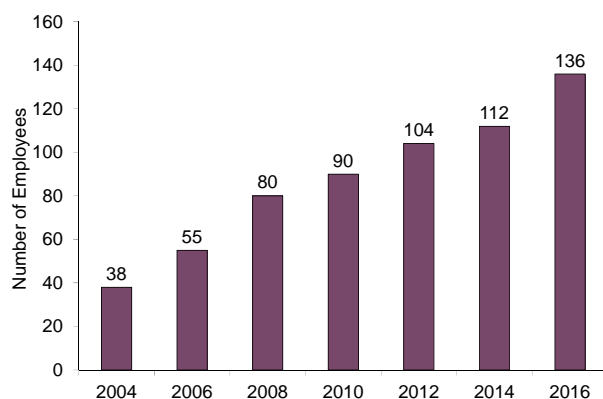
Five primary concerns face the global economy: 1) increased populist and antitrade sentiment globally; 2) uncertainty related to the U.S. economy and policies; 3) declining growth in China, along with uncertain fiscal and monetary policies; 4) continued economic sluggishness in Europe, and risks related to the U.K.'s exit from the European Union; and 5) divergent growth in emerging economies.

- Recent elections in the U.S. and U.K. illustrated the growing populist sentiment globally driven in part by job losses and stagnant wages. There are several other key elections in the short-term, including in France and Germany. Economic growth would be hurt by antitrade policies and likely lead to volatility in financial markets, lower business investment, and inflation.
- The U.S. has experienced largely stable growth since the end of the financial crisis, but at levels below prior recoveries. Inflationary pressures have started to mount and employment has recovered. The Federal Reserve has already started tightening monetary policy, while the impact of proposed fiscal policies will likely not have an impact until 2018. The interplay of the two will be a key issue going forward. Continued strength in the dollar could weigh on multinational companies, exports, and foreign dollar debts.
- Given China's size and contribution to global growth, a slowing of its economy could have a meaningful impact, particularly on countries that depend on its trade. The growing debt, particularly in the corporate sector, remains a key concern. Another devaluation of the yuan could prove disruptive to capital markets, weigh on domestic demand, and hurt countries with competing exports.
- The decision of the U.K. to leave the EU further weighs on the fragile recovery in Europe. The U.K.'s negotiation of trade deals will be a key issue with a wide range of potential outcomes. Uncertainty related to the outcome of negotiations should weigh on foreign investment and consumption. Any additional moves to leave the EU, or the Eurozone, could be disruptive to markets and growth.
- Growth in emerging market economies will likely remain uneven, with some economies particularly feeling the impact of continued dollar strength and potential U.S. protectionist policies. Higher rates and renewed economic strength in the U.S. due to new policies could also attract capital away from emerging markets.

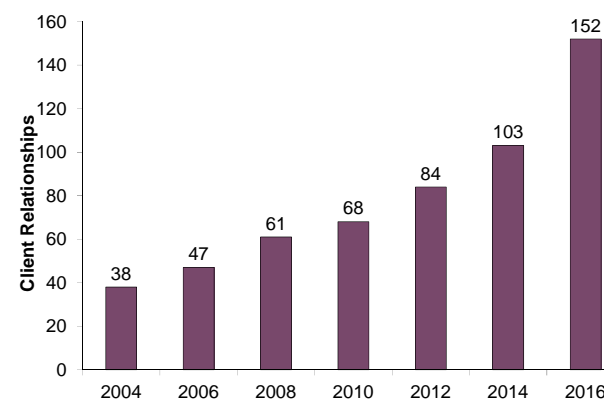
Meketa Investment Group Corporate Update

- Staff of 136, including 88 investment professionals and 27 CFA Charterholders
- 152 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 \$890 billion
 - Over \$50 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



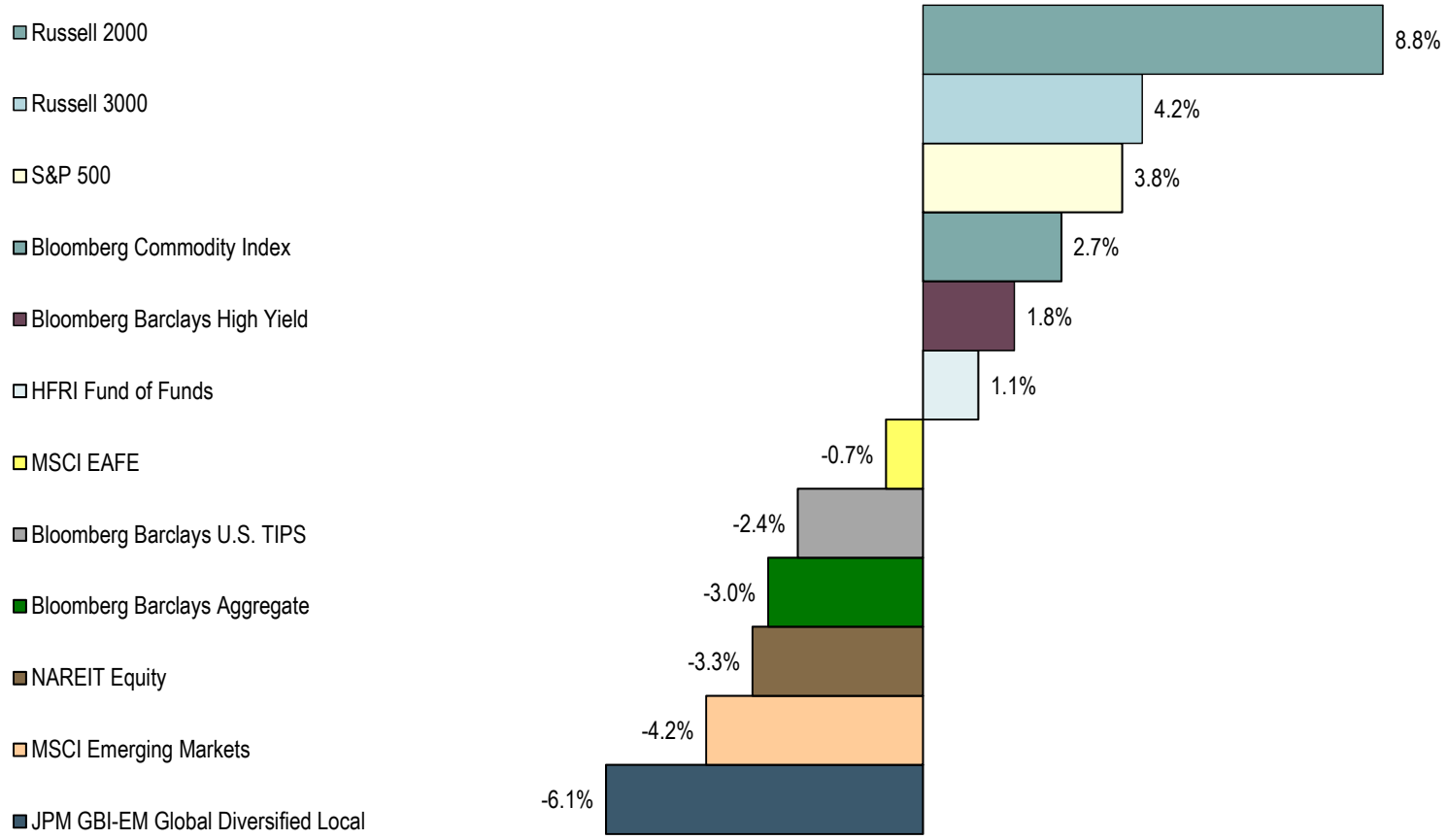
Asset Classes Followed Intensively by Meketa Investment Group

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 Fourth Quarter of 2016

The World Markets¹ Fourth Quarter of 2016



¹ Source: Thomson Reuters.

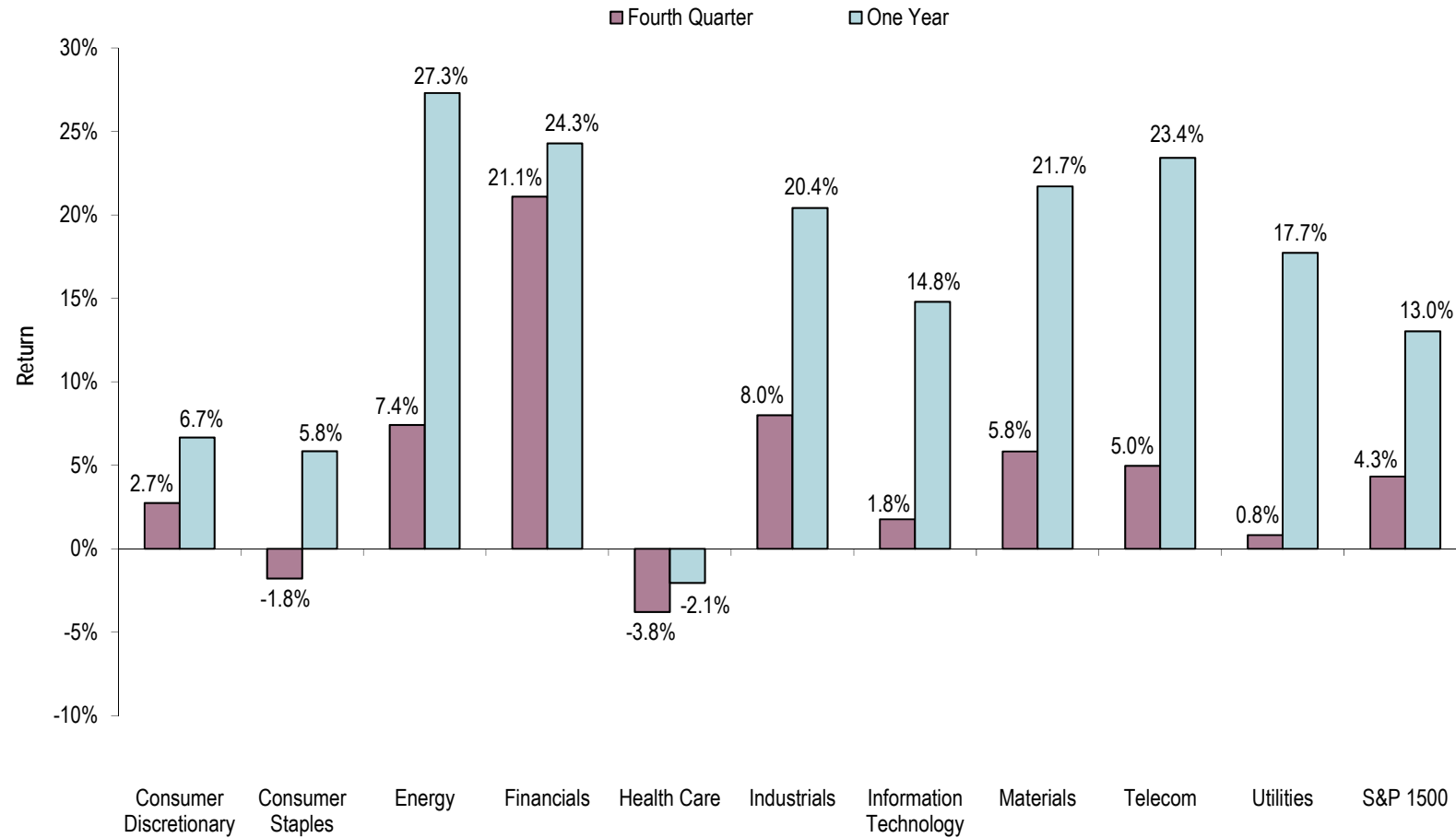


Index Returns¹

	4Q16 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
Domestic Equity					
Russell 3000	4.2	12.7	8.4	14.7	7.1
Russell 1000	3.8	12.1	8.6	14.7	7.1
Russell 1000 Growth	1.0	7.1	8.6	14.5	8.3
Russell 1000 Value	6.7	17.3	8.6	14.8	5.7
Russell MidCap	3.2	13.8	7.9	14.7	7.9
Russell MidCap Growth	0.5	7.3	6.2	13.5	7.8
Russell MidCap Value	5.5	20.0	9.5	15.7	7.6
Russell 2000	8.8	21.3	6.7	14.5	7.1
Russell 2000 Growth	3.6	11.3	5.1	13.7	7.8
Russell 2000 Value	14.1	31.7	8.3	15.1	6.3
Foreign Equity					
MSCI ACWI (ex. U.S.)	-1.3	4.5	-1.8	5.0	1.0
MSCI EAFE	-0.7	1.0	-1.6	6.5	0.7
MSCI EAFE (local currency)	7.1	5.3	5.5	11.8	2.2
MSCI EAFE Small Cap	-2.9	2.2	2.1	10.6	2.9
MSCI Emerging Markets	-4.2	11.2	-2.6	1.3	1.8
MSCI Emerging Markets (local currency)	-1.4	9.7	2.8	5.6	4.4
Fixed Income					
Bloomberg Barclays Universal	-2.6	3.9	3.3	2.8	4.6
Bloomberg Barclays Aggregate	-3.0	2.6	3.0	2.2	4.3
Bloomberg Barclays U.S. TIPS	-2.4	4.7	2.3	0.9	4.4
Bloomberg Barclays High Yield	1.8	17.1	4.7	7.4	7.5
JPMorgan GBI-EM Global Diversified (Local Currency)	-6.1	9.9	-4.1	-1.3	3.8
Other					
NAREIT Equity	-3.3	8.6	12.7	12.0	5.1
Bloomberg Commodity Index	2.7	11.8	-11.3	-9.0	-5.6
HFRI Fund of Funds	1.1	0.7	1.3	3.5	1.3

¹ Source: Thomson Reuters.

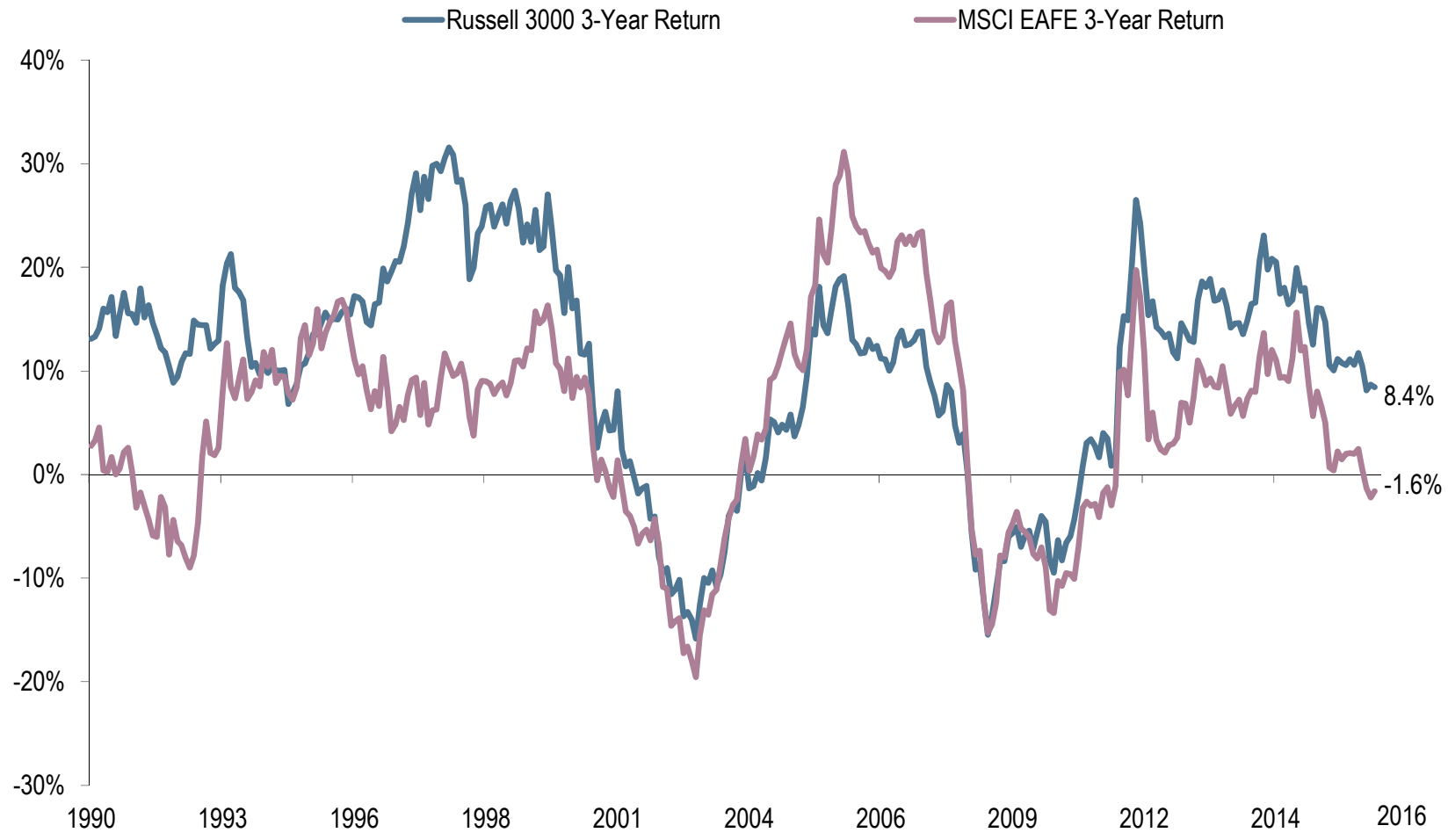
S&P Sector Returns¹



¹ Source: Thomson Reuters.



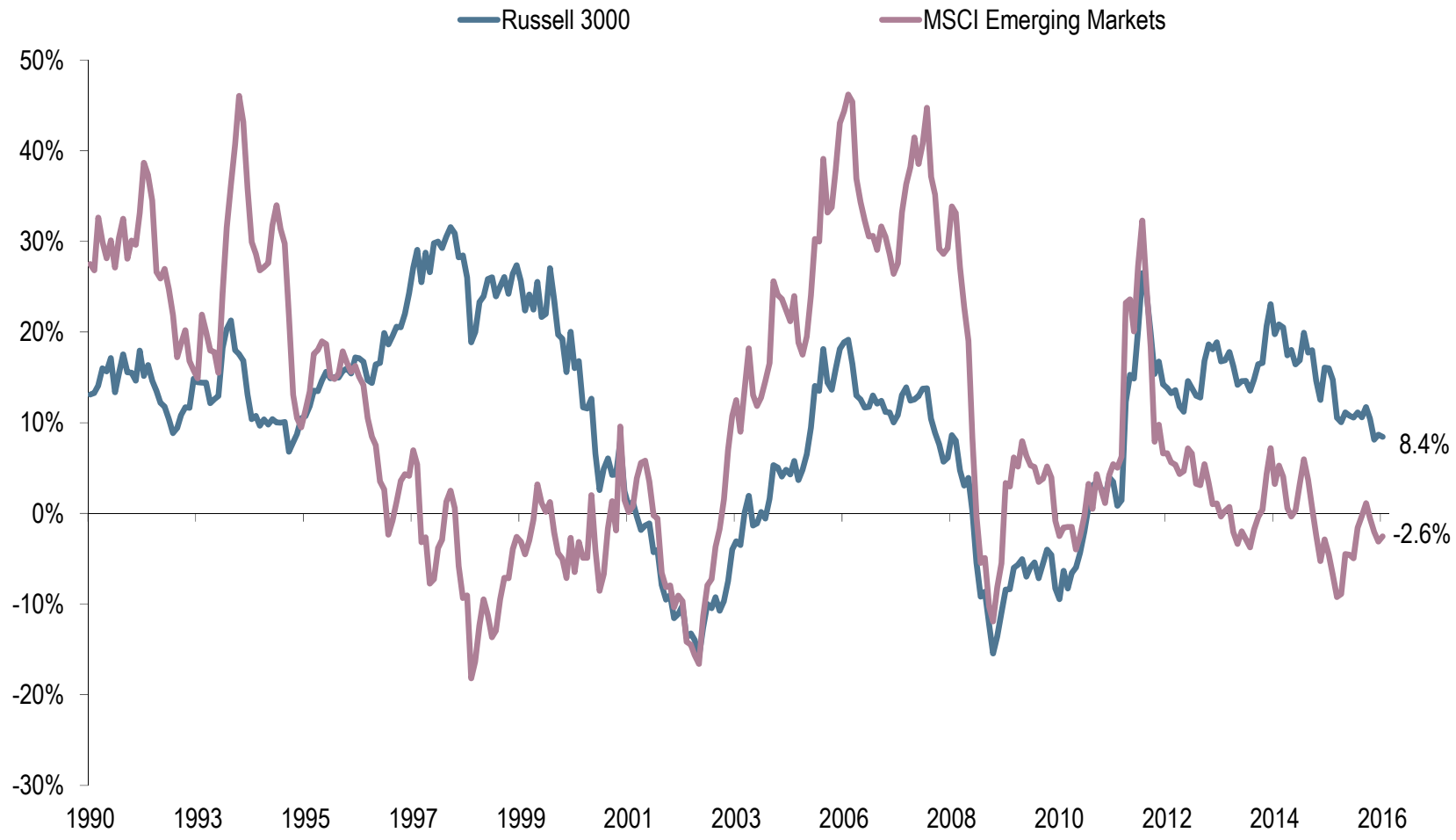
U.S. and Developed Market Foreign Equity Rolling Three-Year Returns¹



¹ Source: Thomson Reuters.



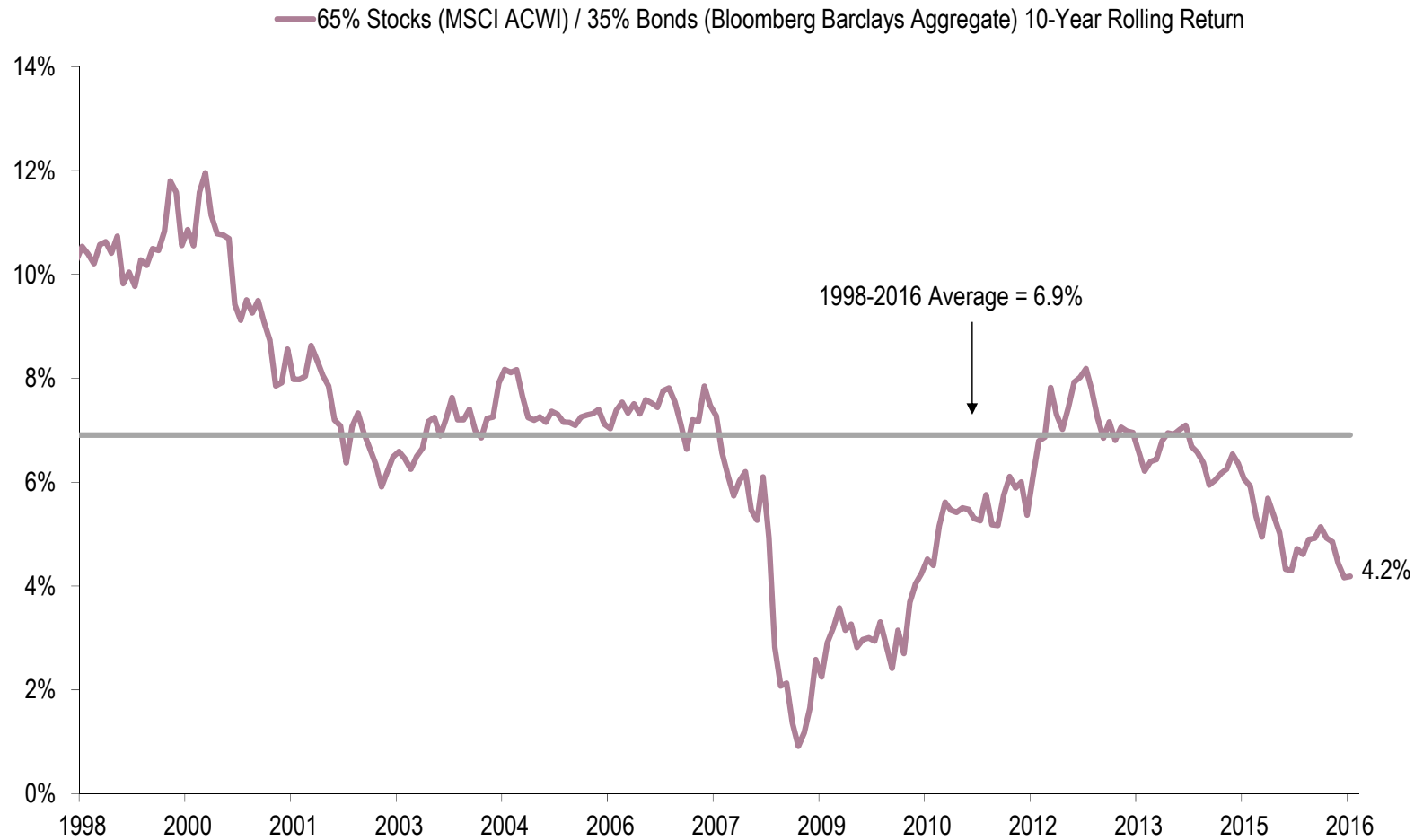
U.S. and Emerging Market Equity Rolling Three-Year Returns¹



¹ Source: Thomson Reuters.



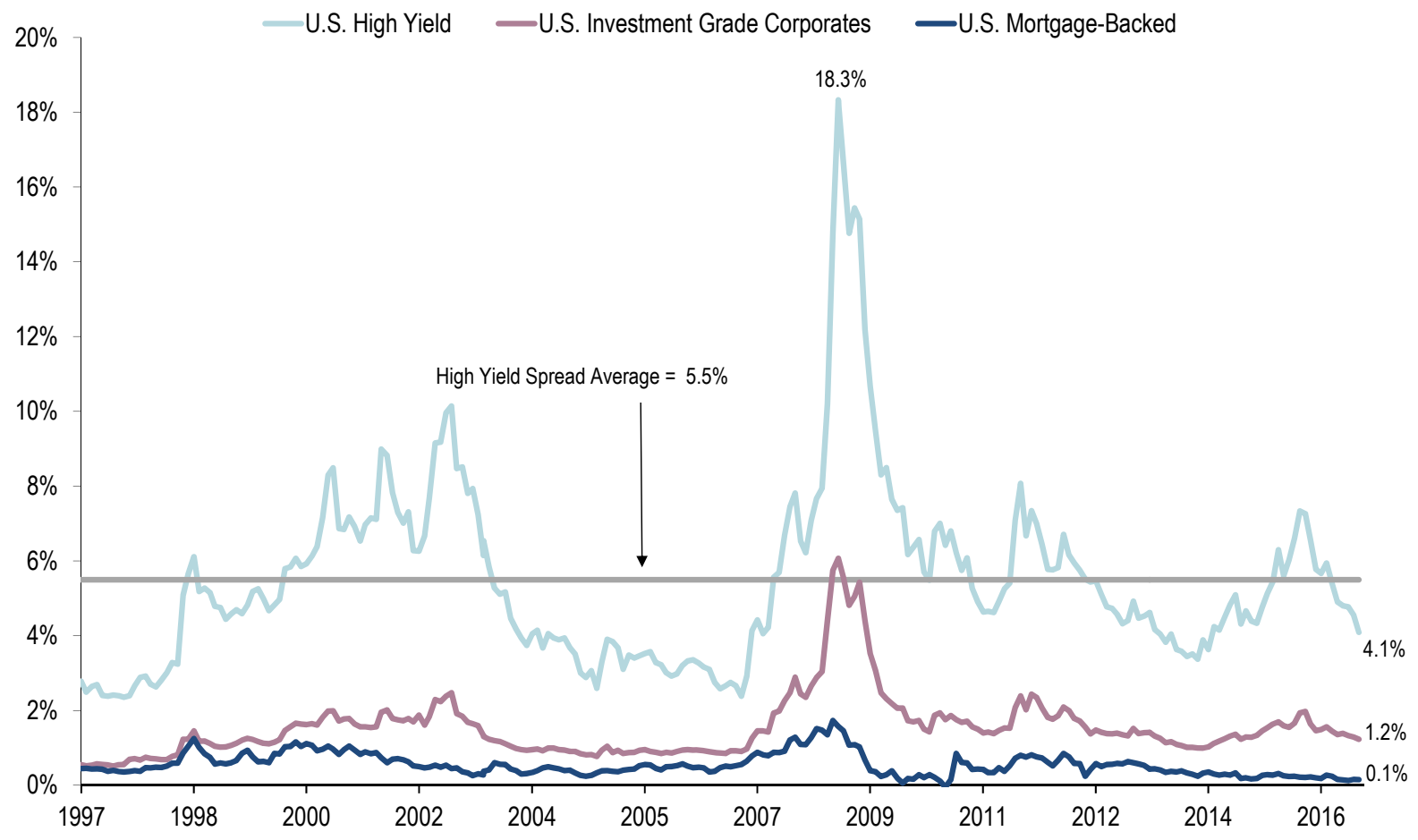
Rolling Ten-Year Returns: 65% Stocks and 35% Bonds¹



¹ Source: Thomson Reuters.



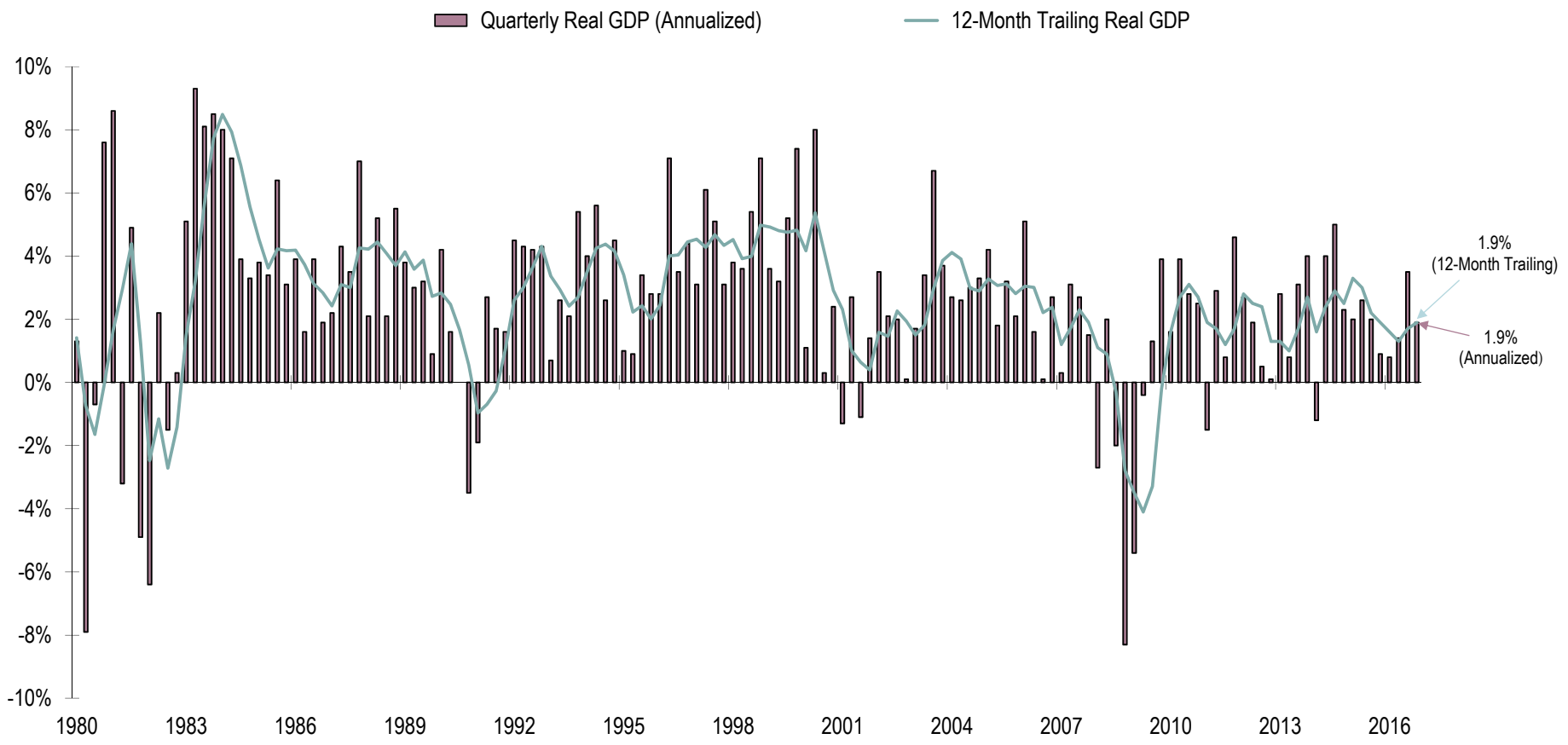
Credit Spreads vs. U.S. Treasury Bonds^{1,2}



¹ Source: Barclays Live.
² The median high yield spread was 5.1% from 1997-2016.



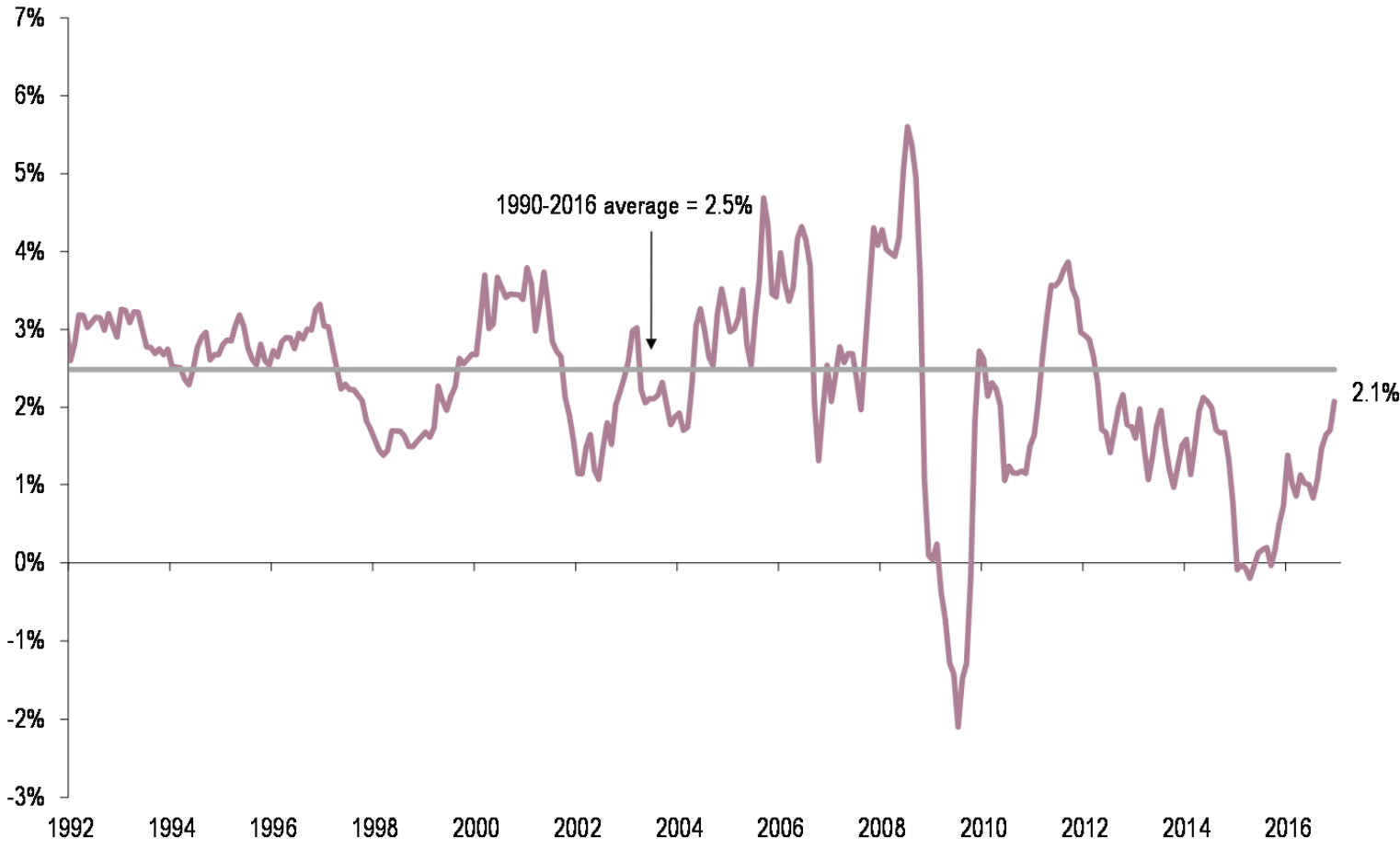
U.S. Real Gross Domestic Product (GDP) Growth¹



¹ Source: Bureau of Economic Analysis. Fourth quarter GDP data represents the first estimate.



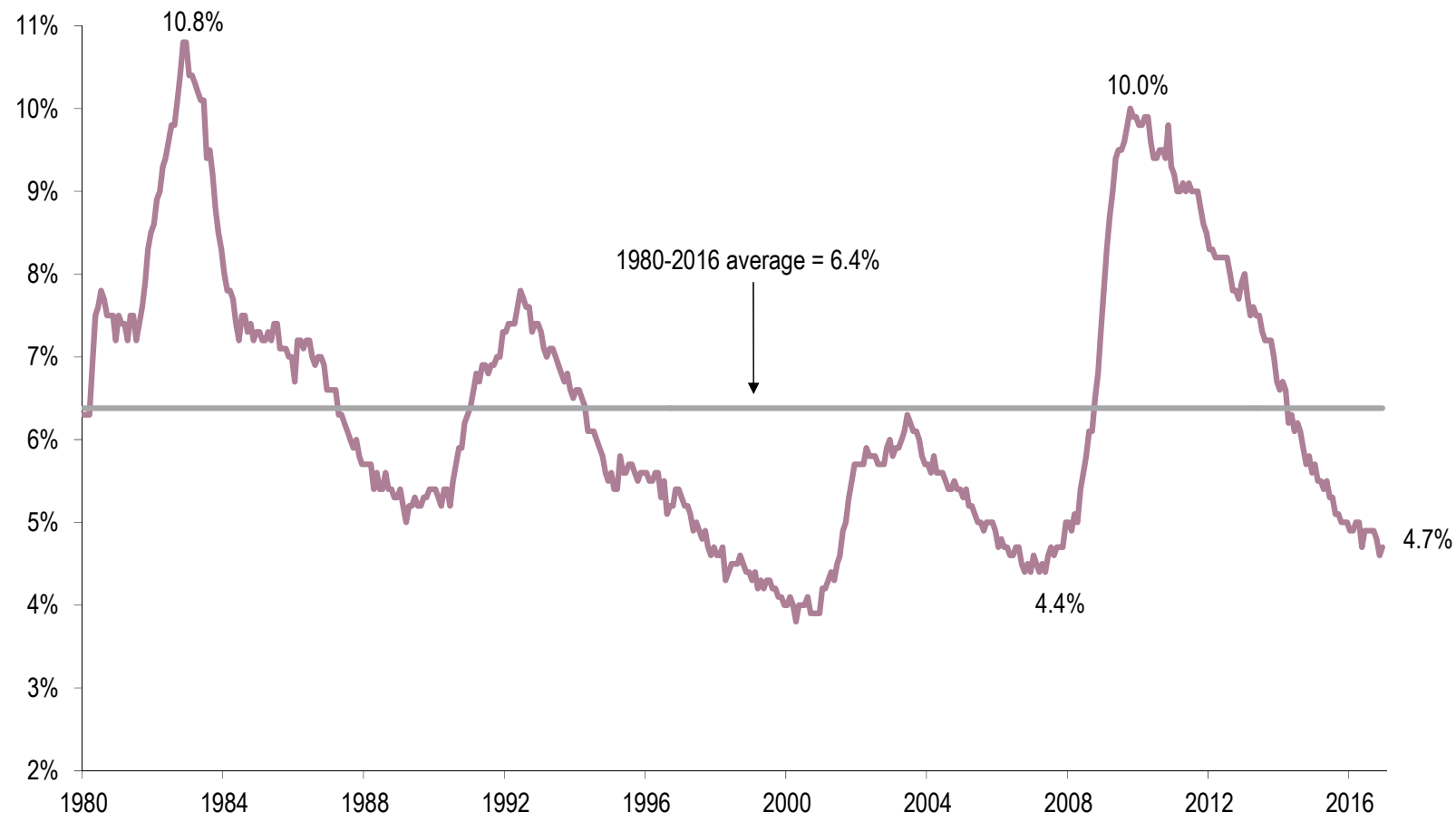
U.S. Inflation (CPI) Trailing Twelve Months¹



¹ Source: Bureau of Labor Statistics. Data is non-seasonally adjusted CPI, which may be volatile in the short-term. Data is as of December 31, 2016.



U.S. Unemployment¹



¹ Source: Bureau of Labor Statistics. Data is as of December 31, 2016.



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.

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.