



Notice of Public Meeting

The Board of Retirement of the San Mateo County Employees' Retirement Association will meet on **Tuesday, December 15, 2015, at 10:00 A.M.**

PUBLIC SESSION – The Board will meet in Public Session at 10:00 a.m.

- 1. Call to Order, Roll Call and Miscellaneous Business**
- 2. Oral Communications**
 - 2.1 Oral Communications from the Board
 - 2.2 Oral Communications from the Public
- 3. Approval of the Minutes**
 - 3.1 Acceptance of Audit Committee Minutes from October 27, 2015
 - 3.2 Approval of Regular Board Meeting Minutes from October 27, 2015
- 4. Approval of the Consent Agenda***

4.1 Disability Retirements	4.5 Member Account Refunds
• Adolph Andalon	4.6 Member Account Rollovers
• Bai Fu	4.7 Assignment of Strategic Investment Solutions, Inc., Investment Consultant Agreement to Verus Advisory, Inc.
• Victoria Ramirez	
• Felicia Watson	
4.2 Service Retirements	4.8 Amendment of the Board's Policy for Reimbursement of Travel and Other Official Expenses for Trustees and Staff
4.3 Continuances	
4.4 Deferred Retirements	
- 5. Benefit & Actuarial Services**
 - 5.1 Consideration of Agenda Items, if any, Removed from the Consent Agenda
- 6. Investment Services**
 - 6.1 Preliminary Monthly Portfolio Performance Report for the Period Ending October 31, 2015
 - 6.2 Quarterly Investment Performance for the Period Ending September 30, 2015
 - 6.3 Presentation of Private Asset Semi-Annual Performance Report as of June 30, 2015
 - 6.4 Approval of Opportunistic Credit Manager Search Process
 - 6.5 Report on Department of Labor Interpretive Bulletin on Economically Targeted Investments and Direction to Staff
 - 6.6 Approval of Purchase of Proposed Alternative Investment (to be heard in Closed Session, Confidential Under Gov. Code §54956.81 and §6254.2, see item C2)
 - 6.7 Strategic Discussion of Investment Items: Soft-Dollar Follow-Up and Equity Structure
- 7. Board & Management Support**
 - 7.1 Report on Status of SACRS Legislative Items Including Authority for Board of Retirement to Determine if the System Should Become a District and Direction to Staff
 - 7.2 Discussion of Board/ Staff Retreat Topics
 - 7.3 Report on Progress of SamCERA's Information Technology Projects
- 8. Management Reports**
 - 8.1 Chief Executive Officer's Report
 - 8.2 Assistant Executive Officers' Reports

Notice of Public Meeting

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8.3 Chief Investment Officer's Report

8.4 Chief Legal Counsel's Report

CLOSED SESSION – The Board may meet in closed session prior to adjournment

- C1 Consideration of Disability Items, if any, Removed from the Consent Agenda
- C2 Approval of Purchase of Proposed Alternative Investment (Confidential Under Gov. Code §54956.81 and §6254.2 – see also item 6.6)
- C3 Public Employee Performance Evaluation, in accordance with Government Code section 54957, Title: Chief Executive Officer
- C4 Conference with Labor Negotiator, in Accordance with Government Code section 54957.6 Designated Representative: Brenda B. Carlson. Employee Position: Chief Executive Officer

9. Report on Actions Taken in Closed Session

10. Adjournment in Memory of the Following Deceased Members:

Gomes, Cecile	October 14, 2015	Hospital
Holman, Mona	October 17, 2015	Social Services
Fisk, Pamela	October 20, 2015	Courts
Hunt, Paula	October 21, 2015	CHOPE Medical Records
Cohen, Lorraine	October 23, 2015	Probation
Murakami, Taka	October 23, 2015	General Services
Adams, Ana	October 29, 2015	Controller's
Daetz, Virginia	October 31, 2015	Health & Welfare Administration
Royer, Mavis	November 2, 2015	Public Health
Katsumis, Peters	November 3, 2015	Sheriff's
Baker, Mary	November 4, 2015	Food Services
Trier, Thomas	November 7, 2015	Mental Health
Silvestrini, Jewell	November 9, 2015	Social Services
Lee, Harriet	November 10, 2015	Social Services
Lemon, Jean	November 15, 2015	Linkages
Fagetti, Richard	November 29, 2015	Probation



Scott Hood, Chief Executive Officer

Posted: December 9, 2015

(* ALL ITEMS ON THE CONSENT AGENDA ARE APPROVED BY ONE ROLL CALL MOTION UNLESS A REQUEST IS MADE BY A BOARD MEMBER THAT AN ITEM BE WITHDRAWN OR TRANSFERRED TO THE REGULAR AGENDA. ANY ITEM ON THE REGULAR AGENDA MAY BE TRANSFERRED TO THE CONSENT AGENDA. ANY 4.1 ITEMS REMOVED FROM THE CONSENT AGENDA WILL BE TAKEN UP UNDER CLOSED SESSION; ALL OTHER ITEMS REMOVED FROM THE CONSENT AGENDA WILL BE TAKEN UP UNDER ITEM 5.1.)

THE BOARD MEETS AT 100 MARINE PARKWAY, SUITE 160, WHICH IS LOCATED ON THE SE CORNER OF TWIN DOLPHIN & MARINE PARKWAY IN REDWOOD CITY. Detailed directions are available on the "Contact Us" page of the website www.samcera.org. Free Parking is available in all lots in the vicinity of the building. A copy of the Board of Retirement's open session agenda packet is available for review at the SamCERA offices and on our website unless the writings are privileged or otherwise exempt from disclosure under the provisions of the California Public Records Act. Office hours are Monday through Thursday 7 a.m. – 6 p.m.

IN COMPLIANCE WITH THE CALIFORNIA GOVERNMENT CODE AND THE AMERICANS WITH DISABILITIES ACT: *SamCERA*'s facilities and board and committee meetings are accessible to individuals with disabilities. Contact *SamCERA* at (650) 599-1234 at least three business days prior to the meeting if (1) you need special assistance or a disability-related modification or accommodation, including auxiliary aids or services, in order to participate in this meeting; or (2) you have a disability and wish to receive the agenda, meeting notice, agenda packet or other writings that may be distributed at the meeting in an alternative format. Notification in advance of the meeting will enable *SamCERA* to make reasonable arrangements to ensure full accessibility to this meeting and the materials related to it.

San Mateo County Employees' Retirement Association
Minutes of the Audit Committee Meeting of the Board of Retirement

October 27, 2015 – Audit Committee Meeting Minutes

A. Call to Order: Chair Natalie Kwan Lloyd called the meeting of the Audit Committee to order at 9:00 a.m.

Roll Call: *Present:* Natalie Kwan Lloyd, Alma Salas and Shirley Tourel.

Excused: Eric Tashman.

Staff: Scott Hood, Brenda Carlson, Al David, Tat-Ling Chow and Kristina Perez.

Consultants: Nick Collier, Milliman; Andy Paulden, Brown Armstrong

B. Oral Communications: None.

C. Review and Discussion of the Following Board of Retirement Agenda Items:

5.2 Acceptance of Milliman, Inc. Report on GASB 67 and 68 Disclosures for FY 2014-2015:

Mr. Collier presented the GASB 67 and 68 Disclosure report and the Committee reviewed the findings.

Action: Ms. Salas moved to recommend Board acceptance of the Milliman, Inc. Report on GASB 67 and 68 Disclosures; the motion was seconded by Ms. Tourel and carried with a vote of 3-0, with Kwan Lloyd, Salas and Tourel all in favor and none opposed.

7.1 Acceptance of Financial Audit Management Reports and Findings:

Mr. Paulden from the Brown Armstrong presented an overview of the audit process and reviewed the four annual audit reports. He stated that SamCERA had received an unqualified (clean) opinion.

Action: Ms. Tourel moved to recommend Board acceptance of the Financial Audit Management Report and Findings; the motion was seconded by Ms. Salas and carried with a vote of 3-0, with Kwan Lloyd, Salas and Tourel all in favor and none opposed.

7.2 Approval of SamCERA's 2015 Comprehensive Annual Financial Report:

Ms. Chow explained all the elements of the CAFR and stated that SamCERA's financial position has improved and SamCERA is in a good position to meet its obligations.

Action: Ms. Salas moved to recommend Board approval of the 2015 CAFR; the motion was seconded by Ms. Tourel and carried with a vote of 3-0, with Kwan Lloyd, Salas and Tourel all in favor and none opposed.

7.3 Annual Review of Independent Auditor, Brown Armstrong:

Mr. David reviewed the survey responses from staff and trustees regarding Brown Armstrong's services to SamCERA. He reported that above average scores were received from staff and trustees, and the comments offered by survey participants were positive overall.

Action: Ms. Tourel moved to recommend Board acceptance of the Annual Review; the motion was seconded by Ms. Salas and carried with a vote of 3-0, with Kwan Lloyd, Salas and Tourel all in favor and none opposed.

D. Other Business: None.

E. Adjournment: With no further business, Ms. Kwan Lloyd adjourned the meeting at 9:26 a.m.

Natalie Kwan Lloyd
Chair, Audit Committee

Kristina Perez
Retirement Executive Secretary

**SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
OCTOBER 27, 2015 – REGULAR BOARD MEETING MINUTES**

1510.1 Call to Order, Roll Call and Miscellaneous Business

Call to Order: Mr. Paul Hackleman, Chair, called the Regular Meeting of the Board of Retirement to order at 10:00 a.m.

Roll Call:

Present: Mark Battey, Ben Bowler (arrived 10:04 a.m.), Paul Hackleman, Natalie Kwan Lloyd, Michal Settles, David Spinello, Eric Tashman (arrived 10:17 a.m.), and Shirley Tourel.

Excused: Sandie Arnott.

Alternates present: Susan Lee, Alma Salas

Staff: Scott Hood, Michael Coultrip, Brenda Carlson, Gladys Smith, Al David, Tat-Ling Chow, Doris Ng and Kristina Perez.

Consultants: Jonathan Brody, Barry Dennis, Margaret Jadallah and John Nicolini (SIS); Nick Collier (Milliman, Inc.); and Andrew Paulden (Brown Armstrong)

1510.2.1 Oral Communications from the Board: Ms. Settles updated the Board on her service with the SACRS ad hoc committee related to the UC Berkeley trustee program.

1510.2.2 Oral Communications from the Public: None.

1510.3.2 Approval of Regular Board Meeting Minutes from September 29, 2015: Mr. Hackleman asked if there were any changes or corrections to the Regular Board Meeting Minutes from September 29, 2015, and none were stated.

Action: Ms. Settles moved to approve the minutes from the Regular Meeting of September 29, 2015; and the motion was seconded by Mr. Battey. The motion carried with a vote of 6-0-1 with trustees Battey, Bowler, Kwan Lloyd, Settles, Spinello and Tourel all in favor; none opposed; and with Mr. Hackleman abstaining as he was not present at the September 29th meeting.

1510.4.0 Approval of the Consent Agenda: Mr. Hackleman asked if there were any items to be removed from the Consent Agenda, and no items were requested to be removed.

Action: Ms. Kwan Lloyd moved to approve the Consent Agenda, and the motion was seconded by Ms. Tourel. The motion carried with a vote of 7-0 with trustees Battey, Bowler, Hackleman, Kwan Lloyd, Settles, Spinello and Tourel all in favor; none opposed.

1510.4.1 Disability Retirements: None

1510.4.2 Service Retirements:

The Board ratified the actions as listed below for the following members regarding service retirements:

Member Name	Effective Retirement Date	Department
Boado, Eufresina	August 15, 2015	Environmental Health
Cornejo, Maria	August 31, 2015	Deferred from Mental Health
Fitton, John	August 18, 2015	Superior Court
Golda, Voytek	August 23, 2015	Sheriff's
Karesh, Jonathan	August 4, 2015	Deferred from DA's Office
Koss, Yelena	September 1, 2015	Behavioral Health
Lou, Anna	September 1, 2015	QDRO
Mathison, John	September 1, 2015	Information Services
Mcentee, Cheryle	August 29, 2015	Environmental Health
Pinckney, Rosalyn	August 27, 2015	QDRO

Raggio, Glenn	August 13, 2015	Deferred from Sheriff's
Rimon, Rolindy	August 8, 2015	Deferred from Medical Center
Silvestri, Gloria	August 29, 2015	Deferred from Public Health

1510.4.3 **Continuances:**

The Board ratified the actions as listed below for the following members regarding continuances:

Survivor's Name	Beneficiary of
Jenkins, Nancy	Jenkins, Risdon
Rakov, Mikhail	Lewis-Rakova, Wendy
Sherzinger, Kay	Sherzinger, Dennis

1510.4.4 **Deferred Retirements:**

The Board ratified the actions as listed below for the following members regarding deferred retirements:

Member Name	Retirement Plan Type
Francis, Susan	G5 Non Vested – Reciprocity
Gatt, Mariavictoria	G4 Vested
Valera-Clemina, Valerie	G4 Vested
Irrinki, Narsimha	G4 Vested

1510.4.5 **Member Account Refunds:**

The Board ratified the actions as listed below for the following members regarding refunds:

Member Name	Retirement Plan Type
Alegria, Rocio	G7, Non-vested
Garcia, Grace	G7, Non-vested
Keovongsa, Karen	G7, Non-vested
Lamonica, Ashley	G7, Non-vested
Legaspi, Lylin	G4, Vested
Mantz, Antoinette	G5, Vested
Muckel, Adrianna	G4, Vested
Schaaf, Adam	G7, Non-vested
Vaca, David	P7, Non-vested

1510.4.6 **Member Account Rollovers:**

The Board ratified the actions as listed below for the following members regarding rollovers:

Member Name	Retirement Plan Type
Cook-Greene, Roniqua	G4, Non-vested
Hunter, Anne	G4, Non-vested
Kelly, Lauren	G5, Non-vested
Serrano, Michael	G7, Non-vested
Underwood, Galen	S4, Vested
Wang, Raymond	G7, Non-vested

1510.4.7 **Approval of Resolution Amending SamCERA's Interest Crediting Policy:** The Board approved a resolution amending the SamCERA Interest Crediting Policy to create a new District Supplementary Contributions Account (DSCA) Reserve and other non-substantive administrative changes.

1510.5.1 **Consideration of Agenda Items, if any, Removed from the Consent Agenda:** None.

- 1510.5.2 **Acceptance of Milliman, Inc. Report on GASB 67 and 68 Disclosures For FY 2014-15:** Nick Collier of Milliman, Inc. reviewed the report with the Board. He explained how the required disclosures were calculated and reflected in the actuarial report.
Mr. Tashman arrived at 10:17 a.m. during the presentation of item 5.2.
Ms. Kwan Lloyd reported that the Audit Committee, which met earlier on the same day, had discussed this item and recommended acceptance of this report by the Board.
Action: Mr. Bowler moved to accept Milliman's report on GASB Statements 67 and 68. The motion was seconded by Ms. Settles and carried by a vote of 8-0, with trustees Battey, Bowler, Hackleman, Kwan Lloyd, Settles, Spinello, Tashman and Tourel all in favor; none opposed.

The following agenda items were taken out of order and were heard in the order as listed below.

- 1510.6.5 **Report and Discussion of Organizational Changes within SIS:** Mr. Barry Dennis discussed the merger of SIS with Verus Advisory, Inc., effective January 1, 2016. He answered questions from staff and Board members and explained the process that began this summer. This item was informational only and no action was taken.
- 1510.7.1 **Acceptance of Financial Audit Management Reports and Findings:** Mr. Andrew Paulden reviewed the independent financial audit performed by Brown Armstrong for the fiscal year ending June 30, 2015. He outlined the process and outcome of the audit and stated that SamCERA's audit has received an unqualified (clean) opinion. Ms. Kwan Lloyd reported that the Audit Committee has recommended acceptance of the audit report. With no objections, the audit report and findings were accepted by the Board.
- 1510.7.2 **Approval of SamCERA's 2015 Comprehensive Annual Financial Report (CAFR):** Ms. Chow provided an oral report on the highlights of the CAFR, noting that SamCERA's funded status has improved to 83%. Ms. Kwan Lloyd reported that the Audit Committee reviewed the CAFR and recommended Board approval.
Action: Mr. Spinello moved to approve SamCERA's Comprehensive Annual Financial Report (CAFR) for the fiscal year that ended June 30, 2015. The motion was seconded by Ms. Settles and carried with a vote of 8-0, with trustees Battey, Bowler, Hackleman, Kwan Lloyd, Settles, Spinello, Tashman and Tourel all in favor; none opposed.
- 1510.7.3 **Annual Review of Independent Auditor, Brown Armstrong:** Mr. David reported the annual review of Brown Armstrong showed above average and higher ratings from Board members and staff. Mr. David was pleased with the good working relationship between SamCERA and Brown Armstrong, and expressed satisfaction with their work and the audit process. Ms. Kwan Lloyd reported that the Audit Committee had also discussed the annual review. This item is informational only and no action was taken.
- 1510.6.1 **Preliminary Monthly Performance Report for the Period Ending September 30, 2015:** Mr. Coultrip discussed the preliminary monthly performance report with the Board. He reported that SamCERA's net preliminary return for September was -2.1%, while the preliminary trailing twelve-month return was -0.6% net. This item was informational only and no action was taken.
- 1510.6.2 **Report on Fixed Income Manager Annual Review (Brigade Capital Management):** Ms. Ng discussed the annual review of Brigade Capital Management, held at the SamCERA office September 17, 2015. She stated that there were no significant concerns identified during the portfolio review. This item was informational only and no action was taken.

1510.6.3 **Report on Commodity, Hedge Fund, Risk Parity, and Real Estate Annual Manager Reviews:** Ms. Dames discussed the annual reviews of Invesco, AQR Global Risk, AQR Delta and PanAgora, held at the SamCERA office over two days, October 1st and October 8th. She stated that there were no significant concerns identified during the portfolio review. This item was informational only and no action was taken.

The meeting was adjourned into closed session from 11:45 a.m. until 12:15 p.m., and item 6.4 was heard at that time.

1510.6.4 **Discussion and Approval of Proposed Alternative Investment:** The Board met in closed session with staff and SIS to discuss this item. Upon reconvening, Ms. Carlson reported the following action was taken by the Board.
Action: Ms. Settles moved to invest in \$30 million in Invesco U.S. Value Add Closed –End Fund IV. The motion was seconded by Mr. Tashman and carried with a vote of 7-1, with trustees Battey, Bowler, Hackleman, Kwan Lloyd, Settles, Tashman and Tourel all in favor; Spinello opposed.

The meeting was adjourned for lunch from 12:15 p.m. until 12:45 p.m.

1510.7.4 **Discussion of SACRS Business Meeting Topics:** The SACRS business meeting materials were not available in time for discussion at this meeting. Mr. Hood stated that when materials become available from SACRS he would contact the voting delegates, Ms. Settles and Ms. Lee, and share the information. Because the SACRS business meeting materials were not available in time for discussion at this meeting, the delegates were authorized to vote in a manner that is in the best interest of SamCERA. No action was taken.

1510.7.5 **Approval of Board of Retirement Meeting Schedule for 2016:** Mr. Hood presented the proposed schedule of Board meetings for 2016 to the Board. There was no objection to any of the proposed meeting dates.
Action: Ms. Kwan Lloyd moved to approve the 2016 Board of Retirement meeting schedule. The motion was seconded by Ms. Settles and carried with a vote of 8-0, with trustees Battey, Bowler, Hackleman, Kwan Lloyd, Settles, Spinello, Tashman and Tourel all in favor; none opposed.

1510.8.1 **Chief Executive Officer's Report:** Mr. Hood thanked Ms. Chow and her team for their work on the CAFR. He announced that SamCERA's new website was officially launched, and he thanked Ms. Carlson and Colin Bishop for their efforts on the creation of the new site. Mr. Hood updated the Board on the agenda management software project, which has been stopped at this time. He notified the Board that the PASS project will require a budget increase to account for additional hours needed to complete the data cleansing portion of the project. He also noted that the Project Management contract with LRWL, Inc would also require a budget increase and expected to bring both amendments to the Board for approval in January. He is working with the County HR department to create a team to plan the health care deduction transition. This will integrate retiree health deductions into the new PASS system and transfer the "back office" accounting work to the County; this will have little impact on retirees but requires some accounting work and collaboration with County staff. Mr. Hood let the Board know he will be attending the Invesco Client Conference in La Jolla in early November; and that the \$1.5M check from the San Mateo County Mosquito and Vector Control District was expected to arrive this week.

1510.8.2 **Assistant Executive Officers' Report:** Ms. Smith reported that the SamCERA newsletter, included in the Board members' meeting folder, was e-mailed to active members and the retiree newsletter would be sent out soon. She let the Board know that two staff members were currently attending the National Pension Education Association Annual Conference in Kentucky. Mr. David thanked the staff

for all their help on the GASB 67 and 68 and the completion of the CAFR. He stated that the verification process of the finance portion of the PASS project is beginning.

- 1510.8.3 **Chief Investment Officer's Report:** Mr. Coultrip provided follow-up details regarding the investment in Standard Life Investments Global Absolute Return Strategies, approved by the Board in September. He noted this manager is registered with the US Securities and Exchange Commission and has 161 clients in the US, including CalPERS and the City of San Jose Retirement. He let the Board know that annual reviews for private equity and real assets will be held on November 16th, and invited interested Board members to attend. Mr. Coultrip will be attending the Invesco Client Conference with Mr. Hood.
- 1510.8.4 **Chief Legal Counsel's Report:** Ms. Carlson noted that if Board members are approached with solicitations from investment manager firms, Board members can refer such firms to SIS. She advised Board members to refrain from such discussions during a manager search period. Ms. Carlson provided the Board with an update of enacted legislation relating to pension systems and public agencies.

CLOSED SESSION – The Board may meet in closed session prior to adjournment.

- C1 **Consideration of Disability Items, if any, Removed from the Consent Agenda:** None
C2 **Discussion and Approval of Proposed Alternative Investment** (*Confidential Under Gov. Code §54956.81 and §6254.26– see also item 6.4*): See item 6.4

1510.9 **Report on Actions Taken in Closed Session:** Recorded under item 6.4

1510.10 **Adjournment:** Mr. Hackleman adjourned the meeting at 1:15 p.m. in memory of the deceased members listed below.

Knox, Mavis	August 14, 2015	Social Work
Soto, Beatrice	August 14, 2015	Public Health
Barthel, Irene	September 3, 2015	County Clerk
Forbes, Glenn	September 4, 2015	Social Services
Cantwell, Sidney	September 6, 2015	Public Works
O'Toole, Matilda	September 8, 2015	Municipal Court
Phillips, Edith	September 8, 2015	County Clerk
Lynch, Margaret	September 11, 2015	Social Services
Fitzgerald, Ronald	September 12, 2015	SMC General Hospital
Dunlop, Alta	September 14, 2015	Courts
Hansen, Richard	September 20, 2015	Sheriff
Kenny, Marie	September 24, 2015	Human Services Agency
Johnson, John	October 1, 2015	General Services
Mastenbrook, Clifford	October 1, 2015	Assessor's
Coleman, Demetric	October 6, 2015	Medical Center
Garcia, Jorge	October 11, 2015	Food Service/Dietary Unit

Scott Hood
Chief Executive Officer

Kristina Perez
Retirement Executive Secretary

SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
Board of Retirement

December 15, 2015

Agenda Items 4.1- 4.6

TO: Board of Retirement

FROM: Elizabeth LeNguyen, Retirement Benefits Manager



SUBJECT: Approval of Consent Agenda Items 4.1 – 4.7

4.1 Disability Retirements

- a) The Board find that **Bai Fu** is (1) permanently incapacitated for the performance of her usual and customary duties as a Custodian, (2) find that her disability was a result of an injury arising out of and in the course of her employment, and (3) grant her application for a service-connected disability retirement.

- b) The Board find that **Adolph Andalon** is (1) permanently incapacitated for the performance of his usual and customary duties as a Fraud Investigator II, (2) find that his disability was not a result of an injury arising out of and in the course of his employment, and (3) grant his application for a non-service-connected disability retirement.

- c) The Board find that **Felicia Watson** is (1) permanently incapacitated for the performance of her usual and customary duties as a Switchboard Operator, (2) find that her disability was not a result of an injury arising out of and in the course of her employment, (3) deny her application for a service-connected disability retirement, and (4) grant her a non-service-connected disability retirement.

- d) The Board find that **Victoria Ramirez** is (1) not permanently incapacitated for the performance of her usual and customary duties as a Physician and (2) deny her application for a service-connected disability retirement.

4.2 Service Retirements

The Board ratifies the actions as listed below for the following members regarding service retirements:

Member Name	Effective Retirement Date	Department
Anteola, Evangeline	October 1, 2015	Medical Center
Askew, Clarice	October 31, 2015	Public Works
Berndl, Michael	October 2, 2015	Deferred from Sheriff's
Brown-Wade, Diane	September 10, 2015	Deferred from Human Services Agency

Charan, Manjulla	October 17, 2015	Public Health
Cloud, Carman	September 9, 2015	Deferred from Public Safety Comm.
Condon, Sharon	October 5, 2015	Deferred from Controller's
Cooper, Laurie	October 10, 2015	Probation
Duran, Loretta	October 31, 2015	Courts
Gatt, Brian	November 1, 2015	Parks
Gray, Jessica	September 19, 2015	Deferred from Social Services
Hara, Hideki	September 26, 2015	Family Health Services
Hennen, Joseph	September 18, 2015	Human Services Agency
Herrera, Zonia	October 31, 2015	Public Health
Hutchens, Pauline	October 16, 2015	Public Safety Communications
Jackson, Angela	September 11, 2015	Human Services Agency
Jameson, Kelly	October 31, 2015	Deferred from Probation
Lynch, Anne	September 19, 2015	Library
Paengalau, Mary	September 17, 2015	Human Services Agency
Pisani, Alfred	September 30, 2015	Deferred from Public Works
Seaton, Carolyn	February 10, 2015	Medical Center
Strobeck, Paul	October 24, 2015	District Attorney Office
Wong, Kenton	October 27, 2015	Deferred from Sheriff's

4.3 Continuances

The Board ratifies the actions as listed below for the following members regarding continuances:

Survivor's Name	Beneficiary of:
None	

4.4 Deferred Retirements

The Board ratifies the actions as listed below for the following members regarding deferred retirements:

Member Name	Retirement Plan Type
Cooper, Glorialee S.	G4, Non-Vested - Reciprocity
Crooks, Alleen L.	G4, Vested
D' Johns, Massanda	G4, Vested - Reciprocity
Finigan, Jeffrey R.	G2, Vested - Reciprocity
Fraser, Jean S.	G4, Vested
Gajunia, Florabel	G4, Vested
Jumoc, Cherrymae M.	G4, Vested
Soo, Regina R.	G5, Non-Vested - Reciprocity

4.5 Member Account Refunds

The Board ratifies the actions as listed below for the following members regarding refunds:

Member Name	Retirement Plan Type
Carrasco, Elizabeth	G7, Non-vested
Chau, John	G7, Non-vested
Formoso, Josephine	G7, Non-vested
Higgins, Tristan	G4, Non-vested
Imler, Erin	G7, Non-vested
Jones, Sharon	G7, Non-vested
Ku, Aileen	G4, Vested
Lumboy, Charles	G7, Non-vested
Robles, Robert	G7, Non-vested
Rogers, Ross (FBO: Hope Rogers)	G7, Non-vested
Rogers, Ross (FBO: Joseph Rogers)	G7, Non-vested
Sanchez De Leon, Israel	G7, Non-vested

4.6 Member Account Rollovers

The Board ratifies the actions as listed below for the following members regarding rollovers:

Member Name	Retirement Plan Type
Ampuero, Marilyn	G5, Non-vested
Gullet, Mary	G7, Non-vested
Liu, Zhenyi	G7, Non-vested
Morales, Roina (FBO: Estate of Roina Morales)	G4, Vested
Srour, Daniel	G7, Non-vested
Victorino, Adam	G5, Non-vested
Watkins, Stacy	G4, Non-vested
Yang, David	G7, Non-vested

SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
Board of Retirement

December 15, 2015

Agenda Item 4.7

TO: Board of Retirement
FROM: Scott Hood, Chief Executive Officer 
SUBJECT: Assignment of Strategic Investment Solutions, Inc., Investment Consultant Agreement to Verus Advisory, Inc.

Staff Recommendation

Authorize the Chief Executive Officer to execute a "Consent to Assignment Confirmation of Acceptance of Investment Consulting Agreement" which approves of the assignment of the Strategic Investment Solutions, Inc., (SIS) investment consultant agreement to Verus Advisory, Inc. (Verus).

Background

The current agreement with SIS for investment consultant services was entered into August 31, 2014 and continues until August 31, 2019, unless terminated by either party with 30 days' notice. The agreement provides that it may be assigned with our written consent.

Discussion

At the October Board meeting, Barry Dennis, and Margaret Jadallah, Managing Directors of SIS, discussed SIS's impending merger with Verus and the ongoing services that SamCERA will expect to receive post-merger. Effective January 1, 2016, SIS and Verus will merge, with the combined firm being Verus. Consequently, SIS as an entity will no longer exist after that date.

In order to enable the continuation of their consulting services after January 1, 2016, the Board has been requested to consent to the assignment of SIS's investment consulting services agreement to Verus. Under the assignment, Verus will accept the terms of the agreement in its entirety. All the terms and conditions of the agreement shall remain in effect unmodified and Verus will be bound by all the terms and obligations of the agreement. The assignment would be effective January 1, 2016.

SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
Board of Retirement

December 15, 2015

Agenda Item 4.8

TO: Board of Retirement 
FROM: Scott Hood, Chief Executive Officer
SUBJECT: Amendment of the Board's Policy for Reimbursement of Travel and Other Official Expenses for Trustees and Staff

Staff Recommendation

Approve a resolution amending the Board's Policy for Reimbursement of Travel and Other Official Expenses for Trustees (Travel Policy) to address travel outside the Continental United States (OCONUS) covered by the applicable General Services Agency (GSA) rates.

Discussion

The Board's Travel Policy currently provides that the maximum reimbursement for the actual costs of meals is limited to the standard GSA Continental United States (CONUS) rates except that for those areas that have a specific separate CONUS rates, the maximum reimbursement rate is limited to double the amount of the CONUS rate. It further provides that reimbursement for lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available at the time of booking. If such rate is not available, the maximum reimbursement rate shall be limited to double the amount of the applicable CONUS rate or the group rate, whichever is higher.

Due to recent Board travel to Hawaii, staff has discovered that there are no CONUS rates for Hawaii or Alaska, but OCONUS rates are applicable. The proposed amendment would clarify that the applicable reimbursement rate (and multiplier of) either CONUS or OCONUS will be used. OCONUS rates would also apply to international travel.

Attachment

Resolution Amending the Policy and the Proposed Policy for Reimbursement of Travel and Other Official Expenses for Trustees and Staff

SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

RESOLUTION 15-16-__

**RESOLUTION AMENDING THE BOARD OF RETIREMENT'S
POLICY FOR REIMBURSEMENT OF TRAVEL AND OTHER OFFICIAL EXPENSES
FOR TRUSTEES AND STAFF**

WHEREAS, Government Code §31520 vests the management of SamCERA in the Board; and

WHEREAS, the Board acknowledges the vital importance of making informed judgments on all matters which come before it and the importance of gathering knowledge through education and training as reflected in the Board's Code of Conduct and Educational Policy; and

WHEREAS, as reflected in the Board's current "Policy for Reimbursement of Travel and Other Official Expenses for Trustees and Staff" ("Travel Policy") reimbursements should be only for those necessary, reasonable and actual expenses that have been incurred and are limited to the allowable expenses; and

WHEREAS, the Travel Policy currently provides that the maximum reimbursement for the actual costs of meals is limited to the standard General Services Agency (GSA) Continental United States (CONUS) rates except that for those areas that have a specific separate CONUS rates, the maximum reimbursement rate is limited to double the amount of the CONUS rate; and

WHEREAS, the Travel Policy currently provides that reimbursement for lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available at the time of booking. If such rate is not available, the maximum reimbursement rate shall be limited to double the amount of the applicable CONUS rate or the group rate, whichever is higher; and

WHEREAS, the Board has determined that the Travel Policy should be amended to address those locations not covered by CONUS and which are instead covered by the applicable GSA rates for Outside the Continental United States (OCONUS); and

WHEREAS, the Board has read and desires to approve the proposed amendment to the Travel Policy to include the OCONUS rates; Now, therefore, be it

RESOLVED, that the Board hereby amends its *Policy For Reimbursement of Travel and Other Official Expenses For Trustees and Staff* as set forth in the attachment.

SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
Board of Retirement

December 15, 2015

Agenda Item 6.1

TO: Board of Retirement

Michael R. Coultrip

FROM: Michael Coultrip, Chief Investment Officer

SUBJECT: Preliminary Monthly Portfolio Performance Report for the Period Ending October 31, 2015

Staff Recommendation

Review the preliminary performance report dated October 31, 2015.

Background

This preliminary report is intended to provide a high-level view of the portfolio and its trends. It is not intended to provide short-term performance upon which the Board would act. As discussed previously, preliminary performance estimates are now included for AQR Risk Parity, AQR Delta, Panagora Risk Parity, and Beach Point Select. The quarterly performance metrics are not yet available for our private equity, private real asset, and real estate portfolios. The performance for these portfolios will be reflected in the quarterly performance report generated by SIS.

The attached performance report shows both net and gross of fee returns for the total plan on page one, with net composite returns (pages 2-3) and net manager returns (pages 4-9) also shown.

Discussion

The fund's net preliminary return for October was 4.8%, while the preliminary trailing twelve-month return was 2.5% net. The twelve-month net return is higher than SamCERA's Total Plan Policy Benchmark return of 1.8%, but below the Actuarial Assumed Earnings Rate of 7.25%. As a reminder, SamCERA should expect performance to vary substantially from that of the Total Plan Policy Benchmark in the initial stages of its implementation of private equity and private real assets.

The global equity markets were higher during the month, with most major indices up between 5% and 8%. In the U.S., the broad market was up 7.9%, with large-capitalization stocks returning 8.1% and smaller capitalization stocks returning 5.6%. International equity indices were also up on the month, with developed markets (as measured by MSCI EAFE) up 7.8% and emerging markets up 7.1%.

The Fed's decision not to hike interest rates in September, leading some to predict the Fed would not begin increasing rates until 2016, helped push markets higher. In addition, economic reports in the U.S. continued to show modest improvement. For example, first estimates for real GDP growth were 1.5% for 3Q2015, generally in line with expectations.

The general U.S. fixed income market return was essentially flat (0.02%). Interest rates (as measured by 10-year Treasuries) were volatile during the month but ended up increasing by 10 basis points, while credit spreads generally narrowed. Higher risk sectors of the fixed income market were higher on the month. For example, U.S. high yield bonds returned 2.7%, while emerging market bonds returned 2.7%.

Attachments

- A. Verus Capital Markets Update
- B. Northern Trust Performance Report



**PERSPECTIVES
THAT DRIVE
ENTERPRISE
SUCCESS**

OCTOBER 2015
Capital Markets Update

Market commentary

Economic Climate

- The October jobs report was a positive sign for the labor market. Nonfarm payrolls added 271,000 jobs during the month, well above the consensus estimate of 190,000. However, older workers claimed most of the payroll gains. The unemployment rate dropped to 5.0%, - the lowest since April 2008.
- The third quarter advance estimate of GDP growth came in at 1.5%, according to the Bureau of Economic Analysis. Positive contributors to growth included personal consumption, exports, and fixed investment. Inventories fell, acting as a drag on growth.
- The trade deficit decreased 15% to \$40.8 billion in September, partly due to a decrease in petroleum imports, which fell to their lowest level since May 2004. However, most of the drop in petroleum oil imports was due to a decrease in the *value* of those imports rather than a decrease in *quantity*.
- The monthly change in CPI for September was -0.2%, while year-on-year inflation was little changed. Core inflation, which excludes food and energy, saw a year-on-year change of 1.9%.

Domestic Equities

- U.S. equity markets bounced back following a difficult third quarter, with the S&P 500, DJIA, and NASDAQ returning 8.4%, 8.6%, 9.4%, respectively.
- A better than expected Q3 earnings season likely contributed to the month's strong performance. At month end, of the 67% of companies in the S&P 500 that had reported earnings, 76% had beat EPS estimates. In contrast, only 47% of reporting companies beat sales estimates.
- The Fed's decision to delay a rate hike in September, which led many to believe an increase in interest rates would not occur until 2016, may have boosted equity performance early in the month.

Domestic Fixed Income

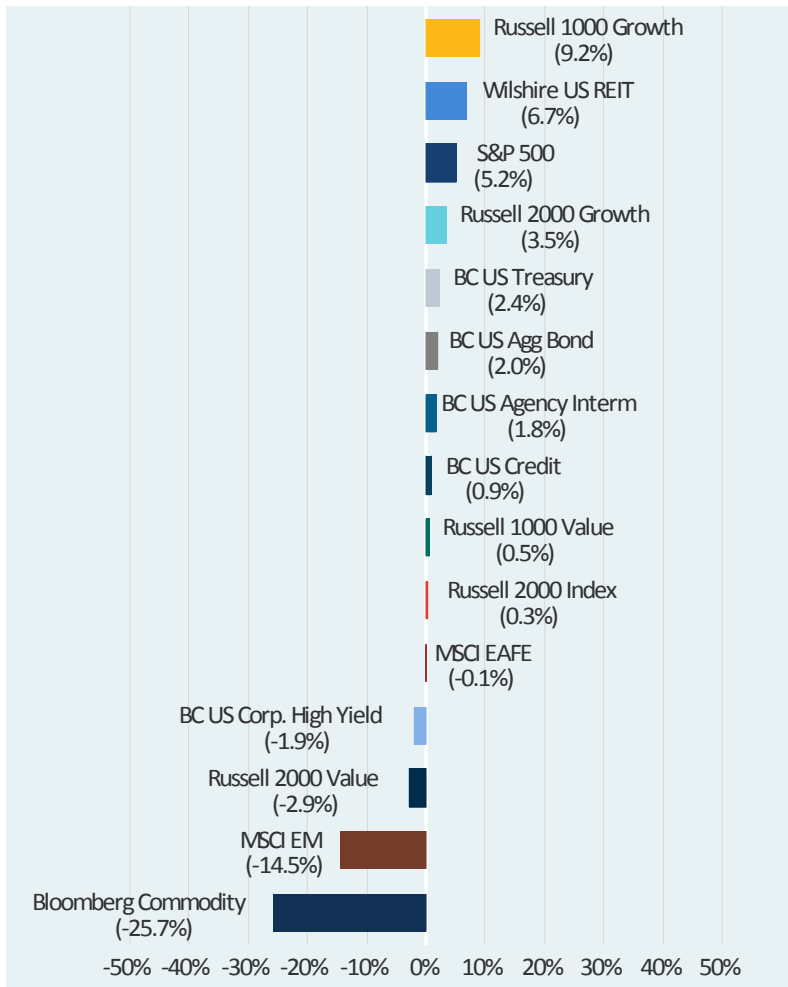
- The Federal Reserve once again chose to keep interest rates near zero. A rate hike in December is still probable. Fed officials will continue to monitor the economy's progress towards full employment and a 2% inflation target.
- The Treasury yield curve rose across all maturities. Short- and medium-term rates experienced the greatest relative increase during the month. The 10-year rate increased 10 bps, finishing at 2.2%.
- In the corporate sector, October investment grade issuance topped \$100 billion, which set a monthly record for the second straight month.

International Equities

- Hopes that the European Central Bank will announce an extension to its quantitative easing program to stimulate economic recovery helped support European equities during the month. The MSCI Euro index returned 9.0% in October.
- The MSCI China Index rose 12.1% in October as fears of growth deceleration subsided somewhat. Third quarter GDP growth was 6.9%, which beat expectations despite it being the slowest quarterly growth rate since the first quarter of 2009.
- To further stimulate economic growth, the People's Bank of China announced a 25bp cut to its one-year lending and deposit rates, and a 50bp reduction of banks' reserve requirements.

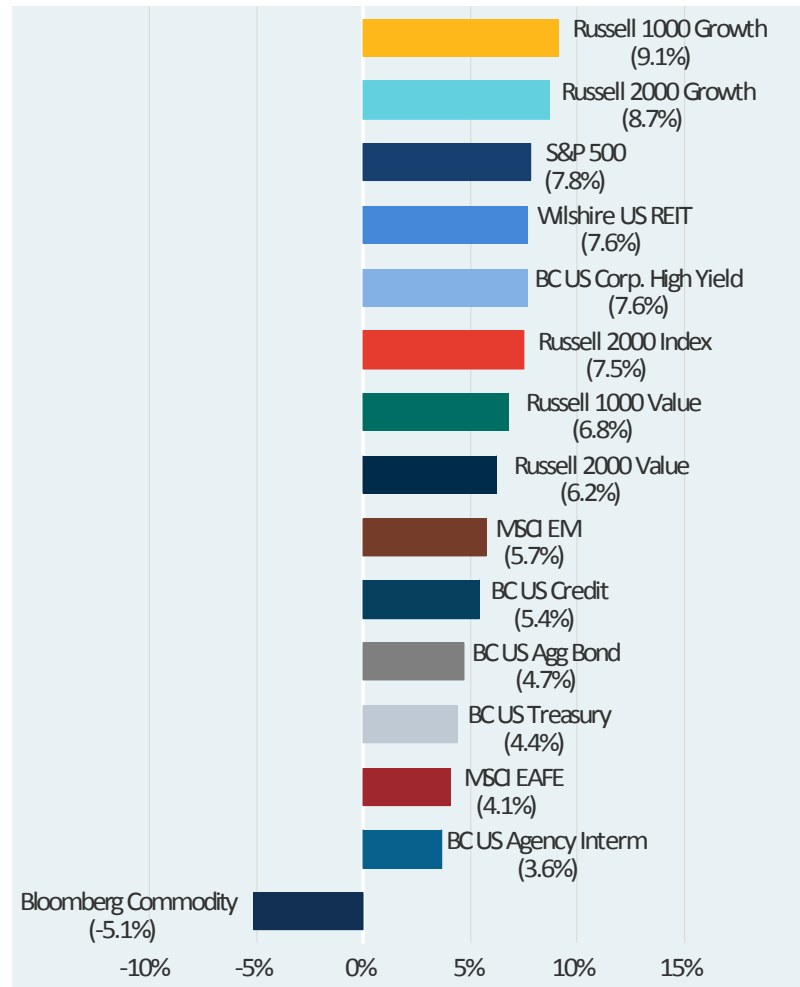
Major asset class returns

ONE YEAR ENDING OCTOBER



Source: MPI, as of October 31, 2015

TEN YEARS ENDING OCTOBER

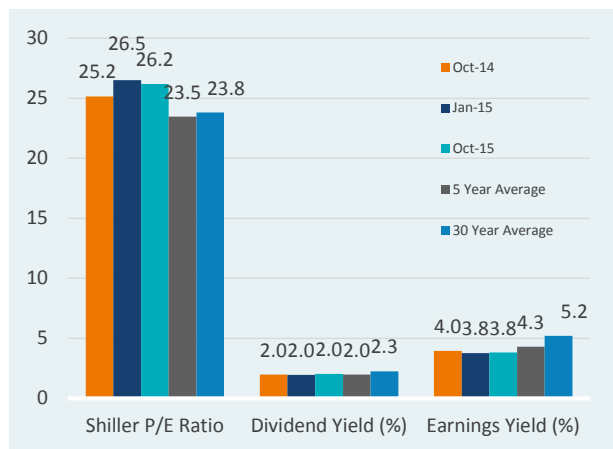


Source: MPI, as of October 31, 2015

U.S. large cap equities

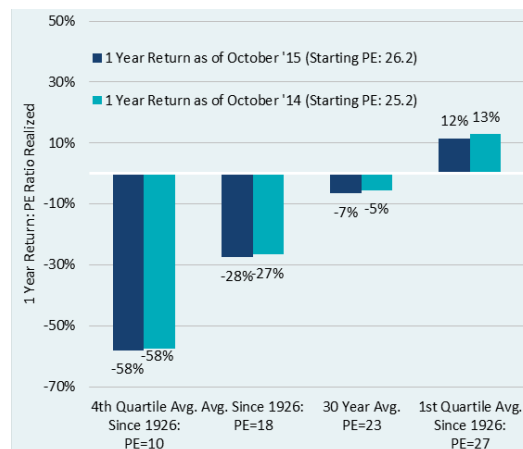
- Following a difficult third quarter U.S. equity markets rebounded, with the S&P 500 and the Russell 1000 returning 8.4% and 8.1%, respectively. A better than expected 3Q earnings seasons likely contributed to this bounce back. As of October 30th, 67% of companies in the S&P 500 had reported earnings, and 76% of those beat estimates. For 3Q 2015, the blended earnings decline, a measure that combines reported earnings and estimated earnings of companies yet to report, is now -2.2%, compared to September's estimated earnings decline of -5.2%.
- The S&P 500 Shiller P/E ratio increased to 26.2, halting declines from the previous four months. In the past year, the Shiller has risen from 25.2 to 26.2, and remains above its short- and long-term historical averages.
- The forward 1-year P/E ratio saw a jump from 17.2 to 19.4 during the month, coinciding with positive returns of the S&P 500.

US LARGE CAP (S&P 500) VALUATION SNAPSHOT



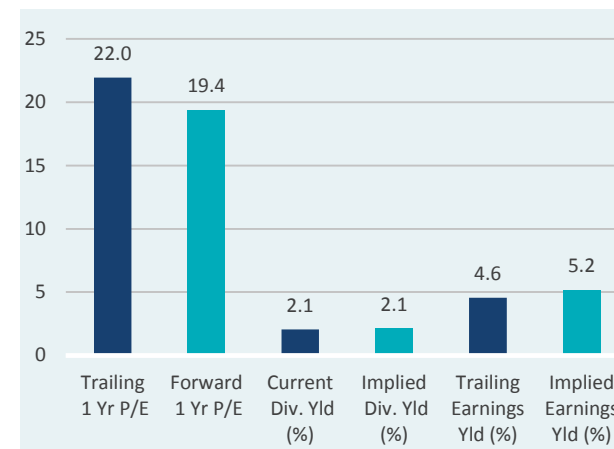
Source: Yale/Shiller

EFFECTS OF CHANGES IN SHILLER PE RATIO



Source: Yale/Shiller, Verus

S&P 500 VALUATION SNAPSHOT



Source: Standard & Poor's, as of 10/31/15

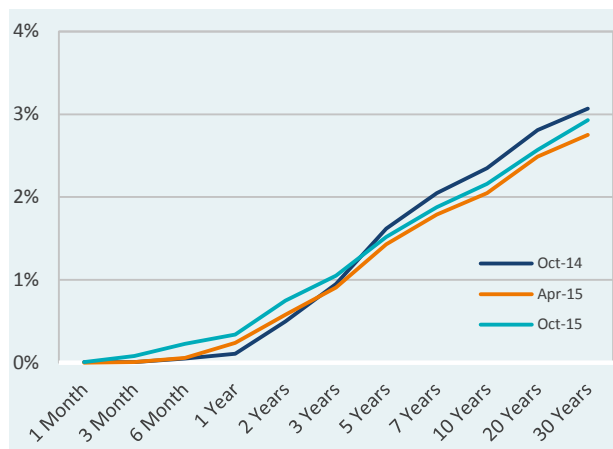
Fixed income

- U.S. Treasury yields rose across all maturities in October. The largest relative yield increases were seen in the middle of the curve with the 3-, 5-, and 10-year maturities rising 13bp, 15bp, and 10bp, respectively.
- Other sectors of the fixed income market saw yields fall, resulting in positive returns for the month of October. The BC Aggregate had a return of 0.2%. High yield securities experienced a rally this month

as the BC High Yield Index returned 2.8%, making it one of the highest performing fixed income sectors.

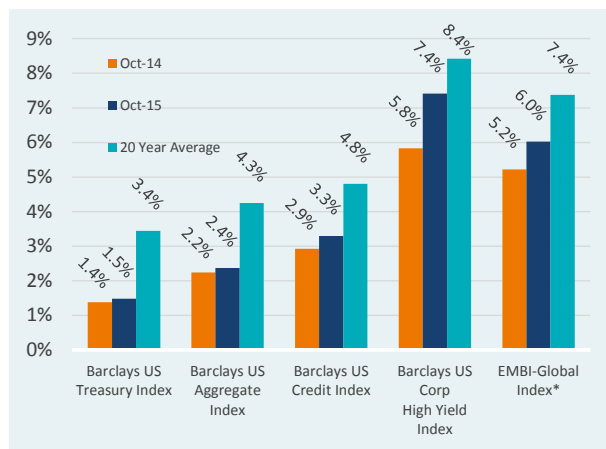
- Inflation expectations increased in October for the first time in three months, with the 5-year TIPS breakeven rate finishing the month at 1.2% and the 10-year rate finishing at 1.5%. However, 5 and 10-year TIPS breakeven rates have fallen 0.3% and 0.4%, respectively, from their rates a year ago.

U.S. TREASURY YIELD CURVE



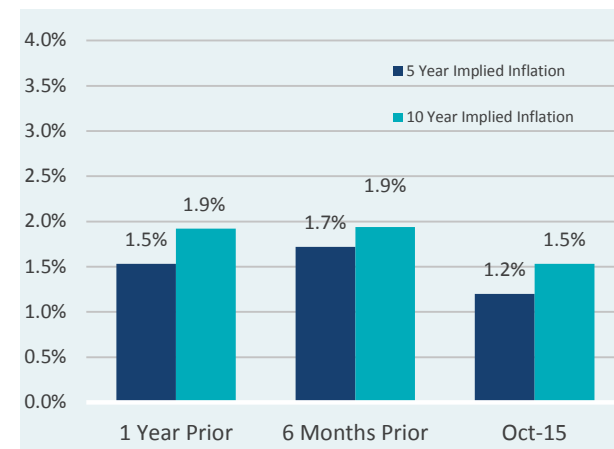
Source: Federal Reserve

NOMINAL FIXED INCOME YIELDS



Source: Ibbotson, JP Morgan

IMPLIED INFLATION (TIPS BREAKEVEN)



Source: Federal Reserve, as of 10/30/15

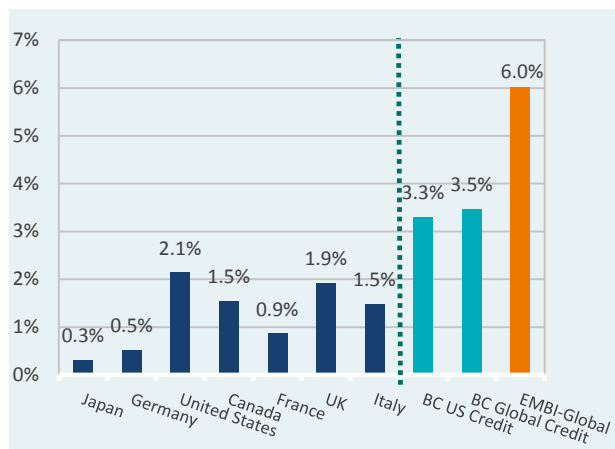
Global markets

- International developed markets bounced back in October with the MSCI EAFE returning 7.8%, although international still underperformed the domestic equity market. Subsiding fears of slowing economic growth in China and hopes that the European Central Bank will continue its stimulus program likely contributed to performance.
- Sovereign yields fell slightly in the Eurozone over the month with 10-year yields in Germany, France, and Italy finishing at 0.5%, 0.9%, and 1.5%, respectively. However, 10-year yields in the U.S., Canada, and the

United Kingdom rose during October.

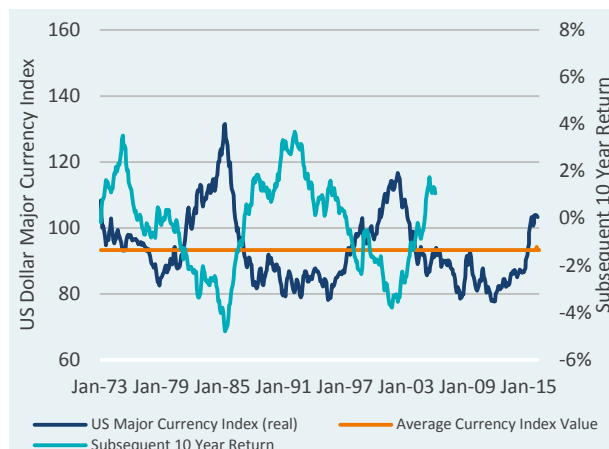
- The U.S. Dollar Major Currency Index fell for the second straight month, down 0.5% against a basket of major currencies. U.S. dollar strength and the possibility of an interest rate increase by the Fed, combined with declines in commodity prices remain a source of concern for emerging market economies, as well as U.S. firms with exposure to emerging markets.

GLOBAL SOVEREIGN 10 YEAR INDEX YIELDS



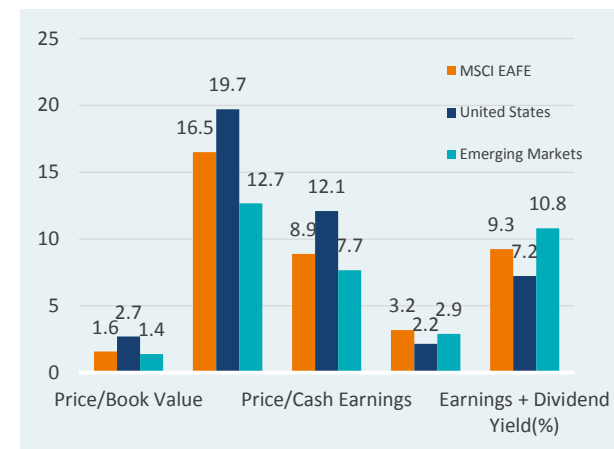
Source: Bloomberg, JP Morgan, as of 10/31/15

U.S. DOLLAR MAJOR CURRENCY INDEX



Source: Moody's as of 10/31/15

MSCI VALUATION METRICS (3 MONTH AVERAGE)



Source: MSCI, as of 10/31/15

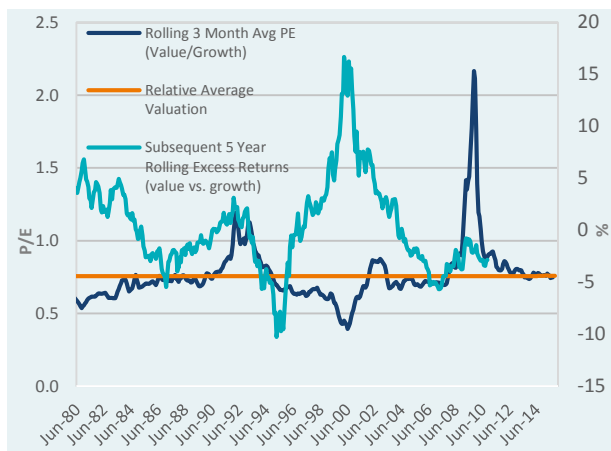
Style tilts: U.S. large value vs. growth

- Growth stocks outperformed value stocks in October, as the Russell 1000 Growth and Russell 1000 Value returned 8.6% and 7.5%, respectively. Over recent periods, especially over the last 12 months, value stocks have greatly underperformed relative to growth stocks.
- The relative PE ratio of value to growth stocks continues to track the long-run average over the last

few years. This metric suggests that although growth stocks have recently outperformed, they appear to be fairly valued when compared to value stocks.

- Growth stocks have also provided a better risk-adjusted return over the short- and intermediate-term, as shown by a higher Sharpe ratio relative to value stocks.

RELATIVE PE RATIO OF U.S. VALUE VS. GROWTH



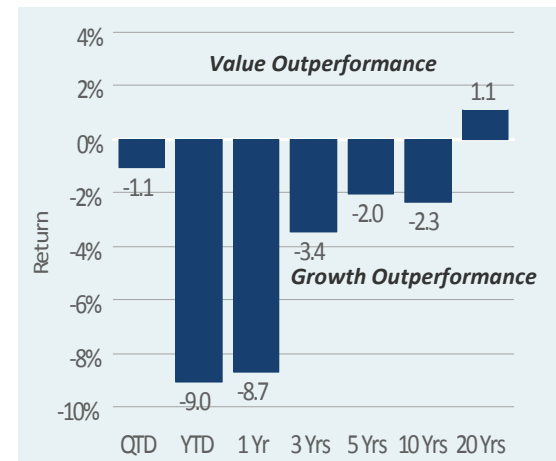
Source: Russell, Verus, as of 10/31/15

U.S. VALUE VS. GROWTH ABSOLUTE PERFORMANCE

	RUSSELL 1000 GROWTH ANNUALIZED RETURN TO DATE %	RUSSELL 1000 VALUE ANNUALIZED RETURN TO DATE %
QTD	8.6	7.5
YTD	6.9	(2.1)
1 YEAR	9.2	0.5
3 YEARS	17.9	14.5
5 YEARS	15.3	13.3
7 YEARS	16.2	12.4
10 YEARS	9.1	6.8
20 YEARS	7.9	9.0
	SHARPE RATIO	SHARPE RATIO
3 YEARS	1.67	1.35
5 YEARS	1.26	1.06
7 YEARS	1.10	0.76
10 YEARS	0.50	0.34
20 YEARS	0.30	0.42

Source: Russell, as of 10/31/15

U.S. VALUE VS GROWTH RELATIVE PERFORMANCE



Source: Russell, as of 10/31/15

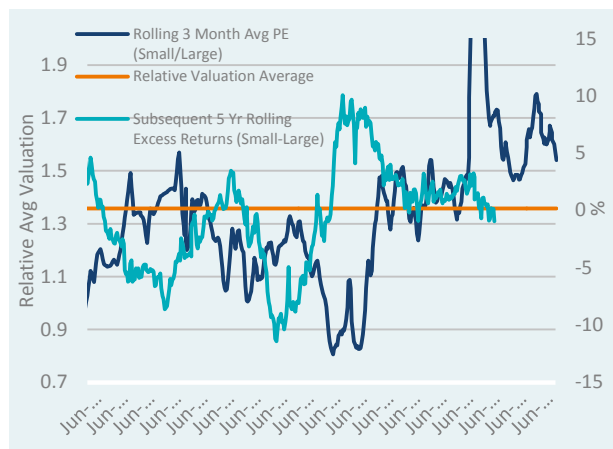
Style tilts: U.S. large vs. small

— Large cap equities outperformed small cap equities for the fourth consecutive month with the Russell 1000 and Russell 2000 returning 8.1% and 5.6%, respectively.

— Corresponding with recent large cap outperformance, the relative P/E of small to large fell during October to 1.50X. The 3-month average fell for a fifth consecutive month, but still remains above its historical average.

— Large cap stocks are now beating small cap stocks by 4.9% year-to-date, continuing their outperformance in each of the short-, intermediate-, and long-term periods, with the largest degree of outperformance occurring over the near-term.

RELATIVE PE RATIO OF U.S. SMALL VS. LARGE



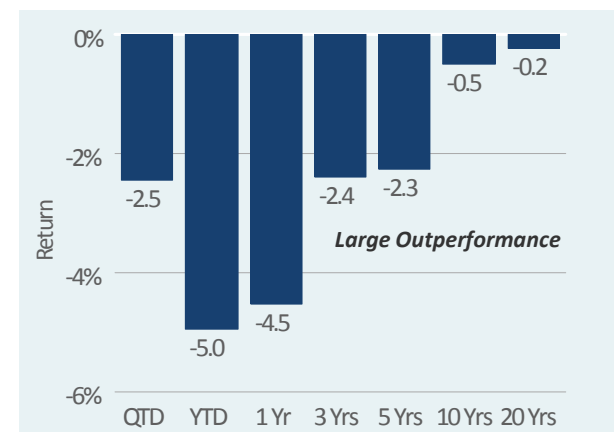
Source: Russell, Verus, as of 10/31/15

U.S. LARGE VS. SMALL ABSOLUTE PERFORMANCE

	RUSSELL 1000 INDEX	RUSSELL 2000 INDEX
	ANNUALIZED RETURN TO DATE %	ANNUALIZED RETURN TO DATE %
QTD	8.1	5.6
YTD	2.4	(2.5)
1 YEAR	4.9	0.3
3 YEARS	16.3	13.9
5 YEARS	14.3	12.1
7 YEARS	14.3	13.2
10 YEARS	8.0	7.5
20 YEARS	8.7	8.5
	SHARPE RATIO	SHARPE RATIO
3 YEARS	1.55	1.01
5 YEARS	1.18	0.75
7 YEARS	0.94	0.65
10 YEARS	0.43	0.31
20 YEARS	0.40	0.30

Source: Russell, as of 10/31/15

U.S. SMALL VS. LARGE RELATIVE PERFORMANCE



Source: Russell, as of 10/31/15

Commodities

- The Bloomberg Commodity Index fell slightly, declining 0.4% during October. Returns among index constituents was slightly negative with 12 out of the 22 trading lower.
- Precious metals and softs were the best performing sectors over the month. This may have been a result of weaker than expected U.S. economic data during the first half of the month, which reduced

expectations of a near term hike in interest rates, depressing the U.S. dollar. This may have contributed to an increase in safe haven demand.

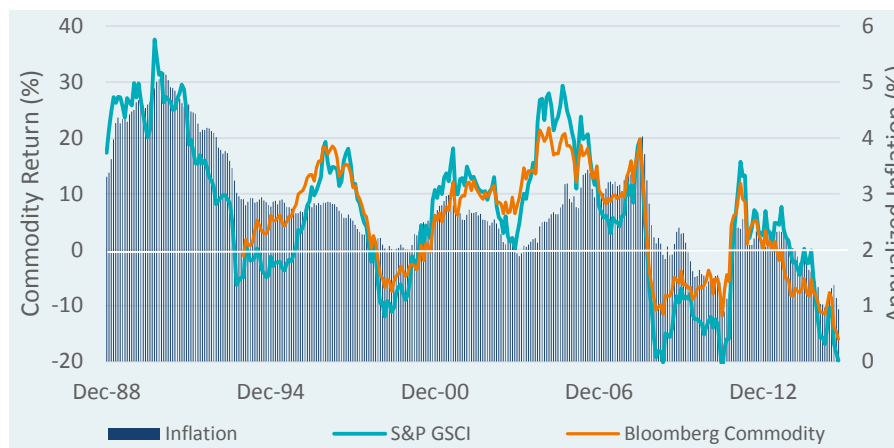
- Agriculture saw positive returns during October amid adverse weather conditions. Near term weather related risks, including the global El Nino effect, may continue to impact returns in the agriculture sector.

INDEX AND SECTOR PERFORMANCE

	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Bloomberg Commodity	(0.4)	(16.2)	(25.7)	(15.0)	(9.9)	(5.1)
Bloomberg Agriculture	1.6	(12.4)	(15.0)	(14.1)	(7.6)	0.8
Bloomberg Energy	(3.3)	(23.5)	(46.7)	(22.1)	(16.4)	(19.7)
Bloomberg Grains	(0.8)	(13.4)	(11.6)	(16.1)	(6.5)	1.3
Bloomberg Industrial Metals	(2.8)	(22.5)	(28.4)	(12.9)	(12.1)	(0.6)
Bloomberg Livestock	0.8	(15.3)	(18.7)	(2.4)	(1.7)	(6.9)
Bloomberg Petroleum	0.7	(20.7)	(46.0)	(21.2)	(11.5)	(10.0)
Bloomberg Precious Metals	3.6	(3.4)	(3.5)	(15.6)	(5.2)	8.2
Bloomberg Softs	7.8	(12.6)	(21.7)	(13.6)	(12.7)	(3.7)

Source: Bloomberg, as of 10/31/15

INFLATION BETA WORKS BOTH WAYS



Source: Standard & Poor's, Bloomberg, as of 10/31/15

Appendix

Periodic table of returns October 2015

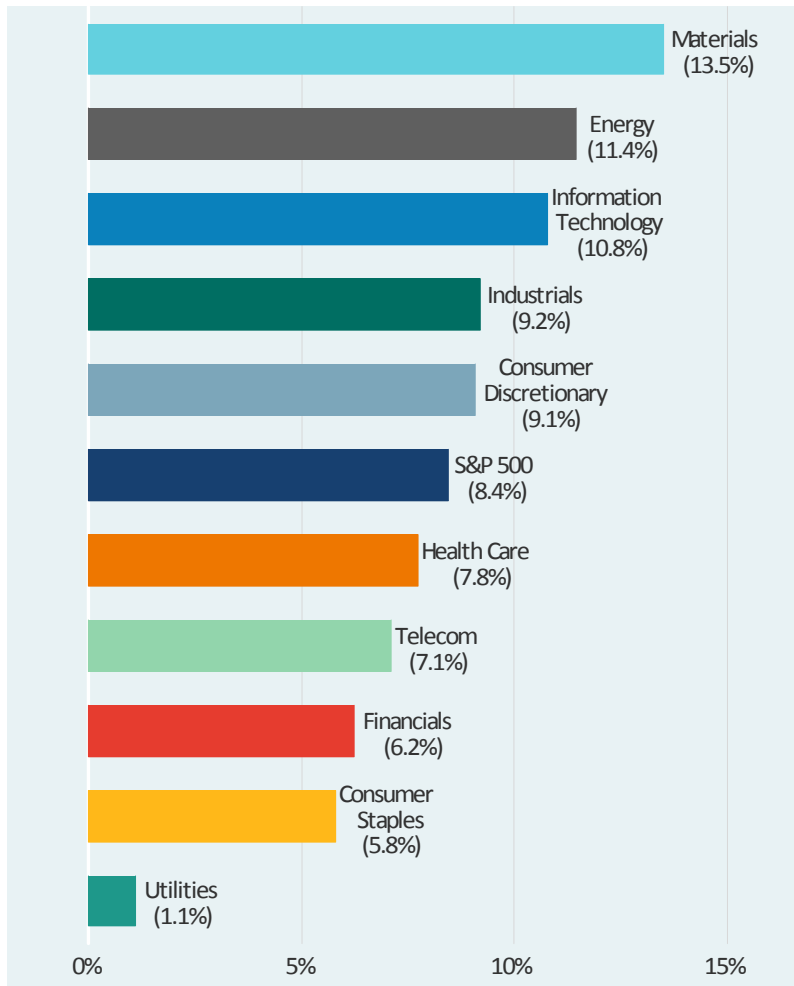
	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	YTD	5-Year	10-Year
Emerging Markets Equity	74.8	16.6	38.4	23.2	35.2	38.7	66.4	31.8	14.0	25.9	56.3	26.0	34.5	32.6	39.8	5.2	79.0	29.1	14.3	18.6	43.3	13.5	10.1	15.3	9.1
International Equity	32.9	8.1	37.8	23.1	32.9	27.0	43.1	22.8	8.4	10.3	48.5	22.2	21.4	26.9	16.2	1.4	37.2	26.9	7.8	18.1	38.8	13.2	6.9	14.3	8.7
Hedge Funds of Funds	26.3	6.4	37.2	22.4	31.8	20.3	33.2	12.2	7.3	6.7	47.3	20.7	20.1	23.5	15.8	-6.5	34.5	24.5	2.6	17.9	34.5	13.0	2.4	13.6	8.0
Small Cap Value	23.8	4.4	31.0	21.6	30.5	19.3	27.3	11.6	3.3	1.6	46.0	18.3	14.0	22.2	11.8	-21.4	32.5	19.2	1.5	17.5	33.5	11.8	2.1	13.3	8.0
60/40 Global Portfolio	19.3	3.2	28.5	21.4	22.4	16.2	26.5	7.0	2.8	1.0	39.2	16.5	7.5	18.4	11.6	-25.9	28.4	16.8	0.4	16.4	33.1	6.0	1.1	12.5	7.5
Small Cap Equity	18.9	2.6	25.7	16.5	16.2	15.6	24.3	6.0	2.5	-5.9	30.0	14.5	7.1	16.6	10.9	-28.9	27.2	16.7	0.1	16.3	32.5	5.6	0.0	12.1	6.8
Large Cap Value	18.1	0.4	19.6	14.4	13.9	8.7	21.3	4.1	-2.4	-6.0	29.9	14.3	6.3	15.5	10.3	-33.8	23.3	16.1	-2.1	15.3	23.3	4.9	-0.1	10.5	6.2
Small Cap Growth	13.4	-1.5	18.5	11.3	12.9	4.9	20.9	-3.0	-5.6	-11.4	29.7	12.9	5.3	15.1	7.0	-35.6	20.6	15.5	-2.9	14.6	12.1	4.2	-0.1	5.0	5.7
Large Cap Equity	10.2	-1.8	15.2	10.3	10.6	1.2	13.2	-7.3	-9.1	-15.5	25.2	11.4	4.7	13.3	7.0	-36.8	19.7	13.1	-4.2	11.5	11.0	3.4	-0.5	4.8	5.3
US Bonds	9.7	-2.0	11.6	9.9	9.7	-2.5	11.4	-7.8	-9.2	-15.7	23.9	9.1	4.6	10.4	5.8	-37.6	18.9	10.2	-5.5	10.5	9.0	2.8	-2.1	3.0	4.7
Cash	3.1	-2.4	11.1	6.4	5.2	-5.1	7.3	-14.0	-12.4	-20.5	11.6	6.9	4.6	9.1	4.4	-38.4	11.5	8.2	-5.7	4.8	0.1	0.0	-2.5	2.6	4.1
Large Cap Growth	2.9	-2.9	7.5	6.0	2.1	-6.5	4.8	-22.4	-19.5	-21.7	9.0	6.3	4.2	4.8	-0.2	-38.5	5.9	6.5	-11.7	4.2	-2.0	-1.8	-5.0	0.0	2.7
Real Estate	1.4	-3.5	5.7	5.1	-3.4	-25.3	-0.8	-22.4	-20.4	-27.9	4.1	4.3	3.2	4.3	-1.6	-43.1	0.2	5.7	-13.3	0.1	-2.3	-4.5	-9.4	-2.8	1.2
Commodities	-1.1	-7.3	-5.2	3.6	-11.6	-27.0	-1.5	-30.6	-21.2	-30.3	1.0	1.4	2.4	2.1	-9.8	-53.2	-16.9	0.1	-18.2	-1.1	-9.5	-17.0	-16.2	-9.9	-5.1

- Large Cap Equity
- Small Cap Growth
- Commodities
- Large Cap Value
- International Equity
- Real Estate
- Large Cap Growth
- Emerging Markets Equity
- Hedge Funds of Funds
- US Bonds
- 60% MSCI ACWI/40% BC Global Bond
- Cash

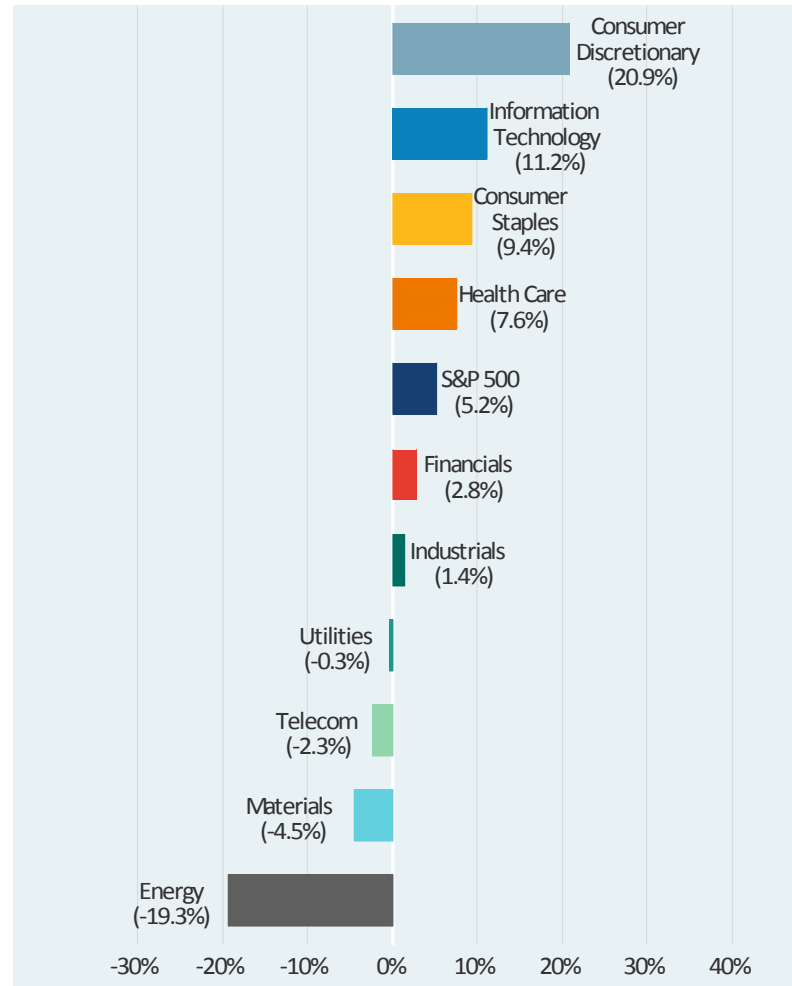
Source Data: Morningstar, Inc., Hedge Fund Research, Inc. (HFR), National Council of Real Estate Investment Fiduciaries (NCREIF). Indices used: Russell 1000, Russell 1000 Value, Russell 1000 Growth, Russell 2000, Russell 2000 Value, Russell 2000 Growth, MSCI EAFE, MSCI EM, BC Agg, T-Bill 90 Day, Bloomberg Comm Index, NCREIF Property, HFRI FOF, MSCI ACWI, BC Global Bond.

S&P 500 and S&P 500 sector returns

QTD ENDING OCTOBER



ONE YEAR ENDING OCTOBER



Source: MPI, as of 10/31/15

Detailed index returns

DOMESTIC EQUITY

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Core Index							
S&P 500	8.4	8.4	2.7	5.2	16.2	14.3	7.8
S&P 500 Equal Weighted	7.3	7.3	(0.1)	2.8	17.3	14.6	9.3
DJ Industrial Average	8.6	8.6	1.0	4.1	13.2	12.5	8.2
Russell Top 200	8.9	8.9	3.5	5.7	16.1	14.5	7.6
Russell 1000	8.1	8.1	2.4	4.9	16.3	14.3	8.0
Russell 2000	5.6	5.6	(2.5)	0.3	13.9	12.1	7.5
Russell 3000	7.9	7.9	2.0	4.5	16.1	14.1	7.9
Russell Mid Cap	6.2	6.2	0.0	2.8	16.6	13.9	8.8
Style Index							
Russell 1000 Growth	8.6	8.6	6.9	9.2	17.9	15.3	9.1
Russell 1000 Value	7.5	7.5	(2.1)	0.5	14.5	13.3	6.8
Russell 2000 Growth	5.7	5.7	(0.1)	3.5	16.2	13.6	8.7
Russell 2000 Value	5.6	5.6	(5.0)	(2.9)	11.7	10.5	6.2

INTERNATIONAL EQUITY

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Broad Index							
MSCI EAFE	7.8	7.8	2.1	(0.1)	8.0	4.8	4.1
MSCI AC World ex US	7.4	7.4	(1.8)	(4.7)	4.7	2.6	4.2
MSCI EM	7.1	7.1	(9.5)	(14.5)	(2.9)	(2.8)	5.7
MSCI EAFE Small Cap	6.0	6.0	8.8	8.5	12.0	7.7	5.6
Style Index							
MSCI EAFE Growth	8.3	8.3	5.6	4.1	9.2	5.8	4.9
MSCI EAFE Value	7.4	7.4	(1.4)	(4.2)	6.8	3.7	3.1
Regional Index							
MSCI UK	7.3	7.3	(1.5)	(3.5)	5.2	5.2	4.0
MSCI Japan	10.1	10.1	10.3	9.1	13.2	6.5	2.2
MSCI Euro	9.0	9.0	2.4	0.7	8.9	3.3	3.4
MSCI EM Asia	7.8	7.8	(6.0)	(7.7)	2.3	0.9	7.9
MSCI EM Latin American	6.1	6.1	(24.8)	(34.8)	(15.7)	(12.5)	2.9

FIXED INCOME

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Broad Index							
BC US Treasury US TIPS	0.3	0.3	(0.6)	(1.4)	(2.0)	2.1	4.2
BC US Treasury Bills	0.0	0.0	0.1	0.1	0.1	0.1	1.4
BC US Agg Bond	0.0	0.0	1.1	2.0	1.6	3.0	4.7
Duration							
BC US Treasury 1-3 Yr	(0.1)	(0.1)	0.9	0.8	0.7	0.7	2.5
BC US Treasury Long	(0.5)	(0.5)	(0.4)	5.3	2.6	6.8	7.1
BC US Treasury	(0.4)	(0.4)	1.4	2.4	1.2	2.5	4.4
Issuer							
BC US MBS	0.1	0.1	1.7	2.5	2.1	2.8	4.8
BC US Corp. High Yield	2.7	2.7	0.2	(1.9)	4.1	6.2	7.6
BC US Agency Interm	(0.1)	(0.1)	1.6	1.8	1.1	1.5	3.6
BC US Credit	0.5	0.5	0.2	0.9	1.8	4.2	5.4

OTHER

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Index							
Bloomberg Comm. Index	(0.4)	(0.4)	(16.2)	(25.7)	(15.0)	(9.9)	(5.1)
Wilshire US REIT	5.8	5.8	2.6	6.7	12.5	12.8	7.6
Regional Index							
JPM EMBI Global Div	2.7	2.7	2.7	0.4	2.1	4.9	7.3
JPM GBI-EM Global Div	8.1	8.1	2.4	4.9	16.3	14.3	8.0

Source: Morningstar, as of 10/31/15

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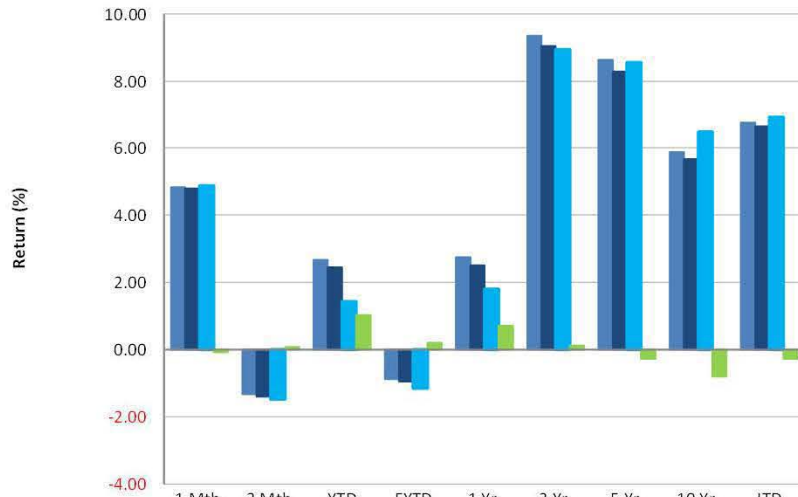
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San Mateo County Total Fund Characteristics



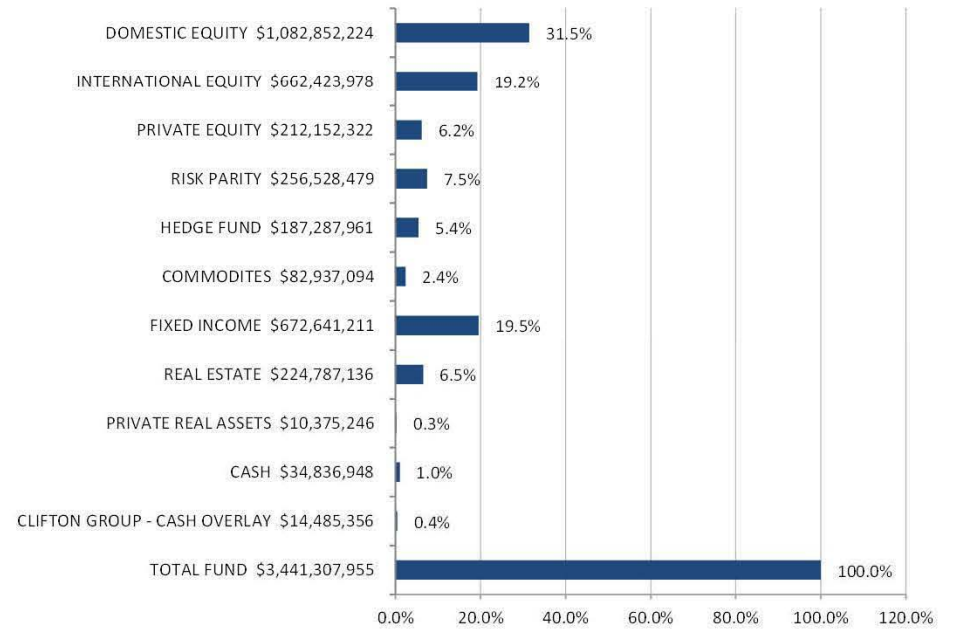
October 31, 2015

Total Fund Performance

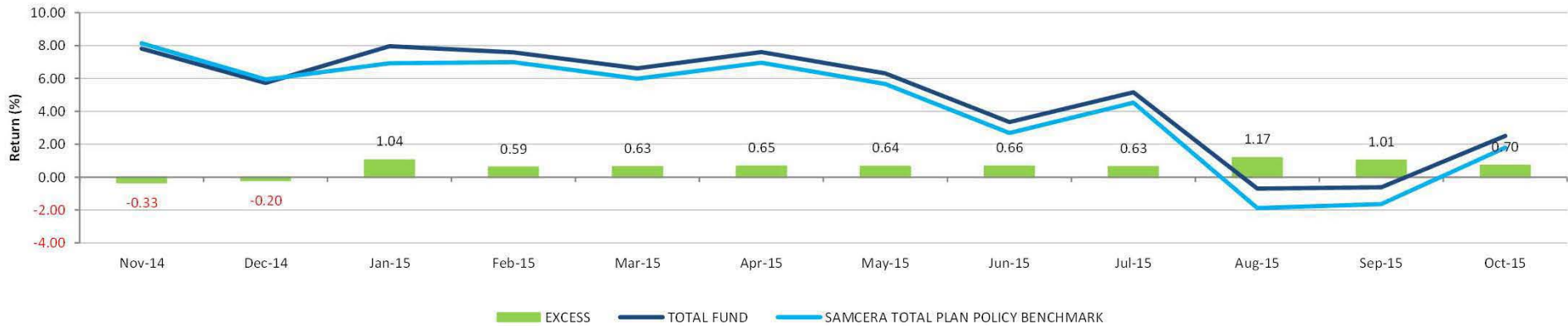


	1 Mth.	3 Mth.	YTD	FYTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.	ITD
TOTAL FUND - Gross	4.82	-1.32	2.66	-0.88	2.74	9.35	8.64	5.87	6.74
TOTAL FUND - Net	4.79	-1.40	2.44	-0.96	2.50	9.05	8.29	5.66	6.63
SAMCERA PLAN BENCHMARK	4.87	-1.48	1.42	-1.16	1.79	8.94	8.57	6.47	6.91
Excess (Net)	-0.08	0.08	1.02	0.20	0.70	0.11	-0.28	-0.81	-0.28

Asset Allocation



Rolling Month End Annual Returns

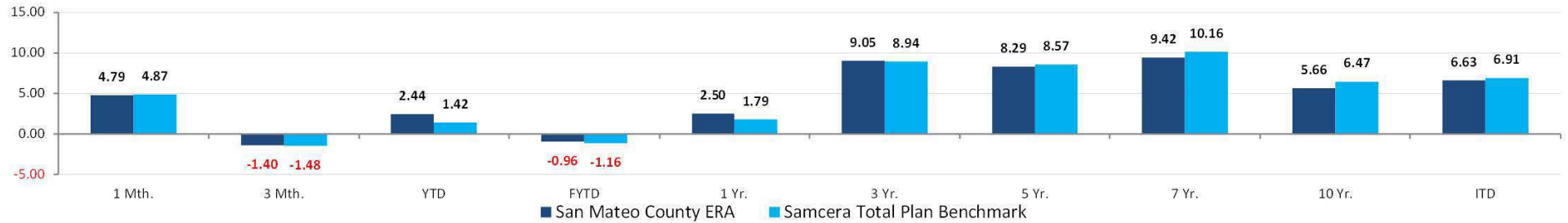


San Mateo County Composite Return Summary



October 31, 2015

Return Comparison



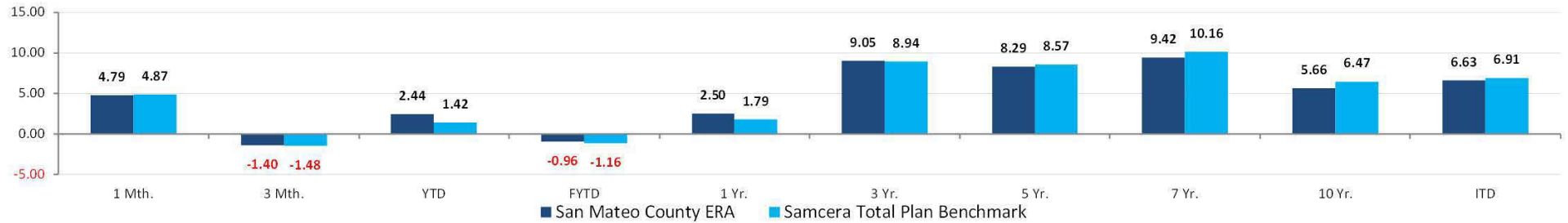
Composite Returns (Net of Manager Fees)	Market Value (\$)	1 Mth.	3 Mth.	YTD	FYTD	1 Yr.	3 Yr.	5 Yr.	7 Yr.	10 Yr.	ITD
San Mateo County ERA	3,441,307,955	4.79	-1.40	2.44	-0.96	2.50	9.05	8.29	9.42	5.66	6.63
Samcera Total Plan Benchmark		4.87	-1.48	1.42	-1.16	1.79	8.94	8.57	10.16	6.47	6.91
Excess		-0.08	0.08	1.02	0.20	0.70	0.11	-0.28	-0.74	-0.81	-0.28
San Mateo Ex-Clifton Overlay	3,426,822,599	4.68	-1.38	2.33	-0.94	2.41	9.02	8.28	9.35	5.53	6.56
Samcera Total Plan Benchmark		4.87	-1.48	1.42	-1.16	1.79	8.94	8.57	10.16	6.47	6.91
Excess		-0.19	0.10	0.91	0.21	0.61	0.08	-0.29	-0.81	-0.94	-0.35
Total Equity	1,745,276,202	7.85	-2.73	1.71	-1.76	2.24	12.10	9.84	11.24	5.59	7.49
Samcera Total Equity Benchmark		7.59	-2.61	1.00	-1.62	2.44	13.09	10.71	12.62	6.94	8.01
Excess		0.26	-0.12	0.70	-0.14	-0.20	-0.99	-0.87	-1.39	-1.35	-0.52
Total Fixed Income	672,641,211	1.13	-0.59	0.62	-0.42	-0.03	2.44	4.46	7.62	5.16	5.66
Samcera Fixed Income Benchmark		0.94	0.31	0.89	0.76	0.72	0.81	2.90	5.19	4.71	5.21
Excess		0.18	-0.89	-0.27	-1.18	-0.74	1.63	1.57	2.43	0.45	0.45
Total Risk Parity	256,528,479	2.57	-3.04	-2.50	-3.23	-3.34	3.09	--	--	--	5.36
Samcera Risk Parity Benchmark		4.75	-0.60	1.89	0.67	3.70	10.25	--	--	--	8.81
Excess		-2.18	-2.44	-4.39	-3.91	-7.04	-7.17	--	--	--	-3.44

San Mateo County Composite Return Summary



October 31, 2015

Return Comparison



Composite Returns (Net of Manager Fees)	Market Value (\$)	1 Mth.	3 Mth.	YTD	FYTD	1 Yr.	3 Yr.	5 Yr.	7 Yr.	10 Yr.	ITD
Total Hedge Fund Composite	187,287,961	0.24	6.46	9.13	9.02	15.61	9.17	--	--	--	6.19
Samcera LIBOR + 4%		0.34	1.03	3.48	1.38	4.18	4.19	--	--	--	4.21
Excess		-0.10	5.43	5.65	7.64	11.43	4.98	--	--	--	1.98
Total Private Equity	212,152,322	3.26	2.19	16.06	3.33	17.29	14.99	-32.60	--	--	-32.60
Samcera PE Benchmark		8.15	-0.83	4.32	1.07	7.36	19.43	17.47	--	--	17.47
Excess		-4.88	3.02	11.74	2.26	9.93	-4.45	-50.07	--	--	-50.07
Total Commodities	82,937,094	-2.23	-6.41	-18.56	-17.77	-26.65	-13.58	--	--	--	-9.59
Bloomberg Commodity Index		-0.45	-4.73	-16.18	-14.85	-25.72	-15.04	--	--	--	-13.57
Excess		-1.78	-1.67	-2.38	-2.92	-0.93	1.45	--	--	--	3.98
Private Real Assets	10,375,246	-2.85	-3.04	13.28	80.56	13.85	--	--	--	--	10.93
Samcera CPI + 5%		0.00	0.53	5.08	0.95	4.77	--	--	--	--	4.53
Excess		-2.85	-3.57	8.20	79.62	9.08	--	--	--	--	6.40
Total Real Estate	224,787,136	2.88	2.88	15.35	2.88	15.35	13.80	13.55	3.76	6.33	8.37
Samcera Real Estate Benchmark		0.00	3.63	11.35	3.63	14.82	13.22	13.87	3.81	6.43	8.80
Excess		2.88	-0.75	4.00	-0.75	0.54	0.58	-0.33	-0.05	-0.10	-0.43
Total Cash	34,836,948	0.05	0.10	0.22	0.15	0.27	0.49	0.59	0.80	1.24	2.15
Samcera Cash Benchmark		-0.01	0.01	0.01	0.01	0.02	0.05	0.07	0.11	1.31	2.00
Excess		0.06	0.09	0.20	0.14	0.26	0.44	0.51	0.69	-0.07	0.15

San Mateo County Manager Return Summary



October 31, 2015

Composite Returns (NET)	Market Value (\$)	1 Mth.	3 Mth.	YTD	FYTD	1 Yr.	3 Yr.	5 Yr.	7 Yr.	10 Yr.	ITD
Total Equity	1,745,276,202	7.85	-2.73	1.71	-1.76	2.24	12.10	9.84	11.24	5.59	7.49
Samcera Total Equity Benchmark		7.59	-2.61	1.00	-1.62	2.44	13.09	10.71	12.62	6.94	8.01
Excess		0.26	-0.12	0.70	-0.14	-0.20	-0.99	-0.87	-1.39	-1.35	-0.52
Total Domestic Equity	1,082,852,224	7.84	-1.54	2.42	-0.22	4.84	15.39	13.21	13.58	6.67	8.23
Samcera Dom. Equity Benchmark		7.60	-2.14	1.45	-0.86	4.00	15.86	13.91	14.17	7.93	8.58
Excess		0.24	0.60	0.97	0.64	0.85	-0.47	-0.71	-0.59	-1.27	-0.36
Total Large Cap Equity	913,057,948	8.24	-0.70	3.97	1.29	6.56	16.18	13.60	13.45	7.02	9.01
Russell 1000		8.09	-1.20	2.43	0.71	4.86	16.28	14.32	14.34	7.98	9.39
Excess		0.15	0.49	1.54	0.58	1.70	-0.10	-0.72	-0.89	-0.96	-0.37
Barrow Hanley	108,349,454	7.39	-2.08	2.10	-1.95	4.92	16.05	14.00	--	--	14.59
Russell 1000 Value		7.55	-1.91	-2.09	-1.48	0.53	14.52	13.26	--	--	14.13
Excess		-0.16	-0.17	4.19	-0.47	4.39	1.53	0.74	--	--	0.45
Blackrock S&P 500 Index Fund	576,876,945	8.44	-0.51	2.88	1.58	5.41	--	--	--	--	15.11
S&P 500		8.44	-0.63	2.70	1.45	5.20	--	--	--	--	15.03
Excess		0.01	0.12	0.18	0.12	0.21	--	--	--	--	0.09
Brown Advisory	111,440,153	7.74	-0.97	6.86	2.37	8.59	--	--	--	--	13.17
Russell 1000 Growth		8.61	-0.51	6.94	2.87	9.18	--	--	--	--	15.79
Excess		-0.87	-0.46	-0.08	-0.50	-0.59	--	--	--	--	-2.62
DE Shaw Commingled Fund	116,391,397	8.54	-0.09	5.28	1.97	--	--	--	--	--	5.28
Russell 1000		8.09	-1.20	2.43	0.71	--	--	--	--	--	2.43
Excess		0.45	1.11	2.86	1.26	--	--	--	--	--	2.86

San Mateo County Manager Return Summary



October 31, 2015

Composite Returns (NET)	Market Value (\$)	1 Mth.	3 Mth.	YTD	FYTD	1 Yr.	3 Yr.	5 Yr.	7 Yr.	10 Yr.	ITD
Total Small Cap Equity	169,794,276	5.68	-5.49	-4.48	-6.92	-2.79	12.47	11.82	14.32	5.21	6.09
Russell 2000		5.63	-5.86	-2.53	-6.96	0.34	13.90	12.06	13.20	7.47	7.27
Excess		0.05	0.37	-1.95	0.04	-3.13	-1.43	-0.25	1.12	-2.26	-1.18
Boston Company	83,609,241	5.02	-3.87	-4.10	-5.95	-1.40	12.23	11.52	--	--	12.90
Russell 2000 Value		5.60	-3.06	-5.02	-5.74	-2.88	11.65	10.53	--	--	12.67
Excess		-0.58	-0.81	0.92	-0.22	1.48	0.58	0.99	--	--	0.23
Chartwell Investment Mgmt	86,185,035	6.31	-7.03	-4.85	-7.84	-4.12	13.00	12.96	15.09	7.75	7.73
Russell 2000 Growth		5.67	-8.50	-0.10	-8.13	3.52	16.16	13.56	15.28	8.67	8.14
Excess		0.64	1.47	-4.75	0.29	-7.64	-3.16	-0.59	-0.19	-0.92	-0.41
Total International Equity	662,423,978	7.87	-4.70	0.66	-4.29	-2.05	5.81	3.00	6.28	3.66	5.26
MSCI ACW ex US-IMI		7.24	-5.03	-1.17	-5.51	-3.89	5.05	2.81	8.62	4.40	4.73
Excess		0.64	0.34	1.83	1.22	1.84	0.76	0.19	-2.34	-0.74	0.52
Total Developed Markets Equity	596,873,234	8.07	-4.59	1.87	-3.64	-0.16	6.87	3.67	6.91	4.25	4.01
MSCI ACW ex US-IMI		7.24	-5.03	-1.17	-5.51	-3.89	5.05	2.81	8.62	4.40	4.46
Excess		0.83	0.44	3.05	1.86	3.73	1.83	0.86	-1.71	-0.15	-0.46
Baillie Gifford	201,966,844	9.83	-2.94	3.66	-3.03	2.01	8.55	--	--	--	7.98
MSCI ACWI ex US Growth		7.58	-4.22	1.49	-3.96	-0.46	6.51	--	--	--	5.57
Excess		2.25	1.29	2.17	0.93	2.47	2.04	--	--	--	2.40
Blackrock EAFE Index Fund	133,542,330	7.82	-5.16	2.38	-3.20	0.19	--	--	--	--	-1.33
MSCI EAFE ND		7.82	-5.19	2.13	-3.22	-0.07	--	--	--	--	-1.58
Excess		0.00	0.02	0.25	0.02	0.26	--	--	--	--	0.25

San Mateo County Manager Return Summary



October 31, 2015

Composite Returns (NET)	Market Value (\$)	1 Mth.	3 Mth.	YTD	FYTD	1 Yr.	3 Yr.	5 Yr.	7 Yr.	10 Yr.	ITD
Mondrian Investment Partners	197,850,984	7.27	-5.96	-0.77	-4.32	-3.24	5.53	3.71	7.12	4.47	5.29
MSCI ACWI ex US Value		7.32	-6.42	-4.41	-7.17	-8.06	3.72	2.14	7.92	3.93	4.77
Excess		-0.05	0.47	3.63	2.84	4.82	1.81	1.57	-0.80	0.55	0.52
Pyramis Intl Small Cap	63,513,076	5.68	-4.24	3.64	-4.31	2.20	6.99	--	--	--	5.81
MSCI ACWI Small Cap ex US Net		5.93	-2.84	3.24	-4.69	1.53	7.54	--	--	--	5.95
Excess		-0.25	-1.40	0.41	0.38	0.68	-0.55	--	--	--	-0.14
Total Emerging Markets Equity	65,550,744	6.10	-5.63	-9.78	-10.09	-17.42	-2.59	--	--	--	-2.69
MSCI Emerging Markets ND		7.13	-5.49	-9.45	-12.04	-14.53	-2.87	--	--	--	-3.08
Excess		-1.04	-0.14	-0.34	1.95	-2.89	0.28	--	--	--	0.38
EV Parametric EM	65,550,744	6.10	-4.34	--	--	--	--	--	--	--	-4.34
MSCI Emerging Markets GD		7.14	-5.41	--	--	--	--	--	--	--	-5.41
Excess		-1.04	1.07	--	--	--	--	--	--	--	1.07
Total Fixed Income	672,641,211	1.13	-0.59	0.62	-0.42	-0.03	2.44	4.46	7.62	5.16	5.66
Samcera Fixed Income Benchmark		0.94	0.31	0.89	0.76	0.72	0.81	2.90	5.19	4.71	5.21
Excess		0.18	-0.89	-0.27	-1.18	-0.74	1.63	1.57	2.43	0.45	0.45
Total Domestic Fixed Income	572,585,117	0.72	-0.30	1.23	0.09	1.07	2.39	4.45	7.65	5.25	5.80
Samcera US Fixed Inc Benchmark		1.11	0.22	1.42	0.70	1.39	1.14	3.30	5.47	4.91	5.45
Excess		-0.39	-0.52	-0.19	-0.62	-0.32	1.25	1.15	2.18	0.34	0.35
Total Core Fixed Income	337,691,490	0.65	0.10	0.82	0.83	1.37	2.29	4.08	7.24	4.96	5.62
BC U.S. Aggregate		0.02	0.55	1.14	1.25	1.96	1.65	3.03	5.21	4.72	5.33
Excess		0.64	-0.45	-0.33	-0.41	-0.59	0.64	1.05	2.03	0.24	0.29

San Mateo County Manager Return Summary



October 31, 2015

Composite Returns (NET)	Market Value (\$)	1 Mth.	3 Mth.	YTD	FYTD	1 Yr.	3 Yr.	5 Yr.	7 Yr.	10 Yr.	ITD
Pyramis Core Bond	234,851,295	0.41	0.18	0.89	0.86	1.50	2.01	3.69	6.85	--	5.05
BC U.S. Aggregate		0.02	0.55	1.14	1.25	1.96	1.65	3.03	5.21	--	4.70
Excess		0.40	-0.37	-0.26	-0.38	-0.46	0.36	0.66	1.65	--	0.35
Western Total Return	102,353,916	1.22	-0.16	--	--	--	--	--	--	--	-0.16
BC U.S. Aggregate		0.02	0.55	--	--	--	--	--	--	--	0.55
Excess		1.21	-0.70	--	--	--	--	--	--	--	-0.70
Brown Brothers Harriman	67,547,887	0.42	-1.25	-0.63	-1.50	-1.93	-3.05	1.57	--	--	2.43
BC US Tips		0.25	-1.10	-0.55	-0.90	-1.42	-2.03	2.06	--	--	2.93
Excess		0.17	-0.15	-0.08	-0.60	-0.51	-1.02	-0.50	--	--	-0.49
Total Opportunistic Credit	167,345,740	0.97	-0.71	2.66	-0.74	1.33	6.80	8.40	--	--	10.03
BC BA Intermediate HY Index		3.41	0.08	2.62	0.31	1.38	4.68	6.36	--	--	8.09
Excess		-2.43	-0.79	0.04	-1.05	-0.05	2.13	2.05	--	--	1.94
AG Opportunistic Whole Loan	25,169,739	0.00	1.16	1.38	1.16	0.92	--	--	--	--	-0.69
BC BA Intermediate HY Index		3.41	0.08	2.62	0.31	1.38	--	--	--	--	2.39
Excess		-3.41	1.08	-1.24	0.85	-0.46	--	--	--	--	-3.08
Angelo Gordon	41,306,998	1.26	1.26	8.33	3.42	8.33	--	--	--	--	11.19
BC BA Intermediate HY Index		3.41	0.08	2.62	0.31	1.38	--	--	--	--	4.58
Excess		-2.15	1.18	5.71	3.12	6.95	--	--	--	--	6.61
Beach Point Select Fund	39,733,166	1.81	1.04	--	1.00	--	--	--	--	--	6.68
BC BA Intermediate HY Index		3.41	0.08	--	0.31	--	--	--	--	--	1.47
Excess		-1.60	0.96	--	0.69	--	--	--	--	--	5.21

San Mateo County Manager Return Summary



October 31, 2015

Composite Returns (NET)	Market Value (\$)	1 Mth.	3 Mth.	YTD	FYTD	1 Yr.	3 Yr.	5 Yr.	7 Yr.	10 Yr.	ITD
Brigade Cap Mngmt	61,135,837	0.65	-3.82	-2.98	-5.24	-5.35	2.43	5.22	--	--	5.80
BC BA Intermediate HY Index		3.41	0.08	2.62	0.31	1.38	4.68	6.36	--	--	7.11
Excess		-2.76	-3.90	-5.60	-5.55	-6.73	-2.24	-1.14	--	--	-1.32
Total Global Fixed Income	100,056,094	3.53	-2.25	-2.77	-3.34	-5.89	2.33	--	--	--	4.39
Samcera Global Fixed Benchmark		0.38	0.72	-2.05	0.88	-3.23	-1.33	--	--	--	1.32
Excess		3.15	-2.96	-0.72	-4.22	-2.66	3.66	--	--	--	3.07
Franklin Templeton	100,056,094	3.53	-2.25	-2.77	-3.34	-5.89	1.87	--	--	--	4.10
BC Multiverse Index		0.38	0.72	-2.05	0.88	-3.23	-1.33	--	--	--	1.32
Excess		3.15	-2.96	-0.72	-4.22	-2.66	3.20	--	--	--	2.78
Total Risk Parity	256,528,479	2.57	-3.04	-2.50	-3.23	-3.34	3.09	--	--	--	5.36
Samcera Risk Parity Benchmark		4.75	-0.60	1.89	0.67	3.70	10.25	--	--	--	8.81
Excess		-2.18	-2.44	-4.39	-3.91	-7.04	-7.17	--	--	--	-3.44
AQR Global Risk III	121,823,807	1.87	-3.83	-4.95	-5.96	-8.03	0.95	--	--	--	3.95
Samcera Risk Parity Benchmark		4.75	-0.60	1.89	0.67	3.70	10.25	--	--	--	8.81
Excess		-2.88	-3.23	-6.84	-6.63	-11.73	-9.31	--	--	--	-4.85
Panagora	134,704,672	3.21	-2.30	-0.17	-0.63	1.33	--	--	--	--	2.64
Samcera Risk Parity Benchmark		4.75	-0.60	1.89	0.67	3.70	--	--	--	--	4.40
Excess		-1.54	-1.71	-2.06	-1.31	-2.36	--	--	--	--	-1.77
Total Real Estate	224,787,136	2.88	2.88	15.35	2.88	15.35	13.80	13.55	3.76	6.33	8.37
Samcera Real Estate Benchmark		0.00	3.63	11.35	3.63	14.82	13.22	13.87	3.81	6.43	8.80
Excess		2.88	-0.75	4.00	-0.75	0.54	0.58	-0.33	-0.05	-0.10	-0.43
Invesco Core Real Estate	224,787,136	2.88	2.88	15.35	2.88	15.35	13.51	13.55	3.76	6.33	7.72
Samcera NCREIF ODCE EW (gross)		0.00	3.63	11.35	3.63	14.82	13.22	13.87	3.81	6.43	7.45
Excess		2.88	-0.75	4.00	-0.75	0.54	0.29	-0.33	-0.05	-0.10	0.27

San Mateo County Manager Return Summary



October 31, 2015

Composite Returns (NET)	Market Value (\$)	1 Mth.	3 Mth.	YTD	FYTD	1 Yr.	3 Yr.	5 Yr.	7 Yr.	10 Yr.	ITD
Total Alternatives	492,752,622	1.07	1.78	5.41	0.96	5.43	4.54	-11.88	-13.54	-6.44	-4.19
Samcera Alternatives Benchmark		3.57	-0.82	0.36	-1.82	-0.43	8.23	8.57	9.85	6.78	7.19
Excess		-2.50	2.60	5.05	2.78	5.86	-3.69	-20.45	-23.38	-13.22	-11.38
Total Private Equity	212,152,322	3.26	2.19	16.06	3.33	17.29	14.99	-32.60	--	--	-32.60
Samcera PE Benchmark		8.15	-0.83	4.32	1.07	7.36	19.43	17.47	--	--	17.47
Excess		-4.88	3.02	11.74	2.26	9.93	-4.45	-50.07	--	--	-50.07
Private Real Assets	10,375,246	-2.85	-3.04	13.28	80.56	13.85	--	--	--	--	10.93
Samcera CPI + 5%		0.00	0.53	5.08	0.95	4.77	--	--	--	--	4.53
Excess		-2.85	-3.57	8.20	79.62	9.08	--	--	--	--	6.40
Total Hedge Fund Composite	187,287,961	0.24	6.46	9.13	9.02	15.61	9.17	--	--	--	6.19
Samcera LIBOR + 4%		0.34	1.03	3.48	1.38	4.18	4.19	--	--	--	4.21
Excess		-0.10	5.43	5.65	7.64	11.43	4.98	--	--	--	1.98
Total Commodities	82,937,094	-2.23	-6.41	-18.56	-17.77	-26.65	-13.58	--	--	--	-9.59
Bloomberg Commodity Index		-0.45	-4.73	-16.18	-14.85	-25.72	-15.04	--	--	--	-13.57
Excess		-1.78	-1.67	-2.38	-2.92	-0.93	1.45	--	--	--	3.98
Total Cash	34,836,948	0.05	0.10	0.22	0.15	0.27	0.49	0.59	0.80	1.24	2.15
Samcera Cash Benchmark		-0.01	0.01	0.01	0.01	0.02	0.05	0.07	0.11	1.31	2.00
Excess		0.06	0.09	0.20	0.14	0.26	0.44	0.51	0.69	-0.07	0.15
SamCera General Account	20,729,302	0.01	0.07	0.24	0.15	0.31	0.17	0.22	0.28	1.50	2.14
SamCera Treasury & LAIF	14,102,393	0.00	0.00	0.00	0.00	0.00	0.42	0.63	0.85	1.10	2.88
San Mateo County ERA	3,441,307,955	4.79	-1.40	2.44	-0.96	2.50	9.05	8.29	9.42	5.66	6.63
Samcera Total Plan Benchmark		4.87	-1.48	1.42	-1.16	1.79	8.94	8.57	10.16	6.47	6.91
Excess		-0.08	0.08	1.02	0.20	0.70	0.11	-0.28	-0.74	-0.81	-0.28

San Mateo County
Accounting Change in Market Value Details

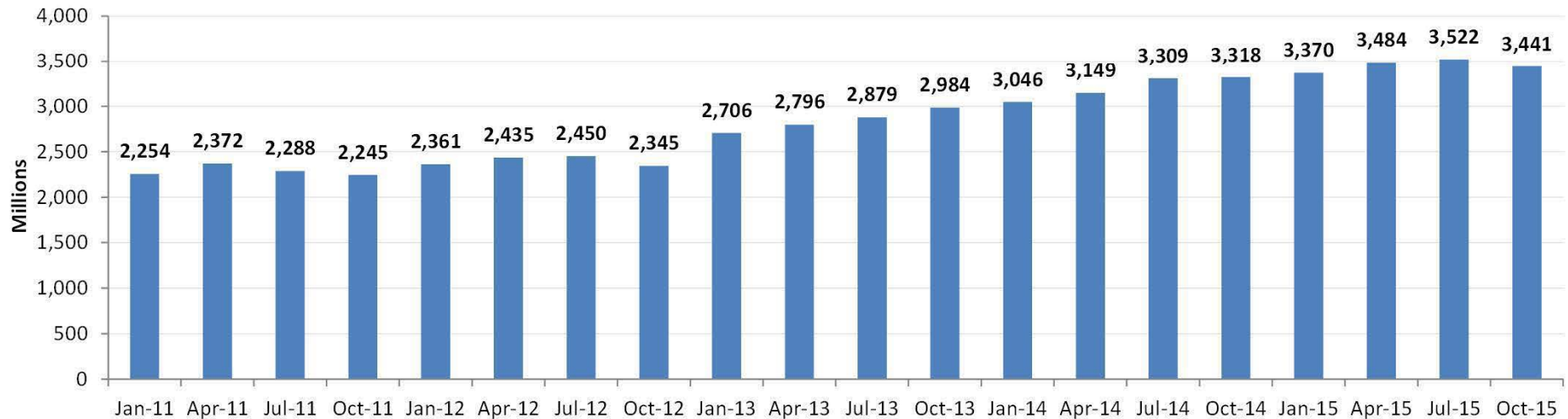


October 31, 2015

Record of Asset Growth

	Three Months	One Year
TOTAL FUND		
Beginning Market Value	3,522,031,535	3,318,483,967
Contributions	113,710,711	414,192,961
Withdrawals	-147,123,758	-382,674,965
Income Received	9,586,722	39,435,801
Gain/Loss	-56,786,624	52,372,370
Ending Market Value	3,441,307,955	3,441,307,955

Net Asset Values Over Time (\$000)



October 31, 2015

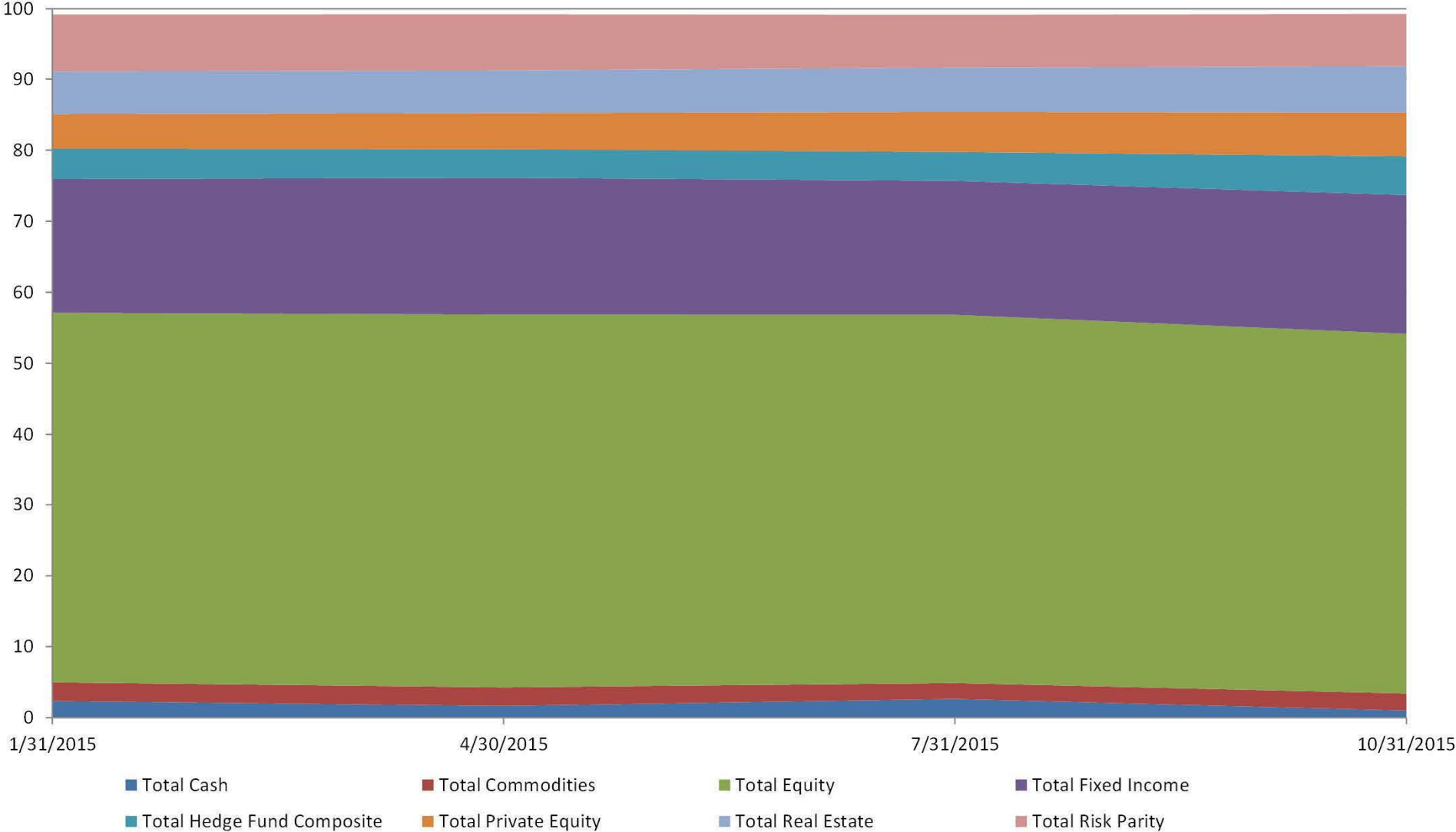
Actual vs Target Weights



	Min	Actual	Target	Deviation	Max
Total Large Cap Equity	22.0	26.5	24.0	2.5	26.0
Total Small Cap Equity	4.0	4.9	6.0	-1.1	8.0
Total International Equity	18.0	19.2	20.0	-0.8	22.0
Total Fixed Income	18.0	19.5	20.0	-0.5	22.0
Total Private Equity	5.0	6.2	7.0	-0.8	9.0
Total Risk Parity	6.0	7.5	8.0	-0.5	10.0
Total Hedge Fund Composite	2.0	5.4	4.0	1.4	6.0
Total Commodities	1.0	2.4	3.0	-0.6	5.0
Total Real Estate	4.0	6.5	6.0	0.5	8.0

October 31, 2015

Asset Allocation over Time

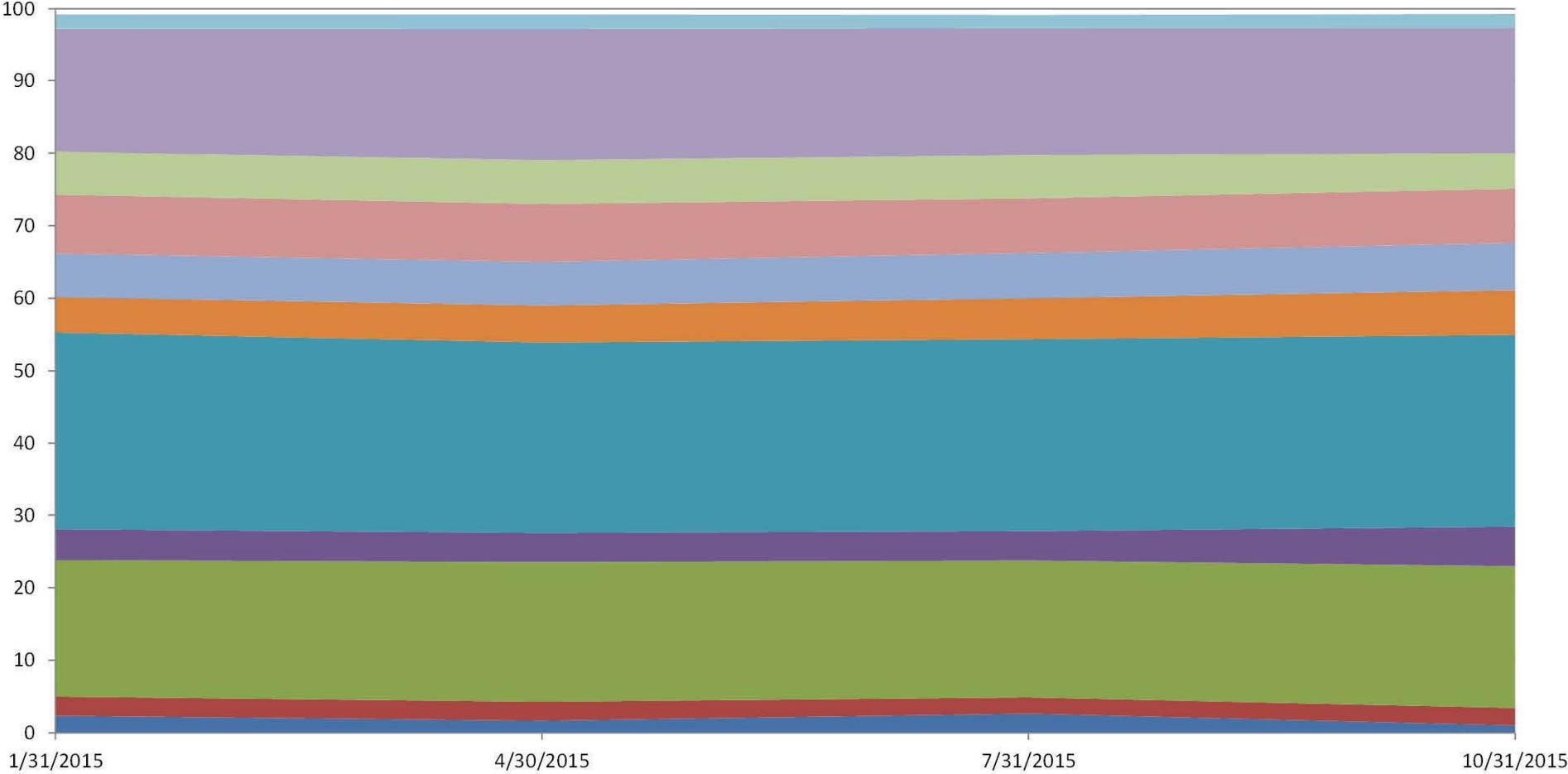


**San Mateo County
Sub-Asset Class Allocation Over Time**



October 31, 2015

Sub-Asset Class Allocation Over Time



- Total Cash
- Total Commodities
- Total Fixed Income
- Total Hedge Fund Composite
- Total Large Cap Equity
- Total Private Equity
- Total Real Estate
- Total Risk Parity
- Total Small Cap Equity
- Total Developed Markets Equity
- Total Emerging Markets Equity

SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
Board of Retirement

December 15, 2015

Agenda Item 6.2

TO: Board of Retirement 
FROM: Michael Coultrip, Chief Investment Officer
SUBJECT: Quarterly Investment Performance Report for the Period Ending September 30, 2015

Staff Recommendation

Review Strategic Investment Solutions' Quarterly Performance Report for the period ending September 30, 2015.

Discussion

The net 3rd quarter total return for the SamCERA portfolio was -5.2%, which was 50 bps higher than the -5.7% policy benchmark return. As can be seen on Pages 11 and 12, outperformance in our Alternatives composite (driven by our Private Equity and Hedge Fund/Absolute Return sub-composites) was the primary driver of outperformance.

Margaret Jadallah and Jonathan Brody will present the report to the Board and will be available for questions.

Attachment

SIS Quarterly Performance Report Ending 9/30/2015

SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
INVESTMENT PERFORMANCE REPORT

THIRD QUARTER 2015



INVESTMENT PERFORMANCE ANALYSIS

TABLE OF CONTENTS

	SECTION
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- The “will they / won’t they” debate on Fed policy wrangled on and kept volatility high in the third quarter. At the September meeting, the Fed language turned to conditions abroad as a reason for standing pat. In the U.S., continued worries of emerging markets’ fragility led to losses across style and market capitalization indices. The S&P500 fell 6.4% while small capitalization stocks were hit the hardest, losing 11.9% in Q3.
- The spike in volatility during last quarter sparked a chain of events that led to rapidly rising EM “blow up” risk, including “hot money” outflows, falling commodity prices, and precipitous currency depreciation. Investors went through a significant derisking process, driving emerging market indices deep in the red, with the overall EM index losing 17.9% led by EM Latin America which declined 24.3%.
- The U.S. dollar lost ground against both the Euro and the Yen in the third quarter thanks to continued accommodative policy by both the ECB and the BoJ.
- All U.S. A-rated corporate bond bonds rose during the third quarter; the lower-rated BAA corporate bonds declined 0.7%.
- The State Street Investor Confidence Index® (ICI) measures risk appetite by analyzing the buying and selling patterns of the institutional investors. The Global ICI rose to 116.6 in September, up 7.2 points from August’s reading of 109.4. The improvement in sentiment was driven by an increase in the North American ICI from 120.6 to 133.2. Confidence among Asian investors rose by 5.4 points to 97.8, while in Europe the ICI also increased to 95.7, up 2.2 points.
- For the period ending 9/30/15, the one quarter returns for, respectively, the NAREIT Equity index and the NCREIF Property index (one quarter lag), were 2.0% and 3.1%; one year, 9.9% and 13.0%; three years, 9.6% and 11.6%; and five years, 12.0% and 12.7%.
- In the US, while the world equity markets experienced volatility due to slowing growth in China and falling commodity prices, REITs posted a gain for the period. Investors appeared to favor REITs due to their domestic focus and encouraging economic news. Providing support, 90% of REITs met or exceeded the market’s high expectations for second quarter earnings.
- Europe outperformed North America and Asia Pacific with the UK exhibiting healthy economic growth. Asian real estate markets were heavily influenced by growth concerns in China; Hong Kong was down 17.3% and Singapore was down 14.4%.

- The Total Fund, net of manager fees, returned -5.2% in the third quarter of 2015 and ranked 45th among other public plans great than \$1 billion (median of -5.5%). It beat the policy index return of -5.7%. The Total Fund w/o Overlay was -5.1% for the quarter. The Parametric Minneapolis Overlay strategy was funded August 2013. The Total Fund one year return of -0.3% was ahead of the policy index return of -1.5% and ranked in 23rd percentile of its peer universe. The three-year return of 7.4% (20th percentile) was above median among large public plans (6.5%).

- Third quarter results were enhanced by the following factors:
 1. Private Equity investments appreciated 4.2% for the quarter. The Russell 3000 +3% Index was down, -6.0%.
 2. Hedge fund strategy AQR DELTA XN beat the LIBOR +4% (7.7% vs. 1.1%). It ranked in the top quartile among other hedge fund multi-strategy accounts (median of -2.6%). The managed futures (2.0%), equity market neutral (1.8%) and dedicated short bias (1.2%) strategies were AQR's largest contributors.
 3. Mondrian returned -10.8%, beat the MSCI ACWI ex US Value (-13.5%) and ranked in the 44th percentile among its ACWI ex US Value equity peers (-11.3% median). Performance results were eased by strong stock selection in the UK, Spain and the Netherlands and overweight positions in the Swiss, Israeli and Chinese equity markets.
 4. During the third quarter, Parametric was transitioned to Parametric Core. Combined, Parametric beat the MSCI Emerging Markets Index (-15.2% vs. -17.8%) by 260 basis points.
 5. Beach Point Select led the Barclays BAA Intermediate High Yield Index (-0.7% vs. -3.0%). It ranked in the top quartile among other high yield managers. Its largest winner was the reorganized equity of Angiotech Pharmaceuticals.
 6. Private real asset manager, Taurus Mining was ahead of its benchmark, the CPI +5% Index (2.2% vs. 1.1%). During the third quarter, Everstream Solar I was funded.
 7. DE Shaw's 130/30 strategy return of -6.1% ranked in the top quartile among large cap core equity managers (-7.2% median), and was ahead of its benchmark, the Russell 1000 Index (-6.8%). During the quarter, Shaw's portfolio benefited from its Consumer Discretionary investments and intra-quarter trading.

8. Baillie Gifford led its benchmark, the MSCI ACWI ex US (-11.7% vs. -12.1%). It ranked in the bottom quartile among ACWI ex US growth equity managers (median of -9.9%). Japanese Shimano and European Coca-Cola Enterprises were contributors during the quarter.
9. The Treasury and LAIF account was up, 0.4%, during the quarter. The 91-Day T-Bill returned 0.0% during the same time period.
10. Brown Advisory outpaced the Russell 1000 Growth Index (-5.0% vs. -5.3%) and ranked in the top quartile among large cap growth managers (median of -6.1%). Select Info Tech (Alphabet, Google, Genpact, Facebook) Materials (Ecolab) and Healthcare (Intuitive Surgical) stocks aided performance.
11. The Boston Company returned -10.5%, versus -10.7% for the Russell 2000 Value Index, and ranked in the 61st percentile among its small cap value peers (median -9.9%). Performance alpha was mainly derived from its underweight to Energy and Industrials, Info Tech and Consumer Discretionary stock selection.
12. Risk parity manager PanAgora beat its benchmark, the blended 60% Russell 3000/ 40% Barclays Aggregate Index (-3.8% vs. -3.9%). Dynamic risk allocation, particularly its overweight position in equities, and performance by equities and commodities, subtracted from the quarter.
13. The BlackRock S&P 500 Index Fund (-6.4%) was in line with its benchmark and ranked above the large cap core median of -7.2%.
14. The BlackRock EAFE Index Fund (-10.2%) matched its benchmark but ranked below the EAFE core equity median of -9.1%.
15. The FIAM Select International Small Cap Plus quarterly portfolio (formerly known as Pyramis) result of -9.9% was in line with the MSCI ACWI ex US Small Cap (-9.9%), and ranked in the 72nd percentile among ACWI ex US small cap managers. Holdings in the UK and South Korea aided performance. Healthcare (Hikma Pharmaceuticals) and Consumer Discretionary (Techtronic Industries) were two of the primary sector contributors. Its positions in Japan and Taiwan lagged, as well as holdings in the Industrials (Sato Holdings) and Materials (Methanex) sectors.
16. The Angelo Gordon STAR Fund appreciated 1.2% (preliminary quarterly return) while the Barclays Aggregate was also up 1.2%.

Third quarter results were hindered by the following factors:

1. Franklin Templeton depreciated, -6.7% and ranked in the bottom quartile among global bond managers (median of -1.5%). The Barclays Multiverse Index return was 0.5%. Franklin's underweighted duration exposure in the US and Europe and overweight currency positions in Asia ex Japan and Latin America hindered results.
2. AQR Global Risk Premium, 10% Volatility Fund was down, -7.7% while the blended 60% Russell 3000/ 40% Barclays Aggregate Index returned -3.9%. Third quarter gross return attribution is as follows: equity (0.0%), nominal interest rates (1.1%), inflation (-4.1%) and credit/default (-0.5%) risk.
3. The opportunistic credit high yield manager, Brigade Capital, lagged its benchmark, the Barclays BAA Intermediate High Yield Index (-6.1% vs. -3.0%). The median high yield quarterly return was -4.3%. Its high yield and distressed bonds were the primary detractors of performance.
4. The SSARIS Multisource Active Commodity Fund fell behind the Bloomberg Commodity Index (-15.9% vs. -14.5%). Underperformance was attributable to energy and grains.
5. The Angelo Gordon Opportunities strategy returned 0.3% (preliminary quarterly return) The Barclays Aggregate Index was up 1.2%. Effective Q2, the fund is no longer valued at one-quarter lag.
6. The Invesco Core Real Estate-USA Fund returned 2.9% for the quarter and below par with the NCREIF ODCE Index (3.7%). During the quarter, the fund was 93.9% leased, a decrease of 130 bps over the quarter, due to the addition of specific value add assets to the portfolio.
7. Brown Brothers Harriman was subpar, -1.9%, outpaced the Barclays US TIPS Index (-1.1%) and ranked in the third quartile among inflation linked bond accounts (median of -1.3%). During the quarter, the portfolio held a flatter yield curve and maintained a long break-even position.
8. The FIAM Broad Market Duration Fund (formerly known as Pyramis) added 0.5% to its value and ranked in the 88th percentile among core bond managers (median of 1.0%). The Barclays Aggregate Index was up 1.2% for the quarter. An overweight to corporates (primarily Industrials) and CMBS were negators of relative performance. In August, Western TRU replaced, Western Asset. Its benchmark will be the 3-Month Libor Total Return Index.

9. Barrow Hanley's return of -8.7% was behind the Russell 1000 Value Index (-8.4%) and ranked in the third quartile among large cap value equity managers (median of -8.6%). Performance was hurt by its zero weight to Utilities and select Industrials (Joy Global, SPX, Eaton, Deere) and Financials (Navient, SLM) investments.
10. Chartwell lost more value, -13.3%, than the Russell 2000 Growth Index, -13.1%. Chartwell ranked in 67th percentile among small cap growth managers (median of -12.0%). Negative attributes include stock selection the Energy (Key Energy Systems, Bristow Group, Carrizo Oil & Gas), Consumer Discretionary (Tribune Publishing, Marinemax) and Financials (Cowen Group) sectors.

Performance Summary (Net of Fees)

Periods Ending September 30, 2015

	3 Mo (%)	Rank*	9 Mo (%)	Rank	1 Yr (%)	Rank	2 Yrs (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank
Total Fund **	-5.2	45	-1.9	28	-0.3	23	4.7	20	7.4	20	8.0	28	4.9	66
<i>Policy Index</i> ¹	-5.7	66	-3.2	62	-1.5	53	4.1	39	7.0	39	8.2	17	5.8	22
<i>Allocation Index</i>	-5.7	64	-3.3	63	-1.6	54	4.1	39	7.0	39	--	--	--	--
<i>InvestorForce Public DB > \$1B Net Median</i>	-5.5		-2.8		-1.4		3.6		6.5		7.3		5.3	
Total Fund ex Overlay	-5.1	44	-1.9	28	-0.4	25	4.7	24	7.3	25	8.0	29	4.9	66
<i>Policy Index</i> ¹	-5.7	66	-3.2	62	-1.5	53	4.1	39	7.0	39	8.2	17	5.8	22
<i>Allocation Index</i>	-5.7	64	-3.3	63	-1.6	54	4.1	39	7.0	39	--	--	--	--
<i>InvestorForce Public DB > \$1B Net Median</i>	-5.5		-2.8		-1.4		3.6		6.5		7.3		5.3	
Total Equity	-8.9	49	-5.6	37	-3.8	50	3.5	51	9.1	49	9.1	52	4.6	74
<i>Blended Equity Index</i> ²	-9.5	66	-6.4	57	-4.6	63	3.3	55	8.9	56	9.2	50	5.6	35
<i>InvestorForce All DB Total Eq Net Median</i>	-9.0		-6.2		-3.8		3.6		9.1		9.2		5.3	
US Equity	-7.5	46	-4.9	31	-0.1	41	6.9	63	12.2	52	12.6	55	5.7	90
<i>80% R1000/ 20% R2000</i> ²	-7.9	60	-5.7	64	-0.2	44	7.6	43	12.4	46	13.1	33	6.9	33
<i>Russell 3000</i>	-7.2	31	-5.4	49	-0.5	56	8.2	20	12.5	39	13.3	24	6.9	34
<i>InvestorForce All DB US Eq Net Median</i>	-7.6		-5.5		-0.4		7.3		12.3		12.7		6.6	
Large Cap Equity	-6.4	--	-3.8	--	0.7	--	8.5	--	12.7	--	12.9	--	6.1	--
<i>Russell 1000</i>	-6.8	--	-5.2	--	-0.6	--	8.8	--	12.7	--	13.4	--	7.0	--
<i>Barrow Hanley</i>	-8.8	56	-5.2	16	-1.0	20	6.4	49	13.3	26	13.0	25	--	--
<i>Russell 1000 Value</i>	-8.4	48	-9.0	64	-4.4	55	6.6	46	11.6	50	12.3	41	5.7	69
<i>eA US Large Cap Value Equity Net Median</i>	-8.6		-7.9		-4.1		6.3		11.6		11.7		6.3	
<i>BlackRock S&P 500 Index</i>	-6.4	34	-5.2	53	-0.5	50	9.1	35	--	--	--	--	--	--
<i>S&P 500</i>	-6.4	34	-5.3	54	-0.6	53	9.1	36	12.4	46	13.3	36	6.8	58
<i>eA US Large Cap Core Equity Net Median</i>	-7.2		-5.1		-0.5		8.4		12.2		12.8		6.9	
<i>Brown Advisory</i>	-5.0	25	-0.8	33	4.1	31	7.1	85	--	--	--	--	--	--
<i>Russell 1000 Growth</i>	-5.3	27	-1.5	40	3.2	48	10.9	33	13.6	41	14.5	29	8.1	29
<i>eA US Large Cap Growth Equity Net Median</i>	-6.1		-2.0		2.9		9.5		13.2		13.3		7.7	

* Total Fund and asset class aggregates are ranked in InvestorForce universes. Managers are ranked in eVest (eA) manager universes.

** Includes Parametric Minneapolis manager funded in August 2013.

1. Effective 7/1/14, Policy Index is 24% Russell 1000/ 6% Russell 2000/ 20% MSCI ACWI ex US IMI/ 10% Barclays Aggregate/ 2% Barclays TIPS

5% Barclays BA Intermediate HY / 3% Barclays Multi-verse/ 6% NCREIF NFI ODCE/ 7% Russell 3000 + 3%

8% (60% Russell 3000/40% Barclays Aggregate)/ 4% Labor +4%/ 3% Bloomberg Commodity/ 2% CPI +5%

2. See Appendix for Benchmark History.

San Mateo County Employees' Retirement Association

Performance Summary (Net of Fees)

Periods Ending September 30, 2015

	3 Mo (%)	Rank	9 Mo (%)	Rank	1 Yr (%)	Rank	2 Yrs (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank
DE Shaw +	-6.1	24	-2.1	14	1.7	22	9.4	28	13.8	18	14.5	12	--	--
<i>Russell 1000</i>	-6.8	42	-5.2	53	-0.6	53	8.8	41	12.7	42	13.4	35	7.0	49
<i>eA US Large Cap Core Equity Net Median</i>	-7.2		-5.1		-0.5		8.4		12.2		12.8		6.9	
Small Cap Equity	-11.9	--	-9.6	--	-3.0	--	0.3	--	10.2	--	11.6	--	4.3	--
<i>Russell 2000</i>	-11.9	--	-7.7	--	1.2	--	2.6	--	11.0	--	11.7	--	6.5	--
The Boston Co	-10.5	61	-8.7	68	-1.9	64	1.1	72	10.0	66	10.9	61	--	--
<i>Russell 2000 Value</i>	-10.7	67	-10.1	78	-1.6	63	1.2	70	9.2	75	10.2	73	5.3	82
<i>eA US Small Cap Value Equity Net Median</i>	-9.9		-7.0		-0.1		3.3		11.5		11.6		6.6	
Chartwell	-13.3	67	-10.5	93	-4.2	94	-0.2	82	10.2	77	12.6	69	6.7	69
<i>Russell 2000 Growth</i>	-13.1	65	-5.5	50	4.0	43	3.9	40	12.8	47	13.3	54	7.7	52
<i>eA US Small Cap Growth Equity Net Median</i>	-12.0		-5.5		2.9		3.0		12.5		13.6		7.7	
International Equity	-11.3	37	-6.7	40	-9.9	42	-2.5	37	3.4	56	2.1	70	2.5	67
<i>MSCI ACWI ex US IMI²</i>	-11.8	51	-7.5	53	-11.0	64	-3.3	57	3.1	64	2.4	63	3.6	37
<i>MSCI EAFE Gross</i>	-10.2	19	-4.9	17	-8.3	23	-2.0	28	6.1	17	4.4	18	3.4	43
<i>InvestorForce All DB ex-US Eq Net Median</i>	-11.8		-7.3		-10.4		-3.0		3.7		3.0		3.2	
Developed Markets	-10.9	45	-5.7	43	-8.4	52	-1.8	45	4.4	64	2.7	78	2.8	70
<i>MSCI ACWI ex USA Gross</i>	-12.1	75	-8.3	83	-11.8	92	-3.7	83	2.8	90	2.3	82	3.5	37
<i>InvestorForce All DB Dev Mkt ex-US Eq Net Median</i>	-11.1		-6.5		-8.3		-1.9		5.0		3.7		3.2	
Baillie Gifford	-11.7	83	-5.6	75	-6.6	74	-1.9	64	5.5	59	--	--	--	--
<i>MSCI ACWI ex US²</i>	-12.1	86	-8.3	99	-11.8	99	-3.2	87	5.2	65	--	--	--	--
<i>MSCI ACWI ex US Growth²</i>	-10.7	73	-5.7	76	-7.8	78	-1.5	59	6.2	45	--	--	--	--
<i>eA ACWI ex-US Growth Equity Net Median</i>	-9.9		-3.2		-4.6		-0.7		5.7		4.9		5.0	
BlackRock EAFE Index	-10.2	69	-5.0	76	-8.4	84	--	--	--	--	--	--	--	--
<i>MSCI EAFE</i>	-10.2	69	-5.3	80	-8.7	84	-2.4	81	5.6	67	4.0	79	3.0	83
<i>MSCI EAFE Gross</i>	-10.2	69	-4.9	75	-8.3	83	-2.0	78	6.1	63	4.4	74	3.4	64
<i>eA EAFE Core Equity Net Median</i>	-9.1		-2.8		-5.6		-0.2		7.5		5.8		3.7	
FIAM Equity ++	-9.9	72	-1.9	67	-4.1	68	-0.7	82	5.2	92	--	--	--	--
<i>MSCI ACWI ex US Small Cap Gross</i>	-9.9	73	-2.3	69	-6.1	79	-0.7	82	5.9	91	4.2	98	5.5	99
<i>eA ACWI ex-US Small Cap Equity Net Median</i>	-7.9		1.8		-2.0		0.4		9.1		7.6		7.9	

+ DE Shaw changed strategy from Large Cap to 130/30 strategy in December 2014.

++ Name change from Pyramis Equity in September 2015.

2. See Appendix for Benchmark History.

San Mateo County Employees' Retirement Association

Performance Summary (Net of Fees)

Periods Ending September 30, 2015

	3 Mo (%)	Rank	9 Mo (%)	Rank	1 Yr (%)	Rank	2 Yrs (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank
Mondrian	-10.8	44	-7.5	61	-11.5	63	-2.1	49	3.3	63	3.0	58	3.4	45
MSCI ACWI ex USA Value Gross	-13.5	86	-10.9	87	-15.7	87	-5.6	73	1.5	84	1.4	75	2.9	53
MSCI ACWI ex USA Gross	-12.1	62	-8.3	73	-11.8	66	-3.7	64	2.8	67	2.3	71	3.5	42
eA ACWI ex-US Value Equity Net Median	-11.3		-6.5		-10.4		-2.1		4.0		3.4		3.1	
Emerging Markets	-15.2	19	-14.9	46	-22.2	83	-8.5	59	-4.5	37	--	--	--	--
MSCI Emerging Markets Gross	-17.8	74	-15.2	53	-19.0	45	-7.9	35	-4.9	51	-3.2	40	4.6	15
InvestorForce All DB Emg Mkt Eq Net Median	-16.5		-15.1		-19.5		-8.3		-4.9		-3.7		3.9	
Parametric Core *	--	--	--	--	--	--	--	--	--	--	--	--	--	--
MSCI Emerging Markets Gross	-17.8	78	-15.2	61	-19.0	67	-7.9	63	-4.9	71	-3.2	65	4.6	66
eA Emg Mkts Equity Net Median	-16.4		-14.6		-17.6		-6.4		-3.2		-2.0		5.2	
Total Fixed Income	-1.7	84	-0.6	54	-0.5	75	2.5	58	2.2	24	4.4	28	4.9	54
Blended Fixed Index ²	-0.2	59	-0.1	46	0.9	59	2.1	69	0.6	87	2.8	73	4.5	71
InvestorForce All DB Total Fix Inc Net Median	0.2		-0.4		1.3		2.7		1.6		3.4		5.1	
US Fixed Income	-0.8	82	0.4	48	1.0	72	3.1	50	2.3	31	4.5	28	5.0	46
Blended US Fixed Index ²	-0.3	74	0.4	49	1.7	56	2.7	61	1.0	89	3.2	66	4.7	61
InvestorForce All DB US Fix Inc Net Median	0.6		0.3		1.9		3.1		1.8		3.6		4.9	
Core Fixed	0.1	--	0.1	--	1.6	--	3.4	--	1.9	--	--	--	--	--
Barclays Aggregate	1.2	--	1.1	--	2.9	--	3.4	--	1.7	--	3.1	--	4.6	--
FIAM Bond ⁺	0.5	88	0.5	86	2.2	74	3.5	48	2.0	38	3.7	24	--	--
Western TRU ^{**}	--	--	--	--	--	--	--	--	--	--	--	--	--	--
3-Month Libor Total Return USD	0.1	96	0.2	93	0.3	98	0.3	99	0.3	99	0.3	99	1.8	99
Barclays Aggregate	1.2	31	1.1	48	2.9	32	3.4	50	1.7	54	3.1	67	4.6	68
eA US Core Fixed Inc Net Median	1.0		1.1		2.7		3.4		1.8		3.3		4.8	
TIPS	-1.9	--	-1.0	--	-1.8	--	-0.7	--	-2.6	--	2.1	--	--	--
Barclays US TIPS	-1.1	--	-0.8	--	-0.8	--	0.4	--	-1.8	--	2.5	--	4.0	--
Brown Brothers Harriman	-1.9	73	-1.0	50	-1.8	65	-0.7	87	-2.6	86	2.1	73	--	--
Barclays US TIPS	-1.1	33	-0.8	28	-0.8	30	0.4	20	-1.8	48	2.5	21	4.0	41
eA TIPS / Infl Indexed Fixed Inc Net Median	-1.3		-1.0		-1.1		0.0		-1.9		2.3		3.9	

* Funded July 2015. (Parametric closed September 2015.)

** Funded August 2015. (Western Asset is liquidating as of August 2015.)

+ Name change from Pyramis Bond in September 2015.

2. See Appendix for Benchmark History.

Performance Summary (Net of Fees)

Periods Ending September 30, 2015

	3 Mo (%)	Rank	9 Mo (%)	Rank	1 Yr (%)	Rank	2 Yrs (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank
Opportunistic Credit	-2.1	--	1.2	--	0.3	--	4.8	--	7.4	--	--	--	--	--
<i>Barclays BA Intermediate HY</i>	-3.0	--	-0.8	--	0.0	--	2.5	--	1.1	--	4.0	--	--	--
Angelo Gordon Opportunistic *	0.3	--	1.5	--	1.0	--	--	--	--	--	--	--	--	--
Angelo Gordon STAR **	1.2	--	6.1	--	8.2	--	12.5	--	--	--	--	--	--	--
<i>Barclays Aggregate</i>	1.2	--	1.1	--	2.9	--	3.4	--	1.7	--	3.1	--	4.6	--
Beach Point Select ***	-0.7	3	--	--	--	--	--	--	--	--	--	--	--	--
<i>Barclays BA Intermediate HY²</i>	-3.0	18	-0.8	34	0.0	16	2.5	35	1.1	96	4.0	91	--	--
<i>eA US High Yield Fixed Inc Net Median</i>	-4.3		-1.8		-2.8		2.0		3.4		5.8		6.7	
Brigade Capital	-6.1	86	-4.2	90	-7.2	94	-1.1	96	2.0	92	5.2	77	--	--
<i>Barclays BA Intermediate HY²</i>	-3.0	18	-0.8	34	0.0	16	2.5	35	1.1	96	4.0	91	--	--
<i>50% Barclays HY/ 50% Bank Loan</i>	-3.1	18	-0.4	25	-1.1	30	2.3	40	3.7	43	5.5	65	--	--
<i>eA US High Yield Fixed Inc Net Median</i>	-4.3		-1.8		-2.8		2.0		3.4		5.8		6.7	
Global Fixed Income	-6.6	83	-6.1	68	-8.1	82	-1.3	76	0.9	30	--	--	--	--
<i>Barclays Multi-verse</i>	0.5	2	-2.4	41	-3.6	40	-1.1	69	-1.5	74	0.9	93	3.8	78
<i>InvestorForce All DB Gbl Fix Inc Net Median</i>	-3.9		-3.8		-4.8		-0.2		-0.3		3.0		5.1	
Franklin Templeton	-6.7	97	-6.1	91	-8.1	92	-1.3	80	0.9	53	--	--	--	--
<i>Barclays Multi-verse</i>	0.5	20	-2.4	57	-3.6	59	-1.1	79	-1.5	79	0.9	80	3.8	74
<i>eA All Global Fixed Inc Net Median</i>	-1.5		-2.2		-3.2		0.5		1.1		2.8		4.4	
Alternatives	0.9	--	6.8	--	8.7	--	8.3	--	4.8	--	--	--	--	--
<i>Alternatives Allocation Index²</i>	-5.6	--	-4.0	--	-4.3	--	1.7	--	3.2	--	--	--	--	--
<i>Blended Alternatives Index</i>	-4.9	--	-3.2	--	-2.6	--	3.8	--	6.2	--	--	--	--	--
Private Equity	4.2	17	20.0	1	27.0	1	23.8	1	16.7	7	--	--	--	--
<i>Russell 3000 +3%</i>	-6.0	99	-3.3	95	2.5	86	11.3	57	15.5	15	16.3	3	10.0	31
<i>InvestorForce All DB Private Eq Net Median</i>	0.0		5.7		7.4		11.9		11.2		11.4		8.8	
Hedge Fund	7.7	1	7.8	1	14.4	1	11.4	1	9.2	3	--	--	--	--
<i>Libor 1 month +4%</i>	1.1	2	3.1	5	4.2	7	4.2	24	4.2	81	4.2	57	--	--
<i>InvestorForce All DB Hedge Funds Net Median</i>	-3.0		-0.9		-0.6		3.2		5.2		4.4		3.6	

* Preliminary return as of 9/30/15. Changed from one-quarter lag to quarterly in June 2015.

** Preliminary returns as of 9/30/15.

*** Funded February 2015.

2. See Appendix for Benchmark History.

San Mateo County Employees' Retirement Association

Performance Summary (Net of Fees)

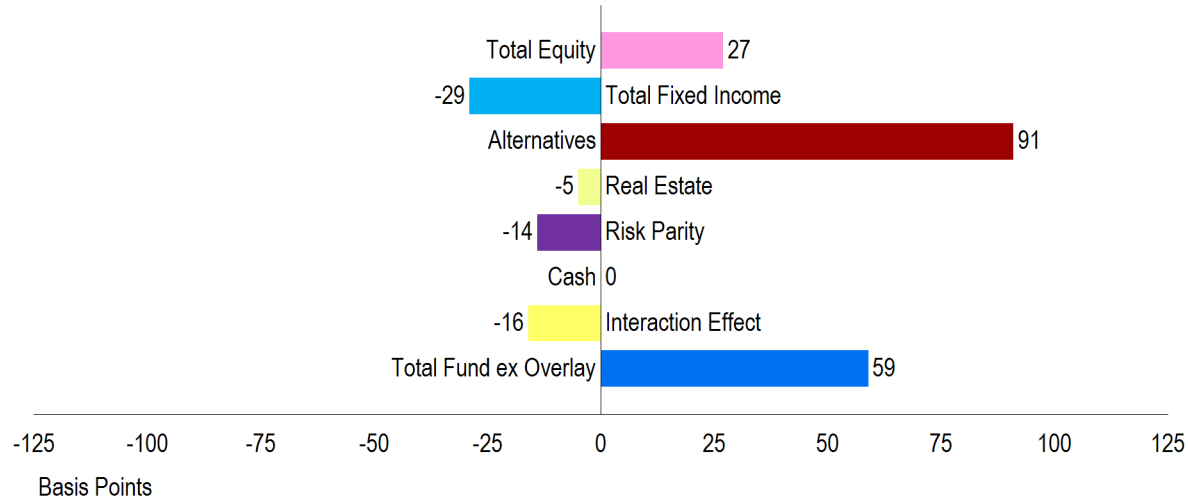
Periods Ending September 30, 2015

	3 Mo (%)	Rank	9 Mo (%)	Rank	1 Yr (%)	Rank	2 Yrs (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank
AQR DELTA XN	7.7	6	7.8	9	14.4	11	11.4	16	9.2	22	--	--	--	--
<i>Libor 1 month +4%</i>	1.1	23	3.1	30	4.2	31	4.2	50	4.2	56	4.2	56	--	--
<i>eV Alt All Multi-Strategy Median</i>	-2.6		-0.4		1.0		4.2		5.5		4.8		7.3	
Commodity	-15.9	--	-16.6	--	-25.6	--	-15.9	--	-14.2	--	--	--	--	--
<i>Bloomberg Commodity Index TR USD</i>	-14.5	--	-15.8	--	-26.0	--	-16.8	--	-16.0	--	-8.9	--	-5.7	--
SSARIS Multisource Active Commodity ***	-15.9	--	-16.6	--	-25.6	--	-15.9	--	-14.2	--	--	--	--	--
<i>Bloomberg Commodity Index TR USD</i>	-14.5	--	-15.8	--	-26.0	--	-16.8	--	-16.0	--	-8.9	--	-5.7	--
<i>S&P Goldman Sachs Commodity</i>	-19.3	--	-19.5	--	-41.7	--	-26.7	--	-19.8	--	--	--	--	--
Private Real Asset	0.8	--	1.5	--	1.9	--	--	--	--	--	--	--	--	--
<i>CPI +5%</i>	1.1	--	3.5	--	4.1	--	--	--	--	--	--	--	--	--
Everstream Solar I	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<i>CPI +5%</i>	1.1	--	3.5	--	4.1	--	--	--	--	--	--	--	--	--
Taurus Mining *	2.2	--	2.9	--	3.3	--	--	--	--	--	--	--	--	--
<i>CPI +5%</i>	1.1	--	3.5	--	4.1	--	--	--	--	--	--	--	--	--
Real Estate	2.9	44	11.6	4	15.5	7	13.6	10	13.2	4	13.4	23	6.3	16
NCREIF ODCE	3.7	18	11.3	7	14.9	16	13.6	10	13.4	3	14.0	3	7.2	6
<i>InvestorForce All DB Real Estate Pub Net Median</i>	2.7		9.0		12.5		12.0		11.2		12.0		5.4	
Invesco	2.9	--	11.6	--	15.5	--	13.6	--	13.2	--	13.4	--	6.2	--
NCREIF ODCE	3.7	--	11.3	--	14.9	--	13.6	--	13.4	--	14.0	--	7.2	--
Risk Parity	-5.7	--	-5.0	--	-3.9	--	3.8	--	1.7	--	--	--	--	--
<i>60/40 Russell 3000/Barclays Aggregate</i>	-3.9	--	-2.7	--	1.0	--	6.4	--	8.2	--	9.3	--	6.3	--
AQR GRP, 10% Volatility	-7.7	--	-6.7	--	-8.3	--	1.2	--	-0.1	--	--	--	--	--
PanAgora **	-3.8	--	-3.3	--	0.5	--	--	--	--	--	--	--	--	--
<i>60/40 Russell 3000/Barclays Aggregate</i>	-3.9	--	-2.7	--	1.0	--	6.4	--	8.2	--	9.3	--	6.3	--
<i>60/40 MSCI World/Barclays Global Aggregate</i>	-4.6	--	-3.2	--	-1.7	--	3.8	--	6.5	--	6.6	--	--	--
Cash	0.2	--	0.4	--	0.6	--	0.5	--	0.5	--	0.6	--	1.3	--
<i>91 Day T-Bills</i>	0.0	--	0.0	--	0.0	--	0.0	--	0.0	--	0.0	--	1.2	--
General Account	0.2	--	0.6	--	0.9	--	0.6	--	0.4	--	0.4	--	1.6	--
Treasury & LAIF	0.4	--	1.0	--	1.3	--	1.0	--	0.9	--	0.9	--	1.3	--
<i>91 Day T-Bills</i>	0.0	--	0.0	--	0.0	--	0.0	--	0.0	--	0.0	--	1.2	--

* Funded August 2014.

** Funded July 2014.

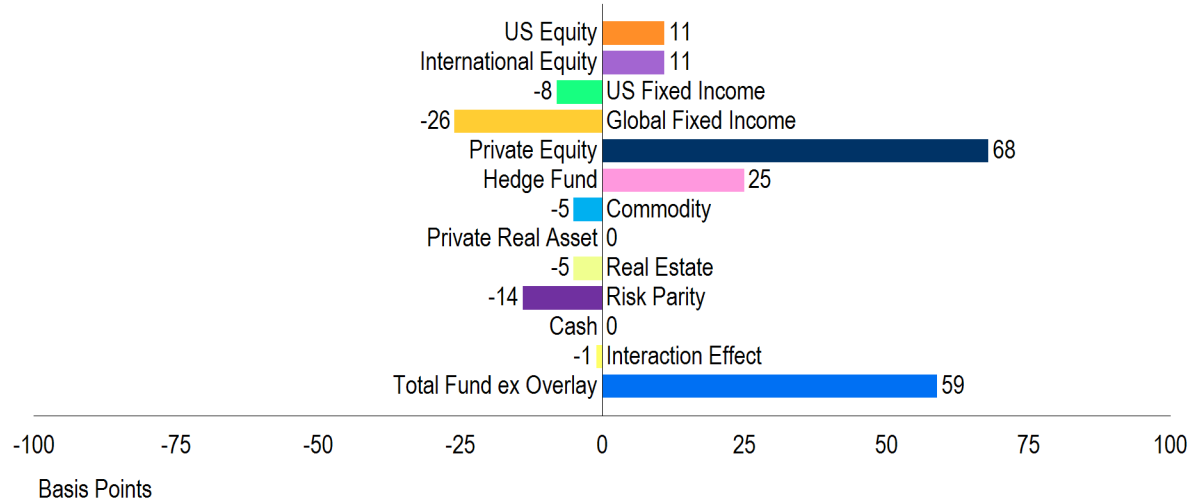
***Funded January 2015. (SSgA Multisource Commodity closed January 2015.)



	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction *	Total Effects
Total Equity	-8.93%	-9.45%	0.52%	0.27%	-0.06%	0.02%	0.22%
Total Fixed Income	-1.68%	-0.18%	-1.49%	-0.29%	-0.03%	0.01%	-0.31%
Alternatives	0.91%	-4.95%	5.85%	0.91%	-0.02%	-0.19%	0.70%
Real Estate	2.89%	3.68%	-0.79%	-0.05%	0.04%	0.00%	-0.01%
Risk Parity	-5.69%	-3.89%	-1.80%	-0.14%	-0.01%	0.00%	-0.14%
Cash	0.15%	0.01%	0.15%	0.00%	0.13%	0.00%	0.13%
Total	-5.10%	-5.68%	0.59%	0.71%	0.04%	-0.16%	0.59%

Attribution does not include the impact of the Parametric Minneapolis strategy.

* Interaction Effects include Residual Effects



	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction *	Total Effects
US Equity	-7.49%	-7.86%	0.37%	0.11%	-0.04%	0.01%	0.08%
International Equity	-11.31%	-11.81%	0.51%	0.11%	0.03%	0.00%	0.15%
US Fixed Income	-0.80%	-0.30%	-0.50%	-0.08%	0.01%	0.00%	-0.07%
Global Fixed Income	-6.64%	0.49%	-7.13%	-0.26%	-0.05%	0.06%	-0.25%
Private Equity	4.16%	-6.00%	10.16%	0.68%	0.00%	-0.12%	0.56%
Hedge Fund	7.68%	1.06%	6.62%	0.25%	0.01%	0.01%	0.27%
Commodity	-15.94%	-14.47%	-1.48%	-0.05%	0.02%	0.01%	-0.01%
Private Real Asset	0.81%	1.07%	-0.26%	0.00%	-0.12%	0.01%	-0.12%
Real Estate	2.89%	3.68%	-0.79%	-0.05%	0.04%	0.00%	-0.01%
Risk Parity	-5.69%	-3.89%	-1.80%	-0.14%	-0.01%	0.00%	-0.14%
Cash	0.15%	0.01%	0.15%	0.00%	0.13%	0.00%	0.13%
Total	-5.09%	-5.68%	0.59%	0.58%	0.02%	-0.01%	0.59%

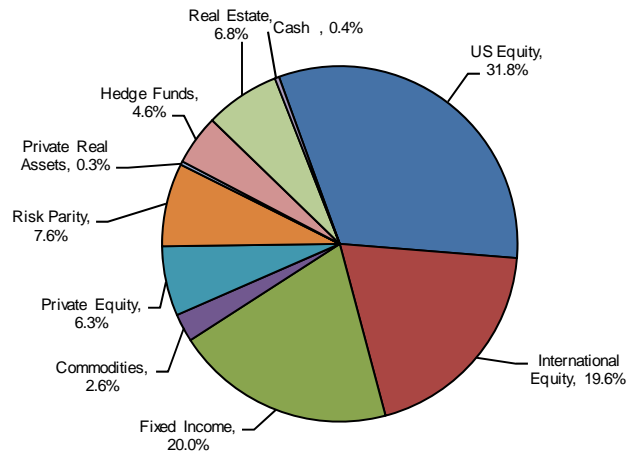
Attribution does not include the impact of the Parametric Minneapolis strategy.

* Interaction Effects include Residual Effects

Asset Allocation Analysis

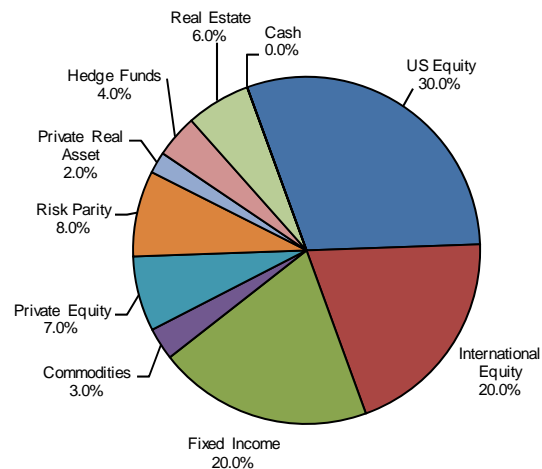
As of September 30, 2015

Current w/Overlay



ASSET ALLOCATION	MARKET VALUE	W/OVERLAY	W/O OVERLAY
US Equity	1,032,413,469	31.8%	31.3%
International Equity	613,878,675	19.6%	18.6%
Fixed Income	667,051,391	20.0%	20.2%
Commodities	84,811,426	2.6%	2.6%
Private Equity	209,252,012	6.3%	6.3%
Risk Parity	250,026,827	7.6%	7.6%
Private Real Assets	10,762,723	0.3%	0.3%
Hedge Funds	150,407,863	4.6%	4.6%
Real Estate	224,787,469	6.8%	6.8%
Cash	58,347,903	0.4%	1.8%
TOTAL	3,301,739,757	100.0%	100.0%

Target

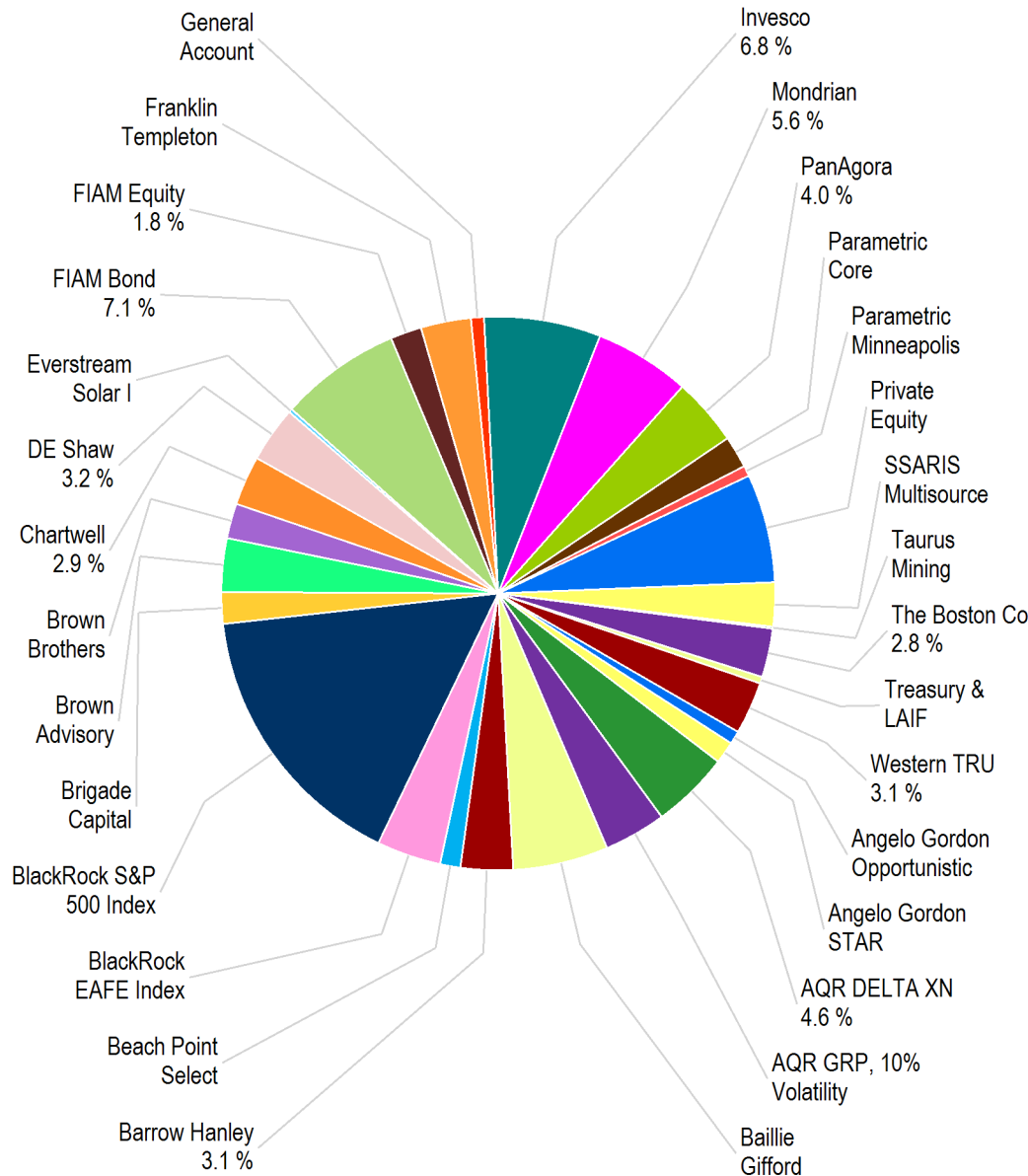


ASSET ALLOCATION	W/OVERLAY	TARGET	DIFF
US Equity	31.8%	30.0%	1.8%
International Equity	19.6%	20.0%	-0.4%
Fixed Income	20.0%	20.0%	0.0%
Commodities	2.6%	3.0%	-0.4%
Private Equity	6.3%	7.0%	-0.7%
Risk Parity	7.6%	8.0%	-0.4%
Private Real Asset	0.3%	2.0%	-1.7%
Hedge Funds	4.6%	4.0%	0.6%
Real Estate	6.8%	6.0%	0.8%
Cash	0.4%	0.0%	0.4%
TOTAL	100.0%	100.0%	0.0%

San Mateo County Employees' Retirement Association

Manager Allocation Analysis - Total Plan

As of September 30, 2015



	Actual \$	Actual %
Angelo Gordon Opportunistic	\$25,255,500	0.8%
Angelo Gordon STAR	\$42,646,000	1.3%
AQR DELTA XN	\$150,407,863	4.6%
AQR GRP, 10% Volatility	\$119,587,520	3.6%
Artio	\$2,763	0.0%
Baillie Gifford	\$183,686,967	5.6%
Barrow Hanley	\$100,901,446	3.1%
Beach Point Select	\$39,072,835	1.2%
BlackRock EAFE Index	\$123,858,609	3.8%
BlackRock S&P 500 Index	\$531,965,897	16.1%
Brigade Capital	\$60,722,021	1.8%
Brown Advisory	\$103,315,826	3.1%
Brown Brothers Harriman	\$67,265,247	2.0%
Chartwell	\$95,184,090	2.9%
DE Shaw	\$107,233,644	3.2%
Everstream Solar I	\$7,024,456	0.2%
FIAM Bond	\$233,806,044	7.1%
FIAM Equity	\$60,100,585	1.8%
Franklin Templeton	\$96,635,208	2.9%
General Account	\$25,073,667	0.8%
Invesco	\$224,787,469	6.8%
Mondrian	\$184,445,471	5.6%
PanAgora	\$130,439,307	4.0%
Parametric Core	\$61,784,280	1.9%
Parametric Minneapolis Overlay	\$20,310,186	0.6%
Private Equity	\$209,252,012	6.3%
SSARIS Multisource Active Commodity	\$84,811,426	2.6%
Taurus Mining	\$3,738,267	0.1%
The Boston Co	\$93,812,566	2.8%
Treasury & LAIF	\$12,964,050	0.4%
Western Asset	\$532,794	0.0%
Western TRU	\$101,115,741	3.1%
Total	\$3,301,739,757	

Statistics Summary

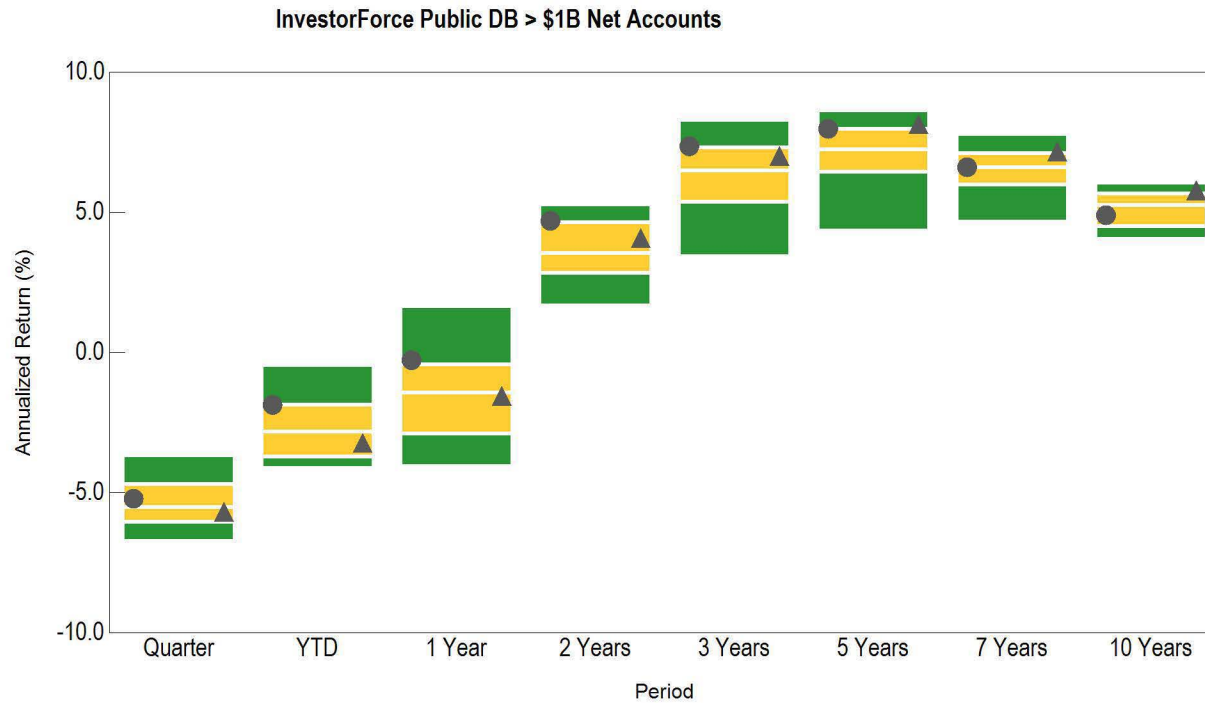
3 Years

	Anlzd Return	Anlzd Return Rank	Anlzd Standard Deviation	Anlzd Standard Deviation Rank	Sharpe Ratio	Sharpe Ratio Rank	Information Ratio	Information Ratio Rank	Tracking Error	Tracking Error Rank
Total Fund	7.4%	20	6.3%	63	1.2	34	0.4	13	0.8%	1
Policy Index	7.0%	39	6.5%	72	1.1	51	--	--	0.0%	1
InvestorForce Public DB > \$1B Net Median	6.5%	--	6.0%	--	1.1	--	-0.3	--	1.6%	--

Statistics Summary

5 Years

	Anlzd Return	Anlzd Return Rank	Anlzd Standard Deviation	Anlzd Standard Deviation Rank	Sharpe Ratio	Sharpe Ratio Rank	Information Ratio	Information Ratio Rank	Tracking Error	Tracking Error Rank
Total Fund	8.0%	28	8.1%	76	1.0	47	-0.2	28	1.0%	8
Policy Index	8.2%	17	8.4%	88	1.0	53	--	--	0.0%	1
InvestorForce Public DB > \$1B Net Median	7.3%	--	7.4%	--	1.0	--	-0.5	--	1.9%	--

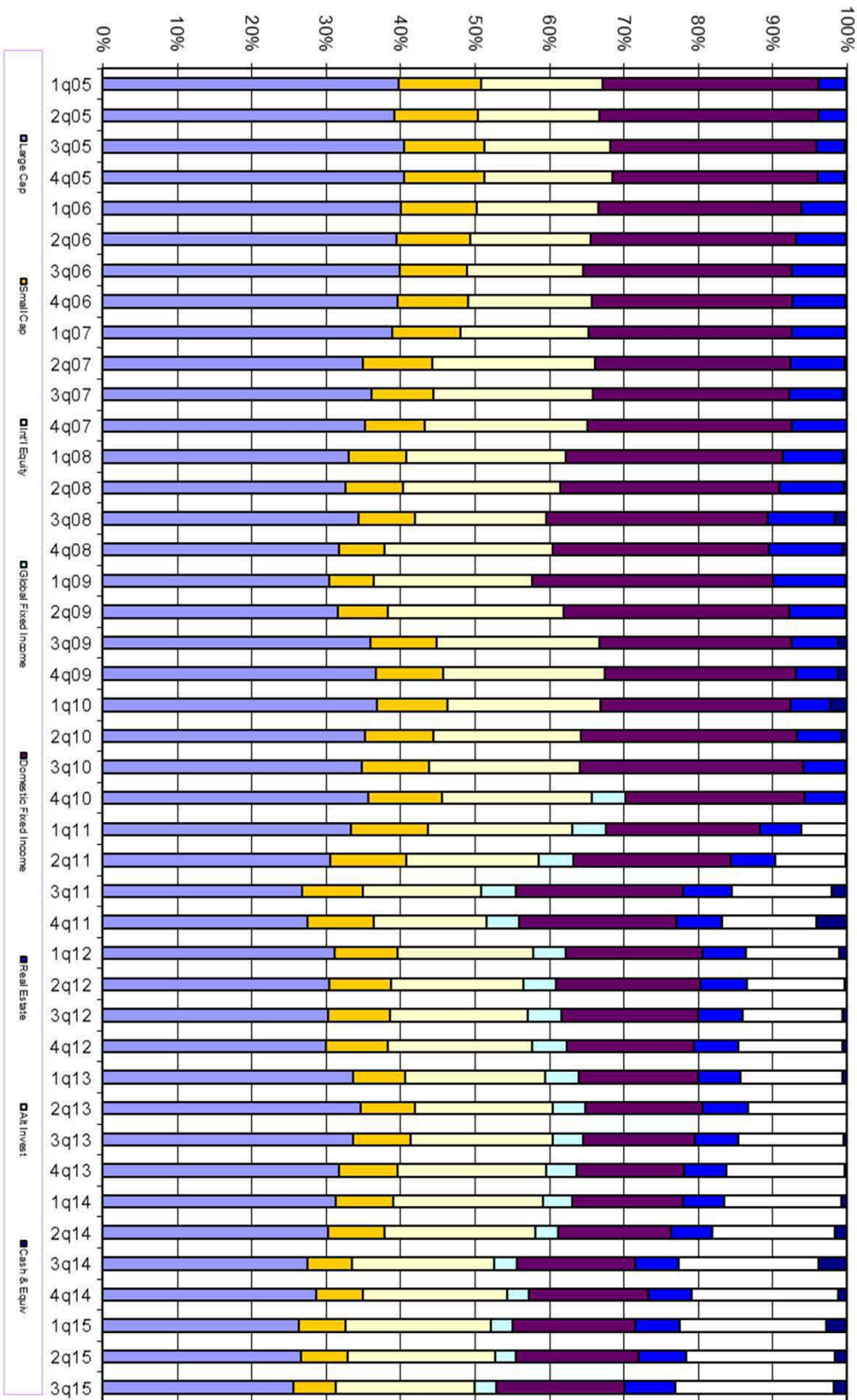


	Return (Rank)							
	Quarter	YTD	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years
5th Percentile	-3.7	-0.4	1.6	5.3	8.3	8.6	7.8	6.0
25th Percentile	-4.7	-1.8	-0.4	4.7	7.3	8.0	7.1	5.7
Median	-5.5	-2.8	-1.4	3.6	6.5	7.3	6.6	5.3
75th Percentile	-6.0	-3.7	-2.9	2.9	5.4	6.5	6.0	4.5
95th Percentile	-6.7	-4.1	-4.0	1.7	3.5	4.4	4.7	4.1
# of Portfolios	41	41	41	41	41	41	40	39
● Total Fund	-5.2 (45)	-1.9 (28)	-0.3 (23)	4.7 (20)	7.4 (20)	8.0 (28)	6.6 (52)	4.9 (66)
▲ Policy Index	-5.7 (66)	-3.2 (62)	-1.5 (53)	4.1 (39)	7.0 (39)	8.2 (17)	7.2 (24)	5.8 (22)

San Mateo County Employees' Retirement Association

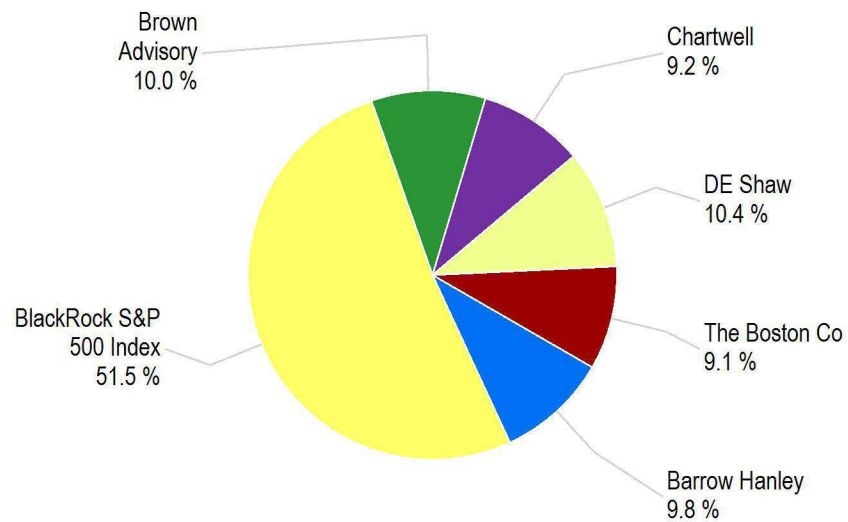
Asset Allocation History - Quarterly

Periods Ending September 30, 2015



Manager Allocation Analysis - US Equity

As of September 30, 2015



	Actual \$	Actual %	Manager Contribution to Excess Return %
Barrow Hanley	\$100,901,446	9.8%	-0.0%
BlackRock S&P 500 Index	\$531,965,897	51.5%	0.0%
Brown Advisory	\$103,315,826	10.0%	0.0%
Chartwell	\$95,184,090	9.2%	-0.0%
DE Shaw	\$107,233,644	10.4%	0.1%
The Boston Co	\$93,812,566	9.1%	0.0%
Actual vs. Policy Weight Difference			0.3%
Total	\$1,032,413,468	100.0%	0.4%

Statistics Summary

3 Years

	Anlzd Return	Anlzd Standard Deviation	Sharpe Ratio	Information Ratio	Tracking Error
US Equity	12.2%	10.0%	1.2	-0.2	0.9%
80% R1000/ 20% R2000	12.4%	10.2%	1.2	--	0.0%
Russell 3000	12.5%	9.9%	1.3	0.1	1.0%
Large Cap Equity	12.7%	9.7%	1.3	0.1	0.8%
Russell 1000	12.7%	9.8%	1.3	--	0.0%
Barrow Hanley	13.3%	10.4%	1.3	0.6	2.9%
Russell 1000 Value	11.6%	10.0%	1.2	--	0.0%
DE Shaw	13.8%	10.0%	1.4	0.6	1.9%
Russell 1000	12.7%	9.8%	1.3	--	0.0%
Small Cap Equity	10.2%	13.1%	0.8	-0.3	2.6%
Russell 2000	11.0%	13.6%	0.8	--	0.0%
The Boston Co	10.0%	13.0%	0.8	0.3	2.7%
Russell 2000 Value	9.2%	13.0%	0.7	--	0.0%
Chartwell	10.2%	13.5%	0.8	-0.6	4.1%
Russell 2000 Growth	12.8%	14.7%	0.9	--	0.0%

Statistics Summary

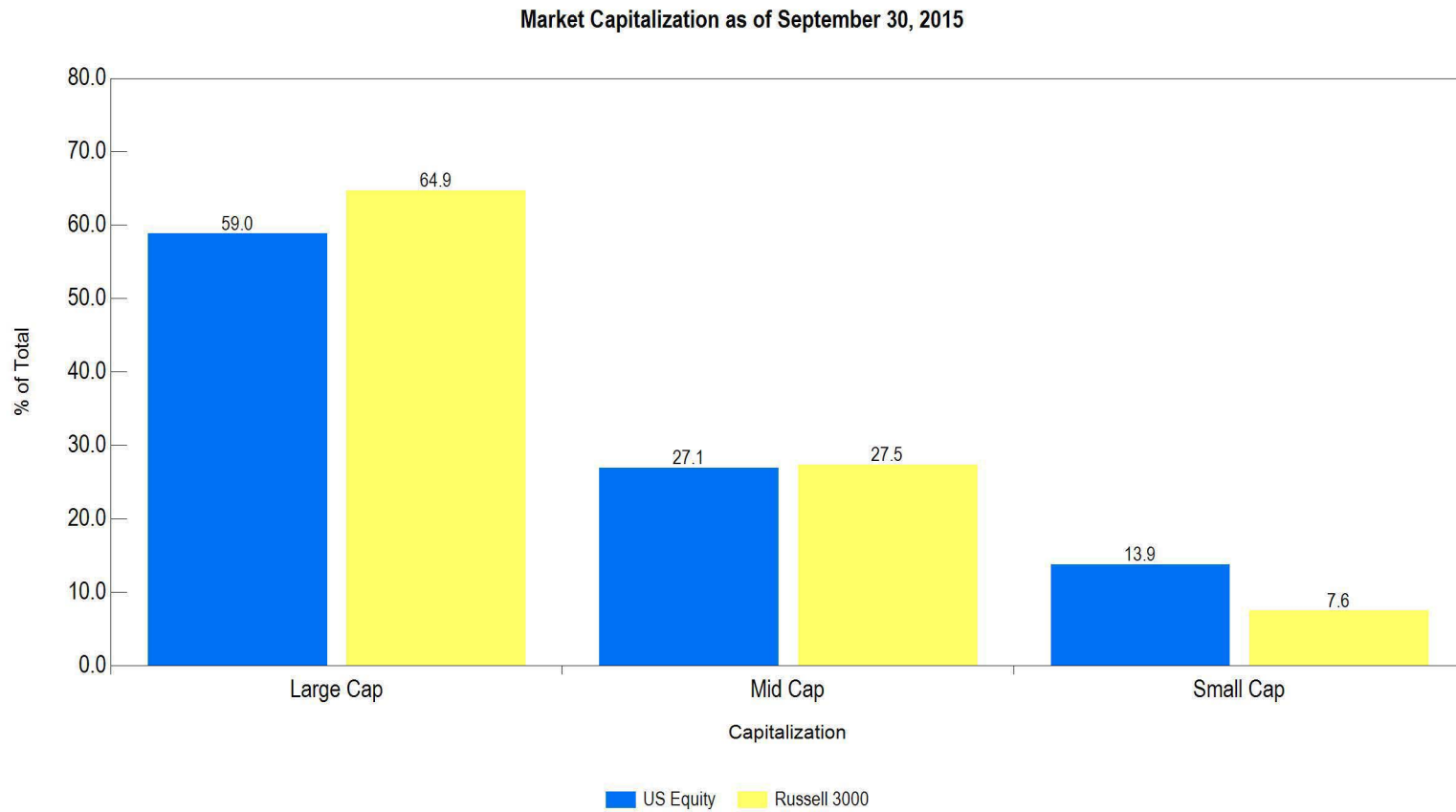
5 Years

	Anlzd Return	Anlzd Standard Deviation	Sharpe Ratio	Information Ratio	Tracking Error
US Equity	12.6%	12.5%	1.0	-0.5	1.1%
80% R1000/ 20% R2000	13.1%	12.3%	1.1	--	0.0%
Russell 3000	13.3%	11.9%	1.1	0.2	0.9%
Large Cap Equity	12.9%	12.0%	1.1	-0.6	1.0%
Russell 1000	13.4%	11.7%	1.1	--	0.0%
Barrow Hanley	13.0%	12.6%	1.0	0.3	2.6%
Russell 1000 Value	12.3%	12.1%	1.0	--	0.0%
DE Shaw	14.5%	12.1%	1.2	0.6	1.9%
Russell 1000	13.4%	11.7%	1.1	--	0.0%
Small Cap Equity	11.6%	15.6%	0.7	0.0	2.8%
Russell 2000	11.7%	16.0%	0.7	--	0.0%
The Boston Co	10.9%	15.4%	0.7	0.3	2.9%
Russell 2000 Value	10.2%	15.4%	0.7	--	0.0%
Chartwell	12.6%	16.6%	0.8	-0.1	4.5%
Russell 2000 Growth	13.3%	16.9%	0.8	--	0.0%

InvestorForce All DB US Eq Net Accounts



	Quarter	YTD	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years
5th Percentile	-6.0	-3.5	2.0	9.1	13.8	13.9	10.8	7.7
25th Percentile	-7.1	-4.7	0.5	8.1	12.8	13.3	10.0	7.0
Median	-7.6	-5.5	-0.4	7.3	12.3	12.7	9.6	6.6
75th Percentile	-8.3	-6.1	-1.1	6.4	11.5	12.1	9.1	6.2
95th Percentile	-9.6	-7.9	-3.8	4.1	10.3	10.9	8.0	5.3
# of Portfolios	586	582	580	539	513	416	367	279
● US Equity	-7.5 (46)	-4.9 (31)	-0.1 (41)	6.9 (63)	12.2 (52)	12.6 (55)	9.2 (74)	5.7 (90)
▲ 80% R1000/ 20% R2000	-7.9 (60)	-5.7 (64)	-0.2 (44)	7.6 (43)	12.4 (46)	13.1 (33)	9.8 (41)	6.9 (33)



See appendix for the market capitalization breakpoints.

Quarter Ending September 30, 2015

Characteristics

	Portfolio	Russell 3000
Number of Holdings	2,346	2,984
Weighted Avg. Market Cap. (\$B)	83.9	97.4
Median Market Cap. (\$B)	2.2	1.4
Price To Earnings	23.8	21.5
Price To Book	4.6	3.6
Price To Sales	3.4	3.1
Return on Equity (%)	17.3	16.7
Yield (%)	1.9	2.1
Beta (holdings; domestic)	1.1	1.0

Top Holdings

APPLE	2.4%
AMAZON.COM	1.2%
EXXON MOBIL	1.1%
FACEBOOK CLASS A	1.1%
MICROSOFT	1.1%
VISA 'A'	1.0%
WELLS FARGO & CO	0.9%
JOHNSON & JOHNSON	0.9%
JP MORGAN CHASE & CO.	0.9%
PFIZER	0.9%

Best Performers

	Return %
NTELOS HOLDINGS (NTLS)	95.5%
PHOENIX (PNX)	80.9%
ADEPT TECHNOLOGY (ADEP)	80.0%
TREVENA (TRVN)	65.3%
CELLCOM ISRAEL (NYS) (CEL)	62.8%
EZCHIP SEMICON. (NAS) (EZCH)	57.6%
ANACOR PHARMACEUTICALS (ANAC)	52.0%
STANCORP FINL.GP. (SFG)	51.0%
TECO ENERGY (TE)	50.2%
EXELIXIS (EXEL)	49.2%

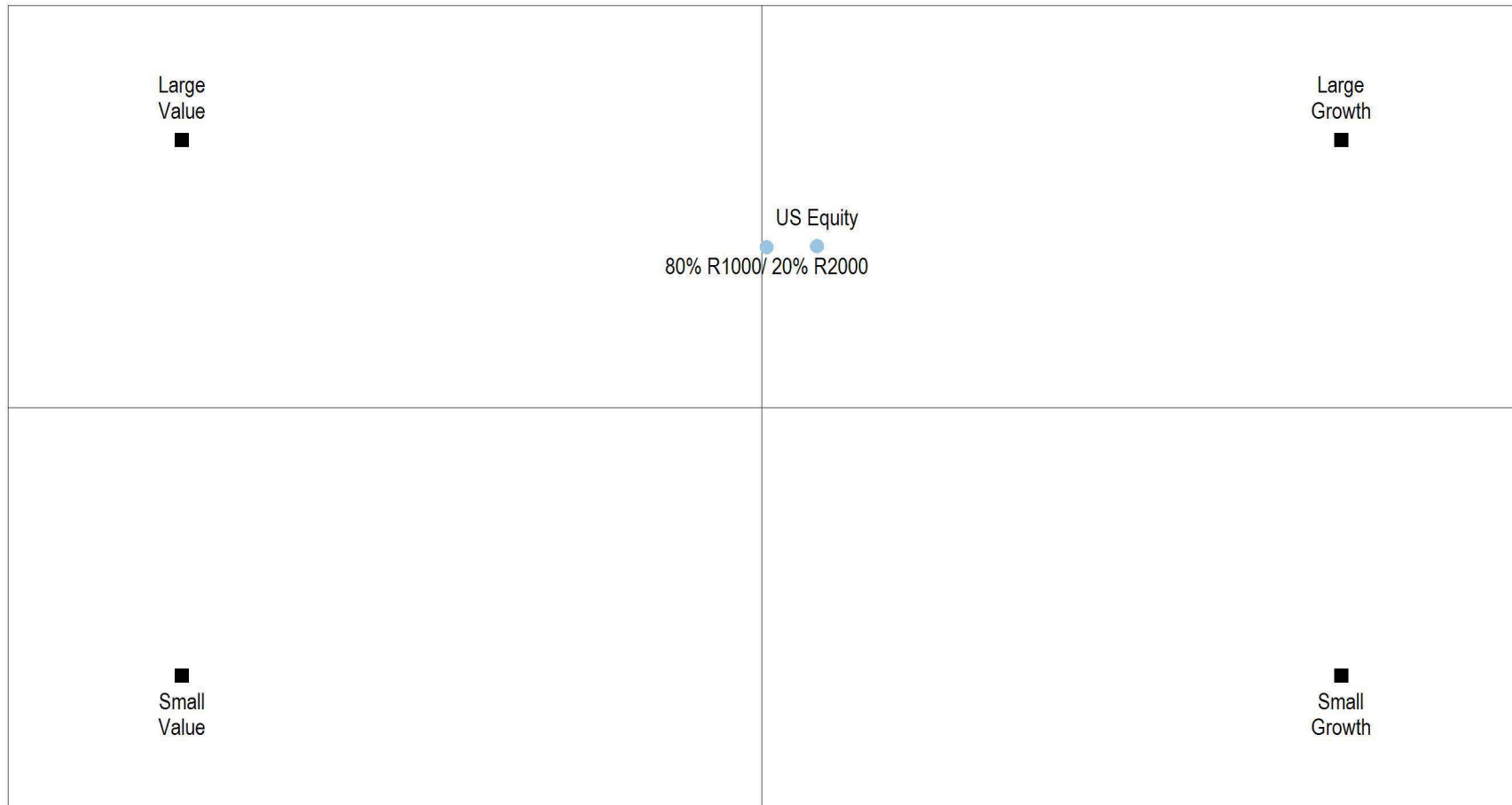
Worst Performers

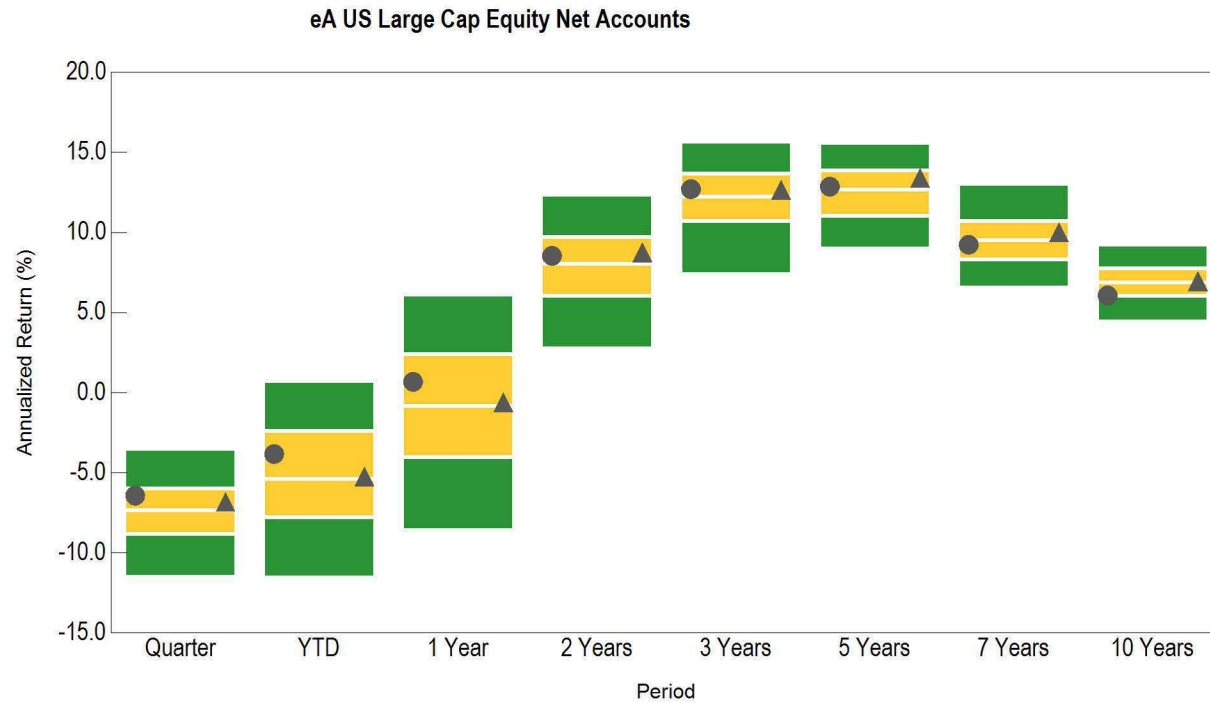
	Return %
QUIKSILVER (ZQKSQ)	-97.0%
ALPHA NATURAL RESOURCES (ANRZQ)	-89.1%
PENN VIRGINIA (PVA)	-87.9%
ALTISOURCE ASSET MAN. (AAMC)	-83.4%
SWIFT ENERGY (SFY)	-81.5%
VITAL THERAPIES (VTL)	-80.9%
MILLER ENERGY RESOURCES (MILLQ)	-80.8%
XOMA (XOMA)	-80.6%
PARAGON OFFSHORE (PGN)	-78.0%
BONANZA CREEK ENERGY (BCEI)	-77.7%

US Equity Performance Attribution vs. Russell 3000

	Total Effects	Attribution Effects			Returns		Sector Weights				
		Selection Effect	Allocation Effect	Interaction Effects	Portfolio	Benchmark	Portfolio	Benchmark			
Energy	0.0%	-0.1%	0.1%	0.0%	-20.3%	-18.9%	6.6%	7.3%			
Materials	0.0%	0.0%	0.0%	0.0%	-17.0%	-17.2%	3.3%	3.4%			
Industrials	-0.2%	-0.2%	0.0%	0.0%	-9.6%	-8.1%	11.7%	10.9%			
Cons. Disc.	0.0%	0.0%	0.0%	0.0%	-4.5%	-4.2%	14.3%	13.3%			
Cons. Staples	0.0%	0.0%	0.0%	0.0%	-1.0%	-1.0%	7.4%	8.0%			
Health Care	-0.1%	0.0%	0.0%	0.0%	-12.0%	-11.8%	15.4%	15.1%			
Financials	-0.3%	-0.3%	0.0%	0.0%	-8.0%	-6.0%	17.1%	18.1%			
Info. Tech	0.1%	0.1%	0.0%	0.0%	-4.4%	-4.7%	19.9%	19.1%			
Telecomm.	0.0%	0.0%	0.0%	0.0%	-7.4%	-6.8%	1.4%	2.0%			
Utilities	-0.1%	0.0%	-0.1%	0.0%	5.4%	4.3%	2.0%	2.9%			
Cash	0.1%	0.0%	0.1%	0.0%	0.0%	--	0.7%	0.0%			
Portfolio	-0.6%	=	-0.6%	+	0.0%	+	0.0%	-7.9%	-7.3%	99.9%	100.0%

US Effective Style Map





	Return (Rank)							
	Quarter	YTD	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years
5th Percentile	-3.5	0.7	6.1	12.3	15.7	15.6	13.0	9.2
25th Percentile	-6.0	-2.4	2.4	9.8	13.7	13.9	10.7	7.8
Median	-7.3	-5.4	-0.8	8.0	12.3	12.7	9.5	6.9
75th Percentile	-8.8	-7.8	-4.0	6.1	10.8	11.0	8.3	6.0
95th Percentile	-11.5	-11.5	-8.6	2.8	7.4	9.0	6.6	4.5
# of Portfolios	547	532	531	521	499	460	424	353
● Large Cap Equity	-6.4 (35)	-3.8 (35)	0.7 (36)	8.5 (41)	12.7 (45)	12.9 (46)	9.2 (58)	6.1 (75)
▲ Russell 1000	-6.8 (41)	-5.2 (49)	-0.6 (49)	8.8 (38)	12.7 (45)	13.4 (33)	10.0 (38)	7.0 (48)

San Mateo County Employees' Retirement Association
Equity Only Summary Statistics - Large Cap Equity

Quarter Ending September 30, 2015

Characteristics

	Portfolio	Russell 1000
Number of Holdings	2,270	1,031
Weighted Avg. Market Cap. (\$B)	102.3	105.5
Median Market Cap. (\$B)	2.5	7.2
Price To Earnings	23.3	21.3
Price To Book	4.8	4.0
Price To Sales	3.5	3.1
Return on Equity (%)	18.3	17.4
Yield (%)	2.1	2.2
Beta (holdings; domestic)	1.0	1.0

Top Holdings

APPLE	2.9%
AMAZON.COM	1.5%
EXXON MOBIL	1.4%
FACEBOOK CLASS A	1.4%
MICROSOFT	1.3%
VISA 'A'	1.2%
WELLS FARGO & CO	1.2%
JOHNSON & JOHNSON	1.2%
JP MORGAN CHASE & CO.	1.1%
PFIZER	1.1%

Best Performers

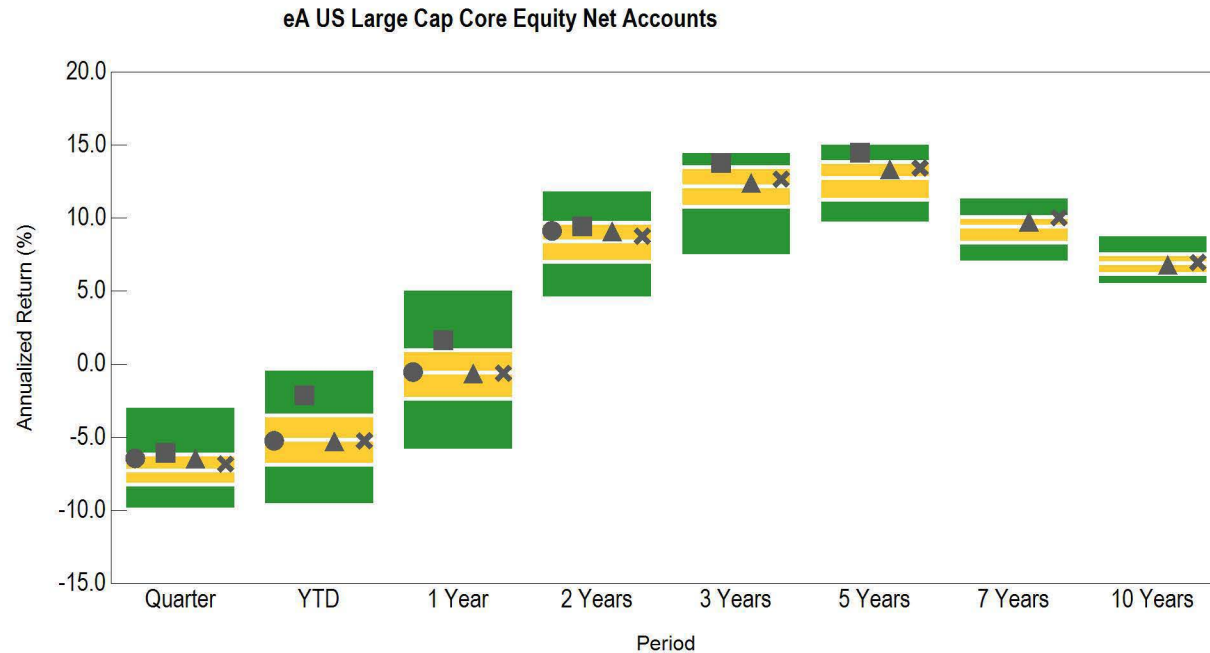
	Return %
NTELOS HOLDINGS (NTLS)	95.5%
PHOENIX (PNX)	80.9%
ADEPT TECHNOLOGY (ADEP)	80.0%
TREVENA (TRVN)	65.3%
CELLCOM ISRAEL (NYS) (CEL)	62.8%
EZCHIP SEMICON. (NAS) (EZCH)	57.6%
ANACOR PHARMACEUTICALS (ANAC)	52.0%
STANCORP FINL.GP. (SFG)	51.0%
TECO ENERGY (TE)	50.2%
EXELIXIS (EXEL)	49.2%

Worst Performers

	Return %
QUIKSILVER (ZQKSQ)	-97.0%
ALPHA NATURAL RESOURCES (ANRZQ)	-89.1%
PENN VIRGINIA (PVA)	-87.9%
ALTISOURCE ASSET MAN. (AAMC)	-83.4%
SWIFT ENERGY (SFY)	-81.5%
VITAL THERAPIES (VTL)	-80.9%
MILLER ENERGY RESOURCES (MILLQ)	-80.8%
XOMA (XOMA)	-80.6%
PARAGON OFFSHORE (PGN)	-78.0%
BONANZA CREEK ENERGY (BCEI)	-77.7%

Large Cap Equity Performance Attribution vs. Russell 1000

	Attribution Effects				Returns		Sector Weights				
	Total Effects	Selection Effect	Allocation Effect	Interaction Effects	Portfolio	Benchmark	Portfolio	Benchmark			
Energy	0.0%	0.0%	0.0%	0.0%	-18.3%	-18.3%	7.2%	7.6%			
Materials	0.0%	0.1%	0.0%	0.0%	-15.1%	-16.7%	3.5%	3.4%			
Industrials	-0.1%	-0.1%	0.0%	0.0%	-8.5%	-7.3%	11.1%	10.7%			
Cons. Disc.	0.2%	0.3%	0.0%	0.0%	-1.5%	-3.4%	12.6%	13.2%			
Cons. Staples	0.0%	0.0%	0.0%	0.0%	-0.9%	-0.9%	8.7%	8.4%			
Health Care	0.0%	0.0%	0.0%	0.0%	-10.9%	-11.2%	15.7%	15.0%			
Financials	-0.3%	-0.3%	0.0%	0.0%	-8.0%	-6.1%	16.4%	17.5%			
Info. Tech	0.1%	0.1%	0.0%	0.0%	-3.8%	-4.2%	20.4%	19.2%			
Telecomm.	0.0%	0.0%	0.0%	0.0%	-7.4%	-6.8%	1.8%	2.1%			
Utilities	-0.1%	0.0%	-0.1%	0.0%	4.7%	4.7%	1.9%	2.9%			
Cash	0.0%	0.0%	0.0%	0.0%	0.0%	--	0.6%	0.0%			
Portfolio	0.0%	=	0.0%	+	0.0%	+	0.0%	-6.9%	-6.8%	99.9%	100.0%



	Return (Rank)							
	Quarter	YTD	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years
5th Percentile	-2.9	-0.3	5.1	11.9	14.5	15.1	11.5	8.9
25th Percentile	-6.1	-3.5	1.0	9.7	13.5	13.9	10.1	7.6
Median	-7.2	-5.1	-0.5	8.4	12.2	12.8	9.4	6.9
75th Percentile	-8.2	-6.8	-2.4	7.0	10.8	11.3	8.3	6.2
95th Percentile	-9.9	-9.6	-5.9	4.5	7.4	9.7	7.0	5.4
# of Portfolios	151	144	144	140	134	120	110	94
● BlackRock S&P 500 Index	-6.4 (34)	-5.2 (53)	-0.5 (50)	9.1 (35)	-- (--)	-- (--)	-- (--)	-- (--)
■ DE Shaw	-6.1 (24)	-2.1 (14)	1.7 (22)	9.4 (28)	13.8 (18)	14.5 (12)	-- (--)	-- (--)
▲ S&P 500	-6.4 (34)	-5.3 (54)	-0.6 (53)	9.1 (36)	12.4 (46)	13.3 (36)	9.8 (41)	6.8 (58)
✕ Russell 1000	-6.8 (42)	-5.2 (53)	-0.6 (53)	8.8 (41)	12.7 (42)	13.4 (35)	10.0 (30)	7.0 (49)

Equity Only Summary Statistics - BlackRock S&P 500 Index

Quarter Ending September 30, 2015

Characteristics

	Portfolio	S&P 500
Number of Holdings	506	505
Weighted Avg. Market Cap. (\$B)	119.2	119.2
Median Market Cap. (\$B)	16.6	16.6
Price To Earnings	22.2	20.9
Price To Book	4.7	4.1
Price To Sales	3.3	3.0
Return on Equity (%)	19.0	18.3
Yield (%)	2.3	2.3
Beta (holdings; domestic)	1.0	1.0

Top Holdings

APPLE	3.7%
MICROSOFT	2.1%
EXXON MOBIL	1.8%
JOHNSON & JOHNSON	1.5%
GENERAL ELECTRIC	1.5%
BERKSHIRE HATHAWAY 'B'	1.4%
WELLS FARGO & CO	1.4%
JP MORGAN CHASE & CO.	1.3%
FACEBOOK CLASS A	1.2%
AT&T	1.2%

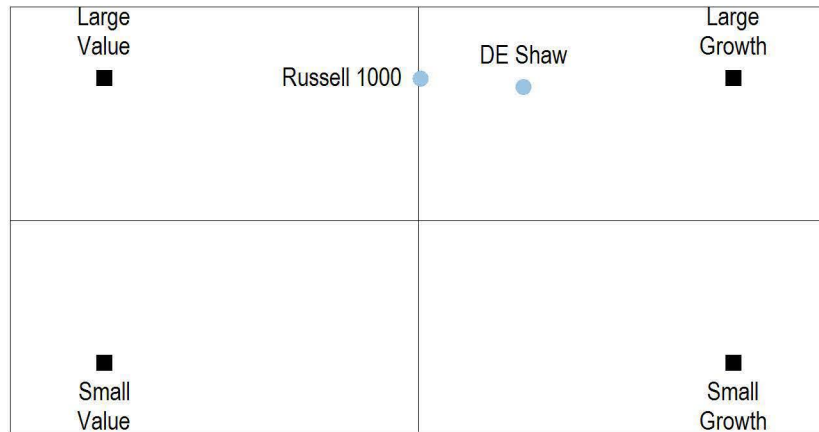
Best Performers

	Return %
TECO ENERGY (TE)	50.2%
CABLEVISION SYS. (CVC)	36.4%
AGL RESOURCES (GAS)	32.5%
CHUBB (CB)	29.5%
NVIDIA (NVDA)	23.1%
H&R BLOCK (HRB)	22.8%
MOTOROLA SOLUTIONS (MSI)	19.9%
MOLSON COORS BREWING 'B' (TAP)	19.6%
REYNOLDS AMERICAN (RAI)	19.6%
CHIPOTLE MEXN.GRILL (CMG)	19.1%

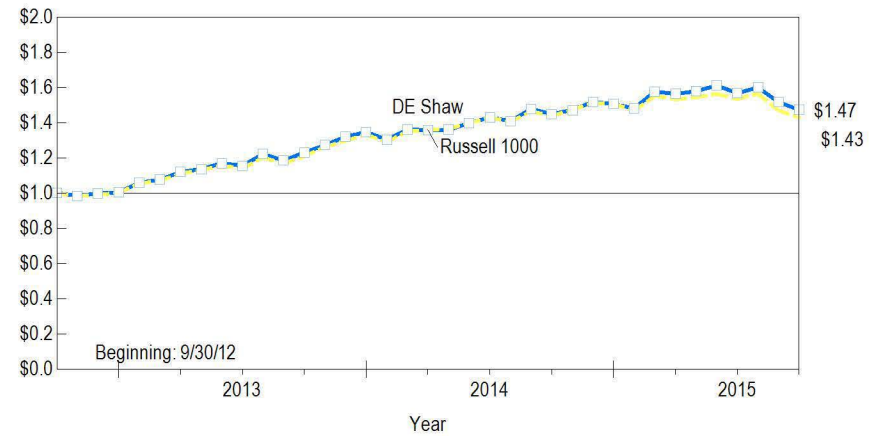
Worst Performers

	Return %
JOY GLOBAL (JOY)	-58.4%
CONSOL EN. (CNX)	-54.9%
ALLEGHENY TECHS. (ATI)	-52.6%
FREEPORT-MCMORAN (FCX)	-47.5%
WYNN RESORTS (WYNN)	-45.9%
MALLINCKRODT (MNK)	-45.7%
SOUTHWESTERN ENERGY (SWN)	-44.2%
QORVO (QRVO)	-43.9%
MARATHON OIL (MRO)	-41.3%
MURPHY OIL (MUR)	-41.2%

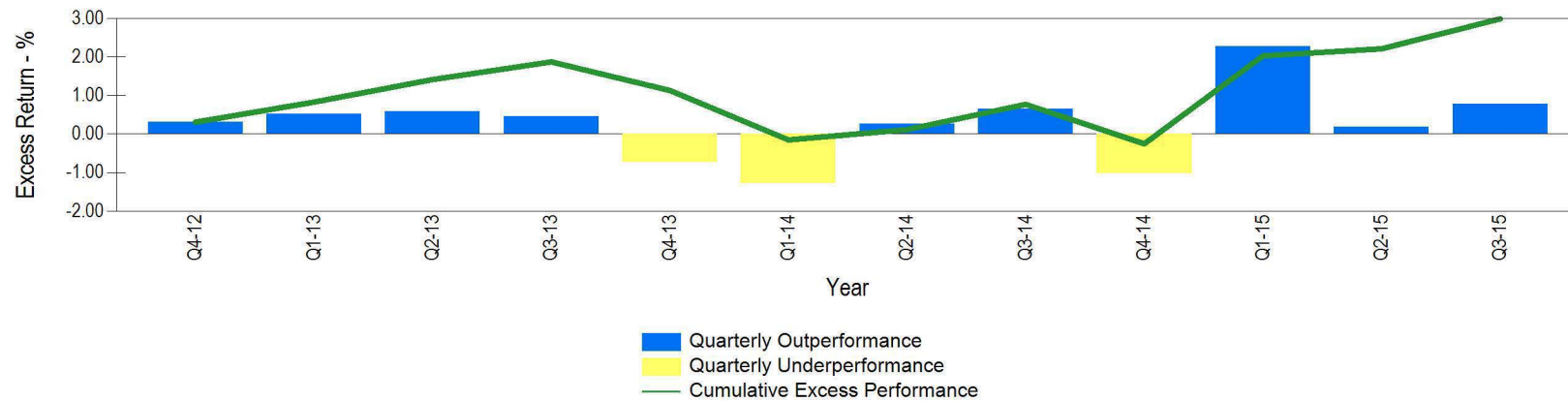
US Effective Style Map

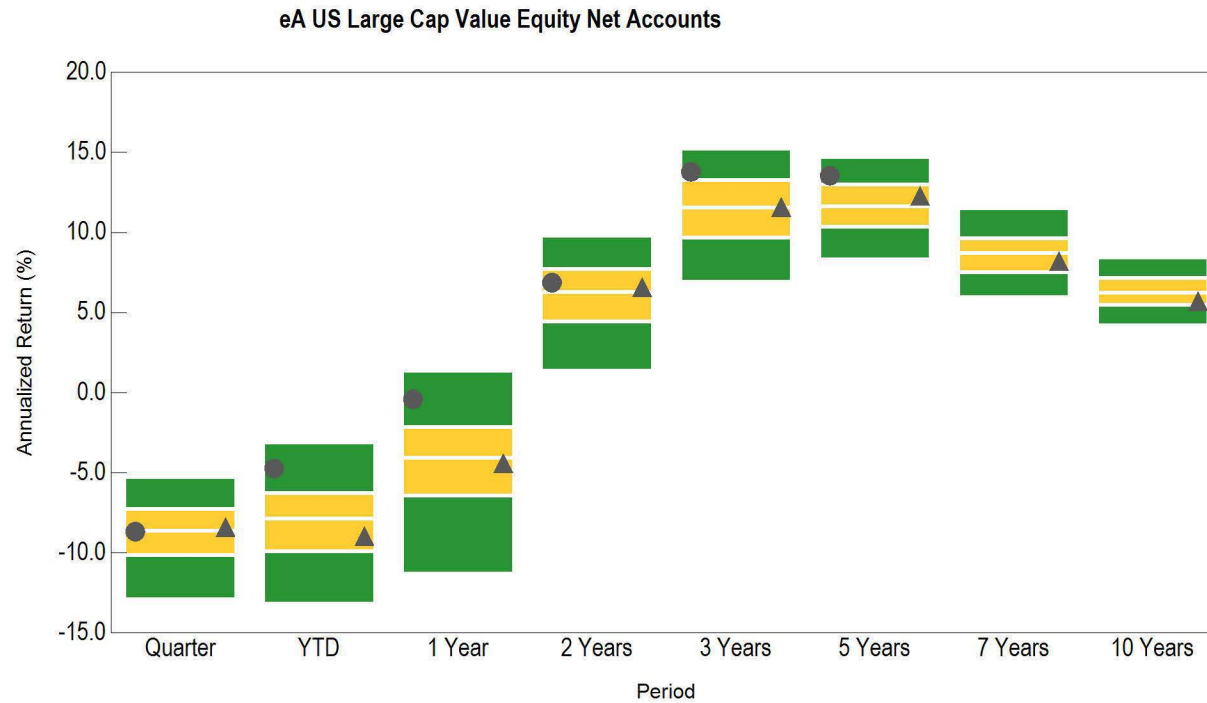


Growth of a Dollar



Quarterly and Cumulative Excess Performance





	Return (Rank)							
	Quarter	YTD	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years
5th Percentile	-5.3	-3.1	1.3	9.8	15.2	14.7	11.5	8.4
25th Percentile	-7.2	-6.3	-2.1	7.7	13.3	13.0	9.7	7.2
Median	-8.6	-7.9	-4.1	6.3	11.6	11.7	8.7	6.3
75th Percentile	-10.1	-9.9	-6.4	4.5	9.7	10.4	7.5	5.5
95th Percentile	-12.9	-13.2	-11.3	1.4	7.0	8.3	6.0	4.2
# of Portfolios	206	202	201	197	192	181	167	140
● Barrow Hanley	-8.7 (53)	-4.7 (13)	-0.4 (16)	6.9 (43)	13.8 (17)	13.6 (17)	-- (--)	-- (--)
▲ Russell 1000 Value	-8.4 (48)	-9.0 (64)	-4.4 (55)	6.6 (46)	11.6 (50)	12.3 (41)	8.2 (62)	5.7 (69)

Quarter Ending September 30, 2015

Characteristics

	Portfolio	Russell 1000 Value
Number of Holdings	76	689
Weighted Avg. Market Cap. (\$B)	69.0	95.0
Median Market Cap. (\$B)	34.0	6.8
Price To Earnings	18.6	17.9
Price To Book	2.8	2.1
Price To Sales	2.4	2.5
Return on Equity (%)	15.6	11.6
Yield (%)	2.6	2.7
Beta (holdings; domestic)	1.1	1.1

Top Holdings

CITIGROUP	2.6%
CAPITAL ONE FINL.	2.5%
WELLS FARGO & CO	2.1%
JP MORGAN CHASE & CO.	2.1%
BANK OF AMERICA	2.0%
NVR	2.0%
ROYAL CARIBBEAN CRUISES	1.9%
REYNOLDS AMERICAN	1.9%
DELPHI AUTOMOTIVE	1.9%
ALTRIA GROUP	1.9%

Best Performers

	Return %
REYNOLDS AMERICAN (RAI)	19.6%
RAYTHEON 'B' (RTN)	14.2%
NVR (NVR)	13.8%
ROYAL CARIBBEAN CRUISES (RCL)	13.7%
ALTRIA GROUP (MO)	12.4%
FIRST NIAGARA FINL.GP. (FNFG)	9.0%
CVS HEALTH (SGO) (CL:CVS)	2.7%
NORWEGIAN CRUISE LINE HDG. (NCLH)	2.2%
OWENS CORNING (OC)	2.0%
CARNIVAL (CCL)	1.2%

Worst Performers

	Return %
FAIRMONT SANTROL HDG. (FMSA)	-67.0%
JOY GLOBAL (JOY)	-58.4%
SEADRILL (NYS) (SDRL)	-42.9%
NAVIENT (NAVI)	-37.5%
FMC (FMC)	-35.1%
SPX (SPXC)	-34.6%
SLM (SLM)	-25.0%
EATON (ETN)	-23.3%
DEERE (DE)	-23.1%
BP SPN.ADR 1:6 (BP)	-22.2%

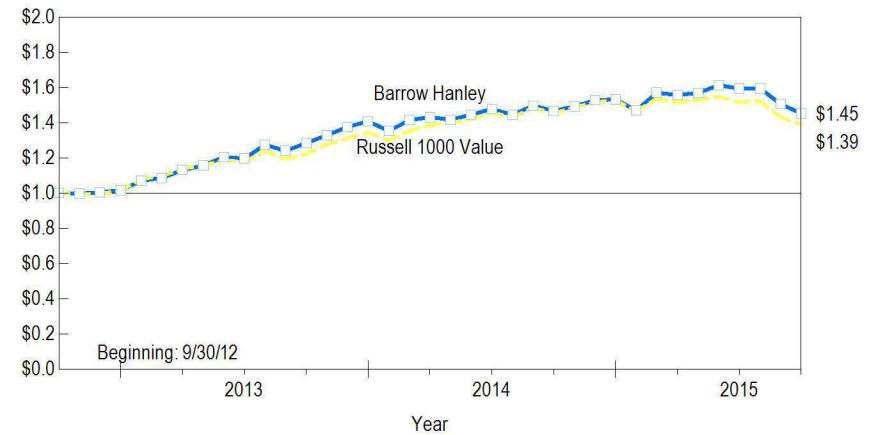
Barrow Hanley Performance Attribution vs. Russell 1000 Value

	Attribution Effects				Returns		Sector Weights				
	Total Effects	Selection Effect	Allocation Effect	Interaction Effects	Portfolio	Benchmark	Portfolio	Benchmark			
Energy	0.6%	-0.8%	0.9%	0.5%	-23.2%	-17.6%	4.6%	14.3%			
Materials	0.1%	0.0%	0.0%	0.0%	-16.9%	-18.4%	2.7%	2.9%			
Industrials	-0.8%	-0.5%	0.0%	-0.2%	-14.8%	-9.4%	14.5%	10.2%			
Cons. Disc.	0.9%	0.3%	0.0%	0.6%	-2.1%	-8.5%	14.2%	5.4%			
Cons. Staples	0.7%	0.7%	0.0%	0.0%	6.0%	-4.3%	6.8%	6.7%			
Health Care	0.1%	0.1%	0.0%	0.0%	-8.8%	-9.5%	14.9%	11.7%			
Financials	-1.3%	-1.3%	0.0%	0.0%	-10.8%	-6.4%	28.7%	29.7%			
Info. Tech	-0.4%	-0.2%	0.0%	-0.2%	-10.2%	-6.2%	10.1%	11.0%			
Telecomm.	0.0%	0.0%	0.0%	0.0%	-8.2%	-7.6%	2.3%	2.5%			
Utilities	-0.7%	--	-0.7%	--	--	4.7%	0.0%	5.7%			
Cash	0.1%	0.0%	0.1%	0.0%	0.0%	--	1.4%	0.0%			
Portfolio	-0.8%	=	-1.7%	+	0.2%	+	0.7%	-9.2%	-8.4%	100.0%	100.0%

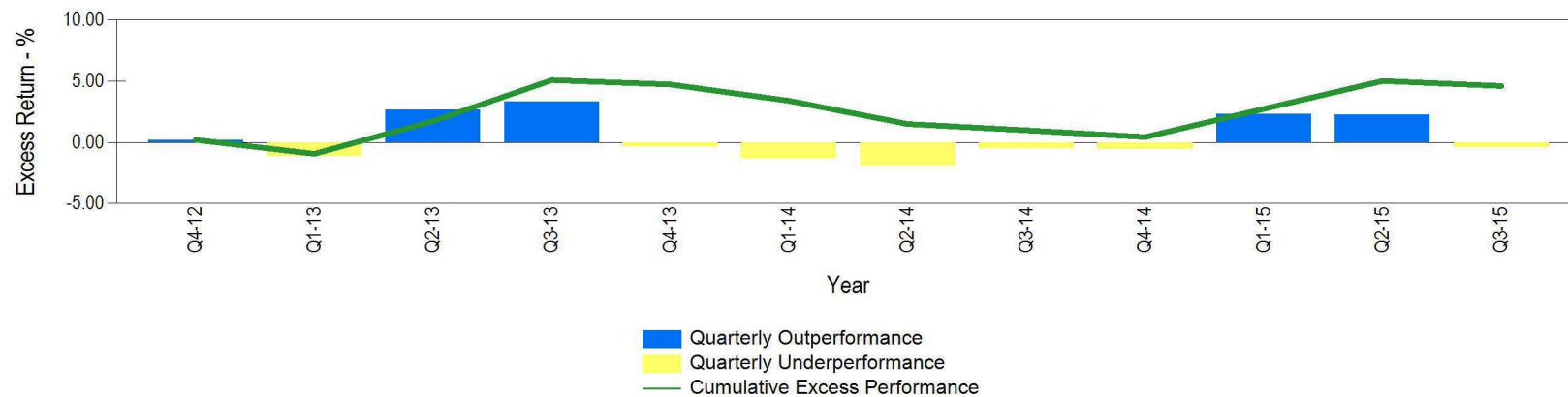
US Effective Style Map

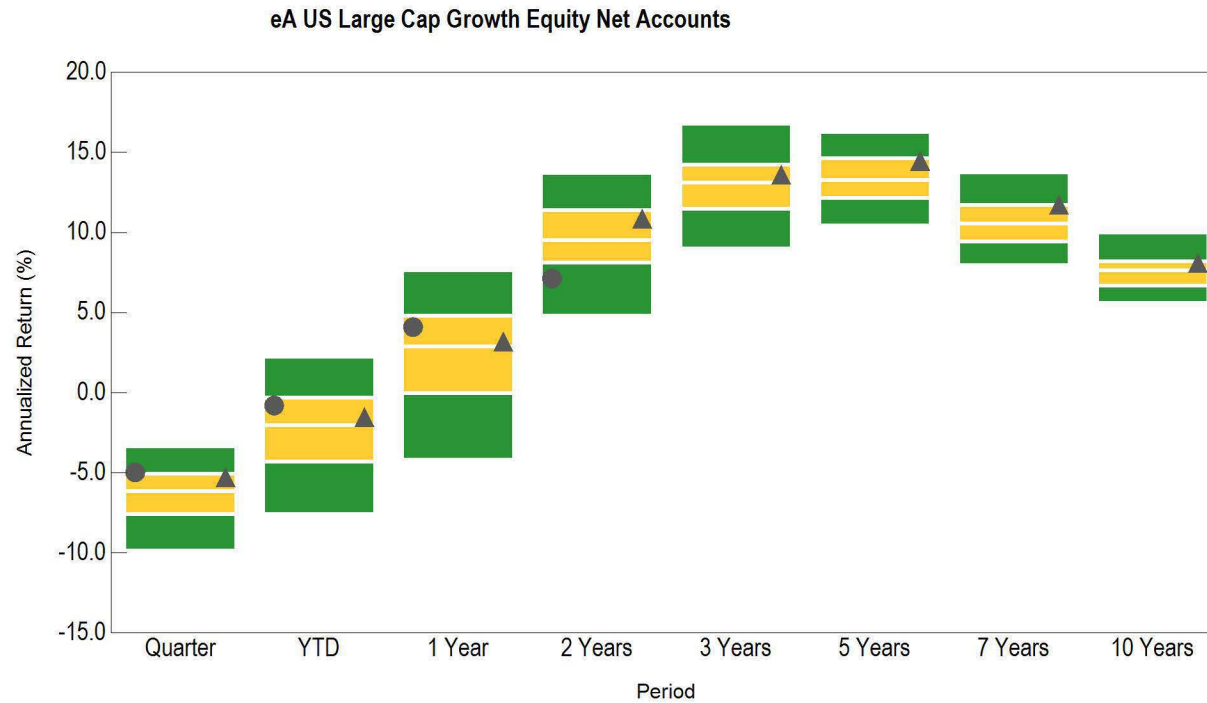


Growth of a Dollar



Quarterly and Cumulative Excess Performance





	Quarter	YTD	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years
Return (Rank)								
5th Percentile	-3.4	2.2	7.6	13.7	16.8	16.2	13.7	10.0
25th Percentile	-5.0	-0.3	4.8	11.4	14.3	14.7	11.8	8.2
Median	-6.1	-2.0	2.9	9.5	13.2	13.3	10.6	7.7
75th Percentile	-7.6	-4.3	0.0	8.2	11.5	12.2	9.5	6.7
95th Percentile	-9.8	-7.6	-4.2	4.8	9.0	10.4	8.0	5.6
# of Portfolios	190	186	186	184	173	159	147	119
● Brown Advisory	-5.0 (25)	-0.8 (33)	4.1 (31)	7.1 (85)	-- (--)	-- (--)	-- (--)	-- (--)
▲ Russell 1000 Growth	-5.3 (27)	-1.5 (40)	3.2 (48)	10.9 (33)	13.6 (41)	14.5 (29)	11.7 (26)	8.1 (29)

San Mateo County Employees' Retirement Association
Equity Only Summary Statistics - Brown Advisory

Quarter Ending September 30, 2015

Characteristics

	Portfolio	Russell 1000 Growth
Number of Holdings	35	642
Weighted Avg. Market Cap. (\$B)	78.1	115.5
Median Market Cap. (\$B)	18.1	8.3
Price To Earnings	33.1	24.4
Price To Book	8.4	6.5
Price To Sales	5.6	3.6
Return on Equity (%)	19.2	25.4
Yield (%)	0.6	1.7
Beta (holdings; domestic)	1.0	0.9

Top Holdings

STARBUCKS	4.9%
AMAZON.COM	4.8%
VISA 'A'	4.7%
FACEBOOK CLASS A	4.2%
STERICYCLE	4.0%
EXPRESS SCRIPTS HOLDING	4.0%
CHARLES SCHWAB	3.8%
DANAHER	3.8%
ESTEE LAUDER COS.'A'	3.6%
INTUITIVE SURGICAL	3.5%

Best Performers

	Return %
ALPHABET 'A' (GOOGL)	18.2%
AMAZON.COM (AMZN)	17.9%
ALPHABET 'C' (GOOG)	16.9%
GENPACT (G)	10.7%
COSTCO WHOLESALE (COST)	7.3%
STARBUCKS (SBUX)	6.3%
FACEBOOK CLASS A (FB)	4.8%
STERICYCLE (SRCL)	4.0%
VISA 'A' (V)	3.9%
COGNIZANT TECH.SLTN.'A' (CTSH)	2.5%

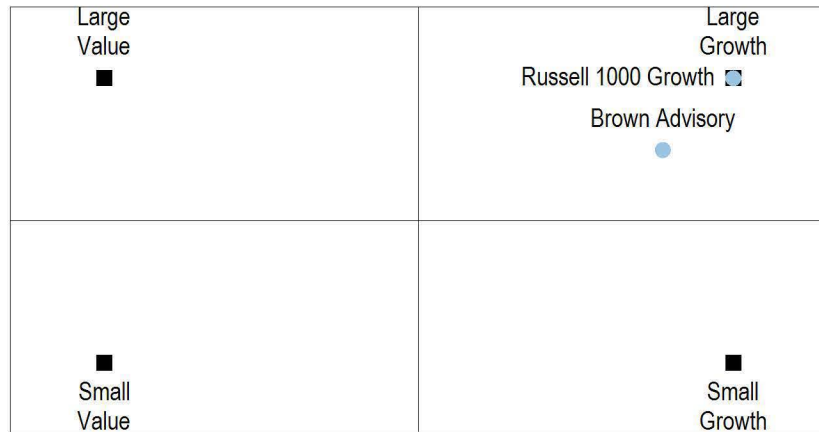
Worst Performers

	Return %
COLFAX (CFX)	-35.2%
TRIPADVISOR 'A' (TRIP)	-27.7%
FMC TECHNOLOGIES (FTI)	-25.3%
MEAD JOHNSON NUTRITION (MJN)	-21.5%
SCHLUMBERGER (SLB)	-19.5%
WHOLE FOODS MARKET (WFM)	-19.4%
GILEAD SCIENCES (GILD)	-15.8%
ALEXION PHARMS. (ALXN)	-13.5%
FASTENAL (FAST)	-12.6%
CHARLES SCHWAB (SCHW)	-12.4%

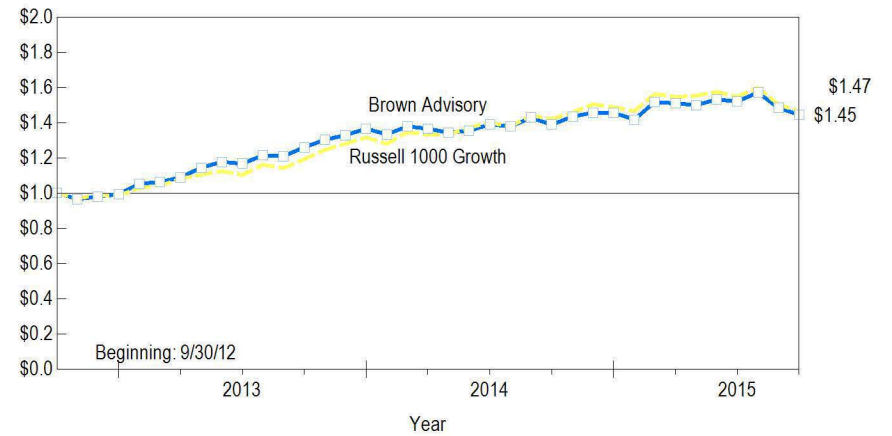
Brown Advisory Performance Attribution vs. Russell 1000 Growth

	Attribution Effects				Returns		Sector Weights				
	Total Effects	Selection Effect	Allocation Effect	Interaction Effects	Portfolio	Benchmark	Portfolio	Benchmark			
Energy	-0.5%	0.1%	-0.8%	0.2%	-22.1%	-27.9%	4.4%	0.9%			
Materials	0.5%	0.5%	0.1%	-0.1%	-2.7%	-15.4%	3.1%	3.9%			
Industrials	-0.2%	-0.2%	0.0%	0.0%	-7.3%	-5.4%	11.3%	11.2%			
Cons. Disc.	0.1%	0.8%	-0.3%	-0.3%	1.6%	-2.1%	11.6%	20.9%			
Cons. Staples	-1.1%	-1.1%	0.1%	-0.1%	-9.3%	1.3%	11.4%	10.2%			
Health Care	0.5%	0.5%	0.1%	0.0%	-9.8%	-12.4%	16.8%	18.3%			
Financials	-0.3%	-0.4%	0.0%	0.1%	-12.4%	-4.8%	4.2%	5.4%			
Info. Tech	1.0%	0.8%	0.1%	0.2%	-0.6%	-3.4%	33.1%	27.4%			
Telecomm.	0.0%	--	0.0%	--	--	-5.7%	0.0%	1.8%			
Utilities	0.0%	--	0.0%	--	--	-0.2%	0.0%	0.0%			
Cash	0.2%	0.0%	0.2%	0.0%	0.0%	--	4.1%	0.0%			
Portfolio	0.2%	=	0.9%	+	-0.5%	+	-0.2%	-5.1%	-5.3%	100.0%	100.0%

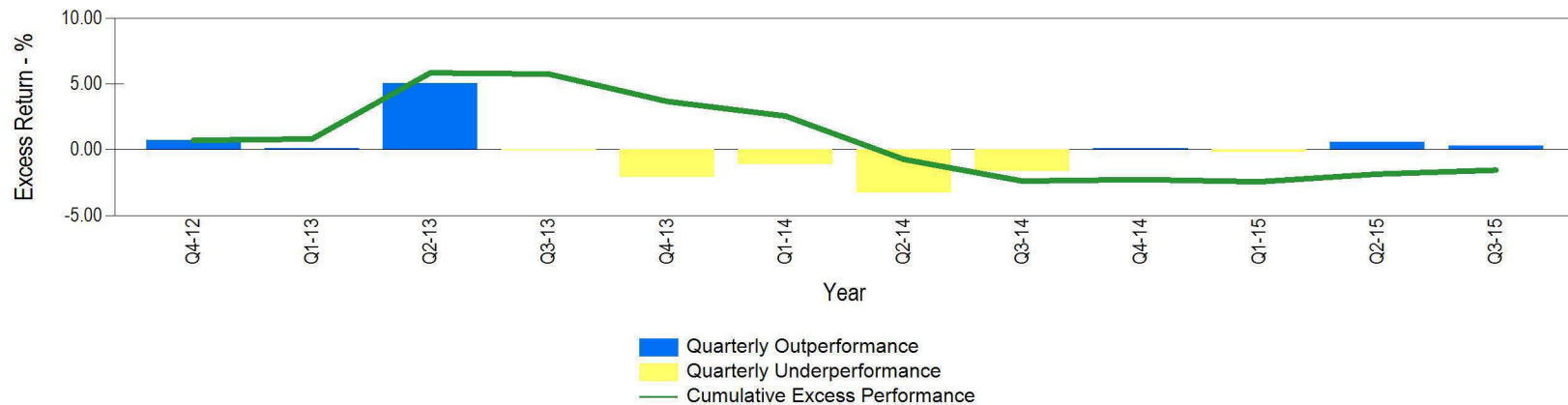
US Effective Style Map



Growth of a Dollar



Quarterly and Cumulative Excess Performance



■ Quarterly Outperformance
■ Quarterly Underperformance
— Cumulative Excess Performance

Equity Only Summary Statistics - Small Cap Equity

Quarter Ending September 30, 2015

Characteristics

	Portfolio	Russell 2000
Number of Holdings	211	1,955
Weighted Avg. Market Cap. (\$B)	2.1	1.8
Median Market Cap. (\$B)	1.5	0.7
Price To Earnings	26.1	23.1
Price To Book	3.5	2.8
Price To Sales	2.6	2.9
Return on Equity (%)	13.0	11.1
Yield (%)	1.3	1.3
Beta (holdings; domestic)	1.3	1.2

Top Holdings

H&E EQUIPMENT SERVICES	2.0%
MGIC INVESTMENT	2.0%
BRUNSWICK	1.9%
ON ASSIGNMENT	1.7%
SS&C TECHNOLOGIES HDG.	1.7%
TRUEBLUE	1.5%
ADVISORY BOARD	1.4%
FIRST BANCORP PRICO.	1.4%
EXPRESS	1.4%
CARDTRONICS	1.4%

Best Performers

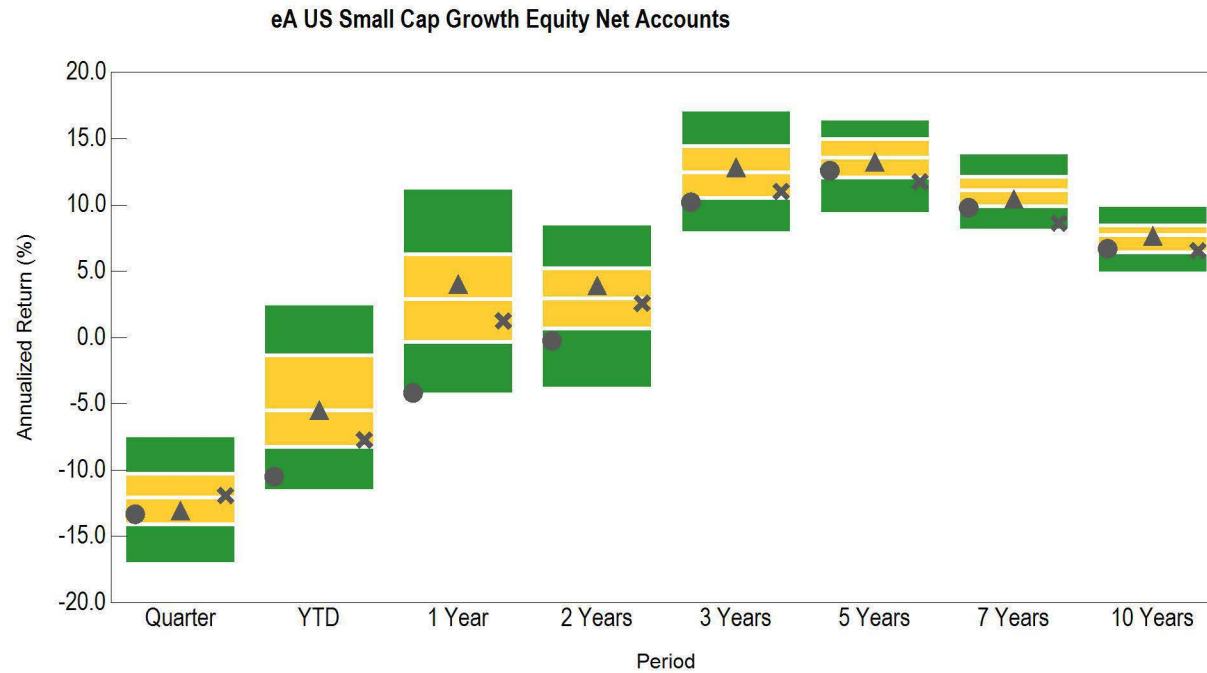
	Return %
EURONET WWD. (EFT)	20.1%
COMFORT SYS.USA (FIX)	19.1%
AMER.WOODMARK (AMWD)	18.3%
HEARTLAND PAYMENT SYS. (HPY)	16.8%
PIEDMONT NATGS. (PNY)	14.5%
GUESS (GES)	12.5%
PORTLAND GEN.ELEC. (POR)	12.4%
ACXIOM (ACXM)	12.4%
SS&C TECHNOLOGIES HDG. (SSNC)	12.3%
CYRUSONE (CONE)	12.0%

Worst Performers

	Return %
KEY ENERGY SVS. (KEG)	-73.9%
TIMKENSTEEL (TMST)	-62.2%
BILL BARRETT (BBG)	-61.6%
INTREPID POTASH (IPI)	-53.6%
BRISTOW GROUP (BRS)	-50.4%
HMS HOLDINGS (HMSY)	-48.9%
SPECTRANETICS (SPNC)	-48.8%
TRIBUNE PUBLISHING (TPUB)	-47.8%
CHART INDUSTRIES (GTLS)	-46.3%
CLOUD PEAK ENERGY (CLD)	-43.6%

Small Cap Equity Performance Attribution vs. Russell 2000

	Total Effects	Attribution Effects			Returns		Sector Weights				
		Selection Effect	Allocation Effect	Interaction Effects	Portfolio	Benchmark	Portfolio	Benchmark			
Energy	-0.2%	-0.1%	-0.1%	0.0%	-34.9%	-32.8%	4.3%	3.8%			
Materials	0.0%	-0.2%	0.1%	0.1%	-27.4%	-21.9%	2.8%	4.0%			
Industrials	0.2%	0.3%	-0.1%	0.0%	-13.5%	-15.6%	14.4%	12.8%			
Cons. Disc.	-0.1%	-0.1%	0.0%	0.0%	-12.5%	-11.9%	21.6%	14.5%			
Cons. Staples	-0.1%	0.0%	-0.1%	0.0%	-3.8%	-4.7%	1.4%	3.1%			
Health Care	0.0%	-0.1%	0.1%	0.0%	-17.7%	-17.2%	14.0%	16.3%			
Financials	-0.8%	-0.6%	-0.3%	0.1%	-7.9%	-5.3%	20.4%	24.2%			
Info. Tech	0.5%	0.4%	0.0%	0.0%	-7.8%	-10.4%	18.0%	17.1%			
Telecomm.	-0.1%	--	-0.1%	--	--	-5.8%	0.0%	0.9%			
Utilities	0.0%	0.3%	-0.1%	-0.1%	8.3%	0.0%	2.1%	3.3%			
Cash	0.1%	0.0%	0.1%	0.0%	0.0%	--	1.0%	0.0%			
Portfolio	-0.4%	=	-0.1%	+	-0.4%	+	0.1%	-12.3%	-11.9%	100.0%	100.0%



	Return (Rank)							
	Quarter	YTD	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years
5th Percentile	-7.4	2.6	11.3	8.6	17.2	16.5	14.0	10.0
25th Percentile	-10.3	-1.3	6.3	5.2	14.4	15.0	12.1	8.5
Median	-12.0	-5.5	2.9	3.0	12.5	13.6	11.1	7.7
75th Percentile	-14.1	-8.2	-0.3	0.7	10.5	12.1	9.9	6.5
95th Percentile	-17.0	-11.6	-4.3	-3.8	7.9	9.3	8.1	4.9
# of Portfolios	106	105	105	98	95	88	81	69
● Chartwell	-13.3 (67)	-10.5 (93)	-4.2 (94)	-0.2 (82)	10.2 (77)	12.6 (69)	9.8 (78)	6.7 (69)
▲ Russell 2000 Growth	-13.1 (65)	-5.5 (50)	4.0 (43)	3.9 (40)	12.8 (47)	13.3 (54)	10.4 (67)	7.7 (52)
× Russell 2000	-11.9 (49)	-7.7 (73)	1.2 (62)	2.6 (57)	11.0 (72)	11.7 (82)	8.6 (91)	6.5 (74)

Characteristics

	Portfolio	Russell 2000 Growth
Number of Holdings	75	1,155
Weighted Avg. Market Cap. (\$B)	2.2	2.0
Median Market Cap. (\$B)	1.9	0.7
Price To Earnings	27.3	27.8
Price To Book	4.9	5.0
Price To Sales	2.8	3.3
Return on Equity (%)	17.2	16.2
Yield (%)	0.8	0.5
Beta (holdings; domestic)	1.5	1.3

Top Holdings

H&E EQUIPMENT SERVICES	4.0%
MGIC INVESTMENT	4.0%
BRUNSWICK	3.7%
ON ASSIGNMENT	3.4%
SS&C TECHNOLOGIES HDG.	3.3%
FIRST BANCORP PRICO.	2.8%
CARDTRONICS	2.8%
TRUEBLUE	2.6%
TEAM HEALTH HOLDINGS	2.5%
MARINEMAX	2.4%

Best Performers

	Return %
EURONET WWD. (EFT)	20.1%
HEARTLAND PAYMENT SYS. (HPY)	16.8%
SS&C TECHNOLOGIES HDG. (SSNC)	12.3%
WAGeworks (WAGE)	11.4%
NXSTAGE MEDICAL (NXTM)	10.4%
DORMAN PRODUCTS (DORM)	6.8%
CARDINAL FINL. (CFNL)	6.1%
WNS HDG.ADR 1:1 (WNS)	4.5%
MANHATTAN ASSOCS. (MANH)	4.4%
SPS COMMERCE (SPSC)	3.2%

Worst Performers

	Return %
KEY ENERGY SVS. (KEG)	-73.9%
BRISTOW GROUP (BRS)	-50.4%
SPECTRANETICS (SPNC)	-48.8%
TRIBUNE PUBLISHING (TPUB)	-47.8%
HORIZON PHARMA (HZNP)	-42.9%
BELDEN (BDC)	-42.5%
MARINEMAX (HZO)	-39.9%
CARRIZO O&G. (CRZO)	-38.0%
PDF SOLUTIONS (PDFS)	-37.5%
AKORN (AKRX)	-34.7%

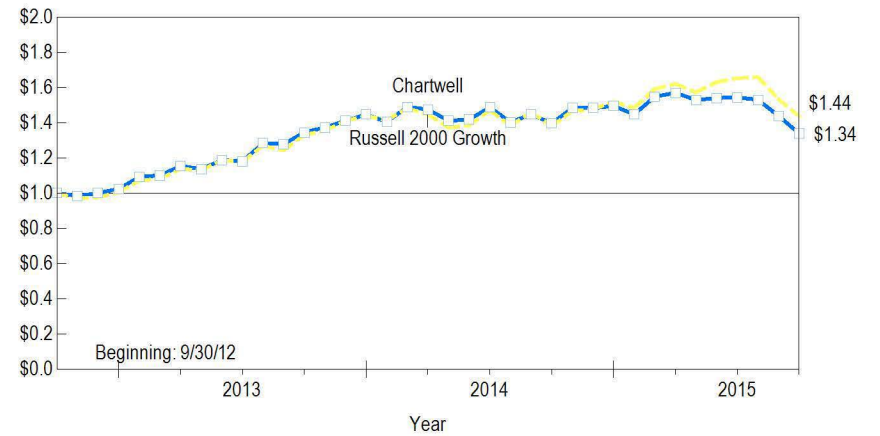
Chartwell Performance Attribution vs. Russell 2000 Growth

	Total Effects	Attribution Effects			Returns		Sector Weights				
		Selection Effect	Allocation Effect	Interaction Effects	Portfolio	Benchmark	Portfolio	Benchmark			
Energy	-0.9%	-0.2%	-0.4%	-0.3%	-39.2%	-29.5%	4.3%	1.6%			
Materials	0.0%	-0.3%	0.1%	0.2%	-24.9%	-17.8%	1.4%	4.2%			
Industrials	0.1%	0.1%	0.0%	0.0%	-14.2%	-14.7%	12.6%	13.1%			
Cons. Disc.	-0.7%	-0.7%	0.1%	-0.1%	-14.3%	-10.7%	22.2%	18.2%			
Cons. Staples	-0.3%	--	-0.3%	--	--	-3.6%	0.0%	3.2%			
Health Care	0.9%	0.6%	0.5%	-0.2%	-15.9%	-18.0%	18.7%	28.0%			
Financials	-0.7%	-0.6%	0.6%	-0.6%	-13.8%	-5.3%	14.7%	7.2%			
Info. Tech	0.5%	0.5%	0.0%	0.0%	-8.1%	-10.1%	25.2%	23.7%			
Telecomm.	-0.1%	--	-0.1%	--	--	-5.5%	0.0%	0.8%			
Utilities	0.0%	--	0.0%	--	--	-7.0%	0.0%	0.1%			
Cash	0.1%	0.0%	0.1%	0.0%	0.0%	--	1.1%	0.0%			
Portfolio	-0.9%	=	-0.6%	+	0.6%	+	-1.0%	-14.0%	-13.1%	100.0%	100.0%

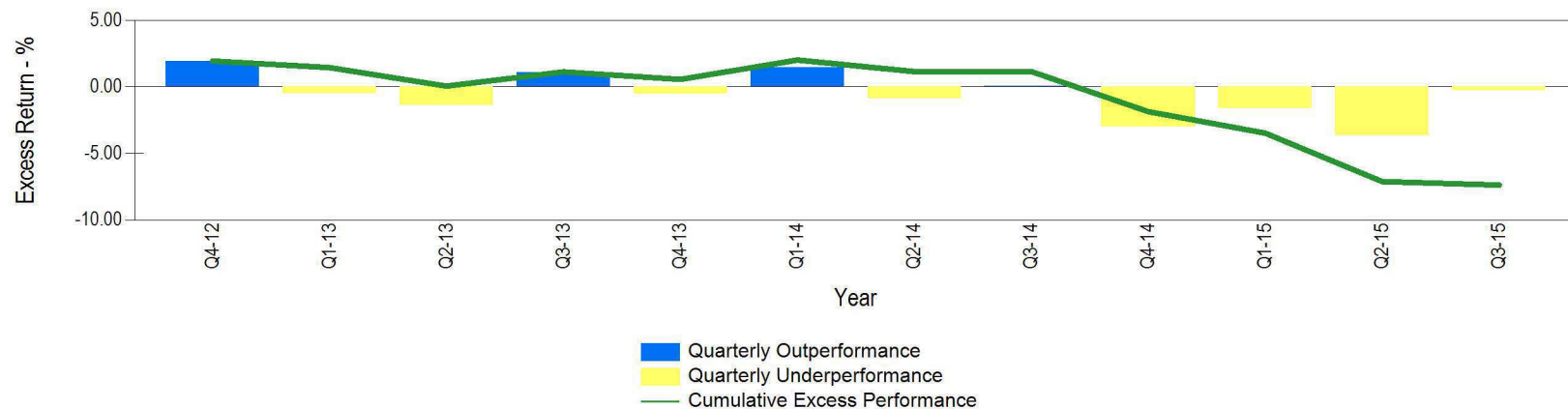
US Effective Style Map

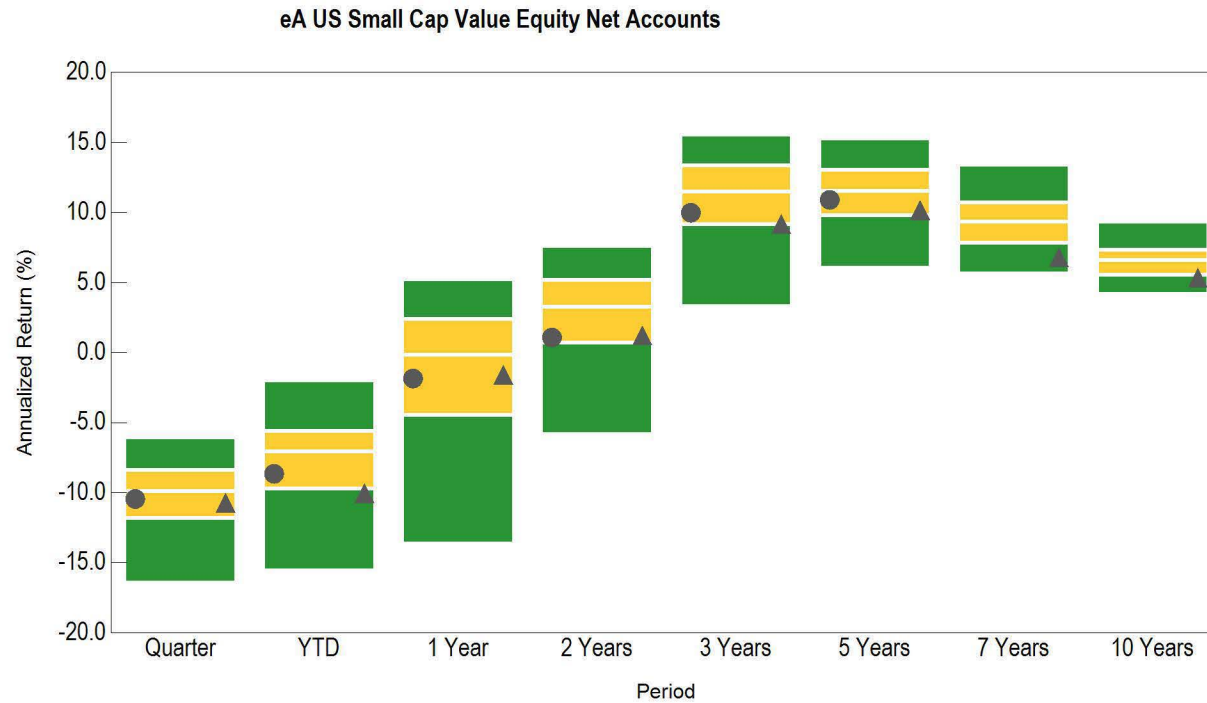


Growth of a Dollar



Quarterly and Cumulative Excess Performance





	Return (Rank)							
	Quarter	YTD	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years
5th Percentile	-6.1	-2.0	5.2	7.6	15.5	15.2	13.4	9.3
25th Percentile	-8.4	-5.6	2.4	5.2	13.4	13.1	10.7	7.4
Median	-9.9	-7.0	-0.1	3.3	11.5	11.6	9.4	6.6
75th Percentile	-11.8	-9.7	-4.4	0.7	9.2	9.8	7.9	5.6
95th Percentile	-16.4	-15.5	-13.6	-5.8	3.3	6.1	5.7	4.2
# of Portfolios	144	141	141	135	130	121	114	93
● The Boston Co	-10.5 (61)	-8.7 (68)	-1.9 (64)	1.1 (72)	10.0 (66)	10.9 (61)	-- (--)	-- (--)
▲ Russell 2000 Value	-10.7 (67)	-10.1 (78)	-1.6 (63)	1.2 (70)	9.2 (75)	10.2 (73)	6.8 (87)	5.3 (82)

San Mateo County Employees' Retirement Association
Equity Only Summary Statistics - The Boston Co

Quarter Ending September 30, 2015

Characteristics

	Portfolio	Russell 2000 Value
Number of Holdings	147	1,308
Weighted Avg. Market Cap. (\$B)	1.9	1.6
Median Market Cap. (\$B)	1.3	0.6
Price To Earnings	25.0	18.6
Price To Book	2.1	1.6
Price To Sales	2.3	2.6
Return on Equity (%)	9.2	7.7
Yield (%)	1.7	2.1
Beta (holdings; domestic)	1.2	1.2

Top Holdings

SYNOVUS FINANCIAL	2.7%
CASEY'S GENERAL STORES	2.0%
FIRST HORIZON NATIONAL	1.9%
WEBSTER FINANCIAL	1.7%
WELLCARE HEALTH PLANS	1.4%
SCRIPPS E W 'A'	1.4%
LIFEPOINT HEALTH	1.4%
PORTLAND GEN.ELEC.	1.3%
CHEESECAKE FACTORY	1.3%
BANK OF HAWAII	1.3%

Best Performers

	Return %
COMFORT SYS.USA (FIX)	19.1%
AMER.WOODMARK (AMWD)	18.3%
PIEDMONT NATGS. (PNY)	14.5%
GUESS (GES)	12.5%
PORTLAND GEN.ELEC. (POR)	12.4%
ACXIOM (ACXM)	12.4%
CYRUSONE (CONE)	12.0%
VERA BRADLEY (VRA)	11.9%
NORTHWESTERN (NWE)	11.5%
HAVERTY FRTR.COS. (HVT)	9.1%

Worst Performers

	Return %
TIMKENSTEEL (TMST)	-62.2%
BILL BARRETT (BBG)	-61.6%
INTREPID POTASH (IPI)	-53.6%
HMS HOLDINGS (HMSY)	-48.9%
CHART INDUSTRIES (GTLS)	-46.3%
CLOUD PEAK ENERGY (CLD)	-43.6%
HORIZON PHARMA (HZNP)	-42.9%
HANGER (HGR)	-41.8%
ZUMIEZ (ZUMZ)	-41.3%
GEOSPACE TECHNOLOGIES (GEOS)	-40.1%

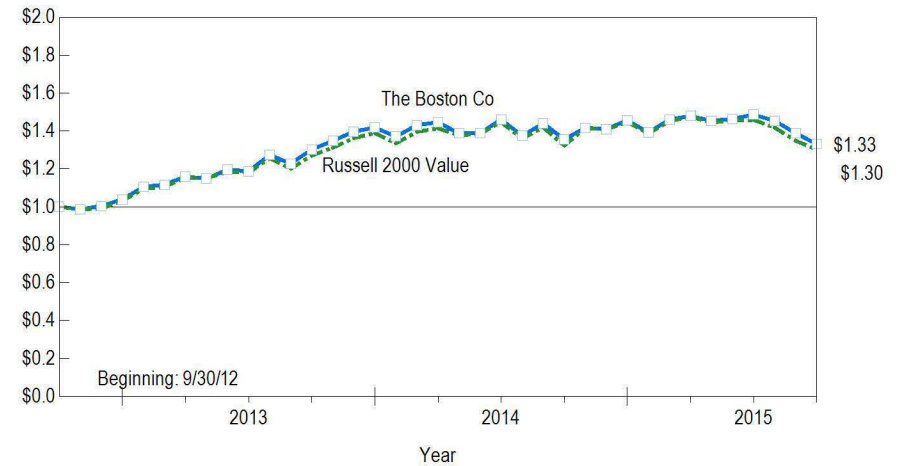
The Boston Co Performance Attribution vs. Russell 2000 Value

	Attribution Effects				Returns		Sector Weights				
	Total Effects	Selection Effect	Allocation Effect	Interaction Effects	Portfolio	Benchmark	Portfolio	Benchmark			
Energy	0.5%	0.2%	0.4%	-0.1%	-30.5%	-33.6%	4.4%	6.2%			
Materials	-0.2%	-0.1%	-0.1%	0.0%	-28.3%	-26.5%	4.3%	3.8%			
Industrials	0.4%	0.4%	-0.2%	0.1%	-13.0%	-16.5%	16.4%	12.5%			
Cons. Disc.	0.4%	0.4%	-0.3%	0.4%	-10.5%	-14.0%	21.0%	10.8%			
Cons. Staples	0.1%	0.1%	0.0%	0.0%	-3.8%	-5.8%	2.9%	3.0%			
Health Care	-1.0%	-0.4%	0.0%	-0.5%	-21.5%	-11.2%	9.1%	4.3%			
Financials	-0.6%	0.3%	-0.8%	-0.1%	-4.5%	-5.3%	26.4%	41.6%			
Info. Tech	0.4%	0.4%	0.0%	0.0%	-6.9%	-11.1%	10.4%	10.4%			
Telecomm.	0.0%	--	0.0%	--	--	-6.0%	0.0%	0.9%			
Utilities	0.1%	0.5%	-0.3%	-0.2%	8.3%	0.1%	4.2%	6.6%			
Cash	0.1%	0.0%	0.1%	0.0%	0.0%	--	0.8%	0.0%			
Portfolio	0.2%	=	1.9%	+	-1.3%	+	-0.4%	-10.5%	-10.7%	100.0%	100.0%

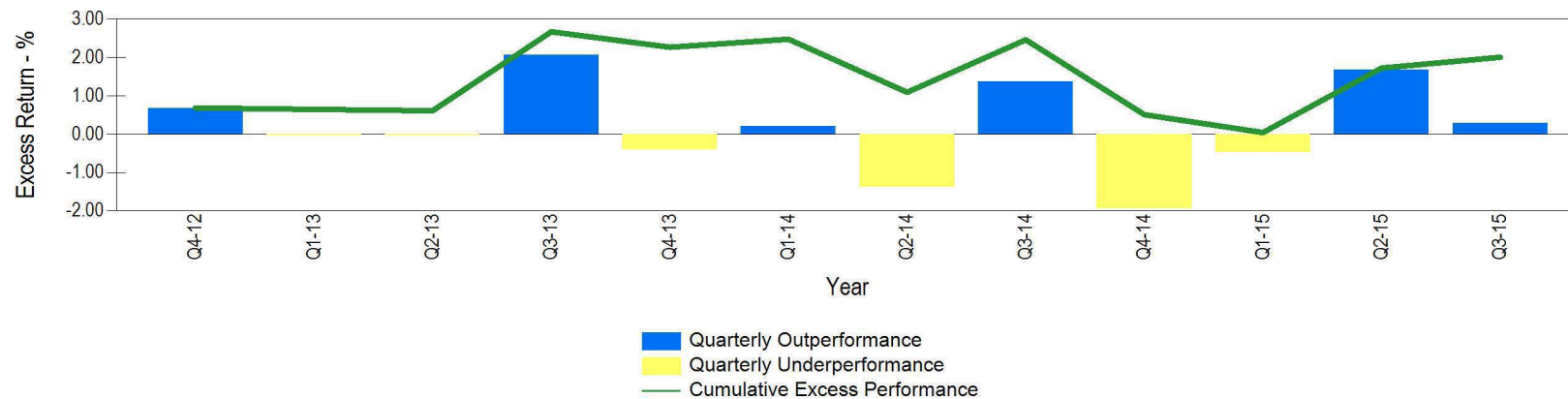
US Effective Style Map



Growth of a Dollar

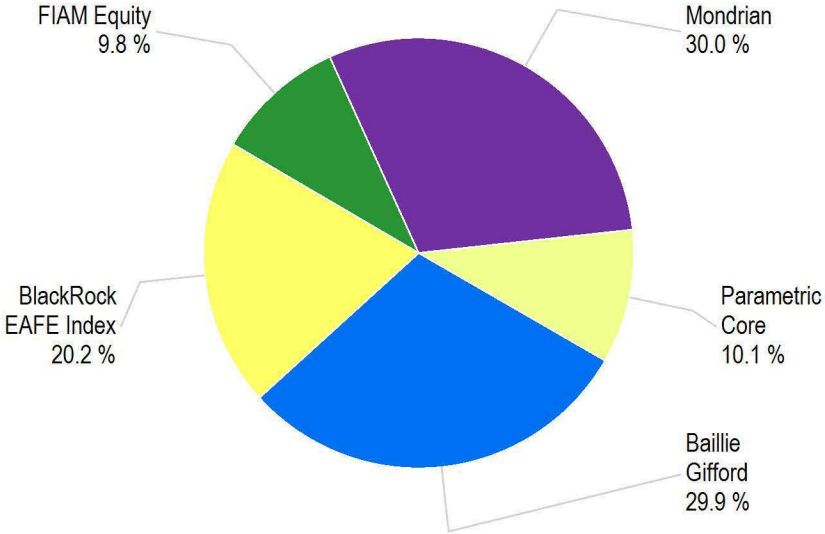


Quarterly and Cumulative Excess Performance



San Mateo County Employees' Retirement Association
 Manager Allocation Analysis - International Equity

As of September 30, 2015



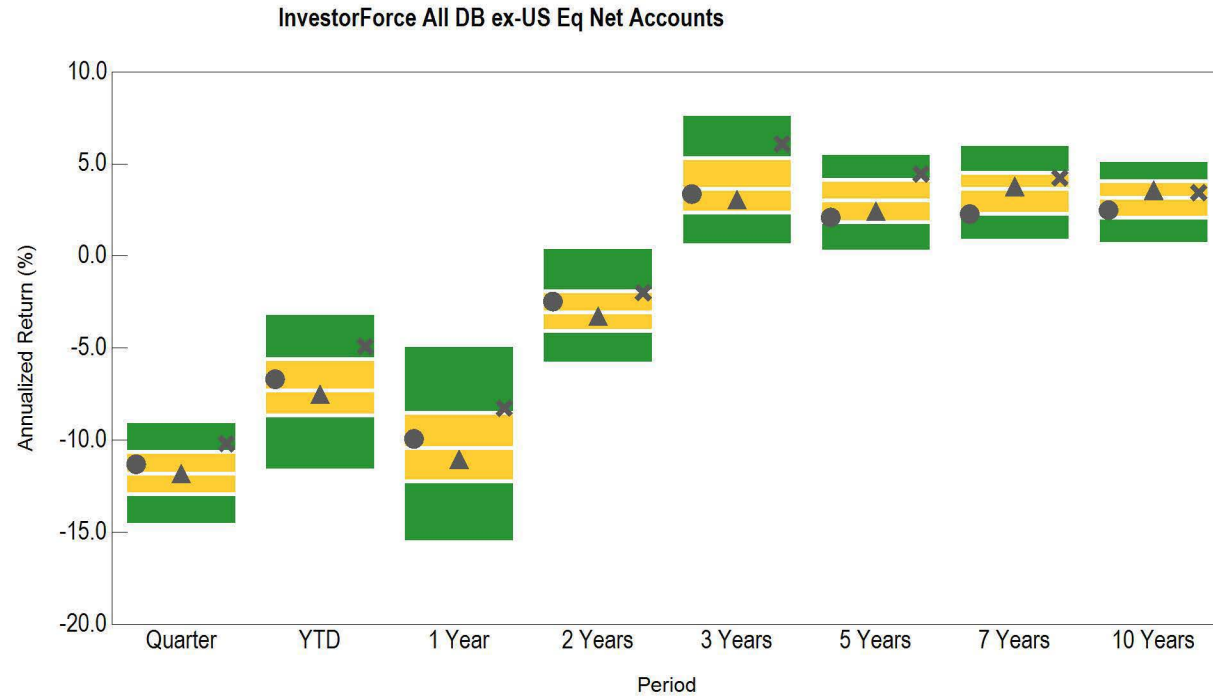
	Actual \$	Actual %	Manager Contribution to Excess Return %
Artio	\$2,763	0.0%	0.0%
Baillie Gifford	\$183,686,967	29.9%	0.1%
BlackRock EAFE Index	\$123,858,609	20.2%	0.0%
FIAM Equity	\$60,100,585	9.8%	0.0%
Mondrian	\$184,445,471	30.0%	0.8%
Parametric Core	\$61,784,280	10.1%	0.0%
Actual vs. Policy Weight Difference			-0.4%
Total	\$613,878,675	100.0%	0.5%

Statistics Summary**3 Years**

	Anlzd Return	Anlzd Standard Deviation	Sharpe Ratio	Information Ratio	Tracking Error
International Equity	3.4%	11.2%	0.3	0.2	1.7%
MSCI ACWI ex US IMI	3.1%	11.5%	0.3	--	0.0%
Baillie Gifford	5.5%	11.7%	0.5	0.1	3.6%
MSCI ACWI ex US	5.2%	12.1%	0.4	--	0.0%
FIAM Equity	5.2%	10.8%	0.5	-0.3	2.4%
MSCI ACWI ex US Small Cap Gross	5.9%	11.2%	0.5	--	0.0%
Mondrian	3.3%	11.6%	0.3	0.4	3.9%
MSCI ACWI ex USA Value Gross	1.5%	12.6%	0.1	--	0.0%

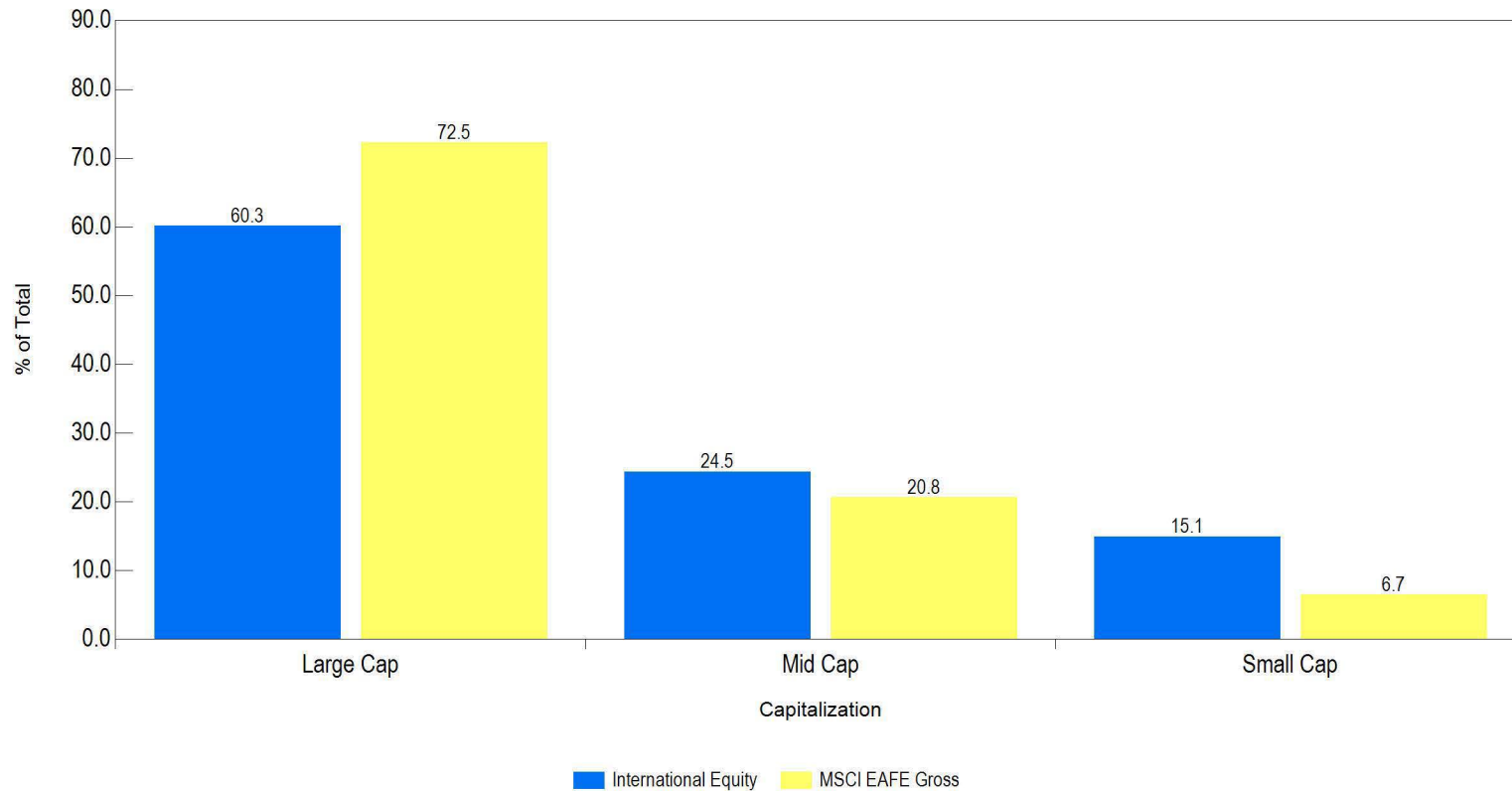
Statistics Summary**5 Years**

	Anlzd Return	Anlzd Standard Deviation	Sharpe Ratio	Information Ratio	Tracking Error
International Equity	2.1%	14.1%	0.1	-0.2	2.1%
MSCI ACWI ex US IMI	2.4%	15.0%	0.2	--	0.0%
Mondrian	3.0%	13.8%	0.2	0.4	4.4%
MSCI ACWI ex USA Value Gross	1.4%	15.7%	0.1	--	0.0%



	Quarter	YTD	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years
Return (Rank)								
5th Percentile	-9.0	-3.1	-4.8	0.5	7.7	5.6	6.1	5.2
25th Percentile	-10.6	-5.6	-8.5	-1.9	5.3	4.1	4.5	4.1
Median	-11.8	-7.3	-10.4	-3.0	3.7	3.0	3.7	3.2
75th Percentile	-12.9	-8.6	-12.2	-4.1	2.4	1.9	2.3	2.1
95th Percentile	-14.6	-11.6	-15.5	-5.8	0.6	0.3	0.8	0.7
# of Portfolios	406	404	401	362	347	290	251	170
● International Equity	-11.3 (37)	-6.7 (40)	-9.9 (42)	-2.5 (37)	3.4 (56)	2.1 (70)	2.3 (77)	2.5 (67)
▲ MSCI ACWI ex US IMI	-11.8 (51)	-7.5 (53)	-11.0 (64)	-3.3 (57)	3.1 (64)	2.4 (63)	3.8 (48)	3.6 (37)
✕ MSCI EAFE Gross	-10.2 (19)	-4.9 (17)	-8.3 (23)	-2.0 (28)	6.1 (17)	4.4 (18)	4.2 (34)	3.4 (43)

Market Capitalization as of September 30, 2015



Excludes FIAM Equity holdings.

See appendix for the market capitalization breakpoints.

San Mateo County Employees' Retirement Association
Equity Only Summary Statistics - International Equity

Quarter Ending September 30, 2015

Characteristics

	Portfolio	MSCI ACWI ex USA IMI Gross
Number of Holdings	2,004	6,083
Weighted Avg. Market Cap. (\$B)	41.2	41.3
Median Market Cap. (\$B)	5.6	1.1
Price To Earnings	19.4	18.1
Price To Book	3.7	2.3
Price To Sales	2.7	2.2
Return on Equity (%)	17.5	14.9
Yield (%)	3.2	3.1
Beta (holdings; global)	1.0	1.0

Top Holdings

NESTLE 'R'	1.9%
UNILEVER (UK)	1.8%
BG GROUP	1.3%
KAO	1.2%
SANOFI	1.1%
IBERDROLA	1.1%
NOVO NORDISK 'B'	1.1%
UNITED OVERSEAS BANK	1.0%
NATIONAL GRID (OTC)	1.0%
ROCHE HOLDING	0.9%

Best Performers

	Return %
ISLAMI BANK BANGLADESH (BN:104)	77.9%
BIOTON (PO:PIO)	57.7%
CHINA HUISHAN DY.HDG.CO. (K:CHDH)	57.7%
TAAMEER JDN.HDG.PUSHD. (JO:TAM)	51.1%
FAN MILK (GH:FMI)	48.6%
ITALIAN-THAI DEV. FB (Q:ITAF)	37.6%
ESSAR OIL (IN:EOL)	37.3%
CB CORPORATE COM.L.BANK (BL:CBO)	35.4%
ACOM (J:ACOM)	32.4%
FORTE OIL (NG:APE)	31.7%

Worst Performers

	Return %
PDG REALTY ON (BR:PDR)	-87.0%
TRICAN WELL SER. (C:TCW)	-84.7%
EUROBANK ERGASIAS (G:EFG)	-84.7%
BANK OF PIRAEUS (G:PEIR)	-80.5%
TEGMA GESTAO LOGISTICA ON (BR:TEG)	-74.7%
VIA VAREJO UNITS (BR:VVU)	-72.5%
DRYSHIPS (DRYS)	-71.9%
COPPER MOUNTAIN MINING (C:CUM)	-67.9%
NATIONAL BK.OF GREECE (G:ETE)	-67.9%
ALPHA BANK (G:PIST)	-66.7%

Excludes FIAM Equity holdings.

Int'l Equity Performance Attribution vs. MSCI ACWI ex USA IMI Gross

	Attribution Effects				Returns		Sector Weights				
	Total Effects	Selection Effect	Allocation Effect	Interaction Effects	Portfolio	Benchmark	Portfolio	Benchmark			
Energy	0.3%	0.2%	0.0%	0.1%	-15.6%	-20.3%	6.4%	6.5%			
Materials	0.2%	-0.1%	0.2%	0.1%	-20.3%	-19.6%	5.4%	7.8%			
Industrials	-0.3%	-0.2%	0.0%	-0.1%	-13.7%	-11.4%	11.8%	12.2%			
Cons. Disc.	0.0%	0.0%	0.0%	0.0%	-10.8%	-10.9%	14.4%	12.5%			
Cons. Staples	0.1%	-0.2%	0.4%	-0.1%	-4.0%	-3.3%	13.5%	9.4%			
Health Care	0.0%	-0.1%	0.1%	0.0%	-6.6%	-6.2%	10.2%	8.7%			
Financials	0.5%	0.0%	0.1%	0.3%	-12.7%	-13.3%	18.9%	26.9%			
Info. Tech	-0.1%	-0.1%	0.0%	0.1%	-13.5%	-12.5%	8.0%	7.9%			
Telecomm.	0.0%	0.0%	0.0%	0.0%	-11.1%	-11.2%	6.2%	4.7%			
Utilities	-0.1%	-0.1%	0.0%	-0.1%	-11.1%	-7.3%	4.2%	3.2%			
Cash	0.1%	0.0%	0.1%	0.0%	0.0%	--	0.9%	0.0%			
Portfolio	0.7%	=	-0.6%	+	0.9%	+	0.4%	-11.1%	-11.8%	100.0%	100.0%

Excludes FIAM Equity holdings.

Equity Performance Attribution - International Equity

Quarter Ending September 30, 2015

Int'l Equity Performance Attribution vs. MSCI ACWI ex USA IMI Gross

	Returns and Weights				Attribution Effects				Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	
Europe									
Austria	-6.7%	-6.5%	0.1%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%
Belgium	-5.3%	-7.4%	0.4%	1.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Czech Republic*	-4.1%	-5.5%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Denmark	-6.4%	-1.8%	2.1%	1.2%	-0.1%	0.1%	0.0%	0.0%	0.0%
Finland	-5.6%	-6.4%	0.6%	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%
France	-6.8%	-6.2%	4.3%	6.4%	0.0%	-0.1%	0.0%	0.0%	-0.1%
Germany	-12.5%	-10.5%	4.6%	6.0%	-0.1%	0.0%	0.0%	0.0%	-0.1%
Greece*	-15.7%	-26.1%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Hungary*	-3.2%	-3.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Ireland	-0.7%	-1.1%	0.1%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%
Italy	-6.7%	-4.1%	1.6%	1.9%	0.0%	0.0%	0.0%	0.0%	-0.1%
Luxembourg	2.2%	-11.8%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Netherlands	-5.4%	-8.6%	2.3%	1.9%	0.1%	0.0%	0.0%	0.0%	0.1%
Norway	-18.8%	-16.5%	0.3%	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%
Poland*	-6.8%	-9.3%	0.3%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%
Portugal	3.2%	-9.2%	0.3%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Russia*	-15.6%	-14.2%	0.6%	0.7%	-0.1%	0.0%	0.1%	0.0%	0.0%
Spain	-7.9%	-11.3%	3.6%	2.4%	0.1%	0.0%	0.0%	0.0%	0.1%
Sweden	-7.3%	-7.1%	3.9%	2.2%	0.0%	0.1%	0.0%	0.0%	0.0%
Switzerland	-8.7%	-6.7%	7.1%	6.1%	-0.1%	0.1%	0.0%	0.0%	-0.1%
United Kingdom	-10.7%	-9.6%	17.5%	14.6%	-0.2%	0.1%	-0.1%	0.0%	-0.2%

Excludes FIAM Equity holdings.

Equity Performance Attribution - International Equity

Quarter Ending September 30, 2015

Int'l Equity Performance Attribution vs. MSCI ACWI ex USA IMI Gross

	Returns and Weights				Attribution Effects				Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	
AsiaPacific									
Australia	-11.3%	-14.9%	3.4%	4.8%	0.2%	0.0%	0.1%	-0.1%	0.2%
Bangladesh**	7.6%	-1.5%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
China*	-24.9%	-22.6%	2.4%	5.4%	-0.1%	0.4%	0.0%	0.1%	0.4%
Hong Kong	-14.5%	-16.9%	3.2%	2.3%	0.1%	-0.1%	0.0%	0.0%	0.0%
India*	-5.9%	-5.8%	1.9%	1.8%	0.0%	0.0%	0.0%	0.0%	0.0%
Indonesia*	-29.4%	-24.8%	0.7%	0.5%	0.0%	0.0%	0.0%	0.0%	-0.1%
Japan	-10.3%	-11.1%	16.4%	17.0%	0.1%	0.0%	0.0%	0.0%	0.1%
Korea*	-10.6%	-11.7%	2.2%	3.3%	0.0%	0.0%	0.1%	0.0%	0.0%
Malaysia*	-17.9%	-18.0%	0.8%	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%
New Zealand	3.5%	-7.3%	0.2%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%
Pakistan**	-8.5%	-13.3%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Philippines*	-16.8%	-11.3%	0.6%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%
Singapore	-17.9%	-18.8%	2.6%	1.1%	0.0%	-0.1%	0.0%	0.0%	-0.1%
Sri Lanka**	-6.6%	-8.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Taiwan*	-15.6%	-16.1%	2.8%	2.9%	0.0%	0.0%	0.1%	0.0%	0.0%
Thailand*	-15.5%	-17.0%	0.4%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%
Americas									
Argentina**	-8.2%	-26.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Brazil*	-34.0%	-33.6%	1.3%	1.5%	-0.1%	0.0%	0.1%	0.0%	0.1%
Canada	-14.9%	-14.7%	1.0%	6.7%	0.0%	0.0%	0.4%	0.0%	0.3%
Chile*	-12.9%	-13.4%	0.5%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%
Colombia*	-24.1%	-23.8%	0.2%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Mexico*	-7.3%	-11.4%	1.3%	0.9%	0.0%	0.0%	0.0%	0.0%	0.0%
Peru*	-24.1%	-21.2%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
United States	-11.1%	-6.9%	1.3%	0.0%	0.0%	0.0%	0.0%	-0.1%	0.0%

Excludes FIAM Equity holdings.

Equity Performance Attribution - International Equity

Quarter Ending September 30, 2015

Int'l Equity Performance Attribution vs. MSCI ACWI ex USA IMI Gross

	Returns and Weights				Attribution Effects				Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	
Other									
Bahrain**	-9.4%	-13.4%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Bulgaria**	-12.8%	-13.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Croatia**	-3.5%	-6.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Egypt*	-11.7%	-15.2%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Estonia**	3.0%	4.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Israel	-4.5%	-5.3%	0.7%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%
Jordan**	-1.8%	-0.5%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Kazakhstan**	-34.6%	-36.9%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Kenya**	-14.0%	-12.8%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Kuwait**	-8.3%	-8.4%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Lebanon**	-7.3%	-6.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Mauritius**	-7.5%	-5.2%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Morocco**	-3.5%	-2.6%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Nigeria**	-7.6%	-6.4%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Oman**	-12.5%	-7.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Qatar*	-7.1%	-6.8%	0.3%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%
Romania**	-0.9%	-0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Slovenia**	-7.0%	-7.7%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
South Africa*	-18.5%	-18.4%	2.0%	1.7%	0.0%	0.0%	0.0%	0.0%	0.0%
Tunisia**	-10.6%	-2.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Turkey*	-20.6%	-19.9%	0.9%	0.3%	0.0%	0.0%	-0.1%	0.0%	-0.1%
United Arab Emirates*	-9.2%	-10.0%	0.2%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%

Excludes FIAM Equity holdings.

Equity Performance Attribution - International Equity

Quarter Ending September 30, 2015

Int'l Equity Performance Attribution vs. MSCI ACWI ex USA IMI Gross

	Returns and Weights				Attribution Effects				Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	
Totals									
Americas	-16.9%	-17.5%	5.7%	9.6%	-0.1%	0.0%	0.4%	0.1%	0.4%
Europe	-9.0%	-8.4%	50.3%	46.7%	-0.3%	0.1%	-0.1%	0.0%	-0.3%
Asia/Pacific	-12.9%	-14.1%	37.7%	40.8%	0.3%	0.1%	0.2%	0.0%	0.6%
Other	-14.0%	-15.1%	5.4%	2.9%	0.0%	0.1%	-0.1%	0.0%	-0.1%
Cash	0.0%	--	0.9%	0.0%	0.0%	0.1%	0.0%	0.0%	0.1%
Total	-11.1%	-11.8%	100.0%	100.0%	-0.1%	0.3%	0.5%	0.0%	0.7%
Totals									
Developed	-9.9%	-10.2%	77.7%	78.0%	0.0%	0.0%	0.3%	0.0%	0.2%
Emerging*	-16.5%	-17.4%	20.0%	22.0%	0.1%	0.0%	0.2%	0.0%	0.3%
Frontier**	-7.5%	--	1.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Cash	0.0%	--	0.9%	0.0%	0.0%	0.1%	0.0%	0.0%	0.1%

Excludes FIAM Equity holdings.

InvestorForce All DB Dev Mkt ex-US Eq Net Accounts



	Quarter	YTD	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years
Return (Rank)								
5th Percentile	-8.2	-1.9	-3.8	1.6	8.4	7.4	6.9	5.1
25th Percentile	-9.9	-4.3	-6.9	-1.0	6.5	4.6	5.0	4.1
Median	-11.1	-6.5	-8.3	-1.9	5.0	3.7	4.0	3.2
75th Percentile	-12.2	-8.2	-11.0	-3.4	4.1	2.8	3.0	2.4
95th Percentile	-13.5	-10.2	-12.6	-5.6	1.2	1.4	1.3	0.4
# of Portfolios	124	122	120	115	109	82	73	39
● Developed Markets	-10.9 (45)	-5.7 (43)	-8.4 (52)	-1.8 (45)	4.4 (64)	2.7 (78)	2.7 (80)	2.8 (70)
▲ MSCI ACWI ex USA Gross	-12.1 (75)	-8.3 (83)	-11.8 (92)	-3.7 (83)	2.8 (90)	2.3 (82)	3.7 (52)	3.5 (37)

San Mateo County Employees' Retirement Association
Equity Only Summary Statistics - Developed Markets

Quarter Ending September 30, 2015

Characteristics

	Portfolio	MSCI ACWI ex USA Gross
Number of Holdings	1,059	1,843
Weighted Avg. Market Cap. (\$B)	44.4	47.5
Median Market Cap. (\$B)	8.6	6.2
Price To Earnings	19.5	18.0
Price To Book	3.8	2.3
Price To Sales	2.7	2.2
Return on Equity (%)	17.8	15.2
Yield (%)	3.2	3.2
Beta (holdings; global)	1.0	1.0

Top Holdings

NESTLE 'R'	2.2%
UNILEVER (UK)	2.0%
BG GROUP	1.5%
KAO	1.3%
SANOFI	1.2%
IBERDROLA	1.2%
NOVO NORDISK 'B'	1.2%
UNITED OVERSEAS BANK	1.1%
NATIONAL GRID (OTC)	1.1%
ROCHE HOLDING	1.1%

Best Performers

	Return %
CHINA HUISHAN DY.HDG.CO. (K:CHDH)	57.7%
ACOM (J:ACOM)	32.4%
GRUPO AEROPORTUARIO DEL PACIFICO SR.B ADR 1:10 (PAC)	28.5%
TSUKUI (J:TS@K)	22.8%
TOKYO ELECTRIC POWER (J:TE@N)	22.1%
TREASURY WINE ESTATES (A:TWEX)	21.7%
INFOSYS ADR 1:1 (INFY)	20.4%
BANDAI NAMCO HDG. (J:N@MB)	20.0%
mitsubishi tanabe PHARMA (J:EF@N)	18.5%
TERUMO (J:TERU)	17.8%

Worst Performers

	Return %
TRICAN WELL SER. (C:TCW)	-84.7%
TEGMA GESTAO LOGISTICA ON (BR:TEG)	-74.7%
COPPER MOUNTAIN MINING (C:CUM)	-67.9%
GLENORE (UKIR:GLEN)	-64.5%
KAZ MINERALS (UKIR:KAZ)	-59.9%
PREMIER OIL (UKIR:PMO)	-56.9%
VALLOUREC (F:VLR)	-56.7%
BYD ELECTRONIC (INTL.) (K:BYDE)	-54.2%
AWE (A:AWEX)	-53.2%
VOLKSWAGEN PREF. (D:VOW3)	-53.0%

Excludes FIAM Equity holdings.

Developed Markets Performance Attribution vs. MSCI ACWI ex USA Gross

	Attribution Effects				Returns		Sector Weights				
	Total Effects	Selection Effect	Allocation Effect	Interaction Effects	Portfolio	Benchmark	Portfolio	Benchmark			
Energy	0.4%	0.2%	0.1%	0.1%	-14.7%	-19.8%	6.1%	7.0%			
Materials	0.3%	-0.1%	0.2%	0.2%	-20.6%	-20.4%	4.9%	7.5%			
Industrials	-0.3%	-0.2%	0.0%	-0.1%	-13.6%	-11.7%	12.0%	11.0%			
Cons. Disc.	0.1%	0.1%	0.0%	0.0%	-10.5%	-11.4%	14.9%	11.8%			
Cons. Staples	0.2%	-0.2%	0.4%	0.0%	-3.6%	-3.1%	14.0%	9.9%			
Health Care	0.0%	-0.1%	0.1%	0.0%	-6.4%	-6.2%	10.8%	9.0%			
Financials	0.7%	0.2%	0.1%	0.4%	-12.5%	-14.0%	18.5%	27.8%			
Info. Tech	0.0%	-0.1%	0.0%	0.1%	-13.1%	-12.8%	8.1%	7.5%			
Telecomm.	0.1%	0.0%	0.0%	0.0%	-10.1%	-11.2%	5.7%	5.2%			
Utilities	-0.1%	-0.1%	0.0%	0.0%	-10.4%	-6.9%	4.0%	3.4%			
Cash	0.1%	0.0%	0.1%	0.0%	0.0%	--	0.9%	0.0%			
Portfolio	1.4%	=	-0.2%	+	1.0%	+	0.6%	-10.7%	-12.1%	100.0%	100.0%

Excludes FIAM Equity holdings.

Equity Performance Attribution - Developed Markets

Quarter Ending September 30, 2015

Developed Markets Performance Attribution vs. MSCI ACWI ex USA Gross

	Returns and Weights				Attribution Effects				Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	
Europe									
Austria	-6.7%	-8.9%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Belgium	-5.3%	-7.9%	0.4%	0.9%	0.0%	0.0%	0.0%	0.0%	0.0%
Czech Republic*	--	-6.6%	0.0%	0.0%	--	0.0%	0.0%	--	0.0%
Denmark	-6.4%	-2.4%	2.3%	1.2%	0.0%	0.1%	0.0%	0.0%	0.0%
Finland	-5.6%	-5.5%	0.7%	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%
France	-6.8%	-6.4%	4.8%	6.9%	0.0%	-0.1%	0.0%	0.0%	-0.1%
Germany	-12.5%	-11.4%	5.1%	6.4%	-0.1%	0.0%	0.0%	0.0%	0.0%
Greece*	--	-35.7%	0.0%	0.1%	--	0.0%	0.0%	--	0.0%
Hungary*	--	-3.3%	0.0%	0.0%	--	0.0%	0.0%	--	0.0%
Ireland	-0.7%	-3.1%	0.1%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%
Italy	-6.7%	-4.3%	1.8%	1.7%	0.0%	0.0%	0.0%	0.0%	0.0%
Luxembourg	3.7%	-12.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Netherlands	-5.3%	-8.8%	2.5%	2.0%	0.1%	0.0%	0.0%	0.0%	0.1%
Norway	-18.8%	-19.1%	0.3%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%
Poland*	--	-10.5%	0.0%	0.3%	--	0.0%	0.0%	--	0.0%
Portugal	3.2%	-11.4%	0.3%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Russia*	-20.6%	-14.2%	0.1%	0.8%	-0.2%	-0.1%	0.1%	0.1%	0.0%
Spain	-7.9%	-11.1%	4.0%	2.5%	0.1%	0.0%	0.0%	0.0%	0.1%
Sweden	-7.3%	-9.1%	4.4%	2.1%	0.0%	0.0%	0.0%	0.0%	0.1%
Switzerland	-8.7%	-6.7%	7.8%	6.6%	-0.1%	0.1%	0.0%	0.0%	-0.1%
United Kingdom	-10.6%	-10.0%	19.3%	14.5%	-0.1%	0.1%	-0.2%	0.0%	-0.1%

Excludes FIAM Equity holdings.

Equity Performance Attribution - Developed Markets

Quarter Ending September 30, 2015

Developed Markets Performance Attribution vs. MSCI ACWI ex USA Gross

	Returns and Weights				Attribution Effects				Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	
AsiaPacific									
Australia	-11.3%	-15.3%	3.7%	4.9%	0.2%	0.0%	0.1%	-0.1%	0.2%
China*	-25.3%	-22.0%	2.1%	5.4%	-0.2%	0.4%	0.0%	0.1%	0.4%
Hong Kong	-14.4%	-16.2%	3.2%	2.3%	0.0%	-0.1%	0.0%	0.0%	0.0%
India*	-4.5%	-6.6%	1.4%	1.7%	0.0%	0.0%	0.0%	0.0%	0.0%
Indonesia*	-32.7%	-24.2%	0.4%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%
Japan	-10.3%	-11.8%	18.2%	16.4%	0.2%	-0.1%	0.0%	0.0%	0.2%
Korea*	-10.6%	-11.4%	1.8%	3.1%	0.0%	0.0%	0.1%	0.0%	0.0%
Malaysia*	-18.4%	-18.2%	0.5%	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%
New Zealand	3.5%	-6.9%	0.2%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Philippines*	-20.1%	-10.2%	0.4%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%
Singapore	-17.9%	-19.5%	2.8%	1.0%	0.0%	-0.1%	-0.1%	0.0%	-0.1%
Taiwan*	-15.8%	-16.5%	2.4%	2.8%	-0.1%	0.0%	0.1%	0.0%	0.0%
Thailand*	-20.2%	-17.5%	0.1%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%
Americas									
Brazil*	-32.9%	-33.6%	0.8%	1.7%	-0.1%	0.0%	0.2%	0.1%	0.2%
Canada	-14.9%	-14.0%	1.1%	6.6%	-0.1%	-0.1%	0.3%	0.1%	0.2%
Chile*	-11.8%	-13.6%	0.2%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%
Colombia*	-24.3%	-23.2%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Mexico*	-2.8%	-11.9%	0.8%	1.0%	0.1%	0.0%	0.0%	0.0%	0.1%
Peru*	-16.5%	-21.5%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
United States	-8.0%	-6.9%	1.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Excludes FIAM Equity holdings.

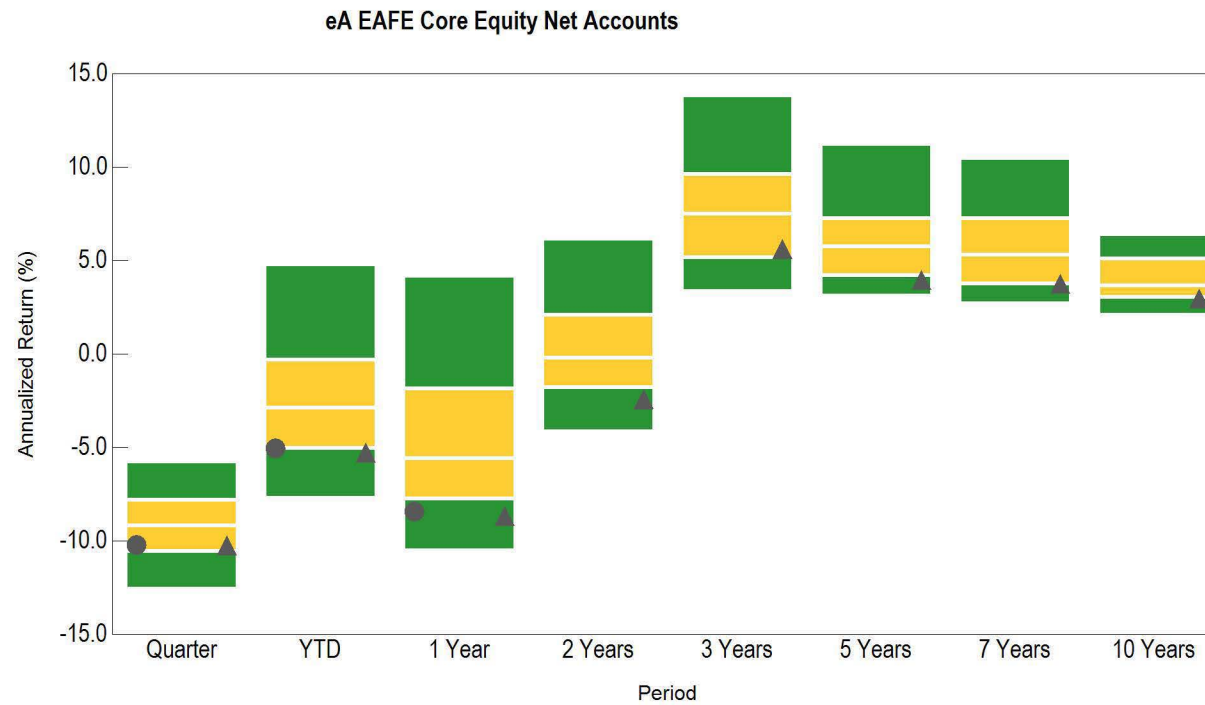
Equity Performance Attribution - Developed Markets

Quarter Ending September 30, 2015

Developed Markets Pyramis Performance Attribution vs. MSCI ACWI ex USA Gross

	Returns and Weights				Attribution Effects				Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	
Other									
Egypt*	--	-13.0%	0.0%	0.0%	--	0.0%	0.0%	--	0.0%
Israel	-4.5%	-5.4%	0.7%	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%
Kazakhstan**	-39.4%	-36.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Qatar*	-6.2%	-6.6%	0.2%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%
Romania**	-4.5%	-0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
South Africa*	-18.0%	-18.6%	1.6%	1.7%	0.0%	0.0%	0.0%	0.0%	0.0%
Turkey*	-21.8%	-19.5%	0.7%	0.3%	0.0%	0.0%	0.0%	0.0%	-0.1%
United Arab Emirates*	-8.2%	-10.3%	0.1%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%
Totals									
Americas	-13.8%	-17.3%	4.1%	9.7%	0.0%	0.0%	0.6%	0.0%	0.6%
Europe	-9.0%	-8.8%	54.3%	47.7%	0.0%	0.2%	-0.1%	0.0%	0.0%
Asia/Pacific	-12.7%	-14.5%	37.2%	39.7%	0.4%	0.1%	0.3%	0.0%	0.8%
Other	-15.0%	-15.3%	3.3%	2.9%	0.0%	0.0%	0.0%	0.0%	0.0%
Cash	0.0%	--	0.9%	0.0%	0.0%	0.1%	0.0%	0.0%	0.1%
Total	-10.7%	-12.1%	100.0%	100.0%	0.3%	0.3%	0.8%	0.0%	1.4%
Totals									
Developed	-9.8%	-10.5%	85.4%	78.1%	0.3%	0.0%	0.2%	0.0%	0.5%
Emerging*	-16.8%	-17.6%	13.7%	21.9%	-0.1%	0.2%	0.6%	0.0%	0.8%
Frontier**	-21.3%	--	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Cash	0.0%	--	0.9%	0.0%	0.0%	0.1%	0.0%	0.0%	0.1%

Excludes FIAM Equity holdings.



	Quarter		YTD		1 Year		2 Years		3 Years		5 Years		7 Years		10 Years	
5th Percentile	-5.8	4.8	4.2	6.2	13.9	11.2	10.5	6.4								
25th Percentile	-7.8	-0.3	-1.8	2.1	9.7	7.3	7.3	5.2								
Median	-9.1	-2.8	-5.6	-0.2	7.5	5.8	5.3	3.7								
75th Percentile	-10.5	-5.0	-7.7	-1.7	5.2	4.2	3.8	3.1								
95th Percentile	-12.5	-7.7	-10.5	-4.1	3.4	3.2	2.8	2.1								
# of Portfolios	88	85	84	79	77	64	55	39								
● BlackRock EAFE Index	-10.2 (69)	-5.0 (76)	-8.4 (84)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)								
▲ MSCI EAFE	-10.2 (69)	-5.3 (80)	-8.7 (84)	-2.4 (81)	5.6 (67)	4.0 (79)	3.8 (77)	3.0 (83)								

Quarter Ending September 30, 2015

Characteristics

	Portfolio	MSCI EAFE
Number of Holdings	915	913
Weighted Avg. Market Cap. (\$B)	52.8	52.8
Median Market Cap. (\$B)	8.1	8.1
Price To Earnings	18.8	18.3
Price To Book	2.9	2.3
Price To Sales	2.4	2.1
Return on Equity (%)	16.0	14.5
Yield (%)	3.3	3.2
Beta (holdings; global)	1.0	1.0

Top Holdings

NESTLE 'R'	2.1%
NOVARTIS 'R'	1.8%
ROCHE HOLDING	1.6%
TOYOTA MOTOR	1.4%
HSBC HDG. (ORD \$0.50)	1.2%
SANOFI	1.0%
BAYER	0.9%
NOVO NORDISK 'B'	0.9%
BRITISH AMERICAN TOBACCO	0.9%
TOTAL	0.8%

Best Performers

	Return %
ACOM (J:ACOM)	32.4%
TOKYO ELECTRIC POWER (J:TE@N)	22.1%
TREASURY WINE ESTATES (A:TWEX)	21.7%
BANDAI NAMCO HDG. (J:N@MB)	20.0%
MITSUBISHI TANABE PHARMA (J:EF@N)	18.5%
TERUMO (J:TERU)	17.8%
OBAYASHI (J:OB@N)	17.0%
KONAMI HOLDINGS (J:KONA)	16.4%
DEUTSCHE WOHNEN BR.SHS. (D:DWNI)	16.4%
CHEUNG KONG INFR.HDG. (K:CKIH)	16.2%

Worst Performers

	Return %
GLENCORE (UKIR:GLEN)	-64.5%
VALLOUREC (F:VLR)	-56.7%
VOLKSWAGEN PREF. (D:VOW3)	-53.0%
SANTOS (A:STOX)	-52.2%
TULLOW OIL (UKIR:TLW)	-52.1%
ORIGIN ENERGY (EX BORAL) (A:ORGX)	-51.9%
VOLKSWAGEN (D:VOW)	-49.7%
PORSCHE AML.HLDG.PREF. (D:PAH3)	-49.7%
NOBLE GROUP (T:NOBE)	-48.3%
RWE (D:RWE)	-47.6%

eA ACWI ex-US Growth Equity Net Accounts



	Quarter	YTD	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years
Return (Rank)								
5th Percentile	-5.6	1.1	-0.4	3.7	11.6	7.5	10.1	7.6
25th Percentile	-8.4	-1.5	-2.4	1.1	8.5	6.5	7.8	5.6
Median	-9.9	-3.2	-4.6	-0.7	5.7	4.9	5.9	5.0
75th Percentile	-10.9	-5.7	-7.0	-2.4	3.8	3.9	5.1	3.9
95th Percentile	-12.8	-7.8	-9.5	-3.9	3.1	1.5	3.4	3.1
# of Portfolios	28	24	24	23	23	22	18	13
● Baillie Gifford	-11.7 (83)	-5.6 (75)	-6.6 (74)	-1.9 (64)	5.5 (59)	-- (--)	-- (--)	-- (--)
▲ MSCI ACWI ex US	-12.1 (86)	-8.3 (99)	-11.8 (99)	-3.2 (87)	5.2 (65)	-- (--)	-- (--)	-- (--)
✕ MSCI ACWI ex US Growth	-10.7 (73)	-5.7 (76)	-7.8 (78)	-1.5 (59)	6.2 (45)	-- (--)	-- (--)	-- (--)

Characteristics

	Portfolio	MSCI ACWI ex USA Gross
Number of Holdings	90	1,843
Weighted Avg. Market Cap. (\$B)	32.7	47.5
Median Market Cap. (\$B)	10.9	6.2
Price To Earnings	22.9	18.0
Price To Book	5.7	2.3
Price To Sales	3.9	2.2
Return on Equity (%)	23.9	15.2
Yield (%)	2.0	3.2
Beta (holdings; global)	1.0	1.0

Top Holdings

NOVO NORDISK 'B'	2.7%
KINNEVIK 'B'	2.5%
SVENSKA HANDBKN.'A'	2.3%
KAO	2.3%
SHIMANO	2.3%
MS&AD INSURANCE GP.HDG.	2.3%
HARGREAVES LANSDOWN	2.3%
COCHLEAR	2.2%
NASPERS	2.1%
BG GROUP	2.0%

Best Performers

	Return %
TREASURY WINE ESTATES (A:TWEX)	21.7%
COCA COLA ENTS. (CCE)	11.9%
RIGHTMOVE (UKIR:RMV)	7.2%
AUTO TRADER GROUP (UKIR:AUTO)	7.1%
TRADE ME GROUP (Z:TRML)	5.0%
JERONIMO MARTINS (P:JMT)	4.9%
ADIDAS (D:ADS)	4.2%
NESTLE 'R' (S:NESN)	3.8%
HARGREAVES LANSDOWN (UKIR:HL.)	3.0%
INDITEX (E:IND)	2.8%

Worst Performers

	Return %
KAZ MINERALS (UKIR:KAZ)	-59.9%
PROTALIX BIOTH. (PLX)	-39.5%
STANDARD CHARTERED (UKIR:STAN)	-38.8%
WEIR GROUP (UKIR:WEIR)	-33.6%
MITCHELLS & BUTLERS (UKIR:MAB)	-33.4%
ITAU UNIBANCO BANCO HLDG.ADR 1:1 (ITUB)	-32.6%
ASOS (UKIR:ASC)	-31.4%
BAIDU 'A' ADR 10:1 (BIDU)	-31.0%
QUNAR CAYMAN ISLANDS 'B' ADR 1:3 (QUNR)	-29.8%
BOC HONG KONG (HDG.) (K:BOC)	-28.0%

Baillie Gifford Performance Attribution vs. MSCI ACWI ex USA Gross

	Total Effects	Attribution Effects			Returns		Sector Weights				
		Selection Effect	Allocation Effect	Interaction Effects	Portfolio	Benchmark	Portfolio	Benchmark			
Energy	0.7%	0.5%	0.3%	-0.1%	-11.2%	-19.8%	2.8%	7.0%			
Materials	0.4%	-0.2%	0.3%	0.3%	-21.1%	-20.4%	3.7%	7.5%			
Industrials	-0.5%	-0.3%	0.0%	-0.1%	-15.3%	-11.7%	12.4%	11.0%			
Cons. Disc.	-0.2%	0.0%	0.0%	-0.2%	-11.2%	-11.4%	22.0%	11.8%			
Cons. Staples	0.2%	-0.4%	0.8%	-0.2%	-5.0%	-3.1%	18.0%	9.9%			
Health Care	-0.2%	-0.2%	0.1%	-0.1%	-8.5%	-6.2%	11.0%	9.0%			
Financials	0.5%	-0.1%	0.1%	0.5%	-13.5%	-14.0%	19.9%	27.8%			
Info. Tech	-0.2%	-0.2%	0.0%	0.0%	-13.8%	-12.8%	9.4%	7.5%			
Telecomm.	0.1%	--	0.0%	--	--	-11.2%	0.0%	5.2%			
Utilities	-0.1%	--	-0.2%	--	--	-6.9%	0.0%	3.4%			
Cash	0.1%	0.0%	0.1%	0.0%	0.0%	--	0.7%	0.0%			
Portfolio	0.8%	=	-0.8%	+	1.4%	+	0.2%	-11.3%	-12.1%	100.0%	100.0%

Baillie Gifford Performance Attribution vs. MSCI ACWI ex USA Gross

	Returns and Weights				Attribution Effects				Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	
Europe									
Austria	--	-8.9%	0.0%	0.1%	--	0.0%	0.0%	--	0.0%
Belgium	--	-7.9%	0.0%	0.9%	--	0.0%	0.0%	--	0.0%
Czech Republic*	--	-6.6%	0.0%	0.0%	--	0.0%	0.0%	--	0.0%
Denmark	-7.8%	-2.4%	5.5%	1.2%	-0.1%	0.3%	0.0%	-0.2%	0.0%
Finland	-6.4%	-5.5%	1.1%	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%
France	-5.6%	-6.4%	0.7%	6.9%	0.1%	-0.2%	0.0%	0.0%	-0.2%
Germany	4.2%	-11.4%	1.0%	6.4%	1.0%	0.1%	0.0%	-0.8%	0.3%
Greece*	--	-35.7%	0.0%	0.1%	--	0.0%	0.0%	--	0.0%
Hungary*	--	-3.3%	0.0%	0.0%	--	0.0%	0.0%	--	0.0%
Ireland	--	-3.1%	0.0%	0.3%	--	0.0%	0.0%	--	0.0%
Italy	-8.8%	-4.3%	1.0%	1.7%	-0.1%	0.0%	0.0%	0.0%	-0.1%
Netherlands	--	-8.8%	0.0%	2.0%	--	0.0%	0.0%	--	0.0%
Norway	--	-19.1%	0.0%	0.5%	--	0.0%	0.0%	--	0.0%
Poland*	--	-10.5%	0.0%	0.3%	--	0.0%	0.0%	--	0.0%
Portugal	4.9%	-11.4%	0.9%	0.1%	0.0%	0.0%	0.0%	0.1%	0.1%
Russia*	--	-14.2%	0.0%	0.8%	--	-0.1%	0.1%	--	0.0%
Spain	-8.8%	-11.1%	3.9%	2.5%	0.1%	0.0%	0.0%	0.0%	0.1%
Sweden	-7.5%	-9.1%	7.6%	2.1%	0.0%	0.1%	-0.1%	0.1%	0.1%
Switzerland	-4.5%	-6.7%	5.5%	6.6%	0.2%	-0.1%	0.0%	0.0%	0.1%
United Kingdom	-14.0%	-10.0%	21.4%	14.5%	-0.6%	0.2%	-0.2%	-0.3%	-0.9%

Baillie Gifford Performance Attribution vs. MSCI ACWI ex USA Gross

	Returns and Weights				Attribution Effects				Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	
AsiaPacific									
Australia	-7.2%	-15.3%	4.8%	4.9%	0.4%	0.0%	0.0%	0.0%	0.4%
China*	-27.8%	-22.0%	4.9%	5.4%	-0.3%	0.1%	0.0%	0.0%	-0.2%
Hong Kong	-13.2%	-16.2%	2.4%	2.3%	0.1%	0.0%	0.0%	0.0%	0.1%
India*	-4.1%	-6.6%	1.4%	1.7%	0.0%	0.0%	0.0%	0.0%	0.0%
Indonesia*	--	-24.2%	0.0%	0.5%	--	0.0%	0.0%	--	0.1%
Japan	-10.2%	-11.8%	17.4%	16.4%	0.3%	0.0%	0.0%	0.0%	0.3%
Korea*	-13.8%	-11.4%	3.3%	3.1%	-0.2%	0.0%	0.1%	0.0%	-0.1%
Malaysia*	--	-18.2%	0.0%	0.7%	--	0.0%	0.1%	--	0.1%
New Zealand	5.0%	-6.9%	0.6%	0.1%	0.0%	0.0%	0.0%	0.1%	0.1%
Philippines*	-19.2%	-10.2%	0.4%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%
Singapore	-17.5%	-19.5%	3.4%	1.0%	0.0%	-0.1%	0.0%	0.0%	-0.2%
Taiwan*	-10.3%	-16.5%	3.3%	2.8%	0.0%	0.0%	0.2%	0.0%	0.2%
Thailand*	--	-17.5%	0.0%	0.5%	--	0.0%	0.0%	--	0.0%
Americas									
Brazil*	-32.6%	-33.6%	0.5%	1.7%	-0.3%	0.1%	0.3%	0.2%	0.3%
Canada	--	-14.0%	0.0%	6.6%	--	-0.1%	0.4%	--	0.3%
Chile*	--	-13.6%	0.0%	0.3%	--	0.0%	0.0%	--	0.0%
Colombia*	--	-23.2%	0.0%	0.1%	--	0.0%	0.0%	--	0.0%
Mexico*	1.7%	-11.9%	0.6%	1.0%	0.1%	0.0%	0.0%	-0.1%	0.1%
Peru*	--	-21.5%	0.0%	0.1%	--	0.0%	0.0%	--	0.0%
United States	-6.0%	-6.9%	2.9%	0.0%	0.0%	0.1%	0.0%	0.0%	0.1%

Baillie Gifford Performance Attribution vs. MSCI ACWI ex USA Gross

	Returns and Weights				Attribution Effects				Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	
Other									
Egypt*	--	-13.0%	0.0%	0.0%	--	0.0%	0.0%	--	0.0%
Israel	--	-5.4%	0.0%	0.4%	--	0.0%	0.0%	--	0.0%
Qatar*	--	-6.6%	0.0%	0.2%	--	0.0%	0.0%	--	0.0%
South Africa*	-17.6%	-18.6%	3.4%	1.7%	0.0%	0.0%	-0.2%	0.0%	-0.1%
Turkey*	-25.6%	-19.5%	1.3%	0.3%	0.0%	0.0%	-0.1%	-0.1%	-0.2%
United Arab Emirates*	--	-10.3%	0.0%	0.2%	--	0.0%	0.0%	--	0.0%
Totals									
Americas	-8.4%	-17.3%	4.1%	9.7%	0.1%	0.0%	0.8%	-0.1%	0.8%
Europe	-9.7%	-8.8%	48.6%	47.7%	-0.3%	0.0%	-0.1%	0.0%	-0.4%
Asia/Pacific	-12.7%	-14.5%	41.9%	39.7%	0.3%	-0.1%	0.4%	0.0%	0.7%
Other	-19.8%	-15.3%	4.7%	2.9%	-0.1%	0.0%	-0.3%	0.0%	-0.3%
Cash	0.0%	--	0.7%	0.0%	0.0%	0.1%	0.0%	0.0%	0.1%
Total	-11.3%	-12.1%	100.0%	100.0%	0.1%	0.0%	0.8%	-0.1%	0.8%
Totals									
Developed	-9.9%	-10.5%	80.0%	78.1%	0.3%	0.0%	0.2%	0.0%	0.5%
Emerging*	-17.7%	-17.6%	19.3%	21.9%	-0.6%	0.1%	0.6%	0.1%	0.2%
Cash	0.0%	--	0.7%	0.0%	0.0%	0.1%	0.0%	0.0%	0.1%

eA ACWI ex-US Value Equity Net Accounts



	Return (Rank)							
	Quarter	YTD	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years
5th Percentile	-7.0	1.8	-0.9	3.3	9.9	7.9	7.3	5.7
25th Percentile	-8.0	-3.9	-5.1	0.0	7.0	5.4	5.6	3.9
Median	-11.3	-6.5	-10.4	-2.1	4.0	3.4	3.4	3.1
75th Percentile	-12.7	-8.7	-13.2	-6.5	2.0	1.3	2.4	2.4
95th Percentile	-15.5	-14.5	-17.9	-10.7	-1.2	-0.3	1.7	1.3
# of Portfolios	28	28	28	25	24	20	18	16
● Mondrian	-10.8 (44)	-7.5 (61)	-11.5 (63)	-2.1 (49)	3.3 (63)	3.0 (58)	3.4 (48)	3.4 (45)
▲ MSCI ACWI ex USA Value Gross	-13.5 (86)	-10.9 (87)	-15.7 (87)	-5.6 (73)	1.5 (84)	1.4 (75)	3.1 (59)	2.9 (53)
✕ MSCI ACWI ex USA Gross	-12.1 (62)	-8.3 (73)	-11.8 (66)	-3.7 (64)	2.8 (67)	2.3 (71)	3.7 (46)	3.5 (42)

Quarter Ending September 30, 2015

Characteristics

	Portfolio	MSCI ACWI ex USA Value Gross
Number of Holdings	134	998
Weighted Avg. Market Cap. (\$B)	50.1	48.2
Median Market Cap. (\$B)	12.5	5.6
Price To Earnings	16.9	13.9
Price To Book	2.3	1.5
Price To Sales	1.8	1.7
Return on Equity (%)	13.4	11.4
Yield (%)	4.2	4.3
Beta (holdings: global)	0.9	1.0

Top Holdings

UNILEVER (UK)	3.2%
IBERDROLA	3.1%
NATIONAL GRID (OTC)	3.0%
SANOFI	2.7%
AHOLD KON.	2.6%
GLAXOSMITHKLINE (OTC)	2.6%
ABB LTD N	2.5%
TAKEDA PHARMACEUTICAL	2.4%
NESTLE 'R'	2.4%
HONDA MOTOR	2.3%

Best Performers

	Return %
CHINA HUISHAN DY.HDG.CO. (K:CHDH)	57.7%
GRUPO AEROPORTUARIO DEL PACIFICO SR.B ADR 1:10 (PAC)	28.5%
INFOSYS ADR 1:1 (INFY)	20.4%
INFOSYS (IN:INE)	14.5%
SABMILLER (JSE) (R:SABJ)	10.3%
NATIONAL GRID (UKIR:NG.)	8.3%
KANGWON LAND (KO:KWL)	7.6%
SEVEN & I HDG. (J:SEVI)	6.5%
RELX (H:REN)	6.3%
TECO ELEC.& MACHINERY (TW:TEE)	5.9%

Worst Performers

	Return %
VALLOUREC (F:VLR)	-56.7%
RWE (D:RWE)	-47.6%
HUABAO INTL.HDG. (K:SILV)	-47.5%
PERUSAHAAN GAS NEGARA (ID:PGN)	-46.6%
MEDIATEK (TW:MDT)	-42.7%
CPFL ENERGIA ON (BR:CPL)	-39.7%
KAZMUNAIGAS EXP.PRDN.GDR REG S (UKIR:KMG)	-39.4%
CPFL EN.ON SPN.ADR.1:2 (CPL)	-38.8%
ECOD.INFU.E LOG.ON (BR:EON)	-38.6%
CMPH.COCS. RODOVIARIAS ON (BR:CCR)	-36.3%

Mondrian Performance Attribution vs. MSCI ACWI ex USA Value Gross

	Attribution Effects				Returns		Sector Weights				
	Total Effects	Selection Effect	Allocation Effect	Interaction Effects	Portfolio	Benchmark	Portfolio	Benchmark			
Energy	0.5%	0.4%	0.0%	0.2%	-14.5%	-19.8%	10.9%	10.5%			
Materials	0.8%	0.0%	0.6%	0.3%	-23.9%	-24.1%	2.9%	8.8%			
Industrials	-0.2%	0.1%	0.0%	-0.2%	-14.2%	-12.4%	8.7%	7.9%			
Cons. Disc.	0.3%	0.4%	0.0%	0.0%	-9.2%	-13.5%	7.9%	8.0%			
Cons. Staples	0.9%	-0.1%	1.2%	-0.3%	-2.2%	-2.1%	14.6%	4.7%			
Health Care	0.1%	-0.2%	0.5%	-0.2%	-7.3%	-4.4%	11.6%	5.4%			
Financials	0.6%	-0.5%	0.0%	1.1%	-15.4%	-13.8%	11.4%	38.4%			
Info. Tech	-0.1%	-0.1%	0.1%	-0.1%	-12.8%	-12.2%	8.2%	3.9%			
Telecomm.	0.2%	0.0%	0.2%	0.0%	-9.9%	-11.1%	13.4%	6.7%			
Utilities	-0.3%	-0.3%	0.2%	-0.3%	-12.0%	-6.7%	9.1%	5.7%			
Cash	0.2%	0.0%	0.2%	0.0%	0.0%	--	1.4%	0.0%			
Portfolio	2.9%	=	-0.3%	+	2.9%	+	0.4%	-10.6%	-13.5%	100.0%	100.0%

Mondrian Performance Attribution vs. MSCI ACWI ex USA Value Gross

	Returns and Weights				Attribution Effects				Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	
Europe									
Austria	--	-13.1%	0.0%	0.1%	--	0.0%	0.0%	--	0.0%
Belgium	--	0.1%	0.0%	0.3%	--	0.0%	0.0%	--	0.0%
Czech Republic*	--	-10.4%	0.0%	0.0%	--	0.0%	0.0%	--	0.0%
Denmark	0.5%	-11.9%	0.1%	0.5%	0.1%	0.0%	0.0%	0.0%	0.0%
Finland	--	-7.0%	0.0%	0.7%	--	0.0%	0.0%	--	0.0%
France	-7.9%	-7.0%	6.5%	7.8%	-0.1%	0.0%	0.0%	0.0%	-0.1%
Germany	-16.7%	-15.3%	6.9%	5.3%	-0.1%	-0.1%	0.0%	0.0%	-0.2%
Greece*	--	-49.4%	0.0%	0.1%	--	0.0%	0.0%	--	0.0%
Hungary*	--	-8.3%	0.0%	0.0%	--	0.0%	0.0%	--	0.0%
Ireland	--	-6.4%	0.0%	0.3%	--	0.0%	0.0%	--	0.0%
Italy	-9.1%	-4.4%	1.9%	1.9%	-0.1%	0.0%	0.0%	0.0%	-0.1%
Netherlands	-2.8%	-13.6%	4.6%	1.4%	0.1%	-0.1%	0.0%	0.3%	0.4%
Norway	-8.9%	-18.8%	0.3%	0.9%	0.1%	0.0%	0.0%	-0.1%	0.1%
Poland*	--	-14.4%	0.0%	0.3%	--	0.0%	0.0%	--	0.0%
Portugal	--	-10.1%	0.0%	0.1%	--	0.0%	0.0%	--	0.0%
Russia*	-20.6%	-15.0%	0.3%	0.8%	-0.1%	0.0%	0.1%	0.1%	0.0%
Spain	-6.2%	-14.8%	5.4%	3.4%	0.3%	-0.1%	0.0%	0.2%	0.4%
Sweden	-7.6%	-8.6%	2.9%	1.7%	0.0%	0.0%	0.0%	0.0%	0.1%
Switzerland	-12.4%	-6.1%	10.7%	4.1%	-0.3%	0.6%	-0.3%	-0.4%	-0.4%
United Kingdom	-9.4%	-13.3%	18.2%	17.6%	0.7%	0.0%	-0.1%	0.0%	0.7%

Equity Performance Attribution - Mondrian

Quarter Ending September 30, 2015

Mondrian Performance Attribution vs. MSCI ACWI ex USA Value Gross

	Returns and Weights				Attribution Effects				Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	
AsiaPacific									
Australia	-12.5%	-17.8%	0.9%	5.0%	0.3%	0.0%	0.3%	-0.2%	0.3%
China*	-15.0%	-24.1%	0.8%	5.5%	0.5%	0.6%	0.0%	-0.4%	0.7%
Hong Kong	-11.5%	-13.0%	2.6%	2.6%	0.0%	0.0%	0.0%	0.0%	0.0%
India*	-6.1%	-7.4%	2.0%	1.7%	0.0%	0.0%	0.0%	0.0%	0.0%
Indonesia*	-32.7%	-29.2%	0.7%	0.5%	0.0%	0.0%	0.0%	0.0%	-0.1%
Japan	-8.4%	-10.9%	15.1%	16.5%	0.4%	0.0%	0.0%	0.0%	0.4%
Korea*	-4.0%	-8.2%	1.2%	3.0%	0.1%	-0.1%	0.1%	-0.1%	0.0%
Malaysia*	-20.8%	-20.3%	1.2%	0.7%	0.0%	0.0%	-0.1%	0.0%	0.0%
New Zealand	--	-4.2%	0.0%	0.1%	--	0.0%	0.0%	--	0.0%
Philippines*	-23.9%	-10.4%	0.4%	0.3%	-0.1%	0.0%	0.0%	0.0%	-0.1%
Singapore	-18.6%	-18.7%	3.9%	1.0%	0.0%	-0.1%	-0.1%	0.0%	-0.2%
Taiwan*	-18.4%	-17.6%	2.6%	2.8%	0.0%	0.0%	0.0%	0.0%	0.0%
Thailand*	-20.2%	-22.2%	0.4%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%
Americas									
Brazil*	-32.3%	-40.3%	1.5%	1.6%	0.1%	0.0%	0.1%	0.0%	0.2%
Canada	-3.0%	-14.8%	1.0%	6.6%	0.8%	-0.1%	0.3%	-0.7%	0.3%
Chile*	-12.6%	-13.2%	0.6%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%
Colombia*	-24.3%	-21.9%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Mexico*	-4.9%	-10.2%	1.3%	1.0%	0.0%	0.0%	0.0%	0.0%	0.1%
Peru*	--	-23.8%	0.0%	0.1%	--	0.0%	0.0%	--	0.0%
United States	-16.1%	-6.7%	0.7%	0.0%	0.0%	0.0%	0.0%	-0.1%	0.0%

Equity Performance Attribution - Mondrian

Quarter Ending September 30, 2015

Mondrian Performance Attribution vs. MSCI ACWI ex USA Value Gross

	Returns and Weights				Attribution Effects				Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	
Other									
Egypt*	--	-13.4%	0.0%	0.0%	--	0.0%	0.0%	--	0.0%
Israel	-4.0%	-6.6%	1.5%	0.4%	0.0%	0.1%	0.0%	0.0%	0.1%
Kazakhstan**	-39.4%	-13.5%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Qatar*	-6.2%	-7.5%	0.6%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%
Romania**	-4.5%	-13.5%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
South Africa*	-14.6%	-19.6%	0.6%	1.7%	0.1%	0.0%	0.1%	-0.1%	0.1%
Turkey*	-13.5%	-22.9%	0.6%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%
United Arab Emirates*	-8.2%	-6.5%	0.3%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%
Totals									
Americas	-15.3%	-18.8%	5.1%	9.7%	0.2%	0.0%	0.5%	-0.1%	0.5%
Europe	-9.8%	-11.4%	57.9%	47.2%	0.8%	0.2%	-0.2%	0.2%	0.9%
Asia/Pacific	-12.1%	-14.5%	31.8%	40.2%	0.9%	0.2%	0.2%	-0.2%	1.1%
Other	-8.7%	-16.4%	3.8%	2.8%	0.1%	0.0%	0.1%	0.0%	0.2%
Cash	0.0%	--	1.4%	0.0%	0.0%	0.2%	0.0%	0.0%	0.2%
Total	-10.6%	-13.5%	100.0%	100.0%	1.9%	0.5%	0.6%	-0.1%	2.9%
Totals									
Developed	-9.8%	-12.0%	83.2%	78.2%	1.4%	0.0%	0.2%	0.1%	1.8%
Emerging*	-15.6%	-18.9%	15.2%	21.8%	0.7%	0.1%	0.4%	-0.2%	1.0%
Frontier**	-21.3%	--	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Cash	0.0%	--	1.4%	0.0%	0.0%	0.2%	0.0%	0.0%	0.2%

eA ACWI ex-US Small Cap Equity Net Accounts



	Return (Rank)							
	Quarter	YTD	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years
5th Percentile	-2.7	10.4	10.5	9.9	17.0	10.8	15.5	10.4
25th Percentile	-5.9	5.0	2.7	4.3	11.8	8.9	13.7	9.0
Median	-7.9	1.8	-2.0	0.4	9.1	7.6	10.2	7.9
75th Percentile	-10.2	-2.6	-5.4	0.2	7.8	7.0	9.4	6.5
95th Percentile	-11.9	-7.3	-14.8	-7.0	0.3	4.6	7.5	5.8
# of Portfolios	30	27	27	22	22	16	16	9
● FIAM Equity	-9.9 (72)	-1.9 (67)	-4.1 (68)	-0.7 (82)	5.2 (92)	-- (--)	-- (--)	-- (--)
▲ MSCI ACWI ex US Small Cap Gross	-9.9 (73)	-2.3 (69)	-6.1 (79)	-0.7 (82)	5.9 (91)	4.2 (98)	8.0 (92)	5.5 (99)

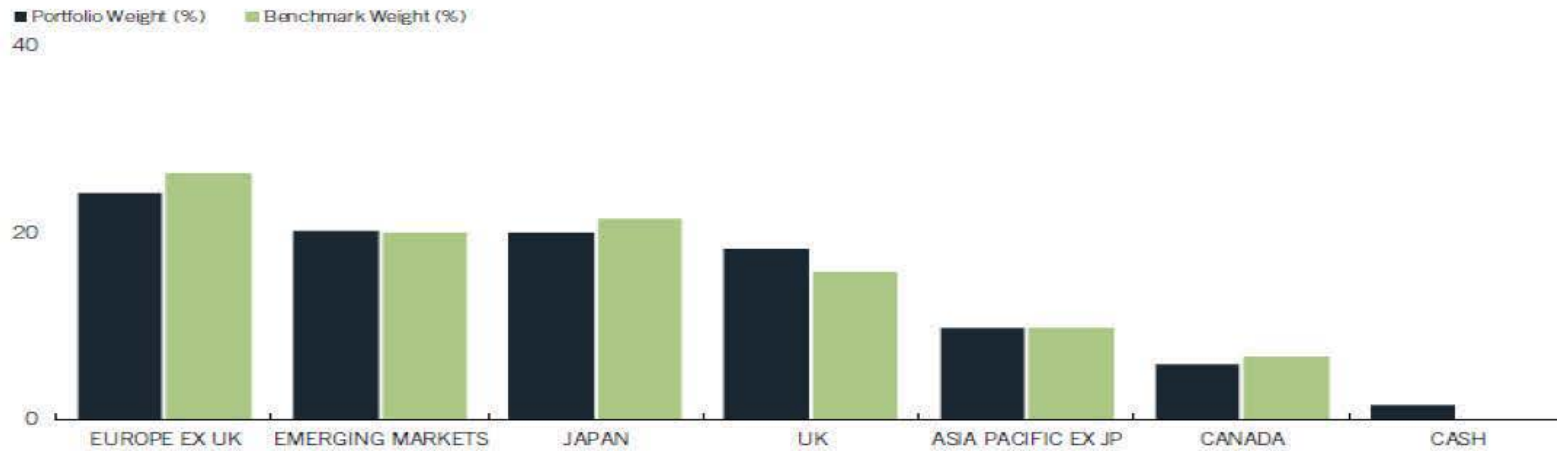
Equity Only Summary Statistics – FIAM Equity

Quarter Ending September 30, 2015

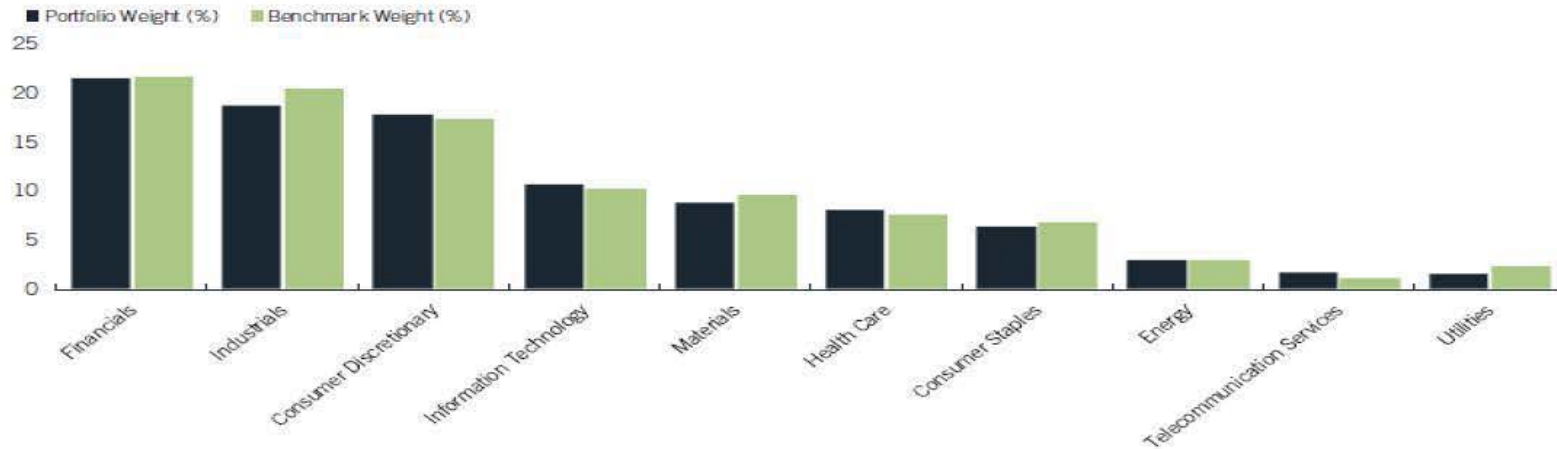
Characteristics		
	Portfolio	MSCI ACWI ex-US Small Cap
No. of Securities	236	4,226
Wgt. Avg. Market Cap (000's)	2,829	2,006
Price to Book Ratio	1.8	1.5
Return on Equity	13.3%	11.4%

Ten Holdings		Best Performers (Absolute Return %)		Worst Performers (Absolute Return %)	
HIKMA PHARMACEUTICALS PLC	2.0	HYUNDAI WIA CORP	31.6	TRICAN WELL SERVICE LTD	(84.4)
TECHTRONIC INDUSTRIES CO LTD	1.7	T SUKUI CORP	23.0	TEGMAGESTAO LOGISTICA	(74.6)
REGUS PLC	1.5	TREASURY WINE ESTATES LTD	22.0	COPPER MOUNTAIN MINING CORP	(67.9)
OBIC CO LTD	1.5	TECAN GROUP AG	17.4	PREMIER OIL PLC	(57.4)
NIHON PARKERIZING CO LTD	1.1	DEUTSCHE WOHNEN (BR)	16.6	BYD ELECTRONIC INTL CO LTD	(54.1)
REDROW PLC	1.0	HIKMA PHARMACEUTICALS PLC	14.3	AWE LTD	(52.9)
CONSTELLATION SOFTWARE INC	0.9	REGUS PLC	14.2	MINERAL DEPOSITS LTD	(50.5)
GRAND CITY PROPERTIES SA	0.9	UNITED INTERNET AG (REG)	14.0	MILLS ESTRUTURAS E SERVICOS	(47.9)
SURUGA BANK LTD	0.9	INTRUM JUSTITIA AB (SWED)	13.7	CANFOR CORP NEW	(45.5)
MELIA HOTELS INTERNATIONAL SA	0.9	TECHTRONIC INDUSTRIES CO LTD	13.4	SANKEN ELECTRIC CO LTD	(45.2)

Regional Weights



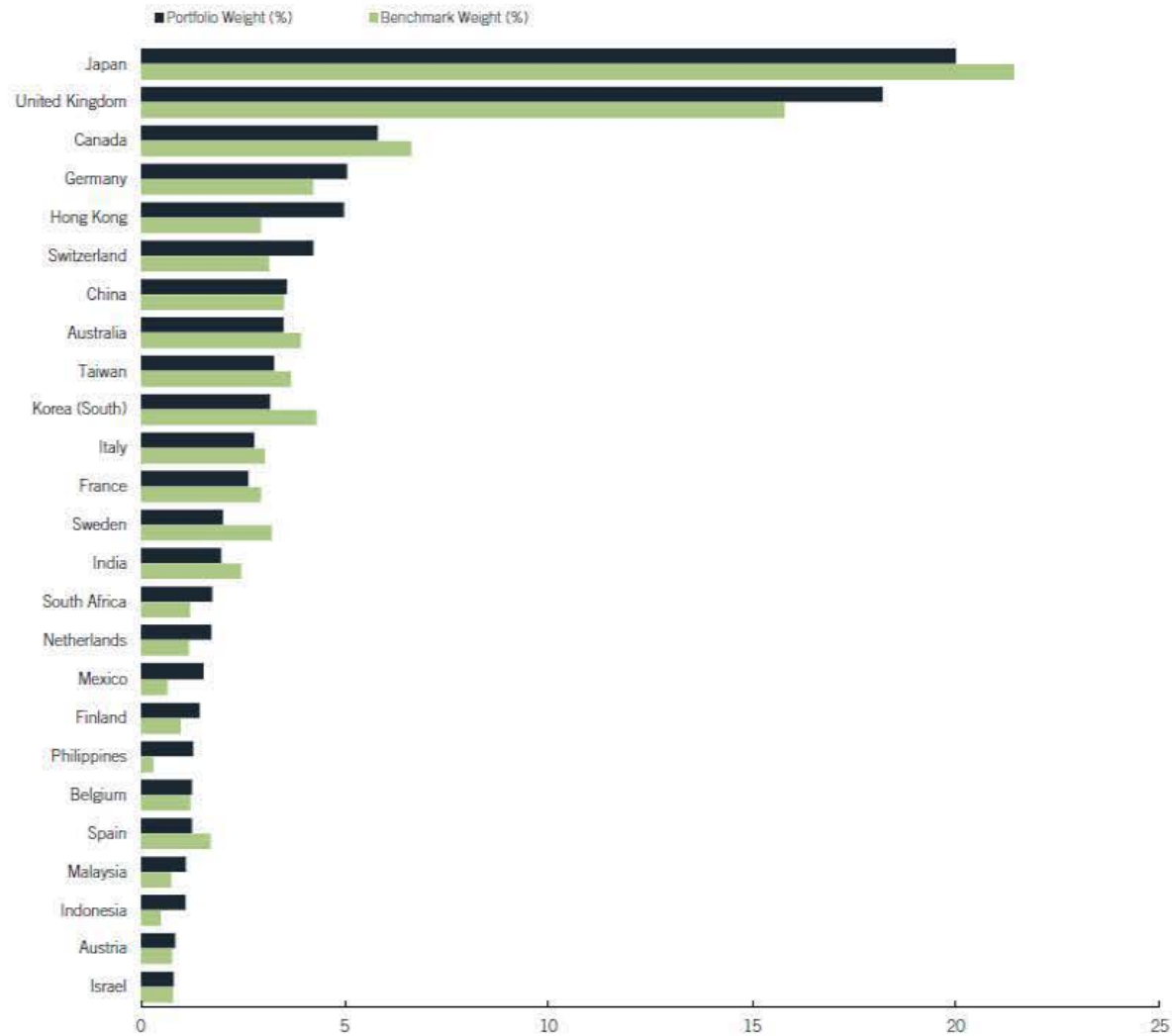
Sector Weights



Sector breakdowns are only applied to equities and convertibles and the allocation percentages may not add to 100%.

Benchmark: MSCI AC Wid Sm Cap xUS(N)

Top 25 Country Weights



Benchmark: MSCI AC Wid Sm Cap xUS(N)

InvestorForce All DB Emg Mkt Eq Net Accounts



	Quarter		YTD		1 Year		2 Years		3 Years		5 Years		7 Years		10 Years	
Return (Rank)																
5th Percentile	-12.2	(19)	-10.7	(46)	-13.9	(83)	-3.9	(59)	-1.3	(37)	-1.1	--	4.9	--	4.9	--
25th Percentile	-15.6	(74)	-13.8	(53)	-17.0	(45)	-7.2	(35)	-4.2	(51)	-2.6	(40)	3.2	(29)	4.3	(15)
Median	-16.5		-15.1		-19.5		-8.3		-4.9		-3.7		2.0		3.9	
75th Percentile	-17.9		-16.1		-21.1		-9.5		-5.9		-5.1		1.1		2.8	
95th Percentile	-19.2		-18.1		-23.2		-11.0		-7.0		-6.4		-0.9		1.4	
# of Portfolios	69		67		66		60		54		28		16		10	
● Emerging Markets	-15.2	(19)	-14.9	(46)	-22.2	(83)	-8.5	(59)	-4.5	(37)	--	(--)	--	(--)	--	(--)
▲ MSCI Emerging Markets Gross	-17.8	(74)	-15.2	(53)	-19.0	(45)	-7.9	(35)	-4.9	(51)	-3.2	(40)	2.9	(29)	4.6	(15)

San Mateo County Employees' Retirement Association
Equity Only Summary Statistics - Parametric Core

Quarter Ending September 30, 2015

Characteristics

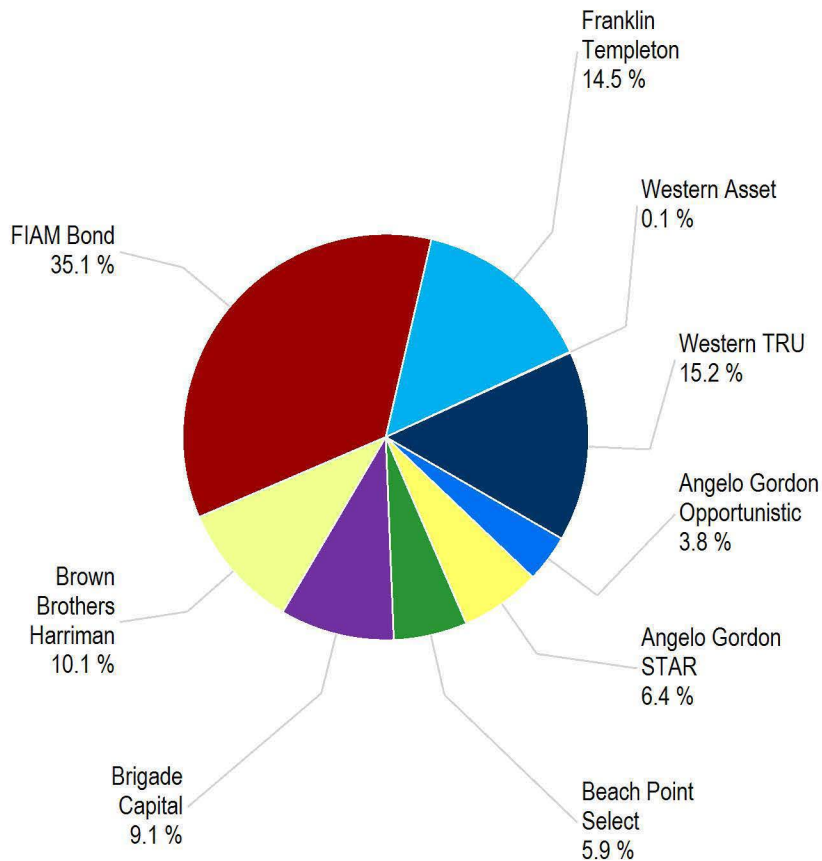
	Portfolio	MSCI Emerging Markets Gross
Number of Holdings	1,012	837
Weighted Avg. Market Cap. (\$B)	15.3	33.6
Median Market Cap. (\$B)	3.0	4.2
Price To Earnings	17.9	17.0
Price To Book	2.9	2.3
Price To Sales	2.7	2.5
Return on Equity (%)	15.5	17.2
Yield (%)	3.2	3.0
Beta (holdings: global)	1.0	0.9

Top Holdings

AMERICA MOVIL SAB DE CV SPN.ADR 'L' 1:20	1.1%
CHINA MOBILE	0.9%
OAD GAZPROM SPN.ADR 1:2	0.8%
SASOL	0.8%
TAIWAN SEMICON.MNFG.	0.8%
MAGNIT	0.8%
CIELO ON	0.7%
SBERBANK OF RUSSIA	0.7%
MTN GROUP	0.7%
GRUPO TELEVISA SPN.ADR 1:5	0.6%

San Mateo County Employees' Retirement Association
 Manager Allocation Analysis - Total Fixed Income

As of September 30, 2015



	Actual \$	Actual %	Manager Contribution to Excess Return %
Angelo Gordon Opportunistic	\$25,255,500	3.8%	-0.0%
Angelo Gordon STAR	\$42,646,000	6.4%	-0.0%
Beach Point Select	\$39,072,835	5.9%	0.1%
Brigade Capital	\$60,722,021	9.1%	-0.3%
Brown Brother Harriman	\$67,265,247	10.1%	-0.1%
Franklin Templeton	\$233,806,044	35.1%	-0.2%
Pyramis Bond	\$96,635,208	14.5%	-1.1%
Western Asset	\$532,794	0.1%	0.0%
Western Asset TRU	\$101,115,741	15.2%	0.0%
Actual vs. Policy Weight Difference			0.1%
Total	\$667,051,390	100.0%	-1.5%

Statistics Summary

3 Years

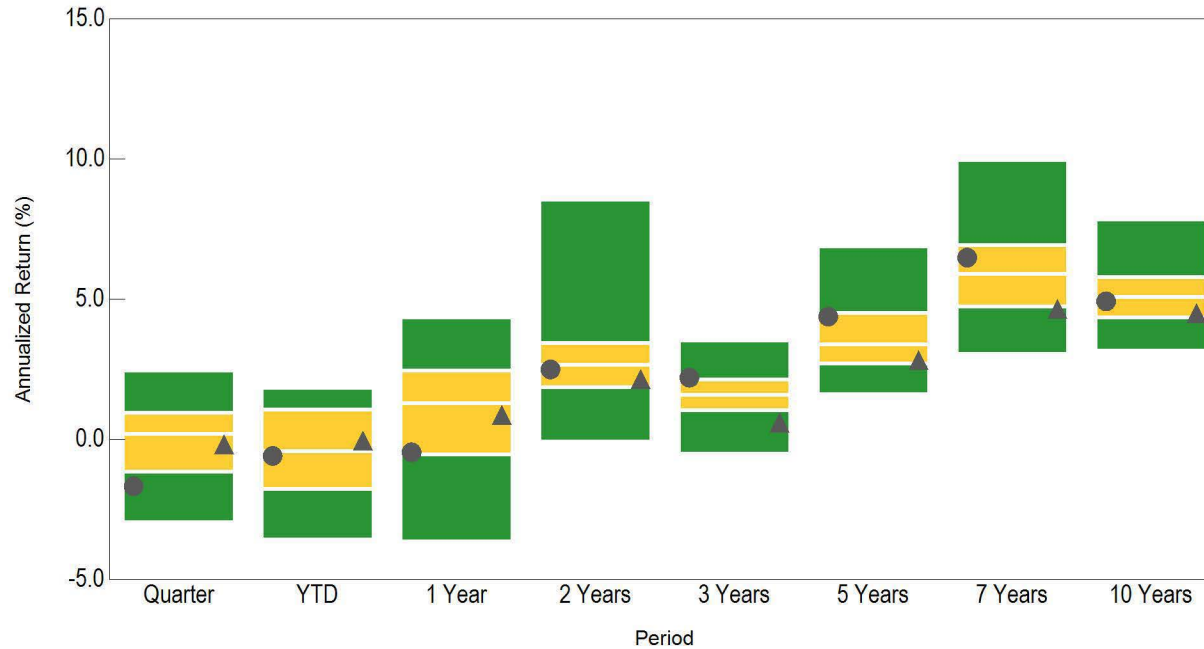
	Anlzd Return	Anlzd Standard Deviation	Sharpe Ratio	Information Ratio	Tracking Error
Total Fixed Income	2.2%	3.1%	0.7	1.1	1.5%
Blended Fixed Index	0.6%	3.3%	0.2	--	0.0%
US Fixed Income	2.3%	2.8%	0.8	1.2	1.1%
Blended US Fixed Index	1.0%	3.3%	0.3	--	0.0%
FIAM Bond	2.0%	3.1%	0.6	0.5	0.5%
Barclays Aggregate	1.7%	2.9%	0.6	--	0.0%
Brown Brothers Harriman	-2.6%	4.6%	-0.6	-0.6	1.3%
Barclays US TIPS	-1.8%	5.1%	-0.4	--	0.0%
Brigade Capital	2.0%	4.7%	0.4	0.2	3.7%
Barclays BA Intermediate HY	1.1%	4.8%	0.2	--	0.0%
Franklin Templeton	0.9%	5.9%	0.1	0.4	5.4%
Barclays Multi-verse	-1.5%	3.8%	-0.4	--	0.0%

Statistics Summary

5 Years

	Anlzd Return	Anlzd Standard Deviation	Sharpe Ratio	Information Ratio	Tracking Error
Total Fixed Income	4.4%	3.4%	1.3	0.7	2.2%
Blended Fixed Index	2.8%	3.3%	0.9	--	0.0%
US Fixed Income	4.5%	2.8%	1.6	0.9	1.6%
Blended US Fixed Index	3.2%	3.3%	1.0	--	0.0%
FIAM Bond	3.7%	2.9%	1.3	1.0	0.6%
Barclays Aggregate	3.1%	2.8%	1.1	--	0.0%
Brown Brothers Harriman	2.1%	4.9%	0.4	-0.4	1.1%
Barclays US TIPS	2.5%	5.2%	0.5	--	0.0%
Brigade Capital	5.2%	4.8%	1.1	0.3	4.0%
Barclays BA Intermediate HY	4.0%	4.8%	0.8	--	0.0%

InvestorForce All DB Total Fix Inc Net Accounts



	Quarter	YTD	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years
5th Percentile	2.4	1.8	4.3	8.5	3.5	6.9	10.0	7.8
25th Percentile	1.0	1.1	2.5	3.5	2.1	4.5	7.0	5.8
Median	0.2	-0.4	1.3	2.7	1.6	3.4	5.9	5.1
75th Percentile	-1.1	-1.8	-0.5	1.9	1.1	2.7	4.8	4.4
95th Percentile	-2.9	-3.6	-3.6	-0.1	-0.5	1.6	3.1	3.2
# of Portfolios	287	285	283	272	262	202	186	142
● Total Fixed Income	-1.7 (84)	-0.6 (54)	-0.5 (75)	2.5 (58)	2.2 (24)	4.4 (28)	6.5 (36)	4.9 (54)
▲ Blended Fixed Index	-0.2 (59)	-0.1 (46)	0.9 (59)	2.1 (69)	0.6 (87)	2.8 (73)	4.7 (77)	4.5 (71)

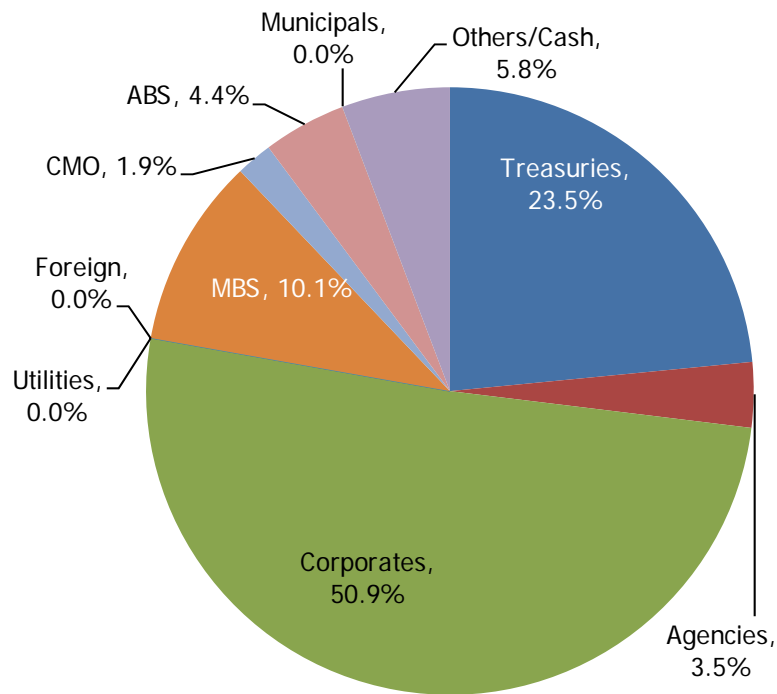
InvestorForce All DB US Fix Inc Net Accounts



	Return (Rank)							
	Quarter	YTD	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years
5th Percentile	2.6	2.0	4.1	9.0	3.6	6.8	9.4	7.1
25th Percentile	1.1	1.2	2.6	4.5	2.5	4.8	7.1	5.6
Median	0.6	0.3	1.9	3.1	1.8	3.6	6.0	4.9
75th Percentile	-0.4	-1.4	0.7	2.4	1.3	2.9	4.8	4.3
95th Percentile	-2.1	-3.5	-1.3	1.3	0.5	1.9	3.3	3.7
# of Portfolios	384	383	382	350	337	270	232	165
● US Fixed Income	-0.8 (82)	0.4 (48)	1.0 (72)	3.1 (50)	2.3 (31)	4.5 (28)	6.6 (37)	5.0 (46)
▲ Blended US Fixed Index	-0.3 (74)	0.4 (49)	1.7 (56)	2.7 (61)	1.0 (89)	3.2 (66)	4.9 (74)	4.7 (61)

Fixed Income Sector Allocation – US Fixed Income

As of September 30, 2015



Sector*	Account Weight	BC Aggregate Weight	Difference
Treasuries	23.5%	36.5%	-13.0%
Agencies	3.5%	8.6%	-5.1%
Corporates	50.9%	24.0%	26.8%
Utilities	0.0%	0.0%	0.0%
Foreign	0.0%	0.0%	0.0%
MBS	10.1%	28.4%	-18.3%
CMO	1.9%	0.0%	1.9%
ABS	4.4%	2.5%	1.9%
Municipals	0.0%	0.0%	0.0%
Others/Cash	5.8%	0.0%	5.8%
TOTAL	100.0%	100.0%	0.0%

* Sector Allocation excludes Opportunistic Credit Managers.

Bond Summary Statistics – US Fixed Income

As of September 30, 2015

Portfolio Characteristics*		Portfolio	BC Aggregate
Total Number of Securities			
Total Market Value	\$	402,187,032	
Current Coupon		2.21	3.21
Yield to Maturity		2.71	2.38
Average Life		6.43	7.64
Duration		4.54	5.46
Quality		AA-	AA

Yield to Maturity	
Range	% Held
0.0 - 5.0	n/a
5.0 - 7.0	n/a
7.0 - 9.0	n/a
9.0 - 11.0	n/a
11.0 - 13.0	n/a
13.0+	n/a
Unclassified	n/a

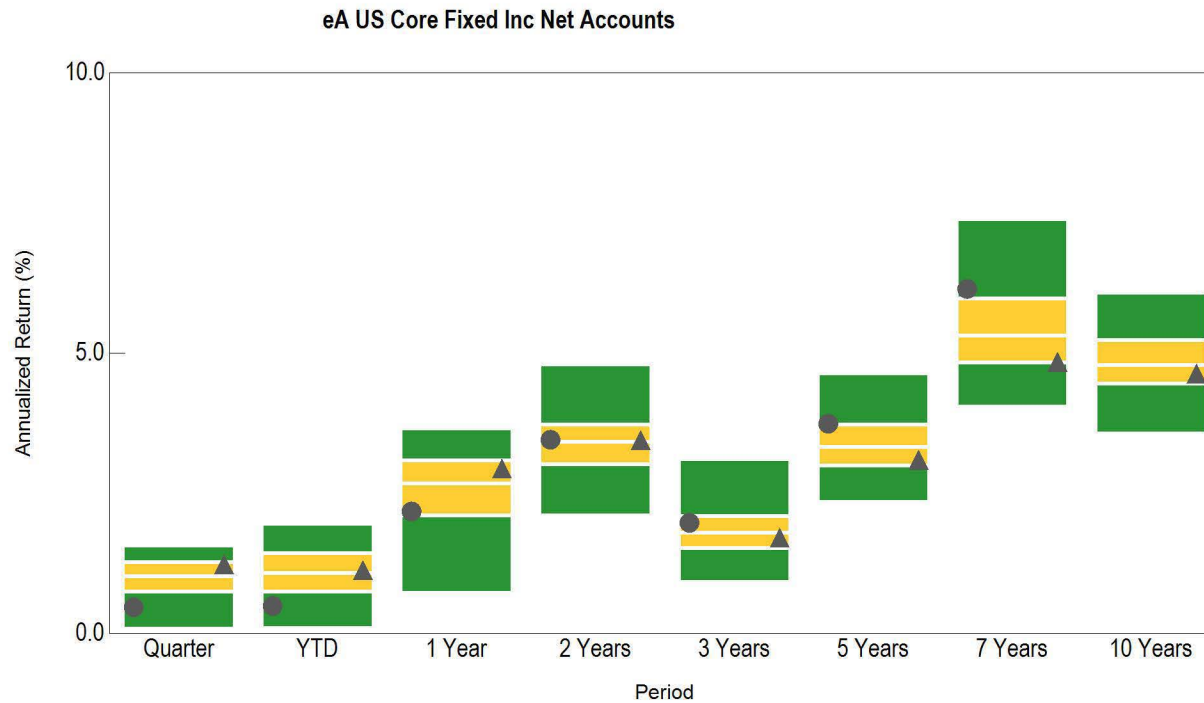
Average Life	
Range	% Held
0.0 - 1.0	4.0
1.0 - 3.0	16.7
3.0 - 5.0	20.1
5.0 - 10.0	48.0
10.0 - 20.0	3.3
20.0+	6.6
Unclassified	1.3

Duration	
Range	% Held
0.0 - 1.0	11.5
1.0 - 3.0	43.3
3.0 - 5.0	21.6
5.0 - 7.0	10.7
7.0 - 10.0	6.1
10.0+	6.9
Unclassified	0.0

Quality	
Range	% Held
Govt (10)	43.1
Aaa (10)	-2.6
Aa (9)	1.7
A (8)	14.3
Baa (7)	39.3
Below Baa (6-1)	0.3
Other	3.7

Coupon	
Range	% Held
0.0 - 5.0	82.1
5.0 - 7.0	13.0
7.0 - 9.0	1.9
9.0 - 11.0	0.1
11.0 - 13.0	0.0
13.0+	0.0
Unclassified	2.9

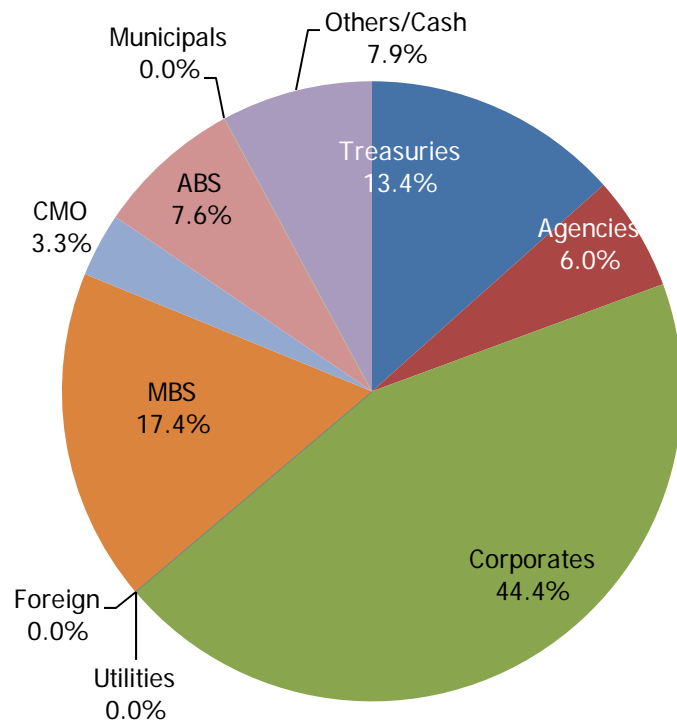
* Characteristics excludes Opportunistic Credit Managers.



	Quarter	YTD	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years
5th Percentile	1.6	1.9	3.6	4.8	3.1	4.6	7.4	6.1
25th Percentile	1.3	1.4	3.1	3.7	2.1	3.7	6.0	5.2
Median	1.0	1.1	2.7	3.4	1.8	3.3	5.3	4.8
75th Percentile	0.7	0.7	2.1	3.0	1.5	3.0	4.8	4.5
95th Percentile	0.1	0.1	0.7	2.1	0.9	2.3	4.1	3.6
# of Portfolios	113	109	106	105	101	94	88	76
● FIAM Bond	0.5 (88)	0.5 (86)	2.2 (74)	3.5 (48)	2.0 (38)	3.7 (24)	6.1 (18)	-- (--)
▲ Barclays Aggregate	1.2 (31)	1.1 (48)	2.9 (32)	3.4 (50)	1.7 (54)	3.1 (67)	4.8 (75)	4.6 (68)

Fixed Income Sector Allocation – FIAM Bond Market Duration Pool

As of September 30, 2015



Sector	Account Weight	BC Aggregate Weight	Difference
Treasuries	13.4%	36.5%	-23.1%
Agencies	6.0%	8.6%	-2.7%
Corporates	44.4%	24.0%	20.4%
Utilities	0.0%	0.0%	0.0%
Foreign	0.0%	0.0%	0.0%
MBS	17.4%	28.4%	-11.0%
CMO	3.3%	0.0%	3.3%
ABS	7.6%	2.5%	5.1%
Municipals	0.0%	0.0%	0.0%
Others/Cash	7.9%	0.0%	7.9%
TOTAL	100.0%	100.0%	0.0%

Bond Summary Statistics – FIAM Bond Market Duration Pool

As of September 30, 2015

Portfolio Characteristics		Portfolio
Total Number of Securities		1,904
Total Market Value	\$	233,806,044
Current Coupon		3.56
Yield to Maturity		2.80
Average Life		8.17
Duration		5.45
Quality		AA-

BC Aggregate	
Current Coupon	3.21
Yield to Maturity	2.38
Average Life	7.64
Duration	5.46
Quality	AA

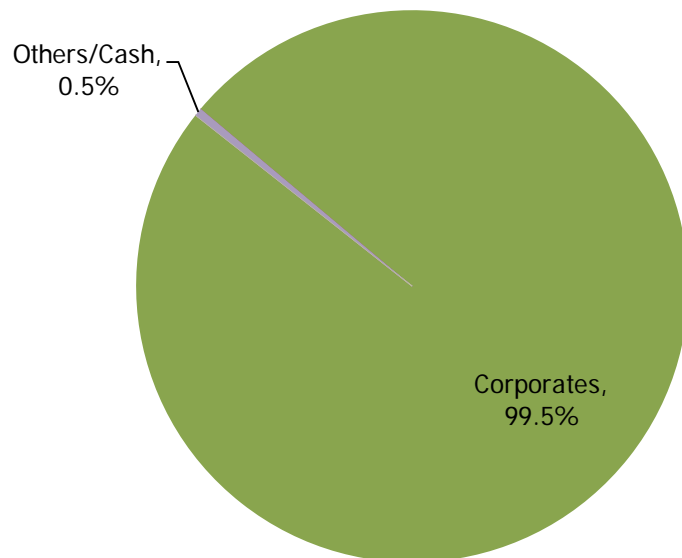
Yield to Maturity	
Range	% Held
0.0 - 5.0	90.2
5.0 - 7.0	6.6
7.0 - 9.0	1.6
9.0 - 11.0	0.4
11.0 - 13.0	0.6
13.0+	0.5
Unclassified	0.1

Average Life	
Range	% Held
0.0 - 1.0	1.4
1.0 - 3.0	21.4
3.0 - 5.0	23.0
5.0 - 10.0	37.4
10.0 - 20.0	3.1
20.0+	11.4
Unclassified	2.3

Duration	
Range	% Held
0.0 - 1.0	7.5
1.0 - 3.0	24.9
3.0 - 5.0	28.7
5.0 - 7.0	18.1
7.0 - 10.0	9.0
10.0+	11.8
Unclassified	0.0

Quality	
Range	% Held
Govt (10)	47.2
Aaa (10)	4.4
Aa (9)	3.0
A (8)	24.6
Baa (7)	24.6
Below Baa (6-1)	0.6
Other	4.4

Coupon	
Range	% Held
0.0 - 5.0	69.2
5.0 - 7.0	22.4
7.0 - 9.0	3.3
9.0 - 11.0	0.1
11.0 - 13.0	0.0
13.0+	0.0
Unclassified	5.0



Sector	Account Weight	BC Aggregate Weight	Difference
Treasuries	0.0%	36.5%	-36.5%
Agencies	0.0%	8.6%	-8.6%
Corporates	99.5%	24.0%	75.5%
Utilities	0.0%	0.0%	0.0%
Foreign	0.0%	0.0%	0.0%
MBS	0.0%	28.4%	-28.4%
CMO	0.0%	0.0%	0.0%
ABS	0.0%	2.5%	-2.5%
Municipals	0.0%	0.0%	0.0%
Others/Cash	0.5%	0.0%	0.5%
TOTAL	100.0%	100.0%	0.0%

Bond Summary Statistics – Western TRU

As of September 30, 2015

Portfolio Characteristics		Portfolio	BC Aggregate
Total Number of Securities		3	
Total Market Value	\$	101,115,741	
Current Coupon		0.00	3.21
Yield to Maturity		3.94	2.38
Average Life		6.69	7.64
Duration		2.18	5.46
Quality		BBB+	AA

Yield to Maturity	
Range	% Held
0.0 - 5.0	n/a
5.0 - 7.0	n/a
7.0 - 9.0	n/a
9.0 - 11.0	n/a
11.0 - 13.0	n/a
13.0+	n/a
Unclassified	n/a

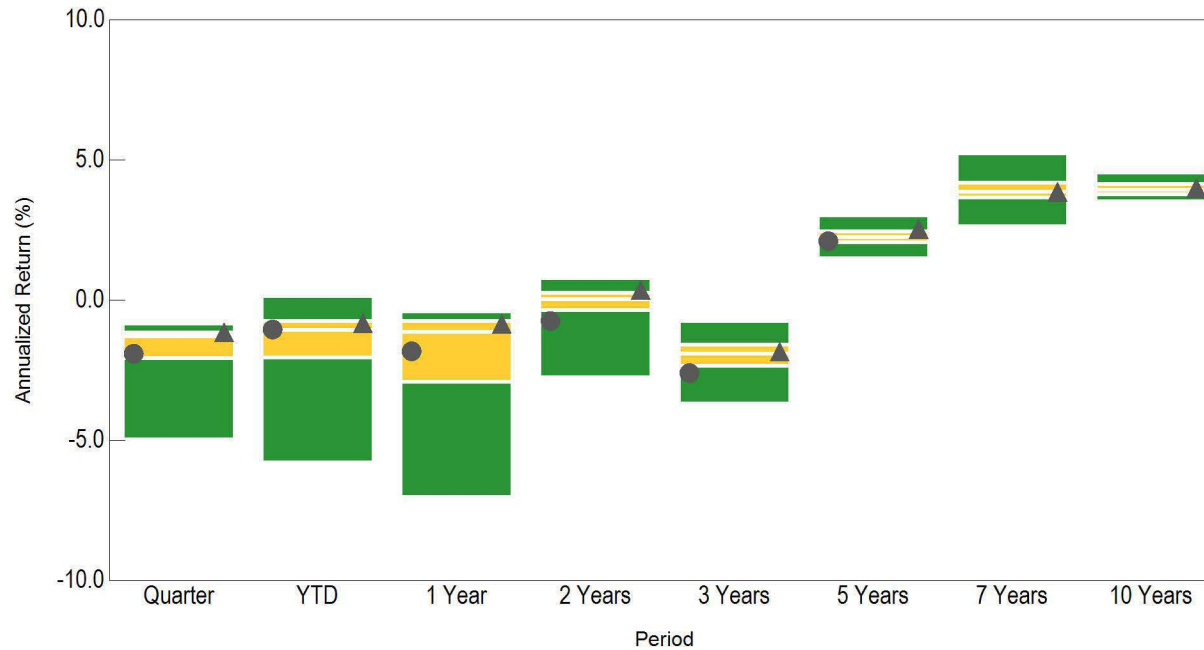
Average Life	
Range	% Held
0.0 - 1.0	0.5
1.0 - 3.0	0.0
3.0 - 5.0	0.0
5.0 - 10.0	99.5
10.0 - 20.0	0.0
20.0+	0.0
Unclassified	0.0

Duration	
Range	% Held
0.0 - 1.0	0.5
1.0 - 3.0	99.5
3.0 - 5.0	0.0
5.0 - 7.0	0.0
7.0 - 10.0	0.0
10.0+	0.0
Unclassified	0.0

Quality	
Range	% Held
Govt (10)	0.0
Aaa (10)	0.0
Aa (9)	0.0
A (8)	0.0
Baa (7)	99.5
Below Baa (6-1)	0.0
Other	0.5

Coupon	
Range	% Held
0.0 - 5.0	100.0
5.0 - 7.0	0.0
7.0 - 9.0	0.0
9.0 - 10.0	0.0
10.0+	0.0
Unclassified	0.0

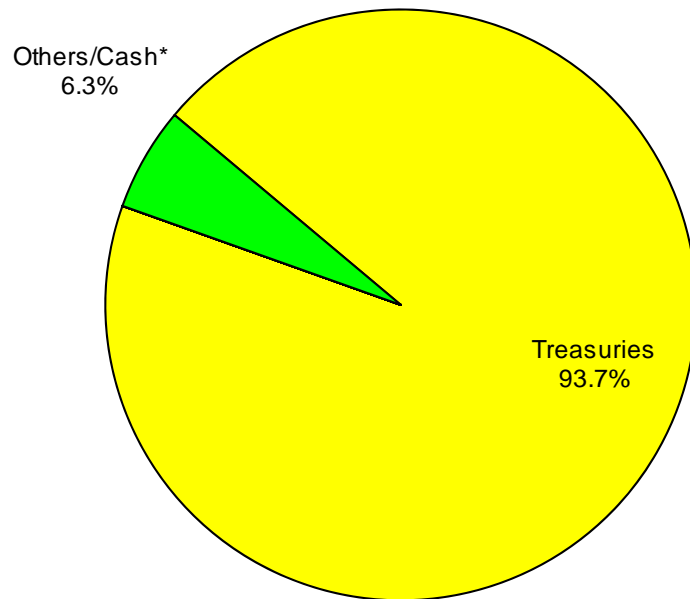
eA TIPS / Infl Indexed Fixed Inc Net Accounts



	Quarter	YTD	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years
5th Percentile	-0.8	0.1	-0.4	0.8	-0.8	3.0	5.2	4.6
25th Percentile	-1.1	-0.7	-0.7	0.3	-1.6	2.5	4.2	4.2
Median	-1.3	-1.0	-1.1	0.0	-1.9	2.3	3.9	3.9
75th Percentile	-2.1	-2.0	-2.9	-0.3	-2.3	2.1	3.7	3.8
95th Percentile	-5.0	-5.8	-7.0	-2.7	-3.7	1.5	2.6	3.5
# of Portfolios	20	19	19	19	18	15	13	10
● Brown Brothers Harriman	-1.9 (73)	-1.0 (50)	-1.8 (65)	-0.7 (87)	-2.6 (86)	2.1 (73)	-- (--)	-- (--)
▲ Barclays US TIPS	-1.1 (33)	-0.8 (28)	-0.8 (30)	0.4 (20)	-1.8 (48)	2.5 (21)	3.9 (52)	4.0 (41)

Fixed Income Sector Allocation – Brown Brothers Harriman

As of September 30, 2015



Sector	Account Weight	ML TIPS Index	Difference
Treasuries	93.7%	100.0%	-6.3%
Agencies	0.0%	0.0%	0.0%
Corporates	0.0%	0.0%	0.0%
Utilities	0.0%	0.0%	0.0%
Foreign	0.0%	0.0%	0.0%
MBS	0.0%	0.0%	0.0%
CMO	0.0%	0.0%	0.0%
ABS	0.0%	0.0%	0.0%
Municipals	0.0%	0.0%	0.0%
Others/Cash*	6.3%	0.0%	6.3%
TOTAL	100.0%	100.0%	0.0%

* May include Derivatives, Futures, Swaps, Credit Default Swaps, Total Return Swaps or Currency Contracts.

Bond Summary Statistics – Brown Brothers Harriman

As of September 30, 2015

Portfolio Characteristics		
		Portfolio
Total Number of Securities		9
Total Market Value	\$	67,265,247
Current Coupon		0.81
Yield to Maturity		0.55
Average Life		
Duration		4.92
Quality		AAA

Barclays TIPS	
Total Number of Securities	36
Total Market Value	N/A
Current Coupon	1.14
Yield to Maturity	0.58
Average Life	
Duration	7.70
Quality	AAA

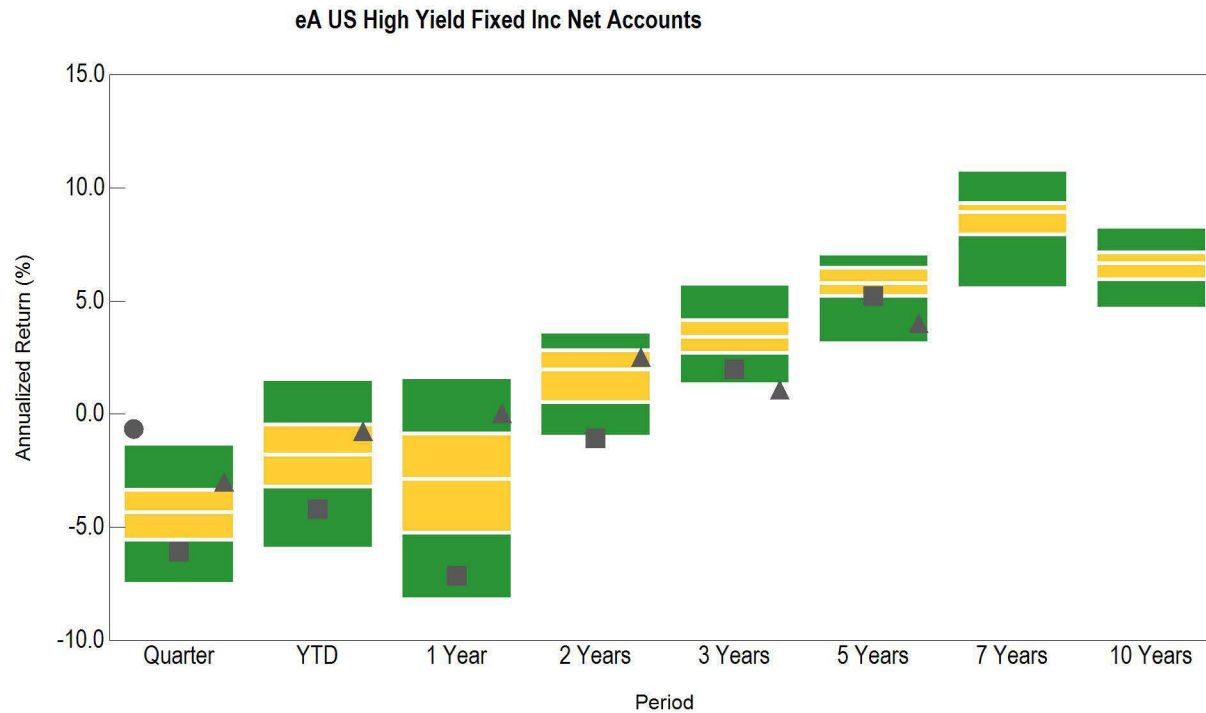
Yield to Maturity	
Range	% Held
0.0 - 5.0	100.0
5.0 - 7.0	n/a
7.0 - 9.0	n/a
9.0 - 11.0	n/a
11.0 - 13.0	n/a
13.0+	n/a
Unclassified	n/a

Average Life	
Range	% Held
0.0 - 3.0	18.5
3.0 - 5.0	25.1
5.0 - 10.0	40.1
10.0- 15.0	7.4
15.0+	8.9
Unclassified	0.0

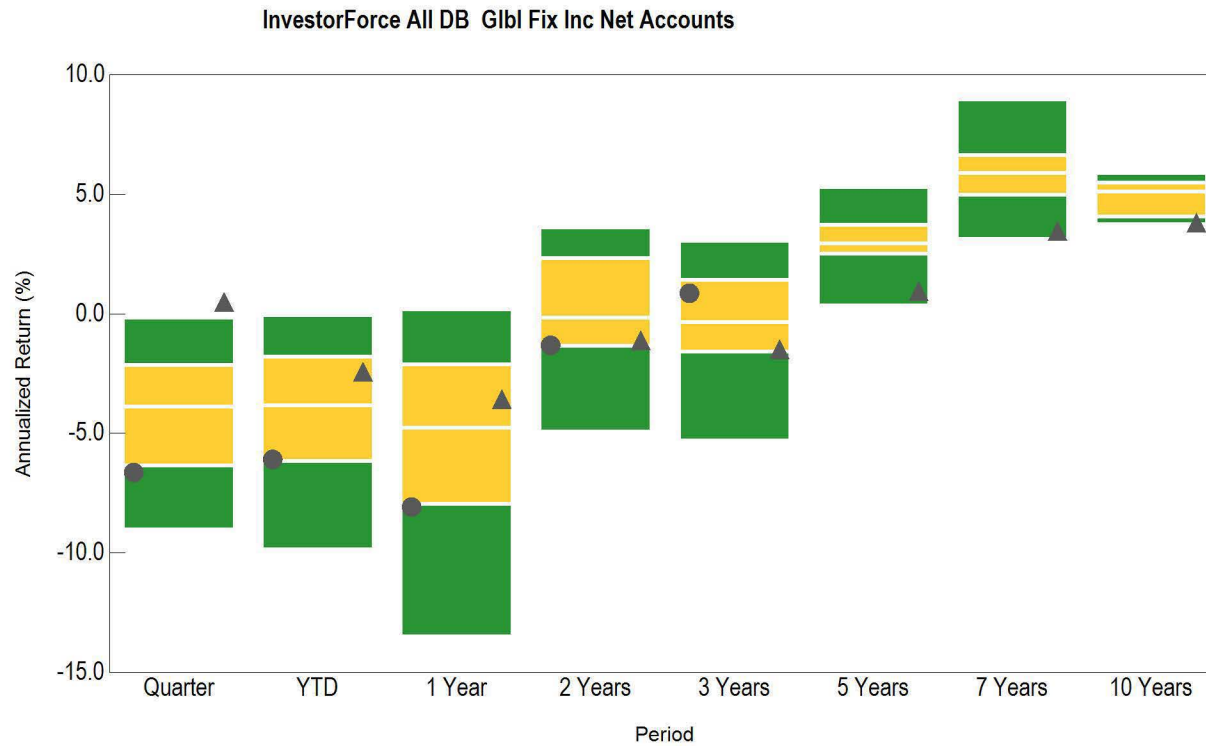
Duration	
Range	% Held
0.0 - 3.0	41.7
3.0 - 5.0	22.9
5.0 - 10.0	29.2
10.0- 15.0	0.9
15.0+	5.4
Unclassified	0.0

Quality	
Range	% Held
Govt (10)	93.7
Aaa (10)	0.0
Aa (9)	0.0
A (8)	0.0
Baa (7)	0.0
Below Baa (6-1)	0.0
Other	6.3

Coupon	
Range	% Held
0.0 - 5.0	100.0
5.0 - 7.0	0.0
7.0 - 9.0	0.0
9.0 - 11.0	0.0
11.0 - 13.0	0.0
13.0+	0.0
Unclassified	0.0

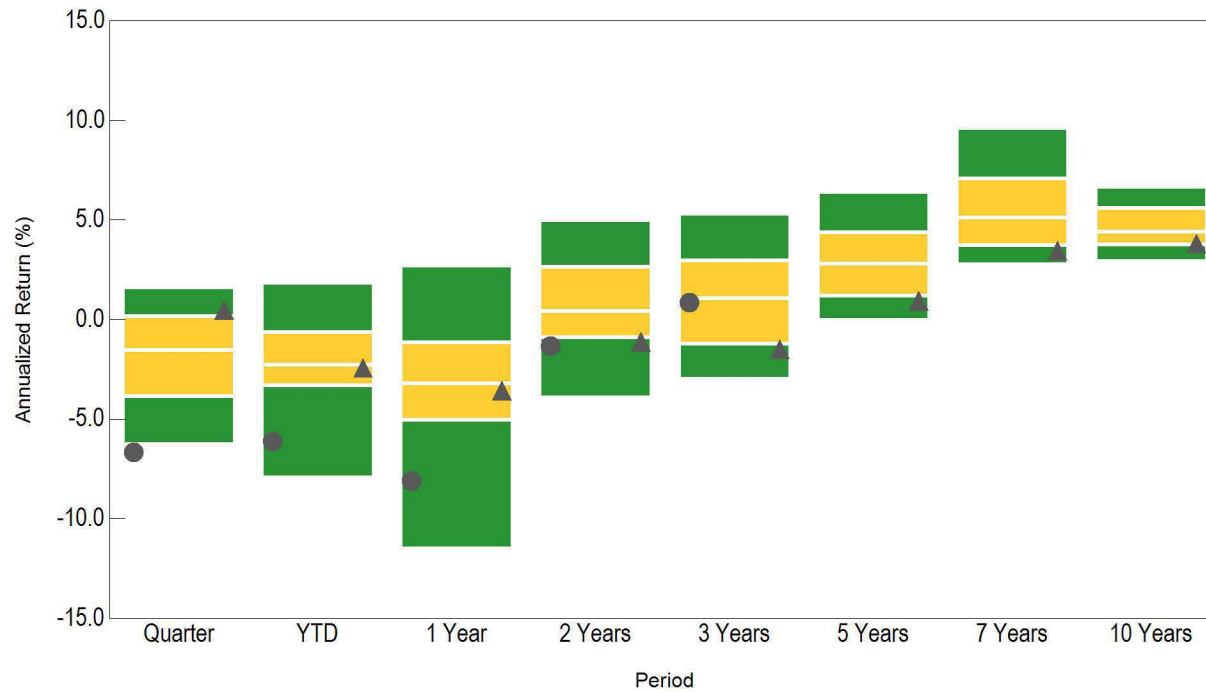


	Return (Rank)							
	Quarter	YTD	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years
5th Percentile	-1.3	1.5	1.6	3.6	5.8	7.1	10.8	8.3
25th Percentile	-3.3	-0.4	-0.8	2.8	4.2	6.5	9.4	7.2
Median	-4.3	-1.8	-2.8	2.0	3.4	5.8	9.0	6.7
75th Percentile	-5.5	-3.2	-5.2	0.5	2.7	5.2	8.0	6.0
95th Percentile	-7.5	-5.9	-8.2	-1.0	1.3	3.1	5.6	4.7
# of Portfolios	84	83	83	81	78	70	58	51
● Beach Point Select	-0.7 (3)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)
■ Brigade Capital	-6.1 (86)	-4.2 (90)	-7.2 (94)	-1.1 (96)	2.0 (92)	5.2 (77)	-- (--)	-- (--)
▲ Barclays BA Intermediate HY	-3.0 (18)	-0.8 (34)	0.0 (16)	2.5 (35)	1.1 (96)	4.0 (91)	-- (--)	-- (--)



	Quarter	YTD	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years
5th Percentile	-0.2	-0.1	0.2	3.6	3.0	5.3	9.0	5.9
25th Percentile	-2.1	-1.8	-2.1	2.4	1.4	3.7	6.7	5.5
Median	-3.9	-3.8	-4.8	-0.2	-0.3	3.0	5.9	5.1
75th Percentile	-6.3	-6.1	-7.9	-1.3	-1.6	2.5	5.0	4.1
95th Percentile	-9.0	-9.8	-13.5	-4.9	-5.3	0.4	3.2	3.8
# of Portfolios	36	35	33	30	28	20	15	10
● Global Fixed Income	-6.6 (83)	-6.1 (68)	-8.1 (82)	-1.3 (76)	0.9 (30)	-- (--)	-- (--)	-- (--)
▲ Barclays Multi-verse	0.5 (2)	-2.4 (41)	-3.6 (40)	-1.1 (69)	-1.5 (74)	0.9 (93)	3.5 (93)	3.8 (78)

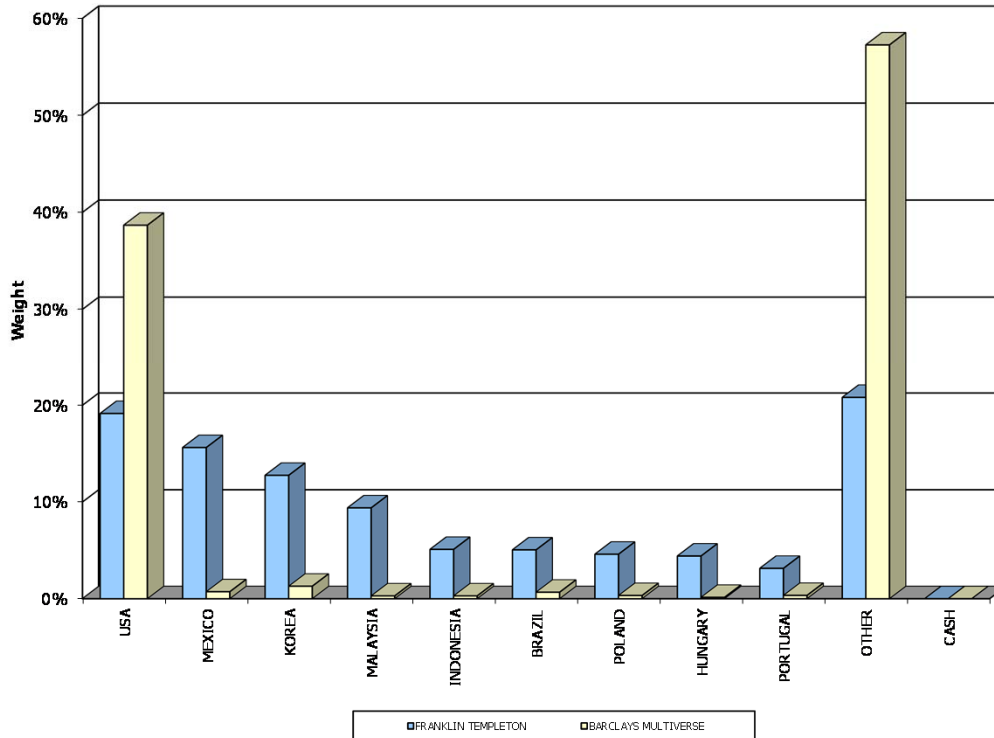
eA All Global Fixed Inc Net Accounts



	Quarter	YTD	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years
Return (Rank)								
5th Percentile	1.6	1.8	2.7	5.0	5.3	6.4	9.6	6.7
25th Percentile	0.2	-0.6	-1.1	2.7	3.0	4.4	7.1	5.6
Median	-1.5	-2.2	-3.2	0.5	1.1	2.8	5.1	4.4
75th Percentile	-3.8	-3.3	-5.0	-0.9	-1.2	1.2	3.7	3.8
95th Percentile	-6.2	-7.9	-11.5	-3.9	-2.9	0.0	2.8	3.0
# of Portfolios	159	158	155	151	141	111	91	66
● Franklin Templeton	-6.7 (97)	-6.1 (91)	-8.1 (92)	-1.3 (80)	0.9 (53)	-- (--)	-- (--)	-- (--)
▲ Barclays Multi-verse	0.5 (20)	-2.4 (57)	-3.6 (59)	-1.1 (79)	-1.5 (79)	0.9 (80)	3.5 (79)	3.8 (74)

Portfolio Country Weights – Franklin Templeton

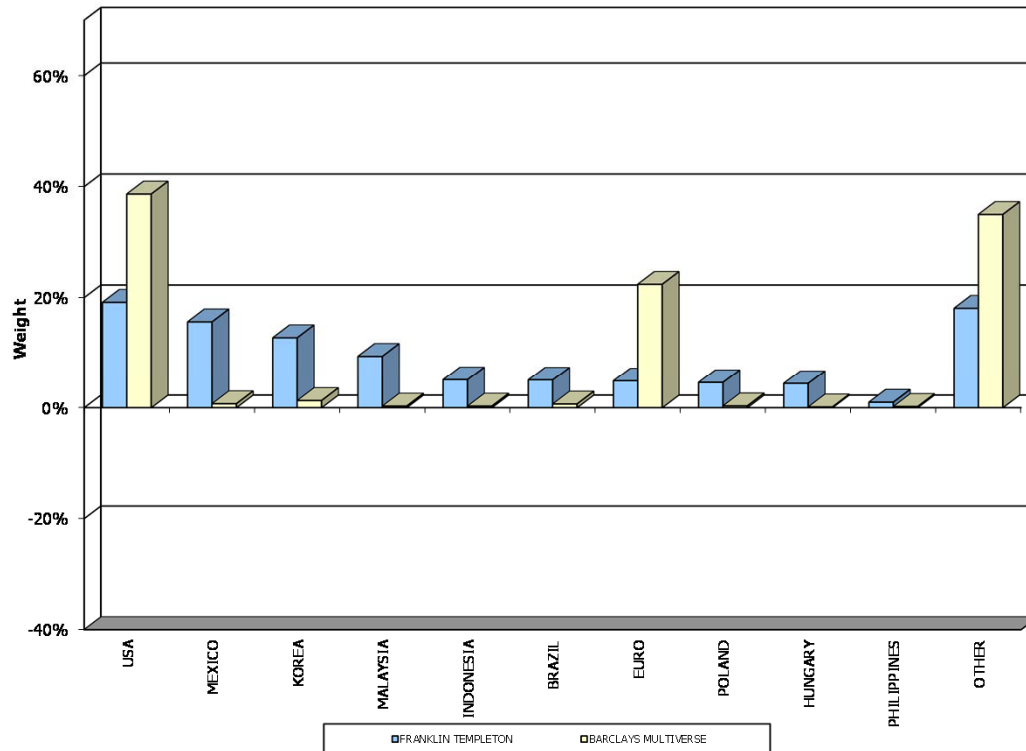
As of September 30, 2015



COUNTRY	MARKET VALUE	FRANKLIN TEMPLETON	BARCLAYS MULTIVERSE	DIFF
USA	\$ 18,498	19.1%	38.7%	-19.5%
MEXICO	\$ 15,097	15.6%	0.7%	+14.9%
KOREA	\$ 12,323	12.8%	1.3%	+11.5%
MALAYSIA	\$ 9,072	9.4%	0.3%	+9.1%
INDONESIA	\$ 4,925	5.1%	0.3%	+4.8%
BRAZIL	\$ 4,876	5.0%	0.7%	+4.4%
POLAND	\$ 4,442	4.6%	0.3%	+4.3%
HUNGARY	\$ 4,261	4.4%	0.1%	+4.3%
PORTUGAL	\$ 3,030	3.1%	0.3%	+2.8%
OTHER	\$ 20,110	20.8%	57.3%	-36.5%
CASH	\$ -	0.0%	0.0%	0.0%
	\$ 96,635	100.0%	100.0%	0.0%

Portfolio Currency Exposures – Franklin Templeton

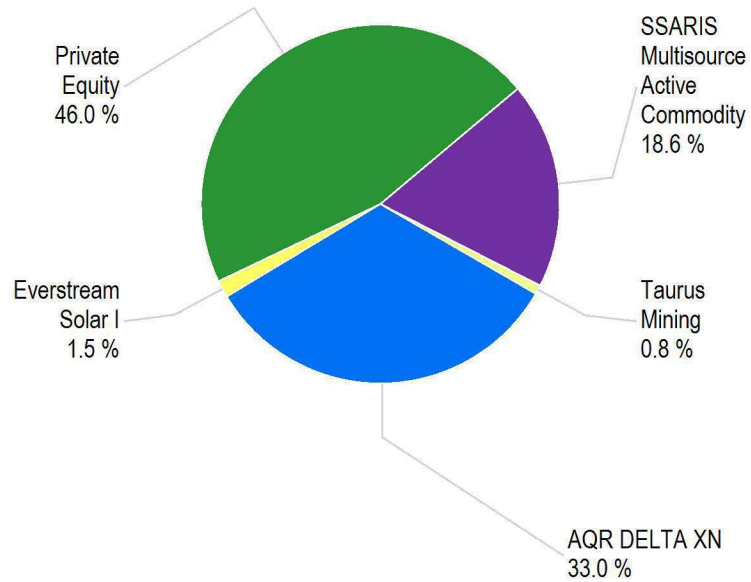
As of September 30, 2015



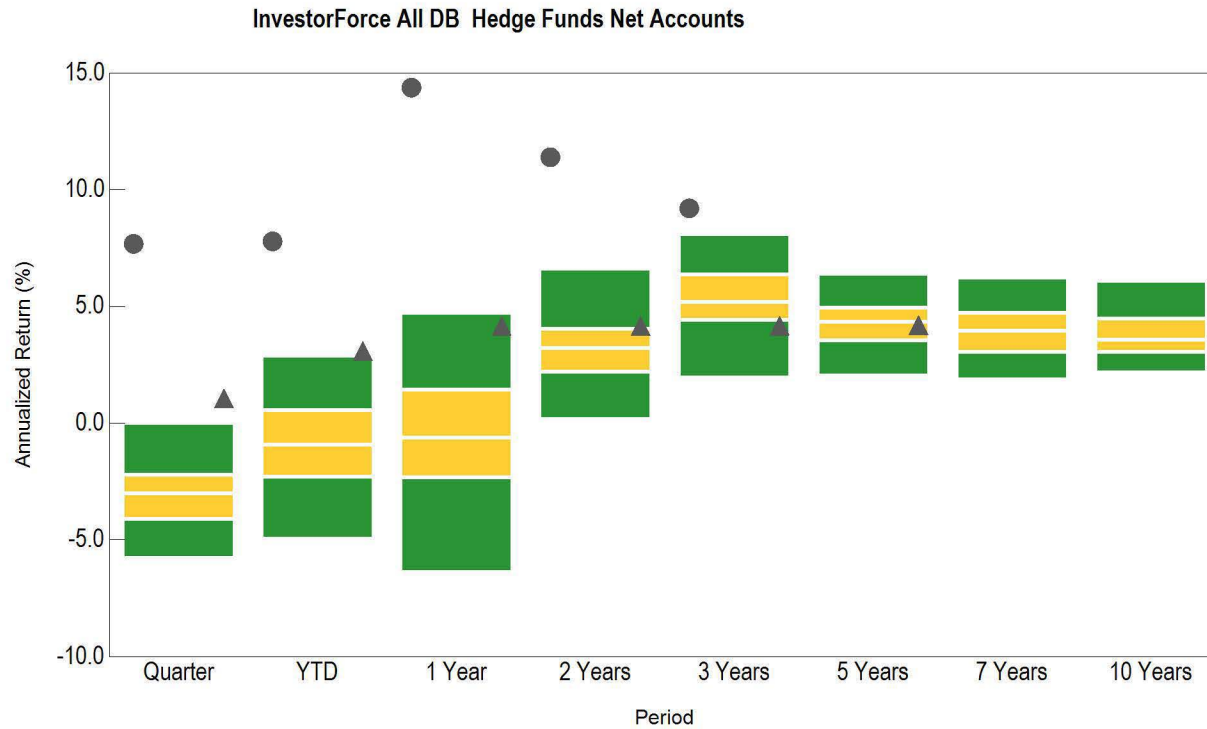
CURRENCY	MARKET VALUE	FRANKLIN TEMPLETON	BARCLAYS MULTIVERSE	DIFF
USA	\$ 18,498	19.1%	38.7%	-19.5%
MEXICO	\$ 15,097	15.6%	0.7%	+14.9%
KOREA	\$ 12,323	12.8%	1.3%	+11.5%
MALAYSIA	\$ 9,072	9.4%	0.3%	+9.1%
INDONESIA	\$ 4,925	5.1%	0.3%	+4.8%
BRAZIL	\$ 4,876	5.0%	0.7%	+4.4%
EURO	\$ 4,718	4.9%	22.4%	-17.5%
POLAND	\$ 4,442	4.6%	0.3%	+4.3%
HUNGARY	\$ 4,261	4.4%	0.1%	+4.3%
PHILIPPINES	\$ 962	1.0%	0.2%	+0.8%
OTHER	\$ 17,460	18.1%	35.0%	-16.9%
	\$ 96,635	100.0%	100.0%	0.0%

Manager Allocation Analysis - Alternatives

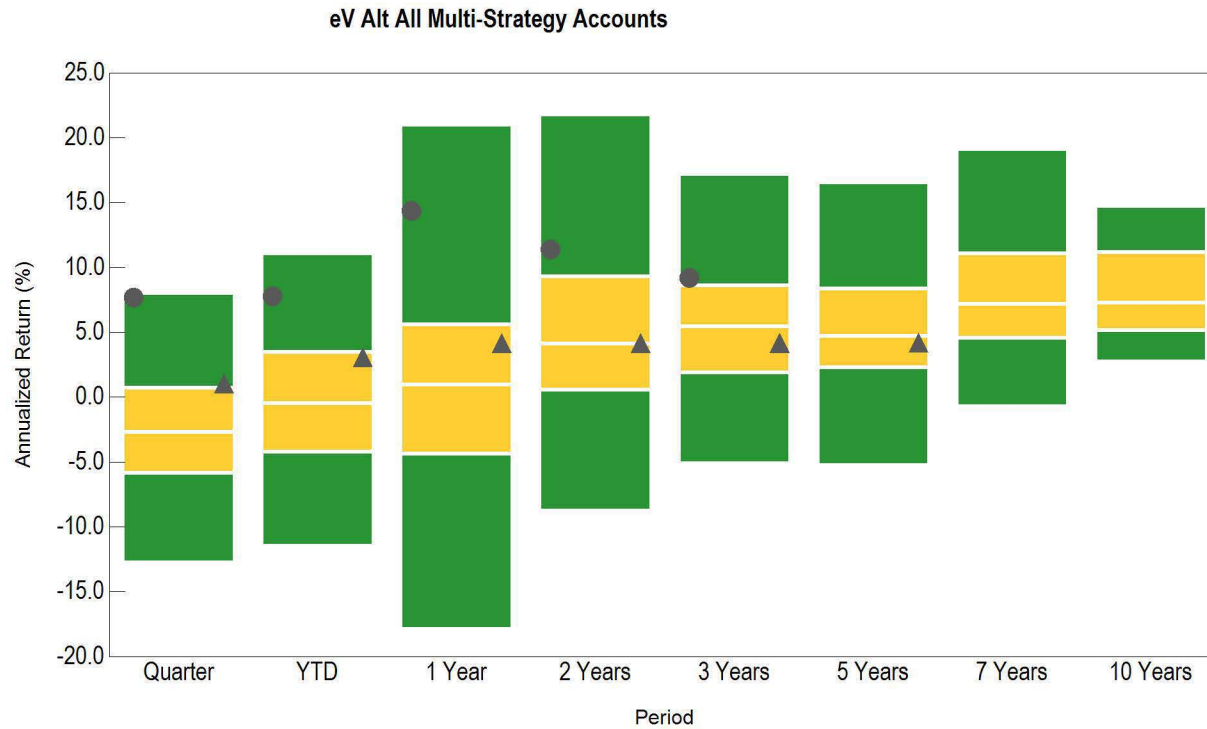
As of September 30, 2015



	Actual \$	Actual %	Manager Contribution to Excess Return %
AQR DELTA XN	\$150,407,863	33.0%	2.2%
Everstream Solar I	\$7,024,456	1.5%	0.0%
Private Equity	\$209,252,012	46.0%	4.5%
SSARIS Multisource Active Commodity	\$84,811,426	18.6%	-0.3%
Taurus Mining	\$3,738,267	0.8%	0.0%
Actual vs. Policy Weight Difference			0.1%
Total	\$455,234,024	100.0%	6.5%



	Return (Rank)							
	Quarter	YTD	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years
5th Percentile	0.0	2.9	4.7	6.6	8.1	6.4	6.2	6.1
25th Percentile	-2.2	0.6	1.4	4.1	6.4	5.0	4.7	4.5
Median	-3.0	-0.9	-0.6	3.2	5.2	4.4	4.0	3.6
75th Percentile	-4.1	-2.3	-2.3	2.2	4.5	3.6	3.1	3.1
95th Percentile	-5.7	-4.9	-6.3	0.2	2.0	2.0	1.9	2.2
# of Portfolios	201	200	199	190	181	138	103	47
● Hedge Fund	7.7 (1)	7.8 (1)	14.4 (1)	11.4 (1)	9.2 (3)	-- (--)	-- (--)	-- (--)
▲ Libor 1 month +4%	1.1 (2)	3.1 (5)	4.2 (7)	4.2 (24)	4.2 (81)	4.2 (57)	-- (--)	-- (--)

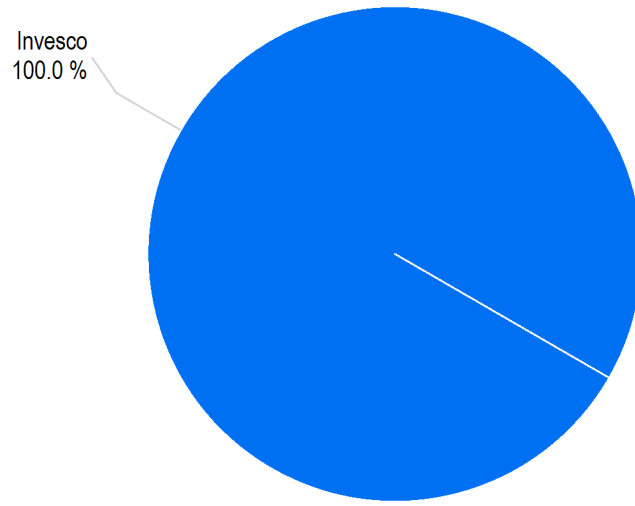


	Return (Rank)							
	Quarter	YTD	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years
5th Percentile	8.0	11.1	21.0	21.8	17.2	16.5	19.1	14.7
25th Percentile	0.8	3.5	5.7	9.4	8.7	8.4	11.1	11.2
Median	-2.6	-0.4	1.0	4.2	5.5	4.8	7.2	7.3
75th Percentile	-5.8	-4.2	-4.3	0.6	1.9	2.3	4.6	5.2
95th Percentile	-12.7	-11.4	-17.8	-8.7	-5.0	-5.2	-0.7	2.8
# of Portfolios	206	204	195	172	145	118	83	49
● AQR DELTA XN	7.7 (6)	7.8 (9)	14.4 (11)	11.4 (16)	9.2 (22)	-- (--)	-- (--)	-- (--)
▲ Libor 1 month +4%	1.1 (23)	3.1 (30)	4.2 (31)	4.2 (50)	4.2 (56)	4.2 (56)	-- (--)	-- (--)

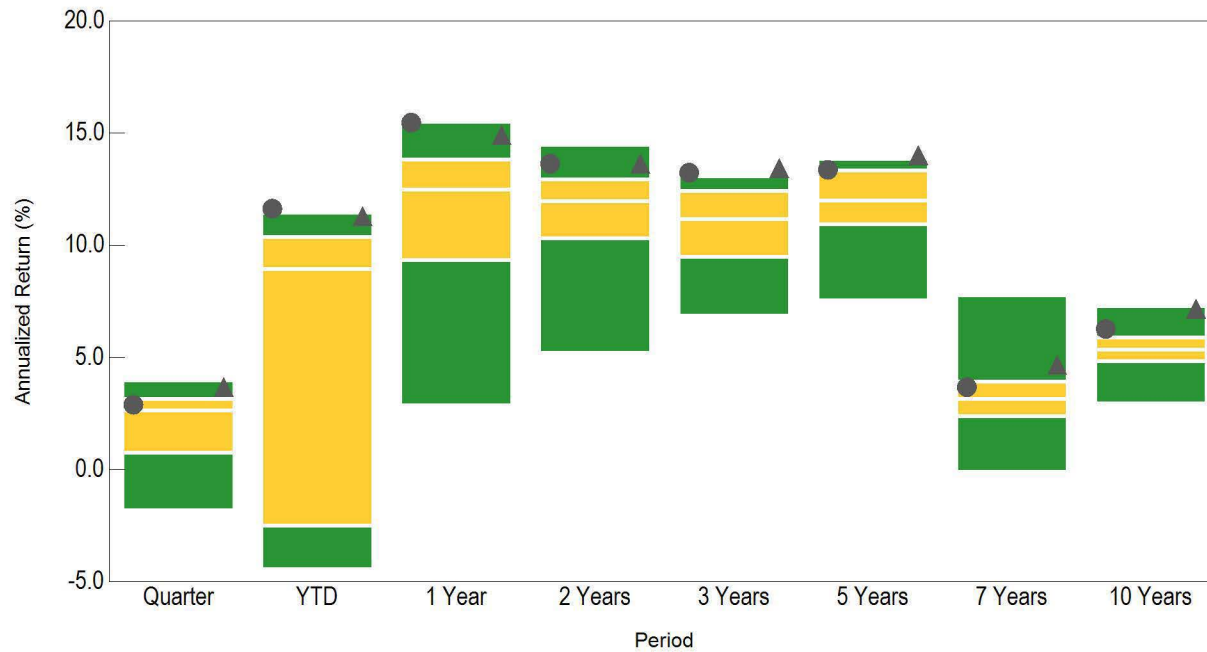
Manager Allocation Analysis - Real Estate

As of September 30, 2015

	Actual \$	Actual %
Invesco	\$224,787,469	100.0%
Total	\$224,787,469	



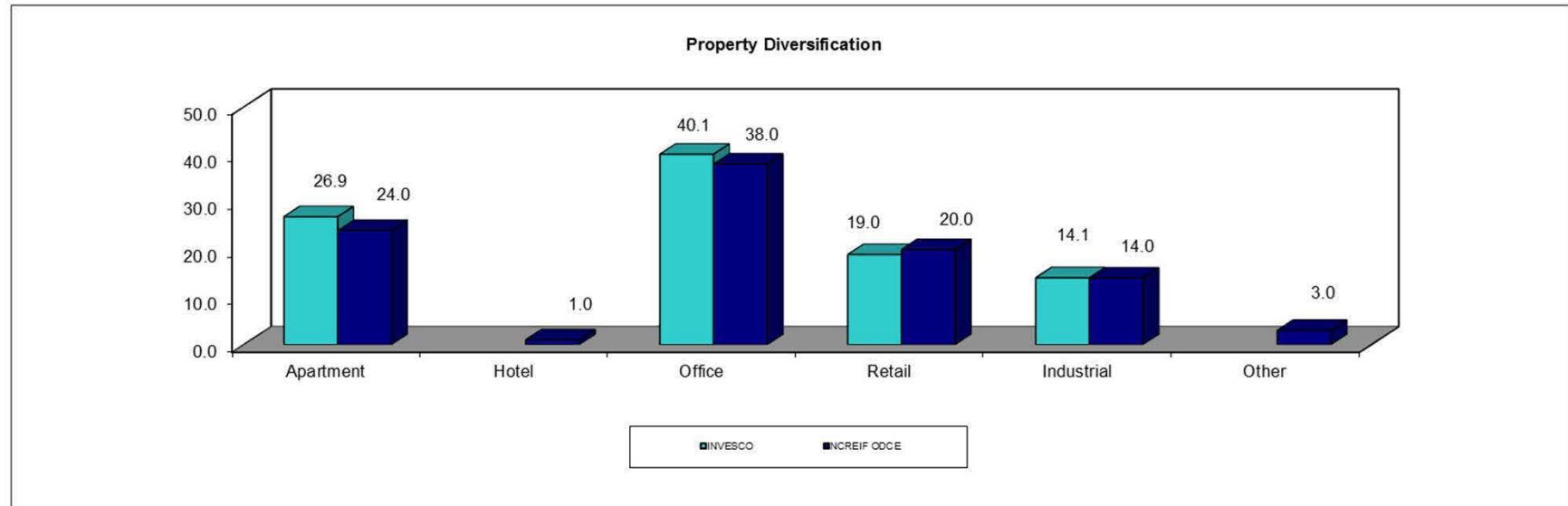
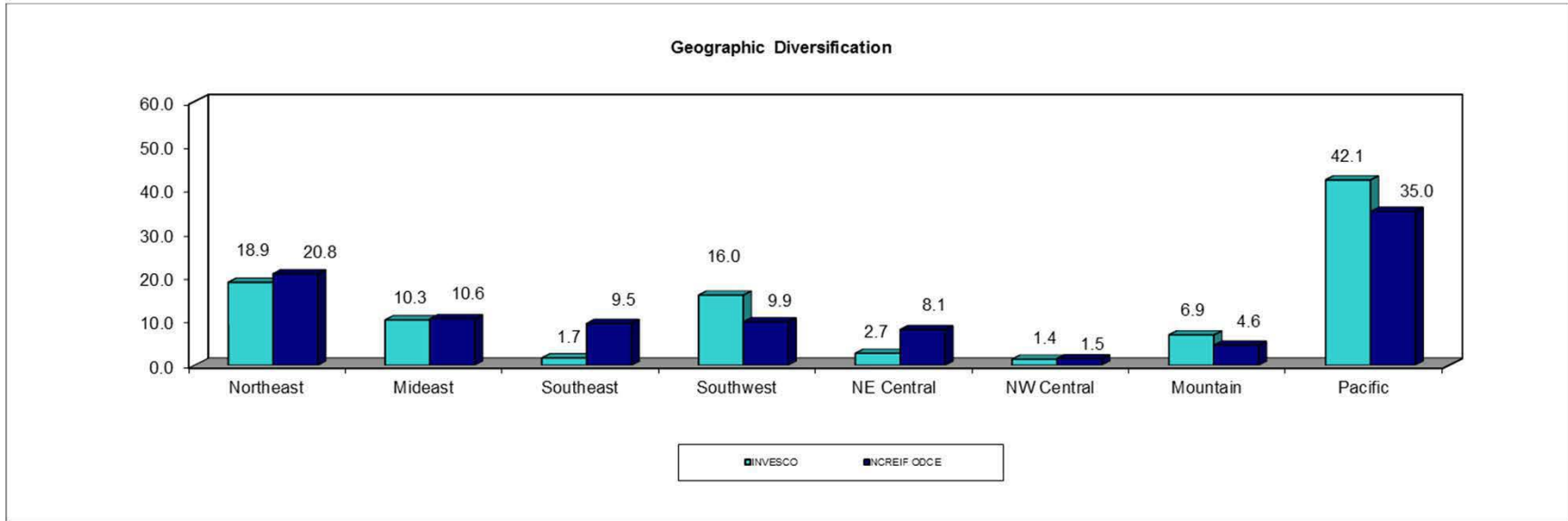
InvestorForce All DB Real Estate Pub Net Accounts



	Return (Rank)							
	Quarter	YTD	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years
5th Percentile	4.0	11.4	15.5	14.5	13.1	13.8	7.8	7.3
25th Percentile	3.2	10.4	13.9	12.9	12.4	13.3	3.9	5.9
Median	2.7	9.0	12.5	12.0	11.2	12.0	3.2	5.4
75th Percentile	0.8	-2.5	9.3	10.3	9.5	11.0	2.4	4.8
95th Percentile	-1.8	-4.4	2.9	5.2	6.9	7.6	-0.1	2.9
# of Portfolios	67	67	67	66	62	54	46	26
● Real Estate	2.9 (44)	11.6 (4)	15.5 (7)	13.6 (10)	13.2 (4)	13.4 (23)	3.7 (32)	6.3 (16)
▲ NCREIF ODCE	3.7 (18)	11.3 (7)	14.9 (16)	13.6 (10)	13.4 (3)	14.0 (3)	4.7 (17)	7.2 (6)

Real Estate Diversification Analysis – INVESCO Core Real Estate

As of September 30, 2015



Real Estate Valuation Analysis – INVESCO Core Real Estate

As of September 30, 2015

Property Name	MSA	Prior Quarter Carry Value	Current Quarter Carry Value	Net Market Value	Added to Fund	Last Valuation Date	SamCERA ownership as of 09/30/2015 3.07%
APARTMENTS							
Milestone Apt Portfolio	Various States - South	\$31,258,319	\$34,220,958	\$34,220,958	2Q06	N/A	\$1,050,812
Stoneridge Apartments	Pleasanton, CA	\$203,200,000	\$208,000,000	\$208,000,000	4Q06	September-15	\$6,386,990
Sterling Parc Apartments	Cedar Knolls, NJ	\$88,900,000	\$88,900,000	\$88,900,000	2Q07	September-15	\$2,729,824
Instrata Pentagon City	Arlington, VA	\$148,000,000	\$149,000,000	\$88,706,509	3Q10	September-15	\$2,723,883
Ladd Tower	Portland, OR	\$125,000,000	\$127,000,000	\$69,754,226	4Q10	September-15	\$2,141,921
Legacy Fountain Plaza	San Jose, CA	\$132,955,928	\$136,955,807	\$136,955,807	1Q11	September-15	\$4,205,459
Instrata Gramercy (fka The Elektra)	New York, NY	\$156,600,000	\$157,000,000	\$83,907,132	1Q11	September-15	\$2,576,510
Instrata Brooklyn Heights (fka 75 Clinton Street)	Brooklyn, NY	\$67,600,000	\$67,600,000	\$67,600,000	1Q12	September-15	\$2,075,772
Club Laguna	Orange County, CA	\$137,000,000	\$137,000,000	\$75,048,238	3Q12	September-15	\$2,304,482
The GoodWynn	Atlanta, GA	\$96,900,000	\$97,200,000	\$60,180,086	4Q12	September-15	\$1,847,931
Instrata at Mercedes House	New York, NY	\$218,000,000	\$218,000,000	\$143,675,332	1Q13	September-15	\$4,411,793
Sunset Vine Tower	Los Angeles, CA	\$89,800,000	\$93,600,000	\$93,600,000	2Q13	September-15	\$2,874,146
The Ashton	Dallas, TX	\$113,000,000	\$115,000,000	\$57,451,100	4Q13	September-15	\$1,764,133
The Pointe at Westchester	West Chester, PA	\$66,500,000	\$66,500,000	\$66,500,000	4Q13	September-15	\$2,041,994
206 Bell	Seattle, WA	\$44,500,000	\$45,300,000	\$45,300,000	4Q13	September-15	\$1,391,013
Cadence Union Station	Denver, CO	\$81,000,000	\$80,800,000	\$43,436,594	1Q14	September-15	\$1,333,794
Joseph Arnold Lofts	Seattle, WA	\$69,600,000	\$69,300,000	\$34,835,918	2Q14	September-15	\$1,069,695
Verve	Denver, CO	\$109,000,000	\$111,000,000	\$111,000,000	3Q14	September-15	\$3,408,442
Broadstone Little Italy	San Diego CA	\$109,000,000	\$112,000,000	\$58,456,175	3Q14	September-15	\$1,794,995
41 Tehama	San Francisco, CA	\$54,728,593	\$64,347,467	\$64,346,567	3Q14	September-15	\$1,975,870
The Parker	Portland, OR	\$64,200,000	\$64,200,000	\$30,645,579	1Q15	September-15	\$941,024
Legacy West Apartments	Plano, TX	\$13,039,617	\$15,472,848	\$15,472,848	1Q15	September-15	\$475,120
Village at Park Place	Irvine, CA	\$49,242,279	\$52,062,796	\$52,062,796	2Q15	September-15	\$1,598,676
Wheaton 121	Wheaton, IL	\$95,750,000	\$96,700,000	\$96,700,000	2Q15	September-15	\$2,969,336
		\$2,364,774,736	\$2,407,159,876	\$1,826,755,865			\$56,093,613
INDUSTRIAL							
Arjons	San Diego CA	\$34,900,000	\$35,800,000	\$35,800,000	2Q04	September-15	\$1,099,299
Garland Gateway East	Dallas TX	\$11,400,000	\$11,500,000	\$11,500,000	2Q04	September-15	\$353,127
Gateway Business Park	Dallas TX	\$12,500,000	\$12,500,000	\$12,500,000	2Q04	September-15	\$383,834
Hayward Industrial	Oakland CA	\$122,100,000	\$133,700,000	\$133,700,000	3Q04-3Q07	September-15	\$4,105,484
Lackman Park	Kansas City MO-KS	\$23,200,000	\$23,300,000	\$23,300,000	2Q04	September-15	\$715,466
Crossroads Industrial	Kansas City MO-KS	\$8,000,000	\$8,000,000	\$8,000,000	1Q06	September-15	\$245,653
Oakesdale Commerce Center	Seattle - Belle - Eve WA	\$42,400,000	\$42,600,000	\$42,600,000	1Q06	September-15	\$1,308,105
South Bay Industrial	Los Angeles, CA	\$72,600,000	\$75,500,000	\$75,500,000	4Q06	September-15	\$2,318,355
VIP Holdings I	Chicago, IL	\$74,480,036	\$75,245,897	\$31,683,989	2Q06	September-15	\$972,910
Tempe Commerce Park	Phoenix - Mesa AZ	\$59,700,000	\$59,700,000	\$59,700,000	4Q07	September-15	\$1,833,189
Steeplechase 95 International Business Park	Capitol Heights, MD	\$25,400,000	\$25,000,000	\$25,000,000	1Q11	September-15	\$767,667
Airport Trade Center Portfolio	Dallas, TX	\$116,500,000	\$117,000,000	\$117,000,000	1Q11	September-15	\$3,592,682
IE Logistics	San Bernardino, CA	\$122,800,000	\$123,000,000	\$123,000,000	3Q11	September-15	\$3,776,922
Railhead Drive Industrial	Dallas, TX	\$61,100,000	\$61,100,000	\$61,100,000	4Q11	September-15	\$1,876,178
16400 Knott Avenue	Los Angeles, CA	\$34,200,000	\$34,900,000	\$34,900,000	3Q12	September-15	\$1,071,663
Empire Gateway aka Chino South Logistics Ce	Chino, CA	\$208,000,000	\$220,000,000	\$220,000,000	4Q12	September-15	\$6,755,470
SFF Logistics Center	San Francisco, CA	\$134,000,000	\$134,000,000	\$134,000,000	4Q13	September-15	\$4,114,696
Hampton South Business Centre	Capitol Heights, MD	\$19,300,000	\$19,600,000	\$19,600,000	2Q14	September-15	\$601,851
Steeplechase A4	Capitol Heights, MD	\$12,300,000	\$12,600,000	\$12,600,000	4Q14	September-15	\$386,904
Steeplechase A2 & A5	Capitol Heights, MD	\$33,997,677	\$33,500,000	\$33,500,000	2Q15	September-15	\$1,028,674
		\$1,228,877,713	\$1,258,545,897	\$1,214,983,989			\$37,308,128

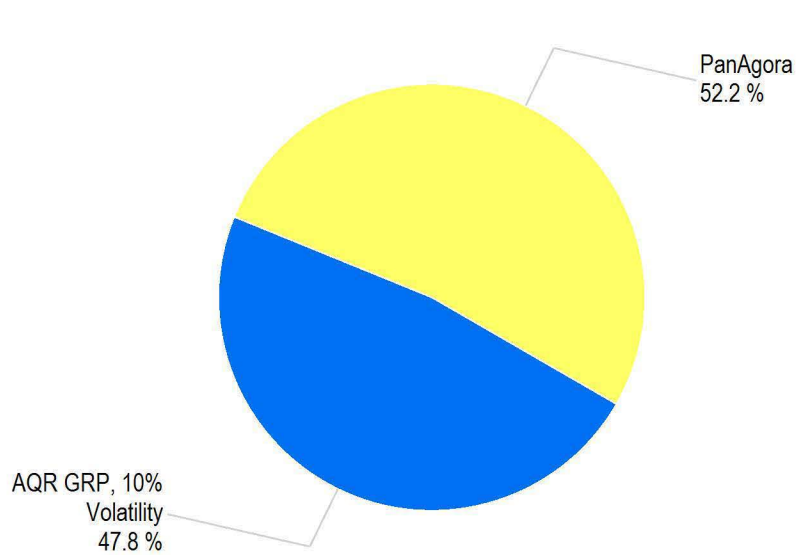
Real Estate Valuation Analysis – INVESCO Core Real Estate

As of September 30, 2015

OFFICE							
55 Cambridge Parkway	Boston MA - NH	\$235,000,000	\$247,000,000	\$247,000,000	4Q06	September-15	\$7,584,551
Gainey Center II	Scottsdale - AZ	\$35,700,000	\$35,800,000	\$35,800,000	3Q07	September-15	\$1,099,299
Valencia Town Center	Valencia, CA	\$145,000,000	\$134,000,000	\$134,000,000	3Q07	September-15	\$4,114,696
The Executive Building	Washington, D.C.	\$228,000,000	\$230,000,000	\$230,000,000	2Q08	September-15	\$7,062,537
1111 Pennsylvania Avenue	Washington, D.C.	\$276,000,000	\$281,000,000	\$281,000,000	4Q10	September-15	\$8,628,578
1800 Larimer	Denver, CO	\$305,000,000	\$308,000,000	\$308,000,000	1Q11	September-15	\$9,457,658
3450 & 3460 Hillview Ave.	San Jose, CA	\$69,800,000	\$72,900,000	\$72,900,000	3Q12	September-15	\$2,238,517
Williams Tower	Houston, TX	\$570,000,000	\$583,000,000	\$397,324,870	1Q13	September-15	\$12,200,529
Westlake Park Place	Westlake Village, CA	\$108,000,000	\$110,000,000	\$110,000,000	4Q13	September-15	\$3,377,735
101 Second	San Francisco, CA	\$352,000,000	\$356,000,000	\$356,000,000	1Q14	September-15	\$10,931,579
Energy Crossing II	Houston, TX	\$113,000,000	\$113,000,000	\$113,000,000	2Q14	September-15	\$3,469,855
1776 Wilson Blvd.	Arlington, VA	\$93,800,000	\$93,600,000	\$93,600,000	3Q14	September-15	\$2,874,146
631 Howard	San Francisco, CA	\$76,700,000	\$85,200,000	\$85,200,000	3Q14	September-15	\$2,616,209
Barton Oaks	Austin, TX	\$74,000,000	\$73,300,000	\$73,300,000	3Q14	September-15	\$2,250,800
Hercules East and South Campus	Los Angeles, CA	\$131,044,657	\$137,497,312	\$137,497,312	3Q14	September-15	\$4,222,086
The Reserve	Playa Vista, CA	\$313,118,427	\$323,963,591	\$323,963,591	1Q15	September-15	\$9,947,847
Fort Point Portfolio	Boston, MA	\$183,127,953	\$196,352,702	\$104,260,330	2Q15	September-15	\$3,201,489
Legacy West Office	Plano, TX	\$13,040,574	\$23,853,974	\$23,853,974	1Q15	September-15	\$732,476
Summit IV	Aliso Viejo, CA	\$108,370,281	\$110,000,000	\$71,320,248	2Q15	September-15	\$2,190,008
1101 Westlake	Seattle, WA	\$0	\$67,755,185	\$67,755,185	3Q15	Acq 3Q15	\$2,080,537
		\$3,430,701,892	\$3,582,222,764	\$3,265,775,510			\$100,281,133
RETAIL							
Broadway at Surf	Chicago IL	\$34,200,000	\$36,200,000	\$36,200,000	2Q04	September-15	\$1,111,582
Carriagetown Marketplace	Boston MA - NH	\$24,100,000	\$24,000,000	\$24,000,000	2Q04	September-15	\$736,960
Chandler Pavilion	Phoenix - Mesa AZ	\$21,300,000	\$21,700,000	\$21,700,000	2Q04	September-15	\$666,335
Matthews Township	Charlotte - G - RH NC-SC	\$25,300,000	\$25,300,000	\$25,300,000	2Q04	September-15	\$776,879
Windward Commons	Atlanta GA	\$23,500,000	\$23,600,000	\$23,600,000	2Q04	September-15	\$724,678
Cityline at Tenley	Washington, D.C.	\$53,800,000	\$54,300,000	\$54,300,000	4Q05	September-15	\$1,667,373
Ridgehaven Shopping Center	Minnetonka, MN	\$38,100,000	\$42,200,000	\$42,200,000	4Q05	September-15	\$1,295,822
The Beacon Retail	San Francisco, CA	\$62,700,000	\$62,700,000	\$62,700,000	1Q06	September-15	\$1,925,309
The Beacon Garage (units)	San Francisco, CA	\$30,700,000	\$30,700,000	\$30,700,000	1Q06	September-15	\$942,695
The Beacon Office (210 King)	San Francisco, CA	\$10,900,000	\$11,000,000	\$11,000,000	1Q15	September-15	\$337,774
Oak Brook Court	Chicago, IL	\$21,600,000	\$21,700,000	\$21,700,000	4Q07	September-15	\$666,335
Hawthorne Plaza	Overland Park, KS	\$49,200,000	\$50,400,000	\$50,400,000	4Q07	September-15	\$1,547,617
The Loop	Boston MA - NH	\$101,000,000	\$96,200,000	\$96,200,000	1Q08	September-15	\$2,953,983
Westbank Market	Austin, TX	\$49,700,000	\$54,100,000	\$54,100,000	3Q10	September-15	\$1,661,232
910 Lincoln Road	Miami, FL	\$30,300,000	\$30,700,000	\$30,700,000	4Q10	September-15	\$942,695
Lake Pointe Village	Houston, TX	\$71,000,000	\$78,500,000	\$78,500,000	4Q11	September-15	\$2,410,475
Safeway Kapahulu	Hawaii	\$83,200,000	\$83,400,000	\$46,899,488	4Q11	September-15	\$1,440,128
Safeway Burlingame	San Francisco, CA	\$51,500,000	\$54,200,000	\$31,284,350	4Q11	September-15	\$960,639
Shamrock Plaza	Oakland, CA	\$36,700,000	\$38,600,000	\$22,243,169	4Q11	September-15	\$683,014
Pavilions Marketplace	West Hollywood, CA	\$56,800,000	\$58,200,000	\$33,337,195	1Q12	September-15	\$1,023,675
130 Prince	New York, NY	\$218,000,000	\$218,000,000	\$218,000,000	2Q12	September-15	\$6,694,057
Safeway Pleasanton	Pleasanton, CA	\$75,500,000	\$79,600,000	\$79,600,000	4Q12	September-15	\$2,444,252
Liberty Wharf	Boston, MA	\$84,000,000	\$86,200,000	\$51,842,686	4Q12	September-15	\$1,591,917
Shops at Legacy	Plano, TX	\$108,241,574	\$108,731,354	\$108,731,354	3Q13	September-15	\$3,338,779
Pasadena Commons	Pasadena, CA	\$41,500,000	\$43,300,000	\$43,300,000	4Q14	September-15	\$1,329,599
1003 N. Rush Street	Chicago, IL	\$14,500,000	\$14,500,000	\$14,500,000	4Q14	September-15	\$445,247
Legacy West Retail	Plano, TX	\$14,739,460	\$25,143,379	\$25,142,477	1Q15	September-15	\$772,042
131-137 Spring Street	New York, NY	\$0	\$222,200,000	\$109,400,000	3Q15	Acq 3Q15	\$3,359,311
		\$1,432,081,034	\$1,695,374,733	\$1,447,580,719			\$44,450,402
Portfolio Total		\$8,456,435,375	\$8,943,303,270	\$7,755,096,083			\$238,133,277

Manager Allocation Analysis - Risk Parity

As of September 30, 2015



	Actual \$	Actual %	Manager Contribution to Excess Return %
AQR GRP, 10% Volatility	\$119,587,520	47.8%	-1.9%
PanAgora	\$130,439,307	52.2%	0.1%
Actual vs. Policy Weight Difference			0.0%
Total	\$250,026,827	100.0%	-1.8%

San Mateo County Employees' Retirement Association

Performance Summary (Gross of Fees)

Periods Ending September 30, 2015

	3 Mo (%)	9 Mo (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Total Fund	-5.2	-1.6	0.0	5.0	7.7	8.3	5.2
Policy Index	-5.7	-3.2	-1.5	4.1	7.0	8.2	5.8
Allocation Index	-5.7	-3.3	-1.6	4.1	7.0	--	--
Total Fund ex Overlay	-5.0	-1.6	-0.1	5.0	7.6	8.3	5.2
Policy Index	-5.7	-3.2	-1.5	4.1	7.0	8.2	5.8
Allocation Index	-5.7	-3.3	-1.6	4.1	7.0	--	--
Total Equity	-8.8	-5.3	-3.4	3.8	9.5	9.5	4.9
Blended Equity Index	-9.5	-6.4	-4.6	3.3	8.9	9.2	5.6
US Equity	-7.4	-4.7	0.3	7.2	12.6	13.0	6.1
80% R1000/ 20% R2000	-7.9	-5.7	-0.2	7.6	12.4	13.1	6.9
Russell 3000	-7.2	-5.4	-0.5	8.2	12.5	13.3	6.9
Large Cap Equity	-6.4	-3.6	0.9	8.8	12.9	13.2	6.3
Russell 1000	-6.8	-5.2	-0.6	8.8	12.7	13.4	7.0
Barrow Hanley	-8.7	-4.7	-0.4	6.9	13.8	13.6	--
Russell 1000 Value	-8.4	-9.0	-4.4	6.6	11.6	12.3	5.7
BlackRock S&P 500 Index	-6.4	-5.2	-0.5	9.1	--	--	--
S&P 500	-6.4	-5.3	-0.6	9.1	12.4	13.3	6.8
Brown Advisory	-4.9	-0.3	4.7	7.6	--	--	--
Russell 1000 Growth	-5.3	-1.5	3.2	10.9	13.6	14.5	8.1
DE Shaw	-5.9	-1.5	2.3	9.9	14.3	15.0	--
Russell 1000	-6.8	-5.2	-0.6	8.8	12.7	13.4	7.0
Small Cap Equity	-11.7	-9.0	-2.3	1.0	11.0	12.4	5.1
Russell 2000	-11.9	-7.7	1.2	2.6	11.0	11.7	6.5
The Boston Co	-10.3	-8.1	-1.0	1.8	10.8	11.8	--
Russell 2000 Value	-10.7	-10.1	-1.6	1.2	9.2	10.2	5.3
Chartwell	-13.2	-9.8	-3.5	0.4	10.9	13.4	7.5
Russell 2000 Growth	-13.1	-5.5	4.0	3.9	12.8	13.3	7.7
International Equity	-11.2	-6.3	-9.5	-2.1	3.7	2.4	2.9
MSCI ACWI ex US IMI	-11.8	-7.5	-11.0	-3.3	3.1	2.4	3.6
MSCI EAFE Gross	-10.2	-4.9	-8.3	-2.0	6.1	4.4	3.4

Performance Summary (Gross of Fees)

Periods Ending September 30, 2015

	3 Mo (%)	9 Mo (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Developed Markets	-10.8	-5.4	-8.1	-1.5	4.7	3.1	3.2
MSCI ACWI ex USA Gross	-12.1	-8.3	-11.8	-3.7	2.8	2.3	3.5
Baillie Gifford	-11.6	-5.3	-6.2	-1.5	6.0	--	--
MSCI ACWI ex US	-12.1	-8.3	-11.8	-3.2	5.2	--	--
MSCI ACWI ex US Growth	-10.7	-5.7	-7.8	-1.5	6.2	--	--
BlackRock EAFE Index	-10.2	-5.0	-8.4	--	--	--	--
MSCI EAFE	-10.2	-5.3	-8.7	-2.4	5.6	4.0	3.0
MSCI EAFE Gross	-10.2	-4.9	-8.3	-2.0	6.1	4.4	3.4
FIAM Equity	-9.6	-1.3	-3.2	0.1	6.1	--	--
MSCI ACWI ex US Small Cap Gross	-9.9	-2.3	-6.1	-0.7	5.9	4.2	5.5
Mondrian	-10.7	-7.2	-11.2	-1.7	3.5	3.2	3.7
MSCI ACWI ex USA Value Gross	-13.5	-10.9	-15.7	-5.6	1.5	1.4	2.9
MSCI ACWI ex USA Gross	-12.1	-8.3	-11.8	-3.7	2.8	2.3	3.5
Emerging Markets	-15.0	-14.3	-21.4	-7.7	-3.8	--	--
MSCI Emerging Markets Gross	-17.8	-15.2	-19.0	-7.9	-4.9	-3.2	4.6
Parametric Core	--	--	--	--	--	--	--
MSCI Emerging Markets Gross	-17.8	-15.2	-19.0	-7.9	-4.9	-3.2	4.6
Total Fixed Income	-1.6	-0.4	-0.2	2.8	2.5	4.7	5.2
Blended Fixed Index	-0.2	-0.1	0.9	2.1	0.6	2.8	4.5
US Fixed Income	-0.7	0.7	1.3	3.5	2.6	4.8	5.3
Blended US Fixed Index	-0.3	0.4	1.7	2.7	1.0	3.2	4.7
Core Fixed	0.1	0.3	1.8	3.6	2.1	--	--
Barclays Aggregate	1.2	1.1	2.9	3.4	1.7	3.1	4.6
FIAM Bond	0.5	0.6	2.3	3.6	2.1	3.9	--
Western TRU	--	--	--	--	--	--	--
3-Month Libor Total Return USD	0.1	0.2	0.3	0.3	0.3	0.3	1.8
Barclays Aggregate	1.2	1.1	2.9	3.4	1.7	3.1	4.6

Performance Summary (Gross of Fees)

Periods Ending September 30, 2015

	3 Mo (%)	9 Mo (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
TIPS	-1.9	-0.9	-1.6	-0.6	-2.5	2.3	--
<i>Barclays US TIPS</i>	-1.1	-0.8	-0.8	0.4	-1.8	2.5	4.0
Brown Brothers Harriman	-1.9	-0.9	-1.6	-0.6	-2.5	2.3	--
<i>Barclays US TIPS</i>	-1.1	-0.8	-0.8	0.4	-1.8	2.5	4.0
Opportunistic Credit	-2.0	1.9	1.1	5.7	8.2	--	--
<i>Barclays BA Intermediate HY</i>	-3.0	-0.8	0.0	2.5	1.1	4.0	--
Angelo Gordon Opportunistic	0.3	2.1	1.7	--	--	--	--
Angelo Gordon STAR	1.2	6.8	9.2	13.7	--	--	--
<i>Barclays Aggregate</i>	1.2	1.1	2.9	3.4	1.7	3.1	4.6
Beach Point Select	-0.4	--	--	--	--	--	--
<i>Barclays BA Intermediate HY</i>	-3.0	-0.8	0.0	2.5	1.1	4.0	--
Brigade Capital	-5.9	-3.6	-6.4	-0.3	2.5	5.8	--
<i>Barclays BA Intermediate HY</i>	-3.0	-0.8	0.0	2.5	1.1	4.0	--
50% Barclays HY/ 50% Bank Loan	-3.1	-0.4	-1.1	2.3	3.7	5.5	--
Global Fixed Income	-6.6	-6.1	-8.1	-1.2	1.1	--	--
<i>Barclays Multi-verse</i>	0.5	-2.4	-3.6	-1.1	-1.5	0.9	3.8
Franklin Templeton	-6.7	-6.1	-8.1	-1.2	1.1	--	--
<i>Barclays Multi-verse</i>	0.5	-2.4	-3.6	-1.1	-1.5	0.9	3.8
Alternatives	0.9	6.9	8.8	8.5	5.0	--	--
<i>Alternatives Allocation Index</i>	-5.6	-4.0	-4.3	1.7	3.2	--	--
<i>Blended Alternatives Index</i>	-4.9	-3.2	-2.6	3.8	6.2	--	--
Private Equity	4.2	20.0	27.0	23.8	16.7	--	--
<i>Russell 3000 +3%</i>	-6.0	-3.3	2.5	11.3	15.5	16.3	10.0
Hedge Fund	7.7	7.8	14.4	11.4	9.2	--	--
<i>Libor 1 month +4%</i>	1.1	3.1	4.2	4.2	4.2	4.2	--
AQR DELTA XN	7.7	7.8	14.4	11.4	9.2	--	--
<i>Libor 1 month +4%</i>	1.1	3.1	4.2	4.2	4.2	4.2	--

Performance Summary (Gross of Fees)

Periods Ending September 30, 2015

	3 Mo (%)	9 Mo (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Commodity	-15.9	-16.5	-25.4	-15.6	-13.9	--	--
<i>Bloomberg Commodity Index TR USD</i>	-14.5	-15.8	-26.0	-16.8	-16.0	-8.9	-5.7
SSARIS Multisource Active Commodity	-15.9	-16.5	-25.4	-15.5	-13.9	--	--
<i>Bloomberg Commodity Index TR USD</i>	-14.5	-15.8	-26.0	-16.8	-16.0	-8.9	-5.7
<i>S&P Goldman Sachs Commodity</i>	-19.3	-19.5	-41.7	-26.7	-19.8	--	--
Private Real Asset	1.4	5.1	6.8	--	--	--	--
<i>CPI +5%</i>	1.1	3.5	4.1	--	--	--	--
Everstream Solar I	--	--	--	--	--	--	--
<i>CPI +5%</i>	1.1	3.5	4.1	--	--	--	--
Taurus Mining	3.9	7.7	9.4	--	--	--	--
<i>CPI +5%</i>	1.1	3.5	4.1	--	--	--	--
Real Estate	3.0	11.9	15.9	14.1	13.7	13.8	6.7
<i>NCREIF ODCE</i>	3.7	11.3	14.9	13.6	13.4	14.0	7.2
Invesco	3.0	11.9	15.9	14.1	13.7	13.8	6.7
<i>NCREIF ODCE</i>	3.7	11.3	14.9	13.6	13.4	14.0	7.2
Risk Parity	-5.7	-5.0	-3.9	3.8	1.8	--	--
<i>60/40 Russell 3000/Barclays Aggregate</i>	-3.9	-2.7	1.0	6.4	8.2	9.3	6.3
AQR GRP, 10% Volatility	-7.7	-6.7	-8.3	1.2	0.1	--	--
PanAgora	-3.8	-3.3	0.5	--	--	--	--
<i>60/40 Russell 3000/Barclays Aggregate</i>	-3.9	-2.7	1.0	6.4	8.2	9.3	6.3
<i>60/40 MSCI World/Barclays Global Aggregate</i>	-4.6	-3.2	-1.7	3.8	6.5	6.6	--
Cash	0.2	0.4	0.6	0.5	0.5	0.6	1.3
<i>91 Day T-Bills</i>	0.0	0.0	0.0	0.0	0.0	0.0	1.2
General Account	0.2	0.6	0.9	0.6	0.4	0.4	1.6
Treasury & LAIF	0.4	1.0	1.3	1.0	0.9	0.9	1.3
<i>91 Day T-Bills</i>	0.0	0.0	0.0	0.0	0.0	0.0	1.2

Angelo, Gordon & Co. – AG STAR Fund

The STAR Fund will focus on CMBS and non-Agency RMBS priced between 25-75% of par, which AG believes are even today mispriced due to their complex nature and a dearth of natural buyers capable of accurately valuing these assets. In addition, AG will target securities that are well-positioned to benefit from home and commercial property price stabilization and recovery, and/or borrower credit quality improvement. In this regard the STAR Fund will be more aggressive than the PPIP Fund since it will target securities that are more geared to a recovery of the commercial and residential real estate markets. The Fund will utilize a moderate amount of leverage (1x to 1.5x) and is targeting a base-case 15% net IRR with a downside return in the mid/high single digits and an upside projection of 25%+ returns.

Angelo, Gordon & Co. – AG Opportunistic Whole Loan Fund

As bank balance sheets have strengthened since the crisis, Angelo Gordon expects approximately \$40 billion of re-performing loans and non-performing loans will trade hands each year in the near term. By acquiring these loans at a discounted price and replacing original servicers with better-focused special servicers, Angelo Gordon believes it can improve operational efficiency and generate attractive returns. To take advantage of this opportunity, Angelo Gordon established this Opportunistic Whole Loan Fund to make investments primarily in a portfolio of non-performing loans and re-performing, but will also include investments in new residential mortgage loans and excess mortgage servicing rights. Opportunistic investments in commercial mortgage loans and other mortgage related investments may also be included in the Fund's portfolio. Angelo Gordon has been an active participant in the residential and consumer debt market since 2008. The Partnership's investment approach to residential mortgage loans and securities is guided by an analytically based investment process anchored by distressed asset valuation and cash flow modeling. Angelo Gordon's analysis of re-performing and non-performing loans begins with its loan due diligence process. This process will include a review of substantially all of the properties in the pool, as well as a review of the loan files backing the loan pool. In addition, a macro overlay is embedded in the investment process which incorporates general economic trends, along with specific views on interest rates, unemployment, collateral appreciation or depreciation, governmental intervention in creditors' rights and liquidation timelines.

AQR Delta

The AQR DELTA Fund aims to deliver efficient exposure to a well-diversified portfolio of hedge fund strategies, including Convertible Arbitrage, Event Driven, Fixed Income Relative Value, Equity Market Neutral, Long/Short Equity, Dedicated Short Bias, Global Macro, Managed Futures, and Emerging Markets. The Delta Fund's approach is to capture and deliver the "hedge fund risk premiums" that explain much of the returns of each of these strategies by building bottom-up positions in each strategy. AQR's research has demonstrated that many hedge funds use similar strategies to generate returns. These strategies are often well-known, widely understood and share common exposures. AQR's experience and research suggests much of the insight underlying these strategies - as well as a meaningful portion of their returns - can be captured using a dynamic, disciplined investment approach. Just as the equity risk premium can explain a large portion of the returns from equity investing, hedge fund risk premiums can explain the returns from hedge fund investing. Importantly, while compensation for equity risk is dependent on economic growth, hedge fund risk premiums are largely unrelated to economic activity, and thus provide attractive diversification properties.

AQR – Risk Parity

The objective of Global Risk Parity (GRP) is to generate excess returns from a risk diversified portfolio of asset exposures. AQR believes that its approach maximizes the diversification benefit across a broad range of economic environments. For many institutional portfolios, equity risk has historically been the predominant risk and the source of most return expectations since equities offer higher expected returns to compensate for their high risk. Investor preference for and concentration in equities has been driven by their expected return needs, which cannot be satisfied in a well-diversified un-levered portfolio. GRP is a diversified portfolio that can be scaled to similar levels of risk as a portfolio concentrated in equities, but with a higher expected return resulting from diversification across asset class risk. The approach helps do away with the compromise of concentrating in high risk assets to meet high return needs. Consistent with portfolio theory, the GRP strategy is designed to maximize diversification across a broad spectrum of liquid global risk premia to create a portfolio with higher expected risk-adjusted returns. Research shows that risk-adjusted returns across asset classes are similar over the long-term. Since realized risk-adjusted returns across asset classes are similar, AQR expects a portfolio that is diversified equally by risk to perform better. The Global Risk Premium strategy aims to deliver efficient market exposure across four broad asset classes in a risk balanced fashion.

Baillie Gifford – ACWI ex US Focus Equities

ACWI ex US Focus is a fundamental growth strategy. Research is organized primarily by regional teams, with each member of the ACWI ex US Focus Portfolio Construction Group representing a regional team. Four global sector groups also contribute research. Baillie Gifford conducts approximately 2000 company meetings annually both in Edinburgh and onsite. Companies are evaluated on their growth opportunity relative to the average company, their ability to execute on that opportunity, and the degree to which probability of future success is already valued by the market. Baillie Gifford's basic philosophy is that share prices ultimately follow earnings. They believe that the stock market has a recurring tendency to under-appreciate the value of long-term compound growth. The process seeks to add value through use of proprietary fundamental research to identify companies exhibiting some combination of sustained above average growth, and attractive financial characteristics. The portfolio generally holds 80-120 stocks, with country and sector weights +/-6% relative to the index and industry weights +/- 5% relative to the index.

Barrow Hanley – Diversified Large Cap Value

Barrow Hanley takes a bottom up value approach to equity investing. They seek to buy stocks that exhibit all three of the following characteristics: price/earnings and price/book ratios below the market, and dividend yield above the market (with the S&P 500 representing the market). Their view is that a portfolio that emphasizes low price/book and high dividend yield stocks will provide some protection in down markets and participation in improving economic cycles. In addition to their basic valuation criteria, Barrow Hanley is also looking for profitable companies with earnings growth greater than the market. After the quantitative screening process, Barrow Hanley's equity research team conducts qualitative analysis of candidate investments. This involves forecasting ROE 5-years out and treating this forecast as the basis for earnings, book value and dividend yield projections for the same five year period. These projections are used as inputs into a dividend discount model and relative return model. Stocks that appear to be attractively valued according to both of these models comprise the firm's buy list. The portfolio managers construct the portfolio with 70-90 of the buy list names. Securities are weighted approximately equally, with core positions in the range of 1.5%. Sector weightings are limited to 35% (at cost) and industry weightings are limited to 15%. Stocks are generally held for three to four years, resulting in average turnover of 25% - 35%.

Beach Point Select Fund

Beach Point Select Fund is a commingled fund vehicle within the firm's Opportunistic Credit strategy. This fund focuses on off-the-run, complex, and less-liquid securities. It is a best ideas portfolio of distressed debt, special situations, private/direct loans, catalyst-driven high yield bonds and bank loans, and credit-informed equities with a North American and European focus. The Select Fund differs from other funds and accounts in the Opportunistic Credit strategy by pursuing a more concentrated portfolio and emphasizing a higher percentage of less-liquid/private investments. Beach Point invests up and down the entire capital structure and it constructs portfolios with a bottom-up, research-driven approach that also takes into account top-down macro considerations. Its investment process includes idea generation, detailed credit analysis, relative value decision making and investment selection, portfolio construction and on-going monitoring. The ultimate goal of its investment process is to produce a well-diversified investment portfolio with limited downside risk and substantial upside potential.

BlackRock – EAFE Index

The EAFE Index Fund seeks to replicate the return of the MSCI EAFE Index. This index represents the developed equity markets outside of North America: Europe, Austral, Asia and the Far East.

BlackRock – S&P 500 Index

The Equity Index Fund seeks to capture the growth potential of large companies and achieve broad diversification with low costs by fully replicating the Standard & Poor's (S&P) 500 Index. Representing approximately 80% of the total US equity market capitalization, the S&P 500 Index is one of the most widely followed benchmarks of US stock market performance. Introduced in 1977, this fund was the investment management industry's first institutional S&P 500 Index fund.

The Boston Company – Small Cap Value

The Boston Company's approach to small cap value investing is to conduct bottom-up fundamental research in an effort to add value through security selection. The investment process seeks to identify the stocks of companies which have compelling valuations and business fundamentals, as well as a catalyst for positive change. The appropriate valuation metrics for an individual company can vary depending on industry. Ideas are generated from company meetings, industry contacts and team's internal research. The universe of domestic small-cap equity securities is quantitatively screened for valuation, business health and earnings revisions. In addition, they also screen/track operating income and EBITDA estimate revisions. Once candidates for investment are identified, individual stock weights are determined by portfolio risk, liquidity, and analyst conviction. Normally, portfolios will contain between 120-150 holdings (from a short list of 500 securities), with a maximum individual security weighting of 5%, though most are less than 3%. Securities will typically be in the \$100 million - \$2 billion market cap range at time of purchase. Generally, sector exposure is limited to no more than 2X the index weight with a maximum overweight of 10 percentage points and a maximum underweight of half that of the index. The goal is for portfolios to be close to fully invested at all times, with cash typically below 5%. Any stock down 20% from the purchase price is reviewed. In addition, portfolios are reviewed on a regular basis for unintended risk. Positions are sold when any one of the three investment criteria (valuation, fundamentals, catalyst) breaks down.

Brigade – Opportunistic Credit

Opportunistic Credit is a fundamental, bottom-up strategy focused on high yield corporate bonds and bank loans with tactical allocations to structured securities, convertibles and other sectors of the bond markets as they become attractive on a relative value basis. While performing credits represent the majority, Brigade will invest up to 35% of the portfolio in distressed securities and restructuring situations if these types of opportunities are attractive on a risk-adjusted basis and the timing is right with respect to the credit cycle. The portfolio is comprised of mostly North American issuers, but they are not restricted geographically and expect to have a moderate allocation to Europe over time. Although the portfolio is generally long-only, Brigade has the ability to implement a limited amount of tactical macro hedges.

Brown Advisory – Large Cap Growth Equity

Brown Advisory's Large-Cap Growth Equity philosophy is based on the belief that concentrated portfolios of fundamentally strong businesses should generate returns in excess of the portfolio's index and the broad market, with an acceptable level of risk. The success of the philosophy is based on a talented, highly collaborative investment team with a long-term outlook, performing deep investment research on a broad universe of stocks. This culminates in bottom-up company selection that strives to identify drivers of growth in the large capitalization universe. With conviction in strict investment criteria and rigorous due diligence, Brown concentrate its portfolios in its best ideas, creating the potential for above-average returns. The objective is to exceed the returns of the strategy's benchmark, the Russell 1000 Growth Index, over a full market cycle (typically 3-5 years) on a risk-adjusted basis.

Brown Brothers Harriman – Inflation Indexed Securities

BBH manages TIPS using three main types of strategies: Fundamental, Technical and Opportunistic. The Fundamental bucket has two sub-strategies, real yield duration and real yield curve slope vs. nominal yield curve slope. The Technical strategies consist of yield curve roll-down, auction cycle trading, seasonal vs. non-seasonal CPI and security selection/option value analysis. Finally, nominal Treasuries vs. TIPS, sector relative value (i.e., corporate or Agency inflation-linked bonds) and non-Dollar inflation-linked bonds make up the Opportunistic group. Real yield duration is held to +/- 1 year vs. the benchmark and the portfolio has a limited allocation to non-index securities, typically 5-10% with a maximum of 20% (including nominal Treasuries).

Chartwell Investment Partners – Small Cap Growth

Chartwell's Small Cap Growth product strives to hold stocks with strong fundamentals that are best positioned for rapid growth. These businesses typically demonstrate strong increases in earnings per share. Chartwell invests in these securities with an intermediate time horizon in mind. They initiate investments opportunistically and when stocks are attractively valued. Chartwell focuses on high growth companies that lie in the middle of the momentum and growth at a reasonable price continuum, and construct Small Cap Growth portfolios with fairly low tracking errors. Portfolios contain 50-70 stocks with market capitalizations between \$200 million and \$2.5 billion at purchase. Meetings with management are an important part of the investment process. This product is closed to new investors.

DE Shaw – DE Shaw US Broad Market Core Alpha Extension Fund

The D. E. Shaw group believes that there exist some market inefficiencies that may be identified through quantitative analysis, advanced technology, and the insight of practitioners. Identifying these inefficiencies involves a process of hypothesis formulation, testing, and validation. Importantly, to avoid data-mining, the hypothesis formulation precedes the analysis of the historical data. D.E. Shaw's Structured Equity strategies rely largely on quantitative and computational investment techniques developed by the D. E. Shaw over the last 19 years in the course of research conducted for purposes of managing the firm's hedge funds. In addition to its beta one strategies, D.E. Shaw manages substantial assets in its hedge fund strategies. D.E. Shaw's investment process involves a suite of quantitative models, each designed to capitalize on a distinct and uncorrelated set of market inefficiencies. Some of these models are technical in nature and involve price and volume inputs. Other models rely on fundamental data, such as figures gleaned from corporate balance sheets or income statements. Still others, again quantitative, anticipate or react to a particular corporate event or set of events. These models typically operate with forecast horizons of a few weeks to many months. The ability to trade on shorter-term signals distinguishes D.E. Shaw from many of its long only and 130/30 peers. Portfolio construction involves the use of a proprietary optimizer which runs dynamically throughout the trading day. The portfolio is broadly diversified with several hundred long and short positions. Over- and under-weighting of sectors and industries relative to the benchmark will be quite modest, with the intention that most of the alpha be generated by security selection. The US Broad Market Core Alpha Extension Fund is a 130/30 strategy which maintains a beta that is approximately neutral to the Russell 1000 Index.

Eaton Vance/Parametric – Structured Emerging Markets Core Equity

Parametric utilizes a structured, rules-based approach, which they believe is capable of generating enhanced returns with lower volatility compared to both traditional active management and passive capitalization weighted indices. The basic idea is to structure the portfolio with more balanced country weights than the market cap weighted indices, and also to capture a rebalancing premium. This provides more diversification and greater exposure to smaller countries than is provided by the market cap weighted indices. The approach is to divide emerging markets countries into three tiers, and to equally weight the countries within each tier. Tier 1 countries are the largest eight countries that dominate the cap weighted index. Each successive tier is comprised of smaller countries, each of which is given a smaller target weighting in the model portfolio. In aggregate, the eight Tier 1 countries are given a much lower weighting than in the capitalization weighted index, but they nevertheless comprise more than 50% of the portfolio. The Core SEM strategy targets excess return of 3% over a market cycle with 2.5%-4.5% tracking error. It is designed to generate a level of volatility 90%-100% of the MSCI EM index. The strategy invests in 44 countries and will typically hold 700-1,000 securities. Turnover is expected to be in the range of 5%-15%.

EverStream Solar Infrastructure I – Private Real Assets

EverStream Solar Infrastructure I's principal objective is to acquire a high-quality diversified portfolio of Solar PV and Wind assets and projects. EverStream will seek to invest in high-quality solar and wind project opportunities developed by experienced solar/wind project developers, including SunEdison and First Wind. The objective of the Fund is to generate long-term capital appreciation and cash yield with a focus on Solar PV projects and the opportunistic investment in attractive wind projects already in the development phase. It is expected that each investment will be privately negotiated and may be structured in the form of equity, equity-linked securities, debt or some combination thereof. The Fund expects to make investments ranging from \$5 million to \$20 million over the life of the Investment in a portfolio asset. The Investment Team believes that this is an area of the market underserved by most energy and infrastructure funds. EverStream will focus on solar infrastructure projects with energy off-take contracts, reliable technology and predictable cash-flows, in sectors where the Investment Team has an edge by virtue of its experience and its relationship with SunEdison, among other developers. The targeted holding period for an investment is generally expected to range from two to five years. The Fund intends to invest (i) a minimum of 50% of the aggregate Capital Commitments in assets, or in securities of issuers whose principal assets or operations are, located in the United States and Canada, (ii) a maximum of 50% of the aggregate Capital Commitments in assets, or in securities of issuers whose principal assets or operations are, located in other OECD countries, and (iii) a maximum of 33% of the aggregate Capital Commitments in assets, or in securities of issuers whose principal assets or operations, are located in the rest of the world.

Franklin Templeton Investments – Global Fixed Income

Franklin Templeton manages the global bond mandate in an unconstrained fashion using a top-down, fundamental framework. In the short term and on a country-by-country basis there are often inefficiencies in global bond and currency markets, however, over the longer term the market will generally price to fundamentals. Thus, FT focuses on fundamental research to identify long-term opportunities and uses short-term market inefficiencies to build positions in such investments. The investment and portfolio construction process begins with the determination of the Fund's or institutional client's investment objectives, resulting in a set of risk-return parameters and exposure limits within which the portfolio is managed. Next the firm's global economic outlook for the industrialized countries is developed, with a focus on interest rate and exchange rate forecasts. The portfolio's interest rate outlook is a function of global general equilibrium macroeconomic analysis as well as country-specific research. Macroeconomic conditions in the G-3 economies are analyzed first, primarily with respect to how current and projected growth and inflation dynamics are expected to influence monetary policy. This analysis is then extended out to the rest of the industrialized countries (G-13) as well as emerging markets, which results in broad targets for cash, duration, currencies and the developed/emerging market mix. Using the firm's interest rate and exchange rate outlook, probability-weighted horizon returns for bonds of various countries are then calculated. This analysis is used to establish specific country weights and duration targets based on risk-adjusted expected total return measured in the portfolio's base currency. Analysis of emerging markets includes sovereign credit analysis along with greater emphasis on capital flows, inter-market dynamics and trends in the level of risk aversion in the market.

INVESCO Realty Advisors – INVESCO Core Equity, LLC

SamCERA is a founding member of INVESCO's open end Core Equity real estate fund and rolled its separate account properties into the fund. INVESCO Core Equity, LLC (the "Fund") is a perpetual life, open-end vehicle which invests in a diversified portfolio of institutional quality office, retail, industrial and multifamily residential real estate assets. The Fund buys core properties that are located within the United States, typically requiring an investment of \$10 million or more. The portfolio cannot be more than 30% leveraged.

Mondrian Investment Partners – International Equity

Mondrian is a value-oriented, defensive manager whose investment philosophy is based on the principle that investments must be evaluated for their fundamental long-term value. The firm's philosophy involves three stated investment objectives: 1) provide a rate of return meaningfully greater than the client's domestic rate of inflation, 2) structure client portfolios that preserve capital during protracted international market declines, and 3) provide portfolio performance that is less volatile than benchmark indices and other international managers. Mondrian applies typical value screening criteria to a universe of 1,500 stocks, from which 500 are selected for more detailed work. Through fundamental research, and the deliberations of the Investment Committee, the universe is further reduced to a list of 150 stocks. The investment team conducts detailed fundamental analysis on the remaining stocks, a process which includes applying the firm's dividend discount model consistently across all markets and industries. Mondrian also uses a purchasing power parity model to give an accurate currency comparison of the value of the stocks under consideration. The firm will only consider buying stocks in countries with good investor protection practices and relatively simple repatriation procedures. A computer based optimization program is employed in the portfolio construction process. Mondrian's portfolio holds 80-125 issues.

Panagora – Diversified Risk Multi Asset Fund

The Multi Asset team is headed up by Edward Qian, CIO of the group, and the founder of Panagora's risk parity strategy. A staff of approximately thirteen works in this group on research and portfolio construction, with some people spending more time on the former and some more on the latter. Panagora implements risk parity by distinguishing between three categories of assets: equities, nominal fixed income, and inflation protection. Each of these categories corresponds to a respective economic environment: economic growth, economic contraction and inflation. Panagora's risk allocation targets 40% each from equities and nominal fixed income, and 20% from inflation protection. In addition to applying concept of risk parity between asset classes, Panagora also applies it within each asset class. The 40/40/20 allocation to equities/nominal fixed income/inflation protection is a long term strategic allocation. In 2009 Panagora introduced what they refer to as "Dynamic Risk Allocation" or "DRA," which involves tactically tilting the risk allocations away from the neutral targets in order to enhance returns and reduce risk.

Pyramis Global Advisors – Broad Market Duration Commingled Pool

Pyramis' Broad Market Duration (BMD) investment strategy seeks to achieve absolute and risk-adjusted returns in excess of the BC U.S. Aggregate Index, focusing its investments in US Treasuries, agencies, investment grade corporate bonds, mortgage-backed and asset-backed securities. The BMD commingled pool can also hold small, opportunistic positions in out-of-benchmark securities, such as inflation-linked bonds. The investable universe includes all US dollar denominated, investment grade debt securities. The BMD investment approach emphasizes issuer and sector valuation and individual security selection. Through the integration of fundamental and quantitative research and trading, the BMD strategy is implemented in a team environment. Risk management technology is utilized to explicitly quantify benchmark exposures on a daily basis, and Pyramis uses the same analytical framework to assess both index and portfolio risk. Tracking error should range between 40 and 60 basis points per annum over the benchmark, and stringent portfolio construction risk control rules are strictly adhered to.

Pyramis Global Advisors – Select International Small Cap

Pyramis Select International Small Cap is a core strategy. The approach is designed to leverage Pyramis/Fidelity's proprietary resources to add value exclusively via stock selection. To that end the portfolio is constructed to be regionally neutral, with only modest deviations from the benchmark's country and sector weights. The investment process involves three basic stages. The first stage is the security level research conducted by the analysts. The second stage is stock selection from within the pool of names that are highly ranked by the analysts. The third step is portfolio construction and risk management. The essential differentiating feature of this strategy is the breadth of coverage that is made possible by the large staff of analysts. Analysts actively conduct regular fundamental research on, and give a formal rating of 1-5, 1200-1300 international small cap companies. While there is no single firm-wide approach to security research, analysts are expected to establish an upside target for any given stock and assign a formal rating. The decision making structure is quite efficient, with portfolio manager Rob Feldman making all the buy and sell decisions. His role, as he puts it, is to be an intelligent user of the analysts' research. He selects the 1- and 2- rated stocks that he thinks are compelling and additive to his portfolio, and he sells names when they are downgraded by the analysts. There are approximately 200 holdings in the portfolio. Country and sector weights are within 3 percentage points of the benchmark and position sizes are within 2 percentage points of the benchmark. Turnover tends to be in the 60%-80% range.

SSARIS Global Multisector Plus – Commodities

SSARIS believes that the commodities markets are not fully efficient, and that a disciplined, quantitative investment process can identify and exploit futures contract mispricings. They believe in taking a small number of large active positions in order to capitalize on these mispricings in a timely manner, utilizing a systematic process to evaluate commodity market prices, to process this information objectively, to build investment models, and to construct efficient portfolios. The strategy's three quantitative models each seek to capture distinct inefficiencies prevalent in the commodity markets: mean reversion, structural imbalances and price dislocations. Backwardation: This model establishes a medium-term view on individual commodity price movement by observing the futures prices associated with a particular commodity. Regime Switching: Price cycles for a given commodity market tend to be persistent in duration yet also change from time to time (and often quite abruptly). This model ascertains the most probable regime in which an individual commodity resides, how likely this regime is to change, and the expected short-term price impact for a given level of price change. Trend Following: This model uses an annual commodity market selection and risk budgeting process to set the universe of commodity markets to be traded. The selection process takes into account liquidity, volatility and prior period drawdowns. The top ranked markets will receive a larger share of risk capital relative to those that are selected, yet not as highly ranked. It then utilizes trend following and momentum algorithms that are based upon price series analysis ranging over time periods from several weeks to months to enter and exit specific markets.

Taurus Mining – Private Real Assets

Taurus is forming their first Mining Debt Fund to implement its investment strategy of making loans to late stage mining projects around the globe. The Fund seeks to selectively finance those projects that have completed the multitude of hurdles required to commence construction and subsequently move into production thereby being able to generate sufficient cash flow to repay their loans. In addition, the loans will carry an additional return through an attached structured equity instrument such as a gross revenue royalty, off-take agreement, warrants/options, or some other structure. The investment thesis can be distilled into a fundamental bottom up thesis that "Project Development Creates Value." The Fund will provide late stage mine development finance, investing in the debt of emerging public, and private mining companies used to finance or refinance project development for those companies which have material value-adding projects under development or expansion. Essentially as a project clears each hurdle towards successful development the expected cash flows become more likely and less distant. The curve works because firstly, the risk of a mining project decreases, and the discount (risk) rate applied to the project decreases, as the project progresses through its evaluation phases, and secondly, because the cash flows that will be produced by the project become closer in time. The value creation which occurs through successful project development is therefore a natural NPV effect.

Western Asset Management – Total Return Unconstrained (TRU)

Western Asset's Total Return Unconstrained strategy (TRU) seeks to provide bond-like risk and return over the long term, but does not have a benchmark. This allows for asset allocation based on value rather than using the construction of a benchmark as baseline positioning. The investment approach is active with very broad latitude on duration (-3 to +8 years) and on asset allocation across all of the eligible sectors in a core plus mandate. The portfolio must have at least 50% of its holdings in investment-grade securities. The flexibility offered by this strategy allows for defensive positioning in rising rate environments and opportunistic deployment of capital when value opportunities arise. It also allows the portfolio managers to emphasize (or deemphasize) either credit or rates when one or the other appears to offer greater (or lesser) value. um non-US exposure.

Policy and Benchmark History

Total Plan Policy Index

As of:

	7/1/14	1/1/14	2/1/13	1/1/11	10/1/10	1/1/09	5/1/07	6/1/00	3/1/99	9/1/98	7/1/96
10 Year Treasury +2%	0%	0.00%	0.00%	0.0%	0.0%	0%	0%	0%	8%	10%	10%
60% Russell 3000/40% BC Aggregate (RP)	8%	8.00%	6.00%	6.0%	6.0%	0%	0%	0%	0%	0%	0%
Barclays Aggregate	10%	9.25%	11.00%	11.0%	12.9%	27%	27%	29%	25%	21%	21%
Barclays BA Intermediate HY	5%	5.00%	0.00%	0.0%	0.0%	0%	0%	0%	0%	0%	0%
Barclays BBB	0%	0.00%	0.00%	0.0%	1.6%	0%	0%	0%	0%	0%	0%
Barclays Credit BAA	0%	0.00%	3.52%	3.3%	0.0%	0%	0%	0%	0%	0%	0%
Barclays Multiverse	3%	3.75%	4.40%	4.4%	4.5%	0%	0%	0%	0%	0%	0%
Barclays TIPS	2%	2.00%	3.08%	3.3%	3.0%	0%	0%	0%	0%	0%	0%
Bloomberg Commodity	3%	3.00%	3.00%	3.0%	3.0%	0%	0%	0%	0%	0%	0%
Citigroup non-US WGBI	0%	0.00%	0.00%	0.0%	0.0%	0%	0%	0%	5%	9%	9%
CPI + 5% (RA)	2%	2.00%	0.00%	0.0%	0.0%	0%	0%	0%	0%	0%	0%
Libor +4% (HF)	4%	4.00%	3.00%	3.0%	3.0%	0%	0%	0%	0%	0%	0%
MSCI ACWI ex-US	0%	0.00%	18.00%	18.0%	18.0%	21%	21%	15%	0%	0%	0%
MSCI ACWI ex-US IMI	20%	20.00%	0.00%	0.0%	0.0%	0%	0%	0%	0%	0%	0%
MSCI EAFE	0%	0.00%	0.00%	0.0%	0.0%	0%	0%	0%	20%	20%	20%
NCREIF ODCE	6%	6.00%	5.00%	5.0%	5.0%	6%	0%	0%	0%	0%	0%
NCREIF Property	0%	0.00%	0.00%	0.0%	0.0%	0%	6%	6%	0%	0%	0%
Russell 1000	24%	24.00%	28.00%	28.0%	28.0%	37%	37%	40%	22%	20%	20%
Russell 1000 Value	0%	0.00%	0.00%	0.0%	0.0%	0%	0%	0%	5%	5%	0%
Russell 2000	6%	6.00%	7.00%	7.0%	7.0%	9%	9%	10%	15%	15%	15%
Russell 3000 +3% (PE)	7%	7.00%	8.00%	8.0%	8.0%	0%	0%	0%	0%	0%	0%
S&P 500	0%	0.00%	0.00%	0.0%	0.0%	0%	0%	0%	0%	0%	5%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Total Equity Benchmark

As of:

	1/1/14	10/1/10	5/1/07	6/1/00	3/1/99	9/1/98	1/1/96
MSCI ACWI ex-US	0%	33.96%	31.3%	23.1%	0.0%	0.0%	0.0%
MSCI ACWI ex-US IMI	40%	0.00%	0.0%	0.0%	0.0%	0.0%	0.0%
MSCI EAFE	0%	0.00%	0.0%	0.0%	32.3%	33.3%	33.3%
Russell 1000	48%	52.83%	55.2%	61.5%	35.5%	33.3%	33.3%
Russell 1000 Value	0%	0.00%	0.0%	0.0%	8.0%	8.4%	0.0%
Russell 2000	12%	13.21%	13.5%	15.4%	24.2%	25.0%	25.0%
S&P 500	0%	0.00%	0.0%	0.0%	0.0%	0.0%	8.4%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

US Equity Benchmark

As of:

	6/1/00	3/1/99	9/1/98	7/1/96	1/1/95
Russell 1000	80%	52%	50.0%	50.0%	69%
Russell 1000 Value	0%	12%	12.5%	0.0%	0%
Russell 2000	20%	36%	37.5%	37.5%	14%
S & P 500	0%	0%	0.0%	12.5%	17%
	100.0%	100.0%	100.0%	100.0%	100.0%

International Equity Benchmark

As of:

	1/1/14	6/1/00	1/1/96
MSCI ACWI ex US	0%	100%	0%
MSCI ACWI ex US IMI	100%	0%	0%
MSCI EAFE	0%	0%	100%
	100.0%	100.0%	100.0%

Total Fixed Income Benchmark

As of:

	7/1/14	1/1/14	2/1/13	1/1/11	10/1/10	6/1/00	3/1/99	7/1/96
Barclays Aggregate	50%	46.25%	50%	50%	58.6%	100%	83.3%	70%
Barclays BA Intermediate HY	25%	25.00%	0%	0%	0.0%	0%	0.0%	0%
Barclays BBB	0%	0.00%	0%	0%	7.3%	0%	0.0%	0%
Barclays Credit BAA	0%	0.00%	16%	15%	0.0%	0%	0.0%	0%
Barclays Multiverse	15%	18.75%	20%	20%	20.5%	0%	0.0%	0%
Barclays TIPS	10%	10.00%	14%	15%	13.6%	0%	0.0%	0%
Citigroup non-US WGBI	0%	0.00%	0%	0%	0.0%	0%	16.7%	30%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

US Fixed Income Benchmark

As of:

	7/1/14	1/1/14	2/1/13	1/1/11	10/1/10	7/1/96
Barclays Aggregate	58.8235%	56.9231%	62.5%	62.50%	73.7%	100%
Barclays BA Intermediate HY	29.4118%	30.7692%	0.0%	0.00%	0.0%	0%
Barclays BBB	0.0000%	0.0000%	0.0%	0.00%	9.1%	0%
Barclays Credit BAA	0.0000%	0.0000%	20.0%	18.75%	0.0%	0%
Barclays TIPS	11.7647%	12.3077%	17.5%	18.75%	17.2%	0%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Opportunistic Credit Benchmark

As of:

	1/1/14	12/1/09
Barclays BA Intermediate HY	100%	0%
Barclays Credit BAA	0%	100%
	100.0%	100.0%

Real Asset Benchmark

As of:

	1/1/14
CPI + 5%	100%
	100.0%

Alternatives Benchmark

As of:

	1/1/14	1/1/11
60% Russell 3000/40% BC Aggregate (RP)	0.00%	30%
Bloomberg Commodity	18.75%	15%
CPI + 5% (RA)	12.50%	0%
Libor +4% (HF)	25.00%	15%
Russell 3000 +3% (PE)	43.75%	40%
	100.0%	100.0%

Real Estate Benchmark

As of:

	1/1/09	6/1/00	7/1/96
10 Year Treasury +2%	0%	0%	100%
NCREIF ODCE	100%	0%	0%
NCREIF Property	0%	100%	0%
	100.0%	100.0%	100.0%

Private Equity Benchmark

As of:

	10/1/10
Russell 3000 +3%	100%
	100.0%

Risk Parity Benchmark

As of:

	10/1/10
Barclays Aggregate	40%
Russell 3000	60.0%
	100.0%

Hedge Fund Benchmark

As of:

	10/1/10
Libor +4%	100%
	100.0%

Baillie Gifford Benchmark	As of:	
	1/1/14	5/1/12
MSCI ACWI ex-US	100%	0.0%
MSCI EAFE	0.0%	100%
	100.0%	100.0%
Baillie Gifford Secondary Benchmark	As of:	
	1/1/14	5/1/12
MSCI ACWI ex-US Growth	100%	0.0%
MSCI EAFE Growth	0.0%	100%
	100.0%	100.0%
Brigade Secondary Benchmark	As of:	
	8/1/10	
Barclays High Yield	50%	
Credit Suisse Leveraged Loans	50%	
	100.0%	

FEE SCHEDULES

Baillie Gifford

First \$25 million:	0.60% per annum
Next \$75 million:	0.50% per annum
Next \$300 million:	0.40% per annum
Thereafter:	0.30% per annum

Barrow, Hanley, Mewhinney & Strauss

First \$15 million:	0.75% per annum
Next \$10 million:	0.55% per annum
Next \$75 million:	0.45% per annum
Next \$100 million:	0.35% per annum
Next \$800 million:	0.25% per annum
Thereafter:	0.15% per annum

BlackRock-Russell S&P 500 Fund

First \$250 million:	0.03% per annum
Thereafter:	0.02% per annum

BlackRock-EAFE Equity Index Fund

First \$100 million:	0.06% per annum
Thereafter:	0.04% per annum

The Boston Company Asset Management

First \$25 million:	0.90% per annum
Thereafter:	0.80% per annum

Brown Advisory

First \$50 million:	0.47% per annum
Next \$100 million:	0.45% per annum
Next \$300 million:	0.40% per annum
Thereafter:	0.35% per annum

Brown Brothers Harriman

On All Assets:	0.15% per annum
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Chartwell Investment Partners

On All Assets:	0.75% per annum
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Clifton Group

First \$50 million:	0.12% per annum
Next \$150 million:	0.10% per annum
Thereafter:	0.05% per annum

Franklin Templeton Investment

First \$50 million:	0.45% per annum
Next \$50 million:	0.35% per annum
Thereafter:	0.30% per annum

Mondrian Investment Partners

First \$50 million:	1.00% per annum
Next \$150 million:	0.19% per annum
Thereafter:	0.33% per annum

Parametric

On All Assets:	0.35% per annum
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FIAM Bond

First \$50 million:	0.20% per annum
Next \$50 million:	0.175% per annum
Next \$100 million:	0.10% per annum
Thereafter:	0.085% per annum

FIAM Equity

On All Assets:	0.90% per annum
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Western Asset Management

First \$100 million:	0.30% per annum
Thereafter:	0.15% per annum

Manager Compliance Checklist

MANAGER	INDEX OUTPERFORMANCE						DATABASE BENCHMARK			MANAGER MEETING INVESTMENT PERFORMANCE EXPECTATIONS
	AFTER FEE VS. INDEX		BEFORE FEE VS. INDEX		RISK ADJUSTED (SHARPE RATIO)		MEDIAN			
	3 YEARS	5 YEARS	3 YEARS	5 YEARS	3 YEARS	5 YEARS	2 YEARS	3 YEARS	5 YEARS	
BARROW HANLEY Russell 1000 Value Index	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES
BROWN ADVISORY Russell 1000 Growth Index	N/A	N/A	N/A	N/A	N/A	N/A	NO	N/A	N/A	YES
DE SHAW Russell 1000 Index	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES
THE BOSTON COMPANY Russell 2000 Value Index	YES	YES	YES	YES	YES	YES	NO	NO	NO	YES
CHARTWELL Russell 2000 Growth Index	NO	NO	NO	YES	NO	YES	NO	NO	NO	YES
BAILLIE GIFFORD MSCI ACWI ex US Index	YES	N/A	YES	N/A	YES	N/A	NO	NO	N/A	YES
FIAM EQUITY MSCI ACWI ex US Small Cap Index	NO	N/A	YES	N/A	YES	N/A	NO	NO	N/A	YES
MONDRIAN MSCI ACWI ex US Value Index	YES	YES	YES	YES	YES	YES	YES	NO	NO	YES
FIAM BOND BC Aggregate Index	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES
BROWN BROTHERS HARRIMAN Barclays US TIPS	NO	NO	NO	NO	NO	NO	NO	NO	NO	YES
BRIGADE CAPITAL Barclays Credit BAA	YES	YES	YES	YES	YES	YES	NO	NO	NO	YES
FRANKLIN TEMPLETON Barclays Multi-verse	YES	N/A	YES	N/A	YES	N/A	NO	NO	N/A	YES
INVESCO REAL ESTATE NCREIF ODCE Index	NO	NO	YES	NO	N/A	N/A	YES	YES	YES	YES

Manager Performance Comparison (Gross of Fees)

	Jul	Aug	Sep	3rd Qtr. 2015	Difference	2nd Qtr. 2015	Difference	1st Qtr. 2015	Difference	4th Qtr. 2014	Difference	3rd Qtr. 2014	Difference
SIS	0.13%	-5.53%	-3.46%	-8.68%		2.53%		1.74%		4.55%		-0.70%	
Barrow Hanley	0.14%	-5.53%	-3.48%	-8.69%	0.01%	2.51%	-0.01%	1.73%	0.01%	4.54%	0.01%	-0.71%	0.01%
Russell 1000 Value Index	0.44%	-5.96%	-3.02%	-8.40%		0.11%		-0.72%		4.98%		-0.18%	
SIS	2.10%	-6.03%	-2.47%	-6.43%		0.34%		0.96%		4.97%		1.12%	
BlackRock S&P 500 Fund	2.10%	-6.03%	-2.47%	-6.43%	0.00%	0.34%	0.00%	0.96%	0.00%	4.97%	0.00%	1.12%	0.00%
S&P 500 Index	2.10%	-6.03%	-2.47%	-6.43%		0.28%		0.96%		4.93%		1.13%	
SIS	3.37%	-5.51%	-2.61%	-4.87%		1.00%		3.78%		5.02%		-0.04%	
BrownAdvisory	3.40%	-5.51%	-2.65%	-4.89%	0.02%	1.00%	-0.01%	3.80%	-0.02%	5.01%	0.01%	-0.05%	0.01%
Russell 1000 Growth Index	3.39%	-6.07%	-2.47%	-5.28%		0.12%		3.84%		4.79%		1.49%	
SIS	2.12%	-5.14%	-2.83%	-5.87%		0.49%		4.10%		3.86%		1.31%	
D.E. Shaw	2.12%	-5.14%	-2.82%	-5.86%	-0.01%	0.50%	0.00%	4.11%	-0.01%	3.94%	-0.08%	1.31%	0.00%
Russell 1000 Index	1.93%	-6.02%	-2.74%	-6.83%		0.11%		1.59%		4.88%		0.65%	
SIS	-2.16%	-4.29%	-4.17%	-10.26%		0.69%		1.71%		7.68%		-7.21%	
The Boston Company	-2.16%	-4.29%	-4.17%	-10.26%	0.00%	0.68%	0.00%	1.68%	0.03%	7.68%	0.00%	-7.21%	0.00%
Russell 2000 Value Index	-2.76%	-4.91%	-3.46%	-10.73%		-1.20%		1.98%		9.39%		-8.58%	
SIS	-0.87%	-5.80%	-6.99%	-13.15%		-1.48%		5.39%		7.05%		-6.12%	
Chartwell	-0.87%	-5.80%	-6.99%	-13.15%	0.00%	-1.48%	0.01%	5.39%	0.00%	7.05%	0.00%	-6.12%	0.00%
Russell 2000 Growth Index	0.41%	-7.58%	-6.32%	-13.07%		1.97%		6.64%		10.06%		-6.13%	
SIS	-0.10%	-8.16%	-3.65%	-11.60%		0.62%		6.47%		-0.95%		-6.17%	
Baillie Gifford	-0.08%	-8.16%	-3.60%	-11.54%	-0.06%	0.60%	-0.02%	6.47%	0.00%	-0.99%	0.04%	-6.30%	0.13%
MSCI ACWI ex US	-0.26%	-7.63%	-4.60%	-12.11%		0.73%		3.60%		-3.81%		-5.20%	
MSCI ACWI ex US Growth	0.27%	-7.50%	-3.75%	-10.73%		0.75%		4.89%		-2.25%		-4.84%	
SIS	2.07%	-7.36%	-5.04%	-10.21%		0.78%		5.00%		-3.56%		-5.88%	
BlackRock EAFE Equity	2.07%	-7.36%	-5.04%	-10.21%	0.00%	0.79%	0.00%	5.00%	0.00%	-3.56%	0.00%	-5.88%	0.00%
MSCI EAFE (Net)	2.08%	-7.36%	-5.08%	-10.24%		0.62%		4.88%		-3.57%		-5.88%	
MSCI EAFE (Gross)	2.08%	-7.35%	-5.04%	-10.19%		0.84%		5.00%		-3.54%		-5.84%	

San Mateo County Employees' Retirement Association

Manager Performance Comparison (Gross of Fees)

	Jul	Aug	Sep	3rd Qtr. 2015	Difference	2nd Qtr. 2015	Difference	1st Qtr. 2015	Difference	4th Qtr. 2014	Difference	3rd Qtr. 2014	Difference
SIS	1.73%	-7.47%	-5.15%	-10.72%		0.16%		3.82%		-4.33%		-5.80%	
Mondrian	1.73%	-7.49%	-5.14%	-10.73%	0.01%	0.22%	0.00%	-4.33%	8.14%	-4.33%	0.00%	-5.86%	0.07%
MSCI ACWI -ex US Value Index	-0.79%	-7.75%	-5.48%	-13.49%		0.72%		2.25%		-5.38%		-5.55%	
MSCI ACWI -ex US	-0.26%	-7.63%	-4.60%	-12.11%		0.73%		3.60%		-3.81%		-5.20%	
SIS	-0.54%	-6.39%	-2.96%	-9.65%		4.31%		4.78%		-1.97%		-6.95%	
FIAM Equity	-0.54%	-6.39%	-2.96%	-9.65%	0.00%	4.32%	0.00%	4.78%	0.00%	-1.97%	0.00%	-6.95%	0.00%
MSCI ACWI -ex US Small Cap Index	-1.88%	-5.56%	-2.82%	-9.95%		4.35%		4.01%		-3.93%		-6.73%	
SIS						1.03%		-0.18%		-8.24%		-2.04%	
Parametric						1.03%	0.00%	-0.18%	0.00%	-8.23%	-0.01%	-2.04%	0.00%
MSCI EM Market Index						0.82%		2.29%		-4.44%		-3.36%	
SIS		-8.12%	-4.02%	-11.81%									
Parametric Core		-8.12%	-4.02%	-11.81%	0.00%								
MSCI EM Market Index	-6.87%	-9.01%	-2.97%	-17.78%									
SIS	0.69%	-0.47%	0.28%	0.50%		-1.61%		1.72%		1.72%		0.21%	
FIAM Bond	0.69%	-0.47%	0.28%	0.50%	0.00%	-1.60%	-0.01%	1.72%	0.00%	1.71%	0.01%	0.21%	0.00%
BC Aggregate Index	0.70%	-0.14%	0.68%	1.24%		-1.68%		1.61%		1.79%		0.16%	
SIS						-1.69%		1.93%		1.33%		0.14%	
Western Asset						-1.69%	0.00%	1.93%	0.00%	1.33%	0.00%	0.05%	0.09%
BC Aggregate Index						-1.68%		1.61%		1.79%		0.16%	
SIS			-1.01%	-1.01%									
Western TRU			-1.00%	-1.00%	-0.01%								
3-Month Libor Total Return USD Index	0.03%	0.02%	0.03%	0.08%									
BC Aggregate Index	0.70%	-0.14%	0.68%	1.24%									
SIS	-0.25%	-0.72%	-0.91%	-1.87%		0.06%		0.94%		-0.75%		-2.07%	
Brown Brothers Harriman	-0.23%	-0.74%	-0.92%	-1.88%	0.01%	0.08%	-0.04%	0.98%	-0.04%	-0.85%	0.10%	-2.06%	-0.01%
BC U.S. Tips	0.21%	-0.76%	-0.59%	-1.14%		-1.07%		1.43%		-0.03%		-2.04%	
SIS (Net)				0.34%		5.90%		-1.22%		-0.49%		-2.39%	
Angelo Gordon Opportunistic					0.34%	1.28%	0.00%	-1.22%	0.00%	-0.49%	0.00%	-2.39%	0.00%
BC Aggregate Index				1.24%		-1.68%		1.61%		1.79%		0.16%	
SIS (Net)				1.22%		2.14%		2.62%		1.86%		1.81%	
Angelo Gordon STAR Fund (Net)					1.22%	2.14%	0.00%	2.62%	0.00%	1.86%	0.00%	1.81%	0.00%
BC Aggregate Index				1.24%		-1.68%		1.61%		1.79%		0.16%	

Manager Performance Comparison (Gross of Fees)

	Jul	Aug	Sep	3rd Qtr. 2015	Difference	2nd Qtr. 2015	Difference	1st Qtr. 2015	Difference	4th Qtr. 2014	Difference	3rd Qtr. 2014	Difference
SIS	0.22%	-0.15%	-0.48%	-0.41%		2.32%		0.00%					
Beach Point Select (Net)	0.14%	-0.24%	-0.56%	-0.66%	0.25%	2.06%	0.08%	0.00%	0.00%				
Barclays BA Intermediate HY	0.23%	-1.22%	-2.03%	-3.00%		2.61%		0.00%					
SIS	-1.48%	-2.05%	-2.46%	-5.87%		-0.55%		2.95%		-2.88%		-1.95%	
Brigade Capital	-1.48%	-2.05%	-2.46%	-5.87%	0.00%	-0.56%	0.00%	2.82%	0.13%	-3.01%	0.13%	-2.02%	0.07%
Barclays BA Intermediate HY	0.23%	-1.22%	-2.03%	-3.00%		2.61%		2.44%		0.81%		-0.20%	
SIS	-1.12%	-3.68%	-2.00%	-6.66%		0.12%		0.47%		-2.12%		-0.76%	
Franklin Templeton Investments	-1.12%	-3.68%	-2.00%	-6.66%	0.00%	0.11%	0.01%	0.47%	0.00%	-2.12%	0.00%	-0.76%	0.00%
BC Multiverse	0.16%	0.00%	0.33%	0.49%		-1.04%		-1.89%		-1.16%		-3.18%	
SIS (Net)	2.22%	1.23%	4.06%	7.68%		-2.39%		2.55%		6.34%		3.65%	
AQR DELTA XN (Net)	2.22%	1.23%	4.06%	7.68%	0.00%	-2.39%	0.00%	2.55%	0.00%	6.11%	0.23%	3.40%	0.25%
Libor + 4%	0.36%	0.33%	0.36%	1.05%		1.06%		0.95%		1.05%		1.05%	
SIS	-12.13%	-2.65%	-1.74%	-15.95%		2.55%		0.00%					
SSARIS Multisource Commodity	-12.13%	-2.65%	-1.74%	-15.95%	0.00%	2.55%	0.00%	0.00%	0.00%				
Bloomberg Commodity	-10.62%	-0.92%	-3.42%	-14.47%		4.66%		0.00%					
S&P Goldman Sachs Commodity	-14.10%	0.30%	-6.33%	-19.30%		8.73%		0.00%					
SIS				2.98%		5.31%		3.22%		3.44%		3.50%	
INVESCO Real Estate				2.96%	0.02%	5.26%	0.00%	3.28%	-0.06%	3.50%	-0.06%	3.44%	0.06%
NCREIF NFI ODCE Index				3.68%		3.82%		3.40%		3.25%		3.24%	
SIS	-1.71%	-5.51%	-0.59%	-7.67%		-2.66%		3.94%		-1.64%		-3.53%	
AQR GRP, 10% Volatility (Net)	-1.71%	-5.51%	-0.59%	-7.67%	0.00%	-2.67%	0.00%	3.84%	0.10%	-1.74%	0.10%	-3.62%	0.10%
60% R3000/ 40% BC Agg	1.28%	-3.68%	-1.48%	-3.89%		-0.59%		1.81%		3.85%		0.10%	
60% MSCI World/ 40% BC GlobalAgg	1.47%	-4.08%	-1.98%	-4.60%									
SIS	1.67%	-4.37%	-1.04%	-3.78%		-5.34%		6.23%		4.09%			
PanAgora (Net)	1.67%	-4.37%	-1.04%	-3.78%	0.00%	-5.33%	-0.01%	6.14%	0.09%	3.99%	0.09%		
60% R3000/ 40% BC Agg	1.28%	-3.68%	-1.48%	-3.89%		-0.59%		1.81%		3.85%			
60% MSCI World/ 40% BC GlobalAgg	1.47%	-4.08%	-1.98%	-4.60%									

1 MSCI

1.1 MSCI US MARKET BREAKPOINTS

Break Point*	Companies included
Large Cap	1-200
Medium-Large Cap	201-550
Medium Cap	551-750
Medium-Small Cap	751-2500
Small Cap	2501+

*MSCI only categorizes equities per size into large, mid and small cap. For InvestorForce Report analytics coherence regarding domestic benchmarks the buffer zones of the mid-cap category are used to determine Medium-Large and Medium-Small Cap categories.

As Of	Large Cap	Medium Large Cap	Medium Cap	Medium Small Cap	Small Cap
9/30/2015	16.507	9.968	5.069	2.917	0
6/30/2015	15.288	9.09	4.506	2.596	0
3/31/2015	15.356	9.083	4.491	2.577	0
12/31/2014	15.356	9.083	4.491	2.577	0

Number in billion USD

InvestorForce Report reflects changes in the MSCI breakpoints once MSCI publishes new breakpoints. For months when no new breakpoints are published always the last breakpoints are applied. Changes usually happen around re-balancing of the indexes.

1.2 MSCI DEVELOPED AND EMERGING MARKET BREAKPOINTS

In case of MSCI Indexes to define the Size - Segment Indexes for a market, the following free float - adjusted market capitalization Market Coverage Target Ranges are applied to the Market Investable Equity Universe:

Break Point	Companies included
Large Cap Index	70% ±5%
Standard Index*	85% ±5%
Investable Market Index**	99%+1% Or -0.5%

* *Standard Index (Large+Mid)*

** *Investable Market Index (Large+Mid+Small)*

MSCI Country Classification can be found here: <https://www.msci.com/market-classification>

For Emerging Markets, the Global Minimum Size Reference is set at *one-half* the corresponding level of full market capitalization used for the Developed Markets for each size-segment.

As Of	Large Cap DM	Large Cap EM	Medium Cap DM	Medium Cap EM	Small Cap
9/30/2015	14.883	7.4415	5.359	2.6795	0
6/30/2015	14.883	7.4415	5.359	2.6795	0
3/31/2015	13.368	6.684	4.781	2.3905	0
12/31/2014	13.368	6.684	4.781	2.3905	0

Number in billion USD

InvestorForce Report shows changes in the MSCI breakpoints once MSCI publishes a new one. For months when no new breakpoints are published always the last breakpoint is applied. Changes usually happen around re-balancing of the indexes.

2 RUSSELL US BREAKPOINTS

The market capitalization breakpoints that appear in the Market Capitalization Chart are defined by the Russell 3000 Index and change for each period end. Russell calculated the total market capitalization of each security for the end of the period, based on the total shares and price, to determine whether it is large enough for inclusion in one or more of the Russell Breakpoints.

Once the market capitalization for each security is determined, each security is then placed in the appropriate market capitalization breakpoint. A market capitalization breakpoint is determined by the break between the companies below.

Break Point	Companies included
Large Cap	50 Largest US Companies
Medium Large Cap	Next largest 150 US Companies
Medium Cap	Next largest 300 US Companies
Medium Small Cap	Next largest 500 US Companies
Small Cap	All US Companies below 1,000 largest

After the breakpoints are determined by the ranges above, new members are assigned on the basis of the breakpoints and existing members are reviewed to determine if they fall within a cumulative 5% market cap range around the new market capitalization breakpoints. If an existing securities market cap falls within this 5%, it will remain in its current index rather than move into a new market capitalization based index.

As Of	Large Cap	Medium Large Cap	Medium Cap	Medium Small Cap	Small Cap
9/30/2015	88.944	23.139	7.993	2.946	0
6/30/2015	92.87	25.07	8.797	3.352	0
3/31/2015	93.082	25.494	8.794	3.384	0
12/31/2014	89.92	25.19	8.51	3.29	0
9/30/2014	84.51	24.44	7.97	3.04	0
6/30/2014	80.39	23.62	8.07	3.24	0
3/31/2014	76.77	23.15	7.83	3.06	0
12/31/2013	77.11	22.27	7.65	3.03	0
9/30/2013	72.4	19.93	7.15	2.71	0
6/30/2013	68.47	19.36	6.48	2.46	0
3/31/2013	64.31	18.64	6.39	2.39	0

As Of	Large Cap	Medium Large Cap	Medium Cap	Medium Small Cap	Small Cap
12/31/2012	58.45	16.8	5.75	2.13	0
9/30/2012	57.06	16.48	5.49	2.08	0
6/30/2012	55.65	16.13	5.14	1.99	0
3/31/2012	57.58	16.43	5.55	2.13	0
12/31/2011	51.97	14.66	4.93	1.93	0
9/30/2011	45.35	13.88	4.38	1.66	0
6/30/2011	54.25	15.95	5.66	2.16	0
3/31/2011	52.22	15.69	5.7	2.16	0
12/31/2010	49.54	14.8	5.16	2.04	0
9/30/2010	42.83	13.13	4.64	1.8	0
6/30/2010	39.95	11.58	4.1	1.59	0
3/31/2010	42.43	12.61	4.3	1.68	0

Numbers are billions USD

MARKET SUMMARY

Equity Markets

	<u>QTR</u>	<u>1 Year</u>	<u>3 Year</u>
S&P 500	-6.4	-0.6	12.4
Dow Jones Industrial Average	-7.0	-2.1	9.3
NASDAQ	-7.4	2.8	14.0
Russell 1000	-6.8	-0.6	12.7
Russell 2000	-11.9	1.2	11.0
Russell 3000	-7.2	-0.5	12.5
MSCI EAFE (Net)	-10.2	-8.7	5.6
MSCI Emerging Markets (Net)	-17.9	-19.3	-5.3
MSCI All Country World ex US (Net)	-12.2	-12.2	2.3

Bond Markets

	<u>QTR</u>	<u>1 Year</u>	<u>3 Year</u>
Barclays Capital Aggregate	1.2	2.9	1.7
Barclays Capital Gov/Credit	1.2	2.7	1.6
Barclays Capital Universal	0.7	2.3	1.9
Barclays Capital Corp. High Yield	-4.9	-3.4	3.5
CG Non-US World Govt.	1.7	-7.0	-4.6

Non-Public Markets

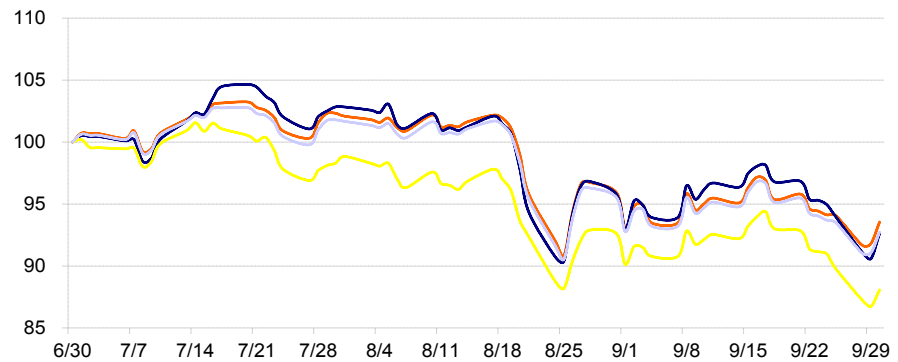
lagged quarterly

	<u>QTR</u>	<u>1 Year</u>	<u>3 Year</u>
NCREIF Property	3.1	13.0	11.6
State Street Private Equity Index	4.2	7.3	13.4

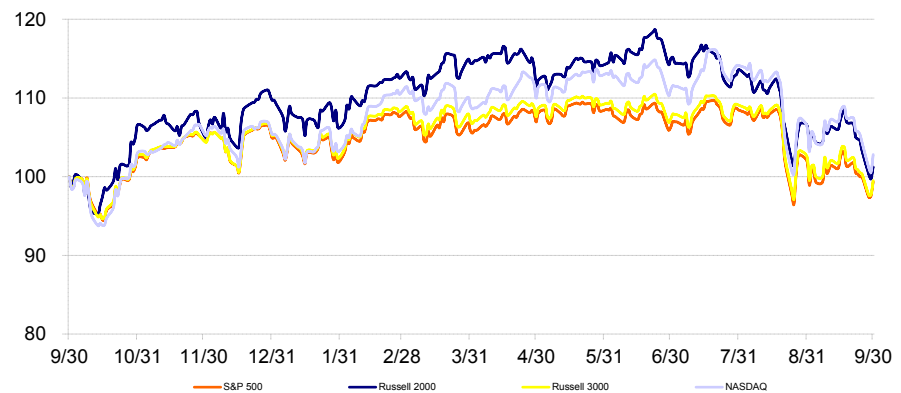
U.S. Equity Market

- US markets remained stuck between the proverbial rock and a hard place in the third quarter. If growth picked up, then Fed hawks and strengthening U.S. dollar would have swept away the upside; if growth remained tepid, then corporate earnings would have needed to adjust lower. Additionally, concerns of a “blow up” in emerging markets and the potential negative feedback loop weighed on investors, causing a flight to safety.
- Even though all indices lost ground in the turbulent third quarter, small capitalization stocks were hit particularly hard.

Equity Index – Quarterly Growth Rate



Equity Index – 1-Year Growth Rate

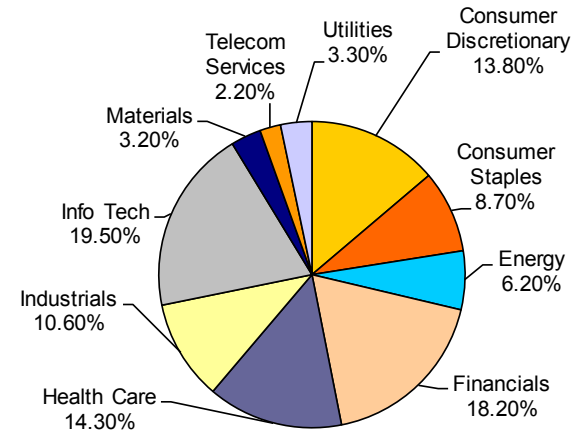


U.S. MARKETS

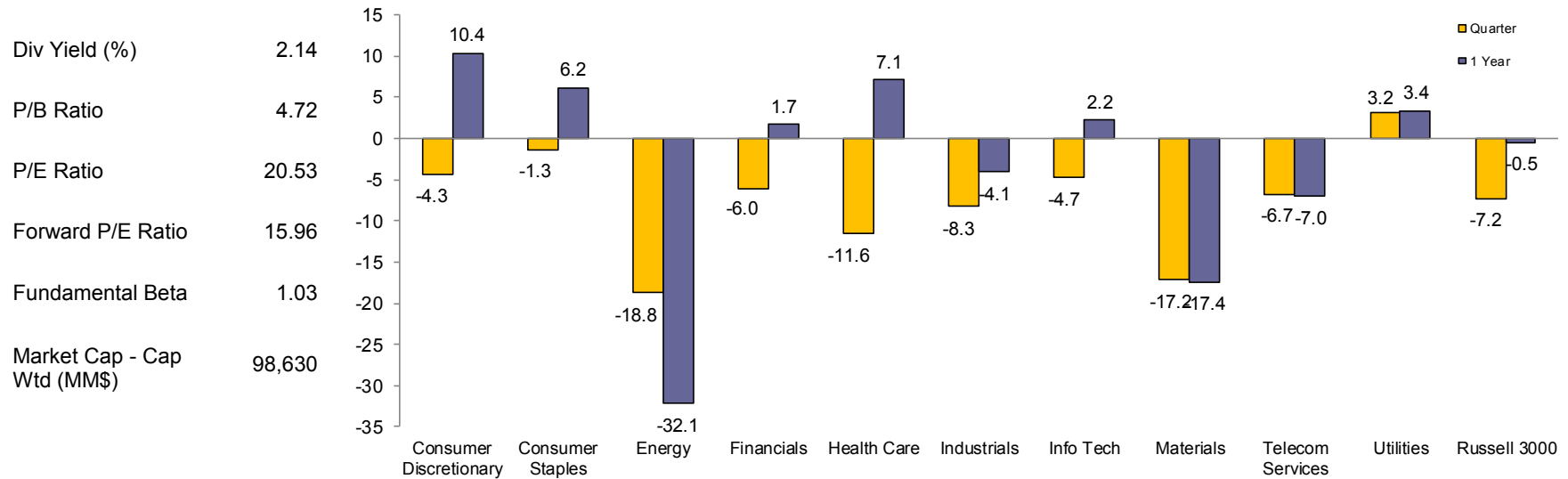
U.S. Equity – Russell 3000

- Driven by lower global demand and continued concerns of slower growth, energy and materials were the biggest losers in the third quarter, dropping 18.8% and 17.2% respectively.
- Utilities were the only sector in positive territory, returning 3.2%.
- Overall, the Russell 3000 declined 7.2% in the third quarter, erasing all gains year-to-date.

Ending Sector Weights



Characteristics



Contribution to Return:

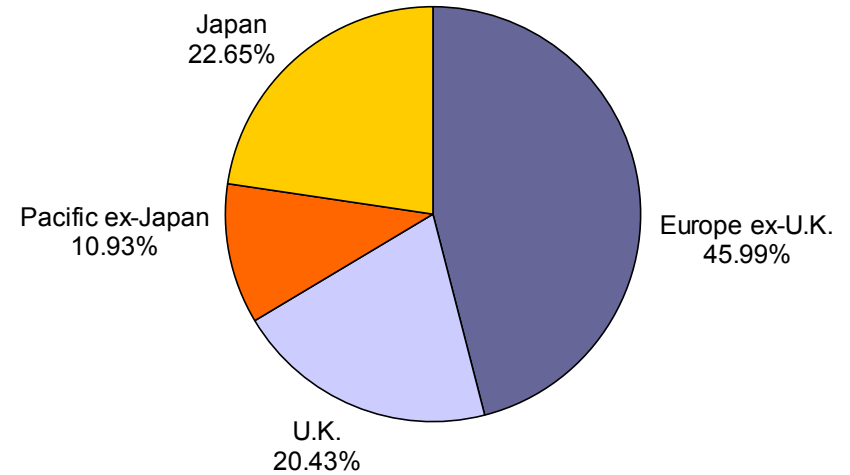
	Consumer Discretionary	Consumer Staples	Energy	Financials	Health Care	Industrials	Info Tech	Materials	Telecom Services	Utilities	Russell 3000
Qtr	-0.6	-0.1	-1.3	-1.1	-1.7	-0.9	-0.9	-0.6	-0.1	0.1	-7.2
1 Year	1.3	0.5	-2.8	0.3	1.0	-0.5	0.4	-0.7	-0.2	0.1	-0.5

NON-U.S. MARKETS

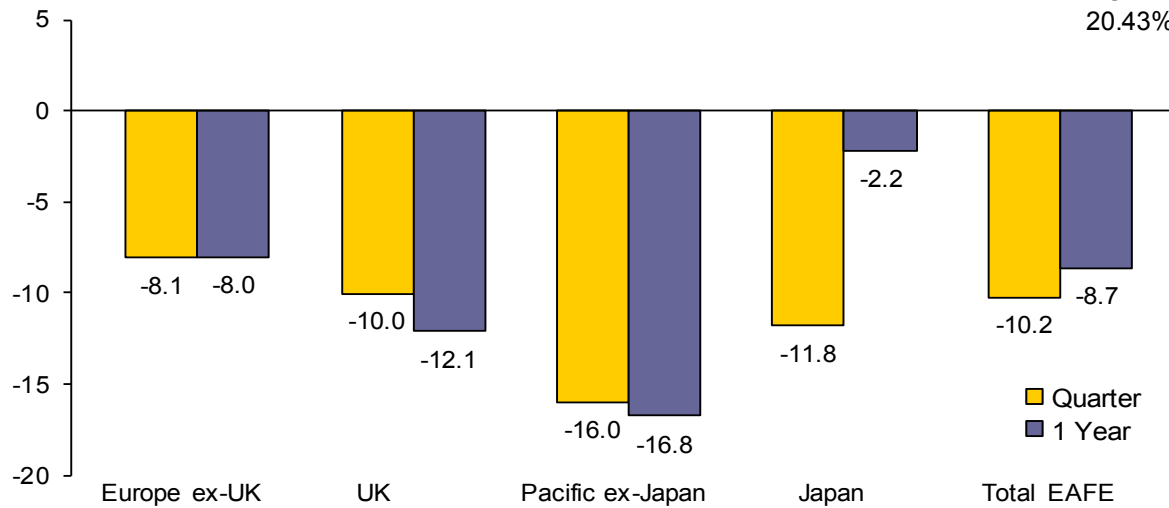
Developed Equity – MSCI EAFE (Net)

- Developed markets were unable to decouple from poor emerging market trends, with Asia Pacific ex-Japan losing the most, down 16% in the third quarter.
- Amid continued easing in credit conditions and improvement in a range of economic indicators, the Eurozone fared the best last quarter, with the Eurozone ex-UK declining 8.1% and the UK declining 10%.
- Overall, the MSCI EAFE Net Return index declined 10.2%.

Ending Regional Weights



Regional Returns (%)



Contribution to Return:

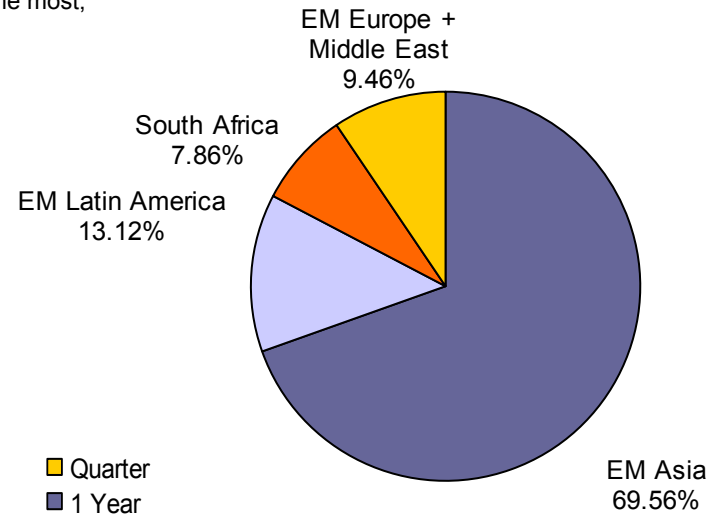
Qtr	-3.7	-2.0	-1.7	-2.7	-10.2
1 Yr	-3.7	-2.5	-1.8	-0.5	-8.7

NON-U.S. MARKETS

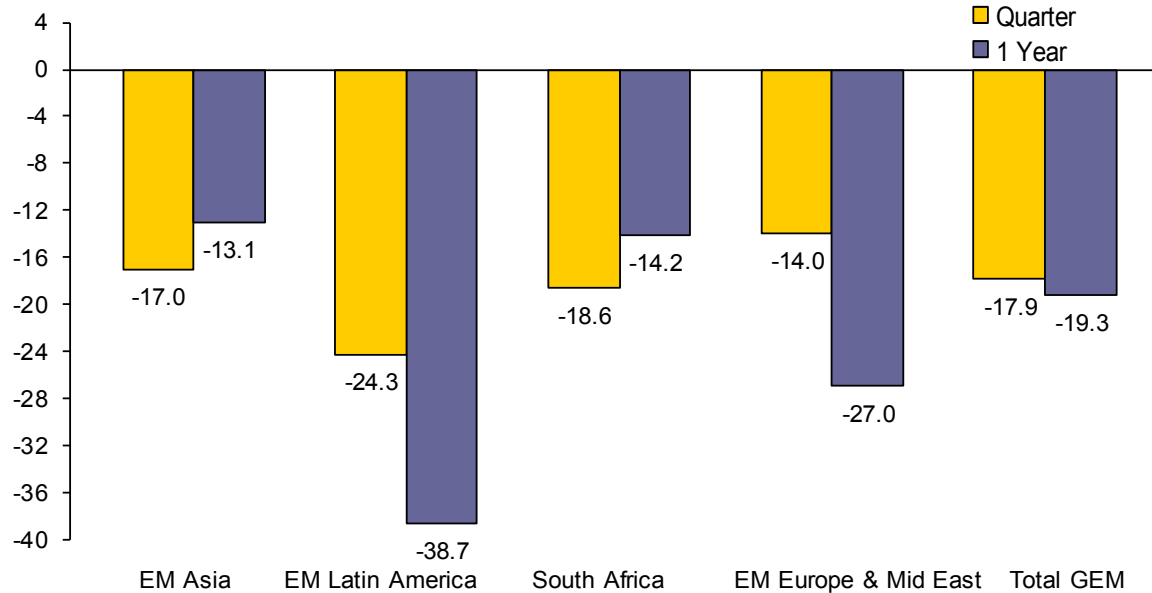
Emerging Markets Equity – MSCI EM (Net)

- Following the carnage of last quarter, bearishness on emerging markets appears fully consensus. In-line with commodity price declines down to '08 lows, commodities-heavy EM Latin America suffered the most, losing 24.3% in the third quarter.
- EM Europe and Middle East outperformed, declining only 14% in Q3.
- Overall, the MSCI EM index lost 17.9% in the third quarter.

Ending Regional Weights



Regional Returns (%)



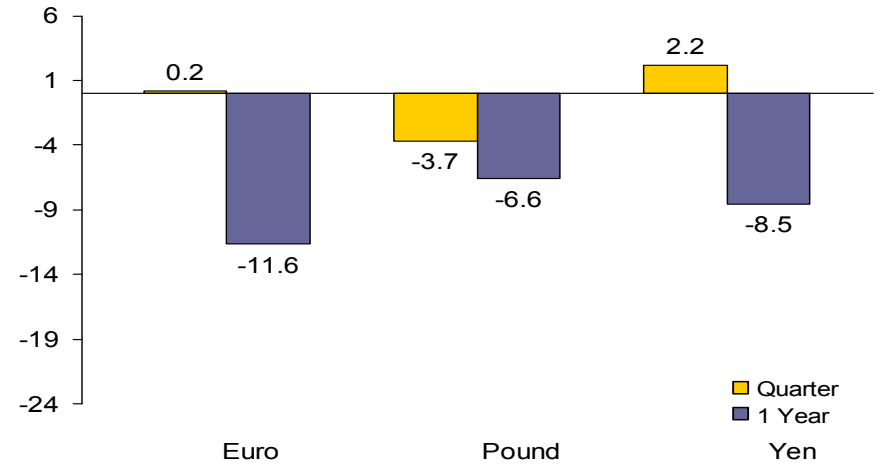
Contribution to Return:

	EM Asia	EM Latin America	South Africa	EM Europe & Mid East	Total GEM
Qtr	-11.8	-3.2	-1.5	-1.3	-17.9
1 Yr	-9.1	-5.1	-1.1	-2.6	-19.3

Currency Markets

- With the Fed indicating a more benign tightening path than previously anticipated, the euro preserved the gains from Q2 versus the US Dollar, gaining additional 0.2% in Q3.
- Expectations for additional monetary easing from the BoJ as early as October helped the JPY, which rose 2.2% vs. the U.S. dollar last quarter.

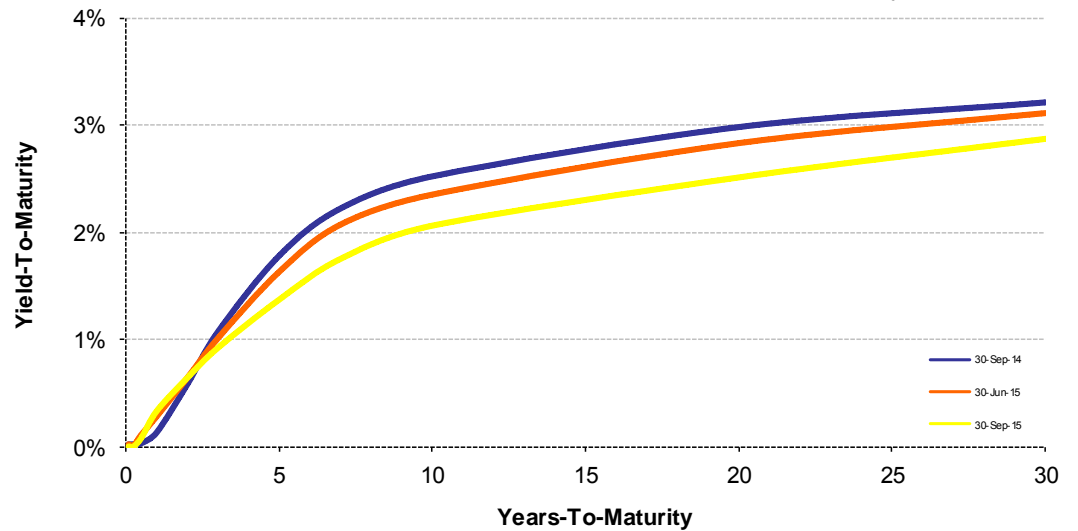
Currency Returns (%)



Yield Curve

- The Treasury yield curve shifted lower last quarter, driven by declines in all maturities except the 1-year and 2-year.
- 10-year yields declined 29bps during the third quarter, while 30-year yields declined by 24bps.
- In contrast, the yields on the 1-year bonds rose by 5 basis points while the 2-year yields remained unchanged.

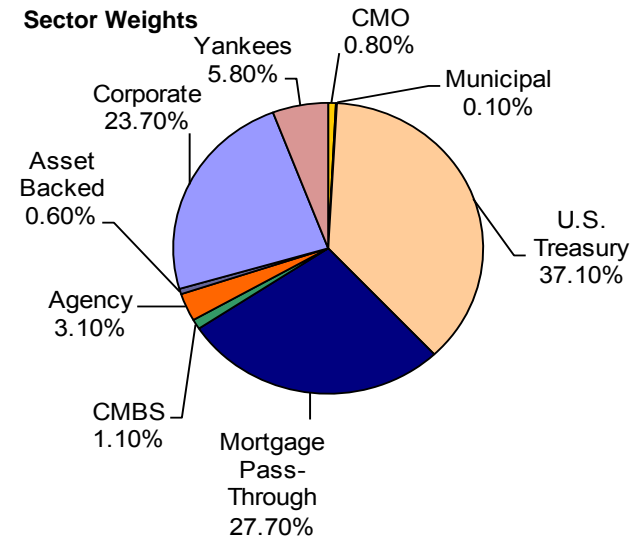
INTEREST RATE TERM STRUCTURE
Government Issues - 3 Months to 30 Years Maturity



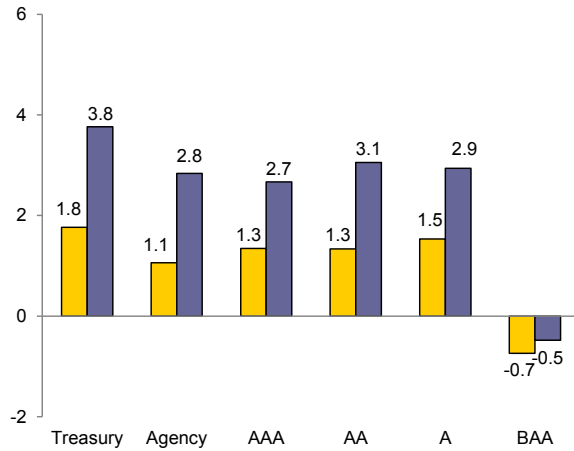
BOND MARKETS

U.S. Bond Market Returns – Barclays Capital Aggregate

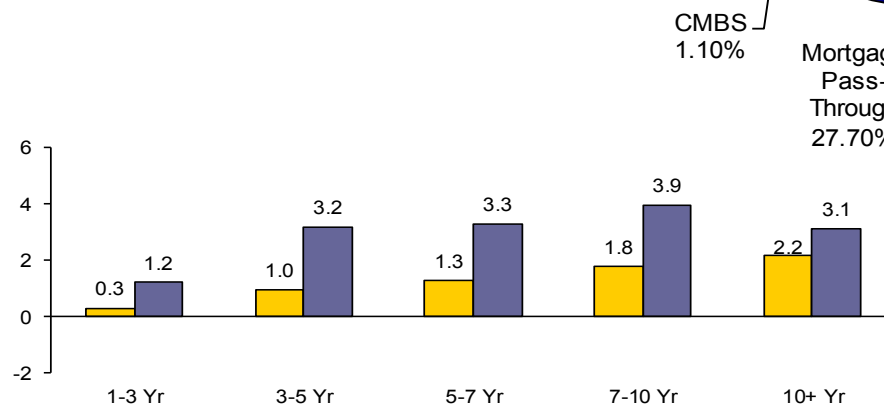
- The U.S. Treasuries reversed their second-quarter losses with the aggregate total return index rising 1.8% in the third quarter.
- Longer-duration US Government bonds led the gains and bonds with durations over 10 years rose 2.2%.
- All corporate debt rose in the third quarter, with the exception of lower-rated corporate bonds (BAA) which dropped 0.7%.



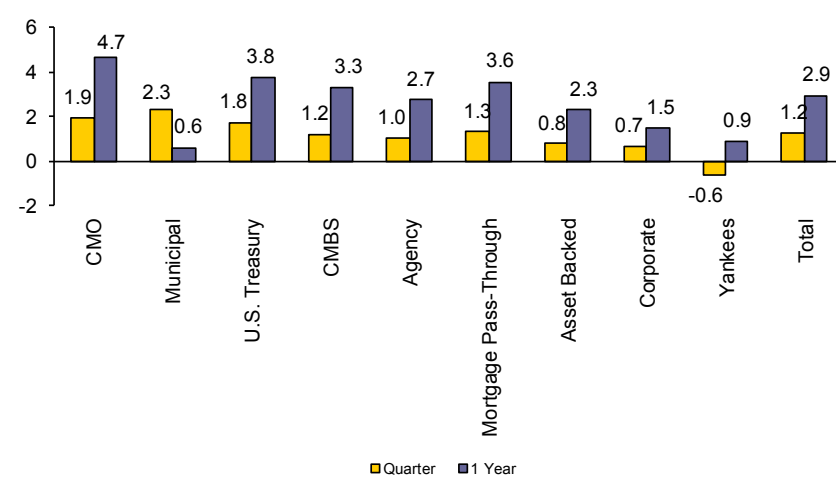
Quality Performance (%)



Duration Performance (%)



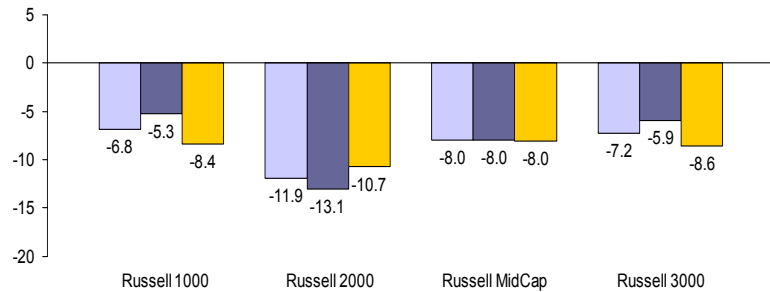
Sector Performance (%)



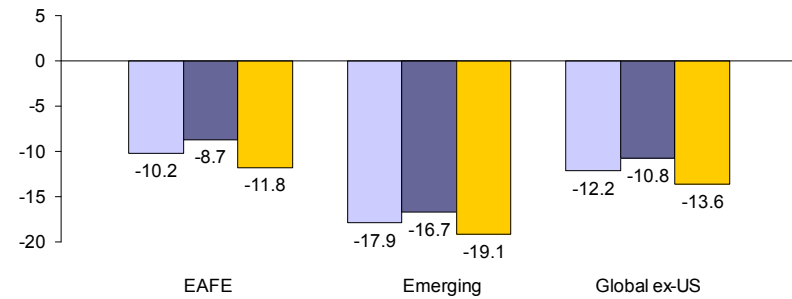
Style & Capitalization Returns

- Small cap equities declined the most in the U.S. as the Russell 2000 index lost ground across investment styles in the third quarter.
- Emerging markets were the worst performer across styles in the third quarter, although Global ex-US Value has lost the most year-to-date.

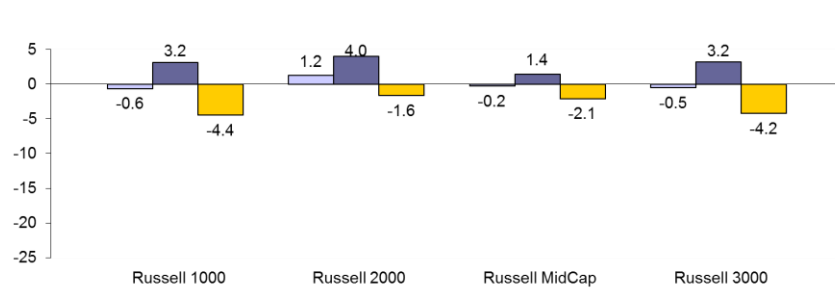
Russell US Style Returns (%) – Quarter



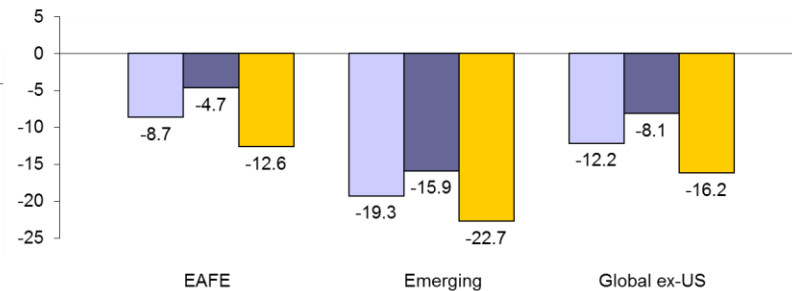
MSCI Non-US Style Returns (%) – Quarter



Russell US Style Returns (%) – 1 Year



MSCI Non-US Style Returns (%) – 1 Year



□ Neutral ■ Growth ■ Value

SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
Board of Retirement

December 15, 2015

Agenda Item 6.3

TO: Board of Retirement
Lilibeth Dames
FROM: Lilibeth Dames, Investment Analyst
SUBJECT: Presentation of Private Asset Semi-Annual Performance Reports as of June 30, 2015

Staff Recommendation

Accept and review Strategic Investment Solutions' semi-annual private equity and private real assets performance reports as of June 30, 2015.

Background

In August 2010, the Board of Retirement approved the implementation of SamCERA's private equity program. In October 2013, the Board of Retirement subsequently approved the implementation of SamCERA's private real asset program. SIS has provided a semi-annual private equity performance report as of June 30th and December 31st every year. This will be the first semi-annual private real assets performance report presented to the board. Faraz Shooshani and John Nicolini from SIS will report on SamCERA's private equity and private real asset portfolios as of June 30, 2015.

Discussion

As of June 30, 2015, SamCERA's private equity portfolio had a total market value of \$194.1 million (5.4% of SamCERA's total fund). For the six-month period from January 1, 2015 through June 30, 2015, SamCERA committed to two new funds for a total of \$23.0 million. This brought the sum of private equity funds in the portfolio to eighteen with \$318.5 million in committed capital.

As of June 30, 2015, SamCERA's private real assets portfolio had a total market value of \$4.2 million (0.1% of SamCERA's total fund). SamCERA made its first commitment to real assets in July 2014. For the six-month period from January 1, 2015 through June 30, 2015, SamCERA committed to one additional fund for a total of \$10 million. This brought the sum of private real asset funds in the portfolio to two with \$30 million in committed capital.

Mr. Shooshani and Mr. Nicolini will review the performance reports with the Board and be available for questions.

Attachments

- A. SIS Semi-Annual Private Equity Performance Report for Period Ending 6/30/2015
- B. SIS Semi-Annual Private Real Assets Performance Report for Period Ending 6/30/2015



SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

Private Equity Review

December 15, 2015



SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

As of June 30, 2015

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▪ PE Portfolio Diversification by Vintage Year	
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MARKET COMMENTARY

As of June 30, 2015

Debt-Related:

- **New issuance slowing down.** First half 2015 high yield issuance of \$185 billion is down 1% from the same period last year and leveraged loan volume of \$229.0 billion¹ is down 29.4% versus the same period last year.
- **Spreads have increased.** BB-, B+ and B index widened by 33 bps, 22 bps and 61 bps respectively, a 9.6%¹, 5.8%¹ and 14.8%¹ increase versus same period last year while HY Credit Index widened by 71 bps or 24.2%¹ versus last year.
- **Despite weakness, LBO debt terms have loosened further.** Total leverage for the first half of 2015 at 5.6x² EBITDA is up 15.09% from the first half of 2014. Similarly, Interest coverage (EBITDA / Cash Interest) for the first half of 2015 at 2.55x² is down 24.8% from the first half of 2014.

Buyouts & PE:

- **Capital overhang continues to persist.** PE dry powder at \$835 billion³, up 9.7% from same period last year. Total buyout dry power at \$475 billion³, up 7.9% from prior year.
 - **Fundraising is weakening.** During the first half of 2015, PE firms raised \$198.3 billion⁴, down 10.7% from prior year. Buyout firms across all buyout strategies raised \$45.5 billion⁴, down 47.91% from prior year.
 - **Investment activity is also slowing down.** PE firms invested \$216 billion⁵, down 21.7% from prior year and closed 1,509 deals⁵, down 13.9% from prior year.
- **LBO price multiples continue record highs.** US LBO purchase price multiples now at 10.1x² EBITDA, a 9.2% increase from prior year. The previous peak was 9.7x² EBITDA which was reached in 2007 and 2014.
- **Exit activity increased significantly.** PE firms exited 1,026 companies⁶, representing \$326.8 billion⁶ in total transaction value. This represents a 0.6% decrease in # of exits but a 21.8% increase in total transaction value compared to prior year.

As of June 30, 2015

VC:

- **Capital overhang evident in VC.** VC dry powder at \$143.5 billion³, up 14% from the same period last year.
 - **VC fundraising continues 2014 upswing.** VC firms raised \$21.7 billion⁴ in the first half of 2015, a 7% increase from the same period last year. Similarly, 129 funds⁴ closed in the first half of 2015, a 30.3% increase from the same period last year.
 - **Investment activity strengthened.** US VC firms deployed \$38.5 billion⁷ in capital for the first half of 2015, a 17.30% increase from prior year. Growth was driven by a substantial increase in average investment per deal which grew to \$10.8 million⁷, a 44.0% increase from prior years. The increase in average deal size was driven by US managers preferring later stage investments over early stage investments. Later stage companies generally require larger check sizes versus earlier stage companies.
- **US entry valuations are up.** In the US, while the average valuation of a Seed Stage investment was down 1.46% versus last year at \$6.07 million⁷, the average valuation of a Series A valuation was up 24.26% at \$15.06 million⁷, a Series B valuation was up 1.0% at \$41.4 million⁷, a Series C valuation was up 2.60% at \$82.5 million⁷ and a Series D+ valuation was up 12.2% at \$184.0 million⁷.
- **Weak exit activity troubling.** While fundraising and investments are up, VC exits are down significantly. VC firms exited just 383 companies⁸ in the first half of 2015, down 70.8% from the same period last year. Similarly, VC firm exits represented \$23.7 billion⁸ transaction value down 49.2% from the same period last year.

Ex US:

- **Capital overhang is more evident outside the US.** PE dry powder outside the US grew 11.2% to \$578.3 billion⁹ for 2014 compared to 2013. Currently, dry powder outside the US is greater than dry powder in the US by 8.4%.
 - **Ex US fundraising down.** Reflective of the current market dislocation in Europe and Asia, fundraising was down 32.0% to \$67.9 billion¹⁰ compared to prior year. Asian funds raised \$15.9 billion¹⁰ in capital, down 39.4% from prior year and European funds raised \$43.6 billion¹⁰ in capital, down 35.0% from prior year.
 - **Ex US investment activity slightly down.** For the first half of 2015, Ex-US PE firms deployed \$75.2 billion¹¹ of capital, down 1.2% from prior year. The largest decline in deployment was in Asia where firms only deployed \$9.2 billion¹¹ in capital, a 52.5% decrease from prior years. This was offset by an increase in deployment in Europe of \$52.8 billion¹¹ (+10% from prior year) and the rest of the world of \$13.2 billion¹¹ (+49.5% from prior year).

As of June 30, 2015

- **Ex US entry valuations declined.** Median EV/EBITDA multiples was up at 6.9x¹² EBITDA globally, a 3.6% increase from prior year. However, this was largely driven by a 9.2%² increase in purchase multiples in the US. Ex US purchase multiples declined overall.
- **Leverage multiples in Europe have declined.** European LBO leverage multiples have averaged 4.9x¹³ EBITDA through the first half of 2015, a decrease of 4.0% from prior year. Similarly, total LBO financing at \$39.4 billion¹⁴ is down 12.9% versus prior year.
- **Ex US exit activity is weak.** In contrast to the US which recorded \$185 billion¹⁵ in exits for the first half of 2015, an increase of 81.8% from prior year, exits outside the US only amounted to \$142.0 billion¹⁵, a 14.8% decrease from prior year.

Outlook:

- **PE allocations likely to increase.** A recent survey of institutional investors indicated that 52%¹⁶ were below their target allocation for private equity. This is an increase of 13% from year end 2014.
- **Institutional investors most satisfied with US and like small- to mid-market buyout.** Institutional investors are most satisfied with their US private equity commitments with 92%¹⁶ claiming that such managers met or exceeded expectations. This compares favorably versus Europe (81%¹⁶) and Asia (86%¹⁶). In the same survey, 50%¹⁶ of institutional investors also cited the small to mid-market buyout strategy as presenting the best opportunities for 2015. Venture capital was mentioned next with 23%¹⁶ of institutional investors believing it presented the best opportunities for 2015.

As of June 30, 2015

Footnotes:

- (1) UBS' US Leveraged Capital Markets Weekly Update – July 2, 201
- (2) LCD's Leveraged Buyout Review – 2Q15
- (3) Preqin Quarterly Update – Q2 2015
- (4) Preqin Q2 2015 Private Equity Fundraising
- (5) PitchBook's Private Equity Breakdown Data Sheet (Q2 2015)
- (6) PitchBook's 1H 2015 Global PE Exits & Company Inventory Report
- (7) PitchBook's Venture Capital Valuations + Trends Data Sheet (2H 2015)
- (8) PitchBook's Venture Capital Liquidity Data Sheet (2H 2015)
- (9) To estimate Ex US capital overhang, SIS took annual global private equity dry powder from Preqin Quarterly Update – Q2 2015 and subtracted it from U.S. PE Capital Overhang from PitchBook's Fundraising & Capital Overhang Report Data Sheet (2H 2015). Year-end data was used as PitchBook did not have bi-annual data available.
- (10) Preqin Q2 2015 Private Equity Fundraising
- (11) Preqin Q2 2015 Private Equity-Backed Buyout Deals and Exits Factsheet - July 2015
- (12) PitchBook 3Q 2015 Global PE Deal Multiples & Trends Report
- (13) LCD European Leveraged Buyout Review (1H 2015)
- (14) LCD European Leveraged Lending Review (1H 2015)
- (15) PitchBook's 1H 2015 Global PE Exits & Company Inventory Report
- (16) Preqin Investor Outlook: Alternative Assets, H2 2015 Data Pack



PRIVATE EQUITY PORTFOLIO

SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

PE Portfolio Overview

As of June 30, 2015

Investment Type	Policy Target	Policy Range	Market Value %	Market Value \$(000)	Unfunded Commitment \$(000)	Market Value + Unfunded \$(000)
SamCERA - Total Plan			100.0%	3,438,626		
Buyout (60% +/- 20%)	4.2%	3.2%-6.4%	3.3%	113,396	96,454	209,850
Venture Capital (20%, 0%-30%)	1.4%	0.0%-2.4%	1.3%	45,994	23,642	69,636
Debt-Related/Special Situations (20% +/- 10%)	1.4%	0.8%-2.4%	1.0%	34,753	35,798	70,551
Total Private Equity	7.0%	6%-10%	5.6%	194,142	155,894	350,036

Portfolio Summary

- As of June 30, 2015 the Private Equity Portfolio had a total market value of \$194.1 million, with \$113.4 million in Buyout, \$46.0 million in Venture Capital, and \$34.8 million in Debt-Related/Special Situations. Total market value is the current reported value of investments, excluding the remaining amount of unfunded commitments.
- All sub-asset classes are below policy target as commitments continue to be made to new managers.

Portfolio Activity

- From January 1, 2015 through June 30, 2015, SamCERA committed \$8.0 million to Emergence Capital Partners IV and \$15.0 million to JLL Partners Fund VII.



PRIVATE EQUITY PORTFOLIO PERFORMANCE

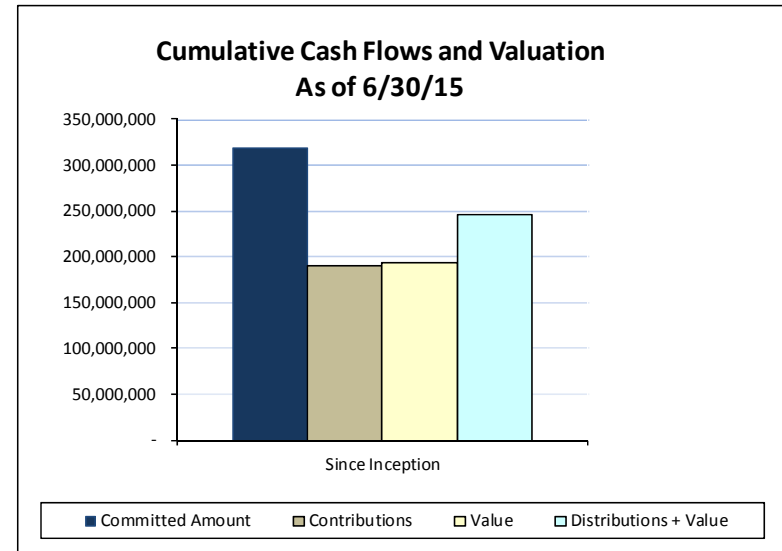
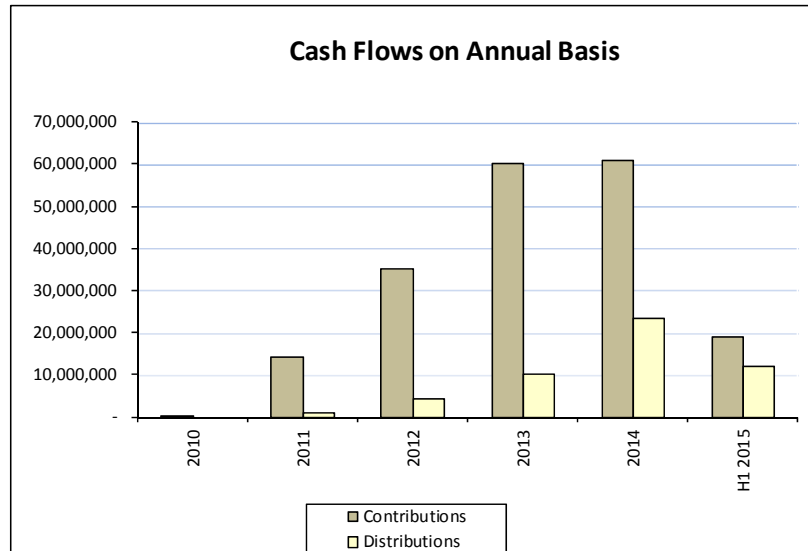
SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

PE Performance

As of June 30, 2015

Performance

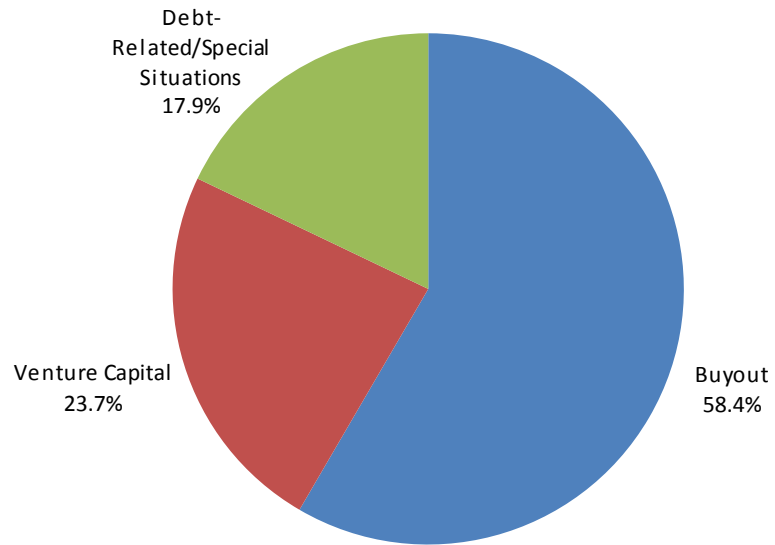
- The Private Equity portfolio is in the early stages of its investment period, but with a capital weighted average investment age of 1.76 years, performance results as measured by net IRR at 17.45%, are more meaningful.
- The portfolio is currently valued at \$194.1 million. Together with \$51.0 million in realized distributions, the Total Value at \$245.1 million is approximately \$55.7 million above \$189.4 million total capital contributions, resulting in a total value multiple of 1.29x and a distribution multiple of 0.27x.
 - Buyouts up \$39.8 million / +38.1% versus cost (Sycamore, ABRY VII, and Warburg Pincus XI leading), with 29.7% of Total Value of portfolio distributed;
 - Venture Capital up \$16.8 million / +55.1% versus cost (General Catalyst VI, Third Rock III, and NEA 14 leading), with 4% of Total Value of portfolio distributed; and
 - Debt-related/Special Situations down \$0.9 million / -1.7% versus cost (negatively impacted by Sheridan II-B; however ABRY Advanced Securities II & III, and Regiment Capital Special Situation V are up \$7.9 million in aggregate / 22.9% versus cost), with 34.4% of Total Value of portfolio distributed.
- Within Private Equity, the current allocation of invested capital is 58.4% to Buyout, 23.7% to Venture Capital, and 17.9% to Debt-Related/Special Situations.

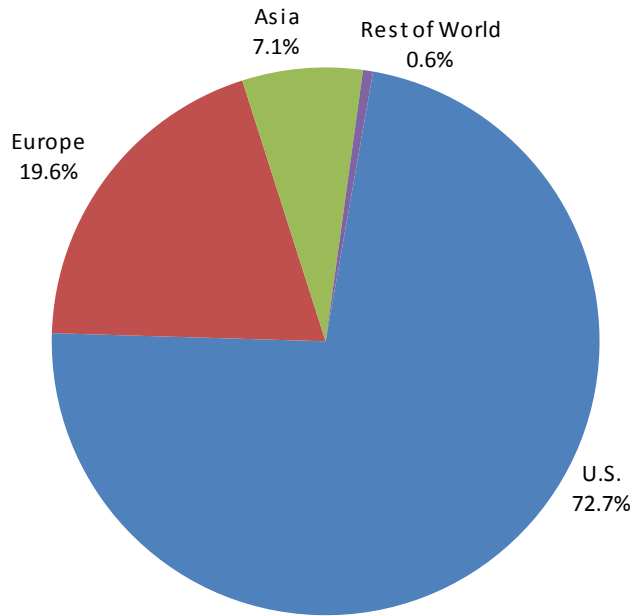




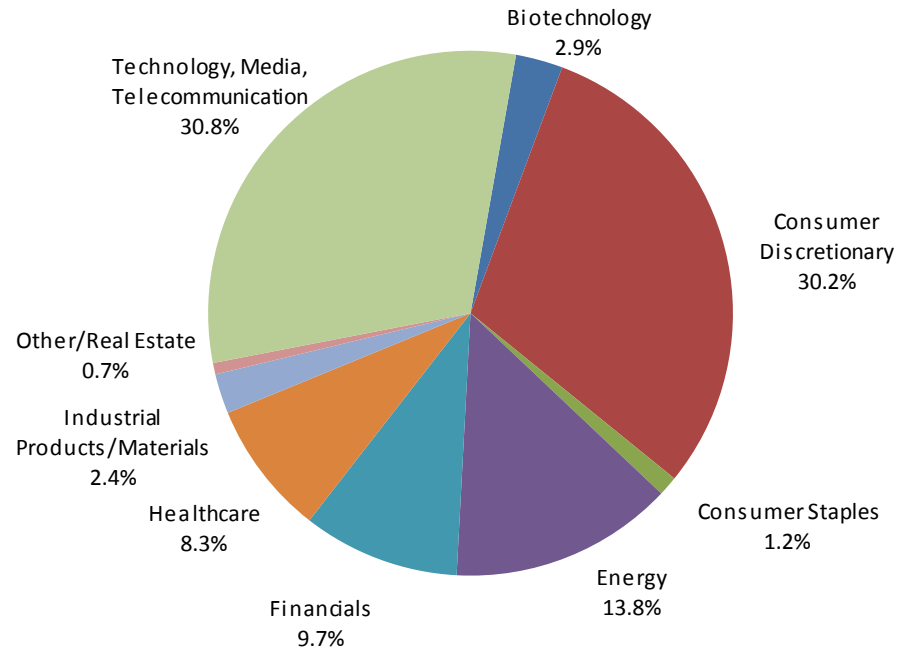
PRIVATE EQUITY PORTFOLIO DIVERSIFICATION

Private Equity Portfolio: Current Exposure

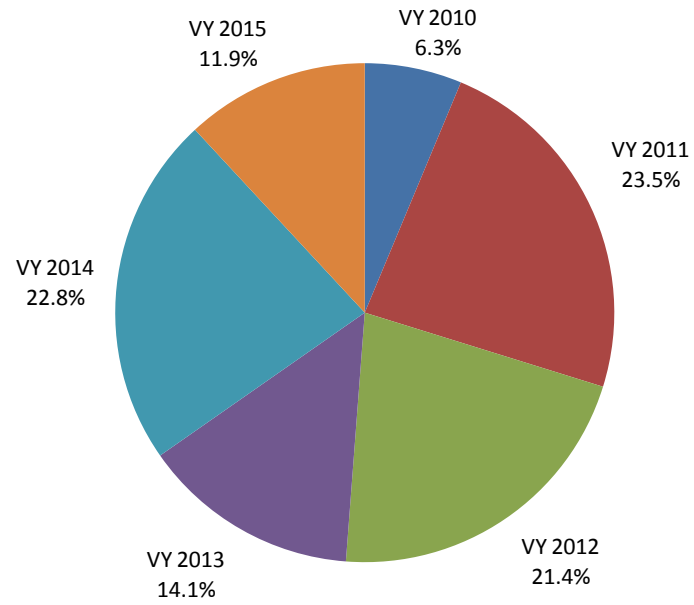




Based on the value of portfolio companies As of June 30, 2015 if provided by the partnerships. Differences between reported value and the total portfolio valuation is due to temporary cash funds, fees, other expenses, and holdings with undisclosed geography breakdown.



Based on the value of portfolio companies As of June 30, 2015 if provided by the partnerships. Differences between reported value and the total portfolio valuation is due to temporary cash funds, fees, other expenses, and holdings with undisclosed geography breakdown.





SIGNIFICANT EVENTS / MATERIAL EXCEPTIONS TO POLICY

SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

As of June 30, 2015

Significant Events
Material Exceptions to Policy

- As of June 30, 2015, the Private Equity Portfolio is slightly below the lower range of its target allocation, with exposures within target diversification bands.
- Significant drop in energy prices have impaired the current value of Sheridan Production Partners II-B. With significant hedges in place through 2017, the GP does not expect to sell the assets at impaired values.



SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

Real Assets Review

December 15, 2015



SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

As of June 30, 2015

▪ Real Assets Portfolio Performance	2
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▪ Real Assets Portfolio Diversification by Strategy	
▪ Real Assets Portfolio Diversification by Geography	
▪ Real Assets Portfolio Diversification by Vintage Year	
▪ Significant Events / Material Exceptions to Policy	8

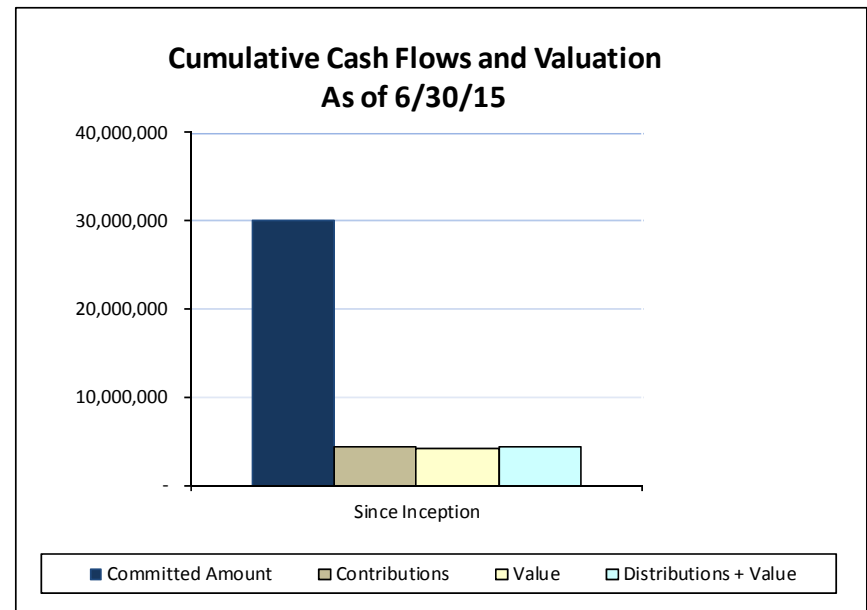
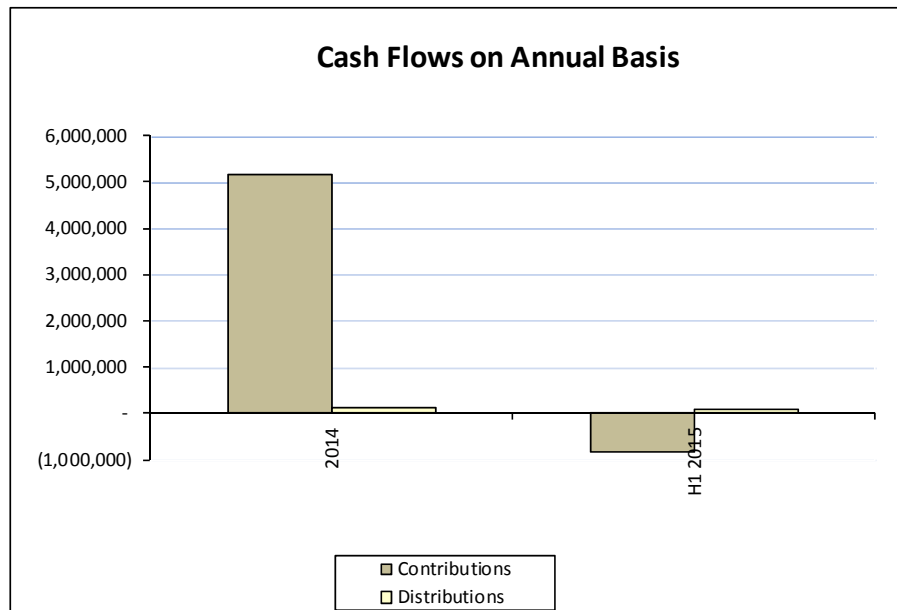


REAL ASSETS PORTFOLIO PERFORMANCE

As of June 30, 2015

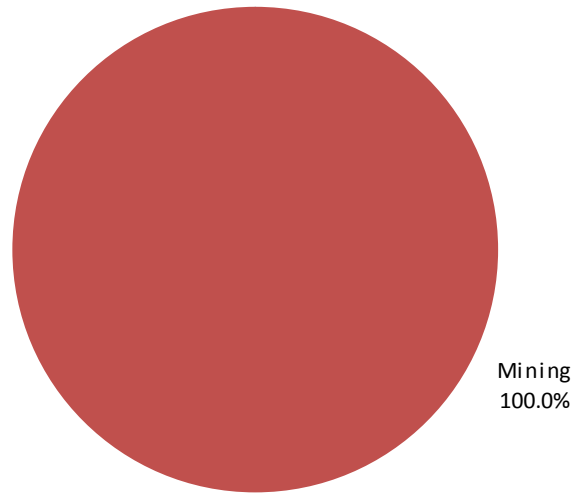
Performance

- With a capital weighted average investment age of less than one year (0.7 year,) the Real Assets portfolio is in the early stages of its investment period. Generally at this stage, payment of fees and the lack of sufficient portfolio maturity results in negative performance, a phenomenon known as “the J-Curve” effect.
- The portfolio is currently valued at \$4.2 million. Together with \$0.2 million in realized distributions, the Total Value at \$4.4 million is approximately \$0.1 million above \$4.3 million total capital contributions, resulting in a total value multiple of 1.03x and a net IRR of 4.13%..
- Within Real Assets, the current allocation of invested capital is 100.0% to Mining.

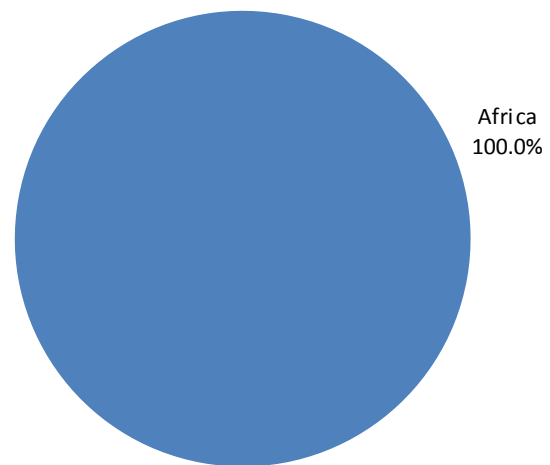




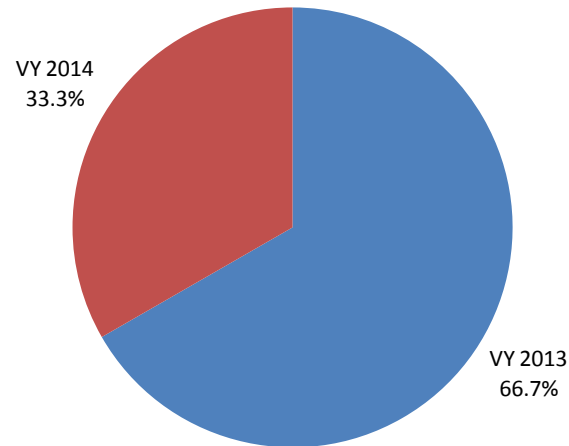
REAL ASSETS PORTFOLIO DIVERSIFICATION



As of June 30, 2015 due to the recent inception and lack of maturity of the program, the Real Assets portfolio was below its target diversification range. The Portfolio is expected to be diversified over a period of 3 to 5 years.



Based on invested capital as of June 30, 2015 if provided by the partnerships.



As of June 30, 2015 due to the recent inception and lack of maturity of the program, the Real Assets portfolio was below its target diversification range. The Portfolio is expected to be diversified over a period of 3 to 5 years.



SIGNIFICANT EVENTS / MATERIAL EXCEPTIONS TO POLICY

SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

As of June 30, 2015

Significant Events
Material Exceptions to Policy

- As of June 30, 2015 due to the recent inception and lack of maturity of the program, the Real Assets Portfolio was below its target allocation and target diversification ranges.
- The Portfolio is expected to be diversified over a period of 3 to 5 years.
- No other significant events.

SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
Board of Retirement

December 15, 2015

Agenda Item 6.4

TO: Board of Retirement



FROM: Michael Coultrip, Chief Investment Officer

SUBJECT: Approval of Opportunistic Credit Manager Search Process

Staff Recommendation

Approve the proposed search process for funding a new opportunistic credit strategy within the fixed income asset class.

Background

In October 2013, the Board approved a new asset allocation policy that increased the opportunistic credit category within the fixed income allocation by 2% (from 3% to 5%). As part of this increased allocation, in January 2015 the Board approved a \$32.5 million investment into the Beach Point Capital Select Fund. Subsequently, in October 2015 the Board approved a new allocation further increasing the opportunistic credit category by 1% (from 5% to 6%).

Discussion

In order to further diversify the program, staff and consultant propose implementing this 1% increase with a new strategy rather than allocating to the existing strategies within opportunistic credit. Staff and consultant propose to conduct the search for the new strategy by using the same approach approved by the Board for the past three manager searches, (Beach Point Select, Standard Life GARS, and Invesco Value-Add Real Estate), in which staff and consultant perform all of the extensive due diligence necessary in order to make the final investment recommendation to the Board.


Staff and consultant intend to perform this due diligence on a select group of best-in-class opportunities over the next few months, with the intention of making a short-list matrix of potential strategies to share with the Board. Upon further due diligence, staff and consultant will make the final investment recommendation to the Board.

SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
Board of Retirement

December 15, 2015

Agenda Item 6.5

TO: Board of Retirement

FROM: Brenda B. Carlson, Chief Legal Counsel 
Michael Coultrip, Chief Investment Officer 

SUBJECT: U.S. Department of Labor Interpretive Bulletin on Economically Targeted Investments

Staff Recommendation

Accept informational report on the U.S. Department of Labor Interpretive Bulletin on Economically Targeted Investments and provide direction to staff.

Background

The U.S. Department of Labor (DOL) issues advisory opinions and interpretive bulletins for pension plans subject to the Employment Retirement Income Security Act (ERISA). Although ERISA specifically exempts governmental plans, both governmental plan and ERISA pension plan trustees have equivalent fiduciary duties arising out of the common law of trusts and governmental plans turn to ERISA and DOL decisions for guidance.

ERISA sections 403 and 404 require plan fiduciaries to act with care, skill, prudence and diligence of a prudent person and to diversify plan investments so as to minimize the risk of large losses, unless it is clearly prudent not to do so. These sections also require plan fiduciaries to act "solely" in the interest of the members and beneficiaries and the exclusive purpose of providing benefits and paying reasonable expenses.

In 1994 and in 2008, the DOL issued the DOL interpretive bulletins in regards to sections 403 and 404 as applied to investments in "economically targeted investments" (ETI). ETI are investments selected for the collateral benefits they create apart from their investment return to the employee plan investors. In 1994, the DOL stated that plan fiduciaries could invest in ETI "if the ETI has an expected rate of return that is commensurate to rates of return of alternative investments with similar risk characteristics" and is otherwise appropriate for the plan. This guidance was referred to as the "tie breaker rule." In 2008, the DOL stated that "fiduciaries who rely on factors outside the economic interests of the plan in making investment choices ... will rarely be able to demonstrate compliance with ERISA absent a written record... that the investments were of equal value." On October 22, 2015, the DOL rescinded its 2008 interpretive bulletin and reinstated the guidance it issued in 1994.

SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
Board of Retirement

Discussion

In announcing the new guidance, the Secretary of Labor Thomas Perez stated that the DOL's 2008 interpretative bulletin "unduly discouraged plan fiduciaries" from considering environmental, social and governance factors under appropriate circumstances and that "[c]hanges in the financial markets since that time, particularly improved metrics and tools allowing for better analyses of investments, make this the right time to clarify our position."

In the guidance, the DOL reiterates that the plan fiduciary's "focus on the plan's financial returns and risk to beneficiaries must be paramount" and fiduciaries are prohibited from:

- "[A]ccept[ing] lower expected returns or take on greater risks in order to secure collateral benefits."
- "[S]ubordinating inter interests of participants and beneficiaries in their retirement income to unrelated objectives."

The DOL reinforces the tie-breaker rule by stating that the plan fiduciary:

- May not accept lower expected returns or take on greater risks in order to secure collateral benefits, but may take such benefits into account as 'tiebreakers' when investments are otherwise equal with respect to their economic and financial characteristics."

However, the DOL also states that:

- ESG factors "may have a direct relationship to the economic and financial value of an investment;" and
- "When they do, these factors are more than just tiebreakers but rather are proper components of the fiduciary's analysis of the economic and financial merits of competing investment choices."
- "[F]iduciaries need not treat commercially reasonable investments as inherently suspect or in need of special scrutiny merely because they take into consideration environmental, social, or other such factors."

The DOL further states that ERISA does not prohibit a fiduciary from:

- Addressing ETIs or incorporating ESG factors in investment policy statements or integrating ESG-related tools, metrics and analyses to evaluate an investment's risk or return or choose among otherwise equivalent investments.
- Considering whether and how potential investment managers consider ETIs or use ESG criteria in their investment practices.

SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
Board of Retirement

As set forth above, an ERISA fiduciary may address ETIs or incorporate ESG factors in its Investment Policy Statement or integrate ESG-related tools, metrics and analyses to evaluate an investment's risk or return or to choose among otherwise equivalent investments. It can also consider whether and how potential investment managers consider ETIs or use ESG criteria in their investment practices.

Section 4 of the Board's Investment Policy Statement, "Investment Beliefs," is set forth below. The red lined language is consistent with the new DOL guidance that the Board's policy can address whether and how potential investment managers consider ETIs or use ESG criteria in their investment practices.

"Consistent with the investment beliefs contained in Section 4.0, it is the investment policy of the Board to:

A. ~~Consistent with fiduciary standards, always act in the best economic interests of SamCERA's plan beneficiaries and plan sponsors, and refrain from making investment decisions for political, social, or other non-economic reasons~~ Achieve long-term, sustainable, risk adjusted returns consistent with its fiduciary duty.

B. Pursue an investment strategy that reduces the volatility of returns through prudent diversification of the portfolio across a broad selection of distinct asset classes, as provided for in Section 6.0 of this Investment Policy.

C. Further diversify other risks, including extreme events, liquidity, and leverage by looking beyond traditional asset class definitions by utilizing multiple lenses on portfolio risks.

D. Adopt an asset allocation target to guide the structure of the investment portfolio, as provided for in Section 6.0, and reevaluate on an annual basis.

E. Reevaluate the asset-liability study every three to five years.

F. Delegate full discretion, including whether to include economic, social, and governance factors, if such factors have a direct relationship to the economic and financial value of an investment, when analyzing the financial merits of competing investment choices on behalf of SamCERA, to each investment manager to the extent authorized in their Investment Management Agreement (IMA)."

The Board may wish to direct to staff to present this and or other proposed language as a possible amendment to the Investment Policy Statement for the Board's consideration at a future meeting.

SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
Board of Retirement

December 15, 2015

Agenda Item 6.7

TO: Board of Retirement 
FROM: Michael Coultrip, Chief Investment Officer
SUBJECT: Strategic Discussion of Investment Items: Soft Dollar Follow-Up and Equity Structure

Staff Recommendation

No action is required. This is an opportunity for the Board to have a strategic investment discussion.

Discussion

At the August meeting, the Board discussed the need for it to periodically hold investment strategy sessions with staff and the consultant. These sessions will act as a 'sounding board' to flesh out ideas and to provide strategic direction to staff on discreet items earlier in the formulation process. The Board directed staff to include sessions on the agenda on an ad-hoc basis.

Today, the first of such sessions, will address soft dollars and various equity structure issues.

SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
Board of Retirement

December 15, 2015

Agenda Item 7.1

TO: Board of Retirement
FROM: Scott Hood, Chief Executive Officer
SUBJECT: Status of SACRS Legislative Proposals



Staff Recommendation

Accept Report on Status of SACRS Legislative Proposals for 2016 and Provide Direction to Staff.

Background

At the September meeting, the Board designated Michal Settles and Susan Lee, as voting delegates for fall SACRS business meeting. Because the SACRS business meeting materials were not available in time for discussion at the October meeting, the delegates were authorized to vote in the best interest of SamCERA.

The SACRS Legislative Committee did not finalize the legislative proposals until November 13, 2015 and, consequently, several boards in addition to SamCERA's were unable to provide their delegates with voting direction. For this reason, at the Fall business meeting, the SACRS proposals were not presented for consideration and will be voted upon at the Spring SACRS meeting in May. However, due to the legislative calendar, the SACRS Legislative Committee may wish to obtain place holder bills prior to that date. To that end, the Committee has requested that each Board give feedback now as to whether it is interested in SACRS seeking such legislation. The actual vote supporting or opposing the proposed legislation would occur at the SACRS May meeting.

Discussion

Three legislative proposals were considered by the Legislative Committee, the first two were supported and the last one was not. The attached legislative proposals consist of: (1) authorizing a CERL Board of Retirement to unilaterally determine to become an independent special district; (2) authorizing the collection of a member's date of birth and employment from the employer directly rather than through a "sworn statement" from the member; and (3) authorizing the alternate retiree member to vote in the event of two or more absences of elected members.

At the meeting, staff will review the three proposals with the Board and address any questions.

Attachment

November 2015 SACRS Legislative Proposals

YEAR 2016 SACRS LEGISLATIVE PLATFORM WORKSHEET

PLEASE COMPLETE AND RETURN BY SEPTEMBER 4, 2015

Title of Issue: 1937 Act County District Status Authorization

Association: SACRS Board of Directors

Contact Person: Jim Lites

Phone #: 916 266-4575

Fax #: 916 266-4580

Email: jlites@calstrat.com

Please answer the following questions as fully as possible:

1. Description of issue.

District authorization essentially allows a county retirement system to hire key executive personnel as employees of the retirement system, rather than employees of the county. Orange, San Bernardino and Contra Costa already operate under this section of the County Employees Retirement Law of 1937. The Ventura County Employees Retirement System sponsored AB 1291/Ch. 223, Statutes of 2015, which provides a modified version of district status for Ventura.

With the enactment of the Public Employee Pension Reform Act of 2012 (PEPRA), one of the responsibilities PEPRA mandates upon boards of retirement is the requirement to monitor and enforce the anti-spiking provisions of the measure. With senior retirement system personnel as employees of the retirement system rather than the county, 1937 systems will have greater independence to fulfill the PEPRA anti-spiking provisions. In addition, it will assist our local retirement system in attracting and retaining highly-talented human capital necessary to effectively manage a retirement system and an investment portfolio in today's investment marketplace.

2. Recommended solution.

Provide statutory authorization for the Board of Retirement for any 1937 act system to make an election to become an independent district.

3. Specific language that you would like changed in, or added to, '37 Act Law, and suggested code section numbers.

The intent is to amend Government Code Sections 31468 and 31522.5 to allow each 1937 Act county retirement system to elect to have district status. The specific language will be written based on the guidance of the SACRS Legislative Committee.

4. Why should the proposed legislation be sponsored by SACRS rather than by your individual retirement association?

This proposal would provide the remaining 1937 Act county retirement systems with the authority to become a district. The requested revisions will affect all CERL systems that have not yet sought legislation to obtain district status.

5. Do you anticipate that the proposed legislation would create any major problems, such as conflicting with Proposition 162 or create a problem with any of the other 19 SACRS retirement associations?

The intent of this proposal is to provide county-optional authority.

6. Who will support or oppose this proposed change in the law?

SACRS would seek support from other 1937 Act stakeholders.

7. Who will be available from your association to testify before the Legislature?

Richard Stensrud, Chair, SACRS Legislative Committee.

E-mail or mail your legislative proposals to:

Jim Lites
California Strategies, LLC
980 9th Street, Suite 2000
Sacramento, CA 95814
Phone: (916) 266-4575
Email: jlites@calstrat.com

SACRS County Retirement System District Proposal

District Status for all 1937 Act County Employee Retirement Systems: What does District Status Mean?

The State Association of County Retirement Systems is proposing District status authorization all 1937 Act county employee retirement systems. District status means that employees of individual county retirement systems shall no longer be employees of the county, but employees of the board of retirement. The proposal will allow county boards of retirement to select among different options for District status that best suits the organization and the county:

- **District Status for Management Personnel Only** – This is the District status currently in place at Orange, San Bernardino and Contra Costa counties, pursuant to California Government Code Sections 31468 & 31522.5.
- **Selected Personnel District Status** – This option would identify the exact positions designated for District status, similar to AB 1291/Ch. 223, Statutes of 2015, which designated specific positions for the Ventura County Employees Retirement System District status.
- **Full Department District Status** – This option would authorize the entire staff of the county retirement system to become employees of the Board of Retirement.

Why is SACRS Proposing District Status for all 1937 Act Counties?

The laws governing 1937 Act County retirement systems were written in a less complex financial world. Not only have financial markets and client services changed dramatically since 1937 but the needs of county governments have as well. Originally the county pension systems established under the 1937 Retirement Act were simply small departments in the county treasurers' offices. Gradually, over time, retirement systems have evolved and grown, moving into

their own offices, serving thousands of members, and hiring additional, specialized staff. Those changes are accelerating in the 21st Century.

Today all but three independent county systems have responsibility for managing assets well over \$1 billion. Contra Costa, Sacramento, Alameda, San Bernardino, San Diego, & Orange are all well beyond \$7 billion in assets, with LACERA, the largest, managing more than \$50 billion. District status provides the greatest degree of organizational flexibility to manage large asset pools and ensure service to county employees is paramount to the mission of the retirement system.

The Impact of PEPRA on County Retirement Systems

With the enactment of the Public Employee Pension Reform Act in 2012, boards of retirement have been charged with identifying violations of the statute's anti-spiking provisions. PEPRA requires boards of retirement to disallow new pay elements that could be deemed as spiking the pension. Granting county boards of retirement greater independence will actually better align their authority to their current duties and responsibilities and assist in fulfillment of their new anti-spiking mandate.

Recent District Status Authorization History

In 2014 Contra Costa County enacted SB 673 (DeSaulnier) in accordance with litigation that included District status. In 2015, the Ventura County Employees Retirement Association enacted AB 1291 (Williams) that offered a partial District status structure for the retirement system. Both county retirement systems will be able to utilize District status in the current post-PEPRA environment to better fulfill their mandate.

What are the Costs of District status? Governance & Transparency Remain In Place

Currently, the budgets of 1937 Act county retirement systems are separate from county budgets and the total budget amount is fixed in state law. The total expenditure for county retirement system administration comes from the investment earnings of the retirement funds under management. This amount capped in statute and this District proposal will not change the current cap. District status will not change the current governance structure of county retirement systems. All current directly elected and appointed members of county boards of retirement will remain in place. In addition, all current laws and regulations regarding transparency and public notice and reporting will remain in place and are unaffected by this proposal. The boards of retirement will also retain their fiduciary duties for management of the systems.

YEAR 2016 SACRS LEGISLATIVE PLATFORM WORKSHEET

PLEASE COMPLETE AND RETURN BY SEPTEMBER 4, 2015

Title of Issue: Sworn Statement Requirement

Association: San Diego County Employees Retirement Association (SDCERA)

Contact Person: Johanna Shick, Chief Service Officer
Elaine Reagan, Chief Legal Officer

Phone #: 619.515.6815
619.515.6804

Fax #: 619.515.5071
619.515.5067

Please answer the following questions as fully as possible:

1. Description of issue.

Government Code §31526 states "The regulations shall include provisions: (a) For the election of officers, their terms, meetings, and all other matters relating to the administrative procedure of the board. (b) For the filing of a sworn statement by every person who is or becomes a member, showing date of birth, nature and duration of employment with the county, compensation received, and such other information as is required by the board. (c) For forms of annuity certificates and for such other forms as are required."

Some retirement systems receive date of birth, nature and duration of employment with the county and compensation automatically via electronic payroll feed from the County. At the time the statute became effective in 1947 electronic payroll feeds did not exist, making the collection of this information critical for enrolling members into the system.

When counties automatically enroll eligible employees into the retirement system, and collect and report to the retirement system the required information, the requirement of collecting a sworn statement from each eligible employee is duplicative and unnecessary. Further, requiring the collection of a sworn statement from each eligible employee creates compliance issues and inefficiencies. Because not all employees return their sworn statements, additional staff time and resources must be expended to obtain the form from employees in order to comply with Government Code §31526; however, the retirement system already has the necessary information from the employer via the payroll feed.

2. Recommended solution.

Add language that would allow counties to collect members' date of birth, nature and duration of employment with the county, and compensation received from the employer in lieu of requiring the member to complete a sworn statement. This would enable those counties that have implemented procedures to automatically enroll eligible employees into the retirement system, and collect and report the required information to the retirement system automatically to streamline processes, thus making the administration of the benefit more efficient and bringing statute in alignment with modern-day technology.

3. Specific language that you would like changed in, or added to, '37 Act Law, and suggested code section numbers.

§31526: The regulations shall include provisions: (a) For the election of officers, their terms, meetings, and all other matters relating to the administrative procedure of the board. (b) For the filing of a sworn statement by every person who is or becomes a member, showing date of birth, nature and duration of employment with the county, compensation received, and such other information as is required by the board or, alternatively and in lieu of a sworn statement, for such information to be provided by the member's employer to the retirement association in a form to be determined by the retirement association. (c) For forms of annuity certificates and for such other forms as are required.

4. Why should the proposed legislation be sponsored by SACRS rather than by your individual retirement association?

The requested addition to Government Code §31526 affects all CERL systems, not only SDCERA.

5. Do you anticipate that the proposed legislation would create any major problems, such as conflicting with Proposition 162 or create a problem with any of the other 19 SACRS retirement associations?

No

6. Who will support or oppose this proposed change in the law?

The proposed amendment is unlikely to raise opposition as it is designed to allow the status quo for those systems that prefer it. It does not prohibit systems from continuing to use sworn statements; it simply allows those systems gathering this information electronically to streamline their processes and more reliably collect the information.

7. Who will be available from your association to testify before the Legislature?

Johanna Shick, Chief Service Officer
Elaine Reagan, Chief Legal Officer

E-mail or mail your legislative proposals to:

Jim Lites
California Strategies, LLC
980 9th Street, Suite 2000
Sacramento, CA 95814
Phone: (916) 266-4575
Email: jlites@calstrat.com

YEAR 2016 SACRS LEGISLATIVE PLATFORM WORKSHEET
PLEASE COMPLETE AND RETURN BY SEPTEMBER 4, 2015
RETIREE ALTERNATE

8/13/2015
#3(a)

Title of Issue: Retiree Alternate
Association: Merced CERA
Contact Person: Steven Bland
Phone #: 209.726.2724 Scott Johnston (209.617.2126)
Fax #: 209.725.3637

Please answer the following questions as fully as possible:

1. Description of issue.

Currently, the authority for the two alternates (safety and retiree) to fill in for absent trustees is limited. There are times when certain trustees are absent yet the alternates are not authorized to vote. This is depicted in the attached Appendix #I.

2. Recommended solution.

Alternate voting for employee representatives is unchanged in the event of one absence. In the event of two or more absences, the Alternate Retiree Member shall vote. Please see the attached Appendix #II.

3. Specific language that you would like changed in, or added to, '37 Act Law, and suggested code section numbers.

Section 31520.5 of state code would require modification. Please see Appendix III

4. Why should the proposed legislation be sponsored by SACRS rather than by your individual retirement association?

All County Employee Retirement Associations (CERAs) will benefit from this legislation. The CERAs fund training for the retiree alternate. The alternates have experience, background, and context on subjects. This should be utilized.

5. Do you anticipate that the proposed legislation would create any major problems, such as conflicting with Proposition 162 or create a problem with any of the other 19 SACRS retirement associations?

This should have no cost, and not offend. It is to increase efficiencies, and prevent a meeting being canceled for lack of a quorum.

6. Who will support or oppose this proposed change in the law?

The proposal was written to fill a vacuum without changing the existing hierarchy. Current authority is retained in full. The voting authority of the Safety & Retiree alternates would only come into play in the event of other trustee absences.

7. Who will be available from your association to testify before the Legislature?

Scott Johnston. The County lobbyist might testify.

E-mail or mail your legislative proposals to:

Jim Lites
California Strategies, LLC
980 9th Street, Suite 2000
Sacramento, CA 95814
Phone: (916) 266-4575
Email: jlites@calstrat.com

Appendix I Current Practice

Trustee	Who Votes in Their Absence
Treasurer	No one
Board of Supervisor Appointees (4)	No one
General Employees Representative	Safety Alternate
Safety	Safety Alternate
Retiree	Retiree Alternate only

Appendix II Proposal

Trustee	Who Votes in Their Absence
Treasurer	No voting Alternate
Board of Supervisor Appointees (4)	No voting Alternate
General Employees Representative	Safety alternate. If two absences, then Retiree Alt.
Safety	Safety Alternate, then retiree alternate (if safety alternate is absent)
Retiree	Retiree Alternate, then safety alternate (if retiree alternate is absent)

Appendix III Proposed language

31520.5 Counties with 9-member retirement boards; appointment of alternate retired member; term; rights and privileges

(b) The term of office of the alternate retired member shall run concurrently with the term of the eighth member. The alternate retired member shall vote as a member of the board only ~~in the event the eighth member is absent. If the second, third, seventh, or eighth member is absent from a board meeting for any cause and if the alternate seventh member is absent from said board meeting.~~ In the event that both alternate seventh member and alternate retired member are present at a board meeting and if the second, third, or seventh member is absent, the alternate seventh member shall vote for the absent board member. In the event that both alternate seventh and alternate retired member are present at a board meeting and if two or more of the second, third, seventh, or eighth members are absent from a board meeting, both alternate seventh member and alternate retired member shall be able to vote for the absent board members. If there is a vacancy with respect to the eighth member, the alternate retired member shall fill that vacancy for the remainder of the eighth member's term of office.



Executive Staff
Richard Stensrud
Chief Executive Officer
Vacant
Chief Investment Officer
Robert L. Gaumer
General Counsel
Kathryn T. Regalia
Chief Operations Officer
John W. Gobel, Sr.
Chief Benefits Officer

TO: SACRS Member Systems

FROM: Richard Stensrud
Chair
SACRS Legislative Committee

DATE: December 4, 2015

SUBJECT: Information Regarding Operating Authority Legislative Proposal

As you know, one of the proposals being presented for consideration as SACRS-sponsored legislation would amend the 1937 Act to allow the Board of Retirement of a SACRS system to change from the legacy operating authority model in the 1937 Act to one of the alternative operating authority models set forth in the 1937 Act. The discussion that follows is intended to provide SACRS members with information to assist you in determining whether your system wishes to support the proposal as SACRS-sponsored legislation.

In this regard, it is not only important that SACRS member systems understand what the proposed legislation will and will not do, but that member systems understand what they are being asked to do and what they are not being asked to do with respect to the legislative proposal.

Specifically, the individual SACRS member systems are not being asked if they want to change their current operating authority structure. Nor are the individual member systems being asked if changing their operating authority structure would be a good thing for them. Rather, the member systems are only being asked if they would support legislation that would allow a change in operating authority to be available to those systems that would like to consider it.

Such a choice would turn on whether a system determined that a change in their operating authority structure was imperative for them to properly execute their fiduciary responsibilities. It has been the long-standing tradition and practice within the SACRS community that systems not seek to substitute or impose their judgment in administrative or fiduciary matters on other systems. This can be seen in the common feature of allowing SACRS systems to 'opt-in' to legislative changes rather than to mandate such changes. As discussed more fully below, the legislative proposal regarding operating authority will

be structured in this way. Accordingly, the SACRS Legislative Committee respectfully requests that member systems honor this practice by supporting the proposal in that it will provide individual systems with the ability to make operating authority changes if the system determines such changes are reasonable and necessary to carrying out the system's fiduciary duties.

What Does Operating Authority Mean?

The term 'operating authority' encompasses the wide array of decisions that must be made in administering 1937 Act retirement systems. For current purposes, the key decisions include: (1) The appropriate staffing levels and staffing structure for the retirement system; (2) The appropriate job descriptions and duties for the necessary staff; and (3) The terms and conditions of employment of necessary staff, including appropriate levels and forms of compensation.

The 'default' operating authority structure for 1937 Act systems is established via various provisions in the 1937 Act, many of which literally date from 1937. At that time, and for a number of years after, the retirement systems were smaller (both with respect to the number of members and the assets under management); the benefit plans and operating rules were simpler; and the financial markets were not as complex, sophisticated and global in nature. When our systems were smaller, simpler operations within the County Treasurer and Tax Collector's office, it made sense to have decisions such as those noted above rest, in the end, with the Board of Supervisors, often implemented through salary resolutions and/or job classifications established under the County Civil Service structure.

Today, a 1937 Act retirement system is a very different entity. We have evolved and grown into autonomous organizations, serving thousands of members, managing billions of dollars in assets, and operating a highly specialized business that is unique relative to the rest of county government. In recognition of this, and the importance of the mission served by public retirement systems, in 1992 the voters approved an amendment to the California Constitution (Article XVI, Section 17), which placed both the fiduciary responsibility and the plenary authority for the administration of the retirement system on the governing Retirement Board.

Unfortunately, however, the legacy operating authority structure under the 1937 Act has largely failed to keep up with these developments, and as a result, beginning in 2003, 1937 Act systems began efforts to gain a more modernized operating authority structure.

How Has Operating Authority Evolved Under the 1937 Act?

The first system to establish a different operating authority structure within the 1937 Act was the Orange County Employees' Retirement System (OCERS).^{*} Under the OCERS operating authority model, the management personnel of OCERS are deemed to be employees of OCERS, and the OCERS Board establishes the positions and terms of employment for those positions.

In 2004, the San Bernardino County Employees' Retirement Association (SBCERA) obtained legislative approval to operate under the same operating authority model. Then, in 2006, SBCERA gained legislative approval of a new operating authority model, which expanded the category of SBCERA employees to those positions deemed to require specialized retirement system knowledge or expertise, the practical effect of which was to allow virtually all SBCERA personnel to be SBCERA employees.

Between 2006 and 2012 efforts were initiated by other 1937 Act systems to follow a similar track as OCERS and SBCERA, but for various political reasons, those efforts were not successful.

Then, in 2012, the Contra Costa County Employees' Retirement Association (CCCERA) entered into litigation with Contra Costa County regarding the scope of CCCERA's operating authority. As part of the settlement of that litigation, legislation was approved that designated CCCERA as the employer of all personnel at CCCERA.

This was followed in 2015 by legislation giving the Ventura County Employees' Retirement Association (VCERA) operating authority over a set of identified executive management positions.

In sum, under the 1937 Act, there are four models that re-allocate operating authority relative to the legacy 1937 Act structure, with the scope of that re-allocation increasing as follows: (1) The VCERA model; (2) The OCERS model; (3) The SBCERA model; and (4) The CCCERA model.

*The Los Angeles County Employees' Retirement Association (LACERA) has had an operating authority agreement with Los Angeles County for many years, under which the county recognizes the authority of the LACERA Board over the administration of the retirement system and further agrees to take any ministerial action necessary to implement the decisions made by the LACERA Board. As a result of this agreement, LACERA has not needed to pursue a change in operating authority under the 1937 Act.

What Would the Proposed Legislation Do?

As reflected by the discussion above, the efforts to-date to obtain modernized operating authority have been made on a system-by-system basis. Those efforts were largely driven by the recognition by those systems that they had reached a 'tipping point,' where their size and the scope of their responsibilities required that operational decisions needed to be addressed in a different manner.

This perspective gained more wide spread acceptance with the passage of PEPRA. The drafters of PEPRA recognized that the new duties imposed on 1937 Act systems by PEPRA increased the potential conflicts of interest between the systems and the dominant participating employer, the county. The drafters further recognized that the legacy operating authority model could be used to compromise the ability of a 1937 Act system to carry out its responsibilities. For that reason, earlier drafts of PEPRA

authorized 1937 Act system Retirement Boards to shift to a different operating authority model. This change did not ultimately make it into the final version of PEPPRA, but it continues to be viewed as a sensible change.

The proposal being considered as SACRS-sponsored legislation seeks to capitalize on the growing realization that change in operating authority is necessary, widely desired across the 1937 Act systems, and will produce beneficial results for all the stakeholders of these systems.

Specifically, the proposal under consideration would take the existing menu of operating authority options in the 1937 Act and allow the individual system Retirement Boards to decide if they want to shift from their current operating authority model to one of those other operating authority models. This decision would be at the discretion of each Retirement Board, with no approval or concurrence by the county required. At the same time, the Retirement Board is not required to change its operating authority model, and the Retirement Board is also free to coordinate/collaborate with the county in any such decision as it sees fit.

Central to the concept is flexibility rather than imposing a 'one size fits all' solution, and having the right fit determined by each system. If systems are happy where they are, they can stay there. If systems want to change, there are options for how far they go, again contingent on what works best for their circumstances.

Another element of the concept is that it is not a 'one and done' decision. A system can choose to start at the smaller end of the operating authority spectrum and then expand that authority if and when they believe it makes sense. This approach essentially allows a system to 'test and verify' that a change in operating authority works, and to be able to illustrate that as support for any subsequent increase in operating authority.

What the Proposed Legislation Will Not Do:

When our systems began to move out of the Treasurer/Tax Collectors' office and become more autonomous, many people predicted that it would be disastrous. That did not happen then and, as evidenced by the experience in those systems that have already changed their operating authority model, will not happen now.

- The governance of the systems will remain the same, with all the stakeholders having the same degree of representation and oversight as they have now. If a Retirement Board acts irresponsibly, the stakeholders can change its members.
- Transparency and accountability will not change. The 1937 Act cap on administrative expenses will still operate. Meetings and records will still be public. Budgets will be public. Salaries will be public.
- Retirement Board members will continue to be liable as fiduciaries.

- The legislation will be drafted to ensure that employees of the system will continue to be able to participate in the benefit plans (including the retirement system) offered by the county to county employees.
- The legislation will clearly note that nothing changes for those systems that have already obtained alternative operating authority. Those systems will not be required to take any new or additional action unless they wish to move to a different operating authority model.

Can Systems Review the Proposed Language?

Specific language has not yet been crafted for the proposal. Before anything is put in writing the Legislative Committee wants to consult with the key players in the Capitol and gauge where they stand with respect to the overall concept and then adapt/adjust the proposal as necessary. The Legislative Committee prefers to do this via discussion of basic concepts rather than specific language, because, once specific language is presented, people tend to get locked in on the minutia. In addition, before turning to discussion of specifics, the Legislative Committee wants to frame the issues properly and have a strategy established for winning support and rebutting opposition.

The Legislative Committee understands that many people like to see specific legislative language before they vote to support something. That is nice when it is feasible, but the reality is that once a legislative proposal is launched, there is no assurance that it will remain unchanged. Sometimes it needs to be modified to accommodate concerns or gain support, sometimes it is modified over your opposition. Accordingly, at this juncture the Legislative Committee is requesting that member systems consider this legislative proposal as a 'concept' and determine whether they will support it 'in concept.' If and when the proposal moves forward, and it is put into print, member systems will promptly be provided with a copy of the legislation.

As discussed at the SACRS Conference, the Legislative Committee is only requesting a preliminary position from the systems at this time. Formal approval of the proposal as SACRS-sponsored legislation will take place at the May Conference Business Meeting. If, at that point, the member systems do not believe that the legislation is reasonably consistent with the way it has been previously described, the systems can choose to withdraw SACRS sponsorship. If, at any point, the legislation is amended to negatively impact SACRS members, the legislation will be withdrawn.

The Legislative Committee hopes this information is helpful and thanks the member systems for your consideration.

Respectfully,

Richard Stensrud
Chair
SACRS Legislative Committee

SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
Board of Retirement

December 15, 2015

Agenda Item 7.2

TO: Board of Retirement
FROM: Scott Hood, Chief Executive Officer
SUBJECT: 2015-16 Board-Staff Retreat Topics



Staff Recommendation

Provide direction for staff regarding the topics and schedule for the April 26 and 27, 2016, Board-Staff Retreat.

Background

The annual Board retreat is scheduled for April 26 and 27, 2016. The Board assists on setting the topics to be addressed at the retreat and provides input regarding the proposed presenters. This agenda item gives trustees an opportunity to discuss retreat topics. Following this meeting, staff and consultant will begin in earnest to schedule presenters.

Discussion

Attached is a list of the topics that staff recommends. Staff believes this is a well-balanced list of topics that fits in with the amount of time planned for the retreat. If you have additional topics to suggest, please mention them during this agenda item.

The 2016 SamCERA Board-Staff Retreat is scheduled along the same lines as the 2015 retreat:

Days:	Two consecutive days
Timing:	Leaves time in between speakers for discussion
Location:	In the SamCERA Boardroom
Speakers:	Draw speakers from outside professionals as well as SamCERA's consultants and staff
Regular Business:	Conduct the Board's regular monthly business during the afternoon on Tuesday of the retreat
Dates:	Tuesday, April 26, and Wednesday, April 27.

SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
Board of Retirement

Proposed 2016 retreat topics:


Long term effects of lowering the assumed rate. Led by Nick Collier, Milliman.
Deep Dive. Led by Mike Coultrip. Assess longer-term manager performance and other characteristics vs indexes and peer groups. Review Risk Dashboard.
Overview of the 2016 Asset/Liability Process. Led by Mike Coultrip and SIS.
Global Economist. Staff is identifying an economist to speak.
Board Governance and Innovation. Staff is identifying a speaker to address Board governance and innovation.
Mandated Ethics Training. Led by Brenda Carlson. Specific topic to be determined, one hour in length.
Sneak Peak of SamCERA's future PASS system. Elizabeth LeNguyen will demonstrate some of the new PASS system features.

SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
Board of Retirement

December 15, 2015

Agenda Item 7.3

TO: Board of Retirement

FROM: Tariq Ali, Chief Technology Officer 

SUBJECT: Report on SamCERA's Technology Projects

Recommendation

Accept report on the status of SamCERA's technology projects.

Discussion

The following reflects the current status of the various technology projects.

PROJECT	STATUS
New Website	Successfully launched.
PensionGold Web Member Services Portal	Successfully launched.
GroupWise to Outlook Migration	Successfully completed
Board Packet Software	This project is on hold because product did meet our internal workflow needs.
County's Retiree Health Care Administrator	Staff is working with the County's new third party administrator on the transition of retiree health benefits.
SharePoint Migration	Staff is working with the County to migrate from Autonomy to SharePoint.
iPad Pro	Staff is evaluating the new iPad Pro for the Board.

PASS Implementation

The PASS project is about 63% complete as reflected in the attached summary from Will Morrow, Project Manager from LRWL. Mr. Morrow will present a detailed status at the January meeting. At that meeting, staff will bring a proposed amendment to the Vitech agreement for about \$300,000 to cover completion of the data conversion. The original costs were based upon staff's assessment of the complexity of data and it has proven more complex than anticipated. The reasons for the cost increase will be set forth in more detail in January. Staff will also bring an amendment to the LWRL agreement to extend Mr. Morrow's services by 6 months through June 2017, in order to assist us from the "Go Live" to full transition from Pension Gold, at an estimated additional cost of \$250,000.

Attachment

LWRL Project Status Summary