



Stanislaus County Employees' Retirement Association

832 12th Street, Ste. 600, Modesto, CA 95354 • PO Box 3150, Modesto, CA 95353 • www.stancera.org • 209-525-6393 • 209-558-4976 Fax

AGENDA

BOARD OF RETIREMENT

832 12th Street, Suite 600 – **Wesley W. Hall Board Room**
Modesto, CA 95354

August 25, 2015
2:00 p.m.

The Board of Retirement welcomes you to its meetings, which are regularly held on the second Wednesday and the fourth Tuesday of each month. Your interest is encouraged and appreciated.

CONSENT ITEMS: These matters include routine administrative actions and are identified under the Consent Items heading.

PUBLIC COMMENT: Matters under jurisdiction of the Board, may be addressed by the general public before or during the regular agenda. However, California law prohibits the Board from taking action on any matter which is not on the posted agenda unless it is determined an emergency by the Board of Retirement. Any member of the public wishing to address the Board during the "Public Comment," period shall be permitted to be heard once up to three minutes. Please complete a Public Comment Form and give it to the Chair of the Board. Any person wishing to make a presentation to the Board must submit the presentation in written form, with copies furnished to all Board members. Presentations are limited to three minutes.

BOARD AGENDAS & MINUTES: Board agendas, Minutes and copies of items to be considered by the Board of Retirement are customarily posted on the Internet by Friday afternoon preceding a meeting at the following website: www.stancera.org.

Materials related to an item on this Agenda submitted to the Board after distribution of the agenda packet are available for public inspection at StanCERA, 832 12th Street, Suite 600, Modesto, CA 95354, during normal business hours.

AUDIO: All Board of Retirement regular meetings are audio recorded. Audio recordings of the meetings are available after the meetings at http://www.stancera.org/agenda_schedule.

NOTICE REGARDING NON-ENGLISH SPEAKERS: Board of Retirement meetings are conducted in English and translation to other languages is not provided. Please make arrangements for an interpreter if necessary.

REASONABLE ACCOMMODATIONS: In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Board Secretary at (209) 525-6393. Notification 72 hours prior to the meeting will enable StanCERA to make reasonable arrangements to ensure accessibility to this meeting.

1. Meeting Called to Order
2. Roll Call
3. Announcements
4. Public Comment
5. Consent Items
 - a. Approval of the August 12, 2015 Meeting Minutes [View](#)
6. Annual Performance Report
 - a. LSV Asset Management [View](#)
 1. Value Added Report [View](#)

7. Executive Director

- a. 2015 Quarter 2 Auxiliary Investment Report [View](#)

8. Strategic Investment Solutions (SIS), Inc.

- a. Investment Performance Analysis for the Quarter Ending June 30, 2015 [View](#)
- b. StanCERA Investment Managers Peer Rankings for Quarter Ending June 30, 2015 [View](#)
- c. StanCERA Investment Managers Review List for Quarter Ending June 30, 2015
- d. Monthly Flash Report for the Month Ending July 31, 2015 [View](#)
- e. Report on "Top 10 Holdings" of StanCERA Investment Managers as of July 31, 2015

9. Closed Session

- a. Conference with Legal Counsel – Pending Litigation – One Case:
Stanislaus County Employees' Retirement Association v. Buck Consultants,
LLC, Mediation Pursuant to Evidence Code Sections 1115, 1119, 1152
Government Code Section 54956.9(d)(4)
- b. Conference with Legal Counsel – Pending Litigation – One Case:
O'Neal et al v. Stanislaus County Employees' Retirement Association
Stanislaus County Superior Court Case No. 648469
Government Code Section 54956.9(d)(1)

10. Members' Forum (Information and Future Agenda Requests Only)

11. Adjournment



PLEASE POST FOR EMPLOYEE VIEWING

BOARD OF RETIREMENT MINUTES

August 12, 2015

Trustees Present: Maria DeAnda, Jim DeMartini, Michael O'Neal,
Jeff Grover, Jason Gordo, Donna Riley, Sam Sharpe, Mike Lynch
and Gordon Ford

Alternate Trustee Joan Clendenin, Alternate Retiree Representative

Trustees Absent: None

Staff Present: Rick Santos, Executive Director
Kathy Herman, Fiscal Services Manager
Dawn Lea, Benefits Manager
Kellie Gomes, Executive Board Secretary

Others Present: Fred Silva, General Legal Counsel

1. Meeting Called to Order

Meeting called to order 2:04 p.m. by Trustee DeAnda, Chair

2. Roll Call

3. Announcements

Trustee Riley announced she will not be at the next meeting scheduled for August 25, 2015. Trustee DeAnda announced she will not be at the next meeting. Michael O'Neal announced he will not be at the next meeting. Trustee Gordo announced he will not be at the next meeting

4. Public Comment

None

5. Consent Items

a. Approval of the July 28, 2015 Meeting Minutes

b. Approval of Service Retirement(s) – **Sections 31499.14, 31670, 31662.2 & 31810**

1. Blakemore, Kenneth – Assessor – Effective 08-04-2015
2. Blom, Marjorie – LAFCO – Effective 08-04-2015
3. Bucknell, James – Probation – Effective 07-24-2015 *
4. Davis, Melissa – Sheriff – Effective 07-01-2015
5. Grassmidt, Pamela – HSA – Effective 08-11-2015
6. Gwin, Johnnie Melissa – SBT – Effective 06-05-2015
7. La Moureaux, Lavonne – HSA – Effective 07-24-2015
8. Olide-Hanshew, Rosa Maria – CSA – Effective 08-04-2015
9. Plasencia, Chris – CSA – Effective 07-18-2015
10. Rutherford, Susan – HSA – Effective 07-21-2015
11. Tate, Dee – CSA – Effective 07-11-2015

5. Consent Items (Cont.)

b. Approval of Service Retirement(s) – **Sections 31499.14, 31670, 31662.2 & 31810**

12. Truffa, Vincent – Sheriff – Effective 08-08-2015 *
13. Vasquez, Rudy – GSA – Effective 07-21-2015
14. Von Stade, Scott – DCSS – Effective 07-10-2015

** Indicates Safety Personnel*

Camara, Joe – Sheriff – Effective 07-25-2015 * Amended Date

c. Approval of Deferred Retirement(s) – **Section 31700**

1. Argueta, Mary Carmen – Sheriff – Effective 07-10-2015 *
2. Borden, Cody – Sheriff – Effective 04-30-2015 *
3. Coronel-Luang, Jessica – CSA – Effective 11-05-2015
4. Cozart, Lauren – Probation – Effective 07-21-2015
5. Flores, Ramona – CSA – Effective 07-15-2015
6. Hicks, Donal – Public Works – Effective 06-23-2015
7. Pallotta, Melinda – GSA – Effective 05-02-15
8. Shafer, Stephanie – GSA – Effective 06-20-15
9. Valencia, Jennifer – Sheriff – Effective 06-06-2015

** Indicates Safety Personnel*

d. Approval of Disability Retirement – **Section 31724**

1. Flores, Adelina – Public Defender, Non-Service Connected, Effective 04-12-2014

Motion was made by Trustee O'Neal and seconded by Trustee Grover to approve consent items as presented.

Motion carried unanimously

6. Executive Director

a. Legal/Legislation Update

Dawn Lea gave an update on current legislation that could affect StanCERA.

b. Monthly Staff Report

Staff gave an update on the major issues that staff has been working on during the past month. Please see agenda item 6.b. for a summary

6. Executive Director (Cont.)

- c. Discussion and Action Regarding the Information Technology Solutions Team's Recommendation for Information Technology Consultant

Motion was made by Trustee O'Neal and seconded by Trustee Grover to approve the Information Technology Solutions Team's Recommendation and direct the Executive Director to finalize the terms of the contract and enter into an agreement with Linea Solutions for information technology services not to exceed \$277,000.

Motion carried unanimously

- d. Discussion and Action for Attendance to the 2015 Client Summit Sponsored by Verus

Motion was made by Trustee Grover and seconded by Trustee Riley to approve attendance to the 2015 Client Summit Sponsored by Verus as presented.

Motion carried unanimously

7. Committee Reports and Recommendations for Action

- a. Internal Governance Committee

1. Annual Financial Audit – Brown Armstrong, CPA's Entrance Conference Update.

Trustee DeMartini gave a brief update to the full Board regarding the timeline laid out in the Audit Entrance Conference held earlier. The timeline concerns the completion of the 2015 financial audit. During the Conference, Trustee Grover asked staff to regularly brief the Board on the progress status throughout the project. Staff will give a monthly update during the Monthly Staff Report

8. Closed Session

None

- a. Conference with Legal Counsel – Pending Litigation – One Case:
Stanislaus County Employees' Retirement Association v. Buck Consultants, LLC, Mediation Pursuant to Evidence Code Sections 1115, 1119, 1152 Government Code Section 54956.9(d)(4)
- b. Conference with Legal Counsel – Pending Litigation – One Case:
O'Neal et al v. Stanislaus County Employees' Retirement Association
Stanislaus County Superior Court Case No. 648469 Government Code Section 54956.9(d)(1)
- c. Conference with Legal Counsel – Pending Litigation – One Case:
Nasrawi et al v. Buck Consultants, LLC, et.al, Santa Clara County Superior Court Case No. 1-11-CV202224; Court of Appeal, Sixth Appellate District, Case No. H038894 Government Code Section 54956.9(d)(1)

9. Members' Forum (Information and Future Agenda Requests Only)

Trustee Clendenin asked staff to agendize the possibility of putting CRCEA conferences on the education calendar

Trustee Gordo asked Fred Silva to brief the Board on Trustee responsibilities regarding the Brown Act in January of 2016

Trustee DeMartini asked staff for an update on the position upgrade process through the County

Trustee DeAnda asked that staff present a formal analysis on the potential need for additional staff. Staff plans on addressing this issue once a formal assessment on the state of StanCERA has been presented by the new Information Technology Consultant

10. Adjournment

Meeting adjourned at 2:42 p.m.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Rick Santos".

Rick Santos, Executive Director

APPROVED AS TO FORM:
Fred Silva, GENERAL LEGAL COUNSEL

By: 
Fred Silva, General Legal Counsel

Stanislaus County Employees'
Retirement Association

August 25, 2015

Keith Bruch, CFA
Partner & Director, Client Portfolio Services
(312) 460-2336

Bhaskaran Swaminathan, Ph.D.
Partner & Director of Research
(312) 327-5103

Organizational Update

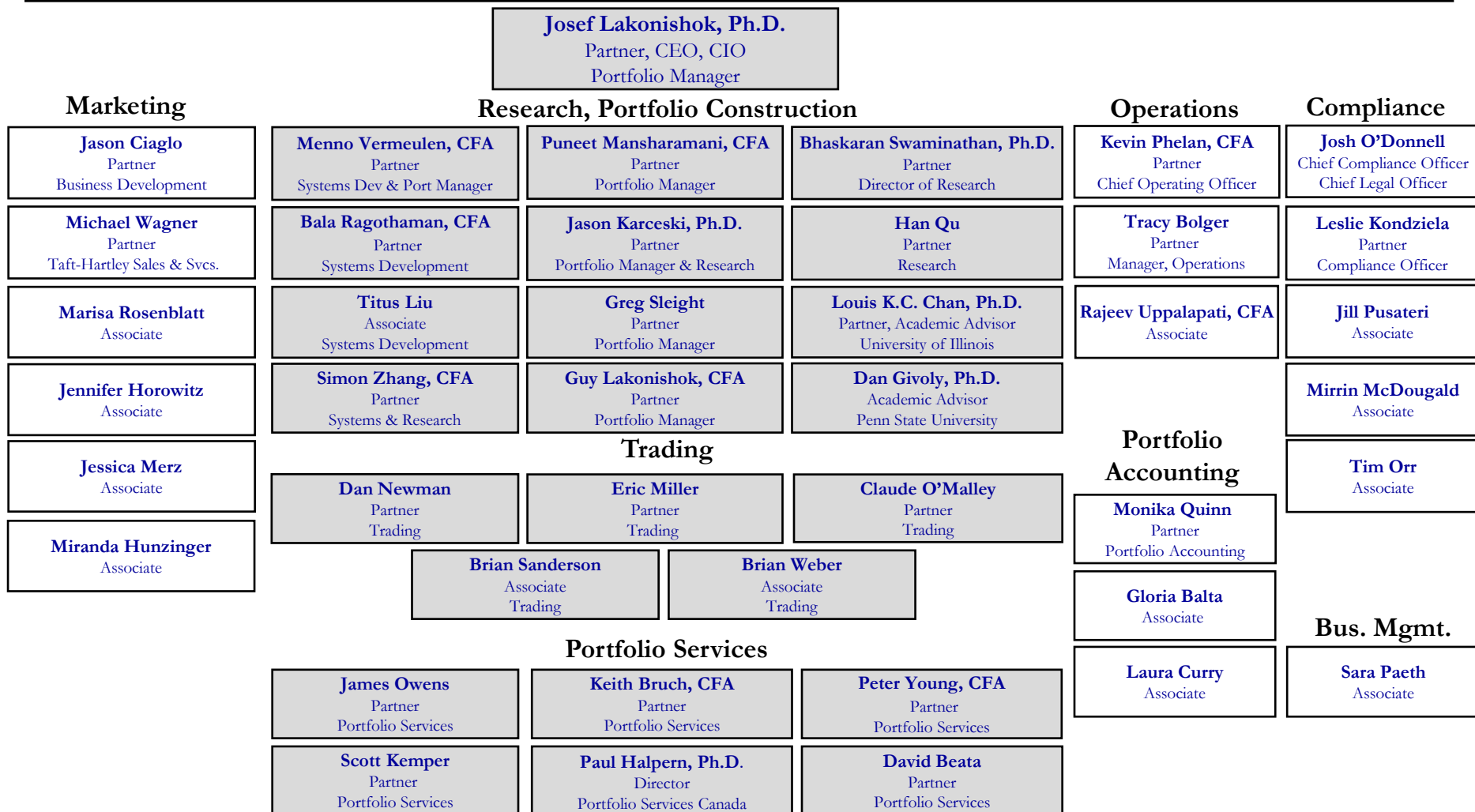
- ◆ LSV'S KEY ORGANIZATIONAL STRENGTHS:
 - ◆ **ACADEMIC FOUNDATION**
 - ◆ **25+ YEARS OF RESEARCH**
 - ◆ **SUCCESSFULLY APPLIED MODELS FOR 20 YEARS**
 - ◆ **VALUE EQUITY FOCUS – OUR SOLE BUSINESS**
 - ◆ **CONSISTENCY OF PEOPLE, PHILOSOPHY & PORTFOLIO**
 - ◆ **EMPLOYEE OWNERSHIP**

- ◆ ALL STRATEGIES BUILT FROM SAME INVESTMENT MODEL
 - ◆ **\$90.7 BILLION IN FIRMWIDE ASSETS UNDER MANAGEMENT**
 - ◆ **\$20.5 BILLION IN INTERNATIONAL LARGE CAP VALUE ASSETS**
 - ◆ **LIMITED CAPACITY OFFERINGS**

<u>U.S.</u>	<u>Non-U.S.</u>	<u>Global</u>
Large Cap Value	Developed Markets Large Cap Value	Developed Markets Global Value
Mid Cap Value	All-Country Large Cap Value	All-Country Global Value
Small/ Mid Cap Value	Developed Markets Small Cap Value (Closed)	Global Small Cap Value (Closed)
Small Cap Value (Closed)*	Emerging Markets Value (Closed)	Managed Volatility
Micro Cap Value (Closed)*	Emerging Markets Small Cap Value (Closed)	Concentrated Value
Enhanced Index	Regional Strategies - Lg/Sm Cap	
Managed Volatility	Europe, Asia, Canada, Japan, Australia	
	Concentrated Value	

* Select Strategies Open to Existing Clients

Organizational Structure



Relationship Summary

Stanislaus County Employees' Retirement Association

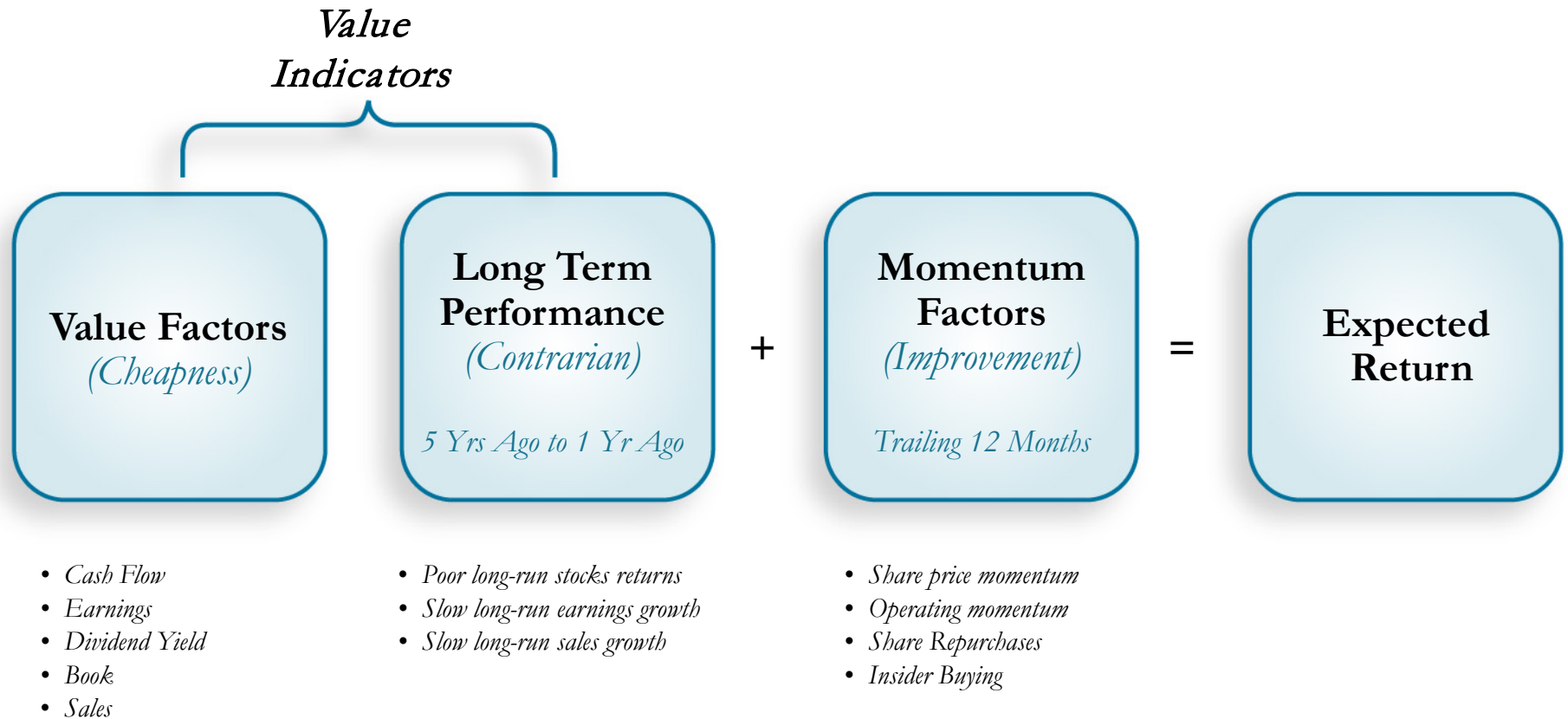
Investment Strategy:	International Large Cap Value Equity		<u>Portfolio Growth</u>
Inception Date:	September 14, 2004	Beginning Value - 9/14/04:	\$ 81,163,381
Initial Funding:	\$81,163,381	Net Contributions/Withdrawals:	\$ (5,100,000)
Custodian:	Northern Trust	Return on Investment:	\$ 100,976,622
Consultant:	Strategic Investment Solutions	Ending Value - 6/30/15:	<u>\$ 177,040,003</u>
Benchmark:	MSCI ACWI Ex U.S.		
Restrictions:	None		

Objectives/Investment Process:

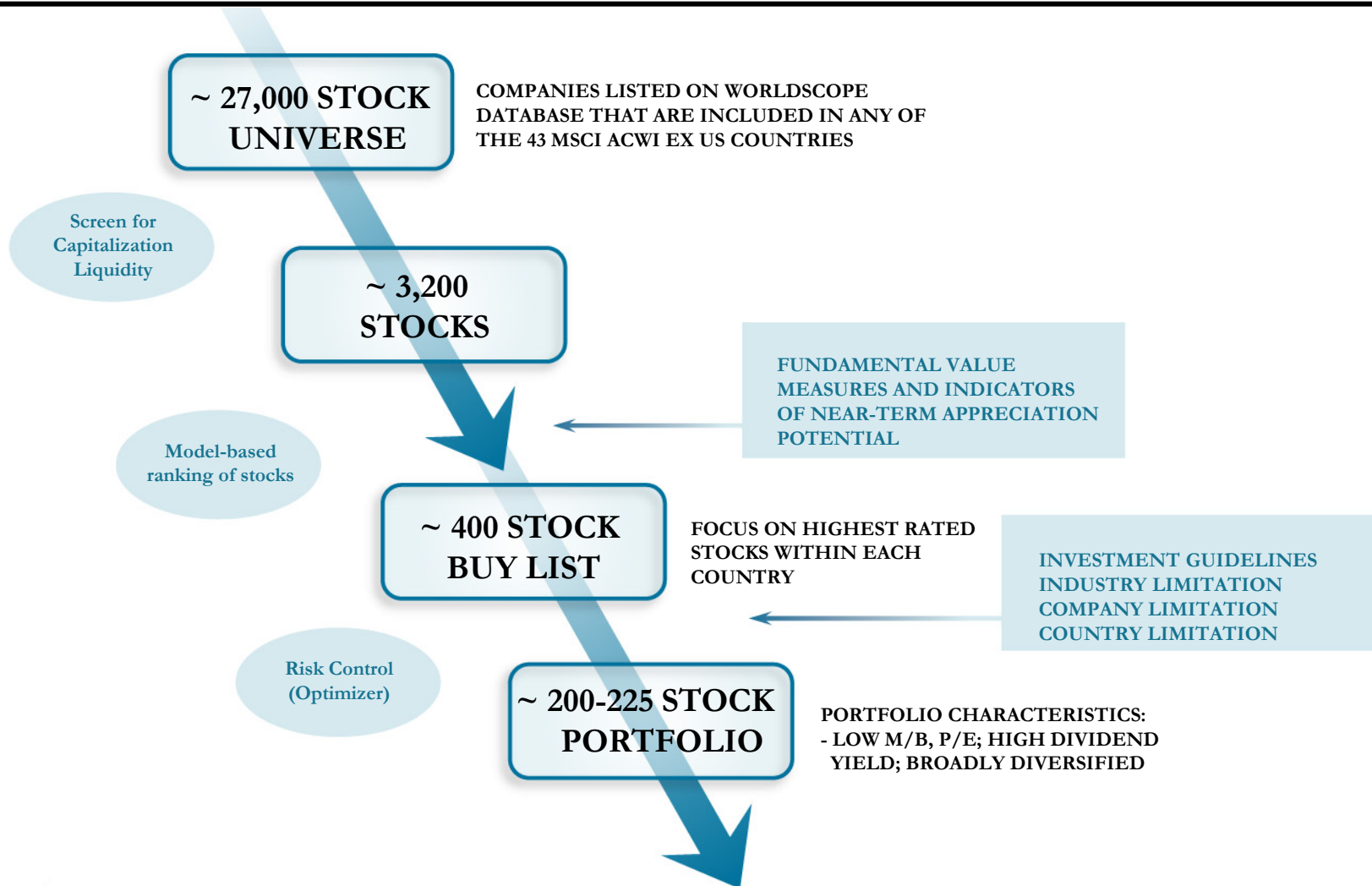
The objective of our International Large Cap Value Equity strategy is to outperform the benchmark by approximately 250 basis points (gross of fees) per annum over a full investment cycle. LSV will attempt to meet this performance objective with a tracking error of approximately 5-6% relative to the Index.

The process used to select stocks is a **quantitative** approach developed by our founding partners through years of academic research on a variety of investment and investor behavior topics. The process ranks a broad universe of stocks on a combination of **value and momentum** factors and seeks to invest approximately 200-225 stocks in the most attractive securities possible within our strict risk parameters to control the portfolio's tracking error relative to the benchmark. The resulting portfolio will be **broadly diversified** across industry groups and **fully invested** (cash balances are typically less than 1% of the portfolio). Initial positions must be in stocks with a market capitalization greater than \$500 million.

Expected Return Model



International Value Investment Process



Sell Discipline

A STOCK IS SOLD WHEN:

- ◆ **MODEL RANKING FALLS BELOW THE TOP 40%.**

A STOCK IS CUT BACK WHEN:

- ◆ **PORTFOLIO WEIGHT EXCEEDS BENCHMARK WEIGHT BY 1.5% FOR SMALL CAP STOCKS AND 2.5% FOR LARGE CAP STOCKS.**

TURNOVER

- ◆ **APPROXIMATELY 30% PER YEAR.**

Market Update

	Periods Ending 6/30/15						
<u>Large Cap International Indices</u>	<u>2Q15</u>	<u>YTD</u>	<u>1 Yr</u>	<u>2 Yrs</u>	<u>3 Yrs</u>	<u>5 Yrs</u>	<u>10 Yrs</u>
MSCI EAFE	0.6%	5.5%	-4.2%	8.8%	12.0%	9.5%	5.1%
MSCI EAFE Value	0.2%	4.1%	-7.1%	8.6%	11.8%	8.9%	4.4%
MSCI ACWI Ex-U.S.	0.5%	4.0%	-5.3%	7.4%	9.4%	7.8%	5.6%
MSCI World Ex-U.S.	0.5%	4.3%	-5.3%	8.3%	11.2%	9.0%	5.2%
MSCI EAFE (Local)	-1.8%	8.8%	11.8%	14.8%	18.1%	11.3%	5.4%
MSCI EAFE Value vs Growth Spread:	-0.8%	-2.8%	-5.8%	-0.4%	-0.3%	-1.2%	-1.4%
<u>Small Cap International Indices</u>							
MSCI EAFE Small Cap	4.3%	10.2%	-0.8%	13.2%	15.7%	12.4%	6.6%
MSCI EAFE Small Cap Value	3.2%	8.7%	-3.4%	12.7%	16.4%	11.7%	6.9%
Value vs Growth Spread:	-2.3%	-2.9%	-5.4%	-0.9%	1.4%	-1.4%	-0.3%
<u>Emerging Markets Indices</u>							
MSCI Emerging Markets	0.7%	3.0%	-5.1%	4.1%	3.7%	3.7%	8.1%
MSCI Emerging Markets Value	1.8%	2.2%	-7.7%	2.8%	1.4%	2.1%	8.2%
MSCI Emerging Markets (Local)	0.7%	5.6%	6.2%	9.9%	8.6%	6.9%	9.7%
Value vs Growth Spread:	2.1%	-1.5%	-5.0%	-2.6%	-4.5%	-3.0%	0.2%
<u>Comparative U.S. Indices</u>							
S&P 500	0.3%	1.2%	7.4%	15.7%	17.3%	17.3%	7.9%
Russell 2000	0.4%	4.8%	6.5%	14.7%	17.8%	17.1%	8.4%

All returns are in USD; periods longer than one year are annualized.

International Value Equity Investment Performance

Periods Ended June 30, 2015

Assets Managed: \$177,040,003

<u>LSV International Equity</u>	<u>2Q15</u>	<u>YTD</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>7 Years</u>	<u>10 Years</u>	<u>Return Since Inception*</u>	<u>YTD July</u>
Stanislaus Portfolio- Gross	1.3%	5.4%	-4.5%	11.8%	9.3%	3.3%	6.4%	7.6%	4.1%
Stanislaus Portfolio- Net	1.2%	5.1%	-5.1%	11.2%	8.7%	2.7%	5.7%	6.9%	3.8%
MSCI ACWI Ex US	0.5%	4.0%	-5.3%	9.4%	7.8%	1.5%	5.6%	6.6%	3.8%
MSCI ACWI Ex US Value	0.5%	2.6%	-8.4%	8.7%	7.0%	1.4%	5.0%	6.1%	1.8%

Calendar Years

<u>LSV International Equity</u>	<u>YTD 2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004*</u>
Stanislaus Portfolio- Gross	5.4%	-4.0%	20.5%	16.8%	-12.3%	13.4%	48.6%	-47.9%	12.0%	32.2%	16.0%	16.9%
Stanislaus Portfolio- Net	5.1%	-4.6%	19.7%	16.0%	-12.9%	12.7%	47.7%	-48.3%	11.4%	31.4%	15.3%	16.7%
MSCI ACWI Ex US	4.0%	-3.9%	15.3%	16.8%	-13.7%	11.2%	41.5%	-45.5%	16.7%	26.7%	16.6%	15.6%
MSCI ACWI Ex US Value	2.6%	-5.1%	15.0%	17.0%	-13.2%	7.8%	44.3%	-45.5%	12.3%	29.8%	16.4%	16.2%

*Inception Date: 9/15/2004

Note: All returns are in USD; indices shown net of withholding taxes. Periods greater than one year are annualized.

Value Equity

Investment Specialists

Performance Attribution

1 Year Ended June 30, 2015

Sector	Avg. Portfolio Weight	Avg. Bench Weight	Weight Diff.	Port Return	Bench Return	Return Diff.	Sector Selection	Stock Selection	Total Effect
Financials	31.43%	27.24%	4.19%	1.81	-1.55	3.36	0.16	0.99	1.15
Consumer Discretionary	10.48%	11.03%	-0.55%	6.98	0.61	6.37	-0.01	0.62	0.61
Industrials	10.43%	10.87%	-0.45%	-1.75	-5.78	4.03	0.00	0.41	0.41
Consumer Staples	5.97%	9.90%	-3.93%	4.83	-3.05	7.88	-0.08	0.47	0.39
Telecommunication Services	7.95%	5.24%	2.71%	1.02	1.68	-0.65	0.18	-0.06	0.13
Energy	10.56%	8.20%	2.36%	-24.18	-28.08	3.90	-0.51	0.50	-0.02
Materials	7.78%	7.90%	-0.12%	-18.09	-16.64	-1.45	-0.01	-0.15	-0.16
Health Care	7.18%	8.67%	-1.48%	1.73	4.89	-3.16	-0.11	-0.24	-0.35
Utilities	3.32%	3.56%	-0.25%	-29.30	-12.54	-16.75	-0.01	-0.63	-0.64
Information Technology	4.90%	7.38%	-2.49%	-10.83	1.92	-12.75	-0.22	-0.62	-0.84
TOTAL	100.00%	100.00%		-4.66	-5.34	0.68	-0.62	1.30	0.68

Portfolio Characteristics

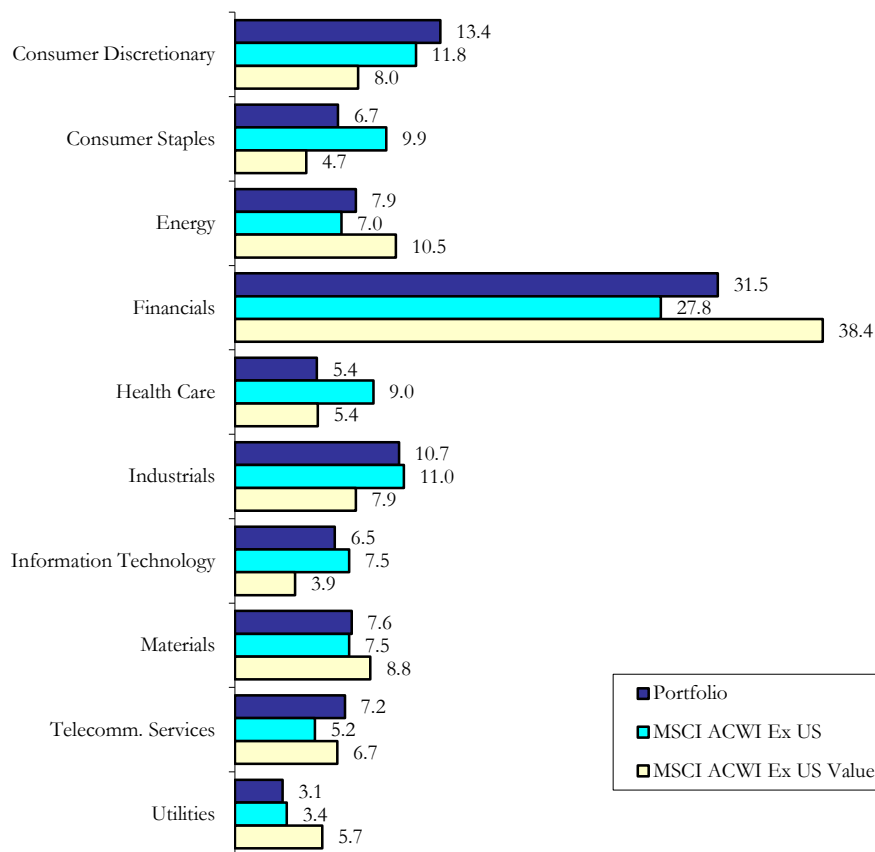
International Large Cap Value

As of 6/30/15

	<u>Stanislaus Portfolio</u>	<u>MSCI ACWI Ex US</u>	<u>MSCI ACWI Ex US Value</u>
Price / Earnings (FY1)	12.0x	16.1x	13.9x
Price / Earnings (FY2)	10.9x	14.5x	12.6x
Price / Cash Flow	7.2x	9.7x	7.4x
Price / Book	1.2x	1.7x	1.3x
Dividend Yield	3.6%	2.9%	3.8%
Weighted Average Market Cap	\$35.6 billion	\$57.4 billion	\$61.2 billion
Weighted Median Market Cap	\$15.8 billion	\$33.4 billion	\$39.8 billion

Portfolio Characteristics

Diversification by Sector as of 6/30/15



Top Ten Holdings as of 6/30/15

Description	% of Portfolio
MAGNA INTL INC	1.7%
SAMSUNG ELECTRONIC	1.4%
NIPPON TELEGRAPH & TELEPHONE CORP	1.4%
DAIMLER AG	1.3%
SANOFI	1.3%
BANK OF CHINA LTD	1.2%
VOLKSWAGEN AG	1.2%
BAE SYSTEMS	1.2%
ALLIANZ SE	1.2%
CREDIT SUISSE AG	1.2%

Country Weights

	Stanislaus	MSCI ACWI	MSCI ACWI		Stanislaus	MSCI ACWI	MSCI ACWI
<u>Developed Countries</u>	<u>Portfolio</u>	<u>Ex US</u>	<u>Ex US Value</u>	<u>Emerging Countries</u>	<u>Portfolio</u>	<u>Ex US</u>	<u>Ex US Value</u>
Australia	4.53	4.91	5.00	Brazil	2.03	1.65	1.64
Austria	0.96	0.12	0.11	Chile	0.00	0.27	0.28
Belgium	0.73	0.93	0.34	China	6.14	5.44	5.46
Canada	6.39	6.65	6.63	Colombia	0.00	0.13	0.12
Denmark	0.41	1.19	0.46	Czech Republic	0.00	0.04	0.04
Finland	1.01	0.58	0.71	Egypt	0.00	0.04	0.05
France	7.08	6.92	7.78	Greece	0.00	0.07	0.08
Germany	6.78	6.35	5.29	Hungary	0.27	0.05	0.05
Hong Kong	2.07	2.32	2.56	India	0.73	1.68	1.68
Ireland	0.02	0.26	0.25	Indonesia	0.32	0.51	0.52
Israel	1.44	0.43	0.40	Korea (South)	3.80	3.14	3.00
Italy	1.33	1.72	1.89	Malaysia	0.21	0.69	0.71
Japan	15.95	16.35	16.54	Mexico	0.73	0.99	0.98
Netherlands	1.92	1.98	1.38	Peru	0.00	0.09	0.08
New Zealand	0.00	0.09	0.09	Philippines	0.00	0.30	0.30
Norway	1.37	0.46	0.86	Poland	0.00	0.32	0.31
Portugal	0.00	0.11	0.12	Qatar	0.00	0.21	0.21
Singapore	1.93	1.03	1.03	Russia	1.16	0.83	0.76
Spain	1.57	2.51	3.40	South Africa	2.30	1.73	1.72
Sweden	2.74	2.10	1.68	Taiwan	3.35	2.77	2.81
Switzerland	5.93	6.60	4.10	Thailand	0.77	0.50	0.52
UK	<u>13.79</u>	<u>14.49</u>	<u>17.56</u>	Turkey	0.24	0.32	0.31
Total	78%	78%	78%	United Arab Emirates	<u>0.00</u>	<u>0.16</u>	<u>0.15</u>
				Total	22%	22%	22%

Value Equity

Portfolio Holdings by Country

COUNTRY	% PORT.
AUSTRALIA	4.5%
Macquarie Group Limited	1.0%
Lend Lease Finance Limited	0.7%
National Australia Bank Limited	0.6%
Rio Tinto Limited	0.5%
Csr Limited	0.4%
Seven Group Holdings Limited	0.3%
Dow ner Edi Limited	0.3%
Primary Health Care Limited	0.3%
Bank Of Queensland Limited	0.3%
Metcash Limited	0.1%
Arrium Limited	0.1%
Panoramic Resources Limited	0.1%
AUSTRIA	1.0%
Omv Aktiengesellschaft	0.5%
At & S Austria Technologie & Systemtechn	0.3%
Uniqa Versicherungen Ag	0.2%
BELGIUM	0.7%
Etablissements Delhaize Freres Et Cie Le	0.7%
BRAZIL	2.0%
Jbs S/A	0.6%
Companhia Paranaense De Energia.	0.4%
Banco Do Brasil S.A	0.3%
Companhia De Saneamento Basico Do Estado	0.3%
Vale S.A.	0.2%
Petroleo Brasileiro S/A Petrobras.	0.2%
Petroleo Brasileiro S/A Petrobras.	0.1%
CANADA	6.4%
Magna International Inc.	1.7%
Canadian Imperial Bank Of Commerce	0.8%
Bce Inc.	0.6%
Empire Company Limited	0.6%
Metro Inc.	0.6%
Westjet Airlines Ltd.	0.5%
National Bank Of Canada	0.5%
Celestica Inc.	0.5%
Shaw Communications Inc.	0.4%
Teck Resources Ltd.	0.2%

COUNTRY	% PORT.
CHINA	6.1%
Bank Of China Limited	1.2%
Chongqing Rural Commercial Bank	0.8%
China Petroleum & Chemical Corporation	0.7%
Picc Property And Casualty Company Limit	0.6%
China Railway Construction Corporation L	0.6%
China Resources Pow er Holdings Company L	0.5%
China Minsheng Banking Corp. , Ltd.	0.4%
Weiqiao Textile Company Limited	0.3%
Minth Group Limited	0.3%
China Shanshui Cement Group Limited	0.3%
Tianneng Pow er International Limited	0.3%
China Lifestyle Food And Beverages Group	0.1%
DENMARK	0.4%
A.P. Moller - Maersk A/S	0.4%
FINLAND	1.0%
Neste Oyj	0.5%
Upm-Kymmene Oyj	0.5%
FRANCE	7.0%
Sanofi	1.3%
Total Sa	0.9%
Societe Generale	0.8%
Axa	0.7%
Bnp Paribas	0.6%
Alstom	0.6%
Renault	0.5%
Scor Se	0.5%
Thales	0.5%
Electricite De France	0.4%
Arkema	0.3%
GERMANY	6.7%
Daimler Ag	1.3%
Volksw agen Aktiengesellschaft	1.2%
Allianz Se	1.2%
Basf Se	1.0%
Deutsche Bank Aktiengesellschaft	0.7%
Bayerische Motoren Werke Aktiengesellsch	0.5%
Rheinmetall Aktiengesellschaft	0.3%
Wincor Nixdorf Aktiengesellschaft	0.3%
E.On Se	0.2%

COUNTRY	% PORT.
HONG KONG	2.1%
Skyw orth Digital Holdings Limited	0.6%
Yue Yuen Industrial (Holdings) Limited	0.3%
Television Broadcasts Limited	0.3%
Dah Chong Hong Holdings Limited	0.3%
China Resources Cement Holdings Limited	0.3%
Kingboard Chemical Holdings Limited	0.2%
China Shinew ay Pharmaceutical Group Limi	0.1%
HUNGARY	0.3%
Richter Gedeon Vegyeszeti Gyar Nyilvanos	0.3%
INDIA	0.7%
Tata Motors Limited	0.5%
Tata Steel Limited	0.2%
INDONESIA	0.3%
Pt. Bank Negara Indonesia(Persero)Tbk.	0.3%
ISRAEL	1.4%
Teva Pharmaceutical Industries Limited	0.8%
Elbit Systems Ltd.	0.7%
ITALY	1.3%
Eni S.P.A.	0.7%
Enel - Spa	0.6%
JAPAN	15.9%
Nippon Telegraph And Telephone Corporati	1.4%
Resona Holdings, Inc.	0.9%
Nissan Motor Co., Ltd.	0.7%
Sumitomo Mitsui Financial Group, Inc.	0.7%
Marubeni Corporation	0.6%
Itochu Corporation	0.6%
Mitsubishi Ufj Financial Group, Inc.	0.6%
Yamaha Motor Co., Ltd.	0.5%
Ntt Docomo, Inc	0.5%
Brother Industries, Ltd.	0.5%
Sumitomo Corporation	0.5%
Mizuho Financial Group, Inc.	0.5%
Japan Airlines Co., Ltd	0.5%
The Yokohama Rubber Co., Ltd.	0.5%
Kyorin Seiyaku Holdings Kabushiki Kaish	0.5%
Kddi Corporation	0.5%

Portfolio Holdings by Country

COUNTRY	% PORT.	COUNTRY	% PORT.	COUNTRY	% PORT.
JAPAN (continued)		RUSSIAN FEDERATION	1.2%	TAIWAN (continued)	
Sumitomo Metal Mining Co., Ltd.	0.4%	Mining And Metallurgical Company Norilsk	0.5%	King Yuan Electronics Co., Ltd.	0.4%
Isuzu Motors Limited	0.4%	Mobile Telesystems Ojsc	0.3%	Giga-Byte Technology Co., Ltd.	0.4%
Mitsubishi Gas Chemical Company Inc.	0.4%	Oao Gazprom	0.2%	King'S Town Bank	0.3%
North Pacific Bank, Ltd.	0.4%	Lukoil, Oao	0.2%	Micro-Star Int'L Co.,Ltd.	0.3%
Komori Corporation	0.4%			Tripod Technology Corporation	0.2%
Fujikura Ltd.	0.3%	SINGAPORE	1.9%		
Seino Holdings Co., Ltd.	0.3%	Dbx Group Holdings Ltd	1.0%	THAILAND	0.8%
Nichi-Iko Pharmaceutical Co., Ltd.	0.3%	Wilmar International Limited	0.5%	The Bangchak Petroleum Public Company Li	0.4%
Geo Holdings Corporation	0.3%	United Overseas Bank Limited	0.4%	Thanachart Capital Public Company Limite	0.2%
Aisin Seiki Co., Ltd.	0.3%			Thai Vegetable Oil Public Co Ltd	0.2%
Ain Pharmaciez Inc.	0.3%	SOUTH AFRICA	2.3%		
Kyowa Exeo Corporation	0.3%	Vodacom Group Limited	0.7%	TURKEY	0.2%
Maeda Road Construction Co., Ltd.	0.3%	Mtn Group Limited	0.6%	Selcuk Ecza Deposu Ticaret Ve Sanayi A.S	0.2%
Eizo Nanao Corporation	0.3%	Imperial Holdings	0.5%		
Jx Holdings, Inc.	0.3%	Astral Foods Limited	0.3%	UNITED KINGDOM	13.7%
Otsuka Holdings Co.,Ltd.	0.3%	Mmi Holdings Limited	0.3%	Bae Systems Plc	1.2%
Miraca Holdings Inc.	0.2%			Old Mutual Public Limited Company	1.0%
Paramount Bed Co., Ltd.	0.2%	SPAIN	1.6%	Royal Dutch Shell Plc	1.0%
		Mapfre, S.A.	0.6%	Bp P.L.C.	0.8%
KOREA, REPUBLIC OF	3.8%	Repsol, S.A.	0.5%	Centrica Plc	0.7%
Samsung Electronics Co., Ltd.	1.4%	Banco Santander, S.A.	0.4%	J Sainsbury Plc	0.6%
Sk Telecom Co Ltd	0.6%	Repsol, S.A.	0.0%	Bt Group Plc	0.6%
Kt&G Corporation	0.5%			The Berkeley Group Holdings Plc	0.6%
Bs Financial Group Inc.	0.4%	SWEDEN	2.7%	Ds Smith Plc	0.6%
Hana Financial Group Inc.	0.3%	Teliasonera Ab	0.7%	Wm Morrison Supermarkets P L C	0.5%
Dgb Financial Group Co., Ltd.	0.3%	Nordea Bank Ab	0.6%	Direct Line Insurance Group Plc	0.5%
Daishin Securities Co., Ltd.	0.2%	Boliden Ab	0.5%	Standard Chartered Plc	0.5%
		Skandinaviska Enskilda Banken Ab	0.5%	Royal Dutch Shell Plc	0.5%
MALAYSIA	0.2%	Securitas Ab	0.4%	Astrazeneca Plc	0.4%
Malaysia Building Society Berhad	0.2%			Glaxosmithkline Plc	0.4%
		SWITZERLAND	5.9%	Rexam Plc	0.4%
MEXICO	0.7%	Credit Suisse Group Ag	1.2%	Barclays Plc	0.4%
America Movil Sab De Cv	0.7%	Sw iss Re Ag	1.1%	Man Group Plc	0.4%
		Zurich Insurance Group Ag	0.9%	3i Group Plc	0.4%
NETHERLANDS	1.9%	Sw iss Life Holding Ag	0.8%	Aviva Plc	0.4%
Ahold Delhaize	0.8%	Baloise-Holding Ag	0.5%	Bovis Homes Group Plc	0.4%
Ing Groep N.V.	0.5%	Pargesa Holding Sa	0.4%	Barratt Developments P L C	0.3%
Aegon N.V.	0.3%	Bucher Industries Ag	0.4%	Vesuvius Plc	0.3%
Postnl N.V.	0.3%	Vontobel Holding Ag	0.2%	Anglo American Plc	0.3%
		Gam Holding Ag	0.2%	Tate & Lyle Public Limited Company	0.2%
NORWAY	1.4%	Autoneum Holding Ag	0.2%	Amec Foster Wheeler Plc	0.2%
Dnb Bank Asa	0.6%			Alent Plc	0.1%
Yara International Asa	0.5%	TAIWAN	3.3%		
Statoil Asa	0.3%	United Microelectronics Corporation	0.6%	CASH	0.5%
		Pegatron Corporation	0.6%		
		Compal Electronics, Inc.	0.5%	TOTAL	100%

How Cheap Are Cheap Stocks?

<u>LSV Strategy</u>	<u>Price/Earnings</u>	<u>Price/Cash Flow</u>	<u>Price/Book</u>	<u>Dividend Yield</u>
U.S. Large Cap Value	13.6x	8.5x	1.8x	2.5%
U.S. Mid Cap Value	12.6x	8.0x	1.7x	2.5%
U.S. Small Cap Value	12.6x	7.6x	1.4x	2.2%
U.S. Micro Cap Value	13.3x	8.4x	1.3x	2.0%
International Large Cap Value	13.1x	7.9x	1.3x	3.4%
International Small Cap Value	12.8x	8.0x	1.2x	3.0%
Emerging Markets Value	8.9x	5.6x	0.9x	3.8%

Global Equity Valuations

<u>Market Index</u>	<u>Price/Earnings</u>	<u>Price/Cash Flow</u>	<u>Price/Book</u>	<u>Dividend Yield</u>
S&P 500	17.8x	12.4x	2.8x	2.0%
Russell Mid Cap	20.2x	13.0x	2.7x	1.6%
Russell 2000	26.5x	16.5x	2.2x	1.3%
MSCI World ex U.S.	17.2x	10.4x	1.8x	2.9%
S&P Developed ex US Small Cap	19.5x	12.1x	1.7x	2.1%
MSCI Emerging Markets	13.1x	8.6x	1.5x	2.6%

Research and Investment Team

Name	Years of Experience/LSV	Role and Responsibilities	Education
Josef Lakonishok	37/20	CEO, CIO Founding Partner Portfolio Management	Ph.D. Cornell University, Finance MS Cornell University, Statistics MBA/BA Tel-Aviv University, Economics & Statistics
Menno Vermeulen, CFA	23/19	Partner Portfolio Management Systems Development	MS Erasmus University-Rotterdam, Econometrics
Puneet Mansharamani, CFA	16/14	Partner Portfolio Management	MS Case Western Reserve University, Engineering BS Delhi University, Engineering
Bhaskaran Swaminathan	25/9	Partner Director of Research	Ph.D. University of California at Los Angeles, Finance MBA University of Denver, Finance; BE College of Engineering, Guindy, Madras, India, Mechanical Engineering
Jason Karceski	21/6	Partner Portfolio Management Research	Ph.D. University of Illinois, Finance; MBA University of North Florida; BS California Institute of Technology, Electrical Engineering
Han Qu	21/20	Partner Research	MS University of Illinois, Finance MS University of Illinois, Statistics BS Shanghai University, Computer Science
Simon Zhang, CFA	16/16	Partner Systems & Research	MBA/MS University of Illinois, Finance & MIS Civil Engineering MS Tongji University, Shanghai, Engineering Management BS Shanghai Institution of Building Material, Engineering
Bala Ragothaman, CFA	17/8	Partner Systems Development	MS University of Iowa, Computer Science and Networks BS PSG College, Bharathiar University, Computer Engineering
Titus Liu	13/4	Associate Systems Development	MBA University of Chicago, Finance, Econometrics & Accounting BS University of Illinois, Electrical Engineering
Greg Sleight	8/8	Partner Portfolio Management	MBA University of Chicago, Econometrics, Econ. & Analytic Fin. BS University of Illinois, Material Science & Engineering
Guy Lakonishok, CFA	14/6	Partner Portfolio Management	MBA University of Chicago, Analytical Finance & Accounting BS Washington University, Electrical Engineering
Dan Givoly, CPA (Isr.)	30/9	Academic Advisor; Ernst & Young Professor of Accounting; Department of Accounting, Pennsylvania State University	Ph.D. New York University, Accounting & Finance MBA Tel-Aviv University; BA Hebrew University, Jerusalem Economics & Statistics
Louis Chan	32/14	Academic Advisor Professor Finance, University of Illinois	Ph.D./MS University of Rochester, Finance & Applied Economics BBA University of Hawaii, Business Administration

Client Portfolio Services Team

Name	Years of Experience/LSV	Role and Responsibilities	Education
James Owens	25/14	Partner Portfolio Services	BA Iowa State University, Finance
Keith Bruch, CFA	26/11	Partner Portfolio Services	MBA University of Chicago, Finance BA Northwestern University, Economics
Peter Young, CFA	26/10	Partner Portfolio Services	BS Wake Forest University, Business/Mathematics
Scott Kemper	18/8	Partner Portfolio Services	MBA University of Chicago BA DePauw University
Jason Ciaglo	16/6	Partner Business Development	MBA University of Chicago BA University of California-Berkeley, English
Michael Wagner	27/3	Partner Taft-Hartley Sales & Services	MBA Loyola University, Finance BS Elmhurst College, Marketing
Paul Halpern	43/10	Director, Client Portfolio Services, Canada Director, Capital Markets Institute The University of Toronto, Rotman	Ph.D. University of Chicago MBA University of Chicago Bcomm University of Toronto
Kevin Phelan, CFA	13/10	Partner Chief Operating Officer	BA University of Chicago, Economics
Josh O'Donnell	10/1	Chief Compliance Officer Chief Legal Officer	JD Vanderbilt University Law School BA Wake Forest University, Politics

Representative Client List

Public Clients

Alaska Permanent Fund
 Alberta Investment Management Corporation
 Arizona State Retirement System
 AustralianSuper
 Bayerische Versorgungskammer (BVK)
 Baltimore County Employees' Retirement System
 Bristol County Retirement System
 Chicago Firemen's Annuity & Benefit Fund
 City and County of San Francisco Employees' Retirement System
 City of Gainesville Police Officers' & Firefighters' Ret. Plan
 City of Kansas City Employee's Retirement System
 City of Richmond
 City of Stamford, CT Employees' Retirement Fund
 City of St. Louis Employees Retirement System
 Denver Employees Retirement Plan
 District of Columbia Retirement Board
 Fairfax County Employees' Retirement System
 Firefighters' Retirement System of Louisiana
 Frederick County Employees' Retirement Plan
 Howard County (MD) Master Trust
 Illinois Municipal Retirement Fund
 Illinois State Board of Investment
 Kansas City Police Employees' Retirement System
 Kentucky Retirement Systems
 Louisiana School Employees' Retirement System
 Louisiana State Employees' Retirement System
 Metropolitan Water Reclamation District
 Minnesota State Board of Investment
 Municipal Police Employees' Ret. System of Louisiana
 Municipal Employees' Annuity & Benefit Fund of Chicago
 New Hampshire Retirement System
 New Jersey Transit Corporation
 New Mexico State Investment Council
 New York State Teachers' Retirement System
 New Zealand Superannuation Fund

Public Clients (Cont.)

Nexcom
 North Dakota State Investment Board
 Ohio Highway Patrol Retirement System
 Ohio Public Employees Retirement System
 Ohio School Employees' Retirement System
 Parochial Employees' Retirement System of Louisiana
 Pennsylvania Municipal Retirement System
 RTD (Denver) Salaried Employees' Pension Trust
 Sacramento County Employees' Retirement System
 San Antonio Fire and Police Pension Fund
 SOKA-BAU
 South Carolina Retirement System Investment Commission
 Stanislaus County Employees' Retirement Association
 State of Idaho Endowment Fund
 State of Wisconsin Investment Board
 Teachers' Retirement System of Illinois
 Teachers' Retirement System of Louisiana
 Virgin Islands Government Employees' Retirement System
 Virginia Retirement System
 West Virginia Investment Management Board

Taft Hartley Clients

1199 National Benefit & Pension Fund
 Automobile Mechanics Local 701
 Boilermaker-Blacksmith National Pension Trust
 Bricklayers & Trowel Trades International Pension Fund
 Carpenters Pension Fund of Illinois
 Carpenters Pension Trust of St. Louis
 Central Pennsylvania Teamsters Pension Fund
 Chicago Laborers
 Chicago Regional Council of Carpenters
 Empire State Carpenters
 I.A.T.S.E. National Pension Fund
 I.B.E.W. Local #103
 I.B.E.W. Local #134
 I.U.O.E. Local 302 & 612

Taft Hartley Clients (Cont.)

I.U.O.E. Local 825
 Laborers' National Pension Fund
 LIUNA Pension Plans
 Mid-Atlantic Regional Council of Carpenters
 National Asbestos Workers Pension Fund
 National Elevator Industry Plan
 National Roofing Industry Pension Fund
 New England Healthcare Workers
 New York City District Council of Carpenters
 Northwest Indiana Carpenters
 S.E.I.U. Local 25
 Sheet Metal Workers Local 73
 Teamsters Joint Council No. 83 of Virginia
 Twin City Pipe Trades
 U.A. Plumbers & Pipefitters Nat'l Pension Fund Staff Plan
 U.M.W.A. 1974 Pension Trust
 U.F.C.W. International Union-Industry Pension Fund
 U.F.C.W. Midwest Pension Fund

Not-For-Profit & Eleemosynary

Archdiocese of Cincinnati
 Canadian Medical Protective Association
 Ministers and Missionaries Benefit Board
 National Geographic Society
 Pacific Salmon Commission
 Portico Benefit Services
 The Salvation Army
 The Seeing Eye, Inc.
 United Church Funds
 United Church of Canada

Value Equity

Investment Specialists

Representative list is selected based on regional and client type considerations. Some clients choose not to be listed.

For more information please call (312) 242-2489.

It is not known whether the listed clients approve or disapprove of LSV Asset Management or the advisory services provided.

Representative Client List

Corporate Clients

ACT, Inc. (American College Testing)
Altria Group
AMP Capital Investors
Anadarko Petroleum Corporation
Aon Hewitt Investment Consulting
AT&T
Bank of America
BASF
Bridger Coal Company - Reclamation Trust
Caterpillar Inc.
Cox Enterprises, Inc.
Daimler NA
Deere & Company
Desjardins Global Asset Management
Diebold, Inc.
Dominion
Duke Energy
Fiat Chrysler Automobiles
FM Global
Foresters
Harbor Capital Advisors, Inc.
Harsco Corporation
Hess Corporation
Hoogovens Pensioenfonds
Kraft Foods
L-3 Communications Corporation
LyondellBasell
Marsh & McLennan Companies, Inc.

Corporate Clients (Cont.)

NCR Corporation
Nissan North America
Olin Corporation
OnePath
PacifiCorp
Pensioenfonds Vervoer
Prudential
Raytheon Company
SEI Investments
Shell Pensioenfonds
Stagecoach PLC
Telstra Super Pty, Ltd
Twin Disc, Inc.
Voya Investments
Wells Fargo Funds
Westpac Staff Superannuation Plan
Wilmington Trust Investment Advisors

Endowment & Foundation Clients

Alma College Endowment
Ancilla Systems, Inc.
Roy J. Carver Charitable Trust
Chagnon Foundation
College of the Ozarks
Cullen Foundation
DePaul University
Irving S. Gilmore Foundation

Endowment & Foundation Clients (Cont.)

Jewish Healthcare Foundation
John D. & Catherine T. MacArthur Foundation
McConnell Foundation
McGill University
New Jersey Health Foundation
Saint Louis University
Texas Presbyterian Foundation
Triad Foundation
University of Alberta
University of Guelph
York University

Health Care

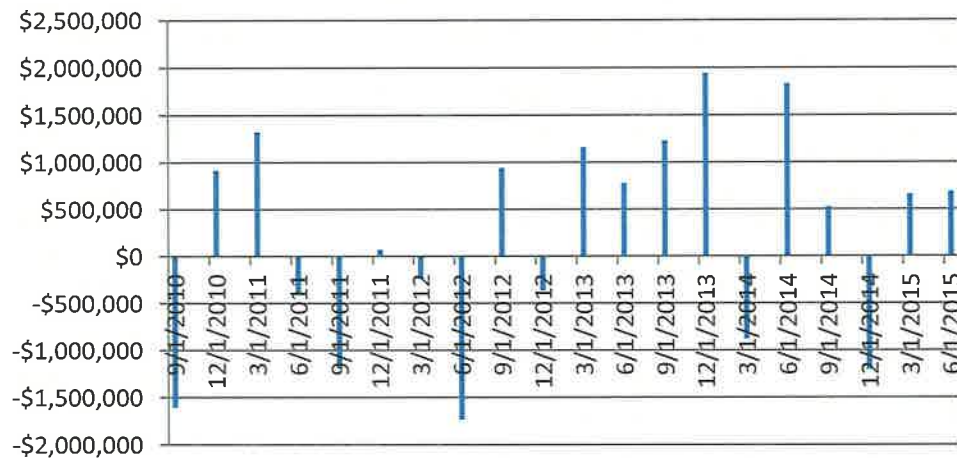
Christiana Care Health Services
CHRISTUS Health
Covenant Health
Dignity Health
Froedtert Health
Kaiser Foundation Hospitals
Methodist Hospital System
Methodist Le Bonheur Healthcare
Parkland Health & Hospital System
Trinity Health
WellSpan Health System

LSV Asset Management

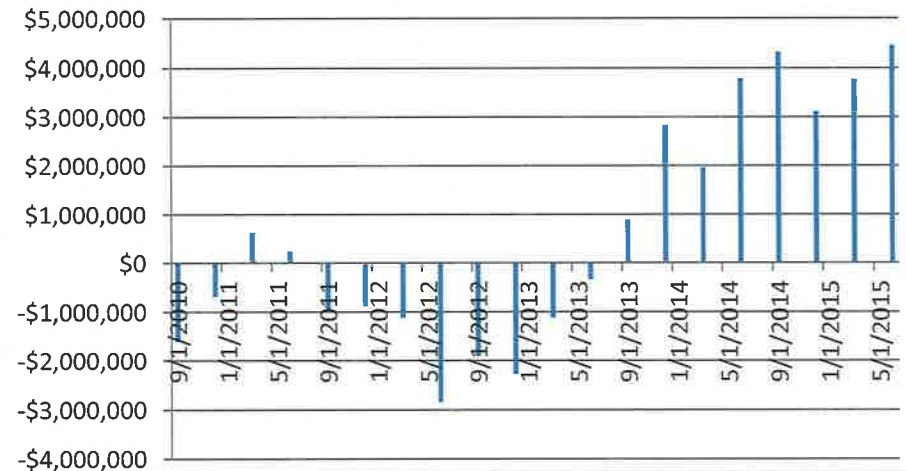


Quarter		Fees			
Begin Date	End Date	Active Return	Managerial	Custodial	Value Added
7/1/2010	9/30/2010	-\$1,372,452	\$193,603	\$35,630	-\$1,601,685
10/1/2010	12/31/2010	\$1,147,771	\$204,620	\$28,605	\$914,546
1/1/2011	3/31/2011	\$1,566,189	\$206,820	\$37,326	\$1,322,043
4/1/2011	6/30/2011	-\$164,056	\$205,220	\$20,682	-\$389,957
7/1/2011	9/30/2011	-\$1,004,436	\$163,726	\$19,932	-\$1,188,094
10/1/2011	12/31/2011	\$251,061	\$168,642	\$15,576	\$66,843
1/1/2012	3/31/2012	-\$33,570	\$180,121	\$26,254	-\$239,945
4/1/2012	6/30/2012	-\$1,538,936	\$168,468	\$21,326	-\$1,728,730
7/1/2012	9/30/2012	\$1,147,740	\$181,141	\$26,629	\$939,969
10/1/2012	12/31/2012	-\$154,942	\$189,009	\$23,035	-\$366,986
1/1/2013	3/31/2013	\$1,391,454	\$191,543	\$43,031	\$1,156,880
4/1/2013	6/30/2013	\$1,004,560	\$190,029	\$39,759	\$774,771
7/1/2013	9/30/2013	\$1,475,950	\$208,847	\$38,465	\$1,228,639
10/1/2013	12/31/2013	\$2,200,502	\$219,252	\$42,595	\$1,938,655
1/1/2014	3/31/2014	-\$732,010	\$95,219	\$49,656	-\$876,885
4/1/2014	6/30/2014	\$2,076,245	\$207,872	\$39,729	\$1,828,645
7/1/2014	9/30/2014	\$653,260	\$97,872	\$31,469	\$523,919
10/1/2014	12/31/2014	-\$1,091,117	\$93,420	\$18,291	-\$1,202,827
1/1/2015	3/31/2015	\$773,888	\$94,983	\$18,722	\$660,183
4/1/2015	6/30/2015	\$964,609	\$257,032	\$21,665	\$685,912

Quarterly Value Added



Cumulative Value Added



This analysis does not include the effects of cash flow movements into and out of the portfolio during the evaluation period



August 25, 2015
Retirement Board Agenda Item

TO: Retirement Board

FROM: Rick Santos, Executive Director

- I. SUBJECT: 2015 Quarter 2 Auxiliary Investment Report
- II. ITEM NUMBER: 7.a
- III. ITEM TYPE: Information
- IV. STAFF RECOMMENDATION: None
- V. SUMMARY:

Value Added Summary

The Value Added Summary contains information from quarter 2, 2015 and the entire 2014-2015 fiscal year. Value added is defined as the dollar return earned by each active manager over the passive benchmark return less all fees paid to that manager. Over the past fiscal year, the non-alternative portfolio added approximately \$10.8 million in value (65 basis points) to the portfolio relative to the passive investment. All of the fiscal year gain can be attributed solely to a successful quarter 2.

Over the past fiscal year, all managers added value except PIMCO and Legato. However, on average, these losses were small. International equities proved to be the asset class that provided the largest value to the portfolio, adding just over 150 basis points or \$5.2 million. Individually, Pyramis, Jackson Square and Capital Prospects contributed approximately 81% of the total value, adding \$4.7, \$2.4 and \$1.6 million, respectively.

Quarter 2 this year proved to be very good for the portfolio, adding \$11.2 million in value. Capital Prospects was the only manager that failed to add value this quarter, however, again this number was fairly small. Jackson Square and Dodge & Cox equity added the most value, coming in at \$2.3 and \$4.5 million, respectively.

Over the entire fiscal year on average, managers held approximately \$25 million in uninvested assets. This represents about 1.9% of the average total investable assets available to all active manager.

Investment Fee Summary

Over the past fiscal year, StanCERA spent approximately \$6.2 million (33.9 basis points) in fees to manage the portfolio. This includes all managers (alternatives as well) and investment consultant fees. This compares favorably with most 1937 Act Systems, where fees generally come in at around 35 basis points annually. Managerial fees accounted for \$5.7 million of the total, while custodial fees came in at \$376 thousand. On a relative basis, the Direct Lending asset class is by far the largest contributor to managerial fees, coming in at just over \$1 million. On an absolute basis, international equities account for the majority of managerial fees at \$1.3 million. Interestingly, the

Raven I fund accounts for almost half of the total fees coming from the alternative asset class. This can be attributed to the fact that StanCERA represents approximately 40% of the Raven I fund (the largest stakeholder) and as a consequence, bears the greatest absolute dollar burden of the cost to administer the fund. This will not be an issue in the Raven III fund, since StanCERA is a much smaller player.

During the past quarter, total fees on an annualized basis came in at \$1.9 million (40.2 basis points). This can be explained by the performance fee paid to LSV at the end of June. Additionally, the Greenfield Real Estate and American Realty investments are showing up for the first time in the quarterly data and initial (one time) expenses are a part of the data.

Cash Flow Report

This report is self explanatory.

Alternative Investment Report

The alternative investment report gives information related to distributions, expenses, capital calls, absolute cash flows and internal rates of returns for StanCERA's alternative portfolio.

New to this report is data related to the American Realty investment. Staff has also added the maximum dollar amount in fees that could possibly be paid on capital yet to be called through the end of the commitment period. This is only relevant for White Oak and Greenfield. With actual cash flow data and asset values, one can easily compute the internal rate of return on each of our alternative investments both cumulatively and on a quarterly basis.

- VI. RISK: None
- VII. STRATEGIC PLAN: Strategic Objective IV: Refine StanCERA's business and policy practices in ways that enhance stakeholder awareness, the delivery of member services and the ability of the Organization to administer the System effectively and efficiently*
- VIII. BUDGET IMPACT: None



Rick Santos, Executive Director

StanCERA Non Alternative Portfolio - Value Added Summary

	4/1/2015		through		6/30/2015					
	Beginning Value	Uninvested Cash	Average Invested Assets	Net Cash Flows	Passive Return	Active Return	Ending Value	Total Fees	Value Added	% of Portfolio
Total Non-Alternative Portfolio	\$1,691,263,356	\$25,025,000	\$1,666,238,357	-\$18,190,695	-\$4,309,393	\$12,561,909	\$1,681,325,176	\$1,355,704	\$11,248,758	0.67%
Domestic Equities	\$881,599,497	\$9,390,047	\$872,209,450	-\$50,852,448	\$1,576,259	\$7,932,997	\$840,256,306	\$700,651	\$7,232,346	0.84%
Large Cap Value	\$305,021,234	\$2,887,295	\$302,133,939	-\$83,949	\$330,470	\$4,702,970	\$309,970,724	\$97,325	\$4,605,644	1.50%
Dodge & Cox Equity	\$181,584,528	\$2,887,294	\$178,697,234	-\$83,949	\$196,716	\$4,636,597	\$186,333,892	\$90,555	\$4,546,042	2.47%
Blackrock Value Index Fund	\$123,436,706	\$0	\$123,436,706	\$0	\$133,754	\$66,373	\$123,636,832	\$6,770	\$59,603	0.05%
Large Cap Growth	\$275,658,902	\$2,307,915	\$273,350,987	-\$195,913	\$330,805	\$2,494,034	\$278,287,827	\$209,275	\$2,284,759	0.82%
Jackson Square	\$164,352,777	\$2,307,915	\$162,044,862	-\$195,913	\$197,184	\$2,468,062	\$166,822,111	\$203,131	\$2,264,931	1.37%
Blackrock Growth Index Fund	\$111,306,124	\$0	\$111,306,124	\$0	\$133,621	\$25,972	\$111,465,717	\$6,145	\$19,827	0.02%
Small Cap Value	\$102,293,615	\$2,635,392	\$99,658,223	-\$13,192,445	-\$1,144,129	-\$48,874	\$87,908,167	\$192,125	-\$240,999	-0.25%
Capital Prospects	\$102,293,615	\$2,635,392	\$99,658,223	-\$13,192,445	-\$1,144,129	-\$48,874	\$87,908,167	\$192,125	-\$240,999	-0.25%
Small Cap Growth	\$95,396,144	\$1,559,445	\$93,836,700	-\$7,324,403	\$1,813,817	\$784,865	\$90,670,423	\$193,804	\$591,061	0.64%
Legato Capital	\$95,396,144	\$1,559,445	\$93,836,700	-\$7,324,403	\$1,813,817	\$784,865	\$90,670,423	\$193,804	\$591,061	0.64%
Core	\$103,229,602	\$0	\$103,229,602	-\$30,055,737	\$245,297	\$2	\$73,419,164	\$8,122	-\$8,119	-0.01%
BNYM S&P Index Fund	\$103,229,602	\$0	\$103,229,602	-\$30,055,737	\$245,297	\$2	\$73,419,164	\$8,122	-\$8,119	-0.01%
International Equities	\$313,702,532	\$5,525,398	\$308,177,134	\$38,352,933	\$2,411,359	\$1,707,209	\$356,174,034	\$410,164	\$1,297,045	0.39%
LSV Asset Management	\$154,432,546	\$2,605,149	\$151,827,397	\$20,936,158	\$1,194,519	\$947,842	\$177,511,065	\$278,697	\$669,144	0.40%
Pyramis Global	\$159,269,986	\$2,920,249	\$156,349,737	\$17,416,775	\$1,216,840	\$759,368	\$178,662,968	\$131,467	\$627,901	0.37%
Fixed Income	\$495,961,327	\$10,109,555	\$485,851,772	-\$5,691,181	-\$8,297,011	\$2,921,702	\$484,894,837	\$202,335	\$2,719,367	0.55%
Dodge & Cox Fixed Income	\$384,195,906	\$9,545,170	\$374,650,736	-\$5,597,599	-\$6,417,226	\$2,439,542	\$374,620,624	\$107,234	\$2,332,308	0.61%
PIMCO	\$111,765,421	\$564,385	\$111,201,036	-\$93,582	-\$1,879,785	\$482,160	\$110,274,213	\$95,101	\$387,059	0.35%

Net cash flows include the net effects of StanCERA directed cash flows, dividends and managers moving internal cash into and out of the investment pool

Passive return assumes all portfolio assets are fully invested

Uninvested Cash Data not available prior to October 1, 2014



StanCERA Non Alternative Portfolio - Value Added Summary

7/1/2014 through 6/30/2015

	Average			Changes in Portfolio Value			Ending Value	Total Fees	Value Added	
	Beginning Value	Uninvested Cash	Invested Assets	Net Cash Flows	Passive Return	Active Return			Value Added	% of Portfolio
Total Non-Alternative Portfolio	\$1,670,649,271	\$25,350,103	\$1,645,299,168	-\$53,414,242	\$48,297,925	\$15,792,222	\$1,681,325,176	\$4,991,489	\$10,843,287	0.65%
Domestic Equities	\$840,879,327	\$9,854,909	\$831,024,418	-\$64,856,971	\$56,227,857	\$8,006,093	\$840,256,306	\$2,839,972	\$5,166,121	0.61%
Large Cap Value	\$304,082,497	\$3,679,542	\$300,402,955	-\$8,329,779	\$12,434,065	\$1,783,941	\$309,970,724	\$394,683	\$1,389,259	0.45%
Dodge & Cox Equity	\$185,525,687	\$3,679,542	\$181,846,145	-\$8,330,390	\$7,519,585	\$1,619,010	\$186,333,892	\$367,612	\$1,251,398	0.67%
Blackrock Value Index Fund	\$118,556,810	\$0	\$118,556,810	\$611	\$4,914,480	\$164,931	\$123,636,832	\$27,071	\$137,860	0.11%
Large Cap Growth	\$255,172,991	\$1,754,979	\$253,418,012	-\$6,779,274	\$26,586,708	\$3,307,403	\$278,287,827	\$825,611	\$2,481,792	0.93%
Jackson Square	\$154,417,260	\$1,754,979	\$152,662,281	-\$6,775,209	\$15,951,349	\$3,228,711	\$166,822,111	\$801,453	\$2,427,258	1.51%
Blackrock Growth Index Fund	\$100,755,731	\$0	\$100,755,731	-\$4,065	\$10,635,359	\$78,692	\$111,465,717	\$24,158	\$54,534	0.05%
Small Cap Value	\$94,347,658	\$2,902,924	\$91,444,734	-\$9,497,803	\$691,946	\$2,366,365	\$87,908,167	\$772,255	\$1,594,110	1.75%
Capital Prospects	\$94,347,658	\$2,902,924	\$91,444,734	-\$9,497,803	\$691,946	\$2,366,365	\$87,908,167	\$772,255	\$1,594,110	1.75%
Small Cap Growth	\$85,567,336	\$1,517,464	\$84,049,872	-\$5,641,886	\$10,226,052	\$518,921	\$90,670,423	\$809,794	-\$290,873	-0.33%
Legato Capital	\$85,567,336	\$1,517,464	\$84,049,872	-\$5,641,886	\$10,226,052	\$518,921	\$90,670,423	\$809,794	-\$290,873	-0.33%
Core	\$101,708,845	\$0	\$101,708,845	-\$34,608,229	\$6,289,085	\$29,462	\$73,419,164	\$37,629	-\$8,167	-0.01%
BNYM S&P Index Fund	\$101,708,845	\$0	\$101,708,845	-\$34,608,229	\$6,289,085	\$29,462	\$73,419,164	\$37,629	-\$8,167	-0.01%
International Equities	\$324,592,130	\$4,306,064	\$320,286,066	\$42,149,701	-\$17,010,448	\$6,442,650	\$356,174,034	\$1,286,617	\$5,156,033	1.51%
LSV Asset Management	\$162,319,234	\$2,138,515	\$160,180,719	\$22,677,290	-\$8,546,258	\$1,060,799	\$177,511,065	\$633,454	\$427,345	0.25%
Pyramis Global	\$162,272,896	\$2,167,549	\$160,105,347	\$19,472,411	-\$8,464,190	\$5,381,851	\$178,662,968	\$653,163	\$4,728,688	2.77%
Fixed Income	\$505,177,814	\$11,189,130	\$493,988,684	-\$30,706,972	\$9,080,516	\$1,343,479	\$484,894,837	\$822,346	\$521,133	0.11%
Dodge & Cox Fixed Income	\$396,498,077	\$10,598,852	\$385,899,225	-\$30,527,836	\$7,067,720	\$1,582,663	\$374,620,624	\$441,442	\$1,141,221	0.30%
PIMCO	\$108,679,737	\$590,278	\$108,089,459	-\$179,137	\$2,012,796	-\$239,184	\$110,274,213	\$380,904	-\$620,087	-0.57%

Net cash flows include the net effects of StanCERA directed cash flows, dividends and managers moving internal cash into and out of the investment pool

Passive return assumes all portfolio assets are fully invested

Uninvested Cash Data not available prior to October 1, 2014



Investment Fee Summary

4/1/2015

through

6/30/2015

	Average Assets Under Management	Managerial	Fees in Dollars Custodial	Total	Fees in Annualized Basis Points Managerial	Custodial	Total
Total Portfolio	\$1,829,324,652	\$1,744,584	\$95,326	\$1,882,410	38.1	2.1	40.2
Domestic Equities	\$863,987,072	\$659,758	\$40,894	\$700,651	30.5	1.9	32.4
Large Cap Value	\$310,163,018	\$93,538	\$3,787	\$97,325	12.1	0.5	12.6
Dodge & Cox Equity	\$185,720,416	\$87,299	\$3,256	\$90,555	18.8	0.7	19.5
Blackrock Value Index Fund	\$124,442,602	\$6,239	\$531	\$6,770	2.0	0.2	2.2
Large Cap Growth	\$278,429,250	\$206,087	\$3,188	\$209,275	29.6	0.5	30.1
Jackson Square	\$166,403,740	\$200,473	\$2,657	\$203,131	48.2	0.6	48.8
Blackrock Growth Index Fund	\$112,025,510	\$5,613	\$531	\$6,145	2.0	0.2	2.2
Small Cap Value	\$94,655,059	\$178,228	\$13,897	\$192,125	75.3	5.9	81.2
Capital Prospects	\$94,655,059	\$178,228	\$13,897	\$192,125	75.3	5.9	81.2
Small Cap Growth	\$91,802,997	\$174,382	\$19,422	\$193,804	76.0	8.5	84.4
Legato Capital	\$91,802,997	\$174,382	\$19,422	\$193,804	76.0	8.5	84.4
Core	\$88,936,748	\$7,522	\$599	\$8,122	3.4	0.3	3.7
BNYM S&P Index Fund	\$88,936,748	\$7,522	\$599	\$8,122	3.4	0.3	3.7
International Equities	\$341,204,540	\$366,593	\$43,572	\$410,164	43.0	5.1	48.1
LSV Asset Management	\$169,413,778	\$257,032	\$21,665	\$278,697	60.7	5.1	65.8
Pyramis Global	\$171,790,762	\$109,561	\$21,906	\$131,467	25.5	5.1	30.6
Fixed Income	\$491,803,874	\$194,644	\$7,691	\$202,335	15.8	0.6	16.5
Dodge & Cox Fixed Income	\$380,540,635	\$102,217	\$5,016	\$107,234	10.7	0.5	11.3
PIMCO	\$111,263,239	\$92,427	\$2,674	\$95,101	33.2	1.0	34.2
Real Estate	\$30,825,926	\$182,511	\$1,577	\$184,088	236.8	2.0	238.9
Blackrock US Real Estate Index	\$13,334,793	\$2,943	\$531	\$3,474	8.8	1.6	10.4
Greenfield GAP Real Estate	\$9,601,254	\$124,785	\$531	\$125,316	519.9	2.2	522.1
American Realty	\$7,889,879	\$54,783	\$514	\$55,297	277.7	2.6	280.3
Direct Lending	\$101,503,240	\$341,079	\$1,594	\$342,673	134.4	0.6	135.0
Medley Capital	\$32,055,451	\$100,276	\$531	\$100,807	125.1	0.7	125.8
Raven Capital	\$30,156,945	\$120,000	\$531	\$120,531	159.2	0.7	159.9
White Oak Pinnacle	\$39,290,844	\$120,803	\$531	\$121,334	123.0	0.5	123.5
Investment Consultant	\$1,829,324,652	-	-	\$42,500	-	-	0.9

Direct Lending Managerial Fees include other fees such audit, legal, tax preparation, administrative and marketing



Investment Fee Summary

7/1/2014

through

6/30/2015

	Average Assets Under Management	Managerial	Fees in Dollars Custodial	Total	Fees in Annualized Basis Points		
					Managerial	Custodial	Total
Total Portfolio	\$1,782,719,969	\$5,674,730	\$376,698	\$6,221,428	31.8	2.1	33.9
Domestic Equities	\$859,422,095	\$2,681,644	\$158,328	\$2,839,972	31.2	1.8	33.0
Large Cap Value	\$308,037,285	\$377,340	\$17,343	\$394,683	12.2	0.6	12.8
Dodge & Cox Equity	\$186,081,752	\$352,892	\$14,720	\$367,612	19.0	0.8	19.8
Blackrock Value Index Fund	\$121,955,533	\$24,448	\$2,623	\$27,071	2.0	0.2	2.2
Large Cap Growth	\$269,571,090	\$806,560	\$19,051	\$825,611	29.9	0.7	30.6
Jackson Square	\$162,426,921	\$785,025	\$16,428	\$801,453	48.3	1.0	49.3
Blackrock Growth Index Fund	\$107,144,169	\$21,535	\$2,623	\$24,158	2.0	0.2	2.3
Small Cap Value	\$94,917,868	\$723,251	\$49,005	\$772,255	76.2	5.2	81.4
Capital Prospects	\$94,917,868	\$723,251	\$49,005	\$772,255	76.2	5.2	81.4
Small Cap Growth	\$88,263,465	\$739,657	\$70,137	\$809,794	83.8	7.9	91.7
Legato Capital	\$88,263,465	\$739,657	\$70,137	\$809,794	83.8	7.9	91.7
Core	\$98,632,387	\$34,836	\$2,793	\$37,629	3.5	0.3	3.8
BNYM S&P Index Fund	\$98,632,387	\$34,836	\$2,793	\$37,629	3.5	0.3	3.8
International Equities	\$321,679,349	\$1,113,665	\$172,953	\$1,286,617	34.6	5.4	40.0
LSV Asset Management	\$159,627,461	\$543,307	\$90,147	\$633,454	34.0	5.6	39.7
Pyramis Global	\$162,051,888	\$570,358	\$82,806	\$653,163	35.2	5.1	40.3
Fixed Income	\$496,960,175	\$787,570	\$34,776	\$822,346	15.8	0.7	16.5
Dodge & Cox Fixed Income	\$386,695,653	\$418,125	\$23,317	\$441,442	10.8	0.6	11.4
PIMCO	\$110,264,522	\$369,445	\$11,459	\$380,904	33.5	1.0	34.5
Real Estate	\$17,642,623	\$15,300	\$2,678	\$17,978	8.7	1.5	10.2
Blackrock US Real Estate Index	\$17,642,623	\$15,300	\$2,678	\$17,978	8.7	1.5	10.2
Direct Lending	\$87,015,728	\$1,076,552	\$7,964	\$1,084,515	123.7	0.9	124.6
Medley Capital	\$30,451,086	\$296,891	\$2,629	\$299,520	97.5	0.9	98.4
Raven Capital	\$27,861,187	\$524,715	\$2,623	\$527,338	188.3	0.9	189.3
White Oak Pinnacle	\$28,703,455	\$254,946	\$2,712	\$257,657	88.8	0.9	89.8
Investment Consultant	\$1,782,719,969	-	-	\$170,000	-	-	1.0

Direct Lending Managerial Fees include other fees such audit, legal, tax preparation, administrative and marketing



Cash Flow Report

April 2015 through June 2015

Beginning Cash Balance*	\$10,093,519
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Cash Flow In

Sales of Investments	\$5,500,000
Plan Sponsor Contributions	\$14,564,934
Employee Contributions	\$6,105,597
Employee Buybacks	\$50,647
Interest Income	\$0
Rental Income	\$13,086
Commission Recapture	\$6,068
Litigation Recovery	<u>\$0</u>

Total Cash Flow In	\$26,240,331
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Cash Flow Out

Retirement Benefits	\$25,623,784
StanCERA Payroll	\$330,983
Operations Expense	\$227,067
Pension Software	\$0
Fixed Asset Purchases	\$0
Employee Refunds	\$412,557
Post Retirement Death Benefits	\$92,903
Burial Allowances	\$120,000
Retiree Death - Return of Contributions	\$21,191
Investment Consultant Fees	\$85,000
Actuarial Fees	\$25,163
Custodial Fees	\$160,734
Investment Management Fees	\$28,287
Audit Fees	\$12,574
Legal Fees	<u>\$60,364</u>

Total Cash Flow Out	\$27,200,604
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Ending Cash Balance	\$9,133,246
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Change in Cash Balance	-\$960,273
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** Prior end balances may not always equal current beginning balance due to subsequent refinement of data*



White Oak Alternative Investment Report for Quarter Ending March 31, 2015

Distribution Activity Through 3/31/2015

Distributions	-\$12,755,357
Offering Costs	<u>\$0</u>
Net Distribution Activity	-\$12,755,357

Interest and Expense For Quarter Ending 3/31/2015

Interest Income	\$4,260,345
Undistributed Income Charge	\$0
Dividend Income	\$0
Other Income	\$0
Management Fees	-\$1,176,135
Partnership Operations	\$0
Professional Fees	\$0
Organizational Expense	\$0
Other Expenses	-\$249,346
Service Fees	\$0
Realized Gain/(Loss)	\$125,187
Unrealized Gain/(Loss)	<u>\$375,610</u>
Net Investment Income/(Loss)	\$3,335,660
Gross Capital Calls as of Qtr End	\$48,661,119
Net Distribution Activity	-\$12,755,357
Net Investment Activity	<u>\$3,335,660</u>
Capital Balance as of Qtr End	\$39,241,422
Total Commitment	\$40,000,000
Net Capital Calls to date	\$36,559,823
Remaining Capital Commitment	\$3,440,177
Commitment Period End Date	12/31/2015
Management Fee	1.50%
Max Mngmt. Fee on Remaining Capital	\$38,702

Estimated Asset Value as of March 31, 2015 \$39,241,422

Internal Rate of Return

<u>Date</u>	<u>Quarter</u>	<u>Inception</u>
September 30, 2014	-	8.92%
December 31, 2014	2.21%	11.33%
March 31, 2015	-0.59%	10.68%

White Oak Cash Flow Activity Since Inception

<u>Date</u>	<u>Cash Flow</u>
8/2/2013	-\$1,195,179
8/5/2013	-\$1,072,131
8/27/2013	-\$504,810
9/24/2013	-\$1,759,299
9/26/2013	-\$9,074,704
10/7/2013	-\$1,583,868
11/5/2013	-\$1,557,519
11/19/2013	-\$1,595,710
12/2/2013	\$2,548,332
12/4/2013	-\$1,637,899
12/9/2013	-\$910,433
12/12/2013	-\$861,352
2/21/2014	-\$297,534
2/26/2014	\$7,885,764
3/26/2014	-\$3,239,701
4/25/2014	-\$2,338,689
5/25/2014	-\$840,670
7/31/2014	\$153,251
9/23/2014	-\$808,389
9/25/2014	-\$261,101
10/3/2014	\$287,925
11/19/2014	-\$892,750
12/9/2014	-\$169,677
12/11/2014	-\$6,368,205
12/23/2014	-\$3,171,213
12/23/2014	\$497,436
12/31/2014	-\$536,265
12/31/2014	-\$679,536
12/31/2014	\$679,536
1/21/2015	-\$297,534
2/9/2015	-\$1,649,388
2/13/2015	-\$1,867,840
3/9/2015	-\$496,670
3/10/2015	\$703,113
3/18/2015	-\$2,993,052



Medley Alternative Investment Report for Quarter Ending March 31, 2015

Distribution Activity Through 3/31/2015

Distributions	-\$4,542,778
Offering Costs	<u>\$0</u>
Net Distribution Activity	-\$4,542,778

Interest and Expense For Quarter March 31, 2015

Interest Income	\$7,451,413
Undistributed Income Charge	-\$2,974,156
Dividend Income	\$0
Other Income	\$0
Management Fees	-\$1,383,576
Partnership Operations	-\$160,456
Professional Fees	\$0
Organizational Expense	\$0
Other Expenses	-\$252,518
Service Fees	\$0
Realized Gain/(Loss)	\$120,660
Unrealized Gain/(Loss)	<u>-\$418,278</u>
Net Investment Income/(Loss)	\$2,383,089
 Gross Capital Calls as of Qtr End	 \$34,518,348
Net Distribution Activity	-\$4,542,778
Net Investment Activity	<u>\$2,383,089</u>
Capital Balance as of Qtr End	\$32,358,659

Medley Capital Cash Flow Activity Since Inception

<u>Date</u>	<u>Cash Flow</u>
5/16/2013	-\$7,500,000
5/16/2013	-\$13,808,430
5/31/2013	\$1,020,522
7/30/2013	\$2,349,915
12/4/2013	-\$1,445,727
12/11/2013	-\$2,416,766
12/17/2013	-\$1,346,764
3/11/2014	-\$2,674,594
3/28/2014	-\$1,918,283
9/24/2014	-\$619,597
9/24/2014	-\$1,032,662
9/24/2014	\$1,172,341
11/12/2014	-\$1,755,525

Estimated Asset Value as of March 31, 2015 \$32,358,659

Internal Rate of Return

<u>Date</u>	<u>Quarter</u>	<u>Inception</u>
September 30, 2014	-	3.73%
December 31, 2014	0.73%	4.48%
March 31, 2015	0.52%	5.03%



Raven I Alternative Investment Report for Quarter Ending March 31, 2015

Distribution Activity Through 3/31/2015	
Distributions	-\$7,547,775
Pre Funding Distribution	\$650,487
Offering Costs	<u>-\$22,211</u>
Net Distribution Activity	-\$6,919,499

Interest and Expense For Quarter March 31, 2015	
Interest Income	\$3,950,796
Undistributed Income Charge	-\$813,029
Dividend Income	\$1,165,777
Other Income	\$304,772
Management Fees	-\$1,861,022
Partnership Operations	\$0
Professional Fees	
Organizational Expense	
Other Expenses	-\$825,207
Service Fees	
Realized Gain/(Loss)	\$402,958
Unrealized Gain/(Loss)	<u>-\$127,229</u>
Net Investment Income/(Loss)	\$2,197,816
Gross Capital Call as of Qtr End	\$34,668,306
Net Distribution Activity	-\$6,919,499
Net Investment Activity	<u>\$2,197,816</u>
Capital Balance as of Qtr End	\$29,946,622

Raven I Capital Cash Flow Activity Since Inception

Date	Cash Flow
5/22/2013	-\$10,753,342
8/15/2013	\$183,156
10/1/2013	-\$6,279,640
10/1/2013	-\$3,139,820
11/14/2013	-\$2,354,865
11/19/2013	\$272,747
2/18/2014	\$418,643
3/17/2014	-\$4,709,730
5/20/2014	\$932,788
8/18/2014	\$2,421,827
8/18/2014	\$717,993
11/20/2014	\$478,040
11/20/2014	\$739,469
12/23/2014	-\$7,430,908
2/19/2015	\$432,318
2/19/2015	\$300,306

Estimated Asset Value as of March 31, 2015 \$29,946,622

Internal Rate of Return			
Date	Quarter	Inception	
September 30, 2014	-	6.13%	
December 31, 2014	-0.25%	5.86%	
March 31, 2015	-0.46%	5.38%	



Greenfield Alternative Investment Report for Quarter Ending March 31, 2015

Distribution Activity Through 3/31/2015		Greenfield Capital Cash Flow Activity Since Inception	
		Date	Cash Flow
Distributions	\$0	7/8/2014	-\$2,122,581
Pre Funding Distribution		8/22/2014	-\$1,212,903
Offering Costs		10/7/2014	\$2,103
Net Distribution Activity	\$0	10/7/2014	\$134,135
		10/21/2014	-\$5,169,043
		11/21/2014	-\$1,723,014
Interest and Expense For Quarter March 31, 2015		12/9/2014	-\$781,885
Interest Income	\$267,825	12/12/2014	\$10,283
Undistributed Income Charge		12/12/2014	\$928,920
Dividend Income		12/16/2014	-\$3,955
Other Income		12/22/2014	\$7,776
Management Fees	-\$290,088	12/22/2014	\$536,748
Partnership Operations	\$0		
Professional Fees			
Organizational Expense			
Other Expenses			
Service Fees			
Realized Gain/(Loss)	\$2,388		
Unrealized Gain/(Loss)	<u>\$206,031</u>		
Net Investment Income/(Loss)	\$186,156		
Gross Capital Call as of Qtr End	\$9,367,133		
Net Distribution Activity	\$0		
Net Investment Activity	<u>\$186,156</u>		
Capital Balance as of Qtr End	\$9,553,289		
Net Capital Calls to date	\$9,367,133		
Total Commitment	\$15,000,000		
Remaining Capital Commitment	\$5,632,867		
Commitment Period End Date	12/1/2017		
Management Fee	1.50%		
Max Mngmt. Fee on Remaining Capital	\$225,777		
Estimated Asset Value as of March 31, 2015	\$9,553,289		

Internal Rate of Return

Date	Quarter	Inception
September 30, 2014	-	0.00%
December 31, 2014	2.85%	2.85%
March 31, 2015	0.41%	3.27%



American Realty Alternative Investment Report for Quarter Ending March 31, 2015

Distribution Activity Through 3/31/2015

Distributions	\$20,066
Pre Funding Distribution	
Offering Costs	<u>-\$54</u>
Net Distribution Activity	\$20,012

Interest and Expense For Quarter March 31, 2015

Interest Income	\$44,480
Undistributed Income Charge	
Dividend Income	
Accrued Incentive Income	-\$41,761
Management Fees	-\$20,066
Partnership Operations	\$0
Professional Fees	
Organizational Expense	
Other Expenses	
Service Fees	
Realized Gain/(Loss)	-\$67
Unrealized Gain/(Loss)	<u>\$299,181</u>
Net Investment Income/(Loss)	\$281,767

Gross Capital Call as of Qtr End	\$7,671,700
Net Distribution Activity	\$20,012
Net Investment Activity	<u>\$281,767</u>
Capital Balance as of Qtr End	\$7,973,478

Commitment	\$30,000,000
Net Capital Calls to date	\$7,671,700
Remaining Capital Commitment	\$22,328,300
Commitment Period End Date	Open End Fund
Management Fee	1.20% <i>Weighted</i>
Max Mngmt. Fee on Remaining Capital	Only on Invested Capital

Estimated Asset Value as of March 31, 2015	\$7,973,478
--	-------------

Internal Rate of Return

<u>Date</u>	<u>Quarter</u>	<u>Inception</u>
March 31, 2015	23.54%	23.54%

American Realty Cash Flow Activity Since Inception

<u>Date</u>	<u>Cash Flow</u>
12/15/2014	-\$3,549,100
1/28/2015	-\$1,934,300
3/26/2015	-\$2,188,300



STANISLAUS COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

INVESTMENT PERFORMANCE SUMMARY

SECOND QUARTER 2015



- In the US, the decline in the corporate earnings and extended valuations limited both the S&P 500 and the Russell 3000 gains; the indices increased by a modest 0.3% and 0.1%, respectively, in the second quarter.
- The persisting absence of the Greek bail-out agreement continued to weigh heavily on the investors throughout the second quarter as the European ex-UK equities lost 0.8%. On the positive side, the lack of the EU-Greece deal made the rate increase by the Bank of England less likely, propelling the UK equities up 3.0% in the second quarter.
- The dollar lost ground against both the euro and the pound in the second quarter as the Federal Reserve remained data dependent on the timing of the rate increase, and the jump in the retail sales for several countries in Europe raised hopes of a speedier economic recovery than previously anticipated.
- The drop in corporate earnings depressed the US corporate bond market; the lower-rated corporate bonds led the way with a 3.3% drop in total returns in the second quarter.
- The precipitous decline in the Chinese equities offset gains in Latin America and Emergent Europe; the MSCI Emerging Markets Net Return Index remained nearly flat, rising a humble 0.7% during the second quarter.
- The State Street Investor Confidence Index® (ICI) measures risk appetite by analyzing the buying and selling patterns of the institutional investors. The strong upsurge in the North American institutions' confidence was partly offset by its decline among Asian and European investors, which capped the overall Global ICI increase over the second quarter at a modest 6.9 points. The quarter-ending value of 127.0 remained well above the neutral level of 100.
- For the period ending 6/30/15, the one quarter returns for, respectively, the NAREIT Equity index and the NCREIF Property index (one quarter lag), were -10.0% and 3.6%; one-year, 4.3% and 12.7%; three-year, 8.9% and 11.5%; and five-year, 14.3% and 12.8%.
- In the US, the 10-year yield rose 43 bps during the second quarter, negatively impacting yield-focused investments, and in particular REIT share prices. Per AEW, REITs were trading at an 8% discount to NAV at the end of June, down from a 3% discount the prior month and below the historical average of a 4% premium.
- Outperformers for the second quarter included the United Kingdom and Hong Kong, with the United Kingdom positively impacted by the Conservative party win and Hong Kong benefiting from liquidity moving from A shares to H shares.

- The composite fund returned 0.5% in the second quarter of 2015 and ranked in the 19th percentile among other public funds (0.0% median). The fund beat its policy index (-0.3%) during this time period. Longer term, the three and five-year returns of 12.2% and 11.8%, ranked above the median among public plans (10.2% and 10.3%, respectively).
- Second quarter results were enhanced by the following factors:
 1. The Mellon Capital S&P 500 Index Fund returned 0.3% for the quarter. The Fund matched the S&P 500 Index and ranked above the median large cap core manager (0.1%).
 2. The BlackRock Russell 1000 Growth Index Fund returned 0.1% for the quarter and matched its benchmark. The large cap growth equity median return is 0.6%.
 3. Jackson Square returned 1.6%, compared favorably to the Russell 1000 Growth Index (0.1%); it ranked in the top quartile among large cap growth managers (median of 0.6%). Select Financials (Equinix) and Info Tech (Electronic Arts, Adobe Systems, Microsoft, Mastercard) investments, plus its lack of exposure to Industrials, created performance alpha. Over a three-year period, Jackson Square (19.6%) surpassed its benchmark (18.0%).
 4. The BlackRock Russell 1000 Value Index Fund (0.2%) edged out its benchmark return (0.1%) and placed behind its median large cap value manager return of 0.3%.
 5. Dodge & Cox Equity, 2.7%, ranked above the large cap value manager median of 0.3%. It was ahead of the Russell 1000 Value Index return of 0.1% during the quarter. Its lack of exposure to the Utilities sector and select Consumer Discretionary (Time Warner Cable) and Financials (JP Morgan Chase, Capital One, Goldman Sachs, Bank of America, MetLife) investments boosted results. Three year returns were in front of its benchmark (20.2% vs. 17.3%).
 6. Fund of funds manager Legato Capital gained 2.8% for the quarter and ranked in the 42nd percentile among other small cap growth managers (2.4% median). The Russell 2000 Growth Index returned 2.0%. The portfolio was enhanced by its stock selection in the Info Tech, Material and Industrials sectors. Lee Munder appreciated the most, 3.7%, while AMI Asset gained the least, 0.0% during the quarter. Over three years, Legato returned above its benchmark (20.3% vs. 20.1%).
 7. Pyramis' return of 1.3% outperformed the MSCI ACWI ex US Index return of 0.7%. It placed below the median among ACWI ex US growth equity managers (1.5% median). Financials (Lloyds Banking, ING Groep, Mitsubishi UFJ), Industrials (SITC International, Daqin Railway) and Consumer Staples (Kweichow Moutai) investments were additive. Its three-year results led its benchmark (11.2% vs. 9.9%).

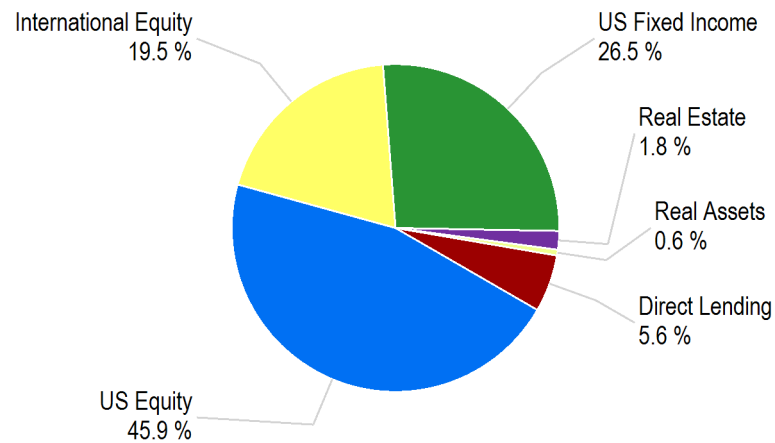
8. LSV (1.4%) was above par with the MSCI ACWI ex US (0.7%) and ranked 55th among ACWI ex US value equity managers (median of 1.5%). LSV carried relatively strong Japanese, Canadian and Australian investments. Its value tilt was a negative factor. Over a three-year period, LSV (11.9%) surpassed its benchmark (9.9%).
9. The Dodge & Cox Bond -1.1% return beat its benchmark, the Barclays Aggregate Index (-1.7%), and ranked in the top quartile among core bond managers, median return of -1.5%. The portfolio's shorter relative duration and Brazilian-related credit holdings (Petrobras, Rio Oil Finance Trust) helped relative returns. D&C was up 3.9% for three years while its benchmark was up 1.8%.
10. PIMCO returned -1.3% and the Barclays Aggregate Index fell, -1.7%. The median core bond manager return was -1.5%. PIMCO's positions in select high yield financials and EM external debt heightened performance. Its positions in TIPS and MBS and select corporate credit enhanced returns. Over three years, the portfolio returned above its benchmark but below its peer group median.
11. The combined Real Estate composite was ahead of the DJ US Select RESI (-3.5% vs. -10.0%). The BlackRock US Real Estate Index Fund matched its benchmark (-10.0%) and ranked in the third quartile among US REITs (median of -9.6%). American Strategic Value Realty Fund was up 3.6%, while the NCREIF Property Index was 3.1%. Greenfield Gap's one quarter lag return fell behind its benchmark, the NCREIF ODCE +1% Index (0.0% vs. 4.1%)
12. The preliminary combined Direct Lending portfolio gained 2.9% and was below its target return of 9% per annum, or 2.2% per quarter. Quarterly returns for Medley, Raven and White Oak were 1.9%, 1.5% and 4.8%, respectively. Infrastructure manager Morgan Stanley was funded in May. It will be benchmarked to the CPI-U Headline +5% Index.

- Second quarter results were hindered by the following factor:

1. Fund of funds manager Capital Prospects was slightly behind its benchmark, the Russell 2000 Value Index (-1.3% vs. -1.2%) and ranked in the 82nd percentile among small cap value managers. Negative performance attribution came primarily from its Consumer Discretionary and Info Tech stock picks. InView detracted the most, at -2.7%. Bernzott led during the quarter, at 1.5%. For the three-year period, Capital Prospects was in front of its benchmark (19.6% vs. 15.5%).

Asset Allocation Analysis

As of June 30, 2015

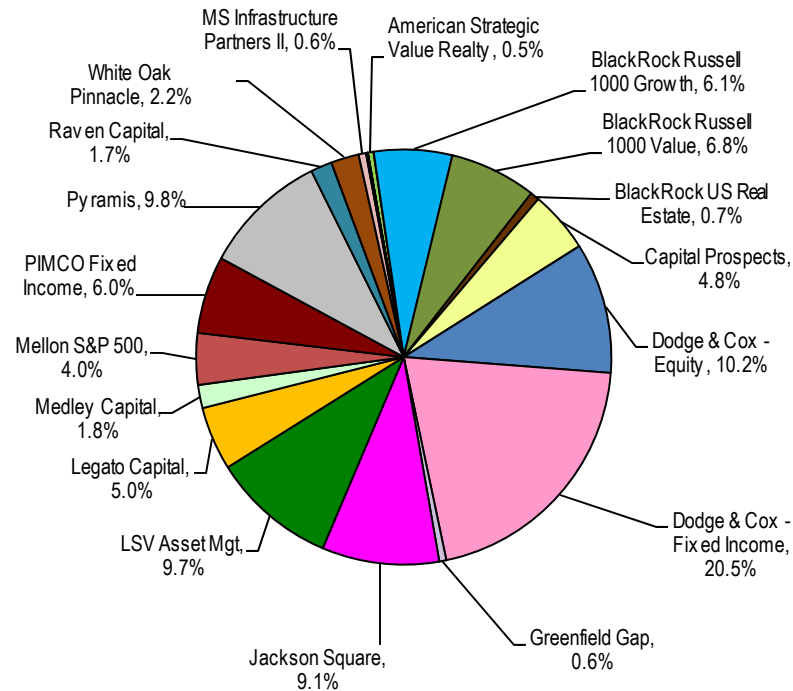


	Actual \$	Actual %
US Equity	\$840,256,435	45.9%
International Equity	\$356,374,984	19.5%
US Fixed Income	\$484,894,837	26.5%
Real Estate	\$33,508,078	1.8%
Real Assets	\$10,521,639	0.6%
Direct Lending	\$103,140,881	5.6%
Cash	\$15,950	0.0%
Total	\$1,828,712,804	

Stanislaus County Employees' Retirement Association

Manager Allocation Analysis - Total Plan

As of June 30, 2015



Manager	Market Value	Current %
American Strategic Value Realty	\$ 8,262,879	0.5%
BlackRock Russell 1000 Growth	\$ 111,465,717	6.1%
BlackRock Russell 1000 Value	\$ 123,636,832	6.8%
BlackRock US Real Estate	\$ 12,686,555	0.7%
Capital Prospects	\$ 87,908,297	4.8%
Dodge & Cox - Equity	\$ 186,333,892	10.2%
Dodge & Cox - Fixed Income	\$ 374,620,624	20.5%
Greenfield Gap	\$ 10,058,510	0.6%
Jackson Square	\$ 166,822,111	9.1%
LSV Asset Mgt	\$ 177,581,242	9.7%
Legato Capital	\$ 90,670,424	5.0%
Medley Capital	\$ 32,981,404	1.8%
Mellon S&P 500	\$ 73,419,164	4.0%
PIMCO Fixed Income	\$ 110,274,213	6.0%
Pyramis	\$ 178,793,743	9.8%
Raven Capital	\$ 30,383,006	1.7%
White Oak Pinnacle	\$ 39,776,471	2.2%
MS Infrastructure Partners II	\$ 10,521,639	0.6%
12th Street Building	\$ 2,500,000	0.1%
Cash	\$ 15,950	0.0%
Invesco	\$ 134	0.0%
Total	\$ 1,828,712,804	100.0%

Performance Summary

Periods Ending June 30, 2015

	1 QTR		CALENDAR YTD		FISCAL YTD		2 YEAR		3 YEAR		5 YEAR	
Total Fund *	0.5	19	2.6	34	4.2	17	11.0	12	12.2	9	11.8	14
<i>Policy Index ¹</i>	<i>-0.3</i>	<i>78</i>	<i>2.0</i>	<i>66</i>	<i>3.6</i>	<i>35</i>	<i>10.0</i>	<i>36</i>	<i>10.5</i>	<i>43</i>	<i>10.7</i>	<i>42</i>
<i>InvestorForce Public DB median</i>	<i>0.0</i>		<i>2.4</i>		<i>3.2</i>		<i>9.4</i>		<i>10.2</i>		<i>10.3</i>	
US EQUITY MANAGERS												
LARGE CORE												
Mellon S&P 500 - gross of fees	0.3	44	1.2	62	7.4	56	15.7	58	17.3	58	17.4	57
Mellon S&P 500 - net of fees	0.3		1.2		7.4		15.7		17.3		17.3	
<i>S&P 500 Index</i>	<i>0.3</i>	<i>44</i>	<i>1.2</i>	<i>62</i>	<i>7.4</i>	<i>56</i>	<i>15.7</i>	<i>58</i>	<i>17.3</i>	<i>59</i>	<i>17.3</i>	<i>57</i>
LARGE GROWTH												
BlackRock Russell 1000 Growth - gross of fees	0.1	66	4.0	56	10.6	57	18.5	59	18.1	58	18.7	44
BlackRock Russell 1000 Growth - net of fees	0.1		3.9		10.6		18.5		18.0		18.7	
Jackson Square - gross of fees	1.6	21	4.7	46	12.7	34	20.8	29	19.6	30	21.0	8
Jackson Square - net of fees	1.6		4.5		12.4		20.3		19.2		20.5	
<i>Russell 1000 Growth Index</i>	<i>0.1</i>	<i>66</i>	<i>4.0</i>	<i>56</i>	<i>10.6</i>	<i>57</i>	<i>18.5</i>	<i>59</i>	<i>18.0</i>	<i>58</i>	<i>18.6</i>	<i>45</i>
LARGE VALUE												
BlackRock Russell 1000 Value- gross of fees	0.2	53	-0.5	77	4.3	58	13.7	62	17.4	53	16.6	54
BlackRock Russell 1000 Value - net of fees	0.2		-0.5		4.3		13.6		17.4		16.6	
Dodge & Cox Equity - gross of fees	2.7	4	1.5	35	5.0	50	15.7	30	20.2	18	18.0	21
Dodge & Cox Equity - net of fees	2.7		1.4		4.9		15.5		20.0		17.8	
<i>Russell 1000 Value Index</i>	<i>0.1</i>	<i>53</i>	<i>-0.6</i>	<i>78</i>	<i>4.1</i>	<i>61</i>	<i>13.5</i>	<i>66</i>	<i>17.3</i>	<i>55</i>	<i>16.5</i>	<i>57</i>

Rankings: 1=highest, 100=lowest.

* Managers are ranked against the eVestment Alliance (eA) style universes. Asset class composites are ranked against the InvestorForce universes.

¹ Effective 12/1/13, Policy Index is 37.3% Russell 1000 / 9.4% Russell 2000 / 18% MSCI ACWI ex US / 29.8% Barclays Aggregate / 1.5% DJ US Select RESI / 4% 9% -Annual.

Performance Summary

Periods Ending June 30, 2015

	1 QTR		CALENDAR YTD		FISCAL YTD		2 YEAR		3 YEAR		5 YEAR	
SMALL GROWTH												
Legato Capital - gross of fees	2.8	42	8.7	52	12.9	40	17.2	56	20.3	52	19.7	59
Legato Capital - net of fees	2.8		8.5		12.4		16.5		19.6		18.8	
Russell 2000 Growth Index	2.0	57	8.7	50	12.3	44	18.4	46	20.1	54	19.3	63
SMALL VALUE												
Capital Prospects - gross of fees	-1.3	82	2.4	64	3.4	52	14.3	48	19.6	35	17.9	38
Capital Prospects - net of fees	-1.3		2.2		3.0		13.7		18.9		17.1	
Russell 2000 Value Index	-1.2	81	0.8	83	0.8	73	11.1	81	15.5	80	14.8	84
US Equity Composite	1.1	11	3.0	32	8.0	28	16.7	20	19.1	13	18.5	8
80% R1000/20% R2000	0.2	59	2.3	53	7.3	53	15.8	47	17.8	49	17.8	32
Russell 3000 Index	0.1	64	1.9	72	7.3	52	15.9	41	17.7	54	17.5	45
InvestorForce All DB US Eq Gross Median	0.3		2.4		7.3		15.7		17.8		17.5	
INTERNATIONAL EQUITY MANAGERS												
LSV Asset Mgt - gross of fees	1.4	55	5.4	66	-4.5	75	9.4	62	11.9	62	9.2	82
LSV Asset Mgt - net of fees	1.4		5.4		-4.6		9.1		11.4		8.7	
Pyramis - gross of fees	1.3	55	5.5	64	-1.7	53	8.0	79	11.2	69	9.5	79
Pyramis - net of fees	1.3		5.4		-1.9		7.6		10.8		9.0	
International Equity Composite	1.2	41	5.4	50	-3.2	53	8.7	48	11.5	40	9.3	49
MSCI ACWI ex US Index	0.7	66	4.3	72	-4.8	80	7.9	68	9.9	71	8.2	73
InvestorForce All DB ex-US Eq Gross Median	1.0		5.3		-3.0		8.6		10.8		9.2	

Performance Summary

Periods Ending June 30, 2015

	1 QTR		CALENDAR YTD		FISCAL YTD		2 YEAR		3 YEAR		5 YEAR	
US FIXED INCOME MANAGER												
CORE												
Dodge & Cox Fixed - gross of fees	-1.1	18	0.5	32	2.0	56	4.5	8	3.9	7	4.9	14
Dodge & Cox Fixed - net of fees	-1.1		0.4		1.9		4.4		3.8		4.8	
PIMCO Fixed Income - gross of fees	-1.3	29	0.3	40	1.6	80	2.8	88	1.9	86	3.8	63
PIMCO Fixed Income - net of fees	-1.3		0.3		1.5		2.6		1.6		3.5	
Barclays Aggregate Index	-1.7	70	-0.1	82	1.9	66	3.1	78	1.8	88	3.3	85
US Fixed Income Composite	-1.1	44	0.4	46	1.9	39	4.1	44	3.4	33	4.6	53
Barclays Aggregate Index	-1.7	67	-0.1	67	1.9	41	3.1	75	1.8	84	3.3	85
InvestorForce All DB US Fix Inc Gross Median	-1.2		0.3		1.7		3.8		2.9		4.7	
REAL ESTATE												
American Strategic Value Realty - gross of fees ¹	3.6		9.9									
American Strategic Value Realty - net of fees	3.6		8.8									
NCREIF Property Index	3.1		6.8									
BlackRock US Real Estate - gross of fees	-10.0	73	-5.7	72	5.2	57	9.2	86				
BlackRock US Real Estate - net of fees	-10.0		-5.7		5.2		9.2					
DJ US Select RESI TR USD	-10.0	73	-5.7	72	5.2	57	9.2	86				
eA US REIT Gross Accounts	-9.6		17.1		25.7		15.3					
Greenfield Gap - gross of fees ²	0.0		2.4									
Greenfield Gap - net of fees	0.0		1.9									
NCREIF ODCE + 1%	4.1		7.9									
Real Estate Composite	-3.5		1.1		9.7		11.5		13.2		9.3	
DJ US Select RESI	-10.0		-5.7		5.3		9.2		10.8		13.1	
12th Street Building	0.0		0.0		0.0		-5.0		-3.4		-2.0	

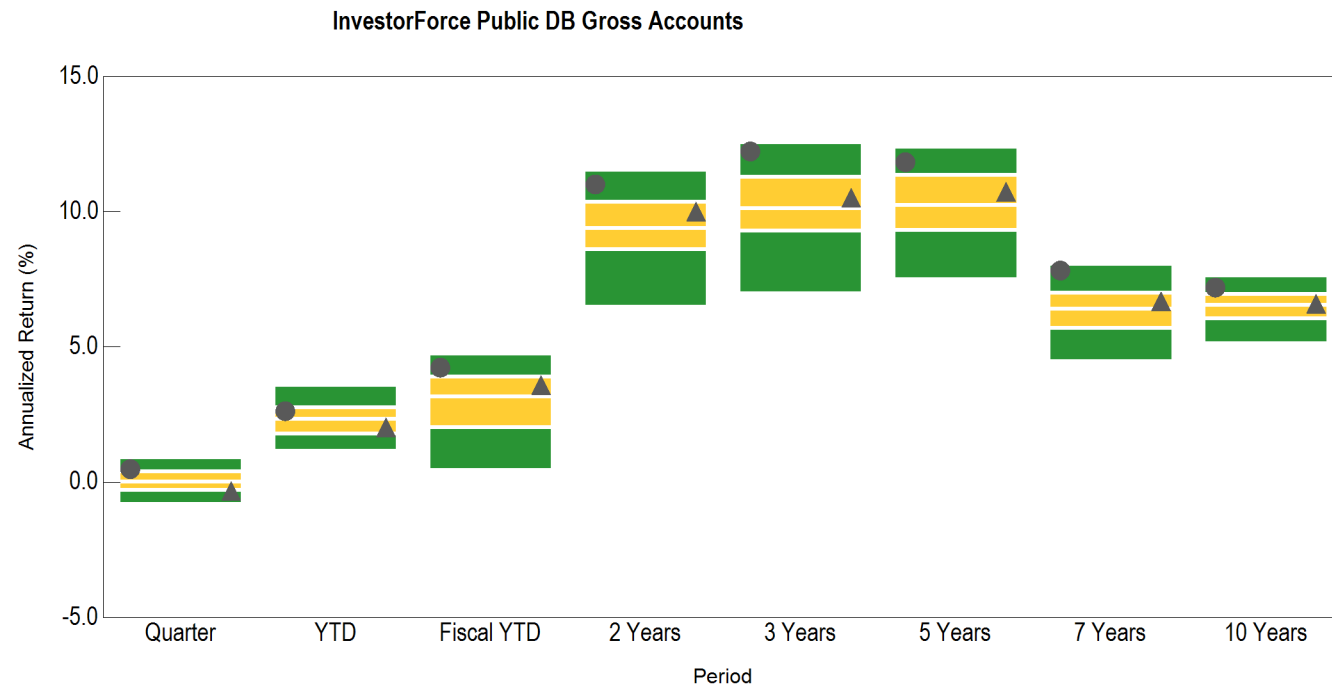
¹ Funded December 2014.² Funded July 2014.

Performance Summary

Periods Ending June 30, 2015

	1 QTR	CALENDAR YTD	FISCAL YTD	2 YEAR	3 YEAR	5 YEAR
DIRECT LENDING**						
Medley Capital	1.9	3.9	7.9	7.4		
Raven Capital	1.5	0.8	5.2	4.1		
White Oak Pinnacle	4.8	6.8	13.9			
Direct Lending Composite	2.9	4.0	9.0	10.6		
<i>9% Annual</i>	<i>2.2</i>	<i>4.4</i>	<i>9.0</i>	<i>9.0</i>		

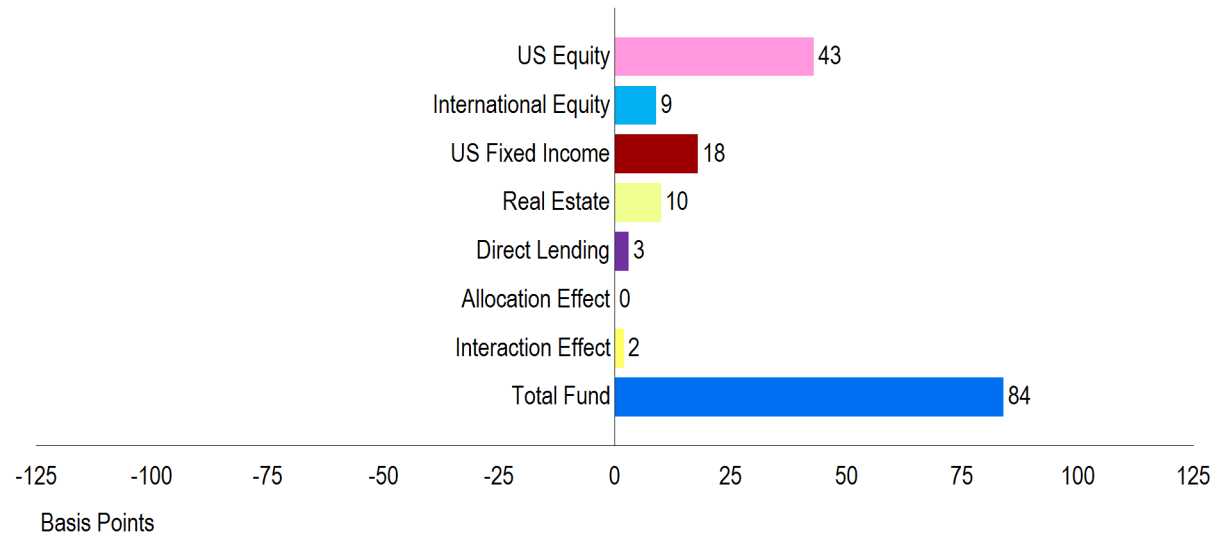
INFRASTRUCTUREMS Infrastructure Partners II ³^{**} Direct Lending: Account valuations are estimates.³ Funded May 2015.



	Return (Rank)							
5th Percentile	0.9	3.6	4.7	11.5	12.6	12.4	8.1	7.6
25th Percentile	0.4	2.8	3.9	10.4	11.3	11.4	7.0	7.0
Median	0.0	2.4	3.2	9.4	10.2	10.3	6.4	6.6
75th Percentile	-0.3	1.8	2.1	8.6	9.3	9.3	5.7	6.1
95th Percentile	-0.8	1.2	0.5	6.5	7.0	7.5	4.5	5.2
# of Portfolios	293	282	275	259	250	222	199	168
● Total Fund	0.5 (19)	2.6 (34)	4.2 (17)	11.0 (12)	12.2 (9)	11.8 (14)	7.8 (8)	7.2 (16)
▲ Policy Index	-0.3 (78)	2.0 (66)	3.6 (35)	10.0 (36)	10.5 (43)	10.7 (42)	6.7 (39)	6.6 (48)

Performance Attribution - Total Plan

Quarter Ending June 30, 2015



Attribution Summary

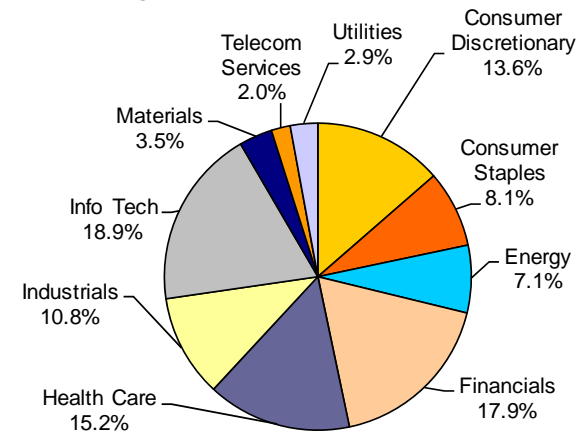
	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
US Equity	1.11%	0.19%	0.92%	0.43%	0.00%	0.00%	0.43%
International Equity	1.24%	0.72%	0.52%	0.09%	-0.06%	0.01%	0.04%
US Fixed Income	-1.10%	-1.68%	0.58%	0.18%	0.04%	-0.02%	0.20%
Real Estate	-3.55%	-10.02%	6.47%	0.10%	-0.02%	0.01%	0.09%
Direct Lending	2.88%	2.18%	0.71%	0.03%	0.04%	0.01%	0.08%
Total	0.51%	-0.33%	0.84%	0.82%	0.00%	0.02%	0.84%

U.S. MARKETS

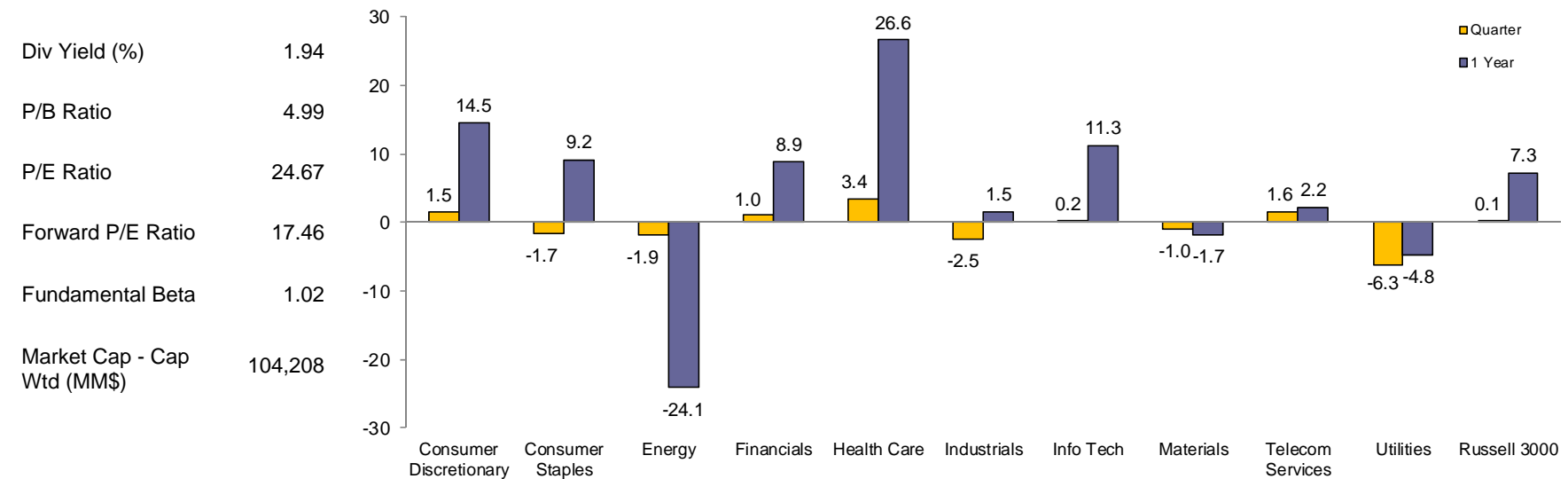
U.S. Equity – Russell 3000

- In the U.S., consumer discretionary and healthcare pared their first-quarter gains, with the former returning 1.5% and the latter returning 3.4% in the second quarter.
- Driven by the lower price of oil, the energy sector continued its first-quarter fall, dropping an additional 1.9% in the second quarter.
- The utilities also continued to underperform, falling by 6.3% in the second quarter.
- Overall, the Russell 3000 index remained relatively flat, only rising 0.1% in the second quarter; the yearly return increased to 7.3%.

Ending Sector Weights



Characteristics

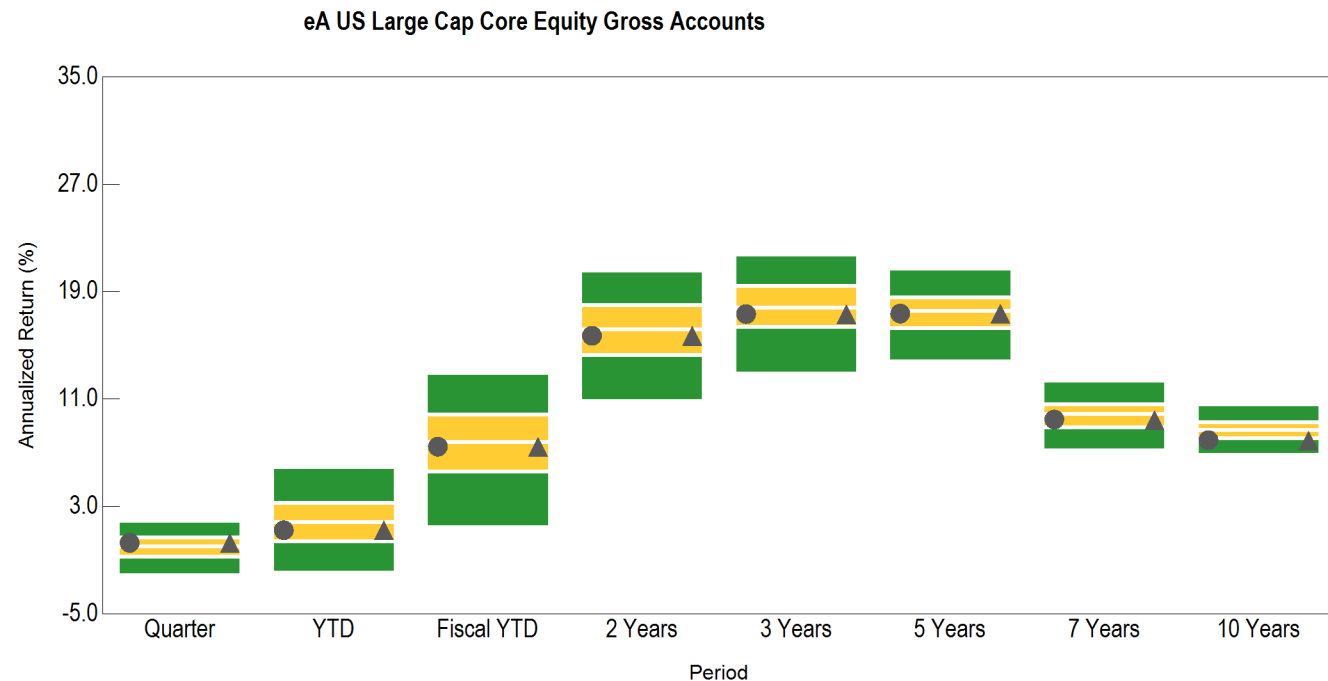


Contribution to Return:

Qtr	0.2	-0.1	-0.1	0.2	0.5	-0.3	0.0	0.0	0.0	-0.2	0.1
1 Year	1.8	0.8	-2.3	1.5	3.5	0.2	2.0	-0.1	0.1	-0.2	7.3

Total Returns - Large Cap Core Equity

Periods Ending June 30, 2015



Return (Rank)

5th Percentile	1.9	5.9	12.9	20.5	21.8	20.7	12.3	10.6
25th Percentile	0.7	3.3	9.8	18.0	19.5	18.6	10.6	9.3
Median	0.1	1.9	7.8	16.2	17.8	17.6	9.9	8.7
75th Percentile	-0.7	0.4	5.6	14.3	16.4	16.3	8.9	8.1
95th Percentile	-2.1	-1.9	1.5	10.9	12.9	13.8	7.2	6.9
# of Portfolios	270	270	270	268	256	246	228	198
● Mellon S&P 500	0.3 (44)	1.2 (62)	7.4 (56)	15.7 (58)	17.3 (58)	17.4 (57)	9.5 (62)	7.9 (79)
▲ S&P 500	0.3 (44)	1.2 (62)	7.4 (56)	15.7 (58)	17.3 (59)	17.3 (57)	9.4 (64)	7.9 (80)

Equity Only Summary Statistics - Mellon S&P 500

Quarter Ending June 30, 2015

Characteristics	Portfolio	Russell 1000 Growth
Number of Holdings	644	644
Weighted Avg. Market Cap. (\$B)	122.2	122.2
Median Market Cap. (\$B)	9.1	9.1
Price To Earnings	27.6	25.8
Price To Book	7.2	7.1
Price To Sales	4.3	3.6
Return on Equity (%)	25.8	25.3
Yield (%)	1.5	1.5
Beta (holdings; domestic)	0.9	0.9

Top Holdings

APPLE	4.0%
MICROSOFT	2.0%
EXXON MOBIL	1.9%
GOOGLE 'A'	1.7%
JOHNSON & JOHNSON	1.5%
GENERAL ELECTRIC	1.5%
WELLS FARGO & CO	1.4%
JP MORGAN CHASE & CO.	1.4%
BERKSHIRE HATHAWAY 'B'	1.4%
PROCTER & GAMBLE	1.2%

Best Performers

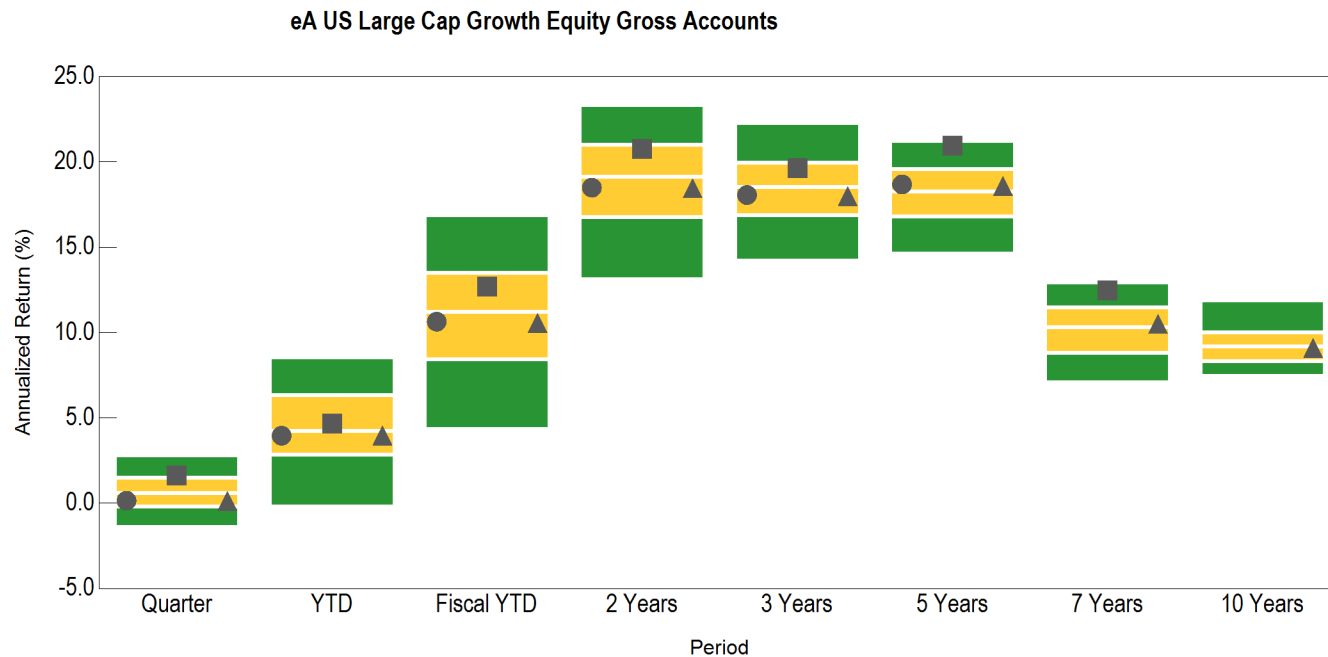
	Return %
NETFLIX (NFLX)	57.7%
CABLEVISION SYS. (CVC)	31.6%
CIGNA (CI)	25.2%
PALL (PLL)	24.4%
UNIVERSAL HEALTH SVS.'B' (UHS)	20.8%
HCA HOLDINGS (HCA)	20.6%
CONAGRA FOODS (CAG)	20.5%
AETNA (AET)	19.9%
GILEAD SCIENCES (GILD)	19.9%
ALTERA (ALTR)	19.8%

Worst Performers

	Return %
WINDSTREAM HOLDINGS (WIN)	-45.2%
MICHAEL KORS HOLDINGS (KORS)	-36.0%
KEURIG GREEN MOUNTAIN (GMCR)	-31.2%
MICRON TECHNOLOGY (MU)	-30.6%
FRONTIER COMMUNICATIONS (FTR)	-28.3%
SOUTHWEST AIRLINES (LUV)	-25.2%
AMERICAN AIRLINES GROUP (AAL)	-24.2%
WHOLE FOODS MARKET (WFM)	-23.8%
URBAN OUTFITTERS (URBN)	-23.3%
CONSOL EN. (CNX)	-21.9%

Total Returns - Large Cap Growth Equity

Periods Ending June 30, 2015



	Return (Rank)											
5th Percentile	2.8	8.5	16.9	23.3	22.3	21.2	12.9	11.9				
25th Percentile	1.5	6.3	13.5	21.0	20.0	19.6	11.5	10.0				
Median	0.6	4.2	11.2	19.1	18.5	18.3	10.3	9.2				
75th Percentile	-0.2	2.9	8.4	16.8	16.9	16.8	8.8	8.3				
95th Percentile	-1.4	-0.2	4.3	13.2	14.2	14.6	7.1	7.5				
# of Portfolios	285	285	285	283	272	263	248	215				
● BlackRock Russell 1000 Growth	0.1 (66)	4.0 (56)	10.6 (57)	18.5 (59)	18.1 (58)	18.7 (44)	-- (--)	-- (--)				
■ Jackson Square	1.6 (21)	4.7 (46)	12.7 (34)	20.8 (29)	19.6 (30)	21.0 (8)	12.5 (10)	-- (--)				
▲ Russell 1000 Growth	0.1 (66)	4.0 (56)	10.6 (57)	18.5 (59)	18.0 (58)	18.6 (45)	10.5 (45)	9.1 (52)				

Equity Only Summary Statistics - BlackRock Russell 1000 Growth

Quarter Ending June 30, 2015

Characteristics	Portfolio	Russell 1000 Growth
Number of Holdings	644	644
Weighted Avg. Market Cap. (\$B)	122.2	122.2
Median Market Cap. (\$B)	9.1	9.1
Price To Earnings	27.6	25.8
Price To Book	7.2	7.1
Price To Sales	4.3	3.6
Return on Equity (%)	25.8	25.3
Yield (%)	1.5	1.5
Beta (holdings; domestic)	0.9	0.9

Top Holdings

APPLE	6.8%
MICROSOFT	1.9%
WALT DISNEY	1.8%
FACEBOOK CLASS A	1.8%
VERIZON COMMUNICATIONS	1.7%
GILEAD SCIENCES	1.6%
AMAZON.COM	1.6%
GOOGLE 'A'	1.5%
COCA COLA	1.5%
GOOGLE 'C'	1.4%

Best Performers

	Return %
NETFLIX (NFLX)	57.7%
TESLA MOTORS (TSLA)	42.1%
SEATTLE GENETC. (SGEN)	36.9%
COTY CL.A (COTY)	31.7%
CABLEVISION SYS. (CVC)	31.6%
MRC GLOBAL (MRC)	30.3%
STARZ SR.'A' (STRZA)	30.0%
CELANESE 'A' (CE)	29.3%
HERBALIFE (HLF)	28.8%
AARON'S (AAN)	28.0%

Worst Performers

	Return %
WINDSTREAM HOLDINGS (WIN)	-45.2%
MICHAEL KORS HOLDINGS (KORS)	-36.0%
KATE SPADE & COMPANY (KATE)	-35.5%
SEARS HOLDINGS (SHLD)	-35.5%
STRATASYS (SSYS)	-33.8%
NATIONSTAR MGE.HOLDINGS (NSM)	-32.2%
KEURIG GREEN MOUNTAIN (GMCR)	-31.2%
MICRON TECHNOLOGY (MU)	-30.6%
GROUPON (GRPN)	-30.2%
3D SYSTEMS (DDD)	-28.8%

Stanislaus County Employees' Retirement Association
Equity Only Summary Statistics - Jackson Square

Quarter Ending June 30, 2015

Characteristics

	Portfolio	Russell 1000 Growth
Number of Holdings	34	644
Weighted Avg. Market Cap. (\$B)	78.1	122.2
Median Market Cap. (\$B)	54.8	9.1
Price To Earnings	33.9	25.8
Price To Book	6.6	7.1
Price To Sales	6.2	3.6
Return on Equity (%)	21.7	25.3
Yield (%)	1.1	1.5
Beta (holdings; domestic)	1.1	0.9

Top Holdings

CELGENE	5.6%
QUALCOMM	5.5%
EBAY	5.2%
VISA 'A'	5.1%
MASTERCARD	4.6%
WALGREENS BOOTS ALLIANCE	4.5%
EQUINIX	4.4%
VALEANT PHARMS. (NYS) INTL.	3.9%
LIBERTY INTACT.QVC GROUP 'A'	3.8%
ALLERGAN	3.7%

Best Performers

	Return %
WILLIAMS (WMB)	14.8%
ELECTRONIC ARTS (EA)	13.1%
VALEANT PHARMS. (NYS) INTL. (VRX)	11.8%
PERRIGO (PRGO)	11.7%
EQUINIX (EQIX)	9.8%
ADOBE SYSTEMS (ADBE)	9.6%
MICROSOFT (MSFT)	9.3%
MASTERCARD (MA)	8.4%
DISCOVERY COMMS.'A' (DISCA)	8.1%
NIKE 'B' (NKE)	8.0%

Worst Performers

	Return %
WYNN RESORTS (WYNN)	-21.3%
SALLY BEAUTY HDG. (FRA) (D:S7V)	-11.1%
YELP CLASS A (YELP)	-9.1%
QUALCOMM (QCOM)	-9.1%
L BRANDS (LB)	-8.6%
SALLY BEAUTY HOLDINGS (SBH)	-8.1%
KINDER MORGAN (KMI)	-7.7%
LIBERTY INTACT.QVC GROUP 'A' (QVCA)	-4.9%
LIBERTY INTACT.QVC (FRA) GROUP 'A' (D:LB3A)	-4.6%
BAIDU 'A' ADR 10:1 (BIDU)	-4.5%

Equity Sector Attribution - Jackson Square

Quarter Ending June 30, 2015

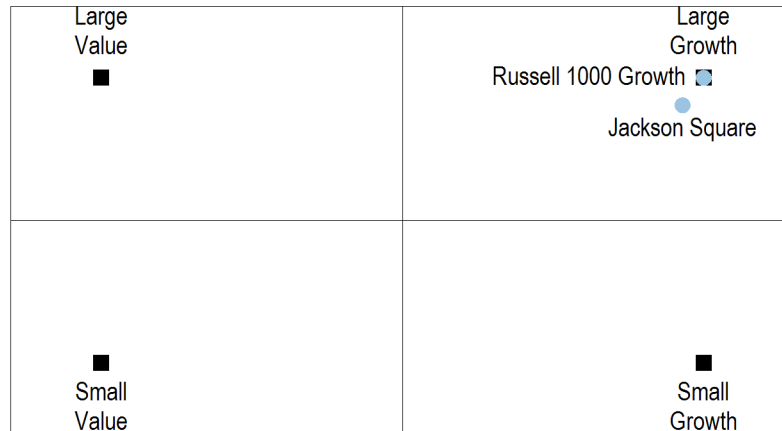
Jackson Square Performance Attribution vs. Russell 1000 Growth

	Attribution Effects							Returns		Sector Weights		
	Total Effects		Selection Effect		Allocation Effect		Interaction Effects		Portfolio	Benchmark	Portfolio	Benchmark
Energy	0.1%		0.1%		0.0%		0.0%	1.6%	-0.3%	7.3%	4.5%	
Materials	0.0%		--		0.0%		--	--	-0.6%	0.0%	3.9%	
Industrials	0.6%		--		0.6%		--	--	-4.9%	0.0%	11.9%	
Cons. Disc.	-1.0%		-1.0%		0.0%		0.0%	-2.2%	2.9%	20.3%	18.8%	
Cons. Staples	0.2%		0.2%		0.1%		-0.1%	0.1%	-2.0%	4.5%	10.6%	
Health Care	0.4%		0.1%		0.2%		0.0%	4.8%	4.0%	19.9%	14.3%	
Financials	0.4%		0.3%		-0.1%		0.2%	2.3%	-2.3%	10.3%	5.3%	
Info. Tech	0.6%		0.5%		0.0%		0.2%	1.9%	0.2%	37.4%	28.4%	
Telecomm.	0.1%		--		0.1%		--	--	-3.3%	0.0%	2.2%	
Utilities	0.0%		--		0.0%		--	--	-12.3%	0.0%	0.1%	
Cash	0.0%		0.0%		0.0%		0.0%	0.0%	--	0.4%	0.0%	
Portfolio	1.4%	=	0.1%	+	0.9%	+	0.3%	1.5%	0.1%	100.0%	100.0%	

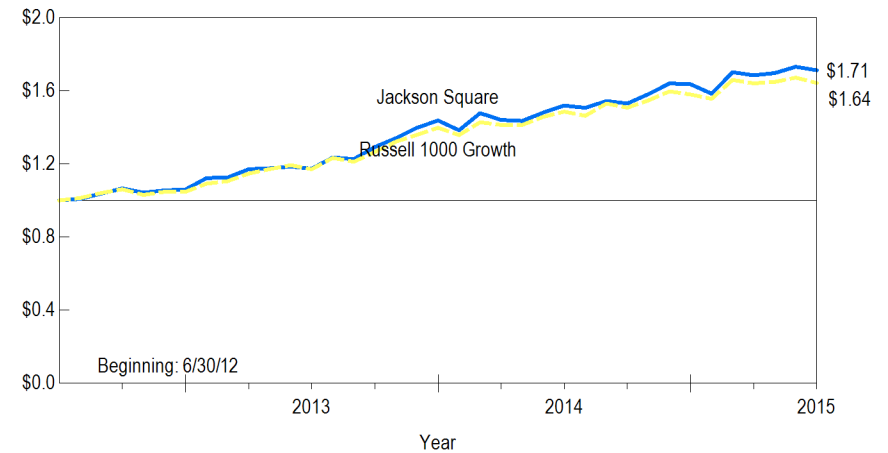
Return Based Style Analysis - Jackson Square

3 Years Ending June 30, 2015

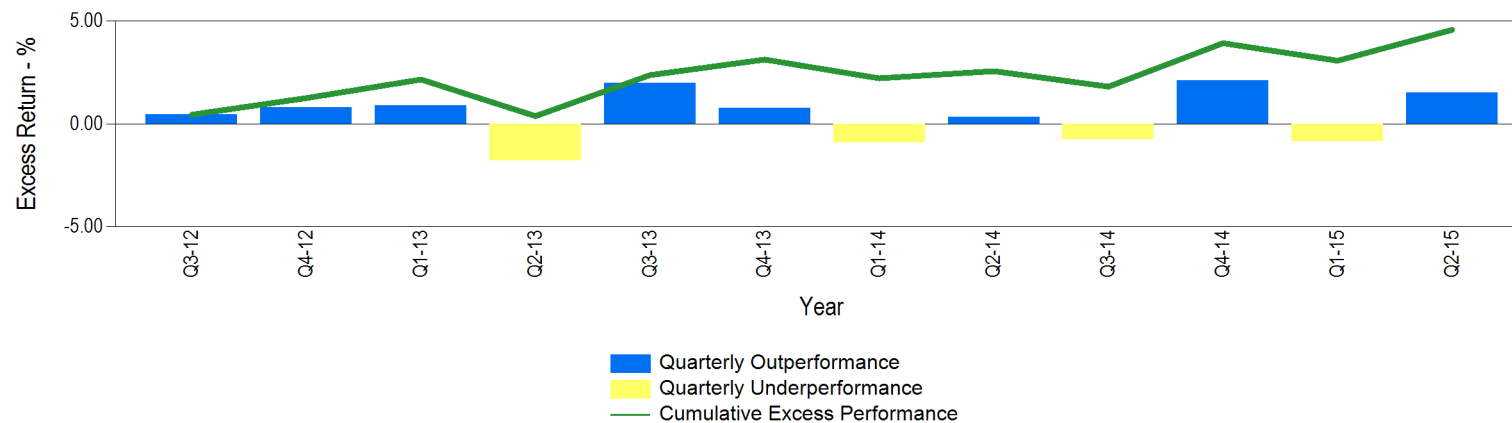
US Effective Style Map



Growth of a Dollar

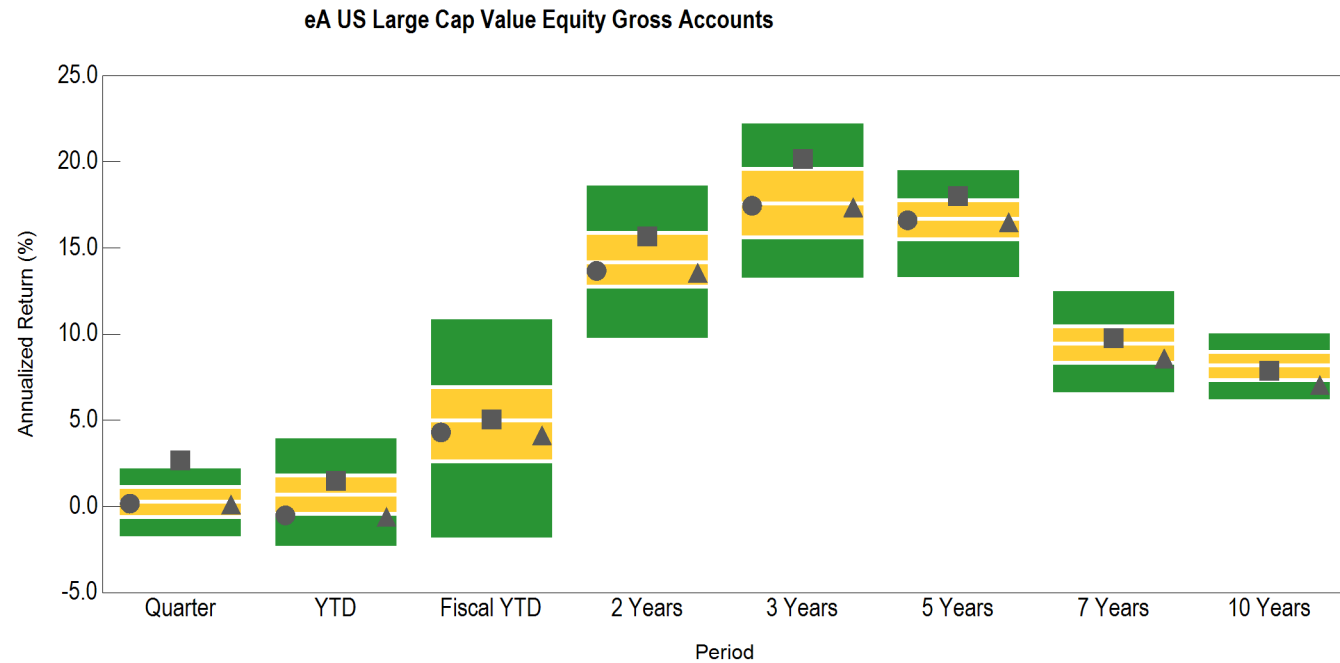


Quarterly and Cumulative Excess Performance



Total Returns - Large Cap Value Equity

Periods Ending June 30, 2015



	Return (Rank)							
5th Percentile	2.3	4.0	10.9	18.7	22.3	19.6	12.6	10.1
25th Percentile	1.1	1.8	6.9	15.9	19.6	17.8	10.5	9.0
Median	0.3	0.7	5.0	14.2	17.6	16.7	9.5	8.2
75th Percentile	-0.6	-0.4	2.6	12.8	15.6	15.5	8.3	7.4
95th Percentile	-1.8	-2.4	-1.9	9.7	13.2	13.2	6.5	6.1
# of Portfolios	316	316	316	313	309	295	282	247
● BlackRock Russell 1000 Value	0.2 (53)	-0.5 (77)	4.3 (58)	13.7 (62)	17.4 (53)	16.6 (54)	-- (--)	-- (--)
■ Dodge & Cox-Equity	2.7 (4)	1.5 (35)	5.0 (50)	15.7 (30)	20.2 (18)	18.0 (21)	9.8 (41)	7.9 (62)
▲ Russell 1000 Value	0.1 (53)	-0.6 (78)	4.1 (61)	13.5 (66)	17.3 (55)	16.5 (57)	8.6 (70)	7.0 (82)

Equity Only Summary Statistics - BlackRock Russell 1000 Value

Quarter Ending June 30, 2015

Characteristics

	Portfolio	Russell 1000 Value
Number of Holdings	683	684
Weighted Avg. Market Cap. (\$B)	102.3	102.3
Median Market Cap. (\$B)	7.9	7.9
Price To Earnings	19.6	19.2
Price To Book	2.3	2.2
Price To Sales	2.6	2.5
Return on Equity (%)	12.8	12.2
Yield (%)	2.5	2.5
Beta (holdings; domestic)	1.1	1.1

Top Holdings

BNP DAX TRS 13P	1.1%
EBAY	1.1%
MICROSOFT	1.1%
WELLS FARGO & CO	1.0%
QUALCOMM	0.9%
CELGENE	0.9%
APPLE	0.9%
VISA 'A'	0.9%
MASTERCARD	0.8%
CAPITAL ONE FINL.	0.7%

Best Performers

	Return %
GOLAR LNG (NAS) (GLNG)	42.0%
HCC INSURANCE HDG. (HCC)	36.1%
KBR (KBR)	35.1%
COTY CL.A (COTY)	31.7%
MRC GLOBAL (MRC)	30.3%
STARZ SR.'A' (STRZA)	30.0%
CELANESE 'A' (CE)	29.3%
AARON'S (AAN)	28.0%
AOL (AOL)	26.3%
CIGNA (CI)	25.2%

Worst Performers

	Return %
PEABODY ENERGY (BTU)	-55.5%
SANDRIDGE ENERGY (SD)	-50.7%
WINDSTREAM HOLDINGS (WIN)	-45.2%
SEARS HOLDINGS (SHLD)	-35.5%
MBIA (MBI)	-35.4%
STRATASYS (SSYS)	-33.8%
NATIONSTAR MGE.HOLDINGS (NSM)	-32.2%
APOLLO EDUCATION GP.'A' (APOL)	-31.9%
MICRON TECHNOLOGY (MU)	-30.6%
FRONTIER COMMUNICATIONS (FTR)	-28.3%

Stanislaus County Employees' Retirement Association

Equity Only Summary Statistics - Dodge & Cox Equity

Quarter Ending June 30, 2015

Characteristics

	Portfolio	Russell 1000 Value
Number of Holdings	66	684
Weighted Avg. Market Cap. (\$B)	105.9	102.3
Median Market Cap. (\$B)	47.6	7.9
Price To Earnings	19.9	19.2
Price To Book	2.7	2.2
Price To Sales	2.5	2.5
Return on Equity (%)	15.0	12.2
Yield (%)	1.9	2.5
Beta (holdings; domestic)	1.2	1.1

Top Holdings

CAPITAL ONE FINL.	4.3%
WELLS FARGO & CO	4.2%
MICROSOFT	3.9%
NOVARTIS 'B' SPN.ADR 1:1	3.6%
HEWLETT-PACKARD	3.5%
TIME WARNER	3.4%
TIME WARNER CABLE	3.4%
CHARLES SCHWAB	3.1%
SCHLUMBERGER	2.9%
COMCAST 'A'	2.8%

Best Performers

	Return %
CELANESE 'A' (CE)	29.3%
AOL (AOL)	26.3%
CIGNA (CI)	25.2%
TIME WARNER CABLE (TWC)	19.4%
JUNIPER NETWORKS (JNPR)	15.4%
JP MORGAN CHASE & CO. (JPM)	12.6%
CAPITAL ONE FINL. (COF)	12.2%
METLIFE (MET)	11.6%
GOLDMAN SACHS GP. (GS)	11.4%
BANK OF AMERICA (BAC)	10.9%

Worst Performers

	Return %
ADT (ADT)	-18.7%
COACH (COH)	-15.7%
WAL MART STORES (WMT)	-13.2%
CORNING (GLW)	-12.5%
WALMART STORES (SGO) (CL:WMT)	-11.0%
NETAPP (NTAP)	-10.6%
TYCO INTERNATIONAL (TYC)	-10.2%
TE CONNECTIVITY (TEL)	-9.8%
NEWS 'A' (NWSA)	-8.9%
GLAXOSMITHKLINE SPN.ADR 1:2 (GSK)	-8.6%

Equity Sector Attribution - Dodge & Cox Equity

Quarter Ending June 30, 2015

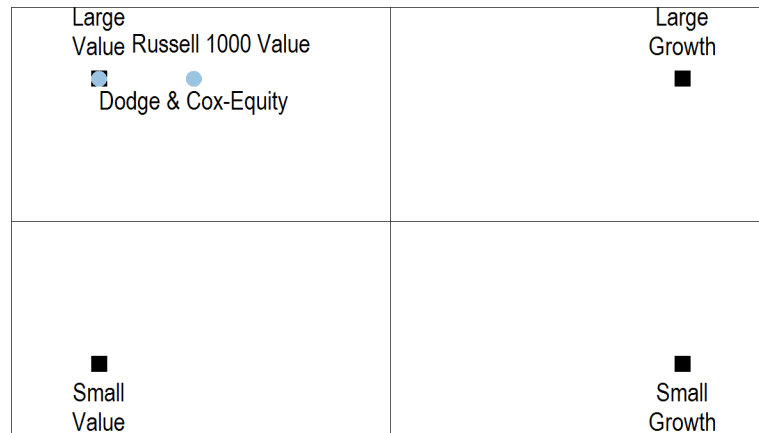
Dodge & Cox-Equity Performance Attribution vs. Russell 1000 Value

	Attribution Effects							Returns		Sector Weights					
	Total		Selection		Allocation		Interaction		Portfolio	Benchmark	Portfolio	Benchmark			
	Effects		Effect		Effect		Effects								
Energy	0.2%		0.2%		0.0%		0.0%		-1.4%		-2.7%		8.9%		10.9%
Materials	0.3%		0.9%		0.0%		-0.6%		29.3%		-0.5%		1.0%		3.1%
Industrials	-0.2%		-0.3%		0.0%		0.1%		-2.1%		0.4%		6.6%		10.2%
Cons. Disc.	0.8%		0.4%		-0.2%		0.5%		3.8%		-2.5%		15.7%		6.9%
Cons. Staples	-0.3%		-1.1%		0.1%		0.7%		-15.6%		-1.1%		2.6%		7.2%
Health Care	0.0%		0.0%		0.0%		0.0%		2.2%		2.2%		16.9%		14.7%
Financials	1.4%		1.8%		-0.1%		-0.3%		8.3%		1.9%		24.4%		29.8%
Info. Tech	0.3%		0.1%		0.0%		0.2%		1.2%		-0.5%		23.4%		9.0%
Telecomm.	-0.2%		-0.2%		-0.1%		0.2%		-3.8%		7.2%		0.5%		2.1%
Utilities	0.4%		--		0.4%		--		--		-6.1%		0.0%		6.2%
Cash	0.0%		0.0%		0.0%		0.0%		0.0%		--		0.0%		0.0%
Portfolio	2.8%	=	1.9%	+	0.1%	+	0.8%		2.9%		0.1%		100.0%		100.0%

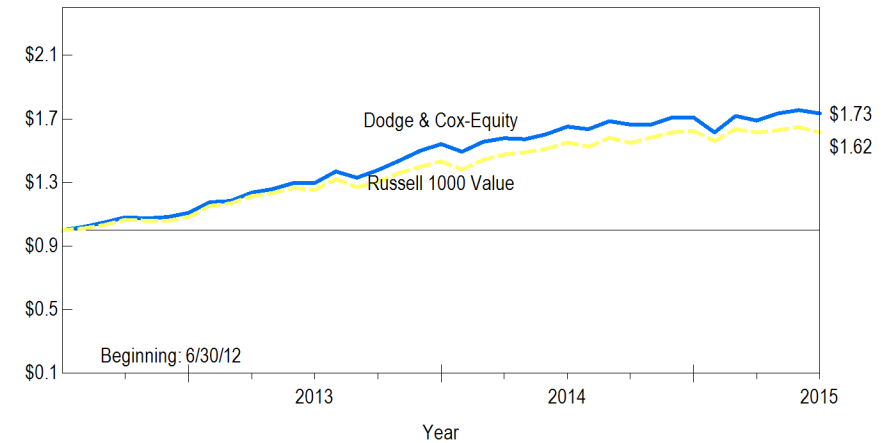
Return Based Style Analysis - Dodge & Cox Equity

3 Years Ending June 30, 2015

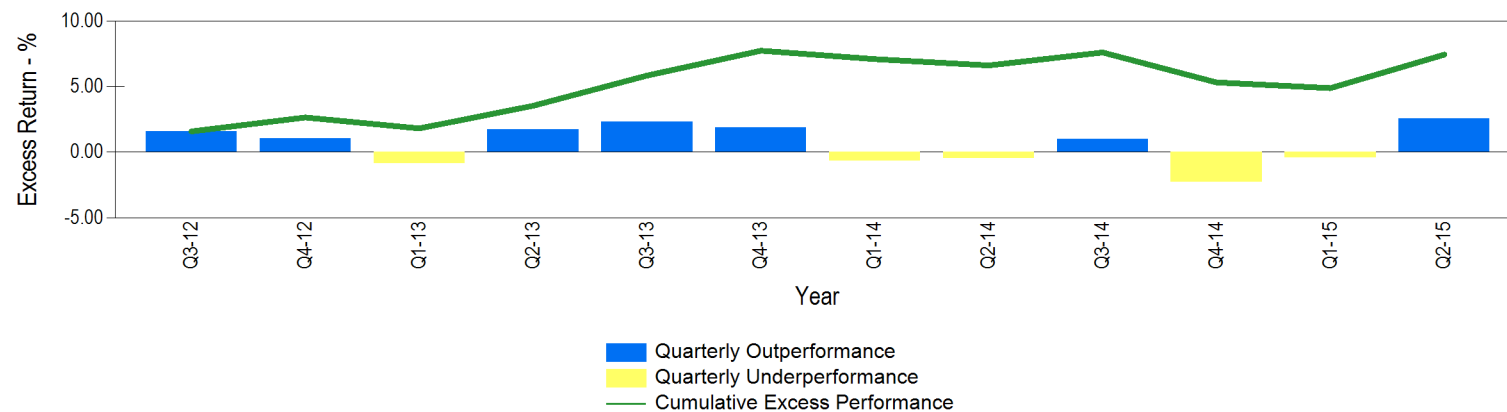
US Effective Style Map



Growth of a Dollar

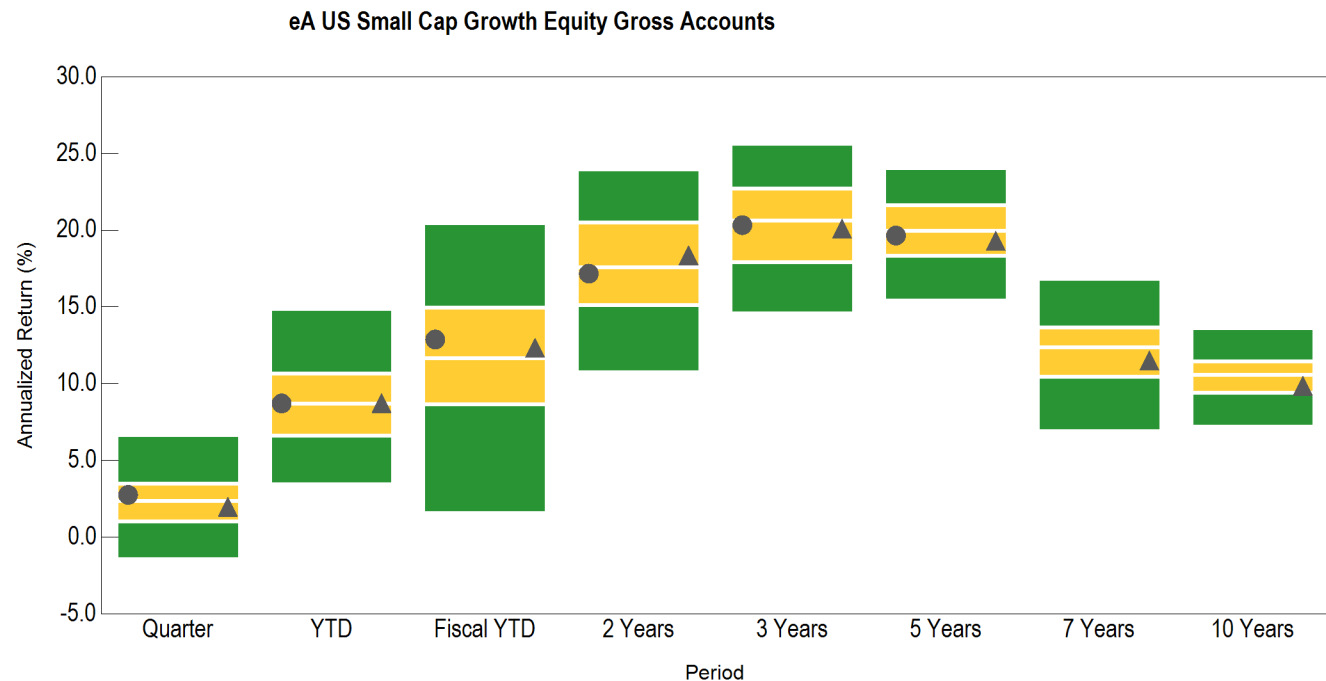


Quarterly and Cumulative Excess Performance



Total Returns - Small Cap Growth Equity

Periods Ending June 30, 2015



	Return (Rank)							
5th Percentile	6.6	14.9	20.4	24.0	25.6	24.0	16.8	13.6
25th Percentile	3.5	10.7	15.0	20.5	22.7	21.7	13.7	11.5
Median	2.4	8.7	11.7	17.6	20.6	20.0	12.4	10.6
75th Percentile	1.1	6.7	8.7	15.1	18.0	18.4	10.5	9.4
95th Percentile	-1.4	3.5	1.6	10.8	14.6	15.4	6.9	7.2
# of Portfolios	161	161	161	159	153	148	137	118
● Legato Capital	2.8 (42)	8.7 (52)	12.9 (40)	17.2 (56)	20.3 (52)	19.7 (59)	-- (--)	-- (--)
▲ Russell 2000 Growth	2.0 (57)	8.7 (50)	12.3 (44)	18.4 (46)	20.1 (54)	19.3 (63)	11.5 (63)	9.9 (66)

Stanislaus County Employees' Retirement Association

Equity Only Summary Statistics - Legato Capital

Quarter Ending June 30, 2015

Characteristics

	Portfolio	Russell 2000 Growth
Number of Holdings	1,271	1,163
Weighted Avg. Market Cap. (\$B)	2.1	2.1
Median Market Cap. (\$B)	1.0	0.9
Price To Earnings	35.1	31.4
Price To Book	5.3	5.7
Price To Sales	3.7	3.3
Return on Equity (%)	14.1	16.0
Yield (%)	0.3	0.5
Beta (holdings; domestic)	1.3	1.3

Top Holdings

LIFELOCK	2.0%
SYNCHRONOSS TECHNOLOGIES	1.8%
LIGAND PHARMS.'B'	1.7%
DEALERTRACK TECHNOLOGIES	1.6%
CONSTANT CONTACT	1.5%
AMSURG	1.4%
ECHO GLOBAL LOGISTICS	1.4%
FLEETMatics GROUP	1.3%
STAMPS.COM	1.3%
ADVISORY BOARD	1.3%

Best Performers

	Return %
ALTISOURCE PRTF.SLTN. (ASPS)	139.2%
BORDERFREE (BER) (D:1B6)	132.8%
ONCOTHYREON (NAS) (ONTY)	129.4%
SAREPTA THERAPEUTICS (SRPT)	129.1%
TCP INTL.HOLDINGS (TCPI)	128.8%
SYNAGEVA BIOPHARMA (GEVA)	118.8%
HERON THERAPEUTICS (HRTX)	114.2%
DIGIMARC (DMRC)	105.6%
EAGLE PHARMACEUTICALS (EGRX)	93.0%
BUILDERS FIRSTSOURCE (BLDR)	92.5%

Worst Performers

	Return %
AMPIO PHARMACEUTICALS (AMPE)	-68.5%
ELEVEN BIOTHERAPEUTICS (EBIO)	-68.4%
WALTER ENERGY (WLT)	-64.8%
QUIKSILVER (ZQK)	-64.2%
WILLBROS GROUP (WG)	-61.3%
AVALANCHE BIOTCHS. (AAVL)	-59.9%
EVINE LIVE 'A' (EVLV)	-59.9%
PACIFIC SUNWEAR OF CAL. (PSUN)	-58.7%
CALITHERA BIOSCIENCES (CALA)	-56.5%
CINEDIGM CLASS A (CIDM)	-56.5%

Equity Sector Attribution - Legato Capital

Quarter Ending June 30, 2015

Legato Capital Performance Attribution vs. Russell 2000 Growth

	Attribution Effects							Returns		Sector Weights		
	Total		Selection		Allocation		Interaction		Portfolio	Benchmark	Portfolio	Benchmark
	Effects		Effect		Effect		Effects					
Energy	0.0%		0.1%		0.0%		0.0%		0.4%	-2.6%	2.2%	3.0%
Materials	0.2%		0.3%		0.1%		-0.2%		2.8%	-3.0%	1.8%	4.3%
Industrials	0.2%		0.2%		0.0%		0.0%		-0.4%	-2.1%	13.4%	14.3%
Cons. Disc.	-0.1%		-0.1%		0.0%		0.0%		0.3%	0.7%	16.4%	15.7%
Cons. Staples	-0.4%		-0.3%		0.0%		-0.1%		-10.0%	-2.6%	4.2%	3.5%
Health Care	0.1%		0.1%		0.0%		0.0%		6.4%	5.9%	26.7%	24.8%
Financials	0.1%		0.2%		0.0%		-0.1%		4.6%	2.1%	5.0%	7.5%
Info. Tech	0.3%		0.3%		0.0%		0.0%		4.0%	3.0%	28.7%	25.8%
Telecomm.	0.0%		0.0%		0.0%		0.0%		1.6%	3.9%	1.3%	0.7%
Utilities	0.0%		0.0%		0.0%		0.0%		-0.8%	-0.6%	0.0%	0.3%
Cash	0.0%		0.0%		0.0%		0.0%		0.0%	--	0.3%	0.0%
Portfolio	0.6%	=	0.8%	+	0.1%	+	-0.3%		2.6%	2.0%	100.0%	100.0%

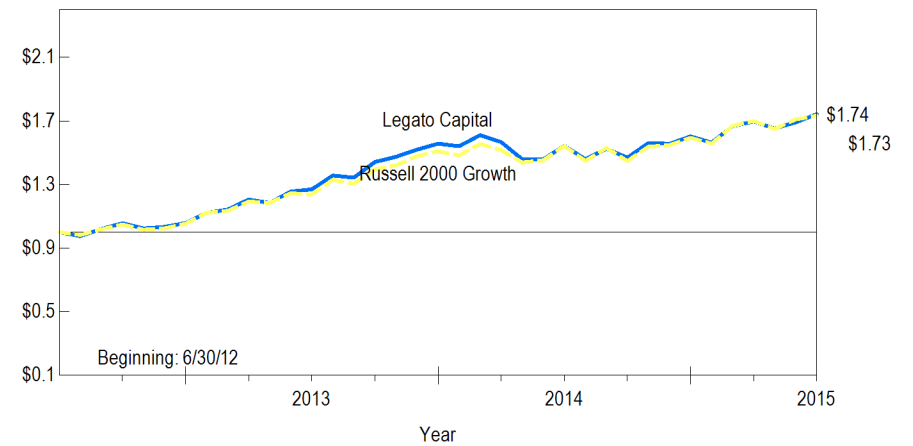
Return Based Style Analysis - Legato Capital

3 Years Ending June 30, 2015

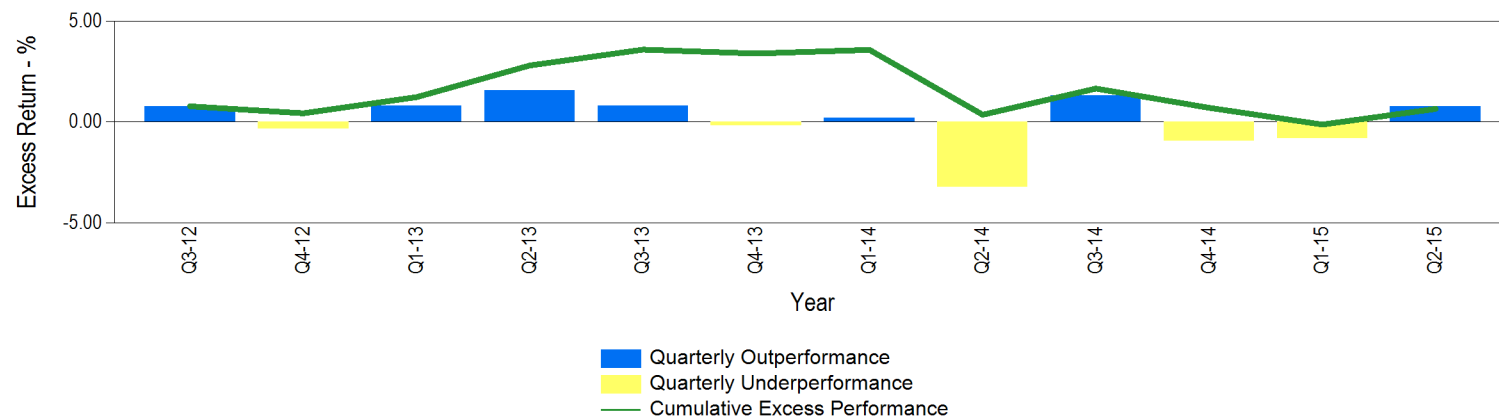
U.S. Effective Style Map



Growth of a Dollar

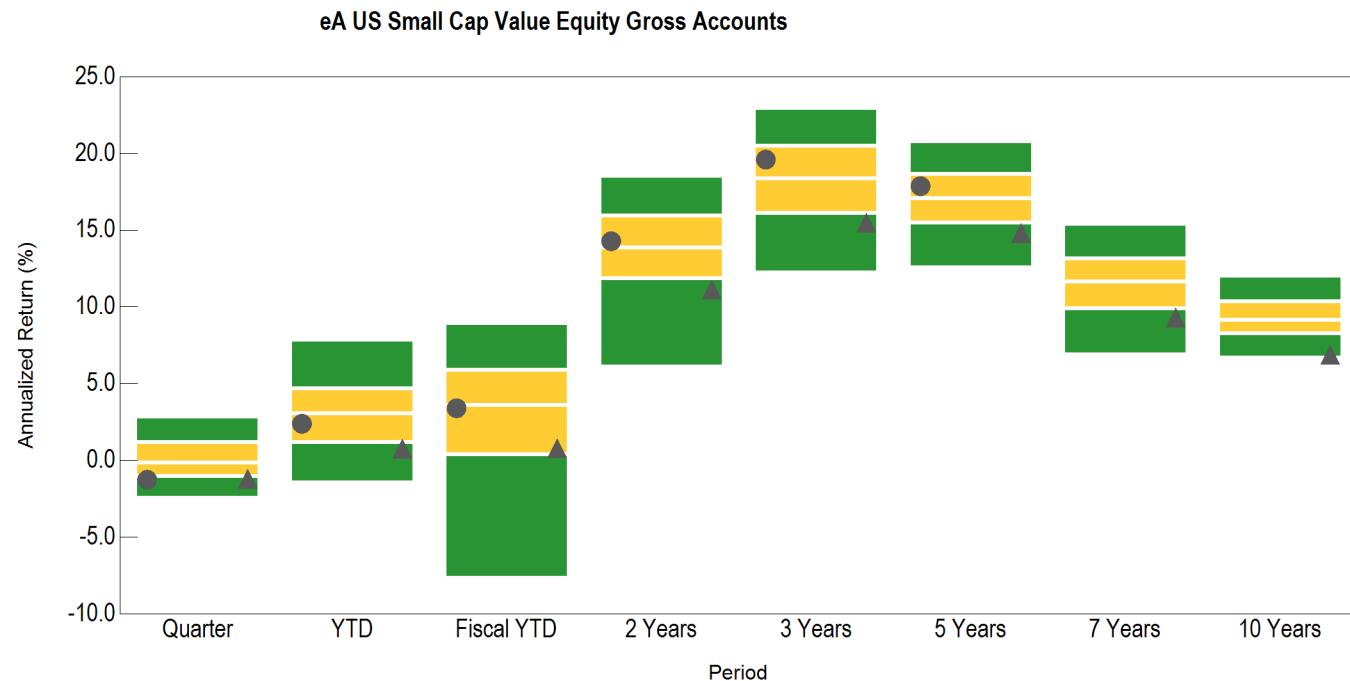


Quarterly and Cumulative Excess Performance



Total Returns - Small Cap Value Equity

Periods Ending June 30, 2015



	Return (Rank)							
5th Percentile	2.9	7.9	8.9	18.5	23.0	20.8	15.4	12.0
25th Percentile	1.2	4.7	5.9	16.0	20.5	18.7	13.2	10.4
Median	-0.1	3.1	3.6	13.9	18.4	17.1	11.7	9.2
75th Percentile	-1.0	1.2	0.4	11.9	16.1	15.5	9.9	8.3
95th Percentile	-2.4	-1.4	-7.6	6.1	12.3	12.6	6.9	6.7
# of Portfolios	205	205	205	203	200	192	179	151
● Capital Prospects	-1.3 (82)	2.4 (64)	3.4 (52)	14.3 (48)	19.6 (35)	17.9 (38)	-- (--)	-- (--)
▲ Russell 2000 Value	-1.2 (81)	0.8 (83)	0.8 (73)	11.1 (81)	15.5 (80)	14.8 (84)	9.3 (83)	6.9 (94)

Stanislaus County Employees' Retirement Association

Equity Only Summary Statistics - Capital Prospects

Quarter Ending June 30, 2015

Characteristics

	Portfolio	Russell 2000 Value
Number of Holdings	329	1,319
Weighted Avg. Market Cap. (\$B)	2.1	1.7
Median Market Cap. (\$B)	1.3	0.7
Price To Earnings	24.1	20.0
Price To Book	2.4	1.7
Price To Sales	1.9	2.5
Return on Equity (%)	11.3	7.9
Yield (%)	1.8	1.8
Beta (holdings; domestic)	1.3	1.3

Top Holdings

HILLENBRAND	1.4%
REGAL BELOIT	1.3%
LITTELFUSE	1.1%
MB FINANCIAL	1.1%
ALLETE	1.1%
AMERICAN EQ.INV.LF.HLDG.	0.9%
FIRST AMER.FINL.	0.9%
STEELCASE 'A'	0.9%
CINEMARK HOLDINGS	0.9%
IBERIABANK	0.9%

Best Performers

	Return %
HACKETT GROUP (HCKT)	51.3%
REX ENERGY (REXX)	50.3%
NV5 HOLDINGS (NVEE)	48.3%
MAGNACHIP SEMICONDUCTOR (MX)	41.1%
MCDERMOTT INTL. (MDR)	39.1%
TRINSEO (TSE)	35.6%
FERRO (FOE)	33.7%
LEGACYTEXAS FINL.GP. (LTXB)	33.5%
AMER.VANGUARD (AVD)	29.9%
TEXAS CAPITAL BANCSHARES (TCBI)	27.9%

Worst Performers

	Return %
NORTH AMER.PALLADIUM (C:PDL)	-84.7%
TOWN SPORTS INTL.HDG. (CLUB)	-57.4%
RUBICON TECHNOLOGY (RBCN)	-38.3%
OFG BANCORP (OFG)	-34.2%
FREIGHTCAR AMERICA (RAIL)	-33.3%
PHOTOMEDEX (PHMD)	-32.3%
KAPSTONE PAPER & PACK. (KS)	-29.3%
CHRISTOPHER & BKS. (CBK)	-27.9%
FOSTER (LB) (FSTR)	-27.0%
GORDMANS STORES (GMAN)	-26.1%

Equity Sector Attribution - Capital Prospects

Quarter Ending June 30, 2015

Capital Prospects Performance Attribution vs. Russell 2000 Value

	Attribution Effects							Returns		Sector Weights		
	Total		Selection		Allocation		Interaction		Portfolio	Benchmark	Portfolio	Benchmark
	Effects		Effect		Effect		Effects					
Energy	-0.1%		-0.2%		0.0%		0.1%		-5.2%	-0.3%	2.3%	3.8%
Materials	0.4%		0.4%		-0.2%		0.3%		1.9%	-6.2%	7.7%	4.4%
Industrials	-0.2%		0.0%		-0.1%		0.0%		-2.6%	-2.2%	23.1%	12.8%
Cons. Disc.	-0.8%		-0.6%		0.0%		-0.2%		-5.9%	-0.9%	15.6%	12.2%
Cons. Staples	0.0%		0.0%		0.0%		0.0%		-1.4%	-1.0%	2.5%	2.7%
Health Care	0.0%		0.1%		0.0%		0.0%		6.4%	4.9%	6.0%	6.0%
Financials	0.3%		0.7%		-0.2%		-0.2%		1.9%	0.2%	26.2%	40.7%
Info. Tech	-0.3%		-0.2%		0.0%		-0.1%		-2.5%	-0.5%	13.7%	9.7%
Telecomm.	0.0%		0.1%		0.0%		-0.1%		8.6%	-4.2%	0.1%	0.8%
Utilities	0.2%		-0.2%		0.3%		0.1%		-9.8%	-7.2%	2.5%	6.9%
Cash	0.0%		0.0%		0.0%		0.0%		0.0%	--	0.3%	0.0%
Portfolio	-0.4%	=	0.0%	+	-0.2%	+	-0.1%		-1.3%	-0.9%	100.0%	100.0%

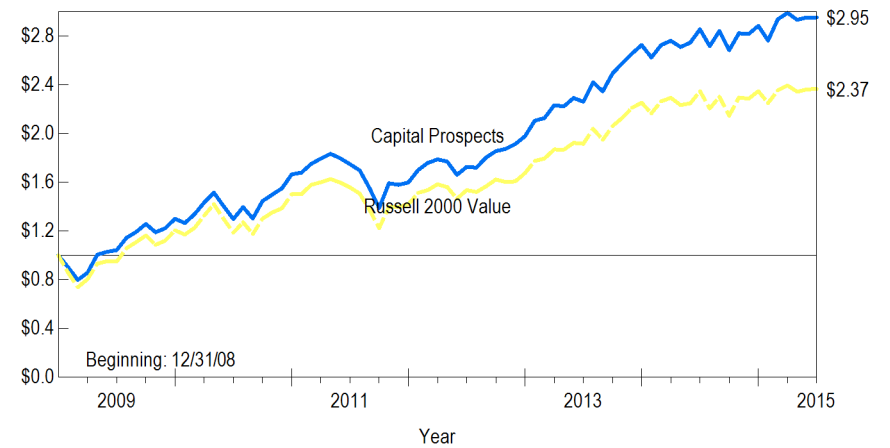
Return Based Style Analysis - Capital Prospects

3 Years Ending June 30, 2015

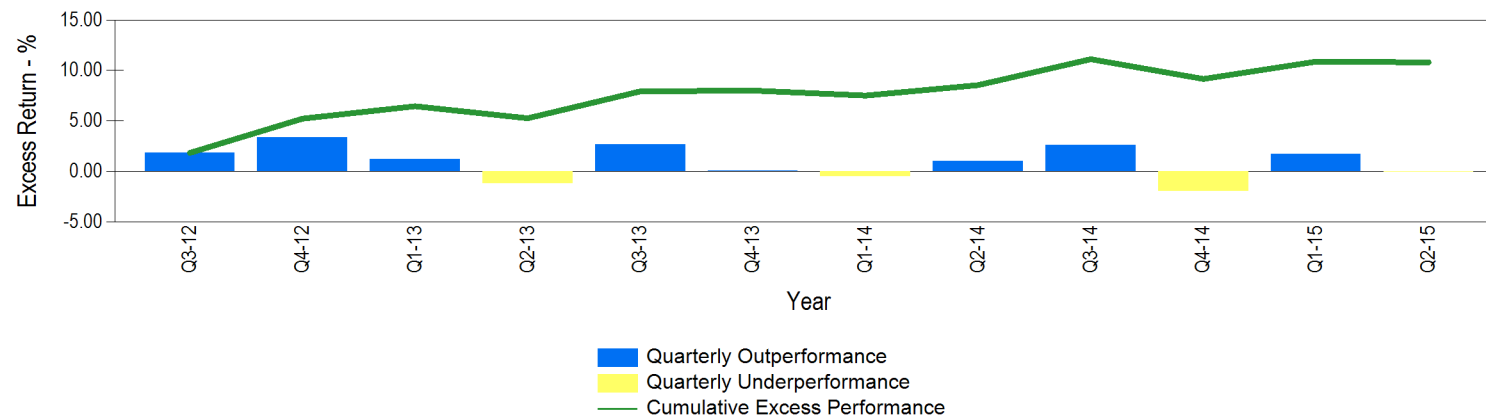
US Effective Style Map

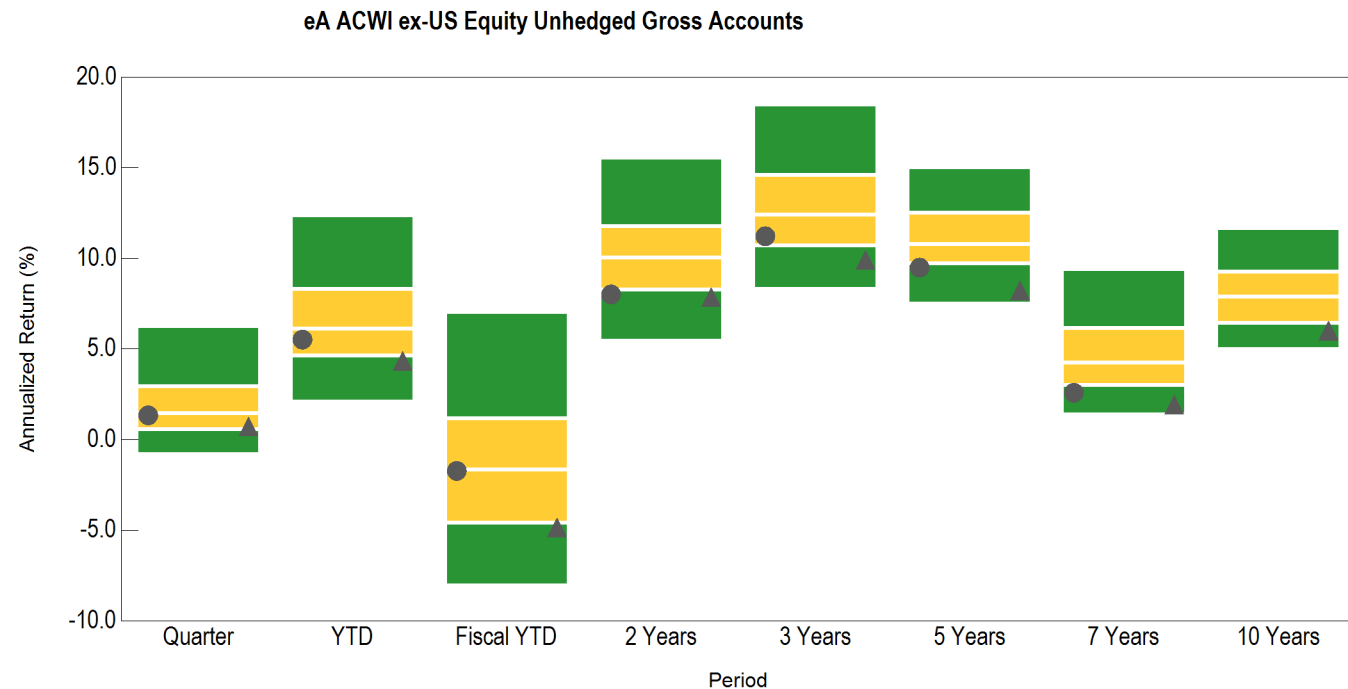


Growth of a Dollar



Quarterly and Cumulative Excess Performance





	Return (Rank)							
5th Percentile	6.3	12.4	7.0	15.6	18.5	15.0	9.4	11.6
25th Percentile	3.0	8.4	1.2	11.8	14.6	12.6	6.2	9.3
Median	1.5	6.1	-1.6	10.1	12.4	10.8	4.3	7.9
75th Percentile	0.6	4.7	-4.6	8.3	10.7	9.8	3.1	6.5
95th Percentile	-0.8	2.1	-8.0	5.5	8.3	7.5	1.4	5.0
# of Portfolios	162	162	162	157	153	134	113	83
● Pyramis	1.3 (55)	5.5 (64)	-1.7 (53)	8.0 (79)	11.2 (69)	9.5 (79)	2.6 (82)	-- (--)
▲ MSCI ACWI ex USA Gross	0.7 (71)	4.3 (79)	-4.8 (78)	7.9 (82)	9.9 (86)	8.2 (93)	1.9 (91)	6.0 (86)

Equity Only Summary Statistics - Pyramis

Quarter Ending June 30, 2015

Characteristics

	Portfolio	MSCI ACWI ex USA Gross
Number of Holdings	246	1,843
Weighted Avg. Market Cap. (\$B)	62.6	52.2
Median Market Cap. (\$B)	14.0	7.1
Price To Earnings	22.0	20.0
Price To Book	3.6	2.5
Price To Sales	2.7	2.2
Return on Equity (%)	17.3	15.2
Yield (%)	2.4	2.9
Beta (holdings; global)	1.0	1.0

Top Holdings

ROCHE HOLDING	1.9%
NESTLE 'R'	1.8%
NOVARTIS 'R'	1.8%
MITSUBISHI UFJ FINL.GP.	1.7%
TOYOTA MOTOR	1.6%
HSBC HDG. (ORD \$0.50)	1.5%
LLOYDS BANKING GROUP	1.4%
ING GROEP	1.4%
SANOFI	1.4%
UBS GROUP N ORD	1.3%

Best Performers

	Return %
HONG KONG EXS. & CLEAR. (K:HKEX)	45.1%
BG GROUP (UKIR:BG.)	36.5%
TAYLOR WIMPEY (UKIR:TW.)	33.5%
MURATA MANUFACTURING (J:SM@N)	26.6%
HITACHI CAPITAL (J:DJ@N)	25.1%
KELT EXPLORATION (OTC) (KELTF)	21.3%
NGK INSULATORS (J:KI@N)	20.5%
MABUCHI MOTOR (J:MCHI)	19.8%
KYUSHU ELEC.POWER (J:UY@N)	19.5%
BOC HONG KONG (HDG.) (K:BOC)	18.9%

Worst Performers

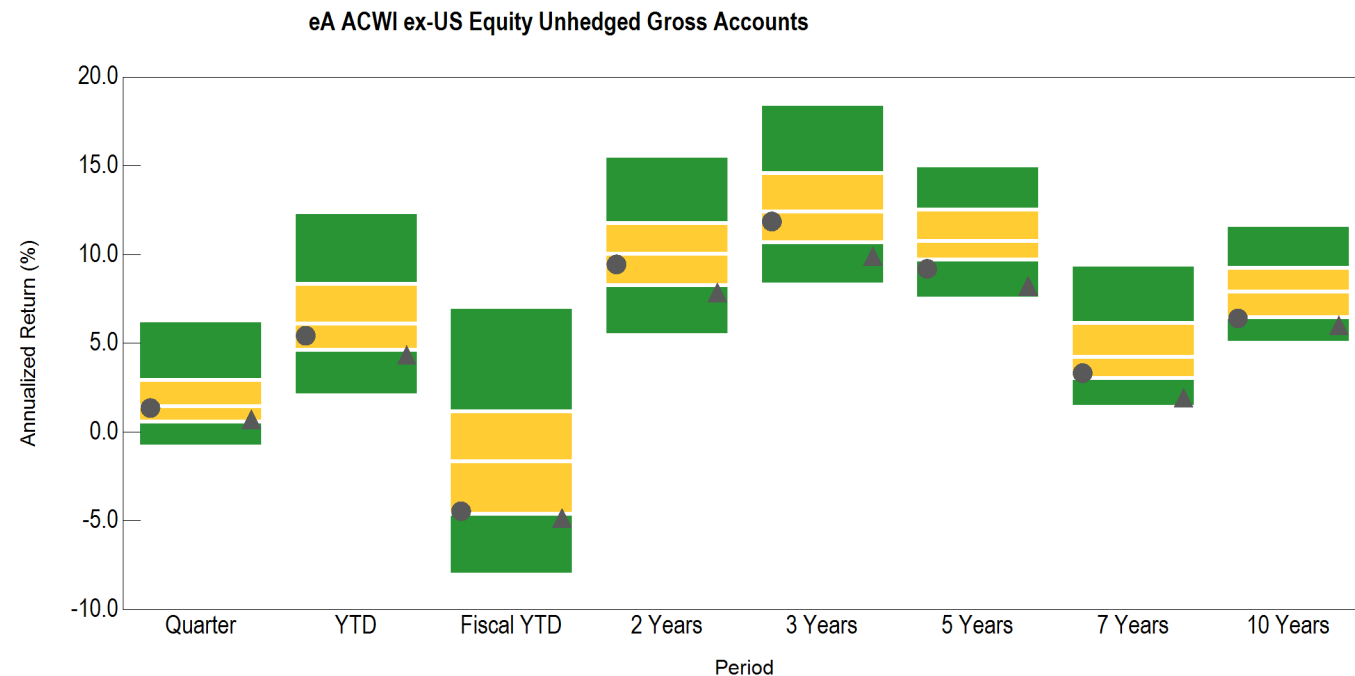
	Return %
ARYZTA (S:ARYN)	-19.8%
SECURE ENERGY SERVICES (C:SES)	-19.4%
REA GROUP (A:REAX)	-18.3%
TOSHIBA (J:TS@N)	-18.2%
WESTPAC BANKING (OTC) (WEBNF)	-17.7%
SEEK (A:SEKX)	-17.4%
CYBERAGENT (J:CYBA)	-17.4%
KNIGHT THERAPEUTICS (C:GUD)	-16.9%
SPARK NEW ZEALAND (Z:SPKZ)	-15.4%
SUMITOMO RUBBER INDS. (J:SURI)	-15.1%

Equity Sector Attribution - Pyramis

Quarter Ending June 30, 2015

Pyramis Performance Attribution vs. MSCI ACWI ex USA Gross

	Attribution Effects							Returns		Sector Weights		
	Total		Selection		Allocation		Interaction		Portfolio	Benchmark	Portfolio	Benchmark
	Effects		Effect		Effect		Effects					
Energy	-0.4%		-0.4%		0.0%		0.1%		-2.7%	2.7%	5.3%	6.9%
Materials	0.1%		0.0%		0.0%		0.0%		0.3%	-0.4%	8.0%	7.6%
Industrials	0.2%		0.1%		0.0%		0.1%		1.0%	-0.5%	11.6%	11.3%
Cons. Disc.	0.0%		-0.1%		0.0%		0.1%		-0.3%	-0.3%	14.2%	11.8%
Cons. Staples	-0.2%		-0.2%		0.0%		0.1%		-0.7%	0.9%	8.5%	9.9%
Health Care	0.0%		0.0%		-0.1%		0.1%		-1.2%	-0.9%	14.5%	9.2%
Financials	0.5%		0.6%		0.0%		0.0%		4.9%	2.3%	23.7%	27.2%
Info. Tech	0.4%		0.4%		0.0%		-0.1%		3.1%	-2.5%	6.2%	7.7%
Telecomm.	0.0%		0.0%		0.0%		0.0%		4.6%	3.6%	5.1%	5.1%
Utilities	0.0%		0.1%		0.0%		-0.2%		3.9%	1.3%	1.4%	3.4%
Cash	0.1%		0.0%		0.1%		0.0%		0.0%	--	1.5%	0.0%
Portfolio	0.6%	=	0.5%	+	-0.1%	+	0.3%		1.4%	0.7%	100.0%	100.0%



	Return (Rank)							
5th Percentile	6.3	12.4	7.0	15.6	18.5	15.0	9.4	11.6
25th Percentile	3.0	8.4	1.2	11.8	14.6	12.6	6.2	9.3
Median	1.5	6.1	-1.6	10.1	12.4	10.8	4.3	7.9
75th Percentile	0.6	4.7	-4.6	8.3	10.7	9.8	3.1	6.5
95th Percentile	-0.8	2.1	-8.0	5.5	8.3	7.5	1.4	5.0
# of Portfolios	162	162	162	157	153	134	113	83
● LSV Asset Mgt	1.4 (55)	5.4 (66)	-4.5 (75)	9.4 (62)	11.9 (62)	9.2 (82)	3.3 (70)	6.4 (80)
▲ MSCI ACWI ex USA Gross	0.7 (71)	4.3 (79)	-4.8 (78)	7.9 (82)	9.9 (86)	8.2 (93)	1.9 (91)	6.0 (86)

Stanislaus County Employees' Retirement Association

Equity Only Summary Statistics - LSV Asset Mgt

Quarter Ending June 30, 2015

Characteristics

	Portfolio	MSCI ACWI ex USA Gross
Number of Holdings	245	1,843
Weighted Avg. Market Cap. (\$B)	31.6	52.2
Median Market Cap. (\$B)	7.9	7.1
Price To Earnings	16.4	20.0
Price To Book	1.6	2.5
Price To Sales	1.0	2.2
Return on Equity (%)	11.6	15.2
Yield (%)	3.7	2.9
Beta (holdings; global)	1.2	1.0

Top Holdings

MAGNA INTL.	1.7%
SAMSUNG ELECTRONICS	1.4%
NIPPON TELG. & TEL.	1.4%
DAIMLER	1.3%
BANK OF CHINA 'H'	1.3%
SANOFI	1.3%
VOLKSWAGEN PREF.	1.2%
BAE SYSTEMS	1.2%
ALLIANZ	1.2%
CREDIT SUISSE GROUP N	1.2%

Best Performers

	Return %
GLOBAL BIO-CHEM TECH.GP. (K:GBIO)	75.4%
LABIXIAOXIN SNACKS GROUP (K:CLFB)	63.9%
PAPERLINX (A:PPXX)	47.9%
TIANNENG POWER INTL. (K:TPIL)	42.3%
PETROLEO BRASILEIRO PN (BR:POB)	34.4%
BERKELEY GROUP HDG.(THE) (UKIR:BKG)	34.3%
PTRO.BRAO.ADR 1:2 (PBRA)	34.0%
CHONGQING RUR.COML.BK. 'H' (K:CRCB)	28.5%
FUJIKURA (J:GG@N)	27.4%
BOVIS HOMES GROUP (UKIR:BVS)	26.4%

Worst Performers

	Return %
BOART LONGYEAR (A:BLYX)	-44.7%
EQSTRA HOLDINGS (R:EQSJ)	-41.2%
BILFINGER BERGER (D:GBF)	-31.6%
METCASH (A:MTSX)	-28.3%
BANK NEGARA INDONESIA (ID:BNE)	-28.1%
TECK RESOURCES 'B' (C:TCK.B)	-27.0%
TATA MOTORS SPN.ADR 1:5 (TTM)	-23.5%
ARRIUM (A:ARIX)	-20.1%
MALAYSIA BUILDING SOC. (L:MYBS)	-20.0%
GIGA-BYTE TECHNOLOGY (TW:GBT)	-18.2%

Equity Sector Attribution - LSV Asset Mgt

Quarter Ending June 30, 2015

LSV Asset Mgt Performance Attribution vs. MSCI ACWI ex USA Gross

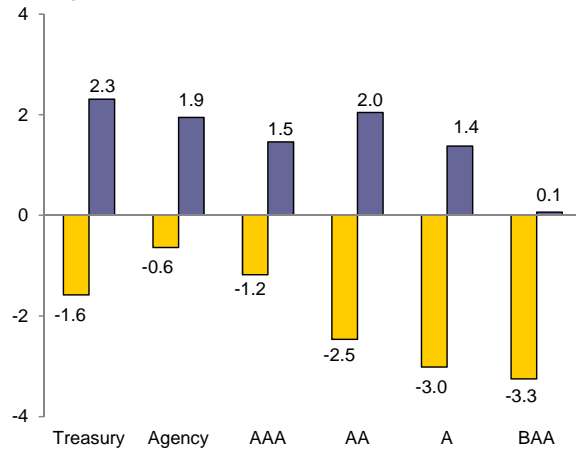
	Attribution Effects							Returns		Sector Weights		
	Total		Selection		Allocation		Interaction		Portfolio	Benchmark	Portfolio	Benchmark
	Effects		Effect		Effect		Effects					
Energy	0.0%		-0.1%		0.0%		0.0%		2.1%	2.7%	9.2%	6.9%
Materials	-0.1%		-0.1%		0.0%		0.0%		-1.8%	-0.4%	7.2%	7.6%
Industrials	0.2%		0.3%		0.0%		-0.1%		1.7%	-0.5%	10.4%	11.3%
Cons. Disc.	0.4%		0.4%		0.0%		0.0%		2.8%	-0.3%	12.2%	11.8%
Cons. Staples	-0.1%		0.0%		0.0%		-0.1%		0.5%	0.9%	5.5%	9.9%
Health Care	-0.1%		0.0%		0.1%		-0.2%		-1.7%	-0.9%	6.4%	9.2%
Financials	0.2%		0.0%		0.1%		0.1%		2.6%	2.3%	31.4%	27.2%
Info. Tech	-0.2%		-0.3%		0.0%		0.1%		-6.1%	-2.5%	6.0%	7.7%
Telecomm.	0.2%		0.2%		0.0%		0.0%		5.4%	3.6%	7.6%	5.1%
Utilities	0.1%		0.1%		0.0%		0.0%		5.3%	1.3%	3.4%	3.4%
Cash	0.0%		0.0%		0.0%		0.0%		0.0%	--	0.7%	0.0%
Portfolio	0.7%	=	0.5%	+	0.3%	+	-0.1%		1.5%	0.7%	100.0%	100.0%

BOND MARKETS

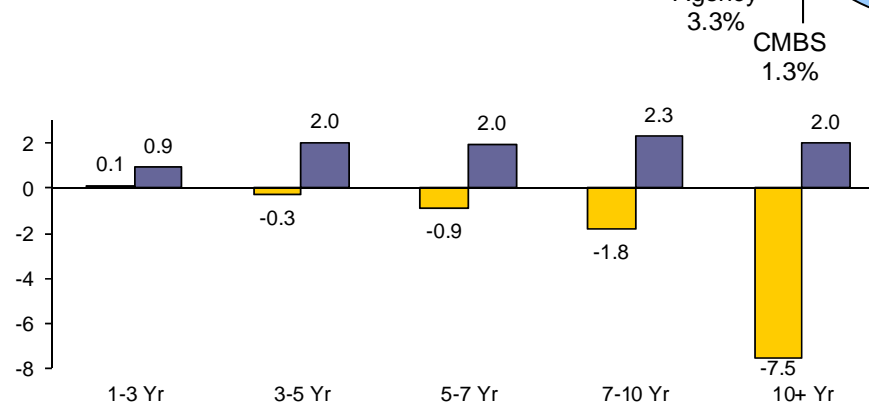
U.S. Bond Market Returns – Barclays Capital Aggregate

- The U.S. Treasuries reversed their first-quarter gains with the aggregate total return index shedding 1.6% in the second quarter.
- Longer-duration US Government bonds led the drop; Treasuries with durations over 10 years fell 7.5% during the first quarter.
- The decline in the corporate earnings led all corporate debt lower in the second quarter, with the lower-rated corporate bonds (BAA) leading the way with a 3.3% drop.

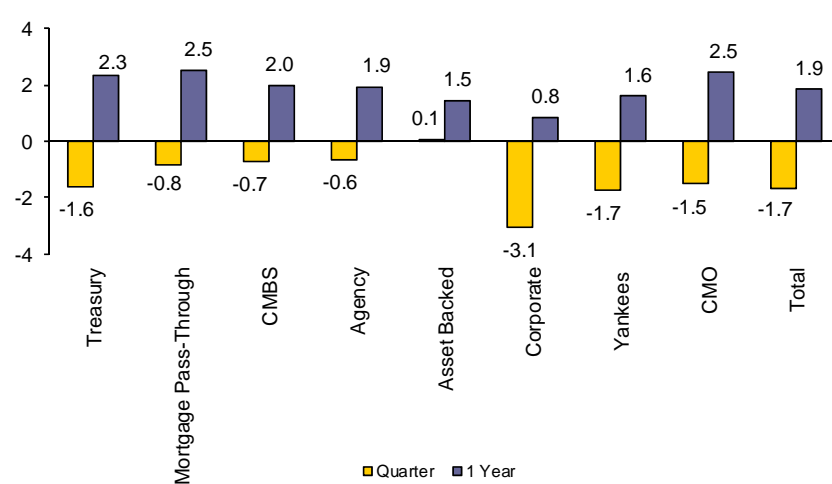
Quality Performance (%)



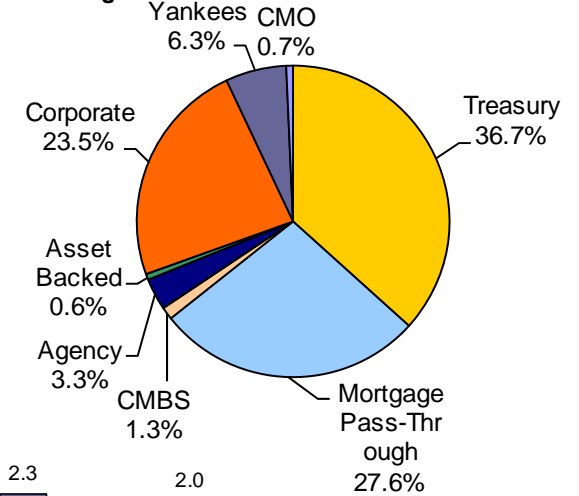
Duration Performance (%)



Sector Performance (%)

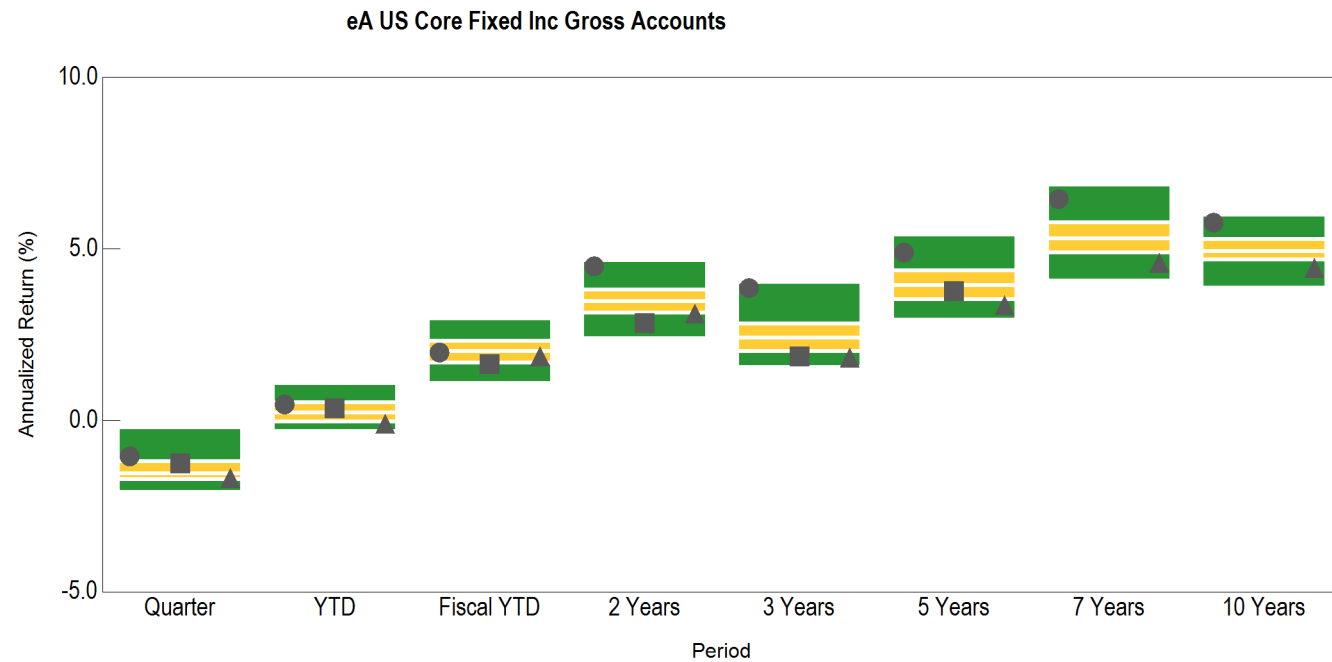


Sector Weights



Total Returns - Core Fixed Income

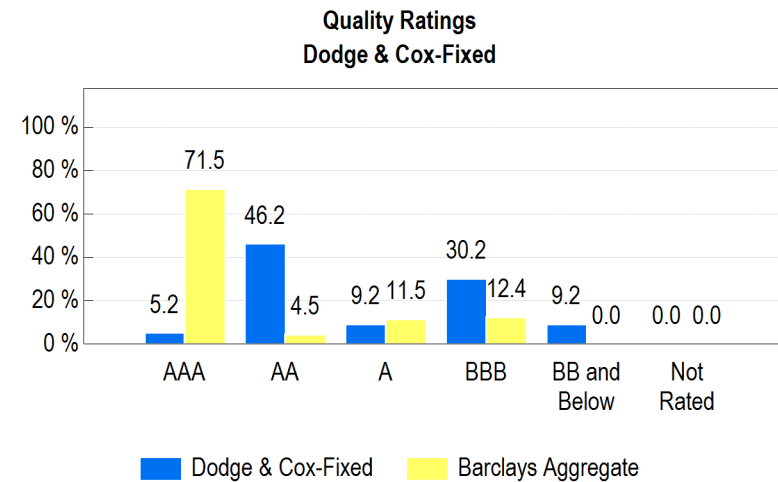
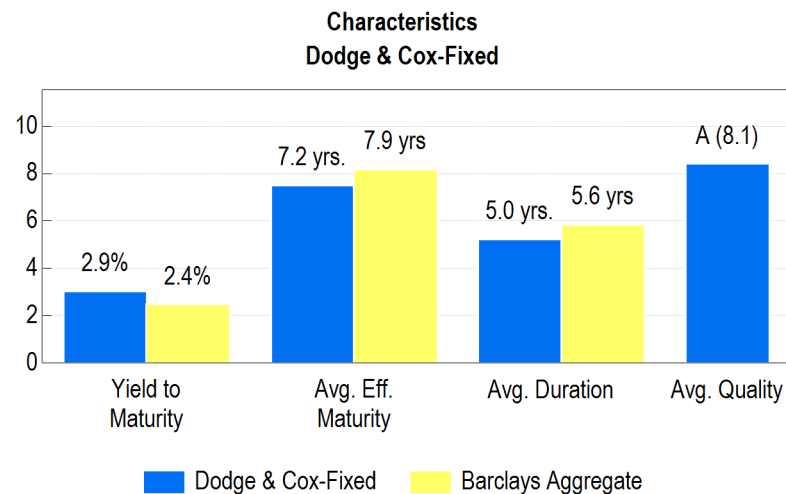
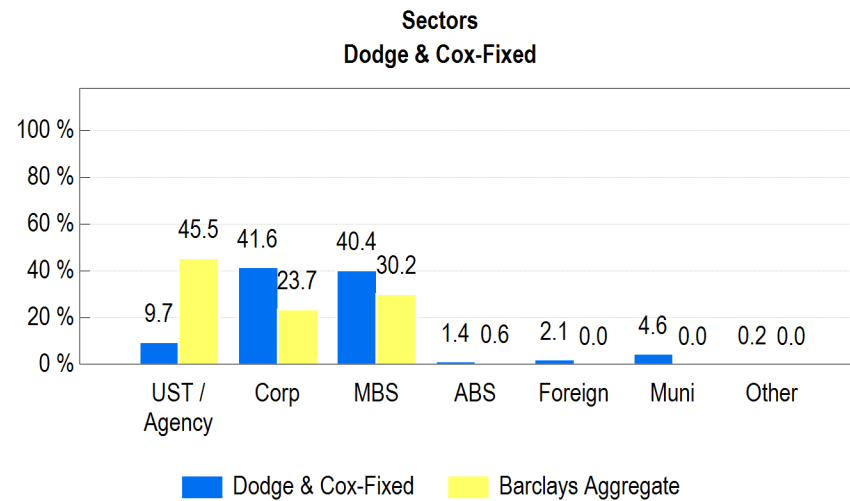
Periods Ending June 30, 2015



	Return (Rank)							
5th Percentile	-0.2	1.1	3.0	4.7	4.0	5.4	6.9	6.0
25th Percentile	-1.2	0.5	2.3	3.8	2.8	4.4	5.8	5.3
Median	-1.5	0.2	2.0	3.5	2.4	3.9	5.3	4.9
75th Percentile	-1.7	0.0	1.7	3.2	2.0	3.5	4.9	4.7
95th Percentile	-2.1	-0.3	1.1	2.4	1.6	2.9	4.1	3.9
# of Portfolios	206	206	206	205	205	200	193	178
● Dodge & Cox-Fixed	-1.1 (18)	0.5 (32)	2.0 (56)	4.5 (8)	3.9 (7)	4.9 (14)	6.4 (9)	5.8 (9)
■ PIMCO	-1.3 (29)	0.3 (40)	1.6 (80)	2.8 (88)	1.9 (86)	3.8 (63)	-- (--)	-- (--)
▲ Barclays Aggregate	-1.7 (70)	-0.1 (82)	1.9 (66)	3.1 (78)	1.8 (88)	3.3 (85)	4.6 (85)	4.4 (88)

Bond Summary Statistics - Dodge & Cox Fixed Income

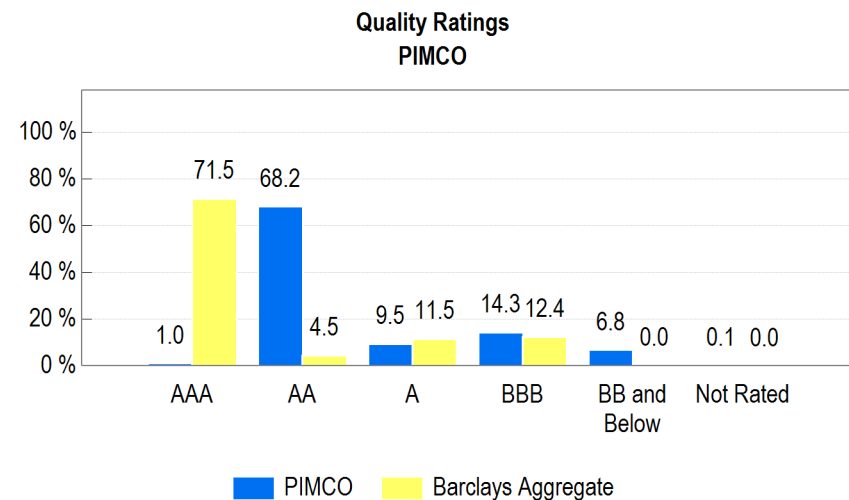
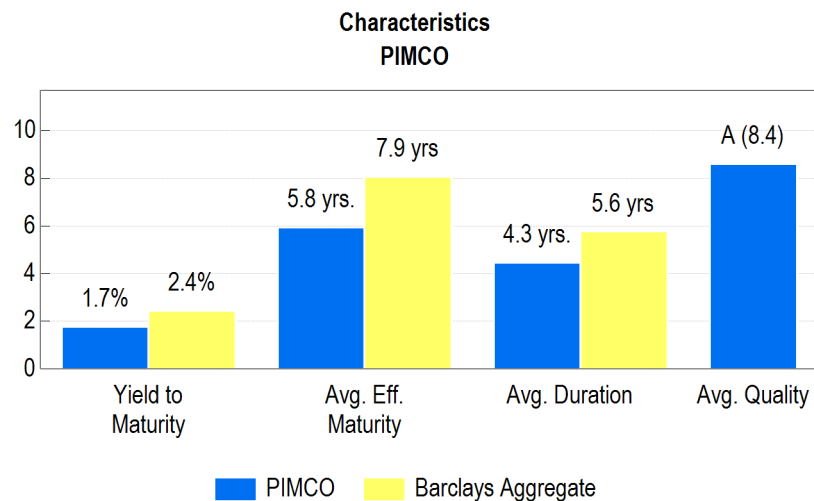
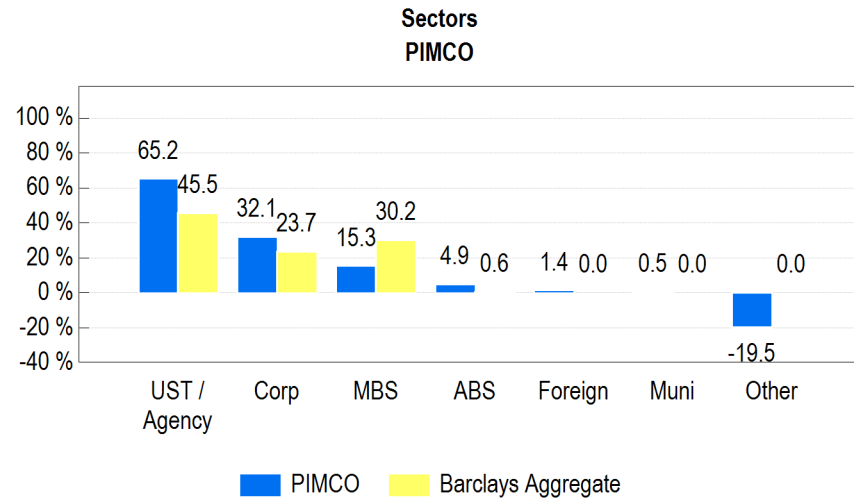
As of June 30, 2015



Stanislaus County Employees' Retirement Association

Bond Summary Statistics - PIMCO Fixed Income

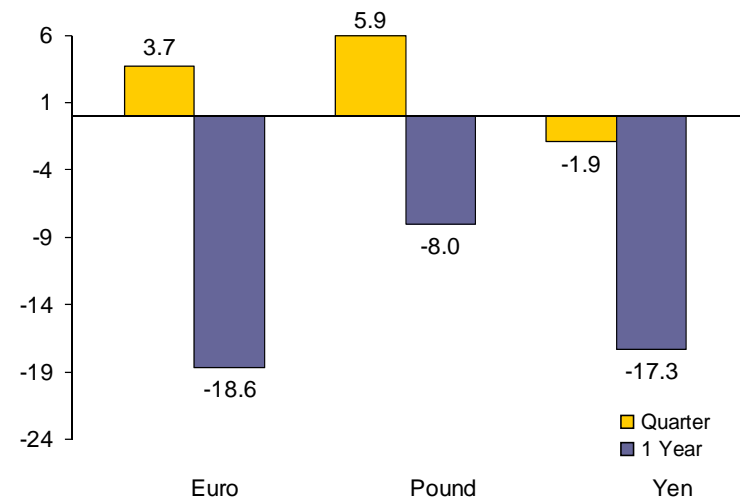
As of June 30, 2015



Currency Markets

- With the Fed indicating a more benign tightening path than was previously anticipated, the euro reversed last quarter's decline versus the dollar, gaining 3.7% in the second quarter.
- The Conservatives' UK election victory along with an uptick in the retail sales drove the pound higher; it rose 5.9% versus the dollar during the second quarter.
- The U.S. dollar trade-weighted index, which measures the dollar's movement against a basket of currencies, fell 2.3% in the second quarter.

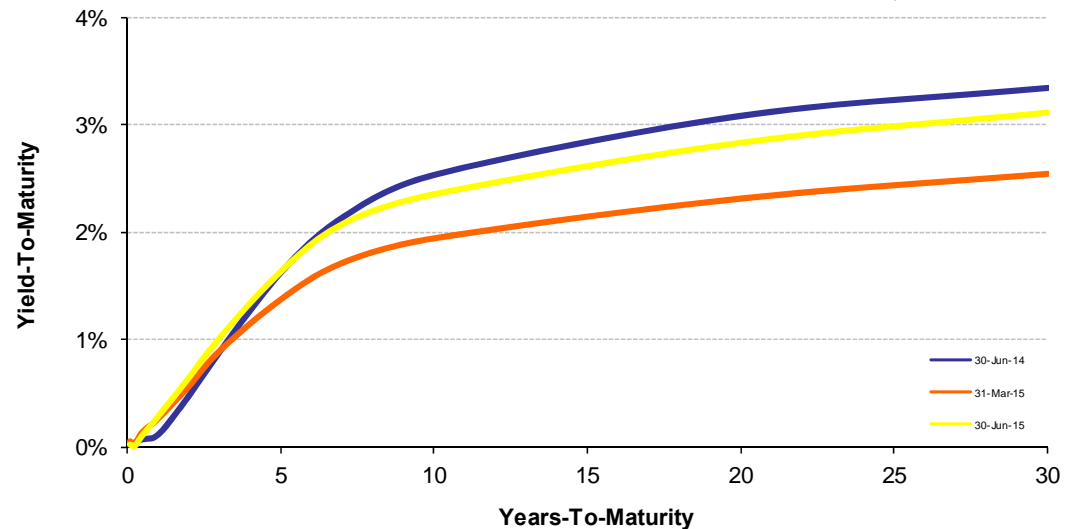
Currency Returns (%)

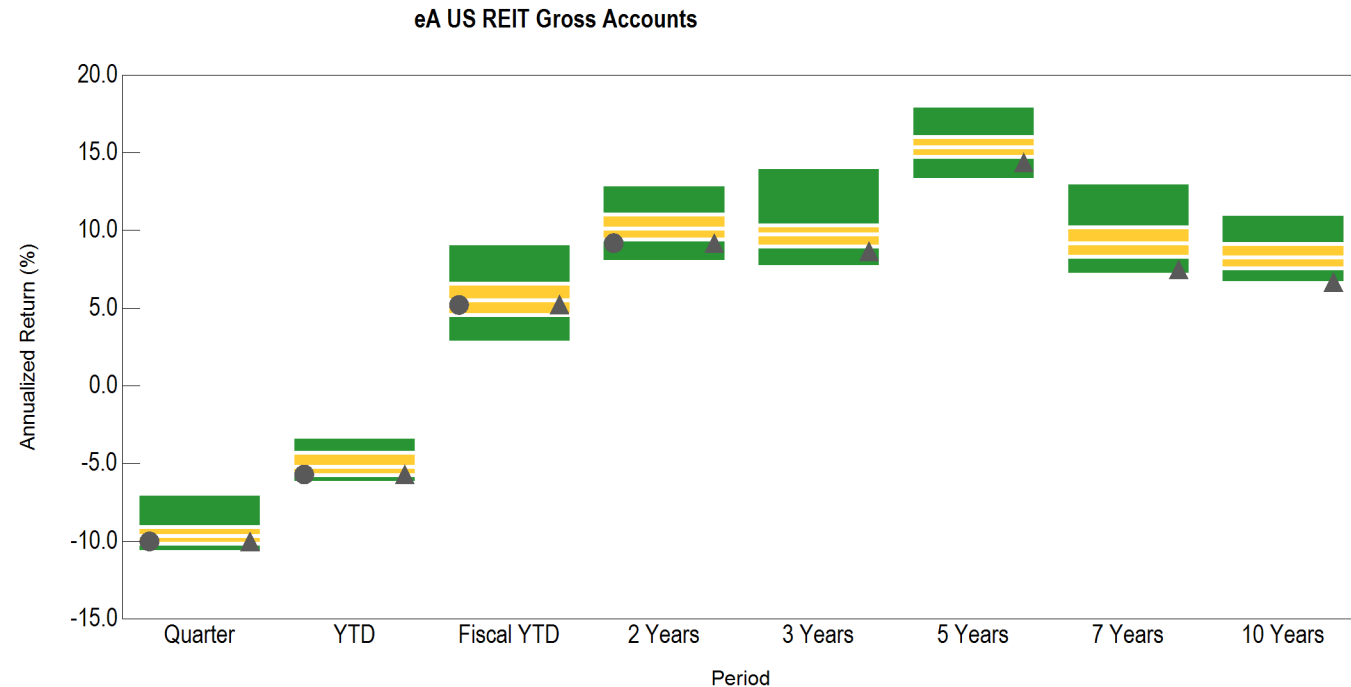


Yield Curve

- The Treasury curve primarily shifted upward from last quarter, driven by the increases in 5, 7, and 10 year maturities.
- 10-year yields rose 41bps during the second quarter, while 30-year yields increased by 57bps.
- In contrast, the yields on the Treasury bills fell slightly: by 3, 2, and 3 basis points for the 1/12-, 1/4-, and 1/2-year maturities respectively.

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





	Return (Rank)													
5th Percentile	-6.9	-3.3	9.1	13.0	14.1	18.0	13.1	11.0						
25th Percentile	-9.1	-4.3	6.6	11.1	10.4	16.0	10.2	9.1						
Median	-9.6	-5.2	5.5	10.1	9.8	15.4	9.2	8.3						
75th Percentile	-10.1	-5.7	4.6	9.4	9.0	14.7	8.3	7.6						
95th Percentile	-10.7	-6.2	2.8	8.0	7.7	13.3	7.2	6.6						
# of Portfolios	44	44	44	44	44	43	39	37						
● BlackRock US Real Estate	-10.0 (73)	-5.7 (72)	5.2 (57)	9.2 (86)	-- (--)	-- (--)	-- (--)	-- (--)						
▲ DJ US Select RESI TR USD	-10.0 (73)	-5.7 (72)	5.3 (56)	9.2 (86)	8.7 (89)	14.4 (87)	7.5 (92)	6.7 (94)						

StanCERA Investment Managers Peer Ranking

Total Fund

Taken From SIS Quarterly Investment Performance Analysis Reports

03/31/2012 through 06/30/2015

	3/31/2012	6/30/2012	9/30/2012	12/31/2012	3/31/2013	6/30/2013	9/30/2013	12/31/2013	3/31/2014	6/30/2014	9/30/2014	12/31/2014	3/31/2015	6/30/2015
1 Quarter	16	69	5	27	13	38	14	14	63	40	43	17	61	19
1 Year	70	62	12	5	6	22	13	12	13	48	23	23	28	34
Over 3 years	10	23	21	28	27	14	9	10	15	12	12	7	7	9
Over 5 years	43	41	62	61	12	8	2	3	3	7	9	9	13	14

Note: Ranking 1 is highest & 100 lowest

Revised 8/18/2015

StanCERA Investment Managers Peer Ranking

Peer Ranking For Returns Over 5 Years

Taken From SIS Quarterly Investment Performance Analysis Reports

03/31/2012 through 06/30/2015

	3/31/2012	6/30/2012	9/30/2012	12/31/2012	3/31/2013	6/30/2013	9/30/2013	12/31/2013	3/31/2014	6/30/2014	9/30/2014	12/31/2014	3/31/2015	6/30/2015
S&P 500	58	54	33	38	29	16	55	48	36	48	45	47	57	57
BlackRock 1,000 G	n/a	n/a	n/a	n/a	n/a	n/a	63	n/a	n/a	n/a	n/a	n/a	n/a	44
Delaware/Jackson Square	32	22	21	23	16	11	13	10	14	10	8	11	8	8
BlackRock 1,000 V	n/a	n/a	n/a	n/a	n/a	n/a	15	n/a	n/a	n/a	51	41	53	54
Dodge & Cox	73	65	73	71	55	50	3	17	13	23	28	32	46	21
Legato	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	53	70	61	57	54	59
Capital Prospects	n/a	n/a	n/a	n/a	n/a	n/a	n/a	45	46	41	35	31	33	38
LSV	39	56	74	67	62	60	34	19	18	33	46	39	76	82
Pyramis	27	26	60	68	71	64	74	71	72	73	81	82	76	79
Dodge & Cox FI	27	33	25	15	8	9	6	9	8	12	13	13	20	14
Pimco	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	63
BlackRock US Real Estate	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Note: Ranking 1 is highest & 100 lowest

Revised 8/18/2015

StanCERA Investment Managers Peer Ranking

Peer Ranking For Returns Over 3 Years

Taken From SIS Quarterly Investment Performance Analysis Reports

03/31/2012 through 06/30/2015

	3/31/2012	6/30/2012	9/30/2012	12/31/2012	3/31/2013	6/30/2013	9/30/2013	12/31/2013	3/31/2013	6/30/2014	9/30/2014	12/31/2014	3/31/2015	6/30/2015
S&P 500	56	44	20	11	18	16	48	50	55	47	47	50	57	58
BlackRock 1,000 G	n/a	n/a	n/a	n/a	n/a	29	63	39	39	36	45	53	45	58
Delaware/Jackson Square	11	12	4	7	4	5	13	5	6	6	27	27	35	30
BlackRock 1,000 V	n/a	n/a	n/a	n/a	n/a	41	15	47	45	40	40	39	44	53
Dodge & Cox	35	62	55	44	50	23	3	17	17	13	8	13	22	18
Legato	62	58	60	59	53	54	39	40	30	45	46	37	34	52
Capital Prospects	66	48	42	21	22	34	32	30	35	31	36	27	23	35
LSV	23	34	49	57	57	71	60	70	74	73	51	50	65	62
Pyramis	34	34	67	65	74	72	67	68	80	73	77	78	65	69
Dodge & Cox FI	20	38	31	40	39	17	9	12	13	12	7	6	9	7
Pimco	n/a	n/a	n/a	n/a	n/a	45	52	52	58	61	77	79	76	86
BlackRock US Real Estate	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Note: Ranking 1 is highest & 100 lowest

Revised 8/18/2015

StanCERA Investment Managers Peer Ranking

Peer Ranking For Returns Over 1 Year

Taken From SIS Quarterly Investment Performance Analysis Reports

03/31/2012 through 06/30/2015

	3/31/2012	6/30/2012	9/30/2012	12/31/2012	3/31/2013	6/30/2013	9/30/2013	12/31/2013	3/31/2014	6/30/2014	9/30/2014	12/31/2014	3/31/2015	6/30/2015
S&P 500	35	34	24	16	18	29	63	58	66	60	37	39	58	62
BlackRock 1,000 G	34	27	37	53	37	37	63	56	63	55	38	47	48	56
Delaware/Jackson Square	8	4	24	36	29	57	13	39	41	31	47	28	44	46
BlackRock 1,000 V	50	26	19	30	17	44	15	59	61	55	43	39	58	77
Dodge & Cox	81	55	4	3	7	29	3	15	17	19	22	64	79	35
Legato	58	35	34	24	16	28	28	41	53	70	65	38	42	52
Capital Prospects	56	37	35	9	9	68	29	53	47	43	47	42	42	64
LSV	54	78	64	75	69	53	54	39	40	34	29	41	77	66
Pyramis	35	37	80	52	35	40	52	61	80	84	65	59	50	64
Dodge & Cox FI	72	77	12	9	20	7	4	3	4	6	9	70	78	32
Pimco	25	19	55	54	28	74	63	89	87	80	89	81	82	40
BlackRock US Real Estate	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	16.9	72

Managers in red no longer managing funds

Note: Ranking 1 is highest & 100 lowest

Revised 8/18/2015

StanCERA Investment Managers Peer Ranking

Peer Ranking For Returns Over 1 Quarter

Taken From SIS Quarterly Investment Performance Analysis Reports

03/31/2012 through 06/30/2015

	3/31/2012	6/30/2012	9/30/2012	12/31/2012	3/31/2013	6/30/2013	3/31/2014	12/31/2013	3/31/2014	6/30/2014	9/30/2014	12/31/2014	3/31/2015	6/30/2015
S&P 500	65	29	14	24	49	28	63	41	62	33	30	53	75	44
BlackRock 1,000 G	67	24	55	64	34	48	13	60	43	31	42	54	49	66
Delaware/Jackson Square	40	44	40	40	16	88	15	41	62	21	66	10	68	21
BlackRock 1,000 V	76	19	33	45	30	62	3	48	33	41	53	34	77	53
Dodge & Cox	34	22	7	24	50	19	22	12	59	58	23	81	86	4
Legato	41	13	52	51	31	38	46	64	52	74	34	40	58	42
Capital Prospects	71	21	15	10	47	80	24	59	69	42	33	50	39	82
LSV	66	83	31	75	26	66	33	24	75	24	29	60	57	55
Pyramis	41	44	38	43	50	37	68	58	82	51	38	75	55	55
Dodge & Cox FI	10	83	21	9	7	9	11	5	9	13	43	78	82	82
Pimco	79	12	57	52	29	90	42	95	82	59	94	73	70	70
BlackRock US Real Estate	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Managers in red no longer managing funds

Note: Ranking 1 is highest & 100 lowest

Revised 8/18/2015

8/25/15
Item# 8.d

STANISLAUS COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

MONTHLY FLASH REPORT

JULY 31, 2015



333 BUSH STREET | SAN FRANCISCO | 94104 | 415.362.3484

STOCK MARKET

Asset class returns in July reflected many of the themes that have prevailed for most of this decade: stocks (including real estate investment trusts) beat bonds, the developed world outperformed the emerging one and commodities weakened. Within the global stock market, Europe ex-UK was the best-performing region during the month as Greece-related concerns abated and markets rallied as a result, while U.S. and U.K. stocks moved higher in concert.

In the U.S., the Russell 3000 ended the month up +1.67%. The Russell 1000 Growth Index was up +3.39% and the Russell 1000 Value Index was up +0.44%. The Russell 2000 Growth Index was up +0.41% and the Russell 2000 Value Index was down -2.76% for the month. The S&P 500 Index ended the month up +2.10%.

The S&P 500 Index has a trailing P/E ratio of 21.59 and a forward 12-month estimate P/E ratio of 18.80 and a dividend yield of 2.01%.

Corporate merger highlights for the month included: GE will sell its European private-equity finance business to Japan's Sumitomo Mitsui Banking for \$2.2 billion; Willis Group and Towers Watson agreed to an all-stock merger that values the combined company at \$18 billion; ACE will acquire fellow property-and-casualty insurer Chubb in a cash and stock deal valued at \$28.3 billion; Patterson Companies will sell its medical business to Madison Dearborn Partners for about \$715 million; Spanish travel technology company Amadeus will buy Navitaire, a subsidiary of Accenture, for \$830 million; A U.S. division of Sao Paulo, Brazil-based JBS will buy Cargill's pork business for \$1.45 billion; U.S. cigarette giant Philip Morris plans to sell a stake worth \$1 billion in Indonesian unit PT HM Sampoerna; Allergan will buy Oculieve, a maker of novel dry-eye disease treatments; Dollar Tree completed its \$8.5 billion purchase of Family Dollar; EMC will sell control of its Syncplicity business to investment firm Skyview; BorgWarner will acquire Remy International, a maker of electric and hybrid motors, for about \$1.2 billion; U.S. chemicals maker Platform Specialty Products will buy Britain's Alent for about \$2 billion; Jarden will acquire disposable

table-ware maker Waddington Group; WPX Energy will acquire privately held RKI Exploration & Production for \$2.35 billion; AMC Entertainment will purchase Starplex Cinemas for \$172 million; Match Group will buy dating site PlentyOfFish for \$575 million; U.S. biotechnology company Celgene will acquire biopharmaceutical company Receptos for \$7.2 billion; car parts maker Magna International is buying Getrag, a German-based manufacturer of automotive transmissions, in a \$1.9 billion deal; Lockheed Martin will acquire Sikorsky Aircraft, the helicopter unit of United Technologies, for \$9 billion; SunEdison will buy Vivint Solar in a deal valued at about \$2.2 billion; Blackstone Group and Corsair Capital will acquire a majority stake in First Eagle Investment Management, valuing the company at around \$4 billion; U.S. power company Talen Energy will acquire private power producer Mach Gen for \$1.18 billion; a group consisting of Daimler, BMW and Audi clinched a deal to buy Nokia's maps business HERE for \$2.72 billion; Home Depot will acquire home repair maintenance products seller Interline Brands for about \$1.63 billion; heart device maker St. Jude medical will buy smaller rival Thoratec; employee-owned Japanese media group Nikkei agreed to buy Britain's Financial Times in a \$1.3 billion deal; Anthem agreed to buy rival Cigna in a \$54 billion deal that would create the largest U.S. health insurer by membership; AT&T received FCC approval to buy DirecTV for \$48 billion, combining the No. 2 wireless carrier with the largest satellite-TV provider; Teva Pharmaceutical Industries will buy Allergan's generic drug unit for about \$40 billion; McGraw Hill Financial will buy financial data and information company SNL Financial for about \$2.23 billion; Honeywell Intl. will buy the utility consumption meter business of Britain's Melrose Industries for \$5.14 billion; Hikma Pharmaceuticals will acquire German drug maker Boehringer Ingelheim's U.S. specialty generic drugs business for about \$2.65 billion; German drugs packaging firm Gerresheimer will buy U.S. plastic vial maker Centor for \$725 million; Belgian chemical group Solvay will buy U.S. peer Cytec for \$5.5 billion; Lone Star will buy Quintain Estates and Development for \$1.1 billion.

FIXED INCOME

Across the global fixed income world, investors had a mixed July. The best-performing sector, European Treasuries, returned 1.6% as Greece-related fears subsided, while U.S. high yield lost investors almost a percentage point as oil-related firms were once again hurt by the fall in its price. For the year as a whole, the parts of the fixed income universe that benefit from economic growth have been its outperformers.

The yield on the bellwether 10-year U.S. Treasury dropped to 2.21% at a close of July, up from 2.34% at the end of June. At month end, the 30-year bond yield was 2.93% with the 3-month T-bill at 0.06%. The Barclays Capital U.S. Aggregate Index was up by +0.70% in July.

On the economic front, the following key data was released in July:

THE GOOD

*The Conference Board reported that its index of U.S. consumer confidence rose to 101.4 in June from a downwardly revised 94.6 in May.

*The National Automobile Dealers Association raised its 2015 U.S. auto-sales forecast to 17.2 million vehicles from its earlier forecast of 16.94 million.

*The Commerce Department reported that U.S. construction spending rose 0.8% in May to a seasonally adjusted annual rate of \$1.04 trillion.

*U.S. employers added jobs at a solid pace in June, and the unemployment rate fell to 5.3%, a seven-year low.

*The Commerce Dept. reported that business inventories rose 0.3% in May.

*The Labor Department reported that its producer price index for final demand increased 0.4% last month after increasing 0.5% in May.

*U.S. homebuilders' confidence in the market for new homes is back up to levels not seen since the height of the housing boom a decade ago. The builder sentiment index for June hit 60, the highest since 2005.

*Of the companies that have reported earnings so far, 70% have reported earnings above analyst expectations, above the 63% average beat rate since 1994.

*The National Association of Realtors reported that existing home sales increased 3.2% in June to an annual rate of 5.49 million units, the highest level since February 2007.

*The Conference Board's index of leading indicators rose 0.6% in June following healthy gains of 0.8% in May and 0.6% in April.

*The Commerce Dept. reported that non-defense capital goods orders excluding aircraft rose 0.9% last month after an unrevised 0.4% drop in May.

THE NOT SO GOOD

*Orders to U.S. factories fell in May by the largest amount in three months, while a key category that signals business investment plans dropped for a second month.

*Financial firm Markit said its final reading of its Purchasing Managers Index for the services sector slipped to 54.8 in June.

*The U.S. trade deficit rose 2.9% to \$41.9 billion in May, fueled by a drop in exports that could heighten concerns over weak overseas demand and a strong U.S. dollar.

*U.S. companies are expected to report their worst sales decline in nearly six years when they post second-quarter results, giving investors reason to worry about future profits.

*The Commerce Department reported that retail sales unexpectedly slipped 0.3% in June, the weakest reading since February.

*U.S. consumer prices rose 0.3% in June, lifted by rising gas costs; prices at the pump increased 3.4% for the month.

*Fewer Americans bought new homes in June, a possible sign that the real estate market might not be as hot as it appeared at the start of summer – new home sales slumped 6.8%.

*The Conference Board reported that its index of consumer attitudes slipped to 90.9 down from a revised 99.8 in May and the lowest level since September 2014.

*The National Association of Realtors reported that its Pending Home Sales Index, based on contracts signed in June declined 1.8% to 110.3.

*The U.S. economy grew more slowly over the past three years than the government had previously estimated. The economy expanded at just a 2% annual rate from 2012 through 2014, down from a previous estimate of 2.3%.

NON-U.S. MARKETS

After accelerating sharply, broad money growth in the Eurozone now appears to be stabilizing at an acceptable but hardly robust level. Overall Eurozone CPI was unchanged at 0.2% y/y in July, while core CPI inflation

accelerated 0.2% to 1.0% y/y. The Eurozone unemployment rate remained unchanged at 11.1% for the third consecutive month in June, but that is down from 11.3% in December and a high of 12.1% in mid-2013.

The recovery in the U.K. has reaccelerated to a solid pace, rebuilding a head of steam following a slow start to the year. Real GDP rose 0.7% in the second quarter, up from 0.4% in Q1. This left growth at a respectable 2.6% y/y for the quarter, highlighting what has generally been a solid recovery trajectory aside from the temporary soft patch at the start of this year.

The labor market remains tight in Japan. The national unemployment rate edged up 0.1% in June, but only to 3.4%. The last time the labor market was this tight was in the mid-to-late 1990s. Japanese industrial production is trending erratically sideways but is projected to pick up over the next two months.

Brazil's central bank continues to tighten monetary policy. The Bank raised its SELIC policy rate a half point to 14.25%. It has raised rates 16 times in this tightening cycle (since April 2013), a cumulative 7.0% to the highest level in nine years.

Russia's central bank cut its key policy rate a half point to 11.00%. This is the fifth cut this year, dropping the rate a cumulative 5.0% and continuing to chip away at reversing the severe 7.50 points in hikes last December meant to stem the collapse in the rouble. After losing half of its value over the second half of last year, RUB rallied for a 40% gain from January to May. But it has stumbled again the last two months, falling over 16% and leaving the currency down over 40% from a year ago.

Non-U.S. equities were negative in July. The MSCI ACWI Ex-U.S. was down -0.26%. Developed stocks (EAFE) were down +2.08% while Emerging Markets (MSCI EM) were down -6.87% for the month.

CONCLUSION

The Fed needs to finally move off its awkward and record-long easing posture. The U.S. data can be found to support such a move, and the Federal Reserve has even acknowledged that the U.S. economy and financial

markets "need" higher short-term rates and that there were risks in waiting too long before altering Fed policy. Yet a long list of serious concerns has arisen that confound the business and financial outlook and make the decision to finally alter Fed policy much more complex. Challenges to world growth emanating out of China and other major economies are first on our list as are abrupt movements in commodity, FX and select equity markets. While serious concerns over Greece's finances and the future of the euro remain, growth prospects in the rest of Europe have become stronger for 2015 and for 2016, though way below U.S. standards.

Risks remain high for commodity exporting regions. An extended period of high commodity prices supported higher income growth in regions from Latin America to Russia. Now commodity outlooks have been reassessed, as has growth in China. There was more gloomy news for the Chinese economy as the manufacturing purchasing managers' index slipped to its lowest level in 15 months. A report recently showed industrial profits in the world's second-biggest economy had fallen in June, sending Chinese shares tumbling again, with concerns that government intervention to stem a market selloff may not be sustainable in the face of a weaker growth trajectory.

Many still dismiss moves in China's stock market as only a marginally relevant market gyrations. But the government's direct involvement in first pumping the markets up, and its failure to keep it aloft after the latest crash, should have investors and political observers concerned regarding China's ability to manage or control even more consequential developments.

US Equity Indices Trailing Performance

Annualized Performance to Date: Ending Jul-15	1 Month	3 Month	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years
Russell 3000 Index	1.67	1.35	11.28	10.22	18.00	16.35	16.61	7.90
Russell TOP 200 Index	2.45	1.86	11.46	10.82	17.41	16.31	15.60	7.54
Russell TOP 200 Growth Index	4.16	3.79	16.68	13.89	18.40	17.95	18.02	8.92
Russell TOP 200 Value Index	0.69	-0.12	6.30	7.73	16.37	14.65	13.12	6.15
S&P 500 Index	2.10	1.41	11.21	10.72	17.58	16.24	16.16	7.72
Russell 1000 Index	1.93	1.32	11.24	10.66	18.02	16.45	16.63	7.93
Russell 1000 Growth Index	3.39	3.00	16.08	13.10	18.78	17.75	18.59	8.95
Russell 1000 Value Index	0.44	-0.38	6.40	8.18	17.11	15.08	14.57	6.79
Russell Mid-Cap Index	0.74	0.10	10.69	10.27	19.47	16.77	19.34	8.92
Russell Mid-Cap Growth Index	1.62	1.17	14.65	11.30	19.93	17.50	20.35	9.24
Russell Mid-Cap Value Index	-0.14	-0.97	6.64	9.26	18.86	16.02	18.19	8.37
Russell 2000 Index	-1.16	1.85	12.03	5.35	17.90	15.27	16.36	7.61
Russell 2000 Growth Index	0.41	5.50	20.07	9.41	20.98	17.90	19.27	9.16
Russell 2000 Value Index	-2.76	-1.82	4.30	1.33	14.82	12.60	13.49	5.99
Bloomberg Commodity Index TR	-9.80	-10.72	-27.57	-17.54	-13.67	-7.10	-3.44	-4.04
DJ US REIT Index	5.93	1.21	11.23	19.04	10.09	13.60	17.00	6.61
DJ-UBS US Gold Index TR	-7.27	-8.18	-15.55	-6.47	-12.70	-2.19	2.55	8.81

Non-US Equity Indices Trailing Performance

Annualized Performance to Date: Ending Jul-15	1 Month	3 Months	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years
MSCI AC World Index ex USA	-0.26	-4.43	-4.16	0.32	9.30	6.32	10.05	5.60
MSCI AC World Index	0.90	-1.48	3.37	5.46	13.42	10.96	13.03	6.67
MSCI EAFE Index	2.08	-1.18	0.15	2.03	12.80	8.50	10.23	5.50
MSCI Emerging Markets index	-6.87	-12.84	-13.07	-3.65	0.96	0.92	10.32	6.95
ML Global Government Bond Ex. U.S. Index	-0.28	-2.86	-11.91	-5.27	-6.91	-1.57	-0.08	2.55
Japanese Yen	-1.23	-3.41	-17.00	-9.87	-14.26	-6.90	-4.63	-1.00
Euro	-0.84	-1.40	-17.43	-13.02	-3.55	-3.24	-3.43	-0.94
UK Pound Sterling	-0.78	1.54	-7.57	-3.69	-0.13	-0.07	1.25	-1.20

US Fixed Income Indices Trailing Performance

Annualized Performance to Date: Ending Jul-15	1 Month	3 Month	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years
ML 3-month T-bill Total Return Index	0.00	0.00	0.01	0.02	0.06	0.08	0.10	1.39
BarCap Aggregate Bond Index	0.70	-0.64	2.82	4.11	1.60	3.27	4.36	4.61
BarCap Mortgage Backed Securities Index	0.63	-0.16	3.54	4.41	1.86	2.85	3.87	4.68
ML U.S. Corp/Govt Master Index	0.76	-0.77	2.89	4.42	1.58	3.53	4.45	4.62
ML U.S. Corporate Master Index	0.54	-1.61	1.68	4.73	2.77	4.94	7.90	5.37
ML U.S. High Yield Master Index	-0.59	-1.82	0.21	2.74	5.85	7.51	14.47	7.44

US Equity Indices Trailing Performance

Annualized Performance to Date: Ending Jul-15	1 Month	3 Month	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years
Russell 3000 Index	1.67	1.35	11.28	10.22	18.00	16.35	16.61	7.90
Russell TOP 200 Index	2.45	1.86	11.46	10.82	17.41	16.31	15.60	7.54
Russell TOP 200 Growth Index	4.16	3.79	16.68	13.89	18.40	17.95	18.02	8.92
Russell TOP 200 Value Index	0.69	-0.12	6.30	7.73	16.37	14.65	13.12	6.15
S&P 500 Index	2.10	1.41	11.21	10.72	17.58	16.24	16.16	7.72
Russell 1000 Index	1.93	1.32	11.24	10.66	18.02	16.45	16.63	7.93
Russell 1000 Growth Index	3.39	3.00	16.08	13.10	18.78	17.75	18.59	8.95
Russell 1000 Value Index	0.44	-0.38	6.40	8.18	17.11	15.08	14.57	6.79
Russell Mid-Cap Index	0.74	0.10	10.69	10.27	19.47	16.77	19.34	8.92
Russell Mid-Cap Growth Index	1.62	1.17	14.65	11.30	19.93	17.50	20.35	9.24
Russell Mid-Cap Value Index	-0.14	-0.97	6.64	9.26	18.86	16.02	18.19	8.37
Russell 2000 Index	-1.16	1.85	12.03	5.35	17.90	15.27	16.36	7.61
Russell 2000 Growth Index	0.41	5.50	20.07	9.41	20.98	17.90	19.27	9.16
Russell 2000 Value Index	-2.76	-1.82	4.30	1.33	14.82	12.60	13.49	5.99
Bloomberg Commodity Index TR	-9.80	-10.72	-27.57	-17.54	-13.67	-7.10	-3.44	-4.04
DJ US REIT Index	5.93	1.21	11.23	19.04	10.09	13.60	17.00	6.61
DJ-UBS US Gold Index TR	-7.27	-8.18	-15.55	-6.47	-12.70	-2.19	2.55	8.81

Non-US Equity Indices Trailing Performance

Annualized Performance to Date: Ending Jul-15	1 Month	3 Months	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years
MSCI AC World Index ex USA	-0.26	-4.43	-4.16	0.32	9.30	6.32	10.05	5.60
MSCI AC World Index	0.90	-1.48	3.37	5.46	13.42	10.96	13.03	6.67
MSCI EAFE Index	2.08	-1.18	0.15	2.03	12.80	8.50	10.23	5.50
MSCI Emerging Markets index	-6.87	-12.84	-13.07	-3.65	0.96	0.92	10.32	6.95
ML Global Government Bond Ex. U.S. Index	-0.28	-2.86	-11.91	-5.27	-6.91	-1.57	-0.08	2.55
Japanese Yen	-1.23	-3.41	-17.00	-9.87	-14.26	-6.90	-4.63	-1.00
Euro	-0.84	-1.40	-17.43	-13.02	-3.55	-3.24	-3.43	-0.94
UK Pound Sterling	-0.78	1.54	-7.57	-3.69	-0.13	-0.07	1.25	-1.20

US Fixed Income Indices Trailing Performance

Annualized Performance to Date: Ending Jul-15	1 Month	3 Month	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years
ML 3-month T-bill Total Return Index	0.00	0.00	0.01	0.02	0.06	0.08	0.10	1.39
BarCap Aggregate Bond Index	0.70	-0.64	2.82	4.11	1.60	3.27	4.36	4.61
BarCap Mortgage Backed Securities Index	0.63	-0.16	3.54	4.41	1.86	2.85	3.87	4.68
ML U.S. Corp/Govt Master Index	0.76	-0.77	2.89	4.42	1.58	3.53	4.45	4.62
ML U.S. Corporate Master Index	0.54	-1.61	1.68	4.73	2.77	4.94	7.90	5.37
ML U.S. High Yield Master Index	-0.59	-1.82	0.21	2.74	5.85	7.51	14.47	7.44
JPM EMBI Global	NA	NA	NA	NA	NA	NA	NA	NA

Preliminary

Stanislaus County Employees' Retirement Association

Performance Summary

Periods Ending July 31, 2015

	Market Value	1 Mo	6/1/15 - 6/30/15	Fiscal YTD
Total Fund	\$1,840,244,015	0.77%	-1.06%	0.77%
<i>Policy Index</i>		<u>0.89%</u>	<u>-1.49%</u>	<u>0.89%</u>
Excess Return		-0.12%	0.43%	-0.12%
US Equity	\$852,854,325	1.50%	-0.87%	1.50%
<i>US Equity Blended</i>		<u>1.31%</u>	<u>-1.35%</u>	<u>1.31%</u>
Excess Return		0.19%	0.48%	0.19%
BlackRock Russell 1000 Growth	\$115,234,624	3.39%	-1.75%	3.39%
<i>Russell 1000 Growth</i>		<u>3.39%</u>	<u>-1.76%</u>	<u>3.39%</u>
Excess Return		0.00%	0.01%	0.00%
Jackson Square	\$173,215,759	3.83%	-1.11%	3.83%
<i>Russell 1000 Growth</i>		<u>3.39%</u>	<u>-1.76%</u>	<u>3.39%</u>
Excess Return		0.44%	0.65%	0.44%
BlackRock Russell 1000 Value	\$124,241,449	0.49%	-1.96%	0.49%
<i>Russell 1000 Value</i>		<u>0.44%</u>	<u>-2.00%</u>	<u>0.44%</u>
Excess Return		0.05%	0.04%	0.05%
Dodge & Cox-Equity	\$188,467,708	1.15%	-1.18%	1.15%
<i>Russell 1000 Value</i>		<u>0.44%</u>	<u>-2.00%</u>	<u>0.44%</u>
Excess Return		0.71%	0.82%	0.71%
Legato Capital	\$90,536,585	-0.15%	3.02%	-0.15%
<i>Russell 2000 Growth</i>		<u>0.41%</u>	<u>1.34%</u>	<u>0.41%</u>
Excess Return		-0.56%	1.68%	-0.56%
Capital Prospects	\$86,182,999	-1.96%	-0.01%	-1.96%
<i>Russell 2000 Value</i>		<u>-2.76%</u>	<u>0.13%</u>	<u>-2.76%</u>
Excess Return		0.80%	-0.14%	0.80%

Preliminary

Stanislaus County Employees' Retirement Association

Performance Summary

Periods Ending July 31, 2015

	Market Value	1 Mo	6/1/15 - 6/30/15	Fiscal YTD
Mellon S&P 500	\$74,975,202	2.12%	-1.94%	2.12%
<i>S&P 500</i>		<u>2.10%</u>	<u>-1.94%</u>	<u>2.10%</u>
Excess Return		0.02%	0.00%	0.02%
International Equity	\$354,752,879	-0.46%	-2.44%	-0.46%
<i>MSCI ACWI ex US</i>		<u>-0.26%</u>	<u>-2.75%</u>	<u>-0.26%</u>
Excess Return		-0.20%	0.31%	-0.20%
LSV Asset Mgt	\$175,477,308	-1.18%	-2.51%	-1.18%
<i>MSCI ACWI ex USA Gross</i>		<u>-0.26%</u>	<u>-2.75%</u>	<u>-0.26%</u>
Excess Return		-0.92%	0.24%	-0.92%
Pyramis	\$179,275,571	0.27%	-2.37%	0.27%
<i>MSCI ACWI ex USA Gross</i>		<u>-0.26%</u>	<u>-2.75%</u>	<u>-0.26%</u>
Excess Return		0.53%	0.38%	0.53%
US Fixed Income	\$483,577,621	0.47%	-0.97%	0.47%
<i>Barclays Aggregate</i>		<u>0.70%</u>	<u>-1.09%</u>	<u>0.70%</u>
Excess Return		-0.23%	0.12%	-0.23%
Dodge & Cox-Fixed	\$372,592,693	0.42%	-0.98%	0.42%
<i>Barclays Aggregate</i>		<u>0.70%</u>	<u>-1.09%</u>	<u>0.70%</u>
Excess Return		-0.28%	0.11%	-0.28%
PIMCO	\$110,984,929	0.64%	-0.95%	0.64%
<i>Barclays Aggregate</i>		<u>0.70%</u>	<u>-1.09%</u>	<u>0.70%</u>
Excess Return		-0.06%	0.14%	-0.06%
Real Estate	\$31,755,824	2.42%	-0.96%	2.42%
<i>DJ US Select RESI</i>		<u>5.93%</u>	<u>-4.42%</u>	<u>5.93%</u>
Excess Return		-3.51%	3.46%	-3.51%

Preliminary

Stanislaus County Employees' Retirement Association

Performance Summary

Periods Ending July 31, 2015

	Market Value	1 Mo	6/1/15 - 6/30/15	Fiscal YTD
American Strategic Value Realty	\$8,262,879	0.00%	3.63%	0.00%
<i>NCREIF Property Index</i>		<u>0.00%</u>	<u>3.14%</u>	<u>0.00%</u>
Excess Return		0.00%	0.49%	0.00%
BlackRock US Real Estate	\$13,434,302	5.92%	-4.42%	5.92%
<i>DJ US Select RESI TR USD</i>		<u>5.93%</u>	<u>-4.42%</u>	<u>5.93%</u>
Excess Return		-0.01%	0.00%	-0.01%
Greenfield Gap	\$10,058,510	0.00%	0.00%	0.00%
Direct Lending	\$104,234,670	0.00%	1.72%	0.00%
<i>9% Annual</i>		<u>0.72%</u>	<u>0.72%</u>	<u>0.72%</u>
Excess Return		-0.72%	1.00%	-0.72%
Medley Capital	\$32,981,404	0.00%	1.92%	0.00%
Raven Capital	\$28,480,320	0.00%	0.03%	0.00%
Raven Opportunity III	\$2,996,475	--	--	--
<i>9% Annual</i>		<u>0.72%</u>	<u>0.72%</u>	<u>0.72%</u>
Excess Return				
White Oak Pinnacle	\$39,776,471	0.00%	2.88%	0.00%
Infrastructure	\$10,521,639	0.00%	0.00%	0.00%
MS Infrastructure Partners II	\$10,521,639	0.00%	0.00%	0.00%
12th Street Building	\$2,500,000	0.00%	0.00%	0.00%
Cash Account	\$47,057	195.05%	0.27%	195.05%

Preliminary

Stanislaus County Employees' Retirement Association

Policy Allocation

As of July 31, 2015

ASSET CLASS	MARKET VALUE	PERCENT	CURRENT POLICY		TARGET POLICY	
			ALLOCATION	RANGE	ALLOCATION	RANGE
DOMESTIC EQUITIES	852,854,325	46.3%	46.7%	41.7% - 51.7%	38.2%	32.2% - 44.2%
BlackRock Russell 1000 Growth	115,234,624	6.3%	5.5%	4.0% - 6.0%	4.6%	
Jackson Square	173,215,759	9.4%	8.5%	7.0% - 10.0%	6.7%	
BlackRock Russell 1000 Value	124,241,449	6.8%	6.5%	5.5% - 6.5%	5.5%	
Dodge & Cox - Equity	188,467,708	10.2%	9.7%	7.7% - 11.7%	8.9%	
Legato Capital	90,536,585	4.9%	5.5%	4.0% - 6.0%	3.7%	
Capital Prospects	86,182,999	4.7%	5.5%	4.0% - 6.0%	4.0%	
Mellon S&P 500	74,975,202	4.1%	5.5%	4.0% - 6.0%	4.8%	
INTERNATIONAL EQUITIES	354,752,879	19.3%	18.0%	15.0% - 21.0%	18.0%	15.0% - 21.0%
LSV Asset Mgt	175,477,308	9.5%	9.0%	7.5% - 10.5%	9.0%	
Pyramis	179,275,571	9.7%	9.0%	7.5% - 10.5%	9.0%	
FIXED INCOME	483,577,621	26.3%	29.8%	26.0% - 33.6%	29.8%	26.0% - 33.6%
Dodge & Cox - Fixed	372,592,693	20.2%	23.8%	20.8% - 26.8%	23.8%	
PIMCO	110,984,929	6.0%	6.0%	5.0% - 7.0%	6.0%	
ALTERNATIVES:	149,012,133	8.1%	5.5%		14.0%	
REAL ESTATE	34,255,824	1.9%	1.5%	1.0% - 2.0%	3.5%	1.0% - 4.5%
American Strategic Value Fund	8,262,879	0.4%				
BlackRock US Real Estate	13,434,302	0.7%	1.5%	0.0% - 2.0%	0.0%	
Greenfield Gap	10,058,510	0.5%	0.0%	0.0% - 1.5%	1.0%	
12th Street Building	2,500,000	0.1%	0.0%		0.0%	
Unallocated Private Real Estate	0	0.0%	0.0%		2.5%	
DIRECT LENDING	104,234,670	5.7%	4.0%	2.0% - 6.0%	7.5%	2.5% - 9.0%
Medley Capital	32,981,404	1.8%	1.0%	1.0% - 3.0%	2.1%	
Raven Capital	28,480,320	1.5%	1.5%	1.0% - 3.0%	2.7%	
Raven Capital III	2,996,475					
White Oak Pinnacle	39,776,471	2.2%	1.5%	1.0% - 3.0%	2.7%	
INFRASTRUCTURE	10,521,639	0.6%	0.0%		0.0%	
MS Infrastructure	10,521,639	0.6%				
CASH	47,057	0.0%	0.0%	0.0% - 3.0%	0.0%	0.0% - 3.0%
TOTAL PORTFOLIO	1,840,244,015	100.0%	100.0%		100.0%	

Preliminary

Stanislaus County Employees' Retirement Association

Asset Class Market Value Summary

As of July 31, 2015

ASSET CLASS	CURRENT MONTH	PRIOR MONTH	% CHANGE *	PRIOR YEAR	% CHANGE *
MARKET VALUE					
DOMESTIC EQUITIES	852,854,325	840,256,435	1.50%	833,808,187	2.28%
INTERNATIONAL EQUITIES	354,752,879	356,374,984	-0.46%	325,050,163	9.14%
FIXED INCOME	483,577,621	484,894,837	-0.27%	501,745,327	-3.62%
DIRECT LENDING	104,234,670	103,140,881	1.06%	74,326,991	40.24%
REAL ESTATE	34,255,824	33,508,078	2.23%	27,915,260	22.71%
INFRASTRUCTURE	10,521,639	10,521,639	0.00%	-	N/A
CASH	47,057	15,950	195.03%	1,235	N/A
TOTAL PORTFOLIO	1,840,244,015	1,828,712,804	0.63%	1,762,847,163	4.39%
ASSET ALLOCATION (ACTUAL)					
DOMESTIC EQUITIES	46.34%	45.95%	0.4%	47.30%	-1.0%
INTERNATIONAL EQUITIES	19.28%	19.49%	-0.2%	18.44%	0.8%
FIXED INCOME	26.28%	26.52%	-0.2%	28.46%	-2.2%
DIRECT LENDING	5.66%	5.64%	0.0%	4.22%	1.4%
REAL ESTATE	1.86%	1.83%	0.0%	1.58%	0.3%
INFRASTRUCTURE	0.57%	0.58%	N/A	-	N/A
CASH	0.00%	0.00%	0.0%	0.00%	N/A
TOTAL PORTFOLIO	100.0%	100.0%	0.0%	100.0%	0.0%
* % Change represents changes in cash balances, including cash transfers, and does not represent investment returns					