



HYAS
GROUP

Spokane Employees' Retirement System

June 30, 2020 Performance Report

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Section 1

**DISLOCATION BETWEEN FUNDAMENTALS & PRICE**

During 1Q20 the global economy faced a shock unprecedented in modern economic history. A viral outbreak (COVID-19) that initiated in China spread swiftly across the globe bringing substantial loss of life and commerce. Global governments were forced to shut down large sections of their economies with billions of people directed to stay home to fight the spread of the virus. Economic visibility had largely disappeared by the end of the quarter. So how is it that much of the domestic equity market ended 2Q20 near all-time highs?

Monetary and fiscal policy makers in the US took decisive and unprecedented actions to provide liquidity to financial markets in an effort to place a floor under the economy. The Federal Reserve (Fed) dropped short-term rates from 1.50% to zero and announced they would purchase unlimited amounts of Treasury Bonds and Agency Mortgage-Backed Securities. Federal lawmakers passed a stimulus package of spending and tax breaks that totaled over \$2 trillion, or roughly 10% of GDP. This was followed by extensive balance sheet purchases by the Fed that for the first-time included investment grade and non-investment grade corporate bonds. From March to early June, the Fed's balance sheet grew from \$4.2 to \$7.2 trillion, over twice the growth seen during the great recession of 2008.

These extensive monetary and fiscal policy responses settled investor nerves and demonstrated “absolute” levels of support for the economy. This “absolute” support set a base for valuations and allowed investors to shift their focus beyond exceptionally poor near-term fundamentals. Fundamentals that included the loss of 22.2 million jobs in March and April, resulting in a record high 14.7% unemployment rate in May. Companies making up the S&P 500 Index saw earnings estimates decline by 37.0% in 2Q20, the largest decline in recorded history as reported by FactSet.

While few will argue the initial central bank actions were not appropriate, the continued support of financial markets, in particular the extended open market purchases of longer-dated Treasuries and corporate bonds has left many institutional investors asking if the central bank has over-stepped its bounds. Discounting of forward-looking expectations is the very essence of price discovery and the role of financial markets. But the extreme dichotomy between fundamentals and prices has some asking whether fundamentals are simply being ignored in favor of blindly following central bank policy. Has aggressive policy detached financial markets from the real economy? Actions, no matter how well intended, have consequences. If the central bank's role is too strong, then traditional fundamentals of valuation and risk management become less relevant and investors become emboldened by the very policies directed to protect them.

The stark influence of central bank policy on markets has led to the well-known quote “Don't fight the Fed”. While these are generally wise words, investors should not lose sight of fundamentals and basic risk management in the process. Eventually, even the Fed must answer to market fundamentals.

GLOBAL ECONOMIC LANDSCAPE

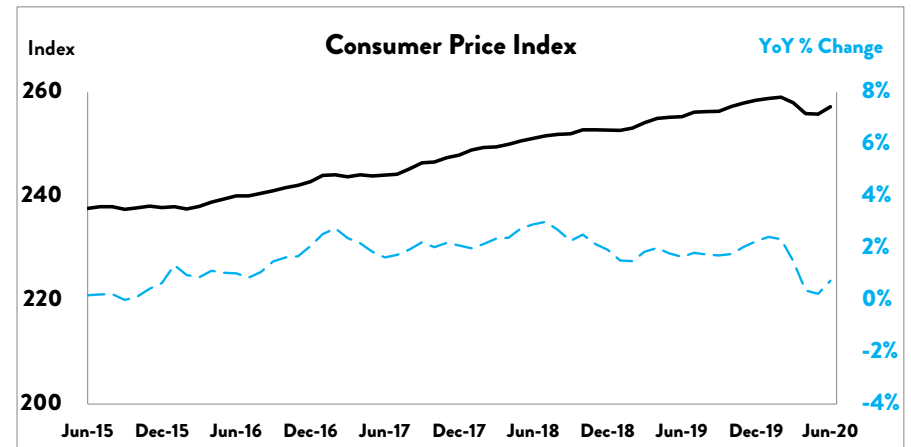
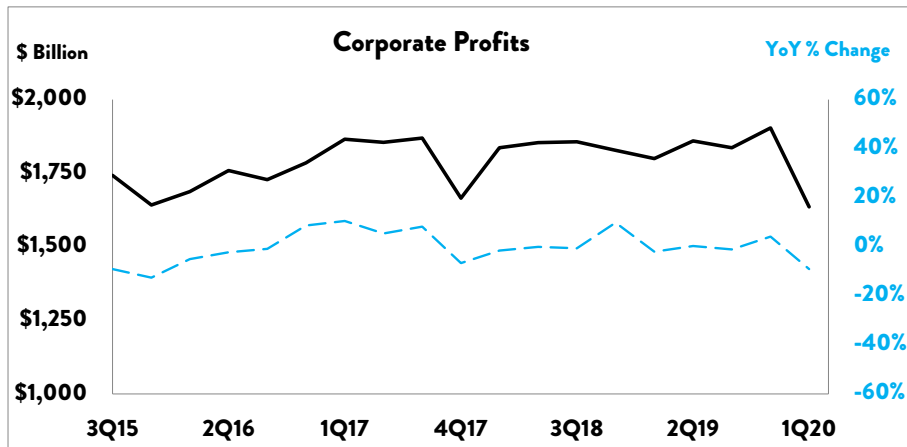
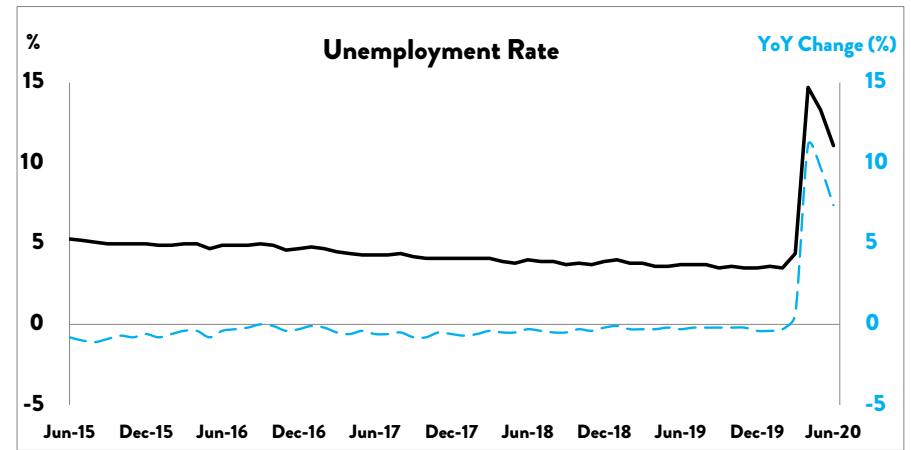
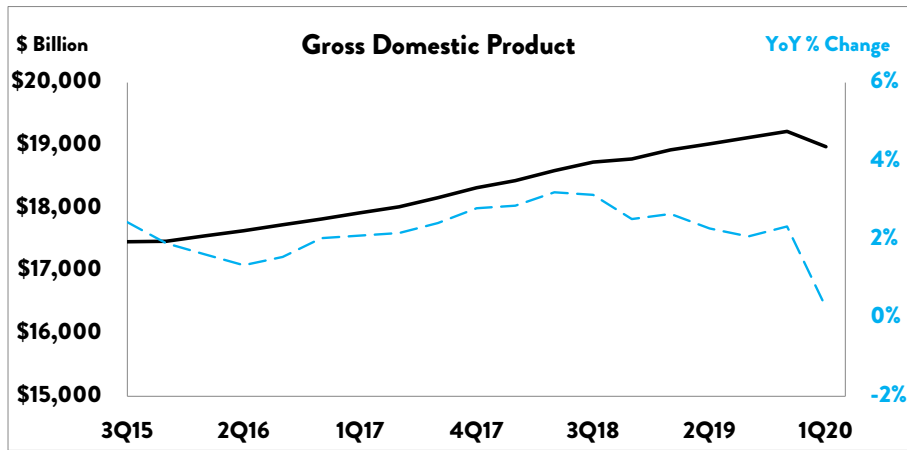
- ▶ May provided a huge upside surprise in the labor report and June delivered another strong result. The US job market has now recouped a third of the job losses incurred since the onset of the COVID-19 pandemic. Payrolls increased by 4.8 million in June, following an increase of 2.7 million in May. Construction and manufacturing sectors have recovered nearly 60% of their losses. Service industries added 4.3 million jobs, 2.1 million in leisure and hospitality, 900k in trade and transportation and nearly 600k in education and health. Air travel employment continues to decline and remains one of the hardest hit industries.
- ▶ Producer price inflation (PPI) declined 0.2% in June, versus expectations of a 0.4% gain. Food prices declined 5.2% while energy prices jumped 7.7% on supply/demand normalization. Headline PPI was largely unchanged at -0.8% year-over-year. The traditional core measure of inflation (excluding food and energy) rose 0.1% year-over-year.
- ▶ US home mortgage delinquencies surged to the highest level since November 2011. Total borrowers more than 30 days late jumped to 4.3 million in May after a record jump of 3.4 million in April, according to Back Knight. This translates to more than 8% of all US mortgages as either past due or in foreclosure.
- ▶ International economies are experiencing powerful short-term rebounds as global lockdowns are lifted. Italy, one of the countries hardest hit by the pandemic, saw retail sales rebound by nearly 25% in May with non-food sales rising over 65% in the same time-period. French industrial production followed suit, rising 19% with Germany increasing by 8%. Despite these increases, production remains 20% below pre-pandemic levels.

GLOBAL FINANCIAL MARKETS

- ▶ Global equity markets staged a largely unprecedented rally in 2Q20 as global central banks aggressively moved to counter the effects of broad economic closures due to the COVID-19 pandemic. The combination of accommodative monetary policy, supportive fiscal policy and the early stages of economies re-opening led to sharp reversals in investor sentiment during the quarter.
- ▶ While domestic large cap stocks led the rally, small cap stocks took over leadership as the quarter progressed. Growth stocks continued their dominance over value stocks on continued strong price momentum in information technology stocks. As the prospects for economic recovery improved during the quarter, cyclical value stocks within the energy, materials and consumer discretion sectors staged strong rallies to end the quarter.
- ▶ In direct contrast to 1Q20, there were few global equity markets that did not enjoy strong returns in 2Q20. Emerging markets were no exception, led by strong economic data out of China and a subsequent rolldown effect across Asian and Latin American trading partners.
- ▶ Not to be left out, global credit markets posted a sharp and broad recovery this quarter. US high yield bond spreads narrowed from a peak of 1,080 basis points over Treasuries on March 24th to 550 basis points by June 4th, representing the most powerful rally since the global financial crisis. Nearly all other global credit markets have followed suit. The sharp decline in Treasury yields has left the oft cited “risk-free” bonds as largely “return-free” as well. Expect the ownership of government bonds to continue gathering largely in the hands of central banks as private investors pursue higher returns in various parts of the credit world and increasingly equity markets.

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2Q2020 Economic Data



Key: — Economic Series - - - Year-Over-Year Change

Labor Market Statistics (Monthly)					
Category	Recent	5-Yr High	5-Yr Low	5-Yr Avg.	Date
Jobs Added/Lost Monthly	4,800,000	4,800,000	-20,787,000	-56,533	Jun-20
Unemployment Rate	11.1%	14.7%	3.5%	4.7%	Jun-20
Median Unemployment Length (Weeks)	11.1	13.2	4.0	9.8	Jun-20
Average Hourly Earnings	\$29.37	\$30.03	\$25.01	\$26.84	Jun-20

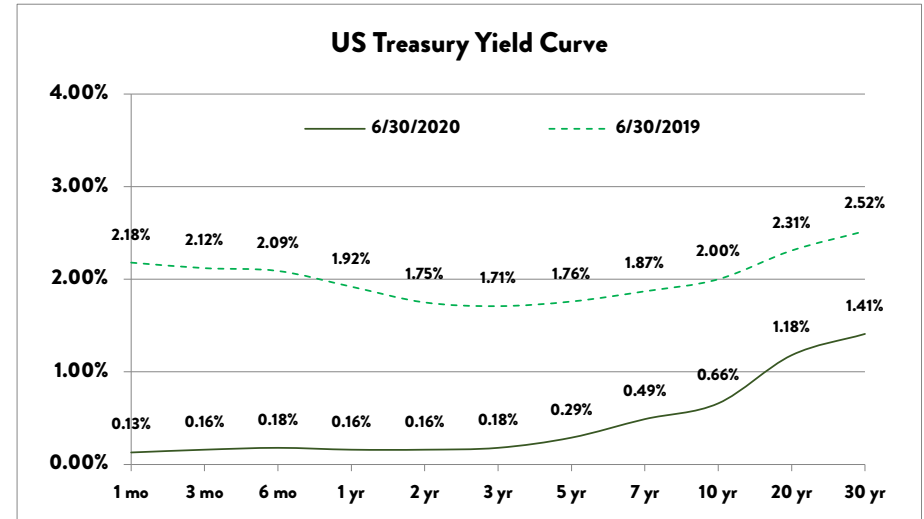
Source: Federal Reserve Bank of St. Louis and Bureau of Labor Statistics

Other Prices and Indexes (Monthly)					
Category	Recent	5-Yr High	5-Yr Low	% Off Peak	Date
Gas: Price per Gallon	\$2.07	\$2.88	\$1.79	-28.3%	Jun-20
Spot Oil	\$38.31	\$70.98	\$16.55	-46.0%	Jun-20
Case-Shiller Home Price Index	223.9	223.9	178.3	25.6%*	Apr-20
Medical Care CPI	521.1	521.1	446.7	16.7%*	Jun-20

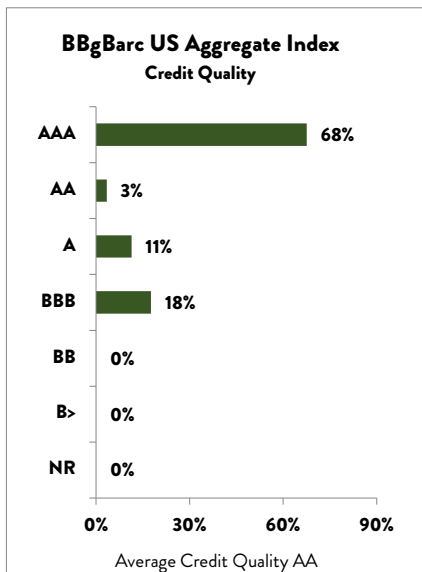
*% Off Low

2Q2020 Bond Market Data

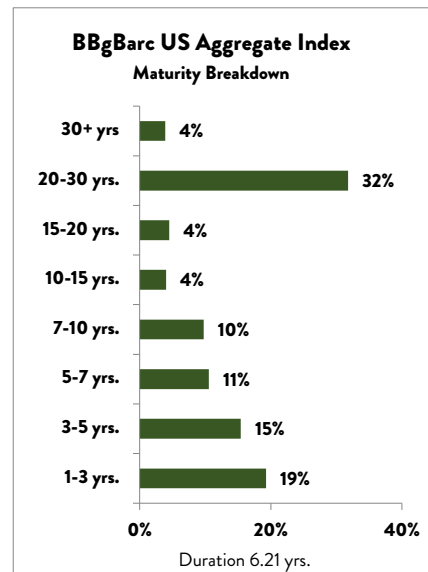
Index	QTR	YTD	1 yr.	3 yrs.	5 yrs.	10 yrs.
90-Day T-Bill	0.02%	0.66%	1.70%	1.71%	1.12%	0.60%
BBgBarc US Aggregate	2.90%	6.14%	8.74%	5.32%	4.30%	3.82%
BBgBarc Short US Treasury	0.04%	0.87%	1.95%	1.91%	1.31%	0.74%
BBgBarc Int. US Treasury	0.54%	5.82%	7.07%	4.11%	2.98%	2.56%
BBgBarc Long US Treasury	0.25%	21.20%	25.41%	12.04%	9.26%	7.74%
BBgBarc US TIPS	4.24%	6.01%	8.28%	5.05%	3.75%	3.52%
BBgBarc US Credit	8.22%	4.82%	9.07%	6.14%	5.54%	5.24%
BBgBarc US Mortgage-Backed	0.67%	3.50%	5.67%	3.97%	3.23%	3.06%
BBgBarc US Asset-Backed	3.54%	3.32%	4.68%	3.34%	2.67%	2.57%
BBgBarc US 20-Yr Municipal	2.56%	2.05%	5.06%	5.22%	4.81%	5.30%
BBgBarc US High Yield	10.18%	-3.80%	0.03%	3.33%	4.79%	6.68%
BBgBarc Global	3.32%	2.98%	4.22%	3.79%	3.56%	2.81%
BBgBarc International	3.38%	0.61%	0.71%	2.52%	2.89%	1.98%
BBgBarc Emerging Market	10.00%	-0.43%	2.96%	4.17%	5.18%	5.99%



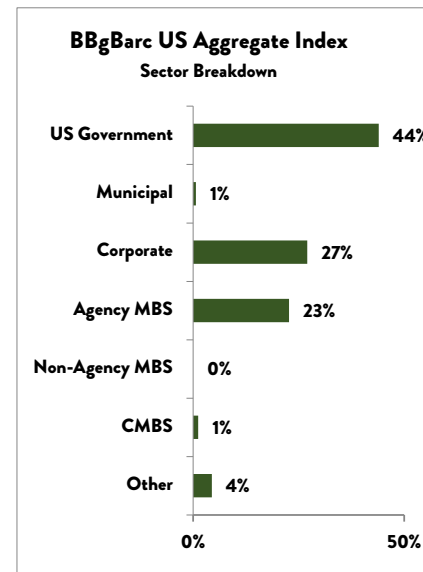
Source: Department of US Treasury



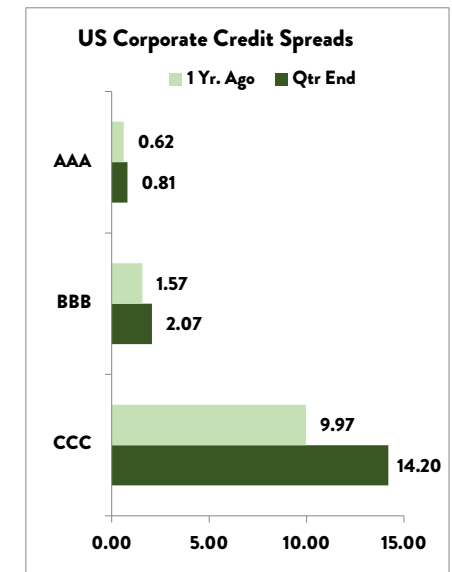
Source: Morningstar



Source: Morningstar



Source: Morningstar



Source: Federal Reserve / Bank of America

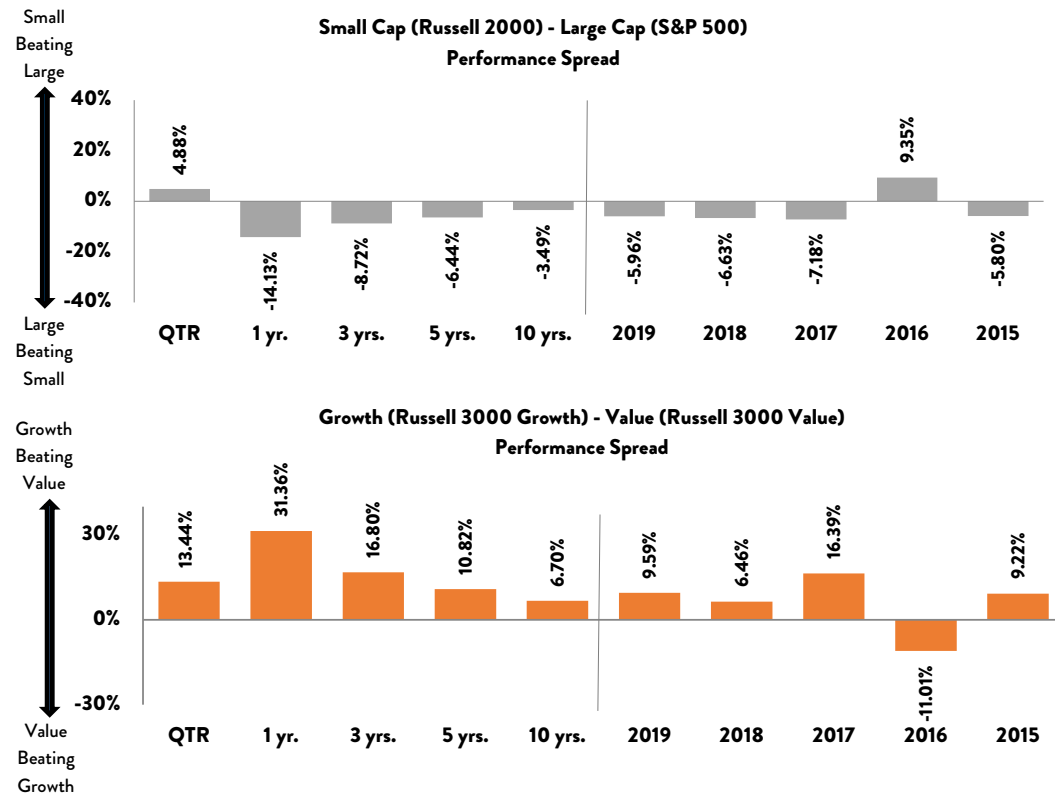
2Q2020 US Equity Market Data

Sectors Weights/Returns (ranked by quarter performance)

S&P 500 Index	Wgt.	Sector	QTR	YTD	1 yr.
	11%	Consumer Discretionary	32.86%	7.23%	12.59%
	27%	Information Technology	30.53%	14.95%	35.90%
	3%	Energy	30.51%	-35.34%	-36.09%
	3%	Materials	26.01%	-6.92%	-1.11%
	11%	Communication Services	20.04%	-0.31%	11.08%
	8%	Industrials	17.01%	-14.64%	-9.02%
	15%	Health Care	13.59%	-0.81%	10.90%
	3%	Real Estate	13.22%	-8.53%	-2.01%
	10%	Financials	12.20%	-23.62%	-13.92%
S&P Midcap 400 Index	Wgt.	Sector	QTR	YTD	1 yr.
	1%	Energy	74.62%	-47.19%	-53.91%
	14%	Consumer Discretionary	51.83%	-5.98%	2.27%
	16%	Information Technology	27.93%	-4.24%	7.68%
	6%	Materials	25.31%	-14.45%	-11.15%
	11%	Health Care	23.29%	5.60%	12.41%
	16%	Industrials	23.15%	-13.10%	-6.47%
	4%	Consumer Staples	20.37%	-1.48%	3.22%
	2%	Communication Services	15.45%	-16.50%	-16.99%
	15%	Financials	13.97%	-23.77%	-18.87%
S&P Smallcap 600 Index	Wgt.	Sector	QTR	YTD	1 yr.
	3%	Energy	54.99%	-54.54%	-62.36%
	15%	Consumer Discretionary	53.83%	-13.13%	-6.00%
	5%	Materials	27.37%	-17.75%	-14.15%
	14%	Information Technology	22.64%	-9.29%	4.68%
	18%	Industrials	22.37%	-17.66%	-11.17%
	13%	Health Care	17.05%	-6.23%	2.92%
	4%	Consumer Staples	16.27%	-8.23%	1.73%
	8%	Real Estate	13.38%	-25.14%	-18.09%
	3%	Communication Services	12.36%	3.26%	4.68%

Index Performance Data

Index	QTR	YTD	1 yr.	Annualized		
				3 yrs.	5 yrs.	10 yrs.
S&P 500	20.54%	-3.08%	7.51%	10.73%	10.73%	13.99%
Russell 1000 Value	14.29%	-16.26%	-8.84%	1.82%	4.64%	10.41%
Russell 1000 Growth	27.84%	9.81%	23.28%	18.99%	15.89%	17.23%
Russell Mid Cap	24.61%	-9.13%	-2.24%	5.79%	6.76%	12.35%
Russell Mid Cap Value	19.95%	-18.09%	-11.81%	-0.54%	3.32%	10.29%
Russell Mid Cap Growth	30.26%	4.16%	11.91%	14.76%	11.60%	15.09%
Russell 2000	25.42%	-12.98%	-6.63%	2.01%	4.29%	10.50%
Russell 2000 Value	18.91%	-23.50%	-17.48%	-4.35%	1.26%	7.82%
Russell 2000 Growth	30.58%	-3.06%	3.48%	7.86%	6.86%	12.92%
Russell 3000	22.03%	-3.48%	6.53%	10.04%	10.03%	13.72%
DJ US Select REIT	9.11%	-22.01%	-17.71%	-1.99%	2.45%	8.27%



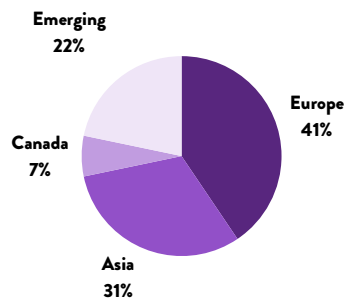
2Q2020 International Market Data

Index Performance Data (net)

Index (US\$)	QTR	YTD	1 yr.	3 yrs.	5 yrs.	10 yrs.
MSCI ACWI ex-US	16.12%	-11.00%	-4.80%	1.13%	2.26%	4.97%
MSCI EAFE	14.88%	-11.34%	-5.13%	0.81%	2.05%	5.73%
Europe	15.26%	-12.78%	-6.78%	0.00%	1.46%	5.65%
United Kingdom	7.79%	-23.26%	-17.73%	-3.93%	-2.46%	3.90%
Germany	26.54%	-7.63%	-2.59%	-1.30%	1.80%	6.07%
France	16.15%	-15.86%	-10.27%	0.50%	3.46%	5.79%
Pacific	14.16%	-9.01%	-2.39%	2.31%	3.24%	5.98%
Japan	11.61%	-7.12%	3.10%	2.97%	3.45%	6.09%
Hong Kong	9.16%	-9.75%	-14.71%	0.93%	2.58%	7.40%
Australia	28.91%	-13.95%	-11.50%	0.83%	2.99%	5.22%
Canada	20.17%	-12.91%	-8.24%	1.13%	1.61%	2.71%
MSCI EM	18.08%	-9.78%	-3.39%	1.90%	2.86%	3.27%
MSCI EM Latin America	19.10%	-35.23%	-32.46%	-7.22%	-3.22%	-3.80%
MSCI EM Asia	17.82%	-3.50%	4.88%	4.10%	4.84%	5.81%
MSCI EM Eur/Mid East	15.97%	-19.99%	-16.78%	-0.29%	0.03%	-1.20%
MSCI ACWI Value ex-US	12.76%	-19.43%	-15.26%	-3.95%	-1.25%	2.79%
MSCI ACWI Growth ex-US	19.11%	-2.62%	5.80%	6.07%	5.61%	7.04%
MSCI ACWI Sm Cap ex-US	22.83%	-12.80%	-4.34%	-0.17%	2.50%	6.05%

Regional Exposure

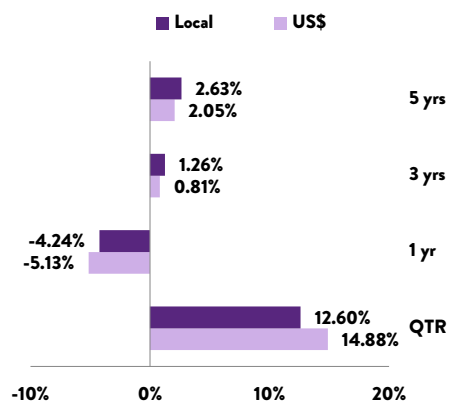
MSCI ACWI ex-USA



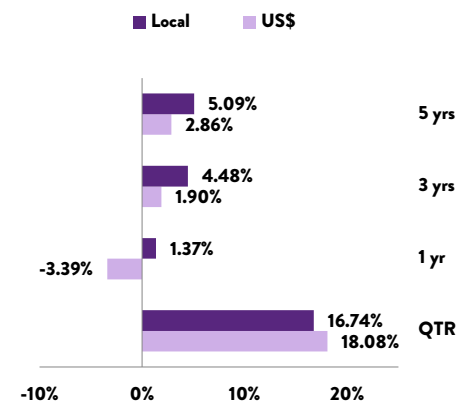
Top 10 Countries (MSCI AC World ex-USA)

Japan	16%
China	12%
UK	9%
France	7%
Switzerland	7%
Canada	6%
Germany	6%
Australia	4%
Taiwan	4%
South Korea	3%

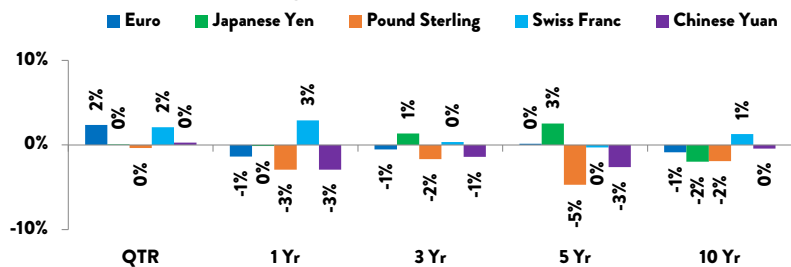
MSCI EAFE Index Return



MSCI Emerging Index Return

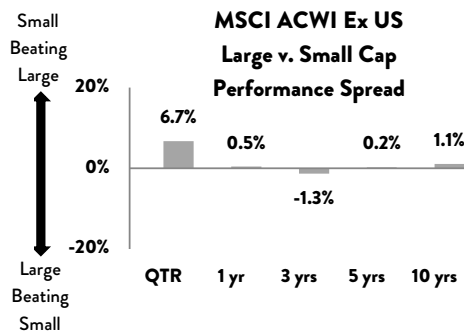


Foreign Currency v. US\$ Returns

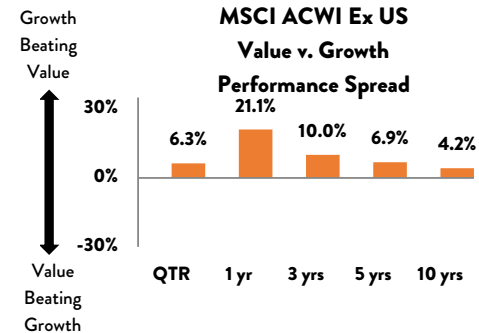


Exchange Rates	QTR	1Q20	4Q19	3Q19	2Q19	1Q19
Japanese Yen	107.77	107.53	108.67	108.11	107.84	110.68
Euro	0.89	0.91	0.89	0.92	0.88	0.89
British Pound	0.81	0.80	0.75	0.81	0.79	0.77
Swiss Franc	0.95	0.96	0.97	1.00	0.98	1.00
Chinese Yuan	7.07	7.08	6.96	7.15	6.87	6.71

MSCI ACWI Ex US Large v. Small Cap Performance Spread



MSCI ACWI Ex US Value v. Growth Performance Spread



Historical Market Returns

Ranked by Performance

2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	YTD	2Q20
Emerging Markets 34.00%	Emerging Markets 32.14%	Emerging Markets 39.42%	US Bonds 5.24%	Emerging Markets 78.51%	Small Cap 26.85%	Core Real Estate 14.96%	Emerging Markets 18.22%	Small Cap 38.82%	Large Cap 13.68%	Core Real Estate 13.95%	Small Cap 21.30%	Emerging Markets 37.28%	Core Real Estate 7.36%	Large Cap 31.49%	US Bonds 6.14%	Small Cap 25.42%
Commod. 21.36%	Intl 26.65%	Intl 16.65%	Global Bonds 4.79%	High Yield 58.21%	Mid Cap 25.48%	TIPS 13.56%	Mid Cap 17.28%	Mid Cap 34.76%	Mid Cap 13.21%	Large Cap 1.38%	High Yield 17.12%	Intl 27.19%	Cash 1.69%	Mid Cap 30.54%	TIPS 6.01%	Mid Cap 24.61%
Core Real Estate 20.15%	Small Cap 18.37%	Commod. 16.23%	Cash 1.39%	Intl 41.45%	Emerging Markets 18.88%	US Bonds 7.84%	Intl 16.83%	Large Cap 32.39%	Core Real Estate 11.44%	US Bonds 0.55%	Mid Cap 13.79%	Large Cap 21.83%	US Bonds 0.01%	Small Cap 25.52%	Global Bonds 2.98%	Large Cap 20.54%
Intl 16.62%	Large Cap 15.79%	Core Real Estate 14.84%	TIPS -2.35%	Mid Cap 40.48%	Commod. 16.83%	Global Bonds 5.64%	Small Cap 16.35%	Intl 15.29%	US Bonds 5.97%	Cash 0.03%	Large Cap 11.95%	Mid Cap 18.52%	Global Bonds -1.20%	Intl 21.51%	Cash 0.66%	Emerging Markets 18.08%
Mid Cap 12.65%	Core Real Estate 15.27%	TIPS 11.64%	Core Real Estate -10.70%	Small Cap 27.17%	Core Real Estate 15.26%	High Yield 4.98%	Large Cap 16.00%	Global Balanced 14.46%	Small Cap 4.89%	TIPS -1.43%	Commod. 11.76	Global Balanced 15.87%	TIPS -1.26%	Global Balanced 18.86%	Core Real Estate -1.00%	Intl 16.12%
Large Cap 4.91%	Mid Cap 15.26%	Global Bonds 9.48%	Global Balanced -24.51%	Large Cap 26.46%	High Yield 15.12%	Large Cap 2.11%	High Yield 15.81%	Core Real Estate 12.95%	TIPS 3.64%	Global Balanced -1.45%	Emerging Markets 11.18%	Small Cap 14.65%	High Yield -2.08%	Emerging Markets 18.42%	Global Balanced -1.56%	Global Balanced 12.78%
Small Cap 4.55%	Global Balanced 14.53%	Global Balanced 9.07%	High Yield -26.16%	Global Balanced 20.49%	Large Cap 15.06%	Cash 0.06%	Global Balanced 11.06%	High Yield 7.44%	Global Balanced 3.17%	Mid Cap -2.43%	Core Real Estate 7.76%	High Yield 7.50%	Large Cap -4.38%	High Yield 14.32%	Large Cap -3.08%	High Yield 10.18%
Global Balanced 4.16%	High Yield 11.85%	US Bonds 6.97%	Small Cap -33.79%	Commod. 18.91%	Intl 11.15%	Global Balanced -0.97%	Core Real Estate 9.76%	Cash 0.07%	High Yield 2.45%	Global Bonds -3.15%	Global Balanced 5.38%	Global Bonds 7.39%	Global Balanced -5.30%	US Bonds 8.72%	High Yield -3.80%	Commod. 5.08%
Cash 3.25%	Global Bonds 6.64%	Mid Cap 5.60%	Commod. -35.65%	TIPS 11.41%	Global Balanced 9.40%	Mid Cap -1.55%	TIPS 6.98%	US Bonds -2.02%	Global Bonds 0.59%	Small Cap -4.41%	TIPS 4.68%	Core Real Estate 6.66%	Mid Cap -9.06%	TIPS 8.43%	Mid Cap -9.13%	TIPS 4.24%
TIPS 2.84%	Cash 4.85%	Large Cap 5.49%	Large Cap -37.00%	Global Bonds 6.93%	US Bonds 6.54%	Small Cap -4.18%	Global Bonds 4.32%	Global Bonds -2.60%	Cash 0.04%	High Yield -4.46%	Intl 4.50%	US Bonds 3.54%	Small Cap -11.01%	Commod. 7.69%	Emerging Markets -9.78%	Global Bonds 3.32%
High Yield 2.74%	US Bonds 4.33%	Cash 4.44%	Mid Cap -41.46%	US Bonds 5.93%	TIPS 6.31%	Commod. -13.32%	US Bonds 4.21%	Emerging Markets -2.60%	Emerging Markets -2.18%	Intl -5.66%	US Bonds 2.65%	TIPS 3.01%	Commod. -11.25%	Global Bonds 6.84%	Intl -11.00%	US Bonds 2.90%
US Bonds 2.43%	Commod. 2.07%	High Yield 1.87%	Intl -45.53%	Cash 0.16%	Global Bonds 5.54%	Intl -13.71%	Cash 0.08%	TIPS -8.61%	Intl -3.86%	Emerging Markets -14.90%	Global Bonds 2.09%	Commod. 1.70%	Intl -14.20%	Core Real Estate 4.41%	Small Cap -12.98%	Cash 0.02%
Global Bonds -4.49%	TIPS 0.41%	Small Cap -1.57%	Emerging Markets -53.33%	Core Real Estate -30.40%	Cash 0.15%	Emerging Markets -18.42%	Commod. -1.06%	Commod. -9.52%	Commod. -17.00%	Commod. -24.60%	Cash 0.25%	Cash 0.71%	Emerging Markets -14.58%	Cash 2.30%	Commod. -19.40%	Core Real Estate -1.74%

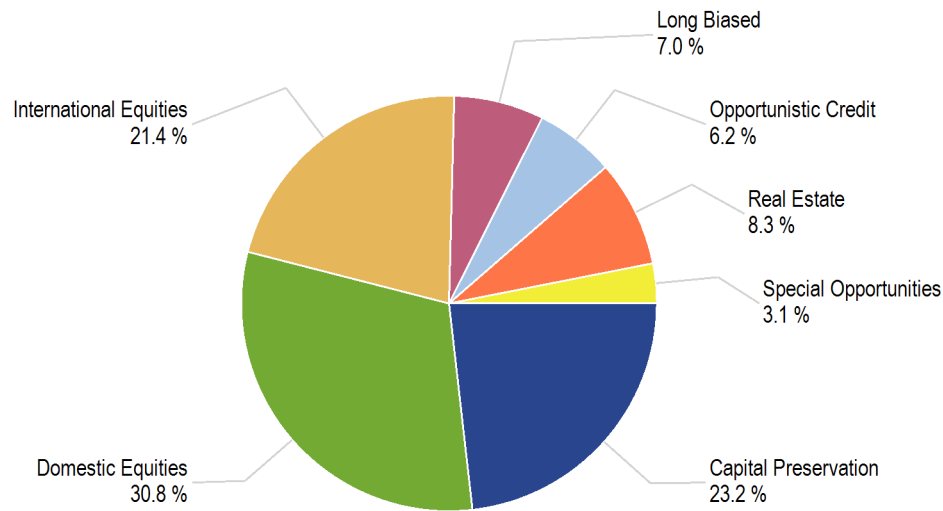
Global Balanced is composed of 60% MSCI World Stock Index, 35% BBgBarc Global Aggregate Bond Index, and 5% US 90-Day T-Bills.

Section 2

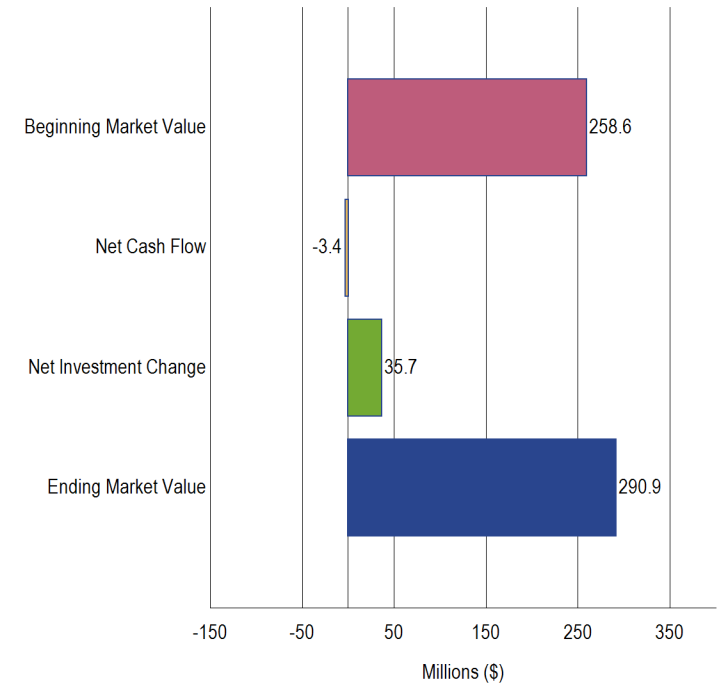
Spokane Employees' Retirement System

As of June 30, 2020

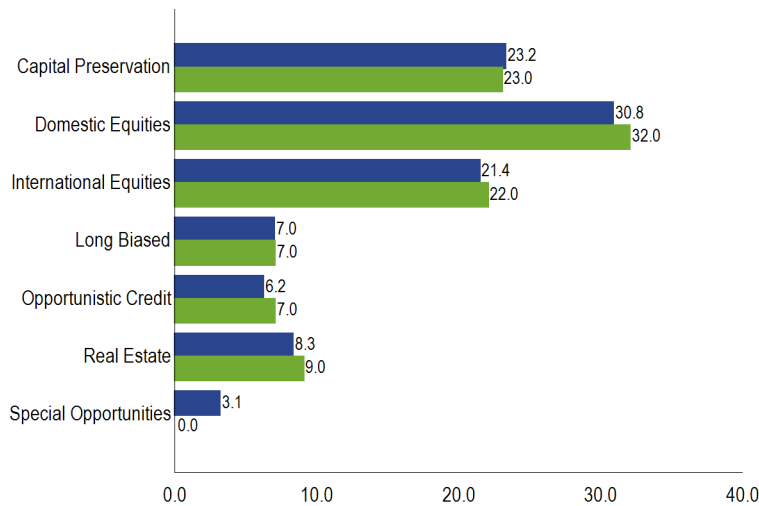
Current Allocation



Current Quarter



Actual vs Target Allocation (%)



Current Market Value:

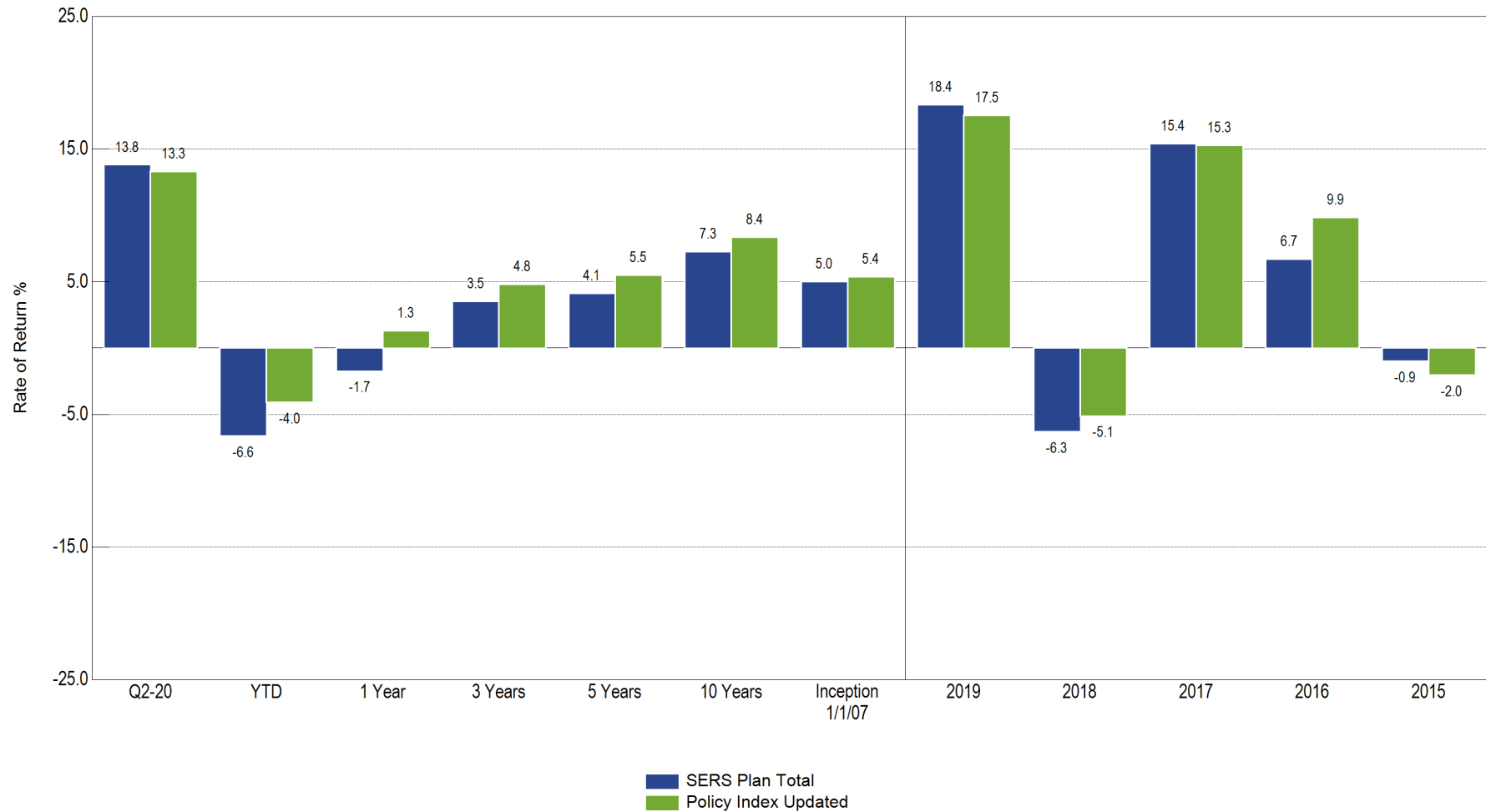
\$290,883,947

Policy Index

Index	Weight
US 90 Day T-Bill	0%
Barclays US Aggregate Bond Index	10%
Barclays Corporate High Yield Index	5%
HFRI FOF Conservative Index	8%
S&P 500 Index	21%
Russell 2500 Index	11%
MSCI ACWI ex-US Index	15%
MSCI ACWI ex-US Small Cap Index	4%
MSCI Emerging Markets Free Index	3%
HFRI FOF Composite Index	7%
HFRI Distressed Restructuring Index	7%
NCREIF - ODCE Index	6%
FTSE NAREIT Index	3%

Actual Policy

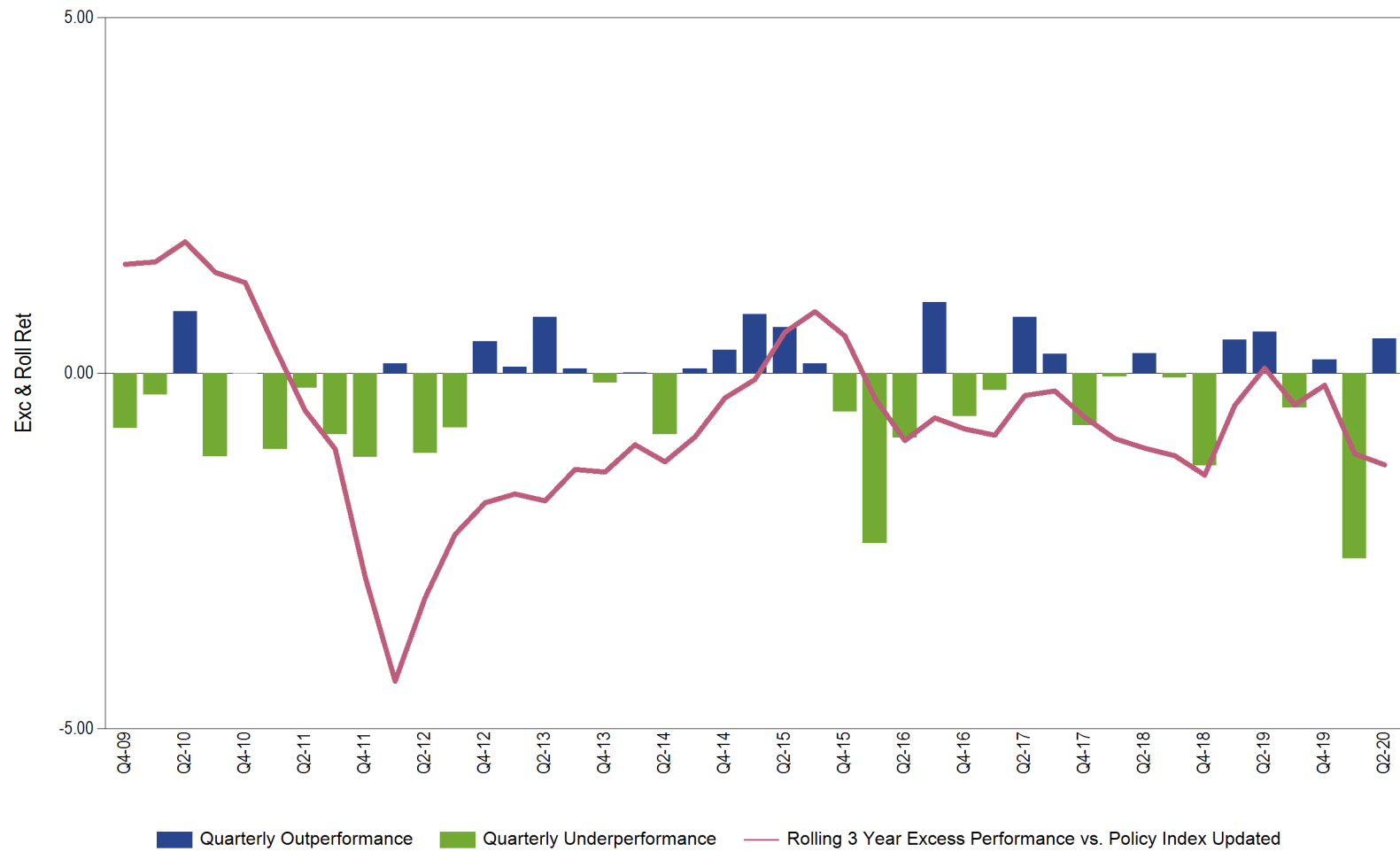
Return Summary



Performance Net of Fees

Performance greater than 1 year is annualized

Rolling Annualized Excess Performance



RISK RETURN STATISTICS

Trailing 3 Years

	SERS Plan Total	Policy Index Updated
RETURN SUMMARY STATISTICS		
Number of Periods	12	12
Maximum Return	13.82	13.33
Minimum Return	-17.94	-15.33
Annualized Return	3.52	4.81
Total Return	10.94	15.13
Annualized Excess Return Over Risk Free	1.86	3.15
Annualized Excess Return	-1.29	0.00
RISK SUMMARY STATISTICS		
Beta	1.11	1.00
Upside Deviation	8.26	8.19
Downside Deviation	16.94	15.16
RISK/RETURN SUMMARY STATISTICS		
Annualized Standard Deviation	16.46	14.80
Alpha	-0.40	0.00
Sharpe Ratio	0.11	0.21
Excess Return Over Market / Risk	-0.08	0.00
Tracking Error	1.86	0.00
Information Ratio	-0.69	--
CORRELATION STATISTICS		
R-Squared	1.00	1.00
Correlation	1.00	1.00

Market Proxy: Policy Index Updated

Risk-Free Proxy: 91 Day T-Bills

RISK RETURN STATISTICS

Trailing 5 Years

	SERS Plan Total	Policy Index Updated
RETURN SUMMARY STATISTICS		
Number of Periods	20	20
Maximum Return	13.82	13.33
Minimum Return	-17.94	-15.33
Annualized Return	4.15	5.50
Total Return	22.54	30.70
Annualized Excess Return Over Risk Free	3.02	4.37
Annualized Excess Return	-1.35	0.00
RISK SUMMARY STATISTICS		
Beta	1.10	1.00
Upside Deviation	6.79	6.38
Downside Deviation	14.06	12.50
RISK/RETURN SUMMARY STATISTICS		
Annualized Standard Deviation	13.21	11.96
Alpha	-0.43	0.00
Sharpe Ratio	0.23	0.37
Excess Return Over Market / Risk	-0.10	0.00
Tracking Error	1.92	0.00
Information Ratio	-0.70	--
CORRELATION STATISTICS		
R-Squared	0.99	1.00
Correlation	0.99	1.00

Market Proxy: Policy Index Updated

Risk-Free Proxy: 91 Day T-Bills

Spokane Employees' Retirement System

As of June 30, 2020

RISK RETURN STATISTICS

January 01, 2007 Through June 30, 2020

	SERS Plan Total	Policy Index Updated
RETURN SUMMARY STATISTICS		
Number of Periods	54	54
Maximum Return	13.82	16.64
Minimum Return	-17.94	-17.38
Annualized Return	5.00	5.39
Total Return	93.25	103.17
Annualized Excess Return Over Risk Free	4.13	4.52
Annualized Excess Return	-0.39	0.00
RISK SUMMARY STATISTICS		
Beta	0.92	1.00
Upside Deviation	6.61	7.67
Downside Deviation	10.94	10.97
RISK/RETURN SUMMARY STATISTICS		
Annualized Standard Deviation	12.46	13.25
Alpha	0.00	0.00
Sharpe Ratio	0.33	0.34
Excess Return Over Market / Risk	-0.03	0.00
Tracking Error	2.55	0.00
Information Ratio	-0.15	--
CORRELATION STATISTICS		
R-Squared	0.96	1.00
Correlation	0.98	1.00

Market Proxy: Policy Index Updated

Risk-Free Proxy: 91 Day T-Bills

Spokane Employees' Retirement System

As of June 30, 2020

Total Account Performance Summary

	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	Inception (%)	Inception Date
SERS Plan Total	13.82	-6.60	-1.70	3.52	4.15	7.26	18.35	-6.27	15.40	6.71	-0.94	5.34	18.89	5.00	Jan-07
Policy Index Updated	<u>13.33</u>	<u>-4.04</u>	<u>1.30</u>	<u>4.81</u>	<u>5.50</u>	<u>8.37</u>	<u>17.53</u>	<u>-5.09</u>	<u>15.29</u>	<u>9.86</u>	<u>-2.00</u>	<u>5.79</u>	<u>17.92</u>	<u>5.39</u>	Jan-07
Over/Under	0.49	-2.56	-3.00	-1.29	-1.35	-1.11	0.82	-1.18	0.11	-3.15	1.06	-0.45	0.97	-0.39	
70/30 ACWI/Barclays Aggregate Bond	14.18	-2.28	4.56	6.20	6.05	7.77	21.21	-6.48	17.50	6.42	-1.30	4.77	14.87	5.07	Jan-07
InvMetrics All DB \$250mm-\$1B Net Rank	13	96	97	97	97	83	57	83	42	74	47	63	8	73	Jan-07
Capital Preservation	5.79	-2.67	-0.73	2.33	3.27	--	8.71	-0.94	5.85	8.12	-1.74	1.65	2.70	3.12	Jul-12
Capital Preservation Index	<u>5.44</u>	<u>1.23</u>	<u>3.75</u>	<u>3.78</u>	<u>3.48</u>	<u>4.05</u>	<u>9.09</u>	<u>-0.72</u>	<u>4.60</u>	<u>5.43</u>	<u>-0.58</u>	<u>4.23</u>	<u>3.33</u>	<u>3.75</u>	Jul-12
Over/Under	0.35	-3.90	-4.48	-1.45	-0.21		-0.38	-0.22	1.25	2.69	-1.16	-2.58	-0.63	-0.63	
Domestic Equity	22.21	-7.02	0.62	6.85	7.22	--	29.14	-7.80	19.86	10.91	-0.32	11.10	36.38	11.33	Jul-12
Domestic Equity Index	<u>22.59</u>	<u>-5.75</u>	<u>3.31</u>	<u>8.49</u>	<u>8.95</u>	<u>13.17</u>	<u>30.24</u>	<u>-6.30</u>	<u>20.11</u>	<u>13.92</u>	<u>-0.06</u>	<u>11.44</u>	<u>33.91</u>	<u>12.19</u>	Jul-12
Over/Under	-0.38	-1.27	-2.69	-1.64	-1.73		-1.10	-1.50	-0.25	-3.01	-0.26	-0.34	2.47	-0.86	
All Cap Blend MStar MF Rank	37	41	43	42	42	--	41	45	37	70	33	38	35	40	Jul-12
International Equity Total	21.37	-9.30	-1.56	1.89	3.44	6.54	25.02	-15.78	28.45	3.91	-1.32	-3.58	20.93	3.97	Apr-07
International Equity Index	<u>17.61</u>	<u>-11.11</u>	<u>-4.46</u>	<u>1.04</u>	<u>2.43</u>	<u>4.98</u>	<u>21.27</u>	<u>-14.96</u>	<u>29.35</u>	<u>5.34</u>	<u>-5.49</u>	<u>-3.63</u>	<u>13.48</u>	<u>2.12</u>	Apr-07
Over/Under	3.76	1.81	2.90	0.85	1.01	1.56	3.75	-0.82	-0.90	-1.43	4.17	0.05	7.45	1.85	
Foreign MStar MF Rank	25	44	43	41	37	41	37	50	42	24	67	32	56	20	Apr-07
Long Biased	6.61	0.00	3.01	6.35	2.72	--	12.74	2.43	1.19	-2.99	4.04	3.62	9.56	4.27	Jul-12
HFRI Fund of Funds Composite Index	<u>7.90</u>	<u>-1.57</u>	<u>0.49</u>	<u>2.26</u>	<u>1.50</u>	<u>2.79</u>	<u>8.39</u>	<u>-4.02</u>	<u>7.77</u>	<u>0.51</u>	<u>-0.27</u>	<u>3.36</u>	<u>8.96</u>	<u>3.26</u>	Jul-12
Over/Under	-1.29	1.57	2.52	4.09	1.22		4.35	6.45	-6.58	-3.50	4.31	0.26	0.60	1.01	
S&P 500	20.54	-3.08	7.50	10.73	10.73	13.99	31.49	-4.38	21.83	11.96	1.38	13.69	32.39	13.15	Jul-12
Opportunistic Credit	6.18	-12.13	-14.34	-4.71	0.02	--	1.14	-5.68	7.08	14.52	2.35	2.32	--	1.71	Oct-13
HFRI ED: Distressed/Restructuring Index	<u>10.12</u>	<u>-2.77</u>	<u>-4.51</u>	<u>0.47</u>	<u>1.94</u>	<u>3.77</u>	<u>2.94</u>	<u>-1.70</u>	<u>6.25</u>	<u>15.15</u>	<u>-8.06</u>	<u>-1.39</u>	<u>14.05</u>	<u>1.94</u>	Oct-13
Over/Under	-3.94	-9.36	-9.83	-5.18	-1.92		-1.80	-3.98	0.83	-0.63	10.41	3.71		-0.23	

Capital Preservation Index: Barclays Aggregate: 43.5%; HFRI Conservative: 34.8%; Barclays High Yield: 21.8%

Domestic Equity Index: S&P 500: 65.63%; Russell 2500: 34.37%

International Index: MSCI ACWI ex US: 68.2%; MSCI ACWI ex US Small Cap: 18.2%; MSCI Emerging Mkts: 13.6%

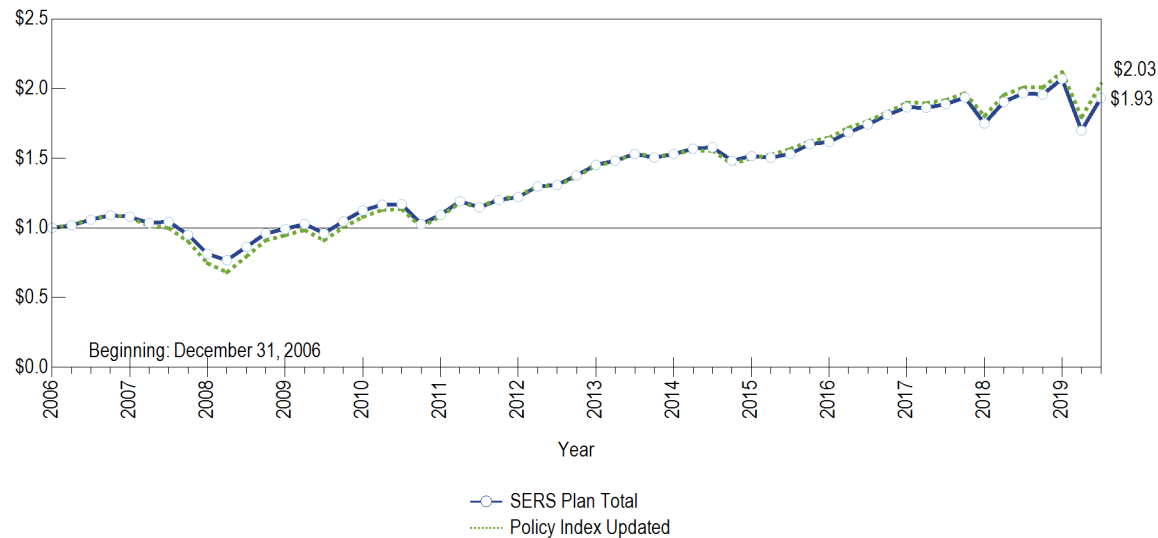
Spokane Employees' Retirement System

As of June 30, 2020

Total Account Performance Summary

	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	Inception (%)	Inception Date
Real Estate Total	4.28	-7.84	-2.61	5.49	7.29	11.23	16.62	3.68	10.01	8.09	6.66	25.00	8.71	5.11	Apr-07
NCREIF-ODCE	-1.55	-0.60	2.23	5.66	7.31	10.80	5.34	8.35	7.62	8.76	15.02	12.48	13.94	5.63	Apr-07
Over/Under	5.83	-7.24	-4.84	-0.17	-0.02	0.43	11.28	-4.67	2.39	-0.67	-8.36	12.52	-5.23	-0.52	
FTSE NAREIT All REIT	13.96	-15.01	-8.36	2.65	6.11	10.05	28.07	-4.10	9.27	9.28	2.29	27.15	3.21	4.40	Apr-07
US Real Estate Equity Rank	99	11	12	16	23	20	99	1	11	32	7	94	7	49	Apr-07
Special Opportunities	15.99	-12.26	-12.58	-2.71	-5.10	--	10.54	-11.43	25.32	-21.90	2.13	25.88	31.60	4.42	Jul-12
Russell 3000	22.03	-3.48	6.53	10.04	10.03	13.72	31.02	-5.24	21.13	12.73	0.48	12.56	33.55	12.86	Jul-12
Over/Under	-6.04	-8.78	-19.11	-12.75	-15.13		-20.48	-6.19	4.19	-34.63	1.65	13.32	-1.95	-8.44	

Growth of a Dollar



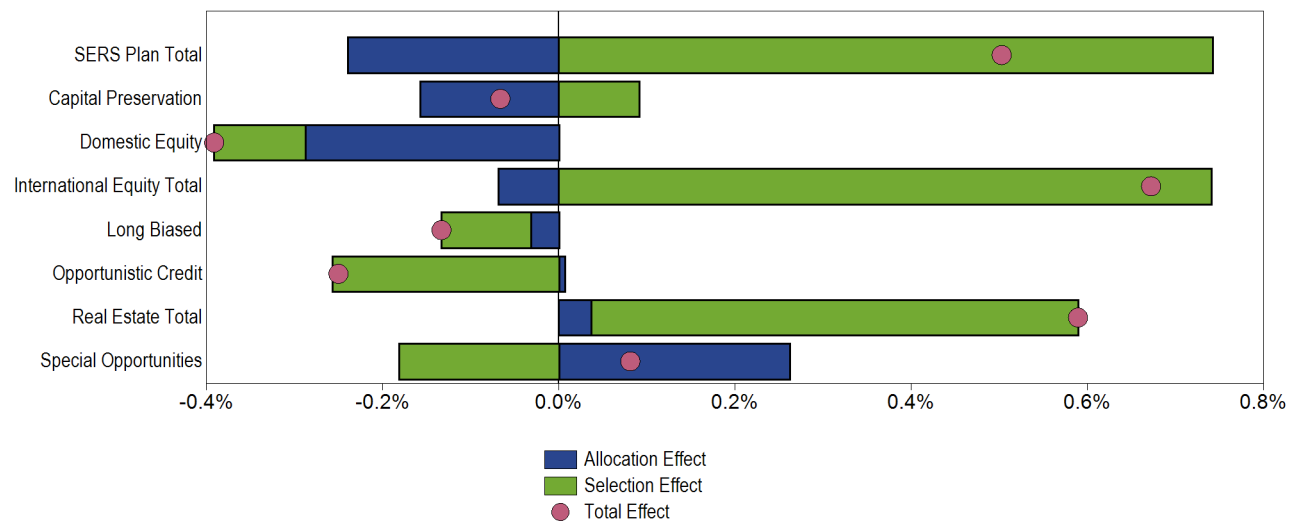
Spokane Employees' Retirement System

As of June 30, 2020

Attribution Summary 3 Months Ending June 30, 2020

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
Capital Preservation	5.8%	5.4%	0.3%	0.1%	-0.2%	-0.1%
Domestic Equity	22.2%	22.6%	-0.4%	-0.1%	-0.3%	-0.4%
International Equity Total	21.4%	17.6%	3.8%	0.7%	-0.1%	0.7%
Long Biased	6.6%	7.9%	-1.3%	-0.1%	0.0%	-0.1%
Opportunistic Credit	6.2%	10.1%	-3.9%	-0.3%	0.0%	-0.3%
Real Estate Total	4.3%	-1.6%	5.8%	0.6%	0.0%	0.6%
Special Opportunities	16.0%	22.0%	-6.0%	-0.2%	0.3%	0.1%
Total	13.8%	13.3%	0.5%	0.7%	-0.2%	0.5%

Attribution Effects 3 Months Ending June 30, 2020



Attributions reflect new policy index

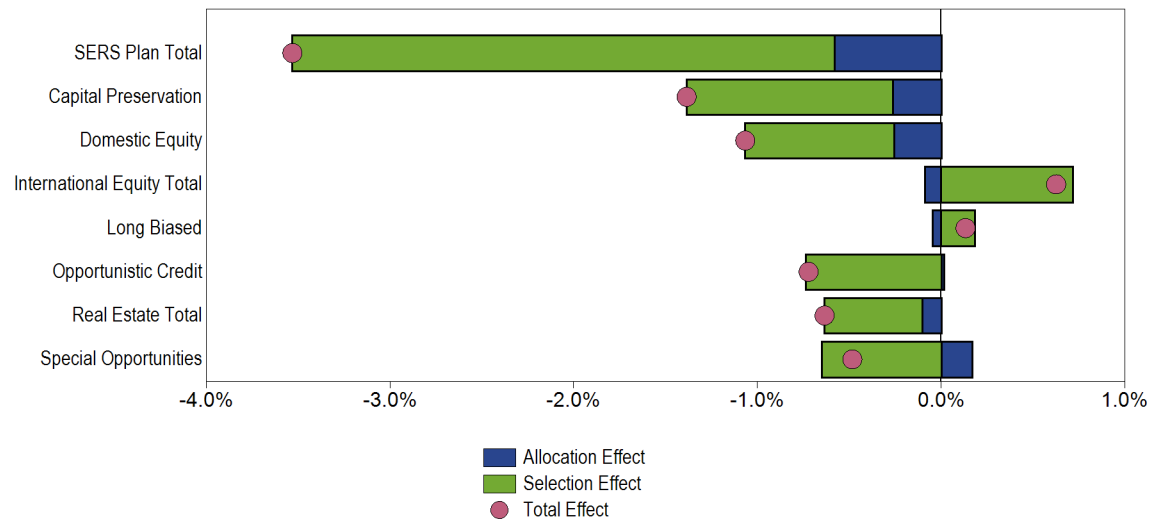
Spokane Employees' Retirement System

As of June 30, 2020

Attribution Summary 1 Year Ending June 30, 2020

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
Capital Preservation	-0.7%	3.7%	-4.5%	-1.1%	-0.3%	-1.4%
Domestic Equity	0.6%	3.3%	-2.7%	-0.8%	-0.3%	-1.1%
International Equity Total	-1.6%	-4.5%	2.9%	0.7%	-0.1%	0.6%
Long Biased	3.0%	0.5%	2.5%	0.2%	0.0%	0.1%
Opportunistic Credit	-14.3%	-4.5%	-9.8%	-0.7%	0.0%	-0.7%
Real Estate Total	-2.6%	2.2%	-4.8%	-0.5%	-0.1%	-0.6%
Special Opportunities	-12.6%	6.5%	-19.1%	-0.6%	0.2%	-0.5%
Total	-1.7%	1.8%	-3.5%	-2.9%	-0.6%	-3.5%

Attribution Effects 1 Year Ending June 30, 2020

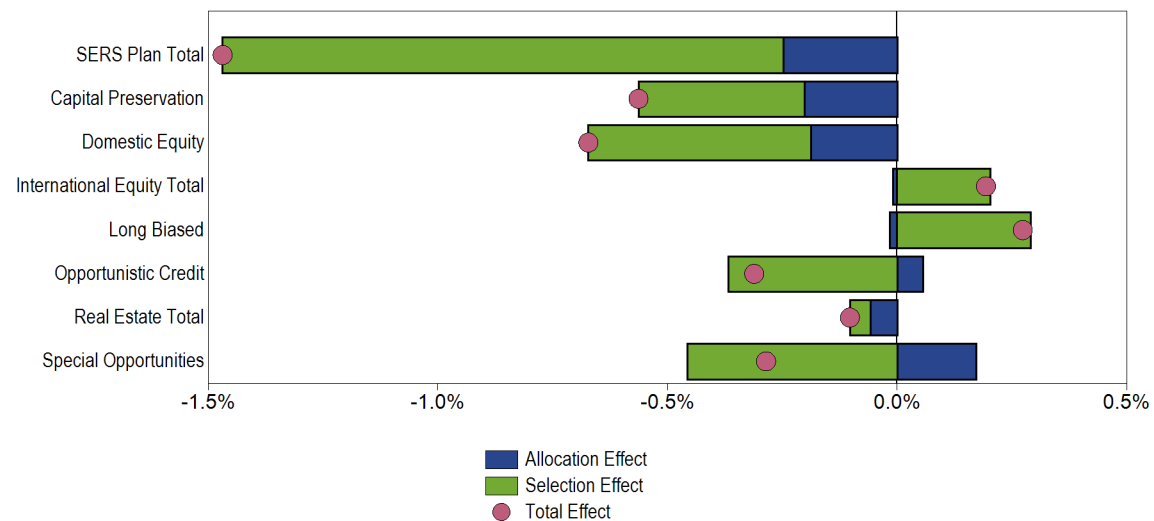


Attributions reflect new policy index

Attribution Summary
3 Years Ending June 30, 2020

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
Capital Preservation	2.3%	3.8%	-1.4%	-0.4%	-0.2%	-0.6%
Domestic Equity	6.9%	8.5%	-1.6%	-0.5%	-0.2%	-0.7%
International Equity Total	1.9%	1.0%	0.8%	0.2%	0.0%	0.2%
Long Biased	6.3%	2.3%	4.1%	0.3%	0.0%	0.3%
Opportunistic Credit	-4.7%	0.5%	-5.2%	-0.4%	0.1%	-0.3%
Real Estate Total	5.5%	5.7%	-0.2%	0.0%	-0.1%	-0.1%
Special Opportunities	-2.7%	10.0%	-12.7%	-0.5%	0.2%	-0.3%
Total	3.5%	5.0%	-1.5%	-1.2%	-0.2%	-1.5%

Attribution Effects
3 Years Ending June 30, 2020

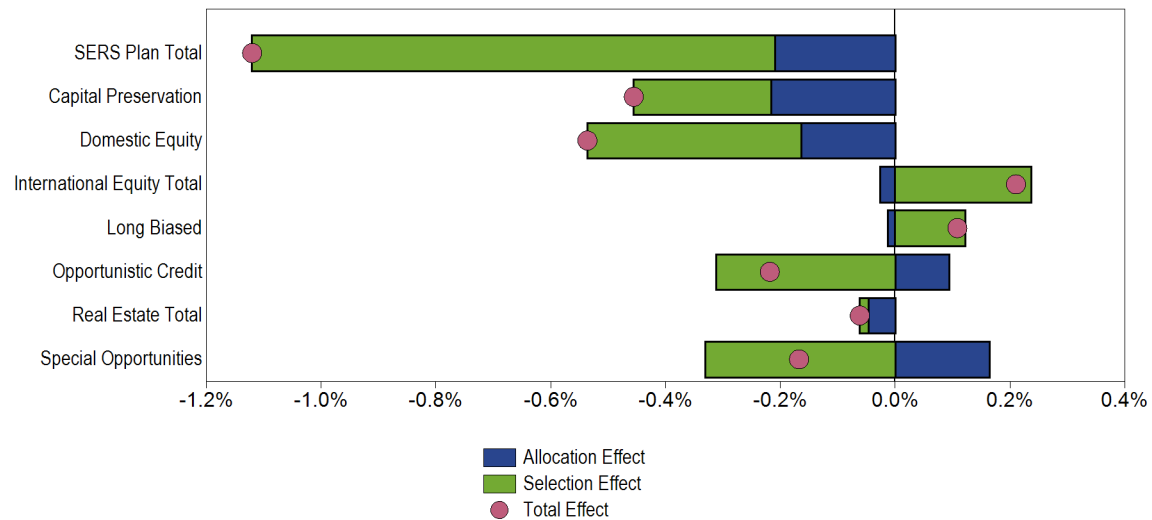


Attributions reflect new policy index

Attribution Summary
3 Years 6 Months Ending June 30, 2020

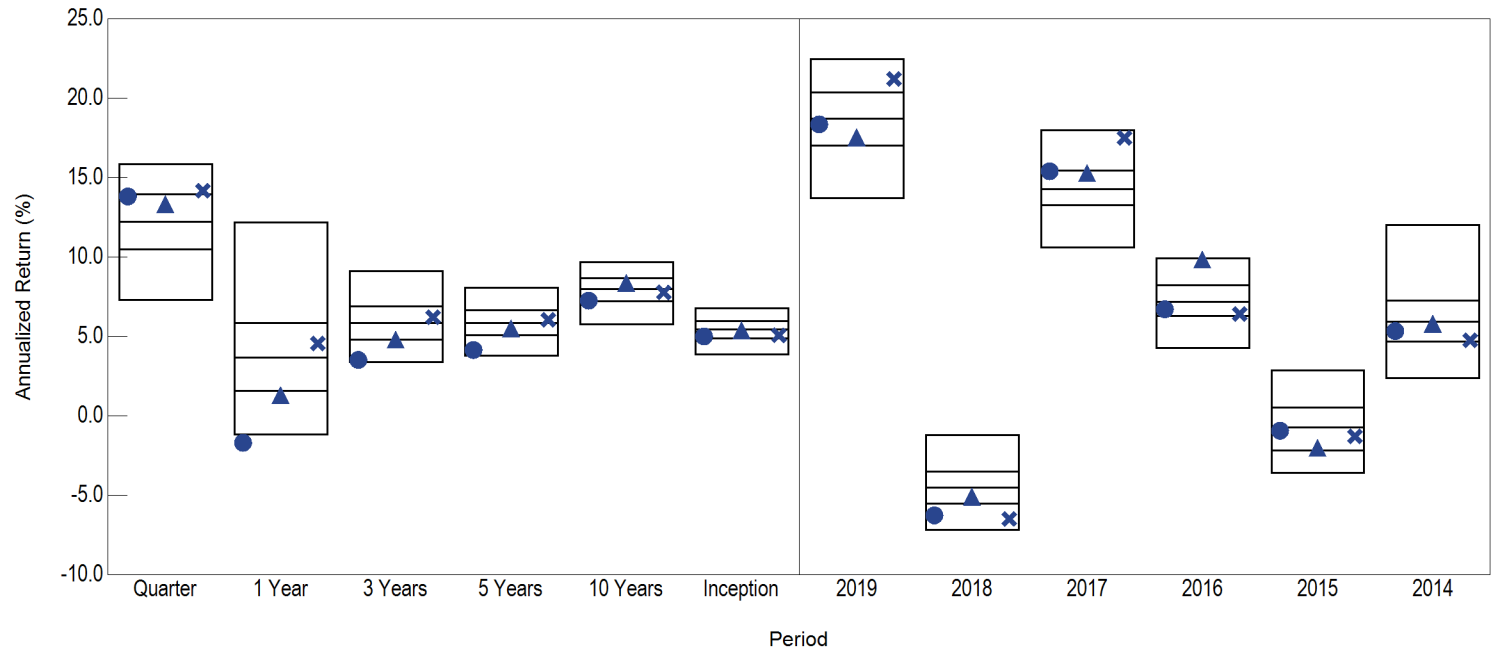
	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
Capital Preservation	3.0%	4.0%	-1.0%	-0.2%	-0.2%	-0.5%
Domestic Equity	8.4%	9.7%	-1.3%	-0.4%	-0.2%	-0.5%
International Equity Total	6.0%	5.0%	1.0%	0.2%	0.0%	0.2%
Long Biased	4.5%	2.9%	1.7%	0.1%	0.0%	0.1%
Opportunistic Credit	-3.0%	1.3%	-4.3%	-0.3%	0.1%	-0.2%
Real Estate Total	6.0%	5.9%	0.1%	0.0%	0.0%	-0.1%
Special Opportunities	2.1%	11.2%	-9.1%	-0.3%	0.2%	-0.2%
Total	5.2%	6.3%	-1.1%	-0.9%	-0.2%	-1.1%

Attribution Effects
3 Years 6 Months Ending June 30, 2020



Attributions reflect new policy index

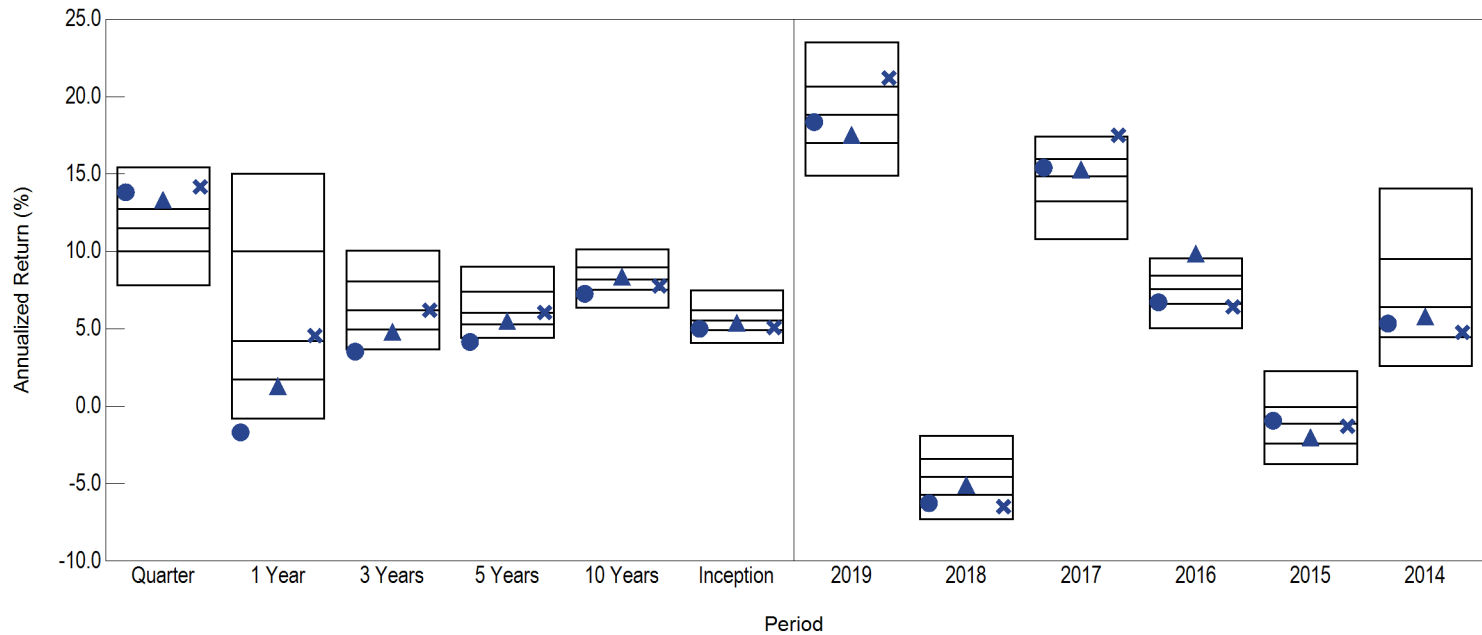
InvMetrics All DB \$50mm-\$250mm Net Return Comparison
Ending June 30, 2020



Return (Rank)

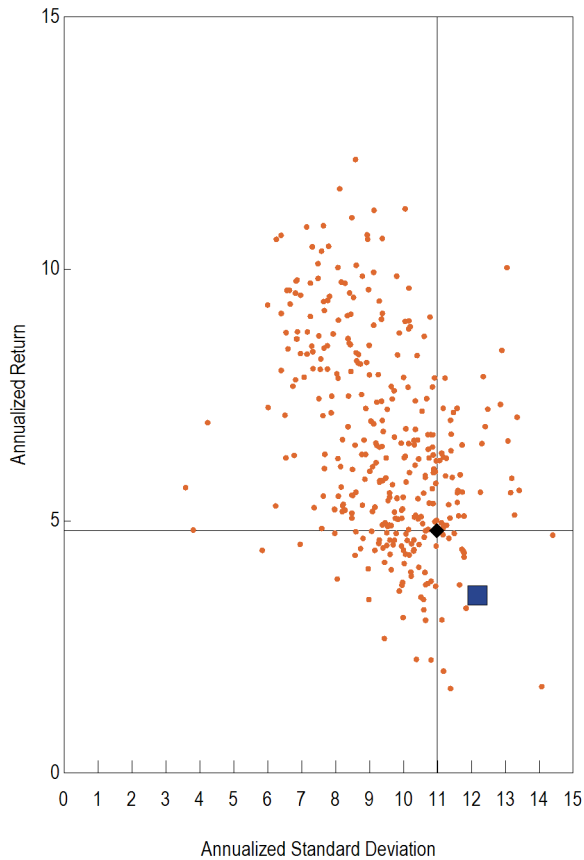
5th Percentile	15.9	12.2	9.1	8.1	9.7	6.8	22.5	-1.2	18.0	9.9	2.9	12.0
25th Percentile	14.0	5.9	6.9	6.7	8.7	6.0	20.4	-3.5	15.5	8.3	0.6	7.3
Median	12.3	3.7	5.9	5.9	8.0	5.5	18.7	-4.5	14.3	7.2	-0.7	6.0
75th Percentile	10.5	1.6	4.9	5.1	7.3	4.9	17.1	-5.5	13.3	6.3	-2.1	4.7
95th Percentile	7.3	-1.1	3.4	3.8	5.8	3.9	13.7	-7.1	10.7	4.3	-3.5	2.4
# of Portfolios	585	581	559	527	428	346	509	538	326	321	330	285
● SERS Plan Total	13.8 (28)	-1.7 (98)	3.5 (94)	4.1 (93)	7.3 (76)	5.0 (73)	18.4 (57)	-6.3 (87)	15.4 (27)	6.7 (66)	-0.9 (55)	5.3 (66)
▲ Policy Index Updated	13.3 (33)	1.3 (81)	4.8 (76)	5.5 (63)	8.4 (38)	5.4 (57)	17.5 (69)	-5.1 (68)	15.3 (29)	9.9 (6)	-2.0 (72)	5.8 (54)
× 70/30 ACWI/Barclays Aggregate Bond	14.2 (23)	4.6 (38)	6.2 (43)	6.1 (45)	7.8 (60)	5.1 (70)	21.2 (16)	-6.5 (89)	17.5 (8)	6.4 (73)	-1.3 (60)	4.8 (74)

InvMetrics All DB \$250mm-\$1B Net Return Comparison
Ending June 30, 2020

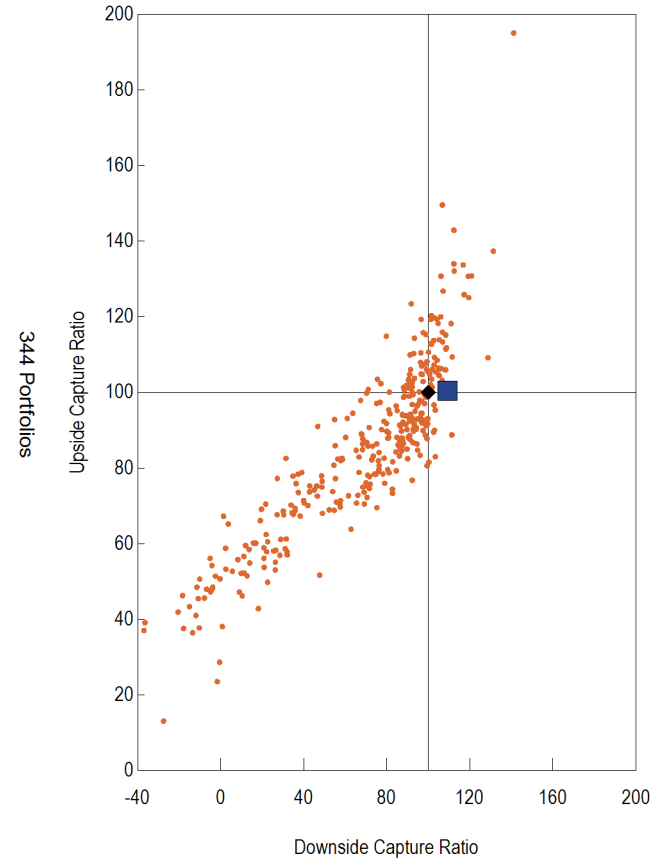


	Quarter	1 Year	3 Years	5 Years	10 Years	Inception	2019	2018	2017	2016	2015	2014
Return (Rank)												
5th Percentile	15.4	15.0	10.0	9.0	10.1	7.5	23.5	-1.9	17.4	9.6	2.2	14.1
25th Percentile	12.8	10.0	8.1	7.4	9.0	6.2	20.7	-3.4	16.0	8.5	0.0	9.6
Median	11.5	4.3	6.2	6.1	8.2	5.6	18.9	-4.5	14.9	7.6	-1.1	6.4
75th Percentile	10.0	1.7	5.0	5.3	7.6	4.9	17.0	-5.7	13.3	6.6	-2.4	4.5
95th Percentile	7.9	-0.8	3.7	4.4	6.4	4.1	14.9	-7.2	10.8	5.1	-3.7	2.6
# of Portfolios	357	354	344	322	260	221	332	326	237	248	231	212
● SERS Plan Total	13.8 (13)	-1.7 (97)	3.5 (97)	4.1 (97)	7.3 (83)	5.0 (73)	18.4 (57)	-6.3 (83)	15.4 (42)	6.7 (74)	-0.9 (47)	5.3 (63)
▲ Policy Index Updated	13.3 (21)	1.3 (82)	4.8 (80)	5.5 (69)	8.4 (46)	5.4 (57)	17.5 (68)	-5.1 (62)	15.3 (43)	9.9 (4)	-2.0 (69)	5.8 (61)
✕ 70/30 ACWI/Barclays Aggregate Bond	14.2 (11)	4.6 (48)	6.2 (52)	6.1 (51)	7.8 (66)	5.1 (70)	21.2 (20)	-6.5 (86)	17.5 (4)	6.4 (78)	-1.3 (56)	4.8 (73)

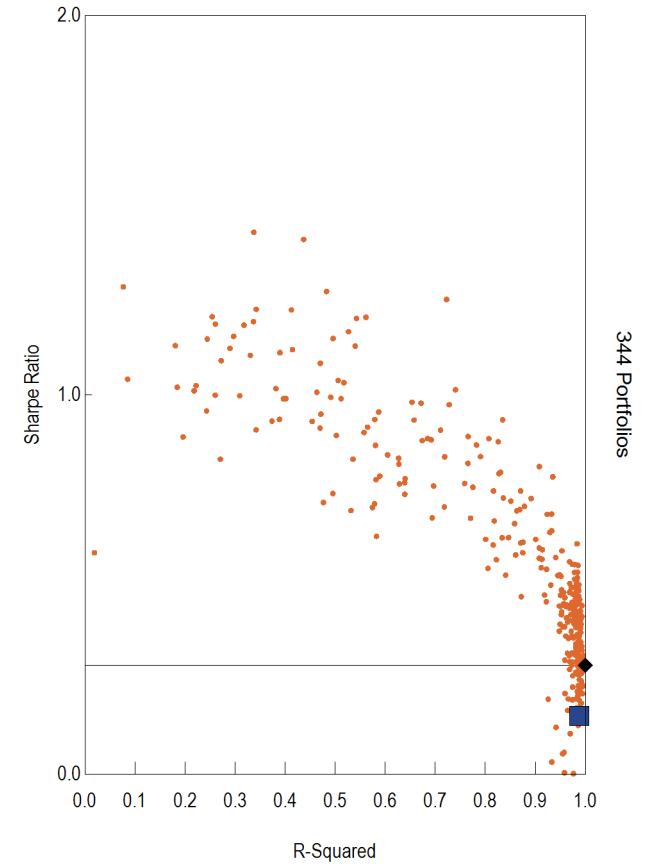
Annualized Return vs. Annualized Standard Deviation
3 Years Ending June 30, 2020



Upside Capture Ratio vs. Downside Capture Ratio
3 Years Ending June 30, 2020



Sharpe Ratio vs. R-Squared
3 Years Ending June 30, 2020

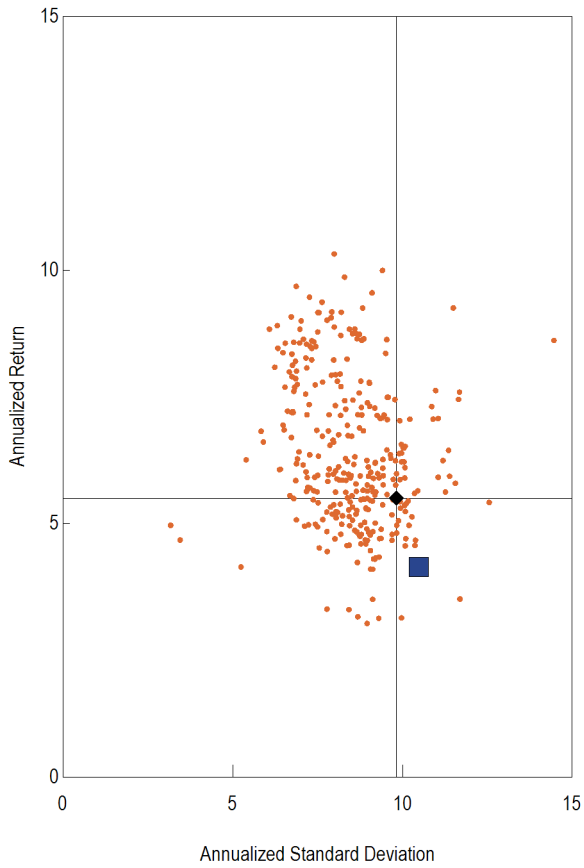


- SERS Plan Total
- ◆ Policy Index Updated
- InvMetrics All DB \$250mm-\$1B Net

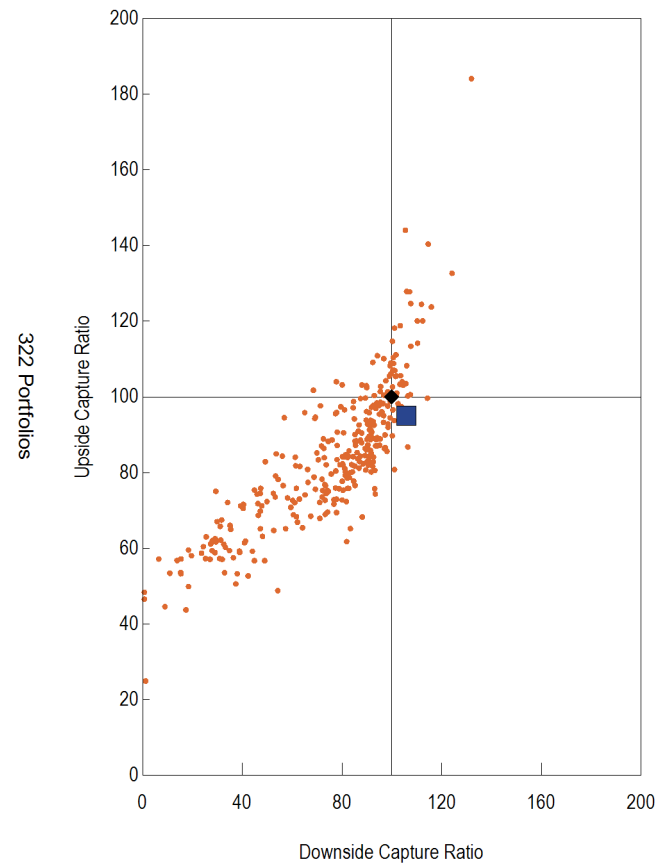
- SERS Plan Total
- ◆ Policy Index Updated
- InvMetrics All DB \$250mm-\$1B Net

- SERS Plan Total
- ◆ Policy Index Updated
- InvMetrics All DB \$250mm-\$1B Net

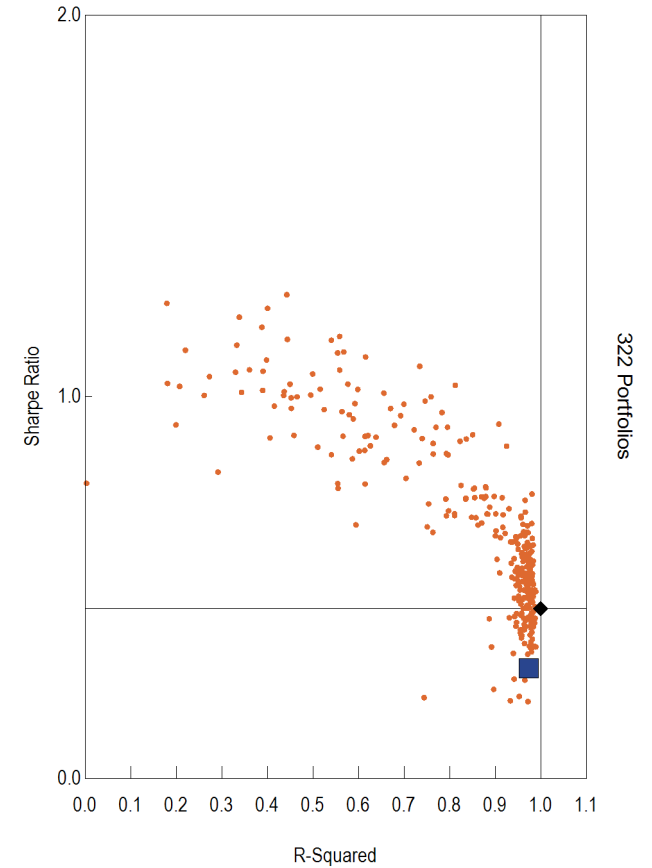
Annualized Return vs. Annualized Standard Deviation
5 Years Ending June 30, 2020



Upside Capture Ratio vs. Downside Capture Ratio
5 Years Ending June 30, 2020



Sharpe Ratio vs. R-Squared
5 Years Ending June 30, 2020

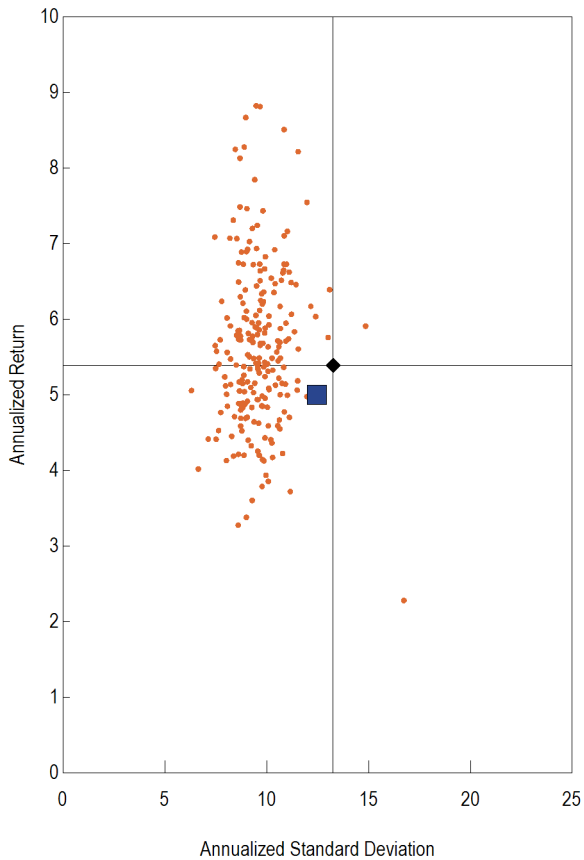


- SERS Plan Total
- ◆ Policy Index Updated
- InvMetrics All DB \$250mm-\$1B Net

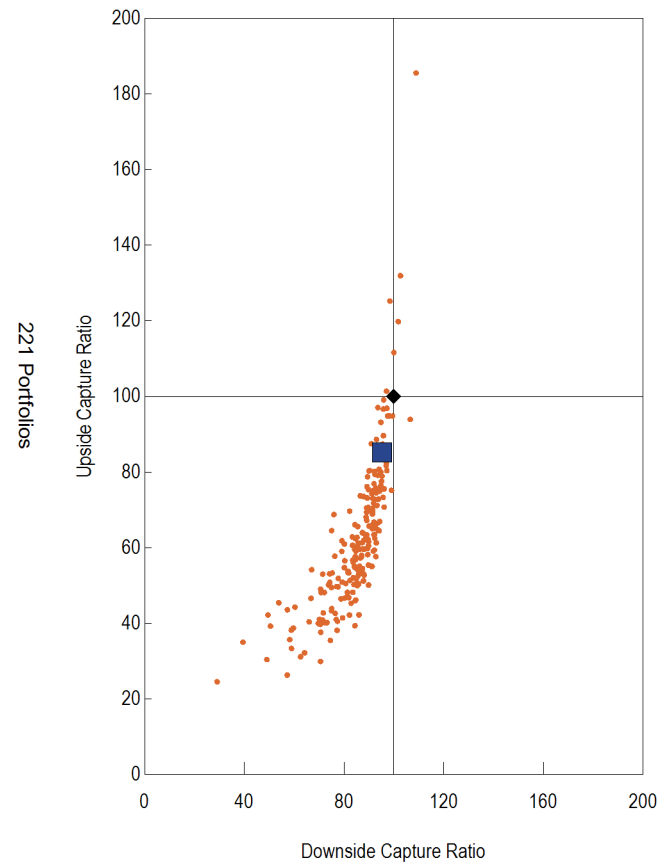
- SERS Plan Total
- ◆ Policy Index Updated
- InvMetrics All DB \$250mm-\$1B Net

- SERS Plan Total
- ◆ Policy Index Updated
- InvMetrics All DB \$250mm-\$1B Net

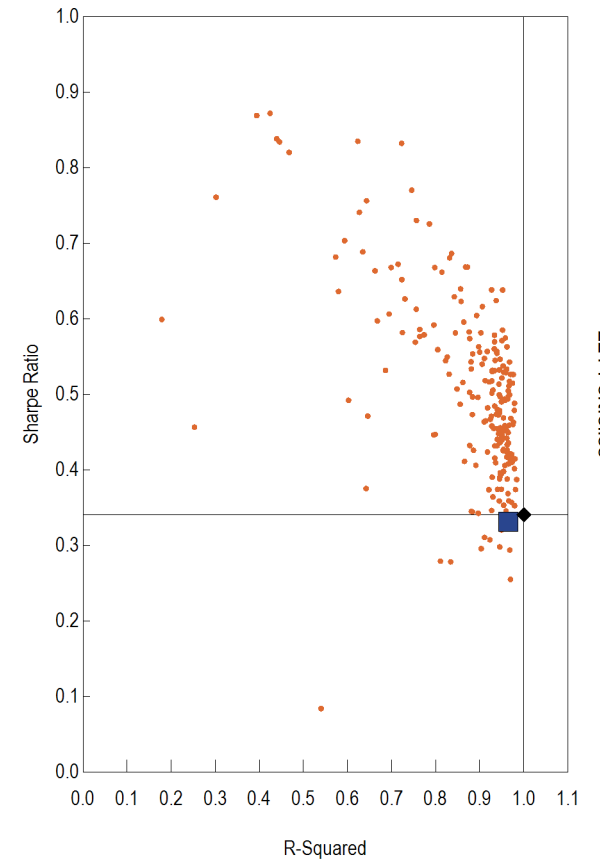
Annualized Return vs. Annualized Standard Deviation
13 Years 6 Months Ending June 30, 2020



Upside Capture Ratio vs. Downside Capture Ratio
13 Years 6 Months Ending June 30, 2020



Sharpe Ratio vs. R-Squared
13 Years 6 Months Ending June 30, 2020



- SERS Plan Total
- ◆ Policy Index Updated
- InvMetrics All DB \$250mm-\$1B Net

- SERS Plan Total
- ◆ Policy Index Updated
- InvMetrics All DB \$250mm-\$1B Net

- SERS Plan Total
- ◆ Policy Index Updated
- InvMetrics All DB \$250mm-\$1B Net

Spokane Employees' Retirement System

As of June 30, 2020

Asset Class Performance

	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	Inception (%)	Inception Date
Capital Preservation	5.79	-2.67	-0.73	2.33	3.27	8.71	-0.94	5.85	8.12	-1.74	1.65	3.12	Jul-12
Capital Preservation Index	5.44	1.23	3.75	3.78	3.48	9.09	-0.72	4.60	5.43	-0.58	4.23	3.75	Jul-12
Over/Under	0.35	-3.90	-4.48	-1.45	-0.21	-0.38	-0.22	1.25	2.69	-1.16	-2.58	-0.63	
Total Return Bond	5.10	5.82	8.52	5.51	--	9.38	-0.09	4.20	--	--	--	4.40	Sep-16
BBgBarc US Aggregate TR	2.90	6.13	8.74	5.32	4.30	8.72	0.01	3.54	2.65	0.55	5.97	4.02	Sep-16
Over/Under	2.20	-0.31	-0.22	0.19		0.66	-0.10	0.66				0.38	
Intermediate Core Bond MStar MF Rank	27	54	47	23	--	23	38	38	--	--	--	24	Sep-16
High Yield	10.12	-9.60	-8.08	-0.49	2.19	9.71	-3.46	8.22	16.67	-7.05	0.68	3.46	Jul-12
BBgBarc US High Yield TR	10.18	-3.80	0.03	3.33	4.79	14.32	-2.08	7.50	17.13	-4.47	2.45	5.54	Jul-12
Over/Under	-0.06	-5.80	-8.11	-3.82	-2.60	-4.61	-1.38	0.72	-0.46	-2.58	-1.77	-2.08	
High Yield Bond MStar MF Rank	35	97	98	98	97	86	74	18	13	92	70	96	Jul-12
Absolute Return	3.49	-8.09	-6.57	0.15	2.02	8.10	-1.11	5.33	7.75	0.29	3.15	2.73	Jul-12
HFRI FOF: Conservative Index	5.71	-1.89	-0.34	1.95	1.50	6.30	-0.87	4.12	1.89	0.37	3.14	2.99	Jul-12
Over/Under	-2.22	-6.20	-6.23	-1.80	0.52	1.80	-0.24	1.21	5.86	-0.08	0.01	-0.26	
BBgBarc US Aggregate TR	2.90	6.13	8.74	5.32	4.30	8.72	0.01	3.54	2.65	0.55	5.97	3.37	Jul-12
Domestic Equity	22.21	-7.02	0.62	6.85	7.22	29.14	-7.80	19.86	10.91	-0.32	11.10	11.33	Jul-12
Domestic Equity Index	22.59	-5.75	3.31	8.49	8.95	30.24	-6.30	20.11	13.92	-0.06	11.44	12.19	Jul-12
Over/Under	-0.38	-1.27	-2.69	-1.64	-1.73	-1.10	-1.50	-0.25	-3.01	-0.26	-0.34	-0.86	
All Cap Blend MStar MF Rank	37	41	43	42	42	41	45	37	70	33	38	40	Jul-12
Domestic Large Cap Equity	21.52	-5.16	3.46	8.22	7.95	30.06	-7.70	22.54	8.24	-0.32	12.85	7.73	Apr-07
S&P 500	20.54	-3.08	7.50	10.73	10.73	31.49	-4.38	21.83	11.96	1.38	13.69	8.33	Apr-07
Over/Under	0.98	-2.08	-4.04	-2.51	-2.78	-1.43	-3.32	0.71	-3.72	-1.70	-0.84	-0.60	
Large Blend MStar MF Rank	32	62	67	61	69	52	78	24	83	53	39	58	Apr-07
Domestic Small/Mid Equity	23.73	-10.55	-4.75	4.18	5.71	27.27	-8.05	14.91	15.37	-0.39	8.69	10.43	Jul-12
Russell 2500	26.56	-11.05	-4.70	4.08	5.41	27.77	-10.00	16.81	17.59	-2.90	7.07	10.20	Jul-12
Over/Under	-2.83	0.50	-0.05	0.10	0.30	-0.50	1.95	-1.90	-2.22	2.51	1.62	0.23	
SMID Blend MStar MF Rank	46	17	22	13	10	31	12	39	75	10	24	13	Jul-12

Spokane Employees' Retirement System

As of June 30, 2020

Asset Class Performance

	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	Inception (%)	Inception Date
International Equity Total	21.37	-9.30	-1.56	1.89	3.44	25.02	-15.78	28.45	3.91	-1.32	-3.58	3.97	Apr-07
International Equity Index	17.61	-11.11	-4.46	1.04	2.43	21.27	-14.96	29.35	5.34	-5.49	-3.63	2.12	Apr-07
Over/Under	3.76	1.81	2.90	0.85	1.01	3.75	-0.82	-0.90	-1.43	4.17	0.05	1.85	
Foreign MStar MF Rank	25	44	43	41	37	37	50	42	24	67	32	20	Apr-07
International Large Cap Equity	19.98	-9.92	-2.32	1.92	3.60	25.78	-15.14	27.50	4.02	-1.13	-1.38	7.45	Jul-12
MSCI ACWI ex USA	16.12	-11.00	-4.80	1.13	2.26	21.51	-14.20	27.19	4.50	-5.66	-3.87	4.90	Jul-12
Over/Under	3.86	1.08	2.48	0.79	1.34	4.27	-0.94	0.31	-0.48	4.53	2.49	2.55	
Foreign Large Blend MStar MF Rank	14	36	30	17	9	15	51	31	23	56	12	4	Jul-12
International Small/Mid Cap Equity	26.37	-8.81	0.54	2.38	3.94	27.88	-20.33	37.08	-0.68	7.56	-12.10	7.33	Jul-12
MSCI ACWI xUS Small (net)	22.83	-12.80	-4.34	-0.17	2.50	22.42	-18.20	31.65	3.91	2.60	-4.03	6.08	Jul-12
Over/Under	3.54	3.99	4.88	2.55	1.44	5.46	-2.13	5.43	-4.59	4.96	-8.07	1.25	
Emerging Markets Equity	21.50	-6.97	-0.56	0.79	1.96	18.64	-14.62	23.58	7.03	-8.73	-2.07	3.43	Jul-12
MSCI Emerging Markets	18.08	-9.78	-3.39	1.90	2.86	18.44	-14.58	37.28	11.19	-14.92	-2.19	3.18	Jul-12
Over/Under	3.42	2.81	2.83	-1.11	-0.90	0.20	-0.04	-13.70	-4.16	6.19	0.12	0.25	
Diversified Emerging Mkts MStar MF Rank	42	30	35	55	68	63	28	94	56	16	49	49	Jul-12
Long Biased	6.61	0.00	3.01	6.35	2.72	12.74	2.43	1.19	-2.99	4.04	3.62	4.27	Jul-12
HFRI Fund of Funds Composite Index	7.90	-1.57	0.49	2.26	1.50	8.39	-4.02	7.77	0.51	-0.27	3.36	3.26	Jul-12
Over/Under	-1.29	1.57	2.52	4.09	1.22	4.35	6.45	-6.58	-3.50	4.31	0.26	1.01	
S&P 500	20.54	-3.08	7.50	10.73	10.73	31.49	-4.38	21.83	11.96	1.38	13.69	13.15	Jul-12
Opportunistic Credit	6.18	-12.13	-14.34	-4.71	0.02	1.14	-5.68	7.08	14.52	2.35	2.32	1.71	Oct-13
HFRI ED: Distressed/Restructuring Index	10.12	-2.77	-4.51	0.47	1.94	2.94	-1.70	6.25	15.15	-8.06	-1.39	1.94	Oct-13
Over/Under	-3.94	-9.36	-9.83	-5.18	-1.92	-1.80	-3.98	0.83	-0.63	10.41	3.71	-0.23	
Real Estate Total	4.28	-7.84	-2.61	5.49	7.29	16.62	3.68	10.01	8.09	6.66	25.00	5.11	Apr-07
NCREIF-ODCE	-1.55	-0.60	2.23	5.66	7.31	5.34	8.35	7.62	8.76	15.02	12.48	5.63	Apr-07
Over/Under	5.83	-7.24	-4.84	-0.17	-0.02	11.28	-4.67	2.39	-0.67	-8.36	12.52	-0.52	
FTSE NAREIT All REIT	13.96	-15.01	-8.36	2.65	6.11	28.07	-4.10	9.27	9.28	2.29	27.15	4.40	Apr-07
US Real Estate Equity Rank	99	11	12	16	23	99	1	11	32	7	94	49	Apr-07
Special Opportunities	15.99	-12.26	-12.58	-2.71	-5.10	10.54	-11.43	25.32	-21.90	2.13	25.88	4.42	Jul-12
Russell 3000	22.03	-3.48	6.53	10.04	10.03	31.02	-5.24	21.13	12.73	0.48	12.56	12.86	Jul-12
Over/Under	-6.04	-8.78	-19.11	-12.75	-15.13	-20.48	-6.19	4.19	-34.63	1.65	13.32	-8.44	



Manager Commentary

- **Sterling Mid Cap Value** – Sterling Mid Value is on watch status for underperformance and personnel transition. The strategy endured significant underperformance (-600bps) in the final two quarters of 2018 due largely to a structural (long-term/consistent) underweight to Utilities and REITS (top-performing sectors in 4Q18). They simply feel that these sectors of the market generate below average returns on capital over a full cycle. While we agree with this assessment, it creates additional tracking error vs. the policy index and peer group that investors need to be aware of. As expected, they performed well in the market rebound to start 2019 and the 4Q2019 cyclical rally consistent with our expectations. Updated YTD performance (through mid-August) continues to show well as 3-year and 5-year performance has improved to 39th and 44th percentiles vs. peers. Lead PM Tim Beyer retired in July. Patrick Rau has already assumed lead PM responsibilities after serving in a co-PM role since 2016. We believe the strategy is positioned to perform well coming out of a recession and that Rau will retain a similar style of management.
- **OrbiMed Partners** – This dedicated long-biased healthcare strategy is on watch for poor performance. They have taken a strong macro position that biotechnology stocks are trading at more attractive valuations versus traditional pharmaceutical companies. As a result, they have structured a portfolio that is long-biased biotech stocks. Due to excessive volatility, the size of the allocation was trimmed. Performance has improved dramatically post 2018. The strategy performed exceptionally well versus its benchmark (+2,045 bps) in 2019, and as expected did particularly well during the 4Q19 biotech rally. Strong performance continued during a very difficult 1Q20 as Healthcare/Biotech proved one of the best performing sectors in a very challenging environment.
- **Hotchkis & Wiley Diversified Value** – The Fund was placed on watch 1Q19 for performance in violation of policy parameters. This was triggered by extremely poor performance in 4Q2018 in which the strategy underperformed its style benchmark by nearly 700 bps and landed in the bottom decile of its peer universe. The drivers of short-term performance are large overweights to the poorly performing Energy and Financials sectors. The manager continues to find the best values in these out of favor sectors. The Fund rebounded strongly in 2019 outpacing its benchmark by 272 basis points and placing in the top quartile of its peer universe. Longer-term performance has been exceptional. Historically, the relatively concentrated, deep value nature of this strategy has led to significant tracking error vs. both style benchmark and peers requiring a patient long-term investment approach.

- **Hotchkis & Wiley High Yield** – The Fund was placed on watch 2Q19 for performance in violation of policy parameters. There are two primary drivers of underperformance which have persisted for well over a year now. These include; 1) overweight to and underperformance of small/mid cap issues, 2) significant exposure to a continued selloff in the energy sector. The dramatic flight to quality that occurred during 1Q20 as a result of the Corona Virus served as a further headwind for the strategy. The road to recovery in Energy looks to be long and small caps are likely to remain under pressure until full liquidity comes back to the asset class. That said, we believe much of the perceived liquidity/credit risk has been priced into smaller issues. H&W should be able to use their current yield advantage to slowly claw back relative performance. Conviction is key here, and we may need a longer time horizon to recoup our performance shortfall.

Spokane Employees' Retirement System

As of June 30, 2020

Manager Performance

	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	Inception (%)	Inception Date
Capital Preservation															
Sterling Core Bond	5.08	5.82	8.23	5.41	4.61	4.31	9.26	-0.35	4.33	3.75	0.54	5.99	-0.97	4.12	Aug-16
BBgBarc US Aggregate TR	<u>2.90</u>	<u>6.13</u>	<u>8.74</u>	<u>5.32</u>	<u>4.30</u>	<u>3.82</u>	<u>8.72</u>	<u>0.01</u>	<u>3.54</u>	<u>2.65</u>	<u>0.55</u>	<u>5.97</u>	<u>-2.02</u>	<u>3.80</u>	Aug-16
Excess Return	2.18	-0.31	-0.51	0.09	0.31	0.49	0.54	-0.36	0.79	1.10	-0.01	0.02	1.05	0.32	
Intermediate Core Bond MStar MF Rank	27	54	60	26	20	20	25	53	34	40	29	35	35	26	Aug-16
Hotchkis & Wiley High Yield	10.12	-8.76	-7.24	-0.16	2.28	5.74	9.77	-3.43	8.24	16.02	-4.30	1.09	8.71	1.99	Jun-15
BBgBarc US High Yield TR	<u>10.18</u>	<u>-3.80</u>	<u>0.03</u>	<u>3.33</u>	<u>4.79</u>	<u>6.68</u>	<u>14.32</u>	<u>-2.08</u>	<u>7.50</u>	<u>17.13</u>	<u>-4.47</u>	<u>2.45</u>	<u>7.44</u>	<u>4.40</u>	Jun-15
Excess Return	-0.06	-4.96	-7.27	-3.49	-2.51	-0.94	-4.55	-1.35	0.74	-1.11	0.17	-1.36	1.27	-2.41	
High Yield Bond MStar MF Rank	35	94	97	97	96	69	85	73	17	20	61	65	20	95	Jun-15
Absolute Return															
Post Lmt'd Term High Yield	4.99	-1.76	1.04	2.52	2.70	4.93	8.46	0.34	3.19	5.66	0.84	2.96	7.49	4.93	Jun-10
HFRI FOF: Conservative Index	<u>5.67</u>	<u>-1.94</u>	<u>-0.39</u>	<u>1.93</u>	<u>1.49</u>	<u>2.57</u>	<u>6.30</u>	<u>-0.87</u>	<u>4.12</u>	<u>1.89</u>	<u>0.37</u>	<u>3.14</u>	<u>7.70</u>	<u>2.57</u>	Jun-10
Excess Return	-0.68	0.18	1.43	0.59	1.21	2.36	2.16	1.21	-0.93	3.77	0.47	-0.18	-0.21	2.36	
BBgBarc US Aggregate TR	2.90	6.13	8.74	5.32	4.30	3.82	8.72	0.01	3.54	2.65	0.55	5.97	-2.02	3.82	Jun-10
Rimrock Low Volatility Offshore	5.39	-4.13	-4.23	0.51	1.27	3.88	2.38	2.01	4.40	4.90	-1.90	2.31	7.82	3.88	Jun-10
HFRI FOF: Conservative Index	<u>5.67</u>	<u>-1.94</u>	<u>-0.39</u>	<u>1.93</u>	<u>1.49</u>	<u>2.57</u>	<u>6.30</u>	<u>-0.87</u>	<u>4.12</u>	<u>1.89</u>	<u>0.37</u>	<u>3.14</u>	<u>7.70</u>	<u>2.57</u>	Jun-10
Excess Return	-0.28	-2.19	-3.84	-1.42	-0.22	1.31	-3.92	2.88	0.28	3.01	-2.27	-0.83	0.12	1.31	
BBgBarc US Aggregate TR	2.90	6.13	8.74	5.32	4.30	3.82	8.72	0.01	3.54	2.65	0.55	5.97	-2.02	3.82	Jun-10
Castine Partners II **	0.35	-26.80	-24.34	-6.76	0.73	2.14	14.36	-7.34	9.34	15.57	6.57	7.48	6.16	2.03	Jun-11
HFRI FOF: Conservative Index	<u>5.67</u>	<u>-1.94</u>	<u>-0.39</u>	<u>1.93</u>	<u>1.49</u>	<u>2.57</u>	<u>6.30</u>	<u>-0.87</u>	<u>4.12</u>	<u>1.89</u>	<u>0.37</u>	<u>3.14</u>	<u>7.70</u>	<u>2.28</u>	Jun-11
Excess Return	-5.32	-24.86	-23.95	-8.69	-0.76	-0.43	8.06	-6.47	5.22	13.68	6.20	4.34	-1.54	-0.25	
BBgBarc US Aggregate TR	2.90	6.13	8.74	5.32	4.30	3.82	8.72	0.01	3.54	2.65	0.55	5.97	-2.02	3.82	Jun-11
Polar Long Short Fund	2.14	1.40	2.05	4.14	4.29	3.99	8.49	0.24	4.20	6.60	1.73	3.46	5.60	4.41	Sep-11
HFRI FOF: Conservative Index	<u>5.67</u>	<u>-1.94</u>	<u>-0.39</u>	<u>1.93</u>	<u>1.49</u>	<u>2.57</u>	<u>6.30</u>	<u>-0.87</u>	<u>4.12</u>	<u>1.89</u>	<u>0.37</u>	<u>3.14</u>	<u>7.70</u>	<u>2.81</u>	Sep-11
Excess Return	-3.53	3.34	2.44	2.21	2.80	1.42	2.19	1.11	0.08	4.71	1.36	0.32	-2.10	1.60	
BBgBarc US Aggregate TR	2.90	6.13	8.74	5.32	4.30	3.82	8.72	0.01	3.54	2.65	0.55	5.97	-2.02	3.48	Sep-11

** Performance prior to 7/1/18 is representative of Castine Partners I.

Spokane Employees' Retirement System

As of June 30, 2020

Manager Performance

	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	Inception (%)	Inception Date
Domestic Equity															
Large Cap Equity															
Hotchkis & Wiley Diversified Value I	19.89	-23.75	-17.51	-2.58	1.59	8.93	29.26	-14.74	18.39	19.94	-7.90	12.74	36.54	7.86	Sep-08
Russell 1000 Value	<u>14.29</u>	<u>-16.26</u>	<u>-8.84</u>	<u>1.82</u>	<u>4.64</u>	<u>10.41</u>	<u>26.54</u>	<u>-8.27</u>	<u>13.66</u>	<u>17.34</u>	<u>-3.83</u>	<u>13.45</u>	<u>32.53</u>	<u>7.66</u>	Sep-08
Excess Return	5.60	-7.49	-8.67	-4.40	-3.05	-1.48	2.72	-6.47	4.73	2.60	-4.07	-0.71	4.01	0.20	
S&P 500	20.54	-3.08	7.50	10.73	10.73	13.99	31.49	-4.38	21.83	11.96	1.38	13.69	32.39	11.01	Sep-08
Large Value MStar MF Rank	9	99	99	97	96	84	14	97	23	9	90	20	14	48	Sep-08
Fidelity S&P 500 Inst	20.53	-3.09	7.49	10.71	10.72	13.97	31.47	-4.40	21.81	11.97	1.38	13.66	32.35	17.53	Jan-19
S&P 500	<u>20.54</u>	<u>-3.08</u>	<u>7.50</u>	<u>10.73</u>	<u>10.73</u>	<u>13.99</u>	<u>31.49</u>	<u>-4.38</u>	<u>21.83</u>	<u>11.96</u>	<u>1.38</u>	<u>13.69</u>	<u>32.39</u>	<u>17.54</u>	Jan-19
Excess Return	-0.01	-0.01	-0.01	-0.02	-0.01	-0.02	-0.02	-0.02	-0.02	0.01	0.00	-0.03	-0.04	-0.01	
Large Blend MStar MF Rank	47	31	23	19	12	16	25	22	32	27	24	21	45	26	Jan-19
MFS Large Cap Growth R6	24.68	10.03	20.80	20.33	16.72	17.99	37.81	2.68	30.99	2.55	7.49	8.88	34.81	18.10	Sep-19
Russell 1000 Growth	<u>27.84</u>	<u>9.81</u>	<u>23.28</u>	<u>18.99</u>	<u>15.89</u>	<u>17.23</u>	<u>36.39</u>	<u>-1.51</u>	<u>30.21</u>	<u>7.08</u>	<u>5.67</u>	<u>13.05</u>	<u>33.48</u>	<u>21.49</u>	Sep-19
Excess Return	-3.16	0.22	-2.48	1.34	0.83	0.76	1.42	4.19	0.78	-4.53	1.82	-4.17	1.33	-3.39	
S&P 500	20.54	-3.08	7.50	10.73	10.73	13.99	31.49	-4.38	21.83	11.96	1.38	13.69	32.39	7.69	Sep-19
Large Growth MStar MF Rank	68	43	40	20	11	11	10	13	30	54	21	68	43	54	Sep-19
Small/Mid Cap Equity															
Sterling Mid Cap Value	23.66	-16.50	-9.37	-1.66	2.35	9.46	29.75	-17.67	14.27	16.97	-1.71	5.85	46.25	8.40	Sep-08
Russell MidCap Value	<u>19.95</u>	<u>-18.09</u>	<u>-11.81</u>	<u>-0.54</u>	<u>3.32</u>	<u>10.29</u>	<u>27.06</u>	<u>-12.29</u>	<u>13.34</u>	<u>20.00</u>	<u>-4.78</u>	<u>14.75</u>	<u>33.46</u>	<u>8.40</u>	Sep-08
Excess Return	3.71	1.59	2.44	-1.12	-0.97	-0.83	2.69	-5.38	0.93	-3.03	3.07	-8.90	12.79	0.00	
Russell MidCap	24.61	-9.13	-2.24	5.79	6.76	12.35	30.54	-9.06	18.52	13.80	-2.44	13.22	34.76	10.42	Sep-08
Mid-Cap Value MStar MF Rank	14	19	22	60	52	46	25	85	37	69	19	87	2	36	Sep-08
Fidelity Mid Cap Index	24.55	-9.13	-2.28	5.78	6.75	12.22	30.51	-9.05	18.47	13.86	-2.44	13.11	35.17	12.04	Jan-19
Russell MidCap	<u>24.61</u>	<u>-9.13</u>	<u>-2.24</u>	<u>5.79</u>	<u>6.76</u>	<u>12.35</u>	<u>30.54</u>	<u>-9.06</u>	<u>18.52</u>	<u>13.80</u>	<u>-2.44</u>	<u>13.22</u>	<u>34.76</u>	<u>12.06</u>	Jan-19
Excess Return	-0.06	0.00	-0.04	-0.01	-0.01	-0.13	-0.03	0.01	-0.05	0.06	0.00	-0.11	0.41	-0.02	
Mid-Cap Blend MStar MF Rank	30	23	25	16	15	18	23	24	22	61	37	8	47	15	Jan-19

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Manager Performance

	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	Inception (%)	Inception Date
Westfield Mid Cap Growth	27.84	0.00	11.33	14.73	11.94	15.11	42.73	-3.07	24.72	5.00	1.28	13.40	35.58	27.84	Mar-20
Russell MidCap Growth	<u>30.26</u>	<u>4.16</u>	<u>11.91</u>	<u>14.76</u>	<u>11.60</u>	<u>15.09</u>	<u>35.47</u>	<u>-4.75</u>	<u>25.27</u>	<u>7.33</u>	<u>-0.20</u>	<u>11.90</u>	<u>35.74</u>	<u>30.26</u>	Mar-20
Excess Return	-2.42	-4.16	-0.58	-0.03	0.34	0.02	7.26	1.68	-0.55	-2.33	1.48	1.50	-0.16	-2.42	
Mid-Cap Growth MStar MF Rank	66	70	49	35	31	32	4	26	51	61	34	8	53	66	Mar-20
Fidelity Small Cap Index	25.49	-12.94	-6.46	2.15	4.47	10.93	25.71	-10.88	14.85	21.63	-4.24	5.19	37.80	6.20	Jan-19
Russell 2000	<u>25.42</u>	<u>-12.98</u>	<u>-6.63</u>	<u>2.01</u>	<u>4.29</u>	<u>10.50</u>	<u>25.52</u>	<u>-11.01</u>	<u>14.65</u>	<u>21.31</u>	<u>-4.41</u>	<u>4.89</u>	<u>38.82</u>	<u>6.06</u>	Jan-19
Excess Return	0.07	0.04	0.17	0.14	0.18	0.43	0.19	0.13	0.20	0.32	0.17	0.30	-1.02	0.14	
Small Blend MStar MF Rank	32	24	17	19	18	19	36	33	25	41	49	47	56	19	Jan-19
Champlain Small Cap	20.14	-9.26	-4.44	5.18	8.31	12.61	25.54	-3.03	10.90	27.93	-0.65	4.43	36.61	9.90	Sep-08
Russell 2000	<u>25.42</u>	<u>-12.98</u>	<u>-6.63</u>	<u>2.01</u>	<u>4.29</u>	<u>10.50</u>	<u>25.52</u>	<u>-11.01</u>	<u>14.65</u>	<u>21.31</u>	<u>-4.41</u>	<u>4.89</u>	<u>38.82</u>	<u>8.11</u>	Sep-08
Excess Return	-5.28	3.72	2.19	3.17	4.02	2.11	0.02	7.98	-3.75	6.62	3.76	-0.46	-2.21	1.79	
Russell 2000 Growth	30.58	-3.06	3.48	7.86	6.86	12.92	28.48	-9.31	22.17	11.32	-1.38	5.60	43.30	10.44	Sep-08
Small Blend MStar MF Rank	73	3	9	2	1	1	38	1	65	8	11	60	68	5	Sep-08
Bridge City Small Growth	22.47	-8.76	-2.31	7.59	9.25	14.05	24.61	0.97	15.93	17.96	6.81	7.06	40.81	12.90	Dec-11
Russell 2000 Growth	<u>30.58</u>	<u>-3.06</u>	<u>3.48</u>	<u>7.86</u>	<u>6.86</u>	<u>12.92</u>	<u>28.48</u>	<u>-9.31</u>	<u>22.17</u>	<u>11.32</u>	<u>-1.38</u>	<u>5.60</u>	<u>43.30</u>	<u>12.03</u>	Dec-11
Excess Return	-8.11	-5.70	-5.79	-0.27	2.39	1.13	-3.87	10.28	-6.24	6.64	8.19	1.46	-2.49	0.87	
Russell 2000	25.42	-12.98	-6.63	2.01	4.29	10.50	25.52	-11.01	14.65	21.31	-4.41	4.89	38.82	9.66	Dec-11
Small Growth MStar MF Rank	95	85	83	71	46	41	73	15	77	20	4	15	61	50	Dec-11

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Manager Performance

	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	Inception (%)	Inception Date
International Equity															
Artisan International Value	17.01	-15.07	-7.83	-0.95	1.99	8.10	24.20	-15.42	24.06	5.74	-1.49	-0.39	30.72	7.32	Sep-08
MSCI ACWI ex USA Value	12.76	-19.43	-15.26	-3.95	-1.25	2.79	15.71	-13.97	22.66	8.92	-10.06	-5.10	15.04	2.21	Sep-08
Excess Return	4.25	4.36	7.43	3.00	3.24	5.31	8.49	-1.45	1.40	-3.18	8.57	4.71	15.68	5.11	
MSCI ACWI ex USA	16.12	-11.00	-4.80	1.13	2.26	4.97	21.51	-14.20	27.19	4.50	-5.66	-3.87	15.29	4.01	Sep-08
Foreign Large Value MStar MF Rank	32	40	18	8	3	1	1	23	41	29	45	2	1	1	Sep-08
EuroPacific Growth R6	22.77	-4.77	3.17	4.76	4.90	7.48	27.40	-14.91	31.17	1.01	-0.48	-2.29	20.58	4.44	Jun-08
MSCI ACWI ex USA	16.12	-11.00	-4.80	1.13	2.26	4.97	21.51	-14.20	27.19	4.50	-5.66	-3.87	15.29	1.80	Jun-08
Excess Return	6.65	6.23	7.97	3.63	2.64	2.51	5.89	-0.71	3.98	-3.49	5.18	1.58	5.29	2.64	
Foreign Large Blend MStar MF Rank	4	6	5	4	2	6	5	47	6	53	42	18	50	7	Jun-08
Victory Trivalent International Small Cap	26.37	-8.81	0.54	2.44	3.96	10.52	27.88	-20.21	37.13	-0.70	8.20	-0.20	32.98	5.32	Aug-15
MSCI ACWI xUS Small (net)	22.83	-12.80	-4.34	-0.17	2.50	6.05	22.42	-18.20	31.65	3.91	2.60	-4.03	19.73	4.23	Aug-15
Excess Return	3.54	3.99	4.88	2.61	1.46	4.47	5.46	-2.01	5.48	-4.61	5.60	3.83	13.25	1.09	
MSCI ACWI ex USA	16.12	-11.00	-4.80	1.13	2.26	4.97	21.51	-14.20	27.19	4.50	-5.66	-3.87	15.29	4.10	Aug-15
Foreign Small/Mid Growth MStar MF Rank	47	67	62	75	78	26	45	61	43	36	60	26	24	80	Aug-15
Vanguard Emerging Markets Stock Index Fund	19.90	-9.54	-2.92	2.12	2.16	3.15	20.31	-14.58	31.38	11.73	-15.35	0.60	6.16	-1.52	Jul-18
MSCI Emerging Markets	18.08	-9.78	-3.39	1.90	2.86	3.27	18.44	-14.58	37.28	11.19	-14.92	-2.19	-2.60	-2.28	Jul-18
Excess Return	1.82	0.24	0.47	0.22	-0.70	-0.12	1.87	0.00	-5.90	0.54	-0.43	2.79	8.76	0.76	
Foreign Small/Mid Growth MStar MF Rank	91	73	88	76	92	99	99	25	96	1	99	12	99	64	Jul-18
ABS Emerging Markets Strategic Portfolio LP	21.62	-6.87	-0.46	--	--	--	19.98	-14.99	--	--	--	--	--	2.91	Sep-18
MSCI Emerging Markets	18.08	-9.78	-3.39	1.90	2.86	3.27	18.44	-14.58	37.28	11.19	-14.92	-2.19	-2.60	-0.65	Sep-18
Excess Return	3.54	2.91	2.93	--	--	--	1.54	-0.41	--	--	--	--	--	3.56	
Diversified Emerging Mkts MStar MF Rank	41	30	35	--	--	--	53	33	--	--	--	--	--	35	Sep-18

Spokane Employees' Retirement System

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Manager Performance

	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	Inception (%)	Inception Date
Long Biased															
Weatherlow Offshore	12.25	5.93	9.65	6.68	3.71	5.21	13.23	-3.10	5.67	0.99	1.49	4.91	13.56	4.14	Mar-08
HFRI Fund of Funds Composite Index	<u>7.89</u>	<u>-1.59</u>	<u>0.48</u>	<u>2.25</u>	<u>1.49</u>	<u>2.79</u>	<u>8.39</u>	<u>-4.02</u>	<u>7.77</u>	<u>0.51</u>	<u>-0.27</u>	<u>3.36</u>	<u>8.96</u>	<u>1.43</u>	Mar-08
Excess Return	4.36	7.52	9.17	4.43	2.22	2.42	4.84	0.92	-2.10	0.48	1.76	1.55	4.60	2.71	
S&P 500	20.54	-3.08	7.50	10.73	10.73	13.99	31.49	-4.38	21.83	11.96	1.38	13.69	32.39	9.50	Mar-08
Opportunistic Credit															
Beach Point Select Fund	8.81	-5.23	-1.16	3.03	4.87	--	11.48	0.28	7.08	14.52	2.58	2.35	15.93	5.36	Oct-13
HFRI ED: Distressed/Restructuring Index	<u>10.43</u>	<u>-2.49</u>	<u>-4.23</u>	<u>0.56</u>	<u>2.00</u>	<u>3.80</u>	<u>2.94</u>	<u>-1.70</u>	<u>6.25</u>	<u>15.15</u>	<u>-8.06</u>	<u>-1.39</u>	<u>14.05</u>	<u>1.99</u>	Oct-13
Excess Return	-1.62	-2.74	3.07	2.47	2.87		8.54	1.98	0.83	-0.63	10.64	3.74	1.88	3.37	
HFRX Distressed Securities Index	8.53	-5.15	-4.92	-3.58	-0.62	0.36	3.83	-9.50	3.14	19.72	-11.14	0.42	5.37	-0.17	Oct-13
Contrarian Capital Fund I, LP	2.36	-21.00	-28.89	-13.59	-5.29	1.81	-9.89	-12.43	4.77	25.46	-7.89	0.45	17.00	-24.85	Sep-18
HFRI ED: Distressed/Restructuring Index	<u>10.43</u>	<u>-2.49</u>	<u>-4.23</u>	<u>0.56</u>	<u>2.00</u>	<u>3.80</u>	<u>2.94</u>	<u>-1.70</u>	<u>6.25</u>	<u>15.15</u>	<u>-8.06</u>	<u>-1.39</u>	<u>14.05</u>	<u>-3.08</u>	Sep-18
Excess Return	-8.07	-18.51	-24.66	-14.15	-7.29	-1.99	-12.83	-10.73	-1.48	10.31	0.17	1.84	2.95	-21.77	
HFRX Distressed Securities Index	8.53	-5.15	-4.92	-3.58	-0.62	0.36	3.83	-9.50	3.14	19.72	-11.14	0.42	5.37	-3.23	Sep-18
Real Estate															
SERS Principal Global Investors REIT	11.88	-13.64	-6.38	4.49	6.90	10.88	31.23	-4.13	9.16	6.67	4.45	32.55	4.17	5.64	Dec-06
FTSE NAREIT All REIT	<u>13.96</u>	<u>-15.01</u>	<u>-8.36</u>	<u>2.65</u>	<u>6.11</u>	<u>10.05</u>	<u>28.07</u>	<u>-4.10</u>	<u>9.27</u>	<u>9.28</u>	<u>2.29</u>	<u>27.15</u>	<u>3.21</u>	<u>4.47</u>	Dec-06
Excess Return	-2.08	1.37	1.98	1.84	0.79	0.83	3.16	-0.03	-0.11	-2.61	2.16	5.40	0.96	1.17	
US Real Estate Equity Rank	48	41	36	24	29	36	25	37	24	60	49	30	21	42	Dec-06
Prime Property LLC	-1.90	-1.30	1.58	5.70	7.50	11.30	6.14	8.03	8.67	9.31	14.53	14.08	16.17	5.39	Oct-17
NCREIF - ODCE NET	<u>-1.74</u>	<u>-1.00</u>	<u>1.34</u>	<u>4.73</u>	<u>6.35</u>	<u>9.78</u>	<u>4.39</u>	<u>7.36</u>	<u>6.66</u>	<u>7.79</u>	<u>13.91</u>	<u>11.46</u>	<u>12.90</u>	<u>4.55</u>	Oct-17
Excess Return	-0.16	-0.30	0.24	0.97	1.15	1.52	1.75	0.67	2.01	1.52	0.62	2.62	3.27	0.84	
US Real Estate Equity Rank	99	5	7	14	21	19	99	1	25	20	1	99	1	22	Oct-17

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Manager Performance

	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	Inception (%)	Inception Date
Special Opportunities															
OrbiMed Partners II	18.23	12.65	25.67	12.28	3.41	11.66	43.69	-18.43	25.30	-21.91	2.14	25.88	32.19	11.29	Dec-10
MSCI World Healthcare Index	14.56	1.41	13.87	9.80	6.76	13.59	23.24	2.51	19.80	-6.81	6.60	18.10	36.27	12.86	Dec-10
Excess Return	3.67	11.24	11.80	2.48	-3.35	-1.93	20.45	-20.94	5.50	-15.10	-4.46	7.78	-4.08	-1.57	
NASDAQ Biotech Index	26.90	13.87	26.13	10.41	2.65	18.75	25.11	-8.86	21.63	-21.35	11.77	34.40	65.97	17.40	Dec-10
S&P Composite 1500 Health Care	14.10	-0.63	10.80	10.46	8.43	15.97	20.87	6.71	22.47	-2.05	7.41	24.79	42.19	15.34	Dec-10
Contrarian Emerging Markets Fund LP	13.14	-32.14	-37.70	-9.82	1.31	5.85	-4.09	0.96	20.36	22.72	14.48	-1.97	14.56	-21.76	Sep-18
HFRI Emerging Markets: Global Index	9.86	-2.48	-0.66	1.30	2.57	2.44	8.42	-6.83	12.50	7.33	-3.47	-2.41	3.67	1.39	Sep-18
Excess Return	3.28	-29.66	-37.04	-11.12	-1.26	3.41	-12.51	7.79	7.86	15.39	17.95	0.44	10.89	-23.15	
MSCI Emerging Markets	18.08	-9.78	-3.39	1.90	2.86	3.27	18.44	-14.58	37.28	11.19	-14.92	-2.19	-2.60	-0.65	Sep-18

Non-Marketable Securities Overview

As of March 31, 2020

Account Type	Account	Vintage Year	Commitment	Cumulative Takedown	Cumulative Distributions	Value (RV)	Total Value (RV + Dist)	Unfunded Commitment	Takedown (takedowns / commit)	IRR
Real Estate	Metropolitan Real Estate Partners V	2007	\$2,000,000	\$1,885,000	\$2,066,019	\$161,008	\$2,227,028	\$115,000	94.25%	3.14

Time and Dollar Weighted Returns

Metropolitan Real Estate Partners V	Q1-20	YTD	1 Yr	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
Time Weighted	0.01%	0.01%	-11.62%	-9.92%	-9.29%	-4.01%	2.04%	4.89%
Money Weighted	0.01%	0.01%	-11.59%	-9.82%	-9.20%	0.37%	11.53%	12.13%
NCREIF Property Index	0.71%	0.71%	5.28%	6.05%	6.41%	7.65%	8.85%	10.17%

Metropolitan Real Estate Partners V	2019	2018	2017	2016	2015	2014	Inception 11/30/07
Time Weighted	-12.79%	-7.70%	-7.81%	4.86%	9.75%	20.70%	-5.64%
Money Weighted	-12.67%	-7.64%	-7.45%	3.86%	11.04%	19.67%	3.14%
NCREIF Property Index	6.42%	6.71%	6.98%	7.97%	13.33%	11.81%	6.32%

Time-Weighted Return - The current reporting system utilizes the Modified Dietz methodology for calculating time-weighted returns. This methodology accounts for inter-period cash flows by comparing the net gain in value with the average market value over the time interval. Average capital allows for the timing of each external flow.

Internal Rate of Return - The IRR (also referred to as the dollar-weighted return) differs from the TWR in that it calculates the return rate at which the present value of cash outflows equals the present value of cash inflows. Its distinguishing characteristic is that this methodology is generally viewed to better accommodate the extreme cash flows and changes in market values that often accompany private equity or private real estate investments.

Non-Marketable Securities Overview

As of June 30, 2020

Account Type	Account	Vintage Year	Commitment	Cumulative Takedown	Cumulative Distributions	Value (RV)	Total Value (RV + Dist)	Unfunded Commitment	Takedown (takedowns / commit)	IRR
Real Estate	Morrison Street Fund V, LP	2014	\$6,080,000	\$5,960,493	\$7,247,803	\$1,217,075	\$8,464,878	\$119,507	98.03%	11.55

Time and Dollar Weighted Returns

Morrison Street Fund V, LP	Q2-20	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs
Time Weighted	3.34%	3.60%	8.30%	8.91%	9.73%	10.58%	11.50%
Money Weighted	3.31%	3.39%	8.18%	9.54%	10.84%	11.82%	12.87%
NCREIF Property Index	-0.99%	-0.29%	2.69%	4.58%	5.44%	5.82%	6.77%

Morrison Street Fund V, LP	2019	2018	2017	2016	2015	Inception 6/30/14
Time Weighted	6.45%	10.12%	18.03%	11.10%	11.89%	10.14%
Money Weighted	5.75%	9.97%	17.74%	11.31%	13.31%	11.55%
NCREIF Property Index	6.42%	6.71%	6.98%	7.97%	13.33%	7.78%

Time-Weighted Return - The current reporting system utilizes the Modified Dietz methodology for calculating time-weighted returns. This methodology accounts for inter-period cash flows by comparing the net gain in value with the average market value over the time interval. Average capital allows for the timing of each external flow.

Internal Rate of Return - The IRR (also referred to as the dollar-weighted return) differs from the TWR in that it calculates the return rate at which the present value of cash outflows equals the present value of cash inflows. Its distinguishing characteristic is that this methodology is generally viewed to better accommodate the extreme cash flows and changes in market values that often accompany private equity or private real estate investments.

Non-Marketable Securities Overview

As of June 30, 2020

Account Type	Account	Vintage Year	Commitment	Cumulative Takedown	Cumulative Distributions	Value (RV)	Total Value (RV + Dist)	Unfunded Commitment	Takedown (takedowns / commit)	IRR
Real Estate	Morrison Street Debt Opportunities Fd LP	2017	\$5,000,000	\$4,416,364	\$1,300,619	\$3,673,369	\$4,973,988	\$583,636	88.33%	4.37

Time and Dollar Weighted Returns

Morrison Street Debt Opportunities Fd LP	Q2-20	YTD	1 Yr	2 Yrs	3 Yrs
Time Weighted	-2.63%	-8.46%	-4.66%	2.09%	4.71%
Money Weighted	-2.63%	-8.48%	-4.43%	2.53%	5.20%
NCREIF - ODCE NET	-1.74%	-1.00%	1.34%	3.38%	4.73%
Morrison Street Debt Opportunities Fd LP	2019	2018	2017	2016	Inception 12/31/16
Time Weighted	8.39%	9.94%	4.47%		3.80%
Money Weighted	8.37%	9.92%	5.28%		4.37%
NCREIF - ODCE NET	4.39%	7.36%	6.66%	7.79%	4.93%

Time-Weighted Return - The current reporting system utilizes the Modified Dietz methodology for calculating time-weighted returns. This methodology accounts for inter-period cash flows by comparing the net gain in value with the average market value over the time interval. Average capital allows for the timing of each external flow.

Internal Rate of Return - The IRR (also referred to as the dollar-weighted return) differs from the TWR in that it calculates the return rate at which the present value of cash outflows equals the present value of cash inflows. Its distinguishing characteristic is that this methodology is generally viewed to better accommodate the extreme cash flows and changes in market values that often accompany private equity or private real estate investments.

Non-Marketable Securities Overview
As of June 30, 2020

Account Type	Account	Vintage Year	Commitment	Cumulative Takedown	Cumulative Distributions	Value (RV)	Total Value (RV + Dist)	Unfunded Commitment	Takedown (takedowns / commit)	IRR
Long Biased Hedge	Orbimed Royalty Opportunities	2011	\$5,000,000	\$5,000,000	\$3,885,204	\$1,299,145	\$5,184,349	\$0	100.00%	0.99

Time and Dollar Weighted Returns

Orbimed Royalty Opportunities	Q2-20	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs
Time Weighted	-10.87%	-33.13%	-45.46%	-20.39%	-10.62%	-13.41%	-9.38%	-4.15%
Money Weighted	-10.86%	-33.08%	-45.29%	-16.36%	-4.89%	-10.38%	-5.11%	-0.09%
HFRI Fund of Funds Composite Index	7.90%	-1.57%	0.49%	0.82%	2.26%	3.30%	1.50%	2.70%
S&P 500	20.54%	-3.08%	7.50%	8.95%	10.73%	12.48%	10.73%	12.13%

Orbimed Royalty Opportunities	2019	2018	2017	2016	2015	2014	Inception 9/1/11
Time Weighted	-12.50%	22.03%	4.47%	-20.87%	9.95%	9.99%	-0.62%
Money Weighted	-12.20%	25.50%	4.57%	-17.15%	9.99%	10.00%	0.99%
HFRI Fund of Funds Composite Index	8.39%	-4.02%	7.77%	0.51%	-0.27%	3.36%	2.68%
S&P 500	31.49%	-4.38%	21.83%	11.96%	1.38%	13.69%	13.49%

Time-Weighted Return - The current reporting system utilizes the Modified Dietz methodology for calculating time-weighted returns. This methodology accounts for inter-period cash flows by comparing the net gain in value with the average market value over the time interval. Average capital allows for the timing of each external flow.

Internal Rate of Return - The IRR (also referred to as the dollar-weighted return) differs from the TWR in that it calculates the return rate at which the present value of cash outflows equals the present value of cash inflows. Its distinguishing characteristic is that this methodology is generally viewed to better accommodate the extreme cash flows and changes in market values that often accompany private equity or private real estate investments.

Non-Marketable Securities Overview
As of June 30, 2020

Account Type	Account	Vintage Year	Commitment	Cumulative Takedown	Cumulative Distributions	Value (RV)	Total Value (RV + Dist)	Unfunded Commitment	Takedown (takedowns / commit)	IRR
Long Biased Hedge	Orbimed Royalty Opportunities II	2015	\$5,000,000	\$4,167,500	\$4,225,484	\$997,886	\$5,223,370	\$832,500	83.35%	11.43

Time and Dollar Weighted Returns

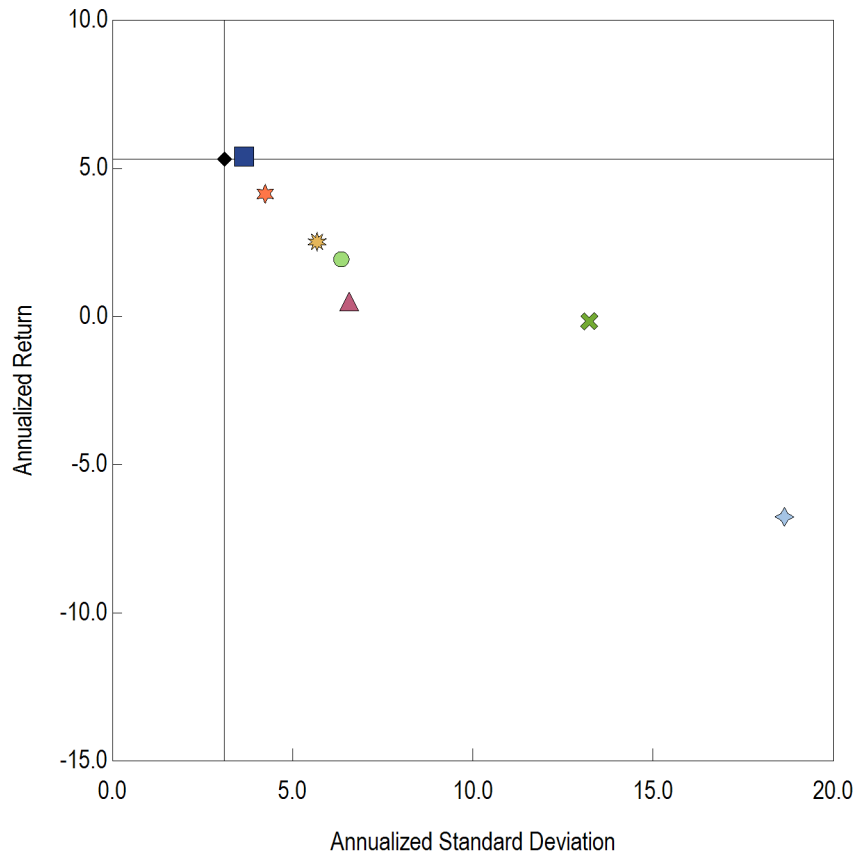
	Q2-20	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs
Orbimed Royalty Opportunities II						
Time Weighted	4.19%	-1.13%	2.16%	12.22%	12.01%	10.08%
Money Weighted	3.12%	-4.16%	0.16%	13.57%	12.83%	11.46%
HFRI Fund of Funds Composite Index	7.90%	-1.57%	0.49%	0.82%	2.26%	3.30%
S&P 500	20.54%	-3.08%	7.50%	8.95%	10.73%	12.48%

	2019	2018	2017	2016	Inception 4/1/15
Orbimed Royalty Opportunities II					
Time Weighted	15.45%	15.59%	12.28%	0.60%	11.08%
Money Weighted	17.11%	15.15%	12.85%	-0.05%	11.43%
HFRI Fund of Funds Composite Index	8.39%	-4.02%	7.77%	0.51%	1.46%
S&P 500	31.49%	-4.38%	21.83%	11.96%	10.25%

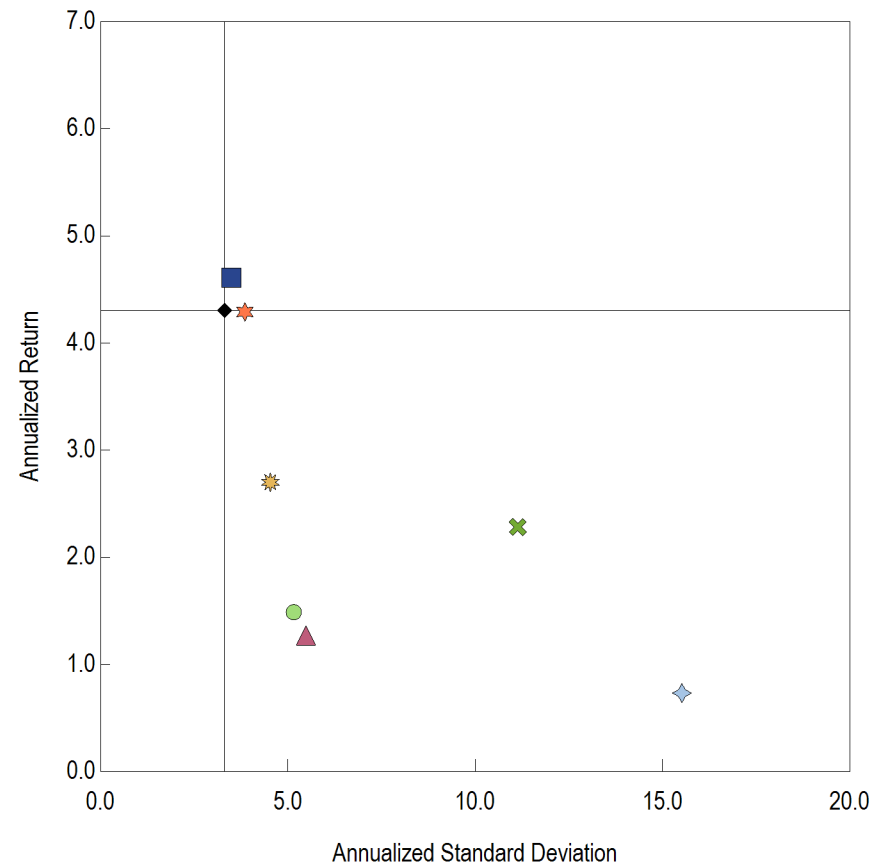
Time-Weighted Return - The current reporting system utilizes the Modified Dietz methodology for calculating time-weighted returns. This methodology accounts for inter-period cash flows by comparing the net gain in value with the average market value over the time interval. Average capital allows for the timing of each external flow.

Internal Rate of Return - The IRR (also referred to as the dollar-weighted return) differs from the TWR in that it calculates the return rate at which the present value of cash outflows equals the present value of cash inflows. Its distinguishing characteristic is that this methodology is generally viewed to better accommodate the extreme cash flows and changes in market values that often accompany private equity or private real estate investments.

Annualized Return vs. Annualized Standard Deviation
3 Years Ending June 30, 2020



Annualized Return vs. Annualized Standard Deviation
5 Years Ending June 30, 2020

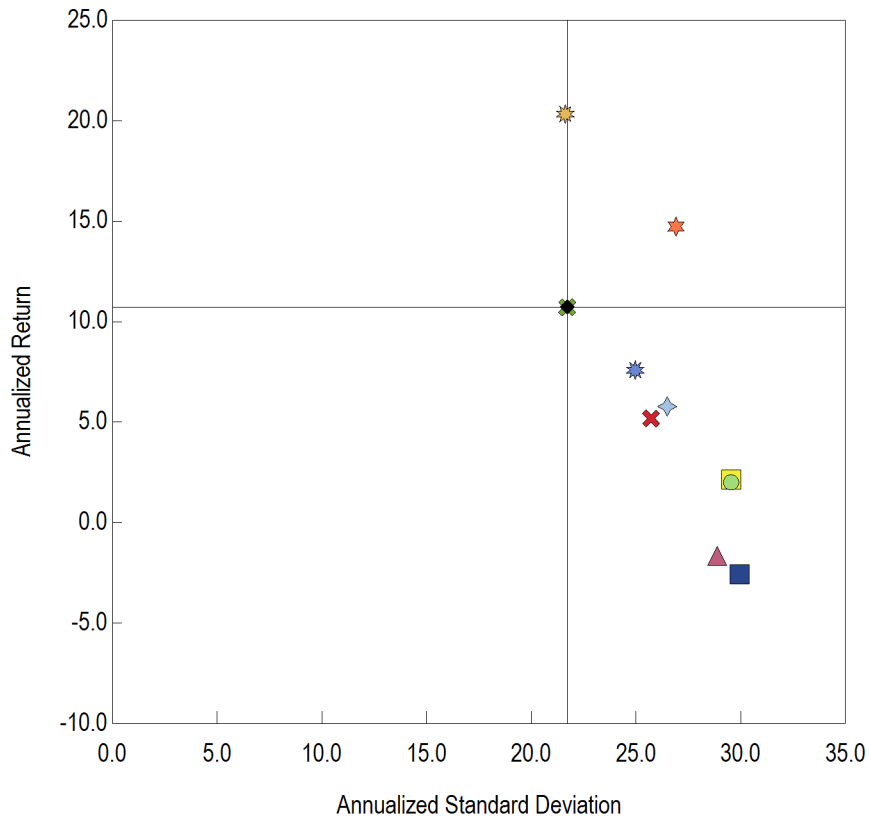


- Sterling Core Bond
- ✕ Hotchkis & Wiley High Yield
- ⚡ Post Lmtd Term High Yield
- ▲ Rimrock Low Volatility Offshore
- ◆ Castine Partners II **
- ★ Polar Long Short Fund
- ◆ BBgBarc US Aggregate TR
- HFRI FOF: Conservative Index

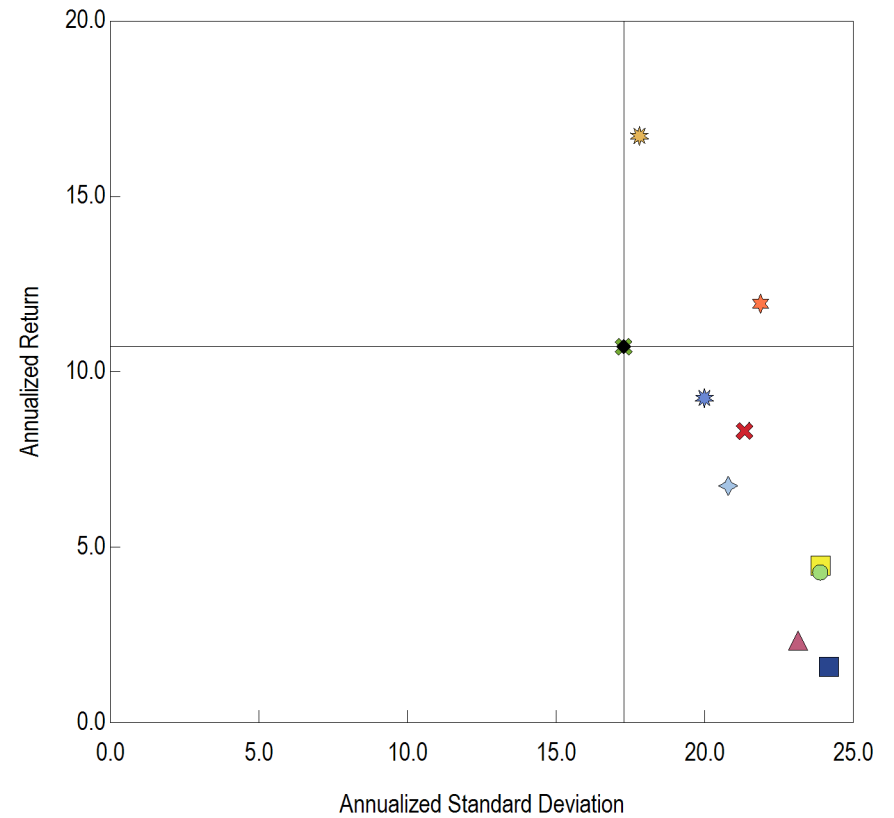
- Sterling Core Bond
- ✕ Hotchkis & Wiley High Yield
- ⚡ Post Lmtd Term High Yield
- ▲ Rimrock Low Volatility Offshore
- ◆ Castine Partners II **
- ★ Polar Long Short Fund
- ◆ BBgBarc US Aggregate TR
- HFRI FOF: Conservative Index

** Performance prior to 7/1/18 is representative of Castine Partners I.

Annualized Return vs. Annualized Standard Deviation
3 Years Ending June 30, 2020



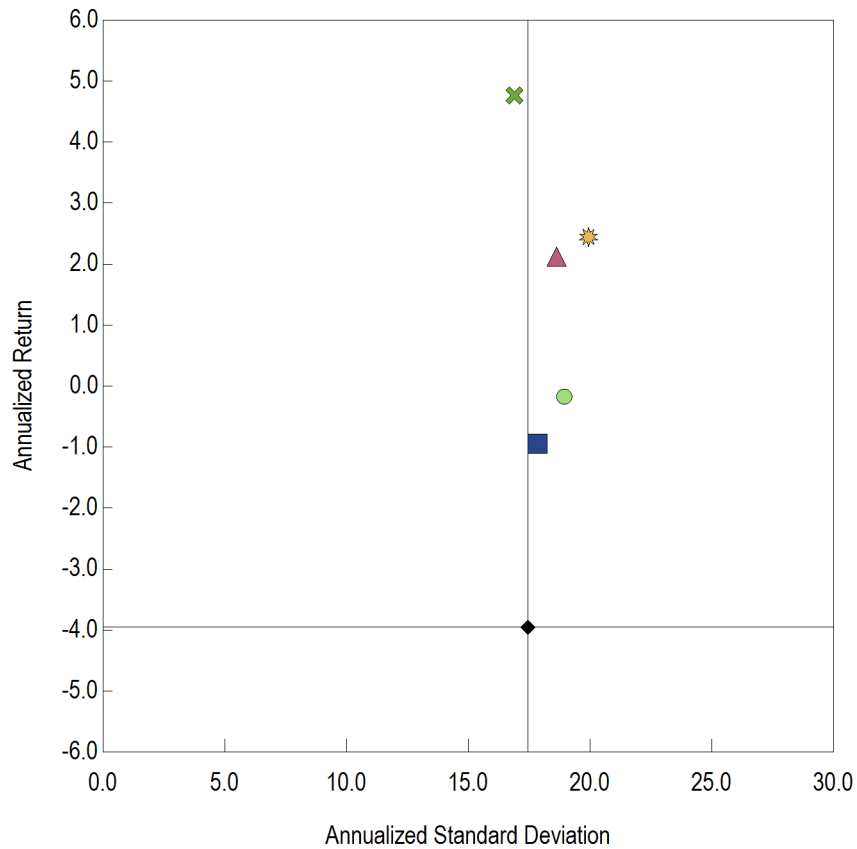
Annualized Return vs. Annualized Standard Deviation
5 Years Ending June 30, 2020



- Hotchkis & Wiley Diversified Value I
- ✕ Fidelity S&P 500 Inst
- ✱ MFS Large Cap Growth R6
- ▲ Sterling Mid Cap Value
- ◆ Fidelity Mid Cap Index
- ★ Westfield Mid Cap Growth
- Fidelity Small Cap Index
- ✕ Champlain Small Cap
- ✱ Bridge City Small Growth
- ◆ S&P 500
- Russell 2000

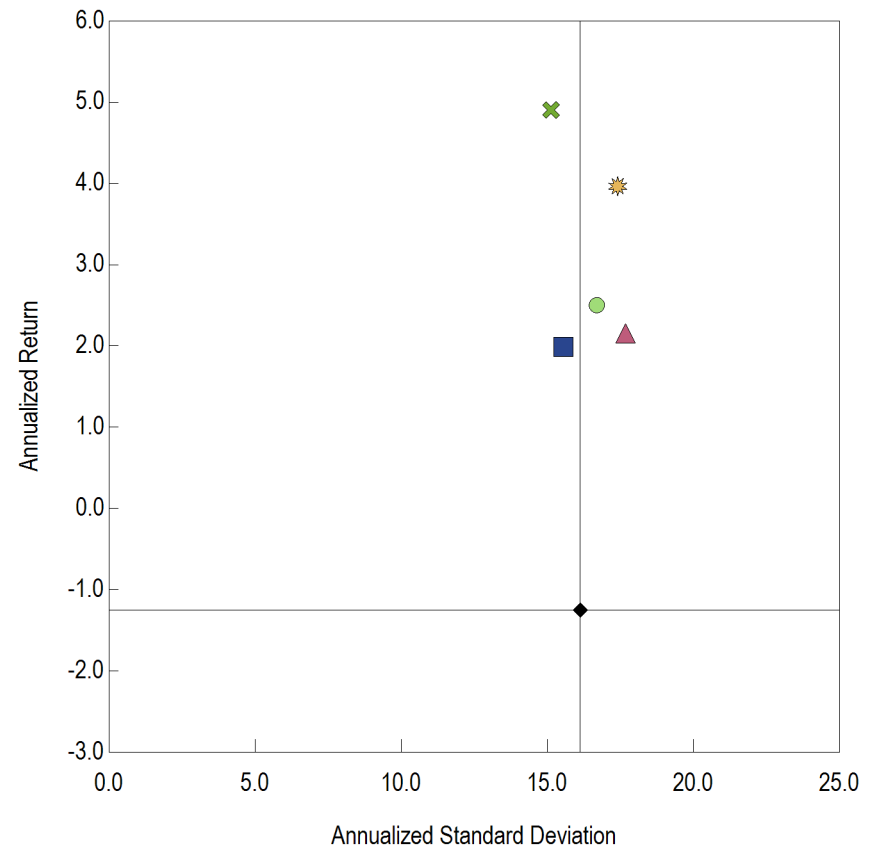
- Hotchkis & Wiley Diversified Value I
- ✕ Fidelity S&P 500 Inst
- ✱ MFS Large Cap Growth R6
- ▲ Sterling Mid Cap Value
- ◆ Fidelity Mid Cap Index
- ★ Westfield Mid Cap Growth
- Fidelity Small Cap Index
- ✕ Champlain Small Cap
- ✱ Bridge City Small Growth
- ◆ S&P 500
- Russell 2000

Annualized Return vs. Annualized Standard Deviation
3 Years Ending June 30, 2020



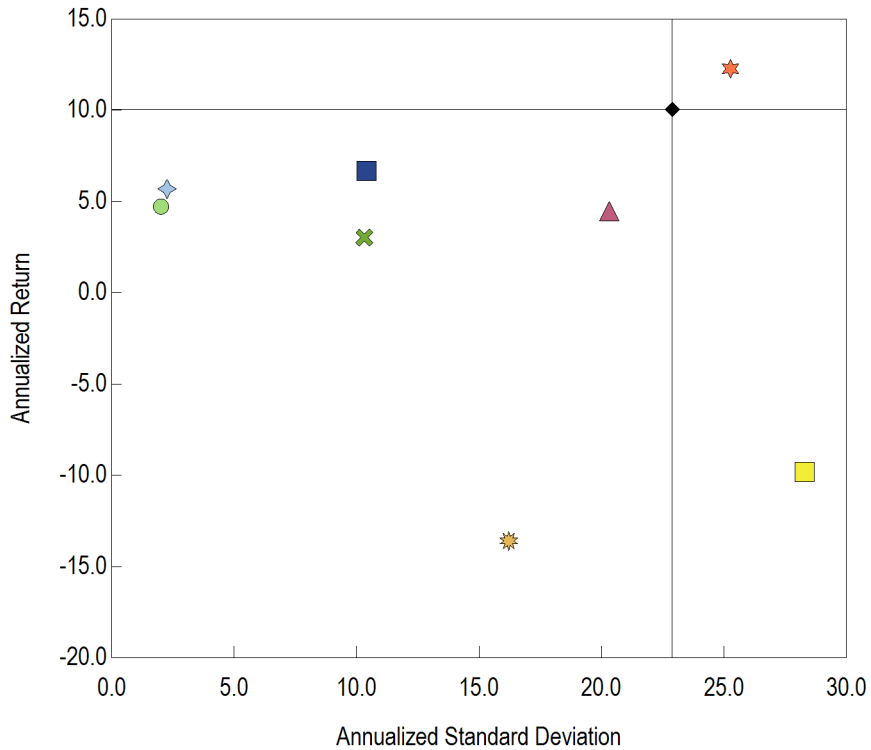
- Artisan International Value
- ✕ EuroPacific Growth R6
- ✱ Victory Trivalent International Small Cap
- ▲ Vanguard Emerging Markets Stock Index Fund
- ◆ MSCI ACWI ex USA Value
- MSCI ACWI xUS Small (net)

Annualized Return vs. Annualized Standard Deviation
5 Years Ending June 30, 2020

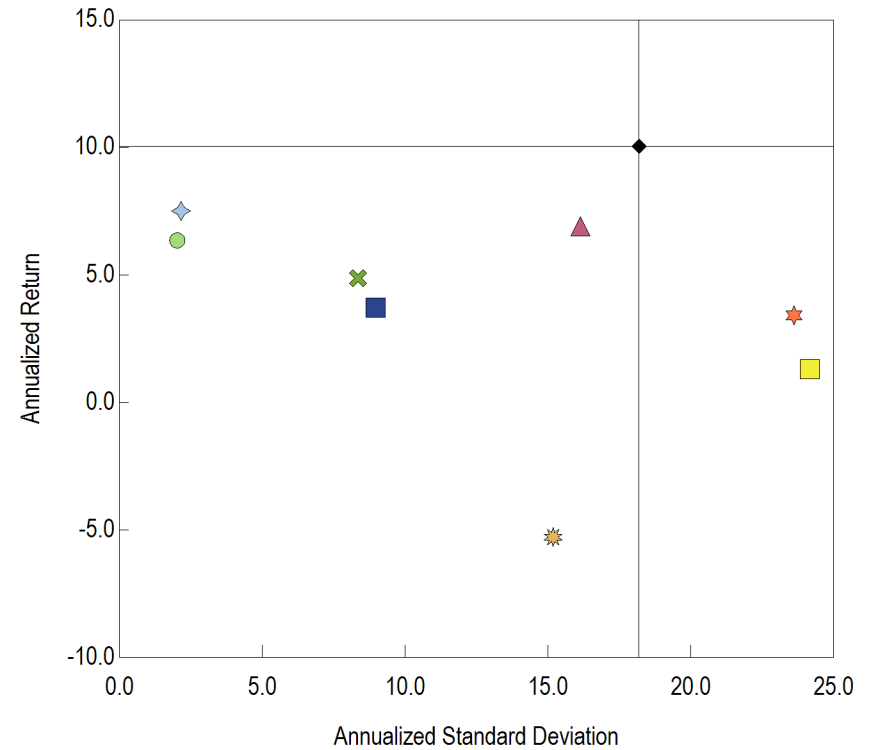


- Artisan International Value
- ✕ EuroPacific Growth R6
- ✱ Victory Trivalent International Small Cap
- ▲ Vanguard Emerging Markets Stock Index Fund
- ◆ MSCI ACWI ex USA Value
- MSCI ACWI xUS Small (net)

Annualized Return vs. Annualized Standard Deviation
3 Years Ending June 30, 2020



Annualized Return vs. Annualized Standard Deviation
5 Years Ending June 30, 2020



- Weatherlow Offshore
- ✕ Beach Point Select Fund
- ⚡ Contrarian Capital Fund I, LP
- ▲ SERS Principal Global Investors REIT
- ◆ Prime Property LLC
- ★ OrbiMed Partners II
- Contrarian Emerging Markets Fund LP
- ◆ Russell 3000
- NCREIF - ODCE NET

- Weatherlow Offshore
- ✕ Beach Point Select Fund
- ⚡ Contrarian Capital Fund I, LP
- ▲ SERS Principal Global Investors REIT
- ◆ Prime Property LLC
- ★ OrbiMed Partners II
- Contrarian Emerging Markets Fund LP
- ◆ Russell 3000
- NCREIF - ODCE NET

Spokane Employees' Retirement System

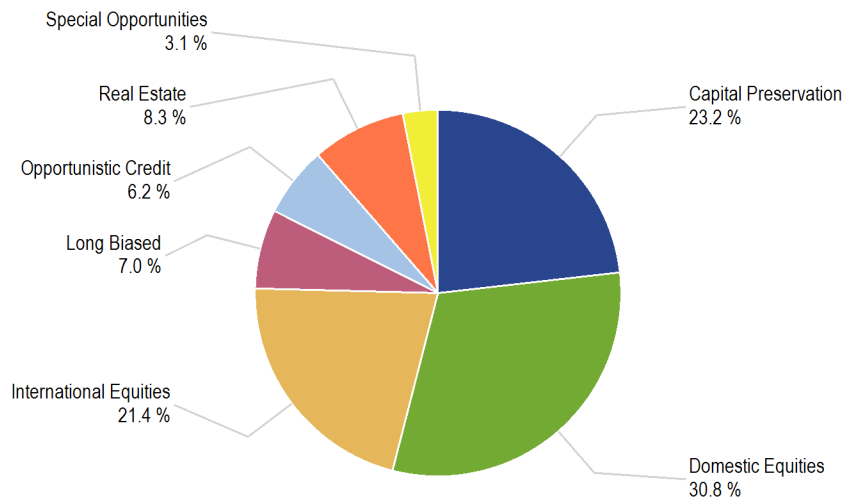
As of June 30, 2020

Investment Expense Analysis

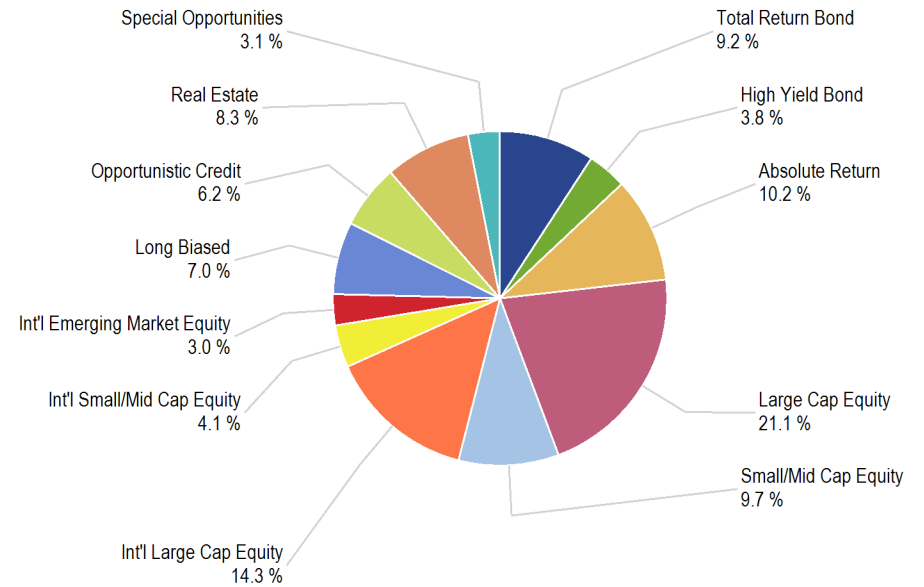
Name	Vehicle Type	Identifier	Benchmark	Universe	Market Value	% of Portfolio	Expense Ratio	Median Expense Ratio	Difference Fund v. Median
Artisan Int'l Value	Mutual Fund	APHKX	MSCI ACWI ex USA Value	Foreign Value MStar MF	\$19,608,998	10.2%	1.02%	0.91%	0.12%
Bridge City Small Growth	Separate Account		Russell 2000 Growth	Small Growth MStar MF	\$5,562,011	2.9%	0.35%	0.99%	-0.64%
Champlain Small Cap	Commingled Fund		Russell 2000 Growth	Small Growth MStar MF	\$6,413,916	3.3%	1.00%	0.99%	0.01%
EuroPacific Growth R6	Mutual Fund	RERGX	MSCI ACWI ex USA	Foreign MStar MF	\$22,005,978	11.4%	0.46%	0.89%	-0.43%
Fidelity Instl Govt Money Market	Mutual Fund	FIGXX	91 Day T-Bills	Money Market - Taxable MStar MF	\$25,955	0.0%	0.18%	0.20%	-0.02%
Fidelity Mid Cap Index	Mutual Fund	FSMDX	Russell MidCap	Mid Cap MStar MF	\$4,193,464	2.2%	0.03%	0.87%	-0.85%
Fidelity S&P 500	Mutual Fund	FXAIX	S&P 500	Large Cap MStar MF	\$29,946,568	15.6%	0.02%	0.73%	-0.72%
Fidelity Small Cap Index	Mutual Fund	FSSNX	Russell 2000	Small Cap MStar MF	\$3,840,548	2.0%	0.03%	0.98%	-0.96%
Frontier Sm Cap Value I	Mutual Fund	FPSVX	Russell 2000 Value	Small Value MStar MF	\$0	0.0%	0.96%	0.99%	-0.03%
Hotchkis & Wiley Div Value I	Mutual Fund	HWCIX	Russell 1000 Value	Large Value MStar MF	\$13,048,308	6.8%	0.80%	0.72%	0.08%
Hotchkis & Wiley High Yield	Mutual Fund	HWHZX	BBgBarc US High Yield TR	High Yield Bond MStar MF	\$11,133,565	5.8%	0.60%	0.72%	-0.12%
MFS Growth Fund CI R6	Mutual Fund	MFEKX	Russell 1000 Growth	Large Growth MStar MF	\$18,344,969	9.5%	0.57%	0.79%	-0.22%
Principal Global Investors REIT	Separate Account		FTSE NAREIT All REIT	Real Estate MStar MF	\$10,981,135	5.7%	0.75%	0.89%	-0.14%
Sterling Core Bond	Separate Account		BBgBarc US Aggregate TR	Intermediate Core Bond MStar MF	\$26,862,139	13.9%	0.25%	0.45%	-0.20%
Sterling Mid Cap Value	Separate Account		Russell MidCap Value	Mid-Cap Value MStar MF	\$4,169,685	2.2%	0.75%	0.85%	-0.10%
Vanguard Emerging Markets Stock Index Fd	Mutual Fund	VEMAX	MSCI Emerging Markets	Diversified Emerging Mkts MStar MF	\$422,956	0.2%	0.14%	1.11%	-0.97%
Victory Trivalent International Small Cap	Mutual Fund	MISIX	MSCI ACWI xUS Small (net)	Foreign Small/Mid Growth MStar MF	\$11,862,137	6.2%	0.97%	1.07%	-0.10%
Westfield Mid Cap Growth	Commingled Fund		Russell MidCap Growth	Mid-Cap Growth MStar MF	\$4,154,791	2.2%	0.65%	0.90%	-0.25%
Total					\$192,577,122	100.0%	0.51%		

Section 3

Current Allocation



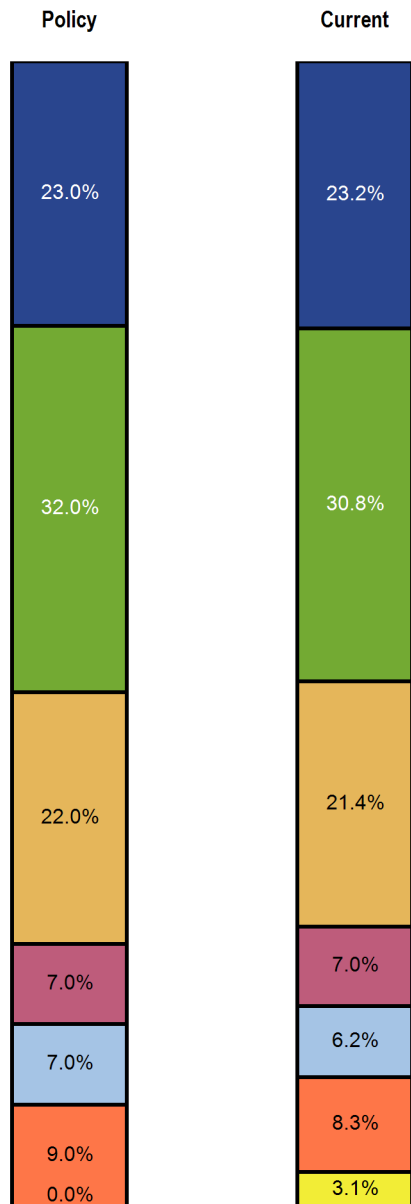
Current Implementation Allocation



Spokane Employees' Retirement System

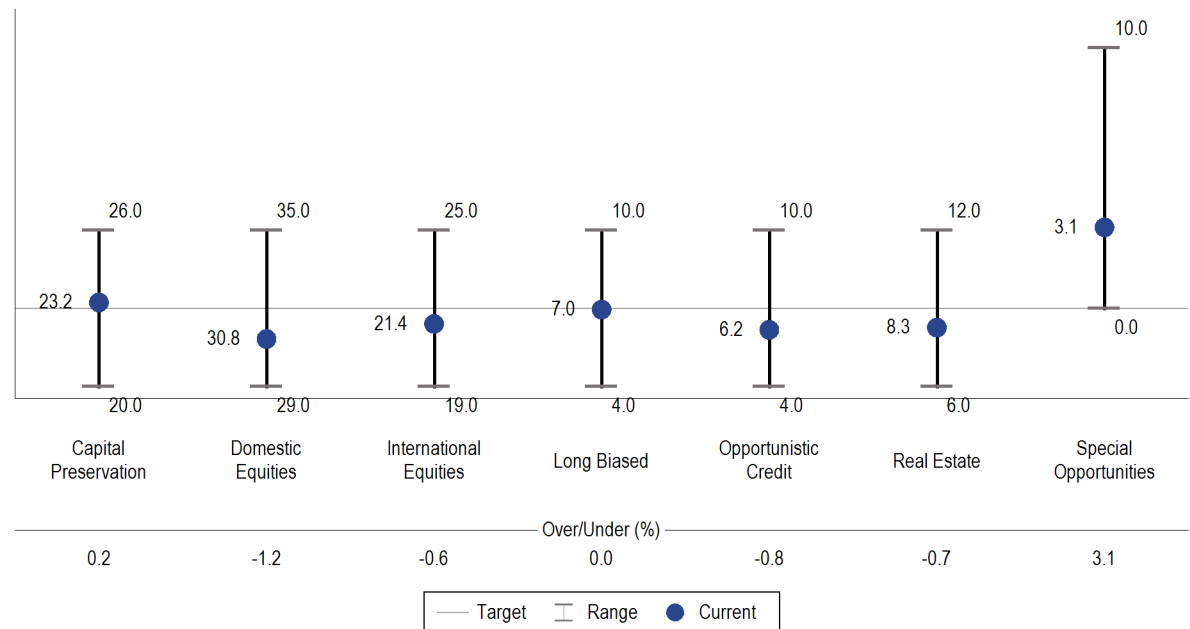
As of June 30, 2020

Asset Allocation vs. Target



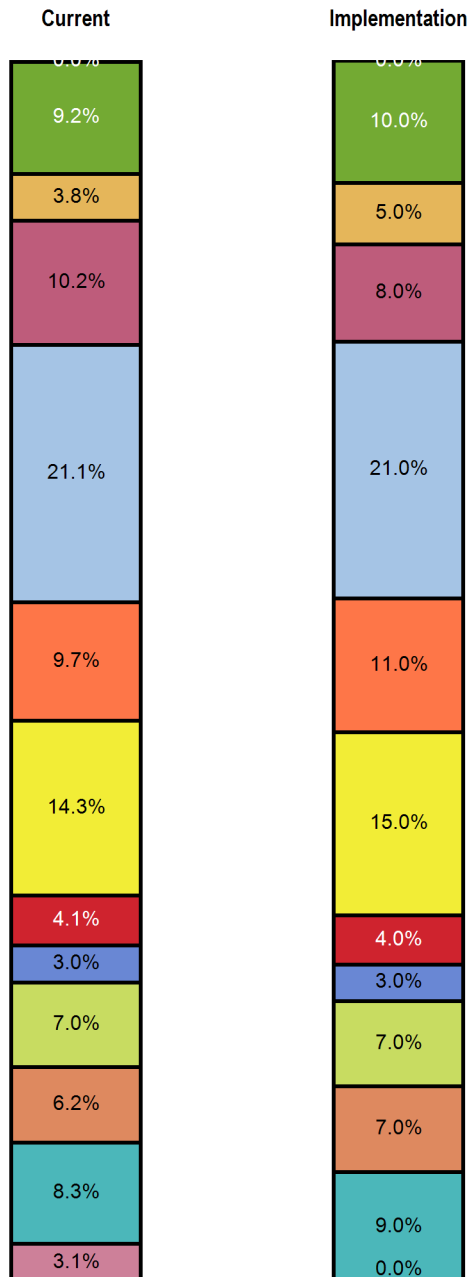
	Inv Pol Stmt	%	Inv Pol Stmt Range	Current	%	Difference	%
Capital Preservation	\$66,903,308	23.0%	20.0% - 26.0%	\$67,584,003	23.2%	\$680,695	0.2%
Domestic Equities	\$93,082,863	32.0%	29.0% - 35.0%	\$89,674,259	30.8%	-\$3,408,604	-1.2%
International Equities	\$63,994,468	22.0%	19.0% - 25.0%	\$62,278,909	21.4%	-\$1,715,560	-0.6%
Long Biased	\$20,361,876	7.0%	4.0% - 10.0%	\$20,246,461	7.0%	-\$115,416	0.0%
Opportunistic Credit	\$20,361,876	7.0%	4.0% - 10.0%	\$17,980,053	6.2%	-\$2,381,824	-0.8%
Real Estate	\$26,179,555	9.0%	6.0% - 12.0%	\$24,045,493	8.3%	-\$2,134,063	-0.7%
Special Opportunities	\$0	0.0%	0.0% - 10.0%	\$9,074,770	3.1%	\$9,074,770	3.1%
Total	\$290,883,947	100.0%		\$290,883,947	100.0%		

Actual vs. Target



Spokane Employees' Retirement System

As of June 30, 2020



Asset Allocation on June 30, 2020

	Actual	Actual	Target
Cash	\$25,955	0.0%	0.0%
Total Return Bond	\$26,862,139	9.2%	10.0%
High Yield Bond	\$11,133,565	3.8%	5.0%
Absolute Return	\$29,562,344	10.2%	8.0%
Large Cap Equity	\$61,339,845	21.1%	21.0%
Small/Mid Cap Equity	\$28,334,414	9.7%	11.0%
Int'l Large Cap Equity	\$41,614,975	14.3%	15.0%
Int'l Small/Mid Cap Equity	\$11,862,137	4.1%	4.0%
Int'l Emerging Market Equity	\$8,801,796	3.0%	3.0%
Long Biased	\$20,246,461	7.0%	7.0%
Opportunistic Credit	\$17,980,053	6.2%	7.0%
Real Estate	\$24,045,493	8.3%	9.0%
Special Opportunities	\$9,074,770	3.1%	0.0%
Total	\$290,883,947	100.0%	100.0%

Spokane Employees' Retirement System

As of June 30, 2020

Asset Allocation vs. Target

	Target Allocation	%	Target Allocation Range	Current	%	Difference	%	Within Range
Capital Preservation	\$66,903,308	23.0%	20.0% - 26.0%	\$67,584,003	23.2%	\$680,695	0.2%	Yes
Cash	\$0	0.0%	0.0% - 2.0%	\$25,955	0.0%	\$25,955	0.0%	Yes
Fidelity Instl Govt Money Market				\$25,955	0.0%			
Total Return Bond	\$29,088,395	10.0%	8.0% - 12.0%	\$26,862,139	9.2%	-\$2,226,256	-0.8%	Yes
Sterling Core Bond				\$26,862,139	9.2%			
High Yield Bond	\$14,544,197	5.0%	3.0% - 7.0%	\$11,133,565	3.8%	-\$3,410,632	-1.2%	Yes
Hotchkis & Wiley High Yield				\$11,133,565	3.8%			
Absolute Return	\$23,270,716	8.0%	6.0% - 10.0%	\$29,562,344	10.2%	\$6,291,628	2.2%	No
Polar Long/Short Fund				\$7,479,470	2.6%			
Post Lmted Term High Yield				\$6,393,929	2.2%			
Rimrock Low Volatility Offshore				\$9,664,464	3.3%			
Castine Partners II				\$6,024,482	2.1%			
Domestic Equities	\$93,082,863	32.0%	29.0% - 35.0%	\$89,674,259	30.8%	-\$3,408,604	-1.2%	Yes
Large Cap Equity	\$61,085,629	21.0%	19.0% - 23.0%	\$61,339,845	21.1%	\$254,216	0.1%	Yes
Hotchkis & Wiley Div Value I				\$13,048,308	4.5%			
Fidelity S&P 500				\$29,946,568	10.3%			
MFS Growth Fund CI R6				\$18,344,969	6.3%			
Small/Mid Cap Equity	\$31,997,234	11.0%	9.0% - 13.0%	\$28,334,414	9.7%	-\$3,662,820	-1.3%	Yes
Sterling Mid Cap Value				\$4,169,685	1.4%			

Spokane Employees' Retirement System

As of June 30, 2020

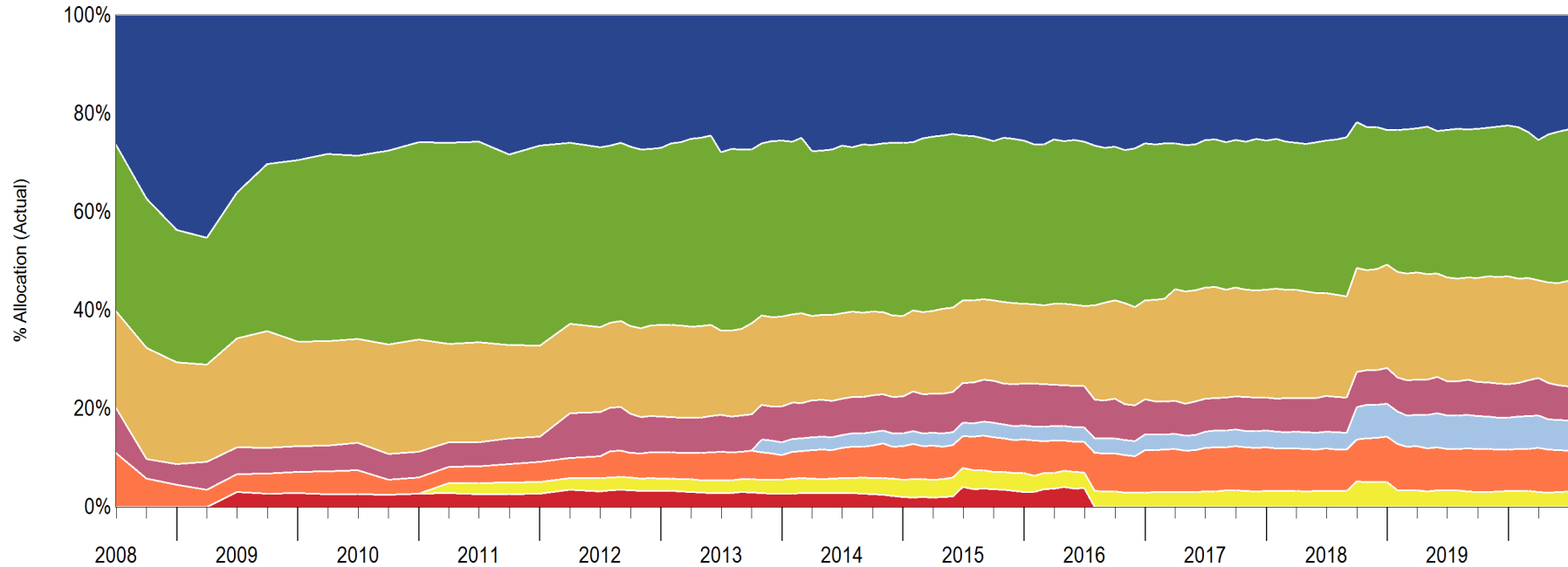
	Target Allocation	%	Target Allocation Range	Current	%	Difference	%	Within Range
Fidelity Mid Cap Index				\$4,193,464	1.4%			
Westfield Mid Cap Growth				\$4,154,791	1.4%			
Frontier Sm Cap Value I				\$0	0.0%			
Fidelity Small Cap Index				\$3,840,548	1.3%			
Bridge City Small Growth				\$5,562,011	1.9%			
Champlain Small Cap				\$6,413,916	2.2%			
International Equities	\$63,994,468	22.0%	19.0% - 25.0%	\$62,278,909	21.4%	-\$1,715,560	-0.6%	Yes
Int'l Large Cap Equity	\$43,632,592	15.0%	13.0% - 17.0%	\$41,614,975	14.3%	-\$2,017,617	-0.7%	Yes
EuroPacific Growth R6				\$22,005,978	7.6%			
Artisan Int'l Value				\$19,608,998	6.7%			
Int'l Small/Mid Cap Equity	\$11,635,358	4.0%	2.0% - 6.0%	\$11,862,137	4.1%	\$226,779	0.1%	Yes
Victory Trivalent International Small Cap				\$11,862,137	4.1%			
Int'l Emerging Market Equity	\$8,726,518	3.0%	1.0% - 5.0%	\$8,801,796	3.0%	\$75,277	0.0%	Yes
Vanguard Emerging Markets Stock Index Fd				\$422,956	0.1%			
ABS Emerging Markets Strategic				\$8,378,840	2.9%			
Long Biased	\$20,361,876	7.0%	4.0% - 10.0%	\$20,246,461	7.0%	-\$115,416	0.0%	Yes
Long Biased	\$20,361,876	7.0%	4.0% - 10.0%	\$20,246,461	7.0%	-\$115,416	0.0%	Yes
Weatherlow Offshore				\$17,949,430	6.2%			
OrbiMed Royalty Opps II				\$997,886	0.3%			
OrbiMed Royalty Opportunities				\$1,299,145	0.4%			

Spokane Employees' Retirement System

As of June 30, 2020

	Target Allocation	%	Target Allocation Range	Current	%	Difference	%	Within Range
Opportunistic Credit	\$20,361,876	7.0%	4.0% - 10.0%	\$17,980,053	6.2%	-\$2,381,824	-0.8%	Yes
Opportunistic Credit	\$20,361,876	7.0%	4.0% - 10.0%	\$17,980,053	6.2%	-\$2,381,824	-0.8%	Yes
Beach Point Select Fund LP				\$10,904,957	3.7%			
Contrarian Capital Fund I LP				\$7,075,096	2.4%			
Real Estate	\$26,179,555	9.0%	6.0% - 12.0%	\$24,045,493	8.3%	-\$2,134,063	-0.7%	Yes
Real Estate	\$26,179,555	9.0%	6.0% - 12.0%	\$24,045,493	8.3%	-\$2,134,063	-0.7%	Yes
Principal Global Investors REIT				\$10,981,135	3.8%			
Metropolitan Realty V				\$161,008	0.1%			
Morrison Street Fund V				\$1,955,939	0.7%			
Morrison Street Debt Opportunities Fund LP				\$3,711,217	1.3%			
Morgan Stanley Prime Property Fund				\$7,236,194	2.5%			
Special Opportunities	\$0	0.0%	0.0% - 10.0%	\$9,074,770	3.1%	\$9,074,770	3.1%	Yes
Special Opportunities	\$0	0.0%	0.0% - 10.0%	\$9,074,770	3.1%	\$9,074,770	3.1%	Yes
Orbimed Partners II				\$5,171,387	1.8%			
Contrarian Emerging Markets				\$3,903,383	1.3%			
Total	\$290,883,947	100.0%		\$290,883,947	100.0%			

Asset Allocation History
12 Years Ending June 30, 2020



	37	43	45	36	30	29	28	28	27	25	26	25	28	26	26	26	26	27	25	28	27	25	27	26	26	26	24	24	25	25	25	25	25	26	26	26	25	25	25	26	25	21	23	23	23	23	22	25	23	
	30	26	25	29	33	36	38	37	39	40	40	40	38	40	36	36	36	36	38	36	35	35	33	34	33	35	35	33	32	33	33	33	33	31	32	29	29	29	30	29	31	29	27	29	30	30	30	28	30	
	22	20	19	22	23	21	21	21	22	22	20	20	19	18	18	17	17	18	18	17	18	18	17	17	17	16	16	16	16	16	16	16	20	20	22	22	22	21	22	20	21	21	21	21	21	19	21			
	4.	4.	5.	5.	5.	5.	5.	5.	5.	4.	4.	5.	5.	9.	8.	7.	7.	7.	7.	7.	7.	7.	7.	7.	7.	8.	8.	8.	8.	8.	8.	8.	8.	7.	6.	6.	6.	6.	6.	7.	7.	7.	7.	7.	7.	6.	7.	7.		
	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	2.	2.	2.	2.	2.	2.	2.	2.	2.	2.	2.	2.	3.	3.	3.	3.	3.	3.	3.	3.	3.	3.	6.	6.	6.	6.	6.		
	5.	4.	3.	3.	4.	4.	4.	4.	3.	3.	3.	3.	3.	4.	4.	4.	5.	5.	5.	5.	5.	5.	5.	6.	6.	6.	6.	6.	6.	7.	6.	6.	6.	6.	7.	8.	8.	8.	8.	8.	8.	8.	8.	9.	8.	8.	8.	8.	9.	8.
	--	--	--	--	--	--	--	--	--	0.	2.	2.	2.	2.	2.	2.	2.	2.	2.	2.	2.	2.	2.	3.	3.	3.	3.	3.	3.	3.	3.	3.	3.	3.	2.	3.	3.	3.	3.	3.	3.	5.	5.	3.	3.	3.	3.	3.	3.	
	--	--	0.	3.	2.	2.	2.	2.	2.	2.	2.	2.	2.	3.	3.	3.	3.	3.	3.	2.	2.	2.	2.	2.	2.	2.	1.	4.	3.	3.	3.	3.	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--		

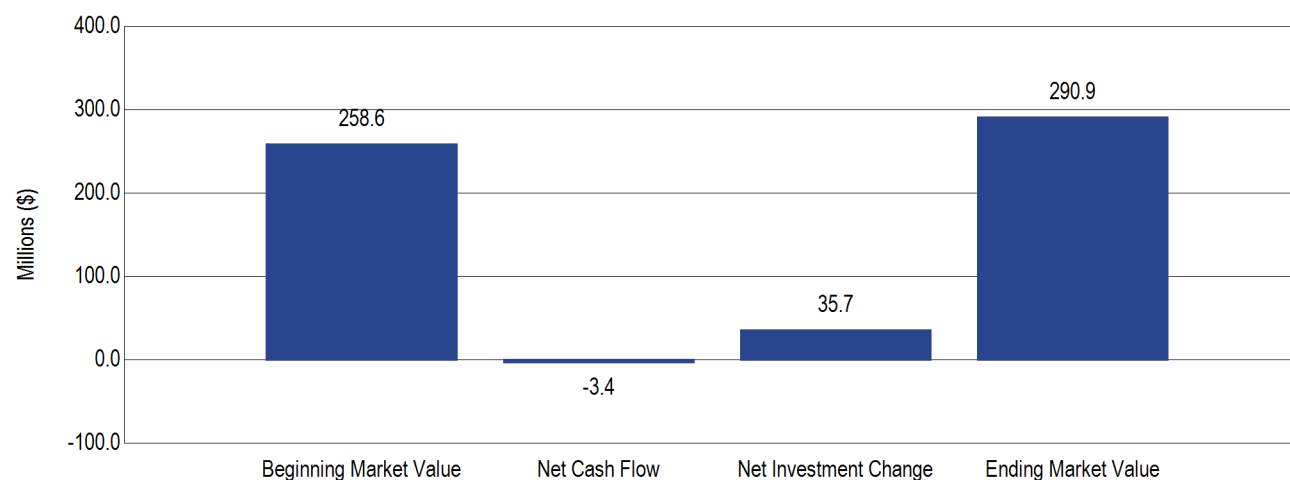
■ Capital Preservation
 ■ International Equities
 ■ Long Biased
 ■ Opportunistic Credit
 ■ Real Estate
 ■ Special Opportunities
 ■ Commodities
■ Domestic Equities

Section 4

Spokane Employees' Retirement System

As of June 30, 2020

Change in Market Value
From April 01, 2020 To June 30, 2020



Cash Flow Summary

	Beginning Market Value (\$)	Contributions (\$)	Withdrawals (\$)	Net Cash Flow (\$)	Net Investment Change (\$)	Ending Market Value (\$)
ABS Emerging Markets Strategic	6,891,324.39	0.00	0.00	0.00	1,487,515.36	8,378,839.75
Artisan Int'l Value	16,758,707.84	0.00	0.00	0.00	2,850,290.09	19,608,997.93
Beach Point Select Fund LP	10,021,581.00	0.00	0.00	0.00	883,376.00	10,904,957.00
Bridge City Small Growth	4,543,189.82	0.00	0.00	0.00	1,018,821.11	5,562,010.93
Castine Partners II	6,003,487.97	0.00	0.00	0.00	20,993.63	6,024,481.60
Champlain Small Cap	5,217,895.84	0.00	0.00	0.00	1,196,019.86	6,413,915.70
Contrarian Capital Fund I LP	6,911,784.64	0.00	0.00	0.00	163,311.08	7,075,095.72
Contrarian Emerging Markets	3,450,177.67	0.00	0.00	0.00	453,205.46	3,903,383.13
EuroPacific Growth R6	17,925,095.88	0.00	0.00	0.00	4,080,881.66	22,005,977.54
Fidelity Instl Govt Money Market	1,633,688.78	6,606,327.99	-8,705,932.92	-2,099,604.93	491,871.01	25,954.86
Fidelity Mid Cap Index	3,366,851.03	0.00	0.00	0.00	826,612.55	4,193,463.58
Fidelity S&P 500	24,845,208.19	0.00	0.00	0.00	5,101,360.00	29,946,568.19
Fidelity Small Cap Index	669,802.62	3,000,000.00	0.00	3,000,000.00	170,745.01	3,840,547.63

Spokane Employees' Retirement System

As of June 30, 2020

	Beginning Market Value (\$)	Contributions (\$)	Withdrawals (\$)	Net Cash Flow (\$)	Net Investment Change (\$)	Ending Market Value (\$)
Frontier Sm Cap Value I	2,634,483.02	0.00	-3,188,048.16	-3,188,048.16	553,565.14	0.00
Hotchkis & Wiley Div Value I	10,883,533.08	0.00	0.00	0.00	2,164,774.79	13,048,307.87
Hotchkis & Wiley High Yield	10,109,987.27	0.00	0.00	0.00	1,023,578.13	11,133,565.40
Metropolitan Realty V	160,995.97	0.00	0.00	0.00	12.34	161,008.31
MFS Growth Fund CI R6	14,746,789.21	0.00	0.00	0.00	3,598,179.99	18,344,969.20
Morgan Stanley Prime Property Fund	7,447,752.51	0.00	-73,410.62	-73,410.62	-138,147.93	7,236,193.96
Morrison Street Debt Opportunities Fund LP	3,852,285.00	0.00	-40,722.63	-40,722.63	-100,345.81	3,711,216.56
Morrison Street Fund V	1,914,595.00	0.00	-21,019.64	-21,019.64	62,363.64	1,955,939.00
Orbimed Partners II	4,373,305.00	0.00	0.00	0.00	798,082.00	5,171,387.00
OrbiMed Royalty Opportunities	1,911,156.49	0.00	-16,620.34	-16,620.34	-595,391.15	1,299,145.00
OrbiMed Royalty Opps II	1,992,463.46	0.00	-912,078.86	-912,078.86	-82,498.60	997,886.00
Polar Long/Short Fund	7,299,546.18	0.00	0.00	0.00	179,923.79	7,479,469.97
Post Lmtd Term High Yield	6,090,723.01	0.00	0.00	0.00	303,205.94	6,393,928.95
Principal Global Investors REIT	9,812,726.32	0.00	0.00	0.00	1,168,408.52	10,981,134.84
Rimrock Low Volatility Offshore	9,171,179.84	0.00	0.00	0.00	493,283.72	9,664,463.56
Sterling Core Bond	25,557,646.38	0.00	0.00	0.00	1,304,492.26	26,862,138.64
Sterling Mid Cap Value	3,370,589.54	0.00	0.00	0.00	799,095.20	4,169,684.74
Vanguard Emerging Markets Stock Index Fd	352,749.17	0.00	0.00	0.00	70,206.89	422,956.06
Victory Trivalent International Small Cap	9,387,039.16	0.00	0.00	0.00	2,475,098.22	11,862,137.38
Weatherlow Offshore	15,993,453.77	0.00	0.00	0.00	1,955,975.83	17,949,429.60
Westfield Mid Cap Growth	3,250,498.78	0.00	-498.85	-498.85	904,791.54	4,154,791.47
Total	258,552,293.83	9,606,327.99	-12,958,332.02	-3,352,004.03	35,683,657.27	290,883,947.07

Section 5

Statistic Definitions

Annualized Standard Deviation	A statistic used to measure the portfolio's volatility. A statistical measure of the dispersion of returns for a given security or market index. Volatility can either be measured by using the standard deviation or variance between returns from that same security or market index. Commonly, the higher the volatility, the riskier the security.
Downside / Upside Deviation	Standard deviation makes no distinction between the "good" or upside deviations, and the "bad" or downside deviations. Both upside and downside deviations have an equal influence on the calculation of standard deviation. Downside deviation seeks to remedy this by ignoring all of the "good" observations and by instead focusing on the "bad" returns. Conversely, Upside deviation ignores all of the "bad" observations and instead focuses on the "good" returns.
Alpha	Measures the relationship between the portfolio performance and the performance of another or benchmark index and equals the excess return while the other portfolio or benchmark index is zero.
Beta	Measures the systematic market risk and is equal to the change in portfolio performance in relation to the change in portfolio performance/index performance.
R-Squared	The "goodness of fit" to a benchmark. The percentage of a manager's return that is "explained" by the benchmark.
Tracking Error	Tracking Error, also known as residual risk, is a measure of the degree to which a portfolio tracks its benchmark. It is also a measure of consistency of excess returns. Tracking Error is computed as the annualized standard deviation of the difference between a portfolio's return and that of its benchmark.
Information Ratio	The Information Ratio is a measure of the risk-adjusted return of a financial security (or asset or portfolio). It is defined as expected active return divided by tracking error, where active return is the excess return and tracking error is the annualized standard deviation of the excess returns.
Sharpe Ratio	Sharpe Ratio is a measure of the excess return per unit of risk in an investment asset or a trading strategy. A higher Sharpe ratio indicates you are receiving more return for the level of risk taken.
Downside Capture Ratio	Measures manager's performance in down markets relative to a particular benchmark. A down-market is defined as those periods (months or quarters) in which market return is < 0.
Upside Capture Ratio	Measures manager's performance in up markets relative to a particular benchmark. An up-market is defined as those periods (months or quarters) in which market return is > 0.
Annualized Excess Return over Risk Free	Difference between the portfolio and the risk-free benchmark's return, annualized.
Annualized Excess Return	Difference between the portfolio and the benchmark's return, annualized.
Correlation	A statistic that measures the degree to which two data series move in relation to each other. The higher the correlation the more the data series move in tandem. Correlation ranges from +1 (perfect correlation), to -1 (perfect negative correlation), with zero indicating no correlation at all.