

REQUEST FOR PROPOSAL  
CITY OF SPOKANE  
**SPOKANE EMPLOYEES' RETIREMENT SYSTEM**  
INVESTMENT CONSULTING SERVICES  
QUESTIONS AND ANSWERS

- 1. What are the fees paid to the current consultant for each of the three plans (Defined Benefit, LEOFF Plan and 457 Defined Contribution Plan)?**

For 2022, SERS \$128,500, LEOFF \$18,000, 457 \$48,000

- 2. Are any projects anticipated in the first three years of the contract, such as an asset/liability study?**

An asset/liability study will be expected during the first three years of the contract. Additionally, manager searches should be anticipated, either due to changes in the asset allocation from the asset/liability study or due to regular manager turnover.

- 3. Is the current consultant participating in this search?**

The Hyas Group has been invited to participate in the RFP.

- 4. Can you please provide a current actuary report and a performance report/or fund line-up?**

Please see attached exhibits for SERS 4Q 2021 performance report and 2021 actuarial valuation report.

**SPOKANE EMPLOYEES'  
RETIREMENT SYSTEM**

**ACTUARIAL VALUATION  
AS OF DECEMBER 31, 2021**



Sageview Consulting Group  
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May 4, 2022

Spokane Employees' Retirement System  
808 West Spokane Falls Boulevard  
Spokane, Washington 99201-3324

Ladies and Gentlemen:

Effective December 31, 2008, actuarial valuations of the Spokane Employees' Retirement System are performed annually. The results of the latest actuarial valuation of the System, which was prepared as of December 31, 2021, are summarized in this letter.

The valuation reflects the benefits in effect on the valuation date, and was prepared on the basis of the data submitted by the System using generally accepted actuarial principles and methods.

#### **Financing Objective and Contribution Rate**

The financing objective of the System is to:

- (a) fully fund all current costs based on the normal contribution rate payable by the System determined under the funding method; and
- (b) liquidate the unfunded accrued liability based on accrued liability contributions payable by the System over an amortization period of no more than 30 years; and
- (c) accomplish the above through a combination of Employee Contributions (currently 10.25% of pay) and Employer Contributions (currently 10.25% of pay).

The December 31, 2021 valuation develops an Actuarially Determined Employer Contribution Rate (ADC), exclusive of employee contributions, of 9.75% of total payroll. The ADC rate compares with an actual Employer Contribution rate of 10.25% of total payroll. The Employer Contribution for the 2021 fiscal year of \$11,519,708 was less than the ADC of \$12,457,475 by \$937,767.

#### **Net Pension Liability**

Under GASB 67, the Net Pension Liability is the excess, if any, of the Total Pension Liability over the Fiduciary Net Position. The Total Pension Liability is determined under the Entry Age actuarial cost method. The Net Pension Liability as of December 31, 2021 and December 31, 2020 is as follows:

	December 31 2021	December 31 2020
Total Pension Liability:	\$529,869,491	\$516,665,282
Fiduciary Net Position:	\$374,533,245	\$339,928,008
Net Pension Liability:	\$155,336,246	\$176,737,274
Fiduciary Net Position as a Percentage of Total Pension Liability:	70.7%	65.8%
 GASB 67 Discount Rate:	 7.50%	 7.50%

### **System's Assets and Member Data**

The individual data for members of the System as of the valuation date were reported to the actuary by the System. While we did not verify the data at its source, we did perform tests for internal consistency and reasonability in relation to the data submitted for the previous valuation. It is our understanding that the outside auditor of the System has also made an examination of the data.

The amount of assets in the trust fund taken into account in the valuation was based on statements prepared for us by the System's Staff and audited by the independent auditor of the System.

### **Actuarial Assumptions and Methods**

Actuarial assumptions are adopted by the Board, upon review of recommendations made by the actuary. An experience study was conducted for the five-year period ended December 31, 2016. This study resulted in the Board adopting several changes in assumptions as of December 31, 2017, at the recommendation of the actuary, in order to better anticipate emerging experience under the System. See a copy of the experience study for more information about assumptions.

The next experience study is scheduled to be conducted for the five-year period ended December 31, 2021. Upon completion of that study, recommendations will be made with respect to assumptions, methods and contribution rates to be adopted beginning with the December 31, 2022 valuation.

In order to smooth out market value fluctuations for purposes of developing the ADC, the difference between actual investment earnings over expected investment earnings will be recognized in equal amounts over a five-year period with the restriction that the smoothed value of assets may not be less than 90% nor greater than 110% of market value.

Samples of the actuarial assumptions, and descriptions of the actuarial cost method and asset valuation method are set forth in the outline of actuarial assumptions and methods included in the report.

### **Legislative and Administrative Changes**

Employer and Employee contribution rates were both increased from 10.00% to 10.25%, effective the last pay period in 2021.

There were no other legislative or administrative changes since the last valuation that had a financial impact on the System.

### Financial Results and Membership Data

Detailed summaries of financial results of the valuation and membership data used in preparing the valuation are shown in the valuation report and the related membership data schedules. We were responsible for providing information for all schedules included in the Actuarial Section of the annual financial report for the fiscal year ended December 31, 2021.

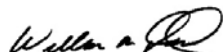
To the best of our knowledge, this report is complete and accurate. All costs and liabilities have been determined in conformance with generally accepted actuarial principles and on the basis of actuarial assumptions and methods which are individually reasonable (taking into account past experience and reasonable expectations of future experience) and which in combination represent the best estimate of anticipated experience under the System. In addition, the assumptions and methods used for funding purposes meet the parameters set by relevant Actuarial Standards of Practice.

Future liability and asset values may differ from the results shown in this report for many reasons including, but not limited to, actual experience differing from assumed experience, changes in actuarial assumptions or methods, plan amendments, regulatory changes or changes in contribution strategy. An impact analysis of such potential changes is not included in this report. Potential plan risks are discussed in Appendix I in compliance with ASOP 51.

The undersigned are available to provide additional information or answer any questions with respect to this report.

Respectfully Submitted By:

**Sageview Consulting Group**



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William M. Dowd, FCA, EA  
Principal



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William J. Reid, FCA, EA  
Principal

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## Summary of Valuation Results

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Presented in this report are the results of the actuarial valuation as of December 31, 2021 for the Spokane Employees' Retirement System.

The principal results include:

- The Actuarially Determined Employer Contribution Rate (ADC) is 9.75% of total payroll. This compares to an actual Employer Contribution rate of 10.25% of total payroll.

The valuation was completed based on membership and financial data submitted by the System.

### Net Pension Liability

Under GASB 67, the Net Pension Liability is the excess, if any, of the Total Pension Liability over the Fiduciary Net Position. The Total Pension Liability is determined under the Entry Age actuarial cost method. The Net Pension Liability as of December 31, 2021 and December 31, 2020 is as follows:

	December 31 2021	December 31 2020
Total Pension Liability:	\$529,869,491	\$516,665,282
Fiduciary Net Position:	\$374,533,245	\$339,928,008
Net Pension Liability:	\$155,336,246	\$176,737,274
Fiduciary Net Position as a Percentage of Total Pension Liability:	70.7%	65.8%
GASB 67 Discount Rate:	7.50%	7.50%

The following changes have been made since the last actuarial valuation:

#### • Actuarial Assumptions and Methods

Actuarial assumptions are adopted by the Board, upon review of recommendations made by the actuary. An experience study was conducted for the five-year period ended December 31, 2016. This study resulted in the Board adopting several changes in assumptions as of December 31, 2017, at the recommendation of the actuary, in order to better anticipate emerging experience under the System. See a copy of the experience study for more information about assumptions.

The next experience study is scheduled to be conducted for the five-year period ended December 31, 2021. Upon completion of that study, recommendations will be made with respect to assumptions, methods and contribution rates to be adopted beginning with the December 31, 2022 valuation.

GASB 67 requires the use of a blended discount rate to the extent future contributions are not projected to be sufficient to provide future benefits for the current closed group of plan participants. This was the case for years prior to 2017. For years ended 2017 and later, it was not necessary to apply a blended discount rate because of the negotiated terms that allow for both employer and employee contributions to increase or decrease up to 1% each year based on changes in the ADC.

#### • Legislative and Administrative Changes

Employer and Employee contribution rates were both increased from 10.00% to 10.25%, effective the last pay period in 2021.

There were no other legislative or administrative changes since the last valuation that had a financial impact on the System.

## Summary of Valuation Results (continued)

<u>Demographics</u>	<u>2021</u>	<u>2020</u>
<u>Active</u>		
Number	1,494	1,464
Average Pay for Coming Year	\$ 78,224	\$ 77,175
<u>Retired and Beneficiaries</u>		
Number	1,534	1,504
Average Annual Allowance	21,983	21,594
<u>Terminated Vested and Portables</u>		
Number	134	131
<u>Total Membership</u>	3,162	3,099
 <u>Net Pension Liability</u>		
Total Pension Liability	\$529,869,491	\$516,665,282
Fiduciary Net Position	\$374,533,245	\$339,928,008
Net Pension Liability	\$155,336,246	\$176,737,274
Fiduciary Net Position as a Percentage of the Total Pension Liability	70.7%	65.8%
 <u>Contribution Rates</u>		
Actuarially Determined Employer Contribution Rate (ADC)*	9.75%	10.43%
Actual Employer Contribution Rate	10.25%	10.00%
Effective 12/26/2021	10.25%	
12/27/2020 - 12/25/2021	10.00%	
12/15/2019 - 12/26/2020	9.75%	
12/16/2018 - 12/14/2019	9.25%	
12/17/2017 - 12/15/2018	9.00%	
09/01/2014 - 12/16/2017	8.25%	
Prior to 9/1/2014	7.75%	

\* Exclusive of Employee Contributions



## ***Summary of Valuation Results (continued)***

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### **Contribution Rates (ADC)**

The results of the valuation as of December 31, 2021 determine the ADC rate for the System. The actual Employer Contribution rate is compared to the contribution rate developed in the valuation in order to determine the appropriateness of the actual Employer Contribution rate. As of December 31, 2021 the actual Employer Contribution rate of 10.25% is greater than the ADC rate of 9.75%.

### **Reasons for Change in the ADC**

The recommended employer contribution rate as determined by the ADC decreased from 10.43% as of December 31, 2020 to 9.75% as of December 31, 2021. The decrease of 0.68% is due to the following reasons:

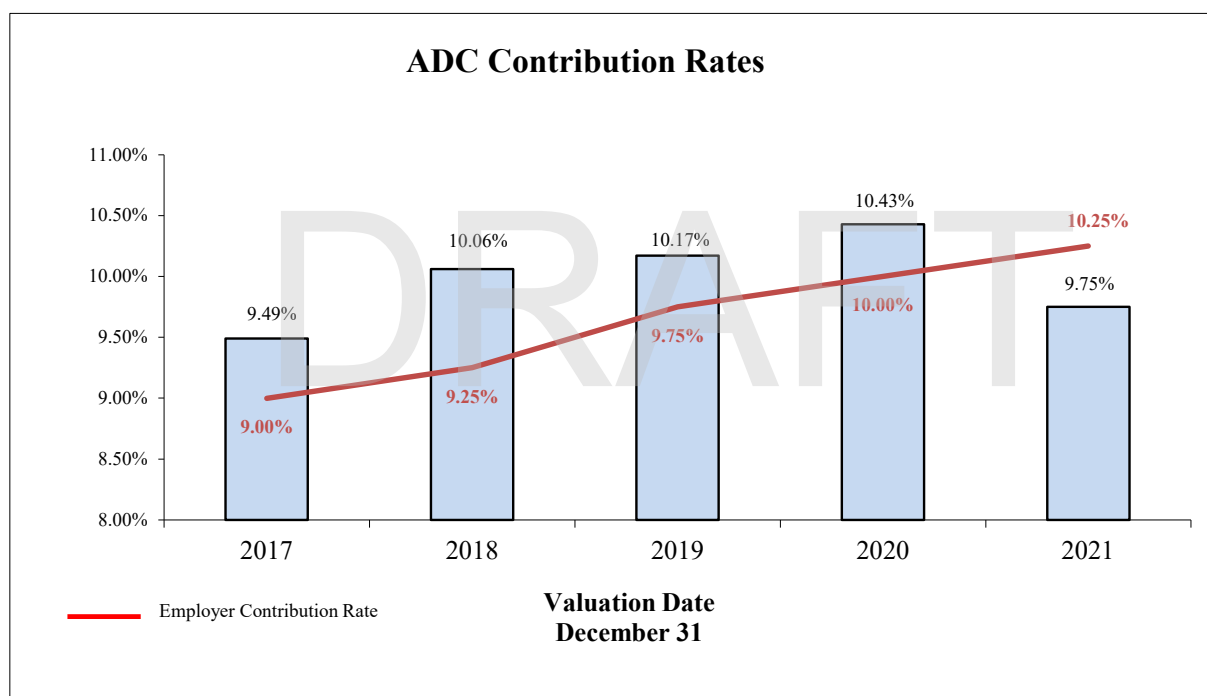
● Decrease due to return on actuarial assets	(0.39%)
● Decrease due to change in normal cost rate	(0.32%)
● Increase due to change in benefit provisions	0.00%
● Decrease due to legislative changes	0.00%
● Increase due to change in assumptions	0.00%
● Decrease due to change in funding method	0.00%
● Increase due to lower than expected payroll growth	0.05%
● Decrease due to other factors	(0.02%)
● Total	<u>(0.68%)</u>

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### Summary of Valuation Results (continued)

#### Five-Year History of Contribution Rates (As a % of payroll)

Valuation Date	ADC	Employer Rate
2017	9.49%	9.00%
2018	10.06%	9.25%
2019	10.17%	9.75%
2020	10.43%	10.00%
2021	9.75%	10.25%



## ***Summary of Valuation Results (continued)***

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### **Unfunded Accrued Liability**

The financing objective of the System is to:

- fully fund all current costs based on the normal contribution rate payable by the System determined under the funding method; and
- liquidate the unfunded accrued liability based on accrued liability contributions payable by the System over an amortization period of no more than 30 years; and
- accomplish the above through a combination of Employee Contributions (currently 10.25% of pay) and Employer Contributions (currently 10.25% of pay).

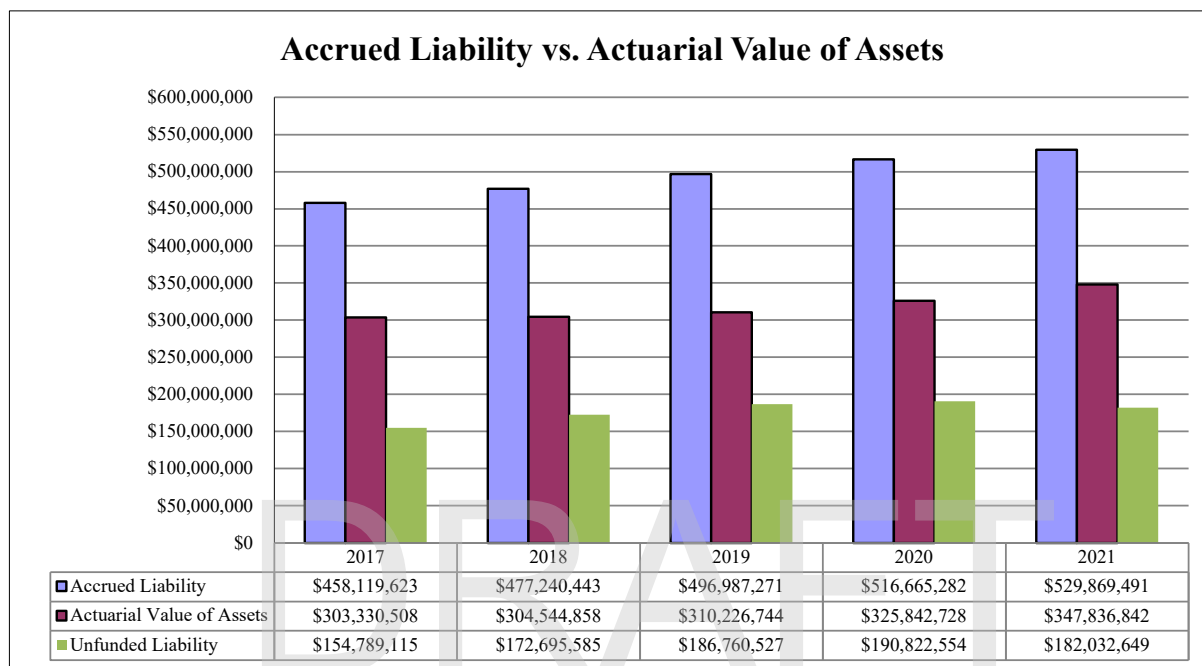
For purposes of determining contribution rates, the System's unfunded actuarial liability is measured by comparing the actuarial value of assets with the actuarial liability. The actuarial liability is determined under the entry age normal cost method. On this basis, the System's unfunded actuarial liability is \$182,032,649 as of December 31, 2021. The unfunded actuarial liability is based on an actuarial value of assets of \$347,836,842 and an actuarial liability of \$529,869,491.

For purposes of financial reporting, the Fund's unfunded liability (net pension liability) is measured by comparing the market value of assets (fiduciary net position) with the actuarial liability (total pension liability). The total pension liability is determined under the entry age cost method. On this basis, the Fund's net pension liability is \$155,336,246 as of December 31, 2021. The net pension liability is based on a fiduciary net position of \$374,533,245 and a total pension liability of \$529,869,491.

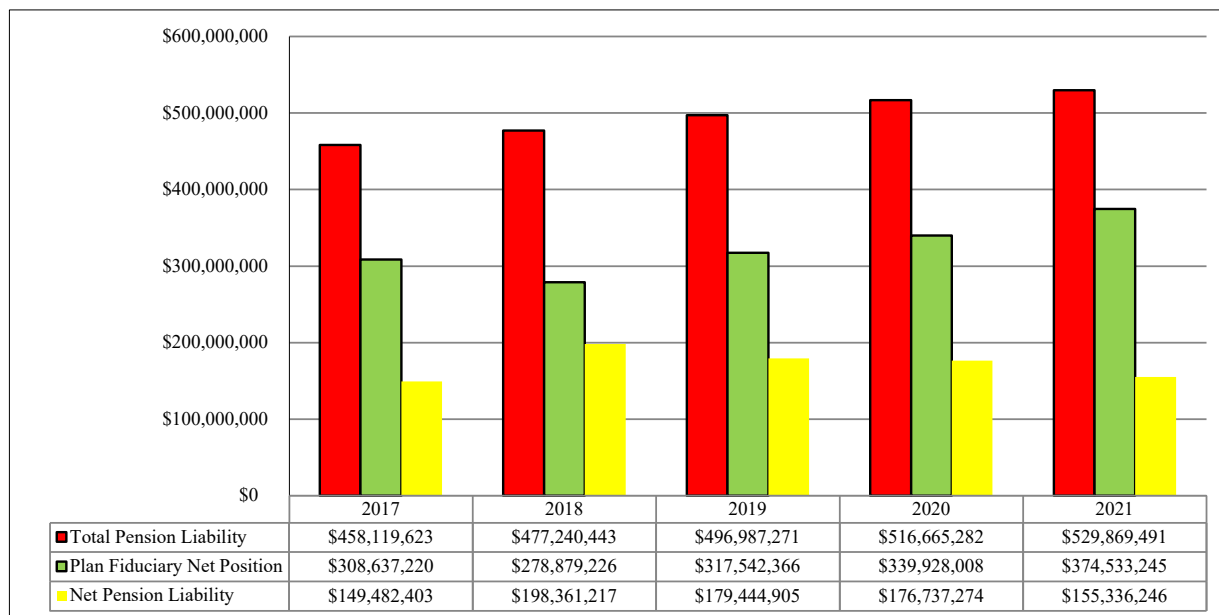
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## Summary of Valuation Results (continued)

### History of Accrued Liability and Actuarial Value of Assets



### History of Net Pension Liability



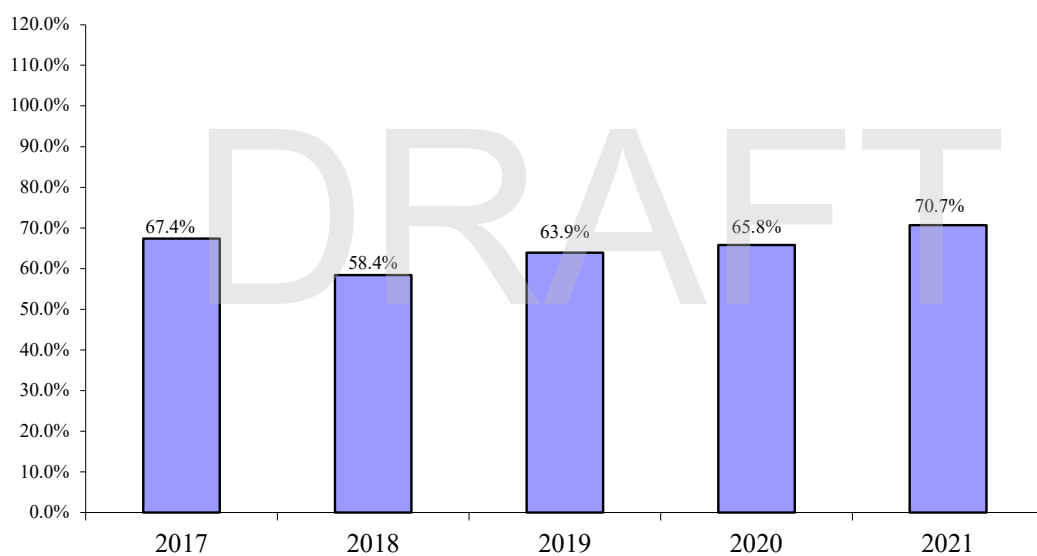
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**Summary of Valuation Results (continued)**

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**Five-Year History of Funded Status**

Fiscal Year Ending	Funded Status
2017	67.4%
2018	58.4%
2019	63.9%
2020	65.8%
2021	70.7%

**Funded Status****Fiscal Year Ended December 31**

## ***Summary of Valuation Results (continued)***

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### **Rate of Return**

The investment return of the trust fund (i.e. total return including both realized and unrealized gains and losses) based on the market value of invested assets for the fiscal year ended December 31, 2021 was 13.70%. However, since some contributions go directly to paying benefits and are never invested in the trust, the net investment return on total assets of the System was 13.82%. The investment return on the smoothed fair value of assets was 10.48%. The expected rate of return was 7.50%.

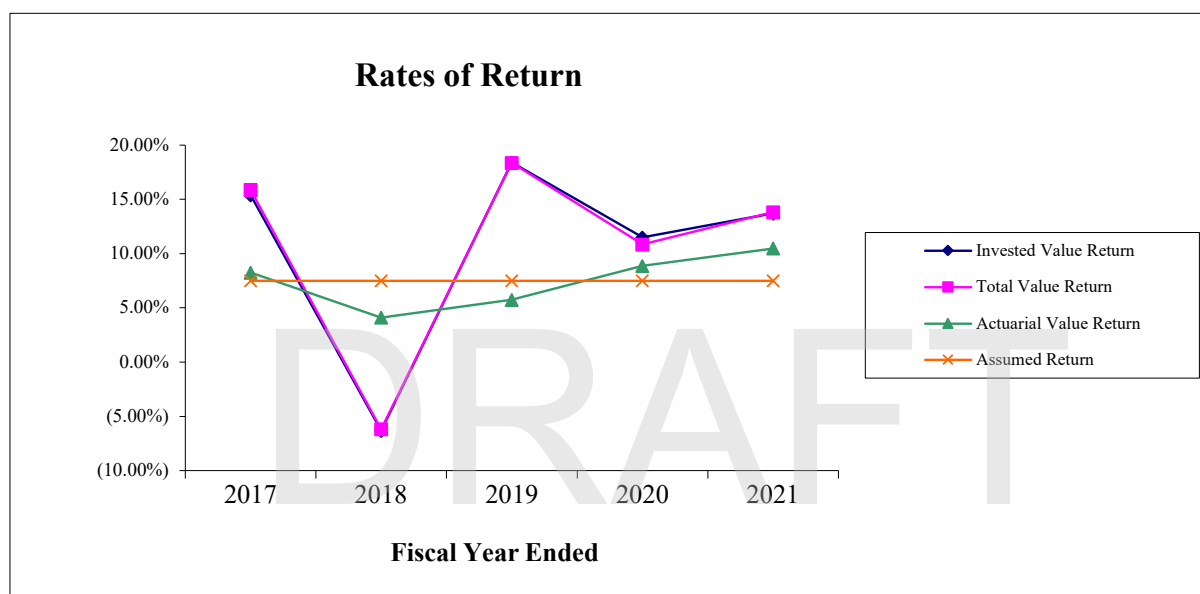
The smoothed fair value of assets is determined using a method that is designed to smooth the impact of market fluctuations. Unlike the market value, which immediately reflects all investment gains and losses during the year, the smoothed fair value recognizes annual appreciation and depreciation over a five-year period.

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**Summary of Valuation Results (continued)**

**Five-Year History of Rates of Return**

Fiscal Year Ending	Rate of Return on Assets			
	Invested	Total	Actuarial	Assumed
2017	15.40%	15.87%	8.25%	7.50%
2018	(6.30%)	(6.17%)	4.12%	7.50%
2019	18.40%	18.37%	5.75%	7.50%
2020	11.50%	10.84%	8.87%	7.50%
2021	13.70%	13.82%	10.48%	7.50%



## ***Supporting Information***

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The remainder of the report is comprised of the following sections or schedules:

Table 1	Demographics
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### **Funding Schedules**

Table 2	Market Value Reconciliation
Table 3	Smoothed Fair Value of Net Assets Determination
Table 4	Accrued Liability
Table 5	Actuarial (Gain)/Loss
Table 6	Amortization Schedule
Table 7	Normal Cost
Table 8	Contribution Summary

### **GASB 67 Schedules**

Table 9	Statement of Fiduciary Net Position
Table 10	Statement of Changes in Fiduciary Net Position
Table 11	Net Pension Liability
Table 12	Schedule of Employer Contributions
Table 13	GASB 68 Summary for 2021
Table 14	GASB 68 Summary for 2022
Table 15	Deferred Outflows/(Inflows) Amortization Schedule

### **Financial Schedules**

Table 16	Historical Summary of Fund Additions and Deductions
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### **Membership Schedules**

Table 17	Schedule of Membership
Table 18	Schedule of Active Members Valuation Data
Table 19	Schedule of Retirees Added to and Removed from Rolls
Table 20	Schedule of Retired Members by Type of Benefit; Schedule of Benefit Payments by Type
Table 21	Schedule of Average Annual Benefit Payments

### **Assumptions, Methods and Provisions Schedules**

Table 22	Description of Actuarial Assumptions and Methods
Table 23	Summary of Benefit and Contribution Provisions

### **Appendices**

Appendix I	Plan Risks (ASOP 51 Compliance)
Appendix II	Data Tables



**Table 1****DEMOGRAPHICS**

	<u>2021</u>	<u>2020</u>	<u>Increase/ (Decrease)</u>
Number of Members:			
Retirees	1,361	1,328	33
Beneficiaries	165	168	(3)
Disabled	8	8	0
Terminated Vested	73	78	(5)
Portables	61	53	8
Active	1,494	1,464	30
Total Members	3,162	3,099	63
Projected Compensation for Coming Year	116,866,751	112,984,469	3,882,282
Average Compensation for Coming Year	78,224	77,175	1,049
Average Age (Active Members)	47.27	47.33	(0.06)
Average Service (Active Members)	10.90	11.15	(0.25)
Annual Retirement Allowance	33,722,469	32,477,722	1,244,747
Average Annual Retirement Allowance	21,983	21,594	389
Average Monthly Retirement Allowance	1,832	1,800	32

**Table 2**

**ASSET INFORMATION**

**Market Value Reconciliation**

1. Total Market Value of Net Assets, 12/31/2020		339,928,008
2. Audit Adjustment		0
3. Contributions		
a. Employer	11,519,708	
b. Employee	11,519,708	
c. Total Contributions		23,039,416
4. Miscellaneous Revenue		0
5. Investment Earnings		
a. Interest & Dividends & Other Income	4,726,318	
b. Realized & Unrealized Gain/(Loss)	41,998,002	
c. Investment Expenses	(557,485)	
d. Total Investment Earnings		46,166,835
6. Benefit Payments		
a. Benefits	(33,256,350)	
b. Refund of Contributions	(741,019)	
c. Total Benefit Payments		(33,997,369)
7. Administrative Expenses		(603,645)
8. Total Market Value of Net Assets, 12/31/2021		374,533,245
9. Approximate Rate of Return on Total Assets		13.82%
10. Approximate Rate of Return on Invested Assets		13.70%

**Table 3****ASSET INFORMATION****Smoothed Fair Value of Net Assets Determination**

1. Total Market Value of Net Assets, 12/31/2020	339,928,008
2. Expected Return for Plan Year	25,068,879
3. Actual Return for Plan Year	46,166,835
4. Total Market Value of Net Assets, 12/31/2021	374,533,245
5. Determination of Deferred Gain (Loss)	

<u>Fiscal Year</u>	<u>Actual vs. Expected Return</u>	<u>Amount Recognized This Year</u>	<u>Portion Deferred</u>	<u>Deferred Amount</u>
2021	21,097,956	4,219,591	4/5	16,878,365
2020	10,399,530	2,079,906	3/5	6,239,718
2019	29,674,372	5,934,874	2/5	11,869,749
2018	(41,457,145)	(8,291,429)	1/5	(8,291,429)
2017	22,719,457	4,543,891	0/5	0
Total	42,434,170	8,486,833		26,696,403

6. Preliminary Smoothed Fair Value of Net Assets (4. - 5.)	347,836,842
7. Ratio of Preliminary Smoothed Fair Value to Market Value	92.87%
8. Smoothed Fair Value of Net Assets (6., but not less than 90% nor more than 110% of 4.)	347,836,842
9. Ratio of Smoothed Fair Value to Market Value	92.87%
10. Approximate Rate of Return on Smoothed Fair Value of Net Assets	10.48%

**Table 4**

**ACCRUED LIABILITY**

1. Accrued Liability prior to Changes in Benefit Provisions and Assumptions		
a. Active	194,813,795	
b. Terminated Vested & Portables	14,861,509	
c. Retirees	299,409,860	
d. Beneficiaries	19,670,011	
e. Disableds	1,114,316	
f. Total Accrued Liability prior to Changes		529,869,491
2. Actuarial Value of Assets		347,836,842
3. Unfunded Accrued Liability prior to Changes (1.f. - 2.)		182,032,649
4. Change in Unfunded Accrued Liability		
a. Due to Changes in Plan Provisions	0	
b. Due to Changes in Assumptions	0	
c. Due to Change in Funding Method	0	
d. Due to Change in Asset Method	0	
e. Total Change in Unfunded Accrued Liability		0
5. Actual Unfunded Accrued Liability (3. + 4.e.)		182,032,649

**Table 5**

**ACTUARIAL (GAIN)/LOSS**

1. Increase (decrease) in Unfunded Accrued Liability

a. Unfunded Accrued Liability, prior year	190,822,554
b. Entry Age Normal Cost (excluding expenses)	9,655,077
c. Contributions	23,039,416
d. Interest	14,187,463
e. Expected Unfunded Accrued Liability, current year (a. + b. - c. + d.)	191,625,678
f. Actual Unfunded Accrued Liability, current year before benefit, assumption, and method changes	182,032,649
g. (Gain)/Loss (f. -e.)	(9,593,029)

2. Reasons for (Gain)/Loss

a. Investment Return on Smoothed Fair Value of Assets	(8,917,356)
b. Other	(675,673)
c. Total	(9,593,029)

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**Table 6****AMORTIZATION SCHEDULE\***

<u>Date Established</u>	<u>Source</u>	<u>Initial Amount</u>	<u>Remaining Balance</u>	<u>Years to Amortize</u>	<u>Required Payment</u>
12/31/2021	Actuarial Gain	(9,593,029)	(9,593,029)	30	(496,130)
12/31/2020	Actuarial Loss	1,832,024	1,868,795	29	98,603
12/31/2019	Actuarial Loss	11,674,436	12,187,271	28	656,748
12/31/2018	Actuarial Loss	15,952,971	17,034,362	27	938,641
12/31/2017	Actuarial Gain	(5,056,189)	(5,506,988)	26	(310,692)
12/31/2017	Assumption Change	10,524,826	11,463,197	26	646,728
12/31/2017	Plan Amendment	165,092	179,811	26	10,145
12/31/2017	Reamortization of Prior Amounts	118,016,263	154,399,230	18	11,198,900
Total		143,516,394	182,032,649		12,742,943

\* Effective December 31, 2017, prior bases established between December 31, 2007 and December 31, 2016 were combined into one base with a weighted average remaining amortization period of 22 years.

**Table 7**

**NORMAL COST**

1. Normal Cost for All Benefits	9,931,195
2. Offset for Employee Contributions	(11,978,842)
3. Estimated Expenses	700,000
4. Total (1) - (2) + (3)	(1,347,647)

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**Table 8**

**CONTRIBUTION SUMMARY**

1. Actuarially Determined Employer Contribution Amount		
a. Normal Cost	(1,347,647)	
b. Amortization Charges	12,742,943	
c. Total		11,395,296
2. Actuarially Determined Employer Contribution Rate		
a. Normal Cost	-1.15%	
b. Amortization Charges	10.90%	
c. Total		9.75%
3. Projected Pay for the Upcoming Year		116,866,751

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**Table 9**

**ASSET INFORMATION**

**Statement of Fiduciary Net Position  
(as provided by SERS staff)**

**ASSETS**

1. Cash		268,476
2. Short-term investments		1,795,164
3. Receivables		
a. Interest and Dividends	195,806	
b. Other receivables	777	
c. Total Receivables		<u>196,583</u>
4. Investments, at fair value		
a. U. S. Fixed Income	25,427,124	
b. International Fixed Income	1,694,186	
c. Fixed Income Mutual Funds	23,218,830	
d. U.S. Equities	14,776,343	
e. International Equities	533,560	
f. Equity Mutual Funds	189,233,918	
g. Real Estate	33,697,767	
h. Alternatives	83,699,635	
i. Total Investments		<u>372,281,363</u>
5. Capitalized software, net of accumulated amortization		176,490
6. Total Assets		<u>374,718,076</u>

**LIABILITIES**

1. Accounts Payable	104,517	
2. Current portion employee salary & benefits	5,667	
3. Employee leave benefits	62,125	
4. Other current liabilities	12,522	
5. Total Liabilities		<u>184,831</u>

**NET POSITION**

374,533,245

**Table 10**

**ASSET INFORMATION**

**Statement of Changes in Fiduciary Net Position  
(as provided by SERS staff)**

**ADDITIONS**

1. Contributions		
a. Employer	11,519,708	
b. Plan Members	11,519,708	
c. Intergovernmental Revenue	0	
d. Miscellaneous Revenue	0	
e. Total Contributions		23,039,416
2. Investment Earnings:		
a. Net increase (decrease) in fair value of investments	41,998,002	
b. Interest, dividends and other investment income	4,726,318	
c. Total Investment Earnings (loss)		46,724,320
d. Less: investment expense		<u>557,485</u>
e. Net investment earnings (loss)		<u>46,166,835</u>
Total additions		<u>69,206,251</u>

**DEDUCTIONS**

1. Pension benefits	33,256,350	
2. Refund of contributions	741,019	
3. Administrative expenses	603,645	
Total deductions		<u>34,601,014</u>
Change in net assets:		34,605,237
Prior period adjustment		0
Plan Fiduciary Net Position, 12/31/2020		<u>339,928,008</u>
Plan Fiduciary Net Position, 12/31/2021		<u><u>374,533,245</u></u>

**Table 11****NET PENSION LIABILITY**

	<u>2021</u>	<u>2020</u>
<b>Total Pension Liability</b>		
Service Cost	10,379,208	10,326,519
Interest	37,498,043	36,091,730
Changes of benefit terms	0	0
Differences between expected and actual experience	(675,673)	5,368,635
Changes of assumptions	0	0
Benefit Payments, including refunds of member contributions	(33,997,369)	(32,108,873)
Net change in total pension liability	13,204,209	19,678,011
Total pension liability - beginning	516,665,282	496,987,271
Total pension liability - ending (a)	529,869,491	516,665,282
<b>Plan Fiduciary Net Position</b>		
Contributions - employer	11,519,708	10,659,281
Contributions - member	11,519,708	10,659,281
Net investment income	46,166,835	33,795,088
Benefit payments, including refunds of member contributions	(33,997,369)	(32,108,873)
Administrative expense	(603,645)	(619,135)
Other	0	0
Net change in plan fiduciary net position	34,605,237	22,385,642
Plan fiduciary net position - beginning	339,928,008	317,542,366
Plan fiduciary net position - ending (b)	374,533,245	339,928,008
Net pension liability - ending (a) - (b) *	155,336,246	176,737,274
Plan fiduciary net position as a percentage of the total pension liability	70.7%	65.8%
Covered-employee payroll	116,866,751	112,984,469
Net pension liability as a percentage of covered-employee payroll	132.9%	156.4%
GASB 67 Blended Discount Rate Beginning of Period:	7.50%	7.50%
GASB 67 Blended Discount Rate End of Period:	7.50%	7.50%

\* A 1% decrease in the discount rate increases the net pension liability to \$210,156,605, an increase of \$54,820,359.

A 1% increase in the discount rate decreases the net pension liability to \$108,523,928, a decrease of \$46,812,318.

**Table 12****SCHEDULE OF EMPLOYER CONTRIBUTIONS  
(Excludes Member Contributions)**

<u>Fiscal Year Ended</u>	<u>Actuarially Determined Contribution</u>	<u>Contributions in Relation to the Actuarially Determined Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Employee Payroll</u>	<u>Percentage Contributed</u>
12/31/2012	8,325,936	6,937,750	1,388,186	89,519,355	7.75%
12/31/2013	8,237,317	6,715,376	1,521,941	86,650,013	7.75%
12/31/2014	8,292,066	6,822,279	1,469,787	86,139,886	7.92%
12/31/2015	9,069,276	7,398,945	1,670,331	89,684,182	8.25%
12/31/2016	9,853,762	7,586,362	2,267,400	91,955,903	8.25%
12/31/2017	9,765,949	8,113,319	1,652,630	98,343,261	8.25%
12/31/2018	10,044,342	9,187,420	856,922	102,082,444	9.00%
12/31/2019	11,078,489	9,824,717	1,253,772	106,213,157	9.25%
12/31/2020	11,527,854	10,659,281	868,573	109,325,959	9.75%
12/31/2021	12,457,475	11,519,708	937,767	115,197,080	10.00%

Table 13									
GASB 68 Summary for 2021									
Total Plan									
	Total Pension Liability	Plan Net Position	Net Pension Liability (NPL)	NPL Discount Rate +1%	NPL Discount Rate -1%	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense	Amortization Period
Balance, Beginning of Year (1)	496,987,271	317,542,366	179,444,905	135,023,895	231,504,737	38,781,148	78,078,168		
Changes for the year									
Service Cost	10,326,519		10,326,519					10,326,519	
Interest Cost	36,091,730		36,091,730					36,091,730	
Benefit Changes	-		-					-	
Experience loss (gain)	5,368,635		5,368,635			4,473,862	-	894,773	6.00
Changes in assumptions	-		-			-	-	-	6.00
Contributions - Employer		10,659,281	(10,659,281)						
Contributions - Employee		10,659,281	(10,659,281)					(10,659,281)	
Net Investment Income		33,795,088	(33,795,088)						
Expected Return on Investments								(23,395,558)	
Investment (gain) loss expensed								(2,079,906)	5.00
Investment (gain) loss deferred						-	8,319,624		
Benefits paid including refunds	(32,108,873)	(32,108,873)	-					-	
Administrative Expense		(619,135)	619,135					619,135	
Other Changes		-	-						
Amortization			-			(14,107,269)	(26,370,298)	(12,263,029)	
Net Changes	19,678,011	22,385,642	(2,707,631)			(9,633,407)	(18,050,674)		
Balance, End of Year (2)	516,665,282	339,928,008	176,737,274	130,882,728	230,465,485	29,147,741	60,027,494	(465,617)	
(1) Measurement Date December 31, 2019									
(2) Measurement Date December 31, 2020									

Table 14									
GASB 68 Summary for 2022									
Total Plan									
	Total Pension Liability	Plan Net Position	Net Pension Liability (NPL)	NPL Discount Rate +1%	NPL Discount Rate -1%	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense	Amortization Period
Balance, Beginning of Year (1)	516,665,282	339,928,008	176,737,274	130,882,728	230,465,485	29,147,741	60,027,494		
Changes for the year									
Service Cost	10,379,208		10,379,208					10,379,208	
Interest Cost	37,498,043		37,498,043					37,498,043	
Benefit Changes	-		-					-	
Experience loss (gain)	(675,673)		(675,673)			-	563,061	(112,612)	6.00
Changes in assumptions	-		-			-	-	-	6.00
Contributions - Employer		11,519,708	(11,519,708)						
Contributions - Employee		11,519,708	(11,519,708)					(11,519,708)	
Net Investment Income		46,166,835	(46,166,835)						
Expected Return on Investments								(25,068,879)	
Investment (gain) loss expensed								(4,219,591)	5.00
Investment (gain) loss deferred						-	16,878,365		
Benefits paid including refunds	(33,997,369)	(33,997,369)	-					-	
Administrative Expense		(603,645)	603,645					603,645	
Other Changes		-	-						
Amortization			-			(13,285,765)	(28,450,206)	(15,164,441)	
Net Changes	13,204,209	34,605,237	(21,401,028)			(13,285,765)	(11,008,780)		
Balance, End of Year (2)	529,869,491	374,533,245	155,336,246	108,523,928	210,156,605	15,861,976	49,018,714	(7,604,335)	
(1) Measurement Date December 31, 2020									
(2) Measurement Date December 31, 2021									

**Table 15**

**Deferred Outflows/(Inflows) Amortization Schedule as of December 31, 2022  
(Measurement Date: December 31, 2021)**

Date Established	Source	Initial Amount	Deferred Amount	Remaining Years	Amortization Payment
12/31/2022	Experience Gain	(675,673)	(563,061)	5.00	(112,612)
12/31/2022	Investment Gain	(21,097,956)	(16,878,365)	4.00	(4,219,591)
12/31/2021	Experience Loss	5,368,635	3,579,089	4.00	894,773
12/31/2021	Investment Gain	(10,399,530)	(6,239,718)	3.00	(2,079,906)
12/31/2020	Experience Loss	5,866,404	2,933,202	3.00	977,734
12/31/2020	Investment Gain	(29,674,372)	(11,869,750)	2.00	(5,934,874)
12/31/2019	Experience Loss	5,291,272	1,058,256	1.00	1,058,256
12/31/2019	Investment Loss	41,457,145	8,291,429	1.00	8,291,429
12/31/2018	Experience Gain	(3,830,239)	(638,374)	1.00	(638,374)
12/31/2018	Assumption Change	(76,976,691)	<u>(12,829,446)</u>	1.00	<u>(12,829,446)</u>
Total			(33,156,738)		(14,592,611)

**Table 16****HISTORICAL SUMMARY OF FUND ADDITIONS AND DEDUCTIONS****ADDITIONS BY SOURCE**

<u>Fiscal Year Ended</u>	<u>Employer Contributions as a Percent of Payroll</u>	<u>Employer Contributions</u>	<u>Employee Contributions</u>	<u>Net Investment Income</u>	<u>Total</u>
12/31/12	7.75%	6,937,750	7,019,684	25,667,673	39,625,107
12/31/13	7.75%	6,715,376	6,715,376	45,323,533	58,754,285
12/31/14	7.75%	6,822,279	6,822,279	14,497,901	28,142,459
12/31/15	8.25%	7,398,945	7,402,905	(3,228,439)	11,573,411
12/31/16	8.25%	7,586,362	7,586,362	16,802,274	31,974,998
12/31/17	8.25%	8,113,319	8,113,319	43,085,572	59,312,210
12/31/18	9.00%	9,187,420	9,188,781	(18,715,945)	(339,744)
12/31/19	9.25%	9,824,717	9,827,760	50,166,728	69,819,205
12/31/20	9.75%	10,659,281	10,659,281	33,795,088	55,113,650
12/31/21	10.00%	11,519,708	11,519,708	46,166,835	69,206,251

**DEDUCTIONS BY TYPE**

<u>Fiscal Year Ended</u>	<u>Benefit Payments</u>	<u>Refunds</u>	<u>Admin Expenses</u>	<u>Total</u>
12/31/12	18,554,194	569,058	520,955	19,644,207
12/31/13	20,346,281	393,954	385,675	21,125,910
12/31/14	22,258,842	625,184	386,713	23,270,739
12/31/15	23,959,198	637,822	447,921	25,044,941
12/31/16	25,737,515	729,741	477,252	26,944,508
12/31/17	26,891,785	551,908	563,078	28,006,771
12/31/18	28,309,344	554,422	554,484	29,418,250
12/31/19	30,055,864	544,438	555,763	31,156,065
12/31/20	31,595,115	513,758	619,135	32,728,008
12/31/21	33,256,350	741,019	603,645	34,601,014



**Table 17****SCHEDULE OF MEMBERSHIP**

<u>Fiscal Year Ended</u>	<u>Active Members</u>	<u>Terminated Vested Members</u>	<u>Service Retirees and Beneficiaries</u>	<u>Disabled Retirees</u>	<u>Total Retirees</u>	<u>Total Members</u>
12/31/12	1,453	96	1,119	9	1,128	2,677
12/31/13	1,422	98	1,171	9	1,180	2,700
12/31/14	1,407	105	1,234	9	1,243	2,755
12/31/15	1,424	97	1,291	9	1,300	2,821
12/31/16	1,460	109	1,333	9	1,342	2,911
12/31/17	1,444	113	1,367	9	1,376	2,933
12/31/18	1,481	123	1,415	9	1,424	3,028
12/31/19	1,499	119	1,449	8	1,457	3,075
12/31/20	1,464	131	1,496	8	1,504	3,099
12/31/21	1,494	134	1,526	8	1,534	3,162

**Table 18****SCHEDULE OF ACTIVE MEMBERS VALUATION DATA**

<u>Fiscal Year Ended</u>	<u>Active Members</u>	<u>Covered Payroll</u>	<u>Average Payroll Rate</u>	<u>Annual Percentage Increase in Average Payroll Rate</u>
12/31/2012	1,453	89,015,136	61,263	1.20%
12/31/2013	1,422	87,337,232	61,419	0.25%
12/31/2014	1,407	89,034,522	63,280	3.03%
12/31/2015	1,424	93,899,096	65,940	4.20%
12/31/2016	1,460	102,378,550	70,122	6.34%
12/31/2017	1,444	102,844,614	71,222	1.57%
12/31/2018	1,481	107,017,146	72,260	1.46%
12/31/2019	1,499	111,746,539	74,547	3.16%
12/31/2020	1,464	112,984,469	77,175	3.53%
12/31/2021	1,494	116,866,751	78,224	1.36%

**Table 19****SCHEDULE OF RETIREES ADDED TO AND REMOVED FROM ROLLS**

<u>Fiscal Year Ended</u>	<u>Added</u>	<u>Annual Allowances Added</u>	<u>Removed</u>	<u>Annual Allowances Removed</u>	<u>Total</u>	<u>Annual Allowances</u>	<u>Percent Change</u>	<u>Average Annual Allowances</u>	<u>Retirees as Percent of Active Members</u>	
									<u>Number</u>	<u>Pay</u>
12/31/2012	72	1,945,840	32	423,102	1,128	19,178,071	8.6%	17,002	77.6%	21.5%
12/31/2013	95	2,351,086	43	532,395	1,180	20,996,762	9.5%	17,794	83.0%	24.0%
12/31/2014	100	2,552,358	37	573,123	1,243	22,975,997	9.4%	18,484	88.3%	25.8%
12/31/2015	96	2,379,741	39	667,843	1,300	24,687,895	7.5%	18,991	91.3%	26.3%
12/31/2016	82	2,262,702	40	753,144	1,342	26,197,453	6.1%	19,521	91.9%	25.6%
12/31/2017	75	1,862,418	41	685,721	1,376	27,374,150	4.5%	19,894	95.3%	26.6%
12/31/2018	81	2,054,117	33	488,082	1,424	28,940,185	5.7%	20,323	96.2%	27.0%
12/31/2019	80	2,240,959	47	715,467	1,457	30,465,677	5.3%	20,910	97.2%	27.3%
12/31/2020	83	2,566,143	36	554,098	1,504	32,477,722	6.6%	21,594	102.7%	28.7%
12/31/2021	72	2,059,726	42	814,979	1,534	33,722,469	3.8%	21,983	102.7%	28.9%

**Table 20****SCHEDULE OF RETIRED MEMBERS BY TYPE OF BENEFIT**

Amount of Monthly Benefit	Number of Retirees	Type of Retirement*			Option Selected**						
		1	2	3	LIFE	C1	C2	C3	C4	D	E
1 - 100	1	1	0	0	1	0	0	0	0	0	0
101 - 200	12	6	0	6	3	0	0	0	0	1	8
201 - 300	23	19	0	4	13	2	0	0	0	2	6
301 - 400	49	38	0	11	25	1	0	0	1	4	18
401 - 500	61	44	0	17	26	0	0	0	1	7	27
501 - 600	58	51	0	7	31	0	2	1	0	2	22
601 - 700	56	47	1	8	27	1	0	0	0	7	21
701 - 800	56	45	1	10	26	0	0	0	2	11	17
801 - 900	51	46	0	5	31	0	1	0	0	6	13
901 - 1,000	73	65	0	8	30	3	0	0	1	11	28
1,001 - 1,500	264	226	4	34	123	1	2	1	0	28	109
1,501 - 2,000	241	213	2	26	104	0	1	0	1	34	101
Over 2,000	<u>589</u>	<u>560</u>	<u>0</u>	<u>29</u>	<u>242</u>	<u>10</u>	<u>2</u>	<u>3</u>	<u>6</u>	<u>91</u>	<u>235</u>
Total	1,534	1,361	8	165	682	18	8	5	12	204	605

\*Type of Retirement:

- 1 Service Retirement
- 2 Disability Retirement
- 3 Beneficiary

\*\*Option Selected:

- Life Remaining accumulated balance paid to beneficiary
- Opt. C1 60 months guaranteed
- Opt. C2 120 months guaranteed
- Opt. C3 180 months guaranteed
- Opt. C4 240 months guaranteed
- Opt. D 50% continuation to beneficiary
- Opt. E 100% continuation to beneficiary

**SCHEDULE OF BENEFIT PAYMENTS BY TYPE**

Fiscal Year Ended	Service Retirement	Disability Retirement	Beneficiaries	Refunds	Total Benefits
12/31/2012	17,161,187	109,122	1,283,885	569,058	19,123,252
12/31/2013	18,887,269	125,353	1,333,659	393,954	20,740,235
12/31/2014	20,659,575	125,329	1,473,938	625,184	22,884,026
12/31/2015	22,192,756	125,328	1,641,114	637,822	24,597,020
12/31/2016	23,765,713	125,328	1,846,474	729,741	26,467,256
12/31/2017	24,852,640	125,328	1,913,817	551,908	27,443,693
12/31/2018	26,202,801	125,328	1,981,215	554,422	28,863,766
12/31/2019	27,788,707	124,164	2,142,993	544,438	30,600,302
12/31/2020	29,378,701	114,580	2,101,834	513,758	32,108,873
12/31/2021	30,993,999	114,580	2,147,773	741,019	33,997,371

**Table 21****SCHEDULE OF AVERAGE ANNUAL BENEFIT PAYMENTS**

<u>Fiscal Year Ended</u>	<u>Service Retirement and Beneficiaries</u>	<u>Disability Retirement</u>	<u>Total</u>	<u>Annual Percentage Increase in Average Benefits</u>
12/31/2012	16,484	12,125	16,449	3.95%
12/31/2013	17,268	13,928	17,243	4.83%
12/31/2014	17,936	13,925	17,907	3.85%
12/31/2015	18,462	13,925	18,430	2.92%
12/31/2016	19,214	13,925	19,178	4.06%
12/31/2017	19,580	13,925	19,543	1.90%
12/31/2018	19,918	13,925	19,880	1.72%
12/31/2019	20,657	15,521	20,629	3.77%
12/31/2020	21,043	14,323	21,007	1.83%
12/31/2021	21,718	14,323	21,679	3.20%

**Table 22**

**DESCRIPTION OF ACTUARIAL ASSUMPTIONS AND METHODS**

**Actuarial Cost Method**

The actuarial cost method used to determine the actuarial accrued liability and the normal cost for both funding and financial reporting purposes is the Entry Age Normal (EAN) Actuarial Cost Method. The accrued liability and the normal cost are used to determine the City's contribution requirement. Under this method, the cost of each individual's pension is allocated on a level percent of payroll basis between the time employment starts (entry age) and the assumed retirement date. The normal cost is the amount allocated for a given year and accrued liability is the accumulation of prior normal costs as of the determination date. The total actuarial liability for retirement benefits is the sum of the accrued liability for each active member.

The actuarial accrued liability and normal cost for termination benefits, disability benefits, and pre-retirement spouse's death benefits are determined in a similar manner as for retirement benefits described above.

The actuarial accrued liability for inactive members is determined as the actuarial present value of the benefits expected to be paid; no normal cost is determined for these members.

Prior to December 31, 2012 the Projected Unit Credit (PUC) Actuarial Cost Method was used.

Unless otherwise specified, the following actuarial assumptions and methods were adopted December 31, 2017.

**Actuarial Assumptions**

**Mortality:** Healthy Lives RP - 2000 Fully Generational  
Disabled Lives RP - 2000 Fully Generational

**Interest:** 7.5% per annum, compounded annually

**GASB 67 Blended** Beginning of Period: 7.50%  
**Discount Rate:** End of Period: 7.50%

**Amortization of Unfunded Liability:** Closed 30 year amortization as a level percent of payroll. Payroll growth assumed to be 4.0% per year. Prior bases established between December 31, 2007 and December 31, 2016 were combined into one base with a weighted average remaining amortization period of 22 years.

**Turnover:** In accordance with the following table based on service:

<u>Years of Service</u>	<u>Turnover Probability</u>
<1	12.0%
1-3	8.0%
4-6	6.0%
7-9	5.0%
10-11	4.0%
12+	2.0%

**Table 22**

**DESCRIPTION OF ACTUARIAL ASSUMPTIONS AND METHODS**

**Retirement:** In accordance with the following table based on age:

<u>Age</u>	<u>Retirement Probability</u>
<50	0.0%
50-58	5.0%
59-61	10.0%
62	25.0%
63	20.0%
64	25.0%
65	30.0%
66	25.0%
67	20.0%
68	10.0%
69	25.0%
70	15.0%
71-74	30.0%
75+	100.0%

**Disability:** None assumed

**Salary Increases:** In accordance with the following table based on service:

<u>Years of Service</u>	<u>Annual Increase</u>
<1	12.0%
1-2	10.0%
3	8.0%
4	5.0%
5-9	4.0%
10-19	3.0%
20+	2.5%

**Inflation Rate:** 2.25% per year

**Non-Investment  
Expenses:** Prior year's actual amount rounded up to next \$100,000

**Family Composition:** 75% of employees are assumed to be married with males assumed to be four years older than their spouses.

**Asset Valuation Basis**

In order to smooth out market value fluctuations for purposes of developing the ADC, the difference between actual investment earnings over expected investment earnings will be recognized in equal amounts over a five-year period with the restriction that the smoothed value of assets may not be less than 90% nor greater than 110% of market value.

## **Table 23**

### **SUMMARY OF BENEFIT AND CONTRIBUTION PROVISIONS**

Outlined on the following pages are the principal features of the Plan reflected in the 2021 valuation.

#### **Definitions:**

##### **Creditable Service**

Service credited as an employee of the City of Spokane during which contributions were made as an eligible member of the Retirement System up to a maximum of 40 years. The maximum is 35 years for employees hired after January 1, 2015, but before December 31, 2017. The maximum is 30 years for employees hired prior to January 1, 2009 who terminate after January 1, 2009 and who do not elect the alternate benefit formula.

##### **Service Buy-Back**

A six-month window was opened from October 1, 2009 through March 31, 2010 during which members who had withdrawn their retirement accumulations and not elected to buy back prior service time could do so. Future rehired employees will have one year from their date of rehire to elect to buy back prior service time.

##### **Compensation**

Total amount received by an employee including base pay, shift differential, overtime, holiday pay, hazardous duty pay and out-of-classification pay and not reduced by salary reduction contributions to the City's cafeteria plan or Section 457 plan. For employees hired after January 1, 2018, overtime compensation will be capped at 120% of an employee's annual base salary.

##### **Final Compensation**

The highest average annual Compensation received by a member during any three consecutive years. For employees hired prior to January 1, 2015, the highest average annual Compensation received by a member during any two consecutive years.

##### **Normal Retirement Date**

The first day of the month coinciding with or next following the attainment of age 65 and completion of 7 years of Creditable Service. For employees hired prior to January 1, 2015, the first day of the month coinciding with or next following the attainment of age 62 and completion of 5 years of Creditable Service.

##### **Early Retirement Date**

The first day of the month coinciding with or next following the attainment of age 50 and with the sum of age plus Creditable Service greater than or equal to 90. Employees hired between January 1, 2015 and December 31, 2017, the first day of the month coinciding with or next following the attainment of age 50 and with the sum of age plus Creditable Service greater than or equal to 80. Employees hired between January 1, 2009 and December 31, 2014, the first day of the month coinciding with or next following the attainment of age 50 and with the sum of age plus Creditable Service greater than or equal to 75. Employees hired prior to January 1, 2009 who terminate after January 1, 2009 and who do not elect the alternate benefit formula described below may retire after attainment of age 50 with 5 years of Creditable Service.

##### **Member and City Contributions**

Effective 12/26/2021	10.25%
12/27/2020 - 12/25/2021	10.00%
12/15/2019 - 12/26/2020	9.75%
12/16/2018 - 12/14/2019	9.25%
12/17/2017 - 12/15/2018	9.00%
09/01/2014 - 12/16/2017	8.25%
Prior to 9/1/2014	7.75%

Member contributions are credited with 2.5% interest annually, compounded quarterly.



**Table 23**

**SUMMARY OF BENEFIT AND CONTRIBUTION PROVISIONS**

<b>Service Retirement Eligibility:</b>	<p>A member is eligible for normal retirement on his Normal Retirement Date. For members hired after January 1, 2018, early retirement is permitted at any time after attaining age 50 if the sum of age plus Creditable Service is greater than or equal to 90. For members hired between January 1, 2015 and December 31, 2017, early retirement is permitted at any time after attaining age 50 if the sum of age plus Creditable Service is greater than or equal to 80. For member hired between January 1, 2009 and December 31, 2014, early retirement is permitted at any time after attaining age 50 if the sum of age plus Creditable Service is greater than or equal to 75. Early retirement is permitted at any time after attaining age 50 with 5 years of Credited Service for employees hired prior to January 1, 2009 who terminate after January 1, 2009 and who do not elect the alternate benefit formula described below.</p>
<b>Service Retirement Allowance:</b>	<p>Upon service retirement, a member becomes eligible to receive an annual allowance, payable in equal monthly installments. The annual allowance is computed as follows:</p> <p><u>Normal Retirement Allowance</u> Applies to all employees hired after December 31, 2017. Employees hired before January 1, 2018 who terminate after January 1, 2018 may elect this formula at retirement.</p> <p>An amount equal to 2.00% of the member's Final Compensation, multiplied by the number of years of Creditable Service up to 40 years. The maximum annual benefit is 80.0% of Final Compensation.</p> <p><u>Normal Retirement Allowance under Alternate Benefit Formula</u> Applies to all employees hired between January 1, 2009 and December 31, 2017. Employees hired before January 1, 2009 who terminate after January 1, 2009 may elect this formula at retirement.</p> <p>An amount equal to 2.00% of the member's Final Compensation, multiplied by the number of years of Creditable Service up to 35 years. The maximum annual benefit is 70.0% of Final Compensation.</p> <p><u>Normal Retirement Allowance under Benefit Formula in SMC 3.05.160</u> Employees hired before January 1, 2009 who terminate after January 1, 2009 may elect this formula at retirement.</p> <p>An amount equal to 2.15% of the member's Final Compensation, multiplied by the number of years of Creditable Service up to 30 years. The maximum annual benefit is 64.5% of Final Compensation.</p> <p><u>Early Retirement Allowance</u> The Normal Retirement Allowance calculated using Creditable Service and Final Compensation as of the member's Early Retirement Date. For employees hired after January 1, 2018, a reduction of 2.5% will be applied for each year under age 65.</p>
<b>Disability Retirement Eligibility:</b>	<p>Permanent and total disability, as determined by the Board, prior to Normal Retirement Age provided the member has at least 7 years (5 years for employees hired prior to January 1, 2015) of City service in the ten-year period prior to disability. The 7 (or 5) year service requirement does not apply if the disability is due to accidental causes while engaged in City service.</p>
<b>Disability Retirement Allowance:</b>	<p>An amount equal to 1.25% of the member's Final Compensation, multiplied by the number of years of Creditable Service projected to Normal Retirement Age. The minimum annual benefit is \$2,400 per year for "Duty Related" disability and \$1,200 per year for "Non-duty Related" disability.</p>

**Table 23**

**SUMMARY OF BENEFIT AND CONTRIBUTION PROVISIONS**

**Withdrawal Benefits:**

If termination occurs after seven years of service (five years of service for members hired prior to January 1, 2015), a member is entitled to a retirement allowance commencing on his Early Retirement Date or later, up to his Normal Retirement Date, based on his years of Creditable Service and Final Compensation as of his termination date provided he has not withdrawn his Member Contributions.

**Death Benefit Before Retirement:**

Not married or not completed 7 years of service (5 years of service if hired prior to January 1, 2015)

Beneficiary will receive a refund of the member's contributions with interest.

Married with 7 years of service (5 years of service if hired prior to January 1, 2015)

The surviving spouse of a member may elect to receive the survivor's portion of the benefit that would have been payable if the member had survived to his earliest retirement date and elected the 100% Joint & Survivor option in lieu of a refund of the member's contribution account.

**Post-retirement Death:**

An amount determined in accordance with the optional form of payment elected at retirement, but not less than the accumulated value of the member's contributions with interest less actual payments made.

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## ***Appendix I - Plan Risks (ASOP 51 Compliance)***

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Risk may be broadly defined as the chance an outcome or result will differ from the expected outcome or result. In the context of defined benefit pension plans risk is the potential for the future financial condition of the plan to deviate from that expected due to future actual experience different from assumed or expected experience. ASOP 51 requires the actuary to identify and assess risks that may reasonably be expected to impact the plan. Some of the more significant risks are described below. Please let us know if you would like us to quantify or model these risks or any others in more detail.

### **A. Investment Risk**

Investment risk is the risk that actual investment returns differ from the assumed rate of return. Investment returns can be very volatile. Even if the assumed rate of return is realized over the long term, this volatility can lead to significant swings in the plan's funded status and contribution requirement from year to year. Furthermore there is the risk that the assumed rate of return may not be realized.

The assumed rate of return for the plan was 7.50% for 2021. Investment returns below the assumed rate of return increase plan costs and decrease the plan's funded status while investment returns in excess of the assumed rate of return decrease plan costs and improve the plan's funded status.

### **B. Interest Rate Risk**

Interest rate risk is the risk that future interest rates differ from expected interest rates. The interest rate is used to discount future expected benefit payments in order to determine a plan's liability as of the measurement date. Higher interest rates result in lower liabilities and lower interest rates result in higher liabilities.

The liability of your plan has a duration of 9.59 as of December 31, 2021. This means a 1% change in interest rates would result in approximately a 10% change in liability. A 1% increase in interest rates would lower plan liability and vice versa.

### **C. Asset/Liability Mismatch Risk**

Asset/Liability mismatch risk is the risk that changes in future asset values are not matched by changes in the value of plan liabilities. Both assets and liabilities are sensitive to interest rates however the same change in interest rates may have differing impact on assets versus liabilities both in terms of direction and magnitude. Matching the duration of interest rate sensitive assets in the plan's portfolio with the duration of the plan's liabilities (see Interest Rate Risk above) is a method that can be employed to protect the plan's funded status from interest rate fluctuations.

### **D. Longevity Risk**

Longevity risk is the risk that mortality experience will be different than expected. Since the plan is not large enough to have credible mortality experience, standard tables are used. The standard tables are comprised of "base rates" and a mortality improvement projection scale which anticipates continued improvement in mortality in the future. If plan participants live longer than expected, the cost of providing lifetime benefits increases and vice versa.

### **E. Contribution Risk**

Contribution risk is the risk that required contributions as determined by the actuary are not made. A comparison of the actuarially determined contribution (ADC) to employer contributions actually made may be found in Table 12.

#### **F. Plan Maturity Measures**

Plan maturity measures are ratios intended to measure the maturity level of a plan. As a plan becomes more mature contribution requirements become more sensitive to investment volatility and more conservative investment strategies may be considered. A high ratio indicates a mature plan.

1. Ratio of retired life liability to total liability: 0.60

A high ratio of retired life liability to total liability indicates a larger proportion of the liability is due to "fixed" benefit amounts. As a result, attempts to mitigate fluctuating contribution requirements through plan amendments affecting future benefit accruals will have less of an impact.

2. Ratio of net cash flow to market value of assets: (0.03)

Net cash flow represents contributions received for the year less benefit payments and expenses. Investment income is excluded. A large negative ratio indicates a significant percentage of the assumed rate of return must be realized to cover the annual cash outflow.

3. Ratio of benefit payments to contributions: 1.48

A high ratio of benefit payments to contributions indicates the extent to which investment return is relied upon to improve the funded status and reduce future costs. A fully funded plan would expect benefit payments to equal or exceed contributions.

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## ***Appendix II - Data Tables***

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Exhibit A	Summary of Membership Data as of December 31, 2021
Exhibit B	20 Year Benefit Payment Projections
Exhibit C	Age and Service Distributions
Exhibit D	Age, Salary and Service Distributions
Exhibit E	Average Benefits for Service Retirement
Exhibit F	Average Benefits for Survivor Beneficiary
Exhibit G	Average Benefits for Disability Retirement
Exhibit H	Average Benefits for Vested Terminations
Exhibit I	Average Benefits for Portables

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**EXHIBIT A**

**Summary of Membership Data as of December 31, 2021**

**Active Members**

Item	Male	Female	Total
Number of Members	1,027	467	1,494
Annual Salaries	\$77,707,210	\$33,542,712	\$111,249,922
Average Age	47.2	47.4	47.3
Average Service	11.0	10.6	10.9

**EXHIBIT A**

(continued)

**Summary of Membership Data as of December 31, 2021**

**Retirees and Beneficiaries**

Item	Number	Annual Annuities	Average Annuities
Retired Members	1,361	\$31,102,351	\$22,853
Survivor Annuitants	165	\$2,505,538	\$15,185
Disabled Annuitants	8	\$114,580	\$14,323
Total Annuitants	1,534	\$33,722,469	\$21,983

**EXHIBIT A**

(continued)

**Summary of Membership Data as of December 31, 2021**

**Vested Terminations and Portables**

Item	Number	Annual Annuities	Average Annuities
Vested Terminations	73	\$1,025,411	\$14,047
Portables*	61	\$555,569	\$9,108

\* Annuity amounts are estimates based on last known earnings projected to retirement. Actual annuity amounts will be calculated using actual earnings at retirement.



**EXHIBIT B**

**20 Year Benefit Payment Projection**

**Spokane Employees' Retirement System**

Year Ended December 31	Current and Future Retirees	Current Retirees Only
2022	\$37,935,542	\$33,494,445
2023	39,409,472	32,978,296
2024	40,842,136	32,421,705
2025	42,158,752	31,824,678
2026	43,445,603	31,185,512
2027	44,491,130	30,502,838
2028	45,504,269	29,775,487
2029	46,462,384	29,002,964
2030	47,512,028	28,182,852
2031	48,245,626	27,315,352
2032	49,072,587	26,404,495
2033	49,682,714	25,448,961
2034	50,243,408	24,449,895
2035	50,862,462	23,411,713
2036	51,337,112	22,328,027
2037	51,742,980	21,211,782
2038	52,068,306	20,064,735
2039	52,238,234	18,865,227
2040	52,323,729	17,646,766
2041	52,339,666	16,443,288

### **EXHIBIT C**

#### **Age and Service Distribution**

#### **Spokane Employees' Retirement System**

Attained Age	Years of Creditable Service										Total
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & Up	
Under 25	5	5	0	0	0	0	0	0	0	0	10
25 to 29	18	41	12	0	0	0	0	0	0	0	71
30 to 34	28	81	41	7	0	0	0	0	0	0	157
35 to 39	27	60	65	35	10	0	0	0	0	0	197
40 to 44	21	46	62	42	35	9	0	0	0	0	215
45 to 49	18	40	37	45	27	26	2	1	0	0	196
50 to 54	14	40	44	33	32	39	18	5	0	0	225
55 to 59	13	30	39	29	31	26	26	19	1	0	214
60 to 64	1	14	22	20	24	17	17	18	3	5	141
65 to 69	1	4	13	11	9	5	9	3	1	4	60
70 & Up	0	0	1	1	0	1	2	1	0	2	8
Total	146	361	336	223	168	123	74	47	5	11	1,494
Freq. Pct.	9.8%	24.2%	22.5%	14.9%	11.2%	8.2%	5.1%	3.1%	0.3%	0.7%	100.0%

# **EXHIBIT D**

## **Age, Salary and Service Distribution**

### **Spokane Employees' Retirement System**

Attained Age	Years of Creditable Service										Total
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & Up	
Under 25	196,581	240,116	0	0	0	0	0	0	0	0	436,697
25 to 29	796,826	2,210,109	908,814	0	0	0	0	0	0	0	3,915,748
30 to 34	1,367,129	4,683,164	3,082,097	539,993	0	0	0	0	0	0	9,672,383
35 to 39	1,866,092	3,790,356	5,481,355	2,806,734	712,912	0	0	0	0	0	14,657,449
40 to 44	950,114	2,975,276	5,466,534	3,390,991	2,771,881	699,560	0	0	0	0	16,254,357
45 to 49	951,740	2,663,349	3,123,445	3,507,301	2,207,103	2,342,277	95,429	131,040	0	0	15,021,683
50 to 54	741,017	2,812,041	3,700,965	2,536,938	2,828,968	3,547,502	1,371,880	349,203	0	0	17,888,515
55 to 59	783,993	2,049,480	3,192,003	2,440,031	2,302,771	2,155,973	2,056,766	1,687,699	87,277	0	16,755,992
60 to 64	54,088	1,101,757	1,844,691	1,737,847	1,980,597	1,506,887	1,397,618	1,422,482	217,506	346,821	11,610,293
65 to 69	35,496	236,658	1,051,569	738,115	725,068	403,857	621,879	193,357	53,269	432,614	4,491,882
70 & Up	0	0	93,789	74,066	0	54,018	128,550	54,226	0	140,275	544,923
Total	7,743,077	22,762,306	27,945,262	17,772,017	13,529,299	10,710,073	5,672,121	3,838,007	358,051	919,710	111,249,923
Freq. Pct.	7.0%	20.5%	25.1%	16.0%	12.2%	9.6%	5.1%	3.4%	0.3%	0.8%	100.0%
Avg. Sal.	53,035	63,053	83,170	79,695	80,532	87,074	76,650	81,660	71,610	83,610	74,464

**EXHIBIT E**

**Average Benefits for Service Retirement**

**Spokane Employees' Retirement System**

Attained Age	Male		Female		Total	
	Number	Avg. Ben.	Number	Avg. Ben.	Number	Avg. Ben.
Under 50	0	0	0	0	0	0
50 to 54	24	27,210	19	19,934	43	23,995
55 to 59	59	26,173	37	23,015	96	24,956
60 to 64	103	30,096	78	25,840	181	28,262
65 to 69	198	27,882	138	20,902	336	25,015
70 to 74	213	25,341	126	18,862	339	22,933
75 to 79	120	21,603	71	13,934	191	18,752
80 to 84	60	21,776	51	13,158	111	17,817
85 to 89	21	13,509	18	10,938	39	12,323
90 to 94	11	16,646	9	11,401	20	14,286
95 & Up	2	17,120	3	6,718	5	10,879
Total	811	25,420	550	19,067	1,361	22,853
Average Age	70.5		70.8		70.6	
Freq. Pct.	59.6%		40.4%		100.0%	

**EXHIBIT F**

**Average Benefits for Survivor Beneficiary**

**Spokane Employees' Retirement System**

Attained Age	Male		Female		Total	
	Number	Avg. Ben.	Number	Avg. Ben.	Number	Avg. Ben.
Under 50	0	0	0	0	0	0
50 to 54	0	0	0	0	0	0
55 to 59	0	0	3	24,912	3	24,912
60 to 64	1	11,020	13	19,528	14	18,920
65 to 69	2	6,764	30	19,323	32	18,538
70 to 74	1	17,071	24	19,221	25	19,135
75 to 79	0	0	18	13,546	18	13,546
80 to 84	1	4,721	31	13,092	32	12,830
85 to 89	3	9,803	25	12,257	28	11,994
90 to 94	1	2,339	8	8,550	9	7,860
95 & Up	0	0	4	8,340	4	8,340
Total	9	8,676	156	15,561	165	15,185
Average Age	78.5		77.0		77.0	
Freq. Pct.	5.5%		94.5%		100.0%	

**EXHIBIT C**

**Average Benefits for Disability Retirement**

**Spokane Employees' Retirement System**

Attained Age	Male		Female		Total	
	Number	Avg. Ben.	Number	Avg. Ben.	Number	Avg. Ben.
Under 50	0	0	0	0	0	0
50 to 54	0	0	0	0	0	0
55 to 59	1	18,583	1	19,080	2	18,831
60 to 64	1	8,918	0	0	1	8,918
65 to 69	2	16,981	0	0	2	16,981
70 to 74	0	0	1	7,844	1	7,844
75 to 79	1	13,295	1	12,898	2	13,096
80 to 84	0	0	0	0	0	0
85 to 89	0	0	0	0	0	0
90 to 94	0	0	0	0	0	0
95 & Up	0	0	0	0	0	0
Total	5	14,952	3	13,274	8	14,323
Average Age	65.6		67.6		66.3	
Freq. Pct.	62.5%		37.5%		100.0%	

**EXHIBIT H**

**Average Benefits for Vested Terminations**

**Spokane Employees' Retirement System**

Attained Age	Male		Female		Total	
	Number	Avg. Ben.	Number	Avg. Ben.	Number	Avg. Ben.
Under 30	0	0	0	0	0	0
30 to 34	4	11,793	0	0	4	11,793
35 to 39	6	14,335	3	8,713	9	12,461
40 to 44	7	15,359	8	15,322	15	15,339
45 to 49	14	16,842	13	13,526	27	15,245
50 to 54	4	7,818	3	11,612	7	9,444
55 to 59	2	17,792	3	12,291	5	14,491
60 to 64	3	7,104	1	32,512	4	13,456
65 & Up	1	27,627	1	4,363	2	15,995
Total	41	14,446	32	13,535	73	14,047
Average Age	46.3		47.8		47.0	
Freq. Pct.	56.2%		43.8%		100.0%	

# **EXHIBIT I**

## **Average Benefits for Portables**

### **Spokane Employees' Retirement System**

Attained Age	Male		Female		Total	
	Number	Avg. Ben.*	Number	Avg. Ben.*	Number	Avg. Ben.*
Under 30	0	0	1	614	1	614
30 to 34	1	6,597	2	491	3	2,526
35 to 39	3	7,419	5	5,740	8	6,370
40 to 44	5	5,157	7	6,809	12	6,121
45 to 49	4	4,564	1	1,754	5	4,002
50 to 54	9	12,796	6	17,293	15	14,595
55 to 59	7	7,723	5	18,458	12	12,196
60 to 64	0	0	4	8,388	4	8,388
65 & Up	1	4,128	0	0	1	4,128
Total	30	8,208	31	9,978	61	9,108
Average Age	50.2		47.5		48.8	
Freq. Pct.	49.2%		50.8%		100.0%	

\* Annuity amounts are estimates based on last known earnings projected to retirement. Actual annuity amounts will be calculated using actual earnings at retirement.





## **Spokane Employees' Retirement System**

December 31, 2021 Performance Report

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# Section 1



### WHO BUYS THIS STUFF?

The apparent lack of value in US Treasury bonds has vexed American investors for years. At year-end 2021, for example, the ten-year Treasury yielded 1.52% even though the market was expecting inflation to be 2.56% for the next decade. An investor may quickly remark: why would anybody hold an investment for ten years if they think it's essentially going to be worth 10% less at the end? How could that make sense, especially in today's economy? After all, over 90% of the time since the 1950s, the ten-year Treasury has done better than what is incorporated into today's prices, quite often under worse circumstances. This time around, jobs are abundant, corporate earnings growth is robust, and the US economy is forecast to increase by 4% over inflation in 2022. Maybe the Treasury market is signaling something ominous? If not, who buys this stuff?

The Federal Reserve for starters. US Treasury debt rose by \$1.5 trillion in 2021, during which time the Fed took in roughly two-thirds of the increase. On top of that, foreign holdings of Treasuries increased by \$578 billion in 2021 through October alone. In combination, Fed plus foreign buying matched the entire US deficit for 2021 and their combined holdings now sum to 57% of Treasury debt held by the public. If supply of low-yielding Treasury debt increased so much in 2021, did smart money sell and drive prices down? Not so much in 2021 as they had already done a good bit of selling going into the year. For example, actively managed US open-end bond funds, whose assets sit at roughly \$4.7 trillion and have been perpetually underweight to Treasuries, actually increased their holdings a bit in 2021. Hedge funds appear to be doing the same thing.

Looking forward, a potential imbalance of supply and demand of US Treasuries transforms this commentary's question into "who's *going to* buy this stuff?" In terms of supply, the US federal budget deficit is estimated to be \$1.2 trillion for 2022 (equivalent to 5% of the Treasury market) and is expected to hover around those levels for years. In terms of demand, the Federal Reserve just started signaling that it may be selling its Treasuries in the quarters to come. Other central banks are also expected to pull back on their own stimuli if they have not done so already. 2021 in fact saw the most rate hikes by monetary authorities in a decade—with none of them coming from our own Federal Reserve! Can active investors fill the demand abyss left by the Fed? Perhaps, but the price will need to be right.

And what then would be the right price or return requirement for the ten-year Treasury, based squarely on its investment merit? Probably a bit higher considering that over the long-run the ten-year Treasury has beaten inflation by 2.5% annually on average. Getting yields up to these levels, or even simply to 0% after inflation will entail price drops for Treasuries, and the bond market as a whole, since all bond prices incorporate Treasury yields. As an estimate of where prices might go, the Bloomberg US Aggregate Bond Index has a duration of 6.7 years, meaning that if bond yields rise by one percentage point, the value of the bond market will decline by 6.7%. Markets are indeed starting to price in higher interest rates but are nowhere near providing an expected Treasury return above inflation.

The potential of rising interest rates may indeed be disconcerting from an investment standpoint, but then again, and as many investors have already observed, so should the status quo of low rates. Treasury investors may suffer price declines on the road to higher yields, which historically have tended to range from 5-15%. The far side of that transition, however, is likely a much more attractive return profile.

## GLOBAL ECONOMIC LANDSCAPE

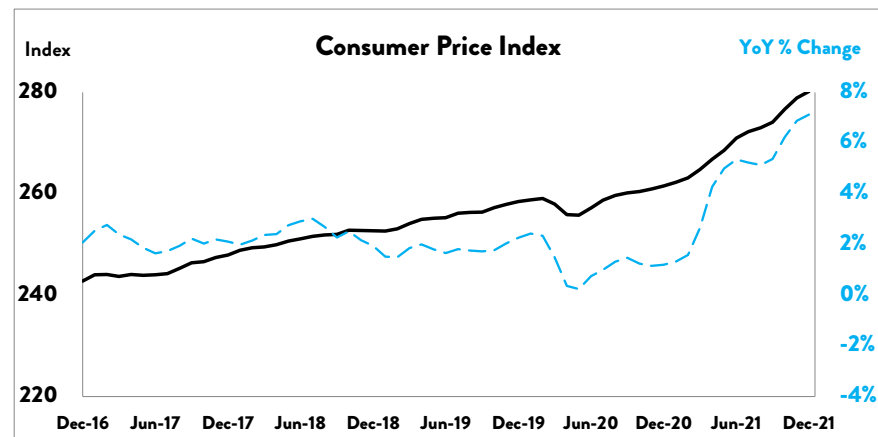
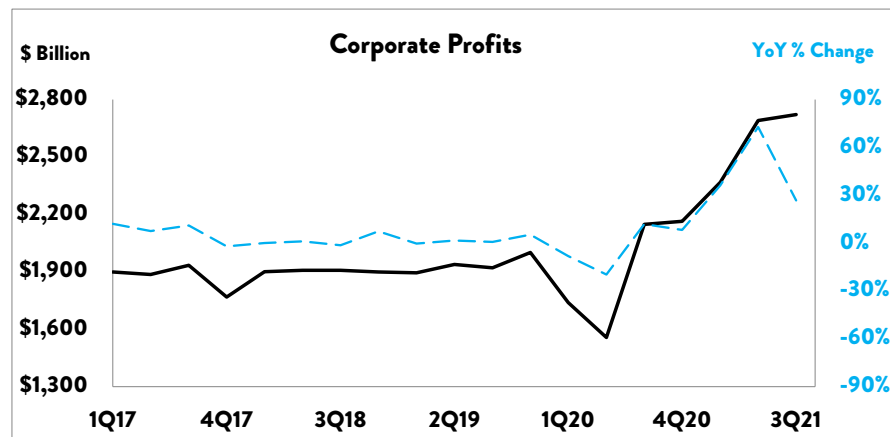
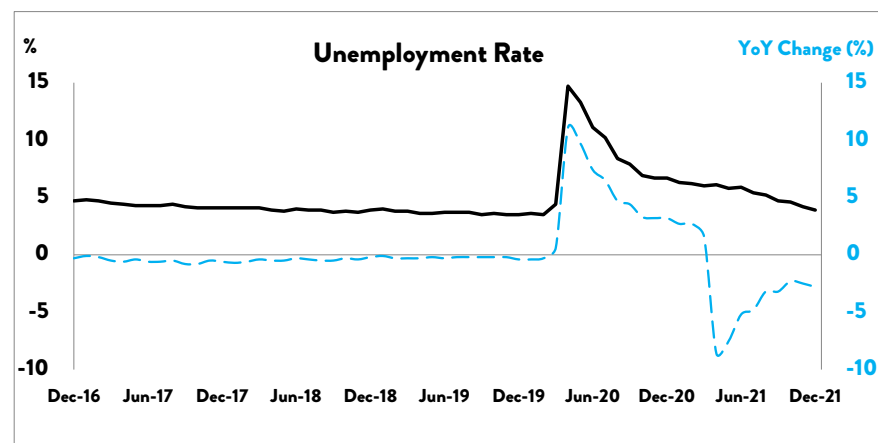
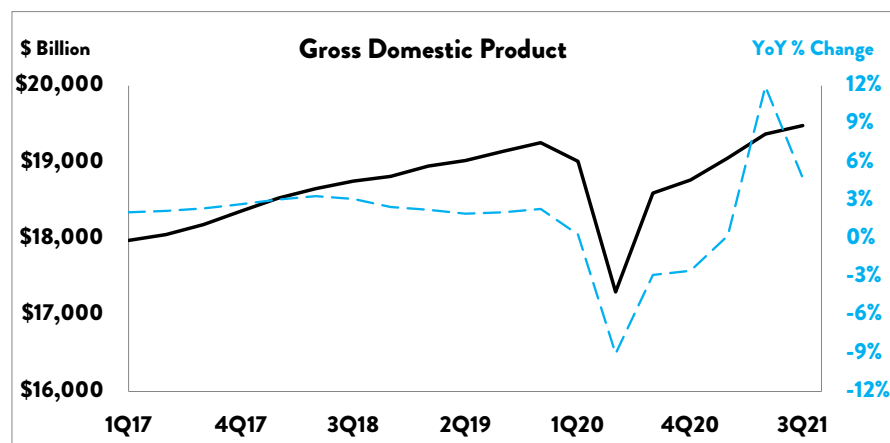
- Minutes from the December 14-15 meeting of the Federal Open Market Committee (FOMC) indicated a shift towards managing inflation over further increasing employment. Meeting participants discussed reducing monetary stimulus by raising the federal funds rate “sooner or at a faster pace than...earlier anticipated,” followed by a reduction in the Federal Reserve’s balance sheet. While financial markets responded promptly by selling off both stocks and bonds, the effect of any Federal Reserve actions will likely take quarters to exert their effect on the economy.
- The Chinese economic slowdown was a major theme of 2021. After growing from 6.1% in 2010 to 10.6% through 2019, a troubled property market, COVID-19 outbreaks, and substantial regulatory tightening reduced year-over-year growth to 4.9% as of 3Q2021. To offset this, Chinese leaders declared in December (and for the first time in 2021) an intention to use monetary and fiscal policy to stabilize economic growth.
- 2021 saw a record number of job openings (11 million) in the US, nearly 1.5 per every unemployed person. Though often decried as the “Great Resignation” of workers opting out of the labor force, 2021 also saw a record number of small businesses being formed. Nearly 5 million businesses were started from January through November, a 55% increase over 2019. It will be interesting to see how the economic potential of this phenomenon unfolds (which may take several years) as many new products and ideas are brought to the market.
- Crude oil rebounded sharply in 2021, with West Texas Crude Oil prices rising from \$48.35 to \$75.33 per barrel. While these gains likely reflect economic acceleration and increased use of commodities as a hedge on inflation, they also incorporate declining supply. The oil and gas industry for example spent \$350 billion on field development in 2020 versus \$475 billion in 2019 and \$740 million in 2014. Active rigs and inventories are also at their lowest levels in several years, potentially serving as a tailwind for energy prices.

## GLOBAL FINANCIAL MARKETS

- 2021 marked a positive and notably uneven performance of the US Stock market. The growth investment style outperformed once again, though this time only within the large-cap space. Small-cap value stocks in contrast trounced their growth counterparts by the biggest margin (25.4%) since 2000. 4Q2021 followed a similar story of leadership by mega-cap growth technology companies whereas small-cap growth stocks were plagued by fallout in the biotechnology industry.
- Europe enjoyed a strong equity market performance in 2021, providing its highest outperformance of other international markets in twenty years. Unlike the Federal Reserve, the European Central Bank is expected to maintain its current monetary stimulus for much of the year. The combination of above-average growth, reasonable valuations, and a declining currency in an export-centric region may bolster European equities.
- The US investment-grade bond market experienced price declines in reaction to the release of the December FOMC meeting. Treasury Inflation-Protected Securities, which had been bid up in quarters on concerns of escalating inflation, dropped 2.2% in the first week of January. Most other bond categories saw price drops in the range of 1.0% to 1.5%. Treasury yields nudged up from 1.52% at the end of 2021 to 1.76% as of January 7, 2022.
- Spreads on US high yield bonds remained virtually unchanged in 4Q2021, starting the quarter at 3.15%, ending it at 3.10%, and remaining well below longer-term norms. Default rates on high yield debt also ended the quarter at 0.38% versus a longer-term average of 3.66%, reflective of a still buoyant economy. Spreads have risen slightly into 2022 but remain quite low.

This report is being provided for informational purposes only. The information and opinions presented in this report do not constitute investment advice and have been obtained from sources believed by Hyas Group to be reliable. Hyas Group makes no representation as to their accuracy or completeness. All opinions expressed herein are subject to change. Hyas Group is a business of Morgan Stanley.

## 4Q2021 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	199,000	4,846,000	-20,679,000	58,933	Dec-21
Unemployment Rate	3.9%	14.7%	3.5%	5.1%	Dec-21
Median Unemployment Length (Weeks)	10.8	22.2	4.0	11.5	Dec-21
Average Hourly Earnings	\$31.31	\$31.31	\$25.99	\$28.25	Dec-21

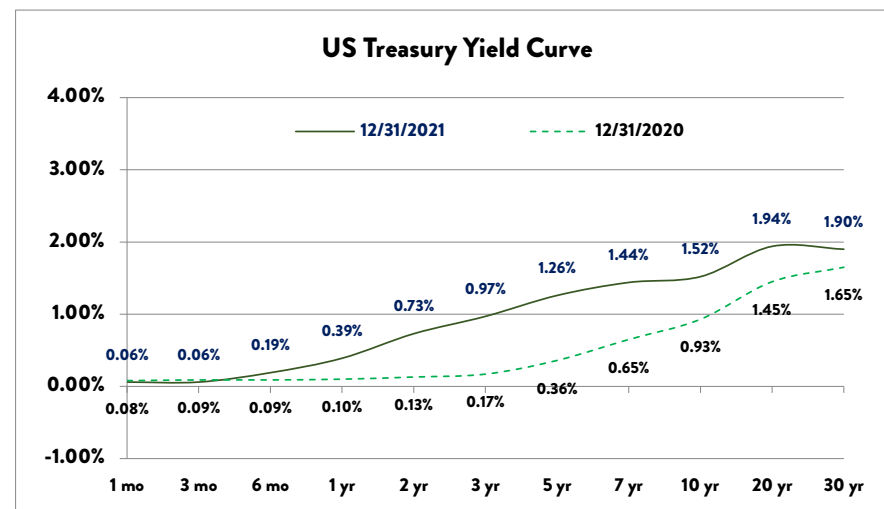
Source: Federal Reserve Bank of St. Louis and Bureau of Labor Statistics

Other Prices and Indexes (Monthly)					
Category	Recent	5-Yr High	5-Yr Low	% Off Peak	Date
Gas: Price per Gallon	\$3.24	\$3.35	\$1.80	-3.1%	Dec-21
Spot Oil	\$71.71	\$81.48	\$16.55	-12.0%	Dec-21
Case-Shiller Home Price Index	279.0	279.0	192.5	45.0%*	Oct-21
Medical Care CPI	530.9	530.9	472.1	12.5%*	Dec-21

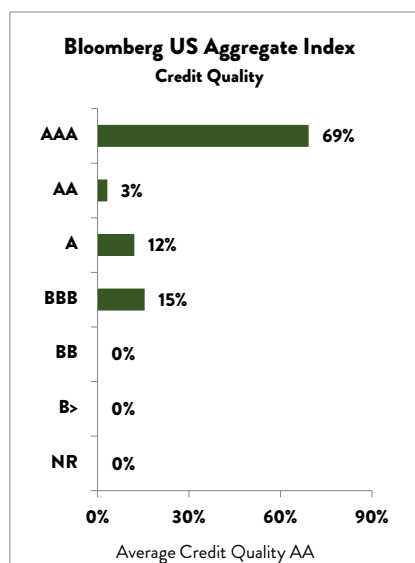
\*% Off Low

## 4Q2021 Bond Market Data

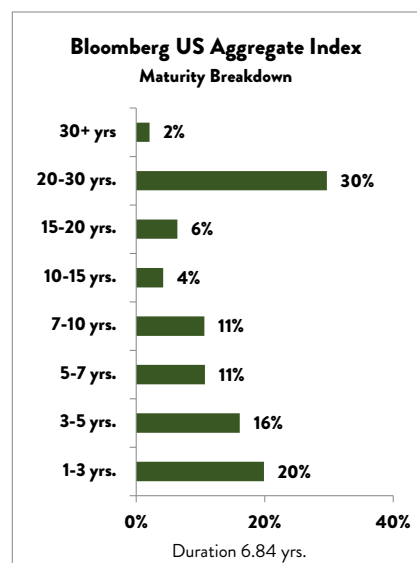
Index	QTR	YTD	1 yr.	3 yrs.	5 yrs.	10 yrs.
90-Day T-Bill	0.01%	0.05%	0.05%	0.84%	1.09%	0.60%
Bloomberg US Aggregate	0.01%	-1.54%	-1.54%	4.79%	3.57%	2.90%
Bloomberg Short US Treasury	-0.02%	0.04%	0.04%	1.14%	1.22%	0.71%
Bloomberg Int. US Treasury	-0.57%	-1.72%	-1.72%	3.04%	2.33%	1.68%
Bloomberg Long US Treasury	3.08%	-4.65%	-4.65%	8.82%	6.54%	4.51%
Bloomberg US TIPS	2.36%	5.96%	5.96%	8.44%	5.34%	3.09%
Bloomberg US Credit	0.22%	-1.08%	-1.08%	7.17%	5.05%	4.45%
Bloomberg US Mortgage-Backed	-0.37%	-1.04%	-1.04%	3.01%	2.50%	2.28%
Bloomberg US Asset-Backed	-0.57%	-0.34%	-0.34%	2.88%	2.39%	2.04%
Bloomberg US 20-Yr Municipal	1.20%	2.53%	2.53%	5.97%	5.27%	4.84%
Bloomberg US High Yield	0.71%	5.28%	5.28%	8.83%	6.30%	6.83%
Bloomberg Global	-0.67%	-4.71%	-4.71%	3.59%	3.36%	1.77%
Bloomberg International	-1.18%	-7.05%	-7.05%	2.46%	3.07%	0.82%
Bloomberg Emerging Market	-0.52%	-1.65%	-1.65%	5.82%	4.57%	5.12%



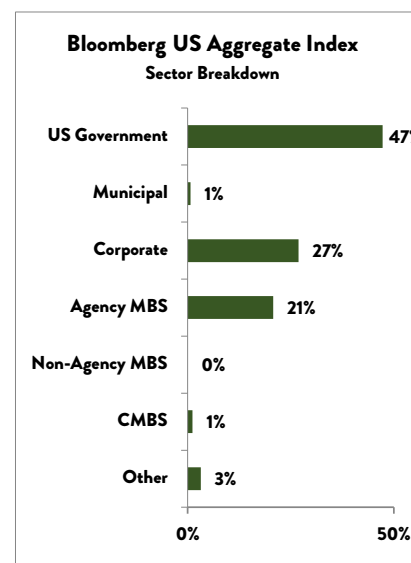
Source: Department of US Treasury



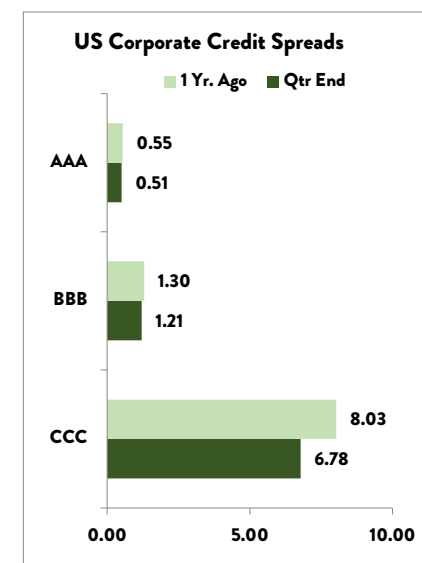
Source: Morningstar



Source: Morningstar



Source: Morningstar



Source: Federal Reserve / Bank of America

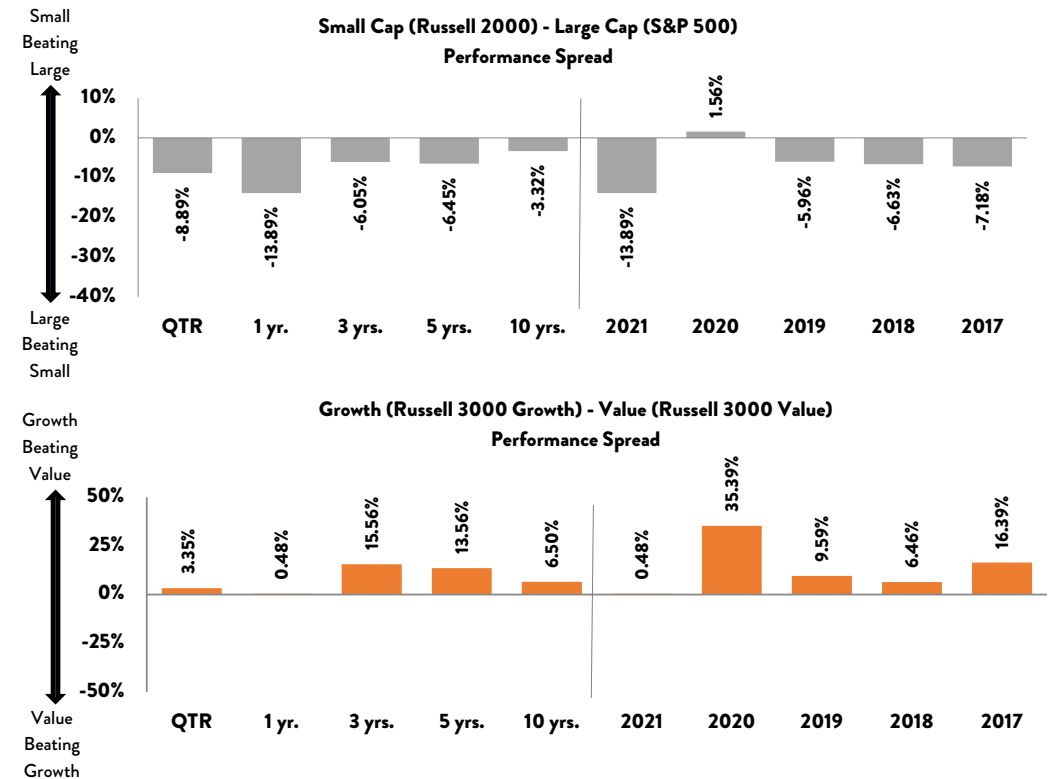
# 4Q2021 US Equity Market Data

## Sectors Weights/Returns (ranked by quarter performance)

S&P 500 Index	Wgt.	Sector	QTR	YTD	1 yr.
	3%	Real Estate	17.54%	46.19%	46.19%
	29%	Information Technology	16.69%	34.53%	34.53%
	3%	Materials	15.20%	27.28%	27.28%
	6%	Consumer Staples	13.31%	18.63%	18.63%
	2%	Utilities	12.93%	17.67%	17.67%
	13%	Consumer Discretionary	12.84%	24.43%	24.43%
	13%	Health Care	11.17%	26.13%	26.13%
	8%	Industrials	8.64%	21.12%	21.12%
	3%	Energy	7.97%	54.64%	54.64%
	11%	Financials	4.57%	35.04%	35.04%
	10%	Communication Services	-0.01%	21.57%	21.57%
S&P Midcap 400 Index	Wgt.	Sector	QTR	YTD	1 yr.
	10%	Real Estate	14.17%	35.68%	35.68%
	7%	Materials	13.64%	32.23%	32.23%
	19%	Industrials	11.62%	28.45%	28.45%
	3%	Utilities	11.12%	19.75%	19.75%
	14%	Information Technology	8.24%	13.64%	13.64%
	3%	Consumer Staples	7.42%	10.08%	10.08%
	14%	Financials	7.03%	33.14%	33.14%
	15%	Consumer Discretionary	4.18%	27.69%	27.69%
	2%	Energy	2.83%	66.68%	66.68%
	10%	Health Care	1.33%	11.35%	11.35%
	2%	Communication Services	-2.74%	-3.10%	-3.10%
S&P Smallcap 600 Index	Wgt.	Sector	QTR	YTD	1 yr.
	2%	Utilities	18.14%	26.02%	26.02%
	14%	Information Technology	10.92%	26.85%	26.85%
	5%	Consumer Staples	10.56%	28.79%	28.79%
	17%	Industrials	9.60%	25.90%	25.90%
	8%	Real Estate	8.76%	30.49%	30.49%
	5%	Materials	6.18%	18.41%	18.41%
	19%	Financials	5.41%	27.44%	27.44%
	12%	Consumer Discretionary	3.73%	37.80%	37.80%
	12%	Health Care	-1.73%	5.87%	5.87%
	2%	Communication Services	-3.54%	27.27%	27.27%
	5%	Energy	-7.72%	60.34%	60.34%

## Index Performance Data

Index	QTR	YTD	1 yr.	Annualized		
				3 yrs.	5 yrs.	10 yrs.
S&P 500	11.03%	28.71%	28.71%	26.07%	18.47%	16.55%
Russell 1000 Value	7.77%	25.16%	25.16%	17.64%	11.16%	12.97%
Russell 1000 Growth	11.64%	27.60%	27.60%	34.08%	25.32%	19.79%
Russell Mid Cap	6.44%	22.58%	22.58%	23.29%	15.10%	14.91%
Russell Mid Cap Value	8.54%	28.34%	28.34%	19.62%	11.22%	13.44%
Russell Mid Cap Growth	2.85%	12.73%	12.73%	27.46%	19.83%	16.63%
Russell 2000	2.14%	14.82%	14.82%	20.02%	12.02%	13.23%
Russell 2000 Value	4.36%	28.27%	28.27%	17.99%	9.07%	12.03%
Russell 2000 Growth	0.01%	2.83%	2.83%	21.17%	14.53%	14.14%
Russell 3000	9.28%	25.66%	25.66%	25.79%	17.97%	16.30%
DJ US Select REIT	17.22%	45.91%	45.91%	16.84%	9.65%	10.70%



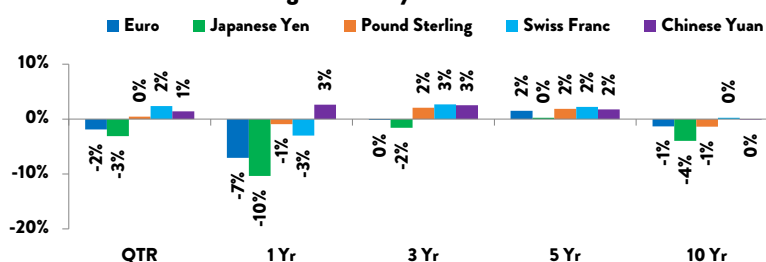


## 4Q2021 International Market Data

### Index Performance Data (net)

Index (US\$)	QTR	YTD	1 yr.	3 yrs.	5 yrs.	10 yrs.
MSCI ACWI ex-US	1.82%	7.82%	7.82%	13.18%	9.61%	7.28%
MSCI EAFE	2.69%	11.26%	11.26%	13.54%	9.55%	8.03%
Europe	5.66%	16.30%	16.30%	14.90%	10.14%	8.18%
United Kingdom	5.62%	18.50%	18.50%	8.70%	6.16%	5.06%
Germany	0.82%	5.34%	5.34%	12.37%	7.12%	8.16%
France	7.11%	19.51%	19.51%	16.07%	11.92%	9.77%
Pacific	-2.72%	2.63%	2.63%	11.06%	8.48%	7.81%
Japan	-3.96%	1.71%	1.71%	11.68%	8.51%	8.34%
Hong Kong	-3.55%	-3.91%	-3.91%	3.91%	7.09%	7.93%
Australia	2.10%	9.41%	9.41%	13.50%	9.07%	6.64%
Canada	7.18%	25.98%	25.98%	19.15%	10.21%	6.03%
MSCI EM	-1.31%	-2.54%	-2.54%	10.94%	9.87%	5.49%
MSCI EM Latin America	-2.69%	-8.09%	-8.09%	-2.37%	1.47%	-2.17%
MSCI EM Asia	-0.98%	-5.08%	-5.08%	13.26%	11.90%	8.06%
MSCI EM Eur/Mid East	-3.03%	23.93%	23.93%	10.97%	7.80%	2.46%
MSCI ACWI Value ex-US	1.24%	10.46%	10.46%	8.24%	6.00%	5.29%
MSCI ACWI Growth ex-US	2.37%	5.09%	5.09%	17.82%	13.06%	9.13%
MSCI ACWI Sm Cap ex-US	0.62%	12.93%	12.93%	16.46%	11.21%	9.46%

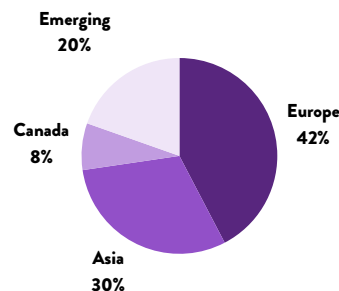
### Foreign Currency v. US\$ Returns



Exchange Rates	QTR	3Q21	2Q21	1Q21	4Q20	3Q20
Japanese Yen	115.17	111.50	111.05	110.67	103.19	105.58
Euro	0.88	0.86	0.84	0.85	0.82	0.85
British Pound	0.74	0.74	0.72	0.72	0.73	0.77
Swiss Franc	0.91	0.93	0.93	0.94	0.88	0.92
Chinese Yuan	6.37	6.44	6.46	6.55	6.53	6.79

### Regional Exposure

MSCI ACWI ex-USA

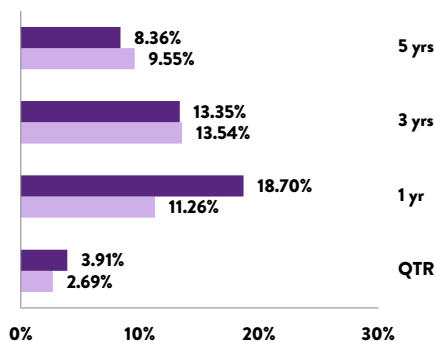


### Top 10 Countries (MSCI AC World ex-USA)

Japan	15%
UK	9%
China	9%
France	8%
Canada	8%
Switzerland	7%
Germany	6%
Taiwan	5%
Australia	4%
India	4%

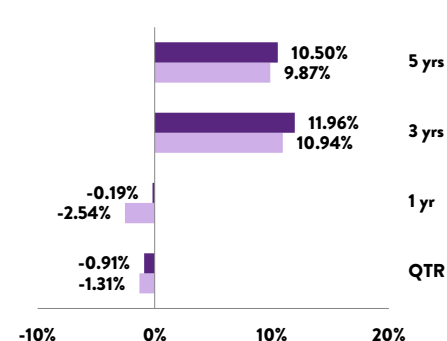
### MSCI EAFE Index Return

Local US\$



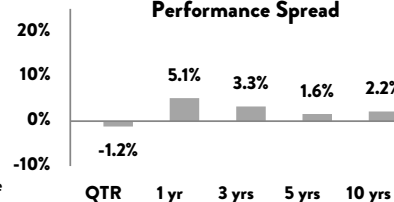
### MSCI Emerging Index Return

Local US\$



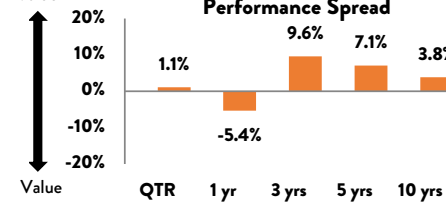
### MSCI ACWI Ex US Large v. Small Cap Performance Spread

Small Beating Large  
Large Beating Small



### MSCI ACWI Ex US Value v. Growth Performance Spread

Growth Beating Value  
Value Beating Growth



## Historical Market Returns

Ranked by Performance

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	4Q21
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%	Small Cap 19.96%	Large Cap 28.71%	Large Cap 11.03%
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%	Large Cap 18.40%	Commod. 27.11%	Core Real Estate 7.69%
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%	Emerging Markets 18.31%	Mid Cap 22.58%	Mid Cap 6.44%
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%	Mid Cap 17.10%	Core Real Estate 21.06%	Global Balanced 4.42%
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%	Global Balanced 13.93%	Small Cap 14.82%	TIPS 2.36%
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%	TIPS 10.99%	Global Balanced 10.94%	Small Cap 2.14%
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%	Intl 10.65%	Intl 7.82%	Intl 1.82%
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%	Global Bonds 9.20%	TIPS 5.96%	High Yield 0.71%
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%	US Bonds 7.51%	High Yield 5.28%	Cash 0.01%
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%	High Yield 7.11%	Cash 0.05%	US Bonds 0.01%
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%	Cash 0.37%	US Bonds -1.54%	Global Bonds -0.67%
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%	Core Real Estate 0.35%	Emerging Markets -2.54%	Emerging Markets -1.31%
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. -3.12%	Global Bonds -4.71%	Commod. -1.56%

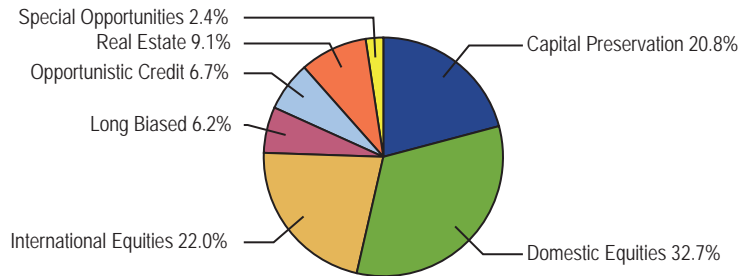
Global Balanced is composed of 60% MSCI World Stock Index, 35% BBgBarc Global Aggregate Bond Index, and 5% US 90-Day T-Bills.

# Section 2

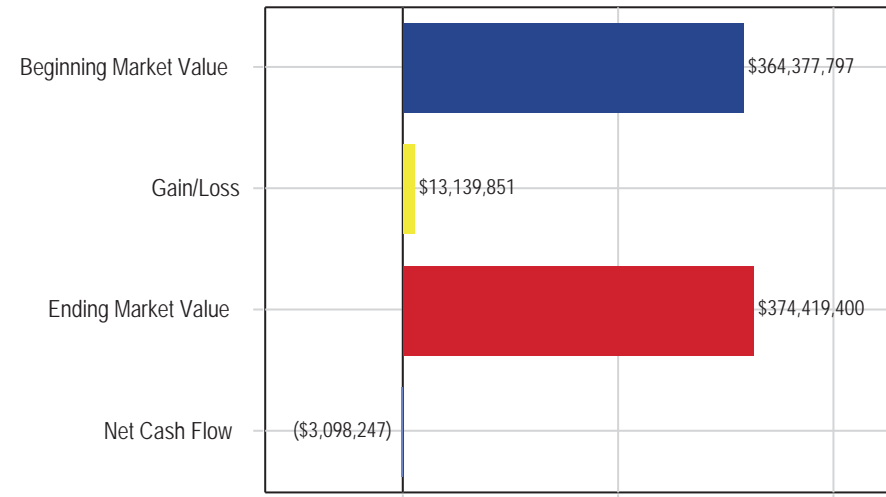
# Spokane Employees' Retirement System

As of December 31, 2021

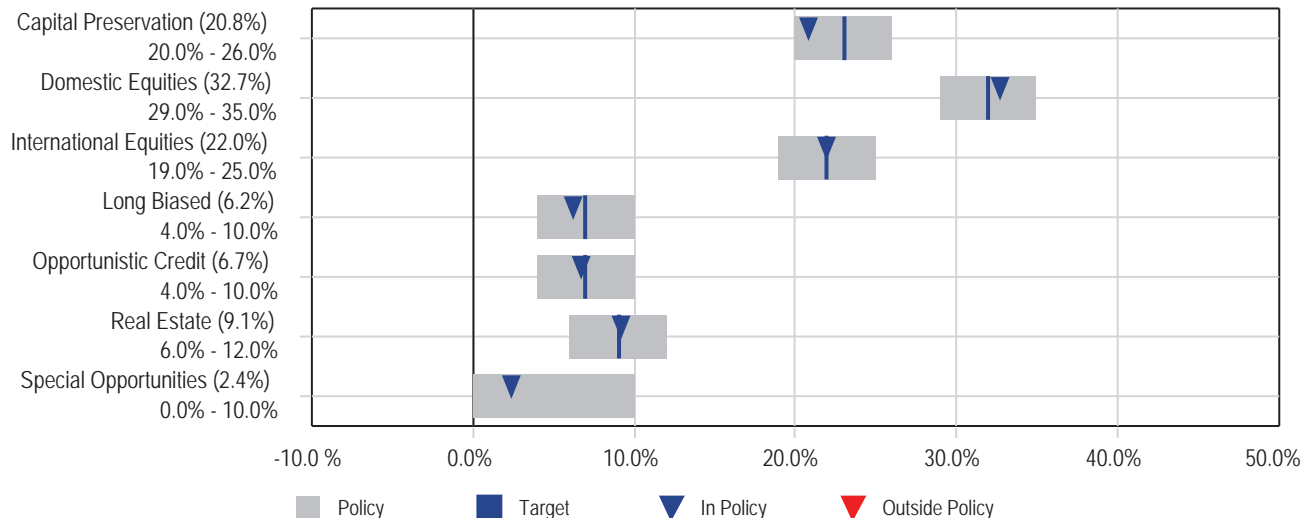
## SERS Current Allocation



## Current Quarter



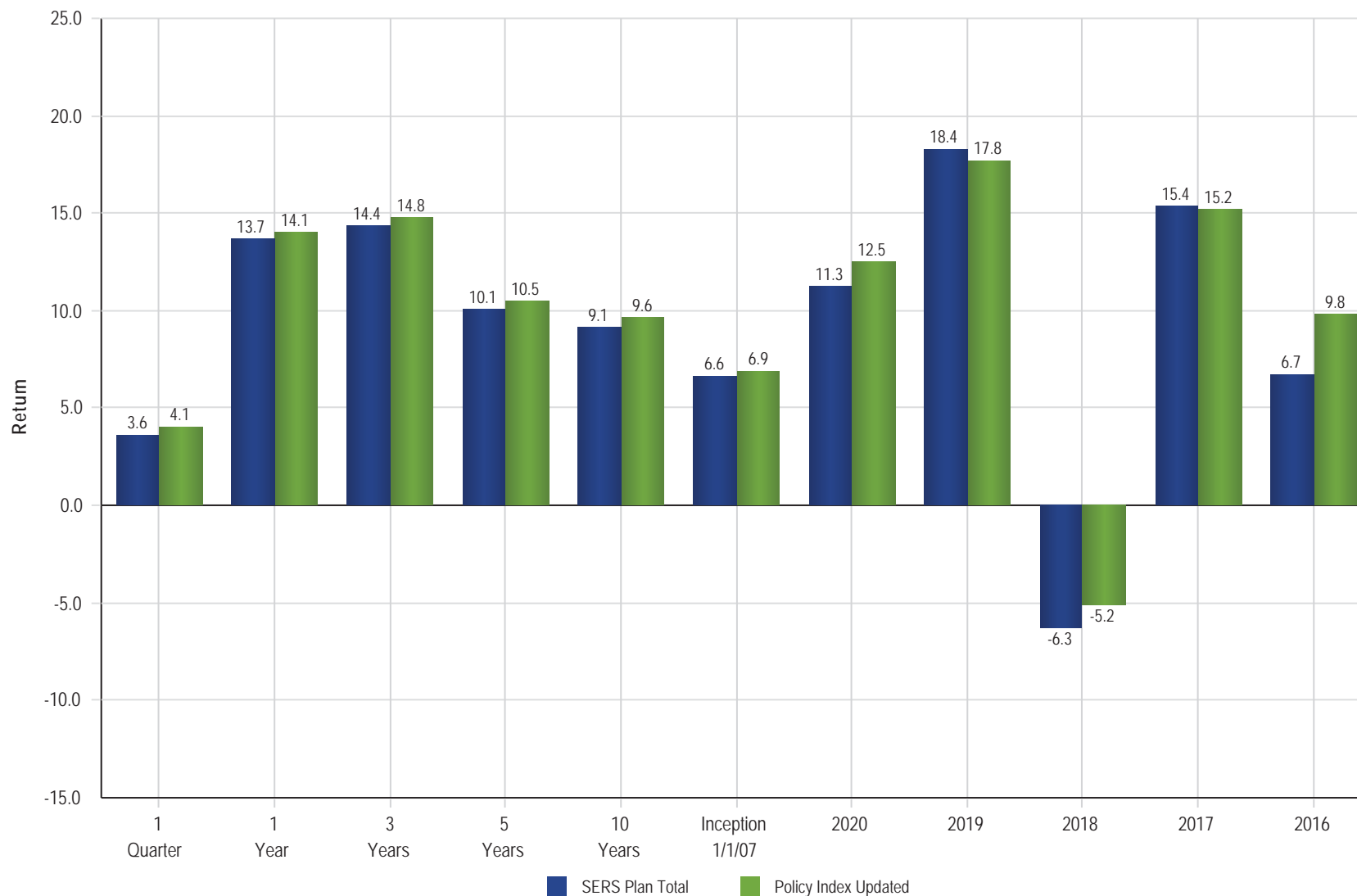
## Executive Summary



## Policy Breakdown

Passive Portfolios	Weight (%)
Blmbg. U.S. Aggregate	10
Blmbg. U.S. Corp: High Yield Index	5
HFRI FOF: Conservative Index	8
S&P 500 Index	21
Russell 2500 Index	11
MSCI AC World ex USA (Net)	15
MSCI AC World ex USA Small Cap (Net)	4
MSCI Emerging Markets (Net)	3
HFRI Fund of Funds Composite Index	7
HFRI ED: Distressed/Restructuring Index	7
NCREIF ODCE VW NET	6
FTSE NAREIT Comp REIT	3

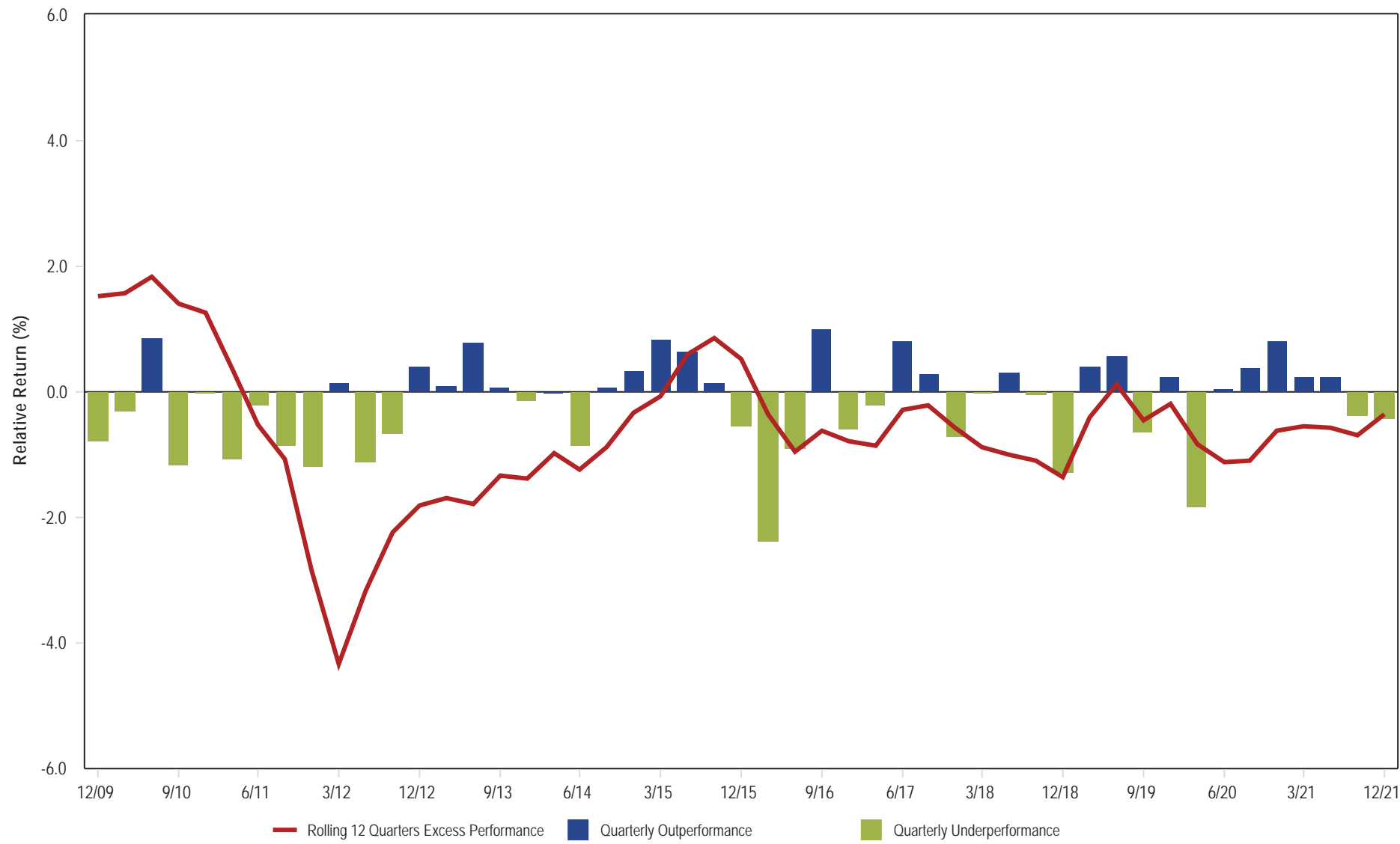
## Return Summary



Performance Net of Fees.

Performance for periods longer than 1 year is annualized.

Relative Performance  
Rolling 3 Year Annualized Excess Performance



# Spokane Employees' Retirement System

As of December 31, 2021

## Return Summary Statistics

	3 Years		5 Years		Since Inception		Inception Date
	SERS Plan Total	Policy Index Updated	SERS Plan Total	Policy Index Updated	SERS Plan Total	Policy Index Updated	
Maximum Return	13.82	13.76	13.82	13.76	13.82	16.64	01/01/2007
Minimum Return	-17.94	-16.12	-17.94	-16.12	-17.94	-17.38	
Return	14.40	14.75	10.12	10.54	6.63	6.89	
Cumulative Return	49.73	51.10	61.96	65.08	161.89	171.76	
Active Return	-0.12	0.00	-0.24	0.00	-0.34	0.00	
Excess Return	13.97	14.08	9.57	9.81	6.34	6.68	

## Risk/Return Summary Statistics

	3 Years		5 Years		Since Inception		Inception Date
	SERS Plan Total	Policy Index Updated	SERS Plan Total	Policy Index Updated	SERS Plan Total	Policy Index Updated	
Standard Deviation	16.27	15.04	13.83	12.77	12.30	13.05	01/01/2007
Alpha	-1.32	0.00	-1.12	0.00	0.21	0.00	
Tracking Error	1.42	0.00	1.34	0.00	2.39	0.00	
Information Ratio	-0.08	N/A	-0.18	N/A	-0.14	N/A	
Beta	1.08	1.00	1.08	1.00	0.93	1.00	
Sharpe Ratio	0.85	0.92	0.68	0.75	0.51	0.51	

## Correlation Statistics

	3 Years		5 Years		Since Inception		Inception Date
	SERS Plan Total	Policy Index Updated	SERS Plan Total	Policy Index Updated	SERS Plan Total	Policy Index Updated	
R-Squared	0.998	1.000	0.996	1.000	0.968	1.000	01/01/2007
Actual Correlation	0.999	1.000	0.998	1.000	0.984	1.000	

# Spokane Employees' Retirement System

As of December 31, 2021

## Total Account Performance Summary

	Performance (%)													Inception Date
	1 Quarter	1 Year	3 Years	5 Years	10 Years	Since Inception	2020	2019	2018	2017	2016	2015	2014	
<b>SERS Plan Total</b>	<b>3.61</b>	<b>13.67</b>	<b>14.40</b>	<b>10.12</b>	<b>9.13</b>	<b>6.63</b>	<b>11.29</b>	<b>18.35</b>	<b>-6.27</b>	<b>15.40</b>	<b>6.71</b>	<b>-0.94</b>	<b>5.34</b>	<b>01/01/2007</b>
Policy Index Updated	4.05	14.07	14.75	10.54	9.63	6.89	12.48	17.77	-5.17	15.20	9.84	-2.00	5.79	
Over/Under	-0.44	-0.40	-0.35	-0.42	-0.50	-0.26	-1.19	0.58	-1.10	0.20	-3.13	1.06	-0.45	
70/30 ACWI/Barclays Aggregate Bond	4.69	12.25	15.85	11.31	9.30	6.46	14.28	21.21	-6.48	17.50	6.42	-1.30	4.77	
Over/Under	-1.08	1.42	-1.45	-1.19	-0.17	0.17	-2.99	-2.86	0.21	-2.10	0.29	0.36	0.57	
Corporate and Public >250m and < \$1Bil Rank	52	28	55	61	56	61	81	68	74	49	77	40	78	
<b>Capital Preservation</b>	<b>-0.03</b>	<b>2.35</b>	<b>4.75</b>	<b>3.80</b>	<b>-</b>	<b>3.52</b>	<b>3.29</b>	<b>8.71</b>	<b>-0.94</b>	<b>5.85</b>	<b>8.12</b>	<b>-1.74</b>	<b>1.65</b>	<b>07/01/2012</b>
Capital Preservation Index	0.39	3.05	6.43	4.60	4.19	4.11	7.23	9.09	-0.72	4.60	5.43	-0.58	4.23	
Over/Under	-0.42	-0.70	-1.68	-0.80	-	-0.59	-3.94	-0.38	-0.22	1.25	2.69	-1.16	-2.58	
<b>Domestic Equity</b>	<b>8.12</b>	<b>25.73</b>	<b>24.01</b>	<b>16.08</b>	<b>-</b>	<b>14.92</b>	<b>17.45</b>	<b>29.14</b>	<b>-7.80</b>	<b>19.86</b>	<b>10.91</b>	<b>-0.32</b>	<b>11.10</b>	<b>07/01/2012</b>
Domestic Equity Index	8.52	25.09	24.77	16.93	15.79	15.63	19.22	30.24	-6.30	20.11	13.92	-0.06	11.44	
Over/Under	-0.40	0.64	-0.76	-0.85	-	-0.71	-1.77	-1.10	-1.50	-0.25	-3.01	-0.26	-0.34	
All Cap Blend Rank	55	49	36	39	-	38	41	40	49	44	67	40	42	
<b>International Equity Total</b>	<b>1.44</b>	<b>9.68</b>	<b>17.27</b>	<b>11.78</b>	<b>9.47</b>	<b>6.06</b>	<b>17.63</b>	<b>25.02</b>	<b>-15.78</b>	<b>28.45</b>	<b>3.91</b>	<b>-1.32</b>	<b>-3.58</b>	<b>04/01/2007</b>
International Equity Index	1.17	7.30	13.52	9.98	7.47	4.03	12.43	21.27	-14.96	29.35	5.34	-5.49	-3.63	
Over/Under	0.27	2.38	3.75	1.80	2.00	2.03	5.20	3.75	-0.82	-0.90	-1.43	4.17	0.05	
Foreign Rank	67	59	30	32	29	14	27	35	55	38	23	60	34	
<b>Long Biased</b>	<b>-2.96</b>	<b>4.52</b>	<b>11.15</b>	<b>7.31</b>	<b>-</b>	<b>5.76</b>	<b>16.54</b>	<b>12.74</b>	<b>2.43</b>	<b>1.19</b>	<b>-2.99</b>	<b>4.04</b>	<b>3.62</b>	<b>07/01/2012</b>
HFRI Fund of Funds Composite Index	0.31	6.05	8.42	5.68	4.55	4.68	10.88	8.39	-4.02	7.77	0.51	-0.27	3.37	
Over/Under	-3.27	-1.53	2.73	1.63	-	1.08	5.66	4.35	6.45	-6.58	-3.50	4.31	0.25	
S&P 500 Index	11.03	28.71	26.07	18.47	16.55	16.36	18.40	31.49	-4.38	21.83	11.96	1.38	13.69	
Over/Under	-13.99	-24.19	-14.92	-11.16	-	-10.60	-1.86	-18.75	6.81	-20.64	-14.95	2.66	-10.07	
<b>Opportunistic Credit</b>	<b>3.44</b>	<b>20.58</b>	<b>7.48</b>	<b>4.63</b>	<b>-</b>	<b>5.59</b>	<b>1.81</b>	<b>1.14</b>	<b>-5.68</b>	<b>7.08</b>	<b>14.52</b>	<b>2.35</b>	<b>2.32</b>	<b>10/01/2013</b>
HFRI ED: Distressed/Restructuring Index	0.73	15.61	10.00	6.81	6.19	5.16	11.82	2.94	-1.70	6.25	15.15	-8.06	-1.39	
Over/Under	2.71	4.97	-2.52	-2.18	-	0.43	-10.01	-1.80	-3.98	0.83	-0.63	10.41	3.71	

Capital Preservation Index: Blmbg.Aggregate: 43.5%; HFRI Conservative: 34.8% Blmbg.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%



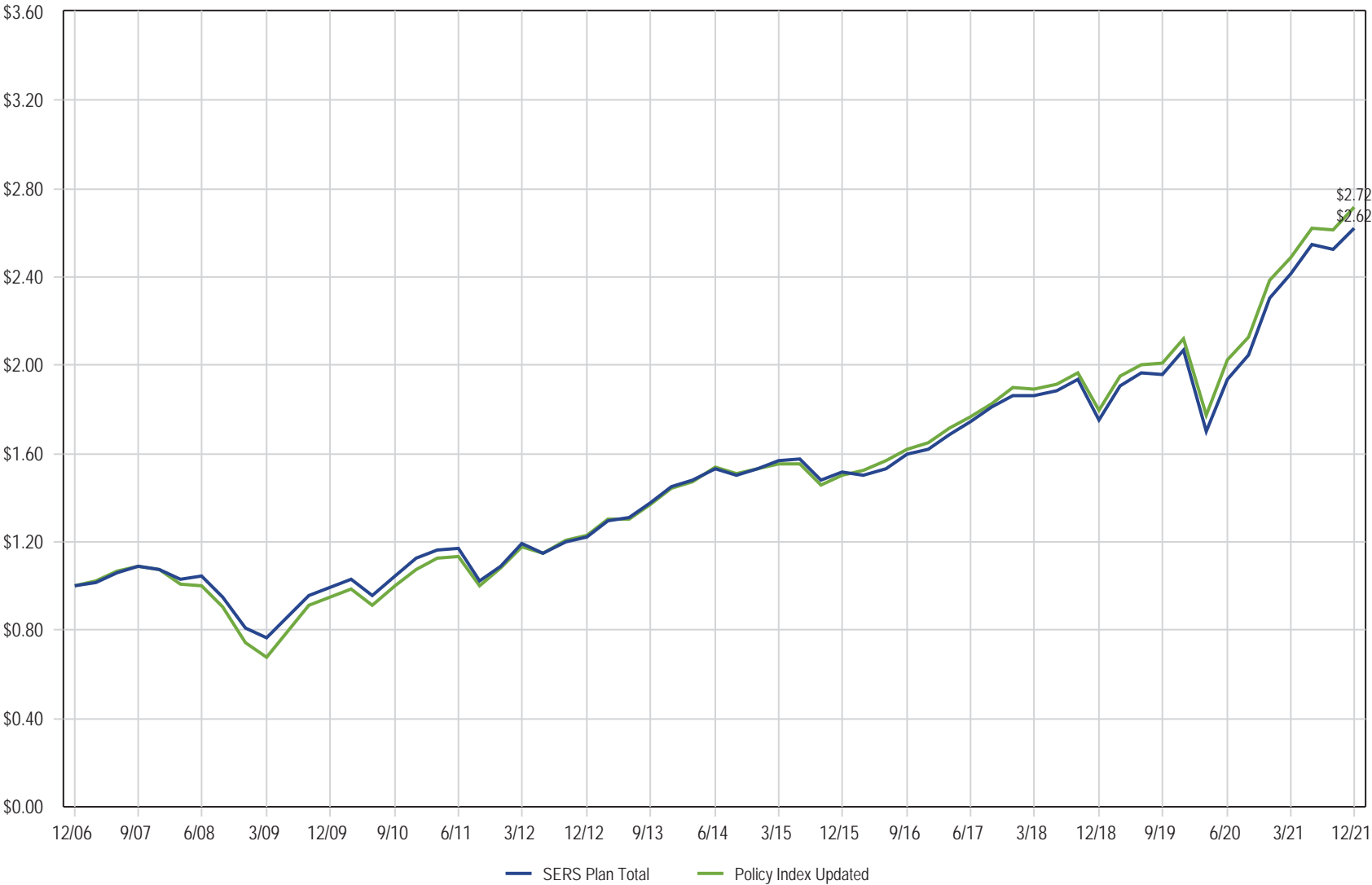
# Spokane Employees' Retirement System

As of December 31, 2021

	Performance (%)													
	1 Quarter	1 Year	3 Years	5 Years	10 Years	Since Inception	2020	2019	2018	2017	2016	2015	2014	Inception Date
<b>Real Estate Total</b>	11.21	27.88	13.23	10.61	11.70	6.82	-2.65	16.62	3.68	10.01	8.09	6.66	25.00	04/01/2007
NCREIF ODCE VW NET	7.66	21.02	8.23	7.74	9.43	5.64	0.34	4.39	7.36	6.66	7.79	13.95	11.46	
Over/Under	3.55	6.86	5.00	2.87	2.27	1.18	-2.99	12.23	-3.68	3.35	0.30	-7.29	13.54	
FTSE NAREIT All REITs Index	15.25	39.88	19.03	12.06	12.03	7.07	-5.86	28.07	-4.10	9.27	9.28	2.29	27.15	
Over/Under	-4.04	-12.00	-5.80	-1.45	-0.33	-0.25	3.21	-11.45	7.78	0.74	-1.19	4.37	-2.15	
Real Estate Rank	87	89	90	67	33	45	28	95	5	10	23	6	82	
<b>Special Opportunities</b>	-9.85	-21.53	-1.48	1.20	-	3.56	10.22	10.54	-11.43	25.32	-21.90	2.13	25.88	07/01/2012
Russell 3000 Index	9.28	25.66	25.79	17.97	16.30	16.12	20.89	31.02	-5.24	21.13	12.74	0.48	12.56	
Over/Under	-19.13	-47.19	-27.27	-16.77	-	-12.56	-10.67	-20.48	-6.19	4.19	-34.64	1.65	13.32	

Capital Preservation Index: Blmbg.Aggregate: 43.5%; HFRI Conservative: 34.8% Blmbg.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%

Growth of A Dollar

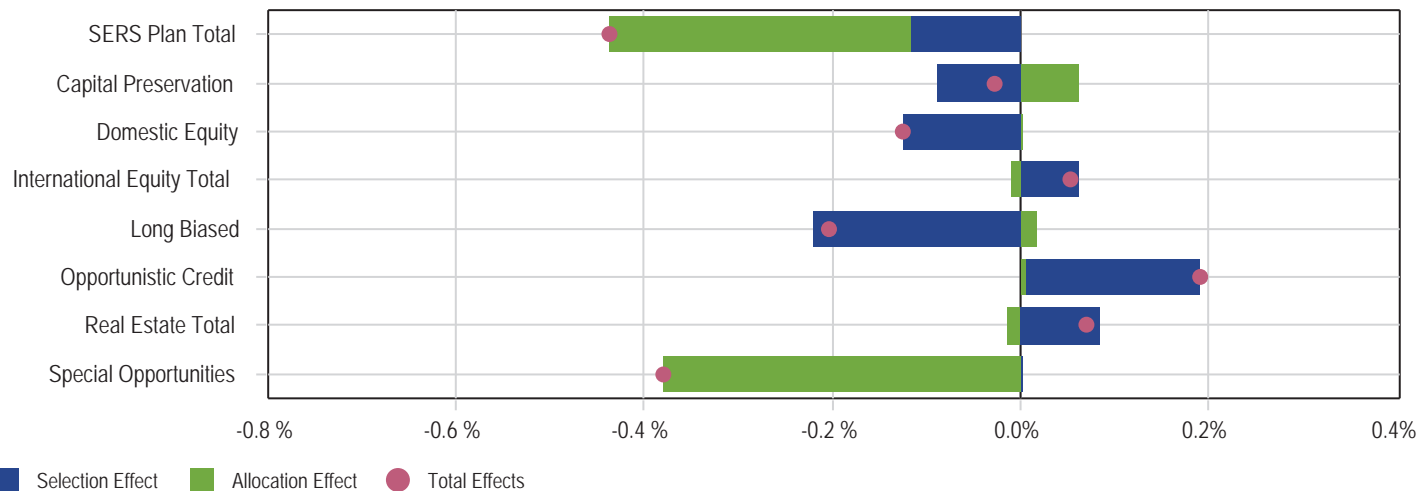


Calculation based on quarterly periodicity.

## Attribution Summary 1 Quarter Ending December 31, 2021

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Total Effect (%)
Capital Preservation	-0.03	0.39	-0.42	-0.09	0.06	-0.03
Domestic Equity	8.12	8.52	-0.40	-0.13	0.00	-0.13
International Equity Total	1.44	1.17	0.27	0.06	-0.01	0.05
Long Biased	-2.96	0.31	-3.27	-0.22	0.02	-0.20
Opportunistic Credit	3.44	0.73	2.71	0.18	0.01	0.19
Real Estate Total	11.21	10.16	1.04	0.08	-0.01	0.07
Special Opportunities	-9.85	9.28	-19.13	0.00	-0.38	-0.38
<b>SERS Plan Total</b>	<b>3.61</b>	<b>4.05</b>	<b>-0.44</b>	<b>-0.10</b>	<b>-0.32</b>	<b>-0.44</b>

## Attribution Effects 1 Quarter Ending December 31, 2021



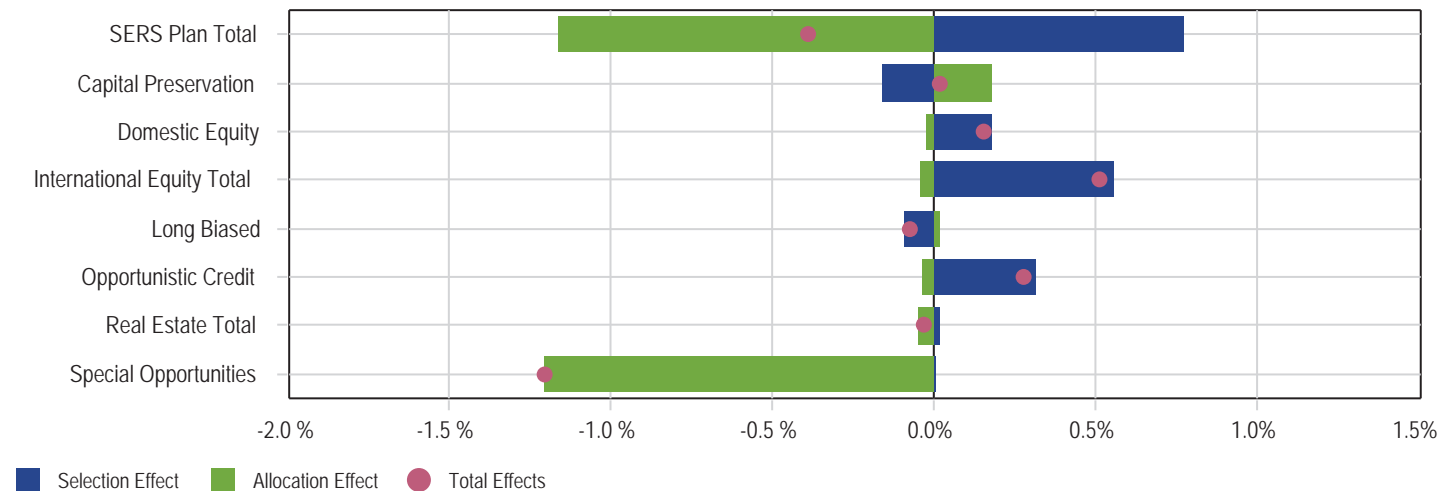
# Spokane Employees' Retirement System

As of December 31, 2021

## Attribution Summary 1 Year Ending December 31, 2021

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Total Effect (%)
Capital Preservation	2.35	3.05	-0.70	-0.16	0.18	0.02
Domestic Equity	25.73	25.09	0.64	0.18	-0.02	0.16
International Equity Total	9.68	7.30	2.39	0.56	-0.04	0.52
Long Biased	4.52	6.05	-1.53	-0.09	0.02	-0.08
Opportunistic Credit	20.58	15.61	4.97	0.32	-0.04	0.28
Real Estate Total	27.88	27.35	0.53	0.02	-0.05	-0.03
Special Opportunities	-21.53	25.66	-47.19	0.00	-1.21	-1.21
<b>SERS Plan Total</b>	<b>13.67</b>	<b>14.06</b>	<b>-0.39</b>	<b>0.82</b>	<b>-1.16</b>	<b>-0.39</b>

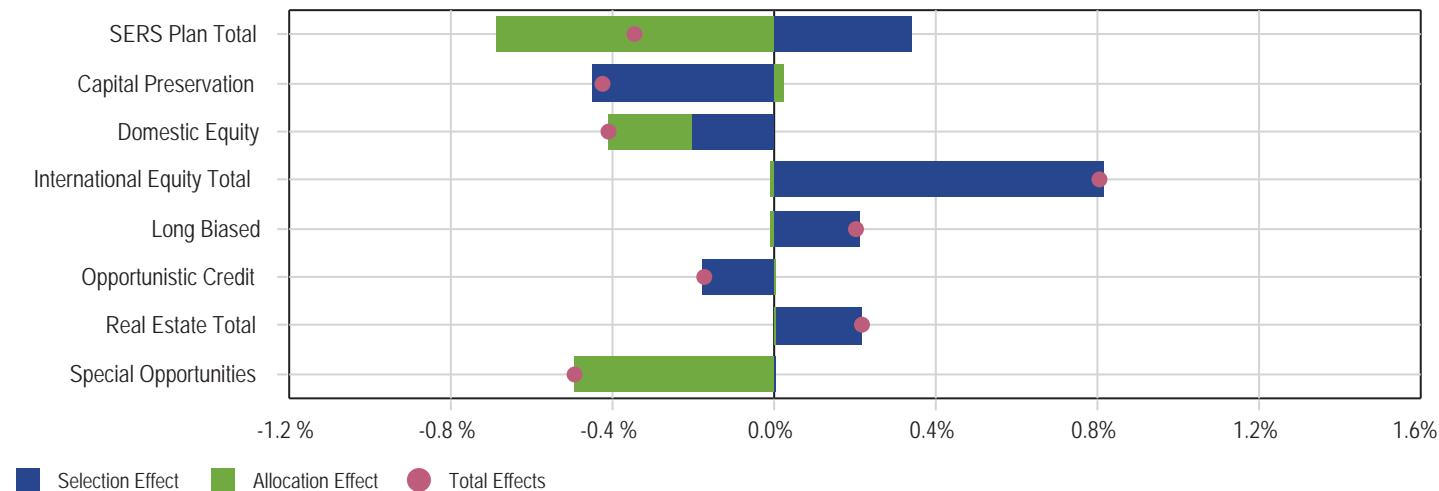
## Attribution Effects 1 Year Ending December 31, 2021



## Attribution Summary 3 Years Ending December 31, 2021

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Total Effect (%)
Capital Preservation	4.75	6.43	-1.68	-0.45	0.02	-0.43
Domestic Equity	24.01	24.77	-0.76	-0.20	-0.21	-0.41
International Equity Total	17.27	13.52	3.75	0.82	-0.01	0.81
Long Biased	11.15	8.42	2.73	0.21	-0.01	0.20
Opportunistic Credit	7.48	10.00	-2.52	-0.18	0.00	-0.17
Real Estate Total	13.23	10.77	2.46	0.21	0.01	0.22
Special Opportunities	-1.48	25.79	-27.27	0.00	-0.49	-0.49
<b>SERS Plan Total</b>	<b>14.40</b>	<b>14.75</b>	<b>-0.35</b>	<b>0.41</b>	<b>-0.69</b>	<b>-0.35</b>

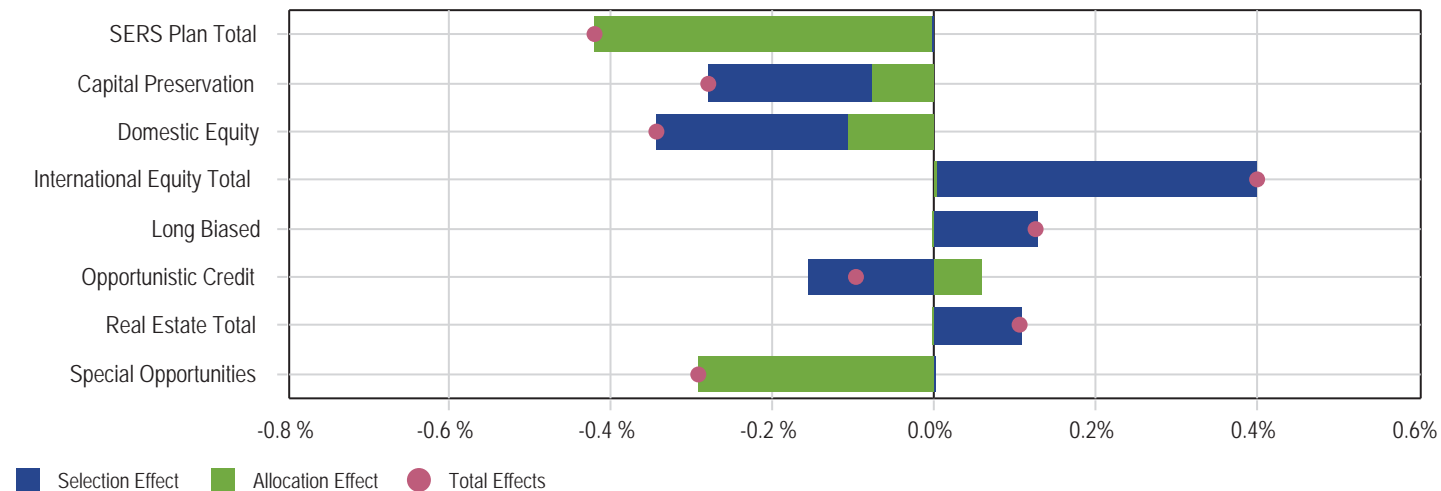
## Attribution Effects 3 Years Ending December 31, 2021



## Attribution Summary January 1, 2017 To December 31, 2021

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Total Effect (%)
Capital Preservation	3.80	4.60	-0.79	-0.20	-0.08	-0.28
Domestic Equity	16.08	16.93	-0.85	-0.24	-0.11	-0.34
International Equity Total	11.78	9.98	1.79	0.40	0.01	0.40
Long Biased	7.31	5.68	1.63	0.13	0.00	0.13
Opportunistic Credit	4.63	6.81	-2.18	-0.16	0.06	-0.10
Real Estate Total	10.61	9.25	1.36	0.11	0.00	0.11
Special Opportunities	1.20	17.97	-16.77	0.00	-0.29	-0.29
<b>SERS Plan Total</b>	<b>10.12</b>	<b>10.54</b>	<b>-0.42</b>	<b>0.03</b>	<b>-0.42</b>	<b>-0.42</b>

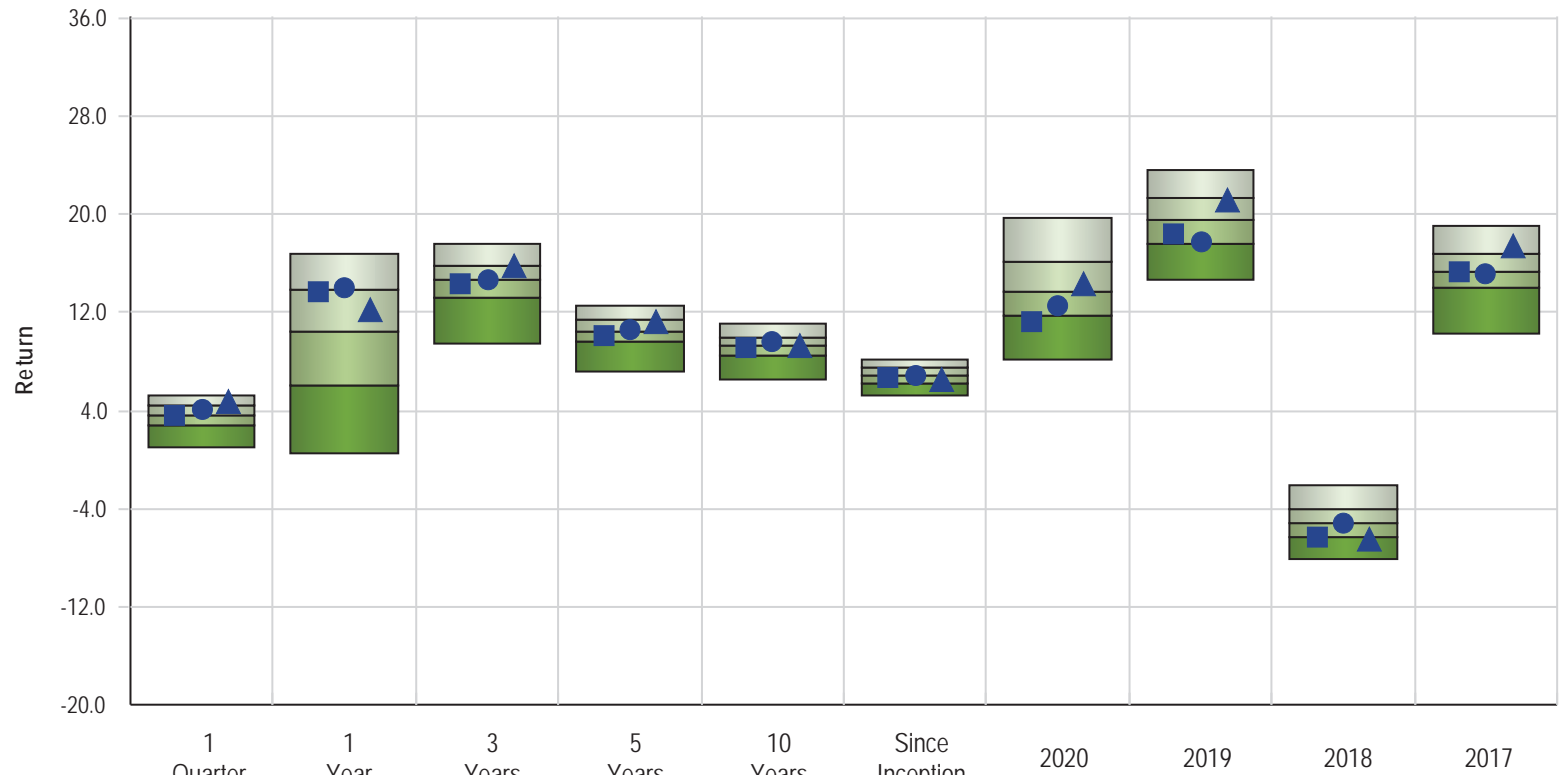
## Attribution Effects January 1, 2017 To December 31, 2021



# Spokane Employees' Retirement System

As of December 31, 2021

## Corporate and Public >250m and < \$1Bil



- SERS Plan Total
- Policy Index Updated
- ▲ 70/30 ACWI/Barclays Aggregate Bond

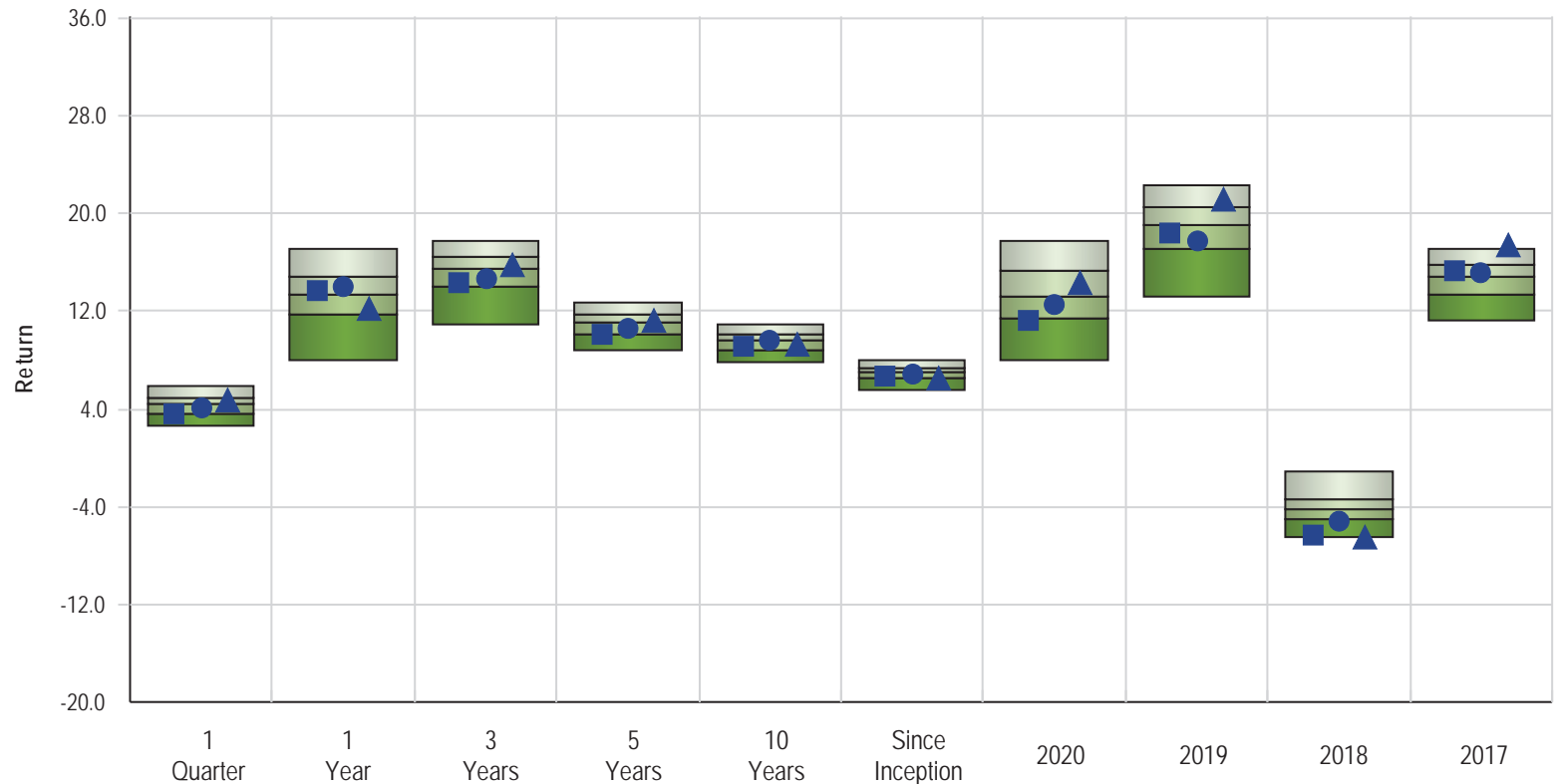
5th Percentile	5.2	16.8	17.6	12.6	11.1	8.2	19.6	23.7	-2.0	19.1
1st Quartile	4.4	13.9	15.9	11.3	10.0	7.4	16.2	21.4	-4.0	16.8
Median	3.7	10.4	14.7	10.5	9.3	6.9	13.7	19.5	-5.2	15.3
3rd Quartile	2.8	6.1	13.2	9.6	8.4	6.3	11.7	17.6	-6.4	14.1
95th Percentile	1.0	0.5	9.5	7.2	6.5	5.2	8.1	14.6	-8.1	10.3
Population	232	231	226	214	179	129	351	365	303	310

Parentheses contain percentile rankings.  
Calculation based on quarterly periodicity.

# Spokane Employees' Retirement System

As of December 31, 2021

## IM Public > \$50 mm and < \$250mm



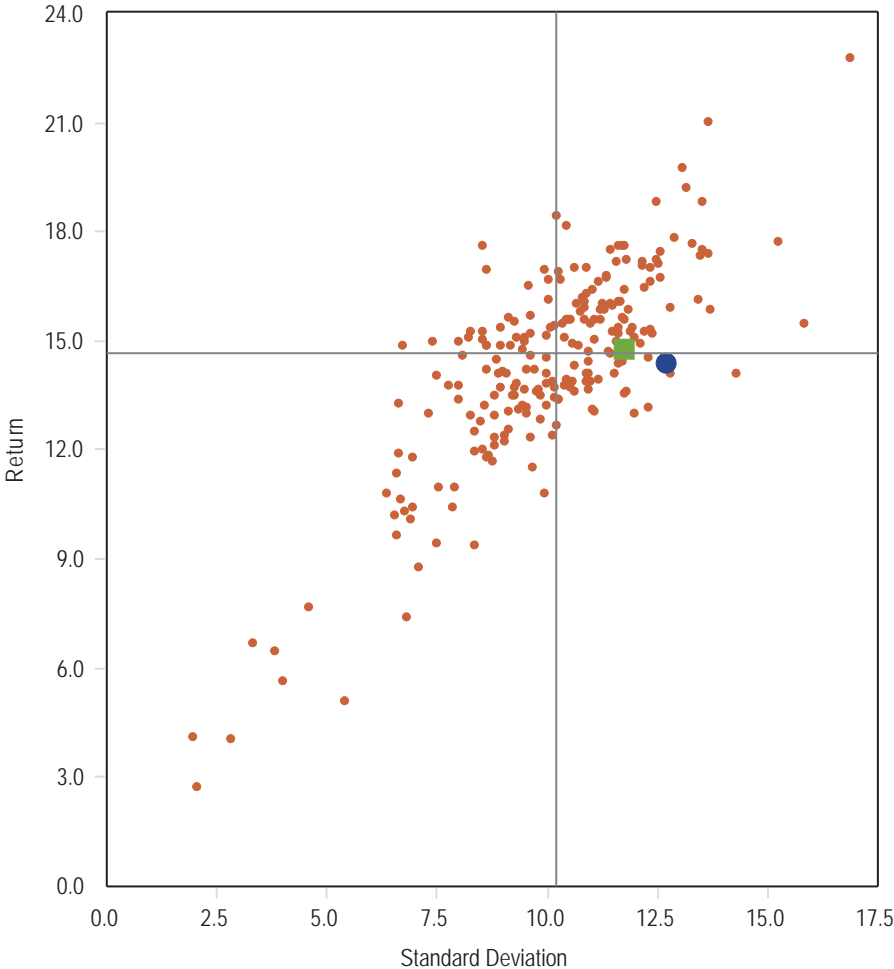
■ SERS Plan Total  
● Policy Index Updated  
▲ 70/30 ACWI/Barclays Aggregate Bond

5th Percentile	5.9	17.2	17.8	12.7	11.0	8.0	17.7	22.3	-1.1	17.1
1st Quartile	5.0	14.8	16.5	11.8	10.2	7.4	15.3	20.6	-3.4	15.8
Median	4.4	13.4	15.5	11.1	9.6	7.0	13.3	19.1	-4.2	14.8
3rd Quartile	3.6	11.8	14.1	10.1	8.7	6.6	11.4	17.2	-5.0	13.4
95th Percentile	2.6	8.0	10.9	8.8	7.9	5.6	8.1	13.3	-6.4	11.2
Population	185	184	181	170	138	99	251	249	226	212

Parentheses contain percentile rankings.  
Calculation based on quarterly periodicity.

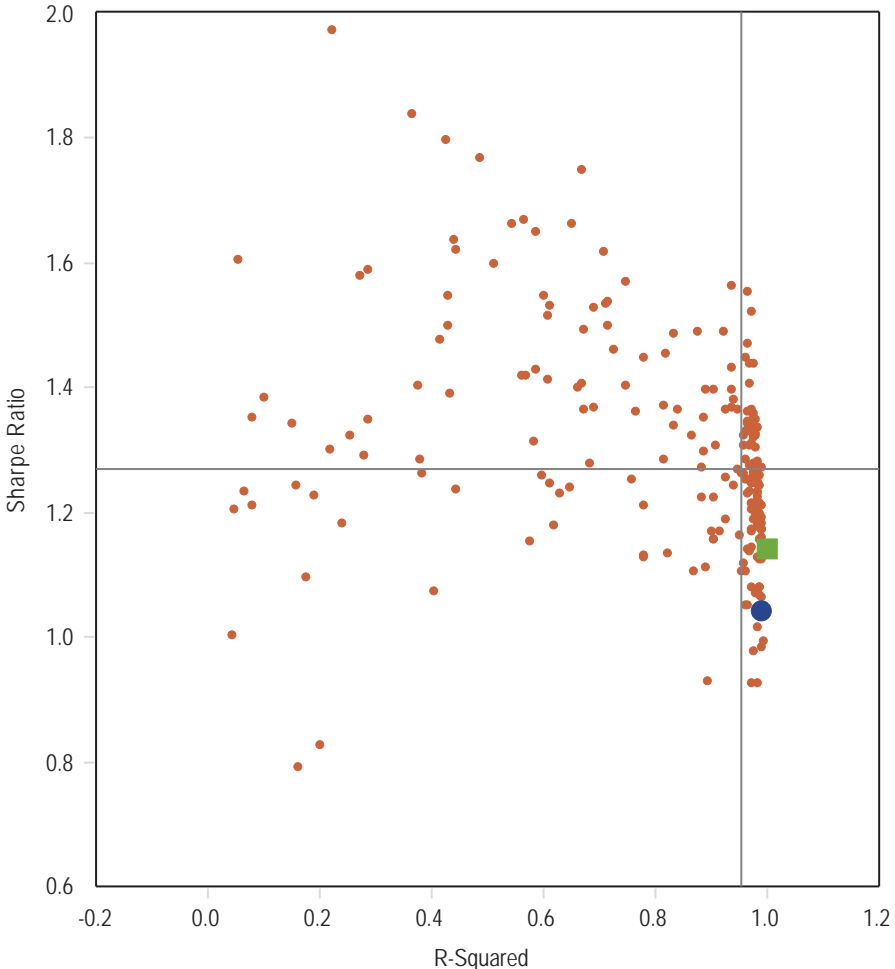


Annualized Return vs Annualized Standard Deviation  
Trailing 3 Years



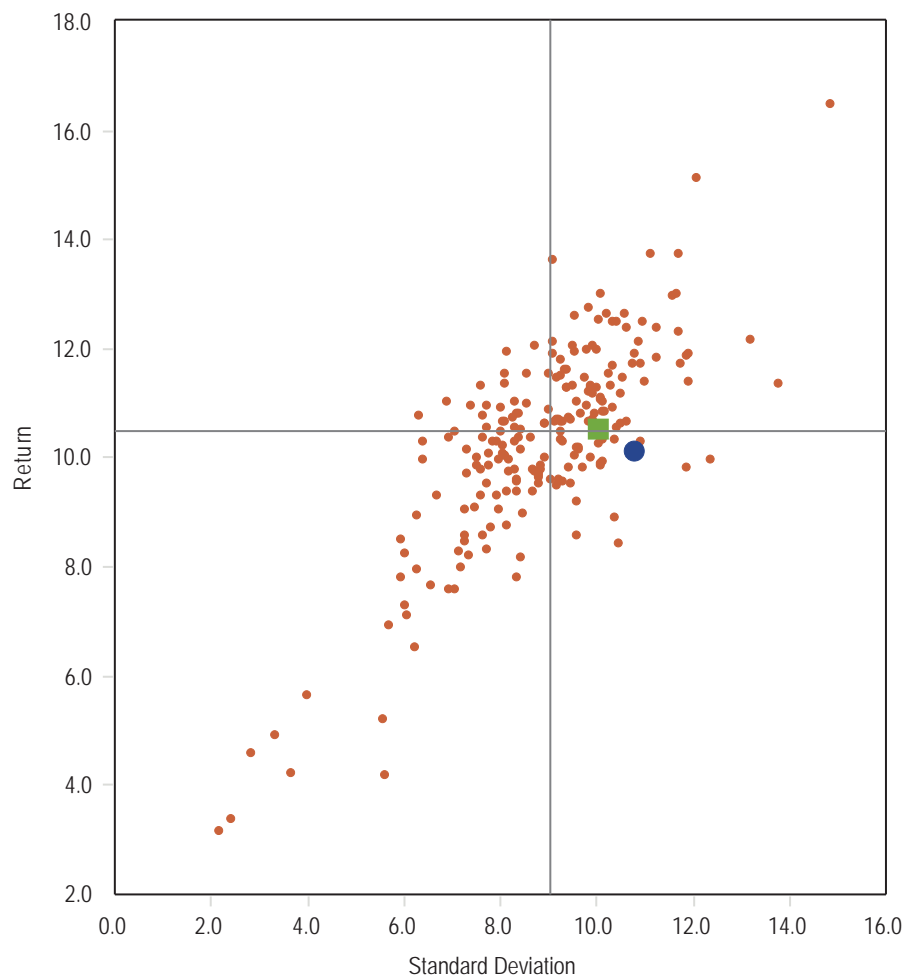
● Corporate and Public >250m and < \$1Bil    ● SERS Plan Total  
■ Policy Index Updated

Sharpe Ratio vs R-Squared  
Trailing 3 Years



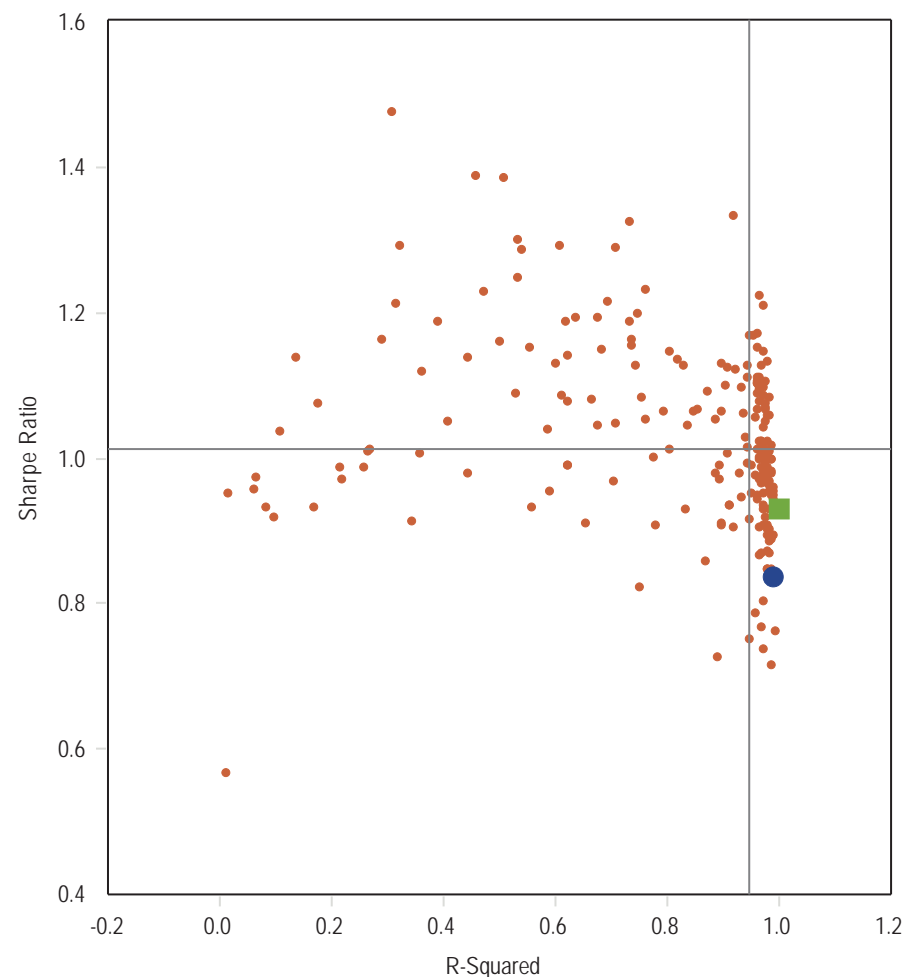
● Corporate and Public >250m and < \$1Bil    ● SERS Plan Total  
■ Policy Index Updated

## Annualized Return vs Annualized Standard Deviation Trailing 5 Years



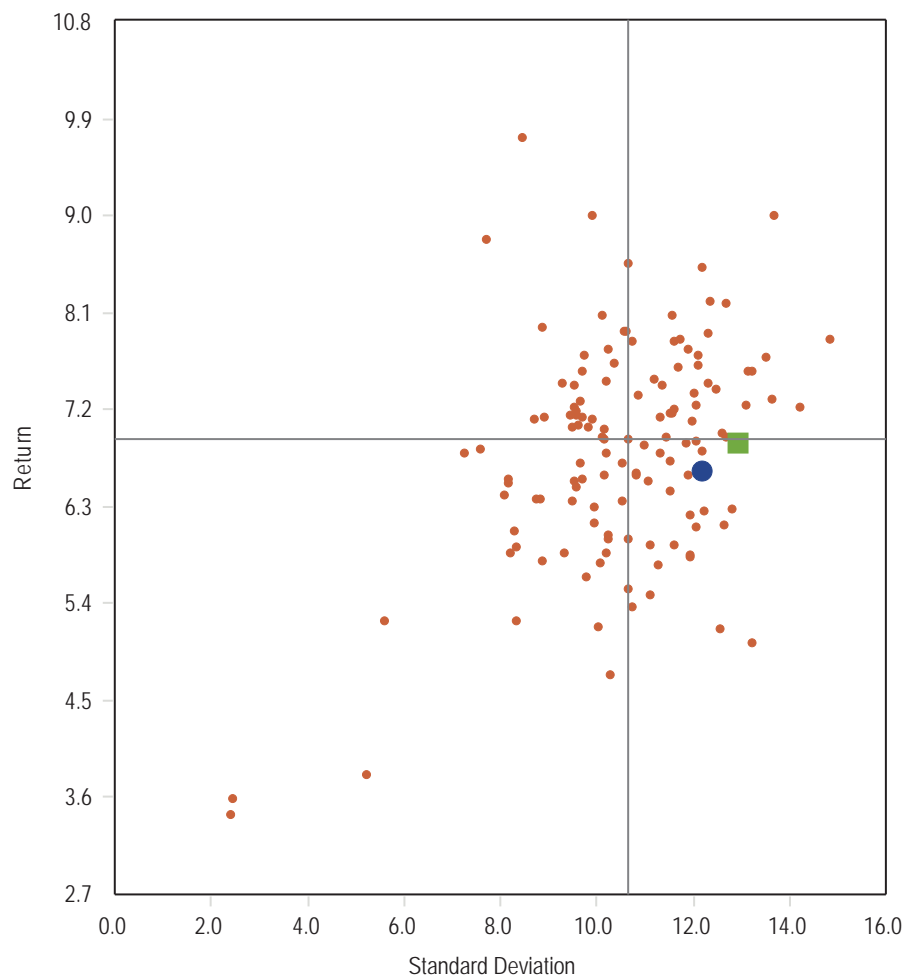
● Corporate and Public >250m and < \$1Bil
 ● SERS Plan Total
 ■ Policy Index Updated

## Sharpe Ratio vs R-Squared Trailing 5 Years



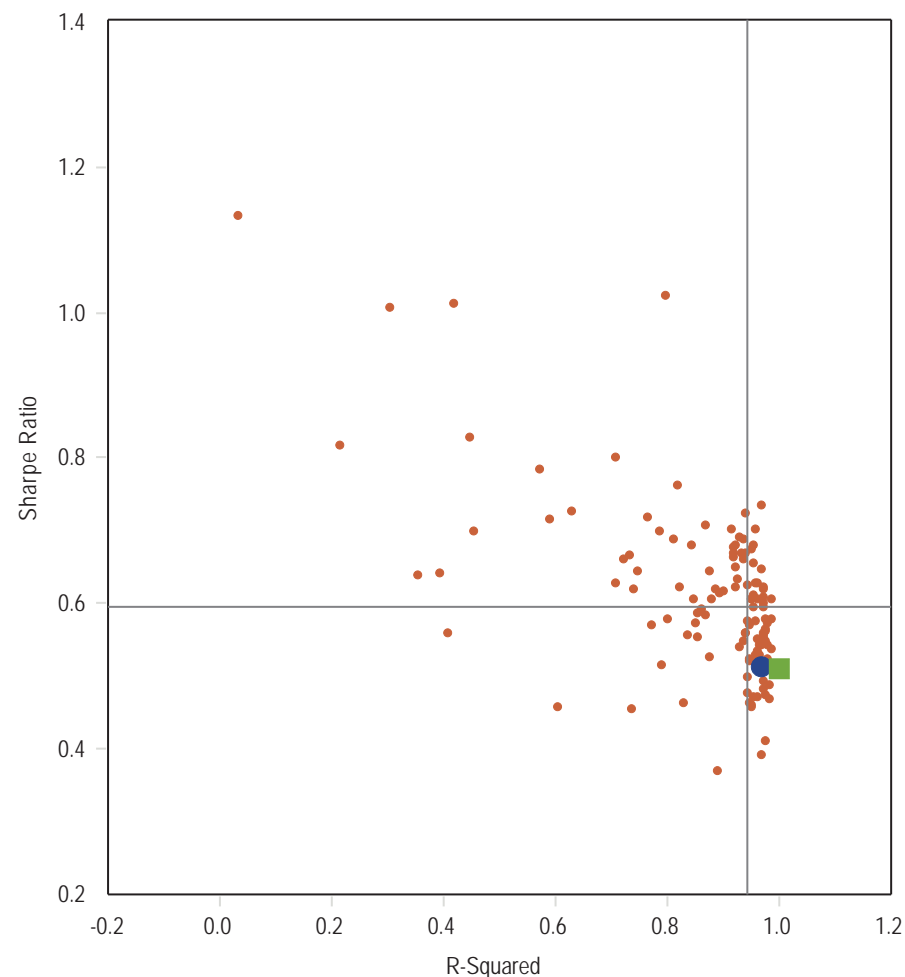
● Corporate and Public >250m and < \$1Bil
 ● SERS Plan Total
 ■ Policy Index Updated

Annualized Return vs Annualized Standard Deviation  
Since Inception 1/1/2007



● Corporate and Public >250m and < \$1Bil 
 ● SERS Plan Total  
■ Policy Index Updated

Sharpe Ratio vs R-Squared  
Since Inception 1/1/2007



● Corporate and Public >250m and < \$1Bil 
 ● SERS Plan Total  
■ Policy Index Updated

# Spokane Employees' Retirement System

As of December 31, 2021

## Asset Class Performance

	Performance (%)											Inception Date
	1 Quarter	1 Year	3 Years	5 Years	Since Inception	2020	2019	2018	2017	2016	2015	
<b>Capital Preservation</b>	-0.03	2.35	4.75	3.80	3.52	3.29	8.71	-0.94	5.85	8.12	-1.74	07/01/2012
Capital Preservation Index	0.39	3.05	6.43	4.60	4.11	7.23	9.09	-0.72	4.60	5.43	-0.58	
Over/Under	-0.42	-0.70	-1.68	-0.80	-0.59	-3.94	-0.38	-0.22	1.25	2.69	-1.16	
<b>Total Return Bond</b>	-0.32	-1.03	5.76	4.26	3.55	9.29	9.38	-0.09	4.20	-	-	10/01/2016
Blmbg. U.S. Aggregate	0.01	-1.55	4.79	3.57	2.80	7.51	8.72	0.01	3.54	2.65	0.55	
Over/Under	-0.33	0.52	0.97	0.69	0.75	1.78	0.66	-0.10	0.66	-	-	
Intermediate Core Bond Rank	74	25	13	10	9	15	19	37	17	-	-	
<b>High Yield</b>	1.07	6.83	6.49	4.76	5.06	3.04	9.71	-3.46	8.22	16.67	-7.05	07/01/2012
Blmbg. U.S. Corp: High Yield Index	0.71	5.28	8.83	6.30	6.40	7.11	14.32	-2.08	7.50	17.13	-4.47	
Over/Under	0.36	1.55	-2.34	-1.54	-1.34	-4.07	-4.61	-1.38	0.72	-0.46	-2.58	
High Yield Bond Rank	6	12	83	78	73	85	86	70	14	11	91	
<b>Absolute Return</b>	-0.32	4.12	3.10	2.68	3.35	-2.62	8.10	-1.11	5.33	7.75	0.29	07/01/2012
HFRI FOF: Conservative Index	0.64	7.56	6.77	4.67	4.19	6.47	6.30	-0.87	4.12	1.89	0.37	
Over/Under	-0.96	-3.44	-3.67	-1.99	-0.84	-9.09	1.80	-0.24	1.21	5.86	-0.08	
Blmbg. U.S. Aggregate	0.01	-1.55	4.79	3.57	2.80	7.51	8.72	0.01	3.54	2.65	0.55	
Over/Under	-0.33	5.67	-1.69	-0.89	0.55	-10.13	-0.62	-1.12	1.79	5.10	-0.26	
<b>Domestic Equity</b>	8.12	25.73	24.01	16.08	14.92	17.45	29.14	-7.80	19.86	10.91	-0.32	07/01/2012
Domestic Equity Index	8.52	25.09	24.77	16.93	15.63	19.22	30.24	-6.30	20.11	13.92	-0.06	
Over/Under	-0.40	0.64	-0.76	-0.85	-0.71	-1.77	-1.10	-1.50	-0.25	-3.01	-0.26	
All Cap Blend Rank	55	49	36	39	38	41	40	49	44	67	40	
<b>Domestic Large Cap Equity</b>	9.20	29.12	25.42	17.41	10.37	17.47	30.06	-7.70	22.54	8.24	-0.32	04/01/2007
S&P 500 Index	11.03	28.71	26.07	18.47	10.79	18.40	31.49	-4.38	21.83	11.96	1.38	
Over/Under	-1.83	0.41	-0.65	-1.06	-0.42	-0.93	-1.43	-3.32	0.71	-3.72	-1.70	
Large Blend Rank	66	16	38	45	39	49	48	76	22	78	60	

# Spokane Employees' Retirement System

As of December 31, 2021

	Performance (%)											Inception Date
	1 Quarter	1 Year	3 Years	5 Years	Since Inception	2020	2019	2018	2017	2016	2015	
<b>Domestic Small/Mid Equity</b>	6.06	19.65	21.39	13.58	14.01	17.46	27.27	-8.05	14.91	15.37	-0.39	07/01/2012
Russell 2500 Index	3.82	18.18	21.91	13.75	13.96	19.99	27.77	-10.00	16.81	17.59	-2.90	
Over/Under	2.24	1.47	-0.52	-0.17	0.05	-2.53	-0.50	1.95	-1.90	-2.22	2.51	
SMID Blend Rank	53	74	32	20	22	30	29	13	43	77	13	
<b>International Equity Total</b>	1.44	9.68	17.27	11.78	6.06	17.63	25.02	-15.78	28.45	3.91	-1.32	04/01/2007
International Equity Index	1.17	7.30	13.52	9.98	4.03	12.43	21.27	-14.96	29.35	5.34	-5.49	
Over/Under	0.27	2.38	3.75	1.80	2.03	5.20	3.75	-0.82	-0.90	-1.43	4.17	
Foreign Rank	67	59	30	32	14	27	35	55	38	23	60	
<b>International Large Cap Equity</b>	1.78	9.94	17.42	11.86	10.31	17.08	25.78	-15.14	27.50	4.02	-1.13	07/01/2012
MSCI AC World ex USA (Net)	1.82	7.82	13.18	9.61	7.36	10.65	21.51	-14.20	27.19	4.50	-5.66	
Over/Under	-0.04	2.12	4.24	2.25	2.95	6.43	4.27	-0.94	0.31	-0.48	4.53	
Foreign Large Blend Rank	77	55	12	11	4	12	17	59	29	19	52	
<b>International Small/Mid Cap Equity</b>	1.34	12.40	18.38	12.62	10.15	15.42	27.88	-20.33	37.08	-0.68	7.56	07/01/2012
MSCI AC World ex USA Small Cap (Net)	0.62	12.93	16.46	11.21	9.51	14.24	22.42	-18.20	31.65	3.91	2.60	
Over/Under	0.72	-0.53	1.92	1.41	0.64	1.18	5.46	-2.13	5.43	-4.59	4.96	
<b>Emerging Markets Equity</b>	0.10	5.61	15.63	10.28	6.60	23.38	18.64	-14.62	23.58	7.03	-8.73	07/01/2012
MSCI Emerging Markets (Net)	-1.31	-2.54	10.94	9.87	5.35	18.31	18.44	-14.58	37.28	11.19	-14.92	
Over/Under	1.41	8.15	4.69	0.41	1.25	5.07	0.20	-0.04	-13.70	-4.16	6.19	
Diversified Emerging Mkts Rank	24	18	24	40	33	31	60	31	95	61	18	
<b>Long Biased</b>	-2.96	4.52	11.15	7.31	5.76	16.54	12.74	2.43	1.19	-2.99	4.04	07/01/2012
HFRI Fund of Funds Composite Index	0.31	6.05	8.42	5.68	4.68	10.88	8.39	-4.02	7.77	0.51	-0.27	
Over/Under	-3.27	-1.53	2.73	1.63	1.08	5.66	4.35	6.45	-6.58	-3.50	4.31	
S&P 500 Index	11.03	28.71	26.07	18.47	16.36	18.40	31.49	-4.38	21.83	11.96	1.38	
Over/Under	-13.99	-24.19	-14.92	-11.16	-10.60	-1.86	-18.75	6.81	-20.64	-14.95	2.66	
<b>Opportunistic Credit</b>	3.44	20.58	7.48	4.63	5.59	1.81	1.14	-5.68	7.08	14.52	2.35	10/01/2013
HFRI ED: Distressed/Restructuring Index	0.73	15.61	10.00	6.81	5.16	11.82	2.94	-1.70	6.25	15.15	-8.06	
Over/Under	2.71	4.97	-2.52	-2.18	0.43	-10.01	-1.80	-3.98	0.83	-0.63	10.41	

# Spokane Employees' Retirement System

As of December 31, 2021

	Performance (%)											Inception Date
	1 Quarter	1 Year	3 Years	5 Years	Since Inception	2020	2019	2018	2017	2016	2015	
<b>Real Estate Total</b>	11.21	27.88	13.23	10.61	6.82	-2.65	16.62	3.68	10.01	8.09	6.66	04/01/2007
NCREIF Fund Index-ODCE (VW) (Net)	7.66	21.02	8.23	7.74	5.64	0.34	4.39	7.36	6.66	7.79	13.95	
Over/Under	3.55	6.86	5.00	2.87	1.18	-2.99	12.23	-3.68	3.35	0.30	-7.29	
FTSE NAREIT All REITs Index	15.25	39.88	19.03	12.06	7.07	-5.86	28.07	-4.10	9.27	9.28	2.29	
Over/Under	-4.04	-12.00	-5.80	-1.45	-0.25	3.21	-11.45	7.78	0.74	-1.19	4.37	
Real Estate Rank	87	89	90	67	45	28	95	5	10	23	6	
<b>Special Opportunities</b>	-9.85	-21.53	-1.48	1.20	3.56	10.22	10.54	-11.43	25.32	-21.90	2.13	07/01/2012
Russell 3000 Index	9.28	25.66	25.79	17.97	16.12	20.89	31.02	-5.24	21.13	12.74	0.48	
Over/Under	-19.13	-47.19	-27.27	-16.77	-12.56	-10.67	-20.48	-6.19	4.19	-34.64	1.65	



## On-Watch Summary

Fourth Quarter 2021

### Manager Commentary

- **OrbiMed Partners** – This dedicated long-biased healthcare strategy was originally on watch for poor performance primarily in 2018. After two strong subsequent years, 2021 proved to be a remarkably difficult year, with the fund returning -41.25%. Subsequent to the 3Q21 performance report, the strategy was recommended for termination due to its increased degree of volatility. The fund is now in the process of liquidation.
- **Hotchkis & Wiley High Yield** – The strategy was placed on watch in 2Q19 for performance in violation of policy. There are two primary drivers of underperformance which persisted for well over a year. These included; 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 coronavirus served as a further headwind for the strategy. Post 1Q20 the strategy outperformed for multiple quarters and its trailing 1-year performance as of 4Q21 places it in the 12<sup>th</sup> percentile of its peers. More recently, management has been tilting the fund towards a combination of liquid but still higher-yielding corporates. This strategy has been beneficial as credit spreads remained low but liquidity appears to be of growing importance. Additionally, the fund's modest tilt towards lower-rated credits has had the positive side effect of reducing interest rate risk, which is more prevalent in higher-rated bonds. Post the COVID sell-off, the fund continues to perform well and within expectation. The Hyas Group recommends maintaining watch status.
- **Rimrock Low Vol** – The strategy was placed on watch 3Q20 for performance in violation of policy. The manager felt they were conservatively positioned coming into 2020, believing they were not getting paid enough to take on higher levels of credit or interest rate risk. Unfortunately, the market collapse in 1Q20 turned into a liquidity squeeze that took down virtually all sectors of the credit market. Rimrock's large allocation to high quality but less liquid securitized credit was hit particularly hard. Not only did this positioning fail to protect capital in the downturn, it prevented them from getting aggressively repositioned to fully capture the rebound in credit markets that ensued over the remainder of the year. On the back of improvement in subsequent quarters, the strategy's performance in 4Q21 was in line with expectation and comparable to the 2Q21 experience, wherein it kept pace with the Bloomberg US Aggregate Bond Index in an environment of falling long-term yields. Overall 2021's performance, which combined outperformance in periods of rising rates with keeping-up when long-rates retraced, was very competitive as the strategy returned +5.89% versus -1.55% for the Bloomberg US Aggregate Bond Index. Management retains the same positioning of low exposure to interest rate and credit spread duration, but with an above-average yield and ample cash for liquidity. Performance continues to be in line with expectation and we continue to have confidence in management. The Hyas Group recommends maintaining watch status.
- **Bridge City Small Cap Growth** – The strategy was placed on watch in 4Q20 for performance in violation of policy. Underperformance was largely due to poor relative performance in calendar year 2020. The strategy underperformed by over 1,400 basis points during the year and nearly 900 basis points

between Thanksgiving and Christmas alone. The year was nearly a perfect storm for strategy as the first part of the year was dominated by highly valued (overpriced) momentum growth stocks and the last quarter of the year saw a torrid rally in low quality cyclical stocks. Bridge City's focus on quality and reasonable valuation faced a significant headwind. Subsequent performance has been highly competitive, both versus the Russell 2000 Growth Index and Small Growth peer group. In 2021, the fund returned +20.73% versus +2.83% for the Russell 2000 Growth Index and ranked in the 17<sup>th</sup> percentile of the peer group. The fund's valuation sensitivity explains part of 2021's outperformance as value stocks outperformed growth within the small cap space by their largest margin since 2000. Relatedly, the fund's avoidance of low-earnings companies (which by extension may tend to have higher valuations) was beneficial as profitable companies outperformed. Given that the fund has turned in substantial outperformance in a manner that is consistent with expectation, the Hvas Group recommends removing it from watch. As another development, Bridge City recently announced the incubation of a micro cap growth product. Although the Hvas Group is not examining this new funding for investment, we generally welcome this development as it may identify attractive securities that can be used within the Small Cap Growth product and is unlikely to dilute overall firm focus.

- **Allspring (formerly Wells Fargo) Special Small Cap Value** – The fund was placed on watch 4Q20 due to an ownership change. Wells Fargo Asset Management (WFAM) was sold to two private equity firms, GTCR and Reverence Capital Partners. While we did not expect any major changes to the investment team and compensation packages have been put in place to retain key staff, the uncertainty of a major transition led the Board to place the fund on watch status. The transaction has since closed and the name "Wells Fargo" has been replaced by "Allspring". The Hvas Group recommends removing the fund from watch status as the transition does not appear to have impaired the fund's operations.
- **Polar Long/Short** – The fund was placed on watch in 2Q21 after one of its traders was detained by the SEC on charges of front-running client trades to the benefit of his relatives and detriment of investors. Polar states that it has fully cooperated with authorities on the investigation. Additionally, Polar engaged a compliance firm during the third quarter to advise on its practices and estimate damages to fund investors. According to Polar, the investigating firm generally found its compliance protocols to be strong. The estimated damages of \$1 million to fund investors (equivalent to 0.09% of assets), was repaid to the fund in October and incorporates foregone returns. Polar has since notified the Hvas Group that the SEC has settled the matter as well, including a disgorgement of monetary gains. Additionally, Polar is not aware of either the company or its employees being under investigation. Although criminal investigations have not yet been settled, the Hvas Group believes the event has received adequate closure and that the fund may be removed from watch at this point.



# Spokane Employees' Retirement System

As of December 31, 2021

## Manager Performance

	Performance (%)													
	1 Quarter	1 Year	3 Years	5 Years	10 Years	Since Inception	2020	2019	2018	2017	2016	2015	2014	Inception Date
<b>Capital Preservation</b>														
Sterling Capital Total Return Bond I	-0.29	-1.22	5.64	4.15	3.60	3.34	9.24	9.26	-0.35	4.33	3.75	0.54	5.99	08/01/2016
Blmbg. U.S. Aggregate	0.01	-1.55	4.79	3.57	2.90	2.68	7.51	8.72	0.01	3.54	2.65	0.55	5.97	
Over/Under	-0.30	0.33	0.85	0.58	0.70	0.66	1.73	0.54	-0.36	0.79	1.10	-0.01	0.02	
Intermediate Core Bond Rank	70	32	16	13	14	12	15	23	54	13	14	34	30	
Hotchkis & Wiley High Yield Z	1.07	6.83	6.78	4.96	6.25	4.61	3.83	9.77	-3.34	8.24	16.02	-4.30	1.09	06/01/2015
Blmbg. U.S. Corp: High Yield Index	0.71	5.28	8.83	6.30	6.83	5.89	7.11	14.32	-2.08	7.50	17.13	-4.47	2.45	
Over/Under	0.36	1.55	-2.05	-1.34	-0.58	-1.28	-3.28	-4.55	-1.26	0.74	-1.11	0.17	-1.36	
High Yield Bond Rank	6	12	79	71	36	64	77	86	68	14	17	62	66	
<b>Absolute Return</b>														
Post Ltd Term High Yield	0.46	2.98	4.97	3.67	4.47	5.02	3.56	8.46	0.34	3.19	5.66	0.84	2.96	07/01/2010
HFRI FOF: Conservative Index	0.64	7.56	6.77	4.67	4.05	3.62	6.47	6.30	-0.87	4.12	1.89	0.37	3.14	
Over/Under	-0.18	-4.58	-1.80	-1.00	0.42	1.40	-2.91	2.16	1.21	-0.93	3.77	0.47	-0.18	
Blmbg. U.S. Aggregate	0.01	-1.55	4.79	3.57	2.90	3.29	7.51	8.72	0.01	3.54	2.65	0.55	5.97	
Over/Under	0.45	4.53	0.18	0.10	1.57	1.73	-3.95	-0.26	0.33	-0.35	3.01	0.29	-3.01	
PIMCO Dynamic Bond Instl	-0.88	0.31	3.49	3.76	3.15	-0.51	5.43	4.81	1.97	6.41	5.77	-2.22	2.79	04/01/2021
HFRI FOF: Conservative Index	0.64	7.56	6.77	4.67	4.05	3.82	6.47	6.30	-0.87	4.12	1.89	0.37	3.14	
Over/Under	-1.52	-7.25	-3.28	-0.91	-0.90	-4.33	-1.04	-1.49	2.84	2.29	3.88	-2.59	-0.35	
Blmbg. U.S. Aggregate	0.01	-1.55	4.79	3.57	2.90	1.89	7.51	8.72	0.01	3.54	2.65	0.55	5.97	
Over/Under	-0.89	1.86	-1.30	0.19	0.25	-2.40	-2.08	-3.91	1.96	2.87	3.12	-2.77	-3.18	
Rimrock Low Volatility	0.05	5.89	2.60	2.84	3.81	4.23	-0.36	2.38	2.01	4.40	4.90	-1.90	2.31	07/01/2010
HFRI FOF: Conservative Index	0.64	7.56	6.77	4.67	4.05	3.62	6.47	6.30	-0.87	4.12	1.89	0.37	3.14	
Over/Under	-0.59	-1.67	-4.17	-1.83	-0.24	0.61	-6.83	-3.92	2.88	0.28	3.01	-2.27	-0.83	
Blmbg. U.S. Aggregate	0.01	-1.55	4.79	3.57	2.90	3.29	7.51	8.72	0.01	3.54	2.65	0.55	5.97	
Over/Under	0.04	7.44	-2.19	-0.73	0.91	0.94	-7.87	-6.34	2.00	0.86	2.25	-2.45	-3.66	

# Spokane Employees' Retirement System

As of December 31, 2021

	Performance (%)													
	1 Quarter	1 Year	3 Years	5 Years	10 Years	Since Inception	2020	2019	2018	2017	2016	2015	2014	Inception Date
Polar Long/Short Fund	-1.15	3.25	8.19	5.76	5.05	5.19	13.07	8.49	0.24	4.20	6.60	1.73	3.46	10/01/2011
HFRI FOF: Conservative Index	0.64	7.56	6.77	4.67	4.05	3.95	6.47	6.30	-0.87	4.12	1.89	0.37	3.14	
Over/Under	-1.79	-4.31	1.42	1.09	1.00	1.24	6.60	2.19	1.11	0.08	4.71	1.36	0.32	
Blmbg. U.S. Aggregate	0.01	-1.55	4.79	3.57	2.90	2.94	7.51	8.72	0.01	3.54	2.65	0.55	5.97	
Over/Under	-1.16	4.80	3.40	2.19	2.15	2.25	5.56	-0.23	0.23	0.66	3.95	1.18	-2.51	
Domestic Equity														
Domestic Large Cap Equity														
Hotchkis & Wiley Diversified Value I	5.90	32.47	19.80	11.66	13.46	11.53	0.41	29.26	-14.74	18.39	19.94	-7.90	12.74	10/01/2008
Russell 1000 Value Index	7.77	25.16	17.64	11.16	12.97	10.27	2.80	26.54	-8.27	13.66	17.34	-3.83	13.45	
Over/Under	-1.87	7.31	2.16	0.50	0.49	1.26	-2.39	2.72	-6.47	4.73	2.60	-4.07	-0.71	
Large Value Rank	90	6	22	49	22	17	76	15	96	25	9	93	25	
Fidelity® 500 Index	11.02	28.69	26.06	18.46	16.54	26.06	18.40	31.47	-4.40	21.81	11.97	1.38	13.66	01/01/2019
S&P 500 Index	11.03	28.71	26.07	18.47	16.55	26.04	18.40	31.49	-4.38	21.83	11.96	1.38	13.69	
Over/Under	-0.01	-0.02	-0.01	-0.01	-0.01	0.02	0.00	-0.02	-0.02	-0.02	0.01	0.00	-0.03	
Large Blend Rank	24	20	21	16	12	21	36	23	25	32	27	25	21	
MFS Growth R6	8.11	23.76	30.98	24.76	19.26	27.10	31.74	37.81	2.68	30.99	2.55	7.49	8.88	09/01/2019
Russell 1000 Growth Index	11.64	27.60	34.08	25.32	19.79	33.18	38.49	36.39	-1.51	30.21	7.08	5.67	13.05	
Over/Under	-3.53	-3.84	-3.10	-0.56	-0.53	-6.08	-6.75	1.42	4.19	0.78	-4.53	1.82	-4.17	
Large Growth Rank	46	38	39	28	22	60	61	11	12	32	56	23	69	
Domestic Small/Mid Equity														
Sterling Mid Cap Value	5.54	22.22	20.24	10.34	12.59	10.72	9.62	29.75	-17.67	14.27	16.97	-1.71	5.85	01/01/2002
Russell Midcap Value Index	8.54	28.34	19.62	11.22	13.44	10.51	4.96	27.06	-12.29	13.34	20.00	-4.78	14.75	
Over/Under	-3.00	-6.12	0.62	-0.88	-0.85	0.21	4.66	2.69	-5.38	0.93	-3.03	3.07	-8.90	
Mid-Cap Value Rank	92	90	29	54	47	15	10	22	85	39	55	20	85	

# Spokane Employees' Retirement System

As of December 31, 2021

	Performance (%)													
	1 Quarter	1 Year	3 Years	5 Years	10 Years	Since Inception	2020	2019	2018	2017	2016	2015	2014	Inception Date
Fidelity® Mid Cap Index	6.44	22.56	23.27	15.08	14.89	23.27	17.11	30.51	-9.05	18.47	13.86	-2.44	13.11	01/01/2019
Russell Midcap Index	6.44	22.58	23.29	15.10	14.91	23.26	17.10	30.54	-9.06	18.52	13.80	-2.44	13.22	
Over/Under	0.00	-0.02	-0.02	-0.02	-0.02	0.01	0.01	-0.03	0.01	-0.05	0.06	0.00	-0.11	
Mid-Cap Blend Rank	73	68	18	17	12	18	24	22	24	25	62	41	12	
Westfield Mid Cap Growth CIT	4.86	16.59	28.94	20.98	17.78	45.18	28.83	42.73	-3.07	24.72	5.00	1.28	13.40	04/01/2020
Russell Midcap Growth Index	2.85	12.73	27.46	19.83	16.63	44.70	35.59	35.47	-4.75	25.27	7.33	-0.20	11.90	
Over/Under	2.01	3.86	1.48	1.15	1.15	0.48	-6.76	7.26	1.68	-0.55	-2.33	1.48	1.50	
Mid-Cap Growth Rank	34	31	34	33	12	55	72	3	30	50	58	37	5	
Allspring Special Small Cap Value R6	6.94	28.27	18.77	10.12	12.96	49.37	1.57	28.61	-13.35	11.52	29.46	-4.15	7.45	11/01/2020
Russell 2000 Value Index	4.36	28.27	17.99	9.07	12.03	53.71	4.63	22.39	-12.86	7.84	31.74	-7.47	4.22	
Over/Under	2.58	0.00	0.78	1.05	0.93	-4.34	-3.06	6.22	-0.49	3.68	-2.28	3.32	3.23	
Small Value Rank	40	64	42	29	22	76	63	10	31	29	29	32	14	
Fidelity® Small Cap Index	2.10	14.71	20.05	12.11	13.38	20.05	19.99	25.71	-10.88	14.85	21.63	-4.24	5.19	01/01/2019
Russell 2000 Index	2.14	14.82	20.02	12.02	13.23	20.00	19.96	25.53	-11.01	14.65	21.31	-4.41	4.89	
Over/Under	-0.04	-0.11	0.03	0.09	0.15	0.05	0.03	0.18	0.13	0.20	0.32	0.17	0.30	
Small Blend Rank	91	89	46	37	33	46	15	33	35	28	41	51	47	
Champlain Small Cap	5.13	12.81	20.83	13.67	14.35	13.30	24.56	25.54	-3.03	10.90	27.93	-0.65	4.43	01/01/2003
Russell 2000 Index	2.14	14.82	20.02	12.02	13.23	11.20	19.96	25.53	-11.01	14.65	21.31	-4.41	4.89	
Over/Under	2.99	-2.01	0.81	1.65	1.12	2.10	4.60	0.01	7.98	-3.75	6.62	3.76	-0.46	
Small Blend Rank	55	99	32	11	13	4	5	37	2	76	9	12	63	
Bridge City Small Cap Growth	7.95	20.73	21.93	16.24	16.16	17.68	20.48	24.61	0.97	15.93	17.96	6.81	7.06	07/01/2009
Russell 2000 Growth Index	0.01	2.83	21.17	14.53	14.14	14.89	34.63	28.48	-9.31	22.17	11.32	-1.38	5.60	
Over/Under	7.94	17.90	0.76	1.71	2.02	2.79	-14.15	-3.87	10.28	-6.24	6.64	8.19	1.46	
Small Growth Rank	8	17	73	62	34	18	88	73	15	79	19	4	16	

# Spokane Employees' Retirement System

As of December 31, 2021

	Performance (%)													
	1 Quarter	1 Year	3 Years	5 Years	10 Years	Since Inception	2020	2019	2018	2017	2016	2015	2014	Inception Date
<b>International Equity Total</b>														
Artisan International Value Instl	4.45	16.97	16.49	10.65	10.72	9.81	8.81	24.20	-15.42	24.06	5.74	-1.49	-0.39	10/01/2008
MSCI AC World ex USA Value (Net)	1.24	10.46	8.24	6.00	5.29	4.35	-0.77	15.72	-13.97	22.66	8.92	-10.06	-5.10	
Over/Under	3.21	6.51	8.25	4.65	5.43	5.46	9.58	8.48	-1.45	1.40	-3.18	8.57	4.71	
Foreign Large Value Rank	11	9	2	2	1	1	6	9	35	41	32	34	8	
American Funds Europacific Growth R6	-1.13	2.84	17.95	12.87	10.01	6.29	25.27	27.40	-14.91	31.17	1.01	-0.48	-2.29	07/01/2008
MSCI AC World ex USA (Net)	1.82	7.82	13.18	9.61	7.28	3.83	10.65	21.51	-14.20	27.19	4.50	-5.66	-3.87	
Over/Under	-2.95	-4.98	4.77	3.26	2.73	2.46	14.62	5.89	-0.71	3.98	-3.49	5.18	1.58	
Foreign Large Blend Rank	98	96	9	6	6	6	2	8	56	5	50	39	17	
Victory Trivalent International Sm-Cp I	1.34	12.39	18.38	12.66	12.40	9.99	15.42	27.88	-20.21	37.13	-0.70	8.20	-0.20	09/01/2015
MSCI AC World ex USA Small Cap (Net)	0.62	12.93	16.46	11.21	9.46	9.79	14.24	22.42	-18.20	31.65	3.91	2.60	-4.03	
Over/Under	0.72	-0.54	1.92	1.45	2.94	0.20	1.18	5.46	-2.01	5.48	-4.61	5.60	3.83	
Foreign Small/Mid Blend Rank	34	63	9	8	4	17	15	5	61	14	62	31	5	
Vanguard Emerging Mkts Stock Idx Adm	-0.42	0.86	11.82	9.43	5.36	6.69	15.24	20.31	-14.58	31.38	11.73	-15.35	0.60	08/01/2018
MSCI Emerging Markets (Net)	-1.31	-2.54	10.94	9.87	5.49	6.05	18.31	18.44	-14.58	37.28	11.19	-14.92	-2.19	
Over/Under	0.89	3.40	0.88	-0.44	-0.13	0.64	-3.07	1.87	0.00	-5.90	0.54	-0.43	2.79	
Diversified Emerging Mkts Rank	37	36	49	58	59	46	66	49	30	74	29	68	21	
ABS Emerging Markets Strategic Portfolio LP	0.13	5.82	16.28	-	-	12.80	23.81	19.98	-14.99	-	-	-	-	10/01/2018
MSCI Emerging Markets (Net)	-1.31	-2.54	10.94	9.87	5.49	7.44	18.31	18.44	-14.58	37.28	11.19	-14.92	-2.19	
Over/Under	1.44	8.36	5.34	-	-	5.36	5.50	1.54	-0.41	-	-	-	-	
Diversified Emerging Mkts Rank	24	18	20	-	-	16	30	50	37	-	-	-	-	
<b>Long Biased</b>														
The Weatherlow Offshore Fund I Ltd	-1.70	5.39	14.13	8.77	7.27	5.32	24.58	13.23	-3.10	5.67	0.99	1.49	4.91	04/01/2008
HFRI Fund of Funds Composite Index	0.31	6.05	8.42	5.68	4.55	2.60	10.88	8.39	-4.02	7.77	0.51	-0.27	3.37	
Over/Under	-2.01	-0.66	5.71	3.09	2.72	2.72	13.70	4.84	0.92	-2.10	0.48	1.76	1.54	

# Spokane Employees' Retirement System

As of December 31, 2021

	Performance (%)													
	1 Quarter	1 Year	3 Years	5 Years	10 Years	Since Inception	2020	2019	2018	2017	2016	2015	2014	Inception Date
<b>Opportunistic Credit</b>														
Beach Point Select Fund LP	4.01	14.47	11.61	8.35	9.36	7.90	8.97	11.48	0.28	7.08	14.52	2.58	2.35	10/01/2013
HFRI ED: Distressed/Restructuring Index	0.73	15.61	10.00	6.81	6.19	5.16	11.82	2.94	-1.70	6.25	15.15	-8.06	-1.39	
Over/Under	3.28	-1.14	1.61	1.54	3.17	2.74	-2.85	8.54	1.98	0.83	-0.63	10.64	3.74	
Contrarian Capital Fund I LP	2.70	29.86	2.72	-0.11	5.33	-2.42	-7.38	-9.89	-12.43	4.77	25.46	-7.89	0.45	10/01/2018
HFRI ED: Distressed/Restructuring Index	0.73	15.61	10.00	6.81	6.19	7.24	11.82	2.94	-1.70	6.25	15.15	-8.06	-1.39	
Over/Under	1.97	14.25	-7.28	-6.92	-0.86	-9.66	-19.20	-12.83	-10.73	-1.48	10.31	0.17	1.84	
<b>Real Estate Total</b>														
Principal REITS SERS	14.76	39.98	21.17	13.23	12.88	12.71	-3.17	31.24	-4.13	9.16	6.67	4.45	32.55	01/01/2003
FTSE NAREIT All REITs Index	15.25	39.88	19.03	12.06	12.03	11.06	-5.86	28.07	-4.10	9.27	9.28	2.29	27.15	
Over/Under	-0.49	0.10	2.14	1.17	0.85	1.65	2.69	3.17	-0.03	-0.11	-2.61	2.16	5.40	
Real Estate Rank	71	65	30	17	7	2	33	14	23	12	44	22	5	
Prime Property Fund, LLC	9.60	21.47	9.28	8.91	11.00	6.52	1.24	6.14	8.03	8.67	9.31	14.53	14.08	10/01/2007
NCREIF ODCE VW NET	7.66	21.02	8.23	7.74	9.43	5.23	0.34	4.39	7.36	6.66	7.79	13.95	11.46	
Over/Under	1.94	0.45	1.05	1.17	1.57	1.29	0.90	1.75	0.67	2.01	1.52	0.58	2.62	
Real Estate Rank	89	94	98	84	57	81	8	99	1	16	13	1	96	
<b>Special Opportunities</b>														
OrbiMed Partners II LP	-14.07	-41.25	6.97	4.58	6.79	6.93	44.99	43.69	-18.43	25.30	-21.91	2.14	25.88	01/01/2011
MSCI World/Health Care (Net)	7.90	19.80	18.79	15.53	14.48	14.02	13.52	23.24	2.51	19.80	-6.81	6.60	18.10	
Over/Under	-21.97	-61.05	-11.82	-10.95	-7.69	-7.09	31.47	20.45	-20.94	5.50	-15.10	-4.46	7.78	
NASDAQ Biotechnology Index (TR)	-6.85	0.02	16.52	11.89	16.30	15.88	26.42	25.11	-8.86	21.63	-21.35	11.77	34.40	
Over/Under	-7.22	-41.27	-9.55	-7.31	-9.51	-8.95	18.57	18.58	-9.57	3.67	-0.56	-9.63	-8.52	
Contrarian Emerging Markets Fund LP	-3.19	9.57	-4.65	1.04	7.44	-4.30	-17.52	-4.09	0.96	20.36	22.72	14.48	-1.97	10/01/2018
HFRI Emerging Markets: Global Index	-0.50	4.98	7.64	5.50	4.05	5.99	9.56	8.42	-6.83	12.50	7.33	-3.47	-2.41	
Over/Under	-2.69	4.59	-12.29	-4.46	3.39	-10.29	-27.08	-12.51	7.79	7.86	15.39	17.95	0.44	
MSCI Emerging Markets (Net)	-1.31	-2.54	10.94	9.87	5.49	7.44	18.31	18.44	-14.58	37.28	11.19	-14.92	-2.19	
Over/Under	-1.88	12.11	-15.59	-8.83	1.95	-11.74	-35.83	-22.53	15.54	-16.92	11.53	29.40	0.22	



## Non-Marketable Securities Overview

Partnerships	Vintage Year	Investment Strategy	Capital Commitment \$	Drawn Down \$	Distributed \$	Market Value \$	Remaining Commitment	% Funded	IRR (%)
Morrison Street Fund V, LP	2014	Opportunistic Real Estate	\$6,080,000	\$5,960,493	\$8,508,492	-	\$119,507	98.03	11.26

## Time Weighted Returns

	Performance (%)												Inception Date
	1 Quarter	1 Year	3 Years	5 Years	7 Years	2020	2019	2018	2017	2016	2015	Since Inception	
Morrison Street Fund V, LP	-9.84	-11.09	1.69	6.45	7.87	11.10	6.45	10.12	18.03	11.10	11.89	7.35	07/01/2014
NCREIF Property Index	6.15	17.70	8.37	7.75	8.56	1.60	6.42	6.72	6.96	7.97	13.33	8.78	

## Dollar Weighted Returns

	1 Quarter	1 Year	3 Years	5 Years	7 Years	2020	2019	2018	2017	2016	2015	Since Inception	Inception Date
Morrison Street Fund V, LP <sup>o</sup>	-10.72	-6.79	5.45	11.85	12.04	10.05	5.74	9.97	17.73	11.32	13.32	11.26	06/30/2014

**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 the 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 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

Partnerships	Vintage Year	Investment Strategy	Capital Commitment \$	Drawn Down \$	Distributed \$	Market Value \$	Remaining Commitment	% Funded	IRR (%)
Morrison Street Debt Opportunities Fd LP	2017	Real Estate - Debt	\$5,000,000	\$4,514,838	\$5,208,117	\$44,037	\$485,162	90.30	4.21

## Time Weighted Returns

	Performance (%)										
	1 Quarter	1 Year	2 Years	3 Years	4 Years	2020	2019	2018	2017	Since Inception	Inception Date
Morrison Street Debt Opportunities Fd LP	4.17	9.55	-0.75	2.21	4.09	-10.08	8.39	9.94	4.47	4.16	01/01/2017
NCREIF Property Index	6.15	17.70	9.35	8.37	7.95	1.60	6.42	6.72	6.96	7.75	

## Dollar Weighted Returns

	1 Quarter	1 Year	2 Years	3 Years	4 Years	2020	2019	2018	2017	Since Inception	Inception Date
Morrison Street Debt Opportunities Fd LP	3.54	8.64	-2.35	1.59	3.99	-10.35	8.37	9.92	5.07	4.21	01/01/2017

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 the value with the average market value over the time interval. Average capital allows for the timing of each external flow.

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## Non-Marketable Securities Overview

Partnerships	Vintage Year	Investment Strategy	Capital Commitment \$	Drawn Down \$	Distributed \$	Market Value \$	Remaining Commitment	% Funded	IRR (%)
Morrison Street Fund VI, LP	2020	Opportunistic Real Estate	\$7,000,000	\$3,131,189	\$187,499	\$2,938,073	\$3,868,811	44.73	-0.20

## Time Weighted Returns

	Performance (%)						Inception Date
	1 Quarter	1 Year	2 Years	3 Years	2020	Since Inception	
Morrison Street Fund VI, LP	2.85	7.97	-	-	-	-2.55	10/01/2020
NCREIF Property Index	6.15	17.70	9.35	8.37	1.60	14.97	

## Dollar Weighted Returns

	1 Quarter	1 Year	2 Years	3 Years	2020	Since Inception	Inception Date
Morrison Street Fund VI, LP	2.85	8.19	-	-	-	-0.20	09/30/2020

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 the value with the average market value over the time interval. Average capital allows for the timing of each external flow.

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# Spokane Employees' Retirement System

As of December 31, 2021

## Non-Marketable Securities Overview

Partnerships	Vintage Year	Investment Strategy	Capital Commitment \$	Drawn Down \$	Distributed \$	Market Value \$	Remaining Commitment	% Funded	IRR (%)
Orbimed Royalty Opportunities	2011	Other	\$5,000,000	\$5,000,000	\$4,494,295	\$614,480	-	100.00	0.55

## Time Weighted Returns

	Performance (%)													
	1 Quarter	1 Year	3 Years	5 Years	7 Years	10 Years	2020	2019	2018	2017	2016	2015	Since Inception	Inception Date
Orbimed Royalty Opportunities	-29.48	-32.47	-23.45	-10.58	-9.49	-4.12	-24.08	-12.50	22.03	4.47	-20.87	9.95	-3.05	09/01/2011
HFRI Fund of Funds Composite Index	0.31	6.05	8.42	5.68	4.06	4.55	10.88	8.39	-4.02	7.77	0.51	-0.27	4.06	
S&P 500 Index	11.03	28.71	26.07	18.47	14.93	16.55	18.40	31.49	-4.38	21.83	11.96	1.38	16.40	

## Dollar Weighted Returns

	1 Quarter	1 Year	3 Years	5 Years	7 Years	10 Years	2020	2019	2018	2017	2016	2015	Since Inception	Inception Date
Orbimed Royalty Opportunities	-28.87	-25.45	-19.96	-2.92	-2.97	0.43	-23.36	-12.20	25.47	4.57	-17.14	9.99	0.55	09/15/2011

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 the value with the average market value over the time interval. Average capital allows for the timing of each external flow.

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## Non-Marketable Securities Overview

Partnerships	Vintage Year	Investment Strategy	Capital Commitment \$	Drawn Down \$	Distributed \$	Market Value \$	Remaining Commitment	% Funded	IRR (%)
Orbimed Royalty Opportunities II	2015	Other	\$5,000,000	\$4,167,500	\$5,009,546	\$394,099	\$832,500	83.35	11.84

## Time Weighted Returns

	Performance (%)										Inception Date
	1 Quarter	1 Year	3 Years	5 Years	2020	2019	2018	2017	2016	Since Inception	
Orbimed Royalty Opportunities II	-13.64	-10.77	6.91	9.66	18.63	15.45	15.59	12.28	0.60	9.62	04/01/2015
HFRI Fund of Funds Composite Index	0.31	6.05	8.42	5.68	10.88	8.39	-4.02	7.77	0.51	3.84	
S&P 500 Index	11.03	28.71	26.07	18.47	18.40	31.49	-4.38	21.83	11.96	15.34	

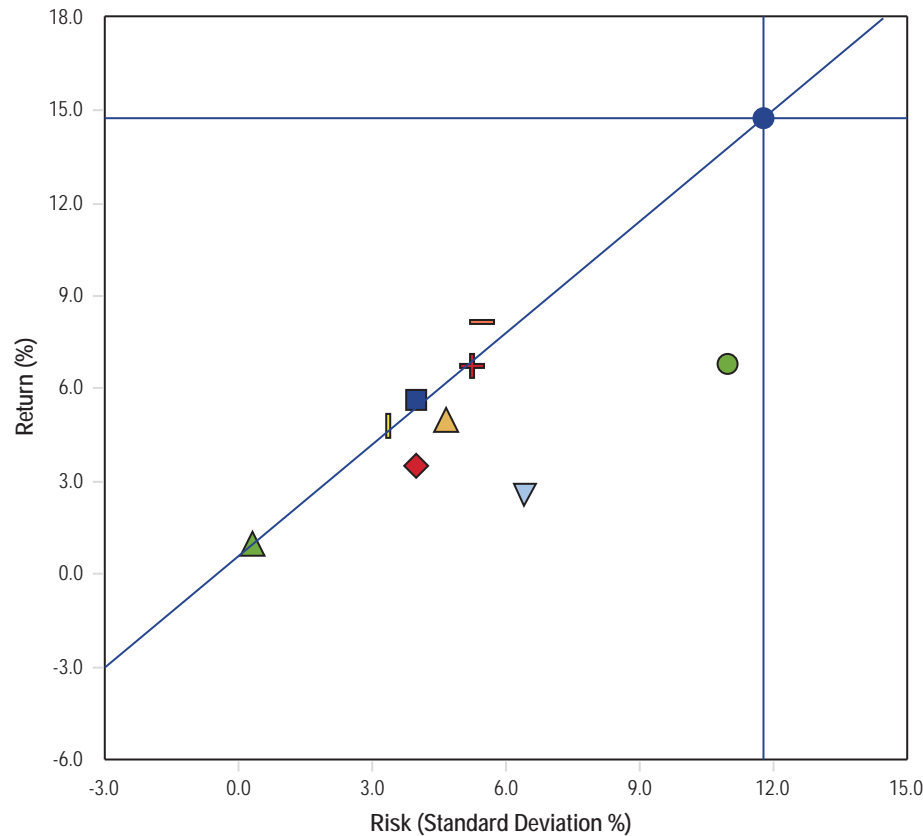
## Dollar Weighted Returns

	1 Quarter	1 Year	3 Years	5 Years	2020	2019	2018	2017	2016	Since Inception	Inception Date
Orbimed Royalty Opportunities II	-13.08	0.14	11.64	13.03	6.40	17.10	15.14	12.87	-0.05	11.84	04/07/2015

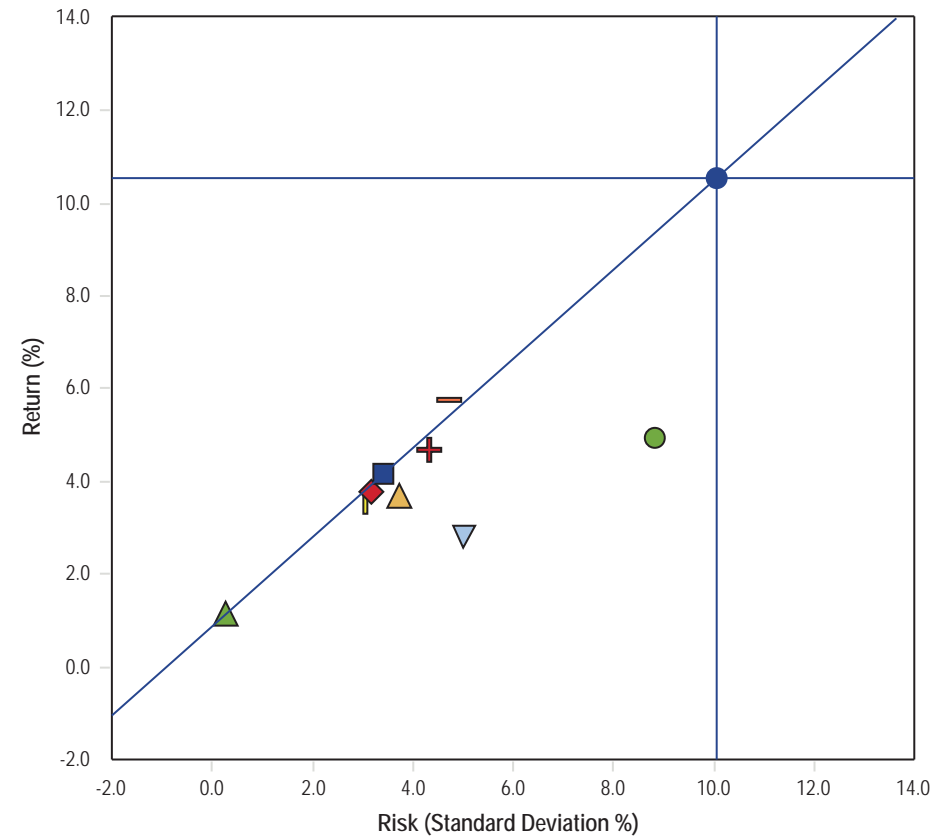
**Time-Weighted Return** - The current reporting system utilizes the Modified Dietz methodology for calculating time-weighted returns. This methodology accounts for inter-period cash flows by comparing the net gain in the value with the average market value over the time interval. Average capital allows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

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## Annualized Return vs Annualized Standard Deviation 3 Years Ending December 31, 2021



## Annualized Return vs Annualized Standard Deviation 5 Years Ending December 31, 2021



- Sterling Capital Total Return Bond I
- Hotchkis & Wiley High Yield Z
- ▲ Post Ltd Term High Yield
- ◆ PIMCO Dynamic Bond Instl
- ▼ Rimrock Low Volatility
- Polar Long/Short Fund
- ▮ Blmbg. U.S. Aggregate
- + HFRI FOF: Conservative Index
- Policy Index Updated
- ▲ 90 Day U.S. Treasury Bill

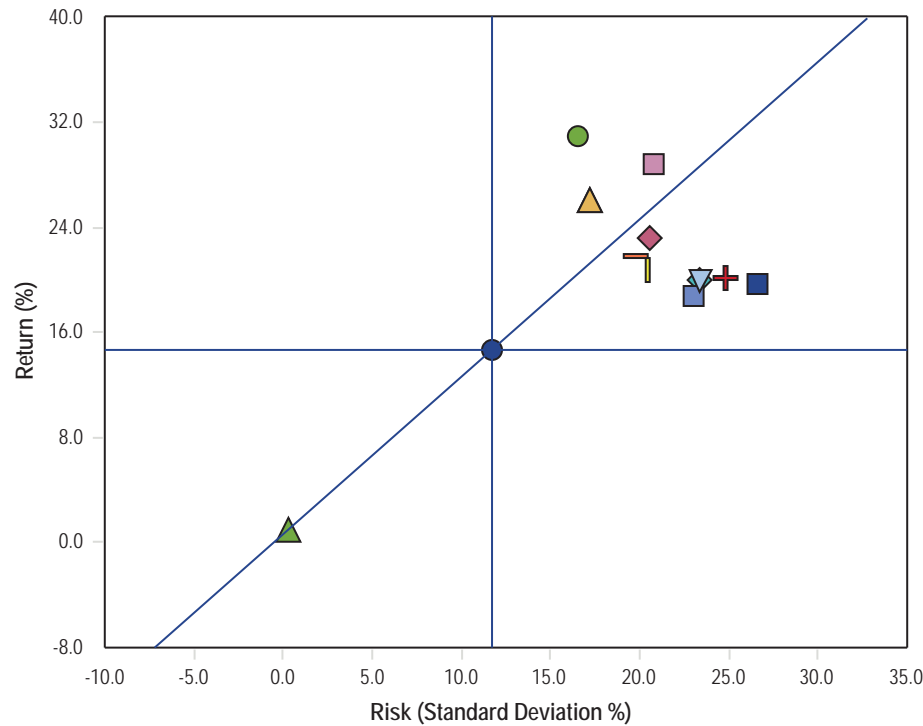
- Sterling Capital Total Return Bond I
- Hotchkis & Wiley High Yield Z
- ▲ Post Ltd Term High Yield
- ◆ PIMCO Dynamic Bond Instl
- ▼ Rimrock Low Volatility
- Polar Long/Short Fund
- ▮ Blmbg. U.S. Aggregate
- + HFRI FOF: Conservative Index
- Policy Index Updated
- ▲ 90 Day U.S. Treasury Bill

Calculation based on monthly periodicity.

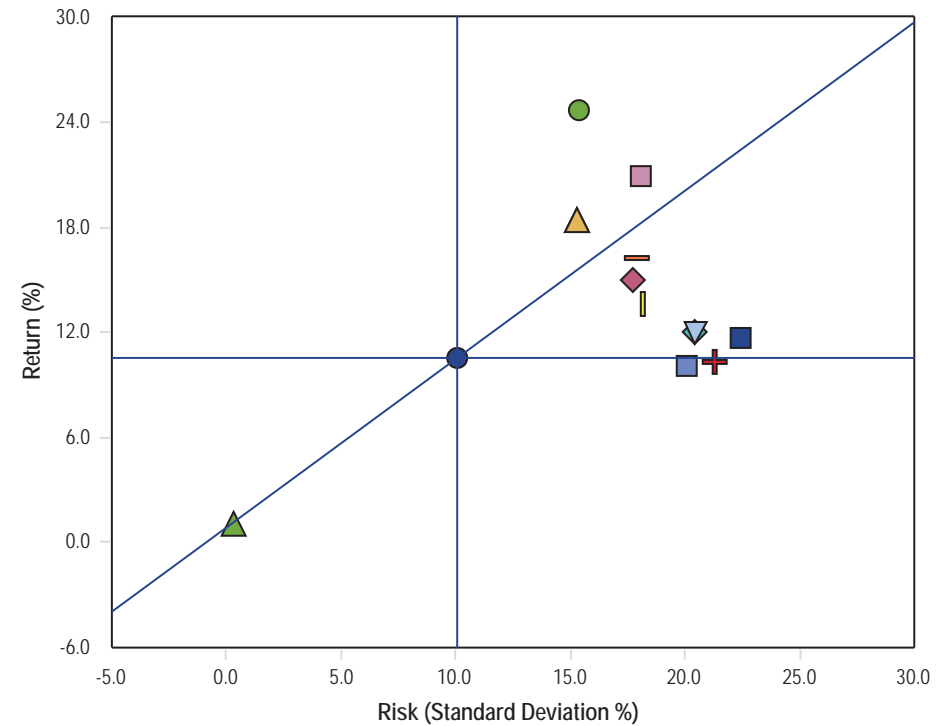
# Spokane Employees' Retirement System

As of December 31, 2021

## Annualized Return vs Annualized Standard Deviation 3 Years Ending December 31, 2021



## Annualized Return vs Annualized Standard Deviation 5 Years Ending December 31, 2021



- Hotchkis & Wiley Diversified Value I
- Fidelity® 500 Index
- Fidelity® Small Cap Index
- Champlain Small Cap
- Allspring Special Small Cap Value R6
- S&P 500 Index
- Policy Index Updated
- MFS Growth R6
- Fidelity® Mid Cap Index
- Bridge City Small Cap Growth
- Sterling Mid Cap Value
- Westfield Mid Cap Growth CIT
- Russell 2000 Index
- 90 Day U.S. Treasury Bill

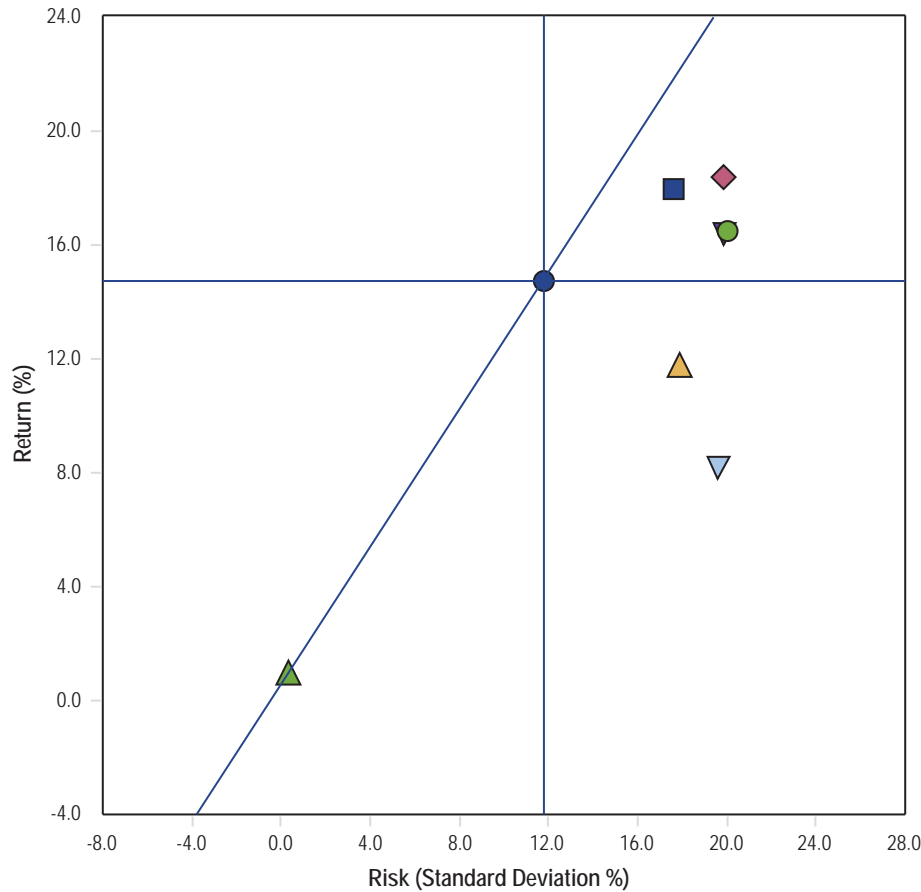
- Hotchkis & Wiley Diversified Value I
- Fidelity® 500 Index
- Fidelity® Small Cap Index
- Champlain Small Cap
- Allspring Special Small Cap Value R6
- S&P 500 Index
- Policy Index Updated
- MFS Growth R6
- Fidelity® Mid Cap Index
- Bridge City Small Cap Growth
- Sterling Mid Cap Value
- Westfield Mid Cap Growth CIT
- Russell 2000 Index
- 90 Day U.S. Treasury Bill

Calculation based on monthly periodicity.

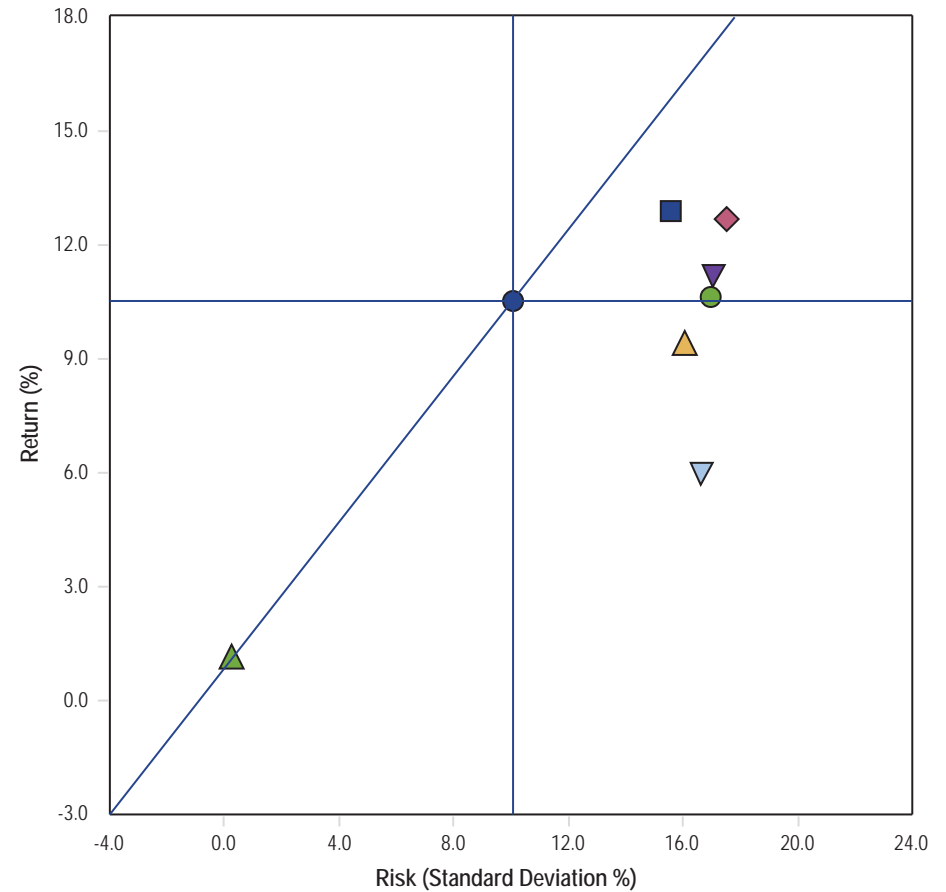
# Spokane Employees' Retirement System

As of December 31, 2021

Annualized Return vs Annualized Standard Deviation  
3 Years Ending December 31, 2021



Annualized Return vs Annualized Standard Deviation  
5 Years Ending December 31, 2021



- American Funds Europacific Growth R6
- ▲ Vanguard Emerging Mkts Stock Idx Adm
- ▼ MSCI AC World ex USA Value (Net)
- Policy Index Updated
- Artisan International Value Instl
- ◆ Victory Trivalent International Sm-Cp I
- ▼ MSCI AC World ex USA Small Cap (Net)
- ▲ 90 Day U.S. Treasury Bill

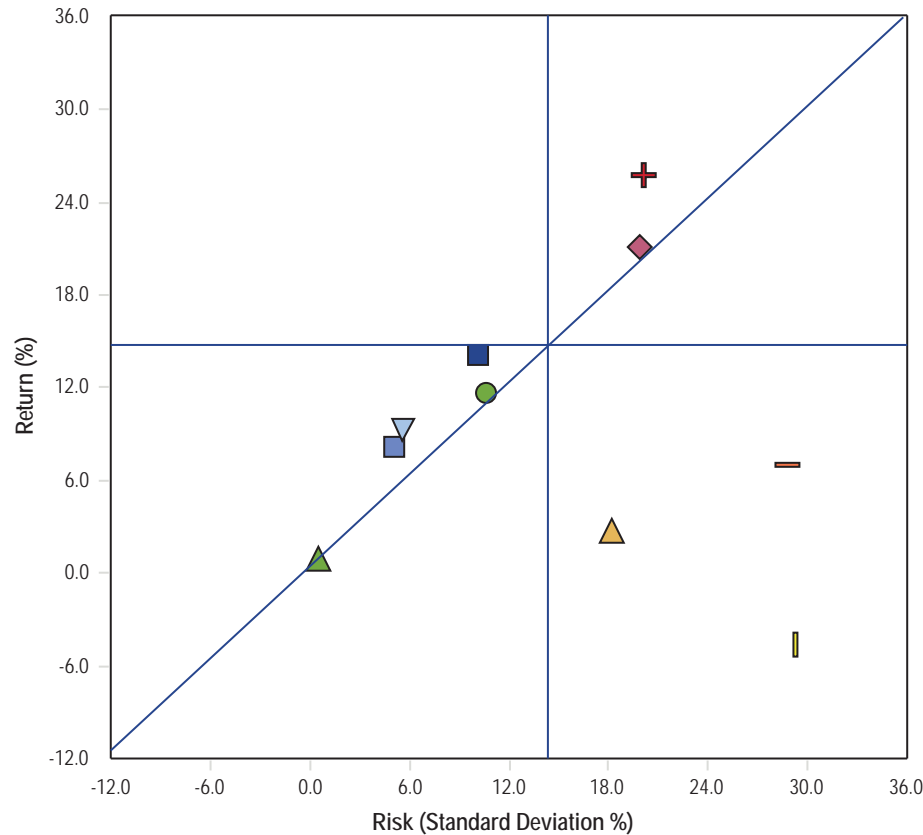
- American Funds Europacific Growth R6
- ▲ Vanguard Emerging Mkts Stock Idx Adm
- ▼ MSCI AC World ex USA Value (Net)
- Policy Index Updated
- Artisan International Value Instl
- ◆ Victory Trivalent International Sm-Cp I
- ▼ MSCI AC World ex USA Small Cap (Net)
- ▲ 90 Day U.S. Treasury Bill

Calculation based on monthly periodicity.

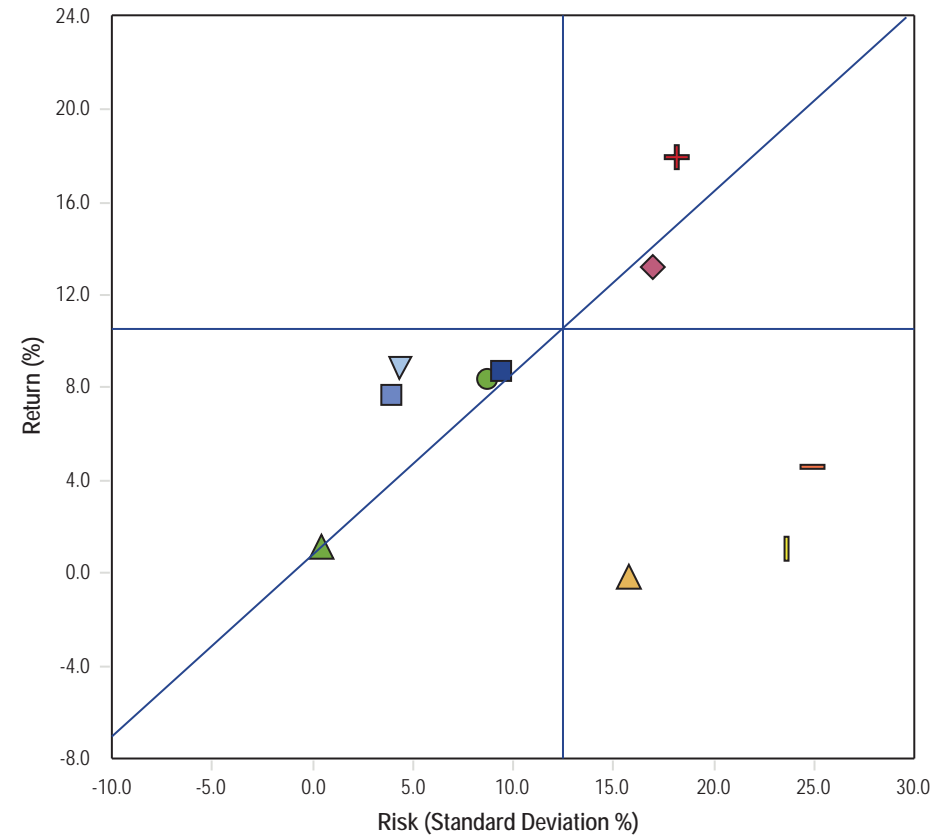
# Spokane Employees' Retirement System

As of December 31, 2021

## Annualized Return vs Annualized Standard Deviation 3 Years Ending December 31, 2021



## Annualized Return vs Annualized Standard Deviation 5 Years Ending December 31, 2021



- The Weatherlow Offshore Fund I Ltd
- Beach Point Select Fund LP
- ▲ Contrarian Capital Fund I LP
- ◆ Principal REITS SERS
- ▼ Prime Property Fund, LLC
- OrbiMed Partners II LP
- ▮ Contrarian Emerging Markets Fund LP
- + Russell 3000 Index
- NCREIF ODCE VW NET
- ▲ 90 Day U.S. Treasury Bill

- The Weatherlow Offshore Fund I Ltd
- Beach Point Select Fund LP
- ▲ Contrarian Capital Fund I LP
- ◆ Principal REITS SERS
- ▼ Prime Property Fund, LLC
- OrbiMed Partners II LP
- ▮ Contrarian Emerging Markets Fund LP
- + Russell 3000 Index
- NCREIF ODCE VW NET
- ▲ 90 Day U.S. Treasury Bill

Calculation based on quarterly periodicity.

# Spokane Employees' Retirement System

As of December 31, 2021

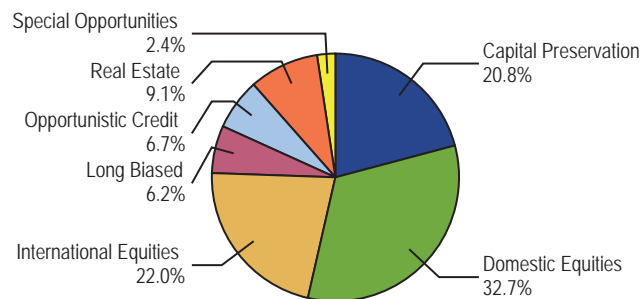
## Fee Schedule

	Vehicle Type	Ticker	Universe Name	Market Value As of 12/31/2021 \$	Net Expense Ratio (%)
Allspring Special Small Cap Value	Mutual Fund	ESPRX	Small Value	\$5,801,104	0.85
Artisan Int'l Value	Mutual Fund	APHKX	Foreign Value	\$29,386,912	1.03
Bridge City Small Growth	Separate Account		Small Growth	\$8,860,114	0.35
Champlain Small Cap	Commingled Fund		Small Growth	\$9,722,781	1.00
EuroPacific Growth R6	Mutual Fund	RERGX	Foreign	\$25,499,887	0.46
Fidelity Instl Govt Money Market	Mutual Fund	FIGXX	Money Market-Taxable	\$1,012,184	0.18
Fidelity Mid Cap Index	Mutual Fund	FSMDX	Mid Cap	\$4,433,071	0.03
Fidelity S&P 500	Mutual Fund	FXAIX	Large Cap	\$42,818,796	0.02
Fidelity Small Cap Index	Mutual Fund	FSSNX	Small Cap	\$583,785	0.03
Hotchkis & Wiley Div Value I	Mutual Fund	HWCIX	Large Value	\$18,142,925	0.80
Hotchkis & Wiley High Yield	Mutual Fund	HWHZX	High Yield Bond	\$16,254,221	0.60
MFS Growth Fund CI R6	Mutual Fund	MFEKX	Large Growth	\$19,281,203	0.53
Pimco Dynamic Bond Fund	Mutual Fund	PFIUX	Nontraditional Bond	\$6,964,608	0.83
Principal Global Investors REIT	Separate Account		Real Estate	\$19,721,069	0.75
Sterling Core Bond	Separate Account		Intermediate Core Bond	\$27,488,768	0.25
Sterling Mid Cap Value	Separate Account		Mid-Cap Value	\$6,703,971	0.75
Vanguard Emerging Markets Stock Index Fd	Mutual Fund	VEMAX	Diversified Emerging Mkts	\$543,440	0.14
Victory Trivalent International Small Cap	Mutual Fund	MISIX	Foreign Small/Mid Growth	\$14,995,657	0.97
Westfield Mid Cap Growth	Commingled Fund		Mid-Cap Growth	\$6,240,514	0.65

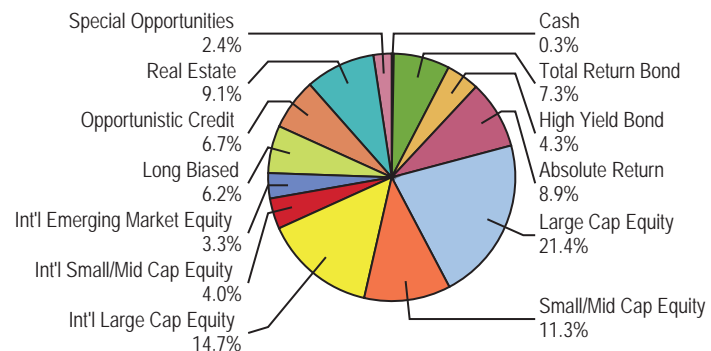
# Section 3



## Current Allocation



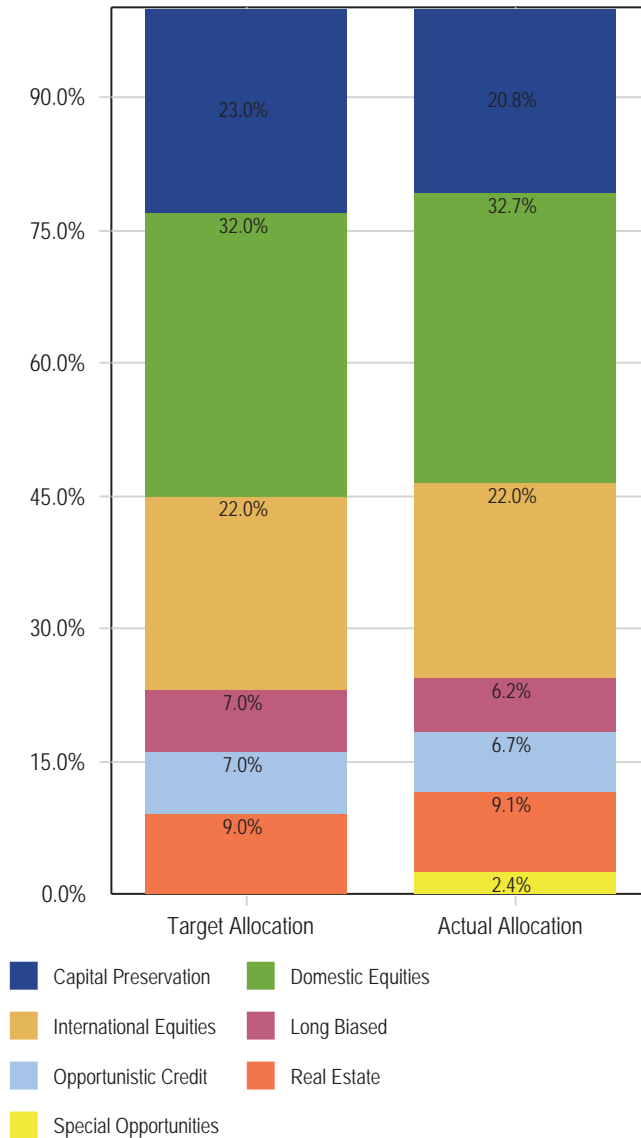
## Current Implementation Allocation



# Spokane Employees' Retirement System

As of December 31, 2021

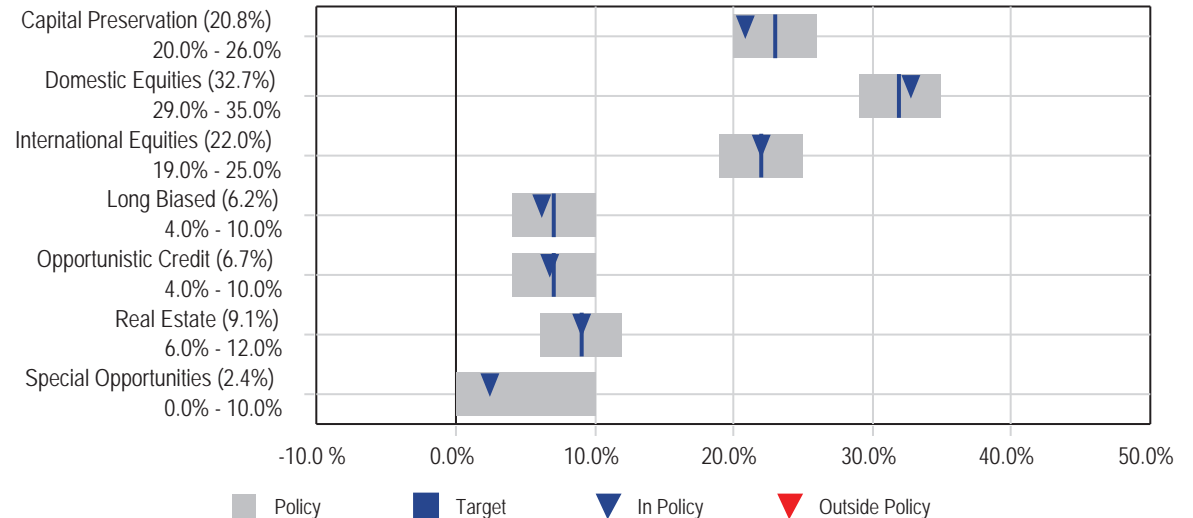
## Asset Allocation Compliance



## Current Allocation vs Investment Policy

	Asset Allocation \$	Asset Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)	Target Allocation (%)	Differences \$	Differences (%)
Capital Preservation	78,058,532	20.8	20.0	26.0	23.0	-8,057,930	-2.2
Domestic Equities	122,588,264	32.7	29.0	35.0	32.0	2,774,055	0.7
International Equities	82,209,740	22.0	19.0	25.0	22.0	-162,529	0.0
Long Biased	23,295,261	6.2	4.0	10.0	7.0	-2,914,097	-0.8
Opportunistic Credit	25,120,127	6.7	4.0	10.0	7.0	-1,089,231	-0.3
Real Estate	34,201,949	9.1	6.0	12.0	9.0	504,203	0.1
Special Opportunities	8,945,529	2.4	0.0	10.0	0.0	8,945,529	2.4
Total	374,419,400	100.0			100.0		0.0

## Actual vs Target



# Spokane Employees' Retirement System

As of December 31, 2021

	Asset Allocation \$	Asset Allocation (%)	Target Allocation (%)
Cash	1,012,184	0.3	0.0
Total Return Bond	27,488,768	7.3	10.0
High Yield Bond	16,254,221	4.3	5.0
Absolute Return	33,303,358	8.9	8.0
Large Cap Equity	80,242,923	21.4	21.0
Small/Mid Cap Equity	42,345,340	11.3	11.0
Int'l Large Cap Equity	54,886,799	14.7	15.0
Int'l Small/Mid Cap Equity	14,995,657	4.0	4.0
Int'l Emerging Market Equity	12,327,284	3.3	3.0
Long Biased	23,295,261	6.2	7.0
Opportunistic Credit	25,120,127	6.7	7.0
Real Estate	34,201,949	9.1	9.0
Special Opportunities	8,945,529	2.4	0.0
<b>Total</b>	<b>374,419,400</b>	<b>100.0</b>	<b>100.0</b>

## Implementation Policy vs. Actual Allocation



# Spokane Employees' Retirement System

As of December 31, 2021

## Implementation Review

	Target Allocation \$	Target Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)	Asset Allocation \$	Asset Allocation (%)	Differences \$	Differences (%)	Within Range
Cash		0.0	0.0	2.0	\$1,012,184	0.3	\$1,012,184	0.3	Yes
Fidelity Instl Govt Money Market					\$1,012,184	0.3			
Total Return Bond	\$37,441,940	10.0	8.0	12.0	\$27,488,768	7.3	-\$9,953,172	-2.7	No
Sterling Core Bond					\$27,488,768	7.3			
High Yield Bond	\$18,720,970	5.0	3.0	7.0	\$16,254,221	4.3	-\$2,466,749	-0.7	Yes
Hotchkis & Wiley High Yield					\$16,254,221	4.3			
Absolute Return	\$29,953,552	8.0	6.0	10.0	\$33,303,358	8.9	\$3,349,806	0.9	Yes
Polar Long/Short Fund					\$8,758,083	2.3			
Post Lmt'd Term High Yield					\$6,946,650	1.9			
Rimrock Low Volatility Offshore					\$10,634,016	2.8			
Pimco Dynamic Bond Fund					\$6,964,608	1.9			
Large Cap Equity	\$78,628,074	21.0	19.0	23.0	\$80,242,923	21.4	\$1,614,849	0.4	Yes
Hotchkis & Wiley Div Value I					\$18,142,925	4.8			
Fidelity S&P 500					\$42,818,796	11.4			
MFS Growth Fund CI R6					\$19,281,203	5.1			
Small/Mid Cap Equity	\$41,186,134	11.0	9.0	13.0	\$42,345,340	11.3	\$1,159,206	0.3	Yes
Bridge City Small Growth					\$8,860,114	2.4			
Champlain Small Cap					\$9,722,781	2.6			
Sterling Mid Cap Value					\$6,703,971	1.8			
Westfield Mid Cap Growth					\$6,240,514	1.7			
Fidelity Mid Cap Index					\$4,433,071	1.2			
Fidelity Small Cap Index					\$583,785	0.2			
Allspring Special Small Cap Value					\$5,801,104	1.5			
Int'l Large Cap Equity	\$56,162,910	15.0	13.0	17.0	\$54,886,799	14.7	-\$1,276,111	-0.3	Yes
Artisan Int'l Value					\$29,386,912	7.8			
EuroPacific Growth R6					\$25,499,887	6.8			
Int'l Small/Mid Cap Equity	\$14,976,776	4.0	2.0	6.0	\$14,995,657	4.0	\$18,881	0.0	Yes
Victory Trivalent International Small Cap					\$14,995,657	4.0			
Int'l Emerging Market Equity	\$11,232,582	3.0	1.0	5.0	\$12,327,284	3.3	\$1,094,702	0.3	Yes
ABS Emerging Markets Strategic					\$11,783,844	3.1			

## Spokane Employees' Retirement System

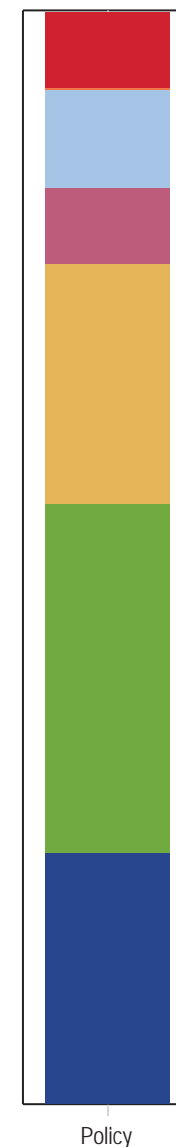
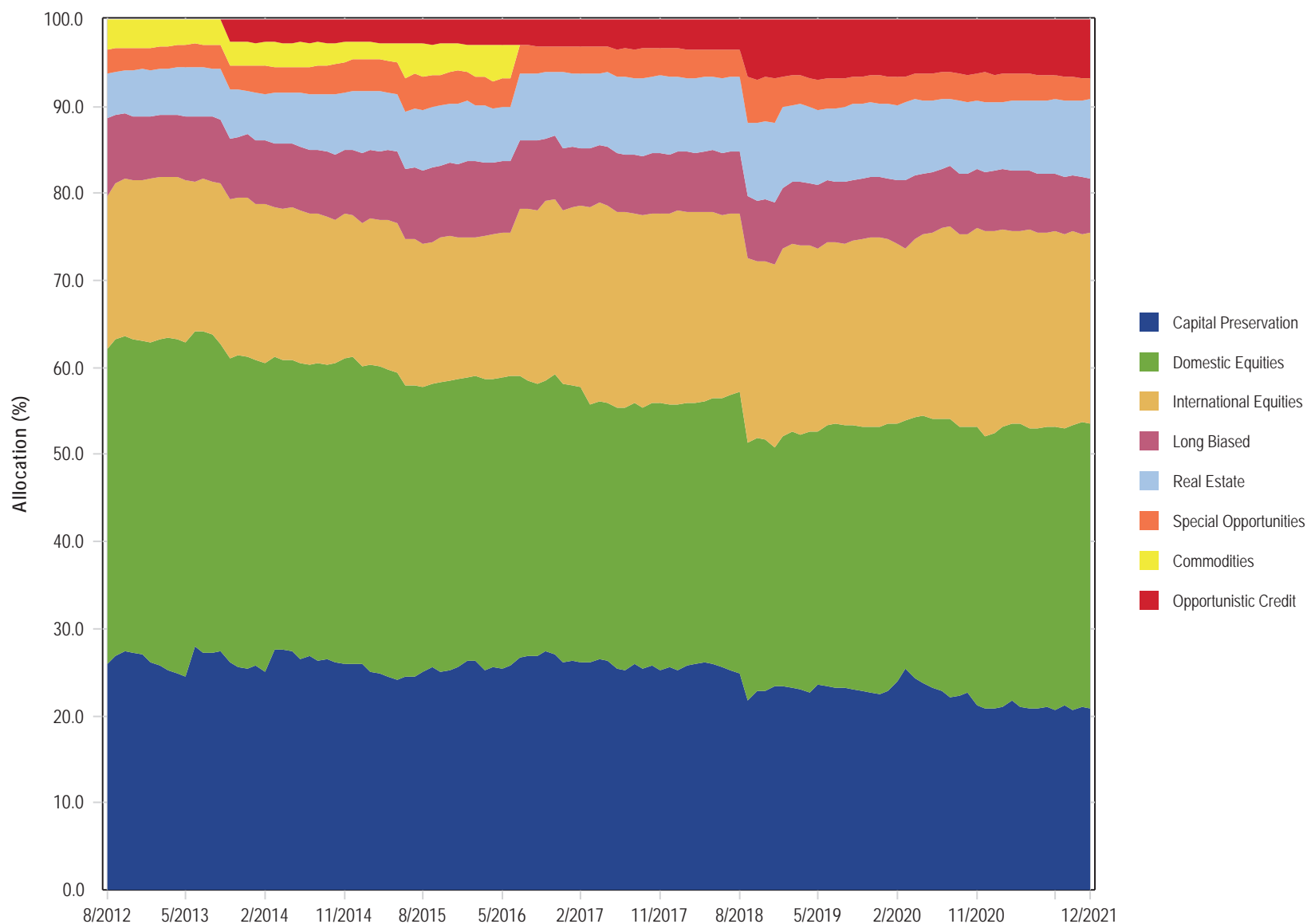
As of December 31, 2021

	Target Allocation \$	Target Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)	Asset Allocation \$	Asset Allocation (%)	Differences \$	Differences (%)	Within Range
Vanguard Emerging Markets Stock Index Fd					\$543,440	0.1			
Long Biased	\$26,209,358	7.0	4.0	10.0	\$23,295,261	6.2	-\$2,914,097	-0.8	Yes
OrbiMed Royalty Opportunities					\$614,480	0.2			
Weatherlow Offshore					\$22,286,682	6.0			
OrbiMed Royalty Opps II					\$394,099	0.1			
Opportunistic Credit	\$26,209,358	7.0	4.0	10.0	\$25,120,127	6.7	-\$1,089,231	-0.3	Yes
Beach Point Select Fund LP					\$14,347,506	3.8			
Contrarian Capital Fund I LP					\$10,772,621	2.9			
Real Estate	\$33,697,746	9.0	6.0	12.0	\$34,201,949	9.1	\$504,203	0.1	Yes
Metropolitan Realty V					\$76,827	0.0			
Morrison Street Debt Opportunities Fund LP					\$120,692	0.0			
Principal Global Investors REIT					\$19,721,069	5.3			
Morgan Stanley Prime Property Fund					\$8,512,820	2.3			
Morrison Street Fund VI					\$2,967,395	0.8			
Morrison Street Income Fund					\$2,803,146	0.7			
Special Opportunities		0.0	0.0	10.0	\$8,945,529	2.4	\$8,945,529	2.4	Yes
Orbimed Partners II					\$3,747,133	1.0			
Contrarian Emerging Markets					\$5,198,396	1.4			
<b>Total</b>	<b>\$374,419,400</b>	<b>100.0</b>			<b>\$374,419,400</b>	<b>100.0</b>		<b>0.0</b>	

# Spokane Employees' Retirement System

September 1, 2012 To December 31, 2021

## Asset Allocation History vs. Target Allocation

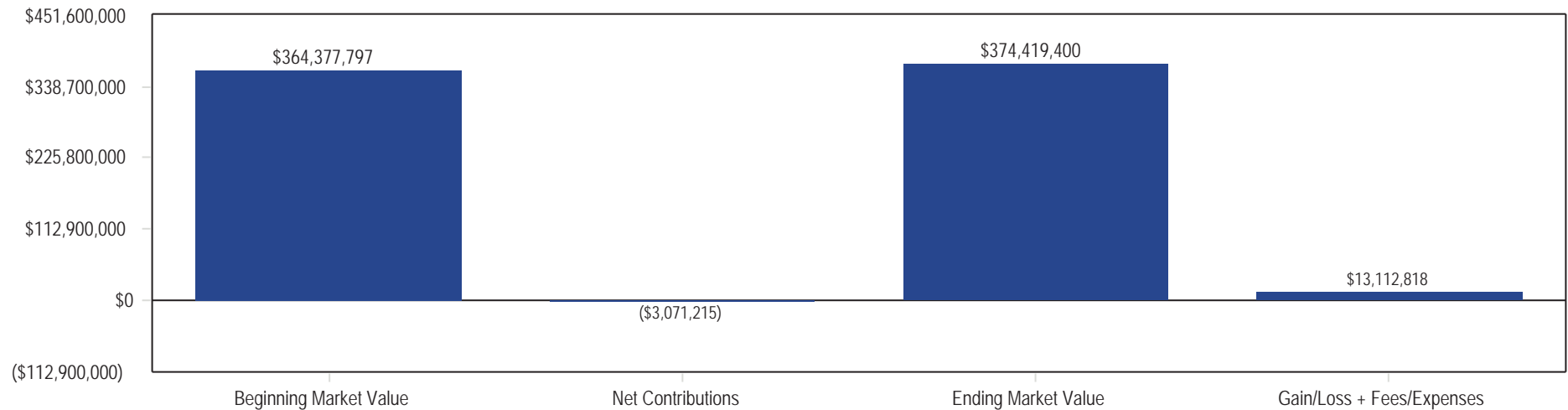


# Section 4

# Spokane Employees' Retirement System

As of December 31, 2021

## Change in Market Value



## Cash Flow Summary Current Quarter

	Market Value As of 10/01/2021	Contributions	Distributions	Net Flows	Return On Investment	Market Value As of 12/31/2021
Fidelity Instl Govt Money Market	112,155	10,081,408	-9,154,375	900,000	-27,004	1,012,184
Sterling Core Bond	27,578,002	-	-	-	-89,234	27,488,768
Hotchkis & Wiley High Yield	16,082,548	-	-	-	171,673	16,254,221
Polar Long/Short Fund	8,837,784	-	-	-	-79,701	8,758,083
Post Lmtd Term High Yield	6,915,391	-	-	-	31,259	6,946,650
Pimco Dynamic Bond Fund	7,026,436	-	-	-	-61,828	6,964,608
Rimrock Low Volatility Offshore	10,630,347	-	-	-	3,669	10,634,016
Hotchkis & Wiley Div Value I	17,132,280	-	-	-	1,010,644	18,142,925
Fidelity S&P 500	41,038,171	-	-2,700,000	-2,700,000	4,480,625	42,818,796
MFS Growth Fund CI R6	17,835,608	-	-	-	1,445,594	19,281,203
Sterling Mid Cap Value	6,362,834	-	-	-	341,137	6,703,971
Fidelity Mid Cap Index	4,165,012	-	-	-	268,059	4,433,071



## Spokane Employees' Retirement System

As of December 31, 2021

	Market Value As of 10/01/2021	Contributions	Distributions	Net Flows	Return On Investment	Market Value As of 12/31/2021
Westfield Mid Cap Growth	5,951,524	-	-	-	288,990	6,240,514
Allspring Special Small Cap Value	5,424,692	-	-	-	376,411	5,801,104
Fidelity Small Cap Index	571,757	-	-	-	12,028	583,785
Bridge City Small Growth	8,207,010	-	-	-	653,104	8,860,114
Champlain Small Cap	9,244,158	-	-	-	478,623	9,722,781
EuroPacific Growth R6	25,790,564	-	-	-	-290,677	25,499,887
Artisan Int'l Value	28,135,794	-	-	-	1,251,118	29,386,912
Victory Trivalent International Small Cap	14,798,098	-	-	-	197,559	14,995,657
Vanguard Emerging Markets Stock Index Fd	545,725	-	-	-	-2,285	543,440
ABS Emerging Markets Strategic	11,769,014	-	-	-	14,830	11,783,844
Weatherlow Offshore	22,675,628	-	-	-	-388,946	22,286,682
OrbiMed Royalty Opps II	514,064	-	-54,113	-54,113	-65,852	394,099
OrbiMed Royalty Opportunities	1,120,622	-	-249,305	-249,305	-256,837	614,480
Beach Point Select Fund LP	13,794,829	-	-	-	552,677	14,347,506
Contrarian Capital Fund I LP	10,489,103	-	-	-	283,518	10,772,621
Principal Global Investors REIT	17,153,714	-	-	-	2,567,355	19,721,069
Metropolitan Realty V	78,163	-	-	-	-1,337	76,827
Morrison Street Fund V	795,408	-	-764,051	-764,051	-31,357	-
Morrison Street Fund VI	2,933,315	-	-38,710	-38,710	72,790	2,967,395
Morrison Street Income Fund	-	2,803,146	-	2,803,146	-	2,803,146
Morrison Street Debt Opportunities Fund LP	2,907,559	-	-2,917,920	-2,917,920	131,053	120,692
Morgan Stanley Prime Property Fund	7,837,683	-	-77,295	-77,295	752,432	8,512,820
Orbimed Partners II	4,553,052	-	-	-	-805,919	3,747,133
Contrarian Emerging Markets	5,369,751	-	-	-	-171,355	5,198,396
<b>SERS Plan Total</b>	<b>364,377,797</b>	<b>12,884,554</b>	<b>-15,955,769</b>	<b>-3,098,247</b>	<b>13,112,818</b>	<b>374,419,400</b>

# Section 5

Allspring Special Small Cap Value R6 (USD)

Morningstar Quantitative Rating™ Bronze<sup>o</sup> 12-31-2021

Overall Morningstar Rating™ ★★★★★ 415 US Fund Small Value

Standard Index S&P 500 TR USD

Category Index Russell 2000 Value US Fund Small Value TR USD

Performance 01-31-2022

Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2020	-33.57	17.51	1.42	28.29	1.57
2021	19.53	3.17	-2.74	6.94	28.27
2022	—	—	—	—	-4.76
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly Std 12-31-2021	18.40	12.88	9.00	—	9.83
	28.27	—	10.12	—	10.70
Total Return	18.40	12.88	9.00	11.69	9.83
+/- Std Index	-4.89	-7.84	-7.78	-3.74	—
+/- Cat Index	3.64	1.16	1.08	1.04	—
% Rank Cat	73	44	32	20	—
No. in Cat	445	415	389	299	—

7-day Yield  
30-day SEC Yield

Subsidized  
Unsubsidized

Performance Disclosure  
The overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate, thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-222-8222 or visit https://www.wellsfargo.com/.

Fees and Expenses

Sales Charges	
Front-End Load %	NA
Deferred Load %	NA

Fund Expenses	
Management Fees %	0.79
12b1 Expense %	0.00
Net Expense Ratio %	0.85
Gross Expense Ratio %	0.85
Risk and Return Profile	

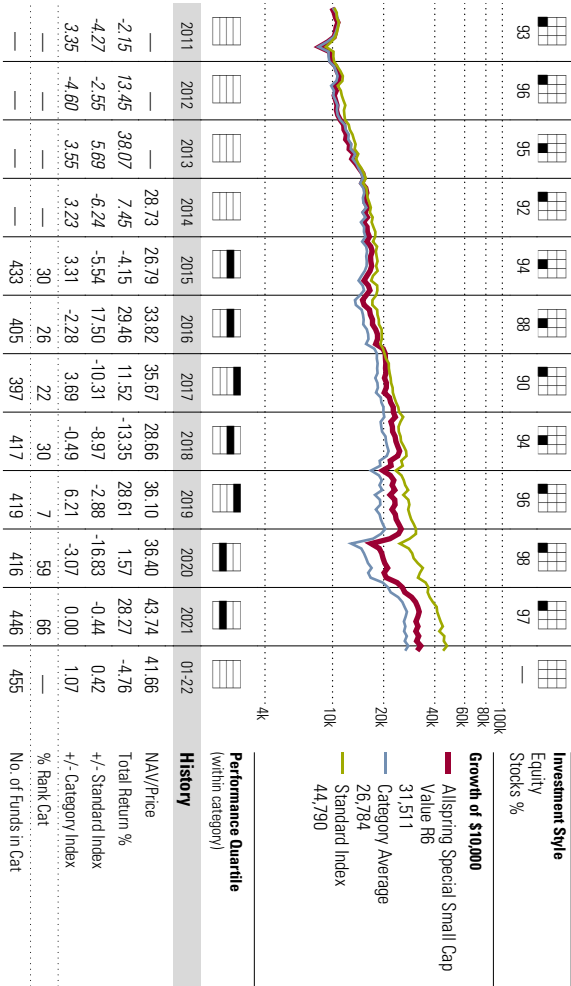
Morningstar Rating™	4★	415 funds	389 funds	299 funds	5★
Morningstar Risk	-Avg	-Avg	-Avg	-Avg	-Avg
Morningstar Return	Avg	+Avg	+Avg	+Avg	+Avg
Standard Deviation	23.01	20.43	16.96	10.96	10.96
Mean	12.88	9.00	11.69	11.69	11.69
Sharpe Ratio	0.61	0.47	0.70	0.70	0.70
MPT Statistics	Standard Index	Best Fit Index	Morningstar US	Small Bld Val Ext TR	USD
Alpha	-8.47	1.60	0.84	0.84	0.84
Beta	1.15	0.84	0.84	0.84	0.84
R-Squared	76.29	97.93	97.93	97.93	97.93
12-Month Yield	—	—	—	—	—
Potential Cap Gains Exp	24.41%	24.41%	24.41%	24.41%	24.41%

Operations

Family: Allspring Global Investments  
Manager: Multiple  
Tenure: 20.1 Years  
Objective: Small Company

Base Currency: USD  
Ticker: ESPRX  
ISIN: US94988A6689  
Minimum Initial Purchase: \$0

Purchase Constraints:  
Incept: 10-31-2014  
Type: MF  
Total Assets: \$6,048.78 mil



Portfolio Analysis 12-31-2021

Asset Allocation %	Net %	Long %	Short %	Share Clng since 11-2021	Share Amount	Holdings: 139 Total Stocks - 140 Total Fixed Income, 40% Turnover Ratio	Net Assets %
Cash	1.33	1.33	0.00	—	—	—	—
US Stocks	95.40	95.41	0.01	—	—	—	—
Non-US Stocks	2.05	2.05	0.00	—	—	—	—
Bonds	0.00	0.00	0.00	—	—	—	—
Other/Not Clsfd	0.62	0.62	0.00	—	—	—	—
Total	100.00	100.01	0.01	—	—	—	—

Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat
Value Blend Growth	P/E Ratio TTM	14.5	0.63	1.04
Large	P/C Ratio TTM	12.4	0.72	1.22
Mid	P/B Ratio TTM	2.0	0.47	1.12
Small	Geo Avg Mkt Cap \$mil	2717	0.01	0.67

Fixed-Income Style	Avg Eff Maturity	Avg Eff Duration	Avg Wtd Coupon	Avg Wtd Price
Ltd	High	High	High	High
Med	Med	Med	Med	Med
Ext	Low	Low	Low	Low

Credit Quality Breakdown —

Credit Quality Breakdown —	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR	—

Regional Exposure	Stocks %	Rel Std Index
Americas	97.9	0.99
Greater Europe	2.1	2.55
Greater Asia	0.0	0.00

Sector Weightings	Stocks %	Rel Std Index
Cyclical	42.4	1.40
Basic Materials	13.5	6.15
Consumer Cyclical	10.6	0.91
Financial Services	15.6	1.14
Real Estate	2.6	0.98
Sensitive	36.3	0.76
Communication Services	0.1	0.01
Energy	5.4	1.61
Industrials	27.6	3.38
Technology	3.3	0.13
Defensive	21.3	0.96
Consumer Defensive	13.8	2.11
Healthcare	5.8	0.44
Utilities	1.7	0.67



American Funds Europacific Growth R6 (USD)

Morningstar Analyst Rating™  
Silver  
08-04-2021

Overall Morningstar Rating™  
★★★★  
386 US Fund Foreign Large Growth

Standard Index  
MSCI ACWI Ex  
USA NR USD  
Category Index  
MSCI ACWI Ex  
USA Growth NR  
US Fund Foreign Large Growth

Performance 01-31-2022

Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2020	-22.43	22.77	9.66	19.95	25.27
2021	-0.43	6.97	-2.35	-1.13	2.84
2022	—	—	—	—	-7.37

Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	-3.25	12.01	10.19	8.53	9.33
Std 12-31-2021	2.84	—	12.87	10.01	10.06
Total Return	-3.25	12.01	10.19	8.53	9.33
+/- Std Index	-6.87	2.92	2.16	2.35	—
+/- Cat Index	0.72	0.21	-0.11	0.98	—
% Rank Cat	71	73	66	39	—
No. in Cat	449	386	333	221	—

7-day Yield

	Subsidized	Unsubsidized
30-day SEC Yield 01-31-22	0.51	0.51

Performance Disclosure

The overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate, thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-421-4225 or visit [www.americanfunds.com](http://www.americanfunds.com).

Fees and Expenses

Sales Charges	
Front-End Load %	NA
Deferred Load %	NA

Fund Expenses	
Management Fees %	0.41
12b1 Expense %	NA
Net Expense Ratio %	0.46
Gross Expense Ratio %	0.46
Risk and Return Profile	

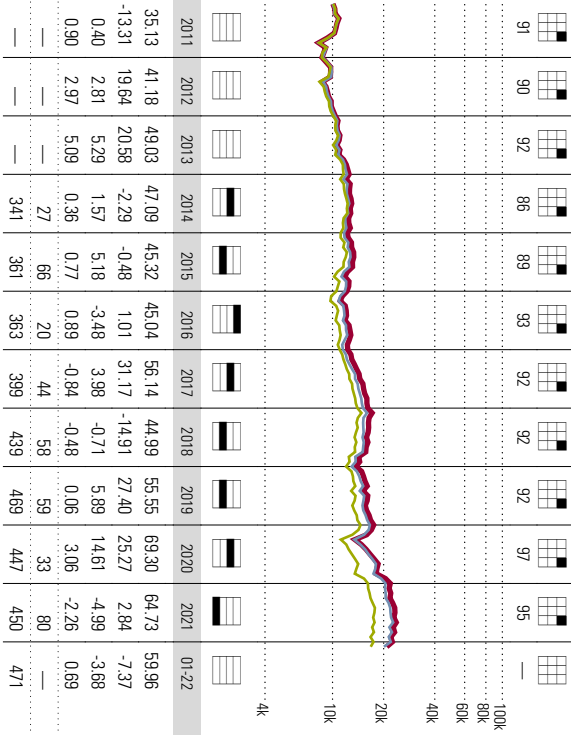
	3 Yr	5 Yr	10 Yr
Morningstar Rating™	366 funds 2★	333 funds 3★	221 funds 3★
Morningstar Risk	Avg	Avg	Avg
Morningstar Return	-Avg	Avg	Avg

Standard Deviation	3 Yr	5 Yr	10 Yr
Mean	18.14	16.08	14.08
Sharpe Ratio	12.01	10.19	8.53
	0.67	0.62	0.61

MPT Statistics	Standard Index	Best Fit Index
	Morningstar Gbl Mkts xUS GR USD	Morningstar Gbl
Alpha	2.46	1.82
Beta	1.05	1.03
R-Squared	94.06	94.72
12-Month Yield		1.81%
Potential Cap Gains Exp		45.28%

Operations

Family:	American Funds
Manager:	Multiple
Tenure:	20.7 Years
Objective:	Foreign Stock
Base Currency:	USD



Investment Style	Equity	Stocks %
<hr/>		
<b>Growth of \$10,000</b>	<div><div></div>American Funds Europacific Growth R6</div>	20,844
	<div><div></div>Category Average</div>	20,063
	<div><div></div>Standard Index</div>	16,785
<hr/>		
Performance Quartile	(within category)	
<hr/>		
History		
NAV/Price		
Total Return %		
+/- Standard Index		
+/- Category Index		
% Rank Cat		
No. of Funds in Cat		

Portfolio Analysis 12-31-2021

Asset Allocation %	Net %	Long %	Short %
Cash	4.85	5.18	0.32
US Stocks	2.24	2.24	0.00
Non-US Stocks	92.69	92.69	0.00
Bonds	0.00	0.00	0.00
Other/Not Cstfd	0.22	0.22	0.00
Total	100.00	100.32	0.32

Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat
Value	P/E Ratio TTM	21.6	1.48	0.88
Brand	P/C Ratio TTM	14.9	1.55	0.86
Growth	P/B Ratio TTM	2.9	1.58	0.77
Large	Geo Avg Mkt Cap	61494	1.34	1.10
Mid				
Small				

Fixed-Income Style	Avg Eff Maturity	Avg Eff Duration	Avg Wtd Coupon	Avg Wtd Price
Ltd				
Med				
Ext				

Credit Quality Breakdown —

	AAA	AA	A	BBB	BB	B	Below B	NR
Morningstar Rating™	366 funds 2★	333 funds 3★	221 funds 3★	—	—	—	—	—
Morningstar Risk	Avg	Avg	Avg	—	—	—	—	—
Morningstar Return	-Avg	Avg	Avg	—	—	—	—	—

Standard Deviation	3 Yr	5 Yr	10 Yr
Mean	18.14	16.08	14.08
Sharpe Ratio	12.01	10.19	8.53
	0.67	0.62	0.61

MPT Statistics	Standard Index	Best Fit Index
	Morningstar Gbl Mkts xUS GR USD	Morningstar Gbl
Alpha	2.46	1.82
Beta	1.05	1.03
R-Squared	94.06	94.72
12-Month Yield		1.81%
Potential Cap Gains Exp		45.28%

Operations

Family:	American Funds
Manager:	Multiple
Tenure:	20.7 Years
Objective:	Foreign Stock
Base Currency:	USD

Share Clng	Share Holdings	Amount	32% Turnover Ratio	Net Assets %
9 mil	ASML Holding NV	151 mil	Reliance Industries Ltd	4.04
212 mil	Taiwan Semiconductor Manufacturing	2.53		
5 mil	LVMH Moet Hennessy Louis Vuitton SE	2.25		
2 mil	Shopify Inc Registered Sps A- Sub	1.67		
5 mil	Keyence Corp	1.57		
23 mil	Airbus SE	1.57		
7 mil	Sika AG	1.54		
2 mil	Mercadolibre Inc	1.54		
13 mil	Sea Ltd ADR	1.53		
107 mil	Daiichi Sankyo Co Ltd	1.46		
249 mil	Alfa Group Ltd	1.34		
53 mil	Canadian Natural Resources Ltd	1.21		
189 mil	WuXi Biologics (Cayman) Inc	1.21		
109 mil	HDFC Bank Ltd	1.16		

Sector Weightings

	Cyclical	Stocks %	Rel Std Index
Basic Materials	36.1	0.85	
Consumer Cyclical	7.7	0.93	
Financial Services	11.9	1.08	
Real Estate	15.9	0.78	
Real Estate	0.6	0.24	
Sensitive	44.4	1.19	
Communication Services	5.2	0.74	
Energy	5.8	1.05	
Industrials	11.8	1.01	
Technology	21.6	1.66	
Defensive	19.5	0.95	
Consumer Defensive	5.5	0.67	
Healthcare	12.4	1.35	
Utilities	1.6	0.52	

Purchase Constraints:	A
Incept:	05-01-2009
Type:	MF
Total Assets:	\$174.038.19 mil

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# Bridge City Capital Small Cap Growth (USD)

Overall Morningstar Rating™ Standard Index

★★★

S&P 500 TR USD

Morningstar Category™

Small Growth

Customization											
Exclude securities	—										
Modify sector weightings	—										
Consult with portfolio manager	—										
Consult with portfolio administrator	—										
Tax Lot Harvest Opt to Financial Professional	—										
Access daily portfolio holdings	—										
Access daily performance	—										
Access daily risk/MPT stats	—										
Annual tax document	—										

Tax Efficiency											
Use of tax-optimization software	—										
Use of tax-lot trading strategies	—										
Ability to harvest tax losses	—										
Trades analyzed by holding period	—										
Lg-term cap gain use in position chgs	—										
Analysis of taxable income streams	—										
Sell high cost positions first	—										
Short-term gain flag before trade	—										
Analysis of loss candidates	—										

Portfolio Managers(s)											
Stephen Brink Since 07-01-2009											

Rating and Risk											
Time Period	Morningstar Rating	Morningstar Risk vs Cat	Morningstar Rating								
3 Yr	-Avg	-Avg	3★								
5 Yr	Avg	-Avg	3★								
10 Yr	Avg	-Avg	3★								

Gross Performance 01-31-2022											
1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total							
2018	0.52	11.43	6.66	-15.18	1.33						
2019	12.16	3.95	1.20	5.97	25.04						
2020	-25.43	22.57	5.10	25.85	20.90						
2021	13.95	3.02	-4.49	8.04	21.15						
2022	—	—	—	—	-8.92						

Portfolio Analysis 12-31-2021											
Composition %				Net %	Long %	Short %	Share Chg since 09-2021	Share Amount	Holdings: 290 Total Stocks .0 Total Fixed-Income, 16% Turnover Ratio		
Cash				1.74	1.74	0.00	—	—	—		
US Stocks				96.59	96.59	0.00	—	68,751	Orto Innovation Inc	2.90	1.91
Non-US Stocks				1.67	1.67	0.00	—	69,159	Ensign Group Inc	2.42	1.81
Bonds				0.00	0.00	0.00	—	103,157	Methodo Electronics Inc	2.11	2.01
Other/Not Clsfd				0.00	0.00	0.00	—	54,298	Semtech Corp	2.01	1.98
Total				100.00	100.00	0.00	—	37,398	EMCOR Group Inc	1.98	1.98

Equity Style											
				Market Cap	Rel						
				Giant	0.0						
				Large	0.0						
				Medium	8.4						
				Small	64.3						
				Micro	27.4						
				Geo Avg Cap(\$mil)	3,448.3						

Value Grades											
				%	Growth Grades	%					
Price/Earnings				22.19	Projected Eings	17.18					
Price/Book				3.33	Book Value	10.12					
Price/Sales				1.72	Sales	5.50					
Price/Cash Flow				16.83	Cash Flow	27.53					
Dividend Yield				0.72	Trailing Earnings	14.16					

Fixed-Income Style											
				Avg Eff Duration	—						
				Avg Eff Maturity	—						
				Avg Wtd Coupon	—						
				Avg Wtd Price	—						

Risk and Return Profile											
				Standard Index	Best Fit Index						
				Morningstar US Small Cap Ex TR USD	4.36						
Alpha				-5.22	0.82						
Beta				1.05	95.38						
R-Squared				80.50	20.53						
Standard Deviation				15.11	0.75						
Mean				0.75	—						
Shape Ratio				—	—						
12-Month Yield				—	—						

Account Size Breakdown											
				Total Account Value(\$mil)	Number of Accounts						
Less than \$250,000				0.00	0						
\$250,000 - \$1 million				1.20	2						
\$1 million - \$10 million				51.68	15						
More than \$10 million				193.58	7						

Operations											
Product Focus:				Institutional							
Investment Minimum( \$mil):				1							
% Portfolios Customized:				—							
% Portfolio Tax-Managed:				—							

Address:				One Centepointe Suite 565							
Phone:				(503) 265-8554							
Web Address:				www.bridgcitycap.com							
Date of Inception:				2009-07-01							
GIPS Compliance Date:				2009-07-01							
No. of Accounts:				24							
Total Assets:				\$224.20 mil							

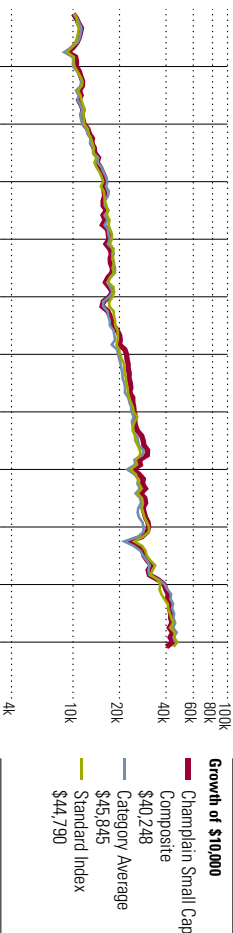
## Champlain Small Cap Composite (USD)

Overall Morningstar Rating™ Standard Index  
★★★ S&P 500 TR USD

Category Index	Morningstar
Russell 2000	Small Growth

## Small Growth

Customization
Exclude securities
Modify sector weightings
Consult with portfolio manager
Consult with portfolio administrator
Tax Lot Harvest Rpt to Financial Professional
Access daily portfolio holdings
Access daily performance
Access daily risk/MIP stats
Annual tax document



<b>Tax-Efficiency</b>
Use of tax-optimization software
Use of tax-lot trading strategies
Ability to harvest tax losses
Trades analyzed by holding period
Lg-term cap gain use in position chgs
Analysis of taxable income streams
Sell high cost positions first
Short-term gain flag before trade
Analysis of loss candidates

Portfolio Manager(s)

Scott Brayman Since 09-17-2004, Joseph Caligiuri Since 03-01-2010, Corey Brommer Since 04-05-2010, Andrew Hanson Since 09-07-2010, Joseph Farley Since 08-04-2014, Robert Haliley Since 08-08-2016, Courtney Willison Since 05-07-2018, Jaqueline Williams Since 07-22-2019, Ethan Elison Since 07-01-2020

Rating and Risk		
Time Period	Morningstar Risk vs Cat	Morningstar Risk vs Cat
3 Yr	-Avg	-Avg
5 Yr	-Avg	-Avg
10 Yr	-Avg	-Avg
		Morningstar Rating
		2★
		2★
		3★

Gross Performance 01-31-2022					
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total
2018	2.25	11.82	6.38	-19.47	-2.00
2019	15.47	3.75	-1.02	6.92	26.76
2020	-24.26	23.14	6.28	26.91	25.88
2021	5.13	4.98	-2.04	5.39	13.96
2022	—	—	—	—	-9.11

Trailing	Total	+/- Std Index	% Rank	Growth on
	Return %		Cat	\$10,000
1 Mo	-9.11	-3.94	—	9088
3 Mo	-9.06	-7.45	—	9099
1 Yr	0.91	-22.38	—	10091
3 Yr	14.55	-6.16	—	15033
5 Yr	12.47	-4.31	—	17991
10 Yr	13.87	-1.56	—	36655
15 Yr	11.65	1.69	—	53646

	Standard Index	Best Fit Index
		Morningstar US Small Bd Gr Exl TR US\$
Alpha	-6.71	3.52
Beta	1.11	0.88
R-Squared	84.72	95.47
Standard Deviation		21.07
Mean		14.52
Sharpe Ratio		0.77
12-Month Yield		—

History										
										01-22
2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
5.06	12.16	37.94	5.39	0.36	29.19	12.01	-2.05	26.78	25.80	13.94
2.95	-3.84	5.56	-8.30	-1.02	17.23	-9.82	2.34	-4.71	7.40	-14.77
7.97	-2.42	-5.36	-0.21	1.74	17.88	-10.16	7.26	-1.71	-8.83	11.10
17	75	79	36	42	1	95	32	57	68	61
Dispersion										
5.58	13.25	38.69	5.61	0.59	30.23	12.30	-1.63	7.07	—	5.46
4.43	11.84	37.52	5.23	-0.18	29.33	11.88	-2.15	6.54	—	5.34
5.21	12.09	37.93	5.40	0.27	29.70	11.99	-1.88	6.87	—	5.39
0.15	0.11	0.23	0.12	0.16	0.22	0.07	0.14	0.05	—	0.01
2960	2828	3740	3741	3474	2658	3052	2821	4226	5569	6570
										5904
										Product Assets \$mil

Portfolio Analysis 01-31-2022				Top Holdings 12-31-2021				
Composition	% 12-31-2021	Net %	Long %	Short %	Share Chg since 12-2021	Share Amount	Holdings : 81 Total Stocks, 0 Total Fixed-Income, 26% Turnover Ratio	Net Asset Value
Cash		0.89	0.89	0.00				9
US Stocks		97.33	97.33	0.00	⊖		2 mil New Relic Inc	3.8
Non-US Stocks		1.78	1.78	0.00			1 mil John Bean Technologies Corp	3.2
Bonds		0.00	0.00	0.00	⊕		6 mil Pure Storage Inc Class A	3.1
Other/Not Clsfd		0.00	0.00	0.00	⊖		4 mil Evqua Water Technologies Corp	2.6
Total		100.00	100.00	0.00	⊕		4 mil The Simply Good Foods Co	2.6

Equity Style		Rel	MSA Safety Inc	2.5
Market Cap		+	1 mil	
Giant		+	1 mil	2.5
			Conmed Corp	
Large		+	8 mil	2.3
			Hostess Brands Inc Class A	
Medium		+	2 mil	2.3
			Integra Lifesciences Holdings Corp	
Small		+	Lancaster Colony Corp	2.1
Micro		+		
Value Blend Growth				

	+	2 mil	U2 Holdings Inc	2.0
	+	533,915	Inspire Medical Systems Inc	1.8
	+	2 mil	Tenable Holdings Inc	1.7
	+	2 mil	SailPoint Technologies Holdings Inc	1.7
	+	2 mil	Ritchie Bros Auctioneers Inc	1.7
<b>Value Grades</b>				
Price/Earnings	27.42	Projected Eings	12.60	+
Price/Book	3.11	Book Value	8.11	+
Price/Sales	2.94	Sales	5.33	
Price/Cash Flow	20.22	Cash Flow	7.90	
Dividend Yield	0.71	Trailing Earnings	2.03	
		<b>Sector Weights</b>	Stocks %	Rel Std Index
		<b>9 Cyclical</b>	<b>23.8</b>	<b>0.7</b>
		Basic Materials	2.8	1.2

[illegible]

Account Size Breakdown	Total Account Value (\$mil)	Number of Accounts	Industry	Market Share (%)	Revenue (\$mil)
Less than \$250,000	0.30	2	→ <b>Defensive</b>	<b>35.8</b>	<b>1.6</b>
\$250,000 - \$1 million	2.12	5	⚙️ Consumer Defensive	14.3	2.1
\$1 million - \$10 million	263.06	57	⚙️ Healthcare	21.5	1.6
More than \$10 million	8,069.23	52	⚙️ Utilities	0.0	0.0

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Champlain Small Cap Composite (USD)

Overall Morningstar Rating™ Standard Index  
★★★★S&P 500 TR USD

Category Index  
Russell 2000

Morningstar Category™  
Small Growth

Operations			
Product Focus:	Both		
Investment Minimum(\$mil):	—	Address:	Champlain Investment Partners LLC 180 Battery Street Suite 400
% Portfolios Customized:	—	Phone:	802-846-6200
% Portfolio Tax-Managed:	—	Web Address:	www.cipvt.com
		Date of Inception:	1996-01-02
		GIPS Compliance Date:	2020-12-31
		No. of Accounts:	42
		Total Assets:	\$5,904.40 mil



Fidelity® 500 Index (USD)

Morningstar Analyst Rating™ Overall Morningstar Rating™ Standard Index Category Index Morningstar Cat

★★★★★

1,236 US Fund Large Blend S&P 500 TR USD Russell 1000 TR US Fund Large Blend

Performance 01-31-2022					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2020	-19.59	20.53	8.94	12.14	18.40
2021	6.18	8.55	0.58	11.02	28.69
2022	—	—	—	—	-5.18
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	23.28	20.70	16.77	15.42	14.16
Std 12-31-2021	28.69	—	18.46	16.54	14.86
Total Return	23.28	20.70	16.77	15.42	14.16
+/- Std Index	-0.01	-0.01	-0.01	-0.01	—
+/- Cat Index	2.96	0.19	0.17	0.10	—
% Rank Cat	24	19	16	10	—
No. in Cat	1378	1236	1109	817	—

7-day Yield	Subsidized	Unsubsidized
30-day SEC Yield	—	—

**Performance Disclosure**  
The overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate, thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 202-551-8090 or visit [www.institutional.fidelity.com](http://www.institutional.fidelity.com).

**Fees and Expenses**

**Sales Charges**

**Front-End Load %** NA

**Deferred Load %** NA

**Fund Expenses**

Management Fees % 0.02

12bt Expense % NA

**Net Expense Ratio %** 0.02

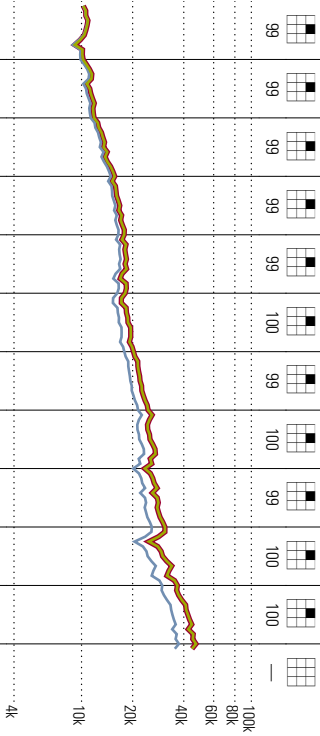
**Gross Expense Ratio %** 0.02

**Risk and Return Profile**

Morningstar Rating™	3 Yr			5 Yr			10 Yr		
	1,236 funds	1,109 funds	817 funds	1,236 funds	1,109 funds	817 funds	1,236 funds	1,109 funds	817 funds
Morningstar Rating	4★	4★	5★	4★	4★	5★	4★	4★	5★
Morningstar Risk	Avg	Avg	Avg	Avg	Avg	Avg	Avg	Avg	Avg
Morningstar Return	+Avg	+Avg	High	+Avg	+Avg	High	+Avg	+Avg	High

Standard Deviation	17.53	15.67	13.20
Mean	20.70	16.77	15.42
Sharpe Ratio	1.12	1.00	1.11
MPT Statistics	Standard Index	Best Fit Index	S&P 500 TR USD
Alpha	-0.01	-0.01	—
Beta	1.00	1.00	—
R-Squared	100.00	100.00	—
12-Month Yield	—	—	—
Potential Cap Gains Exp	48.33%	—	—

<b>Operations</b>	Fidelity Investments
Family:	Multiple
Manager:	13.1 Years
Tenure:	Growth and Income
Objective:	—



Portfolio Analysis 12-31-2021												
Asset Allocation %			Net %			Long %			Short %			History
Cash	44.50	50.49	65.49	72.85	71.80	78.35	83.45	87.10	112.02	130.17	156.32	
US Stocks	2.10	15.99	32.37	13.66	1.38	11.97	21.81	-4.40	31.47	18.40	28.69	NAV/Price
Non-US Stocks	-0.01	-0.01	-0.03	0.00	0.01	-0.02	-0.02	-0.02	-0.01	0.00	-0.01	
Bonds	0.60	-0.43	-0.74	0.42	0.47	-0.09	0.12	0.38	0.05	-2.57	2.24	Total Return %
Other/Not Cstfd	—	35	41	18	20	26	28	25	23	37	23	
Total	1688	1559	1568	1606	1409	1396	1402	1367	1363	1362	1473	+/- Standard Index
												+/- Category Index
												% Rank Cat
												No. of Funds in Cat

Equity Style			Portfolio Statistics			Share Clng			Holdings :			Net Assets %
Value	Brand	Growth	P/E Ratio TTM	25.2	1.09	1.12	11-2021	Amount	505 Total Stocks	0 Total Fixed-Income.	7% Turnover Ratio	
Large	Med	Ext	P/C Ratio TTM	18.5	1.08	0.99						6.85
			P/B Ratio TTM	4.6	1.07	0.95						
			Geo Avg Mkt Cap	230654	1.06	0.88						6.25
												3.60
												2.16
												2.13

Fixed-Income Style			Credit Quality Breakdown			Sector Weightings			Stocks %			Rel Std Index
Mid	Med	Ext	Avg Eff Maturity	—	AAA	Basic Materials	2.3	1.03	30.2	2.3	1.03	
			Avg Eff Duration	—	AA	Consumer Cyclical	12.3	1.05	12.3	12.3	1.05	1.04
			Avg Wtd Coupon	—	AA	Financial Services	12.9	0.94	12.9	12.9	0.94	
			Avg Wtd Price	—	AA	Real Estate	2.8	1.04	2.8	2.8	1.04	1.00
					AA	Sensitive	47.6	1.02	47.6	47.6	1.02	
					BBB	Communication Services	10.2	1.01	10.2	10.2	1.01	0.97
					BB	Energy	2.7	0.80	2.7	2.7	0.80	
					Below B	Industrials	8.1	1.00	8.1	8.1	1.00	1.02
					Below B	Technology	26.6	1.03	26.6	26.6	1.03	
					Below B	Defensive	22.2	0.97	22.2	22.2	0.97	0.98
					Below B	Consumer Defensive	6.3	1.02	6.3	6.3	1.02	
					Below B	Healthcare	13.4	0.98	13.4	13.4	0.98	0.90
					Below B	Utilities	2.5	0.90	2.5	2.5	0.90	

Regional Exposure			Investment Style			Performance Quartile			History		
Stocks %	99.0	1.00	Equity	Equity	Equity	(within category)	NAV/Price	156.32	112.02	130.17	156.32
Rel Std Index	1.00	0.99	Stocks %	99.0	1.00	Category Average	44.738	28.69	31.47	18.40	28.69
	0.8	0.99	Standard Index	44.790	35.437	Fidelity@500 Index	44.738	-5.18	-4.40	31.47	18.40
	0.2	1.04	Standard Index	44.790	35.437	Category Average	35.437	0.00	-0.02	-0.01	0.00
			Standard Index	44.790	35.437	Standard Index	44.790	0.46	0.05	-2.57	2.24

Base Currency:	USD	Purchase Constraints:	A
Ticker:	FXAX	Incept:	05-04-2011
SIN:	US3159117502	Type:	MIF
Minimum Initial Purchase:	\$0	Total Assets:	\$387,086.09 mil

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Fidelity® Mid Cap Index (USD)

Morningstar Quantitative Rating™ Silver <sup>a</sup> 359 US Fund Mid-Cap Blend

Overall Morningstar Rating™ Standard Index S&P 500 TR USD

Category Index Russell Mid Cap TR US Fund Mid-Cap Blend

Performance 01-31-2022

Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2020	-27.04	24.55	7.49	19.89	17.11
2021	8.15	7.47	-0.93	6.44	22.56
2022	—	—	—	—	-7.38
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly Std 12-31-2021	13.81	16.13	12.79	13.34	13.91
Total Return	13.81	16.13	12.79	13.34	13.91
+/- Std Index	-9.48	-4.59	-3.99	-2.08	—
+/- Cat Index	-0.04	-0.02	-0.02	-0.02	—
% Rank Cat	63	19	17	12	—
No. in Cat	390	359	313	208	—

7-day Yield 30-day SEC Yield

Performance Disclosure The overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate, thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-544-8544 or visit www.institutional.fidelity.com.

Fees and Expenses

Sales Charges Front-End Load % Deferred Load %

Fund Expenses Management Fees % 12bt Expense % Net Expense Ratio % Gross Expense Ratio % Risk and Return Profile

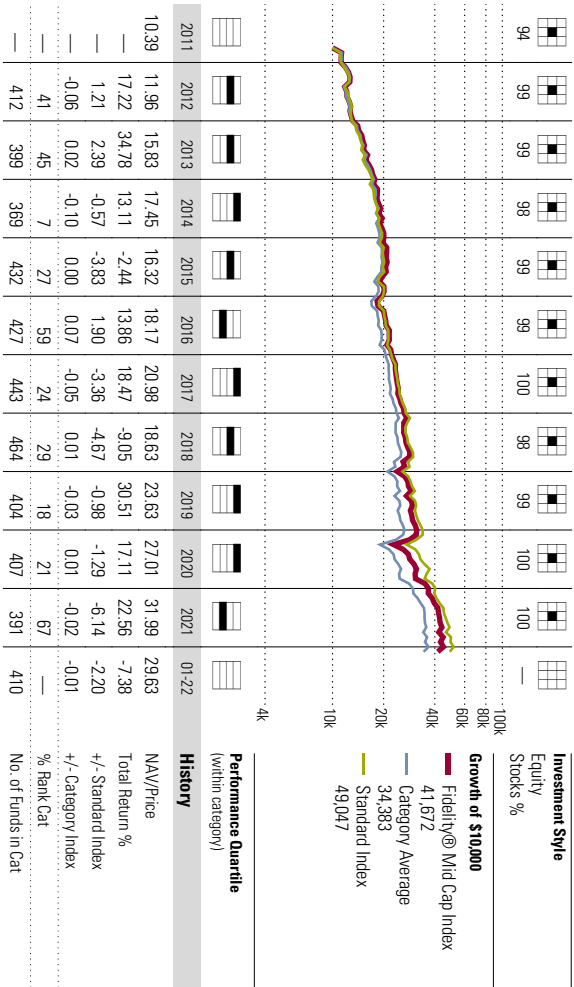
Morningstar Rating™	3 Yr 359 funds	5 Yr 313 funds	10 Yr 208 funds
Morningstar Risk	4★	4★	4★
Morningstar Return	Avg	Avg	Avg
Standard Deviation	20.82	18.25	15.03
Mean	16.13	12.79	13.34
Sharpe Ratio	0.79	0.69	0.87
MPT Statistics	Standard Index	Best Fit Index	Russell Mid-Cap TR USD
Alpha	-5.87	-0.01	1.00
Beta	1.13	1.00	100.00
R-Squared	91.13	100.00	—
12-Month Yield	—	—	31.17%
Potential Cap Gains Exp	—	—	—

Operations

Family: Fidelity Investments Manager: Multiple Tenure: 10.4 Years Objective: Growth

Base Currency: USD Ticker: FSMDX SIN: US316146Z656 Minimum Initial Purchase: \$0

Purchase Constraints: Incept: 09-08-2011 Type: MF Total Assets: \$24,400.22 mil



Asset Allocation %	Net %	Long %	Short %	Share Clng since 11-2021	Share Amount	Holdings: 832 Total Stocks: 0 Total Fixed-Income, 14% Turnover Ratio	Net Assets %
Cash	0.04	0.31	0.28	—	—	—	—
US Stocks	98.79	98.79	0.00	—	—	—	—
Non-US Stocks	1.18	1.18	0.00	—	—	—	—
Bonds	0.00	0.00	0.00	—	—	—	—
Other/Not Cstfd	0.00	0.00	0.00	—	—	—	—
Total	100.00	100.28	0.28	—	—	—	—

Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat	Share Clng since 11-2021	Share Amount	Holdings: 832 Total Stocks: 0 Total Fixed-Income, 14% Turnover Ratio	Net Assets %
Value	P/E Ratio TTM	20.8	0.90	1.20	—	—	—	—
Brand	P/C Ratio TTM	16.4	0.95	1.20	—	—	—	—
Growth	P/B Ratio TTM	3.3	0.78	1.17	—	—	—	—
Large	Geo Avg Mkt Cap \$mil	20736	0.10	1.85	—	—	—	—
Med	—	—	—	—	—	—	—	—
Ext	—	—	—	—	—	—	—	—
High	—	—	—	—	—	—	—	—
Low	—	—	—	—	—	—	—	—
Fixed-Income Style	—	—	—	—	—	—	—	—
Avg Eff Maturity	—	—	—	—	—	—	—	—
Avg Eff Duration	—	—	—	—	—	—	—	—
Avg Wtd Coupon	—	—	—	—	—	—	—	—
Avg Wtd Price	—	—	—	—	—	—	—	—
Credit Quality Breakdown	—	—	—	—	—	—	—	—
AAA	—	—	—	—	—	—	—	—
AA	—	—	—	—	—	—	—	—
BBB	—	—	—	—	—	—	—	—
BB	—	—	—	—	—	—	—	—
Below B	—	—	—	—	—	—	—	—
NR	—	—	—	—	—	—	—	—

Regional Exposure	Stocks %	Rel Std Index	Bond %
Americas	98.9	1.00	—
Greater Europe	0.8	1.00	—
Greater Asia	0.3	1.34	—
Utilities	—	—	—
Healthcare	—	—	—
Consumer Defensive	—	—	—
Financial Services	—	—	—
Real Estate	—	—	—
Communication Services	—	—	—
Industrials	—	—	—
Technology	—	—	—
Defensive	—	—	—
Consumer Defensive	—	—	—
Healthcare	—	—	—
Utilities	—	—	—

Sector Weightings

Stocks % Rel Std Index

Basic Materials 4.2 1.91 Consumer Cyclical 13.1 1.12 Financial Services 12.2 0.89 Real Estate 8.8 3.29

Utilities 4.6 1.81

Operations

Family: Fidelity Investments Manager: Multiple Tenure: 10.4 Years Objective: Growth

Base Currency: USD Ticker: FSMDX SIN: US316146Z656 Minimum Initial Purchase: \$0

Purchase Constraints: Incept: 09-08-2011 Type: MF Total Assets: \$24,400.22 mil

Stocks % Rel Std Index

Basic Materials 4.2 1.91 Consumer Cyclical 13.1 1.12 Financial Services 12.2 0.89 Real Estate 8.8 3.29

Utilities 4.6 1.81

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Basic Materials 4.2 1.91 Consumer Cyclical 13.1 1.12 Financial Services 12.2 0.89 Real Estate 8.8 3.29

Utilities 4.6 1.81

Fidelity® Small Cap Index (USD)

Morningstar Quantitative Rating™ Bronze <sup>a</sup> 12-31-2021

Overall Morningstar Rating™ ★★★★★ 597 US Fund Small Blend

Standard Index S&P 500 TR USD

Category Index Russell 2000 TR

Morningstar Cat US Fund Small Blend

Performance 01-31-2022					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2020	-30.62	25.49	4.98	31.28	19.99
2021	12.73	4.26	-4.40	2.10	14.71
2022	—	—	—	—	-9.58
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly Std 12-31-2021	-1.26	12.04	9.78	11.47	12.48
Total Return	14.71	—	12.11	13.38	13.70
	-1.26	12.04	9.78	11.47	12.48
+/- Std Index	-24.55	-8.68	-7.00	-3.95	—
+/- Cat Index	-0.05	0.05	0.09	0.14	—
% Rank Cat	94	66	47	44	—
No. in Cat	630	597	530	353	—

7-day Yield  
30-day SEC Yield

Subsidized  
Unsubsidized

Performance Disclosure  
The overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-544-8544 or visit [www.institutional.fidelity.com](http://www.institutional.fidelity.com).

Fees and Expenses

Sales Charges  
Front-End Load %  
Deferred Load %

NA  
NA

Fund Expenses

Management Fees %  
12bt Expense %

0.03  
NA

Net Expense Ratio %  
Gross Expense Ratio %

0.03  
0.03

Risk and Return Profile

	3 Yr	5 Yr	10 Yr
Morningstar Rating™	597 funds	530 funds	353 funds
	3★	3★	3★
Morningstar Risk	Avg	Avg	Avg
Morningstar Return	Avg	Avg	Avg

Standard Deviation	3 Yr	5 Yr	10 Yr
	23.87	21.17	18.02
Mean	12.04	9.78	11.47
Sharpe Ratio	0.56	0.50	0.66

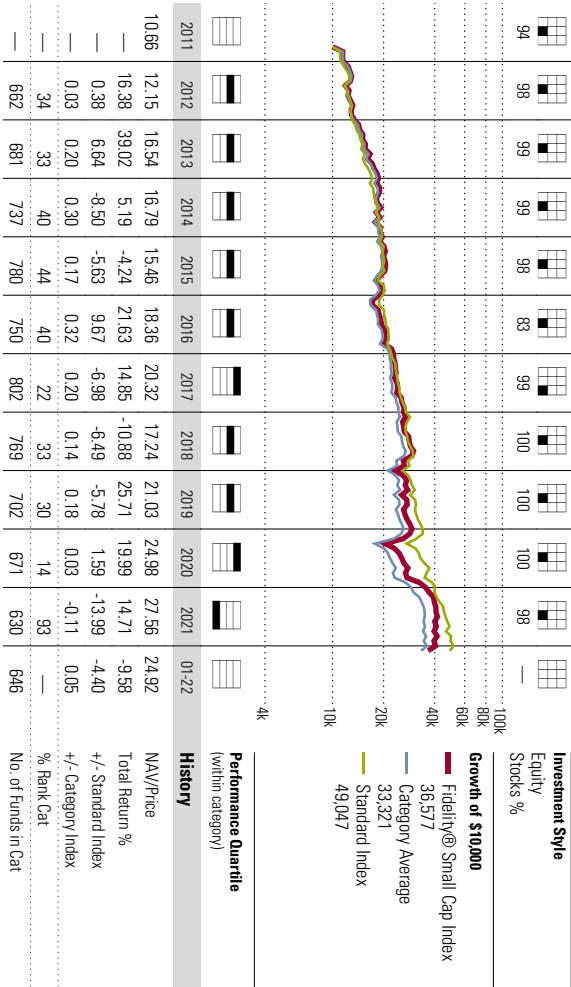
MPT Statistics	Standard Index	Best Fit Index Russell 2000 TR
Alpha	-10.26	0.05
Beta	1.21	1.00
R-Squared	78.57	100.00
12-Month Yield	—	—
Potential Cap Gains Exp	29.48%	—

Operations

Family: Fidelity Investments  
Manager: Multiple  
Tenure: 10.4 Years  
Objective: Small Company

Base Currency: USD  
Ticker: FSSNX  
ISIN: US3161461823  
Minimum Initial Purchase: \$0

Purchase Constraints: A  
Incept: 09-08-2011  
Type: MF  
Total Assets: \$19,597.09 mil



Portfolio Analysis 11-30-2021					
Asset Allocation %	Net %	Long %	Short %	Share Clng since 10-2021	Share Holdings: 2,003 Total Stocks, 1 Total Fixed-Income, 19% Turnover Ratio
Cash	0.00	1.99	1.99	—	—
US Stocks	98.82	98.82	0.00	4,252	E-mini Russell 2000 Index Future D
Non-US Stocks	1.18	1.18	0.00	390 mil	Fidelity Reverse Str Tr
Bonds	0.00	0.00	0.00	4 mil	AMC Entertainment Holdings Inc Cla
Other/Not Clsfd	0.00	0.00	0.00	349,371	Avis Budget Group Inc
Total	100.00	101.99	1.99	976,822	Lattice Semiconductor Corp

Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat
Value	P/E Ratio TTM	16.0	0.69	0.95
Blend	P/C Ratio TTM	11.4	0.66	0.89
Growth	P/B Ratio TTM	2.4	0.55	0.93
	Geo Avg Mkt Cap	2675	0.01	0.58

Fixed-Income Style			Avg Eff Maturity
Ltd	Med	Ext	Avg Eff Duration
	High	Med	Avg Wtd Coupon
		Low	Avg Wtd Price

Credit Quality Breakdown —

Bond %

AAA  
AA  
A  
BBB  
BB  
Below B

Stocks %  
Rel Std Index

Regional Exposure  
Americas  
Greater Europe  
Greater Asia

Defensive  
Consumer Defensive  
Healthcare  
Utilities

Sector Weightings

Cyclical

Stocks %  
Rel Std Index

Basic Materials  
Consumer Cyclical  
Financial Services  
Real Estate

Sensitive  
Communication Services  
Energy  
Industrials  
Technology

Defensive  
Consumer Defensive  
Healthcare  
Utilities

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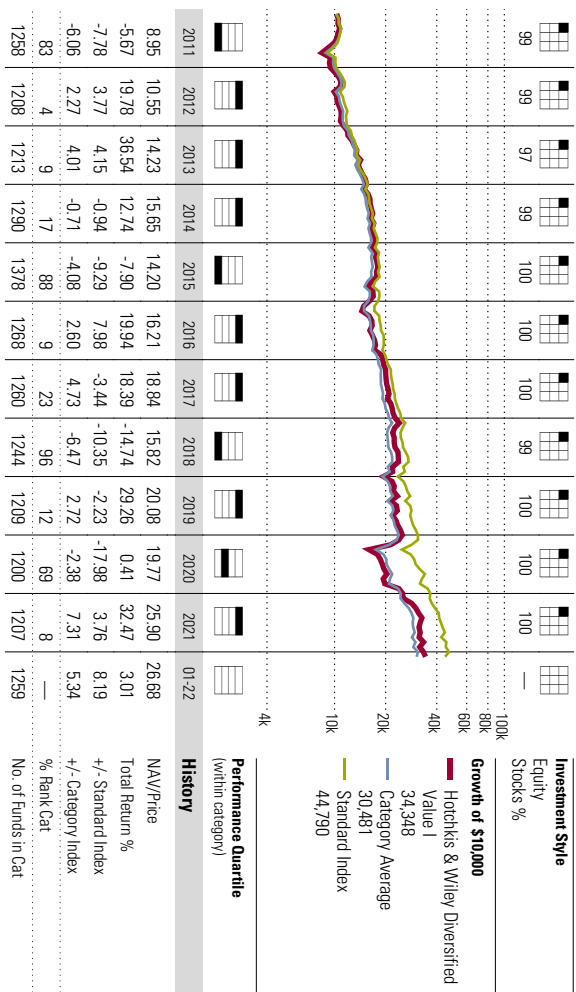
**Morningstar Quantitative  
Rating™**  
**Neutral<sup>a</sup>**

**Overall Morningstar Rating**  
★★  
1,147 US Fund Large Value

**Standard Index**  
S&P 500 TR USD

Category Index	Morningstar Cat
Russell 1000 Value	US Fund Large Value

Performance 01-31-2022						
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %	
2020	-36.40	19.89	1.24	30.08	0.41	
2021	19.58	6.13	-1.43	5.90	32.47	
2022	—	—	—	—	3.01	
Trading Returns	1Yr	3Yr	5Yr	10Yr	Inception	
Load-adj Mthly	35.70	16.30	12.06	13.11	8.37	
Std 12-31-2021	32.47	—	11.66	13.46	8.23	
Total Return	35.70	16.30	12.06	13.11	8.37	
+/- Std Index	12.41	-4.41	-4.72	-2.32	—	
+/- Cat Index	12.33	2.46	1.58	0.82	—	
% Rank Cat	1	22	33	16		
No. in Cat	1210	1147	1039	760		



## Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

	Subsidized	Unsubsidized
7-day Yield	—	—
30-day SEC Yield	—	—

does not guarantee future results. The investment return and the performance data quoted represents past performance and

principal value of an investment will fluctuate; thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost.

*Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 866-493-8637 or visit [www.hwcm.com](http://www.hwcm.com).*

## Fees and Expenses

Sales Charges	NA
Front-End Load %	NA
Deferred Load %	NA

Management Fees %	0.70
12b1 Expense %	NA

Net Expense Ratio %	0.80
Gross Expense Ratio %	1.03

Morningstar Rating™	3 Yr 1,147 funds	5 Yr 1,039 funds	10 Yr 760 funds
Morningstar Risk	2★	2★	2★
Morningstar Return	High +Avg	High +Avg	High +Avg

Standard Deviation	26.24	22.67	18.54
Mean	16.30	12.06	13.11
Sharpe Ratio	0.68	0.57	0.73

MPT Statistics	Standard Index	Best Fit Index		
		Monistep US	Small Bid Val	Ext Tr
		USD		
Alpha	-6.87	3.92		
Beta	1.26	0.94		
R-Squared	70.81	94.66		

12-Month Yield
Potential Cap Gains Exp -15.68%

## Operations

Family:	Hotchkiss & Wiley
Manager:	Multiple
Tenure:	17.5 Years
Objective:	Growth
Base Currency:	USD

Portfolio Analysis 12-31-2021							Net Assets
Asset Allocation %	Net %	Long %	Short %	Share Cng since 11-2021	Share Amount	Holdings : 70 Total Stocks, 0 Total Fixed-Income, 32% Turnover Ratio	%
Cash	0.28	0.28	0.00				
US Stocks	86.36	86.36	0.00				4.76
Non-US Stocks	13.35	13.35	0.00				4.70
Bonds	0.00	0.00	0.00	⊕			4.44
Other/Not Cstfd	0.00	0.00	0.00	⊖			4.25
Total	100.00	100.00	0.00				3.53
					7,600	Anthem Inc	

Equity Style		Portfolio Statistics			
Value	Blend	Port	Rel	Re	
	Growth	Index	Cap	Ratio	
Large		14.9	0.65	0.84	
		P/C Ratio TTM	8.7	0.51	0.66
Mid		P/B Ratio TTM	1.6	0.37	0.56
Small		Geo Avg Mkt Cap	62809	0.29	0.53
		\$mil			

Fixed-Income Style		
Int	Med	Ext

High

Med

Low

Avg Eff Maturity

Avg Eff Duration

Avg Wtd Coupon

Avg Wtd Price

—

—

—

—

Credit Quality Breakdown —	Bond %
AAA	—
AA	—
A	—

BBB	—
BB	—
B	—
Below B	—
NR	—

Regional Exposure	Stocks %	Rel Std Index
Americas	89.3	0.90
Greater Europe	10.7	13.00
Greater Asia	0.0	0.00

Ticker:	HWCI
ISIN:	US44134R7686
Minimum Initial Purchase:	\$250,000

Min Auto Investment Plan:	\$250,000
Purchase Constraints:	—

Share Chg since 11-2021	Share Amount	Holdings : 70 Total Stocks, 0 Total Fixed-Income, 32% Turnover Ratio	Net Assets %
⊕	99,034	Wells Fargo & Co	4.76
⊕	77,674	Citigroup Inc	4.70
⊖	78,000	American International Group Inc	4.44
⊖	44,937	General Electric Co	4.25
	7,600	Anthem Inc	3.53

Company	2010	2011
Marathon Oil Corp	183,400	3,025
General Motors Co	49,200	2,889
Alphabet Inc Class A	990	2,877
PPL Corp	87,200	2,657
Microsoft Corp	7,300	2,467

8,600	FedEx Corp	2.23
26,600	Magna International Inc	2.16
103,100	CNH Industrial NV	2.01
83,300	Discovery Inc C	1.91
⊕		
<b>Sector Weightings</b>		
	Stocks %	Rel Std Index

Category	Value	Value
Cyclical	33.9	1.12
Basic Materials	0.0	0.00
Consumer Cyclical	7.5	0.64
Financial Services	26.4	1.93

	<b>Sensitive</b>	<b>0.986</b>
Communication Services	9.1	0.91
Energy	13.1	3.88
Industrials	12.1	1.49
Technology	12.3	0.47

→	<b>Defensive</b>	<b>19.5</b>	<b>0.88</b>
1	Consumer	2.5	0.35
+	Healthcare	13.8	1.05
+	Utilities	2.2	1.25

Incept:	08-30-2004
Type:	MF
Total Assets:	\$105.74 mil

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# Hotchkis & Wiley High Yield Z (USD)

Morningstar Analyst Rating™

★★★ Silver

02-09-2022

Overall Morningstar Rating™

★★★

632 US Fund High Yield Bond

Category Index

ICE BofA US High Yield TR USD

Bond

Morningstar Cat

US Fund High Yield Bond

Bloomberg US

Agg Bond TR USD

Performance 01-31-2022					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2020	-17.15	10.12	5.22	8.15	3.83
2021	2.04	2.87	0.71	1.07	6.83
2022	—	—	—	—	-2.06
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	4.41	4.68	—	—	3.93
Std 12-31 -2021	6.83	—	—	—	4.60
Total Return	4.41	4.68	4.12	5.66	3.93
+/- Std Index	7.37	1.01	1.04	3.08	—
+/- Cat Index	2.33	-1.29	-1.17	-0.46	—
% Rank Cat	10	72	71	32	—
No. in Cat	678	632	562	373	—

## Performance Disclosure

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Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 866-493-8637 or visit [www.hwmcm.com](http://www.hwmcm.com).

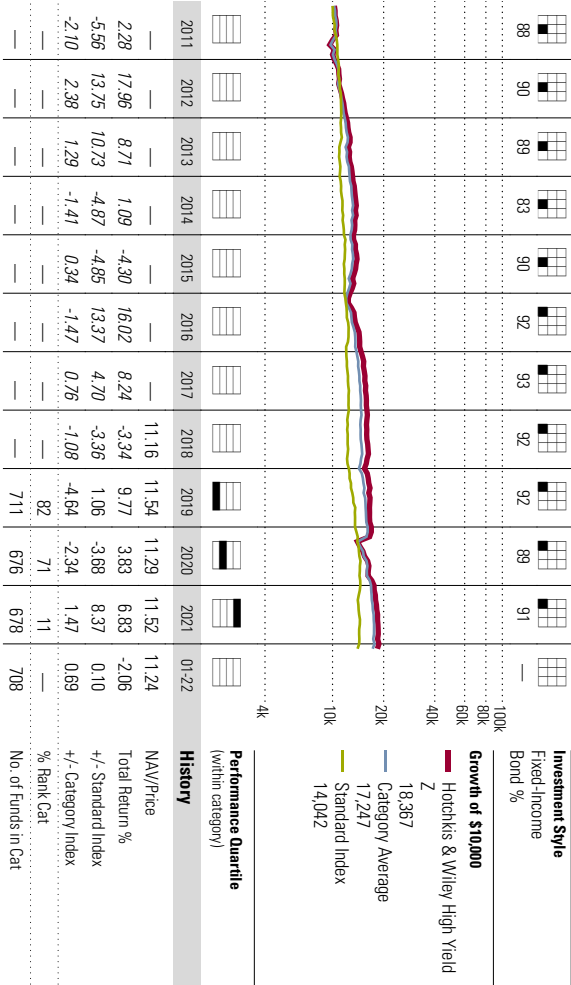
## Fees and Expenses

Sales Charges	
Front-End Load %	NA
Deferred Load %	NA

Fund Expenses	
Management Fees %	0.55
12bt Expense %	NA
Net Expense Ratio %	0.60
Gross Expense Ratio %	0.65
Risk and Return Profile	

Morningstar Rating™	3 Yr	5 Yr	10 Yr
632 funds	2★	2★	3★
Morningstar Risk	High	+Avg	+Avg
Morningstar Return	-Avg	-Avg	+Avg
Standard Deviation	3 Yr	5 Yr	10 Yr
Mean	11.04	8.94	7.33
Beta	4.68	4.12	5.66
Sharpe Ratio	0.40	0.38	0.71
MPI Statistics	Standard Index	Best Fit Index	ICE BofA US High Yield TR USD
Alpha	2.75	-1.98	1.18
Beta	0.58	1.18	95.56
R-Squared	3.57	95.56	4.59%
12-Month Yield			-32.42%
Potential Cap Gains Exp			

Operations	
Family:	Hotchkis & Wiley
Manager:	Multiple
Tenure:	12.9 Years
Objective:	Corporate Bond - High Yield
Base Currency:	USD



## Portfolio Analysis 12-31-2021

Asset Allocation %	Net %	Long %	Short %
Cash	1.35	1.35	0.00
US Stocks	2.58	2.58	0.00
Non-US Stocks	0.00	0.00	0.00
Bonds	90.55	90.55	0.00
Other/Not Cstfd	5.52	5.52	0.00
Total	100.00	100.00	0.00

Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat
Value Blend Growth	P/E Ratio TTM	—	—	—
Large	P/C Ratio TTM	—	—	—
Mid	P/B Ratio TTM	—	—	—
Small	Geo Avg Mkt Cap	—	—	—
	\$mil	—	—	—

Fixed-Income Style	Avg Eff Maturity	7.40
Ltd	Avg Eff Duration	3.73
Med	Avg Wtd Coupon	5.73
Ext	Avg Wtd Price	102.05
High		
Med		
Low		

## Credit Quality Breakdown 12-31-2021

AAA	Bond %
AA	0.00
A	0.00
BBB	4.64
BB	41.64
B	39.71
Below B	3.47
NR	10.54

Regional Exposure	Stocks %	Rel Std Index
Americas	—	—
Greater Europe	—	—
Greater Asia	—	—

Ticker:	HWHZX
ISIN:	US44134BS292
Minimum Initial Purchase:	\$1 mil
Min Auto Investment Plan:	\$1 mil
Purchase Constraints:	—

Investment Style		Performance Quartile (within category)	
Fixed-Income	Bond %	NAV/Price	11.24
18.367		Total Return %	-2.06
17.247		+/- Standard Index	0.10
14.042		+/- Category Index	0.69
		% Rank Cat	—
		No. of Funds in Cat	708
History		History	
Share Cng		Share Holdings :	
Amount		6 Total Stocks : 2,276 Total Fixed-Income, 82% Turnover Ratio	
11-2021		560,222 iShares Broad USD High Yield Corp	
		20 mil CCO Holdings, LLC/ CCO Holdings Ca	
		116,127 Horseshed Equity	
		13 mil Ford Motor Credit Company LLC 5.11	
		14 mil General Electric Company 3.53275%	
		291 Ra Parent Inc. - Restricted Eq	
		10 mil CSC Holdings, LLC 5.75%	
		9 mil Exterran Energy Solutions LP/EES F	
		8 mil Murphy Oil Corporation 6.375%	
		14 mil Boardriders Pref Stk	
		22,361 Iracore Investments Holdings	
		5,802 Fluor Corporation 6.5%	
		7 mil Softbank Group Corp 6%	
		8 mil Mallinckrodt International Finance	
		9 mil BED Bath & Beyond 5.165%	

## Sector Weightings

Cyclical	Stocks %	Rel Std Index
Basic Materials	—	—
Consumer Cyclical	—	—
Financial Services	—	—
Real Estate	—	—
Sensitive	—	—
Communication Services	—	—
Energy	—	—
Industrials	—	—
Technology	—	—
Defensive	—	—
Consumer Defensive	—	—
Healthcare	—	—
Utilities	—	—

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PGI Real Estate Equity Securities (USD)

Overall Morningstar Rating™ Standard Index  
★★★★  
MSCI ACWI NR  
USD  
Category Index  
S&P United  
States REIT TR  
USD  
Morningstar Category™  
Real Estate

Customization	No
Exclude securities	No
Modify sector weightings	No
Consult with portfolio manager	No
Consult with portfolio administrator	No
Tax Lot Harvest Rpt. to Financial Professional	No
Access daily portfolio holdings	No
Access daily performance	No
Access daily risk/MPI stats	No
Annual tax document	No

Tax-Efficiency	No
Use of tax-optimization software	No
Use of tax-lot trading strategies	No
Ability to harvest tax losses	No
Trades analyzed by holding period	No
Lg-term cap gain use in position chgs	No
Analysis of taxable income streams	No
Sell high cost positions first	No
Short-term gain flag before trade	No
Analysis of loss candidates	No

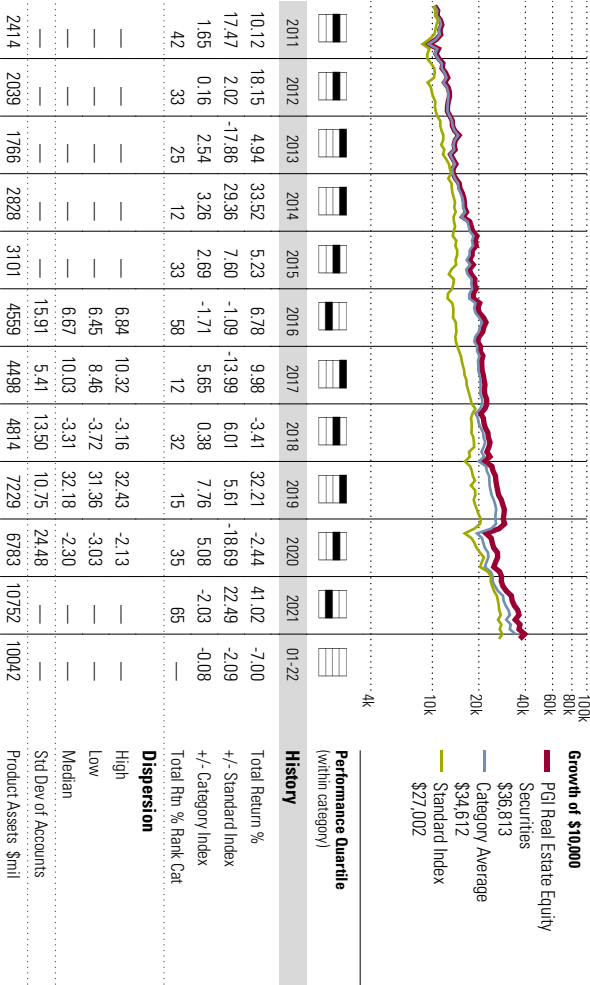
Portfolio Manager(s)  
Kelly Rush Since 04-03-2000 Anthony Kenkel Since 02-01-2005 Keith Bokoxa Since 11-20-2013

Rating and Risk					
Time Period	Morningstar Rtn vs Cat		Morningstar Risk vs Cat		Morningstar Rating
3 Yr	Avg		Avg		3★
5 Yr	+Avg		-Avg		4★
10 Yr	+Avg		Avg		4★
Gross Performance 01-31-2022					
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total
2018	-4.99	6.95	1.47	-6.32	-3.41
2019	17.60	3.32	8.02	0.72	32.21
2020	-22.65	12.09	2.89	9.36	-2.44
2021	7.28	12.38	1.73	14.98	41.02
2022	—	—	—	—	-7.00

Trailing	Total	+/- Std Index	% Rank	Growth of \$10,000
1 Mo	-7.00	-2.09	—	9300
3 Mo	-0.25	3.24	—	9975
1 Yr	31.77	18.54	—	13177
3 Yr	14.89	-0.53	—	15165
5 Yr	12.54	-0.10	—	18056
10 Yr	12.13	1.47	—	31434
15 Yr	7.86	1.24	—	31116

Risk and Return Profile	Standard Index	Best Fit Index Morningstar US Real Estate TR USD
Alpha	1.97	3.52
Beta	0.85	0.94
R-Squared	66.00	97.84
Standard Deviation	17.33	17.33
Mean	14.69	14.69
Sharpe Ratio	0.83	0.83
12-Month Yield	—	—

Operations	Both
Product Focus:	Investment Minimum (\$mil): 25
% Portfolios Customized:	—
% Portfolio Tax-Managed:	—



Portfolio Analysis 12-31-2021	Net %	Long %	Short %	Share Cng	Share Holdings: Amount	46 Total Stocks, 0 Total Fixed-Income, 21% Turnover Ratio	Net Assets %
Composition %	1.63	1.63	0.00	since 09-2021	8,863	Pololigs Inc	7.57
Cash	98.37	98.37	0.00	—	1,415	Equinix Inc	6.07
US Stocks	0.00	0.00	0.00	—	24,476	Invitation Homes Inc	5.63
Non-US Stocks	0.00	0.00	0.00	—	4,096	AvalonBay Communities Inc	5.25
Bonds	0.00	0.00	0.00	—	3,826	Extra Space Storage Inc	4.40
Other/Not Cisd	0.00	0.00	0.00	—	2,437	Essex Property Trust Inc	4.35
Total	100.00	100.00	0.00	—	3,847	Sun Communities Inc	4.10

Equity Style	Market Cap	Rel	Value	Brand	Growth	Geo Avg Cap(\$mil)	20,801.3
Value Grades	%	Growth Grades	%	—	—	—	—
Price/Earnings	40.24	Projected Eings	8.71	—	—	—	—
Price/Book	2.87	Book Value	3.15	—	—	—	—
Price/Sales	9.67	Sales	-2.53	—	—	—	—
Price/Cash Flow	23.64	Cash Flow	3.37	—	—	—	—
Dividend Yield	2.41	Trailing Earnings	-1.32	—	—	—	—

Fixed-Income Style	Avg Eff Duration	Avg Eff Maturity	Avg Wtd Coupon	Avg Wtd Price	Total Account Value (\$mil)	Number of Accounts
Account Size Breakdown	1.06	1.19	0	—	—	—
Less than \$250,000	1.06	1.19	0	—	—	—
\$250,000 - \$1 million	1.19	1.19	0	—	—	—
\$1 million - \$10 million	1.19	1.19	0	—	—	—
More than \$10 million	1.19	1.19	0	—	—	—

Address:	801 Grand Avenue	Date of Inception:	2000-04-03
Phone:	800-533-1390	GRFS Compliance Date:	2000-04-01
Web Address:	http://www.pricipalglobal.com/	No. of Accounts:	14
		Total Assets:	\$10,042.41 mil

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# PIMCO Dynamic Bond Instl (USD)

Morningstar Analyst Rating™ Overall Morningstar Rating™ Standard Index

★★★★

296 US Fund Nontraditional Agg Bond TR USD

Category Index Morningstar Cat

ICE BofA USD 3M US Fund

Dep OR CM TR Nontraditional Bond

Performance 01-31-2022					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2020	-5.22	6.42	2.08	2.39	5.43
2021	0.82	0.31	0.07	-0.88	0.31
2022	—	—	—	—	-0.62
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	-0.84	2.84	3.41	2.96	3.81
Std 12.31-2021	0.31	—	3.76	3.15	3.89
Total Return	-0.84	2.84	3.41	2.96	3.81
+/- Std Index	2.13	-0.83	0.33	0.38	—
+/- Cat Index	-0.98	1.65	2.02	2.08	—
% Rank Cat	67	62	29	47	—
No. in Cat	329	296	261	123	—

**Performance Disclosure**  
The overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate, thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost.

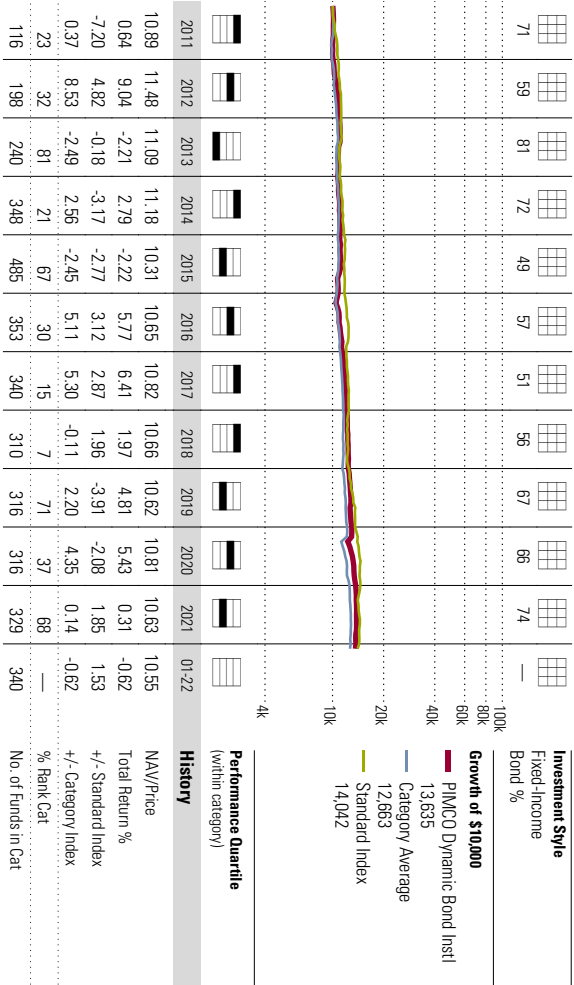
Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 888-877-4626 or visit [www.pimco.com](http://www.pimco.com).

Sales Charges	Subsidized	Unsubsidized
7-day Yield	—	—
30-day SEC Yield 01-31-22	1.84	1.84

Front-End Load %	NA
Deferred Load %	NA
Fund Expenses	0.80
Management Fees %	NA
12b1 Expense %	0.83
Net Expense Ratio %	0.83
Gross Expense Ratio %	0.83
Risk and Return Profile	0.83
Morningstar Rating™	3★
Morningstar Risk	4★
Morningstar Return	3★

Standard Deviation	3 Yr	5 Yr	10 Yr
Mean	4.02	3.22	3.10
Sharpe Ratio	2.84	3.41	2.96
MPT Statistics	Standard Index	Best Fit Index	S&P/STA
Alpha	1.53	Leveraged loan TR	0.21
Beta	0.20	0.43	0.43
R-Squared	3.10	83.27	83.27
12-Month Yield	2.01%		
Potential Cap Gains Exp	-9.60%		

Family:	PIMCO
Manager:	Multiple
Tenure:	7.4 Years
Objective:	Growth and Income
Base Currency:	USD



Portfolio Analysis 09-30-2021											
Asset Allocation %			Net %			Long %			Short %		
Cash			-2.23	37.34	39.57	0.00	0.00	0.00	0.00	0.00	0.00
US Stocks			0.00	0.00	0.00	0.06	0.06	0.00	0.00	0.00	0.00
Non-US Stocks			0.06	0.06	0.00	0.06	0.06	0.00	0.00	0.00	0.00
Bonds			88.87	147.22	58.35	13.30	13.30	0.00	0.00	0.00	0.00
Other/Not Cstfd			13.30	13.30	0.00	197.93	97.93				
Total			100.00	197.93	97.93						

Equity Style		Portfolio Statistics		Port Avg Index		Rel Index Cat	
Value	Brand Growth	P/E Ratio TTM	3.2	—	—	—	—
Large	Mid	P/C Ratio TTM	0.1	—	—	—	—
Mid	Small	P/B Ratio TTM	0.1	—	—	—	—
Small		Geo Avg Mkt Cap	2691	—	0.44	—	—

Fixed-Income Style		Avg Eff Maturity		2.26	
Ltd	Med	Avg Eff Duration	1.98	—	—
Med	Ext	Avg Wtd Coupon	—	—	—
High	Low	Avg Wtd Price	—	—	—

Credit Quality Breakdown —		Bond %	
AAA	—	—	—
AA	—	—	—
A	—	—	—
BBB	—	—	—
BB	—	—	—
B	—	—	—
Below B	—	—	—
NR	—	—	—
Regional Exposure		Stocks %	
Americas	0.0	100.0	—
Greater Europe	0.0	—	—
Greater Asia	0.0	—	—

Sector Weightings		Stocks %	
Cyclical	100.0	—	—
Basic Materials	0.0	—	—
Consumer Cyclical	0.0	—	—
Financial Services	100.0	—	—
Real Estate	0.0	—	—
Sensitive	0.0	—	—
Communication Services	0.0	—	—
Energy	0.0	—	—
Industrials	0.0	—	—
Technology	0.0	—	—
Defensive	0.0	—	—
Consumer Defensive	0.0	—	—
Healthcare	0.0	—	—
Utilities	0.0	—	—

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**Morningstar Cat**  
US Fund Intermediate  
Core Bond

Investment Style	Fixed-Income	Bond %
94	<div><div></div></div>	
97	<div><div></div></div>	
96	<div><div></div></div>	
97	<div><div></div></div>	
97	<div><div></div></div>	
95	<div><div></div></div>	
97	<div><div></div></div>	
98	<div><div></div></div>	
96	<div><div></div></div>	
96	<div><div></div></div>	
97	<div><div></div></div>	
96	<div><div></div></div>	
Growth of \$10,000		
Sterling Capital Total Return		
Bond 86		
14,954		
Category Average		
13,993		
Standard Index		
14,042		
Performance Quartile (within category)		
History		
2011	<div><div></div></div>	
2012	<div><div></div></div>	
2013	<div><div></div></div>	
2014	<div><div></div></div>	
2015	<div><div></div></div>	
2016	<div><div></div></div>	
2017	<div><div></div></div>	
2018	<div><div></div></div>	
2019	<div><div></div></div>	
2020	<div><div></div></div>	
2021	<div><div></div></div>	
01-22	<div><div></div></div>	

Purchase Constraints:	A
Incept:	02-01-2018
Type:	MF
Total Assets:	\$1,398.44 mil

**MCORNINGSTAR®**

## Sterling Mid Cap Value Instl (USD)

Overall Morningstar Rating™ Standard Index  
★★★ S&P 500 TR USD

Category Index	Morningstar C
Russell Mid Cap	Mid-Cap Value
Value TR USD	

Customization	
Exclude securities	By Rec
Modify sector weightings	By Rec
Consult with portfolio manager	By Rec
Consult with portfolio administrator	By Rec
Tax Lot Harvest: Rpt to Financial	By Rec
Professional	By Rec
Access daily portfolio holdings	By Rec
Access daily performance	By Rec
Access daily risk/MRP stats	By Rec
Annual tax document	By Rec

Portfolio Manager(s)	Tax-Efficiency
By Reed	Use of tax-optimization software
By Reed	Use of tax-lot trading strategies
By Reed	Ability to harvest tax losses
By Reed	Trades analyzed by holding period
By Reed	Long-term capital gain use in position changes
By Reed	Analysis of taxable income streams
By Reed	Sell high cost positions first
By Reed	Short-term gain flag before trade
By Reed	Analysis of loss candidates

Portfolio Manager(s)

Patrick Rau Since 07-06-2020, Robert Bridges Since 04-01-

1999, Lee Houser Since 05-01-2006, William Smith Since 05-

01-2015,A Williams Since 06-18-2019,James Curtis Since

02-24-2020

Rating and Risk		
Time Period	Morningstar Risk vs Cat	Morningstar Rating
3 Yr	+Avg	3★
5 Yr	Avg	3★
10 Yr	+Avg	3★

Gross Performance 12.31.2021					
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total
2017	7.27	0.25	1.23	5.69	15.00
2018	-0.67	1.98	0.77	-18.77	-17.00
2019	14.81	4.48	1.19	7.67	30.66
2020	-32.33	23.88	5.83	24.50	10.44
2021	15.26	3.51	-2.39	5.73	23.11

Trailing	Total	+/- Std Index	% Rank	Growth or
	Return %		Cat	\$10,000
1 Mo	6.72	—	36	1067.4
3 Mo	5.73	—	85	1057.3
1 Yr	23.13	—	84	1231.3
3 Yr	21.13	—	32	1777.7
5 Yr	11.14	—	53	1695.5
10 Yr	13.40	—	52	3515.1
15 Yr	9.49	—	50	3893.9

## Risk and Return Profile

	Standard Index	Best Fit Index
	Morningstar US Mid Cap	Brid Val TR USD
Alpha	-9.64	0.75
Beta	1.30	1.05
R-Squared	81.88	96.36
Standard Deviation		25.11
Mean		21.13
Sharpe Ratio		0.86
12-Month Yield		—

<b>Operations</b>	
Product Focus:	Both
Investment Minimum(\$mil):	0.1
% Portfolios Customized:	0
% Portfolio Tax-Managed:	—

[illegible]

Portfolio Analysis 12-31-2021						
Composition %	Net %	Long %	Short %	Share Chg since 09-2021	Share Amount	Holdings: 39 Total Stocks, 0 Total Fixed-Income, 36% Turnover Ratio
Cash	1.83	1.83	0.00			
US Stocks	97.30	97.30	0.00			
Non-US Stocks	0.87	0.87	0.00	⊕	140,096	Centime Corp
Bonds	0.00	0.00	0.00		102,026	Crown Holdings Inc
Other/Not Clsfd	0.00	0.00	0.00		100,297	CBRE Group Inc Class A
					226,867	Corveia Inc
Total	100.00	100.00	0.00	⊕	155,674	ALLETE Inc
						Net Asset

Equity Style	Market Cap	Re
	Giant	0.0
	Large	8.1
	Medium	53.
	Small	366
	Micro	19
	Value	
	Blind	
	Growth	

Geo Avg Cap(\$mil)	12,494.0
--------------------	----------

Value Grades	%	Growth Grades	%
Price/Earnings	15.02	Projected Emrgs	17.66
Price/Book	1.88	Book Value	7.40
Price/Sales	1.22	Cash Flow	7.17
Price/Cash Flow	10.70	Cost Flow	8.00
Dividend Yield	1.91	Trailing Earnings	5.55










Fixed-Income Style		
		Avg Eff Duration
		Avg Eff Maturity
		Avg Wtd Coupon
		Avg Wtd Price
High		
Med		
Low		

Account Size Breakdown	Total Account Value (\$mil)	Number of Accounts
Less than \$250,000	0.00	0
\$250,000 - \$1 million	0.00	0
\$1 million - \$10 million	9.02	2
More than \$10 million	762.65	9

Address: Sterling Capital Management LLC 4350  
Congress Street Suite 1000  
Phone: 704-372-8670  
Web Address: [www.sterlingcapital.com](http://www.sterlingcapital.com)

334,348	Trinity Industries Inc	3.4
65,667	M&T Bank Corp	3.3
75,301	ASGN Inc	3.1
462,516	SLM Corp	3.0
36,282	McKesson Corp	3.0
<hr/>		
⊕		
65,313	Global Payments Inc	2.9
28,078	Laboratory Corp of America Holdings	2.9
62,444	Jacobs Engineering Group Inc	2.9
72,854	Euronet Worldwide Inc	2.9
7,003	Markel Corp	2.9

Stocks %	Rel Std Index	Sector Weightings
41.9	1.3	Cyclical
3.7	1.6	Basic Materials
15.2	1.3	Consumer Cyclical
19.3	1.4	Financial Services
3.7	1.4	Real Estate

	<b>Sensitive</b>	<b>32.7</b>	<b>0.6</b>
	Communication Services	6.7	0.6
	Energy	2.2	0.6
	Industrials	12.1	1.4
	Technology	11.7	0.4
	<b>Defensive</b>	<b>25.4</b>	<b>1.1</b>
	Consumer Defensive	3.3	0.5
	Healthcare	16.2	1.2
	Utilities	5.9	2.3

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	<b>Morningstar Analyst Rating™</b>	<b>Overall Morningstar Rating™</b>	<b>Standard Index</b>	<b>Category Index</b>	<b>Morningstar Cat</b>
<b>Bronze</b>	★★★★	726 US Fund Diversified	MSCI ACWI Ex USA NR USD	MSCI EM NR USD	US Fund Diversified Emerging Mkts
03-30-2021					

[illegible]

Performance Quartile (within category)	History												NAV/Price Total Return % +/- Standard Index +/- Category Index % Rank Cat No. of Funds in Cat
	01-22	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	

Portfolio Analysis 01-31-2022				Top Holdings 12-31-2021		
Asset Allocation % 12-31-2021	Net %	Long %	Short %	Share Chng Since 12-2021	Share Holdings: Amount	Net Asset %
Cash	2.31	2.31	0.00		4,377 Total Stocks, 0 Total Fixed-Income, 9% Turnover Ratio	
US Stocks	0.14	0.14	0.00	⊕	263 mli Taiwan Semiconductor Manufacturing	5.11%
Non-US Stocks	97.38	97.38	0.00	⊕	83 mli Tencent Holdings Ltd	4.33%
Bonds	0.00	0.00	0.00	⊕	198 mli Alibaba Group Holding Ltd Ordinary	2.55%
Other/Not Clsfd	0.17	0.17	0.00	⊕	14 mli Taiwan Semiconductor Manufacturing	1.55%
Total	100.00	100.00	0.00	⊖		

[illegible]

Fixed-Income Style	
⊕	32 mil VALVE SA
⊕	14 mil Tarta Consultancy Services Ltd
⊕	146 mil Gazprom PJSC
⊕	17 mil Al Ralpli Bank
⊕	1,106 mil Industrial And Commercial Bank Of
Sector Weightings	
	Stocks %
🔄 Cyclical	45.8
🏠 Basic Materials	9.4
	1.1

AAA	—	🏠	Consumer Cyclical	13.0	1.17
AA	—	💼	Financial Services	20.4	1.00
A	—	🏡	Real Estate	3.0	1.2
BBB	—	👁️	<b>Sensitive</b>	<b>41.4</b>	<b>1.1</b>
BB	—	📞	Communication Services	10.5	1.5
B	—	⚡	Energy	6.1	1.11
Below B	—	🏭	Industrials	6.4	0.51
NR	—	💻	Technology	18.3	1.4
<b>Regional Exposure</b>	Stocks %	Rel Std Index	→ <b>Defensive</b>	<b>12.8</b>	<b>0.6</b>
Americas	8.6	0.80	🛒 Consumer Defensive	5.5	0.61
Greater Europe	15.2	0.34	🏥 Healthcare	4.3	0.41
Greater Asia	76.2	1.73	💡 Utilities	3.1	1.01

Base Currency:	USD	Purchase Constraints:	—
Ticker:	VEMAX	Incept:	06-23-2006
ISIN:	US9220428414	Type:	MF
Minimum Initial Purchase:	\$3,000	Total Assets:	\$84,035.30 mil

**MORNINGSTAR**

Victory Trivalent  
International Sm-Cp I (USD)

  
02-01-2022

Morningstar Analyst Rating™

Overall Morningstar Rating™

Standard Index

Category Index

Morningstar Cat

★★★★★

88 US Fund Foreign

Small/Mid Blend

MSCI ACWI EX

US Fund Foreign

Small/Mid Blend

MSCI World EX

US Fund Foreign

Small/Mid Blend

MSCI NR USD

USA NR USD

MSCI SMID NR USD

Small/Mid Blend

Performance 01-31-2022						
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %	
2020	-27.84	26.37	12.36	12.64	15.42	
2021	4.72	6.50	-0.55	1.34	12.39	
2022	—	—	—	—	-6.71	
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept	
Load-adj Mthly	5.89	12.27	10.18	10.81	5.47	
Std 12-31-2021	12.39	—	12.66	12.40	6.01	
Total Return	5.89	12.27	10.18	10.81	5.47	
+/- Std Index	2.27	3.18	2.14	4.63	—	
+/- Cat Index	3.63	2.91	2.35	3.12	—	
% Rank Cat	66	14	1	1		
No. in Cat	93	88	74	46		

7-day Yield —  
30-day SEC Yield 01-31-22 1.07 <sup>1</sup> 0.85  
1. Contractual waiver. Expires 10-31-2022

**Performance Disclosure**  
The overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost.

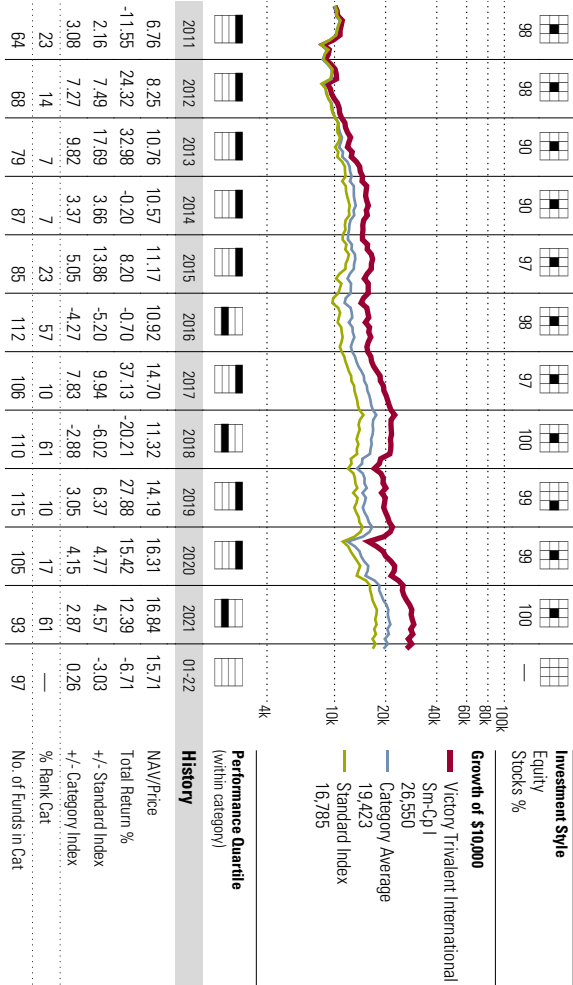
Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-539-3863 or visit [www.VictoryFunds.com](http://www.VictoryFunds.com).

Fees and Expenses	
Sales Charges	NA
Front-End Load %	NA
Deferred Load %	NA
Fund Expenses	
Management Fees %	0.32
12b1 Expense %	0.00
Net Expense Ratio %	0.97
Gross Expense Ratio %	1.19
Risk and Return Profile	

Morningstar Rating™	3 Yr 88 funds	5 Yr 74 funds	10 Yr 46 funds
	4★	5★	5★
Morningstar Risk	Avg	+Avg	High
Morningstar Return	+Avg	High	High

Standard Deviation	3 Yr 20.10	5 Yr 17.98	10 Yr 15.64
Mean	12.27	10.18	10.81
Shape Ratio	0.64	0.57	0.70
MPT Statistics	Standard Index	Best Fit Index	MSCI World Ex USA
Alpha	2.33	2.69	SMD NR USD
Beta	1.13	1.01	
R-Squared	89.46	95.09	
12-Month Yield		1.74%	
Potential Cap Gains Exp		27.02%	

Operations	
Family:	Victory Capital
Manager:	Multiple
Tenure:	14.5 Years
Objective:	Small Company
Base Currency:	USD



Portfolio Analysis 12-31-2021			
Asset Allocation %		Net %	Long %
Cash		0.02	0.02
US Stocks		2.28	2.28
Non-US Stocks		97.36	97.36
Bonds		0.00	0.00
Other/Not Cstfd		0.34	0.34
Total		100.00	100.00
Equity Style		Portfolio Statistics	
Value	Brand Growth	P/E Ratio TTM	Port Avg Index
Large	Mid	P/C Ratio TTM	Rel Cat
Mid	Small	P/B Ratio TTM	1.8
Small		Geo Avg Mkt Cap	3695
			0.08
			1.34
Fixed-Income Style		Credit Quality Breakdown	
Ltd	Med	Avg Eff Maturity	Bond %
Med	Ext	Avg Eff Duration	—
High	Low	Avg Wtd Coupon	—
Low		Avg Wtd Price	—
			—
Sector Weightings		Stocks %	Rel Std Index
1/ Cyclical		41.5	0.98
Basic Materials		8.8	1.06
Consumer Cyclical		12.3	1.11
Financial Services		9.9	0.49
Real Estate		10.5	4.25
2/ Sensitive		44.8	1.20
Communication Services		6.8	0.97
Energy		2.4	0.43
Industrials		22.3	1.90
Technology		13.3	1.03
3/ Defensive		13.7	0.67
Consumer Defensive		3.2	0.39
Healthcare		9.3	1.01
Utilities		1.2	0.41

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# Westfield Mid Cap Growth Equity CIT C (USD)

**Standard Index** **Category Index** **Morningstar Category™**  
S&P 500 TR USD Russell Mid Cap Mid-Cap Growth  
Growth TR USD

Portfolio Manager(s)

Management Team Since 01-02-2020

Rating and Risk

Time Period	# of Funds in Cat	Morningstar Rtn vs Cat	Morningstar Risk vs Cat	Morningstar Rating
3 Yr	539	—	—	—
5 Yr	494	—	—	—
10 Yr	380	—	—	—

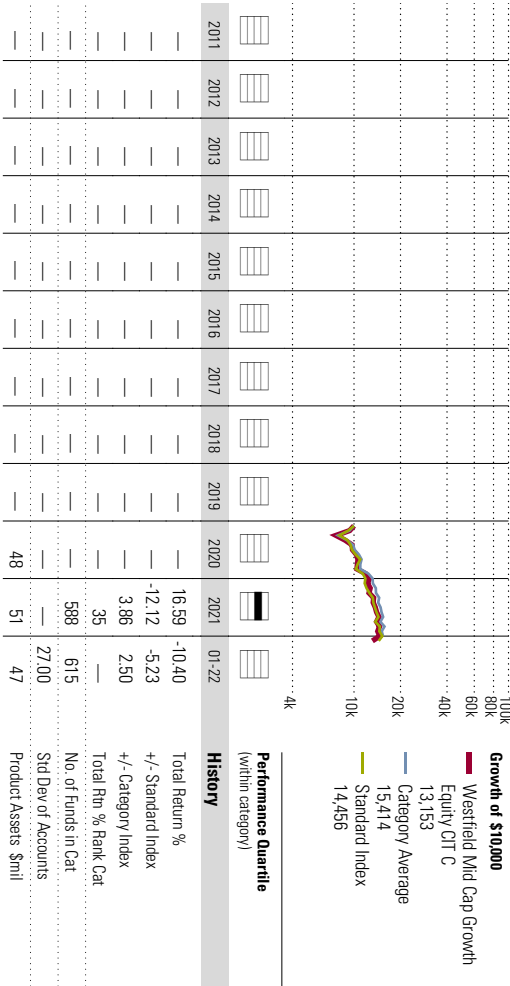
Net Performance 01-31-2022

	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total
2018	—	—	—	—	—
2019	—	—	—	—	—
2020	—	27.84	7.66	19.66	—
2021	-0.70	9.85	1.94	4.86	16.59
2022	—	—	—	—	-10.40

Risk and Return Profile 3 Yr

	Total Return %	+/- Std Index	% Rank Cat	Growth of \$10,000
1 Mo	-10.40	-5.23	27	8960
3 Mo	-10.10	-8.49	21	8990
1 Yr	7.57	-15.72	19	10757

	Standard Index	Best Fit Index
Alpha	—	—
Beta	—	—
R-Squared	—	—
Standard Deviation	—	—
Mean	—	—
Shape Ratio	—	—
12-Month Yield	—	—



Portfolio Analysis 12-31-2021

Composition %	Net %	Long %	Short %	Share Chg since 11-2021	Share Amount	Holdings : 56 Total Stocks, 0 Total Fixed-Income, 122% Turnover Ratio	Net Assets %
Cash	0.00	0.00	0.00				
US Stocks	88.38	88.38	0.00			4,960 Fortnet Inc	3.47
Non-US Stocks	9.73	9.73	0.00			5,750 Icon PLC	3.47
Bonds	0.00	0.00	0.00			2,790 Palo Alto Networks Inc	3.02
Other/Not Cstfd	1.89	1.89	0.00			7,990 Arthur J. Gallagher & Co	2.64
Total	100.00	100.00	0.00	⊕		1,816 IDEX Laboratories Inc	2.33

Equity Style	Market Cap	Rel
⊕	3,370 Rockwell Automation Inc	2.29
	9,660 Live Nation Entertainment Inc	2.25
	10,810 Zendesk Inc	2.19
⊕	7,177 Seagen Inc Ordinary Shares	2.16
	9,240 TransUnion	2.13
	7,220 Copart Inc	2.13
	3,600 NICE Ltd ADR	2.13
	12,500 Microchip Technology Inc	2.12
	2,630 Ulla Beauty Inc	2.11
	6,480 LPL Financial Holdings Inc	2.02

Value Grades	%	Growth Grades	%
Price/Earnings	30.62	Projected Engfs	16.84
Price/Book	5.83	Book Value	7.60
Price/Sales	4.49	Sales	2.40
Price/Cash Flow	21.65	Cash Flow	6.54
Dividend Yield	0.51	Trailing Earnings	13.01

Fixed-Income Style	Avg Eff Duration	Avg Eff Maturity	Avg Wtd Coupon	Avg Wtd Price
High	—	—	—	—
Mid	—	—	—	—
Low	—	—	—	—

Account Size Breakdown	Total Account Value (\$mil)	Number of Accounts
Less than \$250,000	—	—
\$250,000 - \$1 million	—	—
\$1 million - \$10 million	—	—
More than \$10 million	—	—

Sector Weightings	Stocks %	Rel Std Index
🔄 Cyclical	24.2	0.80
🏠 Basic Materials	3.0	1.35
🏢 Consumer Cyclical	10.4	0.88
🏢 Financial Services	8.0	0.59
🏠 Real Estate	2.9	1.07
🏢 Sensitive	57.2	1.20
🏢 Communication Services	3.8	0.38
⚡ Energy	1.9	0.58
🏢 Industrials	18.9	2.32
🏢 Technology	32.5	1.25
🛡️ Defensive	18.6	0.84
🛡️ Consumer Defensive	0.0	0.00
🏥 Healthcare	18.6	1.42
🏠 Utilities	0.0	0.00

Operations	Address:	1717 Main Street	Date of Inception:	2020-01-02
Product Focus:	Investment Minimum (\$mil):	—	GIIPS Compliance Date:	—
% Portfolios Customized:	Web Address:	—	No. of Accounts:	—
% Portfolio Tax-Managed:		—	Total Asset - Share Class:	\$46.54 mil

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# Section 6

## Statistic Definitions

<b>Annualized Standard Deviation</b>	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.
<b>Downside / Upside Deviation</b>	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.
<b>Alpha</b>	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.
<b>Beta</b>	Measures the systematic market risk and is equal to the change in portfolio performance in relation to the change in portfolio performance/index performance.
<b>R-Squared</b>	The "goodness of fit" to a benchmark. The percentage of a manager's return that is "explained" by the benchmark
<b>Tracking Error</b>	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.
<b>Information Ratio</b>	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.
<b>Sharpe Ratio</b>	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.
<b>Downside Capture Ratio</b>	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 $< 0$ .
<b>Upside Capture Ratio</b>	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 $> 0$ .
<b>Annualized Excess Return over Risk Free</b>	Difference between the portfolio and the risk-free benchmark's return, annualized.
<b>Annualized Active Return</b>	Difference between the portfolio and the benchmark's return, annualized
<b>Correlation</b>	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.

## Spokane Employees' Retirement System

As of December 31, 2021

Account Name	From Date	To Date	Benchmark
SERS Plan Total	03/01/2019	Present	10% Blmbg. U.S. Aggregate, 5% Blmbg. U.S. Corp: High Yield Index, 8% HFRI FOF: Conservative Index, 21% S&P 500 Index, 11% Russell 2500 Index, 15% MSCI AC World ex USA (Net), 4% MSCI AC World ex USA Small Cap (Net), 3% MSCI Emerging Markets (Net), 7% HFRI Fund of Funds Composite Index, 7% HFRI ED: Distressed/Restructuring Index, 6% NCREIF ODCE VW NET, 3% FTSE NAREIT Comp REIT
	10/01/2016	03/01/2019	10% Blmbg. U.S. Aggregate, 5% Blmbg. U.S. Corp: High Yield Index, 8% HFRI FOF: Conservative Index, 21% S&P 500 Index, 11% Russell 2500 Index, 15% MSCI AC World ex USA (Net), 4% MSCI AC World ex USA Small Cap (Net), 3% MSCI Emerging Markets (Net), 7% HFRI Fund of Funds Composite Index, 7% HFRI ED: Distressed/Restructuring Index, 9% NCREIF ODCE VW NET
	07/01/2010	10/01/2016	1% 1 Year U.S. Treasury Note, 5% Russell 2000 Index, 8% Russell Midcap Index, 34% S&P 500 Index, 15% Blmbg. U.S. Aggregate, 5% Blmbg. U.S. Corp: High Yield Index, 3% NCREIF Property Index, 17% MSCI AC World ex USA (Net), 3% FTSE NAREIT All REITs Index, 5% Blmbg. Global Aggregate, 4% S&P GSCI Composite TR Index
	01/01/2007	07/01/2010	1% 90 Day U.S. Treasury Bill, 5% Russell 2000 Index, 5% Russell Midcap Index, 34% S&P 500 Index, 13% Blmbg. U.S. Aggregate, 5% Blmbg. U.S. Corp: High Yield Index, 24% MSCI AC World ex USA (Net), 4% FTSE NAREIT All REITs Index, 6% Blmbg. Global Aggregate, 3% NCREIF Property Index