

Spokane Employees' Retirement System (SERS)
Board Meeting, 1:00 p.m. July 1, 2020
WebEx Meeting

AGENDA

- 1) Moss Adams – December 31, 2019 Audit Report
 - Information
- 2) Minutes of the June 3, 2020 Meeting
 - Motion
- 3) Director's Report
 - a) Retirements
 - Motion
 - b) Withdrawals
 - Motion
 - c) Vesting
 - Information
 - d) Deaths
 - Information
 - e) Expenditure Summary Report – June 2020
 - Motion
 - f) Schedule of Investments – June 2020
 - Information
 - g) Cash Reconciliation – July 2020
 - Information
 - h) Other Business
- 4) Contribution Interest Rates
 - Motion
- 5) Other Business
- 6) Next Meeting – **Wednesday, August 5th at 1:00 p.m.**

****Please note:** The July SERS Board meeting will be held via [WebEx Meeting](https://spokanecity.webex.com/spokanecity/j.php?MTID=m1535695c84612721b39857fc1f062ee8).
(<https://spokanecity.webex.com/spokanecity/j.php?MTID=m1535695c84612721b39857fc1f062ee8>)

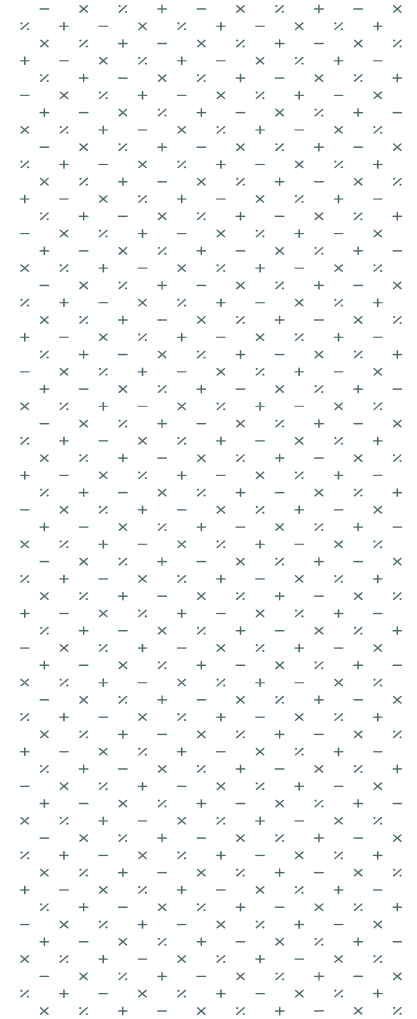
Meeting dial-in number: 1-408-418-9388
Meeting number (access code): 146 869 3838
Meeting password: SERS



Spokane Employees' Retirement System

2019 Audit Results

Board of Administration Meeting
July 1, 2020



Board of Administration

Spokane Employees' Retirement System

Dear Board of Administration:

Thank you for your engagement of Moss Adams LLP. We are pleased to have the opportunity to meet with you to discuss the results of our audit of the financial statements of Spokane Employees' Retirement System (SERS) for the year ended December 31, 2019.

The accompanying report, which is intended solely for the use of the Board of Administration and Management and not intended to be, and should not be, used by anyone other than these specified parties, presents important information regarding SERS's financial statements and our audit that we believe will be of interest to you.

We conducted our audit with the objectivity and independence that you expect. We received the full support and assistance of SERS' personnel. We are pleased to serve and be associated with SERS as its independent public accountants and look forward to our continued relationship.

We look forward to discussing our report or any other matters of interest with you during this meeting.





Agenda

- Your Audit Team
- Critical Audit Areas
- Auditor's Report
- Communication with Those Charged with Governance
- Financial Highlights
- Accounting Update
- Thank You/Questions

Service Team

Tammy Erickson, CPA, Partner – Engagement Reviewer

Laurie Tish, CPA, Partner – Concurring Reviewer

Ashlee Lent, CPA, Manager

Mike Oien, CPA, Senior

Chloe Epker, Staff



Critical Audit Areas



Critical Audit Areas

- **Investments and investment income**
 - Confirmation of existence and valuation of ending values and investment income
 - Valuation to third party indices or receipt of audited financial statements and recalculation of ownership share (alternative investments)
 - Analytical procedures for investment earnings
 - Testing of controls over investments
 - Fair value hierarchy disclosures

- **Contributions**
 - Traced employer and employee contributions to supporting documentation
 - Recalculated contribution amounts for a sample of participants
 - Analytical procedures

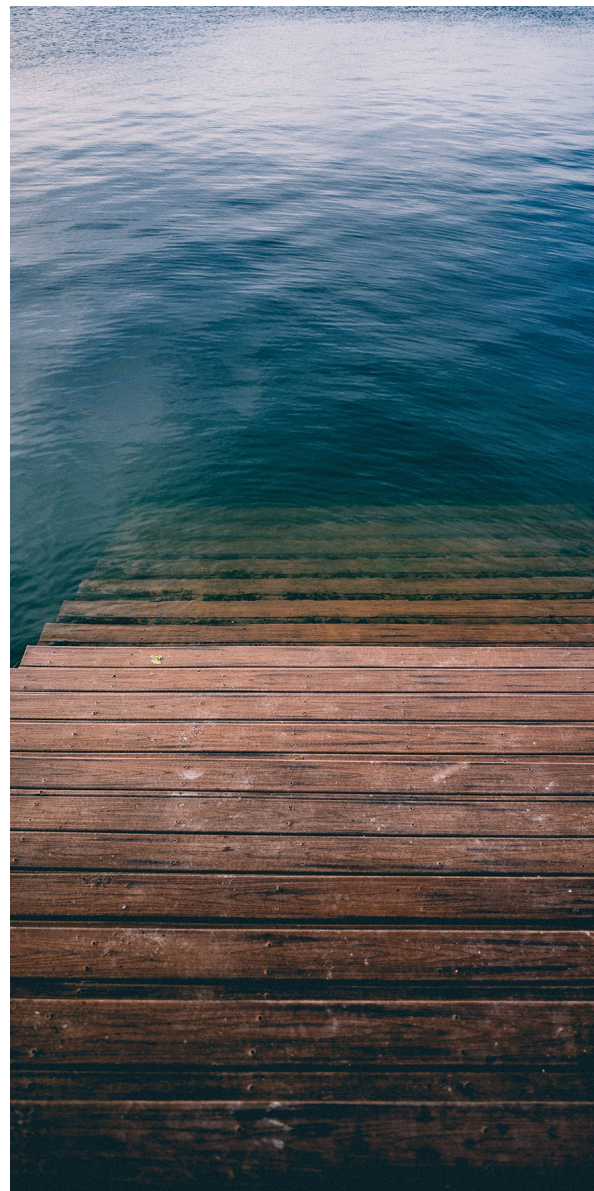


Critical Audit Areas

- **Benefit payments**
 - Tested a sample of benefit payments by performing the following:
 - ✓ Determining if eligible, based on eligibility terms of plan
 - ✓ Recalculating amount of distribution
 - ✓ Agreeing to tax Form 1099
- **Participant data**
 - Tested a sample of participants by performing the following:
 - ✓ Verifying date of hire
 - ✓ Verifying date of birth
 - ✓ Recalculating the amount withheld from paycheck for one pay period
- **Other**
 - Review of notes to financial statements, management discussion & analysis, required supplementary information, and additional information



Auditor's Report



Auditor's Report

- Auditor's opinion –

- Opinion covers statement of fiduciary net position, statement of changes in fiduciary net position, and the notes to the financial statements.
- Opinion in relation to the financial statements covers additional supplementary information.
- Opinion does not cover the required supplementary information.



- Other Reporting Required by *Government Auditing Standards* –

- The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and the results of that testing.
- This report does not to provide an opinion on the effectiveness of the Spokane Employees' Retirement System's internal control over financial reporting or on compliance.





Communication with Those Charged with Governance



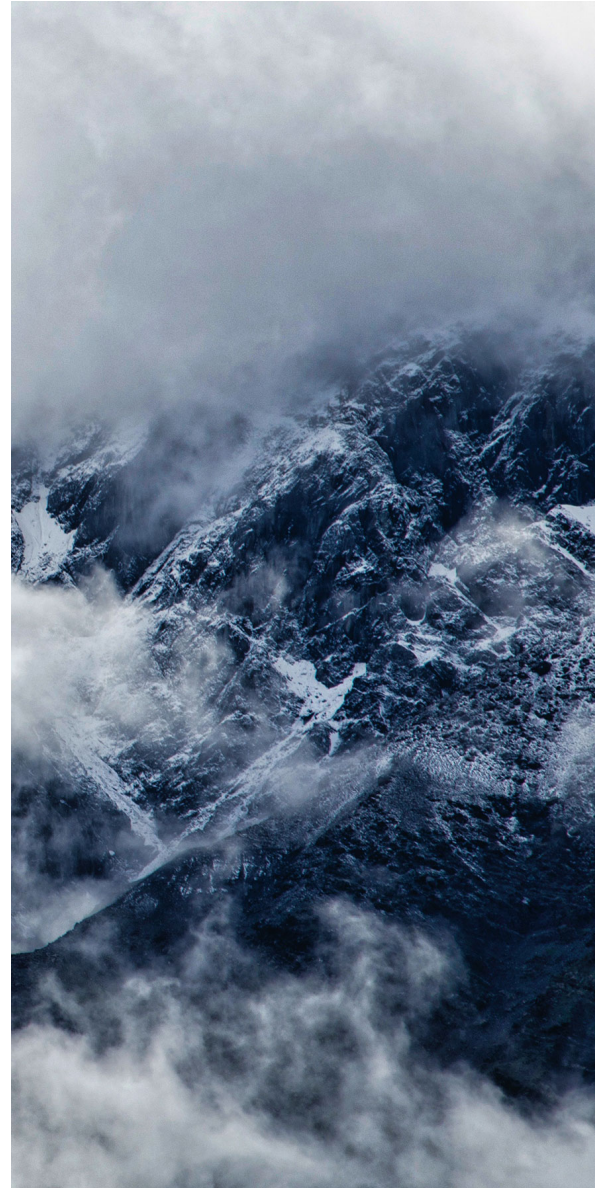
Communication with Those Charged with Governance

- Auditor's responsibility under auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.
- Planned scope and timing of the audit
- Qualitative aspects of accounting practices
- Significant accounting estimates
- Financial statement disclosures
- Management representations
- No recorded adjustments
- No proposed adjustments
- No disagreements with management
- No consultation with other accountants
- No difficulties in performing the audit
- Moss Adams LLP is independent with respect to Spokane Employees' Retirement System and the City of Spokane





Financial Highlights



Financial Highlights

SERS Statements of Fiduciary Net Position

SERS Statements of Changes in Fiduciary Net Position



Financial Highlights

Fiduciary Net Position

	As of December 31,		
	<u>2019</u>	<u>2018</u>	<u>2017</u>
Cash, short-term investments and receivables	\$ 1,155,432	\$ 856,334	\$ 3,625,026
Investments	<u>316,328,393</u>	<u>277,914,798</u>	<u>304,896,785</u>
Capitalized software, net	<u>211,788</u>	<u>229,437</u>	<u>247,086</u>
Total assets	317,695,613	279,000,569	308,768,897
Accrued expenses	<u>153,247</u>	<u>121,343</u>	<u>131,677</u>
Net position restricted for pensions	<u><u>\$ 317,542,366</u></u>	<u><u>\$ 278,879,226</u></u>	<u><u>\$ 308,637,220</u></u>



Financial Highlights

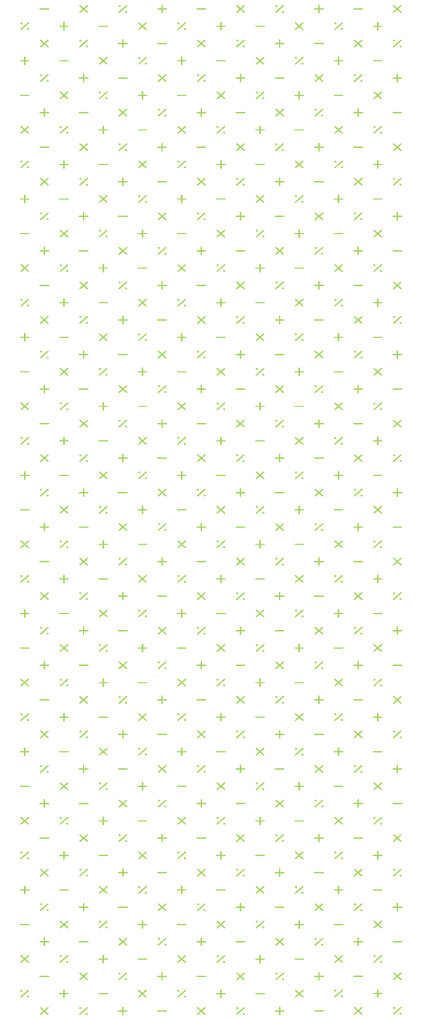
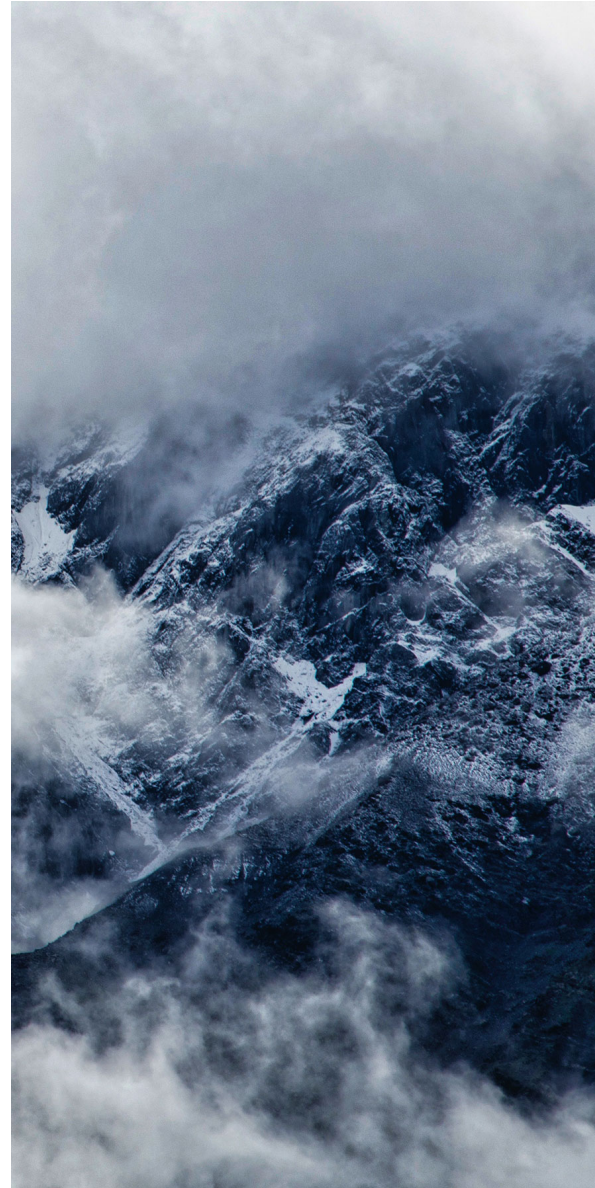
Changes in Fiduciary Net Position

	Year Ended December 31,		
	2019	2018	2017
Additions			
Employer contributions	\$ 9,824,717	\$ 9,187,420	\$ 8,113,319
Plan member contributions	9,827,760	9,188,781	8,113,319
Misc revenue	-	-	988
Net investment income (loss)	50,166,728	(18,715,945)	43,084,584
Total additions	69,819,205	(339,744)	59,312,210
Deductions			
Benefit payments	30,055,864	28,309,344	26,891,785
Refunds of member contributions	544,438	554,422	551,908
Net administrative expenses	555,763	554,484	563,078
Total deductions	31,156,065	29,418,250	28,006,771
Net increase (decrease) in net position	\$ 38,663,140	\$ (29,757,994)	\$ 31,305,439



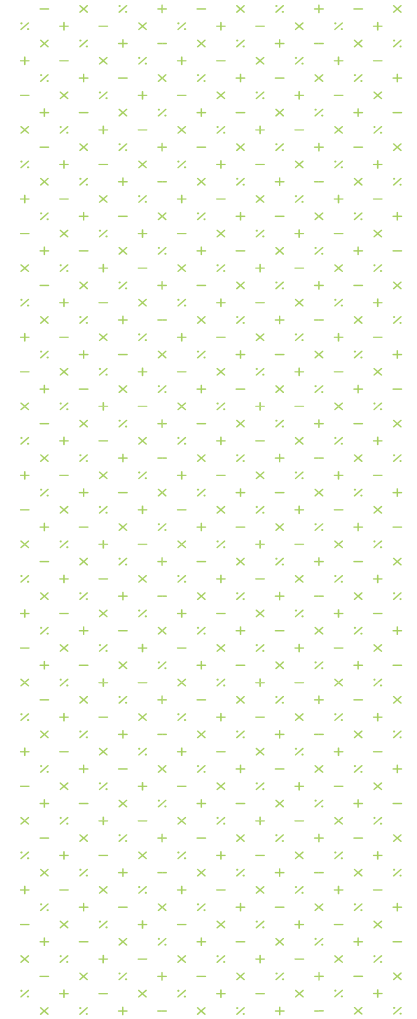


New Accounting Standards

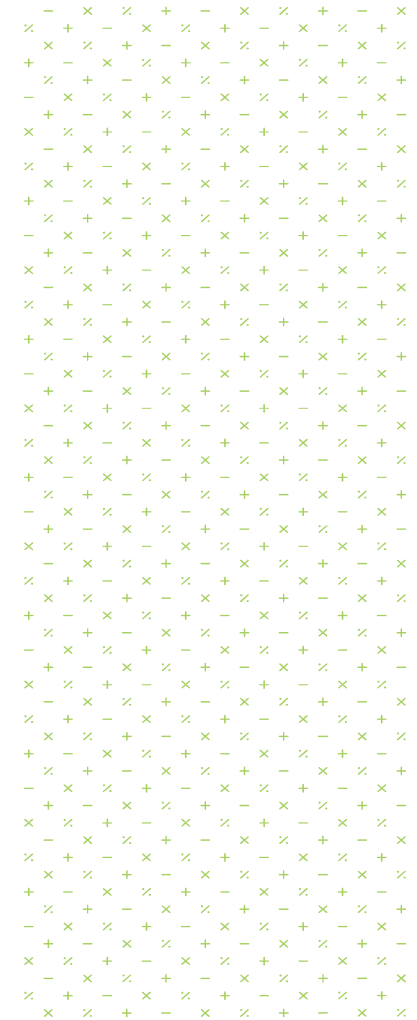


GASB 84 - Fiduciary Activities - This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. An exception to that requirement is provided for a business-type activity that normally expects to hold custodial assets for three months or less.

The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged, and with the adoption of GASB 95 this has been extended for one year. The effective date for SERS will be adoption in the year ending December 31, 2020.

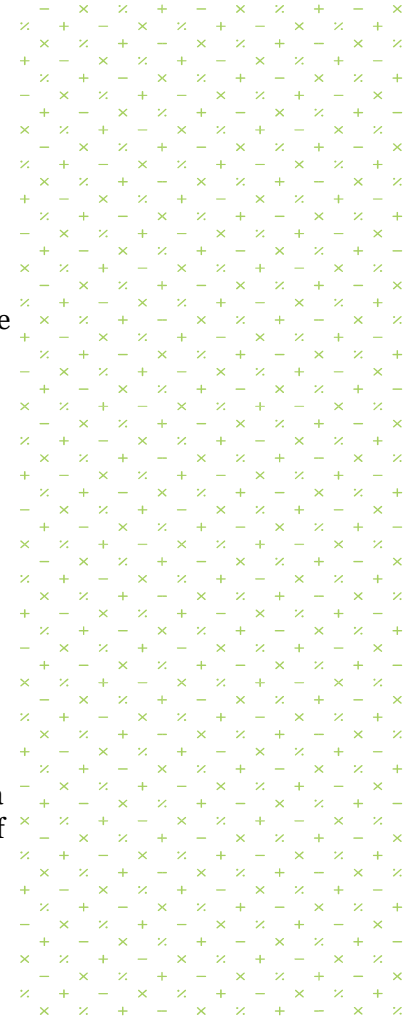


GASB Statement No. 87 - Leases - The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. With adoption of GASB 95, this has been extended 18 months. The effective date for SERS will be adoption in the year ending December 31, 2022.



GASB 90 - Majority Equity Interests (an Amendment of GASB Statements No. 14 and No. 61) - The standard replaces the criteria that classified holdings as investments based on the government’s intent for acquiring the entity, and it instead relies on the definition of an investment as “a security or other asset that (a) a government holds primarily for the purpose of income or profit and (b) has a present service capacity based solely on its ability to generate cash or to be sold to generate cash.” Statement 90 requires that majority equity interest investments held by governmental entities be reported using the equity method. However, when majority equity interest investments are held by special-purpose governments engaged only in fiduciary activities, fiduciary funds, endowment funds (including permanent or term endowments), or permanent funds, the investment is reported at fair value.

The requirements of Statement 90 are effective for reporting periods beginning after December 15, 2018—December 31, 2019, or FY20 for the vast majority of public institutions. Most of the changes adopted to conform to the provisions of this statement are applied retroactively. Changes are applied prospectively when a government acquires a 100 percent equity interest or when a government reports a majority equity interest in a component unit. Earlier application is encouraged, and with the adoption of GASB 95 this has been extended for one year. The effective date for SERS will be adoption in the year ending December 31, 2020.



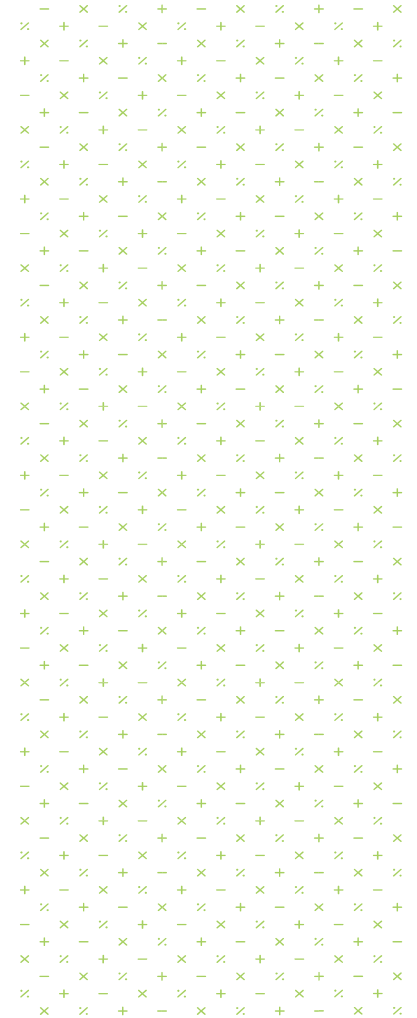
GASB 95 – Postponement of the Effective Dates of Certain Authoritative Guidance- The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later. The effective date for SERS will be adoption in the year ending December 31, 2020.

The effective dates of certain provisions contained in the following pronouncements are postponed by one year:

- Statement No. 83, Certain Asset Retirement Obligations
- Statement No. 84, Fiduciary Activities
- Statement No. 88, Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements
- Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period
- Statement No. 90, Majority Equity Interests
- Statement No. 91, Conduit Debt Obligations
- Statement No. 92, Omnibus 2020
- Statement No. 93, Replacement of Interbank Offered Rates

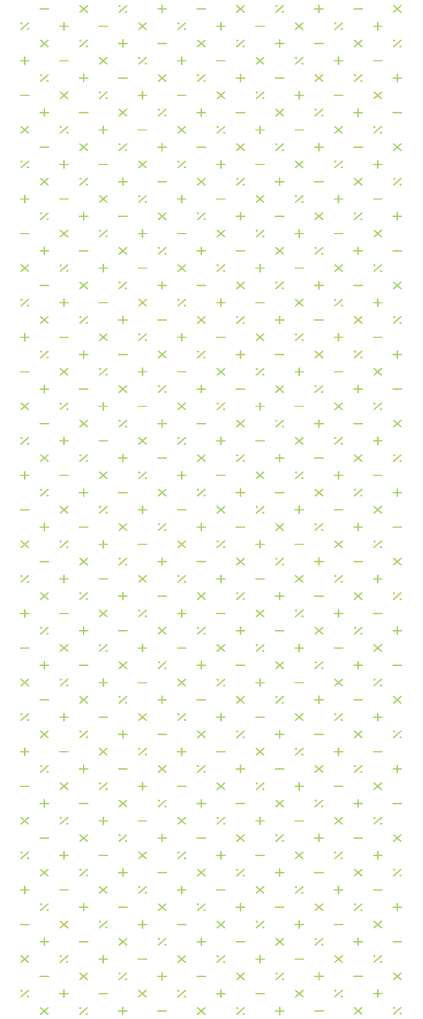
The effective dates of the following pronouncements are postponed by 18 months:

- Statement No. 87, Leases





Questions?





THANK
YOU



Spokane Employees' Retirement System (SERS)
Board Meeting Minutes
June 3, 2020

The meeting was called to order at 1:01 p.m. via WebEx conference call.

Present: Mike Coster, Jim Tieken, Joe Cavanaugh, Dean Kiefer, Brian Brill, Michael Cathcart, and J.D. Morscheck

Staff: Phill Tencick, Christine Shisler, Donald Brown, and Tim Szambelan

Guests: Jayson Davidson, Brian Loescher, Ted Grigsby, Natalie Hilderbrand, Richard Czernik,

Hyas Group, 2020 1st Quarter Investment Performance Report

Hyas Group reviewed the First Quarter 2020 Performance Report. They discussed the state of our economy at the timing of this report and the impact that the COVID-19 pandemic played in both the broad economy and securities markets. Also discussed was the drastic fiscal and monetary policy in the US and abroad in response to the pandemic and some of the potential impacts on the securities markets. The Board reviewed the asset allocation of the portfolio and due to significant volatility in equities relative to fixed income, three asset categories were slightly out of stated policy range at the time of reporting (Domestic Equities, Absolute Return & Small/Mid Cap Equity). However, all three were back within policy guidelines by the time of the Board meeting.

The following funds will remain on watch status: Hotchkis & Wiley High Yield Fund, OrbiMed Partners, Hotchkis and Wiley Diversified Value, Frontier Phocas Small Value, and Sterling Mid Cap Value. It was noted that OrbiMed Partners has demonstrated strong execution over 2019 and 1Q 2020, handily outperforming both the MSCI World Healthcare Index and NASDAQ Biotech index. Additionally, Brian Loescher confirmed that the termination of Vanguard Mid Growth and funding of Westfield Mid Growth, as approved by the Board, was completed during 1Q 2020.

The Board also discussed the possibility of simplifying the portfolio. This would include reviewing individual manager execution across the portfolio and the efficacy of the asset classes utilized in portfolio construction. It was discussed that initial steps could include the review and potential consolidation of current managers while remaining within current policy guidelines. Broader asset class changes would be better addressed through a new asset allocation study that will likely occur after the consultant RFP is concluded. The Hyas Group will provide the Board with specific recommendations to begin the simplification process at the 2Q 2020 Board Meeting.

Frontier Phocas Fund Liquidation

Hyas Group informed the Board that Frontier abruptly announced that the Frontier Phocas Small Cap Value Fund would cease operations as of the end of June citing lack of AUM growth. Hyas Group will proceed with a manager search for replacement and will include a low-cost index option in the search. Until the Board selects an alternative manager, the assets will remain in the portfolio's small cap index fund.

Jim Tieken moved and Dean Kiefer seconded the motion to reallocate the funds from the termination of the relationship with Frontier Phocas to the small cap index until the next manager search as recommended. The motion passed unanimously.

Joe Cavanaugh moved and Jim Tieken seconded the motion to place Castine Partners II on watch due to poor performance and the move in the change in allocation of their exposure. The motion passed unanimously.

Minutes of the May 6, 2020 Meeting

Joe Cavanaugh moved and Jim Tieken seconded the motion to approve the minutes of the May 6, 2020 meeting as presented. The motion passed unanimously.

Minutes of the May 20, 2020 Special Meeting

Jim Tieken moved and Dean Kiefer seconded the motion to approve the minutes of the May 20, 2020 special meeting as presented. The motion passed unanimously.

Director's Report

Service Retirements

<i>Name</i>	<i>Age</i>	<i>Retirement Date</i>	<i>Years of Service</i>	<i>Option</i>
Kenneth W. Johnson	68	05/16/2020	15.8	E
Robert N. Storm	63	05/16/2020	20.9	ST
Robert B. Turner	58	05/20/2020	25.7	E
Terrence W. Clark	65	05/29/2020	10.2	ST
Timothy E. Morgan	64	06/02/2020	36.1	E
Daniel R. Kegley	60	06/02/2020	29.1	E
Vernon W. Jones	66	06/03/2020	12.0	ST
Patrick J. Dalton	66	06/20/2020	12.2	E
Chris J. Hill	59	06/27/2020	32.1	ST
Rhoda J. Davis	61	06/27/2020	13.0	ST
Cynthia M. Wigen	64	06/27/2020	14.7	ST
Clara F. Strom	63	06/30/2020	9.4	ST
Ron L. Howerton	60	07/03/2020	35.1	ST
Steven R. Pilcher (vested)	64	08/01/2020	9.2	ST

Joe Cavanaugh moved and Jim Tieken seconded the motion to approve the service retirements as presented on the June Retirement Transaction Report. The motion passed unanimously.

Withdrawals for June 2020

<i>Name</i>	<i>Years of Service</i>	<i>Termination Date</i>
Kara W. Heatherly	7.7	03/19/2020
Cory T. Day	1.6	03/21/2020

Jim Tieken moved and Dean Kiefer seconded the motion to approve the requests for withdrawal as presented on the June Retirement Transaction Report. The motion passed unanimously.

Deaths

<i>Name</i>	<i>Date Retired</i>	<i>Age</i>	<i>Date of Death</i>	<i>Information</i>
Kim E. Guyor	01/04/2006	70	04/01/2020	No Further Benefits
Ruth Thomas	04/04/1987	86	05/18/2020	No Further Benefits

Death information provided to the Board for review.

Expenditure Summary Report – April 2020

The Expenditure Summary Report was presented to the Board and discussed.

Dean Kiefer moved and Jim Tieken seconded the motion to approve the April 2020 Expenditure Summary Report. The motion passed unanimously.

Schedule of Investments – April 2020

The monthly investment report was presented to the Board for review. The estimated market value of the SERS portfolio on April 30, 2020 was \$274.6 million with an estimated rate of return of 5.7% for the month.

Monthly Cash Reconciliation

The monthly cash reconciliation report was presented to provide the Board with additional insight into the ongoing liquidity, transactions, and cash position of the plan.

Investment Consultant RFP

Mr. Tencick discussed the upcoming Investment Consultant RFP. The RFP was issued May 27, 2020 and the following day the trade papers picked it up which may result in additional firms responding. One firm declined to respond to the RFP after reviewing it.

Other Business

Mr. Tencick shared that the audited financial statements have been issued by Moss Adams. Staff worked diligently to prepare the financial statements amid the additional challenge of working remotely.

Mr. Tencick also shared that the Supreme Court found that ERISA pension plans could not be sued for mismanagement of funds if they are fully funded and able to make their payments to participants as promised. The case establishes a precedent for pension plans, but may not apply to SERS since the plan does not fall directly under ERISA.

Upcoming Board Election (Joe Cavanaugh's term)

Mr. Tencick noted the election had been delayed for two months from the April meeting. The City Clerks' office sent notice on May 8, 2020 and nominations will be due June 9, 2020.

There being no other business, the meeting adjourned at 2:55 p.m.

Phillip Tencick, Retirement Director

SERS Retirement Transaction Report

July 2020

Retirements

	Name	Age	Retirement Date	Years of Service	Department	Option
1	Vickie R. Brown	61	06/30/2020	22.5	Combined Communications Center	E
2	Daniel W. Archer	50	07/01/2020	8.2	Public Affairs / Communications	E
3	Daniel H. Eaton	56	07/11/2020	32.9	Engineering Services	E
4	Susan M. Walton	62	07/14/2020	23.0	Municipal Court	ST
5	Brent H. Thrash	62	08/04/2020	12.7	Stormwater	E
	Retirements YTD	33				
	2019 Total Retirements	69				

Withdrawals

	Name	Years of Service	Department	Termination Date
1	Ceaira K-K Rigmaiden	1.5	Police Records	10/08/2019

Vesting

	Name	Department	Years of Service
1	Sarah K. Bain	Library	6.3

Deaths

	Name	Date Retired	Age	Date of Death	Information
1	Gary L. Miller	05/08/2003	79	05/29/2020	No Further Benefits
2	David L. Byrnes	08/02/2011	73	06/14/2020	E Option Continues

SPOKANE EMPLOYEES' RETIREMENT SYSTEM - 6100
2020 EXPENDITURE SUMMARY REPORT
MAY 31, 2020

	2019 ACTUAL	2020 BUDGET	MAY ACTUAL EXPENDITURES	2020 ACTUAL YTD EXPENDITURES	VARIANCE	PERCENTAGE USED
OPERATING EXPENDITURES						
Departmental Salaries	308,884.99	329,274.00	24,234.50	118,544.92	210,729.08	36.0%
Departmental Benefits	61,457.99	63,101.00	5,043.32	25,210.71	37,890.29	40.0%
Reserve for Budget Adjustment	-	10,000.00	-	-	10,000.00	0.0%
Administrative Income	(21,009.35)	(10,000.00)	-	-		
Postage/Supplies/Other	1,217.16	5,200.00	1,638.22	2,152.08	3,047.92	41.4%
State Audit Charges	11,146.55	15,000.00	86.64	585.24	14,414.76	3.9%
Contractual Services	133,696.37	175,000.00	52,400.00	89,782.31	85,217.69	51.3%
Travel	3,489.45	15,000.00	-	109.09	14,890.91	0.7%
Registration/Schooling	810.00	16,000.00	-	5,495.00	10,505.00	34.3%
Other Dues/Subscriptions/Membership	2,273.80	2,500.00	101.40	261.40	2,238.60	10.5%
Other Miscellaneous Charges	3,135.88	2,300.00	64.99	575.10	1,724.90	25.0%
Amortization	17,649.00	-	-	-	-	
TOTAL OPERATING EXPENDITURES	522,751.84	623,375.00	83,569.07	242,715.85	390,659.15	38.9%
INTERFUND EXPENDITURES						
Interfund - Office Performance Mgmt Services	4,189.36	389.00	-	389.00	-	100.0%
Interfund - Centralized Purchasing	1,251.65	516.00	-	258.00	258.00	50.0%
Interfund - Centralized Accounting	2,016.40	1,917.00	-	958.50	958.50	50.0%
Interfund - Risk Management	584.00	586.00	-	146.50	439.50	25.0%
Interfund - Worker's Compensation	122.00	134.00	33.50	67.00	67.00	50.0%
Interfund - Reprographics	9,376.27	5,000.00	-	2,152.65	2,847.35	43.1%
Interfund - IT	12,896.37	39,237.00	3,269.75	13,079.00	26,158.00	33.3%
Interfund - IT Replacement	1,965.00	1,827.00	152.25	609.00	1,218.00	33.3%
Interfund - My Spokane	609.90	580.00	145.00	290.00	290.00	50.0%
TOTAL INTERFUND EXPENDITURES	33,010.95	50,186.00	3,600.50	17,949.65	32,236.35	35.8%
TOTAL ADMINISTRATIVE EXPENDITURES	555,762.79	673,561.00	87,169.57	260,665.50	422,895.50	38.7%

SPOKANE EMPLOYEES' RETIREMENT SYSTEM - 6100
 2020 EXPENDITURE SUMMARY REPORT
MAY 31, 2020

	2019 ACTUAL	2020 BUDGET	MAY ACTUAL EXPENDITURES	2020 ACTUAL YTD EXPENDITURES	VARIANCE	PERCENTAGE USED
PENSIONS						
Pensions-Annuity Benefit Payments	27,788,707.57	30,000,000.00	2,413,699.18	11,960,314.62	18,039,685.38	39.9%
Pensions-Disability Payments	124,164.02	140,000.00	9,548.30	47,741.50	92,258.50	34.1%
Pensions-Survivor Annuity Benefits Payments	2,142,992.75	2,300,000.00	172,962.58	858,239.57	1,441,760.43	37.3%
TOTAL PENSIONS	<u>30,055,864.34</u>	<u>32,440,000.00</u>	<u>2,596,210.06</u>	<u>12,866,295.69</u>	<u>19,573,704.31</u>	39.7%
Refunds	544,437.91	1,000,000.00	50,509.72	202,771.17	797,228.83	20.3%
TOTAL EXPENSES	<u><u>31,156,065.04</u></u>	<u><u>34,113,561.00</u></u>	<u><u>2,733,889.35</u></u>	<u><u>13,329,732.36</u></u>	<u><u>20,793,828.64</u></u>	39.1%
INVESTMENT EXPENSE*						
Advisory Technical Service	446,741.55	500,000.00	61,327.02	147,934.30	352,065.70	29.6%

* investment expenses are netted against investment income in the statement of changes of plan net assets to arrive at a net investment income amount.

SERS Schedule of Cash and Investments
May 31, 2020

6/25/2020	Type		Allocation		
			Target	Current	Diff.
Cash Held by Treasurer	Cash	\$ 183,867			
US Bank	Short-term Inv	731,126			
Total Cash		914,993	0.0%	0.3%	0.3%
Sterling Capital	Total Return	26,463,340			
Total Total Return		26,463,340	10.0%	9.3%	-0.7%
Hotchkis & Wiley	High Yield - Mutual Fund	10,899,196			
Total High Yield		10,899,196	5.0%	3.8%	-1.2%
Polar	LLC	7,430,116			
Castine Capital II	Ltd Partnership	6,066,426			
Post Limited Term High Yield	Ltd Partnership	6,393,784			
Rimrock Low Volatility	Ltd Partnership	9,452,493			
Total Absolute Return		29,342,819	8.0%	10.3%	2.3%
Total Capital Preservation		67,620,348	23.0%	23.7%	0.7%
Hotchkis & Wiley	LC Value - Mutual Fund	12,707,398			
MFS Growth	LC Growth - Mutual Fund	17,741,353			
Fidelity S&P 500 Index	LC Core - Mutual Fund	29,364,004			
Total US Large Cap		59,812,755	21.0%	21.0%	0.0%
Sterling	MC Value	4,141,434			
Vanguard MC Growth	MC Growth - Mutual Fund	-			
Westfield MC Growth	MC Growth	3,250,000			
Fidelity MC Index	MC Core - Mutual Fund	4,120,682			
Champlain	SC Core	6,380,054			
Phocas	SC Value - Mutual Fund	3,131,770			
Bridge City	SC Growth	5,387,972			
Fidelity SC Index	SC Core - Mutual Fund	811,659			
Total US Small/Mid Cap		27,223,571	11.0%	9.6%	-1.4%
Total US Equities		87,036,326	32.0%	30.5%	-1.5%
Artisan	SMID Value - Mutual Fund	18,654,743			
Euro Pacific	LC Blend - Mutual Fund	20,837,040			
Fidelity International	LC Index - Mutual Fund	-			
Total International Large Cap		39,491,783	15.0%	13.9%	-1.1%
Trivalent	SC Value - Mutual Fund	11,440,454			
Total International Small/Mid		11,440,454	4.0%	4.0%	0.0%
Vanguard EM Index	EM - Mutual Fund	394,577			
ABS Emerging Markets	Ltd Partnership	7,752,398			
Total Emerging Markets		8,146,975	3.0%	2.9%	-0.1%
Total International Equities		59,079,212	22.0%	20.7%	-1.3%
Weatherlow Offshore	Ltd Partnership	17,505,784			
Royalty Opportunities I	Ltd Partnership	1,475,898			
Royalty Opportunities II	Ltd Partnership	1,867,635			
Total Long Biased		20,849,317	7.0%	7.3%	0.3%
Metropolitan Real Estate Partners	Ltd Partnership	161,008			
Morrison Street Fund V	LLC	1,893,575			
Morrison Street Debt Opportunties	LP	3,811,562			
Morgan Stanley Prime	LLC	7,447,753			
Principal (REITs)	REITs	10,743,534			
Total Real Estate		24,057,432	9.0%	8.4%	-0.6%
Contrarian Capital Fund I	Ltd Partnership	6,904,292			
Beach Point	Ltd Partnership	10,634,355			
Total Opportunistic Credit		17,538,647	7.0%	6.2%	-0.8%
Contrarian EM Credit	LLC	3,706,303			
OrbiMed II	Ltd Partnership	5,093,267			
Total Special Opportunities		8,799,570	0.0%	3.1%	3.1%
Total Cash and Investments		\$ 284,980,852	100.0%	100.0%	0.0%
	Monthly Contributions	1,625,712			
	Monthly Pension	\$ (2,896,720)			
	As of April 30, 2020	\$ 274,647,039			
	Estimated Rate of Return	4.2%			
Abs. Return and Total Return FI	Thesis 2017.1	55,806,159	18.0%	19.6%	1.6%
Equity and Special Situations	Thesis 2017.3	154,915,108	54.0%	54.4%	0.4%

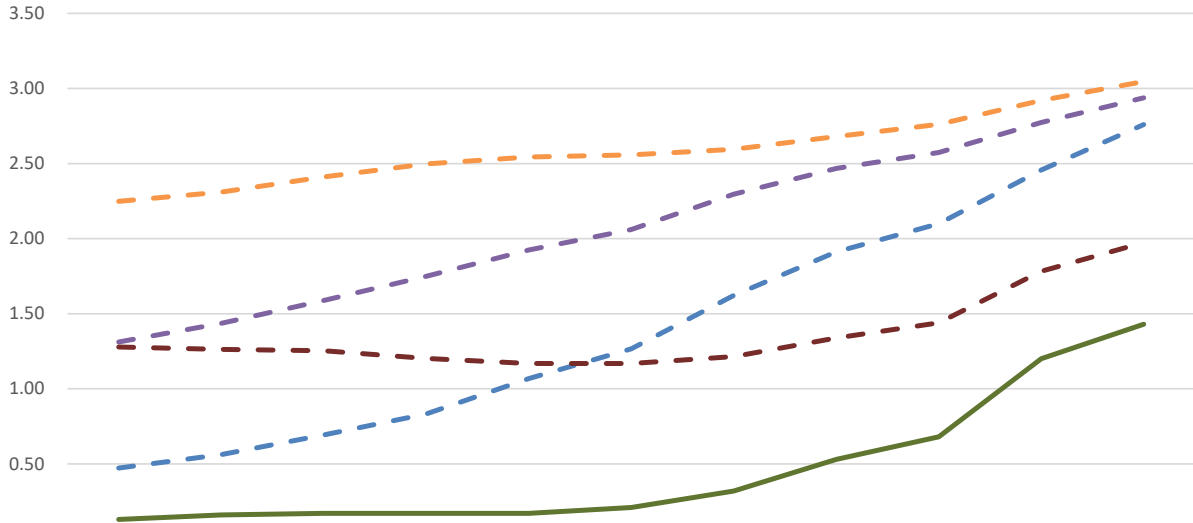
Cash Recon - Jun

Date	Transactions	Sources	Uses	Balance
5/28/2020	Beginning Balance			3,335,868.71
5/29/2020	May Pension Payments		(2,646,719.78)	689,148.93
6/1/2020	Interest	181.68		689,330.61
6/8/2020	Payroll Contributions	815,365.42		1,504,696.03
6/18/2020	Commission Recapture	43.39		1,504,739.42
6/22/2020	Payroll Contributions	802,481.48		2,307,220.90
6/24/2020	Distribution - Royalty Opps II	72,340.16		2,379,561.06
6/24/2020	Ending Balance	1,690,412.13	(2,646,719.78)	2,379,561.06
	<u>Upcoming</u>			
6/26/2020	Redemption - Frontier Phocas	3,100,000.00		
6/26/2020	Purchase - Fidelity Small Cap Index		(2,800,000.00)	
6/30/2020	June Pension Payments		(2,631,774.67)	

Contribution Interest Rate Analysis

	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	18/20
Plan Interest Rate	7.00%	5.00%	5.00%	5.00%	5.00%	4.00%	4.00%	3.25%	2.50%	2.50%	1.50%	1.50%	2.25%	2.50%	1.25%
Change		-2.00%	0.00%	0.00%	0.00%	-1.00%	0.00%	-0.75%	-0.75%	0.00%	-1.00%	0.00%	0.75%	0.25%	-1.25%

Treasury Yield Curve



	1 Mo	3 Mo	6 Mo	1 Yr	2 Yr	3 Yr	5 Yr	7 Yr	10 Yr	20 Yr	30 Yr
2016/17 Average	0.47	0.56	0.69	0.83	1.07	1.27	1.62	1.91	2.10	2.46	2.76
2017/18 Average	1.31	1.44	1.59	1.75	1.92	2.06	2.30	2.47	2.57	2.77	2.94
2018/19 Average	2.25	2.31	2.41	2.50	2.54	2.56	2.59	2.68	2.76	2.92	3.05
2019/20 Average	1.28	1.26	1.25	1.20	1.17	1.17	1.21	1.34	1.44	1.78	1.97
6/25/2020	0.13	0.16	0.17	0.17	0.17	0.21	0.32	0.53	0.68	1.2	1.43

5-yr US Treasury Rates

