



Spokane Employees' Retirement System

September 30, 2020 Performance Report

TABLE OF CONTENTS


| | |
|------------------|----------------------|
| Section 1 | Market Overview |
| Section 2 | Performance Review |
| Section 3 | Allocation Review |
| Section 4 | Summary of Cash Flow |
| Section 5 | Definitions |


Section 1



CAUTIOUS TOLERANCE

The Department of Labor (DOL) has a long history of written bulletins concerning Environment, Social and Governance (ESG) investment offerings. The messaging of these bulletins, which in our view constitute the most directly applicable fiduciary guidance within the US, generally states that the utilization of ESG factors as part of the broader investment research process is permitted, but that the pursuit of economic gains remains the primary fiduciary responsibility. This is mentioned to illustrate the cautious regulatory tolerance of ESG factor consideration in the broader research process, but that these ESG factors may not be considered ahead of purely economic factors.

Why doesn't the DOL fully embrace ESG offerings? A recent article published by the CFA Institute addresses the challenges of evaluating ESG performance results. "The argument that ESG factors lead to better long-term performance outcomes is much harder to prove than we might imagine. Academics have found a surprisingly low correlation between ESG ratings across providers. In other words, experts can't even agree on which firms have solid ESG credentials in the first place. Part of the problem is that the ESG umbrella encompasses so many different issues, whose salience is continually shifting." The lack of any industry standards makes performance comparisons and risk assessments very difficult and risks serving as an excuse for underperformance and high  fees.

Another salient point often made by industry professionals is that if ESG factors were unequivocally responsible for higher returns on capital and hence higher stock returns, both corporate management and investment managers would have a direct economic incentive to incorporate them into their everyday operations. There would be no need for dedicated ESG investment strategies, as all managers across the industry would seek to utilize the ESG factors to gain an advantage and those who didn't would likely underperform. It does appear that  ESG data is becoming more readily available and increasingly considered across the industry. If ESG factor analysis can add value above other approaches, at the very least in certain market junctures, we would expect our investment managers' utilization of ESG factors to increase. However, it is plausible that ESG may not add value at various times and that constraining investment managers to employ ESG factors would run against participants' financial interests and the fiduciary imperative.

One of the lesser discussed challenges of evaluating ESG contributions to performance is causality. In simple terms, do higher ESG credentials drive higher returns on capital for companies, or do companies with higher returns on capital simply have the option to spend more on ESG initiatives? At the surface, it may be easy to make the case that many of today's fast-growing technology leaders have both high returns on capital and high ESG credentials. However, many of these are companies fairly early on in their business cycles with significant competitive advantages and few substitute products in the marketplace. As a result, these companies tend to generate higher than average returns on capital, potentially allowing them to invest higher amounts in managing ESG initiatives. Those seeking to market ESG investment products are likely to imply that ESG policies are key drivers of outsized returns. Traditional economic analysis may consider the ESG initiatives a byproduct of the company's unique competitive advantage. Isolating and quantifying causality is extremely important (and extremely difficult) when evaluating the true impact of ESG policies.

We are encouraged by the increasing consideration of ESG factors across the broader investment industry. We expect this awareness to have a positive impact on the investment industry and potentially lead to better corporate practices and possibly even better returns on capital. That said, the historical and proposed fiduciary standards from the DOL emphasize that economic factors must still come first and that ESG or other non-economic factors are secondary. The industry's failure to clearly define what constitutes high ESG standards and effectively quantify causality makes evaluating any contribution to returns extremely difficult and longer-term performance comparisons remain inconclusive.

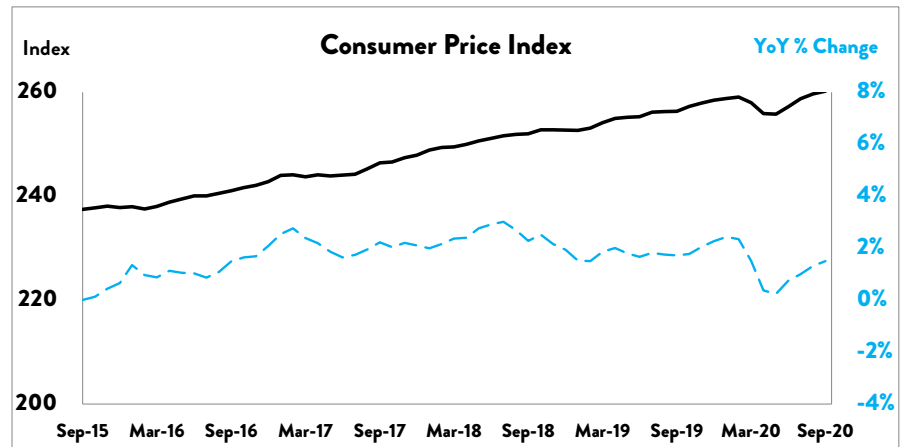
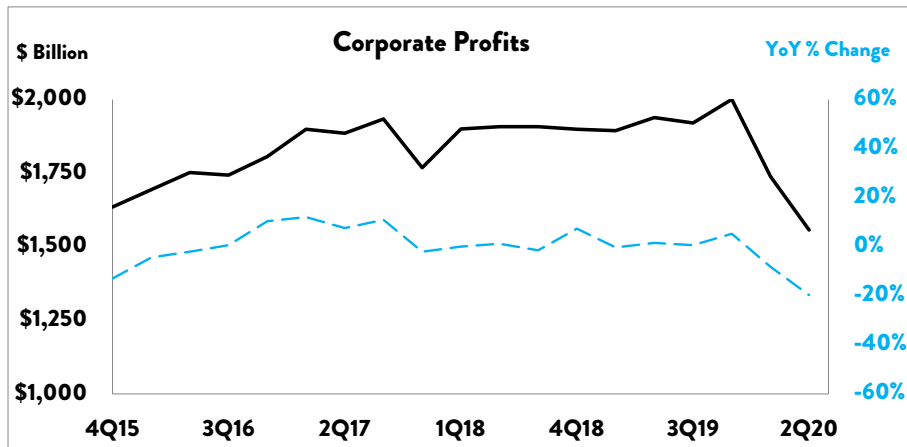
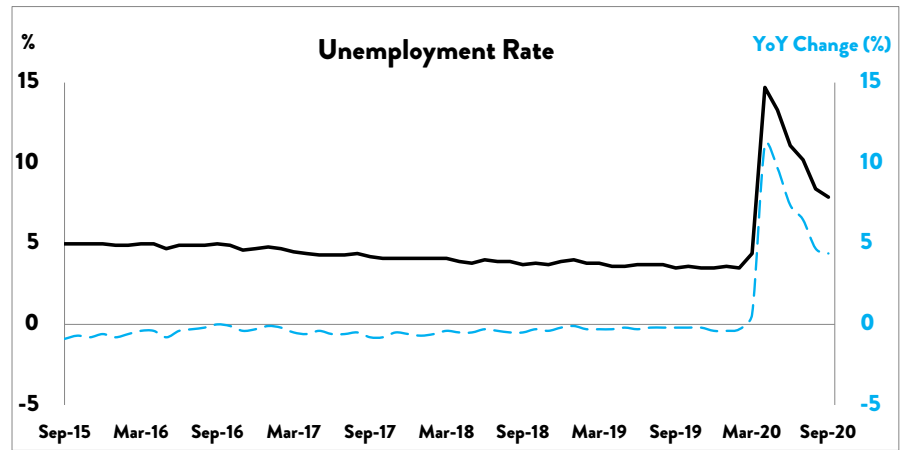
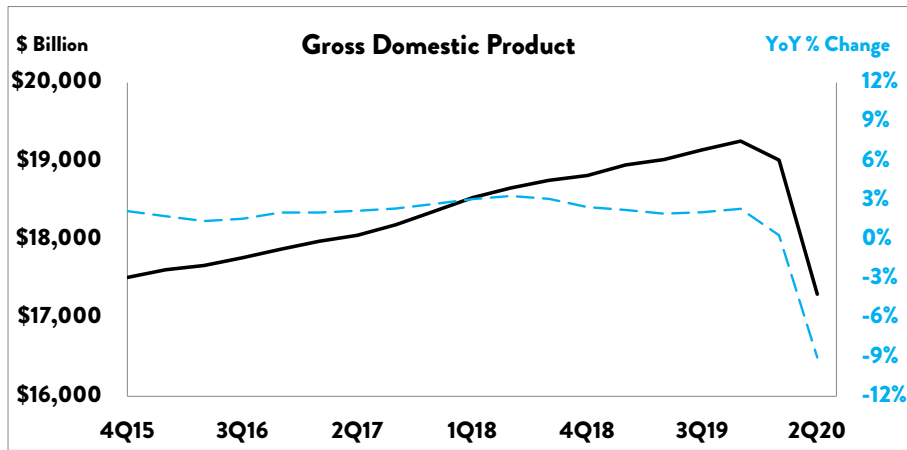
GLOBAL ECONOMIC LANDSCAPE

- The domestic financial markets continue to focus on prospects for a new fiscal stimulus bill. Negotiations continue to be stalled as the two political parties seek to find middle ground. The Republicans more recently offered a \$1.8 trillion stimulus package coming close to the \$2.2 trillion package supported by the Democratic party. The Trump administration is focused on short-term payroll assistance to US airline companies. The US Travel Association is on record stating that 1.3 million additional jobs (roughly 50% of all travel-support staff jobs) are at risk without immediate aid.
- September unemployment rates fell to 7.9% nationally, down from a pandemic peak of nearly 15%. Home sales continued at a brisk pace buoyed by declining mortgage rates, which ended the quarter below 3.0%. After falling in the second quarter, prices (inflation) stabilized during the third quarter.
- The Fed left the fed funds rate unchanged during its July meeting. They did state they expected interest rates to remain low through 2023 and they will support rates near zero until inflation can exceed 2% for a sustained period of time. The Fed's open market support of credit markets is expected to suppress nominal yields and keep credit spreads tightly range bound. This is especially the case for shorter-dated fixed income securities.
- International economies continue to rebound as global COVID restrictions are eased. Brazil is seeing one of the strongest global rebounds with retail sales rising 4.6% in August after rising 7.1% in July. Retail sales are now running above pre-pandemic levels. India has also shown significant economic improvements with manufacturing indicators rising to 49.8 in September from 46.0 in August.

GLOBAL FINANCIAL MARKETS

- The stock market rally continued in the third quarter despite a September sell-off led by big name technology stocks. The Nasdaq-100 Index (large cap technology index) continued its reign of dominance over broader large-cap indexes, gaining 12.6% during the quarter compared to an 8.9% gain for the S&P 500 Index. The Nasdaq-100 Index's outperformance continued a long-term trend that has seen it return 20.4% on an annual basis for the 10-year period ended September 30, 2020 against a 13.7% annual return for the S&P 500 Index over the same period.
- Investors witnessed a significant divergence in global stock market leadership this quarter. While large cap stocks continued to dominate US markets, small cap stocks provided leadership across many international markets. International small cap stocks outperformed the broader international markets by over 4.0% during the quarter and now nearly 2.0% YTD.
- Global currency markets remain highly volatile as extensive global fiscal and monetary policies continue to address the challenges of a global pandemic. The US Dollar Index declined by 3.6% in the third quarter, reflecting better relative economic results in other parts of the world.

3Q2020 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 | 661,000 | 4,781,000 | -20,787,000 | 300 | Sep-20 |
| Unemployment Rate | 7.9% | 14.7% | 3.5% | 4.9% | Sep-20 |
| Median Unemployment Length (Weeks) | 18.2 | 18.2 | 4.0 | 10.0 | Sep-20 |
| Average Hourly Earnings | \$21.47 | \$30.03 | \$25.20 | \$27.05 | Sep-20 |

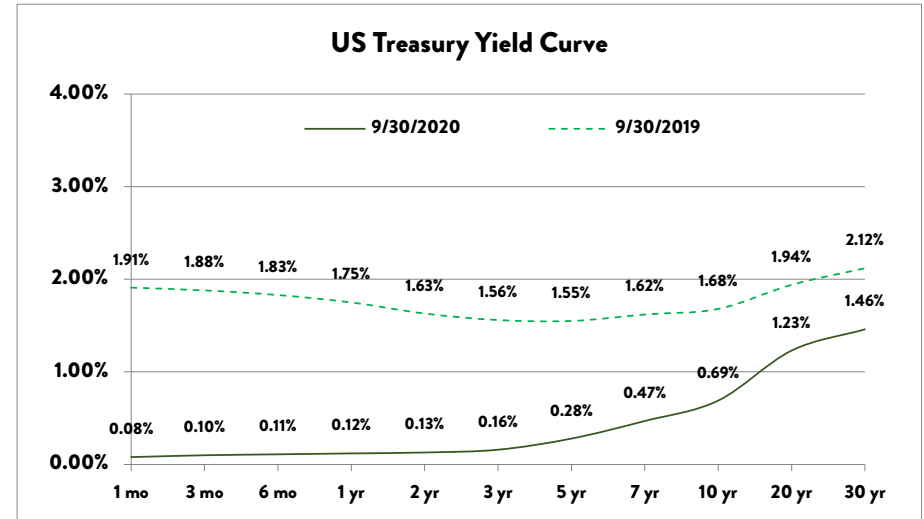
Source: Federal Reserve Bank of St. Louis and Bureau of Labor Statistics

| Other Prices and Indexes (Monthly) | | | | | |
|------------------------------------|---------|-----------|----------|------------|--------|
| Category | Recent | 5-Yr High | 5-Yr Low | % Off Peak | Date |
| Gas: Price per Gallon | \$2.17 | \$2.88 | \$1.79 | -24.9% | Sep-20 |
| Spot Oil | \$39.63 | \$70.98 | \$16.55 | -44.2% | Sep-20 |
| Case-Shiller Home Price Index | 224.7 | 224.7 | 180.0 | 24.8%* | Jul-20 |
| Medical Care CPI | 523.5 | 523.6 | 450.6 | 16.2%* | Sep-20 |

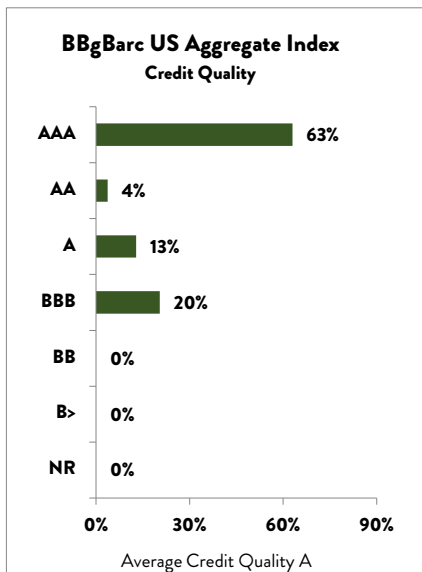
*% Off Low

3Q2020 Bond Market Data

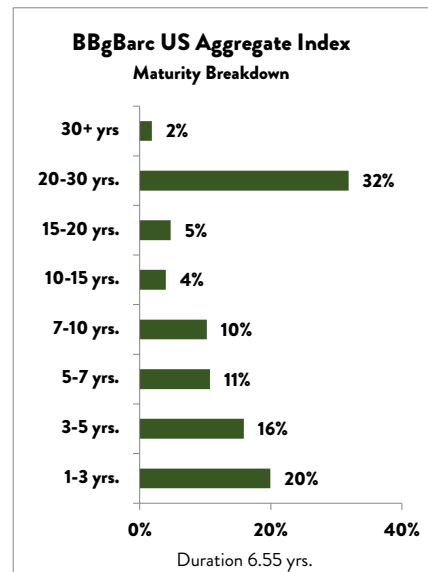
| Index | QTR | YTD | 1 yr. | 3 yrs. | 5 yrs. | 10 yrs. |
|----------------------------|-------|--------|--------|--------|--------|---------|
| 90-Day T-Bill | 0.03% | 0.34% | 0.75% | 1.58% | 1.14% | 0.60% |
| BBgBarc US Aggregate | 0.62% | 6.79% | 6.98% | 5.24% | 4.18% | 3.64% |
| BBgBarc Short US Treasury | 0.05% | 0.92% | 1.43% | 1.83% | 1.31% | 0.74% |
| BBgBarc Int. US Treasury | 0.19% | 6.02% | 6.03% | 4.06% | 2.77% | 2.34% |
| BBgBarc Long US Treasury | 0.12% | 21.35% | 16.34% | 11.87% | 8.21% | 7.21% |
| BBgBarc US TIPS | 3.03% | 9.22% | 10.08% | 5.79% | 4.61% | 3.57% |
| BBgBarc US Credit | 1.50% | 6.39% | 7.50% | 6.19% | 5.75% | 4.92% |
| BBgBarc US Mortgage-Backed | 0.11% | 3.62% | 4.36% | 3.68% | 2.98% | 3.01% |
| BBgBarc US Asset-Backed | 0.79% | 4.14% | 4.55% | 3.47% | 2.68% | 2.40% |
| BBgBarc US 20-Yr Municipal | 1.38% | 3.46% | 4.13% | 5.17% | 4.74% | 4.99% |
| BBgBarc US High Yield | 4.60% | 0.62% | 3.25% | 4.21% | 6.79% | 6.47% |
| BBgBarc Global | 2.66% | 5.72% | 6.24% | 4.10% | 3.92% | 2.36% |
| BBgBarc International | 4.14% | 4.77% | 5.48% | 3.07% | 3.60% | 1.35% |
| BBgBarc Emerging Market | 2.37% | 1.93% | 4.06% | 4.21% | 6.18% | 5.42% |



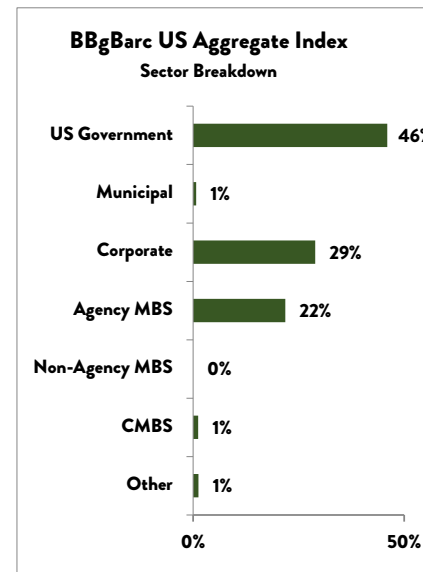
Source: Department of US Treasury



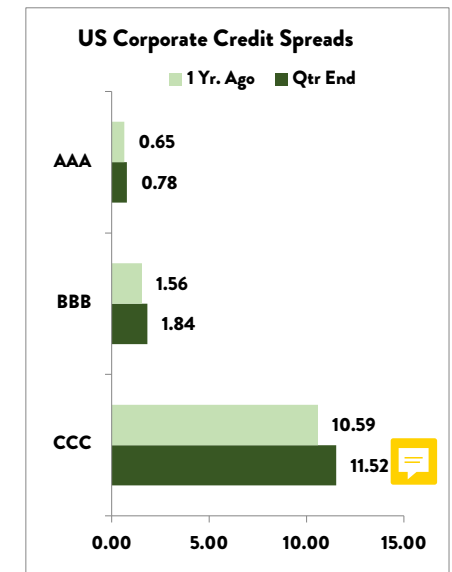
Source: Morningstar



Source: Morningstar



Source: Morningstar



Source: Federal Reserve / Bank of America

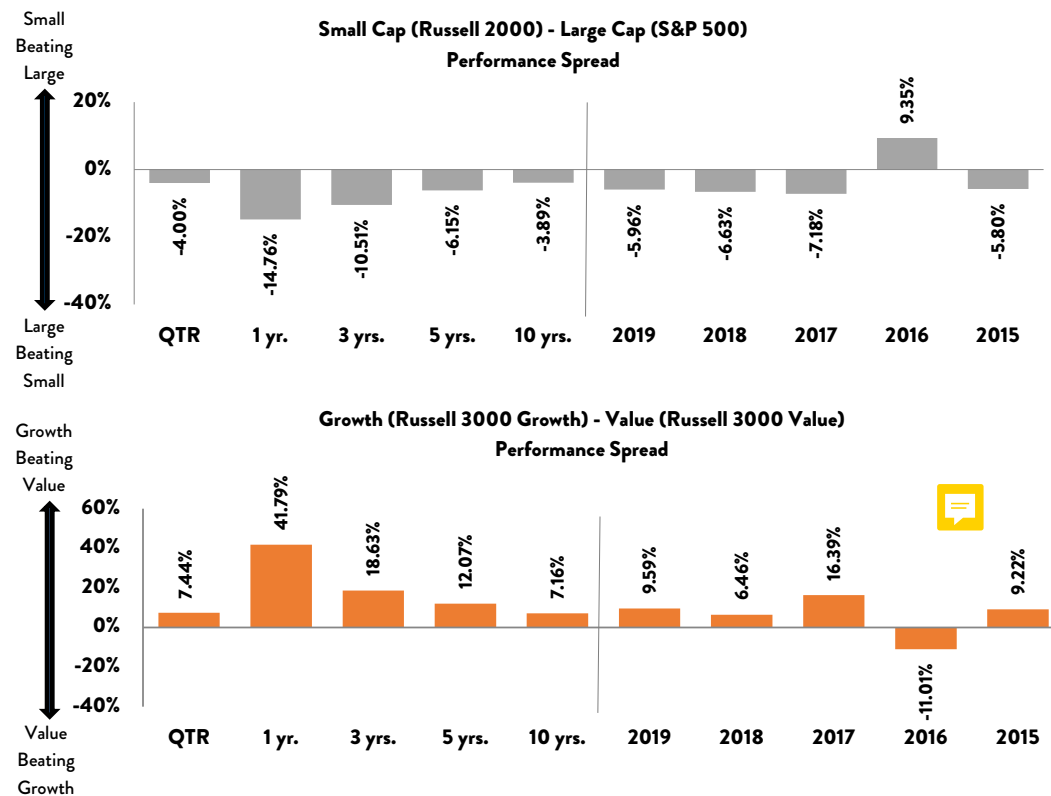
3Q2020 US Equity Market Data

Sectors Weights/Returns (ranked by quarter performance)

| | Wgt. | Sector | QTR | YTD | 1 yr. |
|------------------------|------------------------|------------------------|---------|---------|---------|
| | | | | | 1 yr. |
| S&P 500 Index | 12% | Consumer Discretionary | 15.06% | 23.38% | 23.89% |
| | 3% | Materials | 13.31% | 5.47% | 12.19% |
| | 8% | Industrials | 12.48% | -3.99% | 1.32% |
| | 28% | Information Technology | 11.95% | 28.69% | 47.23% |
| | 7% | Consumer Staples | 10.38% | 4.13% | 7.79% |
| | 11% | Communication Services | 8.94% | 8.60% | 18.37% |
| | 3% | Utilities | 6.14% | -5.68% | -4.97% |
| | 14% | Health Care | 5.87% | 5.01% | 20.11% |
| | 10% | Financials | 4.45% | -20.22% | -11.87% |
| | 3% | Real Estate | 1.92% | -6.78% | -7.28% |
| S&P Midcap 400 Index | 2% | Energy | -19.72% | -48.09% | -45.24% |
| | 16% | Consumer Discretionary | 13.80% | 6.99% | 15.29% |
| | 4% | Consumer Staples | 10.73% | 9.10% | 12.40% |
| | 18% | Industrials | 10.19% | -4.24% | 3.80% |
| | 6% | Materials | 6.73% | -8.70% | -2.41% |
| | 16% | Information Technology | 5.47% | 1.00% | 12.35% |
| | 11% | Health Care | 3.65% | 9.45% | 21.53% |
| | 2% | Communication Services | 0.24% | -16.30% | -13.10% |
| | 9% | Real Estate | -2.08% | -26.15% | -24.12% |
| | 14% | Financials | -2.85% | -25.94% | -22.13% |
| S&P Smallcap 600 Index | 4% | Utilities | -4.27% | -24.35% | -25.94% |
| | 1% | Energy | -11.09% | -53.04% | -46.82% |
| | 15% | Consumer Discretionary | 14.40% | -0.62% | 6.19% |
| | 14% | Health Care | 9.17% | 2.36% | 16.75% |
| | 18% | Industrials | 6.53% | -12.28% | -5.91% |
| | 5% | Materials | 2.13% | -16.00% | -9.75% |
| | 4% | Consumer Staples | 1.57% | -6.79% | 1.16% |
| | 14% | Information Technology | -0.58% | -9.82% | 0.73% |
| | 8% | Real Estate | -1.43% | -26.22% | -24.17% |
| | 16% | Financials | -3.60% | -31.48% | -26.10% |
| 3% | Communication Services | -5.89% | -2.82% | -0.08% | |
| 3% | Energy | -9.68% | -58.94% | -56.27% | |
| 2% | Utilities | -10.02% | -22.69% | -22.64% | |

Index Performance Data

| Index | QTR | YTD | 1 yr. | Annualized | | |
|------------------------|--------|---------|---------|------------|--------|---------|
| | | | | 3 yrs. | 5 yrs. | 10 yrs. |
| S&P 500 | 8.93% | 5.57% | 15.15% | 12.28% | 14.15% | 13.74% |
| Russell 1000 Value | 5.59% | -11.58% | -5.03% | 2.63% | 7.66% | 9.95% |
| Russell 1000 Growth | 13.22% | 24.33% | 37.53% | 21.67% | 20.10% | 17.25% |
| Russell Mid Cap | 7.46% | -2.35% | 4.55% | 7.13% | 10.13% | 11.76% |
| Russell Mid Cap Value | 6.40% | -12.84% | -7.30% | 0.82% | 6.38% | 9.71% |
| Russell Mid Cap Growth | 9.37% | 13.92% | 23.23% | 16.23% | 15.53% | 14.55% |
| Russell 2000 | 4.93% | -8.69% | 0.39% | 1.77% | 8.00% | 9.85% |
| Russell 2000 Value | 2.56% | -21.54% | -14.88% | -5.13% | 4.11% | 7.09% |
| Russell 2000 Growth | 7.16% | 3.88% | 15.71% | 8.18% | 11.42% | 12.34% |
| Russell 3000 | 9.21% | 5.41% | 15.00% | 11.65% | 13.69% | 13.48% |
| DJ US Select REIT | 0.83% | -21.36% | -22.33% | -1.85% | 1.99% | 7.03% |



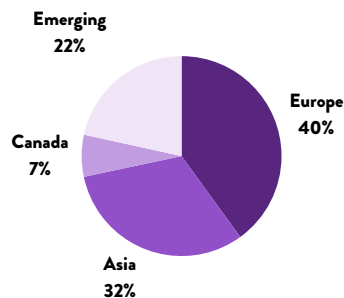
3Q2020 International Market Data

Index Performance Data (net)

| Index (US\$) | QTR | YTD | 1 yr. | 3 yrs. | 5 yrs. | 10 yrs. |
|-------------------------------|---------------|----------------|----------------|----------------|---------------|---------------|
| MSCI ACWI ex-US | 6.25% | -5.44% | 3.00% | 1.16% | 6.23% | 4.00% |
| MSCI EAFE | 4.80% | -7.09% | 0.49% | 0.62% | 5.26% | 4.62% |
| Europe | 4.51% | -8.85% | -0.79% | -0.61% | 4.24% | 4.26% |
| United Kingdom | -0.23% | -23.44% | -15.82% | -5.61% | -0.42% | 2.02% |
| Germany | 8.32% | 0.06% | 9.96% | -1.13% | 5.85% | 5.29% |
| France | 2.76% | -13.53% | -6.18% | -1.26% | 5.42% | 4.09% |
| Pacific | 5.39% | -4.10% | 2.81% | 7.33% | 5.39% | |
| Japan | 6.94% | -0.68% | 6.91% | 3.94% | 7.51% | 6.20% |
| Hong Kong | 1.56% | -8.34% | -1.64% | -0.22% | 6.59% | 5.46% |
| Australia | 2.82% | -11.52% | -7.72% | 0.73% | 7.06% | 3.30% |
| Canada | 6.16% | -7.55% | -3.03% | 0.58% | 6.01% | 2.05% |
| MSCI EM | 9.56% | -1.16% | 10.54% | 2.42% | 8.97% | 2.50% |
| MSCI EM Latin America | -1.28% | -36.06% | -29.36% | -11.84% | 2.06% | -5.74% |
| MSCI EM Asia | 11.92% | 8.01% | 21.52% | 5.67% | 11.30% | 5.45% |
| MSCI EM Eur/Mid East | 1.02% | -19.18% | -12.31% | -2.59% | 3.30% | -2.89% |
| MSCI ACWI Value ex-US | 2.28% | -17.60% | -10.83% | -5.09% | 2.14% | 1.50% |
| MSCI ACWI Growth ex-US | 10.16% | 7.27% | 17.54% | 7.33% | 10.16% | 6.38% |
| MSCI ACWI Sm Cap ex-US | 10.50% | -3.64% | 6.97% | 0.93% | 6.80% | 5.31% |

Regional Exposure

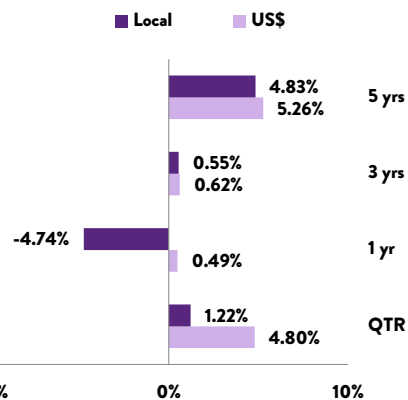
MSCI ACWI ex-USA



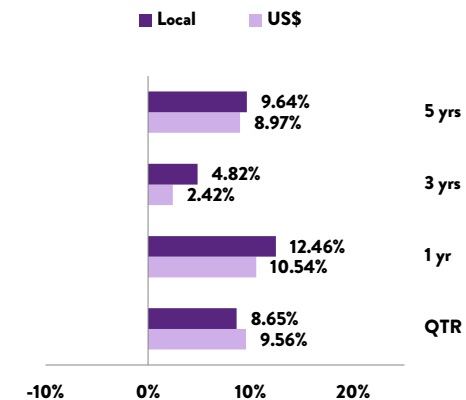
Top 10 Countries (MSCI AC World ex-USA)

| | |
|-------------|-----|
| Japan | 17% |
| China | 12% |
| UK | 9% |
| France | 7% |
| Switzerland | 7% |
| Canada | 7% |
| Germany | 6% |
| Australia | 4% |
| Taiwan | 4% |
| South Korea | 4% |

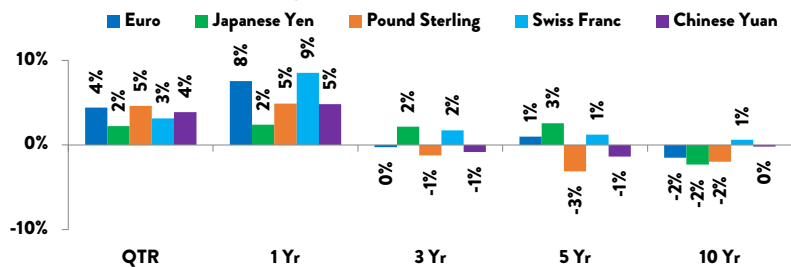
MSCI EAFE Index Return



MSCI Emerging Index Return

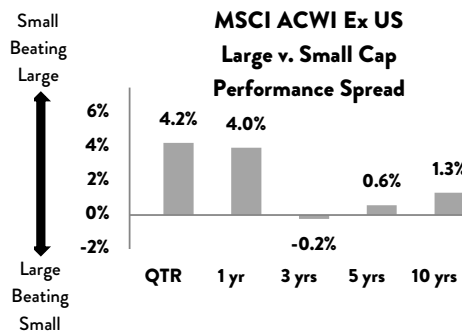


Foreign Currency v. US\$ Returns

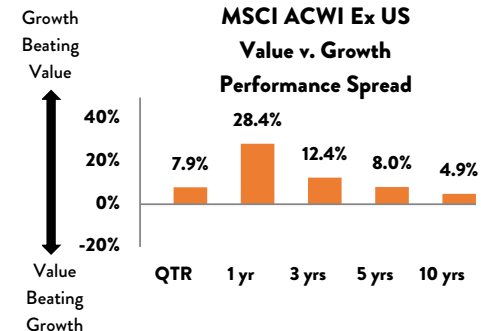


| Exchange Rates | QTR | 2Q20 | 1Q20 | 4Q19 | 3Q19 | 2Q19 |
|----------------------|--------|--------|--------|--------|--------|--------|
| Japanese Yen | 105.58 | 107.77 | 107.53 | 108.67 | 108.11 | 107.84 |
| Euro | 0.85 | 0.89 | 0.91 | 0.89 | 0.92 | 0.88 |
| British Pound | 0.77 | 0.81 | 0.80 | 0.75 | 0.81 | 0.79 |
| Swiss Franc | 0.92 | 0.95 | 0.96 | 0.97 | 1.00 | 0.98 |
| Chinese Yuan | 6.79 | 7.07 | 7.08 | 6.96 | 7.15 | 6.87 |

MSCI ACWI Ex US Large v. Small Cap Performance Spread



MSCI ACWI Ex US Value v. Growth Performance Spread



Historical Market Returns

Ranked by Performance

| 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | YTD | 3Q20 |
|----------------------------|----------------------------|----------------------------|-----------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|----------------------------|----------------------------|-----------------------------|----------------------------|----------------------------|-----------------------------|----------------------------|----------------------------|---------------------------|
| Emerging Markets 34.00% | Emerging Markets 32.14% | Emerging Markets 39.42% | US Bonds 5.24% | Emerging Markets 78.51% | Small Cap 26.85% | Core Real Estate 14.96% | Emerging Markets 18.22% | Small Cap 38.82% | Large Cap 13.68% | Core Real Estate 13.95% | Small Cap 21.30% | Emerging Markets 37.28% | Core Real Estate 7.36% | Large Cap 31.49% | TIPS 9.22% | Emerging Markets 9.56% |
| Commod. 21.36% | Intl 26.65% | Intl 16.65% | Global Bonds 4.79% | High Yield 58.21% | Mid Cap 25.48% | TIPS 13.56% | Mid Cap 17.28% | Mid Cap 34.76% | Mid Cap 13.21% | Large Cap 1.38% | High Yield 17.12% | Intl 27.19% | Cash 1.69% | Mid Cap 30.54% | US Bonds 6.79% | Commod. 9.07% |
| Core Real Estate 20.15% | Small Cap 18.37% | Commod. 16.23% | Cash 1.39% | Intl 41.45% | Emerging Markets 18.88% | US Bonds 7.84% | Intl 16.83% | Large Cap 32.39% | Core Real Estate 11.44% | US Bonds 0.55% | Mid Cap 13.79% | Large Cap 21.83% | US Bonds 0.01% | Small Cap 25.52% | Global Bonds 5.72% | Large Cap 8.93% |
| Intl 16.62% | Large Cap 15.79% | Core Real Estate 14.84% | TIPS -2.35% | Mid Cap 40.48% | Commod. 16.83% | Global Bonds 5.64% | Small Cap 16.35% | Intl 15.29% | US Bonds 5.97% | Cash 0.03% | Large Cap 11.95% | Mid Cap 18.52% | Global Bonds -1.20% | Intl 21.51% | Large Cap 5.57% | Mid Cap 7.46% |
| Mid Cap 12.65% | Core Real Estate 15.27% | TIPS 11.64% | Core Real Estate -10.70% | Small Cap 27.17% | Core Real Estate 15.26% | High Yield 4.98% | Large Cap 16.00% | Global Balanced 14.46% | Small Cap 4.89% | TIPS -1.43% | Commod. 11.76 | Global Balanced 15.87% | TIPS -1.26% | Global Balanced 18.86% | Global Balanced 4.02% | Intl 6.25% |
| Large Cap 4.91% | Mid Cap 15.26% | Global Bonds 9.48% | Global Balanced -24.51% | Large Cap 26.46% | High Yield 15.12% | Large Cap 2.11% | High Yield 15.81% | Core Real Estate 12.95% | TIPS 3.64% | Global Balanced -1.45% | Emerging Markets 11.18% | Small Cap 14.65% | High Yield -2.08% | Emerging Markets 18.42% | High Yield 0.62% | Global Balanced 5.69% |
| Small Cap 4.55% | Global Balanced 14.53% | Global Balanced 9.07% | High Yield -26.16% | Global Balanced 20.49% | Large Cap 15.06% | Cash 0.06% | Global Balanced 11.06% | High Yield 7.44% | Global Balanced 3.17% | Mid Cap -2.43% | Core Real Estate 7.76% | High Yield 7.50% | | High Yield 14.32% | Cash 0.34% | Small Cap 4.93% |
| Global Balanced 4.16% | High Yield 11.85% | US Bonds 6.97% | Small Cap -33.79% | Commod. 18.91% | Intl 11.15% | Global Balanced -0.97% | Core Real Estate 9.76% | Cash 0.07% | High Yield 2.45% | Global Bonds -3.15% | Global Balanced 5.38% | Global Bonds 7.39% | Global Balanced -5.30% | US Bonds 8.72% | Core Real Estate -0.75% | High Yield 4.60% |
| Cash 3.25% | Global Bonds 6.64% | Mid Cap 5.60% | Commod. -35.65% | TIPS 11.41% | Global Balanced 9.40% | Mid Cap -1.55% | TIPS 6.98% | US Bonds -2.02% | Global Bonds 0.59% | Small Cap -4.41% | TIPS 4.68% | Core Real Estate 6.66% | Mid Cap -9.06% | TIPS 8.43% | Emerging Markets -1.16% | TIPS 3.03% |
| TIPS 2.84% | Cash 4.85% | Large Cap 5.49% | Large Cap -37.00% | Global Bonds 6.93% | US Bonds 6.54% | Small Cap -4.18% | Global Bonds 4.32% | Global Bonds -2.60% | Cash 0.04% | High Yield -4.46% | Intl 4.50% | US Bonds 3.54% | Small Cap -11.01% | Commod. 7.69% | Mid Cap -2.35% | Global Bonds 2.66% |
| High Yield 2.74% | US Bonds 4.33% | Cash 4.44% | Mid Cap -41.46% | US Bonds 5.93% | TIPS 6.31% | Commod. -13.32% | US Bonds 4.21% | Emerging Markets -2.60% | Emerging Markets -2.18% | Intl -5.66% | US Bonds 2.65% | TIPS 3.01% | Commod. -11.25% | Global Bonds 6.84% | Intl -5.44% | US Bonds 0.62% |
| US Bonds 2.43% | Commod. 2.07% | High Yield 1.87% | Intl -45.53% | Cash 0.16% | Global Bonds 5.54% | Intl -13.71% | Cash 0.08% | TIPS -8.61% | Intl -3.86% | Emerging Markets -14.90% | Global Bonds 2.09% | Commod. 1.70% | Intl -14.20% | Core Real Estate 4.41% | Small Cap -8.69% | Core Real Estate 0.27% |
| Global Bonds -4.49% | TIPS 0.41% | Small Cap -1.57% | Emerging Markets -53.33% | Core Real Estate -30.40% | Cash 0.15% | Emerging Markets -18.42% | Commod. -1.06% | Commod. -9.52% | Commod. -17.00% | Commod. -24.60% | Cash 0.25% | Cash 0.71% | Emerging Markets -14.58% | Cash 2.30% | Commod. -12.08% | Cash 0.03% |

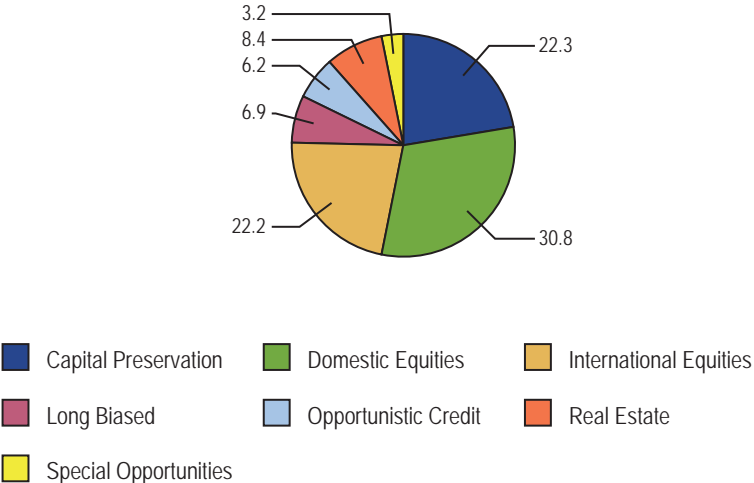
Global Balanced is composed of 60% MSCI World Stock Index, 35% BBgBarc Global Aggregate Bond Index, and 5% US 90-Day T-Bills.

Section 2

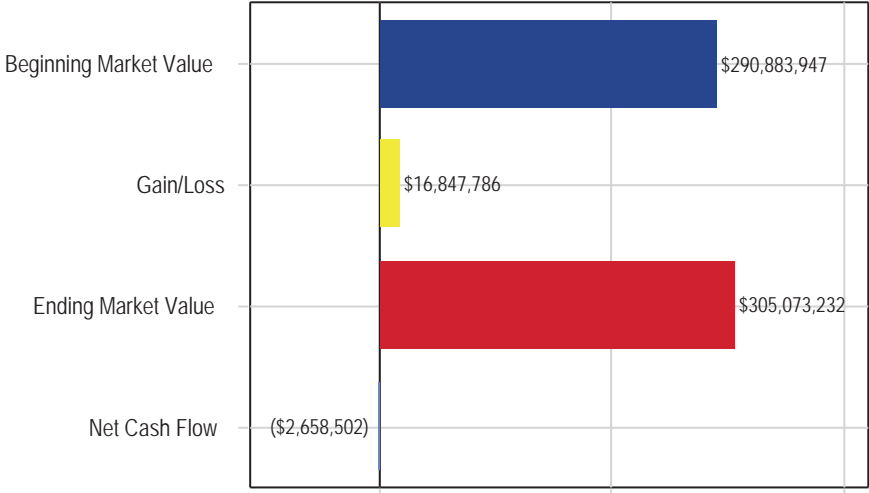
Spokane Employees' Retirement System

As of September 30, 2020

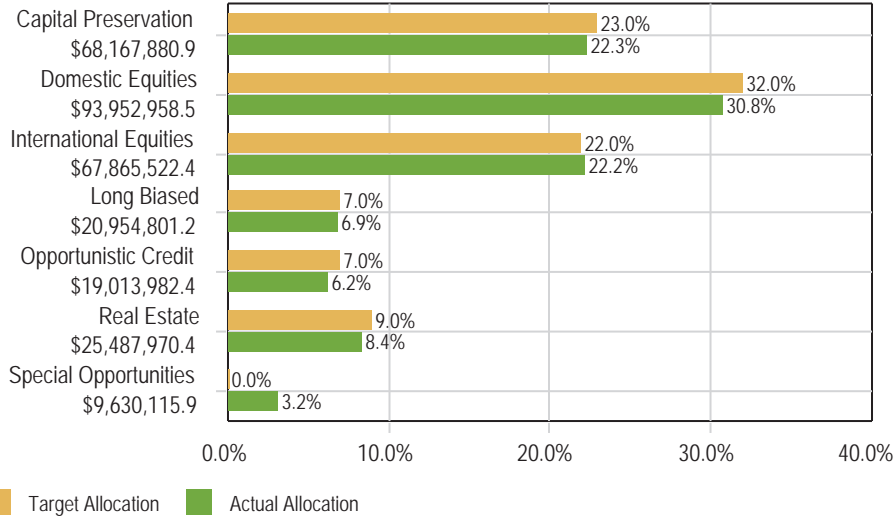
SERS 2016 Policy



Current Quarter



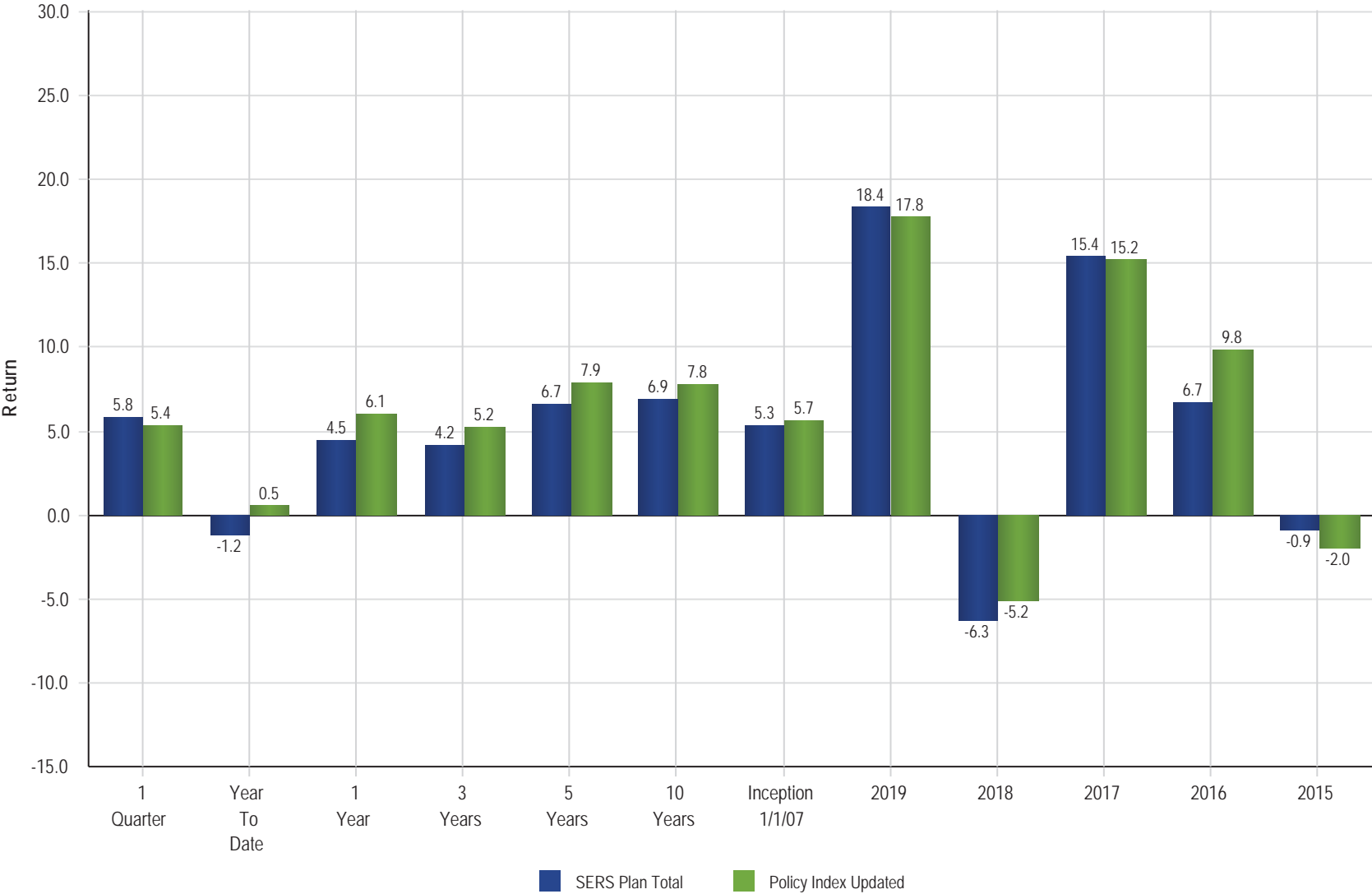
Actual vs Target Allocation



Policy Breakdown

| Passive Portfolios | Weight (%) |
|--|------------|
| Blmbg. Barc. U.S. Aggregate | 10 |
| Blmbg. Barc. 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 |

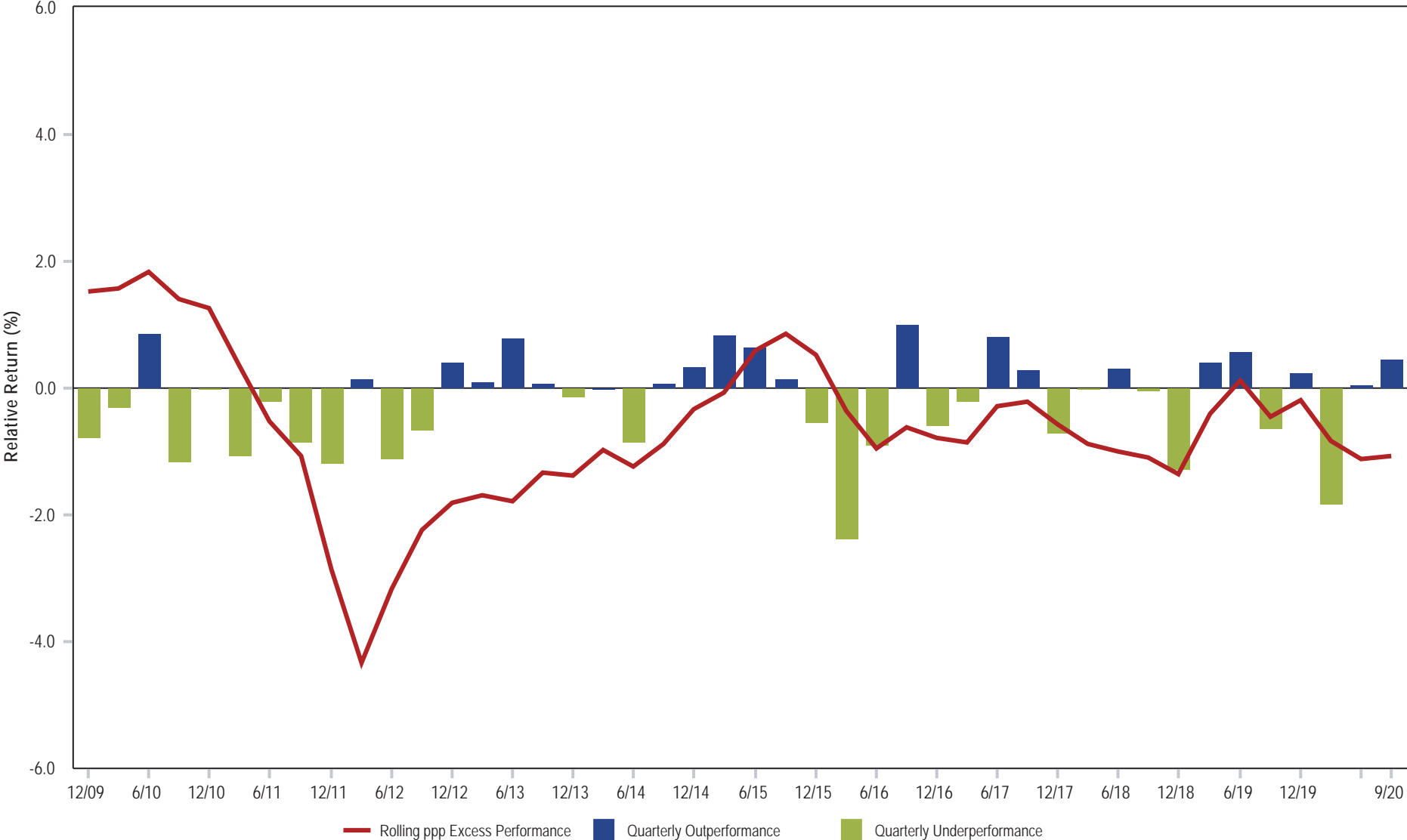
Return Summary



Performance Net of Fees.

Performance for periods longer than 1 year is annualized.

Relative Performance
Rolling 3 Year Annualized Excess Performance



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 | 4.15 | 5.23 | 6.66 | 7.86 | 5.34 | 5.65 | |
| Cumulative Return | 12.98 | 16.51 | 38.02 | 46.01 | 104.56 | 112.93 | |
| Active Return | -0.84 | 0.00 | -1.01 | 0.00 | -0.40 | 0.00 | |
| Excess Return | 3.73 | 4.57 | 6.15 | 7.16 | 5.05 | 5.45 | |

Risk 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 | |
| Upside Semi Deviation | 13.51 | 12.47 | 10.83 | 9.97 | 10.94 | 12.18 | 01/01/2007 |
| Downside Semi Deviation | 20.39 | 10.49 | 18.25 | 10.49 | 16.36 | 16.38 | |
| Beta | 1.08 | 1.00 | 1.08 | 1.00 | 0.92 | 1.00 | |

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 | 16.61 | 15.38 | 12.89 | 11.84 | 12.40 | 13.28 | 01/01/2007 |
| Alpha | -1.32 | 0.00 | -1.68 | 0.00 | 0.12 | 0.00 | |
| Tracking Error | 1.50 | 0.00 | 1.74 | 0.00 | 2.48 | 0.00 | |
| Information Ratio | -0.56 | N/A | -0.58 | N/A | -0.16 | N/A | |
| Sharpe Ratio | 0.22 | 0.29 | 0.47 | 0.60 | 0.40 | 0.41 | |

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 | 1.00 | 1.00 | 0.99 | 1.00 | 0.97 | 1.00 | 01/01/2007 |
| Actual Correlation | 1.00 | 1.00 | 0.99 | 1.00 | 0.98 | 1.00 | |

Spokane Employees' Retirement System

As of September 30, 2020

Total Account Performance Summary

| | Performance (%) | | | | | | | | | | | | | | |
|--|-----------------|--------------------|--------------|--------------|--------------|-------------|--------------------|--------------|---------------|--------------|--------------|--------------|--------------|--------------|-------------------|
| | 1 Quarter | Year To Date | 1 Year | 3 Years | 5 Years | 10 Years | Since Inception | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | Inception Date |
| SERS Plan Total | 5.80 | -1.19 | 4.50 | 4.15 | 6.66 | 6.94 | 5.34 | 18.35 | -6.27 | 15.40 | 6.71 | -0.94 | 5.34 | 18.89 | 01/01/2007 |
| Policy Index Updated | 5.35 | 0.53 | 6.08 | 5.23 | 7.86 | 7.82 | 5.65 | 17.77 | -5.17 | 15.20 | 9.84 | -2.00 | 5.79 | 17.92 | |
| Over/Under | 0.45 | -1.72 | -1.58 | -1.08 | -1.20 | -0.88 | -0.31 | 0.58 | -1.10 | 0.20 | -3.13 | 1.06 | -0.45 | 0.97 | |
| 70/30 ACWI/Barclays Aggregate Bond | 5.90 | 3.48 | 9.96 | 6.89 | 8.68 | 7.28 | 5.41 | 21.21 | -6.48 | 17.50 | 6.42 | -1.30 | 4.77 | 14.87 | |
| Over/Under | -0.10 | -4.67 | -5.46 | -2.74 | -2.02 | -0.34 | -0.07 | -2.86 | 0.21 | -2.10 | 0.29 | 0.36 | 0.57 | 4.02 | |
| Corporate and Public >250m and < \$1Bil Rank | 11 | 98 | 93 | 94 | 87 | 78 | 70 | 66 | 74 | 48 | 65 | 41 | 71 | 16 | |
| Capital Preservation | 2.27 | -0.46 | 1.15 | 2.69 | 4.13 | - | 3.30 | 8.71 | -0.94 | 5.85 | 8.12 | -1.74 | 1.65 | 2.70 | 07/01/2012 |
| Capital Preservation Index | 2.18 | 3.38 | 4.63 | 4.07 | 4.16 | 3.93 | 3.90 | 9.09 | -0.72 | 4.60 | 5.43 | -0.58 | 4.23 | 3.33 | |
| Over/Under | 0.09 | -3.84 | -3.48 | -1.38 | -0.03 | - | -0.60 | -0.38 | -0.22 | 1.25 | 2.69 | -1.16 | -2.58 | -0.63 | |
| Domestic Equity | 7.31 | -0.22 | 8.06 | 7.74 | 10.68 | - | 11.92 | 29.14 | -7.80 | 19.86 | 10.91 | -0.32 | 11.10 | 36.38 | 07/01/2012 |
| Domestic Equity Index | 7.88 | 1.68 | 10.72 | 9.62 | 12.42 | 12.79 | 12.84 | 30.24 | -6.30 | 20.11 | 13.92 | -0.06 | 11.44 | 33.91 | |
| Over/Under | -0.57 | -1.90 | -2.66 | -1.88 | -1.74 | - | -0.92 | -1.10 | -1.50 | -0.25 | -3.01 | -0.26 | -0.34 | 2.47 | |
| All Cap Blend Rank | 49 | 45 | 46 | 47 | 46 | - | 43 | 42 | 47 | 42 | 71 | 38 | 41 | 30 | |
| International Equity Total | 8.97 | -1.17 | 8.49 | 2.66 | 7.43 | 5.86 | 4.55 | 25.02 | -15.78 | 28.45 | 3.91 | -1.32 | -3.58 | 20.93 | 04/01/2007 |
| International Equity Index | 7.48 | -4.46 | 4.81 | 1.34 | 6.75 | 4.08 | 2.62 | 21.27 | -14.96 | 29.35 | 5.34 | -5.49 | -3.63 | 13.48 | |
| Over/Under | 1.49 | 3.29 | 3.68 | 1.32 | 0.68 | 1.78 | 1.93 | 3.75 | -0.82 | -0.90 | -1.43 | 4.17 | 0.05 | 7.45 | |
| Foreign Rank | 28 | 37 | 35 | 36 | 30 | 32 | 15 | 34 | 54 | 38 | 22 | 59 | 29 | 53 | |
| Long Biased | 4.93 | 4.94 | 8.40 | 7.39 | 3.92 | - | 4.75 | 12.74 | 2.43 | 1.19 | -2.99 | 4.04 | 3.62 | 9.56 | 07/01/2012 |
| HFRI Fund of Funds Composite Index | 4.26 | 2.56 | 5.72 | 2.88 | 3.09 | 2.89 | 3.68 | 8.39 | -4.02 | 7.77 | 0.51 | -0.27 | 3.37 | 8.96 | |
| Over/Under | 0.67 | 2.38 | 2.68 | 4.51 | 0.83 | - | 1.07 | 4.35 | 6.45 | -6.58 | -3.50 | 4.31 | 0.25 | 0.60 | |
| S&P 500 Index | 8.93 | 5.57 | 15.15 | 12.28 | 14.15 | 13.74 | 13.90 | 31.49 | -4.38 | 21.83 | 11.96 | 1.38 | 13.69 | 32.39 | |
| Over/Under | -4.00 | -0.63 | -6.75 | -4.89 | -10.23 | - | -9.15 | -18.75 | 6.81 | -20.64 | -14.95 | 2.66 | -10.07 | -22.83 | |
| Opportunistic Credit | 5.75 | -7.08 | -5.97 | -3.47 | 1.34 | - | 2.47 | 1.14 | -5.68 | 7.08 | 14.52 | 2.35 | 2.32 | - | 10/01/2013 |
| HFRI ED: Distressed/Restructuring Index | 4.25 | 0.98 | 0.89 | 1.25 | 3.87 | 3.89 | 2.43 | 2.94 | -1.70 | 6.25 | 15.15 | -8.06 | -1.39 | 14.05 | |
| Over/Under | 1.50 | -8.06 | -6.86 | -4.72 | -2.53 | - | 0.04 | -1.80 | -3.98 | 0.83 | -0.63 | 10.41 | 3.71 | - | |

Capital Preservation Index: BBarc Aggregate: 43.5%; HFRI Conservative: 34.8% BBarc 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 September 30, 2020

| | Performance (%) | | | | | | | | | | | | | | Inception Date |
|------------------------------|-----------------|--------------|--------|---------|---------|----------|-----------------|--------|--------|-------|--------|-------|-------|-------|----------------|
| | 1 Quarter | Year To Date | 1 Year | 3 Years | 5 Years | 10 Years | Since Inception | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | |
| Real Estate Total | 1.98 | -6.02 | -4.93 | 5.41 | 6.81 | 10.12 | 5.26 | 16.62 | 3.68 | 10.01 | 8.09 | 6.66 | 25.00 | 8.71 | 04/01/2007 |
| NCREIF ODCE VW NET | 0.27 | -0.74 | 0.52 | 4.25 | 5.69 | 9.26 | 4.60 | 4.39 | 7.36 | 6.66 | 7.79 | 13.95 | 11.46 | 12.90 | |
| Over/Under | 1.71 | -5.28 | -5.45 | 1.16 | 1.12 | 0.86 | 0.66 | 12.23 | -3.68 | 3.35 | 0.30 | -7.29 | 13.54 | -4.19 | |
| FTSE NAREIT All REITs Index | 1.46 | -13.77 | -13.30 | 2.73 | 6.26 | 8.95 | 4.43 | 28.07 | -4.10 | 9.27 | 9.28 | 2.29 | 27.15 | 3.21 | |
| Over/Under | 0.52 | 7.75 | 8.37 | 2.68 | 0.55 | 1.17 | 0.83 | -11.45 | 7.78 | 0.74 | -1.19 | 4.37 | -2.15 | 5.50 | |
| Real Estate Rank | 48 | 9 | 8 | 9 | 13 | 2 | 12 | 96 | 5 | 9 | 22 | 5 | 81 | 7 | |
| Special Opportunities | 6.12 | -6.89 | 5.57 | -4.12 | -0.93 | - | 5.04 | 10.54 | -11.43 | 25.32 | -21.90 | 2.13 | 25.88 | 31.60 | 07/01/2012 |
| Russell 3000 Index | 9.21 | 5.41 | 15.00 | 11.65 | 13.69 | 13.48 | 13.65 | 31.02 | -5.24 | 21.13 | 12.74 | 0.48 | 12.56 | 33.55 | |
| Over/Under | -3.09 | -12.30 | -9.43 | -15.77 | -14.62 | - | -8.61 | -20.48 | -6.19 | 4.19 | -34.64 | 1.65 | 13.32 | -1.95 | |

Growth of A Dollar

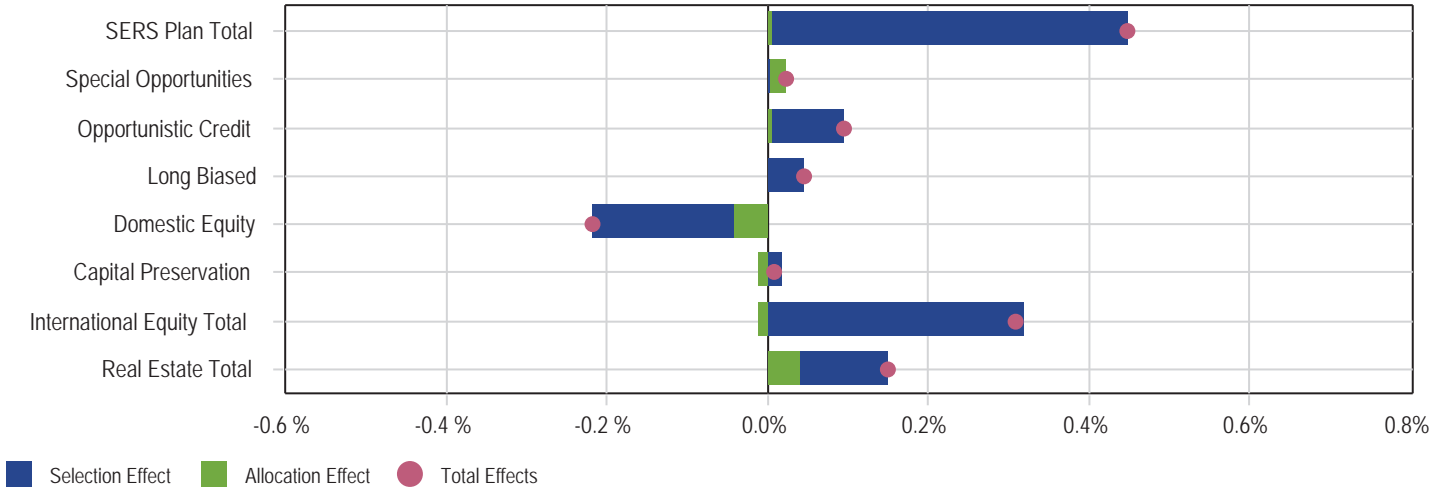


Calculation based on quarterly periodicity.

Attribution Summary
1 Quarter Ending September 30, 2020

| | Wtd. Actual Return (%) | Wtd. Index Return (%) | Excess Return (%) | Selection Effect (%) | Allocation Effect (%) | Total Effect (%) |
|----------------------------|------------------------------|-----------------------------|-------------------------|----------------------------|-----------------------------|------------------------|
| Special Opportunities | 6.12 | 9.21 | -3.09 | 0.00 | 0.02 | 0.02 |
| Opportunistic Credit | 5.75 | 4.25 | 1.50 | 0.09 | 0.01 | 0.09 |
| Long Biased | 4.93 | 4.26 | 0.67 | 0.05 | 0.00 | 0.05 |
| Domestic Equity | 7.31 | 7.88 | -0.57 | -0.18 | -0.04 | -0.22 |
| Capital Preservation | 2.27 | 2.18 | 0.09 | 0.02 | -0.01 | 0.01 |
| International Equity Total | 8.97 | 7.48 | 1.49 | 0.32 | -0.01 | 0.31 |
| Real Estate Total | 1.98 | 0.69 | 1.29 | 0.11 | 0.04 | 0.15 |
| SERS Plan Total | 5.80 | 5.35 | 0.45 | 0.40 | 0.01 | 0.45 |

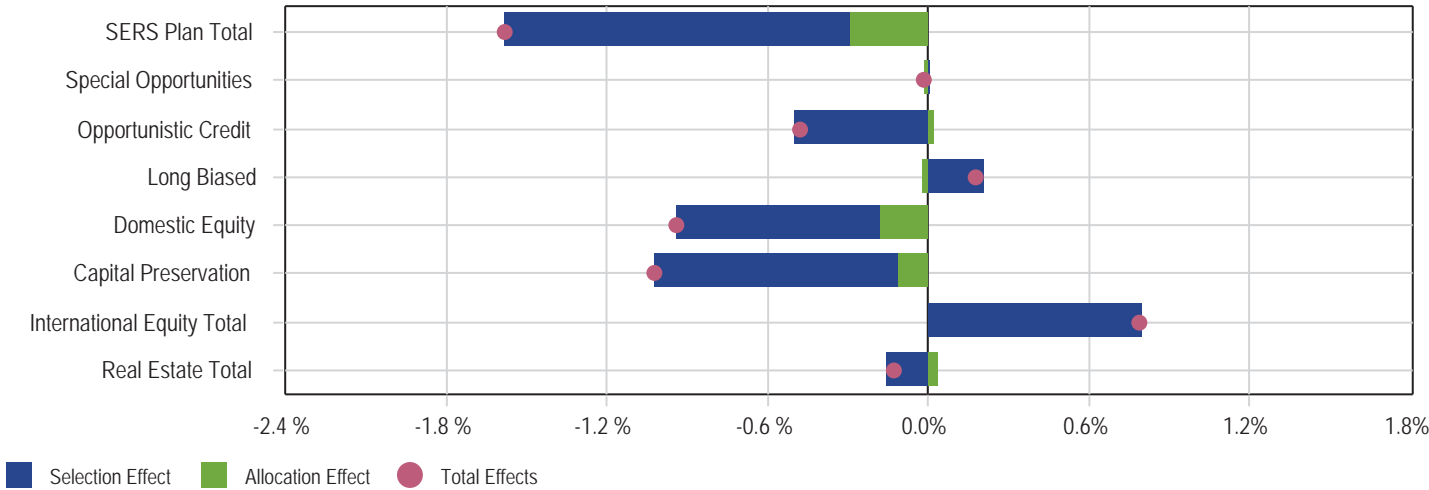
Attribution Effects
1 Quarter Ending September 30, 2020



Attribution Summary
1 Year Ending September 30, 2020

| | Wtd. Actual Return (%) | Wtd. Index Return (%) | Excess Return (%) | Selection Effect (%) | Allocation Effect (%) | Total Effect (%) |
|----------------------------|------------------------------|-----------------------------|-------------------------|----------------------------|-----------------------------|------------------------|
| Special Opportunities | 5.57 | 15.00 | -9.43 | 0.00 | -0.02 | -0.02 |
| Opportunistic Credit | -5.97 | 0.89 | -6.86 | -0.50 | 0.02 | -0.48 |
| Long Biased | 8.40 | 5.72 | 2.67 | 0.20 | -0.03 | 0.18 |
| Domestic Equity | 8.06 | 10.72 | -2.66 | -0.76 | -0.18 | -0.94 |
| Capital Preservation | 1.15 | 4.63 | -3.48 | -0.91 | -0.11 | -1.02 |
| International Equity Total | 8.49 | 4.81 | 3.68 | 0.79 | 0.00 | 0.79 |
| Real Estate Total | -4.93 | -3.48 | -1.46 | -0.16 | 0.03 | -0.13 |
| SERS Plan Total | 4.50 | 6.08 | -1.58 | -1.33 | -0.29 | -1.58 |

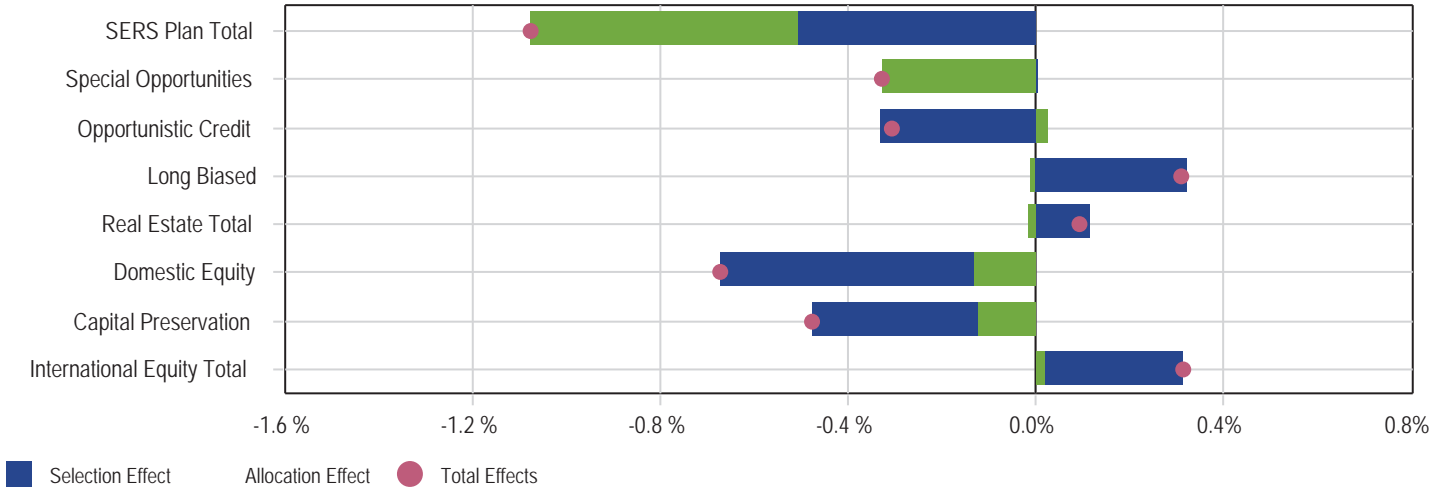
Attribution Effects
1 Year Ending September 30, 2020



Attribution Summary
3 Years Ending September 30, 2020

| | Wtd. Actual Return (%) | Wtd. Index Return (%) | Excess Return (%) | Selection Effect (%) | Allocation Effect (%) | Total Effect (%) |
|----------------------------|------------------------------|-----------------------------|-------------------------|----------------------------|-----------------------------|------------------------|
| Special Opportunities | -4.12 | 11.65 | -15.77 | 0.00 | -0.33 | -0.33 |
| Opportunistic Credit | -3.47 | 1.25 | -4.73 | -0.33 | 0.02 | -0.31 |
| Long Biased | 7.39 | 2.88 | 4.51 | 0.32 | -0.01 | 0.31 |
| Real Estate Total | 5.41 | 3.98 | 1.43 | 0.11 | -0.02 | 0.10 |
| Domestic Equity | 7.74 | 9.62 | -1.89 | -0.54 | -0.13 | -0.67 |
| Capital Preservation | 2.69 | 4.07 | -1.38 | -0.35 | -0.12 | -0.47 |
| International Equity Total | 2.66 | 1.34 | 1.33 | 0.29 | 0.02 | 0.31 |
| SERS Plan Total | 4.15 | 5.23 | -1.08 | -0.49 | -0.57 | -1.08 |

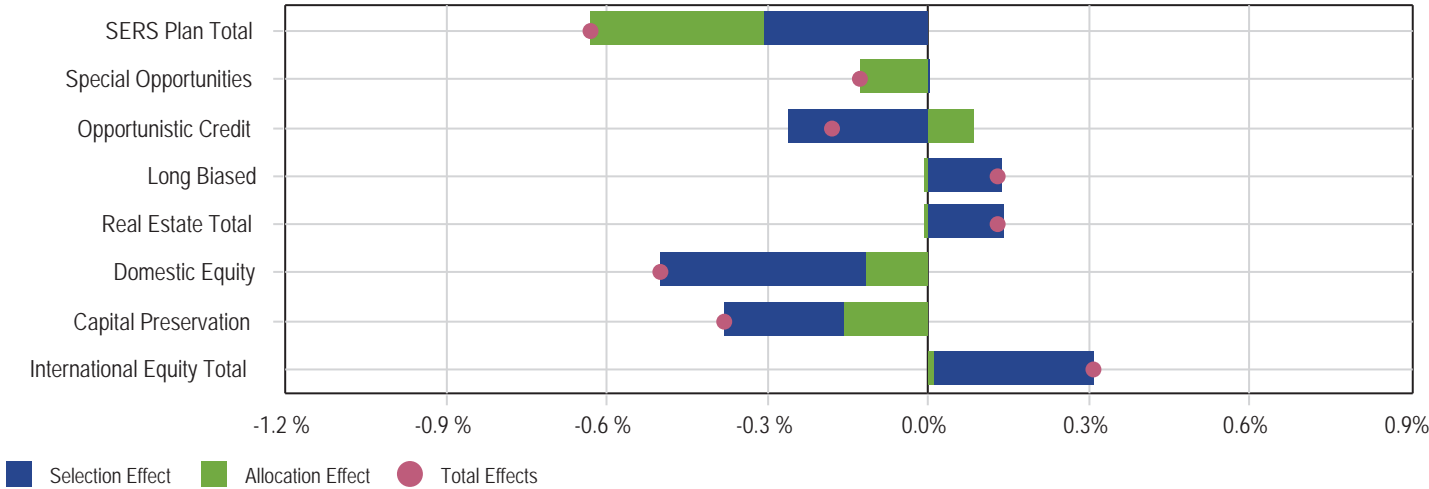
Attribution Effects
3 Years Ending September 30, 2020



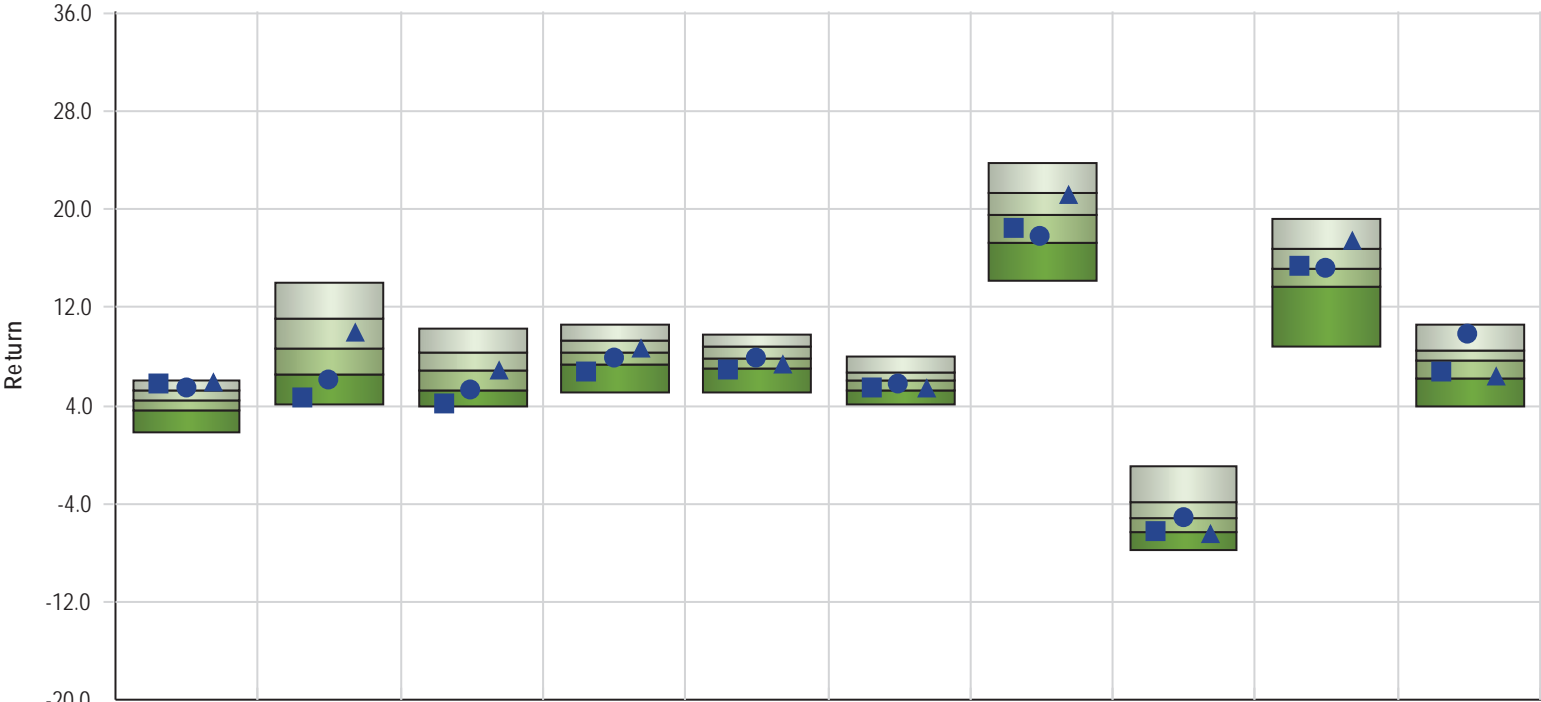
Attribution Summary
January 1, 2017 To September 30, 2020 Ending September 30, 2020

| | Wtd. Actual Return (%) | Wtd. Index Return (%) | Excess Return (%) | Selection Effect (%) | Allocation Effect (%) | Total Effect (%) |
|----------------------------|------------------------------|-----------------------------|-------------------------|----------------------------|-----------------------------|------------------------|
| Special Opportunities | 3.62 | 13.07 | -9.46 | 0.00 | -0.13 | -0.13 |
| Opportunistic Credit | -1.38 | 2.22 | -3.60 | -0.26 | 0.08 | -0.18 |
| Long Biased | 5.59 | 3.80 | 1.79 | 0.14 | -0.01 | 0.13 |
| Real Estate Total | 6.13 | 4.45 | 1.69 | 0.14 | -0.01 | 0.13 |
| Domestic Equity | 9.88 | 11.23 | -1.34 | -0.39 | -0.12 | -0.50 |
| Capital Preservation | 3.42 | 4.30 | -0.88 | -0.22 | -0.16 | -0.38 |
| International Equity Total | 8.04 | 6.68 | 1.36 | 0.30 | 0.01 | 0.31 |
| SERS Plan Total | 6.47 | 7.10 | -0.63 | -0.30 | -0.32 | -0.63 |

Attribution Effects
January 1, 2017 To September 30, 2020 Ending September 30, 2020



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



| | 1 Quarter | 1 Year | 3 Years | 5 Years | 10 Years | Since Inception | 2019 | 2018 | 2017 | 2016 |
|--------------------------------------|-----------|-----------|----------|----------|----------|-----------------|-----------|-----------|-----------|----------|
| ■ SERS Plan Total | 5.8 (11) | 4.5 (93) | 4.2 (94) | 6.7 (87) | 6.9 (78) | 5.3 (70) | 18.4 (66) | -6.3 (74) | 15.4 (48) | 6.7 (65) |
| ● Policy Index Updated | 5.4 (21) | 6.1 (79) | 5.2 (75) | 7.9 (59) | 7.8 (51) | 5.7 (61) | 17.8 (70) | -5.2 (50) | 15.2 (50) | 9.8 (9) |
| ▲ 70/30 ACWI/Barclays Aggregate Bond | 5.9 (10) | 10.0 (34) | 6.9 (49) | 8.7 (40) | 7.3 (67) | 5.4 (69) | 21.2 (29) | -6.5 (79) | 17.5 (16) | 6.4 (68) |

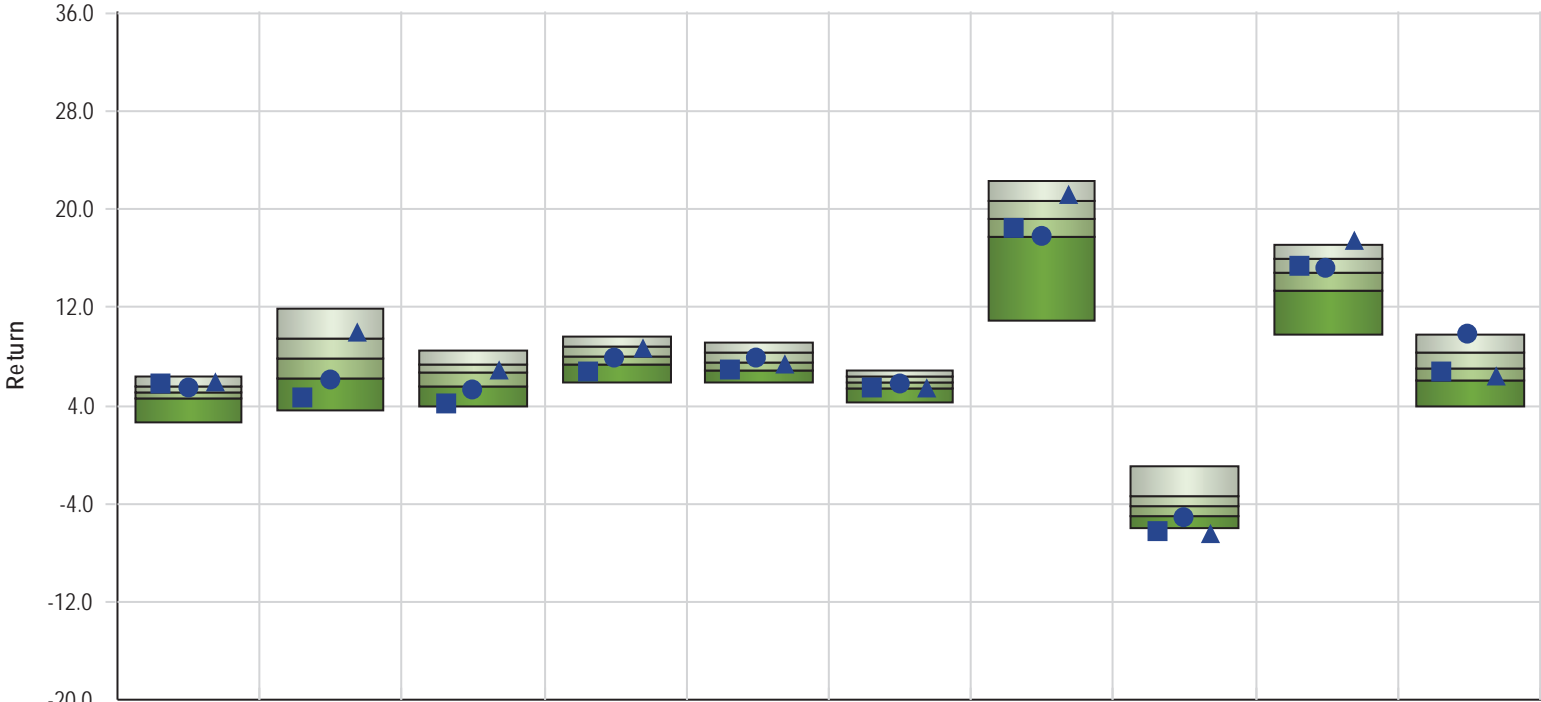
| | | | | | | | | | | |
|-----------------|-----|------|------|------|-----|-----|------|------|------|------|
| 5th Percentile | 6.1 | 14.1 | 10.3 | 10.7 | 9.8 | 8.1 | 23.8 | -1.0 | 19.3 | 10.7 |
| 1st Quartile | 5.3 | 11.2 | 8.4 | 9.4 | 8.7 | 6.7 | 21.4 | -3.9 | 16.7 | 8.6 |
| Median | 4.4 | 8.6 | 6.9 | 8.3 | 7.8 | 6.0 | 19.5 | -5.2 | 15.2 | 7.6 |
| 3rd Quartile | 3.5 | 6.5 | 5.2 | 7.3 | 7.1 | 5.2 | 17.4 | -6.4 | 13.7 | 6.1 |
| 95th Percentile | 1.8 | 4.2 | 4.0 | 5.1 | 5.1 | 4.0 | 14.2 | -7.7 | 8.8 | 3.9 |
| Population | 216 | 216 | 209 | 198 | 164 | 121 | 282 | 265 | 196 | 180 |

Parentheses contain percentile rankings.
Calculation based on quarterly periodicity.

Spokane Employees' Retirement System

As of September 30, 2020

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

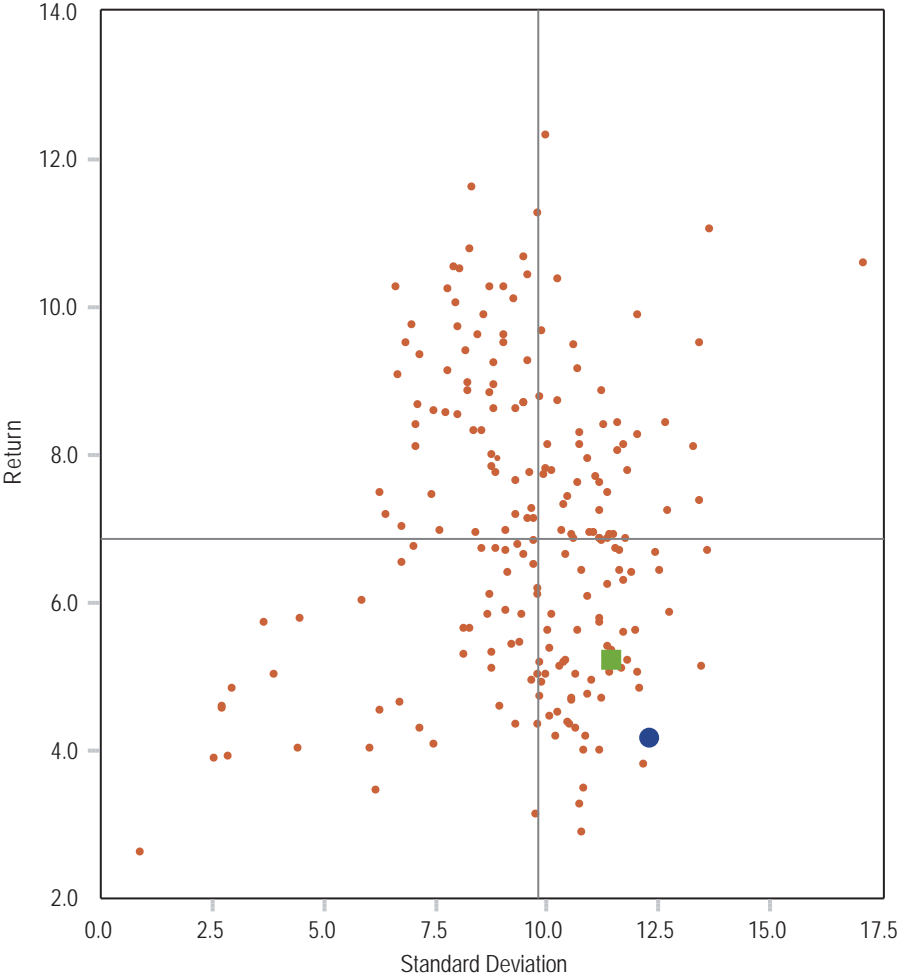


| | 1 Quarter | 1 Year | 3 Years | 5 Years | 10 Years | Since Inception | 2019 | 2018 | 2017 | 2016 |
|--------------------------------------|-----------|-----------|----------|----------|----------|-----------------|-----------|-----------|-----------|----------|
| ■ SERS Plan Total | 5.8 (18) | 4.5 (92) | 4.2 (93) | 6.7 (88) | 6.9 (75) | 5.3 (77) | 18.4 (64) | -6.3 (97) | 15.4 (40) | 6.7 (60) |
| ● Policy Index Updated | 5.4 (39) | 6.1 (77) | 5.2 (80) | 7.9 (56) | 7.8 (45) | 5.7 (66) | 17.8 (75) | -5.2 (79) | 15.2 (44) | 9.8 (5) |
| ▲ 70/30 ACWI/Barclays Aggregate Bond | 5.9 (15) | 10.0 (22) | 6.9 (43) | 8.7 (28) | 7.3 (58) | 5.4 (74) | 21.2 (16) | -6.5 (97) | 17.5 (4) | 6.4 (68) |

| | | | | | | | | | | |
|-----------------|-----|------|-----|-----|-----|-----|------|------|------|-----|
| 5th Percentile | 6.3 | 12.0 | 8.4 | 9.6 | 9.1 | 6.9 | 22.3 | -0.9 | 17.2 | 9.8 |
| 1st Quartile | 5.6 | 9.5 | 7.4 | 8.8 | 8.3 | 6.4 | 20.7 | -3.4 | 16.0 | 8.3 |
| Median | 5.1 | 7.8 | 6.6 | 8.0 | 7.6 | 5.9 | 19.3 | -4.3 | 14.9 | 7.1 |
| 3rd Quartile | 4.6 | 6.2 | 5.5 | 7.3 | 6.9 | 5.4 | 17.7 | -5.0 | 13.4 | 6.1 |
| 95th Percentile | 2.6 | 3.6 | 3.9 | 5.8 | 5.8 | 4.2 | 11.0 | -6.0 | 9.8 | 3.9 |
| Population | 186 | 186 | 178 | 162 | 133 | 101 | 234 | 206 | 157 | 148 |

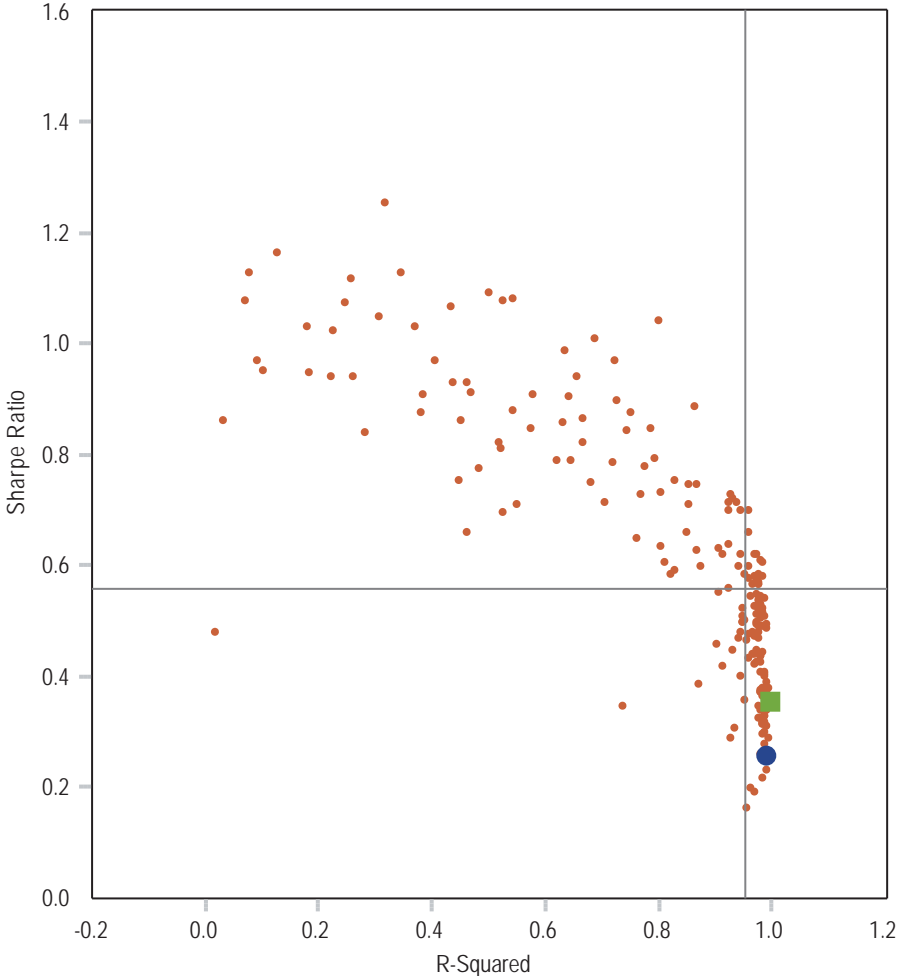
Parentheses contain percentile rankings.
Calculation based on quarterly periodicity.

Annualized Return vs Annualized Standard Deviation
Trailing 3 Years



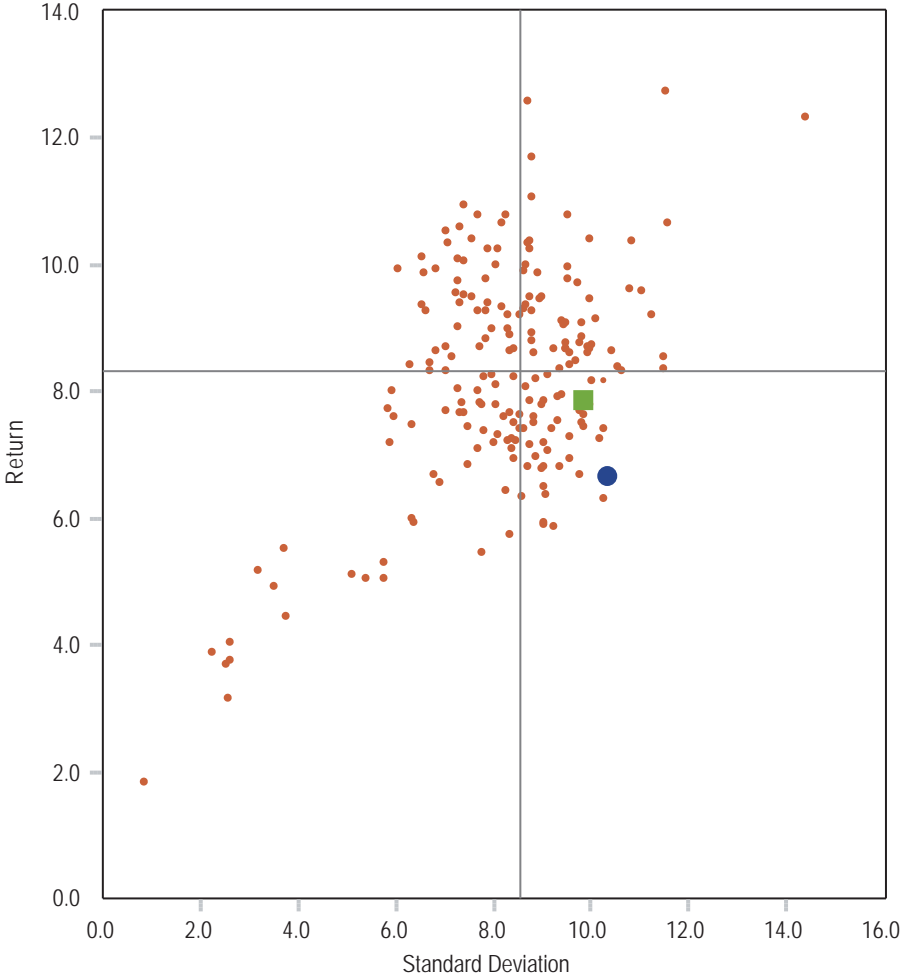
- Corporate and Public >250m and < \$1Bil
- SERS Plan Total
- Policy Index Updated

Sharpe Ratio vs R-Squared
Trailing 3 Years



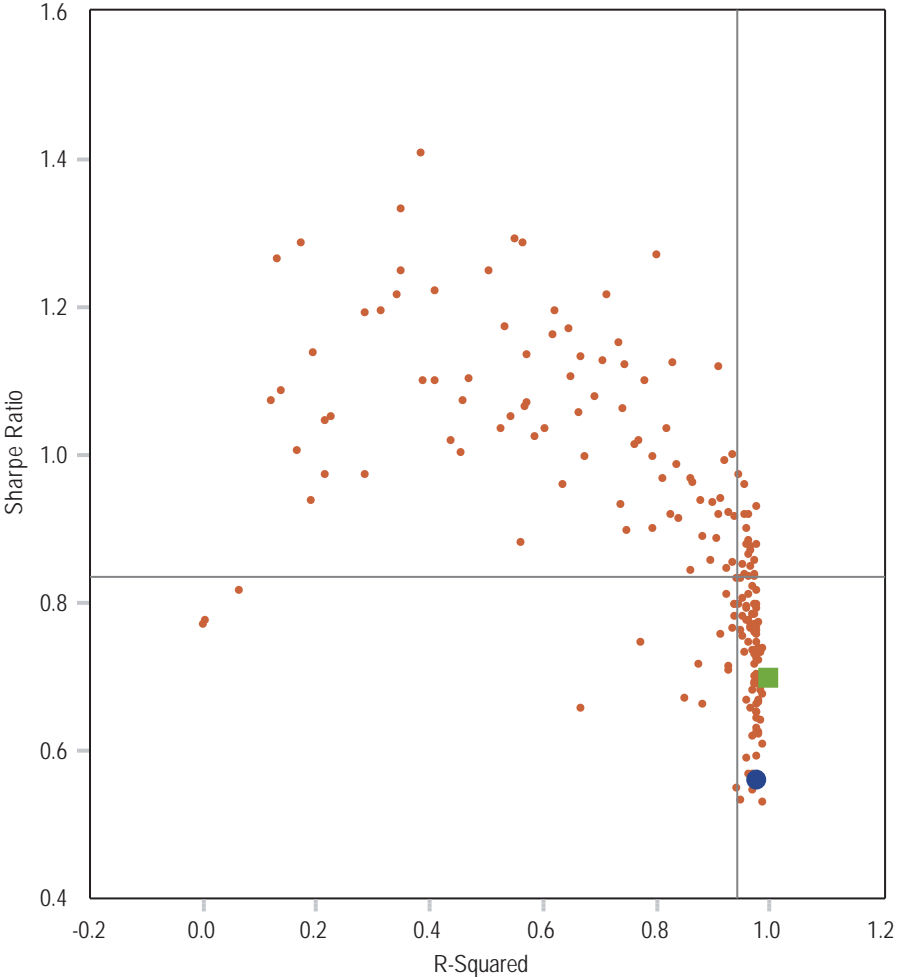
- Corporate and Public >250m and < \$1Bil
- SERS Plan Total
- Policy Index Updated

Annualized Return vs Annualized Standard Deviation
Trailing 5 Years



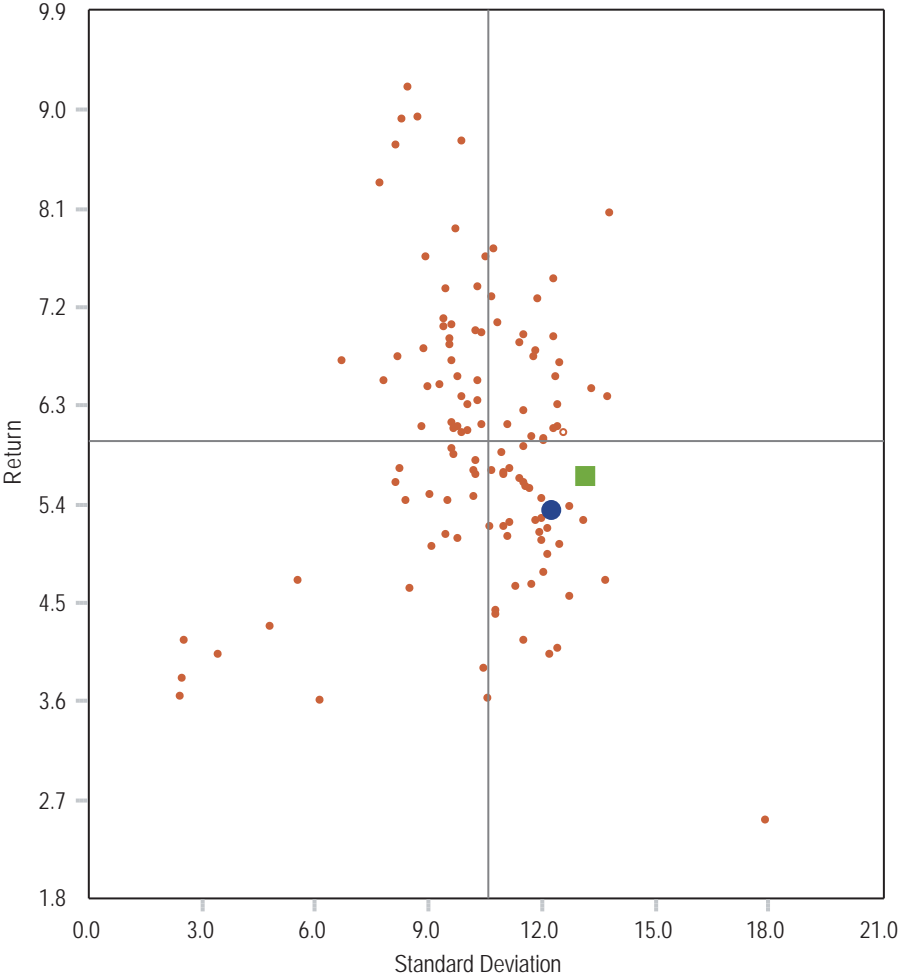
- Corporate and Public >250m and <\$1Bil
- SERS Plan Total
- Policy Index Updated

Sharpe Ratio vs R-Squared
Trailing 5 Years



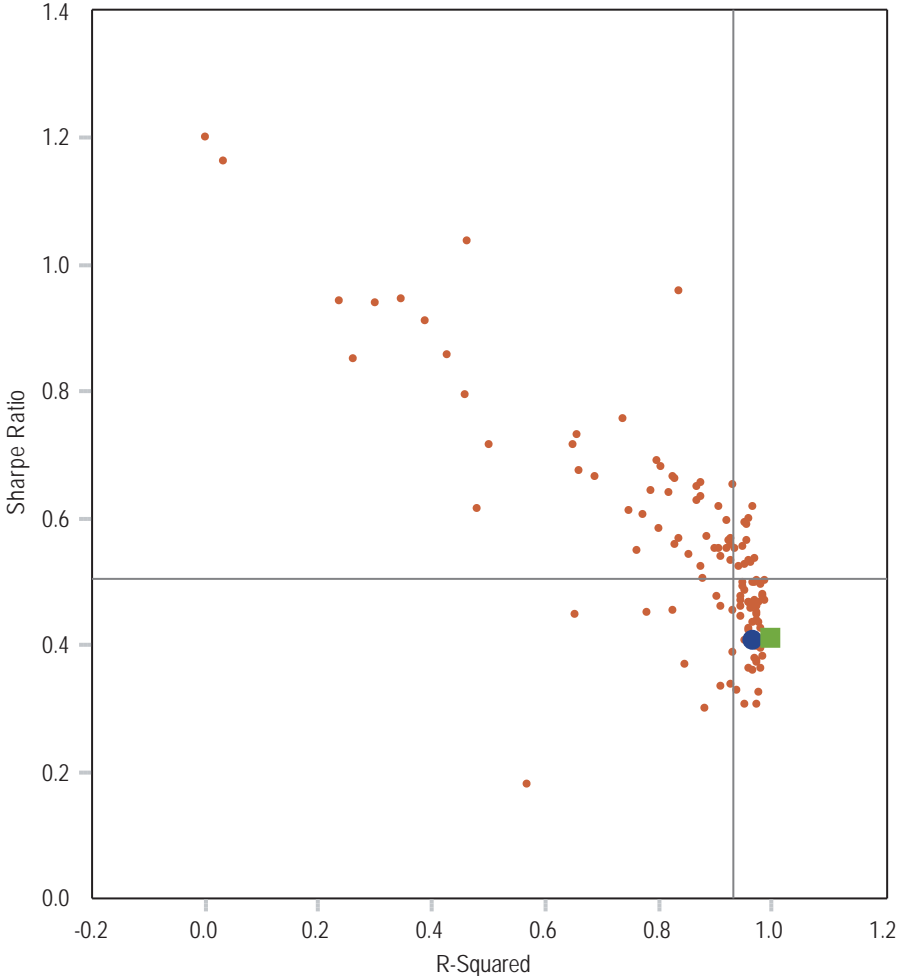
- Corporate and Public >250m and <\$1Bil
- SERS Plan Total
- Policy Index Updated

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 September 30, 2020

Asset Class Performance

| | Performance (%) | | | | | | | | | | | | |
|--|-----------------|--------------------|-----------|------------|------------|--------------------|-------|-------|-------|-------|-------|-------|-------------------|
| | 1 Quarter | Year To Date | 1 Year | 3 Years | 5 Years | Since Inception | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | Inception Date |
| Capital Preservation | 2.27 | -0.46 | 1.15 | 2.69 | 4.13 | 3.30 | 8.71 | -0.94 | 5.85 | 8.12 | -1.74 | 1.65 | 07/01/2012 |
| Capital Preservation Index | 2.18 | 3.38 | 4.63 | 4.07 | 4.16 | 3.90 | 9.09 | -0.72 | 4.60 | 5.43 | -0.58 | 4.23 | |
| Over/Under | 0.09 | -3.84 | -3.48 | -1.38 | -0.03 | -0.60 | -0.38 | -0.22 | 1.25 | 2.69 | -1.16 | -2.58 | |
| Total Return Bond | 1.57 | 7.48 | 7.76 | 5.74 | - | 4.52 | 9.38 | -0.09 | 4.20 | - | - | - | 10/01/2016 |
| BImbg. Barc. U.S. Aggregate | 0.62 | 6.79 | 6.98 | 5.24 | 4.18 | 3.93 | 8.72 | 0.01 | 3.54 | 2.65 | 0.55 | 5.97 | |
| Over/Under | 0.95 | 0.69 | 0.78 | 0.50 | - | 0.59 | 0.66 | -0.10 | 0.66 | - | - | - | |
| Intermediate Core Bond Rank | 14 | 22 | 20 | 10 | - | 8 | 21 | 35 | 16 | - | - | - | |
| High Yield | 5.38 | -4.73 | -2.53 | 0.63 | 4.28 | 4.01 | 9.71 | -3.46 | 8.22 | 16.67 | -7.05 | 0.68 | 07/01/2012 |
| BImbg. Barc. U.S. Corp: High Yield Index | 4.60 | 0.62 | 3.25 | 4.21 | 6.79 | 5.95 | 14.32 | -2.08 | 7.50 | 17.13 | -4.47 | 2.45 | |
| Over/Under | 0.78 | -5.35 | -5.78 | -3.58 | -2.51 | -1.94 | -4.61 | -1.38 | 0.72 | -0.46 | -2.58 | -1.77 | |
| High Yield Bond Rank | 15 | 95 | 97 | 98 | 89 | 91 | 88 | 68 | 13 | 10 | 89 | 73 | |
| Absolute Return | 2.00 | -6.24 | -3.96 | 0.50 | 2.69 | 2.89 | 8.10 | -1.11 | 5.33 | 7.75 | 0.29 | 3.15 | 07/01/2012 |
| HFRI FOF: Conservative Index | 2.60 | 0.53 | 2.16 | 2.33 | 2.36 | 3.20 | 6.30 | -0.87 | 4.12 | 1.89 | 0.37 | 3.14 | |
| Over/Under | -0.60 | -6.77 | -6.12 | -1.83 | 0.33 | -0.31 | 1.80 | -0.24 | 1.21 | 5.86 | -0.08 | 0.01 | |
| BImbg. Barc. U.S. Aggregate | 0.62 | 6.79 | 6.98 | 5.24 | 4.18 | 3.34 | 8.72 | 0.01 | 3.54 | 2.65 | 0.55 | 5.97 | |
| Over/Under | 1.38 | -13.03 | -10.94 | -4.74 | -1.49 | -0.45 | -0.62 | -1.12 | 1.79 | 5.10 | -0.26 | -2.82 | |
| Domestic Equity | 7.31 | -0.22 | 8.06 | 7.74 | 10.68 | 11.92 | 29.14 | -7.80 | 19.86 | 10.91 | -0.32 | 11.10 | 07/01/2012 |
| Domestic Equity Index | 7.88 | 1.68 | 10.72 | 9.62 | 12.42 | 12.84 | 30.24 | -6.30 | 20.11 | 13.92 | -0.06 | 11.44 | |
| Over/Under | -0.57 | -1.90 | -2.66 | -1.88 | -1.74 | -0.92 | -1.10 | -1.50 | -0.25 | -3.01 | -0.26 | -0.34 | |
| All Cap Blend Rank | 49 | 45 | 46 | 47 | 46 | 43 | 42 | 47 | 42 | 71 | 38 | 41 | |
| Domestic Large Cap Equity | 7.88 | 2.32 | 11.46 | 9.07 | 11.56 | 8.19 | 30.06 | -7.70 | 22.54 | 8.24 | -0.32 | 12.85 | 04/01/2007 |
| S&P 500 Index | 8.93 | 5.57 | 15.15 | 12.28 | 14.15 | 8.86 | 31.49 | -4.38 | 21.83 | 11.96 | 1.38 | 13.69 | |
| Over/Under | -1.05 | -3.25 | -3.69 | -3.21 | -2.59 | -0.67 | -1.43 | -3.32 | 0.71 | -3.72 | -1.70 | -0.84 | |
| Large Blend Rank | 63 | 63 | 60 | 67 | 69 | 48 | 52 | 76 | 19 | 83 | 60 | 41 | |

Spokane Employees' Retirement System

As of September 30, 2020

| | Performance (%) | | | | | | | | | | | | Inception Date |
|---|-----------------|--------------|--------|---------|---------|-----------------|--------|--------|--------|--------|--------|--------|----------------|
| | 1 Quarter | Year To Date | 1 Year | 3 Years | 5 Years | Since Inception | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | |
| Domestic Small/Mid Equity | 6.09 | -5.11 | 1.54 | 5.10 | 8.88 | 10.89 | 27.27 | -8.05 | 14.91 | 15.37 | -0.39 | 8.69 | 07/01/2012 |
| Russell 2500 Index | 5.88 | -5.82 | 2.22 | 4.45 | 8.97 | 10.64 | 27.77 | -10.00 | 16.81 | 17.59 | -2.90 | 7.07 | |
| Over/Under | 0.21 | 0.71 | -0.68 | 0.65 | -0.09 | 0.25 | -0.50 | 1.95 | -1.90 | -2.22 | 2.51 | 1.62 | |
| SMID Blend Rank | 28 | 17 | 21 | 12 | 13 | 12 | 28 | 10 | 42 | 77 | 9 | 29 | |
| International Equity Total | 8.97 | -1.17 | 8.49 | 2.66 | 7.43 | 4.55 | 25.02 | -15.78 | 28.45 | 3.91 | -1.32 | -3.58 | 04/01/2007 |
| International Equity Index | 7.48 | -4.46 | 4.81 | 1.34 | 6.75 | 2.62 | 21.27 | -14.96 | 29.35 | 5.34 | -5.49 | -3.63 | |
| Over/Under | 1.49 | 3.29 | 3.68 | 1.32 | 0.68 | 1.93 | 3.75 | -0.82 | -0.90 | -1.43 | 4.17 | 0.05 | |
| Foreign Rank | 28 | 37 | 35 | 36 | 30 | 15 | 34 | 54 | 38 | 22 | 59 | 29 | |
| International Large Cap Equity | 7.54 | -3.13 | 6.22 | 2.27 | 7.17 | 8.17 | 25.78 | -15.14 | 27.50 | 4.02 | -1.13 | -1.38 | 07/01/2012 |
| MSCI AC World ex USA (Net) | 6.25 | -5.44 | 3.00 | 1.16 | 6.23 | 5.52 | 21.51 | -14.20 | 27.19 | 4.50 | -5.66 | -3.87 | |
| Over/Under | 1.29 | 2.31 | 3.22 | 1.11 | 0.94 | 2.65 | 4.27 | -0.94 | 0.31 | -0.48 | 4.53 | 2.49 | |
| Foreign Large Blend Rank | 20 | 28 | 25 | 18 | 10 | 4 | 14 | 58 | 26 | 21 | 48 | 11 | |
| International Small/Mid Cap Equity | 12.36 | 2.47 | 12.54 | 3.72 | 8.42 | 8.63 | 27.88 | -20.33 | 37.08 | -0.68 | 7.56 | -12.10 | 07/01/2012 |
| MSCI AC World ex USA Small Cap (Net) | 10.50 | -3.64 | 6.97 | 0.93 | 6.80 | 7.18 | 22.42 | -18.20 | 31.65 | 3.91 | 2.60 | -4.03 | |
| Over/Under | 1.86 | 6.11 | 5.57 | 2.79 | 1.62 | 1.45 | 5.46 | -2.13 | 5.43 | -4.59 | 4.96 | -8.07 | |
| Emerging Markets Equity | 11.18 | 3.43 | 14.04 | 2.58 | 6.92 | 4.66 | 18.64 | -14.62 | 23.58 | 7.03 | -8.73 | -2.07 | 07/01/2012 |
| MSCI Emerging Markets (Net) | 9.56 | -1.16 | 10.54 | 2.42 | 8.97 | 4.23 | 18.44 | -14.58 | 37.28 | 11.19 | -14.92 | -2.19 | |
| Over/Under | 1.62 | 4.59 | 3.50 | 0.16 | -2.05 | 0.43 | 0.20 | -0.04 | -13.70 | -4.16 | 6.19 | 0.12 | |
| Diversified Emerging Mkts Rank | 25 | 28 | 30 | 41 | 71 | 43 | 60 | 30 | 94 | 61 | 16 | 42 | |
| Long Biased | 4.93 | 4.94 | 8.40 | 7.39 | 3.92 | 4.75 | 12.74 | 2.43 | 1.19 | -2.99 | 4.04 | 3.62 | 07/01/2012 |
| HFRI Fund of Funds Composite Index | 4.26 | 2.56 | 5.72 | 2.88 | 3.09 | 3.68 | 8.39 | -4.02 | 7.77 | 0.51 | -0.27 | 3.37 | |
| Over/Under | 0.67 | 2.38 | 2.68 | 4.51 | 0.83 | 1.07 | 4.35 | 6.45 | -6.58 | -3.50 | 4.31 | 0.25 | |
| S&P 500 Index | 8.93 | 5.57 | 15.15 | 12.28 | 14.15 | 13.90 | 31.49 | -4.38 | 21.83 | 11.96 | 1.38 | 13.69 | |
| Over/Under | -4.00 | -0.63 | -6.75 | -4.89 | -10.23 | -9.15 | -18.75 | 6.81 | -20.64 | -14.95 | 2.66 | -10.07 | |
| Opportunistic Credit | 5.75 | -7.08 | -5.97 | -3.47 | 1.34 | 2.47 | 1.14 | -5.68 | 7.08 | 14.52 | 2.35 | 2.32 | 10/01/2013 |
| HFRI ED: Distressed/Restructuring Index | 4.25 | 0.98 | 0.89 | 1.25 | 3.87 | 2.43 | 2.94 | -1.70 | 6.25 | 15.15 | -8.06 | -1.39 | |
| Over/Under | 1.50 | -8.06 | -6.86 | -4.72 | -2.53 | 0.04 | -1.80 | -3.98 | 0.83 | -0.63 | 10.41 | 3.71 | |

Spokane Employees' Retirement System

As of September 30, 2020

| | Performance (%) | | | | | | | | | | | | Inception Date |
|-----------------------------------|-----------------|--------------|--------|---------|---------|-----------------|--------|--------|-------|--------|-------|-------|----------------|
| | 1 Quarter | Year To Date | 1 Year | 3 Years | 5 Years | Since Inception | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | |
| Real Estate Total | 1.98 | -6.02 | -4.93 | 5.41 | 6.81 | 5.26 | 16.62 | 3.68 | 10.01 | 8.09 | 6.66 | 25.00 | 04/01/2007 |
| NCREIF Fund Index-ODCE (VW) (Net) | 0.27 | -0.74 | 0.52 | 4.25 | 5.69 | 4.60 | 4.39 | 7.36 | 6.66 | 7.79 | 13.95 | 11.46 | |
| Over/Under | 1.71 | -5.28 | -5.45 | 1.16 | 1.12 | 0.66 | 12.23 | -3.68 | 3.35 | 0.30 | -7.29 | 13.54 | |
| FTSE NAREIT All REITs Index | 1.46 | -13.77 | -13.30 | 2.73 | 6.26 | 4.43 | 28.07 | -4.10 | 9.27 | 9.28 | 2.29 | 27.15 | |
| Over/Under | 0.52 | 7.75 | 8.37 | 2.68 | 0.55 | 0.83 | -11.45 | 7.78 | 0.74 | -1.19 | 4.37 | -2.15 | |
| Real Estate Rank | 48 | 9 | 8 | 9 | 13 | 12 | 96 | 5 | 9 | 22 | 5 | 81 | |
| Special Opportunities | 6.12 | -6.89 | 5.57 | -4.12 | -0.93 | 5.04 | 10.54 | -11.43 | 25.32 | -21.90 | 2.13 | 25.88 | 07/01/2012 |
| Russell 3000 Index | 9.21 | 5.41 | 15.00 | 11.65 | 13.69 | 13.65 | 31.02 | -5.24 | 21.13 | 12.74 | 0.48 | 12.56 | |
| Over/Under | -3.09 | -12.30 | -9.43 | -15.77 | -14.62 | -8.61 | -20.48 | -6.19 | 4.19 | -34.64 | 1.65 | 13.32 | |



Manager Commentary

- **Sterling Mid Cap Value** – Sterling Mid Value is on watch status for underperformance and personnel transition. The strategy endured significant underperformance (-600bps) in the final two quarters of 2018 due largely to a structural (long-term/consistent) underweight to Utilities and REITS (top-performing sectors in 4Q18). They simply feel that these sectors of the market generate below average returns on capital over a full cycle. While we agree with this assessment, it creates additional tracking error vs. the policy index and peer group that investors need to be aware of. As expected, they performed well in the market rebound to start 2019 and the 4Q2019 cyclical rally consistent with our expectations. Updated YTD 2020 performance (through mid-November) continues to show well as 3-year and 5-year performance is now well above median peer universe. Lead PM Tim Beyer retired in July. Patrick Rau has already assumed lead PM responsibilities after serving in a co-PM role since 2016. We believe the strategy is positioned to perform well coming out of a recession and that Rau will retain a similar style of management.
- **OrbiMed Partners** – This dedicated long-biased healthcare strategy is on watch for poor performance. They have taken a strong macro position that biotechnology stocks are trading at more attractive valuations versus traditional pharmaceutical companies. As a result, they have structured a portfolio that is long-biased biotech stocks. Due to excessive volatility, the size of the allocation was trimmed. Performance has improved dramatically post 2018. The strategy performed exceptionally well versus its benchmark (+2,045 bps) in 2019, and as expected did particularly well during the 4Q19 biotech rally. Strong performance continued during a very difficult 1Q20 as Healthcare/Biotech proved one of the best performing sectors and the strategy remains on course for an excellent 2020.
- **Hotchkis & Wiley Diversified Value** – The Fund was placed on watch 1Q19 for performance in violation of policy parameters. This was triggered by extremely poor performance in 4Q2018 in which the strategy underperformed its style benchmark by nearly 700 bps and landed in the bottom decile of its peer universe. The drivers of short-term performance are large overweights to the poorly performing Energy and Financials sectors. The manager continues to find the best values in these out of favor sectors. The Fund rebounded strongly in 2019 outpacing its benchmark by 272 basis points and placing in the top quartile of its peer universe. Longer-term performance has been exceptional. Historically, the relatively concentrated, deep value nature of this strategy has led to significant tracking error vs. both style benchmark and peers requiring a patient long-term investment approach. This patience is paying off in large way 4QTD.



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

Spokane Employees' Retirement System

As of September 30, 2020

Manager Performance

| | Performance (%) | | | | | | | | | | | | | | |
|--|-----------------|--------------|--------|---------|---------|----------|-----------------|-------|-------|-------|-------|-------|-------|-------|----------------|
| | 1 Quarter | Year To Date | 1 Year | 3 Years | 5 Years | 10 Years | Since Inception | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | Inception Date |
| Capital Preservation | | | | | | | | | | | | | | | |
| Sterling Capital Total Return Bond I | 1.56 | 7.47 | 7.59 | 5.60 | 4.76 | 4.12 | 4.26 | 9.26 | -0.35 | 4.33 | 3.75 | 0.54 | 5.99 | -0.97 | 08/01/2016 |
| Blmbg. Barc. U.S. Aggregate | 0.62 | 6.79 | 6.98 | 5.24 | 4.18 | 3.64 | 3.72 | 8.72 | 0.01 | 3.54 | 2.65 | 0.55 | 5.97 | -2.02 | |
| Over/Under | 0.94 | 0.68 | 0.61 | 0.36 | 0.58 | 0.48 | 0.54 | 0.54 | -0.36 | 0.79 | 1.10 | -0.01 | 0.02 | 1.05 | |
| Intermediate Core Bond Rank | 15 | 23 | 24 | 16 | 12 | 14 | 12 | 24 | 52 | 12 | 15 | 27 | 27 | 15 | |
| Hotchkis & Wiley High Yield Z | 5.22 | -4.00 | -1.78 | 0.95 | 4.36 | 5.48 | 2.89 | 9.77 | -3.34 | 8.24 | 16.02 | -4.30 | 1.09 | 8.71 | 06/01/2015 |
| Blmbg. Barc. U.S. Corp: High Yield Index | 4.60 | 0.62 | 3.25 | 4.21 | 6.79 | 6.47 | 5.07 | 14.32 | -2.08 | 7.50 | 17.13 | -4.47 | 2.45 | 7.44 | |
| Over/Under | 0.62 | -4.62 | -5.03 | -3.26 | -2.43 | -0.99 | -2.18 | -4.55 | -1.26 | 0.74 | -1.11 | 0.17 | -1.36 | 1.27 | |
| High Yield Bond Rank | 17 | 93 | 94 | 97 | 87 | 52 | 89 | 88 | 66 | 12 | 17 | 58 | 65 | 17 | |
| Absolute Return | | | | | | | | | | | | | | | |
| Post Ltd Term High Yield | 2.87 | 1.05 | 2.31 | 3.20 | 3.57 | 4.87 | 5.10 | 8.46 | 0.34 | 3.19 | 5.66 | 0.84 | 2.96 | 7.49 | 07/01/2010 |
| HFRI FOF: Conservative Index | 2.60 | 0.53 | 2.16 | 2.33 | 2.36 | 2.59 | 2.75 | 6.30 | -0.87 | 4.12 | 1.89 | 0.37 | 3.14 | 7.70 | |
| Over/Under | 0.27 | 0.52 | 0.15 | 0.87 | 1.21 | 2.28 | 2.35 | 2.16 | 1.21 | -0.93 | 3.77 | 0.47 | -0.18 | -0.21 | |
| Blmbg. Barc. U.S. Aggregate | 0.62 | 6.79 | 6.98 | 5.24 | 4.18 | 3.64 | 3.79 | 8.72 | 0.01 | 3.54 | 2.65 | 0.55 | 5.97 | -2.02 | |
| Over/Under | 2.25 | -5.74 | -4.67 | -2.04 | -0.61 | 1.23 | 1.31 | -0.26 | 0.33 | -0.35 | 3.01 | 0.29 | -3.01 | 9.51 | |
| Rimrock Low Volatility | 2.01 | -2.20 | -1.51 | 0.78 | 1.82 | 3.59 | 3.98 | 2.38 | 2.01 | 4.40 | 4.90 | -1.90 | 2.31 | 7.82 | 07/01/2010 |
| HFRI FOF: Conservative Index | 2.60 | 0.53 | 2.16 | 2.33 | 2.36 | 2.59 | 2.75 | 6.30 | -0.87 | 4.12 | 1.89 | 0.37 | 3.14 | 7.70 | |
| Over/Under | -0.59 | -2.73 | -3.67 | -1.55 | -0.54 | 1.00 | 1.23 | -3.92 | 2.88 | 0.28 | 3.01 | -2.27 | -0.83 | 0.12 | |
| Blmbg. Barc. U.S. Aggregate | 0.62 | 6.79 | 6.98 | 5.24 | 4.18 | 3.64 | 3.79 | 8.72 | 0.01 | 3.54 | 2.65 | 0.55 | 5.97 | -2.02 | |
| Over/Under | 1.39 | -8.99 | -8.49 | -4.46 | -2.36 | -0.05 | 0.19 | -6.34 | 2.00 | 0.86 | 2.25 | -2.45 | -3.66 | 9.84 | |
| Polar Long/Short Fund | 3.62 | 5.07 | 7.91 | 5.36 | 5.38 | 4.23 | 4.70 | 8.49 | 0.24 | 4.20 | 6.60 | 1.73 | 3.46 | 5.60 | 10/01/2011 |
| HFRI FOF: Conservative Index | 2.60 | 0.53 | 2.16 | 2.33 | 2.36 | 2.59 | 3.01 | 6.30 | -0.87 | 4.12 | 1.89 | 0.37 | 3.14 | 7.70 | |
| Over/Under | 1.02 | 4.54 | 5.75 | 3.03 | 3.02 | 1.64 | 1.69 | 2.19 | 1.11 | 0.08 | 4.71 | 1.36 | 0.32 | -2.10 | |
| Blmbg. Barc. U.S. Aggregate | 0.62 | 6.79 | 6.98 | 5.24 | 4.18 | 3.64 | 3.46 | 8.72 | 0.01 | 3.54 | 2.65 | 0.55 | 5.97 | -2.02 | |
| Over/Under | 3.00 | -1.72 | 0.93 | 0.12 | 1.20 | 0.59 | 1.24 | -0.23 | 0.23 | 0.66 | 3.95 | 1.18 | -2.51 | 7.62 | |

Spokane Employees' Retirement System

As of September 30, 2020

| | Performance (%) | | | | | | | | | | | | | | |
|--------------------------------------|-----------------|--------------|--------|---------|---------|----------|-----------------|-------|--------|-------|-------|-------|-------|-------|----------------|
| | 1 Quarter | Year To Date | 1 Year | 3 Years | 5 Years | 10 Years | Since Inception | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | Inception Date |
| Domestic Equity | | | | | | | | | | | | | | | |
| Domestic Large Cap Equity | | | | | | | | | | | | | | | |
| Hotchkis & Wiley Diversified Value I | 1.24 | -22.81 | -15.82 | -3.36 | 4.35 | 7.92 | 7.80 | 29.26 | -14.74 | 18.39 | 19.94 | -7.90 | 12.74 | 36.54 | 10/01/2008 |
| Russell 1000 Value Index | 5.59 | -11.58 | -5.03 | 2.63 | 7.66 | 9.95 | 7.98 | 26.54 | -8.27 | 13.66 | 17.34 | -3.83 | 13.45 | 32.53 | |
| Over/Under | -4.35 | -11.23 | -10.79 | -5.99 | -3.31 | -2.03 | -0.18 | 2.72 | -6.47 | 4.73 | 2.60 | -4.07 | -0.71 | 4.01 | |
| Large Value Rank | 97 | 98 | 98 | 97 | 94 | 86 | 48 | 12 | 96 | 23 | 8 | 93 | 23 | 12 | |
| Fidelity® 500 Index | 8.94 | 5.58 | 15.14 | 12.27 | 14.14 | 13.73 | 20.61 | | -4.40 | 21.81 | 11.97 | 1.38 | 13.66 | 32.37 | 01/01/2019 |
| S&P 500 Index | 8.93 | 5.57 | 15.15 | 12.28 | 14.15 | 13.74 | 20.61 | 31.49 | -4.38 | 21.83 | 11.96 | 1.38 | 13.69 | 32.39 | |
| Over/Under | 0.01 | 0.01 | -0.01 | -0.01 | -0.01 | -0.01 | 0.00 | -0.02 | -0.02 | -0.02 | 0.01 | 0.00 | -0.03 | -0.02 | |
| Large Blend Rank | 34 | 26 | 24 | 18 | 12 | 11 | 23 | 22 | 22 | 29 | 28 | 21 | 19 | 45 | |
| MFS Growth R6 | 10.91 | 22.03 | 32.47 | 22.52 | 20.27 | 17.12 | 28.29 | 37.81 | 2.68 | 30.99 | 2.55 | 7.49 | 8.88 | 36.74 | 09/01/2019 |
| Russell 1000 Growth Index | 13.22 | 24.33 | 37.53 | 21.67 | 20.10 | 17.25 | 34.22 | 36.39 | -1.51 | 30.21 | 7.08 | 5.67 | 13.05 | 33.48 | |
| Over/Under | -2.31 | -2.30 | -5.06 | 0.85 | 0.17 | -0.13 | -5.93 | 1.42 | 4.19 | 0.78 | -4.53 | 1.82 | -4.17 | 3.26 | |
| Large Growth Rank | 57 | 45 | 53 | 20 | 18 | 22 | 59 | 10 | 11 | 33 | 54 | 22 | 70 | 29 | |
| Domestic Small/Mid Equity | | | | | | | | | | | | | | | |
| Sterling Mid Cap Value | 5.64 | -11.80 | -5.21 | -0.20 | 5.56 | 8.74 | 9.02 | 29.75 | -17.67 | 14.27 | 16.97 | -1.71 | 5.85 | 46.25 | 01/01/2002 |
| Russell Midcap Value Index | 6.40 | -12.84 | -7.30 | 0.82 | 6.38 | 9.71 | 8.70 | 27.06 | -12.29 | 13.34 | 20.00 | -4.78 | 14.75 | 33.46 | |
| Over/Under | -0.76 | 1.04 | 2.09 | -1.02 | -0.82 | -0.97 | 0.32 | 2.69 | -5.38 | 0.93 | -3.03 | 3.07 | -8.90 | 12.79 | |
| Mid-Cap Value Rank | 24 | 17 | 12 | 38 | 39 | 36 | 9 | 22 | 85 | 37 | 55 | 18 | 86 | 2 | |
| Fidelity® Mid Cap Index | 7.49 | -2.32 | 4.58 | 7.14 | 10.13 | - | 14.88 | 30.51 | -9.05 | 18.47 | 13.86 | -2.44 | 13.11 | 34.78 | 01/01/2019 |
| Russell Midcap Index | 7.46 | -2.35 | 4.55 | 7.13 | 10.13 | 11.76 | 14.88 | 30.54 | -9.06 | 18.52 | 13.80 | -2.44 | 13.22 | 34.76 | |
| Over/Under | 0.03 | 0.03 | 0.03 | 0.01 | 0.00 | - | 0.00 | -0.03 | 0.01 | -0.05 | 0.06 | 0.00 | -0.11 | 0.02 | |
| Mid-Cap Blend Rank | 27 | 21 | 22 | 18 | 18 | - | 18 | 19 | 19 | 23 | 64 | 35 | 12 | 44 | |

Spokane Employees' Retirement System

As of September 30, 2020

| | Performance (%) | | | | | | | | | | | | | | |
|--------------------------------------|-----------------|--------------------|-----------|------------|------------|-------------|--------------------|-------|--------|-------|-------|--------|-------|-------|-------------------|
| | 1 Quarter | Year To Date | 1 Year | 3 Years | 5 Years | 10 Years | Since Inception | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | Inception Date |
| Westfield Mid Cap Growth CIT | | 5.46 | 17.32 | 15.42 | 15.49 | 13.95 | 34.82 | 42.73 | -3.07 | 24.72 | 5.00 | 1.28 | 13.40 | 35.58 | 04/01/2020 |
| Russell Midcap Growth Index | 9.37 | 13.92 | 23.23 | 16.23 | 15.53 | 14.55 | 42.47 | 35.47 | -4.75 | 25.27 | 7.33 | -0.20 | 11.90 | 35.74 | |
| Over/Under | -3.91 | -8.46 | -5.91 | -0.81 | -0.04 | -0.60 | -7.65 | 7.26 | 1.68 | -0.55 | -2.33 | 1.48 | 1.50 | -0.16 | |
| Mid-Cap Growth Rank | 91 | 78 | 71 | 51 | 36 | 45 | 79 | 3 | 29 | 52 | 55 | 36 | 4 | 53 | |
| Fidelity® Small Cap Index | 4.98 | -8.60 | 0.55 | 1.92 | 8.19 | - | 8.26 | 25.71 | -10.88 | 14.85 | 21.63 | -4.24 | 5.19 | 39.02 | 01/01/2019 |
| Russell 2000 Index | 4.93 | -8.69 | 0.39 | 1.77 | 8.00 | 9.85 | 8.11 | 25.53 | -11.01 | 14.65 | 21.31 | -4.41 | 4.89 | 38.82 | |
| Over/Under | 0.05 | 0.09 | 0.16 | 0.15 | 0.19 | - | 0.15 | 0.18 | 0.13 | 0.20 | 0.32 | 0.17 | 0.30 | 0.20 | |
| Small Blend Rank | 33 | 22 | 18 | 19 | 13 | - | 19 | 32 | 34 | 25 | 39 | 48 | 46 | 37 | |
| Champlain Small Cap | 6.02 | -1.62 | 4.93 | 6.87 | 12.45 | 12.31 | 12.03 | 25.54 | -3.03 | 10.90 | 27.93 | -0.65 | 4.43 | 36.61 | 01/01/2003 |
| Russell 2000 Index | 4.93 | -8.69 | 0.39 | 1.77 | 8.00 | 9.85 | 9.48 | 25.53 | -11.01 | 14.65 | 21.31 | -4.41 | 4.89 | 38.82 | |
| Over/Under | 1.09 | 7.07 | 4.54 | 5.10 | 4.45 | 2.46 | 2.55 | 0.01 | 7.98 | -3.75 | 6.62 | 3.76 | -0.46 | -2.21 | |
| Small Blend Rank | 18 | 3 | 4 | 1 | 1 | 1 | 2 | 36 | 2 | 75 | 8 | 9 | 64 | 67 | |
| Bridge City Small Cap Growth | 5.01 | -4.19 | 1.45 | 8.35 | 12.07 | 13.49 | 15.46 | 24.61 | 0.97 | 15.93 | 17.96 | 6.81 | 7.06 | 40.81 | 07/01/2009 |
| Russell 2000 Growth Index | 7.16 | 3.88 | 15.71 | 8.18 | 11.42 | 12.34 | 13.75 | 28.48 | -9.31 | 22.17 | 11.32 | -1.38 | 5.60 | 43.30 | |
| Over/Under | -2.15 | -8.07 | -14.26 | 0.17 | 0.65 | 1.15 | 1.71 | -3.87 | 10.28 | -6.24 | 6.64 | 8.19 | 1.46 | -2.49 | |
| Small Growth Rank | 84 | 84 | 90 | 63 | 57 | 40 | 32 | 75 | 13 | 80 | 18 | 3 | 14 | 56 | |
| International Equity Total | | | | | | | | | | | | | | | |
| Artisan International Value Instl | 5.15 | -10.70 | -2.48 | -1.22 | 4.88 | 7.21 | 7.66 | 24.20 | -15.42 | 24.06 | 5.74 | -1.49 | -0.39 | 30.72 | 10/01/2008 |
| MSCI AC World ex USA Value (Net) | 2.28 | -17.60 | -10.84 | -5.09 | 2.14 | 1.50 | 2.35 | 15.72 | -13.97 | 22.66 | 8.92 | -10.06 | -5.10 | 15.04 | |
| Over/Under | 2.87 | 6.90 | 8.36 | 3.87 | 2.74 | 5.71 | 5.31 | 8.48 | -1.45 | 1.40 | -3.18 | 8.57 | 4.71 | 15.68 | |
| Foreign Large Value Rank | 13 | 28 | 19 | 10 | 4 | 1 | 1 | 3 | 32 | 36 | 29 | 34 | 5 | 3 | |
| American Funds Europacific Growth R6 | 9.66 | 4.43 | 14.97 | 5.67 | 9.08 | 6.79 | 5.13 | 27.40 | -14.91 | 31.17 | 1.01 | -0.48 | -2.29 | 20.58 | 07/01/2008 |
| MSCI AC World ex USA (Net) | 6.25 | -5.44 | 3.00 | 1.16 | 6.23 | 4.00 | 2.27 | 21.51 | -14.20 | 27.19 | 4.50 | -5.66 | -3.87 | 15.29 | |
| Over/Under | 3.41 | 9.87 | 11.97 | 4.51 | 2.85 | 2.79 | 2.86 | 5.89 | -0.71 | 3.98 | -3.49 | 5.18 | 1.58 | 5.29 | |
| Foreign Large Blend Rank | 5 | 5 | 5 | 3 | 2 | 3 | 4 | 6 | 55 | 4 | 53 | 34 | 14 | 48 | |

Spokane Employees' Retirement System

As of September 30, 2020

| | Performance (%) | | | | | | | | | | | | | | |
|---|-----------------|--------------------|-----------|------------|------------|-------------|--------------------|--------|--------|-------|-------|--------|-------|-------|-------------------|
| | 1 Quarter | Year To Date | 1 Year | 3 Years | 5 Years | 10 Years | Since Inception | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | Inception Date |
| Victory Trivalent International Sm-Cp I | 12.36 | 2.47 | 12.54 | 3.77 | 8.46 | 9.87 | 7.49 | 27.88 | -20.21 | 37.13 | -0.70 | 8.20 | -0.20 | 32.98 | 09/01/2015 |
| MSCI AC World ex USA Small Cap (Net) | 10.50 | -3.64 | 6.97 | 0.93 | 6.80 | 5.31 | 6.08 | 22.42 | -18.20 | 31.65 | 3.91 | 2.60 | -4.03 | 19.73 | |
| Over/Under | 1.86 | 6.11 | 5.57 | 2.84 | 1.66 | 4.56 | 1.41 | 5.46 | -2.01 | 5.48 | -4.61 | 5.60 | 3.83 | 13.25 | |
| Foreign Small/Mid Blend Rank | 13 | 9 | 10 | 2 | 1 | 1 | 2 | 6 | 53 | 11 | 61 | 25 | 2 | 13 | |
| Vanguard Emerging Mkts Stock Idx Adm | 8.98 | -1.41 | 9.75 | 2.50 | 8.20 | 2.26 | 2.65 | 20.31 | -14.58 | 31.38 | 11.73 | -15.35 | 0.60 | -5.02 | 08/01/2018 |
| MSCI Emerging Markets (Net) | 9.56 | -1.16 | 10.54 | 2.42 | 8.97 | 2.51 | 2.20 | 18.44 | -14.58 | 37.28 | 11.19 | -14.92 | -2.19 | -2.60 | |
| Over/Under | -0.58 | -0.25 | -0.79 | 0.08 | -0.77 | -0.25 | 0.45 | 1.87 | 0.00 | -5.90 | 0.54 | -0.43 | 2.79 | -2.42 | |
| Diversified Emerging Mkts Rank | 60 | 55 | 57 | 42 | 52 | 56 | 48 | 48 | 29 | 73 | 27 | 64 | 18 | 83 | |
| ABS Emerging Markets Strategic Portfolio LP | 11.28 | 3.64 | 14.14 | - | - | - | 8.17 | 19.98 | -14.99 | - | - | - | - | - | 10/01/2018 |
| MSCI Emerging Markets (Net) | 9.56 | -1.16 | 10.54 | 2.42 | 8.97 | 2.51 | 4.07 | 18.44 | -14.58 | 37.28 | 11.19 | -14.92 | -2.19 | -2.60 | |
| Over/Under | 1.72 | 4.80 | 3.60 | - | - | - | 4.10 | 1.54 | -0.41 | - | - | - | - | - | |
| Diversified Emerging Mkts Rank | 24 | 27 | 30 | - | - | - | 31 | 50 | 37 | - | - | - | - | - | |
| Long Biased | | | | | | | | | | | | | | | |
| The Weatherlow Offshore Fund I Ltd | 4.72 | 10.93 | 15.65 | 7.66 | 5.62 | 5.32 | 4.45 | 13.23 | -3.10 | 5.67 | 0.99 | 1.49 | 4.91 | 13.64 | 04/01/2008 |
| HFRI Fund of Funds Composite Index | 4.26 | 2.56 | 5.72 | 2.88 | 3.09 | 2.89 | 1.74 | 8.39 | -4.02 | 7.77 | 0.51 | -0.27 | 3.37 | 8.96 | |
| Over/Under | 0.46 | 8.37 | 9.93 | 4.78 | 2.53 | 2.43 | 2.71 | 4.84 | 0.92 | -2.10 | 0.48 | 1.76 | 1.54 | 4.68 | |
| Opportunistic Credit | | | | | | | | | | | | | | | |
| Beach Point Select Fund LP | 6.66 | 1.08 | 4.16 | 4.66 | 6.44 | - | 6.14 | 11.48 | 0.28 | 7.08 | 14.52 | 2.58 | 2.35 | 15.93 | 10/01/2013 |
| HFRI ED: Distressed/Restructuring Index | 4.25 | 0.98 | 0.89 | 1.25 | 3.87 | 3.89 | 2.43 | 2.94 | -1.70 | 6.25 | 15.15 | -8.06 | -1.39 | 14.05 | |
| Over/Under | 2.41 | 0.10 | 3.27 | 3.41 | 2.57 | - | 3.71 | 8.54 | 1.98 | 0.83 | -0.63 | 10.64 | 3.74 | 1.88 | |
| Contrarian Capital Fund I LP | 4.35 | -17.57 | -18.47 | -12.91 | -3.74 | 1.95 | -20.44 | -9.89 | -12.43 | 4.77 | 25.46 | -7.89 | 0.45 | 17.00 | 10/01/2018 |
| HFRI ED: Distressed/Restructuring Index | 4.25 | 0.98 | 0.89 | 1.25 | 3.87 | 3.89 | -0.99 | 2.94 | -1.70 | 6.25 | 15.15 | -8.06 | -1.39 | 14.05 | |
| Over/Under | 0.10 | -18.55 | -19.36 | -14.16 | -7.61 | -1.94 | -19.45 | -12.83 | -10.73 | -1.48 | 10.31 | 0.17 | 1.84 | 2.95 | |

Spokane Employees' Retirement System

As of September 30, 2020

| | Performance (%) | | | | | | | | | | | | | | Inception Date |
|-------------------------------------|-----------------|--------------|--------|---------|---------|----------|-----------------|--------|--------|--------|--------|--------|-------|--------|----------------|
| | 1 Quarter | Year To Date | 1 Year | 3 Years | 5 Years | 10 Years | Since Inception | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | |
| Real Estate Total | | | | | | | | | | | | | | | |
| Principal REITS SERS | 2.69 | -11.30 | -10.83 | 4.96 | 6.82 | 9.82 | 10.98 | 31.24 | -4.13 | 9.16 | 6.67 | 4.45 | 32.55 | 4.17 | 01/01/2003 |
| FTSE NAREIT All REITs Index | 1.46 | -13.77 | -13.30 | 2.73 | 6.26 | 8.95 | 9.25 | 28.07 | -4.10 | 9.27 | 9.28 | 2.29 | 27.15 | 3.21 | |
| Over/Under | 1.23 | 2.47 | 2.47 | 2.23 | 0.56 | 0.87 | 1.73 | 3.17 | -0.03 | -0.11 | -2.61 | 2.16 | 5.40 | 0.96 | |
| Real Estate Rank | 28 | 30 | 27 | 13 | 12 | 5 | 1 | 13 | 22 | 10 | 44 | 20 | 3 | 11 | |
| Prime Property Fund, LLC | 1.06 | -0.26 | 1.24 | 5.30 | 6.97 | 10.86 | 5.46 | 6.14 | 8.03 | 8.67 | 9.31 | 14.53 | 14.08 | 16.17 | 10/01/2007 |
| NCREIF ODCE VW NET | 0.27 | -0.74 | 0.52 | 4.25 | 5.69 | 9.26 | 4.12 | 4.39 | 7.36 | 6.66 | 7.79 | 13.95 | 11.46 | 12.90 | |
| Over/Under | 0.79 | 0.48 | 0.72 | 1.05 | 1.28 | 1.60 | 1.34 | 1.75 | 0.67 | 2.01 | 1.52 | 0.58 | 2.62 | 3.27 | |
| Real Estate Rank | 73 | 5 | 5 | 10 | 12 | 2 | 27 | 99 | 1 | 14 | 13 | 1 | 96 | 2 | |
| Special Opportunities | | | | | | | | | | | | | | | |
| OrbiMed Partners II LP | 6.13 | 19.57 | 46.38 | 10.65 | 7.96 | 11.30 | 11.66 | 43.69 | -18.43 | 25.30 | -21.91 | 2.14 | 25.88 | 32.19 | 01/01/2011 |
| MSCI World/Health Care (Net) | 4.78 | 6.26 | 20.81 | 10.63 | 9.90 | 13.08 | 13.05 | 23.24 | 2.51 | 19.80 | -6.81 | 6.60 | 18.10 | 36.27 | |
| Over/Under | 1.35 | 13.31 | 25.57 | 0.02 | -1.94 | -1.78 | -1.39 | 20.45 | -20.94 | 5.50 | -15.10 | -4.46 | 7.78 | -4.08 | |
| NASDAQ Biotechnology Index (TR) | -0.82 | 12.93 | 36.90 | 7.40 | 6.61 | 17.22 | 16.73 | 25.11 | -8.86 | 21.63 | -21.35 | 11.77 | 34.40 | 65.62 | |
| Over/Under | 6.95 | 6.64 | 9.48 | 3.25 | 1.35 | -5.92 | -5.07 | 18.58 | -9.57 | 3.67 | -0.56 | -9.63 | -8.52 | -33.43 | |
| Contrarian Emerging Markets Fund LP | 6.11 | -28.00 | -22.90 | -10.44 | 0.91 | 5.28 | -16.90 | -4.09 | 0.96 | 20.36 | 22.72 | 14.48 | -1.97 | 14.56 | 10/01/2018 |
| HFRI Emerging Markets: Global Index | 3.60 | 0.68 | 4.30 | 1.32 | 4.42 | 2.04 | 2.84 | 8.42 | -6.83 | 12.50 | 7.33 | -3.47 | -2.41 | 3.67 | |
| Over/Under | 2.51 | -28.68 | -27.20 | -11.76 | -3.51 | 3.24 | -19.74 | -12.51 | 7.79 | 7.86 | 15.39 | 17.95 | 0.44 | 10.89 | |
| MSCI Emerging Markets (Net) | 9.56 | -1.16 | 10.54 | 2.42 | 8.97 | 2.51 | 4.07 | 18.44 | -14.58 | 37.28 | 11.19 | -14.92 | -2.19 | -2.60 | |
| Over/Under | -3.45 | -26.84 | -33.44 | -12.86 | -8.06 | 2.77 | -20.97 | -22.53 | 15.54 | -16.92 | 11.53 | 29.40 | 0.22 | 17.16 | |

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 | \$7,294,057 | \$1,318,705 | \$119,507 | 98.03 | 11.92 |

Time Weighted Returns

| | Performance (%) | | | | | | | | | | | | | Inception Date |
|----------------------------|-----------------|--------------|--------|---------|---------|---------|---------|------|-------|-------|-------|-------|-----------------|----------------|
| | 1 Quarter | Year To Date | 1 Year | 2 Years | 3 Years | 4 Years | 5 Years | 2019 | 2018 | 2017 | 2016 | 2015 | Since Inception | |
| Morrison Street Fund V, LP | 12.17 | 16.21 | 17.14 | 13.76 | 12.11 | 13.26 | 12.73 | 6.45 | 10.12 | 18.03 | 11.10 | 11.89 | 11.75 | 07/01/2014 |
| NCREIF Property Index | 0.74 | 0.45 | 2.00 | 4.10 | 5.11 | 5.55 | 6.28 | 6.42 | 6.72 | 6.96 | 7.97 | 13.33 | 7.58 | |

Dollar Weighted Returns

| | 1 Quarter | Year To Date | 1 Year | 2 Years | 3 Years | 4 Years | 5 Years | 2019 | 2018 | 2017 | 2016 | 2015 | Since Inception | Inception Date |
|----------------------------|-----------|--------------|--------|---------|---------|---------|---------|------|------|-------|-------|-------|-----------------|----------------|
| Morrison Street Fund V, LP | 12.15 | 12.51 | 12.60 | 11.43 | 10.36 | 12.76 | 12.22 | 5.74 | 9.97 | 17.73 | 11.32 | 13.32 | 11.92 | 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 value of cash inflows. Its distinguishing characteristic is that this methodology is generally viewed to better accommodate the extreme cash flows and changes in market values that often accompany private equity or private real estate investments.

Non-Marketable Securities Overview

| 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 | \$4,416,364 | \$1,755,352 | \$3,175,992 | \$583,636 | 88.33 | 3.76 |

Time Weighted Returns

| | Performance (%) | | | | | | | | | |
|--|-----------------|--------------|--------|---------|---------|------|------|------|-----------------|----------------|
| | 1 Quarter | Year To Date | 1 Year | 2 Years | 3 Years | 2019 | 2018 | 2017 | Since Inception | Inception Date |
| Morrison Street Debt Opportunities Fd LP | -1.17 | -9.53 | -7.15 | 0.24 | 3.23 | 8.39 | 9.94 | 4.47 | 3.22 | 01/01/2017 |
| NCREIF Property Index | 0.74 | 0.45 | 2.00 | 4.10 | 5.11 | 6.42 | 6.72 | 6.96 | 5.45 | |

Dollar Weighted Returns

| | 1 Quarter | Year To Date | 1 Year | 2 Years | 2019 | 2018 | 2017 | Since Inception | Inception Date |
|--|-----------|--------------|--------|---------|------|------|------|-----------------|----------------|
| Morrison Street Debt Opportunities Fd LP | -1.16 | -9.57 | -7.03 | 0.63 | 8.37 | 9.92 | 5.07 | 3.76 | 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.

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

Non-Marketable Securities Overview

| 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 | \$4,036,315 | \$1,208,631 | - | 100.00 | 1.27 |

Time Weighted Returns

| | Performance (%) | | | | | | | | | | | | | |
|------------------------------------|-----------------|--------------|--------|---------|---------|---------|--------|-------|-------|--------|-------|-------|-----------------|----------------|
| | 1 Quarter | Year To Date | 1 Year | 3 Years | 5 Years | 7 Years | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | Since Inception | Inception Date |
| Orbimed Royalty Opportunities | 4.78 | -29.94 | -41.02 | -9.45 | -8.74 | -3.98 | -12.50 | 22.03 | 4.47 | -20.87 | 9.95 | 9.99 | -0.09 | 09/01/2011 |
| HFRI Fund of Funds Composite Index | 4.26 | 2.56 | 5.72 | 2.88 | 3.09 | 3.07 | 8.39 | -4.02 | 7.77 | 0.51 | -0.27 | 3.37 | 3.07 | |
| S&P 500 Index | 8.93 | 5.57 | 15.15 | 12.28 | 14.15 | 12.68 | 31.49 | -4.38 | 21.83 | 11.96 | 1.38 | 13.69 | 14.17 | |

Dollar Weighted Returns

| | 1 Quarter | Year To Date | 1 Year | 3 Years | 5 Years | 7 Years | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | Since Inception | Inception Date |
|-------------------------------|-----------|--------------|--------|---------|---------|---------|--------|-------|------|--------|------|-------|-----------------|----------------|
| Orbimed Royalty Opportunities | 4.69 | -30.07 | -41.04 | -4.33 | -5.21 | -0.10 | -12.20 | 25.47 | 4.57 | -17.14 | 9.99 | 10.01 | 1.27 | 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.

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

Non-Marketable Securities Overview

| 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 | \$4,364,535 | \$950,382 | \$832,500 | 83.35 | 11.99 |

Time Weighted Returns

| | Performance (%) | | | | | | | | | | | | |
|------------------------------------|-----------------|--------------|--------|---------|---------|---------|---------|-------|-------|-------|-------|-----------------|----------------|
| | 1 Quarter | Year To Date | 1 Year | 2 Years | 3 Years | 4 Years | 5 Years | 2019 | 2018 | 2017 | 2016 | Since Inception | Inception Date |
| Orbimed Royalty Opportunities II | 9.62 | 8.38 | 7.83 | 14.37 | 14.33 | 12.89 | 14.23 | 15.45 | 15.59 | 12.28 | 0.60 | 12.41 | 04/01/2015 |
| HFRI Fund of Funds Composite Index | 4.26 | 2.56 | 5.72 | 2.80 | 2.88 | 3.78 | 3.09 | 8.39 | -4.02 | 7.77 | 0.51 | 2.16 | |
| S&P 500 Index | 8.93 | 5.57 | 15.15 | 9.57 | 12.28 | 13.83 | 14.15 | 31.49 | -4.38 | 21.83 | 11.96 | 11.48 | |

Dollar Weighted Returns

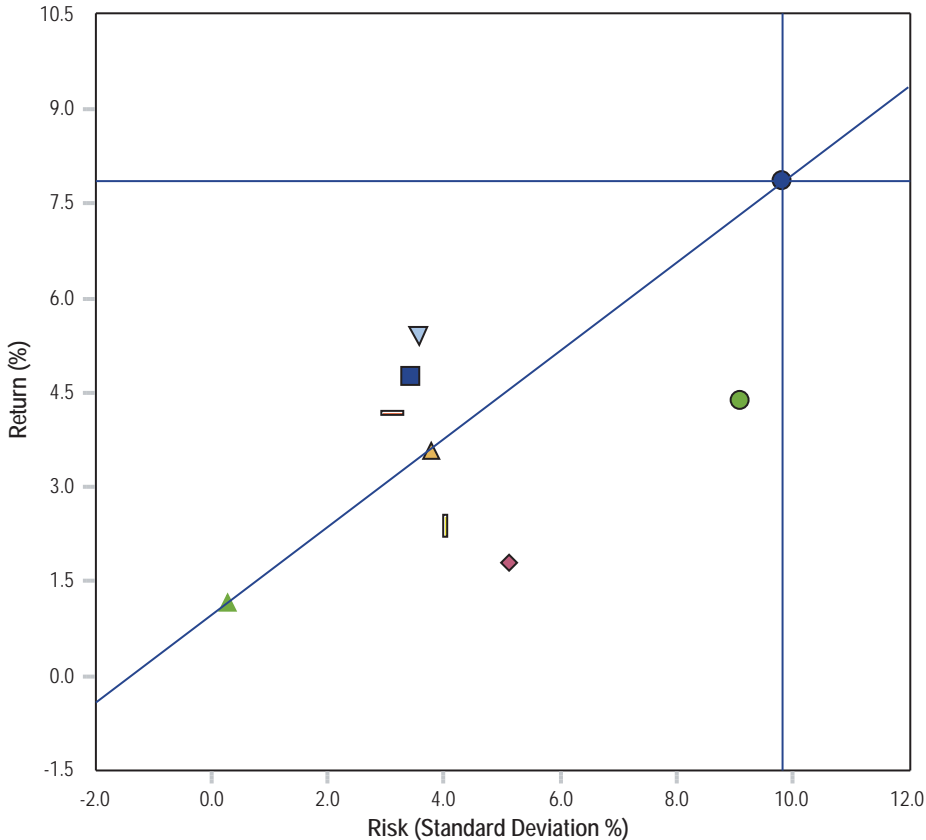
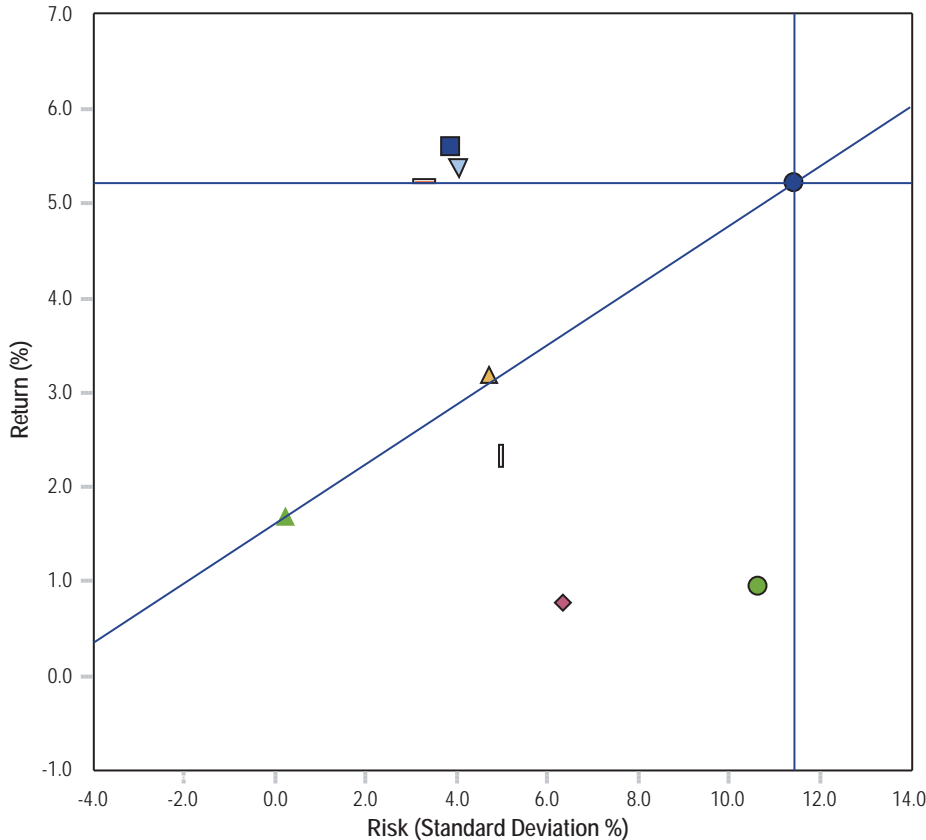
| | 1 Quarter | Year To Date | 1 Year | 2 Years | 3 Years | 4 Years | 2019 | 2018 | 2017 | 2016 | Since Inception | Inception Date |
|----------------------------------|-----------|--------------|--------|---------|---------|---------|-------|-------|-------|-------|-----------------|----------------|
| Orbimed Royalty Opportunities II | 9.30 | 0.54 | -0.22 | 13.11 | 13.48 | 12.63 | 17.10 | 15.14 | 12.87 | -0.05 | 11.99 | 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.

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

Annualized Return vs Annualized Standard Deviation
3 Years Ending September 30, 2020

Annualized Return vs Annualized Standard Deviation
5 Years Ending September 30, 2020



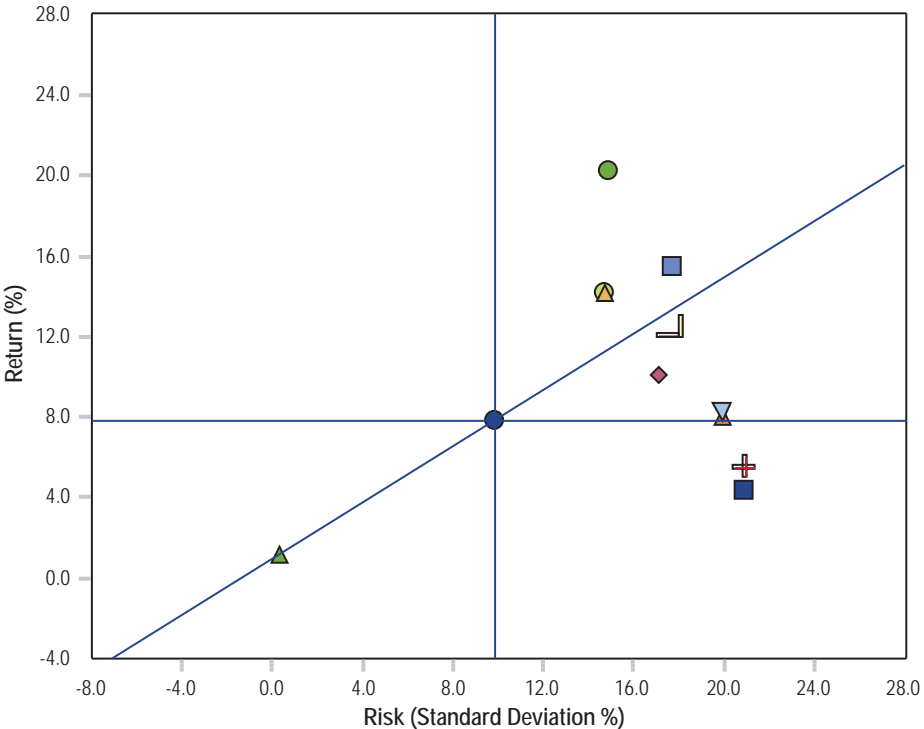
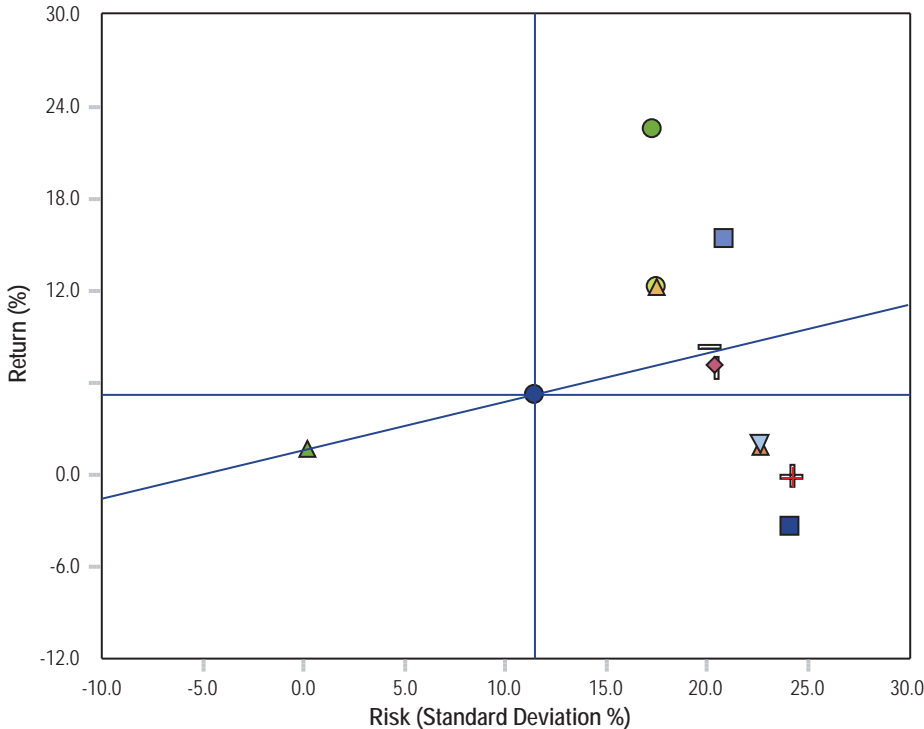
- Sterling Capital Total Return Bond I
- ▲ Post Ltd Term High Yield
- ▼ Polar Long/Short Fund
- ▬ Blmbg. Barc. U.S. Aggregate
- ▮ HFRI FOF: Conservative Index
- ▲ 90 Day U.S. Treasury Bill
- Hotchkis & Wiley High Yield Z
- ◆ Rimrock Low Volatility
- Policy Index Updated

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

Calculation based on monthly periodicity.

Annualized Return vs Annualized Standard Deviation
3 Years Ending September 30, 2020

Annualized Return vs Annualized Standard Deviation
5 Years Ending September 30, 2020



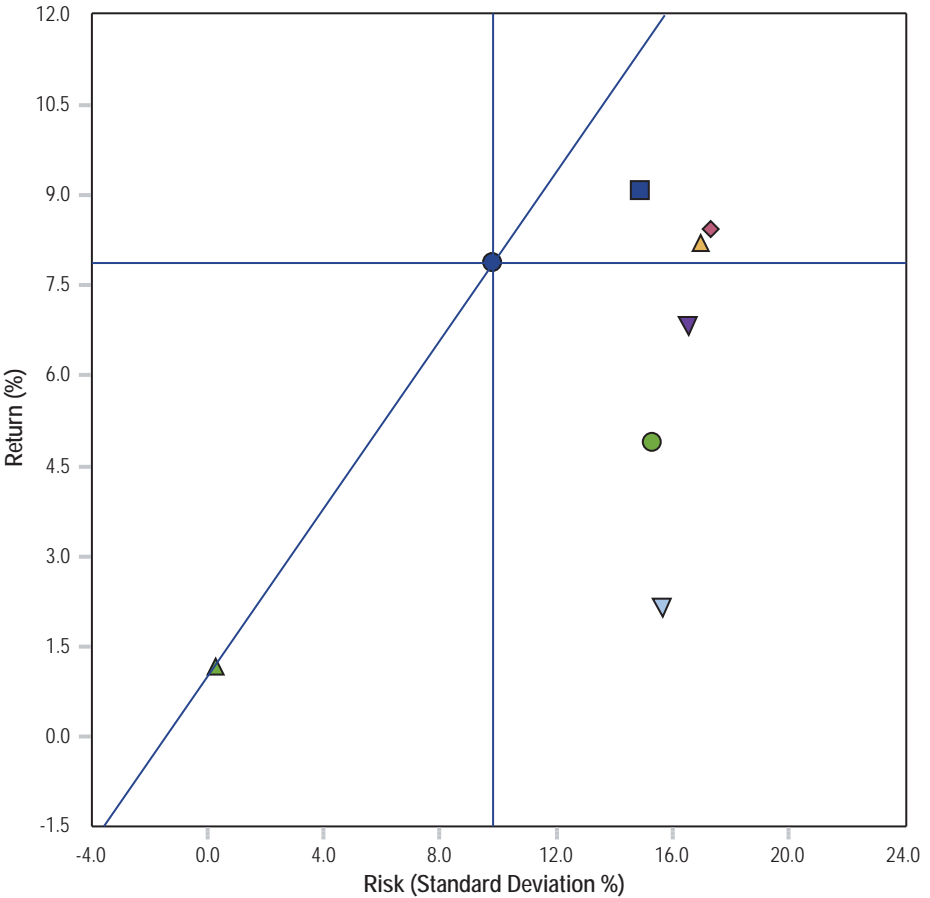
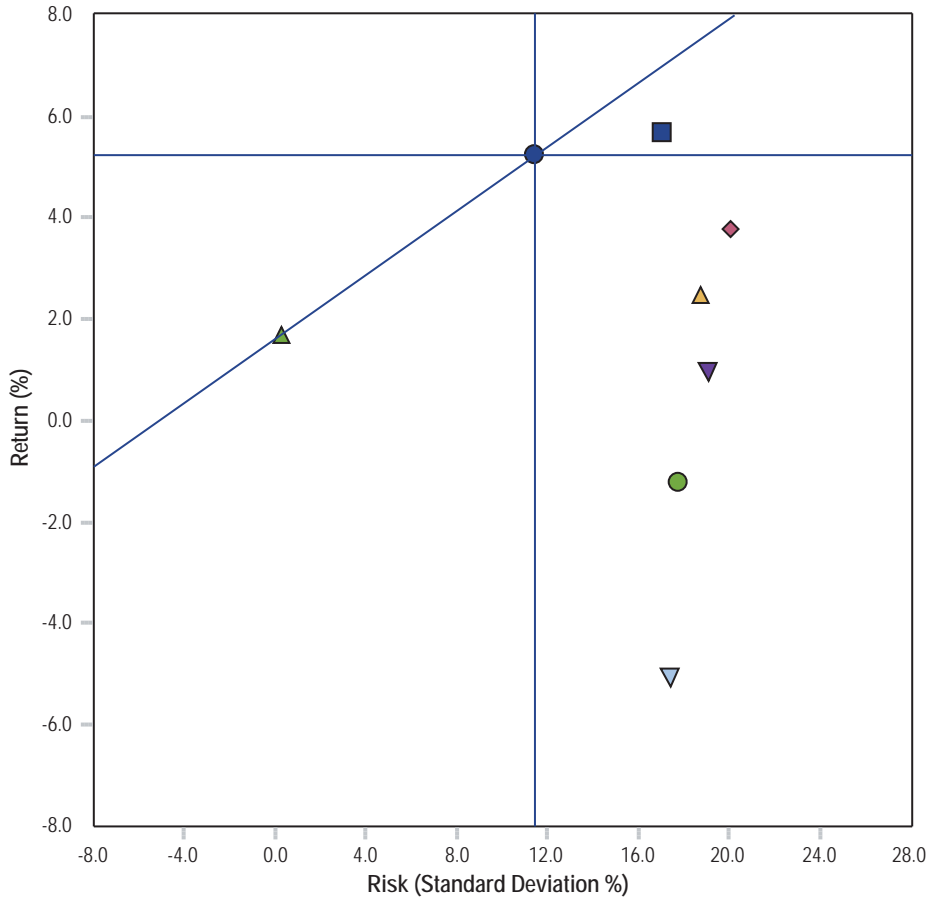
- Hotchkis & Wiley Diversified Value I
- Fidelity® 500 Index
- Fidelity® Small Cap Index
- Champlain Small Cap
- Westfield Mid Cap Growth CIT
- Russell 2000 Index
- 90 Day U.S. Treasury Bill
- MFS Growth R6
- Fidelity® Mid Cap Index
- Bridge City Small Cap Growth
- Sterling Mid Cap Value
- S&P 500 Index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

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

Calculation based on monthly periodicity.

Annualized Return vs Annualized Standard Deviation
3 Years Ending September 30, 2020

Annualized Return vs Annualized Standard Deviation
5 Years Ending September 30, 2020



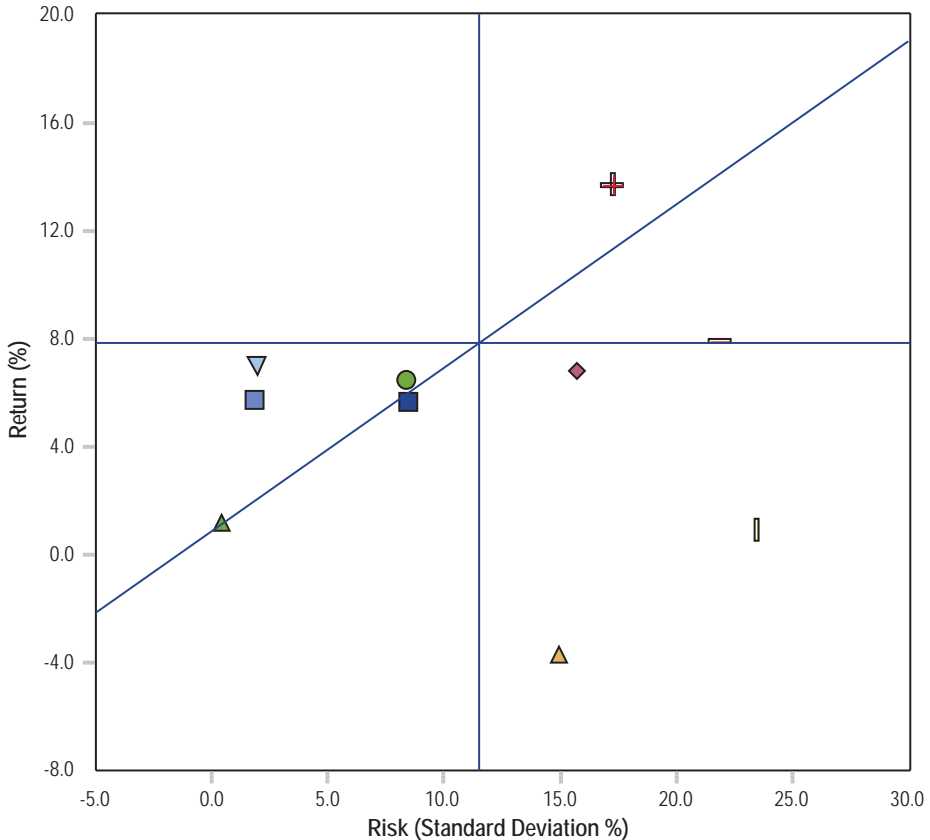
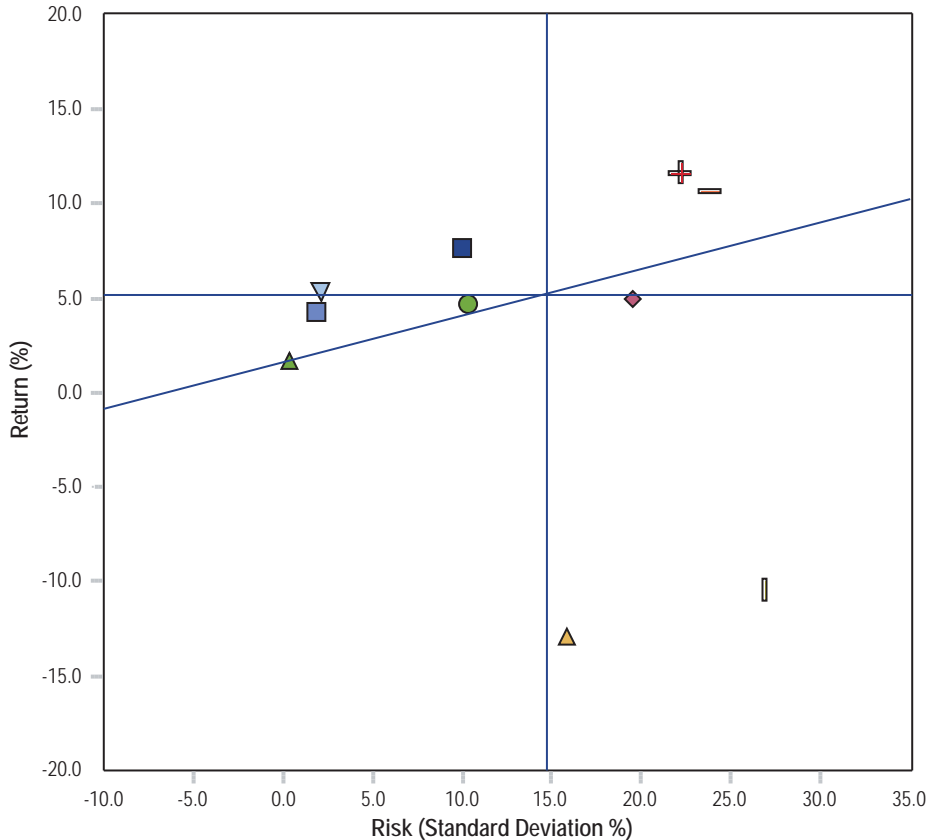
- American Funds Europacific Growth R6
- Artisan International Value Instl
- ▲ Vanguard Emerging Mkts Stock Idx Adm
- ◆ Victory Trivalent International Sm-Cp I
- ▼ MSCI AC World ex USA Value (Net)
- ▼ MSCI AC World ex USA Small Cap (Net)
- Policy Index Updated
- ▲ 90 Day U.S. Treasury Bill

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

Calculation based on monthly periodicity.

Annualized Return vs Annualized Standard Deviation
3 Years Ending September 30, 2020

Annualized Return vs Annualized Standard Deviation
5 Years Ending September 30, 2020



- 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

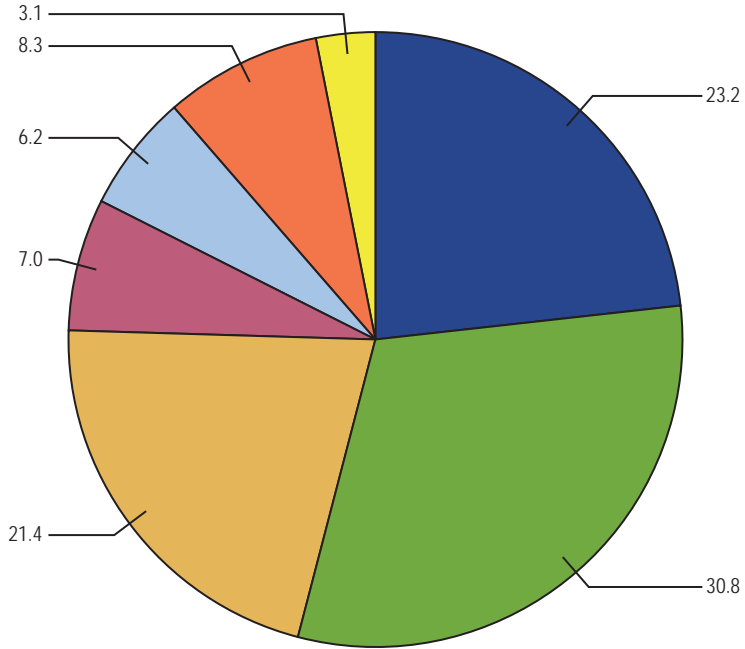
As of September 30, 2020

Fee Schedule

| | Vehicle Type | Ticker | Universe Name | Market Value As of 09/30/2020 \$ | Net Expense Ratio (%) |
|---|------------------|--------|---------------------------|---|-----------------------------|
| Artisan Int'l Value | Mutual Fund | APHKX | Foreign Value | \$20,619,385 | 1.02 |
| Bridge City Small Growth | Separate Account | | Small Growth | \$5,839,704 | 0.35 |
| Champlain Small Cap | Commingled Fund | | Small Growth | \$6,801,180 | 1.00 |
| EuroPacific Growth R6 | Mutual Fund | RERGX | Foreign | \$24,131,697 | 0.46 |
| Fidelity Instl Govt Money Market | Mutual Fund | FIGXX | Money Market-Taxable | \$1,999,883 | 0.18 |
| Fidelity Mid Cap Index | Mutual Fund | FSMDX | Mid Cap | \$4,507,728 | 0.03 |
| Fidelity S&P 500 | Mutual Fund | FXAIX | Large Cap | \$32,622,965 | 0.02 |
| Fidelity Small Cap Index | Mutual Fund | FSSNX | Small Cap | \$4,031,839 | 0.03 |
| Hotchkis & Wiley Div Value I | Mutual Fund | HWCIX | Large Value | \$13,210,240 | 0.80 |
| Hotchkis & Wiley High Yield | Mutual Fund | HWHZX | High Yield Bond | \$14,529,065 | 0.60 |
| MFS Growth Fund CI R6 | Mutual Fund | MFEKX | Large Growth | \$18,061,121 | 0.57 |
| Principal Global Investors REIT | Separate Account | | Real Estate | \$11,277,688 | 0.75 |
| Sterling Core Bond | Separate Account | | Intermediate Core Bond | \$27,282,811 | 0.25 |
| Sterling Mid Cap Value | Separate Account | | Mid-Cap Value | \$4,405,090 | 0.75 |
| Vanguard Emerging Markets Stock Index Fd | Mutual Fund | VEMAX | Diversified Emerging Mkts | \$460,949 | 0.14 |
| Victory Trivalent International Small Cap | Mutual Fund | MISIX | Foreign Small/Mid Growth | \$13,328,862 | 0.96 |
| Westfield Mid Cap Growth | Commingled Fund | | Mid-Cap Growth | \$4,473,091 | 0.65 |

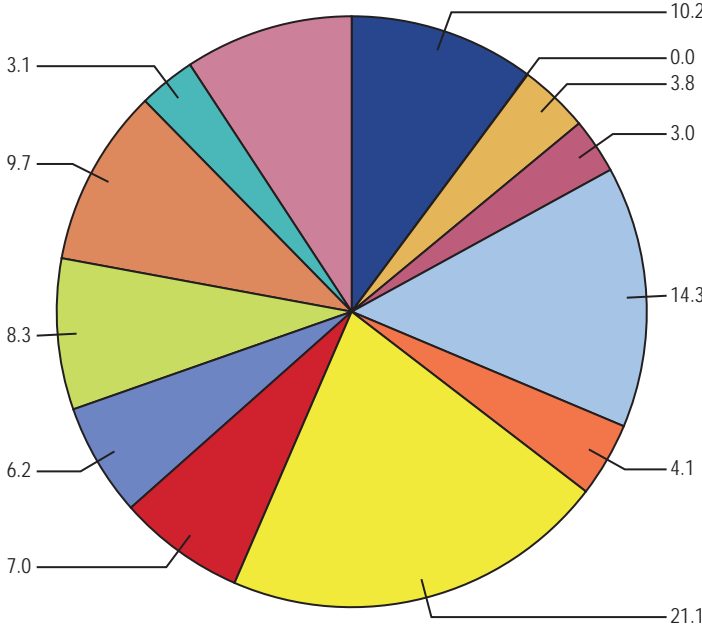
Section 3

Current Allocation



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

Current Implementation Allocation

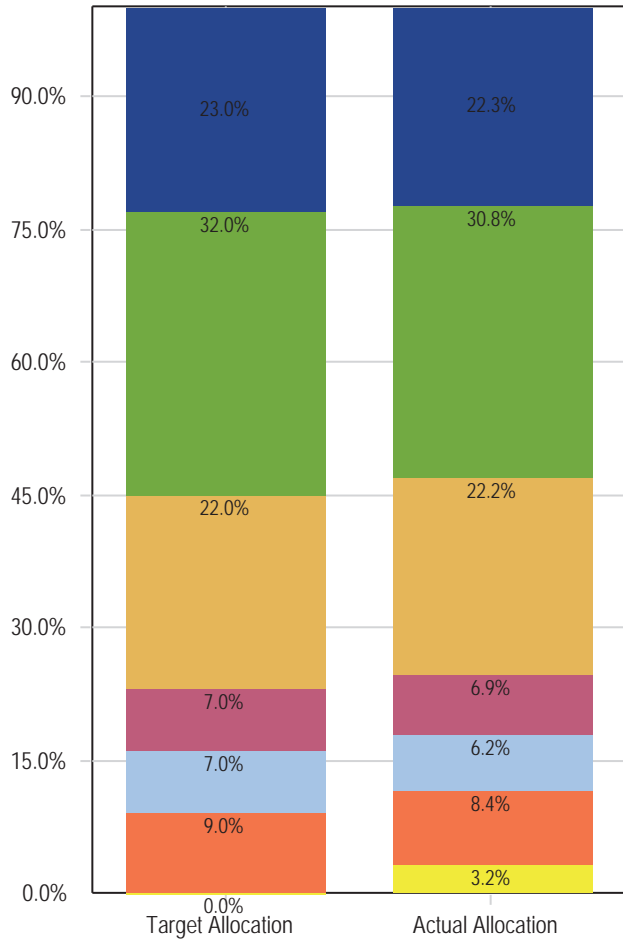


- Absolute Return
- Cash
- High Yield Bond
- Int'l Emerging Market Equity
- Int'l Large Cap Equity
- Int'l Small/Mid Cap Equity
- Large Cap Equity
- Opportunistic Credit
- Long Biased
- Real Estate
- Small/Mid Cap Equity
- Special Opportunities
- Total Return Bond

Spokane Employees' Retirement System

As of September 30, 2020

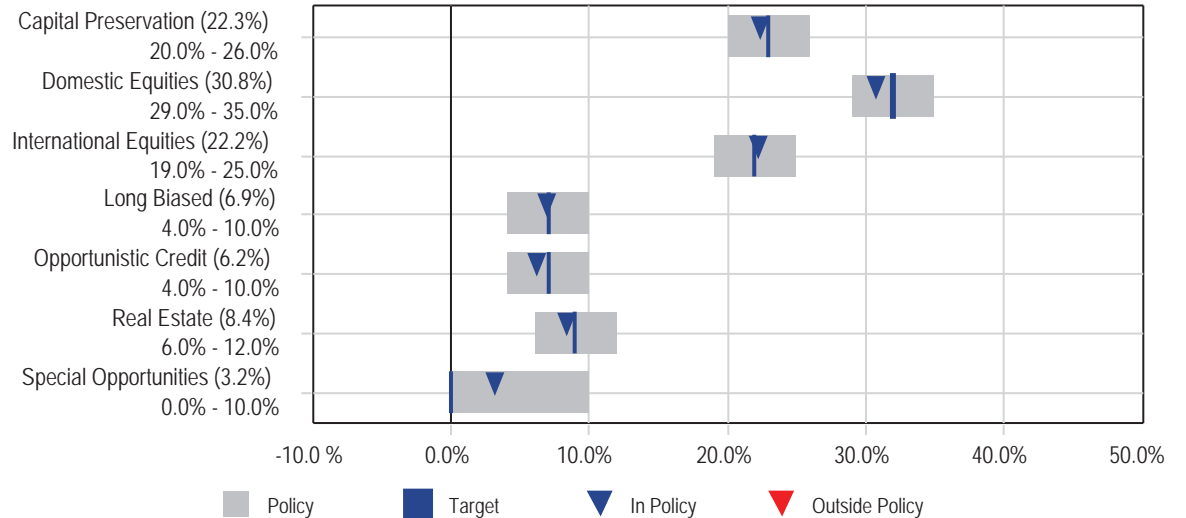
Asset Allocation Compliance



Current Allocation vs Investment Policy

| | Asset Allocation \$ | Asset Allocation (%) | Minimum Allocation (%) | Maximum Allocation (%) | Target Allocation (%) | Differences (\$) | Differences (%) |
|------------------------|---------------------|----------------------|------------------------|------------------------|-----------------------|------------------|-----------------|
| Capital Preservation | 68,167,881 | 22.3 | 20.0 | 26.0 | 23.0 | -1,998,962 | -0.7 |
| Domestic Equities | 93,952,958 | 30.8 | 29.0 | 35.0 | 32.0 | -3,670,476 | -1.2 |
| International Equities | 67,865,522 | 22.2 | 19.0 | 25.0 | 22.0 | 749,411 | 0.2 |
| Long Biased | 20,954,801 | 6.9 | 4.0 | 10.0 | 7.0 | -400,325 | -0.1 |
| Opportunistic Credit | 19,013,982 | 6.2 | 4.0 | 10.0 | 7.0 | -2,341,144 | -0.8 |
| Real Estate | 25,487,970 | 8.4 | 6.0 | 12.0 | 9.0 | -1,968,620 | -0.6 |
| Special Opportunities | 9,630,116 | 3.2 | 0.0 | 10.0 | 0.0 | 9,630,116 | 3.2 |
| Total | 305,073,232 | 100.0 | | | 100.0 | | 0.0 |

Actual vs Target

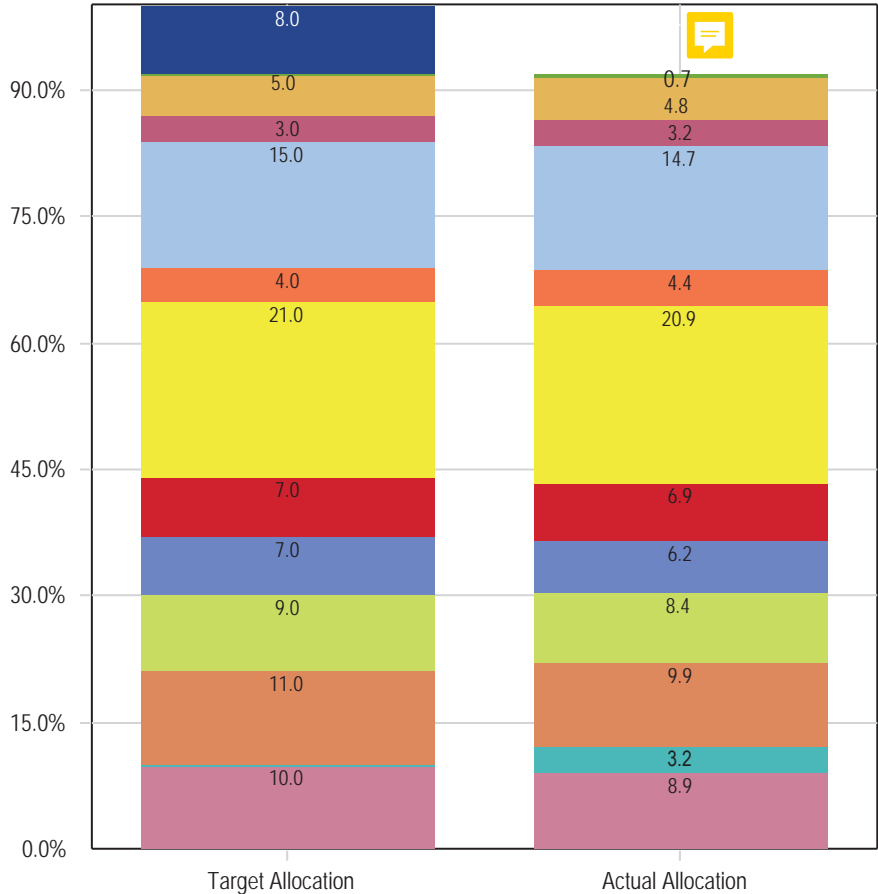


Spokane Employees' Retirement System

As of September 30, 2020

| | Asset Allocation \$ | Asset Allocation (%) | Target Allocation (%) |
|------------------------------|---------------------|----------------------|-----------------------|
| Absolute Return | 24,356,122 | 8.0 | 8.0 |
| Cash | 1,999,883 | 0.7 | 0.0 |
| High Yield Bond | 14,529,065 | 4.8 | 5.0 |
| Int'l Emerging Market Equity | 9,785,578 | 3.2 | 3.0 |
| Int'l Large Cap Equity | 44,751,082 | 14.7 | 15.0 |
| Int'l Small/Mid Cap Equity | 13,328,862 | 4.4 | 4.0 |
| Large Cap Equity | 63,894,326 | 20.9 | 21.0 |
| Long Biased | 20,954,801 | 6.9 | 7.0 |
| Opportunistic Credit | 19,013,982 | 6.2 | 7.0 |
| Real Estate | 25,487,970 | 8.4 | 9.0 |
| Small/Mid Cap Equity | 30,058,632 | 9.9 | 11.0 |
| Special Opportunities | 9,630,116 | 3.2 | 0.0 |
| Total Return Bond | 27,282,811 | 8.9 | 10.0 |
| Total | 305,073,232 | 100.0 | 100.0 |

Implementation Policy vs. Actual Allocation



- Absolute Return
- Cash
- High Yield Bond
- Int'l Emerging Market Equity
- Int'l Large Cap Equity
- Int'l Small/Mid Cap Equity
- Large Cap Equity
- Long Biased
- Opportunistic Credit
- Real Estate
- Small/Mid Cap Equity
- Special Opportunities
- Total Return Bond

Spokane Employees' Retirement System

As of September 30, 2020

Implementation Review

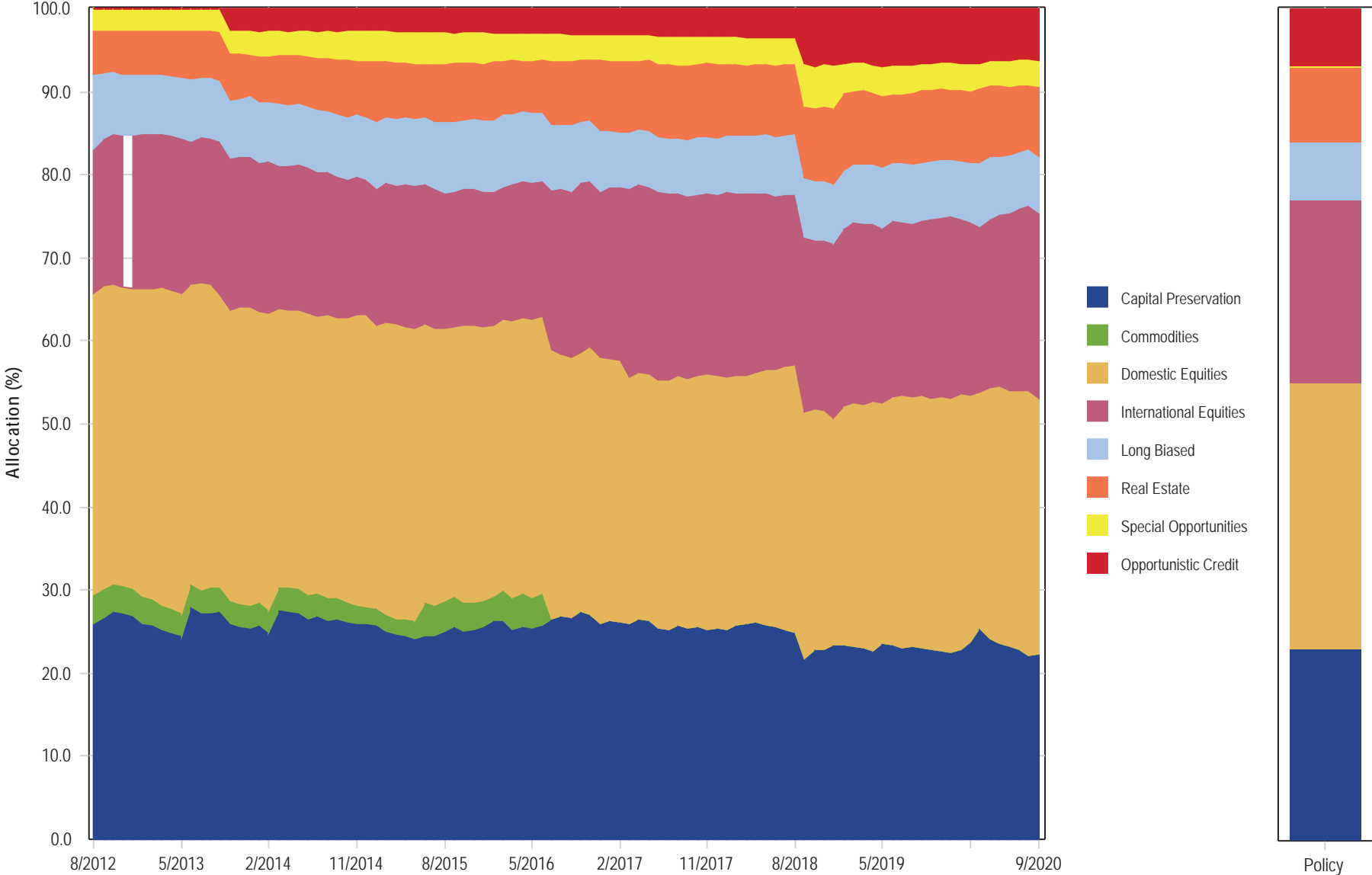
| | Target Allocation \$ | Target Allocation (%) | Minimum Allocation (%) | Maximum Allocation (%) | Asset Allocation \$ | Asset Allocation (%) | Differences (\$) | Differences (%) | Within Range |
|---|----------------------------|-----------------------------|------------------------------|------------------------------|---------------------------|----------------------------|---------------------|--------------------|-----------------|
| Absolute Return | \$24,405,859 | 8.0 | 6.0 | 10.0 | \$24,356,122 | 8.0 | -\$49,736 | 0.0 | Yes |
| Castine Partners II | | | | | \$116,470 | 0.0 | | | |
| Post Lmtd Term High Yield | | | | | \$6,577,825 | 2.2 | | | |
| Polar Long/Short Fund | | | | | \$7,801,521 | 2.6 | | | |
| Rimrock Low Volatility Offshore | | | | | \$9,860,306 | 3.2 | | | |
| Cash | | 0.0 | 0.0 | 2.0 | \$1,999,883 | 0.7 | \$1,999,883 | 0.7 | Yes |
| Fidelity Instl Govt Money Market | | | | | \$1,999,883 | 0.7 | | | |
| High Yield Bond | \$15,253,662 | 5.0 | 3.0 | 7.0 | \$14,529,065 | 4.8 | -\$724,597 | -0.2 | Yes |
| Hotchkis & Wiley High Yield | | | | | \$14,529,065 | 4.8 | | | |
| Int'l Emerging Market Equity | \$9,152,197 | 3.0 | 1.0 | 5.0 | \$9,785,578 | 3.2 | \$633,381 | 0.2 | Yes |
| Vanguard Emerging Markets Stock Index Fd | | | | | \$460,949 | 0.2 | | | |
| ABS Emerging Markets Strategic | | | | | \$9,324,630 | 3.1 | | | |
| Int'l Large Cap Equity | \$45,760,985 | 15.0 | 13.0 | 17.0 | \$44,751,082 | 14.7 | -\$1,009,903 | -0.3 | Yes |
| Artisan Int'l Value | | | | | \$20,619,385 | 6.8 | | | |
| EuroPacific Growth R6 | | | | | \$24,131,697 | 7.9 | | | |
| Int'l Small/Mid Cap Equity | \$12,202,929 | 4.0 | 2.0 | 6.0 | \$13,328,862 | 4.4 | \$1,125,933 | 0.4 | Yes |
| Victory Trivalent International Small Cap | | | | | \$13,328,862 | 4.4 | | | |
| Large Cap Equity | \$64,065,379 | 21.0 | 19.0 | 23.0 | \$63,894,326 | 20.9 | -\$171,052 | -0.1 | Yes |
| Hotchkis & Wiley Div Value I | | | | | \$13,210,240 | 4.3 | | | |
| MFS Growth Fund CI R6 | | | | | \$18,061,121 | 5.9 | | | |
| Fidelity S&P 500 | | | | | \$32,622,965 | 10.7 | | | |
| Long Biased | \$21,355,126 | 7.0 | 4.0 | 10.0 | \$20,954,801 | 6.9 | -\$400,325 | -0.1 | Yes |
| OrbiMed Royalty Opps II | | | | | \$950,382 | 0.3 | | | |
| OrbiMed Royalty Opportunities | | | | | \$1,208,631 | 0.4 | | | |
| Weatherlow Offshore | | | | | \$18,795,788 | 6.2 | | | |
| Opportunistic Credit | \$21,355,126 | 7.0 | 4.0 | 10.0 | \$19,013,982 | 6.2 | -\$2,341,144 | -0.8 | Yes |
| Contrarian Capital Fund I LP | | | | | \$7,382,893 | 2.4 | | | |
| Beach Point Select Fund LP | | | | | \$11,631,089 | 3.8 | | | |
| Real Estate | \$27,456,591 | 9.0 | 6.0 | 12.0 | \$25,487,970 | 8.4 | -\$1,968,620 | -0.6 | Yes |
| Metropolitan Realty V | | | | | \$152,878 | 0.1 | | | |

Spokane Employees' Retirement System

As of September 30, 2020

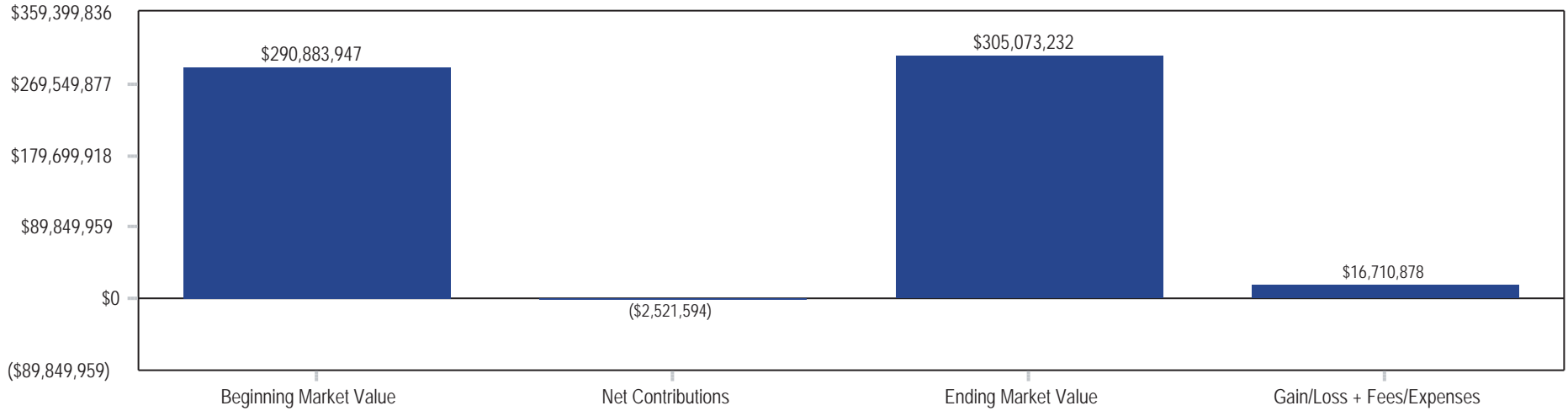
| | Target Allocation \$ | Target Allocation (%) | Minimum Allocation (%) | Maximum Allocation (%) | Asset Allocation \$ | Asset Allocation (%) | Differences (\$) | Differences (%) | Within Range |
|--|----------------------------|-----------------------------|------------------------------|------------------------------|---------------------------|----------------------------|---------------------|--------------------|-----------------|
| Morrison Street Fund V | | | | | \$1,364,959 | 0.4 | | | |
| Morrison Street Fund VI | | | | | \$1,820,000 | 0.6 | | | |
| Morrison Street Debt Opportunities Fund LP | | | | | \$3,630,725 | 1.2 | | | |
| Morgan Stanley Prime Property Fund | | | | | \$7,241,721 | 2.4 | | | |
| Principal Global Investors REIT | | | | | \$11,277,688 | 3.7 | | | |
| Small/Mid Cap Equity | \$33,558,055 | 11.0 | 9.0 | 13.0 | \$30,058,632 | 9.9 | -\$3,499,423 | -1.1 | Yes |
| Fidelity Small Cap Index | | | | | \$4,031,839 | 1.3 | | | |
| Sterling Mid Cap Value | | | | | \$4,405,090 | 1.4 | | | |
| Westfield Mid Cap Growth | | | | | \$4,473,091 | 1.5 | | | |
| Fidelity Mid Cap Index | | | | | \$4,507,728 | 1.5 | | | |
| Bridge City Small Growth | | | | | \$5,839,704 | 1.9 | | | |
| Champlain Small Cap | | | | | \$6,801,180 | 2.2 | | | |
| Special Opportunities | | 0.0 | 0.0 | 10.0 | \$9,630,116 | 3.2 | \$9,630,116 | 3.2 | Yes |
| Contrarian Emerging Markets | | | | | \$4,141,741 | 1.4 | | | |
| Orbimed Partners II | | | | | \$5,488,375 | 1.8 | | | |
| Total Return Bond | \$30,507,323 | 10.0 | 8.0 | 12.0 | \$27,282,811 | 8.9 | -\$3,224,512 | -1.1 | Yes |
| Sterling Core Bond | | | | | \$27,282,811 | 8.9 | | | |
| Total | \$305,073,232 | 100.0 | | | \$305,073,232 | 100.0 | | 0.0 | |

Asset Allocation History vs. Target Allocation



Section 4

Change in Market Value



Cash Flow Summary
Current Quarter

| | Market Value As of 07/01/2020 | Contributions | Distributions | Net Flows | Return On Investment | Market Value As of 09/30/2020 |
|----------------------------------|-------------------------------------|---------------|---------------|------------|-------------------------|-------------------------------------|
| Fidelity Instl Govt Money Market | 25,955 | 14,933,021 | -12,959,227 | 1,973,794 | 134 | 1,999,883 |
| Sterling Core Bond | 26,862,139 | - | - | - | 420,672 | 27,282,811 |
| Hotchkis & Wiley High Yield | 11,133,565 | 2,800,000 | - | 2,800,000 | 595,499 | 14,529,065 |
| Polar Long/Short Fund | 7,479,470 | - | - | - | 322,051 | 7,801,521 |
| Post Lmtd Term High Yield | 6,393,929 | - | - | - | 183,896 | 6,577,825 |
| Rimrock Low Volatility Offshore | 9,664,464 | - | - | - | 195,842 | 9,860,306 |
| Castine Partners II | 6,024,482 | - | -5,707,045 | -5,707,045 | -200,966 | 116,470 |
| Hotchkis & Wiley Div Value I | 13,048,308 | - | - | - | 161,932 | 13,210,240 |
| Fidelity S&P 500 | 29,946,568 | - | - | - | 2,676,397 | 32,622,965 |
| MFS Growth Fund CI R6 | 18,344,969 | - | -2,270,000 | -2,270,000 | 1,986,152 | 18,061,121 |
| Sterling Mid Cap Value | 4,169,685 | - | - | - | 235,406 | 4,405,090 |
| Fidelity Mid Cap Index | 4,193,464 | - | - | - | 314,264 | 4,507,728 |

Spokane Employees' Retirement System

As of September 30, 2020

| | Market Value As of 07/01/2020 | Contributions | Distributions | Net Flows | Return On Investment | Market Value As of 09/30/2020 |
|--|-------------------------------------|-------------------|--------------------|-------------------|-------------------------|-------------------------------------|
| Westfield Mid Cap Growth | 4,154,791 | - | - | - | 318,299 | 4,473,091 |
| Fidelity Small Cap Index | 3,840,548 | - | - | - | 191,292 | 4,031,839 |
| Bridge City Small Growth | 5,562,011 | - | - | - | 277,693 | 5,839,704 |
| Champlain Small Cap | 6,413,916 | - | - | - | 387,265 | 6,801,180 |
| EuroPacific Growth R6 | 22,005,978 | - | - | - | 2,125,719 | 24,131,697 |
| Artisan Int'l Value | 19,608,998 | - | - | - | 1,010,387 | 20,619,385 |
| Victory Trivalent International Small Cap | 11,862,137 | - | - | - | 1,466,725 | 13,328,862 |
| Vanguard Emerging Markets Stock Index Fd | 422,956 | - | - | - | 37,992 | 460,949 |
| ABS Emerging Markets Strategic | 8,378,840 | - | - | - | 945,790 | 9,324,630 |
| Weatherlow Offshore | 17,949,430 | - | - | - | 846,359 | 18,795,788 |
| OrbiMed Royalty Opps II | 997,886 | - | -139,051 | -139,051 | 91,547 | 950,382 |
| OrbiMed Royalty Opportunities | 1,299,145 | - | -151,111 | -151,111 | 60,597 | 1,208,631 |
| Beach Point Select Fund LP | 10,904,957 | - | - | - | 726,132 | 11,631,089 |
| Contrarian Capital Fund I LP | 7,075,096 | - | - | - | 307,798 | 7,382,893 |
| Principal Global Investors REIT | 10,981,135 | - | - | - | 296,553 | 11,277,688 |
| Metropolitan Realty V | 161,008 | - | - | - | -8,131 | 152,878 |
| Morrison Street Fund V | 1,955,939 | - | -738,864 | -738,864 | 147,884 | 1,364,959 |
| Morrison Street Debt Opportunities Fund LP | 3,711,217 | - | -37,848 | -37,848 | -42,644 | 3,630,725 |
| Morgan Stanley Prime Property Fund | 7,236,194 | - | -71,469 | -71,469 | 76,996 | 7,241,721 |
| Morrison Street Fund VI | - | 1,820,000 | - | 1,820,000 | - | 1,820,000 |
| Orbimed Partners II | 5,171,387 | - | - | - | 316,988 | 5,488,375 |
| Contrarian Emerging Markets | 3,903,383 | - | - | - | 238,358 | 4,141,741 |
| SERS Plan Total | 290,883,947 | 19,553,021 | -22,074,615 | -2,521,594 | 16,710,878 | 305,073,232 |

Section 5

Statistic Definitions

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

Spokane Employees' Retirement System

As of September 30, 2020

| Account Name | From Date | To Date | Benchmark |
|-----------------|------------|------------|---|
| SERS Plan Total | 03/01/2019 | Present | 10% Blmbg. Barc. U.S. Aggregate, 5% Blmbg. Barc. 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. Barc. U.S. Aggregate, 5% Blmbg. Barc. 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. Barc. U.S. Aggregate, 5% Blmbg. Barc. 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. Barc. 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. Barc. U.S. Aggregate, 5% Blmbg. Barc. U.S. Corp: High Yield Index, 24% MSCI AC World ex USA (Net), 4% FTSE NAREIT All REITs Index, 6% Blmbg. Barc. Global Aggregate, 3% NCREIF Property Index |