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Spokane Employees' Retirement System

March 31, 2021 Performance Report

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Section 1

**INFLATION MIRAGE??**

Broadening vaccination availability, easing business restrictions, and a \$1.9 trillion federal stimulus package set the stage for reports of robust economic activity coming out of the first quarter of 2021. The US added 916,000 jobs in March, well ahead of the projected increase of 675,000. Job growth was widespread in March, led by gains in leisure & hospitality, education, and construction. The increase in jobs brought the unemployment rate down from 6.2% to 6.0%. Other broad economic indicators are approaching or setting new highs. The widely followed ISM manufacturing index jumped to 64.7%, a 38-year high. Consumer confidence surged in March to a new post-pandemic high of 109.7 compared to 90.4 just a month earlier, and is closing in on the 20-year highs set in February of 2020 shortly before the onset of the coronavirus pandemic in the US. The PPI (Producer Price Index) data is forecasted to climb 0.5% in March which would push this popular gauge of wholesale inflation to 3.8% on a trailing 12-month basis – a 10-year high.

These rapidly improving economic indicators and unprecedented fiscal and monetary stimulus have investors looking to the horizon for early signs of growth's loathed economic shadow: inflation. The Federal Reserve has repeatedly stated it expects consumer price increases (higher inflation) over the summer as pent-up demand shakes loose but that these price jumps will be temporary, a mirage of sorts, that will not pose a threat to the central bank's ultra-low interest rate policy any time soon. The broad bond market is not convinced. While the Fed has anchored short-term rates, yields further out on the curve rose significantly during the quarter. Intermediate-term yields (10-Year US Treasury) rose from 0.93% to 1.74% during the period, resulting in a price decline of 7.02%. Long-term yields (30-Year US Treasury) rose from 1.65% to 2.41% during the quarter, resulting in a price decline of 15.84%. Based on these interest rate moves, the bond market is projecting higher inflation on the horizon.

So which is it? The Fed seems to be referring to the same playbook that was used coming out of the Great Recession of 2008-09. According to this playbook, well-documented sources of secular disinflation such as demographics, globalization, and technology will continue to offset inflationary pressures from unprecedented growth in stimulus and money supply. Investors are focusing on their own playbook in which the laws of printing money and large increases in the money supply have a long history of creating higher inflation and/or devaluing currency. The US dollar has been around for over 200 years, but nearly a quarter of all US dollars in circulation were printed in 2020. It should follow as no surprise then that the US money supply for February of this year rose 39% year-over-year, an unprecedented pace in modern history.

There is strong consensus building in the financial markets that the US economy will produce unprecedented upside numbers as the economy reopens in unison with the circulation of massive recent economic stimulus. Year-over-year comparisons are likely to reflect extreme short-term data points making it difficult to discern short-term noise from longer-term structural trends. This inability to distinguish between short-term and longer-term economic data will make it very difficult to get a good read on inflation for some time. In the absence of clarity, the speed of the labor market recovery would appear to be front and center. Faster than expected recovery in pandemic job losses coupled with sudden wage growth reflects monetary policy that is too loose and likely to result in higher inflation. The pace of job recovery transitioned from baseline to exceedingly quick during the fourth quarter. If this pace continues, the Fed may be forced to skip ahead a few chapters in their playbook to tighten policy sooner than expected to reign in inflation. This despite their hardline rhetoric of "keeping rates lower for longer."

GLOBAL ECONOMIC LANDSCAPE

- 2020 was an exceptionally difficult year for global growth given the broad geographic impact of the COVID-19 virus. Global growth declined by roughly 4.5%. The Eurozone proved to be one of the hardest hit, declining nearly 7.5%, while the US declined by 3.5%. China was the notable outlier, with positive GDP growth of 2.3% but significantly lagging pre-COVID levels. However, the broad distribution of vaccines coupled with largely unprecedented global stimulus has brought about rapidly accelerating growth in the first quarter.
- The IMF is expecting a short-term growth divergence between the US and the rest of the world as the US economy is currently recovering faster than initially expected. The faster pace of recovery is due to a much larger fiscal expansion (stimulus spending) relative to its output gap in addition to its leading pace of vaccination. While the US is currently undergoing a faster pace of growth, this appears to be already reflected in market prices. The IMF expects global growth rates to slow sharply from 6.0% in 2021 to 3.3% by 2026. This slowdown is largely the result of a normalization from the recent bounce off a low base.
- A survey from the Federal Reserve of New York suggested that 42% of US households saved their recent stimulus checks compared to 36% in June 2020. The higher savings rate reflects the number of families using the checks to pay debt has declined to 34% from 36%, while the number of families spending checks for consumption has declined to 25% from 29%. The increase in savings and decline in consumption is likely to weaken the initial impact of stimulus policy.

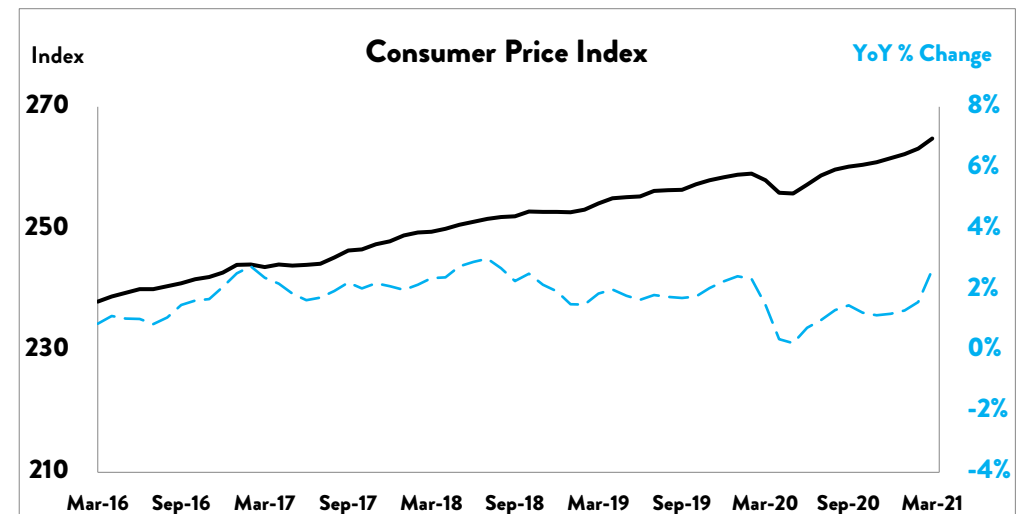
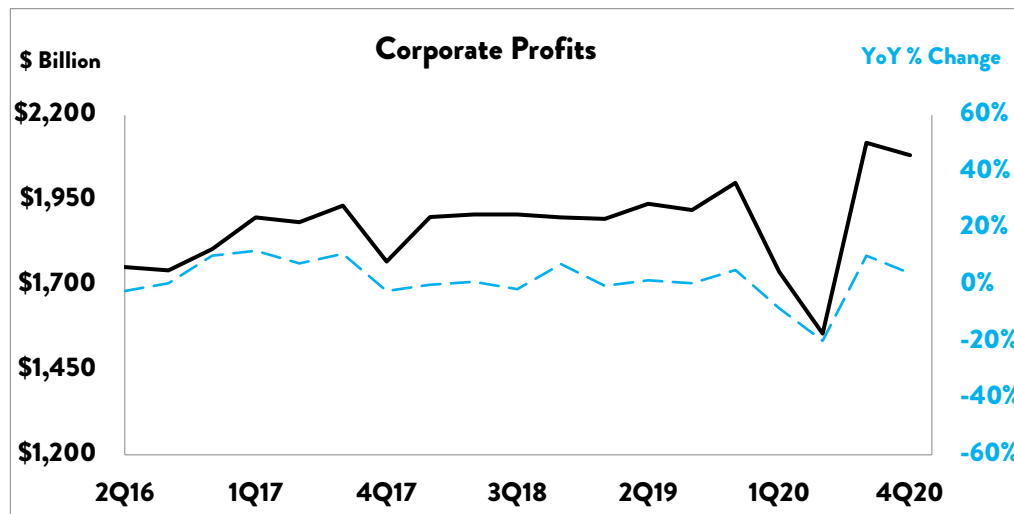
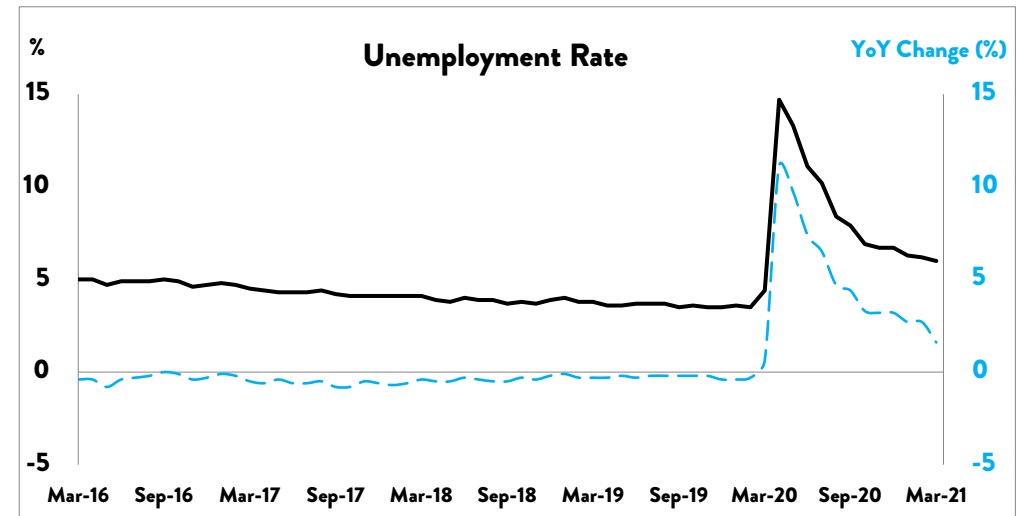
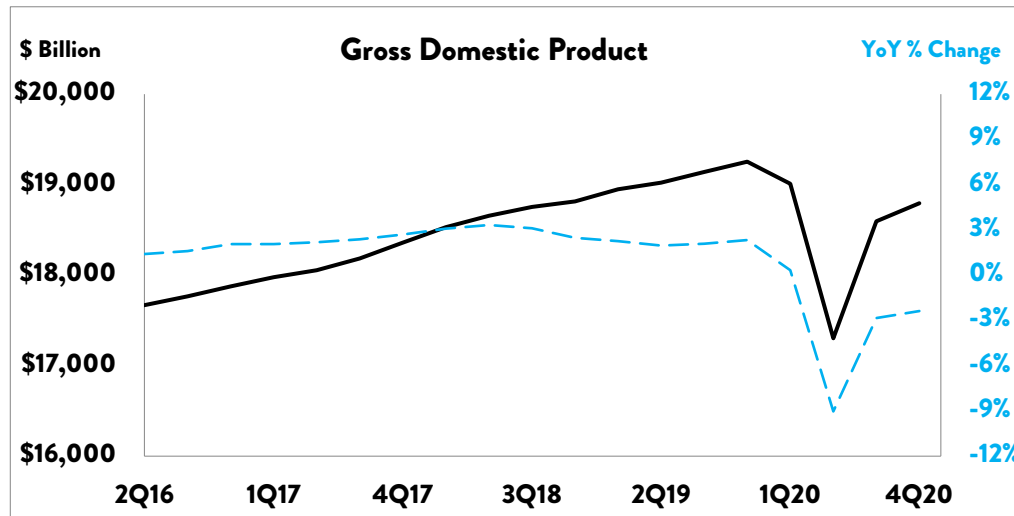
GLOBAL FINANCIAL MARKETS

- A sharp increase in domestic economic growth rates coupled with the passage of a \$1.9 trillion coronavirus stimulus package sparked concerns over higher inflation. This prompted a sharp selloff across investment grade credit markets during the quarter. The current five-year embedded breakeven inflation rate for Treasury Inflation-Protected Securities (TIPS) is at 2.6%, the highest rate since 2008.
- Last quarter we highlighted a regime change in which value stocks, and more specifically cyclical value stocks, outperformed growth stocks reversing an extended period of underperformance. That momentum not only persisted, but accelerated during the first quarter. Since the beginning of this regime change in 4Q20, shares of domestic Energy stocks have climbed nearly 80% with Airlines and Banks up 65% and 60%, respectively. This regime change led to strong outperformance by “deep value” active managers over this period.
- The outperformance by cyclical sectors is largely a global phenomenon as global economies continue to open up post COVID-19 shutdowns. As a result, those countries with more exposure to cyclical stocks are expected to outperform should economic growth continue to accelerate. Cyclical sectors in the US represent a sizable 34% of the equity market, however, this compares to over 50% for the ACWI ex-US (international markets). In contrast, the Technology sector (less cyclical) represents 27% of the US market and only 13% of the international market. An extended cyclical rotation would seem to support strong relative international stock returns.
- The top ten stocks in the S&P 500 Index represent 27.4% of total market capitalization and 26.7% of total earnings, both of which are near all-time highs. These same top ten stocks trade at a P/E ratio of 30.1, which compares to 19.6 for the remaining stocks and a historical average of 16.2 for the index. While the top ten stocks have historically traded at a premium, they are currently trading at 154% of the historical average P/E for the top-ten stocks.

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1Q2021 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	916,000	4,846,000	-20,679,000	7,767	Mar-21
Unemployment Rate	6.0%	14.7%	3.5%	5.0%	Mar-21
Median Unemployment Length (Weeks)	21.6	21.6	4.0	10.7	Mar-21
Average Hourly Earnings	\$29.96	\$30.07	\$25.53	\$27.51	Mar-21

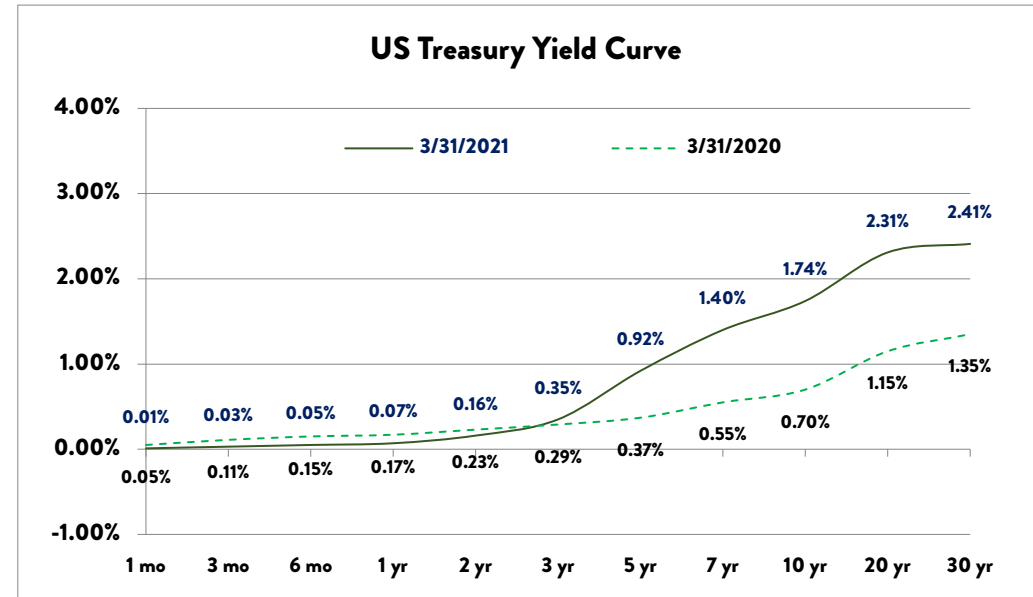
Source: Federal Reserve Bank of St. Louis and Bureau of Labor Statistics

Other Prices and Indexes (Monthly)					
Category	Recent	5-Yr High	5-Yr Low	% Off Peak	Date
Gas: Price per Gallon	\$2.79	\$2.88	\$1.80	-3.1%	Mar-21
Spot Oil	\$62.33	\$70.98	\$16.55	-12.2%	Mar-21
Case-Shiller Home Price Index	245.1	245.1	185.4	32.2%*	Jan-21
Medical Care CPI	523.7	523.8	459.3	14%*	Mar-21

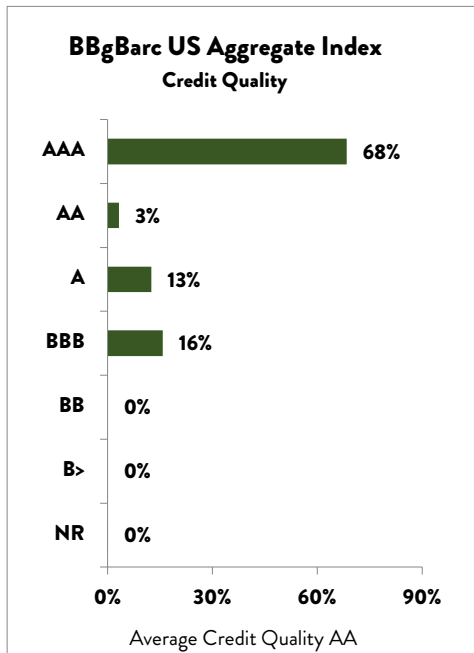
*% Off Low

1Q2021 Bond Market Data

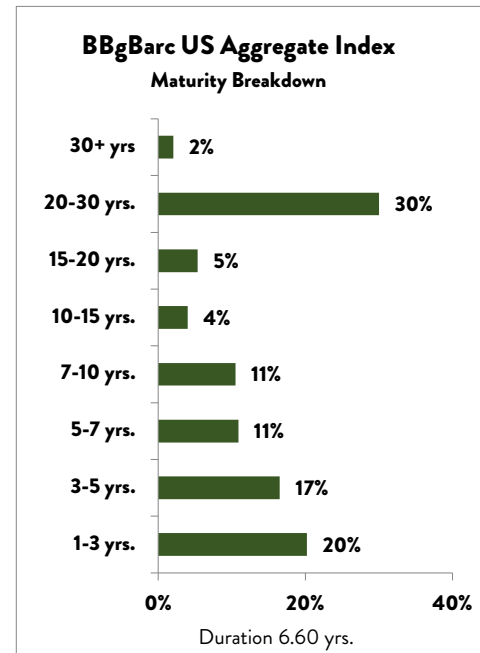
Index	QTR	YTD	1 yr.	3 yrs.	5 yrs.	10 yrs.
90-Day T-Bill	0.01%	0.01%	0.10%	1.36%	1.13%	0.60%
BBgBarc US Aggregate	-3.37%	-3.37%	0.71%	4.65%	3.10%	3.44%
BBgBarc Short US Treasury	0.04%	0.04%	0.15%	1.66%	1.29%	0.73%
BBgBarc Int. US Treasury	-1.76%	-1.76%	-1.27%	3.76%	2.06%	2.33%
BBgBarc Long US Treasury	-13.51%	-13.51%	-15.80%	5.87%	3.13%	6.35%
BBgBarc US TIPS	-1.47%	-1.47%	7.54%	5.68%	3.86%	3.44%
BBgBarc US Credit	-4.45%	-4.45%	7.88%	5.95%	4.67%	4.83%
BBgBarc US Mortgage-Backed	-1.10%	-1.10%	-0.09%	3.75%	2.43%	2.83%
BBgBarc US Asset-Backed	-0.16%	-0.16%	4.57%	3.68%	2.56%	2.51%
BBgBarc US 20-Yr Municipal	-0.30%	-0.30%	6.40%	5.90%	4.38%	5.82%
BBgBarc US High Yield	0.85%	0.85%	23.72%	6.84%	8.06%	6.48%
BBgBarc Global	-4.46%	-4.46%	4.67%	2.80%	2.66%	2.23%
BBgBarc International	-5.29%	-5.29%	7.15%	1.15%	2.13%	1.26%
BBgBarc Emerging Market	-3.48%	-3.48%	13.58%	4.81%	5.22%	5.47%



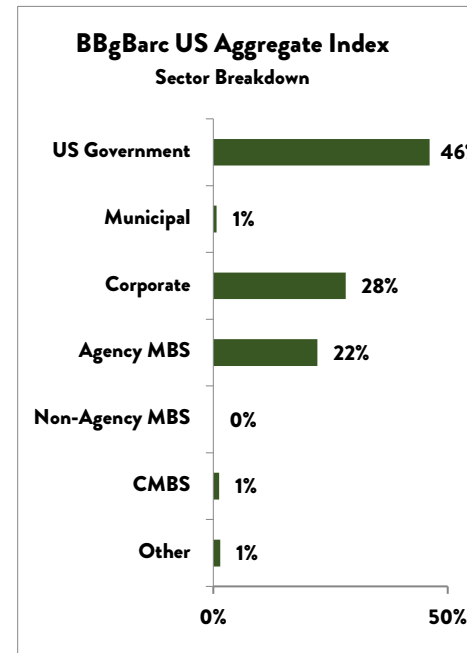
Source: Department of US Treasury



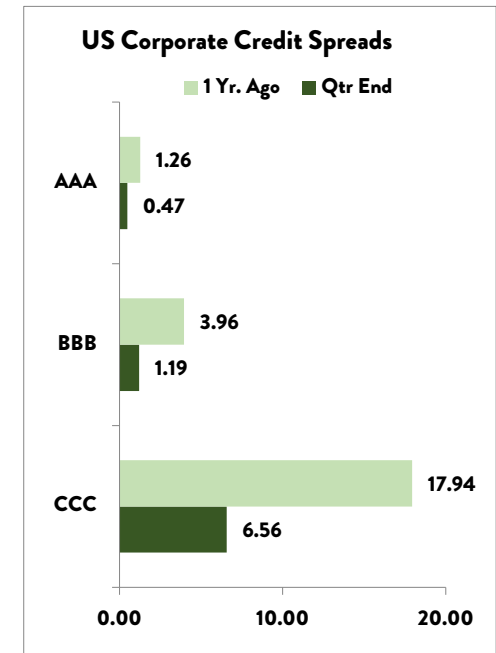
Source: Morningstar



Source: Morningstar



Source: Morningstar



Source: Federal Reserve / Bank of America

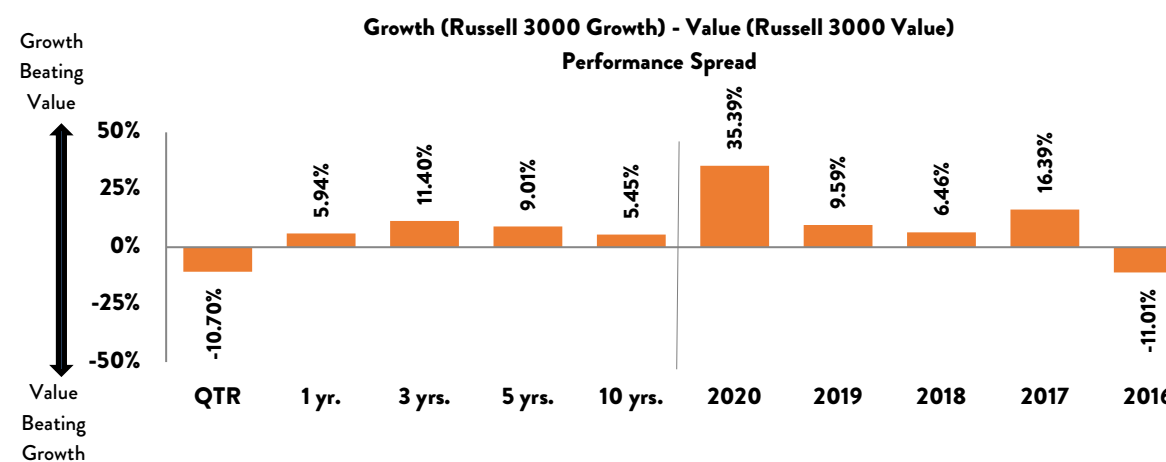
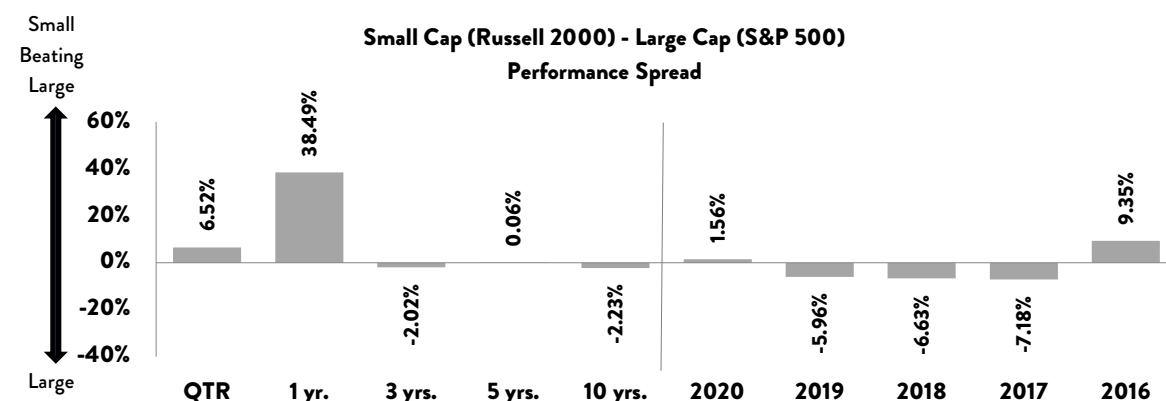
1Q2021 US Equity Market Data

Sectors Weights/Returns (ranked by quarter performance)

	Wgt.	Sector	QTR	YTD	1 yr.
S&P 500 Index	3%	Energy	30.85%	30.85%	75.16%
	11%	Financials	15.99%	15.99%	67.50%
	9%	Industrials	11.41%	11.41%	69.61%
	3%	Materials	9.08%	9.08%	78.29%
	2%	Real Estate	9.02%	9.02%	32.03%
	11%	Communication Services	8.08%	8.08%	60.88%
	13%	Health Care	3.18%	3.18%	34.04%
	12%	Consumer Discretionary	3.11%	3.11%	70.29%
	3%	Utilities	2.80%	2.80%	19.42%
	27%	Information Technology	1.97%	1.97%	66.61%
6%	Consumer Staples	1.15%	1.15%	28.38%	
S&P Midcap 400 Index	1%	Energy	34.73%	34.73%	174.75%
	15%	Consumer Discretionary	21.35%	21.35%	156.70%
	6%	Materials	21.05%	21.05%	96.19%
	16%	Financials	18.69%	18.69%	74.55%
	4%	Consumer Staples	15.40%	15.40%	72.33%
	18%	Industrials	13.63%	13.63%	87.57%
	3%	Utilities	9.80%	9.80%	19.18%
	9%	Real Estate	8.15%	8.15%	42.47%
	2%	Communication Services	6.63%	6.63%	55.36%
	14%	Information Technology	6.37%	6.37%	93.61%
	11%	Health Care	4.58%	4.58%	59.06%
	S&P Smallcap 600 Index	4%	Energy	43.26%	43.26%
16%		Consumer Discretionary	37.88%	37.88%	214.32%
17%		Financials	18.89%	18.89%	67.18%
2%		Communication Services	17.49%	17.49%	53.11%
18%		Industrials	17.40%	17.40%	95.35%
4%		Consumer Staples	15.68%	15.68%	62.89%
13%		Information Technology	11.50%	11.50%	92.68%
7%		Real Estate	10.18%	10.18%	50.22%
5%		Materials	9.99%	9.99%	108.96%
11%		Health Care	8.43%	8.43%	78.03%
1%		Utilities	7.87%	7.87%	6.47%

Index Performance Data

Index	QTR	YTD	1 yr.	Annualized		
				3 yrs.	5 yrs.	10 yrs.
S&P 500	6.17%	6.17%	56.35%	16.78%	16.29%	13.91%
Russell 1000 Value	11.26%	11.26%	56.09%	10.96%	11.74%	10.99%
Russell 1000 Growth	0.94%	0.94%	62.74%	22.80%	21.05%	16.63%
Russell Mid Cap	8.14%	8.14%	73.64%	14.73%	14.67%	12.47%
Russell Mid Cap Value	13.05%	13.05%	73.76%	10.70%	11.60%	11.05%
Russell Mid Cap Growth	-0.57%	-0.57%	68.61%	19.41%	18.39%	14.11%
Russell 2000	12.70%	12.70%	94.85%	14.76%	16.35%	11.68%
Russell 2000 Value	21.17%	21.17%	97.05%	11.57%	13.56%	10.06%
Russell 2000 Growth	4.88%	4.88%	90.20%	17.16%	18.61%	13.02%
Russell 3000	6.35%	6.35%	62.53%	17.12%	16.64%	13.79%
DJ US Select REIT	10.00%	10.00%	36.66%	7.55%	3.94%	7.89%



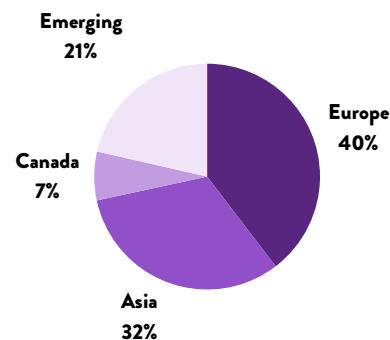
1Q2021 International Market Data

Index Performance Data (net)

Index (US\$)	QTR	YTD	1 yr.	3 yrs.	5 yrs.	10 yrs.
MSCI ACWI ex-US	3.49%	3.49%	49.41%	6.51%	9.76%	4.93%
MSCI EAFE	3.48%	3.48%	44.57%	6.02%	8.85%	5.52%
Europe	4.08%	4.08%	44.95%	5.65%	8.18%	5.08%
United Kingdom	6.19%	6.19%	33.54%	0.92%	4.33%	3.26%
Germany	4.23%	4.23%	59.28%	4.26%	8.02%	5.15%
France	4.42%	4.42%	50.01%	5.91%	9.96%	5.25%
Pacific	2.53%	2.53%	43.99%	6.63%	10.20%	6.44%
Japan	1.57%	1.57%	39.73%	6.32%	10.47%	7.20%
Hong Kong	7.26%	7.26%	37.29%	5.38%	10.08%	7.28%
Australia	3.41%	3.41%	68.44%	9.03%	9.75%	4.36%
Canada	9.59%	9.59%	59.27%	9.56%	9.62%	2.39%
MSCI EM	2.29%	2.29%	58.39%	6.48%	12.07%	3.65%
MSCI EM Latin America	-5.32%	-5.32%	50.07%	-6.05%	4.04%	-4.05%
MSCI EM Asia	2.16%	2.16%	60.13%	9.45%	14.48%	6.63%
MSCI EM Eur/Mid East	6.54%	6.54%	42.69%	1.98%	6.31%	-2.85%
MSCI ACWI Value ex-US	7.06%	7.06%	48.68%	2.40%	7.25%	3.02%
MSCI ACWI Growth ex-US	-0.08%	-0.08%	49.36%	10.31%	12.03%	6.69%
MSCI ACWI Sm Cap ex-US	5.53%	5.53%	69.82%	6.61%	10.40%	6.32%

Regional Exposure

MSCI ACWI ex-USA

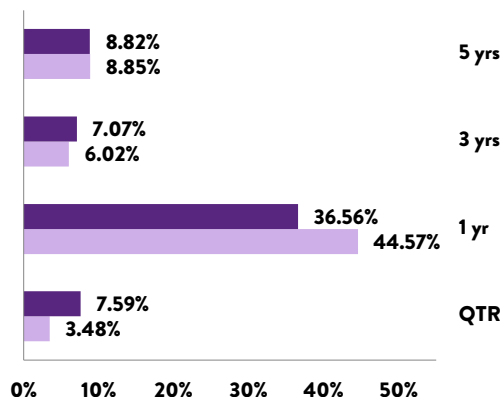


Top 10 Countries (MSCI AC World ex-USA)

Japan	16%
China	11%
UK	9%
France	7%
Canada	7%
Germany	6%
Switzerland	6%
Australia	4%
Taiwan	4%
South Korea	4%

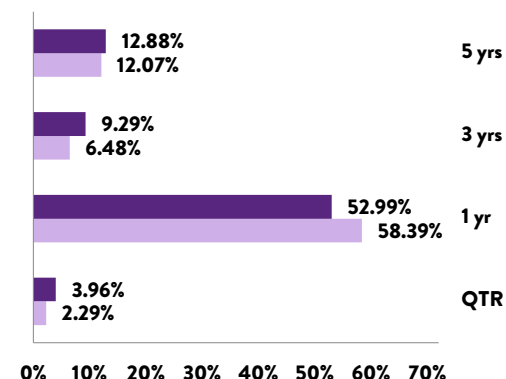
MSCI EAFE Index Return

Local (Dark Purple) vs US\$ (Light Purple)



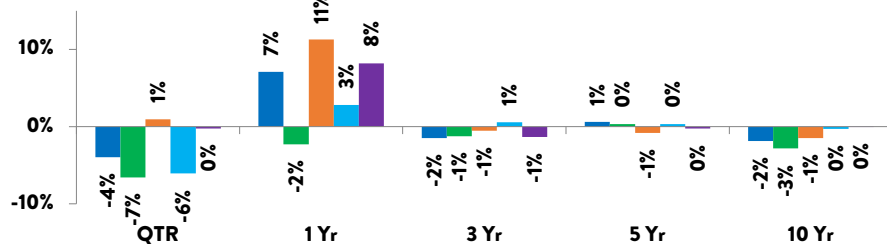
MSCI Emerging Index Return

Local (Dark Purple) vs US\$ (Light Purple)



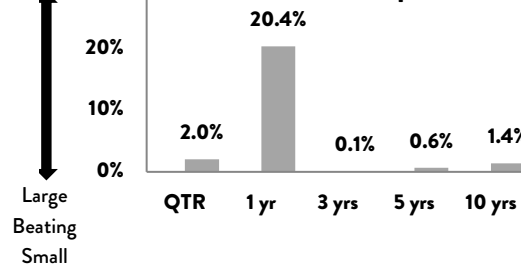
Foreign Currency v. US\$ Returns

Euro (Blue), Japanese Yen (Green), Pound Sterling (Orange), Swiss Franc (Light Blue), Chinese Yuan (Purple)

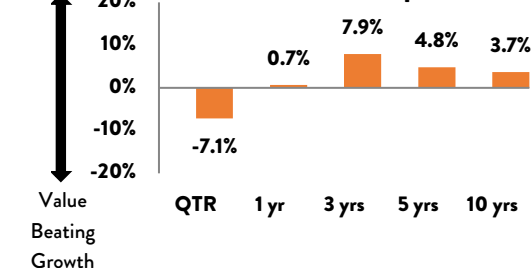


Exchange Rates	QTR	4Q20	3Q20	2Q20	1Q20	4Q19
Japanese Yen	110.67	103.19	105.58	107.77	107.53	108.67
Euro	0.85	0.82	0.85	0.89	0.91	0.89
British Pound	0.72	0.73	0.77	0.81	0.80	0.75
Swiss Franc	0.94	0.88	0.92	0.95	0.96	0.97
Chinese Yuan	6.55	6.53	6.79	7.07	7.08	6.96

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	2020	1Q21
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%	Small Cap 19.96%	Small Cap 12.70%
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%	Large Cap 18.40%	Mid Cap 8.14%
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%	Emerging Markets 18.31%	Commod. 6.92%
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%	Mid Cap 17.10%	Large Cap 6.17%
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 13.93%	Intl 3.49%
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%	TIPS 10.99%	Emerging Markets 2.29%
Small Cap 4.55%	Global Balanced 14.53%	Global Balanced 9.07%	High Yield -26.16%	Global Balanced 20.49%	Large Cap 15.06%	Cash 0.06%	Global Balanced 11.06%	High Yield 7.44%	Global Balanced 3.17%	Mid Cap -2.43%	Core Real Estate 7.76%	High Yield 7.50%	Large Cap -4.38%	High Yield 14.32%	Intl 10.65%	Core Real Estate 1.91%
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%	Global Bonds 9.20%	Global Balanced 1.39%
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%	US Bonds 7.51%	High Yield 0.85%
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%	High Yield 7.11%	Cash 0.01%
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%	Cash 0.37%	TIPS -1.47%
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%	Core Real Estate 0.35%	US Bonds -3.37%
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. -3.12%	Global Bonds -4.46%

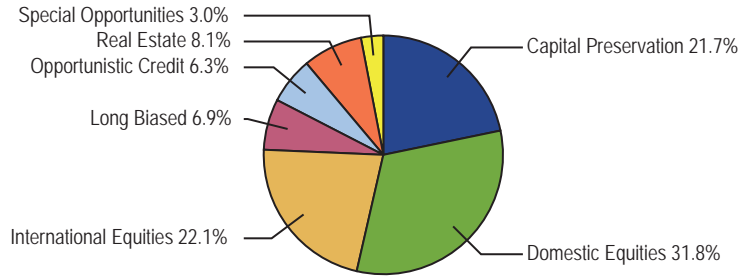
Global Balanced is composed of 60% MSCI World Stock Index, 35% BBgBarc Global Aggregate Bond Index, and 5% US 90-Day T-Bills.

Section 2

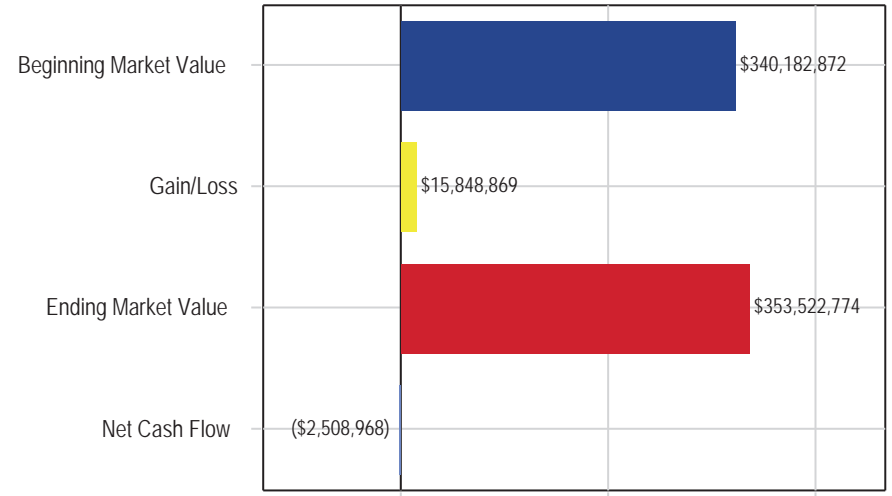
Spokane Employees' Retirement System

As of March 31, 2021

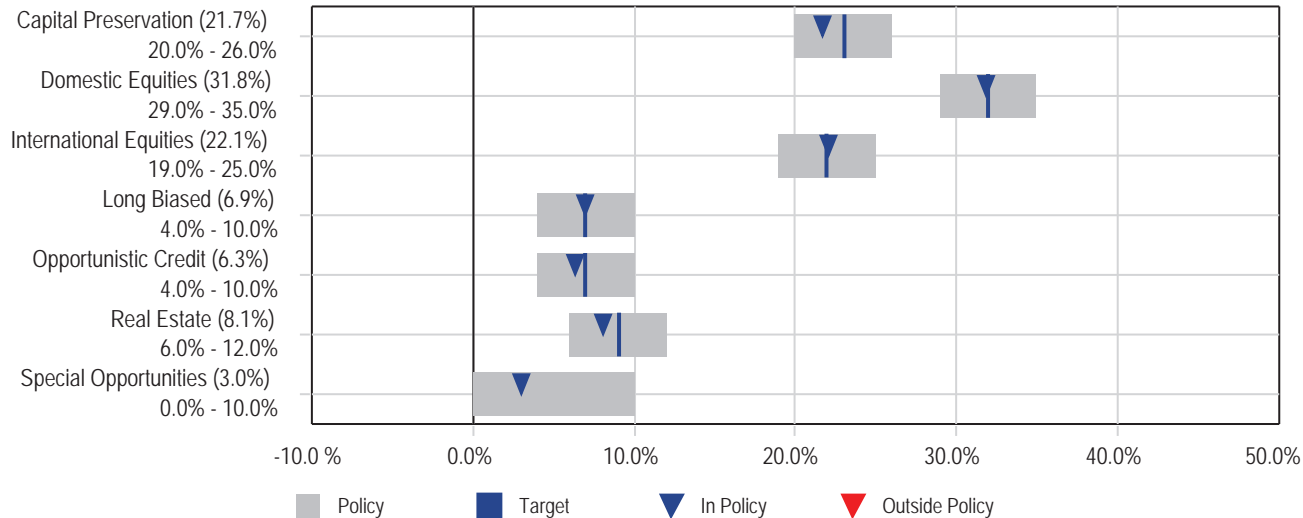
SERS Current Allocation



Current Quarter



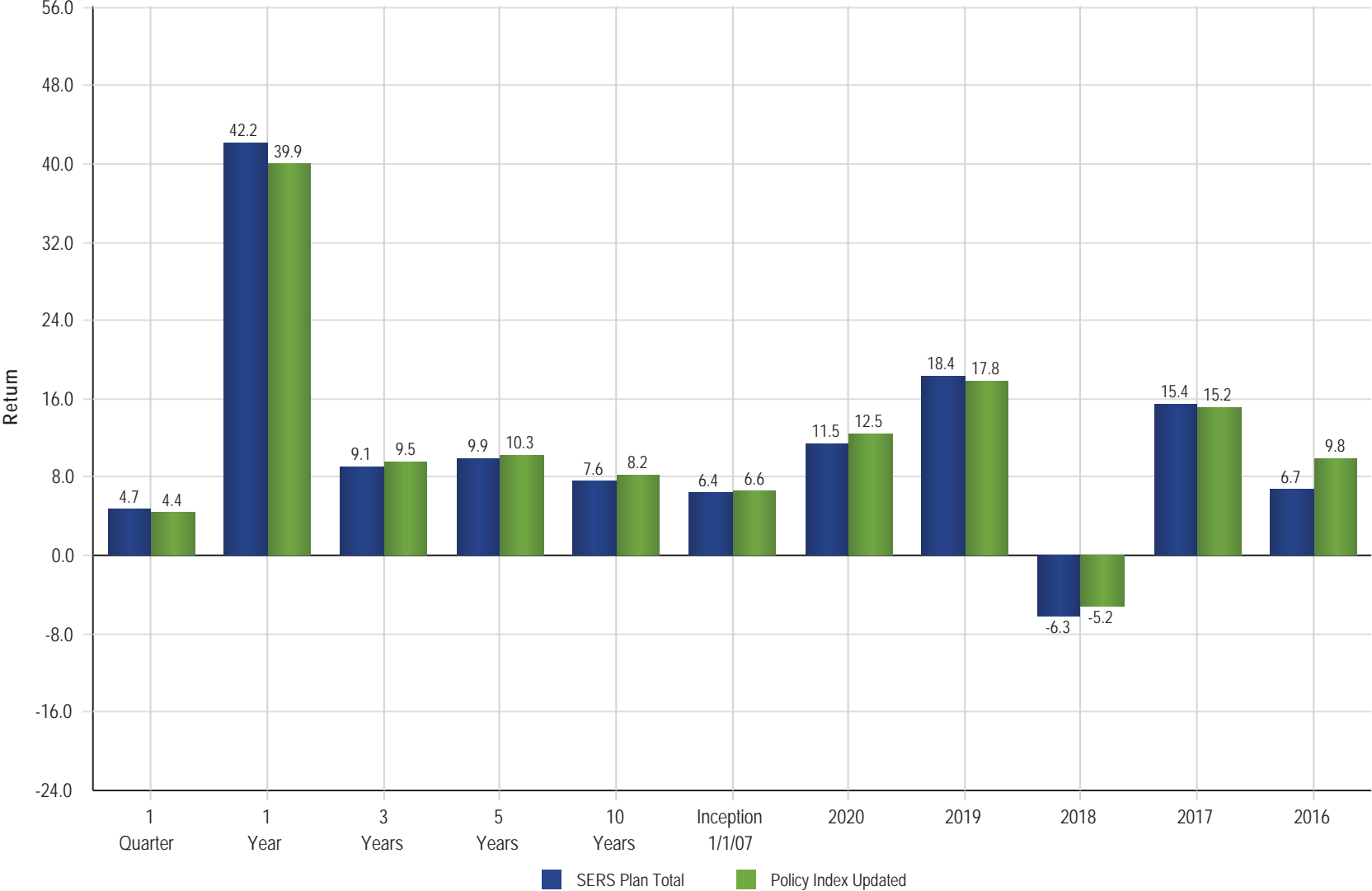
Actual vs Target Allocation



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

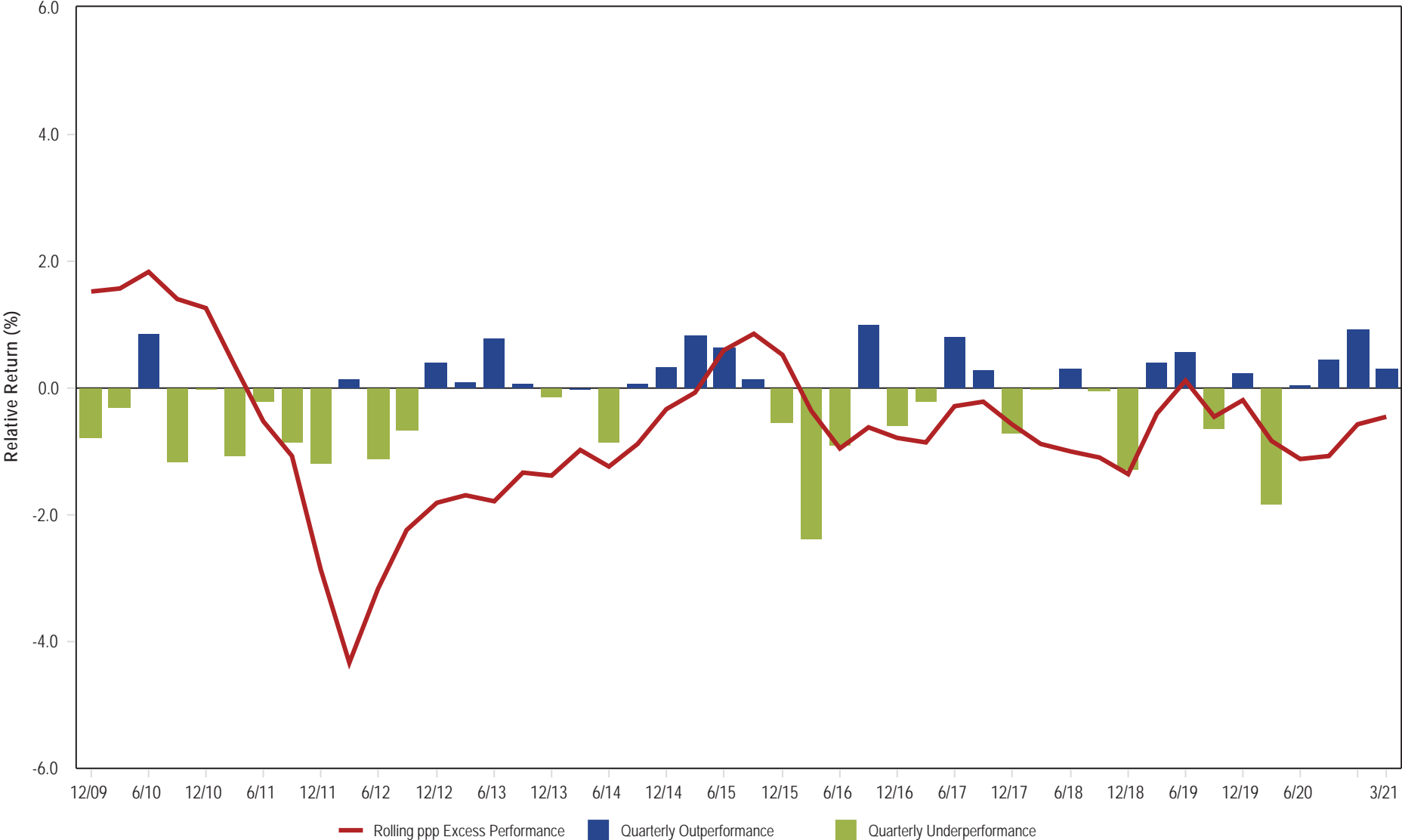
Return Summary



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	9.06	9.52	9.94	10.29	6.38	6.60	
Cumulative Return	29.73	31.37	60.60	63.21	141.52	148.62	
Active Return	-0.18	0.00	-0.18	0.00	-0.30	0.00	
Excess Return	8.81	8.99	9.35	9.53	6.09	6.39	

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	17.86	16.45	13.75	12.64	12.56	13.34	01/01/2007
Alpha	-1.07	0.00	-1.08	0.00	0.24	0.00	
Tracking Error	1.61	0.00	1.49	0.00	2.45	0.00	
Information Ratio	-0.11	N/A	-0.12	N/A	-0.12	N/A	
Beta	1.09	1.00	1.08	1.00	0.93	1.00	
Sharpe Ratio	0.48	0.54	0.67	0.74	0.48	0.47	

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	1.00	1.00	0.98	1.00	

Spokane Employees' Retirement System

As of March 31, 2021

Total Account Performance Summary

	Performance (%)													
	1 Quarter	1 Year	3 Years	5 Years	10 Years	Since Inception	2020	2019	2018	2017	2016	2015	2014	Inception Date
SERS Plan Total	4.66	42.17	9.06	9.94	7.56	6.38	11.47	18.35	-6.27	15.40	6.71	-0.94	5.34	01/01/2007
Policy Index Updated	4.36	39.93	9.52	10.29	8.22	6.60	12.48	17.77	-5.17	15.20	9.84	-2.00	5.79	
Over/Under	0.30	2.24	-0.46	-0.35	-0.66	-0.22	-1.01	0.58	-1.10	0.20	-3.13	1.06	-0.45	
70/30 ACWI/Barclays Aggregate Bond	2.15	36.41	10.17	10.34	7.64	6.11	14.28	21.21	-6.48	17.50	6.42	-1.30	4.77	
Over/Under	2.51	5.76	-1.11	-0.40	-0.08	0.27	-2.81	-2.86	0.21	-2.10	0.29	0.36	0.57	
Corporate and Public >250m and < \$1Bil Rank	4	7	56	39	67	58	80	69	74	51	76	42	87	
Capital Preservation	0.05	12.32	3.68	4.71	-	3.55	3.29	8.71	-0.94	5.85	8.12	-1.74	1.65	07/01/2012
Capital Preservation Index	-0.03	11.67	5.32	4.79	4.06	4.10	7.23	9.09	-0.72	4.60	5.43	-0.58	4.23	
Over/Under	0.08	0.65	-1.64	-0.08	-	-0.55	-3.94	-0.38	-0.22	1.25	2.69	-1.16	-2.58	
Domestic Equity	8.76	68.67	15.38	15.43	-	14.45	17.98	29.14	-7.80	19.86	10.91	-0.32	11.10	07/01/2012
Domestic Equity Index	7.82	67.21	16.41	16.27	13.39	15.10	19.22	30.24	-6.30	20.11	13.92	-0.06	11.44	
Over/Under	0.94	1.46	-1.03	-0.84	-	-0.65	-1.24	-1.10	-1.50	-0.25	-3.01	-0.26	-0.34	
All Cap Blend Rank	46	42	36	39	-	37	38	42	47	43	70	38	41	
International Equity Total	4.22	64.04	9.16	11.66	7.13	6.01	17.63	25.02	-15.78	28.45	3.91	-1.32	-3.58	04/01/2007
International Equity Index	3.71	54.28	6.58	10.24	5.05	4.00	12.43	21.27	-14.96	29.35	5.34	-5.49	-3.63	
Over/Under	0.51	9.76	2.58	1.42	2.08	2.01	5.20	3.75	-0.82	-0.90	-1.43	4.17	0.05	
Foreign Rank	40	14	25	20	24	10	25	34	55	38	21	59	29	
Long Biased	6.01	31.70	12.08	7.94	-	6.44	16.54	12.74	2.43	1.19	-2.99	4.04	3.62	07/01/2012
HFRI Fund of Funds Composite Index	1.87	23.83	5.43	5.61	3.42	4.61	10.88	8.39	-4.02	7.77	0.51	-0.27	3.37	
Over/Under	4.14	7.87	6.65	2.33	-	1.83	5.66	4.35	6.45	-6.58	-3.50	4.31	0.25	
S&P 500 Index	6.17	56.35	16.78	16.29	13.91	15.32	18.40	31.49	-4.38	21.83	11.96	1.38	13.69	
Over/Under	-0.16	-24.65	-4.70	-8.35	-	-8.88	-1.86	-18.75	6.81	-20.64	-14.95	2.66	-10.07	
Opportunistic Credit	7.02	31.66	1.02	4.55	-	4.49	1.81	1.14	-5.68	7.08	14.52	2.35	2.32	10/01/2013
HFRI ED: Distressed/Restructuring Index	8.05	36.84	6.84	8.74	4.93	4.74	11.82	2.94	-1.70	6.25	15.15	-8.06	-1.39	
Over/Under	-1.03	-5.18	-5.82	-4.19	-	-0.25	-10.01	-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%

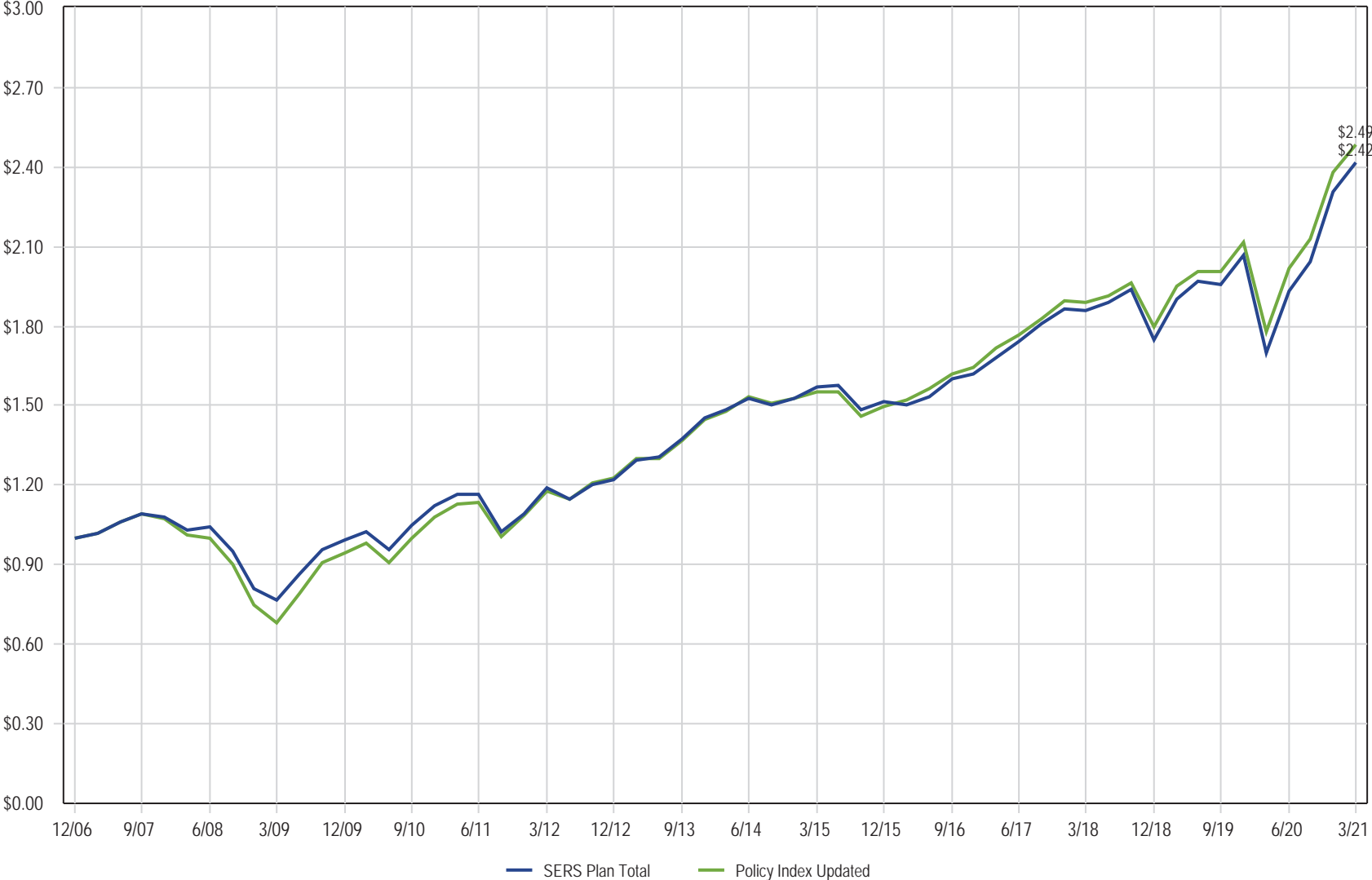
Spokane Employees' Retirement System

As of March 31, 2021

	Performance (%)													
	1 Quarter	1 Year	3 Years	5 Years	10 Years	Since Inception	2020	2019	2018	2017	2016	2015	2014	Inception Date
Real Estate Total	4.15	14.73	7.18	6.92	10.03	5.64	-2.65	16.62	3.68	10.01	8.09	6.66	25.00	04/01/2007
NCREIF ODCE VW NET	1.91	1.50	3.97	5.26	8.68	4.66	0.34	4.39	7.36	6.66	7.79	13.95	11.46	
Over/Under	2.24	13.23	3.21	1.66	1.35	0.98	-2.99	12.23	-3.68	3.35	0.30	-7.29	13.54	
FTSE NAREIT All REITs Index	8.48	36.94	10.35	7.19	9.27	5.53	-5.86	28.07	-4.10	9.27	9.28	2.29	27.15	
Over/Under	-4.33	-22.21	-3.17	-0.27	0.76	0.11	3.21	-11.45	7.78	0.74	-1.19	4.37	-2.15	
Real Estate Rank	93	96	85	25	8	28	27	95	6	9	22	6	80	
Special Opportunities	-6.09	36.83	0.30	3.64	-	6.02	10.22	10.54	-11.43	25.32	-21.90	2.13	25.88	07/01/2012
Russell 3000 Index	6.35	62.53	17.12	16.64	13.79	15.40	20.89	31.02	-5.24	21.13	12.74	0.48	12.56	
Over/Under	-12.44	-25.70	-16.82	-13.00	-	-9.38	-10.67	-20.48	-6.19	4.19	-34.64	1.65	13.32	

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%

Growth of A Dollar

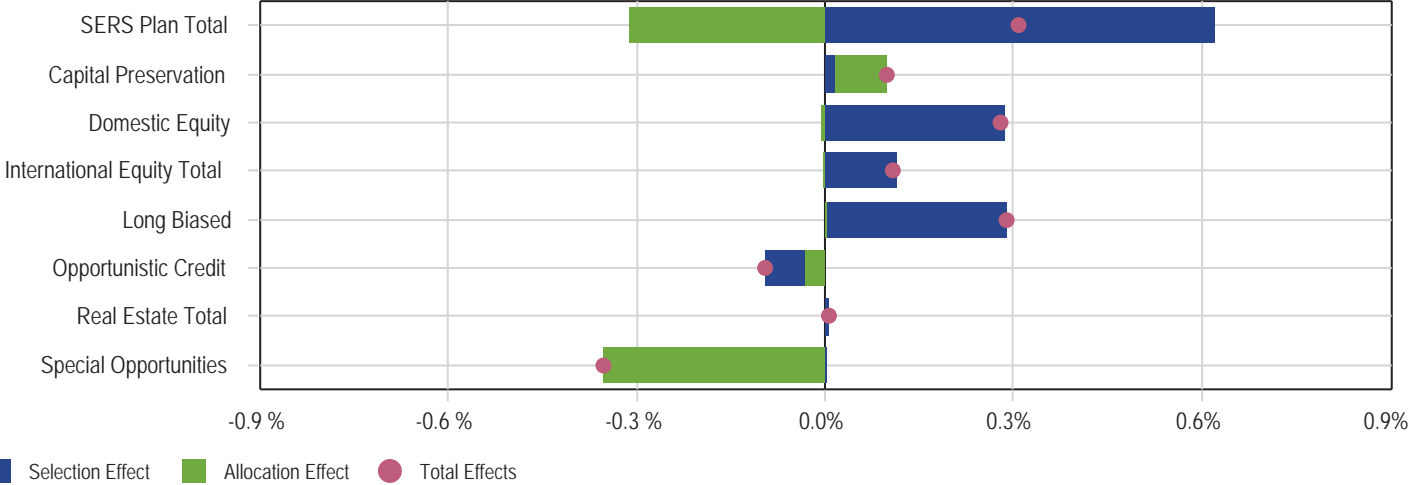


Calculation based on quarterly periodicity.

Attribution Summary
1 Quarter Ending March 31, 2021

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Total Effect (%)
Capital Preservation	0.05	-0.03	0.08	0.02	0.08	0.10
Domestic Equity	8.76	7.82	0.94	0.29	-0.01	0.28
International Equity Total	4.22	3.71	0.51	0.11	0.00	0.11
Long Biased	6.01	1.87	4.14	0.28	0.00	0.29
Opportunistic Credit	7.02	8.05	-1.04	-0.06	-0.03	-0.10
Real Estate Total	4.15	4.06	0.09	0.01	0.00	0.01
Special Opportunities	-6.09	6.35	-12.44	0.00	-0.35	-0.35
SERS Plan Total	4.66	4.35	0.31	0.65	-0.31	0.31

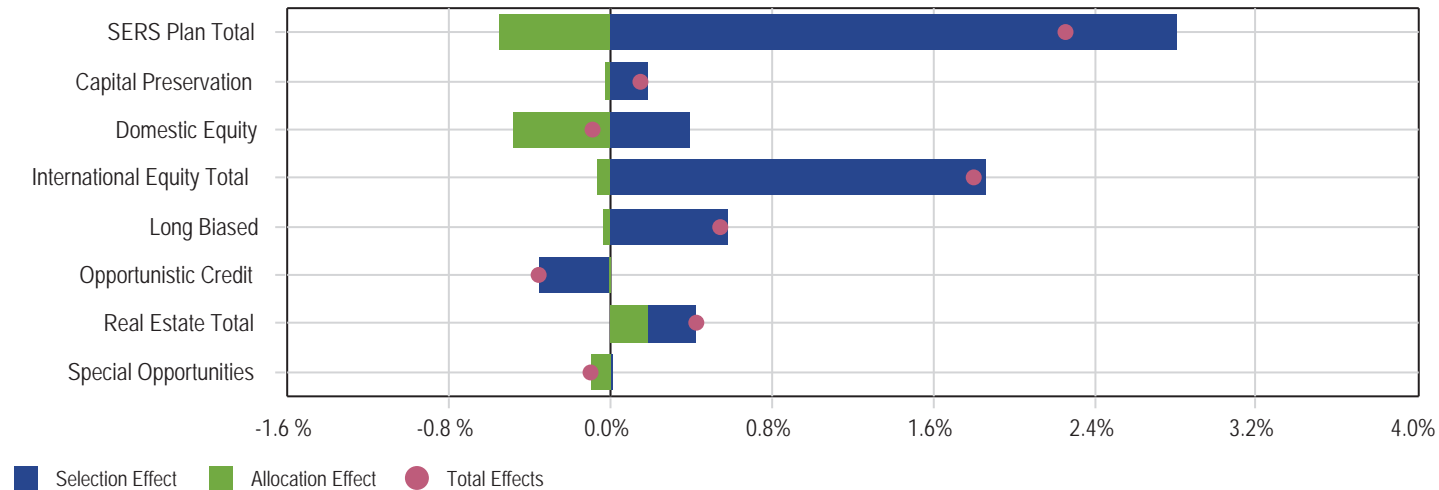
Attribution Effects
1 Quarter Ending March 31, 2021



**Attribution Summary
1 Year Ending March 31, 2021**

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Total Effect (%)
Capital Preservation	12.32	11.67	0.65	0.18	-0.03	0.15
Domestic Equity	68.67	67.21	1.46	0.40	-0.48	-0.09
International Equity Total	64.04	54.28	9.76	1.86	-0.07	1.80
Long Biased	31.70	23.83	7.87	0.58	-0.04	0.55
Opportunistic Credit	31.66	36.84	-5.18	-0.34	-0.01	-0.36
Real Estate Total	14.73	12.34	2.39	0.24	0.18	0.43
Special Opportunities	36.83	62.53	-25.70	0.00	-0.10	-0.10
SERS Plan Total	42.17	39.92	2.25	2.93	-0.55	2.25

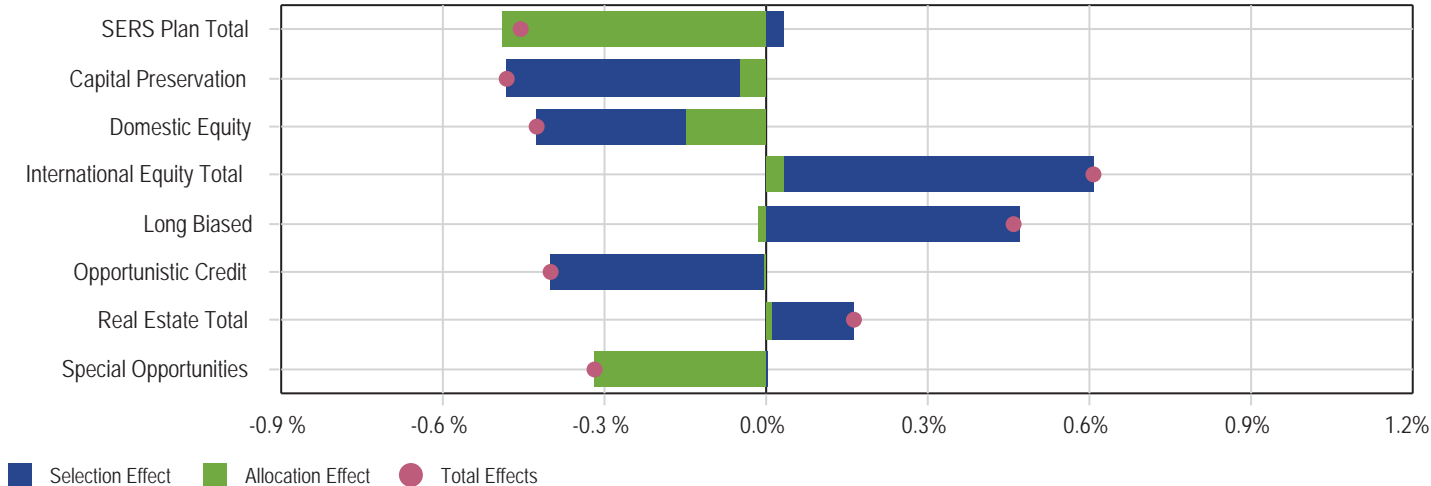
**Attribution Effects
1 Year Ending March 31, 2021**



**Attribution Summary
3 Years Ending March 31, 2021**

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Total Effect (%)
Capital Preservation	3.68	5.32	-1.64	-0.43	-0.05	-0.48
Domestic Equity	15.38	16.41	-1.03	-0.28	-0.15	-0.42
International Equity Total	9.16	6.58	2.58	0.57	0.03	0.61
Long Biased	12.08	5.43	6.65	0.47	-0.01	0.46
Opportunistic Credit	1.02	6.84	-5.82	-0.40	0.00	-0.40
Real Estate Total	7.18	5.35	1.83	0.15	0.01	0.16
Special Opportunities	0.30	17.12	-16.82	0.00	-0.32	-0.32
SERS Plan Total	9.06	9.52	-0.46	0.09	-0.49	-0.46

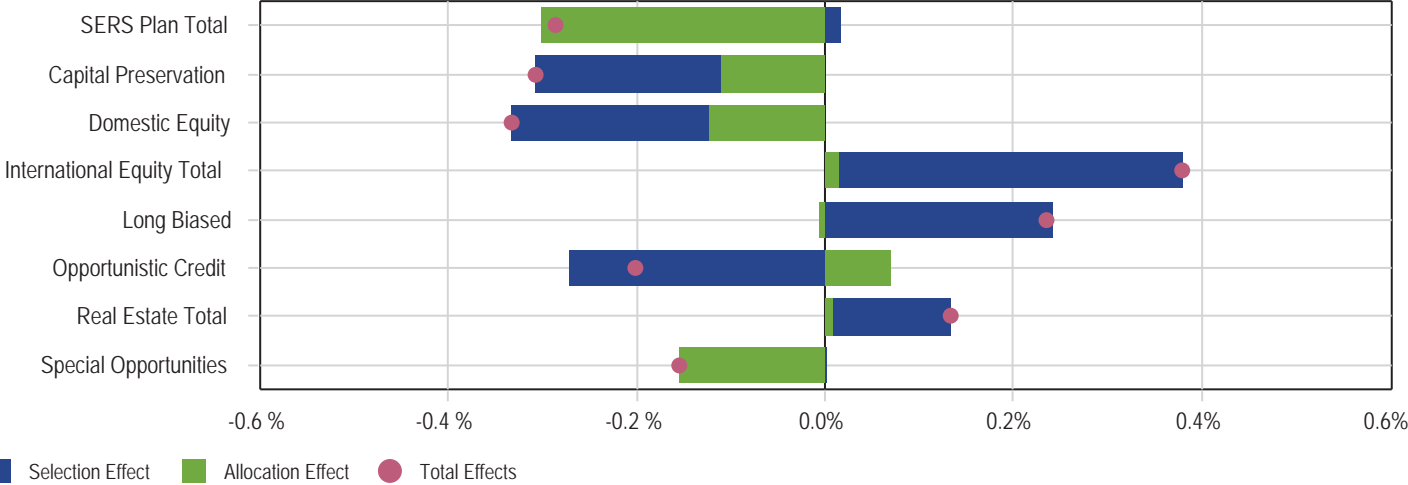
**Attribution Effects
3 Years Ending March 31, 2021**



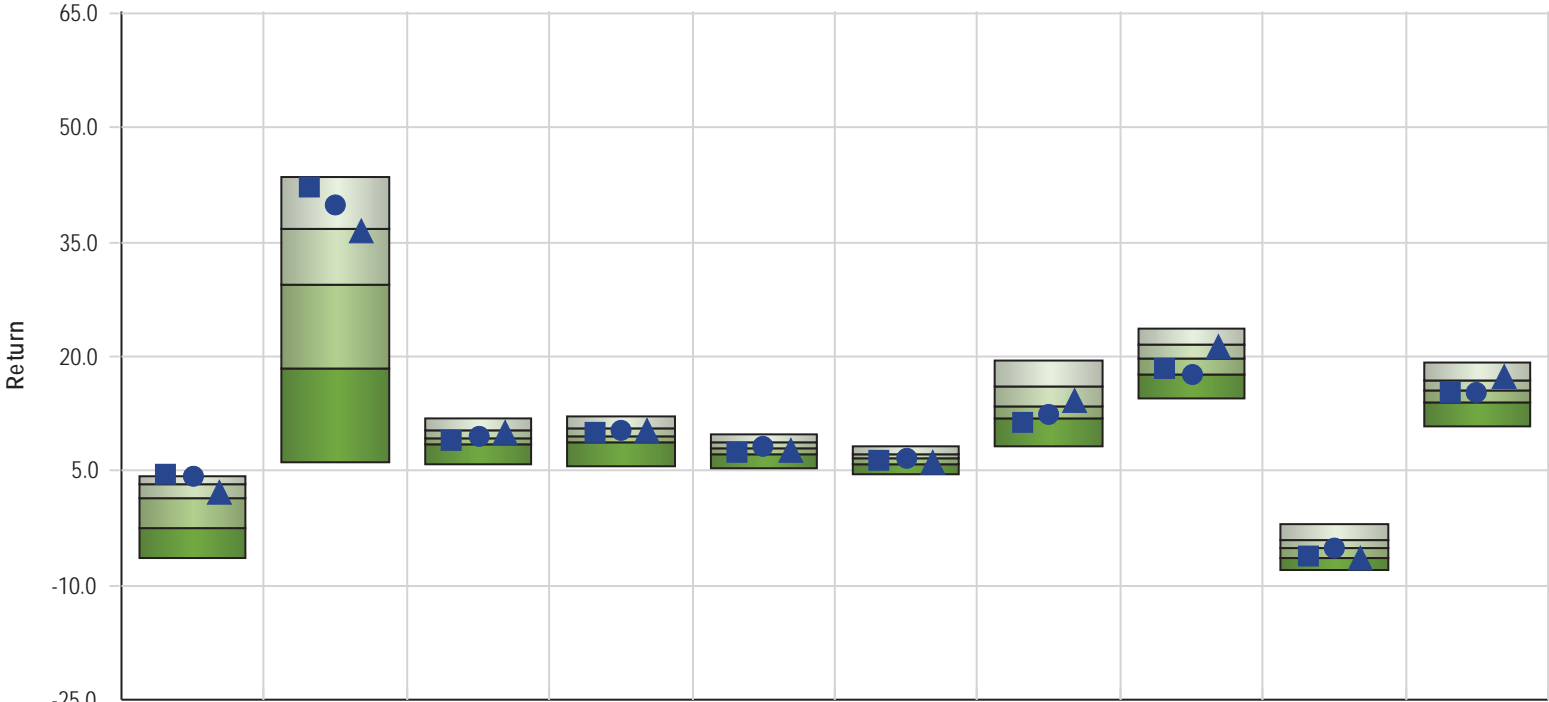
Attribution Summary
January 1, 2017 To March 31, 2021 Ending March 31, 2021

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Total Effect (%)
Capital Preservation	3.93	4.68	-0.75	-0.20	-0.11	-0.31
Domestic Equity	15.30	16.07	-0.77	-0.21	-0.12	-0.33
International Equity Total	12.63	10.95	1.68	0.37	0.01	0.38
Long Biased	9.02	5.71	3.31	0.24	-0.01	0.24
Opportunistic Credit	2.55	6.35	-3.80	-0.27	0.07	-0.20
Real Estate Total	7.29	5.82	1.47	0.12	0.01	0.13
Special Opportunities	5.78	16.78	-11.00	0.00	-0.16	-0.16
SERS Plan Total	9.90	10.19	-0.29	0.05	-0.30	-0.29

Attribution Effects
January 1, 2017 To March 31, 2021 Ending March 31, 2021



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

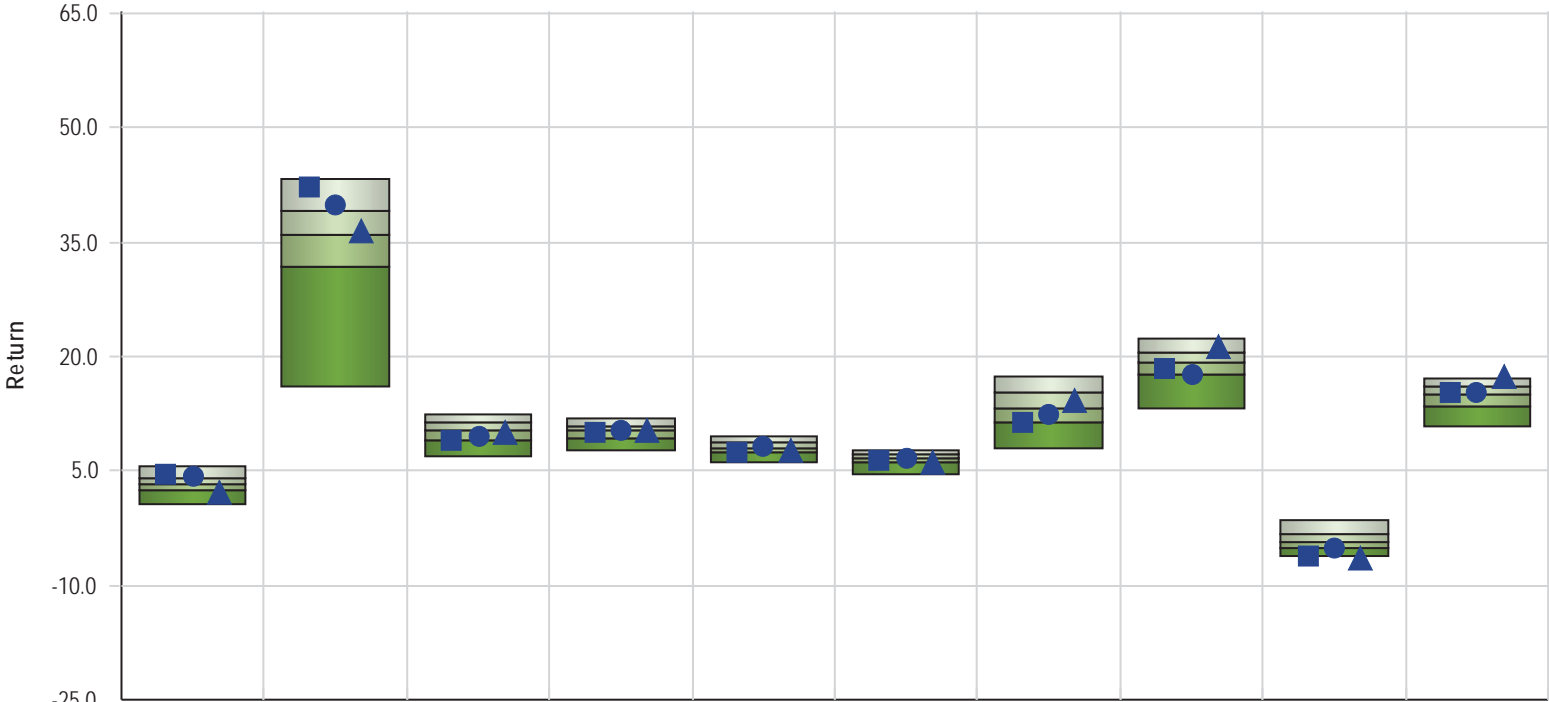


	1 Quarter	1 Year	3 Years	5 Years	10 Years	Since Inception	2020	2019	2018	2017
■ SERS Plan Total	4.7 (4)	42.2 (7)	9.1 (56)	9.9 (39)	7.6 (67)	6.4 (58)	11.5 (80)	18.4 (69)	-6.3 (74)	15.4 (51)
● Policy Index Updated	4.4 (5)	39.9 (11)	9.5 (44)	10.3 (31)	8.2 (45)	6.6 (52)	12.5 (67)	17.8 (74)	-5.2 (50)	15.2 (54)
▲ 70/30 ACWI/Barclays Aggregate Bond	2.2 (45)	36.4 (26)	10.2 (30)	10.3 (30)	7.6 (62)	6.1 (71)	14.3 (46)	21.2 (30)	-6.5 (79)	17.5 (17)

5th Percentile	4.3	43.6	12.0	12.1	9.8	8.2	19.4	23.7	-2.0	19.3
1st Quartile	3.4	36.7	10.3	10.5	8.7	7.1	16.2	21.5	-4.0	16.9
Median	1.5	29.4	9.3	9.5	8.0	6.6	13.6	19.8	-5.2	15.5
3rd Quartile	-2.6	18.3	8.4	8.7	7.3	6.0	11.8	17.7	-6.3	14.0
95th Percentile	-6.4	6.0	5.8	5.6	5.3	4.6	8.1	14.6	-8.1	11.0
Population	266	261	242	232	193	142	302	313	251	158

Parentheses contain percentile rankings.
Calculation based on quarterly periodicity.

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

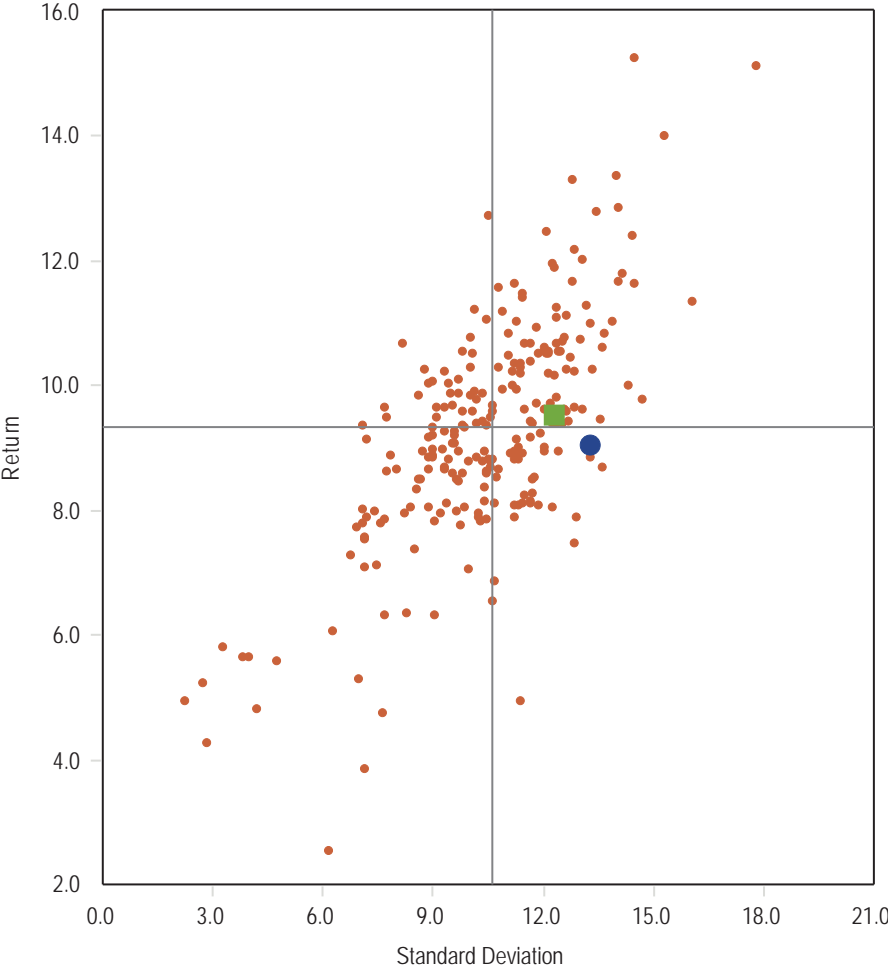


	1 Quarter	1 Year	3 Years	5 Years	10 Years	Since Inception	2020	2019	2018	2017
■ SERS Plan Total	4.7 (9)	42.2 (10)	9.1 (74)	9.9 (57)	7.6 (67)	6.4 (68)	11.5 (73)	18.4 (64)	-6.3 (97)	15.4 (41)
● Policy Index Updated	4.4 (13)	39.9 (19)	9.5 (65)	10.3 (48)	8.2 (44)	6.6 (62)	12.5 (59)	17.8 (74)	-5.2 (80)	15.2 (45)
▲ 70/30 ACWI/Barclays Aggregate Bond	2.2 (86)	36.4 (46)	10.2 (53)	10.3 (47)	7.6 (64)	6.1 (78)	14.3 (40)	21.2 (16)	-6.5 (97)	17.5 (4)

5th Percentile	5.6	43.3	12.3	11.9	9.6	7.7	17.4	22.3	-1.5	17.1
1st Quartile	3.9	39.2	11.3	10.9	8.8	7.1	15.3	20.6	-3.4	16.0
Median	3.3	35.9	10.3	10.2	8.0	6.7	13.3	19.2	-4.3	14.9
3rd Quartile	2.6	31.8	9.0	9.2	7.3	6.1	11.4	17.6	-5.0	13.4
95th Percentile	0.7	16.0	7.0	7.7	6.1	4.6	7.9	13.3	-6.0	10.9
Population	194	193	181	168	141	107	239	234	207	129

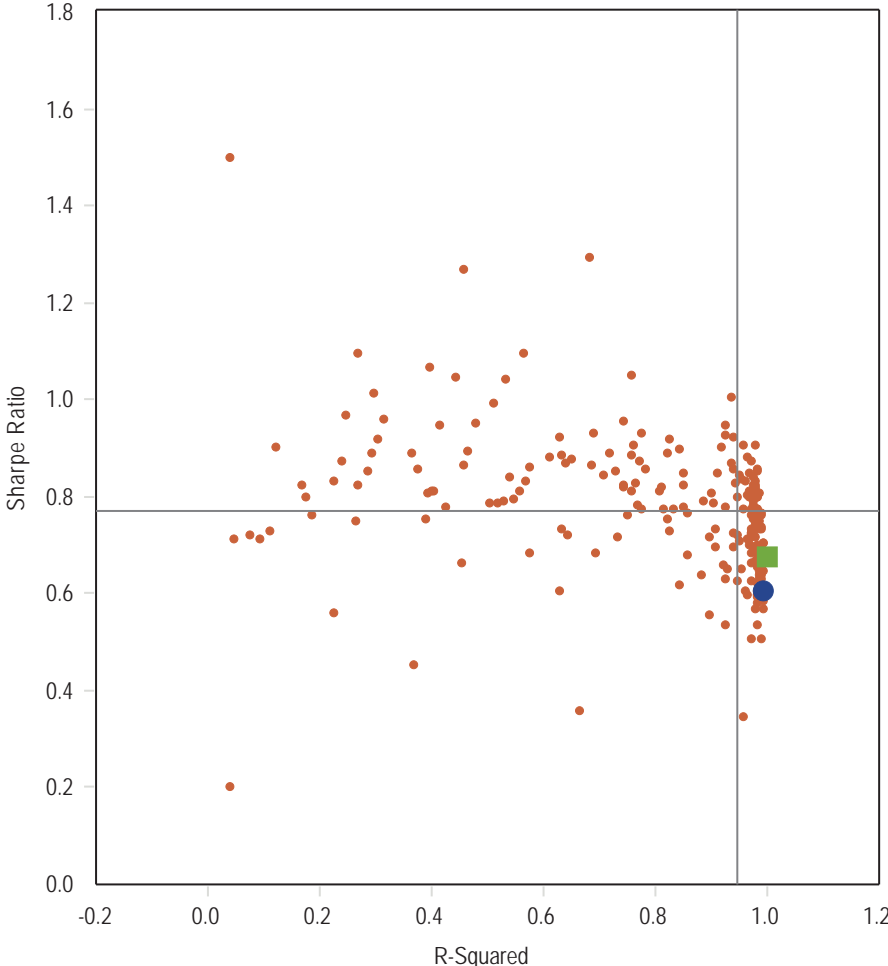
Parentheses contain percentile rankings.
Calculation based on quarterly periodicity.

Annualized Return vs Annualized Standard Deviation
Trailing 3 Years



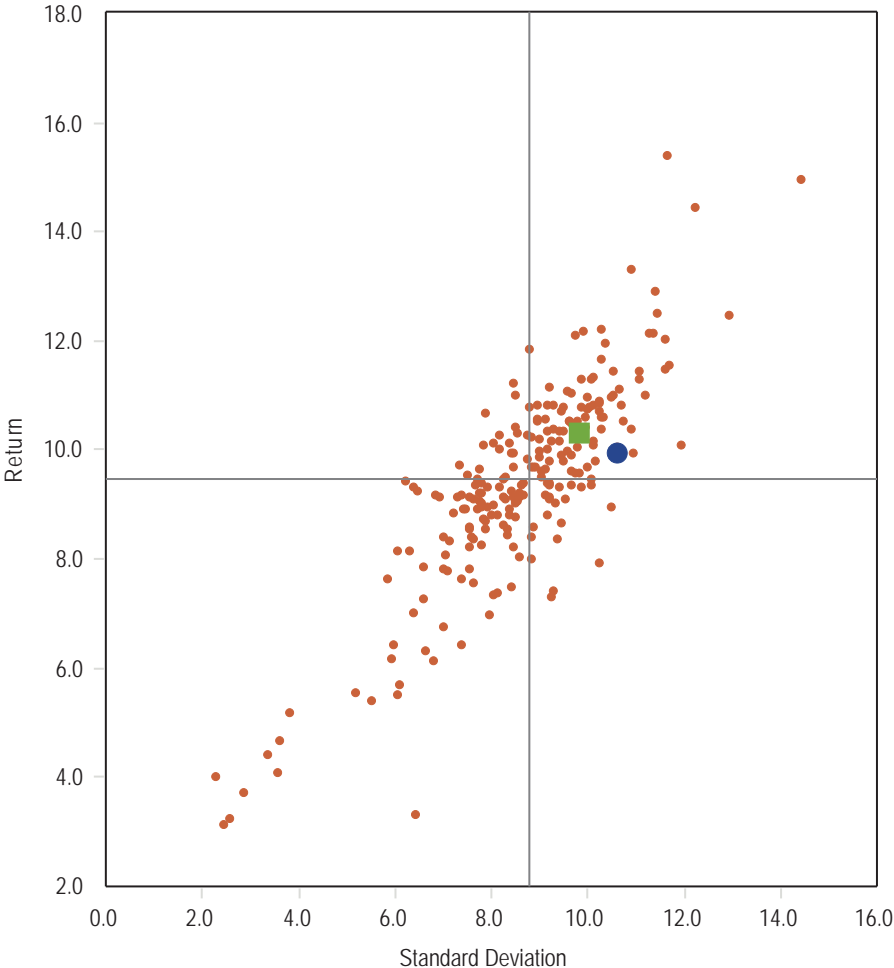
- Corporate and Public >250m and < \$1Bil
- SERS Plan Total
- Policy Index Updated

Sharpe Ratio vs R-Squared
Trailing 3 Years



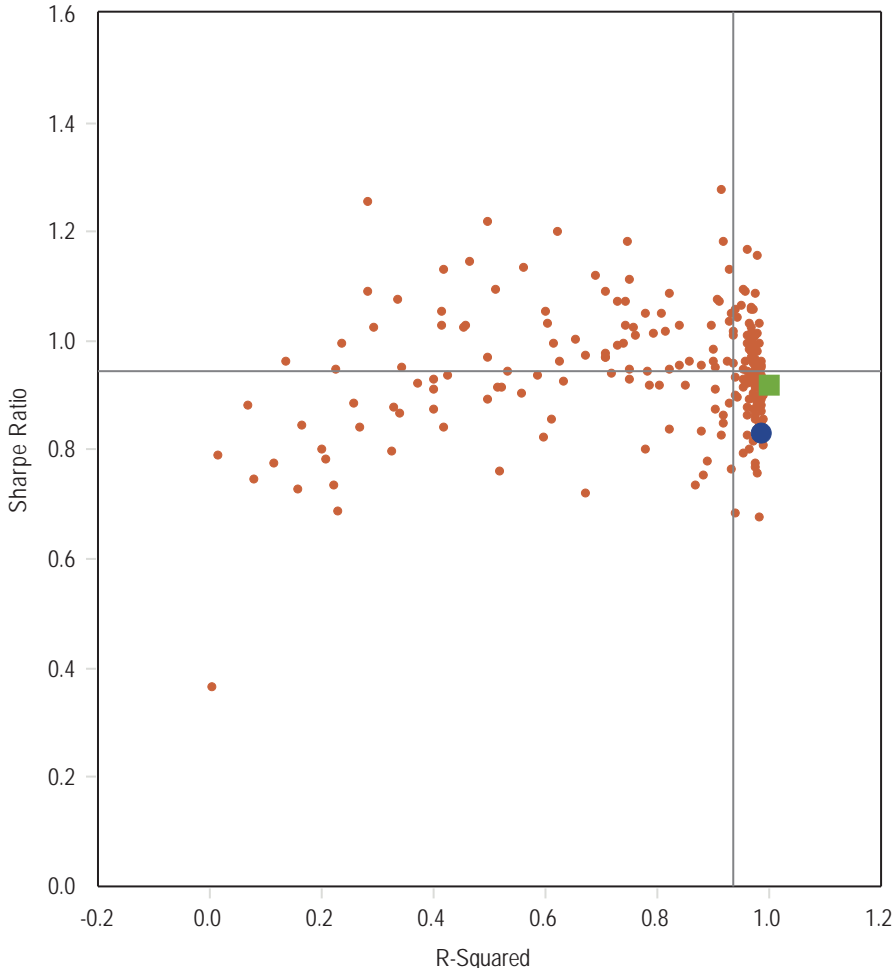
- Corporate and Public >250m and < \$1Bil
- SERS Plan Total
- Policy Index Updated

Annualized Return vs Annualized Standard Deviation
Trailing 5 Years



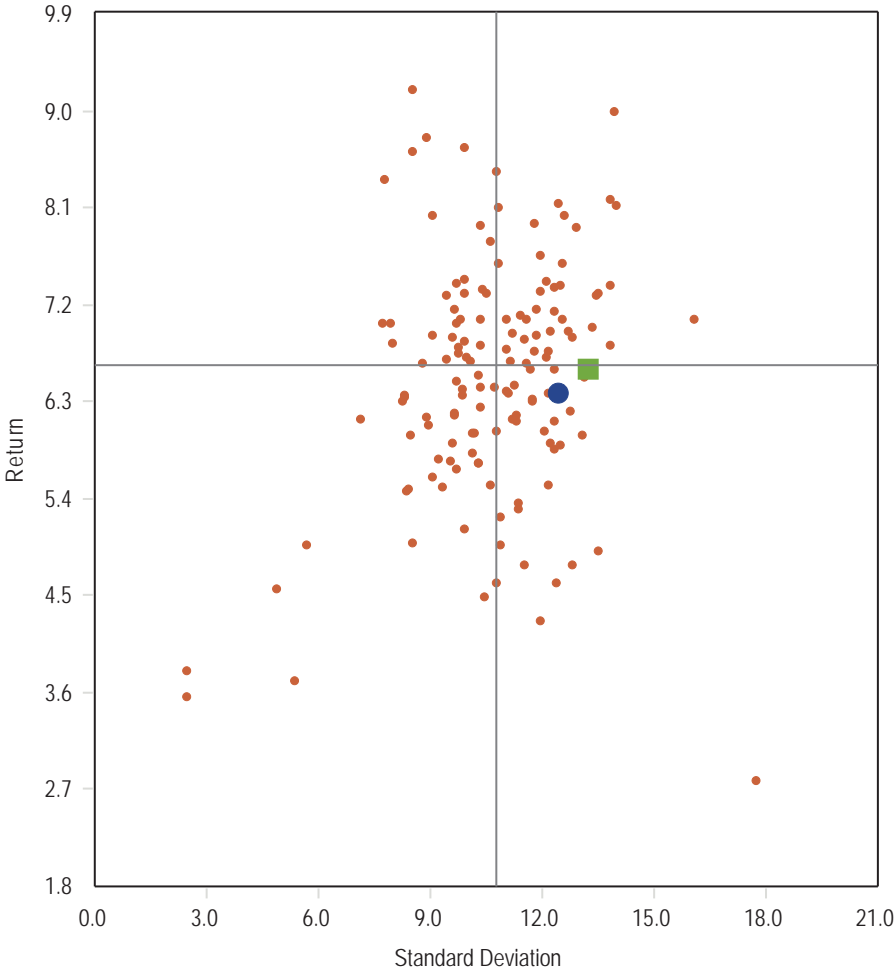
- Corporate and Public >250m and < \$1Bil
- SERS Plan Total
- Policy Index Updated

Sharpe Ratio vs R-Squared
Trailing 5 Years



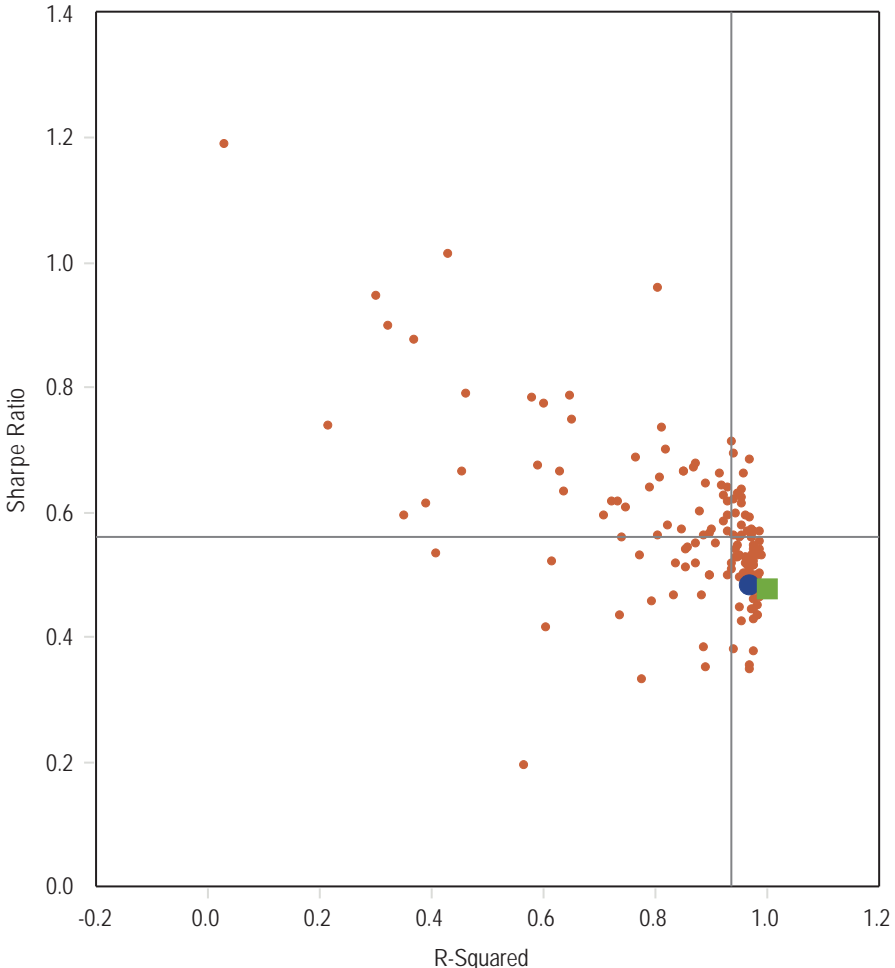
- Corporate and Public >250m and < \$1Bil
- SERS Plan Total
- Policy Index Updated

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 March 31, 2021

Asset Class Performance

	Performance (%)											Inception Date
	1 Quarter	1 Year	3 Years	5 Years	Since Inception	2020	2019	2018	2017	2016	2015	
Capital Preservation	0.05	12.32	3.68	4.71	3.55	3.29	8.71	-0.94	5.85	8.12	-1.74	07/01/2012
Capital Preservation Index	-0.03	11.67	5.32	4.79	4.10	7.23	9.09	-0.72	4.60	5.43	-0.58	
Over/Under	0.08	0.65	-1.64	-0.08	-0.55	-3.94	-0.38	-0.22	1.25	2.69	-1.16	
Total Return Bond	-3.01	5.29	5.51	-	3.69	9.29	9.38	-0.09	4.20	-	-	10/01/2016
Blmbg. Barc. U.S. Aggregate	-3.38	0.71	4.65	3.10	2.85	7.51	8.72	0.01	3.54	2.65	0.55	
Over/Under	0.37	4.58	0.86	-	0.84	1.78	0.66	-0.10	0.66	-	-	
Intermediate Core Bond Rank	44	18	9	-	7	15	20	35	16	-	-	
High Yield	2.04	28.07	3.86	6.55	4.96	3.04	9.71	-3.46	8.22	16.67	-7.05	07/01/2012
Blmbg. Barc. U.S. Corp: High Yield Index	0.85	23.72	6.84	8.06	6.45	7.11	14.32	-2.08	7.50	17.13	-4.47	
Over/Under	1.19	4.35	-2.98	-1.51	-1.49	-4.07	-4.61	-1.38	0.72	-0.46	-2.58	
High Yield Bond Rank	18	11	93	62	78	84	88	68	13	10	89	
Absolute Return	2.63	12.53	1.88	3.92	3.48	-2.62	8.10	-1.11	5.33	7.75	0.29	07/01/2012
HFRI FOF: Conservative Index	3.69	18.95	4.98	4.74	4.12	6.47	6.30	-0.87	4.12	1.89	0.37	
Over/Under	-1.06	-6.42	-3.10	-0.82	-0.64	-9.09	1.80	-0.24	1.21	5.86	-0.08	
Blmbg. Barc. U.S. Aggregate	-3.38	0.71	4.65	3.10	2.82	7.51	8.72	0.01	3.54	2.65	0.55	
Over/Under	6.01	11.82	-2.77	0.82	0.66	-10.13	-0.62	-1.12	1.79	5.10	-0.26	
Domestic Equity	8.76	68.67	15.38	15.43	14.45	17.98	29.14	-7.80	19.86	10.91	-0.32	07/01/2012
Domestic Equity Index	7.82	67.21	16.41	16.27	15.10	19.22	30.24	-6.30	20.11	13.92	-0.06	
Over/Under	0.94	1.46	-1.03	-0.84	-0.65	-1.24	-1.10	-1.50	-0.25	-3.01	-0.26	
All Cap Blend Rank	46	42	36	39	37	38	42	47	43	70	38	
Domestic Large Cap Equity	8.24	62.92	15.59	15.50	9.57	17.47	30.06	-7.70	22.54	8.24	-0.32	04/01/2007
S&P 500 Index	6.17	56.35	16.78	16.29	9.88	18.40	31.49	-4.38	21.83	11.96	1.38	
Over/Under	2.07	6.57	-1.19	-0.79	-0.31	-0.93	-1.43	-3.32	0.71	-3.72	-1.70	
Large Blend Rank	21	14	51	49	38	52	53	76	20	82	61	

Spokane Employees' Retirement System

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	Performance (%)											Inception Date
	1 Quarter	1 Year	3 Years	5 Years	Since Inception	2020	2019	2018	2017	2016	2015	
Domestic Small/Mid Equity	9.73	81.17	15.02	15.23	14.38	19.36	27.27	-8.05	14.91	15.37	-0.39	07/01/2012
Russell 2500 Index	10.93	89.40	15.34	15.93	14.42	19.99	27.77	-10.00	16.81	17.59	-2.90	
Over/Under	-1.20	-8.23	-0.32	-0.70	-0.04	-0.63	-0.50	1.95	-1.90	-2.22	2.51	
SMID Blend Rank	83	65	17	29	16	22	28	10	42	78	10	
International Equity Total	4.22	64.04	9.16	11.66	6.01	17.63	25.02	-15.78	28.45	3.91	-1.32	04/01/2007
International Equity Index	3.71	54.28	6.58	10.24	4.00	12.43	21.27	-14.96	29.35	5.34	-5.49	
Over/Under	0.51	9.76	2.58	1.42	2.01	5.20	3.75	-0.82	-0.90	-1.43	4.17	
Foreign Rank	40	14	25	20	10	25	34	55	38	21	59	
International Large Cap Equity	4.00	62.19	9.54	11.63	10.53	17.08	25.78	-15.14	27.50	4.02	-1.13	07/01/2012
MSCI AC World ex USA (Net)	3.49	49.41	6.51	9.76	7.51	10.65	21.51	-14.20	27.19	4.50	-5.66	
Over/Under	0.51	12.78	3.03	1.87	3.02	6.43	4.27	-0.94	0.31	-0.48	4.53	
Foreign Large Blend Rank	40	7	8	7	2	11	16	59	27	19	50	
International Small/Mid Cap Equity	4.73	67.51	7.26	11.31	10.18	15.42	27.88	-20.33	37.08	-0.68	7.56	07/01/2012
MSCI AC World ex USA Small Cap (Net)	5.53	69.82	6.61	10.40	9.51	14.24	22.42	-18.20	31.65	3.91	2.60	
Over/Under	-0.80	-2.31	0.65	0.91	0.67	1.18	5.46	-2.13	5.43	-4.59	4.96	
Emerging Markets Equity	4.68	68.68	9.27	11.63	7.07	23.38	18.64	-14.62	23.58	7.03	-8.73	07/01/2012
MSCI Emerging Markets (Net)	2.29	58.39	6.48	12.07	6.41	18.31	18.44	-14.58	37.28	11.19	-14.92	
Over/Under	2.39	10.29	2.79	-0.44	0.66	5.07	0.20	-0.04	-13.70	-4.16	6.19	
Diversified Emerging Mkts Rank	26	26	26	54	40	31	60	30	94	61	16	
Long Biased	6.01	31.70	12.08	7.94	6.44	16.54	12.74	2.43	1.19	-2.99	4.04	07/01/2012
HFRI Fund of Funds Composite Index	1.87	23.83	5.43	5.61	4.61	10.88	8.39	-4.02	7.77	0.51	-0.27	
Over/Under	4.14	7.87	6.65	2.33	1.83	5.66	4.35	6.45	-6.58	-3.50	4.31	
S&P 500 Index	6.17	56.35	16.78	16.29	15.32	18.40	31.49	-4.38	21.83	11.96	1.38	
Over/Under	-0.16	-24.65	-4.70	-8.35	-8.88	-1.86	-18.75	6.81	-20.64	-14.95	2.66	
Opportunistic Credit	7.02	31.66	1.02	4.55	4.49	1.81	1.14	-5.68	7.08	14.52	2.35	10/01/2013
HFRI ED: Distressed/Restructuring Index	8.05	36.84	6.84	8.74	4.74	11.82	2.94	-1.70	6.25	15.15	-8.06	
Over/Under	-1.03	-5.18	-5.82	-4.19	-0.25	-10.01	-1.80	-3.98	0.83	-0.63	10.41	

Spokane Employees' Retirement System

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	Performance (%)											Inception Date
	1 Quarter	1 Year	3 Years	5 Years	Since Inception	2020	2019	2018	2017	2016	2015	
Real Estate Total	4.15	14.73	7.18	6.92	5.64	-2.65	16.62	3.68	10.01	8.09	6.66	04/01/2007
NCREIF Fund Index-ODCE (VW) (Net)	1.91	1.50	3.97	5.26	4.66	0.34	4.39	7.36	6.66	7.79	13.95	
Over/Under	2.24	13.23	3.21	1.66	0.98	-2.99	12.23	-3.68	3.35	0.30	-7.29	
FTSE NAREIT All REITs Index	8.48	36.94	10.35	7.19	5.53	-5.86	28.07	-4.10	9.27	9.28	2.29	
Over/Under	-4.33	-22.21	-3.17	-0.27	0.11	3.21	-11.45	7.78	0.74	-1.19	4.37	
Real Estate Rank	93	96	85	25	28	27	95	6	9	22	6	
Special Opportunities	-6.09	36.83	0.30	3.64	6.02	10.22	10.54	-11.43	25.32	-21.90	2.13	07/01/2012
Russell 3000 Index	6.35	62.53	17.12	16.64	15.40	20.89	31.02	-5.24	21.13	12.74	0.48	
Over/Under	-12.44	-25.70	-16.82	-13.00	-9.38	-10.67	-20.48	-6.19	4.19	-34.64	1.65	



Manager Commentary

- **OrbiMed Partners** – This dedicated long-biased healthcare strategy was originally on watch for poor performance primarily in 2018. 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 during the onset of COVID-19. The strategy finished 2020 up 45%, outpacing its benchmark by over 3,100 basis points. The strategy gave back significant gains during 1Q21, but three and five-year performance remains above the benchmark.
- **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. 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 paid off handsomely in the market's recent value rotation. The strategy outperformed in 1Q21 by 832 basis points and 3,200 basis points on a trailing 1-year basis. Due to strong recent performance, the Fund is no longer in violation of policy and is a potential candidate for removal from watch status.
- **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 persisted for well over a year. These included; 1) overweight to and underperformance of small/mid cap issues, 2) significant exposure to a continued selloff in the energy sector. The dramatic flight to quality that occurred during 1Q20 as a result of the Corona Virus served as a further headwind for the strategy. Post 1Q20 the Fund has outperformed in four consecutive quarters with a trailing 1-year performance that places it near the top decile of its peers. Strong recent performance has brought 5-year performance to just below median in its peer universe. H&W should be able to use their current yield advantage to continue clawing back relative performance. Conviction is key here, and we may need a longer time horizon to recoup our performance shortfall.

- **Rimrock Low Vol** – The fund was placed on watch 3Q20 for performance in violation of policy. The manager felt they were conservatively positioned coming into 2020, believing they were not getting paid enough to take on higher levels of credit or interest rate risk. Unfortunately, the market collapse in 1Q20 turned into a liquidity squeeze that took down virtually all sectors of the credit market. Rimrock’s large allocation to high quality but less liquid securitized credit was hit particularly hard. Not only did this positioning fail to protect capital in the downturn, it prevented them from getting aggressively repositioned to fully capture the rebound in credit markets that ensued over the remainder of the year. The fund posted a strong 1Q21, outperforming the traditional bond market by 560 basis points for the quarter. We continue to have a high level of confidence and conviction with the management team.
- **Bridge City Small Cap Growth** – The fund was placed on watch 4Q21 for performance in violation of policy. Underperformance was largely due to poor relative performance in calendar year 2020. The strategy underperformed by over 1,400 basis points during the year and nearly 900 basis points between Thanksgiving and Christmas alone. The year was nearly a perfect storm for strategy as the first part of the year was dominated by highly valued (overpriced) momentum growth stocks and the last quarter of the year saw a torrid rally in low quality cyclical stocks. Bridge City’s focus on quality and reasonable valuation faced a significant headwind. This changed in 1Q21 as the markets refocused on quality and valuations, which led the strategy to outperform by 900 basis points. The strategy is now slightly ahead of the benchmark on a trailing 5-year basis while placing in the 58th percentile versus peers. We continue to recommend watch status at this time.
- **Wells Fargo Special Small Cap Value** – The fund was placed on watch 4Q21 due to an ownership change. Wells Fargo Asset Management (WFAM) was recently sold to two private equity firms, GTCR and Reverence Capital Partners. While we do not expect any major changes to the investment team and compensation packages have been put in place to retain key staff, the uncertainty of a major transition led the Board to place the fund on watch status.

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Manager Performance

	Performance (%)													
	1 Quarter	1 Year	3 Years	5 Years	10 Years	Since Inception	2020	2019	2018	2017	2016	2015	2014	Inception Date
Capital Preservation														
Sterling Capital Total Return Bond I	-3.02	5.19	5.37	3.98	3.99	3.47	9.24	9.26	-0.35	4.33	3.75	0.54	5.99	08/01/2016
Blmbg. Barc. U.S. Aggregate	-3.38	0.71	4.65	3.10	3.44	2.70	7.51	8.72	0.01	3.54	2.65	0.55	5.97	
Over/Under	0.36	4.48	0.72	0.88	0.55	0.77	1.73	0.54	-0.36	0.79	1.10	-0.01	0.02	
Intermediate Core Bond Rank	45	19	14	9	12	12	15	24	52	12	15	27	28	
Hotchkis & Wiley High Yield Z	2.04	27.87	4.19	6.76	5.64	4.39	3.83	9.77	-3.34	8.24	16.02	-4.30	1.09	06/01/2015
Blmbg. Barc. U.S. Corp: High Yield Index	0.85	23.72	6.84	8.06	6.48	5.90	7.11	14.32	-2.08	7.50	17.13	-4.47	2.45	
Over/Under	1.19	4.15	-2.65	-1.30	-0.84	-1.51	-3.28	-4.55	-1.26	0.74	-1.11	0.17	-1.36	
High Yield Bond Rank	18	12	90	53	41	71	76	88	66	13	17	58	65	
Absolute Return														
Post Ltd Term High Yield	0.70	11.46	4.43	3.98	4.60	5.16	3.56	8.46	0.34	3.19	5.66	0.84	2.96	07/01/2010
HFRI FOF: Conservative Index	3.69	18.95	4.98	4.74	3.18	3.52	6.47	6.30	-0.87	4.12	1.89	0.37	3.14	
Over/Under	-2.99	-7.49	-0.55	-0.76	1.42	1.64	-2.91	2.16	1.21	-0.93	3.77	0.47	-0.18	
Blmbg. Barc. U.S. Aggregate	-3.38	0.71	4.65	3.10	3.44	3.34	7.51	8.72	0.01	3.54	2.65	0.55	5.97	
Over/Under	4.08	10.75	-0.22	0.88	1.16	1.82	-3.95	-0.26	0.33	-0.35	3.01	0.29	-3.01	
PIMCO Dynamic Bond Instl	0.82	12.14	4.13	5.16	3.15	-	5.43	4.81	1.97	6.41	5.77	-2.22	2.79	04/01/2021
HFRI FOF: Conservative Index	3.69	18.95	4.98	4.74	3.18	-	6.47	6.30	-0.87	4.12	1.89	0.37	3.14	
Over/Under	-2.87	-6.81	-0.85	0.42	-0.03	-	-1.04	-1.49	2.84	2.29	3.88	-2.59	-0.35	
Blmbg. Barc. U.S. Aggregate	-3.38	0.71	4.65	3.10	3.44	-	7.51	8.72	0.01	3.54	2.65	0.55	5.97	
Over/Under	4.20	11.43	-0.52	2.06	-0.29	-	-2.08	-3.91	1.96	2.87	3.12	-2.77	-3.18	
Rimrock Low Volatility	2.22	11.96	1.71	3.41	3.51	4.19	-0.36	2.38	2.01	4.40	4.90	-1.90	2.31	07/01/2010
HFRI FOF: Conservative Index	3.69	18.95	4.98	4.74	3.18	3.52	6.47	6.30	-0.87	4.12	1.89	0.37	3.14	
Over/Under	-1.47	-6.99	-3.27	-1.33	0.33	0.67	-6.83	-3.92	2.88	0.28	3.01	-2.27	-0.83	
Blmbg. Barc. U.S. Aggregate	-3.38	0.71	4.65	3.10	3.44	3.34	7.51	8.72	0.01	3.54	2.65	0.55	5.97	
Over/Under	5.60	11.25	-2.94	0.31	0.07	0.85	-7.87	-6.34	2.00	0.86	2.25	-2.45	-3.66	

Spokane Employees' Retirement System

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	Performance (%)													
	1 Quarter	1 Year	3 Years	5 Years	10 Years	Since Inception	2020	2019	2018	2017	2016	2015	2014	Inception Date
Polar Long/Short Fund	4.21	18.68	8.46	6.49	5.30	5.72	13.07	8.49	0.24	4.20	6.60	1.73	3.46	10/01/2011
HFRI FOF: Conservative Index	3.69	18.95	4.98	4.74	3.18	3.87	6.47	6.30	-0.87	4.12	1.89	0.37	3.14	
Over/Under	0.52	-0.27	3.48	1.75	2.12	1.85	6.60	2.19	1.11	0.08	4.71	1.36	0.32	
Blmbg. Barc. U.S. Aggregate	-3.38	0.71	4.65	3.10	3.44	2.97	7.51	8.72	0.01	3.54	2.65	0.55	5.97	
Over/Under	7.59	17.97	3.81	3.39	1.86	2.75	5.56	-0.23	0.23	0.66	3.95	1.18	-2.51	
Domestic Equity														
Domestic Large Cap Equity														
Hotchkis & Wiley Diversified Value I	19.58	88.80	11.04	13.51	11.13	11.34	0.41	29.26	-14.74	18.39	19.94	-7.90	12.74	10/01/2008
Russell 1000 Value Index	11.26	56.09	10.96	11.74	10.99	9.88	2.80	26.54	-8.27	13.66	17.34	-3.83	13.45	
Over/Under	8.32	32.71	0.08	1.77	0.14	1.46	-2.39	2.72	-6.47	4.73	2.60	-4.07	-0.71	
Large Value Rank	2	3	38	13	28	10	74	12	96	24	8	93	23	
Fidelity® 500 Index	6.18	56.34	16.77	16.28	13.90	25.02	18.40	31.47	-4.40	21.81	11.97	1.38	13.66	01/01/2019
S&P 500 Index	6.17	56.35	16.78	16.29	13.91	25.03	18.40	31.49	-4.38	21.83	11.96	1.38	13.69	
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	
Large Blend Rank	52	48	24	22	11	33	36	23	23	30	27	22	19	
MFS Growth R6	0.40	49.88	21.17	20.61	16.14	24.77	31.74	37.81	2.68	30.99	2.55	7.49	8.88	09/01/2019
Russell 1000 Growth Index	0.94	62.74	22.80	21.05	16.63	31.64	38.49	36.39	-1.51	30.21	7.08	5.67	13.05	
Over/Under	-0.54	-12.86	-1.63	-0.44	-0.49	-6.87	-6.75	1.42	4.19	0.78	-4.53	1.82	-4.17	
Large Growth Rank	73	95	45	39	30	82	64	10	12	33	54	23	71	
Domestic Small/Mid Equity														
Sterling Mid Cap Value	15.05	86.78	10.76	11.81	10.52	10.82	9.62	29.75	-17.67	14.27	16.97	-1.71	5.85	01/01/2002
Russell Midcap Value Index	13.05	73.76	10.70	11.60	11.05	10.21	4.96	27.06	-12.29	13.34	20.00	-4.78	14.75	
Over/Under	2.00	13.02	0.06	0.21	-0.53	0.61	4.66	2.69	-5.38	0.93	-3.03	3.07	-8.90	
Mid-Cap Value Rank	45	21	32	33	32	7	7	22	85	37	54	18	86	

Spokane Employees' Retirement System

As of March 31, 2021

	Performance (%)													
	1 Quarter	1 Year	3 Years	5 Years	10 Years	Since Inception	2020	2019	2018	2017	2016	2015	2014	Inception Date
Fidelity® Mid Cap Index	8.15	73.59	14.74	14.67	-	25.03	17.11	30.51	-9.05	18.47	13.86	-2.44	13.11	01/01/2019
Russell Midcap Index	8.14	73.64	14.73	14.67	12.47	25.04	17.10	30.54	-9.06	18.52	13.80	-2.44	13.22	
Over/Under	0.01	-0.05	0.01	0.00	-	-0.01	0.01	-0.03	0.01	-0.05	0.06	0.00	-0.11	
Mid-Cap Blend Rank	76	59	21	21	-	25	25	19	19	23	64	36	12	
Westfield Mid Cap Growth CIT	-0.70	63.53	19.59	18.66	13.62	63.53	28.83	42.73	-3.07	24.72	5.00	1.28	13.40	04/01/2020
Russell Midcap Growth Index	-0.57	68.61	19.41	18.39	14.11	68.61	35.59	35.47	-4.75	25.27	7.33	-0.20	11.90	
Over/Under	-0.13	-5.08	0.18	0.27	-0.49	-5.08	-6.76	7.26	1.68	-0.55	-2.33	1.48	1.50	
Mid-Cap Growth Rank	78	86	49	49	51	86	72	3	29	52	55	36	4	
Wells Fargo Special Small Cap Value R6	19.53	82.77	11.04	13.31	11.47	48.82	1.57	28.61	-13.35	11.52	29.46	-4.15	7.45	11/01/2020
Russell 2000 Value Index	21.17	97.05	11.57	13.56	10.06	56.01	4.63	22.39	-12.86	7.84	31.74	-7.47	4.22	
Over/Under	-1.64	-14.28	-0.53	-0.25	1.41	-7.19	-3.06	6.22	-0.49	3.68	-2.28	3.32	3.23	
Small Value Rank	66	82	32	24	9	71	63	9	31	28	27	30	9	
Fidelity® Small Cap Index	12.73	94.97	14.88	16.51	-	26.61	19.99	25.71	-10.88	14.85	21.63	-4.24	5.19	01/01/2019
Russell 2000 Index	12.70	94.85	14.76	16.35	11.68	26.51	19.96	25.53	-11.01	14.65	21.31	-4.41	4.89	
Over/Under	0.03	0.12	0.12	0.16	-	0.10	0.03	0.18	0.13	0.20	0.32	0.17	0.30	
Small Blend Rank	68	31	18	7	-	17	14	32	34	25	39	47	45	
Champlain Small Cap	4.87	72.95	15.96	18.26	13.01	13.43	24.56	25.54	-3.03	10.90	27.93	-0.65	4.43	01/01/2003
Russell 2000 Index	12.70	94.85	14.76	16.35	11.68	11.58	19.96	25.53	-11.01	14.65	21.31	-4.41	4.89	
Over/Under	-7.83	-21.90	1.20	1.91	1.33	1.85	4.60	0.01	7.98	-3.75	6.62	3.76	-0.46	
Small Blend Rank	100	93	8	1	2	3	4	36	2	75	8	9	63	
Bridge City Small Cap Growth	13.86	84.13	19.79	18.68	14.59	18.32	20.48	24.61	0.97	15.93	17.96	6.81	7.06	07/01/2009
Russell 2000 Growth Index	4.88	90.20	17.16	18.61	13.02	16.11	34.63	28.48	-9.31	22.17	11.32	-1.38	5.60	
Over/Under	8.98	-6.07	2.63	0.07	1.57	2.21	-14.15	-3.87	10.28	-6.24	6.64	8.19	1.46	
Small Growth Rank	7	66	45	58	26	16	89	76	13	80	17	3	15	

Spokane Employees' Retirement System

As of March 31, 2021

	Performance (%)													
	1 Quarter	1 Year	3 Years	5 Years	10 Years	Since Inception	2020	2019	2018	2017	2016	2015	2014	Inception Date
International Equity Total														
Artisan International Value Instl	8.40	62.51	8.55	10.02	8.81	9.76	8.81	24.20	-15.42	24.06	5.74	-1.49	-0.39	10/01/2008
MSCI AC World ex USA Value (Net)	7.06	48.68	2.40	7.25	3.02	4.35	-0.77	15.72	-13.97	22.66	8.92	-10.06	-5.10	
Over/Under	1.34	13.83	6.15	2.77	5.79	5.41	9.58	8.48	-1.45	1.40	-3.18	8.57	4.71	
Foreign Large Value Rank	35	12	1	1	1	1	5	7	32	39	30	34	5	
American Funds Europacific Growth R6	-0.43	60.79	10.20	12.90	7.72	6.40	25.27	27.40	-14.91	31.17	1.01	-0.48	-2.29	07/01/2008
MSCI AC World ex USA (Net)	3.49	49.41	6.51	9.76	4.93	3.73	10.65	21.51	-14.20	27.19	4.50	-5.66	-3.87	
Over/Under	-3.92	11.38	3.69	3.14	2.79	2.67	14.62	5.89	-0.71	3.98	-3.49	5.18	1.58	
Foreign Large Blend Rank	98	9	6	3	3	3	2	8	55	5	51	35	15	
Victory Trivalent International Sm-Cp I	4.72	67.50	7.26	11.35	9.79	10.00	15.42	27.88	-20.21	37.13	-0.70	8.20	-0.20	09/01/2015
MSCI AC World ex USA Small Cap (Net)	5.53	69.82	6.61	10.40	6.32	9.84	14.24	22.42	-18.20	31.65	3.91	2.60	-4.03	
Over/Under	-0.81	-2.32	0.65	0.95	3.47	0.16	1.18	5.46	-2.01	5.48	-4.61	5.60	3.83	
Foreign Small/Mid Blend Rank	62	20	8	2	1	12	17	7	54	11	61	24	2	
Vanguard Emerging Mkts Stock Idx Adm	3.56	58.17	6.32	11.32	3.29	9.73	15.24	20.31	-14.58	31.38	11.73	-15.35	0.60	08/01/2018
MSCI Emerging Markets (Net)	2.29	58.39	6.48	12.07	3.65	9.80	18.31	18.44	-14.58	37.28	11.19	-14.92	-2.19	
Over/Under	1.27	-0.22	-0.16	-0.75	-0.36	-0.07	-3.07	1.87	0.00	-5.90	0.54	-0.43	2.79	
Diversified Emerging Mkts Rank	37	69	50	62	64	55	67	48	29	72	27	65	18	
ABS Emerging Markets Strategic Portfolio LP	4.79	69.03	9.14	-	-	16.38	23.52	19.98	-14.99	-	-	-	-	10/01/2018
MSCI Emerging Markets (Net)	2.29	58.39	6.48	12.07	3.65	11.92	18.31	18.44	-14.58	37.28	11.19	-14.92	-2.19	
Over/Under	2.50	10.64	2.66	-	-	4.46	5.21	1.54	-0.41	-	-	-	-	
Diversified Emerging Mkts Rank	26	25	27	-	-	28	31	50	37	-	-	-	-	
Long Biased														
The Weatherlow Offshore Fund I Ltd	2.96	35.93	11.38	9.59	6.28	5.45	24.58	13.23	-3.10	5.67	0.99	1.49	4.91	04/01/2008
HFRI Fund of Funds Composite Index	1.87	23.83	5.43	5.61	3.42	2.43	10.88	8.39	-4.02	7.77	0.51	-0.27	3.37	
Over/Under	1.09	12.10	5.95	3.98	2.86	3.02	13.70	4.84	0.92	-2.10	0.48	1.76	1.54	

Spokane Employees' Retirement System

As of March 31, 2021

	Performance (%)													
	1 Quarter	1 Year	3 Years	5 Years	10 Years	Since Inception	2020	2019	2018	2017	2016	2015	2014	Inception Date
Opportunistic Credit														
Beach Point Select Fund LP	5.64	32.17	8.48	9.12	-	7.56	8.97	11.48	0.28	7.08	14.52	2.58	2.35	10/01/2013
HFRI ED: Distressed/Restructuring Index	8.05	36.84	6.84	8.74	4.93	4.74	11.82	2.94	-1.70	6.25	15.15	-8.06	-1.39	
Over/Under	-2.41	-4.67	1.64	0.38	-	2.82	-2.85	8.54	1.98	0.83	-0.63	10.64	3.74	
Contrarian Capital Fund I LP	9.09	30.92	-7.35	1.42	2.93	-9.66	-7.38	-9.89	-12.43	4.77	25.46	-7.89	0.45	10/01/2018
HFRI ED: Distressed/Restructuring Index	8.05	36.84	6.84	8.74	4.93	6.59	11.82	2.94	-1.70	6.25	15.15	-8.06	-1.39	
Over/Under	1.04	-5.92	-14.19	-7.32	-2.00	-16.25	-19.20	-12.83	-10.73	-1.48	10.31	0.17	1.84	
Real Estate Total														
Principal REITS SERS	7.09	34.32	11.22	7.46	10.17	11.61	-3.17	31.24	-4.13	9.16	6.67	4.45	32.55	01/01/2003
FTSE NAREIT All REITs Index	8.48	36.94	10.35	7.19	9.27	10.00	-5.86	28.07	-4.10	9.27	9.28	2.29	27.15	
Over/Under	-1.39	-2.62	0.87	0.27	0.90	1.61	2.69	3.17	-0.03	-0.11	-2.61	2.16	5.40	
Real Estate Rank	70	55	21	17	6	1	32	13	23	11	45	20	3	
Prime Property Fund, LLC	1.90	2.54	5.06	6.64	10.30	5.51	1.24	6.14	8.03	8.67	9.31	14.53	14.08	10/01/2007
NCREIF ODCE VW NET	1.91	1.50	3.97	5.26	8.68	4.19	0.34	4.39	7.36	6.66	7.79	13.95	11.46	
Over/Under	-0.01	1.04	1.09	1.38	1.62	1.32	0.90	1.75	0.67	2.01	1.52	0.58	2.62	
Real Estate Rank	100	100	94	29	6	56	7	99	1	14	13	1	96	
Special Opportunities														
OrbiMed Partners II LP	-11.92	34.03	14.23	12.04	11.77	11.78	44.99	43.69	-18.43	25.30	-21.91	2.14	25.88	01/01/2011
MSCI World/Health Care (Net)	0.72	29.16	13.51	11.60	13.02	13.18	13.52	23.24	2.51	19.80	-6.81	6.60	18.10	
Over/Under	-12.64	4.87	0.72	0.44	-1.25	-1.40	31.47	20.45	-20.94	5.50	-15.10	-4.46	7.78	
NASDAQ Biotechnology Index (TR)	-0.55	40.13	12.73	12.20	16.71	17.07	26.42	25.11	-8.86	21.63	-21.35	11.77	34.40	
Over/Under	-11.37	-6.10	1.50	-0.16	-4.94	-5.29	18.57	18.58	-9.57	3.67	-0.56	-9.63	-8.52	
Contrarian Emerging Markets Fund LP	1.99	40.25	-8.87	4.78	5.43	-8.23	-17.52	-4.09	0.96	20.36	22.72	14.48	-1.97	10/01/2018
HFRI Emerging Markets: Global Index	1.41	25.17	3.82	6.24	2.51	6.38	9.56	8.42	-6.83	12.50	7.33	-3.47	-2.41	
Over/Under	0.58	15.08	-12.69	-1.46	2.92	-14.61	-27.08	-12.51	7.79	7.86	15.39	17.95	0.44	
MSCI Emerging Markets (Net)	2.29	58.39	6.48	12.07	3.65	11.92	18.31	18.44	-14.58	37.28	11.19	-14.92	-2.19	
Over/Under	-0.30	-18.14	-15.35	-7.29	1.78	-20.15	-35.83	-22.53	15.54	-16.92	11.53	29.40	0.22	

Non-Marketable Securities Overview

Partnerships	Vintage Year	Investment Strategy	Capital Commitment \$	Drawn Down \$	Distributed \$	Market Value \$	Remaining Commitment	% Funded	IRR (%)
Morrison Street Fund V, LP	2014	Opportunistic Real Estate	\$6,080,000	\$5,960,493	\$7,736,103	\$740,909	\$119,507	98.03	11.31

Time Weighted Returns

	Performance (%)												Inception Date
	1 Quarter	1 Year	2 Years	3 Years	4 Years	5 Years	2020	2019	2018	2017	2016	Since Inception	
Morrison Street Fund V, LP	-9.29	0.53	3.40	4.65	7.83	8.65	11.10	6.45	10.12	18.03	11.10	8.52	07/01/2014
NCREIF Property Index	1.72	2.61	3.94	4.89	5.44	5.81	1.60	6.42	6.72	6.96	7.97	7.45	

Dollar Weighted Returns

	1 Quarter	1 Year	2 Years	3 Years	4 Years	5 Years	2020	2019	2018	2017	2016	Since Inception	Inception Date
Morrison Street Fund V, LP	-9.28	6.11	6.32	6.82	11.77	11.92	10.05	5.74	9.97	17.73	11.32	11.31	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	\$1,980,395	\$2,933,314	\$583,636	88.33	3.29

Time Weighted Returns

	Performance (%)								
	1 Quarter	1 Year	2 Years	3 Years	2020	2019	2018	Since Inception	Inception Date
Morrison Street Debt Opportunities Fd LP	0.06	-4.30	-2.28	1.63	-10.08	8.39	9.94	2.70	01/01/2017
NCREIF Property Index	1.72	2.61	3.94	4.89	1.60	6.42	6.72	5.50	

Dollar Weighted Returns

	1 Quarter	1 Year	2 Years	2020	2019	2018	Since Inception	Inception Date
Morrison Street Debt Opportunities Fd LP	0.06	-4.57	-2.14	-10.35	8.37	9.92	3.29	01/01/2017

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

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Non-Marketable Securities Overview

Partnerships	Vintage Year	Investment Strategy	Capital Commitment \$	Drawn Down \$	Distributed \$	Market Value \$	Remaining Commitment	% Funded	IRR (%)
Morrison Street Fund VI, LP	2020	Opportunistic Real Estate	\$7,000,000	\$2,438,130	\$46,862	\$2,213,125	\$6,381,870	8.83	-9.83

Time Weighted Returns

	Performance (%)												
	1 Quarter	1 Year	2 Years	3 Years	4 Years	5 Years	2020	2019	2018	2017	2016	Since Inception	Inception Date
Morrison Street Fund VI, LP	0.56	-	-	-	-	-	-	-	-	-	-	-9.82	10/01/2020
NCREIF Property Index	1.72	2.61	3.94	4.89	5.44	5.81	1.60	6.42	6.72	6.96	7.97	2.88	

Dollar Weighted Returns

	1 Quarter	1 Year	2 Years	3 Years	2020	2019	2018	2017	Since Inception	Inception Date
Morrison Street Fund VI, LP	0.59	-	-	-	-	-	-	-	-9.83	10/31/2020

Performance includes an interest penalty payable balance of \$28,233.

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	\$4,144,475	\$1,743,800	-	100.00	3.98

Time Weighted Returns

	Performance (%)												Inception Date
	1 Quarter	1 Year	3 Years	5 Years	7 Years	2020	2019	2018	2017	2016	2015	Since Inception	
Orbimed Royalty Opportunities	43.70	45.41	1.64	-1.24	1.84	-24.08	-12.50	22.03	4.47	-20.87	9.95	4.64	09/01/2011
HFRI Fund of Funds Composite Index	1.87	23.83	5.43	5.61	3.88	10.88	8.39	-4.02	7.77	0.51	-0.27	3.95	
S&P 500 Index	6.17	56.35	16.78	16.29	13.59	18.40	31.49	-4.38	21.83	11.96	1.38	15.45	

Dollar Weighted Returns

	1 Quarter	1 Year	3 Years	5 Years	7 Years	2020	2019	2018	2017	2016	2015	Since Inception	Inception Date
Orbimed Royalty Opportunities	43.40	39.43	1.93	-1.77	2.71	-25.50	-12.20	25.47	4.57	-17.14	9.99	3.98	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	\$4,491,603	\$919,875	\$832,500	83.35	12.32

Time Weighted Returns

	Performance (%)											Inception Date
	1 Quarter	1 Year	2 Years	3 Years	4 Years	5 Years	2020	2019	2018	2017	Since Inception	
Orbimed Royalty Opportunities II	0.92	26.16	11.05	15.12	14.52	12.50	18.63	15.45	15.59	12.28	13.18	04/01/2015
HFRI Fund of Funds Composite Index	1.87	23.83	8.19	5.43	5.46	5.61	10.88	8.39	-4.02	7.77	3.63	
S&P 500 Index	6.17	56.35	20.60	16.78	16.08	16.29	18.40	31.49	-4.38	21.83	13.73	

Dollar Weighted Returns

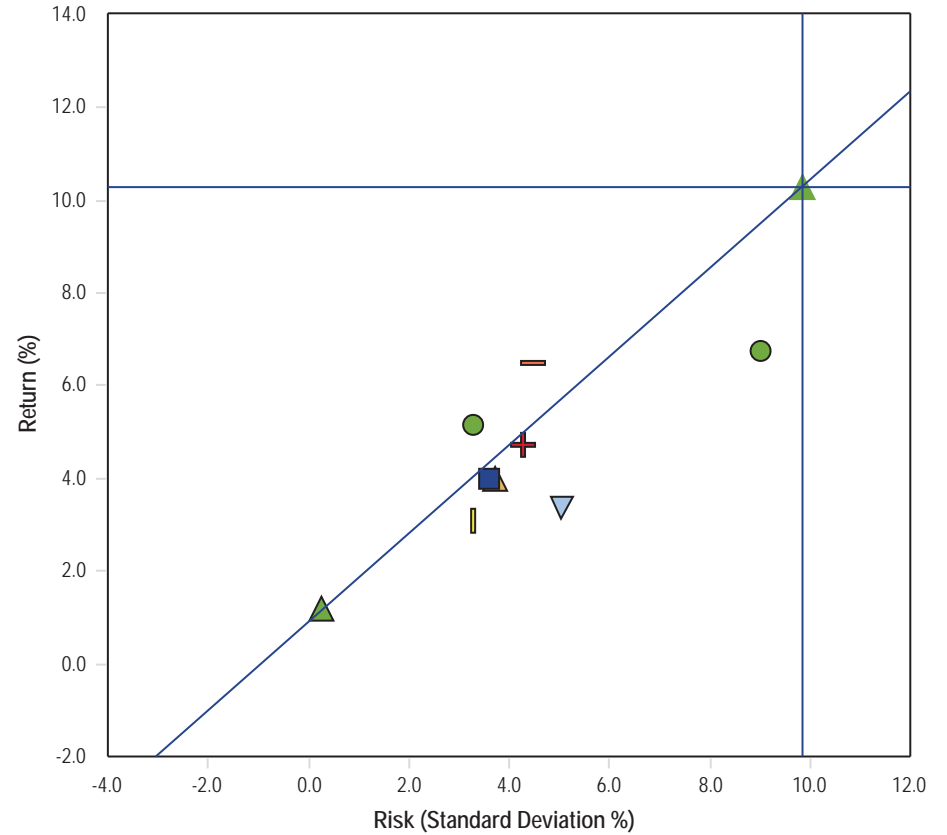
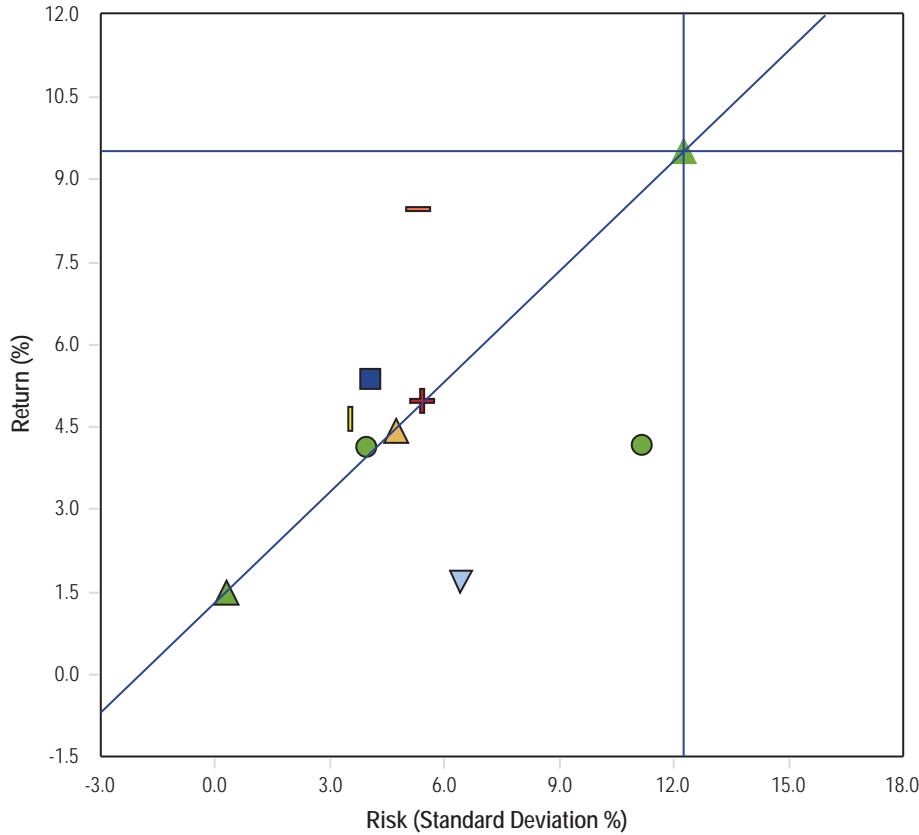
	1 Quarter	1 Year	2 Years	3 Years	4 Years	2020	2019	2018	2017	Since Inception	Inception Date
Orbimed Royalty Opportunities II	0.90	23.41	4.68	13.19	13.43	6.40	17.10	15.14	12.87	12.32	04/07/2015

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 March 31, 2021

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



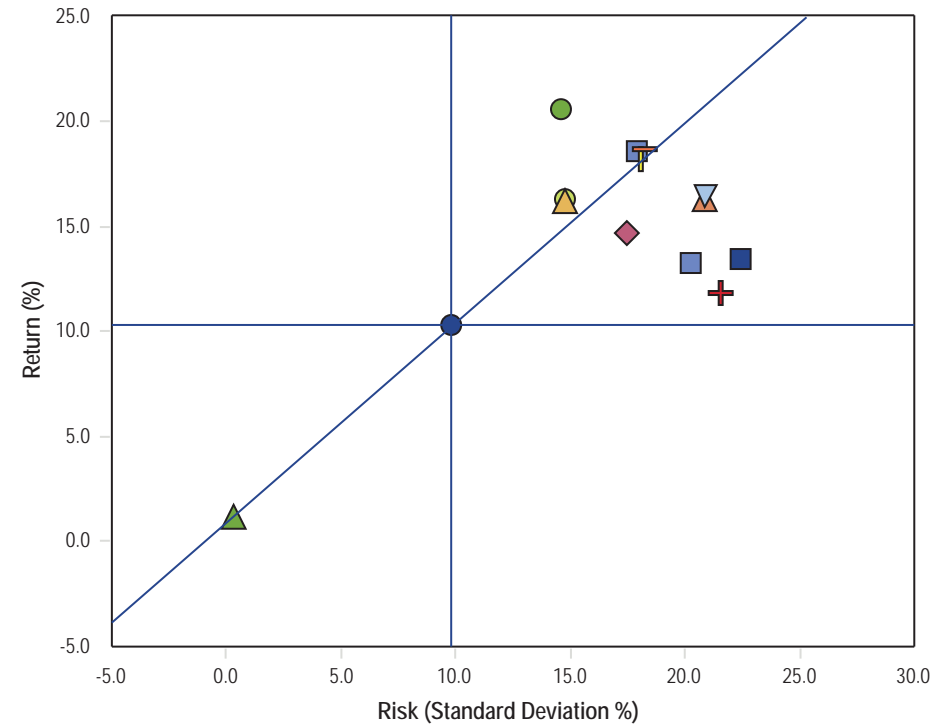
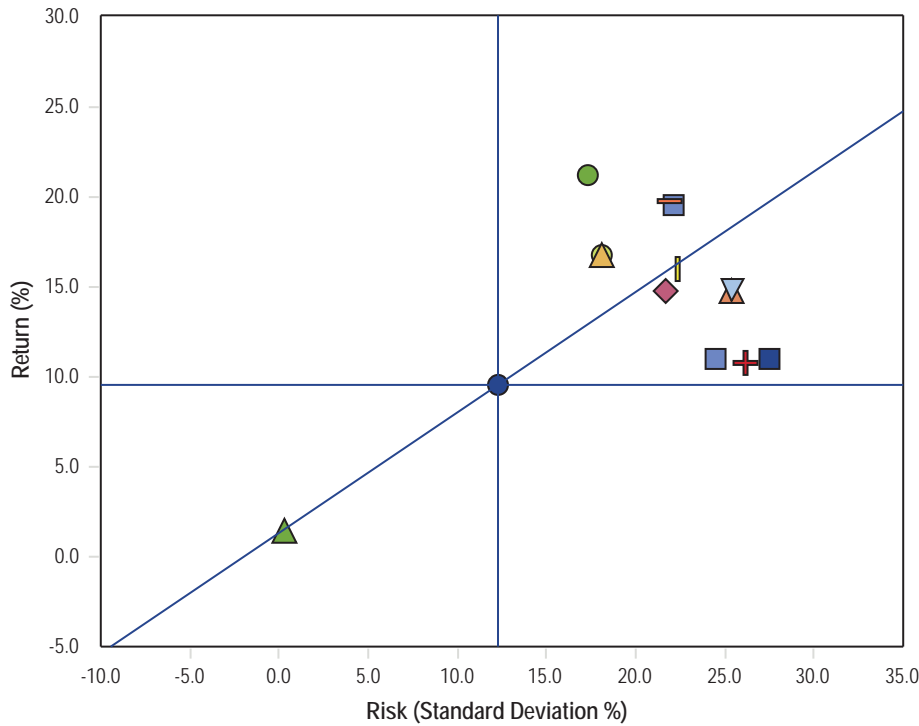
- Sterling Capital Total Return Bond I
- ▲ Post Ltd Term High Yield
- ▼ Rimrock Low Volatility
- ▮ Blmbg. Barc. U.S. Aggregate
- ▲ Policy Index Updated
- Hotchkis & Wiley High Yield Z
- PIMCO Dynamic Bond Instl
- Polar Long/Short Fund
- ⊕ HFRI FOF: Conservative Index
- ▲ 90 Day U.S. Treasury Bill

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

Calculation based on monthly periodicity.

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

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



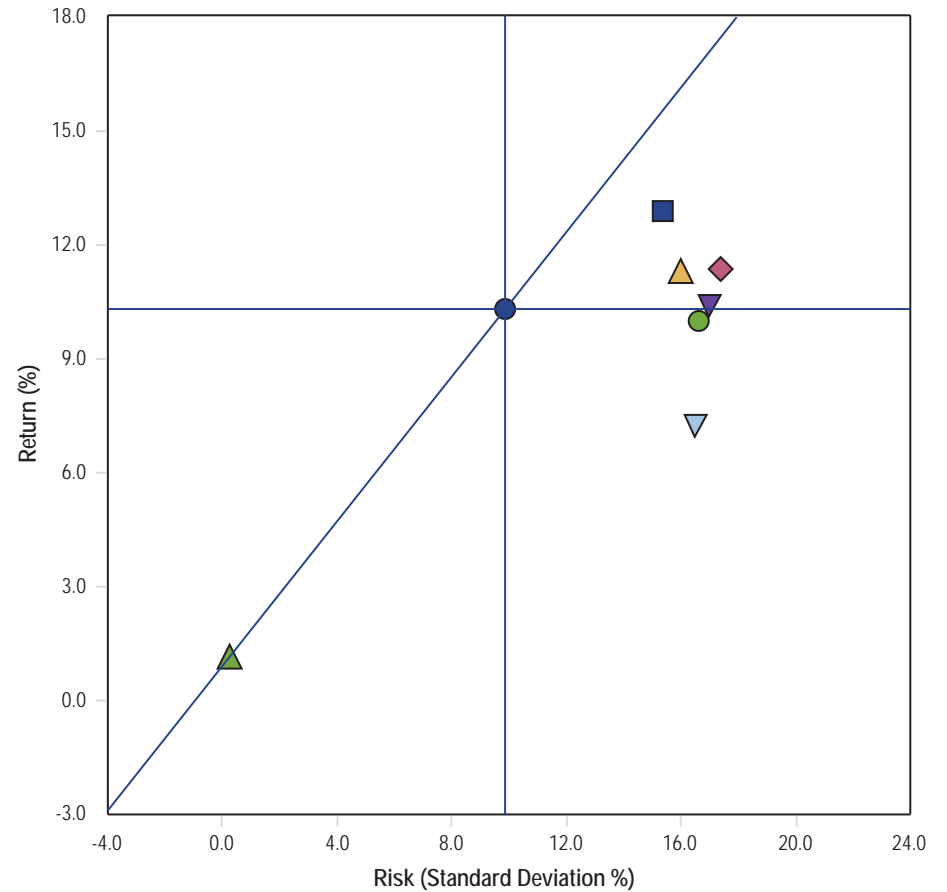
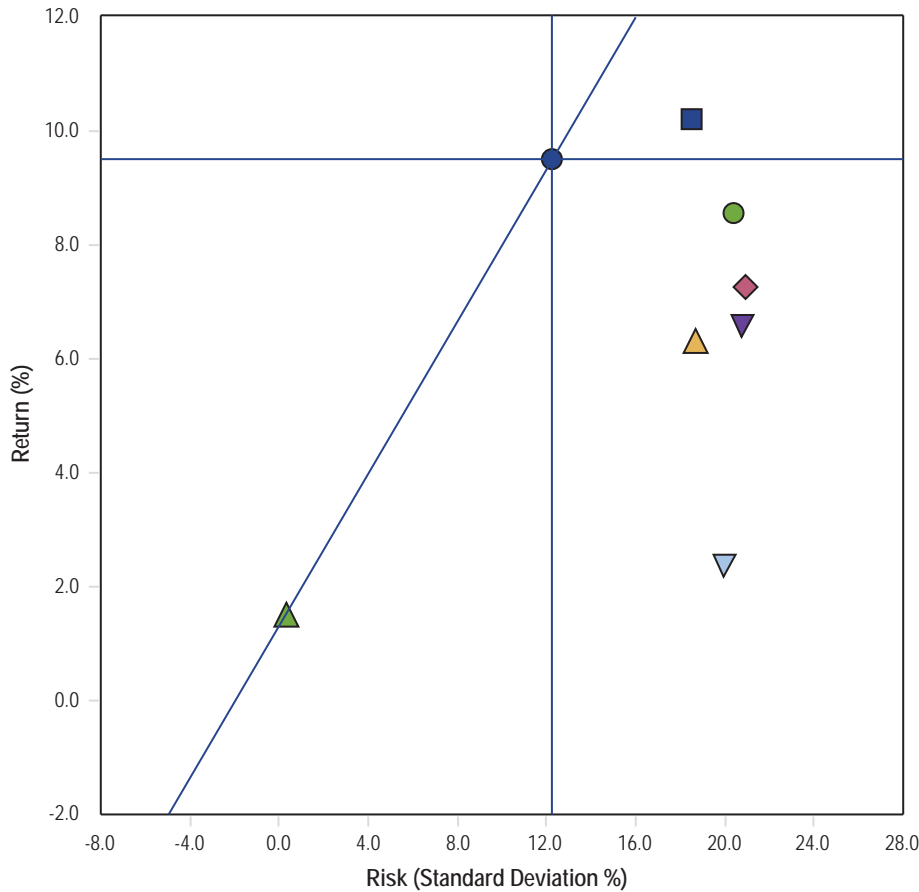
- Hotchkis & Wiley Diversified Value I
- Fidelity® 500 Index
- Fidelity® Small Cap Index
- Champlain Small Cap
- Wells Fargo Special Small Cap Value R6
- S&P 500 Index
- Policy Index Updated
- MFS Growth R6
- Fidelity® Mid Cap Index
- Bridge City Small Cap Growth
- Sterling Mid Cap Value
- Westfield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

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

Calculation based on monthly periodicity.

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

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



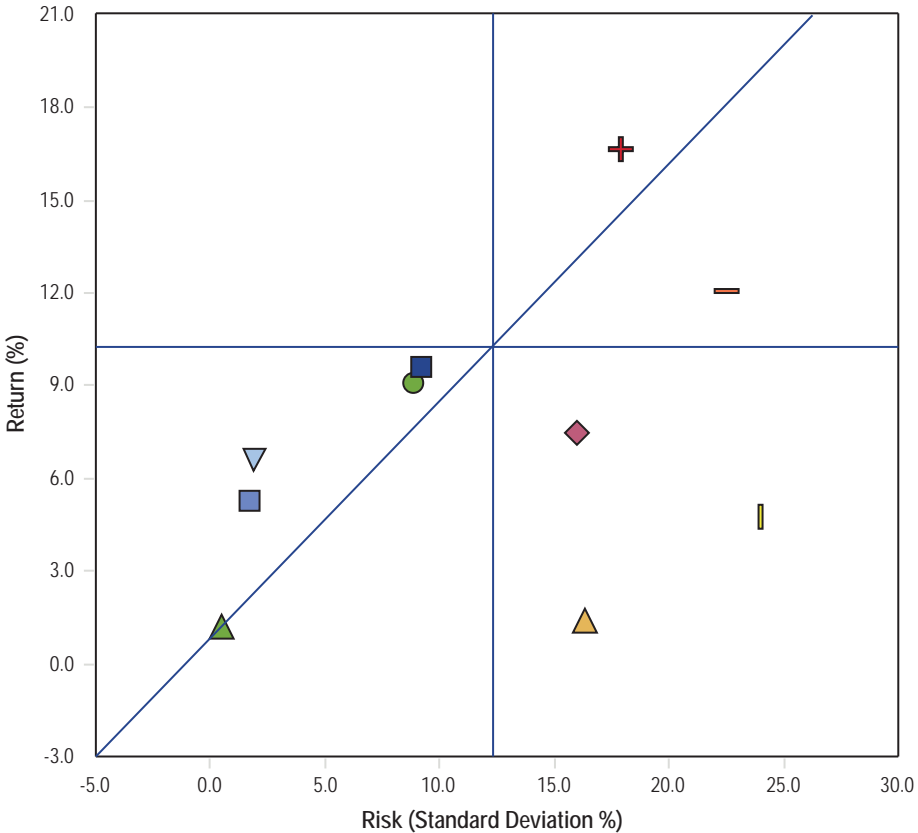
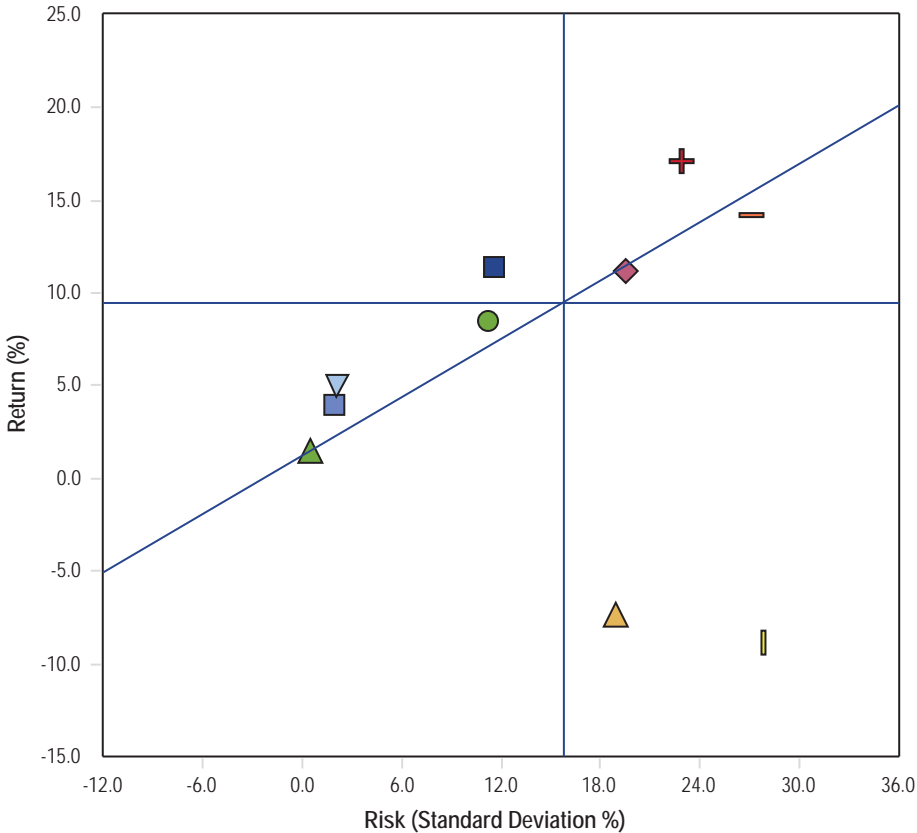
- American Funds Europacific Growth R6
- Artisan International Value Instl
- ▲ Vanguard Emerging Mkts Stock Idx Adm
- ◆ Victory Trivalent International Sm-Cp I
- ▼ MSCI AC World ex USA Value (Net)
- ▼ MSCI AC World ex USA Small Cap (Net)
- Policy Index Updated
- ▲ 90 Day U.S. Treasury Bill

- 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 March 31, 2021

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



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

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

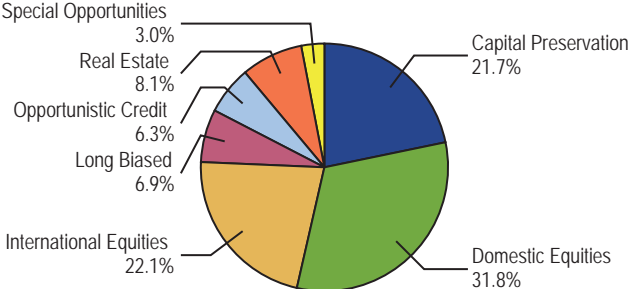
Calculation based on quarterly periodicity.

Fee Schedule

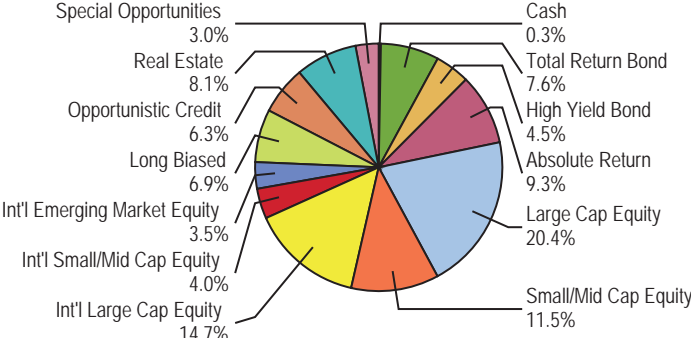
	Vehicle Type	Ticker	Universe Name	Market Value As of 03/31/2021 \$	Net Expense Ratio (%)
Artisan Int'l Value	Mutual Fund	APHKX	Foreign Value	\$27,234,490	1.03
Bridge City Small Growth	Separate Account		Small Growth	\$8,354,759	0.35
Champlain Small Cap	Commingled Fund		Small Growth	\$9,027,893	1.00
EuroPacific Growth R6	Mutual Fund	RERGX	Foreign	\$24,688,650	0.46
Fidelity Instl Govt Money Market	Mutual Fund	FIGXX	Money Market-Taxable	\$1,016,152	0.18
Fidelity Mid Cap Index	Mutual Fund	FSMDX	Mid Cap	\$5,536,755	0.03
Fidelity S&P 500	Mutual Fund	FXAIX	Large Cap	\$38,843,714	0.02
Fidelity Small Cap Index	Mutual Fund	FSSNX	Small Cap	\$573,677	0.03
Hotchkis & Wiley Div Value I	Mutual Fund	HWCIX	Large Value	\$17,571,097	0.80
Hotchkis & Wiley High Yield	Mutual Fund	HWHZX	High Yield Bond	\$16,033,635	0.60
MFS Growth Fund CI R6	Mutual Fund	MFEKX	Large Growth	\$15,641,809	0.53
Pimco Dynamic Bond Fund	Mutual Fund	PFIUX	Nontraditional Bond	\$7,000,000	0.85
Principal Global Investors REIT	Separate Account		Real Estate	\$15,041,783	0.75
Sterling Core Bond	Separate Account		Intermediate Core Bond	\$26,979,152	0.25
Sterling Mid Cap Value	Separate Account		Mid-Cap Value	\$6,306,963	0.75
Vanguard Emerging Markets Stock Index Fd	Mutual Fund	VEMAX	Diversified Emerging Mkts	\$557,960	0.14
Victory Trivalent International Small Cap	Mutual Fund	MISIX	Foreign Small/Mid Growth	\$13,971,892	0.96
Wells Fargo Special Small Cap Value	Mutual Fund	ESPRX	Small Value	\$5,406,055	0.85
Westfield Mid Cap Growth	Commingled Fund		Mid-Cap Growth	\$5,314,908	0.65

Section 3

Current Allocation



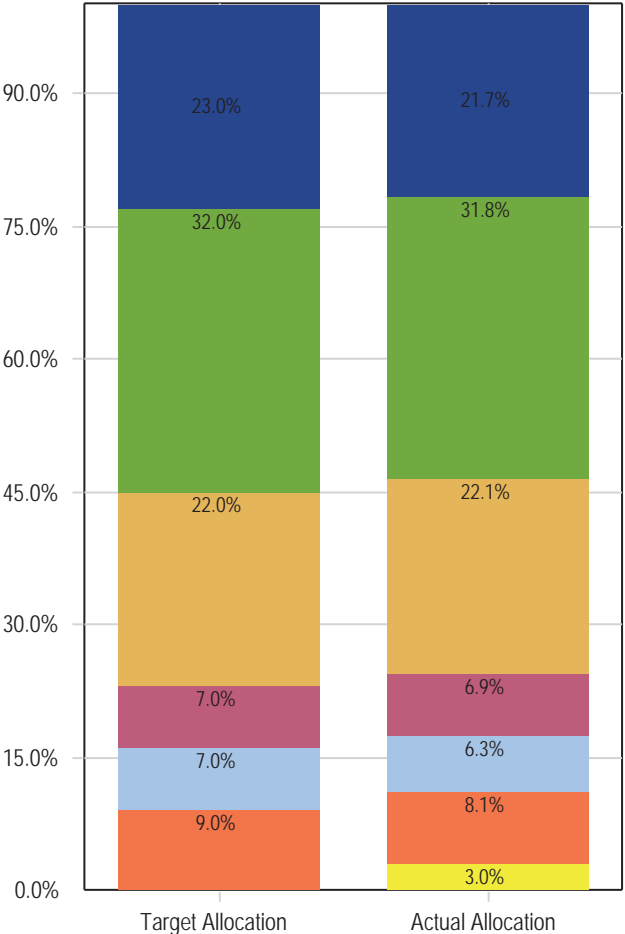
Current Implementation Allocation



Spokane Employees' Retirement System

As of March 31, 2021

Asset Allocation Compliance

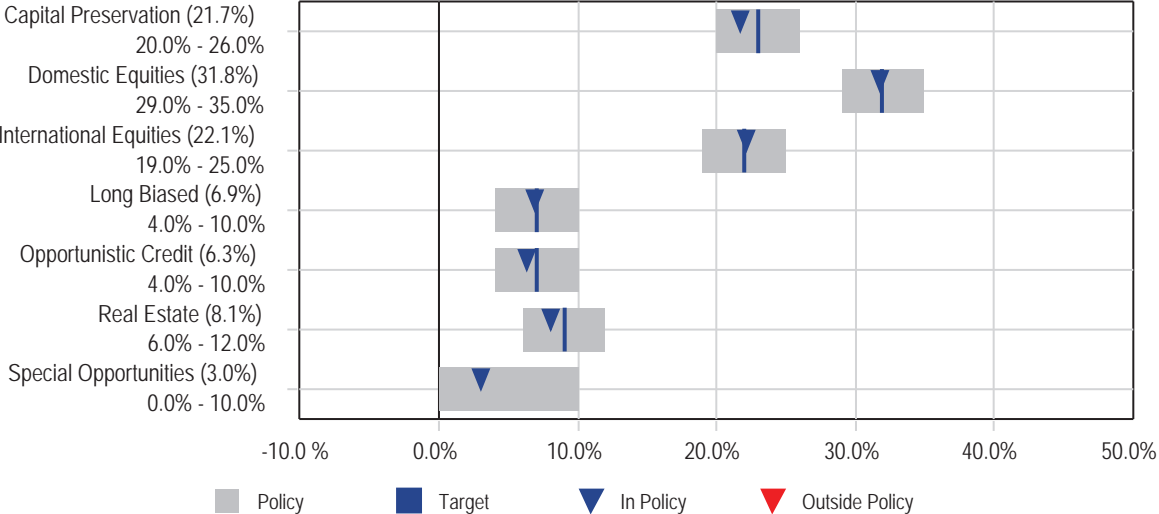


- Capital Preservation
- Domestic Equities
- International Equities
- Long Biased
- Opportunistic Credit
- Real Estate
- Special Opportunities

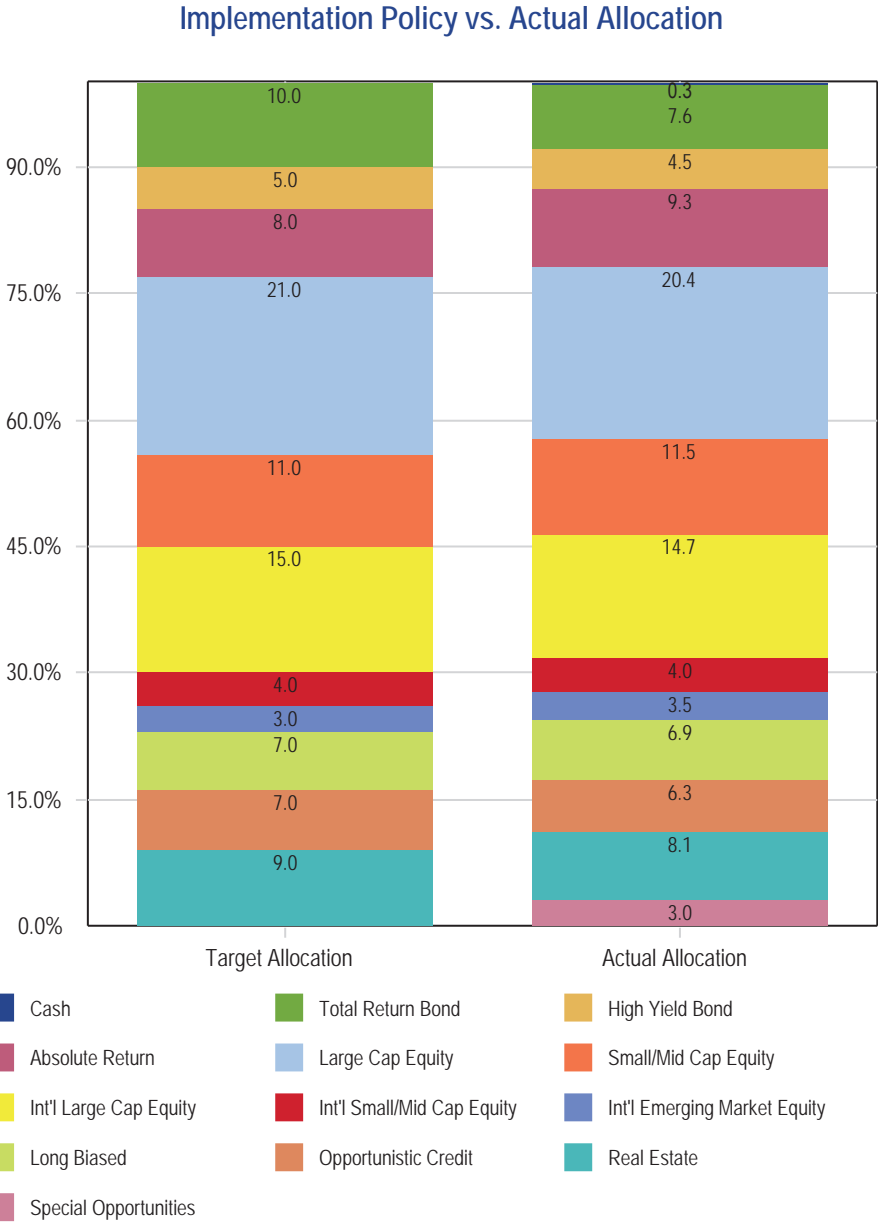
Current Allocation vs Investment Policy

	Asset Allocation \$	Asset Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)	Target Allocation (%)	Differences \$	Differences (%)
Capital Preservation	76,854,343	21.7	20.0	26.0	23.0	-4,455,895	-1.3
Domestic Equities	112,577,630	31.8	29.0	35.0	32.0	-549,657	-0.2
International Equities	78,114,202	22.1	19.0	25.0	22.0	339,192	0.1
Long Biased	24,425,227	6.9	4.0	10.0	7.0	-321,367	-0.1
Opportunistic Credit	22,294,201	6.3	4.0	10.0	7.0	-2,452,394	-0.7
Real Estate	28,552,233	8.1	6.0	12.0	9.0	-3,264,816	-0.9
Special Opportunities	10,704,937	3.0	0.0	10.0	0.0	10,704,937	3.0
Total	353,522,774	100.0			100.0		0.0

Actual vs Target



	Asset Allocation \$	Asset Allocation (%)	Target Allocation (%)
■ Cash	1,016,152	0.3	0.0
■ Total Return Bond	26,979,152	7.6	10.0
■ High Yield Bond	16,033,635	4.5	5.0
■ Absolute Return	32,825,404	9.3	8.0
■ Large Cap Equity	72,056,620	20.4	21.0
■ Small/Mid Cap Equity	40,521,010	11.5	11.0
■ Int'l Large Cap Equity	51,923,140	14.7	15.0
■ Int'l Small/Mid Cap Equity	13,971,892	4.0	4.0
■ Int'l Emerging Market Equity	12,219,170	3.5	3.0
■ Long Biased	24,425,227	6.9	7.0
■ Opportunistic Credit	22,294,201	6.3	7.0
■ Real Estate	28,552,233	8.1	9.0
■ Special Opportunities	10,704,937	3.0	0.0
Total	353,522,774	100.0	100.0



Spokane Employees' Retirement System

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Implementation Review

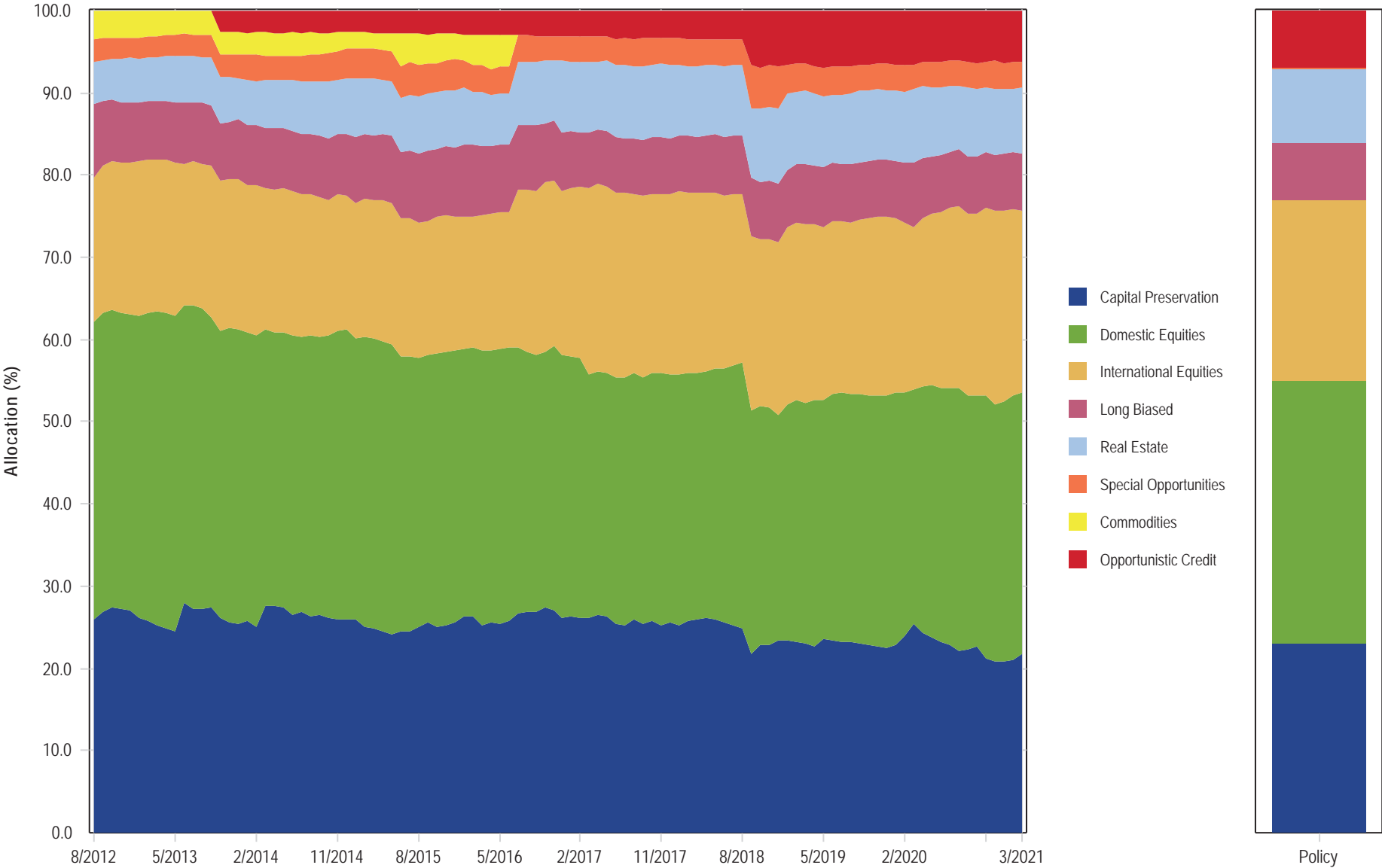
	Target Allocation \$	Target Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)	Asset Allocation \$	Asset Allocation (%)	Differences \$	Differences (%)	Within Range
Cash		0.0	0.0	2.0	\$1,016,152	0.3	\$1,016,152	0.3	Yes
Fidelity Instl Govt Money Market					\$1,016,152	0.3			
Total Return Bond	\$35,352,277	10.0	8.0	12.0	\$26,979,152	7.6	-\$8,373,126	-2.4	No
Sterling Core Bond					\$26,979,152	7.6			
High Yield Bond	\$17,676,139	5.0	3.0	7.0	\$16,033,635	4.5	-\$1,642,504	-0.5	Yes
Hotchkis & Wiley High Yield					\$16,033,635	4.5			
Absolute Return	\$28,281,822	8.0	6.0	10.0	\$32,825,404	9.3	\$4,543,583	1.3	Yes
Polar Long/Short Fund					\$8,765,009	2.5			
Post Lmtd Term High Yield					\$6,792,307	1.9			
Rimrock Low Volatility Offshore					\$10,268,089	2.9			
Pimco Dynamic Bond Fund					\$7,000,000	2.0			
Large Cap Equity	\$74,239,783	21.0	19.0	23.0	\$72,056,620	20.4	-\$2,183,162	-0.6	Yes
Hotchkis & Wiley Div Value I					\$17,571,097	5.0			
Fidelity S&P 500					\$38,843,714	11.0			
MFS Growth Fund CI R6					\$15,641,809	4.4			
Small/Mid Cap Equity	\$38,887,505	11.0	9.0	13.0	\$40,521,010	11.5	\$1,633,505	0.5	Yes
Bridge City Small Growth					\$8,354,759	2.4			
Champlain Small Cap					\$9,027,893	2.6			
Sterling Mid Cap Value					\$6,306,963	1.8			
Westfield Mid Cap Growth					\$5,314,908	1.5			
Fidelity Mid Cap Index					\$5,536,755	1.6			
Fidelity Small Cap Index					\$573,677	0.2			
Wells Fargo Special Small Cap Value					\$5,406,055	1.5			
Int'l Large Cap Equity	\$53,028,416	15.0	13.0	17.0	\$51,923,140	14.7	-\$1,105,276	-0.3	Yes
Artisan Int'l Value					\$27,234,490	7.7			
EuroPacific Growth R6					\$24,688,650	7.0			
Int'l Small/Mid Cap Equity	\$14,140,911	4.0	2.0	6.0	\$13,971,892	4.0	-\$169,019	0.0	Yes
Victory Trivalent International Small Cap					\$13,971,892	4.0			
Int'l Emerging Market Equity	\$10,605,683	3.0	1.0	5.0	\$12,219,170	3.5	\$1,613,487	0.5	Yes
ABS Emerging Markets Strategic					\$11,661,211	3.3			

Spokane Employees' Retirement System

As of March 31, 2021

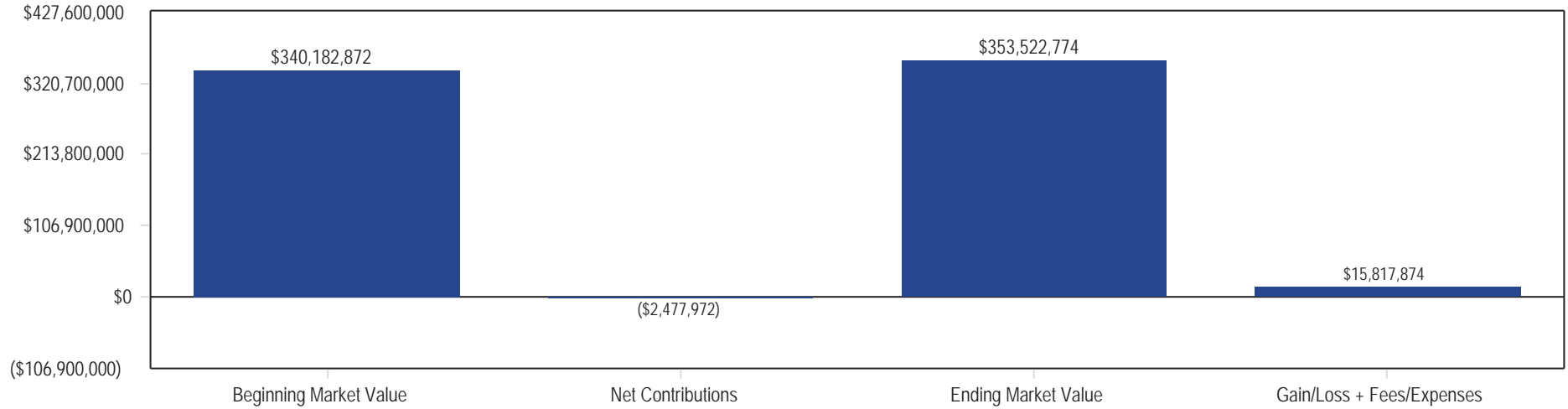
	Target Allocation \$	Target Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)	Asset Allocation \$	Asset Allocation (%)	Differences \$	Differences (%)	Within Range
Vanguard Emerging Markets Stock Index Fd					\$557,960	0.2			
Long Biased	\$24,746,594	7.0	4.0	10.0	\$24,425,227	6.9	-\$321,367	-0.1	Yes
OrbiMed Royalty Opportunities					\$1,743,800	0.5			
Weatherlow Offshore					\$21,761,552	6.2			
OrbiMed Royalty Opps II					\$919,875	0.3			
Opportunistic Credit	\$24,746,594	7.0	4.0	10.0	\$22,294,201	6.3	-\$2,452,394	-0.7	Yes
Beach Point Select Fund LP					\$13,244,298	3.7			
Contrarian Capital Fund I LP					\$9,049,903	2.6			
Real Estate	\$31,817,050	9.0	6.0	12.0	\$28,552,233	8.1	-\$3,264,816	-0.9	Yes
Metropolitan Realty V					\$134,890	0.0			
Morrison Street Debt Opportunities Fund LP					\$2,999,956	0.8			
Morrison Street Fund V					\$766,962	0.2			
Principal Global Investors REIT					\$15,041,783	4.3			
Morgan Stanley Prime Property Fund					\$7,343,871	2.1			
Morrison Street Fund VI					\$2,264,772	0.6			
Special Opportunities		0.0	0.0	10.0	\$10,704,937	3.0	\$10,704,937	3.0	Yes
Orbimed Partners II					\$5,870,303	1.7			
Contrarian Emerging Markets					\$4,834,634	1.4			
Total	\$353,522,774	100.0			\$353,522,774	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 01/01/2021	Contributions	Distributions	Net Flows	Return On Investment	Market Value As of 03/31/2021
Fidelity Instl Govt Money Market	105,334	19,224,063	-18,287,784	910,784	-25,460	1,016,152
Sterling Core Bond	29,676,684	2,250,000	-4,000,000	-1,750,000	-947,532	26,979,152
Hotchkis & Wiley High Yield	15,713,795	-	-	-	319,839	16,033,635
Polar Long/Short Fund	8,377,873	-	-	-	387,136	8,765,009
Post Lmtd Term High Yield	6,742,426	-	-	-	49,881	6,792,307
Pimco Dynamic Bond Fund	-	7,000,000	-	7,000,000	-	7,000,000
Rimrock Low Volatility Offshore	10,045,161	-	-	-	222,928	10,268,089
Castine Partners II	-	-	-	-	-	-
Hotchkis & Wiley Div Value I	17,184,535	-	-3,000,000	-3,000,000	3,386,562	17,571,097
Fidelity S&P 500	36,584,084	-	-	-	2,259,630	38,843,714
MFS Growth Fund CI R6	15,579,502	-	-	-	62,307	15,641,809
Sterling Mid Cap Value	5,478,458	-	-	-	828,505	6,306,963

Spokane Employees' Retirement System

As of March 31, 2021

	Market Value As of 01/01/2021	Contributions	Distributions	Net Flows	Return On Investment	Market Value As of 03/31/2021
Fidelity Mid Cap Index	5,404,461	-	-300,000	-300,000	432,295	5,536,755
Westfield Mid Cap Growth	5,352,601	-	-	-	-37,693	5,314,908
Wells Fargo Special Small Cap Value	4,522,648	-	-	-	883,407	5,406,055
Fidelity Small Cap Index	508,894	-	-	-	64,783	573,677
Bridge City Small Growth	7,338,192	-	-	-	1,016,567	8,354,759
Champlain Small Cap	8,602,515	-	-	-	425,378	9,027,893
EuroPacific Growth R6	28,241,755	-	-3,400,000	-3,400,000	-153,105	24,688,650
Artisan Int'l Value	25,123,045	-	-	-	2,111,445	27,234,490
Victory Trivalent International Small Cap	15,014,097	-	-1,750,000	-1,750,000	707,795	13,971,892
Vanguard Emerging Markets Stock Index Fd	538,804	-	-	-	19,156	557,960
ABS Emerging Markets Strategic	11,134,081	-	-	-	527,129	11,661,211
Weatherlow Offshore	21,110,483	-	-	-	651,069	21,761,552
OrbiMed Royalty Opps II	905,220	-	-81,906	-81,906	96,561	919,875
OrbiMed Royalty Opportunities	1,157,832	-	-57,362	-57,362	643,330	1,743,800
Beach Point Select Fund LP	12,537,349	-	-	-	706,949	13,244,298
Contrarian Capital Fund I LP	8,295,348	-	-	-	754,554	9,049,903
Principal Global Investors REIT	14,043,424	-	-	-	998,359	15,041,783
Metropolitan Realty V	137,535	-	-	-	-2,645	134,890
Morrison Street Fund V	1,261,380	-	-415,993	-415,993	-78,425	766,962
Morrison Street Debt Opportunities Fund LP	3,156,612	-	-158,401	-158,401	1,745	2,999,956
Morgan Stanley Prime Property Fund	7,277,032	-	-71,857	-71,857	138,696	7,343,871
Morrison Street Fund VI	1,632,275	618,130	-46,862	571,268	61,229	2,264,772
Orbimed Partners II	6,654,892	-	-	-	-784,589	5,870,303
Contrarian Emerging Markets	4,744,545	-	-	-	90,089	4,834,634
SERS Plan Total	340,182,872	29,092,193	-31,570,165	-2,503,466	15,817,874	353,522,774

Section 5

Section 6

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

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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