



Spokane Employees' Retirement System

June 30, 2021 Performance Report

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TABLE OF CONTENTS

Section 1	Market Overview
Section 2	Performance Review
Section 3	Allocation Review
Section 4	Summary of Cash Flow
Section 5	Fund Attributions
Section 6	Definitions

Section 1

**UNRAVELLING DISTORTION**

Lumber prices provide a great example of the economic distortions stemming from COVID-19. In the early days of the pandemic, the convergence of falling demand for furniture, the expectation of decreased home construction, and staffing cut-backs due to health concerns caused many sawmills to either reduce output or shut down entirely. Ironically, demand for lumber soared a few months later as do-it-yourself (DIY) work became popular amidst quarantined households and construction of single-family homes increased by 12% in 2020. This was the highest rate of increase since 2006. In reaction to increased demand, lumber prices shot up by unprecedented amounts; from \$349 per thousand board feet in April 2020 to \$1,514 in May 2021, a 334% increase in just over one year!

While prices have since come down into the \$700 to \$800 range, they remain at roughly twice their longer-term averages as supply and demand are expected to remain out of balance for some time. The lumber industry is not one that can easily alter production levels to match demand in the short-run. A new mill costs tens of millions of dollars and takes at least two years to construct (the delivery lead-time for even a back-yard DIY mill was 44 to 59 weeks in May). Labor recruitment is another challenging piece of the capacity puzzle. The logging industry, in addition to being hazardous, is relatively low-paying. For example, the median annual wage of sawing machine setters and operators was \$31,560 in 2020, equivalent to the bottom 24th percentile of household income. Likewise, median wages for the trucking industry are \$47,130, equivalent to the bottom 35th income percentile. The additional \$300 per week in Federal unemployment benefits constitute 49% and 33% of sawing and trucking wages respectively, understandably undercutting any incentive to return to arduous work. Even if labor and industry could immediately correct, wholesalers now sit on inventories of highly-priced lumber and are likely to only slowly reduce their holdings to avoid selling them at a loss. As such, traders expect lumber prices to remain elevated albeit at sub-peak levels.

This commentary is not intended to pin the future of the US economy on the lumber industry, understate its significance (its annual sales are comparable to that of one large-cap US company), or opine on how its troubles will be resolved. Rather, the lumber saga provides one of many examples of an industry whose normal expectations have been thrown far off kilter, for better or worse, by unprecedented events and governmental reactions to COVID-19. Other industry examples include hospitality, restaurants, and online shopping. The timing and manner in which these sectors come back into balance with their peers is difficult to predict; usually these displacements happen to one or two industries or regions at a time and ripple through to the rest. While shrewd investors may have the knowledge of financial markets, valuation, and economic forces to correctly navigate the resolution of these market distortions, the fallout of the global pandemic and the scope of monetary response is beyond their direct experience.

On a high level, what is the best thing to do in this environment? Look past it or at least avoid getting caught up in the near-term industry developments. Interesting as the stories of the lumber industry and so many others may be, extrapolating them into concentrated investment actions over the next few years is a tenuous endeavor. In any case, for all this uncertainty, economic growth expectations appear quite high on aggregated levels. Security prices, while also generally high, do not appear to convey a fear of loss as much as a broad divergence of growth estimates, indicating a path that is moderately upward though hectic. While supply and demand have been disjointed in new and forceful ways, they can still be expected to gravitate towards each other. The routes that industries take back into equilibrium will make for many interesting case studies.

GLOBAL ECONOMIC LANDSCAPE

- Global growth expectations remain high. Global GDP is expected to grow 6.7% after inflation in 2021 and by 4.6% in 2022; a sharp rebound from the -3.8% of 2020. The Global Purchasing Manager Index, an indicator of economic trends, is at its highest level for manufacturing and services in over ten years.
- Falling back on a familiar and longer-term growth story, the emerging market consumer continues to be a driver of global growth. Interestingly, much of the recent growth has come from outside China. From 2015 to 2019 for example, Europe and the US share of global consumption shrank from 51% to 36%, China's share decreased from 23% to 22%, and the rest of the world's portion increased from 26% to 42%. Looking forward, India's middle class is expected to grow from 21% to 79% of its population (approximately 883 million people, nearly twice the expected amount of increase from China) from 2020 to 2030!
- A very tight US labor market reflects the high demand from Federal and monetary stimulus and generally improved economic expectations. As examples, both total nonfarm job openings and small firms with at least one job they are unable to fill stood at their highest levels in decades.
- US inflation expectations range from 2.3% to 2.8% for the next ten years versus the Federal Reserve's long-term goal of 2.0%. Treasury yields reflect a very inflation-tolerant Federal Reserve. Adjusting for inflation, the yield on a ten-year Treasury was -2.35% at quarter-end, the lowest level since the late 1970s. Nonetheless, the yield difference between the US and a basket of developed market bonds stood at 1.3% on June 30, 2021; their highest level since 2006.

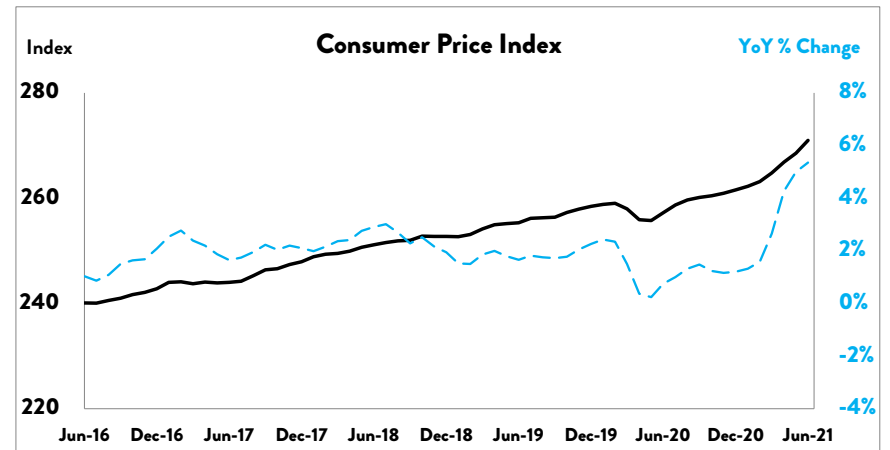
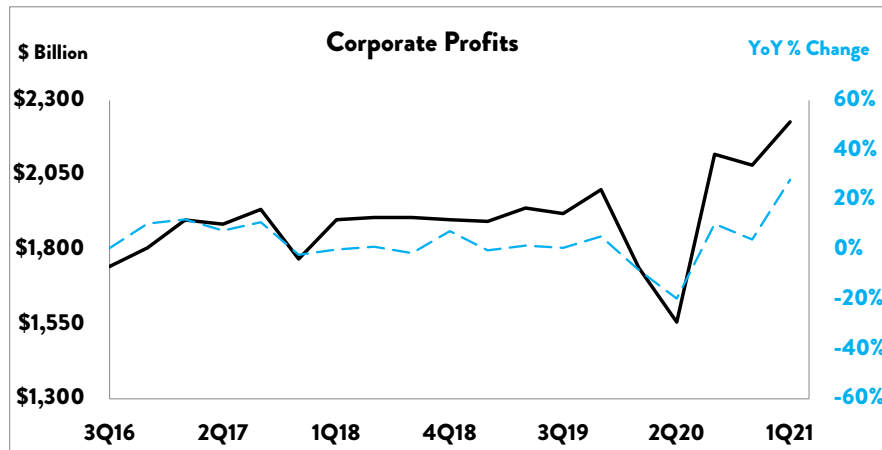
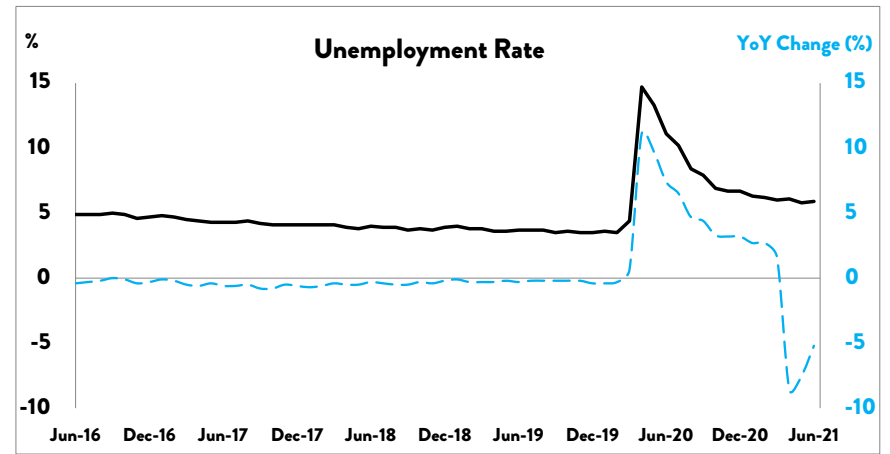
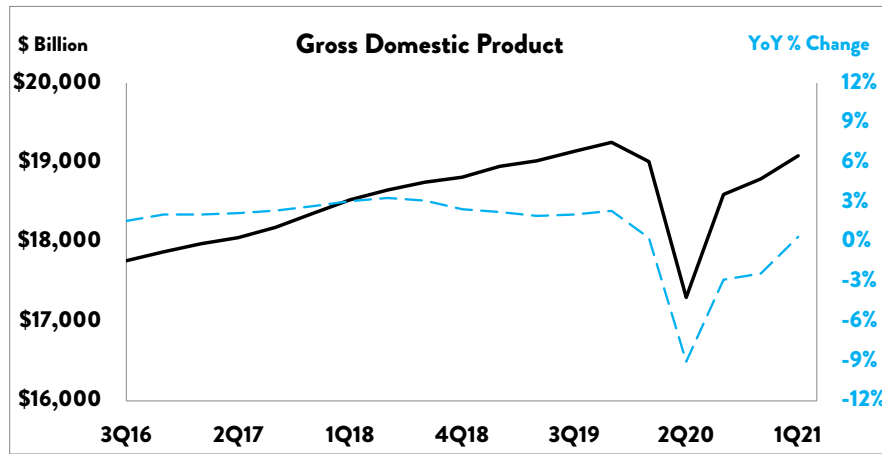
GLOBAL FINANCIAL MARKETS

- Stock market valuations appear high, particularly in the US. For example, the S&P 500's forward P/E was 21.5 at quarter-end versus a twenty-five-year average of 16.7. Stock-by-stock valuations appear more disparate however, suggesting the potential for active managers to add or subtract value. The P/E difference between the 20th and 80th percentile S&P 500 stock was 19.7 versus a long-term average of 11.0. International equity valuations also are above long-term averages (excepting Japan, which remains below them) though not to US extents.
- Earnings growth estimates, particularly for cyclical sectors, may explain investors' tolerance of higher valuations. For 2021, earnings growth estimates range from 17% to 50% for various developed and emerging market stock indexes with estimates for cyclical sectors ranging from 33% to 55%! Non-domestic revenue for most developed and emerging markets ranges from 45% to 68% of total, indicating that the myriad of global growth expectations is broadly expected to be high.
- The US high yield bond market continues to show relatively low concern for default risk. Option-adjusted spreads over Treasury bonds stood at 3.04% at the end of 2Q, well below their 10.87% peak on March 23, 2020 and their trailing ten-year average of 4.85%. The range of credit spreads amongst high yield bonds has also tightened up dramatically, suggesting a reduced concern in firm-specific credit risk. Emerging market bonds also reflect this trend, trading at spreads below their longer-term averages.
- Apart from the Federal Reserve, bond purchases by many developed central banks are expected to continue at their current rates for the next few quarters. Though the Federal Reserve is starting to taper off its buying program, the Federal Funds Rate is still expected to remain below 1% through 2023. Given these non-hawkish outlooks, interest rate risk does not appear to be a major concern at this point. However, US and international bond markets have durations of generally over six years, indicating vulnerability to rising rates.

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2Q2021 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	850,000	4,846,000	-20,679,000	26,817	Jun-21
Unemployment Rate	5.9%	14.7%	3.5%	5.1%	Jun-21
Median Unemployment Length (Weeks)	17.6	22.2	4.0	11.2	Jun-21
Average Hourly Earnings	\$30.40	\$30.40	\$25.70	\$27.74	Jun-21

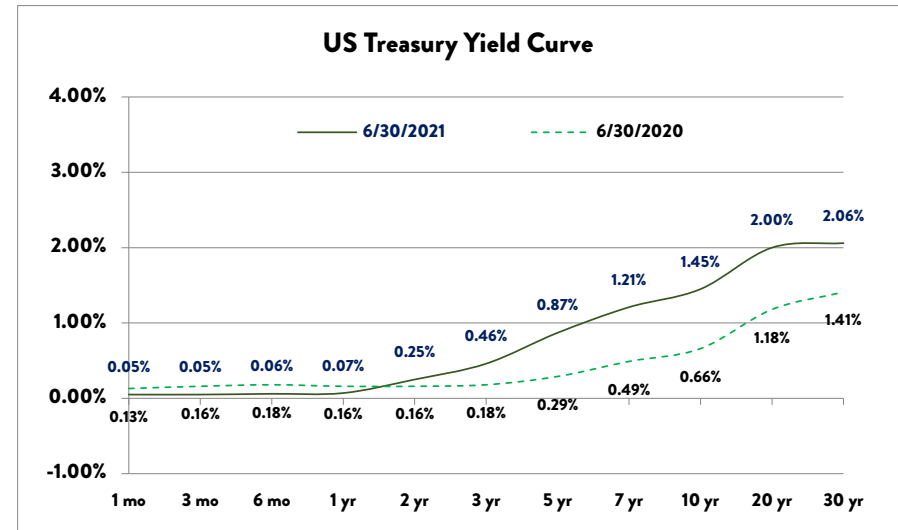
Source: Federal Reserve Bank of St. Louis and Bureau of Labor Statistics

Other Prices and Indexes (Monthly)					
Category	Recent	5-Yr High	5-Yr Low	% Off Peak	Date
Gas: Price per Gallon	\$3.04	\$3.04	\$1.80	0.0%	Jun-21
Spot Oil	\$71.38	\$71.38	\$16.55	0.0%	Jun-21
Case-Shiller Home Price Index	256.5	256.5	187.4	36.8*	Apr-21
Medical Care CPI	523.1	524.0	464.3	12.7*	Jun-21

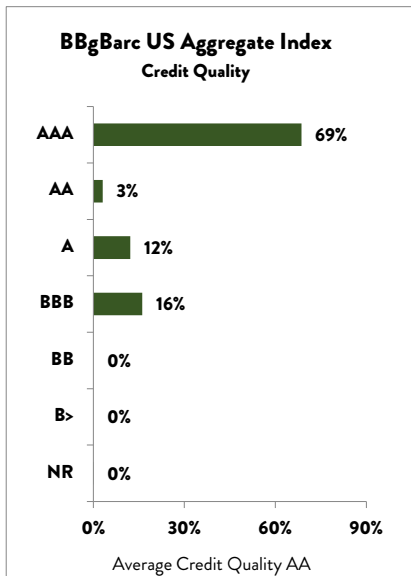
*% Off Low

2Q2021 Bond Market Data

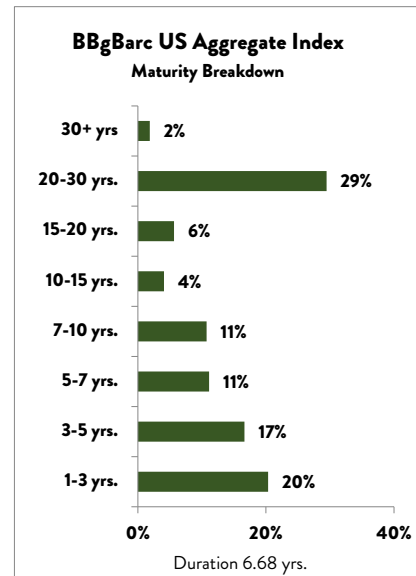
Index	QTR	YTD	1 yr.	3 yrs.	5 yrs.	10 yrs.
90-Day T-Bill	0.01%	0.02%	0.07%	1.20%	1.12%	0.59%
BBgBarc US Aggregate	1.83%	-1.60%	-0.33%	5.34%	3.03%	3.39%
BBgBarc Short US Treasury	0.00%	0.04%	0.11%	1.51%	1.26%	0.72%
BBgBarc Int. US Treasury	0.62%	-1.14%	-1.18%	3.96%	1.93%	2.16%
BBgBarc Long US Treasury	6.46%	-7.92%	-10.58%	7.99%	3.13%	6.66%
BBgBarc US TIPS	3.25%	1.73%	6.51%	6.53%	4.17%	3.40%
BBgBarc US Credit	3.32%	-1.28%	2.99%	7.42%	4.63%	4.92%
BBgBarc US Mortgage-Backed	0.33%	-0.77%	-0.42%	3.78%	2.27%	2.64%
BBgBarc US Asset-Backed	0.34%	0.18%	1.34%	3.65%	2.39%	2.37%
BBgBarc US 20-Yr Municipal	2.10%	1.79%	5.92%	6.30%	4.08%	5.53%
BBgBarc US High Yield	2.74%	3.62%	15.37%	7.45%	7.48%	6.66%
BBgBarc Global	1.31%	-3.21%	2.63%	4.23%	2.34%	2.05%
BBgBarc International	0.92%	-4.42%	4.60%	3.12%	1.63%	0.99%
BBgBarc Emerging Market	2.99%	-0.59%	6.34%	6.70%	4.88%	5.43%



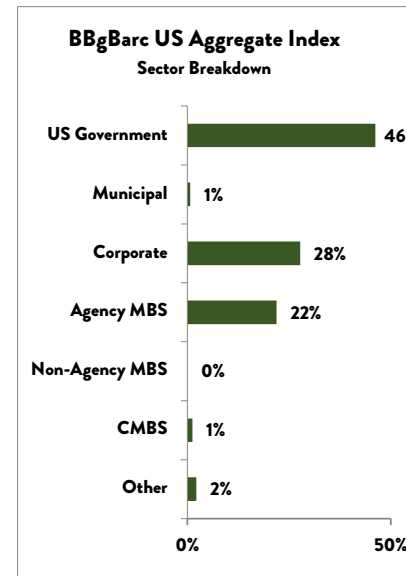
Source: Department of US Treasury



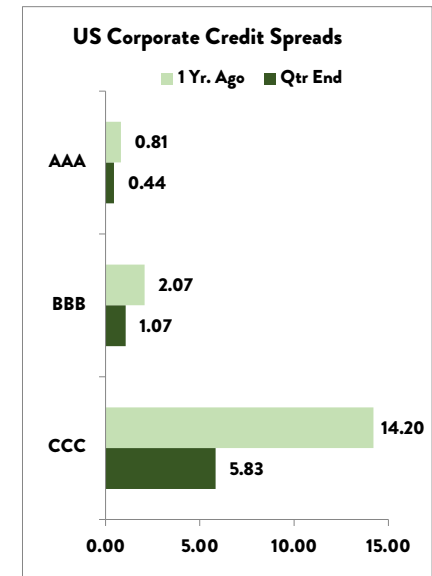
Source: Morningstar



Source: Morningstar



Source: Morningstar



Source: Federal Reserve / Bank of America

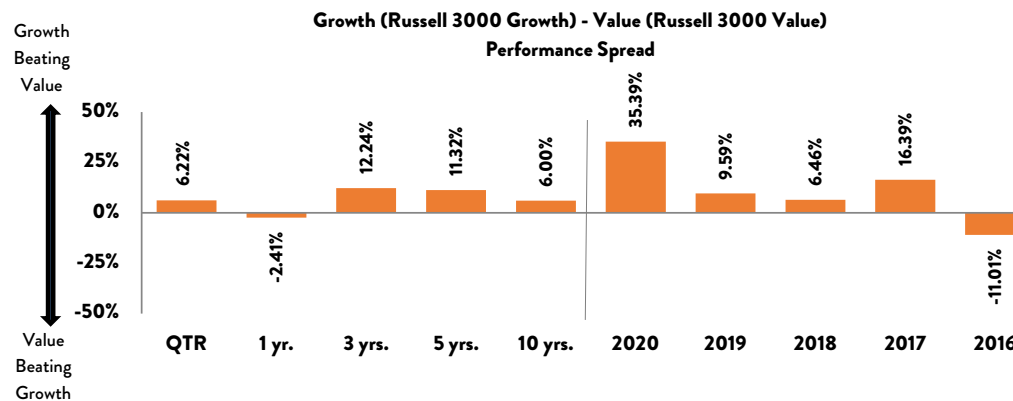
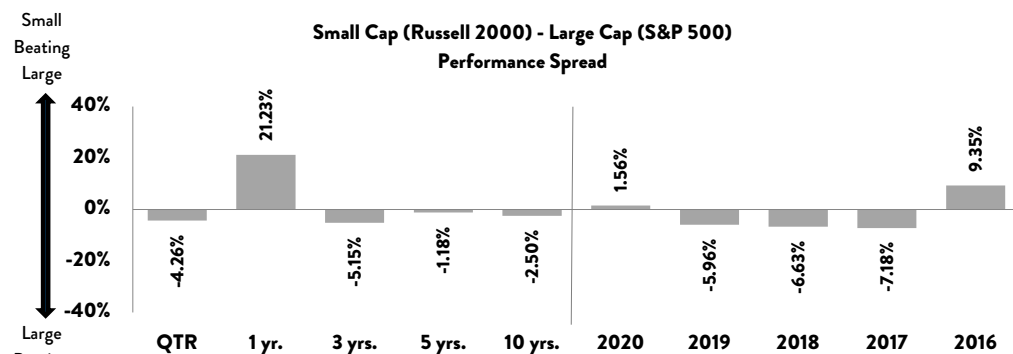
2Q2021 US Equity Market Data

Sectors Weights/Returns (ranked by quarter performance)

	Wgt.	Sector	QTR	YTD	1 yr.
S&P 500 Index	3%	Real Estate	13.09%	23.30%	31.88%
	27%	Information Technology	11.56%	13.76%	42.40%
	3%	Energy	11.30%	45.64%	49.38%
	11%	Communication Services	10.72%	19.67%	48.38%
	13%	Health Care	8.40%	11.85%	27.92%
	11%	Financials	8.36%	25.69%	61.77%
	12%	Consumer Discretionary	6.95%	10.27%	37.08%
	3%	Materials	4.97%	14.50%	48.51%
	9%	Industrials	4.48%	16.40%	51.45%
	6%	Consumer Staples	3.83%	5.02%	23.29%
2%	Utilities	-0.41%	2.38%	15.77%	
S&P Midcap 400 Index	Wgt.	Sector	QTR	YTD	1 yr.
	2%	Energy	14.06%	53.66%	79.46%
	10%	Real Estate	9.11%	18.00%	37.79%
	11%	Health Care	5.47%	10.30%	36.07%
	18%	Industrials	3.97%	18.13%	58.35%
	6%	Materials	3.62%	25.43%	62.24%
	15%	Consumer Discretionary	3.14%	25.16%	74.39%
	15%	Financials	2.92%	22.15%	57.63%
	3%	Utilities	1.79%	11.77%	21.82%
	14%	Information Technology	1.71%	8.19%	53.93%
2%	Communication Services	-3.02%	3.41%	30.51%	
3%	Consumer Staples	-3.41%	11.47%	38.29%	
S&P Smallcap 600 Index	Wgt.	Sector	QTR	YTD	1 yr.
	5%	Energy	27.53%	82.70%	141.78%
	2%	Communication Services	12.95%	32.70%	53.91%
	8%	Real Estate	7.51%	18.45%	42.44%
	4%	Consumer Staples	6.60%	23.31%	49.34%
	12%	Health Care	5.49%	14.38%	60.46%
	14%	Information Technology	5.38%	17.50%	65.56%
	15%	Consumer Discretionary	4.76%	44.45%	114.05%
	5%	Materials	3.16%	13.47%	69.24%
	2%	Utilities	1.16%	9.12%	13.41%
18%	Financials	0.66%	19.68%	54.31%	
17%	Industrials	-0.05%	17.34%	59.57%	

Index Performance Data

Index	QTR	YTD	1 yr.	Annualized		
				3 yrs.	5 yrs.	10 yrs.
S&P 500	8.55%	15.25%	40.79%	18.67%	17.65%	14.84%
Russell 1000 Value	5.21%	17.05%	43.68%	12.42%	11.87%	11.61%
Russell 1000 Growth	11.93%	12.99%	42.50%	25.14%	23.66%	17.87%
Russell Mid Cap	7.50%	16.25%	49.80%	16.45%	15.62%	13.24%
Russell Mid Cap Value	5.66%	19.45%	53.06%	11.86%	11.79%	11.75%
Russell Mid Cap Growth	11.07%	10.44%	43.77%	22.39%	20.52%	15.13%
Russell 2000	4.29%	17.54%	62.03%	13.52%	16.47%	12.34%
Russell 2000 Value	4.56%	26.69%	73.28%	10.27%	13.62%	10.85%
Russell 2000 Growth	3.92%	8.98%	51.36%	15.94%	18.76%	13.52%
Russell 3000	8.24%	15.11%	44.16%	18.73%	17.89%	14.70%
DJ US Select REIT	11.76%	22.94%	39.98%	8.13%	5.16%	8.67%



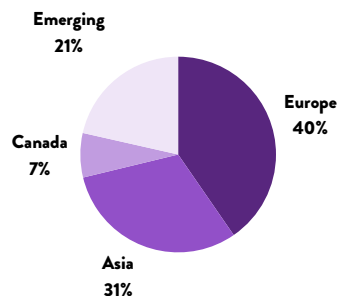
2Q2021 International Market Data

Index Performance Data (net)

Index (US\$)	QTR	YTD	1 yr.	3 yrs.	5 yrs.	10 yrs.
MSCI ACWI ex-US	5.48%	9.16%	35.72%	9.38%	11.08%	5.45%
MSCI EAFE	5.17%	8.83%	32.35%	8.27%	10.28%	5.89%
Europe	7.42%	11.80%	35.09%	8.66%	10.34%	5.58%
United Kingdom	5.97%	12.52%	31.29%	1.90%	5.70%	3.68%
Germany	4.70%	9.13%	31.79%	7.30%	10.27%	5.00%
France	9.07%	13.89%	40.86%	9.18%	12.88%	5.70%
Pacific	1.33%	3.89%	27.80%	7.59%	10.30%	6.58%
Japan	-0.28%	1.28%	24.84%	7.24%	10.19%	7.15%
Hong Kong	2.53%	9.97%	28.95%	6.69%	10.43%	7.65%
Australia	6.87%	10.51%	39.64%	9.60%	11.12%	5.12%
Canada	10.04%	20.59%	45.84%	11.40%	11.00%	3.88%
MSCI EM	5.05%	7.45%	40.90%	11.27%	13.03%	4.28%
MSCI EM Latin America	15.01%	8.89%	44.92%	5.05%	5.89%	-2.45%
MSCI EM Asia	3.77%	6.02%	41.03%	13.06%	15.26%	7.03%
MSCI EM Eur/Mid East	11.29%	18.56%	36.93%	8.98%	9.42%	-1.46%
MSCI ACWI Value ex-US	4.33%	11.69%	37.56%	5.22%	8.54%	3.48%
MSCI ACWI Growth ex-US	6.60%	6.52%	33.68%	13.23%	13.37%	7.28%
MSCI ACWI Sm Cap ex-US	6.35%	12.24%	47.04%	9.78%	11.97%	7.02%

Regional Exposure

MSCI ACWI ex-USA

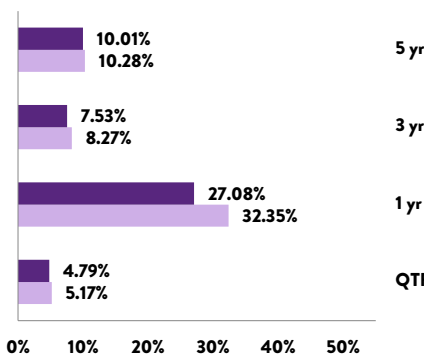


Top 10 Countries (MSCI AC World ex-USA)

Japan	15%
China	11%
UK	9%
France	7%
Canada	7%
Switzerland	6%
Germany	6%
Taiwan	4%
Australia	4%
South Korea	4%

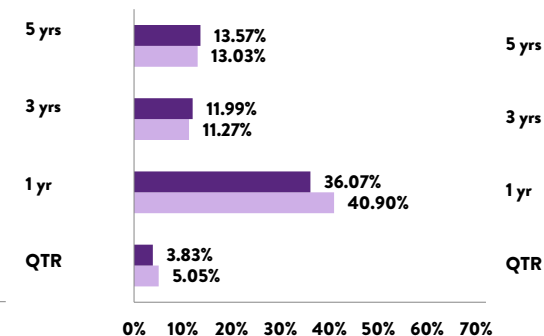
MSCI EAFE Index Return

Local US\$



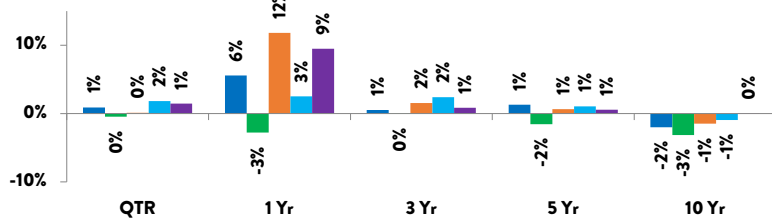
MSCI Emerging Index Return

Local US\$



Foreign Currency v. US\$ Returns

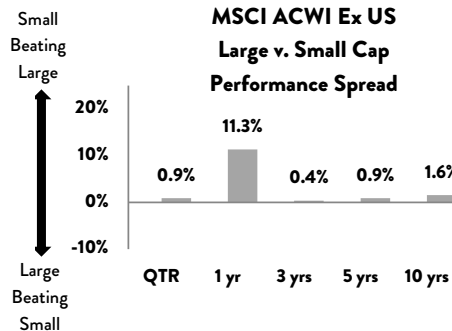
Euro Japanese Yen Pound Sterling Swiss Franc Chinese Yuan



Exchange Rates	QTR	1Q21	4Q20	3Q20	2Q20	1Q20
Japanese Yen	111.05	110.67	103.19	105.58	107.77	107.53
Euro	0.84	0.85	0.82	0.85	0.89	0.91
British Pound	0.72	0.72	0.73	0.77	0.81	0.80
Swiss Franc	0.93	0.94	0.88	0.92	0.95	0.96
Chinese Yuan	6.46	6.55	6.53	6.79	7.07	7.08

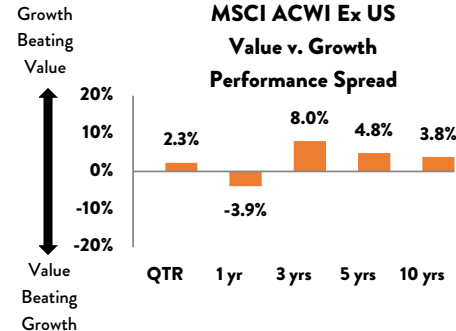
MSCI ACWI Ex US

Large v. Small Cap Performance Spread



MSCI ACWI Ex US

Value v. Growth Performance Spread



Historical Market Returns

Ranked by Performance

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	YTD	2Q21
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%	Commod. 21.15%	Commod. 13.30%
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%	Small Cap 17.54%	Large Cap 8.55%
Small Cap 18.37%	Commod. 16.23%	Cash 1.39%	Intl 41.45%	Emerging Markets 18.88%	US Bonds 7.84%	Intl 16.83%	Large Cap 32.39%	Core Real Estate 11.44%	US Bonds 0.55%	Mid Cap 13.79%	Large Cap 21.83%	US Bonds 0.01%	Small Cap 25.52%	Emerging Markets 18.31%	Mid Cap 16.25%	Mid Cap 7.50%
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 15.25%	Intl 5.48%
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 9.16%	Global Balanced 5.11%
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 7.45%	Emerging Markets 5.05%
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%	Global Balanced 6.57%	Small Cap 4.29%
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%	Core Real Estate 5.68%	Core Real Estate 3.72%
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 3.62%	TIPS 3.25%
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%	TIPS 1.73%	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%	Cash 0.02%	US Bonds 1.83%
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 -1.60%	Global Bonds 1.31%
TIPS 0.41%	Small Cap -1.57%	Emerging Markets -53.33%	Core Real Estate -30.40%	Cash 0.15%	Emerging Markets -18.42%	Commod. -1.06%	Commod. -9.52%	Commod. -17.00%	Commod. -24.60%	Cash 0.25%	Cash 0.71%	Emerging Markets -14.58%	Cash 2.30%	Commod. -3.12%	Global Bonds -3.21%	Cash 0.01%

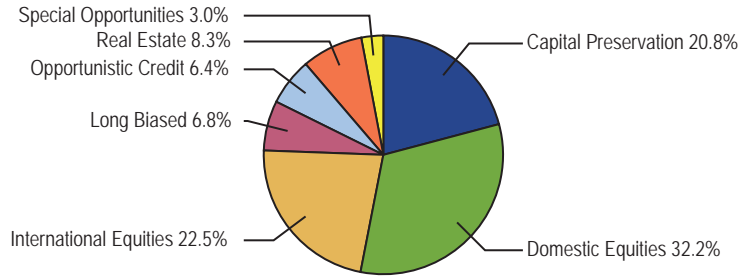
Global Balanced is composed of 60% MSCI World Stock Index, 35% BBgBarc Global Aggregate Bond Index, and 5% US 90-Day T-Bills.

Section 2

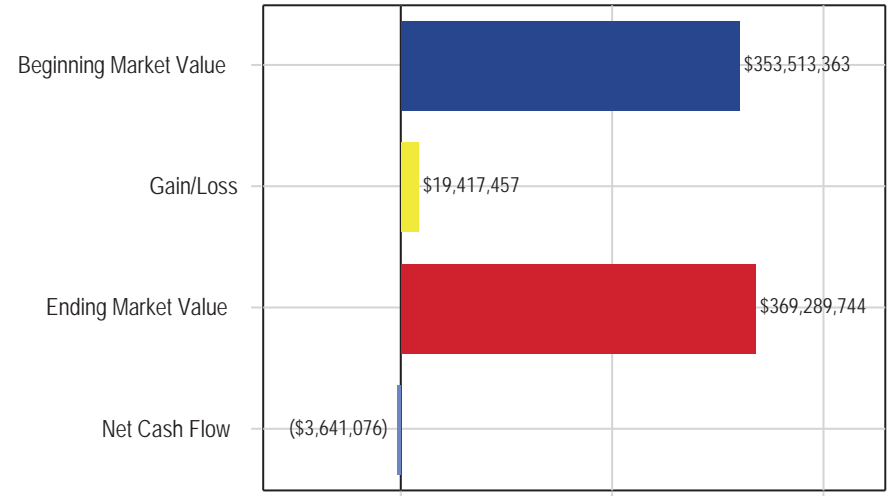
Spokane Employees' Retirement System

As of June 30, 2021

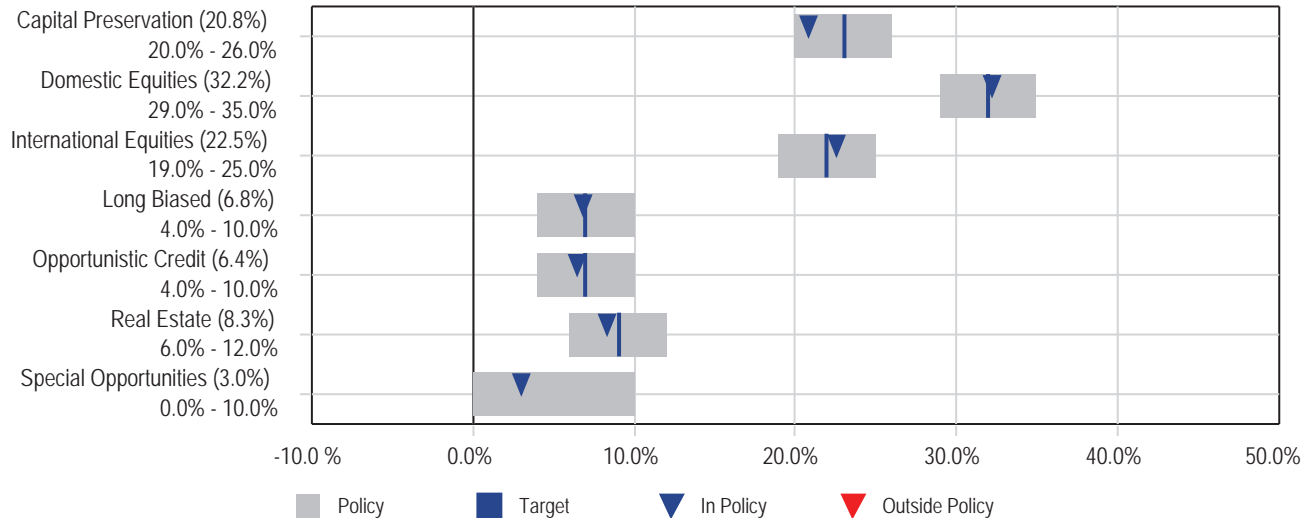
SERS Current Allocation



Current Quarter



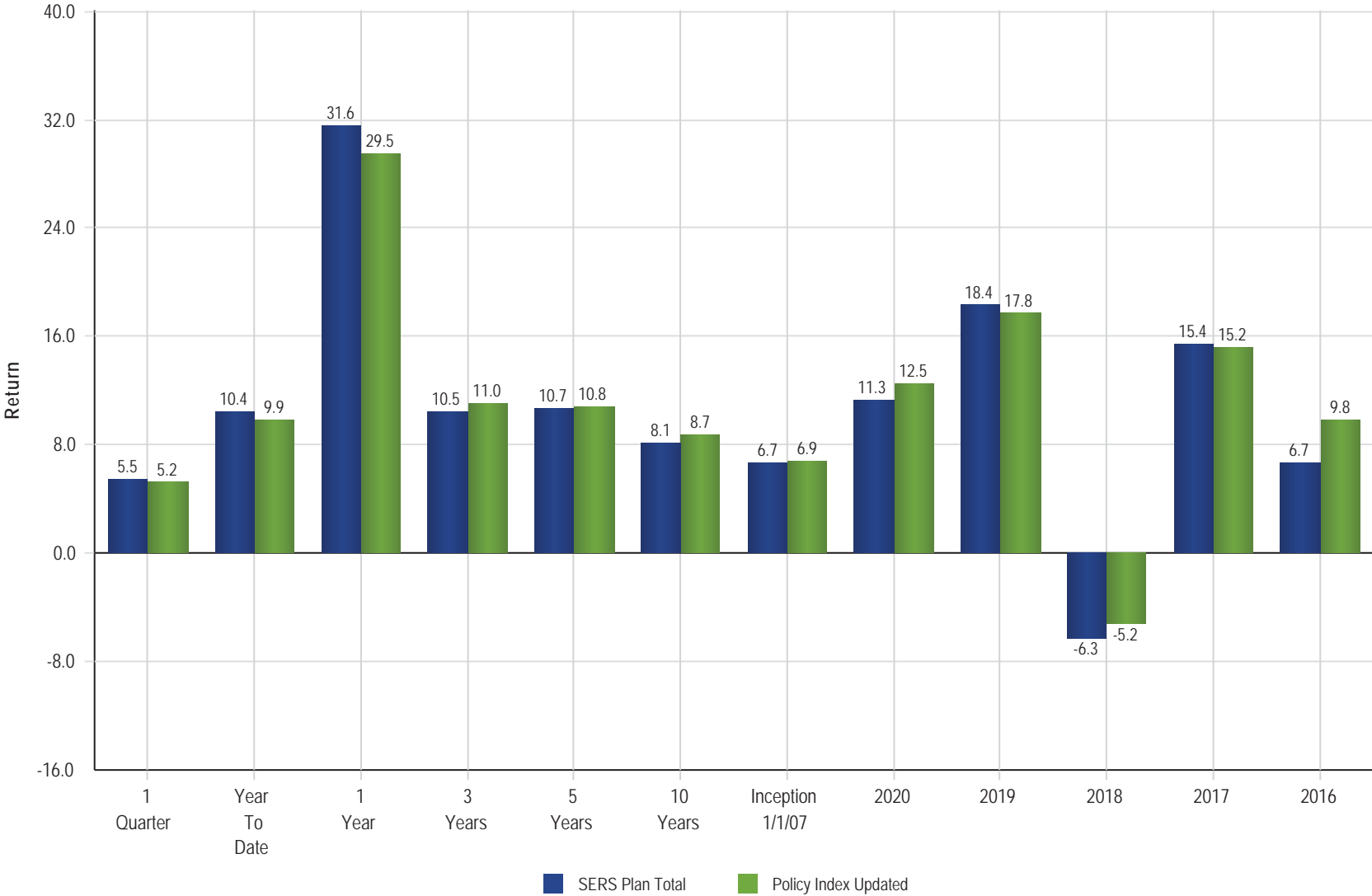
Executive Summary



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

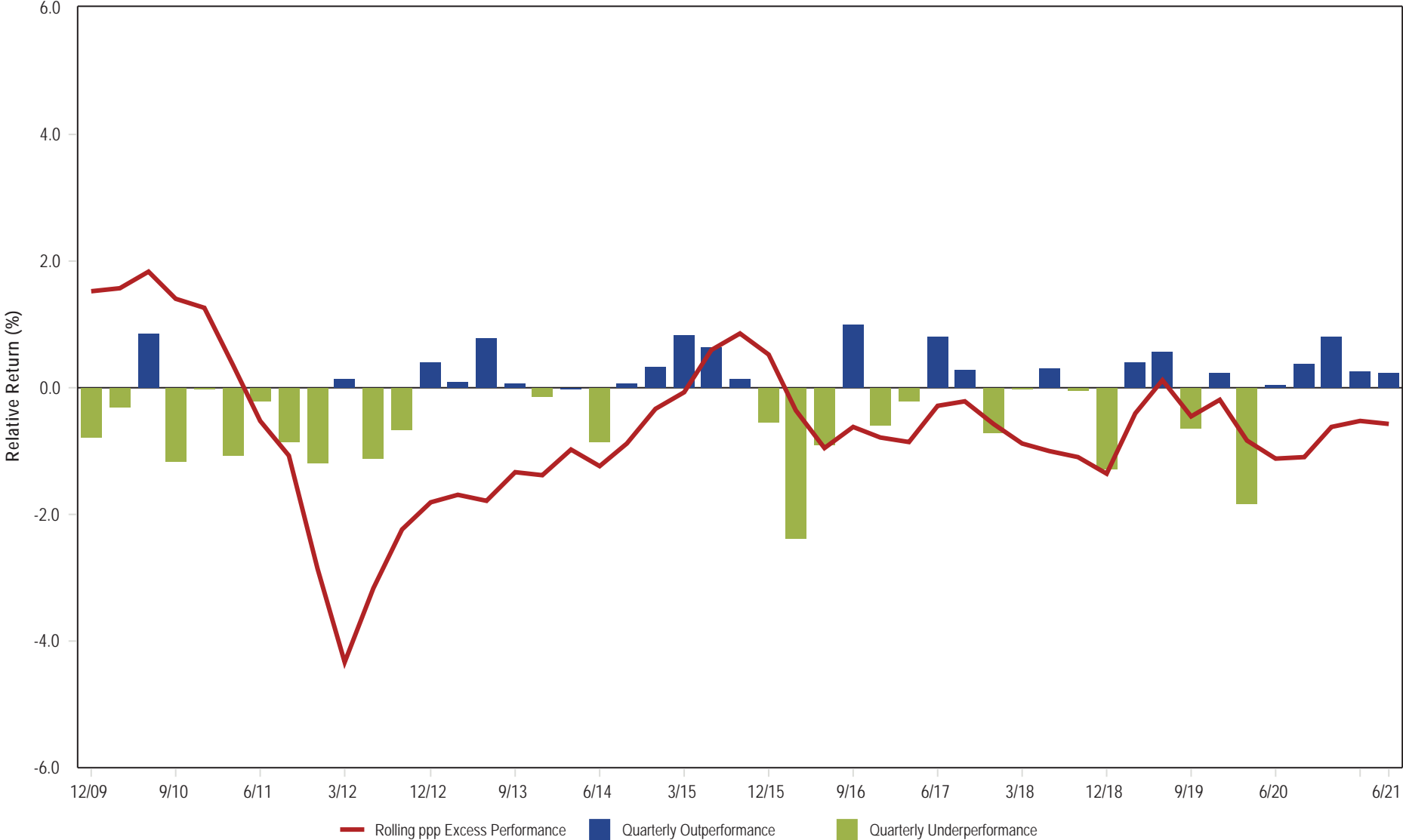
Return Summary



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	10.45	11.02	10.69	10.84	6.65	6.86	
Cumulative Return	34.74	36.83	66.14	67.31	154.38	161.81	
Active Return	-0.28	0.00	0.01	0.00	-0.29	0.00	
Excess Return	10.26	10.54	10.06	10.06	6.35	6.65	

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	17.90	16.48	13.78	12.69	12.48	13.25	01/01/2007
Alpha	-1.28	0.00	-0.92	0.00	0.26	0.00	
Tracking Error	1.57	0.00	1.42	0.00	2.42	0.00	
Information Ratio	-0.18	N/A	0.01	N/A	-0.12	N/A	
Beta	1.09	1.00	1.08	1.00	0.93	1.00	
Sharpe Ratio	0.56	0.63	0.72	0.78	0.50	0.50	

Correlation Statistics

	3 Years		5 Years		Since Inception		Inception Date
	SERS Plan Total	Policy Index Updated	SERS Plan Total	Policy Index Updated	SERS Plan Total	Policy Index Updated	
R-Squared	0.998	1.000	0.995	1.000	0.968	1.000	01/01/2007
Actual Correlation	0.999	1.000	0.998	1.000	0.984	1.000	

Spokane Employees' Retirement System

As of June 30, 2021

Total Account Performance Summary

	Performance (%)														
	1 Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	Since Inception	2020	2019	2018	2017	2016	2015	2014	Inception Date
SERS Plan Total	5.49	10.41	31.57	10.45	10.69	8.09	6.65	11.29	18.35	-6.27	15.40	6.71	-0.94	5.34	01/01/2007
Policy Index Updated	5.25	9.89	29.54	11.02	10.84	8.72	6.86	12.48	17.77	-5.17	15.20	9.84	-2.00	5.79	
Over/Under	0.24	0.52	2.03	-0.57	-0.15	-0.63	-0.21	-1.19	0.58	-1.10	0.20	-3.13	1.06	-0.45	
70/30 ACWI/Barclays Aggregate Bond	5.71	7.98	26.29	12.11	11.27	8.15	6.41	14.28	21.21	-6.48	17.50	6.42	-1.30	4.77	
Over/Under	-0.22	2.43	5.28	-1.66	-0.58	-0.06	0.24	-2.99	-2.86	0.21	-2.10	0.29	0.36	0.57	
Corporate and Public >250m and < \$1Bil Rank	50	6	6	71	39	64	57	81	69	74	51	76	42	87	
Capital Preservation	1.84	1.89	8.13	4.19	4.57	-	3.66	3.29	8.71	-0.94	5.85	8.12	-1.74	1.65	07/01/2012
Capital Preservation Index	2.09	2.03	8.14	5.85	4.73	4.17	4.22	7.23	9.09	-0.72	4.60	5.43	-0.58	4.23	
Over/Under	-0.25	-0.14	-0.01	-1.66	-0.16	-	-0.56	-3.94	-0.38	-0.22	1.25	2.69	-1.16	-2.58	
Domestic Equity	7.44	16.85	47.61	16.30	16.75	-	14.88	17.45	29.14	-7.80	19.86	10.91	-0.32	11.10	07/01/2012
Domestic Equity Index	7.47	15.88	46.59	17.61	17.29	14.23	15.58	19.22	30.24	-6.30	20.11	13.92	-0.06	11.44	
Over/Under	-0.03	0.97	1.02	-1.31	-0.54	-	-0.70	-1.77	-1.10	-1.50	-0.25	-3.01	-0.26	-0.34	
All Cap Blend Rank	42	39	41	41	33	-	37	43	42	47	44	70	39	41	
International Equity Total	6.52	11.01	43.97	12.56	13.07	7.72	6.37	17.63	25.02	-15.78	28.45	3.91	-1.32	-3.58	04/01/2007
International Equity Index	5.58	9.50	38.50	9.77	11.55	5.62	4.32	12.43	21.27	-14.96	29.35	5.34	-5.49	-3.63	
Over/Under	0.94	1.51	5.47	2.79	1.52	2.10	2.05	5.20	3.75	-0.82	-0.90	-1.43	4.17	0.05	
Foreign Rank	27	26	14	20	20	23	10	25	34	55	38	22	59	30	
Long Biased	2.93	9.11	27.15	11.67	8.59	-	6.59	16.54	12.74	2.43	1.19	-2.99	4.04	3.62	07/01/2012
HFRI Fund of Funds Composite Index	2.89	4.97	18.32	6.33	6.13	3.86	4.83	10.88	8.39	-4.02	7.77	0.51	-0.27	3.37	
Over/Under	0.04	4.14	8.83	5.34	2.46	-	1.76	5.66	4.35	6.45	-6.58	-3.50	4.31	0.25	
S&P 500 Index	8.55	15.25	40.79	18.67	17.65	14.84	15.92	18.40	31.49	-4.38	21.83	11.96	1.38	13.69	
Over/Under	-5.62	-6.14	-13.64	-7.00	-9.06	-	-9.33	-1.86	-18.75	6.81	-20.64	-14.95	2.66	-10.07	
Opportunistic Credit	6.07	13.52	31.53	2.47	5.05	-	5.14	1.81	1.14	-5.68	7.08	14.52	2.35	2.32	10/01/2013
HFRI ED: Distressed/Restructuring Index	5.29	14.61	32.31	8.03	8.93	5.49	5.38	11.82	2.94	-1.70	6.25	15.15	-8.06	-1.39	
Over/Under	0.78	-1.09	-0.78	-5.56	-3.88	-	-0.24	-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%

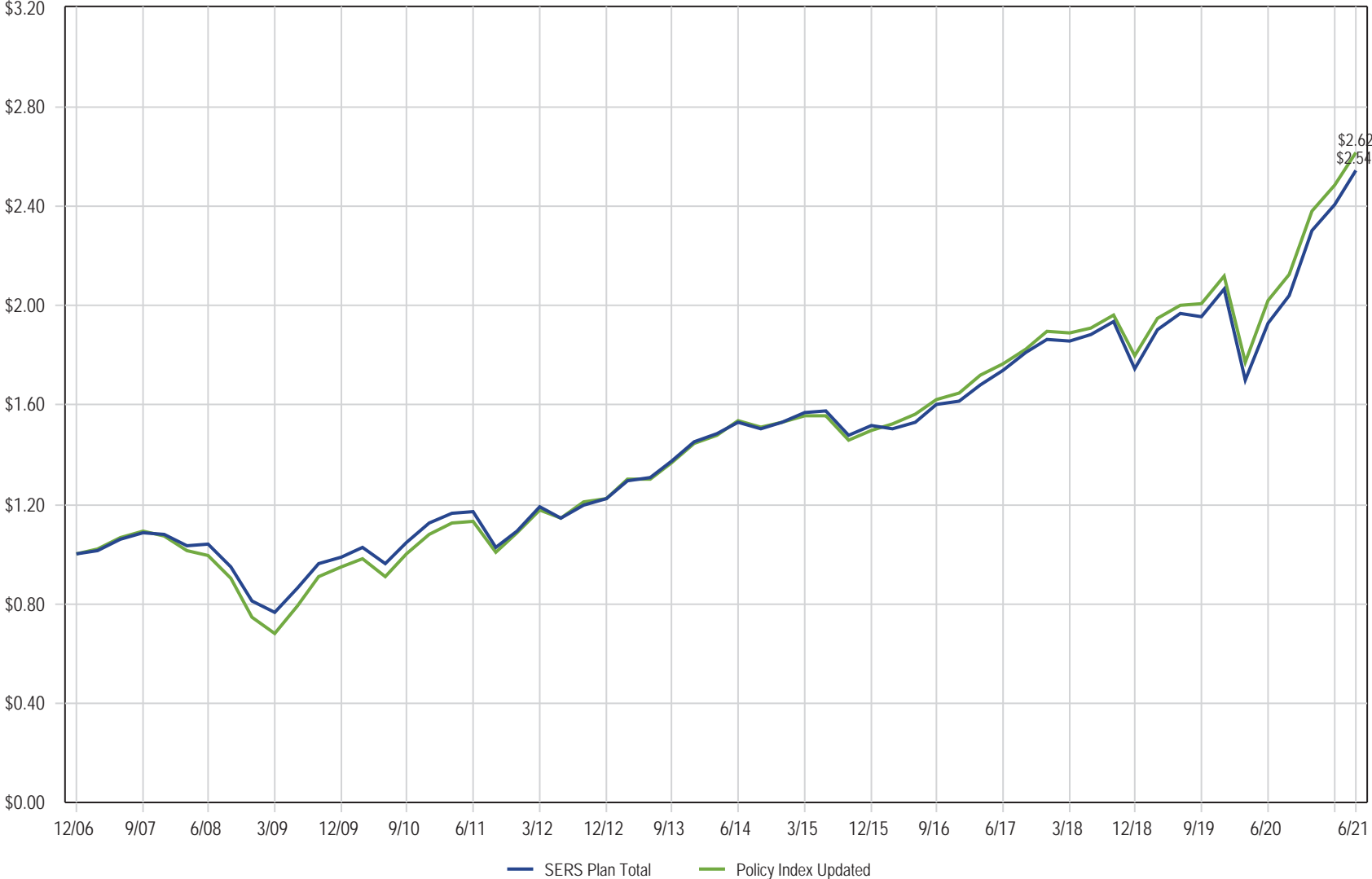
Spokane Employees' Retirement System

As of June 30, 2021

	Performance (%)														Inception Date
	1 Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	Since Inception	2020	2019	2018	2017	2016	2015	2014	
Real Estate Total	7.66	12.13	18.45	8.66	7.61	10.39	6.08	-2.65	16.62	3.68	10.01	8.09	6.66	25.00	04/01/2007
NCREIF ODCE VW NET	3.68	5.64	7.09	4.60	5.62	8.60	4.84	0.34	4.39	7.36	6.66	7.79	13.95	11.46	
Over/Under	3.98	6.49	11.36	4.06	1.99	1.79	1.24	-2.99	12.23	-3.68	3.35	0.30	-7.29	13.54	
FTSE NAREIT All REITs Index	11.71	21.19	34.24	11.49	8.04	10.17	6.25	-5.86	28.07	-4.10	9.27	9.28	2.29	27.15	
Over/Under	-4.05	-9.06	-15.79	-2.83	-0.43	0.22	-0.17	3.21	-11.45	7.78	0.74	-1.19	4.37	-2.15	
Real Estate Rank	92	94	96	80	33	13	39	27	95	6	9	22	6	80	
Special Opportunities	2.82	-3.44	21.29	1.35	4.48	-	6.18	10.22	10.54	-11.43	25.32	-21.90	2.13	25.88	07/01/2012
Russell 3000 Index	8.24	15.11	44.16	18.73	17.89	14.70	15.96	20.89	31.02	-5.24	21.13	12.74	0.48	12.56	
Over/Under	-5.42	-18.55	-22.87	-17.38	-13.41	-	-9.78	-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

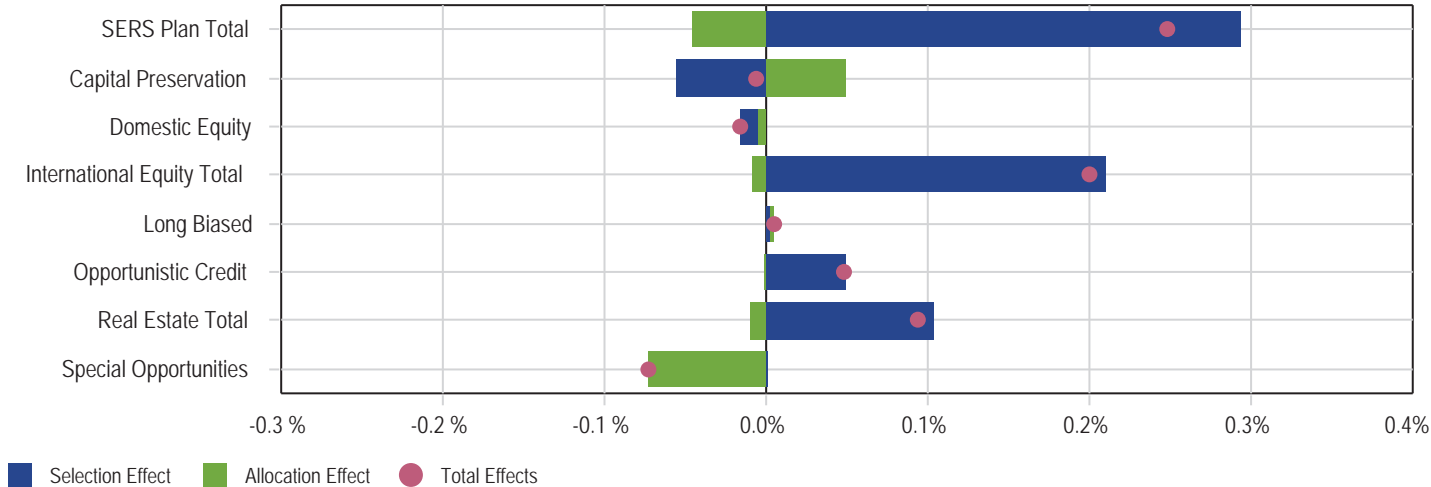


Calculation based on quarterly periodicity.

Attribution Summary
1 Quarter Ending June 30, 2021

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Total Effect (%)
Capital Preservation	1.84	2.09	-0.25	-0.06	0.05	-0.01
Domestic Equity	7.44	7.47	-0.04	-0.01	0.00	-0.02
International Equity Total	6.52	5.58	0.94	0.21	-0.01	0.20
Long Biased	2.93	2.89	0.03	0.00	0.00	0.01
Opportunistic Credit	6.07	5.29	0.79	0.05	0.00	0.05
Real Estate Total	7.66	6.34	1.32	0.10	-0.01	0.09
Special Opportunities	2.82	8.24	-5.42	0.00	-0.07	-0.07
SERS Plan Total	5.49	5.25	0.25	0.30	-0.05	0.25

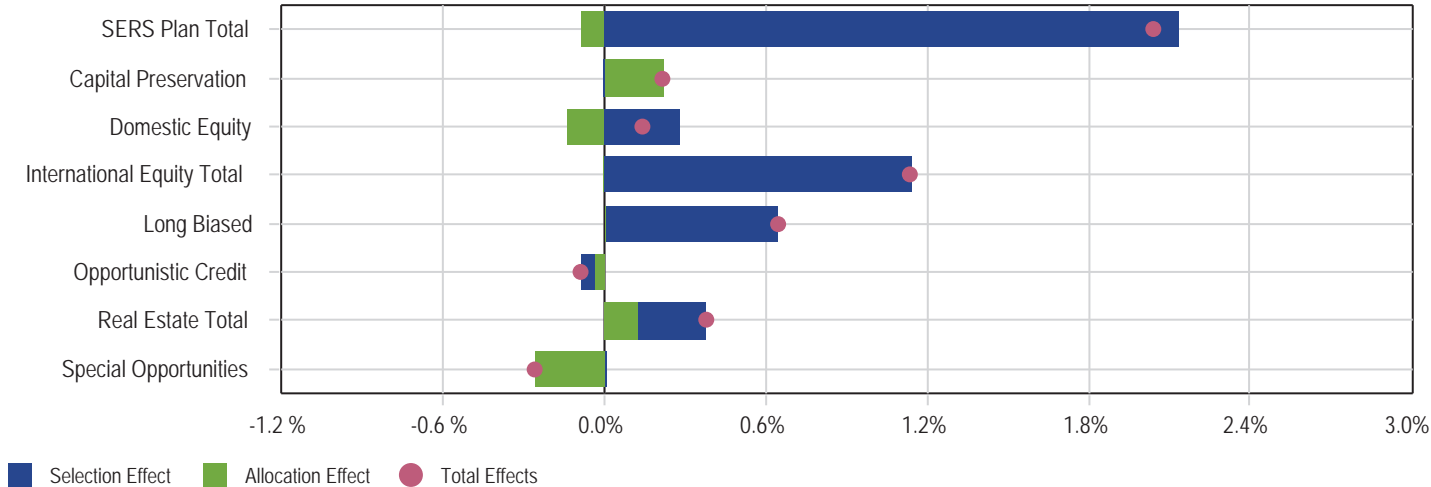
Attribution Effects
1 Quarter Ending June 30, 2021



Attribution Summary
1 Year Ending June 30, 2021

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Total Effect (%)
Capital Preservation	8.13	8.14	0.00	-0.01	0.22	0.21
Domestic Equity	47.61	46.59	1.02	0.28	-0.14	0.14
International Equity Total	43.97	38.50	5.48	1.14	-0.01	1.13
Long Biased	27.15	18.32	8.83	0.64	0.01	0.65
Opportunistic Credit	31.53	32.31	-0.78	-0.05	-0.04	-0.09
Real Estate Total	18.45	15.64	2.81	0.25	0.13	0.38
Special Opportunities	21.29	44.16	-22.87	0.00	-0.26	-0.26
SERS Plan Total	31.57	29.53	2.04	2.26	-0.09	2.04

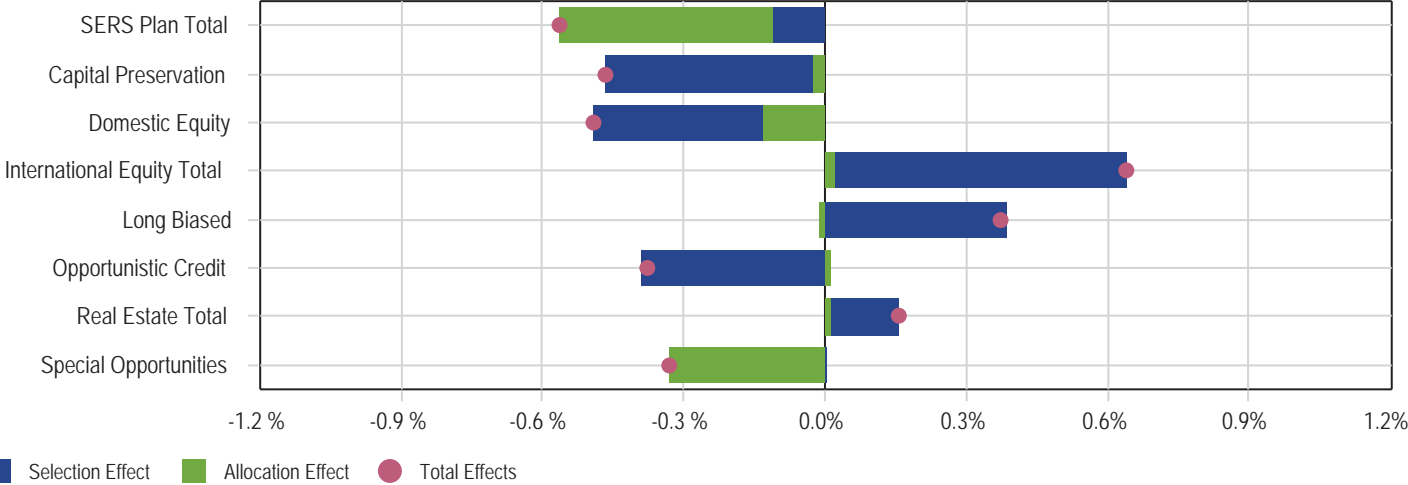
Attribution Effects
1 Year Ending June 30, 2021



**Attribution Summary
3 Years Ending June 30, 2021**

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Total Effect (%)
Capital Preservation	4.19	5.85	-1.67	-0.44	-0.03	-0.47
Domestic Equity	16.30	17.61	-1.31	-0.36	-0.13	-0.49
International Equity Total	12.56	9.77	2.79	0.62	0.02	0.64
Long Biased	11.67	6.33	5.35	0.39	-0.01	0.37
Opportunistic Credit	2.47	8.03	-5.55	-0.39	0.01	-0.38
Real Estate Total	8.66	6.88	1.78	0.15	0.01	0.16
Special Opportunities	1.35	18.73	-17.38	0.00	-0.33	-0.33
SERS Plan Total	10.45	11.02	-0.56	-0.04	-0.46	-0.56

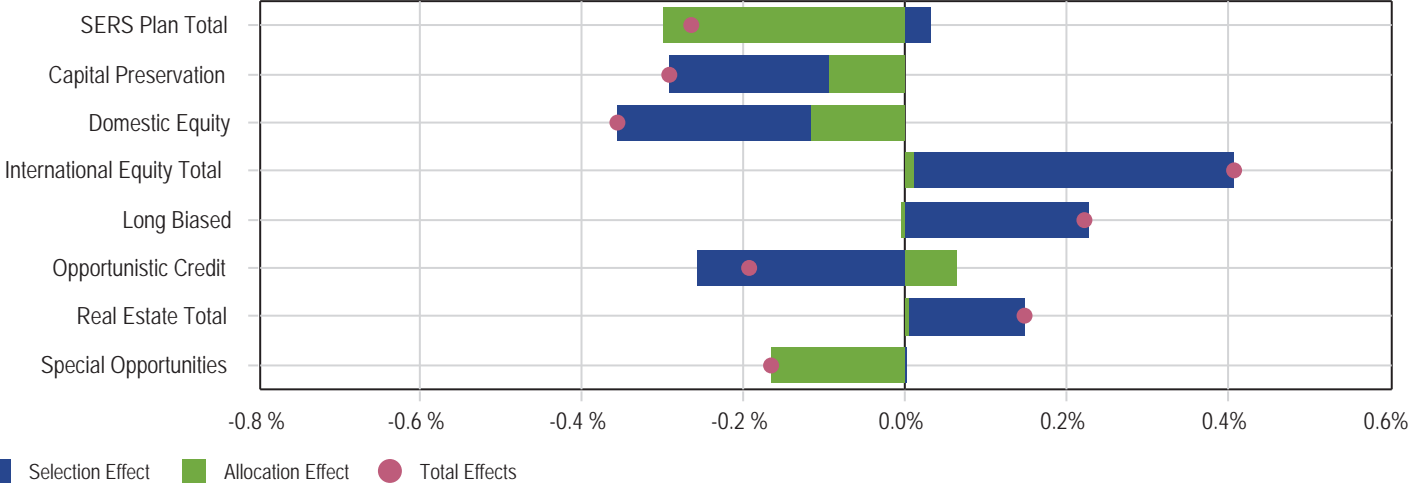
**Attribution Effects
3 Years Ending June 30, 2021**



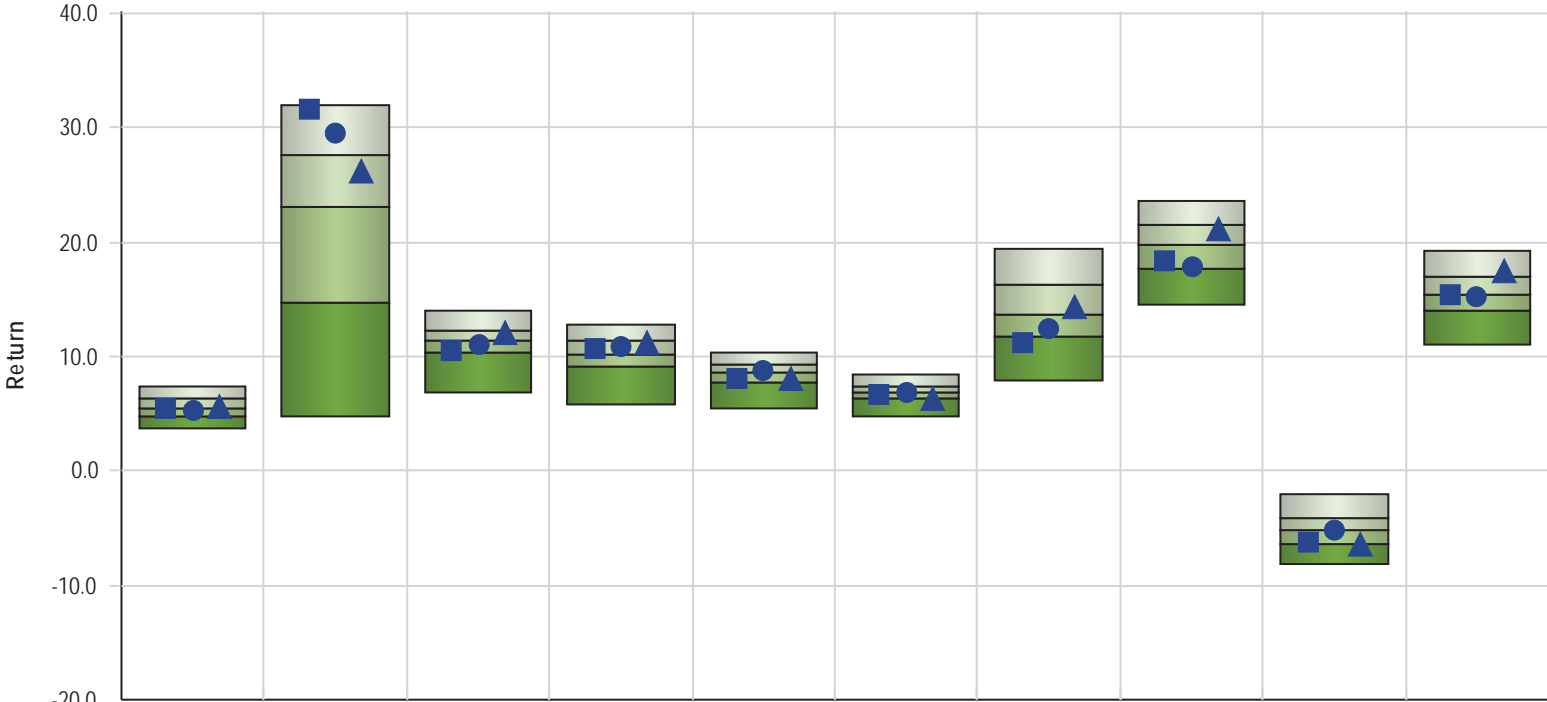
Attribution Summary
January 1, 2017 To June 30, 2021 Ending June 30, 2021

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Total Effect (%)
Capital Preservation	4.13	4.89	-0.76	-0.20	-0.09	-0.29
Domestic Equity	16.11	16.98	-0.86	-0.24	-0.12	-0.36
International Equity Total	13.47	11.65	1.82	0.40	0.01	0.41
Long Biased	9.20	6.09	3.10	0.23	-0.01	0.22
Opportunistic Credit	3.76	7.38	-3.63	-0.26	0.06	-0.19
Real Estate Total	8.64	6.93	1.71	0.14	0.01	0.15
Special Opportunities	6.11	17.83	-11.72	0.00	-0.17	-0.17
SERS Plan Total	10.59	10.86	-0.27	0.07	-0.30	-0.27

Attribution Effects
January 1, 2017 To June 30, 2021 Ending June 30, 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	5.5 (50)	31.6 (6)	10.5 (71)	10.7 (39)	8.1 (64)	6.7 (57)	11.3 (81)	18.4 (69)	-6.3 (74)	15.4 (51)
● Policy Index Updated	5.2 (60)	29.5 (12)	11.0 (58)	10.8 (33)	8.7 (44)	6.9 (50)	12.5 (67)	17.8 (73)	-5.2 (50)	15.2 (54)
▲ 70/30 ACWI/Barclays Aggregate Bond	5.7 (41)	26.3 (37)	12.1 (29)	11.3 (27)	8.1 (61)	6.4 (72)	14.3 (47)	21.2 (30)	-6.5 (79)	17.5 (18)

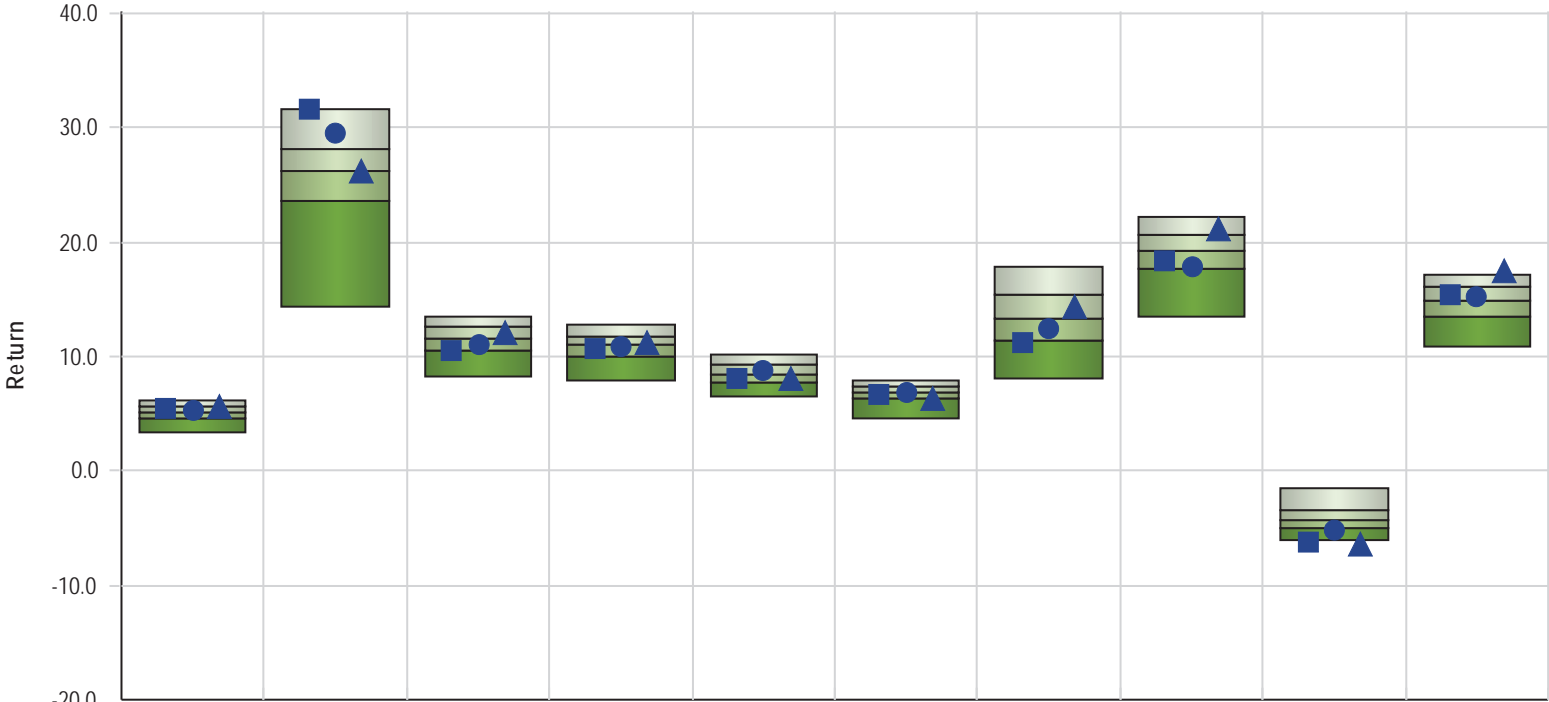
5th Percentile	7.4	31.9	14.0	12.8	10.3	8.5	19.4	23.7	-2.0	19.3
1st Quartile	6.3	27.6	12.2	11.3	9.3	7.4	16.2	21.5	-4.0	17.0
Median	5.5	23.0	11.4	10.3	8.5	6.9	13.7	19.8	-5.2	15.5
3rd Quartile	4.8	14.7	10.3	9.2	7.8	6.3	11.8	17.6	-6.4	14.0
95th Percentile	3.6	4.8	6.9	5.9	5.5	4.8	7.9	14.6	-8.1	11.0
Population	260	257	232	222	178	130	304	312	250	158

Parentheses contain percentile rankings.
Calculation based on quarterly periodicity.

Spokane Employees' Retirement System

As of June 30, 2021

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

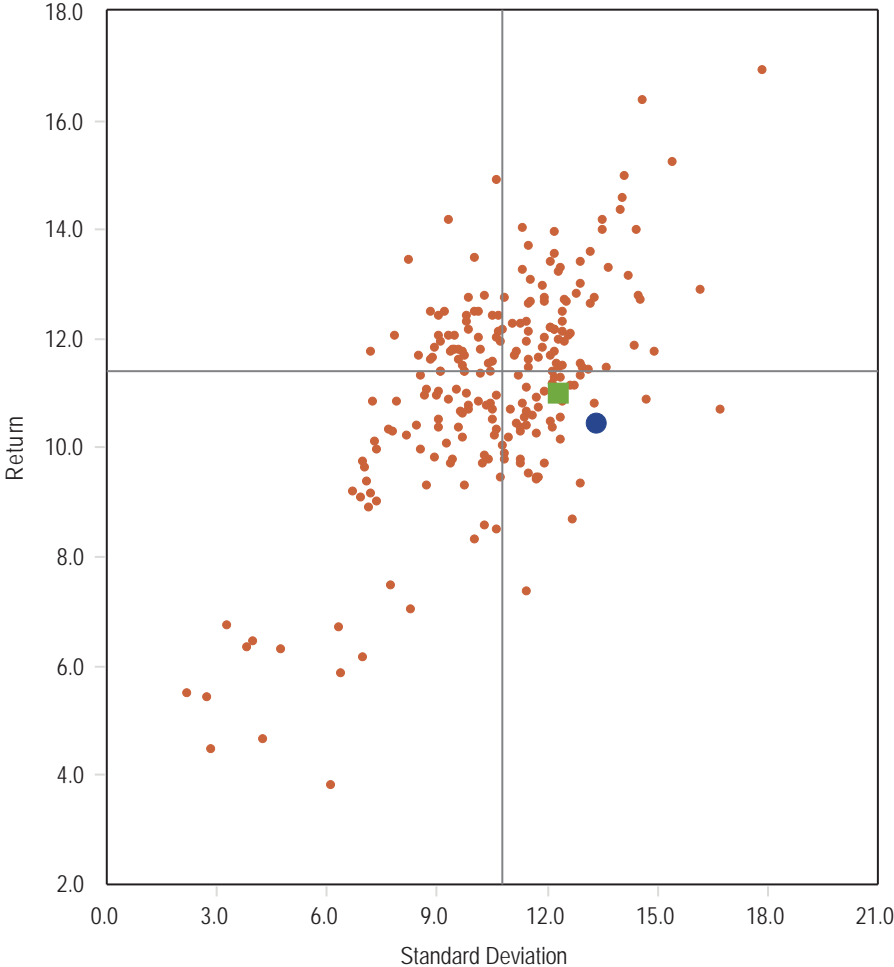


	1 Quarter	1 Year	3 Years	5 Years	10 Years	Since Inception	2020	2019	2018	2017
■ SERS Plan Total	5.5 (31)	31.6 (6)	10.5 (79)	10.7 (59)	8.1 (65)	6.7 (65)	11.3 (78)	18.4 (64)	-6.3 (96)	15.4 (41)
● Policy Index Updated	5.2 (43)	29.5 (16)	11.0 (64)	10.8 (56)	8.7 (44)	6.9 (56)	12.5 (60)	17.8 (75)	-5.2 (79)	15.2 (45)
▲ 70/30 ACWI/Barclays Aggregate Bond	5.7 (20)	26.3 (50)	12.1 (35)	11.3 (40)	8.1 (64)	6.4 (74)	14.3 (40)	21.2 (16)	-6.5 (97)	17.5 (4)

5th Percentile	6.1	31.7	13.5	12.7	10.1	7.9	17.9	22.3	-1.5	17.1
1st Quartile	5.6	28.2	12.5	11.7	9.3	7.4	15.4	20.6	-3.4	16.0
Median	5.1	26.3	11.7	11.1	8.4	6.9	13.3	19.2	-4.3	15.0
3rd Quartile	4.6	23.6	10.6	10.0	7.8	6.4	11.4	17.7	-5.0	13.4
95th Percentile	3.3	14.3	8.2	7.9	6.6	4.7	8.1	13.5	-6.0	10.9
Population	203	202	191	176	140	102	240	234	208	131

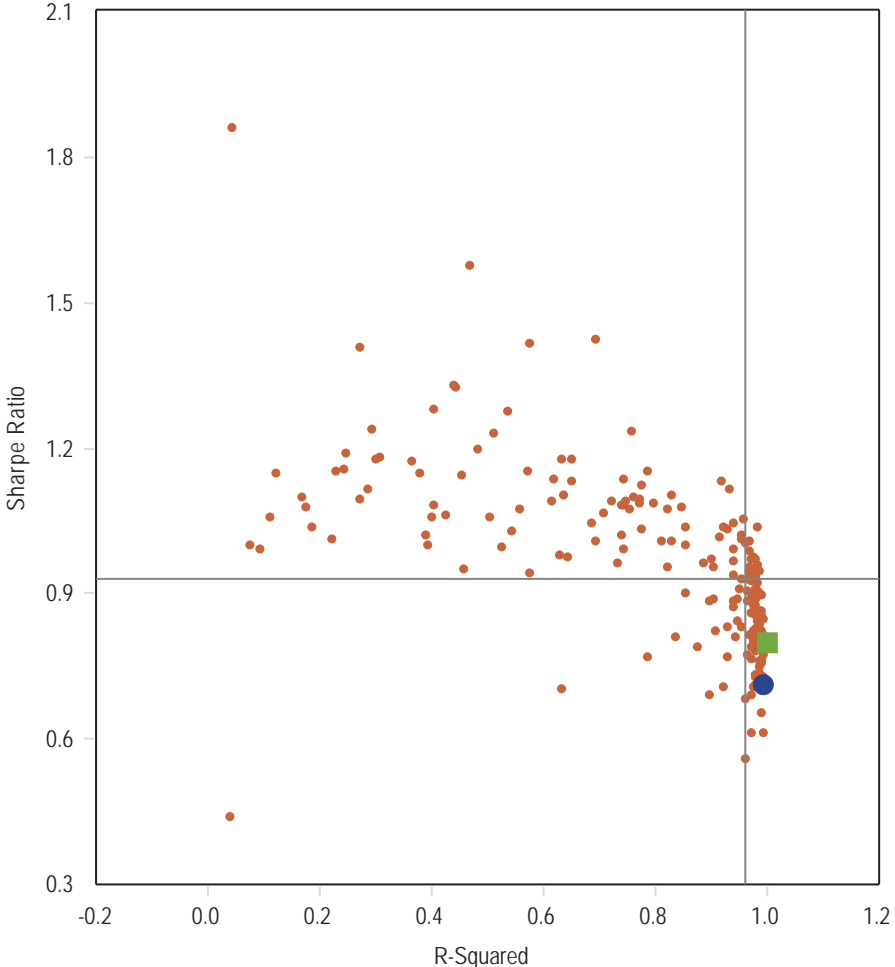
Parentheses contain percentile rankings.
Calculation based on quarterly periodicity.

Annualized Return vs Annualized Standard Deviation
Trailing 3 Years



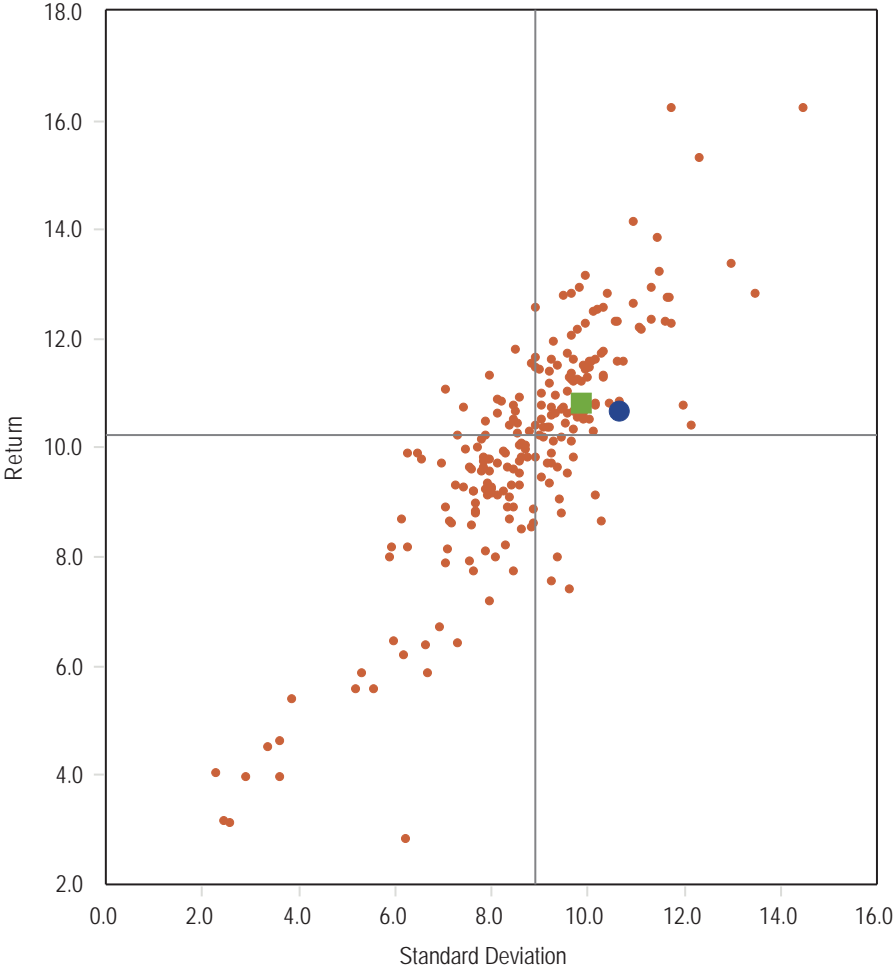
- Corporate and Public >250m and <\$1Bil
- SERS Plan Total
- Policy Index Updated

Sharpe Ratio vs R-Squared
Trailing 3 Years



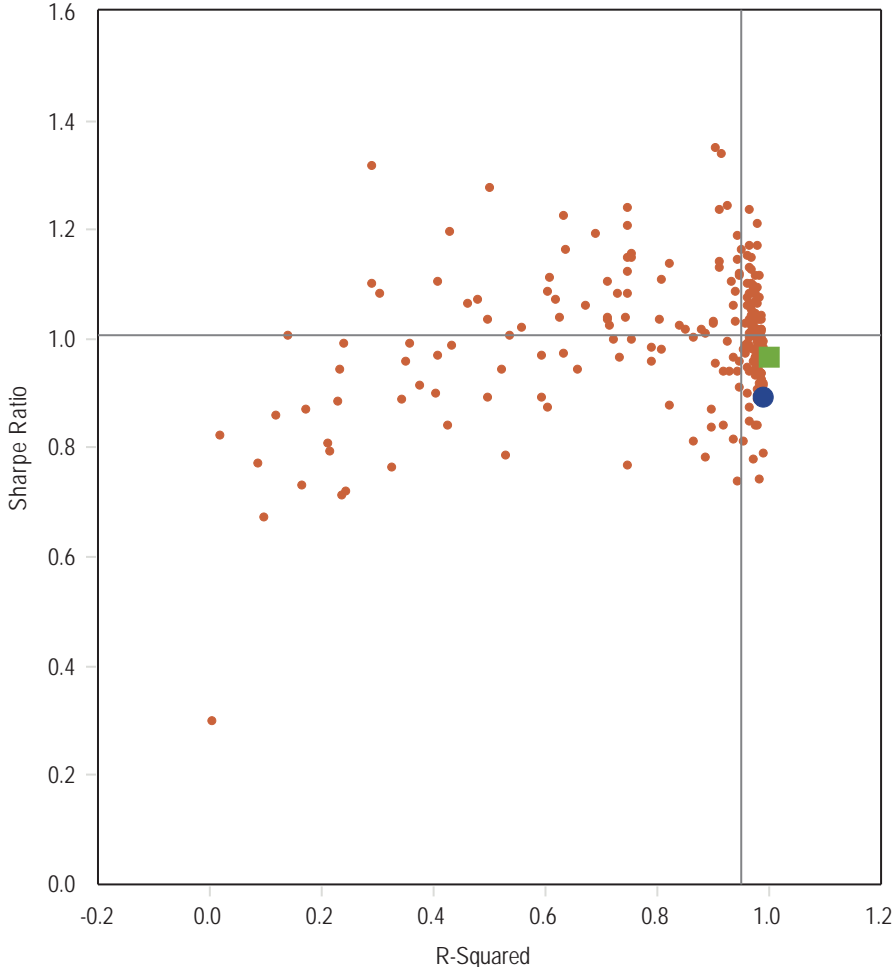
- Corporate and Public >250m and <\$1Bil
- SERS Plan Total
- Policy Index Updated

Annualized Return vs Annualized Standard Deviation
Trailing 5 Years



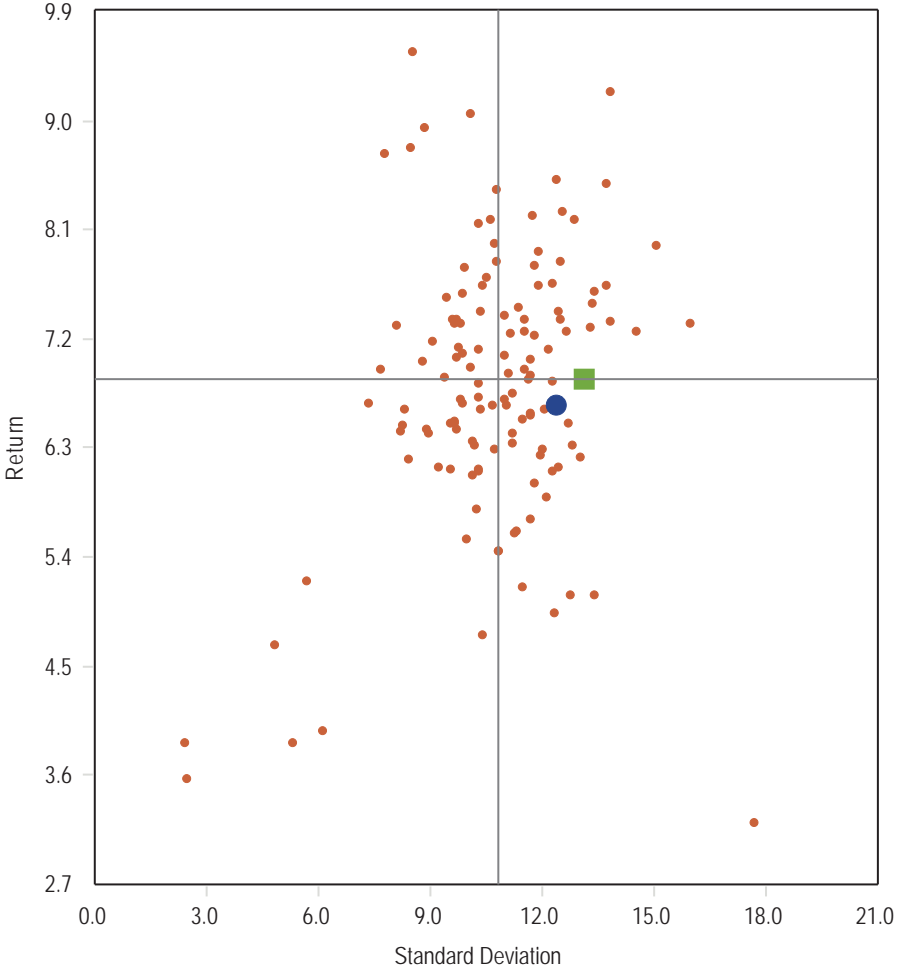
- Corporate and Public >250m and < \$1Bil
- SERS Plan Total
- Policy Index Updated

Sharpe Ratio vs R-Squared
Trailing 5 Years



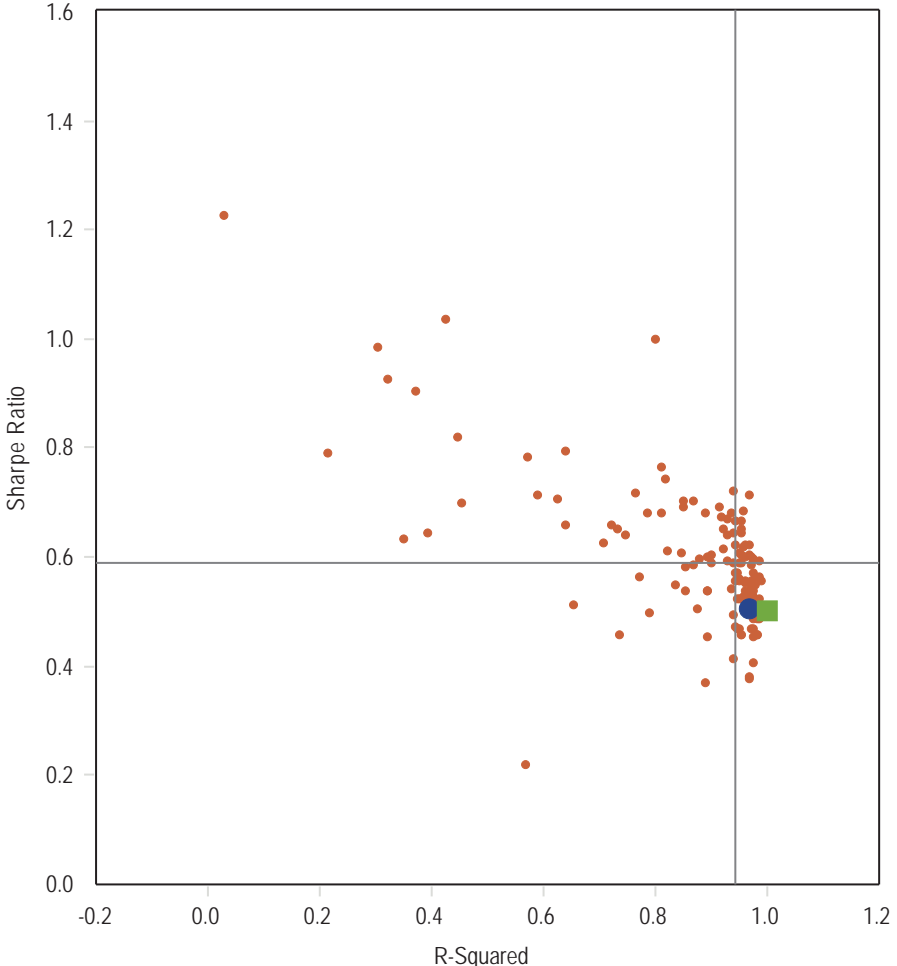
- Corporate and Public >250m and < \$1Bil
- SERS Plan Total
- Policy Index Updated

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 June 30, 2021

Asset Class Performance

	Performance (%)												
	1 Quarter	Year To Date	1 Year	3 Years	5 Years	Since Inception	2020	2019	2018	2017	2016	2015	Inception Date
Capital Preservation	1.84	1.89	8.13	4.19	4.57	3.66	3.29	8.71	-0.94	5.85	8.12	-1.74	07/01/2012
Capital Preservation Index	2.09	2.03	8.14	5.85	4.73	4.22	7.23	9.09	-0.72	4.60	5.43	-0.58	
Over/Under	-0.25	-0.14	-0.01	-1.66	-0.16	-0.56	-3.94	-0.38	-0.22	1.25	2.69	-1.16	
Total Return Bond	2.23	-0.85	2.41	6.40	-	3.98	9.29	9.38	-0.09	4.20	-	-	10/01/2016
BImbg. Barc. U.S. Aggregate	1.83	-1.61	-0.34	5.34	3.03	3.09	7.51	8.72	0.01	3.54	2.65	0.55	
Over/Under	0.40	0.76	2.75	1.06	-	0.89	1.78	0.66	-0.10	0.66	-	-	
Intermediate Core Bond Rank	15	23	13	8	-	6	15	21	35	17	-	-	
High Yield	2.87	4.96	19.63	4.72	6.04	5.14	3.04	9.71	-3.46	8.22	16.67	-7.05	07/01/2012
BImbg. Barc. U.S. Corp: High Yield Index	2.74	3.62	15.37	7.45	7.48	6.59	7.11	14.32	-2.08	7.50	17.13	-4.47	
Over/Under	0.13	1.34	4.26	-2.73	-1.44	-1.45	-4.07	-4.61	-1.38	0.72	-0.46	-2.58	
High Yield Bond Rank	29	14	10	91	70	77	84	88	68	13	10	89	
Absolute Return	1.09	3.75	9.92	1.95	3.76	3.50	-2.62	8.10	-1.11	5.33	7.75	0.29	07/01/2012
HFRI FOF: Conservative Index	2.01	5.68	14.84	5.26	5.02	4.22	6.47	6.30	-0.87	4.12	1.89	0.37	
Over/Under	-0.92	-1.93	-4.92	-3.31	-1.26	-0.72	-9.09	1.80	-0.24	1.21	5.86	-0.08	
BImbg. Barc. U.S. Aggregate	1.83	-1.61	-0.34	5.34	3.03	2.95	7.51	8.72	0.01	3.54	2.65	0.55	
Over/Under	-0.74	5.36	10.26	-3.39	0.73	0.55	-10.13	-0.62	-1.12	1.79	5.10	-0.26	
Domestic Equity	7.44	16.85	47.61	16.30	16.75	14.88	17.45	29.14	-7.80	19.86	10.91	-0.32	07/01/2012
Domestic Equity Index	7.47	15.88	46.59	17.61	17.29	15.58	19.22	30.24	-6.30	20.11	13.92	-0.06	
Over/Under	-0.03	0.97	1.02	-1.31	-0.54	-0.70	-1.77	-1.10	-1.50	-0.25	-3.01	-0.26	
All Cap Blend Rank	42	39	41	41	33	37	43	42	47	44	70	39	
Domestic Large Cap Equity	8.82	17.79	45.89	17.60	17.33	10.05	17.47	30.06	-7.70	22.54	8.24	-0.32	04/01/2007
S&P 500 Index	8.55	15.25	40.79	18.67	17.65	10.33	18.40	31.49	-4.38	21.83	11.96	1.38	
Over/Under	0.27	2.54	5.10	-1.07	-0.32	-0.28	-0.93	-1.43	-3.32	0.71	-3.72	-1.70	
Large Blend Rank	15	10	11	51	36	36	53	53	75	21	80	61	

Spokane Employees' Retirement System

As of June 30, 2021

	Performance (%)												Inception Date
	1 Quarter	Year To Date	1 Year	3 Years	5 Years	Since Inception	2020	2019	2018	2017	2016	2015	
Domestic Small/Mid Equity	4.99	15.21	51.29	13.87	15.59	14.36	17.46	27.27	-8.05	14.91	15.37	-0.39	07/01/2012
Russell 2500 Index	5.44	16.97	57.79	15.24	16.35	14.67	19.99	27.77	-10.00	16.81	17.59	-2.90	
Over/Under	-0.45	-1.76	-6.50	-1.37	-0.76	-0.31	-2.53	-0.50	1.95	-1.90	-2.22	2.51	
SMID Blend Rank	37	84	77	23	30	18	30	27	11	41	78	10	
International Equity Total	6.52	11.01	43.97	12.56	13.07	6.37	17.63	25.02	-15.78	28.45	3.91	-1.32	04/01/2007
International Equity Index	5.58	9.50	38.50	9.77	11.55	4.32	12.43	21.27	-14.96	29.35	5.34	-5.49	
Over/Under	0.94	1.51	5.47	2.79	1.52	2.05	5.20	3.75	-0.82	-0.90	-1.43	4.17	
Foreign Rank	27	26	14	20	20	10	25	34	55	38	22	59	
International Large Cap Equity	6.61	10.87	44.11	12.93	13.29	11.01	17.08	25.78	-15.14	27.50	4.02	-1.13	07/01/2012
MSCI AC World ex USA (Net)	5.48	9.16	35.72	9.38	11.08	7.94	10.65	21.51	-14.20	27.19	4.50	-5.66	
Over/Under	1.13	1.71	8.39	3.55	2.21	3.07	6.43	4.27	-0.94	0.31	-0.48	4.53	
Foreign Large Blend Rank	10	18	6	5	6	2	11	16	58	28	19	50	
International Small/Mid Cap Equity	6.50	11.53	41.17	9.81	13.16	10.65	15.42	27.88	-20.33	37.08	-0.68	7.56	07/01/2012
MSCI AC World ex USA Small Cap (Net)	6.35	12.24	47.04	9.78	11.97	9.99	14.24	22.42	-18.20	31.65	3.91	2.60	
Over/Under	0.15	-0.71	-5.87	0.03	1.19	0.66	1.18	5.46	-2.13	5.43	-4.59	4.96	
Emerging Markets Equity	6.18	11.14	47.40	13.81	12.00	7.58	23.38	18.64	-14.62	23.58	7.03	-8.73	07/01/2012
MSCI Emerging Markets (Net)	5.05	7.45	40.90	11.27	13.03	6.81	18.31	18.44	-14.58	37.28	11.19	-14.92	
Over/Under	1.13	3.69	6.50	2.54	-1.03	0.77	5.07	0.20	-0.04	-13.70	-4.16	6.19	
Diversified Emerging Mkts Rank	31	21	19	30	60	39	32	61	30	94	61	16	
Long Biased	2.93	9.11	27.15	11.67	8.59	6.59	16.54	12.74	2.43	1.19	-2.99	4.04	07/01/2012
HFRI Fund of Funds Composite Index	2.89	4.97	18.32	6.33	6.13	4.83	10.88	8.39	-4.02	7.77	0.51	-0.27	
Over/Under	0.04	4.14	8.83	5.34	2.46	1.76	5.66	4.35	6.45	-6.58	-3.50	4.31	
S&P 500 Index	8.55	15.25	40.79	18.67	17.65	15.92	18.40	31.49	-4.38	21.83	11.96	1.38	
Over/Under	-5.62	-6.14	-13.64	-7.00	-9.06	-9.33	-1.86	-18.75	6.81	-20.64	-14.95	2.66	
Opportunistic Credit	6.07	13.52	31.53	2.47	5.05	5.14	1.81	1.14	-5.68	7.08	14.52	2.35	10/01/2013
HFRI ED: Distressed/Restructuring Index	5.29	14.61	32.31	8.03	8.93	5.38	11.82	2.94	-1.70	6.25	15.15	-8.06	
Over/Under	0.78	-1.09	-0.78	-5.56	-3.88	-0.24	-10.01	-1.80	-3.98	0.83	-0.63	10.41	

Spokane Employees' Retirement System

As of June 30, 2021

	Performance (%)												Inception Date
	1 Quarter	Year To Date	1 Year	3 Years	5 Years	Since Inception	2020	2019	2018	2017	2016	2015	
Real Estate Total	7.66	12.13	18.45	8.66	7.61	6.08	-2.65	16.62	3.68	10.01	8.09	6.66	04/01/2007
NCREIF Fund Index-ODCE (VW) (Net)	3.68	5.64	7.09	4.60	5.62	4.84	0.34	4.39	7.36	6.66	7.79	13.95	
Over/Under	3.98	6.49	11.36	4.06	1.99	1.24	-2.99	12.23	-3.68	3.35	0.30	-7.29	
FTSE NAREIT All REITs Index	11.71	21.19	34.24	11.49	8.04	6.25	-5.86	28.07	-4.10	9.27	9.28	2.29	
Over/Under	-4.05	-9.06	-15.79	-2.83	-0.43	-0.17	3.21	-11.45	7.78	0.74	-1.19	4.37	
Real Estate Rank	92	94	96	80	33	39	27	95	6	9	22	6	
Special Opportunities	2.82	-3.44	21.29	1.35	4.48	6.18	10.22	10.54	-11.43	25.32	-21.90	2.13	07/01/2012
Russell 3000 Index	8.24	15.11	44.16	18.73	17.89	15.96	20.89	31.02	-5.24	21.13	12.74	0.48	
Over/Under	-5.42	-18.55	-22.87	-17.38	-13.41	-9.78	-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. YTD the strategy has given back significant gains and volatility remains high.
- **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 basis points 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 and currently constitute the fund’s largest sector overweights. 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’s outperformance continued in 2Q21 over which period it outperformed the index by 92 basis points and ranked in the top quartile of its peer group. Due to continued strong performance, the Fund is no longer in violation of policy and is a 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 coronavirus served as a further headwind for the strategy. Post 1Q20 the Fund has outperformed in five consecutive quarters with a trailing 1-year performance that places it in the top decile of its peers. Longer-term relative return rankings have dipped slightly as prior years of underperformance roll through. However, the fund maintains a yield advantage over the index which we expect to help longer-term.

- **Rimrock Low Vol** – The strategy was placed on watch 3Q20 for performance in violation of policy. The manager felt they were conservatively positioned coming into 2020, believing they were not getting paid enough to take on higher levels of credit or interest rate risk. Unfortunately, the market collapse in 1Q20 turned into a liquidity squeeze that took down virtually all sectors of the credit market. Rimrock’s large allocation to high quality but less liquid securitized credit was hit particularly hard. Not only did this positioning fail to protect capital in the downturn, it prevented them from getting aggressively repositioned to fully capture the rebound in credit markets that ensued over the remainder of the year. The strategy’s strong outperformance in 1Q21 as more directional bond strategies sold off on rising rates, and pace-keeping performance in 2Q21 as yields compressed again is indicative of its goal of beating the broader bond market without taking on interest rate risk. We continue to have a high level of confidence and conviction with the management team.
- **Bridge City Small Cap Growth** – The strategy was placed on watch in 4Q20 for performance in violation of policy. Underperformance was largely due to poor relative performance in calendar year 2020. The strategy underperformed by over 1,400 basis points during the year and nearly 900 basis points between Thanksgiving and Christmas alone. The year was nearly a perfect storm for strategy as the first part of the year was dominated by highly valued (overpriced) momentum growth stocks and the last quarter of the year saw a torrid rally in low quality cyclical stocks. Bridge City’s focus on quality and reasonable valuation faced a significant headwind. This changed in 1Q21 as the markets refocused on quality and valuations, which led the strategy to outperform by 900 basis points. 2Q21 was not as favorable as this period was characterized as a strong rising market lead by the more aggressive end of the growth spectrum. We continue to recommend watch status at this time.
- **Wells Fargo Special Small Cap Value** – The fund was placed on watch 4Q20 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. The fund’s watch status may be revisited pending the completion of the ownership change transaction, which is roughly expected to occur in the second half of 2021.

Spokane Employees' Retirement System

As of June 30, 2021

Manager Performance

	Performance (%)														
	1 Quarter	Year To Date	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	2.23	-0.86	2.34	6.21	3.90	4.02	3.76	9.24	9.26	-0.35	4.33	3.75	0.54	5.99	08/01/2016
Blmbg. Barc. U.S. Aggregate	1.83	-1.61	-0.34	5.34	3.03	3.39	2.94	7.51	8.72	0.01	3.54	2.65	0.55	5.97	
Over/Under	0.40	0.75	2.68	0.87	0.87	0.63	0.82	1.73	0.54	-0.36	0.79	1.10	-0.01	0.02	
Intermediate Core Bond Rank	15	23	13	12	9	12	9	15	24	52	12	15	27	28	
Hotchkis & Wiley High Yield Z	2.87	4.96	19.44	4.97	6.24	5.84	4.69	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	2.74	3.62	15.37	7.45	7.48	6.66	6.12	7.11	14.32	-2.08	7.50	17.13	-4.47	2.45	
Over/Under	0.13	1.34	4.07	-2.48	-1.24	-0.82	-1.43	-3.28	-4.55	-1.26	0.74	-1.11	0.17	-1.36	
High Yield Bond Rank	29	14	10	88	62	42	69	76	88	66	13	17	58	65	
Absolute Return															
Post Ltd Term High Yield	1.30	2.01	7.54	4.65	3.95	4.53	5.16	3.56	8.46	0.34	3.19	5.66	0.84	2.96	07/01/2010
HFRI FOF: Conservative Index	2.01	5.68	14.84	5.26	5.02	3.46	3.62	6.47	6.30	-0.87	4.12	1.89	0.37	3.14	
Over/Under	-0.71	-3.67	-7.30	-0.61	-1.07	1.07	1.54	-2.91	2.16	1.21	-0.93	3.77	0.47	-0.18	
Blmbg. Barc. U.S. Aggregate	1.83	-1.61	-0.34	5.34	3.03	3.39	3.44	7.51	8.72	0.01	3.54	2.65	0.55	5.97	
Over/Under	-0.53	3.62	7.88	-0.69	0.92	1.14	1.72	-3.95	-0.26	0.33	-0.35	3.01	0.29	-3.01	
PIMCO Dynamic Bond Instl	0.31	1.13	5.71	4.02	4.85	3.19	0.31	5.43	4.81	1.97	6.41	5.77	-2.22	2.79	04/01/2021
HFRI FOF: Conservative Index	2.01	5.68	14.84	5.26	5.02	3.46	2.01	6.47	6.30	-0.87	4.12	1.89	0.37	3.14	
Over/Under	-1.70	-4.55	-9.13	-1.24	-0.17	-0.27	-1.70	-1.04	-1.49	2.84	2.29	3.88	-2.59	-0.35	
Blmbg. Barc. U.S. Aggregate	1.83	-1.61	-0.34	5.34	3.03	3.39	1.83	7.51	8.72	0.01	3.54	2.65	0.55	5.97	
Over/Under	-1.52	2.74	6.05	-1.32	1.82	-0.20	-1.52	-2.08	-3.91	1.96	2.87	3.12	-2.77	-3.18	
Rimrock Low Volatility	1.90	4.16	8.25	2.11	3.39	3.61	4.27	-0.36	2.38	2.01	4.40	4.90	-1.90	2.31	07/01/2010
HFRI FOF: Conservative Index	2.01	5.68	14.84	5.26	5.02	3.46	3.62	6.47	6.30	-0.87	4.12	1.89	0.37	3.14	
Over/Under	-0.11	-1.52	-6.59	-3.15	-1.63	0.15	0.65	-6.83	-3.92	2.88	0.28	3.01	-2.27	-0.83	
Blmbg. Barc. U.S. Aggregate	1.83	-1.61	-0.34	5.34	3.03	3.39	3.44	7.51	8.72	0.01	3.54	2.65	0.55	5.97	
Over/Under	0.07	5.77	8.59	-3.23	0.36	0.22	0.83	-7.87	-6.34	2.00	0.86	2.25	-2.45	-3.66	

Spokane Employees' Retirement System

As of June 30, 2021

	Performance (%)														Inception Date
	1 Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	Since Inception	2020	2019	2018	2017	2016	2015	2014	
Polar Long/Short Fund	0.14	4.36	16.36	8.60	6.43	5.21	5.58	13.07	8.49	0.24	4.20	6.60	1.73	3.46	10/01/2011
HFRI FOF: Conservative Index	2.01	5.68	14.84	5.26	5.02	3.46	3.97	6.47	6.30	-0.87	4.12	1.89	0.37	3.14	
Over/Under	-1.87	-1.32	1.52	3.34	1.41	1.75	1.61	6.60	2.19	1.11	0.08	4.71	1.36	0.32	
Blmbg. Barc. U.S. Aggregate	1.83	-1.61	-0.34	5.34	3.03	3.39	3.08	7.51	8.72	0.01	3.54	2.65	0.55	5.97	
Over/Under	-1.69	5.97	16.70	3.26	3.40	1.82	2.50	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	6.13	26.91	67.14	12.07	14.63	11.93	11.63	0.41	29.26	-14.74	18.39	19.94	-7.90	12.74	10/01/2008
Russell 1000 Value Index	5.21	17.05	43.68	12.42	11.87	11.61	10.12	2.80	26.54	-8.27	13.66	17.34	-3.83	13.45	
Over/Under	0.92	9.86	23.46	-0.35	2.76	0.32	1.51	-2.39	2.72	-6.47	4.73	2.60	-4.07	-0.71	
Large Value Rank	25	2	2	48	12	23	10	74	13	96	24	8	93	24	
Fidelity® 500 Index	8.55	15.25	40.79	18.66	17.63	14.83	26.33	18.40	31.47	-4.40	21.81	11.97	1.38	13.66	01/01/2019
S&P 500 Index	8.55	15.25	40.79	18.67	17.65	14.84	26.36	18.40	31.49	-4.38	21.83	11.96	1.38	13.69	
Over/Under	0.00	0.00	0.00	-0.01	-0.02	-0.01	-0.03	0.00	-0.02	-0.02	-0.02	0.01	0.00	-0.03	
Large Blend Rank	23	38	45	25	25	12	31	37	23	23	31	26	23	19	
MFS Growth R6	12.59	13.04	35.35	23.41	23.10	17.60	29.15	31.74	37.81	2.68	30.99	2.55	7.49	8.88	09/01/2019
Russell 1000 Growth Index	11.93	12.99	42.50	25.14	23.66	17.87	34.85	38.49	36.39	-1.51	30.21	7.08	5.67	13.05	
Over/Under	0.66	0.05	-7.15	-1.73	-0.56	-0.27	-5.70	-6.75	1.42	4.19	0.78	-4.53	1.82	-4.17	
Large Growth Rank	16	42	90	45	42	28	74	66	11	12	34	53	23	70	
Domestic Small/Mid Equity															
Sterling Mid Cap Value	3.31	18.87	56.05	11.30	12.90	11.09	10.85	9.62	29.75	-17.67	14.27	16.97	-1.71	5.85	01/01/2002
Russell Midcap Value Index	5.66	19.45	53.06	11.86	11.79	11.75	10.39	4.96	27.06	-12.29	13.34	20.00	-4.78	14.75	
Over/Under	-2.35	-0.58	2.99	-0.56	1.11	-0.66	0.46	4.66	2.69	-5.38	0.93	-3.03	3.07	-8.90	
Mid-Cap Value Rank	87	68	34	41	23	33	8	8	23	85	38	53	18	86	

Spokane Employees' Retirement System

As of June 30, 2021

	Performance (%)														Inception Date
	1 Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	Since Inception	2020	2019	2018	2017	2016	2015	2014	
Fidelity® Mid Cap Index	7.47	16.23	49.79	16.45	15.61	-	25.84	17.11	30.51	-9.05	18.47	13.86	-2.44	13.11	01/01/2019
Russell Midcap Index	7.50	16.25	49.80	16.45	15.62	13.24	25.87	17.10	30.54	-9.06	18.52	13.80	-2.44	13.22	
Over/Under	-0.03	-0.02	-0.01	0.00	-0.01	-	-0.03	0.01	-0.03	0.01	-0.05	0.06	0.00	-0.11	
Mid-Cap Blend Rank	10	59	61	13	20	-	16	22	19	21	22	65	38	12	
Westfield Mid Cap Growth CIT	9.85	9.08	40.52	21.49	20.93	14.71	59.78	28.83	42.73	-3.07	24.72	5.00	1.28	13.40	04/01/2020
Russell Midcap Growth Index	11.07	10.44	43.77	22.39	20.52	15.13	65.24	35.59	35.47	-4.75	25.27	7.33	-0.20	11.90	
Over/Under	-1.22	-1.36	-3.25	-0.90	0.41	-0.42	-5.46	-6.76	7.26	1.68	-0.55	-2.33	1.48	1.50	
Mid-Cap Growth Rank	12	55	72	44	34	42	73	74	3	28	51	55	35	4	
Wells Fargo Special Small Cap Value R6	3.17	23.32	60.46	10.45	13.10	11.83	53.54	1.57	28.61	-13.35	11.52	29.46	-4.15	7.45	11/01/2020
Russell 2000 Value Index	4.56	26.69	73.28	10.27	13.62	10.85	63.13	4.63	22.39	-12.86	7.84	31.74	-7.47	4.22	
Over/Under	-1.39	-3.37	-12.82	0.18	-0.52	0.98	-9.59	-3.06	6.22	-0.49	3.68	-2.28	3.32	3.23	
Small Value Rank	74	74	79	33	32	14	78	63	9	31	29	27	31	10	
Fidelity® Small Cap Index	4.26	17.53	61.98	13.61	16.59	-	25.74	19.99	25.71	-10.88	14.85	21.63	-4.24	5.19	01/01/2019
Russell 2000 Index	4.29	17.54	62.03	13.52	16.47	12.34	25.67	19.96	25.53	-11.01	14.65	21.31	-4.41	4.89	
Over/Under	-0.03	-0.01	-0.05	0.09	0.12	-	0.07	0.03	0.18	0.13	0.20	0.32	0.17	0.30	
Small Blend Rank	54	64	38	21	9	-	20	15	32	34	25	38	47	45	
Champlain Small Cap	4.72	9.82	47.42	13.54	17.34	13.50	13.52	24.56	25.54	-3.03	10.90	27.93	-0.65	4.43	01/01/2003
Russell 2000 Index	4.29	17.54	62.03	13.52	16.47	12.34	11.66	19.96	25.53	-11.01	14.65	21.31	-4.41	4.89	
Over/Under	0.43	-7.72	-14.61	0.02	0.87	1.16	1.86	4.60	0.01	7.98	-3.75	6.62	3.76	-0.46	
Small Blend Rank	35	99	94	23	4	2	3	4	36	2	75	8	9	62	
Bridge City Small Cap Growth	2.93	17.20	54.76	16.69	18.98	14.76	18.19	20.48	24.61	0.97	15.93	17.96	6.81	7.06	07/01/2009
Russell 2000 Growth Index	3.92	8.98	51.36	15.94	18.76	13.52	16.12	34.63	28.48	-9.31	22.17	11.32	-1.38	5.60	
Over/Under	-0.99	8.22	3.40	0.75	0.22	1.24	2.07	-14.15	-3.87	10.28	-6.24	6.64	8.19	1.46	
Small Growth Rank	83	12	32	59	57	31	22	90	76	14	80	17	3	15	

Spokane Employees' Retirement System

As of June 30, 2021

	Performance (%)														Inception Date
	1 Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	Since Inception	2020	2019	2018	2017	2016	2015	2014	
International Equity Total															
Artisan International Value Instl	6.27	15.20	47.60	11.75	11.69	9.19	10.08	8.81	24.20	-15.42	24.06	5.74	-1.49	-0.39	10/01/2008
MSCI AC World ex USA Value (Net)	4.33	11.69	37.56	5.22	8.54	3.48	4.61	-0.77	15.72	-13.97	22.66	8.92	-10.06	-5.10	
Over/Under	1.94	3.51	10.04	6.53	3.15	5.71	5.47	9.58	8.48	-1.45	1.40	-3.18	8.57	4.71	
Foreign Large Value Rank	6	10	8	1	5	1	1	5	9	33	39	32	32	6	
American Funds Europacific Growth R6	6.97	6.51	40.10	13.79	14.50	8.33	6.82	25.27	27.40	-14.91	31.17	1.01	-0.48	-2.29	07/01/2008
MSCI AC World ex USA (Net)	5.48	9.16	35.72	9.38	11.08	5.45	4.08	10.65	21.51	-14.20	27.19	4.50	-5.66	-3.87	
Over/Under	1.49	-2.65	4.38	4.41	3.42	2.88	2.74	14.62	5.89	-0.71	3.98	-3.49	5.18	1.58	
Foreign Large Blend Rank	6	87	12	4	3	3	3	2	8	54	5	51	36	14	
Victory Trivalent International Sm-Cp I	6.50	11.53	41.16	9.81	13.19	10.11	10.74	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)	6.35	12.24	47.04	9.78	11.97	7.02	10.56	14.24	22.42	-18.20	31.65	3.91	2.60	-4.03	
Over/Under	0.15	-0.71	-5.88	0.03	1.22	3.09	0.18	1.18	5.46	-2.01	5.48	-4.61	5.60	3.83	
Foreign Small/Mid Blend Rank	43	66	72	17	4	1	11	15	3	58	12	58	26	2	
Vanguard Emerging Mkts Stock Idx Adm	5.16	8.89	38.72	11.60	11.92	3.91	10.75	15.24	20.31	-14.58	31.38	11.73	-15.35	0.60	08/01/2018
MSCI Emerging Markets (Net)	5.05	7.45	40.90	11.27	13.03	4.29	10.78	18.31	18.44	-14.58	37.28	11.19	-14.92	-2.19	
Over/Under	0.11	1.44	-2.18	0.33	-1.11	-0.38	-0.03	-3.07	1.87	0.00	-5.90	0.54	-0.43	2.79	
Diversified Emerging Mkts Rank	49	39	72	46	62	65	53	67	48	29	73	27	65	18	
ABS Emerging Markets Strategic Portfolio LP	6.12	11.20	47.49	14.25	-	-	17.30	23.52	19.98	-14.99	-	-	-	-	10/01/2018
MSCI Emerging Markets (Net)	5.05	7.45	40.90	11.27	13.03	4.29	12.78	18.31	18.44	-14.58	37.28	11.19	-14.92	-2.19	
Over/Under	1.07	3.75	6.59	2.98	-	-	4.52	5.21	1.54	-0.41	-	-	-	-	
Diversified Emerging Mkts Rank	32	20	19	28	-	-	28	31	50	37	-	-	-	-	
Long Biased															
The Weatherlow Offshore Fund I Ltd	4.25	7.34	26.24	12.01	10.20	6.90	5.67	24.58	13.23	-3.10	5.67	0.99	1.49	4.91	04/01/2008
HFRI Fund of Funds Composite Index	2.89	4.97	18.32	6.33	6.13	3.86	2.62	10.88	8.39	-4.02	7.77	0.51	-0.27	3.37	
Over/Under	1.36	2.37	7.92	5.68	4.07	3.04	3.05	13.70	4.84	0.92	-2.10	0.48	1.76	1.54	

Spokane Employees' Retirement System

As of June 30, 2021

	Performance (%)														Inception Date
	1 Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	Since Inception	2020	2019	2018	2017	2016	2015	2014	
Opportunistic Credit															
Beach Point Select Fund LP	3.17	8.99	25.32	9.02	9.03	-	7.74	8.97	11.48	0.28	7.08	14.52	2.58	2.35	10/01/2013
HFRI ED: Distressed/Restructuring Index	5.29	14.61	32.31	8.03	8.93	5.49	5.38	11.82	2.94	-1.70	6.25	15.15	-8.06	-1.39	
Over/Under	-2.12	-5.62	-6.99	0.99	0.10	-	2.36	-2.85	8.54	1.98	0.83	-0.63	10.64	3.74	
Contrarian Capital Fund I LP	10.34	20.37	41.12	-5.43	1.92	3.94	-5.50	-7.38	-9.89	-12.43	4.77	25.46	-7.89	0.45	10/01/2018
HFRI ED: Distressed/Restructuring Index	5.29	14.61	32.31	8.03	8.93	5.49	8.27	11.82	2.94	-1.70	6.25	15.15	-8.06	-1.39	
Over/Under	5.05	5.76	8.81	-13.46	-7.01	-1.55	-13.77	-19.20	-12.83	-10.73	-1.48	10.31	0.17	1.84	
Real Estate Total															
Principal REITS SERS	12.17	20.12	34.67	13.07	8.74	10.96	12.14	-3.17	31.24	-4.13	9.16	6.67	4.45	32.55	01/01/2003
FTSE NAREIT All REITs Index	11.71	21.19	34.24	11.49	8.04	10.17	10.52	-5.86	28.07	-4.10	9.27	9.28	2.29	27.15	
Over/Under	0.46	-1.07	0.43	1.58	0.70	0.79	1.62	2.69	3.17	-0.03	-0.11	-2.61	2.16	5.40	
Real Estate Rank	42	64	58	19	15	7	1	32	13	23	11	45	20	3	
Prime Property Fund, LLC	2.80	4.75	7.45	5.41	6.72	10.24	5.62	1.24	6.14	8.03	8.67	9.31	14.53	14.08	10/01/2007
NCREIF ODCE VW NET	3.68	5.64	7.09	4.60	5.62	8.60	4.39	0.34	4.39	7.36	6.66	7.79	13.95	11.46	
Over/Under	-0.88	-0.89	0.36	0.81	1.10	1.64	1.23	0.90	1.75	0.67	2.01	1.52	0.58	2.62	
Real Estate Rank	100	100	100	95	55	16	80	7	99	1	14	13	1	96	
Special Opportunities															
OrbiMed Partners II LP	-7.90	-18.80	4.51	11.30	10.51	10.03	10.63	44.99	43.69	-18.43	25.30	-21.91	2.14	25.88	01/01/2011
MSCI World/Health Care (Net)	9.13	9.92	23.04	15.80	12.33	13.14	13.79	13.52	23.24	2.51	19.80	-6.81	6.60	18.10	
Over/Under	-17.03	-28.72	-18.53	-4.50	-1.82	-3.11	-3.16	31.47	20.45	-20.94	5.50	-15.10	-4.46	7.78	
NASDAQ Biotechnology Index (TR)	9.15	8.55	20.52	14.90	14.44	17.00	17.61	26.42	25.11	-8.86	21.63	-21.35	11.77	34.40	
Over/Under	-17.05	-27.35	-16.01	-3.60	-3.93	-6.97	-6.98	18.57	18.58	-9.57	3.67	-0.56	-9.63	-8.52	

Spokane Employees' Retirement System

As of June 30, 2021

	Performance (%)														Inception Date
	1 Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	Since Inception	2020	2019	2018	2017	2016	2015	2014	
Contrarian Emerging Markets Fund LP	15.82	18.01	43.44	-2.06	8.02	6.89	-2.47	-17.52	-4.09	0.96	20.36	22.72	14.48	-1.97	10/01/2018
HFRI Emerging Markets: Global Index	4.37	5.77	19.25	6.35	6.39	3.09	7.41	9.56	8.42	-6.83	12.50	7.33	-3.47	-2.41	
Over/Under	11.45	12.24	24.19	-8.41	1.63	3.80	-9.88	-27.08	-12.51	7.79	7.86	15.39	17.95	0.44	
MSCI Emerging Markets (Net)	5.05	7.45	40.90	11.27	13.03	4.29	12.78	18.31	18.44	-14.58	37.28	11.19	-14.92	-2.19	
Over/Under	10.77	10.56	2.54	-13.33	-5.01	2.60	-15.25	-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	\$7,744,442	\$745,178	\$119,507	98.03	11.29

Time Weighted Returns

	Performance (%)													
	1 Quarter	Year To Date	1 Year	2 Years	3 Years	4 Years	5 Years	2020	2019	2018	2017	2016	Since Inception	Inception Date
Morrison Street Fund V, LP	1.70	-7.74	-1.06	3.51	5.48	6.92	8.15	11.10	6.45	10.12	18.03	11.10	8.47	07/01/2014
NCREIF Property Index	3.59	5.37	7.37	5.00	5.50	5.92	6.13	1.60	6.42	6.72	6.96	7.97	7.72	

Dollar Weighted Returns

	1 Quarter	Year To Date	1 Year	2 Years	3 Years	4 Years	5 Years	2020	2019	2018	2017	2016	Since Inception	Inception Date
Morrison Street Fund V, LP	1.70	-7.91	2.55	6.44	8.57	10.23	11.39	10.05	5.74	9.97	17.73	11.32	11.29	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	\$2,152,664	\$2,856,785	\$583,636	88.33	3.72

Time Weighted Returns

	Performance (%)									
	1 Quarter	Year To Date	1 Year	2 Years	3 Years	2020	2019	2018	Since Inception	Inception Date
Morrison Street Debt Opportunities Fd LP	3.27	3.33	1.50	-1.63	1.89	-10.08	8.39	9.94	3.29	01/01/2017
NCREIF Property Index	3.59	5.37	7.37	5.00	5.50	1.60	6.42	6.72	6.01	

Dollar Weighted Returns

	1 Quarter	Year To Date	1 Year	2 Years	2020	2019	2018	Since Inception	Inception Date
Morrison Street Debt Opportunities Fd LP	3.26	3.29	1.09	-1.93	-10.35	8.37	9.92	3.72	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	\$119,467	\$2,202,515	\$6,381,870	8.83	-5.76

Time Weighted Returns

	Performance (%)													Inception Date
	1 Quarter	Year To Date	1 Year	2 Years	3 Years	4 Years	5 Years	2020	2019	2018	2017	2016	Since Inception	
Morrison Street Fund VI, LP	0.89	3.96	-	-	-	-	-	-	-	-	-	-	-6.77	10/01/2020
NCREIF Property Index	3.59	5.37	7.37	5.00	5.50	5.92	6.13	1.60	6.42	6.72	6.96	7.97	6.58	

Dollar Weighted Returns

	1 Quarter	Year To Date	1 Year	2 Years	3 Years	2020	2019	2018	2017	Since Inception	Inception Date
Morrison Street Fund VI, LP	0.89	3.79	-	-	-	-	-	-	-	-5.76	10/31/2020

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

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	\$4,195,128	\$1,354,454	-	100.00	2.58

Time Weighted Returns

	Performance (%)													
	1 Quarter	Year To Date	1 Year	3 Years	5 Years	7 Years	2020	2019	2018	2017	2016	2015	Since Inception	Inception Date
Orbimed Royalty Opportunities	-19.46	15.73	31.40	-5.92	-5.88	-1.59	-24.08	-12.50	22.03	4.47	-20.87	9.95	2.25	09/01/2011
HFRI Fund of Funds Composite Index	2.89	4.97	18.32	6.33	6.13	4.09	10.88	8.39	-4.02	7.77	0.51	-0.27	4.17	
S&P 500 Index	8.55	15.25	40.79	18.67	17.65	14.10	18.40	31.49	-4.38	21.83	11.96	1.38	16.00	

Dollar Weighted Returns

	1 Quarter	Year To Date	1 Year	3 Years	5 Years	7 Years	2020	2019	2018	2017	2016	2015	Since Inception	Inception Date
Orbimed Royalty Opportunities	-19.43	16.76	31.79	-4.60	-5.45	0.67	-25.50	-12.20	25.47	4.57	-17.14	9.99	2.58	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	\$4,621,591	\$897,742	\$832,500	83.35	12.91

Time Weighted Returns

	Performance (%)												
	1 Quarter	Year To Date	1 Year	2 Years	3 Years	4 Years	5 Years	2020	2019	2018	2017	Since Inception	Inception Date
Orbimed Royalty Opportunities II	12.30	13.34	35.99	17.87	19.64	17.57	14.84	18.63	15.45	15.59	12.28	14.74	04/01/2015
HFRI Fund of Funds Composite Index	2.89	4.97	18.32	9.01	6.33	6.04	6.13	10.88	8.39	-4.02	7.77	3.98	
S&P 500 Index	8.55	15.25	40.79	23.03	18.67	17.58	17.65	18.40	31.49	-4.38	21.83	14.64	

Dollar Weighted Returns

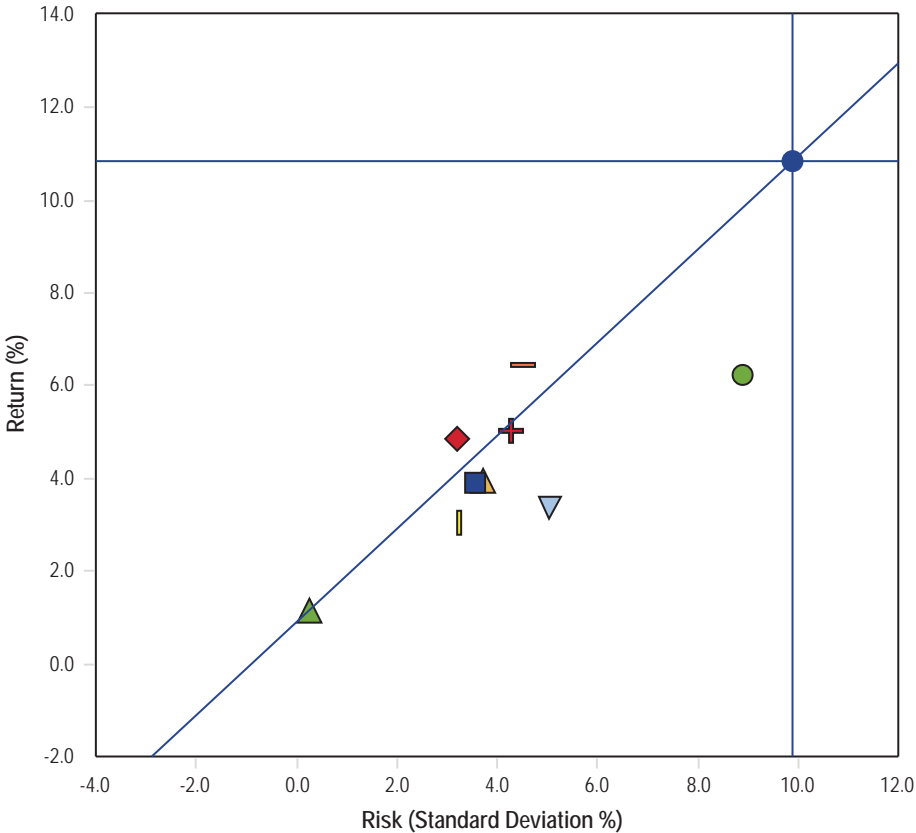
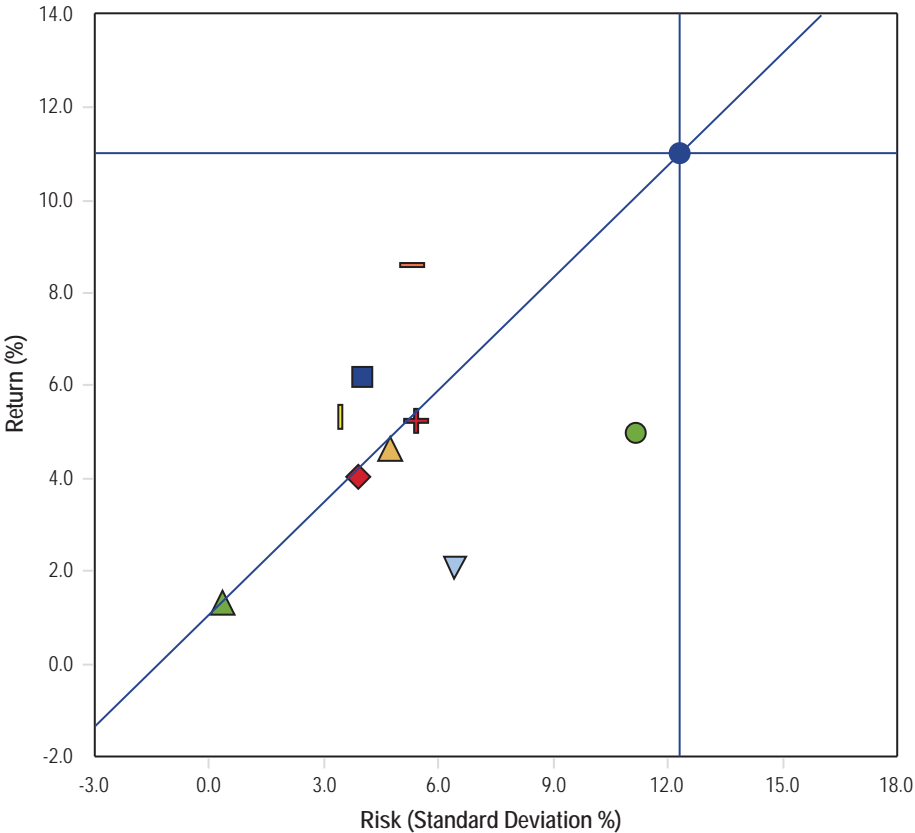
	1 Quarter	Year To Date	1 Year	2 Years	3 Years	4 Years	2020	2019	2018	2017	Since Inception	Inception Date
Orbimed Royalty Opportunities II	11.88	12.39	34.87	9.07	16.18	14.61	6.40	17.10	15.14	12.87	12.91	04/07/2015

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 June 30, 2021

Annualized Return vs Annualized Standard Deviation
5 Years Ending June 30, 2021



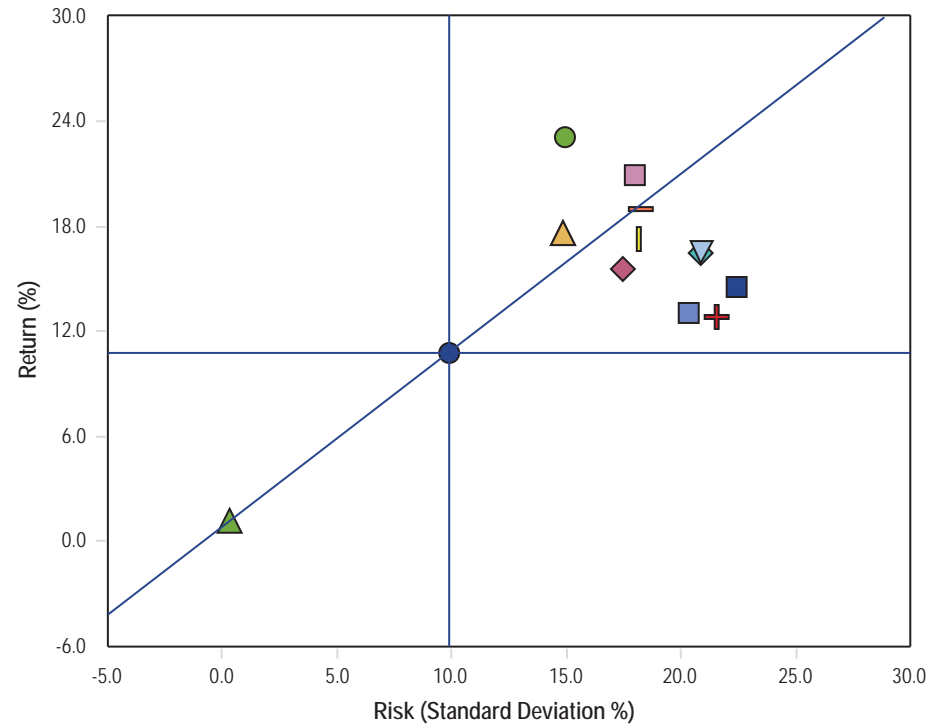
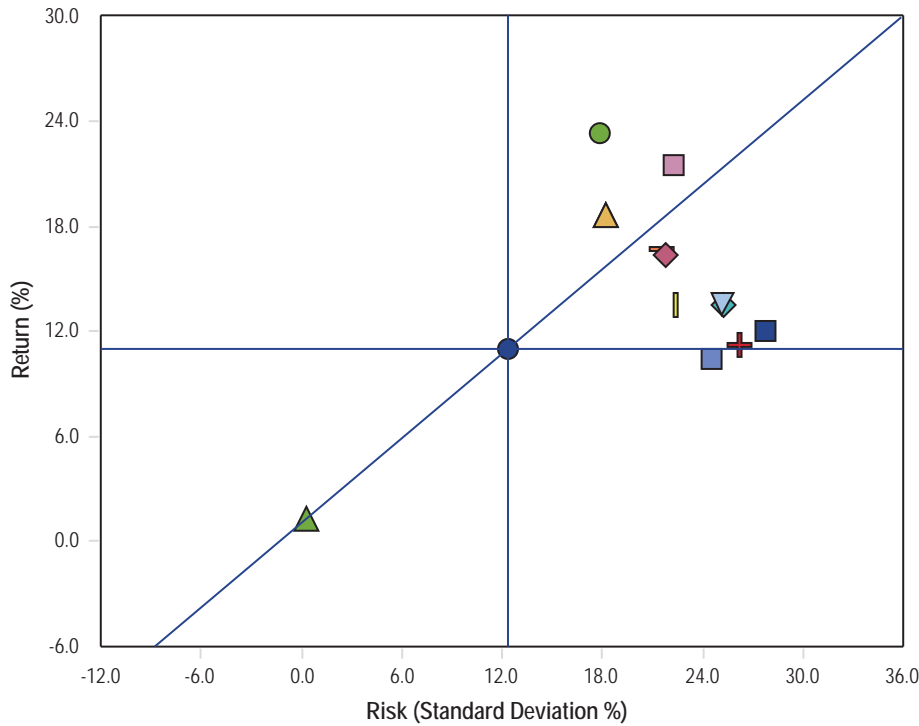
- Sterling Capital Total Return Bond I
- ▲ Post Ltd Term High Yield
- ▼ Rimrock Low Volatility
- ▮ Blmbg. Barc. U.S. Aggregate
- Policy Index Updated
- Hotchkis & Wiley High Yield Z
- ◆ PIMCO Dynamic Bond Instl
- Polar Long/Short Fund
- ⊕ HFRI FOF: Conservative Index
- ▲ 90 Day U.S. Treasury Bill

- Sterling Capital Total Return Bond I
- ▲ Post Ltd Term High Yield
- ▼ Rimrock Low Volatility
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- ◆ 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 June 30, 2021

Annualized Return vs Annualized Standard Deviation 5 Years Ending June 30, 2021



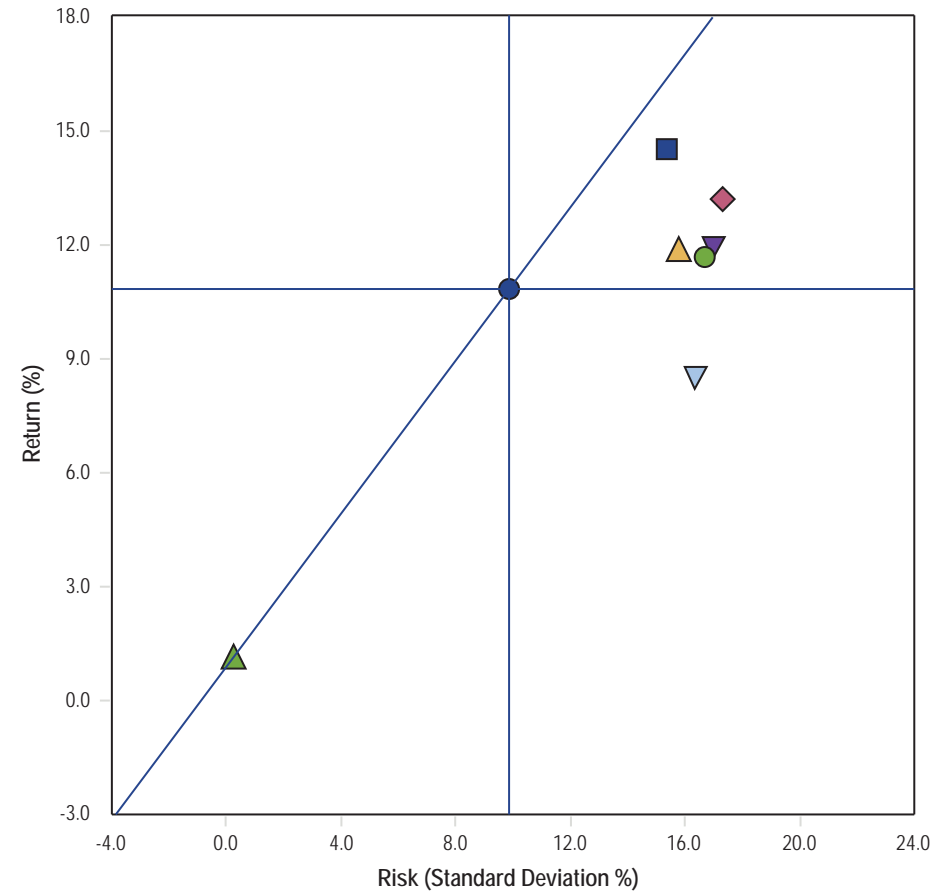
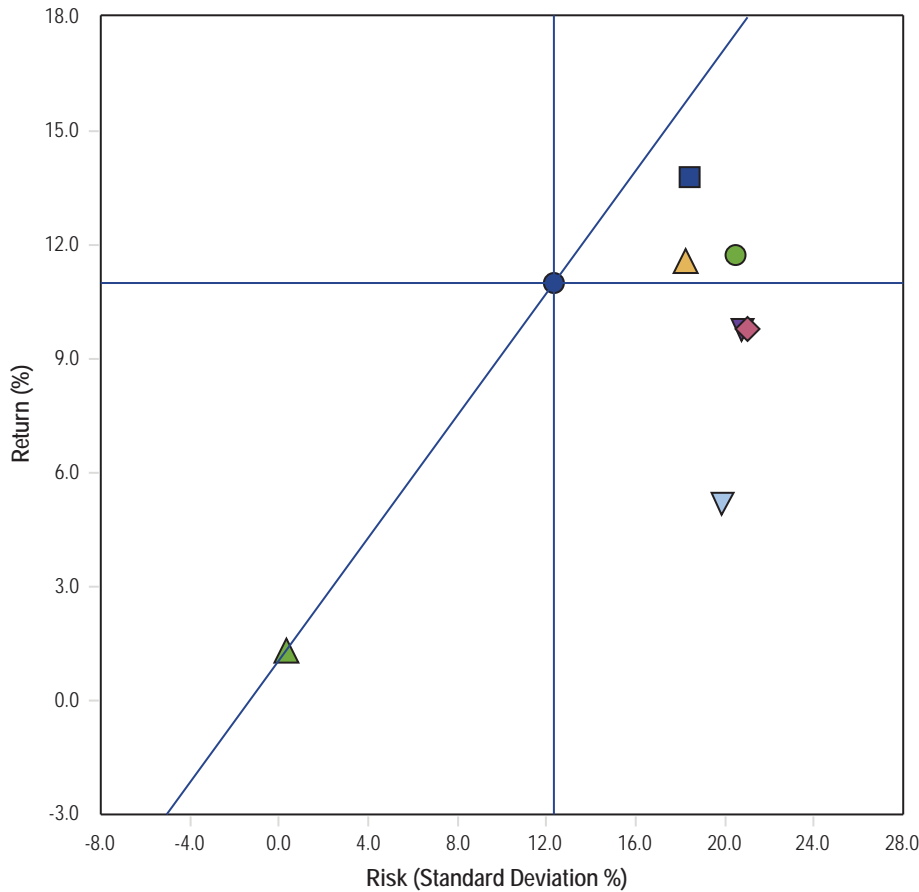
- Hotchkis & Wiley Diversified Value I
- Fidelity® 500 Index
- Fidelity® Small Cap Index
- Champlain Small Cap
- Wells Fargo Special Small Cap Value R6
- S&P 500 Index
- Policy Index Updated
- MFS Growth R6
- Fidelity® Mid Cap Index
- Bridge City Small Cap Growth
- Sterling Mid Cap Value
- Westfield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

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

Calculation based on monthly periodicity.

Annualized Return vs Annualized Standard Deviation 3 Years Ending June 30, 2021

Annualized Return vs Annualized Standard Deviation 5 Years Ending June 30, 2021



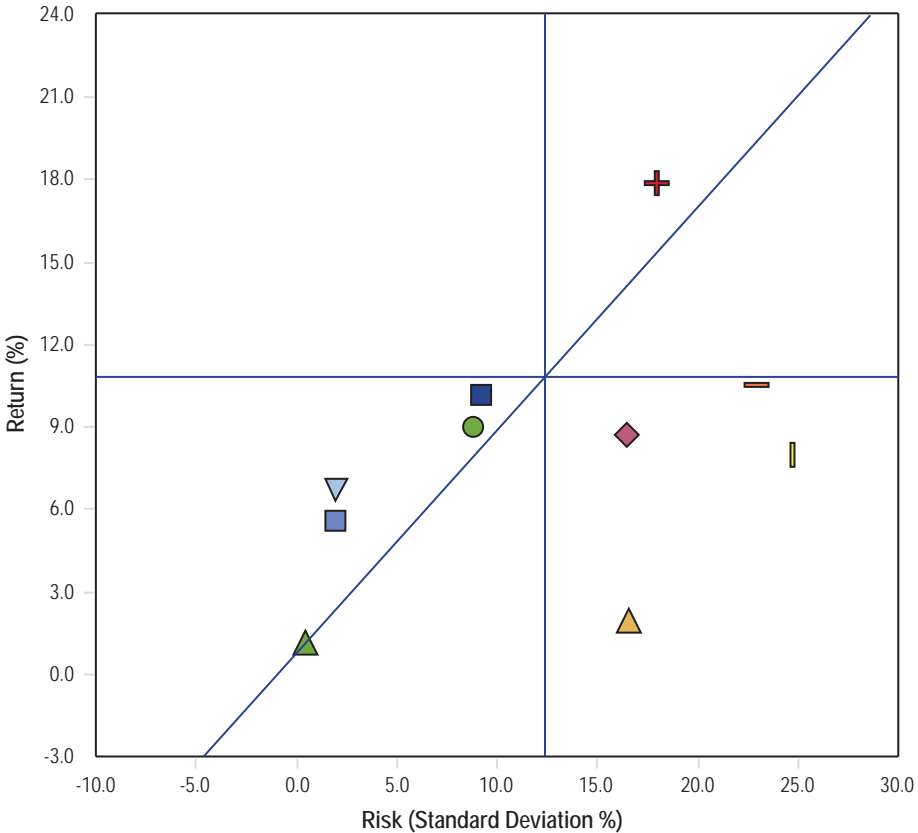
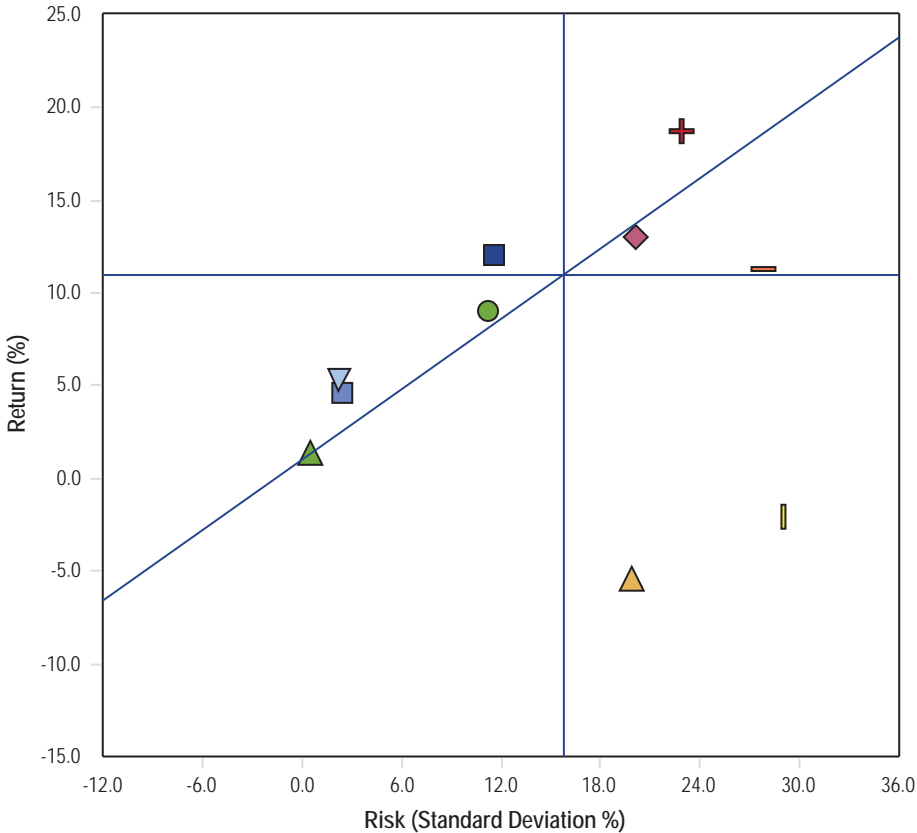
- American Funds Europacific Growth R6
- Artisan International Value Instl
- ▲ Vanguard Emerging Mkts Stock Idx Adm
- ◆ Victory Trivalent International Sm-Cp I
- ▼ MSCI AC World ex USA Value (Net)
- ▼ MSCI AC World ex USA Small Cap (Net)
- Policy Index Updated
- ▲ 90 Day U.S. Treasury Bill

- 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 June 30, 2021

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

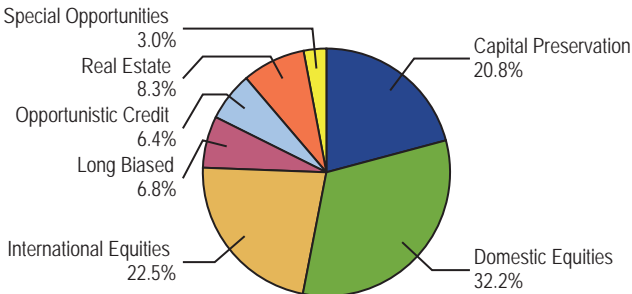
Calculation based on quarterly periodicity.

Fee Schedule

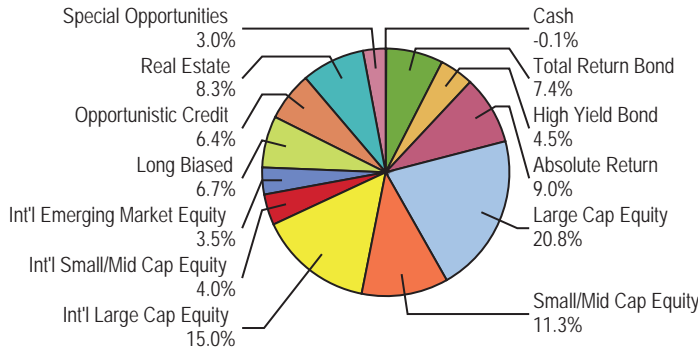
	Vehicle Type	Ticker	Universe Name	Market Value As of 06/30/2021 \$	Net Expense Ratio (%)
Artisan Int'l Value	Mutual Fund	APHKX	Foreign Value	\$28,942,555	1.03
Bridge City Small Growth	Separate Account		Small Growth	\$8,601,155	0.35
Champlain Small Cap	Commingled Fund		Small Growth	\$9,459,888	1.00
EuroPacific Growth R6	Mutual Fund	RERGX	Foreign	\$26,410,224	0.46
Fidelity Instl Govt Money Market	Mutual Fund	FIGXX	Money Market-Taxable	-\$247,080	0.18
Fidelity Mid Cap Index	Mutual Fund	FSMDX	Mid Cap	\$5,301,182	0.03
Fidelity S&P 500	Mutual Fund	FXAIX	Large Cap	\$42,163,231	0.02
Fidelity Small Cap Index	Mutual Fund	FSSNX	Small Cap	\$598,098	0.03
Hotchkis & Wiley Div Value I	Mutual Fund	HWCIX	Large Value	\$17,381,679	0.80
Hotchkis & Wiley High Yield	Mutual Fund	HWHZX	High Yield Bond	\$16,493,020	0.60
MFS Growth Fund CI R6	Mutual Fund	MFEKX	Large Growth	\$17,542,636	0.53
Pimco Dynamic Bond Fund	Mutual Fund	PFIUX	Nontraditional Bond	\$7,021,851	0.83
Principal Global Investors REIT	Separate Account		Real Estate	\$16,887,586	0.75
Sterling Core Bond	Separate Account		Intermediate Core Bond	\$27,539,900	0.25
Sterling Mid Cap Value	Separate Account		Mid-Cap Value	\$6,518,540	0.75
Vanguard Emerging Markets Stock Index Fd	Mutual Fund	VEMAX	Diversified Emerging Mkts	\$586,728	0.14
Victory Trivalent International Small Cap	Mutual Fund	MISIX	Foreign Small/Mid Growth	\$14,879,901	0.96
Wells Fargo Special Small Cap Value	Mutual Fund	ESPRX	Small Value	\$5,577,518	0.85
Westfield Mid Cap Growth	Commingled Fund		Mid-Cap Growth	\$5,838,441	0.65

Section 3

Current Allocation



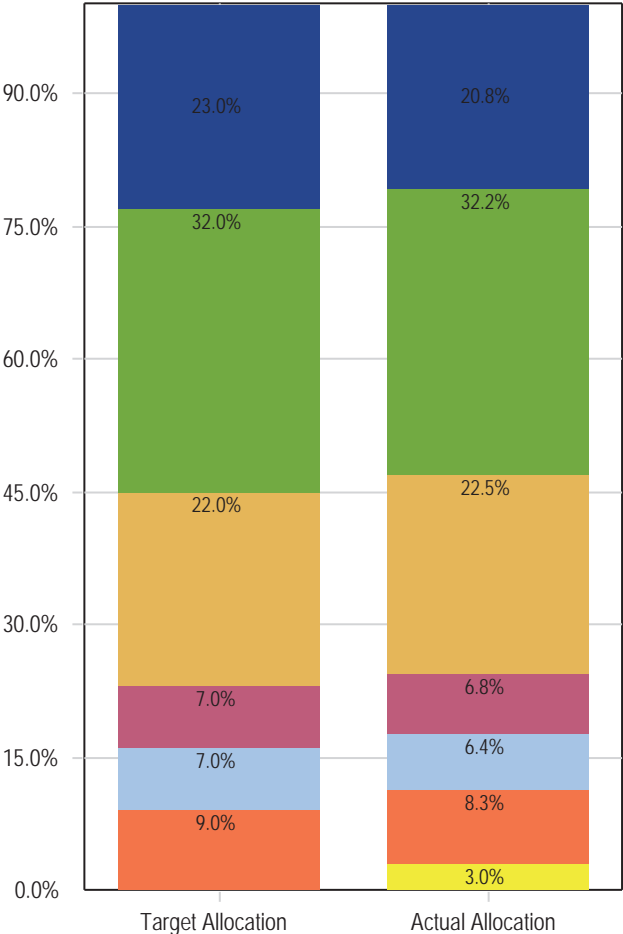
Current Implementation Allocation



Spokane Employees' Retirement System

As of June 30, 2021

Asset Allocation Compliance

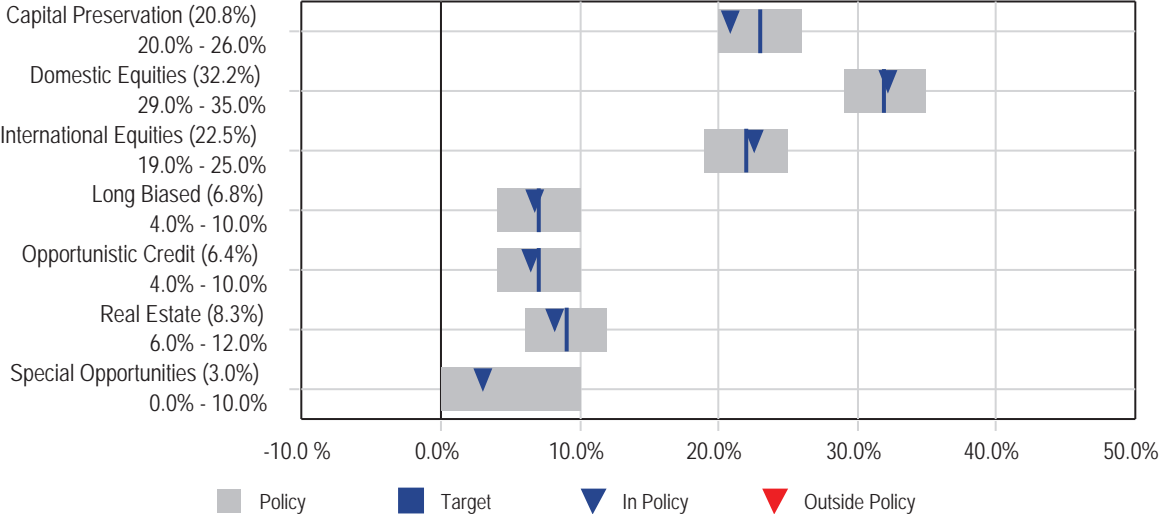


- Capital Preservation
- Domestic Equities
- International Equities
- Long Biased
- Opportunistic Credit
- Real Estate
- Special Opportunities

Current Allocation vs Investment Policy

	Asset Allocation \$	Asset Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)	Target Allocation (%)	Differences \$	Differences (%)
Capital Preservation	76,970,486	20.8	20.0	26.0	23.0	-7,966,156	-2.2
Domestic Equities	118,982,368	32.2	29.0	35.0	32.0	809,650	0.2
International Equities	83,206,407	22.5	19.0	25.0	22.0	1,962,664	0.5
Long Biased	24,958,880	6.8	4.0	10.0	7.0	-891,402	-0.2
Opportunistic Credit	23,648,514	6.4	4.0	10.0	7.0	-2,201,768	-0.6
Real Estate	30,516,133	8.3	6.0	12.0	9.0	-2,719,944	-0.7
Special Opportunities	11,006,956	3.0	0.0	10.0	0.0	11,006,956	3.0
Total	369,289,744	100.0			100.0		0.0

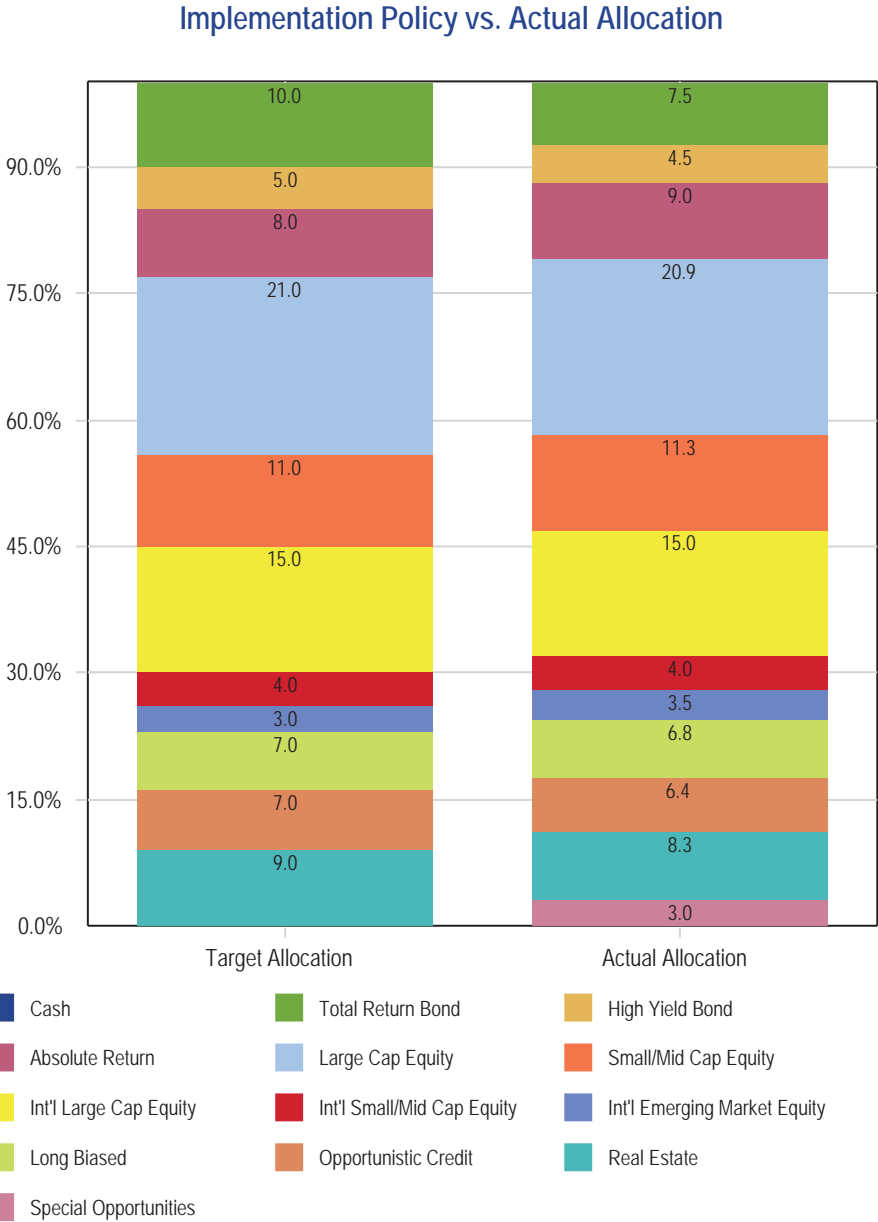
Actual vs Target



Spokane Employees' Retirement System

As of June 30, 2021

	Asset Allocation \$	Asset Allocation (%)	Target Allocation (%)
Cash	-247,080	-0.1	0.0
Total Return Bond	27,539,900	7.5	10.0
High Yield Bond	16,493,020	4.5	5.0
Absolute Return	33,184,646	9.0	8.0
Large Cap Equity	77,087,546	20.9	21.0
Small/Mid Cap Equity	41,894,822	11.3	11.0
Int'l Large Cap Equity	55,352,779	15.0	15.0
Int'l Small/Mid Cap Equity	14,879,901	4.0	4.0
Int'l Emerging Market Equity	12,973,727	3.5	3.0
Long Biased	24,958,880	6.8	7.0
Opportunistic Credit	23,648,514	6.4	7.0
Real Estate	30,516,133	8.3	9.0
Special Opportunities	11,006,956	3.0	0.0
Total	369,289,744	100.0	100.0



Spokane Employees' Retirement System

As of June 30, 2021

Implementation Review

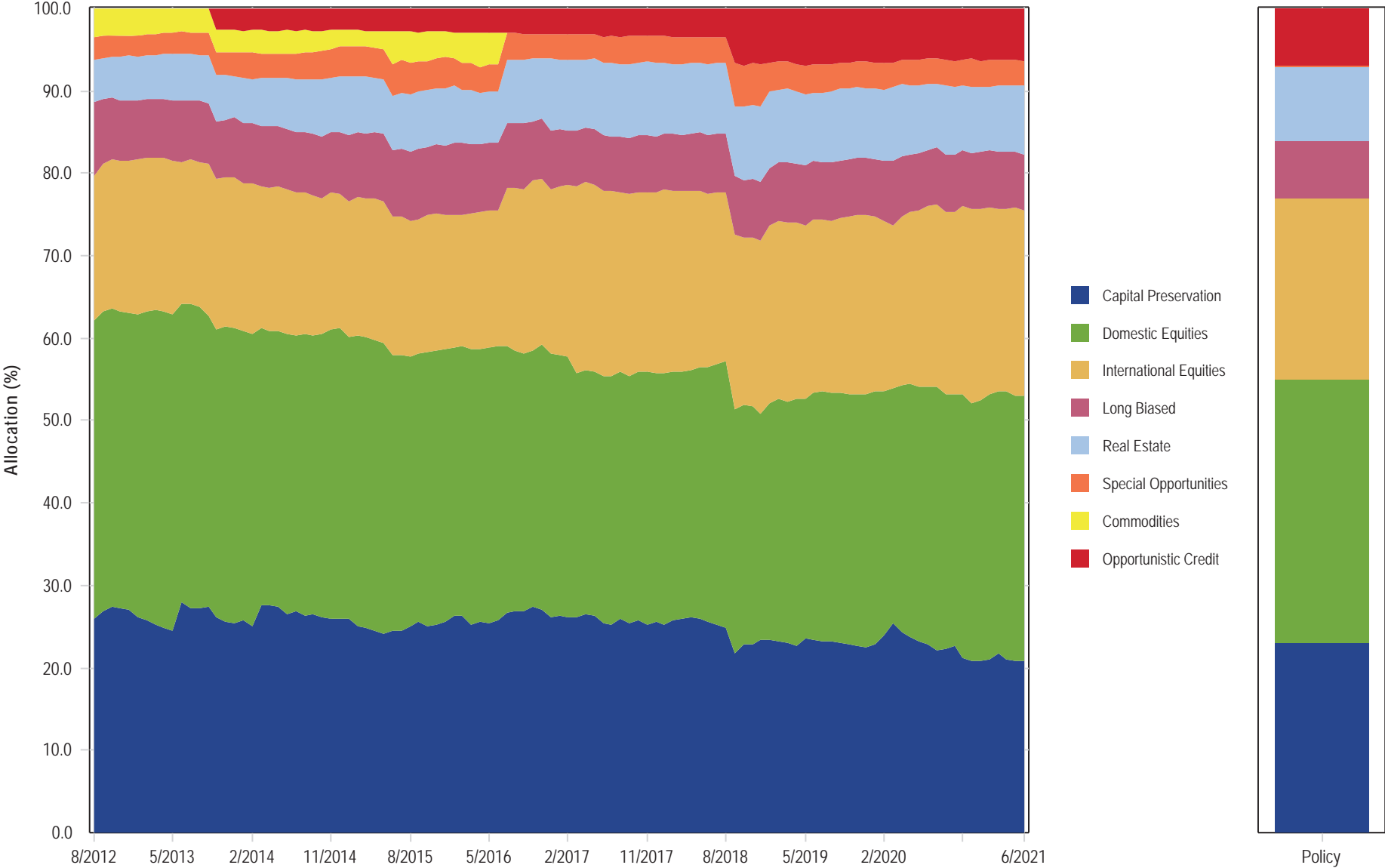
	Target Allocation \$	Target Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)	Asset Allocation \$	Asset Allocation (%)	Differences \$	Differences (%)	Within Range
Cash		0.0	0.0	2.0	-\$247,080	-0.1	-\$247,080	-0.1	No
Fidelity Instl Govt Money Market					-\$247,080	-0.1			
Total Return Bond	\$36,928,974	10.0	8.0	12.0	\$27,539,900	7.5	-\$9,389,074	-2.5	No
Sterling Core Bond					\$27,539,900	7.5			
High Yield Bond	\$18,464,487	5.0	3.0	7.0	\$16,493,020	4.5	-\$1,971,468	-0.5	Yes
Hotchkis & Wiley High Yield					\$16,493,020	4.5			
Absolute Return	\$29,543,180	8.0	6.0	10.0	\$33,184,646	9.0	\$3,641,466	1.0	Yes
Polar Long/Short Fund					\$8,818,763	2.4			
Post Lmtd Term High Yield					\$6,880,941	1.9			
Rimrock Low Volatility Offshore					\$10,463,092	2.8			
Pimco Dynamic Bond Fund					\$7,021,851	1.9			
Large Cap Equity	\$77,550,846	21.0	19.0	23.0	\$77,087,546	20.9	-\$463,300	-0.1	Yes
Hotchkis & Wiley Div Value I					\$17,381,679	4.7			
Fidelity S&P 500					\$42,163,231	11.4			
MFS Growth Fund CI R6					\$17,542,636	4.8			
Small/Mid Cap Equity	\$40,621,872	11.0	9.0	13.0	\$41,894,822	11.3	\$1,272,950	0.3	Yes
Bridge City Small Growth					\$8,601,155	2.3			
Champlain Small Cap					\$9,459,888	2.6			
Sterling Mid Cap Value					\$6,518,540	1.8			
Westfield Mid Cap Growth					\$5,838,441	1.6			
Fidelity Mid Cap Index					\$5,301,182	1.4			
Fidelity Small Cap Index					\$598,098	0.2			
Wells Fargo Special Small Cap Value					\$5,577,518	1.5			
Int'l Large Cap Equity	\$55,393,462	15.0	13.0	17.0	\$55,352,779	15.0	-\$40,683	0.0	Yes
Artisan Int'l Value					\$28,942,555	7.8			
EuroPacific Growth R6					\$26,410,224	7.2			
Int'l Small/Mid Cap Equity	\$14,771,590	4.0	2.0	6.0	\$14,879,901	4.0	\$108,311	0.0	Yes
Victory Trivalent International Small Cap					\$14,879,901	4.0			
Int'l Emerging Market Equity	\$11,078,692	3.0	1.0	5.0	\$12,973,727	3.5	\$1,895,035	0.5	Yes
ABS Emerging Markets Strategic					\$12,386,999	3.4			

Spokane Employees' Retirement System

As of June 30, 2021

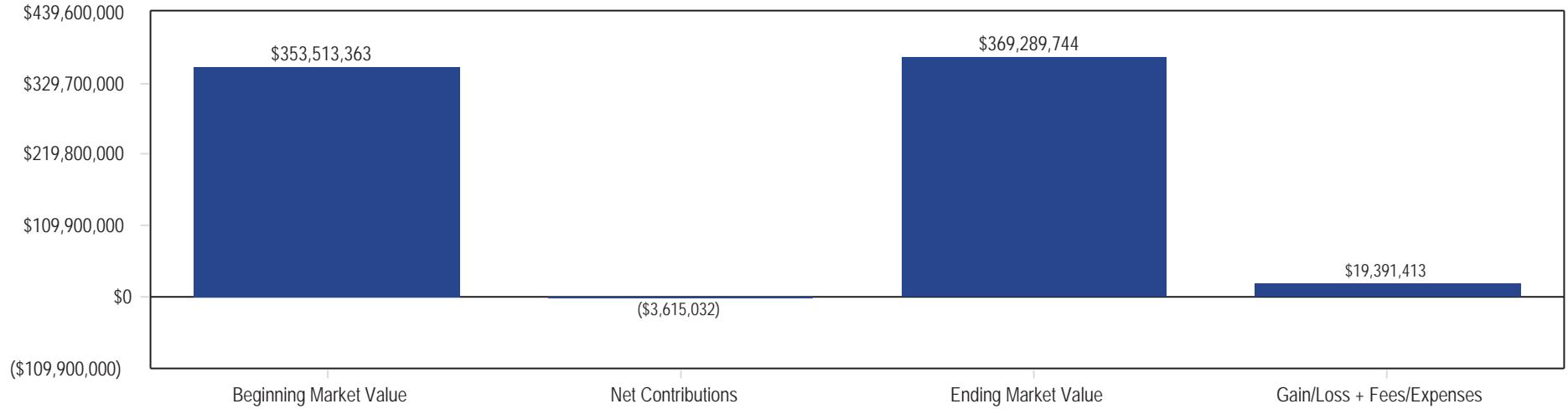
	Target Allocation \$	Target Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)	Asset Allocation \$	Asset Allocation (%)	Differences \$	Differences (%)	Within Range
Vanguard Emerging Markets Stock Index Fd					\$586,728	0.2			
Long Biased	\$25,850,282	7.0	4.0	10.0	\$24,958,880	6.8	-\$891,402	-0.2	Yes
OrbiMed Royalty Opportunities					\$1,354,454	0.4			
Weatherlow Offshore					\$22,706,684	6.1			
OrbiMed Royalty Opps II					\$897,742	0.2			
Opportunistic Credit	\$25,850,282	7.0	4.0	10.0	\$23,648,514	6.4	-\$2,201,768	-0.6	Yes
Beach Point Select Fund LP					\$13,663,624	3.7			
Contrarian Capital Fund I LP					\$9,984,890	2.7			
Real Estate	\$33,236,077	9.0	6.0	12.0	\$30,516,133	8.3	-\$2,719,944	-0.7	Yes
Metropolitan Realty V					\$134,126	0.0			
Morrison Street Debt Opportunities Fund LP					\$3,029,055	0.8			
Morrison Street Fund V					\$753,516	0.2			
Principal Global Investors REIT					\$16,887,586	4.6			
Morgan Stanley Prime Property Fund					\$7,475,967	2.0			
Morrison Street Fund VI					\$2,235,884	0.6			
Special Opportunities		0.0	0.0	10.0	\$11,006,956	3.0	\$11,006,956	3.0	Yes
Orbimed Partners II					\$5,408,028	1.5			
Contrarian Emerging Markets					\$5,598,928	1.5			
Total	\$369,289,744	100.0			\$369,289,744	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 04/01/2021	Contributions	Distributions	Net Flows	Return On Investment	Market Value As of 06/30/2021
Fidelity Instl Govt Money Market	1,016,152	7,525,428	-8,762,643	-1,263,259	-26,017	-247,080
Sterling Core Bond	26,979,152	-	-40,000	-40,000	600,748	27,539,900
Hotchkis & Wiley High Yield	16,033,635	-	-	-	459,385	16,493,020
Polar Long/Short Fund	8,765,009	-	-	-	53,754	8,818,763
Post Lmtd Term High Yield	6,792,307	-	-	-	88,634	6,880,941
Pimco Dynamic Bond Fund	7,000,000	-	-	-	21,851	7,021,851
Rimrock Low Volatility Offshore	10,268,089	-	-	-	195,003	10,463,092
Castine Partners II	-	-	-	-	-	-
Hotchkis & Wiley Div Value I	17,571,097	-	-1,300,000	-1,300,000	1,110,582	17,381,679
Fidelity S&P 500	38,843,714	-	-	-	3,319,517	42,163,231
MFS Growth Fund CI R6	15,641,809	-	-	-	1,900,828	17,542,636
Sterling Mid Cap Value	6,306,963	-	-	-	211,577	6,518,540

Spokane Employees' Retirement System

	Market Value As of 04/01/2021	Contributions	Distributions	Net Flows	Return On Investment	As of June 30, 2021 Market Value As of 06/30/2021
Fidelity Mid Cap Index	5,536,755	-	-650,000	-650,000	414,426	5,301,182
Westfield Mid Cap Growth	5,314,908	-	-	-	523,533	5,838,441
Wells Fargo Special Small Cap Value	5,406,055	-	-	-	171,463	5,577,518
Fidelity Small Cap Index	573,677	-	-	-	24,422	598,098
Bridge City Small Growth	8,354,759	-	-	-	246,396	8,601,155
Champlain Small Cap	9,027,893	-	-	-	431,995	9,459,888
EuroPacific Growth R6	24,688,650	-	-	-	1,721,574	26,410,224
Artisan Int'l Value	27,234,490	-	-	-	1,708,065	28,942,555
Victory Trivalent International Small Cap	13,971,892	-	-	-	908,009	14,879,901
Vanguard Emerging Markets Stock Index Fd	557,960	-	-	-	28,768	586,728
ABS Emerging Markets Strategic	11,661,211	-	-	-	725,789	12,386,999
Weatherlow Offshore	21,761,552	-	-	-	945,131	22,706,684
OrbiMed Royalty Opps II	919,875	-	-129,988	-129,988	107,855	897,742
OrbiMed Royalty Opportunities	1,743,800	-	-50,653	-50,653	-338,693	1,354,454
Beach Point Select Fund LP	13,244,298	-	-	-	419,326	13,663,624
Contrarian Capital Fund I LP	9,049,903	-	-	-	934,987	9,984,890
Principal Global Investors REIT	15,041,783	-	-	-	1,845,803	16,887,586
Metropolitan Realty V	134,890	-	-	-	-764	134,126
Morrison Street Fund V	766,962	-	-26,053	-26,053	12,607	753,516
Morrison Street Debt Opportunities Fund LP	2,999,956	-	-66,642	-66,642	95,741	3,029,055
Morgan Stanley Prime Property Fund	7,343,871	-	-72,245	-72,245	204,342	7,475,967
Morrison Street Fund VI	2,255,361	-	-42,236	-42,236	22,759	2,235,884
Orbimed Partners II	5,870,303	-	-	-	-462,275	5,408,028
Contrarian Emerging Markets	4,834,634	-	-	-	764,294	5,598,928
SERS Plan Total	353,513,363	7,525,428	-11,140,460	-3,641,076	19,391,413	369,289,744

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 Excess Return	Difference between the portfolio and the benchmark's return, annualized.
Correlation	A statistic that measures the degree to which two data series move in relation to each other. The higher the correlation the more the data series move in tandem. Correlation ranges from +1 (perfect correlation), to -1 (perfect negative correlation), with zero indicating no correlation at all.

Spokane Employees' Retirement System

As of June 30, 2021

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