

HYAS
GROUP

Spokane Employees' Retirement System

March 31, 2018 Performance Report

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Section 1



TRADE WARS

During the first quarter of 2018 the Trump administration levied substantial tariffs on a number of imported goods (solar cells, steel and aluminum) and also proposed restrictions on technology transfers and foreign acquisitions. These steps have been identified as a means to combat an increasingly large Chinese-US trade deficit and to pressure China to improve its enforcement of global intellectual property rights. Market volatility spiked on the announcement with the expectation that China would take retaliatory steps, and the potential for a trade war to ensue. As expected, China countered with a matching \$50B tariff on imported US goods (soybeans, cars and airplanes). The US has since proposed additional tariffs on a broad range of Chinese goods and the risk of a full-blown trade war has intensified. So, what are the potential ramifications of higher tariffs on domestic and global economic growth?

The utilization of tariffs and other trade restrictions are generally referred to as protectionism or protectionist policy. Under classic economic theory, the thought goes that free trade results in a more efficient utilization of global resources and ultimately higher global economic growth and standards of living. The theory of comparative advantage roughly states that each country should focus on the production of products in which it is efficient at producing and then trade for products where they are less efficient. Classic theory implies that all trading partners benefit from trading, and the aggregate standard of living of all partners is expected to increase as a result of free trade. However, these benefits are not spread equally across all countries, industries or workers. Herein lies the seed of protectionist policy.

In 2017, the US trade deficit with China was \$370B. A function of exports to China totaling \$130B vs. imports from China of \$500B. On a simplistic level, one could argue that the current imbalance results in China benefiting more from the trading relationship. The reality is infinitely more complex. The vast majority of US consumers benefit from purchasing lower cost imported goods. In contrast, for those individuals employed in domestic industries where production is less efficient, trading may result in the loss of employment and fewer domestic jobs. The current Trump administration campaigned on a promise to bring jobs back onshore to US workers, particularly those in manufacturing industries. This is clearly one objective of the recent tariffs. The other stated objective is to address what is cited as extensive intellectual property theft. More specifically, the current administration wants China to stop pressuring American companies to share technology to gain access to the Chinese market, forcing US firms to license their technology in China on unfavorable terms, and help limit the hacking of US companies' trade secrets.

Based on classic economic theory, we can make several general observations on the impact of higher tariffs. Increased tariffs push up costs (inflationary) and push down growth (lower GDP) for all trade partners. This points to a backdrop of slower global growth, higher input costs and lower corporate earnings. At the same time the Fed continues to pursue tighter monetary policy (raising interest rates) aimed at easing inflationary pressures. The end result is domestic fiscal policy that is in direct conflict with monetary policy. Conflicting policies creates a high level of economic uncertainty, uncertainty leads to market volatility. It's no

wonder then that current market volatility has skyrocketed. The Chicago Board Options Exchange SPX Volatility Index (VIX) went from all-time lows of 9.14 in late 2017 to nearly 40.0 in the first quarter of 2018.

GLOBAL ECONOMIC LANDSCAPE

- Trade sanctions dominated global headlines in the first quarter of 2018. The US announced import tariffs of 25 percent on steel and 10 percent on aluminum. Initial US sanctions included restrictions on investment and tariffs on steel and aluminum imports directed at China. The US announcement follows a recent investigation into tactics China has used to challenge America's technology advantage.
- The World Bank is forecasting global economic growth at 3.1 percent in 2018 after a much stronger-than-expected 2017. Growth in developed economies is forecast at 2.2 percent while developing economies are projected to grow at 4.5 percent.
- The Fed hiked short-term borrowing rates by 0.25 percent toward the end of the first quarter. Forecasts indicate policymakers are split on whether to tighten two or three more times in 2018. Forecasts also indicate the Fed expects inflation to rise above their 2 percent target next year, after more than five years below target.
- It is estimated that 8.8M domestic jobs were lost in the great recession (2008-2010). Post the recession, 18.6M jobs have been created, pushing unemployment rates to near all-time lows of 4.1 percent. Despite the extensive job creation, wage growth remains well below historical averages.
- US corporate profit margins (S&P 500 Index) continued to show strength, ending the most recent quarter at 10.3%. This is the highest margin in over 20 years.
- Global growth continues to show improvement. Shifts away from accommodative global central bank policies and the possibility of a broad-based trade war pose significant risks to this upward trend.

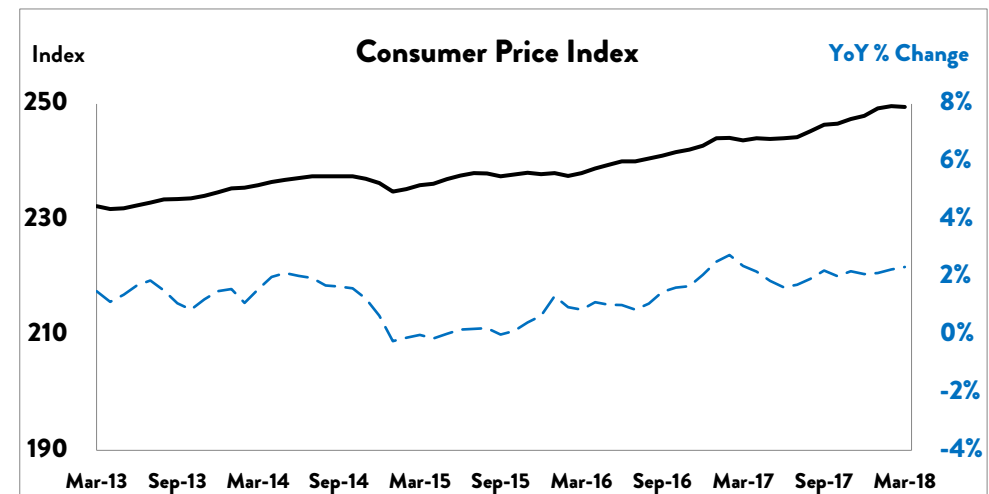
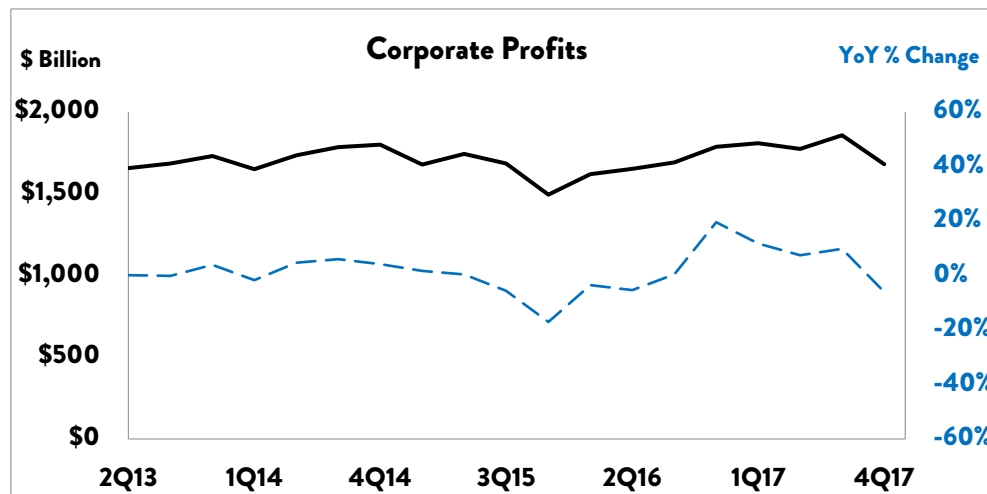
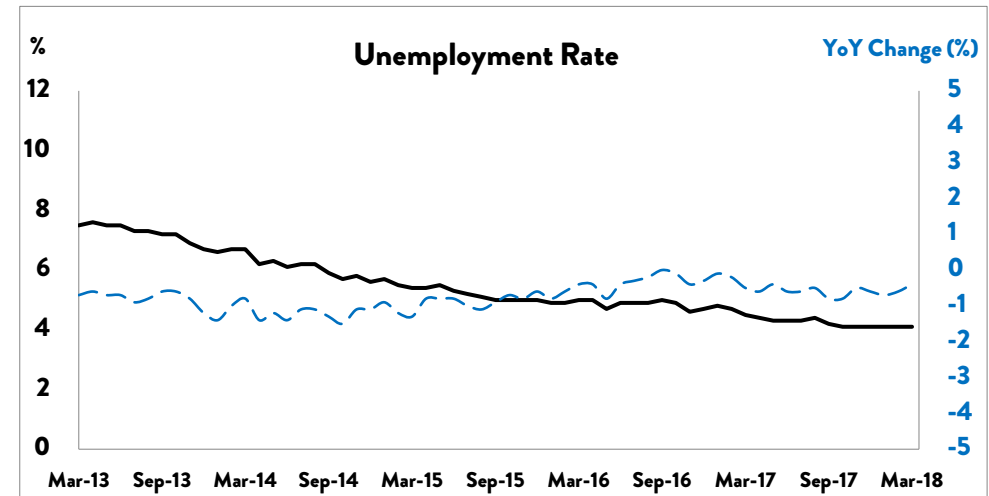
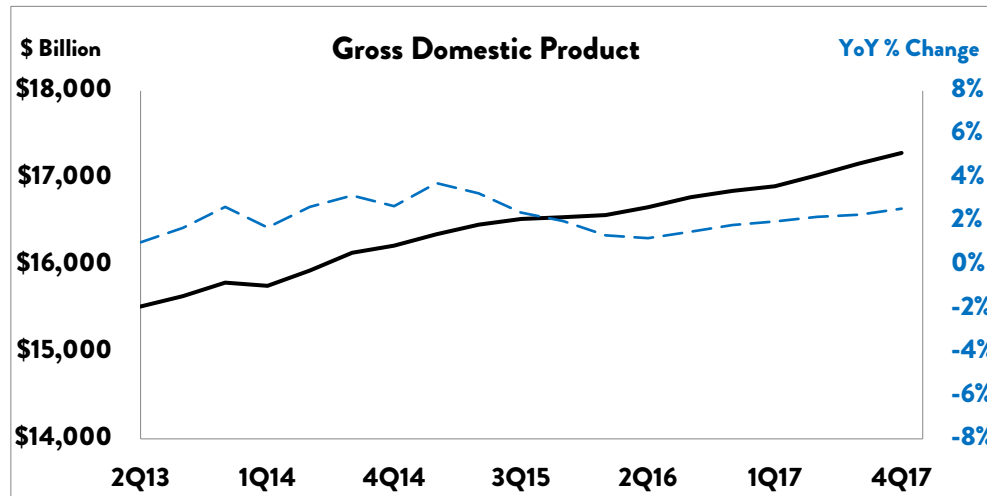
GLOBAL FINANCIAL MARKETS

- Market volatility returned with a vengeance in 1Q2018. The Dow Jones Index racked up 41 triple digit trading days in the quarter, compared to 58 for all of 2017. The Russell 2000 Index, representative of small cap stocks, moved 1 percent or more in 33 percent of trading days this quarter versus only 18 percent in all of 2017.
- Domestic small cap stocks outperformed large cap stocks for the quarter. The Russell Microcap Index, representing the smallest of public companies, returned a positive 0.7 percent during the quarter, outpacing larger cap stocks. It is fairly unusual for small cap stocks to outperform large cap stocks in declining markets.
- Domestic stocks (as represented by the S&P 500 Index) currently trade at a forward price/earnings (P/E) multiple of 16.4x. This is nearly identical to the 25-year historical average indicating the market is fairly valued. International stocks (as represented by the ACWI ex-US) currently trade at 13.3x forward P/E vs. a historical average of 14.5x indicating stocks are moderately undervalued.
- Global currencies continued to strengthen relative to the US dollar this quarter. On a trailing 1-year basis the Euro has gained 15 percent vs. the US dollar while the Pound Sterling and Chinese Yuan have gained 12 percent and 10 percent respectively.

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1Q2018 Economic Data



Labor Market Statistics (Monthly)					
Category	Recent	5-Yr High	5-Yr Low	5-Yr Avg.	Date
Jobs Added/Lost Monthly	103,000	351,000	14,000	208,783	Mar-18
Unemployment Rate	4.1%	7.6%	4.1%	5.5%	Mar-18
Median Unemployment Length (Weeks)	10.2	20.0	7.6	12.3	Mar-18
Average Hourly Earnings	\$26.82	\$26.82	\$23.87	\$25.23	Mar-18

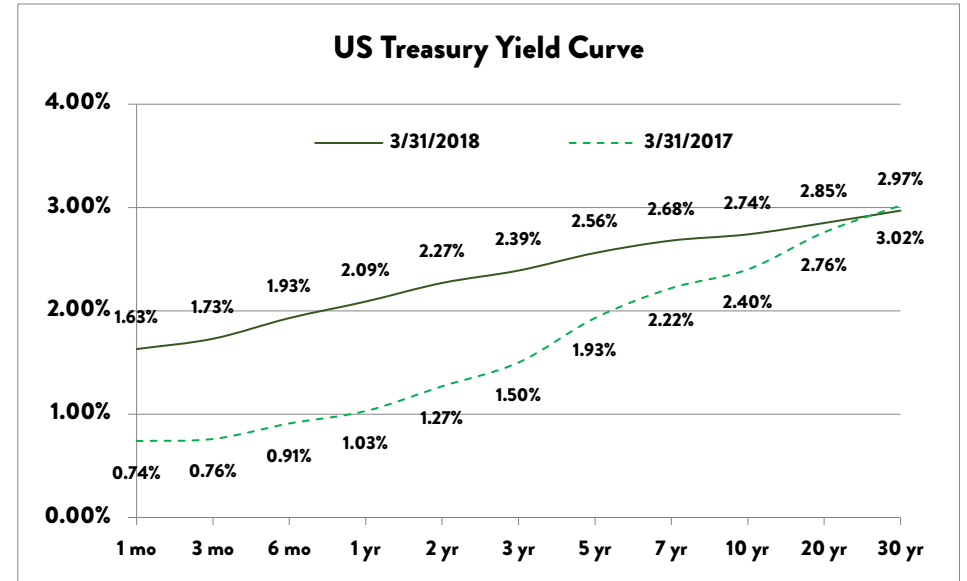
Other Prices and Indexes (Monthly)					
Category	Recent	5-Yr High	5-Yr Low	% Off Peak	Date
Gas: Price per Gallon	\$2.61	\$3.70	\$1.79	-29.5%	Mar-18
Spot Oil	\$62.73	\$106.57	\$30.32	-41.1%	Mar-18
Case-Shiller Home Price Index	209.3	209.3	151.4	38.2%*	Feb-18
Medical Care CPI	482.9	482.9	422.3	14.3%*	Mar-18

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

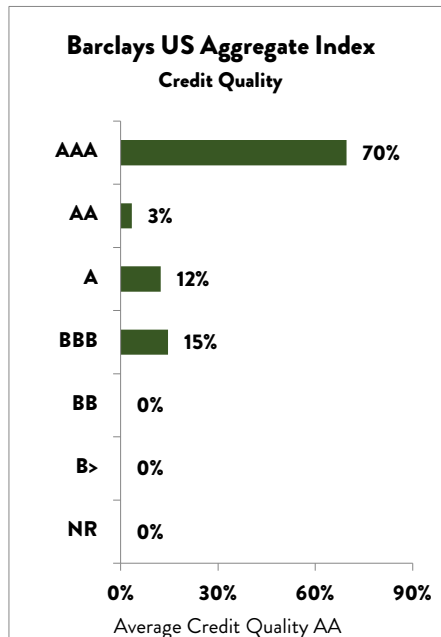
*% Off Low

1Q2018 Bond Market Data

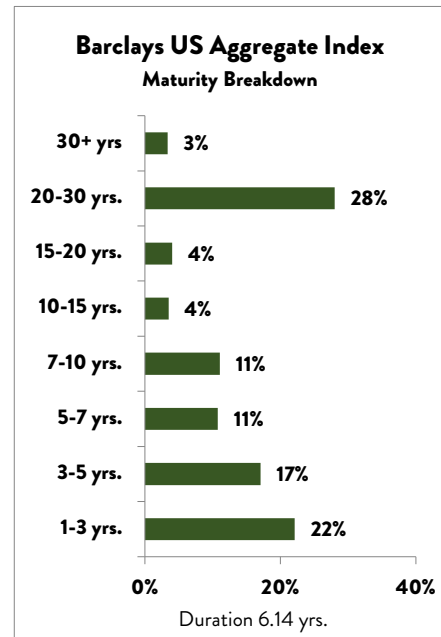
Index	QTR	YTD	1 yr.	3 yrs.	5 yrs.	10 yrs.
90-Day T-Bill	0.31%	0.31%	0.93%	0.43%	0.28%	0.31%
Barclays US Aggregate	-1.46%	-1.46%	1.20%	1.20%	1.82%	3.63%
Barclays Short US Treasury	0.32%	0.32%	1.02%	0.58%	0.39%	0.47%
Barclays Int. US Treasury	-0.75%	-0.75%	-0.16%	0.45%	0.73%	2.21%
Barclays Long US Treasury	-3.29%	-3.29%	3.51%	0.35%	3.29%	5.78%
Barclays US TIPS	-0.79%	-0.79%	0.92%	1.30%	0.05%	2.93%
Barclays US Credit	-2.13%	-2.13%	2.59%	2.16%	2.83%	5.15%
Barclays US Mortgage-Backed	-1.19%	-1.19%	0.77%	1.12%	1.80%	3.46%
Barclays US Asset-Backed	-0.39%	-0.39%	0.62%	1.18%	1.20%	3.12%
Barclays US 20-Yr Municipal	-1.52%	-1.52%	4.28%	3.05%	3.62%	5.49%
Barclays US High Yield	-0.86%	-0.86%	3.78%	5.17%	4.99%	8.27%
Barclays Global	1.36%	1.36%	6.97%	3.14%	1.49%	2.57%
Barclays International	3.62%	3.62%	11.75%	4.63%	1.23%	1.85%
Barclays Emerging Market	-1.48%	-1.48%	3.18%	5.05%	3.87%	6.83%



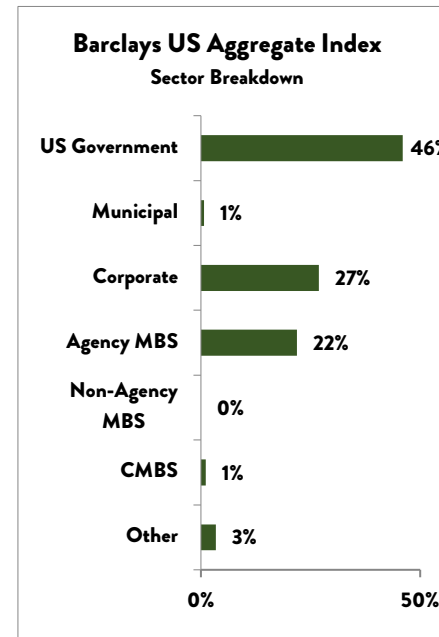
Source: Department of US Treasury



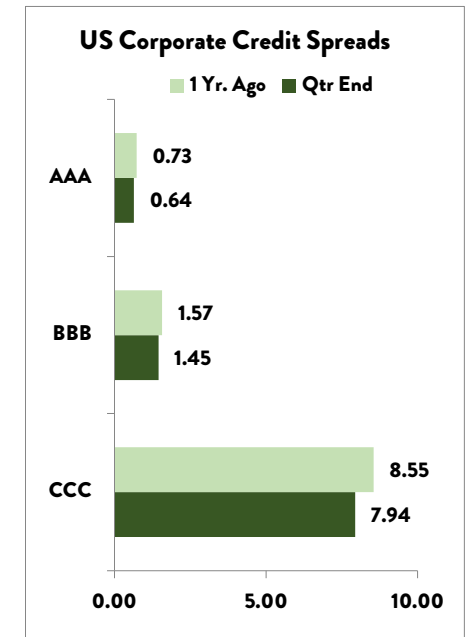
Source: Morningstar



Source: Morningstar



Source: Morningstar



Source: Federal Reserve / Bank of America

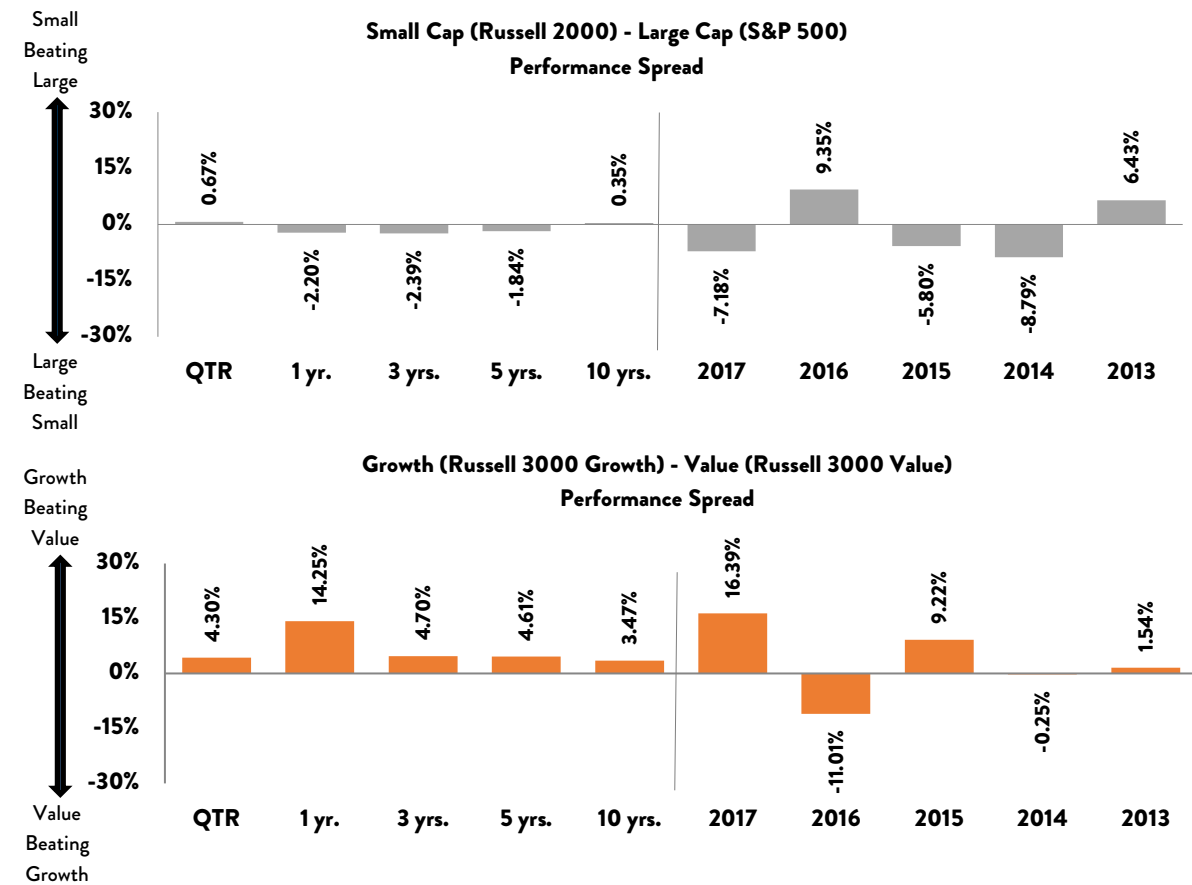
1Q2018 US Equity Market Data

Sectors Weights/Returns (ranked by quarter performance)

	Wgt.	Sector	QTR	YTD	1 Yr.
S&P 500 Index	25%	Information Technology	3.53%	3.53%	27.68%
	13%	Consumer Discretionary	3.09%	3.09%	16.91%
	15%	Financials	-0.95%	-0.95%	18.04%
	14%	Health Care	-1.22%	-1.22%	11.27%
	10%	Industrials	-1.56%	-1.56%	13.95%
	3%	Utilities	-3.30%	-3.30%	1.89%
	3%	Real Estate	-5.02%	-5.02%	1.69%
	3%	Materials	-5.52%	-5.52%	10.54%
	6%	Energy	-5.88%	-5.88%	-0.16%
	8%	Consumer Staples	-7.12%	-7.12%	-0.89%
2%	Telecom Services	-7.48%	-7.48%	-4.86%	
S&P Midcap 400 Index	8%	Health Care	6.11%	6.11%	18.76%
	18%	Information Technology	4.04%	4.04%	21.26%
	18%	Financials	2.14%	2.14%	13.94%
	0%	Telecom Services	1.40%	1.40%	-30.18%
	16%	Industrials	-2.57%	-2.57%	16.46%
	3%	Consumer Staples	-3.43%	-3.43%	-2.50%
	5%	Utilities	-3.49%	-3.49%	1.47%
	12%	Consumer Discretionary	-3.52%	-3.52%	10.28%
	7%	Materials	-4.24%	-4.24%	7.82%
	9%	Real Estate	-6.51%	-6.51%	-4.37%
4%	Energy	-7.19%	-7.19%	-9.17%	
S&P Smallcap 600 Index	13%	Health Care	13.03%	13.03%	39.14%
	17%	Financials	2.00%	2.00%	12.12%
	16%	Information Technology	1.43%	1.43%	6.60%
	19%	Industrials	0.06%	0.06%	16.52%
	15%	Consumer Discretionary	-1.71%	-1.71%	14.50%
	5%	Materials	-2.08%	-2.08%	9.78%
	1%	Telecom Services	-4.16%	-4.16%	0.96%
	2%	Utilities	-5.52%	-5.52%	8.10%
	3%	Consumer Staples	-5.88%	-5.88%	3.32%
	3%	Energy	-10.06%	-10.06%	-23.58%
6%	Real Estate	-10.25%	-10.25%	-6.08%	

Index Performance Data

Index	QTR	YTD	1 yr.	Annualized		
				3 yrs.	5 yrs.	10 yrs.
S&P 500	-0.76%	-0.76%	13.99%	10.78%	13.31%	9.49%
Russell 1000 Value	-2.83%	-2.83%	6.95%	7.88%	10.78%	7.78%
Russell 1000 Growth	1.42%	1.42%	21.25%	12.90%	15.53%	11.34%
Russell Mid Cap	-0.46%	-0.46%	12.20%	8.01%	12.09%	10.21%
Russell Mid Cap Value	-2.50%	-2.50%	6.50%	7.23%	11.11%	9.81%
Russell Mid Cap Growth	2.17%	2.17%	19.74%	9.17%	13.31%	10.61%
Russell 2000	-0.08%	-0.08%	11.79%	8.39%	11.47%	9.84%
Russell 2000 Value	-2.64%	-2.64%	5.13%	7.87%	9.96%	8.61%
Russell 2000 Growth	2.30%	2.30%	18.63%	8.77%	12.90%	10.95%
Russell 3000	-0.64%	-0.64%	13.81%	10.22%	13.03%	9.62%
DJ US Select REIT	-7.43%	-7.43%	-3.68%	0.74%	5.97%	6.02%



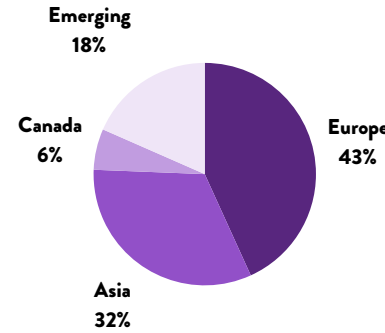
1Q2018 International Market Data

Index Performance Data (net)

Index (US\$)	QTR	YTD	1 yr.	3 yrs.	5 yrs.	10 yrs.
MSCI ACWI ex-US	-1.18%	-1.18%	16.53%	6.18%	5.89%	2.70%
MSCI EAFE	-1.53%	-1.53%	14.80%	5.55%	6.50%	2.74%
Europe	-1.98%	-1.98%	14.49%	4.79%	6.37%	2.06%
United Kingdom	-3.88%	-3.88%	11.92%	3.10%	3.87%	2.28%
Germany	-3.58%	-3.58%	13.62%	4.66%	7.85%	2.70%
France	0.34%	0.34%	20.41%	8.93%	8.90%	1.97%
Pacific	-0.68%	-0.68%	15.78%	7.26%	6.84%	4.32%
Japan	0.83%	0.83%	19.64%	8.36%	8.92%	4.10%
Hong Kong	-1.37%	-1.37%	18.43%	8.82%	9.03%	7.39%
Australia	-6.15%	-6.15%	1.42%	3.09%	0.83%	3.38%
Canada	-7.35%	-7.35%	4.91%	2.64%	1.55%	1.25%
MSCI EM	1.42%	1.42%	24.93%	8.81%	4.99%	3.02%
MSCI EM Latin America	8.02%	8.02%	19.29%	10.13%	-1.87%	-0.76%
MSCI EM Asia	0.84%	0.84%	27.03%	9.43%	8.38%	5.24%
MSCI EM Eur/Mid East	1.81%	1.81%	16.20%	6.64%	-3.10%	-3.61%
MSCI ACWI Value ex-US	-1.50%	-1.50%	13.26%	5.04%	4.88%	2.09%
MSCI ACWI Growth ex-US	-0.87%	-0.87%	19.92%	7.28%	6.84%	3.25%
MSCI ACWI Sm Cap ex-US	-0.35%	-0.35%	20.60%	10.40%	8.57%	5.51%

Regional Exposure

MSCI ACWI ex-USA

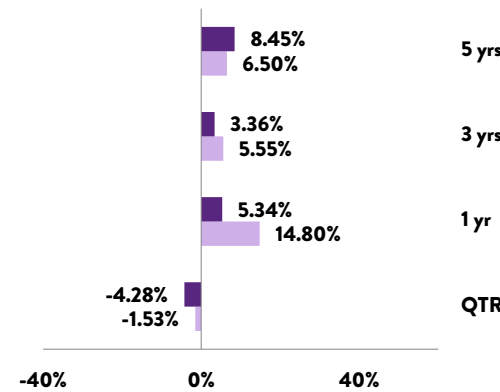


Top 10 Countries (MSCI AC World ex-USA)

Japan	17%
UK	12%
China	8%
France	8%
Germany	7%
Canada	6%
Switzerland	5%
Australia	5%
South Korea	4%
Taiwan	3%

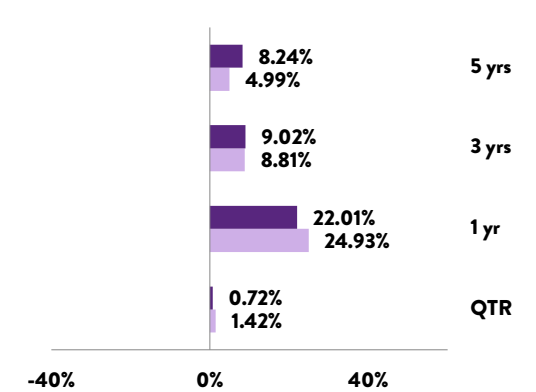
MSCI EAFE Index Return

Local US\$

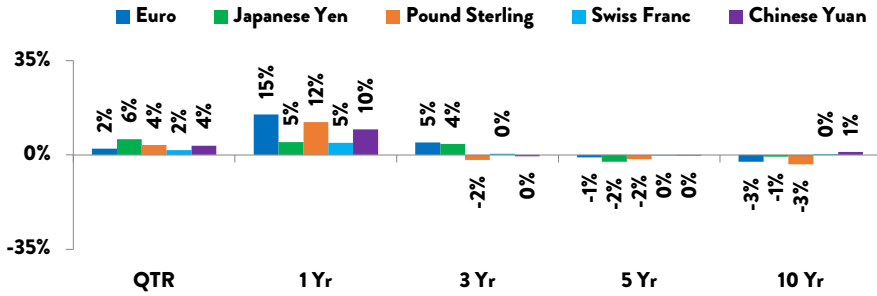


MSCI Emerging Index Return

Local US\$



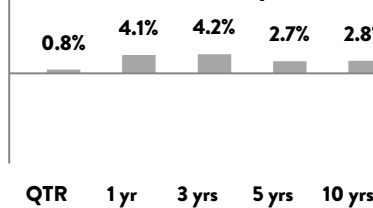
Foreign Currency v. US\$ Returns



Exchange Rates	1Q18	4Q17	3Q17	2Q17	1Q17	4Q16
Japanese Yen	106.20	112.69	112.64	112.40	111.41	116.80
Euro	0.81	0.83	0.85	0.88	0.93	0.95
British Pound	0.71	0.74	0.75	0.77	0.80	0.81
Swiss Franc	0.95	0.97	0.97	0.96	1.00	1.02
Chinese Yuan	6.27	6.51	6.65	6.78	6.88	6.94

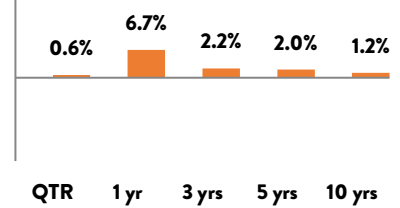
MSCI ACWI Ex US Large v. Small Cap Performance Spread

Small Beating Large
Large Beating Small



MSCI ACWI Ex US Value v. Growth Performance Spread

Growth Beating Value
Value Beating Growth



Historical Market Returns

Ranked by Performance

2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	1Q18
Emerging Markets 55.82%	Emerging Markets 25.55%	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 1.97%
Small Cap 47.25%	Intl 20.91%	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%	Emerging Markets 1.42%
Intl 40.83%	Mid Cap 20.22%	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%	Global Bonds 1.36%
Mid Cap 40.06%	Small Cap 18.33%	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%	Cash 0.31%
High Yield 28.97%	Global Balanced 12.18%	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%	Small Cap -0.08%
Large Cap 28.68%	Core Real Estate 12.00%	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%	Global Balanced -0.28%
Global Balanced 24.27%	High Yield 11.13%	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%	Commod. -0.40%
Commod. 23.93%	Large Cap 10.88%	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%	Mid Cap -0.46%
Global Bonds 12.51%	Global Bonds 9.27%	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%	Large Cap -0.76%
TIPS 8.40%	Commod. 9.15%	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%	TIPS -0.79%
Core Real Estate 8.28%	TIPS 8.46%	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%	High Yield -0.86%
US Bonds 4.10%	US Bonds 4.34%	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 -1.18%
Cash 1.03%	Cash 1.44%	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%	US Bonds -1.46%

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

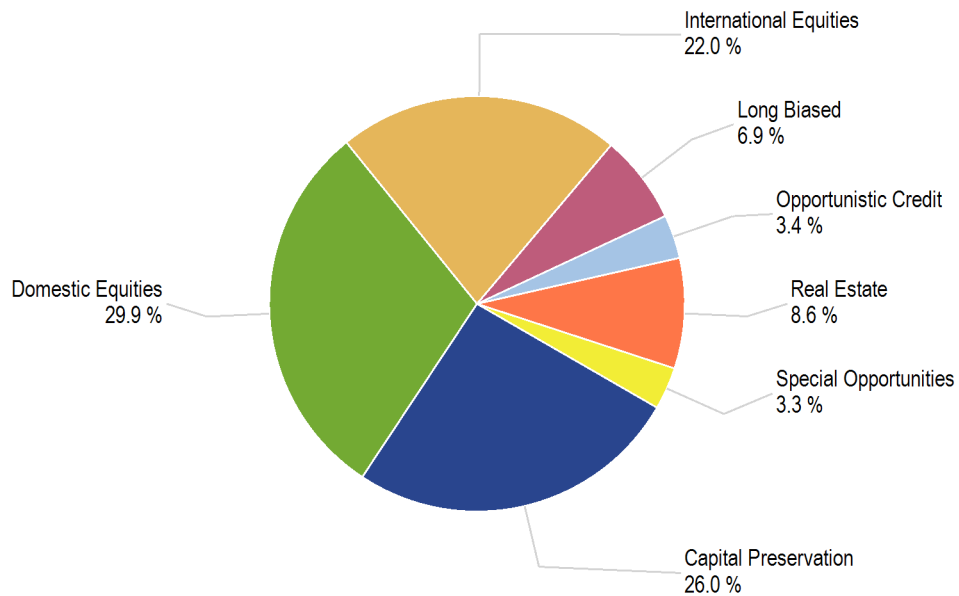
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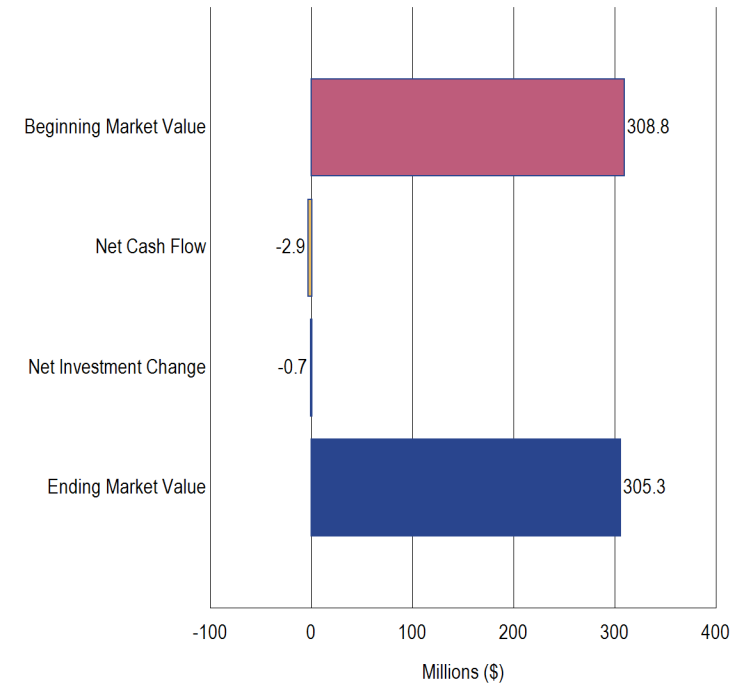
Spokane Employees' Retirement System

As of March 31, 2018

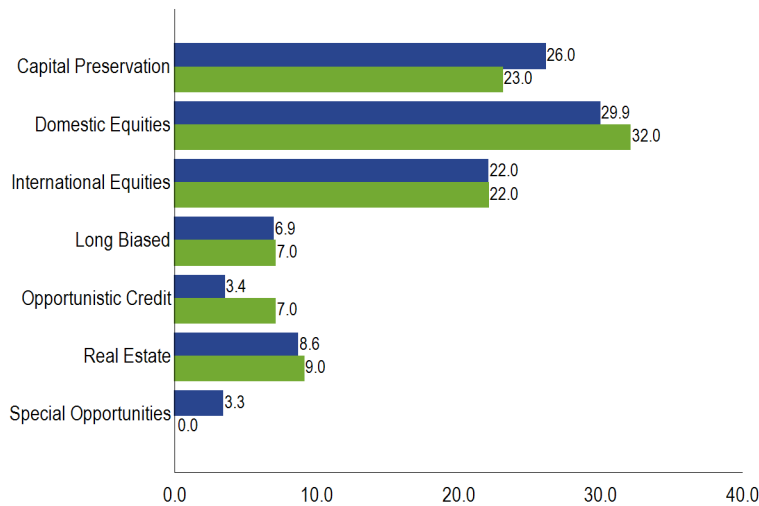
Current Allocation



Current Quarter



Actual vs Target Allocation (%)



Current Market Value:

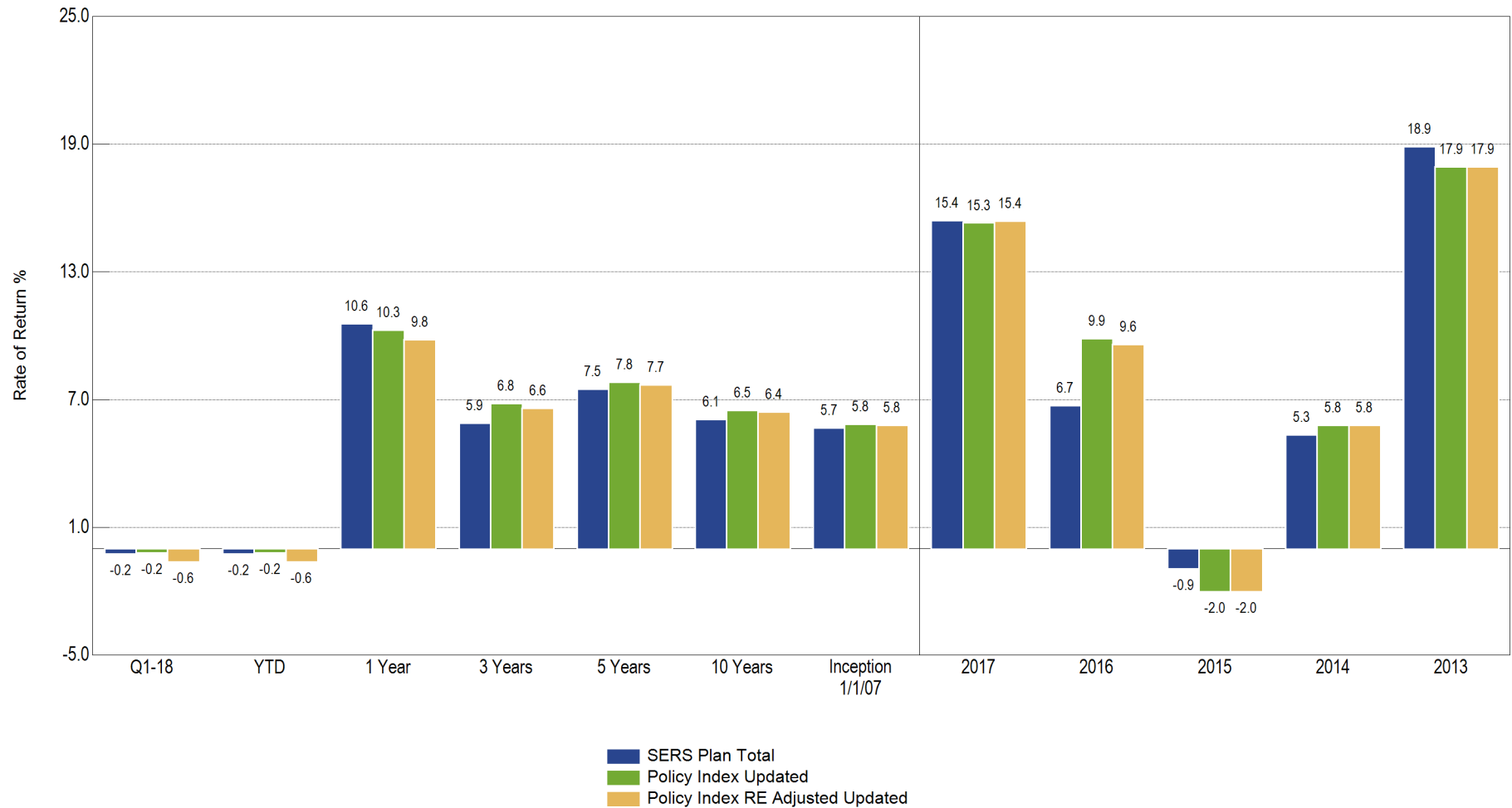
\$305,269,874

Policy Index

Index	Weight
US 90 Day T-Bill	0%
Barclays US Aggregate Bond Index	10%
Barclays Corporate High Yield Index	5%
HFRI FOF Conservative Index	8%
S&P 500 Index	21%
Russell 2500 Index	11%
MSCI ACWI ex-US Index	15%
MSCI ACWI ex-US Small Cap Index	4%
MSCI Emerging Markets Free Index	3%
HFRI FOF Composite Index	7%
HFRI Distressed Restructuring Index	7%
NCREIF - ODCE Index	9%

Actual Policy

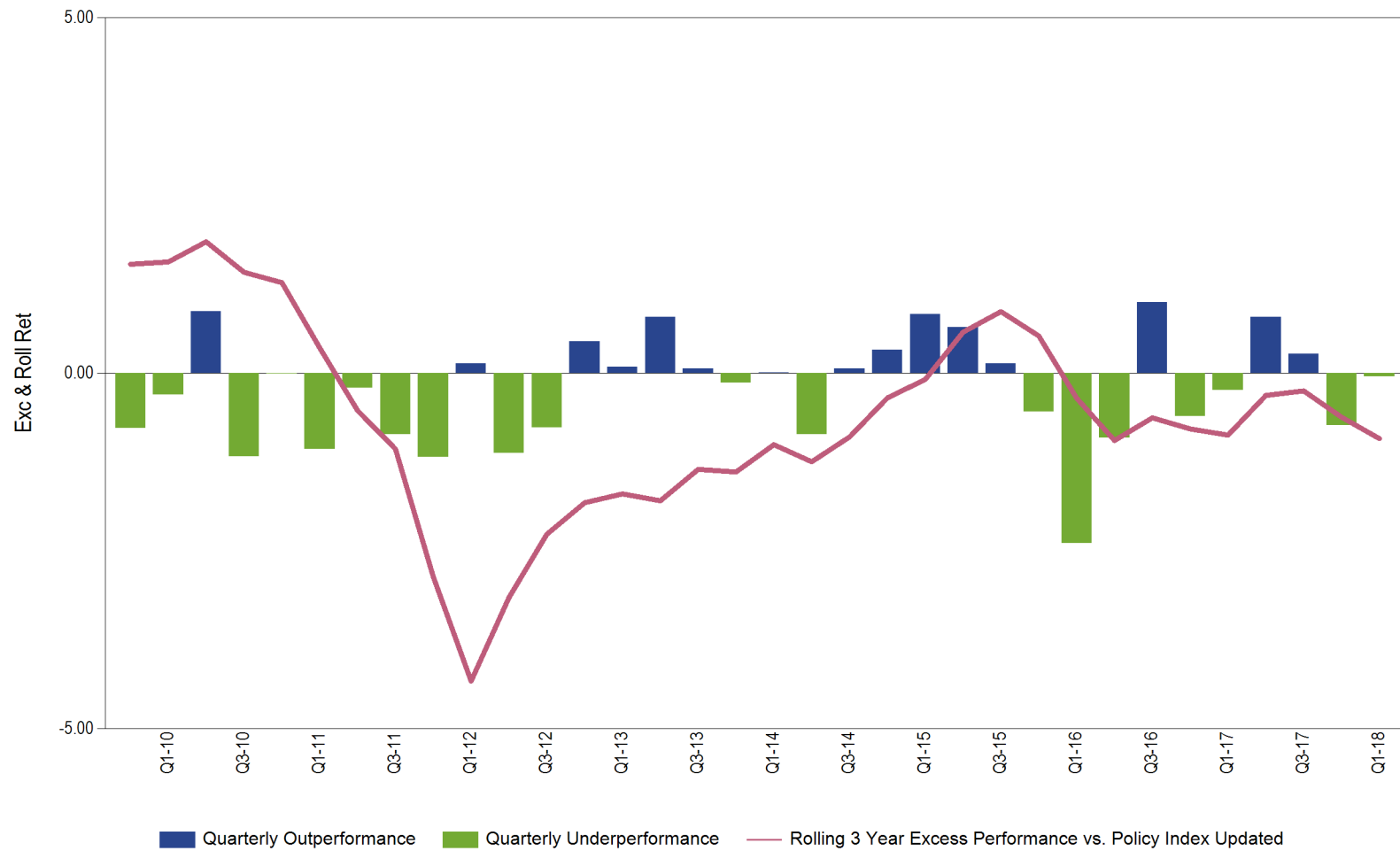
Return Summary



Performance Net of Fees

Performance greater than 1 year is annualized

Rolling Annualized Excess Performance



Spokane Employees' Retirement System

As of March 31, 2018

RISK RETURN STATISTICS

January 01, 2007 Through March 31, 2018

	SERS Plan Total	Policy Index Updated
RETURN SUMMARY STATISTICS		
Number of Periods	45	45
Maximum Return	12.42	16.64
Minimum Return	-14.46	-17.38
Annualized Return	5.68	5.84
Total Return	86.08	89.45
Annualized Excess Return Over Risk Free	4.98	5.15
Annualized Excess Return	-0.17	0.00
RISK SUMMARY STATISTICS		
Beta	0.86	1.00
Upside Deviation	6.00	7.42
Downside Deviation	9.15	10.40
RISK/RETURN SUMMARY STATISTICS		
Annualized Standard Deviation	10.96	12.57
Alpha	0.14	0.00
Sharpe Ratio	0.45	0.41
Excess Return Over Market / Risk	-0.02	0.00
Tracking Error	2.65	0.00
Information Ratio	-0.06	--
CORRELATION STATISTICS		
R-Squared	0.97	1.00
Correlation	0.98	1.00

Market Proxy: Policy Index Updated

Risk-Free Proxy: 91 Day T-Bills

Spokane Employees' Retirement System

As of March 31, 2018

Total Account Performance Summary

	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)	Inception (%)	Inception Date
SERS Plan Total	-0.23	-0.23	10.57	5.89	7.49	6.06	15.40	6.71	-0.94	5.34	18.89	11.70	5.68	Jan-07
Policy Index Updated	<u>-0.19</u>	<u>-0.19</u>	<u>10.26</u>	<u>6.81</u>	<u>7.81</u>	<u>6.48</u>	<u>15.29</u>	<u>9.86</u>	<u>-2.00</u>	<u>5.79</u>	<u>17.92</u>	<u>13.18</u>	<u>5.84</u>	Jan-07
Over/Under	-0.04	-0.04	0.31	-0.92	-0.32	-0.42	0.11	-3.15	1.06	-0.45	0.97	-1.48	-0.16	
70/30 ACWI/Barclays Aggregate Bond	-1.05	-1.05	10.67	6.13	7.06	5.30	17.50	6.42	-1.30	4.77	14.87	12.66	5.05	Jan-07
InvestorForce All DB \$250mm-\$1B Net Rank	42	42	27	53	41	50	42	74	47	63	8	61	44	Jan-07
Capital Preservation	-0.16	-0.16	3.52	3.80	2.98	--	5.85	8.12	-1.74	1.65	2.70	--	3.49	Jul-12
Capital Preservation Index	<u>-0.62</u>	<u>-0.62</u>	<u>2.55</u>	<u>2.24</u>	<u>2.93</u>	<u>3.90</u>	<u>4.60</u>	<u>5.43</u>	<u>-0.58</u>	<u>4.23</u>	<u>3.33</u>	<u>6.66</u>	<u>3.47</u>	Jul-12
Over/Under	0.46	0.46	0.97	1.56	0.05		1.25	2.69	-1.16	-2.58	-0.63		0.02	
Domestic Equity	-0.53	-0.53	13.24	8.53	12.31	--	19.86	10.91	-0.32	11.10	36.38	--	13.97	Jul-12
Domestic Equity Index	<u>-0.56</u>	<u>-0.56</u>	<u>13.46</u>	<u>9.92</u>	<u>12.75</u>	<u>9.82</u>	<u>20.11</u>	<u>13.92</u>	<u>-0.06</u>	<u>11.44</u>	<u>33.91</u>	<u>16.67</u>	<u>14.43</u>	Jul-12
Over/Under	0.03	0.03	-0.22	-1.39	-0.44		-0.25	-3.01	-0.26	-0.34	2.47		-0.46	
All Cap Blend MStar MF Rank	36	36	36	52	36	--	37	70	33	38	35	--	47	Jul-12
International Equity Total	-0.79	-0.79	17.82	7.82	7.79	4.93	28.45	3.91	-1.32	-3.58	20.93	18.48	5.16	Apr-07
International Equity Index	<u>-0.68</u>	<u>-0.68</u>	<u>18.40</u>	<u>7.34</u>	<u>6.29</u>	<u>3.30</u>	<u>29.35</u>	<u>5.34</u>	<u>-5.49</u>	<u>-3.63</u>	<u>13.48</u>	<u>17.36</u>	<u>3.30</u>	Apr-07
Over/Under	-0.11	-0.11	-0.58	0.48	1.50	1.63	-0.90	-1.43	4.17	0.05	7.45	1.12	1.86	
Foreign MStar MF Rank	60	60	44	32	35	26	42	24	67	32	56	55	16	Apr-07
Long Biased	1.32	1.32	5.60	0.50	2.47	--	1.19	-2.99	4.04	3.62	9.56	--	3.61	Jul-12
HFRI Fund of Funds Composite Index	<u>0.29</u>	<u>0.29</u>	<u>5.56</u>	<u>1.87</u>	<u>3.38</u>	<u>1.55</u>	<u>7.77</u>	<u>0.51</u>	<u>-0.27</u>	<u>3.36</u>	<u>8.96</u>	<u>4.79</u>	<u>4.19</u>	Jul-12
Over/Under	1.03	1.03	0.04	-1.37	-0.91		-6.58	-3.50	4.31	0.26	0.60		-0.58	
S&P 500	-0.76	-0.76	13.99	10.78	13.31	9.49	21.83	11.96	1.38	13.69	32.39	16.00	14.59	Jul-12
Opportunistic Credit	0.81	0.81	5.73	6.99	--	--	7.08	14.52	2.35	2.32	--	--	6.87	Oct-13
HFRI ED: Distressed/Restructuring Index	<u>0.27</u>	<u>0.27</u>	<u>3.86</u>	<u>3.82</u>	<u>3.98</u>	<u>4.37</u>	<u>6.25</u>	<u>15.15</u>	<u>-8.06</u>	<u>-1.39</u>	<u>14.05</u>	<u>10.12</u>	<u>3.36</u>	Oct-13
Over/Under	0.54	0.54	1.87	3.17			0.83	-0.63	10.41	3.71			3.51	

Capital Preservation Index: Barclays Aggregate: 43.5%; HFRI Conservative: 34.8%; Barclays 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%

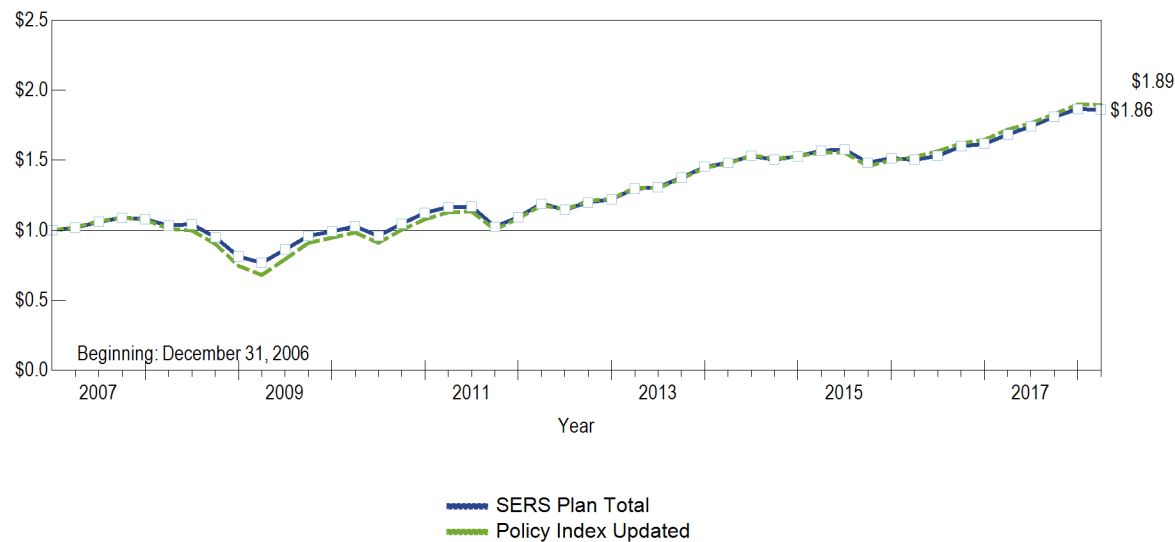
Spokane Employees' Retirement System

As of March 31, 2018

Total Account Performance Summary

	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)	Inception (%)	Inception Date
Real Estate Total	-0.42	-0.42	7.88	6.75	10.31	7.48	10.01	8.09	6.66	25.00	8.71	15.17	5.11	Apr-07
NCREIF-ODCE	2.20	2.20	8.07	9.99	11.42	5.11	7.62	8.76	15.02	12.48	13.94	10.94	5.82	Apr-07
Over/Under	-2.62	-2.62	-0.19	-3.24	-1.11	2.37	2.39	-0.67	-8.36	12.52	-5.23	4.23	-0.71	
FTSE NAREIT All REIT	-6.66	-6.66	-0.95	3.09	6.52	7.03	9.27	9.28	2.29	27.15	3.21	20.14	4.26	Apr-07
US Real Estate Equity Rank	1	1	3	2	2	47	11	32	7	94	7	98	46	Apr-07
Special Opportunities	0.43	0.43	15.88	-2.00	9.12	--	25.32	-21.90	2.13	25.88	31.60	--	9.13	Jul-12
Russell 3000	-0.64	-0.64	13.81	10.22	13.03	9.62	21.13	12.73	0.48	12.56	33.55	16.42	14.54	Jul-12
Over/Under	1.07	1.07	2.07	-12.22	-3.91		4.19	-34.63	1.65	13.32	-1.95		-5.41	

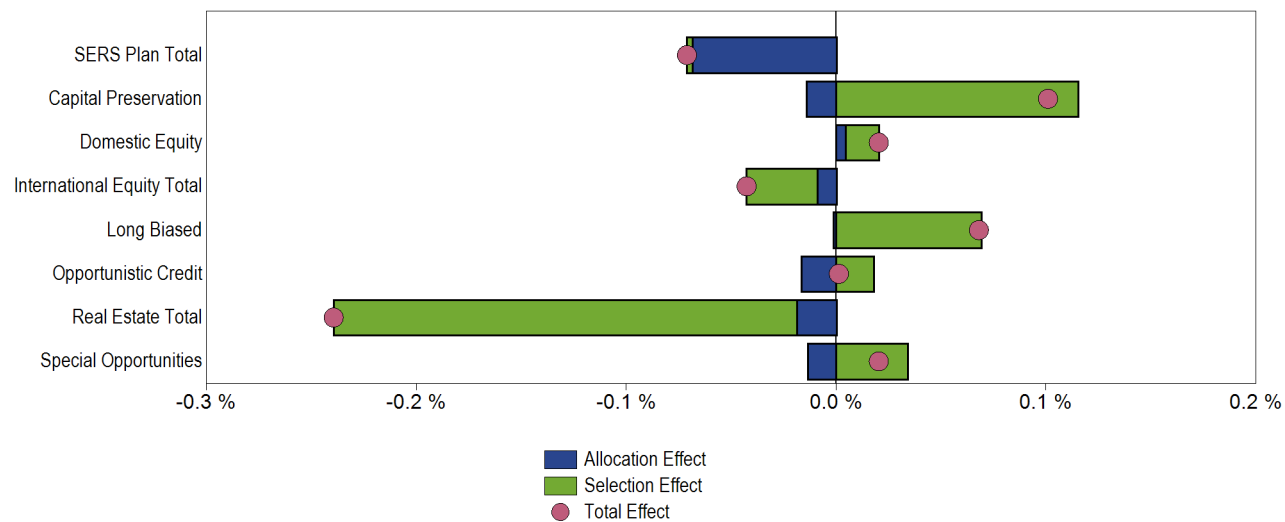
GROWTH OF A DOLLAR



Attribution Summary
3 Months Ending March 31, 2018

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
Capital Preservation	-0.2%	-0.6%	0.5%	0.1%	0.0%	0.1%
Domestic Equity	-0.5%	-0.6%	0.0%	0.0%	0.0%	0.0%
International Equity Total	-0.8%	-0.7%	-0.1%	0.0%	0.0%	0.0%
Long Biased	1.3%	0.3%	1.0%	0.1%	0.0%	0.1%
Opportunistic Credit	0.8%	0.3%	0.5%	0.0%	0.0%	0.0%
Real Estate Total	-0.4%	2.2%	-2.6%	-0.2%	0.0%	-0.2%
Special Opportunities	0.4%	-0.6%	1.1%	0.0%	0.0%	0.0%
Total	-0.3%	-0.2%	-0.1%	0.0%	-0.1%	-0.1%

Attribution Effects
3 Months Ending March 31, 2018

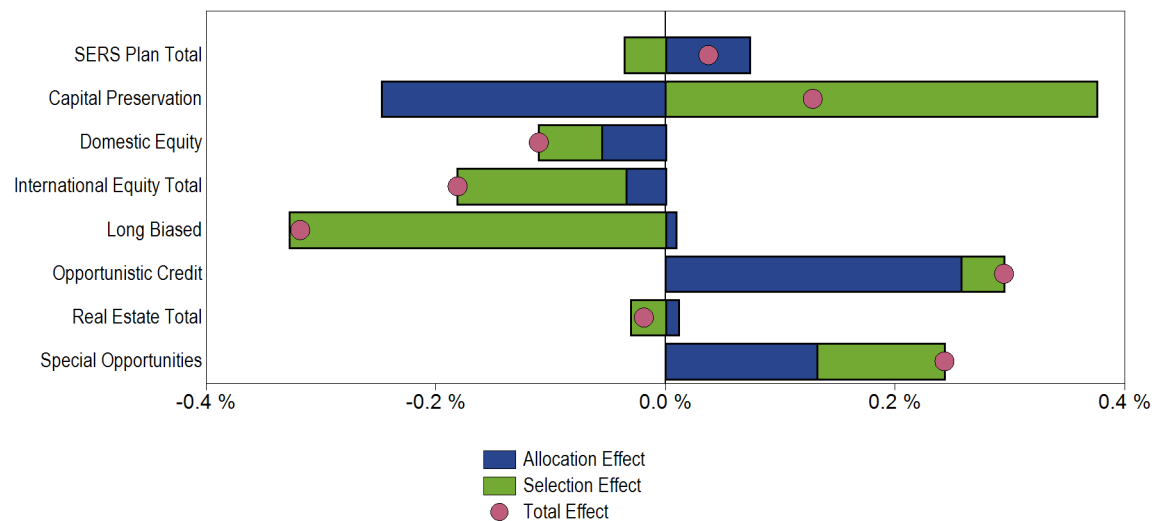


Attributions reflect new policy index

Attribution Summary
1 Year 3 Months Ending March 31, 2018

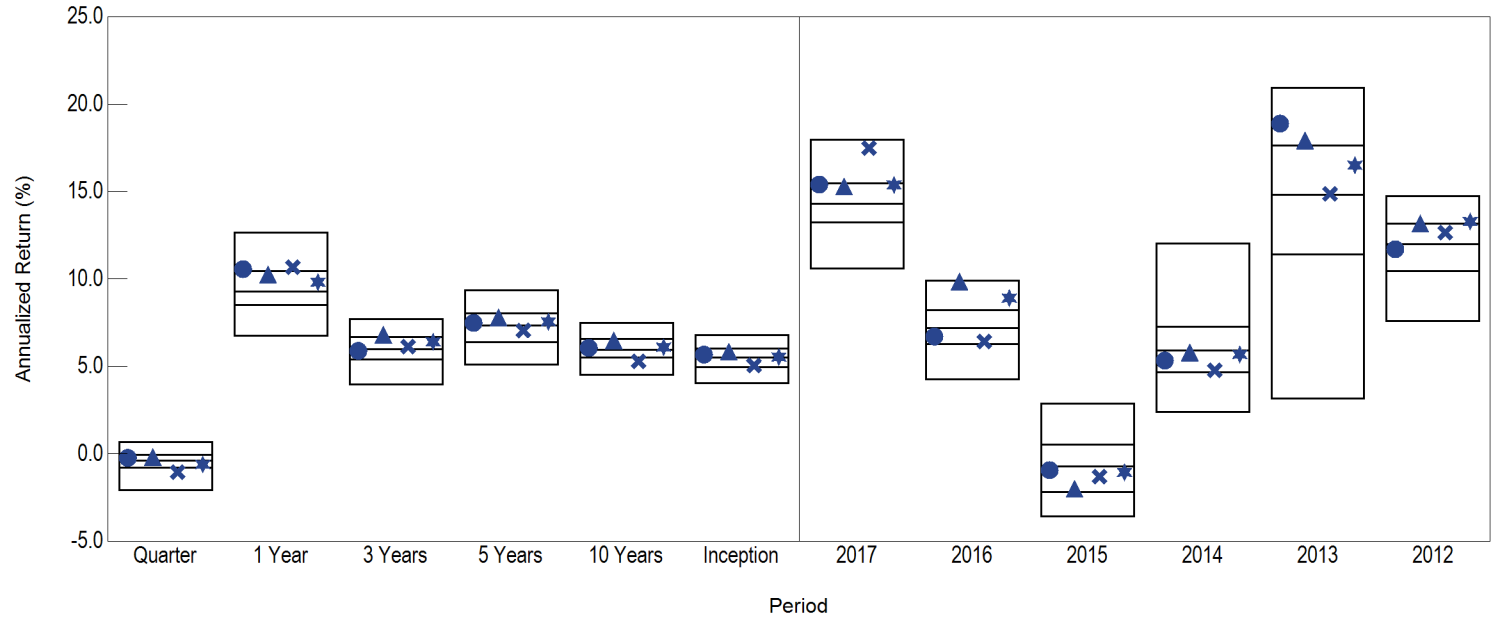
	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
Capital Preservation	4.5%	3.1%	1.4%	0.4%	-0.2%	0.1%
Domestic Equity	15.1%	15.3%	-0.2%	-0.1%	-0.1%	-0.1%
International Equity Total	21.4%	22.2%	-0.8%	-0.1%	0.0%	-0.2%
Long Biased	2.0%	6.4%	-4.4%	-0.3%	0.0%	-0.3%
Opportunistic Credit	6.3%	5.2%	1.1%	0.0%	0.3%	0.3%
Real Estate Total	7.6%	7.9%	-0.3%	0.0%	0.0%	0.0%
Special Opportunities	20.2%	16.0%	4.2%	0.1%	0.1%	0.2%
Total	11.9%	11.9%	0.0%	0.0%	0.1%	0.0%

Attribution Effects
1 Year 3 Months Ending March 31, 2018



Attributions reflect new policy index

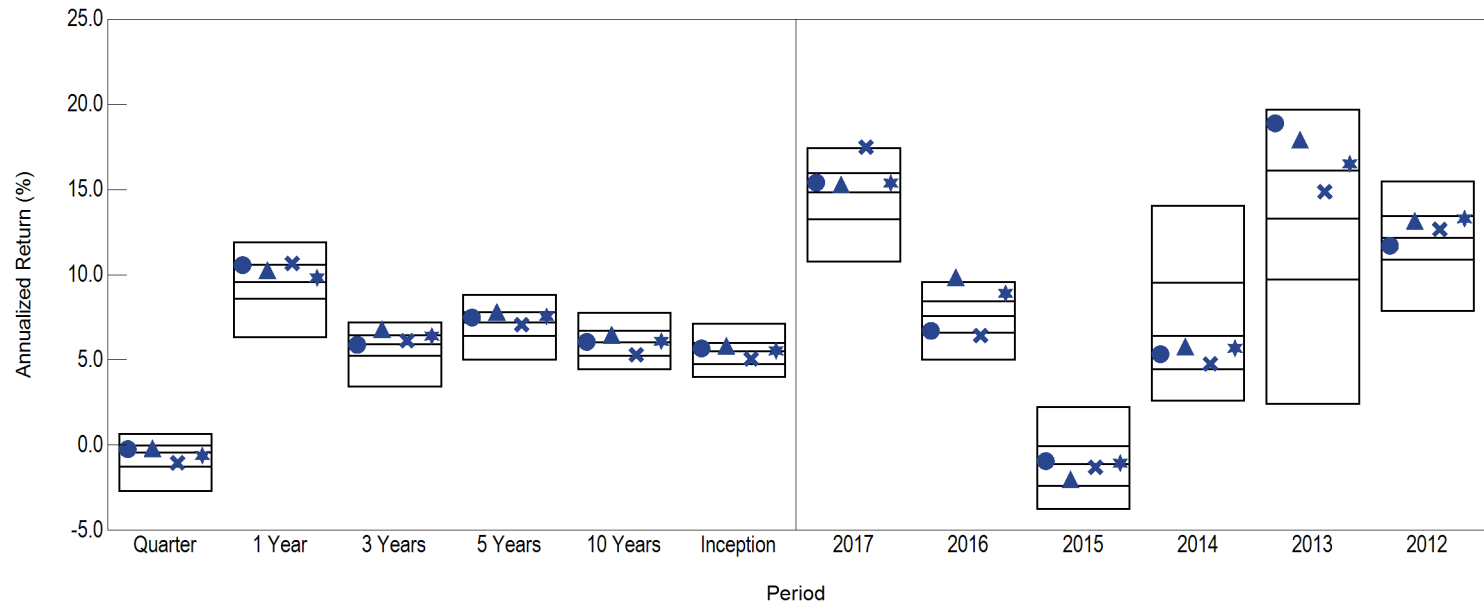
InvestorForce All DB \$50mm-\$250mm Net Return Comparison
Ending March 31, 2018



Return (Rank)

5th Percentile	0.7	12.7	7.7	9.4	7.5	6.8	18.0	9.9	2.9	12.0	20.9	14.8
25th Percentile	0.0	10.5	6.7	8.1	6.6	6.1	15.5	8.3	0.6	7.3	17.7	13.2
Median	-0.4	9.3	6.0	7.4	6.0	5.5	14.3	7.2	-0.7	6.0	14.9	12.0
75th Percentile	-0.7	8.6	5.4	6.4	5.5	5.0	13.3	6.3	-2.1	4.7	11.4	10.5
95th Percentile	-2.0	6.8	4.0	5.1	4.6	4.1	10.7	4.3	-3.5	2.4	3.2	7.6
# of Portfolios	333	331	318	297	247	238	326	321	330	285	268	261
● SERS Plan Total	-0.2 (39)	10.6 (24)	5.9 (59)	7.5 (46)	6.1 (47)	5.7 (41)	15.4 (27)	6.7 (66)	-0.9 (55)	5.3 (66)	18.9 (17)	11.7 (55)
▲ Policy Index Updated	-0.2 (35)	10.3 (30)	6.8 (23)	7.8 (35)	6.5 (30)	5.8 (36)	15.3 (29)	9.9 (6)	-2.0 (72)	5.8 (54)	17.9 (24)	13.2 (26)
✕ 70/30 ACWI/Barclays Aggregate Bond	-1.0 (84)	10.7 (22)	6.1 (48)	7.1 (60)	5.3 (81)	5.1 (71)	17.5 (8)	6.4 (73)	-1.3 (60)	4.8 (74)	14.9 (50)	12.7 (36)
* Policy Index RE Adjusted	-0.6 (69)	9.8 (37)	6.4 (38)	7.6 (44)	6.1 (45)	5.5 (51)	15.4 (28)	8.9 (14)	-1.1 (57)	5.7 (56)	16.5 (36)	13.3 (23)

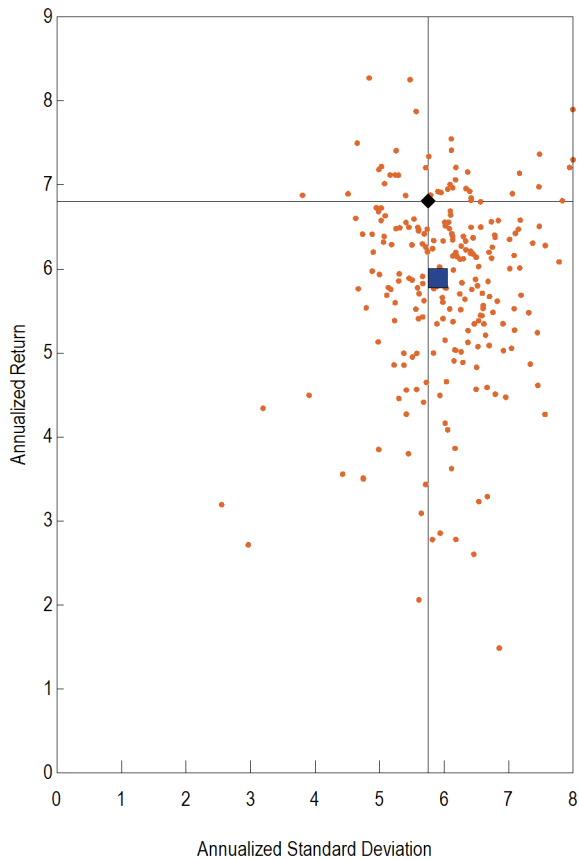
InvestorForce All DB \$250mm-\$1B Net Return Comparison
Ending March 31, 2018



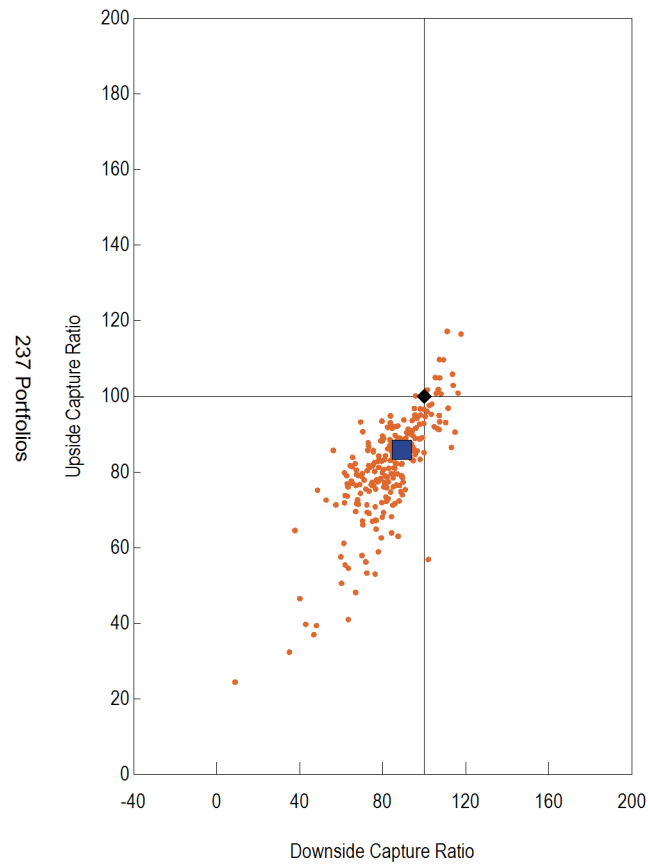
Return (Rank)

5th Percentile	0.7	11.9	7.2	8.8	7.8	7.1	17.4	9.6	2.2	14.1	19.7	15.5
25th Percentile	0.0	10.6	6.5	7.9	6.7	6.0	16.0	8.5	0.0	9.6	16.1	13.5
Median	-0.4	9.6	6.0	7.2	6.1	5.5	14.9	7.6	-1.1	6.4	13.3	12.2
75th Percentile	-1.2	8.6	5.3	6.4	5.3	4.8	13.3	6.6	-2.4	4.5	9.8	10.9
95th Percentile	-2.7	6.4	3.5	5.1	4.5	4.1	10.8	5.1	-3.7	2.6	2.5	7.9
# of Portfolios	245	244	237	227	180	172	237	248	231	212	190	178
● SERS Plan Total	-0.2 (42)	10.6 (27)	5.9 (53)	7.5 (41)	6.1 (50)	5.7 (44)	15.4 (42)	6.7 (74)	-0.9 (47)	5.3 (63)	18.9 (8)	11.7 (61)
▲ Policy Index Updated	-0.2 (39)	10.3 (34)	6.8 (17)	7.8 (28)	6.5 (28)	5.8 (35)	15.3 (43)	9.9 (4)	-2.0 (69)	5.8 (61)	17.9 (14)	13.2 (32)
× 70/30 ACWI/Barclays Aggregate Bond	-1.0 (71)	10.7 (23)	6.1 (47)	7.1 (56)	5.3 (75)	5.1 (69)	17.5 (4)	6.4 (78)	-1.3 (56)	4.8 (73)	14.9 (37)	12.7 (43)
* Policy Index RE Adjusted	-0.6 (60)	9.8 (44)	6.4 (32)	7.6 (39)	6.1 (48)	5.5 (50)	15.4 (42)	8.9 (15)	-1.1 (50)	5.7 (61)	16.5 (23)	13.3 (29)

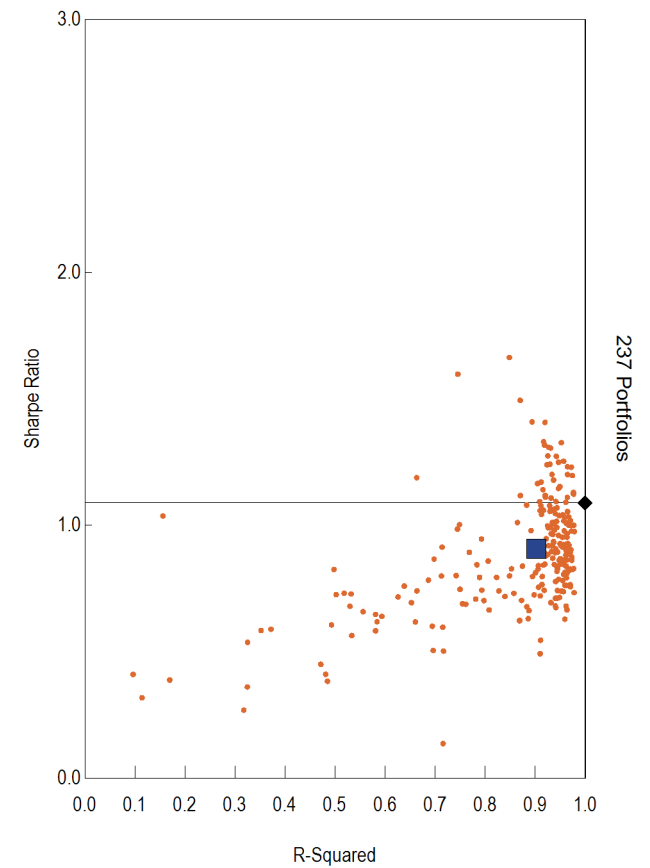
Annualized Return vs. Annualized Standard Deviation
3 Years Ending March 31, 2018



Upside Capture Ratio vs. Downside Capture Ratio
3 Years Ending March 31, 2018



Sharpe Ratio vs. R-Squared
3 Years Ending March 31, 2018

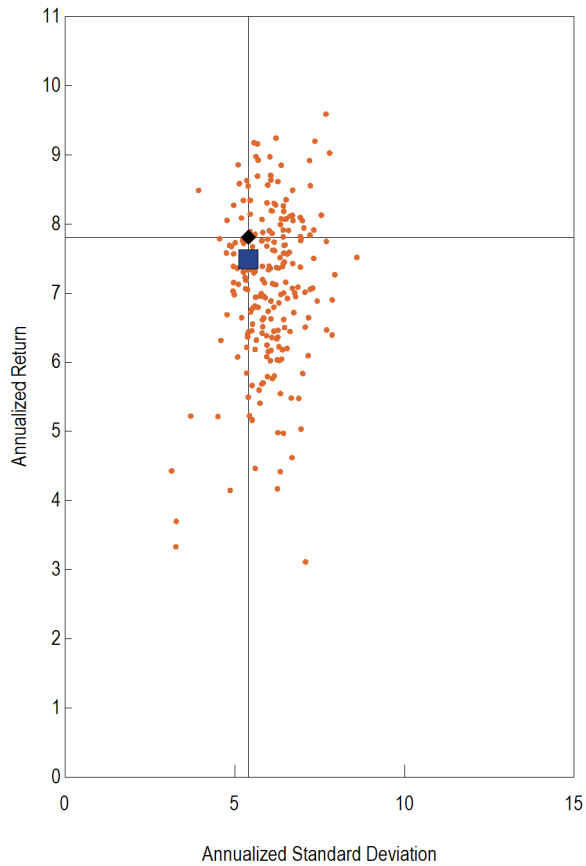


- SERS Plan Total
- ◆ Policy Index Updated
- InvestorForce All DB \$250mm-\$1B Net

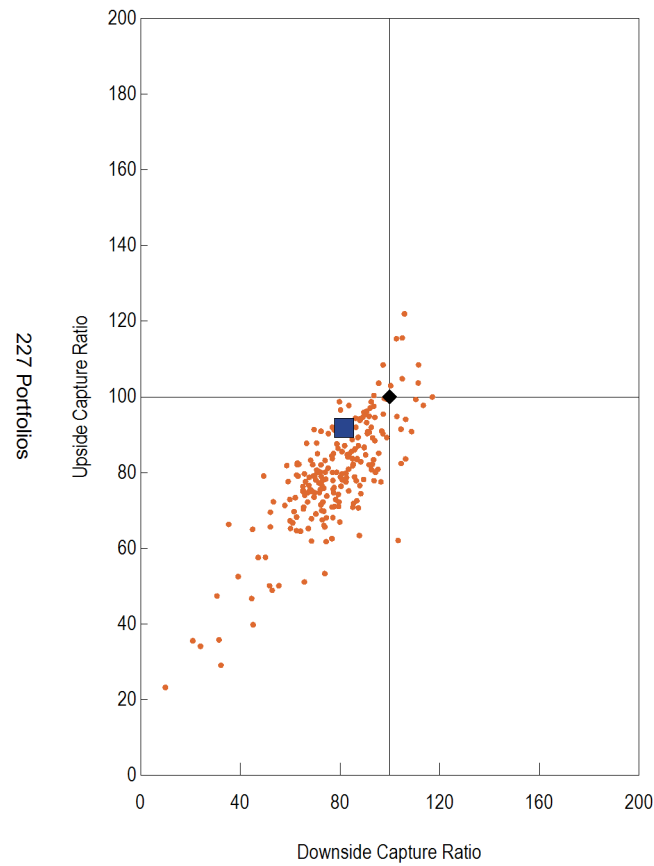
- SERS Plan Total
- ◆ Policy Index Updated
- InvestorForce All DB \$250mm-\$1B Net

- SERS Plan Total
- ◆ Policy Index Updated
- InvestorForce All DB \$250mm-\$1B Net

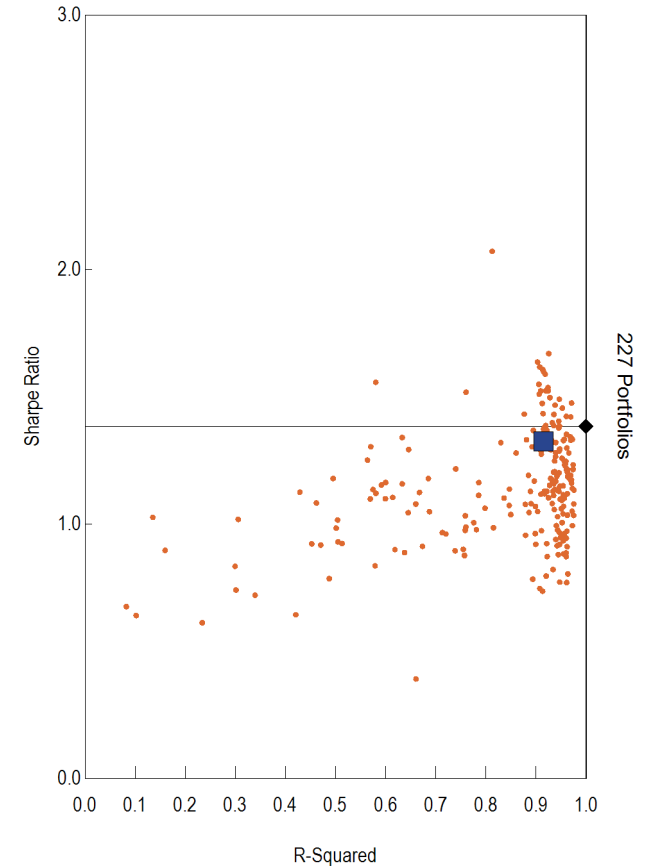
Annualized Return vs. Annualized Standard Deviation
5 Years Ending March 31, 2018



Upside Capture Ratio vs. Downside Capture Ratio
5 Years Ending March 31, 2018



Sharpe Ratio vs. R-Squared
5 Years Ending March 31, 2018

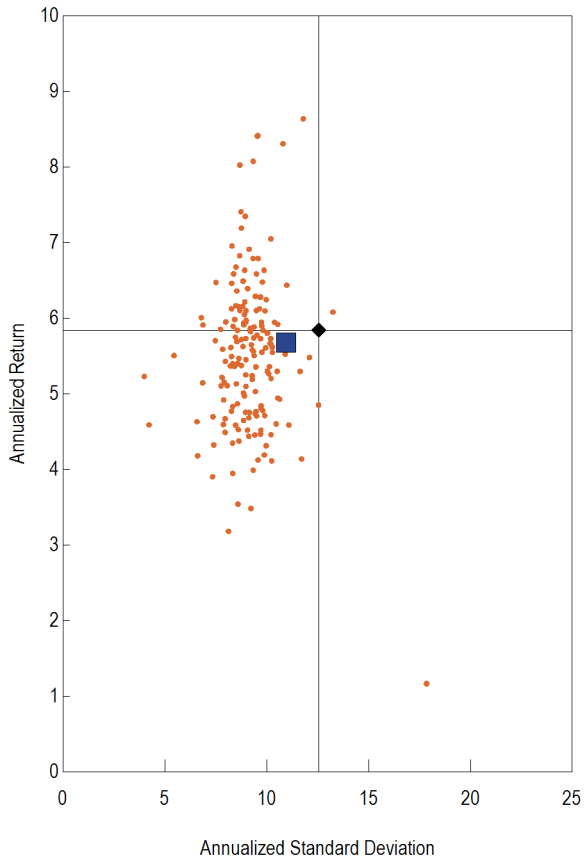


- SERS Plan Total
- ◆ Policy Index Updated
- InvestorForce All DB \$250mm-\$1B Net

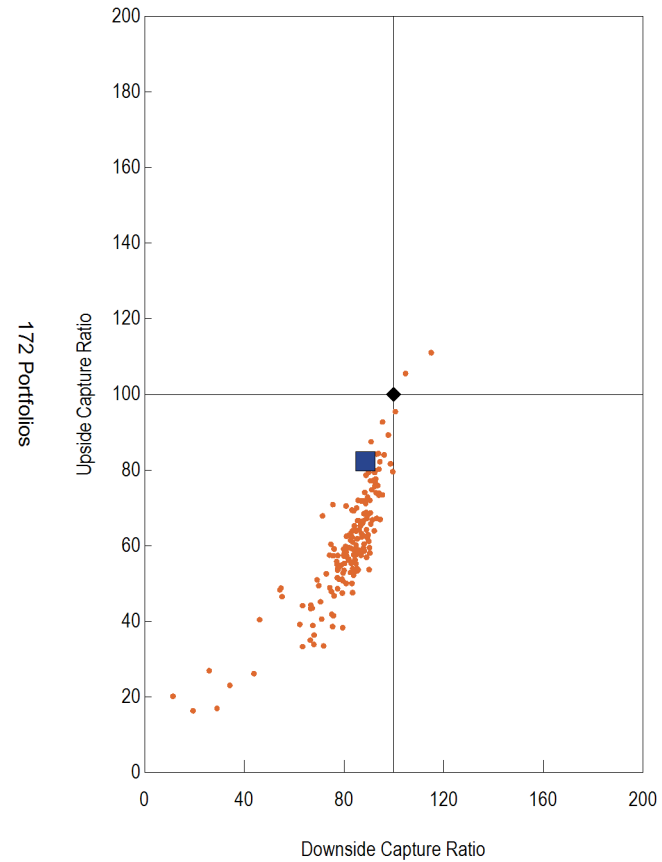
- SERS Plan Total
- ◆ Policy Index Updated
- InvestorForce All DB \$250mm-\$1B Net

- SERS Plan Total
- ◆ Policy Index Updated
- InvestorForce All DB \$250mm-\$1B Net

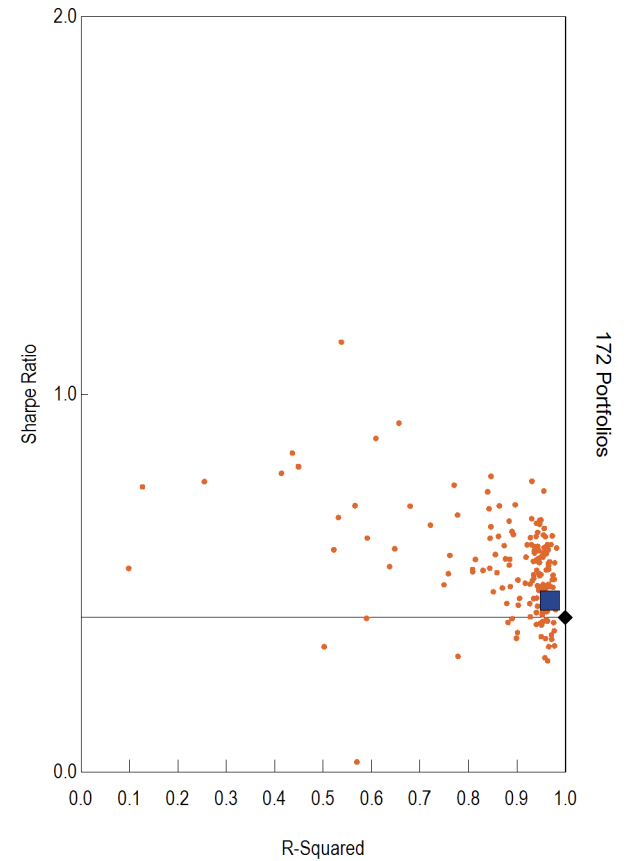
Annualized Return vs. Annualized Standard Deviation
11 Years 3 Months Ending March 31, 2018



Upside Capture Ratio vs. Downside Capture Ratio
11 Years 3 Months Ending March 31, 2018



Sharpe Ratio vs. R-Squared
11 Years 3 Months Ending March 31, 2018



- SERS Plan Total
- ◆ Policy Index Updated
- InvestorForce All DB \$250mm-\$1B Net

- SERS Plan Total
- ◆ Policy Index Updated
- InvestorForce All DB \$250mm-\$1B Net

- SERS Plan Total
- ◆ Policy Index Updated
- InvestorForce All DB \$250mm-\$1B Net

Spokane Employees' Retirement System

As of March 31, 2018

Asset Class Performance

	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)	Inception (%)	Inception Date
Capital Preservation	-0.16	-0.16	3.52	3.80	2.98	5.85	8.12	-1.74	1.65	2.70	--	3.49	Jul-12
Capital Preservation Index	-0.62	-0.62	2.55	2.24	2.93	4.60	5.43	-0.58	4.23	3.33	6.66	3.47	Jul-12
Over/Under	0.46	0.46	0.97	1.56	0.05	1.25	2.69	-1.16	-2.58	-0.63		0.02	
Total Return Bond	-1.38	-1.38	1.76	--	--	4.20	--	--	--	--	--	0.15	Sep-16
BBgBarc US Aggregate TR	-1.46	-1.46	1.20	1.20	1.82	3.54	2.65	0.55	5.97	-2.02	4.21	-0.67	Sep-16
Over/Under	0.08	0.08	0.56			0.66						0.82	
Intermediate-Term Bond MStar MF Rank	57	57	38	--	--	38	--	--	--	--	--	46	Sep-16
High Yield	-0.61	-0.61	4.21	4.84	4.03	8.22	16.67	-7.05	0.68	7.00	14.35	5.53	Jul-12
BBgBarc US High Yield TR	-0.86	-0.86	3.78	5.17	4.99	7.50	17.13	-4.47	2.45	7.44	15.81	6.25	Jul-12
Over/Under	0.25	0.25	0.43	-0.33	-0.96	0.72	-0.46	-2.58	-1.77	-0.44	-1.46	-0.72	
High Yield Bond MStar MF Rank	37	37	27	28	65	18	13	92	70	51	69	52	Jul-12
Absolute Return	1.01	1.01	4.27	4.52	3.99	5.33	7.75	0.29	3.15	4.65	6.68	4.32	Jul-12
HFRI FOF: Conservative Index	0.56	0.56	3.45	1.66	2.96	4.12	1.89	0.37	3.14	7.70	4.22	3.68	Jul-12
Over/Under	0.45	0.45	0.82	2.86	1.03	1.21	5.86	-0.08	0.01	-3.05	2.46	0.64	
BBgBarc US Aggregate TR	-1.46	-1.46	1.20	1.20	1.82	3.54	2.65	0.55	5.97	-2.02	4.21	1.88	Jul-12
Domestic Equity	-0.53	-0.53	13.24	8.53	12.31	19.86	10.91	-0.32	11.10	36.38	--	13.97	Jul-12
Domestic Equity Index	-0.56	-0.56	13.46	9.92	12.75	20.11	13.92	-0.06	11.44	33.91	16.67	14.43	Jul-12
Over/Under	0.03	0.03	-0.22	-1.39	-0.44	-0.25	-3.01	-0.26	-0.34	2.47		-0.46	
All Cap Blend MStar MF Rank	36	36	36	52	36	37	70	33	38	35	--	47	Jul-12
Domestic Large Cap Equity	-1.18	-1.18	14.34	8.76	12.39	22.54	8.24	-0.32	12.85	34.81	15.42	7.98	Apr-07
S&P 500	-0.76	-0.76	13.99	10.78	13.31	21.83	11.96	1.38	13.69	32.39	16.00	8.08	Apr-07
Over/Under	-0.42	-0.42	0.35	-2.02	-0.92	0.71	-3.72	-1.70	-0.84	2.42	-0.58	-0.10	
Large Blend MStar MF Rank	64	64	33	68	56	24	83	53	39	26	56	37	Apr-07
Domestic Small/Mid Equity	0.74	0.74	11.14	8.16	12.12	14.91	15.37	-0.39	8.69	38.60	--	14.04	Jul-12
Russell 2500	-0.24	-0.24	12.31	8.15	11.55	16.81	17.59	-2.90	7.07	36.80	17.88	13.97	Jul-12
Over/Under	0.98	0.98	-1.17	0.01	0.57	-1.90	-2.22	2.51	1.62	1.80		0.07	
SMID Blend MStar MF Rank	9	9	37	38	19	39	75	10	24	34	--	32	Jul-12

Spokane Employees' Retirement System

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Asset Class Performance

	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)	Inception (%)	Inception Date
International Equity Total	-0.79	-0.79	17.82	7.82	7.79	28.45	3.91	-1.32	-3.58	20.93	18.48	5.16	Apr-07
International Equity Index	-0.68	-0.68	18.40	7.34	6.29	29.35	5.34	-5.49	-3.63	13.48	17.36	3.30	Apr-07
Over/Under	-0.11	-0.11	-0.58	0.48	1.50	-0.90	-1.43	4.17	0.05	7.45	1.12	1.86	
Foreign MStar MF Rank	60	60	44	32	35	42	24	67	32	56	55	16	Apr-07
International Large Cap Equity	-1.11	-1.11	16.78	7.39	8.69	27.50	4.02	-1.13	-1.38	24.43	--	11.06	Jul-12
MSCI ACWI ex USA	-1.18	-1.18	16.53	6.18	5.89	27.19	4.50	-5.66	-3.87	15.29	16.83	8.05	Jul-12
Over/Under	0.07	0.07	0.25	1.21	2.80	0.31	-0.48	4.53	2.49	9.14		3.01	
Foreign Large Blend MStar MF Rank	72	72	38	15	4	31	23	56	12	14	--	6	Jul-12
International Small/Mid Cap Equity	-0.22	-0.22	26.26	11.00	9.23	37.08	-0.68	7.56	-12.10	28.79	--	11.73	Jul-12
MSCI ACWI xUS Small (net)	-0.35	-0.35	20.60	10.40	8.57	31.65	3.91	2.60	-4.03	19.73	18.52	11.08	Jul-12
Over/Under	0.13	0.13	5.66	0.60	0.66	5.43	-4.59	4.96	-8.07	9.06		0.65	
Emerging Markets Equity	0.27	0.27	13.87	6.22	4.07	23.58	7.03	-8.73	-2.07	6.06	--	5.94	Jul-12
MSCI Emerging Markets	1.42	1.42	24.93	8.81	4.99	37.28	11.19	-14.92	-2.19	-2.60	18.22	6.38	Jul-12
Over/Under	-1.15	-1.15	-11.06	-2.59	-0.92	-13.70	-4.16	6.19	0.12	8.66		-0.44	
Diversified Emerging Mkts MStar MF Rank	86	86	95	84	74	94	56	16	49	14	--	72	Jul-12
Long Biased	1.32	1.32	5.60	0.50	2.47	1.19	-2.99	4.04	3.62	9.56	--	3.61	Jul-12
HFRI Fund of Funds Composite Index	0.29	0.29	5.56	1.87	3.38	7.77	0.51	-0.27	3.36	8.96	4.79	4.19	Jul-12
Over/Under	1.03	1.03	0.04	-1.37	-0.91	-6.58	-3.50	4.31	0.26	0.60		-0.58	
S&P 500	-0.76	-0.76	13.99	10.78	13.31	21.83	11.96	1.38	13.69	32.39	16.00	14.59	Jul-12
Opportunistic Credit	0.81	0.81	5.73	6.99	--	7.08	14.52	2.35	2.32	--	--	6.87	Oct-13
HFRI ED: Distressed/Restructuring Index	0.27	0.27	3.86	3.82	3.98	6.25	15.15	-8.06	-1.39	14.05	10.12	3.36	Oct-13
Over/Under	0.54	0.54	1.87	3.17		0.83	-0.63	10.41	3.71			3.51	
Real Estate Total	-0.42	-0.42	7.88	6.75	10.31	10.01	8.09	6.66	25.00	8.71	15.17	5.11	Apr-07
NCREIF-ODCE	2.20	2.20	8.07	9.99	11.42	7.62	8.76	15.02	12.48	13.94	10.94	5.82	Apr-07
Over/Under	-2.62	-2.62	-0.19	-3.24	-1.11	2.39	-0.67	-8.36	12.52	-5.23	4.23	-0.71	
FTSE NAREIT All REIT	-6.66	-6.66	-0.95	3.09	6.52	9.27	9.28	2.29	27.15	3.21	20.14	4.26	Apr-07
US Real Estate Equity Rank	1	1	3	2	2	11	32	7	94	7	98	46	Apr-07
Special Opportunities	0.43	0.43	15.88	-2.00	9.12	25.32	-21.90	2.13	25.88	31.60	--	9.13	Jul-12
Russell 3000	-0.64	-0.64	13.81	10.22	13.03	21.13	12.73	0.48	12.56	33.55	16.42	14.54	Jul-12
Over/Under	1.07	1.07	2.07	-12.22	-3.91	4.19	-34.63	1.65	13.32	-1.95		-5.41	

Spokane Employees' Retirement System

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Manager Performance

	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)	2011 (%)	Inception (%)	Inception Date
Capital Preservation															
Sterling Core Bond	-1.41	-1.41	1.86	1.84	2.34	4.44	4.33	3.75	0.54	5.99	-0.97	6.14	6.73	0.15	Aug-16
BBgBarc US Aggregate TR	<u>-1.46</u>	<u>-1.46</u>	<u>1.20</u>	<u>1.20</u>	<u>1.82</u>	<u>3.63</u>	<u>3.54</u>	<u>2.65</u>	<u>0.55</u>	<u>5.97</u>	<u>-2.02</u>	<u>4.21</u>	<u>7.84</u>	<u>-0.71</u>	Aug-16
Excess Return	0.05	0.05	0.66	0.64	0.52	0.81	0.79	1.10	-0.01	0.02	1.05	1.93	-1.11	0.86	
Intermediate-Term Bond MStar MF Rank	62	62	36	29	28	33	34	40	29	35	35	66	51	47	Aug-16
Hotchkis & Wiley High Yield	-0.61	-0.61	4.22	5.14	4.92	--	8.24	16.02	-4.30	1.09	8.71	17.96	2.28	4.61	Jun-15
BBgBarc US High Yield TR	<u>-0.86</u>	<u>-0.86</u>	<u>3.78</u>	<u>5.17</u>	<u>4.99</u>	<u>8.27</u>	<u>7.50</u>	<u>17.13</u>	<u>-4.47</u>	<u>2.45</u>	<u>7.44</u>	<u>15.81</u>	<u>4.98</u>	<u>4.93</u>	Jun-15
Excess Return	0.25	0.25	0.44	-0.03	-0.07		0.74	-1.11	0.17	-1.36	1.27	2.15	-2.70	-0.32	
High Yield Bond MStar MF Rank	37	37	26	22	23	--	17	20	61	65	20	11	72	26	Jun-15
Absolute Return															
Post Lmtd Term High Yield	-0.35	-0.35	1.82	2.42	3.47	5.94	3.19	5.66	0.84	2.96	7.49	9.61	6.16	5.44	Jun-10
HFRI FOF: Conservative Index	<u>0.56</u>	<u>0.56</u>	<u>3.45</u>	<u>1.66</u>	<u>2.96</u>	<u>1.28</u>	<u>4.12</u>	<u>1.89</u>	<u>0.37</u>	<u>3.14</u>	<u>7.70</u>	<u>4.22</u>	<u>-3.55</u>	<u>2.96</u>	Jun-10
Excess Return	-0.91	-0.91	-1.63	0.76	0.51	4.66	-0.93	3.77	0.47	-0.18	-0.21	5.39	9.71	2.48	
BBgBarc US Aggregate TR	-1.46	-1.46	1.20	1.20	1.82	3.63	3.54	2.65	0.55	5.97	-2.02	4.21	7.84	2.84	Jun-10
Rimrock Low Volatility Offshore	1.10	1.10	3.37	2.77	2.95	6.90	4.40	4.90	-1.90	2.31	7.82	11.33	2.29	5.16	Jun-10
HFRI FOF: Conservative Index	<u>0.56</u>	<u>0.56</u>	<u>3.45</u>	<u>1.66</u>	<u>2.96</u>	<u>1.28</u>	<u>4.12</u>	<u>1.89</u>	<u>0.37</u>	<u>3.14</u>	<u>7.70</u>	<u>4.22</u>	<u>-3.55</u>	<u>2.96</u>	Jun-10
Excess Return	0.54	0.54	-0.08	1.11	-0.01	5.62	0.28	3.01	-2.27	-0.83	0.12	7.11	5.84	2.20	
BBgBarc US Aggregate TR	-1.46	-1.46	1.20	1.20	1.82	3.63	3.54	2.65	0.55	5.97	-2.02	4.21	7.84	2.84	Jun-10
Castine Partners	2.11	2.11	7.67	10.63	9.22	6.38	9.34	15.57	6.57	7.48	6.16	2.53	2.14	6.98	Jun-11
HFRI FOF: Conservative Index	<u>0.56</u>	<u>0.56</u>	<u>3.45</u>	<u>1.66</u>	<u>2.96</u>	<u>1.28</u>	<u>4.12</u>	<u>1.89</u>	<u>0.37</u>	<u>3.14</u>	<u>7.70</u>	<u>4.22</u>	<u>-3.55</u>	<u>2.63</u>	Jun-11
Excess Return	1.55	1.55	4.22	8.97	6.26	5.10	5.22	13.68	6.20	4.34	-1.54	-1.69	5.69	4.35	
BBgBarc US Aggregate TR	-1.46	-1.46	1.20	1.20	1.82	3.63	3.54	2.65	0.55	5.97	-2.02	4.21	7.84	2.69	Jun-11
Polar Long Short Fund	0.42	0.42	3.58	4.36	3.96	4.92	4.20	6.60	1.73	3.46	5.60	4.42	2.02	4.47	Sep-11
HFRI FOF: Conservative Index	<u>0.56</u>	<u>0.56</u>	<u>3.45</u>	<u>1.66</u>	<u>2.96</u>	<u>1.28</u>	<u>4.12</u>	<u>1.89</u>	<u>0.37</u>	<u>3.14</u>	<u>7.70</u>	<u>4.22</u>	<u>-3.55</u>	<u>3.37</u>	Sep-11
Excess Return	-0.14	-0.14	0.13	2.70	1.00	3.64	0.08	4.71	1.36	0.32	-2.10	0.20	5.57	1.10	
BBgBarc US Aggregate TR	-1.46	-1.46	1.20	1.20	1.82	3.63	3.54	2.65	0.55	5.97	-2.02	4.21	7.84	2.20	Sep-11
American Beacon Flexible Bond Inst	1.56	1.56	4.24	2.36	1.32	--	5.03	3.83	-2.73	1.32	-1.19	9.01	--	4.24	Apr-17
BBgBarc US Aggregate TR	<u>-1.46</u>	<u>-1.46</u>	<u>1.20</u>	<u>1.20</u>	<u>1.82</u>	<u>3.63</u>	<u>3.54</u>	<u>2.65</u>	<u>0.55</u>	<u>5.97</u>	<u>-2.02</u>	<u>4.21</u>	<u>7.84</u>	<u>1.20</u>	Apr-17
Excess Return	3.02	3.02	3.04	1.16	-0.50		1.49	1.18	-3.28	-4.65	0.83	4.80		3.04	

Spokane Employees' Retirement System

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Manager Performance

	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)	2011 (%)	Inception (%)	Inception Date
Domestic Equity															
Large Cap Equity															
Hotchkis & Wiley Diversified Value I	-3.34	-3.34	9.82	7.98	11.63	8.23	18.39	19.94	-7.90	12.74	36.54	19.78	-5.67	11.44	Sep-08
Russell 1000 Value	<u>-2.83</u>	<u>-2.83</u>	<u>6.95</u>	<u>7.88</u>	<u>10.78</u>	<u>7.78</u>	<u>13.66</u>	<u>17.34</u>	<u>-3.83</u>	<u>13.45</u>	<u>32.53</u>	<u>17.51</u>	<u>0.39</u>	<u>9.55</u>	Sep-08
Excess Return	-0.51	-0.51	2.87	0.10	0.85	0.45	4.73	2.60	-4.07	-0.71	4.01	2.27	-6.06	1.89	
S&P 500	-0.76	-0.76	13.99	10.78	13.31	9.49	21.83	11.96	1.38	13.69	32.39	16.00	2.11	11.36	Sep-08
Large Value MStar MF Rank	80	80	44	45	24	43	23	9	90	20	14	8	87	6	Sep-08
Vanguard Institutional Index	-0.77	-0.77	13.96	10.75	13.28	9.50	21.79	11.93	1.37	13.65	32.35	15.98	2.09	10.06	Jun-08
S&P 500	<u>-0.76</u>	<u>-0.76</u>	<u>13.99</u>	<u>10.78</u>	<u>13.31</u>	<u>9.49</u>	<u>21.83</u>	<u>11.96</u>	<u>1.38</u>	<u>13.69</u>	<u>32.39</u>	<u>16.00</u>	<u>2.11</u>	<u>10.06</u>	Jun-08
Excess Return	-0.01	-0.01	-0.03	-0.03	-0.03	0.01	-0.04	-0.03	-0.01	-0.04	-0.04	-0.02	-0.02	0.00	
Large Blend MStar MF Rank	43	43	39	12	18	30	32	28	24	21	45	41	23	25	Jun-08
MFS Blended Research Core	-1.84	-1.84	11.96	8.57	12.61	9.60	20.83	8.57	1.34	12.44	36.37	15.68	2.21	14.37	Dec-11
S&P 500	<u>-0.76</u>	<u>-0.76</u>	<u>13.99</u>	<u>10.78</u>	<u>13.31</u>	<u>9.49</u>	<u>21.83</u>	<u>11.96</u>	<u>1.38</u>	<u>13.69</u>	<u>32.39</u>	<u>16.00</u>	<u>2.11</u>	<u>15.01</u>	Dec-11
Excess Return	-1.08	-1.08	-2.03	-2.21	-0.70	0.11	-1.00	-3.39	-0.04	-1.25	3.98	-0.32	0.10	-0.64	
Large Blend MStar MF Rank	78	78	71	71	48	26	58	81	25	44	16	51	22	55	Dec-11
Jackson Square Large Cap Growth Eq	1.48	1.48	21.52	8.19	12.41	10.02	28.42	-5.03	5.19	12.76	34.81	16.51	8.04	13.41	Sep-12
Russell 1000 Growth	<u>1.42</u>	<u>1.42</u>	<u>21.25</u>	<u>12.90</u>	<u>15.53</u>	<u>11.34</u>	<u>30.21</u>	<u>7.08</u>	<u>5.67</u>	<u>13.05</u>	<u>33.48</u>	<u>15.26</u>	<u>2.64</u>	<u>15.80</u>	Sep-12
Excess Return	0.06	0.06	0.27	-4.71	-3.12	-1.32	-1.79	-12.11	-0.48	-0.29	1.33	1.25	5.40	-2.39	
S&P 500	-0.76	-0.76	13.99	10.78	13.31	9.49	21.83	11.96	1.38	13.69	32.39	16.00	2.11	14.32	Sep-12
Large Growth MStar MF Rank	63	63	45	89	82	55	52	96	44	29	43	38	1	78	Sep-12

Spokane Employees' Retirement System

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Manager Performance

	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)	2011 (%)	Inception (%)	Inception Date
Small/Mid Cap Equity															
Sterling Mid Cap Value	-0.84	-0.84	5.81	7.35	11.66	10.95	14.27	16.97	-1.71	5.85	46.25	12.50	-3.37	11.73	Sep-08
Russell MidCap Value	-2.50	-2.50	6.50	7.23	11.11	9.81	13.34	20.00	-4.78	14.75	33.46	18.51	-1.38	11.26	Sep-08
Excess Return	1.66	1.66	-0.69	0.12	0.55	1.14	0.93	-3.03	3.07	-8.90	12.79	-6.01	-1.99	0.47	
Russell MidCap	-0.46	-0.46	12.20	8.01	12.09	10.21	18.52	13.80	-2.44	13.22	34.76	17.28	-1.55	12.09	Sep-08
Mid-Cap Value MStar MF Rank	17	17	72	48	15	11	37	69	19	87	2	85	49	36	Sep-08
Vanguard Mid Cap Index	0.01	0.01	12.31	7.86	12.26	10.16	19.25	11.22	-1.34	13.76	35.17	16.01	-1.95	14.09	Sep-09
Russell MidCap	-0.46	-0.46	12.20	8.01	12.09	10.21	18.52	13.80	-2.44	13.22	34.76	17.28	-1.55	14.09	Sep-09
Excess Return	0.47	0.47	0.11	-0.15	0.17	-0.05	0.73	-2.58	1.10	0.54	0.41	-1.27	-0.40	0.00	
Custom Vanguard Mid Cap Index	0.03	0.03	12.36	7.90	12.31	9.94	19.30	11.25	-1.28	13.83	35.27	15.47	-2.32	13.95	Sep-09
Mid-Cap Blend MStar MF Rank	15	15	24	40	15	33	16	74	19	7	47	62	35	7	Sep-09
Vanguard Mid Cap Growth	4.05	4.05	19.64	6.13	11.27	9.93	22.01	0.44	0.21	10.86	34.15	14.84	1.17	9.27	Jun-14
Russell MidCap Growth	2.17	2.17	19.74	9.17	13.31	10.61	25.27	7.33	-0.20	11.90	35.74	15.81	-1.65	10.87	Jun-14
Excess Return	1.88	1.88	-0.10	-3.04	-2.04	-0.68	-3.26	-6.89	0.41	-1.04	-1.59	-0.97	2.82	-1.60	
Mid-Cap Growth MStar MF Rank	22	22	42	90	75	43	72	93	41	21	61	47	22	70	Jun-14
Frontier Phocas Small Cap Value I	-1.06	-1.06	7.16	6.72	11.60	10.35	8.17	23.31	-4.35	7.19	45.63	9.75	-5.99	12.97	Dec-11
Russell 2000 Value	-2.64	-2.64	5.13	7.87	9.96	8.61	7.84	31.74	-7.47	4.22	34.52	18.05	-5.50	12.86	Dec-11
Excess Return	1.58	1.58	2.03	-1.15	1.64	1.74	0.33	-8.43	3.12	2.97	11.11	-8.30	-0.49	0.11	
Russell 2000	-0.08	-0.08	11.79	8.39	11.47	9.84	14.65	21.31	-4.41	4.89	38.82	16.35	-4.18	13.78	Dec-11
Small Value MStar MF Rank	11	11	44	51	10	14	60	71	36	23	3	95	75	40	Dec-11
Vanguard Small Cap Index	-0.21	-0.21	11.83	8.07	11.67	10.74	16.25	18.32	-3.63	7.53	37.80	18.26	-2.65	13.82	Sep-09
Russell 2000	-0.08	-0.08	11.79	8.39	11.47	9.84	14.65	21.31	-4.41	4.89	38.82	16.35	-4.18	13.07	Sep-09
Excess Return	-0.13	-0.13	0.04	-0.32	0.20	0.90	1.60	-2.99	0.78	2.64	-1.02	1.91	1.53	0.75	
Custom Vanguard Small Cap Index	-0.22	-0.22	11.80	8.03	11.65	10.40	16.24	18.26	-3.68	7.54	37.77	17.48	-3.15	13.57	Sep-09
Small Blend MStar MF Rank	36	36	26	44	28	16	15	68	42	15	56	22	49	22	Sep-09

Spokane Employees' Retirement System

As of March 31, 2018

Manager Performance

	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)	2011 (%)	Inception (%)	Inception Date
Champlain Small Cap	2.00	2.00	10.61	11.67	12.64	11.48	10.90	27.93	-0.65	4.43	36.61	11.06	4.01	11.44	Sep-08
Russell 2000	-0.08	-0.08	11.79	8.39	11.47	9.84	14.65	21.31	-4.41	4.89	38.82	16.35	-4.18	10.45	Sep-08
Excess Return	2.08	2.08	-1.18	3.28	1.17	1.64	-3.75	6.62	3.76	-0.46	-2.21	-5.29	8.19	0.99	
Russell 2000 Growth	2.30	2.30	18.63	8.76	12.90	10.95	22.17	11.32	-1.38	5.60	43.30	14.59	-2.91	11.90	Sep-08
Small Blend MStar MF Rank	3	3	45	4	14	3	65	8	11	60	68	88	5	26	Sep-08
Bridge City Small Growth	0.38	0.38	12.63	13.53	15.96	--	15.82	24.90	6.81	7.06	40.81	10.99	3.16	16.48	Dec-11
Russell 2000 Growth	2.30	2.30	18.63	8.76	12.90	10.95	22.17	11.32	-1.38	5.60	43.30	14.59	-2.91	14.88	Dec-11
Excess Return	-1.92	-1.92	-6.00	4.77	3.06		-6.35	13.58	8.19	1.46	-2.49	-3.60	6.07	1.60	
Russell 2000	-0.08	-0.08	11.79	8.39	11.47	9.84	14.65	21.31	-4.41	4.89	38.82	16.35	-4.18	13.86	Dec-11
Small Growth MStar MF Rank	78	78	78	8	7	--	77	5	4	15	61	79	10	11	Dec-11

Spokane Employees' Retirement System

As of March 31, 2018

Manager Performance

	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)	2011 (%)	Inception (%)	Inception Date
International Equity															
Artisan International Value	-3.12	-3.12	12.70	6.47	8.65	8.14	24.06	5.74	-1.49	-0.39	30.72	22.48	-6.98	10.09	Sep-08
MSCI ACWI ex USA Value	-1.50	-1.50	13.26	5.04	4.88	2.10	22.66	8.92	-10.06	-5.10	15.04	16.97	-13.20	4.98	Sep-08
Excess Return	-1.62	-1.62	-0.56	1.43	3.77	6.04	1.40	-3.18	8.57	4.71	15.68	5.51	6.22	5.11	
MSCI ACWI ex USA	-1.18	-1.18	16.53	6.18	5.89	2.70	27.19	4.50	-5.66	-3.87	15.29	16.83	-13.71	5.68	Sep-08
Foreign Large Value MStar MF Rank	94	94	60	27	5	1	41	29	45	2	1	8	7	1	Sep-08
EuroPacific Growth R6	1.03	1.03	21.18	7.93	8.80	4.87	31.17	1.01	-0.48	-2.29	20.58	19.64	-13.31	5.25	Jun-08
MSCI ACWI ex USA	-1.18	-1.18	16.53	6.18	5.89	2.70	27.19	4.50	-5.66	-3.87	15.29	16.83	-13.71	2.89	Jun-08
Excess Return	2.21	2.21	4.65	1.75	2.91	2.17	3.98	-3.49	5.18	1.58	5.29	2.81	0.40	2.36	
Foreign Large Blend MStar MF Rank	5	5	3	10	2	9	6	53	42	18	50	28	43	9	Jun-08
Victory Trivalent International Small Cap	-0.07	-0.07	26.50	11.33	12.49	6.78	37.13	-0.70	8.20	-0.20	32.98	24.32	-11.55	13.27	Aug-15
MSCI ACWI xUS Small (net)	-0.35	-0.35	20.60	10.40	8.57	5.51	31.65	3.91	2.60	-4.03	19.73	18.52	-18.50	13.72	Aug-15
Excess Return	0.28	0.28	5.90	0.93	3.92	1.27	5.48	-4.61	5.60	3.83	13.25	5.80	6.95	-0.45	
MSCI ACWI ex USA	-1.18	-1.18	16.53	6.18	5.89	2.70	27.19	4.50	-5.66	-3.87	15.29	16.83	-13.71	10.46	Aug-15
Foreign Small/Mid Growth MStar MF Rank	90	90	56	46	20	55	43	36	60	26	24	22	25	51	Aug-15
Berens Global Value Ltd	0.91	0.91	14.79	6.55	4.40	2.59	23.81	7.23	-8.84	-1.50	6.16	10.77	-14.07	2.22	Dec-07
MSCI Emerging Markets	1.42	1.42	24.93	8.81	4.99	3.02	37.28	11.19	-14.92	-2.19	-2.60	18.22	-18.42	1.78	Dec-07
Excess Return	-0.51	-0.51	-10.14	-2.26	-0.59	-0.43	-13.47	-3.96	6.08	0.69	8.76	-7.45	4.35	0.44	
MSCI ACWI ex USA	-1.18	-1.18	16.53	6.18	5.89	2.70	27.19	4.50	-5.66	-3.87	15.29	16.83	-13.71	1.68	Dec-07

Spokane Employees' Retirement System

As of March 31, 2018

Manager Performance

	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)	2011 (%)	Inception (%)	Inception Date
Long Biased															
Weatherlow Offshore	1.86	1.86	5.99	2.02	4.70	3.72	5.67	0.99	1.49	4.91	13.56	8.47	-5.89	3.72	Mar-08
HFRI Fund of Funds Composite Index	<u>0.29</u>	<u>0.29</u>	<u>5.57</u>	<u>1.87</u>	<u>3.38</u>	<u>1.55</u>	<u>7.77</u>	<u>0.51</u>	<u>-0.27</u>	<u>3.36</u>	<u>8.96</u>	<u>4.79</u>	<u>-5.72</u>	<u>1.55</u>	Mar-08
Excess Return	1.57	1.57	0.42	0.15	1.32	2.17	-2.10	0.48	1.76	1.55	4.60	3.68	-0.17	2.17	
S&P 500	-0.76	-0.76	13.99	10.78	13.31	9.49	21.83	11.96	1.38	13.69	32.39	16.00	2.11	9.49	Mar-08
Opportunistic Credit															
Beach Point Select Fund	0.81	0.81	5.73	7.08	7.60	--	7.08	14.52	2.58	2.35	15.93	17.58	--	6.96	Oct-13
HFRI ED: Distressed/Restructuring Index	<u>0.28</u>	<u>0.28</u>	<u>3.87</u>	<u>3.82</u>	<u>3.98</u>	<u>4.37</u>	<u>6.25</u>	<u>15.15</u>	<u>-8.06</u>	<u>-1.39</u>	<u>14.05</u>	<u>10.12</u>	<u>-1.79</u>	<u>3.37</u>	Oct-13
Excess Return	0.53	0.53	1.86	3.26	3.62		0.83	-0.63	10.64	3.74	1.88	7.46		3.59	
HFRX Distressed Securities Index	-5.44	-5.44	-4.00	1.08	1.60	-2.97	3.14	19.72	-11.14	0.42	5.37	0.94	-8.04	1.07	Oct-13
Real Estate															
SERS Principal Global Investors REIT	-5.23	-5.23	1.63	2.82	8.07	7.81	8.89	6.40	4.19	32.23	3.91	16.99	9.03	5.26	Dec-06
FTSE NAREIT All REIT	<u>-6.66</u>	<u>-6.66</u>	<u>-0.95</u>	<u>3.09</u>	<u>6.52</u>	<u>7.03</u>	<u>9.27</u>	<u>9.28</u>	<u>2.29</u>	<u>27.15</u>	<u>3.21</u>	<u>20.14</u>	<u>7.28</u>	<u>4.35</u>	Dec-06
Excess Return	1.43	1.43	2.58	-0.27	1.55	0.78	-0.38	-2.88	1.90	5.08	0.70	-3.15	1.75	0.91	
US Real Estate Equity Rank	14	14	18	37	14	37	24	70	54	37	26	87	72	48	Dec-06
Prime Property LLC	2.00	2.00	8.77	10.48	12.40	5.42	8.67	9.31	14.53	14.08	16.17	11.68	16.18	4.14	Oct-17
NCREIF - ODCE NET	<u>1.97</u>	<u>1.97</u>	<u>7.11</u>	<u>9.00</u>	<u>10.40</u>	<u>4.15</u>	<u>6.66</u>	<u>7.79</u>	<u>13.91</u>	<u>11.46</u>	<u>12.90</u>	<u>9.79</u>	<u>14.96</u>	<u>3.86</u>	Oct-17
Excess Return	0.03	0.03	1.66	1.48	2.00	1.27	2.01	1.52	0.62	2.62	3.27	1.89	1.22	0.28	
US Real Estate Equity Rank	1	1	3	1	1	99	25	20	1	99	1	99	2	1	Oct-17
Special Opportunities															
OrbiMed Partners II	0.43	0.43	15.87	-2.01	9.19	11.44	25.30	-21.91	2.14	25.88	32.19	16.19	8.28	10.78	Dec-10
MSCI World Healthcare Index	<u>-1.23</u>	<u>-1.23</u>	<u>9.12</u>	<u>2.77</u>	<u>10.62</u>	<u>9.84</u>	<u>19.80</u>	<u>-6.81</u>	<u>6.60</u>	<u>18.10</u>	<u>36.27</u>	<u>17.54</u>	<u>9.46</u>	<u>13.05</u>	Dec-10
Excess Return	1.66	1.66	6.75	-4.78	-1.43	1.60	5.50	-15.10	-4.46	7.78	-4.08	-1.35	-1.18	-2.27	
NASDAQ Biotech Index	0.06	0.06	9.81	-1.88	15.38	16.01	21.63	-21.35	11.77	34.40	65.97	32.29	12.08	19.04	Dec-10
S&P Composite 1500 Health Care	-0.50	-0.50	12.35	6.17	14.47	12.68	22.47	-2.05	7.41	24.79	42.19	18.35	11.88	16.43	Dec-10

Non-Marketable Securities Overview

As of December 31, 2017

Account Type	Account	Vintage Year	Commitment	Cumulative Takedown	Cumulative Distributions	Value (RV)	Total Value (RV + Dist)	Unfunded Commitment	Takedown (takedowns / commit)	IRR
Real Estate	Metropolitan Real Estate Partners V	2007	\$2,000,000	\$1,885,000	\$2,044,149	\$223,118	\$2,267,267	\$115,000	94.25%	3.55

Time and Dollar Weighted Returns

	Q4-17	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs
Metropolitan Real Estate Partners V							
Time Weighted	-0.43%	-7.81%	-7.81%	-1.68%	1.99%	6.38%	7.91%
Money Weighted	-0.41%	-7.45%	-7.45%	-0.16%	6.07%	12.21%	12.74%
NCREIF Property Index	1.80%	6.98%	6.98%	7.47%	9.39%	9.99%	10.19%

	2017	2016	2015	2014	2013	2012	Inception 11/30/07
Metropolitan Real Estate Partners V							
Time Weighted	-7.81%	4.86%	9.75%	20.70%	14.26%	13.32%	-4.83%
Money Weighted	-7.45%	3.86%	11.04%	19.67%	13.59%	13.15%	3.55%
NCREIF Property Index	6.98%	7.97%	13.33%	11.81%	10.99%	10.54%	6.36%

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 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
As of March 31, 2018

Account Type	Account	Vintage Year	Commitment	Cumulative Takedown	Cumulative Distributions	Value (RV)	Total Value (RV + Dist)	Unfunded Commitment	Takedown (takedowns / commit)	IRR
Real Estate	Morrison Street Fund IV Q, LP	2012	\$5,200,000	\$5,038,214	\$7,077,937	\$389,261	\$7,467,198	\$161,786	96.89%	16.22

Time and Dollar Weighted Returns

	Q1-18	YTD	1 Yr	2 Yrs	3 Yrs
Morrison Street Fund IV Q, LP					
Time Weighted	2.65%	2.65%	6.07%	10.49%	14.80%
Money Weighted	1.74%	1.74%	4.98%	13.92%	18.67%
NCREIF Property Index	1.70%	1.70%	7.13%	7.20%	8.73%

	2017	2016	2015	2014	Inception 7/1/12
Morrison Street Fund IV Q, LP					
Time Weighted	5.19%	21.19%	18.03%	18.77%	16.91%
Money Weighted	5.79%	23.73%	17.41%	18.88%	16.22%
NCREIF Property Index	6.98%	7.97%	13.33%	11.81%	10.04%

Contributions paid into Morrison Street Fund IV Q, LP are higher than what is reflected on the Manager statement.

This is due to the interest charge of \$122,762.15 paid at the time of initial investment.

Therefore the Unfunded Commitment also varies from the Manager statement.

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Non-Marketable Securities Overview

As of March 31, 2018

Account Type	Account	Vintage Year	Commitment	Cumulative Takedown	Cumulative Distributions	Value (RV)	Total Value (RV + Dist)	Unfunded Commitment	Takedown (takedowns / commit)	IRR
Real Estate	Morrison Street Fund V, LP	2014	\$6,080,000	\$5,960,493	\$3,481,861	\$4,500,584	\$7,982,445	\$119,507	98.03%	12.84

Time and Dollar Weighted Returns

Morrison Street Fund V, LP	Q1-18	YTD	1 Yr	2 Yrs	3 Yrs
Time Weighted	3.07%	3.07%	17.95%	14.92%	13.96%
Money Weighted	2.97%	2.97%	17.80%	14.89%	14.35%
NCREIF Property Index	1.70%	1.70%	7.13%	7.20%	8.73%
Morrison Street Fund V, LP	2017	2016	2015	2014	Inception 6/30/14
Time Weighted	18.03%	11.10%	11.89%		11.72%
Money Weighted	17.74%	11.31%	13.31%		12.84%
NCREIF Property Index	6.98%	7.97%	13.33%	11.81%	9.55%

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 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

As of December 31, 2017

Account Type	Account	Vintage Year	Commitment	Cumulative Takedown	Cumulative Distributions	Value (RV)	Total Value (RV + Dist)	Unfunded Commitment	Takedown (takedowns / commit)	IRR
Special Situations	Orbimed Royalty Opportunities	2011	\$5,000,000	\$5,000,000	\$2,785,890	\$2,686,206	\$5,472,096	\$0	100.00%	3.09

Time and Dollar Weighted Returns

Orbimed Royalty Opportunities	Q4-17	YTD	1 Yr	2 Yrs	3 Yrs
Time Weighted	-0.74%	4.47%	4.47%	-9.08%	-3.13%
Money Weighted	-0.74%	4.57%	4.57%	-7.97%	-1.07%
HFRI Fund of Funds Composite Index	2.07%	7.77%	7.77%	4.08%	2.61%
S&P 500	6.64%	21.83%	21.83%	16.79%	11.41%
Orbimed Royalty Opportunities	2017	2016	2015	2014	Inception 9/1/11
Time Weighted	4.47%	-20.87%	9.95%	9.99%	4.56%
Money Weighted	4.57%	-17.15%	9.99%	10.00%	3.09%
HFRI Fund of Funds Composite Index	7.77%	0.51%	-0.27%	3.36%	3.37%
S&P 500	21.83%	11.96%	1.38%	13.69%	15.64%

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 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
As of December 31, 2017

Account Type	Account	Vintage Year	Commitment	Cumulative Takedown	Cumulative Distributions	Value (RV)	Total Value (RV + Dist)	Unfunded Commitment	Takedown (takedowns / commit)	IRR
Absolute Return	Orbimed Royalty Opportunities II	2015	\$5,000,000	\$3,142,500	\$729,853	\$2,699,555	\$3,429,408	\$1,857,500	62.85%	9.49

Time and Dollar Weighted Returns

	Q4-17	YTD	1 Yr	2 Yrs	3 Yrs
Orbimed Royalty Opportunities II					
Time Weighted	3.33%	12.28%	12.28%	6.28%	
Money Weighted	3.28%	12.85%	12.85%	8.53%	
HFRI Fund of Funds Composite Index	2.07%	7.77%	7.77%	4.08%	2.61%
S&P 500	6.64%	21.83%	21.83%	16.79%	11.41%

	2017	2016	2015	2014	Inception 4/1/15
Orbimed Royalty Opportunities II					
Time Weighted	12.28%	0.60%			10.50%
Money Weighted	12.85%	-0.05%			9.49%
HFRI Fund of Funds Composite Index	7.77%	0.51%	-0.27%	3.36%	1.93%
S&P 500	21.83%	11.96%	1.38%	13.69%	12.12%

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 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

As of March 31, 2018

Account Type	Account	Vintage Year	Commitment	Cumulative Takedown	Cumulative Distributions	Value (RV)	Total Value (RV + Dist)	Unfunded Commitment	Takedown (takedowns / commit)	IRR
Real Estate	Morrison Street Debt Opportunities Fd LP	2017	\$5,000,000	\$4,304,833	\$384,170	\$4,179,029	\$4,563,199	\$695,167	86.10%	6.15

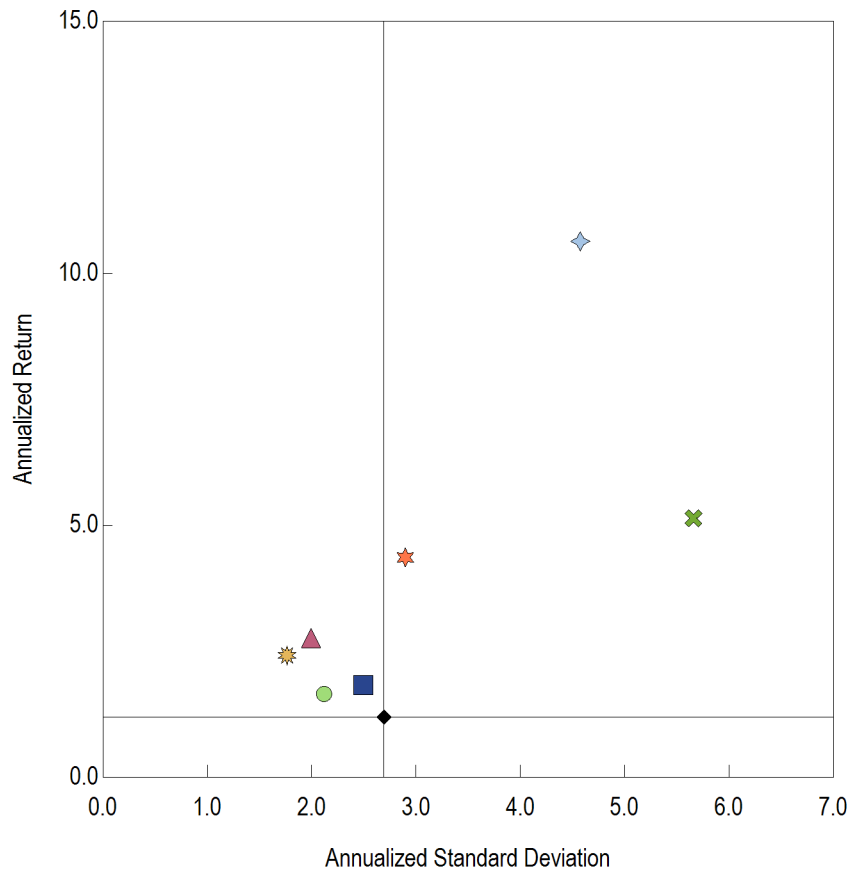
Time and Dollar Weighted Returns

Morrison Street Debt Opportunities Fd LP	Q1-18	YTD	1 Yr	2 Yrs	3 Yrs
Time Weighted	2.12%	2.12%	8.80%		
Money Weighted	2.19%	2.19%	9.20%		
NCREIF - ODCE NET	1.97%	1.97%	7.11%	7.23%	9.00%
Morrison Street Debt Opportunities Fd LP	2017	2016	2015	2014	Inception 12/31/16
Time Weighted	4.47%				5.32%
Money Weighted	5.28%				6.15%
NCREIF - ODCE NET	6.66%	7.79%	13.91%	11.46%	6.95%

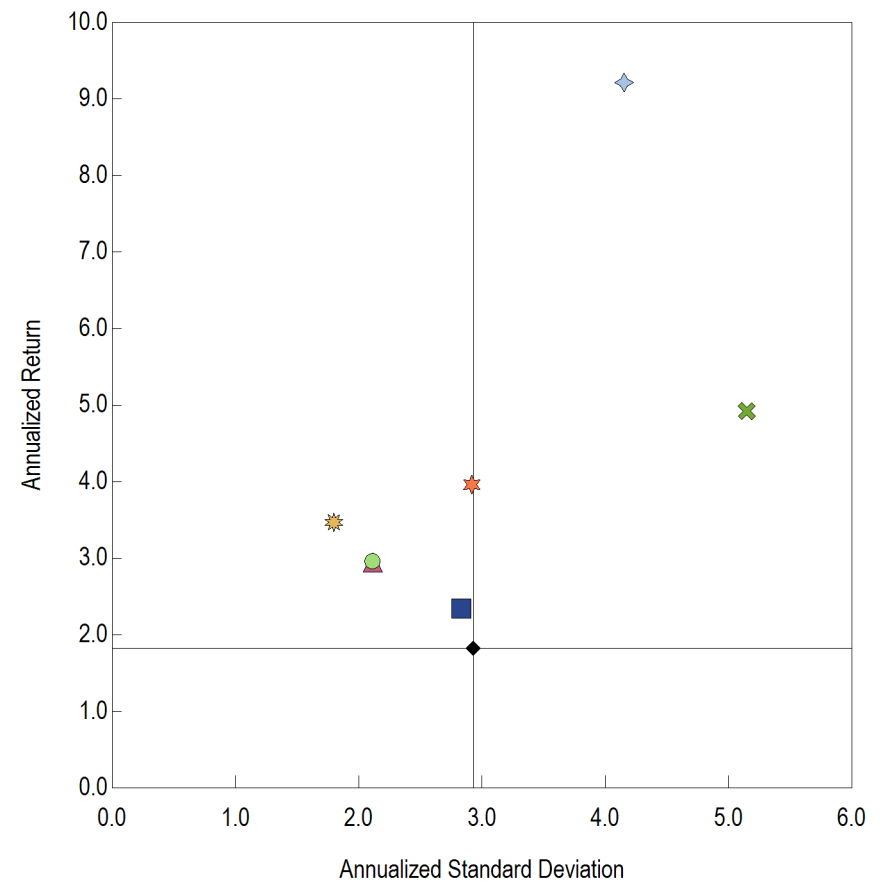
Time-Weighted Return - The current reporting system utilizes the Modified Dietz methodology for calculating time-weighted returns. This methodology accounts for inter-period cash flows by comparing the net gain in value with the average market value over the time interval. Average capital allows for 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, 2018



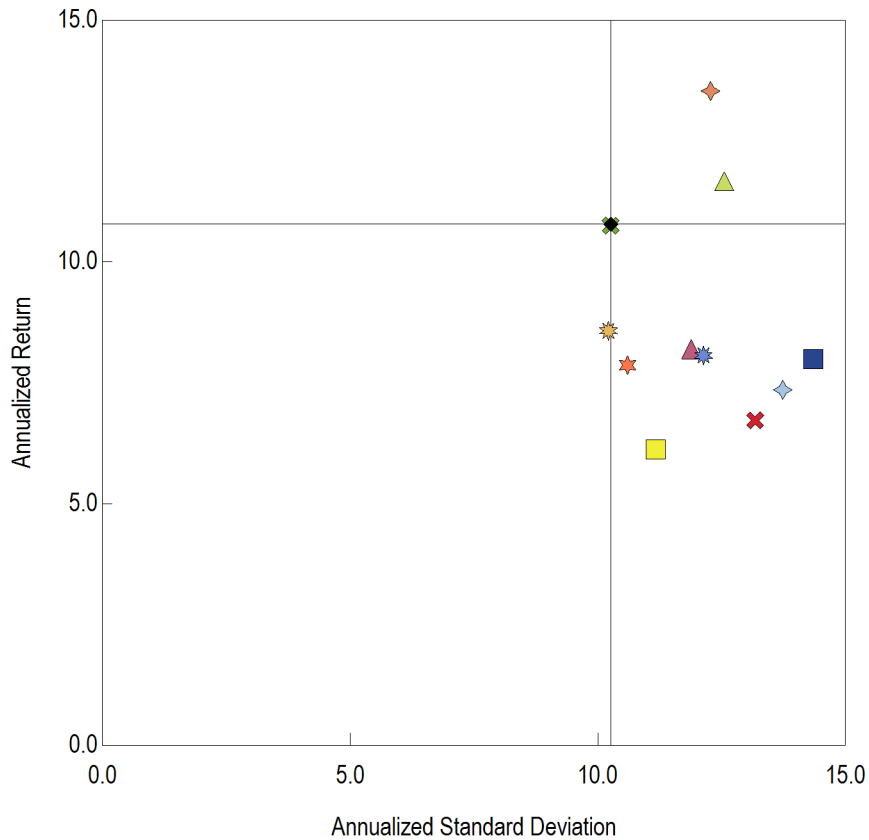
Annualized Return vs. Annualized Standard Deviation
5 Years Ending March 31, 2018



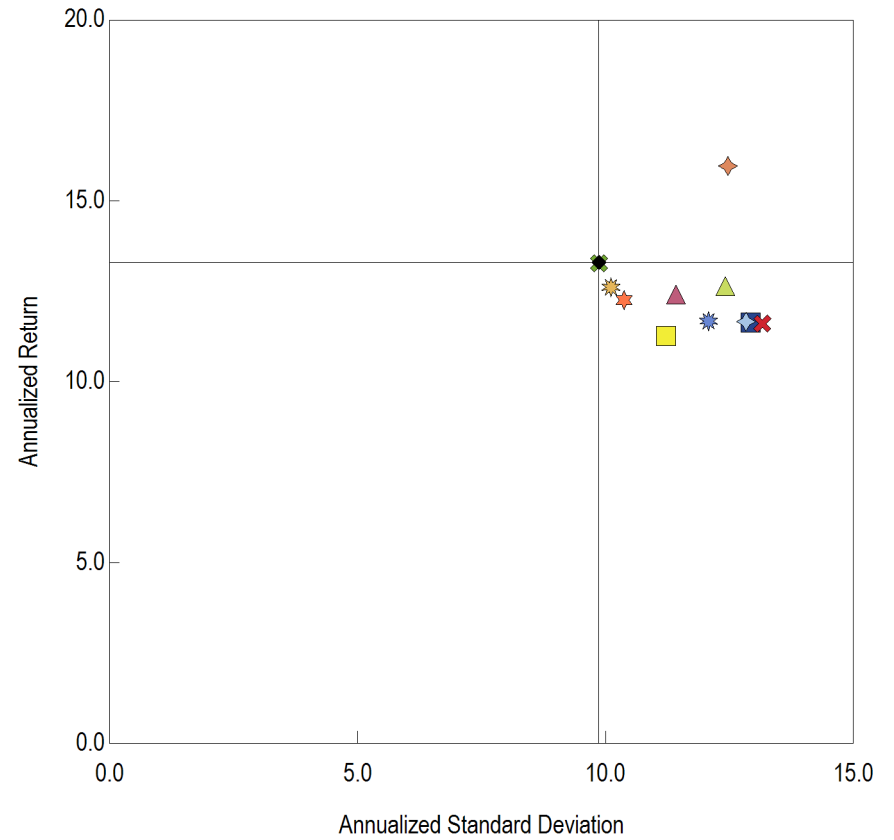
- Sterling Core Bond
- ✕ Hotchkis & Wiley High Yield
- ⚡ Post Lmtd Term High Yield
- ▲ Rimrock Low Volatility Offshore
- ◇ Castine Partners
- ★ Polar Long Short Fund
- ◆ BbgBarc US Aggregate TR
- HFRI FOF: Conservative Index

- Sterling Core Bond
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- HFRI FOF: Conservative Index

Annualized Return vs. Annualized Standard Deviation
3 Years Ending March 31, 2018



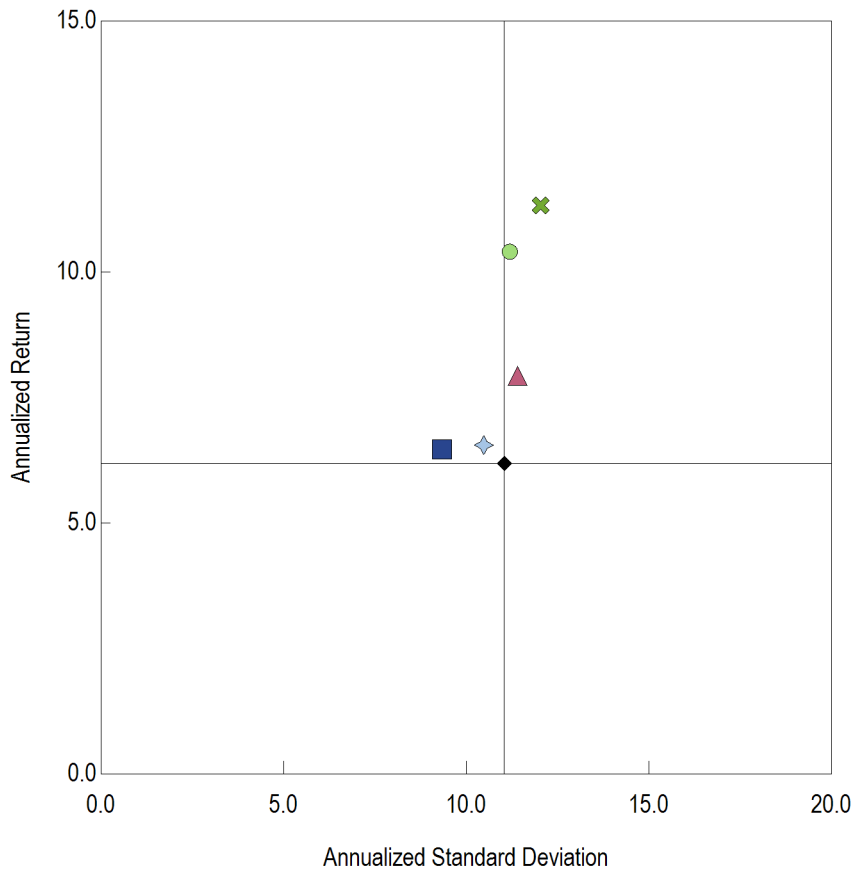
Annualized Return vs. Annualized Standard Deviation
5 Years Ending March 31, 2018



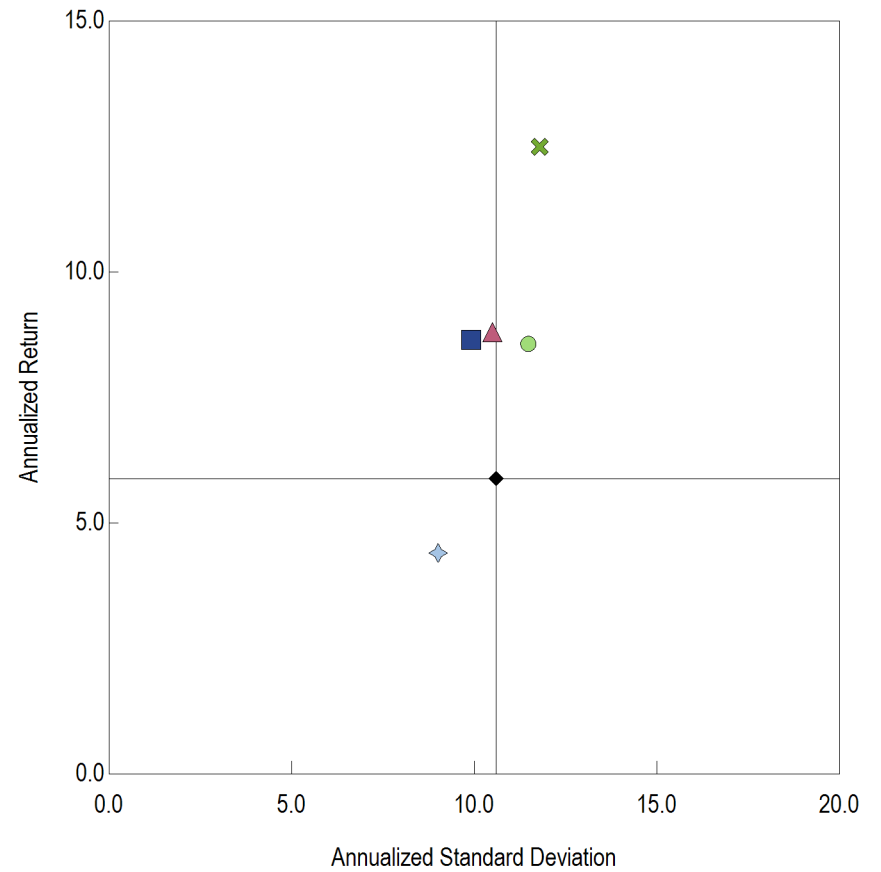
- Hotchkis & Wiley Diversified Value I
- ✕ Vanguard Institutional Index
- ✱ MFS Blended Research Core
- ▲ Jackson Square Large Cap Growth Eq
- ◆ Sterling Mid Cap Value
- ★ Vanguard Mid Cap Index
- Vanguard Mid Cap Growth
- ✕ Frontier Phocas Small Cap Value I
- ✱ Vanguard Small Cap Index
- ▲ Champlain Small Cap
- ◆ Bridge City Small Growth
- ◆ S&P 500

- Hotchkis & Wiley Diversified Value I
- ✕ Vanguard Institutional Index
- ✱ MFS Blended Research Core
- ▲ Jackson Square Large Cap Growth Eq
- ◆ Sterling Mid Cap Value
- ★ Vanguard Mid Cap Index
- Vanguard Mid Cap Growth
- ✕ Frontier Phocas Small Cap Value I
- ✱ Vanguard Small Cap Index
- ▲ Champlain Small Cap
- ◆ Bridge City Small Growth
- ◆ S&P 500

Annualized Return vs. Annualized Standard Deviation
3 Years Ending March 31, 2018



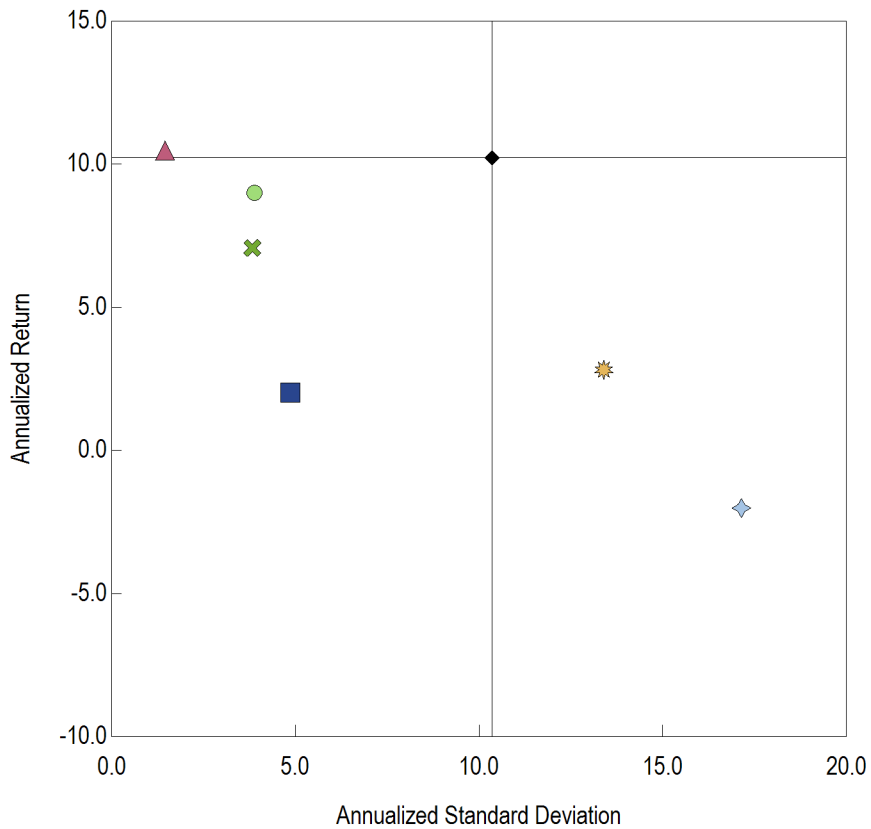
Annualized Return vs. Annualized Standard Deviation
5 Years Ending March 31, 2018



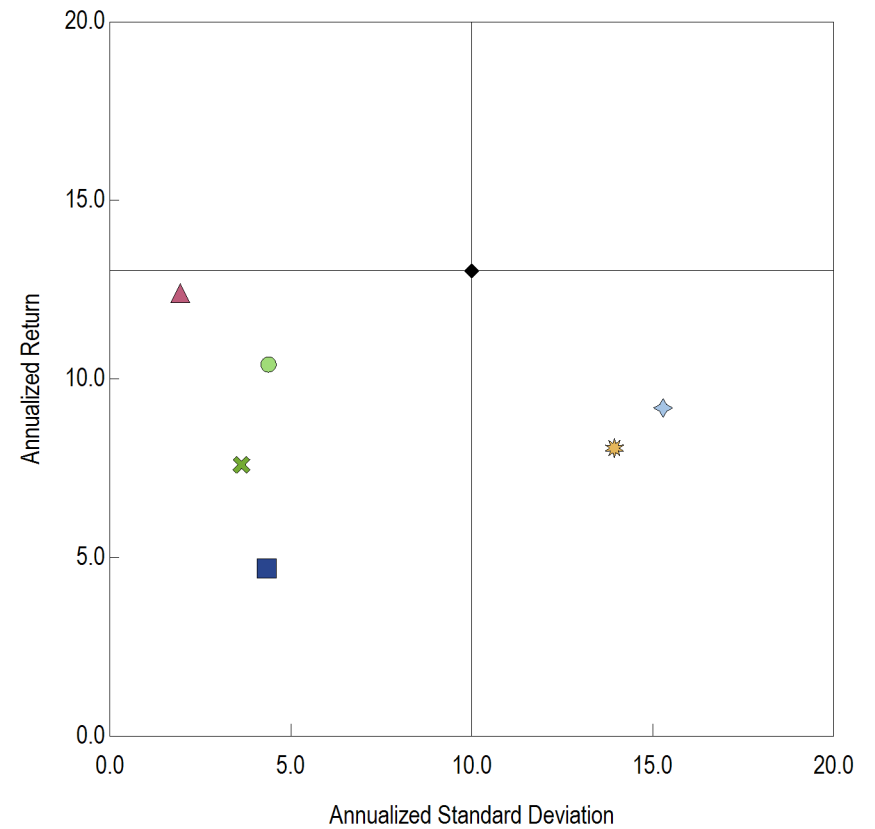
- Artisan International Value
- ✕ Victory Trivalent International Small Cap
- ▲ EuroPacific Growth R6
- ◆ Berens Global Value Ltd
- ◆ MSCI ACWI ex USA
- MSCI ACWI xUS Small (net)

- Artisan International Value
- ✕ Victory Trivalent International Small Cap
- ▲ EuroPacific Growth R6
- ◆ Berens Global Value Ltd
- ◆ MSCI ACWI ex USA
- MSCI ACWI xUS Small (net)

Annualized Return vs. Annualized Standard Deviation
3 Years Ending March 31, 2018



Annualized Return vs. Annualized Standard Deviation
5 Years Ending March 31, 2018



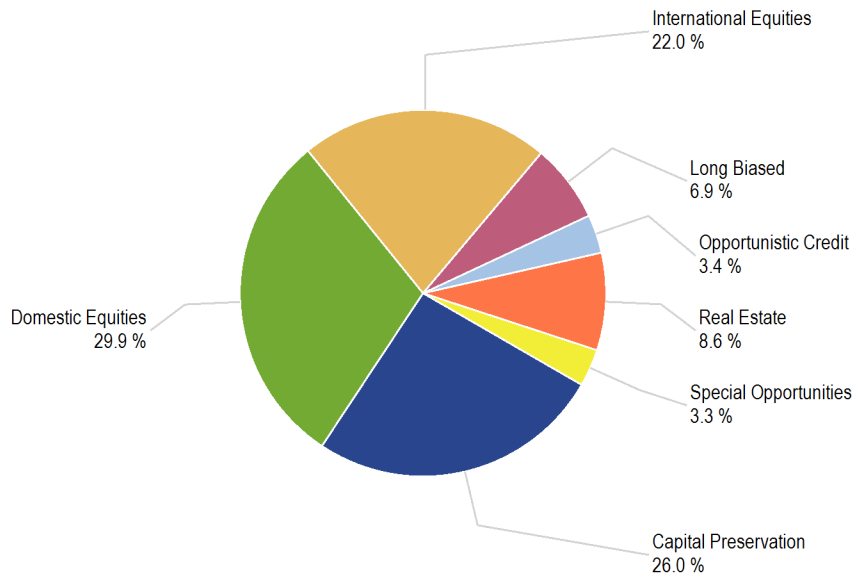
- Weatherlow Offshore
- ✕ Beach Point Select Fund
- ✱ SERS Principal Global Investors REIT
- ▲ Prime Property LLC
- ◆ OrbiMed Partners II
- ◆ Russell 3000
- NCREIF - ODCE NET

- Weatherlow Offshore
- ✕ Beach Point Select Fund
- ✱ SERS Principal Global Investors REIT
- ▲ Prime Property LLC
- ◆ OrbiMed Partners II
- ◆ Russell 3000
- NCREIF - ODCE NET

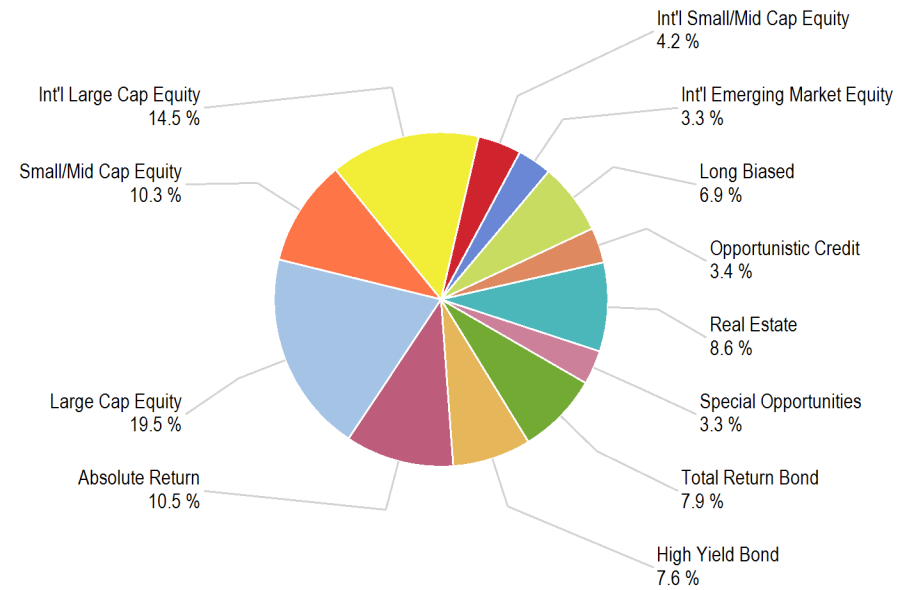
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Section 3

Current Allocation



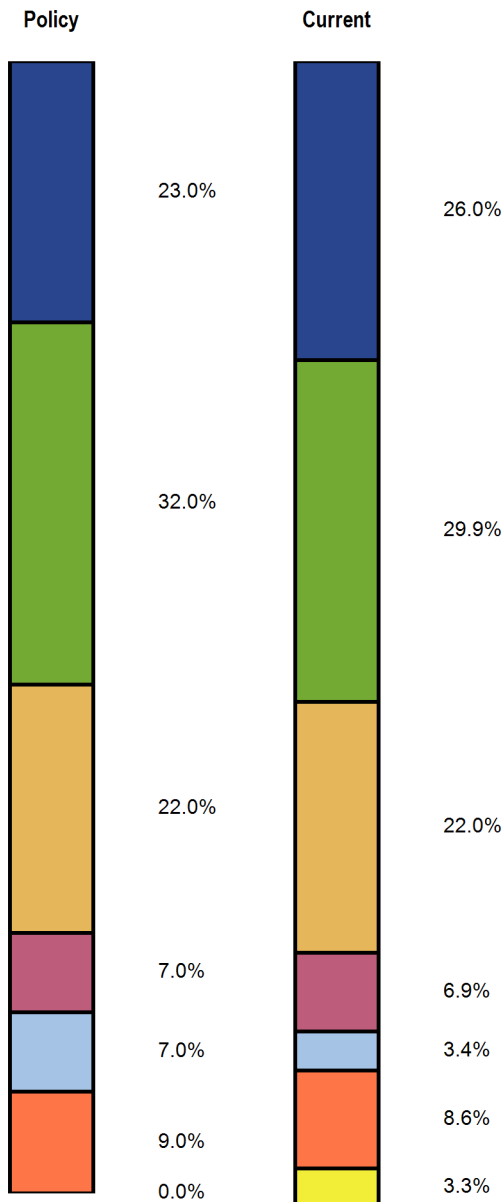
Current Implementation Allocation



Spokane Employees' Retirement System

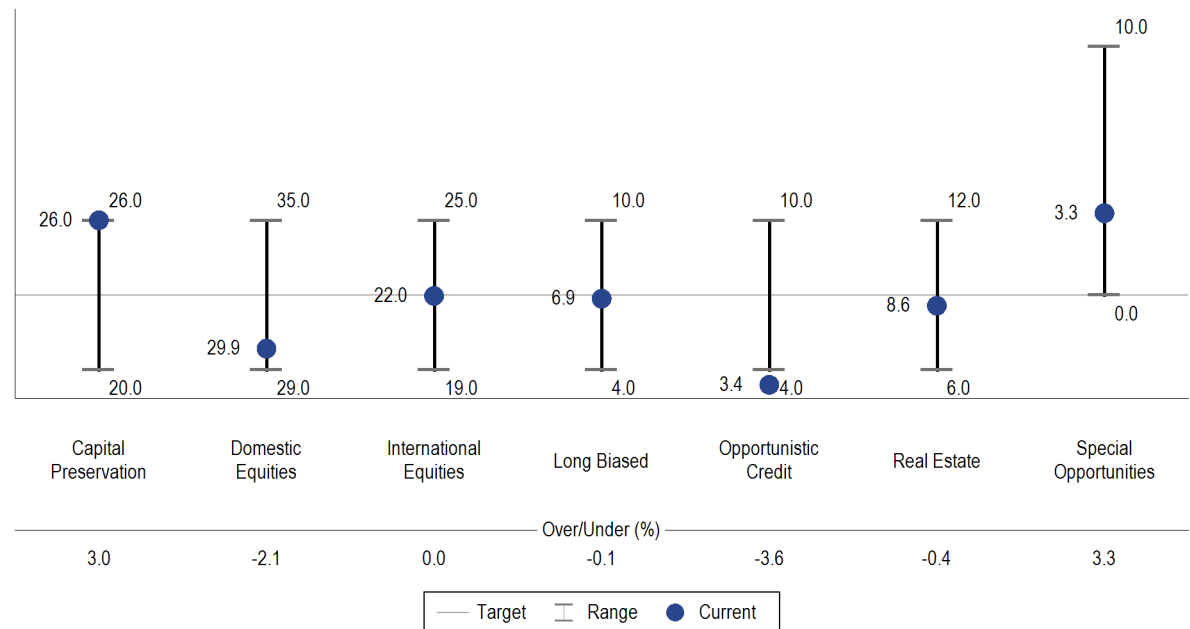
As of March 31, 2018

Asset Allocation vs. Target



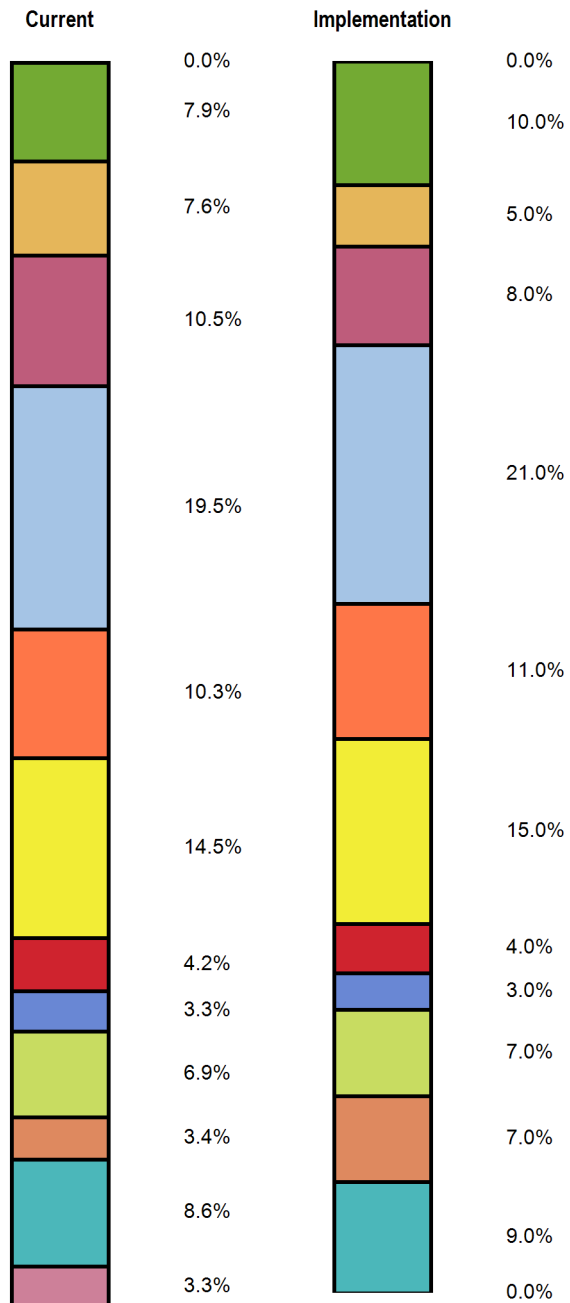
	Inv Pol Stmt	%	Inv Pol Stmt Range	Current	%	Difference	%
Capital Preservation	\$70,212,071	23.0%	20.0% - 26.0%	\$79,433,271	26.0%	\$9,221,200	3.0%
Domestic Equities	\$97,686,360	32.0%	29.0% - 35.0%	\$91,142,685	29.9%	-\$6,543,675	-2.1%
International Equities	\$67,159,372	22.0%	19.0% - 25.0%	\$67,079,958	22.0%	-\$79,415	0.0%
Long Biased	\$21,368,891	7.0%	4.0% - 10.0%	\$20,956,131	6.9%	-\$412,760	-0.1%
Opportunistic Credit	\$21,368,891	7.0%	4.0% - 10.0%	\$10,377,444	3.4%	-\$10,991,447	-3.6%
Real Estate	\$27,474,289	9.0%	6.0% - 12.0%	\$26,195,579	8.6%	-\$1,278,710	-0.4%
Special Opportunities	\$0	0.0%	0.0% - 10.0%	\$10,084,807	3.3%	\$10,084,807	3.3%
Total	\$305,269,874	100.0%		\$305,269,874	100.0%		

Actual vs. Target



Spokane Employees' Retirement System

As of March 31, 2018



Asset Allocation on March 31, 2018

	Actual	Actual	Target
Cash	\$130,398	0.0%	0.0%
Total Return Bond	\$24,171,993	7.9%	10.0%
High Yield Bond	\$23,155,545	7.6%	5.0%
Absolute Return	\$31,975,335	10.5%	8.0%
Large Cap Equity	\$59,615,680	19.5%	21.0%
Small/Mid Cap Equity	\$31,527,005	10.3%	11.0%
Int'l Large Cap Equity	\$44,245,590	14.5%	15.0%
Int'l Small/Mid Cap Equity	\$12,872,708	4.2%	4.0%
Int'l Emerging Market Equity	\$9,961,660	3.3%	3.0%
Long Biased	\$20,956,131	6.9%	7.0%
Opportunistic Credit	\$10,377,444	3.4%	7.0%
Real Estate	\$26,195,579	8.6%	9.0%
Special Opportunities	\$10,084,807	3.3%	0.0%
Total	\$305,269,874	100.0%	100.0%

Spokane Employees' Retirement System

As of March 31, 2018

Asset Allocation vs. Target

	Target Allocation	%	Target Allocation Range	Current	%	Difference	%	Within Range
Capital Preservation	\$70,212,071	23.0%	20.0% - 26.0%	\$79,433,271	26.0%	\$9,221,200	3.0%	No
Cash	\$0	0.0%	0.0% - 2.0%	\$130,398	0.0%	\$130,398	0.0%	Yes
Fidelity Instl Govt Money Market				\$130,398	0.0%			
Total Return Bond	\$30,526,987	10.0%	8.0% - 12.0%	\$24,171,993	7.9%	-\$6,354,994	-2.1%	No
Sterling Core Bond				\$24,171,993	7.9%			
High Yield Bond	\$15,263,494	5.0%	3.0% - 7.0%	\$23,155,545	7.6%	\$7,892,051	2.6%	No
Hotchkis & Wiley High Yield				\$23,155,545	7.6%			
Absolute Return	\$24,421,590	8.0%	6.0% - 10.0%	\$31,975,335	10.5%	\$7,553,745	2.5%	No
Polar Long/Short Fund				\$6,686,242	2.2%			
Post Lmted Term High Yield				\$5,980,053	2.0%			
Rimrock Low Volatility Offshore				\$9,775,030	3.2%			
Castine Partners				\$7,917,414	2.6%			
American Beacon Flexible Bond				\$1,616,596	0.5%			
Domestic Equities	\$97,686,360	32.0%	29.0% - 35.0%	\$91,142,685	29.9%	-\$6,543,675	-2.1%	Yes
Large Cap Equity	\$64,106,674	21.0%	19.0% - 23.0%	\$59,615,680	19.5%	-\$4,490,994	-1.5%	Yes
Hotchkis & Wiley Div Value I				\$15,411,928	5.0%			
Vanguard Institutional Index				\$10,296,304	3.4%			
MFS Blended Research Core				\$17,810,974	5.8%			
Jackson Square Large-Cap Growth Equity				\$16,096,474	5.3%			

Spokane Employees' Retirement System

As of March 31, 2018

	Target Allocation	%	Target Allocation Range	Current	%	Difference	%	Within Range
Small/Mid Cap Equity	\$33,579,686	11.0%	9.0% - 13.0%	\$31,527,005	10.3%	-\$2,052,681	-0.7%	Yes
Sterling Mid Cap Value				\$6,103,226	2.0%			
Vanguard Mid Cap Index				\$3,932,765	1.3%			
Vanguard Mid Cap Growth				\$4,634,609	1.5%			
Frontier Sm Cap Value I				\$3,989,799	1.3%			
Vanguard Small Cap Index				\$858,893	0.3%			
Bridge City Small Growth				\$6,229,183	2.0%			
Champlain Small Cap				\$5,778,530	1.9%			
International Equities	\$67,159,372	22.0%	19.0% - 25.0%	\$67,079,958	22.0%	-\$79,415	0.0%	Yes
Int'l Large Cap Equity	\$45,790,481	15.0%	13.0% - 17.0%	\$44,245,590	14.5%	-\$1,544,892	-0.5%	Yes
EuroPacific Growth R6				\$22,315,891	7.3%			
Artisan Int'l Value				\$21,929,699	7.2%			
Int'l Small/Mid Cap Equity	\$12,210,795	4.0%	2.0% - 6.0%	\$12,872,708	4.2%	\$661,913	0.2%	Yes
Victory Trivalent International Small Cap				\$12,872,708	4.2%			
Int'l Emerging Market Equity	\$9,158,096	3.0%	1.0% - 5.0%	\$9,961,660	3.3%	\$803,564	0.3%	Yes
Berens Global Value				\$9,961,660	3.3%			
Long Biased	\$21,368,891	7.0%	4.0% - 10.0%	\$20,956,131	6.9%	-\$412,760	-0.1%	Yes
Long Biased	\$21,368,891	7.0%	4.0% - 10.0%	\$20,956,131	6.9%	-\$412,760	-0.1%	Yes
Weatherlow Offshore				\$15,731,420	5.2%			
OrbiMed Royalty Opps II				\$2,555,125	0.8%			
OrbiMed Royalty Opportunities				\$2,669,586	0.9%			
Opportunistic Credit	\$21,368,891	7.0%	4.0% - 10.0%	\$10,377,444	3.4%	-\$10,991,447	-3.6%	No
Opportunistic Credit	\$21,368,891	7.0%	4.0% - 10.0%	\$10,377,444	3.4%	-\$10,991,447	-3.6%	No
Beach Point Select Fund LP				\$10,377,444	3.4%			

Spokane Employees' Retirement System

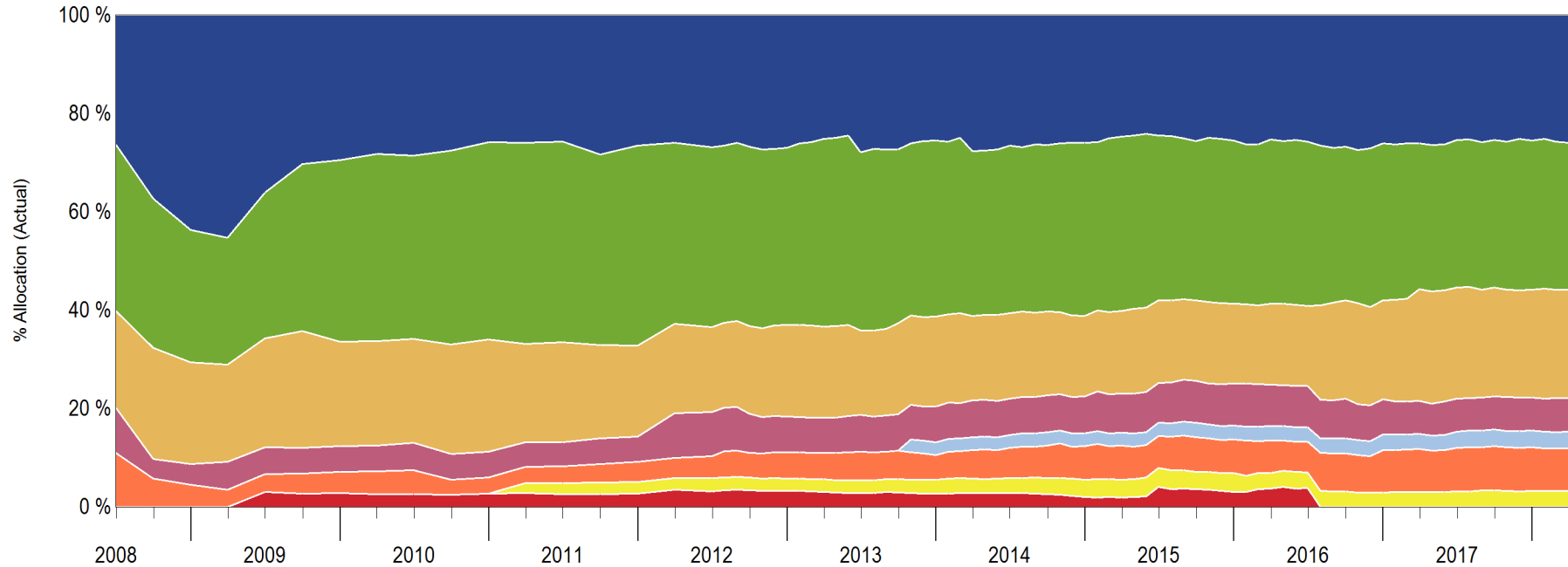
As of March 31, 2018

	Target Allocation	%	Target Allocation Range	Current	%	Difference	%	Within Range
Real Estate	\$27,474,289	9.0%	6.0% - 12.0%	\$26,195,579	8.6%	-\$1,278,710	-0.4%	Yes
Real Estate	\$27,474,289	9.0%	6.0% - 12.0%	\$26,195,579	8.6%	-\$1,278,710	-0.4%	Yes
Principal Global Investors REIT				\$9,613,258	3.1%			
Morrison Street Fund IV				\$398,717	0.1%			
Metropolitan Realty V				\$223,118	0.1%			
Morrison Street Fund V				\$4,565,408	1.5%			
Morrison Street Debt Opportunities Fund LP				\$4,272,453	1.4%			
Morgan Stanley Prime Property Fund				\$7,122,625	2.3%			
Special Opportunities	\$0	0.0%	0.0% - 10.0%	\$10,084,807	3.3%	\$10,084,807	3.3%	Yes
Special Opportunities	\$0	0.0%	0.0% - 10.0%	\$10,084,807	3.3%	\$10,084,807	3.3%	Yes
Orbimed Partners II				\$10,084,807	3.3%			
Total	\$305,269,874	100.0%		\$305,269,874	100.0%			

Spokane Employees' Retirement System

As of March 31, 2018

Asset Allocation History
9 Years 9 Months Ending March 31, 2018



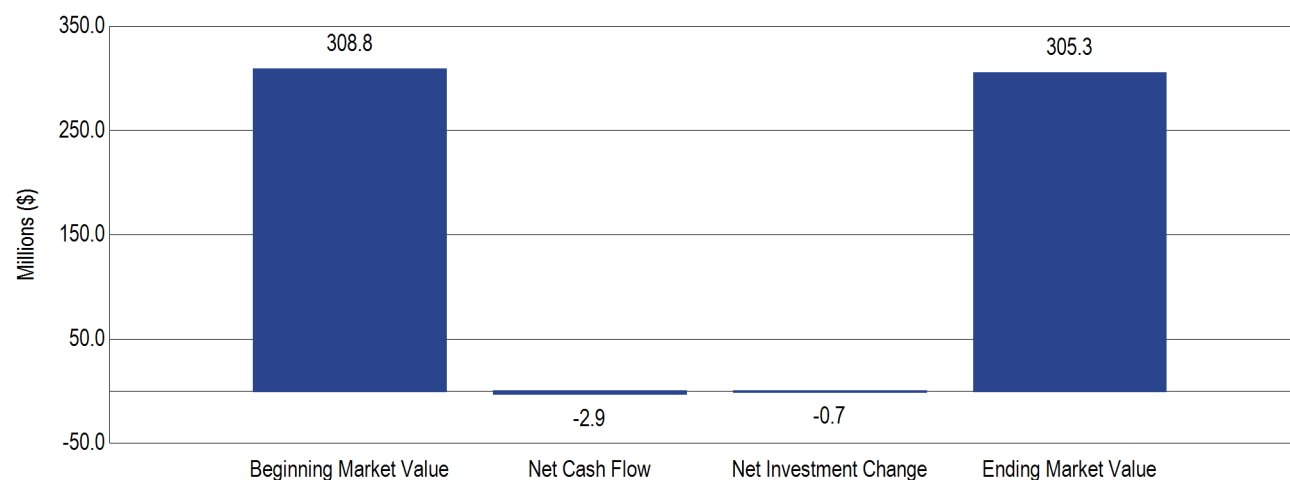
2008	37.	43.	45.	36.	30.	29.	28.	28.	27.	25.	26.	25.	28.	26.	26.	26.	26.	27.	25.	28.	27.	25.	27.	26.	26.	26.	26.	24.	24.	25.	25.	25.	25.	25.	26.	26.	26.	25.	25.	25.	25.	26.
	30.	26.	25.	29.	33.	36.	38.	37.	39.	40.	40.	40.	38.	40.	36.	36.	36.	36.	38.	36.	35.	35.	33.	34.	33.	35.	35.	33.	32.	33.	33.	33.	33.	33.	31.	32.	29.	29.	29.	29.	30.	29.
	22.	20.	19.	22.	23.	21.	21.	21.	22.	22.	20.	20.	19.	18.	18.	17.	17.	18.	18.	17.	18.	18.	17.	17.	17.	16.	16.	16.	16.	16.	16.	16.	16.	16.	20.	20.	22.	22.	22.	22.	21.	22.
	4.0	4.2	5.6	5.4	5.2	5.2	5.2	5.2	5.2	4.9	4.8	5.3	5.2	9.1	8.9	7.9	7.3	7.1	7.5	7.3	7.2	7.4	7.4	7.5	7.5	8.0	8.1	8.5	8.5	8.4	8.3	8.0	7.2	6.7	6.7	6.7	6.7	6.7	6.9			
	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	2.6	2.6	2.6	2.7	2.6	2.7	2.7	2.9	2.8	2.9	3.0	3.0	3.1	3.1	3.4	3.4	3.3	3.4				
	5.7	4.5	3.5	3.7	4.1	4.3	4.6	4.8	3.0	3.3	3.3	3.5	3.7	4.1	4.1	4.4	5.1	5.4	5.4	5.8	5.8	5.0	5.8	6.1	6.6	6.8	6.9	6.4	7.1	6.9	6.5	6.3	7.7	8.7	8.7	8.8	9.0	8.9	8.6			
	--	--	--	--	--	--	--	--	0.0	2.1	2.2	2.4	2.4	2.5	2.7	2.6	2.5	2.5	2.6	2.8	2.8	2.9	3.0	3.3	3.5	3.7	3.9	3.6	3.8	3.2	3.1	3.2	2.9	3.0	3.2	2.9	3.0	3.2	3.4	3.3	3.3	
	--	--	0.0	3.0	2.7	2.8	2.6	2.6	2.5	2.7	2.8	2.6	2.6	2.7	3.5	3.2	3.4	3.2	3.1	2.8	2.9	2.7	2.8	2.9	2.6	2.0	1.9	4.1	3.6	3.1	3.8	3.9	--	--	--	--	--	--	--			

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

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Section 4

Change in Market Value
From January 01, 2018 To March 31, 2018



Cash Flow Summary

	Beginning Market Value (\$)	Contributions (\$)	Withdrawals (\$)	Net Cash Flow (\$)	Net Investment Change (\$)	Ending Market Value (\$)
American Beacon Flexible Bond	1,389,936.10	850,000.00	-650,000.01	199,999.99	26,660.01	1,616,596.10
Artisan Int'l Value	21,644,351.90	1,000,000.00	-34.60	999,965.40	-714,618.56	21,929,698.74
Beach Point Select Fund LP	10,294,191.00	0.00	0.00	0.00	83,253.00	10,377,444.00
Berens Global Value	12,363,917.01	0.00	-2,500,000.00	-2,500,000.00	97,743.14	9,961,660.15
Bridge City Small Growth	6,204,281.15	0.00	0.00	0.00	24,901.60	6,229,182.75
Castine Partners	7,752,589.57	0.00	0.00	0.00	164,824.42	7,917,413.99
Champlain Small Cap	5,661,018.23	0.00	0.00	0.00	117,511.52	5,778,529.75
EuroPacific Growth R6	21,608,849.08	500,000.00	-17.30	499,982.70	207,059.05	22,315,890.83
Fidelity Instl Govt Money Market	229,164.76	11,368,702.76	-11,471,798.30	-103,095.54	4,328.78	130,398.00
Frontier Sm Cap Value I	4,423,144.63	0.00	-400,000.00	-400,000.00	-33,345.64	3,989,798.99
Hotchkis & Wiley Div Value I	16,510,607.54	0.00	-600,000.00	-600,000.00	-498,679.60	15,411,927.94
Hotchkis & Wiley High Yield	23,296,833.90	0.00	0.00	0.00	-141,288.75	23,155,545.15
Jackson Square Large-Cap Growth Equity	16,048,057.04	0.00	-200,000.00	-200,000.00	248,417.39	16,096,474.43

Spokane Employees' Retirement System

As of March 31, 2018

	Beginning Market Value (\$)	Contributions (\$)	Withdrawals (\$)	Net Cash Flow (\$)	Net Investment Change (\$)	Ending Market Value (\$)
Metropolitan Realty V	223,117.56	0.00	0.00	0.00	0.00	223,117.56
MFS Blended Research Core	18,144,668.58	0.00	0.00	0.00	-333,695.05	17,810,973.53
Morgan Stanley Prime Property Fund	7,051,160.35	0.00	-69,526.46	-69,526.46	140,991.12	7,122,625.01
Morrison Street Debt Opportunities Fund LP	3,839,028.05	431,929.70	-87,174.05	344,755.65	88,669.51	4,272,453.21
Morrison Street Fund IV	821,700.00	0.00	-433,273.90	-433,273.90	10,290.90	398,717.00
Morrison Street Fund V	5,501,582.70	0.00	-1,089,948.75	-1,089,948.75	153,774.05	4,565,408.00
Orbimed Partners II	10,041,663.00	0.00	0.00	0.00	43,144.00	10,084,807.00
OrbiMed Royalty Opportunities	2,686,206.00	0.00	-16,620.34	-16,620.34	0.00	2,669,585.66
OrbiMed Royalty Opps II	2,699,555.00	0.00	-144,429.62	-144,429.62	0.00	2,555,125.38
Polar Long/Short Fund	6,634,594.13	0.00	0.00	0.00	51,647.44	6,686,241.57
Post Lmtd Term High Yield	6,003,232.77	0.00	0.00	0.00	-23,179.36	5,980,053.41
Principal Global Investors REIT	10,135,757.20	0.00	0.00	0.00	-522,499.18	9,613,258.02
Rimrock Low Volatility Offshore	9,671,706.37	0.00	0.00	0.00	103,323.35	9,775,029.72
Sterling Core Bond	23,798,158.03	700,000.00	0.00	700,000.00	-326,164.79	24,171,993.24
Sterling Mid Cap Value	6,152,998.13	0.00	0.00	0.00	-49,772.19	6,103,225.94
Vanguard Institutional Index	10,612,535.34	0.00	-250,000.00	-250,000.00	-66,231.50	10,296,303.84
Vanguard Mid Cap Growth	4,832,653.16	0.00	-400,000.00	-400,000.00	201,956.30	4,634,609.46
Vanguard Mid Cap Index	3,932,310.99	0.00	0.00	0.00	453.58	3,932,764.57
Vanguard Small Cap Index	1,054,554.55	0.00	-200,000.00	-200,000.00	4,338.75	858,893.30
Victory Trivalent International Small Cap	12,104,720.34	800,000.00	-27.68	799,972.32	-31,984.87	12,872,707.79
Weatherlow Offshore	15,455,153.72	0.00	0.00	0.00	276,266.68	15,731,420.40
Total	308,823,997.88	15,650,632.46	-18,512,851.01	-2,862,218.55	-691,904.90	305,269,874.43

Section 5

Statistic Definitions

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