



**NOTICE OF A REGULAR MEETING OF THE  
WINNETKA POLICE PENSION FUND  
BOARD OF TRUSTEES**

The Winnetka Police Pension Fund Board of Trustees will conduct a regular meeting via videoconference on Friday, July 24, 2020 at 8:30 a.m. in accordance with Section 7(e) of the Open Meetings Act (5 ILCS 120/7(e)), recently amended by Public Act 101-0640 (Government Emergency Administration Act) as the result of the State's disaster declaration regarding the COVID-19 pandemic and the Board President's determination that an in-person meeting is not practical or prudent. The regular meeting is set for the purposes in the following agenda:

**Members of the public may monitor the meeting by joining the conference call as follows:**

Call the conference number: 312-626-6799

Enter the meeting ID followed by "#": 826 1756 6495

When asked for participant ID, press "#" again and meeting access will be granted

**AGENDA**

1. Call to Order
2. Roll Call
3. Public Comment
4. Approval of Meeting Minutes
  - a.) April 24, 2020 Regular Meeting
  - b.) Semi-Annual Review of Closed Session Meeting Minutes
5. Investment Report – AndCo Consulting
  - a.) Investment Performance Review
  - b.) Review/Update Investment Policy, if needed
6. Treasurer's Report
  - a.) Presentation and Approval of Bills
  - b.) Illinois Department of Insurance – Audit Update
7. Communications and Reports
  - a.) Active Member File Maintenance
8. Trustee Training Updates
  - a.) Approval of Trustee Training Registration Fees and Reimbursable Expenses
9. Applications for Membership/Withdrawals from Fund
10. Applications for Retirement/Disability Benefits
11. Old Business
  - a.) Review of Draft Board Rules
  - b.) IDOI Annual Statement
12. New Business
  - a.) Board Officer Elections – President, Vice President, Secretary & Assistant Secretary
  - b.) FOIA Officer & OMA Designee
  - c.) Review/Approve – Actuarial Valuation & Tax Levy Request
13. Attorney's Report – Ottosen
  - a.) Legal Updates
14. Closed Session, if needed
15. Adjournment

VILLAGE OF WINNETKA

*Incorporated in 1869*

**MINUTES OF A REGULAR MEETING OF  
THE WINNETKA POLICE PENSION FUND BOARD OF TRUSTEES  
APRIL 24, 2020**

A regular meeting of the Winnetka Police Pension Fund Board of Trustees was held on Friday, April 24, 2020 at 8:30 a.m. via teleconference in accordance with Section 5 of Governor Pritzker's current Executive Order 2020-18 (COVID-19 Executive Order No. 16), pursuant to notice.

**CALL TO ORDER:** Trustee O'Malley called the meeting to order at 8:30 a.m.

**ROLL CALL:**

**PRESENT:** Trustees John O'Malley, Malcolm Caskey, Marc Hornstein, Dylan Majcher and Fuad Khadder

**ABSENT:** None

**ALSO PRESENT:** Mary Nye, AndCo Consulting; Finance Director Tim Sloth, and Assistant Finance Director Anthony Vasquez, Village of Winnetka; Isabel Copeland, Lauterbach & Amen, LLP (L&A)

**PUBLIC COMMENT:** There was no public comment

**APPROVAL OF MEETING MINUTES:** *January 31, 2020 Regular Meeting:* The Board reviewed the January 31, 2020 regular meeting minutes. A motion was made by Trustee Hornstein and seconded by Trustee Caskey to approve the January 31, 2020 regular meeting minutes as written. Motion carried unanimously by voice vote.

**INVESTMENT REPORT – ANDCO CONSULTING:** *Investment Performance Review:* Ms. Nye presented the Investment Performance Review and discussed the long-term market value of the fund, along with the risk-reward analysis and current and projected market conditions. Ms. Nye presented the Investment Report for the period ending March 31, 2020. As of March 31, 2020, the market value of the portfolio is \$28,905,591 and the return on investment is (\$3,901,658) for the quarter. The portfolio composition is 37.2% in domestic equities, 13.3% in international equities, 39.1% in domestic fixed income, 7.6% in real estate and 2.7% in cash and equivalent. Current asset allocations within the equity and fixed income funds were reviewed, as well as individual fund performance and investment fees. All questions were answered by Ms. Nye.

The Board discussed rebalancing the portfolio. A motion was made by Trustee O'Malley and seconded by Trustee Caskey to liquidate \$500,000 from Garcia Hamilton and \$500,000 from CSM Advisors and reallocate \$200,000 to Seizert, \$100,000 to Clearbridge, \$200,000 to T. Rowe Price, \$100,000 to Virtus Ceredex, \$100,000 to Hood River and \$300,000 to AF Europacific for the purpose of rebalancing the portfolio. Motion carried unanimously by voice vote.

Ms. Nye apprised the Board that T.Rowe Price now offers a less expensive, institutional share class for the Mid-Cap Value Fund. A motion was made by Trustee Hornstein and seconded by Trustee O'Malley to replace the Mid-Cap Value Fund (TRMCX) with the less expensive Mid-Cap Value Fund – I Class (TRMIX) with an expense ratio of 65 basis points. Motion carried unanimously by voice vote.

*Review/Update Investment Policy, if needed:* Ms. Nye presented an updated investment policy prepared by AndCo Consulting. The Board reviewed and discussed the amended policy, which has been updated to include language regarding sustainability consistent with Public Act 101-0473. A motion was made by Trustee O'Malley and seconded by Trustee Majcher to adopt and execute the updated investment policy as presented. Motion carried unanimously by voice vote.

**TREASURER’S REPORT:** *Quarterly Financial Report:* The Board reviewed the Accounts Payable Invoice Report for the period ending March 31, 2020. Mr. Sloth reviewed the payments and answered all questions. A motion was made by Trustee Majcher and seconded by Trustee Caskey to accept the Accounts Payable Invoice Report as presented in the amount of \$125,917.63. Motion carried unanimously by voice vote.

*Illinois Department of Insurance Compliance Fee:* The Board noted that the Illinois Department of Insurance Compliance Fee invoice will be issued. A motion was made by Trustee Caskey and seconded by Trustee Majcher to approve payment of the IDOI Compliance Fee upon receipt of the invoice. Motion carried unanimously by voice vote.

**COMMUNICATION AND REPORTS:** *Affidavits of Continued Eligibility:* The Board noted that due to the health and safety concerns associated with COVID-19, L&A will not issue Affidavits of Continued Eligibility to pensioners in June. L&A informed the Board that they will continue to monitor the ongoing situation and maintain communication with the Board, in order to issue Affidavits of Continued Eligibility as soon as reasonably possible. A status update will be provided to the Board as more information becomes available.

*Statements of Economic Interest:* The Board was reminded that the Statements of Economic Interest are due by May 1, 2020.

**TRUSTEE TRAINING UPDATE:** The Board reviewed the Trustee Training Summary and discussed upcoming training opportunities. Trustees were reminded to submit any certificates of completion to L&A for recordkeeping.

*Approval of Trustee Training Registration Fees and Reimbursable Expenses:* There were no trustee training registrations or reimbursable expenses presented for approval.

**APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM THE FUND:** There were no applications for membership or withdrawals from the Fund.

**APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS:** *Review of Revised Benefit Entitlement – Michael Garofalo:* The Board reviewed the Benefit Entitlement for Michael Garofalo’s retroactive payment as a result of a contract settlement, that was approved by the Board at the July 26, 2019 regular meeting. The Board concluded that Officer Garofalo is not due a retroactive payment as the contract does not provide authorization for a salary increase since Officer Garofalo was no longer employed with the Village at the time the agreement was ratified and executed. No further action is needed.

**OLD BUSINESS:** *Review of Draft Board Rules:* The Board discussed the draft Rules and Regulations provided by Ottosen DiNolfo. Further discussion will be held at the next regular meeting.

**NEW BUSINESS:** *Certify Board Election Results – Active and Retired Member Positions:* L&A conducted an election for one of the active member positions on the Winnetka Police Pension Fund Board of Trustees. Josue Perez ran unopposed and was elected for a two-year term expiring May 12, 2022. A motion was made by Trustee Majcher and seconded by Trustee Caskey to certify the active member election results. Motion carried unanimously by voice vote.

L&A conducted an election for the retired member position on the Winnetka Police Pension Fund Board of Trustees. The Board noted that 18 ballots were received and 18 ballots were counted. The retired member election results are as follows: 10 votes for Malcolm Caskey and 8 votes for John Minella. Malcolm Caskey was reelected as the retired member on the Board of Trustees for a two-year term expiring May 12, 2022.

A motion was made by Trustee Majcher and seconded by Trustee Hornstein to certify the retired member election results. Motion carried unanimously by voice vote.

*Certify Appointed Member Position – Faud Khadder:* Faud Khadder was appointed to the Winnetka Police Pension Fund Board of Trustees by the Village. A motion was made by Trustee Majcher and seconded by Trustee Hornstein to certify Faud Khadder to the appointed member position. Motion carried unanimously by voice vote.

**ATTORNEY’S REPORT – OTTOSEN DINOLFO:** *Legal Updates:* The Board reviewed the 2020 *Quarterly Insights* newsletter by Ottosen DiNolfo and discussed general pension matters.

**CLOSED SESSION, IF NEEDED:** There was no need for closed session.

**ADJOURNMENT:** A motion was made by Trustee O’Malley and seconded by Trustee Majcher to adjourn the meeting at 10:00 a.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for Friday, July 24, 2020 at 8:30 a.m.

\_\_\_\_\_  
John O’Malley Board President

\_\_\_\_\_  
Dylan Majcher Board Secretary

Minutes approved by the Board of Trustees on \_\_\_\_\_

*Minutes prepared by Isabel Copeland, Pension Services Administrator, Lauterbach & Amen, LLP*

Investment Performance Review  
Period Ending June 30, 2020

## Village of Winnetka Police Pension Fund

---

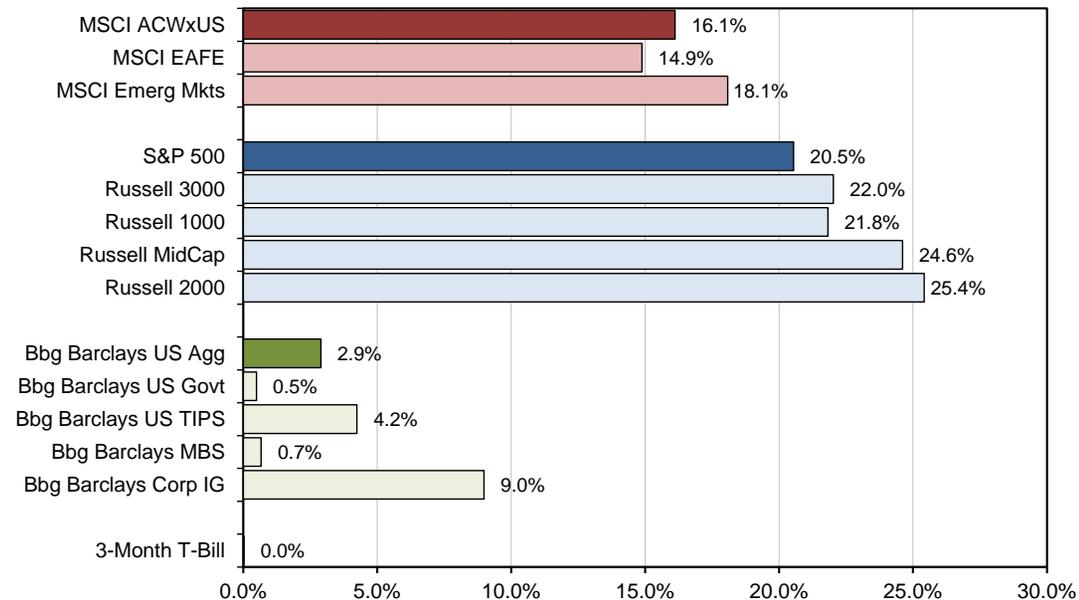


## 2nd Quarter 2020 Market Environment

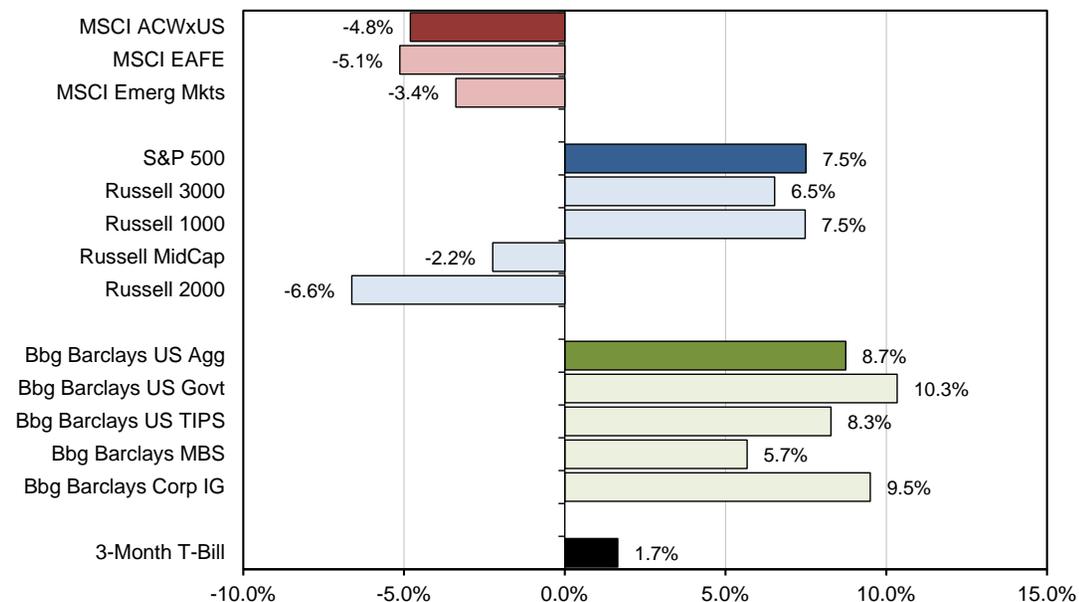


- Broad asset class returns rebounded sharply in the 2nd quarter following their harsh drawdown during the 1st quarter. The US government and Federal Reserve Bank (Fed) implemented a myriad of programs designed to provide the economy with liquidity while also mitigating the affects from the shelter-in-place response to the COVID-19 (Coronavirus) pandemic. Despite having officially entered a recession in February, US economic data began to show improvement in May with regards to manufacturing, housing and employment as many States began the process of re-opening. Geopolitical tensions rose during the quarter following the vote by China to impose security measures in Hong Kong. Despite these risks, markets reacted positively to continued monetary easing from the Fed which supported markets directly through bond purchases and a variety of lending facilities. Within domestic equity markets, higher beta small cap stocks outperformed large cap stocks during the quarter with the Russell 2000 Index returning 25.4% versus a 20.5% return for the S&P 500 Index. US stocks also outperformed international stocks during the period. US equity results over the trailing 1-year period tell a different story with large cap stocks, returning 7.5% while mid- and small cap stocks were negative, returning -2.2% and -6.6%, respectively.
- Broad international equity markets posted positive returns for the 2nd quarter. Similar to US markets, international markets benefited from coordinated central bank policies which provided liquidity following the onset of the pandemic and subsequent re-opening of local economies. International returns also benefited from a weakening US dollar (USD) which declined against both the Euro and British pound during the period. Emerging markets outperformed relative to developed markets during the period with the MSCI Emerging Market Index returning 18.1% compared to 14.9% for the MSCI EAFE Index. Both developed and emerging market indices were negative over the 1-year period with the developed market index returning -5.1% and the emerging market index returning -3.4%.
- Fixed income returns remained strong during the 2nd quarter as investors benefited from declining interest rates globally. The broad market Bloomberg Barclays (BB) Aggregate Index gained 2.9% for the quarter as the Fed ramped up its purchases of US Treasury and Agency securities to boost market liquidity. In addition, the Fed announced that it would begin purchasing US corporate bonds to keep borrowing costs low and further support liquidity. For the quarter, the BB Corporate Investment Grade Index returned 9.0% as investors continued to seek out higher yielding assets. Over the trailing 1-year period, the bond market outperformed stocks with the BB Aggregate posting a solid return of 8.7%, while corporate bonds posted a higher 9.5%. US TIPS, which have been a laggard for some time, posted a respectable 8.3% over the trailing 1-year period despite low expectations for inflation.

### Quarter Performance

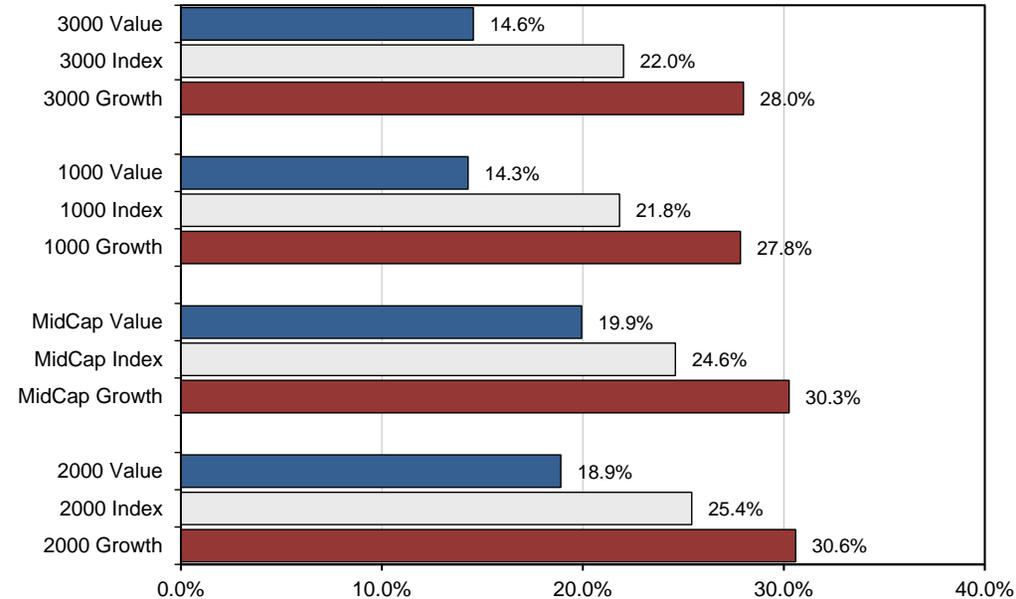


### 1-Year Performance

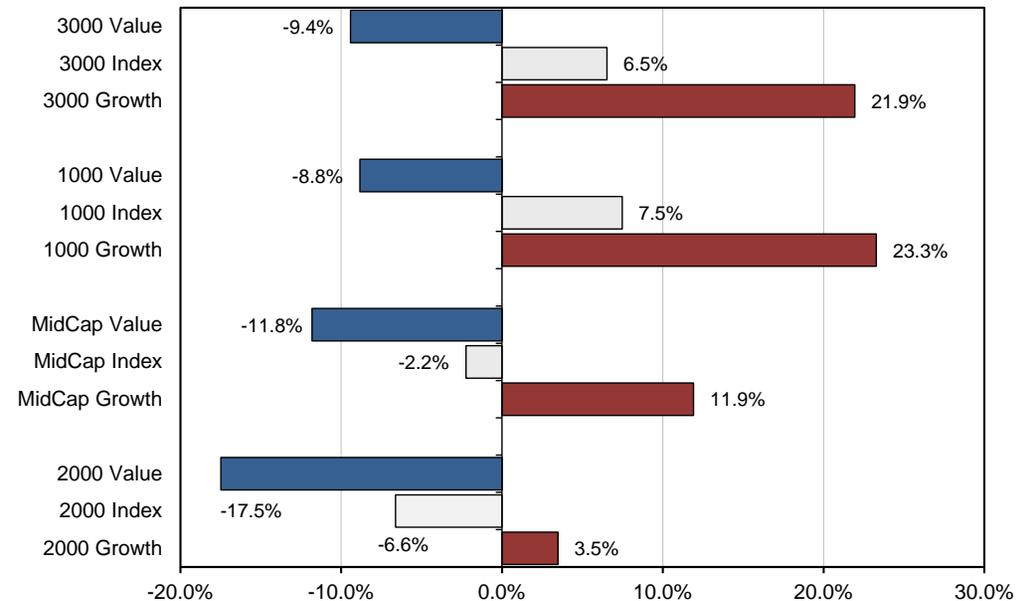


- US equity returns were strongly positive during the 2nd quarter, but results varied considerably across the style and capitalization spectrum. Following one of the sharpest drawdowns in history during the previous quarter, various capitalization and style indices experienced their strongest quarterly performance in over 20-years. The US labor market showed dramatic improvement in May and June with more than 7 million jobs added for the period. However, the unemployment rate remained high at 11.1% in June with more than 14.7 million people unemployed. While States have taken steps to re-open by loosening stay-at-home orders, several States such as Florida, Texas, and Arizona, have experienced significant increases in Coronavirus cases since the orders were eased causing many States to consider rollbacks. Several potential treatments and vaccines are in various stages of development that will hopefully prove effective in treating the virus.
- During the quarter, small capitalization (cap) stocks broadly outperformed large cap stocks across the style spectrum. The small cap Russell 2000 Index gained a stellar 25.4% for the quarter versus a return of 21.8% for the large cap Russell 1000 Index. Investors were attracted to potentially faster growing small cap stocks which were disproportionately sold during the 1st quarter's drawdown. Small cap stocks have historically outperformed when the market enters a recovery phase. When viewed over the most recent 1-year period the trend has reversed with large cap stocks far outpacing their small cap counterparts. The Russell 1000 posted a return of 7.5% over the trailing 1-year period relative to a negative return of -6.6% for the Russell 2000.
- Value stocks continued their recent trend of underperformance relative to growth stocks during the 2nd quarter recovery as investors gravitated toward companies perceived to have the potential to grow revenue and earnings faster. Within large cap, growth significantly outperformed value due to favorable weightings to the strong-performing technology and consumer discretionary sectors. The small cap Russell 2000 Growth Index was the best performing style index for the quarter, returning an outsized 30.6%. At the other extreme, the large cap value index posted the quarter's weakest relative style performance with a still solid 14.3% return. Results over the 1-year period also reflect the strength of the "growth over value" trend with value benchmarks posting negative results across the capitalization spectrum with a range of relative underperformance to growth of greater than 20% at each level.

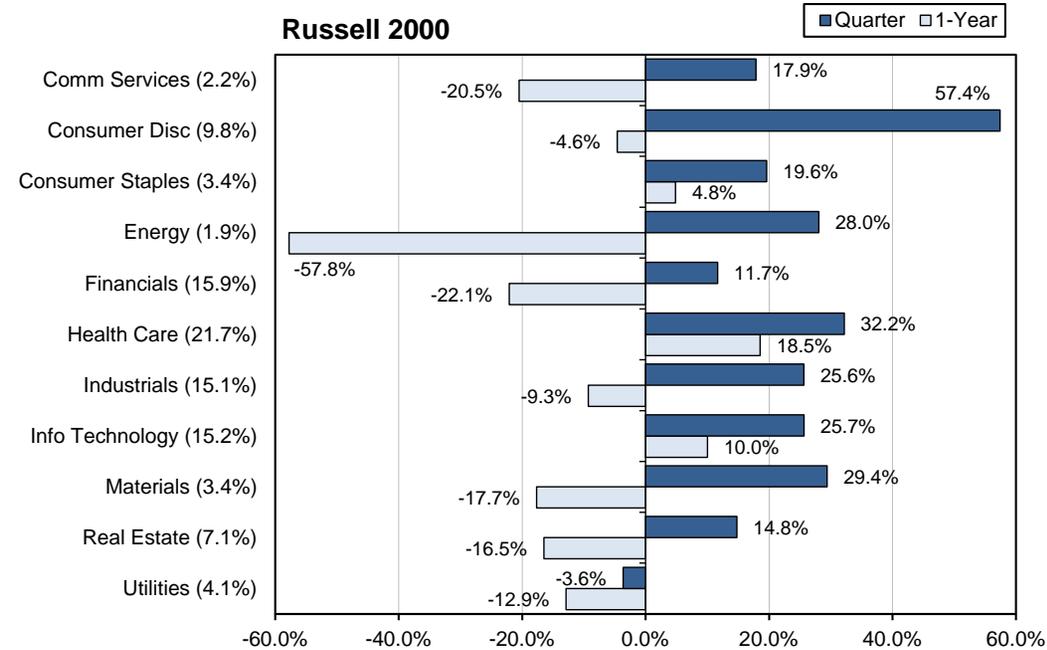
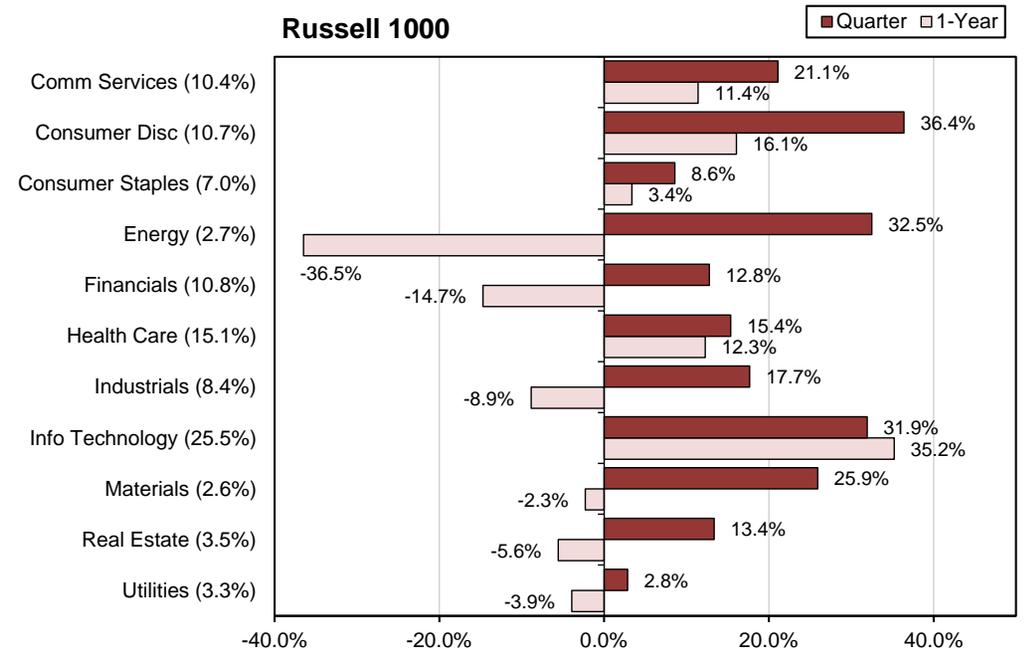
Quarter Performance - Russell Style Series



1-Year Performance - Russell Style Series



- All eleven economic sectors within the large cap Russell 1000 Index were positive for the 2nd quarter with four sectors outpacing the return of the broad index. Growth-oriented sectors such as consumer discretionary and technology were some of the best performers for the quarter returning 36.4% and 32.5%, respectively. The energy sector, which had lagged considerably during the 1st quarter sell-off, also posted a strong return of 32.5% for the quarter as oil prices recovered on expectations of future economic growth. Defensive sectors such as consumer staples and utilities were the lowest performers during the period, but still posted positive returns of 8.6% and 2.8%, respectively. Traditional growth sectors also showed their dominance in the trailing 1-year period. The technology, consumer discretionary, health care and communication services sectors returned 35.2%, 16.1%, 15.4% and 11.4%, respectively, versus the core Russell 1000 index return of 7.5%. In contrast, traditional value sectors such as energy and financials, posted returns of -36.5% and -14.7%, respectively, for the trailing 1-year period.
- Ten of eleven small cap sectors posted results of greater than 10% for the 2nd quarter with only the utilities sector falling into negative territory with a return of -3.6%. In addition, seven of eleven economic sectors in the small cap index outpaced their respective large cap sector performance. While ten small cap sectors posting returns of more than 10% would be impressive in any period, six of them managed to exceed the 25.4% return of the broad Russell 2000 index. Like large caps, sectors sensitive to the consumer and economic growth were the strongest performers as investors gravitated toward those companies with the highest growth potential. Performance in consumer discretionary and health care sectors was particularly impressive with returns of 57.4% and 32.2% respectively for the quarter. Within the health care sector, many biotechnology stocks rose on hopes and speculation regarding potentially viable treatments or vaccines for the Coronavirus. Over the trailing 1-year period, the majority of small cap sector returns were negative with only three sectors contributing positive absolute performance. The traditional growth sectors also led the small cap index's performance over the trailing 1-year period with health care posting 18.5% and the technology sector returning 10%. On the opposite end of the spectrum, while the energy sector's 28.0% return for the quarter is certainly an impressive recovery, the sector led the 1-year trailing sector performance declines with the return of -57.8%.



**The Market Environment**  
**Top 10 Index Weights & Quarterly Performance for the Russell 1000 & 2000**  
As of June 30, 2020

Top 10 Weighted Stocks				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Microsoft Corp	5.30%	29.4%	53.8%	Information Technology
Apple Inc	5.19%	43.8%	86.5%	Information Technology
Amazon.com Inc	4.07%	41.5%	45.7%	Consumer Discretionary
Facebook Inc A	1.90%	36.1%	17.7%	Communication Services
Alphabet Inc A	1.48%	22.0%	31.0%	Communication Services
Alphabet Inc Class C	1.46%	21.6%	30.8%	Communication Services
Johnson & Johnson	1.29%	8.0%	3.8%	Health Care
Berkshire Hathaway Inc Class B	1.21%	-2.4%	-16.3%	Financials
Visa Inc Class A	1.13%	20.1%	12.0%	Information Technology
Procter & Gamble Co	1.01%	9.4%	11.8%	Consumer Staples

Top 10 Weighted Stocks				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Deckers Outdoor Corp	0.31%	46.6%	11.6%	Consumer Discretionary
LHC Group Inc	0.30%	24.3%	45.8%	Health Care
BJ's Wholesale Club Holdings Inc	0.29%	46.3%	41.2%	Consumer Staples
Churchill Downs Inc	0.29%	29.3%	16.2%	Consumer Discretionary
Novavax Inc	0.27%	513.8%	1322.4%	Health Care
MyoKardia Inc	0.27%	106.1%	92.7%	Health Care
Helen Of Troy Ltd	0.27%	30.9%	44.4%	Consumer Discretionary
SiteOne Landscape Supply Inc	0.27%	54.8%	64.5%	Industrials
EastGroup Properties Inc	0.26%	14.3%	4.9%	Real Estate
Ultragenyx Pharmaceutical Inc	0.25%	76.1%	23.2%	Health Care

Top 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Fastly Inc	0.02%	348.5%	319.8%	Information Technology
Wayfair Inc Class A	0.05%	269.8%	35.3%	Consumer Discretionary
Apache Corp	0.02%	223.9%	-51.9%	Energy
Targa Resources Corp	0.02%	192.7%	-44.7%	Energy
Etsy Inc	0.04%	176.4%	73.1%	Consumer Discretionary
Bill.com Holdings Inc Ordinary Shares	0.01%	163.8%	N/A	Information Technology
Livongo Health Inc	0.01%	163.5%	N/A	Health Care
Immunomedics Inc	0.03%	162.9%	155.5%	Health Care
Antero Midstream Corp	0.01%	159.5%	-45.7%	Energy
Thor Industries Inc	0.02%	156.2%	87.0%	Consumer Discretionary

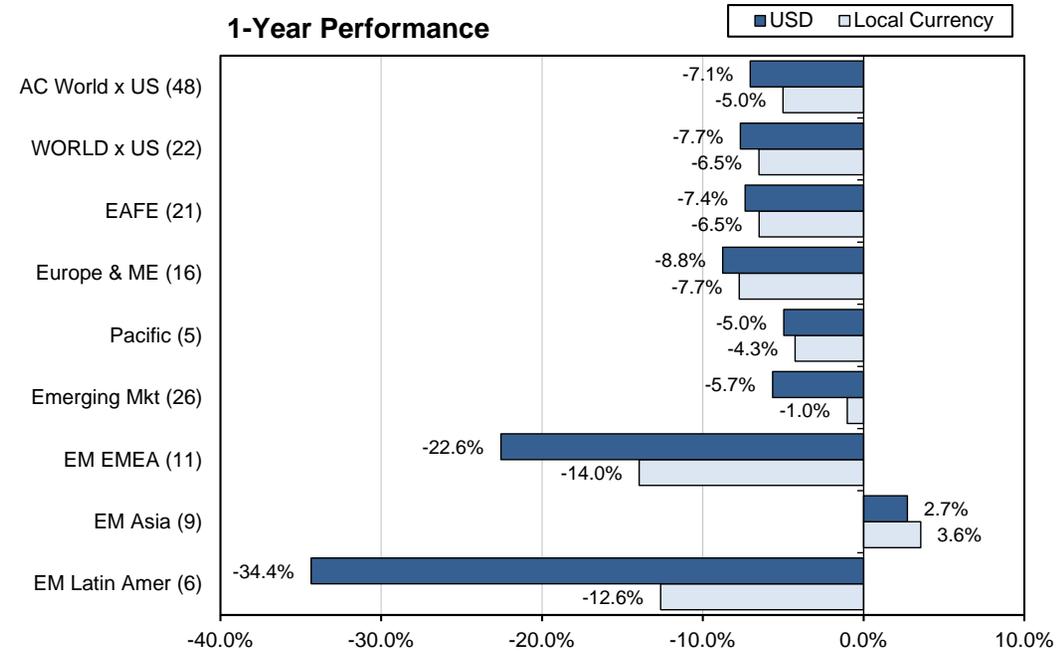
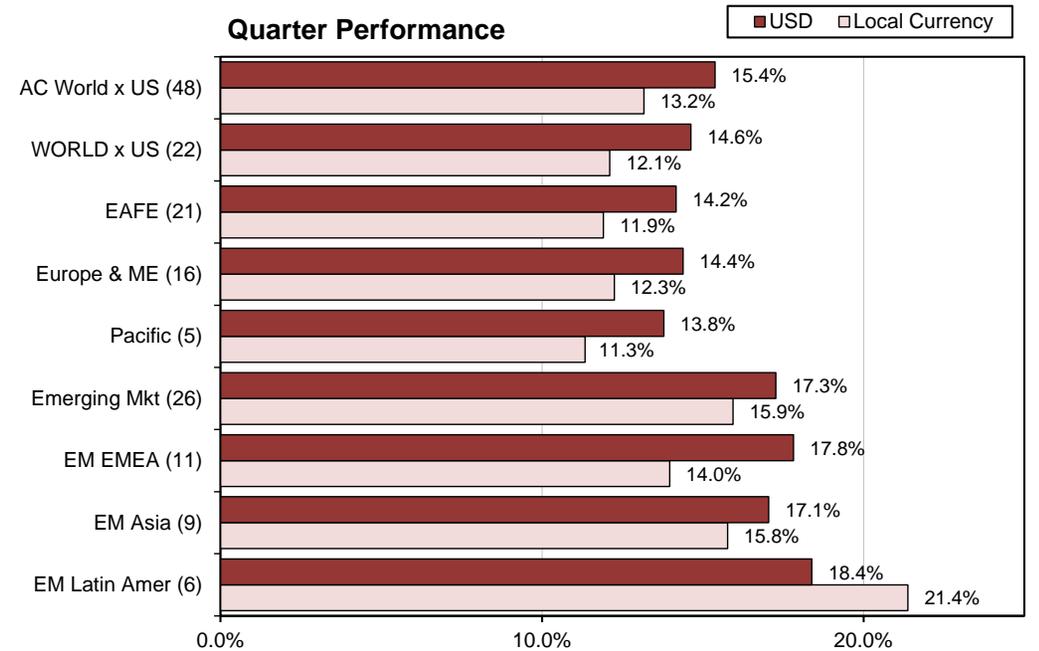
Top 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Workhorse Group Inc	0.06%	860.8%	491.5%	Consumer Discretionary
Veritone Inc	0.02%	537.8%	77.8%	Information Technology
Novavax Inc	0.27%	513.8%	1322.4%	Health Care
Overstock.com Inc	0.06%	469.7%	109.0%	Consumer Discretionary
Vaxart Inc	0.02%	400.0%	1220.7%	Health Care
U.S. Auto Parts Network Inc	0.01%	394.9%	592.8%	Consumer Discretionary
Camping World Holdings Inc Class A	0.05%	380.5%	131.4%	Consumer Discretionary
Macrogenics Inc	0.08%	379.7%	64.5%	Health Care
Aspira Womens Health Inc	0.01%	361.3%	331.5%	Health Care
Retractable Technologies Inc	0.01%	350.0%	868.9%	Health Care

Bottom 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Empire State Realty Trust Inc Class A	0.00%	-20.7%	-50.8%	Real Estate
Xerox Holdings Corp	0.01%	-18.0%	-54.8%	Information Technology
Hawaiian Electric Industries Inc	0.01%	-15.5%	-14.7%	Utilities
Biogen Inc	0.15%	-15.4%	14.4%	Health Care
Cincinnati Financial Corp	0.03%	-14.3%	-36.6%	Financials
General Electric Co	0.21%	-13.8%	-34.7%	Industrials
Coty Inc Class A	0.00%	-13.4%	-65.5%	Consumer Staples
EchoStar Corp	0.00%	-12.5%	-24.3%	Information Technology
NovoCure Ltd	0.02%	-11.9%	-6.2%	Health Care
Molson Coors Beverage Co B	0.02%	-11.9%	-36.5%	Consumer Staples

Bottom 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Chesapeake Energy Corp	0.00%	-85.8%	-98.7%	Energy
Hertz Global Holdings Inc	0.01%	-77.2%	-91.2%	Industrials
SeaChange International Inc	0.00%	-59.4%	5.6%	Information Technology
CorEnergy Infrastructure Trust Inc	0.01%	-50.0%	-75.6%	Real Estate
Evoform Biosciences Inc	0.01%	-46.8%	-57.4%	Health Care
Recro Pharma Inc	0.00%	-44.3%	-48.6%	Health Care
NextCure Inc	0.02%	-42.2%	43.1%	Health Care
NeuroBo Pharmaceuticals Inc	0.00%	-42.1%	-60.2%	Health Care
LendingClub Corp	0.02%	-42.0%	-72.3%	Financials
ProAssurance Corp	0.04%	-41.9%	-58.6%	Financials



- Broad international equity index returns were positive in US dollar (USD) and local currency terms for the 2nd quarter as international markets rebounded following the meaningful drawdown during the previous period. USD denominated international equity index performance also benefited from a weakening USD which fell against most major currencies during the period. The MSCI ACWI ex US Index posted a return of 15.4% in USD and a slightly lower 13.2% in local currency terms. Like US equity market performance, international equity benchmarks also benefited from a strong monetary policy response from central banks in reaction to the Coronavirus. Since the virus ravaged Asia and Europe earlier than the US, many countries also began the process of re-opening their respective economies earlier than the US, resulting in improving economic datapoints. Both the ECB and Bank of Japan committed to significant lending programs designed to provide the capital markets with liquidity while continuing to purchase bonds under their existing economic recovery programs.
- Results for developed market international indices were strongly positive in both USD and local currency terms during the 2nd quarter. The MSCI EAFE Index returned 14.2% in USD and 11.0% in local currency terms. The spread of the pandemic slowed in Europe during the quarter allowing countries like Austria and Italy to begin the process of re-opening. ECB President Christine Lagarde announced that the bank was expanding its bond purchase program to \$1.5 trillion, and in the UK, the Bank of England increased its bond purchasing program by roughly \$125 billion. Both measures were targeted at providing the capital markets with liquidity.
- Emerging markets outperformed developed markets by just over 3% during the 2nd quarter. The MSCI Emerging Markets Index rose by 17.3% in USD terms and 15.9% in local currency. Emerging markets benefited relative to developed markets during the quarter as global economic activity increased despite increased geopolitical tensions from China's new security measures in Hong Kong. The rebound in commodity prices in anticipation of future economic growth was particularly beneficial to the emerging countries dependent on export demand.
- In contrast to the strong 2nd quarter returns, the 1-year trailing performance of international equity indices was broadly negative with only the Emerging Market Asia Index posting a positive return of 2.7% in USD for the period. The 1-year trailing currency impact on international index performance also contrasts with the 2nd quarter's USD weakness. Persistent strength of the USD over the 1-year period was a drag on the results realized by domestic holders of international equities for each of the indices tracked in the graph. This USD strength is particularly visible in the Emerging Market Middle East & Africa (EMEA) Index and Emerging Market Latin America Index.



**The Market Environment**  
**US Dollar International Index Attribution & Country Detail**  
As of June 30, 2020

MSCI - EAFE	Sector Weight	Quarter Return	1-Year Return
Communication Services	5.4%	12.3%	-6.5%
Consumer Discretionary	11.3%	17.6%	-6.9%
Consumer Staples	12.0%	8.5%	-3.8%
Energy	3.4%	-1.5%	-41.3%
Financials	16.1%	12.6%	-20.4%
Health Care	14.5%	13.8%	17.6%
Industrials	14.5%	17.5%	-8.0%
Information Technology	8.3%	23.0%	12.4%
Materials	7.3%	22.7%	-8.6%
Real Estate	3.2%	7.9%	-21.4%
Utilities	4.0%	11.4%	2.4%
<b>Total</b>	<b>100.0%</b>	<b>14.2%</b>	<b>-7.4%</b>

MSCI - ACWixUS	Sector Weight	Quarter Return	1-Year Return
Communication Services	7.6%	16.9%	2.6%
Consumer Discretionary	12.6%	19.8%	-0.6%
Consumer Staples	10.0%	9.4%	-4.8%
Energy	4.8%	8.5%	-34.5%
Financials	18.1%	10.3%	-22.4%
Health Care	10.7%	16.0%	18.3%
Industrials	11.4%	17.1%	-8.9%
Information Technology	11.0%	24.1%	19.2%
Materials	7.6%	24.6%	-8.7%
Real Estate	2.8%	6.8%	-21.4%
Utilities	3.5%	10.3%	-3.2%
<b>Total</b>	<b>100.0%</b>	<b>15.4%</b>	<b>-7.1%</b>

MSCI - Emerging Mkt	Sector Weight	Quarter Return	1-Year Return
Communication Services	13.5%	22.6%	14.2%
Consumer Discretionary	17.4%	22.1%	12.7%
Consumer Staples	6.5%	12.6%	-9.1%
Energy	6.0%	21.6%	-25.3%
Financials	19.1%	6.6%	-27.4%
Health Care	4.3%	37.1%	33.5%
Industrials	4.7%	16.0%	-15.9%
Information Technology	16.9%	19.9%	21.3%
Materials	6.9%	23.3%	-16.2%
Real Estate	2.6%	3.6%	-20.3%
Utilities	2.3%	9.2%	-20.3%
<b>Total</b>	<b>100.0%</b>	<b>17.3%</b>	<b>-5.7%</b>

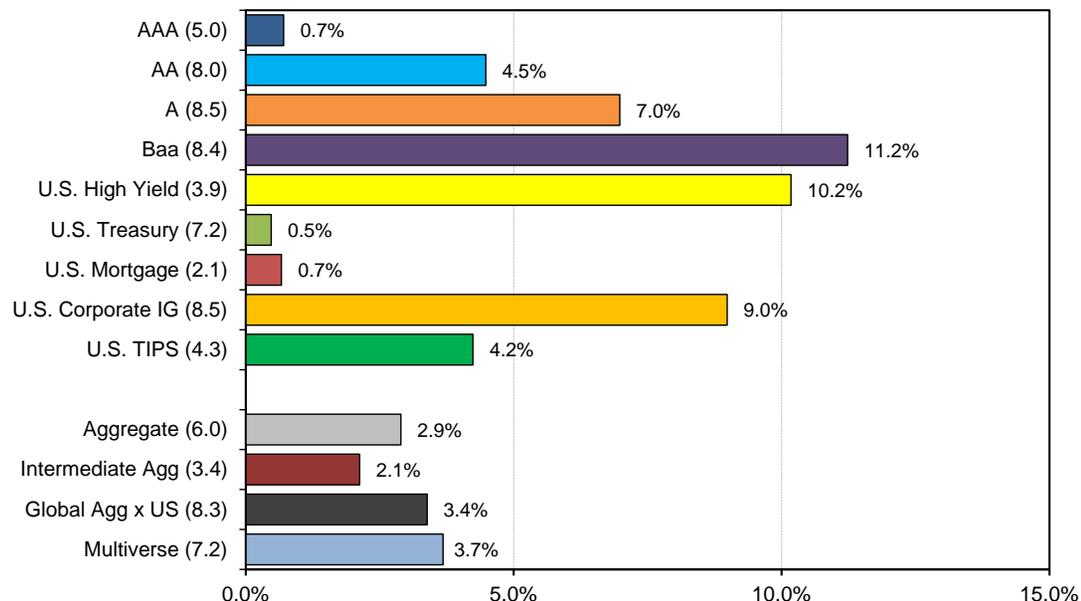
Country	MSCI-EAFE Weight	MSCI-ACWixUS Weight	Quarter Return	1-Year Return
Japan	25.4%	16.5%	11.5%	0.9%
United Kingdom	14.1%	9.1%	7.4%	-20.8%
France	10.9%	7.1%	15.3%	-11.4%
Switzerland	10.3%	6.7%	9.7%	3.8%
Germany	9.3%	6.0%	24.5%	-4.4%
Australia	6.7%	4.4%	28.6%	-14.6%
Netherlands	4.3%	2.8%	24.0%	7.1%
Hong Kong	3.4%	2.2%	7.7%	-17.4%
Sweden	3.1%	2.0%	19.5%	0.8%
Spain	2.4%	1.6%	9.6%	-22.5%
Denmark	2.3%	1.5%	18.8%	20.7%
Italy	2.3%	1.5%	15.0%	-13.1%
Singapore	1.1%	0.7%	7.3%	-23.8%
Finland	1.0%	0.7%	18.6%	-3.6%
Belgium	0.9%	0.6%	11.9%	-23.3%
Ireland	0.6%	0.4%	19.6%	3.6%
Israel	0.6%	0.4%	20.0%	0.8%
Norway	0.5%	0.3%	13.2%	-25.1%
New Zealand	0.3%	0.2%	28.0%	19.6%
Austria	0.2%	0.1%	20.6%	-28.2%
Portugal	0.2%	0.1%	9.2%	4.2%
<b>Total EAFE Countries</b>	<b>100.0%</b>	<b>64.9%</b>	<b>14.2%</b>	<b>-7.4%</b>
Canada		6.5%	19.4%	-10.5%
<b>Total Developed Countries</b>		<b>71.4%</b>	<b>14.6%</b>	<b>-7.7%</b>
China		11.7%	14.2%	11.2%
Taiwan		3.5%	20.8%	17.8%
Korea		3.3%	19.3%	-1.4%
India		2.3%	20.4%	-18.2%
Brazil		1.5%	22.6%	-35.3%
South Africa		1.1%	25.8%	-26.9%
Russia		0.9%	17.6%	-17.7%
Saudi Arabia		0.8%	12.2%	-22.7%
Thailand		0.7%	22.4%	-25.8%
Malaysia		0.5%	12.6%	-14.8%
Mexico		0.5%	10.6%	-26.8%
Indonesia		0.4%	22.4%	-26.0%
Philippines		0.2%	19.3%	-21.4%
Qatar		0.2%	6.7%	-13.1%
Poland		0.2%	20.8%	-31.2%
Chile		0.2%	13.5%	-36.9%
United Arab Emirates		0.2%	14.4%	-21.7%
Turkey		0.1%	18.3%	-8.5%
Peru		0.1%	5.5%	-35.7%
Hungary		0.1%	14.1%	-18.3%
Colombia		0.1%	7.2%	-43.6%
Argentina		0.0%	43.7%	-47.0%
Greece		0.0%	9.6%	-35.1%
Czech Republic		0.0%	24.1%	-26.8%
Egypt		0.0%	4.9%	-13.7%
Pakistan		0.0%	11.7%	-17.3%
<b>Total Emerging Countries</b>		<b>28.6%</b>	<b>17.3%</b>	<b>-5.7%</b>
<b>Total ACWixUS Countries</b>		<b>100.0%</b>	<b>15.4%</b>	<b>-7.1%</b>

Source: Morningstar Direct, MSCI Global Index Monitor (Returns are Net in USD)  
As a result of the GICS classification changes on 9/28/2018 and certain associated reporting limitations, sector performance represents backward looking performance for the prior year of each sector's current constituency, post creation of the Communication Services sector.

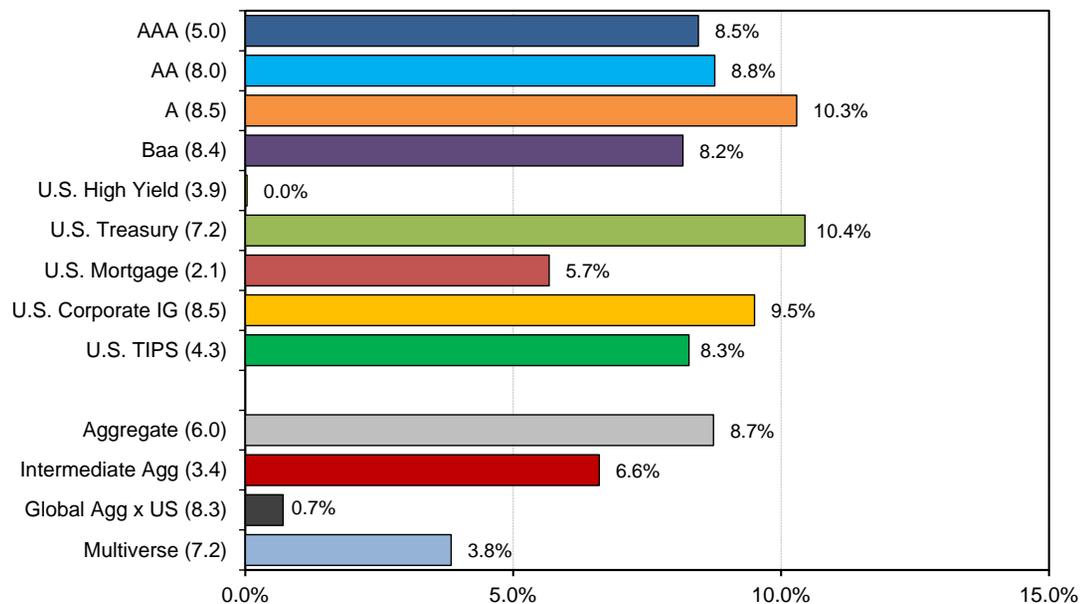


- Broad fixed income benchmarks rose sharply in the 2nd quarter as interest rates fell globally in response to the economic implications of the pandemic. The Fed continued purchasing bonds under programs announced during the first quarter to support capital markets and mitigate the damage to the economy. With US interest rates already near zero, the Fed announced several additional lending facilities to bridge the gap until economic activity picks up. These combined programs swelled the Fed's balance sheet to \$7.0 trillion, an increase of more than \$3 trillion since the beginning of the year. Late in the quarter the Fed commented that the economy faces a number of future challenges and expects interest rates to remain low for a prolonged period of time. Last August, the US Treasury yield curve inverted with the 2-year yield briefly surpassing the 10-year yield. Historically, a 2-10 inversion in the yield curve has preceded a US recession within the next 6-24 months. Recently, the National Bureau of Economic Research reported that the US economy entered a recession in February. While long-term US interest rates have moved lower recently, the Treasury yield curve has actually steepened which historically portends better economic growth.
- During the quarter, the Bloomberg Barclays (BB) US Aggregate Index returned 2.9%. Within the broad BB US Aggregate index, the US Treasury and mortgage-backed segments dramatically underperformed the corporate bond sector during the 2nd quarter. Investment grade corporate credit returned a strong 9.0% due to narrowing credit spreads and a high demand for yield. In contrast, over the 1-year period, US Treasuries outpaced both corporate and mortgage-backed issues with US Treasuries posting 10.4% versus returns of 9.5% and 5.7% for corporate and mortgage bonds, respectively. Outside of domestic markets, the BB Global Aggregate ex US Index increased by 3.4% for the quarter and 0.7% for the year.
- Within investment grade credit, lower quality issues outperformed higher quality issues during the 2nd quarter. Lower quality issues benefitted from both spread compression and investors seeking out higher yields when compared to US Treasury or mortgage bonds. On an absolute basis without adjusting for the duration differences in the sub-indices, Baa rated credit was the best performing investment grade (IG) segment, returning 11.2% for the quarter. AAA issues were the worst performing IG credit segment, returning just 0.7%. Despite a much lower duration, the high yield index returned 10.2% for the quarter. These issues benefitted from credit spreads narrowing significantly following the drawdown in the first quarter. Outside of high yield performance, which was flat on the year, credit returns were all impressive with each segment returning greater than 8% for the period.

**Quarter Performance**

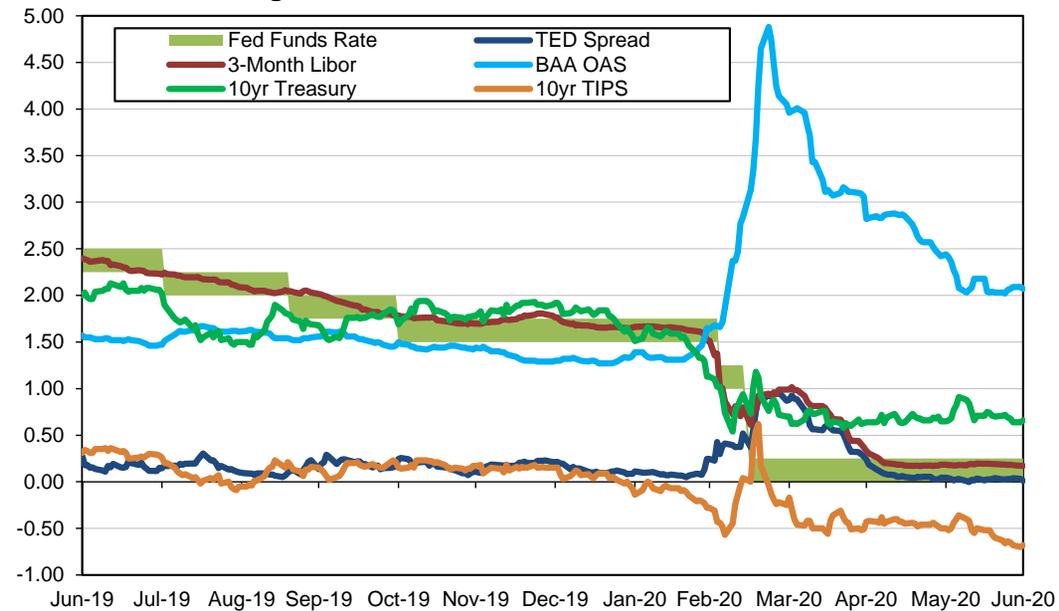


**1-Year Performance**

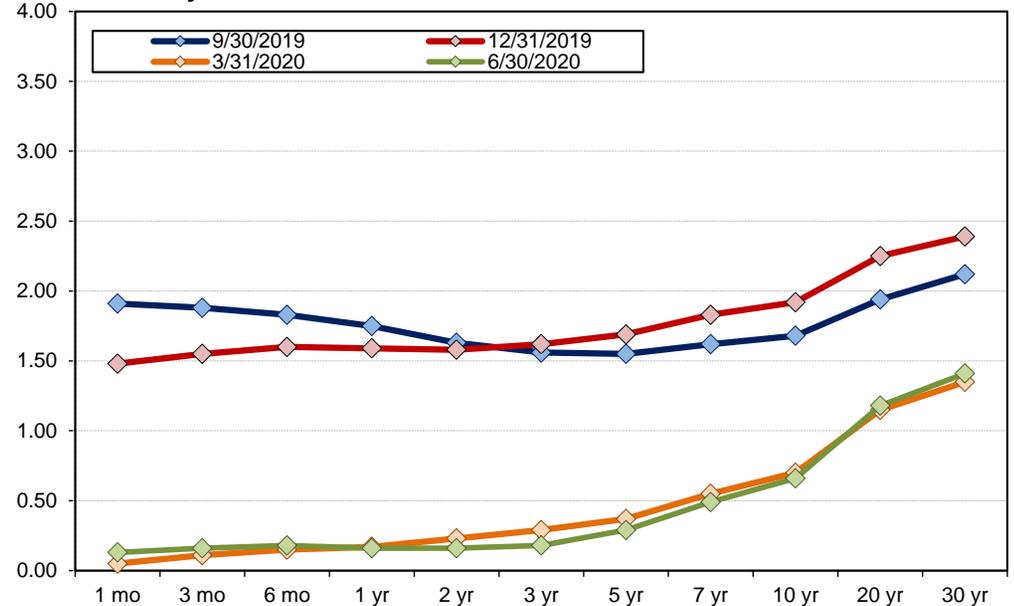


- Much of the index performance detailed in the bar graphs on the previous page is visible on a time series basis by reviewing the yield graph to the right. The '1-Year Trailing Market Rates' chart illustrates that over the last year, the 10-year Treasury yield (green line) fell from yields of greater than 2.0%, to a low of roughly 0.5% before ending the quarter at 0.66%. A decrease in yields provides a boost to bond performance. The blue line illustrates changes in the BAA OAS (Option Adjusted Spread). This measure quantifies the additional yield premium that investors require to purchase and hold non-Treasury investment grade issues. This line illustrates an abrupt increase in credit spreads beginning in early 2020 as investors moved to higher quality assets during the quarter's risk-off environment. Spreads increased dramatically in February following the US onset of the pandemic, reaching a high of 4.88% on March 23rd. Since then, spreads have steadily declined as markets stabilized following the aggressive actions taken by the Treasury and Fed. During the quarter, the BAA OAS spread fell by 1.98%. Similar to Treasury yield declines, spread tightening in corporate bonds is equivalent to an interest rate decrease, which causes bond prices to rise. This compression produces an additional tailwind for corporate bond index returns. The green band across the graph illustrates the decrease in the Fed Funds Rate range due to the recent US monetary policy easing. The Fed began the year with a rate range of 1.50%-1.75%, which it aggressively cut to a range of 0.00%-0.25% during the 1st quarter, where it remained at the end of the quarter.
- The lower graph provides a snapshot of the US Treasury yield curve at the end of each of the last four calendar quarters. The higher yields and curve inversion experienced in the 2nd half of 2019 have given way to 2020's extremely low interest rate environment. The curve continued to flatten during the 2nd quarter, particularly between the 1- and 5-year maturities. On the longer end of the curve, rates rose slightly during the period as the US Treasury issued longer-dated bonds to lock in low borrowing costs. An increase in Treasury supply, in conjunction with concerns about the potential for rising inflation, resulted in slightly higher yields during the quarter.

1-Year Trailing Market Rates



Treasury Yield Curve



<b>1 Quarter</b>	<b>Market Value 04/01/2020</b>	<b>Net Flows</b>	<b>Return On Investment</b>	<b>Market Value 06/30/2020</b>
<b>Police Total Fund</b>	<b>28,905,591</b>	<b>-299,996</b>	<b>3,894,518</b>	<b>32,500,112</b>
<b>Total Domestic Equity</b>	<b>10,746,200</b>	<b>694,695</b>	<b>2,588,670</b>	<b>14,029,565</b>
Seizert Capital	3,858,395	194,695	702,955	4,756,045
ClearBridge (LSITX)	4,090,118	100,000	1,072,918	5,263,036
T. Rowe Price (TRMIX)	950,558	200,000	238,090	1,388,648
Virtus Ceredex Small Cap (VVERX)	822,123	100,000	156,559	1,078,682
Hood River Small Cap Growth (HRSMX)	1,025,006	100,000	418,149	1,543,155
PGIM QMA SCV (TASVX)	-	-	-	-
<b>Total International Equity</b>	<b>3,857,434</b>	<b>300,000</b>	<b>919,485</b>	<b>5,076,919</b>
AF EuroPacific Growth (RERGX)	3,857,434	300,000	919,485	5,076,919
<b>Total Domestic Fixed Income</b>	<b>11,312,354</b>	<b>-1,007,790</b>	<b>419,522</b>	<b>10,724,085</b>
CSM Advisors	5,647,331	-504,241	175,257	5,318,347
Garcia Hamilton	5,665,023	-503,549	244,265	5,405,738
<b>Total Real Estate</b>	<b>2,205,292</b>	<b>-</b>	<b>-33,275</b>	<b>2,172,017</b>
Principal Real Estate	2,205,292	-	-33,275	2,172,017
Cash	784,312	-286,901	116	497,526



Fiscal Year To Date	Market Value 01/01/2020	Net Flows	Return On Investment	Market Value 06/30/2020
<b>Police Total Fund</b>	<b>32,550,840</b>	<b>-43,587</b>	<b>-7,140</b>	<b>32,500,112</b>
<b>Total Domestic Equity</b>	<b>13,644,925</b>	<b>687,918</b>	<b>-303,278</b>	<b>14,029,565</b>
Seizert Capital	4,928,875	187,918	-360,748	4,756,045
ClearBridge (LSITX)	4,812,007	100,000	351,029	5,263,036
T. Rowe Price (TRMIX)	1,332,687	200,000	-144,039	1,388,648
Virtus Ceredex Small Cap (VVERX)	1,242,656	100,000	-263,974	1,078,682
Hood River Small Cap Growth (HRSMX)	1,328,700	100,000	114,455	1,543,155
PGIM QMA SCV (TASVX)	-	-	-	-
<b>Total International Equity</b>	<b>4,972,858</b>	<b>300,000</b>	<b>-195,939</b>	<b>5,076,919</b>
AF EuroPacific Growth (REGX)	4,972,858	300,000	-195,939	5,076,919
<b>Total Domestic Fixed Income</b>	<b>11,222,409</b>	<b>-1,015,503</b>	<b>517,179</b>	<b>10,724,085</b>
CSM Advisors	5,581,193	-508,429	245,583	5,318,347
Garcia Hamilton	5,641,216	-507,074	271,596	5,405,738
<b>Total Real Estate</b>	<b>2,197,789</b>	<b>-</b>	<b>-25,773</b>	<b>2,172,017</b>
Principal Real Estate	2,197,789	-	-25,773	2,172,017
Cash	512,859	-16,002	670	497,526



<b>1 Year</b>				
	<b>Market Value 07/01/2019</b>	<b>Net Flows</b>	<b>Return On Investment</b>	<b>Market Value 06/30/2020</b>
<b>Police Total Fund</b>	<b>30,997,661</b>	<b>-423,901</b>	<b>1,926,352</b>	<b>32,500,112</b>
<b>Total Domestic Equity</b>	<b>12,794,363</b>	<b>259,111</b>	<b>976,092</b>	<b>14,029,565</b>
Seizert Capital	4,586,777	-74,743	244,011	4,756,045
ClearBridge (LSITX)	5,022,387	-517,441	758,089	5,263,036
T. Rowe Price (TRMIX)	1,249,780	200,000	-61,133	1,388,648
Virtus Ceredex Small Cap (VVERX)	-	1,350,000	-271,318	1,078,682
Hood River Small Cap Growth (HRSMX)	-	1,350,000	193,155	1,543,155
PGIM QMA SCV (TASVX)	1,935,419	-2,048,706	113,287	-
<b>Total International Equity</b>	<b>4,589,929</b>	<b>300,000</b>	<b>186,990</b>	<b>5,076,919</b>
AF EuroPacific Growth (REGX)	4,589,929	300,000	186,990	5,076,919
<b>Total Domestic Fixed Income</b>	<b>11,024,986</b>	<b>-1,026,581</b>	<b>725,680</b>	<b>10,724,085</b>
CSM Advisors	5,480,339	-516,709	354,718	5,318,347
Garcia Hamilton	5,544,648	-509,872	370,962	5,405,738
<b>Total Real Estate</b>	<b>2,136,702</b>	<b>-</b>	<b>35,315</b>	<b>2,172,017</b>
Principal Real Estate	2,136,702	-	35,315	2,172,017
Cash	451,681	43,569	2,276	497,526

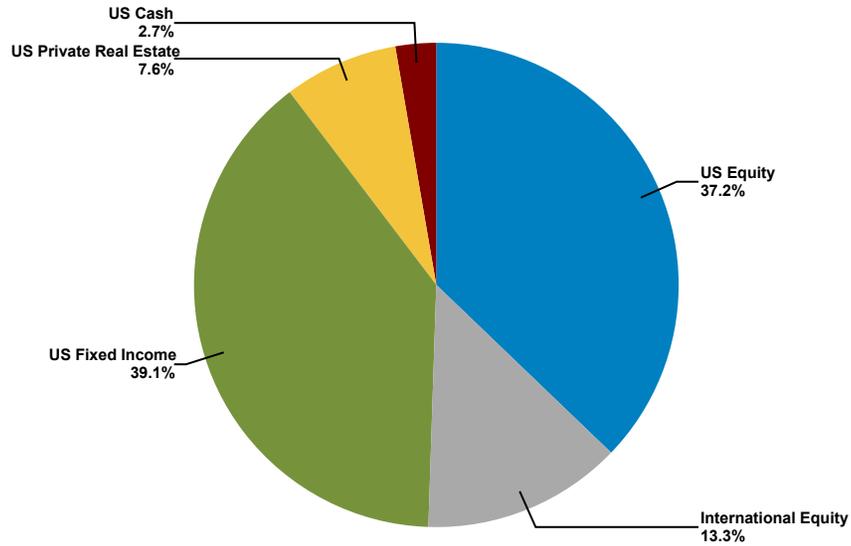
**Asset Allocation Attributes**

	Domestic Equity		International Equity		Domestic Fixed Income		Real Estate		Cash Equivalent		Total Fund	
	(\$)	%	(\$)	%	(\$)	%	(\$)	%	(\$)	%	(\$)	%
<b>Police Total Fund</b>	<b>13,857,462</b>	<b>42.6</b>	<b>5,076,919</b>	<b>15.6</b>	<b>10,626,662</b>	<b>32.7</b>	<b>2,172,017</b>	<b>6.7</b>	<b>767,053</b>	<b>2.4</b>	<b>32,500,112</b>	<b>100.0</b>
<b>Total Domestic Equity</b>	<b>13,857,462</b>	<b>98.8</b>	-	-	-	-	-	-	<b>172,103</b>	<b>1.2</b>	<b>14,029,565</b>	<b>43.2</b>
Seizert Capital	4,583,942	96.4	-	-	-	-	-	-	172,103	3.6	4,756,045	14.6
ClearBridge (LSITX)	5,263,036	100.0	-	-	-	-	-	-	-	-	5,263,036	16.2
T. Rowe Price (TRMIX)	1,388,648	100.0	-	-	-	-	-	-	-	-	1,388,648	4.3
Virtus Ceredex Small Cap (VVERX)	1,078,682	100.0	-	-	-	-	-	-	-	-	1,078,682	3.3
Hood River Small Cap Growth (HRSMX)	1,543,155	100.0	-	-	-	-	-	-	-	-	1,543,155	4.7
<b>Total International Equity</b>	-	-	<b>5,076,919</b>	<b>100.0</b>	-	-	-	-	-	-	<b>5,076,919</b>	<b>15.6</b>
AF EuroPacific Growth (RERGX)	-	-	5,076,919	100.0	-	-	-	-	-	-	5,076,919	15.6
<b>Total Domestic Fixed Income</b>	-	-	-	-	<b>10,626,662</b>	<b>99.1</b>	-	-	<b>97,423</b>	<b>0.9</b>	<b>10,724,085</b>	<b>33.0</b>
CSM Advisors	-	-	-	-	5,289,903	99.5	-	-	28,444	0.5	5,318,347	16.4
Garcia Hamilton	-	-	-	-	5,336,760	98.7	-	-	68,979	1.3	5,405,738	16.6
<b>Total Real Estate</b>	-	-	-	-	-	-	<b>2,172,017</b>	<b>100.0</b>	-	-	<b>2,172,017</b>	<b>6.7</b>
Principal Real Estate	-	-	-	-	-	-	2,172,017	100.0	-	-	2,172,017	6.7
Cash	-	-	-	-	-	-	-	-	497,526	100.0	497,526	1.5



**Asset Allocation By Asset Class**  
**Total Fund**  
As of June 30, 2020

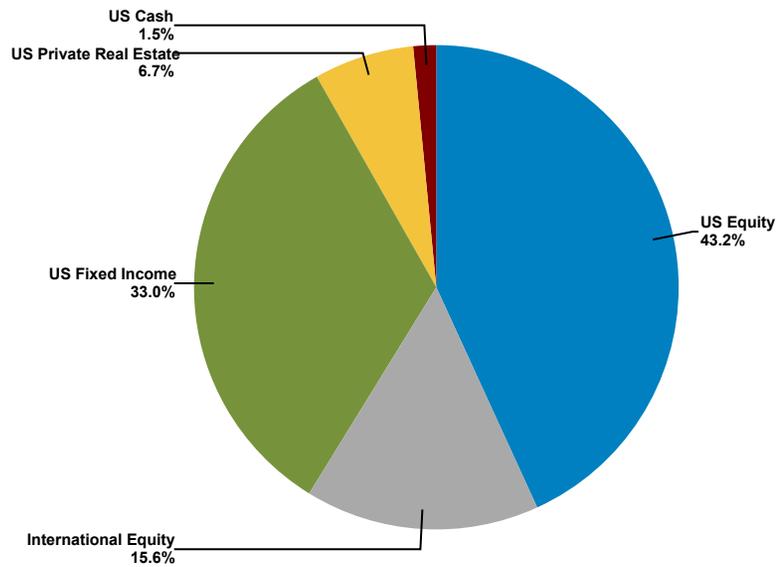
**March 31, 2020 : \$28,905,591**



**Allocation**

	Market Value	Allocation
US Equity	10,746,200	37.2
International Equity	3,857,434	13.3
US Fixed Income	11,312,354	39.1
US Private Real Estate	2,205,292	7.6
US Cash	784,312	2.7

**June 30, 2020 : \$32,500,112**



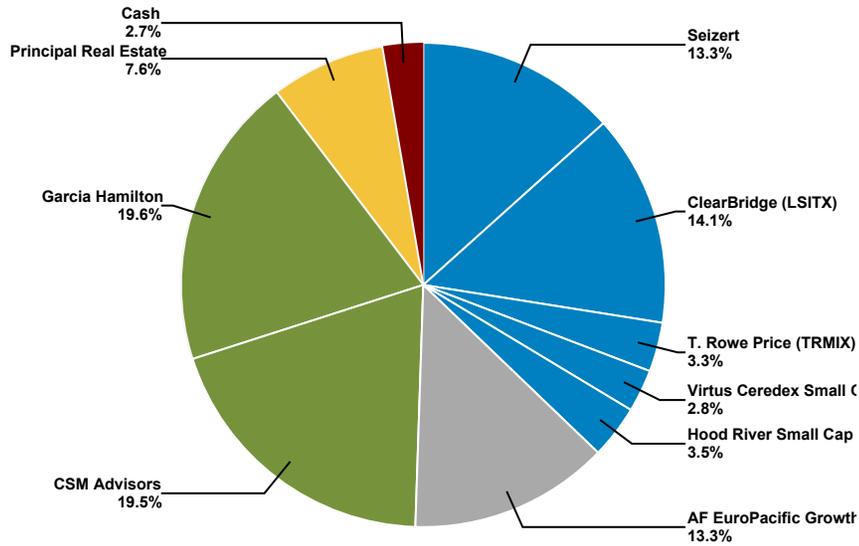
**Allocation**

	Market Value	Allocation
US Equity	14,029,565	43.2
International Equity	5,076,919	15.6
US Fixed Income	10,724,085	33.0
US Private Real Estate	2,172,017	6.7
US Cash	497,526	1.5



**Asset Allocation By Manager  
Total Fund  
As of June 30, 2020**

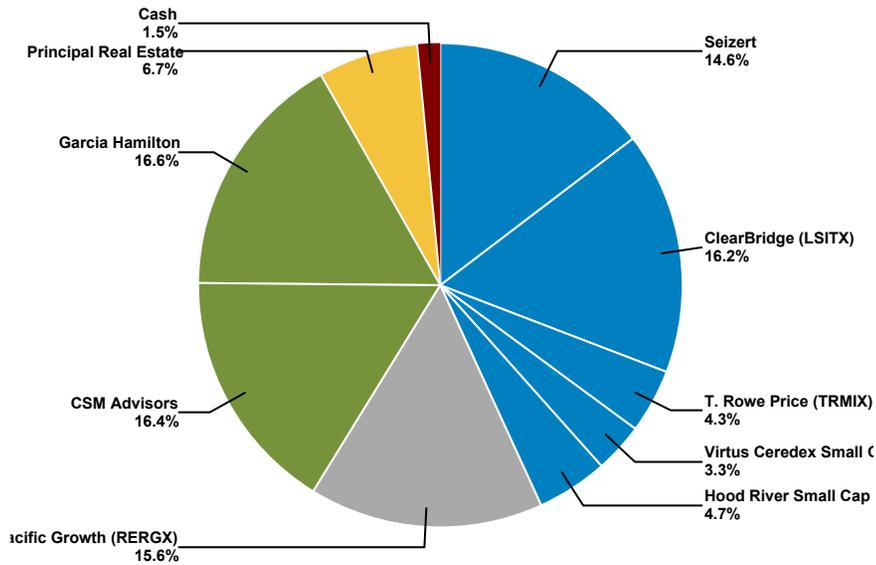
**March 31, 2020 : \$28,905,591**



**Allocation**

	Market Value	Allocation
Seizert	3,858,395	13.3
ClearBridge (LSITX)	4,090,118	14.1
T. Rowe Price (TRMIX)	950,558	3.3
Virtus Ceredex Small Cap (VVERX)	822,123	2.8
Hood River Small Cap Growth (HRSMX)	1,025,006	3.5
AF EuroPacific Growth (REGX)	3,857,434	13.3
CSM Advisors	5,647,331	19.5
Garcia Hamilton	5,665,023	19.6
Principal Real Estate	2,205,292	7.6
Cash	784,312	2.7

**June 30, 2020 : \$32,500,112**



**Allocation**

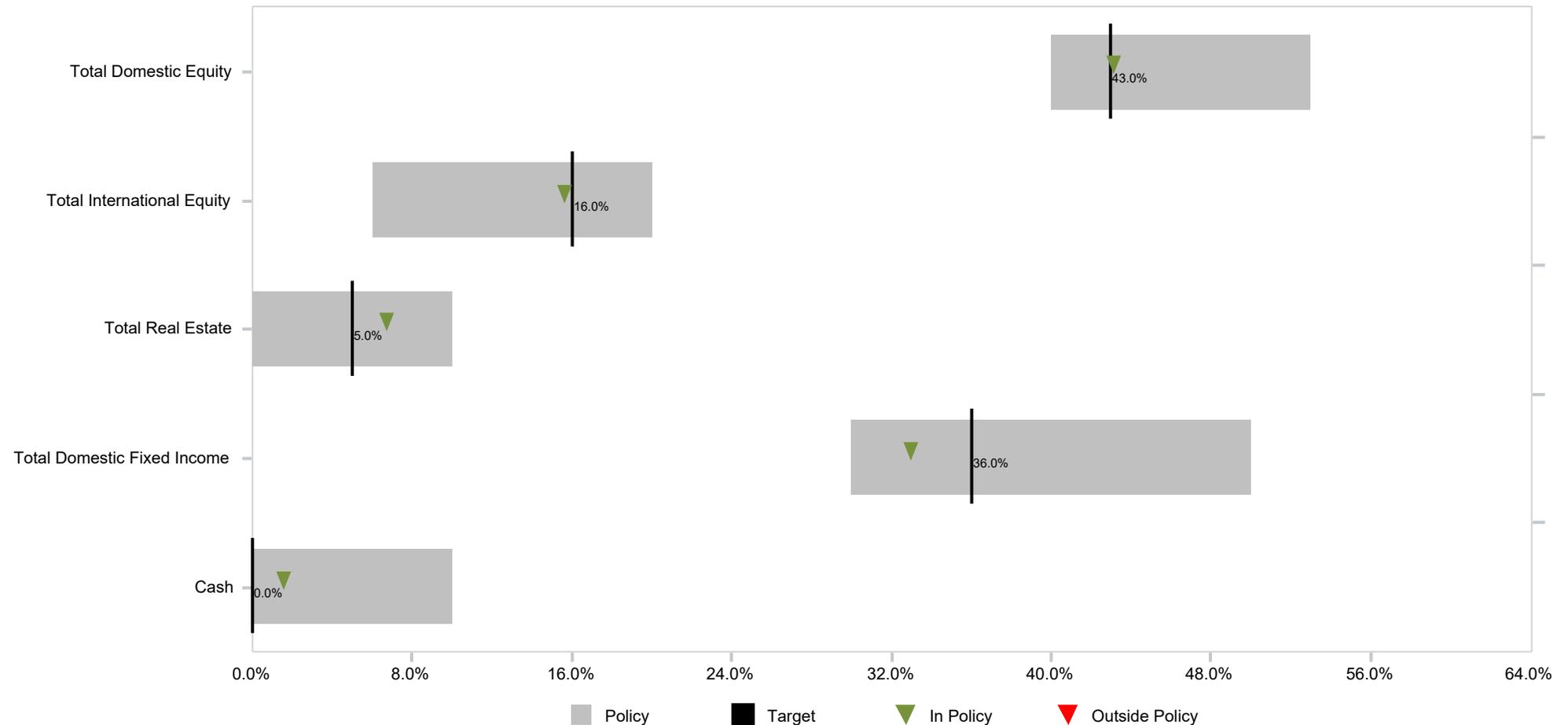
	Market Value	Allocation
Seizert	4,756,045	14.6
ClearBridge (LSITX)	5,263,036	16.2
T. Rowe Price (TRMIX)	1,388,648	4.3
Virtus Ceredex Small Cap (VVERX)	1,078,682	3.3
Hood River Small Cap Growth (HRSMX)	1,543,155	4.7
AF EuroPacific Growth (REGX)	5,076,919	15.6
CSM Advisors	5,318,347	16.4
Garcia Hamilton	5,405,738	16.6
Principal Real Estate	2,172,017	6.7
Cash	497,526	1.5



Asset Allocation Compliance

	Asset Allocation \$	Current Allocation (%)	Minimum Allocation (%)	Target Allocation (%)	Maximum Allocation (%)	Target Rebal. (\$)	Differences (%)
Police Total Fund	32,500,112	100.0		100.0		-	0.0
Total Domestic Equity	14,029,565	43.2	40.0	43.0	53.0	-54,517	0.2
Total International Equity	5,076,919	15.6	6.0	16.0	20.0	123,099	-0.4
Total Real Estate	2,172,017	6.7	0.0	5.0	10.0	-547,011	1.7
Total Domestic Fixed Income	10,724,085	33.0	30.0	36.0	50.0	975,955	-3.0
Cash	497,526	1.5	0.0	0.0	10.0	-497,526	1.5

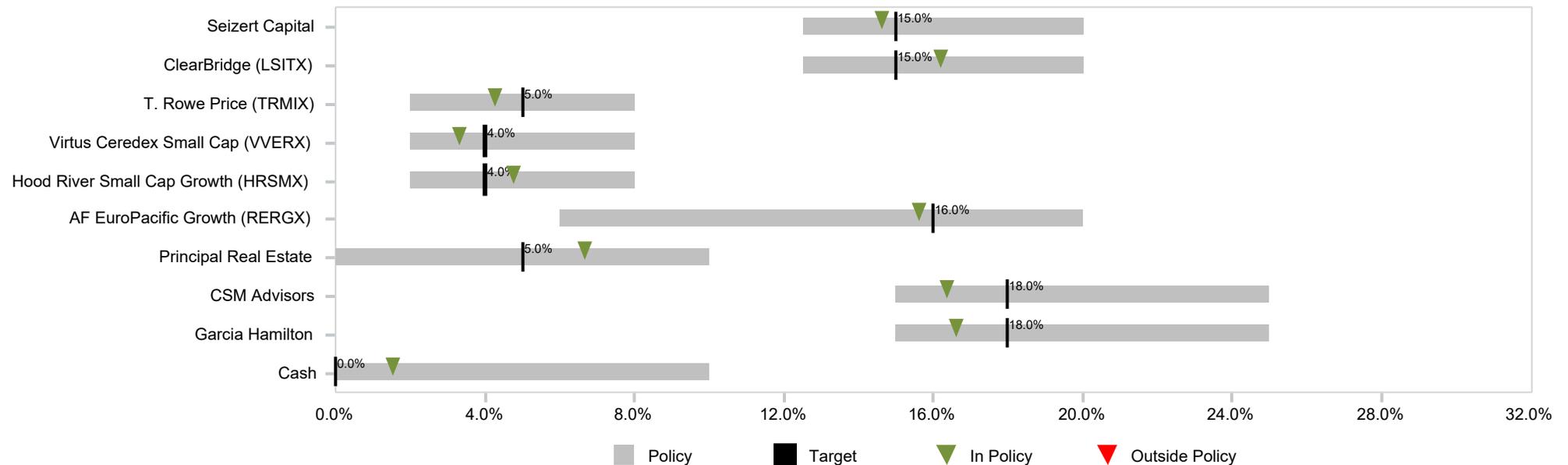
Allocation Summary



**Asset Allocation Compliance**

	Asset Allocation \$	Current Allocation (%)	Minimum Allocation (%)	Target Allocation (%)	Maximum Allocation (%)	Target Rebal. (\$)	Differences (%)
Police Total Fund	32,500,112	100.0		100.0		-	0.0
Total Equity	19,106,484	58.8		59.0		68,582	-0.2
Total Domestic Equity	14,029,565	43.2		43.0		-54,517	0.2
Seizert Capital	4,756,045	14.6	12.5	15.0	20.0	118,972	-0.4
ClearBridge (LSITX)	5,263,036	16.2	12.5	15.0	20.0	-388,019	1.2
T. Rowe Price (TRMIX)	1,388,648	4.3	2.0	5.0	8.0	236,358	-0.7
Virtus Ceredex Small Cap (VVERX)	1,078,682	3.3	2.0	4.0	8.0	221,323	-0.7
Hood River Small Cap Growth (HRSMX)	1,543,155	4.7	2.0	4.0	8.0	-243,151	0.7
Total International Equity	5,076,919	15.6		16.0		123,099	-0.4
AF EuroPacific Growth (RERGX)	5,076,919	15.6	6.0	16.0	20.0	123,099	-0.4
Total Real Estate	2,172,017	6.7		5.0		-547,011	1.7
Principal Real Estate	2,172,017	6.7	0.0	5.0	10.0	-547,011	1.7
Total Fixed Income	10,724,085	33.0		36.0		975,955	-3.0
Total Domestic Fixed Income	10,724,085	33.0		36.0		975,955	-3.0
CSM Advisors	5,318,347	16.4	15.0	18.0	25.0	531,673	-1.6
Garcia Hamilton	5,405,738	16.6	15.0	18.0	25.0	444,282	-1.4
Cash	497,526	1.5	0.0	0.0	10.0	-497,526	1.5

**Allocation Summary**



Comparative Performance														
	QTR		FYTD		1 YR		3 YR		5 YR		7 YR		10 YR	
<b>Police Total Fund</b>	<b>13.52</b>	<b>(49)</b>	<b>-0.09</b>	<b>(36)</b>	<b>6.15</b>	<b>(22)</b>	<b>5.58</b>	<b>(64)</b>	<b>5.98</b>	<b>(49)</b>	<b>6.91</b>	<b>(53)</b>	<b>7.91</b>	<b>(56)</b>
Police - Total Fund Policy	12.33	(65)	-2.89	(78)	3.14	(76)	5.45	(65)	5.95	(50)	6.92	(52)	7.80	(60)
All Master Trust - Total Fund Median	13.42		-1.02		4.92		6.26		5.93		6.98		8.05	
<b>Police Total Fund</b>	<b>13.52</b>	<b>(65)</b>	<b>-0.09</b>	<b>(15)</b>	<b>6.15</b>	<b>(18)</b>	<b>5.58</b>	<b>(74)</b>	<b>5.98</b>	<b>(60)</b>	<b>6.91</b>	<b>(63)</b>	<b>7.91</b>	<b>(64)</b>
Police - Total Fund Policy	12.33	(90)	-2.89	(71)	3.14	(73)	5.45	(76)	5.95	(61)	6.92	(63)	7.80	(69)
Master Trust >=45% and <65% Equity Median	13.98		-1.52		4.78		6.62		6.24		7.15		8.22	
<b>Total Domestic Equity</b>	<b>23.64</b>	<b>(41)</b>	<b>-2.58</b>	<b>(34)</b>	<b>7.22</b>	<b>(33)</b>	<b>8.08</b>	<b>(43)</b>	<b>9.26</b>	<b>(39)</b>	<b>10.87</b>	<b>(42)</b>	<b>13.37</b>	<b>(41)</b>
Russell 3000 Index	22.03	(49)	-3.48	(38)	6.53	(35)	10.04	(36)	10.03	(34)	11.68	(35)	13.72	(38)
IM U.S. Equity (SA+CF+MF) Median	21.82		-8.16		-0.59		5.95		7.06		9.34		12.23	
Seizert	18.23	(37)	-7.32	(14)	5.13	(12)	6.13	(24)	8.25	(15)	9.99	(15)	12.61	(19)
Russell 1000 Value Index	14.29	(79)	-16.26	(62)	-8.84	(63)	1.82	(62)	4.64	(59)	7.11	(61)	10.41	(67)
IM U.S. Large Cap Value Equity (SA+CF) Median	17.10		-14.99		-6.98		2.67		5.07		7.63		10.84	
ClearBridge (LSITX)	25.98	(73)	7.08	(79)	16.23	(83)	N/A		N/A		N/A		N/A	
Russell 1000 Growth Index	27.84	(46)	9.81	(57)	23.28	(26)	18.99	(37)	15.89	(24)	16.62	(27)	17.23	(21)
IM U.S. Large Cap Growth Equity (MF) Median	27.69		10.21		21.05		18.03		14.47		15.69		15.98	
T. Rowe Price (TRMIX)	22.41	(22)	-12.69	(1)	-6.90	(7)	0.36	(12)	3.96	(5)	7.06	(7)	10.02	(19)
Russell Midcap Value Index	19.95	(53)	-18.09	(29)	-11.81	(31)	-0.54	(27)	3.32	(20)	6.55	(18)	10.29	(14)
IM U.S. Mid Cap Value Equity (MF) Median	20.13		-19.66		-13.42		-2.01		1.36		4.57		8.37	
Virtus Ceredex Small Cap (VVERX)	17.45	(92)	-22.30	(41)	N/A		N/A		N/A		N/A		N/A	
Russell 2000 Value Index	18.91	(81)	-23.50	(52)	-17.48	(49)	-4.35	(34)	1.26	(27)	3.98	(27)	7.82	(28)
IM U.S. Small Cap Value Equity (MF) Median	21.81		-23.41		-17.72		-5.45		-0.42		2.93		7.26	
Hood River Small Cap Growth (HRSMX)	38.84	(17)	7.11	(20)	N/A		N/A		N/A		N/A		N/A	
Russell 2000 Growth Index	30.58	(52)	-3.06	(61)	3.48	(55)	7.86	(64)	6.86	(68)	10.03	(60)	12.92	(57)
IM U.S. Small Cap Growth Equity (MF) Median	30.85		0.00		4.23		9.31		8.45		10.32		13.17	
<b>Total International Equity</b>	<b>22.77</b>	<b>(8)</b>	<b>-4.77</b>	<b>(29)</b>	<b>3.17</b>	<b>(24)</b>	<b>2.06</b>	<b>(51)</b>	<b>2.07</b>	<b>(55)</b>	<b>3.77</b>	<b>(52)</b>	<b>6.31</b>	<b>(32)</b>
MSCI AC World ex USA Index (Net)	16.12	(72)	-11.00	(71)	-4.80	(70)	1.13	(62)	2.26	(52)	3.71	(54)	4.97	(64)
IM International Large Cap Equity (MF) Median	17.54		-7.99		-0.70		2.09		2.32		3.87		5.44	
AF EuroPacific Growth (RERGX)	22.77	(6)	-4.77	(41)	3.17	(34)	N/A		N/A		N/A		N/A	
MSCI AC World ex USA Index (Net)	16.12	(86)	-11.00	(91)	-4.80	(91)	1.13	(87)	2.26	(79)	3.71	(78)	4.97	(87)
IM International Large Cap Growth Equity (MF) Median	18.13		-5.09		2.00		3.99		3.30		4.99		6.44	

Returns for periods greater than one year are annualized.  
Returns are expressed as percentages.

Comparative Performance

Total Fund

As of June 30, 2020

	QTR		FYTD		1 YR		3 YR		5 YR		7 YR		10 YR	
<b>Total Domestic Fixed Income</b>	<b>3.83</b>	<b>(60)</b>	<b>4.74</b>	<b>(42)</b>	<b>6.72</b>	<b>(46)</b>	<b>4.08</b>	<b>(58)</b>	<b>3.38</b>	<b>(68)</b>	<b>3.19</b>	<b>(72)</b>	<b>3.20</b>	<b>(75)</b>
Police - Total Domestic Fixed Policy	2.13	(83)	4.67	(42)	6.60	(47)	4.28	(53)	3.40	(68)	3.19	(72)	3.04	(77)
IM U.S. Fixed Income (SA+CF) Median	4.59		3.69		6.08		4.43		4.04		4.01		4.29	
<b>CSM Advisors</b>	<b>3.20</b>	<b>(63)</b>	<b>4.50</b>	<b>(71)</b>	<b>6.58</b>	<b>(74)</b>	<b>4.40</b>	<b>(72)</b>	<b>3.61</b>	<b>(61)</b>	<b>3.33</b>	<b>(63)</b>	<b>N/A</b>	
Bloomberg Barclays US Interm Agg Index	2.13	(95)	4.67	(67)	6.60	(74)	4.28	(77)	3.40	(81)	3.19	(80)	3.14	(82)
IM U.S. Intermediate Duration (SA+CF) Median	3.66		5.13		7.10		4.58		3.71		3.41		3.49	
<b>Garcia Hamilton</b>	<b>4.46</b>	<b>(27)</b>	<b>4.97</b>	<b>(57)</b>	<b>6.85</b>	<b>(61)</b>	<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>N/A</b>	
Bloomberg Barclays Intermed Aggregate Index	2.13	(95)	4.67	(67)	6.60	(74)	4.28	(77)	3.40	(81)	3.19	(80)	3.14	(82)
IM U.S. Intermediate Duration (SA+CF) Median	3.66		5.13		7.10		4.58		3.71		3.41		3.49	
<b>Real Estate</b>														
Principal Real Estate	-1.51	(63)	-1.17	(71)	1.65	(66)	5.46	(68)	7.21	(69)	N/A		N/A	
NCREIF Fund Index-ODCE (EW) (Net)	-1.46	(62)	-0.76	(55)	1.71	(66)	5.10	(76)	6.73	(78)	8.35	(73)	9.95	(73)
IM U.S. Open End Private Real Estate (SA+CF) Median	-1.22		-0.56		2.72		6.30		7.69		9.34		11.24	
<b>Cash</b>	<b>0.02</b>		<b>0.15</b>		<b>0.43</b>		<b>0.74</b>		<b>0.48</b>		<b>0.36</b>		<b>0.28</b>	
90 Day U.S. Treasury Bill	0.02		0.60		1.63		1.77		1.17		0.85		0.62	

Returns for periods greater than one year are annualized.  
Returns are expressed as percentages.



**Comparative Performance**  
**Total Fund**  
**12 months Ending December 31st**

Comparative Performance	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
<b>Police Total Fund</b>	<b>17.76 (54)</b>	<b>-5.49 (68)</b>	<b>12.39 (74)</b>	<b>8.46 (17)</b>	<b>0.93 (12)</b>	<b>6.61 (29)</b>	<b>15.85 (41)</b>	<b>10.47 (73)</b>	<b>2.81 (16)</b>	<b>10.03 (78)</b>	<b>15.84 (75)</b>	<b>-9.16 (9)</b>
Police - Total Fund Policy	18.64 (45)	-4.51 (49)	12.74 (72)	9.39 (8)	0.15 (29)	7.36 (21)	16.42 (36)	10.04 (77)	2.59 (17)	10.57 (73)	11.09 (90)	-12.62 (12)
All Master Trust - Total Fund Median	18.12	-4.58	14.56	6.67	-0.93	5.44	14.81	11.86	-0.20	12.14	19.79	-24.36
<b>Police Total Fund</b>	<b>17.76 (72)</b>	<b>-5.49 (59)</b>	<b>12.39 (92)</b>	<b>8.46 (18)</b>	<b>0.93 (11)</b>	<b>6.61 (27)</b>	<b>15.85 (42)</b>	<b>10.47 (89)</b>	<b>2.81 (5)</b>	<b>10.03 (96)</b>	<b>15.84 (88)</b>	<b>-9.16 (1)</b>
Police - Total Fund Policy	18.64 (56)	-4.51 (33)	12.74 (88)	9.39 (7)	0.15 (30)	7.36 (16)	16.42 (35)	10.04 (92)	2.59 (5)	10.57 (92)	11.09 (99)	-12.62 (1)
Master Trust >=45% and <65% Equity Median	18.89	-5.17	14.92	6.88	-0.79	5.46	15.31	12.44	-0.75	12.58	20.77	-25.98
<b>Total Domestic Equity</b>	<b>28.05 (54)</b>	<b>-8.19 (60)</b>	<b>18.45 (53)</b>	<b>16.31 (34)</b>	<b>0.91 (39)</b>	<b>10.52 (48)</b>	<b>34.19 (56)</b>	<b>17.21 (38)</b>	<b>0.27 (43)</b>	<b>16.12 (63)</b>	<b>36.78 (34)</b>	<b>-32.87 (22)</b>
Russell 3000 Index	31.02 (37)	-5.24 (42)	21.13 (42)	12.74 (49)	0.48 (42)	12.56 (32)	33.55 (60)	16.42 (47)	1.03 (37)	16.93 (59)	28.34 (63)	-37.31 (51)
IM U.S. Equity (SA+CF+MF) Median	28.67	-6.59	19.08	12.50	-0.63	10.13	34.94	16.15	-0.74	18.96	31.66	-37.29
Seizert	30.38 (22)	-10.57 (70)	17.78 (45)	19.04 (17)	-2.90 (60)	13.61 (32)	35.25 (42)	19.64 (15)	-1.57 (68)	15.68 (39)	29.60 (30)	N/A
Russell 1000 Value Index	26.54 (55)	-8.27 (50)	13.66 (88)	17.34 (26)	-3.83 (69)	13.45 (35)	32.53 (62)	17.51 (29)	0.39 (53)	15.51 (41)	19.69 (80)	-36.85 (65)
IM U.S. Large Cap Value Equity (SA+CF) Median	27.28	-8.27	17.24	14.52	-2.25	12.14	33.95	15.68	0.63	14.66	25.24	-35.34
ClearBridge (LSITX)	32.22 (64)	0.06 (40)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Russell 1000 Growth Index	36.39 (21)	-1.51 (58)	30.21 (41)	7.08 (8)	5.67 (54)	13.05 (22)	33.48 (55)	15.26 (46)	2.64 (11)	16.71 (33)	37.21 (42)	-38.44 (39)
IM U.S. Large Cap Growth Equity (MF) Median	33.38	-0.87	29.46	2.18	6.01	10.47	33.94	14.81	-1.76	15.15	35.24	-39.76
T. Rowe Price (TRMIX)	19.61 (89)	-10.61 (10)	11.64 (63)	24.33 (7)	-3.40 (26)	10.62 (51)	32.61 (79)	20.61 (8)	-4.05 (58)	17.41 (93)	47.90 (7)	-34.08 (12)
Russell Midcap Value Index	27.06 (30)	-12.29 (27)	13.34 (50)	20.00 (28)	-4.78 (51)	14.75 (11)	33.46 (75)	18.51 (25)	-1.38 (33)	24.75 (33)	34.21 (55)	-38.44 (51)
IM U.S. Mid Cap Value Equity (MF) Median	24.92	-13.98	13.21	17.03	-4.76	10.68	35.67	16.59	-3.40	22.02	35.72	-38.36
Virtus Ceredex Small Cap (VVERX)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Russell 2000 Value Index	22.39 (36)	-12.86 (24)	7.84 (57)	31.74 (15)	-7.47 (55)	4.22 (37)	34.52 (68)	18.05 (38)	-5.50 (62)	24.50 (60)	20.58 (84)	-28.92 (22)
IM U.S. Small Cap Value Equity (MF) Median	21.26	-16.08	8.32	26.61	-7.10	3.36	36.11	16.27	-4.15	25.13	29.48	-32.35
Hood River Small Cap Growth (HRSMX)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Russell 2000 Growth Index	28.48 (47)	-9.31 (79)	22.17 (41)	11.32 (41)	-1.38 (37)	5.60 (21)	43.30 (47)	14.59 (35)	-2.91 (43)	29.09 (41)	34.47 (46)	-38.54 (23)
IM U.S. Small Cap Growth Equity (MF) Median	27.70	-5.12	20.69	9.86	-2.35	2.79	42.88	13.42	-3.63	27.70	33.46	-41.76

Returns for periods greater than one year are annualized.  
Returns are expressed as percentages.

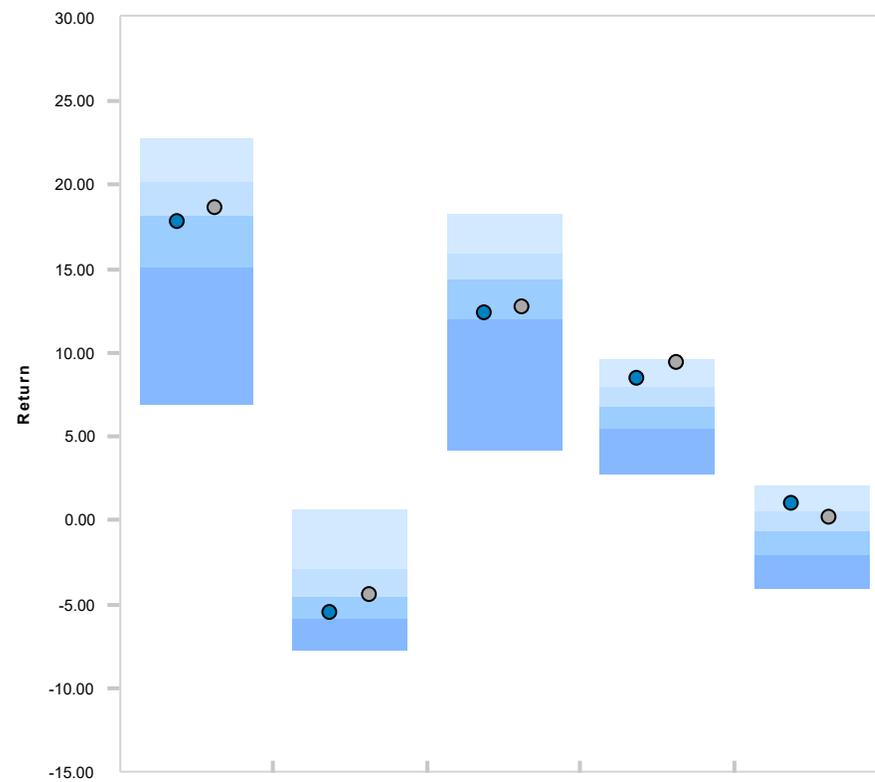
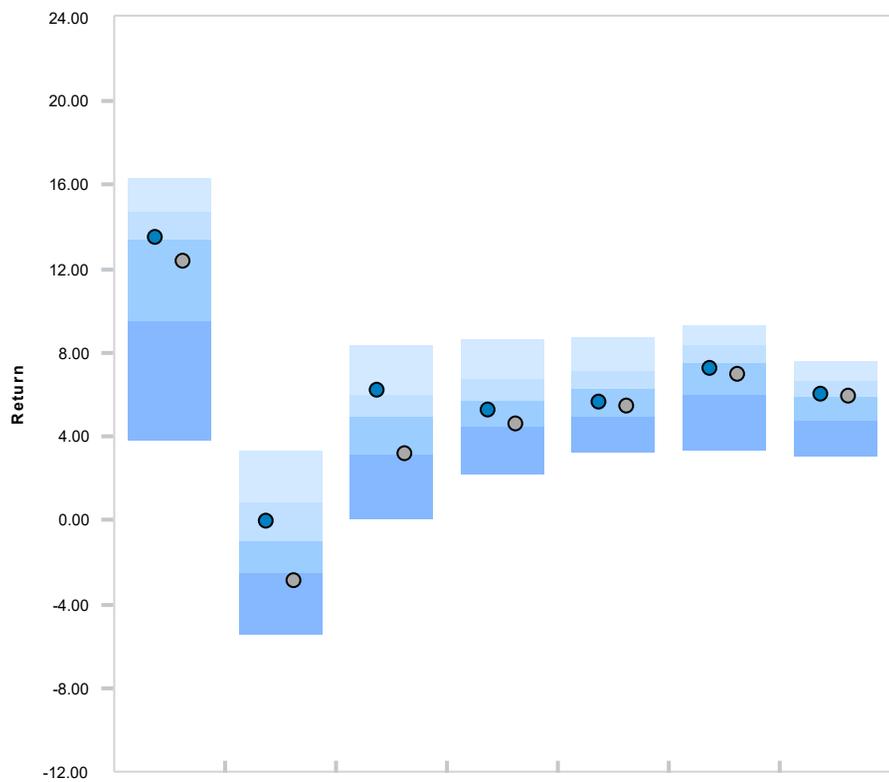


**Comparative Performance**  
**Total Fund**  
**12 months Ending December 31st**

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
<b>Total International Equity</b>	<b>27.41 (28)</b>	<b>-17.23 (76)</b>	<b>22.90 (82)</b>	<b>0.26 (48)</b>	<b>-3.83 (82)</b>	<b>-6.81 (75)</b>	<b>17.74 (63)</b>	<b>21.84 (11)</b>	<b>-8.93 (15)</b>	<b>11.54 (30)</b>	<b>35.49 (27)</b>	<b>-44.42 (62)</b>
MSCI AC World ex USA Index (Net)	21.51 (76)	-14.20 (38)	27.19 (47)	4.50 (8)	-5.66 (87)	-3.87 (28)	15.29 (71)	16.83 (66)	-13.71 (60)	11.15 (31)	41.45 (10)	-45.53 (69)
IM International Large Cap Equity (MF) Median	25.94	-15.18	26.76	0.06	-0.98	-5.55	19.68	18.70	-13.24	8.32	30.69	-43.00
AF EuroPacific Growth (RERGX)	27.41 (40)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
MSCI AC World ex USA Index (Net)	21.51 (94)	-14.20 (43)	27.19 (65)	4.50 (10)	-5.66 (90)	-3.87 (33)	15.29 (68)	16.83 (70)	-13.71 (61)	11.15 (49)	41.45 (9)	-45.53 (74)
IM International Large Cap Growth Equity (MF) Median	27.03	-14.98	29.50	-0.87	-0.02	-4.98	18.48	18.97	-13.24	10.99	32.36	-42.35
<b>Total Domestic Fixed Income</b>	<b>6.47 (72)</b>	<b>0.46 (50)</b>	<b>2.25 (81)</b>	<b>2.35 (69)</b>	<b>1.67 (18)</b>	<b>3.85 (56)</b>	<b>-0.88 (63)</b>	<b>4.21 (74)</b>	<b>6.53 (49)</b>	<b>5.37 (76)</b>	<b>3.35 (90)</b>	<b>9.64 (5)</b>
Police - Total Domestic Fixed Policy	6.67 (70)	0.92 (40)	2.27 (80)	1.97 (76)	1.21 (31)	4.12 (53)	-1.02 (66)	3.56 (81)	5.81 (59)	5.45 (76)	1.78 (94)	10.36 (4)
IM U.S. Fixed Income (SA+CF) Median	8.70	0.41	4.18	3.69	0.73	4.43	-0.20	6.86	6.41	7.59	10.61	1.36
CSM Advisors	7.13 (40)	0.97 (49)	2.21 (80)	2.52 (39)	1.94 (8)	3.65 (48)	-0.87 (70)	3.59 (87)	N/A	N/A	N/A	N/A
Bloomberg Barclays US Interm Agg Index	6.67 (65)	0.92 (51)	2.27 (76)	1.97 (78)	1.21 (63)	4.12 (30)	-1.02 (80)	3.56 (87)	5.97 (46)	6.15 (64)	6.46 (65)	4.86 (49)
IM U.S. Intermediate Duration (SA+CF) Median	6.93	0.94	2.54	2.37	1.30	3.56	-0.53	4.98	5.88	6.41	7.85	4.68
Garcia Hamilton	5.79 (89)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Bloomberg Barclays Intermed Aggregate Index	6.67 (65)	0.92 (51)	2.27 (76)	1.97 (78)	1.21 (63)	4.12 (30)	-1.02 (80)	3.56 (87)	5.97 (46)	6.15 (64)	6.46 (65)	4.86 (49)
IM U.S. Intermediate Duration (SA+CF) Median	6.93	0.94	2.54	2.37	1.30	3.56	-0.53	4.98	5.88	6.41	7.85	4.68
<b>Real Estate</b>												
Principal Real Estate	5.84 (78)	7.94 (58)	7.91 (52)	8.84 (73)	13.42 (70)	N/A						
NCREIF Fund Index-ODCE (EW) (Net)	5.18 (80)	7.30 (73)	6.92 (77)	8.36 (79)	14.18 (68)	11.42 (84)	12.36 (67)	9.93 (85)	14.99 (63)	15.12 (58)	-31.30 (57)	-11.09 (49)
IM U.S. Open End Private Real Estate (SA+CF) Median	7.02	8.27	8.06	9.35	14.80	13.42	14.27	12.45	15.71	15.76	-29.99	-11.61
Cash	0.57	0.56	1.04	0.05	0.04	0.06	0.05	0.10	0.09	0.12	0.21	1.96
90 Day U.S. Treasury Bill	2.28	1.87	0.86	0.25	0.03	0.04	0.05	0.08	0.08	0.13	0.17	2.10

Returns for periods greater than one year are annualized.  
Returns are expressed as percentages.

**Peer Group Analysis - All Master Trust - Total Fund**



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Total Fund	13.52 (49)	-0.09 (36)	6.15 (22)	5.21 (62)	5.58 (64)	7.19 (58)	5.98 (49)
○ Total Policy	12.33 (65)	-2.89 (78)	3.14 (76)	4.58 (75)	5.45 (65)	6.91 (61)	5.95 (50)
Median	13.42	-1.02	4.92	5.68	6.26	7.49	5.93

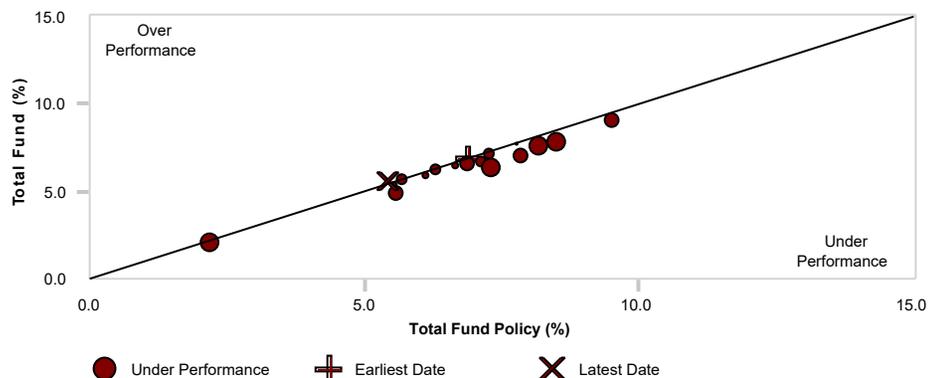
	2019	2018	2017	2016	2015
● Total Fund	17.76 (54)	-5.49 (69)	12.39 (73)	8.46 (17)	0.93 (15)
○ Total Policy	18.64 (45)	-4.51 (50)	12.74 (70)	9.39 (7)	0.15 (33)
Median	18.12	-4.55	14.41	6.74	-0.69

**Comparative Performance**

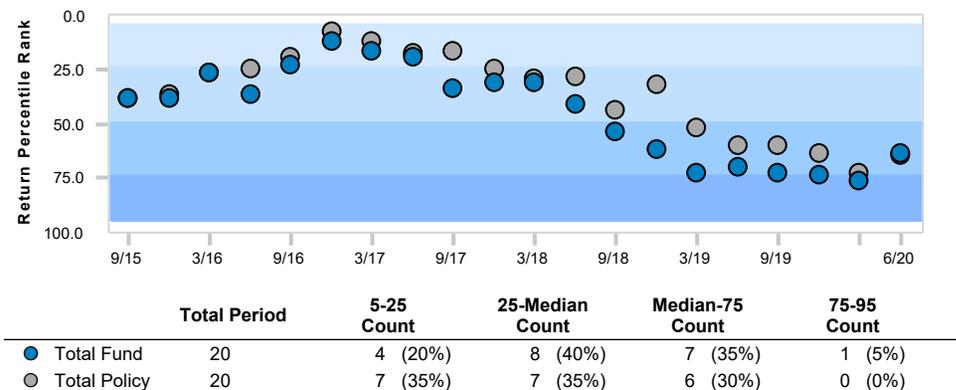
	1 Qtr Ending Mar-2020	1 Qtr Ending Dec-2019	1 Qtr Ending Sep-2019	1 Qtr Ending Jun-2019	1 Qtr Ending Mar-2019	1 Qtr Ending Dec-2018
Total Fund	-11.98 (40)	5.76 (26)	0.46 (68)	2.85 (67)	7.76 (58)	-8.33 (67)
Total Fund Policy	-13.55 (56)	5.41 (39)	0.75 (49)	3.06 (54)	8.39 (45)	-7.63 (54)
All Master Trust - Total Fund Median	-13.06	5.07	0.74	3.12	8.14	-7.44



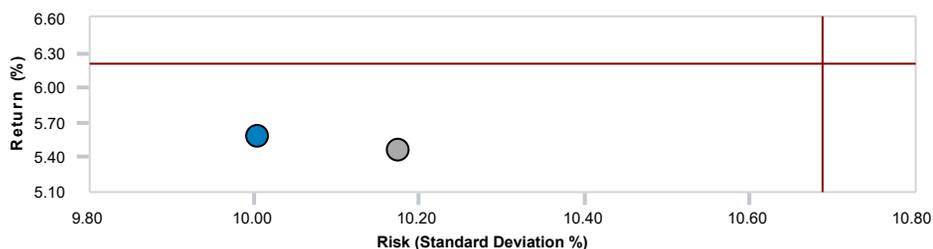
### 3 Yr Rolling Under/Over Performance - 5 Years



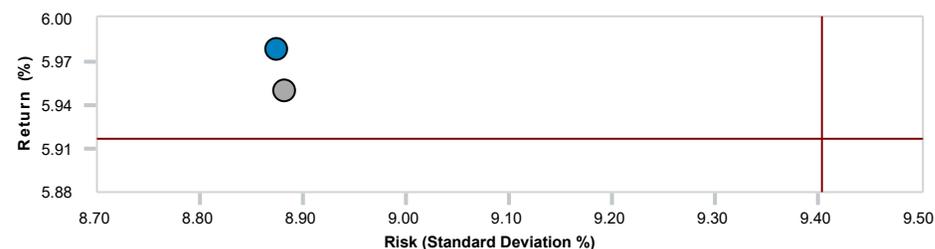
### 3 Yr Rolling Percentile Ranking - 5 Years



### Peer Group Scattergram - 3 Years



### Peer Group Scattergram - 5 Years



### Historical Statistics - 3 Years

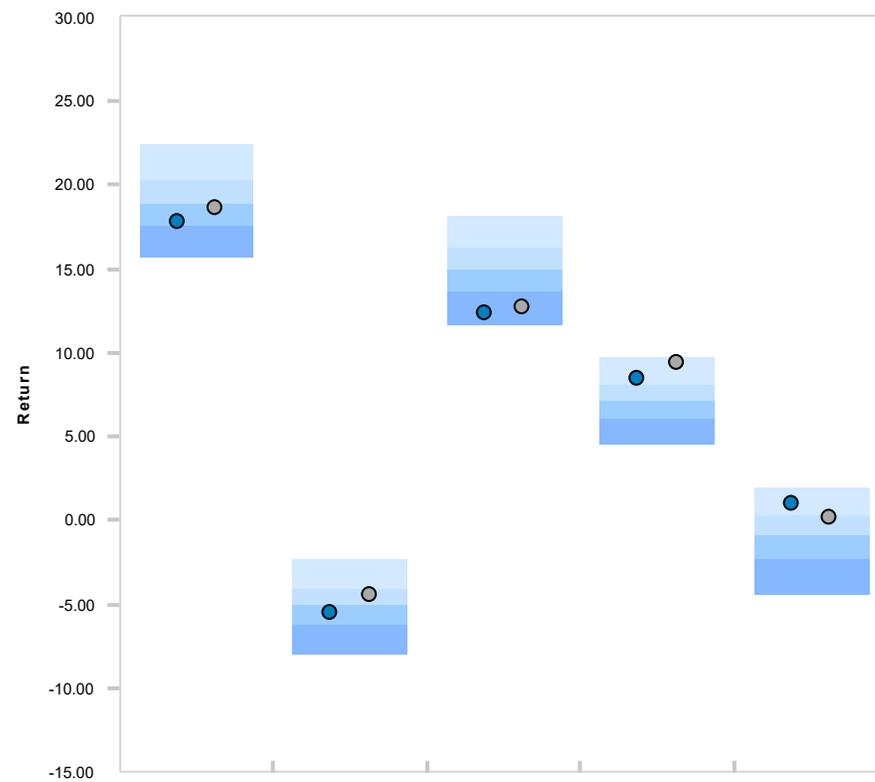
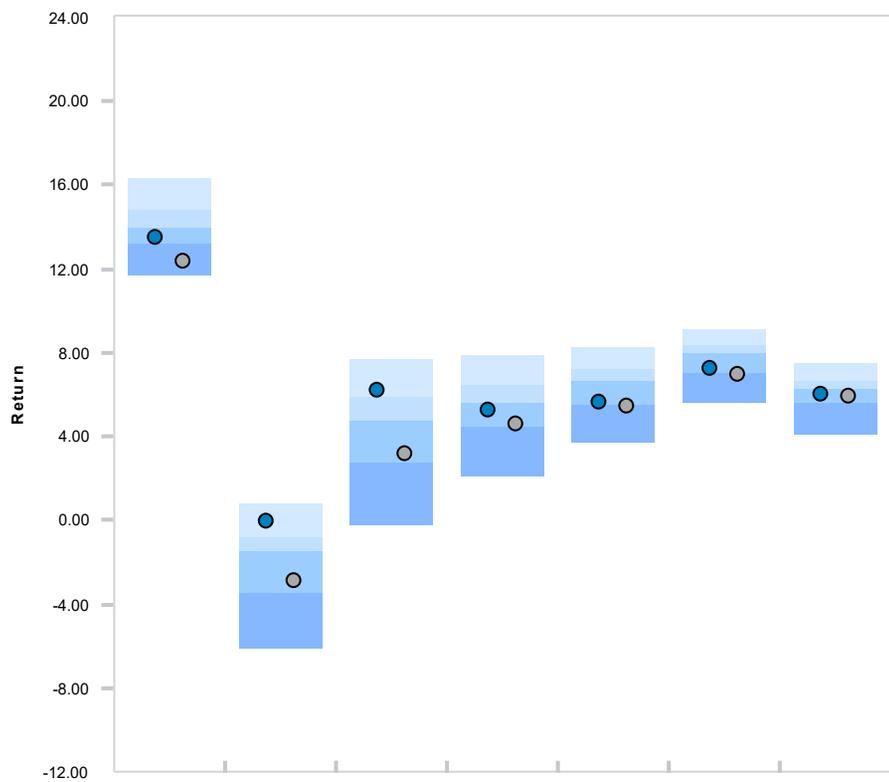
	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Fund	1.54	101.24	100.94	0.27	0.07	0.42	0.97	7.01
Total Fund Policy	0.00	100.00	100.00	0.00	N/A	0.40	1.00	7.40

### Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Fund	1.38	101.60	102.50	0.10	0.02	0.56	0.99	5.99
Total Fund Policy	0.00	100.00	100.00	0.00	N/A	0.56	1.00	6.20



Peer Group Analysis - Master Trust >=45% and <65% Equity



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Total Fund	13.52 (65)	-0.09 (15)	6.15 (18)	5.21 (60)	5.58 (74)	7.19 (73)	5.98 (60)
○ Total Policy	12.33 (90)	-2.89 (71)	3.14 (73)	4.58 (74)	5.45 (76)	6.91 (78)	5.95 (61)
Median	13.98	-1.52	4.78	5.59	6.62	7.96	6.24

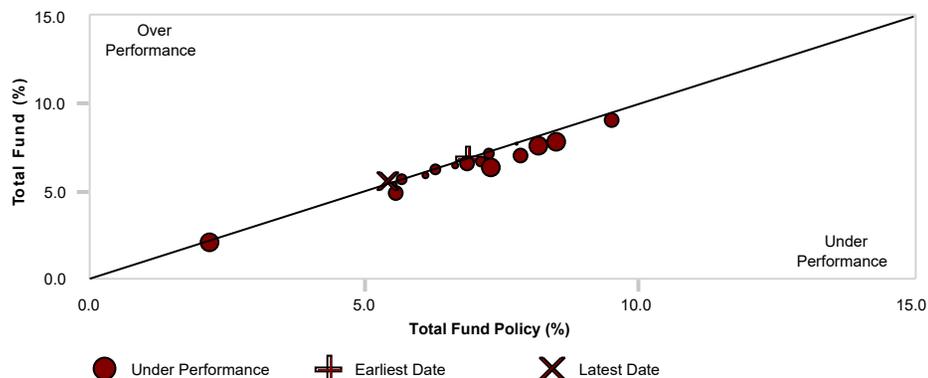
	2019	2018	2017	2016	2015
● Total Fund	17.76 (72)	-5.49 (59)	12.39 (92)	8.46 (19)	0.93 (14)
○ Total Policy	18.64 (56)	-4.51 (36)	12.74 (88)	9.39 (8)	0.15 (27)
Median	18.89	-5.08	14.99	7.10	-0.92

Comparative Performance

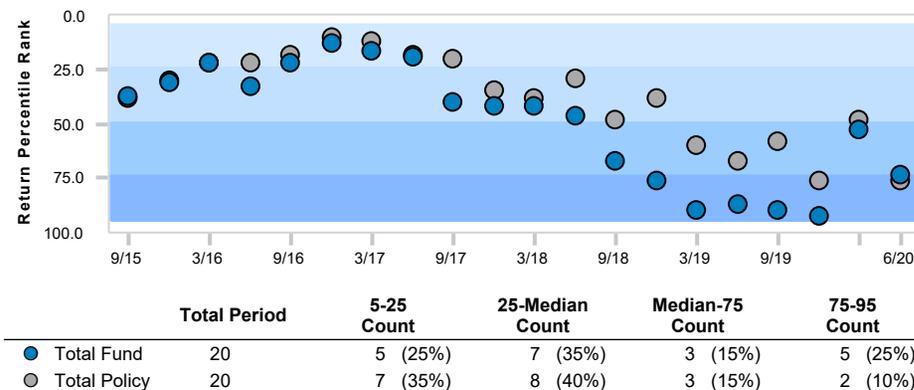
	1 Qtr Ending Mar-2020	1 Qtr Ending Dec-2019	1 Qtr Ending Sep-2019	1 Qtr Ending Jun-2019	1 Qtr Ending Mar-2019	1 Qtr Ending Dec-2018
Total Fund	-11.98 (12)	5.76 (29)	0.46 (64)	2.85 (79)	7.76 (86)	-8.33 (48)
Total Fund Policy	-13.55 (33)	5.41 (50)	0.75 (45)	3.06 (64)	8.39 (65)	-7.63 (26)
Master Trust >=45% and <65% Equity Median	-14.49	5.39	0.68	3.24	8.74	-8.40



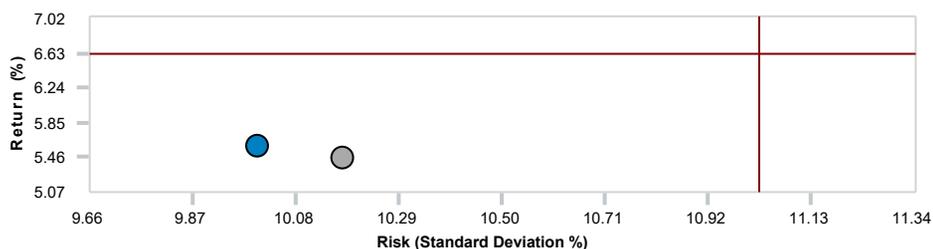
3 Yr Rolling Under/Over Performance - 5 Years



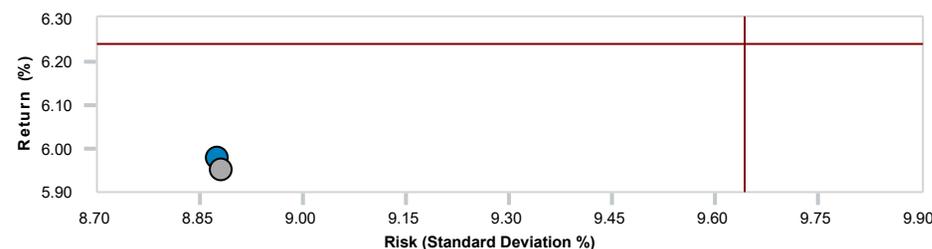
3 Yr Rolling Percentile Ranking - 5 Years



Peer Group Scattergram - 3 Years



Peer Group Scattergram - 5 Years



Historical Statistics - 3 Years

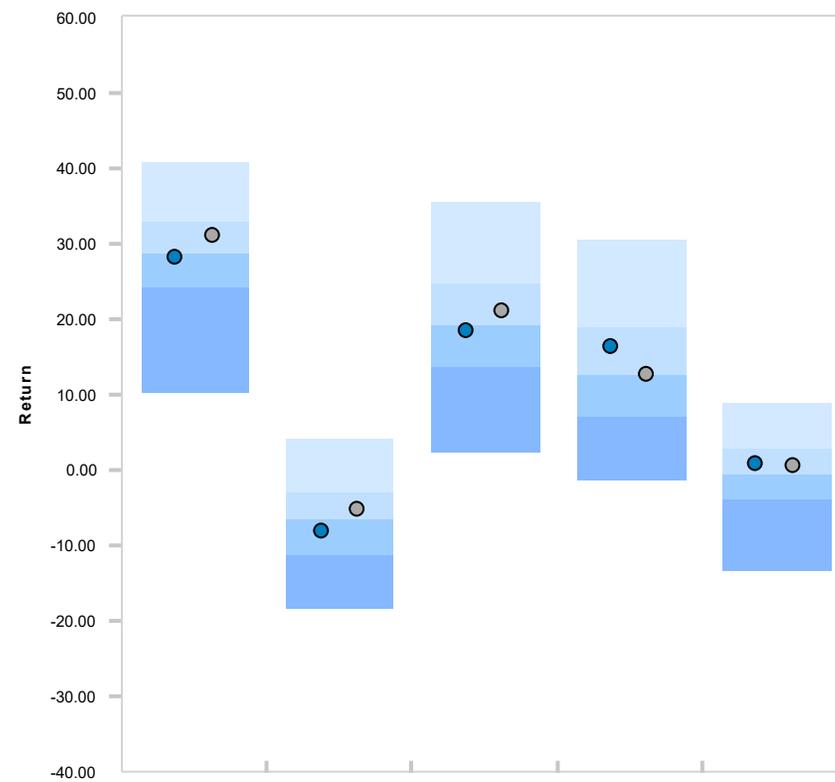
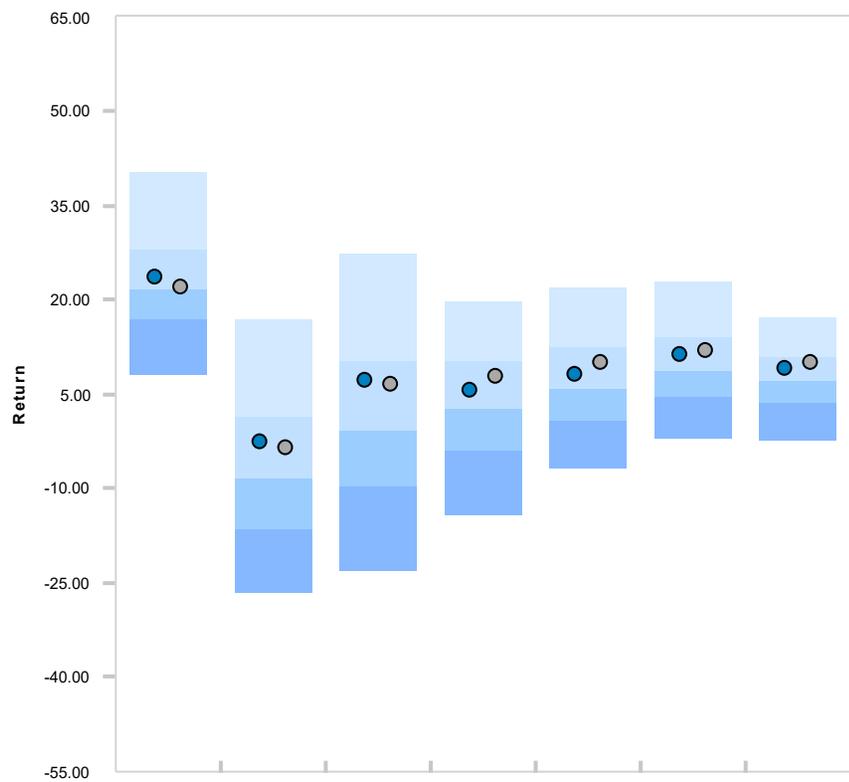
	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Fund	1.54	101.24	100.94	0.27	0.07	0.42	0.97	7.01
Total Fund Policy	0.00	100.00	100.00	0.00	N/A	0.40	1.00	7.40

Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Fund	1.38	101.60	102.50	0.10	0.02	0.56	0.99	5.99
Total Fund Policy	0.00	100.00	100.00	0.00	N/A	0.56	1.00	6.20



Peer Group Analysis - IM U.S. Equity (SA+CF+MF)



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Total Dom Equity	23.64 (41)	-2.58 (34)	7.22 (33)	5.49 (43)	8.08 (43)	11.24 (40)	9.26 (39)
○ Russell 3000	22.03 (49)	-3.48 (38)	6.53 (35)	7.75 (35)	10.04 (36)	12.10 (36)	10.03 (34)
Median	21.82	-8.16	-0.59	2.93	5.95	8.73	7.06

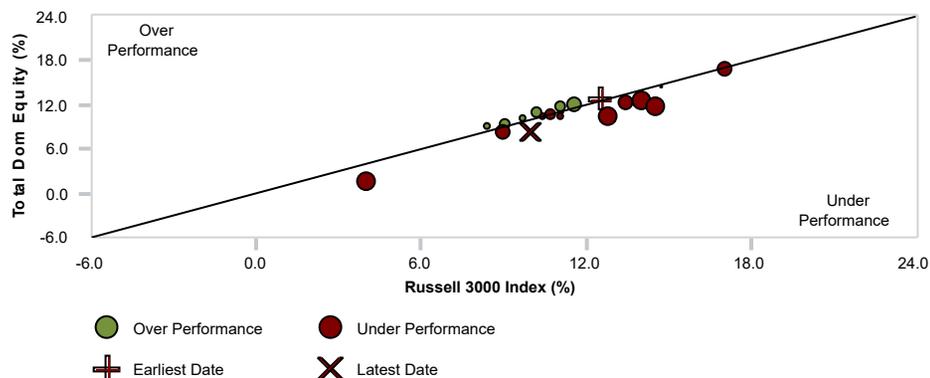
	2019	2018	2017	2016	2015
● Total Dom Equity	28.05 (54)	-8.19 (60)	18.45 (53)	16.31 (34)	0.91 (39)
○ Russell 3000	31.02 (37)	-5.24 (42)	21.13 (42)	12.74 (49)	0.48 (42)
Median	28.67	-6.59	19.08	12.50	-0.63

Comparative Performance

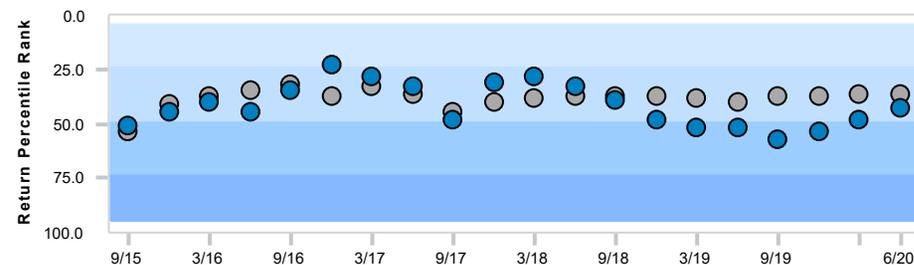
	1 Qtr Ending Mar-2020	1 Qtr Ending Dec-2019	1 Qtr Ending Sep-2019	1 Qtr Ending Jun-2019	1 Qtr Ending Mar-2019	1 Qtr Ending Dec-2018
Total Dom Equity	-21.20 (43)	9.96 (23)	0.09 (58)	3.39 (58)	12.53 (67)	-15.88 (56)
Russell 3000 Index	-20.90 (41)	9.10 (35)	1.16 (41)	4.10 (45)	14.04 (48)	-14.30 (41)
IM U.S. Equity (SA+CF+MF) Median	-23.18	8.21	0.62	3.83	13.91	-15.32



### 3 Yr Rolling Under/Over Performance - 5 Years

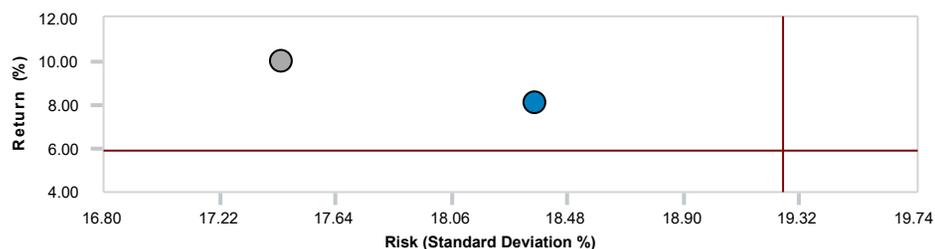


### 3 Yr Rolling Percentile Ranking - 5 Years



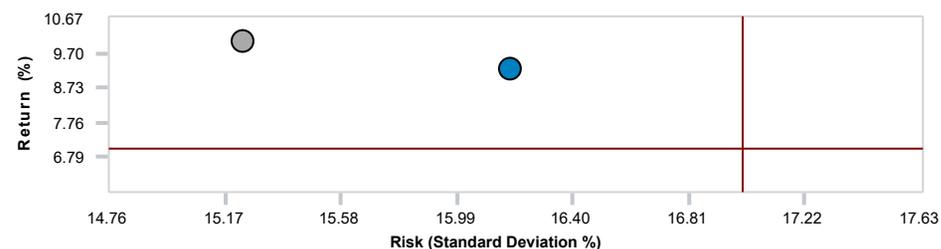
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
<span style="color: blue;">●</span> Total Dom Equity	20	1 (5%)	14 (70%)	5 (25%)	0 (0%)
<span style="color: grey;">●</span> Russell 3000	20	0 (0%)	19 (95%)	1 (5%)	0 (0%)

### Peer Group Scattergram - 3 Years



	Return	Standard Deviation
<span style="color: blue;">●</span> Total Dom Equity	8.08	18.36
<span style="color: grey;">●</span> Russell 3000	10.04	17.45
<span style="color: red;">—</span> Median	5.95	19.26

### Peer Group Scattergram - 5 Years



	Return	Standard Deviation
<span style="color: blue;">●</span> Total Dom Equity	9.26	16.18
<span style="color: grey;">●</span> Russell 3000	10.03	15.23
<span style="color: red;">—</span> Median	7.06	17.00

### Historical Statistics - 3 Years

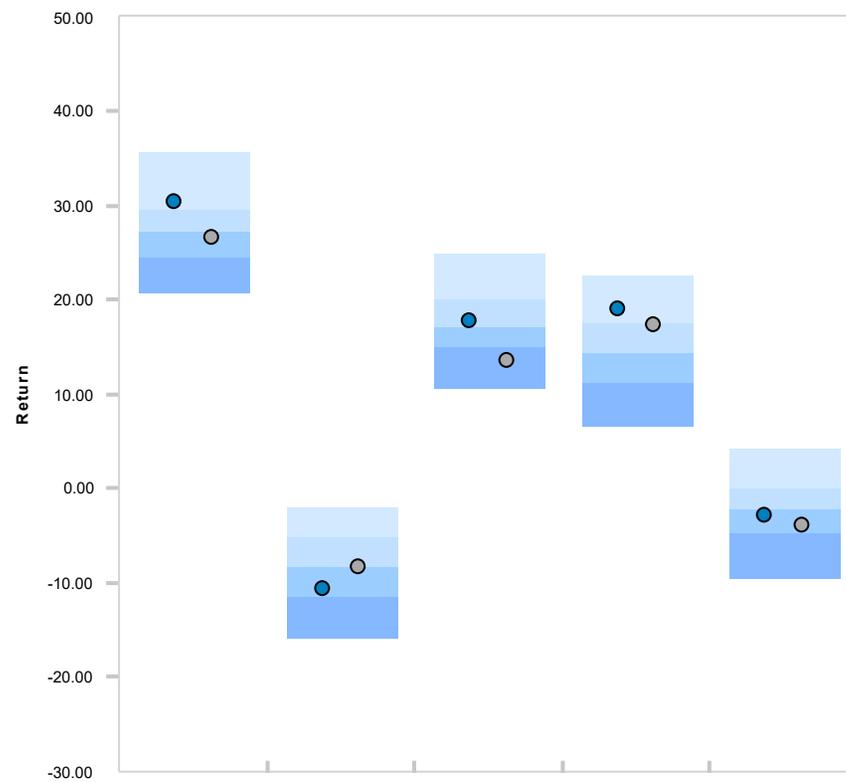
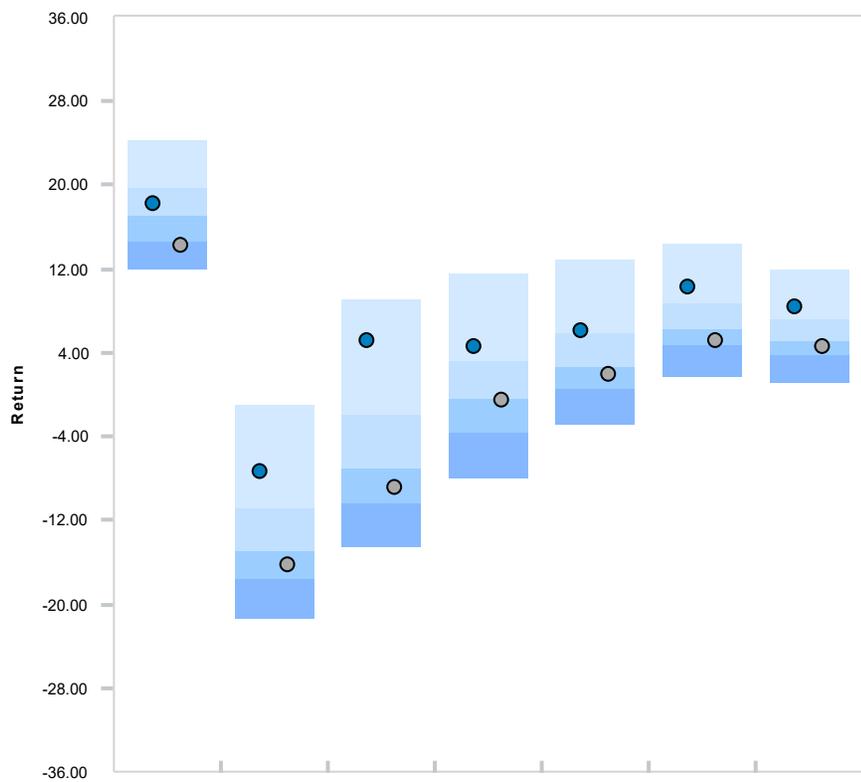
	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Dom Equity	2.70	99.85	109.14	-2.10	-0.61	0.42	1.04	12.90
Russell 3000 Index	0.00	100.00	100.00	0.00	N/A	0.54	1.00	12.39

### Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Dom Equity	2.66	101.99	107.41	-1.09	-0.21	0.56	1.05	10.90
Russell 3000 Index	0.00	100.00	100.00	0.00	N/A	0.63	1.00	10.45



Peer Group Analysis - IM U.S. Large Cap Value Equity (SA+CF)



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Seizert	18.23 (37)	-7.32 (14)	5.13 (12)	4.64 (20)	6.13 (24)	10.31 (16)	8.25 (15)
○ R 1000 V Index	14.29 (79)	-16.26 (62)	-8.84 (63)	-0.56 (54)	1.82 (62)	5.09 (71)	4.64 (59)
Median	17.10	-14.99	-6.98	-0.34	2.67	6.24	5.07

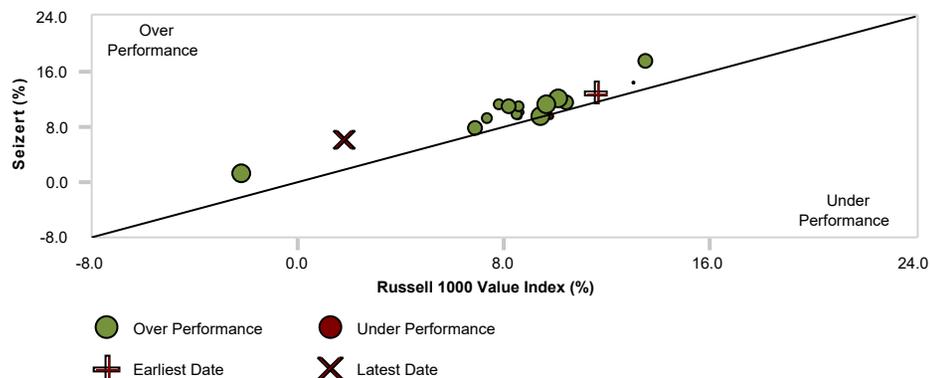
	2019	2018	2017	2016	2015
● Seizert	30.38 (22)	-10.57 (70)	17.78 (45)	19.04 (17)	-2.90 (60)
○ R 1000 V Index	26.54 (55)	-8.27 (50)	13.66 (88)	17.34 (26)	-3.83 (69)
Median	27.28	-8.27	17.24	14.52	-2.25

Comparative Performance

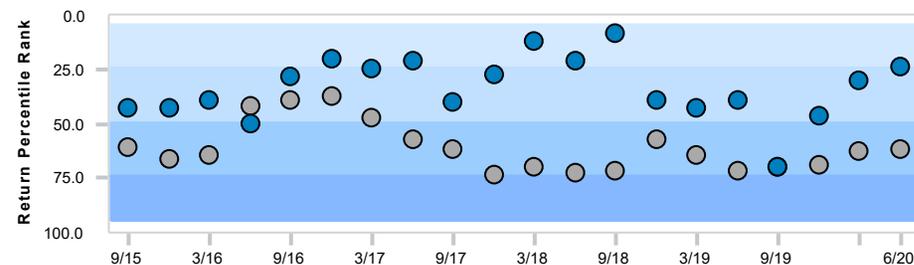
	1 Qtr Ending Mar-2020	1 Qtr Ending Dec-2019	1 Qtr Ending Sep-2019	1 Qtr Ending Jun-2019	1 Qtr Ending Mar-2019	1 Qtr Ending Dec-2018
Seizert	-21.61 (16)	12.56 (3)	0.77 (75)	4.50 (34)	10.00 (87)	-16.84 (91)
Russell 1000 Value Index	-26.73 (58)	7.41 (60)	1.36 (60)	3.84 (54)	11.93 (45)	-11.72 (30)
IM U.S. Large Cap Value Equity (SA+CF) Median	-26.22	7.86	1.69	3.97	11.74	-13.37



3 Yr Rolling Under/Over Performance - 5 Years

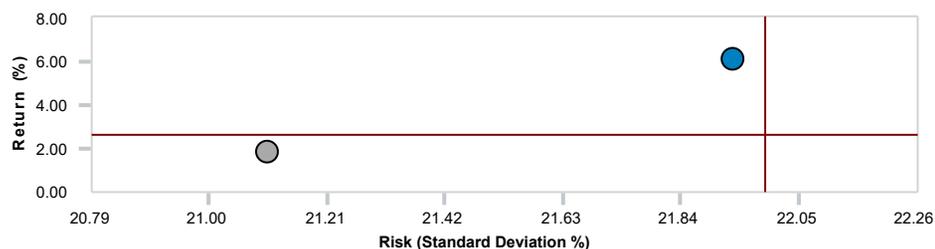


3 Yr Rolling Percentile Ranking - 5 Years



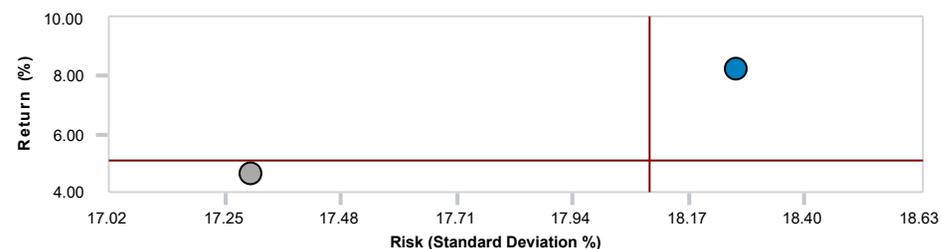
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
● Seizert	20	7 (35%)	12 (60%)	1 (5%)	0 (0%)
● R 1000 V Index	20	0 (0%)	4 (20%)	16 (80%)	0 (0%)

Peer Group Scattergram - 3 Years



	Return	Standard Deviation
● Seizert	6.13	21.93
● R 1000 V Index	1.82	21.11
— Median	2.67	21.99

Peer Group Scattergram - 5 Years



	Return	Standard Deviation
● Seizert	8.25	18.26
● R 1000 V Index	4.64	17.30
— Median	5.07	18.09

Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Seizert	5.69	114.17	96.22	4.36	0.73	0.32	0.97	12.63
Russell 1000 Value Index	0.00	100.00	100.00	0.00	N/A	0.10	1.00	13.99

Historical Statistics - 5 Years

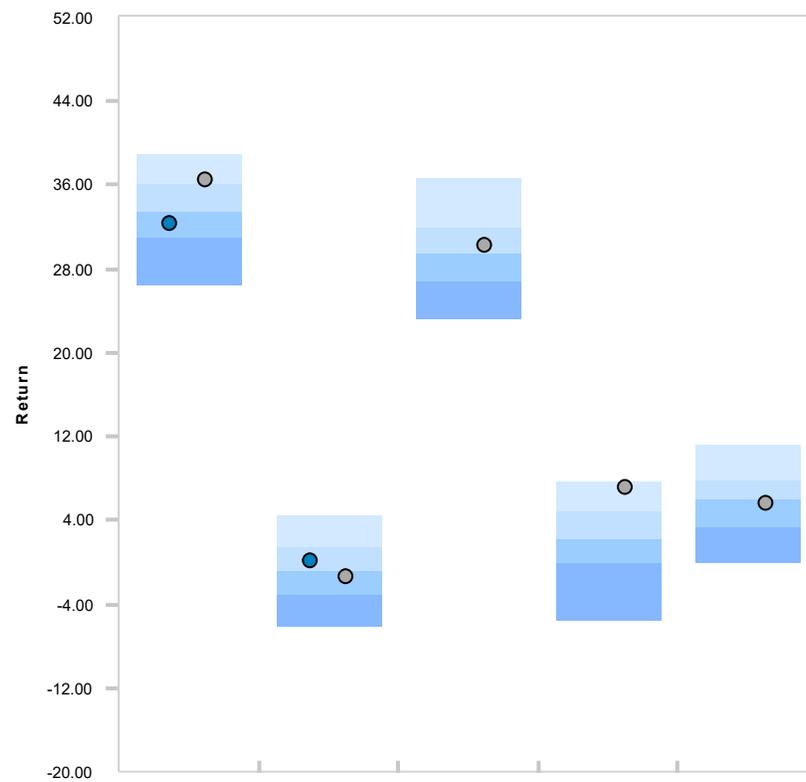
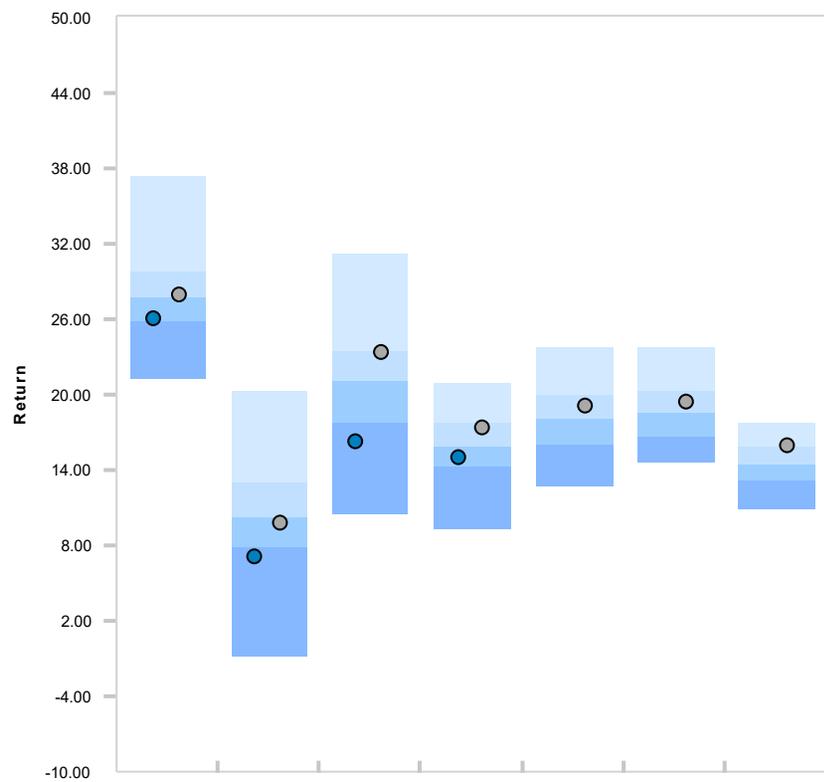
	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Seizert	4.93	114.32	97.77	3.54	0.71	0.50	1.00	10.78
Russell 1000 Value Index	0.00	100.00	100.00	0.00	N/A	0.30	1.00	11.55



Page Intentionally Left Blank



Peer Group Analysis - IM U.S. Large Cap Growth Equity (MF)



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● ClearBridge (LSITX)	25.98 (73)	7.08 (79)	16.23 (83)	14.99 (65)	N/A	N/A	N/A
○ R1000 Growth Idx	27.84 (46)	9.81 (57)	23.28 (26)	17.27 (31)	18.99 (37)	19.35 (40)	15.89 (24)
Median	27.69	10.21	21.05	15.85	18.03	18.57	14.47

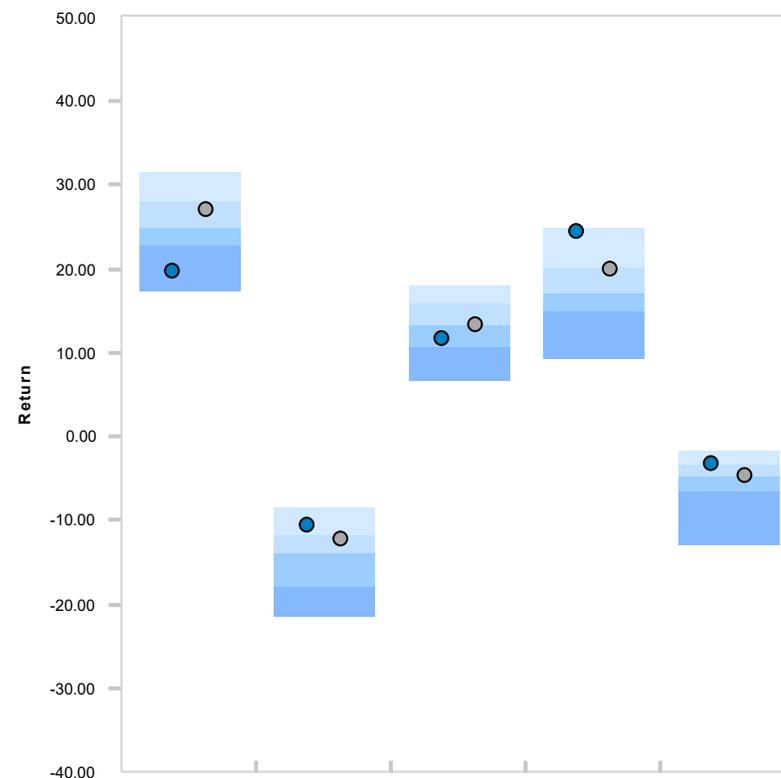
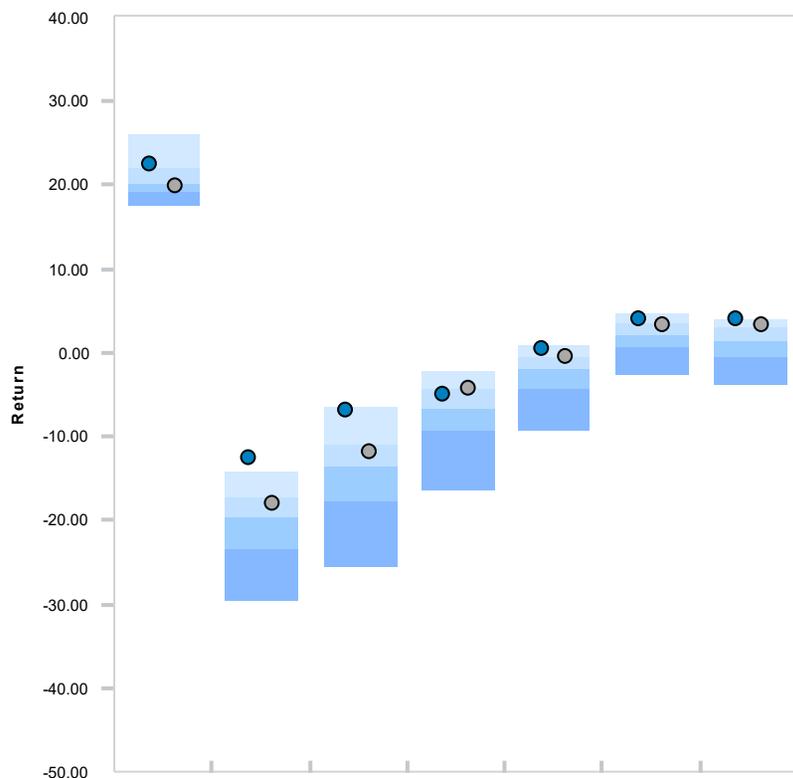
	2019	2018	2017	2016	2015
● ClearBridge (LSITX)	32.22 (64)	0.06 (40)	N/A	N/A	N/A
○ R1000 Growth Idx	36.39 (21)	-1.51 (58)	30.21 (41)	7.08 (8)	5.67 (54)
Median	33.38	-0.87	29.46	2.18	6.01

Comparative Performance

	1 Qtr Ending Mar-2020	1 Qtr Ending Dec-2019	1 Qtr Ending Sep-2019	1 Qtr Ending Jun-2019	1 Qtr Ending Mar-2019	1 Qtr Ending Dec-2018
ClearBridge (LSITX)	-15.00 (75)	9.04 (69)	-0.45 (58)	5.22 (39)	15.77 (67)	-13.35 (14)
Russell 1000 Growth Index	-14.10 (64)	10.62 (27)	1.49 (16)	4.64 (56)	16.10 (55)	-15.89 (53)
IM U.S. Large Cap Growth Equity (MF) Median	-13.45	9.69	-0.01	4.76	16.25	-15.76



Peer Group Analysis - IM U.S. Mid Cap Value Equity (MF)



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● T. Rowe Price (TRMIX)	22.41 (22)	12.69 (1)	-6.90 (7)	-4.93 (31)	0.36 (12)	3.94 (21)	3.96 (5)
○ R Midcap Value	19.95 (53)	18.09 (29)	11.81 (31)	-4.38 (26)	-0.54 (27)	3.34 (32)	3.32 (20)
Median	20.13	19.66	13.42	-6.67	-2.01	2.22	1.36

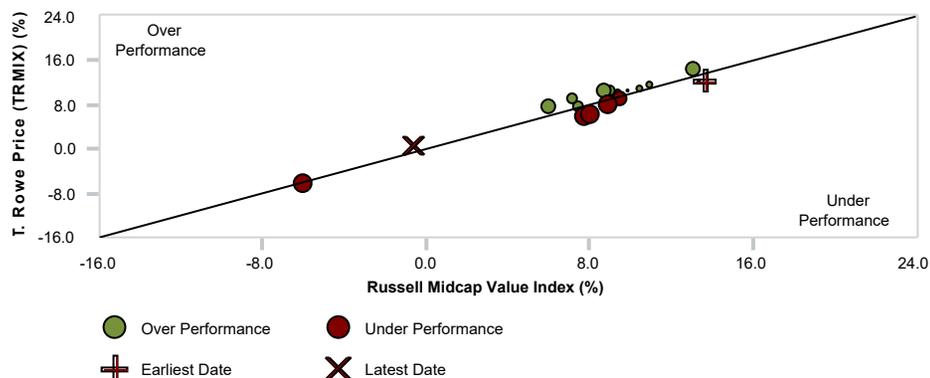
	2019	2018	2017	2016	2015
● T. Rowe Price (TRMIX)	19.61 (89)	-10.61 (10)	11.64 (63)	24.33 (7)	-3.40 (26)
○ R Midcap Value	27.06 (30)	-12.29 (27)	13.34 (50)	20.00 (28)	-4.78 (51)
Median	24.92	-13.98	13.21	17.03	-4.76

Comparative Performance

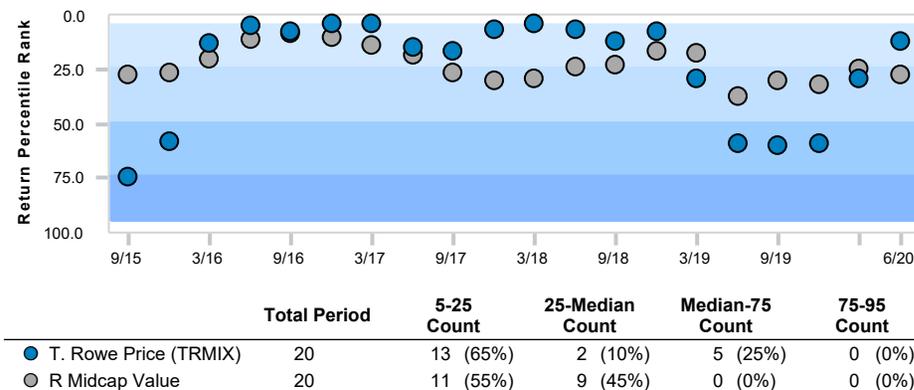
	1 Qtr Ending Mar-2020	1 Qtr Ending Dec-2019	1 Qtr Ending Sep-2019	1 Qtr Ending Jun-2019	1 Qtr Ending Mar-2019	1 Qtr Ending Dec-2018
T. Rowe Price (TRMIX)	-28.67 (4)	7.86 (27)	-1.13 (82)	1.22 (72)	10.82 (96)	-14.51 (18)
Russell Midcap Value Index	-31.71 (29)	6.36 (63)	1.22 (44)	3.19 (35)	14.37 (32)	-14.95 (29)
IM U.S. Mid Cap Value Equity (MF) Median	-32.63	6.76	0.89	2.82	13.69	-16.28



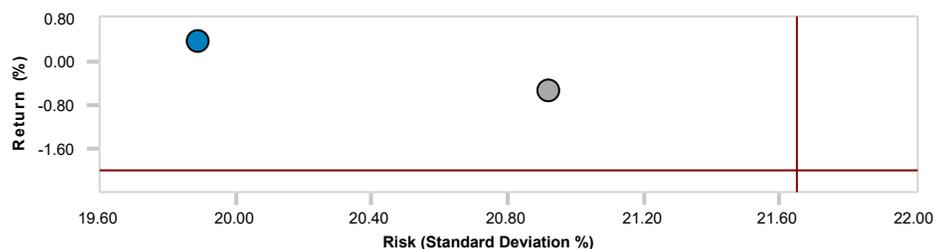
### 3 Yr Rolling Under/Over Performance - 5 Years



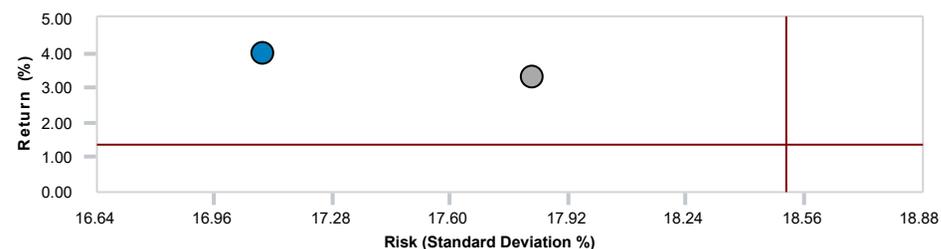
### 3 Yr Rolling Percentile Ranking - 5 Years



### Peer Group Scattergram - 3 Years



### Peer Group Scattergram - 5 Years



### Historical Statistics - 3 Years

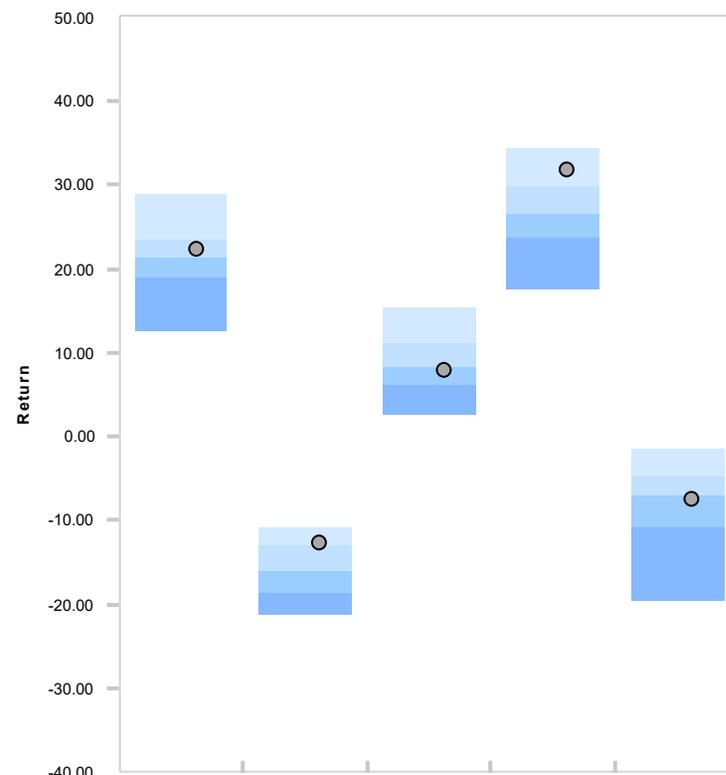
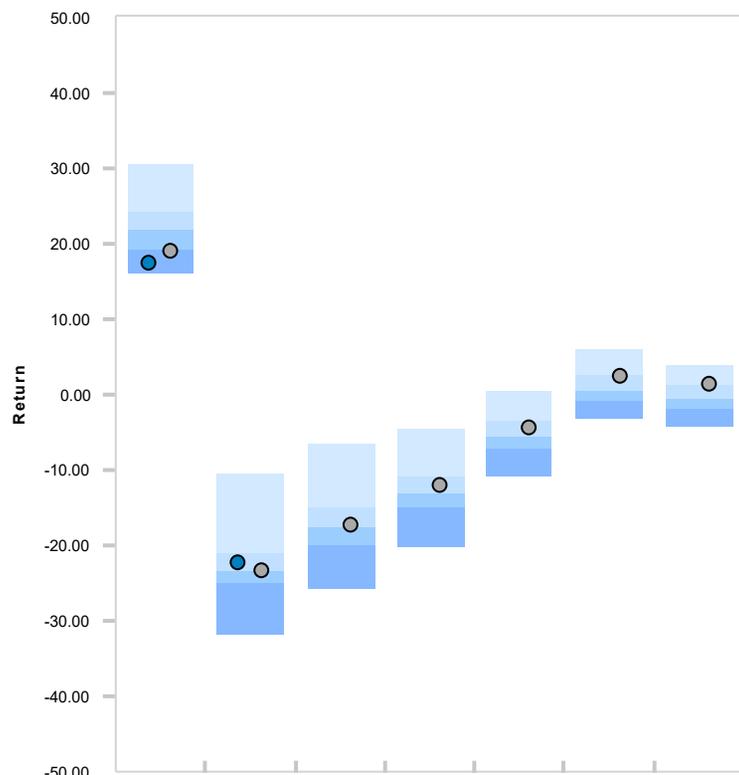
	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
T. Rowe Price (TRMIX)	4.19	97.04	94.09	0.76	0.15	0.03	0.93	15.40
Russell Midcap Value Index	0.00	100.00	100.00	0.00	N/A	0.00	1.00	16.94

### Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
T. Rowe Price (TRMIX)	3.66	97.34	94.13	0.75	0.12	0.25	0.94	12.48
Russell Midcap Value Index	0.00	100.00	100.00	0.00	N/A	0.21	1.00	13.72



Peer Group Analysis - IM U.S. Small Cap Value Equity (MF)



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Virtus Ceredex SCV (VVERX)	7.45 (92)	2.30 (41)	N/A	N/A	N/A	N/A	N/A
○ Russell 2000 Value Index	8.91 (81)	3.50 (52)	7.48 (49)	2.04 (33)	4.35 (34)	2.24 (31)	1.26 (27)
Median	1.81	3.41	7.72	3.15	-5.45	0.59	-0.42

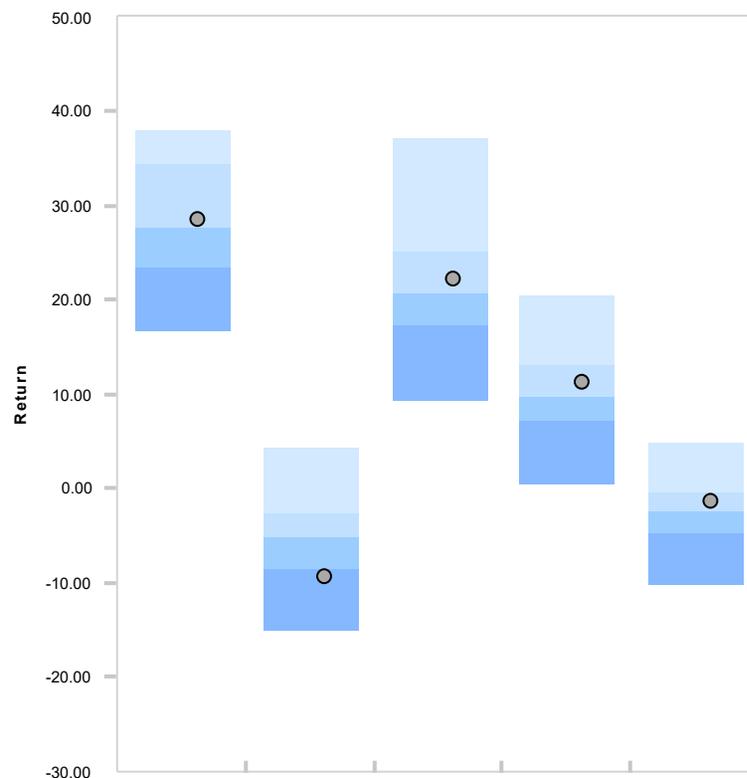
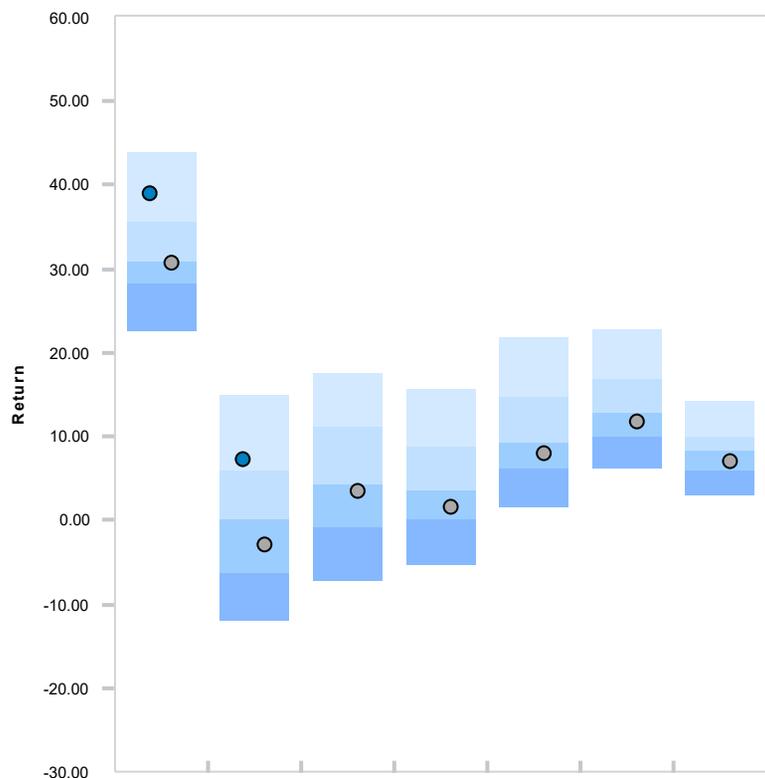
	2019	2018	2017	2016	2015
● Virtus Ceredex SCV (VVERX)	N/A	N/A	N/A	N/A	N/A
○ Russell 2000 Value Index	22.39 (36)	-12.86 (24)	7.84 (57)	31.74 (15)	-7.47 (55)
Median	21.26	-16.08	8.32	26.61	-7.10

Comparative Performance

	1 Qtr Ending Mar-2020	1 Qtr Ending Dec-2019	1 Qtr Ending Sep-2019	1 Qtr Ending Jun-2019	1 Qtr Ending Mar-2019	1 Qtr Ending Dec-2018
Virtus Ceredex SCV (VVERX)	-33.84 (17)	N/A	N/A	N/A	N/A	N/A
Russell 2000 Value Index	-35.66 (38)	8.49 (38)	-0.57 (50)	1.38 (37)	11.93 (63)	-18.67 (34)
IM U.S. Small Cap Value Equity (MF) Median	-37.32	8.12	-0.60	0.75	12.39	-19.94



Peer Group Analysis - IM U.S. Small Cap Growth Equity (MF)



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Hood River SCG (HRSMX)	38.84 (17)	7.11 (20)	N/A	N/A	N/A	N/A	N/A
○ Russell 2000 Growth Index	30.58 (52)	-3.06 (61)	3.48 (55)	1.47 (66)	7.86 (64)	11.78 (62)	6.86 (68)
Median	30.85	0.00	4.23	3.75	9.31	12.97	8.45

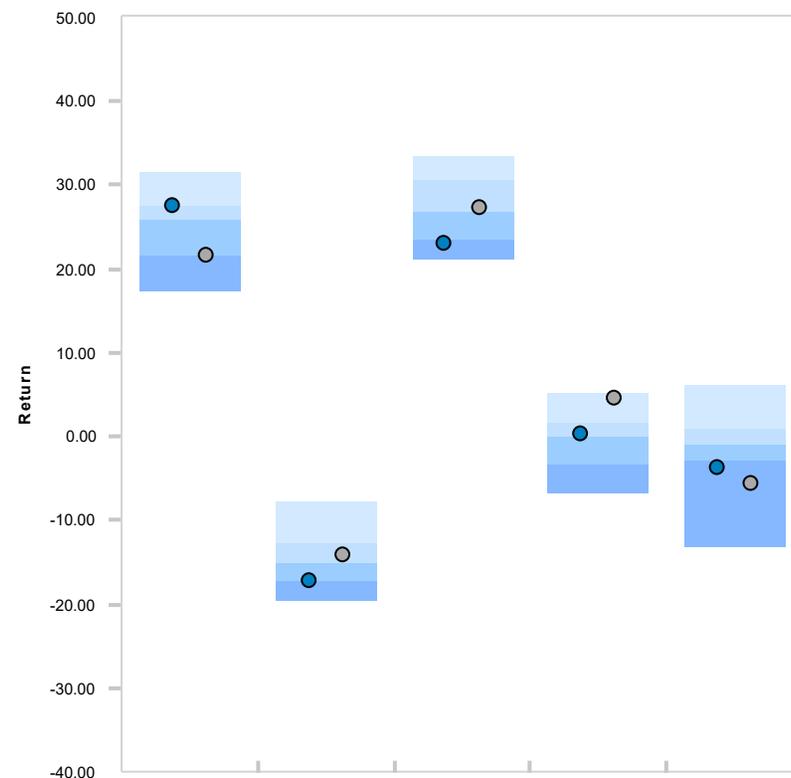
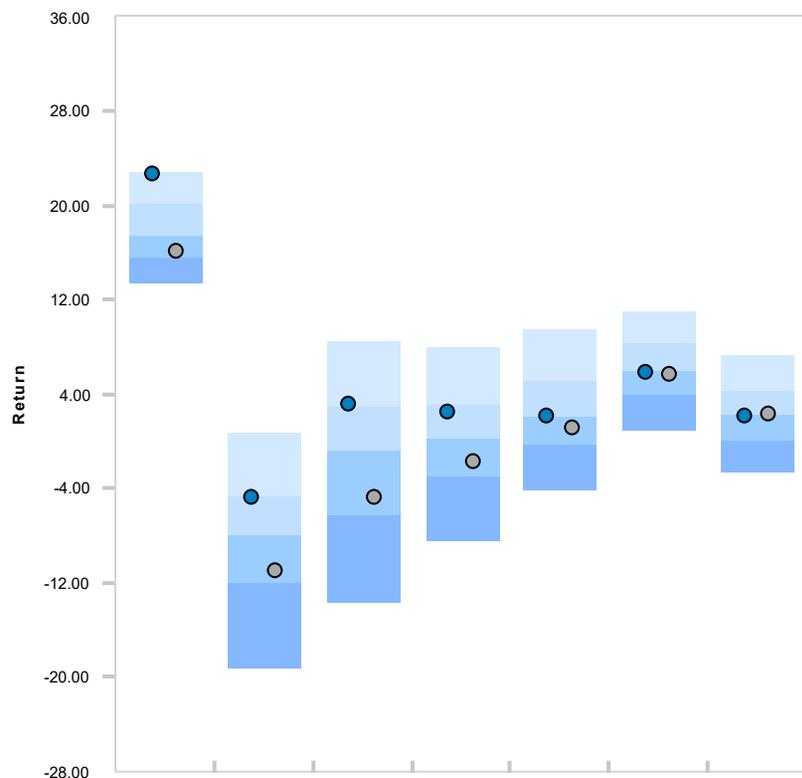
	2019	2018	2017	2016	2015
● Hood River SCG (HRSMX)	N/A	N/A	N/A	N/A	N/A
○ Russell 2000 Growth Index	28.48 (47)	-9.31 (79)	22.17 (41)	11.32 (41)	-1.38 (37)
Median	27.70	-5.12	20.69	9.86	-2.35

Comparative Performance

	1 Qtr Ending Mar-2020	1 Qtr Ending Dec-2019	1 Qtr Ending Sep-2019	1 Qtr Ending Jun-2019	1 Qtr Ending Mar-2019	1 Qtr Ending Dec-2018
Hood River SCG (HRSMX)	-22.86 (37)	N/A	N/A	N/A	N/A	N/A
Russell 2000 Growth Index	-25.76 (61)	11.39 (33)	-4.17 (45)	2.75 (66)	17.14 (48)	-21.65 (64)
IM U.S. Small Cap Growth Equity (MF) Median	-24.21	9.90	-4.47	3.74	16.89	-21.01



Peer Group Analysis - IM International Large Cap Equity (MF)



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Total Intl Equity	22.77 (8)	-4.77 (29)	3.17 (24)	2.55 (33)	2.06 (51)	5.77 (54)	2.07 (55)
○ MSCI ACWixUS Index	16.12 (72)	11.00 (71)	-4.80 (70)	-1.80 (69)	1.13 (62)	5.65 (56)	2.26 (52)
Median	17.54	-7.99	-0.70	0.34	2.09	5.97	2.32

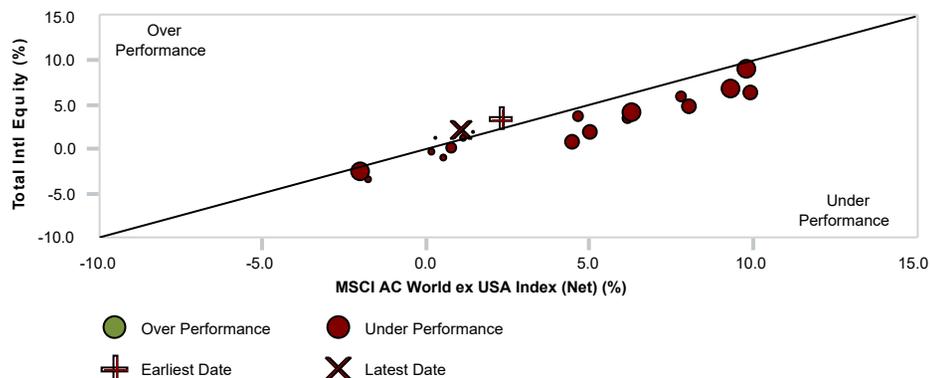
	2019	2018	2017	2016	2015
● Total Intl Equity	27.41 (28)	-17.23 (76)	22.90 (82)	0.26 (48)	-3.83 (82)
○ MSCI ACWixUS Index	21.51 (76)	-14.20 (38)	27.19 (47)	4.50 (8)	-5.66 (87)
Median	25.94	-15.18	26.76	0.06	-0.98

Comparative Performance

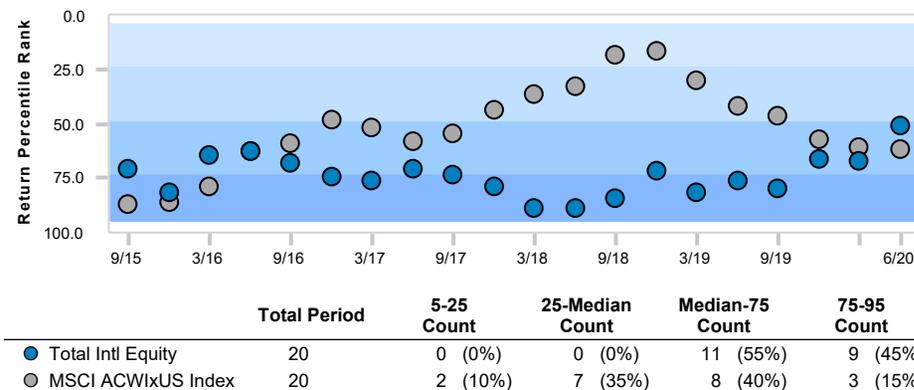
	1 Qtr Ending Mar-2020	1 Qtr Ending Dec-2019	1 Qtr Ending Sep-2019	1 Qtr Ending Jun-2019	1 Qtr Ending Mar-2019	1 Qtr Ending Dec-2018
Total Intl Equity	-22.43 (58)	10.09 (20)	-1.59 (53)	3.87 (53)	13.21 (19)	-12.59 (35)
MSCI AC World ex USA Index (Net)	-23.36 (66)	8.92 (53)	-1.80 (67)	2.98 (74)	10.31 (71)	-11.46 (18)
IM International Large Cap Equity (MF) Median	-22.10	8.98	-1.51	4.01	11.54	-13.31



### 3 Yr Rolling Under/Over Performance - 5 Years



### 3 Yr Rolling Percentile Ranking - 5 Years



### Peer Group Scattergram - 3 Years



### Peer Group Scattergram - 5 Years



### Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Intl Equity	3.98	105.57	100.68	1.00	0.28	0.10	1.05	12.56
MSCI AC World ex USA Index (Net)	0.00	100.00	100.00	0.00	N/A	0.04	1.00	12.17

### Historical Statistics - 5 Years

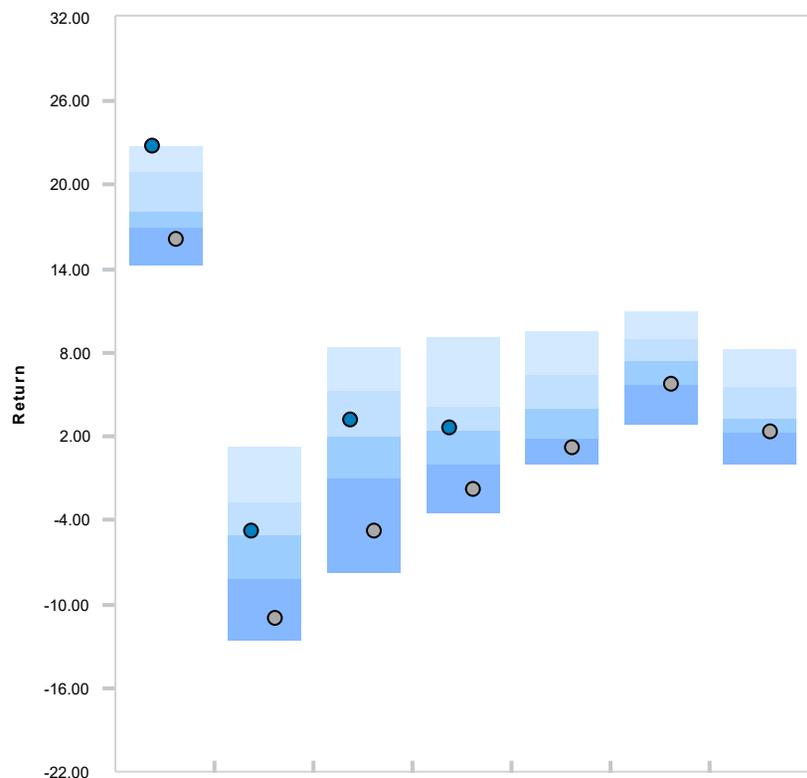
	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Intl Equity	3.66	102.00	102.71	-0.16	-0.02	0.14	1.03	11.26
MSCI AC World ex USA Index (Net)	0.00	100.00	100.00	0.00	N/A	0.15	1.00	10.88



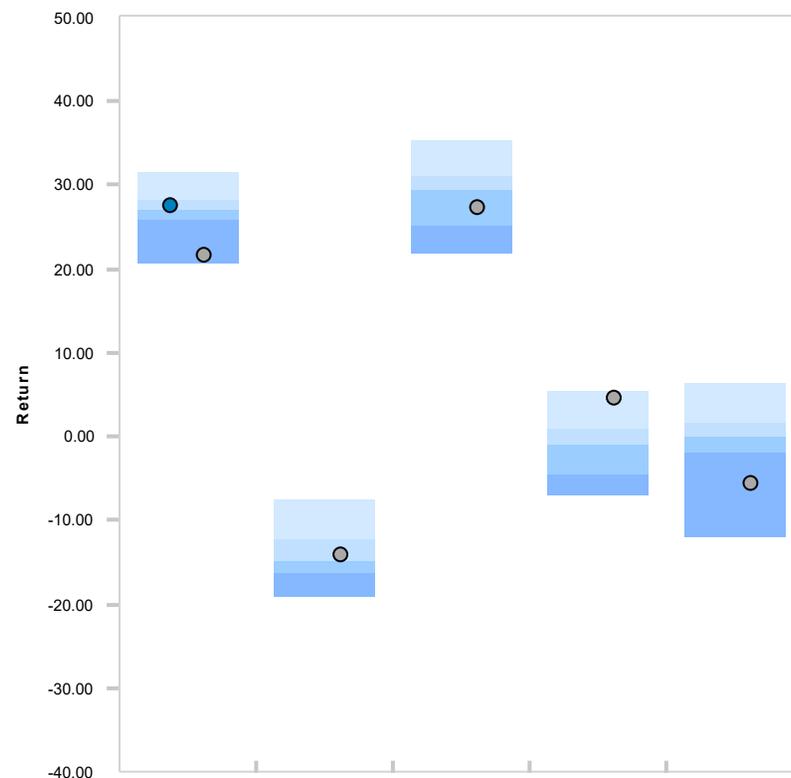
Page Intentionally Left Blank



Peer Group Analysis - IM International Large Cap Growth Equity (MF)



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● EuroPacific (REGX)	22.77 (6)	-4.77 (41)	3.17 (34)	2.55 (48)	N/A	N/A	N/A
○ ACWI ex US Index	16.12 (86)	11.00 (91)	-4.80 (91)	-1.80 (91)	1.13 (87)	5.65 (76)	2.26 (79)
Median	18.13	-5.09	2.00	2.48	3.99	7.47	3.30



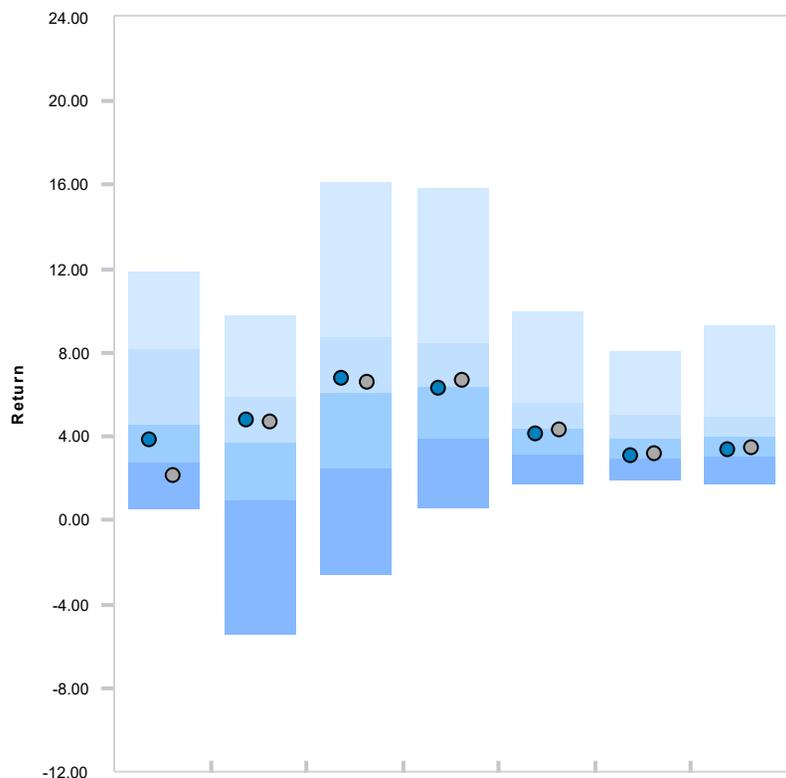
	2019	2018	2017	2016	2015
● EuroPacific (REGX)	27.41 (40)	N/A	N/A	N/A	N/A
○ ACWI ex US Index	21.51 (94)	-14.20 (43)	27.19 (65)	4.50 (10)	-5.66 (90)
Median	27.03	-14.98	29.50	-0.87	-0.02

Comparative Performance

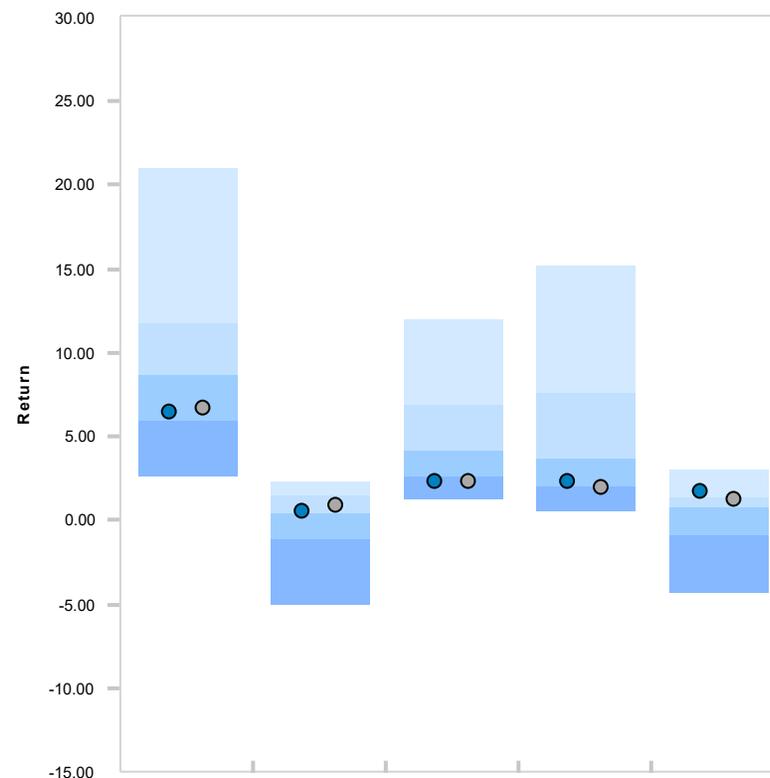
	1 Qtr Ending Mar-2020	1 Qtr Ending Dec-2019	1 Qtr Ending Sep-2019	1 Qtr Ending Jun-2019	1 Qtr Ending Mar-2019	1 Qtr Ending Dec-2018
EuroPacific (REGX)	-22.43 (78)	10.09 (23)	-1.59 (57)	3.87 (72)	13.21 (25)	-12.59 (42)
MSCI AC World ex USA Index (Net)	-23.36 (89)	8.92 (53)	-1.80 (72)	2.98 (93)	10.31 (95)	-11.46 (25)
IM International Large Cap Growth Equity (MF) Median	-20.57	9.00	-1.46	4.44	12.52	-12.70



Peer Group Analysis - IM U.S. Fixed Income (SA+CF)



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Total Dom Fixed Income	3.83 (60)	4.74 (42)	6.72 (46)	6.29 (52)	4.08 (58)	3.07 (72)	3.38 (68)
○ Total Dom Fixed Policy	2.13 (83)	4.67 (42)	6.60 (47)	6.67 (48)	4.28 (53)	3.15 (71)	3.40 (68)
Median	4.59	3.69	6.08	6.38	4.43	3.93	4.04



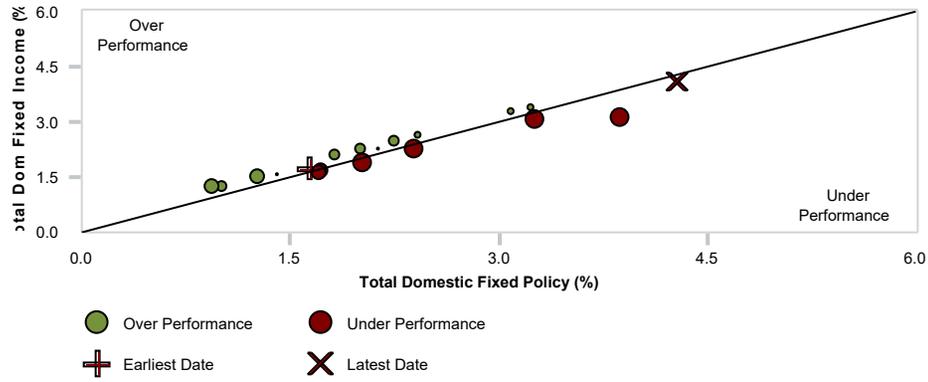
	2019	2018	2017	2016	2015
● Total Dom Fixed Income	6.47 (72)	0.46 (50)	2.25 (81)	2.35 (69)	1.67 (18)
○ Total Dom Fixed Policy	6.67 (70)	0.92 (40)	2.27 (80)	1.97 (76)	1.21 (31)
Median	8.70	0.41	4.18	3.69	0.73

Comparative Performance

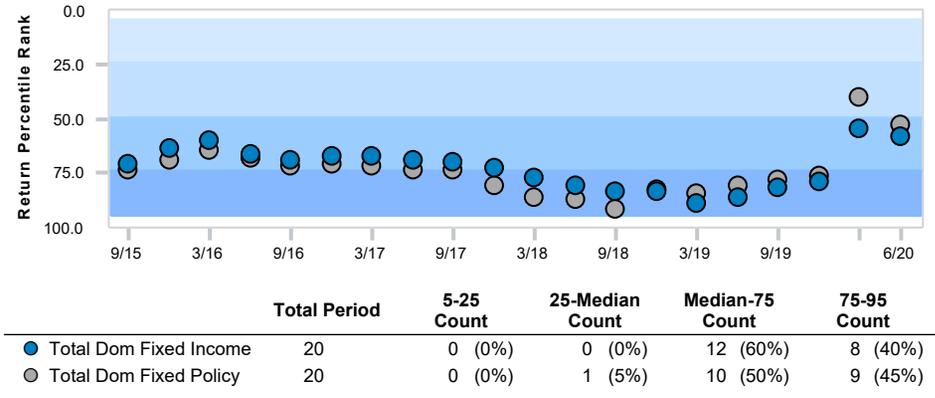
	1 Qtr Ending Mar-2020	1 Qtr Ending Dec-2019	1 Qtr Ending Sep-2019	1 Qtr Ending Jun-2019	1 Qtr Ending Mar-2019	1 Qtr Ending Dec-2018
Total Dom Fixed Income	0.87 (32)	0.36 (76)	1.53 (49)	2.27 (62)	2.17 (75)	1.11 (36)
Total Domestic Fixed Policy	2.49 (16)	0.47 (68)	1.38 (57)	2.39 (59)	2.28 (73)	1.80 (10)
IM U.S. Fixed Income (SA+CF) Median	-0.13	0.63	1.49	2.58	3.19	0.69



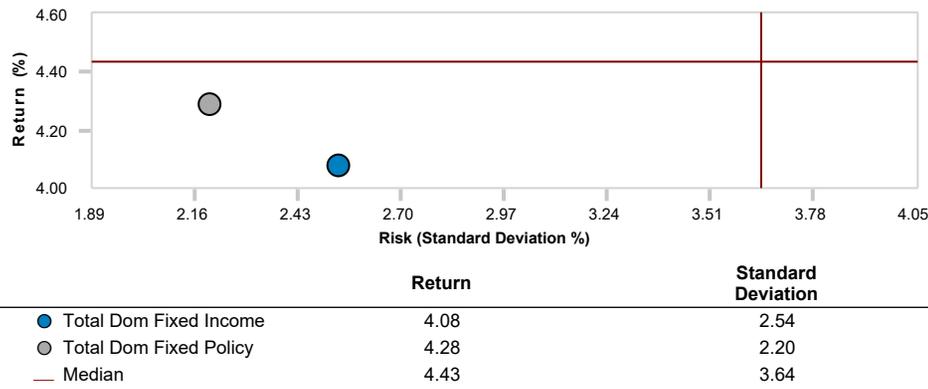
3 Yr Rolling Under/Over Performance - 5 Years



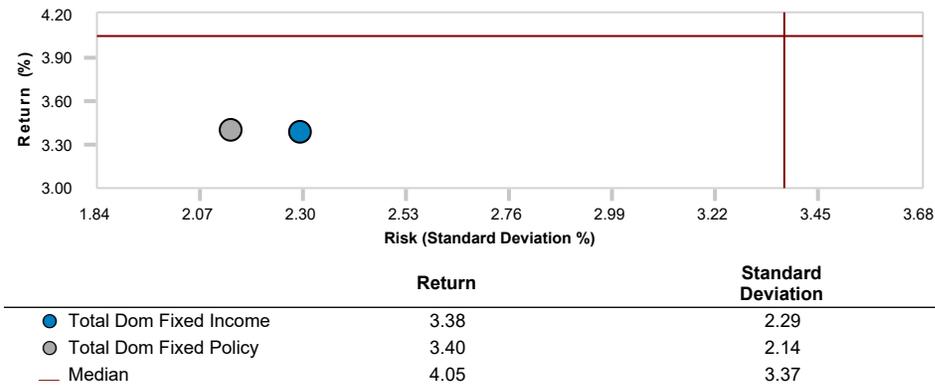
3 Yr Rolling Percentile Ranking - 5 Years



Peer Group Scattergram - 3 Years



Peer Group Scattergram - 5 Years



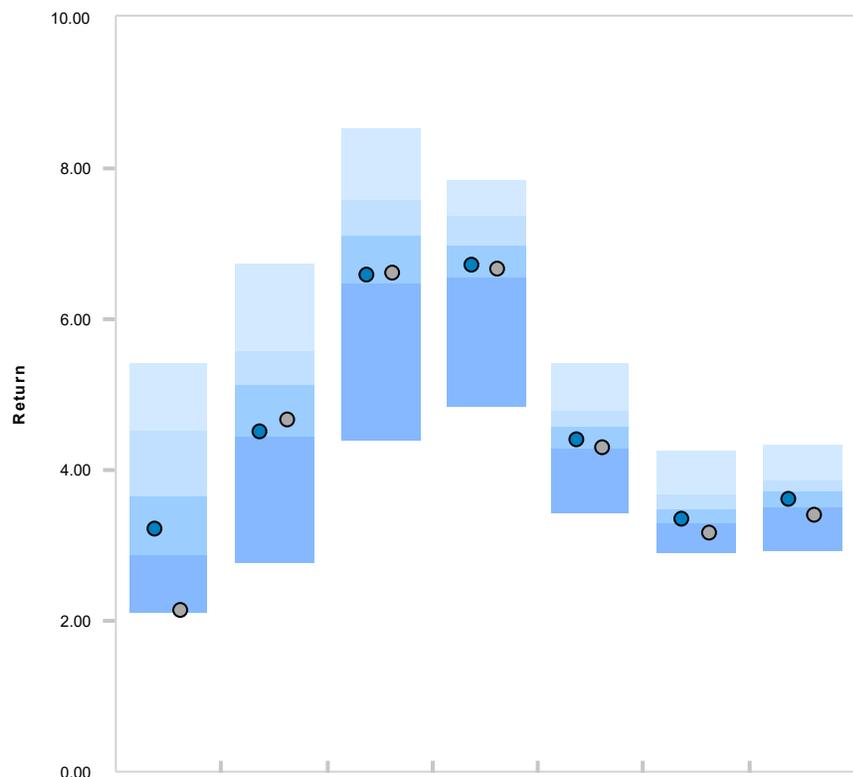
Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Dom Fixed Income	1.66	92.21	81.33	0.32	-0.11	0.89	0.88	1.16
Total Domestic Fixed Policy	0.00	100.00	100.00	0.00	N/A	1.14	1.00	0.84

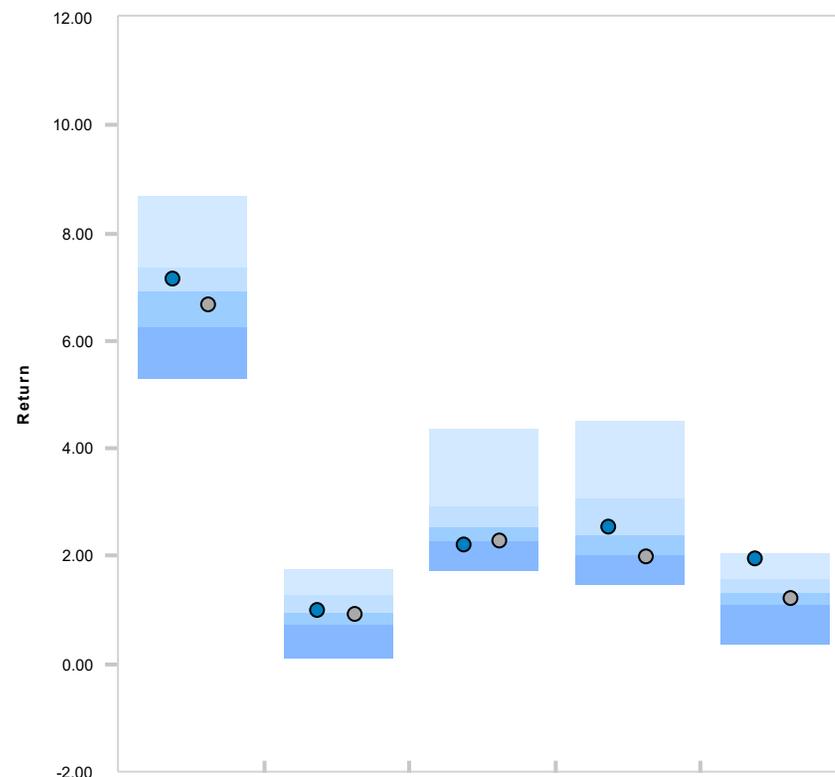
Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Dom Fixed Income	1.29	93.86	80.01	0.35	-0.01	0.95	0.89	1.15
Total Domestic Fixed Policy	0.00	100.00	100.00	0.00	N/A	1.05	1.00	1.04

Peer Group Analysis - IM U.S. Intermediate Duration (SA+CF)



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● CSM Advisors	3.20 (63)	4.50 (71)	6.58 (74)	6.71 (71)	4.40 (72)	3.33 (67)	3.61 (61)
○ BB Int Agg Index	2.13 (95)	4.67 (67)	6.60 (74)	6.67 (74)	4.28 (77)	3.15 (87)	3.40 (81)
Median	3.66	5.13	7.10	6.97	4.58	3.47	3.71



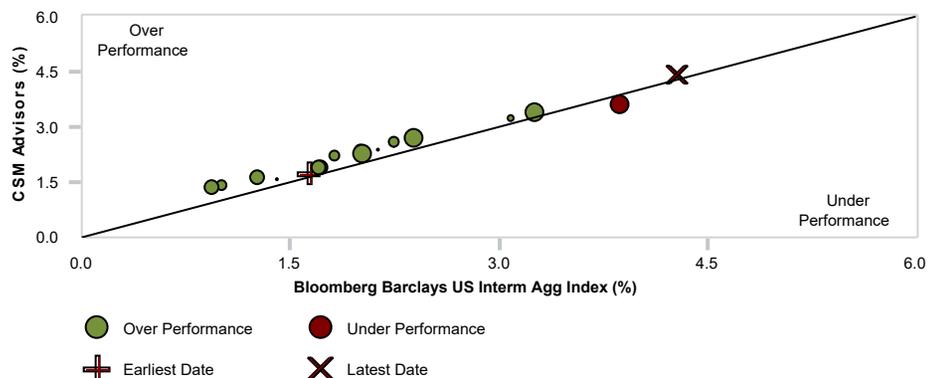
	2019	2018	2017	2016	2015
● CSM Advisors	7.13 (40)	0.97 (49)	2.21 (80)	2.52 (39)	1.94 (8)
○ BB Int Agg Index	6.67 (65)	0.92 (51)	2.27 (76)	1.97 (78)	1.21 (63)
Median	6.93	0.94	2.54	2.37	1.30

Comparative Performance

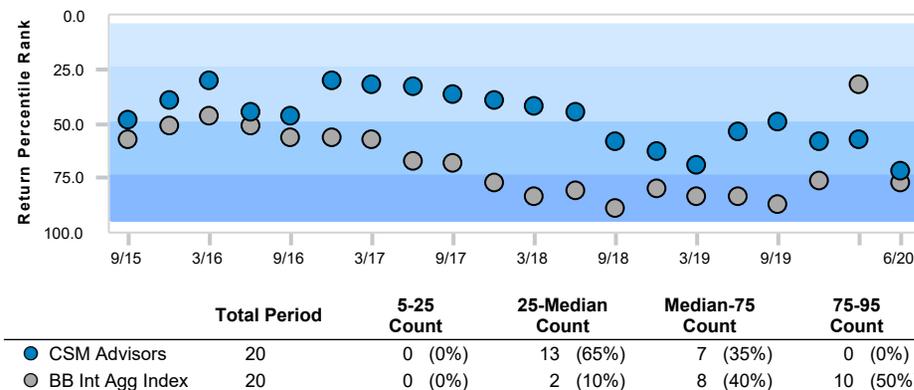
	1 Qtr Ending Mar-2020	1 Qtr Ending Dec-2019	1 Qtr Ending Sep-2019	1 Qtr Ending Jun-2019	1 Qtr Ending Mar-2019	1 Qtr Ending Dec-2018
CSM Advisors	1.26 (52)	0.38 (68)	1.60 (16)	2.47 (55)	2.50 (43)	1.51 (33)
Bloomberg Barclays US Interm Agg Index	2.49 (20)	0.47 (47)	1.38 (58)	2.39 (69)	2.28 (70)	1.80 (9)
IM U.S. Intermediate Duration (SA+CF) Median	1.30	0.44	1.42	2.51	2.45	1.38



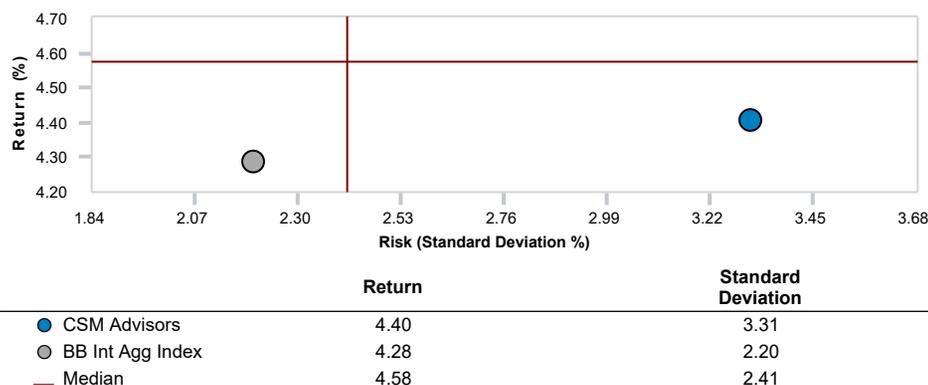
### 3 Yr Rolling Under/Over Performance - 5 Years



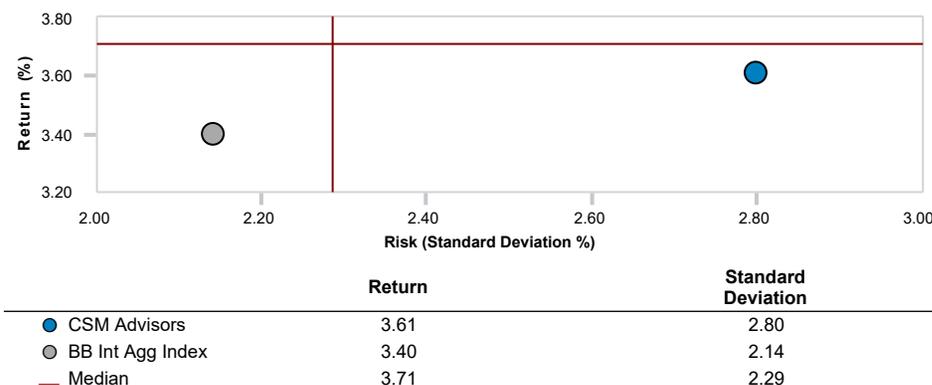
### 3 Yr Rolling Percentile Ranking - 5 Years



### Peer Group Scattergram - 3 Years



### Peer Group Scattergram - 5 Years



### Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
CSM Advisors	2.78	86.88	32.05	0.85	0.05	0.79	0.83	1.75
Bloomberg Barclays US Interm Agg Index	0.00	100.00	100.00	0.00	N/A	1.14	1.00	0.84

### Historical Statistics - 5 Years

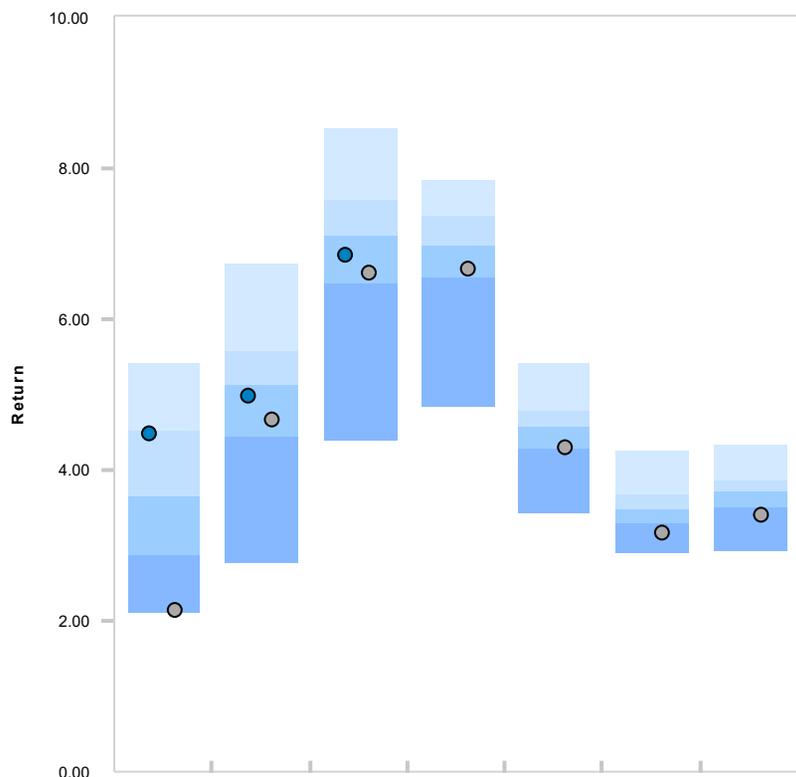
	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
CSM Advisors	2.17	89.27	46.57	0.76	0.10	0.87	0.84	1.50
Bloomberg Barclays US Interm Agg Index	0.00	100.00	100.00	0.00	N/A	1.05	1.00	1.04



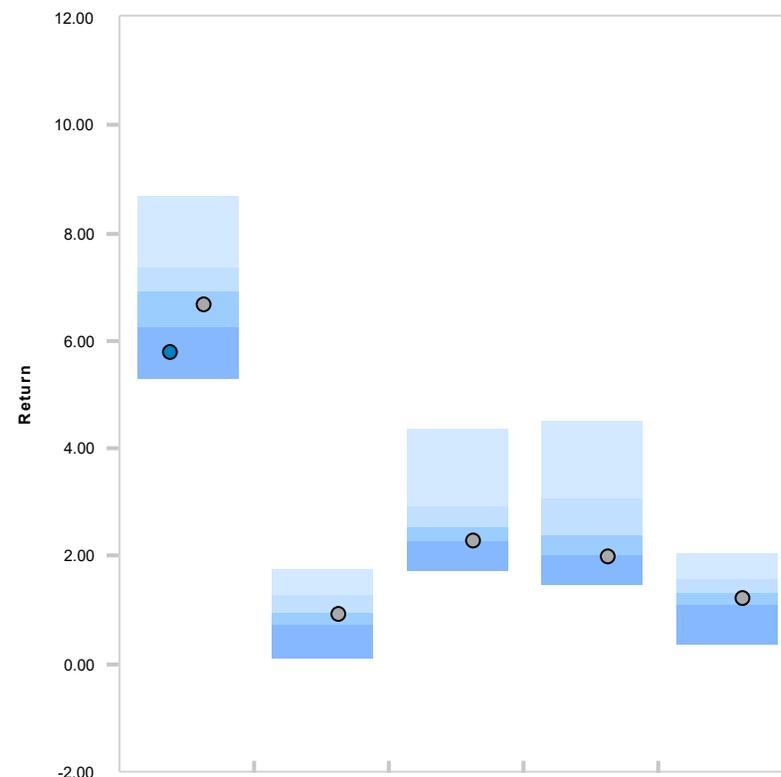
Page Intentionally Left Blank



Peer Group Analysis - IM U.S. Intermediate Duration (SA+CF)



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Garcia Hamilton	4.46 (27)	4.97 (57)	6.85 (61)	N/A	N/A	N/A	N/A
○ BB Intermed Agg Index	2.13 (95)	4.67 (67)	6.60 (74)	6.67 (74)	4.28 (77)	3.15 (87)	3.40 (81)
Median	3.66	5.13	7.10	6.97	4.58	3.47	3.71



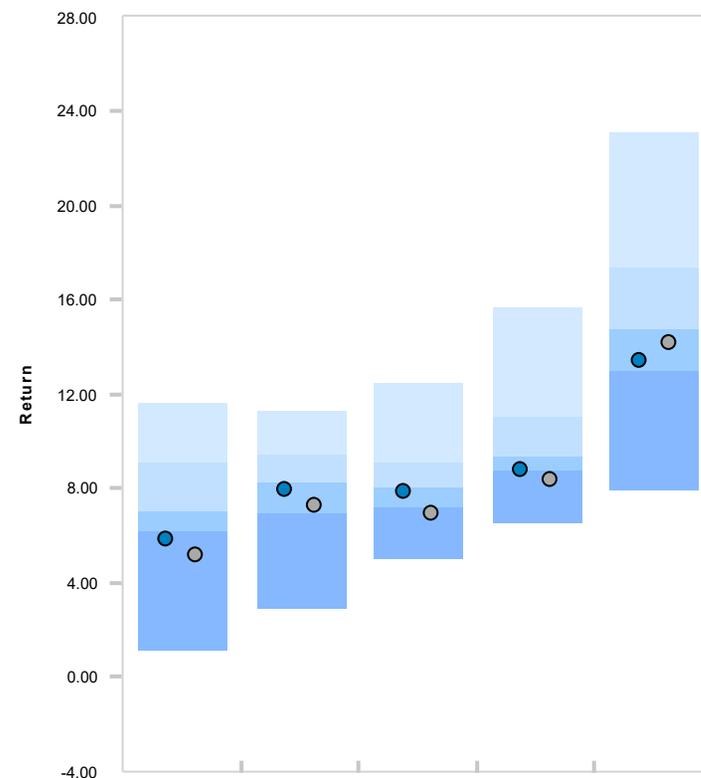
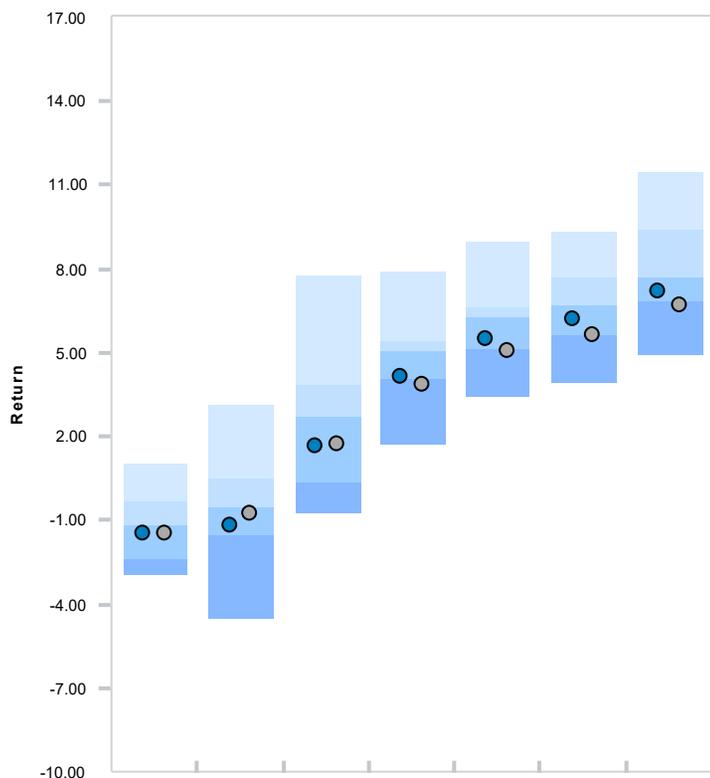
	2019	2018	2017	2016	2015
● Garcia Hamilton	5.79 (89)	N/A	N/A	N/A	N/A
○ BB Intermed Agg Index	6.67 (65)	0.92 (51)	2.27 (76)	1.97 (78)	1.21 (63)
Median	6.93	0.94	2.54	2.37	1.30

Comparative Performance

	1 Qtr Ending Mar-2020	1 Qtr Ending Dec-2019	1 Qtr Ending Sep-2019	1 Qtr Ending Jun-2019	1 Qtr Ending Mar-2019	1 Qtr Ending Dec-2018
Garcia Hamilton	0.48 (68)	0.33 (79)	1.45 (39)	2.07 (84)	1.81 (92)	N/A
Bloomberg Barclays Intermed Aggregate Index	2.49 (20)	0.47 (47)	1.38 (58)	2.39 (69)	2.28 (70)	1.80 (9)
IM U.S. Intermediate Duration (SA+CF) Median	1.30	0.44	1.42	2.51	2.45	1.38



Peer Group Analysis - IM U.S. Open End Private Real Estate (SA+CF)



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Principal Real Estate	-1.51 (63)	-1.17 (71)	1.65 (66)	4.15 (71)	5.46 (68)	6.23 (63)	7.21 (69)
○ NCREIF Index-ODCE (EW) (Net)	-1.46 (62)	-0.76 (55)	1.71 (66)	3.83 (91)	5.10 (76)	5.63 (75)	6.73 (78)
Median	-1.22	-0.56	2.72	5.04	6.30	6.72	7.69

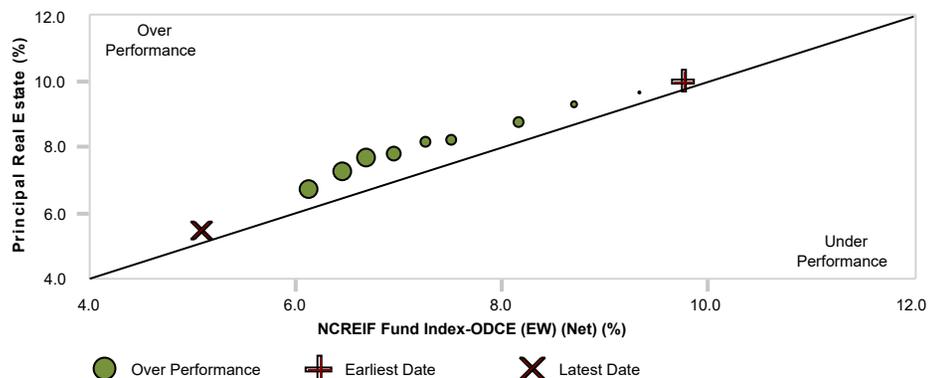
	2019	2018	2017	2016	2015
● Principal Real Estate	5.84 (78)	7.94 (58)	7.91 (52)	8.84 (73)	13.42 (70)
○ NCREIF Index-ODCE (EW) (Net)	5.18 (80)	7.30 (73)	6.92 (77)	8.36 (79)	14.18 (68)
Median	7.02	8.27	8.06	9.35	14.80

Comparative Performance

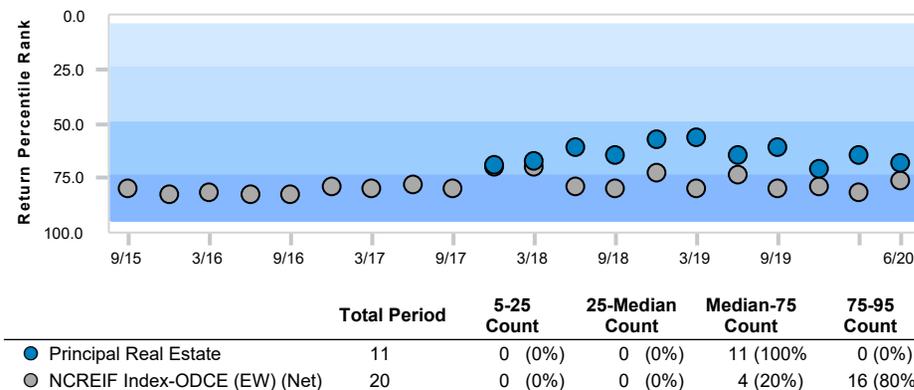
	1 Qtr Ending Mar-2020	1 Qtr Ending Dec-2019	1 Qtr Ending Sep-2019	1 Qtr Ending Jun-2019	1 Qtr Ending Mar-2019	1 Qtr Ending Dec-2018
Principal Real Estate	0.34 (80)	1.25 (83)	1.59 (63)	1.26 (62)	1.62 (77)	1.21 (77)
NCREIF Fund Index-ODCE (EW) (Net)	0.71 (69)	1.30 (79)	1.18 (80)	1.12 (73)	1.48 (78)	1.39 (71)
IM U.S. Open End Private Real Estate (SA+CF) Median	1.31	1.61	1.75	1.41	1.99	1.73



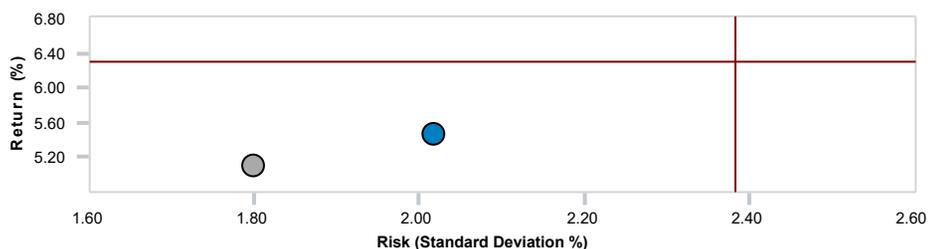
### 3 Yr Rolling Under/Over Performance - 5 Years



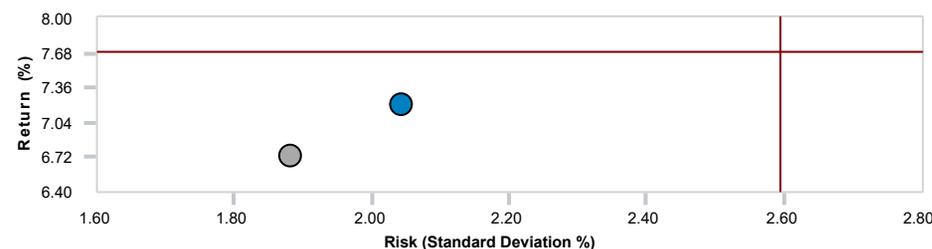
### 3 Yr Rolling Percentile Ranking - 5 Years



### Peer Group Scattergram - 3 Years



### Peer Group Scattergram - 5 Years



### Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Principal Real Estate	2.85	101.88	56.59	5.00	0.11	2.59	0.09	0.74
NCREIF Fund Index-ODCE (EW) (Net)	0.00	100.00	100.00	0.00	N/A	1.22	1.00	0.84

### Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Principal Real Estate	3.13	104.11	56.59	6.21	0.13	3.77	0.14	0.57
NCREIF Fund Index-ODCE (EW) (Net)	0.00	100.00	100.00	0.00	N/A	1.65	1.00	0.65



## Portfolio Characteristics (Benchmark: Russell 1000 Value Index)

	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$)	171,291,203,906	113,862,376,829
Median Mkt. Cap (\$)	32,474,892,900	8,979,116,300
Price/Earnings ratio	15.3	17.4
Price/Book ratio	2.7	2.3
5 Yr. EPS Growth Rate (%)	16.0	6.1
Current Yield (%)	1.7	2.6
Beta (5 Years, Monthly)	1.00	1.00
Number of Stocks	34	839

## Top Ten Equity Holdings (Benchmark: Russell 1000 Value Index)

	Portfolio Wt	Benchmark Wt	Active Wt	Qtr Rtrn
Goldman Sachs Group Inc	3.9	0.5	3.4	28.6
eBay Inc.	3.8	0.0	3.8	75.1
JPMorgan Chase & Co	3.6	2.0	1.6	5.6
Bank of America Corp	3.6	1.3	2.3	12.6
Capital One Financial Corp.	3.6	0.2	3.4	24.9
CVS Health Corp	3.5	0.6	2.9	10.4
Liberty Broadband Corp	3.4	0.0	3.4	14.2
Apple Inc	3.3	0.0	3.3	43.8
MSC Industrial Direct Co Inc.	3.3	0.0	3.3	34.2
Trane Technologies plc	3.2	0.2	3.0	8.3

## Ten Best Performers (Benchmark: Russell 1000 Value Index)

	Portfolio Wt	Benchmark Wt	Active Wt	Quarterly Rtrn
eBay Inc.	3.8	0.0	3.8	75.1
Expedia Group Inc	2.5	0.1	2.4	46.1
Apple Inc	3.3	0.0	3.3	43.8
Skyworks Solutions Inc	2.5	0.2	2.3	43.6
Robert Half Intl	2.6	0.0	2.6	41.0
MSC Industrial Direct Co Inc.	3.3	0.0	3.3	34.2
Microsoft Corp	2.2	0.0	2.2	29.4
Goldman Sachs Group Inc	3.9	0.5	3.4	28.6
Regeneron Pharma	2.5	0.0	2.5	27.7
Capital One Financial Corp.	3.6	0.2	3.4	24.9

## Ten Worst Performers (Benchmark: Russell 1000 Value Index)

	Portfolio Wt	Benchmark Wt	Active Wt	Quarterly Rtrn
Biogen Inc	2.7	0.2	2.5	-15.4
Berkshire Hathaway Inc	3.2	2.5	0.7	-2.4
Verizon Communications Inc	2.7	1.6	1.1	3.7
JPMorgan Chase & Co	3.6	2.0	1.6	5.6
Walmart Inc	2.4	1.2	1.2	5.9
Western Digital Corp	2.7	0.1	2.6	7.5
NetApp Inc	2.3	0.0	2.3	7.7
Johnson & Johnson	3.1	2.3	0.8	8.0
Trane Technologies plc	3.2	0.2	3.0	8.3
Discovery Inc	2.6	0.0	2.6	9.8

## Buy and Hold Sector Attribution (Benchmark: Russell 1000 Value Index)

	Allocation		Performance		Stock	Attribution		Portfolio Comparison	
	Portfolio	Benchmark	Portfolio	Benchmark		Sector	Total	Market Capitalization (%)	Seizert Capital
Communication Services	15.6	8.6	11.21	12.26	-0.12	-0.19	-0.31	Greater than 25000M	54.1
Consumer Discretionary	5.8	5.5	63.93	30.05	1.66	0.02	1.68	16000M To 25000M	11.8
Consumer Staples	4.7	10.2	11.78	7.87	0.17	0.42	0.59	12000M To 16000M	2.7
Energy	1.6	6.0	20.10	32.32	-0.19	-0.68	-0.88	8000M To 12000M	10.3
Financials	16.1	21.0	12.88	11.10	0.24	0.22	0.45	5000M To 8000M	5.8
Health Care	21.7	15.6	9.47	10.72	-0.34	-0.21	-0.55	3000M To 5000M	11.8
Industrials	15.8	9.4	23.07	23.73	-0.12	0.56	0.45	Cash	3.6
Information Technology	16.5	6.9	25.96	19.60	1.02	0.46	1.48		
Materials	0.0	4.4	0.00	27.64	0.00	-0.54	-0.54		
Real Estate	0.0	5.0	0.00	12.72	0.00	0.11	0.11		
Utilities	0.0	7.4	0.00	2.85	0.00	0.94	0.94		
Cash	2.2	0.0	0.02	0.00	0.00	-0.36	-0.36		
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>17.88</b>	<b>14.82</b>	<b>2.32</b>	<b>0.74</b>	<b>3.06</b>		

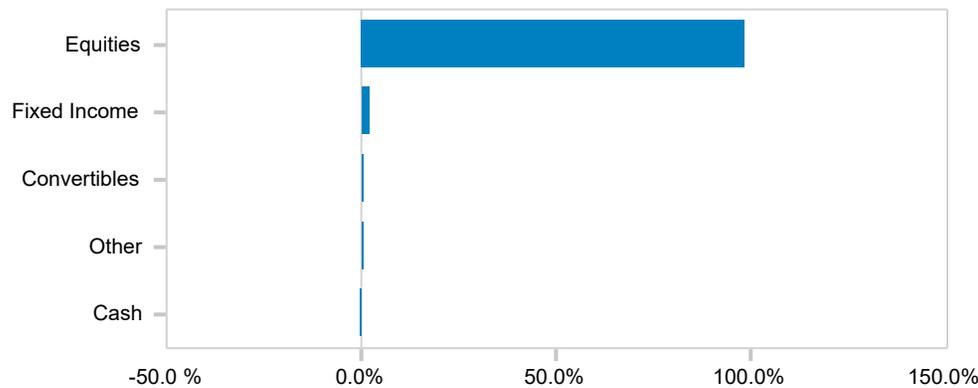
**Fund Information**

Fund Name :	Legg Mason Partners Equity Trust: ClearBridge Large Cap Growth Fund; Class IS Shares	Portfolio Assets :	\$16,469 Million
Fund Family :	Legg Mason	Portfolio Manager :	Bourbeau/Vitrano
Ticker :	LSITX	PM Tenure :	2013--2013
Inception Date :	03/15/2013	Fund Style :	IM U.S. Large Cap Growth Equity (MF)
Fund Assets :	\$3,297 Million	Style Benchmark :	Russell 1000 Growth Index
Portfolio Turnover :	25%		

**Fund Investment Policy**

The Fund seeks long-term capital growth by investing in equity securities of firms with large market capitalizations, including U.S. exchanged-traded and over-the-counter common stocks, convertible securities and warrants and rights related to equity securities. Selecting the best value among growth firms is stressed.

**Asset Allocation As of 03/31/2020**



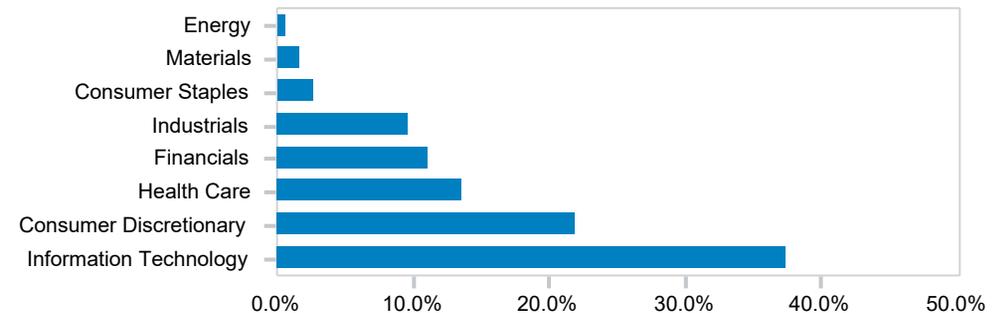
**Top Ten Securities As of 03/31/2020**

Amazon.com Inc ORD	8.2 %
Microsoft Corp ORD	6.2 %
Facebook Inc ORD	4.9 %
Visa Inc ORD	4.5 %
Apple Inc ORD	4.2 %
UnitedHealth Group Inc ORD	3.4 %
Adobe Inc ORD	3.2 %
Alphabet Inc ORD	3.1 %
Zoetis Inc ORD	2.8 %
Thermo Fisher Scientific Inc ORD	2.7 %

**Fund Characteristics As of 03/31/2020**

Total Securities	49
Avg. Market Cap	\$332,161 Million
P/E	30.4
P/B	8.6
Div. Yield	1.7%
Annual EPS	12.7
5Yr EPS	24.5
3Yr EPS Growth	23.6

**Sector/Quality Allocation As of 03/31/2020**



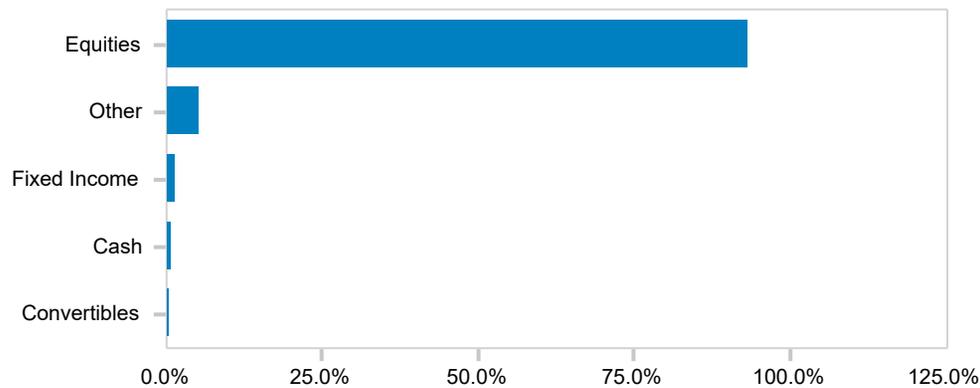
**Fund Information**

Fund Name :	T Rowe Price Mid-Cap Value Fund, Inc; Class I Shares	Portfolio Assets :	\$10,668 Million
Fund Family :	T. Rowe Price Associates Inc	Portfolio Manager :	David J. Wallack
Ticker :	TRMIX	PM Tenure :	2015
Inception Date :	08/28/2015	Fund Style :	IM U.S. Mid Cap Value Equity (MF)
Fund Assets :	\$1,724 Million	Style Benchmark :	Russell Midcap Value Index
Portfolio Turnover :	32%		

**Fund Investment Policy**

The Fund seeks long-term capital appreciation by using a value-oriented approach. The Fund invests in common stocks of medium sized companies believed to be undervalued in the marketplace.

**Asset Allocation As of 03/31/2020**



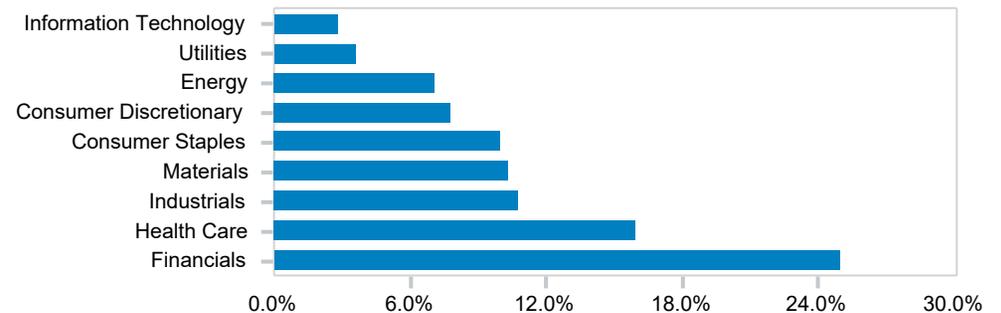
**Top Ten Securities As of 03/31/2020**

Bunge Ltd ORD	2.9 %
Cardinal Health Inc ORD	2.5 %
Perrigo Company PLC ORD	2.5 %
Flowers Foods Inc ORD	2.4 %
FirstEnergy Corp ORD	2.2 %
State Street Corp ORD	2.2 %
Barrick Gold Corp ORD	2.0 %
Northern Trust Corp ORD	1.9 %
Hologic Inc ORD	1.9 %
News Corp ORD	1.9 %

**Fund Characteristics As of 03/31/2020**

Total Securities	101
Avg. Market Cap	\$11,705 Million
P/E	22.4
P/B	2.4
Div. Yield	3.4%
Annual EPS	17.4
5Yr EPS	5.1
3Yr EPS Growth	10.4

**Sector/Quality Allocation As of 03/31/2020**



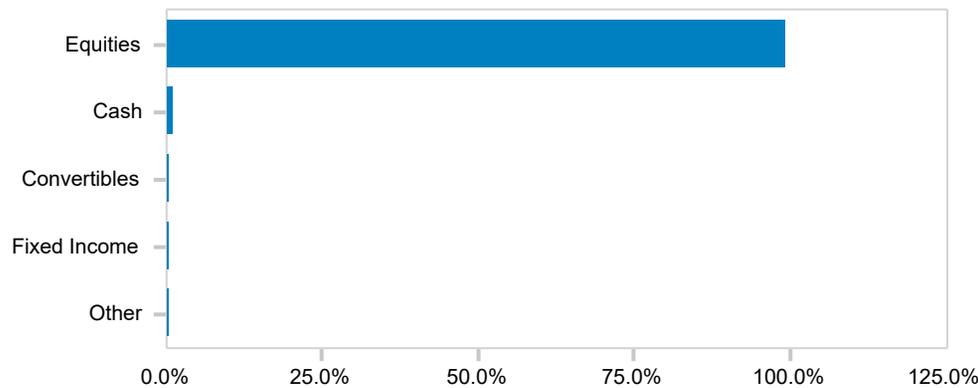
**Fund Information**

Fund Name :	Virtus Asset Trust: Virtus Ceredex Small-Cap Value Equity Fund; Class R6 Shares	Portfolio Assets :	\$411 Million
Fund Family :	RidgeWorth Capital Management Inc	Portfolio Manager :	Brett Barner
Ticker :	VVERX	PM Tenure :	2019
Inception Date :	02/26/2019	Fund Style :	IM U.S. Small Cap Core Equity (MF)
Fund Assets :	\$23 Million	Style Benchmark :	Russell 2000 Index
Portfolio Turnover :	42%		

**Fund Investment Policy**

The Fund seeks capital appreciation. Under normal circumstances, the Fund invests at least 80% of its net assets in U.S. traded equity securities of small cap companies. The Fund considers small cap companies to be companies with market capitalizations between \$50 million and \$3 billion.

**Asset Allocation As of 04/30/2020**



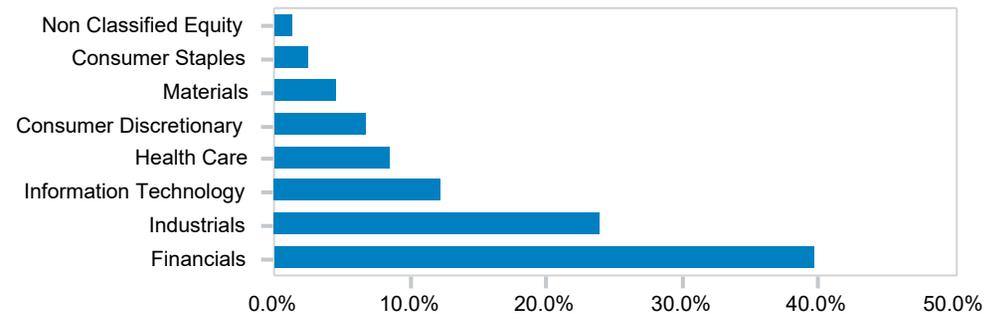
**Top Ten Securities As of 04/30/2020**

Hill-Rom Holdings Inc ORD	5.7 %
Power Integrations Inc ORD	5.5 %
Kemper Corp ORD	5.1 %
Quanta Services Inc ORD	4.4 %
Physicians Realty Trust ORD	4.4 %
Aptargroup Inc ORD	4.4 %
Healthcare Trust Of America Inc	4.3 %
First American Financial Corp ORD	4.1 %
SLM Corp ORD	3.7 %
Pentair PLC ORD	3.5 %

**Fund Characteristics As of 04/30/2020**

Total Securities	51
Avg. Market Cap	\$4,404 Million
P/E	25.7
P/B	2.9
Div. Yield	2.4%
Annual EPS	19.8
5Yr EPS	15.1
3Yr EPS Growth	21.5

**Sector/Quality Allocation As of 04/30/2020**



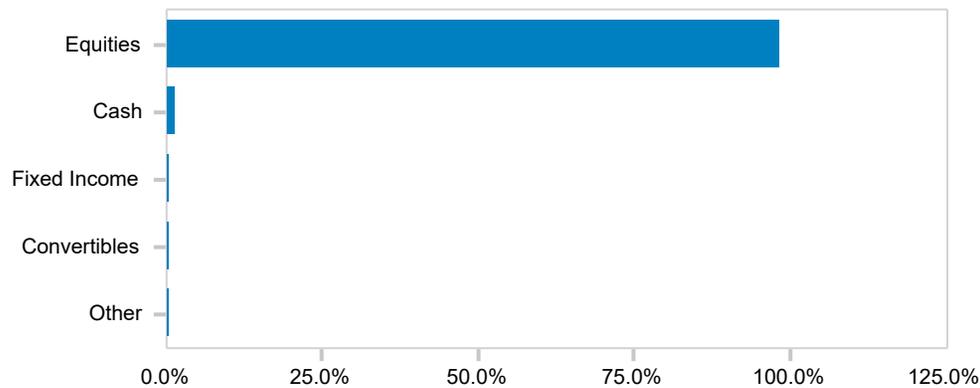
**Fund Information**

Fund Name :	Manager Directed Portfolios: Hood River Small-Cap Growth Fund; Institutional Class Shares	Portfolio Assets :	\$549 Million
Fund Family :	Hood River Capital Management LLC	Portfolio Manager :	Smoluch/Swank
Ticker :	HRSMX	PM Tenure :	2007--2007
Inception Date :	01/02/2003	Fund Style :	IM U.S. Small Cap Growth Equity (MF)
Fund Assets :	\$223 Million	Style Benchmark :	Russell 2000 Growth Index
Portfolio Turnover :	98%		

**Fund Investment Policy**

The Fund seeks to achieve long-term capital appreciation by investing at least 80% of its total assets in common stocks of U.S. corporations, that have a market capitalization which is equal to or less than the capitalization of the largest stock in the S&P SmallCap 600 Index.

**Asset Allocation As of 03/31/2020**



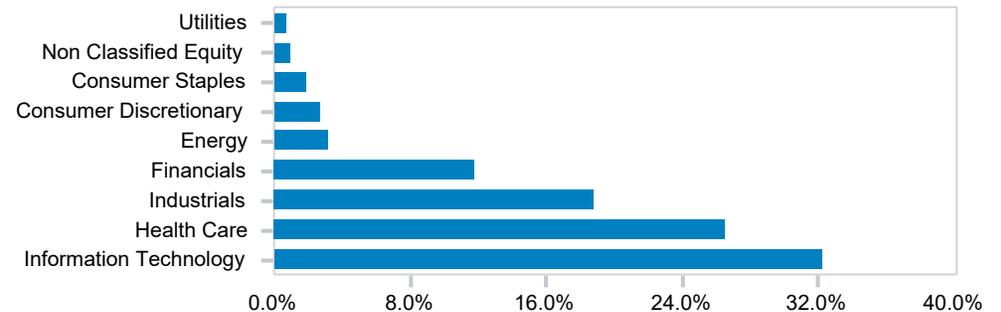
**Fund Characteristics As of 03/31/2020**

Total Securities	92
Avg. Market Cap	\$3,335 Million
P/E	39.3
P/B	6.0
Div. Yield	2.2%
Annual EPS	13.4
5Yr EPS	18.5
3Yr EPS Growth	19.1

**Top Ten Securities As of 03/31/2020**

Teladoc Health Inc ORD	5.2 %
Kinsale Capital Group Inc ORD	3.9 %
Tabula Rasa HealthCare Inc ORD	3.5 %
Lumentum Holdings Inc ORD	3.2 %
Inphi Corp ORD	2.9 %
Plug Power Inc ORD	2.7 %
Bandwidth Inc ORD	2.7 %
Charles River Laboratories International	2.7 %
Cogent Communications Holdings	2.6 %
Limelight Networks Inc ORD	2.2 %

**Sector/Quality Allocation As of 03/31/2020**



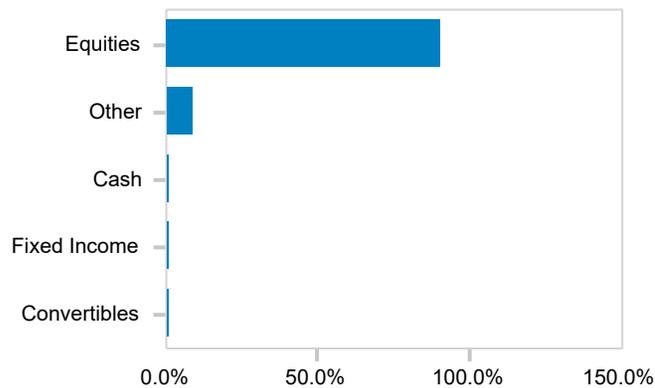
**Fund Information**

Fund Name :	EuroPacific Growth Fund; Class R6 Shares	Portfolio Assets :	\$148,652 Million
Fund Family :	American Funds	Portfolio Manager :	Team Managed
Ticker :	REGX	PM Tenure :	
Inception Date :	05/01/2009	Fund Style :	IM International Large Cap Growth Equity (MF)
Fund Assets :	\$68,917 Million	Style Benchmark :	MSCI EAFE Growth
Portfolio Turnover :	38%		

**Fund Investment Policy**

The Fund seeks to provide long-term growth of capital by investing in companies based outside the United States. The Fund invests in companies based chiefly in Europe and the Pacific Basin, ranging from small firms to large corporations.

**Asset Allocation As of 03/31/2020**



**Top Ten Securities As of 03/31/2020**

Capital Group Central Cash Fund;	8.8 %
AIA Group Ltd ORD	2.6 %
ASML Holding NV ORD	2.4 %
Reliance Industries Ltd ORD	2.1 %
Daiichi Sankyo Co Ltd ORD	2.1 %
Nintendo Co Ltd ORD	1.8 %
HDFC Bank Ltd ORD	1.7 %
Keyence Corp ORD	1.6 %
Mercadolibre Inc ORD	1.5 %
LVMH Moet Hennessy Louis Vuitton	1.5 %

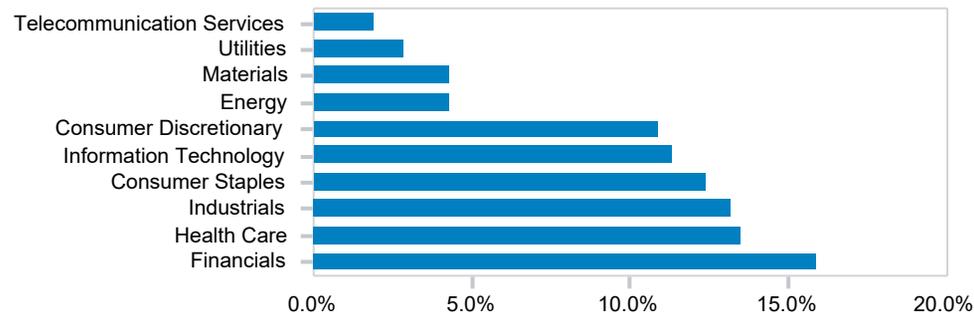
**Top 5 Countries As of 03/31/2020**

Japan	14.9 %
Unidentified	8.8 %
China	8.4 %
India	7.4 %
Netherlands	6.7 %

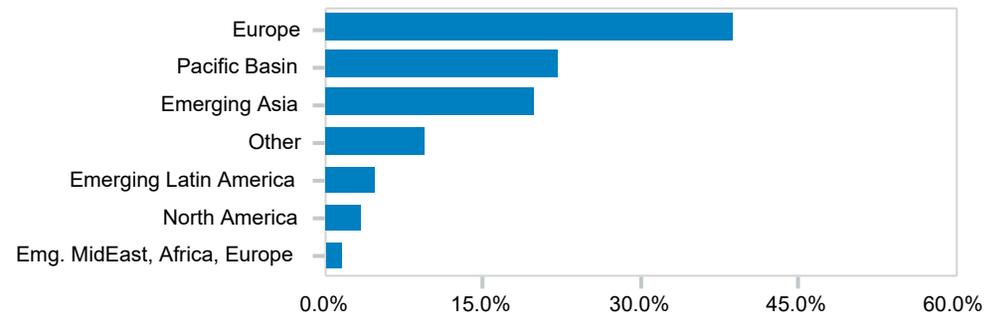
**Fund Characteristics As of 03/31/2020**

Total Securities	333
Avg. Market Cap	\$73,378 Million
P/E	26.5
P/B	4.6
Div. Yield	2.3%
Annual EPS	12.2
5Yr EPS	13.3
3Yr EPS Growth	18.8

**Sector/Quality Allocation As of 03/31/2020**



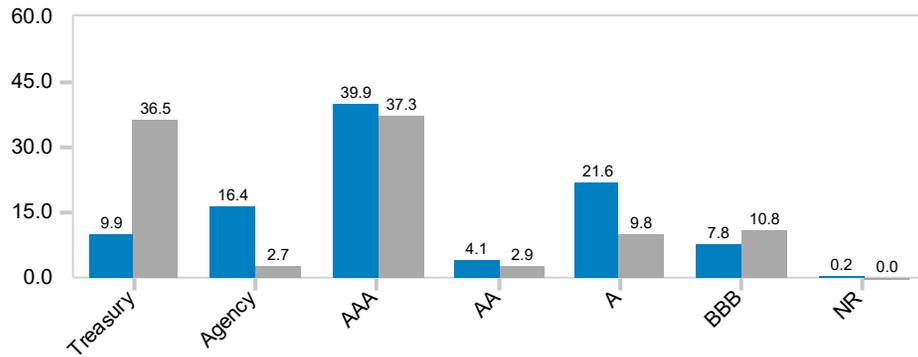
**Regional Allocation As of 03/31/2020**



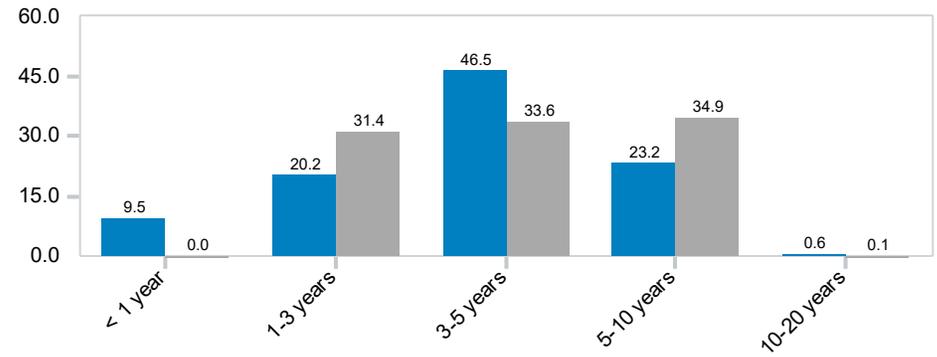
**Portfolio Characteristics**

	Portfolio	Benchmark
Avg. Maturity	4.04	4.37
Avg. Quality	Aa2	AA+
Coupon Rate (%)	2.62	2.85
Current Yield	2.48	2.66
Effective Duration	3.41	3.49

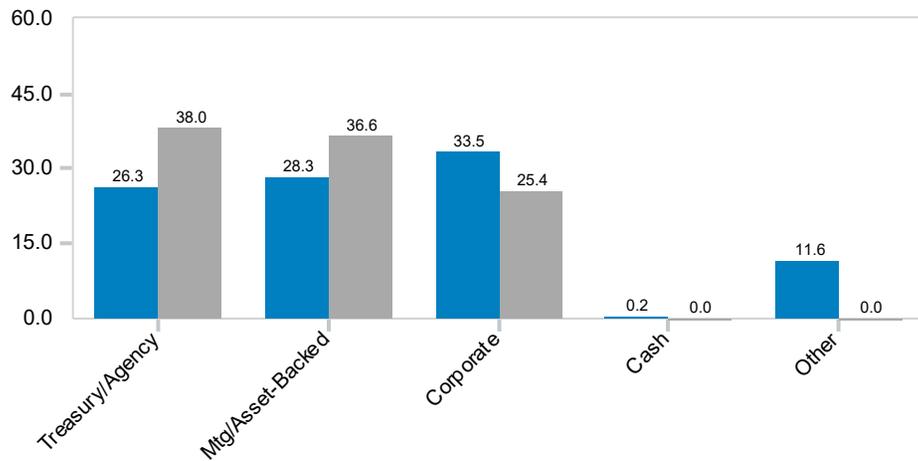
**Credit Quality Distribution (%)**



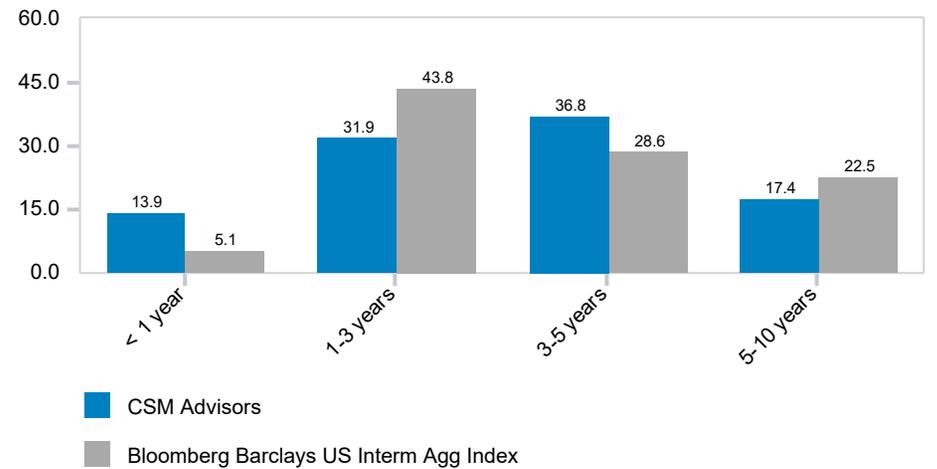
**Maturity Distribution (%)**



**Sector Distribution (%)**



**Duration Distribution (%)**



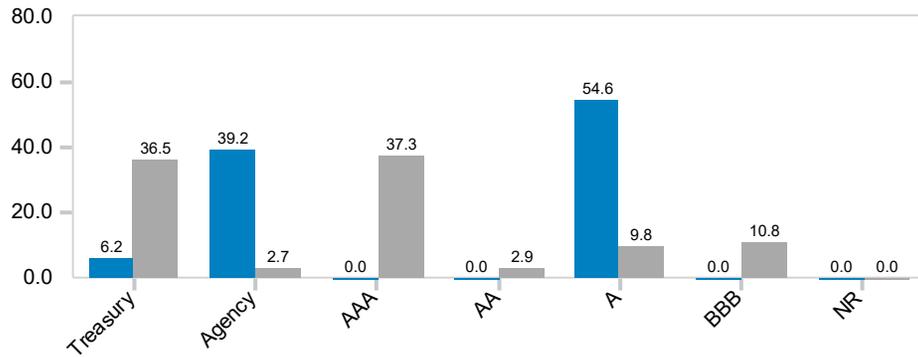
■ CSM Advisors  
 ■ Bloomberg Barclays US Interm Agg Index



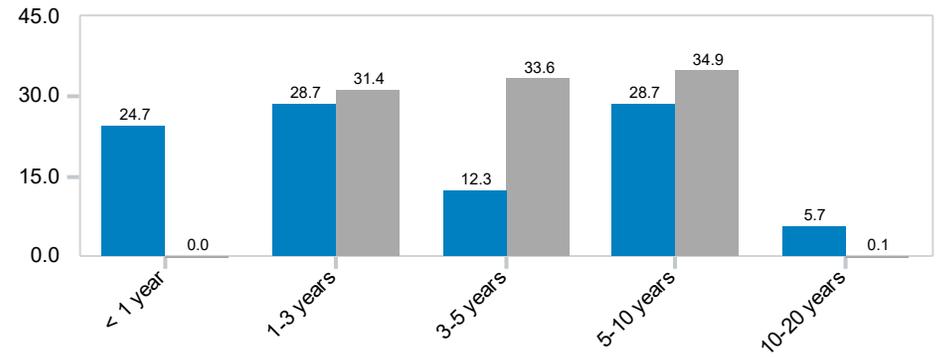
**Portfolio Characteristics**

	Portfolio	Benchmark
Avg. Maturity	4.28	4.37
Avg. Quality	AA-	AA+
Coupon Rate (%)	1.69	2.85
Current Yield	1.52	2.66
Effective Duration	2.78	3.49

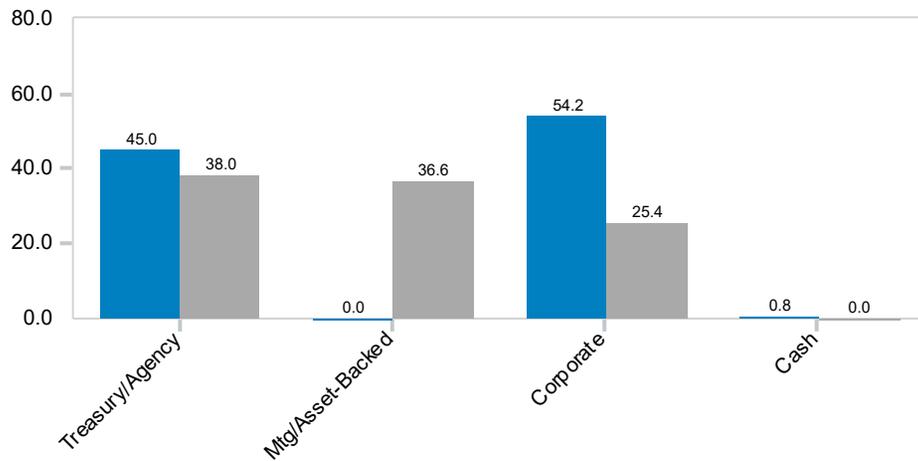
**Credit Quality Distribution (%)**



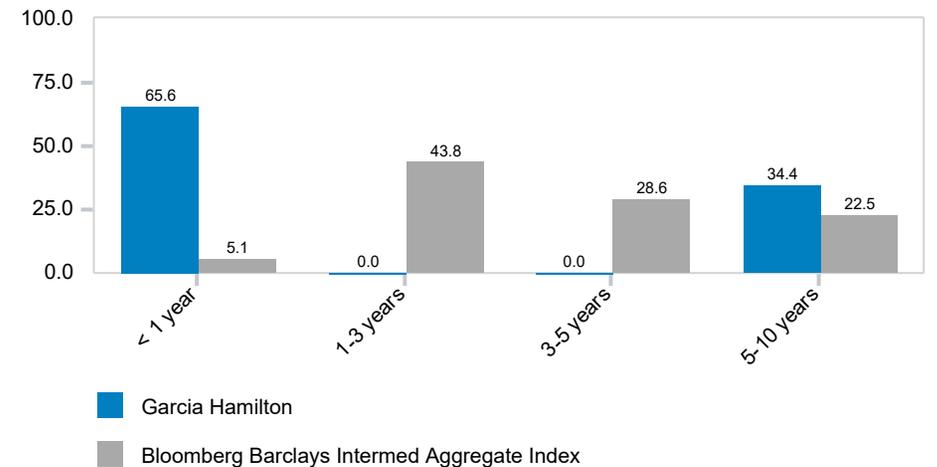
**Maturity Distribution (%)**



**Sector Distribution (%)**



**Duration Distribution (%)**



■ Garcia Hamilton  
■ Bloomberg Barclays Intermed Aggregate Index



**Comparative Performance**  
**Total Fund Net**  
As of June 30, 2020

<b>Comparative Performance</b>									
	<b>QTR</b>	<b>FYTD</b>	<b>1 YR</b>	<b>3 YR</b>	<b>5 YR</b>	<b>7 YR</b>	<b>10 YR</b>	<b>Inception</b>	<b>Inception Date</b>
<b>Police Total Fund</b>	<b>13.47</b>	<b>-0.18</b>	<b>5.98</b>	<b>5.40</b>	<b>5.73</b>	<b>6.62</b>	<b>7.56</b>	<b>5.97</b>	<b>06/01/1998</b>
Police - Total Fund Policy	12.33	-2.89	3.14	5.45	5.95	6.92	7.80	6.00	
<b>Total Domestic Equity</b>	<b>23.58</b>	<b>-2.67</b>	<b>7.02</b>	<b>7.86</b>	<b>8.93</b>	<b>10.46</b>	<b>12.86</b>	<b>8.14</b>	<b>12/01/2006</b>
Russell 3000 Index	22.03	-3.48	6.53	10.04	10.03	11.68	13.72	8.18	
Seizert	18.08	-7.56	4.57	5.60	7.69	9.41	12.01	12.44	12/01/2008
Russell 1000 Value Index	14.29	-16.26	-8.84	1.82	4.64	7.11	10.41	10.26	
ClearBridge (LSITX)	25.98	7.08	16.23	N/A	N/A	N/A	N/A	16.07	11/01/2017
Russell 1000 Growth Index	27.84	9.81	23.28	18.99	15.89	16.62	17.23	17.34	
T. Rowe Price (TRMIX)	22.41	-12.69	-6.90	0.36	3.96	7.00	9.70	9.60	11/01/2002
Russell Midcap Value Index	19.95	-18.09	-11.81	-0.54	3.32	6.55	10.29	9.73	
Virtus Ceredex Small Cap (VVERX)	17.45	-22.30	N/A	N/A	N/A	N/A	N/A	-21.40	12/01/2019
Russell 2000 Value Index	18.91	-23.50	-17.48	-4.35	1.26	3.98	7.82	-20.82	
Hood River Small Cap Growth (HRSMX)	38.84	7.11	N/A	N/A	N/A	N/A	N/A	9.01	12/01/2019
Russell 2000 Growth Index	30.58	-3.06	3.48	7.86	6.86	10.03	12.92	-0.84	
<b>Total International Equity</b>	<b>22.87</b>	<b>-4.69</b>	<b>3.26</b>	<b>2.09</b>	<b>2.18</b>	<b>3.80</b>	<b>6.06</b>	<b>4.67</b>	<b>05/01/2004</b>
MSCI AC World ex USA (Net) Index	16.12	-11.00	-4.80	1.13	2.26	3.71	4.97	5.25	
AF EuroPacific Growth (RERGX)	22.77	-4.77	3.17	N/A	N/A	N/A	N/A	0.97	04/01/2018
MSCI AC World ex USA (Net)	16.12	-11.00	-4.80	1.13	2.26	3.71	4.97	-2.76	
<b>Total Domestic Fixed Income</b>	<b>3.76</b>	<b>4.59</b>	<b>6.46</b>	<b>3.82</b>	<b>3.09</b>	<b>2.90</b>	<b>2.92</b>	<b>4.20</b>	<b>07/01/2001</b>
Police - Total Domestic Fixed Policy	2.13	4.67	6.60	4.28	3.40	3.19	3.04	4.39	
CSM Advisors	3.12	4.35	6.27	4.09	3.30	3.02	N/A	2.61	09/01/2011
Bloomberg Barclays US Interm Agg Index	2.13	4.67	6.60	4.28	3.40	3.19	3.14	2.84	
Garcia Hamilton	4.40	4.84	6.65	N/A	N/A	N/A	N/A	N/A	12/01/2018
Bloomberg Barclays Intermed Aggregate Index	2.13	4.67	6.60	4.28	3.40	3.19	3.14	8.22	
<b>Real Estate</b>									
Principal Real Estate	-1.51	-1.17	1.65	5.46	7.21	N/A	N/A	7.70	01/01/2015
NCREIF Fund Index-ODCE (EW) (Net) Index	-1.46	-0.76	1.71	5.10	6.73	8.35	9.95	7.41	

Returns for periods greater than one year are annualized.  
Returns are expressed as percentages.



**Comparative Performance**  
**Total Fund Net**  
**As of June 30, 2020**

	<b>QTR</b>	<b>FYTD</b>	<b>1 YR</b>	<b>3 YR</b>	<b>5 YR</b>	<b>7 YR</b>	<b>10 YR</b>	<b>Inception</b>	<b>Inception Date</b>
Cash	0.02	0.15	0.43	0.74	0.48	0.36	0.28	1.59	01/01/1999
90 Day U.S. Treasury Bill	0.02	0.60	1.63	1.77	1.17	0.85	0.62	1.86	

Returns for periods greater than one year are annualized.  
Returns are expressed as percentages.



	Market Value (\$)	Estimated Annual Fee (%)	Estimated Annual Fee (\$)
Police Total Fund	32,500,112	0.56	180,769
Seizert Capital	4,756,045	0.55	26,158
ClearBridge (LSITX)	5,263,036	0.77	40,525
T. Rowe Price (TRMIX)	1,388,648	0.65	9,026
Virtus Ceredex Small Cap (VVERX)	1,078,682	0.88	9,492
Hood River Small Cap Growth (HRSMX)	1,543,155	1.09	16,820
AF EuroPacific Growth (RERGX)	5,076,919	0.50	25,385
CSM Advisors	5,318,347	0.30	15,955
Garcia Hamilton	5,405,738	0.25	13,514
Principal Real Estate	2,172,017	1.10	23,892

**Historical Hybrid Composition**

Allocation Mandate	Weight (%)
<b>Jan-1979</b>	
Russell 3000 Index	39.00
MSCI EAFE (Net) Index	5.00
Bimbg. Barc. U.S. Government	55.00
90 Day U.S. Treasury Bill	1.00
<b>Jul-2011</b>	
Russell 3000 Index	45.00
MSCI EAFE (Net) Index	5.00
Bloomberg Barclays Intermed Aggregate Index	50.00
<b>Oct-2012</b>	
Russell 3000 Index	50.00
MSCI EAFE (Net) Index	5.00
Bloomberg Barclays Intermed Aggregate Index	45.00
<b>Jan-2014</b>	
Russell 1000 Value Index	17.50
Russell 1000 Growth Index	17.50
Russell Midcap Value Index	5.00
Russell 2000 Value Index	8.00
MSCI AC World ex USA (Net)	11.00
Bloomberg Barclays Intermed Aggregate Index	36.00
NCREIF Fund Index-ODCE (EW) (Net)	5.00
<b>Mar-2018</b>	
Russell 1000 Value Index	15.00
Russell 1000 Growth Index	15.00
Russell Midcap Value Index	5.00
Russell 2000 Value Index	8.00
MSCI AC World ex USA (Net)	16.00
Bloomberg Barclays Intermed Aggregate Index	36.00
NCREIF Fund Index-ODCE (EW) (Net)	5.00
<b>Nov-2019</b>	
Russell 1000 Value Index	15.00
Russell 1000 Growth Index	15.00
Russell Midcap Value Index	5.00
Russell 2000 Value Index	4.00
Russell 2000 Growth Index	4.00
MSCI AC World ex USA (Net)	16.00
Bloomberg Barclays Intermed Aggregate Index	36.00
NCREIF Fund Index-ODCE (EW) (Net)	5.00

<b>Active Return</b>	- Arithmetic difference between the manager's performance and the designated benchmark return over a specified time period.
<b>Alpha</b>	- A measure of the difference between a portfolio's actual performance and its expected return based on its level of risk as determined by beta. It determines the portfolio's non-systemic return, or its historical performance not explained by movements of the market.
<b>Beta</b>	- A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of the portfolio's systematic risk.
<b>Consistency</b>	- The percentage of quarters that a product achieved a rate of return higher than that of its benchmark. Higher consistency indicates the manager has contributed more to the product's performance.
<b>Distributed to Paid In (DPI)</b>	- The ratio of money distributed to Limited Partners by the fund, relative to contributions. It is calculated by dividing cumulative distributions by paid in capital. This multiple shows the investor how much money they got back. It is a good measure for evaluating a fund later in its life because there are more distributions to measure against.
<b>Down Market Capture</b>	- The ratio of average portfolio performance over the designated benchmark during periods of negative returns. A lower value indicates better product performance
<b>Downside Risk</b>	- A measure similar to standard deviation that utilizes only the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. A higher factor is indicative of a riskier product.
<b>Excess Return</b>	- Arithmetic difference between the manager's performance and the risk-free return over a specified time period.
<b>Excess Risk</b>	- A measure of the standard deviation of a portfolio's performance relative to the risk free return.
<b>Information Ratio</b>	- This calculates the value-added contribution of the manager and is derived by dividing the active rate of return of the portfolio by the tracking error. The higher the Information Ratio, the more the manager has added value to the portfolio.
<b>Public Market Equivalent (PME)</b>	- Designs a set of analyses used in the Private Equity Industry to evaluate the performance of a Private Equity Fund against a public benchmark or index.
<b>R-Squared</b>	- The percentage of a portfolio's performance that can be explained by the behavior of the appropriate benchmark. A high R-Squared means the portfolio's performance has historically moved in the same direction as the appropriate benchmark.
<b>Return</b>	- Compounded rate of return for the period.
<b>Sharpe Ratio</b>	- Represents the excess rate of return over the risk free return divided by the standard deviation of the excess return. The result is an absolute rate of return per unit of risk. A higher value demonstrates better historical risk-adjusted performance.
<b>Standard Deviation</b>	- A statistical measure of the range of a portfolio's performance. It represents the variability of returns around the average return over a specified time period.
<b>Total Value to Paid In (TVPI)</b>	- The ratio of the current value of remaining investments within a fund, plus the total value of all distributions to date, relative to the total amount of capital paid into the fund to date. It is a good measure of performance before the end of a fund's life
<b>Tracking Error</b>	- This is a measure of the standard deviation of a portfolio's returns in relation to the performance of its designated market benchmark.
<b>Treynor Ratio</b>	- Similar to Sharpe ratio but utilizes beta rather than excess risk as determined by standard deviation. It is calculated by taking the excess rate of return above the risk free rate divided by beta to derive the absolute rate of return per unit of risk. A higher value indicates a product has achieved better historical risk-adjusted performance.
<b>Up Market Capture</b>	- The ratio of average portfolio performance over the designated benchmark during periods of positive returns. A higher value indicates better product performance.



AndCo compiled this report for the sole use of the client for which it was prepared. AndCo is responsible for evaluating the performance results of the Total Fund along with the investment advisors by comparing their performance with indices and other related peer universe data that is deemed appropriate. AndCo uses the results from this evaluation to make observations and recommendations to the client.

AndCo uses time-weighted calculations which are founded on standards recommended by the CFA Institute. The calculations and values shown are based on information that is received from custodians. AndCo analyzes transactions as indicated on the custodian statements and reviews the custodial market values of the portfolio. As a result, this provides AndCo with a reasonable basis that the investment information presented is free from material misstatement. This methodology of evaluating and measuring performance provides AndCo with a practical foundation for our observations and recommendations. Nothing came to our attention that would cause AndCo to believe that the information presented is significantly misstated.

This performance report is based on data obtained by the client's custodian(s), investment fund administrator, or other sources believed to be reliable. While these sources are believed to be reliable, the data providers are responsible for the accuracy and completeness of their statements. Clients are encouraged to compare the records of their custodian(s) to ensure this report fairly and accurately reflects their various asset positions.

The strategies listed may not be suitable for all investors. We believe the information provided here is reliable, but do not warrant its accuracy or completeness. Past performance is not an indication of future performance. Any information contained in this report is for informational purposes only and should not be construed to be an offer to buy or sell any securities, investment consulting, or investment management services.

Additional information included in this document may contain data provided by from index databases, public economic sources and the managers themselves.

This document may contain data provided by Bloomberg Barclays. Bloomberg Barclays Index data provided by way of Barclays Live.

This document may contain data provided by Standard and Poor's. Nothing contained within any document, advertisement or presentation from S&P Indices constitutes an offer of services in jurisdictions where S&P Indices does not have the necessary licenses. All information provided by S&P Indices is impersonal and is not tailored to the needs of any person, entity or group of persons. Any returns or performance provided within any document is provided for illustrative purposes only and does not demonstrate actual performance. Past performance is not a guarantee of future investment results.

This document may contain data provided by MSCI, Inc. Copyright MSCI, 2017. Unpublished. All Rights Reserved. This information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used to create any financial instruments or products or any indices. This information is provided on an "as is" basis and the user of this information assumes the entire risk of any use it may make or permit to be made of this information. Neither MSCI, any of its affiliates or any other person involved in or related to compiling, computing or creating this information makes any express or implied warranties or representations with respect to such information or the results to be obtained by the use thereof, and MSCI, its affiliates and each such other person hereby expressly disclaim all warranties (including, without limitation, all warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any other person involved in or related to compiling, computing or creating this information have any liability for any direct, indirect, special, incidental, punitive, consequential or any other damages (including, without limitation, lost profits) even if notified of, or if it might otherwise have anticipated, the possibility of such damages.

This document may contain data provided by Russell Investment Group. Russell Investment Group is the source owner of the data contained or reflected in this material and all trademarks and copyrights related thereto. The material may contain confidential information and unauthorized use, disclosure, copying, dissemination or redistribution is strictly prohibited. This is a user presentation of the data. Russell Investment Group is not responsible for the formatting or configuration of this material or for any inaccuracy in presentation thereof.

This document may contain data provided by Morningstar. All rights reserved. Use of this content requires expert knowledge. It is to be used by specialist institutions only. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied, adapted or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information, except where such damages or losses cannot be limited or excluded by law in your jurisdiction. Past financial performance is not guarantee of future results.

**Clients first.**



CHICAGO | CLEVELAND | DALLAS | DETROIT | ORLANDO | PITTSBURGH | RENO

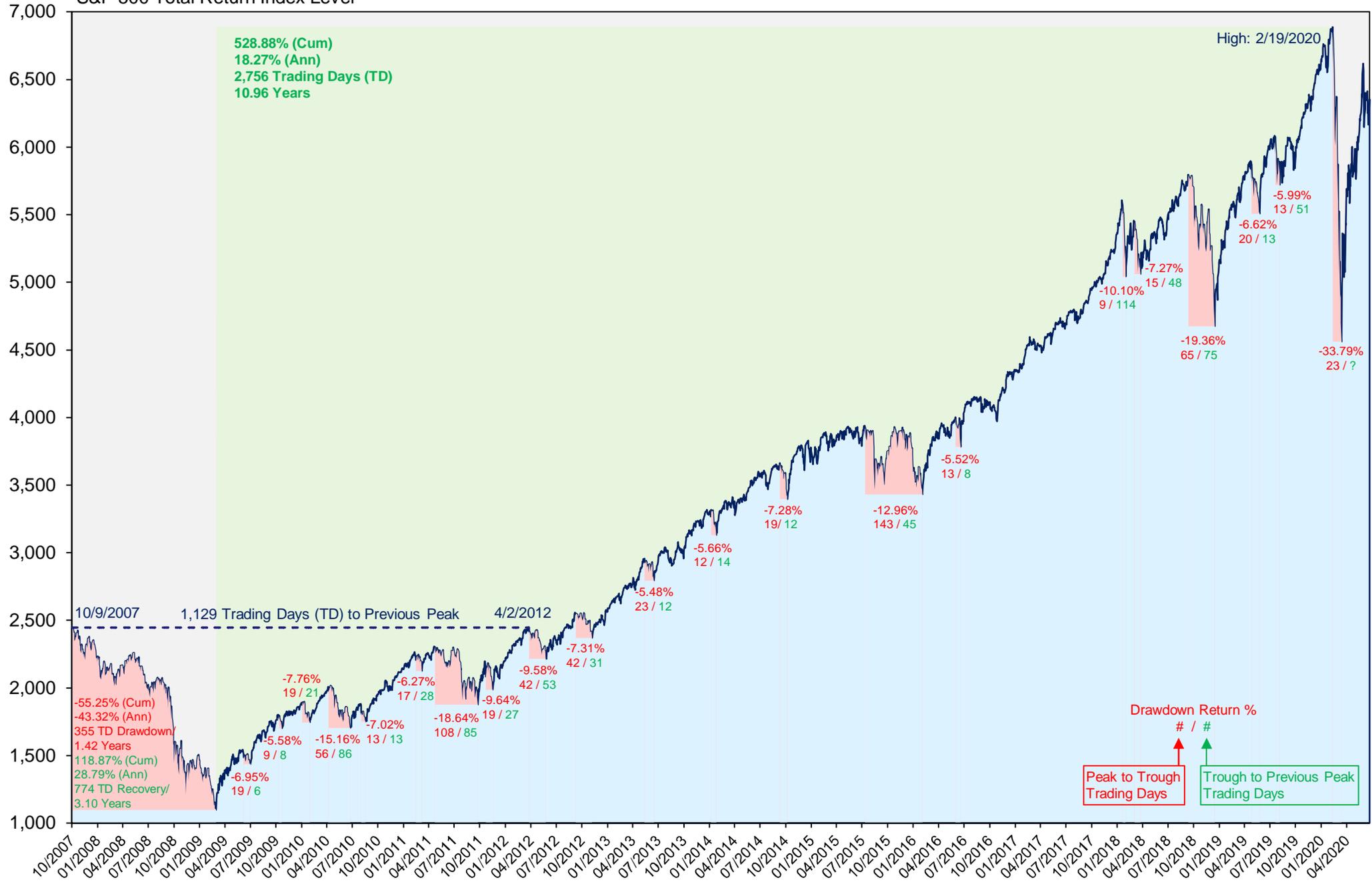
**AndCo Consulting** | (844) 44-ANDCO | *AndCoConsulting.com*

# S&P 500 Total Return Index History

## Drawdowns of Greater Than 5% Since Index Pre-Crisis Peak

10/9/2007 – 6/30/2020

S&P 500 Total Return Index Level



Source: AndCo Consulting, using data and information derived from Bloomberg.



This presentation is provided for informational purposes only and should not be regarded as investment advice or as a recommendation regarding any particular course of action.

Information is based on sources and data believed to be reliable, but AndCo cannot guarantee the accuracy, adequacy or completeness of the information. The material provided herein is valid as of the date of distribution and not as of any future date, and will not be updated or otherwise revised to reflect information that subsequently becomes available, or circumstances existing or changes occurring after such date.

This document demonstrates historical data for illustrative purposes only. Any return data represents past performance and does not represent expected future performance or outcomes.

AndCo Consulting is an investment adviser registered with the U.S. Securities and Exchange Commission ("SEC"). Registration as an investment adviser does not constitute an endorsement of the firm by securities regulators nor does it indicate that the adviser has attained a particular level of skill or ability.

IPOPIF

## MEMO

**TRANSITION  
BOARD MEMBERS****Shawn Curry***Participant Representative  
Peoria, IL***Andrea DiGiacinto***Participant Representative  
Libertyville, IL***Brian Prochaska***Participant Representative  
Joliet, IL***Daniel Hopkins***Beneficiary Representative  
Collinsville, IL***Mark Poulos***Beneficiary Representative  
Rock Island, IL***Elizabeth Holleb***Municipal Representative  
Lake Forest, IL***Michael Inman***Municipal Representative  
Macomb, IL***Phil Suess***Municipal Representative  
Wheaton, IL***Brad Cole***IML Representative  
Springfield, IL*

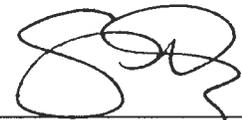
**TO:** All Illinois Article 3 Pension Fund Boards  
**FROM:** Illinois Police Officers' Pension Investment Fund  
**DATE:** July 10, 2020  
**RE:** Election Committee Update - Trustee Elections for the Permanent Board

As you are aware, in December 2019 Governor Pritzker signed SB 1300 and PA 101-0610 creating the Illinois Police Officers' Pension Investment Fund (hereinafter the "IPOPIF"). The IPOPIF Board has been seated and is now in the process of preparing rules and regulations governing the election for the permanent elected Board, which must be conducted by the end of 2020.

The IPOPIF is in the process of developing a complete and comprehensive procedure for this upcoming election, but the first step is the creation of the database of eligible voters. The IPOPIF is contracted with Foster & Foster to build the voter file database to be utilized for the purposes of conducting the Trustee elections. Foster & Foster will be contacting all Illinois Article 3 Pension Funds to request member information. A letter of instructions along with an Excel spreadsheet will be provided via email to each Pension Fund for completion. Your failure to provide the requested information by the due date will result in your participants and beneficiaries being ineligible and unable to vote in this election. We sincerely hope this will not be the case.

Some local pension boards have expressed concern as to whether or not the member information provided will be protected from disclosure. We can assure you that any unique identifiers (such as home addresses and email addresses) will not be disclosed, as that information is exempt from disclosure under FOIA. Section 22B-116(a) of the Illinois Pension Code imposes a duty upon your Fund to cooperate with the IPOPIF for purposes of obtaining the necessary information to conduct the upcoming election.

We realize this is a monumental task, but our responsibility is to build a database so that all eligible officers and beneficiaries are included and capable of participating in this very important election. We thank you for your anticipated cooperation and assistance in this matter. Please feel free to contact our Executive Director, Rich White, with any questions or concerns at [ILPOPIF@gmail.com](mailto:ILPOPIF@gmail.com) or (331) 472-1080.



Shawn Curry, Chairperson



Daniel Hopkins, Vice-Chairperson

## **2020 IPPFA Trustee Training Opportunities**

### **IPPFA ONLINE SEMINAR COURSE**

- WHEN:** Ongoing (NEW)  
• Online 8 hr seminar (Recorded Spring, 2020)
- WHERE:** IPPFA Website:  
[www.ippfa.org/education/online-classes/](http://www.ippfa.org/education/online-classes/)
- COST:** IPPFA MEMBER: \$250.00/seminar  
IPPFA NON-MEMBER: \$450.00/seminar

This online seminar agenda includes:

- Consolidation Updates
- Retirement Healthcare Funding and Deferred Compensation
- Fiduciary Liability and Cyberliability Landscape
- Economic/Investment Market Review and Update
- Who Wants to Be a Pension Expert?
- Legal and Legislative Updates
- Pre-Consolidation Actuarial Review
- Improving Your Public Pension Knowledge
- Ask Your Attorney Q&A Session (Video)
- Legal Updates and Recent Court Cases (Video)
- Pensions and Collective Bargaining (Video)

*-this online seminar satisfies 8 hours of the required continuing pension trustee training*

---

### **2020 MIDAMERICAN PENSION CONFERENCE\***

- DATE:** Wednesday, September 30 to Friday, October 2, 2020
- WHERE:** Embassy Suites  
1823 Abriter Court  
Naperville, IL 60563
- COST:** IPPFA MEMBER: \$385.00/seminar  
IPPFA NON-MEMBER: \$795.00/seminar

Room Rate: \$149.00/night plus taxes and fees

*Call the Embassy Suites Hotel directly at (630) 799-5900 to make your reservation; be sure to mention "IPPFA" when you call*

\*The Conference is being offered both in-person and virtually. Please note that in-person registration will be limited due to social distancing guidelines.

## 16-hour Certified Trustee Programs\* offered through IPPFA

### IPPFA Online Certified Trustee Programs

Registration is online at the IPPFA website [www.ippfa.org/education/trustee-program/](http://www.ippfa.org/education/trustee-program/)

**Cost:** IPPFA Member: \$ 550.00  
IPPFA Non-Member: \$1050.00

---

\*On December 18, 2019, Governor J.B. Pritzker signed SB 1300, making it Public Act 101-0610. This act will consolidate all Article 3 and 4 pension fund's investment assets. Under Public Act 101-0610, **training requirements have now been reduced from 32-hours to 16-hours of new trustee training**, however all pension trustees will still need 4-hours of mandatory consolidation transition training.

All Article 3 & 4 Pension Trustees elected or appointed are required to complete the 16-hour trustee certification course within 18 months of election or appointment to the board.

## 8-hour Trustee Program\* offered through IPFA

### IPFA Trustee Training Program

Registration is online at the IPFA website [www.ipfaonline.org](http://www.ipfaonline.org)

**DATE:** Friday, November 6, 2020

**WHERE:** Empress Banquets  
200 E Lake Street  
Addison, IL 60101

---



## *Need Pension Training? IAFPD Can Help!*

**IAFPD HAS CONVENIENT, AFFORDABLE & TIMELY TOPICS  
AVAILABLE ONLINE 24/7 - VISIT THE ONLINE LEARNING PAGE  
AT [IAFPD.ORG](http://IAFPD.ORG) FOR DETAILS**

<b><i>Fiduciary Responsibility: Duties, Responsibilities &amp; Worse Case Scenarios (2-hours)</i></b>	
<p><b><u>Part One - Fiduciary Duty 101</u></b>  <b>Presented by Ryan R. Morton</b>  <i>In addition to general best practices, the presentation also details specific requirements of the Illinois Pension Code for fiduciaries.</i></p>	<p><b><u>Part Two - When What Can Go Wrong, Goes Wrong: Fiduciary Dilemmas</u></b>  <b>Presented by: John E. Motylinski</b>  <i>This presentation highlights examples of fiduciary breaches in Illinois, focusing on what went wrong and what the consequences were. The presentation also provides advice to avoid similar situations in your pension fund.</i></p>
<b><i>The Fundamentals of Pension Fund Administration (2 Hours)</i></b>	
<p><b><u>Part One - An Overview of the Legal Aspects of Pension Fund Administration</u></b>  <b>Presented by Carolyn Welch Clifford</b>  <i>This webinar presents an overview of the legal authority and State oversight of firefighter pension funds, as well as an introduction to fund membership and legal aspects of the control and management of the fund.</i></p>	<p><b><u>Part Two - The Practical Aspects of Administering a Firefighters' Pension Fund</u></b>  <b>Presented by Lt. J.D. Bruchsaler</b>  <i>A veteran pension fund trustee provides a firsthand account of the responsibilities for administering a pension fund, from learning your role as trustee to what has worked (and not worked) in overseeing responsibilities as a fiduciary to the fund.</i></p>



## Date & Location

September 8-10, 2020

Jumer's Casino & Hotel

777 Jumer Drive

(I-280 & Hwy 92)

Rock Island, IL 61020

(309) 756-4600 – (800) 477-7747

Web site: [www.jumerscasinohotel.com](http://www.jumerscasinohotel.com)

**Jumer's is not currently able to take reservations. More information coming soon.**

## Training Details

### **Tuesday, September 8th**

- **IPPAC Golf Outing at Highland Springs Golf Course**

Executive tee times begin at 9 am

9500 35th St W, Rock Island, IL 61201

- **Welcome Cocktail Reception at Jumer's**

5:00 pm – 6:30 pm

### **Wednesday, September 9th**

- **Breakfast**  
7:45 am – 8:55 am
- **General Educational Sessions**  
Continuing Education including Ethics Training  
8:55 am – 5:00 pm (*Lunch included*)
- **Prime Rib Dinner**  
6:00 pm – 8:00 pm
- **Entertainment**  
7:30 pm – 8:30 pm

## **Thursday, September 10th**

- **Breakfast**  
7:45 am – 8:55 am
- **4 Hour Training mandated by Senate Bill 1300, Public Act 101-0610**  
8:55 am (*Working Lunch included*)

VILLAGE OF WINNETKA  
POLICE PENSION FUND  
ACTUARIAL VALUATION  
AS OF JANUARY 1, 2020  
CONTRIBUTIONS APPLICABLE TO THE  
PLAN/FISCAL YEAR ENDING DECEMBER 31, 2021  
GASB 67/68 DISCLOSURE INFORMATION  
AS OF DECEMBER 31, 2019



**FOSTER & FOSTER**  
ACTUARIES AND CONSULTANTS

June 10, 2020

Mr. Timothy Sloth  
Finance Director  
Village of Winnetka  
510 Green Bay Road  
Winnetka, IL 60093

Re: Actuarial Valuation Report (including GASB Statements No. 67 and No. 68) – Village of Winnetka Police Pension Fund

Dear Mr. Sloth:

We are pleased to present to the Village this report of the annual actuarial valuation of the Village of Winnetka Police Pension Fund. Included are the related results for GASB Statements No. 67 and No. 68. The funding valuation was performed to determine whether the assets and contributions are sufficient to provide the prescribed benefits and to develop the appropriate funding requirements for the applicable plan year. The calculation of the liability for GASB results was performed for the purpose of satisfying the requirements of GASB Statements No. 67 and No. 68. Use of the results for other purposes may not be applicable and could produce significantly different results.

The valuation has been conducted in accordance with generally accepted actuarial principles and practices, including the applicable Actuarial Standards of Practice as issued by the Actuarial Standards Board, and reflects laws and regulations issued to date pursuant to the provisions of Article 3, Illinois Pension Code, as well as applicable federal laws and regulations. In our opinion, the assumptions used in this valuation, as adopted by the Board of Trustees, represent reasonable expectations of anticipated plan experience. Future actuarial measurements may differ significantly from the current measurements presented in this report for a variety of reasons including: changes in applicable laws, changes in plan provisions, changes in assumptions, or plan experience differing from expectations. Due to the limited scope of the valuation, we did not perform an analysis of the potential range of such future measurements.

In conducting the valuation, we have relied on personnel, plan design, and asset information supplied by the Village, financial reports prepared by the custodian bank and the actuarial assumptions and methods described in the Actuarial Assumptions section of this report. While we cannot verify the accuracy of all this information, the supplied information was reviewed for consistency and reasonableness. As a result of this review, we have no reason to doubt the substantial accuracy of the information and believe that it has produced appropriate results. This information, along with any adjustments or modifications, is summarized in various sections of this report.

The total pension liability, net pension liability, and certain sensitivity information shown in the GASB results are based on an actuarial valuation performed as of the valuation date.

The undersigned are familiar with the immediate and long-term aspects of pension valuations and meet the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinions contained herein. All of the sections of this report are considered an integral part of the actuarial opinions.

To our knowledge, no associate of Foster & Foster, Inc. working on valuations of the program has any direct financial interest or indirect material interest in the Village of Winnetka, nor does anyone at Foster & Foster, Inc. act as a member of the Board of Trustees of the Village of Winnetka Police Pension Fund. Thus, there is no relationship existing that might affect our capacity to prepare and certify this actuarial report.

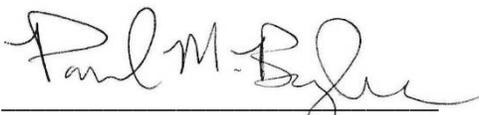
If there are any questions, concerns, or comments about any of the items contained in this report, please contact us at 630-620-0200.

Respectfully submitted,

Foster & Foster, Inc.

By:   
Jason L. Franken, FSA, EA, MAAA

By:   
Heidi E. Andorfer, FSA, EA, MAAA

By:   
Paul M. Baugher, FSA, EA, MAAA

JLF/lke  
Enclosures

## TABLE OF CONTENTS

Section	Title	Page
I	Introduction	
	a. Summary of Report	5
	b. Changes Since Prior Valuation	6
	c. Comparative Summary of Principal Valuation Results	7
II	Valuation Information	
	a. Development of Amortization Payment	12
	b. Detailed Actuarial (Gain)/Loss Analysis	13
	c. Reconciliation of Changes in Contribution Requirement	14
	d. Statutory Minimum Required Contribution	15
	e. Projection of Benefit Payments	16
	f. Actuarial Assumptions and Methods	17
	g. Glossary	19
	h. Discussion of Risk	20
III	Trust Fund	23
IV	Member Statistics	
	a. Statistical Data	27
	b. Age and Service Distribution	28
	c. Valuation Participant Reconciliation	29
V	Summary of Current Plan	30
VI	Governmental Accounting Standards Board Statements No. 67 and No. 68 Disclosure Information	33

SUMMARY OF REPORT

The regular annual actuarial valuation of the Village of Winnetka Police Pension Fund, performed as of January 1, 2020, has been completed and the results are presented in this Report. The contribution amounts set forth herein are applicable to the plan/fiscal year ended December 31, 2021.

The contribution requirements, compared with those set forth in the January 1, 2019 actuarial report, are as follows:

Valuation Date Applicable to Fiscal Year Ending	1/1/2020 <u>12/31/2021</u>	1/1/2019 <u>12/31/2020</u>
Total Recommended Contribution	\$2,131,884	\$1,986,969
% of Projected Annual Payroll	74.6%	73.8%
Member Contributions (Est.)	283,197	266,774
% of Projected Annual Payroll	9.9%	9.9%
Village Recommended Contribution	1,848,687	1,720,195
% of Projected Annual Payroll	64.7%	63.9%

As you can see, the Total Recommended Contribution shows an increase when compared to the results determined in the January 1, 2019 actuarial valuation report. The increase is attributable to changes to the Tier 2 benefits and the natural increase in the amortization payment due to the payroll growth assumption. The increase was offset in part by favorable plan experience.

Plan experience was favorable overall on the basis of the plan's actuarial assumptions. The primary source of favorable experience was an average salary increase of 1.80% which fell short of the 4.39% assumption. This gain was offset in part by a loss associated with lower than expected inactive mortality. and an investment return of 6.17% (Actuarial Asset Basis) which fell short of the 6.25% assumption.

## CHANGES SINCE PRIOR VALUATION

### Plan Changes Since Prior Valuation

As a result of Public Act 101-0610, signed into law on December 18, 2019, the following updates were made to the Tier 2 benefits:

- The surviving spouse benefit for non-line of duty death was updated to mirror Tier 1 benefits, whereby Tier 2 surviving spouses will now receive 54% of final average salary, even prior to achieving vesting at 10 years of service.
- The pensionable salary cap increased retroactive to 2011 to alleviate safe harbor concerns, updating the annual adjustment to be CPI-U instead of 50% of CPI-U. The 3% annual growth cap remains in place.
- The final average salary was increased from averaging the highest consecutive 96 of the last 120 months of salary to averaging the highest consecutive 48 of the last 60 months of salary.

### Actuarial Assumption/Method Changes Since Prior Valuation

There were no assumption or method changes since the prior valuation.

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS

	New Benefits <u>1/1/2020</u>	Old Benefits <u>1/1/2020</u>	<u>1/1/2019</u>
<b>A. Participant Data</b>			
Number Included			
Actives	28	28	26
Service Retirees	25	25	24
Beneficiaries	5	5	5
Disability Retirees	1	1	1
Terminated Vested	<u>8</u>	<u>8</u>	<u>9</u>
Total	67	67	65
Total Annual Payroll	\$2,857,689	\$2,857,689	\$2,691,970
Payroll Under Assumed Ret. Age	2,857,689	2,857,689	2,691,970
Annual Rate of Payments to:			
Service Retirees	1,912,711	1,912,711	1,828,251
Beneficiaries	219,622	219,622	219,622
Disability Retirees	42,829	42,829	42,829
Terminated Vested	36,297	36,297	36,297
<b>B. Assets</b>			
Actuarial Value	31,915,764	31,915,764	30,455,193
Market Value	32,551,979	32,551,979	29,847,262
<b>C. Liabilities</b>			
Present Value of Benefits			
Actives			
Retirement Benefits	20,205,783	19,265,159	18,446,928
Disability Benefits	1,529,364	1,470,910	1,397,618
Death Benefits	219,925	161,789	153,311
Vested Benefits	1,086,567	1,060,907	1,034,322
Service Retirees	28,882,338	28,882,338	28,221,339
Beneficiaries	1,754,823	1,754,823	1,815,388
Disability Retirees	842,546	842,546	833,622
Terminated Vested	<u>276,793</u>	<u>276,793</u>	<u>270,520</u>
Total	54,798,139	53,715,265	52,173,048

C. Liabilities - (Continued)	New Benefits <u>1/1/2020</u>	Old Benefits <u>1/1/2020</u>	<u>1/1/2019</u>
Present Value of Future Salaries	28,235,172	27,307,367	26,209,543
Present Value of Future Member Contributions	2,798,106	2,706,160	2,597,366
Normal Cost (Retirement)	571,456	525,769	514,314
Normal Cost (Disability)	102,562	100,941	99,615
Normal Cost (Death)	12,376	8,414	7,859
Normal Cost (Vesting)	<u>72,353</u>	<u>71,076</u>	<u>63,334</u>
Total Normal Cost	758,747	706,200	685,122
Present Value of Future Normal Costs	6,811,001	5,968,172	5,769,825
Accrued Liability (Retirement)	14,976,559	14,750,311	14,035,960
Accrued Liability (Disability)	561,143	553,259	529,298
Accrued Liability (Death)	89,704	90,224	87,657
Accrued Liability (Vesting)	603,232	596,799	609,439
Accrued Liability (Inactives)	<u>31,756,500</u>	<u>31,756,500</u>	<u>31,140,869</u>
Total Actuarial Accrued Liability	47,987,138	47,747,093	46,403,223
Unfunded Actuarial Accrued Liability (UAAL)	16,071,374	15,831,329	15,948,030
Funded Ratio (AVA / AL)	66.5%	66.8%	65.6%

	New Benefits <u>1/1/2020</u>	Old Benefits <u>1/1/2020</u>	<u>1/1/2019</u>
D. Actuarial Present Value of Accrued Benefits			
Vested Accrued Benefits			
Inactives	31,756,500	31,756,500	31,140,869
Actives	6,997,485	6,865,689	6,304,965
Member Contributions	<u>2,763,808</u>	<u>2,763,808</u>	<u>2,542,529</u>
Total	41,517,793	41,385,997	39,988,363
Non-vested Accrued Benefits	<u>632,325</u>	<u>669,722</u>	<u>693,040</u>
Total Present Value Accrued Benefits	42,150,118	42,055,719	40,681,403
Funded Ratio (MVA / PVAB)	77.2%	77.4%	73.4%
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:			
Plan Amendments	94,399	0	
Assumption Changes	0	0	
New Accrued Benefits	0	1,049,212	
Benefits Paid	0	(2,150,287)	
Interest	0	2,475,391	
Other	<u>0</u>	<u>0</u>	
Total	94,399	1,374,316	

Valuation Date	New Benefits 1/1/2020	Old Benefits 1/1/2020	1/1/2019
Applicable to Fiscal Year Ending	<u>12/31/2021</u>	<u>12/31/2021</u>	<u>12/31/2020</u>

E. Pension Cost

Normal Cost <sup>1</sup>	\$806,169	\$750,338	\$727,942
% of Total Annual Payroll <sup>1</sup>	28.2	26.2	27.0
Administrative Expenses <sup>1</sup>	35,958	35,958	39,706
% of Total Annual Payroll <sup>1</sup>	1.3	1.3	1.5
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 16 years (as of 1/1/2020) <sup>1</sup>	1,289,757	1,270,493	1,219,321
% of Total Annual Payroll <sup>1</sup>	45.1	44.5	45.3
Total Recommended Contribution	2,131,884	2,056,789	1,986,969
% of Total Annual Payroll <sup>1</sup>	74.6	72.0	73.8
Expected Member Contributions <sup>1</sup>	283,197	283,197	266,774
% of Total Annual Payroll <sup>1</sup>	9.9	9.9	9.9
Expected Village Contribution	1,848,687	1,773,592	1,720,195
% of Total Annual Payroll <sup>1</sup>	64.7	62.1	63.9

F. Past Contributions

Plan Years Ending:	<u>12/31/2019</u>
Total Recommended Contribution	1,800,530
Village Requirement	1,519,805
Actual Contributions Made:	
Members (excluding buyback)	280,725
Village	<u>1,496,469</u>
Total	1,777,194

G. Net Actuarial (Gain)/Loss (53,251)

<sup>1</sup> Contributions developed as of 1/1/2020 displayed above have been adjusted to account for assumed interest.

H. Schedule Illustrating the Amortization of the Total Unfunded Actuarial Accrued Liability as of:

<u>Year</u>	<u>Projected Unfunded Accrued Liability</u>
2020	16,071,374
2021	15,786,078
2022	15,437,809
2026	13,298,533
2029	10,719,432
2033	5,549,282
2036	0

I. (i) 3 Year Comparison of Actual and Assumed Salary Increases

		<u>Actual</u>	<u>Assumed</u>
Year Ended	12/31/2019	1.80%	4.39%
Year Ended	12/31/2018	5.38%	4.41%
Year Ended	12/31/2017	5.78%	5.07%

(ii) 3 Year Comparison of Investment Return on Actuarial Value

		<u>Actual</u>	<u>Assumed</u>
Year Ended	12/31/2019	6.17%	6.25%
Year Ended	12/31/2018	5.11%	6.25%
Year Ended	12/31/2017	8.49%	6.25%

DEVELOPMENT OF JANUARY 1, 2020 AMORTIZATION PAYMENT

(1)	Unfunded Actuarial Accrued Liability as of January 1, 2019	\$15,948,030
(2)	Sponsor Normal Cost developed as of January 1, 2019	418,348
(3)	Expected administrative expenses for the year ended December 31, 2019	37,370
(4)	Expected interest on (1), (2) and (3)	1,024,066
(5)	Sponsor contributions to the System during the year ended December 31, 2019	1,496,469
(6)	Expected interest on (5)	46,765
(7)	Expected Unfunded Actuarial Accrued Liability as of December 31, 2019, (1)+(2)+(3)+(4)-(5)-(6)	15,884,580
(8)	Change to UAAL due to Benefits Change	240,045
(9)	Change to UAAL due to Actuarial (Gain)/Loss	(53,251)
(10)	Unfunded Accrued Liability as of January 1, 2020	16,071,374
(11)	UAAL Subject to Amortization (100% AAL less Actuarial Assets)	16,071,374

<u>Date</u> <u>Established</u>	<u>Years</u> <u>Remaining</u>	<u>1/1/2020</u> <u>Amount</u>	<u>Amortization</u> <u>Amount</u>
1/1/2020	16	16,071,374	1,213,889

DETAILED ACTUARIAL (GAIN)/LOSS ANALYSIS

(1) Unfunded Actuarial Accrued Liability (UAAL) as of January 1, 2019	\$15,948,030
(2) Expected UAAL as of January 1, 2020	15,884,580
 (3) Summary of Actuarial (Gain)/Loss, by component:	
Investment Return (Actuarial Asset Basis)	23,226
Salary Increases	(339,727)
Active Decrements	(70,883)
Inactive Mortality	274,899
Other	<u>59,234</u>
Change in UAAL due to (Gain)/Loss	(53,251)
Change to UAAL due to Benefits Change	<u>240,045</u>
(4) Actual UAAL as of January 1, 2020	\$16,071,374

RECONCILIATION OF CHANGES IN CONTRIBUTION REQUIREMENT

(1) Contribution Determined as of January 1, 2019	\$1,720,195
(2) Summary of Contribution Impact by component:	
Change in Normal Cost	22,396
Change in Assumed Administrative Expense	(3,748)
Investment Return (Actuarial Asset Basis)	1,864
Salary Increases	(27,264)
New Entrants	0
Active Decrements	(5,688)
Inactive Mortality	22,061
Contributions (More) or Less than Recommended	1,931
Increase in Amortization Payment Due to Payroll Growth Assumption	42,676
Change in Expected Member Contributions	(16,423)
Benefits Change	75,095
Other	<u>15,592</u>
Total Change in Contribution	128,492
(3) Contribution Determined as of January 1, 2020	\$1,848,687

## STATUTORY MINIMUM REQUIRED CONTRIBUTION

Contribution requirements shown on this page are calculated according to statutory minimum funding requirements of the Illinois Pension Code. We do not believe this method is sufficient to fund future benefits; as such, we recommend funding according to the contributions developed in Section E of this report.

	New Benefits	Old Benefits	
Valuation Date	1/1/2020	1/1/2020	1/1/2019
Applicable to Fiscal Year Ending	<u>12/31/2021</u>	<u>12/31/2021</u>	<u>12/31/2020</u>
Actuarial Accrued Liability (PUC)	46,847,529	46,647,548	45,347,926
Actuarial Value of Assets	<u>31,915,764</u>	<u>31,915,764</u>	<u>30,455,193</u>
Unfunded Actuarial Accrued Liability (UAAL)	14,931,765	14,731,784	14,892,733
UAAL Subject to Amortization	10,247,012	10,067,029	10,357,940
Normal Cost <sup>1</sup>	\$902,292	\$860,290	\$836,672
% of Total Annual Payroll <sup>1</sup>	31.5	30.1	31.1
Administrative Expenses <sup>1</sup>	35,958	35,958	39,706
% of Total Annual Payroll <sup>1</sup>	1.3	1.3	1.5
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 21 years (as of 1/1/2020) <sup>1</sup>	665,474	653,786	649,780
% of Total Annual Payroll <sup>1</sup>	23.3	22.8	24.1
Total Required Contribution	1,603,724	1,550,034	1,526,158
% of Total Annual Payroll <sup>1</sup>	56.1	54.2	56.7
Expected Member Contributions <sup>1</sup>	283,197	283,197	266,774
% of Total Annual Payroll <sup>1</sup>	9.9	9.9	9.9
Expected Village Contribution	1,320,527	1,266,837	1,259,384
% of Total Annual Payroll <sup>1</sup>	46.2	44.3	46.8

Assumptions and Methods:

Actuarial Cost Method  
Amortization Method

Projected Unit Credit  
90% Funding by 2040

All other assumptions and methods are as described in the Actuarial Assumptions and Methods section.

<sup>1</sup> Contributions developed as of 1/1/2020 displayed above have been adjusted to account for assumed interest.

PROJECTION OF BENEFIT PAYMENTS

Year	Payments for Current Actives	Payments for Current Inactives	Total Payments
2020	88,021	2,208,128	2,296,149
2021	187,955	2,184,815	2,372,770
2022	294,560	2,230,280	2,524,840
2023	400,094	2,261,948	2,662,042
2024	494,308	2,291,635	2,785,943
2025	591,708	2,319,007	2,910,715
2026	695,048	2,343,598	3,038,646
2027	782,433	2,364,818	3,147,251
2028	885,851	2,381,947	3,267,798
2029	1,002,306	2,412,581	3,414,887
2030	1,113,989	2,420,237	3,534,226
2031	1,217,414	2,421,254	3,638,668
2032	1,314,802	2,414,794	3,729,596
2033	1,420,436	2,400,084	3,820,520
2034	1,511,604	2,376,483	3,888,087
2035	1,621,045	2,343,526	3,964,571
2036	1,766,168	2,300,986	4,067,154
2037	1,900,770	2,248,957	4,149,727
2038	2,012,747	2,222,849	4,235,596
2039	2,111,613	2,154,064	4,265,677
2040	2,282,688	2,077,532	4,360,220
2041	2,409,495	1,994,243	4,403,738
2042	2,515,334	1,905,270	4,420,604
2043	2,612,628	1,811,749	4,424,377
2044	2,763,937	1,714,811	4,478,748
2045	2,907,098	1,615,561	4,522,659
2046	3,001,710	1,514,992	4,516,702
2047	3,136,129	1,414,135	4,550,264
2048	3,217,568	1,313,956	4,531,524
2049	3,332,868	1,215,293	4,548,161
2050	3,399,004	1,118,834	4,517,838
2051	3,471,337	1,025,127	4,496,464
2052	3,508,944	934,598	4,443,542
2053	3,531,375	847,580	4,378,955
2054	3,539,606	764,376	4,303,982
2055	3,535,320	685,254	4,220,574
2056	3,515,333	610,459	4,125,792
2057	3,482,714	540,164	4,022,878
2058	3,436,093	474,564	3,910,657
2059	3,377,451	413,822	3,791,273

## ACTUARIAL ASSUMPTIONS AND METHODS

Interest Rate	6.25% per year compounded annually, net of investment related expenses. This is supported by the target asset allocation of the trust and the expected long-term return by asset class.
Mortality Rate	<p><b>Active Lives:</b> PubS-2010 Employee mortality, projected 5 years past the valuation date with Scale MP-2019. 10% of active deaths are assumed to be in the line of duty.</p> <p><b>Inactive Lives:</b> PubS-2010 Healthy Retiree mortality, projected 5 years past the valuation date with Scale MP-2019.</p> <p><b>Beneficiaries:</b> PubS-2010 Survivor mortality, projected 5 years past the valuation date with Scale MP-2019.</p> <p><b>Disabled Lives:</b> PubS-2010 Disabled mortality, projected 5 years past the valuation date with Scale MP-2019.</p> <p>The mortality assumptions sufficiently accommodate anticipated future mortality improvements.</p>
Retirement Age	See table later in this section. This is based on a 2017 experience study performed for the State of Illinois Department of Insurance.
Disability Rate	See table later in this section. 60% of the disabilities are assumed to be in the line of duty. This is based on a 2017 experience study performed for the State of Illinois Department of Insurance.
Termination Rate	See table later in this section. This is based on a 2017 experience study performed for the State of Illinois Department of Insurance.
Inflation	2.50%.
Cost-of-Living Adjustment	<p><u>Tier 1:</u> 3.00% per year after age 55. Those that retire prior to age 55 receive an increase of 1/12 of 3.00% for each full month since benefit commencement upon reaching age 55.</p> <p><u>Tier 2:</u> 1.25% per year after the later of attainment of age 60 or first anniversary of retirement.</p>

Salary Increases

Rates vary by service from 0 to 10 years, with level increases after 10 years. This assumption is consistent with assumed increase rates for other municipal Police plans.

Service	Rate
0	8.34%
1	5.42%
2	10.37%
3	7.46%
4	2.50%
5	2.50%
6	2.50%
7	2.50%
8	2.50%
9	5.40%
10	4.00%

Marital Status

80% of Members are assumed to be married.

Spouse's Age

Males are assumed to be three years older than females.

Funding Method

Entry Age Normal Cost Method.

Actuarial Asset Method

Investment gains and losses are smoothed over a 5-year period.

Funding Policy Amortization Method

The UAAL is amortized according to a Level Percentage of Payroll method over a period ending in 2035. The initial amortization amount is 100% of the Accrued Liability less the Actuarial Value of Assets.

Payroll Growth

3.50% per year.

Administrative Expenses

Expenses paid out of the fund other than investment-related expenses are assumed to be equal to those paid in the previous year.

Decrement Tables

% Terminating During the Year		% Becoming Disabled During the Year		% Retiring During the Year (Tier 1)		% Retiring During the Year (Tier 2)	
Age	Rate	Age	Rate	Age	Rate	Age	Rate
20	14.00%	20	0.000%	50 - 51	15%	50 - 54	5%
25	10.40%	25	0.030%	52 - 54	20%	55	40%
30	5.60%	30	0.140%	55 - 64	25%	56 - 64	25%
35	3.10%	35	0.260%	65 - 69	40%	65 - 69	40%
40	1.90%	40	0.420%	70+	100%	70+	100%
45	1.50%	45	0.590%				
50	1.50%	50	0.710%				
56+	0.00%	55	0.900%				
		60	1.150%				

## GLOSSARY

Total Annual Payroll is the projected annual rate of pay for the fiscal year following the valuation date of all covered members.

Present Value of Benefits is the single sum value on the valuation date of all future benefits to be paid to current Members, Retirees, Beneficiaries, Disability Retirees and Vested Terminations.

Normal (Current Year's) Cost is the current year's cost for benefits yet to be funded.

Unfunded Accrued Liability is a liability which arises when a pension plan is initially established or improved and such establishment or improvement is applicable to all years of past service.

Total Recommended Contribution is equal to the Normal Cost plus an amount sufficient to amortize the Unfunded Accrued Liability over a period ending in 2035. The recommended amount is adjusted for interest according to the timing of contributions during the year.

Entry Age Normal Cost Method - Under this method, the normal cost is the sum of the individual normal costs for all active participants. For an active participant, the normal cost is the participant's normal cost accrual rate, multiplied by the participant's current compensation.

- (a) The normal cost accrual rate equals:
  - (i) the present value of future benefits for the participant, determined as of the participant's entry age, divided by
  - (ii) the present value of the compensation expected to be paid to the participant for each year of the participant's anticipated future service, determined as of the participant's entry age.
- (b) In calculating the present value of future compensation, the salary scale is applied both retrospectively and prospectively to estimate compensation in years prior to and subsequent to the valuation year based on the compensation used for the valuation.
- (c) The accrued liability is the sum of the individual accrued liabilities for all participants and beneficiaries. A participant's accrued liability equals the present value, at the participant's attained age, of future benefits less the present value at the participant's attained age of the individual normal costs payable in the future. A beneficiary's accrued liability equals the present value, at the beneficiary's attained age, of future benefits. The unfunded accrued liability equals the total accrued liability less the actuarial value of assets.
- (d) Under this method, the entry age used for each active participant is the participant's age at the time he or she would have commenced participation if the plan had always been in existence under current terms, or the age as of which he or she first earns service credits for purposes of benefit accrual under the current terms of the plan.

## DISCUSSION OF RISK

ASOP No. 51, Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions, states that the actuary should identify risks that, in the actuary's professional judgment, may reasonably be anticipated to significantly affect the plan's future financial condition.

Throughout this report, actuarial results are determined under various assumption scenarios. These results are based on the premise that all future plan experience will align with the plan's actuarial assumptions; however, there is no guarantee that actual plan experience will align with the plan's assumptions. It is possible that actual plan experience will differ from anticipated experience in an unfavorable manner that will negatively impact the plan's funded position.

Below are examples of ways in which plan experience can deviate from assumptions and the potential impact of that deviation. Typically, this results in an actuarial gain or loss representing the current-year financial impact on the plan's unfunded liability of the experience differing from assumptions; this gain or loss is amortized over a period of time determined by the plan's amortization method. When assumptions are selected that adequately reflect plan experience, gains and losses typically offset one another in the long term, resulting in a relatively low impact on the plan's contribution requirements associated with plan experience. When assumptions are too optimistic, losses can accumulate over time and the plan's amortization payment could potentially grow to an unmanageable level.

- Investment Return: When the rate of return on the Actuarial Value of Assets falls short of the assumption, this produces a loss representing assumed investment earnings that were not realized. Further, it is unlikely that the plan will experience a scenario that matches the assumed return in each year as capital markets can be volatile from year to year. Therefore, contribution amounts can vary in the future.
- Salary Increases: When a plan participant experiences a salary increase that was greater than assumed, this produces a loss representing the cost of an increase in anticipated plan benefits for the participant as compared to the previous year. The total gain or loss associated with salary increases for the plan is the sum of salary gains and losses for all active participants.
- Payroll Growth: The plan's payroll growth assumption, if one is used, causes a predictable annual increase in the plan's amortization payment in order to produce an amortization payment that remains constant as a percentage of payroll if all assumptions are realized. If payroll does not increase according to the plan's payroll growth assumption, the plan's amortization payment can increase significantly as a percentage of payroll even if all assumptions other than the payroll growth assumption are realized.
- Demographic Assumptions: Actuarial results take into account various potential events that could happen to a plan participant, such as retirement, termination, disability, and death. Each of these potential events is assigned a liability based on the likelihood of the event and the financial consequence of the event for the plan. Accordingly, actuarial liabilities reflect a blend of financial consequences associated with various possible outcomes (such as retirement at one of various possible ages). Once the outcome is known (e.g. the participant retires) the liability is adjusted to reflect the known outcome. This adjustment produces a gain or loss depending on whether the outcome was more or less favorable than other outcomes that could have occurred.

- **Contribution Risk:** This risk results from the potential that actual employer contributions may deviate from actuarially determined contributions, which are determined in accordance with the Board's funding policy. The funding policy is intended to result in contribution requirements that if paid when due, will result in a reasonable expectation that assets will accumulate to be sufficient to pay plan benefits when due. Contribution deficits, particularly large deficits and those that occur repeatedly, increase future contribution requirements and put the plan at risk for not being able to pay plan benefits when due.

### Impact of Plan Maturity on Risk

For newer pension plans, most of the participants and associated liabilities are related to active members who have not yet reached retirement age. As pension plans continue in operation and active members reach retirement ages, liabilities begin to shift from being primarily related to active members to being shared amongst active and retired members. Plan maturity is a measure of the extent to which this shift has occurred. It is important to understand that plan maturity can have an impact on risk tolerance and the overall risk characteristics of the plan. For example, plans with a large amount of retired liability do not have as long of a time horizon to recover from losses (such as losses on investments due to lower than expected investment returns) as plans where the majority of the liability is attributable to active members. For this reason, less tolerance for investment risk may be warranted for highly mature plans with a substantial inactive liability. Similarly, mature plans paying substantial retirement benefits resulting in a small positive or net negative cash flow can be more sensitive to near term investment volatility, particularly if the size of the fund is shrinking, which can result in less assets being available for investment in the market.

To assist with determining the maturity of the plan, we have provided some relevant metrics in the table following titled "Plan Maturity Measures and Other Risk Metrics". Highlights of this information are discussed below:

- The Support Ratio, determined as the ratio of active to inactive members, has decreased from 77.1% on January 1, 2017 to 71.8% on January 1, 2020, indicating that the plan has been rapidly maturing.
- The Accrued Liability Ratio, determined as the ratio of the Inactive Accrued Liability, which is the liability associated with members who are no longer employed but are due a benefit from the plan, to the Total Accrued Liability, is 66.2%. With a plan of this maturity, losses due to lower than expected investment returns or demographic factors will need to be made up for over a shorter time horizon than would be needed for a less mature plan.
- The Funded Ratio, determined as the ratio of the Actuarial Value of Assets to the Total Accrued Liability, has stayed approximately the same from January 1, 2017 to January 1, 2020.
- The Net Cash Flow Ratio, determined as the ratio of the Net Cash Flow (contributions minus benefit payments and administrative expenses) to the Market Value of Assets, stayed approximately the same from January 1, 2017 to January 1, 2020. The current Net Cash Flow Ratio of -1.3% indicates that contributions are not currently covering the plan's benefit payments and administrative expenses.

It is important to note that the actuary has identified the risks above as the most significant risks based on the characteristics of the plan and the nature of the project, however, it is not an exhaustive list of potential risks that could be considered. Additional advanced modeling, as well as the identification of additional risks, can be provided at the request of the audience addressed on page 2 of this report.

PLAN MATURITY MEASURES AND OTHER RISK METRICS

	<u>1/1/2017</u>	<u>1/1/2018</u>	<u>1/1/2019</u>	<u>1/1/2020</u>
<u>Support Ratio</u>				
Total Actives	27	26	26	28
Total Inactives	35	38	39	39
Actives / Inactives	77.1%	68.4%	66.7%	71.8%

Asset Volatility Ratio

Market Value of Assets (MVA)	27,118,359	30,199,235	29,847,262	32,551,979
Total Annual Payroll	2,607,617	2,568,172	2,691,970	2,857,689
MVA / Total Annual Payroll	1,040.0%	1,175.9%	1,108.8%	1,139.1%

Accrued Liability (AL) Ratio

Inactive Accrued Liability	27,125,306	30,177,730	31,140,869	31,756,500
Total Accrued Liability	41,587,868	43,523,909	46,403,223	47,987,138
Inactive AL / Total AL	65.2%	69.3%	67.1%	66.2%

Funded Ratio

Actuarial Value of Assets (AVA)	27,256,965	29,238,067	30,455,193	31,915,764
Total Accrued Liability	41,587,868	43,523,909	46,403,223	47,987,138
AVA / Total Accrued Liability	65.5%	67.2%	65.6%	66.5%

Net Cash Flow Ratio

Net Cash Flow <sup>1</sup>	(297,977)	(320,675)	(271,123)	(406,936)
Market Value of Assets (MVA)	27,118,359	30,199,235	29,847,262	32,551,979
Ratio	-1.1%	-1.1%	-0.9%	-1.3%

<sup>1</sup> Determined as total contributions minus benefit payments and administrative expenses.

STATEMENT OF FIDUCIARY NET POSITION  
December 31, 2019

<u>ASSETS</u>	MARKET VALUE
Cash and Cash Equivalents:	
Checking Account	415,661
Certificates of Deposit	388,208
Money Market	553,655
 Total Cash and Equivalents	 1,357,524
Receivables:	
Accrued Past Due Interest	51,919
 Total Receivable	 51,919
Investments:	
Corporate Bonds	3,868,207
U.S. Gov't and Agency Obligations	6,660,154
Insurance Company Contracts	2,197,789
Stocks	4,728,178
Mutual Funds	13,688,908
 Total Investments	 31,143,236
 Total Assets	 32,552,679
 <u>LIABILITIES</u>	
Liabilities:	
Payable:	
Expenses	700
 Total Liabilities	 700
Net Assets:	
Active and Retired Members' Equity	32,551,979
 NET POSITION RESTRICTED FOR PENSIONS	 32,551,979
 TOTAL LIABILITIES AND NET ASSETS	 32,552,679

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE YEAR ENDED December 31, 2019  
Market Value Basis

ADDITIONS

Contributions:

Member	280,725
Village	1,496,469

Total Contributions	1,777,194
---------------------	-----------

Investment Income:

Net Realized Gain (Loss)	(180,015)
Unrealized Gain (Loss)	2,372,881
Net Increase in Fair Value of Investments	2,192,866
Interest & Dividends	1,028,008
Less Investment Expense <sup>1</sup>	(108,749)

Net Investment Income	3,112,125
-----------------------	-----------

Total Additions	4,889,319
-----------------	-----------

DEDUCTIONS

Distributions to Members:

Benefit Payments	2,143,831
Refund of Contributions/Transfers	6,456

Total Distributions	2,150,287
---------------------	-----------

Administrative Expenses	33,843
-------------------------	--------

Total Deductions	2,184,130
------------------	-----------

Net Increase in Net Position	2,705,189
------------------------------	-----------

NET POSITION RESTRICTED FOR PENSIONS

Beginning of the Year	29,847,262
Adjustment to beginning of year	(472)

End of the Year	32,551,979
-----------------	------------

<sup>1</sup> Investment Related expenses include investment advisory, custodial and performance monitoring fees.

ACTUARIAL ASSET VALUATION

December 31, 2019

Actuarial Assets for funding purposes are developed by recognizing the total actuarial investment gain or loss for each Plan Year over a five year period. In the first year, 20% of the gain or loss is recognized. In the second year 40%, in the third year 60%, in the fourth year 80%, and in the fifth year 100% of the gain or loss is recognized. The actuarial investment gain or loss is defined as the actual return on investments minus the actuarial assumed investment return. Actuarial Assets shall not be less than 80% nor greater than 120% of the Market Value of Assets.

Plan Year Ending	Gain/(Loss)	Gains/(Losses) Not Yet Recognized				
		Amounts Not Yet Recognized by Valuation Year				
		2020	2021	2022	2023	2024
12/31/2016	589,552	117,910	0	0	0	0
12/31/2017	1,716,676	686,670	343,335	0	0	0
12/31/2018	(1,959,831)	(1,175,899)	(783,932)	(391,966)	0	0
12/31/2019	1,259,417	1,007,534	755,650	503,767	251,883	0
Total		636,215	315,053	111,801	251,883	0

Development of Investment Gain/Loss

Market Value of Assets, 12/31/2018	29,846,790
Contributions Less Benefit Payments & Administrative Expenses	(406,936)
Expected Investment Earnings <sup>1</sup>	1,852,708
Actual Net Investment Earnings	<u>3,112,125</u>
2019 Actuarial Investment Gain/(Loss)	1,259,417

<sup>1</sup> Expected Investment Earnings = 6.25% x (29,846,790 + 0.5 x -406,936)

Development of Actuarial Value of Assets

Market Value of Assets, 12/31/2019	32,551,979
(Gains)/Losses Not Yet Recognized	<u>(636,215)</u>
Actuarial Value of Assets, 12/31/2019	31,915,764
(A) 12/31/2018 Actuarial Assets:	30,455,193
(I) Net Investment Income:	
1. Interest and Dividends	1,028,008
2. Realized Gains (Losses)	(180,015)
3. Change in Actuarial Value	1,128,263
4. Investment Expenses	<u>(108,749)</u>
Total	1,867,507
(B) 12/31/2019 Actuarial Assets:	31,915,764
Actuarial Asset Rate of Return = (2 x I) / (A + B - I):	6.17%
Market Value of Assets Rate of Return:	10.50%
12/31/2019 Limited Actuarial Assets:	31,915,764
Actuarial Gain/(Loss) due to Investment Return (Actuarial Asset Basis)	(23,226)

CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS  
December 31, 2019  
Actuarial Asset Basis

INCOME		
Contributions:		
Member	280,725	
Village	1,496,469	
Total Contributions		1,777,194
Earnings from Investments		
Interest & Dividends	1,028,008	
Net Realized Gain (Loss)	(180,015)	
Change in Actuarial Value	1,128,263	
Total Earnings and Investment Gains		1,976,256
EXPENSES		
Administrative Expenses:		
Investment Related <sup>1</sup>	108,749	
Other	33,843	
Total Administrative Expenses		142,592
Distributions to Members:		
Benefit Payments	2,143,831	
Refund of Contributions/Transfers	6,456	
Total Distributions		2,150,287
Change in Net Assets for the Year		1,460,571
Net Assets Beginning of the Year		30,455,193
Net Assets End of the Year <sup>2</sup>		31,915,764

<sup>1</sup> Investment Related expenses include investment advisory, custodial and performance monitoring fees.

<sup>2</sup> Net Assets may be limited for actuarial consideration.

STATISTICAL DATA

	<u>1/1/2017</u>	<u>1/1/2018</u>	<u>1/1/2019</u>	<u>1/1/2020</u>
<u>Actives - Tier 1</u>				
Number	16	14	14	13
Average Current Age	47.1	47.0	48.0	48.1
Average Age at Employment	29.3	28.8	28.8	26.8
Average Past Service	17.8	18.2	19.2	21.3
Average Annual Salary	\$110,008	\$113,409	\$118,562	\$122,123
<u>Actives - Tier 2</u>				
Number	11	12	12	15
Average Current Age	31.9	31.7	32.0	32.0
Average Age at Employment	29.6	28.6	28.4	27.8
Average Past Service	2.3	3.1	3.6	4.2
Average Annual Salary	\$77,044	\$81,704	\$86,009	\$84,673
<u>Service Retirees</u>				
Number	21	23	24	25
Average Current Age	68.3	68.1	68.8	69.4
Average Annual Benefit	\$74,625	\$76,723	\$76,177	\$76,508
<u>Beneficiaries</u>				
Number	5	5	5	5
Average Current Age	78.1	79.1	80.1	81.1
Average Annual Benefit	\$43,924	\$43,924	\$43,924	\$43,924
<u>Disability Retirees</u>				
Number	1	1	1	1
Average Current Age	47.9	48.9	49.9	50.9
Average Annual Benefit	\$42,829	\$42,829	\$42,829	\$42,829
<u>Terminated Vested</u>				
Number	8	9	9	8
Average Current Age	37.4	38.2	36.3	37.5
Average Annual Benefit <sup>1</sup>	\$15,692	\$15,692	\$18,149	\$18,149

<sup>1</sup> Average Annual Benefit for Terminated Vested members reflects the benefit for members entitled to a future annual benefit from the plan.

## AGE AND SERVICE DISTRIBUTION

### PAST SERVICE

AGE	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30+	Total
15 - 19	0	0	0	0	0	0	0	0	0	0	0	0
20 - 24	1	0	0	0	0	0	0	0	0	0	0	1
25 - 29	1	1	2	0	0	0	0	0	0	0	0	4
30 - 34	1	0	0	1	0	2	0	0	0	0	0	4
35 - 39	0	0	0	0	2	4	1	0	0	0	0	7
40 - 44	0	0	0	0	0	0	0	2	0	0	0	2
45 - 49	0	0	0	0	0	0	1	1	2	1	0	5
50 - 54	0	0	0	0	0	0	0	1	1	1	0	3
55 - 59	0	0	0	0	0	0	0	0	0	1	1	2
60 - 64	0	0	0	0	0	0	0	0	0	0	0	0
65+	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>3</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>2</b>	<b>6</b>	<b>2</b>	<b>4</b>	<b>3</b>	<b>3</b>	<b>1</b>	<b>28</b>

## VALUATION PARTICIPANT RECONCILIATION

### 1. Active lives

a. Number in prior valuation 1/1/2019	26
b. Terminations	
i. Vested (partial or full) with deferred benefits	0
ii. Non-vested or full lump sum distribution received	0
iii. Transferred service to other fund	0
c. Deaths	
i. Beneficiary receiving benefits	0
ii. No future benefits payable	0
d. Disabled	0
e. Retired	<u>(1)</u>
f. Continuing participants	25
g. New entrants	<u>3</u>
h. Total active life participants in valuation	28

### 2. Non-Active lives (including beneficiaries receiving benefits)

	Service Retirees, Vested Receiving <u>Benefits</u>	Receiving Death <u>Benefits</u>	Receiving Disability <u>Benefits</u>	Vested <u>Deferred</u>	<u>Total</u>
a. Number prior valuation	24	5	1	9	39
Retired	1	0	0	0	1
Vested Deferred	0	0	0	0	0
Death, With Survivor	0	0	0	0	0
Death, No Survivor	0	0	0	0	0
Disabled	0	0	0	0	0
Refund of Contributions	0	0	0	(1)	(1)
Rehires	0	0	0	0	0
Expired Annuities	0	0	0	0	0
Data Corrections	0	0	0	0	0
Hired/Termed in Same Year	0	0	0	0	0
b. Number current valuation	25	5	1	8	39

## SUMMARY OF CURRENT PLAN

### Article 3 Pension Fund

The Plan is established and administered as prescribed by “Article 3. Police Pension Fund – Municipalities 500,000 and Under” of the Illinois Pension Code.

### Plan Administration

The Plan is a single employer defined benefit pension plan administered by a Board of Trustees comprised of:

- a.) Two members appointed by the Municipality,
- b.) Two active Members of the Police Department elected by the Membership, and
- c.) One retired Member of the Police Department elected by the Membership.

### Credited Service

Complete years of service as a sworn police officer employed by the Municipality.

### Normal Retirement

Date

**Tier 1:** Age 50 and 20 years of Credited Service.

**Tier 2:** Age 55 with 10 years of Credited Service.

Benefit

**Tier 1:** 50% of annual salary attached to rank on last day of service plus 2.50% of annual salary for each year of service over 20 years, up to a maximum of 75% of salary. The minimum monthly benefit is \$1,000 per month.

**Tier 2:** 2.50% per year of service times the average salary for the 48 consecutive months of service within the last 60 months of service in which the total salary was the highest prior to retirement times the number of years of service, up to a maximum of 75% of average salary. The minimum monthly benefit is \$1,000 per month.

For Tier 2 participants, the salary is capped at a rate of \$106,800 as of 2011, indexed annually at a rate of CPI-U, but not to exceed 3.00%.

Form of Benefit

**Tier 1:** For married retirees, an annuity payable for the life of the Member; upon the death of the member, 100% of the Member’s benefit payable to the spouse until death. For unmarried retirees, the normal form is a Single Life Annuity.

**Tier 2:** Same as above, but with 66 2/3% of benefit continued to spouse.

Early Retirement

Date	<b>Tier 1:</b> Age 60 and 8 years of Credited Service. <b>Tier 2:</b> Age 50 with 10 years of Credited Service.
Benefit	<b>Tier 1:</b> Normal Retirement benefit with no minimum. <b>Tier 2:</b> Normal Retirement benefit, reduced 6.00% each year before age 55, with no minimum benefit.
Form of Benefit	Same as Normal Retirement

Disability Benefit

Eligibility	Total and permanent as determined by the Board of Trustees.
Benefit Amount	A maximum of: <ul style="list-style-type: none"><li>a.) 65% of salary attached to the rank held by Member on last day of service, and;</li><li>b.) The monthly retirement pension that the Member is entitled to receive if he or she retired immediately.</li></ul>

For non-service connected disabilities, a benefit of 50% of salary attached to rank held by Member on last day of service.

Cost-of-Living Adjustment

**Tier 1:**

*Retirees:* An annual increase equal to 3.00% per year after age 55. Those that retire prior to age 55 receive an increase of 1/12 of 3.00% for each full month since benefit commencement upon reaching age 55.

*Disabled Retirees:* An annual increase equal to 3.00% per year of the original benefit amount beginning at age 60. Those that become disabled prior to age 60 receive an increase of 3.00% of the original benefit amount for each year since benefit commencement upon reaching age 60.

**Tier 2:** An annual increase each January 1 equal to 3.00% per year or one-half of the annual unadjusted percentage increase in the consumer price index-u for the 12 months ending with the September preceding each November 1, whichever is less, of the original pension after the attainment of age 60 or first anniversary of pension start date whichever is later.

Pre-Retirement Death Benefit

Service Incurred	100% of salary attached to rank held by Member on last day of service.
Non-Service Incurred	A maximum of: <ul style="list-style-type: none"><li>a.) 54% of salary attached to the rank held by Member on last day of service, and;</li><li>b.) The monthly retirement pension earned by the deceased Member at the time of death, regardless of whether death occurs before or after age 50.</li></ul>

For non-service deaths with less than 10 years of service, a refund of member contributions is provided.

Vesting (Termination)

Vesting Service Requirement	<b>Tier 1:</b> 8 years. <b>Tier 2:</b> 10 years.
Non-Vested Benefit	Refund of Member Contributions.
Vested Benefit	Either the termination benefit, payable upon reaching age 60 (55 for Tier 2), provided contributions are not withdrawn, or a refund of member contributions. The termination benefit is 2.50% of annual salary held in the year prior to termination (8-year final average salary for Tier 2) times creditable service.

Contributions

Employee	9.91% of Salary.
Municipality	Remaining amount necessary for payment of Normal (current year's) Cost and amortization of the accrued past service liability.

SUMMARY OF PARTICIPANT DATA

Plan Membership:

	<u>1/1/2020</u>	<u>1/1/2019</u>
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	31	30
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	8	9
Active Plan Members	<u>28</u>	<u>26</u>
Total	67	65
Covered Payroll	\$2,857,689	\$2,691,970

SCHEDULE OF CHANGES IN NET PENSION LIABILITY  
PLAN AND VILLAGE REPORTING

GASB 68 Reporting Period Ending	12/31/2019	12/31/2018
Measurement Date	<u>12/31/2019</u>	<u>12/31/2018</u>
Total Pension Liability		
Service Cost	695,274	650,562
Interest	2,854,674	2,675,377
Changes of Benefit Terms	229,968	-
Differences Between Expected and Actual Experience	(58,455)	446,263
Changes of Assumptions	-	1,160,243
Benefit Payments, Including Refunds of Employee Contributions	<u>(2,150,287)</u>	<u>(2,081,639)</u>
Net Change in Total Pension Liability	1,571,174	2,850,806
Total Pension Liability - Beginning	<u>46,054,650</u>	<u>43,203,844</u>
Total Pension Liability - Ending (a)	\$ 47,625,824	\$ 46,054,650
 Plan Fiduciary Net Position		
Contributions - Employer	1,496,469	1,467,306
Contributions - Employee	280,725	267,464
Net Investment Income	3,112,125	31,794
Benefit Payments, Including Refunds of Employee Contributions	(2,150,287)	(2,081,639)
Administrative Expense	<u>(33,843)</u>	<u>(37,370)</u>
Net Change in Plan Fiduciary Net Position	2,705,189	(352,445)
Plan Fiduciary Net Position - Beginning	29,847,262	30,199,235
Adjustment to beginning of year	<u>(472)</u>	<u>-</u>
Plan Fiduciary Net Position - Ending (b)	\$ 32,551,979	\$ 29,846,790
 Net Pension Liability - Ending (a) - (b)	\$ 15,073,845	\$ 16,207,860
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.35%	64.81%
 Covered Payroll	\$ 2,857,689	\$ 2,691,970
Net Pension Liability as a Percentage of Covered Payroll	527.48%	602.08%

STATEMENT OF CHANGES IN NET PENSION LIABILITY  
VILLAGE REPORTING

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances at December 31, 2018	\$ 46,054,650	\$ 29,847,262	\$ 16,207,388
Adjustment to beginning of year	-	(472)	472
Changes for a Year:			
Service Cost	695,274	-	695,274
Interest	2,854,674	-	2,854,674
Differences Between Expected and Actual Experience	(58,455)	-	(58,455)
Changes of Assumptions	-	-	-
Changes of Benefit Terms	229,968	-	229,968
Contributions - Employer	-	1,496,469	(1,496,469)
Contributions - Employee	-	280,725	(280,725)
Net Investment Income	-	3,112,125	(3,112,125)
Benefit Payments, Including Refunds of Employee Contributions	(2,150,287)	(2,150,287)	-
Administrative Expense	-	(33,843)	33,843
Net Changes	1,571,174	2,705,189	(1,134,015)
Balances at December 31, 2019	\$ 47,625,824	\$ 32,551,979	\$ 15,073,845

*Sensitivity of Net Pension Liability to changes in the Discount Rate:*

	Current Discount		
	1% Decrease	Rate	1% Increase
	5.25%	6.25%	7.25%
Sponsor's Net Pension Liability	\$ 21,691,146	\$ 15,073,845	\$ 9,649,874

*Pension Plan Fiduciary Net Position*

Detailed information about the Pension Plan's Fiduciary Net Position is available in a separately issued Plan financial report.

PENSION EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF  
RESOURCES RELATED TO PENSIONS  
YEAR-END DECEMBER 31, 2019

For the year ended December 31, 2019, the Sponsor will recognize a pension expense of \$2,001,980. On December 31, 2019, the Sponsor reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	564,811	692,038
Changes of assumptions	1,010,584	24,642
Net difference between projected and actual earnings on pension plan investments	0	636,194
Total	\$1,575,395	\$1,352,874

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year-ended December 31:

2020	(\$206,178)
2021	\$242,569
2022	\$449,699
2023	(\$263,569)
2024	\$0
Thereafter	\$0

COMPONENTS OF PENSION EXPENSE  
YEAR-END DECEMBER 31, 2019

	Net Pension Liability	Deferred Inflows	Deferred Outflows	Pension Expense
Beginning Balance	\$ 16,207,388	\$ 2,593,336	\$ 4,455,383	
Total Pension Liability Factors:				
Service Cost	695,274	-	-	695,274
Interest	2,854,674	-	-	2,854,674
Changes in Benefit Terms	229,968	-	-	229,968
Differences Between Expected and Actual Experience With Regard to Economic or Demographic Assumptions				
Current Year Amortization	(58,455)	58,455	-	-
Changes in Assumptions About Future Economic or Demographic Factors or Other Inputs	-	-	-	-
Current Year Amortization	-	(12,321)	(679,357)	667,036
Benefit Payments, Including Refunds of Employee Contributions	(2,150,287)	-	-	-
Net Change	1,571,174	(610,831)	(1,023,692)	4,134,322
Plan Fiduciary Net Position:				
Contributions - Employer	1,496,469	-	-	-
Contributions - Employee	280,725	-	-	(280,725)
Projected Net Investment Income	1,852,737	-	-	(1,852,737)
Difference Between Projected and Actual Earnings on Pension Plan Investments				
Current Year Amortization	1,259,388	1,259,388	-	-
Benefit Payments, Including Refunds of Employee Contributions	-	(713,121)	(680,398)	(32,723)
Administrative Expenses	(2,150,287)	-	-	-
Administrative Expenses	(33,843)	-	-	33,843
Net Change	2,705,189	546,267	(680,398)	(2,132,342)
Adjustment to beginning of year	(472)	-	-	-
Ending Balance	\$ 15,073,845	\$ 2,528,772	\$ 2,751,293	\$ 2,001,980

AMORTIZATION SCHEDULE – EXPERIENCE

Increase (Decrease) in Pension Expense Arising from the Recognition of the Effects of Differences between Expected and Actual Experience

Year Base Established	Differences Between Expected and Actual Experience	Recognition Period (Years)	2019	2020	2021	2022	2023	Thereafter
2019	\$ (58,455)	5	\$ (11,691)	\$ (11,691)	\$ (11,691)	\$ (11,691)	\$ (11,691)	\$ -
2018	\$ 446,263	5	\$ 89,253	\$ 89,253	\$ 89,253	\$ 89,253	\$ -	\$ -
2017	\$ 742,631	5	\$ 148,526	\$ 148,526	\$ 148,526	\$ -	\$ -	\$ -
2016	\$ (3,226,369)	5	\$ (645,274)	\$ (645,274)	\$ -	\$ -	\$ -	\$ -
2015	\$ 1,146,129	4.41	\$ 106,556	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			(312,630)	(419,186)	226,088	77,562	(11,691)	-

AMORTIZATION SCHEDULE – CHANGES OF ASSUMPTIONS

Increase (Decrease) in Pension Expense Arising from the Recognition of the Effects of Changes of Assumptions

Year Base Established	Effects of Changes in Assumptions	Recognition Period (Years)	2019	2020	2021	2022	2023	Thereafter
2018	\$ 1,160,243	5	\$ 232,049	\$ 232,049	\$ 232,049	\$ 232,049	\$ -	\$ -
2017	\$ (61,605)	5	\$ (12,321)	\$ (12,321)	\$ (12,321)	\$ -	\$ -	\$ -
2016	\$ 1,572,183	5	\$ 314,437	\$ 314,437	\$ -	\$ -	\$ -	\$ -
2015	\$ 1,429,187	4.41	\$ 132,871	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			\$ 667,036	\$ 534,165	\$ 219,728	\$ 232,049	\$ -	\$ -

AMORTIZATION SCHEDULE – INVESTMENTS

Increase (Decrease) in Pension Expense Arising from the Recognition of the Differences Between Projected and Actual Earnings on Pension Plan Investments

Year Base Established	Differences		Increase (Decrease) in Pension Expense Arising from the Recognition of the Differences Between Projected and Actual Earnings on Pension Plan Investments						
	Between Projected and Actual Earnings	Recognition Period (Years)	2019	2020	2021	2022	2023	Thereafter	
2019	\$ (1,259,388)	5	\$ (251,876)	\$ (251,878)	\$ (251,878)	\$ (251,878)	\$ (251,878)	\$ -	
2018	\$ 1,959,830	5	\$ 391,966	\$ 391,966	\$ 391,966	\$ 391,966	\$ -	\$ -	
2017	\$ (1,716,676)	5	\$ (343,335)	\$ (343,335)	\$ (343,335)	\$ -	\$ -	\$ -	
2016	\$ (589,552)	5	\$ (117,910)	\$ (117,910)	\$ -	\$ -	\$ -	\$ -	
2015	\$ 1,442,168	5	\$ 288,432	\$ -	\$ -	\$ -	\$ -	\$ -	
Net Increase (Decrease) in Pension Expense			\$ (32,723)	\$ (321,157)	\$ (203,247)	\$ 140,088	\$ (251,878)	\$ -	

SCHEDULE OF CONTRIBUTIONS

Plan Year-End	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2019	1,519,805	1,496,469	23,336	2,857,689	52.37%
12/31/2018	1,488,956	1,467,306	21,650	2,691,970	54.51%

The following assumptions were used to determine the Actuarially Determined Contribution for the plan year ending December 31, 2019:

Calculation Timing	The Actuarially Determined Contribution is calculated using a January 1, 2018 valuation date.
Interest Rate	6.25%
Mortality Rate	<p><b>Healthy Lives:</b>                      RP-2014 Blue Collar Total Healthy Annuitant mortality table, sex distinct, projected to the valuation date with mortality improvement using Scale MP-2016 and a base year of 2014. 10% of active deaths are assumed to be in the line of duty.</p> <p><b>Disabled Lives:</b>                      RP-2014 Disabled Annuitant mortality table, sex distinct, projected to the valuation date with mortality improvement using Scale MP-2016 and a base year of 2014.</p>
Assumptions	All other assumptions and methods used for determining the Actuarially Determined Contribution can be found in the January 1, 2018 Actuarial Valuation Report for the Village of Winnetka Police Pension Fund prepared by Foster & Foster.

SCHEDULE OF INVESTMENT RETURNS

For the year ended December 31, 2019, the annual money-weighted return on Pension Plan investments, net of pension plan investment expense, was 17.54 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Plan Year-End	Annual Money-Weighted Rate of Return Net of Investment Expense
12/31/2019	17.54%
12/31/2018	-5.64%

ASSUMPTIONS – GASB PENSION LIABILITY AND PENSION EXPENSE

The GASB 67/GASB 68 Pension Liability as of December 31, 2019 and GASB 68 Pension Expense were determined as follows:

Valuation Date	January 1, 2020
Measurement Date	December 31, 2019
GASB 68 Expense Measurement Period	January 1, 2019 - December 31, 2019
Reporting Period	January 1, 2019 - December 31, 2019
Discount Rate	6.25%
Inflation	2.50%
Salary Increases	Service-based rates
Other Assumptions	A summary of complete assumptions can be found in the accompanying Actuarial Valuation as of January 1, 2020 for the Village of Winnetka Police Pension Fund prepared by Foster & Foster Actuaries and Consultants.

NOTES TO THE FINANCIAL STATEMENTS

*Support for Long-Term Expected Rate of Return*

The Long-Term Expected Rate of Return on Pension Plan investments can be determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Pension Plan investment expenses and inflation) are developed for each major asset class.

These ranges are combined to produce the Long-Term Expected Rate of Return by weighting the expected future real rates of return by target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the Pension Plan’s target asset allocation adopted as of December 31, 2019, as provided by AndCo, are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
US Equity	43%	7.50%
International Equity	16%	8.50%
Real Estate	5%	4.50%
US Fixed Income	36%	2.50%
Total	100%	

Inflation rate of investment advisor 2.50%

*Concentrations*

The Plan did not hold investments in any one organization that represent 5 percent or more of the Pension Plan’s fiduciary net position.

*Discount Rate*

The Discount Rate used to measure the Total Pension Liability was 6.25 percent.

The projection of cash flows used to determine the Discount Rate assumed that Plan Member contributions will be made at the current contribution rate and that Sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the Member rate. Based on those assumptions, the Pension Plan’s Fiduciary Net Position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the Long-Term Expected Rate of Return on Pension Plan investments (6.25 percent) was applied to all periods of projected benefit payments to determine the Total Pension Liability.

For the purpose of this valuation, the expected rate of return on pension plan investments is 6.25 percent. The municipal bond rate is 3.26 percent (based on the daily rate closest to, but not later than the measurement date of the S&P Municipal Bond 20 Year High Grade Rate Index). The resulting single discount rate is 6.25 percent.

SUMMARY OF CURRENT PLAN

Article 3 Pension Fund

The Plan is established and administered as prescribed by “Article 3. Police Pension Fund – Municipalities 500,000 and Under” of the Illinois Pension Code.

Plan Administration

The Plan is a single employer defined benefit pension plan administered by a Board of Trustees comprised of:

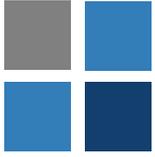
- a.) Two members appointed by the Municipality,
- b.) Two active members of the Police Department elected by the Membership.
- c.) One retired member of the Police Department elected by the Membership.

Benefits Provided

The Plan provides retirement, termination, disability and death benefits.

A summary of the benefit provisions can be found in the accompanying Actuarial Valuation as of January 1, 2020 for the Village of Winnetka Police Pension Fund prepared by Foster & Foster.

The valuation reflects benefit changes noted on the page “Changes Since Prior Valuation”.



## New Legislation Creates COVID-19 Rebuttable Presumptions

In response to the COVID-19 pandemic and the heightened risk of exposure facing first responders, Governor Pritzker signed House Bill 2455 into law as P.A. 101-0633, which was effective June 5, 2020. Among other things, the new law creates a rebuttable presumption for “front line workers” who contract COVID-19. Now, if such an employee is diagnosed with COVID-19, it shall be rebuttably presumed they contracted the virus while at work. Furthermore, the new law creates a similar presumption for Chicago’s police and fire pension funds for spouses seeking survivors’ benefits.

### Workers’ Compensation Changes

Primarily, P.A. 101-0633 installs a rebuttable presumption for workers’ compensation claims for “front line workers”—including police officers, firefighters, paramedics, EMTs, first responders, corrections officers, and healthcare workers. The definition of “front line worker” also includes individuals employed by certain essential business and operations defined in the Governor’s Executive Order 2020-10 (e.g., grocery store clerks, gas station attendants, transportation workers, and day care center workers).

If a “front line worker” is diagnosed with COVID-19, it is rebuttably presumed they contracted it on the job. Accordingly, a front line worker will not need to affirmatively prove COVID-19 exposure happened as a result of their employment, as would otherwise be the case. Instead, it is now up to the employer to show COVID-19 might not have been contracted at work. This might be accomplished by proving that the employee was working from home, on leave, proper precautions were observed in the workplace, or other such facts.

This shifting of the burden of proof makes it more likely that employees will file successful worker’s compensation claims. Further, it puts pressure on employers to follow CDC and IDPH guidelines, since the most likely way employers will attempt to fight unwarranted claims will be by proving they were providing employees with adequate protection.

Despite its breadth, the new workers’ compensation presumption is limited in a several respects.

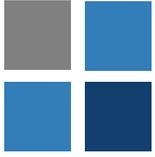
- First, it only applies to cases of COVID-19 that are diagnosed between March 9, 2020 and December 31, 2020.
- Second, the employee’s illness must be confirmed through a medical diagnosis for the presumption to apply.
- Third, in cases where COVID-19 occurred on or before June 15, 2020, the employee must provide a medical diagnosis by a licensed medical practitioner, or a positive laboratory test for COVID-19 or COVID-19 antibodies.
- Fourth, and finally, a COVID-19 diagnosis occurring after June 15, 2020 must be diagnosed through a positive laboratory test for COVID-19 or COVID-19 antibodies.

### Chicago Pension Changes

Notably, P.A. 101-0633 also made amendments to Articles 5 and 6 of the Illinois Pension Code governing Chicago’s police and fire pension funds. If a Chicago police officer or firefighter dies after contracting COVID-19 between March 9, 2020, and December 31, 2020, it will be rebuttably presumed that the disease was contracted in the line of duty. This is meant to ease the burden placed on spouses who seek line-of-duty survivor’s benefits. Like the workers’ compensation benefits, however, the presumption may be overcome by proving facts tending to show that the public servant contracted the virus elsewhere.

Importantly, these presumptions were not inserted into Articles 3 and 4 of the Illinois Pension Code governing downstate police and firefighters’ pension funds. Thus, for now at least, no such presumptions are available for survivors of downstate police officers and firefighters.





# LEGAL UPDATES

July 2020

## From remote meetings to potential consolidation challenges: A summary of the latest issues affecting Article 3 and 4 pension funds

As health concerns posed by the COVID-19 pandemic persist, Illinois moves slowly to safely reopen. But in the meantime, the business of Illinois' firefighters and police pension funds continues to move forward through remote meetings online, improvised disability processes, and further consolidation activities, albeit with the potential for legal challenge. Below is a summary of what Article 3 and 4 pension trustees need to be aware for the third quarter of 2020.

***Changes to the Open Meetings Act allowing for remote meetings become law*** – Effective June 12, 2020, P.A. 101-640 enacted the Government Emergency Administration Act, which makes permanent changes to Illinois' Open Meetings Act. Under new Section 7(e) of the Open Meetings Act, public bodies may now conduct remote public meetings by audio or video conference without a quorum physically present when the Governor or Director of the Illinois Department of Public Health has issued a disaster declaration related to public health concerns. To conduct a remote meeting without a quorum physically present during a disaster, several requirements must be met under the new provision:

- **The head of the public body must determine an in-person meeting is not practical or prudent because of the disaster** – For Article 3 and 4 pension funds, the “head” of the pension fund is the Pension Board president. In making this determination, the president should consider the decision of the underlying municipality or fire protection district regarding in-person meetings, as well as any concerns of the remaining Pension Board members.
- **Board members on the remote meeting audio or video conference must be verified and capable of hearing all discussion and/or testimony during the remote meeting** – Pension Boards have been using a variety of audio and video conferencing options, but many have found Zoom to be easy to use and reliable for both meetings and disability hearings, despite initial concerns over potential disruptive behavior and security. Minutes of the meeting should reflect that all members participating remotely were verified by the Board president.
- **For open sessions of the remote meeting, the public must have access to hear all discussion, testimony, and votes of all members of the board** – Public access to the remote meeting may be provided at the Pension Board's regular meeting location (if feasible), but the public is more likely to access the meeting in the same ways in which the Pension Board members are participating. Even where the Pension Board is holding a video conference, most Pension Boards are opting to limit the public's access to audio only and providing the telephone access information on the posted meeting notice. In Zoom, for example, the meeting can be set up to allow only the Pension Board members and service providers to participate by video, while the public is provided audio access only. The “host” for the Zoom meeting can also control access to the meeting, by using a “waiting room” feature, and can mute participants, should they become disruptive during the meeting. Other video conferencing applications have similar controls. This new provision does not relieve Pension Boards of the requirement to give the public an opportunity to comment at the meeting.
- **One member of the public body, chief legal counsel, or chief administrative officer must be physically present at the regular meeting location, unless this is unfeasible** – In the case of Pension Board meetings, often one of the active or appointed members works at the meeting's regular location. If no one is on duty on the day of the remote meeting, the Pension Board may determine it is not feasible to have someone at the regular meeting site, particularly if there is no means for the public to access the remote meeting from the regular meeting site.
- **All votes taken at the remote meeting must be conducted by roll call (as opposed to voice votes)** – This includes the motion to adjourn.
- **Notice of the remote meeting must be given to the board members and any media who has requested notice, and posted on the public body's website** – Clearly, this new provision assumes all public bodies have websites. However, few Article 3 and 4 pension funds maintain a website independent of the underlying municipality or fire protection district. To comply with this provision, Article 3 and 4 pension funds should post their remote meeting notices on their municipal or district website.

- **A verbatim audio or video recording must be made of the open session of the remote meeting and thereafter made available to the public as public records** – Under normal circumstances of in-person meetings, no verbatim recording is required of open session meetings. Closed sessions, however, are always subject to verbatim recording requirements which may be destroyed after 18 months (see 5 ILCS 120/2.06(a) and (c)). This new requirement of a verbatim recording of the open session of remote meetings clearly contemplates the creation of a public record, now subject to the Local Records Act provisions for maintenance and destruction (see 50 ILCS 201/1 *et seq.*). It is recommended that an inventory of these open session meetings be created and maintained for the duration of the COVID-19 pandemic, and that the Pension Board be cognizant of future guidance from the State Archivist on future destruction of these recordings.

**Disability matters are proceeding, where Pension Boards and applicants for benefits are comfortable with IME examination processes and remote hearings** – IME physicians have begun taking in-person appointments for evaluation of disability applicants; however, like other medical evaluation and treatment, some IME physicians have been open to remote evaluations using telemedicine to evaluate applicants. Whether any particular disability process is suited for remote evaluation must be determined on a case by case basis in consultation with the IME physicians. And, as court proceedings have moved to online video conferencing, so have some disability processes which can be conducted in this manner, as long as all parties to the proceeding consent to a remote hearing approach.

**New legislation creates COVID-19 rebuttable presumptions** – In response to the heightened risk of exposure facing first responders during the COVID-19 pandemic, Governor Pritzker signed into law Public Act 101-0633 on June 5, 2020, creating a worker's compensation rebuttable presumption for "front line workers" who contract COVID-19. Now, if such an employee is diagnosed with COVID-19, it shall be presumed they contracted the virus while at work, and the employer will have the opportunity to rebut this presumption. Furthermore, the new law creates a similar presumption in the Illinois Pension Code for Chicago's police and fire pension funds for spouses seeking survivors' benefits. Currently, there is no pending bills to extend the same presumption in the Illinois Pension Code to Article 3 and 4 members.

**Illinois Department of Insurance issues rules regarding mistakes in benefits** – Without any fanfare, the DOI promulgated new rules governing mistakes in benefits. These rules, which became effective on December 23, 2019, can be found at 50 Ill. Admin. Code §4459.10 *et seq.*, implementing Sections 3-144.2 and 4-138.10 of the Illinois Pension Code (40 ILCS 5/3-144.2 and 4-138.10). The new rules prescribe the applicable interest rate as 1% for those instances where an Article 3 or 4 pension fund is obligated to make a lump sum payment to a beneficiary where a benefit was mistakenly set too low. Furthermore, the rules require pension boards to institute and maintain policies and procedures to discover and adjust benefits where mistakes have been made. Pension boards that discover mistakes in benefits are also obligated to notify the DOI of the benefit correction within 45 days.

**Firefighters' Pension Investment Fund (FPFIF) and Police Officers Investment Fund (POIF) setting up operations and preparing for election of permanent boards** – The appointed transition boards for both consolidated investment funds have appointed executive directors and taken steps toward getting procedures in place to conduct elections for the permanent boards by January 1, 2021. The fire consolidated board has contacted all Article 4 boards to obtain membership information for elections that will be held in the fall of 2020. The fire consolidated board has also finalized its election rules and created an election candidate packet, which are available on the board's website at [www.ifpif.org](http://www.ifpif.org). The Illinois Department of Insurance has issued a Siren on June 12, 2020, outlining the fire consolidated board's election process, which is available on the DOI's website. Because the nominating process for the fire consolidated board's election process opened July 1<sup>st</sup>, now would be a good time for Article 4 boards to communicate with their active and retired memberships regarding the opportunity to seek the nomination to serve on the consolidated board, as well as prepare the membership for the balloting process that will be conducted by mail in November and December 2020. Finally, the fire consolidated board hosted its first two-hour training webinar to fulfill the mandatory four-hour training requirement under the new consolidation law. The training webinar is accessible at <https://fpif.webex.com/fpif/lsr.php?RCID=63d8172597c5473f9f6f5a70303fb22d>, using the password [Fpif2020](#).

**Law firm conducting investigation regarding possible litigation to challenge the consolidation law** – While the consolidated boards continue their statutory obligations to prepare for the transfer of Article 3 and 4 assets, the law firm of Konicek & Dillon in Geneva, Illinois, has taken steps to investigate possible constitutional grounds for overturning the consolidation law and is seeking pension funds who wish to participate as litigants in the lawsuit. According to information distributed by the firm, the goal is to file a motion for preliminary injunction by mid-August 2020.



1804 North Naper Boulevard, Suite 350, Naperville, Illinois 60563  
P: (630) 682-0085 F: (630) 682-0788  
[www.ottosenlaw.com](http://www.ottosenlaw.com)