

Investment Performance Review  
Period Ending September 30, 2020

# City of Key West General Employees' Pension Fund

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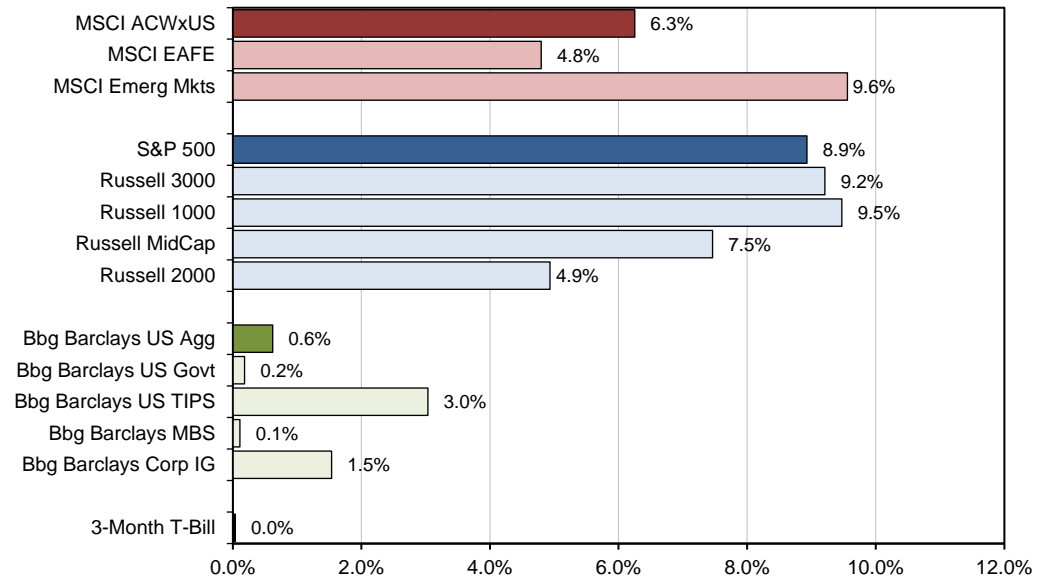


# 3rd Quarter 2020 Market Environment

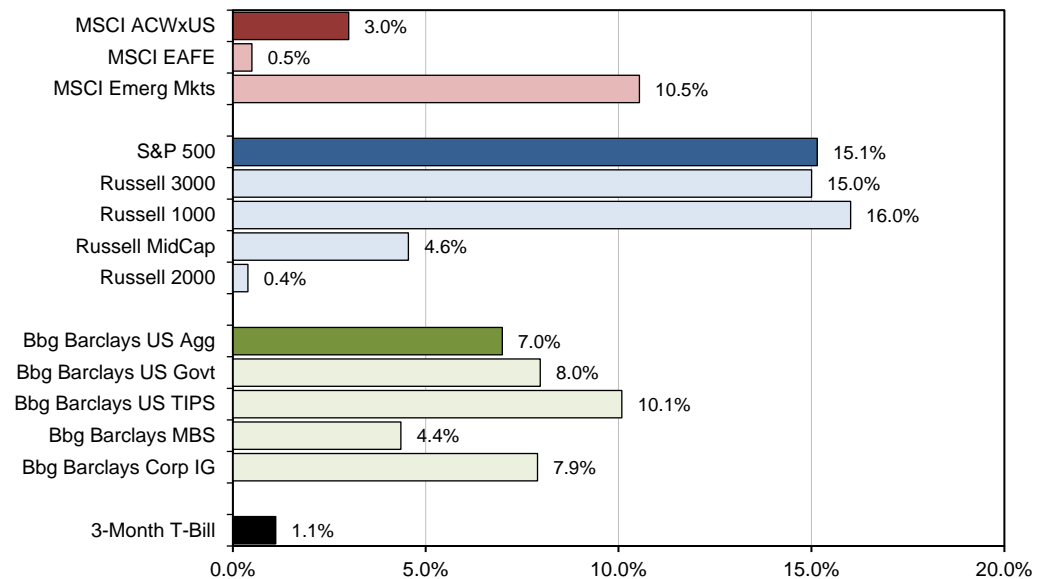


- Broad asset class returns were positive in the 3rd quarter continuing their rebound from the 2nd quarter. In general, US monetary policy remains supportive as the Federal Reserve Bank (Fed) continues to hold interest rates near zero with the goal of providing the markets with liquidity. Importantly, the Fed indicated that interest rates in the US would remain low for an extended period as GDP growth and business activity remains subdued as the COVID-19 pandemic lingers. The Fed also commented that it was comfortable allowing inflation to exceed its 2% target in the near-term with the goal of averaging its target over the long-term. The final reading of US GDP growth in the 2nd quarter showed the economy contracted by -31.4%. While expectations for growth in the 3rd quarter vary widely, the general outlook is for a strong positive reading. Within domestic equity markets, we saw a reversal during the quarter with large cap stocks outperforming small cap stocks with the S&P 500 returning 8.9% compared to 4.9% for the Russell 2000 Index. Over the trailing 1-year period, large cap stocks significantly outperformed both small and mid-cap stocks with the S&P 500 returning 15.1% while small and mid-cap stocks returned 0.4% and 4.6%, respectively.
- Similar to US markets, international markets posted strong returns for the period despite concerns about a potential "second wave" of the pandemic flowing through Europe. While neither the European Central Bank nor the Bank of England changed their policies, global central banks remain accommodative and prepared to provide additional support if required. International investors also benefited from a weakening USD which declined against most major currencies during the period. Emerging market economies continued to outperform relative to developed markets during the period with China showing signs of improvement. For the quarter, the MSCI Emerging Market Index returned 9.6% compared to 4.8% for the MSCI EAFE Index. Following the strong quarter, both developed and emerging market indices turned positive over the 1-year trailing period with the developed market index returning 0.5% and the emerging market index returning 10.5%.
- Fixed income returns were mixed during the 3rd quarter as interest rates remained relatively stable. For the quarter, the BB US Aggregate Index returned 0.6% while the BB Corporate Investment Grade Index returned 1.5%. TIPS were an area of strength during the quarter, benefiting from higher inflation expectations. For the trailing 1-year period, fixed income returns were solid with the BB US Aggregate Index returning 7.0%, while corporate bonds returned 7.9%. TIPS outperformed nominal bonds by posting a respectable 10.1% return over the trailing 1-year period as investors' inflation expectations rose.

### Quarter Performance



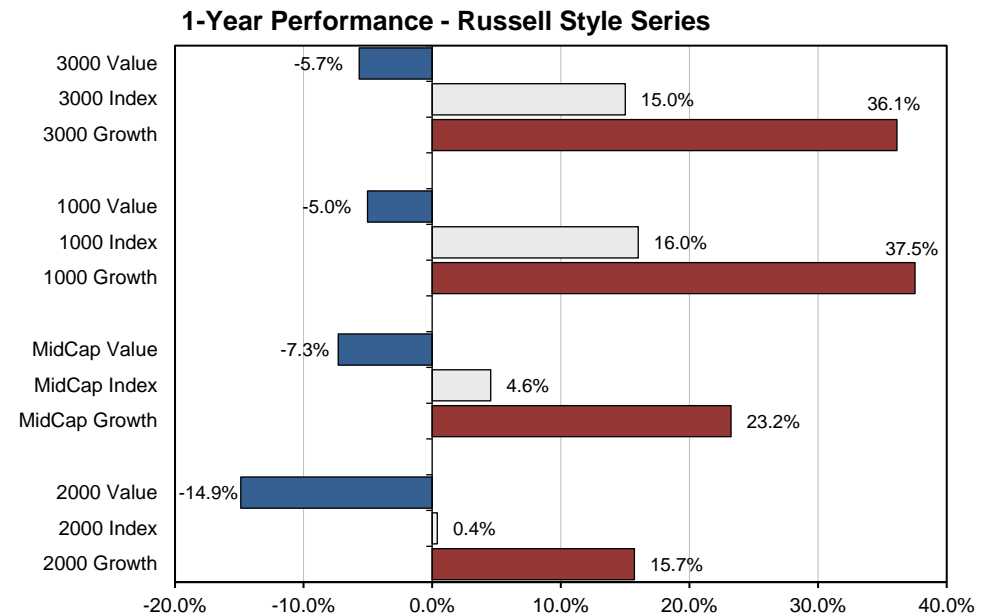
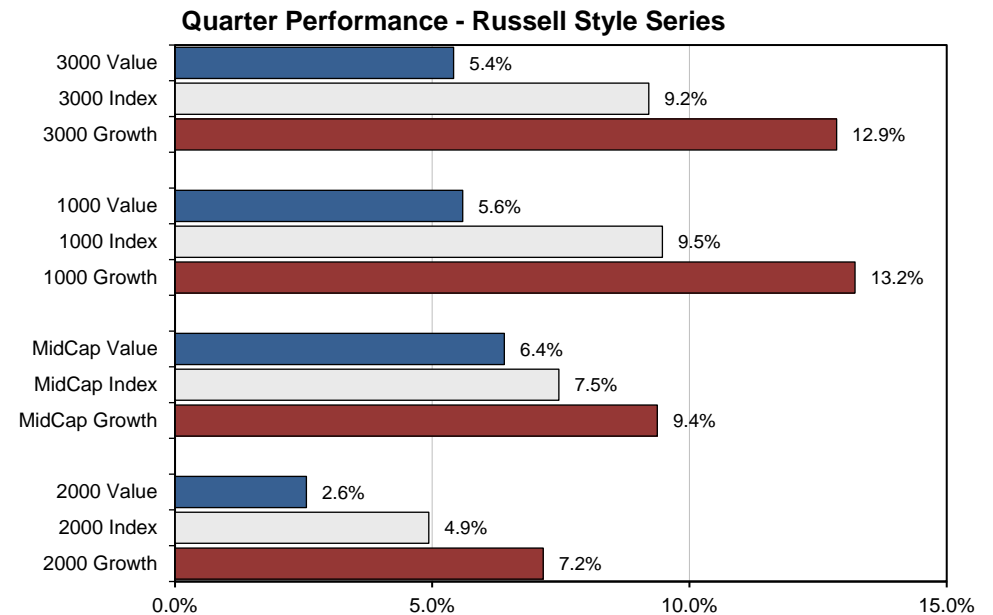
### 1-Year Performance



Source: Investment Metrics



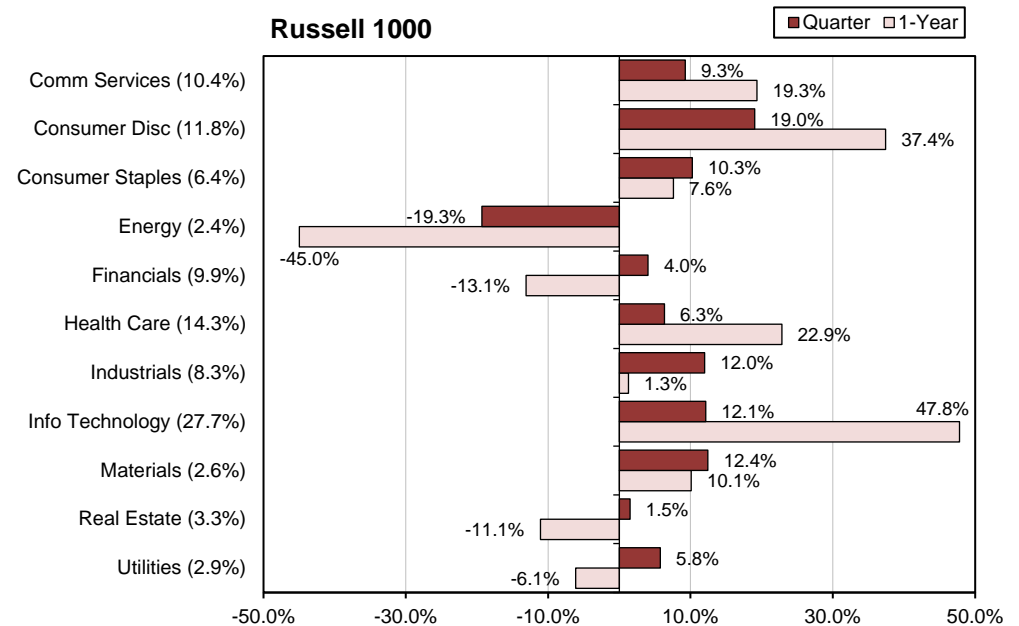
- Continuing their recent trend, US equities posted their second straight quarter of positive returns across the style and market capitalization spectrum. During the quarter, large cap stocks resumed their leadership, outpacing both mid and small-cap stocks as investors gravitated toward large companies for their relatively attractive profitability profile, lower leverage, and diversified business models. The Russell 1000 Index returned 9.5% compared with 7.5% and 4.9% for the Russell MidCap and Russell 2000 indices, respectively. While small cap stocks have historically performed well in periods following a recession, the relative uncertainty surrounding the path of global economic growth and the upcoming US Presidential election pushed investors toward the relative safety of large cap stocks.
- Growth stocks maintained their dominance relative to value-oriented stocks across all market capitalizations for the 3rd quarter. The Russell 1000 Growth Index returned 13.2% and was the best performing index across style and market capitalization for the period. The index benefitted from favorable relative weightings to consumer discretionary, materials and technology-related companies, which powered large cap returns during the period. Small cap value stocks trailed their index peers during the quarter with the Russell 2000 Value Index returning 2.6%. Exposures to financial-related companies and real estate acted as a headwind as those sectors lagged during the period.
- When viewed over the trailing 1-year period, the performance dispersion between large cap and small cap stocks across styles is glaring. While some of the difference in relative performance between market capitalizations can be attributed to the drawdown experienced during the 1st quarter, large cap stocks have benefited from investors favoring companies with healthier financial profiles that can weather a protracted period of weak growth due to the pandemic. Additionally, the sector weights within the respective indices and a tilt towards growth-oriented, higher P/E companies in large caps has acted as a tailwind for growth index performance.
- Results over the trailing 1-year reflect the continued strength of growth compared to value benchmarks with each growth index earning double digit gains while each value index posted negative results for the period. The widest performance gap was in the large cap space with the Russell 1000 Growth Index returning 37.5%, which outpaced the large cap value benchmark by more than 40% for the year. The dispersion between both mid and small cap growth benchmarks was also substantial relative to their value counterparts with each growth index outpacing its respective value benchmark by more than 30% for the year.



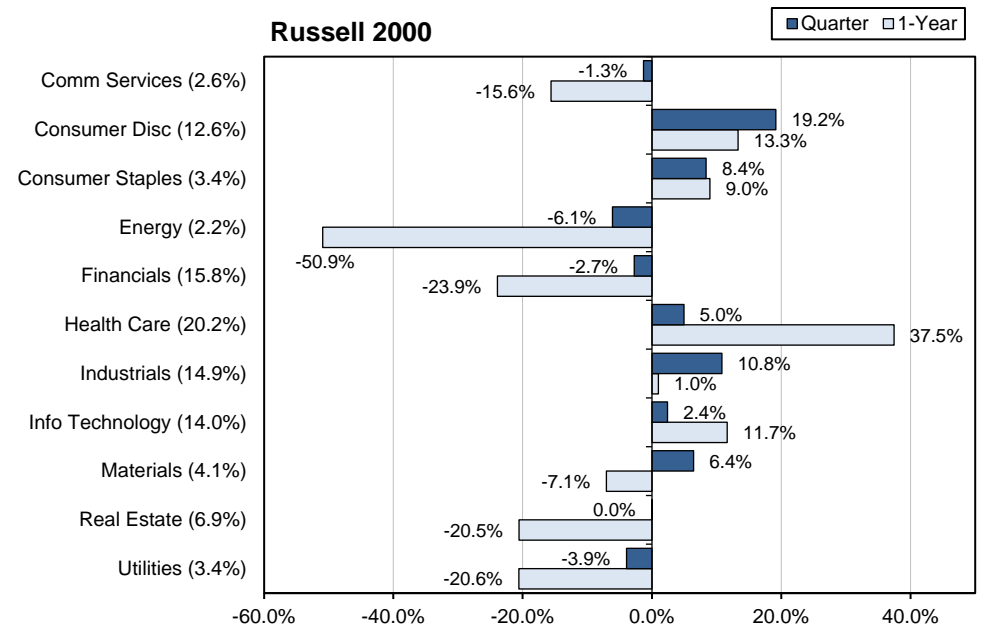
Source: Investment Metrics



- Ten of eleven economic sectors within the large cap Russell 1000 Index were positive for the 3rd quarter with only the energy sector posting a negative return. Five sectors outpaced the return of the broad index during the period. Growth-oriented sectors such as consumer discretionary, materials and technology were some of the best performers for the quarter returning 19.0%, 12.4%, and 12.1%, respectively. The energy sector continues to lag due to reduced consumption and the threat of bankruptcies resulting from stubbornly low oil prices. While the sectors were positive, financials and real estate were laggards relative to the broad index results, posting returns of 4.0% and 1.5% respectively. With the Fed indicating that interest rates will remain lower for longer, both sectors faced headwinds due to their sensitivity to US interest rates.
- Over the trailing 1-year period, technology-related and consumer discretionary stocks were the best performers returning 47.8% and 37.4% respectively. For the full-year, five sectors exceeded the return of the broad benchmark: technology, consumer discretionary, health care, communication services, and materials. In contrast, traditional value sectors such as energy, financials, real estate and utilities posted returns of -45.0%, -13.1%, -11.1%, and -6.1%, respectively, for the trailing 1-year period. This sector performance shows a staggering dispersion of more than 90% from best to worst performing sector in the large cap benchmark.



- Five of eleven small cap sectors posted returns greater than the Russell 2000 Index for the 3rd quarter. Similar to large cap stocks, sectors sensitive to the consumer and improving economic conditions were the primary drivers of return during the quarter. That said, only the consumer discretionary sector outpaced its large cap counterpart during the period, returning 19.2% compared to 19.0%.
- As previously noted, small cap stocks have significantly trailed large caps over the previous 1-year period. Specifically, energy-related companies have faced significant headwinds due primarily to low oil prices while interest rate sensitive sectors such as financials and real estate have failed to produce gains as a result of historically low US interest rates. The lone bright spot has been health care stocks which outperformed their large cap equivalents by more than 14% over the period (37.5% versus 22.9%).



Source: Morningstar Direct  
 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.



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

Top 10 Weighted Stocks				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Apple Inc	6.04%	27.2%	108.9%	Information Technology
Microsoft Corp	5.02%	3.6%	53.0%	Information Technology
Amazon.com Inc	4.25%	14.1%	81.4%	Consumer Discretionary
Facebook Inc A	2.00%	15.3%	47.1%	Communication Services
Alphabet Inc A	1.40%	3.4%	20.0%	Communication Services
Alphabet Inc Class C	1.39%	4.0%	20.6%	Communication Services
Berkshire Hathaway Inc Class B	1.32%	19.3%	2.4%	Financials
Johnson & Johnson	1.25%	6.6%	18.2%	Health Care
Procter & Gamble Co	1.08%	17.0%	14.6%	Consumer Staples
Visa Inc Class A	1.08%	3.7%	17.0%	Information Technology

Top 10 Weighted Stocks				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Penn National Gaming Inc	0.59%	138.0%	290.3%	Consumer Discretionary
Sunrun Inc	0.49%	290.8%	361.4%	Industrials
Caesars Entertainment Inc	0.41%	39.9%	40.6%	Consumer Discretionary
MyoKardia Inc	0.37%	41.1%	161.4%	Health Care
Novavax Inc	0.35%	30.0%	2058.4%	Health Care
iRhythm Technologies Inc	0.35%	105.5%	221.3%	Health Care
LHC Group Inc	0.34%	21.9%	87.2%	Health Care
Mirati Therapeutics Inc	0.33%	45.4%	113.1%	Health Care
Churchill Downs Inc	0.33%	23.0%	33.3%	Consumer Discretionary
Momenta Pharmaceuticals Inc	0.33%	57.7%	304.9%	Health Care

Top 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Immunomedics Inc	0.06%	139.9%	541.3%	Health Care
L Brands Inc	0.02%	112.5%	67.3%	Consumer Discretionary
Tesla Inc	1.01%	98.7%	790.5%	Consumer Discretionary
NovoCure Ltd	0.04%	87.7%	48.8%	Health Care
Pinterest Inc	0.05%	87.2%	56.9%	Communication Services
Livongo Health Inc	0.02%	86.3%	703.0%	Health Care
Carvana Co Class A	0.04%	85.6%	238.0%	Consumer Discretionary
Zoom Video Communications Inc	0.25%	85.4%	516.9%	Information Technology
FedEx Corp	0.19%	79.9%	75.8%	Industrials
Zillow Group Inc A	0.02%	76.7%	243.7%	Communication Services

Top 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Whiting Petroleum Corp	0.00%	1430.1%	115.3%	Energy
Seres Therapeutics Inc	0.08%	494.7%	606.0%	Health Care
Vivint Solar Inc	0.11%	327.8%	547.6%	Industrials
Tupperware Brands Corp	0.05%	324.4%	27.0%	Consumer Discretionary
Eastman Kodak Co	0.01%	295.5%	234.1%	Information Technology
Sunrun Inc	0.49%	290.8%	361.4%	Industrials
Cassava Sciences Inc	0.01%	273.7%	859.2%	Health Care
Owens & Minor Inc	0.08%	229.6%	332.8%	Health Care
Gogo Inc	0.03%	192.4%	53.2%	Communication Services
Pacific Biosciences of California Inc	0.09%	186.1%	91.3%	Health Care

Bottom 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Occidental Petroleum Corp	0.03%	-45.2%	-75.5%	Energy
Coty Inc Class A	0.00%	-39.6%	-73.8%	Consumer Staples
Biomarin Pharmaceutical Inc	0.04%	-38.3%	12.9%	Health Care
Reata Pharmaceuticals Inc A	0.01%	-37.6%	21.3%	Health Care
Murphy Oil Corp	0.00%	-34.8%	-58.0%	Energy
Agios Pharmaceuticals Inc	0.01%	-34.6%	8.0%	Health Care
Marathon Oil Corp	0.01%	-33.2%	-66.4%	Energy
Kirby Corp	0.01%	-32.5%	-56.0%	Industrials
HollyFrontier Corp	0.01%	-31.6%	-61.8%	Energy
Alteryx Inc Class A	0.02%	-30.9%	5.7%	Information Technology

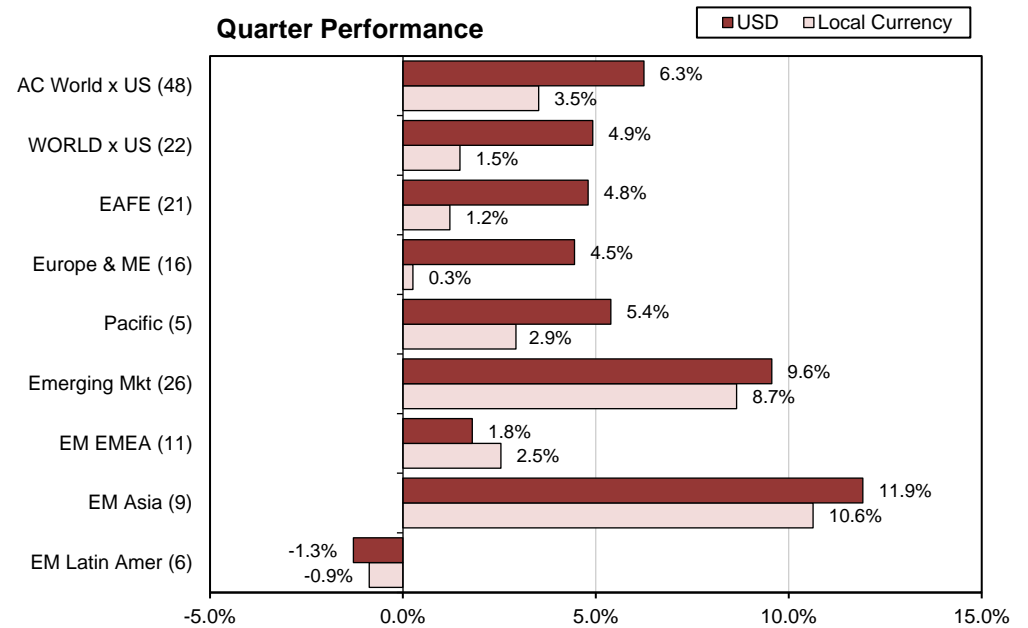
Bottom 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Satsuma Pharmaceuticals Inc Ord. Shr.	0.00%	-86.5%	-74.1%	Health Care
Akebia Therapeutics Inc	0.02%	-81.5%	-36.0%	Health Care
Corbus Pharmaceuticals Holdings Inc	0.01%	-78.5%	-63.0%	Health Care
Odonate Therapeutics Inc	0.01%	-68.3%	-48.4%	Health Care
Tricida Inc	0.01%	-67.0%	-70.7%	Health Care
Abeona Therapeutics Inc	0.00%	-65.0%	-54.9%	Health Care
Mallinckrodt PLC	0.00%	-63.7%	-59.6%	Health Care
Nemauro Medical Inc	0.00%	-61.6%	-51.4%	Health Care
Express, Inc.	0.00%	-60.4%	-82.3%	Consumer Discretionary
Unity Biotechnology Inc	0.01%	-60.1%	-43.3%	Health Care

Source: Morningstar Direct



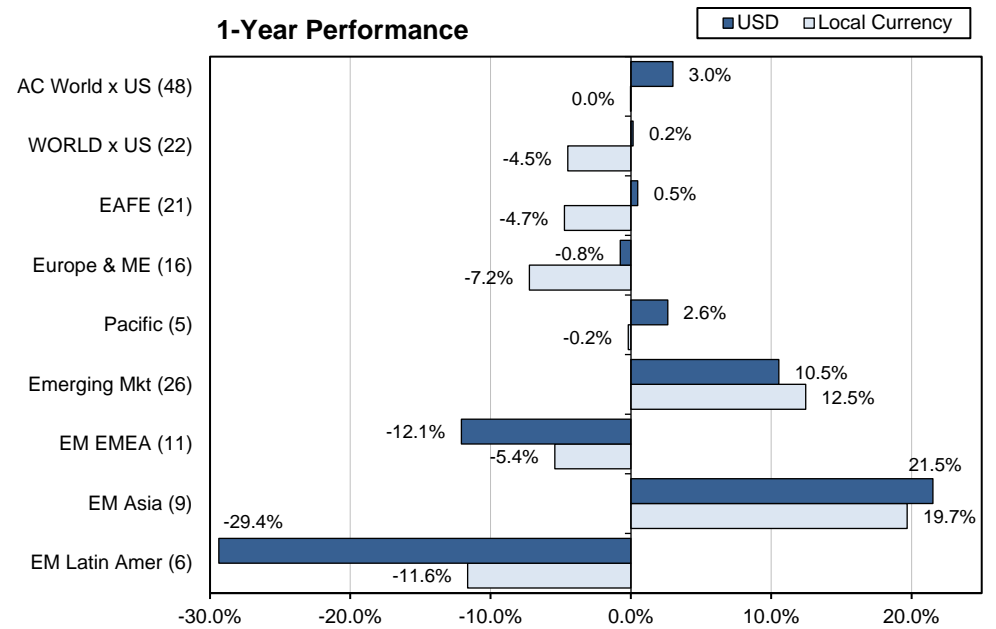
- Nearly all broad international equity indices posted positive returns in both USD and local currency terms for the 3rd quarter. Similar to US markets, international markets continued to benefit from sustained monetary and fiscal stimulus in addition to economic recovery following the onset of the pandemic. Importantly, US investors benefited from the foreign exchange element of investing internationally as the USD declined relative to most developed market currencies during the quarter.
- For the 3rd quarter, emerging markets outperformed developed markets by nearly 5%. The MSCI Emerging Markets Index gained 9.6% in USD and 8.7% in local currency terms for the period. Emerging markets were led higher by China (12.5% for the quarter) which showed signs of accelerating economic growth during the quarter and represents more than 10% of 26 country emerging market benchmark. Developed international markets also delivered solid returns during the period with the MSCI EAFE Index rising by 4.8% in USD and 1.2% in local currency returns.

**Quarter Performance**



- Trailing 1-year returns for international developed markets were mixed both in terms of USD and local currency returns. In contrast, emerging market returns were broadly positive during the period despite both EMEA and Latin America posting negative returns in both USD and local currency terms. For the year, the MSCI EAFE Index returned 0.5% in USD and -4.7% in local currency returns while the MSCI Emerging Markets Index returned 10.5% and 12.5%, respectively.
- During the trailing 1-year period, the USD weakened against most major international developed and emerging market currencies which positively contributed to returns in USD terms. Despite this, emerging markets in Latin America were adversely affected as a result of the decisions by Argentina and Ecuador to restructure their sovereign debt which resulted in local currency weakness and declining asset values.

**1-Year Performance**



Source: MSCI Global Index Monitor (Returns are Net)





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

MSCI - EAFE	Sector Weight	Quarter Return	1-Year Return
Communication Services	5.5%	4.1%	1.4%
Consumer Discretionary	11.9%	9.7%	3.4%
Consumer Staples	11.9%	4.5%	0.7%
Energy	2.8%	-13.4%	-42.7%
Financials	15.1%	-1.3%	-16.9%
Health Care	14.4%	2.9%	20.4%
Industrials	15.2%	10.3%	5.3%
Information Technology	8.6%	8.1%	23.7%
Materials	7.6%	10.8%	10.9%
Real Estate	3.1%	2.9%	-15.5%
Utilities	4.0%	3.0%	5.9%
<b>Total</b>	<b>100.0%</b>	<b>4.8%</b>	<b>0.5%</b>

MSCI - ACWixUS	Sector Weight	Quarter Return	1-Year Return
Communication Services	7.5%	3.3%	11.8%
Consumer Discretionary	13.8%	16.5%	18.1%
Consumer Staples	9.7%	4.6%	0.2%
Energy	4.2%	-7.6%	-33.5%
Financials	16.9%	-0.2%	-17.2%
Health Care	10.5%	2.6%	22.2%
Industrials	11.7%	9.9%	4.5%
Information Technology	11.7%	13.4%	34.6%
Materials	7.9%	11.1%	12.0%
Real Estate	2.7%	2.3%	-14.1%
Utilities	3.4%	2.0%	0.2%
<b>Total</b>	<b>100.0%</b>	<b>6.3%</b>	<b>3.0%</b>

MSCI - Emerging Mkt	Sector Weight	Quarter Return	1-Year Return
Communication Services	12.7%	2.5%	25.4%
Consumer Discretionary	20.2%	26.8%	48.4%
Consumer Staples	6.1%	4.3%	-2.7%
Energy	5.4%	-0.5%	-19.2%
Financials	17.2%	-0.5%	-19.0%
Health Care	4.3%	1.9%	47.0%
Industrials	4.4%	2.9%	-6.7%
Information Technology	18.5%	20.5%	41.9%
Materials	6.9%	11.6%	8.0%
Real Estate	2.4%	0.9%	-7.8%
Utilities	2.0%	-4.4%	-18.4%
<b>Total</b>	<b>100.0%</b>	<b>9.6%</b>	<b>10.5%</b>

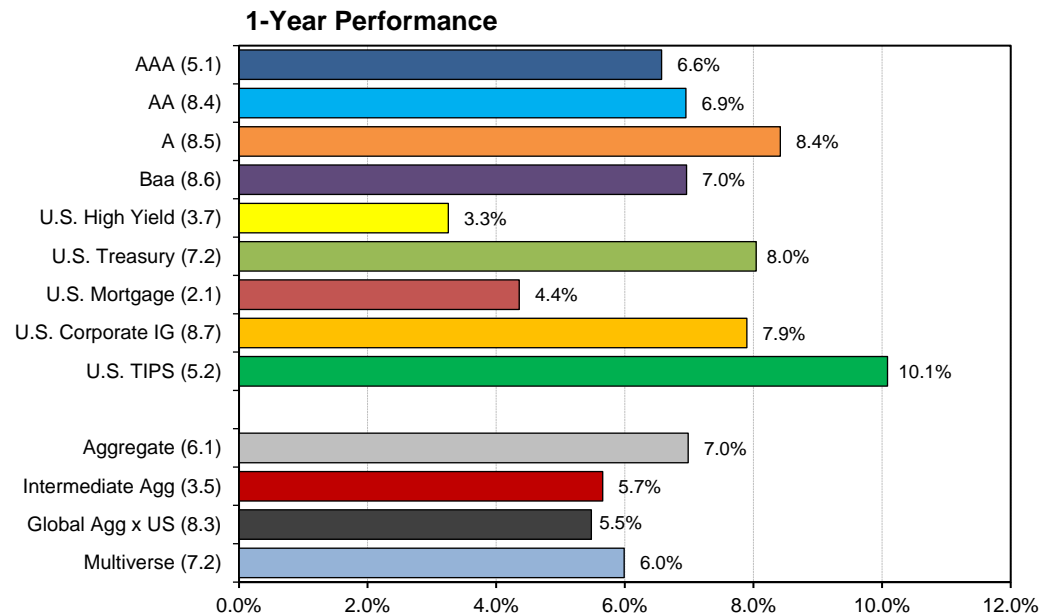
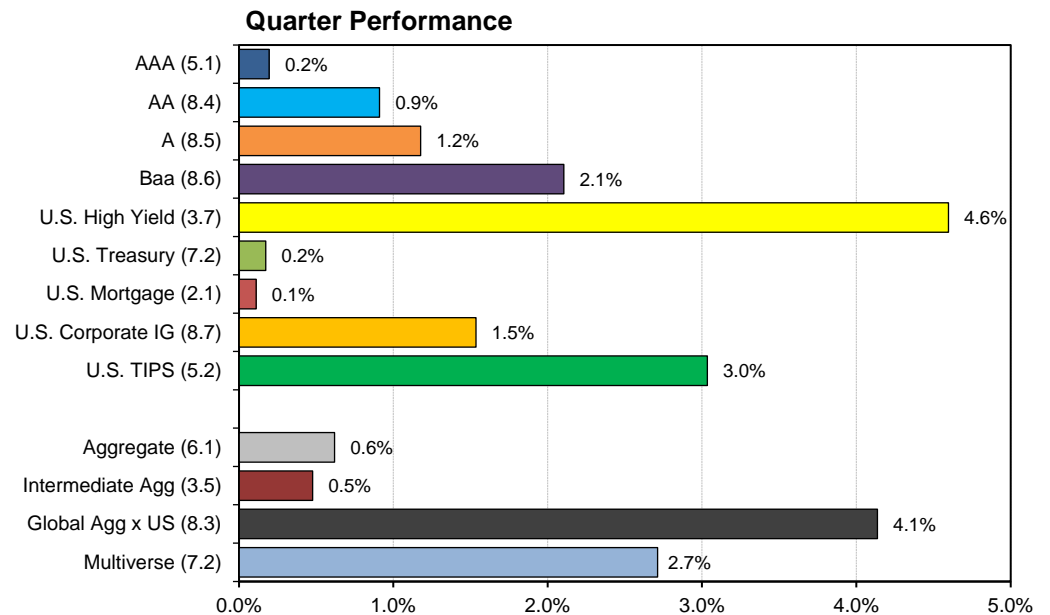
Country	MSCI-EAFE Weight	MSCI-ACWixUS Weight	Quarter Return	1-Year Return
Japan	25.8%	16.5%	6.9%	6.9%
United Kingdom	13.3%	8.5%	-0.2%	-15.8%
France	10.7%	6.8%	2.8%	-6.2%
Switzerland	10.4%	6.6%	5.1%	11.0%
Germany	9.6%	6.2%	8.3%	10.0%
Australia	6.6%	4.2%	2.8%	-7.7%
Netherlands	4.4%	2.8%	5.9%	12.6%
Sweden	3.3%	2.1%	14.6%	22.4%
Hong Kong	3.3%	2.1%	1.6%	-1.6%
Denmark	2.5%	1.6%	15.3%	42.5%
Spain	2.3%	1.4%	-3.8%	-21.0%
Italy	2.2%	1.4%	1.3%	-10.1%
Finland	1.1%	0.7%	11.9%	12.7%
Singapore	1.0%	0.7%	-1.0%	-16.4%
Belgium	1.0%	0.6%	2.0%	-23.2%
Ireland	0.7%	0.5%	14.5%	20.7%
Israel	0.6%	0.4%	-2.0%	3.5%
Norway	0.6%	0.4%	8.2%	-13.8%
New Zealand	0.3%	0.2%	-1.0%	24.4%
Portugal	0.2%	0.1%	-3.4%	2.3%
Austria	0.2%	0.1%	-4.8%	-29.1%
<b>Total EAFE Countries</b>	<b>100.0%</b>	<b>63.8%</b>	<b>4.8%</b>	<b>0.5%</b>
Canada		6.5%	6.2%	-3.0%
<b>Total Developed Countries</b>		<b>70.3%</b>	<b>4.9%</b>	<b>0.2%</b>
China		12.5%	12.5%	33.6%
Taiwan		3.8%	16.5%	35.0%
Korea		3.6%	12.8%	18.6%
India		2.5%	15.0%	0.5%
Brazil		1.4%	-3.3%	-32.5%
South Africa		1.1%	3.7%	-11.1%
Russia		0.9%	-4.7%	-16.0%
Saudi Arabia		0.8%	9.3%	-2.9%
Thailand		0.5%	-14.1%	-30.2%
Malaysia		0.5%	2.6%	-2.9%
Mexico		0.5%	4.6%	-20.5%
Indonesia		0.4%	-6.9%	-25.4%
Qatar		0.2%	7.5%	-2.6%
Philippines		0.2%	-2.7%	-18.7%
Poland		0.2%	-0.9%	-20.9%
United Arab Emirates		0.2%	6.2%	-11.8%
Chile		0.2%	-4.2%	-33.0%
Turkey		0.1%	-15.7%	-30.0%
Peru		0.1%	3.5%	-22.2%
Hungary		0.1%	-8.9%	-22.5%
Colombia		0.1%	-1.3%	-37.6%
Argentina		0.0%	6.7%	7.3%
Greece		0.0%	3.3%	-29.3%
Czech Republic		0.0%	-6.2%	-22.1%
Egypt		0.0%	4.6%	-13.8%
Pakistan		0.0%	12.4%	-2.6%
<b>Total Emerging Countries</b>		<b>29.7%</b>	<b>9.6%</b>	<b>10.5%</b>
<b>Total ACWixUS Countries</b>		<b>100.0%</b>	<b>6.3%</b>	<b>3.0%</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.





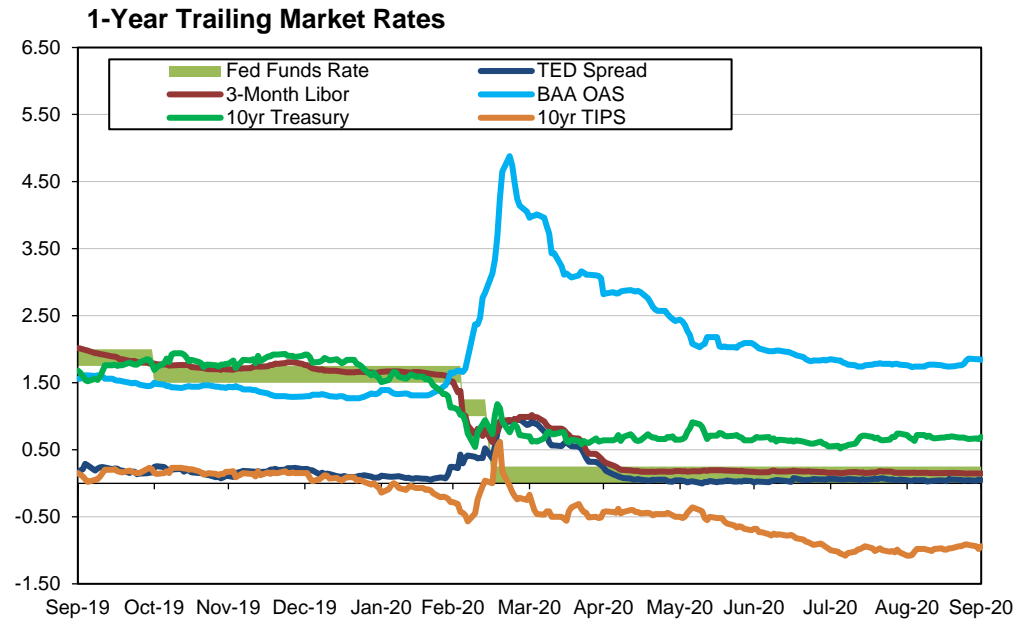
- During the 3rd quarter, each fixed income benchmark posted positive results and returns were led by lower quality high yield bonds, international bonds and TIPS. During the period, US interest rates were roughly unchanged as investors vacillated between concerns related to the pandemic and a positive outlook on future economic growth. Despite declining during the month of September, US high yield bonds delivered strong returns for the quarter with the Bloomberg Barclays (BB) US High Yield Index returning 4.6%. High quality global bonds outperformed US bonds during the period largely due to a declining USD.
- During the quarter, the broad Bloomberg Barclays (BB) US Aggregate Index returned 0.6%. The primary contributor of performance to the index during the period were US Corporate IG bonds which delivered 1.5%. Despite near-record issuance, investors continue to gravitate towards corporate credit for its higher return potential as US interest rates look to remain low for some time. US TIPS also performed well during the quarter with the BB US TIPS Index returning 3.0% as investors remained concerned about the potential for rising US inflation as a result of the fiscal and monetary stimulus provided to combat the pandemic.
- Over the trailing 1-year period, each of the domestic and international fixed income indices delivered positive absolute returns. Longer duration, higher quality investment grade bonds outperformed lower quality, shorter duration high yield bonds as global interest rates fell while investors looked for less volatile assets. US TIPS were the best performing bonds with the BB US TIPS Index returning 10.1% followed by US Treasury bonds which returned 8.0%. High Yield bonds performed worst, returning 3.3% during the period as they continued to recover from the spread-widening drawdown during the 1st quarter.
- For the full year, both domestic and global bonds performed well. The US BB Aggregate Bond Index returned 7.0% compared to 5.5% for the BB Global Aggregate ex-US Index. Despite lower interest rates in both Europe and Japan, global bonds delivered solid returns primarily due to a decline in the USD compared to most major developed currencies.



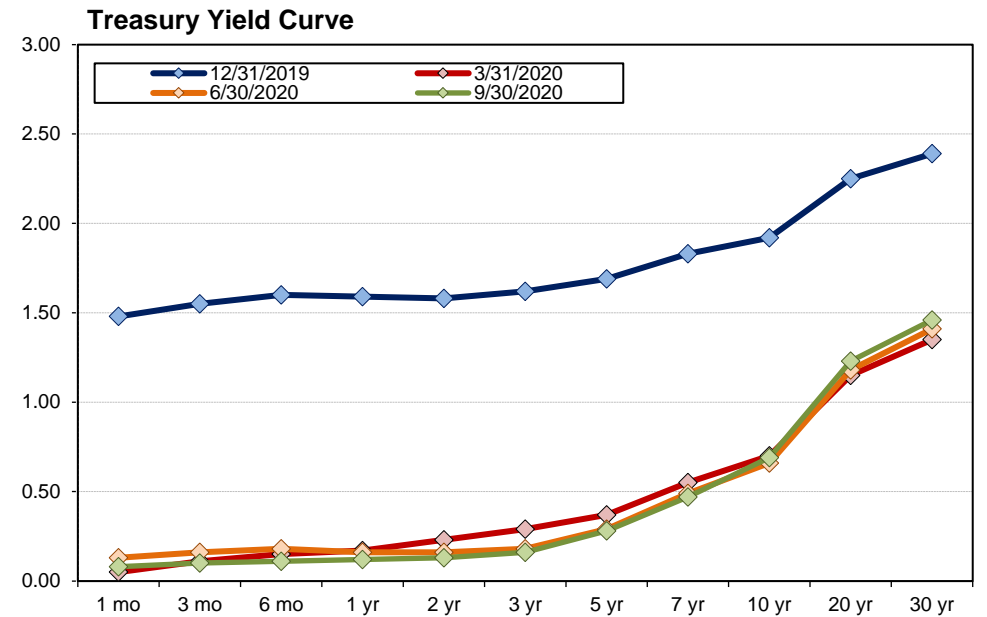
Source: Bloomberg



- 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 1.5%, to a low of roughly 0.5% before ending the quarter at roughly 0.7%. A decline in yields acts as a tailwind for 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 the dramatic increase in credit spreads in early 2020 as investors required additional compensation to hold riskier credit assets following the onset of the pandemic. Since that time, spreads have steadily declined as markets have largely normalized following the aggressive actions taken by the Treasury and Fed. During the quarter, the BB US High Yield OAS spread fell by roughly 1.1% but is still wider than pre-pandemic levels. Similar to Treasury yield declines, spread tightening in corporate bonds is equivalent to an interest rate decrease, which causes bond prices to rise. The green band across the graph illustrates the Fed Funds Rate. Following the onset of the pandemic, the Fed began aggressively cutting interest rates during the 1st quarter to between 0.0% to 0.25%, where it has remained since then.



- The lower graph provides a snapshot of the US Treasury yield curve at the end of each of the last four calendar quarters. US interest rates were broadly higher at the end of 2019. Following the onset of the pandemic, interest rates fell dramatically as the Fed took unprecedented action to stimulate the economy. While short-term interest rates have remained anchored near 0.0%, intermediate-term interest rates between 2-years and 7-years declined as concerns over future US economic growth increased. Additionally, the Fed has indicated that US interest rates will remain low for the foreseeable future in an effort to provide the market with liquidity. Longer-term US Treasury interest rates moved slightly higher during the most recent quarter as investors balanced the Fed's statements with the need to increase the amount of US Treasury bond issuance to fund both the annual budget deficit and additional stimulus.

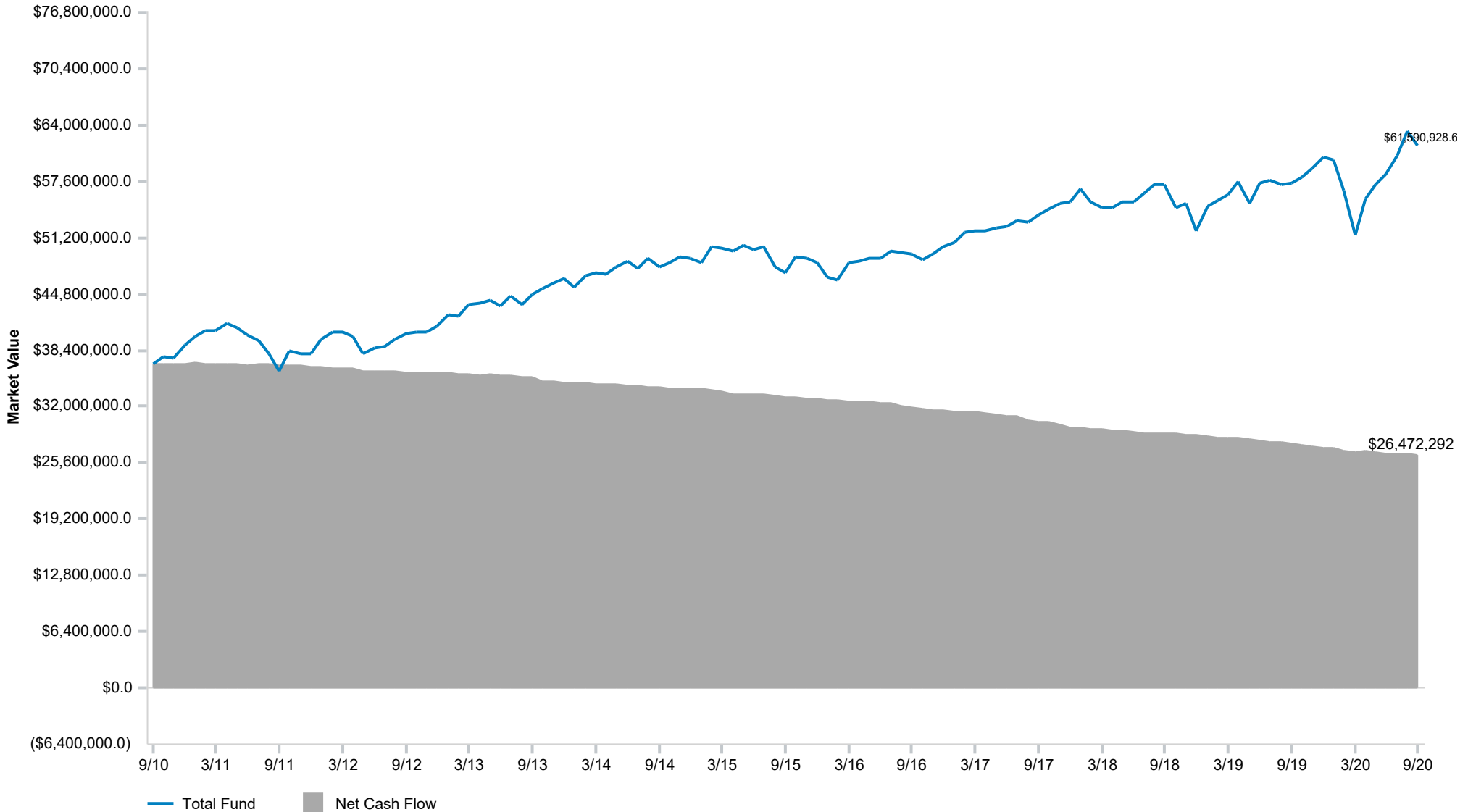


Source: US Department of Treasury, FRED (Federal Reserve of St. Louis)



**Schedule of Investable Assets**  
**Total Fund**  
**10 Years Ending September 30, 2020**

**Schedule of Investable Assets**



**Schedule of Investable Assets**

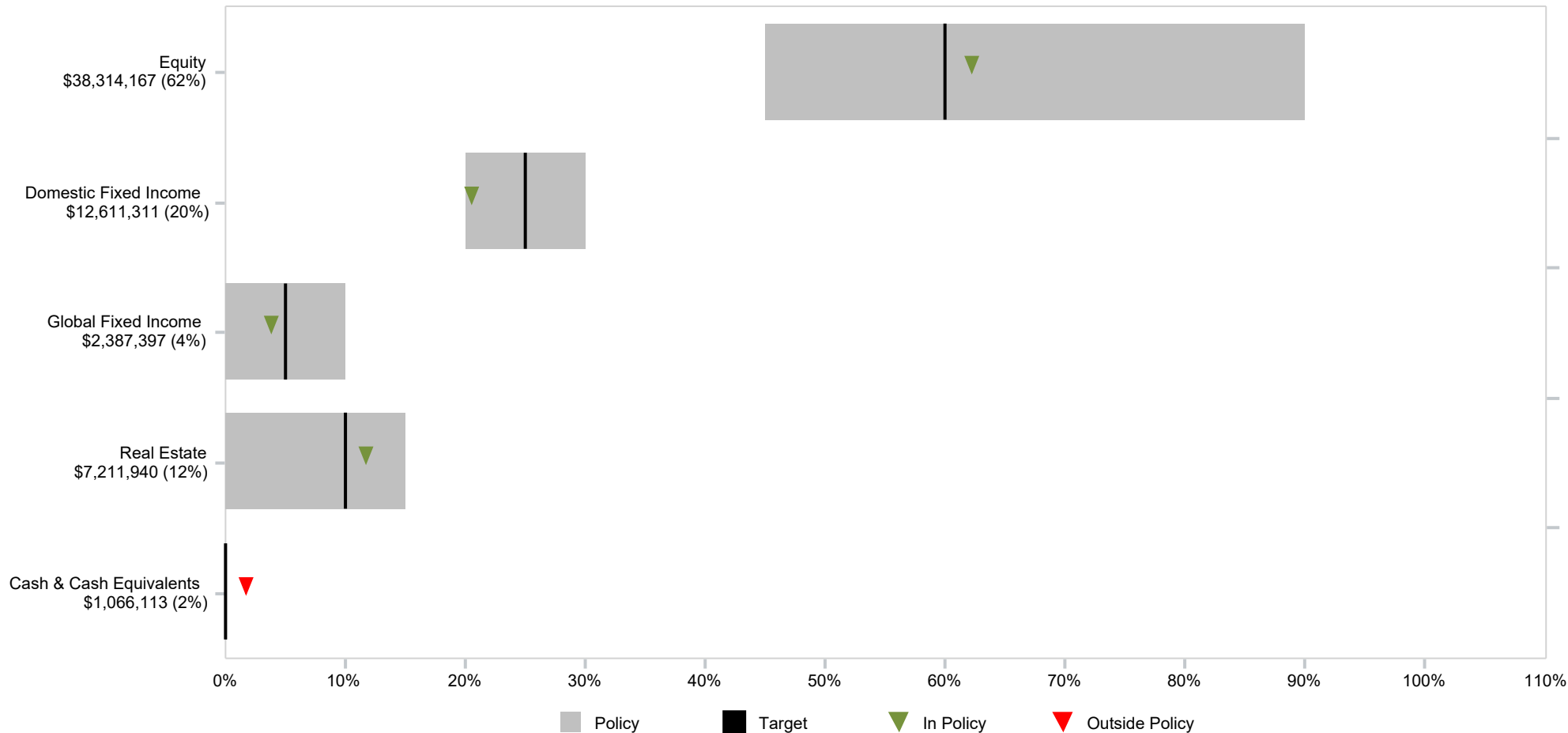
Periods Ending	Beginning Market Value \$	Net Cash Flow \$	Gain/Loss \$	Ending Market Value \$	%Return (Net)
10 YR	36,838,820	-10,366,528	35,118,637	61,590,929	7.81



**Asset Allocation Compliance**

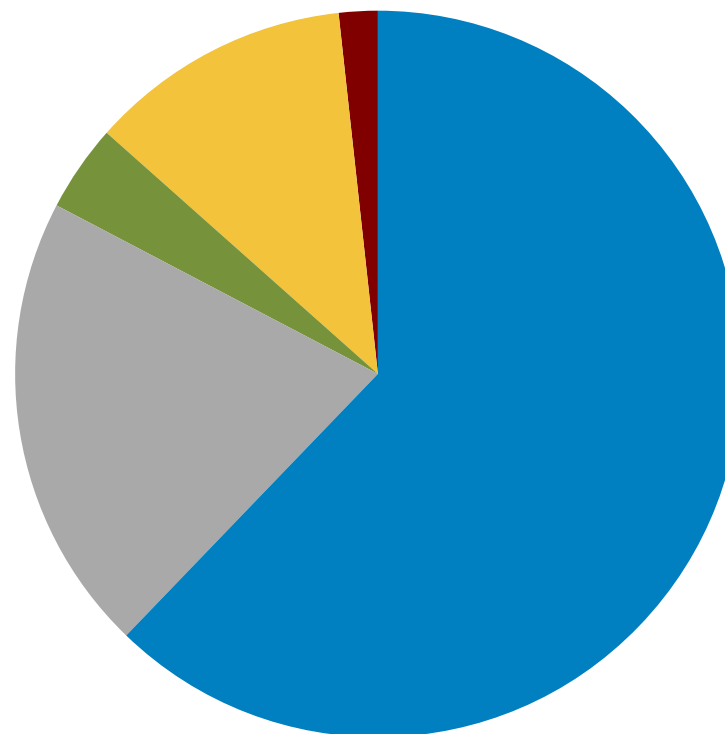
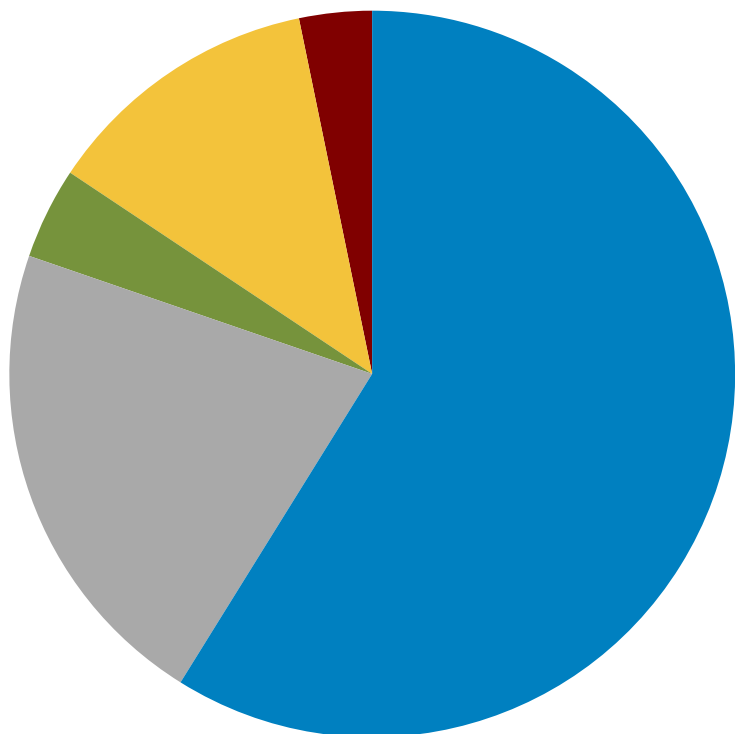
	Asset Allocation \$	Current Allocation (%)	Minimum Allocation (%)	Target Allocation (%)	Maximum Allocation (%)	Min. Rebal.	Target Rebal.	Max. Rebal.
Equity	38,314,167	62.2	45.0	60.0	90.0	-10,598,249	-1,359,610	17,117,669
Domestic Fixed Income	12,611,311	20.5	20.0	25.0	30.0	-293,126	2,786,421	5,865,967
Global Fixed Income	2,387,397	3.9	0.0	5.0	10.0	-2,387,397	692,149	3,771,696
Real Estate	7,211,940	11.7	0.0	10.0	15.0	-7,211,940	-1,052,847	2,026,700
Cash & Cash Equivalents	1,066,113	1.7	0.0	0.0	0.0	-1,066,113	-1,066,113	-1,066,113
Total Fund	61,590,929	100.0	N/A	100.0	N/A	-	-	-

**Executive Summary**



Asset Allocation By Segment as of  
 June 30, 2020 : \$58,330,753

Asset Allocation By Segment as of  
 September 30, 2020 : \$61,590,929

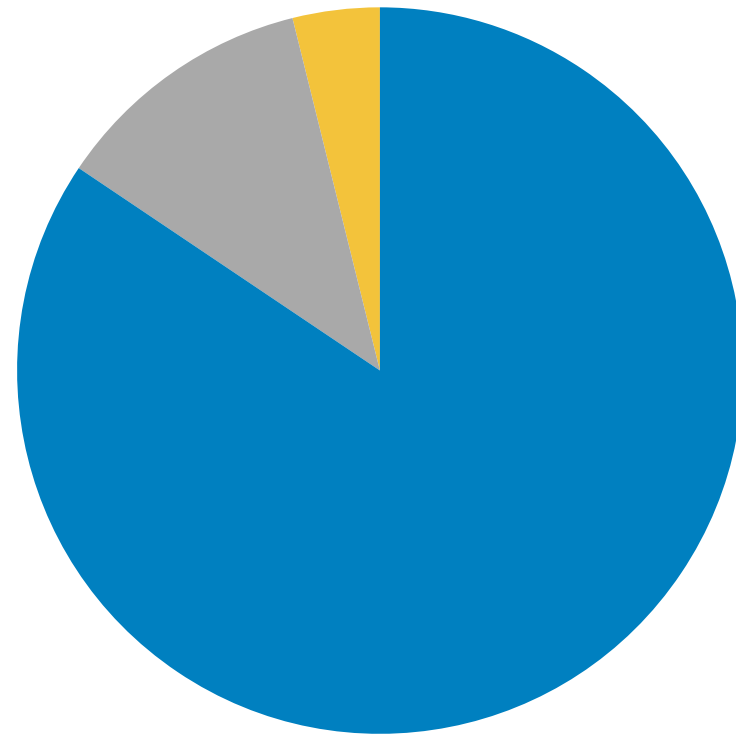
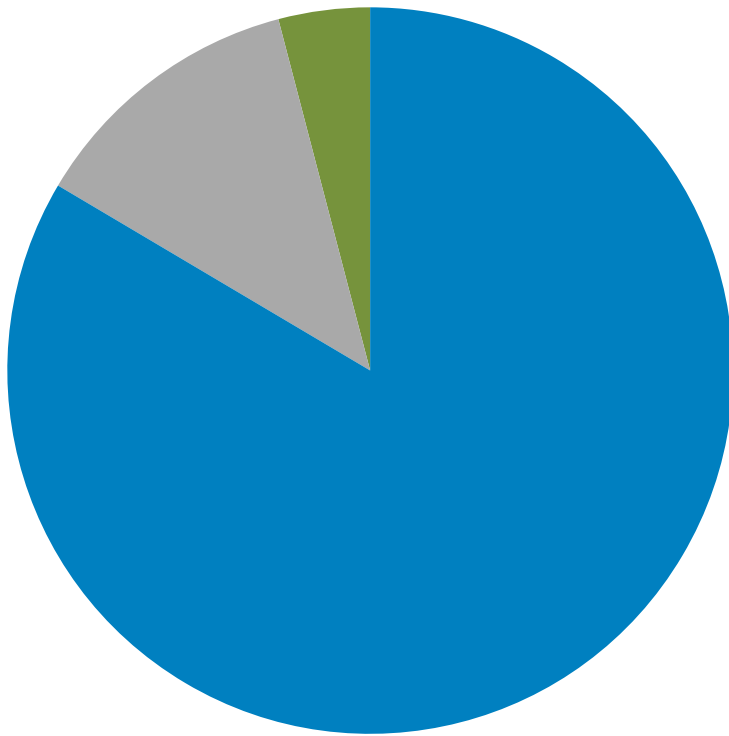


Allocation			Allocation		
Segments	Market Value	Allocation	Segments	Market Value	Allocation
Equity	34,334,106	58.9	Equity	38,314,167	62.2
Domestic Fixed Income	12,487,942	21.4	Domestic Fixed Income	12,611,311	20.5
Global Fixed Income	2,378,087	4.1	Global Fixed Income	2,387,397	3.9
Real Estate	7,241,783	12.4	Real Estate	7,211,940	11.7
Cash Equivalent	1,888,834	3.2	Cash Equivalent	1,066,113	1.7



Asset Allocation By Manager as of  
June 30, 2020 : \$58,330,753

Asset Allocation By Manager as of  
September 30, 2020 : \$61,590,929



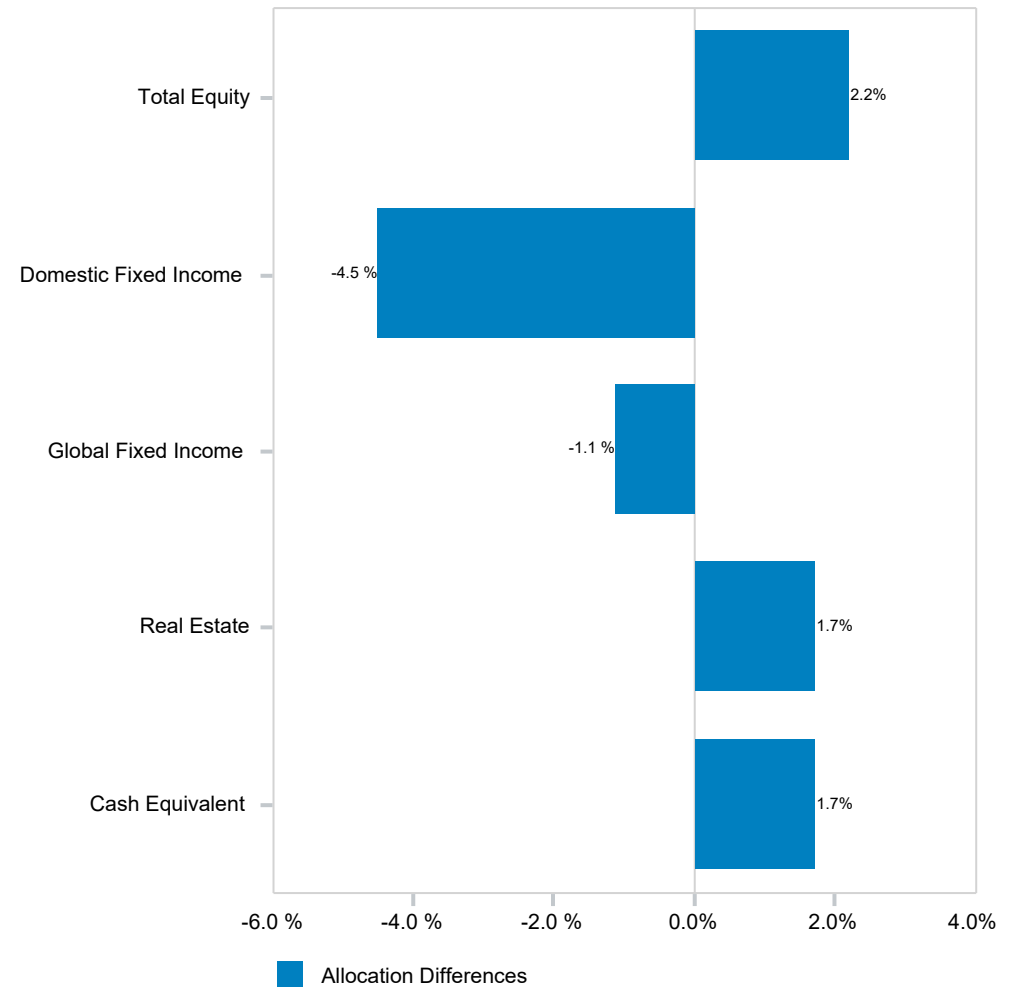
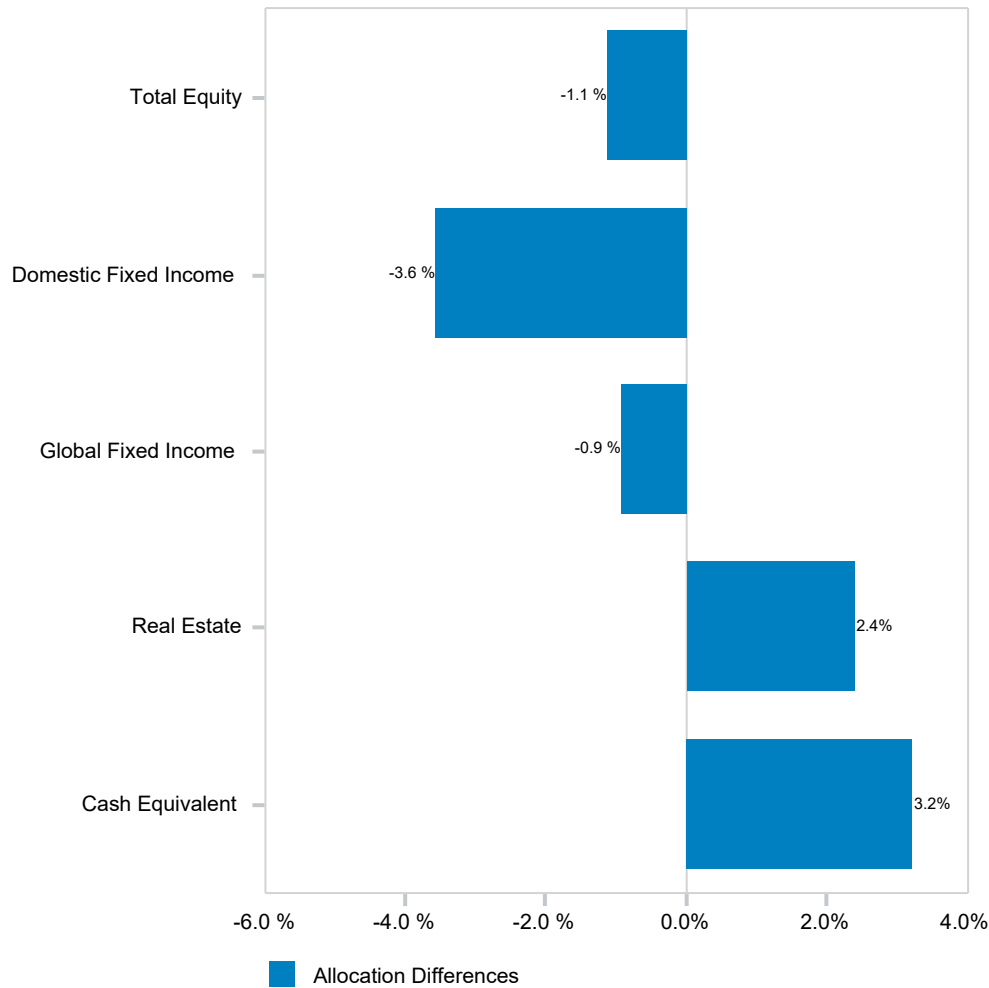
Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
Highland Capital	48,710,882	83.5	Highland Capital	51,991,591	84.4
American Core Realty Fund	7,241,783	12.4	American Core Realty Fund	7,211,940	11.7
Templeton Global	2,378,087	4.1	Pimco Global Bond Opp (Hedged) (PGBIX)	2,387,397	3.9
Pimco Global Bond Opp (Hedged) (PGBIX)	-	0.0	Templeton Global	-	0.0



**Asset Allocation vs. Target Allocation**

**Total Fund**

As of September 30, 2020

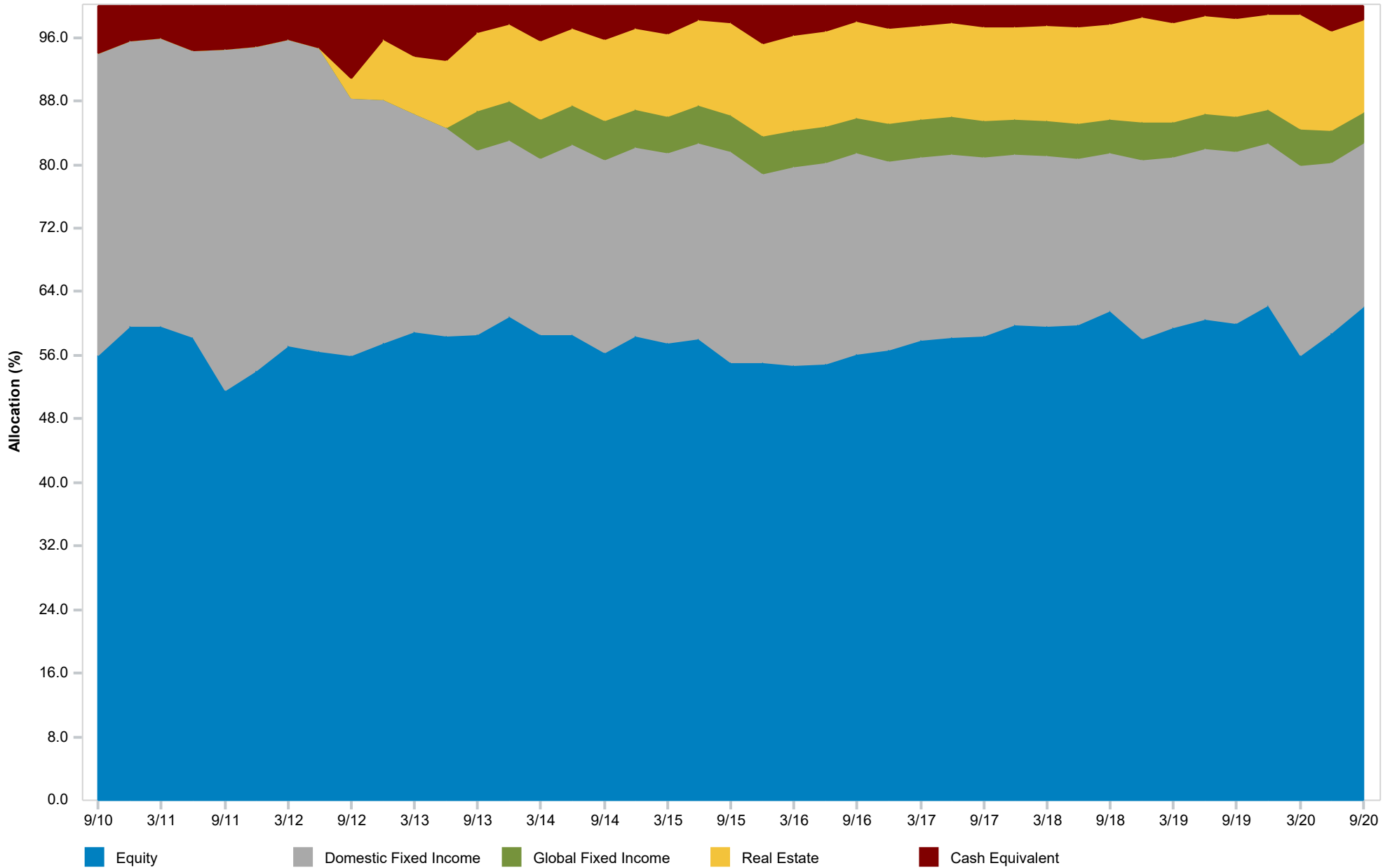


	As of June 30, 2020			As of September 30, 2020		
	Market Value \$	Allocation (%)	Target (%)	Market Value \$	Allocation (%)	Target (%)
Total Equity	34,334,106	58.9	60.0	38,314,167	62.2	60.0
Domestic Fixed Income	12,487,942	21.4	25.0	12,611,311	20.5	25.0
Global Fixed Income	2,378,087	4.1	5.0	2,387,397	3.9	5.0
Real Estate	7,241,783	12.4	10.0	7,211,940	11.7	10.0
Cash Equivalent	1,888,834	3.2	0.0	1,066,113	1.7	0.0
Total Fund	58,330,753	100.0	100.0	61,590,929	100.0	100.0





Historical Asset Allocation by Segment



## Financial Reconciliation Quarter to Date

	Market Value 07/01/2020	Net Transfers	Contributions	Distributions	Management Fees	Other Expenses	Income	Apprec./ Deprec.	Market Value 09/30/2020
Highland Capital	48,710,882	-	602,030	-861,519	-48,681	-52,510	228,548	3,412,842	51,991,591
Templeton Global	2,378,087	-2,364,584	-	-	-	-	17,629	-31,133	-
Pimco Global Bond Opp (Hedged) (PGBIX)	-	2,364,584	-	-	-	-	3,616	19,197	2,387,397
American Core Realty Fund	7,241,783	-	-	-	-19,888	-	52,530	-62,486	7,211,940
Mutual Fund Cash	-	-	-	-	-	-	-	-	-
<b>Total Fund</b>	<b>58,330,753</b>	<b>-</b>	<b>602,030</b>	<b>-861,519</b>	<b>-68,569</b>	<b>-52,510</b>	<b>302,324</b>	<b>3,338,420</b>	<b>61,590,929</b>

## Financial Reconciliation Fiscal Year to Date

	Market Value 10/01/2019	Net Transfers	Contributions	Distributions	Management Fees	Other Expenses	Income	Apprec./ Deprec.	Market Value 09/30/2020
Highland Capital	47,823,693	-	1,995,540	-3,267,621	-188,630	-140,632	998,912	4,770,331	51,991,591
Templeton Global	2,447,681	-2,364,584	-	-	-	-	121,464	-204,560	-
Pimco Global Bond Opp (Hedged) (PGBIX)	-	2,364,584	-	-	-	-	3,616	19,197	2,387,397
American Core Realty Fund	7,175,654	-	-	-	-80,153	-	246,027	-129,588	7,211,940
Mutual Fund Cash	-	-	-	-	-	-	-	-	-
<b>Total Fund</b>	<b>57,447,027</b>	<b>-</b>	<b>1,995,540</b>	<b>-3,267,621</b>	<b>-268,784</b>	<b>-140,632</b>	<b>1,370,019</b>	<b>4,455,380</b>	<b>61,590,929</b>

## Comparative Performance Trailing Returns

	QTR	FYTD	1 YR	3 YR	5 YR	10 YR	Inception	Inception Date
<b>Total Fund (Net)</b>	<b>6.14</b>	<b>9.86</b>	<b>9.86</b>	<b>7.41</b>	<b>8.43</b>	<b>7.81</b>	<b>6.88</b>	<b>01/01/1998</b>
Total Fund Policy	5.49	10.16	10.16	7.96	9.38	8.85	6.74	
<b>Total Fund (Gross)</b>	<b>6.26 (9)</b>	<b>10.37 (13)</b>	<b>10.37 (13)</b>	<b>7.92 (11)</b>	<b>8.95 (18)</b>	<b>8.31 (29)</b>	<b>7.30 (11)</b>	<b>01/01/1998</b>
Total Fund Policy	5.49 (34)	10.16 (15)	10.16 (15)	7.96 (11)	9.38 (10)	8.85 (13)	6.74 (38)	
All Public Plans-Total Fund Median	5.11	7.45	7.45	6.29	8.07	7.68	6.53	
<b>Highland Capital Equity (Gross)</b>	<b>10.17 (10)</b>	<b>15.40 (29)</b>	<b>15.40 (29)</b>	<b>10.58 (52)</b>	<b>12.25 (57)</b>	<b>11.09 (86)</b>	<b>8.66 (N/A)</b>	<b>01/01/1998</b>
Total Equity Policy	8.50 (34)	12.06 (44)	12.06 (44)	9.12 (61)	11.97 (59)	11.63 (72)	6.91 (N/A)	
IM U.S. All Cap Core Equity (SA+CF) Median	7.32	9.43	9.43	10.92	12.62	13.30	N/A	
<b>Highland Capital Fixed (Gross)</b>	<b>1.26 (33)</b>	<b>6.56 (87)</b>	<b>6.56 (87)</b>	<b>4.96 (98)</b>	<b>4.53 (66)</b>	<b>3.82 (83)</b>	<b>4.85 (99)</b>	<b>01/01/1998</b>
Total Fixed Policy	0.62 (86)	6.98 (77)	6.98 (77)	5.24 (91)	4.18 (93)	3.61 (95)	5.11 (89)	
IM U.S. Broad Market Core Fixed Income (SA+CF) Median	1.11	7.55	7.55	5.67	4.73	4.17	5.48	
<b>Pimco Global Bond Opp (Hedged) (PGBIX) (Net)</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>0.96 (4)</b>	<b>08/01/2020</b>
Bloomberg Barclays Global Agg Index (Hedged)	0.73 (97)	4.14 (65)	4.14 (65)	5.13 (9)	4.32 (33)	3.92 (14)	-0.36 (63)	
IM Global Fixed Income (MF) Median	2.41	5.39	5.39	3.74	3.94	2.67	-0.26	
<b>American Core Realty Fund (Gross)</b>	<b>-0.14 (81)</b>	<b>1.62 (57)</b>	<b>1.62 (57)</b>	<b>5.60 (53)</b>	<b>6.66 (65)</b>	<b>N/A</b>	<b>9.02 (70)</b>	<b>07/01/2012</b>
NCREIF Fund Index-Open End Diversified Core (EW)	0.57 (50)	1.73 (50)	1.73 (50)	5.53 (54)	6.99 (56)	10.37 (58)	9.34 (58)	
IM U.S. Open End Private Real Estate (SA+CF) Median	0.55	1.73	1.73	5.75	7.07	11.12	9.87	

Returns for periods greater than one year are annualized.  
Returns are expressed as percentages. Fiscal year ends September 30th.



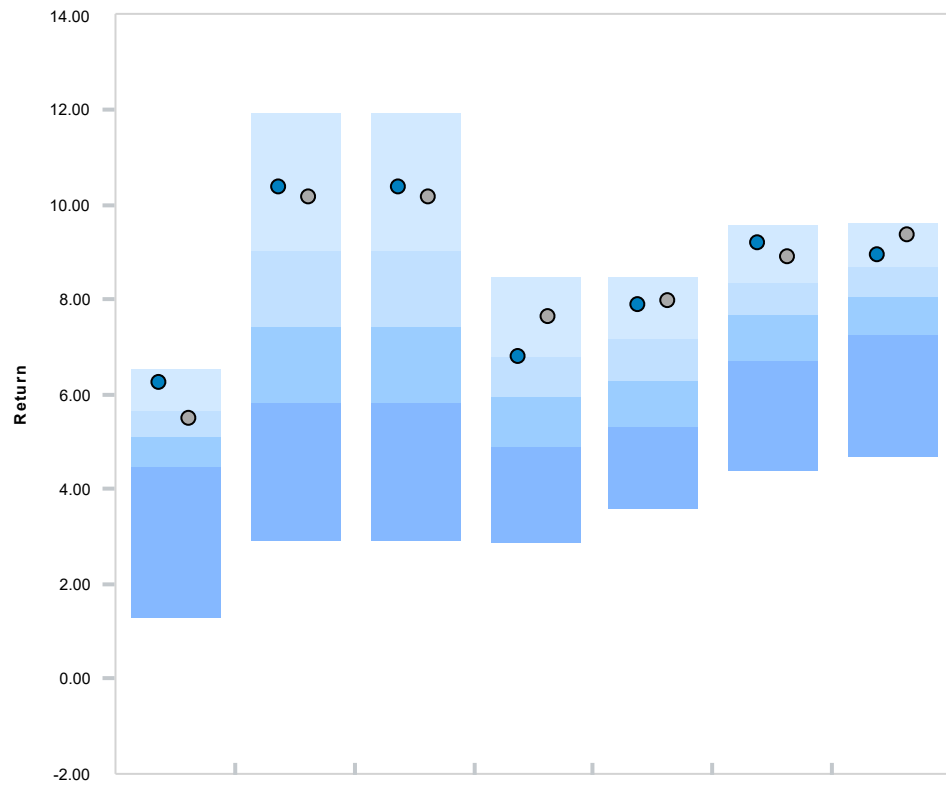
## Comparative Performance Fiscal Year Returns

	Oct-2019 To Sep-2020	Oct-2018 To Sep-2019	Oct-2017 To Sep-2018	Oct-2016 To Sep-2017	Oct-2015 To Sep-2016	Oct-2014 To Sep-2015	Oct-2013 To Sep-2014	Oct-2012 To Sep-2013	Oct-2011 To Sep-2012
<b>Total Fund (Net)</b>	<b>9.86</b>	<b>2.83</b>	<b>9.71</b>	<b>12.52</b>	<b>7.49</b>	<b>1.11</b>	<b>10.06</b>	<b>12.76</b>	<b>14.76</b>
Total Fund Policy	10.16	5.20	8.58	11.87	11.23	0.03	11.18	10.98	18.44
<b>Total Fund (Gross)</b>	<b>10.37 (13)</b>	<b>3.31 (77)</b>	<b>10.22 (7)</b>	<b>13.13 (25)</b>	<b>7.99 (84)</b>	<b>1.48 (10)</b>	<b>10.65 (36)</b>	<b>13.18 (32)</b>	<b>15.22 (77)</b>
Total Fund Policy	10.16 (15)	5.20 (24)	8.58 (24)	11.87 (50)	11.23 (16)	0.03 (32)	11.18 (26)	10.98 (65)	18.44 (34)
All Public Plans-Total Fund Median	7.45	4.30	7.20	11.82	9.74	-0.78	9.93	12.02	17.50
<b>Highland Capital Equity (Gross)</b>	<b>15.40 (29)</b>	<b>0.72 (68)</b>	<b>16.31 (57)</b>	<b>20.57 (28)</b>	<b>9.30 (74)</b>	<b>-0.41 (50)</b>	<b>14.17 (72)</b>	<b>23.16 (63)</b>	<b>23.08 (80)</b>
Total Equity Policy	12.06 (44)	2.04 (61)	13.62 (78)	19.14 (47)	13.68 (39)	-3.37 (81)	15.61 (62)	20.14 (84)	27.76 (47)
IM U.S. All Cap Core Equity (SA+CF) Median	9.43	2.80	16.68	18.82	12.25	-0.47	16.19	24.60	27.17
<b>Highland Capital Fixed (Gross)</b>	<b>6.56 (87)</b>	<b>9.68 (90)</b>	<b>-1.07 (73)</b>	<b>0.85 (39)</b>	<b>7.00 (10)</b>	<b>2.18 (89)</b>	<b>3.95 (81)</b>	<b>-2.75 (100)</b>	<b>7.18 (39)</b>
Total Fixed Policy	6.98 (77)	10.30 (70)	-1.22 (88)	0.07 (84)	5.19 (80)	2.94 (62)	3.85 (88)	-1.86 (89)	5.28 (86)
IM U.S. Broad Market Core Fixed Income (SA+CF) Median	7.55	10.44	-0.74	0.63	5.66	3.02	4.47	-1.26	6.61
<b>Pimco Global Bond Opp (Hedged) (PGBIX) (Net)</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
Bloomberg Barclays Global Agg Index (Hedged)	4.14 (65)	10.65 (13)	0.83 (12)	-0.17 (72)	6.54 (64)	3.14 (1)	5.50 (24)	0.54 (20)	5.69 (79)
IM Global Fixed Income (MF) Median	5.39	7.65	-1.29	1.02	7.42	-3.85	3.37	-1.81	7.17
<b>American Core Realty Fund (Gross)</b>	<b>1.62 (57)</b>	<b>6.81 (52)</b>	<b>8.50 (65)</b>	<b>7.52 (63)</b>	<b>9.04 (94)</b>	<b>13.98 (68)</b>	<b>12.49 (64)</b>	<b>12.27 (72)</b>	<b>N/A</b>
NCREIF Fund Index-Open End Diversified Core (EW)	1.73 (50)	6.17 (72)	8.82 (59)	7.81 (56)	10.62 (68)	14.71 (61)	12.39 (67)	12.47 (69)	11.77 (64)
IM U.S. Open End Private Real Estate (SA+CF) Median	1.73	6.89	9.04	8.05	11.32	15.45	12.78	13.28	12.89

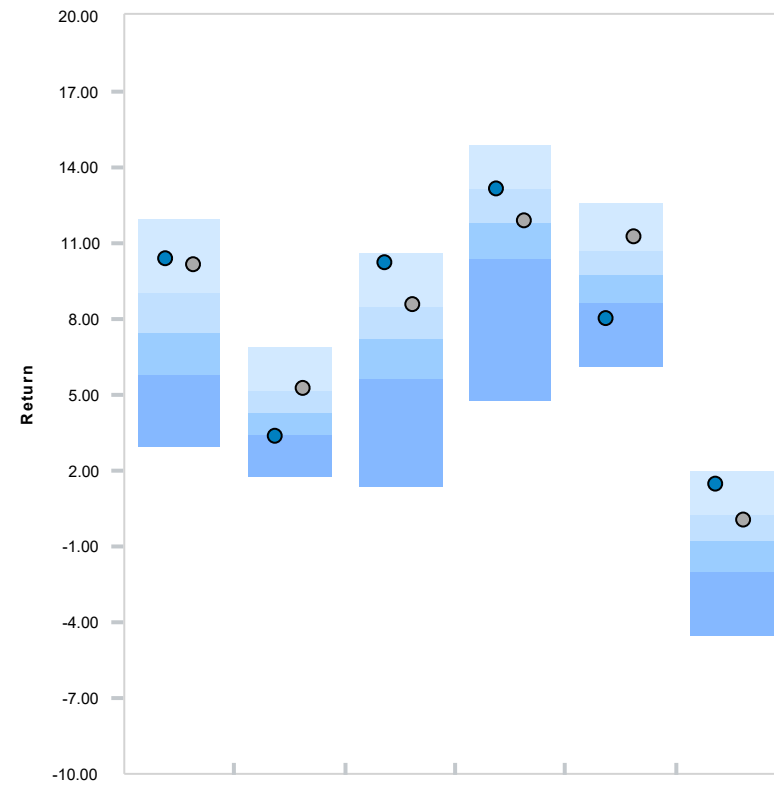
Returns for periods greater than one year are annualized.  
Returns are expressed as percentages. Fiscal year ends September 30th.



Plan Sponsor Peer Group Analysis - All Public Plans-Total Fund



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Total Fund	6.26 (9)	10.37 (13)	10.37 (13)	6.78 (26)	7.92 (11)	9.20 (10)	8.95 (18)
● Total Fund Policy	5.49 (34)	10.16 (15)	10.16 (15)	7.65 (13)	7.96 (11)	8.93 (14)	9.38 (10)
Median	5.11	7.45	7.45	5.95	6.29	7.67	8.07



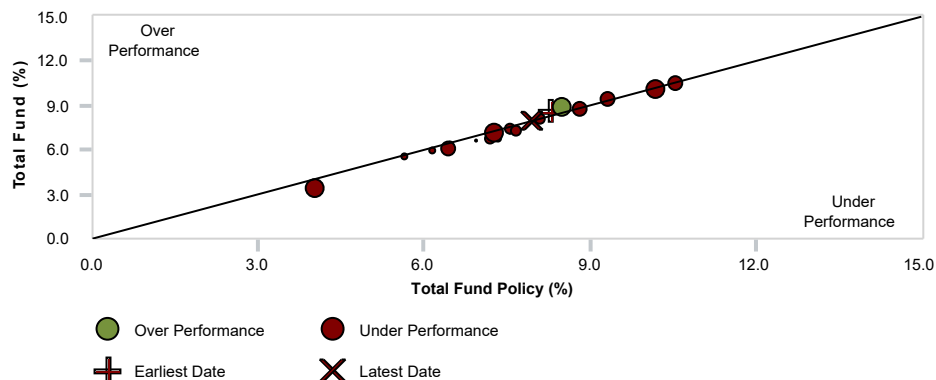
	Oct-2019 To Sep-2020	Oct-2018 To Sep-2019	Oct-2017 To Sep-2018	Oct-2016 To Sep-2017	Oct-2015 To Sep-2016	Oct-2014 To Sep-2015
● Total Fund	10.37 (13)	3.31 (77)	10.22 (7)	13.13 (25)	7.99 (84)	1.48 (10)
● Total Fund Policy	10.16 (15)	5.20 (24)	8.58 (24)	11.87 (50)	11.23 (16)	0.03 (32)
Median	7.45	4.30	7.20	11.82	9.74	-0.78

Comparative Performance

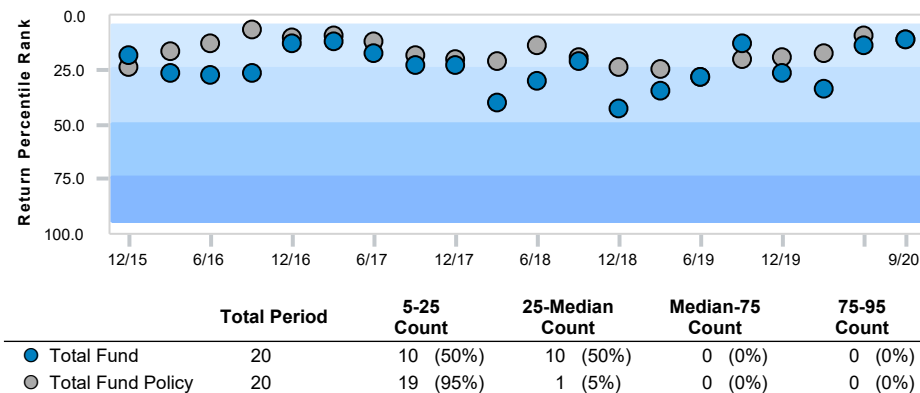
	1 Qtr Ending Jun-2020	1 Qtr Ending Mar-2020	1 Qtr Ending Dec-2019	1 Qtr Ending Sep-2019	1 Qtr Ending Jun-2019	1 Qtr Ending Mar-2019
Total Fund	13.69 (28)	-13.77 (60)	5.95 (20)	1.05 (32)	3.34 (40)	8.47 (49)
Total Fund Policy	12.84 (40)	-12.34 (36)	5.57 (36)	1.05 (32)	3.53 (21)	8.83 (40)
All Public Plans-Total Fund Median	12.24	-13.15	5.25	0.83	3.26	8.43



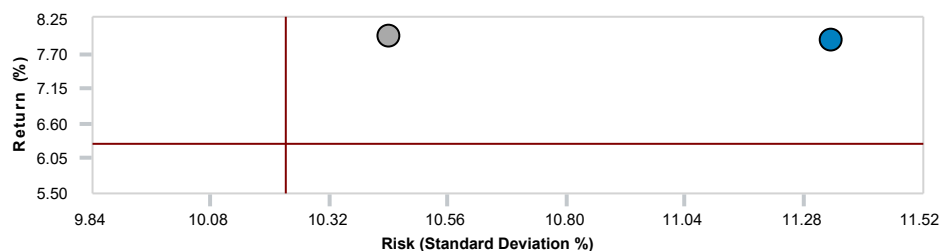
### 3 Yr Rolling Under/Over Performance - 5 Years



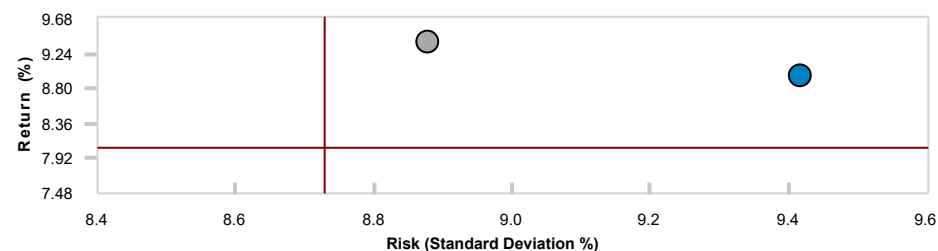
### 3 Yr Rolling Percentile Ranking - 5 Years



### Peer Group Scattergram - 3 Years



### Peer Group Scattergram - 5 Years



### Historical Statistics - 3 Years

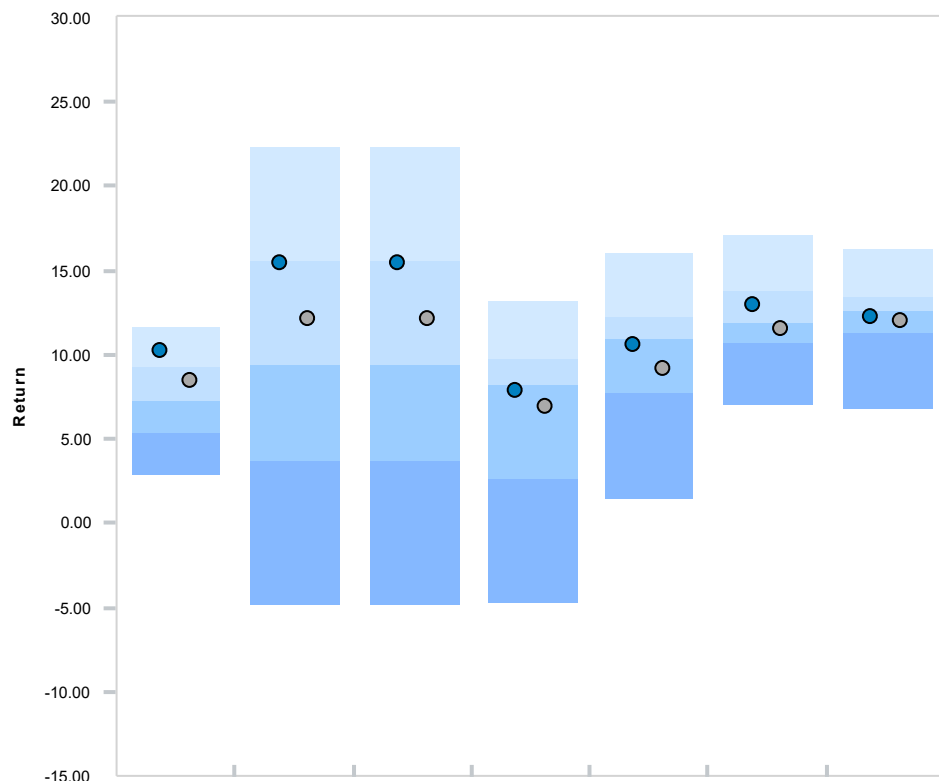
	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Fund	1.48	107.71	113.35	-0.60	0.04	0.58	1.08	7.87
Total Fund Policy	0.00	100.00	100.00	0.00	N/A	0.62	1.00	7.11

### Historical Statistics - 5 Years

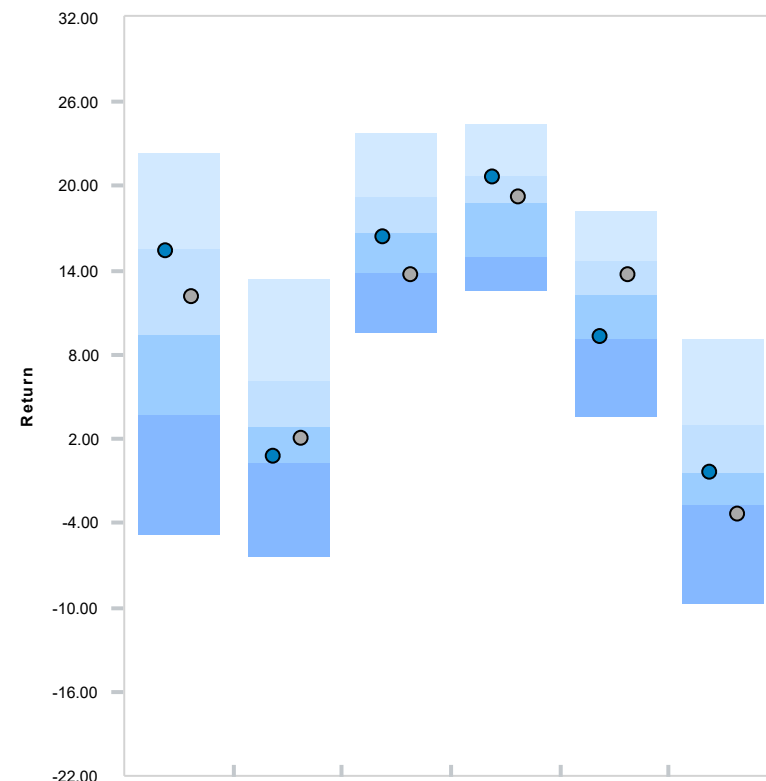
	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Fund	1.45	101.92	109.10	-0.81	-0.24	0.83	1.05	6.29
Total Fund Policy	0.00	100.00	100.00	0.00	N/A	0.92	1.00	5.74



Peer Group Analysis - IM U.S. All Cap Core Equity (SA+CF)



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Highlandl Equity	10.17 (10)	15.40 (29)	15.40 (29)	7.81 (54)	10.58 (52)	12.99 (35)	12.25 (57)
● Total Equity Policy	8.50 (34)	12.06 (44)	12.06 (44)	6.93 (55)	9.12 (61)	11.54 (61)	11.97 (59)
Median	7.32	9.43	9.43	8.24	10.92	11.89	12.62



	Oct-2019 To Sep-2020	Oct-2018 To Sep-2019	Oct-2017 To Sep-2018	Oct-2016 To Sep-2017	Oct-2015 To Sep-2016	Oct-2014 To Sep-2015
● Highlandl Equity	15.40 (29)	0.72 (68)	16.31 (57)	20.57 (28)	9.30 (74)	-0.41 (50)
● Total Equity Policy	12.06 (44)	2.04 (61)	13.62 (78)	19.14 (47)	13.68 (39)	-3.37 (81)
Median	9.43	2.80	16.68	18.82	12.25	-0.47

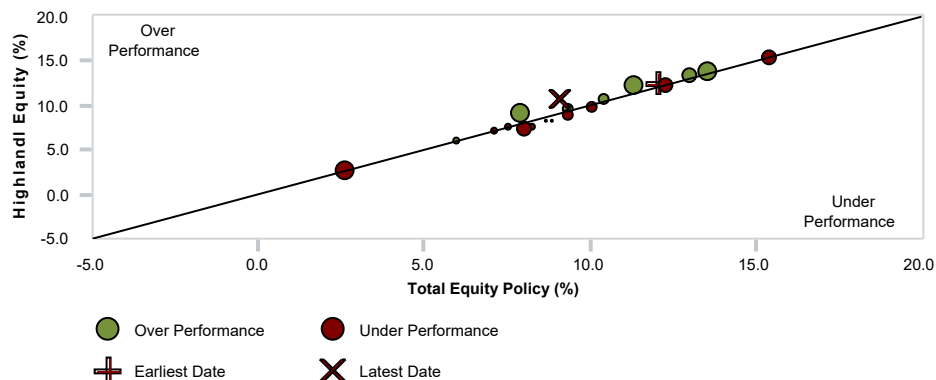
Comparative Performance

	1 Qtr Ending Jun-2020	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
Highlandl Equity	23.16 (28)	-22.24 (58)	9.37 (18)	0.91 (67)	4.05 (57)	13.03 (66)
Total Equity Policy	20.61 (55)	-21.49 (49)	9.08 (24)	0.45 (73)	3.88 (66)	13.14 (64)
IM U.S. All Cap Core Equity (SA+CF) Median	20.92	-21.63	7.89	1.60	4.10	13.63

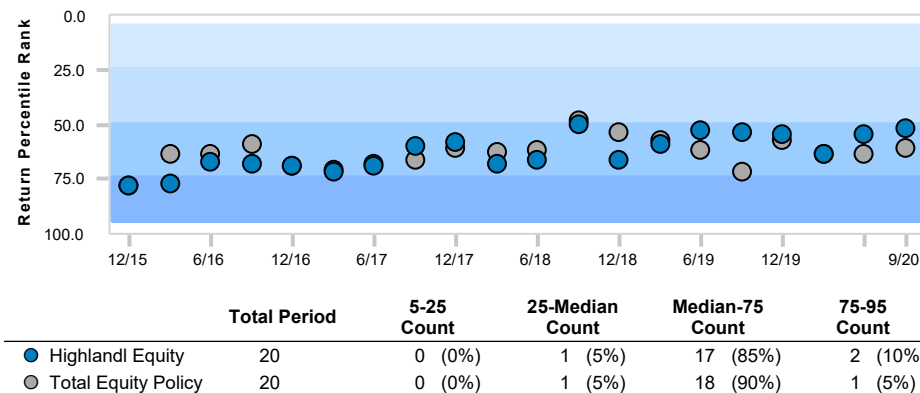




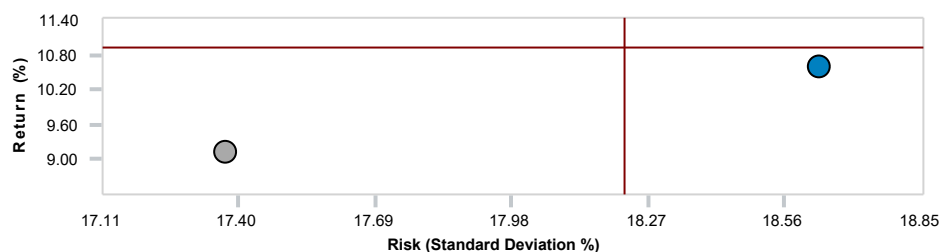
### 3 Yr Rolling Under/Over Performance - 5 Years



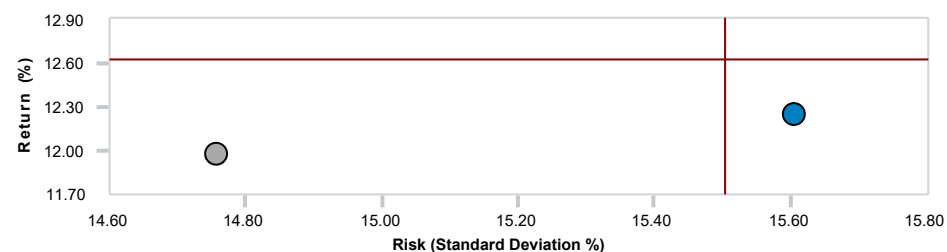
### 3 Yr Rolling Percentile Ranking - 5 Years



### Peer Group Scattergram - 3 Years



### Peer Group Scattergram - 5 Years



### Historical Statistics - 3 Years

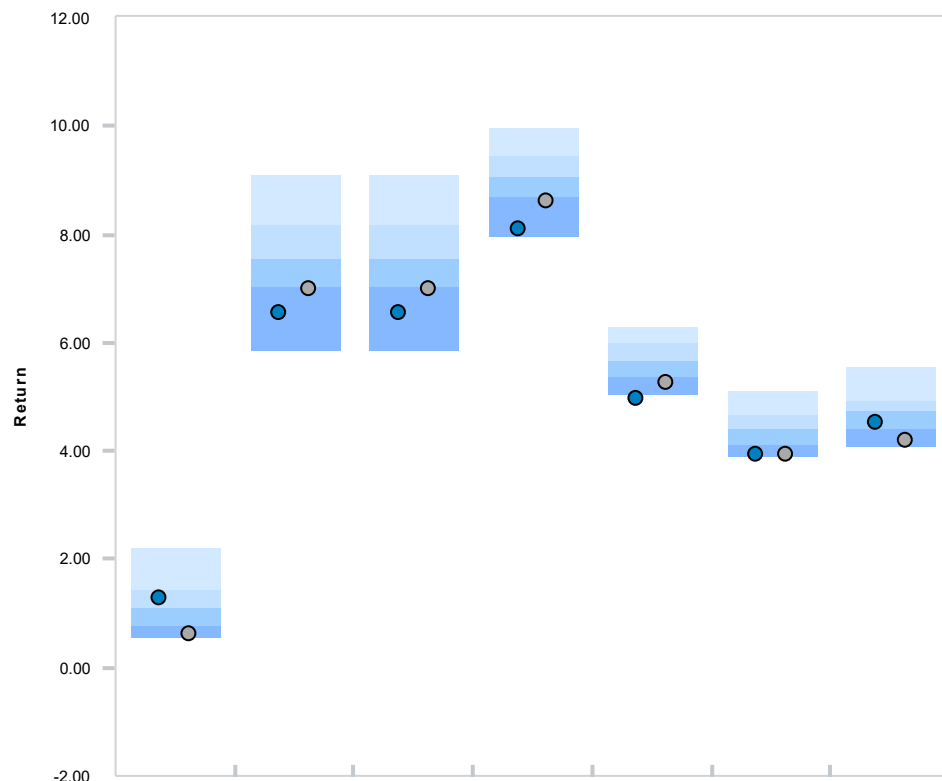
	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Highlandl Equity	2.03	109.78	106.80	0.86	0.77	0.54	1.07	13.00
Total Equity Policy	0.00	100.00	100.00	0.00	N/A	0.49	1.00	12.33

### Historical Statistics - 5 Years

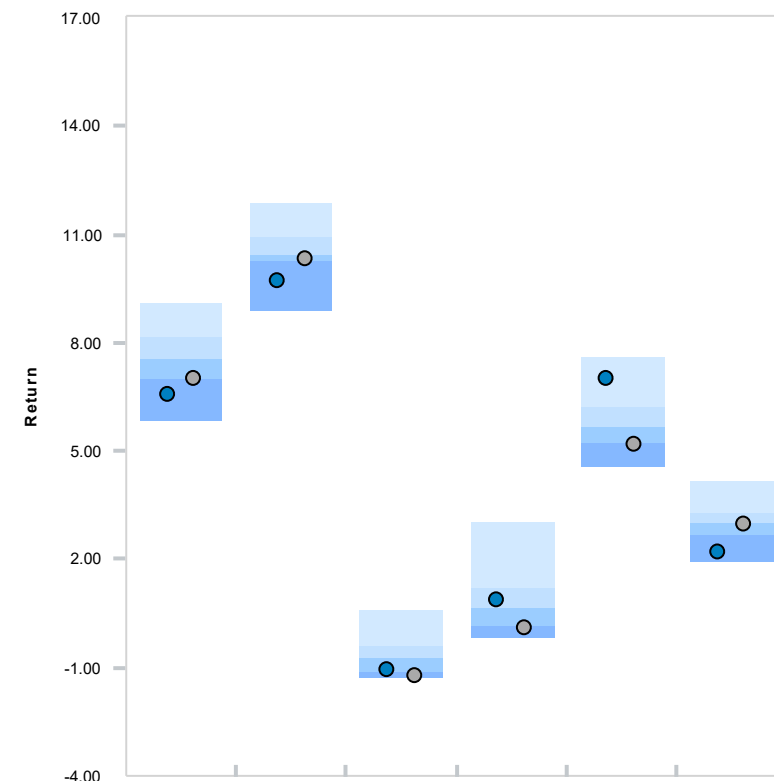
	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Highlandl Equity	1.98	105.36	107.53	-0.24	0.19	0.74	1.05	10.51
Total Equity Policy	0.00	100.00	100.00	0.00	N/A	0.76	1.00	10.00



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



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Highland Fixed	1.26 (33)	6.56 (87)	6.56 (87)	8.11 (93)	4.96 (98)	3.92 (94)	4.53 (66)
● Total Fixed Policy	0.62 (86)	6.98 (77)	6.98 (77)	8.63 (80)	5.24 (91)	3.93 (93)	4.18 (93)
Median	1.11	7.55	7.55	9.06	5.67	4.42	4.73



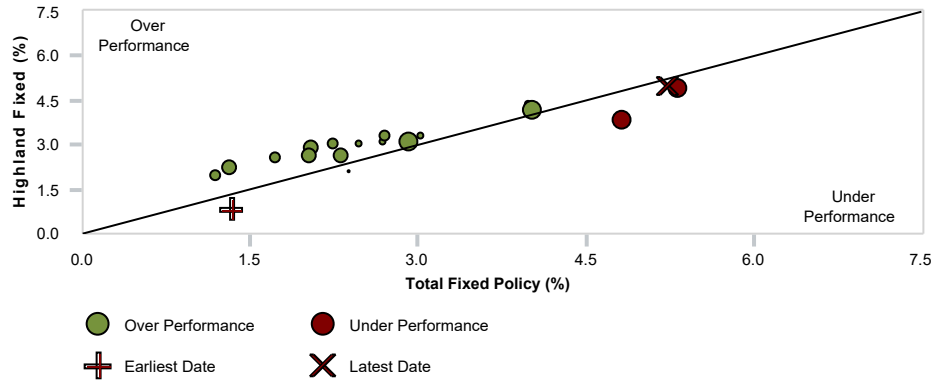
	Oct-2019 To Sep-2020	Oct-2018 To Sep-2019	Oct-2017 To Sep-2018	Oct-2016 To Sep-2017	Oct-2015 To Sep-2016	Oct-2014 To Sep-2015
● Highland Fixed	6.56 (87)	9.68 (90)	-1.07 (73)	0.85 (39)	7.00 (10)	2.18 (89)
● Total Fixed Policy	6.98 (77)	10.30 (70)	-1.22 (88)	0.07 (84)	5.19 (80)	2.94 (62)
Median	7.55	10.44	-0.74	0.63	5.66	3.02

Comparative Performance

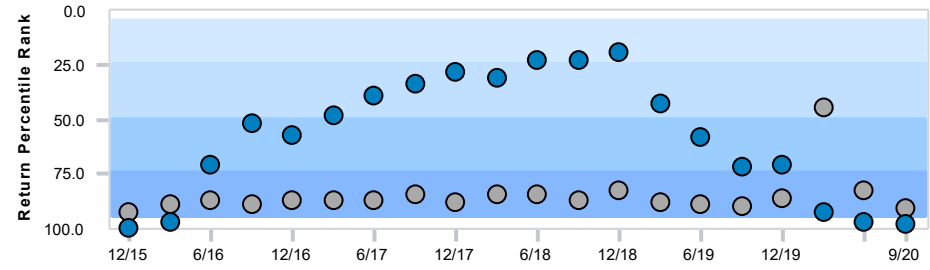
	1 Qtr Ending Jun-2020	1 Qtr Ending Mar-2020	1 Qtr Ending Dec-2019	1 Qtr Ending Sep-2019	1 Qtr Ending Jun-2019	1 Qtr Ending Mar-2019
Highland Fixed	4.86 (33)	0.06 (84)	0.30 (33)	2.11 (89)	3.10 (62)	2.72 (92)
Total Fixed Policy	2.90 (89)	3.15 (24)	0.18 (57)	2.27 (70)	3.08 (70)	2.94 (82)
IM U.S. Broad Market Core Fixed Income (SA+CF) Median	4.37	1.94	0.22	2.33	3.13	3.21



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

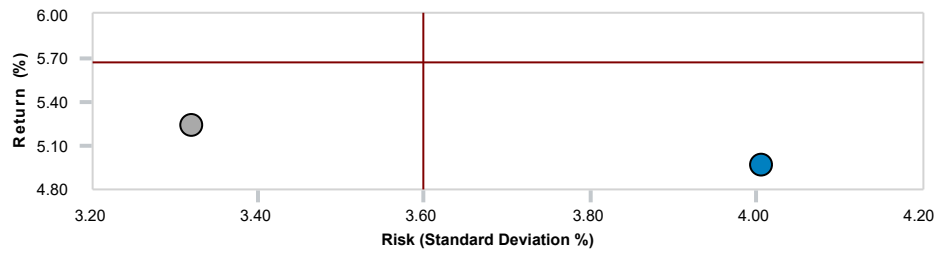


### 3 Yr Rolling Percentile Ranking - 5 Years



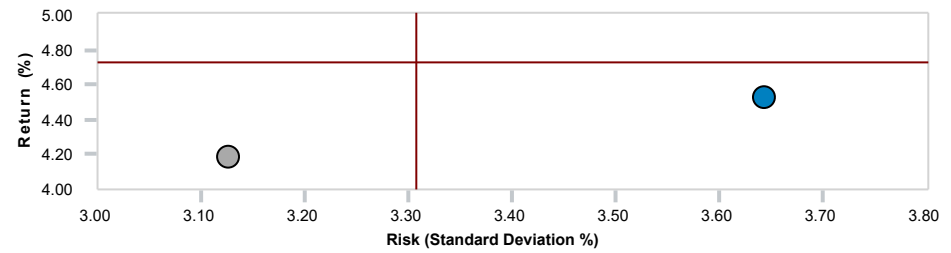
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
● Highland Fixed	20	3 (15%)	6 (30%)	6 (30%)	5 (25%)
● Total Fixed Policy	20	0 (0%)	1 (5%)	0 (0%)	19 (95%)

### Peer Group Scattergram - 3 Years



	Return	Standard Deviation
● Highland Fixed	4.96	4.01
● Total Fixed Policy	5.24	3.32
— Median	5.67	3.60

### Peer Group Scattergram - 5 Years



	Return	Standard Deviation
● Highland Fixed	4.53	3.64
● Total Fixed Policy	4.18	3.13
— Median	4.73	3.31

### Historical Statistics - 3 Years

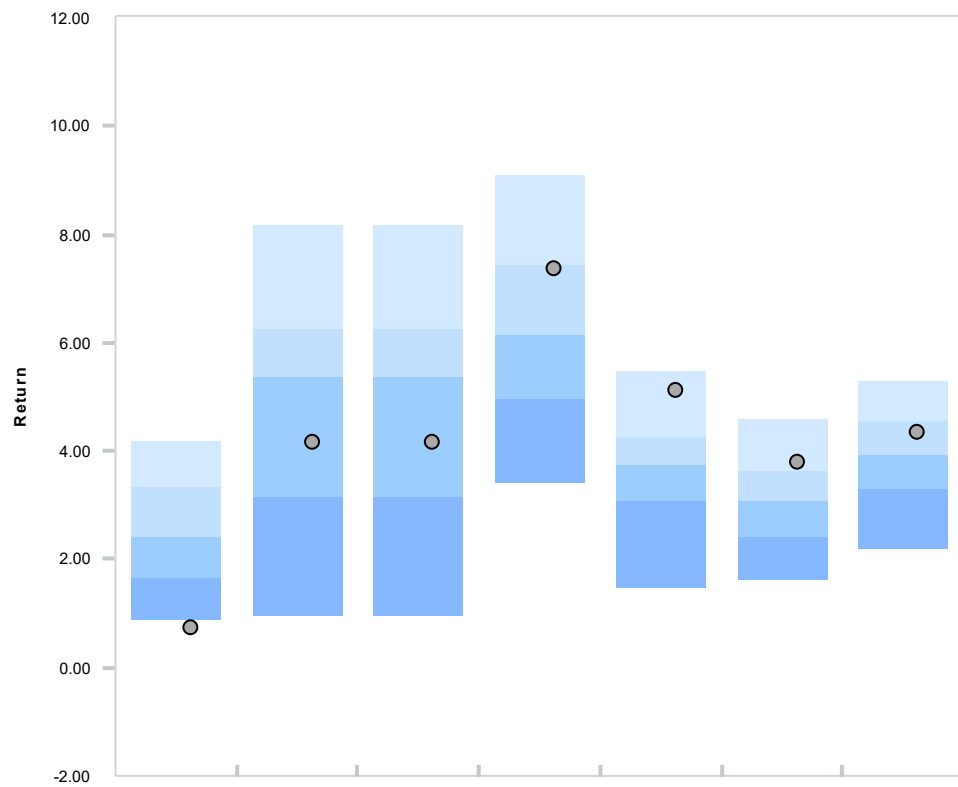
	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Highland Fixed	1.91	105.92	130.57	-0.56	-0.13	0.80	1.06	2.31
Total Fixed Policy	0.00	100.00	100.00	0.00	N/A	1.06	1.00	1.31

### Historical Statistics - 5 Years

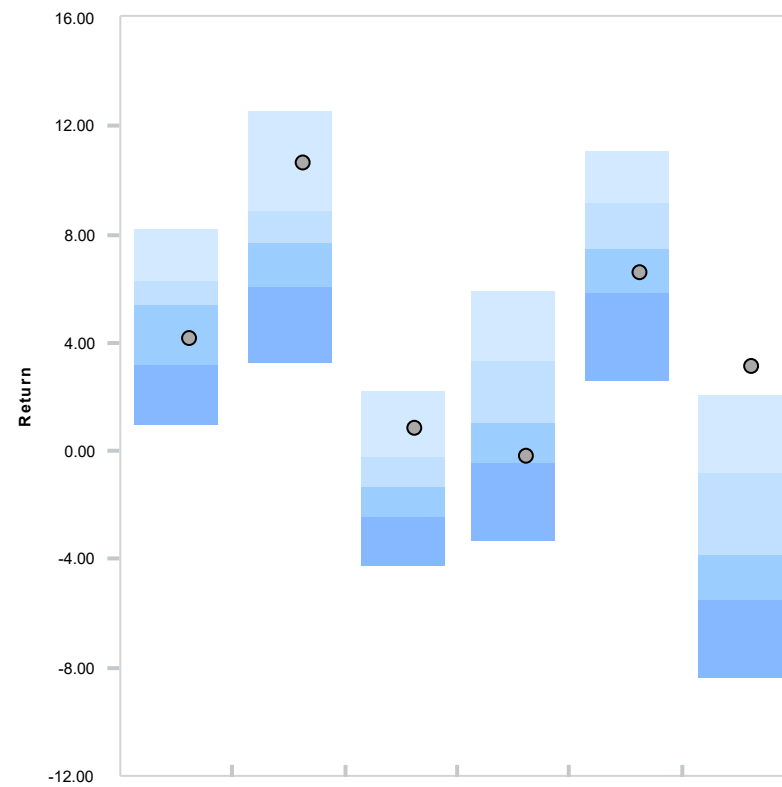
	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Highland Fixed	1.61	111.60	117.24	0.17	0.22	0.91	1.05	2.14
Total Fixed Policy	0.00	100.00	100.00	0.00	N/A	0.96	1.00	1.53



Plan Sponsor Peer Group Analysis - IM Global Fixed Income (MF)



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Pimco GB Opp	N/A	N/A	N/A	N/A	N/A	N/A	N/A
● BBG Global Agg	0.73 (97)	4.14 (65)	4.14 (65)	7.34 (30)	5.13 (9)	3.77 (21)	4.32 (33)
Median	2.41	5.39	5.39	6.13	3.74	3.10	3.94



	Oct-2019 To Sep-2020	Oct-2018 To Sep-2019	Oct-2017 To Sep-2018	Oct-2016 To Sep-2017	Oct-2015 To Sep-2016	Oct-2014 To Sep-2015
● Pimco GB Opp	N/A	N/A	N/A	N/A	N/A	N/A
● BBG Global Agg	4.14 (65)	10.65 (13)	0.83 (12)	-0.17 (72)	6.54 (64)	3.14 (1)
Median	5.39	7.65	-1.29	1.02	7.42	-3.85

Comparative Performance

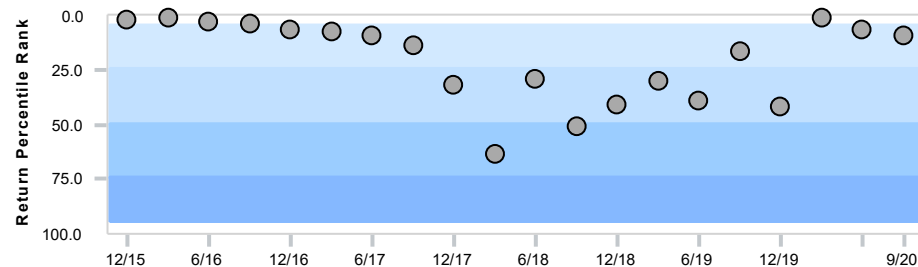
	1 Qtr Ending Jun-2020	1 Qtr Ending Mar-2020	1 Qtr Ending Dec-2019	1 Qtr Ending Sep-2019	1 Qtr Ending Jun-2019	1 Qtr Ending Mar-2019
Pimco GB Opp	N/A	N/A	N/A	N/A	N/A	N/A
Bloomberg Barclays Global Agg Index (Hedged)	2.42 (93)	1.45 (4)	-0.49 (90)	2.59 (9)	2.92 (76)	2.99 (52)
IM Global Fixed Income (MF) Median	5.53	-3.19	0.73	1.04	3.37	3.10



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

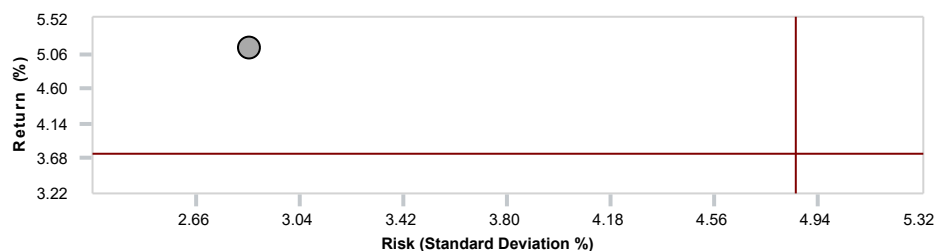
No data found.

### 3 Yr Rolling Percentile Ranking - 5 Years



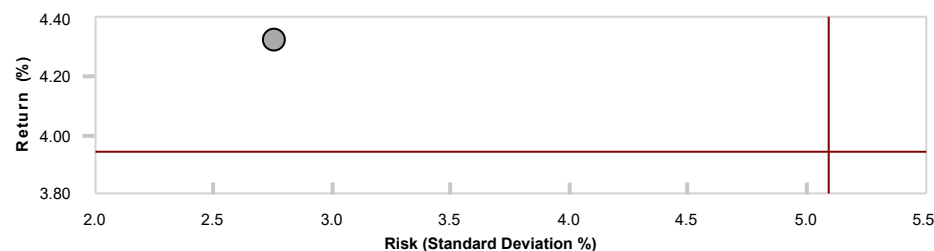
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
● Pimco GB Opp	0	0	0	0	0
● BBg Global Agg	20	12 (60%)	6 (30%)	2 (10%)	0 (0%)

### Peer Group Scattergram - 3 Years



	Return	Standard Deviation
● Pimco GB Opp	N/A	N/A
● BBg Global Agg	5.13	2.86
— Median	3.74	4.86

### Peer Group Scattergram - 5 Years



	Return	Standard Deviation
● Pimco GB Opp	N/A	N/A
● BBg Global Agg	4.32	2.76
— Median	3.94	5.09

### Historical Statistics - 3 Years

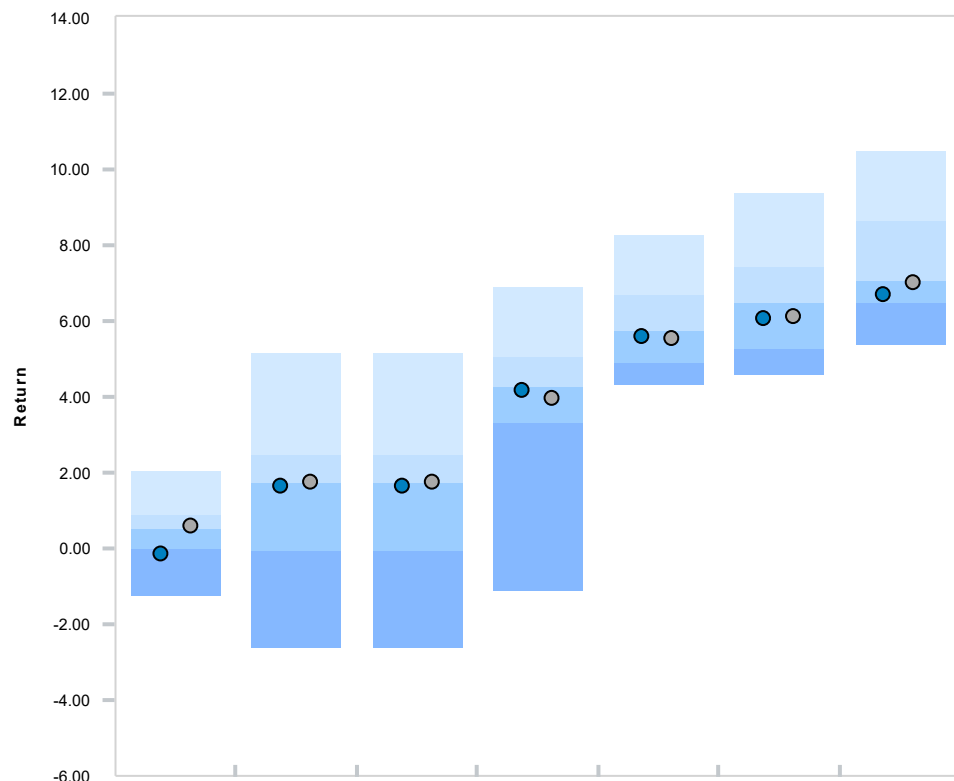
	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Pimco GB Opp	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Bloomberg Barclays Global Agg Index (Hedged)	0.00	100.00	100.00	0.00	N/A	1.18	1.00	1.17

### Historical Statistics - 5 Years

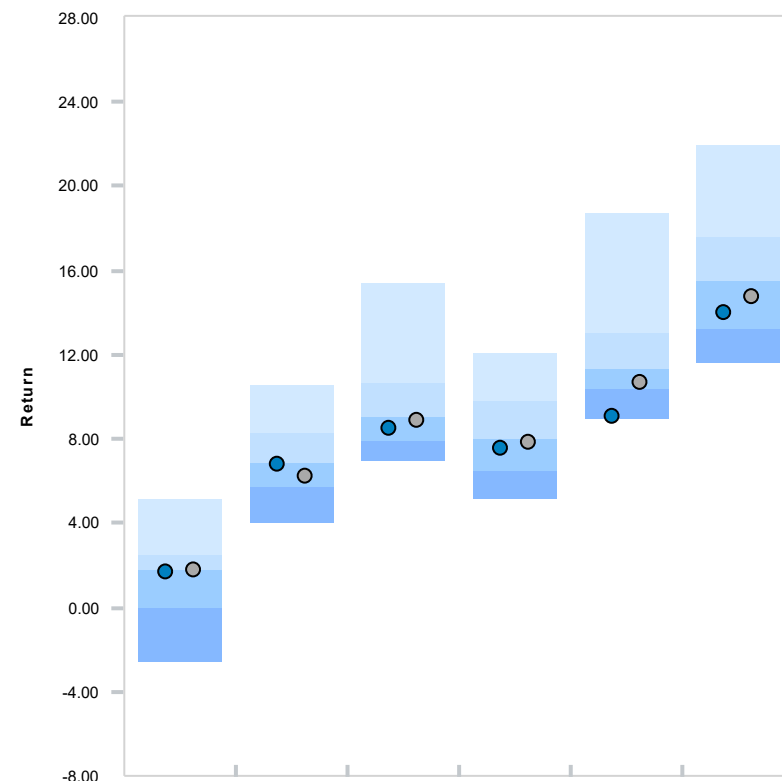
	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Pimco GB Opp	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Bloomberg Barclays Global Agg Index (Hedged)	0.00	100.00	100.00	0.00	N/A	1.13	1.00	1.29



Plan Sponsor 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
American Realty	-0.14 (81)	1.62 (57)	1.62 (57)	4.18 (57)	5.60 (53)	6.08 (60)	6.66 (65)
NCREIF ODCE	0.57 (50)	1.73 (50)	1.73 (50)	3.93 (68)	5.53 (54)	6.10 (58)	6.99 (56)
Median	0.55	1.73	1.73	4.27	5.75	6.46	7.07



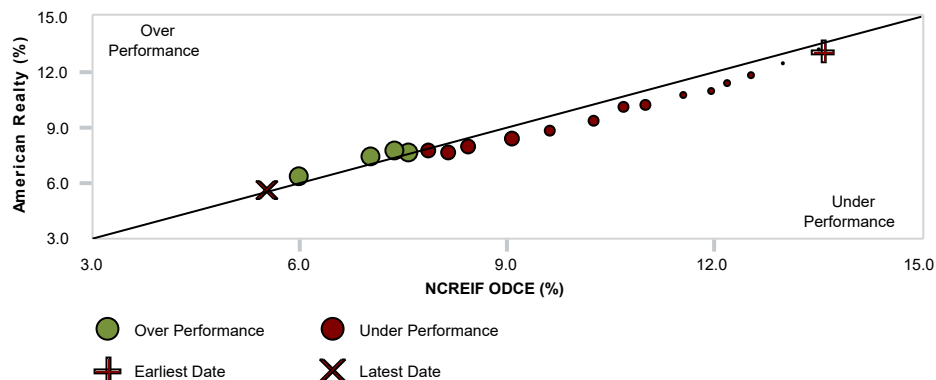
	Oct-2019 To Sep-2020	Oct-2018 To Sep-2019	Oct-2017 To Sep-2018	Oct-2016 To Sep-2017	Oct-2015 To Sep-2016	Oct-2014 To Sep-2015
American Realty	1.62 (57)	6.81 (52)	8.50 (65)	7.52 (63)	9.04 (94)	13.98 (68)
NCREIF ODCE	1.73 (50)	6.17 (72)	8.82 (59)	7.81 (56)	10.62 (68)	14.71 (61)
Median	1.73	6.89	9.04	8.05	11.32	15.45

Comparative Performance

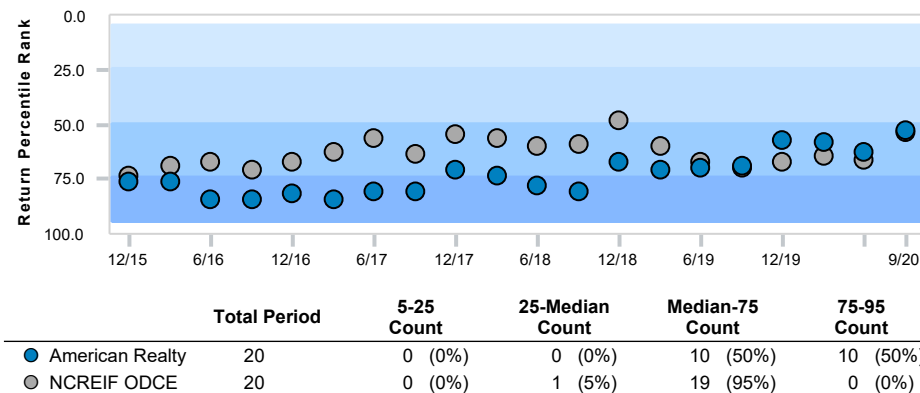
	1 Qtr Ending Jun-2020	1 Qtr Ending Mar-2020	1 Qtr Ending Dec-2019	1 Qtr Ending Sep-2019	1 Qtr Ending Jun-2019	1 Qtr Ending Mar-2019
American Realty	-1.23 (55)	1.54 (31)	1.46 (66)	1.44 (71)	1.53 (30)	1.74 (72)
NCREIF ODCE	-1.27 (59)	0.92 (67)	1.53 (58)	1.39 (75)	1.34 (61)	1.69 (76)
IM U.S. Open End Private Real Estate (SA+CF) Median	-1.22	1.31	1.61	1.75	1.44	1.99



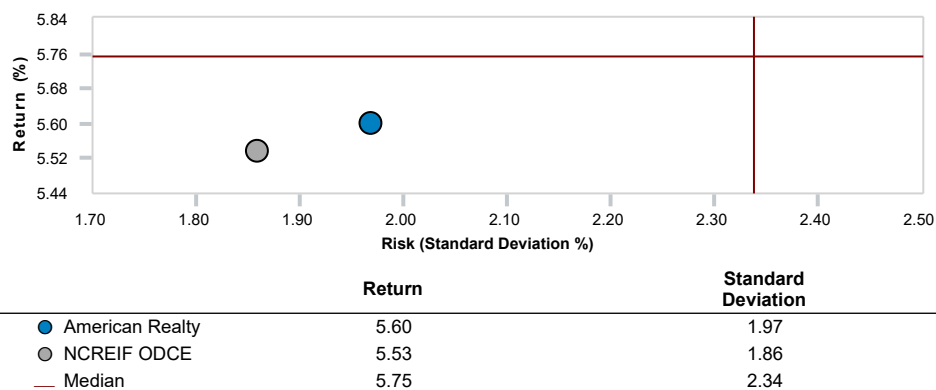
### 3 Yr Rolling Under/Over Performance - 5 Years



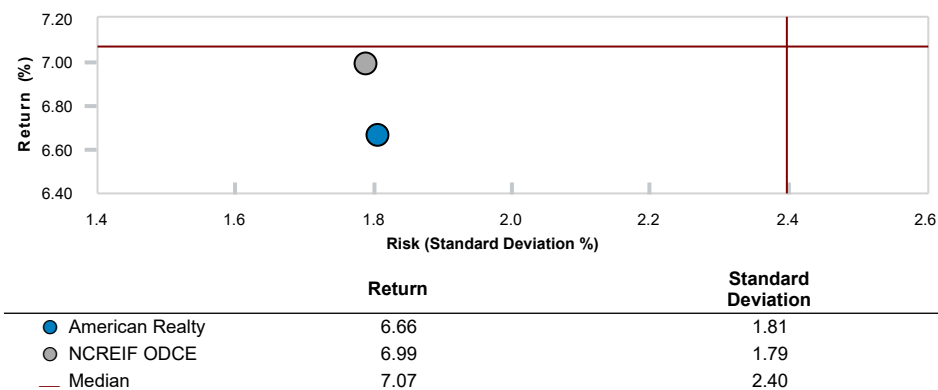
### 3 Yr Rolling Percentile Ranking - 5 Years



### 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
American Realty	0.64	100.88	96.65	0.03	0.10	1.32	1.01	0.72
NCREIF ODCE	0.00	100.00	100.00	0.00	N/A	1.33	1.00	0.74

### Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
American Realty	0.84	95.51	96.65	0.11	-0.37	1.68	0.94	0.55
NCREIF ODCE	0.00	100.00	100.00	0.00	N/A	1.71	1.00	0.57





Total Fund Compliance		YES	NO
The total plan gross return equaled or exceeded the total plan benchmark over the trailing three year period.			X
The total plan gross return equaled or exceeded the total plan benchmark over the trailing five year period.			X
The total plan gross return ranked within the top 40th percentile of its peer group over the trailing three year period.		X	
The total plan gross return ranked within the top 40th percentile of its peer group over the trailing five year period.		X	
The total plan gross return equaled or exceeded the 7.5% actuarial earnings assumption over the trailing three year period.		X	
The total plan gross return equaled or exceeded the 7.5% actuarial earnings assumption over the trailing five year period.		X	

Equity Compliance		YES	NO
The total equity returns meet or exceed the benchmark over the trailing three year period.		X	
The total equity returns meet or exceed the benchmark over the trailing five year period.		X	
The total equity returns ranked within the top 40th percentile of its peer group over the trailing three year period.			X
The total equity returns ranked within the top 40th percentile of its peer group over the trailing five year period.			X
The total equity allocation was less than 70% of the total plan assets at market.		X	
The total foreign equity was less than 25% of the total plan assets at market.		X	

Fixed Income Compliance		YES	NO
The total domestic fixed income returns meet or exceed the benchmark over the trailing three year period.			X
The total domestic fixed income returns meet or exceed the benchmark over the trailing five year period.		X	
The total domestic fixed income returns ranked within the top 40th percentile of its peer group over the trailing three year period.			X
The total domestic fixed income returns ranked within the top 40th percentile of its peer group over the trailing five year period.			X
The average weight of the fixed income portfolio was "AA" or better.		X	

Manager Compliance	Highland - Equity			Highland - Fixed			Pimco Global			American Realty		
	YES	NO	N/A	YES	NO	N/A	YES	NO	N/A	YES	NO	N/A
Manager outperformed the index over the trailing three and five year periods.	X			X					X		X	
Manager ranked within the top 40th percentile over trailing three and five year periods.		X			X				X		X	
Less than four consecutive quarters of under performance relative to the benchmark.	X			X					X	X		
Three and five year down-market capture ratio less than the index.		X			X				X			X



Key West General Employees Pension Fund

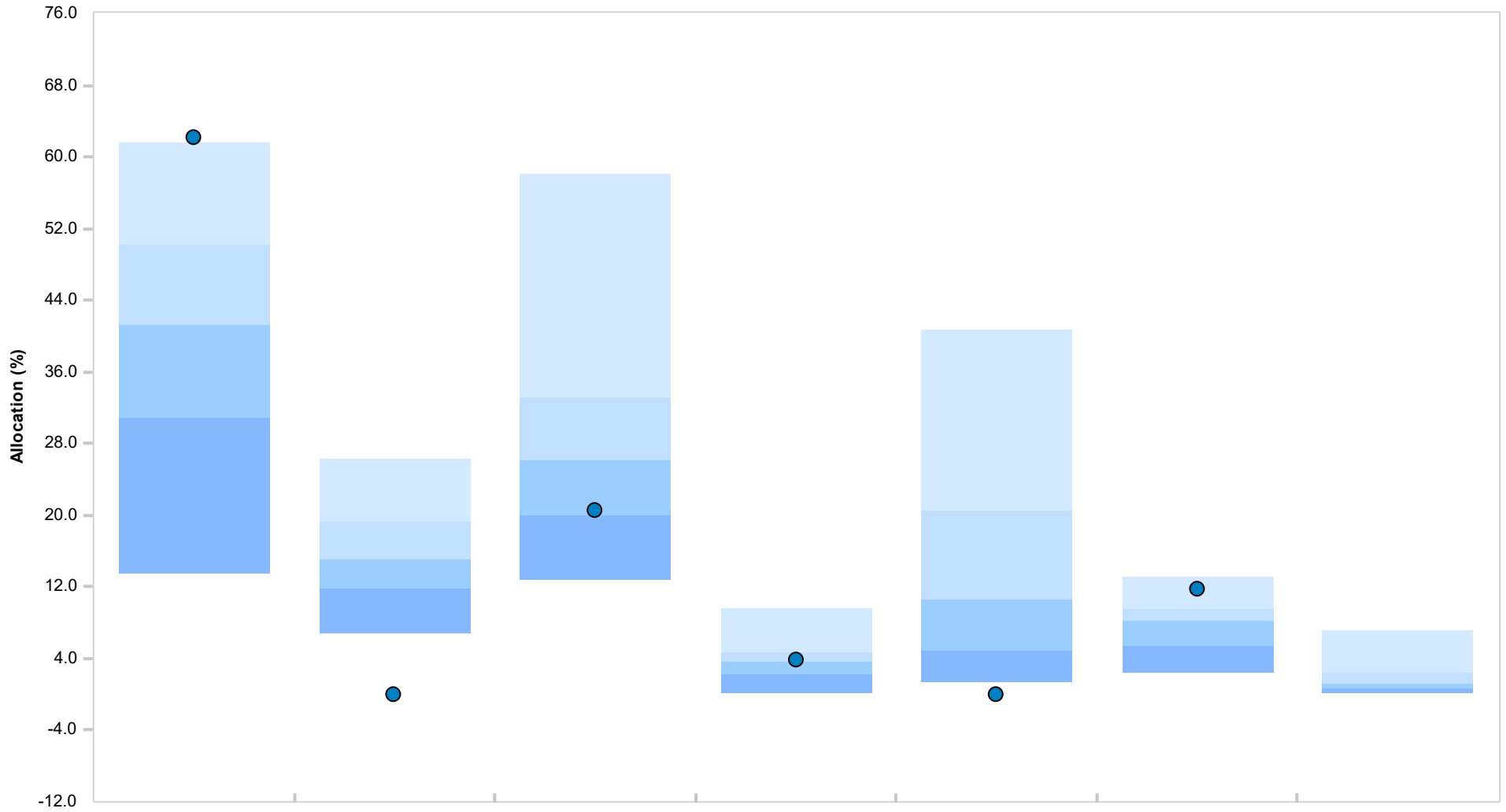
Fee Analysis

As of September 30, 2020

	Estimated Annual Fee (%)	Market Value (\$)	Estimated Annual Fee (\$)	Fee Schedule
Total Fund	0.49	61,590,929	300,428	
Highland Capital	0.40	51,991,591	207,966	0.40 % of Assets
American Core Realty	1.10	7,211,940	79,331	1.10 % of Assets
Pimco Global Bond Opp	0.55	2,387,397	13,131	0.55 % of Assets
Mutual Fund Cash		-	-	



Plan Sponsor TF Asset Allocation vs. All Public Plans-Total Fund



	US Equity	Intl. Equity	US Fixed Income	Intl. Fixed Income	Alternative Inv.	Real Estate	Cash
● Total Fund	62.21 (5)	0.00	20.48 (73)	3.88 (45)	0.00	11.71 (9)	N/A
5th Percentile	61.51	26.29	58.12	9.62	40.61	13.06	7.19
1st Quartile	50.14	19.25	33.10	4.72	20.51	9.64	2.39
Median	41.23	15.08	26.15	3.72	10.62	8.19	1.20
3rd Quartile	30.89	11.82	19.99	2.22	4.80	5.39	0.59
95th Percentile	13.55	6.72	12.84	0.08	1.30	2.41	0.07

Parentheses contain percentile rankings.  
Calculation based on <Periodicity> periodicity.



<b>Total Fund Policy</b>	
<b>Allocation Mandate</b>	<b>Weight (%)</b>
<b>Dec-1975</b>	
S&P 500 Index	50.00
ICE BofAML Govt/ Corp Master	50.00
<b>Oct-2004</b>	
S&P 500 Index	50.00
ICE BofAML US Domestic Master	40.00
MSCI EAFE Index	10.00
<b>Jan-2014</b>	
Russell 3000 Index	45.00
MSCI AC World ex USA	15.00
Blmbg. Barc. U.S. Aggregate Index	25.00
FTSE World Government Bond Index	5.00
NCREIF Fund Index-Open End Diversified Core (EW)	10.00

<b>Total Fixed Income Policy</b>	
<b>Allocation Mandate</b>	<b>Weight (%)</b>
<b>Jan-1998</b>	
ICE BofAML Govt/ Corp Master	100.00
<b>Oct-2004</b>	
ICE BofAML US Domestic Master	100.00
<b>Jan-2014</b>	
Blmbg. Barc. U.S. Aggregate Index	100.00

<b>Total Equity Policy</b>	
<b>Allocation Mandate</b>	<b>Weight (%)</b>
<b>Jan-1998</b>	
S&P 500 Index	100.00
<b>Oct-2004</b>	
S&P 500 Index	85.00
MSCI EAFE Index	15.00
<b>Jan-2014</b>	
Russell 3000 Index	75.00
MSCI AC World ex USA	25.00



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<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.



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