

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
Report of Independent Auditors
and Financial Statements with
Required Supplementary Information
and Additional Information

December 31, 2013 and 2012

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INDEPENDENT AUDITORS' REPORT

Board of Administration
Seattle City Employees' Retirement System
Seattle, Washington

Report on the Financial Statements

We have audited the accompanying financial statements of the Seattle City Employees' Retirement System (SCERS), which comprise the statements of plan net position as of December 31, 2013 and 2012, and the related statements of changes in plan net position for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of SCERS as of December 31, 2013 and 2012, and the results of its operations for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedules of funding progress and employer contributions, as listed in the table of contents, be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audits of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Report on Other Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The additional information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

Baltimore, Maryland
June 19, 2014

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
MANAGEMENT'S DISCUSSION AND ANALYSIS
Years Ended December 31, 2013 and 2012

This section presents management's discussion and analysis of the Seattle City Employees' Retirement System's (SCERS or the System) financial performance during the years ended December 31, 2013 and 2012. Please read it in conjunction with the accompanying financial statements and the related notes.

The City of Seattle is responsible for establishing and maintaining an internal control structure designed to ensure the protection of assets from loss, theft, or misuse, and to ensure the accounting information generated is adequate to prepare financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, though not absolute, assurance of achieving these objectives.

As a department of the City of Seattle, the Seattle City Employees' Retirement System is subject to this internal control structure. In addition, section 4.36.140.D of the Seattle Municipal Code requires the Board of Administration to annually transmit a report of the financial condition of the System to the City Council.

This report is prepared in accordance with the principles of governmental accounting and reporting promulgated by the Governmental Accounting Standards Board (GASB). Investments are stated at fair value, and revenues include the recognition of unrealized gains and losses. The accrual basis of accounting is used to record assets, liabilities, revenues and expenses. Revenue recognition occurs when earned without regard to the date of collection. Expense recognition occurs when the corresponding liabilities are incurred, regardless of payment date. The basis of contributions to the System follows the principles of level cost financing, with current service financed on a current basis. Milliman Consultants and Actuaries, the consulting actuary, evaluates the funding status of the System.

This report contains the following information:

- 1. Basic Financial Statements** including:
 - a. Statements of Plan Net Position
 - b. Statements of Changes in Plan Net Position
 - c. Notes to the Financial Statements
- 2. Required Supplementary Information** including:
 - a. Schedule of Funding Progress
 - b. Schedule of Employer Contributions
- 3. Additional Information** including:
 - a. Schedule of Administrative Expenses
 - b. Schedule of Investment Expenses

The basic financial statements are described as follows:

- The Statement of Plan Net Position shows the account balances at year-end and includes the net position available for future benefit payments. The liabilities for future benefit payments are not included in this statement; however, they are shown in the Schedule of Funding Progress that is included in the Required Supplementary Information.

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
MANAGEMENT'S DISCUSSION AND ANALYSIS
Years Ended December 31, 2013 and 2012

- The Statement of Changes in Plan Net Position shows the sources and uses of funds during the year and illustrates the change in net position from the previous year.
- The Notes to the Financial Statements are an integral part of the financial statements and include additional detailed information and schedules to provide a better understanding of the financial statements.

The required supplementary information provides historical trends that help to reflect the ongoing plan perspective and the long-term nature of the defined benefit plan.

- The Schedule of Funding Progress contains actuarial information about the status of the plan.
- The Schedule of Employer Contributions contains historical trend information regarding the value of the total annual contributions the employer must pay and the actual contributions by employers in meeting this requirement.

Financial Highlights

- SCERS assets that are held in trust for the payment of future benefits do not exceed the estimate of actuarially accrued liabilities as of December 31, 2013.
- Net position increased by \$265 million (13.6%) during 2013. The primary driver was a \$266 million increase in investment assets. Net position increased by \$198 million (11.3%) during 2012. The primary driver was a \$281 million increase in investment assets.
- Revenue additions to net position for 2013 were \$427 million which includes member and employer contributions of \$137.4 million and revenue from investment activity totaling \$289.8 million. Revenue additions to net position for 2012 were \$350 million which includes member and employer contributions of \$119.6 million and revenue from investment activity totaling \$230.7 million.
- Expenses (deductions from net position) for 2013 increased by \$9.4 million (6.1%) from 2012. This can be primarily attributed to a \$7.3 million increase in retiree benefits. In 2013, the net increase in the number of retirees receiving benefits was 2.9%. Expenses for 2012 increased by \$8.2 million (5.7%) from 2011. This can be primarily attributed to a \$10.1 million increase in retiree benefits offset by a \$1.9 million decrease in contribution refunds compared to 2011. In 2012, the net increase in the number of retirees receiving benefits was 2.4%.

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
MANAGEMENT'S DISCUSSION AND ANALYSIS
Years Ended December 31, 2013 and 2012

Plan Net Position

The table below provides a summary of assets and current liabilities for the years ended December 31:

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Cash, short-term investments and receivables	\$ 58,102,260	\$ 61,177,463	\$ 200,138,765
Investments at fair value	2,180,184,714	1,914,325,374	1,633,584,958
Securities lending collateral	<u>13,595,048</u>	<u>10,154,781</u>	<u>3,489,721</u>
Total assets	<u>2,251,882,022</u>	<u>1,985,657,618</u>	<u>1,837,213,444</u>
Securities lending payable	16,750,032	13,404,350	6,911,249
Other payables	<u>18,223,505</u>	<u>20,817,994</u>	<u>76,777,981</u>
Total liabilities	<u>34,973,537</u>	<u>34,222,344</u>	<u>83,689,230</u>
Total net assets	<u><u>\$ 2,216,908,485</u></u>	<u><u>\$ 1,951,435,274</u></u>	<u><u>\$ 1,753,524,214</u></u>

Changes in Plan Net Position

The table below provides a summary of the changes in plan net position and reflects the activities of the fund for the years ended December 31:

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Additions:			
Employer contributions	\$ 77,073,667	\$ 62,515,432	\$ 50,301,263
Member contributions	60,342,581	57,086,346	50,415,119
Net investment and other	<u>289,817,661</u>	<u>230,702,333</u>	<u>(15,740,371)</u>
Total additions	<u>427,233,909</u>	<u>350,304,111</u>	<u>84,976,011</u>
Deductions:			
Retiree benefits	141,424,206	134,135,553	124,061,630
Refunds of contributions	15,278,136	14,913,574	16,677,021
Administrative expenses	<u>5,058,356</u>	<u>3,343,924</u>	<u>3,467,634</u>
Total deductions	<u>161,760,698</u>	<u>152,393,051</u>	<u>144,206,285</u>
Net increase (decrease)	<u><u>\$ 265,473,211</u></u>	<u><u>\$ 197,911,060</u></u>	<u><u>\$ (59,230,274)</u></u>

Revenues - Additions to Net Plan Assets

- In 2013, employer contributions increased by \$14.6 million (23.3%) compared to 2012. In 2012, employer contributions increased by \$12.2 million (24.3%) compared to 2011.
- Member contributions increased by \$3.3 million (5.7%) compared to 2012. In 2012, member contributions increased by \$6.7 million (13.2%) compared to 2011.
- Net investment income was \$289.8 million in 2013 compared to \$230.7 million in 2012 and a loss of \$15.7 million in 2011.

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
MANAGEMENT'S DISCUSSION AND ANALYSIS
Years Ended December 31, 2013 and 2012

Expenses - Deductions from Net Plan Assets

- Retiree benefits increased in 2013 by \$7.3 million (5.4%) compared to 2012, primarily due to the increased number of members making application for retirement and a mandatory 1.5% COLA (Cost of Living Adjustment). As a comparison, retiree benefits increased \$10.1 million (8.1%) in 2012.
- Refunds of contributions increased in 2013 by \$0.4 million (2.4%) compared to amounts paid in 2012. In 2012, refunds decreased \$1.8 million (10.6%) compared to amounts paid in 2011.

Changes in Plan Membership

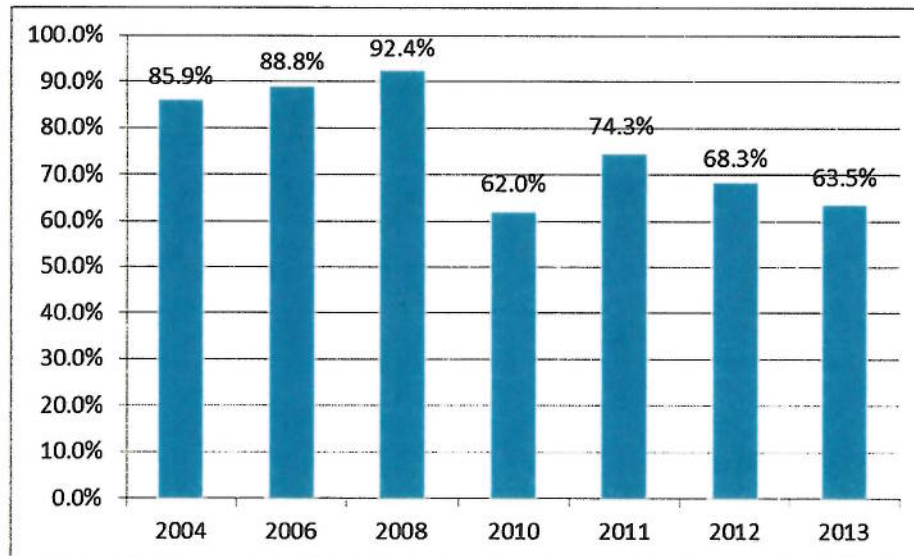
The table below reflects the active membership and retiree changes for the years ended December 31:

	<u>2013</u>	<u>2012</u>	<u>Change</u>
Retirees and beneficiaries receiving benefits	<u>5,880</u>	<u>5,714</u>	2.9%
Current and terminated employees:			
Current employee members	8,604	8,465	1.6%
Terminated members entitled to, but not yet receiving benefits, Vested	1,170	1,121	4.4%
Terminated members not entitled to benefits beyond contributions and accumulated interest, Non-Vested	<u>866</u>	<u>842</u>	2.9%
Total	<u>10,640</u>	<u>10,428</u>	2.0%

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
MANAGEMENT'S DISCUSSION AND ANALYSIS
Years Ended December 31, 2013 and 2012

Funding Status

Schedule of Funding Progress
Funding Ratio
As of January 1st Valuation Date



With the January 1, 2011 Valuation and the 2007-2010 Experience Study, the Board of Administration adopted a policy of asset smoothing over a 5-year period. The reported funding ratio as of January 1, 2012 reflects that change. Prior to January 1, 2011, all funding ratios were reported on a marked-to-market basis.

Funds are accumulated from employer and employee contributions and investment earnings, and are used to pay present and future benefit obligations and administrative expenses. We continue to make a constant effort to achieve a fully funded status, thereby assuring the participants of a financially sound retirement system. In 2013, most active members contributed 10.03% of their salaries to the retirement fund and the City contributed 12.89%.

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
MANAGEMENT'S DISCUSSION AND ANALYSIS
Years Ended December 31, 2013 and 2012

Investment Activities

One-year returns on asset classes and comparative benchmarks are presented in the table below for the years ended December 31:

2013 Investment Performance

Total Portfolio	15.5%
Domestic Equities	32.7%
Benchmark: U.S. Equities Custom Index	29.5%
International Equities	17.3%
Benchmark: MSCI ACWI ex US IM/ND	15.8%
Fixed Income	(1.0%)
Benchmark: Barclays U.S. Universal Index	(1.4%)
Real Return	1.9%
Benchmark: CPI + 3%	4.6%
Private Equity	5.6%
Benchmark: Russell 3000 + 3%	25.2%
Real Estate	11.8%
Benchmark: Russell NCREIF Property Index	13.0%
Cash	(0.7%)
Benchmark: Citigroup 3-Month T-Bills	0.1%

**SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
MANAGEMENT'S DISCUSSION AND ANALYSIS
Years Ended December 31, 2013 and 2012**

2012 Investment Performance

Total Portfolio	14.0%
Domestic Equities	15.9%
Benchmark: U.S. Equities Custom Index	15.6%
International Equities	18.5%
Benchmark: MSCI ACWI ex US IM/ND	17.7%
Fixed Income	8.9%
Benchmark: Barclays U.S. Universal Index	5.5%
Real Return	7.5%
Benchmark: CPI + 3%	4.8%
Private Equity	19.4%
Benchmark: Russell 3000 + 3%	34.0%
Real Estate	13.3%
Benchmark: Russell NCREIF Property Index	11.6%
Cash	1.1%
Benchmark: Citigroup 3-Month T-Bills	0.1%

The investments of the System are governed primarily by the prudent investor rule. The prudent investor rule, as set forth by the Revised Code of Washington, establishes a standard for all fiduciaries, which includes anyone who has authority with respect to the fund. The System invests retirement funds for the long-term, anticipating both good and poor performing financial markets. The overall investment portfolio is positioned in a diversified manner to maximize return given the System's risk tolerance.

Contacting the Seattle City Employees' Retirement System

If you have questions about this report or need additional information, please contact us by telephone at: 206.386.1293 or by e-mail at: city.retirement@seattle.gov or you may mail your questions to:

Seattle City Employees' Retirement System
720 Third Avenue, Suite 900
Seattle, WA 98104

FINANCIAL STATEMENTS

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
STATEMENTS OF PLAN NET POSITION
December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Assets:		
Cash	\$ 41,672	\$ 3,443,999
Short-term investments	<u>42,433,040</u>	<u>47,638,868</u>
Total cash and short-term investments	<u>42,474,712</u>	<u>51,082,867</u>
Receivables:		
Members	2,737,213	2,452,509
Employer	2,991,610	2,230,401
Interest and dividends	4,171,873	2,324,732
Sales proceeds receivable	<u>5,726,852</u>	<u>3,086,954</u>
Total receivables	<u>15,627,548</u>	<u>10,094,596</u>
Investments, at fair value:		
Fixed income:		
U.S. government obligations	170,500,534	123,684,185
Domestic Corporate bonds	168,108,438	150,579,401
Mortgage-backed	115,343,657	113,394,160
Foreign sovereign	63,253,024	54,363,415
Domestic stocks	700,186,774	581,330,209
International stocks	624,912,362	554,959,429
Real estate	231,616,985	216,761,221
Alternative	<u>106,262,940</u>	<u>119,253,354</u>
Total investments, at fair value	<u>2,180,184,714</u>	<u>1,914,325,374</u>
Securities lending collateral	<u>13,595,048</u>	<u>10,154,781</u>
Total assets	<u>2,251,882,022</u>	<u>1,985,657,618</u>
Liabilities:		
Pensions payable and other	1,876,818	1,667,979
Obligations under securities lending	16,750,032	13,404,350
Investment commitments payable	<u>16,346,687</u>	<u>19,150,015</u>
Total liabilities	<u>34,973,537</u>	<u>34,222,344</u>
Net position held in trust for pension benefits	<u>\$ 2,216,908,485</u>	<u>\$ 1,951,435,274</u>

The accompanying notes are an integral part of these financial statements.

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
STATEMENTS OF CHANGES IN PLAN NET POSITION
Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Additions:		
Contributions:		
Employer	\$ 77,073,667	\$ 62,515,432
Member	60,342,581	57,086,346
Total contributions	<u>137,416,248</u>	<u>119,601,778</u>
Investment activities:		
Investment income:		
Net change in fair value of investments	267,444,451	204,254,962
Interest	8,377,595	9,781,842
Dividends	<u>22,327,842</u>	<u>23,654,327</u>
Net investment income	<u>298,149,888</u>	<u>237,691,131</u>
Securities lending activities:		
Securities lending income	11,511	16,045
Borrowing rebates	<u>64,217</u>	<u>82,493</u>
Total securities lending income	75,728	98,538
Securities lending management fees	<u>(18,925)</u>	<u>(24,467)</u>
Net income from securities lending	<u>56,803</u>	<u>74,071</u>
Investment activity expenses:		
Investment management fees	(7,606,049)	(6,313,848)
Investment consultant fees	(499,140)	(499,140)
Investment custodial fees	<u>(283,841)</u>	<u>(249,881)</u>
Total investment activity expenses	<u>(8,389,030)</u>	<u>(7,062,869)</u>
Net income from investment activities	<u>289,817,661</u>	<u>230,702,333</u>
Total additions	<u>427,233,909</u>	<u>350,304,111</u>
Deductions:		
Benefits	141,424,206	134,135,553
Refunds of contributions	15,278,136	14,913,574
Administrative expenses	<u>5,058,356</u>	<u>3,343,924</u>
Total deductions	<u>161,760,698</u>	<u>152,393,051</u>
Net change	265,473,211	197,911,060
Net position held in trust for pension benefits		
Beginning of year	<u>1,951,435,274</u>	<u>1,753,524,214</u>
End of year	<u>\$ 2,216,908,485</u>	<u>\$ 1,951,435,274</u>

The accompanying notes are an integral part of these financial statements.

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
NOTES TO FINANCIAL STATEMENTS
December 31, 2013 and 2012

Note 1 - Plan Description

The Seattle City Employees' Retirement System (the System) is a single-employer defined benefit public employee retirement plan, covering employees of the City of Seattle and administered in accordance with Chapter 4.36 of the Seattle Municipal Code. The System is a pension trust fund of the City of Seattle.

The System is administered by the Retirement System Board of Administration (the Board). The Board consists of seven members including the Chair of the Finance Committee of the Seattle City Council, the City of Seattle Finance Director, the City of Seattle Personnel Director, two active members and one retired member of the System who are elected by other system members, and one outside board member who is appointed by the other six board members. Elected and appointed board members serve for three-year terms.

All employees of the City of Seattle are eligible for membership in the System with the exception of uniformed police and fire personnel who are covered under a retirement system administered by the State of Washington. Employees of METRO and the King County Health Department who established membership in the System when these organizations were City of Seattle departments were allowed to continue their System membership (there are currently fewer than 60 members in this category). There are currently 5,880 retirees and beneficiaries receiving benefits, and 8,604 active members of the System. There are 1,170 terminated, vested employees entitled to future benefits.

The System provides retirement, death, and disability benefits. Retirement benefits vest after five years of credited service, while death and disability benefits vest after ten years of service. Retirement benefits are calculated as 2% multiplied by years of creditable service, multiplied by average salary, based on the highest 24 consecutive months. The benefit is actuarially reduced for early retirement.

Note 2 - Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting - These financial statements have been prepared with an "economic resources" measurement focus on the accrual basis of accounting in accordance with generally accepted accounting principles, as prescribed by the Government Accounting Standards Board.

GASB Statement 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, introduces and defines these elements as a consumption or acquisition of net assets that is applicable to a future reporting period. These transactions are distinct from assets and liabilities, and result in the redefinition of Net Assets to the concept of Net Position. GASB 63 was implemented for the year ended December 31, 2012.

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
NOTES TO FINANCIAL STATEMENTS
December 31, 2013 and 2012

Note 2 - Summary of Significant Accounting Policies and Plan Asset Matters (Continued)

Use of Estimates in Preparing Financial Statements - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Board to make estimates and assumptions that affect the reported amounts of assets, liabilities, additions and deductions to net position held in trust for pension benefits and disclosure of contingent assets and liabilities at the date of the financial statements and during the reporting period. Actual results could differ from those estimates.

Cash and Short Term Investments - The System classifies cash on deposit in financial institutions and cash on deposit in the City of Seattle's internal cash management pool as cash. The System also recognizes certain short-term highly liquid securities with an original maturity of three months or less as short-term investments.

Method Used to Value Investments - Plan investments are reported at fair value. Fair value is the amount that a plan can reasonably expect to receive for an investment in a current sale between a willing buyer and a willing seller, that is, other than in a forced or liquidation sale. All investments, with the exception of real estate and private equity, are valued based on closing market prices or broker quotes. Securities not having a quoted market price have been valued based on yields currently available on comparable securities of issuers with similar credit ratings. The fair value of real estate investments is based on estimated current values and independent appraisals. The fair value of private equity is based on management's valuation of estimates and assumptions from information and representations provided by the respective general partners, in the absence of readily ascertainable market values.

Investment income consists of realized and unrealized appreciation (depreciation) in the fair value of investments, interest and dividend income earned, less investment expense, plus income from securities lending activities, less deduction for security lending expenses. Interest income is recorded on the accrual basis and dividends are recorded on the ex-dividend date. Securities and securities transactions are reflected in the financial statements on a trade-date basis. Investments are made in accordance with the Prudent Person Rule as defined by the State of Washington RCW 35.39.060.

Federal Income Tax Status - The System is a qualified plan under section 401(a) of the Internal Revenue Code and is exempt from federal income taxes under section 501(a).

Contributions - Employee and employer contributions are reported in the period and for the calendar year in which the contributions are due.

Benefits and Refunds of Contributions - Benefits and refunds of contributions are recognized when due and payable in accordance with the System's policy.

Reclassifications - Certain 2012 amounts have been reclassified in conformity with the 2013 presentation. These reclassifications had no effect on net position or changes therein.

Note 3 - Contributions

Member and employer contributions rates are established by the Seattle Municipal Code Chapter 4.36.

The employer contribution rate is determined by the actuarial formula identified as the Entry Age Cost Method. The formula determines the amount of contributions necessary to fund the current service cost, representing the estimated amount necessary to pay for benefits earned by the employees during the current service year and the amount of contributions necessary to pay for prior service costs. Total required contributions, including amounts necessary to pay administrative costs, are determined through annual actuarial valuations.

Actuarially determined contribution rates were 10.03% for most members and 12.89% for the employer. There are no long-term contracts for contributions outstanding and currently no legally required reserves. See Note 8 for additional information on assumptions used in calculating the actuarially determined contribution rates.

Note 4 - Cash

SCRS' policy for custodial credit risk of deposits is to rely on Federal Deposit Insurance Corporation (FDIC) and Washington Public Deposit Protection Commission (PDPC) insurance. FDIC insures the cash deposits up to \$250,000. As provided by the State of Washington RCW 43.84, the PDPC collateralizes deposits in excess of \$100,000. The bank balances of deposits of a FDIC institution as of the balance sheet date are insured.

Note 5 - Investments

Short term investments include a Short-term Investment Fund (STIF), which is a collective trust that may include certificates of deposit, treasury bills, and mutual funds. The Alternative Investments category currently includes private equity, hedge funds and real estate funds.

Custodial Credit Risk – For investments, custodial credit risk is the risk that in the event of the failure of a financial institution or a bank, the System will not be able to recover the value of its deposits or investments that are in the possession of an outside party. The System mitigates custodial credit risk by having its investment securities held by the System's custodian (BNY Mellon) and the investments are registered in the System's name. The System's short-term investments are created through daily sweeps of excess cash by the System's custodian, and invested in a vehicle managed by the custodian. Additionally, the System keeps on hand with the City of Seattle such cash dollar amounts to support at least one month equivalent of pension payments and other administrative expenses.

Note 5 – Investments (Continued)

Credit Risk - Credit risk is the risk that an issuer, or other counterparty, to an investment will not fulfill its obligations. In accordance with the System's Investment Policy, the Retirement Board provides each of the System's investment managers with a set of investment guidelines. These guidelines specify eligible investments, minimum diversification standards, and applicable investment restrictions necessary for diversification and risk control. In general, these guidelines require that at least 70 percent of the net asset value of a manager's portfolio be invested in investment-grade securities. Managers do not have authority to depart from their guidelines. A summary of the credit ratings of the System's fixed income investments is provided on pages 20 and 21.

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. In accordance with the System's Investment Policy, the Retirement Board provides each of the System's investment managers with a set of investment guidelines. These guidelines specify eligible investments, minimum diversification standards, and applicable investment restrictions necessary for diversification and risk control. In general, these guidelines require that investments in any one issuer may not exceed 5 percent of the net asset value of a manager's portfolio. Managers do not have authority to depart from their guidelines.

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates over time will adversely affect the fair value of an investment. Market or interest rate risk is the greatest risk faced by an investor in the debt securities market. The price of a debt security typically moves in the opposite direction of the change in interest rates. In accordance with the System's Investment Policy, the Retirement Board provides each of the System's investment managers with a set of investment guidelines. These guidelines specify eligible investments, minimum diversification standards, and applicable investment restrictions necessary for diversification and risk control. In general, these guidelines require that the weighted average duration of the security holdings of a manager's portfolio not vary from that of the applicable benchmark by more than 20 percent. Managers do not have authority to depart from their guidelines. A summary of the maturities of the System's fixed income investments is provided on pages 18 and 19.

The fixed income portfolio is primarily managed by four external money management firms, hired through a competitive bid process, to manage a diversified portfolio of fixed income securities. Managers have agreed to a set of guidelines that provide ranges and limits for varying types of securities that may be held within the portfolio. A consultant is hired to measure performance and monitor the investment style. The Investment Committee reviews the consultant's results quarterly.

Foreign Currency Risk - Foreign currency risk is the risk that changes in exchange rates will adversely impact the fair value of an investment. The System's currency risk exposures, or exchange rate risk, primarily reside within the non-U.S. equity and fixed income investment holdings. The System expects these managers to maintain adequately diversified portfolios to limit foreign currency and security risk.

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
NOTES TO FINANCIAL STATEMENTS
December 31, 2013 and 2012

Note 5 – Investments (Continued)

The System's exposure to foreign currency risk in U.S. dollars as of December 31, 2013, is summarized in the following table.

Currency Type	Equity	Fixed Income	Derivatives	Cash	Total
Australian Dollar	\$ -	\$ 1,087,191	\$ 5,882,599	\$ (4)	\$ 6,969,786
Brazil Real	-	-	5,433	-	5,433
Canadian Dollar	-	2,719,197	6,516,322	43,669	9,279,188
Swiss Franc	10,138,640	-	(863,285)	332	9,275,687
Danish Krone	3,467,391	1,511,621	(3,944,188)	465	1,035,289
Euro Currency Unit	29,419,691	9,085,820	(8,351,423)	161,609	30,315,697
Mexican New Peso	-	-	-	-	-
New Zealand Dollar	-	-	-	-	-
Pound Sterling	26,906,355	21,503,088	(27,240,340)	31,695	21,200,798
Hong Kong Dollar	6,231,414	-	(3,380,084)	24	2,851,354
Israeli Shekel	-	-	453,355	-	453,355
Japanese Yen	7,432,956	6,792	-	40,151	7,479,899
Swedish Krona	-	-	-	-	-
Total	\$ 83,596,447	\$ 35,913,709	\$ (30,921,611)	\$ 277,941	\$ 88,866,486

The System's exposure to foreign currency risk in U.S. dollars as of December 31, 2012, is summarized in the following table.

Currency Type	Equity	Fixed Income	Derivatives	Cash	Total
Australian Dollar	\$ -	\$ 1,824,997	\$ (1,822,131)	\$ 7,769	\$ 10,635
Brazil Real	-	-	286,869	-	286,869
Canadian Dollar	-	3,973,380	(3,896,383)	937	77,934
Danish Krone	-	1,566,702	(1,561,024)	-	5,678
Euro Currency Unit	-	7,787,261	(7,542,026)	39,631	284,866
Mexican New Peso	-	1,953,642	-	48,346	2,001,988
New Zealand Dollar	-	443,626	(431,271)	2,388	14,743
Pound Sterling	-	15,840,517	(15,440,639)	913	400,791
Swedish Krona	-	1,522,771	(1,531,829)	16,909	7,851
Total	\$ -	\$ 34,912,896	\$ (31,938,434)	\$ 116,893	\$ 3,091,355

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
NOTES TO FINANCIAL STATEMENTS
December 31, 2013 and 2012

Note 5 – Investments (Continued)

Derivatives - Foreign exchange forward contracts are periodically employed by the System to hedge currency risk of investments in foreign currencies. Generally, derivatives are subject both to market and to counterparty risk. The derivatives used by the System typically have no greater risk than their physical counterparts and, in many cases, are offset by exposures elsewhere in the portfolio. Counterparty risk, the risk that the "other party" to a contract will default, is managed by careful screening of counterparties. Derivative securities are priced and accounted for at fair value. Foreign exchange forward contracts are valued at the price at which the transaction could be settled by offsets in the forward markets.

The System's pending derivative transactions as of December 31, 2013 are summarized in the following table.

Currency Type	Purchases	Unrealized Gain/Loss	Sells	Unrealized Gain/Loss	Total Unrealized Gain/Loss
Australian Dollar	\$ 9,686,759	\$ (38,879)	\$ 15,681,130	\$ (72,893)	\$ (111,772)
Brazil Real	281,246	6,968	281,246	(1,535)	5,433
Canadian Dollar	3,592,050	9,004	10,128,543	(29,175)	(20,171)
Swiss Franc	916,574	(18,853)	68,843	3,299	(15,554)
Danish Krone	5,949,187	(141,444)	2,131,998	14,445	(126,999)
Euro Currency Unit	18,421,729	(224,559)	10,279,455	15,410	(209,149)
Mexican New Peso	-	-	-	-	-
New Zealand Dollar	-	-	-	-	-
Pound Sterling	49,859,003	(922,795)	23,174,228	367,230	(555,565)
Hong Kong Dollar	6,760,529	587	3,380,095	(237)	350
Israeli Shekel	-	-	448,679	4,676	4,676
Japanese Yen	-	-	-	-	-
Swedish Krona	-	-	-	-	-
Total	\$ 95,467,077	\$ (1,329,971)	\$ 65,574,217	\$ 301,220	\$ (1,028,751)

The System's pending derivative transactions as of December 31, 2012 are summarized in the following table.

Currency Type	Purchases	Unrealized Gain/Loss	Sells	Unrealized Gain/Loss	Total Unrealized Gain/Loss
Australian Dollar	\$ 1,815,177	\$ (6,954)	\$ -	\$ -	\$ (6,954)
Brazil Real	-	-	285,758	1,112	1,112
Canadian Dollar	3,933,059	36,676	-	-	36,676
Danish Krone	1,562,110	1,085	-	-	1,085
Euro Currency Unit	8,887,143	(70,991)	1,422,749	(6,642)	(77,633)
New Zealand Dollar	426,551	(4,720)	-	-	(4,720)
Pound Sterling	15,216,298	(224,341)	-	-	(224,341)
Swedish Krona	1,474,173	(57,655)	-	-	(57,655)
Total	\$ 33,314,511	\$ (326,900)	\$ 1,708,507	\$ (5,530)	\$ (332,430)

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
NOTES TO FINANCIAL STATEMENTS
December 31, 2013 and 2012

Note 5 - Investments (Continued)

As of December 31, 2013, the fixed income portfolio of the System had the following investment maturities:

Investment	Fair Value	Investment Maturities (in years)			
		<1	1 - 5	6 - 10	>10
Fixed Income					
U.S. Government:					
Treasury Notes and Bonds	\$ 122,316,986	\$ 610,638	\$ 36,785,971	\$ 49,300,987	\$ 35,619,390
Treasury Inflation-Protected Securities	37,842,158	-	-	30,323,082	7,519,076
Agencies	4,678,602	-	1,803,905	844,951	2,029,746
Municipal	4,454,752	-	390,736	1,640,468	2,423,548
Mortgage-Backed:					
Government Pass Through	76,560,976	-	29,645,181	3,608,396	43,307,399
Corporate Pass Through	12,794,720	-	-	-	12,794,720
Government CMO's	17,223,784	-	3,269,207	637,059	13,317,518
Corporate:					
Bonds	129,670,754	13,436,569	55,415,593	43,032,277	17,786,315
Asset-Backed	16,419,562	-	6,841,407	3,306,782	6,271,373
Private Placement	23,547,117	1,719,885	13,829,186	1,090,964	6,907,082
Foreign Sovereign:					
Bonds	63,364,293	1,262,527	23,326,020	27,091,473	11,684,273
Total Fixed Income	\$ 508,873,704	\$ 17,029,619	\$ 171,307,206	\$ 160,876,439	\$ 159,660,440

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
NOTES TO FINANCIAL STATEMENTS
December 31, 2013 and 2012

Note 5 - Investments (Continued)

As of December 31, 2012, the fixed income portfolio of the System had the following investment maturities:

Investment	Fair Value	Investment Maturities (in years)			
		<1	1 - 5	6 - 10	>10
Fixed Income					
U.S. Government:					
Treasury Notes and Bonds	\$ 68,868,656	\$ 7,234	\$ 29,206,153	\$ 17,094,617	\$ 22,560,652
Treasury Inflation-Protected Securities	45,620,223	-	2,885,560	32,440,684	10,293,979
Agencies	5,071,948	99,750	592,196	2,554,747	1,825,255
Municipal	4,123,359	428,515	976,482	1,337,179	1,381,183
Mortgage-Backed:					
Government Pass Through	87,333,467	6,224,144	33,482,512	2,201,433	45,425,378
Corporate Pass Through	11,384,925	-	390,562	-	10,994,363
Government CMO's	14,675,768	5,667,861	218,226	350,899	8,438,782
Corporate:					
Bonds	103,950,229	10,117,851	39,947,697	41,374,189	12,510,492
Asset-Backed	19,926,911	6,173,324	10,164,801	1,943,035	1,645,751
Private Placement	21,154,256	1,913,313	10,419,493	4,664,611	4,156,839
Other	5,548,005	450,229	3,964,948	62,589	1,070,239
Foreign Sovereign:					
Bonds	54,363,415	-	11,257,499	21,181,999	21,923,917
Total Fixed Income	\$ 442,021,162	\$ 31,082,221	\$ 143,506,129	\$ 125,205,982	\$ 142,226,830

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
NOTES TO FINANCIAL STATEMENTS
December 31, 2013 and 2012

Note 5 - Investments (Continued)

As of December 31, 2013, the fixed income portfolio of the System had the following investment ratings:

Investment	Fair Value	Ratings						
		AAA	AA	A	BBB	BB	B	CCC& Below
Fixed income								Not Rated
U.S. Government:								
Treasury Notes and Bonds	\$ 122,316,986	\$ -	\$ 104,679,740	\$ -	\$ -	\$ -	\$ -	\$ 17,637,246
Treasury Inflation-Protected Securities	37,842,158	-	21,566,245	-	-	-	-	16,275,913
Agencies	4,678,602	-	4,663,347	-	-	-	-	15,255
Municipal	4,454,752	793,166	667,915	1,711,606	-	-	-	1,282,065
Mortgage-Backed:								
Government Pass Through	76,560,976	-	38,158,570	-	-	-	-	38,402,406
Corporate Pass Through	12,794,720	1,849,834	570,061	1,280,598	1,975,063	165,427	-	6,953,737
Government CMO's	17,223,784	218,278	12,076,920	872,270	680,557	1,652,353	243,944	970,027
Corporate:								
Bonds	129,670,754	665,800	9,459,943	42,601,229	36,483,968	2,778,653	-	37,681,161
Asset-Backed	16,419,562	6,524,717	2,966,689	265,540	161,712	431,980	1,049,170	4,115,433
Private Placement	23,547,117	2,578,620	3,819,344	5,365,272	5,591,885	67,950	-	394,075
Foreign Sovereign:								
Bonds	63,364,293	5,922,992	3,144,595	3,023,151	1,957,227	599,910	-	48,716,418
Total Fixed Income	\$ 508,873,704	\$ 18,553,407	\$ 201,773,369	\$ 55,119,666	\$ 46,850,412	\$ 5,696,273	\$ 1,293,114	\$ 2,268,423
								\$ 177,319,040

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
NOTES TO FINANCIAL STATEMENTS
December 31, 2013 and 2012

Note 5 - Investments (Continued)

As of December 31, 2012, the fixed income portfolio of the System had the following investment ratings:

Investment	Fair Value	Ratings							
		AAA	AA	A	BBB	BB	B	CCC& Below	Not Rated
Fixed Income									
U.S. Government:									
Treasury Notes and Bonds	\$ 68,868,656	\$ -	\$ 68,862,656	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,000
Treasury Inflation-Protected Securities	45,620,223	17,799,234	27,820,989	-	-	-	-	-	-
Agencies	5,071,948	-	3,565,125	1,506,823	-	-	-	-	-
Municipal	4,123,359	-	238,333	3,289,916	-	-	-	-	595,110
Mortgage-Backed:									
Government Pass Through	87,333,467	-	87,333,467	-	-	-	-	-	-
Corporate Pass Through	11,384,925	3,380,517	644,955	1,244,480	2,352,685	84,924	-	-	3,677,364
Government CMO's	14,675,768	624,825	11,364,286	397,843	761,178	-	179,186	930,164	418,286
Corporate:									
Bonds	103,950,229	-	6,912,314	34,169,261	45,205,773	5,297,360	12,338,108	-	27,413
Asset-Backed	19,926,911	12,155,739	2,311,508	156,174	3,144,104	244,958	377,253	754,628	782,547
Private Placement	21,154,256	3,061,581	2,870,973	3,896,186	6,892,169	42,837	21,231	424,374	3,944,905
Other	5,548,005	-	1,621,105	3,803,693	-	123,207	-	-	-
Foreign Sovereign:									
Bonds	54,363,415	296,763	28,681,792	13,188,948	9,116,357	-	-	-	3,079,555
Total Fixed Income	\$ 442,021,162	\$ 37,318,659	\$ 242,227,503	\$ 61,653,324	\$ 67,472,266	\$ 5,793,286	\$ 12,915,778	\$ 2,109,166	\$ 12,531,180

Fixed income portfolio investments are included in U.S. Government obligations and corporate bonds on the Statements of Plan Net Position as of December 31, 2013 and 2012 along with related investments held in other federal and corporate securities, mutual funds and short-term investments.

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
NOTES TO FINANCIAL STATEMENTS
December 31, 2013 and 2012

Note 6 – Securities Lending Transactions

Under the authority of State of Washington RCW 41.28.005 and the Seattle Municipal Code 4.36.130, the System's Board of Administration adopted investment policies that define eligible investments, which include securities lending transactions. Through a custodial agent, the System participates in a securities lending program whereby securities are lent for the purpose of generating additional income to the System. The System lends securities from its investment portfolio on a collateralized basis to third parties, primarily financial institutions. The market value of the required collateral must meet or exceed 102% of the market value of the securities lent, providing a margin against a decline in the market value of the collateral, and is limited to a volume of less than \$75 million. The contractual agreement with the System's custodian provides indemnification in the event the borrower fails to return the securities lent or fails to pay the System income it is due on the securities lent. Cash and U.S. government securities were received as collateral for these loans. The System invests cash collateral received; accordingly, investments made with cash collateral appear as an asset. A corresponding liability is recorded as the System must return the cash collateral to the borrower upon the expiration of the loan. Gross income from securities lending transactions are recorded in the operating statements as well as the various fees paid to the institution that oversees the lending activity.

As of December 31, 2013, the fair value of securities on loan was \$16,366,597. Associated cash collateral totaling \$16,750,032 was received. The fair market value of the reinvested collateral was \$13,595,048 at December 31, 2012, which includes an unrealized loss totaling \$3,154,984.

As of December 31, 2012, the fair value of securities on loan was \$13,083,695. Associated cash collateral totaling \$13,404,350 was received. The fair market value of the reinvested collateral was \$10,154,781 at December 31, 2011, which includes an unrealized loss totaling \$3,249,569.

Note 7 – Commitments

The System has entered into capital commitments to fund partnership interests in certain alternative investments. At December 31, 2013, the System has unfunded commitments of \$22,858,896 to these partnerships.

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
NOTES TO FINANCIAL STATEMENTS
December 31, 2013 and 2012

Note 8 - Actuarial Information

The funded status of the System as of January 1, 2013, the most recent valuation date, is as follows (dollars in millions):

Actuarial Valuation Date January 1	Actuarial Value of Assets (a)	Actuarial Accrued Liabilities [AAL] - Entry Age (b)	Unfunded AAL [UAAL] (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
2013	\$ 1,920.1	\$ 3,025.3	\$ 1,105.2	63.5%	\$ 567.8	194.6%

Fiscal year employer contributions required and contributions made are as follows (dollars in millions):

Year Ended December 31	Annual Required Contribution	Percent Contributed
2013	\$ 83.8	92%

The calculation of the actuarial value of assets includes a smoothing of investment gains and losses over a five-year period. For the year ended December 31, 2013, the System experienced an investment gain of 15.5%. The difference between these investment gains and the assumed rate of 7.75% will be recognized over the next five years and will have an impact on the funding ratio in the future.

See Required Supplementary Information (RSI) on page 24 for a six-year schedule of employer contributions.

The funding progress and employer contribution information presented above and the employer contribution information in the RSI schedule were determined as part of the actuarial valuations at the date indicated. The following is additional information for the System as of the valuation date:

Valuation date	January 1, 2013
Actuarial cost method	Entry age
Amortization method	Level percent
Remaining amortization period	Does not amortize at current rate
Asset valuation method	Five-year asset smoothing applied retroactively, effective January 1, 2011
Actuarial assumptions:	
Investment rate of return*	7.75%
Projected salary increases*	4.00%
Post-retirement benefit increases	1.50% annual COLA and 65% Restoration of Purchasing Power

* Includes inflation as a cost-of-living adjustment at 3.5%.

This information is an integral part of the accompanying financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
SCHEDULE OF FUNDING PROGRESS
(Dollar Amounts in Millions)

Actuarial Valuation Date January 1	Actuarial Value of Assets⁴ (a)	Actuarial Accrued Liabilities [AAL] – Entry Age¹ (b)	Unfunded AAL [UAAL]² (b-a)	Funded Ratio (a/b)	Covered Payroll³ (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
2006	\$ 1,791.8	\$ 2,017.5	\$ 225.7	88.8%	\$ 447.0	50.5%
2008	\$ 2,119.4	\$ 2,294.6	\$ 175.2	92.4%	\$ 501.9	34.9%
2010	\$ 1,645.3	\$ 2,653.8	\$ 1,008.5	62.0%	\$ 580.9	173.6%
2011	\$ 2,013.7	\$ 2,709.0	\$ 695.4	74.3%	\$ 563.2	123.5%
2012	\$ 1,954.3	\$ 2,859.3	\$ 905.0	68.3%	\$ 557.0	162.5%
2013	\$ 1,920.1	\$ 3,025.3	\$ 1,105.2	63.5%	\$ 567.8	194.6%

Note that valuations are performed annually as of 2010.

¹ Actuarial present value of benefits less actuarial present value of future normal cost based on Entry Age Actuarial Cost Method.

² Actuarial accrued liabilities less actuarial value of assets.

³ Covered Payroll includes compensation paid to all active employees on which contributions are calculated.

⁴ Beginning with the January 1, 2011 Actuarial Valuation and 2007 – 2010 Experience Study, SCERS has adopted five-year asset smoothing.

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
SCHEDULE OF EMPLOYER CONTRIBUTIONS
(Dollar Amounts in Millions)

Year Ended December 31	Annual Required Contribution	Percent Contributed
2008	\$ 46.0	100%
2009	\$ 46.6	100%
2010	\$ 95.7	47%
2011	\$ 73.0	69%
2012	\$ 67.2	93%
2013	\$ 83.8	92%

For additional information regarding employer contributions, see the notes to the financial statements.

ADDITIONAL INFORMATION

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
SCHEDULE OF ADMINISTRATIVE EXPENSES
Years Ended December 31, 2013 and 2012

	Budget	Actual Expense	
	2013	2013	2012
Personnel Services			
Salaries	\$ 1,543,954	\$ 1,503,736	\$ 1,181,010
Benefits	<u>514,487</u>	<u>824,854</u>	<u>418,027</u>
Total Personnel Services	<u>2,058,441</u>	<u>2,328,590</u>	<u>1,599,037</u>
Maintenance and Operations			
Professional Services	667,000	1,022,691	580,853
Office rent	211,000	229,996	115,926
Data processing and central costs	1,787,771	1,197,169	751,549
Office supplies and other expenses	266,067	188,758	171,810
Postage and telephone	55,262	46,096	71,461
Travel	63,916	31,360	39,660
Training	<u>18,360</u>	<u>13,696</u>	<u>13,628</u>
Total Maintenance and Operations	<u>3,069,376</u>	<u>2,729,766</u>	<u>1,744,887</u>
Total Administrative Expenses	<u><u>\$ 5,127,817</u></u>	<u><u>\$ 5,058,356</u></u>	<u><u>\$ 3,343,924</u></u>

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
SCHEDULE OF INVESTMENT EXPENSES
Year Ended December 31, 2013

Investment Management Fees:

American Core Realty Fund	\$ 90,254
Attucks Cap	561,110
Babson Tower Square Partners II	41,226
BlackRock	309,279
Bison Capital Equity Partners II	29,869
Capri	9,762
Capital Point Partners	50,217
Carlyle Mezzanine Partners	214,758
Coast Diversified Fund	5,319
Dimensional	338,106
Enhanced RAFI International	289,405
Fisher Investments	739,362
Jp Morgan	1,812,746
Nogales Investors Fund II	45,940
Oaktree Capital Mezzanine Fund II	75,214
Parametric	411,928
PCCP	61,342
PIMCO	1,156,541
Pugh Capital	171,893
Reams Asset Management	179,475
Rhumbine	95,698
Russell	16,823
Smith Whiley Pelham Fund III	100,077
TA Associates	270,912
TCW Crescent Mazzanine Partners IV	58,965
Washington Capital Management	62,800
Western Asset Management	407,028
Total Investment Management Fees	<u>7,606,049</u>

Performance Measurement:

Pension Consulting Alliance	499,140
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Custodial Services:

Bank of New York Mellon	<u>283,841</u>
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Total Investment Expenses

\$ 8,389,030

Securities Lending Services:

Bank of New York Mellon	<u>\$ 18,925</u>
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