Financial Statements
December 31, 2019 and 2018

Western States Office & Professional Employees Pension Fund

CPAs & BUSINESS ADVISORS

Independent Auditor's Report

The Board of Trustees
Western States Office & Professional Employees Pension Fund
Portland, Oregon

Report on the Financial Statements

We have audited the accompanying financial statements of the Western States Office & Professional Employees Pension Fund (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2019 and 2018, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Plan 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.

Auditor's 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 audits 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 auditor's 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 Plan'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 Plan'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 status of the Western States Office & Professional Employees Pension Fund as of December 31, 2019 and 2018, and the changes in its financial status for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information
Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule H, line 4i – schedule of assets held at end of year, and schedule H, line 4j – schedule of reportable transactions as of or for the year ended December 31, 2019 are presented for the purpose of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management, 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 audit 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.

San Ramon, California
October 13, 2020

	2019	2018
Assets		
Investments, at fair value	$ 317,413,915	$ 292,364,936
Receivables		
Employer contributions	368,706	549,517
Withdrawal liability contributions	-	-
Interest	150	3,720
	368,856	553,237
Cash accounts	5,002,627	4,416,532
Other		
Prepaid insurance	4,718	124,570
Total assets	322,790,116	297,459,275
Liabilities		
Accounts payable	281,549	393,194
Total liabilities	281,549	393,194
Net Assets Available for Benefits	$ 322,508,567	$ 297,066,081

	2019	2018
Additions		
Employer contributions	$ 2,823,105	$ 2,949,919
Withdrawal liability income	6,636,594	6,876,543
Supplemental contributions	2,266,228	2,400,383
Liquidated damages	50,186	12,167
	11,776,113	12,239,012
Investment Income		
Net appreciation/(depreciation) in fair value of investments	49,093,596	(8,962,455)
Interest and dividends	1,018,651	1,039,552
	50,112,247	(7,922,903)
Less investment expenses	(1,121,037)	(1,426,134)
	48,991,210	(9,349,037)
Other income	2,275	7,974
Total additions	60,769,598	2,897,949
Deductions		
Pension benefits	33,574,714	39,023,959
Operating expenses		
Administrative fees	438,825	437,068
Professional services		
Legal	391,119	191,890
Consultant and actuary	198,547	218,775
Investment consulting	205,000	205,000
Auditing		
Financial	24,112	11,500
Payroll	68,619	90,701
MPRA Expense	366	287,758
	887,763	1,005,624

	2019	2018
General expenses		
Insurance	128,873	127,959
PBGC insurance	217,007	210,980
Printing, postage and storage	23,473	29,705
Educational seminars and meetings	32,029	17,796
Miscellaneous	24,428	27,090
	425,810	413,530
Total operating expenses	1,752,398	1,856,222
Total deductions	35,327,112	40,880,181
Net Increase/(decrease)	25,442,486	(37,982,232)
Net Assets Available for Benefits		
Beginning of year	297,066,081	335,048,313
End of year	$ 322,508,567	$ 297,066,081

Note 1 - Description of the Plan

The following brief description is provided for general information purposes only. Participants should refer to the Plan Document for more complete information.

General

The Western States Office and Professional Employees Pension Fund (the "Plan") is a defined benefit plan which was established on May 3, 1960 for the purpose of providing pension, disability and death benefits to eligible participants covered by collective bargaining agreements between the local unions and various employers in the union's jurisdiction. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (the ERISA).

Eligibility

A participant shall become eligible once their employer has made pension contributions on their behalf for at least 200 hours of work in any calendar year.

Vesting

Generally, a participant is vested if: 1) they have five years of Total Service Vesting Credit, including two years of Contributory Service Vesting Credit, provided that they did not incur a Permanent Break in Service on or before December 31, 1988; or 2) they are age 55 or older and have five years of Past Service Vesting Credit at the time their "Employer", as defined in the next sentence, becomes a contributing Employer on or after January 1, 2005. The term "Employer" means an Employer with a stable and large work force that participates in the plan and whose demographics are determined to be actuarially acceptable at the time the Employer becomes a contributing Employer.

Plan Benefits

In general, participants who are age 65 and have five years of credited service are entitled to a normal pension benefit. A disability pension benefit, a death benefit, a reduced early pension benefit and pension enhancement benefits are available for qualified participants.

On September 14, 2018 the United States Department of Treasury approved the implementation of a 30% benefit suspension. The 30% benefit suspension applies to benefits accrued before October 1, 2018. Subject to certain limitations, the Multiemployer Pension Reform Act of 2014 ("MPRA") benefit reduction applies to any participant, retiree, beneficiary or alternate payee under the Plan, whether or not in pay status as of October 1, 2018.

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting

The Plan's financial statements are prepared on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Employer Contributions

Employer contributions reported in the financial statements include amounts relating to hours worked by participants through December 31, plus material delinquent contributions, together with liquidated damages which may be imposed.

The Plan has an employer payroll audit system in place in which the employers are randomly audited to verify that they are contributing in accordance with their signed agreement. Delinquencies may arise due to these payroll audits, but due to the uncertainty of collections, no estimates of the contributions will be accrued.

Investment Valuation and Income Recognition

The Plan's investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan management determines the Plan's valuation policies and procedures. See Note 5 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the gains and losses on investments bought and sold as well as held during the year.

The classification of investment earnings reported in the statement of changes in the net assets available for benefits may differ from the classification of earnings on the Form 5500 due to different reporting requirements on the Form 5500.

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

Operating Expenses

The Plan's expenses are paid by the Plan as provided in the Plan document. Certain expenses incurred in connection with the general administration of the Plan that are paid by the Plan are recorded as deductions in the accompanying statement of changes in net assets available for benefits. In addition, certain investment related expenses are included in net appreciation (depreciation) of fair value of investments presented in the accompanying statement of changes in net assets available for benefits.

Concentration of Risk

The Plan maintains its cash balances at high credit quality financial institutions. Accounts at these institutions are insured by the Federal Deposit Insurance Corporation up to $250,000. At times, such cash balances may be in excess of the insurance limit.

Note 3 - Funding Policy

General

The participating employers contribute such amounts as are specified in the collective bargaining agreements. The Plan's actuary has advised that the minimum funding requires of ERISA were not met as of December 31, 2019. Therefore the Board of Trustees have adopted a Rehabilitation Plan.

Contributions

During the years ended December 31, 2019 and 2018, the Plan received contributions from employers in various contracted payment types and amounts. The principal types of contributions were received as follows:

	Hourly
January 1, 2018 - December 31, 2019	$0.05 - 9.95

Pension Protection Act of 2006

On March 31, 2009, the Plan's actuary certified that the Plan was in critical status or in the "red zone" under the Pension Protection Act of 2006 (the "Act") for the plan year beginning January 1, 2009. The Plan was initially certified in the "red zone" because the credit balance in the Funding Standard Account was projected to be depleted by 2011 at that point in time. On October 16, 2009 the Board of Trustees approved implementing the Plan's Rehabilitation Plan (the "RP") as required under the Act. The RP was originally effective November 25, 2009, and was subsequently amended effective January 1, 2010. As required under the Act, a 10% surcharge automatically applies to pension contributions on hours worked on or after January 1, 2010 and continues until the employer is subject to the RP. The RP applies to collective bargaining agreements expiring on or after November 25, 2009. Bargaining parties negotiate to adopt the RP and the Supplemental Employer Contribution Schedule as part of their new agreement. The Default Supplemental Employer Contribution Schedule automatically applies under the Act if the bargaining parties fail to adopt the RP within 180 days after the CBA expires. Effective January 1, 2013, the Board of Trustees revised the Rehabilitation Plan to cap supplemental employer contributions at 80%. The Board has not changed the default schedule under the 2013 Rehabilitation Plan. The current rules regarding imposition of the default schedule continue to apply.

For the 2016 through 2018 plan years, the Plan was certified as in critical and declining status due to funding or liquidity problems and was projected to become insolvent during the 2015 plan year.

For the plan years beginning January 1, 2020 and 2019, the Plan's actuary certified the Plan to be in critical but not declining which is considered red zone. However, the Plan is no longer projected to become insolvent due to the benefit suspensions that took effect October 1, 2018, as allowed under the MPRA, and approved by the U.S. Department of the Treasury and ratified by a participant vote. Accordingly, the Plan has emerged from critical and declining status and is in critical status for the 2020 and 2019 plan years.

Note 4 - Plan Termination

The Board of Trustees has the right to discontinue or terminate the Plan in whole or in part. The rights of all affected participants to any benefit accrued to the date of the termination, partial termination or discontinuance will be governed by ERISA sections 404(a) and 4281 and the regulations there under.

Certain benefits under the Plan are covered by the insurance protection of the Pension Benefit Guaranty Corporation ("PBGC") if the Plan terminates. The PBGC does not guarantee all benefits under the Plan, and the amount of protection is subject to certain limitations. Whether participants receive the full amount of benefits to which they are entitled should the Plan terminate at some future time will depend on the sufficiency of the Plan's net assets on the date of payment to provide for accumulated benefit obligations and may also depend on the financial condition of the Plan and the level of benefits guaranteed by the PBGC.

Note 5 - Investments

General

The investment assets of the Plan are held by U.S. Bank under the terms of a custodian agreement and are invested in accordance with an investment policy and program directed by the Board of Trustees and their selected financial advisors.

The following information, included in the Plan's financial statement as of December 31, 2019 and 2018, was prepared by U.S. Bank and furnished to the Administrator.

A comparison of fair value at December 31, 2019 and 2018, is summarized as follows:

	2019 Fair Value	2018 Fair Value
Money market mutual fund	$ 311,428	$ 1,051,932
Mutual funds	24,775,390	17,037,562
Common collective funds	222,085,580	181,573,993
103-12 investment entities	16,068,934	48,772,636
Limited partnerships	54,172,583	35,524,443
Other		
Infrastructure investment fund	-	8,404,370
	$ 317,413,915	$ 292,364,936

Fair Value Measurement

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under the FASB ASC 820 are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2019 and 2018.

Mutual funds and money market mutual funds are valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-ended mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Units of collective trust funds and infrastructure investment funds are valued at the NAV of units of the fund. The NAV is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV.

Investments in limited partnerships and interests in 103-12 investment entities, that are not traded on a national exchange, are stated at NAV. The NAV is used as a practical expedient to estimate fair value. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date

The following is a summary of the inputs used as of December 31, 2019, in valuing the Plan's investments carried at fair value:

	Level 1	Level 2	Level 3	Total
Money market mutual fund	$ 311,428	$ -	$ -	$ 311,428
Mutual funds	24,775,390	-	-	24,775,390
Total assets in the fair value hierarchy	$ 25,086,818.00	$ -	$ -	25,086,818.00
Investments measured at net asset value (*)				292,327,097
Total				$ 317,413,915

(*) In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statement of net assets available for benefits.

The following is a summary of the inputs used as of December 31, 2018, in valuing the Plan's investments carried at fair value:

	Level 1	Level 2	Level 3	Total
Money market mutual fund	$ 1,051,932	$ -	$ -	$ 1,051,932
Mutual funds	17,037,562	-	-	17,037,562
Total assets in the fair value hierarchy	$ 18,089,494.00	$ -	$ -	18,089,494.00
Investments measured at net asset value (*)				274,275,442
Total				$ 292,364,936

(*) In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statement of net assets available for benefits.

Transfers Between Levels

For the years ended December 31, 2019 and 2018, there were no significant transfers between Level 1 and 2 and no transfers in or out of Level 3.

The following tables summarize investments for which fair value is measured using NAV as the practical expedient.

At December 31, 2019, unfunded commitments and redemption rules of those investments are as follows:

	Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice
Common Collective Trust				
LS CIT Core Plus Fixed Income Trust	$ 67,515,007	$ -	Daily	3-5 Days
BlackRock Index Non-Lendable Fund	34,712,314	-	Daily	Daily
Invesco Balanced-Risk Allocation Trust	48,823,736	-	Daily	Daily
ASB Allegiance Real Estate Fund	21,594,897	-	Quarterly	N/A
Intech US Adaptive	34,392,110	-	TBD	TBD
JPMCB Special Situation Property Fund	15,047,516	26,700,000	Quarterly	45 Days
103-12				
PanAgora Small Cap Core Group Trust	16,068,934	-	Bi-monthly	3 Days
Limited Partnership				
IIF ERISA LP	8,074,058	-	Mar 31 or Sep 30	45 Days
IFM Global Infrastructure LP	10,324,670	-	Quarterly	90 Days
WCM Focused Intl Growth Fund LP	35,773,855	-	Monthly	5 Days
	$ 292,327,097	$ 26,700,000		

At December 31, 2018, unfunded commitments and redemption rules of those investments are as follows:

	Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice
Common Collective Trust				
LS CIT Core Plus Fixed Income Trust	$ 63,621,886	$ -	Daily	3-5 Days
BlackRock Index Non-Lendable Fund	31,213,799	-	Daily	Daily
Invesco Balanced-Risk Allocation Trust	46,602,126	-	Daily	Daily
ASB Allegiance Real Estate Fund	25,808,958	-	Quarterly	N/A
Intech US Managed Volatility	27,859,537	-	Daily	1 Day
JPMCB Special Situation Property Fund	14,327,224	-	Quarterly	45 Days
103-12				
PanAgora Small Cap Core Group Trust	15,183,447	-	Bi-monthly	2 Days
Brandes Intl S/C Equity Fund	5,729,652	-	Monthly	30 Days
Limited Partnership				
IIF ERISA LP	8,404,370	-	Mar 31 or Sep 30	45 Days
IFM Global Infrastructure LP	9,123,885	-	Quarterly	90 Days
WCM Focused Intl Growth Fund LP	26,357,471	-	Monthly	5 Days
Invesco Real Estate Fund II	43,087	959,600	N/A	N/A
	$ 274,275,442	$ 959,600		

IIF ERISA LP seeks to focus on core/core-plus infrastructure assets that offer stable yield and inflation-linked return characteristics through an open-ended investment vehicle that is diversified both geographically and by sub-sector. The fund seeks to avoid competitive trophy auction processes, instead investing in middle-market opportunities with a target investment size of $200-500 million equity each.

IFM Global Infrastructure (US), L.P. seeks to acquire and maintain a diversified portfolio of global infrastructure investments (in the target sub-sectors with varied maturities) that returns 10% per annum (net of advisory fees, any performance fee, allocable expenses and investment-level taxes) over a rolling three year period.

Invesco Real Estate Fund II seeks to provide returns based on investment in portfolio companies, portfolio investments, and real estate assets.

WCM Focused Intl Growth Fund LP seeks to provide returns based on long term appreciation in primarily international equities.

Note 6 - Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments that are attributable, under the Fund's provisions, to the service participants have rendered. Accumulated plan benefits include benefits expected to be paid to: (a) retired or terminated participants or their beneficiaries, (b) beneficiaries of participants who have died, and (c) present participants or their beneficiaries.

The actuarial present value of accumulated benefits is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of reductions such as for death, disability, withdrawal or retirement) between the valuation date and the expected date of payment. The significant actuarial assumptions used in the valuation performed by the actuary at January 1, 2019, the most recent valuation, were (a) life expectancy of participants (RP-2014 Blue Collar Mortality Table for males and females, adjusted backward to 2006 using MP-2014, then projected forward from 2006 with Fully Generational Mortality Improvement under MP-2016, (b) normal retirement age assumptions (age 65), and (c) investment return (assumed at 7.25% per annum).

The computations of the actuary present value of accumulated plan benefits were made as of January 1, 2019. Had the valuation been performed on December 31, 2018 there would be no material differences.

The actuarial present value of accumulated plan benefits, at January 1, 2019 and the changes in accumulated plan benefits for the year then ended, as developed by the Plan's actuary, follows:

Statement of Accumulated Plan Benefits
(as of January 1, 2019)

Actuarial Present Value of Accumulated Plan Benefits	
Vested benefits in a payment status	$ 305,984,513
Other participants' vested benefits	116,557,051
Total vested benefits	422,541,564
Nonvested benefits	743,017
Total year end actuarial present value	$ 423,284,581

Statement of Change in Accumulated Plan Benefits
(for the year ended January 1, 2019)

Actuarial Present Value of Accumulated Plan Benefits at Beginning of Plan Year	$ 545,334,445
Increase/(Decrease) During Year Due to	
Benefits accumulated and actuarial experience	6,742,841
Plan amendments	(117,661,915)
Increase for interest	29,532,224
Benefits paid	(40,663,014)
Net decrease	(122,049,864)
Actuarial Present Value of Accumulated Plan Benefits at End of Plan Year	$ 423,284,581

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining actuarial present value of accumulated plan benefits.

Note 7 - Employer Withdrawal Liability

Under the Multiemployer Pension Plan Amendments Act of 1980, as amended by the Deficit Reduction Act of 1984, employers that withdraw from the Plan are liable for a share of the Plan's, respectively, unfunded vested benefits.

As of December 31, 2019 and 2018, there were 165 and 153 employers with assessed withdrawal liabilities and 9 that were assessed a withdrawal liability during the current period who are required to make payments to the Plan to reduce their withdrawal liability. Payments can be made quarterly with payment lengths from full one time payment to 20 years depending on the terms of the agreement. The present value for future stream of payments from those employers as of December 31, 2019 and 2018, is $63,304,460 and $64,172,258, respectively. Due to the uncertainty of the going concern of the employers over an extended period of time, complete payment and timing of payment, this receivable has been fully reserved. Payments received from withdrawn employers for the years ending December 31, 2019 and 2018, totaled $6,636,594 and $6,876,543, respectively.

Note 8 - Party-in-Interest Transactions

As described in Note 2, the Plan has several arrangements with service providers. These transactions are exempt party-in-interest transactions under the ERISA.

Note 9 - Tax Status

The Internal Revenue Service (IRS) has determined and informed the Sponsor by a letter dated July 18, 2016, that the Plan and related Trusts were designed in accordance with the applicable regulations of the Internal Revenue Code (IRC). Subsequent to the issuance of this determination letter, the Plan was amended. However, the Sponsor and Plan management believes that the Plan is currently designed and operated in compliance with the applicable requirements of the IRC, and the Plan and related Plan continue to be tax-exempt.

The Plan is subject to Federal and California taxes on its unrelated business taxable income ("UBTI"). UBTI is derived from trade or business that is unrelated to the exempt organizations purpose. For this Plan, UBTI is mainly derived from investing in entities that also use third party debt financing.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Note 10 - Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect amounts reported in the statements of net assets available for benefits.

Plan contributions are made, and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

Note 11 - Subsequent Events

Subsequent to year-end, the United States and global markets experienced significant declines in value resulting from uncertainty caused by the world-wide coronavirus pandemic. The Plan management is closely monitoring its investment portfolio and its liquidity and is actively working to minimize the impact of these declines. The Plan’s financial statements do not include adjustments to fair value that have resulted from these declines.

Plan management has evaluated subsequent events through October 13, 2020, the date on which the financial statements were available to be issued.