

Executive Summary  
Period Ending December 31, 2020

# Town of Palm Beach Retirement System DC

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As we start this new year, and on behalf of our entire AndCo family, Thank You for the opportunity to continue to serve you! I'm sure most of us are ready to turn the page on 2020 and all of the unique "firsts" we had to deal with – social distancing, masks, quarantining, and virtual meetings just to name a few. While 2020 definitely introduced new features into our daily routines, one constant remained the same at AndCo, our unwavering commitment to serve you within a model that is independent, singularly focused, customized, and passionately delivered. We take our role as your consultant and trusted advisor earnestly and will continue to work hard to maintain your trust and confidence in this unique and dynamic time. We are honored and privileged you have chosen AndCo as your consultant and we wanted to provide a brief update on the firm.

As we start 2021, we are 91 team members strong advising approximately \$100 billion in client assets – both around record highs. All departments within AndCo have grown over the years as we thoughtfully invest in our firm to provide the services you expect and we demand from our team.

Looking back at 2020, it represented another year of significant investment in the organization. We made personnel and technology investments within consulting, research, client solutions, compliance, finance, IT and marketing. We created an intranet for our team members to efficiently and effectively stay connected within the organization to collectively serve you, our valued clients, and our team members better. We continued enhancing our research team with two new hires in the department who have significant experience and tailored skillsets in certain asset classes. We added additional management within our client solutions department to provide more support and structure to the team. We also restructured our marketing department to enhance the quality of our deliverables and further promote the AndCo brand. While 2020 was a busy year for AndCo in terms of reinvesting and enhancing our structure, please know we are not done. We are strong believers that if you are not evolving, adapting and moving forward, you will get left behind. In the service business, that would mean our clients would not get the service they expect or deserve and that does not work for AndCo. As we budget for 2021 and continue to reinvest in our organization, you'll likely see additional hires made firmwide along with continued investments in technologies. All of these efforts are to better serve you!

Every January our firm hosts our firmwide retreat in Central Florida. It is a great time for everyone in the firm to spend time with one another. Along with this valuable time together we also review how the firm did strategically the previous year, renew our goals and initiatives for the upcoming year, and conduct activities and discussions to strengthen our culture. Due to the pandemic, we did not hold our firmwide retreat in person this year.

However, we did utilize our new intranet to provide a series of virtual firm updates where we covered many of the topics we normally present in person. While we cannot replace being physically together for several days, we were thrilled to have a virtual venue to provide this valuable information to our team and demonstrate new ways for us to stay connected during this unique time.

At the beginning of each year we also discuss the AndCo partnership, and when earned, announce new partners. This year I am happy to report two new team members made partner at AndCo - Jacob Peacock and Dan Osika. Jacob has been with the firm for almost 9 years and is currently a Consulting Director. Dan has been with AndCo for 6 years and has held multiple roles at the firm. Today Dan serves as a Marketing Consultant in our marketing department. We are extremely happy for both Jacob and Dan and are very lucky to have them as valuable team members. With the additions of Jacob and Dan, we now have 11 partners at AndCo with the majority of departments represented. We are looking to create a multigeneration employee-owned and employee-managed organization with our equity program. This will allow us to protect our mission, vision and values going forward as well as our commitment to serve you the best we possibly can.

In closing, our name, AndCo, reminds us who we work for every day - "Our Client" &Co. You, our clients, will always be our first priority. As we continue to discuss strategic decisions and reinvestments regarding our firm, please know that our decisions are filtered through the following question: "How does this benefit our clients?" If it doesn't benefit you, we don't do it, it's that simple. We said this last year and we'll say it again next year. If this commitment ever falters, you need to find a new consultant.

We know that each of our clients is facing many challenges and we will be there to help support you through all environments. We are honored and humbled that you have chosen AndCo as your partner. We do not take that relationship for granted and will continue to work tirelessly to exceed your expectations.

Thank you again for your valued partnership and the opportunity to serve you. Happy New Year!



Mike Welker, CFA  
CEO

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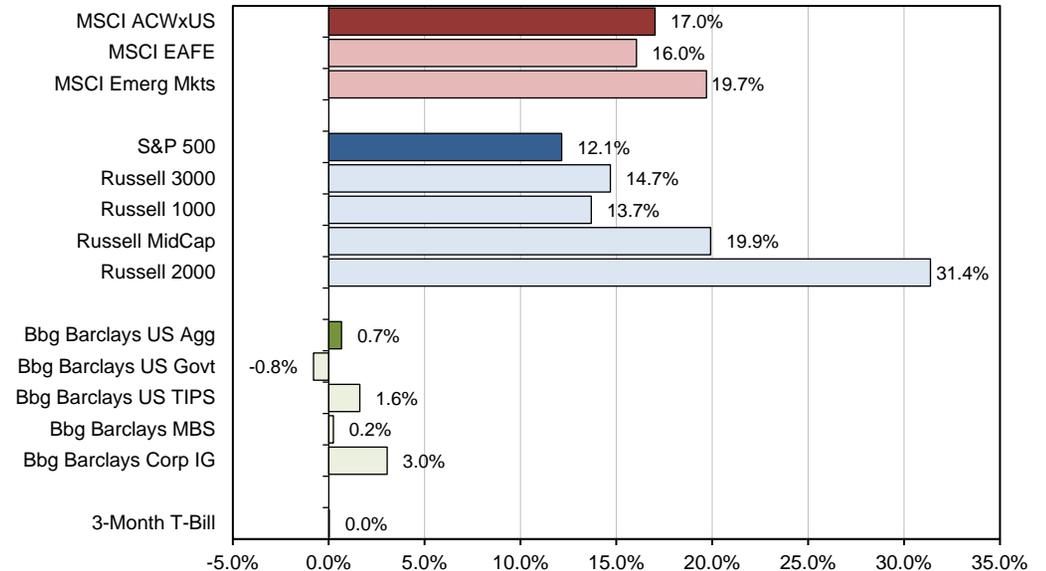


## 4th Quarter 2020 Market Environment

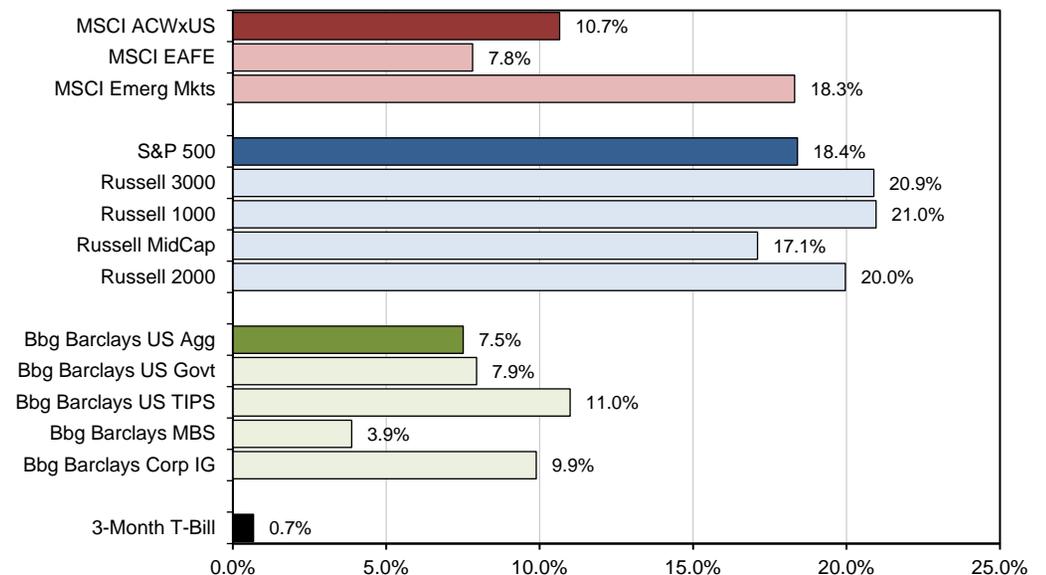


- Investment market index returns were broadly positive during the 4<sup>th</sup> quarter of 2020 except for the US Government bond benchmark. Performance during the period was largely driven by expectations related to the rollout of vaccines to treat the pandemic, the resolution of the US Presidential election, and the potential for additional government stimulus. Within domestic equity markets, there was a reversal in a recent trend with small cap stocks outperforming large cap issues. The Russell 2000 returned 31.4% compared to a 12.1% return for the S&P 500. This was the small cap benchmark's single strongest quarterly return since its inception in 1979. US equity markets ended 2020 with robust positive performance despite continued uncertainty associated with pandemic and slower than expected vaccine rollouts. For the full year, performance for domestic equities was strong across the capitalization spectrum with large cap stocks returning 18.4%, mid-caps 17.1%, and small caps 20.0%.
- Similar to domestic stocks, international equity returns were strong during the 4<sup>th</sup> quarter of 2020. International markets also benefited from the release of vaccines in addition to monetary policy relief from the European Central Bank. International returns were also amplified by a weakening US dollar which continued its decline against most major currencies. Emerging markets outperformed developed markets for the period with the MSCI Emerging Markets Index returning 19.7% compared to a return of 16.0% for the MSCI EAFE Index. Developed markets posted a modest return of 7.8% over the 1-year period while emerging markets returned a stronger 18.3%.
- Fixed income index performance was disparate during the 4<sup>th</sup> quarter. Corporate bonds performed well during the period as evidenced by the 3.0% return of the Bloomberg Barclays Corporate Investment Grade Index. In contrast, the Bloomberg Barclays US Government Bond Index returned -0.8% and was negatively affected by rising US interest rates. TIPS continued to outpace nominal bonds over concerns about rising US inflation and posted a return of 1.6% for the period. For the year, bonds posted solid returns across most sectors led by TIPS and Corporate bonds which returned 11.0% and 9.9%, respectively. For the year, the benchmark Bloomberg Barclays US Aggregate Bond Index returned a solid 7.5%.

### Quarter Performance



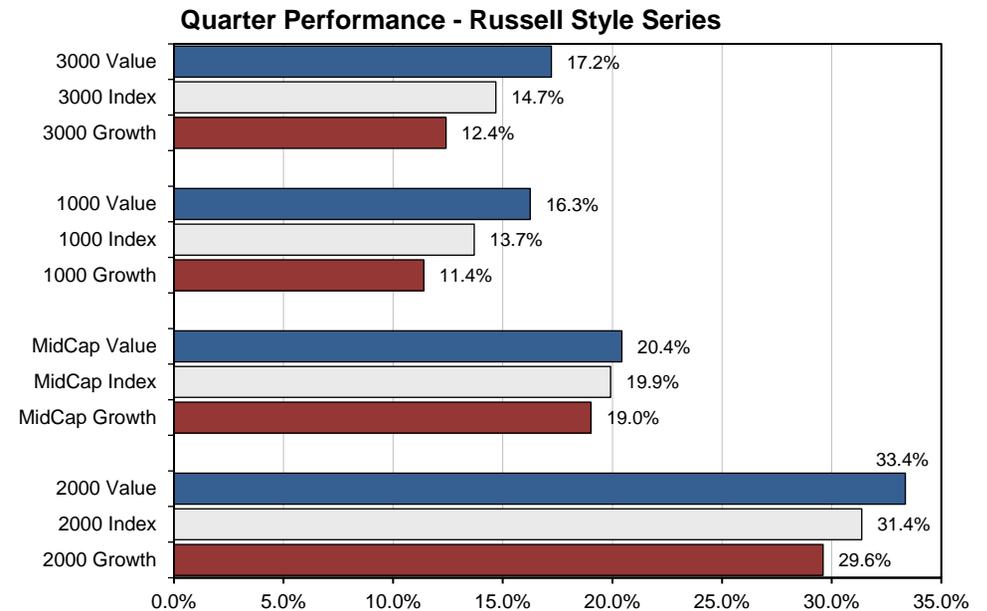
### 1-Year Performance



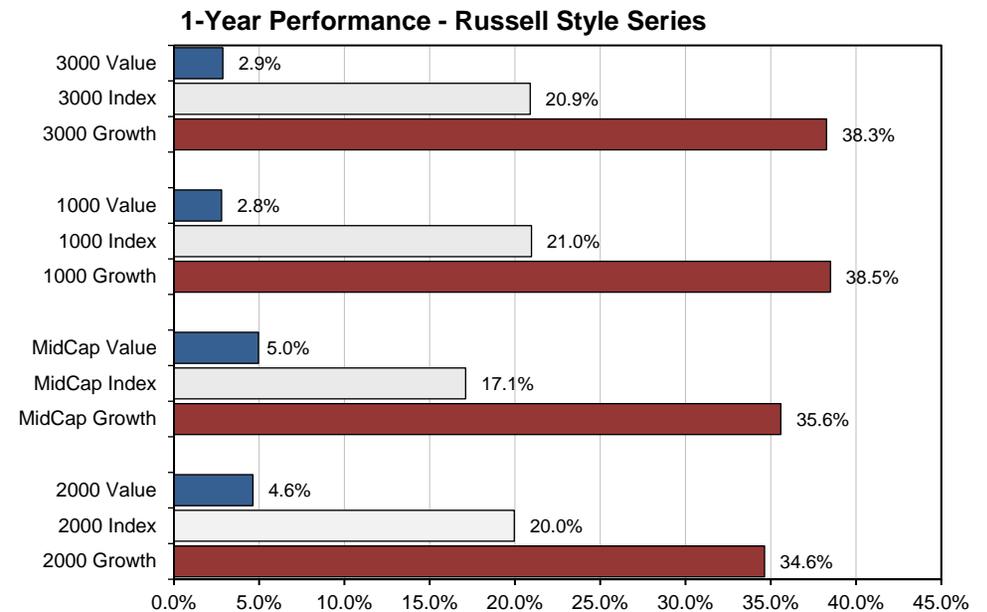
Source: Investment Metrics



- Despite 2020 experiencing one of the most dramatic drawdowns in history, US equities managed to recover all of their losses and closed the year delivering three straight quarters of strong gains across the capitalization and style spectrum. During the 4<sup>th</sup> quarter, value stocks reversed the recent trend and outperformed growth stocks across the full capitalization spectrum. It is important to note, value indexes contain large exposures to sectors like energy and financials which performed well during the 4<sup>th</sup> quarter. For the period, the Russell 2000 Value Index was the best performing style index with a return of 33.4% (also a record for the index). This performance was followed by mid and large cap value index returns of 20.4% and 16.3%, respectively. While slightly lower relative to their value counterparts, growth style benchmarks were also strong for the quarter with the small cap growth index returning 29.6% while mid and large cap growth stocks posted returns of 19.0% and 11.4%, respectively.



- Despite the 4<sup>th</sup> quarter's trend reversal, for the full year, growth-oriented stocks significantly outperformed value stocks across all market capitalizations with each growth benchmark posting returns in excess of 30.0%. The widest performance dispersion between growth and value for the year was in the large cap space with the Russell 1000 Growth Index returning 38.5%, which outpaced the large cap value benchmark by more than 35.0%. A combination of factors drove the performance of growth stocks during the year including investors seeking companies with the ability to growth revenues, structural shifts in the economy related to technologies, and momentum.

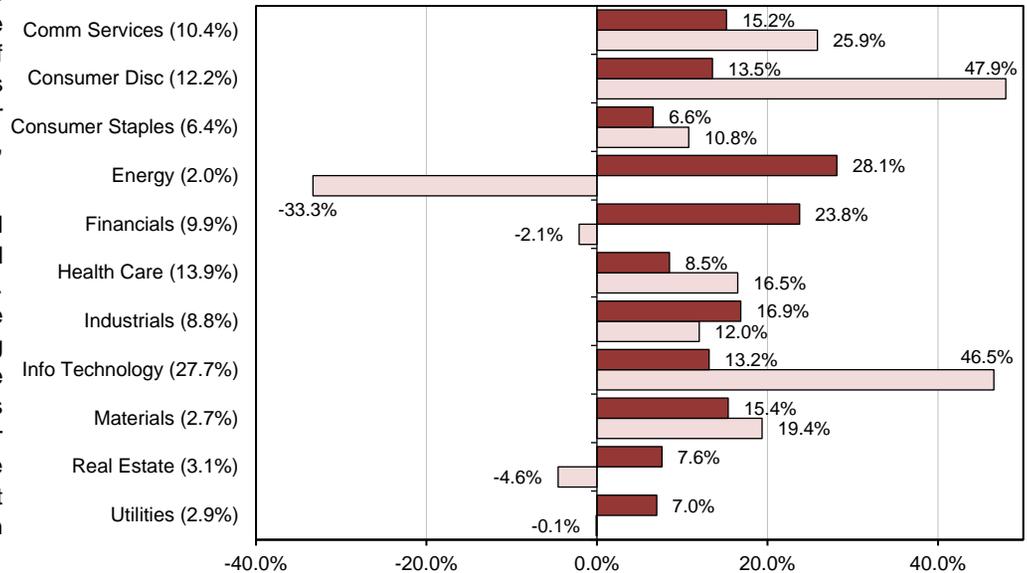


Source: Investment Metrics

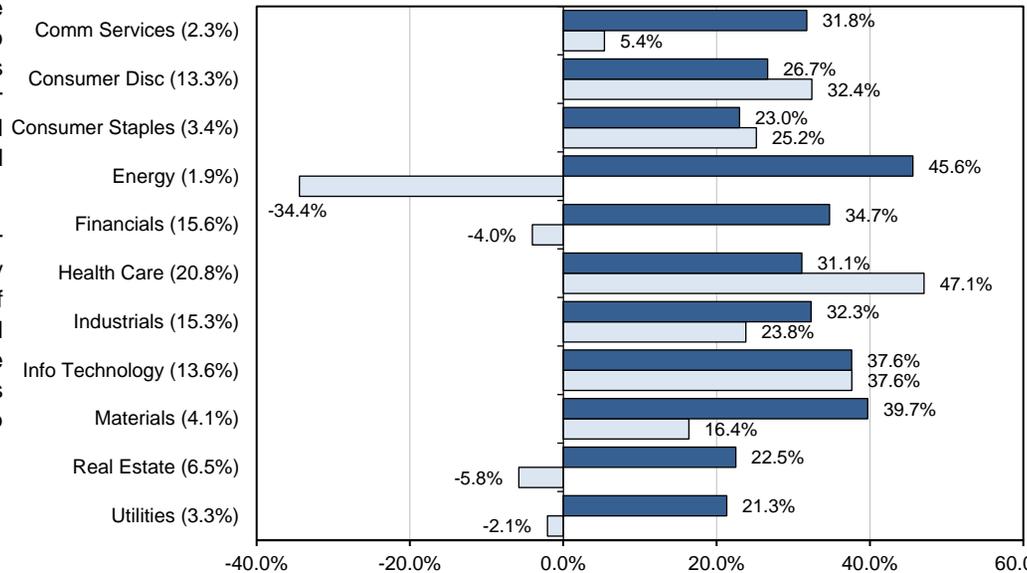


- Sector performance was positive across all eleven large cap economic sectors for the 4<sup>th</sup> quarter. However, only five sectors outpaced the return of the broader Russell 1000 Index. The positive news surrounding the release of COVID-19 vaccines provided the catalyst for cyclical sectors to rebound as expectations for economic growth improved. The best performing sectors for the quarter were energy, financials, and industrials with returns of 28.1%, 23.8%, and 16.9%, respectively.
- Over the trailing 1-year period, seven of the eleven large cap sectors produced positive results. Performance was led by the consumer discretionary and technology sectors which delivered returns of 47.9% and 46.5%, respectively. In a sign of narrow leadership, only three of the eleven sectors exceeded the return of the broad benchmark over the full year. In contrast to the strong positive performance in some sectors, four sectors that disappointed for the year were energy (-33.3%), real estate (-4.6%), financials (-2.1%), and utilities (-0.1%). The significant drawdown in energy prices earlier in the year combined with declining commercial real estate prices put downward pressure on these sectors. Finally, the staggering dispersion between the best performing (consumer discretionary) and worst-performing (energy) sectors in the large cap benchmark was in excess of 81.0% for the year.
- Quarterly results for small cap sectors were higher than their respective large capitalization counterparts. All eleven sectors posted positive returns for the period with six of eleven outpacing the Russell 2000 Index return. Similar to large caps, economically sensitive sectors such as energy (45.6%), materials (39.7%), technology (37.6%), and financials (34.7%) drove results. Sector performance was largely attributable to rising commodity prices, a continued decline in the US dollar, and expectations that global economic growth would accelerate following the rollout of vaccines.
- Over the trailing 1-year period, despite the strong broad market results, sector returns were more mixed. Negative sector performance was realized in energy (-34.4%), real estate (-5.8%), financials (-4.0%), and utilities (-2.1%). Much of the year's negative results were seen following the drawdown experienced during the 1<sup>st</sup> quarter in the initial reaction to the pandemic. In contrast, the healthcare sector delivered strong results (47.1%) for the period as investors looked for opportunities to invest in companies with the potential to develop therapeutics and treatments for COVID-19.

**Russell 1000** ■ Quarter □ 1-Year



**Russell 2000** ■ Quarter □ 1-Year



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 December 31, 2020

Top 10 Weighted Stocks				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Apple Inc	6.03%	14.8%	82.3%	Information Technology
Microsoft Corp	4.69%	6.0%	42.5%	Information Technology
Amazon.com Inc	3.89%	3.4%	76.3%	Consumer Discretionary
Facebook Inc A	1.85%	4.3%	33.1%	Communication Services
Tesla Inc	1.50%	64.5%	743.4%	Consumer Discretionary
Alphabet Inc A	1.48%	19.6%	30.9%	Communication Services
Alphabet Inc Class C	1.43%	19.2%	31.0%	Communication Services
Berkshire Hathaway Inc Class B	1.23%	8.9%	2.4%	Financials
Johnson & Johnson	1.17%	6.5%	10.9%	Health Care
JPMorgan Chase & Co	1.08%	33.2%	-5.5%	Financials

Top 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Nordstrom Inc	0.01%	161.8%	-22.7%	Consumer Discretionary
Coty Inc Class A	0.01%	160.0%	-36.9%	Consumer Staples
Lemonade Inc Ordinary Shares	0.00%	146.4%	N/A	Financials
Capri Holdings Ltd	0.02%	133.3%	10.1%	Consumer Discretionary
Kohl's Corp	0.02%	119.6%	-16.8%	Consumer Discretionary
Enphase Energy Inc	0.05%	112.5%	571.5%	Information Technology
Spirit AeroSystems Hldgs Inc Class A	0.01%	106.8%	-46.3%	Industrials
Olin Corp	0.01%	100.3%	50.6%	Materials
Tapestry Inc	0.02%	98.8%	17.0%	Consumer Discretionary
Eaton Vance Corp	0.02%	90.9%	60.5%	Financials

Bottom 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Zoom Video Communications Inc	0.16%	-28.2%	395.8%	Information Technology
SolarWinds Corp Ordinary Shares	0.00%	-26.5%	-19.4%	Information Technology
Beyond Meat Inc	0.02%	-24.7%	65.3%	Consumer Staples
BigCommerce Hldgs Inc Ord. Series 1	0.00%	-23.0%	N/A	Information Technology
Wayfair Inc Class A	0.04%	-22.4%	149.9%	Consumer Discretionary
Global Blood Therapeutics Inc	0.01%	-21.5%	-45.5%	Health Care
Vroom Inc Ordinary Shares	0.00%	-20.9%	N/A	Consumer Discretionary
Jamf Holding Corp Ordinary Shares	0.00%	-20.4%	N/A	Information Technology
bluebird bio Inc	0.01%	-19.8%	-50.7%	Health Care
Quidel Corp	0.02%	-18.1%	139.4%	Health Care

Top 10 Weighted Stocks				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Penn National Gaming Inc	0.54%	18.8%	237.9%	Consumer Discretionary
Caesars Entertainment Inc	0.54%	32.5%	24.5%	Consumer Discretionary
Plug Power Inc	0.51%	152.9%	973.1%	Industrials
Sunrun Inc	0.42%	-10.0%	402.4%	Industrials
Mirati Therapeutics Inc	0.38%	32.3%	70.4%	Health Care
Darling Ingredients Inc	0.37%	60.1%	105.4%	Consumer Staples
Ultragenyx Pharmaceutical Inc	0.35%	68.4%	224.1%	Health Care
Deckers Outdoor Corp	0.32%	30.3%	69.8%	Consumer Discretionary
II-VI Inc	0.31%	87.3%	125.6%	Information Technology
Arrowhead Pharmaceuticals Inc	0.31%	78.2%	21.0%	Health Care

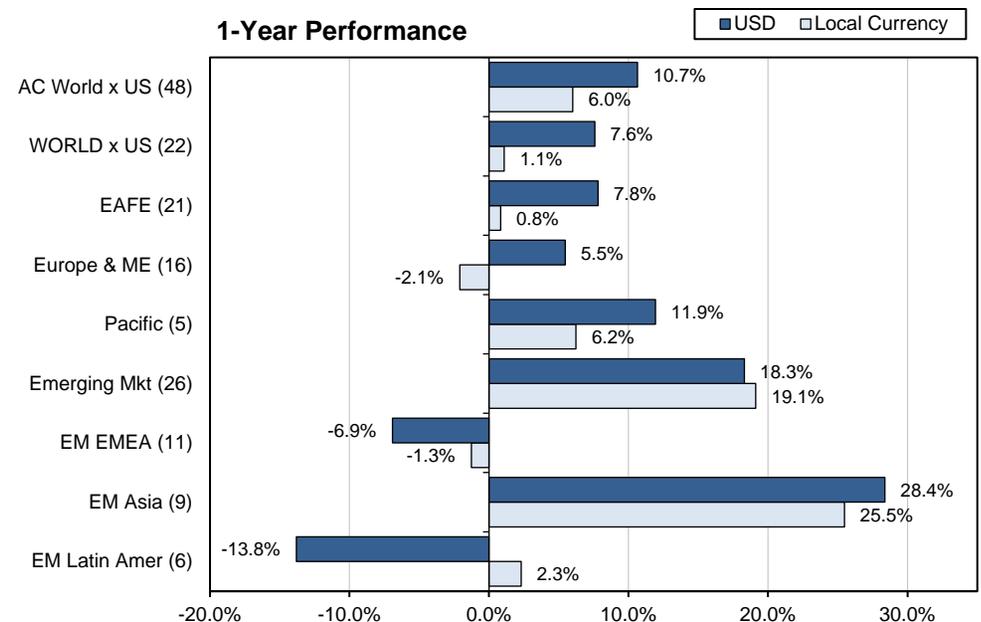
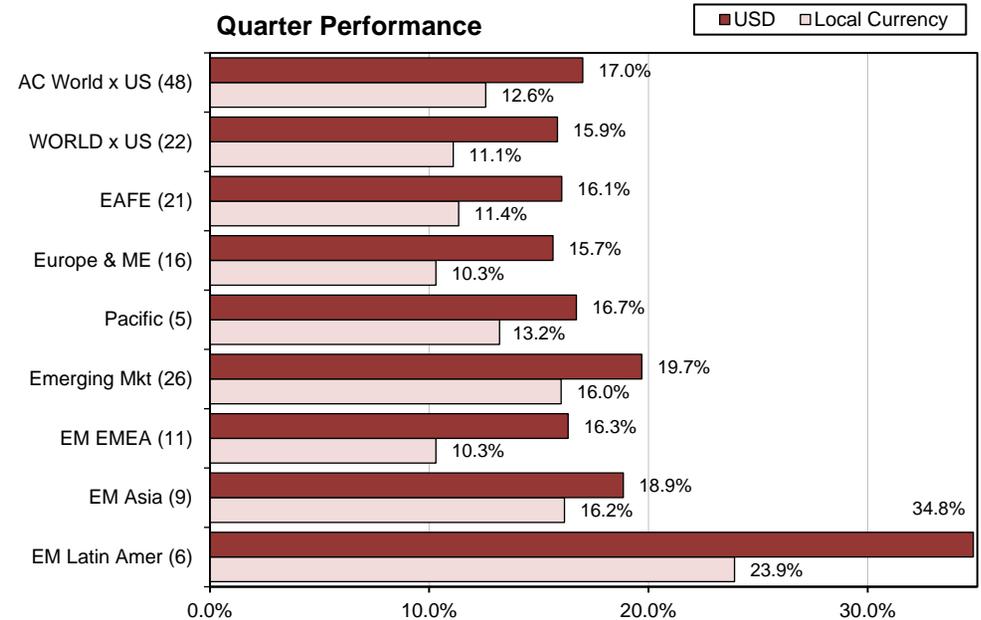
Top 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
FuelCell Energy Inc	0.13%	422.0%	345.0%	Industrials
Silvergate Capital Corp Class A	0.05%	416.0%	367.1%	Financials
Magnite Inc	0.13%	342.2%	276.3%	Consumer Discretionary
SM Energy Co	0.03%	287.3%	-44.9%	Energy
Solid Biosciences Inc	0.01%	273.4%	70.3%	Health Care
Five Prime Therapeutics Inc	0.02%	261.9%	270.6%	Health Care
Arvinas Inc	0.12%	259.7%	106.7%	Health Care
Beam Therapeutics Inc	0.13%	231.6%	N/A	Health Care
Veru Inc	0.02%	230.2%	158.2%	Consumer Staples
Clean Energy Fuels Corp	0.04%	216.9%	235.9%	Energy

Bottom 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Aprea Therapeutics Inc	0.00%	-79.6%	-89.3%	Health Care
Brainstorm Cell Therapeutics Inc	0.00%	-73.3%	5.7%	Health Care
Catabasis Pharmaceuticals Inc	0.00%	-65.4%	-63.8%	Health Care
Assembly Biosciences Inc	0.01%	-63.2%	-70.4%	Health Care
Ovid Therapeutics Inc	0.00%	-59.8%	-44.3%	Health Care
AMC Entertainment Hldgs Inc Class A	0.01%	-55.0%	-70.5%	Communication Services
Aytu BioScience Inc	0.00%	-49.7%	-38.5%	Health Care
Cyclerion Therapeutics Inc Ord. Shrs.	0.00%	-49.7%	12.5%	Health Care
iBio Inc	0.01%	-48.3%	321.7%	Health Care
Vaxcyte Inc Ordinary Shares	0.02%	-46.2%	N/A	Health Care

Source: Morningstar Direct



- Broad international equity returns were positive in both local currency and USD terms for the 4<sup>th</sup> quarter. Much like US equity markets, the international markets were positively impacted by the announcement and release of COVID-19 vaccines and benefited from additional monetary stimulus. The US dollar continued its year-to-date decline against most major currencies through the period which acted as a tailwind for US investor returns.
- For the 4<sup>th</sup> quarter, developed market equities were positive in both USD and local currency terms with the MSCI EAFE Index returning 16.1% and 11.4%, respectively. Despite several European countries reporting rising infection rates, expectations for continued economic growth and continued coordinated central bank policies, drove markets higher. In particular, the European Union approved a 1.8 trillion-euro financial package while the European Central Bank increased its asset purchases from 500 billion euros to 1.85 trillion euros with the goal of providing support to the markets and stimulating growth.
- Relative to developed markets, emerging markets significantly outperformed during the quarter as investors anticipated future economic growth would benefit companies in these markets. The MSCI Emerging Market Index returned 19.7% in USD and 16.0% in local currency terms. The relative outperformance in emerging markets was largely driven by Latin American countries, specifically Colombia, which posted an outsized return of 48.7% during the quarter. The recovery in oil prices also contributed to the region's outperformance as several Latin American countries (Brazil, Mexico, and Columbia) are highly sensitive to commodity price fluctuations.
- The trailing 1-year returns for international developed market equities were broadly positive across regions and currencies. Returns were higher in US dollar terms as the currency weakened against most major developed market currencies on concerns surrounding monetary stimulus, growth in the US debt, and uncertainty regarding the contested US election. For the period, the MSCI EAFE Index returned 7.8% in US dollar terms and 0.8% in local currency terms.
- During the trailing 1-year period, emerging markets posted strong returns in both US dollar and local currency terms. The MSCI Emerging Markets Index rose 18.3% in US dollar and 19.1% in local currency terms. Within the index, Asian countries outperformed as evidenced by the EM Asia component, which rose 28.4% US dollar terms. These countries have excelled in containing the pandemic which has led to faster local recoveries.



Source: MSCI Global Index Monitor (Returns are Net)



**The Market Environment**  
**US Dollar International Index Attribution & Country Detail**  
As of December 31, 2020

MSCI - EAFE	Sector Weight	Quarter Return	1-Year Return
Communication Services	5.2%	16.4%	12.6%
Consumer Discretionary	12.5%	22.4%	15.8%
Consumer Staples	10.9%	6.9%	5.7%
Energy	3.1%	31.2%	-27.5%
Financials	16.3%	25.4%	-3.9%
Health Care	12.9%	4.0%	11.4%
Industrials	15.2%	15.8%	10.9%
Information Technology	8.9%	16.9%	28.4%
Materials	7.9%	20.1%	20.6%
Real Estate	3.1%	14.9%	-6.9%
Utilities	3.9%	13.6%	14.2%
<b>Total</b>	<b>100.0%</b>	<b>16.1%</b>	<b>7.8%</b>

MSCI - ACWixUS	Sector Weight	Quarter Return	1-Year Return
Communication Services	7.1%	13.7%	18.9%
Consumer Discretionary	13.8%	15.9%	22.9%
Consumer Staples	8.9%	8.5%	6.7%
Energy	4.3%	22.5%	-23.5%
Financials	18.0%	24.7%	-4.5%
Health Care	9.6%	6.2%	15.4%
Industrials	11.6%	16.2%	10.8%
Information Technology	12.7%	24.7%	45.4%
Materials	8.1%	20.0%	21.2%
Real Estate	2.6%	12.6%	-9.8%
Utilities	3.3%	14.4%	9.4%
<b>Total</b>	<b>100.0%</b>	<b>17.0%</b>	<b>10.7%</b>

MSCI - Emerging Mkt	Sector Weight	Quarter Return	1-Year Return
Communication Services	11.6%	11.6%	27.5%
Consumer Discretionary	18.3%	7.6%	36.7%
Consumer Staples	5.9%	16.7%	10.7%
Energy	5.0%	14.9%	-15.4%
Financials	18.0%	24.4%	-8.2%
Health Care	4.7%	19.2%	52.8%
Industrials	4.3%	21.3%	5.0%
Information Technology	20.5%	34.2%	60.1%
Materials	7.6%	29.8%	24.8%
Real Estate	2.1%	6.1%	-16.9%
Utilities	2.0%	21.1%	-5.2%
<b>Total</b>	<b>100.0%</b>	<b>19.7%</b>	<b>18.3%</b>

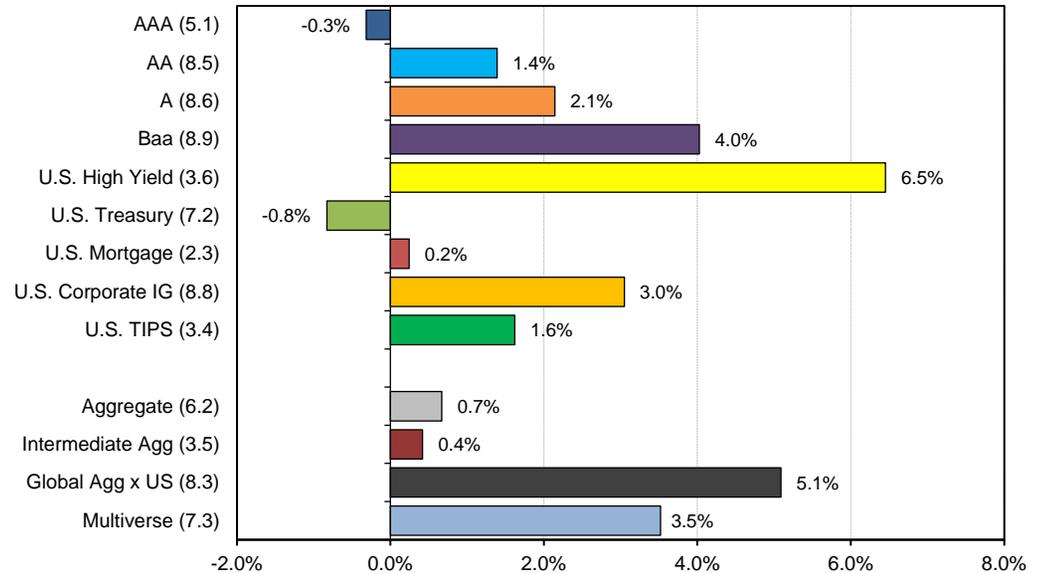
Country	MSCI-EAFE Weight	MSCI-ACWixUS Weight	Quarter Return	1- Year Return
Japan	25.3%	15.8%	15.3%	14.5%
United Kingdom	14.0%	8.8%	16.9%	-10.5%
France	11.1%	6.9%	20.4%	4.1%
Switzerland	9.7%	6.0%	8.2%	11.6%
Germany	9.4%	5.9%	11.5%	11.6%
Australia	7.1%	4.4%	22.9%	8.7%
Netherlands	3.9%	2.4%	18.4%	24.2%
Sweden	3.4%	2.1%	14.4%	23.9%
Hong Kong	3.3%	2.0%	15.5%	5.8%
Denmark	2.5%	1.6%	14.0%	43.7%
Spain	2.4%	1.5%	27.7%	-4.8%
Italy	2.4%	1.5%	22.4%	1.8%
Finland	1.1%	0.7%	10.1%	20.4%
Singapore	1.1%	0.7%	18.8%	-7.5%
Belgium	1.0%	0.6%	18.3%	-8.1%
Ireland	0.7%	0.4%	13.0%	15.1%
Israel	0.6%	0.4%	19.3%	15.0%
Norway	0.6%	0.4%	18.8%	-1.8%
New Zealand	0.3%	0.2%	13.2%	19.9%
Austria	0.2%	0.1%	47.3%	-3.3%
Portugal	0.2%	0.1%	21.6%	14.4%
<b>Total EAFE Countries</b>	<b>100.0%</b>	<b>62.5%</b>	<b>16.1%</b>	<b>7.8%</b>
Canada		6.3%	13.9%	5.3%
<b>Total Developed Countries</b>		<b>68.8%</b>	<b>15.9%</b>	<b>7.6%</b>
China		12.2%	11.2%	29.5%
Korea		4.2%	38.3%	44.6%
Taiwan		4.0%	23.2%	41.0%
India		2.9%	21.0%	15.6%
Brazil		1.6%	37.0%	-19.0%
South Africa		1.1%	22.1%	-4.0%
Russia		0.9%	21.6%	-12.5%
Saudi Arabia		0.8%	6.5%	0.7%
Thailand		0.6%	25.5%	-11.7%
Mexico		0.5%	31.0%	-1.9%
Malaysia		0.5%	10.1%	3.7%
Indonesia		0.4%	31.8%	-8.1%
Philippines		0.2%	22.2%	-3.4%
Qatar		0.2%	2.4%	-2.4%
Poland		0.2%	16.5%	-11.4%
Chile		0.2%	28.5%	-5.6%
United Arab Emirates		0.2%	10.6%	-0.9%
Turkey		0.1%	30.3%	-8.8%
Peru		0.1%	29.9%	-4.7%
Hungary		0.1%	39.2%	-11.7%
Colombia		0.1%	48.7%	-19.0%
Argentina		0.0%	21.2%	12.7%
Czech Republic		0.0%	34.1%	-4.0%
Greece		0.0%	16.4%	-26.9%
Egypt		0.0%	-5.0%	-22.5%
Pakistan		0.0%	7.7%	-17.1%
<b>Total Emerging Countries</b>		<b>31.0%</b>	<b>19.7%</b>	<b>18.3%</b>
<b>Total ACWixUS Countries</b>		<b>100.0%</b>	<b>17.0%</b>	<b>10.7%</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.

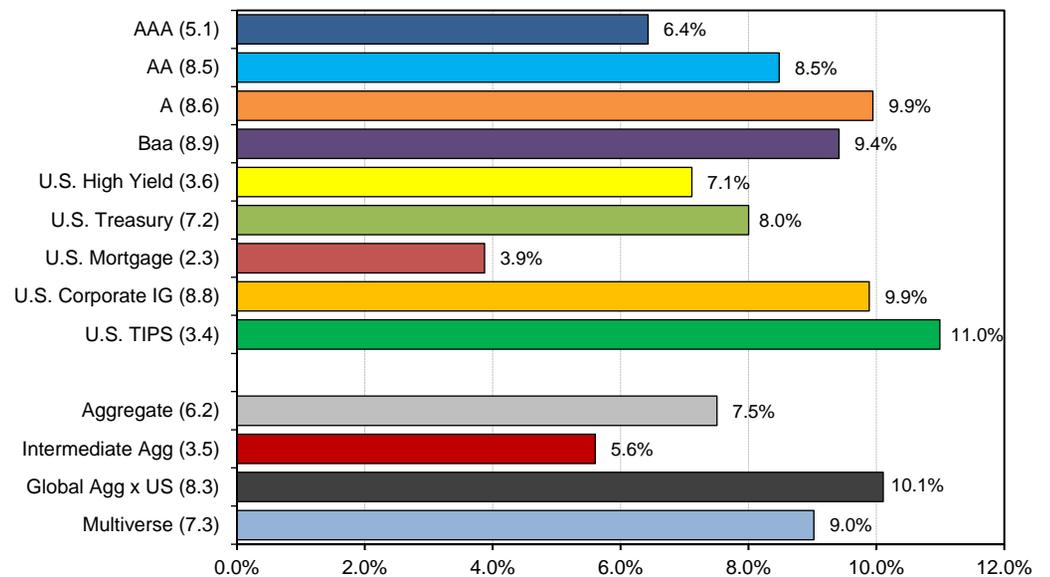


- During the 4<sup>th</sup> quarter, lower-quality bonds significantly outpaced higher-quality issues as investors continued to search for higher-yielding assets and became more comfortable accepting higher risk. For the quarter, the best performing category was high yield bonds which returned 6.5% and the laggard was US Treasury bonds which declined -0.8%. Returns of both US High Yield and Investment Grade Corporate bonds were driven by rising expectations of future US economic growth. Global bonds delivered a solid quarter returning 5.1% with results primarily attributable to a weakening US dollar. Finally, US TIPS increased 1.6% as inflation expectations rose during the period. During the quarter, the broad Bloomberg Barclays US Aggregate Index returned a slim 0.7%. While the return of the index was positive for the period, the performance of both US Treasury and mortgage bonds were a drag on results. US interest rates also began to rise during the period which acted as a general headwind to bond performance. With the duration of the broad index now over six years, any meaningful rise in interest rates will likely have a negative impact on future performance.
- Similar to stocks, over the trailing 1-year period bond markets experienced strong results despite some indices suffering significant drawdowns during the 1<sup>st</sup> quarter. Generally, lower-quality bonds outperformed higher-quality issues for the period, US Corporate Investment Grade bonds still delivered an equity-like 9.9% return for the year and US Treasury bonds managed a solid return of 8.0%. While High Yield bonds also delivered positive results, the benchmark lagged higher-quality issues due to the 1<sup>st</sup> quarter's selloff. For the year, both Investment Grade and High Yield spreads relative to US Treasury bonds narrowed, which provided a boost to non-Treasury results. Finally, US TIPS were the best performing segment of the market rising 11.0% for the year on expectations of future inflation resulting from accelerating economic growth.
- For the year, global bonds also performed well. The Bloomberg Barclays Global Aggregate Bond Index returned 10.1%, outpacing the domestic Bloomberg Barclays US Aggregate Index's return of 7.5%. Some of the relative outperformance of global bonds can be attributed to the decline in the US dollar relative to other currencies. Additionally, US interest rates began to rise later in the year which negatively contributed to performance while global Treasury bond rates remained largely steady.

**Quarter Performance**



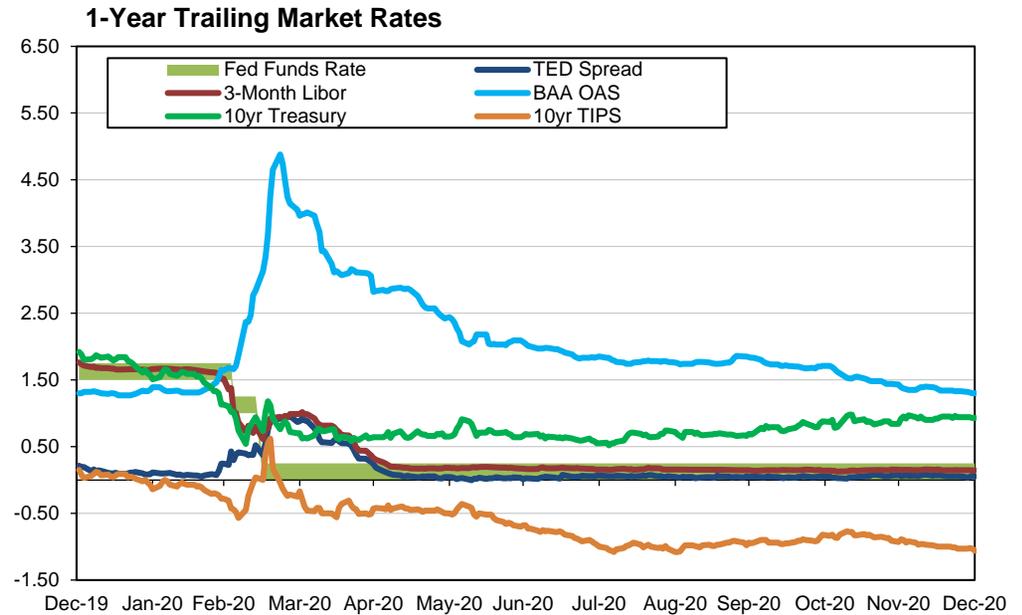
**1-Year Performance**



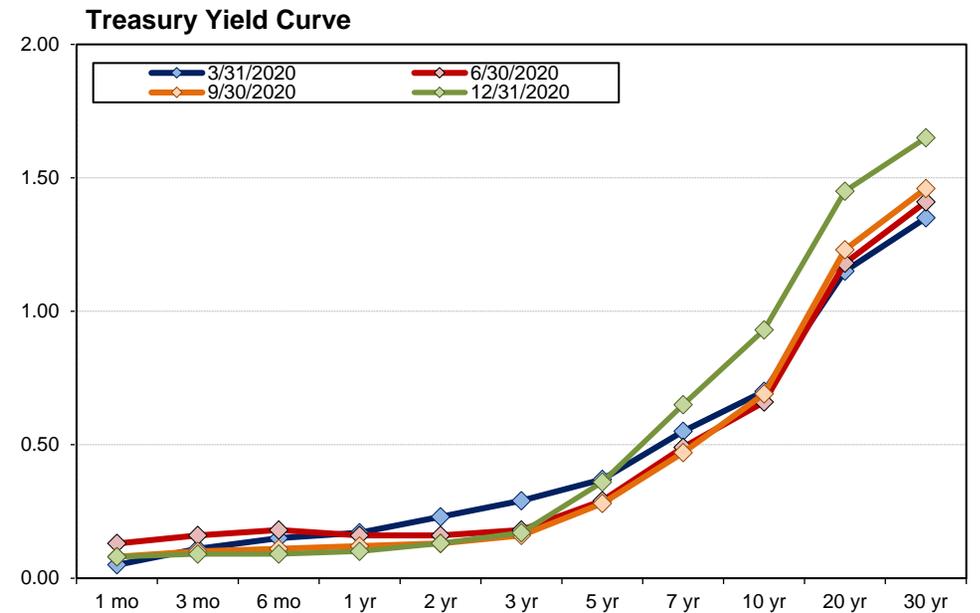
Source: Bloomberg



- 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 US 10-year Treasury (green line) fell from yields of greater than 1.5% to a low of roughly 0.5%, before ending the year slightly higher than 0.9%. During the year, US interest rates declined significantly following the onset of the pandemic and the response from the US Federal Reserve Bank (Fed) to lower rates back near zero. During the 4<sup>th</sup> quarter, US interest rates began to rise in anticipation of higher US economic growth. 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. The line illustrates the dramatic increase in credit spreads during the 1<sup>st</sup> quarter as global economic growth collapsed. Since that time, credit spreads have steadily declined as concerns over potential widespread defaults have subsided. The green band across the graph illustrates the Fed Fund Rate. At the beginning of 2020 the rate range was 1.50%-1.75% however, as a result of the pandemic, the Fed cut the range to 0.00%-0.25%, where it remained at the end of the 4<sup>th</sup> quarter. The Fed has indicated a willingness to keep US interest rates lower in an effort to supply the market with liquidity and help stimulate growth.



- The lower graph provides a snapshot of the US Treasury yield curve at the end of each of the last four quarters. While short-term US interest rates have remained largely unchanged throughout the year, longer-term interest rates began moving higher during the 4<sup>th</sup> quarter. The combination of additional fiscal stimulus, increased US Treasury issuance, and expectations for increasing inflation, all contributed to higher long-term rates. Importantly, the Fed has stated that it is comfortable allowing US inflation to exceed its 2% target in the near-term in an effort to achieve a long-term average of 2% inflation. This approach, combined with the need to dramatically increase debt issuance to supply fiscal stimulus, could result in higher US interest rates as markets normalize.



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



**Asset Allocation**  
**Total 457 and 401a Plans**  
As of December 31, 2020

Asset Allocation Attributes	Dec-2020		Sep-2020		Jun-2020		Mar-2020	
	(\$)	%	(\$)	%	(\$)	%	(\$)	%
<b>Total 457 &amp; 401a Plans</b>	<b>64,617,444</b>	<b>100.00</b>	<b>58,820,225</b>	<b>100.00</b>	<b>55,373,603</b>	<b>100.00</b>	<b>48,898,097</b>	<b>100.00</b>
457 Plan- 300786	46,732,285	72.32	43,015,146	73.13	40,619,190	73.35	36,182,647	74.00
401a Plan- 106397	15,037,235	23.27	13,042,146	22.17	12,133,747	21.91	10,413,219	21.30
401a Fire Share-106796	2,847,924	4.41	2,762,933	4.70	2,620,665	4.73	2,302,231	4.71



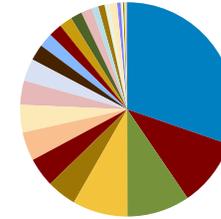
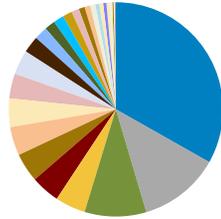
**Asset Allocation**  
**Total Fund RHS Plans**  
As of December 31, 2020

Asset Allocation Attributes	Dec-2020		Sep-2020		Jun-2020		Mar-2020	
	(\$)	%	(\$)	%	(\$)	%	(\$)	%
<b>Total RHS Plans</b>	<b>5,015,055</b>	<b>100.00</b>	<b>4,530,785</b>	<b>100.00</b>	<b>4,223,701</b>	<b>100.00</b>	<b>3,662,635</b>	<b>100.00</b>
RHS Old Plan	538,144	10.73	507,790	11.21	487,921	11.55	451,757	12.33
RHS Current Plan- 803116	4,476,911	89.27	4,022,995	88.79	3,735,780	88.45	3,210,878	87.67



September 30, 2020 : \$43,015,146

December 31, 2020 : \$46,732,285

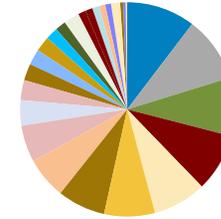
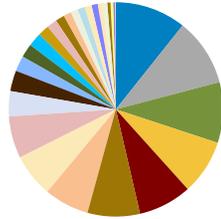


Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
Vantage Trust Plus Fund	14,276,894	33.2	Vantage Trust Plus Fund	14,153,751	30.3
VT Fidelity Contrafund (FCNTX)	5,257,219	12.2	T. Rowe Price Blue Chip Growth (TBCIX)	4,771,008	10.2
Vanguard 500 Index Fund (VFIAX)	4,000,767	9.3	Vanguard 500 Index Fund (VFIAX)	4,433,522	9.5
VT Oppenheimer Discovery Fund (ODIYX)	1,968,448	4.6	VT Oppenheimer Discovery Fund (ODIYX)	3,883,164	8.3
Vanguard Target Retirement 2025 (VTTVX)	1,878,787	4.4	Vanguard Target Retirement 2030 (VTHR)	2,091,910	4.5
Vanguard Target Retirement 2030 (VTHR)	1,874,841	4.4	Vanguard Target Retirement 2025 (VTTVX)	2,064,343	4.4
Vanguard Target Retirement 2020 (VTWVX)	1,862,342	4.3	Vanguard Target Retirement 2020 (VTWVX)	2,027,413	4.3
VT Fidelity Diversified Intl (FDIVX)	1,848,482	4.3	VT Fidelity Diversified Intl (FDIVX)	1,948,763	4.2
VT TimesSquare Mid Cap Growth (TMDPX)	1,614,450	3.8	VT TimesSquare Mid Cap Growth (TMDPX)	1,701,751	3.6
TCW Total Return Bond Fund (TGLMX)	1,589,032	3.7	TCW Total Return Bond Fund (TGLMX)	1,577,252	3.4
Vanguard Target Retirement 2015 (VTXVX)	1,094,076	2.5	Vanguard Target Retirement 2015 (VTXVX)	1,137,700	2.4
Vanguard Target Retirement 2035 (VTTHX)	853,780	2.0	Vanguard Target Retirement 2035 (VTTHX)	987,788	2.1
Vanguard Mid Cap Index (VIMAX)	688,497	1.6	Brandywine Dynamic Large Cap Value (LMBGX)	942,908	2.0
VT Vantagepoint Equity Income	682,055	1.6	Vanguard Target Retirement Income (VTINX)	907,139	1.9
Vanguard Target Retirement Income (VTINX)	601,431	1.4	Vanguard Mid Cap Index (VIMAX)	809,142	1.7
Vanguard Total Int'l Stock Index (VTIAX)	500,693	1.2	Vanguard Total Int'l Stock Index (VTIAX)	768,754	1.6
VT Vantagepoint Inflt'n Focused	386,560	0.9	VT Victory Sycamore Est Value (VEVYX)	471,199	1.0
VT Invesco Diversified Dividend Fund (LCEYX)	362,188	0.8	VT Vantagepoint Inflt'n Focused	457,409	1.0
VT Nuveen Real Estate Secs (FARCX)	340,542	0.8	VT Nuveen Real Estate Secs (FARCX)	357,534	0.8
VT Victory Sycamore Est Value (VEVYX)	265,438	0.6	VT Retirement Income Advantage	266,105	0.6
VT Retirement Income Advantage	243,395	0.6	Vanguard Small Cap Index (VSMAX)	261,061	0.6
Vanguard Target Retirement 2045 (VTIVX)	208,807	0.5	Vanguard Target Retirement 2045 (VTIVX)	242,183	0.5
Vanguard Small Cap Index (VSMAX)	206,787	0.5	VT Vantagepoint Discovery	164,807	0.4
VT Vantagepoint Discovery	173,774	0.4	Vanguard Target Retirement 2050 (VFIFX)	95,222	0.2
Vanguard Target Retirement 2050 (VFIFX)	85,524	0.2	Neuberger Berman High Yield Fixed Income (NHILX)	91,227	0.2
Neuberger Berman High Yield Fixed Income (NHILX)	70,776	0.2	Vanguard Target Retirement 2040 (VFORX)	72,930	0.2
Vanguard Target Retirement 2040 (VFORX)	56,851	0.1	VT Parnassus Core Equity (PRBLX)	21,532	0.0
VT Parnassus Core Equity (PRBLX)	16,035	0.0	Vanguard Target Retirement 2055 (VFFVX)	14,678	0.0
Vanguard Target Retirement 2055 (VFFVX)	6,677	0.0	Vantage Trust Cash Management	9,737	0.0
Vanguard Target Retirement 2060 (VTTSX)	-	0.0	Vanguard Target Retirement 2060 (VTTSX)	355	0.0
Brandywine Dynamic Large Cap Value (LMBGX)	-	0.0	VT Fidelity Contrafund (FCNTX)	-	0.0
T. Rowe Price Blue Chip Growth (TBCIX)	-	0.0	VT Invesco Diversified Dividend Fund (LCEYX)	-	0.0
Vantage Trust Cash Management	-	0.0	VT Vantagepoint Equity Income	-	0.0



September 30, 2020 : \$13,042,146

December 31, 2020 : \$15,037,235

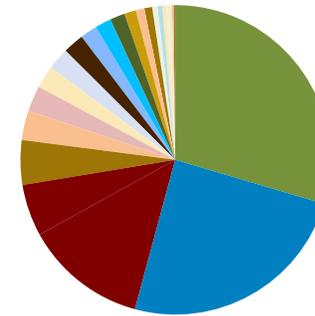
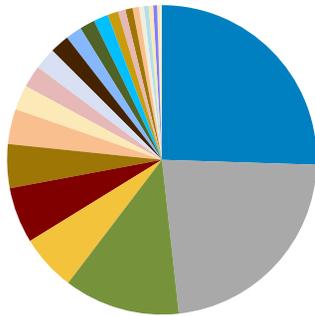


Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
Vanguard Target Retirement 2020 (VTWNX)	1,393,392	10.7	Vanguard Target Retirement 2020 (VTWNX)	1,554,480	10.3
Vanguard Target Retirement 2030 (VTHR)	1,331,937	10.2	Vanguard Target Retirement 2030 (VTHR)	1,486,543	9.9
Vanguard Target Retirement 2025 (VTTVX)	1,193,965	9.2	Vanguard Target Retirement 2025 (VTTVX)	1,321,194	8.8
Vanguard Target Retirement 2035 (VTTHX)	1,080,103	8.3	Vanguard 500 Index Fund (VFIAX)	1,317,924	8.8
Vanguard 500 Index Fund (VFIAX)	1,050,449	8.1	VT Oppenheimer Discovery Fund (ODIYX)	1,212,352	8.1
Vantage Trust Plus Fund	1,027,967	7.9	Vanguard Target Retirement 2035 (VTTHX)	1,150,963	7.7
Vanguard Target Retirement 2040 (VFORX)	884,765	6.8	Vantage Trust Plus Fund	1,085,793	7.2
VT Oppenheimer Discovery Fund (ODIYX)	853,555	6.5	Vanguard Target Retirement 2040 (VFORX)	944,893	6.3
VT Fidelity Diversified Intl (FDIVX)	827,772	6.3	VT Fidelity Diversified Intl (FDIVX)	836,117	5.6
Vanguard Target Retirement 2045 (VTIVX)	496,725	3.8	Vanguard Target Retirement 2045 (VTIVX)	576,227	3.8
VT Fidelity Contrafund (FCNTX)	407,656	3.1	Vanguard Total Int'l Stock Index (VTIAX)	454,798	3.0
Vanguard Target Retirement 2050 (VFIFX)	303,203	2.3	T. Rowe Price Blue Chip Growth (TBCIX)	378,944	2.5
VT TimesSquare Mid Cap Growth (TMDPX)	269,245	2.1	Vanguard Target Retirement 2050 (VFIFX)	359,212	2.4
TCW Total Return Bond Fund (TGLMX)	268,720	2.1	VT Victory Sycamore Est Value (VEVYX)	343,735	2.3
VT Victory Sycamore Est Value (VEVYX)	219,647	1.7	TCW Total Return Bond Fund (TGLMX)	280,028	1.9
Vanguard Total Int'l Stock Index (VTIAX)	200,825	1.5	VT TimesSquare Mid Cap Growth (TMDPX)	240,472	1.6
VT Invesco Diversified Dividend Fund (LCEYX)	177,566	1.4	Vanguard Small Cap Index (VSMAX)	181,158	1.2
VT Vantagepoint Discovery	150,593	1.2	VT Nuveen Real Estate Secs (FARCX)	177,226	1.2
VT Nuveen Real Estate Secs (FARCX)	144,327	1.1	Vantage Trust Cash Management	173,762	1.2
VT Retirement Income Advantage	143,634	1.1	Brandywine Dynamic Large Cap Value (LMBGX)	163,879	1.1
Vanguard Mid Cap Index (VIMAX)	138,028	1.1	VT Retirement Income Advantage	159,181	1.1
Vanguard Target Retirement 2015 (VTXVX)	120,907	0.9	VT Vantagepoint Discovery	139,487	0.9
VT Vantagepoint Inflt Focused	96,572	0.7	Vanguard Target Retirement 2015 (VTXVX)	130,891	0.9
Vanguard Small Cap Index (VSMAX)	91,837	0.7	VT Vantagepoint Inflt Focused	111,486	0.7
Vanguard Target Retirement Income (VTINX)	61,677	0.5	Vanguard Mid Cap Index (VIMAX)	95,678	0.6
VT Vantagepoint Equity Income	52,903	0.4	Vanguard Target Retirement Income (VTINX)	66,774	0.4
VT Parnassus Core Equity (PRBLX)	35,839	0.3	VT Parnassus Core Equity (PRBLX)	57,224	0.4
Neuberger Berman High Yield Fixed Income (NHILX)	15,618	0.1	Neuberger Berman High Yield Fixed Income (NHILX)	29,774	0.2
Vanguard Target Retirement 2055 (VFFVX)	2,717	0.0	Vanguard Target Retirement 2055 (VFFVX)	7,040	0.0
Vanguard Target Retirement 2060 (VTTSX)	-	0.0	VT Vantagepoint Equity Income	-	0.0
Vantage Trust Cash Management	-	0.0	VT Invesco Diversified Dividend Fund (LCEYX)	-	0.0
Brandywine Dynamic Large Cap Value (LMBGX)	-	0.0	VT Fidelity Contrafund (FCNTX)	-	0.0
T. Rowe Price Blue Chip Growth (TBCIX)	-	0.0	Vanguard Target Retirement 2060 (VTTSX)	-	0.0



September 30, 2020 : \$2,762,933

December 31, 2020 : \$2,847,924



Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
Vantage Trust Plus Fund	704,581	25.5	VT Oppenheimer Discovery Fund (ODIYX)	842,551	29.6
VT Fidelity Contrafund (FCNTX)	628,814	22.8	Vantage Trust Plus Fund	701,028	24.6
VT Oppenheimer Discovery Fund (ODIYX)	334,205	12.1	T. Rowe Price Blue Chip Growth (TBCIX)	364,137	12.8
Vantage Trust Cash Management	161,826	5.9	Vanguard 500 Index Fund (VFIAX)	153,909	5.4
Vanguard 500 Index Fund (VFIAX)	161,578	5.8	Vanguard Mid Cap Index (VIMAX)	132,810	4.7
Vanguard Mid Cap Index (VIMAX)	126,461	4.6	VT Fidelity Diversified Intl (FDIVX)	87,887	3.1
VT Fidelity Diversified Intl (FDIVX)	101,360	3.7	VT TimesSquare Mid Cap Growth (TMDPX)	76,095	2.7
VT Nuveen Real Estate Secs (FARCX)	71,697	2.6	VT Nuveen Real Estate Secs (FARCX)	67,795	2.4
VT TimesSquare Mid Cap Growth (TMDPX)	64,177	2.3	Vanguard Target Retirement 2025 (VTTVX)	64,903	2.3
Vanguard Target Retirement 2025 (VTTVX)	62,406	2.3	Vanguard Target Retirement 2035 (VTTHX)	62,138	2.2
Vanguard Target Retirement 2035 (VTTHX)	55,689	2.0	Vanguard Total Int'l Stock Index (VTIAX)	50,162	1.8
Vanguard Total Int'l Stock Index (VTIAX)	46,605	1.7	Vanguard Target Retirement 2040 (VFORX)	48,297	1.7
TCW Total Return Bond Fund (TGLMX)	43,721	1.6	TCW Total Return Bond Fund (TGLMX)	44,223	1.6
Vanguard Target Retirement 2040 (VFORX)	42,846	1.6	Vanguard Target Retirement 2045 (VTIVX)	34,528	1.2
Vanguard Target Retirement 2045 (VTIVX)	30,326	1.1	VT Victory Sycamore Est Value (VEVYX)	25,929	0.9
VT Vantagepoint Discovery	21,609	0.8	VT Vantagepoint Inflt'n Focused	23,115	0.8
VT Vantagepoint Inflt'n Focused	20,771	0.8	Vanguard Target Retirement 2030 (VTHRX)	15,718	0.6
VT Victory Sycamore Est Value (VEVYX)	18,391	0.7	Vanguard Target Retirement 2020 (VTWNX)	14,723	0.5
Vanguard Target Retirement 2030 (VTHRX)	14,227	0.5	Brandywine Dynamic Large Cap Value (LMBGX)	11,952	0.4
Vanguard Target Retirement 2020 (VTWNX)	13,655	0.5	Neuberger Berman High Yield Fixed Income (NHILX)	8,222	0.3
Vanguard Small Cap Index (VSMAX)	12,873	0.5	Vanguard Small Cap Index (VSMAX)	8,191	0.3
VT Invesco Diversified Dividend Fund (LCEYX)	11,182	0.4	VT Vantagepoint Discovery	4,676	0.2
VT Vantagepoint Equity Income	8,954	0.3	VT Parnassus Core Equity (PRBLX)	4,329	0.2
Neuberger Berman High Yield Fixed Income (NHILX)	4,981	0.2	Vantage Trust Cash Management	607	0.0
VT Parnassus Core Equity (PRBLX)	-	0.0	VT Fidelity Contrafund (FCNTX)	-	0.0
Vanguard Target Retirement 2050 (VFIFX)	-	0.0	VT Invesco Diversified Dividend Fund (LCEYX)	-	0.0
Vanguard Target Retirement Income (VTINX)	-	0.0	VT Vantagepoint Equity Income	-	0.0
Brandywine Dynamic Large Cap Value (LMBGX)	-	0.0	Vanguard Target Retirement 2050 (VFIFX)	-	0.0
T. Rowe Price Blue Chip Growth (TBCIX)	-	0.0	Vanguard Target Retirement Income (VTINX)	-	0.0

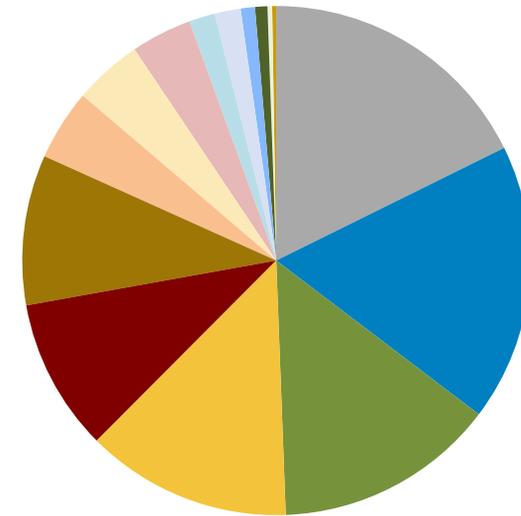
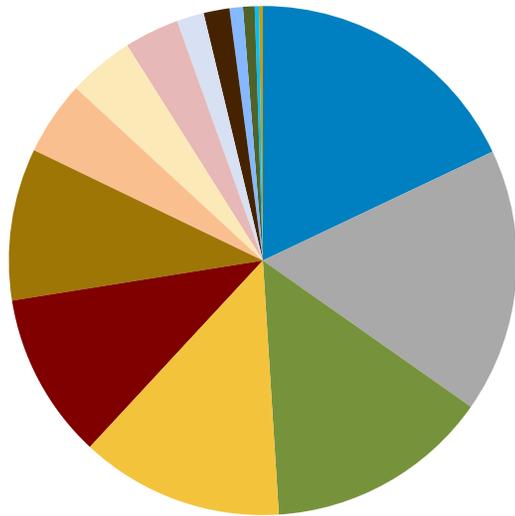


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September 30, 2020 : \$507,790

December 31, 2020 : \$538,144

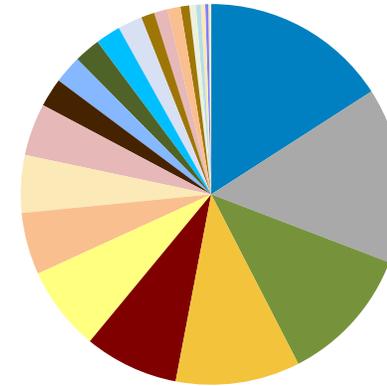
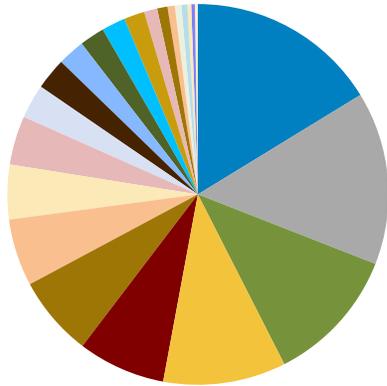


Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
■ Vanguard Target Retirement 2025 (VTTVX)	91,207	18.0	■ Vanguard 500 Index Fund (VFIAX)	95,281	17.7
■ Vanguard 500 Index Fund (VFIAX)	85,193	16.8	■ Vanguard Target Retirement 2025 (VTTVX)	94,753	17.6
■ Vanguard Target Retirement Income (VTINX)	72,400	14.3	■ Vanguard Target Retirement Income (VTINX)	75,855	14.1
■ Vanguard Target Retirement 2020 (VTWNX)	65,637	12.9	■ Vanguard Target Retirement 2020 (VTWNX)	70,423	13.1
■ Vantagepoint PLUS Fund S3	53,609	10.6	■ Vantagepoint PLUS Fund S3	52,094	9.7
■ Vanguard Target Retirement 2015 (VTXVX)	49,083	9.7	■ Vanguard Target Retirement 2015 (VTXVX)	51,373	9.5
■ VT II VP Inflation Focused Fund	23,843	4.7	■ VT II VP Inflation Focused Fund	24,226	4.5
■ Vanguard Target Retirement 2030 (VTHR)	21,256	4.2	■ Vanguard Target Retirement 2030 (VTHR)	23,434	4.4
■ VT TimesSquare Mid Cap Growth (TMDPX)	17,676	3.5	■ VT TimesSquare Mid Cap Growth (TMDPX)	20,791	3.9
■ TCW Total Return Bond Fund (TGLMX)	8,845	1.7	■ T. Rowe Price Blue Chip Growth (TBCIX)	8,910	1.7
■ VT Fidelity Contrafund (FCNTX)	8,343	1.6	■ TCW Total Return Bond Fund (TGLMX)	8,908	1.7
■ Vanguard Target Retirement 2045 (VTIVX)	4,305	0.8	■ Vanguard Target Retirement 2045 (VTIVX)	4,889	0.9
■ Vanguard Target Retirement 2035 (VTTHX)	3,779	0.7	■ Vanguard Target Retirement 2035 (VTTHX)	4,205	0.8
■ VT II VP Equity Income Fund	1,342	0.3	■ Brandywine Dynamic Large Cap Value (LMBGX)	1,584	0.3
■ Vanguard Target Retirement 2040 (VFORX)	1,272	0.3	■ Vanguard Target Retirement 2040 (VFORX)	1,419	0.3
■ Vanguard Target Retirement 2050 (VFIFX)	-	0.0	■ VT II VP Equity Income Fund	-	0.0
■ Vanguard Target Retirement 2055 (VFFVX)	-	0.0	■ VT Fidelity Contrafund (FCNTX)	-	0.0
■ Vanguard Target Retirement 2060 (VTTSX)	-	0.0	■ Vanguard Target Retirement 2050 (VFIFX)	-	0.0
■ Brandywine Dynamic Large Cap Value (LMBGX)	-	0.0	■ Vanguard Target Retirement 2055 (VFFVX)	-	0.0
■ T. Rowe Price Blue Chip Growth (TBCIX)	-	0.0	■ Vanguard Target Retirement 2060 (VTTSX)	-	0.0



September 30, 2020 : \$4,022,995

December 31, 2020 : \$4,476,911



Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
■ Vanguard Target Retirement 2025 (VTTVX)	653,747	16.3	■ Vanguard Target Retirement 2025 (VTTVX)	711,742	15.9
■ Vanguard Target Retirement 2030 (VTHR)	591,102	14.7	■ Vanguard Target Retirement 2030 (VTHR)	667,476	14.9
■ Vanguard Target Retirement 2035 (VTTHX)	465,431	11.6	■ Vanguard Target Retirement 2035 (VTTHX)	521,028	11.6
■ Vanguard Target Retirement 2020 (VTWNX)	418,842	10.4	■ Vanguard Target Retirement 2020 (VTWNX)	472,443	10.6
■ Vanguard 500 Index Fund (VFIAX)	298,904	7.4	■ Vanguard 500 Index Fund (VFIAX)	357,565	8.0
■ VT Fidelity Contrafund (FCNTX)	274,920	6.8	■ T. Rowe Price Blue Chip Growth (TBCIX)	321,702	7.2
■ Vantagepoint PLUS Fund S3	229,372	5.7	■ Vantagepoint PLUS Fund S3	235,709	5.3
■ Vanguard Target Retirement 2045 (VTIVX)	186,612	4.6	■ Vanguard Target Retirement 2045 (VTIVX)	219,518	4.9
■ Vanguard Target Retirement 2040 (VFORX)	166,695	4.1	■ Vanguard Target Retirement 2040 (VFORX)	198,440	4.4
■ Vanguard Target Retirement Income (VTINX)	116,652	2.9	■ Vanguard Target Retirement 2015 (VTXVX)	109,556	2.4
■ Vanguard Target Retirement 2015 (VTXVX)	108,052	2.7	■ VT TimesSquare Mid Cap Growth (TMDPX)	105,511	2.4
■ VT TimesSquare Mid Cap Growth (TMDPX)	92,506	2.3	■ Vanguard Target Retirement 2055 (VFFVX)	100,073	2.2
■ Vanguard Target Retirement 2055 (VFFVX)	84,967	2.1	■ Vanguard Target Retirement 2050 (VFIFX)	95,153	2.1
■ Vanguard Target Retirement 2050 (VFIFX)	81,686	2.0	■ Vanguard Target Retirement Income (VTINX)	93,111	2.1
■ VT II VP Equity Income Fund	70,271	1.7	■ Brandywine Dynamic Large Cap Value (LMBGX)	51,179	1.1
■ VT Parnassus Core Equity (PRBLX)	44,745	1.1	■ VT Parnassus Core Equity (PRBLX)	50,761	1.1
■ TCW Total Return Bond Fund (TGLMX)	35,390	0.9	■ VT II VP Discovery Fund	49,612	1.1
■ VT II VP Discovery Fund	24,714	0.6	■ TCW Total Return Bond Fund (TGLMX)	33,383	0.7
■ Vanguard Small Cap Index (VSMAX)	22,304	0.6	■ Vanguard Small Cap Index (VSMAX)	24,916	0.6
■ VT II VP Inflation Focused Fund	20,431	0.5	■ VT II VP Inflation Focused Fund	18,539	0.4
■ Vanguard Target Retirement 2060 (VTTSX)	13,079	0.3	■ Vanguard Target Retirement 2060 (VTTSX)	16,686	0.4
■ VT Fidelity Diversified Intl (FDIVX)	11,835	0.3	■ VT Fidelity Diversified Intl (FDIVX)	11,416	0.3
■ Vanguard Total Int'l Stock Index (VTIAX)	5,535	0.1	■ Vanguard Total Int'l Stock Index (VTIAX)	6,714	0.1
■ Neuberger Berman High Yield Fixed Income (NHILX)	5,203	0.1	■ Neuberger Berman High Yield Fixed Income (NHILX)	4,676	0.1
■ Brandywine Dynamic Large Cap Value (LMBGX)	-	0.0	■ VT II VP Equity Income Fund	-	0.0
■ T. Rowe Price Blue Chip Growth (TBCIX)	-	0.0	■ VT Fidelity Contrafund (FCNTX)	-	0.0



**Town of Palm Beach DC Plans  
Investment Option Performance Review  
As of December 31, 2020**

Fund	Manager Tenure	Style	Asset Level (millions)	Expense Ratio	Category Median Exp Ratio	*Consecutive Qtr Return & Rank		3 & 5 Year Return > Index		3 & 5 Year Rank < 50th %-tile		3 & 5 Year Sharpe Ratio < 50th %-tile		Positive 3 & 5 Year Alpha	
						YES	YES	Yes	Yes						
VT Parnassus Core Equity (PRBLX)	20.4	US Equity Large Cap Blend	24,437.5	86 bps	84 bps	YES	YES	Yes	Yes	6	19	3	4	3.83	2.00
Brandywine Dynamic Large Cap Value (LMBGX)	6.3	US Equity Large Cap Value	219.5	66 bps	84 bps	YES	YES	Yes	Yes	20	16	23	24	1.30	0.93
T. Rowe Price Blue Chip Growth (TBCIX)	27.7	US Equity Large Cap Growth	100,505.7	56 bps	84 bps	YES	YES	NO (2)	NO (1)	55 (1)	33	57 (1)	41	-0.70 (3)	-0.72 (1)
VT Victory Sycamore Est Value (VEVYX)	22.6	US Equity Mid Cap	13,466.0	63 bps	100 bps	YES	YES	Yes	Yes	1	1	1	1	2.47	2.57
VT TimesSquare Mid Cap Growth (TMDPX)	15.9	US Equity Mid Cap	2,077.8	118 bps	100 bps	YES	YES	NO (3)	NO (5)	58 (2)	52 (1)	41	28	1.35	0.78
VT Vantagepoint Discovery	12.3	US Equity Small Cap	#N/A	78 bps	110 bps	YES	YES	Yes	Yes	4	3	5	7	1.70	1.10
VT Oppenheimer Discovery Fund (ODIYX)	14.8	US Equity Small Cap	4,653.1	83 bps	109 bps	YES	YES	Yes	Yes	20	16	10	7	10.56	7.20
VT Fidelity Diversified Intl (FDIVX)	0.0	Global Equity Large Cap	5.4	85 bps	105 bps	YES	YES	Yes	Yes	23	45	20	35	5.28	2.86
VT Nuveen Real Estate Secs (FARCX)	15.8	Real Estate Sector Equity	2,249.0	106 bps	99 bps	YES	YES	Yes	Yes	50 (1)	54 (1)	50 (1)	56 (1)	0.51	0.65
TCW Total Return Bond Fund (TGLMX)	11.2	US Fixed Income	7,743.7	49 bps	60 bps	YES	YES	Yes	NO (5)	48	75 (2)	26	53 (1)	0.02	-0.16 (5)
VT Vantagepoint Inflt'n Focused	12.3	US Fixed Income	#N/A	61 bps	75 bps	YES	YES	NO (5)	NO (5)	24	24	26	23	-0.30 (5)	-0.14 (5)
Neuberger Berman High Yield Fixed Income (NHILX)	10.0	US Fixed Income	1,704.4	70 bps	85 bps	YES	YES	NO (5)	NO (5)	19	35	27	38	-0.10 (5)	-0.73 (5)

Index Funds	Manager Tenure	Style	Asset Level (millions)	Expense Ratio	Category Median Exp Ratio	3 & 5 Year Tracking Error <50th %-tile	
Vanguard 500 Index Fund (VFIAX)	4.8	US Equity Large Cap Blend	198,715.2	4 bps	84 bps	1	1
Vanguard Mid Cap Index (VIMAX)	22.8	US Equity Mid Cap	45,064.9	5 bps	100 bps	1	1
Vanguard Small Cap Index (VSMAX)	4.8	US Equity Small Cap	43,025.4	5 bps	109 bps	1	1
Vanguard Total Int'l Stock Index (VTIAX)	12.5	Global Equity Large Cap	42,478.7	11 bps	95 bps	1	1

Target Date Funds	Manager Tenure	Style	Asset Level (millions)	Expense Ratio	Category Median Exp Ratio	*Consecutive Qtr Return & Rank		3 & 5 Year Rank < 50th %-tile		3 & 5 Year Sharpe Ratio < 50th %-tile	
Vanguard Target Retirement Income (VTINX)	8.0	Target Date	18286.5	12 bps	65.0	YES	YES	18	27	2	1
Vanguard Target Retirement 2015 (VTXVX)	8.0	Target Date	15435.2	12 bps	55.0	YES	YES	50 (1)	63 (1)	10	3
Vanguard Target Retirement 2020 (VTWNX)	8.0	Target Date	32748.6	13 bps	61.0	YES	YES	18	21	24	20
Vanguard Target Retirement 2025 (VTTVX)	8.0	Target Date	49920.2	13 bps	65.0	YES	YES	20	19	32	30
Vanguard Target Retirement 2030 (VTHRX)	8.0	Target Date	45979.7	14 bps	67.0	YES	YES	23	26	28	26
Vanguard Target Retirement 2035 (VTTHX)	8.0	Target Date	44646.5	14 bps	65.5	YES	YES	32	34	31	25
Vanguard Target Retirement 2040 (VFORX)	8.0	Target Date	35898.1	14 bps	69.0	YES	YES	31	29	33	25
Vanguard Target Retirement 2045 (VTIVX)	8.0	Target Date	33930.6	15 bps	67.0	YES	YES	28	26	32	28
Vanguard Target Retirement 2050 (VFIFX)	8.0	Target Date	25948.9	15 bps	69.5	YES	YES	30	27	30	29
Vanguard Target Retirement 2055 (VFFVX)	8.0	Target Date	14705.8	15 bps	68.0	YES	YES	33	34	32	26
Vanguard Target Retirement 2060 (VTTSX)	8.0	Target Date	7058.7	15 bps	68.0	YES	YES	N/A (5)	N/A (5)	N/A (5)	N/A (5)

Fund meets criteria
Fund does not currently meet criteria
Fund has not met criteria for more than 4 quarters

\*Less than 4 consecutive quarterly returns below the index and peer rankings below the 75th percentile  
"More than 4 quarters" evaluation criteria excludes Index Funds



**Comparative Performance**  
**Total 457 and 401a Plans**  
As of December 31, 2020

Comparative Performance														
	QTR		YTD		1 YR		2 YR		3 YR		4 YR		5 YR	
<b>Stable Value/Cash Management Funds</b>														
Vantage Trust Plus Fund	0.52		2.22		2.22		2.34		2.32		2.27		2.21	
90 Day U.S. Treasury Bill	0.03		0.67		0.67		1.47		1.61		1.42		1.18	
Difference	0.49		1.55		1.55		0.87		0.71		0.85		1.03	
VT Cash Management	0.00	(42)	0.26	(66)	0.26	(66)	1.04	(60)	1.18	(59)	1.00	(58)	0.80	(58)
90 Day U.S. Treasury Bill	0.03	(3)	0.67	(1)	0.67	(1)	1.47	(2)	1.61	(5)	1.42	(8)	1.18	(9)
Difference	-0.03		-0.41		-0.41		-0.43		-0.43		-0.42		-0.38	
IM U.S. Taxable Money Market (MF) Median	0.00		0.30		0.30		1.10		1.25		1.07		0.86	
<b>Bond Funds</b>														
TCW Total Return Bond Fund (TGLMX)	0.03	(100)	8.31	(47)	8.31	(47)	7.79	(81)	5.41	(48)	4.91	(53)	4.23	(75)
Blmbg. Barc. U.S. Aggregate Index	0.67	(88)	7.51	(72)	7.51	(72)	8.11	(69)	5.34	(53)	4.89	(55)	4.44	(61)
Difference	-0.64		0.80		0.80		-0.32		0.07		0.02		-0.21	
IM U.S. Broad Market Core Fixed Income (MF) Median	1.36		8.19		8.19		8.56		5.38		4.96		4.56	
VT Vantagepoint Inftn Focused	1.75	(54)	11.10	(24)	11.10	(24)	9.70	(22)	5.79	(24)	5.08	(23)	5.00	(24)
Bloomberg Barclays U.S. TIPS Index	1.62	(64)	10.99	(25)	10.99	(25)	9.70	(22)	5.92	(17)	5.18	(18)	5.08	(19)
Difference	0.13		0.11		0.11		0.00		-0.13		-0.10		-0.08	
IM U.S. TIPS (MF) Median	1.78		9.64		9.64		8.87		5.10		4.55		4.44	
Neuberger Berman High Yield Fixed Income (NHILX)	6.49	(36)	6.41	(27)	6.41	(27)	10.09	(29)	5.78	(19)	5.70	(37)	7.34	(35)
ICE BofAML High Yield Master II	6.48	(36)	6.17	(31)	6.17	(31)	10.21	(25)	5.88	(16)	6.28	(14)	8.43	(6)
Difference	0.01		0.24		0.24		-0.12		-0.10		-0.58		-1.09	
IM U.S. High Yield Bonds (MF) Median	6.02		5.28		5.28		9.33		4.96		5.39		7.04	
<b>Lifetime Income Fund</b>														
VT Retirement Income Advantage	8.14	(60)	12.33	(34)	12.33	(34)	15.27	(32)	11.18	(4)	11.66	(5)	10.37	(7)
60% S&P 500 / 40% Barclays Aggregate	7.54	(73)	14.73	(15)	14.73	(15)	18.40	(9)	11.03	(4)	11.82	(5)	11.11	(5)
Difference	0.60		-2.40		-2.40		-3.13		0.15		-0.16		-0.74	
IM Mixed-Asset Target Alloc Moderate (MF) Median	8.66		10.74		10.74		13.95		6.85		8.28		8.08	

Returns for periods greater than one year are annualized.  
Returns are expressed as percentages.  
# Alger replaced Nuveen 11/1/2014.



Comparative Performance

Total 457 and 401a Plans

As of December 31, 2020

	QTR		YTD		1 YR		2 YR		3 YR		4 YR		5 YR	
<b>US Stock Funds</b>														
Vanguard 500 Index Fund (VFIAX)	12.15	(48)	18.37	(40)	18.37	(40)	24.74	(38)	14.14	(30)	16.01	(30)	15.18	(20)
S&P 500 Index	12.15	(48)	18.40	(40)	18.40	(40)	24.77	(37)	14.18	(30)	16.05	(29)	15.22	(20)
Difference	0.00		-0.03		-0.03		-0.03		-0.04		-0.04		-0.04	
IM U.S. Large Cap Core Equity (MF) Median	12.02		16.00		16.00		22.64		12.44		14.57		13.57	
VT Parnassus Core Equity (PRBLX)	11.08	(72)	21.19	(21)	21.19	(21)	25.85	(28)	16.49	(6)	16.51	(24)	15.27	(19)
S&P 500 Index	12.15	(48)	18.40	(40)	18.40	(40)	24.77	(37)	14.18	(30)	16.05	(29)	15.22	(20)
Difference	-1.07		2.79		2.79		1.08		2.31		0.46		0.05	
IM U.S. Large Cap Core Equity (MF) Median	12.02		16.00		16.00		22.64		12.44		14.57		13.57	
Brandywine Dynamic Large Cap Value (LMBGX)	15.88	(48)	7.46	(17)	7.46	(17)	16.94	(17)	7.49	(20)	10.93	(10)	10.86	(16)
Russell 1000 Value Index	16.25	(43)	2.80	(48)	2.80	(48)	14.05	(50)	6.07	(47)	7.92	(53)	9.74	(38)
Difference	-0.37		4.66		4.66		2.89		1.42		3.01		1.12	
IM U.S. Large Cap Value Equity (MF) Median	15.77		2.62		2.62		13.98		5.82		8.03		9.28	
T. Rowe Price Blue Chip Growth (TBCIX)	8.21	(91)	34.90	(56)	34.90	(56)	32.50	(71)	21.49	(55)	25.13	(33)	19.91	(33)
Russell 1000 Growth Index	11.39	(45)	38.49	(37)	38.49	(37)	37.44	(29)	22.99	(39)	24.76	(37)	21.00	(16)
Difference	-3.18		-3.59		-3.59		-4.94		-1.50		0.37		-1.09	
IM U.S. Large Cap Growth Equity (MF) Median	11.12		36.17		36.17		35.00		22.09		23.82		19.00	
Vanguard Mid Cap Index (VIMAX)	18.02	(68)	18.24	(20)	18.24	(20)	24.47	(11)	12.04	(11)	13.80	(12)	13.28	(17)
Vanguard Mid Cap Hybrid	18.03	(67)	18.24	(20)	18.24	(20)	24.50	(10)	12.06	(10)	13.82	(11)	13.30	(15)
Difference	-0.01		0.00		0.00		-0.03		-0.02		-0.02		-0.02	
IM U.S. Mid Cap Core Equity (MF) Median	19.40		10.02		10.02		19.12		7.85		9.44		10.12	
VT Victory Sycamore Est Value (VEVYX)	20.57	(74)	8.10	(9)	8.10	(9)	17.97	(6)	7.80	(1)	9.80	(1)	11.95	(1)
Russell Midcap Value Index	20.43	(76)	4.96	(23)	4.96	(23)	15.49	(32)	5.37	(31)	7.31	(27)	9.73	(18)
Difference	0.14		3.14		3.14		2.48		2.43		2.49		2.22	
IM U.S. Mid Cap Value Equity (MF) Median	22.82		2.73		2.73		13.54		3.22		5.58		8.43	
VT TimesSquare Mid Cap Growth (TMDPX)	17.85	(73)	33.03	(66)	33.03	(66)	35.07	(62)	20.31	(58)	20.83	(62)	17.98	(52)
Russell Midcap Growth Index	19.02	(59)	35.59	(54)	35.59	(54)	35.53	(54)	20.50	(54)	21.67	(53)	18.66	(40)
Difference	-1.17		-2.56		-2.56		-0.46		-0.19		-0.84		-0.68	
IM U.S. Mid Cap Growth Equity (MF) Median	19.57		36.44		36.44		36.07		20.85		21.88		18.10	
VT Vantagepoint Discovery	33.10	(14)	20.00	(13)	20.00	(13)	24.25	(10)	12.15	(4)	13.14	(4)	14.43	(3)
Russell 2000 Index	31.37	(26)	19.96	(13)	19.96	(13)	22.71	(15)	10.25	(14)	11.33	(13)	13.26	(10)
Difference	1.73		0.04		0.04		1.54		1.90		1.81		1.17	
IM U.S. Small Cap Core Equity (MF) Median	28.43		10.36		10.36		16.76		6.28		7.63		10.35	

Returns for periods greater than one year are annualized.  
Returns are expressed as percentages.  
# Alger replaced Nuveen 11/1/2014.



Comparative Performance

Total 457 and 401a Plans

As of December 31, 2020

	QTR		YTD		1 YR		2 YR		3 YR		4 YR		5 YR	
Vanguard Small Cap Index (VSMAX)	27.10	(68)	19.11	(18)	19.11	(18)	23.17	(12)	11.22	(7)	12.45	(5)	13.60	(6)
Vanguard Small Cap Hybrid	27.10	(68)	19.07	(18)	19.07	(18)	23.14	(12)	11.20	(7)	12.44	(5)	13.58	(6)
Difference	0.00		0.04		0.04		0.03		0.02		0.01		0.02	
IM U.S. Small Cap Core Equity (MF) Median	28.43		10.36		10.36		16.76		6.28		7.63		10.35	
VT Oppenheimer Discovery Fund (ODIYX)	22.85	(93)	50.39	(23)	50.39	(23)	43.57	(16)	25.83	(20)	26.71	(15)	21.92	(16)
Russell 2000 Growth Index	29.61	(27)	34.63	(59)	34.63	(59)	31.52	(51)	16.20	(63)	17.66	(60)	16.36	(64)
Difference	-6.76		15.76		15.76		12.05		9.63		9.05		5.56	
IM U.S. Small Cap Growth Equity (MF) Median	26.97		37.18		37.18		31.58		18.11		19.22		17.35	
<b>International/Global Funds</b>														
Vanguard Total Int'l Stock Index (VTIAX)	16.90	(51)	11.28	(57)	11.28	(57)	16.28	(56)	4.98	(50)	10.22	(54)	9.09	(50)
FTSE Global ex USA All Cap Index (Net)	17.21	(47)	11.24	(57)	11.24	(57)	16.40	(55)	4.98	(50)	10.19	(55)	9.07	(50)
Difference	-0.31		0.04		0.04		-0.12		0.00		0.03		0.02	
IM International Equity (MF) Median	16.90		13.79		13.79		17.36		4.98		10.73		9.05	
VT Fidelity Diversified Intl (FDIVX)	11.63	(91)	18.91	(33)	18.91	(33)	24.19	(24)	9.34	(23)	13.43	(32)	9.77	(45)
MSCI EAFE (Net) Index	16.05	(58)	7.82	(71)	7.82	(71)	14.70	(66)	4.28	(59)	9.12	(65)	7.45	(69)
Difference	-4.42		11.09		11.09		9.49		5.06		4.31		2.32	
IM International Equity (MF) Median	16.90		13.79		13.79		17.36		4.98		10.73		9.05	
<b>Real Estate</b>														
VT Nuveen Real Estate Secs (FARCX)	7.76	(95)	-6.12	(67)	-6.12	(67)	8.57	(51)	3.66	(50)	4.14	(71)	4.67	(54)
Wilshire U.S. REIT Index	10.62	(61)	-7.90	(74)	-7.90	(74)	7.62	(59)	3.30	(56)	3.52	(82)	4.25	(64)
Difference	-2.86		1.78		1.78		0.95		0.36		0.62		0.42	
IM Global Real Estate (MF) Median	11.60		-4.89		-4.89		8.60		3.62		5.40		4.82	
<b>Target Date Funds</b>														
Vanguard Target Retirement Income (VTINX)	5.15	(74)	10.02	(32)	10.02	(32)	11.58	(35)	6.86	(18)	7.26	(25)	6.86	(27)
Vanguard Target Income Composite Index	5.23	(73)	10.70	(21)	10.70	(21)	12.05	(28)	7.16	(14)	7.54	(19)	7.10	(21)
Difference	-0.08		-0.68		-0.68		-0.47		-0.30		-0.28		-0.24	
IM Mixed-Asset Target Alloc Consv (MF) Median	6.20		8.78		8.78		10.78		5.62		6.31		6.25	
Vanguard Target Retirement 2015 (VTXVX)	5.72	(100)	10.32	(65)	10.32	(65)	12.54	(70)	7.11	(50)	8.19	(51)	7.78	(63)
Vanguard Target 2015 Composite Index	5.85	(96)	11.00	(57)	11.00	(57)	13.02	(63)	7.46	(31)	8.48	(35)	8.06	(40)
Difference	-0.13		-0.68		-0.68		-0.48		-0.35		-0.29		-0.28	
IM Mixed-Asset Target 2015 (MF) Median	7.18		11.40		11.40		13.36		7.11		8.20		7.92	

Returns for periods greater than one year are annualized.  
Returns are expressed as percentages.  
# Alger replaced Nuveen 11/1/2014.



**Comparative Performance**  
**Total 457 and 401a Plans**  
As of December 31, 2020

	QTR		YTD		1 YR		2 YR		3 YR		4 YR		5 YR	
Vanguard Target Retirement 2020 (VTWVX)	7.86	(49)	12.04	(37)	12.04	(37)	14.80	(34)	8.07	(18)	9.54	(19)	9.02	(21)
Vanguard Target 2020 Composite Index	7.93	(44)	12.85	(21)	12.85	(21)	15.33	(24)	8.44	(9)	9.86	(7)	9.32	(7)
Difference	-0.07		-0.81		-0.81		-0.53		-0.37		-0.32		-0.30	
IM Mixed-Asset Target 2020 (MF) Median	7.84		10.90		10.90		13.60		7.23		8.49		8.19	
Vanguard Target Retirement 2025 (VTTVX)	9.33	(41)	13.30	(33)	13.30	(33)	16.42	(27)	8.73	(20)	10.49	(18)	9.88	(19)
Vanguard Target 2025 Composite Index	9.45	(37)	14.19	(15)	14.19	(15)	17.02	(17)	9.16	(5)	10.85	(5)	10.21	(8)
Difference	-0.12		-0.89		-0.89		-0.60		-0.43		-0.36		-0.33	
IM Mixed-Asset Target 2025 (MF) Median	9.02		12.13		12.13		15.16		7.83		9.49		9.00	
Vanguard Target Retirement 2030 (VTHR30)	10.52	(42)	14.10	(36)	14.10	(36)	17.54	(32)	9.16	(23)	11.19	(24)	10.51	(26)
Vanguard Target 2030 Composite Index	10.62	(40)	14.98	(18)	14.98	(18)	18.11	(21)	9.57	(14)	11.54	(15)	10.84	(15)
Difference	-0.10		-0.88		-0.88		-0.57		-0.41		-0.35		-0.33	
IM Mixed-Asset Target 2030 (MF) Median	10.28		12.86		12.86		16.56		8.38		10.42		9.83	
Vanguard Target Retirement 2035 (VTTH35)	11.62	(61)	14.79	(43)	14.79	(43)	18.55	(43)	9.50	(32)	11.83	(33)	11.11	(34)
Vanguard Target 2035 Composite Index	11.77	(53)	15.67	(27)	15.67	(27)	19.16	(29)	9.92	(22)	12.18	(22)	11.45	(21)
Difference	-0.15		-0.88		-0.88		-0.61		-0.42		-0.35		-0.34	
IM Mixed-Asset Target 2035 (MF) Median	11.83		14.15		14.15		18.13		9.06		11.33		10.64	
Vanguard Target Retirement 2040 (VFORX)	12.76	(59)	15.47	(39)	15.47	(39)	19.59	(40)	9.85	(31)	12.47	(27)	11.71	(29)
Vanguard Target 2040 Composite Index	12.92	(49)	16.31	(30)	16.31	(30)	20.19	(31)	10.25	(23)	12.81	(22)	12.03	(20)
Difference	-0.16		-0.84		-0.84		-0.60		-0.40		-0.34		-0.32	
IM Mixed-Asset Target 2040 (MF) Median	12.90		14.74		14.74		19.08		9.33		11.69		11.00	
Vanguard Target Retirement 2045 (VTIVX)	13.90	(50)	16.30	(37)	16.30	(37)	20.54	(37)	10.20	(28)	12.90	(29)	12.09	(26)
Vanguard Target 2045 Composite Index	14.08	(45)	17.02	(30)	17.02	(30)	21.13	(28)	10.61	(22)	13.25	(19)	12.41	(16)
Difference	-0.18		-0.72		-0.72		-0.59		-0.41		-0.35		-0.32	
IM Mixed-Asset Target 2045 (MF) Median	13.87		15.38		15.38		19.92		9.54		12.08		11.39	
Vanguard Target Retirement 2050 (VFIFX)	14.01	(59)	16.39	(37)	16.39	(37)	20.61	(43)	10.24	(30)	12.93	(31)	12.10	(27)
Vanguard Target 2050 Composite Index	14.19	(53)	17.17	(30)	17.17	(30)	21.20	(31)	10.65	(22)	13.28	(22)	12.44	(17)
Difference	-0.18		-0.78		-0.78		-0.59		-0.41		-0.35		-0.34	
IM Mixed-Asset Target 2050 (MF) Median	14.26		15.54		15.54		20.11		9.59		12.24		11.39	
Vanguard Target Retirement 2055 (VFFVX)	13.97	(66)	16.32	(40)	16.32	(40)	20.57	(47)	10.22	(33)	12.91	(35)	12.09	(34)
Vanguard Target 2055 Composite Index	14.19	(59)	17.17	(31)	17.17	(31)	21.20	(36)	10.65	(24)	13.28	(25)	12.44	(20)
Difference	-0.22		-0.85		-0.85		-0.63		-0.43		-0.37		-0.35	
IM Mixed-Asset Target 2055 (MF) Median	14.48		15.65		15.65		20.44		9.67		12.35		11.55	
Vanguard Target Retirement 2060 (VTTSX)	13.96	(45)	16.32	(15)	16.32	(15)	20.56	(N/A)	10.21	(N/A)	12.91	(N/A)	12.08	(N/A)
Vanguard Target 2060 Composite Index	14.19	(44)	17.17	(11)	17.17	(11)	21.20	(N/A)	10.65	(N/A)	13.28	(N/A)	12.44	(N/A)
Difference	-0.23		-0.85		-0.85		-0.64		-0.44		-0.37		-0.36	
IM Mixed-Asset Target 2060 (MF) Median	13.68		13.66		13.66		N/A		N/A		N/A		N/A	

Returns for periods greater than one year are annualized.  
Returns are expressed as percentages.  
# Alger replaced Nuveen 11/1/2014.



Comparative Performance														
	QTR		YTD		1 YR		2 YR		3 YR		4 YR		5 YR	
<b>Stable Value/Cash Management Funds</b>														
Vantagepoint PLUS Fund S3	0.40	(1)	1.75	(1)	1.75	(1)	1.87	(1)	1.74	(1)	1.63	(1)	1.54	(1)
90 Day U.S. Treasury Bill	0.03	(3)	0.67	(1)	0.67	(1)	1.47	(2)	1.61	(5)	1.42	(8)	1.18	(9)
Difference	0.37		1.08		1.08		0.40		0.13		0.21		0.36	
IM U.S. Taxable Money Market (MF) Median	0.00		0.30		0.30		1.10		1.25		1.07		0.86	
<b>Bond Funds</b>														
TCW Total Return Bond Fund (TGLMX)	0.03	(100)	8.31	(47)	8.31	(47)	7.79	(81)	5.41	(48)	4.91	(53)	4.23	(75)
Bimbg. Barc. U.S. Aggregate Index	0.67	(88)	7.51	(72)	7.51	(72)	8.11	(69)	5.34	(53)	4.89	(55)	4.44	(61)
Difference	-0.64		0.80		0.80		-0.32		0.07		0.02		-0.21	
IM U.S. Broad Market Core Fixed Income (MF) Median	1.36		8.19		8.19		8.56		5.38		4.96		4.56	
VT II VP Inflation Focused Fund	1.61	(66)	10.62	(33)	10.62	(33)	9.22	(40)	5.34	(41)	4.64	(46)	N/A	
Bloomberg Barclays U.S. TIPS Index	1.62	(64)	10.99	(25)	10.99	(25)	9.70	(22)	5.92	(17)	5.18	(18)	5.08	(19)
Difference	-0.01		-0.37		-0.37		-0.48		-0.58		-0.54		N/A	
IM U.S. TIPS (MF) Median	1.78		9.64		9.64		8.87		5.10		4.55		4.44	
Neuberger Berman High Yield Fixed Income (NHILX)	6.49	(36)	6.41	(27)	6.41	(27)	10.09	(29)	5.78	(19)	5.70	(37)	7.34	(35)
ICE BofAML High Yield Master II	6.48	(36)	6.17	(31)	6.17	(31)	10.21	(25)	5.88	(16)	6.28	(14)	8.43	(6)
Difference	0.01		0.24		0.24		-0.12		-0.10		-0.58		-1.09	
IM U.S. High Yield Bonds (MF) Median	6.02		5.28		5.28		9.33		4.96		5.39		7.04	
<b>US Stock Funds</b>														
Vanguard 500 Index Fund (VFIAX)	12.15	(48)	18.37	(40)	18.37	(40)	24.74	(38)	14.14	(30)	16.01	(30)	15.18	(20)
S&P 500 Index	12.15	(48)	18.40	(40)	18.40	(40)	24.77	(37)	14.18	(30)	16.05	(29)	15.22	(20)
Difference	0.00		-0.03		-0.03		-0.03		-0.04		-0.04		-0.04	
IM U.S. Large Cap Core Equity (MF) Median	12.02		16.00		16.00		22.64		12.44		14.57		13.57	
VT Parnassus Core Equity (PRBLX)	11.08	(72)	21.19	(21)	21.19	(21)	25.85	(28)	16.49	(6)	16.51	(24)	15.27	(19)
S&P 500 Index	12.15	(48)	18.40	(40)	18.40	(40)	24.77	(37)	14.18	(30)	16.05	(29)	15.22	(20)
Difference	-1.07		2.79		2.79		1.08		2.31		0.46		0.05	
IM U.S. Large Cap Core Equity (MF) Median	12.02		16.00		16.00		22.64		12.44		14.57		13.57	
Brandywine Dynamic Large Cap Value (LMBGX)	15.88	(48)	7.46	(17)	7.46	(17)	16.94	(17)	7.49	(20)	10.93	(10)	10.86	(16)
Russell 1000 Value Index	16.25	(43)	2.80	(48)	2.80	(48)	14.05	(50)	6.07	(47)	7.92	(53)	9.74	(38)
Difference	-0.37		4.66		4.66		2.89		1.42		3.01		1.12	
IM U.S. Large Cap Value Equity (MF) Median	15.77		2.62		2.62		13.98		5.82		8.03		9.28	

Returns for periods greater than one year are annualized.

Returns are expressed as percentages.

# Alger replaced Nuveen 11/1/2014.



Comparative Performance

Total RHS Plans

As of December 31, 2020

	QTR		YTD		1 YR		2 YR		3 YR		4 YR		5 YR	
T. Rowe Price Blue Chip Growth (TBCIX)	8.21	(91)	34.90	(56)	34.90	(56)	32.50	(71)	21.49	(55)	25.13	(33)	19.91	(33)
Russell 1000 Growth Index	11.39	(45)	38.49	(37)	38.49	(37)	37.44	(29)	22.99	(39)	24.76	(37)	21.00	(16)
Difference	-3.18		-3.59		-3.59		-4.94		-1.50		0.37		-1.09	
IM U.S. Large Cap Growth Equity (MF) Median	11.12		36.17		36.17		35.00		22.09		23.82		19.00	
VT Victory Sycamore Est Value (VEVYX)	20.57	(74)	8.10	(9)	8.10	(9)	17.97	(6)	7.80	(1)	9.80	(1)	11.95	(1)
Russell Midcap Value Index	20.43	(76)	4.96	(23)	4.96	(23)	15.49	(32)	5.37	(31)	7.31	(27)	9.73	(18)
Difference	0.14		3.14		3.14		2.48		2.43		2.49		2.22	
IM U.S. Mid Cap Value Equity (MF) Median	22.82		2.73		2.73		13.54		3.22		5.58		8.43	
AMG TimesSquare Mid Cap Growth (TMDPX)	17.85	(73)	33.03	(66)	33.03	(66)	35.07	(62)	20.31	(58)	20.83	(62)	17.98	(52)
Russell Midcap Growth Index	19.02	(59)	35.59	(54)	35.59	(54)	35.53	(54)	20.50	(54)	21.67	(53)	18.66	(40)
Difference	-1.17		-2.56		-2.56		-0.46		-0.19		-0.84		-0.68	
IM U.S. Mid Cap Growth Equity (MF) Median	19.57		36.44		36.44		36.07		20.85		21.88		18.10	
VT II VP Discovery Fund	33.09	(14)	19.56	(15)	19.56	(15)	23.74	(11)	11.69	(5)	12.66	(4)	N/A	
Russell 2000 Index	31.37	(26)	19.96	(13)	19.96	(13)	22.71	(15)	10.25	(14)	11.33	(13)	13.26	(10)
Difference	1.72		-0.40		-0.40		1.03		1.44		1.33		N/A	
IM U.S. Small Cap Core Equity (MF) Median	28.43		10.36		10.36		16.76		6.28		7.63		10.35	
Vanguard Small Cap Index (VSMAX)	27.10	(68)	19.11	(18)	19.11	(18)	23.17	(12)	11.22	(7)	12.45	(5)	13.60	(6)
Vanguard Small Cap Hybrid	27.10	(68)	19.07	(18)	19.07	(18)	23.14	(12)	11.20	(7)	12.44	(5)	13.58	(6)
Difference	0.00		0.04		0.04		0.03		0.02		0.01		0.02	
IM U.S. Small Cap Core Equity (MF) Median	28.43		10.36		10.36		16.76		6.28		7.63		10.35	

International/Global Funds

Vanguard Total Int'l Stock Index (VTIAX)	16.90	(51)	11.28	(57)	11.28	(57)	16.28	(56)	4.98	(50)	10.22	(54)	9.09	(50)
FTSE Global ex USA All Cap Index (Net)	17.21	(47)	11.24	(57)	11.24	(57)	16.40	(55)	4.98	(50)	10.19	(55)	9.07	(50)
Difference	-0.31		0.04		0.04		-0.12		0.00		0.03		0.02	
IM International Equity (MF) Median	16.90		13.79		13.79		17.36		4.98		10.73		9.05	
VT Fidelity Diversified Intl (FDIVX)	11.63	(91)	18.91	(33)	18.91	(33)	24.19	(24)	9.34	(23)	13.43	(32)	9.77	(45)
MSCI EAFE (Net) Index	16.05	(58)	7.82	(71)	7.82	(71)	14.70	(66)	4.28	(59)	9.12	(65)	7.45	(69)
Difference	-4.42		11.09		11.09		9.49		5.06		4.31		2.32	
IM International Equity (MF) Median	16.90		13.79		13.79		17.36		4.98		10.73		9.05	

Target Date Funds

Vanguard Target Retirement Income (VTINX)	5.15	(74)	10.02	(32)	10.02	(32)	11.58	(35)	6.86	(18)	7.26	(25)	6.86	(27)
Vanguard Target Income Composite Index	5.23	(73)	10.70	(21)	10.70	(21)	12.05	(28)	7.16	(14)	7.54	(19)	7.10	(21)
Difference	-0.08		-0.68		-0.68		-0.47		-0.30		-0.28		-0.24	
IM Mixed-Asset Target Alloc Consv (MF) Median	6.20		8.78		8.78		10.78		5.62		6.31		6.25	

Returns for periods greater than one year are annualized.  
Returns are expressed as percentages.  
# Alger replaced Nuveen 11/1/2014.



Comparative Performance

Total RHS Plans

As of December 31, 2020

	QTR		YTD		1 YR		2 YR		3 YR		4 YR		5 YR	
Vanguard Target Retirement 2015 (VTXVX)	5.72	(100)	10.32	(65)	10.32	(65)	12.54	(70)	7.11	(50)	8.19	(51)	7.78	(63)
Vanguard Target 2015 Composite Index	5.85	(96)	11.00	(57)	11.00	(57)	13.02	(63)	7.46	(31)	8.48	(35)	8.06	(40)
Difference	-0.13		-0.68		-0.68		-0.48		-0.35		-0.29		-0.28	
IM Mixed-Asset Target 2015 (MF) Median	7.18		11.40		11.40		13.36		7.11		8.20		7.92	
Vanguard Target Retirement 2020 (VTWNX)	7.86	(49)	12.04	(37)	12.04	(37)	14.80	(34)	8.07	(18)	9.54	(19)	9.02	(21)
Vanguard Target 2020 Composite Index	7.93	(44)	12.85	(21)	12.85	(21)	15.33	(24)	8.44	(9)	9.86	(7)	9.32	(7)
Difference	-0.07		-0.81		-0.81		-0.53		-0.37		-0.32		-0.30	
IM Mixed-Asset Target 2020 (MF) Median	7.84		10.90		10.90		13.60		7.23		8.49		8.19	
Vanguard Target Retirement 2025 (VTTVX)	9.33	(41)	13.30	(33)	13.30	(33)	16.42	(27)	8.73	(20)	10.49	(18)	9.88	(19)
Vanguard Target 2025 Composite Index	9.45	(37)	14.19	(15)	14.19	(15)	17.02	(17)	9.16	(5)	10.85	(5)	10.21	(8)
Difference	-0.12		-0.89		-0.89		-0.60		-0.43		-0.36		-0.33	
IM Mixed-Asset Target 2025 (MF) Median	9.02		12.13		12.13		15.16		7.83		9.49		9.00	
Vanguard Target Retirement 2030 (VTHR X)	10.52	(42)	14.10	(36)	14.10	(36)	17.54	(32)	9.16	(23)	11.19	(24)	10.51	(26)
Vanguard Target 2030 Composite Index	10.62	(40)	14.98	(18)	14.98	(18)	18.11	(21)	9.57	(14)	11.54	(15)	10.84	(15)
Difference	-0.10		-0.88		-0.88		-0.57		-0.41		-0.35		-0.33	
IM Mixed-Asset Target 2030 (MF) Median	10.28		12.86		12.86		16.56		8.38		10.42		9.83	
Vanguard Target Retirement 2035 (VTTHX)	11.62	(61)	14.79	(43)	14.79	(43)	18.55	(43)	9.50	(32)	11.83	(33)	11.11	(34)
Vanguard Target 2035 Composite Index	11.77	(53)	15.67	(27)	15.67	(27)	19.16	(29)	9.92	(22)	12.18	(22)	11.45	(21)
Difference	-0.15		-0.88		-0.88		-0.61		-0.42		-0.35		-0.34	
IM Mixed-Asset Target 2035 (MF) Median	11.83		14.15		14.15		18.13		9.06		11.33		10.64	
Vanguard Target Retirement 2040 (VFORX)	12.76	(59)	15.47	(39)	15.47	(39)	19.59	(40)	9.85	(31)	12.47	(27)	11.71	(29)
Vanguard Target 2040 Composite Index	12.92	(49)	16.31	(30)	16.31	(30)	20.19	(31)	10.25	(23)	12.81	(22)	12.03	(20)
Difference	-0.16		-0.84		-0.84		-0.60		-0.40		-0.34		-0.32	
IM Mixed-Asset Target 2040 (MF) Median	12.90		14.74		14.74		19.08		9.33		11.69		11.00	
Vanguard Target Retirement 2045 (VTIVX)	13.90	(50)	16.30	(37)	16.30	(37)	20.54	(37)	10.20	(28)	12.90	(29)	12.09	(26)
Vanguard Target 2045 Composite Index	14.08	(45)	17.02	(30)	17.02	(30)	21.13	(28)	10.61	(22)	13.25	(19)	12.41	(16)
Difference	-0.18		-0.72		-0.72		-0.59		-0.41		-0.35		-0.32	
IM Mixed-Asset Target 2045 (MF) Median	13.87		15.38		15.38		19.92		9.54		12.08		11.39	
Vanguard Target Retirement 2050 (VFIFX)	14.01	(59)	16.39	(37)	16.39	(37)	20.61	(43)	10.24	(30)	12.93	(31)	12.10	(27)
Vanguard Target 2050 Composite Index	14.19	(53)	17.17	(30)	17.17	(30)	21.20	(31)	10.65	(22)	13.28	(22)	12.44	(17)
Difference	-0.18		-0.78		-0.78		-0.59		-0.41		-0.35		-0.34	
IM Mixed-Asset Target 2050 (MF) Median	14.26		15.54		15.54		20.11		9.59		12.24		11.39	
Vanguard Target Retirement 2055 (VFFVX)	13.97	(66)	16.32	(40)	16.32	(40)	20.57	(47)	10.22	(33)	12.91	(35)	12.09	(34)
Vanguard Target 2055 Composite Index	14.19	(59)	17.17	(31)	17.17	(31)	21.20	(36)	10.65	(24)	13.28	(25)	12.44	(20)
Difference	-0.22		-0.85		-0.85		-0.63		-0.43		-0.37		-0.35	
IM Mixed-Asset Target 2055 (MF) Median	14.48		15.65		15.65		20.44		9.67		12.35		11.55	

Returns for periods greater than one year are annualized.  
Returns are expressed as percentages.  
# Alger replaced Nuveen 11/1/2014.



**Comparative Performance**  
**Total RHS Plans**  
**As of December 31, 2020**

	QTR		YTD		1 YR		2 YR		3 YR		4 YR		5 YR	
Vanguard Target Retirement 2060 (VTTSX)	13.96	(66)	16.32	(40)	16.32	(40)	20.56	(47)	10.21	(34)	12.91	(35)	12.08	(35)
Vanguard Target 2060 Composite Index	14.19	(59)	17.17	(31)	17.17	(31)	21.20	(36)	10.65	(24)	13.28	(25)	12.44	(20)
Difference	-0.23		-0.85		-0.85		-0.64		-0.44		-0.37		-0.36	
IM Mixed-Asset Target 2055 (MF) Median	14.48		15.65		15.65		20.44		9.67		12.35		11.55	

Returns for periods greater than one year are annualized.  
Returns are expressed as percentages.  
# Alger replaced Nuveen 11/1/2014.



	Market Value (\$)	Estimated Annual Fee (%)	Estimated Annual Fee (\$)
Vantage Trust Plus Fund	14,153,751	0.53	75,015
TCW Total Return Bond Fund (TGLMX)	1,577,252	0.49	7,729
VT Vantagepoint Inflt'n Focused	457,409	0.41	1,875
Neuberger Berman High Yield Fixed Income (NHILX)	91,227	0.70	639
VT Retirement Income Advantage	266,105	1.68	4,471
Vanguard 500 Index Fund (VFIAX)	4,433,522	0.04	1,773
VT Parnassus Core Equity (PRBLX)	21,532	0.86	185
Brandywine Dynamic Large Cap Value (LMBGX)	942,908	0.66	6,223
T. Rowe Price Blue Chip Growth (TBCIX)	4,771,008	0.56	26,718
VT Victory Sycamore Est Value (VEVYX)	471,199	0.63	2,969
Vanguard Mid Cap Index (VIMAX)	809,142	0.05	405
VT TimesSquare Mid Cap Growth (TMDPX)	1,701,751	1.18	20,081
VT Vantagepoint Discovery	164,807	0.59	972
VT Oppenheimer Discovery Fund (ODIYX)	3,883,164	0.83	32,230
Vanguard Small Cap Index (VSMAX)	261,061	0.05	131
Vanguard Total Int'l Stock Index (VTIAX)	768,754	0.11	846
VT Fidelity Diversified Intl (FDIVX)	1,948,763	1.05	20,462
VT Nuveen Real Estate Secs (FARCX)	357,534	1.06	3,790
Vanguard Target Retirement Income (VTINX)	907,139	0.12	1,089
Vanguard Target Retirement 2015 (VTXVX)	1,137,700	0.13	1,479
Vanguard Target Retirement 2020 (VTWVX)	2,027,413	0.13	2,636
Vanguard Target Retirement 2025 (VTTVX)	2,064,343	0.13	2,684
Vanguard Target Retirement 2030 (VTHR)	2,091,910	0.14	2,929
Vanguard Target Retirement 2035 (VTTHX)	987,788	0.14	1,383
Vanguard Target Retirement 2040 (VFORX)	72,930	0.14	102
Vanguard Target Retirement 2045 (VTIVX)	242,183	0.15	363
Vanguard Target Retirement 2050 (VFIFX)	95,222	0.15	143
Vanguard Target Retirement 2055 (VFFVX)	14,678	0.15	22
Vanguard Target Retirement 2060 (VTTSX)	355	0.15	1
<b>457 Plan- 300786</b>	<b>46,732,285</b>	<b>0.47</b>	<b>219,341</b>

Town of Palm Beach Retirement System DC 401a

Fee Analysis

As of December 31, 2020

	Market Value (\$)	Estimated Annual Fee (%)	Estimated Annual Fee (\$)
Vantage Trust Plus Fund	1,085,793	0.53	5,755
TCW Total Return Bond Fund (TGLMX)	280,028	0.49	1,372
VT Vantagepoint Inflt'n Focused	111,486	0.41	457
Neuberger Berman High Yield Fixed Income (NHILX)	29,774	0.70	208
VT Retirement Income Advantage	159,181	1.68	2,674
Vanguard 500 Index Fund (VFIAX)	1,317,924	0.04	527
VT Parnassus Core Equity (PRBLX)	57,224	0.86	492
Brandywine Dynamic Large Cap Value (LMBGX)	163,879	0.66	1,082
T. Rowe Price Blue Chip Growth (TBCIX)	378,944	0.56	2,122
VT Victory Sycamore Est Value (VEVYX)	343,735	0.63	2,166
Vanguard Mid Cap Index (VIMAX)	95,678	0.05	48
VT TimesSquare Mid Cap Growth (TMDPX)	240,472	1.18	2,838
VT Vantagepoint Discovery	139,487	0.59	823
VT Oppenheimer Discovery Fund (ODIYX)	1,212,352	0.83	10,063
Vanguard Small Cap Index (VSMAX)	181,158	0.05	91
Vanguard Total Int'l Stock Index (VTIAX)	454,798	0.11	500
VT Fidelity Diversified Intl (FDIVX)	836,117	1.05	8,779
VT Nuveen Real Estate Secs (FARCX)	177,226	1.06	1,879
Vanguard Target Retirement Income (VTINX)	66,774	0.12	80
Vanguard Target Retirement 2015 (VTXVX)	130,891	0.13	170
Vanguard Target Retirement 2020 (VTWNX)	1,554,480	0.13	2,021
Vanguard Target Retirement 2025 (VTTVX)	1,321,194	0.13	1,718
Vanguard Target Retirement 2030 (VTHR)	1,486,543	0.14	2,081
Vanguard Target Retirement 2035 (VTTHX)	1,150,963	0.14	1,611
Vanguard Target Retirement 2040 (VFORX)	944,893	0.14	1,323
Vanguard Target Retirement 2045 (VTIVX)	576,227	0.15	864
Vanguard Target Retirement 2050 (VFIFX)	359,212	0.15	539
Vanguard Target Retirement 2055 (VFFVX)	7,040	0.15	11
Vanguard Target Retirement 2060 (VTTSX)	-	-	-
<b>401a Plan- 106397</b>	<b>15,037,235</b>	<b>0.35</b>	<b>52,292</b>



**Town of Palm Beach Retirement System DC 401a Fire Share  
Fee Analysis**

As of December 31, 2020

	Market Value (\$)	Estimated Annual Fee (%)	Estimated Annual Fee (\$)
Vantage Trust Plus Fund	701,028	0.53	3,715
TCW Total Return Bond Fund (TGLMX)	44,223	0.49	217
VT Vantagepoint Inflt'n Focused	23,115	0.41	95
Neuberger Berman High Yield Fixed Income (NHILX)	8,222	0.70	58
VT Retirement Income Advantage	-	-	-
Vanguard 500 Index Fund (VFIAX)	153,909	0.04	62
VT Parnassus Core Equity (PRBLX)	4,329	0.86	37
Brandywine Dynamic Large Cap Value (LMBGX)	11,952	0.66	79
T. Rowe Price Blue Chip Growth (TBCIX)	364,137	0.56	2,039
VT Victory Sycamore Est Value (VEVYX)	25,929	0.63	163
Vanguard Mid Cap Index (VIMAX)	132,810	0.05	66
VT TimesSquare Mid Cap Growth (TMDPX)	76,095	1.18	898
VT Vantagepoint Discovery	4,676	0.59	28
VT Oppenheimer Discovery Fund (ODIYX)	842,551	0.83	6,993
Vanguard Small Cap Index (VSMAX)	8,191	0.05	4
Vanguard Total Int'l Stock Index (VTIAX)	50,162	0.11	55
VT Fidelity Diversified Intl (FDIVX)	87,887	1.05	923
VT Nuveen Real Estate Secs (FARCX)	67,795	1.06	719
Vanguard Target Retirement Income (VTINX)	-	-	-
Vanguard Target Retirement 2015 (VTXVX)	-	-	-
Vanguard Target Retirement 2020 (VTWNX)	14,723	0.13	19
Vanguard Target Retirement 2025 (VTTVX)	64,903	0.13	84
Vanguard Target Retirement 2030 (VTHRXX)	15,718	0.14	22
Vanguard Target Retirement 2035 (VTTHX)	62,138	0.14	87
Vanguard Target Retirement 2040 (VFORX)	48,297	0.14	68
Vanguard Target Retirement 2045 (VTIVX)	34,528	0.15	52
Vanguard Target Retirement 2050 (VFIFX)	-	-	-
Vanguard Target Retirement 2055 (VFFVX)	-	-	-
Vanguard Target Retirement 2060 (VTTSX)	-	-	-
<b>401a Fire Share-106796</b>	<b>2,847,924</b>	<b>0.58</b>	<b>16,482</b>



	Market Value (\$)	Estimated Annual Fee (%)	Estimated Annual Fee (\$)
Vantagepoint PLUS Fund S3	235,709	0.98	2,310
TCW Total Return Bond Fund (TGLMX)	33,383	0.49	164
VT II VP Inflation Focused Fund	18,539	0.81	150
Neuberger Berman High Yield Fixed Income (NHILX)	4,676	0.70	33
Vanguard 500 Index Fund (VFIAX)	357,565	0.04	143
VT Parnassus Core Equity (PRBLX)	50,761	0.86	437
Brandywine Dynamic Large Cap Value (LMBGX)	51,179	0.66	338
T. Rowe Price Blue Chip Growth (TBCIX)	321,702	0.56	1,802
VT Victory Sycamore Est Value (VEVYX)	-	-	-
VT TimesSquare Mid Cap Growth (TMDPX)	105,511	1.18	1,245
VT II VP Discovery Fund	49,612	0.99	491
Vanguard Small Cap Index (VSMAX)	24,916	0.05	12
Vanguard Total Int'l Stock Index (VTIAX)	6,714	0.11	7
VT Fidelity Diversified Intl (FDIVX)	11,416	1.05	120
Vanguard Target Retirement Income (VTINX)	93,111	0.12	112
Vanguard Target Retirement 2015 (VTXVX)	109,556	0.13	142
Vanguard Target Retirement 2020 (VTWNX)	472,443	0.13	614
Vanguard Target Retirement 2025 (VTTVX)	711,742	0.13	925
Vanguard Target Retirement 2030 (VTHRX)	667,476	0.14	934
Vanguard Target Retirement 2035 (VTTHX)	521,028	0.14	729
Vanguard Target Retirement 2040 (VFORX)	198,440	0.14	278
Vanguard Target Retirement 2045 (VTIVX)	219,518	0.15	329
Vanguard Target Retirement 2050 (VFIFX)	95,153	0.15	143
Vanguard Target Retirement 2055 (VFFVX)	100,073	0.15	150
Vanguard Target Retirement 2060 (VTTSX)	16,686	0.15	25
<b>RHS Current Plan- 803116</b>	<b>4,476,911</b>	<b>0.26</b>	<b>11,634</b>

**Town of Palm Beach Retirement System DC Prior RHS  
Fee Analysis**

As of December 31, 2020

	Market Value (\$)	Estimated Annual Fee (%)	Estimated Annual Fee (\$)
Vantagepoint PLUS Fund S3	52,094	0.98	511
TCW Total Return Bond Fund (TGLMX)	8,908	0.49	44
VT II VP Inflation Focused Fund	24,226	0.81	196
Neuberger Berman High Yield Fixed Income (NHILX)	-	-	-
Vanguard 500 Index Fund (VFIAX)	95,281	0.04	38
VT Parnassus Core Equity (PRBLX)	-	-	-
Brandywine Dynamic Large Cap Value (LMBGX)	1,584	0.66	10
T. Rowe Price Blue Chip Growth (TBCIX)	8,910	0.56	50
VT Victory Sycamore Est Value (VEVYX)	-	-	-
VT TimesSquare Mid Cap Growth (TMDPX)	20,791	1.18	245
VT II VP Discovery Fund	-	-	-
Vanguard Small Cap Index (VSMAX)	-	-	-
Vanguard Total Int'l Stock Index (VTIAX)	-	-	-
VT Fidelity Diversified Intl (FDIVX)	-	-	-
Vanguard Target Retirement Income (VTINX)	75,855	0.12	91
Vanguard Target Retirement 2015 (VTXVX)	51,373	0.13	67
Vanguard Target Retirement 2020 (VTWNX)	70,423	0.13	92
Vanguard Target Retirement 2025 (VTTVX)	94,753	0.13	123
Vanguard Target Retirement 2030 (VTHRX)	23,434	0.14	33
Vanguard Target Retirement 2035 (VTTHX)	4,205	0.14	6
Vanguard Target Retirement 2040 (VFORX)	1,419	0.14	2
Vanguard Target Retirement 2045 (VTIVX)	4,889	0.15	7
Vanguard Target Retirement 2050 (VFIFX)	-	-	-
Vanguard Target Retirement 2055 (VFFVX)	-	-	-
Vanguard Target Retirement 2060 (VTTSX)	-	-	-
<b>RHS Old Plan</b>	<b>538,144</b>	<b>0.28</b>	<b>1,515</b>



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Vanguard Target Retirement Inv  
Target Date Fund Universe Ranges

As of December 31, 2020

Asset Class	2060+	2055	2050	2045	2040	2035	2030	2025	2020	2015	Retirement
<b>Equity Range</b>											
Maximum	100%	100%	100%	95%	95%	90%	85%	75%	65%	55%	45%
Minimum	50%	50%	50%	45%	45%	40%	35%	25%	15%	10%	5%
<b>Fixed Income Range</b>											
Maximum	20%	20%	30%	35%	40%	50%	55%	65%	70%	75%	85%
Minimum	0%	0%	0%	5%	5%	10%	15%	20%	25%	35%	45%
<b>Cash Range</b>											
Maximum	20%	20%	30%	30%	30%	30%	30%	30%	35%	35%	35%
Minimum	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<b>Other Range</b>											
Maximum	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
Minimum	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<b>Target Date Universe</b>	<b>60</b>	<b>51</b>	<b>53</b>	<b>50</b>	<b>52</b>	<b>51</b>	<b>49</b>	<b>55</b>	<b>54</b>	<b>37</b>	<b>39</b>

Morningstar Definitions:

1. Cash - The percentage of the fund's assets in cash. This figure is calculated separately for the short and long positions of the portfolio, and the sum of the asset allocation of each will not necessarily equal 100%.
2. Other - The percentage of the fund's assets in other instruments. This figure is calculated separately for the short and long positions of the portfolio, and the sum of the asset allocation of each will not necessarily equal 100%.
3. Target Date Universe - Based on the number of unique glide paths in the Morningstar Target Date Universe. Only one share class is selected to represent the fund manager.



Vanguard Target Retirement Inv  
Target Date Fund Asset Allocation

As of December 31, 2020

Asset Class	2065	2060	2055	2050	2045	2040	2035	2030	2025	2020	2015	Retirement
<b>Total Equity</b>	<b>90%</b>	<b>90%</b>	<b>90%</b>	<b>91%</b>	<b>90%</b>	<b>83%</b>	<b>75%</b>	<b>68%</b>	<b>60%</b>	<b>49%</b>	<b>35%</b>	<b>30%</b>
Domestic Equity	54%	54%	54%	54%	53%	49%	44%	40%	35%	29%	20%	18%
International Equity	28%	28%	28%	28%	28%	25%	22%	19%	16%	11%	5%	4%
Emerging Equity	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%
<b>Total Fixed Income</b>	<b>10%</b>	<b>9%</b>	<b>9%</b>	<b>9%</b>	<b>10%</b>	<b>17%</b>	<b>24%</b>	<b>32%</b>	<b>40%</b>	<b>50%</b>	<b>64%</b>	<b>68%</b>
Domestic Bonds	7%	6%	6%	6%	6%	11%	16%	21%	27%	36%	47%	50%
International Bonds	3%	3%	3%	3%	3%	6%	8%	11%	13%	14%	17%	18%
<b>Cash</b>	<b>0%</b>	<b>1%</b>	<b>1%</b>	<b>1%</b>								
<b>Other</b>	<b>0%</b>											
<b>Total</b>	<b>100%</b>											

Terminal Equity Date:	7 years after Retirement
Active/Passive/Blend Allocation:	Passive

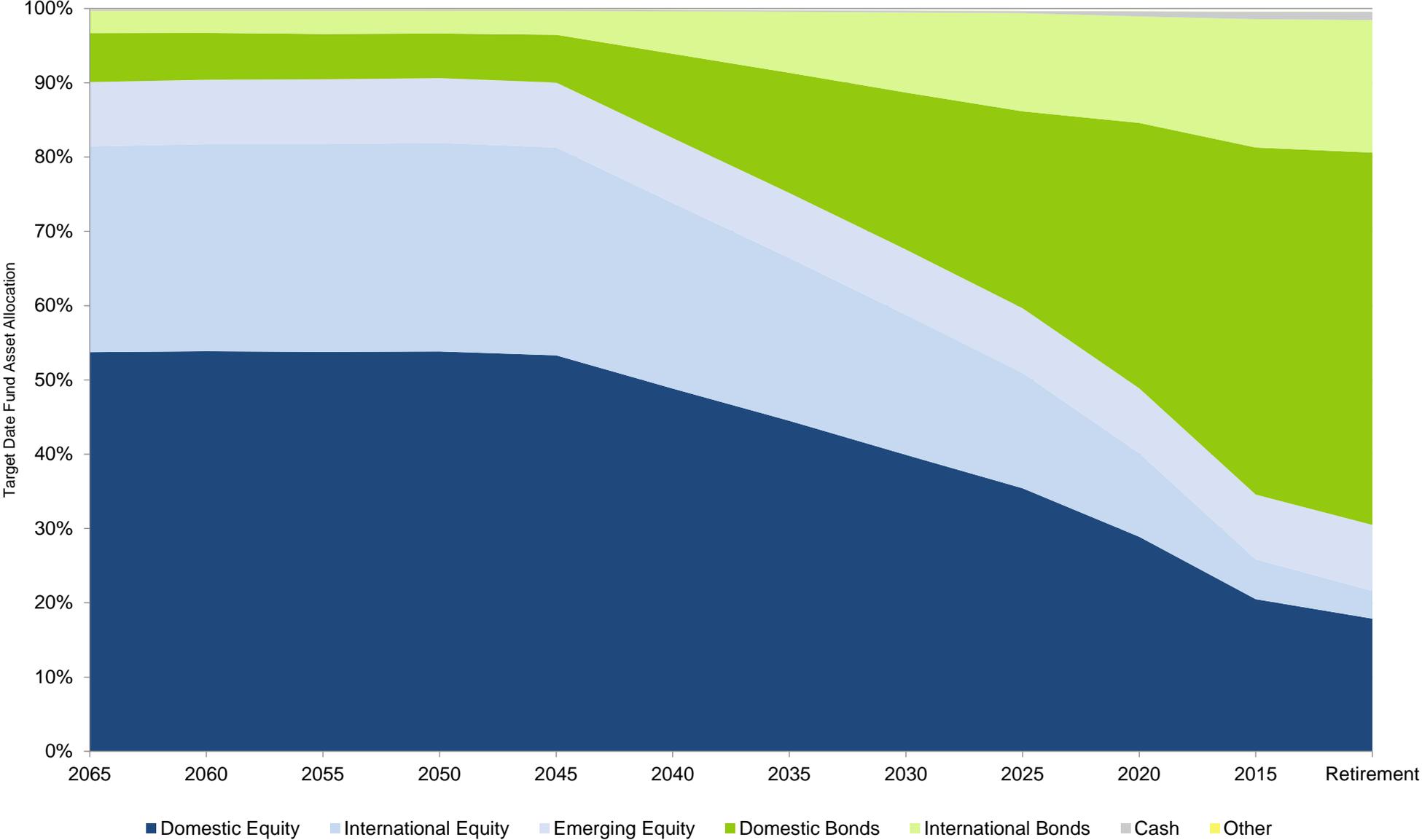
Morningstar Definitions:

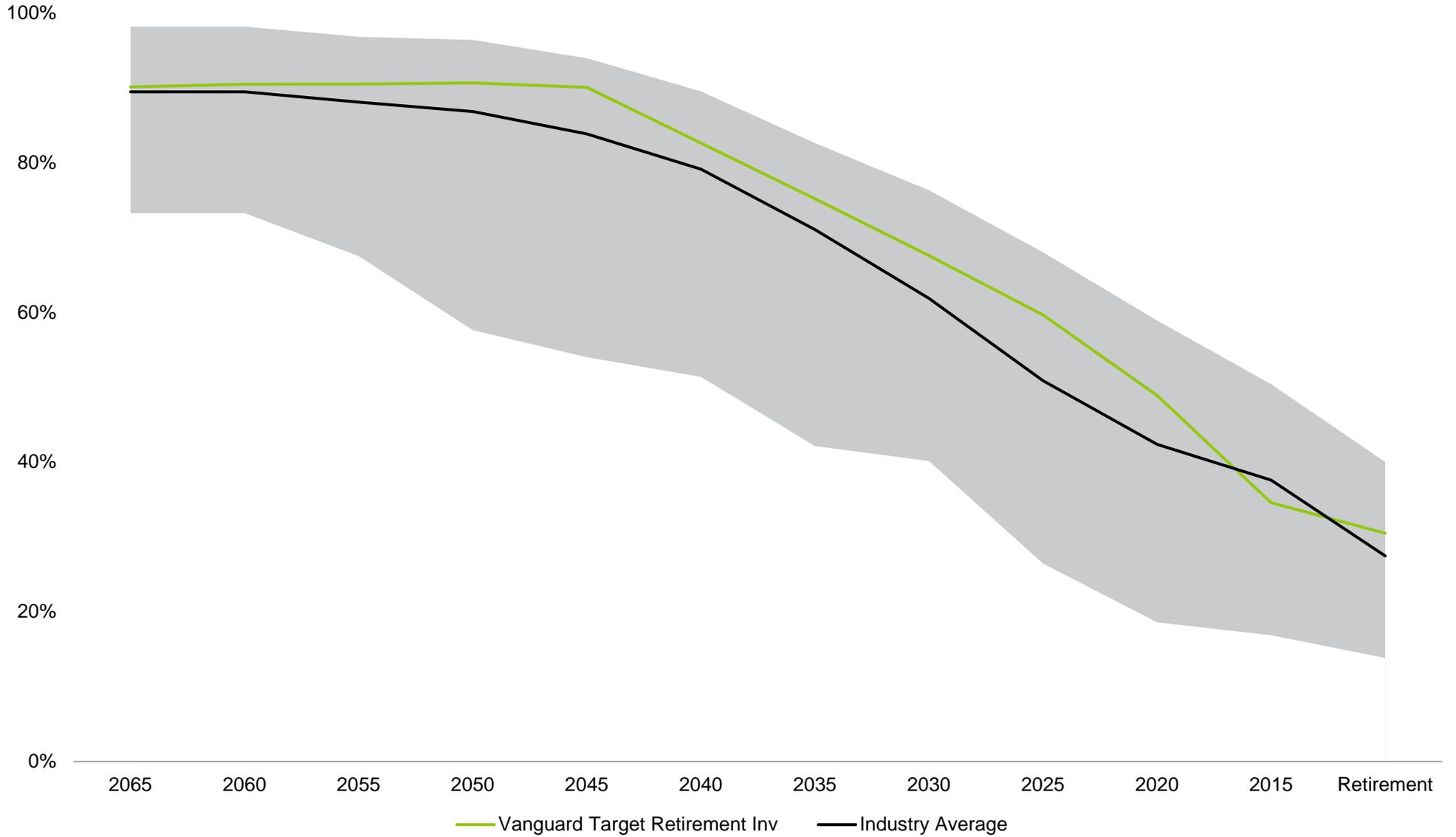
1. Cash - The percentage of the fund's assets in cash. This figure is calculated separately for the short and long positions of the portfolio, and the sum of the asset allocation of each will not necessarily equal 100%.
2. Other - The percentage of the fund's assets in other instruments. This figure is calculated separately for the short and long positions of the portfolio, and the sum of the asset allocation of each will not necessarily equal 100%.



Vanguard Target Retirement Inv  
Target Date Fund Asset Allocation Graph

As of December 31, 2020





1. Industry Range (Gray Bar) - Represents the equity allocation range of the Target Date Funds in the universe.

2. Industry Average - The average equity allocation of the investments included in the universe.



On October 30, 2020 the Department of Labor (DOL) issued their final rule in response to requests for fiduciary guidance related to recent trends involving ESG (environmental, social, governance) investing. While the final rule does not reference ESG specifically, it does clearly state that “fiduciaries must evaluate investments and investment courses of action based solely on pecuniary (financial) factors.”

Under the final rule:

- duty of loyalty prohibits fiduciaries from subordinating the interests of participants to unrelated objectives and bars them from sacrificing investment return or taking on additional investment risk to promote non-pecuniary goals.
- if a fiduciary cannot distinguish between alternative investments on the basis of pecuniary factors and the fiduciary chooses one of the investments on the basis of a non-pecuniary factor, the fiduciary must document why pecuniary factors alone did not provide a sufficient basis to select the investment.
- the preamble of the final rule encourages fiduciaries to break ties using their best judgment on the basis of pecuniary factors alone.

Fiduciaries need to be in compliance with most pieces of the final rule by the beginning of 2021, but plans will have until April 30, 2022 to make any necessary changes to qualified default investment alternatives (QDIAs) that currently may consider non-pecuniary factors.

Source: DOL 29 CFR 2550.404a-1



During the past year, our education modules have covered a broad set of topics including two significant pieces of legislation, safe harbor protections, QDIAs, private equity in DC plans, and a review of Investment Policy Statements (IPS).

**Fiduciary News – The SECURE Act**

The SECURE (Setting Every Community Up for Retirement Enhancement) Act represents the first major retirement legislation since the Pension Protection Act (PPA) of 2006. Some of the main provisions of this Act include:

- Expands retirement savings by increasing the Auto Enrollment Safe Harbor cap from 10 to 15 percent. (Section 101)

**The CARES Act's Impact on Retirement Plan Withdrawals**

**Withdrawal changes**

- Penalty-free withdrawals for coronavirus-related distributions (CRDs) up to \$100,000 throughout 2020 and the mandatory 20% tax withholding will not apply.
- Repayment of CRDs permitted for up to three years after taking the distribution.
- CRDs may be spread out over a three-year period for taxable income.
- Withdrawals are not considered hardship distributions so a plan may allow this*

2020 Fiduciary Education  
 Qualified Default Investment Alternatives (QDIA)  
 as of June 30, 2020

A Qualified Default Investment Alternatives (QDIA) is a default investment option chosen by plan fiduciaries for participants who fail to make an investment election for their account balances. The intent is to ensure that an investment qualifying as a QDIA is appropriate as a single investment capable of meeting a participant's long-term retirement savings needs. The DOL's final regulation outlines all eligible QDIA options including the three main types as summarized below:<sup>1</sup>

- A product with a mix of investments that consider the individual's age or retirement date (an example of such a product could be a life-cycle or target retirement date fund);
- An investment service that allocates contributions among existing plan options to provide an asset mix that consider the individual's age or retirement date (an example of such a service could be managed accounts);
- A product with a mix of investments that consider the characteristics of the group of employees, rather than everyone (an example of such a product could be a balanced fund).

In evaluating a particular investment for consideration as a QDIA, the fiduciary must engage in an objective, thorough, and analytical process that considers all relevant facts and circumstances and then act accordingly. While QDIA regulation is specifically for ERISA plans; it is considered an industry best practice for all plans.<sup>2</sup>

<sup>1</sup>Based on excerpts from Regulation Relating to Qualified Default Investment Alternatives in Participant-Directed Individual Account Plans DOL Fact Sheet April 2008  
<sup>2</sup>CFR 2550.404a-1

For educational purposes only. Not intended to provide legal or tax advice. Information presented represents a general overview, is not exhaustive and is only accurate as of the date of distribution and may not reflect future interpretations or guidance.

2020 Fiduciary Education  
 Private Equity in Defined Contribution Plans  
 as of June 30, 2020

On June 3, 2020, the DOL published an Information Letter permitting plan sponsors to utilize private equity in certain pre-diversified investment options like target date funds, risk-based funds and balanced funds as long as the investments include sufficient liquidity with readily available market values to ensure participants can take distributions and make exchanges among the plan's investment line-up.

The letter also provides an option with a private equity investment.

- Does not have a lock-up period
- Is the investment managed by a professional
- Is the investment diversified
- Do the investments have a history of performance
- Have the investments been audited

It is important to consider these types of investments.

Based on excerpts from DOL Information Letter 2020-06

2020 Fiduciary Education  
 Investment Policy Statements  
 as of September 30, 2020

**Purpose of an Investment Policy Statement**

The overall purpose of an Investment Policy Statement (IPS) is to define general investment goals and to establish a process for consistent and informed decision making in monitoring and evaluating the investments within the fiduciary's stewardship.

Reasons to create, approve, and regularly review an IPS include:

- Provides evidence of a prudent investment decision making process
- Serves as a multi-generational document to support continuity in decision making as plan fiduciaries change
- Helps protect fiduciaries from making decisions based on external sources (participants, vendors, money managers, etc.)
- May assist in defense against potential fiduciary liability

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For clients that have plan forfeitures and/or expense accounts, fiduciaries should review and document any actions taken on a regular basis.

### **Plan Forfeitures**

- Forfeitures refer to the non-vested portion of a participant's employer contribution account at the time they separate from employment.
- Fiduciaries should verify if any forfeitures need to be processed and spend the forfeiture account balance based on plan provisions (i.e., used to offset or reduce current or future contributions, reallocate as additional contributions, or pay eligible plan expenses).

### **Expense Accounts**

- Expense accounts give the ability to pay eligible plan-related expenses from plan assets.
- Fiduciaries should have a procedure for spending any surplus amounts that remain in the account.

In addition, fiduciaries should regularly review the participant usage and associated expenses of other plan features such as managed accounts, self-directed brokerage, and loans.

	2019	2020	2021
<b>Elective Deferrals - 401(k), 403(b), and Most 457 Plans</b>	\$19,000	\$19,500	<b>\$19,500</b>
<b>Catch-up Contribution</b>	\$6,000	\$6,500	<b>\$6,500</b>
<b>DC Plan Combined Annual Contribution Limit</b>	\$56,000	\$57,000	<b>\$58,000</b>
<b>Defined Benefit Annual Benefit Limit</b>	\$225,000	\$230,000	<b>\$230,000</b>
<b>Highly Compensated Employee Threshold</b>	\$125,000	\$130,000	<b>\$130,000</b>
<b>Top Heavy Key Employee Dollar Limit</b>	\$180,000	\$185,000	<b>\$185,000</b>
<b>SIMPLE Plan Contribution Limit</b>	\$13,000	\$13,500	<b>\$13,500</b>
<b>SIMPLE Plan Catch-up</b>	\$3,000	\$3,000	<b>\$3,000</b>
<b>IRA Contribution Limit</b>	\$6,000	\$6,000	<b>\$6,000</b>
<b>IRA Catch-Up</b>	\$1,000	\$1,000	<b>\$1,000</b>
<b>HSA Contribution Limit, Single</b>	\$3,500	\$3,550	<b>\$3,600</b>
<b>HSA Contribution Limit, Non-Single</b>	\$7,000	\$7,100	<b>\$7,200</b>

Source: IRS Notice 2020-79 and Revenue Procedure 2020-32

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Quarterly	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter
Follow procedures, including documentation of all meetings and decisions	✓	✓	✓	✓
Review of plan investments and compliance with investment policy statement	✓	✓	✓	✓
Fiduciary education	✓	✓	✓	✓
<b>Periodically</b>				
Investment policy statement review	✓			
Review QDIA selection				
Plan fee analysis	✓			
Plan recordkeeping & administration services review				
Employee education review		✓		
Review of ancillary products, if applicable (self-directed brokerage, managed accounts, etc.)				
<b>Other Projects</b>				
Implemented share class conversions and other fund lineup changes		✓		
Performed searches for Large Cap Growth and Large Cap Value funds		✓		
Implemented Large Cap Growth and Large Cap Value Fund Changes			✓	



<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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