
Port of Houston Authority

Defined Contribution 401(a)
Deferred Compensation 457(b)

Investment Performance Review
Period Ending December 31, 2024

MARINER

4th Quarter 2024 Market Environment

The Economy

- The US Federal Reserve (the Fed) continued to loosen its policy stance during the quarter with two fed funds rate cuts totaling 0.50%, bringing the year-end rate to a range of 4.25%-4.50%. While the Fed conveyed a degree of confidence that the fight against inflation is progressing in its December press release, Fed Chairman Jerome Powell signaled in his post-meeting press conference that the pace and timing of future rate cuts is unclear. The Fed's December "Dot Plot" now projects only two quarter-point rate cuts in 2025, down from four anticipated cuts in September's plot.
- Growth in the US labor market continued during the fourth quarter. US payrolls grew by 256,000 in December, up from the previous month's total of 212,000, and well above the 155,000 projected. If strength in the labor market continues, this data could support a slower pace Fed action in the form of policy rate reductions in 2025.

Equity (Domestic and International)

- US equity results were modestly higher for the quarter. Markets also saw a return to the narrowly focused technology and communication services company exuberance which has dominated domestic performance in recent years. The S&P 500 Index rose 2.4% for the quarter with the small-cap Russell 2000 Index managing just a 0.3% rise. The rotation away from large cap growth stocks during the third quarter seemed to reverse as the Russell 1000 Growth Index once again outpaced the Russell 1000 Value Index by a large margin.
- Large-cap equity benchmarks continue to represent a heavy concentration among a limited number of stocks. As of quarter end, the weight of the top 10 stocks in the S&P 500 Index exceeded 35%.
- Most international stocks faltered during the fourth quarter and US Dollar (USD) denominated results were further exacerbated by a strengthening USD. The USD performance of international stocks fell short of local currency (LCL) returns in most regions for the quarter, albeit to varying degrees.

Fixed Income

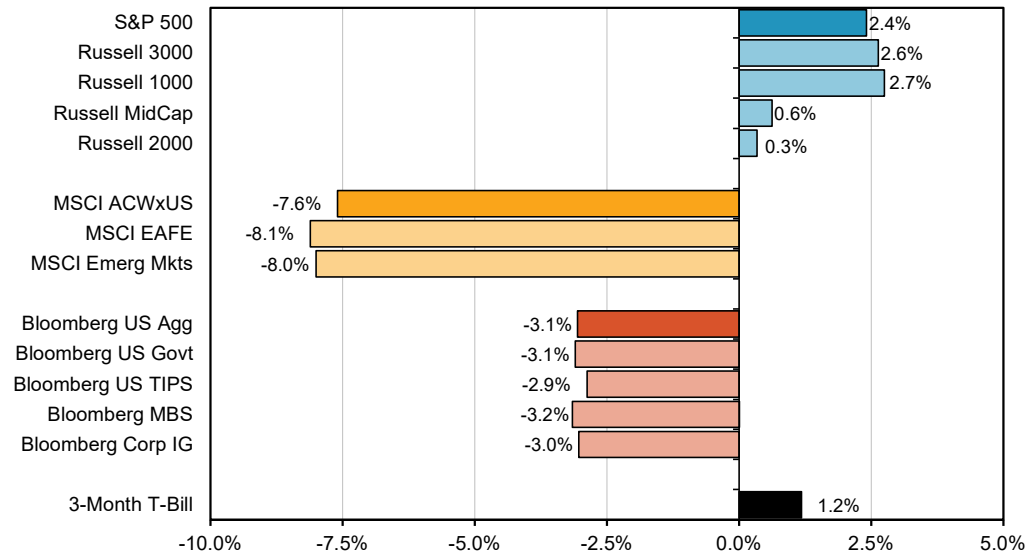
- Fixed-income markets traded lower during the quarter on the back of the Fed's ongoing policy actions. Short term Treasury yields fell while longer term yields rose, leading to a slight steepening in the yield curve. The yield on the bellwether 10-year Treasury advanced by 0.84% during the quarter, closing the year at a yield of 4.58%. The inverse relationship between prices and yields resulted in the Bloomberg US Aggregate Bond Index posting a -3.1% loss for the quarter.
- High-yield bonds outpaced the Bloomberg US Aggregate Bond Index for the quarter, largely due to higher coupons, a shorter duration profile, and a small narrowing of the option-adjusted spread (OAS) for the Bloomberg US High-Yield Index.
- Global bonds fell during the quarter, with the Bloomberg Global Aggregate ex-US returning -6.8% in USD terms. Like international equity results, global bond performance was dragged down by a strengthening USD during the quarter.

Market Themes

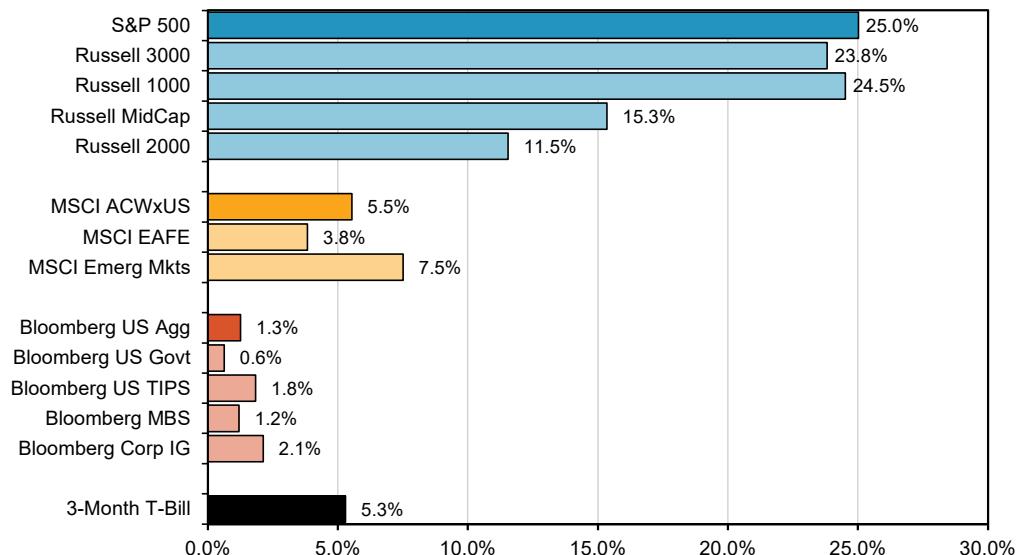
- Strength in the US Dollar during the quarter led to relative weakness in international markets. Many of the major currencies depreciated relative to the US Dollar as the year came to a close. Latin America saw the most significant decline during the period while the Pacific region was the only region to post positive LCL returns.
 - The AI trade that has taken shape for much of the past two years continued in 2024 with the communication services and information technology sectors each posting gains of more than 35% for the year. This phenomenon contributed to narrow market leadership particularly within the large-cap segment of the market. The concentration in the large-cap indexes helped the S&P 500 post its second straight year of greater than a 20% return, further widening the performance gap between large and smaller capitalization benchmarks.
 - Ongoing military conflicts in Ukraine and the Middle East, coupled with global economic uncertainty, continue to act as headwinds for international market results, further complicated by an advancing USD.
 - The results of the most recent US presidential election appeared to please domestic equity markets in anticipation of the new administration supporting loosened regulations and pro-growth policies. As we move into the new year, equity markets will need to digest the anticipated effects of proposed tax legislation changes, a new view on foreign policy, and potential trade tariffs by the new administration.
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- Domestic equity markets continued to climb higher during the quarter. Large-cap stocks returned to the forefront, outpacing small-cap stocks. The S&P 500 rose 2.4% during the quarter versus a muted gain of 0.3% for the Russell 2000 Index. The broad capitalization Russell 3000 Index, which benefited from strength in mid- and large-cap names, returned 2.6% for the quarter.
- International developed market equities reversed course and soured during the fourth quarter with the USD performance of the broad benchmarks each trading lower than (LCL) currency performance. The broad MSCI ACWI ex US Index delivered a disappointing -7.6% for the quarter but was down less than both the MSCI EAFE and MSCI EM indexes. The broad index was aided by Canada, which is not included in the EAFE or EM indexes. International developed market (DM) equities narrowly fell behind emerging market (EM) equities, returning -8.1% and -8.0%, respectively for the quarter. Negative performance for the international indexes was broad-based and not localized to any specific region.
- Broad market fixed-income benchmarks displayed a poor finish to the year as many of the core indexes succumbed to a steepening of the yield curve and the prospect of fewer rate cuts in 2025. The Bloomberg US Aggregate Index returned -3.1% for the quarter. The TIPS market, which is not part of the Aggregate Index, was also negative, posting a return of -2.9% for the quarter. While the performance differentials were small, the Mortgage-Backed Securities Index lagged other domestic bond market segments with a benchmark return of -3.2% for the quarter.
- Domestic equity indexes finished the year by adding to their already strong returns over the trailing one-year period. The S&P 500 Index gained 25.0% for the year and the Russell 1000 Index returned 24.5%. The weakest performing capitalization range of domestic equities for the year was the small-cap Russell 2000 Index, which still managed a double-digit climb over the last 12 months, returning a solid 11.5%.
- Domestic bond indexes' results were mixed throughout the year but still managed to deliver positive annual results. While the performance spread was narrow, investment-grade corporate bonds led bond index results for the year, returning a muted 2.1%. The government bond index lagged for the year, but was also positive, posting a return of 0.6%.
- International equity markets also delivered positive results for the trailing one-year period. The MSCI EM Index was the best international performer, returning 7.5%, while the MSCI EAFE and MSCI ACWI ex US indexes posted returns of 3.8% and 5.5%, respectively.

Quarter Performance

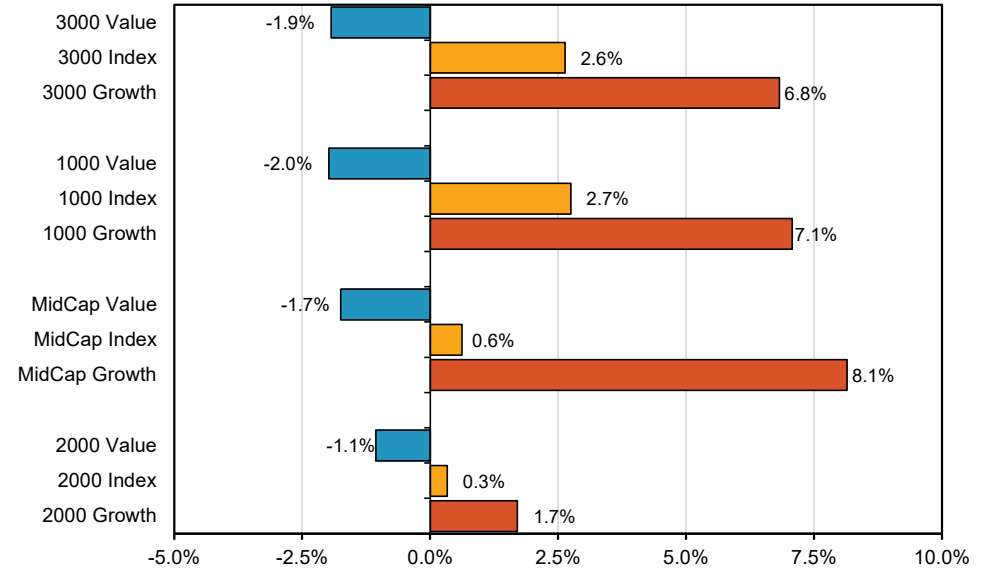


1-Year Performance



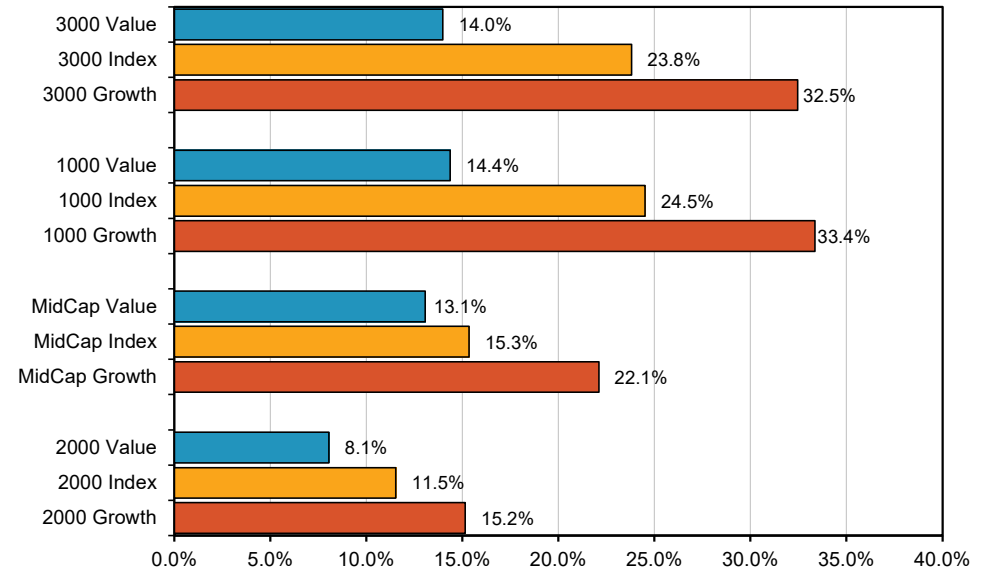
- Domestic equity benchmarks exhibited a return to their long-run trend of growth style companies vastly outperforming value during the fourth quarter. This theme was relatively consistent across the capitalization spectrum with growth benchmarks dominating performance results while value benchmarks each posted negative returns for the quarter.
- The broadest disparity between growth and value was visible in the mid-cap index. The Russell Mid Cap Value Index return of -1.7% trailed the Russell Mid Cap Growth Index return of 8.1%, a performance span of nearly 10%. The Russell Mid Cap Growth Index was also the best performing segment of the equity market during the quarter. Conversely, the worst performing segment of the market was large cap value which returned a disappointing -2.0% during the fourth quarter.

Quarter Performance - Russell Style Series



- This quarter's ascension of the growth indexes widened their performance gaps relative to the value indexes for the trailing year. The Russell 1000 Growth Index amassed a staggering 33.4% for the year, leading the way among style and market capitalization index performance. Much of the year's strong performance has been attributable to the emergence of the "Magnificent 7" stocks (Alphabet, Amazon, Apple, Meta, Microsoft, Nvidia, and Tesla) which have dominated the large-cap core and growth indexes and the headlines over the past several years. The 10 largest stocks in the Russell 1000 Index have contributed more than 50% of the index's total performance over the trailing 12-month period. The weakest performing index for the year was the Russell 2000 Value Index, which still climbed 8.1%.
- The strength of growth sectors is also evident in the trailing one-year period with the chart on the right showing growth benchmarks at all capitalization ranges outpacing their value counterparts. The performance gap between the Russell 1000 Growth Index and the Russell 1000 Value Index was nearly 20% and the gaps for mid- and small-cap indexes were narrower, but still wide.

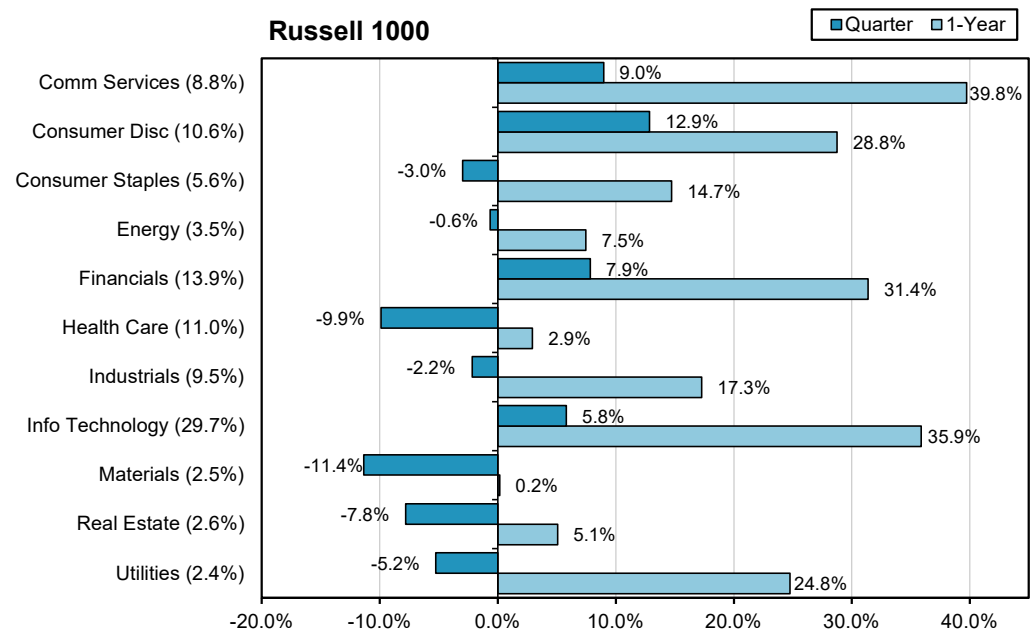
1-Year Performance - Russell Style Series



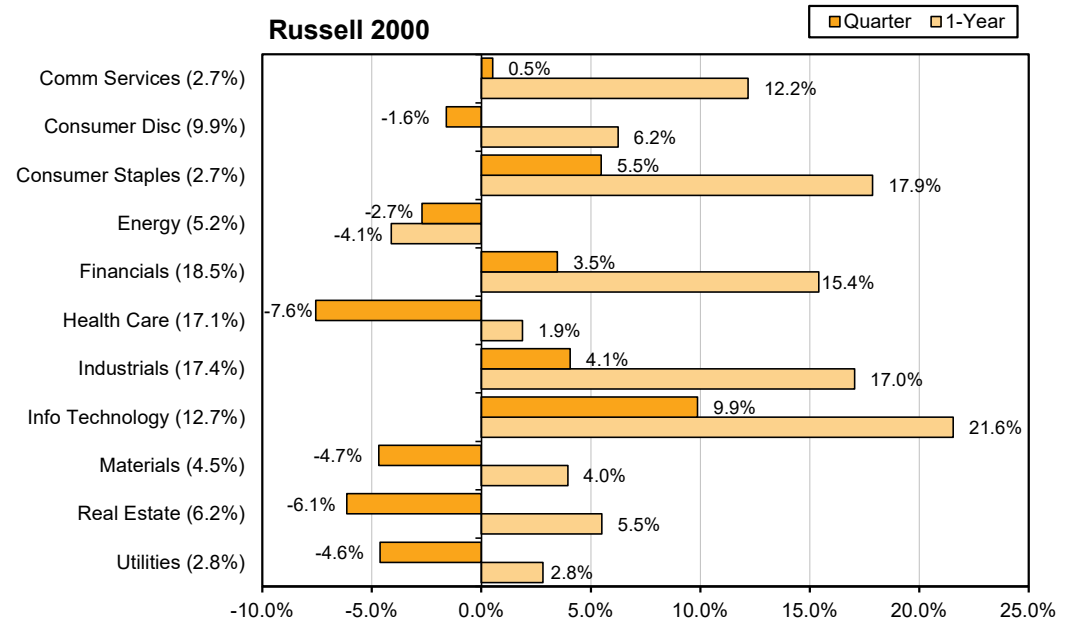
The Market Environment GICS
Sector Performance & (Sector Weight)
 As of December 31, 2024

- Economic sector performance delivered mixed results in the fourth quarter as just four of the 11 economic sectors moved higher in the large-cap index. While performance during the year could be characterized by broader participation in the domestic equity markets, this was not the case during the fourth quarter as only the communication services, consumer discretionary, financials, and information technology sectors managed to post positive returns. Within the large cap index, consumer discretionary stocks led the way, collectively returning 12.9% for the quarter while the materials sector struggled, falling -11.4% during the period.
- Full year results during 2024 showcased strong performance across the economic sector classifications. Communication services narrowly outpaced information technology for the year, posting returns of 39.8% and 35.9%, respectively, with financials coming in third with a return of 31.4%. While all sectors posted positive returns for the year, the broad index's strong performance during 2024 was largely driven by three of the five most heavily weighted index sectors.
- Similar to the large cap benchmark, just five of the 11 small-cap economic sectors gained value during the quarter. Communication services, consumer staples, financials, industrials, and information technology led the way with information technology as the best performing sector during the quarter. Health care faltered as the worst-performing sector with a return of -7.6% during the quarter, followed closely by real estate, which finished the quarter with a return of -6.1%.
- Despite their struggles during the most recent quarter, small-cap stocks delivered strong results for the year. Ten small-cap sectors advanced higher during the trailing one-year period, making energy the lone negative performer over the period. The sector's -2.7% return during the fourth quarter pushed the sector's performance to -4.1% for the trailing year. Information technology (up 21.6%) was the only sector to cross the 20% return threshold, but four others also amassed double digit positive returns for the calendar year.

Russell 1000



Russell 2000



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, 2024

Top 10 Weighted Stocks				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Apple Inc	6.6%	7.6%	30.7%	Information Technology
NVIDIA Corp	5.8%	10.6%	171.2%	Information Technology
Microsoft Corp	5.8%	-1.8%	12.9%	Information Technology
Amazon.com Inc	3.8%	17.7%	44.4%	Consumer Discretionary
Meta Platforms Inc Class A	2.4%	2.4%	66.0%	Communication Services
Tesla Inc	2.1%	54.4%	62.5%	Consumer Discretionary
Alphabet Inc Class A	2.1%	14.3%	36.0%	Communication Services
Broadcom Inc	2.0%	34.7%	110.4%	Information Technology
Alphabet Inc Class C	1.7%	14.0%	35.6%	Communication Services
Berkshire Hathaway Inc Class B	1.5%	-1.5%	27.1%	Financials

Top 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Astera Labs Inc	0.0%	152.8%	N/A	Information Technology
AppLovin Corp Ordinary Shares	0.2%	148.1%	712.6%	Information Technology
Trump Media & Technology Group	0.0%	112.2%	N/A	Communication Services
Palantir Technologies Inc Ordinary	0.3%	103.3%	340.5%	Information Technology
SoFi Technologies Inc Ordinary Shares	0.0%	95.9%	54.8%	Financials
Amer Sports Inc	0.0%	75.3%	N/A	Consumer Discretionary
MicroStrategy Inc	0.1%	71.8%	358.5%	Information Technology
United Airlines Holdings Inc	0.1%	70.2%	135.3%	Industrials
New Fortress Energy Inc	0.0%	66.3%	-59.3%	Utilities
Twilio Inc Class A	0.0%	65.7%	42.5%	Information Technology

Bottom 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Capri Holdings Ltd	0.0%	-50.4%	-58.1%	Consumer Discretionary
Celanese Corp Class A	0.0%	-48.8%	-54.6%	Materials
Rocket Companies Inc Ordinary	0.0%	-41.3%	-22.2%	Financials
Enphase Energy Inc	0.0%	-39.2%	-48.0%	Information Technology
Moderna Inc	0.0%	-37.8%	-58.2%	Health Care
Acadia Healthcare Co Inc	0.0%	-37.5%	-49.0%	Health Care
Viking Therapeutics Inc	0.0%	-36.4%	116.2%	Health Care
10x Genomics Inc Ordinary	0.0%	-36.4%	-74.3%	Health Care
Monolithic Power Systems Inc	0.1%	-35.9%	-5.6%	Information Technology
The AES Corp	0.0%	-35.1%	-30.3%	Utilities

Top 10 Weighted Stocks				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
FTAI Aviation Ltd	0.5%	8.6%	214.7%	Industrials
Sprouts Farmers Market Inc	0.5%	15.1%	164.1%	Consumer Staples
Insmed Inc	0.4%	-5.4%	122.8%	Health Care
Vaxcyte Inc Ordinary Shares	0.4%	-28.4%	30.4%	Health Care
Credo Technology Group Holding Ltd	0.4%	118.2%	245.2%	Information Technology
Applied Industrial Technologies Inc	0.3%	7.5%	39.7%	Industrials
Mueller Industries Inc	0.3%	7.4%	70.5%	Industrials
Rocket Lab USA Inc	0.3%	161.8%	360.6%	Industrials
Fluor Corp	0.3%	3.4%	25.9%	Industrials
IonQ Inc Class A	0.3%	377.9%	237.1%	Information Technology

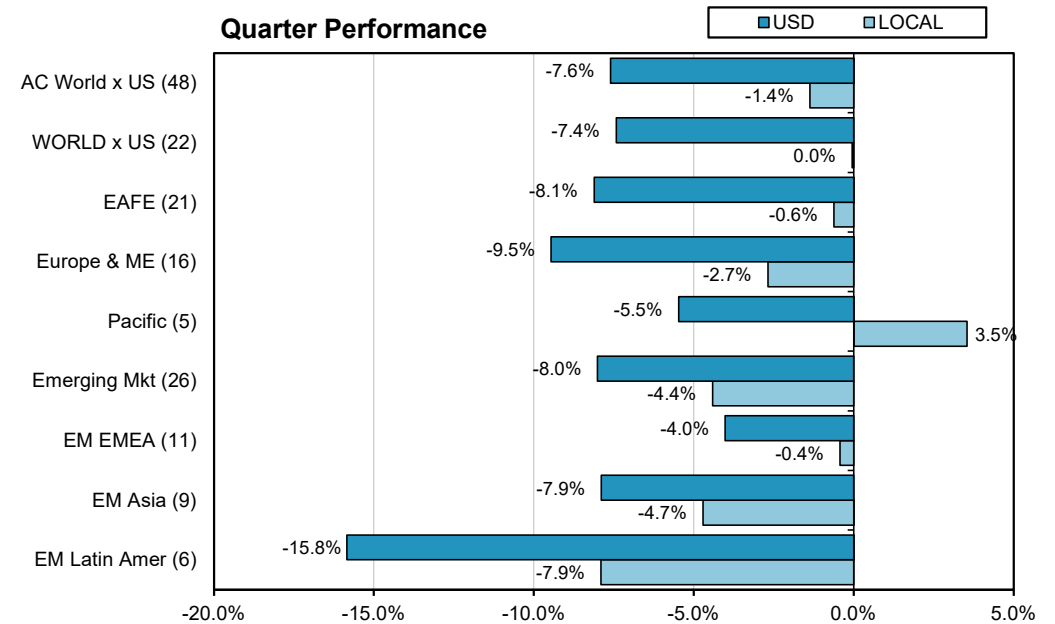
Top 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Rigetti Computing Inc	0.1%	1848.7%	1449.4%	Information Technology
D-Wave Quantum Inc.	0.0%	754.6%	854.4%	Information Technology
Scholar Rock Holding Corp	0.1%	439.6%	129.9%	Health Care
IonQ Inc Class A	0.3%	377.9%	237.1%	Information Technology
SoundHound AI Inc Ordinary Shares	0.2%	325.8%	835.8%	Information Technology
Kodiak Sciences Inc	0.0%	281.2%	227.3%	Health Care
The RealReal Inc	0.0%	248.1%	443.8%	Consumer Discretionary
SES AI Corp	0.0%	242.3%	19.7%	Industrials
Poseida Therapeutics Inc Ordinary	0.0%	235.7%	185.7%	Health Care
Archer Aviation Inc Class A	0.1%	221.8%	58.8%	Industrials

Bottom 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Q32 Bio Inc	0.0%	-92.3%	0.0%	Health Care
Cassava Sciences Inc	0.0%	-92.0%	-89.5%	Health Care
Applied Therapeutics Inc	0.0%	-89.9%	-74.4%	Health Care
Perspective Therapeutics Inc	0.0%	-76.1%	-20.6%	Health Care
Keros Therapeutics Inc	0.0%	-72.7%	-60.2%	Health Care
Bioage Labs Inc	0.0%	-72.2%	N/A	Health Care
Inovio Pharmaceuticals Inc	0.0%	-68.3%	-70.1%	Health Care
PACS Group Inc	0.0%	-67.2%	N/A	Health Care
Shattuck Labs Inc Ordinary Shares	0.0%	-65.3%	-83.0%	Health Care
Sunnova Energy International Inc	0.0%	-64.8%	-77.5%	Utilities

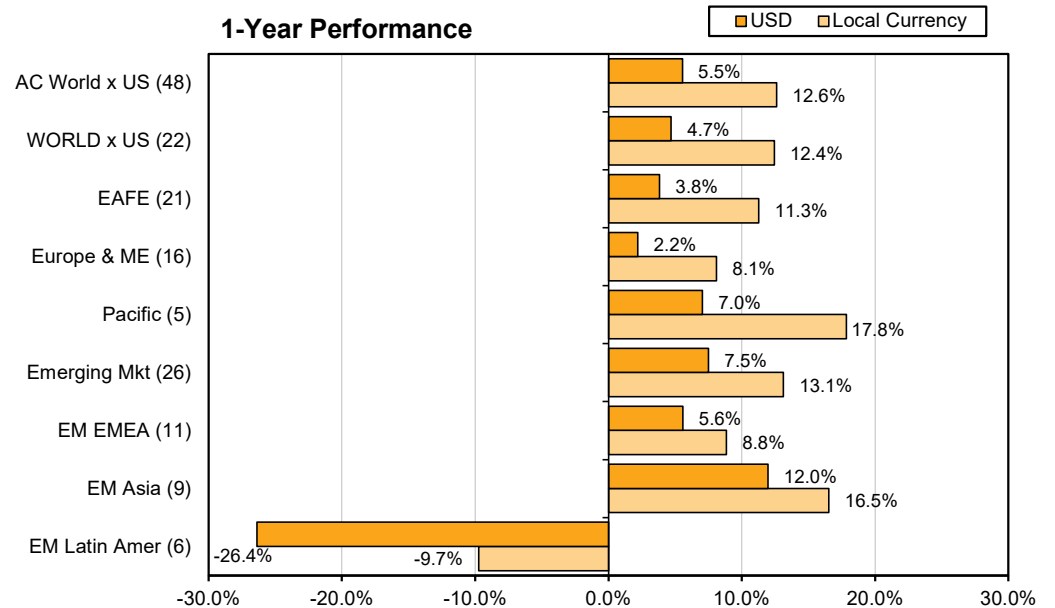
The Market Environment
International and Regional Market Index Performance (Country Count)
 As of December 31, 2024

- Results in USD terms among the headline international equity indexes were sharply lower during the quarter. The strengthening USD relative to many major currencies during the quarter was a substantial headwind for the USD performance of non-US regional benchmarks' returns. The developed-market MSCI EAFE Index returned a muted -0.6% in LCL terms but fell -8.1% in USD terms. The MSCI ACWI ex-US Index pulled back -7.6% in USD and -1.4% in LCL terms for the quarter.
- Latin America continued to lag other regions during the quarter in USD terms, posting an outsized loss of -15.8%. Weakening currencies in the region put added pressure on realized performance for US investors. The MSCI Pacific benchmark was the only regional benchmark to deliver positive performance in LCL terms with a return of 3.5%, but USD strength led to a -5.5% decline in USD terms for the quarter. Regional LCL currency performance was disparate for the quarter, with some regional indexes remaining relatively flat over the final three months of the year.
- Full year results by country show Taiwan and Malaysia as the biggest winners during the year in USD terms. These two countries advanced 34.4% and 20.8%, respectively. China was not far behind with the largest economy in the emerging market world climbing 19.4% in USD terms for the year despite declining 7.7% during the fourth quarter. Much of the broad-based MSCI Emerging Market Index's returns are attributable to the health of the dominant Chinese economy, which came under pressure during the year due to troubles in the manufacturing and commercial property sectors.
- Much like domestic markets, trailing one-year results for international developed and emerging markets benchmarks were strongly positive. Higher LCL versus USD returns for most international benchmarks demonstrate the USD's relative strength over the trailing one-year period, which represents a drag on results for US investors.
- Most broad and regional indexes were positive for the trailing 12 months in both USD and LCL terms. The exception to these positive results is the EM Latin America index, where negative LCL performance was exacerbated by the region's currency weakness, which led to a more severe -26.4% return in USD terms. The MSCI Pacific Index led the way with a return of 17.8% in LCL terms for the trailing year, but US investor returns were dampened to just 7.0% in USD terms.

Quarter Performance



1-Year Performance



The Market Environment
US Dollar International Index Attribution & Country Detail
As of December 31, 2024

MSCI - EAFE	Sector Weight	Quarter Return	1-Year Return
Communication Services	4.8%	-4.7%	11.2%
Consumer Discretionary	11.3%	-4.3%	1.4%
Consumer Staples	8.3%	-12.6%	-7.9%
Energy	3.5%	-8.3%	-10.5%
Financials	21.9%	-2.3%	20.9%
Health Care	12.4%	-14.1%	-1.5%
Industrials	17.8%	-6.4%	9.6%
Information Technology	8.8%	-7.2%	3.8%
Materials	6.1%	-17.8%	-12.9%
Real Estate	2.0%	-13.4%	-3.9%
Utilities	3.2%	-12.8%	-4.1%
Total	100.0%	-8.1%	3.8%

MSCI - ACWixUS	Sector Weight	Quarter Return	1-Year Return
Communication Services	5.9%	-6.8%	12.4%
Consumer Discretionary	11.2%	-8.1%	4.6%
Consumer Staples	7.0%	-12.4%	-7.8%
Energy	5.0%	-7.9%	-3.5%
Financials	23.7%	-2.8%	17.5%
Health Care	8.8%	-13.9%	-1.4%
Industrials	14.0%	-7.1%	7.5%
Information Technology	13.5%	-1.8%	13.3%
Materials	6.3%	-17.2%	-12.6%
Real Estate	1.8%	-11.5%	-1.7%
Utilities	3.0%	-12.8%	-2.0%
Total	100.0%	-7.6%	5.5%

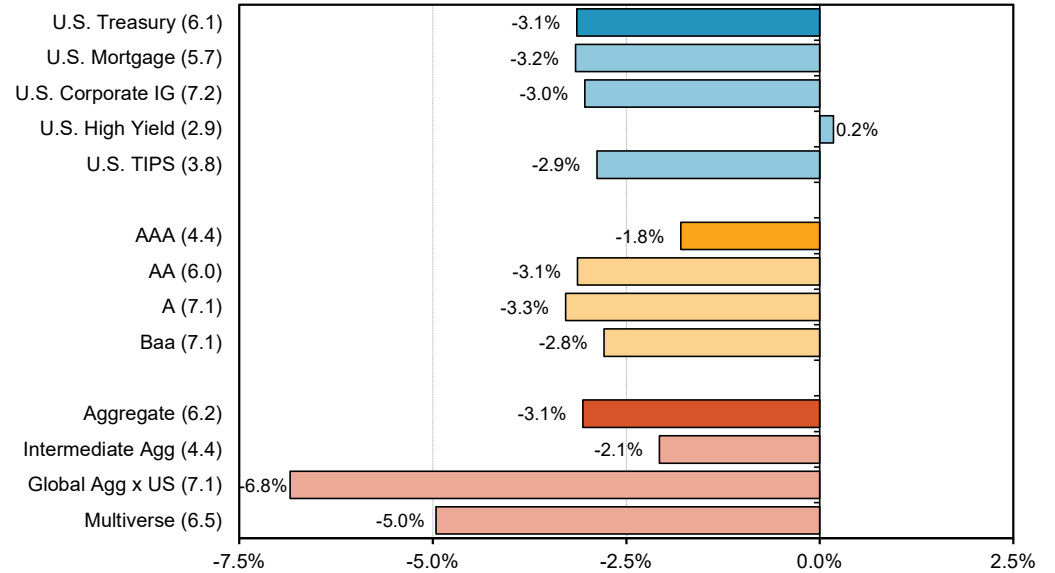
MSCI - Emerging Mkt	Sector Weight	Quarter Return	1-Year Return
Communication Services	9.4%	-8.1%	15.9%
Consumer Discretionary	13.1%	-14.5%	11.8%
Consumer Staples	4.8%	-13.9%	-11.1%
Energy	4.6%	-14.5%	-5.9%
Financials	23.7%	-5.0%	11.0%
Health Care	3.5%	-11.7%	-0.9%
Industrials	6.6%	-10.9%	0.6%
Information Technology	24.3%	1.1%	20.4%
Materials	5.7%	-18.6%	-19.6%
Real Estate	1.7%	-6.5%	3.8%
Utilities	2.7%	-14.1%	3.3%
Total	100.0%	-8.0%	7.5%

Country	MSCI-EAFE Weight	MSCI-ACWixUS Weight	Quarter Return	1-Year Return
Japan	23.2%	14.5%	-3.6%	8.3%
United Kingdom	14.9%	9.3%	-6.8%	7.5%
France	11.1%	6.9%	-10.3%	-5.3%
Switzerland	9.6%	6.0%	-11.3%	-2.0%
Germany	9.2%	5.8%	-5.7%	10.2%
Australia	7.4%	4.6%	-11.4%	1.2%
Netherlands	4.6%	2.9%	-12.4%	1.4%
Sweden	3.6%	2.2%	-14.0%	-3.7%
Denmark	2.9%	1.8%	-21.5%	-12.9%
Italy	2.8%	1.7%	-6.7%	11.3%
Spain	2.8%	1.7%	-9.2%	9.8%
Hong Kong	2.0%	1.2%	-9.8%	0.1%
Singapore	1.7%	1.0%	3.2%	32.3%
Belgium	1.0%	0.6%	-8.3%	8.5%
Finland	1.0%	0.6%	-13.1%	-7.3%
Israel	1.0%	0.6%	14.1%	38.3%
Norway	0.6%	0.4%	-5.4%	-4.3%
Ireland	0.3%	0.2%	-12.6%	14.0%
New Zealand	0.2%	0.1%	-6.0%	-1.5%
Austria	0.2%	0.1%	1.1%	18.3%
Portugal	0.2%	0.1%	-22.7%	-25.2%
Total EAFE Countries	100.0%	62.3%	-8.1%	3.8%
Canada		8.1%	-1.8%	11.9%
Total Developed Countries		70.4%	-7.4%	4.7%
China		8.2%	-7.7%	19.4%
Taiwan		5.8%	3.3%	34.4%
India		5.8%	-11.3%	11.2%
Korea		2.7%	-19.2%	-23.4%
Saudi Arabia		1.2%	-1.5%	0.6%
Brazil		1.2%	-19.4%	-29.8%
South Africa		0.9%	-12.1%	6.7%
Mexico		0.5%	-10.6%	-27.1%
Malaysia		0.5%	-6.9%	20.8%
Indonesia		0.4%	-15.6%	-13.0%
Thailand		0.4%	-10.1%	1.3%
United Arab Emirates		0.4%	9.0%	19.6%
Qatar		0.3%	-0.2%	6.1%
Poland		0.2%	-11.5%	-6.7%
Kuwait		0.2%	1.2%	10.5%
Turkey		0.2%	-3.2%	17.8%
Philippines		0.2%	-13.9%	-0.7%
Greece		0.1%	-6.2%	8.9%
Chile		0.1%	-6.8%	-7.5%
Peru		0.1%	-9.1%	15.8%
Hungary		0.1%	-2.3%	14.0%
Czech Republic		0.0%	0.9%	4.0%
Colombia		0.0%	-0.2%	7.9%
Egypt		0.0%	-9.0%	-31.2%
Total Emerging Countries		29.7%	-8.0%	7.5%
Total ACWixUS Countries		100.0%	-7.6%	5.5%

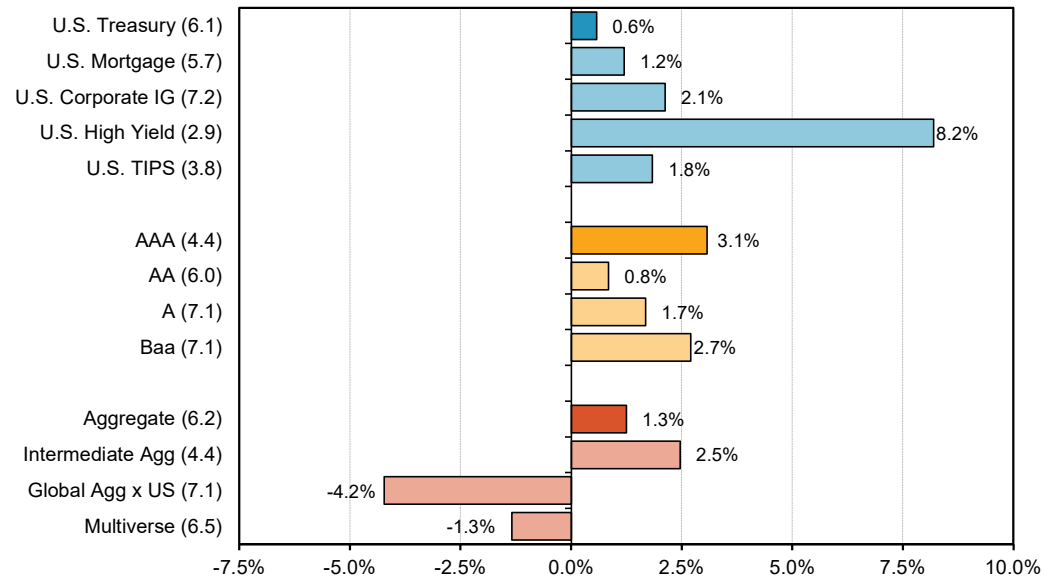
Source: Morningstar Direct, MSCI Global Index Monitor (Returns are Net in USD)
As a result of the GICS classification changes on 9/28/2018 and certain associated reporting limitations, sector performance represents backward looking performance for the prior year of each sector's current constituency,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

- Domestic fixed-income markets declined during the fourth quarter despite two additional 0.25% rate cuts by the Fed. Although the Fed's action moved short-term rates lower, longer-term yields advanced during the quarter, leading to a modest steepening of the Treasury Yield Curve. The Fed's target range is now set at 4.25%-4.50% at year-end, down a full percentage point, including the first 0.50% cut in September of 2024.
- While the Fed's first rate cut in September was initially celebrated by fixed income investors and boosted the levels of the indexes during the third quarter, many of the core indexes fell during the fourth quarter as longer-term yields advanced and worked against the Fed's short-term rate declines. Performance across the investment-grade index's segments declined with the Treasury, Mortgage-Backed and Corporate IG indexes falling in a tight range around -3.0%. Higher quality issues performed better, as BBB issues fell by -2.8%, while AAA issues fell a smaller -1.8% due in large part to their lower duration (4.4 vs. 7.1 years).
- High Yield bonds outperformed investment grade issues as longer-term yields climbed. This was primarily due to the high-yield benchmark's lower duration and higher coupon income. Despite their lower credit quality, below-investment grade issues returned just 0.2% for the quarter, but still outpaced all other broad-based investment-grade fixed income indexes.
- Over the trailing one-year period, the Bloomberg US Aggregate Bond Index posted a return of 1.3%. The benchmark's sub-components also posted positive performance over the trailing 12 months with the Bloomberg US Corporate Investment Grade Index rising 2.1% and the US Mortgage Index returning 1.2%. US TIPS, which are excluded from the Bloomberg US Aggregate Bond Index, returned 1.8% for the trailing year.
- Results were mixed across credit qualities of investment grade issues. The performance of AAA issues was aided by their lower duration and returned 3.1% while AA issues returned only 0.8% for the year. High yield bonds were also the best performing segment of the market for the year, returning an outsized 8.2%, more than double any other segment of the domestic fixed income market. Results in high yield were spurred by stable credit spreads and higher coupon income.
- The Bloomberg Global Aggregate ex-US Index finished both the quarter and the year significantly weaker than its domestic benchmark counterpart. Strength in the USD was a primary driver in the international index's weak -6.8% fourth quarter performance and its -4.2% return for the calendar year.

Quarter Performance

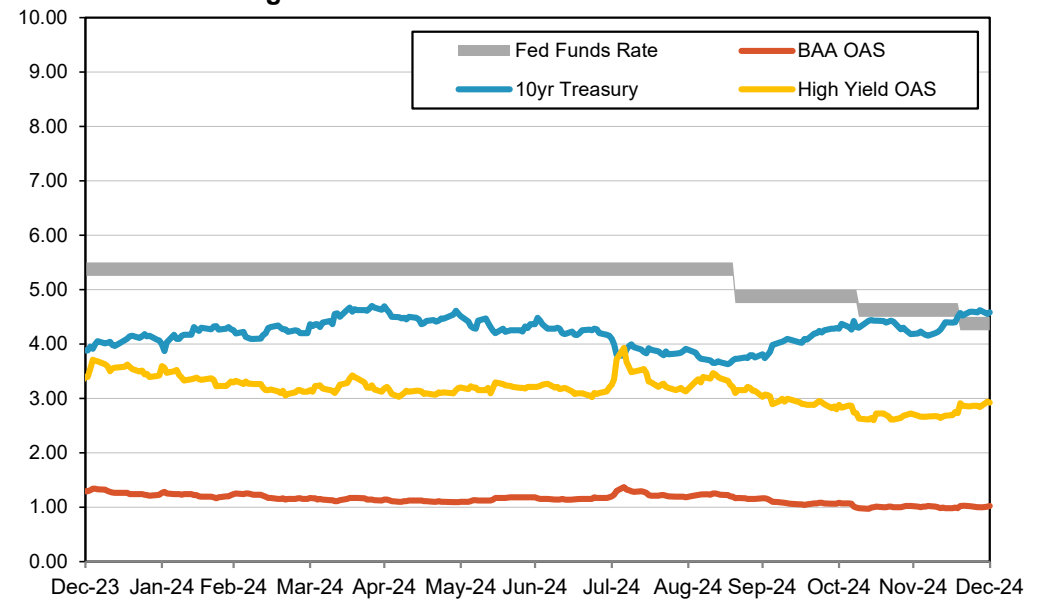


1-Year Performance

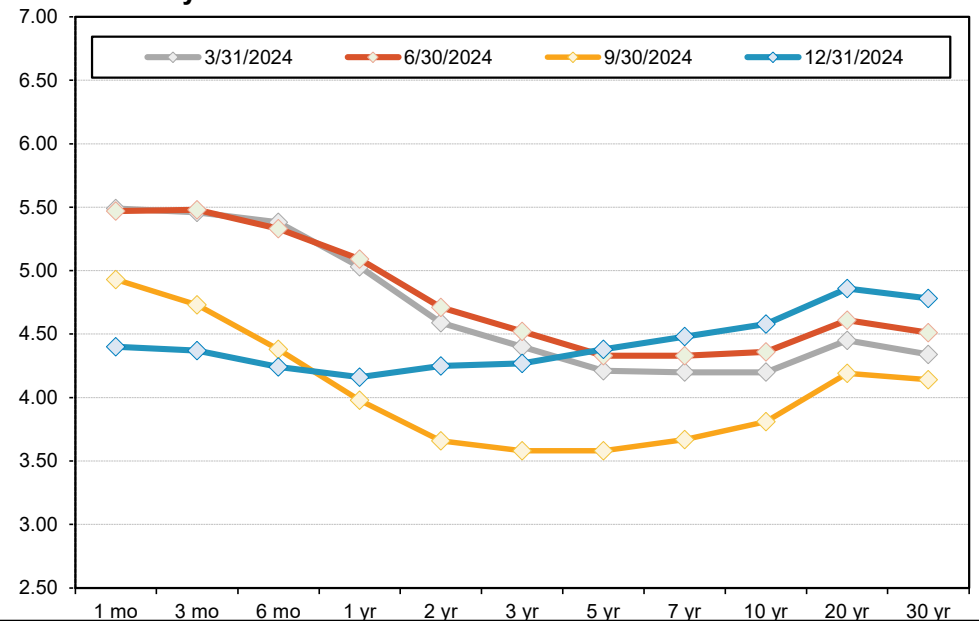


- The gray band across the graph illustrates the fed funds target rate range over the last 12 months. During the fourth quarter, the Federal Open Market Committee (FOMC) cut its policy rates by 0.50% with two successive 0.25% cuts in November and December. The target policy range now stands at 4.25-4.50%, a level not seen since January of 2023. With inflation declining and unemployment remaining largely stable, the Fed has pivoted from its restrictive monetary policy stance. The most recent FOMC press release continued to emphasize economic data-dependent outcomes while placing greater emphasis on the second part of the committee's dual mandate: full employment. The CME FedWatch tool, which forecasts rates based on fed fund futures pricing, showed a greater than 90% probability of no rate decrease at the FOMC January meeting at the time of this writing. Fed officials and market participants continue to express concern that leaving rates at their current elevated levels for an extended period could tip the US economy into a recession.
- The yield on the US 10-year Treasury (blue line of the top chart) rose 0.84% during the quarter. The bellwether benchmark rate opened the quarter at a yield of 3.74% and finished December at a yield of 4.58%, which is its highest level since May 2024.
- The red line in the top chart shows the option-adjusted spread (OAS) for BAA-rated corporate bonds. This measure quantifies the additional yield premium investors require to purchase and hold non-US Treasury issues with the lowest investment grade rating. During the quarter, the yield spread experienced a slight decline, beginning October at 1.13% and finishing December at 1.02%. High-yield OAS spreads (represented by the yellow line in the top chart) also remained relatively stable, despite a sharp spike in early August spurred by an unwinding of the yen carry trade. The high-yield OAS fell by 0.11% over the quarter from 3.03% to 2.92%. The spread measure's relative stability over the trailing year results from steady economic growth, stable monetary policy, and falling inflation readings.
- The lower graph provides a snapshot of the US Treasury yield curve at the end of each of the last four quarters. For the first time since November 2022, the quarter-end yield on the 30-year Treasury was higher than the one-month Treasury. Furthermore, the spread between the two-year yield and the 10-year yield continued to widen during the quarter, growing from 0.15% in October to 0.30% at year end. The yield curve had been inverted for much of the last two years. This 2-10-year yield curve inversion is a common heuristic used to foretell a pending recession.

1-Year Trailing Market Rates



Treasury Yield Curve



[CME FedWatch Tool - CME Group](#)

[Effective Federal Funds Rate - FEDERAL RESERVE BANK of NEW YORK \(newyorkfed.org\)](#)

[ICE BofA US High Yield Index Option-Adjusted Spread \(BAMLH0A0HYM2\) | FRED | St. Louis Fed \(stlouisfed.org\)](#)

[When will the Federal Reserve start cutting interest rates? | J.P. Morgan Asset Management \(jpmorgan.com\)](#)

[U.S. Department of the Treasury](#)

[China's Economy Limpes Into 2024 – WSJ Support Site - Global Index Lens: Index Returns – MSCI](#)

[Federal Reserve issues FOMC statement](#)

[The Fed - Meeting calendars and information \(federalreserve.gov\)](#)

[The Federal Reserve's latest dot plot, explained – and what it says about interest rates | Bankrate](#)

[Why Chinese banks are now vanishing \(economist.com\)](#)

[Fed rate cut: Here's what changed in the central bank's statement \(cnbc.com\)](#)

[10-Year Treasury Constant Maturity Minus 2-Year Treasury Constant Maturity \(T10Y2Y\) | FRED | St. Louis Fed \(stlouisfed.org\)](#)

[The Fed's dot plot shows only two rate cuts in 2025, fewer than previously projected](#)

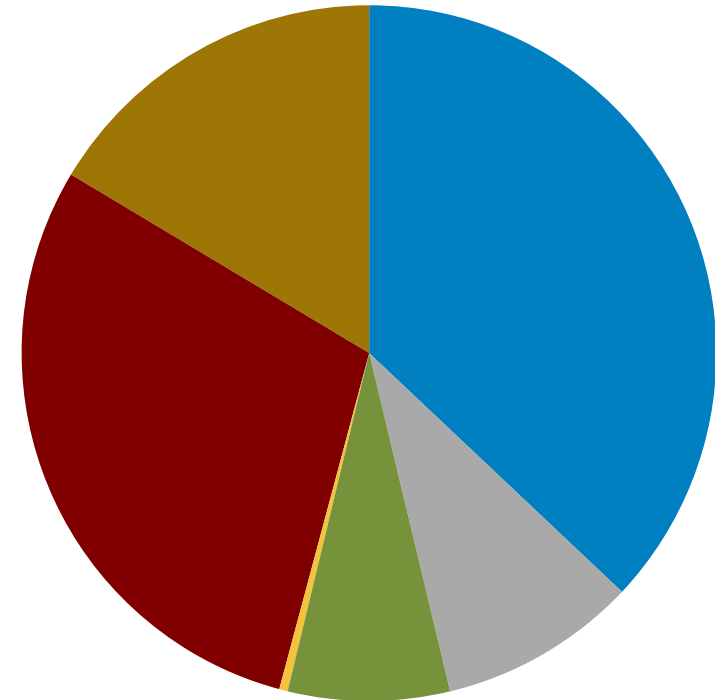
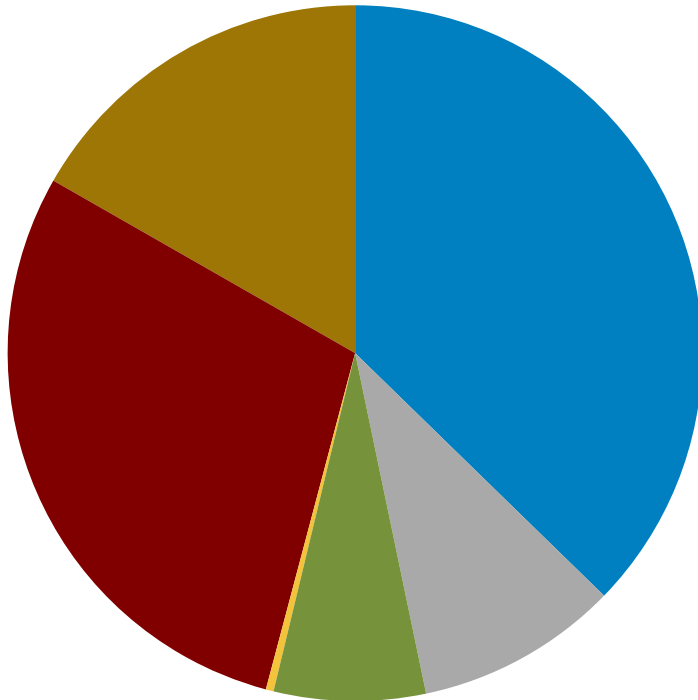
Asset Allocation by Segment

Total Fund

As of December 31, 2024

September 30, 2024 : \$88,845,614

December 31, 2024 : \$88,935,317



Asset Allocation by Segment

Segments	Market Value	Allocation
Domestic Equity	33,123,481	37.3
International Equity	8,382,326	9.4
Domestic Fixed Income	6,260,582	7.0
Cash Equivalent	327,787	0.4
Target Date Funds	25,882,971	29.1
Fixed Account	14,868,467	16.7

Asset Allocation by Segment

Segments	Market Value	Allocation
Domestic Equity	32,938,112	37.0
International Equity	8,197,105	9.2
Domestic Fixed Income	6,680,113	7.5
Cash Equivalent	357,997	0.4
Target Date Funds	26,165,335	29.4
Fixed Account	14,596,655	16.4

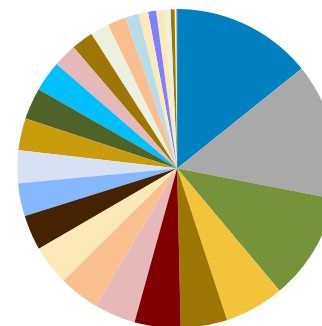
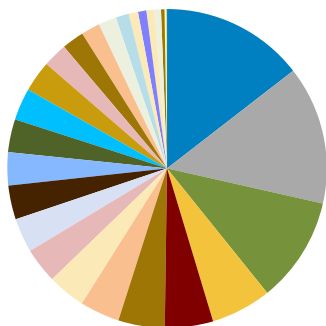
Asset Allocation by Fund

Total Fund

As of December 31, 2024

Sep-2024 : \$88,845,614

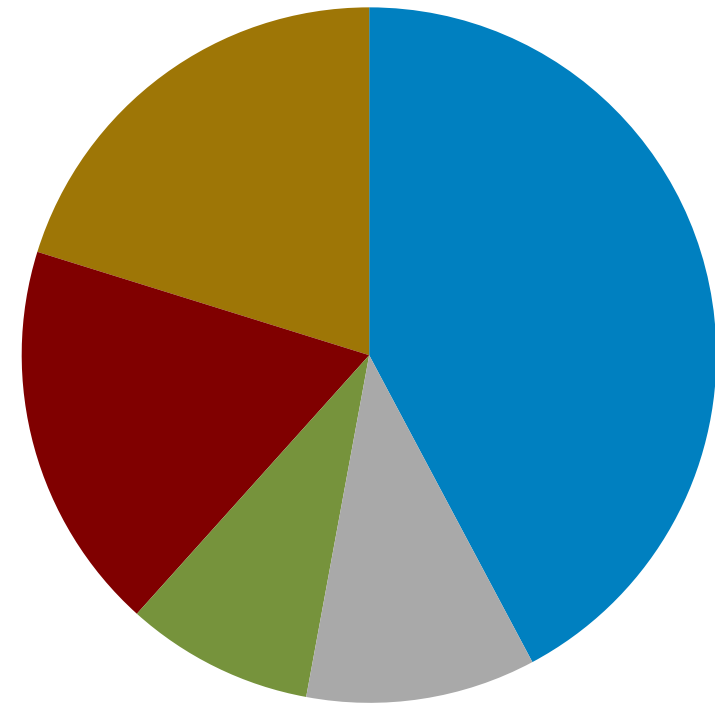
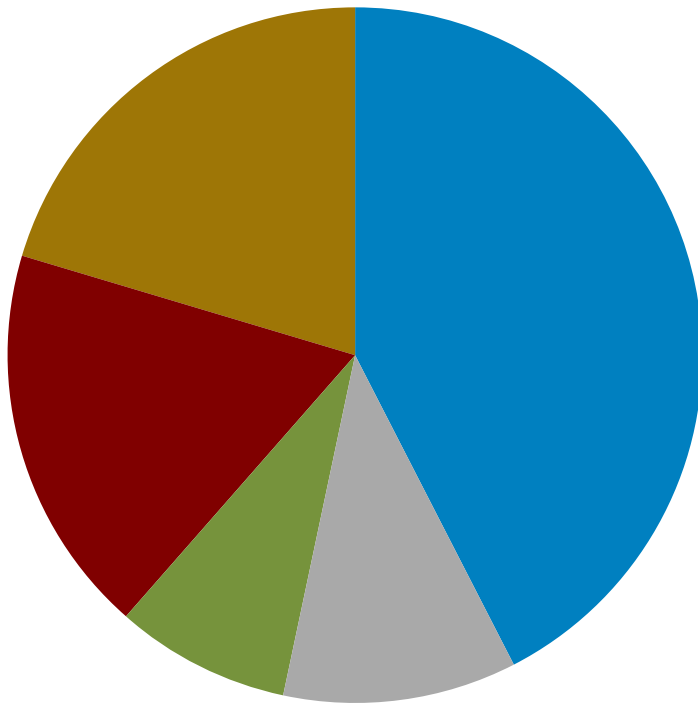
Dec-2024 : \$88,935,317



Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
Nationwide Fixed Account	12,868,068	14.5	Nationwide Fixed Account	12,623,098	14.2
MFS Growth (MFEKX)	12,475,779	14.0	MFS Growth (MFEKX)	12,297,651	13.8
Vanguard 500 Index (VFIAX)	9,509,765	10.7	Vanguard 500 Index (VFIAX)	9,686,608	10.9
Vanguard Total Intl Stock Index (VTIAX)	5,437,632	6.1	Vanguard Total Intl Stock Index (VTIAX)	5,358,232	6.0
DFA US Large Cap Value (DFLVX)	4,335,665	4.9	American Funds 2040 Target Date (RFGTX)	4,191,067	4.7
American Funds 2040 Target Date (RFGTX)	4,178,505	4.7	DFA US Large Cap Value (DFLVX)	4,147,425	4.7
American Funds 2045 Target Date (RFHTX)	3,550,046	4.0	Western Asset Core Plus Bond Fund (WAPSX)	3,722,117	4.2
American Funds 2035 Target Date (RFFTX)	3,436,926	3.9	American Funds 2045 Target Date (RFHTX)	3,652,850	4.1
Western Asset Core Plus Bond Fund (WAPSX)	3,174,982	3.6	American Funds 2035 Target Date (RFFTX)	3,584,256	4.0
Vanguard Total Bond Index (VBTLX)	3,085,600	3.5	American Funds 2050 Target Date (RFITX)	3,150,920	3.5
American Funds 2050 Target Date (RFITX)	3,066,790	3.5	American Funds 2025 Target Date (RFDTX)	2,975,461	3.3
American Funds 2025 Target Date (RFDTX)	2,996,383	3.4	Vanguard Total Bond Index (VBTLX)	2,957,996	3.3
American Funds Europacific Growth (RERGX)	2,944,694	3.3	American Funds 2055 Target Date (RFKTX)	2,889,213	3.2
American Funds 2030 Target Date (RFETX)	2,880,785	3.2	American Funds Europacific Growth (RERGX)	2,838,873	3.2
American Funds 2055 Target Date (RFKTX)	2,797,742	3.1	American Funds 2030 Target Date (RFETX)	2,729,275	3.1
Vanguard Mid Cap Index (VIMAX)	2,177,941	2.5	Vanguard Mid Cap Index (VIMAX)	2,136,348	2.4
Total Fixed Assets	2,000,399	2.3	Total Fixed Assets	1,973,557	2.2
Hood River Small-Cap Growth Fund Retirement (HRSIX)	1,687,351	1.9	Touchstone Mid Cap Growth (TFGRX)	1,695,169	1.9
Touchstone Mid Cap Growth (TFGRX)	1,620,338	1.8	Hood River Small-Cap Growth Fund Retirement (HRSIX)	1,674,429	1.9
American Funds 2020 Target Date (RRCTX)	1,189,106	1.3	American Funds 2020 Target Date (RRCTX)	1,182,765	1.3
American Funds 2060 Target Date (RFUTX)	854,229	1.0	American Funds 2060 Target Date (RFUTX)	864,379	1.0
Vanguard Small Cap Index (VSMAX)	727,610	0.8	Vanguard Small Cap Index (VSMAX)	732,112	0.8
American Funds 2010 Target Date (RFTTX)	720,973	0.8	American Funds 2010 Target Date (RFTTX)	712,173	0.8
American Beacon Small Cap Value (AASRX)	589,032	0.7	American Beacon Small Cap Value (AASRX)	568,370	0.6
Nationwide Government Money Fund (GMIXX)	327,787	0.4	Nationwide Government Money Fund (GMIXX)	357,997	0.4
American Funds 2015 Target Date (RFJTX)	166,466	0.2	American Funds 2015 Target Date (RFJTX)	161,999	0.2
American Funds 2065 Target Date (RFVTX)	45,020	0.1	American Funds 2065 Target Date (RFVTX)	70,976	0.1

September 30, 2024 : \$72,910,446

December 31, 2024 : \$72,279,458



Asset Allocation by Segment

Segments	Market Value	Allocation
Domestic Equity	30,948,318	42.4
International Equity	7,928,728	10.9
Domestic Fixed Income	5,939,483	8.1
Target Date Funds	13,225,449	18.1
Fixed Account	14,868,467	20.4

Asset Allocation by Segment

Segments	Market Value	Allocation
Domestic Equity	30,511,314	42.2
International Equity	7,727,535	10.7
Domestic Fixed Income	6,330,022	8.8
Target Date Funds	13,113,932	18.1
Fixed Account	14,596,655	20.2

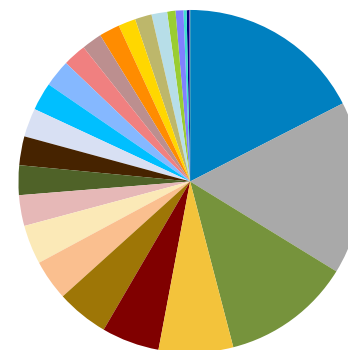
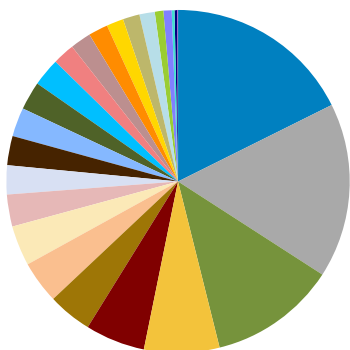
Asset Allocation by Fund

Total 457(b) Plan

As of December 31, 2024

Sep-2024 : \$72,910,446

Dec-2024 : \$72,279,458



Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
457(b) Nationwide Fixed Account	12,868,068	17.6	457(b) Nationwide Fixed Account	12,623,098	17.5
457(b) MFS Growth (MFEKX)	12,026,043	16.5	457(b) MFS Growth (MFEKX)	11,802,416	16.3
457(b) Vanguard 500 Index (VFIAX)	8,720,026	12.0	457(b) Vanguard 500 Index (VFIAX)	8,787,602	12.2
457(b) Vanguard Total Intl Stock Index (VTIAX)	5,160,331	7.1	457(b) Vanguard Total Intl Stock Index (VTIAX)	5,069,166	7.0
457(b) DFA US Large Cap Value (DFLVX)	4,114,681	5.6	457(b) DFA US Large Cap Value (DFLVX)	3,911,309	5.4
457(b) Western Asset Core Plus Bond Fund (WAPSX)	3,027,902	4.2	457(b) Western Asset Core Plus Bond Fund (WAPSX)	3,562,772	4.9
457(b) Vanguard Total Bond Index (VBTLX)	2,911,582	4.0	457(b) Vanguard Total Bond Index (VBTLX)	2,767,250	3.8
457(b) American Funds Europacific Growth (REGX)	2,768,397	3.8	457(b) American Funds Europacific Growth (REGX)	2,658,369	3.7
457(b) American Funds 2040 Target Date (RFGTX)	2,199,468	3.0	457(b) American Funds 2040 Target Date (RFGTX)	2,106,838	2.9
457(b) Vanguard Mid Cap Index (VIMAX)	2,006,504	2.8	457(b) American Funds 2035 Target Date (RFFTX)	2,012,381	2.8
457(b) Fixed Assets	2,000,399	2.7	457(b) Fixed Assets	1,973,557	2.7
457(b) American Funds 2030 Target Date (RFETX)	1,993,719	2.7	457(b) Vanguard Mid Cap Index (VIMAX)	1,944,415	2.7
457(b) American Funds 2035 Target Date (RFFTX)	1,950,835	2.7	457(b) American Funds 2025 Target Date (RFDTX)	1,917,433	2.7
457(b) American Funds 2025 Target Date (RFDTX)	1,929,892	2.6	457(b) American Funds 2030 Target Date (RFETX)	1,850,170	2.6
457(b) Touchstone Mid Cap Growth (TFGRX)	1,517,982	2.1	457(b) Touchstone Mid Cap Growth (TFGRX)	1,577,213	2.2
457(b) Hood River Small Cap Growth Ret (HRSIX)	1,425,248	2.0	457(b) Hood River Small Cap Growth Ret (HRSIX)	1,389,253	1.9
457(b) American Funds 2045 Target Date (RFHTX)	1,344,747	1.8	457(b) American Funds 2045 Target Date (RFHTX)	1,389,004	1.9
457(b) American Funds 2055 Target Date (RFKTX)	1,163,605	1.6	457(b) American Funds 2055 Target Date (RFKTX)	1,180,095	1.6
457(b) American Funds 2050 Target Date (RFITX)	1,140,992	1.6	457(b) American Funds 2050 Target Date (RFITX)	1,149,688	1.6
457(b) American Funds 2020 Target Date (RRCTX)	1,059,669	1.5	457(b) American Funds 2020 Target Date (RRCTX)	1,049,690	1.5
457(b) Vanguard Small Cap Index (VSMAX)	588,612	0.8	457(b) Vanguard Small Cap Index (VSMAX)	576,817	0.8
457(b) American Beacon Small Cap Value Y (AASRX)	549,222	0.8	457(b) American Beacon Small Cap Value Y (AASRX)	522,288	0.7
457(b) American Funds 2060 Target Date (RFUTX)	212,446	0.3	457(b) American Funds 2060 Target Date (RFUTX)	229,581	0.3
457(b) American Funds 2015 Target Date (RFJTX)	163,706	0.2	457(b) American Funds 2015 Target Date (RFJTX)	158,775	0.2
457(b) American Funds 2010 Target Date (RFTTX)	53,354	0.1	457(b) American Funds 2010 Target Date (RFTTX)	52,027	0.1
457(b) American Funds 2065 Target Date (RFVTX)	13,017	0.0	457(b) American Funds 2065 Target Date (RFVTX)	18,250	0.0

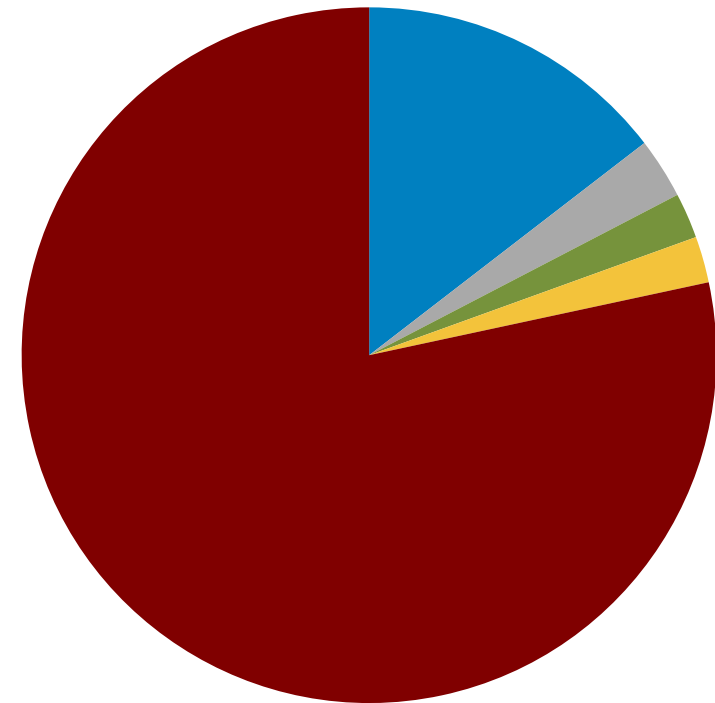
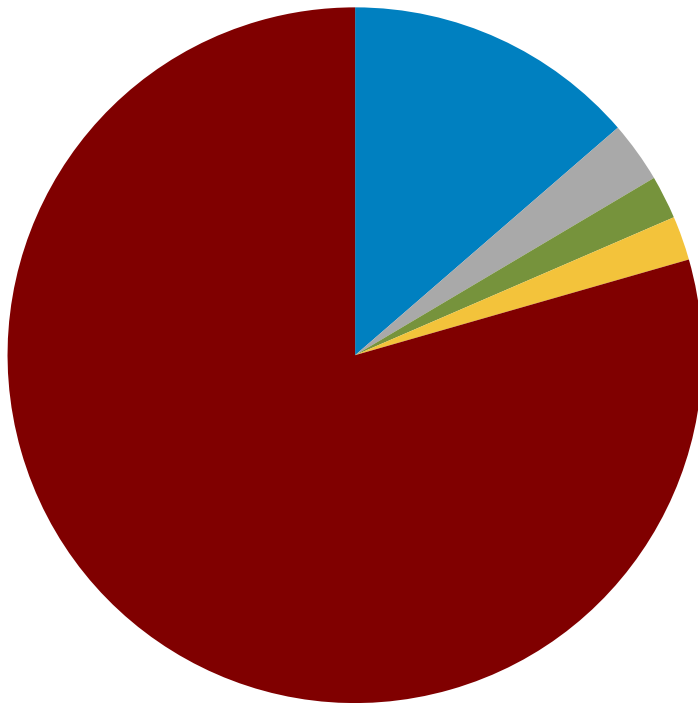
Asset Allocation by Segment

Total 401(a) Plan

As of December 31, 2024

September 30, 2024 : \$15,935,168

December 31, 2024 : \$16,655,859



Asset Allocation by Segment

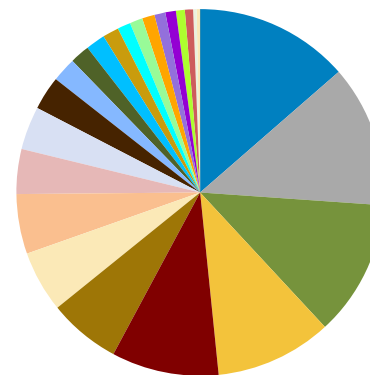
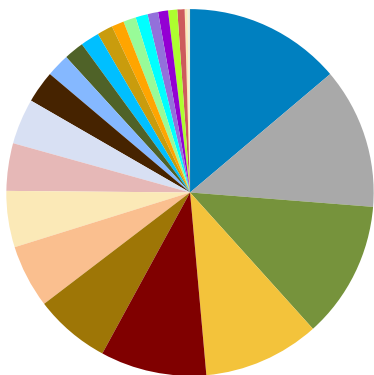
Segments	Market Value	Allocation
Domestic Equity	2,175,163	13.7
International Equity	453,598	2.8
Domestic Fixed Income	321,099	2.0
Cash Equivalent	327,787	2.1
Target Date Funds	12,657,521	79.4

Asset Allocation by Segment

Segments	Market Value	Allocation
Domestic Equity	2,426,798	14.6
International Equity	469,570	2.8
Domestic Fixed Income	350,091	2.1
Cash Equivalent	357,997	2.1
Target Date Funds	13,051,403	78.4

Sep-2024 : \$15,935,168

Dec-2024 : \$16,655,859



Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
401(a) American Funds 2045 Target Date (RFHTX)	2,205,299	13.8	401(a) American Funds 2045 Target Date (RFHTX)	2,263,846	13.6
401(a) American Funds 2040 Target Date (RFGTX)	1,979,038	12.4	401(a) American Funds 2040 Target Date (RFGTX)	2,084,229	12.5
401(a) American Funds 2050 Target Date (RFITX)	1,925,798	12.1	401(a) American Funds 2050 Target Date (RFITX)	2,001,232	12.0
401(a) American Funds 2055 Target Date (RFKTX)	1,634,138	10.3	401(a) American Funds 2055 Target Date (RFKTX)	1,709,118	10.3
401(a) American Funds 2035 Target Date (RFFTX)	1,486,090	9.3	401(a) American Funds 2035 Target Date (RFFTX)	1,571,875	9.4
401(a) American Funds 2025 Target Date (RFDTX)	1,066,491	6.7	401(a) American Funds 2025 Target Date (RFDTX)	1,058,029	6.4
401(a) American Funds 2030 Target Date (RFETX)	887,066	5.6	401(a) Vanguard 500 Index (VFIAX)	899,006	5.4
401(a) Vanguard 500 Index (VFIAX)	789,739	5.0	401(a) American Funds 2030 Target Date (RFETX)	879,104	5.3
401(a) American Funds 2010 Target Date (RFTTX)	667,619	4.2	401(a) American Funds 2010 Target Date (RFTTX)	660,146	4.0
401(a) American Funds 2060 Target Date (RFUTX)	641,782	4.0	401(a) American Funds 2060 Target Date (RFUTX)	634,798	3.8
401(a) MFS Growth (MFEKX)	449,735	2.8	401(a) MFS Growth (MFEKX)	495,235	3.0
401(a) Nationwide Government Money Fund (GMIXX)	327,787	2.1	401(a) Nationwide Government Money Fund (GMIXX)	357,997	2.1
401(a) Vanguard Total Intl Stock Index (VTIAX)	277,300	1.7	401(a) Vanguard Total Intl Stock Index (VTIAX)	289,066	1.7
401(a) Hood River Small Cap Growth Ret (HRSIX)	262,103	1.6	401(a) Hood River Small Cap Growth Ret (HRSIX)	285,176	1.7
401(a) DFA US Large Cap Value (DFLVX)	220,984	1.4	401(a) DFA US Large Cap Value (DFLVX)	236,116	1.4
401(a) American Funds Europacific Growth (RERGX)	176,298	1.1	401(a) Vanguard Mid Cap Index (VIMAX)	191,933	1.2
401(a) Vanguard Total Bond Index (VBTLX)	174,018	1.1	401(a) Vanguard Total Bond Index (VBTLX)	190,746	1.1
401(a) Vanguard Mid Cap Index (VIMAX)	171,437	1.1	401(a) American Funds Europacific Growth (RERGX)	180,505	1.1
401(a) Western Asset Core Plus Bond Fund (WAPSX)	147,080	0.9	401(a) Western Asset Core Plus Bond Fund (WAPSX)	159,345	1.0
401(a) Vanguard Small Cap Index (VSMAX)	138,998	0.9	401(a) Vanguard Small Cap Index (VSMAX)	155,295	0.9
401(a) American Funds 2020 Target Date (RRCTX)	129,436	0.8	401(a) American Funds 2020 Target Date (RRCTX)	133,075	0.8
401(a) Touchstone Mid Cap Growth (TFGRX)	102,357	0.6	401(a) Touchstone Mid Cap Growth (TFGRX)	117,955	0.7
401(a) American Beacon Small Cap Value (AASRX)	39,810	0.2	401(a) American Funds 2065 Target Date (RFVTX)	52,727	0.3
401(a) American Funds 2065 Target Date (RFVTX)	32,003	0.2	401(a) American Beacon Small Cap Value (AASRX)	46,082	0.3
401(a) American Funds 2015 Target Date (RFJTX)	2,760	0.0	401(a) American Funds 2015 Target Date (RFJTX)	3,224	0.0

Port of Houston Authority
Investment Option Performance Review
As of December 31, 2024

Fund	Manager Tenure	Style	Asset Level (millions)	Expense Ratio	Category Median Exp Ratio	*Consecutive Qtr Return & Rank		5 & 10 Year Return > Index		5 & 10 Year Rank < 50th %-tile		5 & 10 Year Sharpe Ratio < 50th %-tile		Positive 5 & 10 Year Alpha		On Watch
						YES	YES	NO (1)	Yes	65 (3)	53 (3)	77 (5)	75 (5)	-0.71 (5)	-0.62 (5)	
DFA US Large Cap Value (DFLVX)	12.9	US Equity Large Cap Value	24,832.2	22 bps	76 bps	YES	YES	NO (1)	Yes	65 (3)	53 (3)	77 (5)	75 (5)	-0.71 (5)	-0.62 (5)	NO
MFS Growth (MFEKX)	22.8	US Equity Large Cap Growth	49,384.0	51 bps	76 bps	YES	YES	NO (5)	NO (5)	59 (2)	29	49	15	-2.35 (5)	-0.50 (5)	NO
Touchstone Mid Cap Growth (TFGRX)	25.8	US Equity Mid Cap	1,457.0	78 bps	90 bps	YES	YES	NO (3)	NO (3)	43	27	44	26	-1.17 (3)	-0.12 (1)	NO
American Beacon Small Cap Value (AASRX)	26.1	US Equity Small Cap	4,474.2	77 bps	102 bps	YES	YES	Yes	Yes	40	44	42	50 (1)	1.74	0.51	NO
Hood River Small Cap Growth Ret (HRSIX)	22.0	US Equity Small Cap	4,181.3	99 bps	102 bps	YES	YES	Yes	Yes	2	2	2	3	11.44	5.94	NO
American Funds Europacific Growth (RERGX)	23.6	Global Equity Large Cap	130,543.2	47 bps	89 bps	YES	YES	NO (2)	Yes	48	46	48	43	-0.18 (2)	0.87	NO
Western Asset Core Plus Bond Fund (WAPSX)	18.1	US Fixed Income	6,587.2	42 bps	55 bps	YES	YES	NO (5)	Yes	98 (5)	57 (1)	77 (5)	49	-0.94 (5)	-0.18 (4)	Yes

Index Funds	Manager Tenure	Style	Asset Level (millions)	Expense Ratio	Category Median Exp Ratio	5 & 10 Year Tracking Error <50th %-tile		On Watch
						1	1	
Vanguard 500 Index (VFIAX)	7.2	US Equity Large Cap Blend	1,349,436.2	4 bps	76 bps	1	1	NO
Vanguard Mid Cap Index (VIMAX)	1.9	US Equity Mid Cap	176,866.7	5 bps	90 bps	1	1	NO
Vanguard Small Cap Index (VSMAX)	8.8	US Equity Small Cap	155,268.8	5 bps	102 bps	1	1	NO
Vanguard Total Intl Stock Index (VTIAX)	16.4	Global Equity Large Cap	431,861.2	12 bps	89 bps	2	2	NO
Vanguard Total Bond Index (VBTXL)	11.9	US Fixed Income	342,038.4	5 bps	55 bps	2	5	NO

Target Date Funds	Manager Tenure	Style	Asset Level (millions)	Expense Ratio	Category Median Exp Ratio	*Consecutive Qtr Return & Rank		5 & 10 Year Rank < 50th %-tile		5 & 10 Year Sharpe Ratio < 50th %-tile		On Watch
						YES	YES	5	3	2	2	
American Funds 2010 Target Date (RFTTX)	13.0	Target Date	3,895.6	29 bps	45 bps	YES	YES	5	3	2	2	NO
American Funds 2015 Target Date (RFJTX)	13.0	Target Date	4,919.1	30 bps	50 bps	YES	YES	6	4	2	1	NO
American Funds 2020 Target Date (RRCTX)	13.0	Target Date	15,649.8	30 bps	53 bps	YES	YES	6	4	1	1	NO
American Funds 2025 Target Date (RFDTX)	13.0	Target Date	33,615.8	31 bps	60 bps	YES	YES	3	3	1	1	NO
American Funds 2030 Target Date (RFETX)	13.0	Target Date	50,765.0	33 bps	60 bps	YES	YES	1	1	1	1	NO
American Funds 2035 Target Date (RFFTX)	13.0	Target Date	50,699.6	34 bps	60 bps	YES	YES	3	1	4	1	NO
American Funds 2040 Target Date (RFGTX)	13.0	Target Date	46,807.0	36 bps	63 bps	YES	YES	3	1	4	1	NO
American Funds 2045 Target Date (RFHTX)	13.0	Target Date	39,900.9	37 bps	62 bps	YES	YES	6	1	6	1	NO
American Funds 2050 Target Date (RFITX)	13.0	Target Date	35,902.9	37 bps	63 bps	YES	YES	7	1	7	1	NO
American Funds 2055 Target Date (RFKTX)	13.0	Target Date	25,459.8	39 bps	64 bps	YES	YES	11	1	10	1	NO
American Funds 2060 Target Date (RFUTX)	9.8	Target Date	15,611.1	39 bps	64 bps	YES	YES	9	N/A (5)	1	N/A (5)	NO
American Funds 2065 Target Date (RFVTX)	5.0	Target Date	3,920.7	39 bps	60 bps	YES	YES	N/A (5)	N/A (5)	N/A (5)	N/A (5)	NO

Fund meets criteria
Fund does not currently meet criteria
Fund has not met criteria for more than 4 quarters and change is recommended

*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

Asset Allocation & Performance

Trailing Periods

As of December 31, 2024

	Performance(%)						
	QTR	YTD	1 YR	3 YR	5 YR	7 YR	10 YR
Domestic Equity							
DFA US Large Cap Value (DFLVX)	-2.31 (68)	12.75 (63)	12.75 (63)	5.80 (59)	8.55 (65)	7.61 (79)	8.59 (53)
Russell 1000 Value Index	-1.98 (56)	14.37 (50)	14.37 (50)	5.63 (62)	8.68 (61)	8.41 (56)	8.49 (57)
Large Value Median	-1.81	14.36	14.36	6.25	9.27	8.64	8.65
Vanguard 500 Index (VFIAX)	2.40 (30)	24.97 (23)	24.97 (23)	8.89 (23)	14.48 (19)	13.79 (12)	13.06 (8)
S&P 500 Index	2.41 (28)	25.02 (22)	25.02 (22)	8.94 (21)	14.53 (18)	13.83 (11)	13.10 (8)
Large Blend Median	2.05	23.23	23.23	7.88	13.39	12.50	11.89
MFS Growth (MFEKX)	4.73 (58)	31.79 (38)	31.79 (38)	7.36 (51)	15.07 (59)	16.17 (33)	15.22 (29)
Russell 1000 Growth Index	7.07 (22)	33.36 (28)	33.36 (28)	10.47 (8)	18.96 (8)	18.08 (8)	16.78 (8)
Large Growth Median	5.26	30.00	30.00	7.36	15.68	15.30	14.42
Vanguard Mid Cap Index (VIMAX)	0.44 (39)	15.22 (33)	15.22 (33)	2.80 (55)	9.85 (39)	9.62 (37)	9.55 (37)
CRSP U.S. Mid Cap TR Index	0.46 (38)	15.25 (33)	15.25 (33)	2.82 (55)	9.86 (39)	9.64 (36)	9.57 (37)
Mid Cap Median	-0.18	13.28	13.28	3.28	9.32	8.90	9.04
Touchstone Mid Cap Growth (TFGRX)	7.55 (21)	16.46 (44)	16.46 (44)	2.54 (18)	9.83 (43)	11.82 (20)	11.10 (27)
Russell Midcap Growth Index	8.14 (17)	22.10 (25)	22.10 (25)	4.04 (9)	11.47 (13)	12.08 (16)	11.54 (15)
Mid-Cap Growth Median	3.37	15.27	15.27	0.00	9.21	10.42	10.13
American Beacon Small Cap Value (AASRX)	-0.75 (64)	7.50 (67)	7.50 (67)	5.00 (33)	9.07 (40)	7.03 (46)	7.73 (44)
Russell 2000 Value Index	-1.06 (71)	8.05 (63)	8.05 (63)	1.94 (86)	7.29 (75)	6.13 (68)	7.14 (62)
Small Value Median	-0.35	9.23	9.23	3.76	8.60	6.91	7.50
Vanguard Small Cap Index (VSMAX)	1.66 (21)	14.23 (25)	14.23 (25)	3.61 (28)	9.30 (32)	8.77 (26)	9.09 (25)
CRSP U.S. Small Cap TR Index	1.66 (21)	14.22 (25)	14.22 (25)	3.57 (29)	9.26 (33)	8.74 (27)	9.06 (26)
Small Cap Median	0.08	11.10	11.10	1.82	8.18	7.47	8.10
Hood River Small Cap Growth Ret (HRSIX)	3.25 (19)	35.69 (3)	35.69 (3)	5.94 (3)	18.82 (2)	15.50 (3)	14.25 (2)
Russell 2000 Growth Index	1.70 (28)	15.15 (40)	15.15 (40)	0.21 (32)	6.86 (68)	7.17 (77)	8.09 (73)
Small Growth Median	0.47	13.79	13.79	-1.12	7.65	8.56	8.89
International Equity							
Vanguard Total Intl Stock Index (VTIAX)	-7.42 (44)	5.14 (39)	5.14 (39)	0.67 (50)	4.28 (54)	3.61 (55)	5.06 (43)
FTSE Global ex USA All Cap Index (Net)	-7.49 (49)	5.53 (33)	5.53 (33)	0.83 (46)	4.42 (48)	3.72 (51)	5.13 (40)
Foreign Large Blend Median	-7.54	4.30	4.30	0.67	4.35	3.72	4.92
American Funds Europacific Growth (RERGX)	-7.03 (37)	5.04 (45)	5.04 (45)	-1.97 (40)	3.95 (48)	4.00 (55)	5.66 (46)
MSCI AC World ex USA (Net)	-7.60 (53)	5.53 (40)	5.53 (40)	0.82 (11)	4.10 (44)	3.53 (68)	4.80 (72)
Foreign Large Growth Median	-7.50	4.68	4.68	-2.68	3.79	4.28	5.52

*The interest rate for the Guaranteed Income Fund is announced in advance. The current annualized rate of return is 2.14%.

Asset Allocation & Performance

Trailing Periods

As of December 31, 2024

	Performance(%)						
	QTR	YTD	1 YR	3 YR	5 YR	7 YR	10 YR
Target Date Funds							
American Funds 2010 Target Date (RFTTX)	-1.81 (37)	8.16 (14)	8.16 (14)	2.21 (2)	4.99 (5)	5.10 (5)	5.24 (3)
Morningstar Target-Date 2000-2010	-1.91 (47)	6.43 (50)	6.43 (50)	0.74 (62)	3.72 (62)	4.06 (62)	4.28 (83)
Target-Date 2000-2010 Median	-1.95	6.33	6.33	1.07	4.13	4.39	4.59
American Funds 2015 Target Date (RFJTX)	-1.80 (26)	8.50 (9)	8.50 (9)	2.19 (3)	5.29 (6)	5.42 (5)	5.57 (4)
Morningstar Target-Date 2015	-1.92 (39)	7.21 (40)	7.21 (40)	0.89 (53)	4.11 (60)	4.44 (67)	4.67 (81)
Target-Date 2015 Median	-2.04	6.74	6.74	0.93	4.22	4.57	5.03
American Funds 2020 Target Date (RRCTX)	-1.90 (30)	8.94 (8)	8.94 (8)	2.31 (3)	5.63 (6)	5.75 (5)	6.00 (4)
Morningstar Target-Date 2020	-1.99 (44)	7.78 (38)	7.78 (38)	0.99 (52)	4.35 (67)	4.62 (65)	4.87 (74)
Target-Date 2020 Median	-2.11	7.47	7.47	1.00	4.56	4.91	5.33
American Funds 2025 Target Date (RFDTX)	-1.85 (28)	9.34 (10)	9.34 (10)	2.22 (7)	6.23 (3)	6.35 (2)	6.68 (3)
Morningstar Target-Date 2025	-2.13 (58)	8.26 (49)	8.26 (49)	1.08 (56)	4.83 (60)	5.10 (61)	5.48 (65)
Target-Date 2025 Median	-2.06	8.25	8.25	1.14	5.07	5.28	5.72
American Funds 2030 Target Date (RFETX)	-1.53 (7)	10.86 (8)	10.86 (8)	2.77 (9)	7.18 (1)	7.21 (1)	7.63 (1)
Morningstar Target-Date 2030	-2.10 (55)	9.41 (52)	9.41 (52)	1.58 (55)	5.73 (63)	5.82 (66)	6.19 (70)
Target-Date 2030 Median	-2.04	9.44	9.44	1.64	5.94	6.04	6.49
American Funds 2035 Target Date (RFFTX)	-1.26 (8)	12.73 (5)	12.73 (5)	3.35 (10)	8.43 (3)	8.35 (1)	8.71 (1)
Morningstar Target-Date 2035	-2.00 (51)	11.09 (52)	11.09 (52)	2.27 (57)	6.76 (68)	6.69 (63)	7.02 (66)
Target-Date 2035 Median	-2.00	11.22	11.22	2.40	7.08	6.83	7.23
American Funds 2040 Target Date (RFGTX)	-0.89 (7)	14.79 (5)	14.79 (5)	4.14 (9)	9.40 (3)	9.12 (1)	9.35 (1)
Morningstar Target-Date 2040	-1.78 (41)	12.44 (63)	12.44 (63)	2.89 (64)	7.57 (71)	7.29 (64)	7.52 (69)
Target-Date 2040 Median	-1.90	12.80	12.80	3.14	7.94	7.52	7.83
American Funds 2045 Target Date (RFHTX)	-0.98 (9)	15.17 (8)	15.17 (8)	4.23 (15)	9.60 (6)	9.29 (1)	9.52 (1)
Morningstar Target-Date 2045	-1.71 (44)	13.75 (55)	13.75 (55)	3.52 (55)	8.28 (69)	7.87 (59)	8.06 (60)
Target-Date 2045 Median	-1.82	13.91	13.91	3.58	8.56	8.00	8.22
American Funds 2050 Target Date (RFITX)	-0.85 (10)	15.43 (15)	15.43 (15)	4.20 (24)	9.64 (7)	9.35 (1)	9.59 (1)
Morningstar Target-Date 2050	-1.63 (42)	14.13 (54)	14.13 (54)	3.68 (54)	8.51 (64)	8.01 (61)	8.16 (60)
Target-Date 2050 Median	-1.79	14.18	14.18	3.72	8.71	8.16	8.36
American Funds 2055 Target Date (RFKTX)	-0.85 (9)	15.58 (17)	15.58 (17)	4.15 (31)	9.60 (11)	9.33 (2)	9.57 (1)
Morningstar Target-Date 2055	-1.65 (47)	14.54 (45)	14.54 (45)	3.84 (47)	8.68 (59)	8.18 (54)	8.35 (58)
Target-Date 2055 Median	-1.72	14.33	14.33	3.78	8.79	8.21	8.40
American Funds 2060 Target Date (RFUTX)	-0.86 (13)	15.60 (23)	15.60 (23)	4.14 (37)	9.59 (9)	9.31 (N/A)	N/A
Morningstar Target-Date 2060	-1.65 (44)	14.61 (45)	14.61 (45)	3.89 (47)	8.71 (59)	8.22 (N/A)	8.45 (N/A)
Target-Date 2065+ Median	-1.83	14.45	14.45	3.85	8.83	N/A	N/A

*The interest rate for the Guaranteed Income Fund is announced in advance. The current annualized rate of return is 2.14%.

Asset Allocation & Performance

Trailing Periods

As of December 31, 2024

	Performance(%)						
	QTR	YTD	1 YR	3 YR	5 YR	7 YR	10 YR
American Funds 2065 Target Date (RFVTX)	-0.82 (9)	15.64 (20)	15.64 (20)	4.14 (36)	N/A	N/A	N/A
Morningstar Target-Date 2060	-1.65 (44)	14.61 (45)	14.61 (45)	3.89 (47)	8.71 (59)	8.22 (N/A)	8.45 (N/A)
Target-Date 2065+ Median	-1.83	14.45	14.45	3.85	8.83	N/A	N/A
Fixed Income							
Vanguard Total Bond Index (VBTIX)	-3.04 (47)	1.24 (67)	1.24 (67)	-2.42 (45)	-0.32 (55)	0.97 (47)	1.33 (49)
Blmbg. U.S. Aggregate Float Adjusted	-2.99 (39)	1.33 (61)	1.33 (61)	-2.39 (43)	-0.27 (51)	1.01 (43)	1.39 (43)
Intermediate Core Bond Median	-3.07	1.48	1.48	-2.46	-0.26	0.94	1.31
Western Asset Core Plus Bond Fund (WAPSX)	-3.86 (93)	-0.75 (98)	-0.75 (98)	-4.86 (99)	-1.54 (98)	0.34 (93)	1.52 (57)
Blmbg. U.S. Aggregate Index	-3.06 (66)	1.25 (82)	1.25 (82)	-2.41 (56)	-0.33 (73)	0.97 (66)	1.35 (70)
Intermediate Core-Plus Bond Median	-2.89	2.18	2.18	-2.28	0.08	1.20	1.60
Nationwide Government Money Fund (GMIXX)	1.10 (61)	4.90 (61)	4.90 (61)	3.64 (61)	2.22 (60)	2.04 (60)	1.48 (57)
90 Day U.S. Treasury Bill	1.17 (11)	5.25 (2)	5.25 (2)	3.89 (14)	2.46 (2)	2.35 (1)	1.76 (1)
Money Market-Taxable Median	1.13	5.00	5.00	3.71	2.27	2.09	1.51

*The interest rate for the Guaranteed Income Fund is announced in advance. The current annualized rate of return is 2.14%.

Asset Allocation & Performance

Calendar Years

As of December 31, 2024

	Performance(%)					
	YTD	2023	2022	2021	2020	2019
Domestic Equity						
DFA US Large Cap Value (DFLVX)	12.75 (63)	11.47 (47)	-5.78 (53)	28.07 (27)	-0.61 (82)	25.45 (53)
Russell 1000 Value Index	14.37 (50)	11.46 (47)	-7.54 (69)	25.16 (62)	2.80 (51)	26.54 (37)
Large Value Median	14.36	11.05	-5.52	25.98	2.83	25.59
Vanguard 500 Index (VFIAX)	24.97 (23)	26.24 (25)	-18.15 (49)	28.66 (21)	18.37 (38)	31.46 (23)
S&P 500 Index	25.02 (22)	26.29 (24)	-18.11 (48)	28.71 (20)	18.40 (38)	31.49 (23)
Large Blend Median	23.23	24.66	-18.23	26.79	17.64	30.03
MFS Growth (MFEKX)	31.79 (38)	36.25 (64)	-31.08 (50)	23.76 (35)	31.74 (70)	37.81 (12)
Russell 1000 Growth Index	33.36 (28)	42.68 (33)	-29.14 (34)	27.60 (15)	38.49 (40)	36.39 (20)
Large Growth Median	30.00	39.34	-31.16	21.89	36.16	32.89
Vanguard Mid Cap Index (VIMAX)	15.22 (33)	15.98 (56)	-18.71 (56)	24.51 (41)	18.24 (45)	31.03 (39)
CRSP U.S. Mid Cap TR Index	15.25 (33)	15.98 (56)	-18.68 (56)	24.52 (40)	18.24 (45)	31.09 (38)
Mid Cap Median	13.28	16.48	-16.19	22.71	14.71	29.60
Touchstone Mid Cap Growth (TFGRX)	16.46 (44)	24.82 (23)	-25.82 (29)	16.35 (26)	27.41 (81)	42.12 (5)
Russell Midcap Growth Index	22.10 (25)	25.87 (16)	-26.72 (35)	12.73 (45)	35.59 (53)	35.47 (38)
Mid-Cap Growth Median	15.27	20.62	-28.55	11.84	36.41	33.83
American Beacon Small Cap Value (AASRX)	7.50 (67)	16.68 (40)	-7.72 (20)	28.21 (63)	4.03 (44)	23.50 (37)
Russell 2000 Value Index	8.05 (63)	14.65 (58)	-14.48 (81)	28.27 (62)	4.63 (39)	22.39 (48)
Small Value Median	9.23	15.55	-11.39	30.84	3.54	22.19
Vanguard Small Cap Index (VSMAX)	14.23 (25)	18.20 (30)	-17.61 (51)	17.73 (64)	19.11 (42)	27.37 (31)
CRSP U.S. Small Cap TR Index	14.22 (25)	18.09 (31)	-17.64 (51)	17.71 (64)	19.07 (42)	27.35 (31)
Small Cap Median	11.10	16.23	-17.49	22.09	14.65	24.89
Hood River Small Cap Growth Ret (HRSIX)	35.69 (3)	21.60 (13)	-27.93 (48)	23.88 (7)	60.81 (12)	24.19 (79)
Russell 2000 Growth Index	15.15 (40)	18.66 (32)	-26.36 (39)	2.83 (80)	34.63 (60)	28.48 (51)
Small Growth Median	13.79	16.44	-28.29	9.20	38.00	28.50
International Equity						
Vanguard Total Intl Stock Index (VTIAX)	5.14 (39)	15.52 (65)	-16.01 (53)	8.62 (69)	11.28 (38)	21.51 (61)
FTSE Global ex USA All Cap Index (Net)	5.53 (33)	15.79 (58)	-16.10 (55)	8.84 (67)	11.24 (38)	21.80 (54)
Foreign Large Blend Median	4.30	16.40	-15.87	10.42	9.39	22.06
American Funds Europacific Growth (RERGX)	5.04 (45)	16.05 (49)	-22.72 (33)	2.84 (78)	25.27 (34)	27.40 (66)
MSCI AC World ex USA (Net)	5.53 (40)	15.62 (58)	-16.00 (7)	7.82 (58)	10.65 (97)	21.51 (97)
Foreign Large Growth Median	4.68	15.97	-25.05	8.70	22.14	28.14

*The interest rate for the Guaranteed Income Fund is announced in advance. The current annualized rate of return is 2.26%.

Asset Allocation & Performance

Calendar Years

As of December 31, 2024

	Performance(%)					
	YTD	2023	2022	2021	2020	2019
Target Date Funds						
American Funds 2010 Target Date (RFTTX)	8.16 (14)	8.67 (65)	-9.15 (1)	9.32 (1)	9.25 (77)	13.88 (53)
Morningstar Target-Date 2000-2010	6.43 (50)	10.13 (34)	-12.77 (53)	6.26 (46)	10.46 (49)	13.83 (54)
Target-Date 2000-2010 Median	6.33	9.67	-12.62	5.65	10.44	13.93
American Funds 2015 Target Date (RFJTX)	8.50 (9)	9.57 (79)	-10.25 (1)	10.27 (3)	9.96 (66)	14.94 (61)
Morningstar Target-Date 2015	7.21 (40)	10.91 (46)	-13.62 (48)	7.81 (50)	10.45 (62)	15.37 (49)
Target-Date 2015 Median	6.74	10.84	-13.72	7.78	11.18	15.33
American Funds 2020 Target Date (RRCTX)	8.94 (8)	10.46 (81)	-11.01 (1)	10.64 (6)	10.99 (51)	15.59 (63)
Morningstar Target-Date 2020	7.78 (38)	11.63 (51)	-14.40 (49)	8.47 (58)	10.75 (55)	16.18 (53)
Target-Date 2020 Median	7.47	11.66	-14.46	8.71	11.03	16.25
American Funds 2025 Target Date (RFDTX)	9.34 (10)	11.94 (65)	-12.74 (11)	11.44 (14)	13.67 (24)	17.85 (61)
Morningstar Target-Date 2025	8.26 (49)	12.49 (54)	-15.21 (41)	9.72 (54)	11.72 (60)	18.28 (53)
Target-Date 2025 Median	8.25	12.65	-15.49	9.80	12.51	18.38
American Funds 2030 Target Date (RFETX)	10.86 (8)	14.52 (47)	-14.50 (18)	13.16 (14)	15.16 (15)	20.06 (58)
Morningstar Target-Date 2030	9.41 (52)	14.17 (61)	-16.10 (42)	11.64 (49)	12.93 (55)	20.08 (56)
Target-Date 2030 Median	9.44	14.46	-16.37	11.58	13.17	20.41
American Funds 2035 Target Date (RFFTX)	12.73 (5)	16.90 (33)	-16.24 (27)	15.54 (12)	17.55 (7)	23.29 (23)
Morningstar Target-Date 2035	11.09 (52)	15.89 (66)	-16.90 (43)	13.71 (59)	14.04 (52)	22.03 (59)
Target-Date 2035 Median	11.22	16.40	-17.13	13.91	14.10	22.33
American Funds 2040 Target Date (RFGTX)	14.79 (5)	19.33 (16)	-17.55 (42)	16.83 (17)	18.77 (6)	24.40 (30)
Morningstar Target-Date 2040	12.44 (63)	17.30 (70)	-17.42 (41)	15.41 (62)	14.58 (54)	23.16 (61)
Target-Date 2040 Median	12.80	18.11	-17.85	15.80	14.88	23.67
American Funds 2045 Target Date (RFHTX)	15.17 (8)	20.15 (18)	-18.18 (50)	17.18 (39)	19.21 (5)	24.68 (48)
Morningstar Target-Date 2045	13.75 (55)	18.54 (70)	-17.73 (40)	16.56 (55)	15.11 (54)	24.32 (59)
Target-Date 2045 Median	13.91	19.26	-18.19	16.74	15.38	24.61
American Funds 2050 Target Date (RFITX)	15.43 (15)	20.83 (14)	-18.89 (68)	17.27 (43)	19.42 (6)	25.04 (40)
Morningstar Target-Date 2050	14.13 (54)	19.03 (70)	-17.96 (40)	17.07 (50)	15.28 (56)	24.51 (58)
Target-Date 2050 Median	14.18	19.86	-18.31	17.03	15.61	24.71
American Funds 2055 Target Date (RFKTX)	15.58 (17)	21.40 (11)	-19.50 (86)	17.28 (48)	19.39 (6)	25.09 (42)
Morningstar Target-Date 2055	14.54 (45)	19.30 (68)	-18.05 (40)	17.24 (50)	15.51 (54)	24.90 (49)
Target-Date 2055 Median	14.33	19.96	-18.36	17.23	15.69	24.85
American Funds 2060 Target Date (RFUTX)	15.60 (23)	21.61 (12)	-19.66 (89)	17.19 (51)	19.44 (1)	25.01 (59)
Morningstar Target-Date 2060	14.61 (45)	19.38 (65)	-18.06 (28)	17.45 (45)	15.31 (68)	25.16 (54)
Target-Date 2065+ Median	14.45	20.20	-18.60	17.21	16.49	25.71

*The interest rate for the Guaranteed Income Fund is announced in advance. The current annualized rate of return is 2.26%.

Asset Allocation & Performance

Calendar Years

As of December 31, 2024

	Performance(%)					
	YTD	2023	2022	2021	2020	2019
American Funds 2065 Target Date (RFVTX)	15.64 (20)	21.55 (13)	-19.64 (89)	17.32 (47)	N/A	N/A
Morningstar Target-Date 2060	14.61 (45)	19.38 (65)	-18.06 (28)	17.45 (45)	15.31 (68)	25.16 (54)
Target-Date 2065+ Median	14.45	20.20	-18.60	17.21	16.49	25.71
Fixed Income						
Vanguard Total Bond Index (VBTXX)	1.24 (67)	5.70 (44)	-13.16 (35)	-1.67 (56)	7.72 (54)	8.71 (38)
Blmbg. U.S. Aggregate Float Adjusted	1.33 (61)	5.60 (50)	-13.07 (29)	-1.58 (51)	7.75 (53)	8.87 (33)
Intermediate Core Bond Median	1.48	5.58	-13.41	-1.57	7.84	8.50
Western Asset Core Plus Bond Fund (WAPSX)	-0.75 (98)	6.91 (25)	-18.83 (99)	-1.87 (88)	9.51 (22)	12.32 (2)
Blmbg. U.S. Aggregate Index	1.25 (82)	5.53 (75)	-13.01 (26)	-1.55 (80)	7.51 (71)	8.72 (68)
Intermediate Core-Plus Bond Median	2.18	6.20	-13.94	-0.85	8.42	9.28
Nationwide Government Money Fund (GMIXX)	4.90 (61)	4.76 (60)	1.30 (63)	0.01 (87)	0.25 (65)	1.80 (55)
90 Day U.S. Treasury Bill	5.25 (2)	5.02 (16)	1.46 (30)	0.05 (6)	0.67 (1)	2.28 (1)
Money Market-Taxable Median	5.00	4.82	1.36	0.01	0.28	1.83

*The interest rate for the Guaranteed Income Fund is announced in advance. The current annualized rate of return is 2.26%.

**American Funds Target Retirement R6
Target Date Fund Universe Ranges**

December 31, 2024

Asset Class	2065+	2060	2055	2050	2045	2040	2035	2030	2025	2020	2015	2010
Equity Range												
Maximum	100%	100%	100%	100%	95%	90%	85%	80%	70%	65%	50%	45%
Minimum	60%	50%	50%	50%	45%	45%	40%	35%	20%	15%	10%	5%
Fixed Income Range												
Maximum	20%	20%	25%	30%	35%	40%	50%	55%	70%	75%	75%	80%
Minimum	0%	0%	0%	0%	0%	5%	10%	15%	20%	25%	30%	40%
Cash Range												
Maximum	20%	20%	20%	30%	30%	30%	30%	30%	30%	35%	35%	35%
Minimum	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Other Range												
Maximum	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
Minimum	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Target Date Universe	39	48	48	48	49	50	50	49	49	37	37	37

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.

American Funds Target Retirement R6
Target Date Fund Asset Allocation

December 31, 2024

Asset Class	2065	2060	2055	2050	2045	2040	2035	2030	2025	2020	2015	2010
Total Equity	86%	86%	86%	85%	84%	80%	65%	55%	46%	44%	40%	39%
Domestic Equity	59%	59%	59%	60%	59%	56%	48%	41%	33%	32%	29%	28%
International Equity	20%	20%	20%	20%	20%	18%	15%	12%	10%	9%	8%	8%
Emerging Equity	7%	7%	7%	6%	6%	5%	3%	3%	2%	2%	2%	1%
Total Fixed Income	8%	8%	8%	9%	10%	15%	28%	36%	45%	47%	51%	52%
Domestic Bonds	6%	6%	6%	7%	8%	12%	24%	32%	40%	42%	45%	47%
International Bonds	2%	2%	2%	2%	2%	2%	3%	4%	5%	5%	6%	5%
Cash	5%	5%	5%	5%	5%	5%	6%	7%	8%	8%	8%	9%
Other	0%	0%	0%	0%	0%	1%	1%	1%	1%	1%	1%	1%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

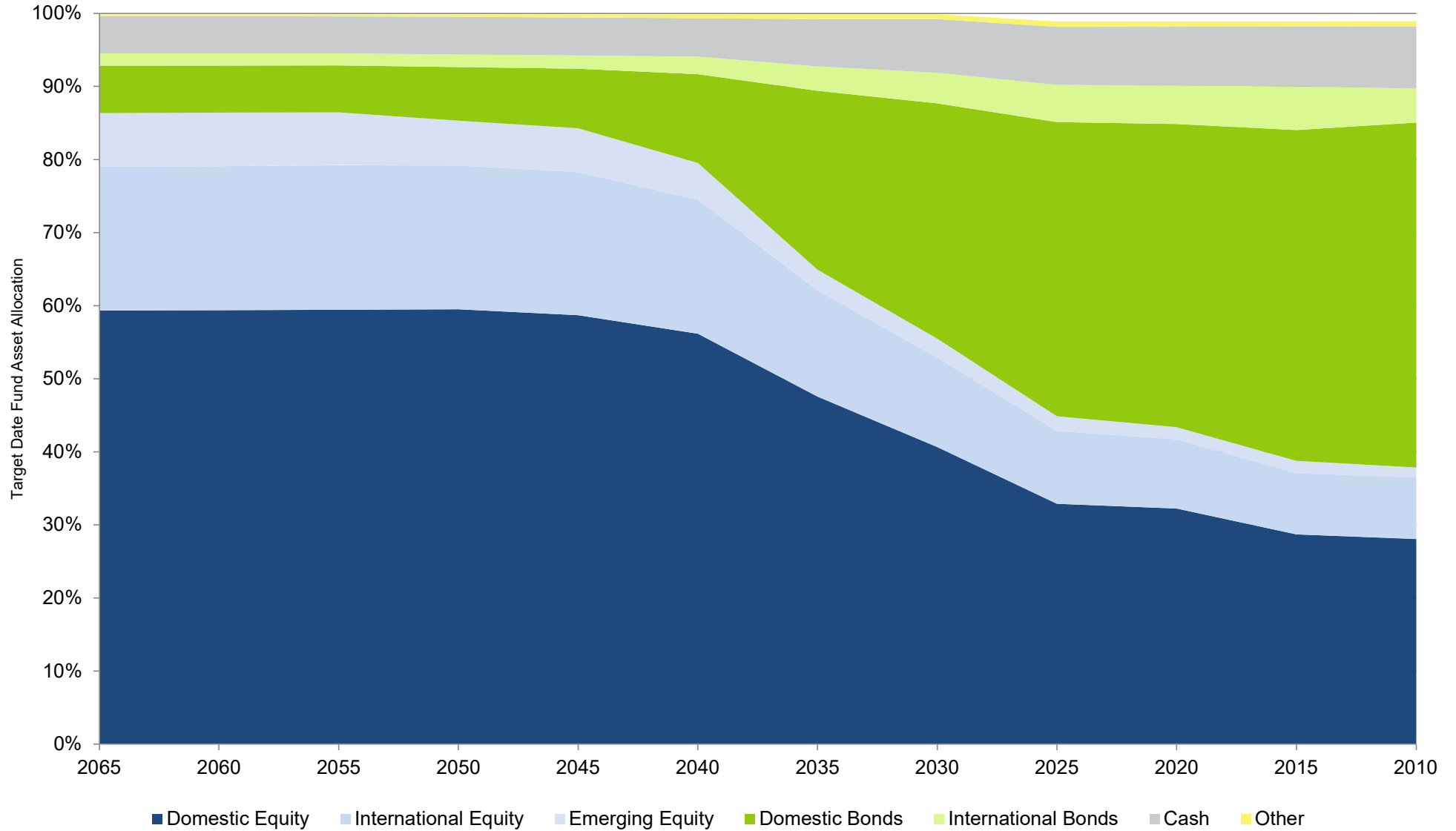
Terminal Equity Date:	30 years after Retirement
Active/Passive/Blend Allocation:	Active

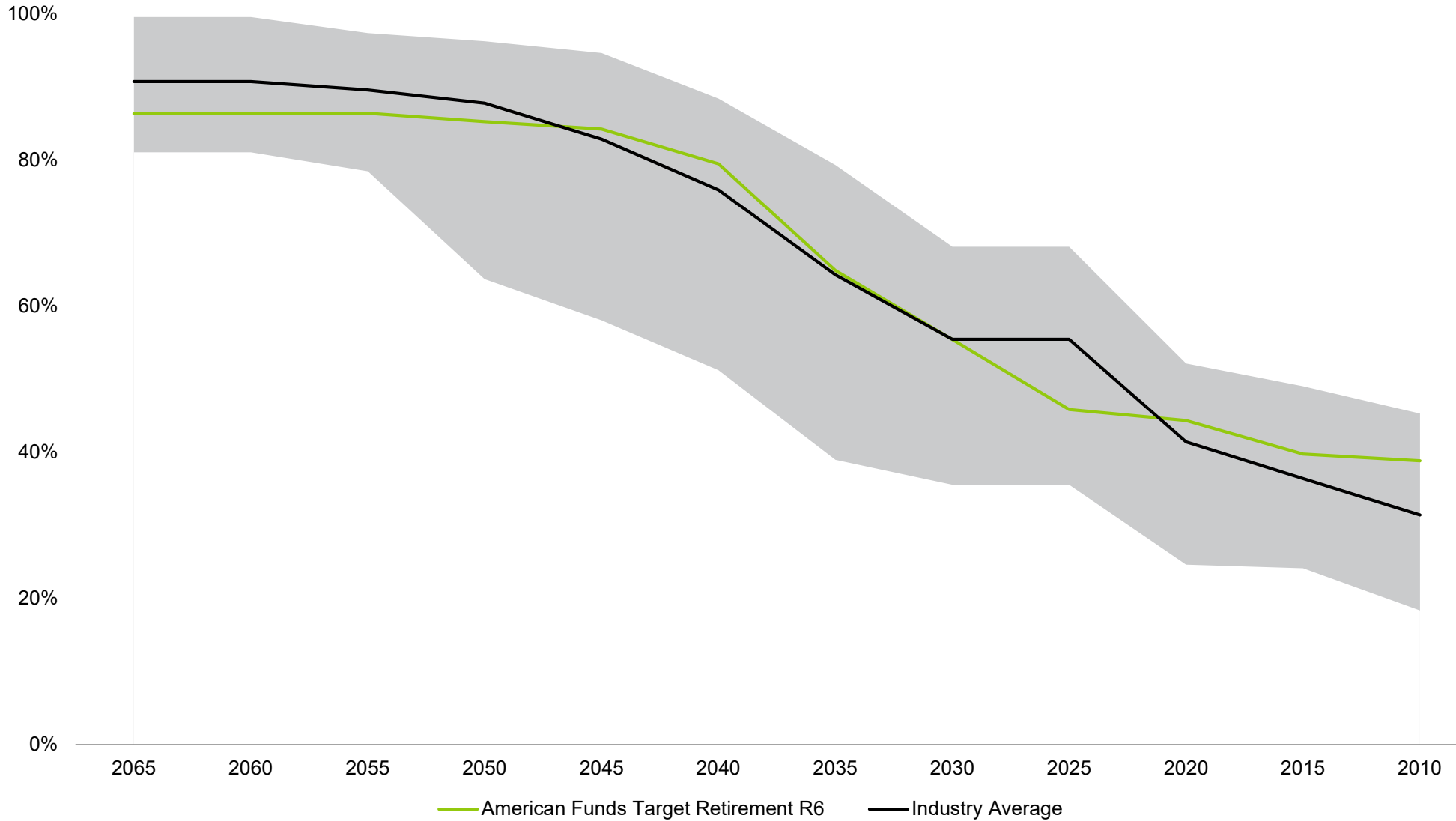
Morningstar Definitions:

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%.

American Funds Target Retirement R6
Target Date Fund Asset Allocation Graph

December 31, 2024





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.

Quarterly	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Follow procedures, including documentation of all meetings and decisions	✓	✓	✓	✓
Review of plan investments and compliance with investment policy statement	✓	✓	✓	✓
Fiduciary education	✓	✓	✓	✓
Periodically				
Investment policy statement review		✓		
Review QDIA selection		✓		
Plan fee analysis			Completed in 2023	
Plan recordkeeping & administration services review			Completed in 2023	
Employee education review				
Review of ancillary products, if applicable (self-directed brokerage, managed accounts, etc.)			Completed in 2023	
Other Projects				
Retirement Income Project			Underway	
Baird Replacing Western Asset				Underway

Individuals serving as Trustees or Committee members are charged with certain fiduciary duties, responsibilities, and expectations designed to protect participants and their benefits. **Implementation and documentation of a prudent process** is key in both mitigating fiduciary risk and successful plan governance.

Employee Retirement Income Security Act of 1974 (ERISA) is administered by the Department of Labor and establishes high standards of conduct, transparency and accountability. Regardless of whether your plan is subject to the legislation, it is common for plan documents to explicitly or implicitly reference the fiduciary standards of ERISA.

Overview of Fiduciary Duties

Duties	Summary
Exclusive Benefit	Decisions must be made in the best interest of plan participants, ensure fees are reasonable and customary, and avoid prohibited transactions (misuse of plan assets, party-in-interest transactions, self-dealing, etc).
Investment Diversification	Plan offerings must reflect a range of risk/return objective and broad exposure to capital markets (eg. capital preservation, fixed income and equity).
Compliance with Plan Documents	Responsible for application of terms and condition in governing plan documents.
Duty of Prudence	Must act with the "care, skill, prudence and diligence of a prudent person acting in a like capacity and familiar with such matters". This standard is expanded under the Prudent Expert standard, which states that the experience is not of a prudent lay person, but of an prudent fiduciary with experience dealing with a similar enterprise.
Test of Prudence	The test under ERISA is one of conduct and process, not of performance results.

Other Fiduciary Responsibilities

- Retain and monitor service providers that assist in administering the plans – consultant, administrator, recordkeeper, attorneys, auditor, clerical staff, etc.
- Maintain accurate records and complete required regulatory filings in a timely manner
- Manage participant communication, content and effectiveness
- Receive ongoing education on fiduciary best practices, legislation, and compliance
- Report to Board, Council, City or other supervisory entity on the status and developments of the plan, as needed

Documentation of Prudent Process

Establishing a framework of **documented procedural prudence** helps ensure consistency in oversight, decision-making, and is the best defense against breach of fiduciary duty allegations. Some key documents include:

Charter – Establishes and defines the responsibilities, scope of authority and delegation of duties to oversight Board/Committee.

Investment Policy Statement (IPS) – Defines the objectives, roles and process by which investments are selected and monitored.

Quarterly Investment Report – Provides capital market information and feedback loop for how investments are performing based on IPS guidelines.

Meeting Minutes – Record highlighting key topics, discussions and decisions made by Board/Committee, reinforcing prudent process.

Who are Fiduciaries

- Any individual which has discretionary authority or renders advice on plan management or utilization of plan assets, either directly or indirectly, need not be designated in writing
- Officers and Directors of Plan Sponsor
- Board/Committee Members
- Named Fiduciary in Plan Document

Fiduciaries may be held **professionally and personally liable** for their actions and should follow the duties of **LOYALTY**, **CARE**, and **PRUDENCE**.

Settlor Functions

Business decisions related to the Plan are not subject to fiduciary standards and are considered settlor functions. Examples include:

- Decision to offer/terminate or amend the plan
- Elements of plan design such as level of benefits, matching, eligibility, loans/hardship provisions, etc.

Note that although a decision may be a settlor function, implementation may subsequently be subject to fiduciary standards.

Our Consulting Services Support Your Fiduciary Needs

As an independent consultant, Mariner's investment and fiduciary services are structured to help design, implement and reinforce the Plan's documented prudent process.

Prudent Expert. By partnering with Mariner, the Plan is demonstrating its commitment to the fiduciary standard of prudence by engaging with a prudent expert.

Consulting Services Overview

- Investment Policy Statement design, implementation, review
- Design and structure of investment lineup/offerings
- Manager selection and monitoring (discretionary or non-discretionary)
- QDIA/Asset Allocation evaluation, selection and monitoring
- Quarterly Investment Report includes – IPS compliance of investment offerings, capital markets review, and fiduciary education modules
- Service provider fee benchmarking, negotiations and RFPs
- Coordinate with other Plan service providers on key initiatives
- Provide updates on industry trends, regulatory changes, and fiduciary best practices

	2023	2024	2025
Elective Deferrals - 401(k), 403(b), and Most 457 Plans	\$22,500	\$23,000	\$23,500
Catch-up Contribution	\$7,500	\$7,500	\$7,500
“Super” Catch-Up Contribution (Ages 60-63)	N/A	N/A	\$11,250
DC Plan Combined Annual Contribution Limit	\$66,000	\$69,000	\$70,000
Defined Benefit Annual Benefit Limit	\$265,000	\$275,000	\$280,000
Highly Compensated Employee Threshold	\$150,000	\$155,000	\$160,000
Top Heavy Key Employee Dollar Limit	\$215,000	\$220,000	\$230,000
SIMPLE Plan Contribution Limit	\$15,500	\$16,000	\$16,500
SIMPLE Plan Catch-up	\$3,500	\$3,500	\$3,500
IRA Contribution Limit	\$6,500	\$7,000	\$7,000
IRA Catch-Up	\$1,000	\$1,000	\$1,000
HSA Contribution Limit, Single	\$3,850	\$4,150	\$4,300
HSA Contribution Limit, Non-Single	\$7,750	\$8,300	\$8,550

Source: IRS Notice 2024-80 and Revenue Procedure 2024-25

Active Return	- Arithmetic difference between the manager's performance and the designated benchmark return over a specified time period.
Alpha	- 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.
Beta	- A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of the portfolio's systematic risk.
Consistency	- 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.
Distributed to Paid In (DPI)	- 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.
Down Market Capture	- The ratio of average portfolio performance over the designated benchmark during periods of negative returns. A lower value indicates better product performance
Downside Risk	- 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.
Excess Return	- Arithmetic difference between the manager's performance and the risk-free return over a specified time period.
Excess Risk	- A measure of the standard deviation of a portfolio's performance relative to the risk free return.
Information Ratio	- 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.
Public Market Equivalent (PME)	- 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.
R-Squared	- 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.
Return	- Compounded rate of return for the period.
Sharpe Ratio	- 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.
Standard Deviation	- 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.
Total Value to Paid In (TVPI)	- 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
Tracking Error	- This is a measure of the standard deviation of a portfolio's returns in relation to the performance of its designated market benchmark.
Treynor Ratio	- 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.
Up Market Capture	- The ratio of average portfolio performance over the designated benchmark during periods of positive returns. A higher value indicates better product performance.

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

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

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

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

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***IMPORTANT DISCLOSURE INFORMATION RE GREENWICH QUALITY LEADER AWARD**

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Methodology for this Award: For the 2022 Greenwich Quality Award for Overall U.S. Investment Consulting – Midsize Consultants – Between February and November 2022, Coalition Greenwich conducted interviews with 727 individuals from 590 of the largest tax-exempt funds in the United States. These U.S.-based institutional investors are corporate and union funds, public funds, and endowment and foundation funds, with either pension or investment pool assets greater than \$150 million. Study participants were asked to provide quantitative and qualitative evaluations of their asset management and investment consulting providers, including qualitative assessments of those firms soliciting their business and detailed information on important market trends.

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Access to a wealth of knowledge and solutions.