

Investment Performance Review  
Period Ending June 30, 2021

# Port Houston DC Plan Executive Summary

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## **2nd Quarter 2021 Market Environment**



### **The Economy**

- The US economy continues to recover as widespread vaccine distribution has resulted in the reopening of many state and local economies.
- The recent rise in demand for goods and services has resulted in strong inflationary pressures. The annual rate of inflation increased to 5.0% in May, up from 4.2% in April.
- The US labor market continues to recover as evidenced by the decline in the unemployment rate. Recently, several states have moved to reduce or eliminate additional unemployment benefits to incentivize people to return to work. Overall, wage growth has shown signs of accelerating as employers struggle to fill job openings.
- Despite leaving interest rates unchanged at their most recent meeting, the Fed did change the language of its statement suggesting that interest rates may rise sooner rather than later.

### **Equity (Domestic and International)**

- US equities rose to all-time highs during the second quarter, primarily due to the optimism related to increased control over the pandemic. Reversing performance from recent quarters, growth outpaced value and large companies resumed market leadership relative to smaller peers.
- International equities performed well during the 2nd quarter, albeit at a less frenetic pace than their domestic counterparts. Also similar to the US, growth outperformed value and emerging countries underperformed developed ones.

### **Fixed Income**

- Despite the continued global economic recovery and rising inflation concerns, US interest rates dipped during the quarter as the US 10-Year Treasury bond fell 27 basis points to close at 1.47%.
- Performance across all bond markets sectors was positive during the quarter, led by investment grade corporate bonds. The combination of lower gross issuance levels, in conjunction with a longer maturity profile relative to high yield bonds, were the primary catalysts of performance during the period.
- Within investment grade credit, Lower quality issues outperformed higher quality sectors during the quarter. Consistent with the economic recovery theme, as investors' expectations of future growth improves, those credits should perform well as earnings growth accelerates.

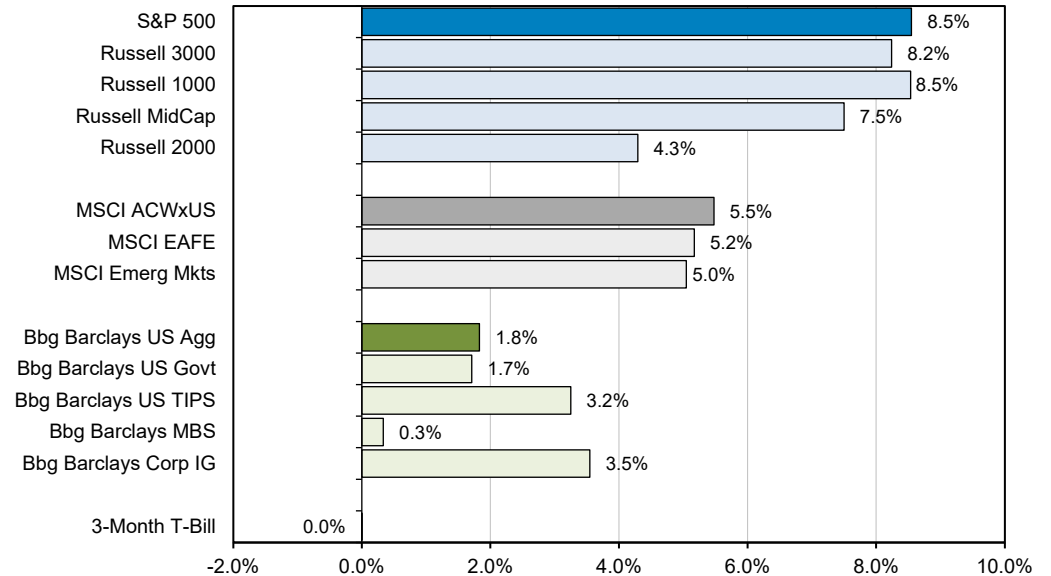
### **Market Themes**

- Global central monetary policy remains largely intact and accommodative. Both the Fed and the European Central Bank remain committed to their repurchase programs. Given these conditions, barring a socioeconomic or geopolitical shock, it is reasonable to expect risk assets to continue experiencing solid returns.
- US interest rates are likely to remain low for the remainder of 2021. As a result, credit should continue to outperform both higher quality Treasury and government bonds.
- Finally, low interest rates have historically been a tailwind for growth equities. Given that the Fed has committed to keeping rates unchanged in the near-term, growth-oriented companies could continue to lead the market.

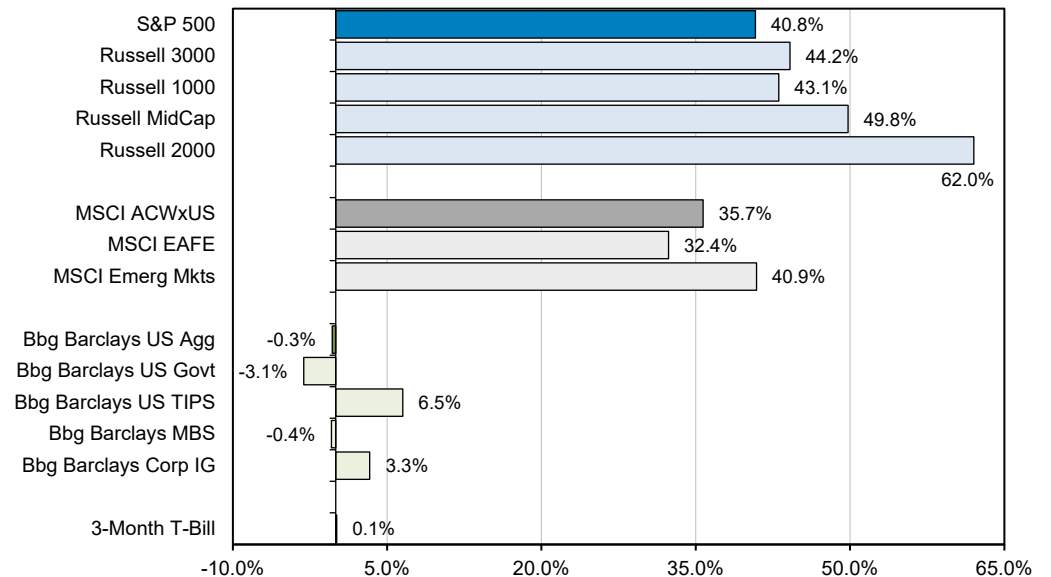


- Broad US equity markets experienced strong returns during the 2nd quarter of 2021. The primary catalyst during the period was the continued reopening of state and local economies resulting from the ongoing distribution of vaccines. Importantly, US interest rates also fell during the period which resulted in large, growth-oriented companies resuming market leadership. For the period, large cap companies returned 8.5%, compared to 7.5% for mid-caps and 4.3% for small company stocks.
- Similar to domestic markets, broad international equity markets also posted positive returns for the 2nd quarter. The re-opening of global economies, particularly Europe, were key drivers of performance. During the period, the MSCI EAFE Index return of 5.2% modestly outperformed the MSCI Emerging Markets Index return of 5.0%
- For the quarter, bond market returns were generally positive as interest rates declined. The Bloomberg Barclays (BB) US Aggregate Index returned 1.8%, trailing both US TIPS and Investment Grade Corporate bonds which returned 3.2% and 3.5% respectively.
- The trailing 1-year chart details the market's dramatic reversal following the onset of the pandemic last year. All broad US equity market indexes have recovered and are trading at near-record levels. Most notably, domestic small cap stocks have led the market higher by returning 62.0% compared to US large caps which returned 43.1% over the trailing 1-year period.
- Over the trailing 1-year period the MSCI EAFE Index return of 32.4% fell short of the MSCI Emerging Markets Index return of 40.9%. Higher growth benefits areas like emerging markets which are more sensitive to changes in economic activity. As a result, as global markets continue to recover, economically sensitive emerging countries may recover at a faster rate.
- Bond market returns over the trailing 1-year period were relatively muted compared to equities. US TIPS led the way as investors remain concerned about the potential for rising inflation. The TIPS Index returned 6.5% for the period while investment grade corporate bonds returned 3.3%. Higher quality, lower coupon bonds generally struggled to perform during the period as US interest rates generally moved higher.

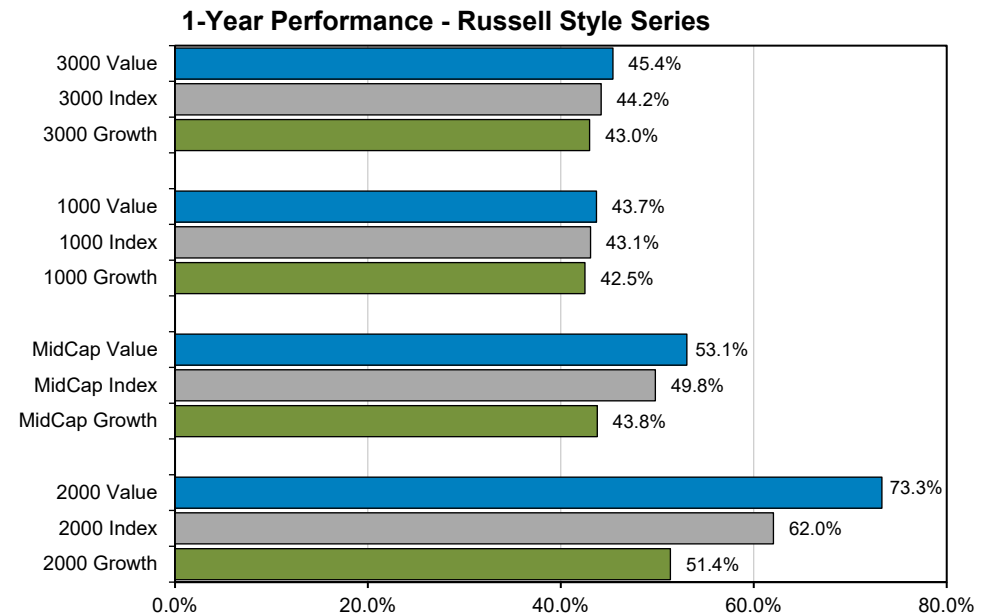
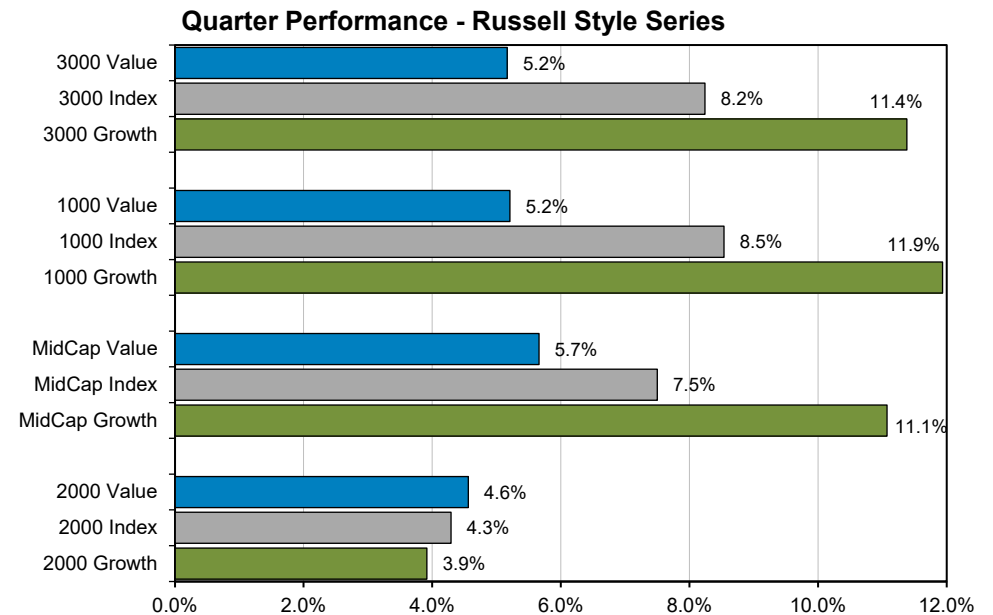
### Quarter Performance



### 1-Year Performance



- The market's strong momentum continued during the quarter as all broad US equity benchmarks posted their 5th straight quarter of positive returns across both the style and market capitalization spectrums. However, we did see a reversal during the period as large cap stocks resumed leadership followed by mid and small caps. The Russell 1000 Index returned a strong 8.5% compared to 7.5% for the Russell Mid Cap Index and 4.3% for the Russell 2000 Index.
- Growth stocks outpaced value stocks for the first time in two quarters. The Russell 1000 Growth Index was the best performing style index for the quarter, posting a return of 11.9%. Mid cap growth stock performance was not far behind, returning 11.1%. However, in small cap stocks, value outpaced growth for the quarter with the Russell 2000 Value Index returning 4.6% compared to 3.9% for the Russell 2000 Growth Index.
- Performance across all market capitalizations and styles was very strong over the trailing 1-year period.
- Despite the recent gains made by growth stocks, value stocks outpaced growth issues across all market capitalizations over the trailing 1-year period. Given the strong economic recovery, it is not surprising that small cap value stocks performed the best with the Russell 2000 Value Index returning 73.3%. While the dispersion between value and growth was widest in small cap stocks, it narrowed significantly moving up the market capitalization spectrum.

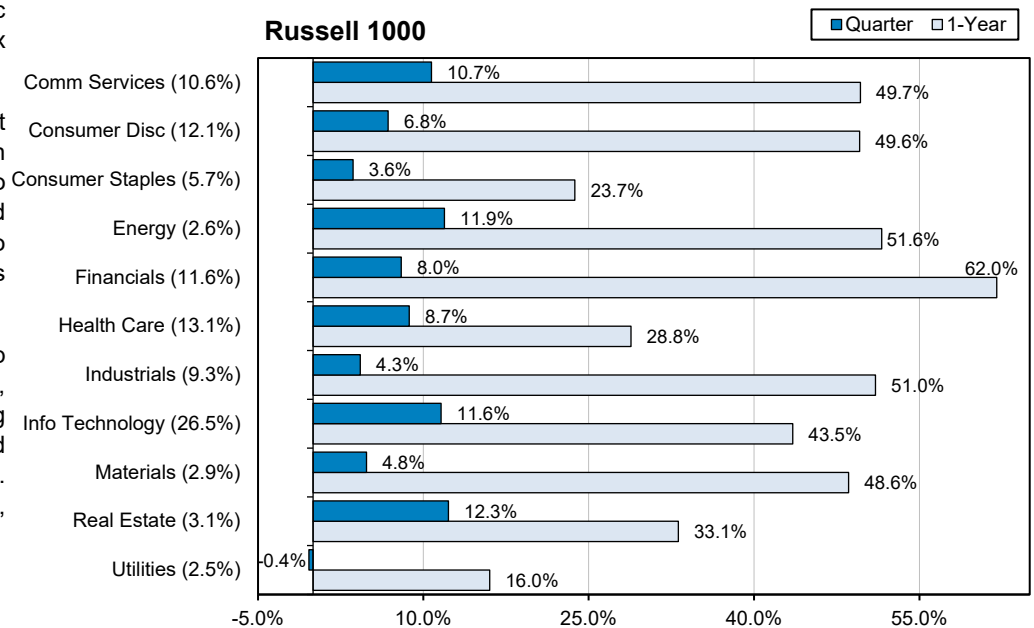


Source: Investment Metrics

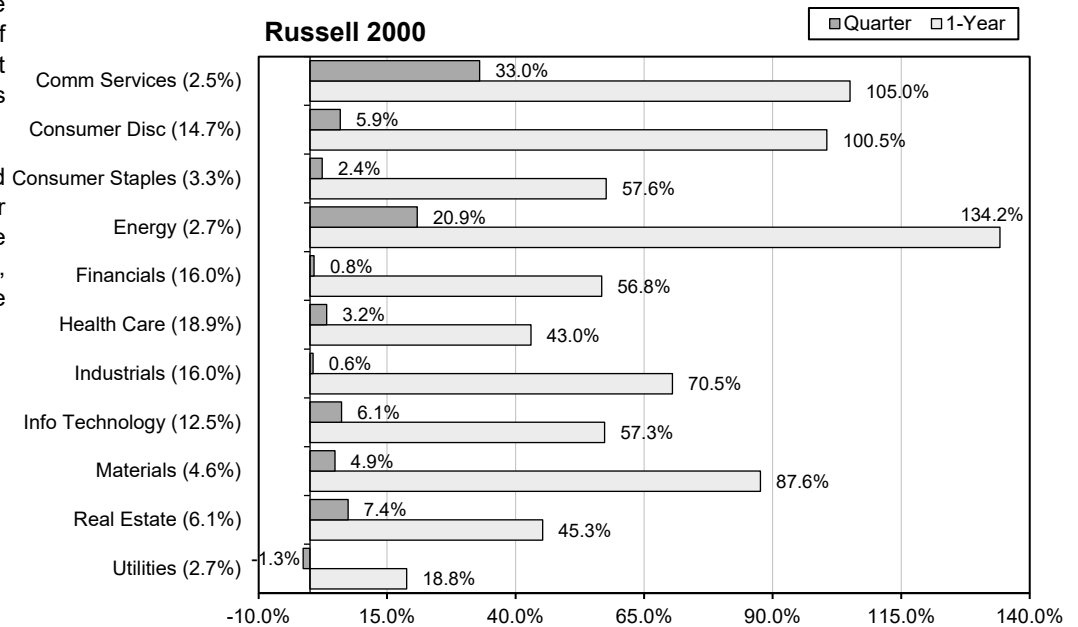


- Sector performance was positive across ten of the eleven large cap economic sectors for the 2<sup>nd</sup> quarter. Five sectors outpaced the return of the broad index during the period.
- Inflation-sensitive sectors like real estate and energy were the two best performing sectors for the quarter, returning 12.3% and 11.9% respectively. In general, companies in sectors with the ability to pass along rising costs to consumers experienced the strongest returns. The technology sector benefited from falling interest rates during the period, which acted as a tailwind to earnings. While nearly all sectors experienced positive results, the utilities sector (-0.4%) lagged its peers and the broad index results.
- For the full year, seven sectors exceeded the return of the broad large cap benchmark: communication services, consumer discretionary, energy, financials, industrials, information technology, and materials. Over the trailing 1-year period, financials (62.0%), energy (51.6%), industrials (51.0%), and communication services (49.7%) were the best performing economic sectors. The weakest economic sector in the Russell 1000 for the trailing year, utilities, still managed to produce a strong return of 16.0%.
- Similar to large cap stocks, ten of the eleven small cap sectors posted positive performance for the quarter and six of them managed to outpace the return of the broad Russell 2000 Index. Communication services was the best performing sector during the quarter, returning a robust 33.0%. Energy stocks also performed well during the period with a return of 20.9%.
- For the full 1-year period, five of the eleven sectors outperformed the broad benchmark: energy (134.2%), communication services (105.0%), consumer discretionary (100.5%), materials (87.6%), and industrials (70.5%). The combination of rapidly improving economic conditions, rising energy prices, and increased inflationary pressures were the primary catalysts for the exceptional performance.

**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 June 30, 2021

Top 10 Weighted Stocks				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Apple Inc	5.22%	12.3%	51.2%	Information Technology
Microsoft Corp	4.96%	15.2%	34.4%	Information Technology
Amazon.com Inc	3.62%	11.2%	24.7%	Consumer Discretionary
Facebook Inc A	2.02%	18.1%	53.1%	Communication Services
Alphabet Inc A	1.78%	18.4%	72.2%	Communication Services
Alphabet Inc Class C	1.73%	21.2%	77.3%	Communication Services
Tesla Inc	1.28%	1.8%	214.7%	Consumer Discretionary
Berkshire Hathaway Inc Class B	1.27%	8.8%	55.7%	Financials
NVIDIA Corp	1.16%	49.9%	110.8%	Information Technology
JPMorgan Chase & Co	1.14%	2.8%	70.7%	Financials

Top 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Moderna Inc	0.19%	79.4%	266.0%	Health Care
NovoCure Ltd	0.06%	67.8%	274.1%	Health Care
Hayward Holdings Inc	0.00%	54.1%	N/A	Consumer Discretionary
Cloudflare Inc	0.06%	50.6%	194.4%	Information Technology
Virgin Galactic Holdings Inc Shs A	0.02%	50.2%	181.5%	Industrials
NVIDIA Corp	1.16%	49.9%	110.8%	Information Technology
Continental Resources Inc	0.01%	47.5%	117.7%	Energy
Nutanix Inc A	0.02%	43.9%	61.2%	Information Technology
Roku Inc Class A	0.13%	41.0%	294.1%	Communication Services
Targa Resources Corp	0.02%	40.4%	125.5%	Energy

Bottom 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
QuantumScape Corp Ord Shares A	0.01%	-34.6%	N/A	Consumer Discretionary
Discovery Inc Class A	0.01%	-29.4%	45.4%	Communication Services
Penn National Gaming Inc	0.03%	-27.0%	150.5%	Consumer Discretionary
TripAdvisor Inc	0.01%	-25.1%	112.0%	Communication Services
Sage Therapeutics Inc	0.01%	-24.1%	36.6%	Health Care
Discovery Inc C	0.02%	-21.4%	50.5%	Communication Services
The Scotts Miracle Gro Co A	0.02%	-21.4%	49.0%	Materials
CureVac NV Ordinary Shares	0.01%	-19.7%	N/A	Health Care
Exelixis Inc	0.01%	-19.3%	-23.3%	Health Care
Guardant Health Inc	0.03%	-18.6%	53.1%	Health Care

Top 10 Weighted Stocks				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
AMC Entmt Holdings Inc Class A	0.76%	455.1%	1221.2%	Communication Services
Intellia Therapeutics Inc	0.34%	101.7%	670.3%	Health Care
Arrowhead Pharmaceuticals Inc	0.28%	24.9%	91.8%	Health Care
Ovintiv Inc	0.27%	32.7%	240.7%	Energy
Lattice Semiconductor Corp	0.25%	24.8%	97.9%	Information Technology
II-VI Inc	0.25%	6.2%	53.7%	Information Technology
Crocs Inc	0.25%	44.8%	216.5%	Consumer Discretionary
Scientific Games Corp Ordinary Shares	0.25%	101.0%	400.9%	Consumer Discretionary
Staar Surgical Co	0.24%	44.7%	147.8%	Health Care
Denali Therapeutics Inc	0.24%	37.4%	224.4%	Health Care

Top 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
AMC Entmt Holdings Inc Class A	0.76%	455.1%	1221.2%	Communication Services
Brooklyn ImmunoTherap Inc Ord Shrs	0.01%	384.1%	N/A	Health Care
Laredo Petroleum Inc	0.04%	208.7%	569.5%	Energy
Atossa Therapeutics Inc	0.02%	199.5%	66.3%	Health Care
Peabody Energy Corp	0.02%	159.2%	175.3%	Energy
Apollo Medical Holdings Inc	0.08%	131.9%	280.7%	Health Care
Asana Inc Ordinary Shares - Class A	0.15%	117.0%	N/A	Information Technology
Agilix Inc Ordinary Shares	0.02%	116.5%	1338.8%	Health Care
HyreCar Inc	0.01%	113.5%	614.0%	Industrials
Prothena Corp PLC	0.06%	104.7%	391.5%	Health Care

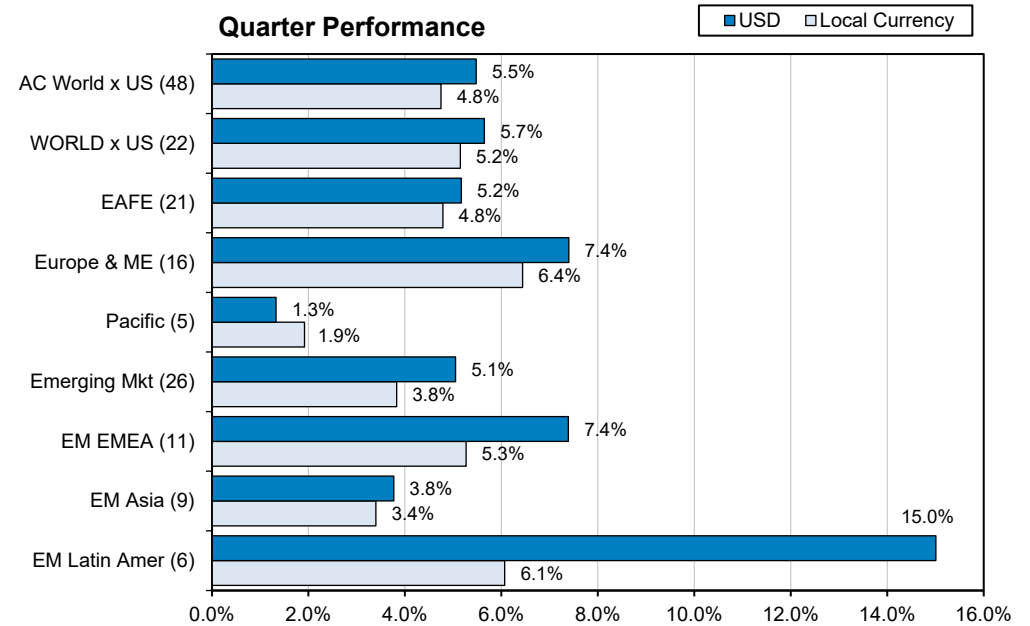
Bottom 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
ChemoCentryx Inc	0.02%	-73.9%	-76.7%	Health Care
Atea Pharmaceuticals Inc Ord Shares	0.05%	-65.2%	N/A	Health Care
Adverum Biotechnologies Inc	0.01%	-64.5%	-83.2%	Health Care
Vor Biopharma Inc Ordinary Shares	0.01%	-56.7%	N/A	Health Care
Aemetis Inc	0.01%	-54.4%	1282.9%	Energy
Bolt Biotherapeutics Inc Ord Shares	0.01%	-53.0%	N/A	Health Care
Gemini Therapeutics Inc Ord Shares	0.00%	-52.3%	N/A	Health Care
iRhythm Technologies Inc	0.06%	-52.2%	-42.7%	Health Care
Sigilon Therapeutics Inc Ord Shares	0.00%	-52.0%	N/A	Health Care
Aterian Inc	0.01%	-50.4%	166.5%	Consumer Discretionary

Source: Morningstar Direct

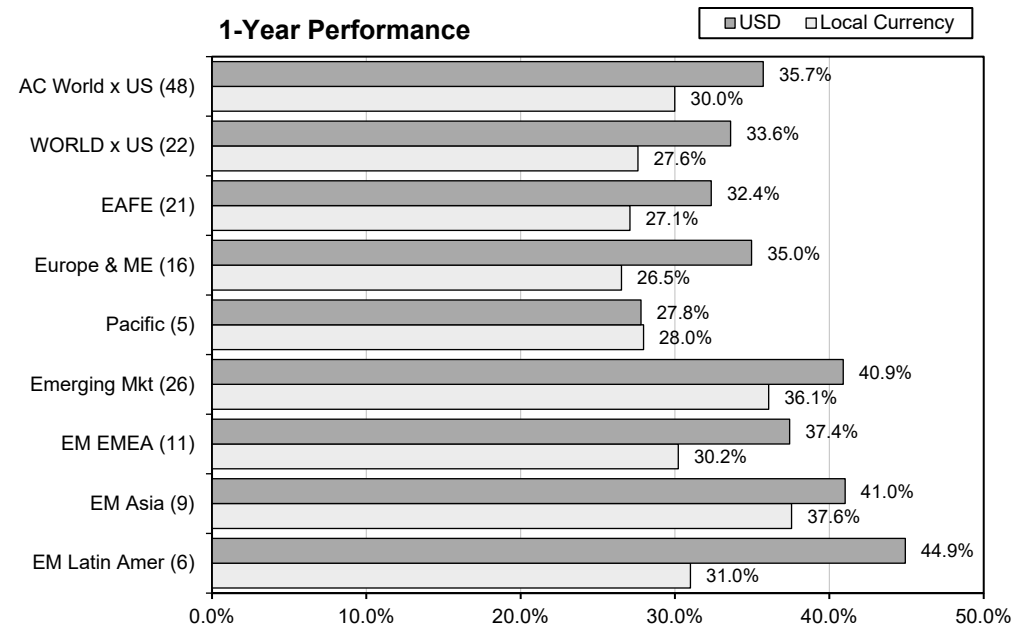


**The Market Environment**  
**International and Regional Market Index Performance (Country Count)**  
 As of June 30, 2021

- All broad international equity indexes tracked in the chart posted positive returns in both US dollar (USD) and local currency terms for the 2nd quarter. For the period, developed markets outperformed emerging markets in both USD and local currency. The MSCI EAFE Index returned 5.2% in USD and 4.8% in local currency terms for the period while the MSCI Emerging Markets Index returned a slightly lower 5.1% in USD and 3.8% in local currency terms.



- The trailing 1-year results for international developed and emerging markets were positive across all regions and currencies. The MSCI EAFE Index returned 32.4% in USD and 27.1% in local currency terms, while the MSCI Emerging Markets Index returned 40.9% in USD and 36.1% in local currency terms. Performance within the emerging markets regions was led by Latin America with the EM Latin America Index returning 44.9% in USD and 31.0% in local terms.



Source: MSCI Global Index Monitor (Returns are Net)





**The Market Environment**  
**US Dollar International Index Attribution & Country Detail**  
As of June 30, 2021

MSCI - EAFE	Sector Weight	Quarter Return	1-Year Return
Communication Services	4.9%	0.3%	26.1%
Consumer Discretionary	13.0%	5.5%	49.8%
Consumer Staples	10.5%	8.5%	17.9%
Energy	3.2%	2.7%	29.1%
Financials	17.0%	3.2%	40.2%
Health Care	12.4%	9.3%	12.3%
Industrials	15.5%	3.6%	39.6%
Information Technology	9.1%	8.3%	40.2%
Materials	7.9%	5.1%	47.2%
Real Estate	3.0%	5.3%	27.6%
Utilities	3.4%	-1.1%	12.7%
<b>Total</b>	<b>100.0%</b>	<b>5.2%</b>	<b>32.4%</b>

MSCI - ACWixUS	Sector Weight	Quarter Return	1-Year Return
Communication Services	6.7%	1.5%	24.9%
Consumer Discretionary	13.8%	4.8%	44.6%
Consumer Staples	8.5%	7.7%	19.1%
Energy	4.5%	8.2%	34.2%
Financials	18.6%	4.3%	40.7%
Health Care	9.3%	9.9%	15.2%
Industrials	11.8%	4.4%	40.3%
Information Technology	12.9%	7.0%	56.6%
Materials	8.3%	6.5%	49.5%
Real Estate	2.6%	2.5%	22.3%
Utilities	3.0%	-0.3%	14.9%
<b>Total</b>	<b>100.0%</b>	<b>5.5%</b>	<b>35.7%</b>

MSCI - Emerging Mkt	Sector Weight	Quarter Return	1-Year Return
Communication Services	11.3%	1.9%	23.0%
Consumer Discretionary	17.6%	3.6%	36.8%
Consumer Staples	5.6%	4.5%	23.7%
Energy	5.0%	12.1%	31.8%
Financials	17.8%	4.2%	33.0%
Health Care	5.0%	14.1%	32.3%
Industrials	4.9%	13.2%	45.2%
Information Technology	20.4%	3.8%	75.8%
Materials	8.4%	8.4%	71.4%
Real Estate	2.0%	-6.0%	6.6%
Utilities	1.9%	2.0%	20.3%
<b>Total</b>	<b>100.0%</b>	<b>5.1%</b>	<b>40.9%</b>

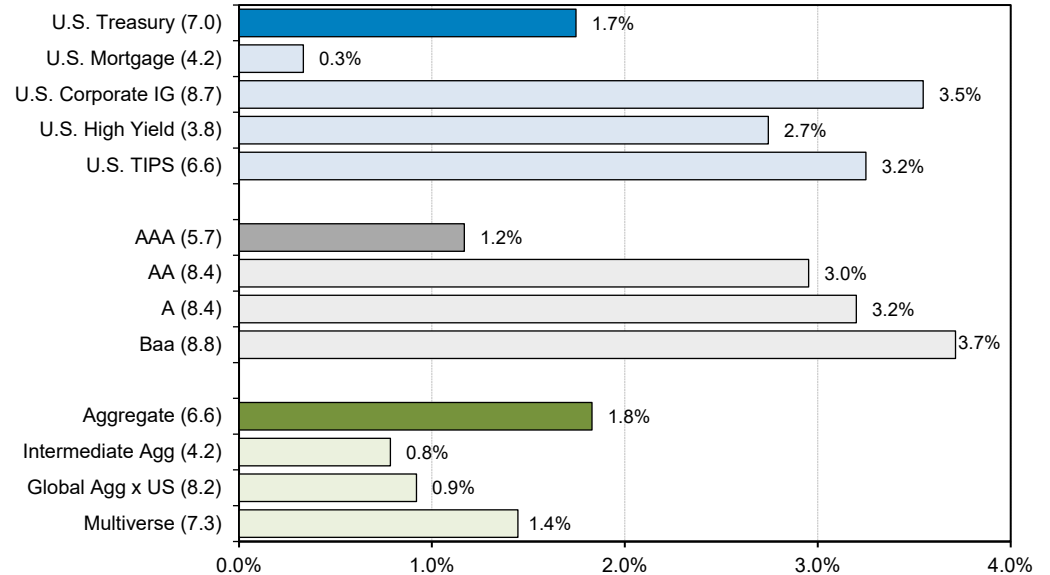
Country	MSCI-EAFE Weight	MSCI-ACWixUS Weight	Quarter Return	1-Year Return
Japan	23.2%	14.3%	-0.3%	24.8%
United Kingdom	14.4%	8.9%	6.0%	31.3%
France	11.5%	7.1%	9.1%	40.9%
Switzerland	9.8%	6.0%	11.5%	24.3%
Germany	9.4%	5.8%	4.7%	31.8%
Australia	7.2%	4.4%	6.9%	39.6%
Netherlands	4.4%	2.7%	7.3%	49.6%
Sweden	3.8%	2.3%	5.5%	53.9%
Hong Kong	3.3%	2.0%	2.5%	29.0%
Denmark	2.6%	1.6%	13.1%	44.2%
Italy	2.5%	1.5%	3.6%	36.6%
Spain	2.5%	1.5%	5.3%	30.7%
Singapore	1.1%	0.7%	0.5%	28.7%
Finland	1.1%	0.7%	10.8%	34.7%
Belgium	1.0%	0.6%	9.2%	28.5%
Ireland	0.7%	0.4%	2.4%	39.6%
Norway	0.6%	0.4%	4.9%	49.6%
Israel	0.6%	0.4%	5.1%	22.5%
New Zealand	0.2%	0.2%	-5.1%	-5.0%
Austria	0.2%	0.1%	11.5%	70.9%
Portugal	0.2%	0.1%	-0.9%	11.4%
<b>Total EAFE Countries</b>	<b>100.0%</b>	<b>61.7%</b>	<b>5.2%</b>	<b>32.4%</b>
Canada		7.0%	10.0%	45.8%
<b>Total Developed Countries</b>		<b>68.7%</b>	<b>5.7%</b>	<b>33.6%</b>
China		11.7%	2.3%	27.4%
Taiwan		4.4%	7.1%	70.5%
Korea		4.1%	4.8%	66.2%
India		3.1%	6.9%	56.4%
Brazil		1.6%	22.9%	46.6%
South Africa		1.1%	-1.5%	39.9%
Russia		1.1%	14.0%	38.6%
Saudi Arabia		0.9%	10.0%	49.3%
Mexico		0.6%	9.1%	55.9%
Thailand		0.5%	-4.9%	7.0%
Malaysia		0.4%	-2.5%	3.8%
Indonesia		0.4%	-5.1%	7.6%
Poland		0.2%	18.7%	26.7%
United Arab Emirates		0.2%	11.2%	50.4%
Qatar		0.2%	2.2%	15.1%
Philippines		0.2%	7.6%	14.3%
Chile		0.1%	-14.2%	23.4%
Hungary		0.1%	14.8%	46.1%
Turkey		0.1%	-0.5%	-13.0%
Peru		0.1%	-8.8%	9.6%
Colombia		0.1%	-2.9%	18.0%
Argentina		0.0%	5.8%	28.6%
Greece		0.0%	8.2%	32.0%
Czech Republic		0.0%	14.6%	52.1%
Egypt		0.0%	-9.2%	-13.4%
Pakistan		0.0%	-6.7%	13.2%
<b>Total Emerging Countries</b>		<b>31.2%</b>	<b>5.1%</b>	<b>40.9%</b>
<b>Total ACWixUS Countries</b>		<b>100.0%</b>	<b>5.5%</b>	<b>35.7%</b>

Source: Morningstar Direct, MSCI Global Index Monitor (Returns are Net in USD)  
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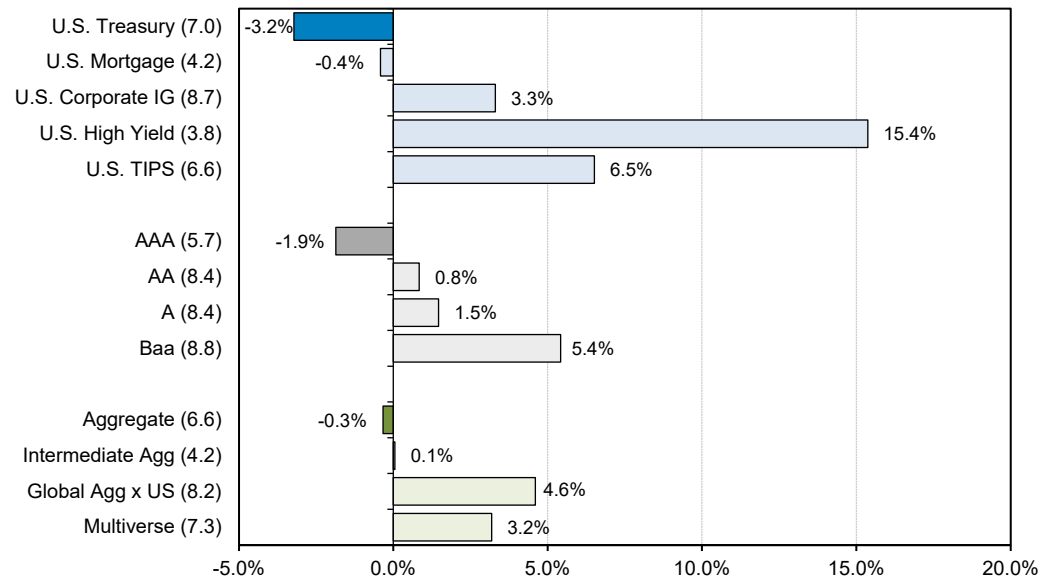


- Fixed income markets performed well during the 2nd quarter primarily due to falling US interest rates which acted as general tailwind for bond benchmark performance. The Bloomberg Barclays (BB) US Aggregate Bond Index returned a solid 1.8% for the period.
- Digging deeper into the investment grade index's segments, while each component exhibited positive performance, the US Corporate Investment Grade (3.5%) and US TIPS (3.2%) benchmark segments drove results. Although yields on issues of less than 2-years remained stable during the quarter, yields on longer-dated issues declined substantially over concerns of future economic growth.
- Outside of domestic markets, the BB Global Aggregate ex US Index posted a 0.9% return for the quarter. Like international stocks, global bonds were negatively impacted by the strengthening USD.
- Over the trailing 1-year period, domestic bond performance was slightly negative while global bonds posted solid, positive results. The BB Global Aggregate ex US Index return of 4.6% easily outpaced the domestic BB US Aggregate Index's return of -0.3%. A steepening yield curve, combined with a falling USD, were the primary contributors to the relative outperformance of global bonds for the year.
- The dispersion of returns for the year within bond market segments was significant and was led by the US High Yield Index's return of 15.4%. The combination of a lower average duration and a greater sensitivity to equity market movements were the primary performance catalysts. US TIPS also performed well for the year with the index returning 6.5%. Persistent concerns about rising inflation acted like a tailwind for TIPS issues.

**Quarter Performance**



**1-Year Performance**

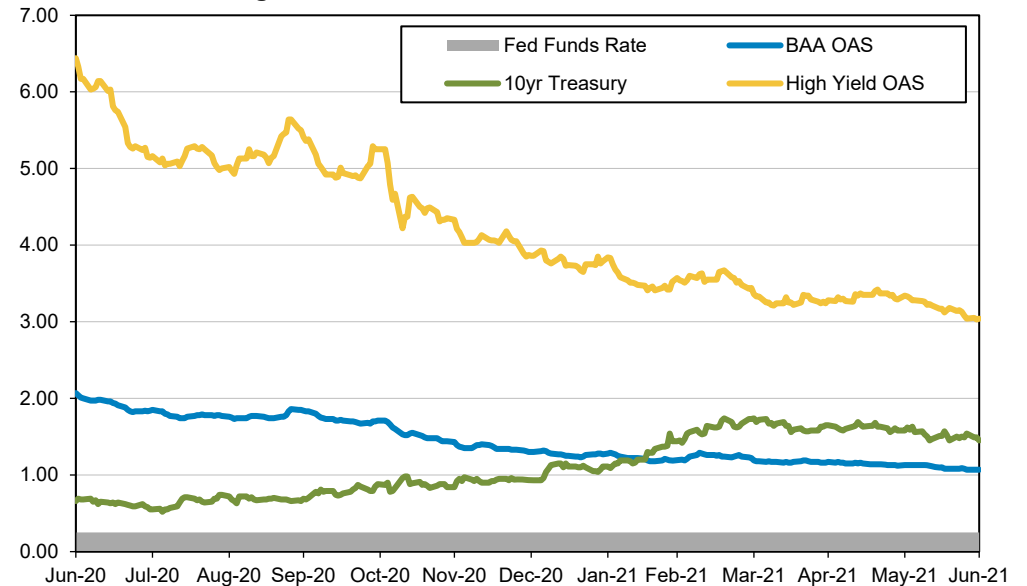


Source: Bloomberg

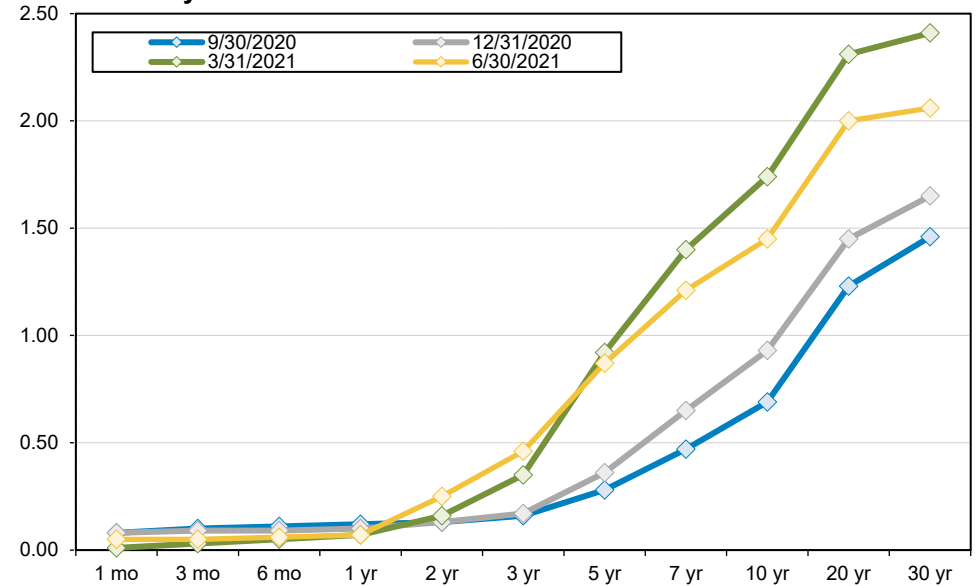


- The gray band across the graph illustrates the range of the Fed Funds Rate. Over the past year, the Fed's target rate range has remained unchanged at 0.00% to 0.25%. During its June meeting, the Federal Open Market Committee (FOMC) reiterated its commitment to keeping interest rates near zero while also maintaining its asset purchase program aimed at supplying the market with ample liquidity.
- The yield on the US 10-year Treasury (green line) began increasing rapidly as the economy slowly began to open earlier this year. After reaching a high of 1.74% during the 1st quarter of 2021, interest rates in the US began to fall as concerns about future economic growth increased.
- 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 narrowing spread the line illustrates indicates investors remain comfortable owning credit as the probability of corporate defaults remains low. While nearly triple the BAA OAS, the High Yield OAS shows a similar willingness by investors to hold non-Treasury debt.
- The lower graph provides a snapshot of the US Treasury yield curve at the end of each of the last four quarters. Beginning in the 3rd quarter of 2020, longer-term interest rates began to move higher as investors' optimism improved. This trend continued through the 1st quarter as economic growth surprised to the upside. Since then, longer-term US interest rates have fallen.

1-Year Trailing Market Rates



Treasury Yield Curve



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

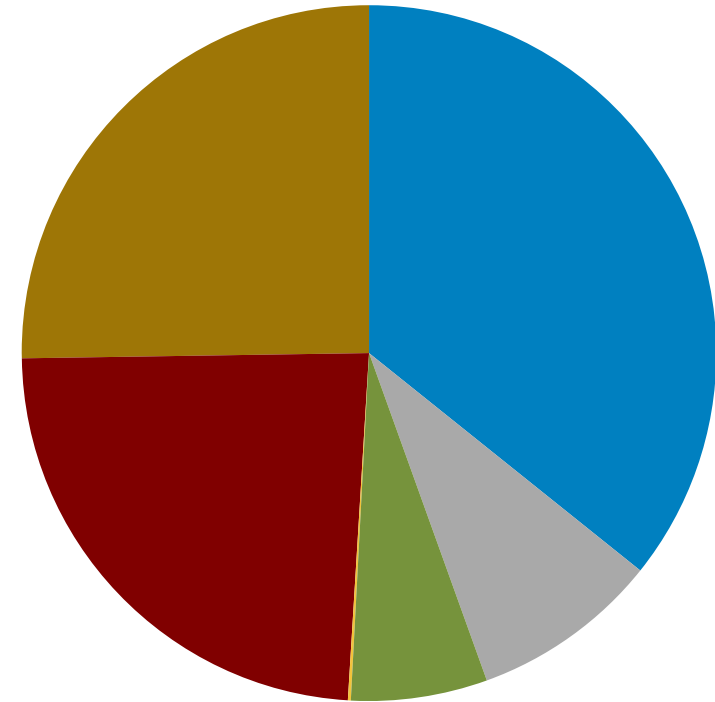
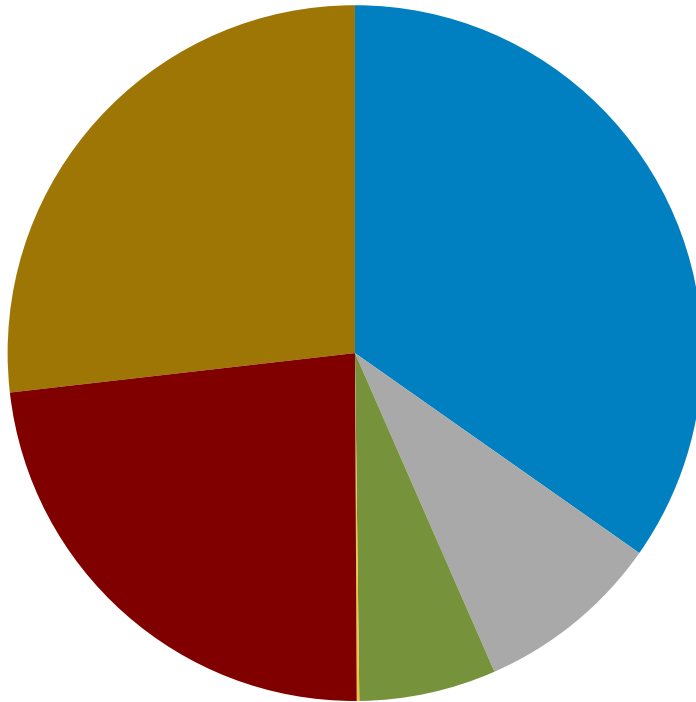


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March 31, 2021 : \$65,903,922

June 30, 2021 : \$70,012,220



Asset Allocation by Segment

Segments	Market Value	Allocation
■ Domestic Equity	22,896,122	34.7
■ International Equity	5,724,803	8.7
■ Domestic Fixed Income	4,200,496	6.4
■ Cash Equivalent	78,208	0.1
■ Target Date Funds	15,337,727	23.3
■ Fixed Account	17,666,566	26.8

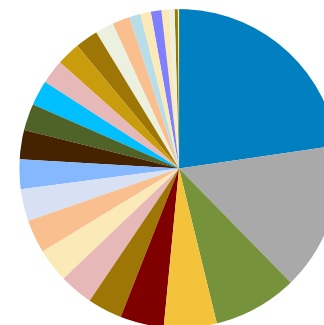
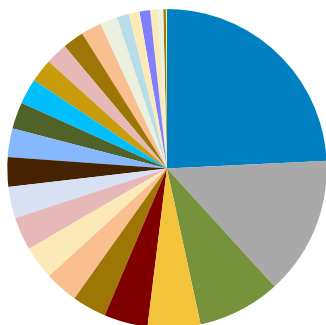
Asset Allocation by Segment

Segments	Market Value	Allocation
■ Domestic Equity	25,022,508	35.7
■ International Equity	6,131,039	8.8
■ Domestic Fixed Income	4,439,640	6.3
■ Cash Equivalent	94,389	0.1
■ Target Date Funds	16,654,565	23.8
■ Fixed Account	17,670,080	25.2



March 31, 2021 : \$65,903,922

June 30, 2021 : \$70,012,220

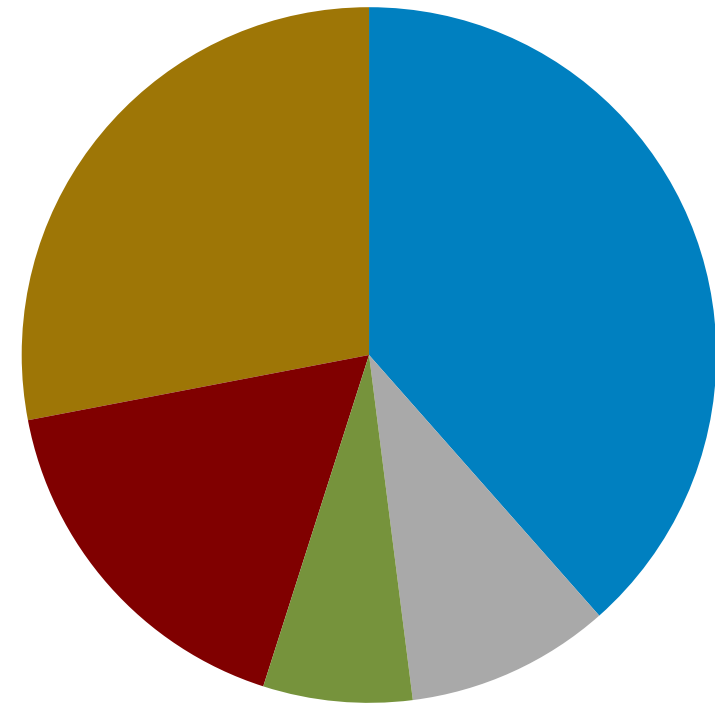
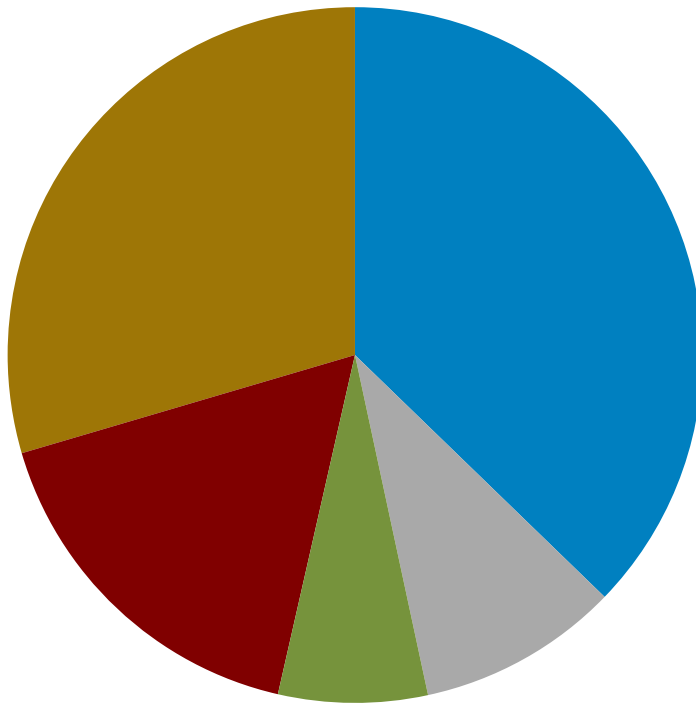


Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
Nationwide Fixed Account	15,962,623	24.2	Nationwide Fixed Account	15,885,035	22.7
MFS Growth R4 (MFEJX)	9,241,182	14.0	MFS Growth R4 (MFEJX)	10,498,998	15.0
Vanguard 500 Index (VFIAX)	5,526,549	8.4	Vanguard 500 Index (VFIAX)	5,962,813	8.5
Vanguard Total Intl Stock Index (VTIAX)	3,506,748	5.3	Vanguard Total Intl Stock Index (VTIAX)	3,733,315	5.3
DFA US Large Cap Value (DFLVX)	2,914,174	4.4	DFA US Large Cap Value (DFLVX)	3,089,032	4.4
American Funds 2030 Target Date (RDETXX)	2,292,021	3.5	American Funds 2030 Target Date (RDETXX)	2,455,860	3.5
Western Asset Core Plus Bond Fund (WACPXX)	2,228,358	3.4	American Funds Europacific Growth R4 (REREX)	2,397,724	3.4
American Funds 2040 Target Date (RDGTX)	2,225,495	3.4	American Funds 2040 Target Date (RDGTX)	2,390,255	3.4
American Funds Europacific Growth R4 (REREX)	2,218,055	3.4	Western Asset Core Plus Bond Fund (WACPXX)	2,368,150	3.4
American Funds 2045 Target Date (RDHTX)	2,102,235	3.2	American Funds 2045 Target Date (RDHTX)	2,277,399	3.3
Vanguard Total Bond Index (VBTLX)	1,972,137	3.0	American Funds 2035 Target Date (RDFTX)	2,097,146	3.0
American Funds 2035 Target Date (RDFTX)	1,908,960	2.9	Vanguard Total Bond Index (VBTLX)	2,071,490	3.0
American Funds 2025 Target Date (RDDTX)	1,778,081	2.7	American Funds 2025 Target Date (RDDTX)	1,893,204	2.7
Total Fixed Assets	1,703,943	2.6	Total Fixed Assets	1,785,046	2.5
Vanguard Mid Cap Index (VIMAX)	1,568,877	2.4	American Funds 2050 Target Date (RDITX)	1,721,538	2.5
American Funds 2050 Target Date (RDITX)	1,458,831	2.2	Vanguard Mid Cap Index (VIMAX)	1,691,750	2.4
Touchstone Mid Cap Growth Y (TEGYX)	1,418,191	2.2	Touchstone Mid Cap Growth Y (TEGYX)	1,609,660	2.3
Goldman Sachs Small Cap Growth Insights Instl (GSIOX)	1,355,262	2.1	American Funds 2055 Target Date (RDJTX)	1,300,383	1.9
American Funds 2055 Target Date (RDJTX)	1,158,224	1.8	Goldman Sachs Small Cap Growth Insights Instl (GSIOX)	1,242,883	1.8
American Funds 2010 Target Date (RDATX)	821,202	1.2	American Funds 2010 Target Date (RDATX)	805,353	1.2
American Funds 2015 Target Date (RDBTX)	719,779	1.1	American Funds 2015 Target Date (RDBTX)	747,801	1.1
American Funds 2020 Target Date (RDCTX)	699,283	1.1	American Funds 2020 Target Date (RDCTX)	742,203	1.1
Vanguard Small Cap Index (VSMAX)	500,546	0.8	Vanguard Small Cap Index (VSMAX)	537,849	0.8
American Beacon Small Cap Value Y (ABSXX)	371,341	0.6	American Beacon Small Cap Value Y (ABSXX)	389,524	0.6
American Funds 2060 Target Date (RDKTX)	173,613	0.3	American Funds 2060 Target Date (RDKTX)	223,421	0.3
Nationwide Government Money Fund (GMIXX)	72,284	0.1	Nationwide Government Money Fund (GMIXX)	87,094	0.1
Total Vanguard Treasury Money Market Fund (VUSXX)	5,924	0.0	Total Vanguard Treasury Money Market Fund (VUSXX)	7,295	0.0



March 31, 2021 : \$59,785,721

June 30, 2021 : \$63,110,788



Asset Allocation by Segment

Segments	Market Value	Allocation
Domestic Equity	22,262,870	37.2
International Equity	5,613,425	9.4
Domestic Fixed Income	4,147,025	6.9
Target Date Funds	10,095,835	16.9
Fixed Account	17,666,566	29.5

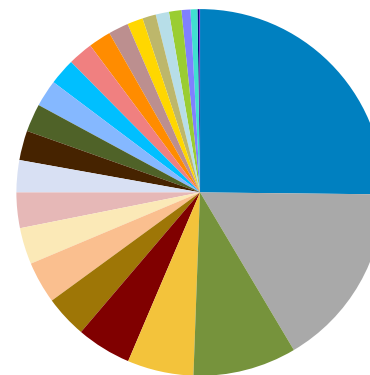
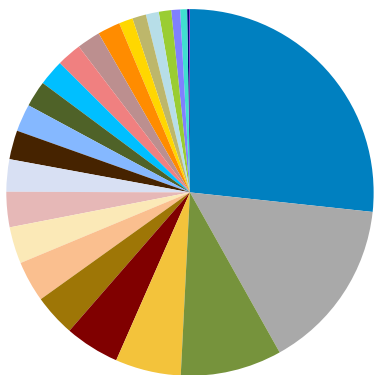
Asset Allocation by Segment

Segments	Market Value	Allocation
Domestic Equity	24,280,653	38.5
International Equity	6,005,567	9.5
Domestic Fixed Income	4,380,957	6.9
Target Date Funds	10,773,532	17.1
Fixed Account	17,670,080	28.0



March 31, 2021 : \$59,785,721

June 30, 2021 : \$63,110,788



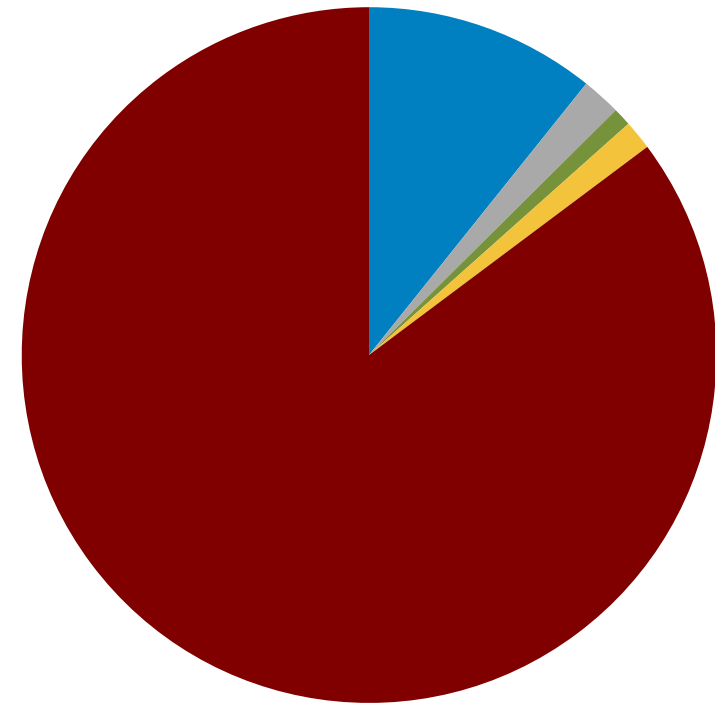
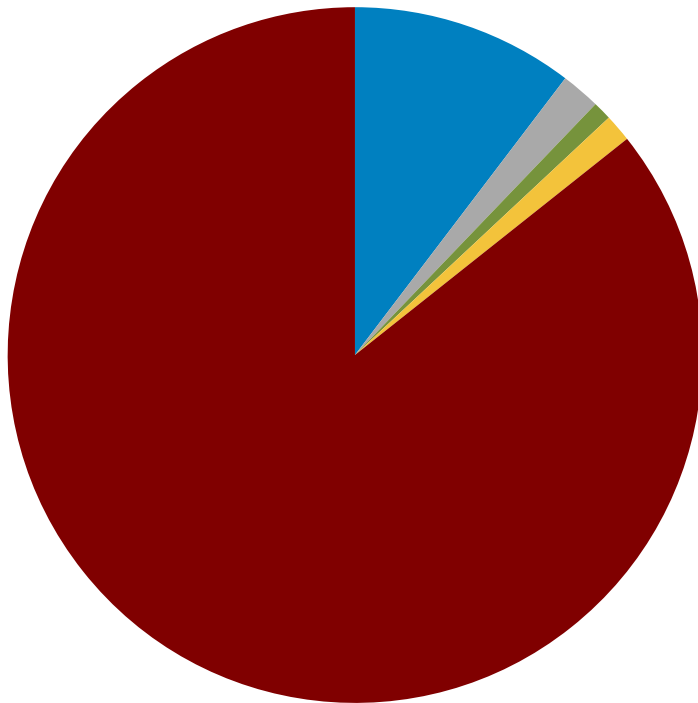
Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
457(b) Nationwide Fixed Account	15,962,623	26.7	457(b) Nationwide Fixed Account	15,885,035	25.2
457(b) MFS Growth R4 (MFEJX)	9,075,088	15.2	457(b) MFS Growth R4 (MFEJX)	10,289,293	16.3
457(b) Vanguard 500 Index (VFIAX)	5,334,668	8.9	457(b) Vanguard 500 Index (VFIAX)	5,744,120	9.1
457(b) Vanguard Total Intl Stock Index (VTIAX)	3,456,650	5.8	457(b) Vanguard Total Intl Stock Index (VTIAX)	3,676,689	5.8
457(b) DFA US Large Cap Value (DFLVX)	2,880,783	4.8	457(b) DFA US Large Cap Value (DFLVX)	3,050,152	4.8
457(b) Western Asset Core Plus Bond Fund (WACPX)	2,212,196	3.7	457(b) Western Asset Core Plus Bond Fund (WACPX)	2,350,406	3.7
457(b) American Funds Europacific Growth R4 (REREX)	2,156,776	3.6	457(b) American Funds Europacific Growth R4 (REREX)	2,328,878	3.7
457(b) Vanguard Total Bond Index (VBTLX)	1,934,829	3.2	457(b) Vanguard Total Bond Index (VBTLX)	2,030,551	3.2
457(b) American Funds 2030 Target Date (RDETX)	1,859,372	3.1	457(b) American Funds 2030 Target Date (RDETX)	1,981,685	3.1
457(b) Fixed Assets	1,703,943	2.9	457(b) Fixed Assets	1,785,046	2.8
457(b) Vanguard Mid Cap Index (VIMAX)	1,526,050	2.6	457(b) Vanguard Mid Cap Index (VIMAX)	1,641,537	2.6
457(b) American Funds 2040 Target Date (RDGTX)	1,451,085	2.4	457(b) Touchstone Mid Cap Growth Y (TEGYX)	1,559,196	2.5
457(b) Touchstone Mid Cap Growth Y (TEGYX)	1,373,912	2.3	457(b) American Funds 2040 Target Date (RDGTX)	1,494,869	2.4
457(b) American Funds 2035 Target Date (RDFTX)	1,361,167	2.3	457(b) American Funds 2035 Target Date (RDFTX)	1,464,807	2.3
457(b) American Funds 2025 Target Date (RDDTX)	1,303,793	2.2	457(b) American Funds 2025 Target Date (RDDTX)	1,385,588	2.2
457(b) Goldman Sachs Small Cap Growth Insights Instl (GSIOX)	1,240,061	2.1	457(b) American Funds 2045 Target Date (RDHTX)	1,247,744	2.0
457(b) American Funds 2045 Target Date (RDHTX)	1,186,189	2.0	457(b) Goldman Sachs Small Cap Growth Insights Instl (GSIOX)	1,113,652	1.8
457(b) American Funds 2050 Target Date (RDITX)	735,532	1.2	457(b) American Funds 2050 Target Date (RDITX)	878,086	1.4
457(b) American Funds 2015 Target Date (RDBTX)	718,338	1.2	457(b) American Funds 2015 Target Date (RDBTX)	745,217	1.2
457(b) American Funds 2055 Target Date (RDJTX)	680,375	1.1	457(b) American Funds 2055 Target Date (RDJTX)	742,993	1.2
457(b) American Funds 2020 Target Date (RDCTX)	651,148	1.1	457(b) American Funds 2020 Target Date (RDCTX)	687,596	1.1
457(b) Vanguard Small Cap Index (VSMAX)	464,912	0.8	457(b) Vanguard Small Cap Index (VSMAX)	497,666	0.8
457(b) American Beacon Small Cap Value Y (ABSYX)	367,396	0.6	457(b) American Beacon Small Cap Value Y (ABSYX)	385,037	0.6
457(b) American Funds 2010 Target Date (RDATX)	100,548	0.2	457(b) American Funds 2010 Target Date (RDATX)	90,029	0.1
457(b) American Funds 2060 Target Date (RDKTX)	48,289	0.1	457(b) American Funds 2060 Target Date (RDKTX)	54,917	0.1





March 31, 2021 : \$6,118,201

June 30, 2021 : \$6,901,432



Asset Allocation by Segment

Segments	Market Value	Allocation
Domestic Equity	633,252	10.4
International Equity	111,378	1.8
Domestic Fixed Income	53,470	0.9
Cash Equivalent	78,208	1.3
Target Date Funds	5,241,892	85.7

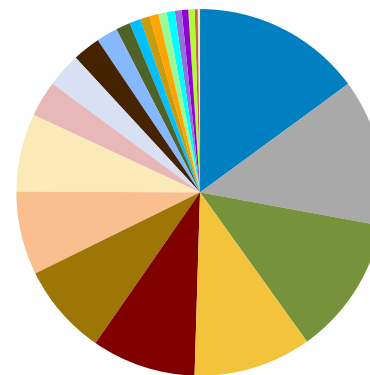
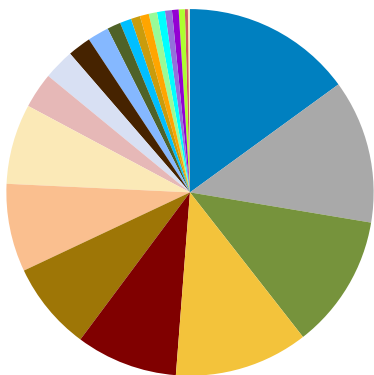
Asset Allocation by Segment

Segments	Market Value	Allocation
Domestic Equity	741,855	10.7
International Equity	125,472	1.8
Domestic Fixed Income	58,683	0.9
Cash Equivalent	94,389	1.4
Target Date Funds	5,881,033	85.2



March 31, 2021 : \$6,118,201

June 30, 2021 : \$6,901,432



Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
401(a) American Funds 2045 Target Date (RDHTX)	916,046	15.0	401(a) American Funds 2045 Target Date (RDHTX)	1,029,655	14.9
401(a) American Funds 2040 Target Date (RDGTX)	774,410	12.7	401(a) American Funds 2040 Target Date (RDGTX)	895,385	13.0
401(a) American Funds 2050 Target Date (RDITX)	723,300	11.8	401(a) American Funds 2050 Target Date (RDITX)	843,452	12.2
401(a) American Funds 2010 Target Date (RDATX)	720,655	11.8	401(a) American Funds 2010 Target Date (RDATX)	715,324	10.4
401(a) American Funds 2035 Target Date (RDFTX)	547,794	9.0	401(a) American Funds 2035 Target Date (RDFTX)	632,340	9.2
401(a) American Funds 2055 Target Date (RDJTX)	477,850	7.8	401(a) American Funds 2055 Target Date (RDJTX)	557,390	8.1
401(a) American Funds 2025 Target Date (RDDTX)	474,288	7.8	401(a) American Funds 2025 Target Date (RDDTX)	507,616	7.4
401(a) American Funds 2030 Target Date (RDETX)	432,649	7.1	401(a) American Funds 2030 Target Date (RDETX)	474,176	6.9
401(a) Vanguard 500 Index (VFIAX)	191,881	3.1	401(a) Vanguard 500 Index (VFIAX)	218,693	3.2
401(a) MFS Growth R4 (MFEJX)	166,094	2.7	401(a) MFS Growth R4 (MFEJX)	209,704	3.0
401(a) American Funds 2060 Target Date (RDKTX)	125,324	2.0	401(a) American Funds 2060 Target Date (RDKTX)	168,504	2.4
401(a) Goldman Sachs Small Cap Growth Insights Instl (GSIOX)	115,201	1.9	401(a) Goldman Sachs Small Cap Growth Insights Instl (GSIOX)	129,231	1.9
401(a) Nationwide Government Money Fund (GMIXX)	72,284	1.2	401(a) Nationwide Government Money Fund (GMIXX)	87,094	1.3
401(a) American Funds Europacific Growth R4 (REREX)	61,279	1.0	401(a) American Funds Europacific Growth R4 (REREX)	68,846	1.0
401(a) Vanguard Total Intl Stock Index (VTIAX)	50,099	0.8	401(a) Vanguard Total Intl Stock Index (VTIAX)	56,626	0.8
401(a) American Funds 2020 Target Date (RDCTX)	48,136	0.8	401(a) American Funds 2020 Target Date (RDCTX)	54,607	0.8
401(a) Touchstone Mid Cap Growth Y (TEGYX)	44,279	0.7	401(a) Touchstone Mid Cap Growth Y (TEGYX)	50,464	0.7
401(a) Vanguard Mid Cap Index (VIMAX)	42,827	0.7	401(a) Vanguard Mid Cap Index (VIMAX)	50,213	0.7
401(a) Vanguard Total Bond Index (VBTLX)	37,308	0.6	401(a) Vanguard Total Bond Index (VBTLX)	40,940	0.6
401(a) Vanguard Small Cap Index (VSMAX)	35,635	0.6	401(a) Vanguard Small Cap Index (VSMAX)	40,183	0.6
401(a) DFA US Large Cap Value (DFLVX)	33,391	0.5	401(a) DFA US Large Cap Value (DFLVX)	38,880	0.6
401(a) Western Asset Core Plus Bond Fund (WACPX)	16,162	0.3	401(a) Western Asset Core Plus Bond Fund (WACPX)	17,743	0.3
401(a) Vanguard Treasury Money Market Fund (VUSXX)	5,924	0.1	401(a) Vanguard Treasury Money Market Fund (VUSXX)	7,295	0.1
401(a) American Beacon Small Cap Value Y (ABSYX)	3,945	0.1	401(a) American Beacon Small Cap Value Y (ABSYX)	4,487	0.1
401(a) American Funds 2015 Target Date (RDBTX)	1,441	0.0	401(a) American Funds 2015 Target Date (RDBTX)	2,585	0.0



**Port of Houston  
Investment Option Performance Review  
As of June 30, 2021**

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	
						YES	YES	Yes	Yes						
DFA US Large Cap Value (DFLVX)	9.4	US Equity Large Cap Value	24,660.5	22 bps	83 bps	YES	YES	Yes	Yes	44	22	71 (5)	60 (5)	-0.81 (5)	-1.29 (5)
MFS Growth R4 (MFEJX)	19.3	US Equity Large Cap Growth	45,855.8	62 bps	83 bps	YES	YES	NO (3)	NO (4)	45	26	16	6	1.29	0.65
Touchstone Mid Cap Growth Y (TEGYX)	22.3	US Equity Mid Cap	1,470.8	101 bps	97 bps	YES	YES	NO (5)	NO (5)	49	57 (4)	56 (3)	62 (5)	0.00 (5)	-1.11 (5)
American Beacon Small Cap Value Y (ABSYX)	22.6	US Equity Small Cap	5,962.9	90 bps	108 bps	YES	YES	NO (5)	NO (2)	53 (2)	39	58 (2)	44	-2.04 (5)	-0.79 (5)
Goldman Sachs Small Cap Growth Insights Instl (GSIOX)	9.8	US Equity Small Cap	586.1	84 bps	108 bps	YES	YES	NO (5)	NO (5)	85 (5)	72 (5)	86 (5)	73 (5)	-1.43 (5)	-0.25 (4)
American Funds Europacific Growth R4 (REREX)	20.1	Global Equity Large Cap	193,597.3	81 bps	94 bps	YES	YES	Yes	Yes	25	20	34	26	2.47	2.62
Western Asset Core Plus Bond Fund (WACPX)	14.6	US Fixed Income	41,937.5	45 bps	58 bps	YES	YES	Yes	Yes	14	6	33	16	1.19	1.16

Index Funds	Manager Tenure	Style	Asset Level (millions)	Expense Ratio	Category Median Exp Ratio	5 & 10 Year Tracking Error <50th %-tile	
Vanguard 500 Index (VFIAX)	5.3	US Equity Large Cap Blend	240,682.9	4 bps	83 bps	1	1
Vanguard Mid Cap Index (VIMAX)	23.2	US Equity Mid Cap	50,191.0	5 bps	97 bps	1	1
Vanguard Small Cap Index (VSMAX)	5.3	US Equity Small Cap	46,475.7	5 bps	108 bps	1	1
Vanguard Total Intl Stock Index (VTIAX)	12.9	Global Equity Large Cap	48,376.0	11 bps	94 bps	1	N/A
Vanguard Total Bond Index (VBTXX)	8.4	US Fixed Income	79,921.4	5 bps	58 bps	1	N/A

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	
American Funds 2010 Target Date (RDATX)	9.5	Target Date	4,379.9	65 bps	49 bps	YES	YES	65 (4)	24	41	7
American Funds 2015 Target Date (RDBTX)	9.5	Target Date	5,935.1	65 bps	54 bps	YES	YES	73 (4)	30	37	8
American Funds 2020 Target Date (RDCTX)	9.5	Target Date	19,058.8	66 bps	59 bps	YES	YES	59 (3)	23	16	6
American Funds 2025 Target Date (RDDTX)	9.5	Target Date	32,430.2	68 bps	63 bps	YES	YES	44	6	8	4
American Funds 2030 Target Date (RDETX)	9.5	Target Date	37,658.4	70 bps	64 bps	YES	YES	28	5	10	4
American Funds 2035 Target Date (RDFTX)	9.5	Target Date	32,409.4	72 bps	65 bps	YES	YES	14	5	9	5
American Funds 2040 Target Date (RDGTX)	9.5	Target Date	28,675.5	73 bps	65 bps	YES	YES	13	4	6	4
American Funds 2045 Target Date (RDHTX)	9.5	Target Date	22,416.0	74 bps	66 bps	YES	YES	14	6	6	5
American Funds 2050 Target Date (RDITX)	9.5	Target Date	19,381.2	74 bps	67 bps	YES	YES	13	4	4	4
American Funds 2055 Target Date (RDJTX)	9.5	Target Date	11,638.1	74 bps	66 bps	YES	YES	18	6	6	6
American Funds 2060 Target Date (RDKTX)	6.3	Target Date	5,275.9	75 bps	67 bps	YES	YES	27	N/A (5)	6	N/A (5)

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 &amp; Performance

	Performance(%)						
	QTR	YTD	1 YR	3 YR	5 YR	7 YR	10 YR
<b>Domestic Equity</b>							
DFA US Large Cap Value (DFLVX)	5.22 (52)	20.71 (18)	50.50 (18)	10.71 (78)	12.56 (44)	9.28 (44)	11.82 (22)
Russell 1000 Value Index	5.21 (53)	17.05 (52)	43.68 (49)	12.42 (44)	11.87 (59)	9.41 (39)	11.61 (29)
IM U.S. Large Cap Value Equity (MF) Median	5.25	17.23	43.46	12.04	12.29	9.04	10.93
Vanguard 500 Index (VFIAX)	8.54 (33)	15.24 (43)	40.76 (46)	18.64 (32)	17.61 (28)	14.06 (17)	14.80 (15)
S&P 500 Index	8.55 (33)	15.25 (43)	40.79 (45)	18.67 (32)	17.65 (27)	14.10 (16)	14.84 (15)
IM U.S. Large Cap Core Equity (MF) Median	8.00	14.88	40.23	17.38	16.50	12.71	13.42
MFS Growth R4 (MFEJX)	12.57 (22)	12.99 (41)	35.22 (91)	23.30 (53)	22.99 (45)	18.09 (30)	17.53 (26)
Russell 1000 Growth Index	11.93 (33)	12.99 (41)	42.50 (28)	25.14 (24)	23.66 (31)	18.56 (20)	17.87 (19)
IM U.S. Large Cap Growth Equity (MF) Median	11.37	12.61	39.97	23.43	22.71	17.30	16.44
Vanguard Mid Cap Index (VIMAX)	7.58 (28)	15.31 (46)	46.90 (53)	16.49 (44)	15.75 (49)	12.19 (48)	13.12 (41)
CRSP U.S. Mid Cap TR Index	7.59 (28)	15.31 (46)	46.93 (53)	16.51 (43)	15.78 (48)	12.22 (47)	13.24 (39)
IM U.S. Mid Cap Equity (MF) Median	5.88	14.41	47.30	15.00	15.43	11.84	12.34
Touchstone Mid Cap Growth Y (TEGYX)	9.75 (15)	8.82 (52)	39.97 (73)	20.70 (60)	20.35 (49)	15.08 (49)	14.24 (57)
Russell Midcap Growth Index	11.07 (3)	10.44 (28)	43.77 (49)	22.39 (39)	20.52 (46)	15.39 (41)	15.13 (30)
IM U.S. Mid Cap Growth Equity (MF) Median	7.70	8.89	43.65	21.35	20.23	15.00	14.47
American Beacon Small Cap Value Y (ABSYX)	2.44 (88)	22.52 (85)	69.28 (62)	8.30 (63)	11.96 (53)	8.14 (45)	10.40 (39)
Russell 2000 Value Index	4.56 (50)	26.69 (47)	73.28 (44)	10.27 (36)	13.62 (25)	9.26 (26)	10.85 (26)
IM U.S. Small Cap Value Equity (MF) Median	4.52	26.26	72.04	9.21	12.07	7.87	9.95
Vanguard Small Cap Index (VSMAX)	5.60 (25)	16.39 (65)	56.51 (60)	14.75 (29)	15.96 (35)	11.50 (32)	12.89 (27)
CRSP U.S. Small Cap TR Index	5.59 (25)	16.38 (65)	56.47 (60)	14.73 (29)	15.94 (35)	11.48 (33)	12.95 (26)
IM U.S. Small Cap Equity (MF) Median	4.23	19.04	59.62	11.91	14.43	10.16	11.33
Goldman Sachs Small Cap Growth Insights Instl (GSIOX)	6.07 (29)	13.33 (31)	48.32 (70)	11.86 (93)	16.45 (85)	12.00 (78)	12.77 (72)
Russell 2000 Growth Index	3.92 (65)	8.98 (62)	51.36 (55)	15.94 (68)	18.76 (63)	13.11 (65)	13.52 (58)
IM U.S. Small Cap Growth Equity (MF) Median	4.77	9.89	52.26	17.35	20.01	14.09	13.79
<b>International Equity</b>							
Vanguard Total Intl Stock Index (VTIAX)	5.54 (47)	9.71 (32)	36.55 (38)	9.61 (61)	11.11 (51)	5.64 (48)	5.72 (52)
FTSE Global ex USA All Cap Index (Net)	5.67 (44)	9.70 (32)	37.20 (35)	9.64 (61)	11.29 (47)	5.73 (47)	5.79 (51)
IM International Large Cap Equity (MF) Median	5.20	7.82	35.07	10.69	11.12	5.48	5.81
American Funds Europacific Growth R4 (REREX)	6.87 (28)	6.32 (67)	39.62 (17)	13.39 (31)	14.10 (25)	8.36 (23)	7.95 (20)
MSCI AC World ex USA (Net)	5.48 (60)	9.16 (22)	35.72 (37)	9.38 (82)	11.08 (70)	5.33 (75)	5.45 (81)
IM International Large Cap Growth Equity (MF) Median	6.18	6.61	33.69	12.21	12.57	6.95	6.83

\*The interest rate for the Guaranteed Income Fund is announced in advance. The current annualized rate of return is 3.02%.



	Performance(%)						
	QTR	YTD	1 YR	3 YR	5 YR	7 YR	10 YR
<b>Target Date Funds</b>							
American Funds 2010 Target Date (RDATX)	3.17 (77)	5.37 (18)	14.99 (48)	8.33 (67)	7.13 (65)	5.82 (45)	6.71 (24)
Morningstar Category Target-Date 2000-2010	3.49 (50)	4.26 (52)	14.70 (56)	8.37 (62)	7.32 (61)	5.49 (63)	5.78 (74)
IM Mixed-Asset Target 2010 (MF) Median	3.49	4.29	14.94	8.64	7.51	5.78	6.21
American Funds 2015 Target Date (RDBTX)	3.61 (80)	6.01 (25)	16.84 (64)	9.00 (60)	7.77 (73)	6.28 (50)	7.26 (30)
Morningstar Category Target-Date 2011-2015	3.92 (52)	5.23 (63)	16.54 (71)	8.89 (64)	7.94 (67)	5.93 (74)	6.20 (83)
IM Mixed-Asset Target 2015 (MF) Median	3.94	5.51	17.33	9.18	8.24	6.27	6.93
American Funds 2020 Target Date (RDCTX)	3.77 (80)	6.19 (40)	17.58 (64)	9.43 (51)	8.55 (59)	6.81 (41)	7.91 (23)
Morningstar Category Target-Date 2016-2020	4.21 (52)	5.77 (61)	18.18 (52)	9.20 (56)	8.35 (64)	6.17 (57)	6.63 (74)
IM Mixed-Asset Target 2020 (MF) Median	4.27	6.08	18.52	9.43	8.82	6.49	7.41
American Funds 2025 Target Date (RDDTX)	4.20 (75)	6.57 (51)	20.37 (62)	10.70 (35)	10.02 (44)	7.75 (24)	9.05 (6)
Morningstar Category Target-Date 2021-2025	4.66 (46)	6.61 (50)	21.15 (53)	10.09 (52)	9.58 (57)	6.95 (53)	7.50 (67)
IM Mixed-Asset Target 2025 (MF) Median	4.59	6.58	21.31	10.17	9.80	7.03	7.86
American Funds 2030 Target Date (RDETX)	4.76 (76)	7.69 (62)	24.42 (67)	11.76 (33)	11.60 (28)	8.83 (13)	9.97 (5)
Morningstar Category Target-Date 2026-2030	5.18 (52)	7.97 (50)	25.12 (53)	11.10 (50)	10.70 (61)	7.68 (55)	8.13 (68)
IM Mixed-Asset Target 2030 (MF) Median	5.21	7.96	25.38	11.04	10.98	7.82	8.62
American Funds 2035 Target Date (RDFTX)	5.70 (62)	9.44 (56)	29.98 (54)	13.48 (16)	13.42 (14)	10.03 (7)	10.84 (5)
Morningstar Category Target-Date 2031-2035	5.73 (58)	9.48 (53)	29.53 (60)	12.20 (52)	11.99 (55)	8.42 (57)	8.95 (61)
IM Mixed-Asset Target 2035 (MF) Median	5.80	9.55	30.34	12.27	12.11	8.63	9.23
American Funds 2040 Target Date (RDGTX)	6.29 (48)	10.42 (73)	33.17 (56)	14.33 (16)	14.22 (13)	10.54 (6)	11.25 (4)
Morningstar Category Target-Date 2036-2040	6.14 (57)	10.79 (51)	33.14 (56)	12.87 (55)	12.62 (60)	8.89 (58)	9.25 (71)
IM Mixed-Asset Target 2040 (MF) Median	6.25	10.80	33.63	12.98	12.88	9.12	9.70
American Funds 2045 Target Date (RDHTX)	6.44 (59)	10.71 (86)	34.05 (80)	14.58 (20)	14.51 (14)	10.77 (5)	11.40 (6)
Morningstar Category Target-Date 2041-2045	6.43 (61)	11.61 (58)	35.69 (59)	13.48 (53)	13.33 (55)	9.34 (53)	9.77 (57)
IM Mixed-Asset Target 2045 (MF) Median	6.52	11.85	36.28	13.55	13.40	9.37	9.90
American Funds 2050 Target Date (RDITX)	6.54 (62)	10.87 (89)	34.55 (85)	14.77 (18)	14.71 (13)	10.89 (5)	11.49 (4)
Morningstar Category Target-Date 2046-2050	6.55 (59)	11.99 (54)	36.79 (58)	13.61 (54)	13.36 (60)	9.39 (58)	9.71 (70)
IM Mixed-Asset Target 2050 (MF) Median	6.63	12.04	37.29	13.72	13.58	9.59	10.11
American Funds 2055 Target Date (RDJTX)	6.61 (56)	10.94 (90)	34.61 (86)	14.78 (21)	14.71 (18)	10.89 (4)	11.48 (6)
Morningstar Category Target-Date 2055	6.61 (56)	12.13 (53)	37.43 (59)	13.81 (50)	13.68 (52)	9.62 (53)	N/A
IM Mixed-Asset Target 2055 (MF) Median	6.67	12.18	37.99	13.78	13.71	9.72	10.21
American Funds 2060 Target Date (RDKTX)	6.60 (62)	10.93 (88)	34.62 (91)	14.78 (21)	14.69 (27)	N/A	N/A
Morningstar Category Target Date 2060	6.64 (57)	12.29 (52)	37.97 (62)	13.84 (54)	13.78 (64)	N/A	N/A
IM Mixed-Asset Target 2060+ (MF) Median	6.69	12.32	38.87	13.92	14.03	10.03	N/A

\*The interest rate for the Guaranteed Income Fund is announced in advance. The current annualized rate of return is 3.02%.



**Asset Allocation & Performance**  
**Trailing Periods**  
As of June 30, 2021

	Performance(%)						
	QTR	YTD	1 YR	3 YR	5 YR	7 YR	10 YR
<b>Fixed Income</b>							
Vanguard Total Bond Index (VBTLX)	2.00 (2)	-1.69 (90)	-0.42 (80)	5.38 (2)	2.99 (12)	3.25 (1)	3.36 (3)
Blmbg. Barc. U.S. Aggregate Float Adjusted	1.96 (2)	-1.67 (90)	-0.33 (80)	5.44 (2)	3.07 (9)	3.31 (1)	3.44 (2)
IM U.S. Intermediate Duration Fixed Income (MF) Median	0.58	-0.51	0.84	3.90	2.19	2.12	2.27
Western Asset Core Plus Bond Fund (WACPX)	2.88 (10)	-1.77 (85)	3.13 (41)	6.86 (21)	4.75 (14)	4.65 (6)	4.87 (6)
Blmbg. Barc. U.S. Aggregate Index	1.83 (82)	-1.61 (81)	-0.34 (97)	5.34 (79)	3.03 (90)	3.28 (67)	3.39 (81)
IM U.S. Broad Market Core+ Fixed Income (MF) Median	2.15	-0.90	2.68	6.01	3.96	3.51	3.93
Nationwide Government Money Fund (GMIXX)	0.00 (87)	0.00 (90)	0.00 (88)	0.96 (65)	0.78 (63)	0.56 (64)	0.39 (64)
90 Day U.S. Treasury Bill	0.00 (97)	0.02 (8)	0.09 (4)	1.34 (3)	1.16 (8)	0.85 (9)	0.61 (9)
IM U.S. Taxable Money Market (MF) Median	0.00	0.00	0.01	1.04	0.86	0.63	0.44

\*The interest rate for the Guaranteed Income Fund is announced in advance. The current annualized rate of return is 3.02%.



**Asset Allocation & Performance**

	Performance(%)					
	YTD	2020	2019	2018	2017	2016
<b>Domestic Equity</b>						
DFA US Large Cap Value (DFLVX)	20.71 (18)	-0.61 (84)	25.45 (61)	-11.65 (90)	18.97 (19)	18.89 (13)
Russell 1000 Value Index	17.05 (52)	2.80 (48)	26.54 (45)	-8.27 (36)	13.66 (76)	17.34 (19)
IM U.S. Large Cap Value Equity (MF) Median	17.23	2.62	26.07	-9.06	16.29	13.82
Vanguard 500 Index (VFIAX)	15.24 (43)	18.37 (41)	31.46 (30)	-4.43 (31)	21.79 (39)	11.93 (27)
S&P 500 Index	15.25 (43)	18.40 (40)	31.49 (29)	-4.38 (30)	21.83 (38)	11.96 (26)
IM U.S. Large Cap Core Equity (MF) Median	14.88	16.00	29.68	-5.61	21.17	10.06
MFS Growth R4 (MFEJX)	12.99 (41)	31.63 (74)	37.68 (11)	2.59 (15)	30.88 (36)	2.45 (48)
Russell 1000 Growth Index	12.99 (41)	38.49 (36)	36.39 (21)	-1.51 (58)	30.21 (41)	7.08 (8)
IM U.S. Large Cap Growth Equity (MF) Median	12.61	36.17	33.38	-0.85	29.46	2.19
Vanguard Mid Cap Index (VIMAX)	15.31 (46)	18.24 (49)	31.03 (43)	-9.23 (47)	19.25 (47)	11.22 (53)
CRSP U.S. Mid Cap TR Index	15.31 (46)	18.24 (49)	31.09 (42)	-9.22 (47)	19.30 (47)	11.25 (52)
IM U.S. Mid Cap Equity (MF) Median	14.41	17.12	30.27	-9.95	18.68	11.46
Touchstone Mid Cap Growth Y (TEGYX)	8.82 (52)	27.32 (79)	42.46 (5)	-3.52 (37)	24.47 (55)	4.88 (49)
Russell Midcap Growth Index	10.44 (28)	35.59 (53)	35.47 (39)	-4.75 (47)	25.27 (44)	7.33 (25)
IM U.S. Mid Cap Growth Equity (MF) Median	8.89	36.41	34.38	-5.00	24.83	4.78
American Beacon Small Cap Value Y (ABSYX)	22.52 (85)	3.96 (49)	23.37 (26)	-15.70 (47)	8.65 (46)	26.61 (50)
Russell 2000 Value Index	26.69 (47)	4.63 (42)	22.39 (36)	-12.86 (24)	7.84 (57)	31.74 (15)
IM U.S. Small Cap Value Equity (MF) Median	26.26	3.84	21.26	-16.08	8.32	26.61
Vanguard Small Cap Index (VSMAX)	16.39 (65)	19.11 (37)	27.37 (25)	-9.31 (31)	16.24 (29)	18.30 (63)
CRSP U.S. Small Cap TR Index	16.38 (65)	19.07 (37)	27.35 (25)	-9.33 (32)	16.24 (29)	18.26 (64)
IM U.S. Small Cap Equity (MF) Median	19.04	12.33	24.10	-12.05	12.98	20.49
Goldman Sachs Small Cap Growth Insights Instl (GSIOX)	13.33 (31)	18.24 (94)	26.49 (56)	-7.15 (66)	18.41 (68)	13.89 (21)
Russell 2000 Growth Index	8.98 (62)	34.63 (59)	28.48 (47)	-9.31 (79)	22.17 (41)	11.32 (41)
IM U.S. Small Cap Growth Equity (MF) Median	9.89	37.19	27.71	-5.12	20.69	9.82
<b>International Equity</b>						
Vanguard Total Intl Stock Index (VTIAX)	9.71 (32)	11.28 (61)	21.51 (76)	-14.43 (39)	27.55 (46)	4.67 (7)
FTSE Global ex USA All Cap Index (Net)	9.70 (32)	11.24 (61)	21.80 (75)	-14.61 (41)	27.41 (46)	4.72 (7)
IM International Large Cap Equity (MF) Median	7.82	14.65	25.94	-15.18	26.76	0.10
American Funds Europacific Growth R4 (REREX)	6.32 (67)	24.81 (16)	26.98 (52)	-15.22 (58)	30.70 (33)	0.69 (32)
MSCI AC World ex USA (Net)	9.16 (22)	10.65 (86)	21.51 (94)	-14.20 (43)	27.19 (65)	4.50 (10)
IM International Large Cap Growth Equity (MF) Median	6.61	16.71	27.04	-14.99	29.44	-0.86

\*The interest rate for the Guaranteed Income Fund is announced in advance. The current annualized rate of return is 3.02%.



**Asset Allocation & Performance**  
**Calendar Years**  
**As of June 30, 2021**

	Performance(%)					
	YTD	2020	2019	2018	2017	2016
<b>Target Date Funds</b>						
American Funds 2010 Target Date (RDATA)	5.37 (18)	8.83 (88)	13.42 (70)	-2.80 (17)	9.98 (63)	7.13 (14)
Morningstar Category Target-Date 2000-2010	4.26 (52)	10.46 (49)	13.85 (58)	-3.26 (33)	10.21 (53)	5.80 (59)
IM Mixed-Asset Target 2010 (MF) Median	4.29	10.43	14.19	-3.58	10.24	6.06
American Funds 2015 Target Date (RDBTX)	6.01 (25)	9.47 (78)	14.58 (69)	-3.04 (18)	10.77 (68)	7.23 (19)
Morningstar Category Target-Date 2011-2015	5.23 (63)	10.45 (63)	15.38 (48)	-3.94 (53)	11.30 (52)	6.13 (66)
IM Mixed-Asset Target 2015 (MF) Median	5.51	11.40	15.31	-3.90	11.40	6.40
American Funds 2020 Target Date (RDCTX)	6.19 (40)	10.55 (55)	15.28 (65)	-3.08 (10)	12.50 (54)	6.66 (39)
Morningstar Category Target-Date 2016-2020	5.77 (61)	10.75 (52)	16.19 (48)	-4.59 (53)	12.19 (59)	6.25 (55)
IM Mixed-Asset Target 2020 (MF) Median	6.08	10.90	15.97	-4.52	12.69	6.36
American Funds 2025 Target Date (RDDTX)	6.57 (51)	13.35 (31)	17.41 (68)	-3.77 (12)	14.90 (52)	6.91 (49)
Morningstar Category Target-Date 2021-2025	6.61 (50)	11.72 (55)	18.29 (50)	-5.39 (53)	14.59 (54)	6.75 (56)
IM Mixed-Asset Target 2025 (MF) Median	6.58	12.13	18.18	-5.23	14.95	6.87
American Funds 2030 Target Date (RDETX)	7.69 (62)	14.77 (20)	19.71 (61)	-4.53 (11)	17.97 (22)	7.34 (48)
Morningstar Category Target-Date 2026-2030	7.97 (50)	12.93 (50)	20.10 (50)	-6.33 (51)	16.38 (58)	7.36 (47)
IM Mixed-Asset Target 2030 (MF) Median	7.96	12.86	20.08	-6.32	16.92	7.30
American Funds 2035 Target Date (RDFTX)	9.44 (56)	17.11 (10)	22.90 (32)	-5.52 (10)	20.63 (9)	7.65 (54)
Morningstar Category Target-Date 2031-2035	9.48 (53)	14.04 (52)	22.04 (56)	-7.06 (48)	18.45 (56)	7.15 (68)
IM Mixed-Asset Target 2035 (MF) Median	9.55	14.15	22.26	-7.26	18.72	7.75
American Funds 2040 Target Date (RDGTX)	10.42 (73)	18.37 (9)	23.94 (42)	-5.85 (7)	21.59 (10)	7.82 (52)
Morningstar Category Target-Date 2036-2040	10.79 (51)	14.58 (53)	23.18 (58)	-7.76 (46)	19.30 (58)	7.96 (50)
IM Mixed-Asset Target 2040 (MF) Median	10.80	14.74	23.63	-7.97	19.74	7.95
American Funds 2045 Target Date (RDHTX)	10.71 (86)	18.80 (8)	24.25 (61)	-5.90 (5)	21.98 (13)	7.93 (57)
Morningstar Category Target-Date 2041-2045	11.61 (58)	15.11 (54)	24.35 (58)	-8.13 (49)	20.42 (56)	7.96 (56)
IM Mixed-Asset Target 2045 (MF) Median	11.85	15.38	24.61	-8.19	20.65	8.15
American Funds 2050 Target Date (RDITX)	10.87 (89)	19.03 (8)	24.61 (54)	-5.92 (5)	22.15 (12)	7.98 (55)
Morningstar Category Target-Date 2046-2050	11.99 (54)	15.28 (54)	24.51 (55)	-8.44 (48)	20.41 (61)	8.23 (48)
IM Mixed-Asset Target 2050 (MF) Median	12.04	15.54	24.67	-8.54	20.80	8.10
American Funds 2055 Target Date (RDJTX)	10.94 (90)	19.00 (9)	24.60 (59)	-5.92 (5)	22.15 (15)	7.93 (59)
Morningstar Category Target-Date 2055	12.13 (53)	15.51 (53)	24.91 (48)	-8.43 (49)	20.99 (54)	8.01 (56)
IM Mixed-Asset Target 2055 (MF) Median	12.18	15.65	24.85	-8.48	21.12	8.25
American Funds 2060 Target Date (RDKTX)	10.93 (88)	19.02 (6)	24.53 (75)	-5.95 (6)	22.09 (21)	8.00 (44)
Morningstar Category Target Date 2060	12.29 (52)	15.31 (58)	25.16 (47)	-8.51 (48)	21.22 (55)	8.02 (44)
IM Mixed-Asset Target 2060+ (MF) Median	12.32	15.99	25.08	-8.66	21.30	7.86

\*The interest rate for the Guaranteed Income Fund is announced in advance. The current annualized rate of return is 3.02%.





**Asset Allocation & Performance**  
**Calendar Years**  
**As of June 30, 2021**

	Performance(%)					
	YTD	2020	2019	2018	2017	2016
<b>Fixed Income</b>						
Vanguard Total Bond Index (VBTLX)	-1.69 (90)	7.72 (6)	8.71 (1)	-0.03 (83)	3.56 (4)	2.60 (22)
Blmbg. Barc. U.S. Aggregate Float Adjusted	-1.67 (90)	7.75 (5)	8.87 (1)	-0.08 (86)	3.63 (3)	2.75 (18)
IM U.S. Intermediate Duration Fixed Income (MF) Median	-0.51	5.57	5.28	0.64	1.68	1.67
Western Asset Core Plus Bond Fund (WACPX)	-1.77 (85)	9.39 (31)	12.28 (4)	-1.49 (70)	6.96 (2)	4.79 (34)
Blmbg. Barc. U.S. Aggregate Index	-1.61 (81)	7.51 (73)	8.72 (64)	0.01 (20)	3.54 (76)	2.65 (83)
IM U.S. Broad Market Core+ Fixed Income (MF) Median	-0.90	8.55	9.32	-0.93	4.49	4.19
Nationwide Government Money Fund (GMIXX)	0.00 (90)	0.25 (70)	1.80 (61)	1.40 (65)	0.46 (59)	0.04 (54)
90 Day U.S. Treasury Bill	0.02 (8)	0.67 (1)	2.28 (5)	1.87 (10)	0.86 (13)	0.25 (16)
IM U.S. Taxable Money Market (MF) Median	0.00	0.30	1.90	1.54	0.55	0.06

\*The interest rate for the Guaranteed Income Fund is announced in advance. The current annualized rate of return is 3.02%.



**American Funds Target Retirement R4**  
**Target Date Fund Universe Ranges**  
 June 30, 2021

Asset Class	2060+	2055	2050	2045	2040	2035	2030	2025	2020	2015	2010
<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%	80%
Minimum	0%	0%	0%	5%	5%	10%	15%	20%	25%	35%	40%
<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>61</b>	<b>54</b>	<b>55</b>	<b>52</b>	<b>54</b>	<b>54</b>	<b>51</b>	<b>56</b>	<b>54</b>	<b>37</b>	<b>38</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.



**American Funds Target Retirement R4**  
**Target Date Fund Asset Allocation**  
 June 30, 2021

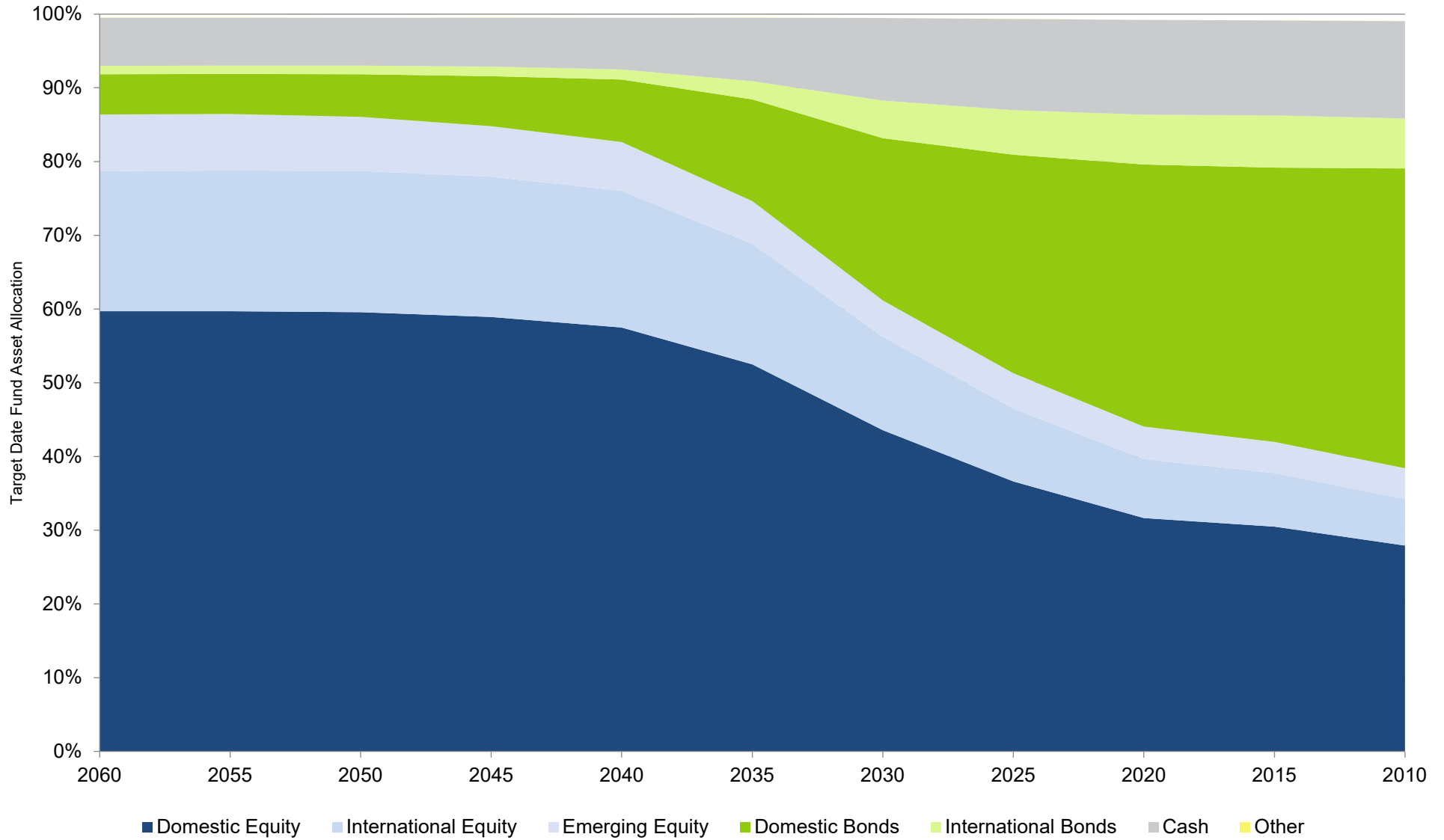
Asset Class	2060	2055	2050	2045	2040	2035	2030	2025	2020	2015	2010
<b>Total Equity</b>	<b>86%</b>	<b>86%</b>	<b>86%</b>	<b>85%</b>	<b>83%</b>	<b>75%</b>	<b>61%</b>	<b>51%</b>	<b>44%</b>	<b>42%</b>	<b>38%</b>
Domestic Equity	60%	60%	60%	59%	57%	52%	44%	37%	32%	30%	28%
International Equity	19%	19%	19%	19%	19%	16%	13%	10%	8%	7%	6%
Emerging Equity	8%	8%	7%	7%	7%	6%	5%	5%	4%	4%	4%
<b>Total Fixed Income</b>	<b>7%</b>	<b>7%</b>	<b>7%</b>	<b>8%</b>	<b>10%</b>	<b>16%</b>	<b>27%</b>	<b>36%</b>	<b>42%</b>	<b>44%</b>	<b>47%</b>
Domestic Bonds	5%	5%	6%	7%	8%	14%	22%	30%	36%	37%	41%
International Bonds	1%	1%	1%	1%	1%	2%	5%	6%	7%	7%	7%
<b>Cash</b>	<b>7%</b>	<b>7%</b>	<b>7%</b>	<b>7%</b>	<b>7%</b>	<b>9%</b>	<b>11%</b>	<b>12%</b>	<b>13%</b>	<b>13%</b>	<b>13%</b>
<b>Other</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>99%</b>	<b>99%</b>	<b>99%</b>	<b>99%</b>	<b>99%</b>

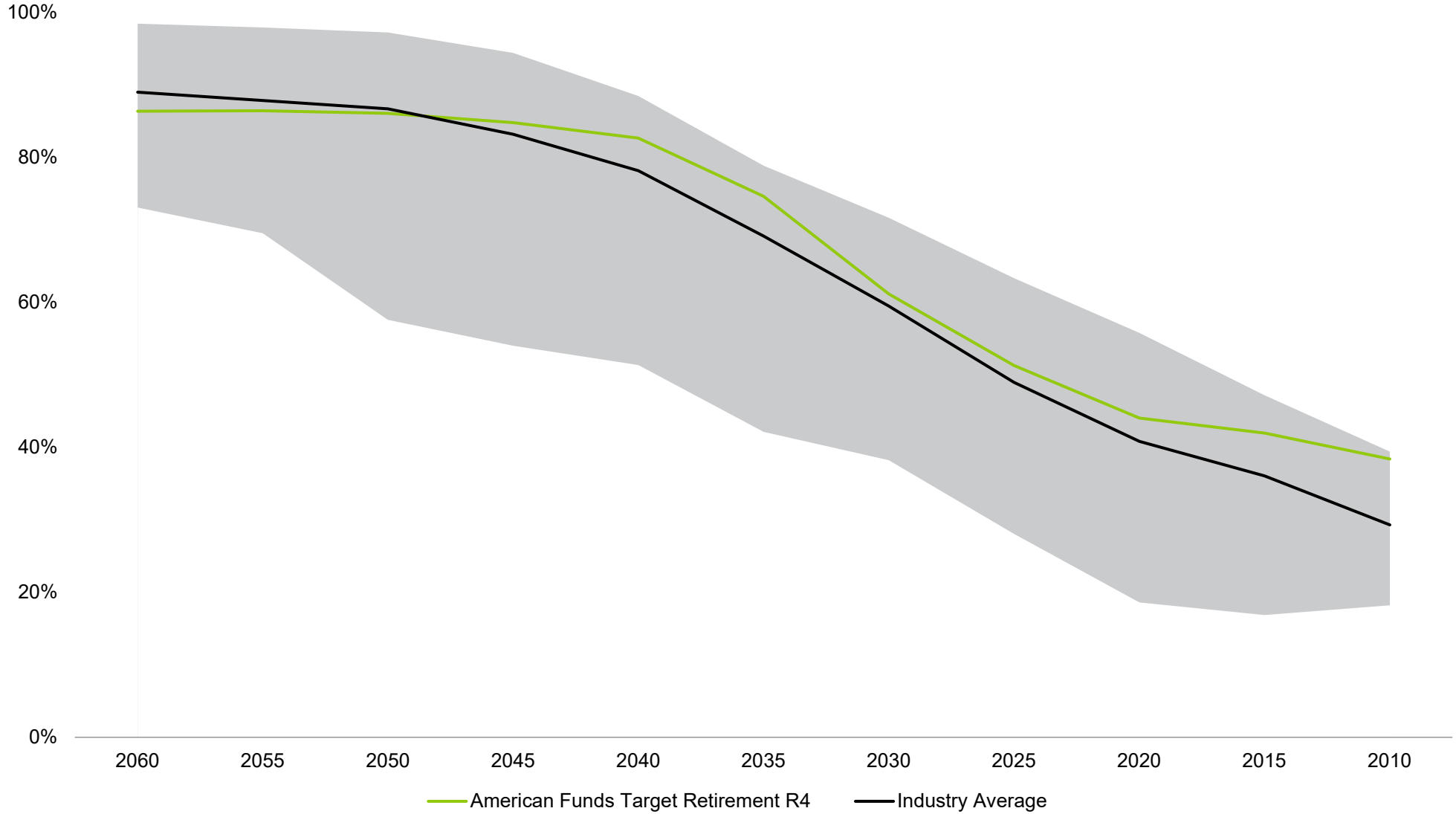
Terminal Equity Date:	30 years after Retirement
Active/Passive/Blend Allocation:	Active

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%.







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	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			Reviewed in 2019	
Plan recordkeeping & administration services review			Reviewed in 2019	
Employee education review				
Review of ancillary products, if applicable (self-directed brokerage, managed accounts, etc.)			Reviewed in 2019	
<b>Other Projects</b>				



In fiscal year 2020, investigators helped missing and nonresponsive participants receive benefits with a present value in excess of \$1.4 billion.

Recently, the DOL's Employee Benefits Security Administration (EBSA) provided guidance in its ongoing efforts to help plan fiduciaries locate and distribute retirement benefits to missing or nonresponsive participants. The following practices have proven effective at minimizing and mitigating the problem of missing or nonresponsive participants:

- Maintaining accurate census information for the plan's participant population
- Implementing effective communication strategies
- Missing participant searches
- Documenting procedures and actions

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Source: Employee Benefits Security Administration, Release Number 21-32-NAT "[U.S. Department of Labor issues missing participant guidance](#)" January 12, 2021



In April, The Department of Labor announced new guidance for plan sponsors, plan fiduciaries, recordkeepers and plan participants on best practices for maintaining cybersecurity. ERISA requires plan fiduciaries to take appropriate precautions to mitigate these risks. Their guidance comes in three forms:

- Tips for hiring a service provider
- Cybersecurity program best practices
- Online security tips

EBSA estimates there are \$9.3 trillion in retirement plan assets that, without sufficient protections, may be at risk from cybersecurity threats.





On May 5<sup>th</sup> the House Ways and Means Committee unanimously sent the Securing a Strong Retirement Act of 2020, “SECURE Act 2.0,” to the House for full consideration. Some of the more significant changes the bill (as currently drafted) would bring to the retirement landscape include:

- Further raising the required minimum distribution age
- Increasing catch-up contribution limits and requiring they be made on an after-tax (Roth) basis
- Allowing participants to elect matching contributions be treated as Roth contributions
- Expediting part-time workers eligibility for contributing to their 401(k) plan
- Creating a national, online database of lost accounts to make it easier to find old retirement accounts
- Permitting match contributions based on student loan payments

The House has yet to schedule a vote on the bill, but given the bipartisan support, there is anticipation it could pass before the end of 2021.



<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.



AndCo compiled this report for the sole use of the client for which it was prepared. AndCo 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. AndCo uses the results from this evaluation to make observations and recommendations to the client.

AndCo 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. AndCo analyzes transactions as indicated on the custodian statements and reviews the custodial market values of the portfolio. As a result, this provides AndCo with a reasonable basis that the investment information presented is free from material misstatement. This methodology of evaluating and measuring performance provides AndCo with a practical foundation for our observations and recommendations. Nothing came to our attention that would cause AndCo to believe that the information presented is significantly misstated.

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