TOWN OF PALM BEACH

TENTATIVE AGENDA:
SUBJECT TO REVISION

DEFINED CONTRIBUTION PLAN COMMITTEE MEETING
COUNCIL CHAMBERS
SECOND FLOOR, TOWN HALL
360 SOUTH COUNTY ROAD

THURSDAY, MARCH 12, 2020
1:00 PM
WELCOME!

I. CALL TO ORDER AND ROLL CALL

Chairman Brett Madison
Vice Chairman Daniel Wilkinson
Jane LeClainche
Michael Marx
Danielle Olson

II. PLEDGE OF ALLEGIANCE

III. APPROVAL OF AGENDA

IV. APPROVAL OF MINUTES FROM NOVEMBER 15, 2019

V. COMMUNICATIONS FROM CITIZENS

VI. REVIEW OF COMMITTEE INDEMNIFICATION AND FIDUCIARY LIABILITY INSURANCE [JANICE RUSTIN, LEWIS LONGMAN & WALKER]

VII. AMENDMENT OF RESOLUTION ADOPTING DC COMMITTEE [JANICE RUSTIN, LEWIS LONGMAN & WALKER]

VIII. UPDATED ADMINISTRATIVE POLICY AND PROCEDURE GOVERNING THE DEFINED CONTRIBUTION COMMITTEE [JANICE RUSTIN, LEWIS LONGMAN & WALKER]

IX. REVIEW OF INVESTMENT POLICY STATEMENT [JANICE RUSTIN, LEWIS LONGMAN & WALKER]

X. DISCUSSION ON CHANGES UNDER SECURE ACT [JANICE RUSTIN, LEWIS LONGMAN & WALKER]

XI. TOWN OF PALM BEACH RETIREMENT SYSTEM ANNUAL REPORT [JANE LECLAINCHE, DIRECTOR OF FINANCE]

XII. REVIEW CURRENT INVESTMENT LINEUP [DAVE WEST, ANDCO CONSULTING]

a. General allocation options
b. Fund election option suitability and quality
c. Cost

XIII. FIDUCIARY DOCUMENTATION CHECKLIST [DAVE WEST, ANDCO CONSULTING]

XIV. PRESENTATION BY ICMA-RC [STEVEN FEIGELIS, ICMA-RC]

a. Administrative Allowance Account Report
b. Follow up on communication and education initiatives
c. Managed Services options for RHS
d. Demographic data of participants
e. Clarification of long-term purchase

XV. UPCOMING MEETING SCHEDULE

a. May 14 Meeting – Retirement Board meeting moved to May 8
b. August 20 Meeting – Time conflict (morning is available)

XVI. ANY OTHER MATTERS

XVII. ADJOURNMENT

PLEASE TAKE NOTE:

Disabled persons who need an accommodation in order to participate in this meeting are requested to contact the Town Manager's Office at (561) 838-5410 or through the Florida Relay Service by dialing 1-800-955-8770 for voice callers or 1-800-955-8771 for TDD callers, at least two (2) working days before this meeting.

TOWN OF PALM BEACH

MINUTES OF THE DEFINED CONTRIBUTION COMMITTEE

MEETING HELD ON

Friday, November 15, 2019

I. Call to Order and Roll Call

The Defined Contribution Committee Meeting was called to order on Friday, November 15, 2019, at 9:00 a.m. in the Town Council Chambers. On roll call, all appointed members were found to be present.

II. Pledge of Allegiance

III. Approval of Agenda

Motion was made by Committee Member Brett Madison, and was seconded by Committee Member Daniel Wilkinson, to approve the Agenda as presented. The motion passed unanimously.

IV. Communications from Citizens

There were no communications from citizens.

V. Review of Resolution Adopting the Defined Contribution Committee [Danielle Olson, Director of Human Resources]

Director of Human Resources, Danielle Olson reviewed Resolution 35-2019, adopted by Town Council, approving and describing the Defined Contribution Committee. There was discussion concerning whether or not the resolution covers both RHS plans. Ms. Olson will review with legal counsel to see if it is necessary to revise the resolution.

VI. Review of Committee Administrative Procedure [Danielle Olson, Director of Human Resources]

Director Olson reviewed the draft Administrative Procedure for the newly formed committee referencing the Town's Code of Ordinances and Resolution that was passed. It has not yet been finalized and approved by the Town Manager. The Administrative Procedure outlines the committee's structure and roles of its members and ex-officio members, frequency of meetings, and format of meetings as well as the duties and policies and fiduciary responsibilities of the committee. Director of Finance, Jane LeClainche suggested that it would probably be best if the committee waits to finalize the Administrative Procedure until after hearing the information presented by the other consultants attending the day's meeting.

Approval was moved to agenda item XI, in order to hear all input and changes to the Administrative Procedure prior to approval.

Committee Member Wilkinson asked if meeting materials would be provided before the next meeting to provide adequate time to review. Director Olson replied that they would and would like to provide future backup in electronic format, one week prior to each meeting.

Committee Member Madison inquired as to the indemnification insurance of the committee included or the same as the retirement board. Director Struder believes that it is duplicative; however, suggested that the Risk Manager, Karen Temme, attend the next meeting to provide information and recommendations to such coverage. Risk Manager Temme has obtained quotes, and will be invited to the next meeting to provide the information. If the policy is in place, then the carrier can come and discuss the policy and its coverage.

Director Olson asked the committee if they would like legal counsel, Janice Rustin of Lewis, Longman, and Walker to attend the next meeting to discuss indemnification and coverage and they affirmed that action for the next meeting.

a. Election of Chair and Vice Chair

The Administrative Procedure outlines the election of committee members to be performed annually in September or the next scheduled meeting immediately after.

The ballot was distributed to the committee for election of the Committee Chairman. The votes were counted and Brett Madison received the most votes for Chairman.

The ballot was distributed to the committee for election of the Committee Vice Chairman. The votes were counted and Daniel Wilkinson received the most votes for Vice Chairman.

b. Consulting Agreement with AndCo Consulting for Discussion

Chairman Madison opened the discussion regarding AndCo's consulting agreement. He invited Dave West to explain and outline the agreement with the committee. He explained that this agreement outlines the differences of the scope of work of the defined contribution portion of the fiduciary responsibilities and the defined benefit (pension) contracted services. AndCo will not be changing the fundamental operations of the plan and members will continue to self-direct their investments, they will be directing the procedures and protections and documentation of the plan, the systems.

AndCo further explained the selection and monitoring of funds and they will assist the committee in decisions for lower fees and risk and drive better performance. A full review of fund options and recommended changes for member choices will be made when necessary.

AndCo conducted due diligence and compared ICMA-RC to five other companies. The new model included ICMA-RC lowering fees and AndCo conducting the monitoring of funds, rather than ICMA-RC, saving the Town money in plan governance and accountability. The "Open Architecture" structure allows AndCo, as a third party, to go out and search for other funds, addressing costs and options.

RHS plan investment options was discussed. AndCo explained that these types of plans are not often allowed to be directed or changed by any firm other than ICMA-RC, monitoring and requests to ICMA-RC are the only options that AndCo can do. ICMA-RC selects the offerings. Fernando Llop provided additional information as to the structure and requirements of the trust and the participants' self-direction of their own investments for their individual plans. ICMA-RC will discuss any underperformance with AndCo and make appropriate changes, if necessary.

The discussion included options that may be available to employees in the future, including education in the differences in the fund options for RHS. Mr. Llop discussed the restrictions and reasons for the RHS groups, and rules dictated by the IRS. Discussion further included managed services offered by ICMA-RC but are not included for RHS. Mr. Llop will research and provide the reason why managed services does not include RHS.

VII. <u>Review of Draft Investment Policy Statement [Dave West, AndCo Consulting]</u>

Mr. West discussed each section of the Draft Investment Policy Statement, including the importance of the QDIA outlined in section I: Objectives of the Plan(s).

He requested committee approval of the document subject to council review and any amendments they have to the policy documents. Legal will be consulted to determine the process for approval.

There was discussion on clarification of some of the policy language that outlines the minimum requirements for members and fund options as well as restrictions in place regarding the frequency of investment changes.

Motion was made by Committee Member Olson, and was seconded by Committee Member LeClainche, to keep the language vague regarding employee's investment changes. The motion passed unanimously.

The Roth IRA option for employees was discussed as part of the covered plans. Explanation was provided that it is not a plan-sponsored account. The Town is facilitating the employee's election to participate in investing through payroll deductions. It is not a responsibility of the Town's. Education will be provided. Ms. Olson stated that the Roth IRA is discussed in the resolution for the committee. AndCo directed that the language referring to the Roth IRA be removed as it is not owned by the Town. Legal counsel should be consulted as to perceived risks and how it is offered to employees.

Motion was made by Committee Member LeClainche and was seconded by Committee Member Olson, to approve the investment policy pending the discussed changes and legal review. The motion passed unanimously.

VIII. Review and Discussion Regarding the Investment Review Report [Dave West, AndCo Consulting]

Mr. West provided a summary presentation of the investment review report. He requested permission from the committee to perform a full review of all investment options currently offered (management review for each individual option of the investment program). They will present the information at the next committee meeting.

Committee Member LeClainche wanted to confirm that it would still have the diversification of funds, e.g. Real Estate equity. Discussion included any plans that AndCo may have already have regarding some of the funds. Their objective is to have any participant be able to construct their own portfolio based on their tolerance. Focus will be on suitability of existing funds and availability.

Motion was made by Committee Member LeClainche and was seconded by Committee Member Olson, to approve AndCo's investment review report. The motion passed unanimously.

IX. Review ICMA-RC Education Strategy for 2020 [Fernando Llop, ICMA-RC]

Mr. Llop discussed the status of the education strategy in Steven Feigelis' place. Committee Member Olson mentioned that she was looking for input from the committee members.

Mr. Llop continued by discussing the Plan Service Report distributed to committee members. The report is prepared quarterly and is available approximately 45 days after the quarter end. The Roth IRA is not included (Plan No. 705765). Mr. Llop will research why one participant still has the active account and provide the information and status to the committee. Mr. Llop reviewed the ICMA-RC balances of each plan through Q3 2019 as well as the historical appreciation and depreciation.

Mr. Llop presented the funds and volume invested by age group. Additional information compared active versus inactive participants (separated from service). There is a risk as to the number of those separated from service can take their investments out of the plan at any time. Committee Member Olson asked if there was a way ICMA-RC could provide the demographic of those separated from service as to the number of years of service, perhaps a combination by date of hire or age. Mr. Llop will see what information can be provided to the committee at the next meeting. Active is defined as those making a contribution to the plan over the past 12 months.

Clarification was requested for the Long Term Care Purchase listed under disbursements. Mr. Llop did not have the specifics on the provisions of this item and he will check on and provide that information to the committee.

Committee Member Wilkinson requested if there was another way to present the performance of the fund and how it performed in comparison to others in the market. Mr. Llop and Mr. West explained that that would be part of the scope of services to be provided by AndCo.

Additional education for participants is expected to include next steps and seminar-type presentation to assist retirees and DROP participants in making informed decisions on the next steps, whether to rollover DROP accounts into their 457 accounts or other options. The Town will work with Mr. Feigelis to setup additional meetings and presentations.

Mr. Llop continued by outlining the expenses and reductions in fees that were previously mentioned by AndCo. As of July 1, Mr. Llop explained how the revenue is credited back to participants after the fees that were collected from the funds. Committee Member LeClainche clarified that ICMA-RC is paying AndCo's bill through Excess Revenue Accounts or Administrative Allowances Accounts established November 6 and 7, 2019. If there is any excess, it will remain in the account, used for the benefit of the participants (legal fees, etc.).

The Revenue Reconciliation Report is provided to Finance that shows what each fund provides and was distributed. AndCo can provide that in their quarterly report going forward. ICMA-RC and AndCo will coordinate preparation timeframes. If meetings are scheduled accordingly, then all of the information can be provided for them.

Committee Member LeClainche mentioned that a check was not received by the Finance Department. Mr. Llop will followup on the status of the check and will get the information to her. From this point on, the money will be credited back and a check will not be generated. He will see if the check can be voided and credit it back into the account.

Mr. Llop reviewed the Seminar Lineup booklet that was distributed at the beginning of the meeting. Seminars are presented by Hortensia Perez, Certified Financial Planner. ICMA-RC has committed to 24 visits to the Town throughout the year with locations and times. It was suggested that each employee group provide a list of seminars that would be most beneficial and attended within their groups, for all ages and levels of experience and length of service. Discussion continued regarding targeted education and benefits to all groups, not just getting ready to retire.

Committee Member Olson discussed some of the underused tools that are currently available to employees through ICMA-RC and online retirement presentations. She will bring those demonstrations to the next meeting. Mr. Llop further demonstrated the tools available for personal devices. He also discussed ICMA-RC's security guarantee that if there is a loss to the participant that occurs at no fault of their own, they will make them whole. Participants have a responsibility of their own to log into their account and secure their account.

It was requested that ICMA-RC provide the names of participants who have never logged into their ICMA-RC accounts.

X. Upcoming Meeting Schedule

Discussion of timing of quarterly meetings that would follow the 45 days after quarter's end so that the information can be included in each meeting. Ms. LeClainche mentioned that they should be planned in conjunction with the quarterly Retirement Board meetings to help keep costs down to AndCo and anyone else attending/providing information/presentations for meetings.

March 13 is Retirement Board, therefore March 12 afternoon at 1:00 pm for the committee. Remaining dates are May 14, August 20, and December 3, tentative to room and member availability.

XI. Any Other Matters

There were no other matters to come before the board.

XII. Adjournment

There being no further business, the Defined Contribution Committee meeting of November 15, 2019, adjourned at 12:09 pm.

Motion was made by Committee Member Olson and seconded by Committee Member Michael Marx to adjourn. The motion passed unanimously.

Respectfully Submitted,

____

Brett Madison, Chairman
Town of Palm Beach
Defined Contribution Committee

Reply to: Tallahassee, FL

MEMORANDUM

TO: Danielle Olson, Human Resources Director, Town of Palm Beach

FROM: Janice Rustin and Jim Linn

DATE: March 4, 2020

SUBJECT: RE: Defined Contribution Plans Committee – Fiduciary Liability Insurance

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This responds to your question as to whether the Town's Defined Contribution Plan Committee ("Committee") should obtain fiduciary liability insurance to cover Committee members' exposure to personal liability related to their Committee duties in light of the Town's indemnification policy.

In sum, in the event a Committee member is personally named in a lawsuit or other legal proceeding as a result of actions taken within the scope of his or her Committee duties, the Town's indemnification policy will assume the member's legal defense and pay the associated court costs and attorney's fees. However, we recommend that the Town evaluate its general liability and errors and omissions policy to determine if the existing policy covers fiduciary liability related to the Town's defined contribution plans. If such coverage is not now provided, the Town may wish to obtain fiduciary liability insurance naming the Town Manager, the Plan Coordinator, and Committee members as additional insureds. This will help limit the Town's exposure to any liabilities arising out of its management and administration of the defined contribution plans.

Background

In June 2019, the Town adopted Resolution 035-2019 establishing the Committee to provide administrative support and coordination for the Town's defined contribution plans ("Plan"). The Resolution authorizes the Town Manager to oversee the Committee, appoint its members, and adopt policies and procedures governing the Committee.

Pursuant to the proposed administrative policy governing the Committee, the Town Manager is a fiduciary for the Plan and is responsible for making the final decisions related to the operation

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of the Plan. The Committee acts in an advisory role and is responsible for making recommendations to assist the Town Manager in exercising his fiduciary duty. In addition to its advisory duties, the Committee has been given the authority to adopt, implement and administer a communication and education plan for the members.

Potential liability arising out of Plan operation and administration

Typically, legal claims against governmental defined contribution plans consist of the following types of claims:

- Excessive fee claims, in which the plaintiffs allege that the employer and plan fiduciaries breached their fiduciary duty by failing to monitor or negotiate plan fees, which resulted in the members paying excessively high fees.
- Investment-related claims, in which the plaintiffs allege that the plan fiduciaries should not have selected or continued to offer a particular investment option based on the investment's poor performance.
- Administration error claims, in which plaintiffs allege that the Plan administrator failed to follow specific investment instructions or took some other action which adversely affected their retirement accounts.

The Committee's exposure to liability

Because the Town Manager, and not the Committee, is a fiduciary and is tasked with making decisions regarding the Plan, the Town Manager, and not the Committee, would likely be named in the event that a breach of fiduciary duty claim were filed. However, it is possible that Committee members could face a legal claim related to their limited discretionary authority over the communication and education plan and other Plan matters.

Under Florida law, no officer, employee or agent of a local government agency can be held personally liable for actions or omissions undertaken within the scope of their official duties, unless their actions are made in bad faith, with malicious intent, or in a manner showing willful and wanton disregard for public health, safety, and property. See Section 768.28, *Florida Statutes*. This law protects Committee members from personal liability for any actions taken within the scope of their Committee duties.

In addition to the protections provided under Florida law, the Town of Palm Beach has a very extensive indemnification policy which would indemnify committee members in the event that they are, or threatened to be, personally named in a lawsuit or other legal proceeding as a result of their Committee duties. Section 2-617 of the Town's Code of Ordinances provides as follows:

> The town, to the fullest extent permitted by law, shall indemnify any elected official and *any member of any appointed board* or commission of the town who was or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, administrative or investigative (a "proceeding"), by reason of the fact that such person was or is an elected official or a member of any appointed board or commission of the town, or was or is serving at the request of the town as a trustee or agent of any employee benefit plan of the town, against all expenses (including court costs and reasonable attorneys' fees), judgments, and amounts paid in settlement with the approval of the town in connection with a proceeding involving alleged:
>
> (1) Liability for any statement made, vote, decision or action taken, or the failure to take any action, so long as the indemnitee has not derived an improper personal benefit, either directly or indirectly, in connection therewith, and/or
>
> (2) Liability for failure to exercise reasonable care, skill, diligence, caution, and/or prudence, whether under the prudent investor or prudent man standard or otherwise.

What is covered under the Town's indemnification policy?

In the event that a Committee member is personally named in a legal proceeding as described above, the Town will pay all court costs, legal fees, and judgement and settlement amounts. As soon as the member notifies the Town in writing of the lawsuit or proceeding, the Town will, at its sole cost and expense, retain an attorney to represent the member in the lawsuit.

What is not covered under the Town's indemnification policy?

The Town will not be responsible for any legal costs or expenses incurred by the member after the Town begins defending the member. This means that the Town will not reimburse the member if he hires his own lawyer after the Town starts to defend him. However, the Town will be responsible for legal costs incurred by the member if 1) the member is not reasonably satisfied with the attorney selected by the Town or 2) the Town failed to retain the attorney within a reasonable time after being notified of the lawsuit or legal proceeding.

In the event that criminal charges are brought against a Committee member for conduct related to his or her Committee duties, the member will be responsible for his or her own legal defense. If the member is found not guilty of the criminal charges, the Town will reimburse the member for his or her reasonable legal expenses, including court costs and attorneys fees.

Conclusion

Based on the limited nature of the Committee's advisory functions, and in view of the Town's expansive indemnification policy, we do not believe fiduciary insurance is warranted for the Committee or its members. However, we recommend that the Town evaluate its general liability and errors and omissions policy to determine if the existing policy covers fiduciary liability related to the Town's defined contribution plans. If such coverage is not now provided, the Town may wish to obtain fiduciary liability insurance naming the Town Manager, the Plan Coordinator, and Committee members as additional insureds. This will help limit the Town's exposure to any liabilities arising out of its management and administration of the defined contribution plans.

c: Karen Temme, Risk Manager, Town of Palm Beach

RESOLUTION XX-2020

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF PALM BEACH, PALM BEACH COUNTY, FLORIDA, AMENDING THE DUTIES OF THE DEFINED CONTRIBUTION RETIREMENT PLAN COMMITTEE; PROVIDING FOR SEVERABILITY; PROVIDING FOR FULL FORCE AND EFFECTIVENESS; PROVIDING FOR REPEAL OF CONFLICTING RESOLUTIONS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, in June 2019, the Town Council of the Town of Palm Beach adopted Resolution 35-2019 establishing a Defined Contribution Plan Committee ("Committee") to provide administrative support and coordination for the Town's Defined Contribution and related plans for Town employees; and

WHEREAS, the Town Council desires to amend the duties of the Committee, such that the Committee provides administrative support and coordination for the following Town employee retirement plans: the Defined Contribution 401(a) Retirement Plan (Plan No. 106397); the Retirement Health Savings Plans (RHSP) (Plan Nos. 803116 and 800533), and the optional 457 Deferred Compensation Savings Plan (Plan No. 300786); and

WHEREAS, the Committee shall not provide administrative support and coordination for the optional IRA Roth Savings Plan for Town employees (Plan No. 705765); and

WHEREAS, the Town Council hereby revises and restates the duties of the Town Manager, the Plan Coordinator, and the Committee with respect to the Defined Contribution and related plans for Town employees.

NOW THEREFORE, the Town Council of the Town of Palm Beach, Palm Beach County, Florida hereby resolves:

<u>Section 1. Administration of the Defined Contribution 401(a) Plan.</u> The Town of Palm Beach Defined Contribution 401(a) Retirement Plan – Plan No. 106397 ("401(a) Plan") shall be administered as follows:

A. A Defined Contribution Plan Committee ("Committee") is established to provide administrative support and coordination for the 401(a) Plan, as requested by the Plan Coordinator. The Committee shall be comprised of Town employees appointed by the Town Manager, who shall serve at the pleasure of the Town Manager.

B. The Town Council authorizes the Town Manager to oversee the Committee and to adopt administrative policies and procedures to govern the Committee, as may be amended from time to time.

C. The Board of Trustees of the Town of Palm Beach Retirement System shall not provide administrative support and coordination for the 401(a) Plan or other Town defined contribution plans.

D. The Town Manager shall continue to serve as a trustee of the 401(a) Plan and execute all necessary agreements incidental to the administration of the 401(a) Plan.

Section 2. Plan Coordinator. The Town Human Resources Director shall continue to be the coordinator for the 401(a) Plan, the RHSP plans, and the optional 457 Plan; shall receive reports, notices, etc. from the administrator of the associated trusts; shall cast, on behalf of the Town, any required votes under these trusts; may delegate any administrative duties relating to these plans to appropriate personnel; and is authorized to execute all necessary documents incidental to the administration of these plans.

Section 3. Administration of the RHSP and 457 Plans: The Committee is authorized to provide administrative support and coordination for the Town's Retirement Health Savings Plans (RHSP) (Plan Nos. 803116 and 800533) and the optional 457 Deferred Compensation Savings Plan (Plan No. 300786), as requested by the Plan Coordinator.

Section 4. If any section, sentence, clause or phrase of this Resolution shall be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Resolution.

Section 5. This Resolution shall remain in full force and effect until supplemented, amended, repealed or otherwise altered. The Town reserves the right to terminate the Plan at any time.

Section 6. This Resolution hereby repeals all resolutions in conflict herewith.

Section 7. This Resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED in a regular, adjourned session of the Town Council of_the Town of Palm Beach assembled this ____ day of ____________, 2020.

____
Gail L. Coniglio, Mayor

____
Danielle H. Moore, Town Council President

____
Margaret A. Zeidman, Council President Pro Tem

____
Julie Araskog, Town Council Member

____
Lewis S.W. Crampton, Town Council Member

ATTEST:

____
Kathleen Dominguez, Town Clerk

____
Bobbie Lindsay, Town Council Member

RESOLUTION xx-2020

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF PALM BEACH, PALM BEACH COUNTY, FLORIDA, AMENDING THE DUTIES OF THE DEFINED CONTRIBUTION RETIREMENT PLAN COMMITTEE; PROVIDING FOR SEVERABILITY; PROVIDING FOR FULL FORCE AND EFFECTIVENESS; PROVIDING FOR REPEAL OF CONFLICTING RESOLUTIONS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, in June 2019, the Town Council of the Town of Palm Beach adopted Resolution 35-2019 establishing a Defined Contribution Plan Committee ("Committee") to provide administrative support and coordination for the Town's Defined Contribution and related plans for Town employees; and

WHEREAS, the Town Council desires to amend the duties of the Committee, such that the Committee provides administrative support and coordination for the following Town employee retirement plans: the Defined Contribution 401(a) Retirement Plan (Plan No. 106397); the Retirement Health Savings Plans (RHSP) (Plan Nos. 803116 and 800533), and the optional 457 Deferred Compensation Savings Plan (Plan No. 300786); and

WHEREAS, the Committee shall not provide administrative support and coordination for the optional IRA Roth Savings Plan for Town employees (Plan No. 705765); and

WHEREAS, the Town Council hereby revises and restates the duties of the Town Manager, the Plan Coordinator, and the Committee with respect to the Defined Contribution and related plans for Town employees.

NOW THEREFORE, the Town Council of the Town of Palm Beach, Palm Beach County, Florida hereby resolves:

Section 1. Administration of the Defined Contribution 401(a) Plan. The Town of Palm Beach Defined Contribution 401(a) Retirement Plan —Plan No. 106397 ("401(a) Plan") shall be administered as follows:

A. A Defined Contribution Plan Committee ("Committee") is established to provide administrative support and coordination for the 401(a) Plan, as requested by the Plan Coordinator. The Committee shall be comprised of Town employees appointed by the Town Manager, who shall serve at the pleasure of the Town Manager.

B. The Town Council authorizes the Town Manager to oversee the Committee

[redacted]

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Deleted: APPROVING AMENDMENTS TO THE ADMINISTRATION OF THE PLAN;

Deleted: WHEREAS, in 2012, the Town Council of the Town of Palm Beach adopted Resolution 012-2012 creating the Town of Palm Beach Defined Contribution 401(a) Retirement Plan for Town employees.¶
WHEREAS, the Town Council approved the Adoption Agreement for the Defined Contribution 401(a) Plan (Plan No. 106397), which was subsequently amended by Resolution 37-2017.¶
WHEREAS, the Town Council desires to amend the administrative structure of the Defined Contribution 401(a) Plan by establishing a Defined Contribution Plan Committee to provide administrative support and coordination for the Plan; and¶
WHEREAS, in addition to the Defined Contribution 401(a) Plan, the Town offers the following defined contribution plans to eligible Town employees: a Retirement Health Savings Plan (RHSP) (Plan No. 803116), an optional 457 Deferred Compensation Savings Plan (Plan No. 300786), and an optional IRA Roth Savings Plan (Plan No. 705765).¶
WHEREAS, the Town Council desires to authorize the Defined Contribution Plan Committee to provide administrative support and coordination for these additional defined contribution plans.

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Deleted: The Town hereby approves the following amendments to the administration of the

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and to adopt administrative policies and procedures to govern the Committee, as may be amended from time to time.

C. The Board of Trustees of the Town of Palm Beach Retirement System shall not provide administrative support and coordination for the 401(a) Plan or other Town defined contribution plans.

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D. The Town Manager shall continue to serve as a trustee of the 401(a) Plan and execute all necessary agreements incidental to the administration of the 401(a) Plan.

Section 2. Plan Coordinator. The Town Human Resources Director shall continue to be the coordinator for the 401(a) Plan and the RHSP plans, and the optional 457 Plan; shall receive reports, notices, etc. from the administrators of each plan's trust; shall cast, on behalf of the Town, any required votes under each plan's trust, as appropriate; may delegate any administrative duties relating to the defined contribution plans to appropriate personnel; and is authorized to execute all necessary documents incidental to the administration of the defined contribution plans.

Deleted: all other defined contribution plans offered by the Town

Section 3. Administration of the the RHSP and 457 Plans: . The Committee is authorized to provide administrative support and coordination for the Town's Retirement Health Savings Plans (RHSP) (Plan Nos. 803116 and 800533), the optional 457 Deferred Compensation Savings Plan (Plan No. 300786), and the optional IRA Roth Savings Plan (Plan No. 705765), as requested by the Plan Coordinator.

Deleted: Town's Other Defined Contribution Plans

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Section 4. If any section, sentence, clause or phrase of this Resolution shall be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Resolution.

Section 5. This Resolution shall remain in full force and effect until supplemented, amended, repealed or otherwise altered. The Town reserves the right to terminate the Plan at any time.

Section 6. This Resolution hereby repeals all resolutions in conflict herewith.

Section 7. This Resolution shall become effective immediately upon its adoption.

[redacted]

PASSED AND ADOPTED in a regular, adjourned session of the Town Council of the Town of Palm Beach assembled this 11`h day of June, 2019.

Rev. 3.4.2020

TOWN OF PALM BEACH

Administrative Procedure

Procedure No.:................................

Effective Date:..................................**mm/dd/yyyy**

APPROVED: ______________________________
Kirk Blouin, Town Manager

TITLE: **DEFINED CONTRIBUTION PLAN COMMITTEE**

OBJECTIVE: The purpose of this policy is to assist the Town in providing administrative support and coordination for the Defined Contributions Plans by appointing a Defined Contribution Plan Committee.

SCOPE: This Policy applies to the 401(a) Plan (Plan No. 106397), the Retirement Health Savings Plans (RHSP) (Plan Nos. 803116 and 800533), and the optional 457 Deferred Compensation Savings Plan (Plan No. 300786).

PROCEDURE: The Defined Contribution Plan Committee established by Resolution 035-2019, as may be amended, shall be governed by the Administrative Policies and Procedures set forth herein.

The Defined Contribution Plan Committee (hereinafter referred to as the "Committee") shall provide administrative support and coordination for the Town's Defined Contribution plans ("Plans") as follows:

1. The Committee shall consist of 5 members who are appointed by and serve at the pleasure of the Town Manager. One member shall be the Town's Director of Finance and one member shall be the Town's Director of Human Resources. The remaining three members shall be the members of each of the benefit

groups that have been elected to serve on the Board of Trustees of the Town of Palm Beach Retirement System in accordance with Section 82-57 of the Town of Palm Beach Code of Ordinances, who shall serve on the Committee in an ex officio capacity.

2. The Town Manager shall be a fiduciary of the Plans within the meaning of Section 112.656, Florida Statutes, and shall have general oversight of the investments and contracted vendors with respect to the Plans. The Committee shall assist the Town Manager by making recommendations regarding the operation of the Plans as described herein.

3. The Committee shall assist the Town Manager in hiring qualified consultants, who shall assist the Committee in administering the Plans. The Committee shall monitor and periodically review the performance of these consultants.

4. The Committee shall assist the Town Manager in adopting an Investment Policy Statement (IPS) for the Plans and review the IPS on an annual basis to determine whether any modifications need to be made. The IPS shall include criteria for the evaluation of Plan investments, shall define the Plans' asset allocation policy, and shall determine the communication and administrative procedures for those involved in the Plans.

5. The Committee shall assist the Town Manager in monitoring the performance of the investment funds in accordance with the IPS and make recommendations regarding the retention and replacement of investment funds as needed to further the goals of the IPS.

6. The Committee shall adopt a communication and education plan (CEP) that provides a consistent, ongoing educational program for Plan members consistent with best practices and in line with guidance provided by ERISA 404(c). The Committee shall direct, implement and administer the CEP and perform all tasks necessary to further the goals of the CEP. The Committee shall review the CEP on an annual basis to ensure that the educational needs of the Plan members are being met, and to make modifications where necessary.

7. The Committee shall monitor fees and expenses of the Plans at least annually to ensure that the expenses and fees are reasonable, and make recommendations to the Town Manager concerning fees.

8. The Committee shall periodically review the Plan documents and make recommendations to the Town Manager for revisions to further the goal of retirement readiness for participants.

9. The Committee members shall be subject to the Town's Indemnification policy as provided for in Section 2-617 "Right to Indemnification" of the Code of Ordinances of the Town of Palm Beach.

Town of Palm Beach
Defined Contribution Plans for Employees
And Executive Employees

Defined Contribution 401(a)
Deferred Compensation Savings 457
Retirement Health Savings (RHS)

Investment Policy Statement

I. PURPOSE OF INVESTMENT POLICY STATEMENT

A Defined Contribution Plan Committee ("Committee") has been established to provide administrative support and coordination for the Town's 401(a), 457 and RHS Plans ("Plan" or "Plans"), as requested by the Plan Coordinator. The Committee shall be comprised of Town employees appointed by the Town Manager. The Town Manager shall oversee the Committee and adopt administrative policies and procedures to govern the Committee, as may be amended from time to time. The Town Manager shall execute all necessary agreements incidental to the administration of the Plans.

This Policy is intended to provide guidelines, limitations, and required actions on the part of the Committee and service providers for selecting, managing, and monitoring the investment options (Options) made available to participants and/or beneficiaries (Participants).

This Policy is intended to provide an anchor of stability in times of rapidly changing economic, business and capital market conditions. However, the investment policies described in this statement are subject to change. Moreover, the existence of this Policy is not intended to restrict or limit the discretion, control or authority of the Committee or any fiduciary to which such discretion, control, or authority has been delegated, to make decisions in the best interest of Participants as circumstances may require.

Periodically, but no less often than once a year, the Committee will meet to discuss the following:

A. Adherence to this Policy.

B. The effectiveness of Plan(s) administration, Participant communications and other Participant services to help further Participant investment success including the evaluation of Participant concerns.

C. Employee information including demographics, participation, contribution rates, and use of Options by Participants.

D. The fit and appropriateness of this Policy with the overall Plan(s) objectives; and any changes that are needed to the Plan(s) Options, Plan(s) administration, or Participant services.

E. The reasonableness of the fees incurred by the Plan(s) and Participants, and confirm that the Plan(s) and Participants are receiving a fair value in exchange for the fees rendered.

In addition, the Committee may discuss all items within this section for each Option, the Service Provider/Record Keeper, and Consultants. The Town Manager or Plan Coordinator may call more frequent meetings if significant concerns arise about any Option, strategy, personnel, organizational structure, or any other factors relating to the welfare of the Plan(s).

The minutes of the Committee's deliberations shall be recorded to provide a written record of the Committee's due diligence process. Minutes shall be voted on and approved at the subsequent meeting.

I. OBJECTIVES OF THE PLAN(S)

The Committee is charged with following the Policy in all actions it takes involving the Plan(s) and acts as the named fiduciary. The Trusts are intended to be exempt from taxation under the Internal Revenue Code, and are maintained in conjunction with the Plan(s) to hold assets for Participants for their retirement. The Plan(s) permit all Participants to direct the investments for their individual Plan accounts among the Plan's Options. In addition, the Committee, with the assistance of the Investment Consultant, will select an appropriate Qualified Default Investment Alternative (QDIA) Option for the Plan(s). The Committee shall review the Plan's QDIA on an ongoing basis for suitability, and shall act in accordance with Department of Labor Regulations regarding QDIAs.

The Participants bear the ultimate risk and responsibility for their individual Plan investment elections and investment performance over time. Although the Plan is not covered under ERISA, in order to conform with best-practice safe harbor provisions as specified in ERISA Section 404(c), the Plan(s) shall:

A. Provide Participants at least three Options with different risk/return profiles;

B. Provide Participants with access to sufficient information so that the Participant can make an informed decision about the selection of Options; and

C. Permit Participants to change Options on a daily basis.

Investment success largely depends on following well established principles of portfolio investing, including the use of well diversified portfolios intended to maximize long term returns for the level of risk chosen by each individual Participant. The Plan(s) will offer Participants a diverse set of Options, selected pursuant to the criteria in SECTION IV of this Policy.

The objective is that each Participant will select a combination of Options that generally optimizes the Participant's overall investment portfolio consistent with their individual circumstances, goals, time horizons, risk capacity and risk tolerance.

Proxy voting for mutual fund shares shall be passed through to Participants in accordance with the Service Provider/Record Keeper agreement or other applicable document. Proxy voting for securities held in a portfolio managed by an investment manager shall be handled by the investment manager consistent with its fiduciary responsibilities and the investment guidelines governing the account.

II. RESPONSIBILITIES

Participants: Each Plan Participant is best positioned to make decisions regarding the allocation of assets among the various Options offered by the Plan(s) in order to best achieve his/her investment and retirement goals. As a result, the amount to be invested in each option, if any, shall be determined by each Plan Participant. In the absence of an election by a Plan Participant, the Participant's balance will be invested in the appropriate QDIA selected by the Committee.

Each Participant has a responsibility to pursue the education necessary to make sound investment decisions. This education may include, but is not limited to, materials provided by the Plan(s), service provider/record keeper, investment managers and/or the Investment Consultant. The Participants bear the risk of the investment results from the Options chosen.

Plan(s) Sponsor: The Plan Sponsor has established the Committee to provide administrative support and coordination for the Plan(s), and has authorized the Town Manager to appoint and oversee the Committee. The Committee is responsible for establishing an Investment Policy regarding Plan investments, and a Communication and Education Plan (CEP) to keep the members informed about the Plan(s). The Plan Sponsor shall approve the engagement of professional service providers for the Plans, including but not limited to the following:

A. Service Provider/Record Keeper

B. Investment Consultant

C. Legal Counsel

Service Provider/Record Keeper: The Service Provider/Record Keeper is responsible for maintaining accurate and up-to-date account records for all individual Participants in the Plan(s). These records shall include daily valuations of each Participant's aggregate investments and each Option.

The Service Provider/Record Keeper shall also be responsible for providing each Participant with access to sufficient information to select and manage their investments. The information and services provided shall include enrollment, education, exchanges, transfers, distributions, periodic statements and any other responsibilities that may be further defined in the agreement between the service provider/record keeper and Plan(s).

Investment Consultant: The Investment Consultant shall assist the Committee in developing appropriate investment policies and guidelines for the Plan(s), recommending Options to be offered to Plan Participants, and ongoing monitoring and review of those Options. The Investment Consultant shall provide periodic reports outlining the investment performance results of each Option and any further information or services that may be outlined in the agreement between the Investment Consultant and the Town.

Legal Counsel: May include the Town Attorney or separate legal counsel with certain areas of expertise as necessary to assist the Committee.

III. INVESTMENT MANAGER/OPTION SELECTION & EVALUATION

Investment Managers/Options: The Investment Managers of the Options selected for each Plan shall be responsible for the selection, purchase and sale of the individual securities held in their respective portfolios. Each investment manager has a responsibility to discharge their portfolio management duties within the guidelines outlined in their fund prospectus or other governing document.

The following characteristics shall be considered in selecting and monitoring Options, whether offered as a stand-alone Option, and/or as a fund included in a portfolio Option:

A. Manager tenure and corporate stability. It is the intention of the Committee to consider and evaluate an Option's manager tenure as well as the corporate stability of the company offering the Option before including a particular investment vehicle as a Participant Option. In general, the Option's manager must have a three-year track record with the specific Option to be considered a viable, new Option by the Plan(s) for use by Participants. Investment manager change, significant turnover to a portfolio management team or adverse developments at the fund company level of an existing Option shall warrant heightened scrutiny as defined later in this section.

B. Manager, style, asset and process consistency. It is the intention of the Committee to consider and evaluate the manager, style, asset level and process consistency of current Options as well as new Options under consideration by the Plan(s). Any management turnover, substantial style drift, significant assets flows or investment process change at the fund level will result in a review of an existing Option's position in the Plan(s).

C. Investment costs and management fees. It is the intention of the Committee to consider and evaluate that the overall costs and ongoing management fees of current Options as well as new Options under consideration are reasonable when compared to other similar and comparable investment funds.

D. Performance and risk measures. In addition to the qualitative criteria detailed above, it is the intention of the Committee to consider and evaluate the ongoing performance and risk profile of each Option using the following quantitative criteria (net of fees):

1. When there are four consecutive quarters of performance where the return is less than the appropriate benchmark and the rank is below the 75th percentile of the appropriate peer group.
2. Performance over the three and five-year trailing periods that exceeds the appropriate benchmark.
3. Performance over the three and five-year trailing periods that ranks in the top 50th percentile of the appropriate peer group.
4. Sharpe ratio over the three and five-year trailing period that ranks in the top 50th percentile of the appropriate peer group. The Sharpe ratio is defined as an investment's excess return (over the risk-free rate) divided by the standard deviation (risk) of the excess return.
5. Positive Alpha over the three and five-year trailing period relative to the appropriate benchmark. Alpha is a measure of risk-adjusted

performance that represents the portion of an investment's historical performance that is not explained by movements in the benchmark index.

The Investment Consultant will monitor the results of each Plan's Options against the criteria contained in items A through D above, and provide a monitoring report to the Committee on a quarterly basis. These quarterly reviews will evaluate each Option's success against the evaluation criteria as well as the Option's position in the overall menu of available Options. This framework is not intended to be an exhaustive set of criteria by which any Option is selected or evaluated on an ongoing basis.

The review structure contained above can be used for the evaluation of most Plan Options. However, there may be circumstances in which Options offered to Participants may not fit into one or more portions of this framework. As such, the Committee recognizes the need to adopt a flexible approach when analyzing the success of the Plan's index, money market, stable value, and target date (or risk-based lifecycle) Options. Traditional methods of benchmarking returns may not fully assess the effectiveness or fully appreciate the risks of these types of Options. While all Options will be reviewed within the context of their risk/reward profiles, different qualitative and quantitative factors may receive greater emphasis when evaluating these Options.

As part of the quarterly reporting and monitoring process, the Investment Consultant may provide an evaluation matrix that identifies Options as passing (green), failing four quarters or less (yellow), and failing for more than four quarters (red) for the performance and risk measures detailed under item D above and/or additional criteria where appropriate and applicable. The Option evaluation matrix is not intended to establish a sole, trinary decision-making process by which Options will be identified for replacement. The Option evaluation matrix is a working tool intended to document the dialogue and examination of Options by the Committee on an ongoing basis. As each situation for potential replacement is unique, the length of time during which an Option is identified as failing any criteria in the evaluation matrix before replacing shall be treated on a case-by-case basis. The Options evaluation matrix is intended to aid the Committee in identifying those Options that may warrant increased monitoring before becoming subject to removal as detailed in SECTION V of this Policy.

Options that consistently fail to meet performance based objectives, or have experienced management turnover, substantial style drift, significant assets flows, investment process change at the fund level or have other qualitative issues of concern will subject the Option to "heightened scrutiny" to remain in the Plan(s). Heightened scrutiny may include a more detailed evaluation of the Option's organization, investment performance, risk characteristics relative to the appropriate benchmark and peer group over a variety of trailing, rolling and annual time periods, as well as different market cycles, including up markets and down markets. The purpose of heightened scrutiny is to determine if the Option's failure to meet organizational and/or performance objectives is reasonable, explained and/or consistent with the stated investment philosophy, process and investment objectives of that Option in the context of the existing market environment.

IV. INVESTMENT OPTION REMOVAL

Within the context of quarterly reviews, the Option evaluation matrix, and Options under heightened scrutiny, the ongoing suitability of an Option in the Plan(s) shall be questioned and will lead to removal when:

A. Performance is unjustifiable;
B. Risk characteristics are unacceptable;
C. Qualitative issues of insurmountable concern exist; or
D. Lack of confidence that an Option will be able to achieve performance and risk objectives going forward.

The Committee shall have full discretion to retain or replace any Option. The ultimate decision to remove/replace an Option shall be made when the Committee believes such removal/replacement is in the best interests of the Plan(s) and its Participants. Any decision to remove an Option shall be treated on an individual basis.

V. INVESTMENT OPTION MAPPING POLICY

It shall be the general policy of the Plan(s) to apply the following procedures when mapping Participant assets in situations of Option removal and absent participant election following notification of the removal of an Option in which they have a balance or future contribution allocation.

A. The Plan(s) will map Participant assets and future contribution allocations in the discontinued Option to an existing or new Option that is reasonably similar in terms of risk and return to the discontinued Option. Unless presented with clear evidence to the contrary, the Plan(s) considers Options within the same asset class as being reasonably similar in terms of risk and return; or

B. The Plan(s) will map Participant assets and future contribution allocations in the discontinued Option to the appropriate Plan(s) QDIA.

The decision to map Participants to an Option that is reasonably similar in terms of risk and return to the discontinued Option or to map participants to the QDIA shall be made on a case by case basis as deemed in the best interest of the Plan(s) Participants and beneficiaries under the prevailing circumstances.

In all situations, the Plan(s) shall provide Participants notification of the qualified change at least 30 days but not more than 60 days prior to the effective date of the change. The notice shall inform Participants that the notified change will occur unless instructions are received to the contrary.

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REPLY TO: TALLAHASSEE

MEMORANDUM

TO: Local Government Clients

FROM: Jim Linn, Glenn E. Thomas and Janice Rustin

DATE: February 20, 2020

RE: SECURE Act

In December 2019, the U.S. Congress enacted and President Trump signed into law the "Setting Every Community Up for Retirement Enhancement" (SECURE) Act. The SECURE Act includes a number of federal tax law changes to promote retirement savings. The most significant change affecting all retirement plans, including local government plans, is an increase in the age for required minimum distributions, from 70 ½ to 72. There are several other provisions of the SECURE Act that impact governmental retirement plans. These are summarized below.

Increase in Age for Required Minimum Distributions

The SECURE Act amends Internal Revenue Code Section §401(a)(9) to allow retirees to delay taking required minimum distributions (RMDs) until age 72, replacing the prior age of 70 ½. This change is effective for plan members who reach age 70 ½ after December 31, 2019. For members who reached age 70 ½ on or before December 31, 2019, there is no change; these members must take their first RMD by April 1, 2020. However, plan members who attain age 70 ½ after December 31, 2019, can now wait to take their first RMD until April 1 of the calendar year in which they reach age 72. Most governmental retirement plans, both defined benefit and defined contribution plans, currently reflect age 70 ½ as the age at which members must begin receiving benefits or distributions from the plan. These plans will need to be amended to reflect the new age 72 provision for RMDs.

Reduction in Age for Permissive In-Service Distributions

The SECURE Act also amends Sections §401(a)(36) and §457(d)(1)(A) of the Internal Revenue Code to give employers more flexibility with regard to in-service distributions by reducing the age at which plan members are eligible to receive such distributions. In-service distributions allow members to begin to receive retirement benefits before they separate from employment.

- DB plans: Under the prior law, governmental defined benefit retirement plans could (but were not required to) provide for in-service distributions beginning at age 62 for members who are not qualified public safety employees, and age 50 for qualified public safety employees (qualified public safety employees are defined as any employee of a state or political subdivision of a state who provides police protection, firefighting services or emergency medical services). Under the SECURE Act, governmental defined benefit plans can provide for in-service distributions beginning at age 59 ½.

- DC plans: Under the prior law, governmental 457(b) deferred compensation plans could provide for distributions to members no earlier than the calendar year in which the member attained age 70 ½, or when the member separated from employment. Under the SECURE Act, governmental 457(b) deferred compensation plans can now provide for in-service distributions beginning at age 59 ½.

The SECURE Act provision lowering the age for in-service distributions is permissive, not mandatory. This change is effective for plan years beginning after December 31, 2019. Qualified public safety employees may still begin to receive in-service distributions from a defined benefit plan at age 50, if provided in the plan.

Withdrawals for Birth or Adoption of a Child

The Secure Act allows plan amendments that would permit members to take withdrawals of up to $5,000 from defined contribution, 403(b) and 457(b) plans for expenses related to the birth or adoption of a child, for up to one year following the birth or adoption of the child, without the 10% early payment penalty. This is a permissive provision, not a requirement; and is effective for plan years beginning after December 31, 2019.

Please let us know if you have questions regarding these new age requirements.

2019

Town of Palm Beach Retirement System Annual Report

Plan Profile, Demographic and Financial Highlights

Jane Le Clainche CPA
Finance Director

March 13, 2020

Board of Trustees and Employees
Town of Palm Beach Retirement System
Palm Beach, FL 33480

Gentlemen and Participants:

It is our pleasure to present a draft of The Town of Palm Beach Employee's Retirement System Annual Report. The report represents the financial and actuarial information for the plan as of fiscal year end September 30, 2019. The demographic information presented for the defined contribution plans with ICMA covers the period January 1, 2019 through December 31, 2019.

A few pages will be updated mid-March when the UAAL Forecast and the Contribution Breakdown by Benefit Tier information is received from the actuary. These pages are noted in the report.

Once the report is updated, copies of this report will be accessible to all Town Employees and interested citizens via the Town's website.

The report includes; a summarized plan description, plan provisions, demographic information for both the defined benefit plans as well as the defined contribution plans, fiscal year-end financial statements, a listing of professional service providers for the plan, and current investment managers.

Sincerely,

Jane Le Clainche, CPA
Finance Director

Danielle Olson
Human Resource Director

Town of Palm Beach Retirement System Board Members

Employees' Pension System

The Town of Palm Beach's employee pension plan was created in 1947.

The funds were overseen by a single Retirement System Board of Trustees until 1999. The board included citizens appointed by the Town Council, and police officer, firefighter, and general employee representatives elected by their respective peers. The Mayor, Town Council President, and Town Manager served ex officio. The 1999 State Legislature authorized police officers and firefighters to more independently oversee their pension funds (if their local plan was receiving the Chapter 175/185 subsidy), and the Town's single board was divided into a General Employees' Retirement Board of Trustees and a Public Safety Retirement Board of Trustees. In 2004, the Public Safety Retirement Board of Trustees further divided into a Police Officers' Retirement Board of Trustees and a Firefighters' Retirement Board of Trustees.

The plans were separately managed by 3 pension boards from 2004 until April 1, 2012, when the three retirement boards were consolidated into the Town of Palm Beach Retirement System Board of Trustees. This Board now oversees all of the Town's pension assets and retirement programs. An outside pension consultant serves as investment advisor to the Board. The Board also has contracted out a portion of the plan administration services.

On May 1, 2012, the retirement benefits for most Town employees were changed from a defined benefit plan to a hybrid pension plan. Employees who were eligible to retire on or before that date were grandfathered into the old defined benefit plan, and the accrued benefits for all other employees were frozen as of May 1, 2012. Benefits accrued after that date by those not grandfathered were in a new hybrid pension plan that contained a defined benefit component and a defined contribution component. In addition, the Town ceased participation in the State of Florida's Chapter 175 and 185 programs for firefighters and police officers. Approximately 272 active employees and 433 retirees are covered by the Town's retirement plan. There are also 93 vested terminated members.

During 2016 and 2017, the Town Council approved benefit changes for public safety officers. The changes included the elimination of the hybrid option and include an enhanced DB plan with an increased multiplier and reduced retirement age.

During 2017, the Town Council approved benefit changes for general employees and lifeguards. The Town Council approved a change to the hybrid plan for the General Employees that included an increase in the multiplier and reduced age for the DB plan and a reduced DC plan.

The Town Council approved a policy effective October 1, 2017, requiring an annual extraordinary contribution of $5,420,000 to the Town's retirement system each year.

The Town Council and Retirement Board approved a reduction to the amortization period from 25 years to a hybrid amortization of 20 years for assumption/method changes and 15 years for experience gains/losses and plan changes.

During 2019, the Town Council approved benefit changes for police and firefighters. Normal retirement eligibility for police officers and firefighters was changed to age 55 with at least 10 years of service or age 52 with at least 25 years of service. In addition, the member contribution rate for these groups was changed to a fixed rate of 8.5% per year.

The Town Council approved a change in the investment return assumption which is scheduled to decrease to 7.0% in 2020, and then .2% thereafter until a 6% assumption is achieved in 2025.

Investment Objective: The long-term objectives of the Fund are to invest System contributions and assets to ensure that there will be no principal erosion of funds or the purchasing power thereof. Investments are managed in a prudent and professional manner in compliance with all applicable statutes and regulations such as Florida Statutes Section 215.47. Though not regulated by the Employee Retirement Income Security Act of 1974, the Trustees and other fiduciaries intend to comply with fiduciary standards of the Act.

Investment Strategy: The Fund has adopted an investment strategy emphasizing broad diversification. Diversification helps to reduce portfolio volatility (variability of returns) and maximize investment returns at appropriate levels of risk over time.

AndCo Consulting: The Board of Trustees has retained AndCo Consulting, an independent investment consultant for the purpose of assisting the Board in developing and attaining the fund objectives. AndCo assists in establishing objectives, offers alternative models for asset allocation, identifies and recommends appropriate managers or funds, and produces timely quarterly reports that monitor performance of individual managers against similar managers as well as performance of the funds against objectives and appropriate indices.

Asset Allocation Policy: Industry and academic studies have consistently found that asset allocation is the primary driver of risk (volatility) and return. The Fund seeks to meet or exceed the System's actuarial rate of return assumption while looking for opportunities to reduce volatility through diversification.

Rebalancing Policy: Portfolio rebalancing is an important discipline for portfolio risk management. The Fund has established long-term asset allocation targets with ranges. Rebalancing is reviewed not less than quarterly and is required when actual allocation falls outside prescribed ranges. Where possible, rebalancing is coordinated with normal Fund contributions/withdrawals.

Plan Administration: During 2019, the plan administrator, William Hanes, retired and GRS Consulting was hired for the administration of the plan. Mr. Hanes' duties were split between GRS, the Human Resources Department and the Finance Department. GRS will processes all requests by employees for filing benefit claims and information on plan benefits and administer the Board meetings.

Professional Service Providers as of December 31, 2019

Plan Administrator	Contact
GRS One East Broward Boulevard Suite 505 Ft. Lauderdale, FL 33301-1804	Edemir Estrada (954)527-1616 Edemir.estrada@grsconsulting.com

Board Attorney	Contact
Lewis, Longman and Walker 315 South Calhoun Street, Suite 830 Tallahassee, Florida 32301	James W. Linn and Janice Rustin, Board Counsel (850)222-5702 & (561)640-0820 jlinn@llw-law.com, jrustin@llw-law.com

Investment Consultant	Consultant
AndCo Consulting 4901 Vineland Road Suite 600 Orlando, FL 32811	Dave West (866)240-7932 davew@andcoconsulting.com

Actuary	Contact
Gabriel Roeder Smith & Company One East Broward Blvd Suite 505 Ft. Lauderdale, FL 33301-1804	Pete Strong FSA, EA, MAAA, FCA (954)713-2102 Pete.strong@grsconsulting.com

Custodial Bank	Contact
Salem Trust Company 4000 Hollywood Blvd. Suite 555-S Hollywood, FL 33021	Karen M. Russo (954)843-3457 Karen.russo@salemtrust.com

Independent Auditors	Contact
Marcum One SE Third Avenue 16th Floor Miami, FL 33131	Michael Futterman, CPA Partner (305)995-9610 Michael.futterman@marcumllp.com

Deferred Compensation	Contact	Contact
ICMA-RC Service, LLC 2655 LeJeune Road, Suite 545 Coral Gables, FL 33134	Fernando Llop (954)370-0121 fllop@icmarc.org	Steven Feigelis (202)701-5969 or (561)963-1681 sfeigelis@icmarc.org

Financial and Accounting Services	Contact
Town of Palm Beach 360 South County Road Palm Beach, FL 33480	Jane Le Clainche, Finance Director (561)227-6330 jleclainche@townofpalmbeach.com

Human Resources Enrollment/Training	Contact
Town of Palm Beach 360 South County Road Palm Beach, FL 33480	Danielle Olson, Human Resource Director (561)227-6322 dolson@townofpalmbeach.com Jody Justice, Human Resource Analyst (561)227-6324 jjustice@townofpalmbeach.com

Investment Managers and Investments as of December 31, 2019

Domestic Equity
Vanguard Instl Index
Geneva Mid Cap Growth
Cooke & Bieler Mid Cap Value Equity

International Equity
Oakmark International Value Fund
MFS International Growth
WCM Focused International Growth
Wells Capital Emerging Markets Equity Fund

Private Equity
Landmark Equity Partners
Private Equity Investment Fund
HarbourVest Private Equity
Pomona Capital
JP Morgan Venture Capital Fund

Hedge Fund of Funds
Weatherlow Offshore Fund I Ltd.
Blackrock Multi Asset Income Fund

Fixed Income
Garcia Hamilton Fixed Income

Real Estate
Gerding Edlen Green Cities II
Westport Real Estate Fund IV
Gerding Edlen Green Cities III
Long Wharf Real Estate Partners
JP Morgan Strategic Property

Liquid Capital
Goldman Sachs Fin Sq Treasury Obligations

Summary of Plan Provisions

Grandfathered Benefits: The benefits consist of the old defined benefit plan (Plan A - see below) including future accruals in Plan A for employees that were eligible to retire on or before May 1, 2012 (grandfather).

Plan A Benefits: The accrued benefits prior to May 1, 2012 in the old defined benefit plan (frozen benefits).

Plan B Benefits: The accrued benefits on and after May 1, 2012.

Normal Retirement:

ELIGIBILITY
Plan A

a) *General:* 30 or more years of service, regardless of age; or age 55 with 10 or more years of service

b) *Ocean Rescue:* Age 50 with 10 or more years of service. Or 10 or more years of service and age plus credited service totals 65 years or more.

c) *Police and Firefighters:* 20 or more years of service, regardless of age; or, age 50 with 10 or more years of service; or, at least 10 years of service and age plus credited service totals 65 years or more.

d) Immediate vesting was granted to all employees who on May 1, 2012, were active contributing plan participants.

Plan B
General and Ocean Rescue: Age 62 with 10 or more years of service. Members whose employment terminated prior to May 1, 2017 are eligible to retire or enter DROP at age 65 with 10 or more years of service.

Police and Non Union Firefighters: Members whose employment terminated on or after October 1, 2019 are eligible to retire or enter the DROP at the earlier of age 55 with 10 years or more of service or age 52 with 25 or more years of service.

Members whose employment terminated prior to October 1, 2019 and after September 30, 2016 are eligible to retire or enter the DROP at age 56 with 10 or more years of service.

Members whose employment terminated prior to October 1, 2016 are eligible to retire or enter DROP at age 65 with 10 or more years of service.

Union Firefighters: Bargaining members whose employment terminated on or after November 2, 2019 are eligible to retire or enter the DROP at the earlier of Age 55 with 10 or more years of service or age 52 with 25 or more years of service.

Bargaining members whose employment terminated on or after August 12, 2017, are eligible to retire or enter the DROP at age 56 with 10 or more years of service.

All other members are eligible to retire or enter the DROP at age 65 with 10 or more years of service.

PENSION AMOUNT

Plan A

a) *General:* Average final compensation (AFC) times the sum of a) 2.75% for service earned after September 30, 1990, to a maximum of 82.5%, plus 2.35% for service earned on or before September 30, 1990 for the first 30 years of service, plus, b) 1.0% for service in excess of 30 years.
b) *Ocean Rescue:* AFC times the sum of a) 2.85% for the first 25 years of service with a maximum of 71.25%, plus, b) 1.0% for service in excess of 25 years.
c) *Police Officers and Firefighters*: AFC multiplied by the sum of a) 3.5% per year of credited service to a maximum of 87.5 percent, plus, b) 2.0% per year of credited service, if any, in excess of 43.75 years.

Plan B

General and Ocean Rescue: The normal form of pension is a pension payable for life. Also see Automatic Death Benefit. AFC multiplied by 1.25% per year of credited service from May 1, 2012, through April 30, 2017 and multiplied by 1.70% per year after May 1, 2017.

Police and non-union Firefighters: The normal form of pension is a pension payable for life. Also see Automatic Death Benefit. AFC multiplied by 1.25% per year of credited service from May 1, 2012 through September 30, 2016. AFC multiplied by 2.75% per year of credited service on or after October 1, 2016.

Union Firefighters: The normal form of pension is a pension payable for life. Also see Automatic Death Benefit. AFC multiplied by 1.25% per year of credited service from May 1, 2012 through September 30, 2017. AFC multiplied by 2.75% per year of credited service on or after October 1, 2017.

Members can elect an optional survivorship benefit with an actuarial reduction in benefit.

<u>Average Final Compensation (AFC):</u>

Plan A

Average of the highest 2 consecutive years within the member's last 5 years of credited service.

Plan B

AFC after April 30, 2012, is the average of the final 5 years of credited service.

DROP Retirement: Both Plan A and Plan B

Eligibility - Same as Normal Retirement. Participation must be terminated within 5 years of DROP commencement.

Pension Amount

General and Ocean Rescue: 100% of member's accrued benefit at the date of election to participate in DROP. Grandfathered General and Ocean Rescue employees: 98% of member's accrued benefit at the date of election to participate in DROP

Police and Firefighters: 100% of the member's accrued benefit at the date of election to participate in DROP.

The rate of return credit for the DROP and Share accounts is calculated based on a five-year trailing average annual return of the plan, and applied to the DROP and Share balances at the end of each quarter on the average daily balance for the quarter.

Early Retirement (General Employees Only):

ELIGIBILITY

Plan A
Age 50 with 10 or more years of credited service based on a monthly reduction from normal retirement date as explained below.

Plan B
Early retirement at age 60 with 10 or more years of credited service, based on a monthly reduction from normal retirement date based on actuarial equivalency.

PENSION AMOUNT

Plan A
Computed as a normal retirement benefit but reduced 6/10 of 1% (3/10 of 1% if service credit is 20 or more years) for each month early retirement precedes the member's normal retirement date.

Deferred Retirement (Vested Termination Benefit): Both Plan A and Plan B

Eligibility - 10 or more years of service (waived for frozen benefits). Pension begins upon meeting requirement for normal retirement. Contributions must be left on deposit in the System; failure to do so results in forfeiture of the vested benefit. Frozen accrued benefits as of April 30, 2012 are vested immediately.

Pension Amount - Computed as for normal retirement, based upon Plan A frozen benefit, or Plan B service and AFC at time of termination.

Duty Disability Retirement: Both Plan A and Plan B

Eligibility - No age or service requirements.

General Employees and Ocean Rescue: Payment of sixty percent of the monthly AFC (greater of Plan A or B); or if the member retires prior to attaining the age for normal retirement, the amount of the monthly pension shall be computed as if the member has continued to accrue credited service until the date the member would have attained the age for normal retirement provided that the member has been in receipt of the disability benefit for at least five years.

Police Officers and Firefighters: Payment of sixty percent of the monthly AFC (greater of Plan A or B); or if the member retires prior to attaining the age for normal retirement, the amount of the monthly pension shall be computed as if the member has continued to accrue credited service until the date the member would have attained the age for normal retirement provided that the member has been in receipt of the disability benefit for at least five years.

Non-Duty Disability Before Retirement: Both Plan A and Plan B

Eligibility - 10 or more years of service (waived for frozen benefit).

Pension Amount - Computed as for normal retirement. For Police and Firefighter benefit groups, the disability pension benefit shall not be less than a payment of 30 percent of the member's AFC at the time of disability.

Elective Survivor Benefits

Eligibility – The member dies while in the employ of the Town with at least 10 years of credited service and not participating in the DROP. Survivor beneficiary shall be in writing and filed with Human Resources Department.

Duty Death Special Provision: Both Plan A and Plan B

Eligibility – Death while actuarially performing duty for the Town or was the natural and proximate result, independent of all other causes, of a personal injury or disease arising out of and in the course of the actual performance of duty for the town.

1) 10-year vesting requirement waived
2) Surviving children is 25% of deceased member's AFC, not to exceed 75% of AFC when four or more surviving children.
3) Surviving spouse is paid difference between 75% of deceased AFC and aggregate amount paid surviving children.

<u>**Automatic Death After Retirement Pension:**</u>

Plan A
To Surviving Child(ren): 25% of the retiree's pension payable to age 18, not to exceed an equal share of 75% of the retiree's pension. Payments to surviving children may be paid to age 25 if retirement if no surviving spouse.
To Surviving Spouse: The difference, if any, between 75% of the deceased retiree's pension and the aggregate amount paid to any surviving children for the month.

Plan B
Reduced option forms of payment are available for survivorship benefits.

<u>**Post-Retirement Cost-of-Living Adjustments:**</u>

Plan A
Pensions are increased 2.0% annually based on the total pension payable subsequent to an initial 3-year deferral period.

Plan B
None.

<u>**Purchase of Service Credit: Both Plan A and Plan B**</u>

A vested member who has not purchased service credit under Prior Governmental Service, including Military Service elsewhere may purchase years or fractional parts of years of service, not to exceed 5 years, to be added to years of credited service provided that the member contributes the sum that would have been contributed to the retirement plan to pay the full actuarial cost.

Purchase of service by members of benefit group firefighter may only be based upon actual prior service as a firefighter or service in the military and purchase of service by a member of benefit group police officer may only be based upon actual prior service as a police officer or service in the military.

Fiscal Year End Financial Statements

Town of Palm Beach Retirement System
Statement of Fiduciary Net Position
September 30, 2019

	2019
ASSETS	
Cash and cash equivalents	$ 1,722,972
Interest and dividends receivable	200,095
Due from broker for securities sold	-
Prepaid expenses and other assets	12,063
Investments, at fair value	
Short term investment fund	3,610,282
Fixed income securities	30,315,604
Common Stock	20,449,800
Domestic equity funds	59,375,703
International and emerging market equity funds	51,135,977
Hedge funds	17,119,888
Private equity funds	21,103,298
Real estate funds	25,344,975
Total Investments	228,455,527
Total Assets	230,390,657
LIABILITIES	
Accounts payable and accrued liabilities	104,614
Due to the Town	49,706
Total Liabilities	154,320
NET POSITION HELD IN TRUST FOR PENSION BENEFITS	$ 230,236,337

Town of Palm Beach Retirement System
Statement of Changes in Fiduciary Net Position
Year ended September 30, 2019

		2019
ADDITIONS		
Contributions		
Town		$ 18,804,081
Member		1,230,568
	Total contributions	20,034,649
Investment income		
Net appreciation in fair value of investments		8,159,231
Interest and dividends		2,432,434
Other		43,302
	Total investment income/(loss)	10,634,967
Less investment expense		(648,818)
	Total additions	30,020,798
DEDUCTIONS		
Benefit payments		17,962,607
Share account distributions		39,148
DROP distributions		883,632
Refunds of participants' contributions		183,815
Administrative expense		459,144
	Total deductions	19,528,346
	Net increase	10,492,452
Net position held in trust for pension Benefits		
Beginning of Year		219,743,885
NET POSITION HELD IN TRUST FOR PENSION END OF YEAR		$ 230,236,337

Town and Employee Contributions

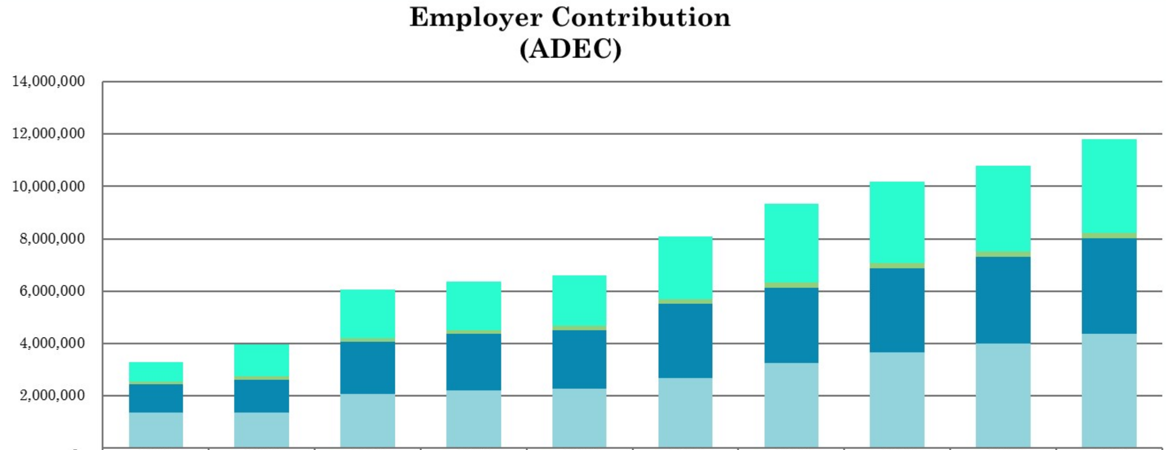
The contribution requirements of the Plan members are established and may be amended by the Town Council. Plan members are required to contribute a percentage of their annual pensionable wages as described in the following table. The member contribution rates for the FY20 budget year (presented as a percentage of the employees' annual compensation) vary by benefit group, and are shown below (along with the Town's matching contribution rates for the 401(a) plan):

	Defined Benefit Plan	**401(a) Defined Contribution Plan**			
Benefit Group	**Employee Contribution**	**Mandatory Contribution**		**Voluntary Contribution (post tax)**	
		Employee	Employer	Employee	Employer
General Employees	3.5%	3%	3%	Voluntary up to the maximum allowable under IRS regulations	Up to 2.0%
Lifeguard Employees	3.5%	3%	3%		Up to 2.0%
Firefighter Union	8.5% (As of 12/14/19)	[redacted]			
Firefighter Non-Union	8.5% (As of 10/1/19)				
Police Officer	8.5% (As of 10/1/19)				

The Town's annual appropriation for the defined benefit pension plan is based upon the actuaries' determined rate. The defined contribution appropriation is based upon salary estimates and employer matching contribution rates including the discretionary contribution. In addition, the Town Council adopted a policy that provides for an annual appropriation of $5,420,000 to begin to fund the UAAL. The Town's actuarial determined contributions for the defined benefit and the defined contribution plans and the percent of budgeted payroll for the defined benefit plan and total Town contribution for FY20 are shown in the table below and do not include the extraordinary $5,420,000 contribution:

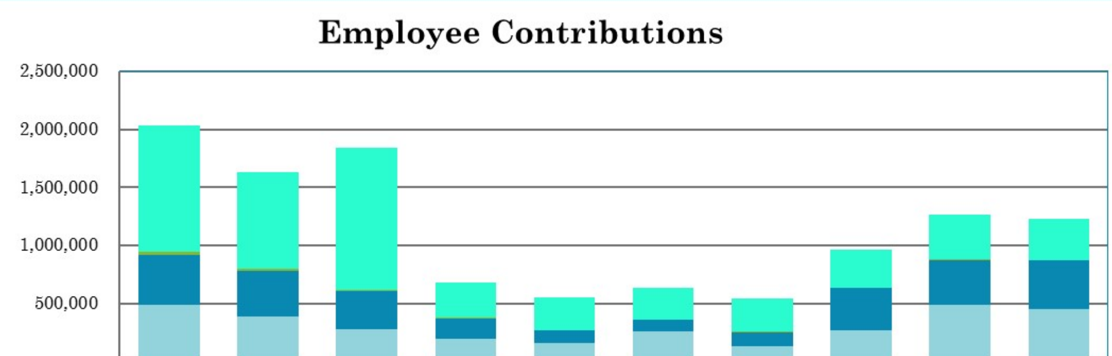
	DB Contribution	**DC Contribution**	**Total Town Contribution**	**% of Payroll (DB Plan)**	**% of Payroll (overall)**
General Employees	$3,276,537	$550,735	$3,827,272	31.66%	36.98%
Lifeguards	210,518	8,561	219,079	139.52%	145.19%
Police	3,200,781	0	3,200,781	88.84%	88.84%
Fire-Rescue	3,854,982	0	3,854,982	92.97%	92.97%
Total	**$10,542,818**	**$559,296**	**$11,102,114**	**57.77%**	**60.84%**

The employer funding history in total dollar contribution for the defined benefit plan for the past 10 years through FY20 budget and the FY21 budget is as follows:



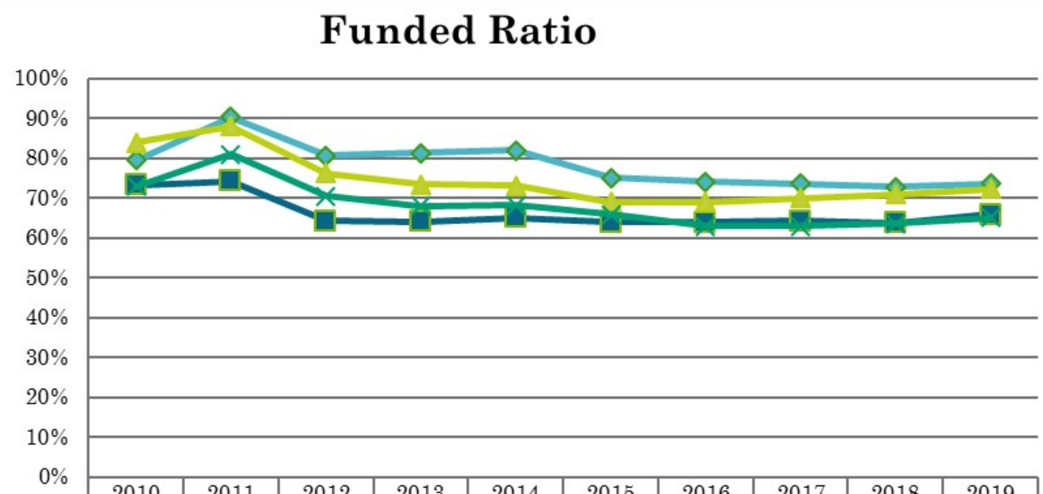
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General	738,879	1,223,869	1,873,887	1,856,320	1,908,865	2,414,960	2,997,898	3,093,941	3,276,537	3,560,240
Ocean Rescue	72,561	125,294	144,734	152,086	157,411	163,443	188,431	204,527	210,518	215,911
Police	1,113,892	1,257,107	1,979,219	2,144,661	2,233,214	2,832,558	2,870,523	3,206,438	3,303,037	3,653,689
Firefighter	1,348,313	1,370,637	2,071,503	2,223,585	2,285,579	2,676,124	3,263,383	3,676,531	4,001,559	4,362,652

Employee Contribution history for the past 10 years through FY19 actual is shown below. The FY17 contributions increased due to the increase in the Police and non-union firefighter contribution percentage. FY18 showed an increase due to the increase in the General Employee and union firefighter contribution increases.



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Employee	1,085,608	833,715	1,228,879	298,561	281,091	275,968	284,732	327,592	385,406	356,339
Ocean Rescue	29,740	20,637	12,447	8,942	8,333	6,316	4,585	4,865	5,869	5,891
Police	426,895	387,938	323,938	180,924	108,250	98,530	122,231	368,777	388,770	415,736
Firefighters	490,483	389,972	279,466	190,047	154,199	255,766	129,585	262,473	481,910	451,845

The ten-year historical funded ratio though 2019 for the four member groups is as follows:



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General	80%	90%	81%	81%	82%	75%	74%	74%	73%	74%
Ocean Rescue	73%	74%	64%	64%	65%	64%	64%	64%	64%	66%
Police	84%	88%	76%	74%	73%	69%	69%	70%	71%	72%
Firefighters	73%	81%	71%	68%	68%	66%	63%	63%	64%	65%

The table below shows the breakdown in costs between Normal Cost and the amortization of the UAAL by benefit tier (Plan B and Legacy), for the plan as a whole and each employee group. A small number of grandfathered employees continue to accrue benefits under the legacy plan and their normal cost is included in the legacy plan below.

Actuarially Determined Contribution Breakdown by Benefit Tier

Valuation Date: September 30, 2018

	Total Plan	General	Ocean Rescue	Police	Firefighters
Participants	**275**	**164**	**4**	**50**	**57**
Total Plan					
Employer Normal Cost	7.78%	6.61%	5.78%	9.58%	9.20%
Amortizatio					18%
Total					38%
Town Contr					82
Plan B - On					
Employer N					20%
Amortizatio					82%
Total	8.44%	7.22%	6.38%	10.22%	10.02%
Town Contribution	**$ 1,550,367**	**$ 751,958**	**$ 9,688**	**$ 370,590**	**$ 418,131**
Plan A - Legacy Plan					
Employer Normal Cost	0.13%	0.23%	0.00%	0.00%	0.00%
Amortization of UAAL	48.84%	24.01%	132.25%	78.05%	82.36%
Total	48.97%	24.24%	132.25%	78.05%	82.36%
Town Contribution	**$ 8,992,451**	**$ 2,524,579**	**$ 200,830**	**$ 2,830,191**	**$ 3,436,851**
Legacy cost	85.3%	77.1%	95.4%	88.4%	89.2%

Will be updated once information is received from actuary in Mid-March

Unfunded Actuarial Accrued Liability (UAAL)

The UAAL as of September 30, 2019, for all pension groups is $100,219,557. The table below summarizes the reasons for the increase since 2009.

Experience (Gain)/Loss include demographic experience due to salary increases, retirements, terminations, mortality experience and other census changes that differ from the actuarial assumptions. In addition, it also includes the gains/losses from investments.

Benefit changes include the reduction in benefits in 2012 offset by benefit improvements made since 2012.

Assumption changes include reductions in the investment assumption, changes in several demographic assumptions after an experience study and changes in the mortality tables.

Date		General	Lifeguard	Police	Firefighter	Total
2009	**Initial Unfunded**	**12,571,516**	**809,972**	**5,499,605**	**15,334,949**	**34,216,042**
	Experience (Gain)/Loss					
2010	Experience (Gain)/Loss	1,266,165	73,786	889,547	1,413,259	3,642,757
2011	Experience (Gain)/Loss	(3,865,349)	126,013	420,579	(1,141,313)	(4,460,070)
2012	Experience (Gain)/Loss	4,254,506	288,262	6,023,174	5,186,161	15,752,103
2013	Experience (Gain)/Loss	(879,123)	24,856	2,303,829	1,986,990	3,436,552
2014	Experience (Gain)/Loss	(75,688)	(18,934)	970,411	183,511	1,059,300
2015	Experience (Gain)/Loss	2,581,803	100,491	2,477,565	2,281,379	7,441,238
2016	Experience (Gain)/Loss	34,406	(13,768)	(608,299)	3,087,831	2,500,170
2017	Experience (Gain)/Loss	199,305	87,303	315,466	575,834	1,177,908
2018	Experience (Gain)/Loss	1,903,311	81,653	713,773	1,277,113	3,975,850
2019	Experience (Gain)/Loss	1,050,804	25,118	1,480,298	1,583,331	4,139,551
	Total Experience (Gain)/Loss	**6,470,140**	**774,780**	**14,986,343**	**16,434,096**	**38,665,359**
	Benefit Changes					
2012	Benefit Changes	(4,630,333)	(228,743)	(4,123,265)	(7,164,268)	(16,146,609)
2013	Benefit Changes	74,196	-	-	-	74,196
2014	Benefit Changes	38,539	1,595	83,772	34,670	158,576
2016	Benefit Changes	1,455,733	21,464	852,453	400,491	2,730,141
2017	Benefit Changes	-	-	-	814,449	814,449
2019	Benefit Changes	-	-	-	-	-
	Total Benefit Changes	**(3,061,865)**	**(205,684)**	**(3,187,040)**	**(5,914,658)**	**(12,369,247)**
	Assumption Method Changes					
2010	Assumption Method Changes	(1,750,877)	(49,326)	(633,198)	(769,899)	(3,203,300)
2011	Assumption Method Changes	(110,531)	64,403	388,753	194,498	537,123
2012	Assumption Method Changes	4,401,721	250,393	4,385,368	4,479,746	13,517,228
2015	Assumption Method Changes	6,130,948	176,006	1,760,014	2,277,636	10,344,604
2016	Assumption Method Changes	2,405,747	162,434	2,984,974	3,050,059	8,603,214
2017	Assumption Method Changes	1,127,800	60,834	1,052,076	1,117,091	3,357,801
2018	Assumption Method Changes	1,150,646	61,570	1,069,754	1,148,397	3,430,367
2019	Assumption Method Changes	1,154,537	52,086	690,190	1,223,553	3,120,366
	Total Assumption Method Changes	**14,509,991**	**778,400**	**11,697,931**	**12,721,081**	**39,707,403**
	UAAL as of September 30, 2019	**30,489,782**	**2,157,468**	**28,996,839**	**38,575,468**	**100,219,557**
	Membership - Retirees	213	11	102	107	433
	Membership - Active	152	4	58	58	272
	Membership - Terminated/Vested	36	2	25	30	93
	Ratio of Total Membership to UAAL	**76,034**	**126,910**	**156,740**	**197,823**	**125,588**

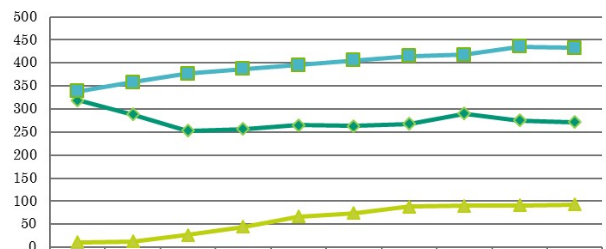
UAAL and Employer Contribution Forecast

Will be updated when we receive the forecast from the actuary in mid-March.

Demographic Information

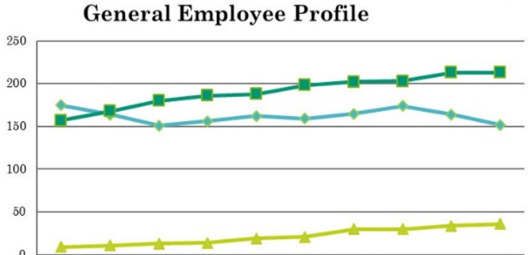
The following charts depict the System membership (Active, Retired and Vested Terminated Members) for the past 10 years. The first chart shows the total membership for all three funds. It is followed by charts depicting the membership for each separate benefit group. Information extracted from the September 30, 2019 Actuarial Report.

Total Member Profile



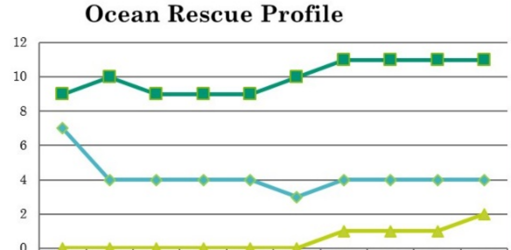
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Active	319	288	253	257	265	263	268	290	275	272
Retired	339	358	377	387	395	406	415	418	435	433
Vested/Term	11	13	27	44	67	74	88	90	91	93

General Employee Profile



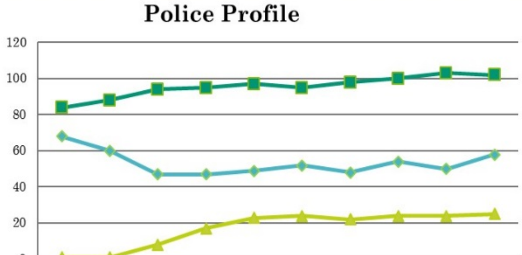
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Active	175	164	151	156	162	159	165	174	164	152
Retired	157	168	180	186	188	198	202	203	213	213
Vested Term	9	11	13	14	19	21	30	30	34	36

Ocean Rescue Profile



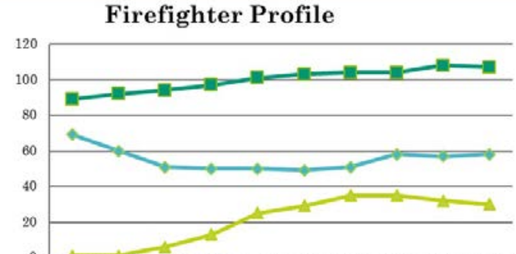
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Active	7	4	4	4	4	3	4	4	4	4
Retired	9	10	9	9	9	10	11	11	11	11
Vested Term	0	0	0	0	0	0	1	1	1	2

Police Profile



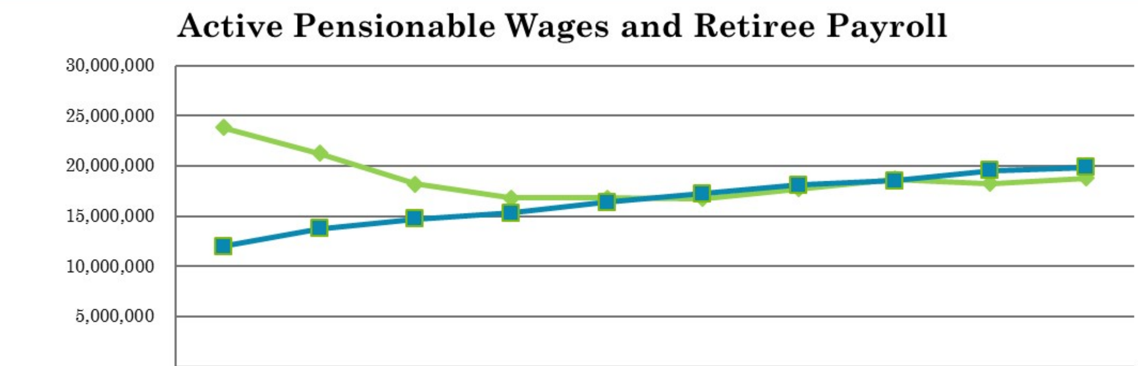
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Active	68	60	47	47	49	52	48	54	50	58
Retired	84	88	94	95	97	95	98	100	103	102
Vested Term	1	1	8	17	23	24	22	24	24	25

Firefighter Profile



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Active	69	60	51	50	50	49	51	58	57	58
Retired	89	92	94	97	101	103	104	104	108	107
Vested Term	1	1	6	13	25	29	35	35	32	30

The following chart depicts the ten-year trend for total active employee salary and total retiree pension payroll information.

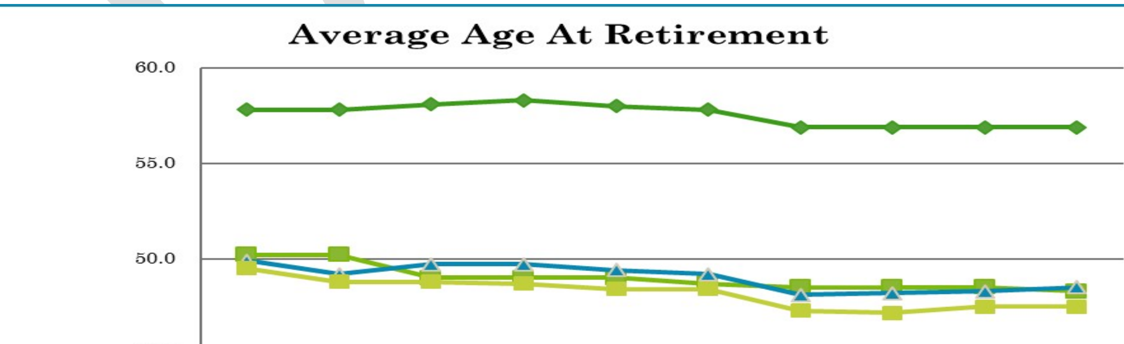


	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Active Payroll	23,842,05	21,290,09	18,213,18	16,823,71	16,832,87	16,767,50	17,731,25	18,687,90	18,248,77	18,788,30
Retiree Payroll	11,993,07	13,764,95	14,725,54	15,339,97	16,414,46	17,267,25	18,103,88	18,561,86	19,536,79	19,856,95

The following chart depicts the ten-year trend for average active salary and average pension benefit for the entire fund.

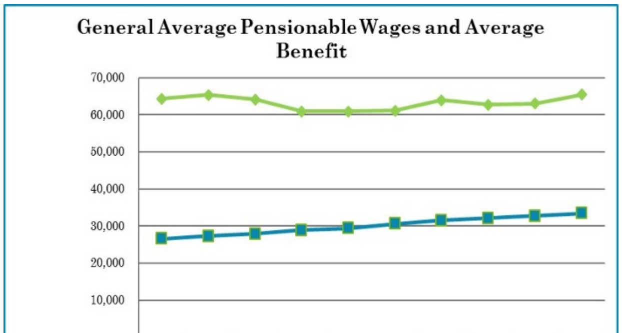
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Average Salary	74,740	73,924	71,989	65,462	63,520	63,755	66,161	64,441	66,359	69,075
Average Benefit	35,378	38,450	39,060	39,638	41,556	42,530	43,624	44,406	44,912	45,859

The following chart depicts the ten-year trend of average age at retirement.

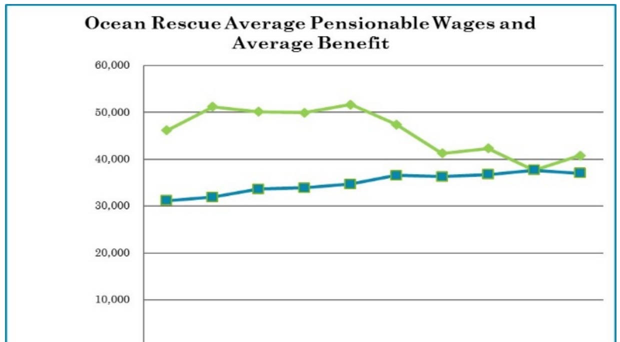


	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General	57.8	57.8	58.1	58.3	58.0	57.8	56.9	56.9	56.9	56.9
Ocean Rescue	50.2	50.2	49.0	49.0	49.0	48.7	48.5	48.5	48.5	48.3
Police	49.9	49.2	49.7	49.7	49.4	49.2	48.1	48.2	48.3	48.5
Firefighters	49.5	48.8	48.8	48.7	48.4	48.4	47.3	47.2	47.5	47.5

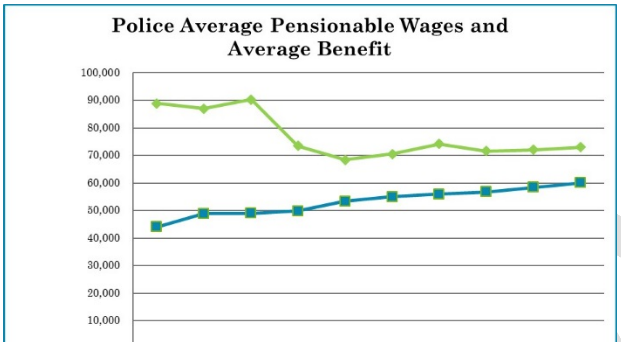
The following charts depict the average salary and average benefit for each of the member groups.



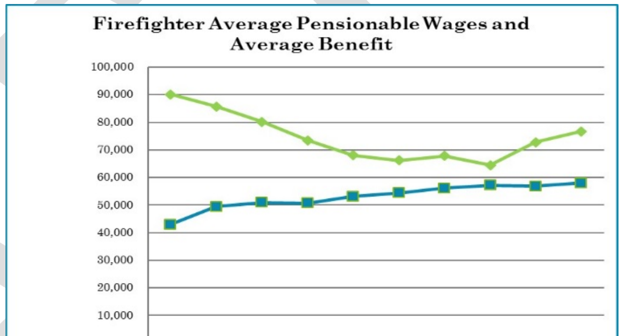
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Average Salary	64,324	65,373	64,131	60,889	60,917	61,095	63,934	62,743	63,101	65,436
Average Benefit	26,655	27,357	27,934	28,941	29,446	30,647	31,581	32,164	32,754	33,421



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Average Salary	46,185	51,232	50,144	49,930	51,678	47,430	41,290	42,324	37,722	40,801
Average Benefit	31,170	31,938	33,647	33,929	34,741	36,546	36,301	36,790	37,707	37,058

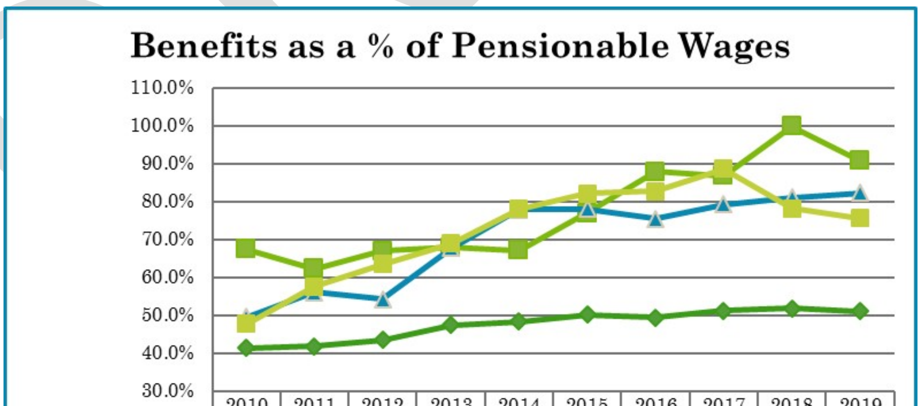


	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Average Salary	88,872	87,030	90,241	73,488	68,454	70,544	74,153	71,574	72,060	72,969
Average Benefit	44,034	48,882	49,025	49,820	53,397	55,074	55,993	56,794	58,423	60,063



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Average Salary	90,127	85,702	80,146	73,427	68,066	66,180	67,797	64,421	72,743	76,666
Average Benefit	43,022	49,435	50,917	50,708	53,153	54,384	56,133	57,196	56,886	57,983

The following chart depicts the ten-year trend of retirement benefits as a percent of pensionable wages.

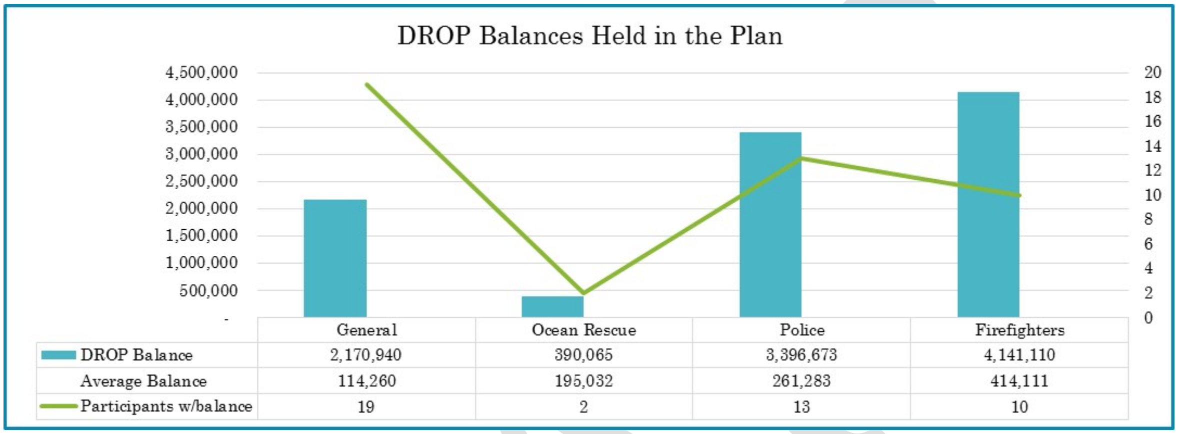


	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General	41.4%	41.8%	43.6%	47.5%	48.3%	50.2%	49.4%	51.3%	51.9%	51.1%
Ocean Rescue	67.5%	62.3%	67.1%	68.0%	67.2%	77.1%	87.9%	86.9%	100.0%	90.8%
Police	49.5%	56.2%	54.3%	67.8%	78.0%	78.1%	75.5%	79.4%	81.1%	82.3%
Firefighters	47.7%	57.7%	63.5%	69.1%	78.1%	82.2%	82.8%	88.8%	78.2%	75.6%

Demographic Information for the DROP and Share Accounts Held in the Plan

DROP information as of December 31, 2019

Total DROP Assets Held In the Plan	$10,098,787
Total Participants with a Balance	44
Total Contributing Participants	34
Average Account Balance	$229,518



Drop Entry Year for Contributing Participants

	2014	2015	2016	2017	2018	2019	Total
General	0	5	5	3	6	0	19
Ocean Rescue	0	1	1	0	0	0	2
Police	2	0	2	0	1	2	7
Firefighters	2	3	0	0	1	0	6
Total	4	9	8	3	8	2	34

Firefighter Share Accounts

Firefighter Share Account information as of December 31, 2019

Total Share Assets Held In the Plan	$855,530
Total Participants with a Balance	57
Total Contributing Participants	0
Average Account Balance	$15,009

Town of Palm Beach Defined Contribution Plans

In 2019, the Town Council approved Resolution 35-2019, establishing a 5 member Defined Contribution (DC) Committee to provide administrative support and coordination for the Defined Contribution plans. The Town Manager is the fiduciary of the Plan and has general oversight of the investments and contracted vendors with respect to the Plan. The Committee assists the Town Manager by making recommendations regarding the operations of the Plan. The members of the DC committee are as follows:

Jane Le Clainche, Finance Director
Danielle Olson, Director of Human Resources
Brett Madison, General Employee Representative
Lieutenant Michael Marx, Firefighter Representative
Sergeant Daniel Wilkinson, Police Representative

The Committee shall assist the Town Manager in adopting an Investment Policy Statement (IPS) for the plan and will review the IPS on an annual basis.

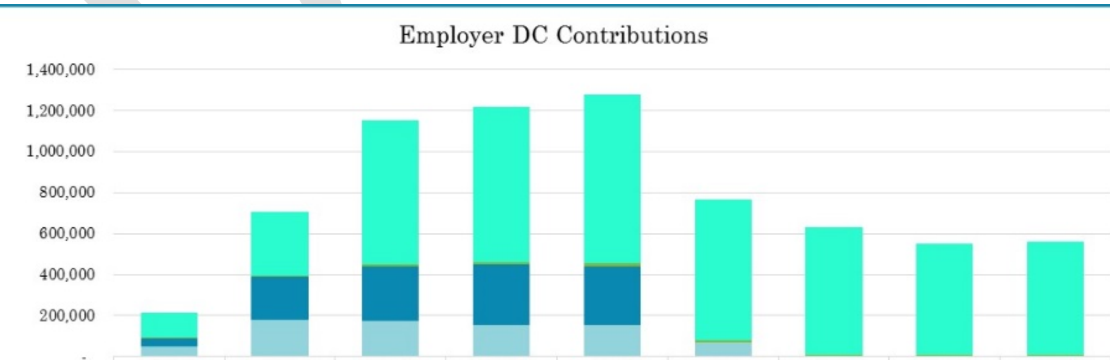
A consultant was hired to assist the Committee with monitoring the performance of the investment funds in accordance with the IPS and assist with making recommendations regarding the retention and replacement of investment funds.

The Committee shall adopt a communication and education plan and shall monitor fees and expenses of the plan to ensure reasonableness.

The Town has contracted with AndCo, to provide investment performance monitoring and advisory services for the DC plans.

The administrator of the DC investment plans is ICMA-RC. ICMA-RC provides administration of participant investment balances and recordkeeping and educational services for Town employees.

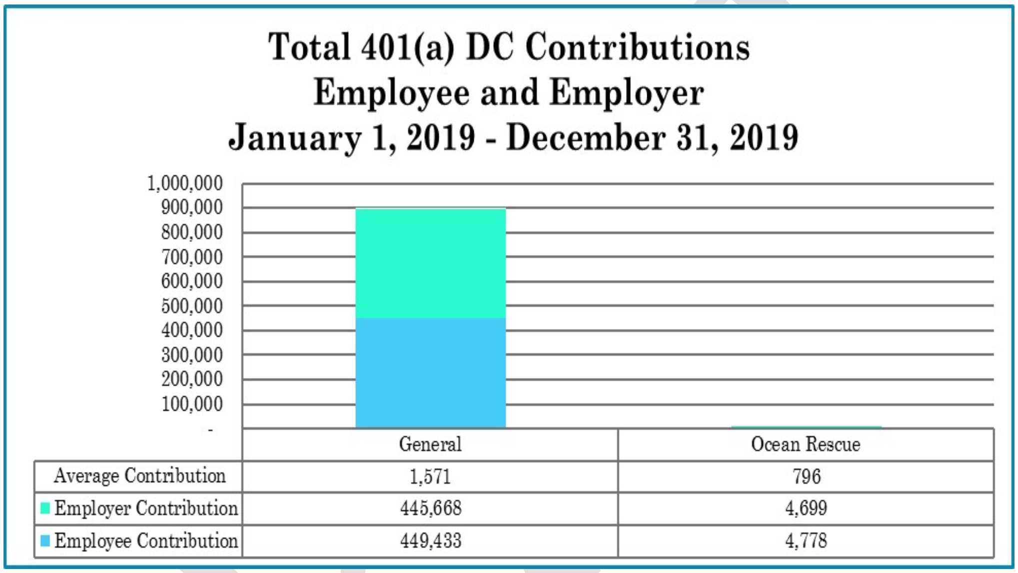
The Employer contributions to the 401(a) DC plan since inception are shown below.

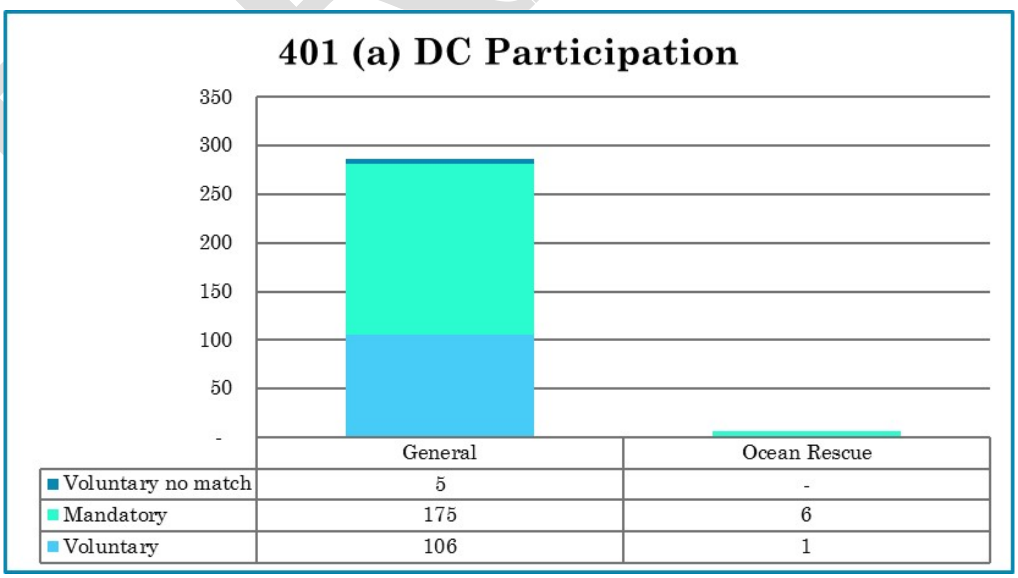


	2012	2013	2014	2015	2016	2017	2018	2019	2020
General	123,785	309,235	699,122	756,792	817,696	684,688	621,996	539,940	550,735
Lifeguards	2,014	5,428	10,943	12,410	14,850	10,357	8,778	8,737	8,561
Police	43,163	211,200	265,191	294,148	287,545	-	-	-	-
Firefighters	47,748	180,642	174,650	154,893	153,963	69,824	-	-	-

Demographic Information for the 401(a) Defined Contribution Plan

Plan Snapshot as of December 31, 2019 Provided by ICMA-RC (106397)	
Total Assets	$12,541,816
Total Participants with a Balance	400
Total Contributing Participants	159
Average Account Balance	$31,355

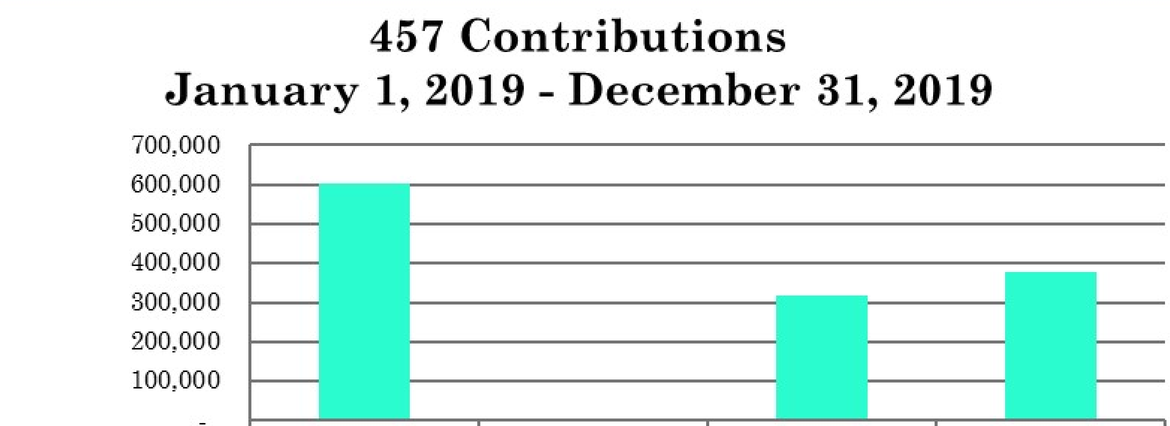




Demographic Information for the 457 Deferred Compensation Plan

Plan Snapshot as of December 31, 2019 Provided by ICMA-RC (300786)	
Total Assets	**$40,556,692**
Total Participants with a Balance	**363**
Total Contributing Participants	**190**
Average Account Balance	**$111,726**

Above contributions, represent employee contributions only. The Town does not provide matching contributions to the 457 Deferred Compensation Plan.

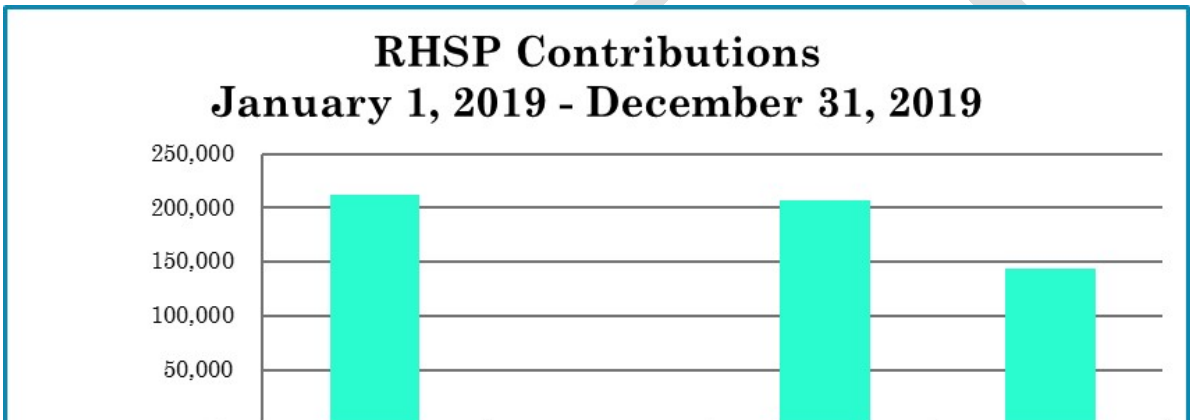


	General	Ocean Rescue	Police	Firefighters
457 Contributions	601,987	6,287	315,959	379,516
Ave Contribution	4,975	1,572	7,706	6,777
Participation	121	4	41	56

Demographic Information for the Retirement Health Savings Plan (RHSP)

Plan Snapshot as of December 31, 2019 Provided by ICMA-RC (803116)	
Total Assets	**$3,762,524**
Total Participants with a Balance	**492**
Total Contributing Participants	**287**
Average Account Balance	**$7,647**

Above contributions represent employee contributions only. The Town does not provide matching contributions to the RHSP Plan. RHSP Contributions during the employee's career are based on different formulas for employee groups based on hire dates, and years of service and a percent of base pay. Contributions at retirement consist of a portion of accrued employee sick time and vacation leave balances at the time of retirement.



	General	Ocean Rescue	Police	Firefighters
RHSP	211,620	1,684	206,673	143,605
Ave Contribution	1,223	281	2,870	1,773
Participation	173	6	72	81

Demographic Information for Other ICMA-RC Plans

Plan Snapshot for Roth IRA Plan (705765) as of December 31, 2019, Provided by ICMA-RC

Total Assets	$554,260
Total Participants with a Balance	56
Total Contributing Participants	38
Average Account Balance	$9,897

Plan Snapshot for Firefighter SHARE Plan (Discontinued) as of December 31, 2019, Provided by ICMA-RC (106796)

Total Assets	$2,423,544
Total Participants with a Balance	45
Average Account Balance	$53,857

Plan Snapshot for RHS Plan (Discontinued) (800533) as of December 31, 2019, Provided by ICMA-RC

Total Assets	$528,152
Total Participants with a Balance	47
Average Account Balance	$11,237

Putting clients first.

To: Advisory Board to the Town of Palm Beach DC Retirement System

From: Dave West, CFA, Paul Murray, CPFA

Date: March 12, 2020

Re: Investment Program Review Summary Findings and Recommendations

The purpose of this memorandum is to communicate action recommendations for changes to the participant fund election menu for the 457, 401(a), and Fire Share Plan. AndCo has identified cost saving opportunities for the Plan's membership made available by the implementation of the renegotiated ICMA ASA. The new agreement now allows for an "open architecture" structure to the investment menu, establishes a fixed fee for record keeper services and consulting services, and provides accounting of, and rebating to participants any fund fees collected in excess of the terms of the Administrative Services Agreement.

Changes to Election Menu

AndCo recommends directing completion of the fund mapping as provided on pages 19-21 of the Investment Structure Review report as presented to the Committee. The share class expense, and estimated cost savings presented below are based on asset values as of 12/31/2019.

457 Deferred Compensation Plan

	Dollar Weighted Expense Ratio (Current)	Dollar Cost On allocation 12/31	Dollar Weighted Expense Ratio (New)	Dollar Cost On allocation 12/31
ICMA-RC Total	0.55%	$219,929.91	0.40%	$159,898.33
Total Assets 12/31				$40,135,901.22

401(a) Plan

	Dollar Weighted Expense Ratio (Current)	Dollar Cost On allocation 12/31	Dollar Weighted Expense Ratio (New)	Dollar Cost On allocation 12/31
ICMA-RC Total	0.34%	$41,276.63	0.27%	$32,974
Total Assets 12/31				$12,257,423.98

Fire Share Plan

	Dollar Weighted Expense Ratio (Current)	Dollar Cost On allocation 12/31	Dollar Weighted Expense Ratio (New)	Dollar Cost On allocation 12/31
ICMA-RC Total	0.65%	$15,595.45	0.47%	$11,240.71
Total Assets 12/31				$15,595.45

Note: The distribution of administrative expense is now equitable for all participants.

Qualitive Recommendations

AndCo recommends completing a Manager Review for the following funds and areas of investment:

VT Fidelity Contra Fund	Large Cap Growth
Vantage Point Equity Income Fund	Large Cap Value
Institutional Global Equity	Global Equity

Framework for Making Plan Investment Decisions

Town of Palm Beach
Defined Contribution Retirement System

5 C's of Plan Decision-Making

- Considerations – How do we build it?
- Cost – How do we pay for it?
- Complexity – What type of options do we include?
- Clarity – What are the current plan investments?
- Construction – How do we implement & document changes?

CONSIDERATIONS

The Guiding Principles

The Employee Retirement Income Security Act of 1974 (ERISA) established a set of federal regulations with the primary purpose of protecting participants and beneficiaries.

- Exclusive Benefit Rule
  - A fiduciary shall discharge his duties with respect to a plan solely in the interest of the participants and beneficiaries
- Fiduciary Standard of Care
  - Loyalty
    - Providing benefits to participants and their beneficiaries
    - Defraying reasonable expenses of administering the plan
  - Prudence
    - Must exercise care, skill, prudence and diligence of a prudent man acting in a like capacity and familiar with such matters
  - Diversification
    - Diversify to minimize risk of large loss unless under the circumstances it is not prudent to do so
- ERISA is a personal liability law, there is no corporate veil
- Many State laws governing public plans incorporate the principles of ERISA. Consider applicable federal, state and regulatory rules and incorporate ERISA as a best practice (even for plans not subject to ERISA).

404(c) Compliance

Consider leveraging the safe harbor protection of Section 404(c) when creating an investment lineup.

- Offer a broad range of investment options
  - At least three with materially different risk & return profiles
  - Generally Equity, Fixed Income, Capital Preservation

- Allow Participants to change investments with a frequency that is appropriate (at least quarterly)

- Provide Participants appropriate fee and investment information in order to make important decisions

If a plan permits a participant (or beneficiary) to exercise control over assets in their account and that participant exercises control over those assets, then no person who is otherwise a fiduciary shall be liable "for any loss, or by reason of any breach, which results from such participant's exercise of control".

Qualified Default Investment Alternatives (QDIA)

Plan fiduciaries receive safe harbor protection when offering a Qualified Default Investment Alternative (QDIA), insulating them from liability associated with defaulting participant contributions to an investment in the event a participant fails to make an investment election.

- Selects an investment manager defined by:
  - Section 3(38) of ERISA, or
  - An investment company registered under the Investment Company Act of 1940
- Meets the diversification requirements of the QDIA outlined in the Pension Protection Act of 2006
  - Target Date or Lifecycle fund or model
  - Balanced fund or model
  - Managed Account
  - Stable Value for the first 120 days
- Complies with annual notice requirements in coordination with the recordkeeper
  - Delivered to defaulted participants and beneficiaries 30 days prior to the beginning of plan year

Fiduciary Protection for Fund Mapping

When removing investments from the core lineup and introducing new replacement funds ('fund mapping'), fiduciaries should consider following Section 404(c)4 in order to receive safe harbor protection.

- **Like-to-like mapping** – funds must have a similar risk and return profile (i.e. replacing a Large Cap Growth Fund with another Large Cap Growth Fund). As these characteristics are open for interpretation, it is important to document the analysis and decision-making process.
- **QDIA mapping** – Plan Sponsors may rely on DOL safe harbor protections that exist when mapping participant balances to the QDIA option:
  - If there are not any funds offered in the lineup that have similar risk and return characteristics (i.e. Technology or Healthcare Sector Funds)
  - Mapping investments to the QDIA can occur without consideration of the risk and return profile, such as Investment Re-enrollment (i.e. Mapping ALL plan assets to the plan's QDIA).

When making any decisions related to investments, it is important to review and comply with the investment policy statement.

Best Practices for Defined Contribution Plan Sponsors

- Follow a well-defined process for reviewing & managing the plan
- Document fiduciary decisions
- Utilize an open architecture investment platform
- Provide investment options to satisfy risk tolerance & diversification needs of participants
- Simplify the participant investment selection process to prevent potential participant confusion & disengagement
- Provide access to appropriate educational programs to assist with participant engagement & decision making
- Periodically review the plan, including the fee structure & investment options
- Provide fee transparency to participants

COST

Understanding Plan Fees – Paying for Plan Expenses

Plan Sponsors are responsible for determining how to pay for Plan expenses. In general, there are three options:

- The Plan Sponsor pays for all of the Plan expenses
- The Plan Participants pay for all of the Plan expenses
- The Plan expenses are shared and paid by the Plan Sponsor and Participants

If the Participants are being charged for some or all of the Plan expenses, the Plan Sponsor has the obligation to ensure that those fees are reasonable and fair.

There are several ways to pay plan expenses including:

- Revenue Sharing (%)
- Asset Based (%)
- Hybrid Approach (%+$)
- Per Participant ($)

It is considered a best practice to seek equitable and transparent fees and to document any relevant discussions and decisions regarding them.

Understanding Plan Fees – Different Fee Structures

How are the fees being charged to the Plan or the Participants?

Revenue Sharing (%)

- Rebates provided by the Fund Company that can be used to pay plan expenses.

Asset Based Fees (%)

- Pro Rata: An asset-based fee is assessed on the value of each participant balance.

Per Participant Fee ($)

- Per Capita: A flat dollar fee is assessed on each participant account.

Hybrid Options (% + $ = Total Fee)

- An asset based (%) fee in addition to a per capita participant fee.

Current Fee Structure Under ASA 2019

Administrative Service Agreement (ASA) now provides Open Investment Architecture: Record Keeping Services (asset-based fee) = 0.065% annually

Investment Consultant fee (fixed hard dollar fee, converted to asset-based fee) = 0.055% annually (this amount is deposited to the Plans' Administrative Allowance Account, or 'AAA').

Total Participant Fee = 0.12% annually

ICMA-RC will provide quarterly reporting for the Administrative Allowance Account

Investment Fund Expense Ratios / Fees:

- Utilize the lowest net expense share class
- While we have attempted to minimize revenue sharing, it may apply in some circumstances. Whenever it does – best practice (which we have implemented here) is to credit the amount(s) back to plan participants in the specific fund(s) that produced the revenue sharing as soon as is practical
- RHS Plan is subject to a different pricing model, but now able to use the same fund lineup as the 457 / 401(a) Plans.


COMPLEXITY

Pathway to Building a Fund Lineup

(1) QDIA & Balanced
- Target Date
- Risk Based
- Balanced
- Managed Accounts

(2) Fixed Income & Capital Preservation
- Stable Value
- Money Market
- Core Bond
- Core Plus
- High Yield
- Global/International
- Floating Rate
- Emerging Mkt Debt

(3) Domestic Equity
- Large Cap Core
- Mid Cap Core
- Small Cap Core
- Large Cap Growth
- Large Cap Value
- Mid Cap Growth
- Mid Cap Value
- Small Cap Growth
- Small Cap Value

(4) International Equity
- Broad Market
- Developed
- Emerging
- Small Cap
- Emerging Small

(5) Alternatives
- Domestic REITs
- Global Tactical Asset Allocation
- Global REITs
- Commodities
- Convertibles
- TIPS
- Infrastructure
- MLPs
- Liquid Hedge Funds
- Managed Futures
- Currency

(?) Optional Plan Feature
- Self-Directed Brokerage

Core
Supplemental
Specialty

Determine Which Option Structure is Right for Participants

Basic	Enhanced	Complex
Stable Value or Money Mkt	Stable Value or Money Mkt	Stable Value or Money Mkt
Core or Core Plus	Core or Core Plus	Core or Core Plus
Large Cap Core	High Yield	High Yield
Mid Cap Core	Large Cap Core	Large Cap Core
Small Cap Core	Large Growth & Value	Large Growth & Value
Broad Intl	Mid Cap Core	Mid Cap Core
Target Date Funds	Small Cap Core	Mid Growth & Value
	Intl Developed	Small Cap Core
	Intl Emerging Markets	Small Growth & Value
	Target Date Funds	Intl Developed
		Intl Emerging Markets
		Commodities
		MLPs
		Target Date Funds

CONSTRUCTION

Current & Recommended Asset Classes 457 and 401(a)

All In One Investments	Passive Investments
Vanguard Target Retirement	Vanguard 500 Index
	Vanguard Mid Cap Index
	Vanguard Small Cap Index
	Vanguard International Index

Supplemental Investments

Active Domestic Equity Funds

VT Vantagepoint Equity Income VT Invesco Diversified Dividend Fund	VT Parnassus Core Equity	VT Fidelity Contrafund
Mid Value	VT Victory Sycamore Est Value	VT Times Square Mid Cap Growth
Small Value	VT Vantagepoint Discovery	VT Oppenheimer Discovery Fund

International Equity Funds

Templeton Inst. Global Equity
VT Fidelity Diversified Intl
Vanguard Total Int'l Stock Index

Fixed Income Funds

TCW Total Return Bond Fund
VT Vantagepoint Inflation Focused
Neuberger Berman High Yield FI

Stable Value / Cash

Vantage Trust Plus Fund
VT Cash Management

Current & Recommended Asset Classes 457 and 401(a)

Supplemental Investments

Other Fund / Options

VT Nuveen Real Estate Securities
VT Retirement Income Advantage

Proposed Mapping – 457 Plan

Current Fund Option	Current Ticker/Cusip	Category	Current Market Value	Current Expense Ratio	Current Total Expense	New Fund Option	Change?	Current Market Value	New Expense Ratio	New Total Expense
Vantagepoint PLUS Fund	92208J303	Stable Value	$12,288,949.26	0.79%	$97,082.70	Vantagepoint PLUS Fund	R10 Share Class	$12,288,949.26	0.54%	$66,360.33
VT Cash Management Fund	FCGXX	Cash Mgt.	$0.00	0.44%	$0.00	VT Cash Management Fund	none	$0.00	0.44%	$0.00
TCW Total Return Bond Fund	TGLMX	Bond	$969,690.21	0.39%	$3,781.79	TCW Total Return Bond Fund	credit - 0.10%	$969,690.21	0.29%	$2,812.10
Vantagepoint Inflation Focused Fund	VPINF	Alternative/ Bond	$230,046.32	0.61%	$1,403.28	Vantagepoint Inflation Focused Fund	R9 Share Class	$230,046.32	0.41%	$943.19
Neuberger Berman High Income Bond Fund	NHILX	Alternative/ Bond	$89,395.71	0.70%	$625.77	Neuberger Berman High Income Bond Fund	credit - 0.10%	$89,395.71	0.60%	$536.37
Vanguard Target Retirement Income Fund	VTINX	Target Retirement	$629,598.48	0.12%	$755.52	Vanguard Target Retirement Income Fund	none	$629,598.48	0.12%	$755.52
Vanguard Target Retirement 2015 Fund	VTXVX	Target Retirement	$1,324,833.60	0.13%	$1,722.28	Vanguard Target Retirement 2015 Fund	none	$1,324,833.60	0.13%	$1,722.28
Vanguard Target Retirement 2020 Fund	VTWNX	Target Retirement	$1,889,380.21	0.13%	$2,456.19	Vanguard Target Retirement 2020 Fund	none	$1,889,380.21	0.13%	$2,456.19
Vanguard Target Retirement 2025 Fund	VTTVX	Target Retirement	$1,508,319.73	0.13%	$1,960.82	Vanguard Target Retirement 2025 Fund	none	$1,508,319.73	0.13%	$1,960.82
Vanguard Target Retirement 2030 Fund	VTHRX	Target Retirement	$1,746,377.00	0.14%	$2,444.93	Vanguard Target Retirement 2030 Fund	none	$1,746,377.00	0.14%	$2,444.93
Vanguard Target Retirement 2035 Fund	VTTHX	Target Retirement	$654,225.13	0.14%	$915.92	Vanguard Target Retirement 2035 Fund	none	$654,225.13	0.14%	$915.92
Vanguard Target Retirement 2040 Fund	VFORX	Target Retirement	$39,973.20	0.14%	$55.96	Vanguard Target Retirement 2040 Fund	none	$39,973.20	0.14%	$55.96
Vanguard Target Retirement 2045 Fund	VTIVX	Target Retirement	$456,847.29	0.15%	$685.27	Vanguard Target Retirement 2045 Fund	none	$456,847.29	0.15%	$685.27
Vanguard Target Retirement 2050 Fund	VFIFX	Target Retirement	$30,544.55	0.15%	$45.82	Vanguard Target Retirement 2050 Fund	none	$30,544.55	0.15%	$45.82
Vantagepoint Equity Income Fund	92210J846	Large Value	$807,271.69	0.70%	$5,650.90	Vantagepoint Equity Income Fund	R9 Share Class	$807,271.69	0.50%	$4,036.36
VT Invesco Diversified Dividend Fund	LCEYX	Large Value	$344,764.49	0.57%	$1,965.16	VT Invesco Diversified Dividend Fund	credit - 0.25%	$344,764.49	0.32%	$1,103.25
VT Parnassus Core Equity Fund	PRBLX	Core	$227,957.57	0.87%	$1,983.23	VT Parnassus Core Equity Fund	credit - 0.25%	$227,957.57	0.62%	$1,413.34
Vanguard 500 Index Fund	VFIAX	Core/Index	$4,523,778.95	0.04%	$1,809.51	Vanguard 500 Index Fund	none	$4,523,778.95	0.04%	$1,809.51
VT Contrafund®	FCNTX	Large Growth	$4,334,066.49	0.82%	$35,539.35	VT Contrafund®	credit - 0.25%	$4,334,066.49	0.57%	$24,704.18
VT Victory Sycamore Established Value Fund	VEVYX	MidCap Value	$282,566.34	0.62%	$1,751.91	VT Victory Sycamore Established Value Fund	credit - 0.25%	$282,566.34	0.37%	$1,045.50
Vanguard Mid-Cap Index Fund	VIMAX	Mid Cap Index	$1,051,087.50	0.05%	$525.54	Vanguard Mid-Cap Index Fund	none	$1,051,087.50	0.05%	$525.54
VT AMG TimesSquare Mid Cap Growth Fund	TMDPX	Mid Cap Growth	$1,983,498.71	1.18%	$23,405.28	VT AMG TimesSquare Mid Cap Growth Fund	credit - 0.25%	$1,983,498.71	0.93%	$18,446.54
Vantagepoint Discovery Fund	92210J465	Small Cap Core	$724,999.84	0.78%	$5,655.00	Vantagepoint Discovery Fund	R9 Share Class	$724,999.84	0.58%	$4,205.00
Vanguard Small-Cap Index Fund	VSMAX	Small Cap Index	$102,965.89	0.05%	$51.48	Vanguard Small-Cap Index Fund	none	$102,965.89	0.05%	$51.48
VT Invesco Oppenheimer Discovery Fund	ODIYX	Small Cap Growth	$1,148,180.95	0.84%	$9,644.72	VT Invesco Oppenheimer Discovery Fund	credit - 0.25%	$1,148,180.95	0.59%	$6,774.27
Templeton Institutional Global Equity Series	TGESX	Global Equiity	$58,085.17	0.85%	$493.72	Templeton Institutional Global Equity Series	none	$58,085.17	0.85%	$493.72
Vanguard Total International Stock Index	VTIAX	Global Eq. Index	$905,320.63	0.11%	$995.85	Vanguard Total International Stock Index	none	$905,320.63	0.11%	$995.85
VT Diversified International Fund	FDIVX	Global Equity	$1,140,338.12	0.75%	$8,552.54	VT Diversified International Fund	credit - 0.25%	$1,140,338.12	0.50%	$5,701.69
VT Nuveen Real Estate Securities Fund	FARCX	REIT	$428,820.89	1.02%	$4,373.97	VT Nuveen Real Estate Securities Fund	credit - 0.25%	$428,820.89	0.77%	$3,301.92
VT Retirement IncomeAdvantage Fund	74440A696	Target Retirement	$214,017.30	1.68%	$3,595.49	VT Retirement IncomeAdvantage Fund	none	$214,017.30	1.68%	$3,595.49

ICMA-RC Totals (Current)	$40,135,901.22	$219,929.91	ICMA-RC (New)	$40,135,901.22	$159,898.33
			ICMA		
Average Weighted Investment Cost (Current)		0.55%	Average Weighted Investment Cost (New)		0.40%

Proposed Mapping – 401(a) Plan

Current Fund Option	Current Ticker/Cusip	Category	Current Market Value	Current Expense Ratio	Current Total Expense	New Fund Option	Change?	Current Market Value	New Expense Ratio	New Total Expense
Vantagepoint PLUS Fund	92208J303	Stable Value	$823,830.63	0.79%	$6,508.26	Vantagepoint PLUS Fund	R10 Share Class	$823,830.63	0.54%	$4,448.69
VT Cash Management Fund	FCGXX	Cash Mgt.	$236,580.11	0.44%	$1,040.95	VT Cash Management Fund	none	$236,580.11	0.44%	$1,040.95
TCW Total Return Bond Fund	TGLMX	Bond	$244,859.42	0.39%	$954.95	TCW Total Return Bond Fund	credit - 0.10%	$244,859.42	0.29%	$710.09
Vantagepoint Inflation Focused Fund	VPINF	Alternative/ Bond	$79,641.65	0.61%	$485.81	Vantagepoint Inflation Focused Fund	R9 Share Class	$79,641.65	0.41%	$326.53
Neuberger Berman High Income Bond Fund	NHILX	Alternative/ Bond	$19,782.47	0.70%	$138.48	Neuberger Berman High Income Bond Fund	credit - 0.10%	$19,782.47	0.60%	$118.69
Vanguard Target Retirement Income Fund	VTINX	Target Retirement	$59,037.29	0.12%	$70.84	Vanguard Target Retirement Income Fund	none	$59,037.29	0.12%	$70.84
Vanguard Target Retirement 2015 Fund	VTXVX	Target Retirement	$105,571.88	0.13%	$137.24	Vanguard Target Retirement 2015 Fund	none	$105,571.88	0.13%	$137.24
Vanguard Target Retirement 2020 Fund	VTWNX	Target Retirement	$1,257,230.18	0.13%	$1,634.40	Vanguard Target Retirement 2020 Fund	none	$1,257,230.18	0.13%	$1,634.40
Vanguard Target Retirement 2025 Fund	VTTVX	Target Retirement	$1,120,500.51	0.13%	$1,456.65	Vanguard Target Retirement 2025 Fund	none	$1,120,500.51	0.13%	$1,456.65
Vanguard Target Retirement 2030 Fund	VTHRX	Target Retirement	$1,353,724.69	0.14%	$1,895.21	Vanguard Target Retirement 2030 Fund	none	$1,353,724.69	0.14%	$1,895.21
Vanguard Target Retirement 2035 Fund	VTTHX	Target Retirement	$1,046,401.02	0.14%	$1,464.96	Vanguard Target Retirement 2035 Fund	none	$1,046,401.02	0.14%	$1,464.96
Vanguard Target Retirement 2040 Fund	VFORX	Target Retirement	$863,195.61	0.14%	$1,208.47	Vanguard Target Retirement 2040 Fund	none	$863,195.61	0.14%	$1,208.47
Vanguard Target Retirement 2045 Fund	VTIVX	Target Retirement	$454,489.08	0.15%	$681.73	Vanguard Target Retirement 2045 Fund	none	$454,489.08	0.15%	$681.73
Vanguard Target Retirement 2050 Fund	VFIFX	Target Retirement	$333,664.42	0.15%	$500.50	Vanguard Target Retirement 2050 Fund	none	$333,664.42	0.15%	$500.50
Vantagepoint Equity Income Fund	92210J846	Large Value	$22,162.89	0.70%	$155.14	Vantagepoint Equity Income Fund	R9 Share Class	$22,162.89	0.50%	$110.81
VT Invesco Diversified Dividend Fund	LCEYX	Large Value	$174,722.79	0.57%	$995.92	VT Invesco Diversified Dividend Fund	credit - 0.25%	$174,722.79	0.32%	$559.11
VT Parnassus Core Equity Fund	PRBLX	Core	$129,560.67	0.87%	$1,127.18	VT Parnassus Core Equity Fund	credit - 0.25%	$129,560.67	0.62%	$803.28
Vanguard 500 Index Fund	VFIAX	Core/Index	$962,980.41	0.04%	$385.19	Vanguard 500 Index Fund	none	$962,980.41	0.04%	$385.19
VT Contrafund®	FCNTX	Large Growth	$233,677.36	0.82%	$1,916.15	VT Contrafund®	credit - 0.25%	$233,677.36	0.57%	$1,331.96
VT Victory Sycamore Established Value Fund	VEVYX	MidCap Value	$160,277.62	0.62%	$993.72	VT Victory Sycamore Established Value Fund	credit - 0.25%	$160,277.62	0.37%	$593.03
Vanguard Mid-Cap Index Fund	VIMAX	Mid Cap Index	$258,266.15	0.05%	$129.13	Vanguard Mid-Cap Index Fund	none	$258,266.15	0.05%	$129.13
VT AMG TimesSquare Mid Cap Growth Fund	TMDPX	Mid Cap Growth	$303,051.68	1.18%	$3,576.01	VT AMG TimesSquare Mid Cap Growth Fund	credit - 0.25%	$303,051.68	0.93%	$2,818.38
Vantagepoint Discovery Fund	92210J465	Small Cap Core	$266,529.31	0.78%	$2,078.93	Vantagepoint Discovery Fund	R9 Share Class	$266,529.31	0.58%	$1,545.87
Vanguard Small-Cap Index Fund	VSMAX	Small Cap Index	$38,073.48	0.05%	$19.04	Vanguard Small-Cap Index Fund	none	$38,073.48	0.05%	$19.04
VT Invesco Oppenheimer Discovery Fund	ODIYX	Small Cap Growth	$522,870.63	0.84%	$4,392.11	VT Invesco Oppenheimer Discovery Fund	credit - 0.25%	$522,870.63	0.59%	$3,084.94
Templeton Institutional Global Equity Series	TGESX	Global Equiity	$59,377.78	0.85%	$504.71	Templeton Institutional Global Equity Series	none	$59,377.78	0.85%	$504.71
Vanguard Total International Stock Index Fund	VTIAX	Global Eq. Index	$461,734.44	0.11%	$507.91	Vanguard Total International Stock Index Fund	none	$461,734.44	0.11%	$507.91
VT Diversified International Fund	FDIVX	Global Equity	$403,042.81	0.75%	$3,022.82	VT Diversified International Fund	credit - 0.25%	$403,042.81	0.50%	$2,015.21
VT Nuveen Real Estate Securities Fund	FARCX	REIT	$169,284.39	1.02%	$1,726.70	VT Nuveen Real Estate Securities Fund	credit - 0.25%	$169,284.39	0.77%	$1,303.49
VT Retirement IncomeAdvantage Fund	74440A696	Target Retirement	$93,302.61	1.68%	$1,567.48	VT Retirement IncomeAdvantage Fund	none	$93,302.61	1.68%	$1,567.48

ICMA-RC Totals (Current)	$12,257,423.98	$41,276.63	ICMA (New)	$12,257,423.98	$32,974.52
ICMA-RC Average Weighted Investment Cost (Current)		0.34%	ICMA Average Weighted Investment Cost (New)		0.27%

Proposed Mapping – 401(a) Fire Share Plan

Current Fund Option	Current Ticker/Cusip	Category	Current Market Value	Current Expense Ratio	Current Total Expense	New Fund Option	Change?	Current Market Value	New Expense Ratio	New Total Expense
Vantagepoint PLUS Fund	92208J303	Stable Value	$680,812.01	0.79%	$5,378.41	Vantagepoint PLUS Fund	R10 Share Class	$680,812.01	0.54%	$3,676.38
VT Cash Management Fund	FCGXX	Cash Mgt.	$0.00	0.44%	$0.00	VT Cash Management Fund	none	$0.00	0.44%	$0.00
TCW Total Return Bond Fund	TGLMX	Bond	$28,510.92	0.39%	$111.19	TCW Total Return Bond Fund	credit - 0.10%	$28,510.92	0.29%	$82.68
Vantagepoint Inflation Focused Fund	VPINF	Alternative/ Bond	$12,669.75	0.61%	$77.29	Vantagepoint Inflation Focused Fund	R9 Share Class	$12,669.75	0.41%	$51.95
Neuberger Berman High Income Bond Fund	NHILX	Alternative/ Bond	$2,246.89	0.70%	$15.73	Neuberger Berman High Income Bond Fund	credit - 0.10%	$2,246.89	0.60%	$13.48
Vanguard Target Retirement Income Fund	VTINX	Target Retirement	$11,396.78	0.12%	$13.68	Vanguard Target Retirement Income Fund	none	$11,396.78	0.12%	$13.68
Vanguard Target Retirement 2015 Fund	VTXVX	Target Retirement	$0.00	0.13%	$0.00	Vanguard Target Retirement 2015 Fund	none	$0.00	0.13%	$0.00
Vanguard Target Retirement 2020 Fund	VTWNX	Target Retirement	$12,939.38	0.13%	$16.82	Vanguard Target Retirement 2020 Fund	none	$12,939.38	0.13%	$16.82
Vanguard Target Retirement 2025 Fund	VTTVX	Target Retirement	$59,139.87	0.13%	$76.88	Vanguard Target Retirement 2025 Fund	none	$59,139.87	0.13%	$76.88
Vanguard Target Retirement 2030 Fund	VTHRX	Target Retirement	$13,495.54	0.14%	$18.89	Vanguard Target Retirement 2030 Fund	none	$13,495.54	0.14%	$18.89
Vanguard Target Retirement 2035 Fund	VTTHX	Target Retirement	$52,890.52	0.14%	$74.05	Vanguard Target Retirement 2035 Fund	none	$52,890.52	0.14%	$74.05
Vanguard Target Retirement 2040 Fund	VFORX	Target Retirement	$40,751.22	0.14%	$57.05	Vanguard Target Retirement 2040 Fund	none	$40,751.22	0.14%	$57.05
Vanguard Target Retirement 2045 Fund	VTIVX	Target Retirement	$31,041.66	0.15%	$46.56	Vanguard Target Retirement 2045 Fund	none	$31,041.66	0.15%	$46.56
Vanguard Target Retirement 2050 Fund	VFIFX	Target Retirement	$0.00	0.15%	$0.00	Vanguard Target Retirement 2050 Fund	none	$0.00	0.15%	$0.00
Vantagepoint Equity Income Fund	92210J846	Large Value	$11,248.94	0.70%	$78.74	Vantagepoint Equity Income Fund	R9 Share Class	$11,248.94	0.50%	$56.24
VT Invesco Diversified Dividend Fund	LCEYX	Large Value	$14,110.33	0.57%	$80.43	VT Invesco Diversified Dividend Fund	credit - 0.25%	$14,110.33	0.32%	$45.15
VT Parnassus Core Equity Fund	PRBLX	Core	$10,558.07	0.87%	$91.86	VT Parnassus Core Equity Fund	credit - 0.25%	$10,558.07	0.62%	$65.46
Vanguard 500 Index Fund	VFIAX	Core/Index	$154,906.81	0.04%	$61.96	Vanguard 500 Index Fund	none	$154,906.81	0.04%	$61.96
VT Contrafund®	FCNTX	Large Growth	$365,679.25	0.82%	$2,998.57	VT Contrafund®	credit - 0.25%	$365,679.25	0.57%	$2,084.37
VT Victory Sycamore Established Value Fund	VEVYX	MidCap Value	$15,170.68	0.62%	$94.06	VT Victory Sycamore Established Value Fund	credit - 0.25%	$15,170.68	0.37%	$56.13
Vanguard Mid-Cap Index Fund	VIMAX	Mid Cap Index	$140,466.23	0.05%	$70.23	Vanguard Mid-Cap Index Fund	none	$140,466.23	0.05%	$70.23
VT AMG TimesSquare Mid Cap Growth Fund	TMDPX	Mid Cap Growth	$211,988.50	1.18%	$2,501.46	VT AMG TimesSquare Mid Cap Growth Fund	credit - 0.25%	$211,988.50	0.93%	$1,971.49
Vantagepoint Discovery Fund	92210J465	Small Cap Core	$37,629.65	0.78%	$293.51	Vantagepoint Discovery Fund	R9 Share Class	$37,629.65	0.58%	$218.25
Vanguard Small-Cap Index Fund	VSMAX	Small Cap Index	$19,288.27	0.05%	$9.64	Vanguard Small-Cap Index Fund	none	$19,288.27	0.05%	$9.64
VT Invesco Oppenheimer Discovery Fund	ODIYX	Small Cap Growth	$233,648.06	0.84%	$1,962.64	VT Invesco Oppenheimer Discovery Fund	credit - 0.25%	$233,648.06	0.59%	$1,378.52
Templeton Institutional Global Equity Series	TGESX	Global Equiity	$3,052.13	0.85%	$25.94	Templeton Institutional Global Equity Series	none	$3,052.13	0.85%	$25.94
Vanguard Total International Stock Index Fund	VTIAX	Global Eq. Index	$75,065.79	0.11%	$82.57	Vanguard Total International Stock Index Fund	none	$75,065.79	0.11%	$82.57
VT Diversified International Fund	FDIVX	Global Equity	$57,891.05	0.75%	$434.18	VT Diversified International Fund	credit - 0.25%	$57,891.05	0.50%	$289.46
VT Nuveen Real Estate Securities Fund	FARCX	REIT	$90,498.60	1.02%	$923.09	VT Nuveen Real Estate Securities Fund	credit - 0.25%	$90,498.60	0.77%	$696.84
VT Retirement IncomeAdvantage Fund	74440A696	Target Retirement	$0.00	1.68%	$0.00	VT Retirement IncomeAdvantage Fund	none	$0.00	1.68%	$0.00

ICMA-RC Totals (Current)	$2,387,096.90	$15,595.45	ICMA (New)	$2,387,096.90	$11,240.71
ICMA-RC Average Weighted Investment Cost (Current)		0.65%	ICMA Average Weighted Investment Cost (New)		0.47%

Summary of Investment and Administration Costs

	Market Value	Current Expense Ratio	Current Total Expense	New Expense Ratio	New Total Expense
457 Plan	$40,135,901				
Average Weighted Investment Cost		0.55%	$219,930	0.40%	$159,898
Administration Costs		0.00%	$0	0.12%	$48,163
All-in-Cost (Investment + Administration)		0.55%	$219,930	0.52%	$208,061
401(a) Plan	$12,257,424				
Average Weighted Investment Cost		0.34%	$41,277	0.27%	$32,975
Administration Costs		0.00%	$0	0.12%	$14,709
All-in-Cost (Investment + Administration)		0.34%	$41,277	0.39%	$47,683
401(a) Fire Share Plan	$2,387,097				
Average Weighted Investment Cost		0.65%	$15,595	0.47%	$11,241
Administration Costs		0.00%	$0	0.12%	$2,865
All-in-Cost (Investment + Administration)		0.65%	$15,595	0.59%	$14,105
Aggregate Plan Totals	$54,780,422	0.51%	$276,802	0.49%	$269,850
				Net Savings	$6,952

APPENDIX

ICMARC
BUILDING PUBLIC SECTOR RETIREMENT SECURITY

Return Mail Processing Only
PO BOX 669
South Windsor, CT 06074-0669

Quarterly Financial Report for Your 401 Qualified Plan ADMIN ALLOWANCE ACCOUNT

Contribution Limits Announced for 2020!
The IRS has announced new contribution limits for retirement savings plans. With higher contribution limits, you have an opportunity to save more toward retirement. Learn more about the new contribution limits and saving for retirement by visiting www.icmarc.org/contributionlimits.

ADMIN ALLOWANCE ACCOUNT
360 SOUTH COUNTY ROAD
PALM BEACH FL 33480

October 1, 2019 - December 31, 2019

Total Account Balance	**$449.28**

If You Need Assistance

Call Participant Services	**800-669-7400**
Automated Access	24 hours/7 days
Customer Service	8:30 AM - 9:00 PM ET M-F
Website	**www.icmarc.org**

Participant & Plan Data

Vested Percentage	0%
Plan Name	**TOWN OF PALM BEACH (401A)**
Plan Number	106397

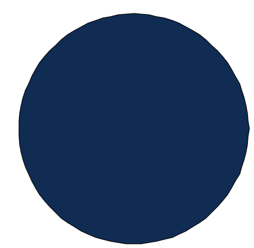
If any of your data is incorrect, please contact Participant Services so that we can update your records.

Account Summary

	This Period	*Year-to-Date*
Beginning Balance	**$0.00**	**$0.00**
Contributions/Other Credits	$1,582.10	$1,582.10
Distributions/Other Debits	-$1,134.30	-$1,134.30
Gain/Loss	$1.48	$1.48
Ending Balance	**$449.28**	**$449.28**
Vested Balance	$0.00	

Asset Allocation

Asset Category	*Percentage of Assets*	*Balance*
Stable Value/Cash Management	100%	$449.28
Total Assets	**100%**	**$449.28**



Please review your statement carefully. If you believe there is an error, please notify ICMA-RC at 800-669-7400 within 90 days of quarter end.

Quarterly Financial Report for
Your 401 Qualified Plan
ADMIN ALLOWANCE ACCOUNT

October 1, 2019 - December 31, 2019

Account Balance History

This chart reflects previous year-end account balances and current year quarter-end account balances and allows you to quickly monitor your progress towards building a secure retirement.

If you have questions regarding your account information, please call or email ICMA-RC using the contact information under "If You Need Assistance" on page 1.

Values are rounded to the nearest whole dollars.

Allocation Summary by Fund

Investment	*Percent of Assets*	*Units/ Shares*	*Unit/Share Value*	*Ending Balance*
Stable Value/Cash Management				
VT Cash Management	100%	435.4970	$1.03	$449.28
Total	**100%**			**$449.28**

Investment Elections for Future Contributions

Investment	*Employer*
Stable Value/Cash Management	
VT Cash Management	100%
Total	**100%**

106397 RNCHPRMV

ICMA-RC
BUILDING PUBLIC SECTOR RETIREMENT SECURITY

Quarterly Financial Report for Your 401 Qualified Plan ADMIN ALLOWANCE ACCOUNT

October 1, 2019 - December 31, 2019

Activity Summary by Fund

Investment	*Beginning Balance*	*Contributions/ Other Credits*	*Distributions/ Other Debits*	*Transfers*	*Fees*	*Gain/Loss*	*Ending Balance*
Stable Value/Cash Management							
VT Cash Management	$0.00	$1,582.10	-$1,134.30	$0.00	$0.00	$1.48	$449.28
Total Account	**$0.00**	**$1,582.10**	**-$1,134.30**	**$0.00**	**$0.00**	**$1.48**	**$449.28**

ICMA-RC is here to help. If you have questions regarding information on your statement, please call or e-mail ICMA-RC using the contact information under "If You Need Assistance" on page 1.

Fees vary by account and may include deductions for account maintenance, loans, Managed Accounts and other charges. Please contact Participant Services for further details.

Account Balance by Source

Total Employer	**$449.28**

Beneficiary Information

This reflects the beneficiary information on record for your account. To add or change your beneficiary(ies), log into Account Access.

Type of Beneficiary	*Beneficiary Name*	*Relationship to Participant*	*Percentage*
No Information on File			

Additional Information

Benefits of a Well Balanced, Diversified Portfolio
In keeping with our mission of *"Building Public Sector Retirement Security"* ICMA-RC wants to provide you with information on the importance of a well-balanced diversified investment portfolio. For information and resources on investing and diversification, visit us online at www.icmarc.org/invest. Go to https://www.icmarc.org/DOLinvesting to access additional investing information on the Department of Labor's website.

Resolve to Review and Update Your Beneficiary Designations
Make it one of your resolutions to start the new year by reviewing your beneficiary designations to ensure they are in order and up to date. This is important if you opened your account years ago, got married or divorced, or have had children or grandchildren. Log in to your account at www.icmarc.org/login to make updates.

Quarterly Financial Report for
Your 401 Qualified Plan
ADMIN ALLOWANCE ACCOUNT

October 1, 2019 - December 31, 2019

Fund Performance for All Funds in Your Plan

YOUR FUNDS	Asset Category Fund Name	Benchmark	4th Qtr 2019	Year-to-Date	1-Year	3-Year	5-Year	10-Year or Since Inception	Inception Date
	Stable Value/Cash Management	***ICE BofAML US 3-Mo T-Bill Indx***	***0.46%***	***2.28%***	***2.28%***	***1.67%***	***1.07%***	***0.58%***	
	Vantagepoint PLUS Fund R5 [1]		0.54%	2.20%	2.20%	2.03%	1.92%	2.21%	04/01/1999
◆	**VT Cash Management**		**0.34%**	**1.83%**	**1.83%**	**1.26%**	**0.76%**	**0.38%**	**03/01/1999**
	Bond	***BBgBarc US Agg Bond***	***0.18%***	***8.72%***	***8.72%***	***4.03%***	***3.05%***	***3.75%***	
	TCW Total Return Bond I [2]		-0.44%	7.27%	7.27%	3.80%	2.80%	4.91%	06/17/1993
	Vantagepoint Infltn Focused R5		0.73%	8.04%	8.04%	2.94%	2.27%	2.78%	03/01/1999
	Neuberger Berman High Inc Bond [2]		2.37%	13.90%	13.90%	5.46%	4.98%	6.56%	05/27/2009
	Guaranteed Lifetime Income	***60% S&P 500/40% BBgBarc Gov/Cr***	***5.38%***	***22.64%***	***22.64%***	***11.00%***	***8.45%***	***9.87%***	
	VT Retirement IncomeAdvantage [3]		5.25%	18.28%	18.28%	8.04%	5.61%	7.20%	08/23/2010
	Balanced/Asset Allocation	***60% S&P 500/40% BBgBarc Gov/Cr***	***5.38%***	***22.64%***	***22.64%***	***11.00%***	***8.45%***	***9.87%***	
	Vanguard Target Retire Income [2]		2.60%	13.16%	13.16%	6.36%	4.80%	5.82%	10/27/2003
	Vanguard Target Retire 2015 [2]		3.20%	14.81%	14.81%	7.50%	5.59%	7.25%	10/27/2003
	Vanguard Target Retire 2020 [2]		4.46%	17.63%	17.63%	8.72%	6.42%	8.03%	06/07/2006
	Vanguard Target Retire 2025 [2]		5.22%	19.63%	19.63%	9.57%	6.99%	8.59%	10/27/2003
	Vanguard Target Retire 2030 [2]		5.95%	21.07%	21.07%	10.24%	7.41%	9.07%	06/07/2006
	Vanguard Target Retire 2035 [2]		6.68%	22.44%	22.44%	10.86%	7.81%	9.54%	10/27/2003
	Vanguard Target Retire 2040 [2]		7.38%	23.86%	23.86%	11.48%	8.20%	9.87%	06/07/2006
	Vanguard Target Retire 2045 [2]		8.00%	24.94%	24.94%	11.80%	8.41%	9.98%	10/27/2003
	Vanguard Target Retire 2050 [2]		8.01%	24.98%	24.98%	11.80%	8.41%	9.98%	06/07/2006
	U.S. Stock	***S&P 500 Index***	***9.07%***	***31.49%***	***31.49%***	***15.27%***	***11.70%***	***13.56%***	
	Vantagepoint Equity Income R5		7.33%	23.98%	23.98%	8.35%	6.60%	9.72%	03/01/1999
	VT Invesco Diversified Div		5.17%	25.39%	25.39%	7.91%	8.00%	8.96%	12/06/2013
	VT Parnassus Core Equity		6.26%	30.69%	30.69%	14.99%	10.80%	10.91%	11/14/2014
	Vanguard 500 Index Admiral [2]		9.06%	31.46%	31.46%	15.23%	11.66%	13.52%	11/13/2000

Quarterly Financial Report for
Your 401 Qualified Plan
ADMIN ALLOWANCE ACCOUNT

October 1, 2019 - December 31, 2019

Fund Performance for All Funds in Your Plan *(continued)*

YOUR FUNDS	Asset Category / Fund Name	Benchmark	4th Qtr 2019	Year-to-Date	1-Year	3-Year	5-Year	10-Year or Since Inception	Inception Date
	U.S. Stock *(continued)*	***S&P 500 Index***	***9.07%***	***31.49%***	***31.49%***	***15.27%***	***11.70%***	***13.56%***	
	VT Contrafund		10.30%	29.99%	29.99%	18.92%	13.10%	13.96%	04/05/1999
	VT Victory Sycamore Est Value		5.85%	28.71%	28.71%	-	-	9.93%	06/09/2017
	Vanguard Mid-Cap Index Admiral [2]		6.88%	31.03%	31.03%	12.36%	9.25%	13.08%	11/12/2001
	VT AMG TimesSquare Mid Cap Gr		8.12%	37.19%	37.19%	17.02%	11.55%	10.99%	12/06/2013
	Vantagepoint Discovery R5		8.75%	28.43%	28.43%	10.71%	8.30%	11.67%	10/30/2007
	Vanguard Small-Cap Index Adm [2]		8.14%	27.37%	27.37%	10.32%	8.88%	12.81%	11/13/2000
	VT Invesco Oppenheimer Disc [4]		9.18%	37.07%	37.07%	19.68%	12.86%	11.36%	09/13/2013
	International/Global Stock	***MSCI EAFE Index (Net)***	***8.17%***	***22.01%***	***22.01%***	***9.56%***	***5.67%***	***5.50%***	
	Templeton Instl Global Equity [2]		4.72%	12.20%	12.20%	5.07%	3.23%	6.52%	03/31/2008
	Vanguard Total Intl Stock Idx [2]		9.01%	21.51%	21.51%	9.87%	5.85%	5.21%	11/29/2010
	VT Diversified International		10.00%	29.69%	29.69%	11.66%	6.69%	6.58%	12/06/2004
	Specialty	***S&P 500 Index***	***9.07%***	***31.49%***	***31.49%***	***15.27%***	***11.70%***	***13.56%***	
	VT Nuveen Real Estate Secs		-0.97%	25.54%	25.54%	7.80%	6.72%	11.88%	07/17/2009

1 *An investment in the PLUS Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any government agency. Although the PLUS Fund seeks to preserve the value of your investment and to pay you interest, it is possible to lose money by investing in the PLUS Fund. ICMA-RC does not guarantee the principal value of your investment in the PLUS Fund or that you will receive interest on your investment.*

2 *Returns and/or expenses provided by Morningstar, Inc. Copyright 2019. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Morningstar is a registered trademark of Morningstar, Inc.*

3 *The VT Retirement IncomeAdvantage Fund is offered through VantageTrust. The Fund invests in a group variable annuity issued by Prudential Retirement Insurance and Annuity Company (Prudential) CA COA #08003, Hartford, CT. Guarantees are based on Prudential's claims-paying ability and are subject to certain limitations, terms and conditions. This annuity is issued under Contract form #GA-2020-TGWB4-0805-RC. Variable annuities are suitable for long-term investing, particularly retirement savings. Prudential and the Rock logo are registered service marks of The Prudential Insurance Company of America, Newark, NJ and its affiliates.*

4 *Effective May 25, 2019, Oppenheimer Funds was acquired by Invesco.*

Quarterly Financial Report for
Your 401 Qualified Plan
ADMIN ALLOWANCE ACCOUNT

October 1, 2019 - December 31, 2019

Fund Performance for All Funds in Your Plan *(continued)*

YOUR FUNDS	Asset Category Fund Name	Benchmark	4th Qtr 2019	Year-to-Date	1-Year	3-Year	5-Year	10-Year or Since Inception	Inception Date

This information is being provided for informational purposes only and is not intended to be construed as or relied upon as investment advice. This information was compiled from various sources and is presumed to be correct and accurate.

Performance for benchmarks may not reflect the same time periods as for the funds themselves and therefore should not be used solely when evaluating performance or determining an appropriate investment selection. Individuals seeking more current performance are advised to view the daily fund performance available through the VantageLink website: www.icmarc.org.

Performance reflected above represents past performance. Investment returns and principal value of an investment will fluctuate so that an investor's shares when redeemed may be work more or less than their original cost.

Past performance is not indicative of future returns. Returns are annualized for periods greater than 1 year.

Individuals are advised to review a Fund's applicable disclosure documents for a complete summary of all fees, expenses, charges, financial highlights, investment objectives, objectives, investment strategies, risks and performance information prior to investing any money. These documents are available when you log in at www.icmarc.org/login, or upon request by calling 800-669-7400.

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South Windsor, CT 06074-0669

Quarterly Financial Report for Your 401 Qualified Plan ADMIN ALLOWANCE ACCOUNT

ADMIN ALLOWANCE ACCOUNT
249 ROYAL PALM WAY , RM. 301
PALM BEACH FL 33480

Contribution Limits Announced for 2020!
The IRS has announced new contribution limits for retirement savings plans. With higher contribution limits, you have an opportunity to save more toward retirement. Learn more about the new contribution limits and saving for retirement by visiting www.icmarc.org/contributionlimits.

October 1, 2019 - December 31, 2019

Total Account Balance	**$114.88**

If You Need Assistance

Call Participant Services	**800-669-7400**
Automated Access	24 hours/7 days
Customer Service	8:30 AM - 9:00 PM ET M-F
Website	**www.icmarc.org**

Participant & Plan Data

Plan Name	**TOWN OF PALM BEACH (FIRE SHARE)**
Plan Number	106796

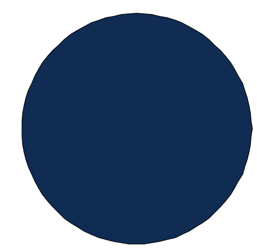
If any of your data is incorrect, please contact Participant Services so that we can update your records.

Account Summary

	This Period	*Year-to-Date*
Beginning Balance	**$0.00**	**$0.00**
Contributions/Other Credits	$335.46	$335.46
Distributions/Other Debits	-$220.90	-$220.90
Gain/Loss	$0.32	$0.32
Ending Balance	**$114.88**	**$114.88**

Asset Allocation

Asset Category	*Percentage of Assets*	*Balance*
Stable Value/Cash Management	100%	$114.88
Total Assets	**100%**	**$114.88**



Please review your statement carefully. If you believe there is an error, please notify ICMA-RC at 800-669-7400 within 90 days of quarter end.

Quarterly Financial Report for
Your 401 Qualified Plan
ADMIN ALLOWANCE ACCOUNT

October 1, 2019 - December 31, 2019

Account Balance History

This chart reflects previous year-end account balances and current year quarter-end account balances and allows you to quickly monitor your progress towards building a secure retirement.

If you have questions regarding your account information, please call or email ICMA-RC using the contact information under "If You Need Assistance" on page 1.

Values are rounded to the nearest whole dollars.

Allocation Summary by Fund

Investment	*Percent of Assets*	*Units/ Shares*	*Unit/Share Value*	*Ending Balance*
Stable Value/Cash Management				
VT Cash Management	100%	111.3503	$1.03	$114.88
Total	**100%**			**$114.88**

Investment Elections for Future Contributions

Investment	*Employer*
Stable Value/Cash Management	
VT Cash Management	100%
Total	**100%**

Quarterly Financial Report for
Your 401 Qualified Plan
ADMIN ALLOWANCE ACCOUNT

October 1, 2019 - December 31, 2019

Activity Summary by Fund

Investment	*Beginning Balance*	*Contributions/ Other Credits*	*Distributions/ Other Debits*	*Transfers*	*Fees*	*Gain/Loss*	*Ending Balance*
Stable Value/Cash Management							
VT Cash Management	$0.00	$335.46	-$220.90	$0.00	$0.00	$0.32	$114.88
Total Account	**$0.00**	**$335.46**	**-$220.90**	**$0.00**	**$0.00**	**$0.32**	**$114.88**

ICMA-RC is here to help. If you have questions regarding information on your statement, please call or e-mail ICMA-RC using the contact information under "If You Need Assistance" on page 1.

Fees vary by account and may include deductions for account maintenance, loans, Managed Accounts and other charges. Please contact Participant Services for further details.

Account Balance by Source

Total Employer	**$114.88**

Beneficiary Information

This reflects the beneficiary information on record for your account. To add or change your beneficiary(ies), log into Account Access.

Type of Beneficiary	*Beneficiary Name*	*Relationship to Participant*	*Percentage*
No Information on File			

Additional Information

Benefits of a Well Balanced, Diversified Portfolio
In keeping with our mission of *"Building Public Sector Retirement Security"* ICMA-RC wants to provide you with information on the importance of a well-balanced diversified investment portfolio. For information and resources on investing and diversification, visit us online at www.icmarc.org/invest. Go to https://www.icmarc.org/DOLinvesting to access additional investing information on the Department of Labor’s website.

Resolve to Review and Update Your Beneficiary Designations
Make it one of your resolutions to start the new year by reviewing your beneficiary designations to ensure they are in order and up to date. This is important if you opened your account years ago, got married or divorced, or have had children or grandchildren. Log in to your account at www.icmarc.org/login to make updates.

Quarterly Financial Report for
Your 401 Qualified Plan
ADMIN ALLOWANCE ACCOUNT

October 1, 2019 - December 31, 2019

Fund Performance for All Funds in Your Plan

YOUR FUNDS	Asset Category Fund Name	Benchmark	4th Qtr 2019	Year-to-Date	1-Year	3-Year	5-Year	10-Year or Since Inception	Inception Date
	Stable Value/Cash Management	***ICE BofAML US 3-Mo T-Bill Indx***	***0.46%***	***2.28%***	***2.28%***	***1.67%***	***1.07%***	***0.58%***	
	Vantagepoint PLUS Fund R5 [1]		0.54%	2.20%	2.20%	2.03%	1.92%	2.21%	04/01/1999
◆	**VT Cash Management**		**0.34%**	**1.83%**	**1.83%**	**1.26%**	**0.76%**	**0.38%**	**03/01/1999**
	Bond	***BBgBarc US Agg Bond***	***0.18%***	***8.72%***	***8.72%***	***4.03%***	***3.05%***	***3.75%***	
	TCW Total Return Bond I [2]		-0.44%	7.27%	7.27%	3.80%	2.80%	4.91%	06/17/1993
	Vantagepoint Infltn Focused R5		0.73%	8.04%	8.04%	2.94%	2.27%	2.78%	03/01/1999
	Neuberger Berman High Inc Bond [2]		2.37%	13.90%	13.90%	5.46%	4.98%	6.56%	05/27/2009
	Guaranteed Lifetime Income	***60% S&P 500/40% BBgBarc Gov/Cr***	***5.38%***	***22.64%***	***22.64%***	***11.00%***	***8.45%***	***9.87%***	
	VT Retirement IncomeAdvantage [3]		5.25%	18.28%	18.28%	8.04%	5.61%	7.20%	08/23/2010
	Balanced/Asset Allocation	***60% S&P 500/40% BBgBarc Gov/Cr***	***5.38%***	***22.64%***	***22.64%***	***11.00%***	***8.45%***	***9.87%***	
	Vanguard Target Retire Income [2]		2.60%	13.16%	13.16%	6.36%	4.80%	5.82%	10/27/2003
	Vanguard Target Retire 2015 [2]		3.20%	14.81%	14.81%	7.50%	5.59%	7.25%	10/27/2003
	Vanguard Target Retire 2020 [2]		4.46%	17.63%	17.63%	8.72%	6.42%	8.03%	06/07/2006
	Vanguard Target Retire 2025 [2]		5.22%	19.63%	19.63%	9.57%	6.99%	8.59%	10/27/2003
	Vanguard Target Retire 2030 [2]		5.95%	21.07%	21.07%	10.24%	7.41%	9.07%	06/07/2006
	Vanguard Target Retire 2035 [2]		6.68%	22.44%	22.44%	10.86%	7.81%	9.54%	10/27/2003
	Vanguard Target Retire 2040 [2]		7.38%	23.86%	23.86%	11.48%	8.20%	9.87%	06/07/2006
	Vanguard Target Retire 2045 [2]		8.00%	24.94%	24.94%	11.80%	8.41%	9.98%	10/27/2003
	Vanguard Target Retire 2050 [2]		8.01%	24.98%	24.98%	11.80%	8.41%	9.98%	06/07/2006
	U.S. Stock	***S&P 500 Index***	***9.07%***	***31.49%***	***31.49%***	***15.27%***	***11.70%***	***13.56%***	
	Vantagepoint Equity Income R5		7.33%	23.98%	23.98%	8.35%	6.60%	9.72%	03/01/1999
	VT Invesco Diversified Div		5.17%	25.39%	25.39%	7.91%	8.00%	8.96%	12/06/2013
	VT Parnassus Core Equity		6.26%	30.69%	30.69%	14.99%	10.80%	10.91%	11/14/2014
	Vanguard 500 Index Admiral [2]		9.06%	31.46%	31.46%	15.23%	11.66%	13.52%	11/13/2000

Quarterly Financial Report for
Your 401 Qualified Plan
ADMIN ALLOWANCE ACCOUNT

October 1, 2019 - December 31, 2019

Fund Performance for All Funds in Your Plan *(continued)*

YOUR FUNDS	Asset Category Fund Name	Benchmark	4th Qtr 2019	Year-to-Date	1-Year	3-Year	5-Year	10-Year or Since Inception	Inception Date
	U.S. Stock ***(continued)***	***S&P 500 Index***	***9.07%***	***31.49%***	***31.49%***	***15.27%***	***11.70%***	***13.56%***	
	VT Contrafund		10.30%	29.99%	29.99%	18.92%	13.10%	13.96%	04/05/1999
	VT Victory Sycamore Est Value		5.85%	28.71%	28.71%	-	-	9.93%	06/09/2017
	Vanguard Mid-Cap Index Admiral [2]		6.88%	31.03%	31.03%	12.36%	9.25%	13.08%	11/12/2001
	VT AMG TimesSquare Mid Cap Gr		8.12%	37.19%	37.19%	17.02%	11.55%	10.99%	12/06/2013
	Vantagepoint Discovery R5		8.75%	28.43%	28.43%	10.71%	8.30%	11.67%	10/30/2007
	Vanguard Small-Cap Index Adm [2]		8.14%	27.37%	27.37%	10.32%	8.88%	12.81%	11/13/2000
	VT Invesco Oppenheimer Disc [4]		9.18%	37.07%	37.07%	19.68%	12.86%	11.36%	09/13/2013
	International/Global Stock	***MSCI EAFE Index (Net)***	***8.17%***	***22.01%***	***22.01%***	***9.56%***	***5.67%***	***5.50%***	
	Templeton Instl Global Equity [2]		4.72%	12.20%	12.20%	5.07%	3.23%	6.52%	03/31/2008
	Vanguard Total Intl Stock Idx [2]		9.01%	21.51%	21.51%	9.87%	5.85%	5.21%	11/29/2010
	VT Diversified International		10.00%	29.69%	29.69%	11.66%	6.69%	6.58%	12/06/2004
	Specialty	***S&P 500 Index***	***9.07%***	***31.49%***	***31.49%***	***15.27%***	***11.70%***	***13.56%***	
	VT Nuveen Real Estate Secs		-0.97%	25.54%	25.54%	7.80%	6.72%	11.88%	07/17/2009

1 *An investment in the PLUS Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any government agency. Although the PLUS Fund seeks to preserve the value of your investment and to pay you interest, it is possible to lose money by investing in the PLUS Fund. ICMA-RC does not guarantee the principal value of your investment in the PLUS Fund or that you will receive interest on your investment.*

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Fund Performance for All Funds in Your Plan *(continued)*

YOUR FUNDS	Asset Category Fund Name	Benchmark	4th Qtr 2019	Year-to-Date	1-Year	3-Year	5-Year	10-Year or Since Inception	Inception Date

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Quarterly Financial Report for Your 457 Deferred Compensation Plan ADMIN ALLOWANCE ACCOUNT

ADMIN ALLOWANCE ACCOUNT
360 SOUTH COUNTY ROAD
PALM BEACH FL 33480

Contribution Limits Announced for 2020!
The IRS has announced new contribution limits for retirement savings plans. With higher contribution limits, you have an opportunity to save more toward retirement. Learn more about the new contribution limits and saving for retirement by visiting www.icmarc.org/contributionlimits.

October 1, 2019 - December 31, 2019

Total Account Balance	**$1,757.34**

If You Need Assistance

Call Participant Services	**800-669-7400**
Automated Access	24 hours/7 days
Customer Service	8:30 AM - 9:00 PM ET M-F
Website	**www.icmarc.org**

Participant & Plan Data

Plan Name	**TOWN OF PALM BEACH (457)**
Plan Number	300786

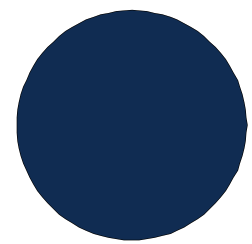
If any of your data is incorrect, please contact Participant Services so that we can update your records.

Account Summary

	This Period	*Year-to-Date*
Beginning Balance	**$0.00**	**$0.00**
Contributions/Other Credits	$5,466.39	$5,466.39
Distributions/Other Debits	-$3,714.18	-$3,714.18
Gain/Loss	$5.13	$5.13
Ending Balance	**$1,757.34**	**$1,757.34**

Asset Allocation

Asset Category	*Percentage of Assets*	*Balance*
Stable Value/Cash Management	100%	$1,757.34
Total Assets	**100%**	**$1,757.34**



Please review your statement carefully. If you believe there is an error, please notify ICMA-RC at 800-669-7400 within 90 days of quarter end.

Quarterly Financial Report for
Your 457 Deferred Compensation Plan
ADMIN ALLOWANCE ACCOUNT

October 1, 2019 - December 31, 2019

Account Balance History

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If you have questions regarding your account information, please call or email ICMA-RC using the contact information under "If You Need Assistance" on page 1.

Values are rounded to the nearest whole dollars.

Allocation Summary by Fund

Investment	*Percent of Assets*	*Units/ Shares*	*Unit/Share Value*	*Ending Balance*
Stable Value/Cash Management				
VT Cash Management	100%	1,703.4183	$1.03	$1,757.34
Total	**100%**			**$1,757.34**

Investment Elections for Future Contributions

Investment	*Employer/Employee*
Stable Value/Cash Management	
VT Cash Management	100%
Total	**100%**

300786 RNCHPRMV

Quarterly Financial Report for
Your 457 Deferred Compensation Plan
ADMIN ALLOWANCE ACCOUNT

October 1, 2019 - December 31, 2019

Activity Summary by Fund

Investment	*Beginning Balance*	*Contributions/ Other Credits*	*Distributions/ Other Debits*	*Transfers*	*Fees*	*Gain/Loss*	*Ending Balance*
Stable Value/Cash Management							
VT Cash Management	$0.00	$5,466.39	-$3,714.18	$0.00	$0.00	$5.13	$1,757.34
Total Account	**$0.00**	**$5,466.39**	**-$3,714.18**	**$0.00**	**$0.00**	**$5.13**	**$1,757.34**

ICMA-RC is here to help. If you have questions regarding information on your statement, please call or e-mail ICMA-RC using the contact information under "If You Need Assistance" on page 1.

Fees vary by account and may include deductions for account maintenance, loans, Managed Accounts and other charges. Please contact Participant Services for further details.

Account Balance by Source

Pre-Tax	$1,757.34
Total Employer/Employee	**$1,757.34**

Beneficiary Information

This reflects the beneficiary information on record for your account. To add or change your beneficiary(ies), log into Account Access.

Type of Beneficiary	*Beneficiary Name*	*Relationship to Participant*	*Percentage*
No Information on File			

Additional Information

Benefits of a Well Balanced, Diversified Portfolio
In keeping with our mission of *"Building Public Sector Retirement Security"* ICMA-RC wants to provide you with information on the importance of a well-balanced diversified investment portfolio. For information and resources on investing and diversification, visit us online at www.icmarc.org/invest. Go to https://www.icmarc.org/DOLinvesting to access additional investing information on the Department of Labor’s website.

Additional Information *(continued)*

Resolve to Review and Update Your Beneficiary Designations
Make it one of your resolutions to start the new year by reviewing your beneficiary designations to ensure they are in order and up to date. This is important if you opened your account years ago, got married or divorced, or have had children or grandchildren. Log in to your account at www.icmarc.org/login to make updates.

Fund Performance for All Funds in Your Plan

YOUR FUNDS	*Asset Category Fund Name*	*Benchmark*	*4th Qtr 2019*	*Year-to-Date*	*1-Year*	*3-Year*	*5-Year*	*10-Year or Since Inception*	*Inception Date*
	Stable Value/Cash Management	***ICE BofAML US 3-Mo T-Bill Indx***	***0.46%***	***2.28%***	***2.28%***	***1.67%***	***1.07%***	***0.58%***	
	Vantagepoint PLUS Fund R5 [1]		0.54%	2.20%	2.20%	2.03%	1.92%	2.21%	04/01/1999
◆	**VT Cash Management**		**0.34%**	**1.83%**	**1.83%**	**1.26%**	**0.76%**	**0.38%**	**03/01/1999**
	Bond	***BBgBarc US Agg Bond***	***0.18%***	***8.72%***	***8.72%***	***4.03%***	***3.05%***	***3.75%***	
	TCW Total Return Bond I [2]		-0.44%	7.27%	7.27%	3.80%	2.80%	4.91%	06/17/1993
	Vantagepoint Infltn Focused R5		0.73%	8.04%	8.04%	2.94%	2.27%	2.78%	03/01/1999
	Neuberger Berman High Inc Bond [2]		2.37%	13.90%	13.90%	5.46%	4.98%	6.56%	05/27/2009
	Guaranteed Lifetime Income	***60% S&P 500/40% BBgBarc Gov/Cr***	***5.38%***	***22.64%***	***22.64%***	***11.00%***	***8.45%***	***9.87%***	
	VT Retirement IncomeAdvantage [3]		5.25%	18.28%	18.28%	8.04%	5.61%	7.20%	08/23/2010
	Balanced/Asset Allocation	***60% S&P 500/40% BBgBarc Gov/Cr***	***5.38%***	***22.64%***	***22.64%***	***11.00%***	***8.45%***	***9.87%***	
	Vanguard Target Retire Income [2]		2.60%	13.16%	13.16%	6.36%	4.80%	5.82%	10/27/2003
	Vanguard Target Retire 2015 [2]		3.20%	14.81%	14.81%	7.50%	5.59%	7.25%	10/27/2003
	Vanguard Target Retire 2020 [2]		4.46%	17.63%	17.63%	8.72%	6.42%	8.03%	06/07/2006
	Vanguard Target Retire 2025 [2]		5.22%	19.63%	19.63%	9.57%	6.99%	8.59%	10/27/2003
	Vanguard Target Retire 2030 [2]		5.95%	21.07%	21.07%	10.24%	7.41%	9.07%	06/07/2006
	Vanguard Target Retire 2035 [2]		6.68%	22.44%	22.44%	10.86%	7.81%	9.54%	10/27/2003
	Vanguard Target Retire 2040 [2]		7.38%	23.86%	23.86%	11.48%	8.20%	9.87%	06/07/2006
	Vanguard Target Retire 2045 [2]		8.00%	24.94%	24.94%	11.80%	8.41%	9.98%	10/27/2003
	Vanguard Target Retire 2050 [2]		8.01%	24.98%	24.98%	11.80%	8.41%	9.98%	06/07/2006

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Quarterly Financial Report for Your 457 Deferred Compensation Plan ADMIN ALLOWANCE ACCOUNT

October 1, 2019 - December 31, 2019

Fund Performance for All Funds in Your Plan *(continued)*

YOUR FUNDS	Asset Category Fund Name	Benchmark	4th Qtr 2019	Year-to-Date	1-Year	3-Year	5-Year	10-Year or Since Inception	Inception Date
	U.S. Stock	***S&P 500 Index***	***9.07%***	***31.49%***	***31.49%***	***15.27%***	***11.70%***	***13.56%***	
	Vantagepoint Equity Income R5		7.33%	23.98%	23.98%	8.35%	6.60%	9.72%	03/01/1999
	VT Invesco Diversified Div		5.17%	25.39%	25.39%	7.91%	8.00%	8.96%	12/06/2013
	VT Parnassus Core Equity		6.26%	30.69%	30.69%	14.99%	10.80%	10.91%	11/14/2014
	Vanguard 500 Index Admiral [2]		9.06%	31.46%	31.46%	15.23%	11.66%	13.52%	11/13/2000
	VT Contrafund		10.30%	29.99%	29.99%	18.92%	13.10%	13.96%	04/05/1999
	VT Victory Sycamore Est Value		5.85%	28.71%	28.71%	-	-	9.93%	06/09/2017
	Vanguard Mid-Cap Index Admiral [2]		6.88%	31.03%	31.03%	12.36%	9.25%	13.08%	11/12/2001
	VT AMG TimesSquare Mid Cap Gr		8.12%	37.19%	37.19%	17.02%	11.55%	10.99%	12/06/2013
	Vantagepoint Discovery R5		8.75%	28.43%	28.43%	10.71%	8.30%	11.67%	10/30/2007
	Vanguard Small-Cap Index Adm [2]		8.14%	27.37%	27.37%	10.32%	8.88%	12.81%	11/13/2000
	VT Invesco Oppenheimer Disc [4]		9.18%	37.07%	37.07%	19.68%	12.86%	11.36%	09/13/2013
	International/Global Stock	***MSCI EAFE Index (Net)***	***8.17%***	***22.01%***	***22.01%***	***9.56%***	***5.67%***	***5.50%***	
	Templeton Instl Global Equity [2]		4.72%	12.20%	12.20%	5.07%	3.23%	6.52%	03/31/2008
	Vanguard Total Intl Stock Idx [2]		9.01%	21.51%	21.51%	9.87%	5.85%	5.21%	11/29/2010
	VT Diversified International		10.00%	29.69%	29.69%	11.66%	6.69%	6.58%	12/06/2004
	Specialty	***S&P 500 Index***	***9.07%***	***31.49%***	***31.49%***	***15.27%***	***11.70%***	***13.56%***	
	VT Nuveen Real Estate Secs		-0.97%	25.54%	25.54%	7.80%	6.72%	11.88%	07/17/2009

1 *An investment in the PLUS Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any government agency. Although the PLUS Fund seeks to preserve the value of your investment and to pay you interest, it is possible to lose money by investing in the PLUS Fund. ICMA-RC does not guarantee the principal value of your investment in the PLUS Fund or that you will receive interest on your investment.*

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Fund Performance for All Funds in Your Plan *(continued)*

YOUR FUNDS	*Asset Category Fund Name*	*Benchmark*	*4th Qtr 2019*	*Year-to-Date*	*1-Year*	*3-Year*	*5-Year*	*10-Year or Since Inception*	*Inception Date*

3 The VT Retirement IncomeAdvantage Fund is offered through VantageTrust. The Fund invests in a group variable annuity issued by Prudential Retirement Insurance and Annuity Company (Prudential) CA COA #08003, Hartford, CT. Guarantees are based on Prudential's claims-paying ability and are subject to certain limitations, terms and conditions. This annuity is issued under Contract form #GA-2020-TGWB4-0805-RC. Variable annuities are suitable for long-term investing, particularly retirement savings. Prudential and the Rock logo are registered service marks of The Prudential Insurance Company of America, Newark, NJ and its affiliates.

4 Effective May 25, 2019, Oppenheimer Funds was acquired by Invesco.

This information is being provided for informational purposes only and is not intended to be construed as or relied upon as investment advice. This information was compiled from various sources and is presumed to be correct and accurate.

Performance for benchmarks may not reflect the same time periods as for the funds themselves and therefore should not be used solely when evaluating performance or determining an appropriate investment selection. Individuals seeking more current performance are advised to view the daily fund performance available through the VantageLink website: www.icmarc.org.

Performance reflected above represents past performance. Investment returns and principal value of an investment will fluctuate so that an investor's shares when redeemed may be work more or less than their original cost.

Past performance is not indicative of future returns. Returns are annualized for periods greater than 1 year.

Individuals are advised to review a Fund's applicable disclosure documents for a complete summary of all fees, expenses, charges, financial highlights, investment objectives, objectives, investment strategies, risks and performance information prior to investing any money. These documents are available when you log in at www.icmarc.org/login, or upon request by calling 800-669-7400.