NEW CASTLE COUNTY COUNCIL
ADMINISTRATIVE-FINANCE COMMITTEE MEETING

Co-Chair George Smiley, Seventh District
Co-Chair John Cartier, Eighth District

February 13, 2024
4:00 PM

VIRTUAL ZOOM WEBINAR MEETING &**
LOUIS L. REDDING CITY/COUNTY BUILDING
1ST FLOOR COUNCIL CHAMBERS
800 N. FRENCH STREET, WILMINGTON, DE 19801

AGENDA

A. Call To Order/Roll Call

B. Approval of Minutes

C. Review/Discussion of Resolution(s)

R24-040: URGING THE DELAWARE GENERAL ASSEMBLY TO AUTHORIZE NEW CASTLE COUNTY CODE ENFORCEMENT THE ABILITY TO TOW INOPERABLE OR UNREGISTERED VEHICLES ON PRIVATE PROPERTY TO PROTECT QUALITY OF LIFE FOR RESIDENTS Introduced by: Mr. Smiley, Mr. Cartier

R24-041: AUTHORIZING THE EXECUTION OF A SUBAWARD AGREEMENT WITH THE FOOD BANK OF DELAWARE, INC. TO PROVIDE FOOD FOR FAMILIES WITHIN DISPROPORTIONATELY IMPACTED COMMUNITIES IN NEW CASTLE COUNTY SUPPORTED FOR THE DEPARTMENT OF ADMINISTRATION, OFFICE OF FINANCE IN THE AMOUNT OF $370,000.00 Introduced by: Mr. Smiley, Mr. Cartier

R24-042: AUTHORIZING THE EXECUTION OF A SUBAWARD AGREEMENT WITH FORUM TO ADVANCE MINORITIES IN ENGINEERING, INC. (FAME, INC.) TO ADDRESS THE IMPACT OF LOST INSTRUCTIONAL TIME FOR STUDENTS ATTENDING TITLE I SCHOOLS FOR THE DEPARTMENT OF ADMINISTRATION, OFFICE OF FINANCE IN THE AMOUNT OF $100,000.00 Introduced by: Mr. Smiley, Mr. Cartier

R24-043: AUTHORIZING THE EXECUTION OF A SUBAWARD AGREEMENT WITH THE GREATER WILMINGTON CONVENTION AND VISITORS BUREAU (GWCVB) AS IT ADDRESSES THE IMPACTS OF COVID-19 ON THE TOURISM INDUSTRY IN NEW CASTLE COUNTY THE DEPARTMENT OF ADMINISTRATION, OFFICE OF FINANCE IN THE AMOUNT OF $100,000.00 Introduced by: Mr. Smiley, Mr. Cartier

R24-044: AUTHORIZING THE EXECUTION OF A SUBAWARD AGREEMENT WITH SPEAKENGLISH5, SCG INC. TO PROVIDE VIOLENCE PREVENTION EDUCATION AND RESOURCES TO THE RESIDENTS OF PLEASANTVILLE AND BROOKSIDE COMMUNITIES FOR THE DEPARTMENT OF ADMINISTRATION, OFFICE OF FINANCE IN THE AMOUNT OF $100,000.00 Introduced by: Mr. Smiley, Mr. Cartier

R24-045: AUTHORIZING THE EXECUTION OF A SUBAWARD AGREEMENT WITH STRIVE: HOW YOU LEAD MATTERS TO PROVIDE VIOLENCE INTERVENTION THROUGH WORKFORCE DEVELOPMENT AND SPORTS LEADERSHIP CAMP FOR STUDENTS IN NEW CASTLE COUNTY FOR THE DEPARTMENT OF ADMINISTRATION, OFFICE OF FINANCE IN THE AMOUNT OF $100,000.00 Introduced by: Mr. Smiley, Mr. Cartier

R24-046: AUTHORIZING THE EXECUTION OF A SUBAWARD AGREEMENT WITH VISION TO LEARN TO PROVIDE VISION SCREENINGS AND EYEGLASSES BY COLLABORATING WITH TITLE I SCHOOLS IN NEW CASTLE COUNTY FOR THE DEPARTMENT OF ADMINISTRATION, OFFICE OF FINANCE IN THE AMOUNT OF $100,000.00 Introduced by: Mr. Smiley, Mr. Cartier

D. Review/Discussion of Ordinance(s)

E. New Castle County Grant Requests/Community Events

-2/13/24 Grant Matrix

F. Expense and Revenue Round Table

G. Other

Presentation by members of the Other Post-Employment Benefit Fund 2023 Annual Report. Speaker: Vanguard Investment Consultant Joseph Wolfram.

H. Public Comment

I. Adjournment

AGENDA POSTED: February 6, 2024

*The agenda is posted (7) seven days in advance of the scheduled meeting in compliance with 29 *Del. C.* Section 10004(e)(2). The meeting may go into Executive Session to address issues that arise at the time of the meeting.

**Under Title 29, Section 10006A of *Delaware Code*, New Castle County Council is holding this meeting as a telephone and video conference, utilizing zoom Webinar. In addition, this meeting is open to the public in Council Chambers (800 N. French Street, Wilmington, DE 19801). The link to join the meeting via computer, smart device, or smart phone is : https://zoom.us/j/377322142 You may also call into the meeting (audio) using the following call in numbers: 1-312-626-6799 or +1-646-558-8656 or +1-346-248-7799 or +1-669-900-9128 or +1-253-215-8782 or +1-301-715-8592. Then enter the Webinar ID: 377 322 142. If you do not have a good connection with one, please try the others. Additional information regarding phone functionality during the meeting is available at: https://support.zoom.us/hc/en-us/articles/360029527911-Live-Training-Webinars

Meeting materials, including a meeting agenda, legislation to be addressed during the meeting, and other materials related to the meeting are electronically accessible at https://www.nccde.org/2351/Agendas-and-Minutes Members of the public joining the meeting may be provided an opportunity to make comments in real time. A comment period will be administered by a moderator to ensure everyone may have an opportunity to comment.

If permitted to comment, you will not be able to speak until called upon by the moderator. For those appearing virtually, there are functions in the program that allow you to do this. Please see the link in the previous paragraph.

Primary Sponsor(s): Mr. Smiley, Mr. Cartier
Requested by: Executive Office and Land Use
Date of Introduction: February 13, 2024

RESOLUTION NO. 24-040

URGING THE DELAWARE GENERAL ASSEMBLY TO AUTHORIZE NEW CASTLE COUNTY CODE ENFORCEMENT THE ABILITY TO TOW INOPERABLE OR UNREGISTERED VEHICLES ON PRIVATE PROPERTY TO PROTECT QUALITY OF LIFE FOR RESIDENTS

WHEREAS, under Delaware code, New Castle County Code Enforcement is authorized to provide the notice provisions regarding abandoned vehicles. However, they are not authorized to tow inoperable or unregistered vehicles; and

WHEREAS, in 2023, there were 553 inoperable or unregistered vehicles on private property in unincorporated New Castle County; and

WHEREAS, the inability to tow inoperable or unregistered vehicles has made it difficult for New Castle County Code Enforcement to alleviate these quality-of-life issues.

NOW, THEREFORE, BE IT RESOLVED by and for the County Council of New Castle County that County Council hereby urges the Delaware General Assembly to authorize New Castle County Code Enforcement with the authority to tow inoperable and unregistered vehicles to protect quality of life for residents.

Adopted by the County Council
of New Castle County on:

____
Karen Hartley-Nagle
President of County Council
of New Castle County

SYNOPSIS: Same as title.

FISCAL NOTE: There is no discernible fiscal impact upon the adoption of this legislation.

Prime Sponsor(s): Mr. Smiley, Mr. Cartier
Requested by: Administration/Finance
Date of introduction: February 13, 2024

RESOLUTION NO. 24-041

AUTHORIZING THE EXECUTION OF A SUBAWARD AGREEMENT WITH THE FOOD BANK OF DELAWARE, INC. TO PROVIDE FOOD FOR FAMILIES WITHIN DISPROPORTIONATELY IMPACTED COMMUNITIES IN NEW CASTLE COUNTY SUPPORTED FOR THE DEPARTMENT OF ADMINISTRATION, OFFICE OF FINANCE IN THE AMOUNT OF $370,000.00

WHEREAS, New Castle County, as an eligible recipient, received a total of $108,531,220.00 in Coronavirus State and Local Fiscal Recovery ("CSLFR") funds under the American Rescue Plan Act of 2021 ("ARPA"), Pub. Law. No. 117-2 from the United States Department of the Treasury ("Treasury"); and

WHEREAS, New Castle County Ordinance 21-129 and Ordinance 22-097 (the "Ordinances") appropriated the full amount of these CSLFR funds from the Department of the Treasury to the American Rescue Plan Act Grant for New Castle County to respond to the COVID-19 public health emergency and its negative economic impacts; and

WHEREAS, the Ordinances appropriated funding for Non-Profit Grants, which contemplated providing funds for non-profit organizations addressing pandemic-related needs in the community; and

WHEREAS, New Castle County must enter into subaward agreement with the Food Bank of Delaware, Inc. to comply with the Uniform Guidance, 2 CFR Part 200; and

WHEREAS, *New Castle County Code* § 2.02.004 requires that all contracts involving expenditures of funds in excess of $50,000.00 in aggregate to one vendor in a fiscal year, which are not competitively bid, be approved by Resolution of County Council; and

WHEREAS, the subaward agreement with Food Bank of Delaware, Inc. contemplates transfers of up to $370,000.00 to address food insecurity in New Castle County. With $250,000.00 being used to defray pandemic-related financial impacts to their organization, and $120,000.00 being used in collaboration with the Building Better Communities (BBC) initiative to work in disproportionately impacted neighborhoods of the county. Specifically for the Mobile Pantry Program, providing 48 mobile pantry events over the next one (1) year period in the Brookside and Pleasantville neighborhoods (24 mobile pantry events in Brookside and 24 mobile pantry events in Pleasantville).

NOW, THEREFORE, BE IT RESOLVED by and for the County Council of New Castle County that County Council hereby approves the subaward agreement listed on the attached Exhibit "A," entitled "New Castle County Purchase Requisition/Justification Form," as a valid contract in excess of $50,000.00 pursuant to *New Castle County Code* § 2.02.004.

Adopted by County Council of
New Castle County on:

____

Karen Hartley-Nagle
President of County Council
of New Castle County

SYNOPSIS: This Resolution approves the execution of the listed subaward agreement.

Department of Administration, Office of Finance

Food Bank of Delaware, Inc. $370,000.00

FISCAL IMPACT: This Resolution authorizes the execution of one subaward agreement totaling $370,000.00. Funding is included in the FY2024 Approved Grant Budget in the American Rescue Plan Act Grant.

Michael Smith
Chief Financial Officer

NEW CASTLE COUNTY
PURCHASE REQUISITION / JUSTIFICATION FORM

EXHIBIT A

Please complete all the blue highlighted fields. If the total is greater than $50,000 (Non-Bid only); or if the purchase, for this vendor, in aggregate for the fiscal year exceeds $50,000 (Non-Bid only), you must also complete items I-VI in the lower half of the form.

REQUISITIONER INFORMATION			
NAME	Tonya M. Adkins	FISCAL YR	2024
DEPARTMENT	ADMINISTRATION_12	FUND	110 GRANTS
ORGANIZATION	11122013 ADMIN - FIN - GRANTS		
PHONE	(302) 395-5076	REQ#	2410315
DELIVERY LOCATION			
SEND VENDOR PO	☑ YES	☐ NO	
CURRENT VENDOR	☑ YES	☑ NO	
VENDOR #	100506		

VENDOR INFORMATION			
NAME	Food Bank of Delaware, Inc.		
ADDRESS	222 Lake Drive		
	Newark, DE 19702		
CONTACT NAME	Chad Robinson		
PHONE	302-393-2010	EXT	
EMAIL	crobinson@fbd.org	FAX #	

ITEM#	QTY	DESCRIPTION	UNIT PRICE	TOTAL	OBJ LEVEL	GRANT or PROJECT #/ DETAIL / LOCATION
1	1	Negative Economic Impact	250,000.00	$250,000.00	57210	G12830001
2	1	(BBC) Food Program Brookside &	120,000.00	$120,000.00		1000000337
				$0.00		ARPA00185
				$0.00		57210
				$0.00		
				$0.00		
				$0.00		
				$0.00		
			TOTAL	$370,000.00		

ADDITIONAL NOTES

PURCHASES > $50,000 (Non-Bid) OR IF THE FY AGGREGATE FOR THIS VENDOR > $50,000 (Non-Bid), PLEASE COMPLETE THE SECTION BELOW.

I. What is the purpose of the requisition or advice of change?

Food Bank of Delaware sustained negative economic impacts that were exacerbated by the COVID-19 pandemic. The proposed use of funds is for direct aid due to financial hardship and to provide (48) mobile pantry events in the communities of Brookside and Pleasantville in response to the Building Better Communities (BBC) initative.

II. Why is it needed?

To mitigate the negative economic impact experienced due to the COVID-19 pandemic and to provide assistance for food in disproportionately impacted communities.

III. What will the impact (cost) be to New Castle County if the requisition or advice of change is not processed?

The organization will continue operating with losses sustained during the pandemic and limited mobile pantry events in the targeted communities.

IV. IS THIS A SOLE SOURCE CONTRACT?	☐ YES	☑ NO		
V. IS THIS A PASS THROUGH GRANT?	☑ YES	☐ NO	IF YES, AGENCY	ARPA
VI. OTHER, PLEASE EXPLAIN				

SIGNATURE	Tonya M. Adkins	DATE	1/25/2024

Prime Sponsor(s): Mr. Smiley, Mr. Cartier
Requested by: Administration/Finance
Date of introduction: February 13, 2024

RESOLUTION NO. 24-042

AUTHORIZING THE EXECUTION OF A SUBAWARD AGREEMENT WITH FORUM TO ADVANCE MINORITIES IN ENGINEERING, INC. (FAME, INC.) TO ADDRESS THE IMPACT OF LOST INSTRUCTIONAL TIME FOR STUDENTS ATTENDING TITLE I SCHOOLS FOR THE DEPARTMENT OF ADMINISTRATION, OFFICE OF FINANCE IN THE AMOUNT OF $100,000.00

WHEREAS, New Castle County, as an eligible recipient, received a total of $108,531,220.00 in Coronavirus State and Local Fiscal Recovery ("CSLFR") funds under the American Rescue Plan Act of 2021 ("ARPA"), Pub. Law. No. 117-2 from the United States Department of the Treasury ("Treasury"); and

WHEREAS, New Castle County Ordinance 21-129 and Ordinance 22-097 (the "Ordinances") appropriated the full amount of these CSLFR funds from the Department of the Treasury to the American Rescue Plan Act Grant for New Castle County to respond to the COVID-19 public health emergency and its negative economic impacts; and

WHEREAS, the Ordinances appropriated funding for Non-Profit Grants, which contemplated providing funds for non-profit organizations addressing pandemic-related needs in the community; and

WHEREAS, New Castle County must enter into a subaward agreement with the Forum to Advance Minorities in Engineering, Inc. to comply with the Uniform Guidance, 2 CFR Part 200; and

WHEREAS, *New Castle County Code* § 2.02.004 requires that all contracts involving expenditures of funds in excess of $50,000.00 in aggregate to one vendor in a fiscal year, which are not competitively bid, be approved by Resolution of County Council; and

WHEREAS, the subaward agreement to be entered with Forum to Advance Minorities in Engineering, Inc. contemplates transfers of up to $100,000.00 to provide the summer STEMulate Change curriculum to students who attend Title I Schools. This program engages and trains students through hands on experiments, activities, and reading materials based on STEM icons making STEM education a tangible experience while inspiring career and academic confidence. Funding will support curriculum development, student transportation, and contractual faculty costs.

NOW, THEREFORE, BE IT RESOLVED by and for the County Council of New Castle County that County Council hereby approves the subaward agreement listed on the attached Exhibit "A," entitled "New Castle County Purchase Requisition/Justification Form," as a valid contract in excess of $50,000.00 pursuant to *New Castle County Code* § 2.02.004.

Adopted by County Council of
New Castle County on:

____
Karen Hartley-Nagle
President of County Council
of New Castle County

SYNOPSIS: This Resolution approves the execution of the listed subaward agreement.

<u>Department of Administration, Office of Finance</u>

Forum to Advance Minorities in Engineering, Inc. $100,000.00

FISCAL IMPACT: This Resolution authorizes the execution of one subaward agreement totaling $100,000.00. Funding is included in the FY2024 Approved Grant Budget in the American Rescue Plan Act Grant.

____
Michael Smith
Chief Financial Officer

NEW CASTLE COUNTY
PURCHASE REQUISITION / JUSTIFICATION FORM

EXHIBIT A

Please complete all the blue highlighted fields. If the total is greater than $50,000 (Non-Bid only); or if the purchase, for this vendor, in aggregate for the fiscal year exceeds $50,000 (Non-Bid only), you must also complete items I-VI in the lower half of the form.

REQUISITIONER INFORMATION				VENDOR INFORMATION	
NAME	Tonya M. Adkins	FISCAL YR	2024	NAME	Forum to Advance Minorities in Engineering, Inc.
DEPARTMENT	ADMINISTRATION_12	FUND	110 GRANTS	ADDRESS	2005 Baynard Blvd
ORGANIZATION	11122013 ADMIN - FIN - GRANTS				Wilmington, DE 19802
PHONE	(302) 395-5076	REQ#	2410311		
DELIVERY LOCATION					
SEND VENDOR PO	☑ YES ☐ NO			CONTACT NAME	Don Baker
CURRENT VENDOR	☑ YES ☐ NO			PHONE	302-777-3254 EXT
VENDOR #	100845			EMAIL	dbaker@fameinc.org FAX #

ITEM#	QTY	DESCRIPTION	UNIT PRICE	TOTAL	OBJ LEVEL	GRANT or PROJECT #/ DETAIL / LOCATION
1	1	STEMulate Change Summer Program	100,000.00	$100,000.00	57210	G12830001
				$0.00		1000000337
				$0.00		ARPA00186
				$0.00		57210
				$0.00		
				$0.00		
				$0.00		
				$0.00		
			TOTAL	$100,000.00		

ADDITIONAL NOTES

PURCHASES > $50,000 (Non-Bid) OR IF THE FY AGGREGATE FOR THIS VENDOR > $50,000 (Non-Bid), PLEASE COMPLETE THE SECTION BELOW.

I. What is the purpose of the requisition or advice of change?

The project's scope of work aims to provide tutoring for STEM related subjects to students who have fallen behind due to COVID-19 learning loss. The program is their STEMulate change in which funding goes towards faculty, transportation, and curriculum development for summer program of 2023 as a partial reimbursement.

II. Why is it needed?

To address the impacts of lost instructional time for students attending Title I schools.

III. What will the impact (cost) be to New Castle County if the requisition or advice of change is not processed?

The organization will absorb all costs associated with the 2023 Summer program, impacting ability to serve additional students in the future.

IV. IS THIS A SOLE SOURCE CONTRACT?	☐ YES	☑ NO		
V. IS THIS A PASS THROUGH GRANT?	☑ YES	☐ NO	IF YES, AGENCY	ARPA

VI. OTHER, PLEASE EXPLAIN

SIGNATURE	Tonya M. Adkins	DATE	12/11/2023

Prime Sponsor(s): Mr. Smiley, Mr. Cartier
Requested by: Administration/Finance
Date of introduction: February 13, 2024

RESOLUTION NO. 24-043

AUTHORIZING THE EXECUTION OF A SUBAWARD AGREEMENT WITH THE GREATER WILMINGTON CONVENTION AND VISITORS BUREAU (GWCVB) AS IT ADDRESSES THE IMPACTS OF COVID-19 ON THE TOURISM INDUSTRY IN NEW CASTLE COUNTY THE DEPARTMENT OF ADMINISTRATION, OFFICE OF FINANCE IN THE AMOUNT OF $100,000.00

WHEREAS, New Castle County, as an eligible recipient, received a total of $108,531,220.00 in Coronavirus State and Local Fiscal Recovery ("CSLFR") funds under the American Rescue Plan Act of 2021 ("ARPA"), Pub. Law. No. 117-2 from the United States Department of the Treasury ("Treasury"); and

WHEREAS, New Castle County Ordinance 21-129 and Ordinance 22-097 (the "Ordinances") appropriated the full amount of these CSLFR funds from the Department of the Treasury to the American Rescue Plan Act Grant for New Castle County to respond to the COVID-19 public health emergency and its negative economic impacts; and

WHEREAS, the Ordinances appropriated funding for Non-Profit Grants, which contemplated providing funds for non-organizations addressing pandemic-related needs in the community; and

WHEREAS, New Castle County must enter into a subaward agreement with Greater Wilmington Convention and Visitors Bureau to comply with the Uniform Guidance, 2 CFR Part 200; and

WHEREAS, *New Castle County Code* § 2.02.004 requires that all contracts involving expenditures of funds in excess of $50,000.00 in aggregate to one vendor in a fiscal year, which are not competitively bid, be approved by Resolution of County Council; and

WHEREAS, the subaward agreement with the Greater Wilmington Convention and Visitors Bureau contemplates transfers of up to $100,000.00 to contract with a local video production company to produce a video that promotes sport facilities in Northern Delaware for youth sports tournaments. The video will increase the level of youth sports tourism in the area and assist with attracting more tournaments, use of facilities, and increased visiting families to New Castle County area hotels, resulting in more hotel stays and increased business to local businesses including restaurants and retail.

NOW, THEREFORE, BE IT RESOLVED by and for the County Council of New Castle County that County Council hereby approves the subaward agreement listed on the attached Exhibit "A," entitled "New Castle County Purchase Requisition/Justification Form," as a valid contract in excess of $50,000.00 pursuant to *New Castle County Code* § 2.02.004.

Adopted by County Council of
New Castle County on:

____
Karen Hartley-Nagle
President of County Council
of New Castle County

SYNOPSIS: This Resolution approves the execution of the listed subaward agreement.

<u>Department of Administration, Office of Finance</u>

Greater Wilmington Convention and Visitor's Bureau	$100,000.00

FISCAL IMPACT: This Resolution authorizes the execution of one subaward agreement totaling $100,000.00. Funding is included in the FY2024 Approved Grant Budget in the American Rescue Plan Act Grant.

____
Michael Smith
Chief Financial Officer

R24-043

NEW CASTLE COUNTY
PURCHASE REQUISITION / JUSTIFICATION FORM

EXHIBIT A

Please complete all the blue highlighted fields. If the total is greater than $50,000 (Non-Bid only); or if the purchase, for this vendor, in aggregate for the fiscal year exceeds $50,000 (Non-Bid only), you must also complete items I-VI in the lower half of the form.

REQUISITIONER INFORMATION					
NAME	Tonya M. Adkins			FISCAL YR	2024
DEPARTMENT	ADMINISTRATION_12			FUND	110 GRANTS
ORGANIZATION	11122013 ADMIN - FIN - GRANTS				
PHONE	(302) 395-5076			REQ#	2410314
DELIVERY LOCATION					
SEND VENDOR PO	☑ YES	☐ NO			
CURRENT VENDOR	☐ YES	☐ NO			
VENDOR #	100674				

VENDOR INFORMATION			
NAME	Greater Wilmington Convention & Visitors Bureau		
ADDRESS	100 W. 10th Street, Suite 20		
	Wilmington, DE 19801		
CONTACT NAME	Jennifer Boes		
PHONE	302-245-6644	EXT	
EMAIL	jenboes@visitwilmingtonde.con	FAX #	

ITEM#	QTY	DESCRIPTION	UNIT PRICE	TOTAL	OBJ LEVEL	GRANT or PROJECT #/ DETAIL / LOCATION
1	1	Northern DE Sports Tourism Video	100,000.00	$100,000.00	57210	G12830001
				$0.00		1000000337
				$0.00		ARPA00220
				$0.00		57210
				$0.00		
				$0.00		
				$0.00		
				$0.00		
			TOTAL	$100,000.00		

ADDITIONAL NOTES

PURCHASES > $50,000 (Non-Bid) OR IF THE FY AGGREGATE FOR THIS VENDOR > $50,000 (Non-Bid), PLEASE COMPLETE THE SECTION BELOW.

I. What is the purpose of the requisition or advice of change?

The proposed program would be used to contract with a local video production company to shoot a video that promotes sport facilities in Northern Delaware for youth sports tournaments. The goal would be to increase the level of youth sports tourism in the area and assist with getting more tournaments and uses in these facilities.

II. Why is it needed?

To provide assistance to the tourism industry (hotel and businesses) due to the significant negative impact experienced due to COVID-19.

III. What will the impact (cost) be to New Castle County if the requisition or advice of change is not processed?

The organizaiton will be unable to produce materials to promote use of the identified sport facilities in New Caslte County.

IV. IS THIS A SOLE SOURCE CONTRACT?	☐ YES	☑ NO		
V. IS THIS A PASS THROUGH GRANT?	☑ YES	☐ NO	**IF YES, AGENCY**	ARPA

VI. OTHER, PLEASE EXPLAIN

SIGNATURE	Tonya M. Adkins	**DATE**	1/25/2024

Prime Sponsor(s): Mr. Smiley, Mr. Cartier
Requested by: Administration/Finance
Date of introduction: February 13, 2024

RESOLUTION NO. 24-044

AUTHORIZING THE EXECUTION OF A SUBAWARD AGREEMENT WITH SPEAKENGLISH5, SCG INC. TO PROVIDE VIOLENCE PREVENTION EDUCATION AND RESOURCES TO THE RESIDENTS OF PLEASANTVILLE AND BROOKSIDE COMMUNITIES FOR THE DEPARTMENT OF ADMINISTRATION, OFFICE OF FINANCE IN THE AMOUNT OF $100,000.00

WHEREAS, New Castle County, as an eligible recipient, received a total of $108,531,220.00 in Coronavirus State and Local Fiscal Recovery ("CSLFR") funds under the American Rescue Plan Act of 2021 ("ARPA"), Pub. Law. No. 117-2 from the United States Department of the Treasury ("Treasury"); and

WHEREAS, New Castle County Ordinance 21-129 and Ordinance 22-097 (the "Ordinances") appropriated the full amount of these CSLFR funds from the Department of the Treasury to the American Rescue Plan Act Grant for New Castle County to respond to the COVID-19 public health emergency and its negative economic impacts; and

WHEREAS, the Ordinances appropriated funding for Non-Profit Grants, which contemplated providing funds for non-profit organizations addressing pandemic-related needs in the community; and

WHEREAS, New Castle County must enter into a subaward agreement with SpeakEnglish5, SCG Inc. to comply with the Uniform Guidance, 2 CFR Part 200; and

WHEREAS, *New Castle County Code* § 2.02.004 requires that all contracts involving expenditures of funds in excess of $50,000.00 in aggregate to one vendor in a fiscal year, which are not competitively bid, be approved by Resolution of County Council; and

WHEREAS, the subaward agreement with the SpeakEnglish5, SCG Inc., contemplates transfers of up to $100,000.00 in collaboration with the Building Better Communities (BBC) initiative to provide violence intervention to the residents of the Pleasantville and Brookside communities through a multidiscipline approach, including youth workforce development and mentorship, as well as life coaching for adults. Funds will be used for staff costs, program materials, and guest speakers serving over 500 youth and adults in programs throughout a one-year period.

NOW, THEREFORE, BE IT RESOLVED by and for the County Council of New Castle County that County Council hereby approves the subaward agreement listed on the attached Exhibit "A," entitled "New Castle County Purchase Requisition/Justification Form," as a valid contract in excess of $50,000.00 pursuant to *New Castle County Code* § 2.02.004.

Adopted by County Council of
New Castle County on:

____
Karen Hartley-Nagle
President of County Council

SYNOPSIS: This Resolution approves the execution of the listed subaward agreement.

<u>Department of Administration, Office of Finance</u>

SpeakEnglish5, SCG Inc.	$100,000.00

FISCAL IMPACT: This Resolution authorizes the execution of one subaward agreement totaling $100,000.00. Funding is included in the FY2024 Approved Grant Budget in the American Rescue Plan Act Grant.

____
Michael Smith
Chief Financial Officer

NEW CASTLE COUNTY
PURCHASE REQUISITION / JUSTIFICATION FORM

EXHIBIT A

Please complete all the blue highlighted fields. If the total is greater than $50,000 (Non-Bid only); or if the purchase, for this vendor, in aggregate for the fiscal year exceeds $50,000 (Non-Bid only), you must also complete items I-VI in the lower half of the form.

REQUISITIONER INFORMATION				VENDOR INFORMATION	
NAME	Tonya M. Adkins	**FISCAL YR**	**2024**	**NAME**	SpeakEnglish5, SCG Inc.
DEPARTMENT	ADMINISTRATION_12	**FUND**	**110 GRANTS**	**ADDRESS**	PO Box 3505
ORGANIZATION	11122013 ADMIN - FIN - GRANTS				Wilmington, DE 19807
PHONE	(302) 395-5076	**REQ#**	2410313		
DELIVERY LOCATION					
SEND VENDOR PO	☑ YES ☐ NO			**CONTACT NAME**	Jazette Lane-English
CURRENT VENDOR	☑ YES ☐ NO			**PHONE**	302-635-9251 **EXT**
VENDOR #	108908			**EMAIL**	jle@se5wips.org **FAX #**

ITEM#	QTY	DESCRIPTION	UNIT PRICE	TOTAL	OBJ LEVEL	GRANT or PROJECT #/ DETAIL / LOCATION
1	1	SCG Community Outreach Initiative: Collaborating with The BBC	100,000.00	$100,000.00	57210	G12830001
				$0.00		1000000337
				$0.00		ARPA00166
				$0.00		57210
				$0.00		
				$0.00		
				$0.00		
				$0.00		
			TOTAL	$100,000.00		

ADDITIONAL NOTES

PURCHASES > $50,000 (Non-Bid) OR IF THE FY AGGREGATE FOR THIS VENDOR > $50,000 (Non-Bid), PLEASE COMPLETE THE SECTION BELOW.

I. What is the purpose of the requisition or advice of change?

The funds are proposed to cover the cost of running numerous programs offered by the applicant in response to the Building Better Communities (BBC) Pleasantville and Brookside initiative, including sports, workforce development and mentorship relationships for youth, as well as life coaching for adults. These funds would serve many in the community as they aim to provide a muti-discipline approach towards addressing violence within the communities serving at least 500 individuals over the next one (1) year period.

II. Why is it needed?

To provide violence intervention for at least 500 individuals in the Pleasantville and Brookside communities.

III. What will the impact (cost) be to New Castle County if the requisition or advice of change is not processed?

The organization will be unable to serve the communities identified by the BBC, Brookside and Pleasantville.

IV. IS THIS A SOLE SOURCE CONTRACT?	☐ YES	☑ NO		
V. IS THIS A PASS THROUGH GRANT?	☑ YES	☐ NO	**IF YES, AGENCY**	ARPA

VI. OTHER, PLEASE EXPLAIN

SIGNATURE	Tonya M. Adkins	**DATE**	1/25/2024

Prime Sponsor(s): Mr. Smiley, Mr. Cartier
Requested by: Administration/Finance
Date of introduction: February 13, 2024

RESOLUTION NO. 24-045

AUTHORIZING THE EXECUTION OF A SUBAWARD AGREEMENT WITH STRIVE: HOW YOU LEAD MATTERS TO PROVIDE VIOLENCE INTERVENTION THROUGH WORKFORCE DEVELOPMENT AND SPORTS LEADERSHIP CAMP FOR STUDENTS IN NEW CASTLE COUNTY FOR THE DEPARTMENT OF ADMINISTRATION, OFFICE OF FINANCE IN THE AMOUNT OF $100,000.00

WHEREAS, New Castle County, as an eligible recipient, received a total of $108,531,220.00 in Coronavirus State and Local Fiscal Recovery ("CSLFR") funds under the American Rescue Plan Act of 2021 ("ARPA"), Pub. Law. No. 117-2 from the United States Department of the Treasury ("Treasury"); and

WHEREAS, New Castle County Ordinance 21-129 and Ordinance 22-097 (the "Ordinances") appropriated the full amount of these CSLFR funds from the Department of the Treasury to the American Rescue Plan Act Grant for New Castle County to respond to the COVID-19 public health emergency and its negative economic impacts; and

WHEREAS, the Ordinances appropriated funding for Non-Profit Grants, which contemplated providing funds for non-profit organizations addressing pandemic-related needs in the community; and

WHEREAS, New Castle County must enter into a subaward agreement with Strive: How You Lead Matters to comply with the Uniform Guidance, 2 CFR Part 200; and

WHEREAS, *New Castle County Code* § 2.02.004 requires that all contracts involving expenditures of funds in excess of $50,000.00 in aggregate to one vendor in a fiscal year, which are not competitively bid, be approved by Resolution of County Council; and

WHEREAS, the subaward agreement to be entered with Strive: How You Lead Matters contemplates transfers of up to $100,000.00 to provide violence intervention through positive and engaging workforce development programming and their Sports Challenge program over the next one (1) year period. Funding will support the Sports Challenge and Workforce Development program staff.

NOW, THEREFORE, BE IT RESOLVED by and for the County Council of New Castle County that County Council hereby approves the subaward agreement listed on the attached Exhibit "A," entitled "New Castle County Purchase Requisition/Justification Form," as a valid contract in excess of $50,000.00 pursuant to *New Castle County Code* § 2.02.004.

Adopted by County Council of
New Castle County on:

____
Karen Hartley-Nagle
President of County Council
of New Castle County

SYNOPSIS: This Resolution approves the execution of the listed subaward agreement.

<u>Department of Administration, Office of Finance</u>

Strive: How You Lead Matters $100,000.00

FISCAL IMPACT: This Resolution authorizes the execution of one subaward agreement totaling $100,000.00. Funding is included in the FY2024 Approved Grant Budget in the American Rescue Plan Act Grant.

Michael Smith
Chief Financial Officer

NEW CASTLE COUNTY
PURCHASE REQUISITION / JUSTIFICATION FORM

EXHIBIT A

Please complete all the blue highlighted fields. If the total is greater than $50,000 (Non-Bid only); or if the purchase, for this vendor, in aggregate for the fiscal year exceeds $50,000 (Non-Bid only), you must also complete items I-VI in the lower half of the form.

REQUISITIONER INFORMATION				VENDOR INFORMATION	
NAME	Tonya M. Adkins	FISCAL YR	2024	NAME	Strive: How You Lead Matters
DEPARTMENT	ADMINISTRATION_12	FUND	110 GRANTS	ADDRESS	1121 Thatcher Street
ORGANIZATION	11122013 ADMIN - FIN - GRANTS				Wilmington, DE 19802
PHONE	(302) 395-5076	REQ#	2410316		
DELIVERY LOCATION					
SEND VENDOR PO	☑ YES ☐ NO			CONTACT NAME	Caroline Letner
CURRENT VENDOR	☑ YES ☑ NO			PHONE	617-564-5577 EXT
VENDOR #	110111			EMAIL	caroline@striveleadership.org FAX #

ITEM#	QTY	DESCRIPTION	UNIT PRICE	TOTAL	OBJ LEVEL	GRANT or PROJECT #/ DETAIL / LOCATION
1	1	Strive:How You Lead Matters	100,000.00	$100,000.00	57210	G12830001
				$0.00		1000000337
				$0.00		ARPA00223
				$0.00		57210
				$0.00		
				$0.00		
				$0.00		
				$0.00		
			TOTAL	$100,000.00		

ADDITIONAL NOTES

PURCHASES > $50,000 (Non-Bid) OR IF THE FY AGGREGATE FOR THIS VENDOR > $50,000 (Non-Bid), PLEASE COMPLETE THE SECTION BELOW.

I. What is the purpose of the requisition or advice of change?

Strive: How You Lead Matters will provide violence intervention through positive and engaging workforce development programming and their Sports Challenge program over the next one (1) year period.

II. Why is it needed?

To provide workforce development and sports programming to students in New Castle County.

III. What will the impact (cost) be to New Castle County if the requisition or advice of change is not processed?

The organization will be limited in the youth they reach within New Castle County.

IV. IS THIS A SOLE SOURCE CONTRACT?	☐ YES	☑ NO		
V. IS THIS A PASS THROUGH GRANT?	☑ YES	☐ NO	**IF YES, AGENCY**	ARPA

VI. OTHER, PLEASE EXPLAIN

SIGNATURE	Tonya M. Adkins	**DATE**	1/25/2024

Prime Sponsor(s): Mr. Smiley, Mr. Cartier
Requested by: Administration/Finance
Date of introduction: February 13, 2024

RESOLUTION NO. 24-046

AUTHORIZING THE EXECUTION OF A SUBAWARD AGREEMENT WITH VISION TO LEARN TO PROVIDE VISION SCREENINGS AND EYEGLASSES BY COLLABORATING WITH TITLE I SCHOOLS IN NEW CASTLE COUNTY FOR THE DEPARTMENT OF ADMINISTRATION, OFFICE OF FINANCE IN THE AMOUNT OF $100,000.00

WHEREAS, New Castle County, as an eligible recipient, received a total of $108,531,220.00 in Coronavirus State and Local Fiscal Recovery ("CSLFR") funds under the American Rescue Plan Act of 2021 ("ARPA"), Pub. Law. No. 117-2 from the United States Department of the Treasury ("Treasury"); and

WHEREAS, New Castle County Ordinance 21-129 and Ordinance 22-097 (the "Ordinances") appropriated the full amount of these CSLFR funds from the Department of the Treasury to the American Rescue Plan Act Grant for New Castle County to respond to the COVID-19 public health emergency and its negative economic impacts; and

WHEREAS, the Ordinances appropriated funding for Non-Profit Grants, which contemplated providing funds for non-profit organizations addressing pandemic-related needs in the community; and

WHEREAS, New Castle County must enter into a subaward agreement with Vision To Learn to comply with the Uniform Guidance, 2 CFR Part 200; and

WHEREAS, *New Castle County Code* § 2.02.004 requires that all contracts involving expenditures of funds in excess of $50,000.00 in aggregate to one vendor in a fiscal year, which are not competitively bid, be approved by Resolution of County Council; and

WHEREAS, the subaward agreement with Vision To Learn contemplates transfers of up to $100,000.00 to provide mobile vision screenings and eyeglasses by collaborating with Title I schools in New Castle County with the highest percentage of children qualifying for free or reduced lunch who experience vision impairment. Funding will support Opticians, Optometrist, eyeglasses, and other supplies. This award is estimated to serve 250 students over the next one (1) year period.

NOW, THEREFORE, BE IT RESOLVED by and for the County Council of New Castle County that County Council hereby approves the subaward agreement listed on the attached Exhibit "A," entitled "New Castle County Purchase Requisition/Justification Form," as a valid contract in excess of $50,000.00 pursuant to *New Castle County Code* § 2.02.004.

Adopted by County Council of
New Castle County on:

____

Karen Hartley-Nagle
President of County Council
of New Castle County

SYNOPSIS: This Resolution approves the execution of the listed subaward agreement.

<u>Department of Administration, Office of Finance</u>

Vision To Learn	$100,000.00

FISCAL IMPACT: This Resolution authorizes the execution of one subaward agreement totaling $100,000.00. Funding is included in the FY2024 Approved Grant Budget in the American Rescue Plan Act Grant.

____

Michael Smith
Chief Financial Officer

NEW CASTLE COUNTY
PURCHASE REQUISITION / JUSTIFICATION FORM

EXHIBIT A

Please complete all the blue highlighted fields. If the total is greater than $50,000 (Non-Bid only); or if the purchase, for this vendor, in aggregate for the fiscal year exceeds $50,000 (Non-Bid only), you must also complete items I-VI in the lower half of the form.

REQUISITIONER INFORMATION				VENDOR INFORMATION	
NAME	Tonya M. Adkins	FISCAL YR	2024	NAME	Vision to Learn
DEPARTMENT	ADMINISTRATION_12	FUND	110 GRANTS	ADDRESS	12100 Wilshire Blvd
ORGANIZATION	11122013 ADMIN - FIN - GRANTS				Los Angeles, CA 90025
PHONE	(302) 395-5076	REQ#	2410312		
DELIVERY LOCATION					
SEND VENDOR PO	☑ YES ☐ NO			CONTACT NAME	Tina Danz
CURRENT VENDOR	☑ YES ☐ NO			PHONE	302-803-6549 EXT
VENDOR #	110230			EMAIL	tdanz@visiontolearn.org FAX #

ITEM#	QTY	DESCRIPTION	UNIT PRICE	TOTAL	OBJ LEVEL	GRANT or PROJECT #/ DETAIL / LOCATION
1	1	Mobile Vision Clinic	100,000.00	$100,000.00	57210	G12830001
				$0.00		1000000337
				$0.00		ARPA00224
				$0.00		57210
				$0.00		
				$0.00		
				$0.00		
				$0.00		
			TOTAL	$100,000.00		

ADDITIONAL NOTES

PURCHASES > $50,000 (Non-Bid) OR IF THE FY AGGREGATE FOR THIS VENDOR > $50,000 (Non-Bid), PLEASE COMPLETE THE SECTION BELOW.

I. What is the purpose of the requisition or advice of change?

The entity will provide vision screenings and eyeglasses by collaborating with Title I schools in New Castle County with the highest % of children qualifying for free or reduced lunch who experience vision impairment.

II. Why is it needed?

The VTL program uses a mobile vision clinic to visit students where they are every day at school– thereby increasing access to basic but critical eye exams and prescription glasses.

III. What will the impact (cost) be to New Castle County if the requisition or advice of change is not processed?

There will continue to be a gap exacerbated by COVID-19 of student vision screenings and care throughout the schools who serve disproportionately impacted students.

IV. IS THIS A SOLE SOURCE CONTRACT?	☐ YES	☑ NO		
V. IS THIS A PASS THROUGH GRANT?	☑ YES	☐ NO	IF YES, AGENCY	ARPA

VI. OTHER, PLEASE EXPLAIN

SIGNATURE	Tonya M. Adkins	DATE	1/25/2024

Grant Matrix
2/13/24

GRANT APPLICANT	AMOUNT REQUESTED / AMOUNT PROPOSED	INTENDED USE OF GRANT	Standard Accounting Practices/ Non-Discrimination Policy	PRIOR COUNCIL GRANTS IN CURRENT FISCAL YEAR	COUNCIL MEMBER
Black Mothers In Power	$6000/$2500	Funds will be used to train 4 experienced Doulas to be Doula Trainers	Yes/Yes	No	Hollins
Deerhurst Civic Association	$5000/$2000	Funds will be used for a community playground in the area of Ward Park	Yes/Yes	No	Durham
M.O.T. Senior Center*	$1000/$1000	Funding will be used for fundraising efforts to assist seniors with financial needs, lunches, transportation, exercise, memory loss program, supplemental food, activities, social events	Yes/Yes	Yes 2/2/24-$500 12/15/23-$2500	Hartley-Nagle
Whitehall Community Garden Association	$500/$500	Funds will be used to start the garden construction in Spring/Summer 2024 and serve as seed money for the project	Yes/Yes	No	Carter

*The MOT Senior Center has two outstanding grant follow-up reports for previous grants. This grant will be processed once they are received.

NEW CASTLE COUNTY OTHER POST-EMPLOYMENT BENEFITS FUND ANNUAL REPORT CY 2023[1]

Purpose

The purpose of the Other Post-Employment Benefits ("OPEB") fund is to provide funding for retiree health care and life insurance as set forth in *New Castle County Code* § 26.03.910. The OPEB fund is a trust fund that is separate and distinct from all other funds, including the pension fund established by *New Castle County Code* § 26.04.601.

OPEB Members in CY 2023

Vanessa S. Phillips – Chairperson
Chief Administrative Officer

Jacqueline Jenkins – Administrator
Chief Human Resources Officer

Michael Smith – Treasurer
Chief Financial Officer

John J. Gysling – Trustee
Civil Engineer III

Karen Brown – Trustee
Pension and Benefits Administrator

Karen Wallace – Trustee
Executive Assistant IV, Office of Finance

Meetings in CY 2023

January 26, 2023
April 27, 2023
July 27, 2023
November 16, 2023

Significant Accomplishments

- Attached is the report from the Investment Consultant (Vanguard) for OPEB measuring Market Performance as of December 31, 2023.

[1] This annual report has been prepared pursuant to, and in compliance with, *New Castle County Code* § 2.04.001.

- The OPEB investment portfolio grew from $58,363,163 as of December 31, 2022, to $69,121,116 as of December 31, 2023 – an increase of $10,757,953.
- Despite the economic downturn and market volatility, the portfolio has grown by 6.64% (gross) since inception.
- Board voted to add private equity as an asset to the portfolio in the coming year.
- Continued meeting regularly in person with virtual options offered via Zoom.
- Continued the pay-as-you-go policy for expenditures.

Challenges to Performance

Maintaining a positive long-term strategic asset allocation policy despite the economic downturn and volatile market.

Recommended Changes

On December 6, 2023, Vanguard informed New Castle County that it had entered into an agreement with Mercer Investments LLC under which Mercer will acquire substantially all of the assets and assume certain liabilities of the Vanguard Institutional Advisory Services. Furthermore, Mercer has determined that it will not be able to provide advisory services to New Castle County's OPEB account following the completion of the transaction.

As such, the board is meeting January 4, 2024 to discuss Vanguard's notice of termination and the next steps to finding a new OPEB investment management company.

Prepared for

New Castle County, Delaware OPEB Trust

January 25, 2024

Agenda

I. Performance and fees
II. Market update and economic outlook
III. 2023 year in review

Presented by:

Joe Wolfram, CFA
Senior Investment Consultant
Vanguard Institutional Advisory Services®

Edward Proctor, CFA
Investment Analyst
Vanguard Institutional Advisory Services®

Performance and fees

Benchmark performance summary

New Castle County, Delaware Other Post Employment Benefits Trust

For the periods ended December 31, 2023

	Dec-23 (%)	3 mon (%)	1 yr (%)	3 yrs (%)	5 yrs (%)	10 yrs (%)
Domestic Equity						
CRSP U.S. Total Market Index	5.32	12.14	25.98	8.44	15.08	11.44
Russell 1000 Growth Index	4.43	14.16	42.68	8.86	19.50	14.86
Russell 1000 Value Index	5.54	9.50	11.46	8.86	10.91	8.40
S&P 500 Index	4.54	11.69	26.29	10.00	15.69	12.03
S&P MidCap 400 Index	8.72	11.67	16.44	8.09	12.62	9.27
S&P SmallCap 600 Index	12.80	15.12	16.05	7.28	11.03	8.66
International Equity						
MSCI ACWI ex USA IMI Index Net	5.21	9.81	15.62	1.66	7.27	4.01
MSCI EAFE Index	5.31	10.42	18.24	4.22	8.29	4.34
Spliced Emerging Markets Index	3.56	6.77	9.55	-2.87	4.97	3.14
Global Equity						
Spliced Total World Stock Index	5.19	11.16	22.03	5.82	11.89	8.17
Domestic Fixed Income						
Bloomberg U.S. 0-5 Year Treasury Inflation Protected Securities Index	1.15	2.60	4.57	2.32	3.37	1.98
Bloomberg U.S. 5-10 Year Corporate Bond Index	4.24	8.44	8.84	-2.64	2.97	3.22
Bloomberg U.S. Aggregate Float Adjusted Index	3.75	6.72	5.60	-3.33	1.17	1.83
Bloomberg U.S. Corporate High Yield Bond Index	3.73	7.16	13.44	1.98	5.37	4.60
Bloomberg U.S. Long Government/Credit Float Adjusted Index	7.90	13.24	7.13	-8.69	1.12	3.22
Bloomberg U.S. Treasury Inflation Protected Securities Index	2.69	4.71	3.90	-1.00	3.15	2.42
Bloomberg U.S. Treasury Strips 20-30 Year Equal Par Bond Index	12.67	18.53	1.09	-16.70	-2.94	2.81
Spliced Bloomberg U.S. Long Treasury Index in USD	8.61	12.70	3.06	-11.41	-1.24	2.27

Source: Vanguard. **Past performance is no guarantee of future results**. Indexes are unmanaged; direct investment is not possible. Unless otherwise indicated, benchmark returns are shown do not reflect deduction of fees and expenses but do reflect reinvestment of dividends, capital gains and interest. **Please read additional information in Benchmark and Disclosures sections.**

Benchmark performance summary (continued)

New Castle County, Delaware Other Post Employment Benefits Trust

For the periods ended December 31, 2023

	Dec-23 (%)	3 mon (%)	1 yr (%)	3 yrs (%)	5 yrs (%)	10 yrs (%)
International Fixed Income						
Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index Hedged	3.21	6.38	8.75	-2.41	1.02	2.59
Bloomberg USD Emerging Markets Government RIC Capped Index	5.01	9.79	10.46	-3.47	1.65	3.03
Global Fixed Income						
Bloomberg Global Aggregate Bond Index	3.20	5.99	7.15	-5.63	-0.39	0.34
Bloomberg Global Aggregate Bond Index Hedged in USD	3.20	5.99	7.15	-2.11	1.40	2.41
Domestic Real Estate						
Real Estate Spliced Index	9.40	18.18	11.96	5.15	7.44	7.47

Source: Vanguard. **Past performance is no guarantee of future results**. Indexes are unmanaged; direct investment is not possible. Unless otherwise indicated, benchmark returns are shown do not reflect deduction of fees and expenses but do reflect reinvestment of dividends, capital gains and interest. **Please read additional information in Benchmark and Disclosures sections.**

Portfolio monthly snapshot

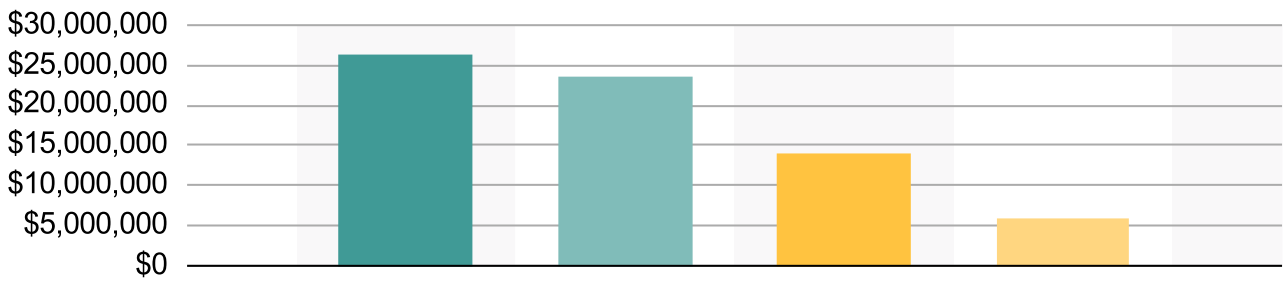
New Castle County, Delaware Other Post Employment Benefits Trust

As of December 31, 2023

Cash flow and market activity by portfolio

	One Month	Year-to-Date	One Year
Beginning Market Value	$66,031,662.57	$58,363,163.23	$58,363,163.23
Net Cash Flow	$0.00	$911,456.58	$911,456.58
Net Capital Appreciation	$2,445,369.31	$8,045,040.63	$8,045,040.63
Investment Income	$644,084.80	$1,801,456.24	$1,801,456.24
Ending Market Value	**$69,121,116.68**	**$69,121,116.68**	**$69,121,116.68**

Current asset allocation by sub-asset class



	U.S. Equity	Non-U.S. Equity	U.S. Fixed Income	Non-U.S. Fixed Income
Current	$26,145,892	$23,404,784	$13,798,255	$5,772,185
Current %	37.83%	33.86%	19.96%	8.35%
Policy %	35.00%	35.00%	21.00%	9.00%
Difference	2.83%	-1.14%	-1.04%	-0.65%

Performance summary

	1 mo (%)	3 mo (%)	YTD (%)	1 yr (%)	3 yrs (%)	5 yrs (%)	10 yrs (%)	Since inception	Inception date
Client portfolio (gross)	4.68	9.79	16.78	16.78	2.97	8.66	-	6.64	05/31/14
Client portfolio (net)	4.68	9.76	16.65	16.65	2.88	8.56	-	6.53	05/31/14
Policy benchmark	4.75	9.67	16.49	16.49	2.83	8.43	-	6.53	05/31/14

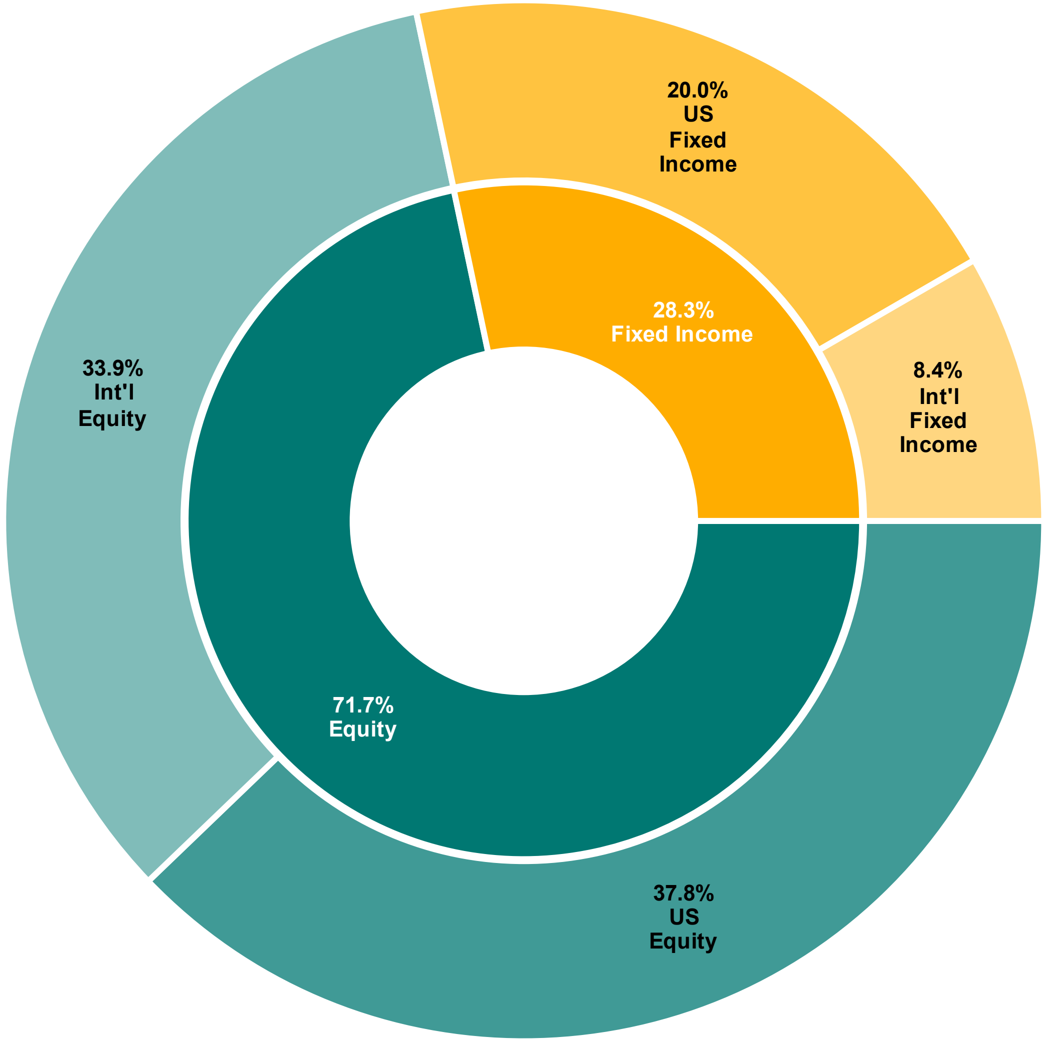
Source: Vanguard. See Benchmark allocation history for description of what the policy benchmark represents. Policy Benchmark is rebalanced monthly. Portfolio is generally rebalanced quarterly, but may vary. **Past performance is not a guarantee of future results.** Diversification and asset allocation can not ensure profit or prevent loss. All returns shown are time-weighted (TWR). Gross Portfolio returns include the deduction of all underlying fund expense ratios, but are gross of advisory, service fees, and purchase/redemption fees applied to the client portfolio. Net Portfolio returns are net of all advisory and security-level fees and expenses. Both Gross and Net returns do reflect the reinvestment of dividends, capital gains, and interest but do not reflect the deduction of taxes. Had those expenses been deducted then performance would have been lower. Indexes are unmanaged; therefore direct investment is not possible. Index returns do not reflect deduction of fees and expenses but do reflect reinvestment of dividends, capital gains, and interest. **Read additional information in Benchmark and Disclosures sections.**

Portfolio allocation snapshot

New Castle County, Delaware Other Post Employment Benefits Trust

As of December 31, 2023

Asset allocation



Sub-asset classes and manager styles

Asset class	Sub-asset class	Manager style	
Equity	US Equity	Large Blend	37.8%
Equity	Int'l Equity	Foreign Large Blend	33.9%
Fixed Income	US Fixed Income	Intermediate-Term Government	10.4%
Fixed Income	US Fixed Income	Intermediate-Term Investment Grade	5.8%
Fixed Income	US Fixed Income	Short-Term Investment Grade	3.8%
Fixed Income	Int'l Fixed Income	Intermediate-Term Investment Grade	8.4%

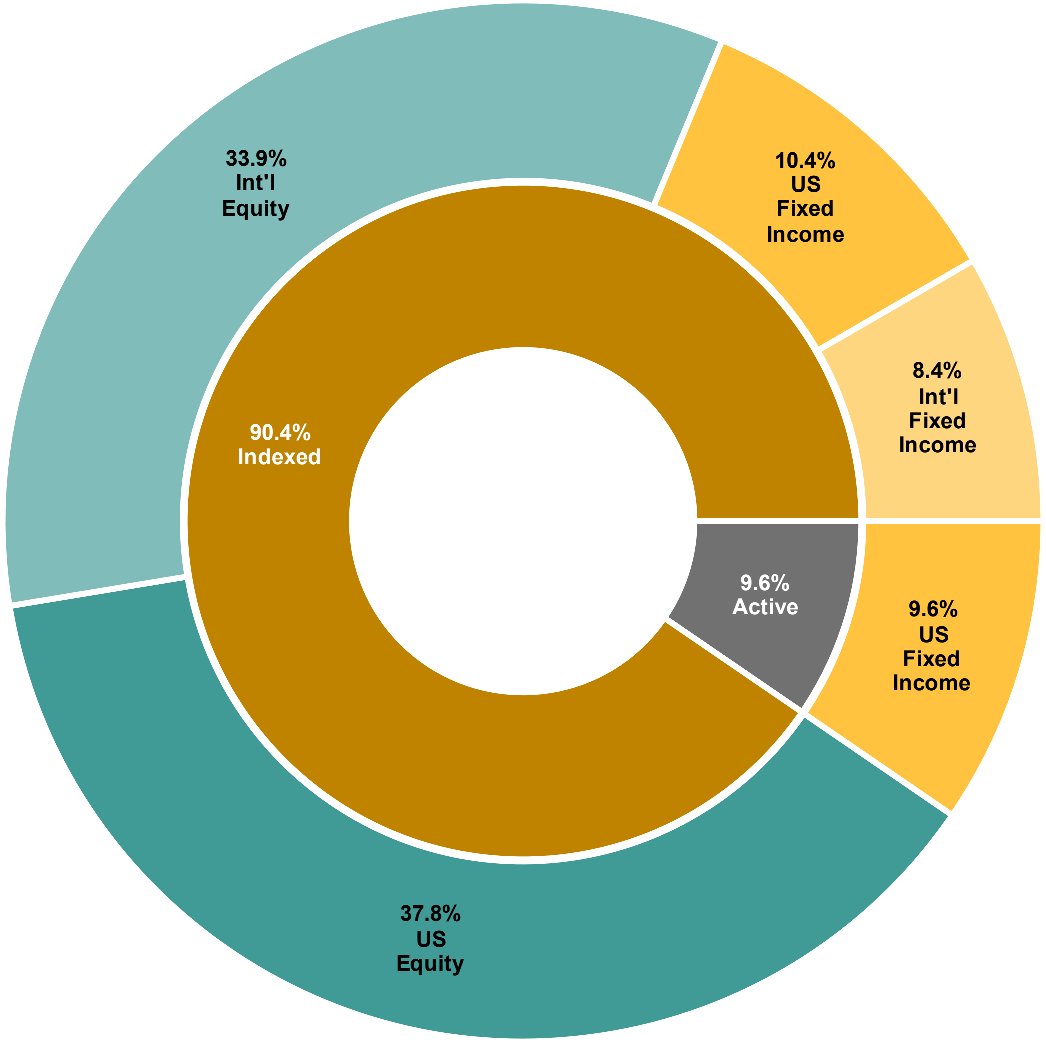
The Asset allocation percentages represent the client's current allocations to the total portfolio. **Neither asset allocation or diversification can guarantee a profit or prevent loss.**

Portfolio allocation snapshot–active and indexed

New Castle County, Delaware Other Post Employment Benefits Trust

As of December 31, 2023

Active/Index allocation



Sub-asset classes and manager styles

Active/Index	Sub-asset class	Manager style	
Active	US Fixed Income	Intermediate-Term Investment Grade	5.8%
Active	US Fixed Income	Short-Term Investment Grade	3.8%
Index	US Equity	Large Blend	37.8%
Index	Int'l Equity	Foreign Large Blend	33.9%
Index	US Fixed Income	Intermediate-Term Government	10.4%
Index	Int'l Fixed Income	Intermediate-Term Investment Grade	8.4%

The Active/Indexed allocation percentages represent the client's current allocations to the total portfolio. **Neither asset allocation or diversification can guarantee a profit or prevent loss.**

Performance summary–by securities

New Castle County, Delaware Other Post Employment Benefits Trust

For the periods ended December 31, 2023

	Mkt value ($)	% of portfolio	Policy benchmark	1 mo (%)	3 mo (%)	YTD (%)	1 yr (%)	3 yrs (%)	5 yrs (%)	10 yrs (%)	Since inception	Inception date
Client portfolio (gross)	69,121,117	100.0	100.0	4.68	9.79	16.78	16.78	2.97	8.66	-	6.64	05/31/14
Client portfolio (net)				4.68	9.76	16.65	16.65	2.88	8.56	-	6.53	05/31/14
Policy benchmark				4.75	9.67	16.49	16.49	2.83	8.43	-	6.53	05/31/14
Equity	**49,550,676**	**71.7**	**70.0**	**5.20**	**11.12**	**20.83**	**20.83**	**5.14**	**11.23**	**-**	**8.44**	**05/31/14**
Equity - Policy benchmark				5.25	10.95	20.83	20.83	5.21	11.29	-	8.45	05/31/14
Domestic Equity	**26,145,892**	**37.8**	**35.0**	**5.32**	**12.17**	**26.02**	**26.02**	**8.44**	**15.08**	**-**	**11.48**	**05/31/14**
Domestic Equity - Policy benchmark				5.32	12.14	25.98	25.98	8.44	15.08	-	11.47	05/31/14
- **Vanguard Total Stock Market Index Fund Institutional Shares**	**26,145,892**	**37.8**	**-**	**5.32**	**12.17**	**26.02**	**26.02**	**8.44**	**15.08**	**-**	**11.47**	**05/31/14**
Spliced Total Stock Market Index				5.32	12.14	25.98	25.98	8.44	15.08	-	11.47	05/31/14
Multi-Cap Core Funds Average				5.46	11.47	21.01	21.01	7.16	12.83	-	9.00	05/31/14
International Equity	**23,404,784**	**33.9**	**35.0**	**5.08**	**9.97**	**15.52**	**15.52**	**1.79**	**7.37**	**-**	**3.87**	**05/31/14**
International Equity - Policy benchmark				5.18	9.77	15.79	15.79	1.88	7.46	-	3.95	05/31/14
- **Vanguard Total International Stock Index Fund Institutional Shares**	**23,404,784**	**33.9**	**-**	**5.08**	**9.97**	**15.52**	**15.52**	**1.79**	**7.37**	**-**	**3.87**	**05/31/14**
Spliced Total International Stock Index				5.18	9.77	15.79	15.79	1.88	7.46	-	3.95	05/31/14

Source: Vanguard. See Benchmark allocation history for description of what the policy benchmark and asset-class benchmarks represent. Policy Benchmark is rebalanced monthly. Portfolio is generally rebalanced quarterly, but may vary. All Returns greater than one year are annualized. **Past performance is not a guarantee of future results**. Diversification and asset allocation can not ensure profit or prevent loss. All returns shown are time-weighted (TWR). Gross Portfolio returns include the deduction of all underlying fund expense ratios, but are gross of advisory, service fees, and purchase/redemption fees applied to the client portfolio. Net Portfolio returns are net of all advisory and security-level fees and expenses. Both Gross and Net returns do reflect the reinvestment of dividends, capital gains, and interest but do not reflect the deduction of taxes. Had those expenses been deducted then performance would have been lower. Indexes are unmanaged; therefore direct investment is not possible. Unless otherwise noted, index returns do not reflect deduction of fees and expenses but do reflect reinvestment of dividends, capital gains, and interest. **Read additional information in Benchmark and Disclosures sections.**

Performance summary–by securities (continued)

New Castle County, Delaware Other Post Employment Benefits Trust

For the periods ended December 31, 2023

	Mkt value ($)	% of portfolio	Policy benchmark	1 mo (%)	3 mo (%)	YTD (%)	1 yr (%)	3 yrs (%)	5 yrs (%)	10 yrs (%)	Since inception	Inception date
International Funds Average				5.02	10.06	16.40	16.40	1.66	7.70	-	3.73	05/31/14
Fixed Income	**19,570,441**	**28.3**	**30.0**	**3.37**	**6.57**	**7.28**	**7.28**	**-2.49**	**1.47**	**-**	**1.70**	**05/31/14**
Fixed Income - Policy benchmark				3.59	6.63	6.54	6.54	-3.04	1.13	-	1.47	05/31/14
Domestic Fixed Income	**13,798,255**	**20.0**	**21.0**	**3.44**	**6.59**	**6.62**	**6.62**	**-2.49**	**1.71**	**-**	**1.83**	**05/31/14**
Domestic Fixed Income - Policy benchmark				3.75	6.72	5.60	5.60	-3.33	1.17	-	1.51	05/31/14
- **Vanguard Total Bond Market Index Fund Institutional Shares**	**7,188,146**	**10.4**	**-**	**3.70**	**6.69**	**5.72**	**5.72**	**-3.34**	**1.13**	**-**	**1.48**	**05/31/14**
Spliced Bloomberg U.S. Aggregate Float Adjusted Index				3.75	6.72	5.60	5.60	-3.33	1.17	-	1.51	05/31/14
Spliced Intermediate Investment-Grade Debt Funds Average				3.80	6.73	5.87	5.87	-3.32	1.23	-	1.37	05/31/14
- **Vanguard Intermediate-Term Investment-Grade Fund Admiral Shares**	**4,002,815**	**5.8**	**-**	**4.07**	**8.20**	**8.61**	**8.61**	**-2.54**	**2.46**	**-**	**2.39**	**05/31/14**
Bloomberg U.S. 5-10 Year Credit Bond Index				4.16	8.20	8.47	8.47	-2.70	2.81	-	2.63	05/31/14
Spliced Core Bond Funds Average				3.80	6.73	5.87	5.87	-3.32	1.23	-	1.37	05/31/14
- **Vanguard Short-Term Investment-Grade Fund Admiral Shares**	**2,607,295**	**3.8**	**-**	**1.79**	**3.95**	**6.17**	**6.17**	**-0.09**	**2.12**	**-**	**1.87**	**05/31/14**
Bloomberg U.S. 1-5 Year Credit Bond Index				1.81	3.96	5.94	5.94	-0.17	2.21	-	1.91	05/31/14
1-5 Year Investment-Grade Debt Funds Average				1.35	2.93	5.42	5.42	-0.69	1.31	-	1.19	05/31/14

Source: Vanguard. See Benchmark allocation history for description of what the policy benchmark and asset-class benchmarks represent. Policy Benchmark is rebalanced monthly. Portfolio is generally rebalanced quarterly, but may vary. All Returns greater than one year are annualized. **Past performance is not a guarantee of future results**. Diversification and asset allocation can not ensure profit or prevent loss. All returns shown are time-weighted (TWR). Gross Portfolio returns include the deduction of all underlying fund expense ratios, but are gross of advisory, service fees, and purchase/redemption fees applied to the client portfolio. Net Portfolio returns are net of all advisory and security-level fees and expenses. Both Gross and Net returns do reflect the reinvestment of dividends, capital gains, and interest but do not reflect the deduction of taxes. Had those expenses been deducted then performance would have been lower. Indexes are unmanaged; therefore direct investment is not possible. Unless otherwise noted, index returns do not reflect deduction of fees and expenses but do reflect reinvestment of dividends, capital gains, and interest. **Read additional information in Benchmark and Disclosures sections.**

Performance summary–by securities (continued)

New Castle County, Delaware Other Post Employment Benefits Trust

For the periods ended December 31, 2023

	Mkt value ($)	% of portfolio	Policy benchmark	1 mo (%)	3 mo (%)	YTD (%)	1 yr (%)	3 yrs (%)	5 yrs (%)	10 yrs (%)	Since inception	Inception date
International Fixed Income	**5,772,185**	**8.4**	**9.0**	**3.20**	**6.50**	**8.85**	**8.85**	**-2.48**	**0.90**	**-**	**1.14**	**09/30/18**
International Fixed Income - Policy benchmark				3.21	6.38	8.75	8.75	-2.41	1.02	-	1.30	10/31/18
Vanguard Total International Bond Index Fund Institutional Shares	**5,772,185**	**8.4**	**-**	**3.20**	**6.50**	**8.85**	**8.85**	**-**	**-**	**-**	**-1.87**	**03/31/21**
Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index Hedged				3.21	6.38	8.75	8.75	-	-	-	-1.83	03/31/21
International Income Funds Average				3.38	7.38	6.84	6.84	-	-	-	-3.62	03/31/21

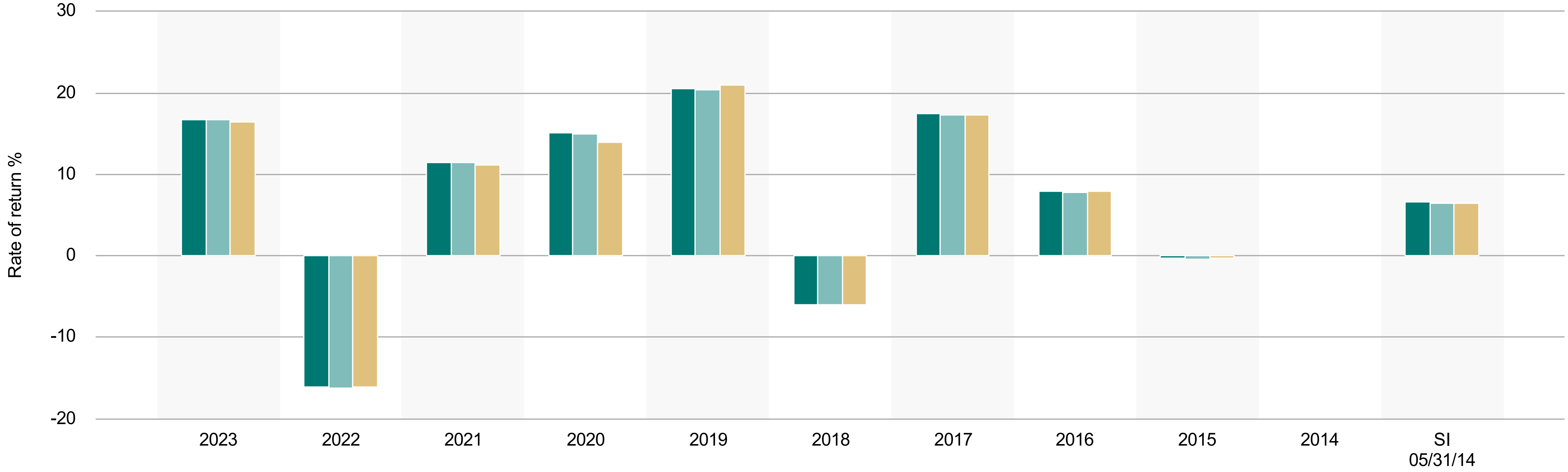
Source: Vanguard. See Benchmark allocation history for description of what the policy benchmark and asset-class benchmarks represent. Policy Benchmark is rebalanced monthly. Portfolio is generally rebalanced quarterly, but may vary. All Returns greater than one year are annualized. **Past performance is not a guarantee of future results**. Diversification and asset allocation can not ensure profit or prevent loss. All returns shown are time-weighted (TWR). Gross Portfolio returns include the deduction of all underlying fund expense ratios, but are gross of advisory, service fees, and purchase/redemption fees applied to the client portfolio. Net Portfolio returns are net of all advisory and security-level fees and expenses. Both Gross and Net returns do reflect the reinvestment of dividends, capital gains, and interest but do not reflect the deduction of taxes. Had those expenses been deducted then performance would have been lower. Indexes are unmanaged; therefore direct investment is not possible. Unless otherwise noted, index returns do not reflect deduction of fees and expenses but do reflect reinvestment of dividends, capital gains, and interest. **Read additional information in Benchmark and Disclosures sections.**

Portfolio performance–annual periods

New Castle County, Delaware Other Post Employment Benefits Trust

For the period ended December 31, 2023

Gross versus net of fees



	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	Since Inception
Gross return	16.78%	-16.15%	11.51%	15.12%	20.51%	-5.93%	17.44%	7.86%	-0.27%	-	6.64%
Net return	16.65%	-16.23%	11.42%	15.01%	20.39%	-6.03%	17.31%	7.73%	-0.39%	-	6.53%
Policy benchmark	16.49%	-16.08%	11.22%	13.99%	20.97%	-6.00%	17.33%	7.97%	-0.31%	-	6.53%

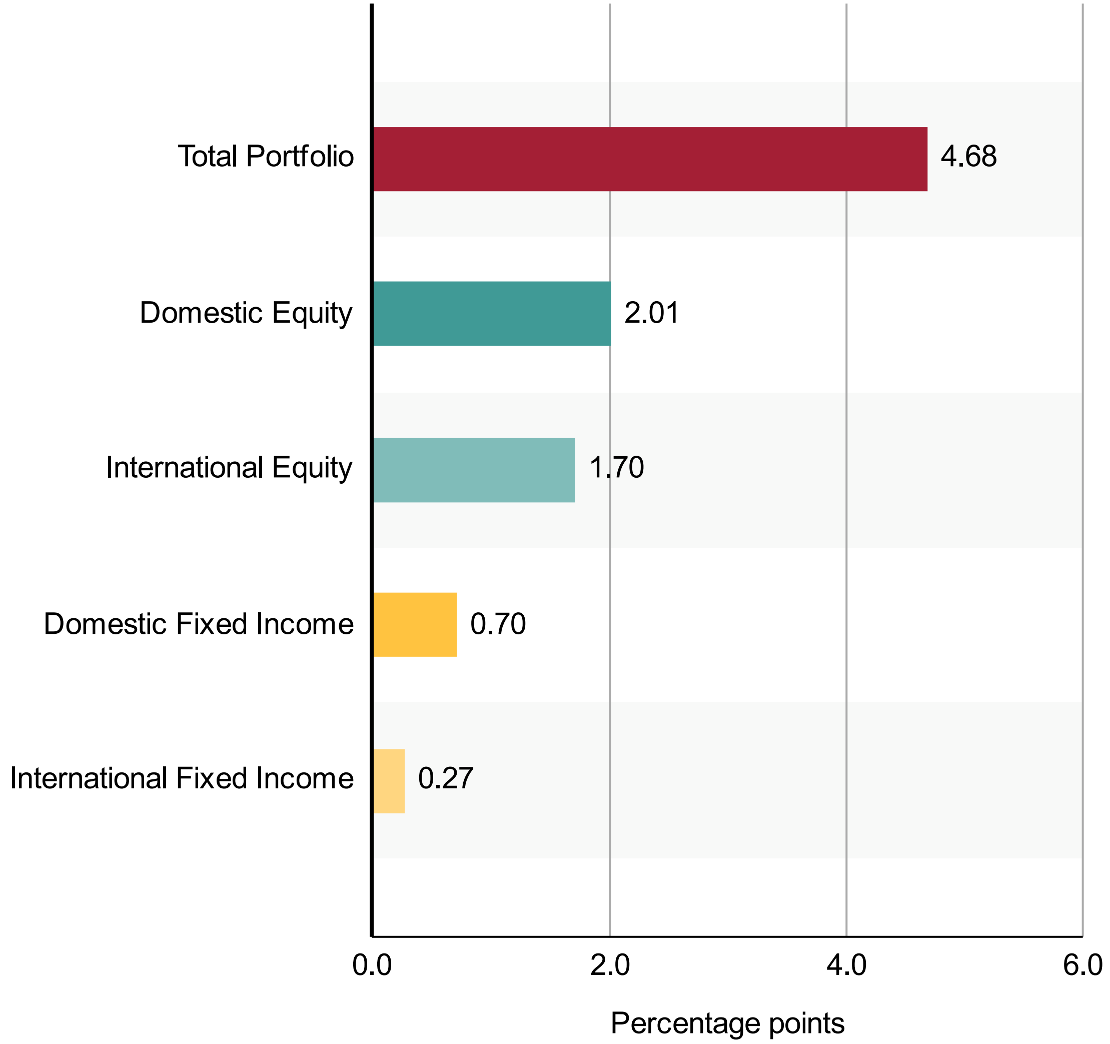
Source: Vanguard. See Benchmark allocation history for description of what the policy benchmark and asset-class benchmarks represent. Policy Benchmark is rebalanced monthly. Portfolio is generally rebalanced quarterly, but may vary. All Returns greater than one year are annualized. **Past performance is not a guarantee of future results**. Diversification and asset allocation can not ensure profit or prevent loss. All returns shown are time-weighted (TWR). Gross Portfolio returns include the deduction of all underlying fund expense ratios, but are gross of advisory, service fees, and purchase/redemption fees applied to the client portfolio. Net Portfolio returns are net of all advisory and security-level fees and expenses. Both Gross and Net returns do reflect the reinvestment of dividends, capital gains, and interest but do not reflect the deduction of taxes. Had those expenses been deducted then performance would have been lower. Indexes are unmanaged; therefore direct investment is not possible. Unless otherwise noted, index returns do not reflect deduction of fees and expenses but do reflect reinvestment of dividends, capital gains, and interest. **Read additional information in Benchmark and Disclosures sections.**

Asset-weighted contributions to performance

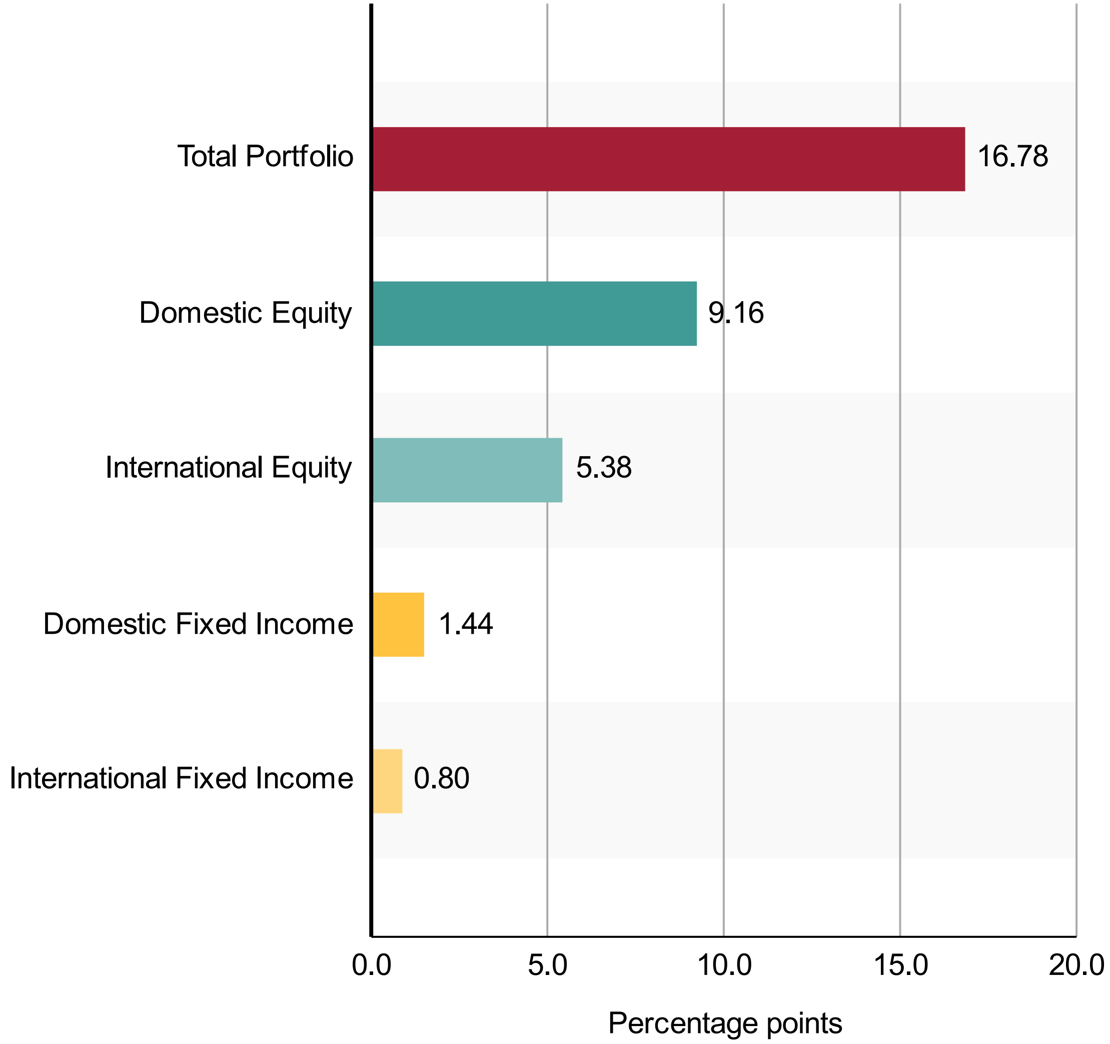
New Castle County, Delaware Other Post Employment Benefits Trust

Contribution to portfolio returns for the periods ended December 31, 2023

One month



12 months



Contributions to returns are gross of advisory fees and are time-weighted.

Portfolio risk analysis

New Castle County, Delaware Other Post Employment Benefits Trust

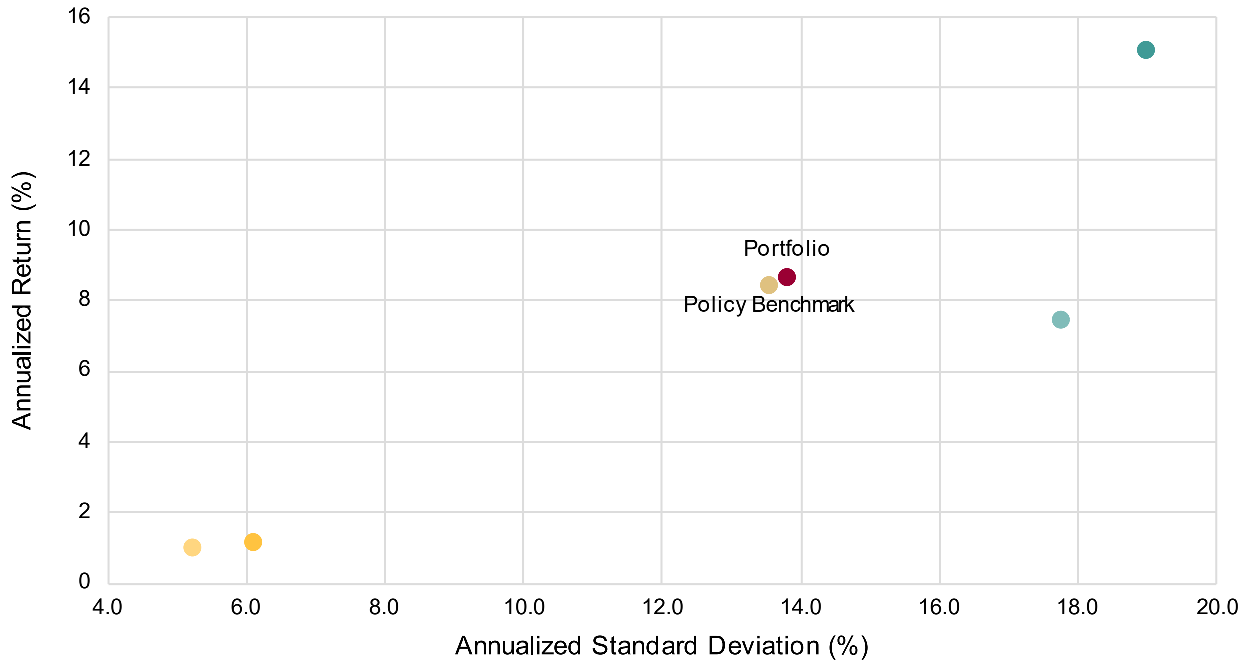
For the five-year period ended December 31, 2023

Risk analysis

	Portfolio	Policy
Annualized return (%)	8.66	8.43
Annualized standard deviation (%)	13.80	13.54
Annualized Sharpe ratio	0.49	0.48
Annualized tracking error (%) vs benchmark	0.75	-
Annualized Information ratio vs benchmark	0.30	-
Annualized Jensen's Alpha (%) vs benchmark	0.11	-
Beta vs benchmark	1.02	1.00
R-Squared vs benchmark	0.9974	1.0000

Returns and risk for the “Risk Analysis” chart are gross of advisory fees and are time-weighted. Returns and risk for the “Risk versus returns” chart represent the assigned sub-asset class benchmarks for the client’s portfolio, of which there may be more than one per sub-asset class.

Risk versus returns



Sub-asset class	Benchmark	Return	Risk
Domestic Equity	Spliced Total Stock Market Index	15.1%	19.0%
International Equity	Spliced Total International Stock Index	7.5%	17.8%
Domestic Fixed Income	Spliced Bloomberg U.S. Aggregate Float	1.2%	6.1%
International Fixed Income	Bloomberg Global Aggregate ex-USD	1.0%	5.2%
Client portfolio		8.7%	13.8%
Policy benchmark		8.4%	13.5%

Benchmark allocation history

New Castle County, Delaware Other Post Employment Benefits Trust

Policy benchmark allocations up to December 31, 2023

Policy Benchmark is a weighted set of indices that align to the Investment Management Agreement Schedule B which sets forth the strategic asset allocation for the client portfolio. The Policy Benchmark is rebalanced monthly. Allocations may change overtime as the investment strategy changes. The most recently policy benchmark composition is in the top row. Neither asset allocation nor diversification can guarantee a profit or prevent loss. Indexes are unmanaged; direct investment is not possible. **Please read additional information in Benchmark and Disclosure sections.**

Cash flow summary and market value history as of December 31, 2023

	Last month	Last 3 months	Year-to-date	One year	Since 6/1/2014
Beginning market value	$66,031,663	$62,973,771	$58,363,163	$58,363,163	$26,954,815
Net cash flow	$0	-$17,136	$911,457	$911,457	$12,990,256
Capital appreciation	$2,445,369	$5,418,907	$8,045,041	$8,045,041	$18,274,101
Income	$644,085	$745,575	$1,801,456	$1,801,456	$10,901,945
Net investment change	$3,089,454	$6,164,482	$9,846,497	$9,846,497	$29,176,046
Ending market value	$69,121,117	$69,121,117	$69,121,117	$69,121,117	$69,121,117

Source: Vanguard and FactSet B-One; data as of December 31, 2023.

New Castle County, Delaware OPEB Trust Annualized fee analysis as of December 31, 2023

Investment management fee	Assets in tier		Management fee (%)	Management fee ($)
First $25 million	$25,000,000		0.173%	$43,250
Next $25 million	$25,000,000		0.069%	$17,250
Next $50 million	$19,121,117		0.062%	$11,855
Total	**$69,121,117**		**0.105%**	**$72,355**

Fund expenses	Market value	% of portfolio	Fund expense (%)	Fund expense ($)
Equity				
Vanguard Total International Stock Index Fund Institutional	$23,404,784	33.9%	0.080%	$18,724
Vanguard Total Stock Market Index Fund Institutional	$26,145,892	37.8%	0.030%	$7,844
Fixed Income				
Vanguard Short-Term Investment-Grade Fund Admiral	$2,607,295	3.8%	0.100%	$2,607
Vanguard Intermediate-Term Investment-Grade Fund Admiral	$4,002,815	5.8%	0.100%	$4,003
Vanguard Total International Bond Index Fund Institutional	$5,772,185	8.4%	0.070%	$4,041
Vanguard Total Bond Market Index Fund Institutional	$7,188,146	10.4%	0.035%	$2,516
Total	**$69,121,117**	**100.0%**	**0.057%**	**$39,734**

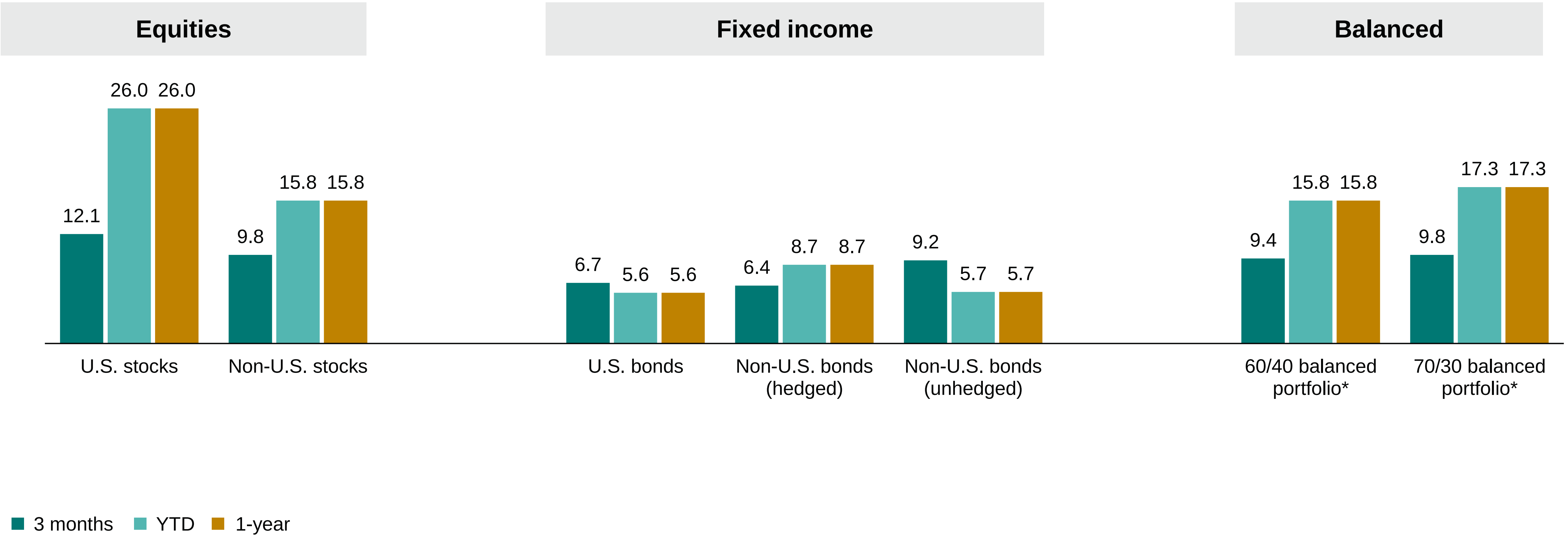
Total fees and expenses	(%)	($)
Investment management fee	0.105%	$72,355
Fund expenses	0.057%	$39,734
Estimated annual fees and expenses	**0.162%**	**$112,089**

Note: Fund expenses are netted from mutual fund performance daily. Investment management fees are paid for out of pocket and are invoiced or swept quarterly.

Market update and economic outlook

Global market returns

Global market returns as of December 31, 2023 (%)



Past performance is no guarantee of future returns. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

Sources: Bloomberg, FTSE, MSCI, Russell, CRSP and Dow Jones.

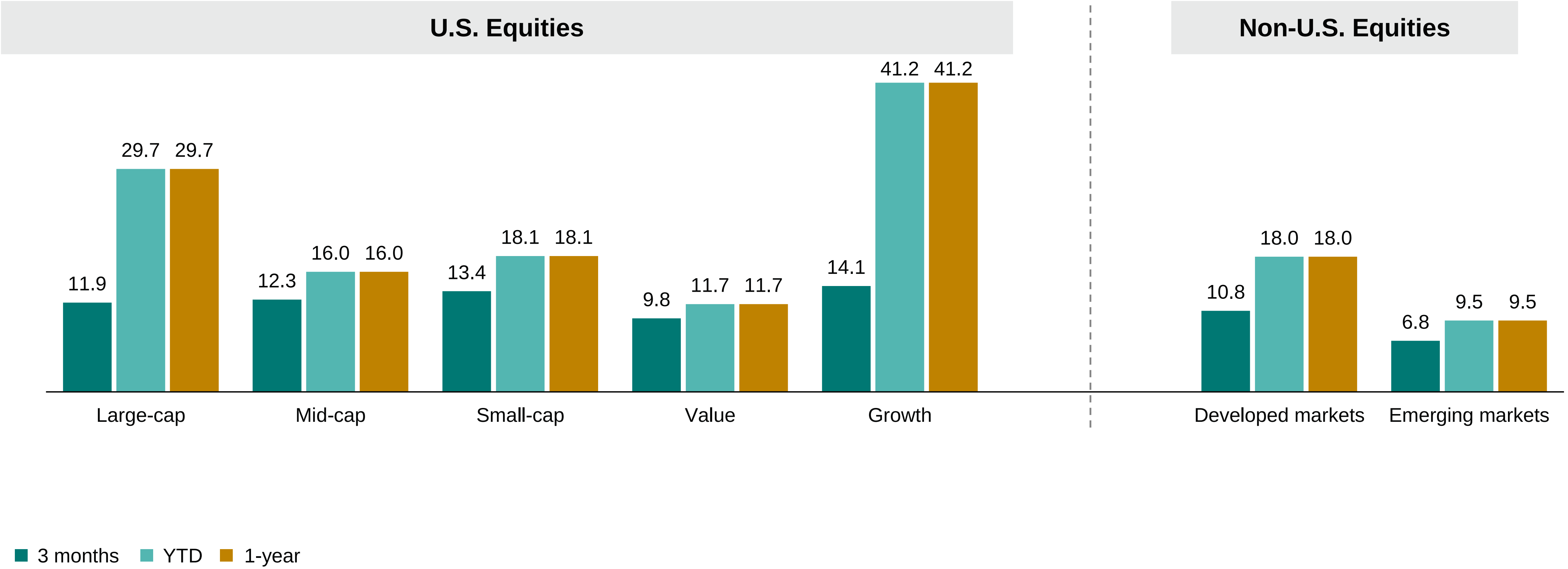
US Stocks (CRSP US Total Market Index), Non-US Stocks (FTSE Global All-Cap ex-US Index), US Bonds (Bloomberg US Aggregate Float Adjusted Index), Non-US Bonds hedged (Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index hedged), Non-US Bonds unhedged (Bloomberg Global Aggregate Index ex-USD).

* 60/40 balanced portfolio Static Composite (36% U.S. stocks, 24% international stocks, and 28% investment-grade U.S. bonds, 12% investment-grade international bonds).

** 70/30 balanced portfolio Static Composite (42% U.S. stocks, 28% international stocks, and 21% investment-grade U.S. bonds, 9% investment-grade international bonds).

Global equity market returns

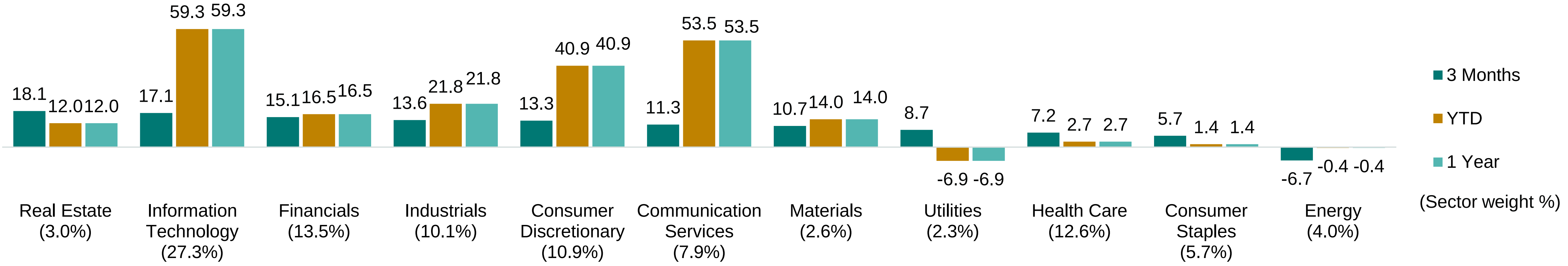
Global equity market returns as of December 31, 2023 (%)



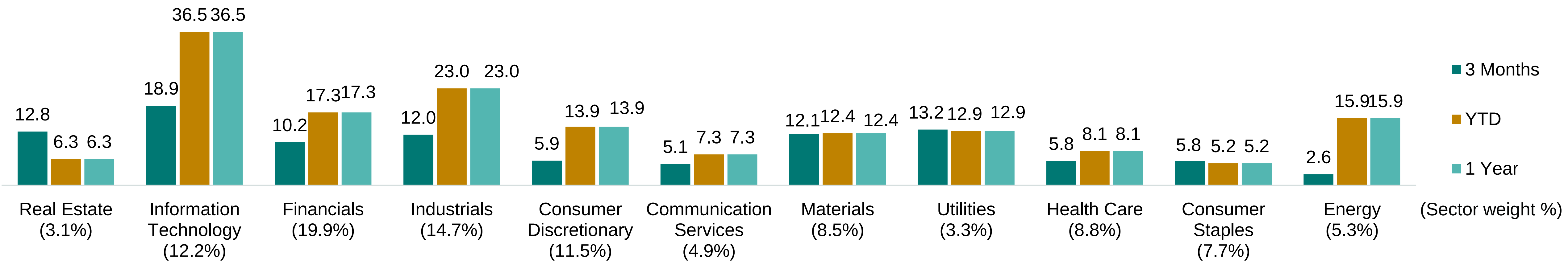
Past performance is no guarantee of future returns. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.
Sources: FTSE, MSCI, Russell, CRSP and Dow Jones.
Large-cap (CRSP US Mega Cap Index), Mid-cap (CRSP US Mid Cap Index), Small-cap (CRSP US Small Cap Index); Value (Russell 3000 Value Index), Growth (Russell 3000 Growth Index); Developed markets (FTSE Developed All Cap ex-US Index), Emerging markets (FTSE Emerging Markets All Cap China A Inclusion Index).

Sector returns

U.S. equity sector returns as of December 31, 2023 (%)



International equity sector returns as of December 31, 2023 (%)



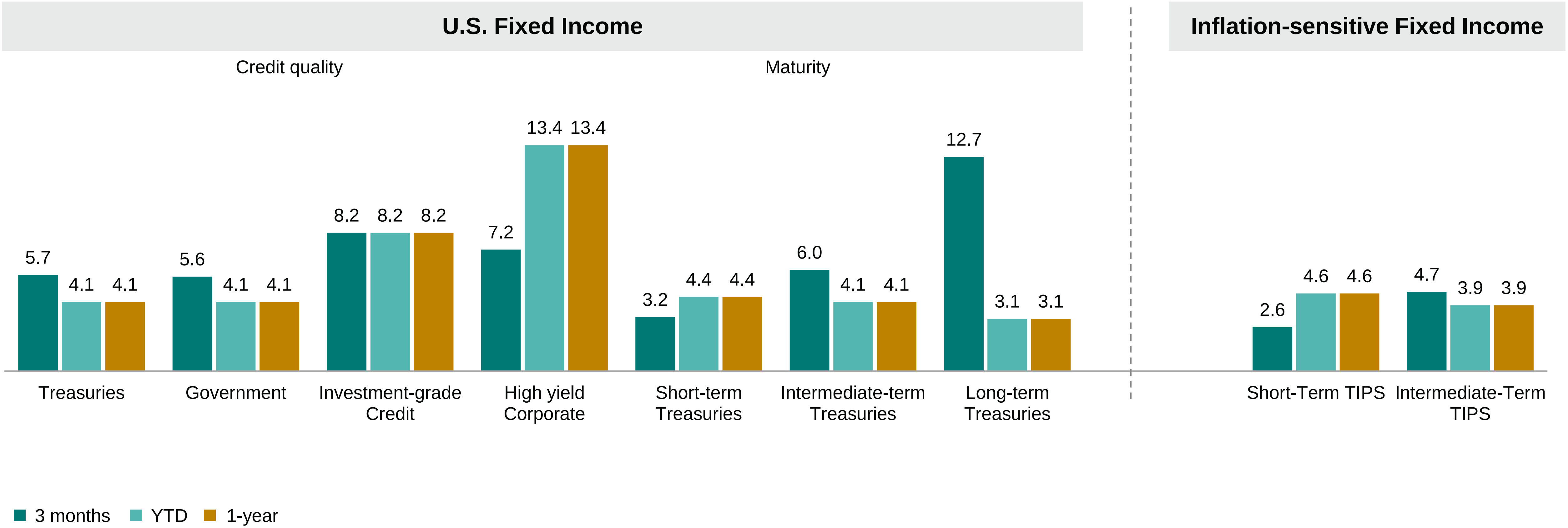
Past performance is no guarantee of future returns. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

Sources: FactSet and Vanguard.

U.S. markets measured by CRSP US Total Market Index. International markets measured by MSCI ACWI ex USA Index.

Domestic fixed income market returns

Domestic fixed income market returns as of December 31, 2023 (%)



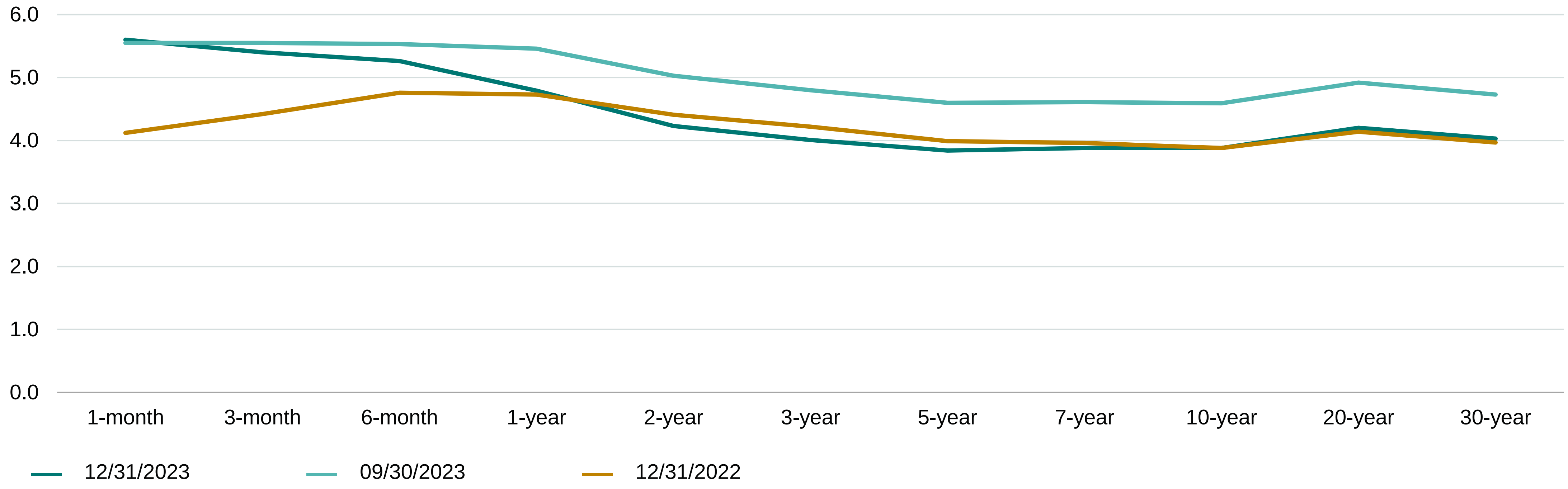
Past performance is no guarantee of future returns. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

Sources: Bloomberg.

Treasuries-Government-Investment Grade Corporates-High Yield (Bloomberg US Treasury/Government/Credit/Corporate High Yield Indices); Short-Inter-Long-term Treasuries (Bloomberg US 1-5/5-10/Long Year Treasury Indices); Short-term TIPS (Bloomberg U.S. Treasury 0-5 Year Inflation-Protected Index); Intermediate-term TIPS (Bloomberg U.S. Treasury Inflation-Protected Index).

U.S. Treasury yield curve

Yield (%) and change (bps)	1-month	3-month	6-month	1-year	2-year	3-year	5-year	7-year	10-year	20-year	30-year
Current yield (%)	5.60	5.40	5.26	4.79	4.23	4.01	3.84	3.88	3.88	4.20	4.03
3 Mo. Δ	5	-15	-27	-67	-80	-79	-76	-73	-71	-72	-70
12 Mo. Δ	148	98	50	6	-18	-21	-15	-8	0	6	6



Source: Morningstar.

Market leadership changes

- Emerging markets equities has struggled in recent history illustrating the relatively high volatility of single asset classes.
- Growth and Large Cap US rebounded after their lackluster performance during high inflation and rapidly rising interest rates.
- During the year we saw Commodities return back to the bottom of the list after incredibly performance in 2021 and 2022.
- U.S. stock returns exceeded non-U.S. stock returns by a significant amount over the past ten years, yet it's important to remember that recent outperformance by a sub-asset class or market segment does not imply future outperformance.

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	10-Year Average
REIT 30.4	Grw 5.1	Sml 21.3	Emg 31.1	IB 3.2	Grw 35.8	Grw 38.3	REIT 43.1	Cmd 13.8	Grw 41.2	Grw 14.3
Lrg 13.2	REIT 2.5	Val 18.4	Grw 29.6	T-Bill 1.9	Lrg 31.4	Lrg 21	Cmd 27.1	T-Bill 1.5	Lrg 26.5	Lrg 11.8
Val 12.7	IB 1.4	HY 17.1	Dev 26.3	Bnd 0	Val 26.3	Sml 20	Lrg 26.5	HF -4.4	Dev 18.0	Val 8.3
Grw 12.4	Lrg 0.9	Lrg 12.1	Lrg 21.7	HY -2.1	REIT 25.8	Emg 15.5	Grw 25.8	Val -8	Sml 16.9	REIT 7.6
IB 8.8	Bnd 0.5	Cmd 11.4	Bal 16.5	Grw -2.1	Sml 25.5	Bal 13.4	Val 25.4	IB -9.8	Bal 16.6	Sml 7.2
Bal 6.4	T-Bill 0	Emg 10.3	Sml 14.6	REIT -4.6	Dev 22.3	Dev 10	Sml 14.8	HY -11.2	REIT 13.7	Bal 6.5
Bnd 6	Bal -0.6	REIT 8.6	Val 13.2	Lrg -4.8	Bal 20.7	Bnd 7.5	Bal 12	Bnd -13	HY 13.4	HY 4.6
Sml 4.9	Dev -1.8	Grw 7.4	HY 7.5	Bal -5.5	Emg 20.4	HY 7.1	Dev 11.6	Dev -15.6	Val 11.7	Dev 4.5
Emg 2.6	HF -3.6	Bal 7.3	HF 6	HF -6.7	HY 14.3	HF 6.8	HY 5.3	Bal -15.9	Emg 9.5	Emg 3.4
HY 2.5	Val -4.1	IB 4.9	REIT 5.1	Val -8.6	Bnd 8.7	IB 3.9	HF 3.7	Emg -17.6	IB 8.3	IB 2.8
T-Bill 0	Sml -4.4	Dev 3.1	Bnd 3.5	Sml -11	HF 8.6	Val 2.9	Emg 1.5	Lrg -19.1	Bnd 5.5	Bnd 1.8
HF -0.6	HY -4.5	Bnd 2.6	IB 2.5	Cmd -13	IB 7.6	T-Bill 0.6	T-Bill 0	Sml -20.4	T-Bill 5.3	HF 1.4
Dev -4.4	Emg -13.5	HF 2.5	T-Bill 0.8	Emg -14.8	Cmd 5.4	Cmd -3.5	IB -1.4	REIT -24.5	HF 3.1	T-Bill 1.3
Cmd -17	Cmd -24.7	T-Bill 0.3	Cmd 0.7	Dev -14.8	T-Bill 2.3	REIT -7.6	Bnd -1.5	Grw -29	Cmd -12.6	Cmd -2.4

Val	Value oriented U.S. based stocks (Russell 3000 Value Index)
Grw	Growth oriented U.S. based stocks (Russell 3000 Growth Index)
Lrg	Large U.S. based stocks (Russell 1000 Index)
Sml	Small U.S. based stocks (Russell 2000 Index)
Dev	International stocks from developed countries (FTSE Developed All Cap ex US Index)
Emg	International stocks from emerging countries (FTSE Emerging ACap CN A Inclus Idx)
Bnd	Investment-grade U.S. bonds (Bloomberg US Aggregate Bond Index)
HY	High-yield U.S. bonds (Bloomberg US Corp High Yield Index)
IB	Investment-grade international bonds (Bloomberg GA ex-USD Index Hedged)
T-Bill	Short-term Treasury rates (Citigroup 3-Month US T-Bill Index)
REIT	U.S. public equity real estate (REIT) (MSCI US REIT Index)
Cmd	Commodities (Bloomberg Commodity Index)
HF	Hedge funds (HFRX Global Hedge Fund Index*)
Bal	Balanced Static Composite (39% U.S. stocks**, 26% Int'l stocks†, 24.5% Invest-grade U.S. bonds††, 10.5% Invest-grade Int'l bonds††)

Source: Vanguard. Last observation: December 31, 2023; 10-year average performance from December 31, 2014 through December 31, 2023.

* Source: Hedge Fund Research, Inc.

** U.S. stocks: MSCI US Broad Market Index.

† International Stocks: FTSE Global All Cap ex-US Index.

†† Bonds: Bloomberg US Aggregate Bond Index and Bloomberg Global Aggregate ex-USD Index Hedged.

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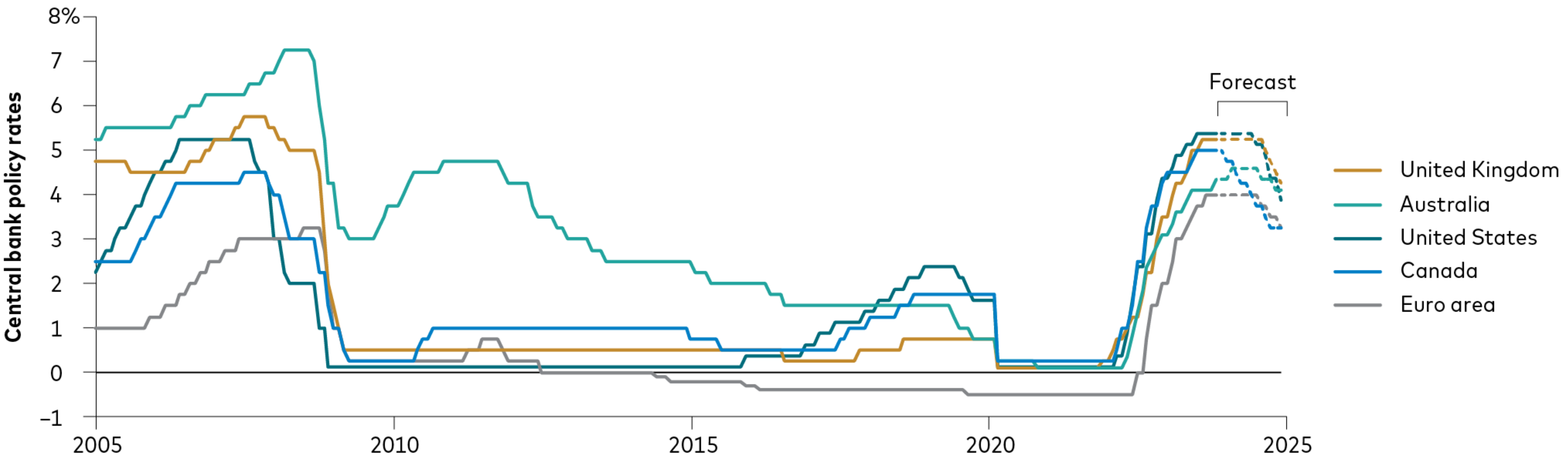
Vanguard's 2024 economic forecasts

	GDP growth		Unemployment rate		Core inflation	Monetary policy		
	2024		2024		2024			
Country/region	Vanguard	Trend	Vanguard	NAIRU	Vanguard	Year-end 2023	Year-end 2024	Neutral rate
U.S.	0.25%–0.75%	1.8%	4.5%–5%	3.5%–4%	2.3%	5.5%	3.5%–4%	3%–3.5%
Euro area	0.5%–1%	1.2%	7%–7.5%	6.5%–7%	2.1%	4%	3.25%	2%–2.5%
U.K.	0.5%–1%	1%	4.5%–5%	3.5%–4%	2.8%	5.25%	4.25%	3%–3.5%
China	4.5%–5%	4.1%	4.5%–5%	4.5%–5%	1.2%	2.5%	2.2%	4.5%–5%

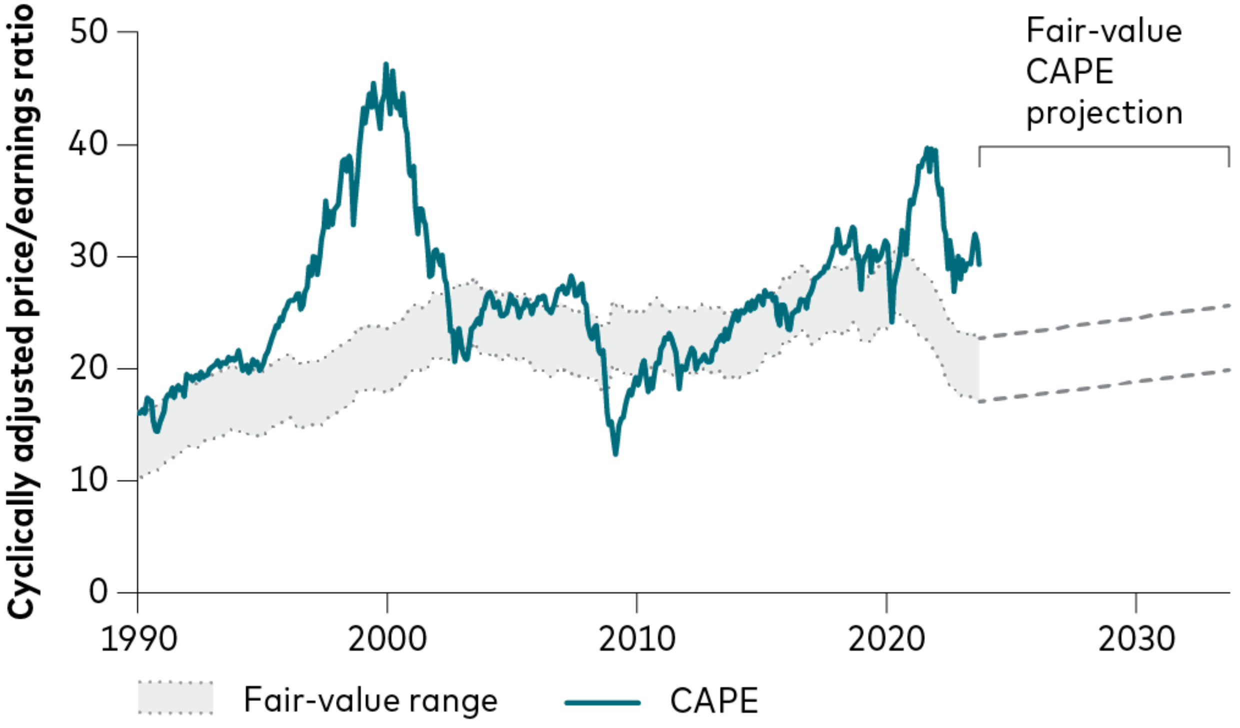
Notes: Forecasts are as of December 4, 2023. For the U.S., GDP growth is defined as the year-over-year change in fourth-quarter GDP. For all other countries/regions, GDP growth is defined as the annual change in GDP in the forecast year compared with the previous year. Unemployment forecasts are the average for the fourth quarter of 2024. NAIRU is the nonaccelerating inflation rate of unemployment, a measure of labor market equilibrium. Core inflation excludes volatile food and energy prices. For the U.S., euro area, and U.K., core inflation is defined as the year-over-year change in the fourth quarter compared with the previous year. For China, core inflation is defined as the average annual change compared with the previous year. For the U.S., core inflation is based on the core Personal Consumption Expenditures Index. For all other countries/regions, core inflation is based on the core Consumer Price Index. For U.S. monetary policy, Vanguard's forecast refers to the top end of the Federal Open Market Committee's target range. The neutral rate is the equilibrium policy rate at which no easing or tightening pressures are being placed on an economy or its financial markets.
Source: Vanguard.

Rate cuts in 2024, but zero rates are behind us



Notes: Monthly data are from January 2005 through November 2023. Forecasts thereafter run through year-end 2024.
Sources: Vanguard calculations, based on data from Bloomberg, as of November 30, 2023.

U.S. equity valuations need to fall to return to fair value



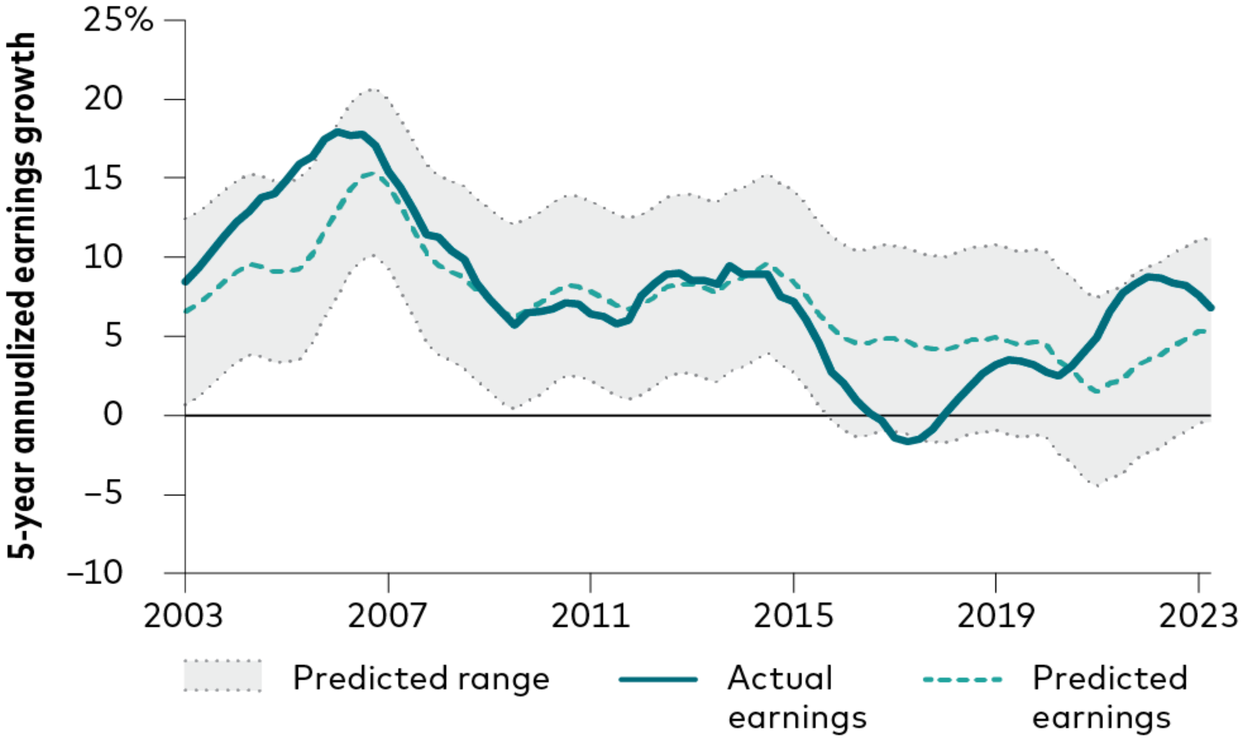
The components of our forecasts of equities' total returns

	Valuation change	+	Earnings growth	+	Dividend yield	+	Currency effect	=	Total return
U.S. equities	–1.2%		4.4%		2.0%		—		**5.2%**
Global ex-U.S. equities	–0.1%		3.4%		3.7%		1.1%		**8.1%**

Notes: The chart shows the cyclically adjusted price/earnings (CAPE) ratio for U.S. equities, measured by the MSCI US Broad Market Index. CAPE reflects contemporaneous real equity prices and 10-year average historical real earnings. The chart also shows our estimates of fair value, considering inflation and interest rates. Our historical fair-value estimates are based on actual levels of inflation and interest rates and reflect underlying data since January 31, 1940, while our 10-year fair-value forecast considers our expectations for inflation and rates.
The table reflects the distribution of 10,000 Vanguard Capital Markets Model (VCMM) simulations of annualized nominal equity returns, in U.S. dollars, over the 10-year period ending September 30, 2033. Nominal returns do not reflect investment expenses, taxes, or inflation.
Sources: Vanguard calculations, based on data from Refinitiv and Global Financial Data, as of September 30, 2023.

IMPORTANT: The projections and other information generated by the VCMM regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. Distribution of return outcomes from the VCMM are derived from 10,000 simulations for each modeled asset class. Simulations as of September 30, 2023. Results from the model may vary with each use and over time.
Past performance is no guarantee of future returns. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

Profit-margin-driven earnings growth has started to reverse



The components of our forecasts of equities' total returns

	Valuation change	+	Earnings growth	+	Dividend yield	+	Currency effect	=	Total return
U.S. equities	–1.2%		4.4%		2.0%		—		**5.2%**
Global ex-U.S. equities	–0.1%		3.4%		3.7%		1.1%		**8.1%**

Notes: In the chart, five-year annualized earnings growth figures, actual and predicted, reflect the aggregate results of Standard & Poor's 500 Index constituents, including loss-making companies, as of June 30, 2023. Predicted earnings reflect the median forecast of a proprietary Vanguard model of corporate earnings, which is detailed in "From Economics to Earnings: A Macro-Based Equity Earnings Growth Forecasting Model," an article published in the February 2023 issue of *The Journal of Investing*.

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Sources: Vanguard calculations, based on data from Bloomberg, Refinitiv, and the Federal Reserve Bank of St. Louis FRED database.

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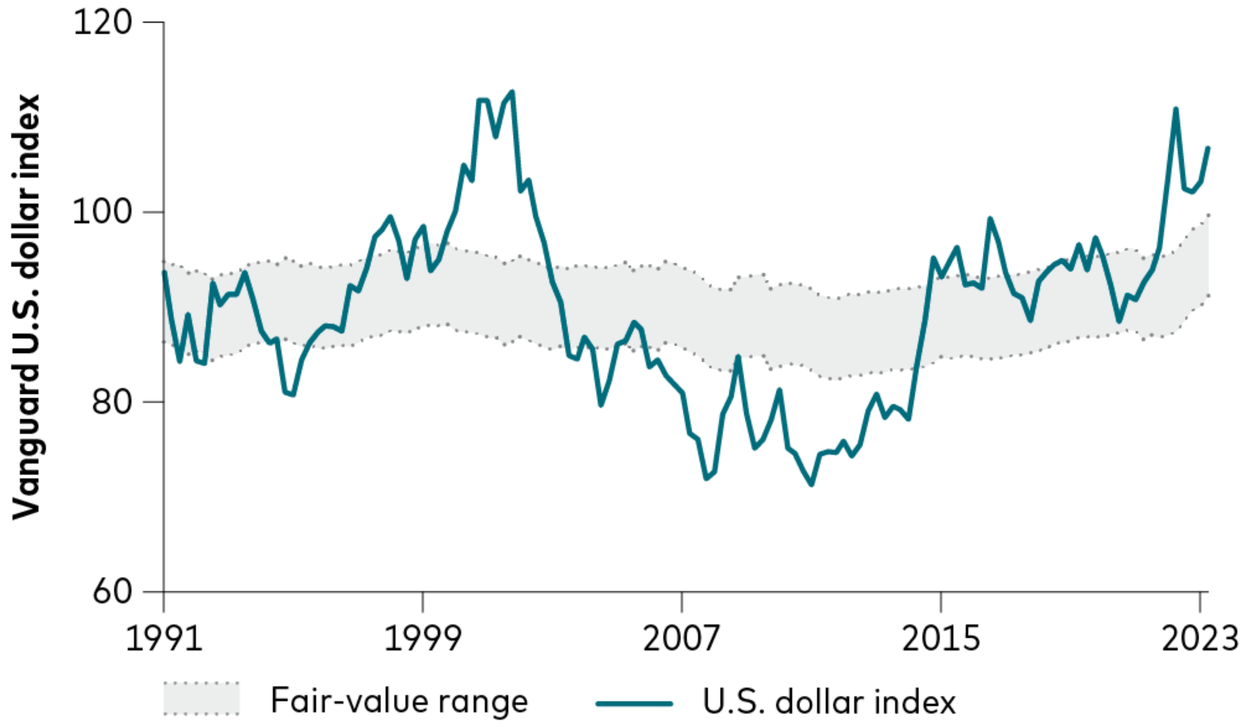
The U.S. dollar: Stronger than fundamentals warrant



The components of our forecasts of equities' total returns

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U.S. equities	–1.2%		4.4%		2.0%		—		**5.2%**
Global ex-U.S. equities	–0.1%		3.4%		3.7%		1.1%		**8.1%**

Notes: Our U.S. dollar index and fair-value estimates are proprietary measures that compare the U.S. dollar with an equity market-capitalization-weighted basket of the euro, the Japanese yen, the British pound, the Canadian dollar, and the Australian dollar. The non-U.S. dollar currencies' index weights reflect the relative weights of MSCI World Index constituent regions and countries that typically trade goods, services, and securities in those currencies. The fair-value estimates are based on the portion of exchange rate movements that can be explained through differentials in relative economic strength, measured by productivity (GDP per capita at purchasing power parity) and long-term real rates.

The table reflects the distribution of 10,000 Vanguard Capital Markets Model (VCMM) simulations of annualized nominal equity returns, in U.S. dollars, during the 10 years ending September 30, 2033. Nominal returns do not reflect investment expenses, taxes, or inflation.

Sources: Vanguard calculations, based on data from Refinitiv and the International Monetary Fund, as of September 30, 2023.

IMPORTANT: The projections and other information generated by the VCMM regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. Distribution of return outcomes from the VCMM are derived from 10,000 simulations for each modeled asset class. Simulations as of September 30, 2023. Results from the model may vary with each use and over time.

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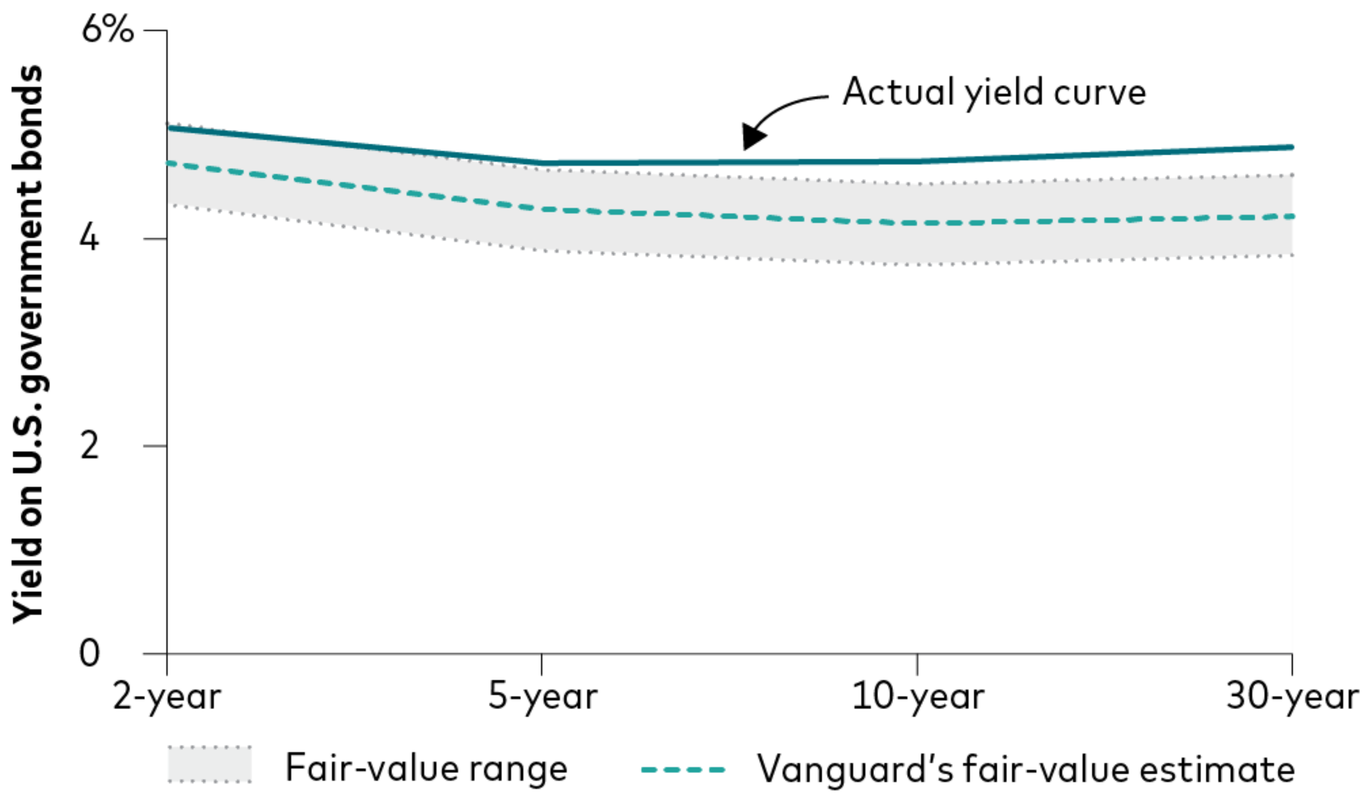
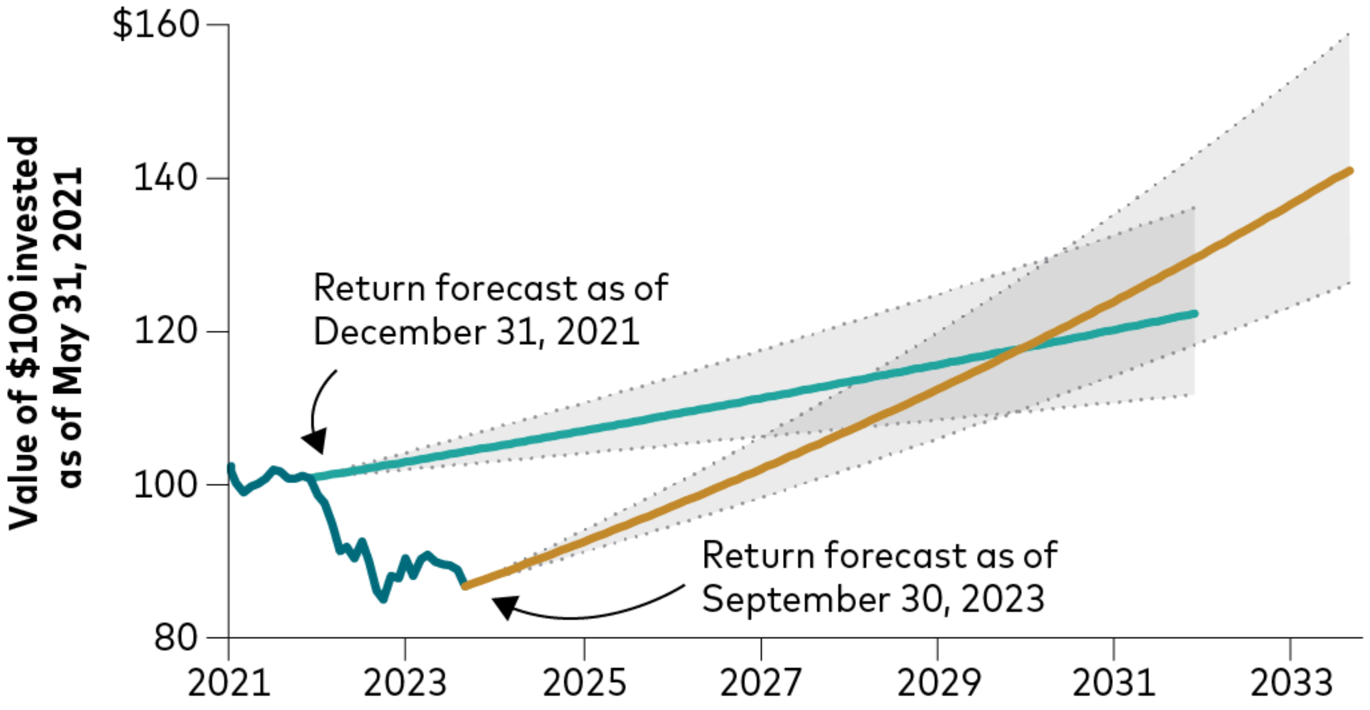
Treasuries are near fair value based on our model



Notes: The chart shows the actual constant-maturity interest rate for U.S. government bonds at four points on the yield curve, as of September 30, 2023, and our estimate of fair value. The fair-value range is half a standard deviation above and below our estimate—meaning, essentially, we have 68% confidence that the yield curve's fair value falls within that range. Fair value is derived from a statistical model specification that is a five-variable vector error correction model, including 10-year Treasury yield, first three principal components of covariance matrix for 10-year trailing inflation, 10-year trailing food inflation, 10-year trailing hourly earnings growth, effective federal funds rate, and the 5-year trailing real GDP estimated over the period from January 1, 1979, through September 30, 2023.
Sources: Vanguard calculations, based on data from FactSet, the U.S. Bureau of Labor Statistics, the Federal Reserve, Refinitiv, and Global Financial Data, as of September 30, 2023.

Rising rates mean higher returns for long-term investors



Notes: The chart shows actual returns for the Bloomberg U.S. Aggregate Bond Index along with Vanguard's forecast for cumulative returns over the subsequent 10 years as of December 31, 2021, and September 30, 2023. The dotted lines represent the 10th and 90th percentiles of the forecasted distribution. A hypothetical investor who had a lump sum invested in a bond portfolio similar to the Bloomberg U.S. Aggregate Bond Index at the end of 2021 would have had steep declines in 2022. But according to our model, that portfolio would "break even" in early 2030 (where the solid lines intersect) with a hypothetical portfolio in a world where interest rates remained low and bond prices didn't suffer steep declines. Investing new money would mean arriving at that breakeven point earlier.

Sources: Vanguard calculations, based on data from Bloomberg, as of September 30, 2023.

IMPORTANT: The projections and other information generated by the VCMM regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. Distribution of return outcomes from the VCMM are derived from 10,000 simulations for each modeled asset class. Simulations as of December 31, 2021, and September 30, 2023. Results from the model may vary with each use and over time.

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About the Vanguard Capital Markets Model

IMPORTANT: The projections and other information generated by the Vanguard Capital Markets Model regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. VCMM results will vary with each use and over time.

The VCMM projections are based on a statistical analysis of historical data. Future returns may behave differently from the historical patterns captured in the VCMM. More important, the VCMM may be underestimating extreme negative scenarios unobserved in the historical period on which the model estimation is based.

The VCMM is a proprietary financial simulation tool developed and maintained by Vanguard's Investment Strategy Group. The model forecasts distributions of future returns for a wide array of broad asset classes. Those asset classes include U.S. and international equity markets, several maturities of the U.S. Treasury and corporate fixed income markets, international fixed income markets, U.S. money markets, commodities, and certain alternative investment strategies. The theoretical and empirical foundation for the Vanguard Capital Markets Model is that the returns of various asset classes reflect the compensation investors require for bearing different types of systematic risk (beta). At the core of the model are estimates of the dynamic statistical relationship between risk factors and asset returns, obtained from statistical analysis based on available monthly financial and economic data. Using a system of estimated equations, the model then applies a Monte Carlo simulation method to project the estimated interrelationships among risk factors and asset classes as well as uncertainty and randomness over time. The model generates a large set of simulated outcomes for each asset class over several time horizons. Forecasts are obtained by computing measures of central tendency in these simulations. Results produced by the tool will vary with each use and over time.

The primary value of the VCMM is in its application to analyzing potential client portfolios. VCMM asset-class forecasts—comprising distributions of expected returns, volatilities, and correlations—are key to the evaluation of potential downside risks, various risk–return trade-offs, and the diversification benefits of various asset classes. Although central tendencies are generated in any return distribution, Vanguard stresses that focusing on the full range of potential outcomes for the assets considered, such as the data presented in this paper, is the most effective way to use VCMM output.

The VCMM seeks to represent the uncertainty in the forecast by generating a wide range of potential outcomes. It is important to recognize that the VCMM does not impose "normality" on the return distributions, but rather is influenced by the so-called fat tails and skewness in the empirical distribution of modeled asset-class returns. Within the range of outcomes, individual experiences can be quite different, underscoring the varied nature of potential future paths. Indeed, this is a key reason why we approach asset-return outlooks in a distributional framework.

Indexes for VCMM simulations

The long-term returns of our hypothetical portfolios are based on data for the appropriate market indexes through September 30, 2023. We chose these benchmarks to provide the most complete history possible, and we apportioned the global allocations to align with Vanguard's guidance in constructing diversified portfolios. Asset classes and their representative forecast indexes are as follows:
U.S. equities: MSCI US Broad Market Index.
Global ex-U.S. equities: MSCI All Country World ex USA Index.
Global ex-U.S. developed market equities: MSCI World ex USA Index.
Emerging markets equities: MSCI Emerging Markets Index.
U.S. REITs: FTSE/NAREIT US Real Estate Index.
U.S. Treasury bonds: Bloomberg U.S. Treasury Index.
U.S. short-term Treasury bonds: Bloomberg U.S. 1–5 Year Treasury Bond Index.
U.S. intermediate-term Treasury bonds: Bloomberg U.S. 5–10 Year Treasury Bond Index.
U.S. long-term Treasury bonds: Bloomberg U.S. Long Treasury Bond Index.
U.S. intermediate credit bonds: Bloomberg U.S. Credit Bond Index.
U.S. high-yield corporate bonds: Bloomberg U.S. High Yield Corporate Bond Index.
U.S. bonds: Bloomberg U.S. Aggregate Bond Index.
Global ex-U.S. bonds: Bloomberg Global Aggregate ex-USD Index USD Hedged.
U.S. TIPS: Bloomberg U.S. Treasury Inflation Protected Securities Index.
Emerging-market sovereign bonds: Bloomberg Emerging Markets USD Sovereign Bond Index—10% Country Capped.
Mortgage-backed securities (MBS): Bloomberg U.S. Mortgage Backed Securities Index.

All equity indexes below are weighted by market capitalization:
Small-cap equities: Stocks with a market cap in the lowest two-thirds of the Russell 3000 Index.
Large-cap equities: Stocks with a market cap in the highest one-third of the Russell 1000 Index.
Growth equities: Stocks with a price/book ratio in the highest one-third of the Russell 1000 Index.
Value equities: Stocks with a price/book ratio in the lowest one-third of the Russell 1000 Index.

Notes on risk

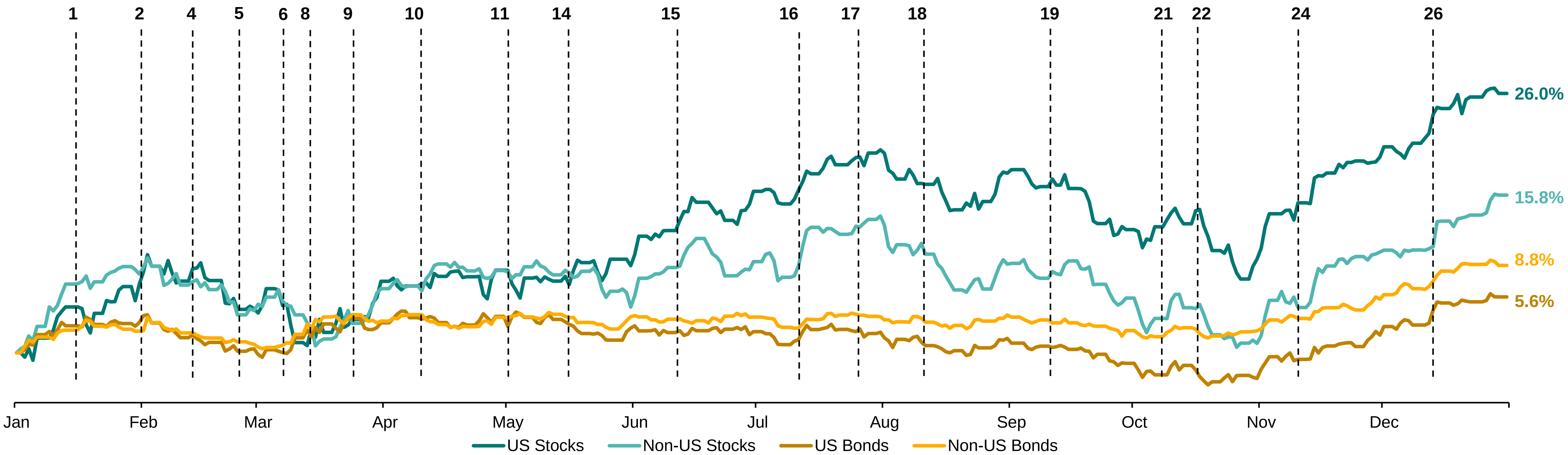
All investing is subject to risk, including the possible loss of the money you invest. Past performance is no guarantee of future returns. Diversification does not ensure a profit or protect against a loss. There is no guarantee that any particular asset allocation or mix of funds will meet your investment objectives or provide you with a given level of income. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

U.S. government backing of Treasury or agency securities applies only to the underlying securities and does not prevent price fluctuations. Unlike stocks and bonds, U.S. Treasury bills are guaranteed as to the timely payment of principal and interest. Investments that concentrate on a relatively narrow market sector face the risk of higher price volatility. Investments in stocks and bonds issued by non-U.S. companies are subject to risks including country/regional risk and currency risk. These risks are especially high in emerging markets.

Bond funds are subject to the risk that an issuer will fail to make payments on time, and that bond prices will decline because of rising interest rates or negative perceptions of an issuer's ability to make payments. High-yield bonds generally have medium- and lower-range credit quality ratings and are therefore subject to a higher level of credit risk than bonds with higher credit quality ratings. Although the income from U.S. Treasury obligations held in the fund is subject to federal income tax, some or all of that income may be exempt from state and local taxes.

2023 year in review

2023 Performance and notable events

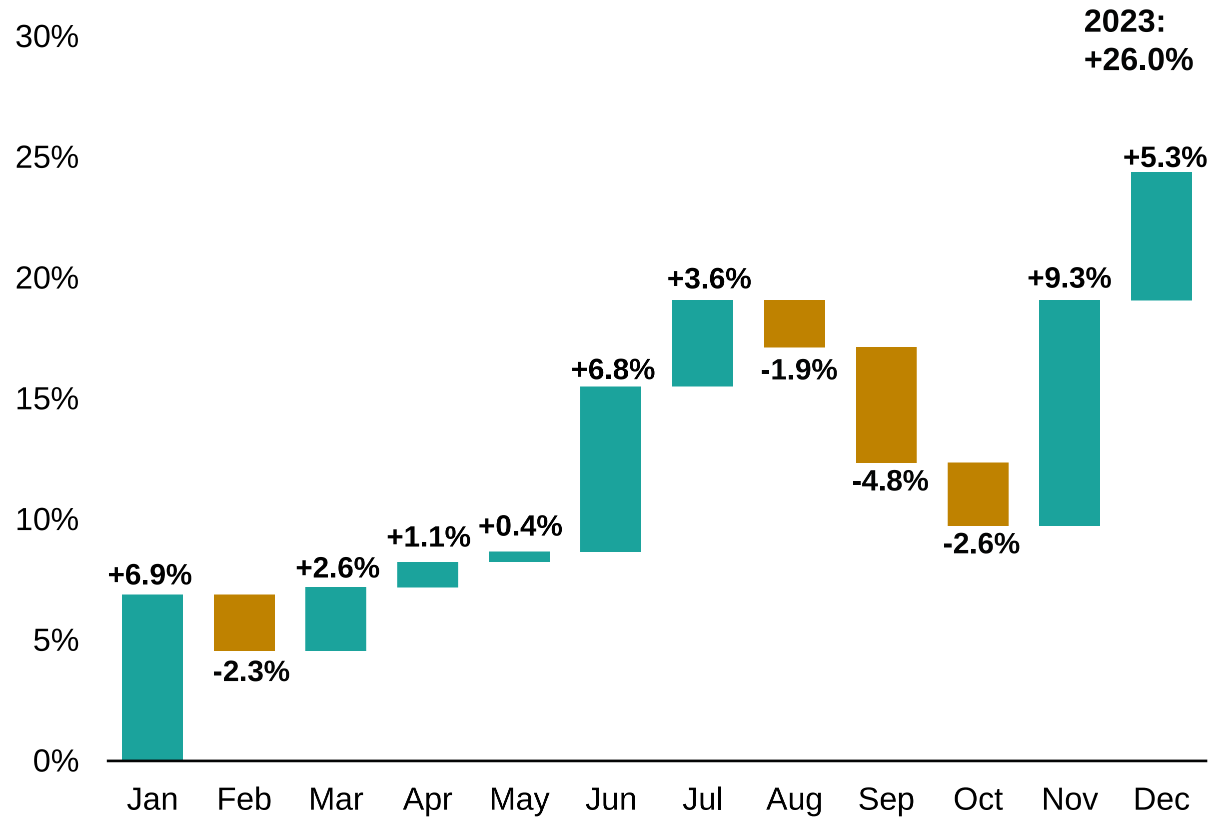


1) December inflation announced 6.4% (1/12)
2) Fed raises rate by 25 bps (2/1)
3) Spy Balloons Over the U.S. (2/3)
4) January inflation announced 6.0% (2/14)
5) 1-Year Anniversary of Russia-Ukraine War (2/24)
6) Silicon Valley Bank Failure (3/10)
7) Signature Bank Failure (3/12)
8) ChatGPT-4 is launched by OpenAI & February inflation announced 5.0% (3/14)
9) Fed raises rate by 25 bps (3/22)
10) March inflation announced 4.9% (4/12)
11) First Republic Bank Failure (5/1)
12) Writer's Strike Begins (5/2)
13) Fed raises rate by 25 bps (5/3)
14) April inflation announced 4.0% (5/10)
15) May inflation announced 3.0% (6/13)
16) July inflation announced 3.2% (7/12)
17) Fed raises rate by 25 bps (7/26)
18) July inflation announced 3.7% (8/10)
19) August inflation announced 3.7% (9/13)
20) UAW Strike Begins (9/15)
21) U.S. Federal Government averts shutdown (9/30)
22) Hamas attack on Israel (10/7)
23) September inflation announced 3.2% (10/12)
24) October inflation announced 3.2% (11/14)
25) U.S. Federal Government averts shutdown (11/16)
26) November inflation announced 3.1% (12/12)
27) Fed held rates steady and signaled cuts in 2024 (12/13)

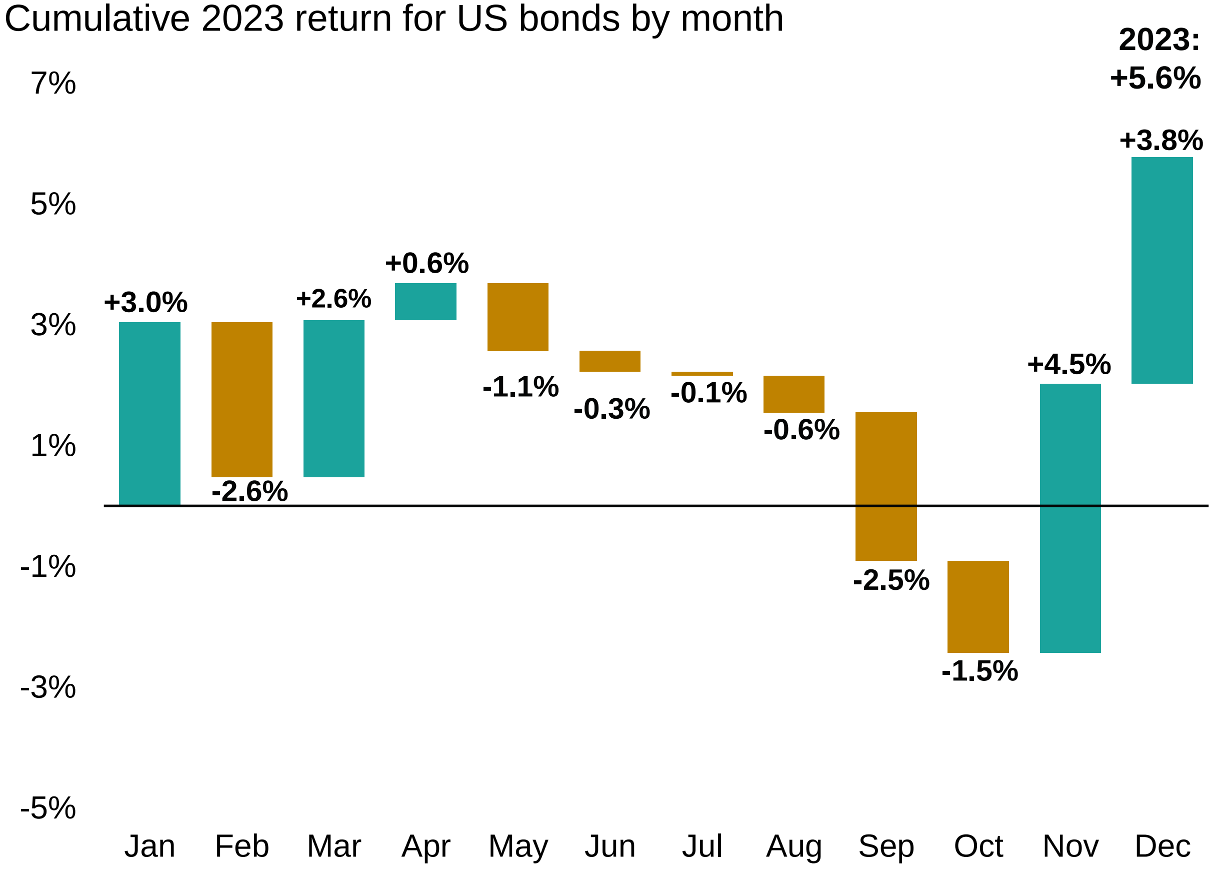
Past performance is no guarantee of future returns. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.
Source: Vanguard. Data based on daily returns from 12/31/2022 - 12/31/2023. 2023 Total Returns in parentheses. Note: Inflation represent the 12-month percentage change to the Headline Consumer Price Index (CPI) as reported by the U.S. Bureau of Labor Statistics. US Stocks (CRSP US Total Market), Non-US Stocks (FTSE Global All-Cap ex-US), US Bonds (Barclays US Aggregate Float-adjusted Bond Index), Non-US Bonds (Bloomberg Global Aggregate ex-USD Float Adjusted RIC Cap Hedged).

Roller coaster of a year ending with an incredible rally during the fourth quarter

Cumulative 2023 return for US stocks by month



Cumulative 2023 return for US bonds by month



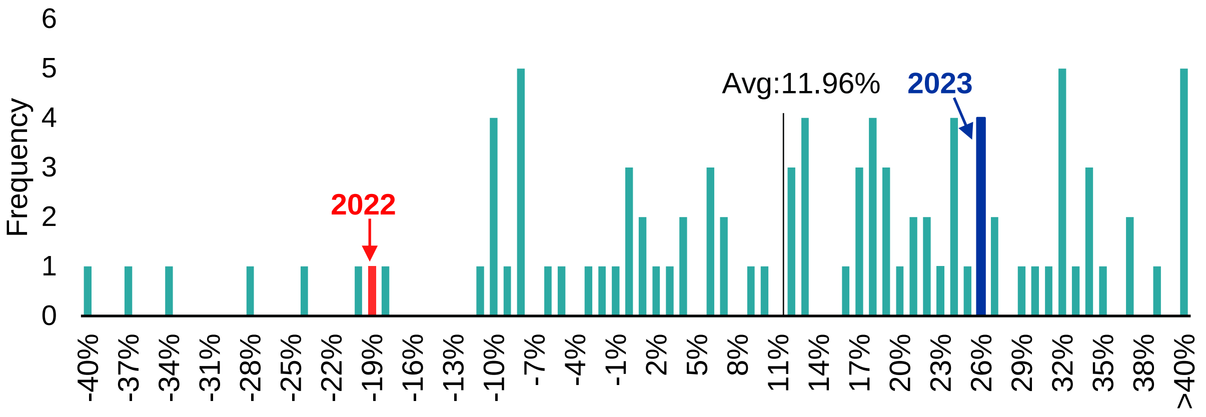
The performance data shown represent past performance, which is not a guarantee of future results. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

Source: Vanguard.

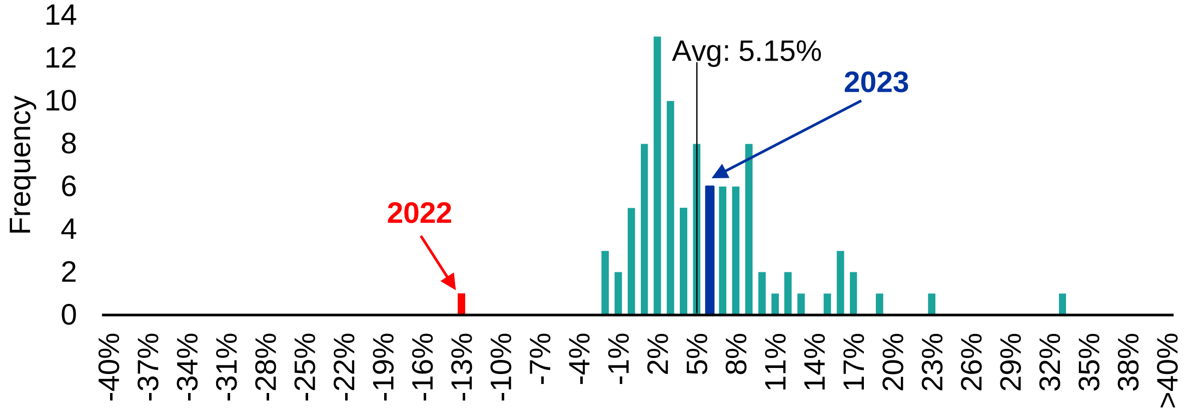
Note: Cumulative performance, by month, from January 1st through December 31, 2023 for stocks and bonds. Stocks: CRSP US Total Market Index, Bonds: Bloomberg U.S. Aggregate Bond Float Adjusted Index.

In 2023, the markets put 2022's challenges in the rear-view mirror

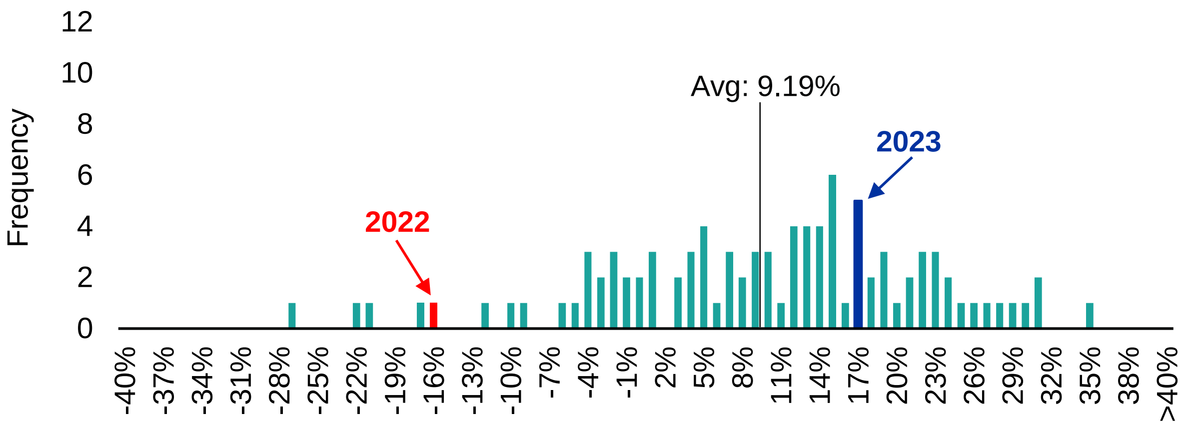
a.) Distribution of annual **stock** performance (1928-2023)



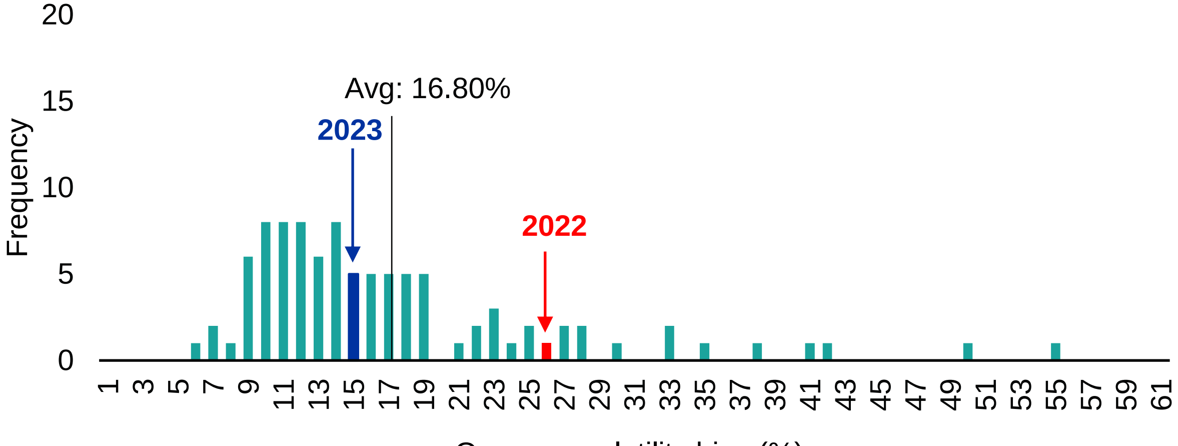
b.) Distribution of annual **bond** performance (1928-2023)



c.) Distribution of annual **60-40** performance (1928-2023)



d.) Distribution calendar year **stock volatility** (1928-2023)



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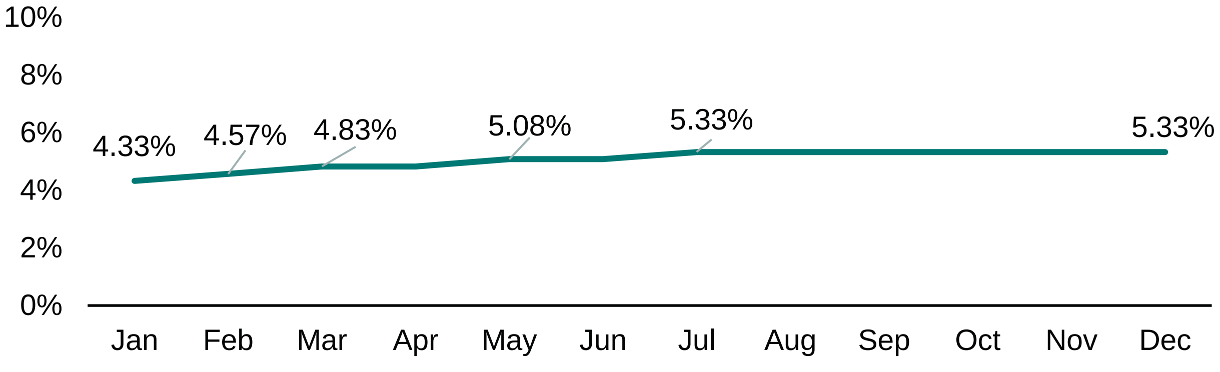
Notes: Figures a. through c. show the cumulative performance from January through December each calendar year going back to 1928. Figure d. shows the annualized volatility for the year.

Sources: Figures a.-c.: Stocks: S&P 90 Index from 1928 through 3/3/1957; S&P 500 Index from 3/4/1957 through 1970; Wilshire 5000 from 1971 through April 22, 2005; MSCI US Broad Market Index through June 2, 2013; CRSP US Total Market Index thereafter. Bonds: IA SBBI U.S. Intermediate-Term Government Bond Index through 1972; Bloomberg U.S. Government/Credit Intermediate-Term Index from 1973 through 1975; Bloomberg U.S. Aggregate Bond Index thereafter. 60-40: Simulated portfolio with 60% allocated to stocks and 40% allocated to bonds. Figure d.: S&P 500 from 1928 through December 31, 2023.

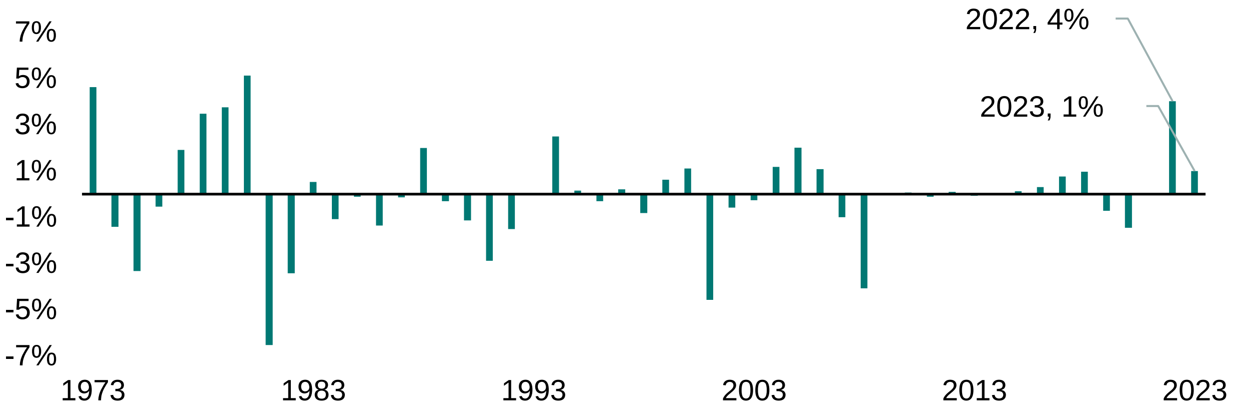
The Fed has likely reached the peak of the rate hiking cycle

The Fed increased its policy rate four times in 2023 – each time by a quarter percent



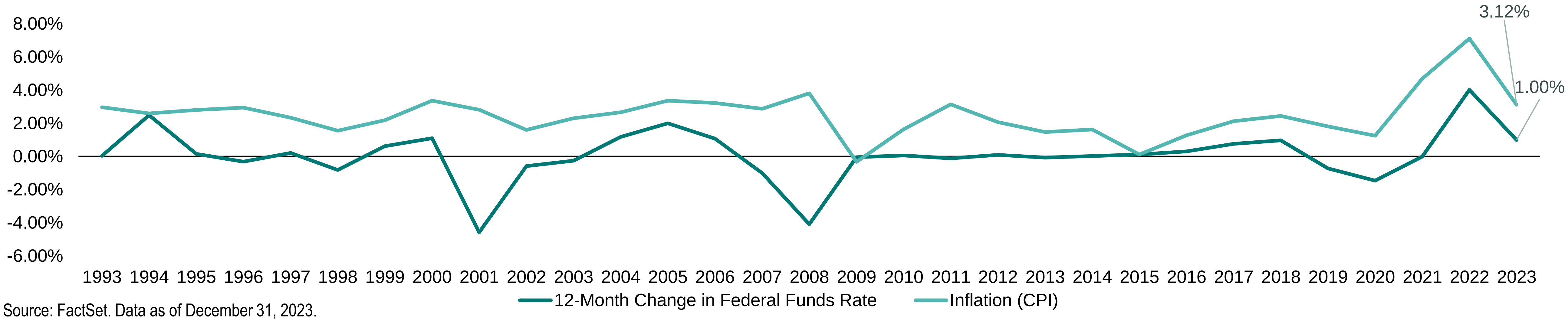
Source: FactSet

The 12-month Federal Funds cumulative rate increase was less abrupt than the historic rate hikes in 2022



Source: FactSet

As inflation decelerated, the Fed responded with a more cautious approach to restrictive policy



Source: FactSet. Data as of December 31, 2023.

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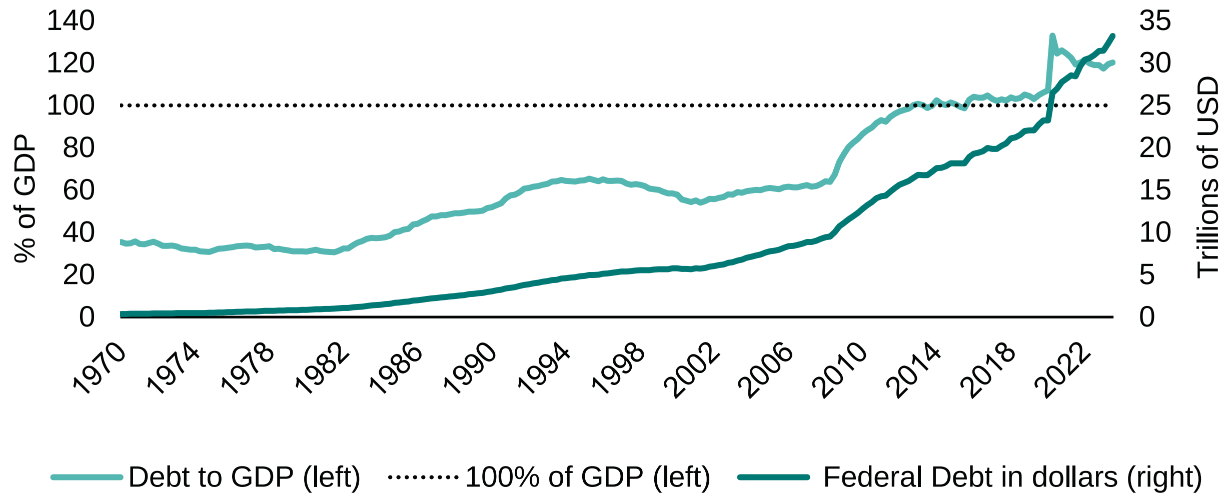
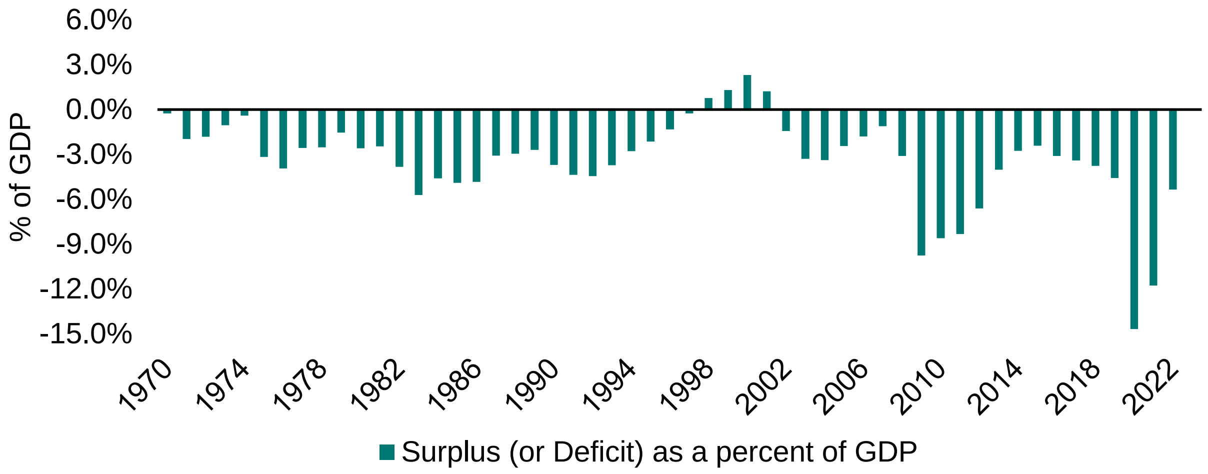
Interest Costs and the US National Debt

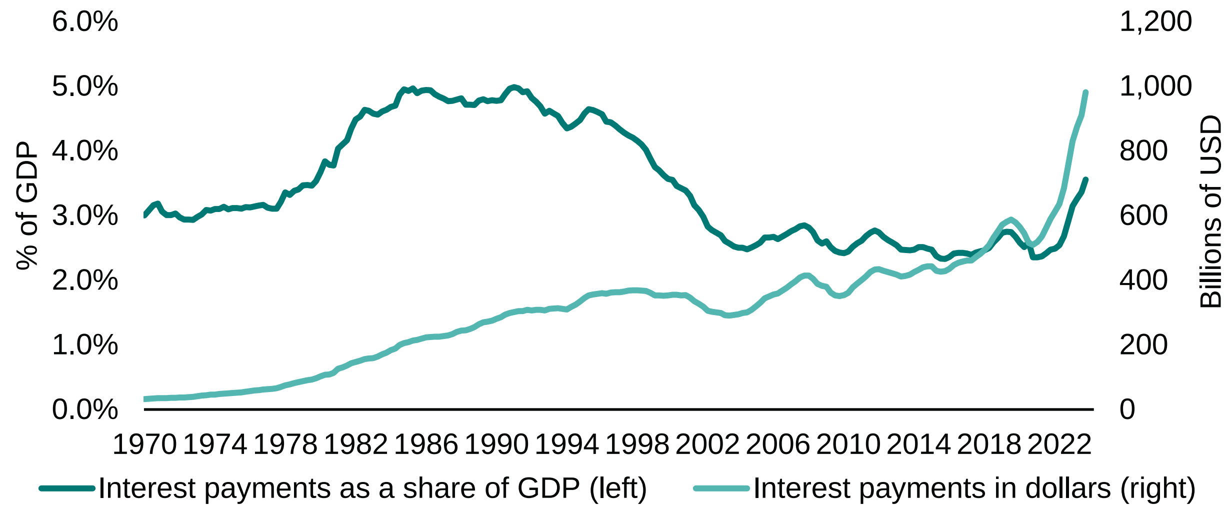
Federal debt continues to rise both in nominal terms and as a share of GDP



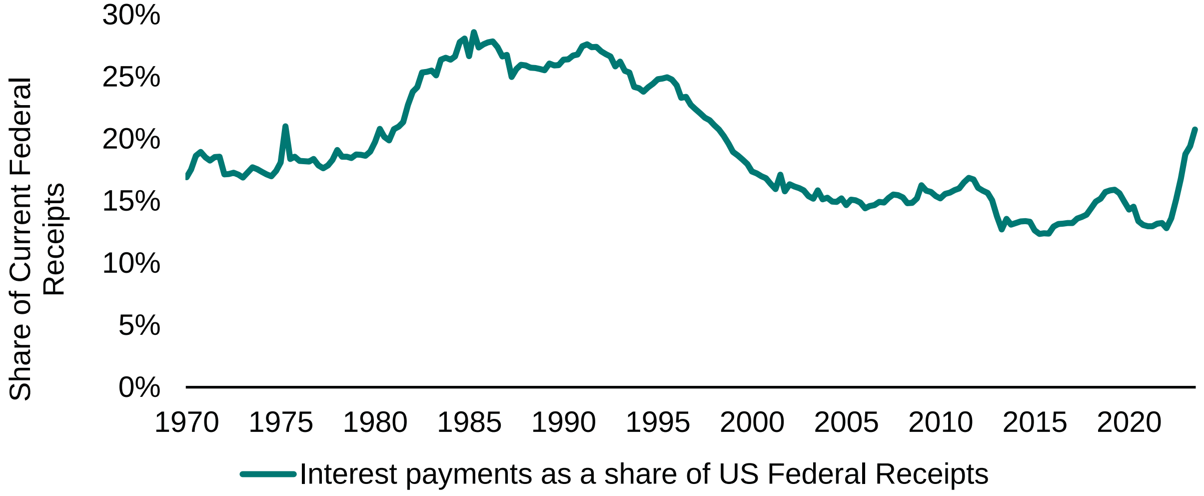
The federal government continues to rely on borrowing to finance government spending



Due to higher refinancing costs, interest payments on the debt are growing



Recent interest payments represent a higher share of what the government is taking in

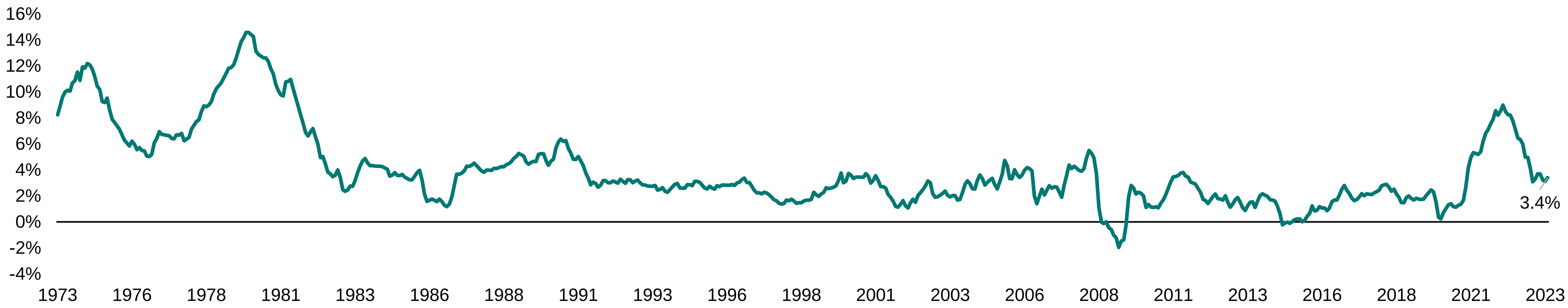


Sources: Vanguard calculations, based on data from the Federal Reserve Bank of St. Louis.

Notes: All charts use seasonally-adjusted quarterly data, with the exception of the surplus/deficit slide which depicts annual, not seasonally adjusted, data based on the Federal government's fiscal year-end of 9/30. Charts depict Q1 1970 through Q3 2023.

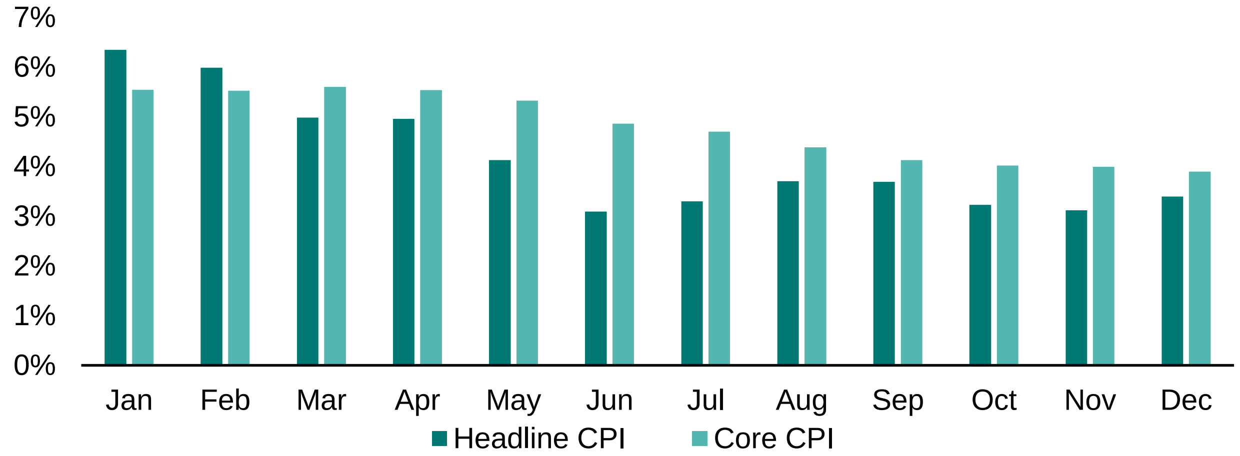
Inflation returned to more typical levels

Inflation continued to slow in 2023 as the Fed hiked rates



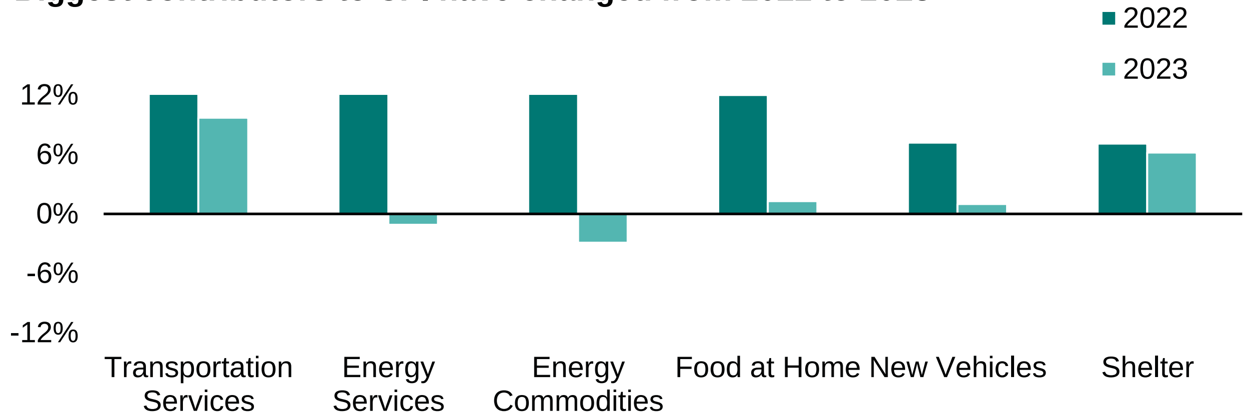
Source: FactSet. CPI data as of December 2023. Note: Inflation represents the 12-month percentage change to the Headline Consumer Price Index (CPI) as reported by the U.S. Bureau of Labor Statistics.

Both headline CPI and core CPI slowed but remain above target



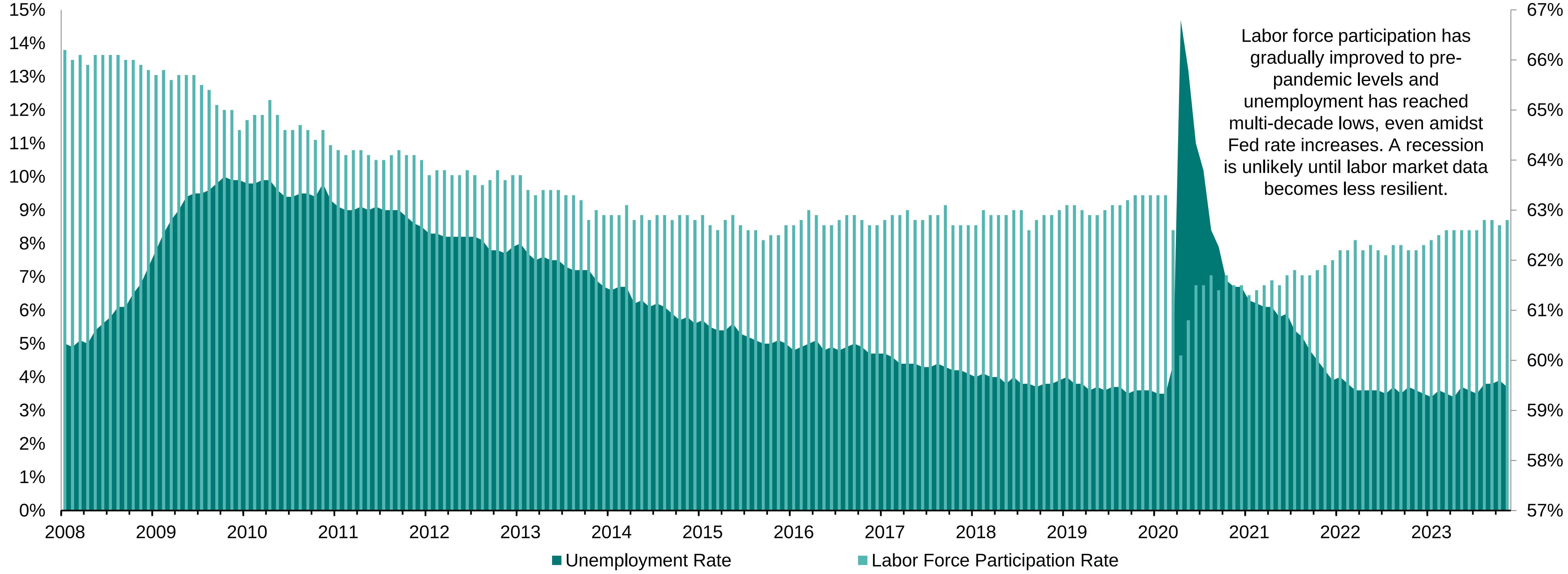
Source: Federal Reserve Bank of St. Louis. Data as of December 2023.

Biggest contributors to CPI have changed from 2022 to 2023



Source: Bureau of Labor Statistics as of 12/31/2023. 2022 represents December 2021 to December 2022 CPI; 2023 represents December 2022 through December 2023 CPI.
*CPI contributors are the 2nd level breakdown of CPI components, sorted from the highest of 2022 numbers.

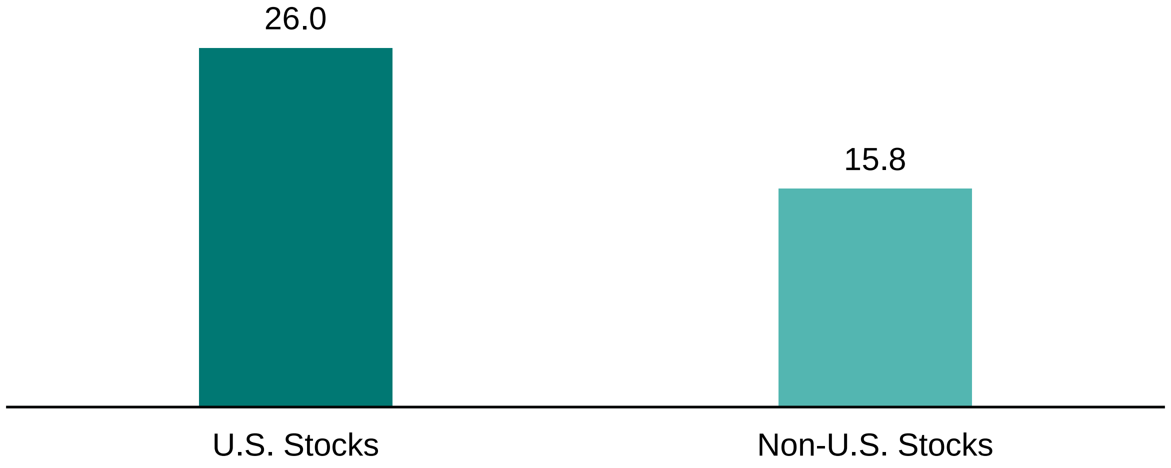
Relationship between Unemployment and Labor Force Participation Rates: January 2008 to November 2023



Source: St. Louis Fed (monthly and seasonally-adjusted data).

AI boom benefits IT sector and large cap/growth

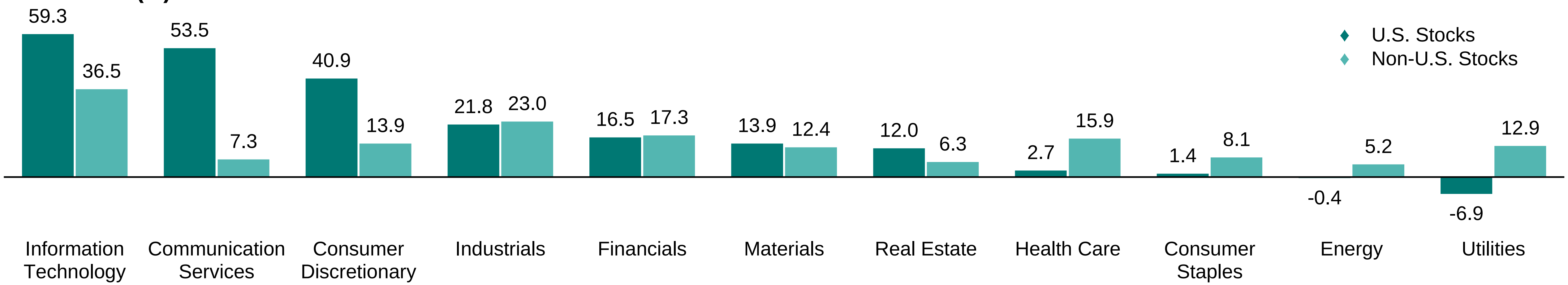
Broad market returns (%)



U.S. Size and style return (%)

	Value	Blend	Growth
Large Cap	9.2	27.3	46.9
Mid Cap	9.8	16.0	23.2
Small Cap	15.9	18.1	21.3

Sector returns (%)

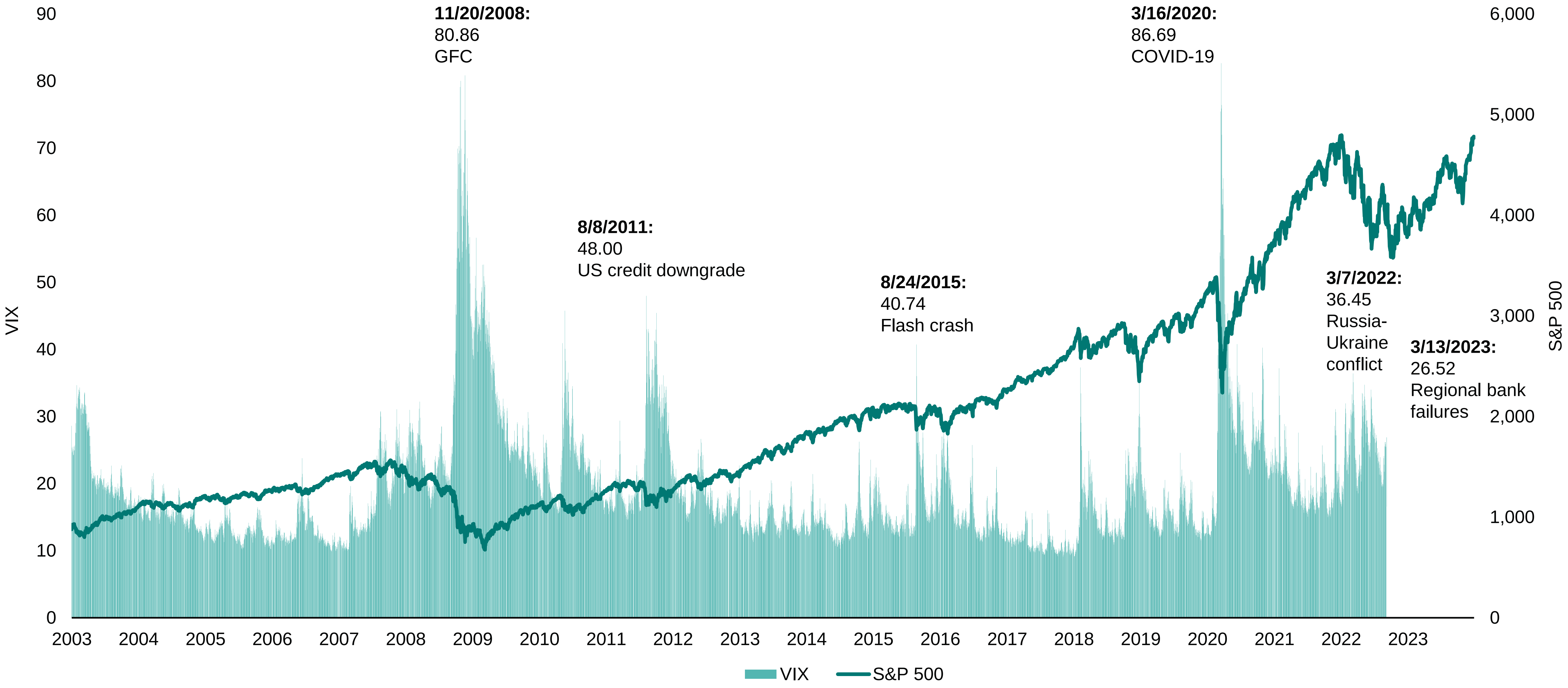


Past performance is no guarantee of future returns. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

Sources: FactSet and Vanguard. Data as of December 31, 2023.

US Stocks represented by CRSP US Total Market, Non-US stocks represented by FTSE Global All-Cap ex-US Index. Large-cap stocks represented by CRSP US Large Cap Value Index, CRSP Large Cap Index, and CRSP Large Cap Growth Index. Mid-cap stocks represented by CRSP US Mid Cap Index, CRSP US Mid Cap Value Index, and CRSP Mid Cap Growth Index. Small-cap stocks represented by CRSP US Small Cap Index, CRSP US Small Cap Growth Index, and CRSP US Small Cap Value Index.

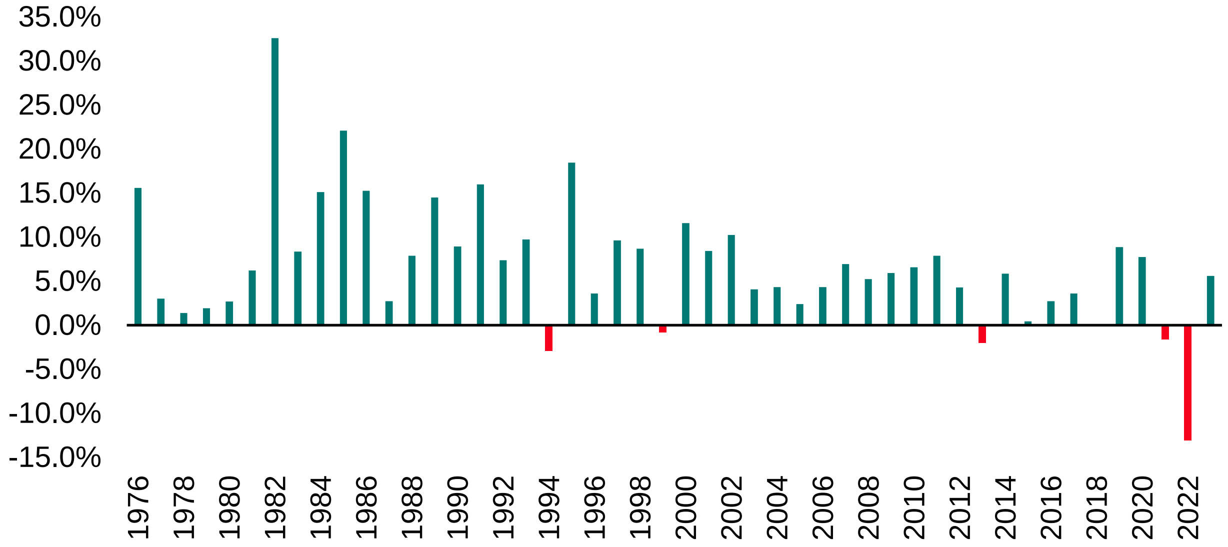
VIX near lows as S&P 500 returns near 2021 highs



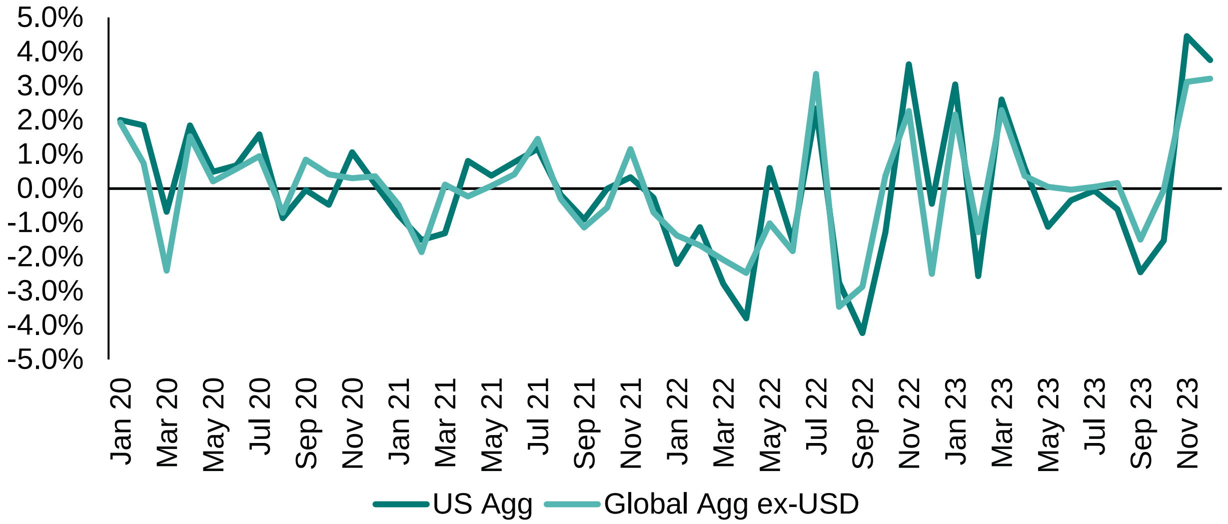
Past performance is no guarantee of future returns. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.
Source: FactSet. Daily data from 1/1/2003-12/31/2023 as of December 31,2023 Volatility as measured by the VIX.

2023 Fixed income performance

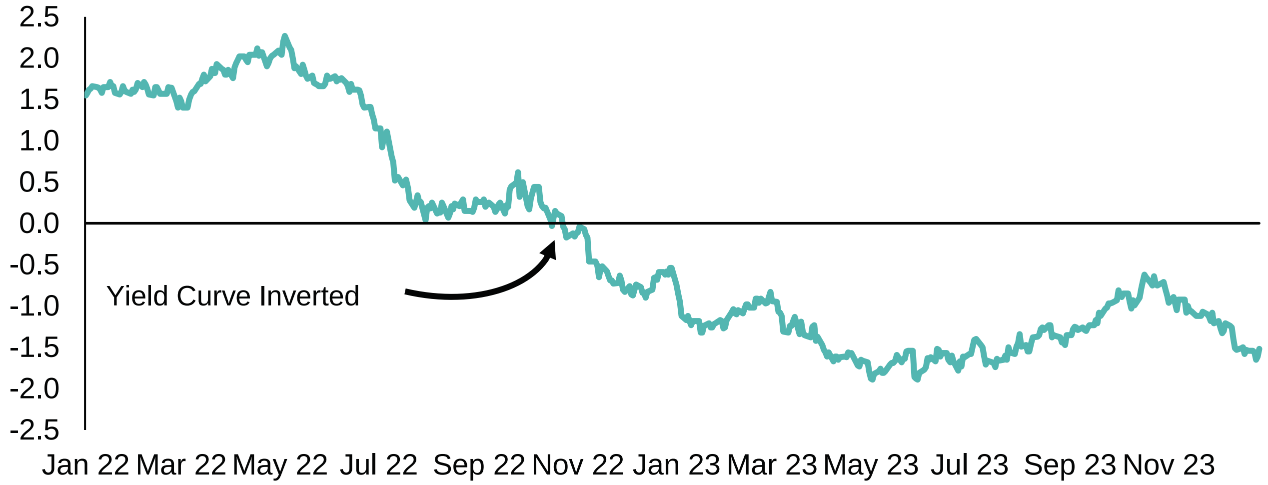
US fixed income returns drifted back well into positive territory in 2023



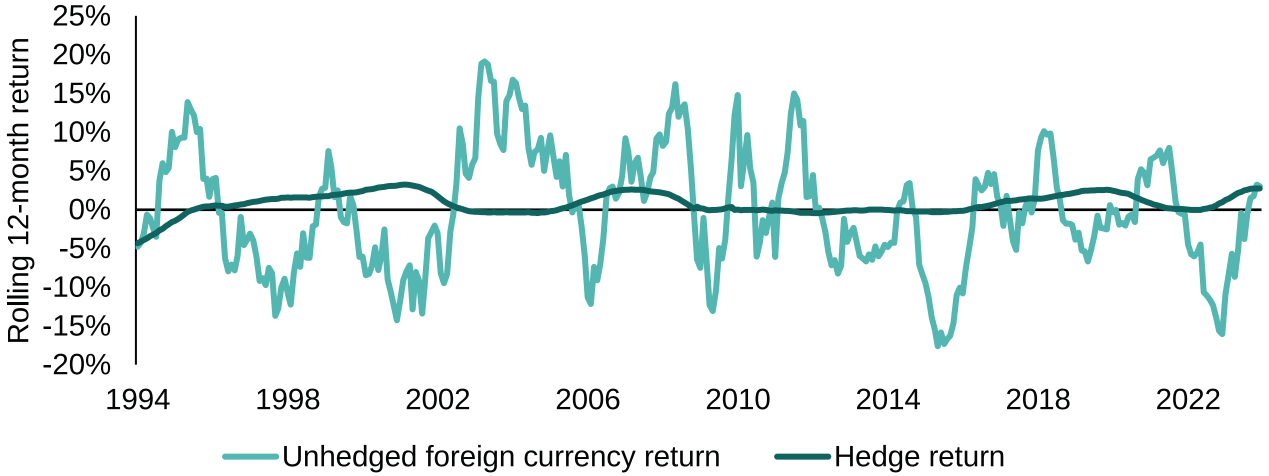
Broad fixed income monthly returns, 2020-2023



10-year/3-month Treasury spread negative since October 18th 2022



Currency return created significant downside volatility in unhedged portfolios 1994 - 2023



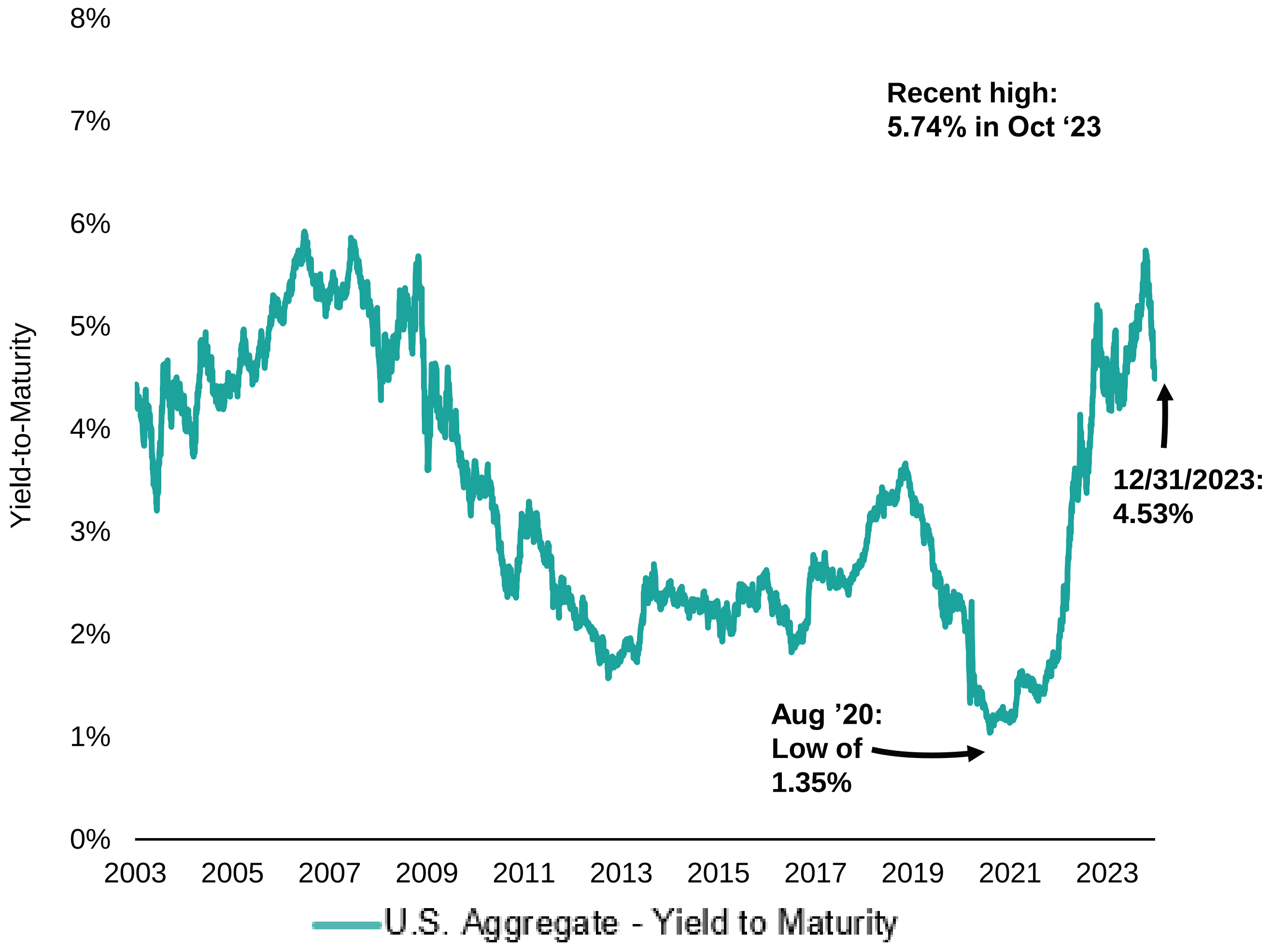
Past performance is no guarantee of future returns. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

Sources: Vanguard calculations, based on data from Barclays and Federal Reserve Bank of St. Louis

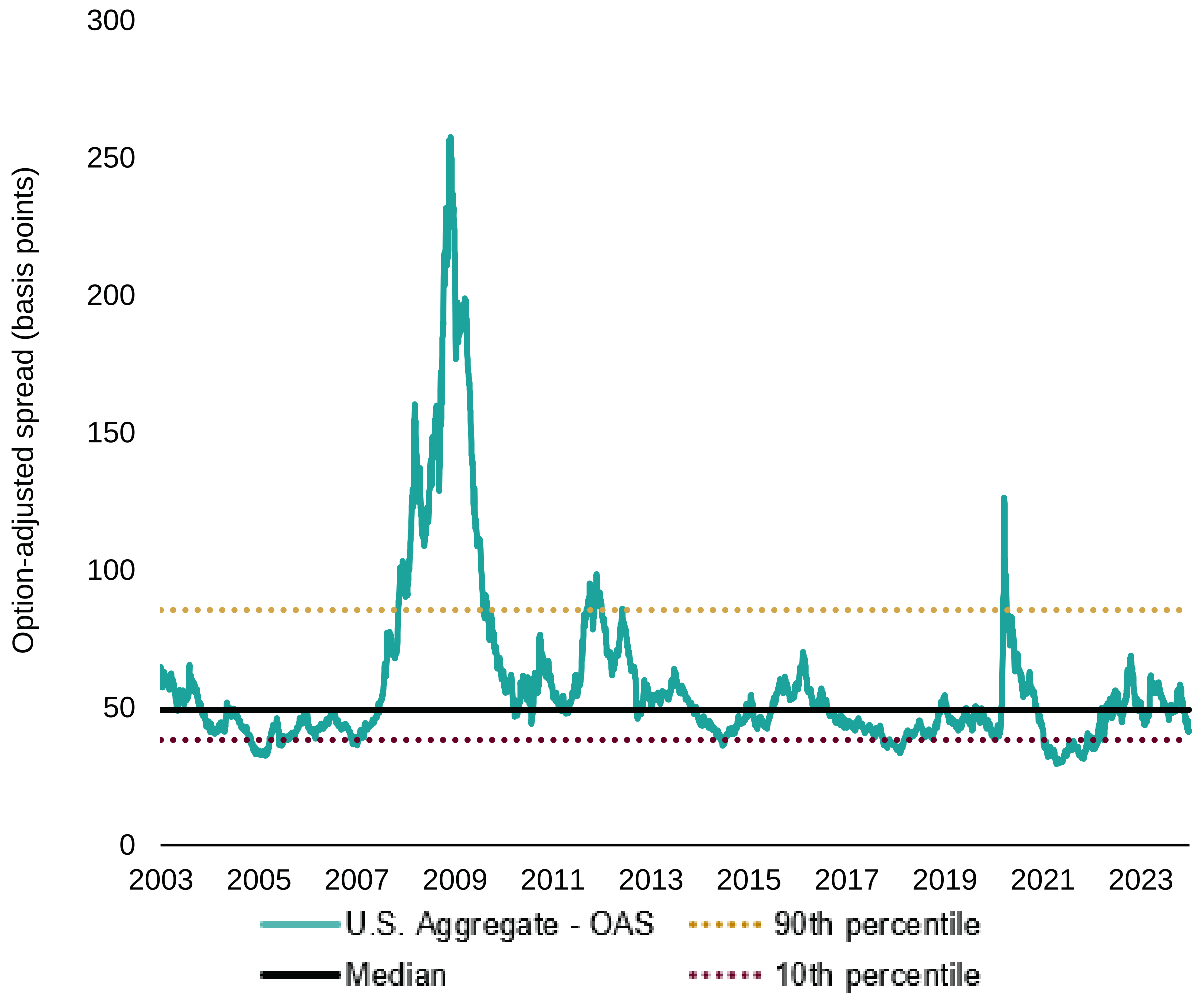
Notes: "Hedge return" is defined here as the currency return for the Barclays Global Aggregate ex-USD index, hedged to US dollars. "Unhedged foreign currency return" is defined here as the currency return for the Barclays Global Aggregate ex-USD index, unhedged, in US dollars.

Bond yields pull back in Q4, remain elevated from recent lows

Yield-to-maturity on U.S. Bloomberg Aggregate Index

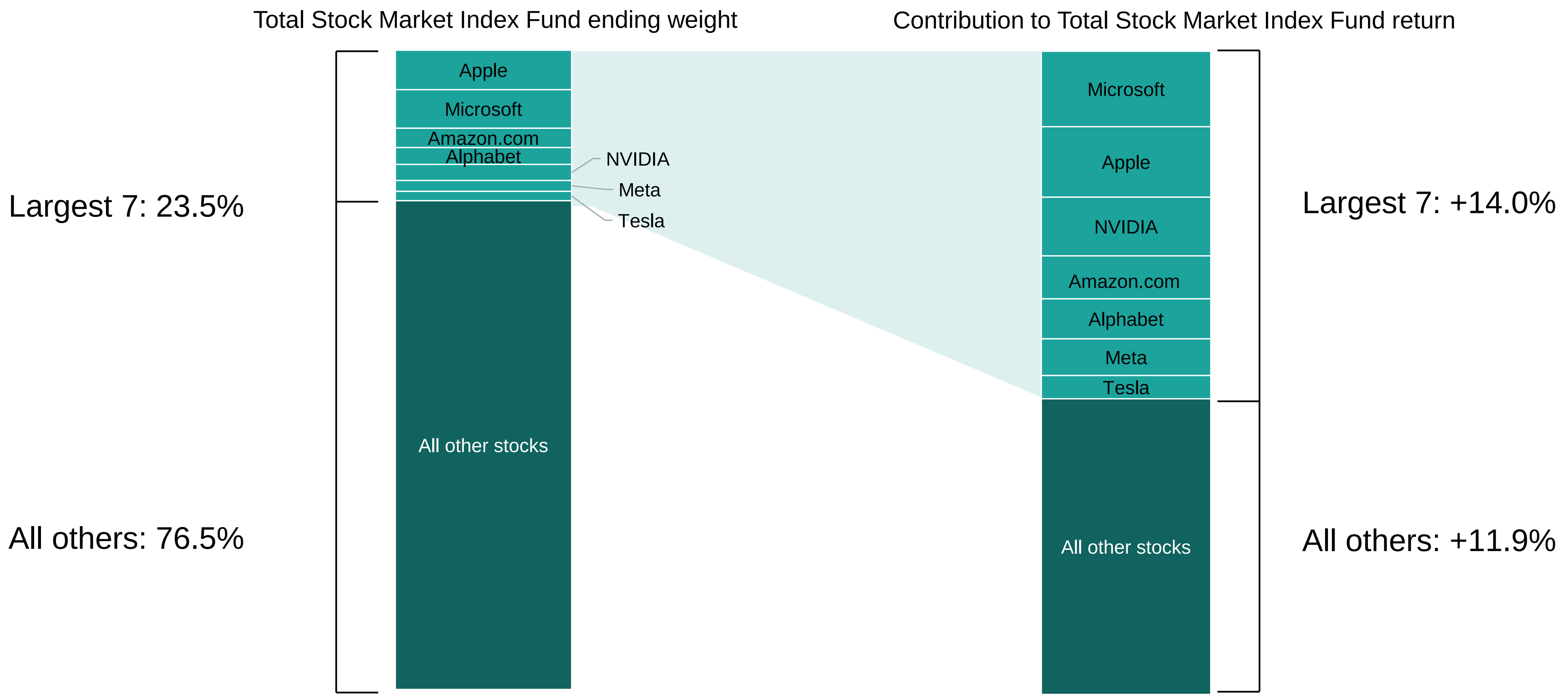


Credit spreads on U.S Bloomberg Aggregate Index



Past performance is no guarantee of future returns. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.
Source: Bloomberg. Charts show the Bloomberg U.S. Aggregate Bond Index from January 1, 2003, through December 31, 2023.

Magnificent seven contributes to 54% of the Total Stock Market Index Fund return in 2023

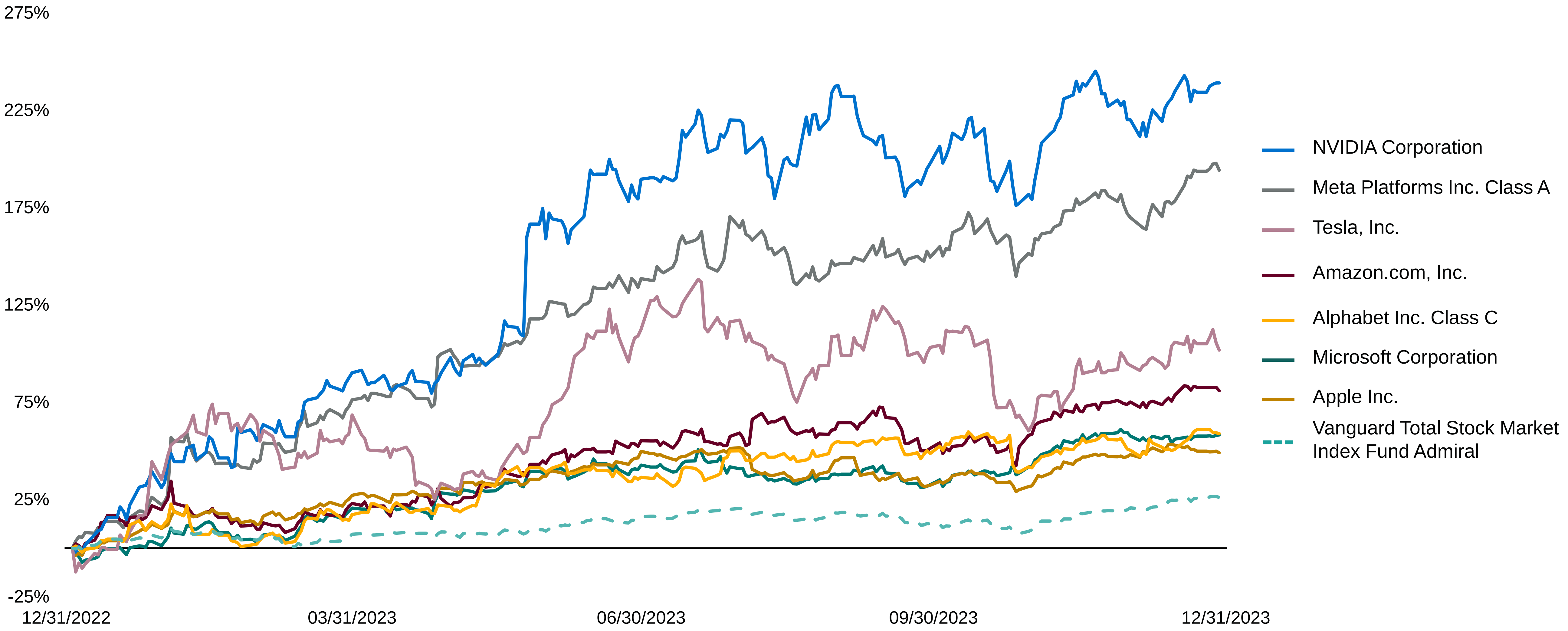


The performance data shown represent past performance, which is not a guarantee of future results.

Source: Factset as of 12/31/2023.

Note: Return data can be referenced in the appendix.

A.I. boom – 7 largest companies drive U.S stock market ahead

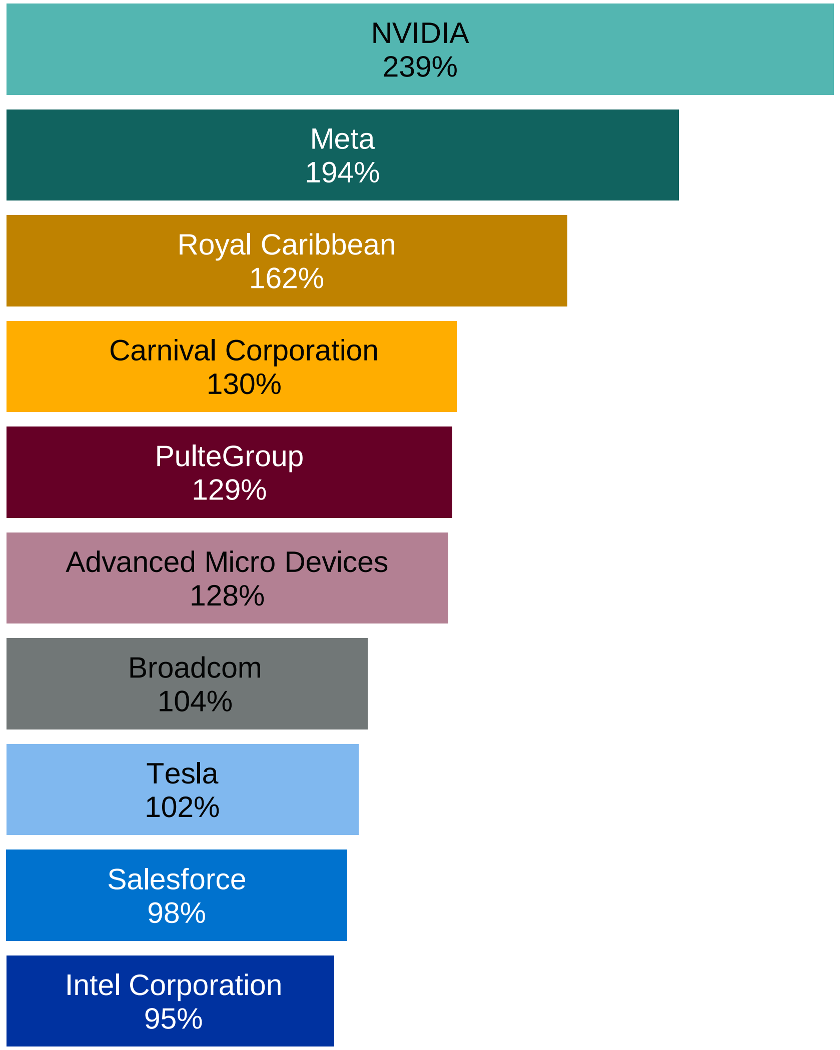


Source: Factset as of 12/31/2023.

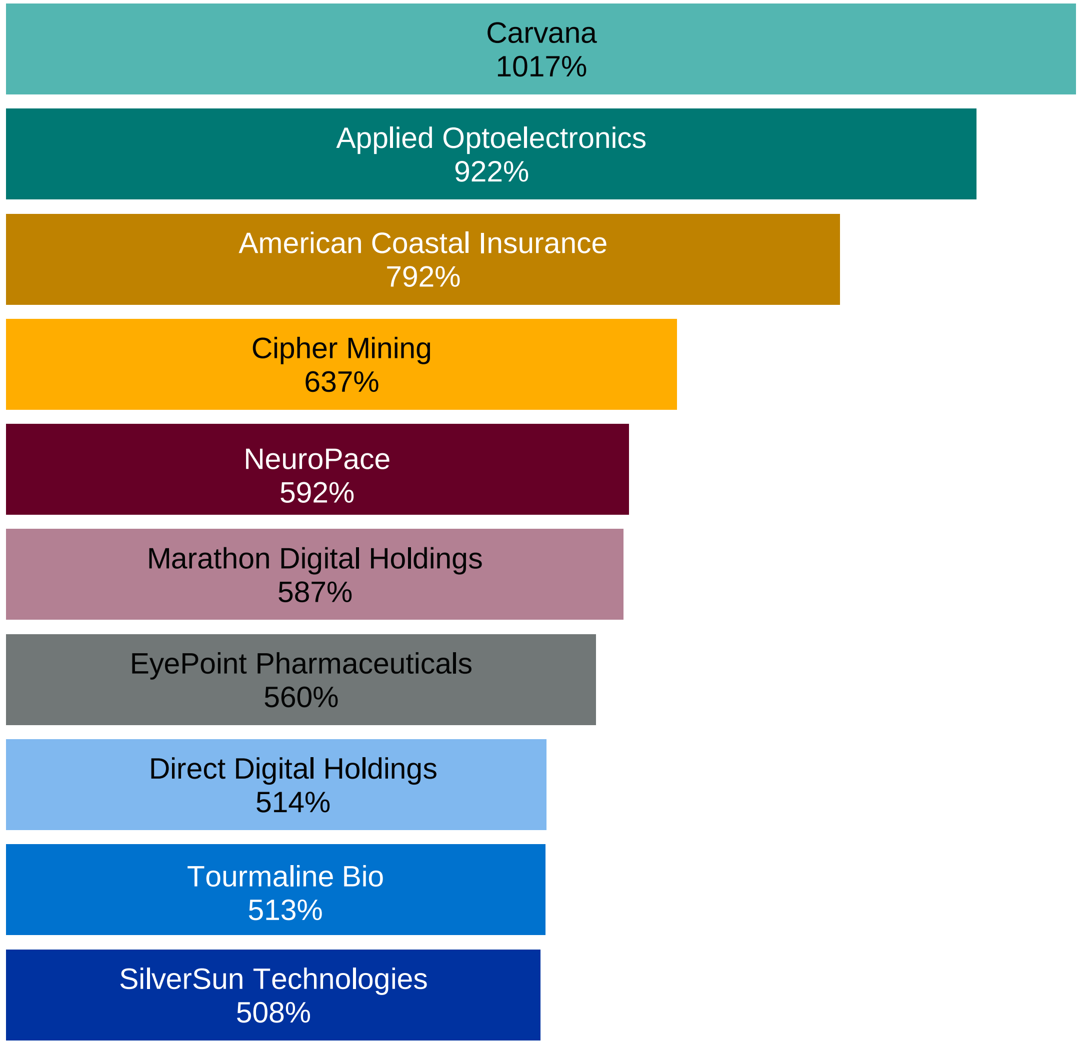
The performance data shown represent past performance, which is not a guarantee of future results. Investment returns and principal value will fluctuate, so investors' shares, when sold, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data cited. For performance data current to the most recent month-end, visit our website at www.vanguard.com/performance.

2023 Top 10 performers

S&P 500



Total Stock Market Index

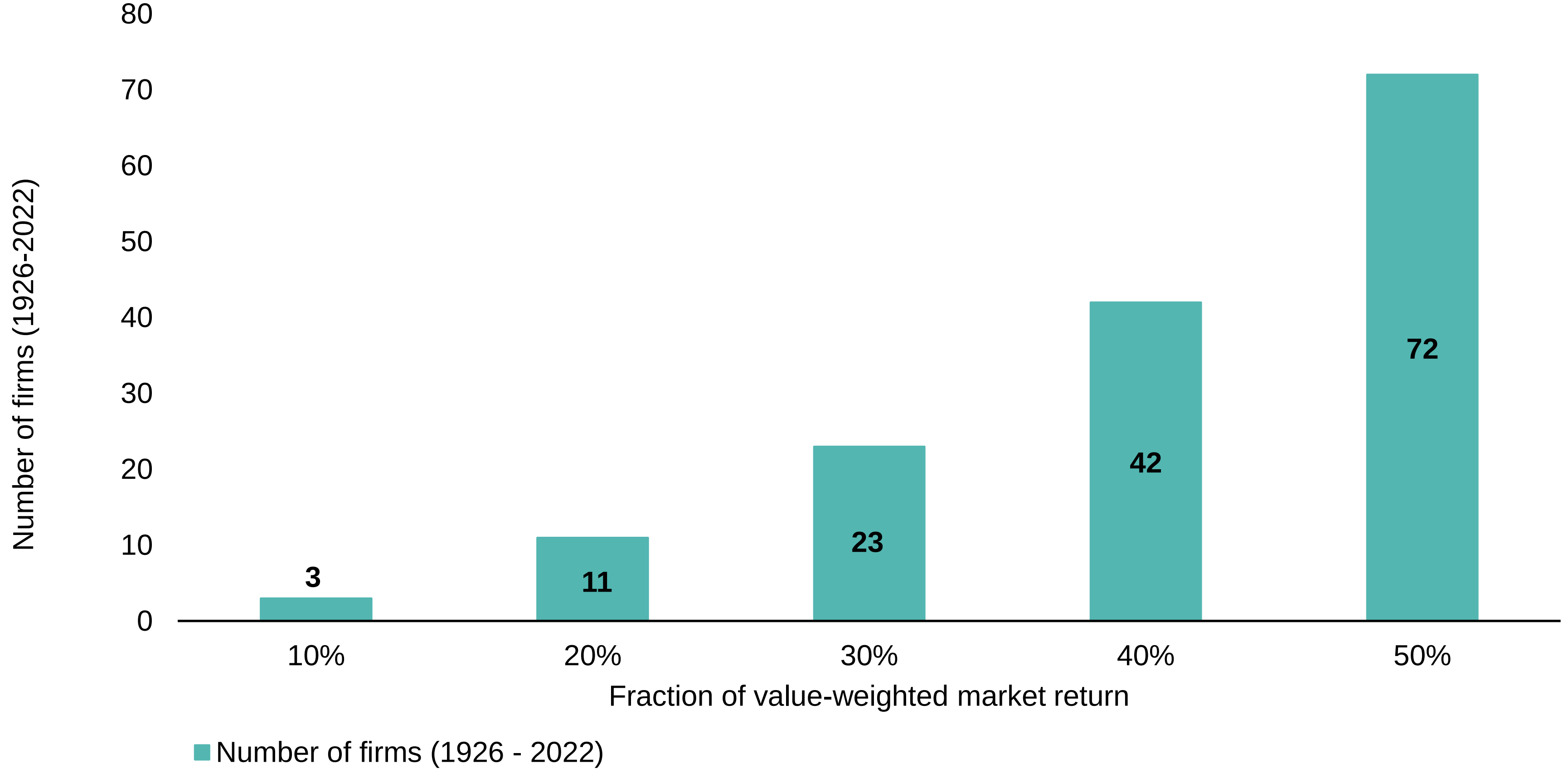


Source: Factset as of 12/31/2023.

The performance data shown represent past performance, which is not a guarantee of future results.

Equity concentration isn't new – a small percentage of U.S. stocks produced much of the market's historical returns

Number of firms that explain fractions of market returns (1926-2022)



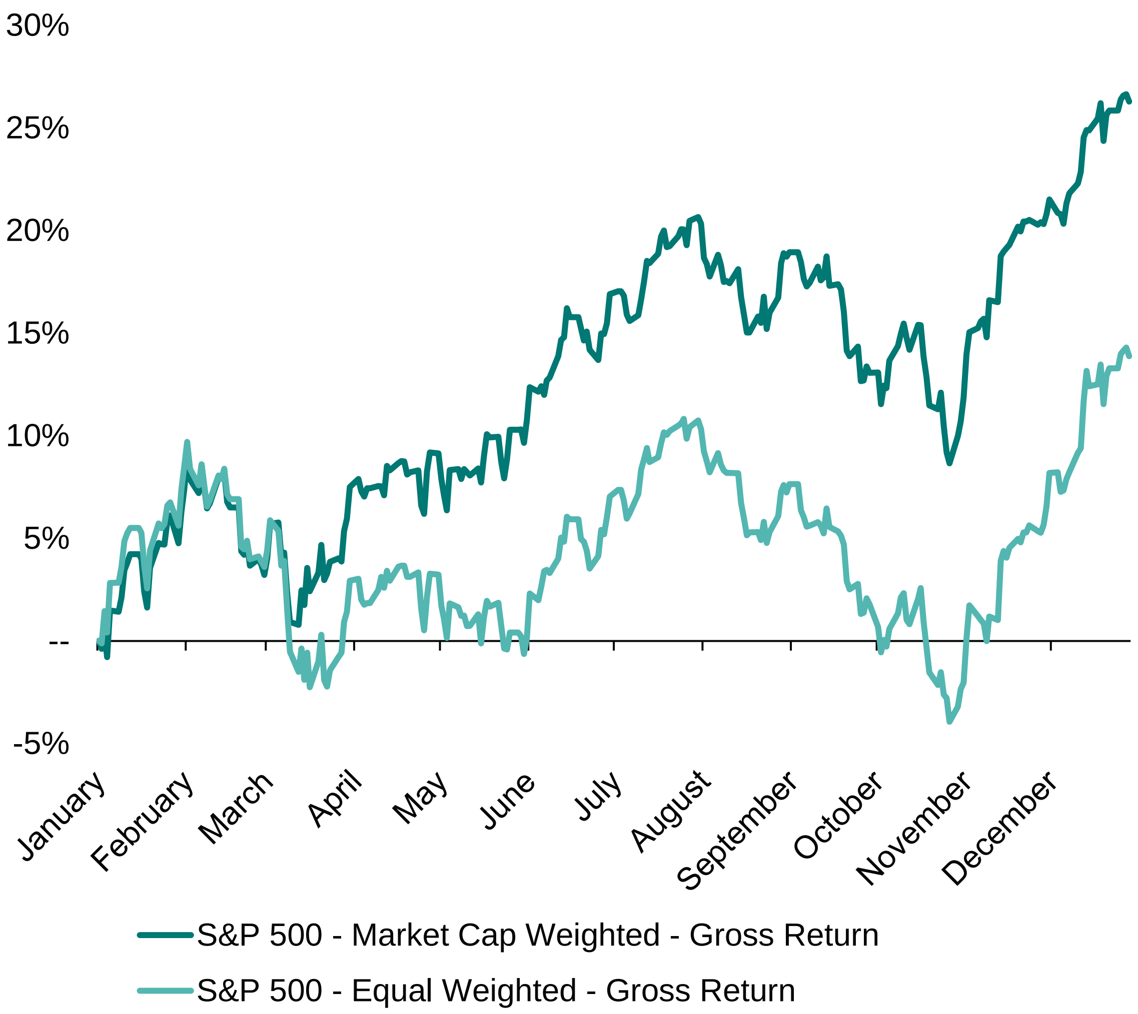
72 companies, out of the thousands of publicly traded companies, have accounted for half of the total returns.

Sources: Investment Advisory Research Center analysis using data from Shareholder Wealth Enhancement, Bessembinder (2023).
Francis M. Kinniry Jr, Ted Dinucci, Chris Tidmore, 2023. From downturn to upswing: Strong fourth-quarter returns in stocks and bonds. Valley, Forge, Pa.: The Vanguard Group.
Notes: Calculations based on total asset-weighted returns of individual U.S. publicly traded stocks as a percentage of total U.S. asset-weighted returns from all publicly traded U.S. stocks.

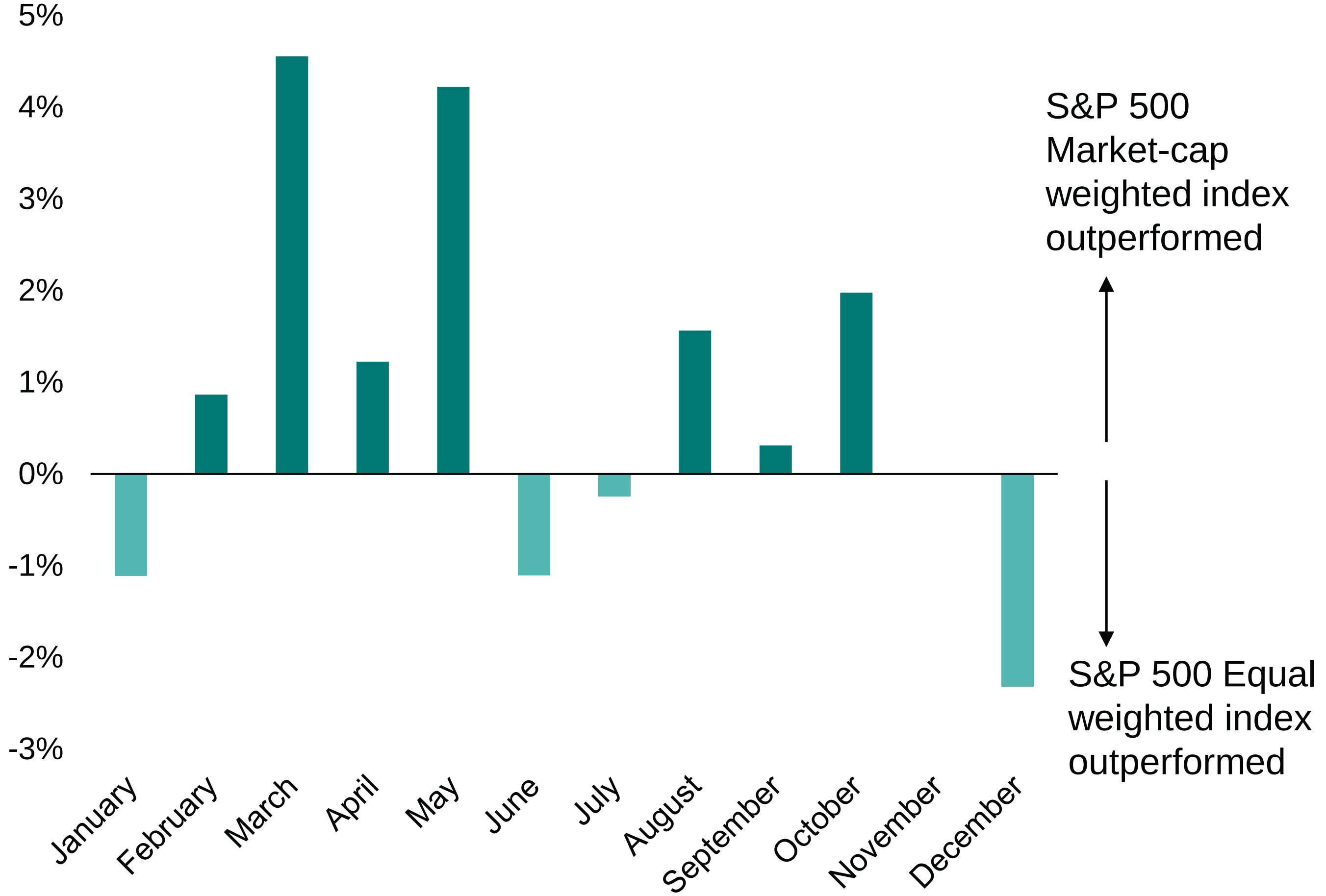
The performance data shown represent past performance, which is not a guarantee of future results.

Market breadth widens in Q4 – more stocks join the rally

S&P 500 market-cap weighted vs. equal weighted index performance



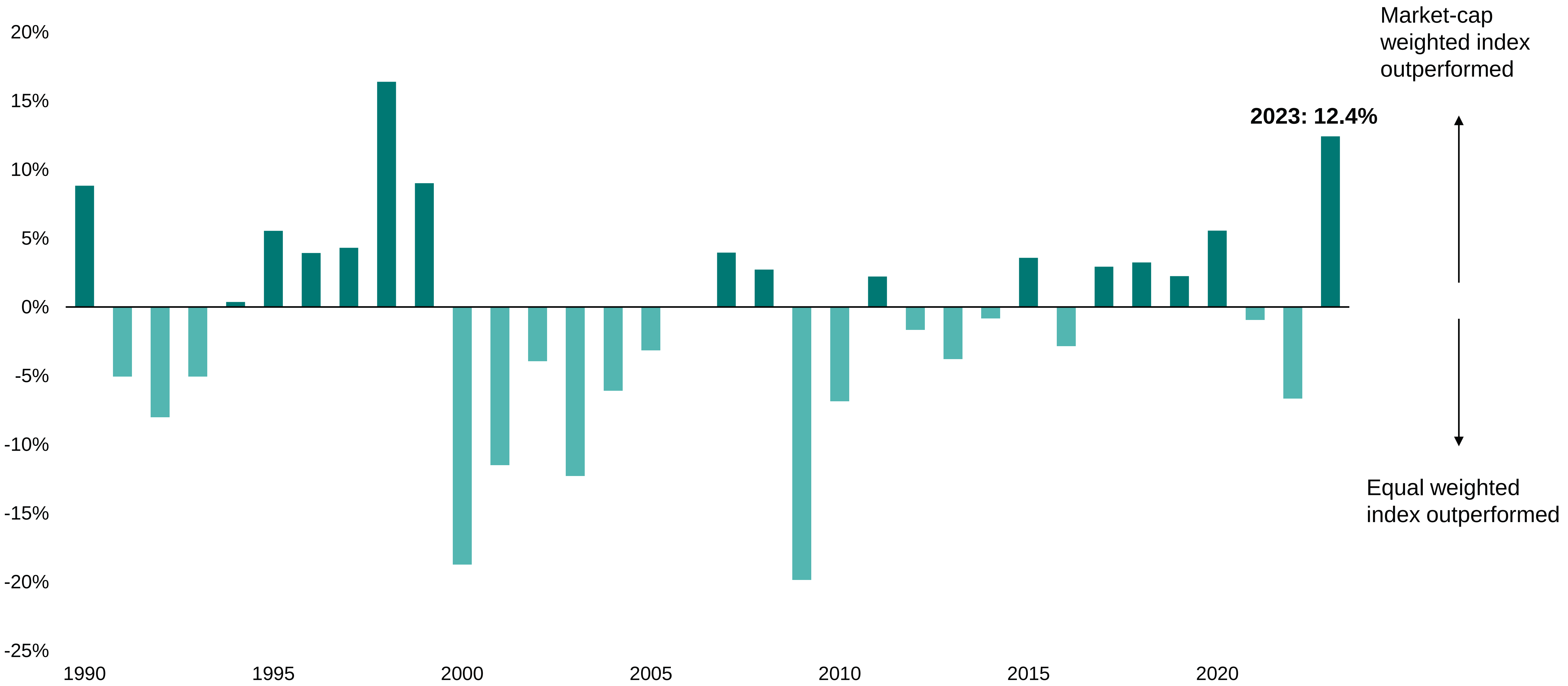
Monthly outperformance (%) S&P 500 market-cap weighted vs. equal weighted index performance



The performance data shown represent past performance, which is not a guarantee of future results. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

Source: Vanguard, S&P

S&P 500 market-cap weighted outperformed equal weighted index



The performance data shown represent past performance, which is not a guarantee of future results. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

Source: Vanguard, S&P

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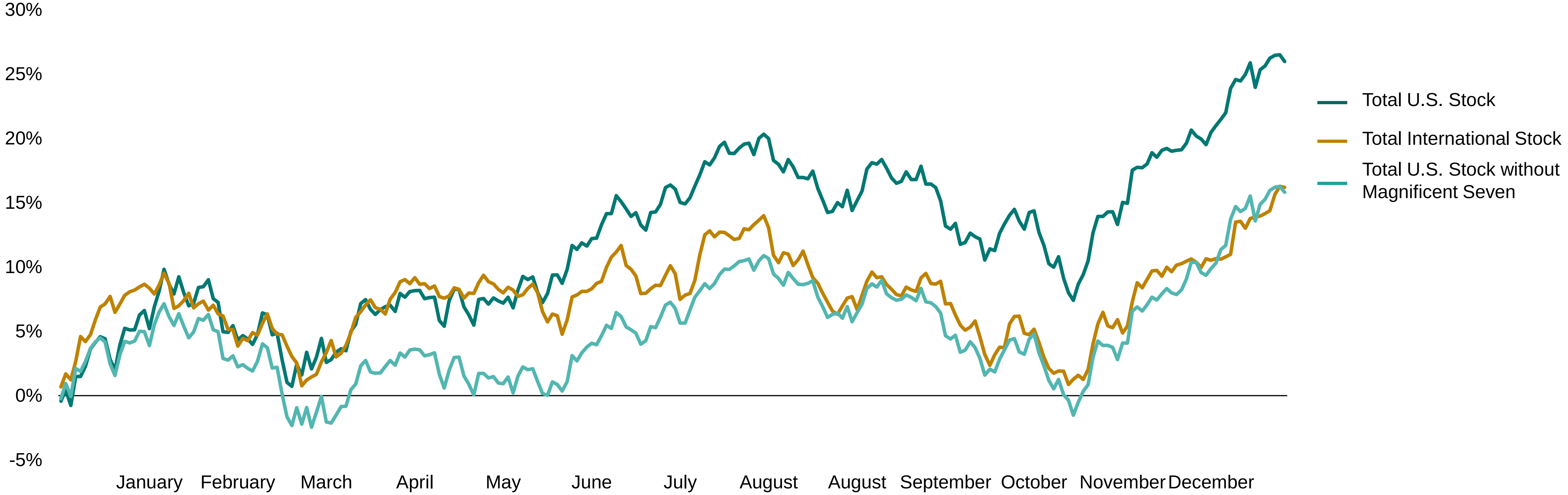
The Magnificent Seven accounted for the difference in return between the domestic and international equity markets

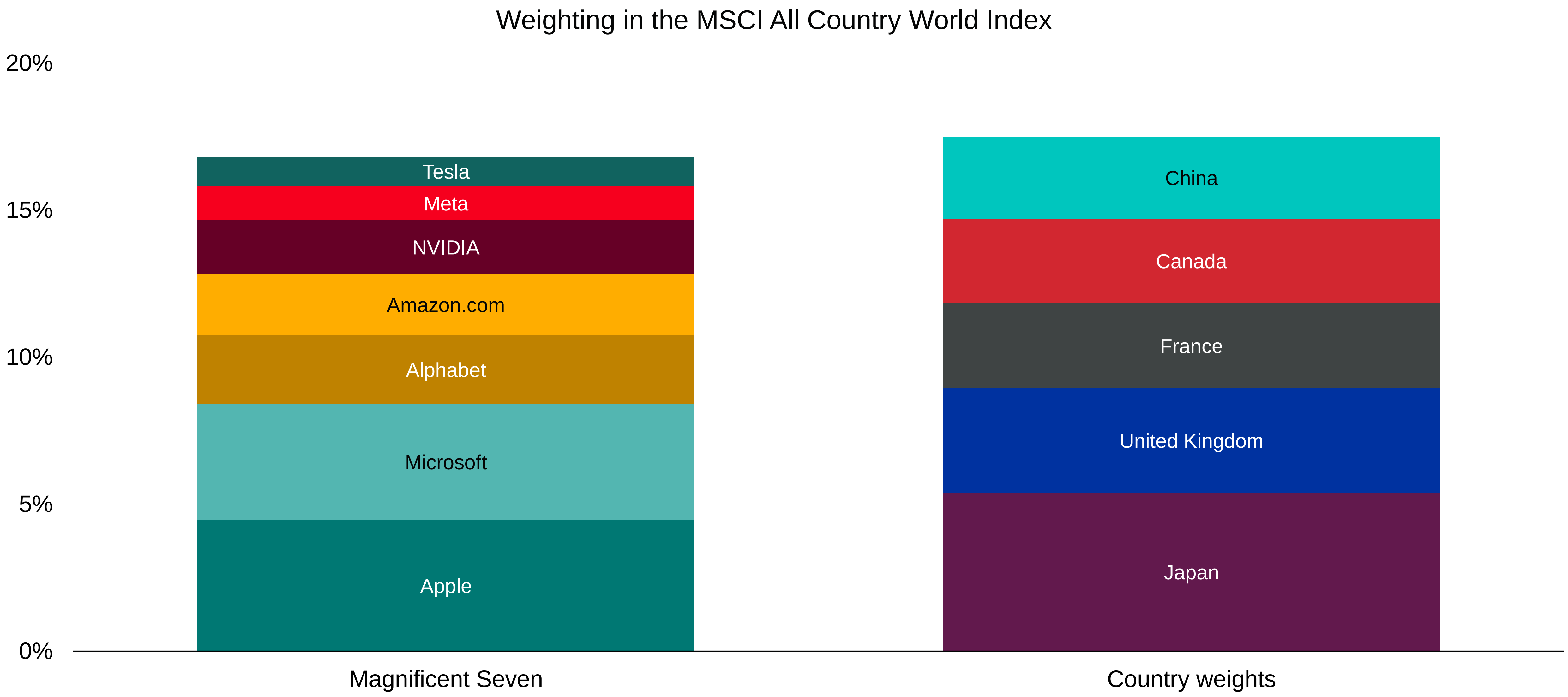
Cumulative return in 2023



Source: Factset as of 12/31/2023. Total U.S. Stock is represented by the CRSP US Total Market Index. Total International Stock is represented by the FTSE Global All Cap ex US Index.
Note: Magnificent seven includes Apple, Microsoft, Alphabet, Amazon, NVIDIA, Tesla, and Meta.

The performance data shown represent past performance, which is not a guarantee of future results.

Magnificent seven weighting in MSCI All Country World Index is greater than next 4 largest countries after the United States



Source: Factset as of 12/31/2023.

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