

# Town of Branford Police Pension Plan

---

**GYL** || FINANCIAL<sup>®</sup>  
SYNERGIES

 A FOCUS FINANCIAL PARTNER

## 4Q21 Performance Review

This presentation has been prepared specifically for the Town of Branford for use at a meeting February 21, 2022.

## **CONTENTS**

---

- 1 Capital Markets Review**
- 14 Performance Summary**
- 15 Composite Performance**
- 16 Fund Level Attribution Analysis**
- 19 Total Plan Information**
- 20 Asset Allocation vs. Target Policy**
- 21 Asset Allocation History**
- 22 Total Plan Investment Analysis**
- 24 Equity, Fixed Income and High Yield Positions**
- 29 Historical Policy**
- 31 General Disclosures**

# Performance Summary

Index Performance as of: 12/31/2021

	<u>3 Month</u>	<u>YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>		<u>3 Month</u>	<u>YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
<b>Russell</b>							<b>Other U.S. Equity</b>						
<b>3000 Value</b>	7.54	25.37	25.37	17.65	11.00	12.89	<b>Dow Jones Industrial Avg.</b>	7.87	20.95	20.95	18.49	15.51	14.21
<b>3000</b>	9.28	25.66	25.66	25.79	17.97	16.30	<b>Wilshire 5000 (Full Cap)</b>	8.44	24.51	24.51	25.60	17.82	16.14
<b>3000 Growth</b>	10.89	25.85	25.85	33.21	24.56	19.39	<b>International Equity - Broad Market</b>						
<b>1000 Value</b>	7.77	25.16	25.16	17.64	11.16	12.97	<b>MSCI EAFE</b>	2.69	11.26	11.26	13.54	9.55	8.03
<b>1000</b>	9.78	26.45	26.45	26.21	18.43	16.54	<b>MSCI EM</b>	-1.31	-2.54	-2.54	10.94	9.87	5.49
<b>1000 Growth</b>	11.64	27.60	27.60	34.08	25.32	19.79	<b>MSCI Frontier Markets</b>	0.71	19.73	19.73	12.74	9.57	7.34
<b>Mid Cap Value</b>	8.54	28.34	28.34	19.62	11.22	13.44	<b>MSCI ACWI</b>	6.68	18.54	18.54	20.38	14.40	11.85
<b>Mid Cap</b>	6.44	22.58	22.58	23.29	15.10	14.91	<b>MSCI ACWI Ex USA</b>	1.82	7.82	7.82	13.18	9.61	7.28
<b>Mid Cap Growth</b>	2.85	12.73	12.73	27.46	19.83	16.63	<b>MSCI AC Asia Ex Japan</b>	-1.23	-4.72	-4.72	12.07	11.30	8.02
<b>2000 Value</b>	4.36	28.27	28.27	17.99	9.07	12.03	<b>International Equity - Country</b>						
<b>2000</b>	2.14	14.82	14.82	20.02	12.02	13.23	<b>MSCI Brazil</b>	-6.47	-17.40	-17.40	-5.47	0.85	-3.04
<b>2000 Growth</b>	0.01	2.83	2.83	21.17	14.53	14.14	<b>MSCI BRIC</b>	-5.01	-11.25	-11.25	8.65	9.49	5.07
<b>Standard &amp; Poors</b>							<b>MSCI China</b>	-6.06	-21.72	-21.72	7.76	9.36	7.17
<b>S&amp;P 500</b>	11.03	28.71	28.71	26.07	18.47	16.55	<b>MSCI Europe</b>	5.66	16.30	16.30	14.90	10.14	8.18
<b>Consumer Disc</b>	12.84	24.43	24.43	28.51	21.35	19.57	<b>MSCI India</b>	-0.21	26.23	26.23	16.20	15.08	10.85
<b>Consumer Staples</b>	13.31	18.63	18.63	18.80	11.76	12.24	<b>MSCI Japan</b>	-3.96	1.71	1.71	11.68	8.51	8.34
<b>Energy</b>	7.97	54.64	54.64	4.67	-1.45	1.20	<b>MSCI EM Latin America</b>	-2.69	-8.09	-8.09	-2.37	1.47	-2.17
<b>Financials</b>	4.57	35.04	35.04	20.60	13.26	16.32	<b>MSCI Russia</b>	-9.19	19.01	19.01	16.27	10.50	5.04
<b>Health Care</b>	11.17	26.13	26.13	20.02	17.58	17.19							
<b>Industrials</b>	8.64	21.12	21.12	20.28	12.80	14.19							
<b>Information Technology</b>	16.69	34.53	34.53	42.76	32.13	24.01							
<b>Materials</b>	15.20	27.28	27.28	24.17	15.12	12.81							
<b>Real Estate</b>	17.54	46.19	46.19	22.65	14.87	13.11							
<b>Telecom Services</b>	-0.01	21.57	21.57	25.87	11.49	11.56							
<b>Utilities</b>	12.93	17.67	17.67	14.32	11.76	11.06							

Source: Morningstar

# Performance Summary

Index Performance as of: 12/31/2021

	<u>3 Month</u>	<u>YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>		<u>3 Month</u>	<u>YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
<b>Fixed Income</b>							<b>Fixed Income-Tax Exempt</b>						
Barclays U.S. Aggregate	0.01	-1.54	-1.54	4.79	3.57	2.90	Barclays Municipal	0.72	1.52	1.52	4.73	4.17	3.72
Barclays US Aggregate 1-3 Yr	-0.56	-0.49	-0.49	2.19	1.81	1.38	Barclays Municipal 3 Yr	-0.10	0.40	0.40	2.34	2.07	1.60
Barclays US Aggregate 3-5 Yr	-0.80	-1.49	-1.49	3.35	2.58	2.22	Barclays Municipal 5 Yr	0.04	0.34	0.34	3.34	2.97	2.38
Barclays US Aggregate 5-7 Yr	-0.56	-2.29	-2.29	4.21	3.22	2.72	Barclays Municipal 7 Yr	0.21	0.36	0.36	4.03	3.64	3.01
BofAML 3-Month T-Bill	0.01	0.05	0.05	0.99	1.14	0.63	Barclays HY Muni	1.16	7.77	7.77	7.75	7.53	6.72
Barclays U.S. Gov't	0.15	-2.28	-2.28	4.06	3.07	2.14	<b>Alternative Investments</b>						
Barclays U.S. Credit	0.22	-1.08	-1.08	7.17	5.05	4.45	Alerian MLP	0.55	40.17	40.17	2.12	-2.70	-0.26
Barclays High Yield Corp.	0.71	5.28	5.28	8.83	6.30	6.83	Bloomberg Commodity	-1.56	27.11	27.11	9.86	3.66	-2.85
Barclays TIPS	2.36	5.96	5.96	8.44	5.34	3.09	FTSE NAREIT Equity REIT	16.31	43.24	43.24	18.41	10.75	11.38
Barclays Global Aggregate	-1.18	-7.05	-7.05	2.46	3.07	0.82	S&P Global Natural Res.	7.32	25.20	25.20	13.89	9.64	4.59
Barclays Gbl Agg Ex USD	-0.67	-4.71	-4.71	3.59	3.36	1.77	S&P N. Amer Natural Res.	8.13	39.94	39.94	10.06	1.27	1.27
JPM EMBI Global Div	0.02	-1.51	-1.51	6.06	4.47	4.95							

Source: Morningstar

# Performance drivers

## 1. The growth outlook remains positive, although inflation presents a risk

- The surge in demand since early 2021 continues to put pressure on supply chains and overall prices. While shipping prices remain elevated, they are well below their peak levels of 2021, which should begin providing some price relief to both consumers and businesses.
- Fears that the latest Covid-19 variant would become a major headwind for economic growth are gradually fading as health outcomes do not appear to be as severe as with prior strains of the virus. This should allow many economies to avoid re-imposing restrictions on activity.
- **GYL View:** Many of the short-term headwinds that impacted markets over the quarter are showing signs of improvement. While we expect the economic recovery to continue and maintain an optimistic view toward equities, elevated valuations leave little cushion for downside surprises and may act to limit upside potential in 2022.

## 2. Central banks are becoming more hawkish and fiscal policy will be less supportive in 2022

- During Q4, inflation readings continued to move higher amid strong demand and ongoing supply chain difficulties. While inflation remains elevated, markets continue to price in future inflation near the Fed's target.
- Monetary policy is becoming less accommodative, but policy rates remain near zero in the developed world. During Q4, the Fed announced a doubling of its tapering pace, while the European Central Bank and Bank of Japan are targeting a March end to their bond buying programs. The Bank of England was the first major central bank to raise its policy rate during the quarter and the Fed now projects three rate increases during 2022.
- Fiscal support is slowing. Many pandemic related fiscal programs have expired. Meanwhile, President Biden's Build Back Better plan has stalled in the Senate amid concerns about inflation and the level of national debt.
- **GYL View:** With a fair amount of monetary tightening priced in for 2022, the Fed and other central banks should have room to maneuver without triggering a meaningful market reaction. Our expectation is that inflation will peak and begin to stabilize this year, even if it is above 2019 levels, which should allow the Fed to proceed on its current course.

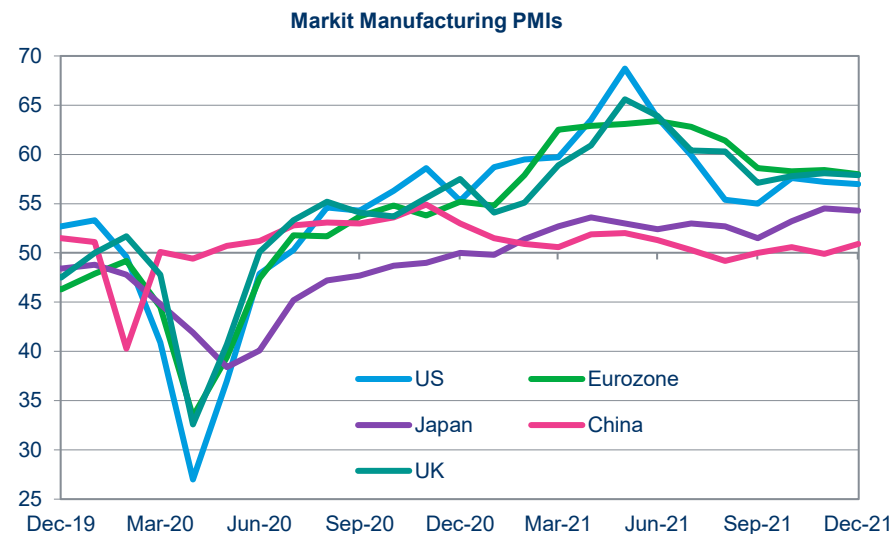
## 3. Political risks remain

- Relations between Russia and NATO allies have become increasingly strained as large numbers of Russian troops are stationed near the Ukraine border.
- China's deleveraging drive, regulatory actions and Covid-19 response continue to weigh on the outlook for emerging markets. However, there have been recent signs that the government is increasingly focusing on economic stability, which could lead to an easing of restrictions.
- **GYL View:** Political risks had limited market impact during Q4, but unexpected developments could lead to volatility and downside risk.

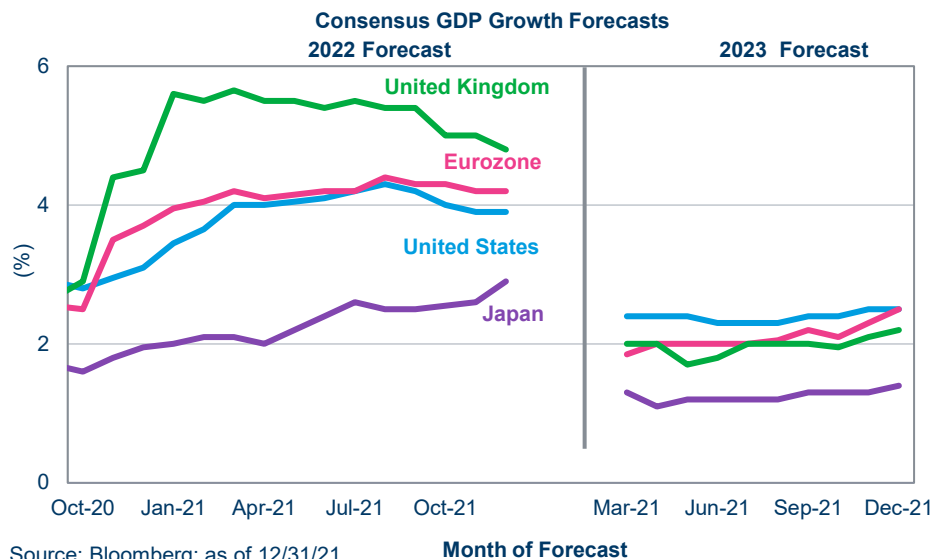
# Economic fundamentals

## Economic recovery remains on track

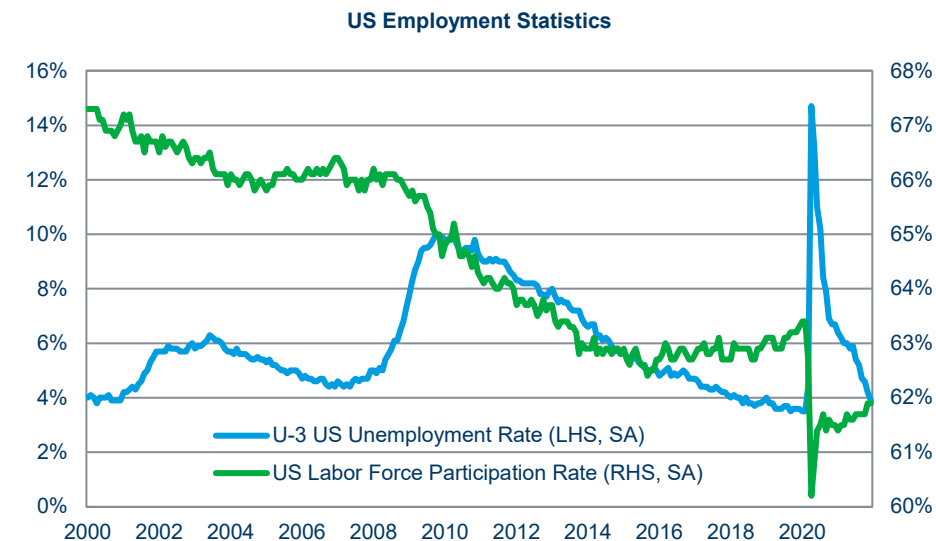
- Ongoing supply chain issues, the discovery of a new Covid-19 variant and the potential for monetary tightening weighed on the growth outlook during Q4. Manufacturing PMIs have generally declined since mid-year, but remain expansionary for most regions.
- Monetary policy remains highly accommodative, but major central banks have begun discussing plans to begin normalizing policy during 2022. On the fiscal side, government spending is set to decline in 2022 with the expiration of many pandemic programs.
- The US unemployment rate (U-3)<sup>1</sup> has fallen to 3.9% after peaking at 14.7% in April 2020. While the labor force participation rate is trending higher, it remains below pre-pandemic levels.



Source: Bloomberg; as of 12/31/21



Source: Bloomberg; as of 12/31/21



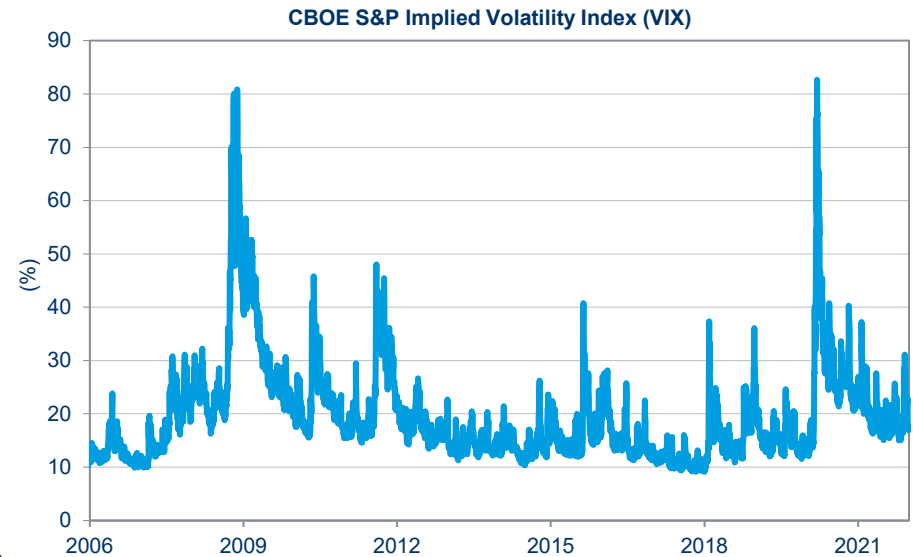
Source: Bureau of Labor Statistics; as of 12/31/21

<sup>1</sup> The U-3 unemployment rate represents the percentage of the civilian labor force that is jobless and actively seeking employment.

# Risk factors

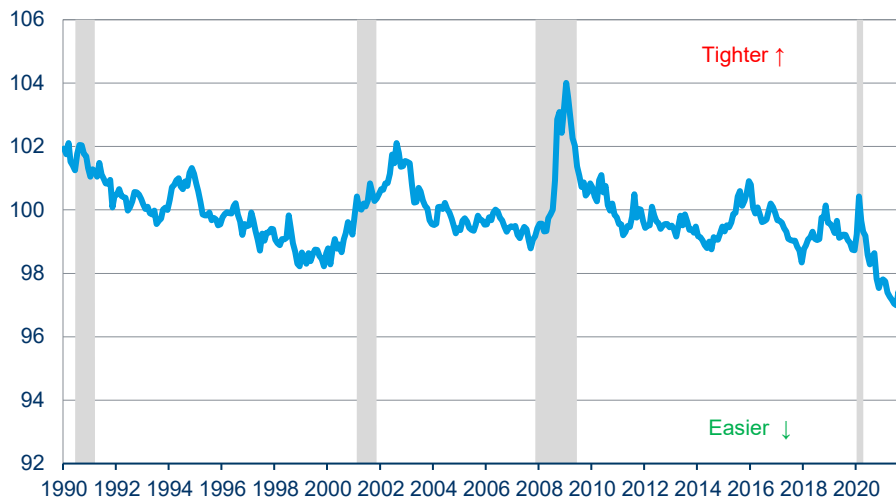
## US inflation continued to move higher

- Financial conditions remained quite loose at the end of 2021, with the Goldman Sachs US Financial Conditions Index near its lowest level on record.
- The VIX index fell from 23 to 17 during the quarter, after briefly spiking to around 30 in late-November<sup>1</sup> amid the discovery of the Omicron variant.
- US inflation continued to move higher in Q4, and Fed minutes have suggested a more hawkish view among committee members. A faster than expected pace of tightening is a risk to equity markets.
- The Omicron strain has shown to be more transmissible than prior variants, but it also appears to generally cause less severe health outcomes.



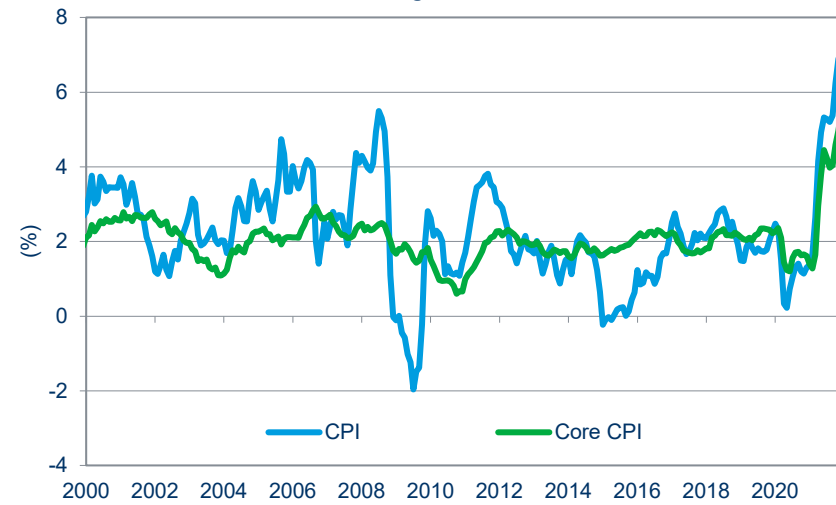
Source: Bloomberg; as of 12/31/21

Goldman Sachs US Financial Conditions Index



Source: Bloomberg; as of 12/31/21

Inflation  
Rolling 12-months



Source: Bloomberg; through 12/31/21

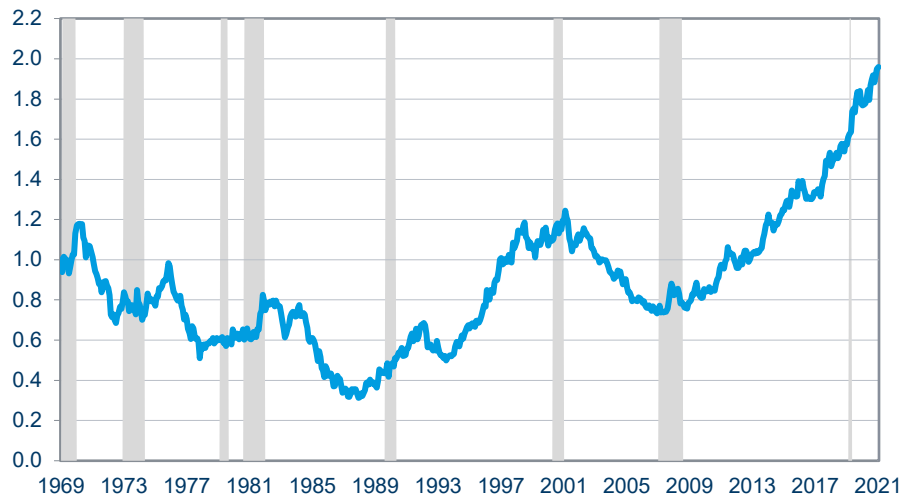
<sup>1</sup> Source: Bloomberg; as of 12/31/21

# Regional equity returns

## Global equities finish the year strong

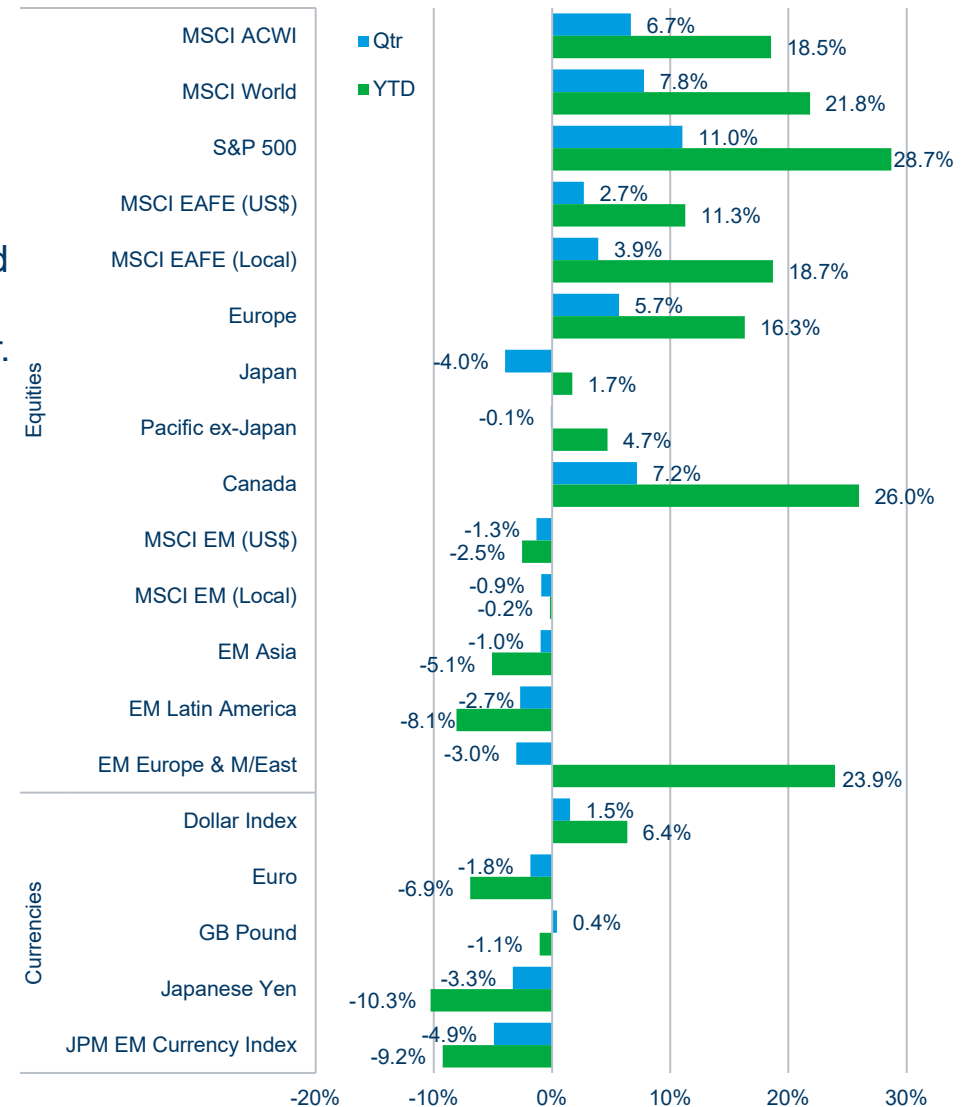
- Global equities posted strong returns in Q4, with the MSCI ACWI index gaining 6.7% for the quarter, and finishing the year with an 18.5% gain.
- The S&P 500 returned 11.0% during the quarter, outpacing most other regions. The S&P 500 returned 28.7% in 2021.
- International developed stocks gained 2.7% in Q4, and finished the year with an 11.3% gain. A stronger dollar detracted 120 bps from US\$ returns during the quarter.
- Emerging market equities fell 1.3% in Q4 and finished the year down 2.5%. Latin American and Asian markets drove the losses for the calendar year.

Ratio of MSCI US to MSCI EAFE (Relative Performance)



Source: Refinitiv; as of 12/31/21

Global Performance



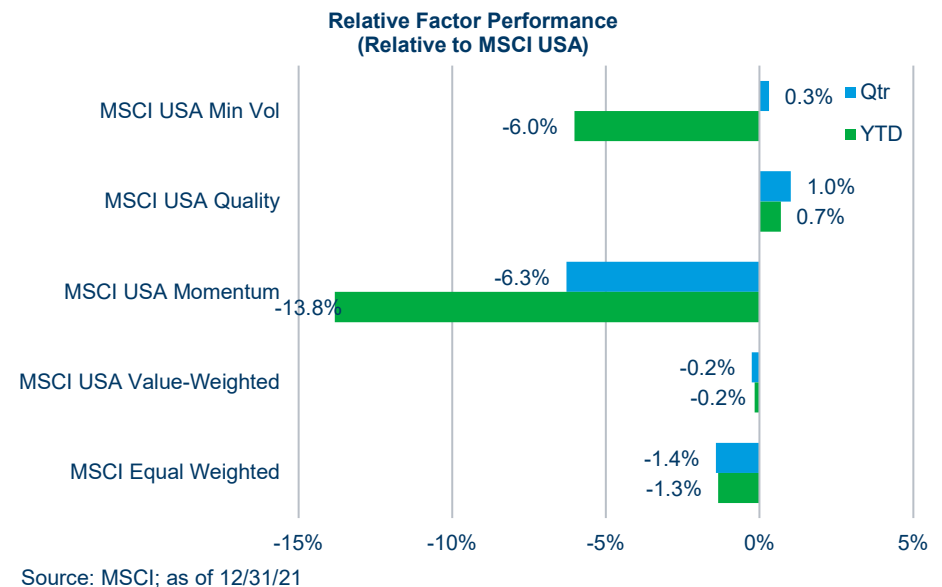
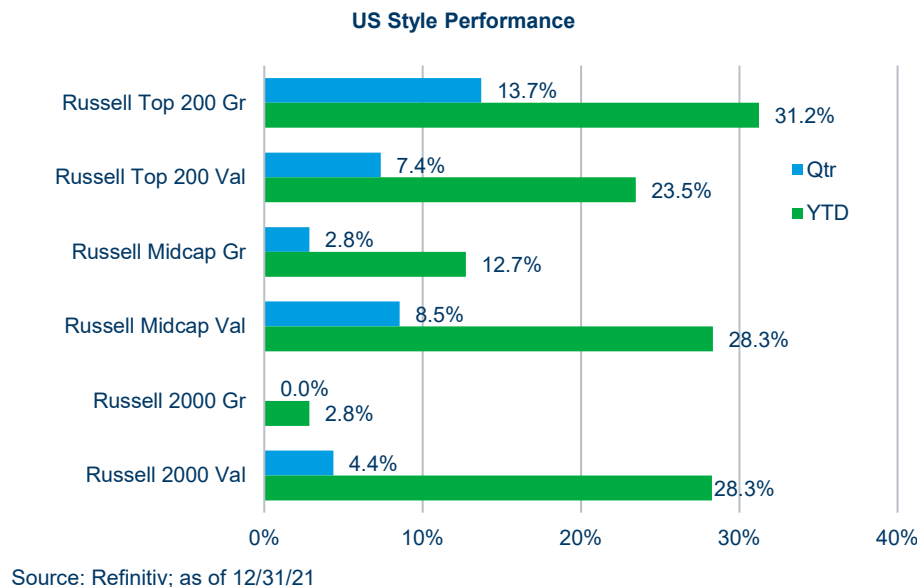
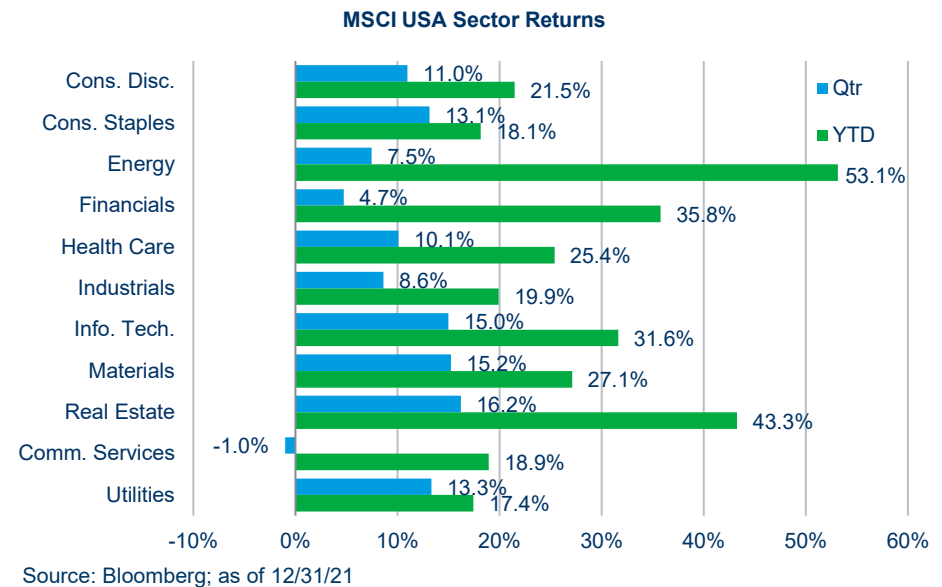
Source: Bloomberg, Refinitiv; as of 12/31/21



# US equity factor and sector returns

## Large-cap growth and small-cap value led in 2021

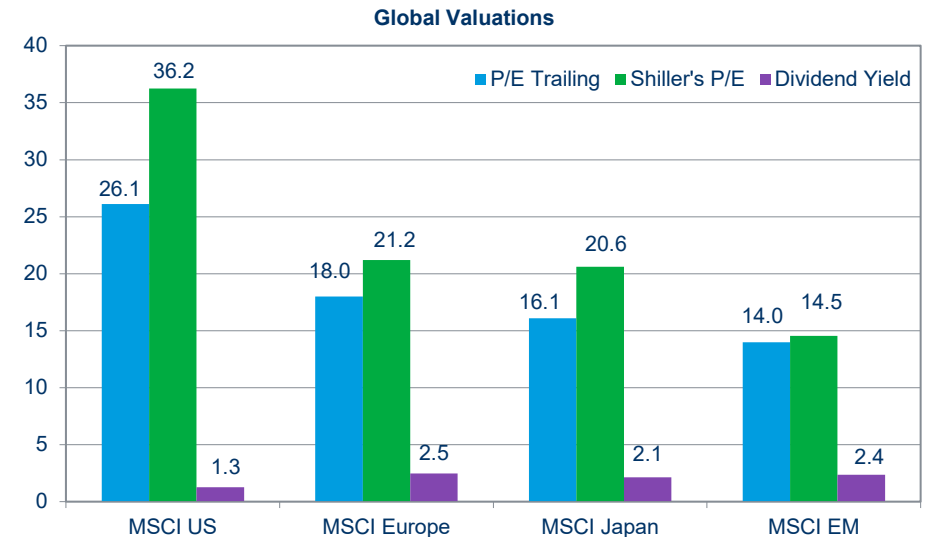
- Large-caps outperformed small-caps during Q4 and for the calendar year. During 2021, growth and value produced similar results at the total market level, with growth outperforming among large-caps and value outperforming among small- and mid-caps. Large-cap growth and small-cap value were the best performing segments of the US market during 2021.
- The quality factor outperformed during Q4, while other factors generally lagged. Momentum and minimum volatility were the worst performing factors in 2021. Energy and real estate were the best performing sectors during 2021, while utilities and consumer staples lagged.



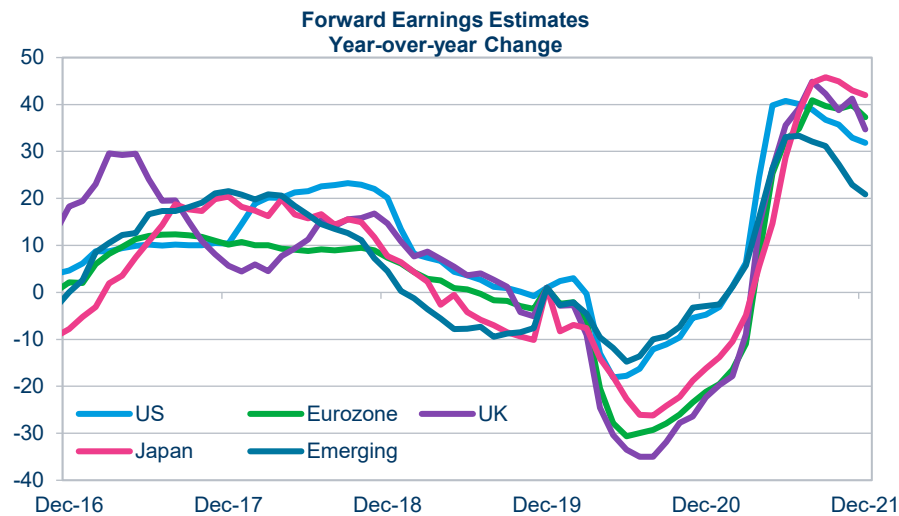
# Equity fundamentals

## Valuations move higher despite strong earnings

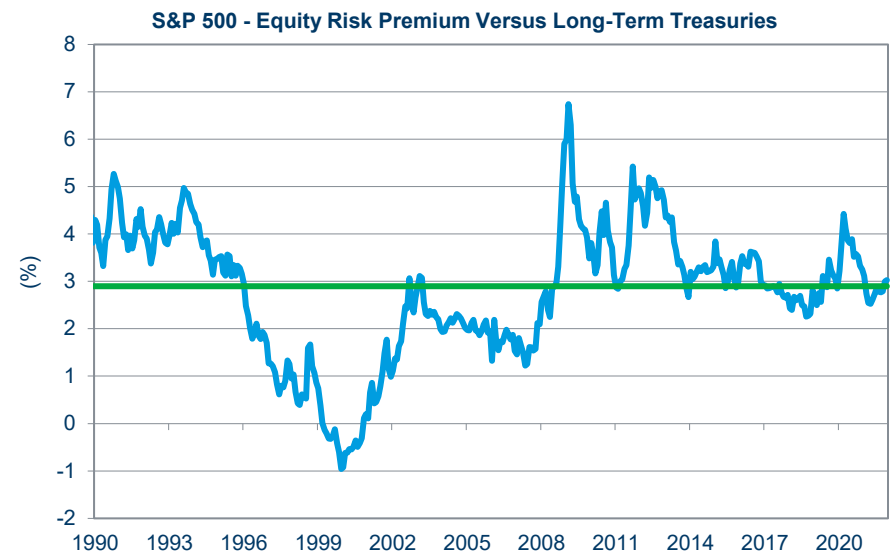
- Valuations edged higher during the quarter as price gains slightly outpaced the increase in earnings. The trailing P/E ratio on the MSCI US Index rose from 25.9 to 26.1<sup>1</sup>. We estimate that the equity risk premium over long-term Treasuries rose from 2.8% to 3.0%<sup>2</sup> as longer-term yields fell during the quarter.
- International developed stocks remain more reasonably valued than US stocks, with the potential for positive macro surprises given the bias toward cyclical companies in these markets.
- Emerging market valuations have become more attractive relative to developed markets. However, the Chinese regulatory environment and property market may present headwinds over the near-term.



Source: Bloomberg, Refinitiv, Mercer; as of 12/31/21



Source: Refinitiv; as of 12/31/21



Source: Bloomberg, Refinitiv, Mercer; as of 12/31/21

<sup>1</sup> Source: Refinitiv; as of 12/31/21

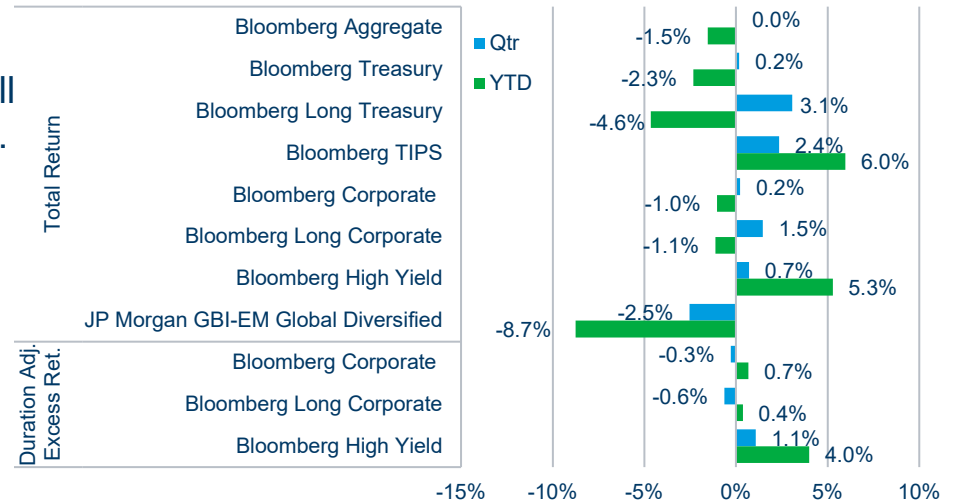
<sup>2</sup> Source: MSCI, Refinitiv, Mercer; as of 12/31/21

# Interest rates and fixed income

## Short-term yields move higher in anticipation of Fed moves

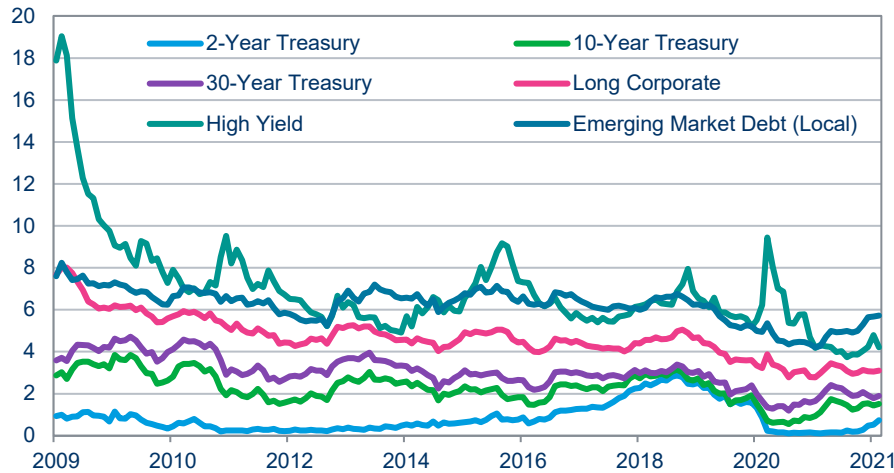
- The Bloomberg Barclays Aggregate was flat during Q4 with similar performance for Treasuries and corporate bonds. The yield curve flattened during the quarter, with 2-year yields rising 45 bps, while 30-year yields fell by 18 bps<sup>1</sup>. 10-year yields were unchanged during Q4.
- Investment-grade corporate bonds gained 0.2% during Q4. Credit spreads rose an average of 8 bps during the quarter to 0.9%, which is roughly 20 bps below the long-term median level<sup>2</sup>.
- High yield bonds gained 0.7% during the quarter, as credit spreads fell 6 bps to 2.8%. High yield spreads are roughly 180 bps below the long-term median level of 4.6%<sup>2</sup>. Local currency EMD declined 2.5% during Q4.

Fixed Income Performance



Source: Bloomberg, Datastream; as of 12/31/21

Yield History

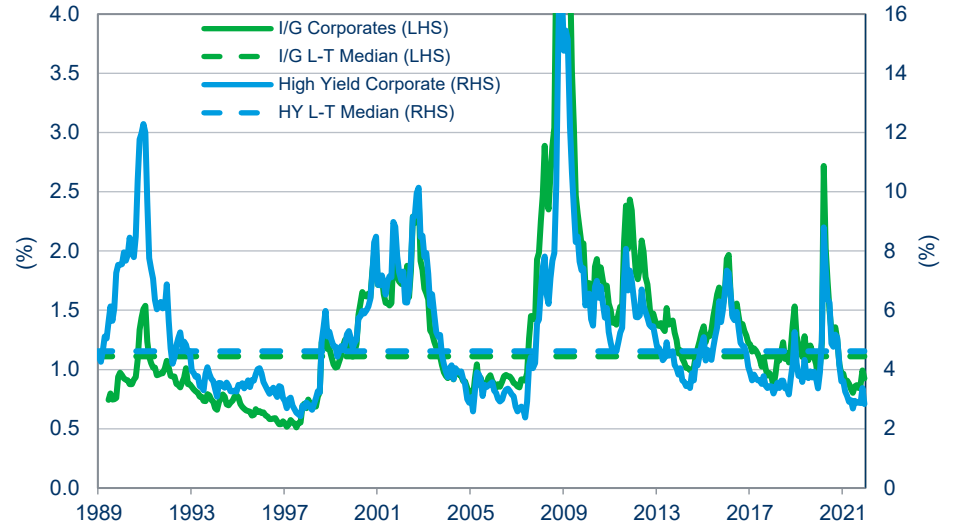


Source: Bloomberg, Federal Reserve; as of 12/31/21

<sup>1</sup> Source: Federal Reserve; as of 12/31/21

<sup>2</sup> Source: Bloomberg, Mercer; as of 12/31/21

Credit Spread to Treasuries

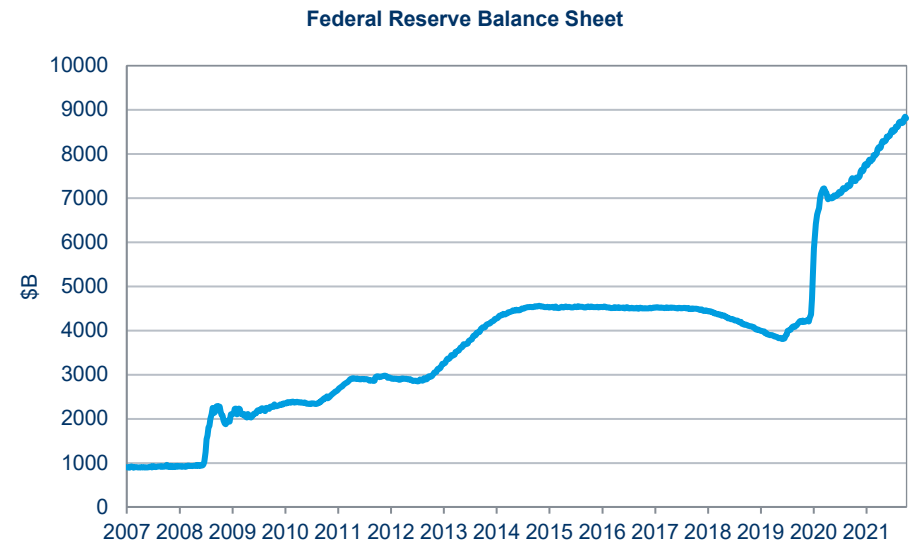


Source: Bloomberg; as of 12/31/21

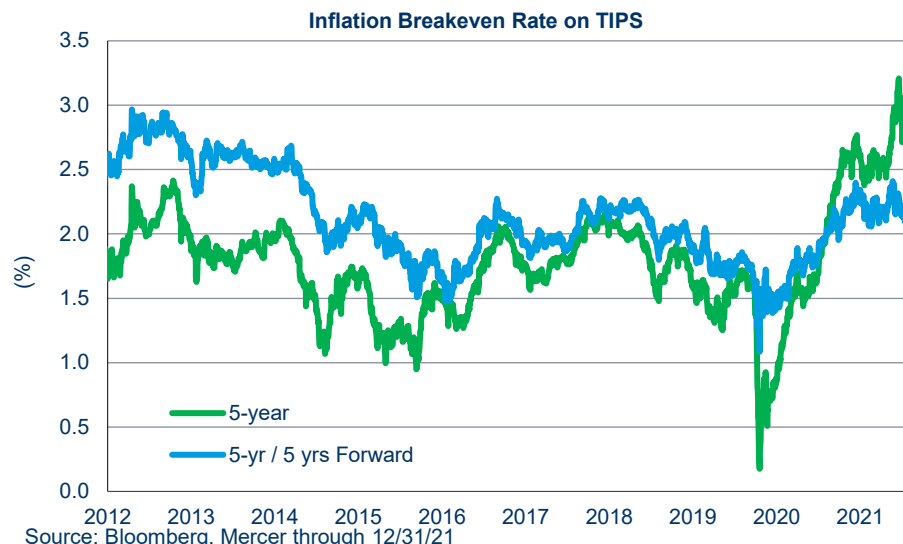
# Monetary policy

## Monetary policy to become less accommodative in 2022

- The Fed left its policy rate unchanged during Q4, but announced a doubling in the pace of its tapering, set to begin in January. The Fed's December dot plot showed that a majority of members now expect at least three rate hikes in 2022.
- US inflation breakeven rates rose during the quarter, with 10-year inflation breakeven rates rising from 2.37% to 2.56%, remaining near the Fed's target of 2% PCE (roughly 2.5% CPI)<sup>1</sup>.
- Overseas, the Bank of England was the first major central bank to raise its policy rate, with a 15 bp increase to 0.25%. The European Central Bank and Bank of Japan are set to end their respective bond buying programs in March.

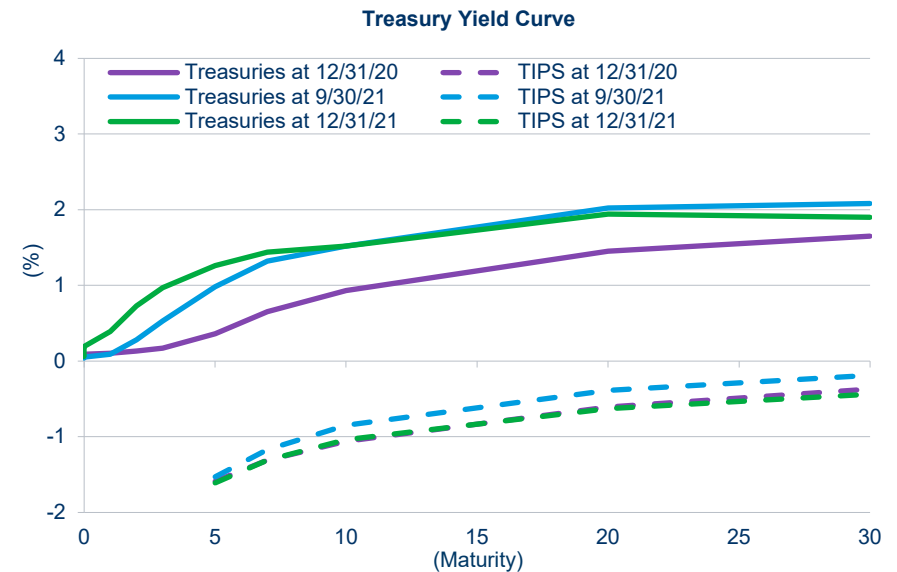


Source: Bloomberg; as of 12/31/21



Source: Bloomberg, Mercer through 12/31/21

<sup>1</sup> Source: St. Louis Fed; as of 12/31/21

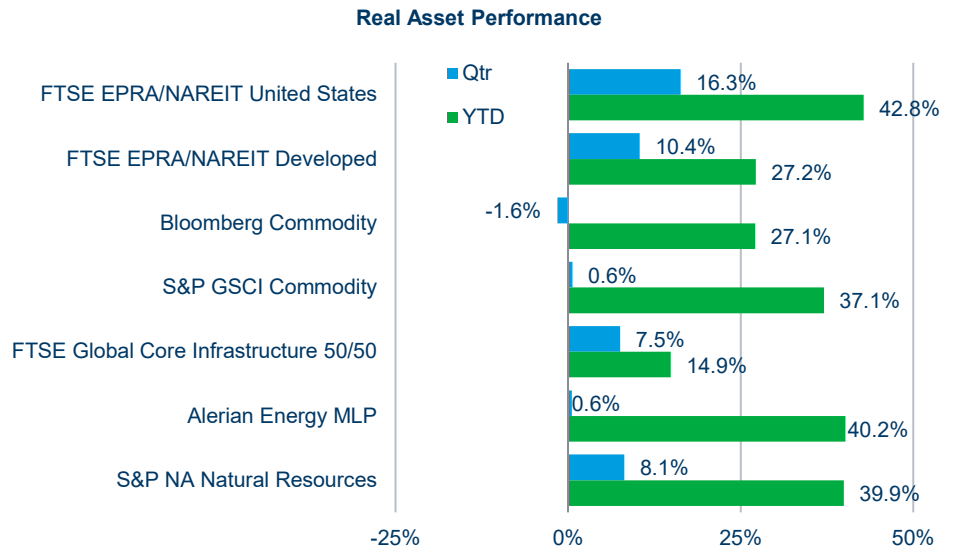


Source: Federal Reserve; as of 12/31/21

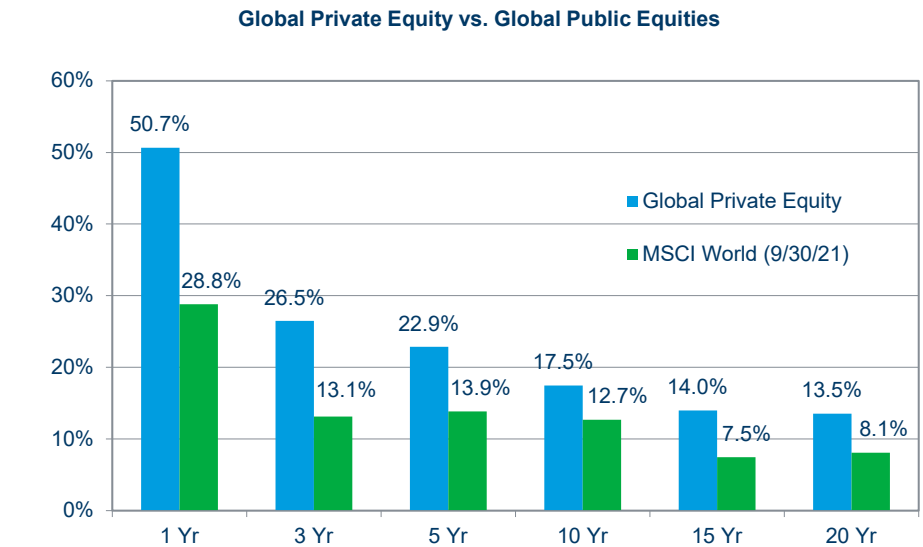
# Alternative investment performance

## Real assets outperformed

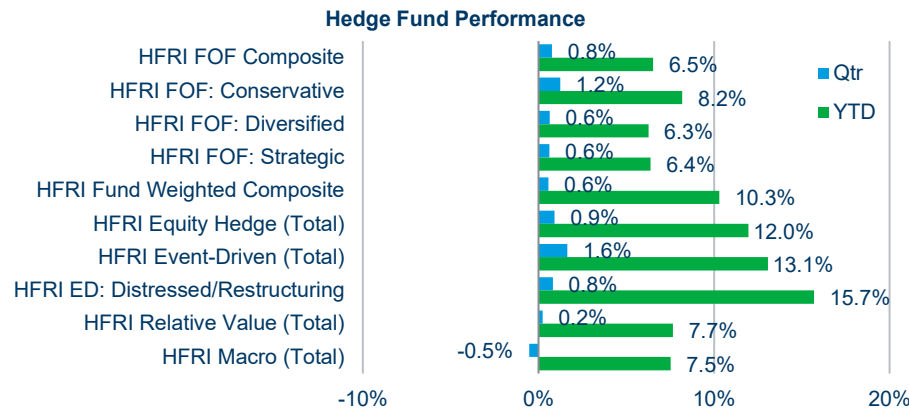
- REITs posted strong results during Q4, outperforming broader equity markets. REITs have broadly benefited from reduced restrictions, but could face challenges in a rising rate environment. Infrastructure stocks outperformed broader markets for the quarter, but lagged over the course of 2021.
- Commodities on average were flat in Q4, with oil dropping early in the quarter on Omicron fears before rebounding to roughly where it started the quarter. Master Limited Partnerships (MLPs) were flat in Q4, while natural resource stocks posted strong gains.
- The HFRI FOF Composite Index returned 0.8% in Q4 and 6.5% for the year<sup>1</sup>. For the calendar year, event driven and equity hedge strategies generally outperformed.
- Global private equity outperformed global developed stocks over the most recent trailing periods<sup>2</sup>.



Source: Bloomberg, Datastream; as of 12/31/21



Source: Burgiss, Bloomberg; as of 9/30/21



Source: Hedge Fund Research; as of 12/31/21

<sup>1</sup> Source: Hedge Fund Research; as of 12/31/21

<sup>2</sup> Source: Burgiss, Bloomberg; as of 9/30/21

# Valuations and yields

## Ending December 31, 2021

### Valuations

<b>MSCI USA</b>	<b>12/31/2021</b>	<b>9/30/2021</b>	<b>6/30/2021</b>	<b>3/31/2021</b>
Index Level	20958.0	19038.4	18960.7	17411.2
P/E Ratio (Trailing)	32.2	25.9	29.7	34.0
CAPE Ratio	36.2	34.4	35.3	33.8
Dividend Yield	1.5	1.4	1.3	1.4
P/B	4.4	4.7	4.8	4.6
P/CF	20.3	20.1	20.1	19.6
<b>MSCI EAFE</b>	<b>12/31/2021</b>	<b>9/30/2021</b>	<b>6/30/2021</b>	<b>3/31/2021</b>
Index Level	7695.5	7493.7	7527.2	7157.1
P/E Ratio (Trailing)	23.1	18.5	24.1	25.2
CAPE Ratio	18.0	19.2	19.1	18.0
Dividend Yield	2.4	2.5	2.3	2.3
P/B	1.8	1.9	1.9	1.9
P/CF	7.7	7.1	6.5	6.5
<b>MSCI EM</b>	<b>12/31/2021</b>	<b>9/30/2021</b>	<b>6/30/2021</b>	<b>3/31/2021</b>
Index Level	608.3	616.4	670.6	638.4
P/E Ratio (Trailing)	21.7	15.1	18.7	21.5
CAPE Ratio	14.5	15.8	16.7	16.4
Dividend Yield	2.0	2.2	1.9	1.9
P/B	2.0	1.9	2.1	2.1
P/CF	8.3	9.4	9.1	11.9

Source: Bloomberg, Refinitiv Datastream

### Yields

<b>Global Bonds</b>	<b>12/31/2021</b>	<b>9/30/2021</b>	<b>6/30/2021</b>	<b>3/31/2021</b>
Germany – 10Y	-0.18	-0.20	-0.21	-0.29
France - 10Y	0.20	0.16	0.13	-0.05
UK - 10Y	0.97	1.02	0.72	0.85
Switzerland – 10Y	-0.14	-0.16	-0.22	-0.28
Italy – 10Y	1.17	0.86	0.82	0.67
Spain 10Y	0.57	0.46	0.41	0.34
Japan – 10Y	0.07	0.07	0.06	0.10
Euro Corporate	0.52	0.35	0.33	0.36
Euro High Yield	3.55	3.16	2.97	3.22
EMD (\$)	5.27	5.11	4.89	5.26
EMD (LCL)	5.72	5.30	4.98	4.99
<b>US Bonds</b>	<b>12/31/2021</b>	<b>9/30/2021</b>	<b>6/30/2021</b>	<b>3/31/2021</b>
3-Month T-Bill	0.06	0.04	0.05	0.03
10Y Treasury	1.52	1.52	1.45	1.74
30Y Treasury	1.90	2.08	2.06	2.41
10Y TIPS	-1.04	-0.85	-0.87	-0.63
30Y TIPS	-0.44	-0.19	-0.20	0.11
US Aggregate	1.75	1.56	1.50	1.61
US Treasury	1.23	1.01	0.95	1.00
US Corporate	2.33	2.13	2.04	2.28
US Corporate High Yield	4.21	4.04	3.75	4.23

Source: Bloomberg, Refinitiv Datastream

# Important Notices

This report, which has been prepared by GYL Financial Synergies, contains confidential and proprietary information of Mercer (which, as used herein, shall be construed to include Mercer LLC and/or its associated companies) with Mercer's permission ("Information"). The Information is intended for the exclusive use of only the parties to whom GYL Financial Synergies directly provides the report. The Information may not be modified, sold or otherwise provided, in whole or in part, to any other person or entity without Mercer's prior written permission. Mercer retains exclusive and sole ownership of the Information.

The Information may have been obtained from a range of third party sources. While the Information is believed to be reliable, Mercer has not sought to verify it independently. As such, Mercer makes no representations or warranties as to the accuracy of the Information and takes no responsibility or liability (including for indirect, consequential or incidental damages) for any use of the Information, including any error, omission or inaccuracy in the Information.

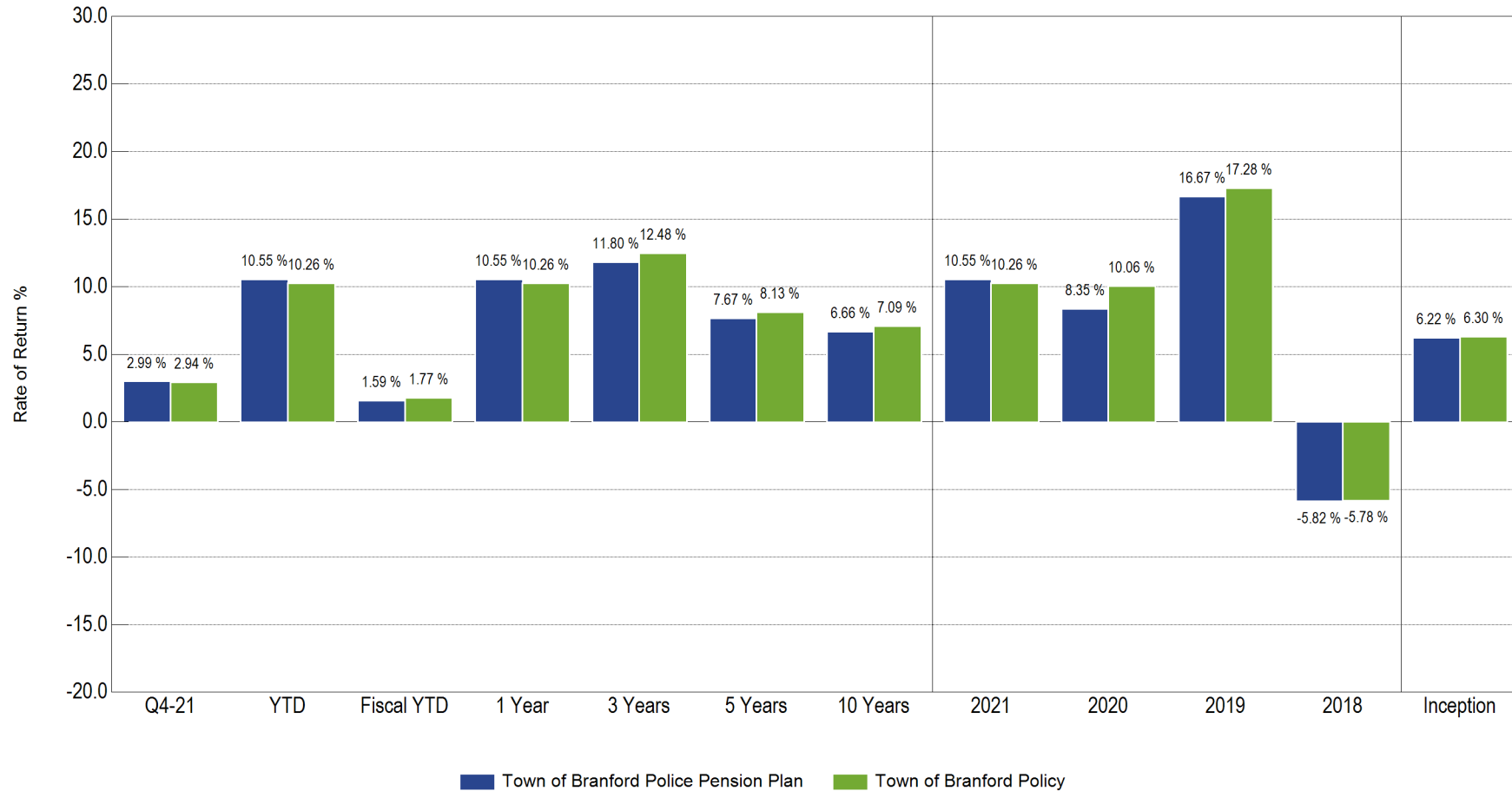
The Information does not constitute investment, tax or legal advice or an offer to purchase or sell any securities. The Information is subject to change without notice. The Information is not intended to convey any guarantees as to the future performance of any investment products, asset classes or capital markets.

GYL Financial Synergies is a fee-only independent fiduciary, Registered Investment Advisor firm that consults institutional and high-net-worth private clientele. See more on our website: [www.gylfinsyn.com](http://www.gylfinsyn.com).

Any opinions expressed or implied herein are not necessarily the same as those of GYL Financial Synergies and are subject to change without notice. The information herein has been obtained from sources believed to be reliable, but we cannot assure its accuracy or completeness. The report herein is not a complete analysis of every material fact in respect to any company, industry, or security. Any market prices are only indications of market values and are subject to change. The material has been prepared or is distributed solely for information purposes and is not a solicitation or an offer to buy any security or instrument or to participate in any trading strategy. Any reference to past performance is not to be implied or construed as a guarantee of future results.

**CAR20220119MESRLV4Q21**

Return Summary



For the purposes of investment comparison, the Town of Branford Policy (the "Policy") is utilized. This Policy is a blend of comparative index sub-components based upon the current target asset allocation of the plan and has been adjusted periodically in adherence with the plan's investment policy statement. Details on the composition of the Policy can be found on page 29.

Returns are gross of fees unless otherwise noted. Client returns will be reduced by advisory and other expenses the client may incur. Net performance is shown on page 15.



## Investment Performance Analysis

Composite Performance (Gross)

As of December 31, 2021

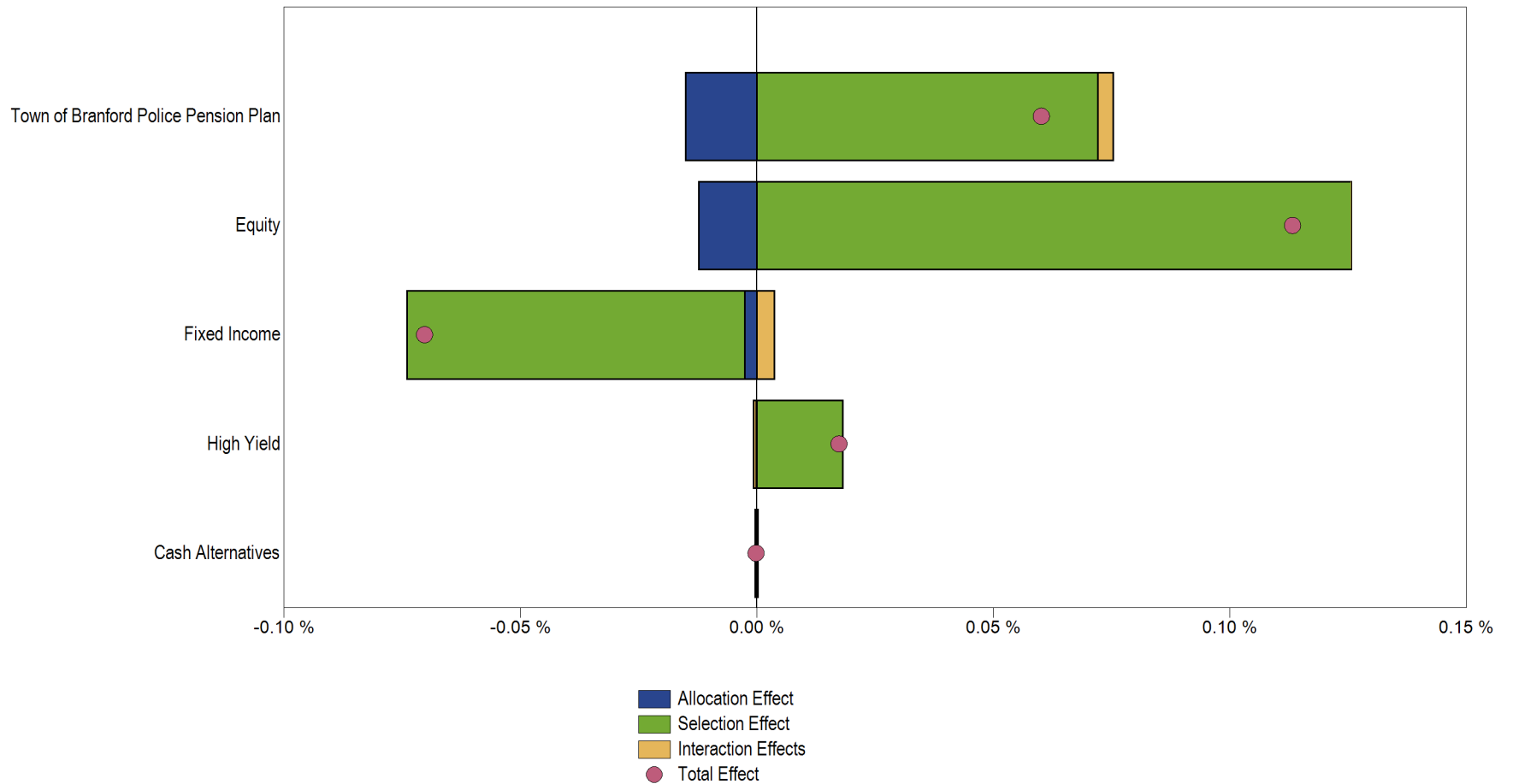
	Market Value (\$)	% of Portfolio	Ending December 31, 2021							Inception (%)	Inception Date
			3 Mo (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)		
<b>Town of Branford Police Pension Plan</b>	<b>30,766,441</b>	<b>100.00</b>	<b>2.99</b>	<b>10.55</b>	<b>1.59</b>	<b>10.55</b>	<b>11.80</b>	<b>7.67</b>	<b>6.66</b>	<b>6.22</b>	<b>Apr-03</b>
<i>Town of Branford Policy</i>			2.94	10.26	1.77	10.26	12.48	8.13	7.09	6.30	Apr-03
Equity	17,489,071	56.84	5.43	19.86	2.80	19.86	17.42	11.46	10.50	8.61	Apr-03
<i>Equity Custom Benchmark</i>			5.19	19.44	2.82	19.44	17.81	11.65	10.71	9.29	Apr-03
Fixed Income	10,172,914	33.06	-0.19	-1.80	-0.33	-1.80	4.65	3.42	2.71	4.07	Jun-03
<i>Bloomberg US Aggregate TR</i>			0.01	-1.54	0.06	-1.54	4.79	3.57	2.90	3.92	Jun-03
High Yield	2,259,100	7.34	0.87	5.32	1.82	5.32	8.12	5.50	5.25	5.46	Dec-09
<i>Police High Yield Bond Blended Benchmark</i>			0.63	5.35	1.59	5.35	8.53	6.08	6.71	7.42	Dec-09
Cash Alternatives	845,356	2.75	0.00	0.01	0.00	0.01	0.95	1.19	0.67	1.05	Dec-06
<i>FTSE T-Bill 3 Months TR</i>			0.01	0.05	0.02	0.05	0.96	1.11	0.60	0.88	Dec-06

## Composite Performance (Net)

	Market Value (\$)	% of Portfolio	Ending December 31, 2021							Inception (%)	Inception Date
			3 Mo (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)		
<b>Town of Branford Police Pension Plan</b>	<b>30,766,441</b>	<b>100.00</b>	<b>2.94</b>	<b>10.32</b>	<b>1.48</b>	<b>10.32</b>	<b>11.54</b>	<b>7.34</b>	<b>6.30</b>	<b>5.92</b>	<b>Apr-03</b>
<i>Town of Branford Policy</i>			2.94	10.26	1.77	10.26	12.48	8.13	7.09	6.30	Apr-03

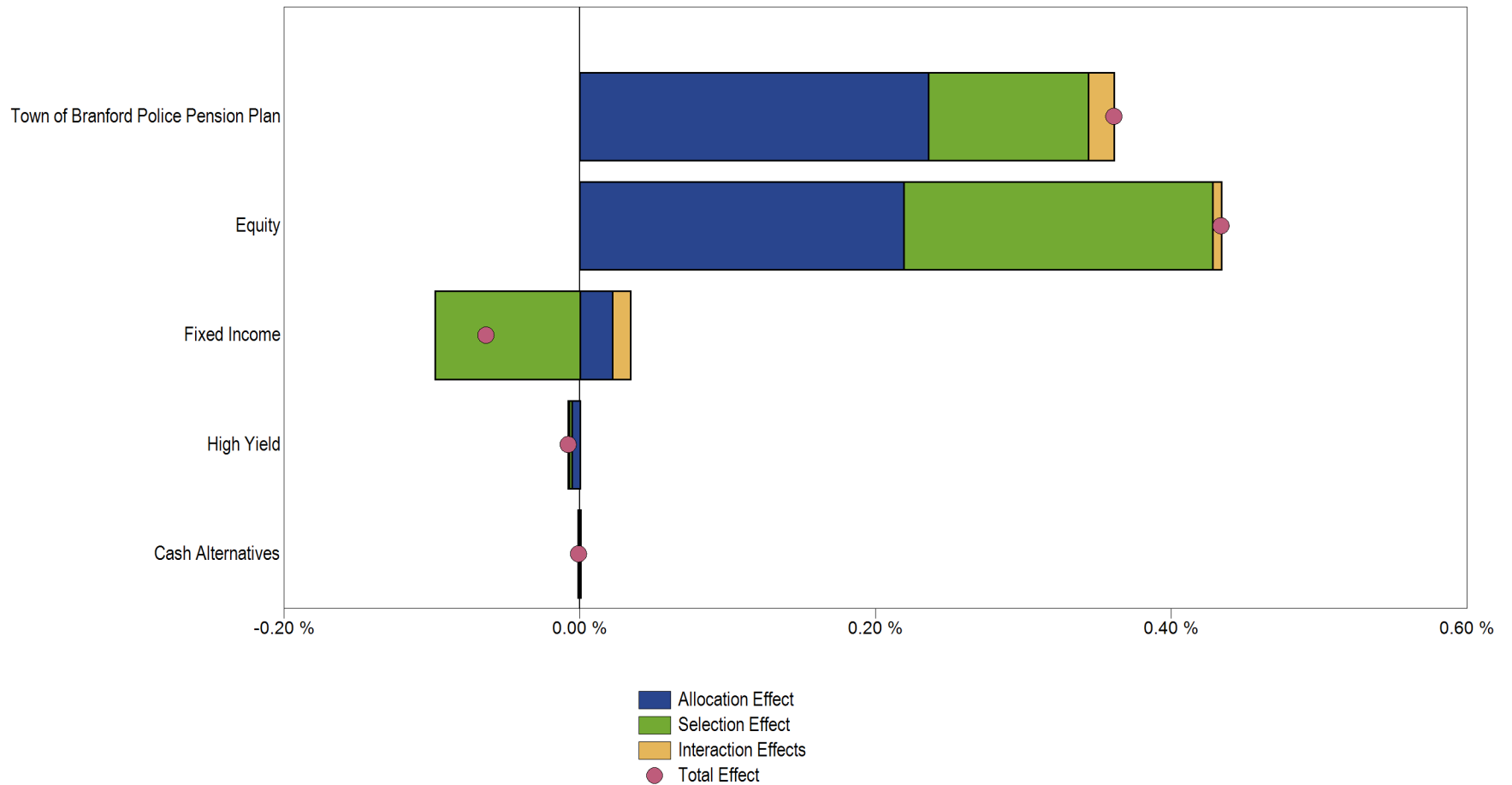
Effective September 4, 2015, ELEMENTS Rogers International Commodity Total Return was replaced with Alerian MLP. Effective December 18, 2015, the assets of the Town of Branford Police Pension plan and the Town of Branford Fire Pension plan have been separated.

**Attribution Effects**  
**3 Months Ending December 31, 2021**



Returns are gross of advisory fees. Client returns will be reduced by advisory fees and other expenses the client may incur.

Attribution Effects  
1 Year Ending December 31, 2021



Returns are gross of advisory fees. Client returns will be reduced by advisory fees and other expenses the client may incur.

## Investment Performance Analysis

As of December 31, 2021

**Performance Attribution**  
**Quarter Ending December 31, 2021**

	Last 3 Mo.	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2021
Wtd. Actual Return	2.98%	10.57%	9.33%	10.57%	11.61%	7.62%	6.66%	10.57%
Wtd. Index Return *	2.92%	10.21%	10.07%	10.21%	12.42%	8.10%	7.08%	10.21%
<b>Excess Return</b>	<b>0.06%</b>	<b>0.36%</b>	<b>-0.74%</b>	<b>0.36%</b>	<b>-0.81%</b>	<b>-0.48%</b>	<b>-0.42%</b>	<b>0.36%</b>
Selection Effect	0.07%	0.11%	-0.27%	0.11%	-0.31%	-0.21%	-0.29%	0.11%
Allocation Effect	-0.02%	0.24%	-0.54%	0.24%	-0.56%	-0.28%	-0.13%	0.24%
Interaction Effect	0.00%	0.02%	0.07%	0.02%	0.06%	0.01%	0.00%	0.02%

\*Calculated from benchmark returns and weightings of each component.

**Attribution Summary**  
**3 Months Ending December 31, 2021**

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
Equity	5.43%	5.19%	0.24%	0.13%	-0.01%	0.00%	0.12%
Fixed Income	-0.19%	0.01%	-0.20%	-0.07%	0.02%	0.00%	-0.05%
High Yield	0.87%	0.63%	0.23%	0.02%	0.00%	0.00%	0.02%
Cash Alternatives	0.00%	0.01%	-0.01%	0.00%	-0.04%	0.00%	-0.04%
<b>Total</b>	<b>2.98%</b>	<b>2.92%</b>	<b>0.06%</b>	<b>0.07%</b>	<b>-0.03%</b>	<b>0.00%</b>	<b>0.05%</b>

Returns are gross of advisory fees. Client returns will be reduced by advisory fees and other expenses the client may incur.

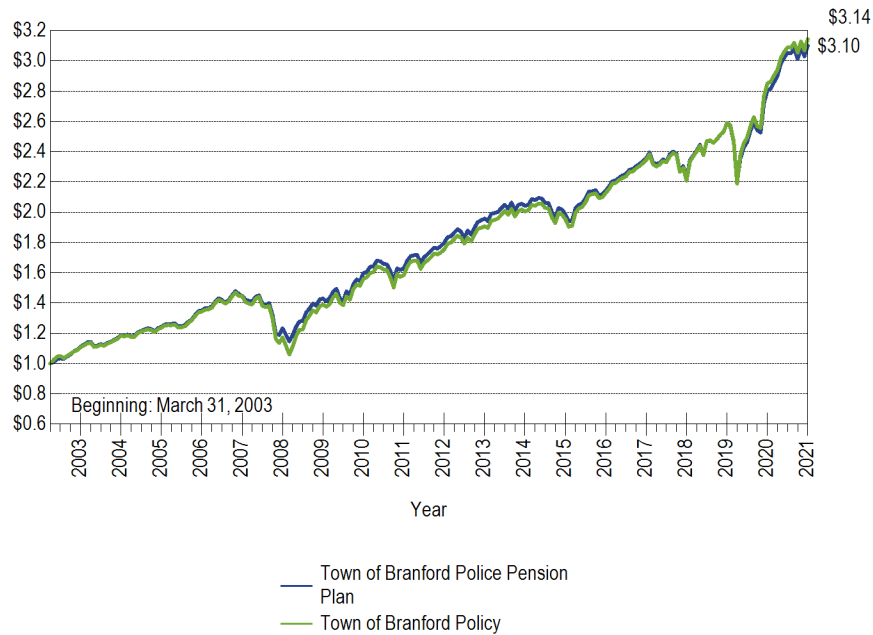
# Town of Branford Police Pension Plan

## Investment Performance Analysis

Total Plan Information

As of December 31, 2021

**Growth of a Dollar**



### RISK RETURN STATISTICS

	Town of Branford Police Pension Plan	Town of Branford Policy
--	--------------------------------------	-------------------------

#### RETURN SUMMARY STATISTICS

Number of Periods	225	225
Maximum Return	7.65	8.79
Minimum Return	-10.72	-11.29
Annualized Return	6.22	6.30
Total Return	210.06	214.29
Annualized Excess Return Over Risk Free	5.02	5.10
Annualized Excess Return	-0.08	0.00

#### RISK SUMMARY STATISTICS

Beta	0.92	1.00
Upside Deviation	4.50	5.00
Downside Deviation	6.66	7.27

#### RISK/RETURN SUMMARY STATISTICS

Annualized Standard Deviation	7.49	8.08
Alpha	0.03	0.00
Sharpe Ratio	0.67	0.63
Excess Return Over Market / Risk	-0.01	0.00
Tracking Error	1.24	0.00
Information Ratio	-0.06	--

#### CORRELATION STATISTICS

R-Squared	0.98	1.00
Correlation	0.99	1.00

The Growth of Dollar graph and the returns presented above are gross of advisory fees. The returns presented herein will be reduced by advisory and other expenses the client may incur. The Summary of Cash Flows is net of all expenses

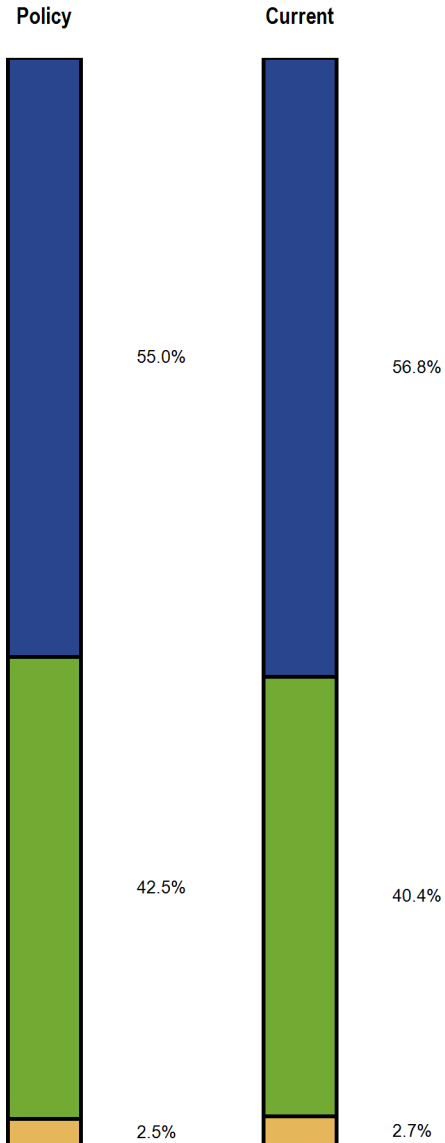
### Summary of Cash Flows

	Last Three Months	Year-To-Date	Fiscal Year-To-Date	One Year	Three Years	Five Years	Ten Years	Inception 4/1/03
Beginning Market Value	\$30,362,195	\$28,355,029	\$30,027,826	\$28,355,029	\$22,665,976	\$22,102,484	\$18,094,826	\$8,311,293
Contributions	\$98,947	\$3,743,334	\$1,429,064	\$3,743,334	\$12,376,053	\$21,198,622	\$34,085,159	\$63,861,116
Withdrawals	-\$595,495	-\$4,271,107	-\$1,173,506	-\$4,271,107	-\$13,194,283	-\$22,214,106	-\$36,775,053	-\$63,174,848
Net Cash Flow	-\$496,548	-\$527,773	\$255,558	-\$527,773	-\$818,230	-\$1,015,484	-\$2,689,894	\$686,268
Net Investment Change	\$900,794	\$2,939,185	\$483,057	\$2,939,185	\$8,918,696	\$9,679,441	\$15,361,509	\$21,768,881
Ending Market Value	\$30,766,441	\$30,766,441	\$30,766,441	\$30,766,441	\$30,766,441	\$30,766,441	\$30,766,441	\$30,766,441

Town of Branford Police Pension Plan  
**Investment Performance Analysis**

Asset Allocation vs. Target Policy

As of December 31, 2021

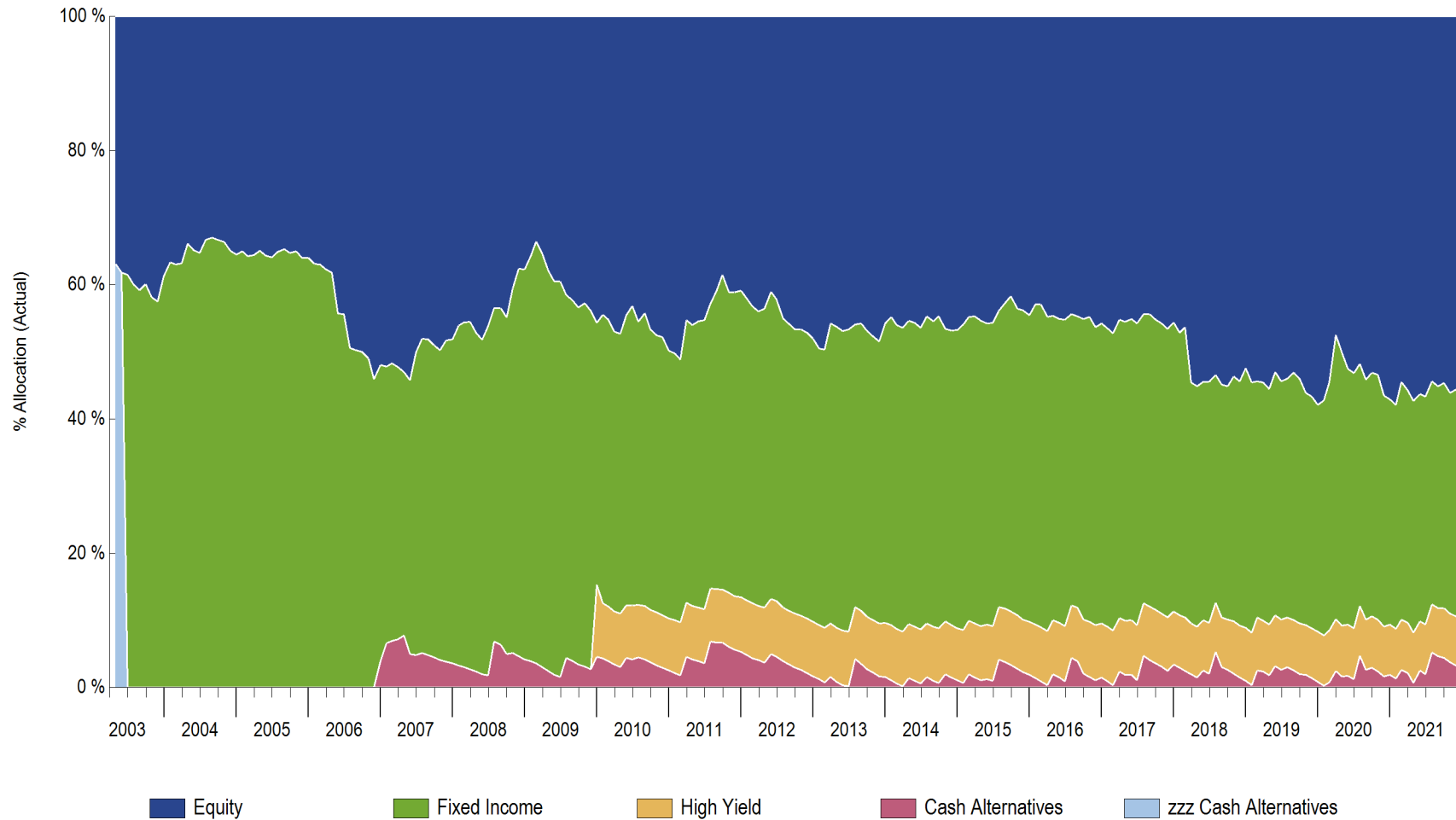


**Asset Allocation vs. Target**  
**As Of December 31, 2021**

	Policy Range	Policy	%	Current	%	Difference*	%
US Equity	30.0% - 60.0%	\$16,921,543	55.0%	\$17,489,071	56.8%	\$567,529	1.8%
US Fixed Income	40.0% - 65.0%	\$13,075,737	42.5%	\$12,432,013	40.4%	-\$643,724	-2.1%
Cash	0.0% - 10.0%	\$769,161	2.5%	\$845,356	2.7%	\$76,195	0.2%
<b>Total</b>		<b>\$30,766,441</b>	<b>100.0%</b>	<b>\$30,766,441</b>	<b>100.0%</b>		

\*Difference between Policy and Current Allocation

Asset Allocation History  
18 Years 9 Months Ending December 31, 2021



# **Investment Analysis**

*Total Plan*



As of December 31, 2021

**Manager Roster**  
As of December 31, 2021

	Account Type	Benchmark	Universe	Market Value	Allocation	Inception
Cash Alternatives	Cash	FTSE T-Bill 3 Months TR		\$845,356	2.7%	12/1/2006
Equity	Global Equity	Equity Custom Benchmark	Global Equity	\$17,489,071	56.8%	4/1/2003
Fixed Income	US Fixed Income	Bloomberg US Aggregate TR	US Intermediate Fixed Income	\$10,172,914	33.1%	6/30/2003
High Yield	US Fixed Income	Police High Yield Bond Blended Benchmark	US Below Inv Grade (High Yield) Fixed Income	\$2,259,100	7.3%	12/1/2009
<b>Total</b>		<b>Town of Branford Policy</b>		<b>\$30,766,441</b>	<b>100.0%</b>	<b>4/1/2003</b>

**Town of Branford  
Equity Positions  
As of December 31, 2021**

Holding	Market Value	% of Equity Portfolio
Cash & Cash Equivalents	\$845,356.47	4.71%
ISHARES S&P 500	\$5,104,746.98	28.44%
ISHARES S&P MIDCAP 400	\$1,807,182.72	10.07%
ISHARES Russell 2000	\$1,610,982.90	8.98%
ISHARES MSCI Emerging Markets	\$2,137,529.45	11.91%
ISHARES MSCI EAFE Index Fund	\$3,746,112.16	20.87%
ISHARES Dow Jones U.S. Real Estate	\$1,224,928.58	6.82%
Alerian MLP	\$1,472,579.72	8.20%
	<b>\$17,949,418.98</b>	<b>100.00%</b>

**Town of Branford  
Fixed Income Positions  
as of December 31, 2021**

Par (000)	Issuer Name	Quality	Coupon	Maturity	Price	Mkt Val (000)	% Held (MV)	YTW	Effective Duration
1	BNSF RY CO	AA	5.943	01/15/2022	100.154	1	0.01	1.805	0.041
48	CASH & EQUIVALENTS	AAA	0.050	01/31/2022	100.000	48	0.47	0.050	0.085
50	NEW YORK ST URBAN DEV CORP	AA	2.830	03/15/2022	100.520	51	0.50	0.292	0.202
90	PHILIP MORRIS INTL INC	A	2.375	08/17/2022	100.977	92	0.90	0.575	0.537
100	CONNECTICUT ST GO BDS 2009B	A+	5.200	12/01/2022	104.208	105	1.03	0.588	0.902
200	MORGAN STANLEY	BBB+	3.125	01/23/2023	102.539	208	2.04	0.719	1.036
200	GOLDMAN SACHS GROUP INC	BBB+	3.200	02/23/2023	102.564	207	2.04	0.769	1.039
85	CHEVRON CORPORATION	AA-	3.191	06/24/2023	102.970	88	0.86	0.762	1.210
3	GNMA POOL - 672864	AA+	4.500	07/15/2023	104.477	3	0.03	-3.878	0.494
90	GLAXOSMITHKLINE CAP PLC	A	0.534	10/01/2023	99.628	90	0.88	0.748	1.435
85	BP CAP MKTS AMER INC	A-	3.790	02/06/2024	105.285	91	0.89	1.128	1.924
90	HOME DEPOT INC	A	3.750	02/15/2024	105.420	96	0.94	0.827	1.798
3	GNMA POOL - 783221	AA+	6.000	02/15/2024	102.745	3	0.03	1.827	0.682
85	ALPHABET INC	AA	3.375	02/25/2024	105.379	91	0.89	0.845	2.066
170	BK OF AMERICA CORP	A-	4.000	04/01/2024	106.323	182	1.79	1.145	2.148
200	TRUIST BK CHARLOTTE N C	A	3.200	04/01/2024	104.694	211	2.07	1.004	2.092
100	WALMART INC	AA	3.300	04/22/2024	104.840	105	1.04	0.921	1.998
150	ENTERGY GULF STS LA LLC	A	5.590	10/01/2024	111.051	169	1.66	1.474	2.556
270	STATE STR CORP	A	3.776	12/03/2024	105.291	285	2.80	0.989	1.863
74	AMAZON COM INC	A+	3.800	12/05/2024	107.259	80	0.78	1.044	2.573
150	CITIBANK CC 2018-A6- NT	AAA	3.210	12/07/2024	102.483	154	1.51	0.537	0.923
1,560	ISHARES ICE 1-5 CRP	A-	2.912	12/12/2024	53.880	84	0.83	1.491	2.729
50	UNITED STATES TREAS NTS	AA+	1.000	12/15/2024	100.133	50	0.49	0.954	2.918
13	GNMA2 POOL - 004584	AA+	4.000	12/20/2024	105.127	13	0.13	-0.591	0.971
72	MERCK & CO INC	A+	2.750	02/10/2025	104.755	76	0.75	1.057	2.784
85	MICROSOFT CORP	AAA	2.700	02/12/2025	104.732	90	0.88	1.019	2.793
90	EXXON MOBIL CORP	AA-	2.709	03/06/2025	104.016	94	0.93	1.308	2.862
165	CHARLES SCHWAB CORP	A	4.200	03/24/2025	108.763	181	1.78	1.347	2.956
150	DEERE & CO	A	2.750	04/15/2025	104.505	158	1.55	1.310	3.087
100	PEPSICO INC	A+	2.750	04/30/2025	104.679	105	1.03	1.200	3.003
70	BERKSHIRE HATHAWAY INC DEL	AA	7.250	06/15/2025	119.657	84	0.82	1.402	3.136
135	BP CAP MKTS AMER INC	A-	3.796	09/21/2025	107.967	147	1.45	1.487	3.341
85	US BANCORP	A	3.950	11/17/2025	109.551	94	0.92	1.359	3.559
16	GNMA2 POOL - 004954	AA+	3.000	02/20/2026	104.599	17	0.16	-0.101	1.327
190	APPLE INC	AA+	3.250	02/23/2026	106.947	205	2.02	1.411	3.697
15	EXXON MOBIL CORP	AA-	3.043	03/01/2026	105.842	16	0.16	1.502	3.740
42	US BANCORP	A	3.100	04/27/2026	105.727	45	0.44	1.694	4.005
75	DISNEY WALT CO	BBB+	1.850	07/30/2026	100.901	76	0.75	1.645	4.376
210	UNITED STATES TREAS NTS	AA+	0.750	08/31/2026	97.820	206	2.02	1.232	4.590
70	TJX COS INC NEW	A	2.250	09/15/2026	103.295	73	0.71	1.483	4.350
295	UNITED STATES TREAS NTS	AA+	1.250	11/30/2026	100.000	295	2.90	1.250	4.788
90	MICROSOFT CORP	AAA	3.300	02/06/2027	109.041	99	0.98	1.366	4.528
35	BLACKROCK INC	AA-	3.200	03/15/2027	107.998	38	0.37	1.593	4.811
150	NIKE INC	A+	2.750	03/27/2027	106.006	160	1.57	1.515	4.789
148	CHEVRON CORPORATION	AA-	1.995	05/11/2027	101.562	151	1.48	1.680	5.026

**Town of Branford  
Fixed Income Positions  
as of December 31, 2021**

Par (000)	Issuer Name	Quality	Coupon	Maturity	Price	Mkt Val (000)	% Held (MV)	YTW	Effective Duration
180	COCA COLA CO	A+	2.900	05/25/2027	106.524	192	1.89	1.633	5.036
50	BURLINGTON NORTHN SANTA FE C	A-	3.250	06/15/2027	107.680	54	0.53	1.702	4.885
175	NEW YORK N Y CITY TRANSITIO	AA+	3.040	08/01/2027	106.540	189	1.85	1.802	5.130
130	BRISTOL-MYERS SQUIBB CO	A	3.450	11/15/2027	109.206	143	1.40	1.725	5.203
60	NATIONAL RURAL UTILS COOP FI	A-	3.400	02/07/2028	107.924	66	0.64	1.960	5.359
53	PRUDENTIAL FINL INC	A-	3.878	03/27/2028	110.965	59	0.58	1.930	5.415
80	UNITED STATES TREAS NTS	AA+	2.875	05/15/2028	109.035	88	0.86	1.389	5.885
60	HORMEL FOODS CORP	A	1.700	06/03/2028	99.697	60	0.59	1.750	6.050
80	WELLS FARGO & CO	BBB+	4.150	01/24/2029	112.033	91	0.89	2.236	5.981
95	UNITED STATES TREAS NTS	AA+	2.625	02/15/2029	108.199	104	1.02	1.411	6.528
85	DEERE JOHN CAPITAL CORP	A	3.450	03/07/2029	110.228	95	0.93	1.919	6.398
180	UNITED STATES TREAS NTS	AA+	2.375	05/15/2029	106.676	193	1.89	1.418	6.821
81	UNITED STATES TREAS NTS	AA+	1.625	08/15/2029	101.543	83	0.81	1.411	7.176
69	UNITED STATES TREAS NTS	AA+	1.750	11/15/2029	102.598	71	0.70	1.400	7.396
115	PROCTER & GAMBLE CO	AA-	3.000	03/25/2030	108.798	126	1.24	1.843	7.338
160	CATERPILLAR INC	A	2.600	04/09/2030	104.309	168	1.65	2.016	7.331
100	HOME DEPOT INC	A	2.700	04/15/2030	105.029	106	1.04	2.019	7.319
100	TJX COS INC NEW	A	3.875	04/15/2030	112.255	113	1.11	2.203	7.014
150	BLACKROCK INC	AA-	2.400	04/30/2030	103.009	155	1.52	1.995	7.447
150	NORTHERN TR CORP	A	1.950	05/01/2030	99.117	149	1.47	2.066	7.586
100	UNITED STATES TREAS NTS	AA+	0.625	05/15/2030	93.598	94	0.92	1.439	8.168
60	FEDERAL NATL MTG ASSN	AA+	6.625	11/15/2030	140.943	85	0.84	1.646	7.162
100	UNITED STATES TREAS NTS	AA+	1.625	05/15/2031	101.375	102	1.00	1.467	8.724
95	SALESFORCE COM INC	A	1.950	07/15/2031	99.182	95	0.93	2.045	8.537
80	NEW YORK N Y CITY TRANSITIO	AA+	3.900	08/01/2031	110.737	90	0.88	2.141	6.119
93	GNMA 2019-053- V	AA+	2.750	08/16/2031	102.861	95	0.94	2.000	3.843
3	GNMA POOL - 604387	AA+	6.000	06/15/2033	110.970	3	0.03	2.260	2.577
3	GNMA POOL - 603773	AA+	6.000	06/15/2033	112.247	3	0.03	2.000	2.654
7	GNMA POOL - 613042	AA+	4.500	09/15/2033	111.083	8	0.08	1.177	2.726
3	GNMA POOL - 604639	AA+	5.000	09/15/2033	112.465	3	0.03	1.187	2.678
90	TEXAS TRANSN COMMN ST HWY F	AAA	4.000	10/01/2033	119.530	108	1.07	2.113	9.648
11	GNMA POOL - 621667	AA+	5.000	03/15/2034	112.561	13	0.12	1.262	2.765
5	GNMA POOL - 636236	AA+	5.000	03/15/2035	115.399	5	0.05	0.618	2.744
9	GNMA POOL - 595800	AA+	4.500	08/15/2035	110.835	10	0.10	1.540	3.080
6	GNMA POOL - 649476	AA+	4.500	10/15/2035	110.733	6	0.06	1.468	2.946
8	GNMA POOL - 648482	AA+	4.500	11/15/2035	110.899	9	0.09	1.416	2.941
6	GNMA POOL - 520293	AA+	5.500	01/15/2036	111.802	6	0.06	2.119	3.029
1	GNMA POOL - 650146	AA+	5.000	03/15/2036	112.581	1	0.01	1.623	3.098
3	GNMA POOL - 652573	AA+	5.000	05/15/2036	112.565	4	0.03	1.352	2.841
2	GNMA POOL - 384819	AA+	5.000	01/15/2037	114.614	2	0.02	0.883	2.855
3	GNMA POOL - 659106	AA+	6.000	02/15/2037	110.363	4	0.04	3.008	3.134
1	GNMA POOL - 658708	AA+	5.000	05/15/2037	112.389	1	0.01	1.761	3.238
50	JOHNSON & JOHNSON	AAA	5.950	08/15/2037	145.038	74	0.72	2.460	11.251

**Town of Branford  
Fixed Income Positions  
as of December 31, 2021**

<b>Par (000)</b>	<b>Issuer Name</b>	<b>Quality</b>	<b>Coupon</b>	<b>Maturity</b>	<b>Price</b>	<b>Mkt Val (000)</b>	<b>% Held (MV)</b>	<b>YTW</b>	<b>Effective Duration</b>
22	GNMA POOL - 670370	AA+	5.000	11/15/2037	116.246	26	0.25	0.888	3.088
2	GNMA POOL - 672628	AA+	6.000	03/15/2038	113.867	3	0.03	2.375	3.320
1	GNMA POOL - 690853	AA+	5.500	06/15/2038	115.019	1	0.01	1.621	3.246
60	PFIZER INC	A	4.100	09/15/2038	119.358	72	0.71	2.625	12.502
2	GNMA POOL - 699457	AA+	6.000	10/15/2038	110.156	2	0.02	3.299	3.425
4	GNMA 2015-109- A	AA+	2.528	02/16/2040	100.209	4	0.04	0.763	0.180
100	PRUDENTIAL FINL INC	A-	6.200	11/15/2040	139.424	140	1.38	3.362	12.582
7	GNMA POOL - 737798	AA+	3.500	12/15/2040	106.827	8	0.07	1.900	3.492
13	GNMA POOL - 749321	AA+	3.500	12/15/2040	104.424	14	0.13	2.434	3.690
130	UNITED STATES TREAS NTS	AA+	3.125	02/15/2042	120.856	159	1.56	1.876	15.816
30	UNITED STATES TREAS BDS	AA+	3.000	05/15/2042	118.789	36	0.35	1.885	16.177
81	FLORIDA PWR & LT CO	A+	4.050	10/01/2044	118.844	97	0.95	2.895	15.682
125	UNITED STATES TREAS BDS	AA+	3.000	11/15/2044	119.676	150	1.47	1.932	17.648
14	GNMA 2013-068- AC	AA+	1.300	02/16/2046	98.581	13	0.13	1.818	2.621
95	UNITED STATES TREAS BDS	AA+	2.500	05/15/2046	110.945	106	1.04	1.935	19.134
34	GNMA 2018-117- AB	AA+	2.500	07/16/2046	100.615	35	0.34	1.611	0.983
41	FNMA UMBS POOL - MA2730	AA+	2.500	08/01/2046	102.215	42	0.41	2.081	3.576
50	FNMA UMBS POOL - BE1348	AA+	3.000	10/01/2046	104.909	53	0.52	2.054	2.784
34	FNMA POOL - MA2828	AA+	2.500	11/01/2046	101.606	34	0.34	2.208	3.753
79	PFIZER INC	A	4.125	12/15/2046	124.010	98	0.96	2.784	17.015
41	NORTHERN STS PWR CO WIS	A	3.600	09/15/2047	112.811	47	0.46	2.881	17.468
10	FHLMC GOLD POOL - Q52418	AA+	3.500	11/01/2047	108.033	11	0.11	1.954	1.967
130	UNITED STATES TREAS BDS	AA+	3.000	02/15/2048	122.535	161	1.58	1.901	19.389
63	UNITED STATES TREAS BDS	AA+	3.000	08/15/2048	122.852	78	0.77	1.902	19.663
38	FHLMC GOLD POOL - G61648	AA+	3.500	09/01/2048	106.866	41	0.40	2.004	2.617
11	FNMA UMBS POOL - BN0905	AA+	4.000	11/01/2048	107.365	12	0.12	2.032	2.996
68	BERKSHIRE HATHAWAY FIN CORP	AA	4.250	01/15/2049	123.217	85	0.84	2.978	17.226
37	FNMA UMBS POOL - BN4393	AA+	3.500	03/01/2049	107.117	40	0.39	1.601	3.115
25	FNMA UMBS POOL - FM2612	AA+	3.500	05/01/2049	106.178	27	0.27	1.840	2.875
150	MIDAMERICAN ENERGY COMPANY	A+	4.250	07/15/2049	123.819	189	1.85	2.963	17.445
22	GNMA POOL - 682229	AA+	4.000	07/15/2049	106.573	24	0.23	2.343	2.643
22	UNITED STATES TREAS BDS	AA+	2.250	08/15/2049	107.488	24	0.23	1.900	21.349
61	FHLMC UMBS POOL - QA3677	AA+	2.500	10/01/2049	102.171	63	0.62	2.072	3.394
29	FHLMC UMBS POOL - QA3570	AA+	2.500	10/01/2049	102.452	30	0.29	2.023	3.302
95	3M CO	A+	3.700	04/15/2050	117.648	113	1.11	2.784	18.644
94	FNMA UMBS POOL - BP7257	AA+	2.000	07/01/2050	99.831	94	0.92	2.013	4.267
13	GNMA 2017-128- AC	AA+	2.600	05/16/2051	101.582	13	0.13	1.967	2.667
<b>9,320</b>		<b>AA-</b>	<b>3.080</b>	<b>7.720</b>	<b>106.753</b>	<b>10,181</b>	<b>100.00</b>	<b>1.583</b>	<b>6.148</b>

**Town of Branford  
High Yield Positions  
As of December 31, 2021**

Holding	Market Value	% of Equity Portfolio
Cash & Cash Equivalents	\$12,355.96	0.55%
MainStay MacKay High Yield Corp Bd	\$2,246,743.56	99.45%
	\$2,259,099.52	100.00%

## Historical Policy

---

4/1/2003 to 6/30/2003	70.00	Citigroup Treasury Bill-3 Month
	15.00	S&P 500
	15.00	S&P 400 Mid Cap
7/1/2003 to 4/30/2006	65.00	Barclays Aggregate
	15.00	S&P 500
	15.00	S&P 400 Mid Cap
	5.00	Citigroup Treasury Bill-3 Month
5/1/2006 to 7/31/2006	55.00	Barclays Aggregate
	21.25	S&P 500
	12.50	S&P 400 Mid Cap
	5.00	Citigroup Treasury Bill-3 Month
	3.75	MSCI EAFE (Net)
	1.25	MSCI Emerging Market (Net)
	1.25	Russell 2000
8/1/2006 to 12/31/2009	45.00	Barclays Aggregate
	27.50	S&P 500
	10.00	S&P 400 Mid Cap
	7.50	MSCI EAFE (Net)
	5.00	Citigroup Treasury Bill-3 Month
	2.50	MSCI Emerging Market (Net)
	2.50	Russell 2000
1/1/2010 to 2/28/2013	42.00	Barclays Aggregate
	18.00	S&P 500
	10.00	MSCI EAFE (Net)
	8.00	BofA Merrill Lynch US High Yield Master II TR
	7.00	Russell 2000
	5.00	MSCI Emerging Market (Net)
	5.00	S&P 400 Mid Cap
	5.00	Citigroup Treasury Bill-3 Month
3/1/2013 to 8/31/2015	44.90	Barclays Aggregate
	14.10	S&P 500
	8.00	BofA Merrill Lynch US High Yield Master II TR
	7.00	Russell 2000
	6.00	MSCI Emerging Market (Net)
	5.00	S&P 400 Mid Cap
	5.00	MSCI EAFE (Net)
	5.00	Bloomberg Commodity Index
	3.00	Dow USA Real Estate
2.00	Citigroup Treasury Bill-3 Month	
9/1/2015 to 3/31/2018	44.90	Barclays Aggregate
	14.10	S&P 500
	8.00	BofA Merrill Lynch US High Yield Master II TR
	7.00	Russell 2000
	6.00	MSCI Emerging Market (Net)
	5.00	S&P 400 Mid Cap

	5.00	MSCI EAFE (Net)
	5.00	Alerian MLP Index
	3.00	Dow USA Real Estate
	2.00	Citigroup Treasury Bill-3 Month
4/1/2018 to 5/31/2019	35.00	Barclays Aggregate
	14.50	S&P 500
	12.50	MSCI EAFE (Net)
	8.50	MSCI Emerging Market (Net)
	7.50	BofA Merrill Lynch US High Yield Master II TR
	5.50	Russell 2000
	5.50	S&P 400 Mid Cap
	5.25	Alerian MLP Index
	3.25	Dow USA Real Estate
	2.50	Citigroup Treasury Bill-3 Month
6/1/2019 to 1/31/2021	35.00	Barclays Aggregate
	14.50	S&P 500
	12.50	MSCI EAFE (Net)
	8.50	MSCI Emerging Market (Net)
	7.50	BofAML US High Yield Constrained
	5.50	Russell 2000
	5.50	S&P 400 Mid Cap
	5.25	Alerian MLP Index
	3.25	Dow USA Real Estate
	2.50	Citigroup Treasury Bill-3 Month
2/1/2021 to Present	35.00	Barclays Aggregate
	14.50	S&P 500
	12.50	MSCI EAFE (Net)
	8.50	MSCI Emerging Market (Net)
	7.50	BofAML US High Yield Constrained
	5.50	Russell 2000
	5.50	S&P 400 Mid Cap
	5.25	Alerian MLP Index
	3.25	Dow USA Real Estate Capped
	2.50	Citigroup Treasury Bill-3 Month



# Definitions

- Accrued** – Usually associated with interest or income, as in accrued interest; interest owed by the issuer but not yet paid.
- Allocation Effect** – In attribution analysis, this examines the gain or loss achieved from over or under weighting a manager versus its targeted allocation.
- Alpha** – Value that is added by the manager, or the non-systematic return; the excess portfolio return compared to the risk-adjusted benchmark. A positive alpha implies the manager has added value to the return over that of the market.
- Alpha-Jensen** – A version of alpha that utilizes risk-adjusted manager returns in its calculation.
- Attribution Analysis** – A tool to separate and examine the different sources of gain or loss from an overall investment policy and targeted asset allocation.
- Batting Average** – Measure of a fund or manager's ability to beat the market consistently. It is calculated by dividing the number of quarters in which the fund or manager outperformed its benchmark by the number of quarters in the analysis.
- Best Quarter** – The largest single quarterly return which occurred during the specified time period.
- Beta** – Measures the systematic risk, or the return that is attributable to market movements. A beta equal to one indicates a risk level equivalent to the market. Higher betas are associated with higher risk levels.
- Consumer Discretionary** – Sector classification of companies that produce goods that are not necessities, like automobiles, high-end clothing, hotels, and restaurants.
- Consumer Staples** – Sector classification of companies that produce necessities like food/beverage and household products.
- Correlation Coefficient** – Statistical measure of the degree to which the movements of two variables are related. A correlation of 1.0 indicates a perfect positive correlation; 0.0 indicates a random relationship; -1.0 indicates perfect negative correlation.
- Credit Risk** – A measure of the default risk on amounts due from policyholder or creditors.
- Current Yield** – A bond's coupon rate divided by the bond's current price.
- Dividend Yield** – The current dividend per share of a stock divided by its current price per share.
- Dollar/Money Weighted Rate of Return** – Measure of portfolio returns that includes the impact from cash flows.
- Down Market** – A quarter in which the market return is negative.
- Downside Deviation** – Standard deviation of negative returns only.
- Duration** – A measure of a bond's price volatility relative to a change in the general level of interest rates, measured in years. In general, bonds with longer durations have greater sensitivity to interest rates and vice-versa.
- Earnings Per Share (EPS)** – The portion of a company's profit allocated to each outstanding share of common stock.
- Earnings Per Share Growth Rate** – The rate at which the earnings per share grows over various time periods.
- Energy** – Sector classification of companies that relate to producing or supplying energy.
- Excess Return over Market/Risk** – Annualized excess return achieved by the manager divided by annualized standard deviation.
- Financials** – Sector classification of companies that provide banking, investment, and real estate services to commercial and retail customers.
- Health Care** – Sector classification of companies that provide health related services or products.
- Information Ratio** – Measures the consistency of out-performance. Excess return divided by Standard deviation of excess return.
- Information Technology** – Sector classification of companies that are involved in the development, installation, and implementation of computer systems and applications.
- Industrials** – Sector classification of companies that manufacture or distribute goods.
- Manager Effect** – In attribution analysis, this examines the difference between a manager's returns versus his or her respective benchmark.

# Definitions

**Materials** – Sector classification of companies that are involved in the discovery, development, and processing of raw materials.

**Maturity** – Date when the principal or stated value of a fixed income security becomes due and payable in full to the bondholder.

**Policy Allocation** – Targeted allocation across various asset classes and/or managers.

**Price to Book Ratio (P/B)** – The current price of a stock divided by its book value per share.

**Price to Earnings Ratio (P/E)** – The current price of a stock divided by its earnings per share.

**Quality Rating** – Bond issuer's credit quality, or its ability to meet future contractual obligations. (Moody's and S&P's)

**R-Squared** – Measure of how closely related are the variance of a manager's returns to the variance of the benchmark's returns.

**Range** – The difference between the Best Quarter and the Worst Quarter returns.

**Return on Equity (ROE)** – Equity (net worth) at the beginning of an accounting period divided into net income for the period.

**Return/Risk Comparison** – Analysis that exhibits the rate of return in relation to the volatility of those returns as measured by the annualized standard deviation of quarterly returns.

**Risk Free** – The equivalent of an investment with little to no risk of market loss, typically defined as short term Treasury bills.

**Sharpe Ratio** – This measures excess return per unit of risk. A higher ratio means the manager is achieving higher return for the risk.

**Sortino Ratio** – Similar to Sharpe Ratio, this measures excess return per unit of downside risk.

**Standard Deviation** – A statistical measure of portfolio risk, it measures the volatility of a fund's returns compared to the average return of the fund. It reflects the average deviation of the observations from their sample mean.

**Telecommunication Service** – Sector classification of companies that provide communication technology related services or products.

**Time-Weighted Rate of Return** – Minimizes the impact of cash flows on rate of return calculations.

**Total Return** – For bonds, the sum of interest and principal payments as well as any reinvestment income received over a holding or measurement period, plus any capital gain or loss if the bond is sold at the end of the period.

**Tracking Error** – How closely a fund or manager's returns track the returns of a benchmark.; the annualized standard deviation of the differences between the fund or manager's return and the benchmark's return.

**Transportation** – Sector classification of companies that provide transportation related services or products.

**Treynor Ratio** – Risk is measured using Beta, which is an index dependent measure; relates the difference between the fund return and the risk-free rate to the fund beta for a given time period.

**Universe** – A broadly defined group of investment managers. For example, a group of equity investment managers.

**Up Market** – A quarter in which the market return is positive.

**Upside Deviation** – the standard deviation of positive returns only.

**Upside/Downside** – A graphical representation of up market and down market returns, measured as percentages versus benchmark.

**Utilities** – Sector classification of companies that own or operate facilities used in the generation, transmission, or distribution of electric energy.

**Worst Four Quarters** – Smallest return experienced over any four consecutive quarters, may not correspond with calendar years.

**Worst Quarter** – The worst single quarterly return which occurred during the specified time period.

**Yield** – The return to a bondholder who holds a bond until it matures.

**Yield to Maturity** – Internal rate of return on a bond bought at the current price and held to maturity. This assumes that coupon income is reinvested at the yield to maturity.

# Disclosures

**DATA SOURCES:** The information found in this document was derived from one or more of the following sources: InvestorForce, Morningstar, custodial account statements, money managers.

**CONFLICTS OF INTEREST:** To review information about certain potential conflicts of interest that may exist between GYL Financial Synergies, LLC and our clients, we refer you to GYL Financial Synergies, LLC's Form ADV, Part 2A ("Disclosure Document").

**DISCLOSURE DOCUMENT:** GYL Financial Synergies, LLC makes available to all clients, at no charge, a copy of its Disclosure Document (Part 2A of Form ADV). To receive a copy of this form, please contact us at (860) 206-7400.

**STATEMENT OF OPINION:** This and/or the accompanying information was prepared by or obtained from sources GYL Financial Synergies, LLC believes to be reliable but does not guarantee its accuracy. The report herein is not a complete analysis of every material fact in respect to any company, industry, or security. Any market prices are only indications of market values and are subject to change. The material has been prepared or is distributed solely for information purposes and is not a solicitation or an offer to buy any security or instrument or to participate in any trading strategy. Additional information is available upon request.

**REPORTS:** This report is not the official record of your account. However, it has been prepared to assist you with your investment planning and is for information purposes only. Your custodial statement is the official record of your account. Therefore, if there are any discrepancies between this report and your custodial statement, you should rely on the custodial statement. Cost data and acquisition dates provided by you are not verified by GYL Financial Synergies, LLC. Transactions requiring tax consideration should be reviewed carefully with your accountant or tax advisor. Unless otherwise indicated, market prices/values are the most recent closing prices available at the time of this report, and are subject to change. Prices may not reflect the value at which securities could be sold. Past performance does not guarantee future results. This report may include assets that you currently hold away from our firm; these assets may not be covered by SIPC. If included, information on assets held away from your primary custodian was provided by you or a third party; while we believe this information to be reliable, its accuracy and completeness are not guaranteed.

**PAST PERFORMANCE:** Except where specifically indicated that the performance is presented gross of fees, performance has been shown net of all management and advisory fees that would be charged by GYL Financial Synergies LLC. Where gross of fee performance presented for the client's portfolio managed by a third party manager, the client's return will be further reduced by the advisory and other expenses incurred in the management of the account by such third party manager. Such fees are in addition to any fees charged by GYL Financial Synergies and will vary depending on the third party manager. The investment advisory fees charged by GYL Financial Synergies LLC are described in Part 2A of Form ADV. Past performance is not a guarantee of future results.

**INDEXES:** The indices included in this report are presented to provide you with an understanding of their historic long-term performance and are not presented to illustrate the performance of any security. Investors cannot directly purchase any index.

# Disclosures

**ASSET CLASS SUITABILITY:** Stocks offer long-term growth potential but may fluctuate more and provide less current income than other investments. The prices of small companies are typically more volatile than the stocks of larger companies. Investing in foreign securities presents certain risks not associated with domestic investments such as currency fluctuation, political and economic instability, and different accounting standards. This may result in greater share price volatility. There are special risks associated with an investment in real estate, including credit risk, interest rate fluctuations and the impact of varied economic conditions.

The yields and market value of fixed income investments will fluctuate so that your investment, if sold, may be worth more or less than the original cost. Bond prices fluctuate inversely to changes in interest rates. Therefore a rise in interest rates can result in the decline of the value of your investment. High yield bonds, commonly known as junk bonds, are subject to greater risk of loss of principal and interest, including default risk, than higher rated bonds. The prices of these bonds may be volatile.

Alternative investments are complex investment vehicles which generally have high costs and substantial risks. The high expenses often associated with these investments must be offset by trading profits and other income. They tend to be more volatile than other types of investments and present an increased risk of investment loss. There may also be a lack of transparency as to the underlying assets. Alternative investments are subject to fewer regulatory requirements than mutual funds and other registered investment company products and thus may offer investors fewer legal protections than they would have with more traditional investments. Additionally, there may be no secondary market for alternative investment interests and transferability may be limited or even prohibited. Other risks may apply as well, depending on the specific investment product.

GYL || FINANCIAL<sup>®</sup>  
SYNERGIES

 A FOCUS FINANCIAL PARTNER