

Fund Review

Page 3



TABLE OF CONTENTS

**2015 1st Quarter Vista 401(k) Funds'
Performance Review**

3

Fund Performance Chart

5

Take time to relax, contribute, and rollover!

6

Borrowing from your 401(k)

8

The Drop Box

9

FAQ

10



2015

1st Quarter Vista 401(k) Funds' Performance Review

By Michael Sheridan, Senior Consultant

As we predicted for all of 2015, the first quarter brought a roller coaster of volatility which resulted in an almost flat performance for both the stock and bond markets as of March 31, 2015.

Your plan's funds did better than the overall markets. Our benchmarks, S&P 500, gained 1.0% for the quarter for equities, and for bonds the Barclays US Aggregate Bond Index gained 1.6%. Only one of the funds in the plan lost value and the Money Market fund had a negligible return.

Benchmarks are very important to how we evaluate the plan's performance. For stocks, the most widely used benchmark is the Standard and Poor's 500 Index which is made up of the 500 largest companies' stocks in terms of Market Capitalization (Market Cap), which is the combined value of all of each company's shares (price X shares outstanding). Apple is currently the largest company in terms of Market Cap.

For Bonds, the above mentioned Index is an aggregate of bonds issued by the private as well as the public sector.

As you know, one of the more popular funds in your plan is the Vanguard Institutional Index Fund which mimics the S&P 500 Index as closely as possible. This fund is referred to as a "passive fund" - that is, the fund's managers are not engaged in picking and choosing stocks for inclusion (active fund) and use computers to track the Index and make the balancing adjustments necessary to replicate that Index.

Therefore, plan managers should measure the funds that have been selected in their 401(k) plans by, at least, comparing their performances to a preselected benchmark. To the degree that the fund outperforms or underperforms relative to their benchmark, comprises a measurement tool which is referred to as "Alpha". If a fund has

Continues page 4

negative alpha, it has underperformed the benchmark. To the extent it outperforms, then it has positive alpha.

You have read in this column in the past that any fund that cannot, on any continual time period, produce positive alpha, should be replaced. To the degree such funds, actively managed, cannot outperform the benchmark, then the participants should rebalance and transfer their plan assets to another fund in the plan - perhaps one that is a passively managed index fund. Obviously, a passively managed fund that mimics an index will by and large have the same performance as the benchmark.

For the first quarter, funds that use the S&P 500 as a benchmark that produced positive alpha would be any in the chart in this newsletter that had a positive return in excess of 1.0%. Therefore, American Century Growth Fund, which had a first quarter return of +3.2%, produced positive alpha of 2.2% (the fund's return in excess of the S&P 500's 1.0% return during the same time period).

The Mid Cap, Small Cap and International/Global funds use different benchmarks which we can supply if enough of our plan participants ask us to do so on a regular basis.

Bond funds use the same process to determine alpha. Therefore, PIMCO Total Return had positive alpha of .6% (the fund's return in excess of the Barclays US Aggregate Bond Index's return of 1.6% during the same period).

The Balanced and Mixed Asset Funds (the target date funds) must be considered

proportionately to their mix of stocks and bonds. For example, the Vanguard Balanced Index Fund is comprised of 60% stock and 40% bond assets. Therefore, their blended benchmark would be 1.24%. (I think that my Miami Jackson High School math teachers, in Miami, helped me to correctly do that calculation.) Therefore, all of the funds in these categories produced positive alpha except one, Wellington (about 60% stock and 40% bond), which did produce a gain for the quarter but did not beat the benchmarks.

Take a few minutes to compare the Chart with this information and the listing of the Benchmarks at the bottom. You can get a pretty good feeling as to how your funds are performing by following the performances as compared to the benchmarks.

I anticipate a relatively flat second quarter with the media and the traders whipping us all up in a frenzy about the Federal Reserve increasing interest rates after these several years of almost nonexistent rates. I can assure you that the savvy stock traders have already factored in the eventuality of the rate increase later this year, in the prices of the stocks they are buying. Based on this, my conclusion is that all of the flurry and fury is nonsense.

Call us if you want more information about benchmarks.

Carefully consider the investment objectives, risks, charges and expenses of the underlying fund before you invest. This and other important information is contained in the prospectus, which should be read carefully before investing. You can request underlying fund prospectuses from the Vista 401(k) website at www.vista401k.com or call us at 866-325-1278. Please note that investing generally involves various kinds of risk – market, inflation, interest rate, volatility etc.. Your principal is not guaranteed, and there is no guarantee that investment objectives will be achieved.

Fund Performance Chart			Current Fund Operating Expense	March 2015 YTD	Average Annual Performance				Inception Date
Fund Company	Fund	Lipper Category			1 Year	3 Years	5 Years	10 Years or since Inception	
TOTAL RETURNS (%) as of 3/31/15; 1,3, 5, and 10 year returns are annualized. <i>Italics indicate performance is since inception.</i>									
International									
American Funds	Capital World	Global	0.77%	2.7%	5.1	12.6	9.6	7.8	03/26/93
American Funds	EuroPacific	Int'l Stocks	0.84%	5.9%	2.5	9.6	6.8	7.3	04/06/84
Small Cap Stock									
Fidelity Advisor	Small Cap Growth	Small Growth	1.22%	8.6%	11.8	17.6	15.6	9.9	11/03/04
Fidelity Advisor	Small Cap Value	Small Cap Value	1.34%	2.1%	8.4	16.7	14.3	10.4	11/03/04
T.Rowe Price	Small-Cap Stock	Small Cap Core	0.91%	3.9%	8.8	16.7	16.9	10.6	12/31/59
Mid Cap Stock									
American Century	Heritage	Mid Cap Growth	1.25%	8.0%	13.6	14.4	14.7	12.4	07/11/97
American Century	Mid Cap Value	Mid Cap Value	1.25%	1.5%	13.4	17.3	14.5	10.2	01/13/05
Vanguard	Mid Cap Index - Admiral	Mid Cap Core	0.09%	4.3%	14.9	17.9	16.1	10.0	11/12/01
Large Cap Stock									
American Funds	Investment Company of America	Large Cap Core	0.59%	0.6%	10.2	15.8	12.7	7.5	01/01/34
American Century	Growth	Large Cap Growth	1.22%	3.2%	13.0	13.2	13.2	8.6	06/04/97
American Century	Income and Growth	Large Cap Value	0.92%	-0.8%	8.9	15.3	13.8	6.6	12/15/97
Vanguard	Institutional Index Fund	S&P 500 Index	0.04%	0.9%	12.7	16.1	14.4	8.0	07/31/90
Balanced									
Vanguard	Balanced Index	Balanced	0.08%	1.8%	9.8	11.0	10.8	7.5	12/01/00
Vanguard	Wellesley Admiral	Mixed-Asset	0.18%	1.3%	6.7	8.3	9.3	7.5	10/03/89
Vanguard	Wellington Admiral	Mixed-Asset	0.18%	0.9%	8.3	11.6	10.8	8.2	12/31/59
Mixed Asset Target Date									
Fidelity Advisor	Freedom 2005	Mixed Asset Target Alco	0.83%	1.8%	4.6	5.5	5.9	4.7	11/06/03
Fidelity Advisor	Freedom 2010	Mixed Asset Target Aloc	0.87%	2.0%	5.1	6.8	7.0	5.3	07/24/03
Fidelity Advisor	Freedom 2015	Mixed Asset Target Aloc	0.90%	2.2%	5.5	7.2	7.3	5.5	11/06/03
Fidelity Advisor	Freedom 2020	Mixed Asset Target Aloc	0.93%	2.2%	5.8	7.7	7.8	5.5	07/24/03
Fidelity Advisor	Freedom 2025	Mixed Asset Target Aloc	0.97%	2.4%	6.3	8.9	8.6	5.8	11/03/03
Fidelity Advisor	Freedom 2030	Mixed Asset Target Aloc	1.02%	2.5%	6.5	9.4	8.9	5.7	07/24/03
Fidelity Advisor	Freedom 2035	Mixed Asset Target Aloc	1.03%	2.7%	6.8	10.2	9.4	5.9	11/06/03
Fidelity Advisor	Freedom 2040	Mixed Asset Target Aloc	1.03%	2.6%	6.8	10.3	9.4	5.9	07/24/03
Fidelity Advisor	Freedom 2045	Mixed Asset Target Aloc	1.03%	2.6%	6.8	10.5	9.6	5.0	06/01/06
Fidelity Advisor	Freedom 2050	Mixed Asset Target Aloc	1.03%	2.6%	6.8	10.6	9.6	4.9	06/01/06
Fidelity Advisor	Freedom Income	Mixed Asset Target Aloc	0.76%	1.4%	3.7	3.9	4.5	4.2	07/24/03
Equity Income									
T.Rowe Price	Equity Income	Equity Income	0.66%	-1.0%	4.7	13.3	11.7	6.8	10/31/85
Bond									
American Century	Government Bond	Government	0.47%	1.2%	4.5	1.7	3.3	4.4	05/16/80
American Century	Inflation-Adjusted Bond	Intermediate Gov't	0.47%	1.2%	2.1	0.0	3.7	4.1	02/10/97
PIMCO	Total Return	Intermediate Bond	0.71%	2.2%	5.4	3.8	4.7	6.0	09/08/84
Vanguard	Short-Term Treasury-Admiral	Short Term Treasury	0.10%	0.6%	1.2	0.7	1.3	3.0	02/13/01
Vanguard	Interm.Term Treasury-Admiral	Interm. Term Treasury	0.10%	1.9%	5.0	2.2	4.3	5.1	02/12/01
Vanguard	Long-Term Treasury-Admiral	Long Term Treasury	0.10%	4.0%	21.2	7.6	10.5	7.8	02/12/01
Cash/Money Market									
Vanguard	Institutional Prime Money Market**	Money Market	0.10%	0.0%	0.1	0.1	0.1	1.7	10/3/89
Broad Base Benchmarks									
S & P 500				1.0%	12.7	16.1	14.5	8.0	
Barclays US Aggregate Bond				1.6%	5.7	3.1	4.4	4.9	

Sources: www.Morningstar.com website 04/02/2015 and direct reports from the Fund Companies.

There are no sales (front-end load), transfer or surrender charges for any of the Vista 401(k) funds. If the fund normally charges such a fee to the public, they have been waived to Vista 401(k) participants.

Each mutual fund assesses a fee, which is a percentage of the total assets that they have under management. This report lists the current fund expense as reported on the www.morningstar.com website. This fee, known as Annual Fund Operating Expense is comprised of Management fees, Distribution and/or Service (12b-1) fees and other expenses. The fees shown in this column are expressed on an annual basis. Please note that these are the current charges.

Disclosure:

1. All performance information reflects that the fund's front-end or deferred charges, if any, have been waived.
2. Performance data represents past results and does not guarantee future results.
3. Your investment return and principal value will fluctuate and that these values, when redeemed, may be more or less than your original cost.
4. Current performance may be lower or higher than the past performance data listed herein.

For Further Information: refer to the www.vista401k.com Web site to direct link to Fund company information . You may call Vista 401(k) toll free at 866-325-1278 to speak to a Retirement Services Team representative and obtain the most recent month end returns.

* An Investment in the Institutional Prime Money Market Fund is not insured or guaranteed by the FDIC or any other government agency. It is possible to lose money by investing in the Fund.



TAKE TIME TO RELAX, CONTRIBUTE AND ROLLOVER!

By Toni Milton,
Analyst

As the end of the school year approaches, many of you are counting down to summer vacation and some well-deserved time to relax. Yet, this time of year may be bittersweet for those of you who are retiring. We wish you the best and hope you have achieved your 401(k) retirement goals! For the rest of us who remain actively employed for years to come, now is a great time to start thinking about your exit strategy from the working class.

The sooner you start, the more time you will have to explore your retirement options and take any necessary corrective actions. Let's face it – funding a retirement plan is not always a priority and many of you may feel your income should go toward more immediate needs. However, there is an added tax credit incentive to saving for retirement known as the Saver's Tax Credit.

The Saver's Tax Credit is a credit available to eligible taxpayers who make salary-deferral contributions to their employer's sponsored retirement plan, such as the Vista 401(k) Plan. For those of you who have never contributed to the school board's 401(k) plan, the Vista 401(k) plan is an employer-sponsored retirement plan that defers contributions until retirement.

In a nutshell, you sign up for the plan and choose your investment options from funds within the plan. Your employer takes the money from your paycheck before income taxes are taken and the money is deposited into your account. Enrollments, restarting your contribution or increasing your contribution can be done at any time on the website at www.vista401k.com.

The process is simple, low cost and convenient. Please keep in mind that many of you are 10-month employees, which means the school board will not take deductions during the summer months. The last deduction will be taken in June. After that, there will not be any more deductions taken until the end of September. This only gives you three months to contribute as much as you can.

The contribution limits for 2015 have increased to \$18,000 for anyone under age 50 and \$24,000 for those of you age 50 and older. Please keep in mind that you always have the option of starting with the minimum which is only \$25.00!

How many of you have a retirement account with a previous employer, but have not had the time to look into the rollover process? Now is a perfect time to get this done! Another benefit that the Vista 401(k) Plan

**“THE SOONER YOU START,
THE MORE TIME YOU WILL
HAVE TO EXPLORE YOUR
RETIREMENT OPTIONS”**

can provide, even if you are retiring this year, is the benefit of rolling other accounts into the plan. The 401(k) Plan allows you to roll funds from a variety of other accounts, such as: 401(a), 403(b), 457 and IRA. Your

Deferred Retirement Option Program (DROP) money can also be rolled into the 401(k) – thereby sheltering you from any tax withholding until you really need the money.

Rolling over your retirement account from a previous employer helps position your assets for tax-deferred growth potential – making tracking and management a lot easier. It helps keep you in control of your retirement plan and may give you more flexibility in how you invest. However, if you are retiring and do not already have a 401(k) account, you must either roll the money over before you leave employment or start contributing before you retire.

You may think that saving for retirement is a big issue to tackle and that you just don't have the time or money to invest, but it's not as challenging or costly as you may think. By taking small steps now and cutting back just enough to start or increase your contribution to your 401(k), it will ensure you are able to enjoy the retirement lifestyle you so deserve. Remember, if you're in your 20s, 30s, 40s, 50s or even 60s, it's never too late, or too early to start saving for retirement!



Borrowing from your 401(k) account

By Robert Pumphrey,
Retirement Services Representative

Spring is here and the summer is just around the corner. This has many participants planning for those two, unpaid months during the summer. As a 401(k) participant, you may consider calling about the 401(k) loan process. We suggest you hold off on making that kind of call!

Remember that the purpose of a 401(k) account is to provide supplemental income in your retirement years. As funds accumulate in your account over time, it can be very tempting to borrow from your retirement account, but we advise you to seriously reconsider the idea of taking a 401(k) loan.

So, what's the big deal about borrowing from your 401(k) account? What are the consequences? Here are just a few thoughts to consider before you borrow from your 401(k) Plan:

A 401(k) loan will significantly lower your long-term account results. The power of time in terms of compounding your money is what drives your 401(k) account's growth. If you stop paying in and adding to your total, you lose out on most of your account's potential growth. Long-term investing, such as saving for your retirement, is based on the idea that by putting time to work on your behalf, your money will grow. Therefore, if you borrow from your 401(k) account, you might be unable to make up for the lost contributions and the growth opportunities.

Paying back loan money means you may stop contributing. After you borrow from your Vista 401(k) account, what you would have contributed to add to your funds will go toward simply trying to pay back what you took. In many cases, when you take out a loan, you might decide to stop your contributions while you are making loan payments and you may fail to restart once the loan is paid off.

If your financial situation worsens, you stand to lose even more. Should you find yourself in a position where you are unable to repay the loan, it is treated as a withdrawal and the outstanding loan balance will be subject to current income taxes. In addition, if you are under the age of 59 ½ years old and can't repay the loan, there will be a 10% early withdrawal penalty.

It's a tax trap! When you pay back a loan from your Vista 401(k) account, you do so with after-tax money. Therefore, when you retire and take this money out later, it gets taxed again like the rest of your 401(k) contributions. Essentially, this means you are paying a tax twice for a single amount of money – as you pay it back and as you take it out later.

Potential job insecurity equals loan insecurity. When you borrow from your Vista 401(k) account, you typically have a set period to pay it back – usually one to four years. This may seem acceptable, but this changes if you leave your current employer. If, for any reason, you stop working, you could be forced to default on the loan balance and incur considerable penalties and fees.

Don't view it as a short-term solution. In many cases, borrowing from your Vista 401(k) account is like using a Band-Aid to cover a bullet wound. For example, when you don't have the funds to cover your standard cost of living bills, pulling money out of your 401(k) account may only postpone the inevitable. It isn't a long-term solution and it doesn't help your long-term retirement solution.

You lose your cushion. Taking a loan from your 401(k) plan should only be done in the direst of circumstances –after you have completely exhausted all other potential sources of funding. If you take money from your plan to fund a vacation or pay off higher interest loans, the money won't be there to borrow, if you really need it.

It violates the golden rule of personal finance. "Pay yourself first" is the golden rule of personal finance. Violating that rule is a never a good idea.

We urge you to strongly consider your long-term goals and the purpose of your 401(k) account. Summer comes every year. Be sure to work out a plan for the summer months or see if your employer can pay you in 12 months pay periods, instead of 10 months. Small sacrifices now, could mean big payoffs later.

The DROPBOX

Are you enrolled in DROP? Do you have specific questions about your distribution or would you prefer to receive information specific to your needs?

Call us at 866-325-1278 or e-mail us at 401k@vista401k.com for one-on-one service from our experienced Retirement Services Team.

Upon termination of DROP, you must select a payout method. You have three DROP payout choices for the distribution of your DROP benefits:

- Lump Sum – less 20 percent tax withholding (under age 55, an additional 10 percent tax penalty withheld)
- Direct Rollover – no tax withholding
- Partial Lump Sum and direct rollover – some tax withholding

Here are some good reasons to rollover the DROP payout into a Vista 401(k) account:

- If you take the DROP funds as a payment directly to yourself, these funds will be taxable income for the current tax year. For example, if your DROP payout is \$120,000 and you asked for these funds to be paid directly to you, your taxable income for 2015 will be \$120,000, plus any taxable amount you earned up until your retirement. You will receive only \$96,000 (less the 20 percent tax withheld).

Smart Alternative: *Rollover your DROP accumulation to your Vista 401(k) account. The \$120,000 rolled into the plan is NOT taxable until you withdraw it.*

- If you qualify for normal retirement from the School Board and reach the age of 55, you qualify to withdraw your funds without incurring the age 59½ withdrawal penalty from your 401(k) Plan. This means that if you choose to rollover your DROP funds to your 401(k) Plan, instead of a traditional IRA, you can withdraw funds before age 59 ½, without a penalty.

If you entered DROP in 2010 you will receive your payout distribution this year. Call Vista 401(k) at 866-325-1278 for the necessary forms.



Frequently Asked Questions

Q: I will be out of school soon for the summer. Do I need to stop my contributions to my 401(k) plan?

No. 10 month employees do not have contributions taken over the summer.

Q: What is the maximum amount you can contribute to your 401(k) Plan annually?

The maximum for participants under the age of 50 is \$18,000 for year 2015. The maximum for participants over 50 years old is \$24,000.

Q: Does Vista 401(k) have representatives onsite at our schools?

No, we have no agents at your schools. You may contact us at 866-325-1278 or go to our website at www.vista401k.com.

Q: How do I qualify for a loan from my 401(k) account?

You must have a balance of at least \$2,000.

Q: What is the minimum loan I can take?

The minimum loan is \$1,000 and the maximum is 50% of your loan balance up to \$50,000.

Q: Can I have more than one loan at a time?

No. You can only have one loan at a time. Once you have paid off your loan there is a 30-day waiting period before you can apply for another loan.

Q: When am I eligible to enroll in the Vista 401(k) Plan?

You're eligible immediately upon being hired. You can enroll any time of the year. No enrollment period is required.

Q: My payroll deduction summary from my paycheck has a deduction for Vista. Does that mean I am contributing to the Vista 401(k) Plan?

No. Your Vista 401(k) contribution will be noted on your paycheck summary as **401(k)**. Call us at 1-866-325-1278 for additional information.

Q: I designated a beneficiary when I signed up for my benefits with the School Board. Does that apply to my 401(k) account?

No. Your 401(k) Plan is a completely separate account from your other School Board benefits. You must designate a specific beneficiary on this account by logging onto your account online or by contacting our office to request a form be mailed to you.

Q: I am legally married in a same-sex couple. If I want my nephew to be the primary beneficiary for my 401(k) plan, do I need to change my beneficiary designation?

Yes. Legally your spouse is the beneficiary of your retirement accounts. If you are legally married and name someone other than your spouse, you must have the spousal consent waiver signed and notarized.

Q: I took a hardship from my account. Do my contributions have to stop?

Yes. By law, your 401(k) contributions and any other contribution to a retirement plan must cease for six months. After six months, you must restart your contributions. The payments will not automatically resume.

Q: I am about to receive a DROP payout. Can I rollover some or all of the money into my 401(k) Plan?

Yes. You may rollover all or a portion of the DROP payout into the Vista 401(k) Plan. Contact our office at 866-325-1278 for the necessary forms.

Q: When I retire, do I have to take a lump-sum payout of my 401(k) account?

No. You can leave your account with the Vista 401(k) Plan as long as want. You have the option of setting up systematic withdrawals or you can have periodic withdrawals – giving you the capability to receive payments monthly, quarterly or as needed.

Q: I am about to be 70 ½ years old, do I need to call the office about getting my Required Minimum Distribution (RMD) paid out to me?

No. Our company automatically calculates your RMD amount and sends out a check to the address on file. Contact our office to update your contact information.

Q: Is there a fixed amount I must contribute to an account?

There is no fixed amount you must contribute. However, there is a \$25 minimum contribution per pay period.

Q: How can I increase the amount I am contributing into my 401(k) Plan?

Increasing your contribution can be done in several ways. You can log into your account at www.vista401k.com and select the “change deferral amount” tab. Simply enter how much you want to contribute and click the “submit” button. We can e-mail, fax or mail you a form to fill out and send back to us as well. In addition, you can call our automated system at 1-800-213-2310.

Q: Can I rollover my 403(b) account into my 401(k) account?

You can rollover your 403(b) account into your 401(k) account, as long as you meet certain IRS requirements:

- You are over the age of 59 ½
- No longer working for the plan sponsor Rolling over funds to your 401(k) account may be a good way to cut expenses and keep more of your returns.

Q: How can I receive the most current information about the 401(k)?

Log onto our website at www.vista401k.com and sign up for our mailing list or select our “Learning Center” link.

Q: How can I reset my password?

For security purposes, you can only have your password reset by calling our office at 1-866-325-1278.

Q: When will I receive a statement?

Participant statements are mailed out after each quarter to the address we have on file.

Q: How can I change my mailing address online?

You can change your address online by logging into your account and selecting the “account information” tab. Next, click “Update Personal Profile.” Enter your information into the appropriate fields and click the “update” button. Additionally, you must contact your school board to ensure they update their system.

Q: How can I pay off my loan early?

To pay off a loan early, first you must contact our office at 1-866-325-1278 to get your current balance. Payments must be made with either a cashier’s check or money order payable to “WTC FBO: Vista 401k”. Address the envelope to: Vista 401(k), P.O. Box 1878, Tallahassee, Florida 32302.