



# County of Fresno

## Deferred Compensation Management Council

### April 15, 2013 Agenda

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**Meeting to be held at 2:30 p.m. at the Fresno County Employees' Retirement Association, 1111 H St., Fresno, CA 93721**

1. Call to Order
2. Approve Agenda
3. Approve Minutes from the January 23, 2012 Special Meeting
4. Public Comment – At this time, members of the public may comment on any item, within the jurisdiction of the Deferred Compensation Management Council, not appearing on the agenda. In order for everyone to be heard, please limit your comments to 3 minutes or less.
5. Approve DCMC Conflict of Interest Code – subject to final approval by the Board of Supervisors
6. Approve 2013-2014 Fiscal Year Deferred Compensation Plan discretionary expense budget
7. Approve distribution of excess unallocated Plan assets to Participants based on number of assets
8. Receive and File Fiduciary Liability Checklist and Calendar prepared by Heintzberger-Payne Associates
9. Authorize Staff to Pursue a Fiduciary Liability Insurance Policy for DCMC Members
10. Receive Verbal Report on Fund Change/Fee Structure Implementation and Participant Education
11. Receive and File year-end 2012 Investment Lineup Report prepared by Heintzberger-Payne Associates
12. Receive and File year-end 2012 Plan Review prepared by Great-West Retirement Services

*In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Employee Benefits Manager at 600-1810.*



## ITEM 3

### Deferred Compensation Management Council January 23, 2013 Action Summary Minutes

Special meeting was held at 3:00 p.m. at the County of Fresno Hall of Records, 2281  
Tulare Street, Room 105, Fresno, CA 93721

**Members Present:** Beth Bandy, Vicki Crow, Kathleen Donawa, Carol Hafner, and John Navarrette

**Members Absent:** Phil Kapler

1. Call to Order

**The meeting was called to order at 3:01 p.m.**

2. Approve Agenda

**The Agenda was unanimously approved as recommended.**

3. Approve Minutes from the October 5, 2012 Meeting

**The Minutes were unanimously approved with a change to Item 4; this item should read "The Minutes were unanimously approved as recommended."**

4. Public Comment – At this time, members of the public may comment on any item, within the jurisdiction of the Deferred Compensation Management Council, not appearing on the agenda. In order for everyone to be heard, please limit your comments to 3 minutes or less.

**There were no comments from the public.**

5. Approve the proposed changes to the current services agreement subject to final Counsel review and approval.

**Unanimously approved as recommended.**

6. Approve replacement of higher-fee share classes of the County of Fresno Stable Value Fund, the BlackRock U.S. Debt Index, and the Great-West Lifetime Target-Date Trusts with lower-fee share classes.

**Heintzberger-Payne's "Finalized Investment Menu" (Page 8 of the supporting materials) unanimously approved as recommended.**

## **ITEM 5 – ATTACHMENT “A”**

### **CONFLICT-OF-INTEREST CODE FOR DEFERRED COMPENSATION MANAGEMENT COUNCIL**

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict-of-interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. Section 18730) that contains the terms of a standard conflict-of-interest code and may be incorporated by reference in an agency’s code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendices A, B, and C designating positions and establishing disclosure requirements shall constitute the conflict-of-interest code of the County of Fresno **Deferred Compensation Management Council (the “Council”)**.

Individuals holding designated positions shall file their statements of economic interests with the Personnel Services Manager – Employee Benefits Division (Personnel Services Manager), who will retain the statements and make the statements available for public inspection and reproduction. (Gov. Code Section 81008.) Upon receipt of the original statements, Personnel Services Manager shall make and retain a copy and forward the original of these statements to the Clerk to the County Board of Supervisors.

APPENDIX A  
DESIGNATED POSITIONS

<u>Designated Positions</u>	<u>Disclosure Categories</u>
• Legal Counsel to the Deferred Compensation Management Council	1, 2, 3
• Consultants	*

\* Consultants shall be included in the list of designated positions and shall disclose pursuant to the disclosure requirements in this code subject to the following limitation:

The Deferred Compensation Management Council may determine in writing that a particular consultant, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to comply fully with the disclosure requirements in this section. Such written determination shall include a description of the consultant’s duties and, based upon that description, a statement of the extent of disclosure requirements. The Deferred Compensation Management Council’s determination is a public record and shall be retained for public inspection in the same manner and location as this conflict-of-interest code. (Gov. Code Sec. 81008.)

Public Officials Who Manage Public Investments:

It has been determined that positions listed below manage public investments and will file a statement of economic interests pursuant to Government Code Section 87200. These positions are listed for information purposes only:

- Member of Deferred Compensation Management Council
- Consultants

An Individual holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by Government Code Section 87200.

APPENDIX B  
DISCLOSURE CATEGORIES

Disclosure Category 1

Designated positions in this category must disclose all interests in real property which foreseeably may be purchased or invested in by the County of Fresno 457(b) Deferred Compensation Plan (the "Plan").

Disclosure Category 2

Designated positions in this category must disclose all investments or business positions in, and all income, including loans, gifts, and travel payments, from any business entity which, within the past two (2) years, has received, or in the future, foreseeably may receive investment funds from the Plan.

Disclosure Category 3

Designated positions in this category must disclose all investments or business positions with, and all income, including loans, gifts, and travel payments, from any business entity which, within the past two (2) years, has received, or in the foreseeable future, may contract with the Plan to provide services, supplies, materials, machinery, or equipment to the Plan.

## APPENDIX C

### AGENCY POSITIONS THAT MANAGE PUBLIC INVESTMENTS FOR PURPOSES OF SECTION 87200 OF THE GOVERNMENT CODE

#### Position Required To File A Statement Of Economic Interests

- Member of the Deferred Compensation Management Council
- Consultant



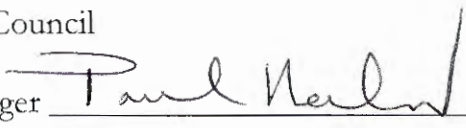
## Inter Office Memo

DEPARTMENT OF  
PERSONNEL SERVICES

### ITEM 5

DATE: April 15, 2013

TO: Deferred Compensation Management Council

FROM: Paul Nerland, Personnel Services Manager 

SUBJECT: Conflict of Interest Code for Deferred Compensation Management Council

#### **Background**

As you are aware, the Deferred Compensation Management Council (DCMC) is a committee appointed by the County of Fresno Board of Supervisors. Pursuant to the Political Reform Act (Government Code Section 81000, et seq.), the Board must adopt a Conflict of Interest Code for its appointed committees, including the DCMC.

#### **Issue**

Staff has worked with County Counsel to draft the attached Conflict of Interest Code (Attachment "A"). If approved by the DCMC, the Code will be submitted to the Board of Supervisors for final approval.

#### **Recommended Action**

**Staff is recommending that the DCMC approve the attached Conflict of Interest Code for submission to the Board of Supervisors.**

The recommended action allows the DCMC to stay in compliance with applicable state laws.

**ITEM 6 - ATTACHMENT "B"**

**Proposed FY 2013-2014 Deferred Comp Plan Budget**

<b>Revenue</b>		Dollars	% of Revenue
<b>Administrative Fee</b>	0.23% of Plan Assets, based on \$175,000,000 in assets.	\$402,500	85.2%
<b>Great-West Reimbursement</b>	Pursuant to Agreement # 09-528 with Great-West Retirement Services, \$70,000 annually.	\$70,000	14.8%

**Total Revenue: \$472,500 100.0%**

<b>Expenses: Fixed</b>		Dollars	% of Expenses
<b>Consultant Fees</b>	Pursuant to Agreement # 11-731 with Heintzberger-Payne Advisors, \$50,000 annually.	\$50,000	10.6%
<b>RFP Costs</b>	Pursuant to Agreement # 11-731 with Heintzberger-Payne Advisors, \$30,000 one-time fee.	\$30,000	6.3%
<b>Great-West Fees</b>	Pursuant to Agreement # 09-528 with Great-West Retirement Services, 0.15% of Total Assets per year.	\$255,000	54.0%
<b>Fiduciary Liability</b>	Proposed Fiduciary Liability Insurance Premium on \$5,000,000 in coverage.	\$10,000	2.1%

**Total Fixed Expenses: \$345,000 73.0%**

<b>Expenses: Miscellaneous</b>		Dollars	% of Expenses
<b>Staff Costs</b>	Time spent working on the Plan by Personnel Services Staff - approximately 702 hours.	\$54,000	11.4%
<b>Legal Fees</b>	Includes cost of both County Counsel Staff and review of documents and policies by outside counsel.	\$25,000	5.3%
<b>NAGDCA</b>	Send two (2) people to the 2013 NAGDCA conference in Louisville, KY.	\$5,500	1.2%
<b>Lunch &amp; Learn</b>	Includes cost of facilities and food; assumes four (4) events per year at \$2000 per event.	\$8,000	1.7%
<b>Contingencies</b>	Any appropriate expense not included in the items in the proposed budget.	\$35,000	7.4%

**Total Miscellaneous Expenses: \$127,500 27.0%**

**Total Expenses: \$472,500 100.0%**



**ITEM 6 - ATTACHEMENT "A"**

**County of Fresno Deferred Compensation Plan**

**Actuals vs. Budgeted Revenues & Expenses for the Three and Nine Months Ended March 31, 2013**

**Quarter Ending 3/31/2013**

**Fiscal Year-To-Date**

**Revenue**

	Actuals	Budget	Over/(Under) Budget	% Variance	Actuals	Budget	Over/(Under) Budget	% Variance
Revenue-sharing	\$76,418	\$92,000	(\$15,582)	-16.94%	\$218,919	\$276,000	(\$57,081)	-20.68%
Great-West Reimbursement	\$17,500	\$17,500	\$0	0.00%	\$52,500	\$52,500	\$0	0.00%
<b>Totals:</b>	<b>\$93,918</b>	<b>\$109,500</b>	<b>(\$15,582)</b>	<b>-14.23%</b>	<b>\$271,419</b>	<b>\$328,500</b>	<b>(\$57,081)</b>	<b>-17.38%</b>

**Quarter Ending 3/31/2013**

**Fiscal Year-To-Date**

**Expenses**

	Actuals	Budget	(Over)/Under Budget	% Variance	Actuals	Budget	(Over)/Under Budget	% Variance
Consultant Fees	\$12,500	\$12,500	\$0	0.00%	\$50,000	\$37,500	(\$12,500)	-33.33%
Legal fees	\$757	\$5,000	\$4,243	84.86%	\$1,266	\$15,000	\$13,734	91.56%
Lunch & Learn Events	\$1,635	\$2,000	\$365	18.26%	\$3,131	\$6,000	\$2,869	47.81%
NAGDCA	\$0	\$1,000	\$1,000	100.00%	\$1,848	\$3,000	\$1,153	38.42%
Staff Costs	\$9,150	\$16,500	\$7,350	44.55%	\$23,593	\$49,500	\$25,907	52.34%
Great-West Fees	\$62,278	\$60,000	(\$2,278)	-3.80%	\$185,020	\$180,000	(\$5,020)	-2.79%
Contingencies	\$0	\$12,500	\$12,500	100.00%	\$0	\$37,500	\$37,500	100.00%
<b>Totals:</b>	<b>\$86,320</b>	<b>\$109,500</b>	<b>\$23,180</b>	<b>21.17%</b>	<b>\$264,858</b>	<b>\$328,500</b>	<b>\$63,642</b>	<b>19.37%</b>



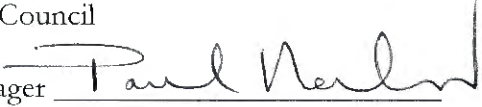
## Inter Office Memo

DEPARTMENT OF  
PERSONNEL SERVICES

### ITEM 6

DATE: April 15, 2013

TO: Deferred Compensation Management Council

FROM: Paul Nerland, Personnel Services Manager 

SUBJECT: 2012-2013 Fiscal Year Budget Update and 2013-2014 Fiscal Year Deferred Compensation Plan Budget

#### Background

Pursuant to Section 9.5 of the County of Fresno 457(B) Deferred Compensation Plan Document, any reasonable expenses related to the operation of the Deferred Compensation Plan (the "Plan"), such as third-party administration, consulting, legal and County staff costs, shall be charged to Plan participants. The County currently charges the Plan for the cost of the third-party administrator (Great-West) and for consulting services (Heintzberger-Payne), as well as time spent by County staff (including Personnel Services and County Counsel staff) in support of Plan activities and for outside legal counsel to review Plan-related documents. In order to offset the costs of these Plan-related expenses, at the October 5, 2012 meeting the DCMC approved a fixed administrative fee of 0.23% to be charged to each participant based on their Plan assets. Staff anticipates that the administrative fee will begin with the first quarter of fiscal year 2013-2014.

#### Issue

##### Fiscal year 2012-2013 Update

Staff has prepared a 2012-2013 fiscal year budget update with quarter-end March 31, 2013 and year-to-date data (Attachment "A"). Staff would like to note and explain the revenue and expense discrepancies:

- Both the quarter-end and year-to-date revenues are less than what was projected. We based revenue on flat administrative fee of 0.23% of total assets; this fee has not been implemented when the budget was adopted, which caused the discrepancy.
- Both the quarter-end and year-to-date expenses are less than what was budgeted. Legal fees and staff costs have been less than expected, and the contingency budget has not been utilized.
- Both the Consultant fees and Great-West fees are over budget year-to-date. The discrepancy in Consultant Fees is due to the 4<sup>th</sup> Quarter fiscal year 2011-2012 charge being paid in the 1<sup>st</sup> Quarter of fiscal year 2012-2013. The discrepancy in Great West Fees is due to higher than expected Plan assets, which is how the fees are generated – a flat 0.0375% per quarter (0.15% annually); the budget anticipated assets of \$160 million, but Plan assets have increased to over \$175 million.

### Fiscal Year 2013-2014 Budget

In addition to the update on the fiscal year 2012-2013 budget, Staff has drafted a budget anticipating expenses for the 2013-2014 fiscal year (Attachment "B"). Expense categories include mandatory expenses (pursuant to agreements with Great West Retirement Services and Heintzberger-Payne Associates), miscellaneous expenses (County Staff costs, legal fees, and educational expenses), and a contingency fund, should the Plan incur an unexpected expense.

Staff would like to highlight the following areas for explanation:

- **Great-West fees.** Staff anticipates that Great-West's fees will increase, as the total Plan assets continue to increase. The proposed budget represents an increase of \$15,000 over fiscal year 2012-2013.
- **Fiduciary Liability Insurance.** In Item 9 on today's agenda, Staff is recommending that the DCMC pursue a \$5 million fiduciary liability insurance policy. The annual cost of this policy is estimated to be \$10,000.
- **Staff costs.** While the cost of Personnel staff has totaled just \$23,593 in the past nine (9) months, we expect that cost to increase. A review of charges revealed that some support work for the Plan had not been consistently billed. Although this has been rectified prospectively, it is expected to increase hours billed to the Plan but capture the true cost of administration. Additionally, there is an increase in workload anticipated for the planned request for proposal ("RFP") processes for both the third party administrator and for consulting services (contracts with current vendors expire in 2013). Despite the increase in projected costs compared to actual costs this year, the proposed budget still represents a decrease of \$12,000 over fiscal year 2012-2013.
- **Legal fees.** Staff anticipates that these fees will increase over fiscal year 2012-2013 due to the planned RFP processes for the third-party administrator and consulting services in fiscal year 2013-2014; County Counsel staff provided extensive assistance in contract review during the previous RFP processes for these vendors. The proposed budget represents an increase of \$5,000 over fiscal year 2012-2013.
- **NAGDCA Conference.** The proposed budget represents an increase of \$3,600 over actual costs in fiscal year 2012-2013. Staff anticipates an increase over fiscal year 2012-2013 based on the cost to send two individuals and the conference is out of state.

### Recommended Action

**Staff is recommending that the DCMC approve the attached budget, either as submitted or with amendments.**

The recommended action allows for greater transparency in reporting the administrative costs on which participant funds are spent.



## Inter Office Memo

DEPARTMENT OF  
PERSONNEL SERVICES

### ITEM 7

DATE: April 15, 2013

TO: Deferred Compensation Management Council

FROM: Paul Nerland, Personnel Services Manager

SUBJECT: Distribution of Excess Plan Assets

#### Background

As you are aware, the Plan receives quarterly revenue to offset reasonable expenses from Great-West Retirement Services (pursuant to Agreement # 09-528) and revenue-sharing from the various investment options offered to participants. In addition to the recurring quarterly revenues, the Plan also received a one-time payment from Hartford Financial Services Group ("Hartford") in the amount of \$167,363.22, pursuant to Agreement # 11-063 (approved by the Board of Supervisors February 8, 2011). The one-time payment from Hartford was for an annual reimbursement of \$50,000 to the Plan that was promised by Hartford for 2006-2009 but was never delivered. In total, there is currently \$410,599.49 in unallocated Plan assets.

#### Issue

In a separate item on today's agenda, the DCMC is being asked to approve a spending plan for fiscal year 2013-2014. The spending plan includes revenues generated through a quarterly administrative fee of 0.0575% (0.23% per year). As the Plan will not need as many assets as are currently available, it is prudent to return the majority of these funds to the participants. Therefore, Staff is recommending that all but \$75,000 should be returned to participants as soon as administratively feasible. The remaining \$75,000 would be encumbered in the event of an emergency expenditure or in the event that expenses temporarily exceed revenues.

#### Recommended Actions

Staff is recommending that the DCMC approve the distribution of all but \$75,000 in unallocated Plan assets to participants, proportionately based on account balance (e.g., 10% to a participant whose account balance equals 10% of total Plan assets).

Staff also recommends encumbering the remaining \$75,000 for unexpected expenses.

The recommended actions will keep unallocated Plan assets at a minimum level and return excess funds to participants which were generated by fees on their investments.

# ITEM 8

## ANNUAL CHECKLIST FOR FIDUCIARIES

➤ When you're a fiduciary, there are a lot of responsibilities and a lot of things to do in a year. Way more than you can possibly keep track of unless being a fiduciary is your only job. This checklist helps solve that problem. It's comprehensive, so if you use it, you won't forget or neglect any responsibilities or actions.

	TOPIC	COMPLETE?		DATE	NEXT STEPS/NOTES
		YES	NO		
1	<b>Fiduciary Governance</b> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Establish formal committee</li> <li><input checked="" type="checkbox"/> Establish committee bylaws and charter</li> <li><input checked="" type="checkbox"/> Review annual roles of committee members</li> <li><input checked="" type="checkbox"/> Conduct committee meetings 2/yr.</li> <li><input checked="" type="checkbox"/> Document meeting minutes 2/yr.</li> <li><input checked="" type="checkbox"/> Review named fiduciaries and plan documents to ensure they are consistent</li> <li><input checked="" type="checkbox"/> Ensure fiduciaries are aware of their duties and responsibilities (Fiduciary Training)</li> </ul>	Yes		04/12	Located in Section 11 of Plan Document
		Yes		05/12	
		Yes		05/12	
		Yes			Ongoing
		Yes			Meeting minutes are published on Website
		Yes		05/12	
		Yes		05/12	
2	<b>Investment Oversight Process</b> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Review and update the IPS</li> <li><input checked="" type="checkbox"/> Maintain history of fund changes/mapping</li> <li><input checked="" type="checkbox"/> Review funds to ensure participants have adequate choice</li> <li><input checked="" type="checkbox"/> Document investment review and decision-making process</li> <li><input checked="" type="checkbox"/> Comply with plan default investment rules in the IPS</li> </ul>	Yes		05/12	
		Yes			Ongoing: Currently tracked and archived
		Yes		05/12	
		Yes			Meeting minutes are published on Website
		Yes		05/12	
3	<b>Fiduciary Insurance &amp; Bonds</b> <ul style="list-style-type: none"> <li><input type="checkbox"/> Review ERISA bond coverage levels</li> <li><input type="checkbox"/> Consult with liability insurance provider for updates on coverage</li> </ul>	N/A			Researching if this is necessary for 457
		N/A			Researching if this is necessary for 457
4	<b>Service Providers Fees &amp; Services Review</b> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Review provider fees and services for reasonableness</li> <li><input checked="" type="checkbox"/> Conduct FINRA/SEC check for advisor/consultant</li> <li><input checked="" type="checkbox"/> Confirm advisor's fiduciary status in writing</li> <li><input checked="" type="checkbox"/> Review investment management fees for reasonableness</li> <li><input type="checkbox"/> Review and document selection of third party advice providers</li> </ul>	Yes		05/12	
		Yes		04/13	Ongoing
		Yes		12/11	Written in Contract
		Yes		05/12	
		N/A			

County of Fresno

Date:

# ANNUAL CHECKLIST FOR FIDUCIARIES CONTINUED

	TOPIC	COMPLETE?		DATE	NEXT STEPS
		YES	NO		
5	<b>Compliance</b> <ul style="list-style-type: none"> <li><input type="checkbox"/> Acknowledge plan intent to comply with 404(c) regulations</li> <li><input checked="" type="checkbox"/> Comply with fee disclosure rules 408(b)2 (ERISA plans)</li> <li><input type="checkbox"/> Review annual compliance due dates</li> <li><input checked="" type="checkbox"/> Review plan documents with ERISA council</li> <li><input type="checkbox"/> Review timing of contribution deposits</li> <li><input checked="" type="checkbox"/> Review trust agreements to ensure fiduciary roles are specified and accurate</li> </ul>	N/A	Yes	05/12	Checking to see if 404a5 is being mailed
		N/A	Yes	04/12	
		N/A	Yes	04/12	
		N/A	Yes	04/12	
6	<b>Fiduciary Records Management &amp; Documentation</b> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Establish a process for record management</li> <li><input type="checkbox"/> Distribute summary annual report to participants (ERISA plans)</li> <li><input checked="" type="checkbox"/> SSAE 16 report received from service provider</li> <li><input type="checkbox"/> Provider service agreements updated</li> <li><input checked="" type="checkbox"/> Document all participant communications</li> <li><input checked="" type="checkbox"/> Review plan and trust documents</li> <li><input type="checkbox"/> Document investment due diligence reports</li> <li><input type="checkbox"/> Document bond and insurance coverage</li> <li><input type="checkbox"/> ERISA Plans: Prepare, file and retain records related to Form 5500 Annual Report (including plan audit if required)</li> <li><input checked="" type="checkbox"/> Update plan administration procedures</li> </ul>	Yes	N/A	05/12	Ongoing
		N/A	Yes		Requested for 2012 In process
		N/A	Yes		Ongoing
		Yes	Yes	04/12	Quarterly Reports from HPA & GWL
		N/A	N/A		
		N/A	N/A		
7	<b>Participant Communications</b> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Review annual participant communication plan</li> <li><input checked="" type="checkbox"/> Audit participant mailing addresses and document process for lost participant searches</li> <li><input checked="" type="checkbox"/> Maintain records file of all participant education materials and investment materials</li> <li><input type="checkbox"/> Ensure plan provides required 404(a)(5) disclosures to participants in 401(k)-type plans</li> <li><input type="checkbox"/> Ensure plan provides annual notices: QDIA, Safe Harbor Notices, Summary of Annual Reports</li> </ul>	Yes	Yes	05/12	On Going: GWL to send County PSC Report
		Yes	Yes		On Going
		N/A	N/A		
		N/A	N/A		
8	<b>If Plan Document has been Amended</b> <ul style="list-style-type: none"> <li><input type="checkbox"/> Provide a new Summary of Plan Description</li> <li><input type="checkbox"/> Summary of Material Modification</li> </ul>	N/A	N/A		
		N/A	N/A		

## ITEM 9 - ATTACHMENT "A"

### Comparison of Fiduciary Liability Insurance Policies of Deferred Compensation Committees

Entity	Coverage Amount	Self-Insured Retention	Annual Premium	Plan Assets	Participants
City of San Jose	\$5,000,000	\$1,000	\$19,368	\$683,966,091	10,581
Sacramento County*	\$10,000,000	\$50,000	\$47,200	\$662,658,591	10,400
Tulare County*	\$5,000,000	\$10,000	\$17,000	\$72,032,000	4,772
Santa Barbara County*	\$3,000,000	-	\$9,000	\$210,354,000	5,465
Port of Oakland	\$13,000,000	\$10,000	\$19,704	\$63,792,000	566
Monterey County	\$3,000,000	\$0	\$7,600	\$173,317,000	2,972
<b>Averages:</b>	<b>\$6,500,000</b>	<b>-</b>	<b>\$19,979</b>	<b>\$311,019,947</b>	<b>5,793</b>

\* These entities have multiple plans; the "Coverage Amount" represents the total coverage amount for *all plans*

### Quotes from Alliant Insurance Services

Entity	Coverage Amount	Self-Insured Retention	Annual Premium	Plan Assets	Participants
County of Fresno	\$5,000,000	\$1,000,000	\$10,000	\$174,981,000	4,047
County of Fresno	\$10,000,000	\$1,000,000	\$20,000	\$174,981,000	4,047



## Inter Office Memo

DEPARTMENT OF  
PERSONNEL SERVICES

### ITEM 9

DATE: April 15, 2013

TO: Deferred Compensation Management Council

FROM: Paul Nerland, Personnel Services Manager

SUBJECT: Fiduciary Liability Insurance

#### **Background**

At the October 5, 2012 DCMC meeting, Member Donawa reported on her attendance at the 2012 NAGDCA conference, where she received information regarding fiduciary liability insurance. The DCMC directed Staff to investigate the options and report back at a future meeting.

#### **Issue**

Staff has obtained information regarding the terms and cost of other government entities' fiduciary liability insurance coverage. This information is summarized in the comparison chart in Attachment "A." In addition, preliminary quotes were obtained from Alliant Insurance Services, who provide insurance services to the County's Risk Pool. Staff has added these quotes (for both \$5 million and \$10 million in coverage) to the comparison chart in Attachment A.

#### **Recommended Action**

**Staff is recommending that the DCMC authorize Staff to pursue a fiduciary liability insurance policy for \$5 million in coverage.**

The recommended action will allow Staff to continue working with insurance carriers to procure a fiduciary liability insurance policy. Staff believes that \$5 million should meet the needs of the DCMC based on the comparable government entities in Attachment "A."



# County of Fresno

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## *457 DC Plan*



Quarterly Report – December 31, 2012

**HEINTZBERGER | PAYNE**  
*Client-Driven Investment Services*

12511 SW 68<sup>th</sup> Avenue | Portland, Oregon 97223  
Phone (503) 597-1600 | Fax (503) 597-1649

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## Section 1 – Market Overview

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Quarterly Market Commentary

#4

Market Performance Summary

#6

# Quarterly Market Commentary and Outlook, December 31, 2012

Yesterday, everybody smoked his last cigar, took his last drink and swore his last oath. Today, we are a pious and exemplary community. Thirty days from now, we shall have cast our reformation to the winds and gone to cutting our ancient shortcomings considerably shorter than ever.

*-Mark Twain*

## A New Years' Resolution

Congress ushered in the New Year with a resolution of its own, a vote many believe helped prevent an immediate recession that would have arisen from the tax increases and dramatic spending cuts embedded in the much-discussed, closely-watched, and widely-publicized “fiscal cliff.” As expected, it was an especially nasty series of political negotiations. Ironically, we might recall that the series of automatic spending cuts and tax increases emerged precisely as a result of a previous round of dysfunctional negotiations between the two parties in 2011—a grotesque construction of sorts by Congress itself as a testament of its inability to agree on just about anything. The combination of drastic measures was severe enough to make Congress look down over the proverbial cliff, and confront itself like a New Years' dieter might look down and confront a pounding hangover and growing midsection before swearing off cheesecake and vodka over the next 12 months.

Fortunately, perhaps, for the long-term well-being of the country, Congress' self-confrontation resulted in a series of tax increases aimed at reducing the deficit. That is to say, part of a long-term solution to fiscal responsibility may have been addressed. But in a way, the situation is like a dieter who trades cheesecake, hard alcohol and cigarettes for an all-doughnut-and-potato-chip diet while solemnly espousing the merits of drinking plenty of water, frequently napping, and going on an occasional walk. Of course, the economic situation is more nuanced but the point is the same: Congress may have only partially addressed a long-term solution to our country's fiscal situation. Let's consider the sheer size of the imbalance in more-straightforward dollar amounts. Based on scaled-down estimates of 2012 spending and revenue from the non-partisan Congressional Budget Office's (CBO) most-recent projections, the federal government is akin to an American family making somewhere around \$24,000 a year, spending \$35,000, and paying for the \$11,000 deficit by adding to a credit card that already has a balance of \$113,000. Moreover, this family has no plans to stop adding to its credit card at any point (the CBO's estimates stop at 2022), but just attempted to reduce the problem after asking for, and receiving, a \$62 raise.

In fairness to Congress, policy-makers must achieve a difficult balancing act that families don't have to worry about: they must consider the level of spending, the level of taxation and the level of growth in the broader economy while balancing short-term economic growth and long-term solvency. As a result of this “economic balancing act” there are several policy mistakes that could occur, each of which could have adverse consequences. Increase taxes too rapidly or too high, and economic growth may suffer and result in fewer jobs. Tax too little and run the longer-term risk of not adequately reducing the level of federal debt. Spend too much and the long-term health prospects of the national balance sheet weaken because future generations must pay the debt back. Cut spending too rapidly, or spend too little, and run the risk of reduced growth or a possible recession.

Although encouraged by Congress' initial steps, we do not suspect that spending cuts were adequately addressed as part of the American Taxpayer Relief Act. It is likely that sometime during the first quarter of 2013, the federal government will once again be forced to confront the debt ceiling and an additional round of political negotiations are expected to take place around that time. Just as stocks fell as the fiscal cliff issue drew nearer, and also fell the last time that the federal debt limit arose as an issue, there is a possibility that equities may sell off when the federal debt limit again moves to the forefront. It is also worth noting that stocks resumed their upward movement after these issues were removed from the spotlight, regardless of whether investors viewed the issues as fully resolved.

## 2012 in Review

In 2012 we advocated a focus on managers who allocate heavily to high-quality, large-cap stocks, with a slight preference to those in the US. We focused on investing in a smaller proportion of smaller-sized companies, and we also introduced a modest shift away from foreign investments and reduced allocations to investments in Europe. It was a surprising year in some respects, and most of these decisions detracted slightly from performance relative to doing the opposite. These positions still made gains and the differences were modest when considering the size of the positioning in a well-diversified portfolio. For example, a focus away from smaller stocks in favor of larger ones was correct most of the year, but large caps began to underperform late in the year (the difference was around 0.33% for 2012). Another somewhat surprising development for 2012 was the performance gap between low quality and high quality stocks as classified by Standard & Poor's. Stocks with more stable earnings histories underperformed those with stocks with volatile earnings histories. Had we undertaken the opposite move, and allocated to managers with a *low* quality bias, we would have added a small degree of incremental

performance to the portfolios but we remain convicted in holding managers who invest in high-quality companies.

## Looking to the Year Ahead

Looking ahead to 2013 we still have a high level of confidence in most of the investment themes currently in the portfolios and will continue to hold the best-regarded investment managers where they are appropriate. In some areas within the portfolios, we are actively debating possible changes, including the possibility of reducing United States exposure relative to foreign stocks, modestly reducing large cap stocks relative to mid-and-smaller stocks, and also reducing our relative overweight to non-Japan Asia within foreign stocks. Adding exposure back to managers who invest in European markets, at some point in perhaps in the next 12-24 months may begin to become attractive for long-term investors and we are continuing to monitor the situation.

Currently, low yields on long duration bonds may translate into high levels of risk and limited potential for upside; and we are seeking to avoid as much interest rate risk as possible. Consequently, we will continue to maintain a significant short duration focus in most fixed income portfolios where appropriate. We continue to believe the role of fixed income should be, first and foremost, to provide the best protection that is reasonably possible against the permanent loss of capital. Unfortunately, due to bond mathematics, the historically low yields currently provided by bonds result in generationally high interest rate risk. Although there is no law of nature that prevents yields from remaining low for long periods of time, the capital losses that may occur if interest rates increase (as they have in the past) can be substantial for a portfolio that is supposed to be considered “safe.” Even though low yields—especially for short maturities—are causing headaches for investors, there are areas where additional yield may be added to a portfolio. One of these is through the addition of global bonds, which may add diversification benefits while adding a degree of yield. A second way of adding yield is by adding a portion of corporate bonds of varying credit qualities that, ideally, are being watched closely by a high-conviction bond manager. Third, where our fixed income portfolios have short-duration managers, we have identified several strong managers, who have historically been able to protect against losses and generate a moderate uptick in yield relative to other short-duration bond managers.

In the very near term however, there are several economic tailwinds (some of which are highly positive) that are currently roughly equal to the often-cited headwinds associated with the current economic situation. Some of the tailwinds include corporate profitability reaching all-time highs, strong third quarter GDP growth, rising consumer confidence, improving balance sheets at banks, a strengthening housing market, and continued job creation. Also of

interest in the near term, corporate balance sheets continue to hold historically high levels of cash. We believe that eventually, investors will benefit as the historically high levels of cash are either returned to shareholders or re-invested by management teams. One of the ways corporate cash can be invested is through mergers and acquisitions. Research has indicated that strong commercial & industrial lending activity following economic shocks (such as the 2008 crisis) has historically preceded merger waves. During the third quarter, mergers and acquisitions reached post-crisis highs (deals amounted to \$303 bln) amid post-recession highs in commercial and industrial loans outstanding at commercial banks. If the research is correct, the combination of events may bode well for a few select active managers.

## In Conclusion

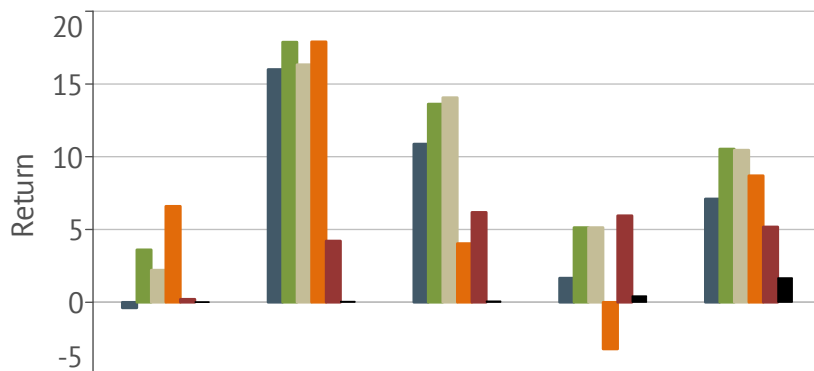
Over the short-term, we encourage investors to consider the strength of the stock market rally of the past several years. From 2009-2012, the S&P 500 has gained a cumulative 72% when taking dividends into consideration. For the S&P 500, this is a 4-year gain that is stronger than 64% of 4-year-gains since 1926. This strong stock performance is an important backdrop, and we encourage investors to consider the possibility of a double-digit correction given the size of the post-2008-crisis rally. A 20%, or thereabouts, correction has been a typical level in the past, even in long-term bull markets. If you anticipate the need to access your equity holdings over a shorter time period or if you believe that a 20%, or potentially larger correction would not be tolerable; we encourage you to reach out to discuss investment goals and a more appropriate asset allocation.

For investors who do not require access to the funds in their equity positions for 7-10 or more years, we continue to believe that remaining invested in the equity markets will provide our managers sufficient ability to capitalize on several long-term trends that are emerging. Over the longer-term, we believe tailwinds such as the potential for substantial increases in shale oil and natural gas production in the United States, significant future growth of emerging markets, and a possible resurgence in American manufacturing may reward investors who are able to remain patient during volatile periods. As always, we welcome the opportunity for a discussion. Should you have any questions or concerns, please call us at (503)597-1600.

Thank you for your business,  
Heintzberger | Payne Advisors  
December 31, 2012

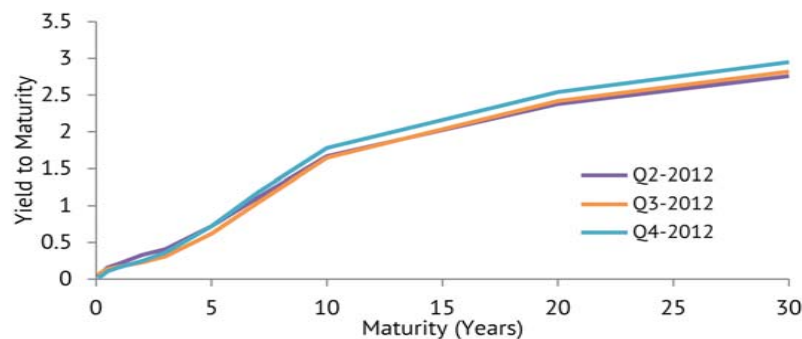
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## Trailing Returns



Index	QTR	1 year	3 years	5 years	10 years
S&P 500	-0.38	16.00	10.87	1.66	7.10
S&P MidCap 400	3.61	17.88	13.62	5.15	10.53
S&P SmallCap 600	2.22	16.33	14.07	5.14	10.45
MSCI EAFE Index	6.60	17.90	4.04	-3.21	8.70
Barclays U.S. Aggregate	0.21	4.21	6.19	5.95	5.18
Citigroup 3-month T-bill	0.02	0.07	0.09	0.45	1.69

## Treasury Yield Curve



Date	3 month	1 year	5 year	10 year	30 year
Q2 2012	0.09	0.21	0.72	1.67	2.76
Q3 2012	0.10	0.17	0.62	1.65	2.82
Q4 2012	0.05	0.16	0.72	1.78	2.95

Data: US Department of the Treasury

## Market Overview

### Trailing Quarter

Returns in the US were mixed over the fourth quarter of 2012, with US mid-cap posting the largest returns (+3.61) while US large cap produced a slightly negative return (-0.38%). Foreign markets (the MSCI EAFE Index) continued their strong rebound, and returned 6.60% over the last three months. Fixed income, represented with the Barclays US Aggregate Index, produced a slightly positive return over the trailing quarter at +0.21%, while cash, as represented by the Citigroup 3-month T-bill, continues to produce a nearly nonexistent yield.

### Year to Date

All equity markets posted strong mid-teens returns for 2012, with US Large, Mid and Small-cap returning between 16.00% and 17.88%. Foreign equity markets outpaced their domestic counterparts with a 17.90% return. Fixed income produced a 4.21% return for the year, and cash was neutral, with a slight yield of 0.07%.

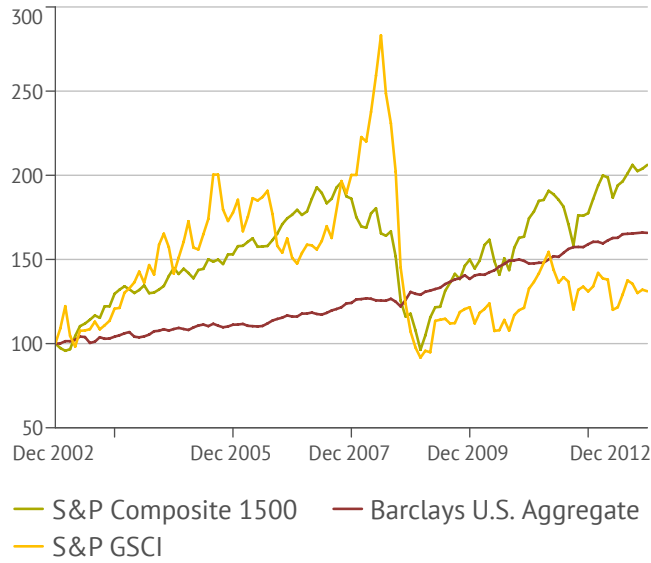
### Fixed Income Insights

Although treasury yields did not change materially over the trailing quarter, they did decrease marginally on the short end of the curve (1-4 basis points for maturities one-year and less), and increase slightly on the long end of the curve (10 to 14 basis points for maturities five years and longer). Although long bonds saw a slight pullback over the trailing quarter (-0.77%), they posted a return of 17.75% for the trailing year. We continue to view the purpose of fixed income in a portfolio to be that of capital preservation as opposed to capital appreciation. As a result, we recommend the use of higher quality, shorter-duration bonds to avoid the volatility and potential for loss in longer-duration fixed income.

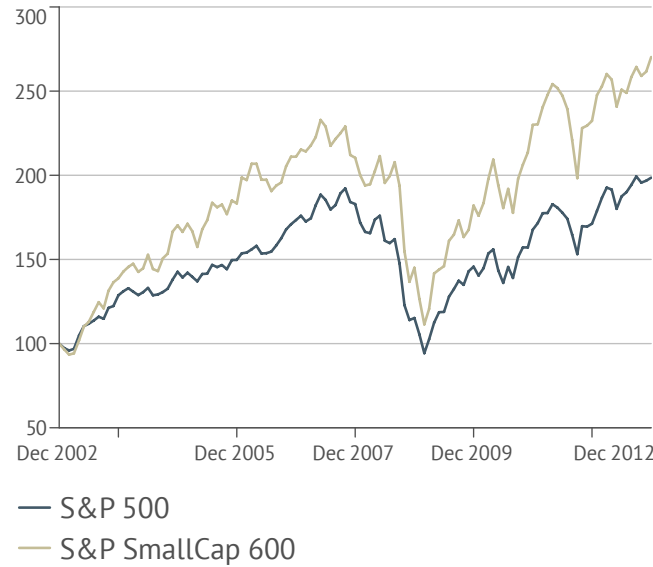
# Capital Market Review

10 year trailing data ending 12/31/2012

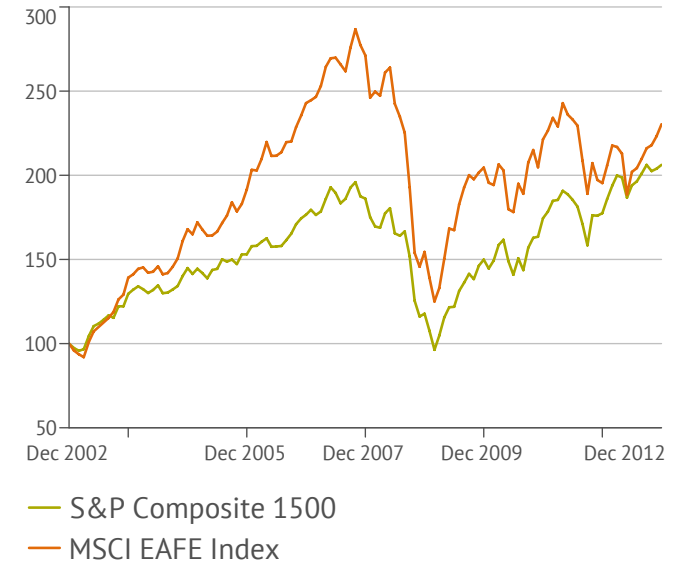
## Stocks vs. Bonds vs. Commodities



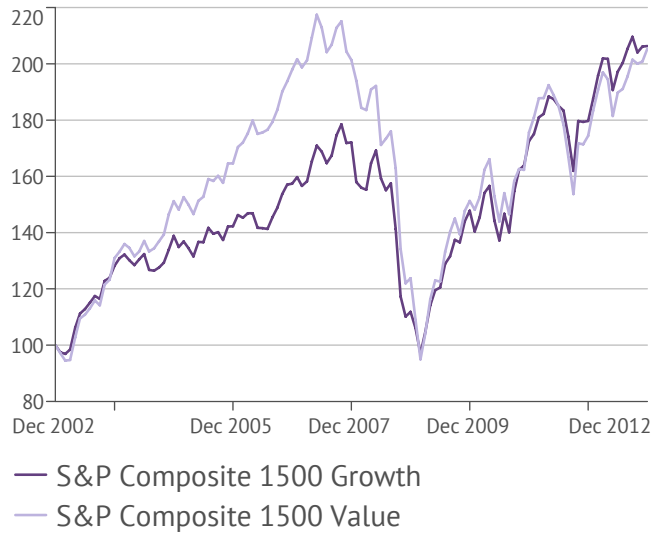
## Large Cap vs. Small Cap



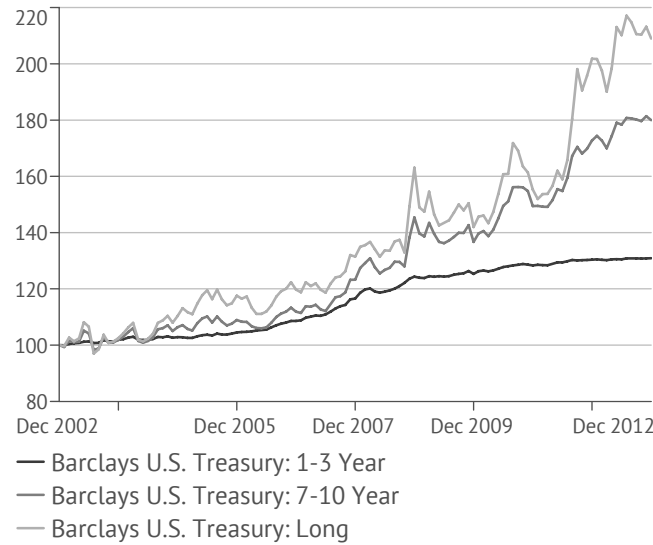
## Domestic vs. International



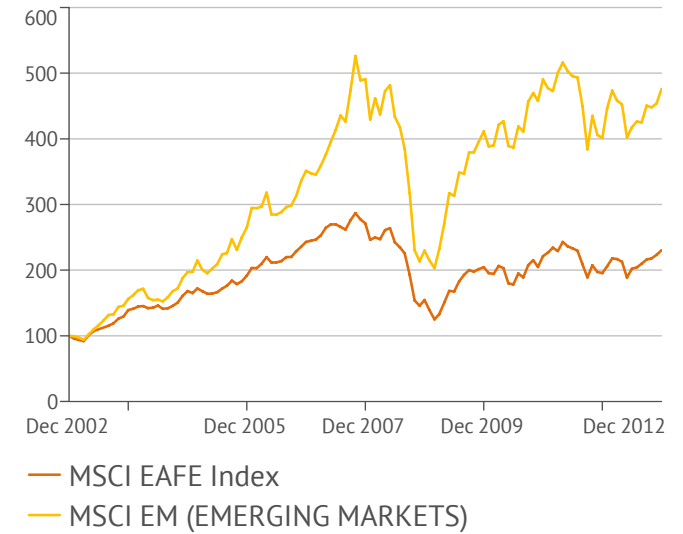
## Growth vs. Value



## Fixed Income: Long vs. Short Duration



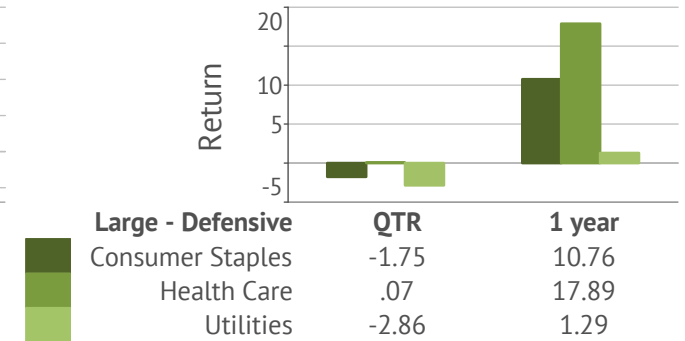
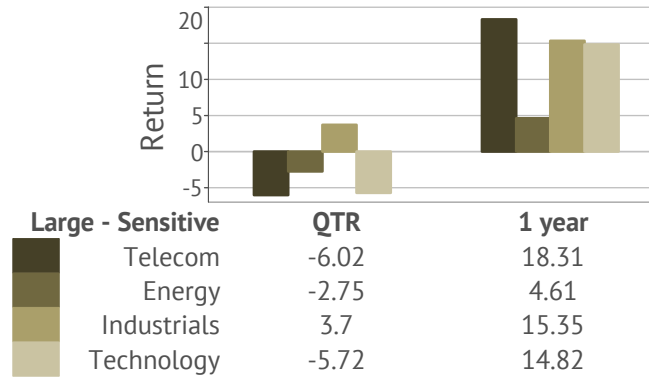
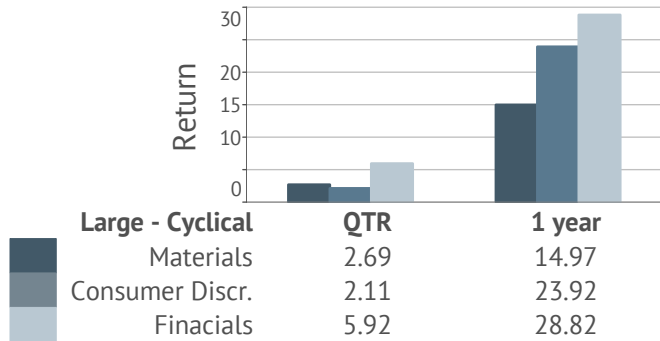
## Developed vs. Emerging



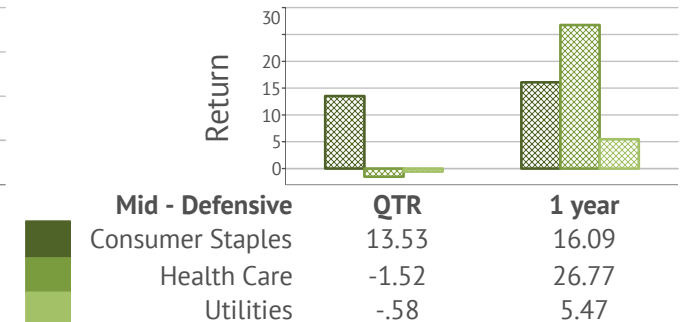
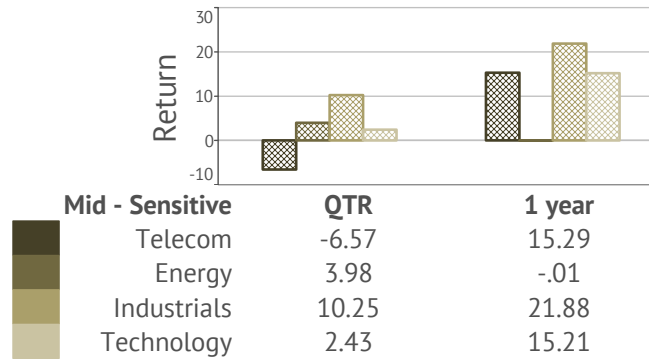
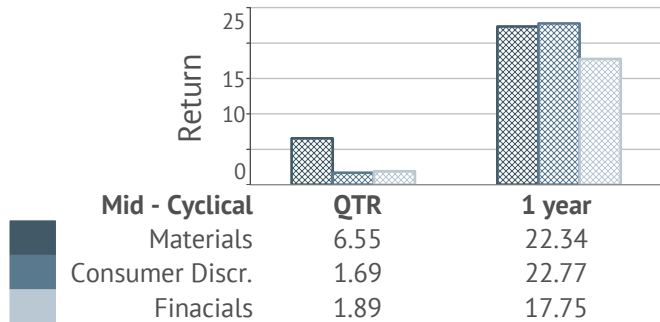
# Sector Performance Summary

As of 12/31/2012

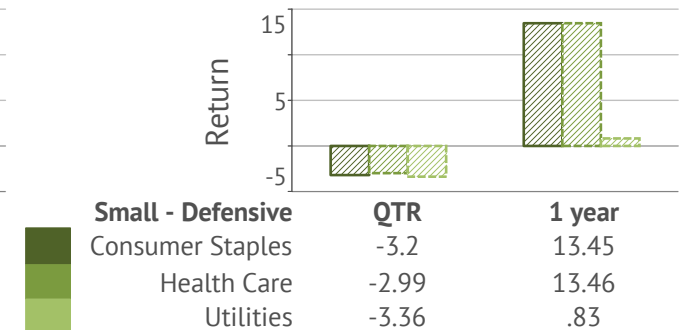
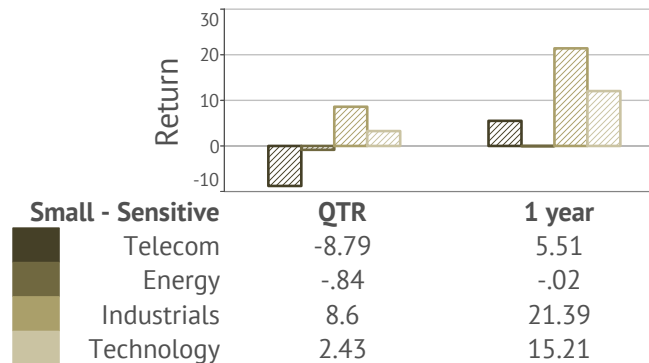
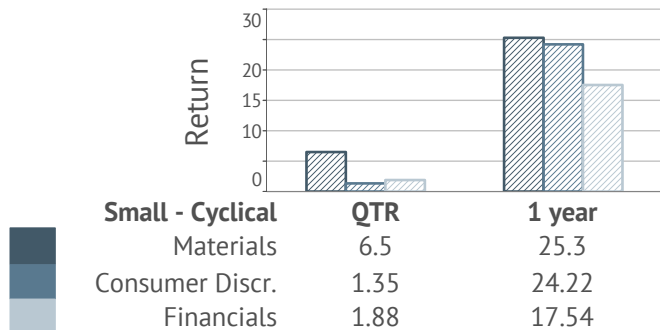
## S&P 500 Sectors



## S&P 400 Sectors



## S&P 600 Sectors

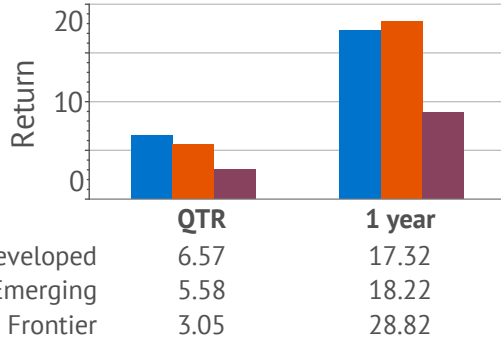




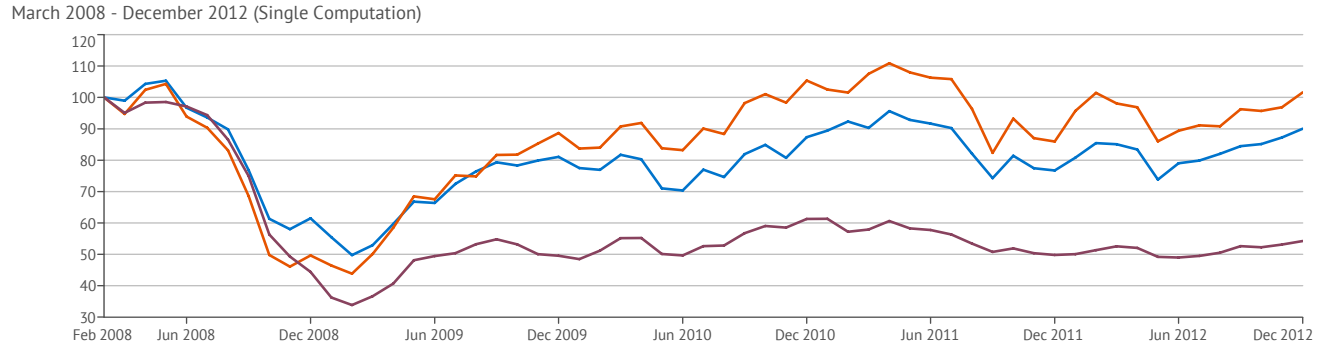
# Regional Performance Summary

As of 12/31/2012

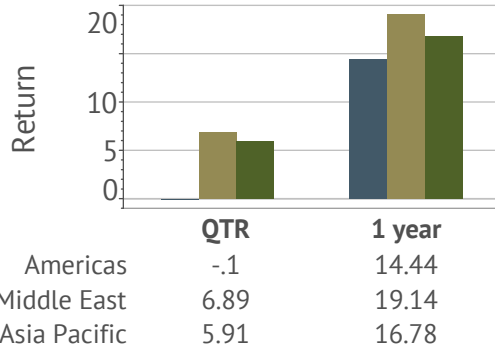
## Developed, Emerging and Frontier Markets



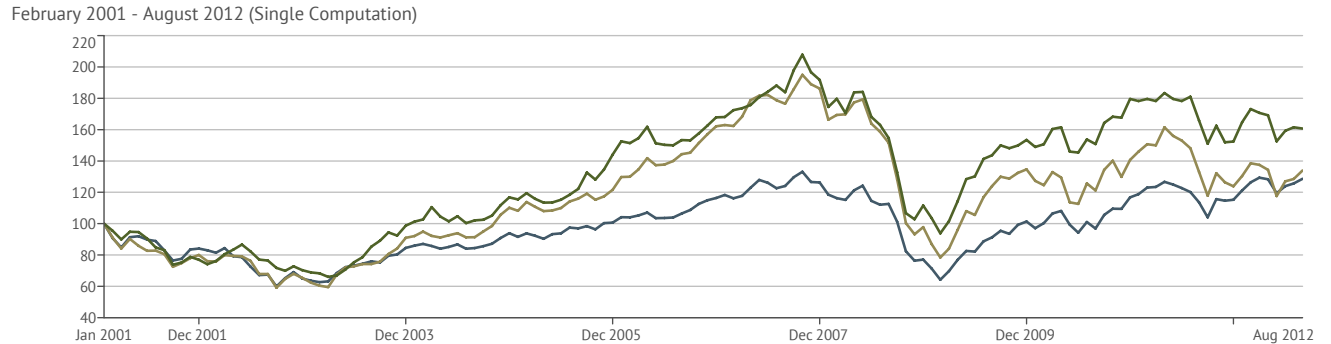
## Longer Term Performance (note: the frontier market index was established in March 2008)



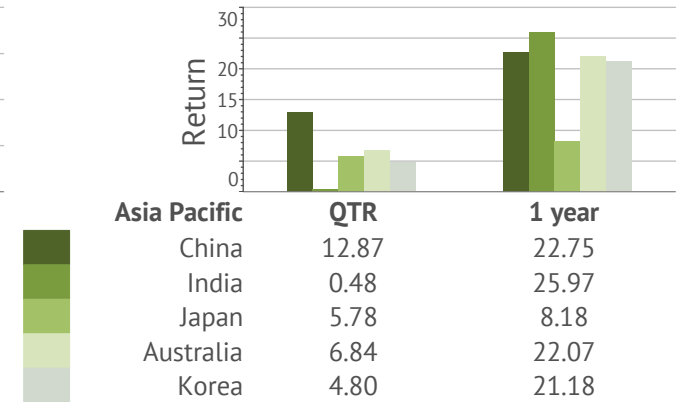
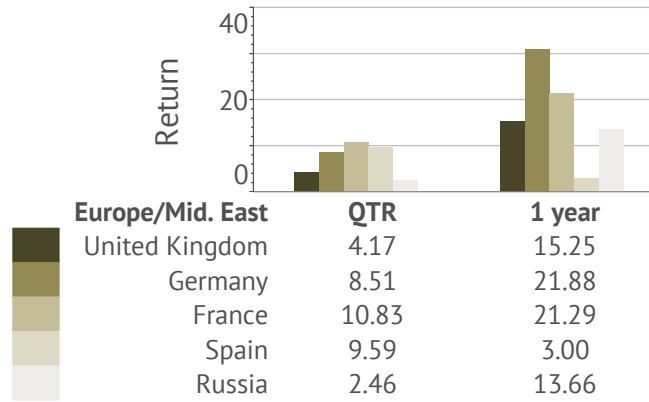
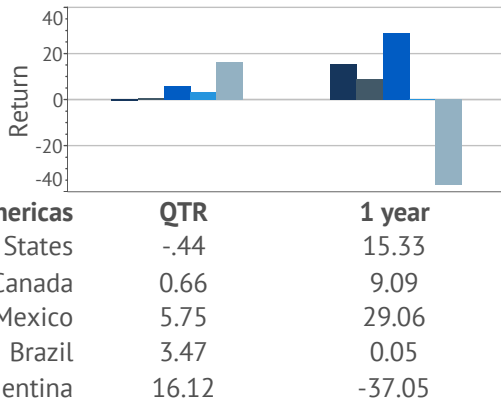
## Regional Comparison



## Longer Term Performance (note: all three indices were established in February 2001)



## Selected Countries

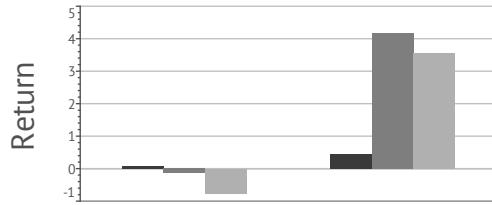


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# Fixed Income Performance Summary

As of 12/31/2012

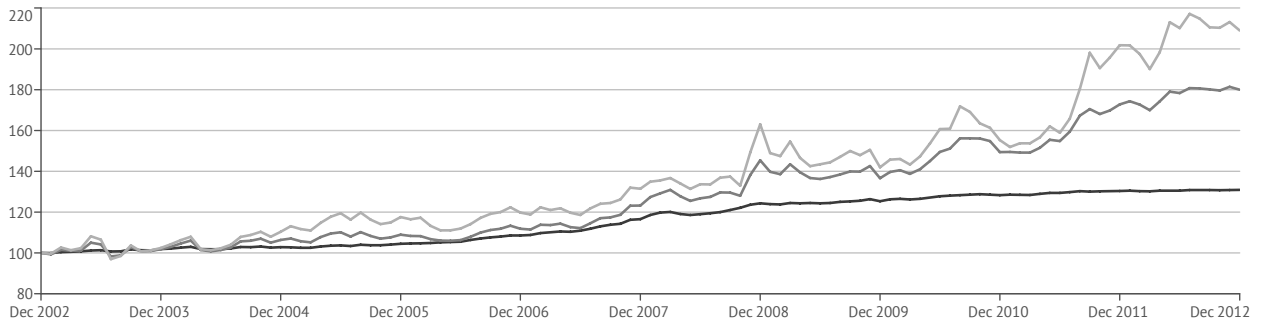
## US Treasuries



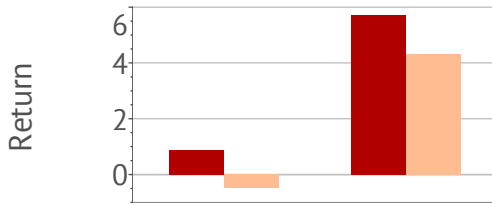
	QTR	1 year
Short Term	0.06	0.43
Intermediate	-0.13	4.16
Long Term	-0.77	17.75

## Longer Term Performance

January 2003 - December 2012 (Single Computation)



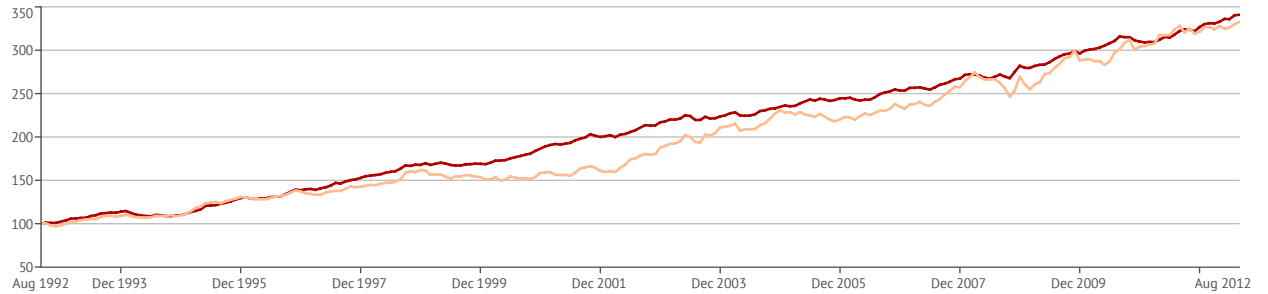
## Global Hedged vs. Unhedged



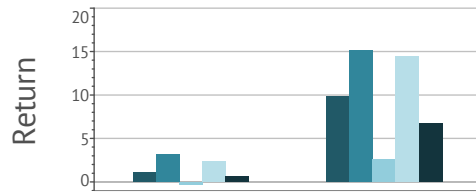
	QTR	1 year
USD Hedged Global	0.88	5.71
Global (Unhedged)	-0.48	4.32

## Longer Term Performance

September 1992 - August 2012 (Single Computation)



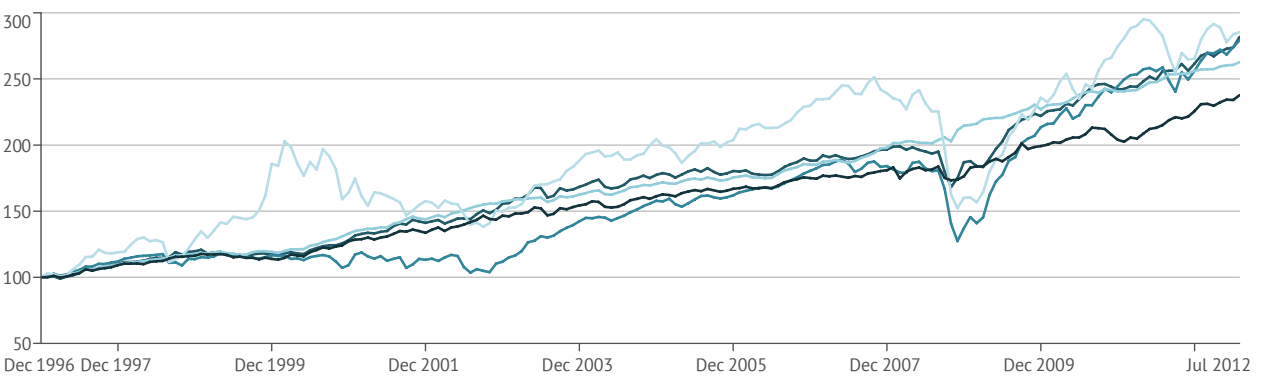
## Selected Fixed Income Sectors



	QTR	1 year
US Corporate	1.06	9.82
US High Yield	3.13	15.19
Mortgages (FNMA)	-0.31	2.61
Convertibles	2.39	14.41
Municipal Bonds	0.67	6.78

## Longer Term Performance

January 1997 - July 2012 (Single Computation)





## **Section 2 – Administrative Reports**

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Executive Summary	#12
Summary of Assets	#13

# County of Fresno 457 DC Plan

## Executive Summary

### Legislative Updates

#### Fiscal Cliff Deal

- Roth 403(b) plans Changes
  - Effects defined contribution plans such as 401(k) and 403(b) plans
  - You can now convert to a Roth 401(k) designated in the plan at any time instead of waiting for qualifying events: job change, retirement, or obtaining the age of 59½
  - Conversion still remains a taxable event
- Tax increases
  - Taxes will increase from 35% to 39.6% for incomes exceeding \$400,000 for individuals and \$450,000 for families
  - Immediate expiration of the 2% cut to social security payroll tax.
  - Dividend and capital gains rates
    - Increase from 15% to 20% for incomes exceeding \$400,000 for individuals and \$450,000 for families
  - Estate taxes rise from 35% to 40% for estates valued over \$5 million
- Unemployment benefits are extended for another year
- Tax credit for college tuition extended for 5 years
- Medicare reimbursement to doctors extended for another year
- The Alternative Minimum Tax problem is now indexed to inflation, removing a potential tax danger for middle class families
- Revoked \$900 salary increase for Congress

Social Investment Forum Foundation 2010 Report on Socially Responsible Investing (SRI) Trends in the United States

- Socially responsible investing in the U.S. increased more than 380% in 2010 from 1995
  - \$3.07 Trillion in 2010 vs. \$639 billion in 1995
- SRI funds use at least one of the following socially responsible investment strategies:
  - Environmental, social, and governance (ESG) Incorporation
  - Shareholder Advocacy
  - Community Investing

#### Retirement Saver's Tax Credit

- Credit worth up to \$1,000 for individuals & \$2,000 for couples
- Who can claim Retirement Saver's tax credit in 2013?
  - Individuals 18 and older who are not full time students
  - Not claimed as dependent on someone else's tax return
  - Individuals earning up to \$29,500
  - Heads of house hold earning up to \$44,250
  - Couples earning up to \$59,000

### Completed Action Items

Investment Policy Statement has been approved

Investment Menu has been approved

QDRO Policy has been finalized

Budget Created for 2012/2013

SunLife annuities to roll into main plan after fund mapping has occurred (Mapping to take place on May 30<sup>th</sup>)

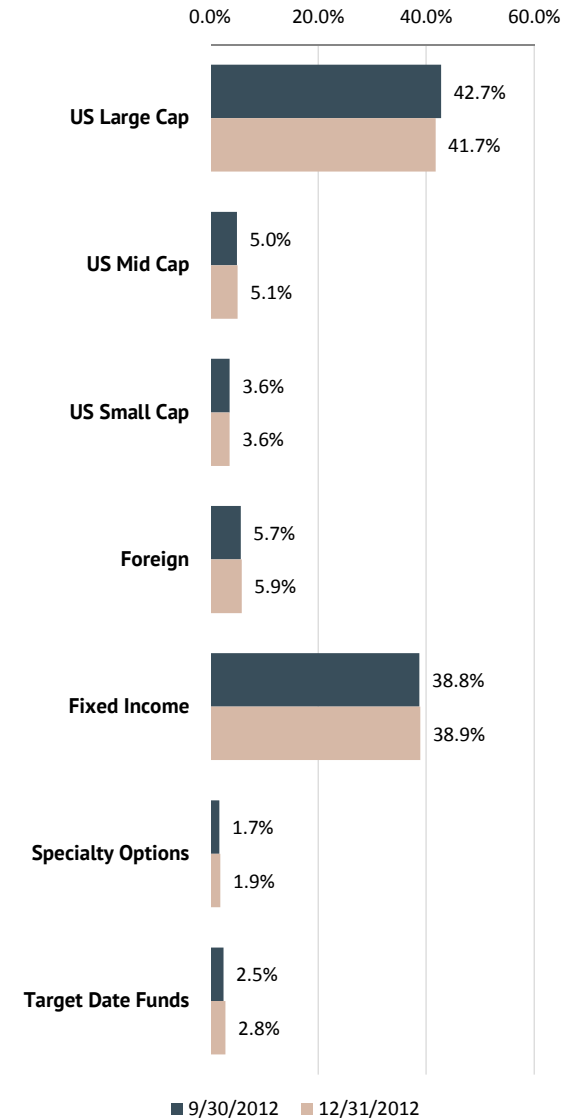
### Pending Action Items

Finalize the handling of the forfeiture account

# Summary of County of Fresno 457 DC Plan - Trailing Quarter

Data as of 12/31/2012

Asset Class	Ticker	%	9/30/2012	Net Increases/Decreases	12/31/2012	%
<b>US Large Cap</b>		<b>42.7%</b>	<b>\$70,944,714</b>	<b>(1,760,077)</b>	<b>\$69,184,636</b>	<b>41.7%</b>
Invesco Charter I	CHTVX	16.0%	26,570,955	(44,416)	26,526,539	16.0%
Alger Spectra I	ASPIX	0.6%	994,645	173,982	1,168,628	0.7%
DWS Capital Growth Inst	SDGTX	17.7%	29,316,350	(1,487,318)	27,829,032	16.8%
BlackRock Equity Index - Collective F	BR500	2.1%	3,503,309	(36,683)	3,466,627	2.1%
Franklin Utilities Adv	FRUAX	1.3%	2,131,522	(53,301)	2,078,221	1.3%
Columbia Dividend Income Z	GSFTX	5.1%	8,427,932	(312,343)	8,115,589	4.9%
<b>US Mid Cap</b>		<b>5.0%</b>	<b>\$8,262,728</b>	<b>231,147</b>	<b>\$8,493,875</b>	<b>5.1%</b>
Invesco Mid Cap Core Equity I	GTA VX	0.5%	765,244	72,797	838,041	0.5%
*FBR Focus I	FBR IX	1.4%	2,284,487	(2,284,487)	0	0.0%
*Hennessy Focus Fund	HFCIX	0.0%	0	2,558,315	2,558,315	1.5%
Perkins Mid Cap Value I	JMVAX	2.9%	4,747,846	(125,406)	4,622,440	2.8%
Neuberger Berman Genesis Inv	NBG NX	0.3%	465,150	9,929	475,079	0.3%
<b>US Small Cap</b>		<b>3.6%</b>	<b>\$6,020,293</b>	<b>(25,838)</b>	<b>\$5,994,456</b>	<b>3.6%</b>
Nicholas Limited Edition I	NCLEX	2.8%	4,678,890	(71,180)	4,607,711	2.8%
Perkins Small Cap Value I	JSCOX	0.1%	90,960	(7,352)	83,608	0.1%
Royce Special Equity Invmt	RYSEX	0.8%	1,250,443	52,694	1,303,137	0.8%
<b>Foreign</b>		<b>5.7%</b>	<b>\$9,432,079</b>	<b>290,310</b>	<b>\$9,722,389</b>	<b>5.9%</b>
MFS Global Equity R4	MWELX	3.6%	5,991,619	249,853	6,241,472	3.8%
Ivy International Core Equity I	ICEIX	0.2%	403,003	12,090	415,093	0.3%
MainStay International Equity I	MSIIX	1.8%	3,037,457	28,367	3,065,824	1.8%
<b>Fixed Income</b>		<b>38.8%</b>	<b>\$64,346,845</b>	<b>156,781</b>	<b>\$64,503,626</b>	<b>38.9%</b>
RidgeWorth Total Return Bond I	SAMFX	1.5%	2,489,465	129,522	2,618,986	1.6%
Sentinel Government Securities I	SIBWX	0.7%	1,198,472	131,643	1,330,114	0.8%
County of Fresno Stable Value Fund	FCSV	36.5%	60,658,909	(104,384)	60,554,525	36.5%
<b>Specialty Options</b>		<b>1.7%</b>	<b>\$2,843,478</b>	<b>306,474</b>	<b>\$3,149,951</b>	<b>1.9%</b>
Oakmark Equity & Income I	OAKBX	0.8%	1,350,838	135,392	1,486,230	0.9%
Pax World Balanced Instl	PAXIX	0.4%	592,488	97,510	689,998	0.4%
Fidelity Real Estate Income	FRIFX	0.5%	900,151	73,572	973,723	0.6%
<b>Target Date Funds</b>		<b>2.5%</b>	<b>\$4,136,587</b>	<b>570,191</b>	<b>\$4,706,779</b>	<b>2.8%</b>
Maxim Lifetime 2015 I T	MXLTX	0.8%	1,251,835	99,987	1,351,822	0.8%
Maxim Lifetime 2025 I T	MXALX	0.9%	1,415,706	220,876	1,636,582	1.0%
Maxim Lifetime 2035 I T	MXGLX	0.5%	759,551	87,886	847,437	0.5%
Maxim Lifetime 2045 I T	MXMLX	0.3%	439,678	117,195	556,873	0.3%
Maxim Lifetime 2055 I T	MXSLX	0.2%	269,818	44,247	314,065	0.2%
<b>Total</b>		<b>100%</b>	<b>\$165,986,723</b>	<b>-\$231,011</b>	<b>\$165,755,712</b>	<b>100%</b>





### **Section 3 - Performance**

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# County of Fresno 457 DC Plan

## Investment Summary

For the Period Ending 12/31/2012

Passively-Managed and Cash Funds		EQUITY				FIXED INCOME			Trailing Returns								
		US Stocks				Bnd	Csh	Oth	Exp	1 Qtr	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	10 Yrs
Investment	Ticker	Lrg	Mid	Sml	Fgn												
Blackrock Equity Index Collective F	BR500	100							0.20	-0.38	15.96	15.96	8.77	10.81	14.56	1.65	7.76
Fresno County Stable Value	FCSV					100			0.50	0.56	2.62	2.62	2.87	3.01			

## Actively-Managed Funds

Style	Investment	Ticker	Lrg	Mid	Sml	Fgn	Bnd	Csh	Oth	Exp	1 Qtr	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	10 Yrs
Equity Income	Columbia Div Income Z	GSFTX	80	10	1	6		3		0.83	-1.41	11.15	11.15	9.03	10.35	12.35	2.85	8.21
Large-Cap Growth	DWS Capital Gro Inst	SDGTX	74	23	1	1	1			0.70	-2.38	15.72	15.72	4.92	8.57	12.71	1.65	6.93
Large-Cap Core	Invesco Charter R5	CHTVX	67	5		13		15		0.75	1.37	13.61	13.61	6.73	7.35	12.77	3.05	7.81
Multi-Cap Growth	Alger II Spectra I	ASPIX	65	18	5	7		4	1	1.50	-0.42	18.79	18.79	8.74	11.32	21.37	4.25	12.45
Utility	Franklin Cust Util Adv	FRUAX	58	26	5	6	3	2		0.61	-1.85	5.77	5.77	12.47	10.64	11.45	2.82	10.51
Mix Tgt All Gro	Pax World Balanced Inst	PAXIX	42	11	1	16	27	2	1	0.70	1.32	11.56	11.56	4.77	7.17	10.64	0.79	5.99
Multi-Cap Core	Perkins MC Value I	JMVAX	38	37	9	6		9	1	0.73	1.23	10.41	10.41	3.79	7.41	12.82	3.36	10.42
Mix Tgt All Mod	Oakmark Eqty & Inc I	OAKBX	30	23	1	11	21	12	2	0.77	1.41	9.05	9.05	4.76	6.32	9.55	3.84	8.26
Multi-Cap Growth	Hennessy Focus Inst	HFCIX	22	48	24			6		1.09	6.46	16.98	16.98	10.28	14.92	19.80	6.43	13.50
Small-Cap Growth	Neuberger Genesis Inv	NBGNX	1	48	39	5		5	2	1.03	2.26	9.93	9.93	7.28	11.80	15.26	3.45	10.93
Mid-Cap Core	Invesco MC Core R5	GTAVX	26	43	7	5		19		0.82	3.15	10.78	10.78	2.12	5.60	11.42	2.33	8.12
Small-Cap Growth	Nicholas Ltd Edition I	NCLEX		32	60	2		6		0.89	0.01	10.58	10.58	5.85	13.83	17.10	5.57	10.27
Small-Cap Value	Perkins SC Value I	JSCOX		24	59	1		16		0.89	2.64	9.13	9.13	2.74	7.63	14.32	6.01	10.31
Small-Cap Core	Royce Fd Spec Eq Inv	RYSEX	2	25	59			13	1	1.15	3.02	15.37	15.37	7.45	11.36	15.39	7.34	9.37
Intl Multi-Cap Growth	MainStay Intl Eqty I	MSIIX	1			95		3	1	1.21	0.93	19.28	19.28	-0.18	1.45	5.55	-1.52	7.89
Intl Large-Cap Core	Ivy Intl Core Eqty I	ICEIX				90		7	3	1.07	5.45	13.98	13.98	-0.80	3.88	12.92	-0.91	10.37
Global Large-Cap Core	MFS Global Equity R4	MWELX	39	6		54		1		1.12	6.04	23.71	23.71	8.88	9.94	14.97	2.91	9.85
General US Govt	Sentinel Govt Secs I	SIBWX					94	6		0.57	0.28	3.69	3.69	4.81	5.53	5.53	5.91	5.29
Intmdt Inv Grade	RidgeWorth Tot Rtn I	SAMFX					83	15	2	0.39	0.33	4.96	4.96	7.34	7.06	7.10	7.12	5.77
Real Estate	Fidelity Real Est Inc	FRIFX	5	13	17	1	56	8		0.90	2.71	18.84	18.84	11.55	13.92	21.38	8.41	









## Target-Date Funds

Style	Investment	Ticker	Lrg	Mid	Sml	Fgn	Bnd	Csh	Oth	Exp	1 Qtr	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	10 Yrs
Mixed-Asset Target 2045	Great-West Lifetime 2045 I T	MXMLX	32	11	7	30	15	4	1	1.00	2.82	15.70	15.70	5.82	8.60			
Mixed-Asset Target 2035	Great-West Lifetime 2035 I T	MXGLX	30	11	6	25	22	4	2	0.98	2.41	14.72	14.72	6.02	8.55			
Mix-Asst Targ 2050+	Great-West Lifetime 2055 I T	MXSLX	31	10	7	33	13	4	2	1.02	2.94	15.87	15.87	5.60	8.50			
Mixed-Asset Target 2015	Great-West Lifetime 2015 I T	MXLTX	17	6	4	11	51	8	3	0.85	1.51	10.76	10.76	6.43	7.82			
Mixed-Asset Target 2025	Great-West Lifetime 2025 I T	MXALX	23	8	5	17	39	6	2	0.92	1.88	12.54	12.54	6.20	8.18			

### Market Exposure Legend

Lrg:	US Large Cap	Mid:	US Mid Cap	Sml:	US Small Cap	Fgn:	Foreign
Bnd:	Bonds	Csh:	Cash	Oth:	Other		

**CALCULATION METHODOLOGY OF OVERALL FUND SCORE** 1 (Worst) — 10 (Best)

Factor	Weight	Explanation	Score Calculation		
<p><b>RETURNS</b></p> <p>Fund ranks above the 50th percentile, on average, when all time periods for the metric are considered</p>	 <p>40% Overall</p>	<p><b>Absolute Returns</b></p> <p>Peer Group Percentile Rankings: 3,5,10 Year Periods</p>	<p><b>Proportional Score</b></p> <p>Ranks in the top 75% of Peer Group</p>	<p><b>No Score</b></p> <p>Ranks in the bottom 25% of Peer Group</p>	
		<p><b>RISK ADJUSTED RETURNS</b></p> <p>Fund ranks above the 50th percentile, on average, when all time periods for the metric are considered</p>	 <p>20% Overall</p>	<p><b>Sharpe Ratio</b></p> <p>Peer Group Percentile Rankings: 3,5,10 Year Periods</p>	<p><b>Proportional Score</b></p> <p>Ranks in top 75% of Peer Group</p>
<p><b>RISK</b></p> <p>Fund ranks above the 50th percentile, on average, when all time periods for the metric are considered</p>	 <p>30% Overall</p>	 <p>10% Overall</p>	<p><b>Standard Deviation</b></p> <p>Peer Group Percentile Rankings: 3,5,10 Year Periods</p>	<p><b>Proportional Score</b></p> <p>Ranks in top 75% of Peer Group</p>	<p><b>No Score</b></p> <p>Ranks in bottom 25% of Peer Group</p>
		 <p>20% Overall</p>	<p><b>Upside/Downside Capture</b></p> <p>Peer Group Percentile Rankings: 3,5,10 Year Periods</p>	<p><b>Proportional Score</b></p> <p>Ranks in top 75% of Peer Group</p>	<p><b>No Score</b></p> <p>Ranks in bottom 25% of Peer Group</p>
		 <p>5% Overall</p>	<p><b>Expense Ratio</b></p> <p>For current period</p>	<p><b>Proportional Score</b></p> <p>Ranks in top 75% of Peer Group</p>	<p><b>No Score</b></p> <p>Ranks in bottom 25% of Peer Group</p>
		 <p>5% Overall</p>	<p><b>Average Tenure</b></p> <p>Number of years</p>	<p><b>Full Score</b></p> <p>Manager Tenure more than 3 years</p>	<p><b>No Score</b></p> <p>Manager Tenure less than 3 years</p>
<p><b>OTHER</b></p> <p>Fund Expenses are below 50th percentile</p> <p>Manager tenure is greater than 3 years</p>	 <p>10% Overall</p>				

For peer group rankings, a rank of 1-50 indicates the manager performed favorably and ranked in the top half of its peer group for that metric. For example: when measuring risk, a rank of 1 would mean the manager had a very low standard deviation compared to its peer group, whereas when measuring return, a rank of 1 would mean the manager had a very high return compared to its peer group.



**Passively-Managed and Cash funds**

Type	Fund Name	Ticker
	Blackrock Equity Index Collective F	BR500
	Fresno County Stable Value	FCSV

**Key:**

**For Return, Risk Adjusted Return, Risk & Expense:** The fund must rank above the fiftieth percentile, on average, when all time periods for the metric(s) are considered. **For Tenure:** Minimum 3-year average manager tenure.

**Actively-Managed Funds**

Status	Fund Name	Ticker	Return	Risk Adjusted Return	Risk	Expense	Tenure
Pass	Columbia Div Income Z	GSFTX	●	●	●	●	●
Pass	DWS Capital Gro Inst	SDGTX	●	○	●	●	●
Pass	Invesco Charter R5	CHTVX	●	●	●	●	●
Pass	Alger II Spectra I	ASPIX	●	●	●	○	●
Pass	Franklin Cust Util Adv	FRUAX	●	●	●	●	●
Review	Pax World Balanced Inst	PAXIX	○	○	○	●	●
Pass	Perkins MC Value I	JMVAX	●	●	●	●	●
Pass	Oakmark Eqty & Inc I	OAKBX	●	●	○	●	●
Pass	Neuberger Genesis Inv	NBGNX	●	●	●	●	●
Pass	Hennessy Focus Inst	HFCIX	●	●	●	●	●
Review	Invesco MC Core R5	GTAVX	○	○	●	●	●
Pass	Nicholas Ltd Edition I	NCLEX	●	●	●	●	●
Pass	Perkins SC Value I	JSCOX	●	●	●	●	●
Pass	Royce Fd Spec Eq Inv	RYSEX	●	●	●	●	●
Review	MainStay Intl Eqty I	MSIIX	○	○	●	●	○
Pass	Ivy Intl Core Eqty I	ICEIX	●	●	●	●	●
Pass	MFS Global Equity R4	MWELX	●	●	●	●	●
Pass	Sentinel Govt Secs I	SIBWX	●	●	●	●	●
Pass	RidgeWorth Tot Rtn I	SAMFX	●	●	●	●	●
Pass	Fidelity Real Est Inc	FRIFX	○	●	●	●	●

**Timeframe Funds**

Status	Fund Name	Ticker	Return	Risk Adjusted Return	Risk	Expense	Tenure
Pass	Great-West Lifetime 2045 I T	MXMLX	●	●	●	●	●
Pass	Great-West Lifetime 2035 I T	MXGLX	●	●	●	●	●
Pass	Great-West Lifetime 2055 I T	MXSLX	●	●	●	●	●
Pass	Great-West Lifetime 2015 I T	MXLTX	●	●	●	●	●
Pass	Great-West Lifetime 2025 I T	MXALX	○	●	●	●	●

All Funds remain in compliance with Investment Policy and no action need be taken other than indicated in the Fund Compliance Commentary section of this report.

This report, along with more detailed performance data on Plan Investment Options, was reviewed by the Plan's Trustee and/or Investment Committee.

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Heintzberger | Payne Advisors Date

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Trustee / Committee Member Date

# County of Fresno 457 DC Plan

## Fund Compliance Report

For the Periods Ending 12/31/2012

### Passively-Managed and Cash funds

Type of Fund	Ticker	Fund Name	Return vs Peer Group			Risk Adjusted Return Sharpe			Risk									Other	
									Standard Deviation			Up Capture			Down Capture			Expense	Tracking
			3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	Peer Rank %	Avg Mgr Tenure
Index	BR500	Blackrock Equity Index Collective F	15	27	15	21	40	18	54	45	32	39	39	42	28	40	28	3	3
Stable Value	FCSV	Fresno County Stable Value	1			1			61			1			100			20	

### Actively-Managed Funds

Overall Fund Score	Ticker	Fund Name	Return vs Peer Group			Risk Adjusted Return Sharpe			Risk									Other	
									Standard Deviation			Up Capture			Down Capture			Expense	Tracking
			3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	Peer Rank %	Avg Mgr Tenure
7	GSFTX	Columbia Div Income Z	45	32	23	34	40	29	12	14	16	77	72	64	24	22	25	17	6
6	SDGTX	DWS Capital Gro Inst	62	40	37	68	48	49	49	6	6	44	76	80	73	15	8	9	4
7	CHTVX	Invesco Charter R5	78	6	14	74	9	8	12	2	2	93	84	81	14	5	6	21	7
8	ASPIX	Alger II Spectra I	25	11	1	40	20	8	39	64	65	36	7	10	41	57	43	66	8
8	FRUAX	Franklin Cust Util Adv	22	10	33	1	1	33	1	1	1	69	86	89	1	1	1	4	8
3	PAXIX	Pax World Balanced Inst	66	74	66	91	84	89	81	65	69	35	59	47	68	57	61	8	15
7	JMVAX	Perkins MC Value I	78	11	9	81	14	5	8	7	5	86	84	49	24	9	7	12	14
6	OAKBX	Oakmark Eqty & Inc I	82	17	4	97	24	2	86	43	48	54	69	48	75	24	19	14	17
8	HFCIX	Hennessy Focus Inst	4	3	1	8	7	2	34	58	52	87	55	44	3	4	4	35	3
7	NBGNX	Neuberger Genesis Inv	58	38	9	19	35	1	1	3	1	97	98	97	3	2	1	17	12
4	GTAVX	Invesco MC Core R5	93	51	65	88	62	59	2	1	3	93	93	94	18	4	4	20	8
8	NCLEX	Nicholas Ltd Edition I	32	11	20	12	10	9	9	5	5	89	90	95	8	3	3	8	20
6	JSCOX	Perkins SC Value I	90	13	36	75	5	20	7	16	18	94	88	87	11	7	12	9	13
7	RYSEX	Royce Fd Spec Eq Inv	53	3	49	15	2	22	1	1	1	91	93	98	4	2	3	35	15
4	MSIIX	MainStay Intl Eqty I	89	24	62	78	37	55	28	4	4	92	97	96	47	1	2	38	2
8	ICEIX	Ivy Intl Core Eqty I	45	4	4	51	1	11	21	7	26	60	41	16	25	5	9	43	7
8	MWELX	MFS Global Equity R4	4	5	24	1	1	49	88	50	1	14	28	75	24	6	9	36	12
9	SIBWX	Sentinel Govt Secs I	20	13	7	7	1	1	12	1	7	72	74	38	4	7	6	15	10
7	SAMFX	RidgeWorth Tot Rtn I	44	19	21	59	5	13	74	22	4	36	48	34	61	3	10	10	8
7	FRIFX	Fidelity Real Est Inc	97	7		1	1		1	1		97	98		3	1		20	10

### Timeframe Funds

Overall Fund Score	Ticker	Fund Name	Return vs Peer Group			Risk Adjusted Return Sharpe			Risk									Other	
									Standard Deviation			Up Capture			Down Capture			Expense	Tracking
			3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	Peer Rank %	Avg Mgr Tenure
7	MXMLX	Great-West Lifetime 2045 I T	37			14			8			83			17			48	4
7	MXGLX	Great-West Lifetime 2035 I T	44			1			1			88			10			49	4

# County of Fresno 457 DC Plan

6	MXSLX	Great-West Lifetime 2055 I T	41	43	11	72	23	47	4
7	MXLTX	Great-West Lifetime 2015 I T	44	5	6	79	22	40	4
7	MXALX	Great-West Lifetime 2025 I T	52	1	1	92	7	47	4

All yearly data listed as a Peer Rank Percentage

**Alger II Spectra I**

**Fund Score: 8**

**Ticker:** SPIX

**Asset Class:** US Large Cap

The Alger Spectra Fund seeks to invest in large US companies experiencing strong sales and earnings growth at various stages of the companies' growth cycle. The fund can also invest in mid- and small-cap companies and also has the ability to short securities.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Alger II Spectra I	7.03%	16.40%	15.12%	7.81%	12.88%
S&P 500 Growth	4.77%	14.42%	14.77%	6.04%	7.70%
<b>Out/(Under) Performing</b>	<b>2.26%</b>	<b>1.98%</b>	<b>0.35%</b>	<b>1.77%</b>	<b>5.18%</b>
<b>Peer Group Ranking</b>	65	17	24	8	2

**Blackrock Equity Index Collective F**

**Fund Score: 8**

**Ticker:** BR500

**Asset Class:** US Large Cap

The BlackRock Equity Index seeks to replicate the performance of the S&P 500 Index, and is intended to reflect the risk and return characteristics of the broader large-cap universe. The fund offers participants passive, low cost exposure to large-capitalization US companies.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Blackrock Equity Index Collective F	6.77%	16.82%	14.07%	3.98%	8.60%
S&P 500 (Composite)	6.75%	16.78%	14.14%	3.97%	7.92%
<b>Out/(Under) Performing</b>	<b>0.02%</b>	<b>0.05%</b>	<b>-0.07%</b>	<b>0.00%</b>	<b>0.68%</b>
<b>Peer Group Ranking</b>	59	30	13	25	14

**Invesco Charter R5**

**Fund Score: 6**

**Ticker:** CHTVX

**Asset Class:** US Large Cap

The Invesco Charter Fund seeks to invest in large, US companies with above-average growth prospects that are trading below fair value. The fund seeks to provide conservative exposure to the Large Cap space and often maintains a significant cash allocation.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Invesco Charter R5	8.19%	14.12%	9.90%	5.20%	8.77%
S&P 500 (Composite)	6.75%	16.78%	14.14%	3.97%	7.92%
<b>Out/(Under) Performing</b>	<b>1.44%</b>	<b>-2.66%</b>	<b>-4.24%</b>	<b>1.23%</b>	<b>0.85%</b>
<b>Peer Group Ranking</b>	21	71	87	7	13

**Fresno County Stable Value**

**Fund Score: 8**

**Ticker:** FCSV

**Asset Class:** Bonds

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Fresno County Stable Value	0.56%	2.57%	2.98%		
Ninety-day T-Bill	0.02%	0.08%	0.09%	0.39%	1.68%
<b>Out/(Under) Performing</b>	<b>0.54%</b>	<b>2.49%</b>	<b>2.89%</b>		
<b>Peer Group Ranking</b>	2	1	1		

**Fidelity Real Est Inc**

**Fund Score: 7**

**Ticker:** FRIFX

**Asset Class:** Specialty Options

The Fidelity Real Estate Income Fund invests in REITS, the debt of real estate entities, and commercial and other mortgage-backed securities, with an emphasis on lower-quality debt securities. The fund's primary objective is income, with a secondary goal of capital growth.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Fidelity Real Est Inc	3.95%	17.31%	14.52%	9.00%	
S&P US REIT	7.27%	16.14%	22.10%	4.31%	11.22%
<b>Out/(Under) Performing</b>	<b>-3.32%</b>	<b>1.16%</b>	<b>-7.57%</b>	<b>4.69%</b>	
<b>Peer Group Ranking</b>	96	9	98	6	

### Franklin Cust Util Adv

Fund Score: 8

Ticker: FRUAX

Asset Class: US Large Cap

The Franklin Utilities Fund seeks capital appreciation and current income through investments in US companies who operate in the public utility sector, with a focus on the US electric sector.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Franklin Cust Util Adv	1.38%	13.33%	14.11%	5.25%	11.48%
S&P 500 (Composite)	6.75%	16.78%	14.14%	3.97%	7.92%
<b>Out/(Under) Performing</b>	<b>-5.38%</b>	<b>-3.45%</b>	<b>-0.03%</b>	<b>1.27%</b>	<b>3.57%</b>
<b>Peer Group Ranking</b>	77	45	20	10	33

### Columbia Div Income Z

Fund Score: 7

Ticker: GSFTX

Asset Class: US Large Cap

The Columbia Dividend Income Fund is a large cap value fund that primarily invests in US companies with a history of paying higher than average dividends and that are exhibiting strong and sustainable cash flow characteristics.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Columbia Div Income Z	5.28%	14.94%	13.50%	4.97%	9.06%
S&P 500 Value	8.99%	19.48%	13.59%	1.85%	8.12%
<b>Out/(Under) Performing</b>	<b>-3.71%</b>	<b>-4.54%</b>	<b>-0.08%</b>	<b>3.12%</b>	<b>0.94%</b>
<b>Peer Group Ranking</b>	78	48	43	30	27

### Invesco MC Core R5

Fund Score: 4

Ticker: GTAVX

Asset Class: US Mid Cap

The INVESCO Mid Cap Core Equity Fund invests in US mid-cap companies that have above average growth prospects and that are trading at below-average valuations. Although the fund seeks to participate to the upside, it also seeks stronger downside protection over a full market cycle.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Invesco MC Core R5	10.56%	10.41%	8.86%	4.61%	9.01%
S&P MidCap 400 w/Div	11.98%	18.56%	17.57%	7.99%	11.64%
<b>Out/(Under) Performing</b>	<b>-1.42%</b>	<b>-8.14%</b>	<b>-8.71%</b>	<b>-3.38%</b>	<b>-2.62%</b>
<b>Peer Group Ranking</b>	55	90	93	57	66

### Hennessy Focus Inst

Fund Score: 8

Ticker: HFCIX

Asset Class: US Mid Cap

The Hennessy Focus Fund is a concentrated, high conviction, benchmark adverse strategy that invests primarily in mid- and small-cap equity securities. The fund's three-person management team achieved their three-year track record in August 2012, after having worked as analysts with the strategy for an average of a decade each prior to taking over management in August 2009. Hennessy Funds acquired FBR in 2012 and has kept the same portfolio managers and the investment objectives.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Hennessy Focus Inst	8.97%	19.45%	18.22%	8.17%	13.99%
S&P 400 Growth	11.21%	17.44%	19.09%	9.02%	12.35%
<b>Out/(Under) Performing</b>	<b>-2.24%</b>	<b>2.01%</b>	<b>-0.87%</b>	<b>-0.85%</b>	<b>1.63%</b>
<b>Peer Group Ranking</b>	24	9	4	6	1

**Ivy Intl Core Eqty I****Fund Score: 8****Ticker:** ICEIX**Asset Class:** Foreign

The Ivy International Core Equity Fund invests in the equities of large-cap securities traded in developed European and Asian markets, though they can also invest in emerging markets. Fund management uses both a top-down thematic approach as well as a bottom-up fundamental evaluation to construct the portfolio.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Ivy Intl Core Eqty I	9.22%	11.31%	6.80%	1.37%	11.00%
MSCI EAFE Net/TR	11.27%	17.25%	6.94%	-0.79%	9.23%
<b>Out/(Under) Performing</b>	<b>-2.05%</b>	<b>-5.94%</b>	<b>-0.14%</b>	<b>2.16%</b>	<b>1.77%</b>
<b>Peer Group Ranking</b>	84	95	56	4	5

**Perkins MC Value I****Fund Score: 6****Ticker:** JMVAX**Asset Class:** US Mid Cap

The Perkins Mid Cap Value Fund seeks to invest in undervalued, mid-sized companies with a catalyst for growth. They will only invest in opportunities where the perceived upside potential significantly outweighs the downside risk. The fund also seeks to manage risk by holding cash and may not be fully invested at all times.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Perkins MC Value I	8.72%	11.58%	10.48%	5.05%	11.32%
S&P 400 Value	12.80%	19.80%	16.12%	6.97%	10.90%
<b>Out/(Under) Performing</b>	<b>-4.08%</b>	<b>-8.22%</b>	<b>-5.63%</b>	<b>-1.92%</b>	<b>0.42%</b>
<b>Peer Group Ranking</b>	38	86	80	19	7

**Perkins SC Value I****Fund Score: 6****Ticker:** JSCOX**Asset Class:** US Small Cap

The Perkins Small Cap Value Fund takes a defensive approach to small-cap investing, seeking to own high-quality equities with strong balance sheets and stable earnings in order to minimize downside participation. Fund management also actively uses its cash allocation for this purpose.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Perkins SC Value I	9.55%	10.95%	10.35%	7.79%	11.21%
Russell 2000 Value TR	10.76%	17.29%	14.88%	5.63%	10.45%
<b>Out/(Under) Performing</b>	<b>-1.21%</b>	<b>-6.34%</b>	<b>-4.54%</b>	<b>2.16%</b>	<b>0.76%</b>
<b>Peer Group Ranking</b>	85	86	91	21	38

**MainStay Intl Eqty I****Fund Score: 4****Ticker:** MSIX**Asset Class:** Foreign

The MainStay International Equity Fund primarily invests in large international companies that do business outside of the United States and can also have some exposure to emerging markets. The fund had a subadvisor/manager change in July 2011.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
MainStay Intl Eqty I	3.93%	13.60%	3.32%	0.15%	8.58%
MSCI EAFE Net/TR	11.27%	17.25%	6.94%	-0.79%	9.23%
<b>Out/(Under) Performing</b>	<b>-7.33%</b>	<b>-3.65%</b>	<b>-3.62%</b>	<b>0.94%</b>	<b>-0.65%</b>
<b>Peer Group Ranking</b>	92	68	91	32	63

For the quarter ending December 31, 2012 MainStay International Equity underperformed the MSCI EAFE Index by -5.65% on the trailing quarter and outpaced the benchmark by +1.97% on the trailing one-year period. Underperformance in the fourth quarter was primarily due to negative contributions from stock selection and country allocation, and was partially offset by a positive contribution from sector allocation. The team's investment strategy has historically been focused on high-quality companies with healthy balance sheets and favorable growth prospects. As a result, a meaningful factor behind the strategy's underperformance in the quarter was the sharp rally of low-quality stocks characterized by lower returns on equity (ROEs) and/or beta and higher leverage. The fund also implements a bottom up stock picking strategy utilizing fundamental analysis, which may cause the fund to deviate from country and industry weightings in relation to the benchmark. The fund has lagged the benchmark over the trailing 3-year period and it will be monitored for newer manager Edward Ramos' ability to implement the strategy after he was named Portfolio Manager in July of 2011. The fund is on Watch.

### MFS Global Equity R4

**Fund Score: 9**

**Ticker:** MWELX

**Asset Class:** Foreign

The MFS Global Equity Fund invests in larger-cap companies domiciled in both the US and internationally. The fund is not constrained to any particular investment style, and will invest in companies with growth-style characteristics as well as seek out undervalued opportunities.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
MFS Global Equity R4	12.00%	23.85%	13.60%	5.56%	10.89%
MSCI World Grs/TR	8.57%	16.60%	10.88%	2.01%	8.96%
<b>Out/(Under) Performing</b>	<b>3.43%</b>	<b>7.25%</b>	<b>2.72%</b>	<b>3.55%</b>	<b>1.93%</b>
<b>Peer Group Ranking</b>	9	1	4	3	8

### Great-West Lifetime 2025 I T

**Fund Score: 5**

**Ticker:** MXALX

**Asset Class:** Target Date Funds

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Great-West Lifetime 2025 I T	4.34%	10.67%	9.66%		
TimeFrame Index 2025	7.03%	13.51%	11.43%	4.45%	9.26%
<b>Out/(Under) Performing</b>	<b>-2.69%</b>	<b>-2.85%</b>	<b>-1.77%</b>		
<b>Peer Group Ranking</b>	74	66	79		

### Great-West Lifetime 2035 I T

**Fund Score: 6**

**Ticker:** MXGLX

**Asset Class:** Target Date Funds

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Great-West Lifetime 2035 I T	6.14%	12.97%	10.82%		
TimeFrame Index 2035	8.19%	15.03%	12.27%	4.19%	9.55%
<b>Out/(Under) Performing</b>	<b>-2.05%</b>	<b>-2.05%</b>	<b>-1.45%</b>		
<b>Peer Group Ranking</b>	65	59	59		

### Great-West Lifetime 2015 I T

**Fund Score: 6**

**Ticker:** MXLTX

**Asset Class:** Target Date Funds

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Great-West Lifetime 2015 I T	3.11%	8.85%	8.76%		
TimeFrame Index 2015	4.95%	10.50%	9.76%	4.32%	8.58%
<b>Out/(Under) Performing</b>	<b>-1.83%</b>	<b>-1.64%</b>	<b>-0.99%</b>		
<b>Peer Group Ranking</b>	74	61	54		

### Great-West Lifetime 2045 I T

**Fund Score: 6**

**Ticker:** MXMLX

**Asset Class:** Target Date Funds



Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Great-West Lifetime 2045 I T	7.28%	14.10%	11.23%		
TimeFrame Index 2045	9.01%	16.05%	12.90%	4.46%	9.91%
<b>Out/(Under) Performing</b>	<b>-1.73%</b>	<b>-1.96%</b>	<b>-1.67%</b>		
<b>Peer Group Ranking</b>	50	46	58		

**Great-West Lifetime 2055 I T****Fund Score: 6****Ticker:** MXSLX**Asset Class:** Target Date Funds

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Great-West Lifetime 2055 I T	7.42%	14.16%	11.19%		
TimeFrame Index 2055	9.32%	16.42%	12.94%	4.13%	9.64%
<b>Out/(Under) Performing</b>	<b>-1.90%</b>	<b>-2.26%</b>	<b>-1.74%</b>		
<b>Peer Group Ranking</b>	48	49	52		

**Neuberger Genesis Inv****Fund Score: 7****Ticker:** NBGNX**Asset Class:** US Mid Cap

The Neuberger Berman Genesis Fund takes a benchmark agnostic, "buy value, sell growth" approach that tends to cause its peer group categorization to vary anywhere from small cap value to mid-cap growth. It is currently categorized as a mid-cap growth fund.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Neuberger Genesis Inv	7.85%	12.16%	15.34%	5.84%	11.88%
S&P 400 Growth	11.21%	17.44%	19.09%	9.02%	12.35%
<b>Out/(Under) Performing</b>	<b>-3.36%</b>	<b>-5.28%</b>	<b>-3.75%</b>	<b>-3.18%</b>	<b>-0.47%</b>
<b>Peer Group Ranking</b>	70	53	65	52	9

**Nicholas Ltd Edition I****Fund Score: 7****Ticker:** NCLEX**Asset Class:** US Small Cap

The Nicholas Limited Edition Fund is a small cap growth fund that invests primarily in small companies with capitalizations of \$2 billion or less. The fund seeks to make long term investments in companies with a competitive advantage, a healthy balance sheet and at favorable valuations.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Nicholas Ltd Edition I	6.60%	9.84%	16.72%	7.89%	11.23%
Russell 2000 Growth TR	10.49%	13.63%	17.01%	6.85%	10.80%
<b>Out/(Under) Performing</b>	<b>-3.89%</b>	<b>-3.79%</b>	<b>-0.29%</b>	<b>1.05%</b>	<b>0.43%</b>
<b>Peer Group Ranking</b>	87	81	47	23	17

**Oakmark Eqty & Inc I****Fund Score: 6****Ticker:** OAKBX**Asset Class:** Specialty Options

The Oakmark Equity & Income Fund is a moderate allocation fund that seeks income, capital preservation and growth. The fund can invest in US and foreign equities, fixed income and cash. It takes a value-oriented approach when selecting equity investments and targets an overall equity allocation of 40-75%, with a cap of 60% on its fixed income allocation.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Oakmark Eqty & Inc I	5.33%	9.47%	8.08%	4.96%	8.77%
60/40 Blend	3.97%	11.01%	10.55%	4.70%	6.87%
<b>Out/(Under) Performing</b>	<b>1.36%</b>	<b>-1.54%</b>	<b>-2.47%</b>	<b>0.26%</b>	<b>1.91%</b>
<b>Peer Group Ranking</b>	18	71	78	19	3

**Pax World Balanced Inst****Fund Score: 3****Ticker:** PAXIX**Asset Class:** Specialty Options

Pax World Balanced is a Socially-Responsible fund that is evaluated relative to a 60% equity and 40% fixed income benchmark. The fund allocates between US stocks and foreign stocks of large, mid-sized and small companies that pass the fund's screen for Governance, Environmental and Social factors.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Pax World Balanced Inst	5.36%	9.99%	9.58%	2.49%	6.45%
60/40 Blend	3.97%	11.01%	10.55%	4.70%	6.87%
<b>Out/(Under) Performing</b>	<b>1.39%</b>	<b>-1.02%</b>	<b>-0.98%</b>	<b>-2.22%</b>	<b>-0.41%</b>
<b>Peer Group Ranking</b>	58	87	61	75	67

### Royce Fd Spec Eq Inv

Fund Score: 7

Ticker: RYSEX

Asset Class: US Small Cap

The Royce Special Equity Fund seeks to invest in small-cap US companies at a price that is lower than their intrinsic value. The strategy emphasizes downside protection and has been a consistently low-volatility option; however, expect the fund to lag its market benchmark in low-quality beta rallies. The fund can also hold significant cash positions at times.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Royce Fd Spec Eq Inv	9.14%	12.78%	13.66%	9.62%	10.26%
Russell 2000 Value TR	10.76%	17.29%	14.88%	5.63%	10.45%
<b>Out/(Under) Performing</b>	<b>-1.62%</b>	<b>-4.51%</b>	<b>-1.23%</b>	<b>3.99%</b>	<b>-0.19%</b>
<b>Peer Group Ranking</b>	77	65	73	4	53

### RidgeWorth Tot Rtn I

Fund Score: 7

Ticker: SAMFX

Asset Class: Bonds

The RidgeWorth Total Return Bond fund is an Intermediate US Investment Grade Fixed Income bond fund that combines bottom-up bond selection with top-down sector rotation to build a portfolio with a duration that is very close to the index, usually with a yield advantage over the benchmark.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
RidgeWorth Tot Rtn I	-0.70%	3.04%	6.25%	6.63%	5.67%
Barclays Int Govt Credit	-0.16%	2.47%	4.58%	4.66%	4.58%
<b>Out/(Under) Performing</b>	<b>-0.54%</b>	<b>0.58%</b>	<b>1.67%</b>	<b>1.97%</b>	<b>1.08%</b>
<b>Peer Group Ranking</b>	84	82	46	22	22

### DWS Capital Gro Inst

Fund Score: 5

Ticker: SDGTX

Asset Class: US Large Cap

The DWS Capital Growth Fund invests in the equities of large US companies that exhibit growth characteristics, such as higher than average earnings and profit growth. The fund seeks to mitigate risk through dynamic sector allocation and fundamental security selection.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
DWS Capital Gro Inst	6.04%	12.28%	11.92%	4.14%	7.57%
S&P 500 Growth	4.77%	14.42%	14.77%	6.04%	7.70%
<b>Out/(Under) Performing</b>	<b>1.27%</b>	<b>-2.13%</b>	<b>-2.86%</b>	<b>-1.90%</b>	<b>-0.13%</b>
<b>Peer Group Ranking</b>	77	56	64	47	41

### Sentinel Govt Secs I

Fund Score: 8

Ticker: SIBWX

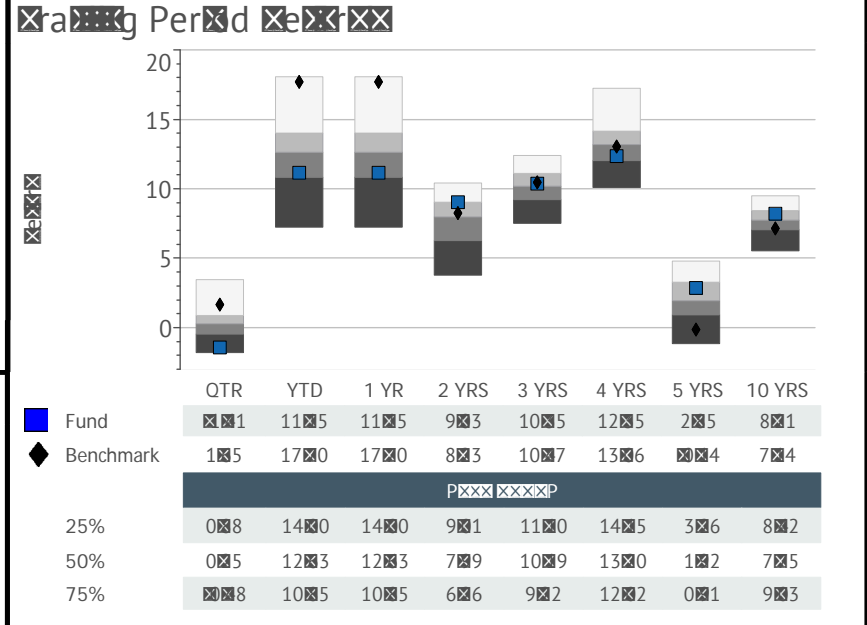
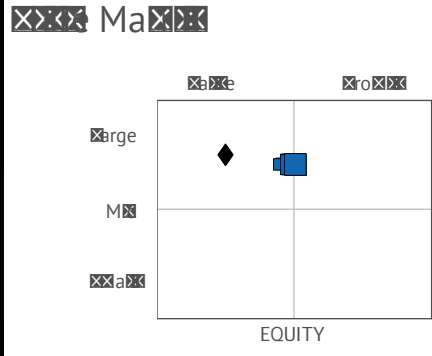
Asset Class: Bonds

The Sentinel Government Securities fund is an Intermediate US Government Fixed Income bond fund that allocates between different types of government-related bonds, including Agency Mortgage-Backed Securities and US Treasuries.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Sentinel Govt Secs I	-0.32%	2.36%	4.54%	5.39%	5.22%
Barclays Int Government	-0.19%	0.83%	3.66%	3.94%	4.08%
<b>Out/(Under) Performing</b>	<b>-0.13%</b>	<b>1.53%</b>	<b>0.88%</b>	<b>1.45%</b>	<b>1.14%</b>
<b>Peer Group Ranking</b>	7	8	29	12	7

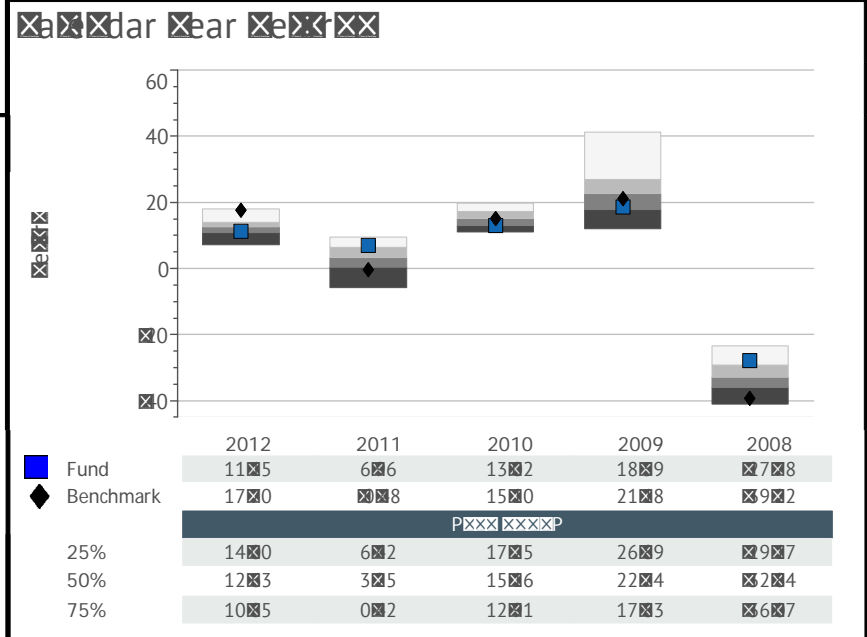
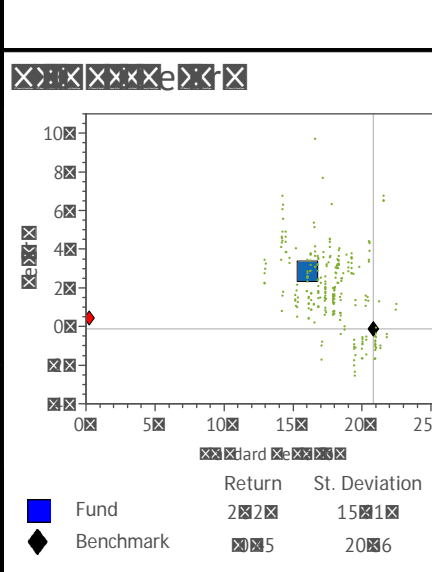
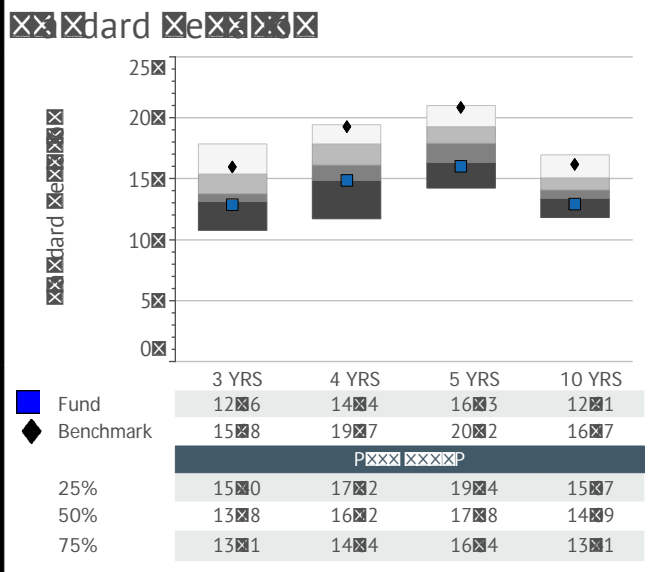
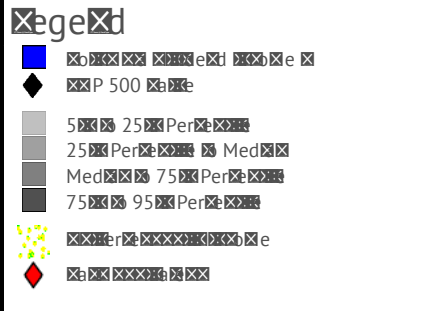
**Assets**

P 500 308  
 737  
 23  
 89  
 Per of 10 278  
 05  
 5 Year Morningstar Rating 4  
 Manager 111  
 Manager 111  
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**Assets**

30 of  
 20 of  
 20 of





**Investment Objective**  
 The fund seeks to invest in a diversified portfolio of U.S. and international stocks that will provide long-term capital appreciation. The fund may invest in companies that are not yet profitable and may invest in companies that are in early stages of development. The fund may invest in companies that are in industries that are not traditionally considered to be part of the S&P 500. The fund may invest in companies that are in industries that are not traditionally considered to be part of the S&P 500. The fund may invest in companies that are in industries that are not traditionally considered to be part of the S&P 500.

**Investment Strategy**  
 The fund will invest in a diversified portfolio of U.S. and international stocks. The fund will invest in companies that are not yet profitable and may invest in companies that are in early stages of development. The fund will invest in companies that are in industries that are not traditionally considered to be part of the S&P 500. The fund will invest in companies that are in industries that are not traditionally considered to be part of the S&P 500.

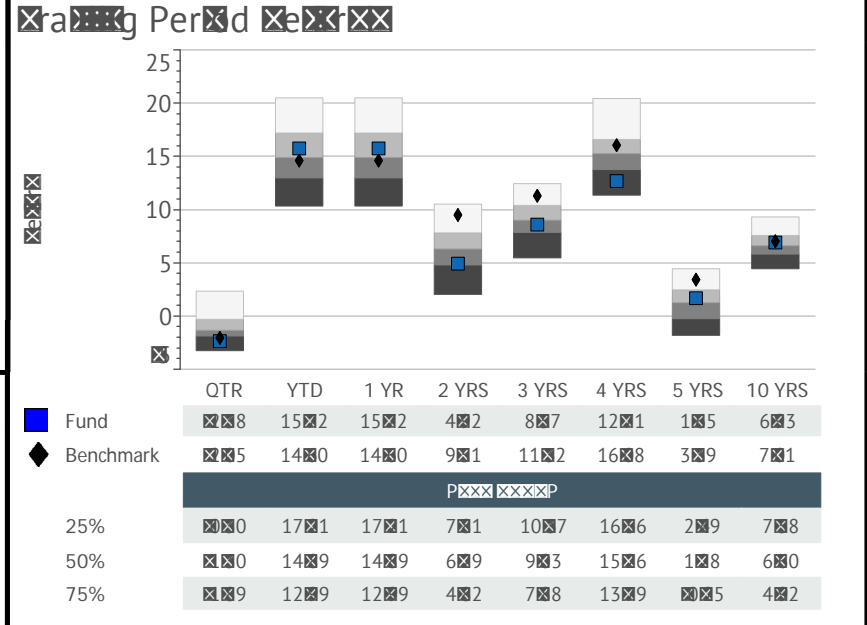
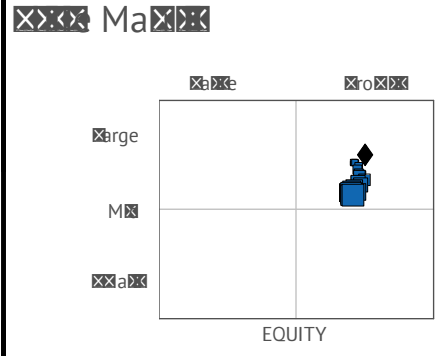
**Investment Process**  
 The fund will invest in a diversified portfolio of U.S. and international stocks. The fund will invest in companies that are not yet profitable and may invest in companies that are in early stages of development. The fund will invest in companies that are in industries that are not traditionally considered to be part of the S&P 500. The fund will invest in companies that are in industries that are not traditionally considered to be part of the S&P 500.

**Investment Risk**  
 The fund is subject to the risks of equity investments, including market risk, credit risk, and liquidity risk. The fund is subject to the risks of equity investments, including market risk, credit risk, and liquidity risk. The fund is subject to the risks of equity investments, including market risk, credit risk, and liquidity risk.

**Investment Manager**  
 The fund is managed by [Name], who has [Experience] years of experience in the investment industry. The fund is managed by [Name], who has [Experience] years of experience in the investment industry.

**Investment Fees**  
 The fund has a management fee of 1.00% and a performance fee of 20.00%. The fund has a management fee of 1.00% and a performance fee of 20.00%.

**Investment History**  
 The fund was established in 2000 and has a track record of [Performance]. The fund was established in 2000 and has a track record of [Performance].



**Investment Objective**  
 The fund seeks to invest in a diversified portfolio of U.S. and international stocks that will provide long-term capital appreciation. The fund may invest in companies that are not yet profitable and may invest in companies that are in early stages of development. The fund may invest in companies that are in industries that are not traditionally considered to be part of the S&P 500. The fund may invest in companies that are in industries that are not traditionally considered to be part of the S&P 500.

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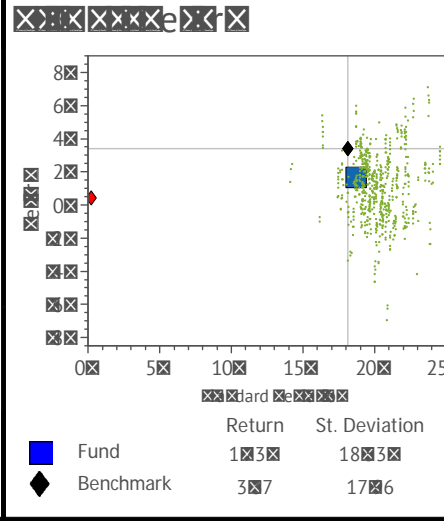
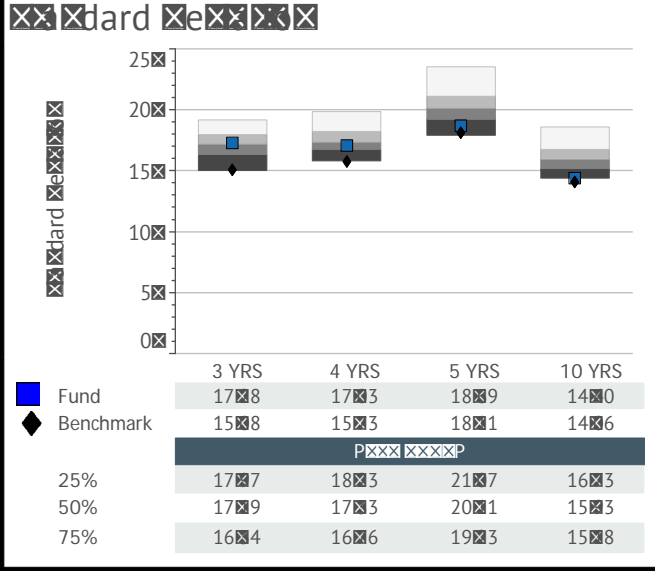
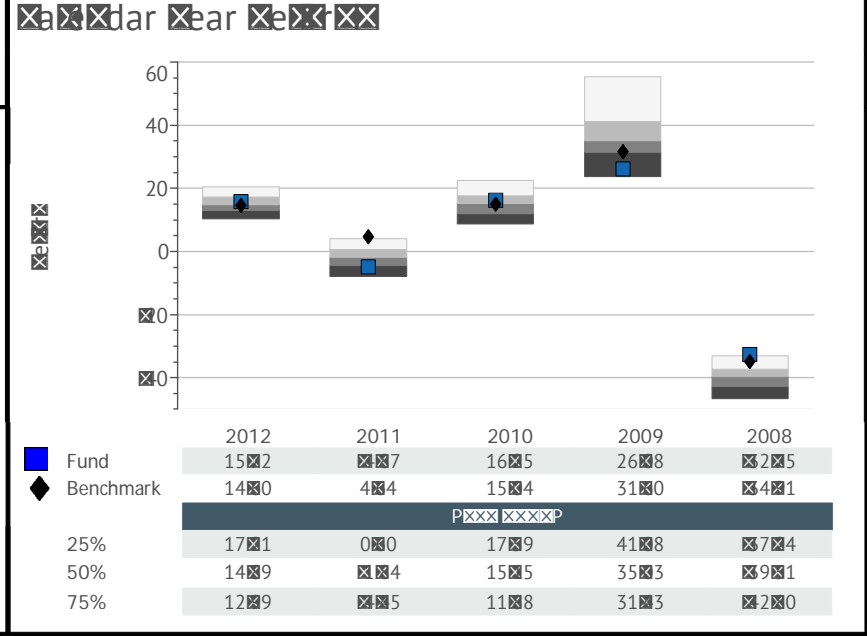
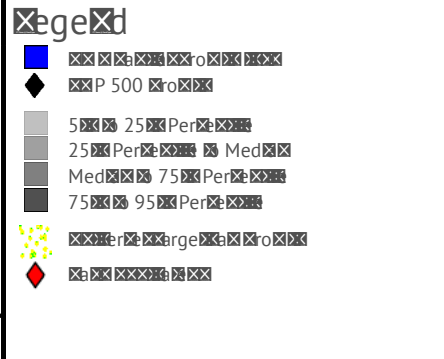
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**Investment Risk**  
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**Investment Manager**  
 The fund is managed by [Name], who has [Experience] years of experience in the investment industry. The fund is managed by [Name], who has [Experience] years of experience in the investment industry.

**Investment Fees**  
 The fund has a management fee of 1.00% and a performance fee of 20.00%. The fund has a management fee of 1.00% and a performance fee of 20.00%.

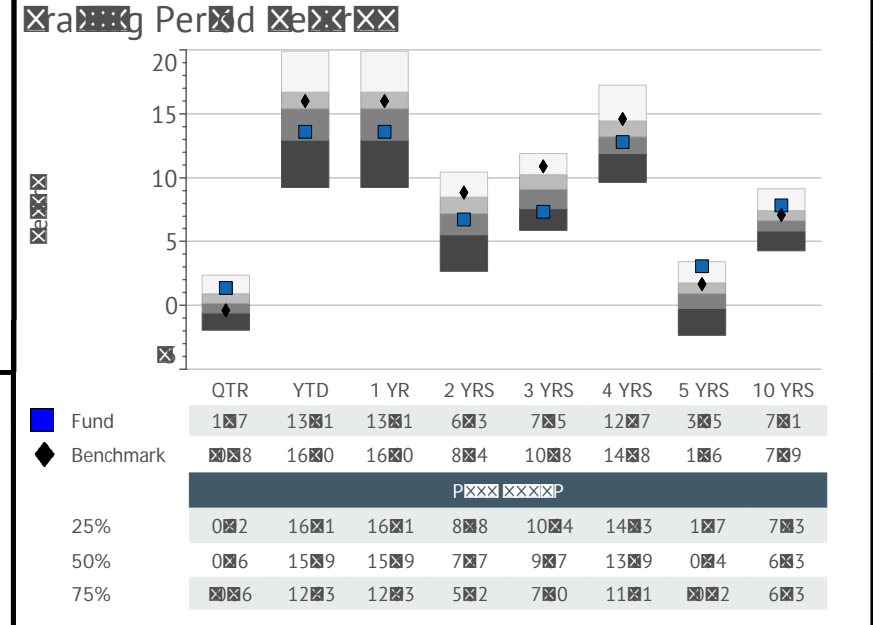
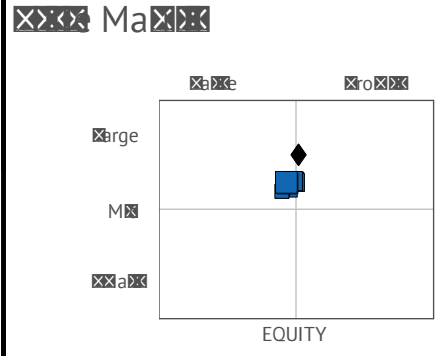
**Investment History**  
 The fund was established in 2000 and has a track record of [Performance]. The fund was established in 2000 and has a track record of [Performance].





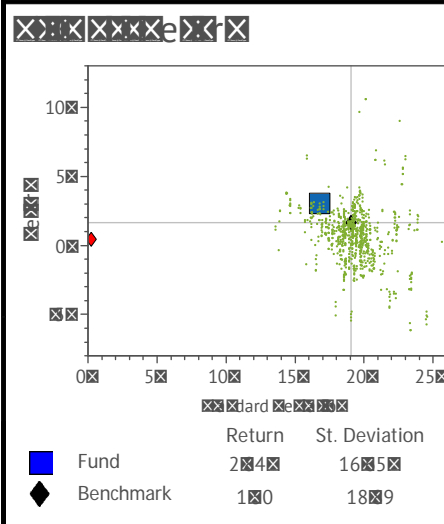
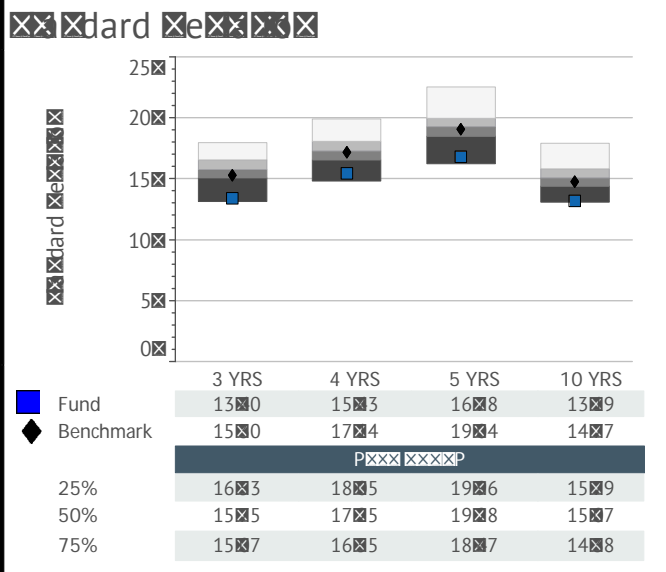
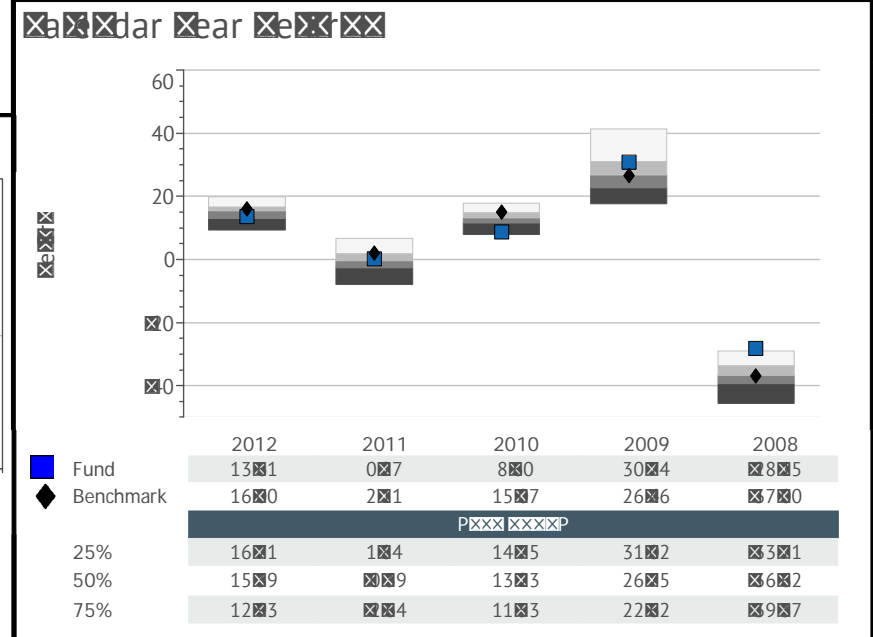
**Assets**

P 500 701  
 598  
 40  
 68  
 Per of 10 242  
 033  
 5 Year Morningstar Rating 5  
 Manager  
 Manager 142  
 Mgr 246  
 P 80059246



**Analysis**

The fund's performance is compared to the S&P 500 benchmark. The fund has a Morningstar Rating of 5, indicating strong performance. The fund's manager is [Name], and the fund is managed by [Name]. The fund's assets are \$800.59 billion.







**Investment Objective**  
 The fund seeks to invest in a diversified portfolio of common stocks of U.S. companies with the goal of long-term capital appreciation. The fund may invest in companies in any industry and may invest in companies that are not yet profitable. The fund may invest in companies that are not yet profitable. The fund may invest in companies that are not yet profitable.

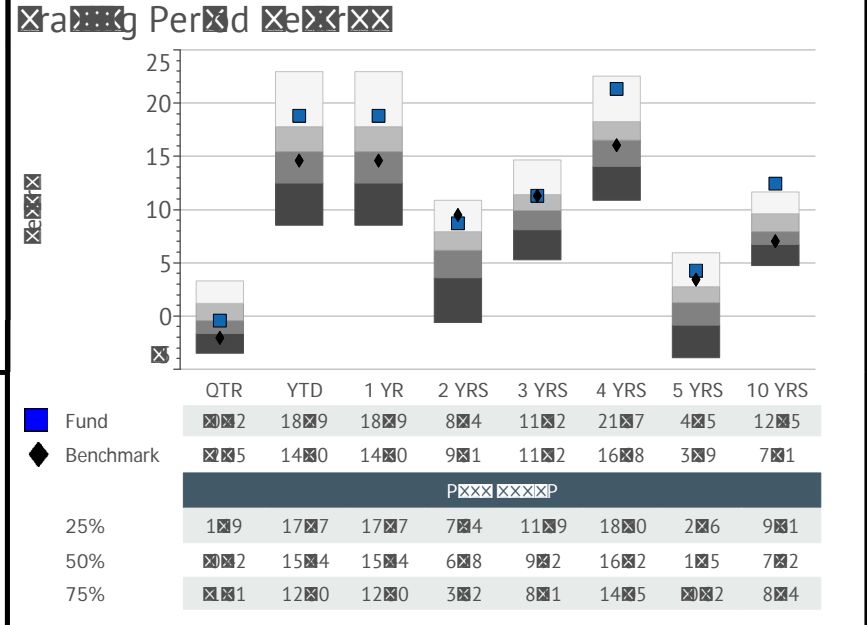
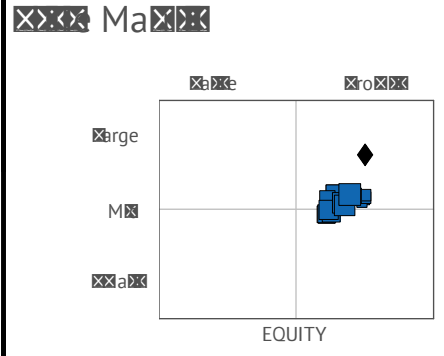
**Investment Strategy**  
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**Investment Process**  
 The fund's investment process is based on a top-down approach. The fund's investment process is based on a top-down approach. The fund's investment process is based on a top-down approach.

**Investment Team**  
 The fund is managed by [Name], who has been managing the fund since [Date]. The fund is managed by [Name], who has been managing the fund since [Date].

**Investment Performance**  
 The fund's performance is measured against the S&P 500 Index. The fund's performance is measured against the S&P 500 Index.

**Investment Risk**  
 The fund is subject to the risks of equity investments. The fund is subject to the risks of equity investments.



**Investment Objective**  
 The fund seeks to invest in a diversified portfolio of common stocks of U.S. companies with the goal of long-term capital appreciation. The fund may invest in companies in any industry and may invest in companies that are not yet profitable. The fund may invest in companies that are not yet profitable.

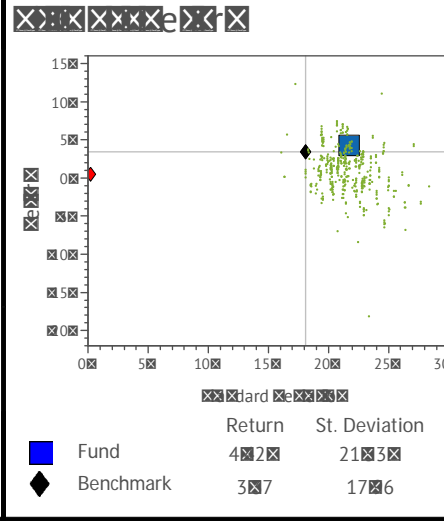
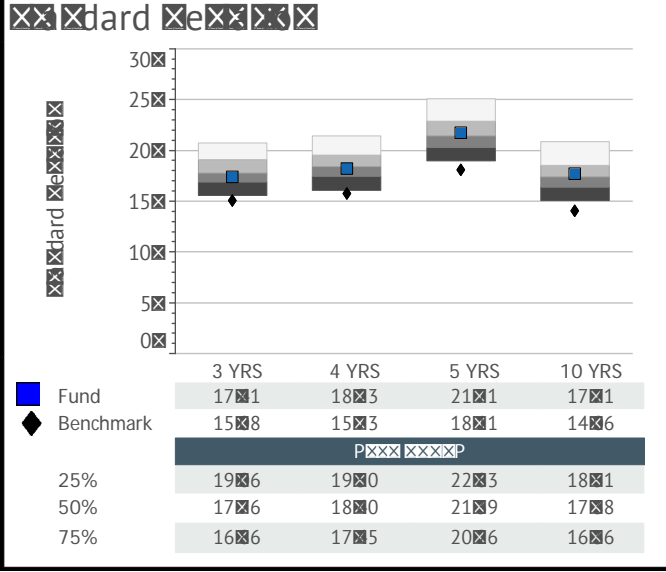
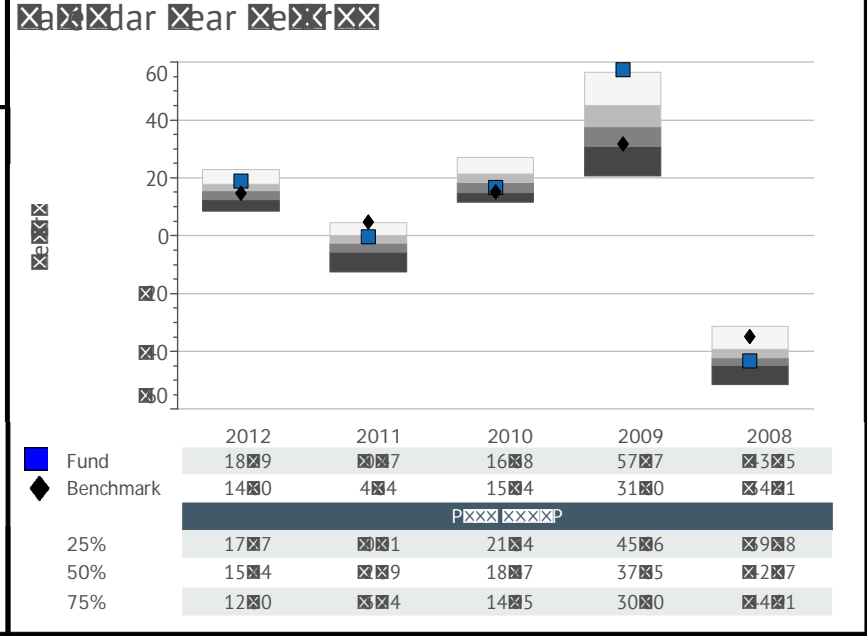
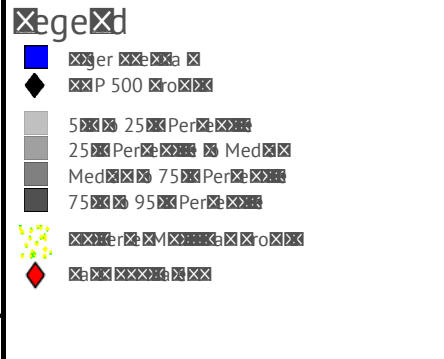
**Investment Strategy**  
 The fund will invest in a diversified portfolio of common stocks of U.S. companies with the goal of long-term capital appreciation. The fund may invest in companies in any industry and may invest in companies that are not yet profitable. The fund may invest in companies that are not yet profitable.

**Investment Process**  
 The fund's investment process is based on a top-down approach. The fund's investment process is based on a top-down approach. The fund's investment process is based on a top-down approach.

**Investment Team**  
 The fund is managed by [Name], who has been managing the fund since [Date]. The fund is managed by [Name], who has been managing the fund since [Date].

**Investment Performance**  
 The fund's performance is measured against the S&P 500 Index. The fund's performance is measured against the S&P 500 Index.

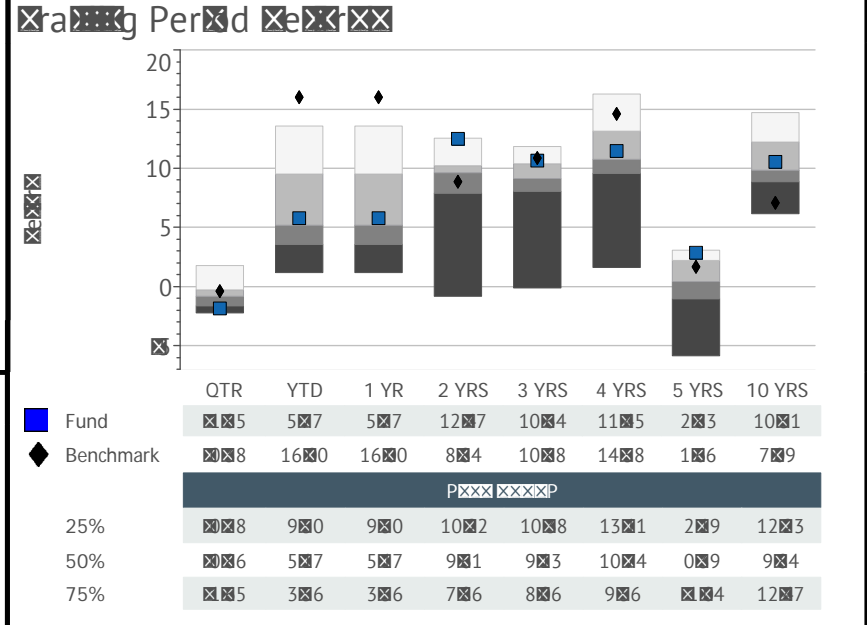
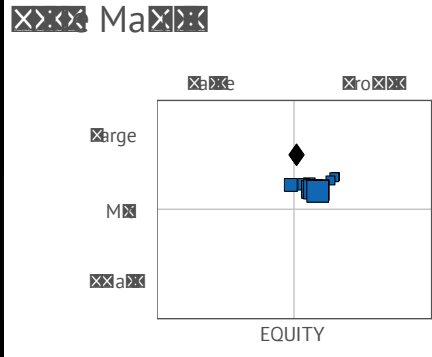
**Investment Risk**  
 The fund is subject to the risks of equity investments. The fund is subject to the risks of equity investments.





**Key Metrics:**

- Assets Under Management: \$12.1B
- Expense Ratio: 0.97%
- Turnover: 1%
- Dividend Yield: 57%
- Performance vs. Benchmark: 38.4%
- 5 Year Morningstar Return: 5%
- Manager: [Name]
- Manager Since: 12/1/08
- Company: [Name]
- Phone: 800.321.301



**Additional Information:**

Investment Strategy: [Text]

Assets Under Management: [Text]

Investment Objective: [Text]

Investment Process: [Text]

Investment Philosophy: [Text]

Investment Approach: [Text]

Investment Style: [Text]

Investment Strategy: [Text]

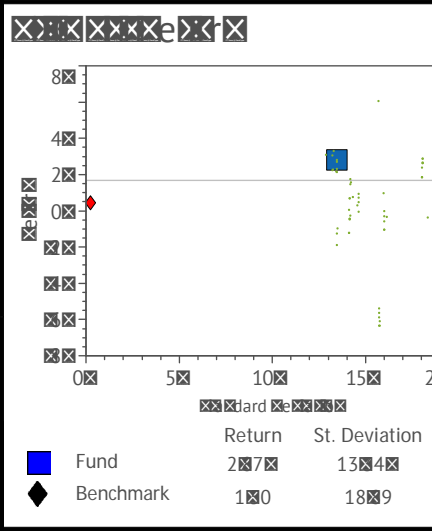
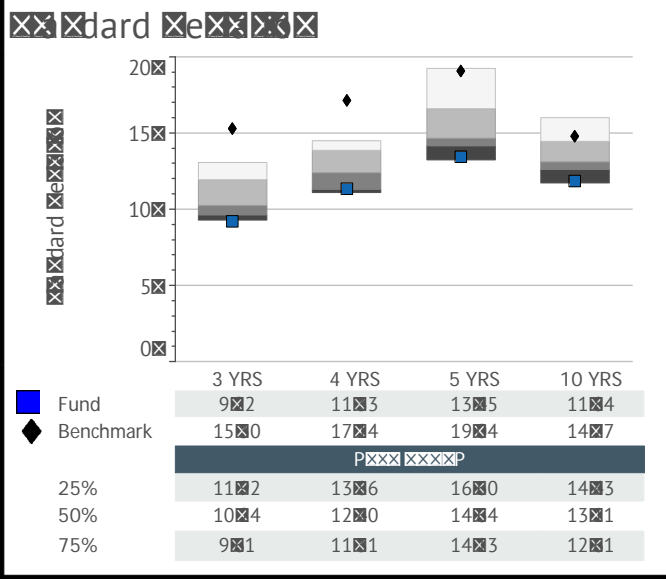
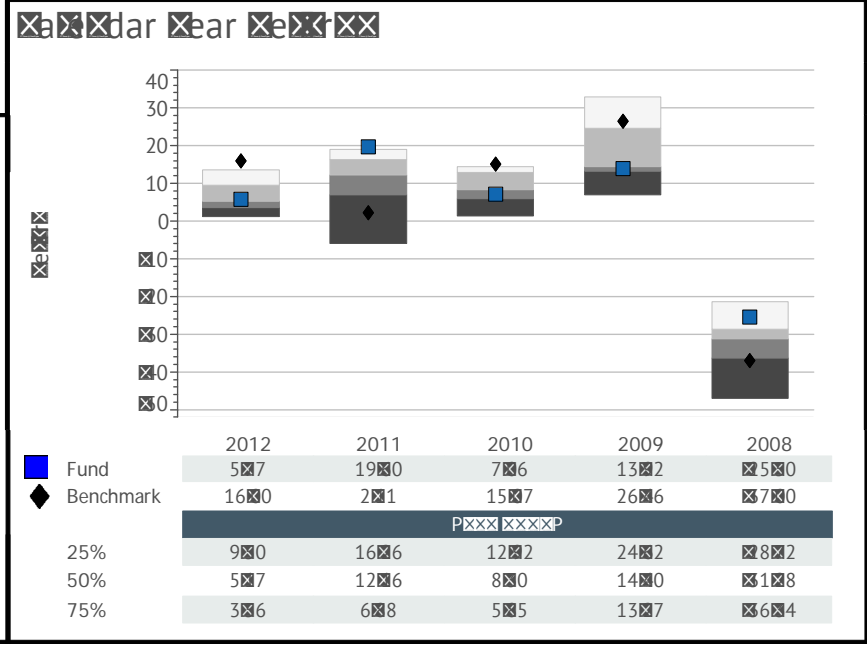
Investment Objective: [Text]

Investment Process: [Text]

Investment Philosophy: [Text]

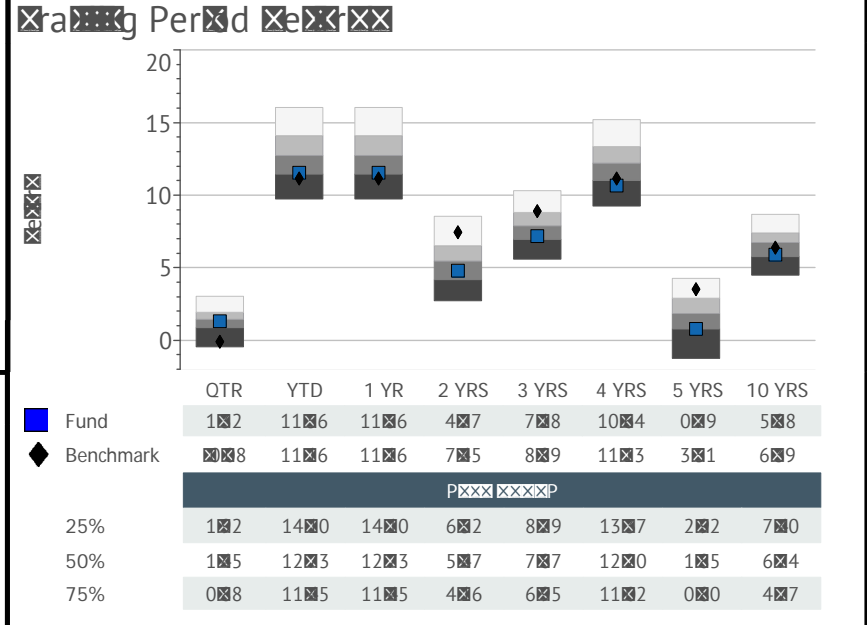
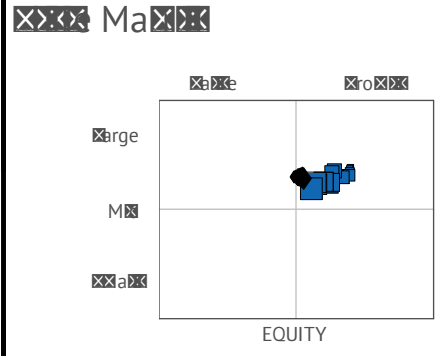
Investment Approach: [Text]

Investment Style: [Text]

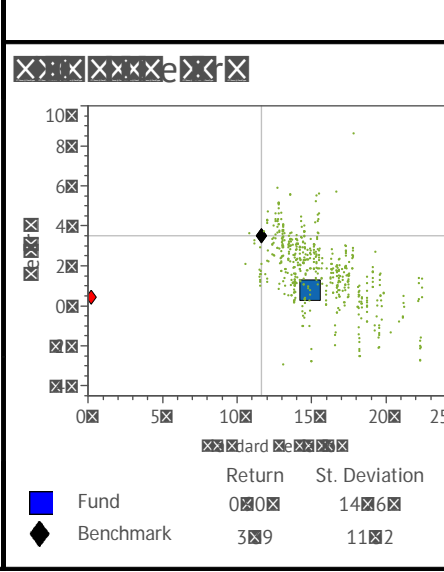
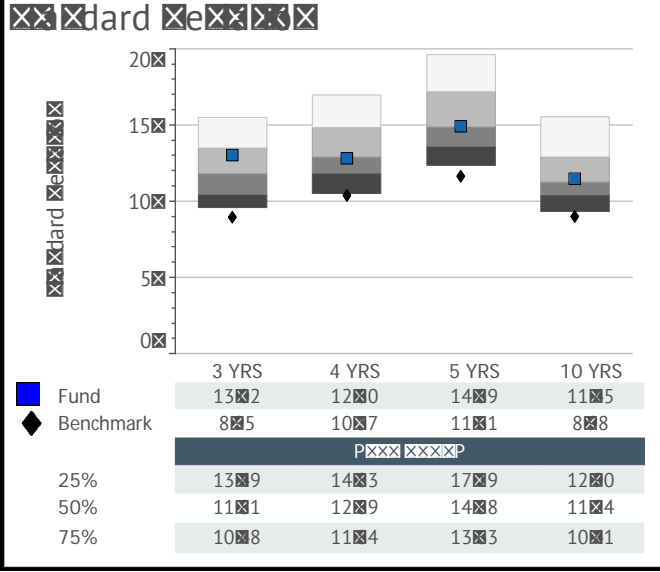
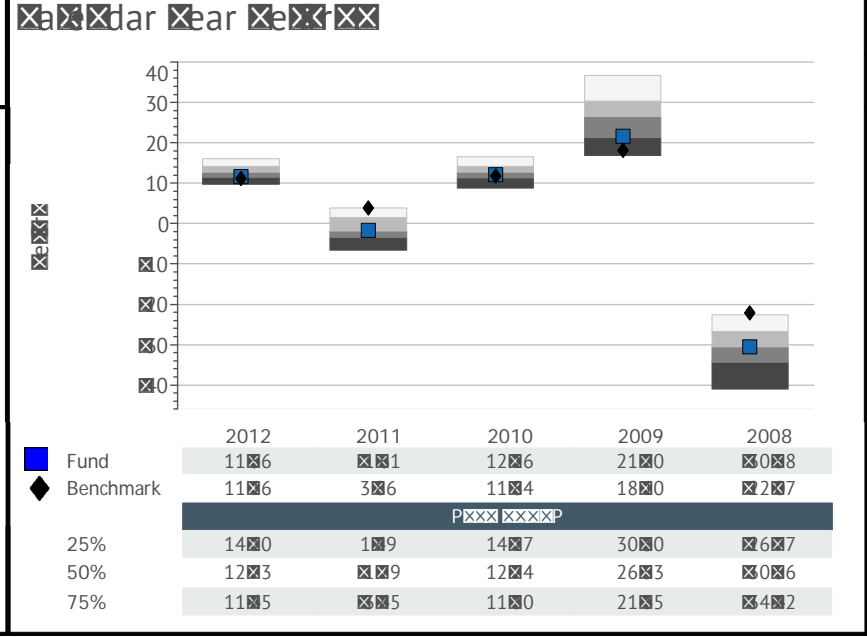
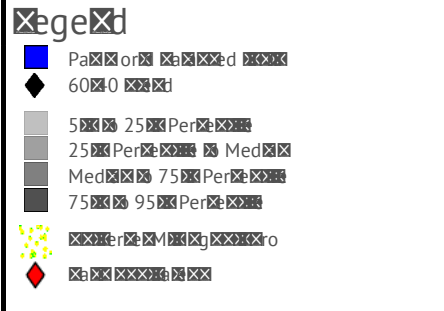




**Paragon Capital**  
 Assets Under Management \$60.0 B  
 Expense Ratio 4.07%  
 Inception Date 11/39  
 Number of Funds 38  
 Number of Funds in 10-Year Morningstar Category 321  
 Percent of Funds in 10-Year Morningstar Category 25.3%  
 Number of Funds in 10-Year Morningstar Category 0.0%  
 5 Year Morningstar Rating 3  
 Manager(s) Paragon Capital  
 Manager(s) since 4/5/08  
 Mgmt. Fee 800.72/827



**Paragon Capital**  
 The fund invests in a diversified portfolio of equity securities of companies in the technology sector. The fund's investments are primarily in public companies, but it may also invest in private companies. The fund's investments are primarily in the United States, but it may also invest in international companies. The fund's investments are primarily in the technology sector, but it may also invest in other sectors. The fund's investments are primarily in the technology sector, but it may also invest in other sectors. The fund's investments are primarily in the technology sector, but it may also invest in other sectors.



# Portfolio Characteristics

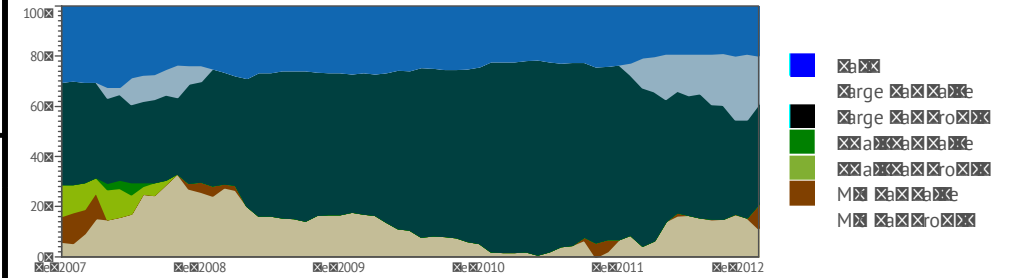
## Investment Objectives

Morningstar Category	Aggressive Growth
Prospectus Objective	Capital Appreciation
Net Assets All Shares	\$1,396.6 million
NAV Price	\$23.4
Morningstar Moderated	Large

## Portfolio Parameters

Inception Date	10/07
Portfolio Date	September 30, 2012
Distribution Yield	1.8%
Number Of Holdings	321
Turnover Ratio	38%

## Asset Allocation



## Sector Allocation

<b>CYCLICAL SECTORS TOTAL</b>	<b>157%</b>
Basic Materials	4%
Consumer Cyclical	3%
Financial Services	4%
Real Estate	3%
<b>SENSITIVE SECTORS TOTAL</b>	<b>43%</b>
Communication Services	4%
Energy	11%
Industrials	9%
Technology	17%
<b>DEFENSIVE SECTORS TOTAL</b>	<b>8%</b>
Consumer Defensive	3%
Healthcare	4%
Utilities	1%

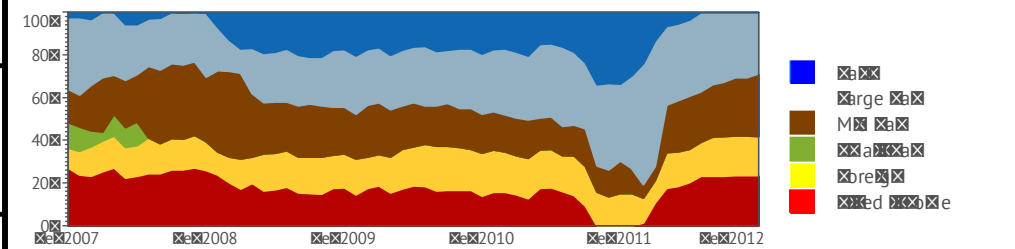
## Geographic Allocation

Domestic Stock	54%
Foreign Stock	14%
Domestic Bond	26%
Foreign Bond	1%
Preferred Bond	0%
Convertible Bond	0%
Cash	3%
Other	0%

## Market Allocation

Developed Country	65%
Emerging Market	2%
Not Classified	0%

## Asset Allocation



## Top 10 Holdings

Apple Inc	4.9%
EMC Corporation	3.8%
American Tower Corp	2.3%
ONEOK, Inc.	2.3%
Deere & Co	2.1%
Qualcomm, Inc.	2.7%
EQT Corp	2.2%
Vodafone Group PLC ADR	2.7%
Becton Dickinson & Co	1.2%
Intuit, Inc.	1.2%
Top 10 Holding Weighting	25.83%

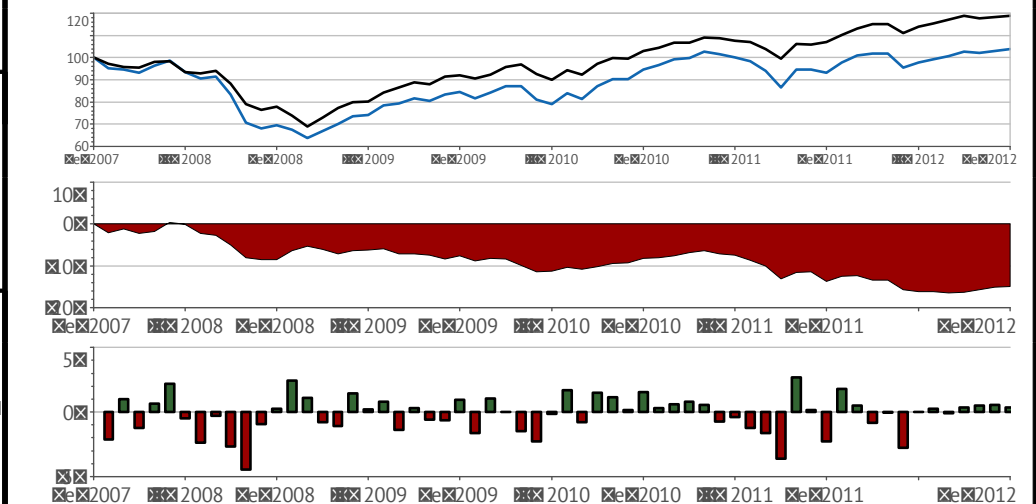
## Regional Allocation

Americas	57%
Greater Europe	8%
Greater Asia	2%

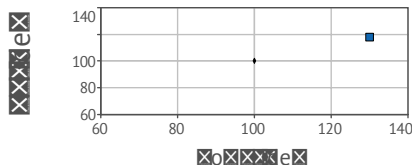
## Market Capitalization

Market Capitalization	\$439.2 billion
Giant Cap	28%
Large Cap	24%
Medium Cap	13%
Small Cap	1%
Micro Cap	0%

## Performance



## Index Comparison



## Peer Group

The portfolio's performance is compared to a peer group of 16 funds. The portfolio's performance is ranked 16th out of 16 funds over the period from 2007 to 2011.

The information presented here is not intended to be a recommendation to buy or sell any security or to provide any investment advice. The information is provided for informational purposes only. The performance of the portfolio is not guaranteed and may vary significantly from the performance of the benchmark index. The information is not intended to be a recommendation to buy or sell any security or to provide any investment advice. The information is provided for informational purposes only. The performance of the portfolio is not guaranteed and may vary significantly from the performance of the benchmark index.



# Performance

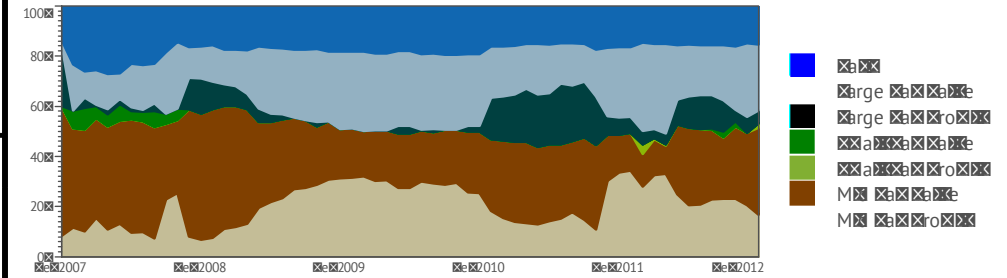
## Details

Morningstar Category: Mid-Cap Growth  
 Prospectus Objective: Growth  
 Net Assets All Shares: \$1,248.5 million  
 NAV Price: \$21.44  
 Primary Index: S&P 500

## Portfolio Characteristics

Inception Date: 6/2009  
 Portfolio Date: 12/30/2012  
 Distribution Yield: 0.55%  
 Number Of Holdings: 146  
 Turnover Ratio: 54%

## Asset Allocation



## Sector Allocation

CYCLICAL SECTORS TOTAL	39.4%
Basic Materials	4.6%
Consumer Cyclical	8.0%
Financial Services	18.1%
Real Estate	7.7%
SENSITIVE SECTORS TOTAL	31.4%
Communication Services	1.5%
Energy	9.8%
Industrials	12.1%
Technology	8.0%
DEFENSIVE SECTORS TOTAL	17.0%
Consumer Defensive	3.4%
Healthcare	10.5%
Utilities	3.1%

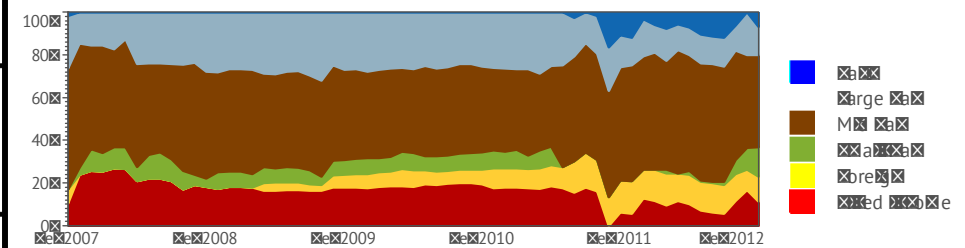
## Geographic Allocation

Domestic Stock	80.8%
Foreign Stock	8.0%
Domestic Bond	0.0%
Foreign Bond	0.0%
Preferred Bond	0.0%
Convertible Bond	0.0%
Cash	11.2%
Other	0.0%

## Market Allocation

Developed Country	88.8%
Emerging Market	0.0%
Not Classified	0.0%

## Asset Allocation



## Top 10 Holdings

Ameriprise Financial Inc	1.88%
Noble Energy Inc	1.10%
Fifth Third Bancorp	1.10%
Western Union Company	1.15%
Goldcorp, Inc.	1.15%
PPL Corp	1.14%
Jacobs Engineering Group	1.13%
Reinsurance Group of America Inc	1.18%
Tyco International Ltd	1.18%
Exelon Corp	1.19%
Top 10 Holding Weighting	13.51%

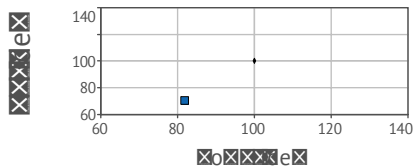
## Regional Allocation

Americas	83.9%
Greater Europe	5.10%
Greater Asia	0.00%

## Market Capitalization

Market Capitalization	\$10.07 billion
Giant Cap	6.33%
Large Cap	35.35%
Medium Cap	38.82%
Small Cap	9.98%
Micro Cap	0.00%

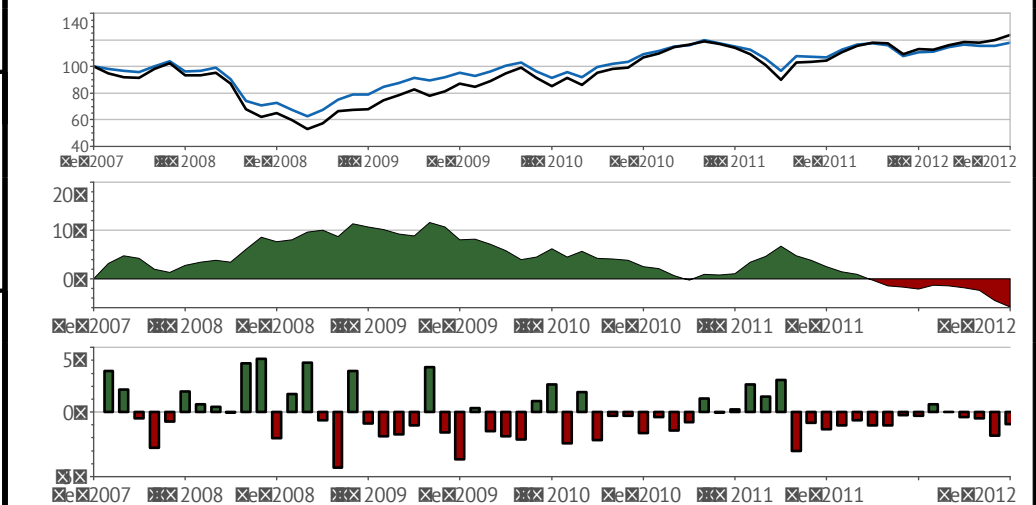
## Expense Ratio



## Peak to Trough

The portfolio's peak-to-trough performance over a 21-month period from 2007 to 2010 is shown. The chart displays the percentage change in value over time, with a significant decline in 2008 followed by a recovery in 2009 and 2010.

## Performance

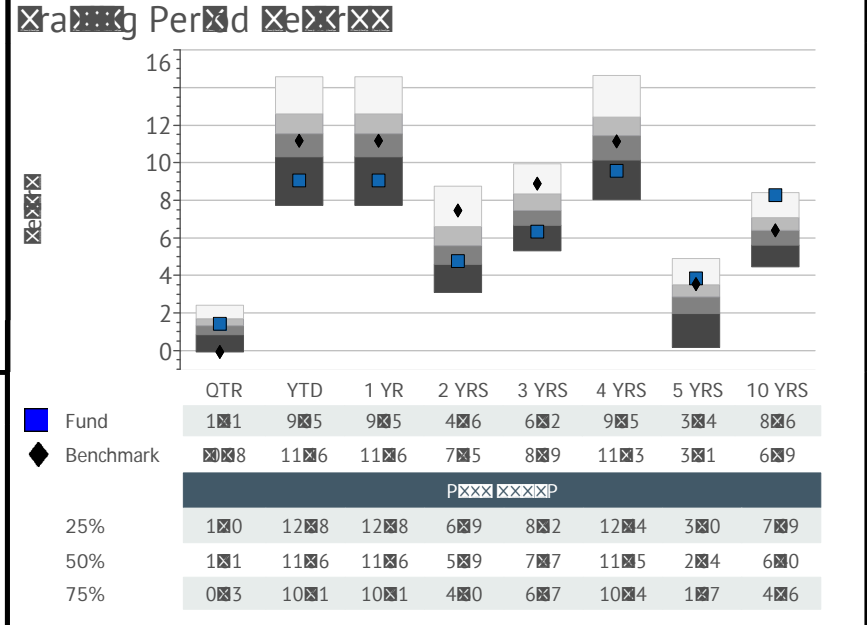
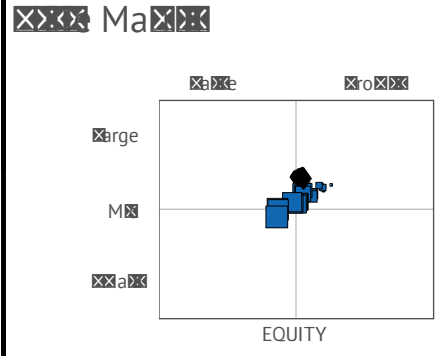


The performance of the portfolio is measured against the S&P 500 index. The chart shows that the portfolio's performance is generally in line with the index, with a slight underperformance in 2008 and 2009, and a slight outperformance in 2010 and 2011. The portfolio's performance is also measured against the Morningstar Mid-Cap Growth Index, which shows a similar performance pattern.



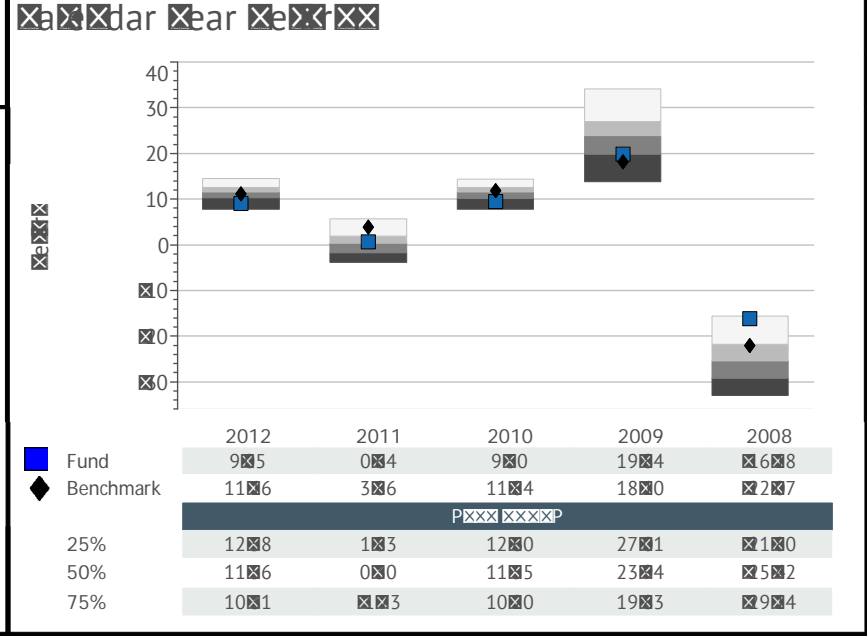
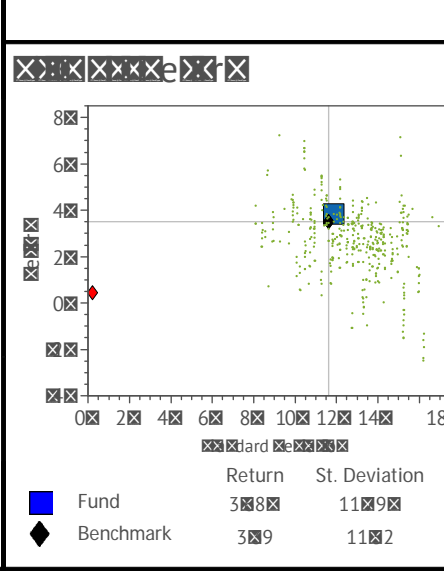
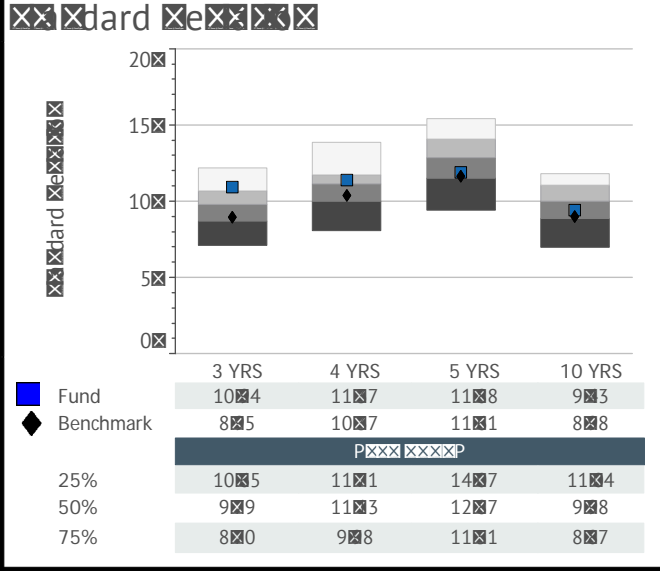
**Summary**

Assets Under Management: 60.0  
 Expense Ratio: 1.18%  
 Dividend Yield: 2.9%  
 Beta: 1.33  
 Performance of 10: 29.5%  
 5 Year Morningstar Rating: 4  
 Manager: [Name]  
 Manager Since: 11/05  
 Mgmt. Fees: 800/25/275



**Description**

The fund invests in a diversified portfolio of securities. The fund's investment objective is to provide long-term capital appreciation. The fund may invest in domestic and foreign securities, including common stocks, preferred stocks, convertible securities, and bonds. The fund's portfolio is managed by [Name].



Morningstar Category	Moderate Growth
Prospectus Objective	Aggressive
Net Assets All Shares	\$1.818B
NAV Price	\$28.00
Morningstar Rating	Moderate Growth

Inception Date	September 1, 1995
Portfolio Date	September 30, 2012
Distribution Yield	0.4%
Number Of Holdings	133
Turnover Ratio	29%

<b>CYCLICAL SECTORS TOTAL</b>	<b>12.9%</b>
Basic Materials	0%
Consumer Cyclical	9.1%
Financial Services	2.8%
Real Estate	0%
<b>SENSITIVE SECTORS TOTAL</b>	<b>33.8%</b>
Communication Services	0%
Energy	14.8%
Industrials	17.5%
Technology	2.5%
<b>DEFENSIVE SECTORS TOTAL</b>	<b>23.7%</b>
Consumer Defensive	10.8%
Healthcare	12.9%
Utilities	0%

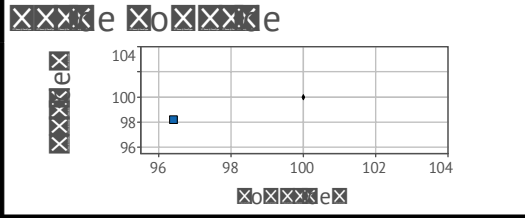
Domestic Stock	57%
Foreign Stock	12%
Domestic Bond	12%
Foreign Bond	0%
Preferred Bond	0%
Convertible Bond	0%
Cash	15%
Other	1%

Developed Country	69%
Emerging Market	0%
Not Classified	0%

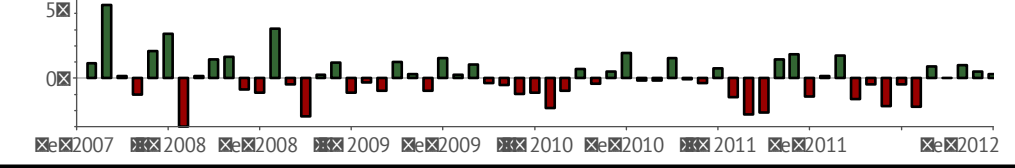
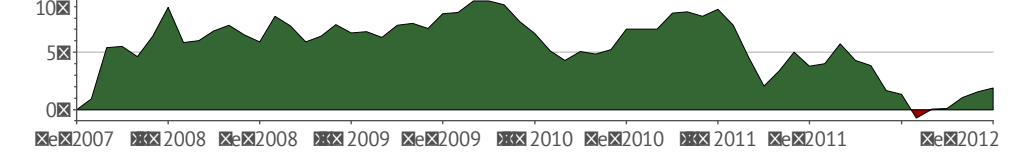
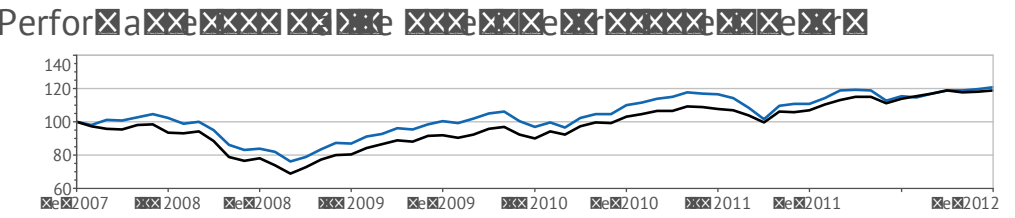
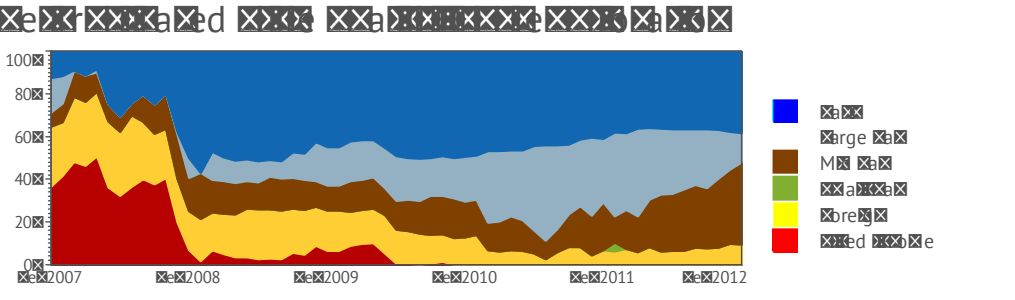
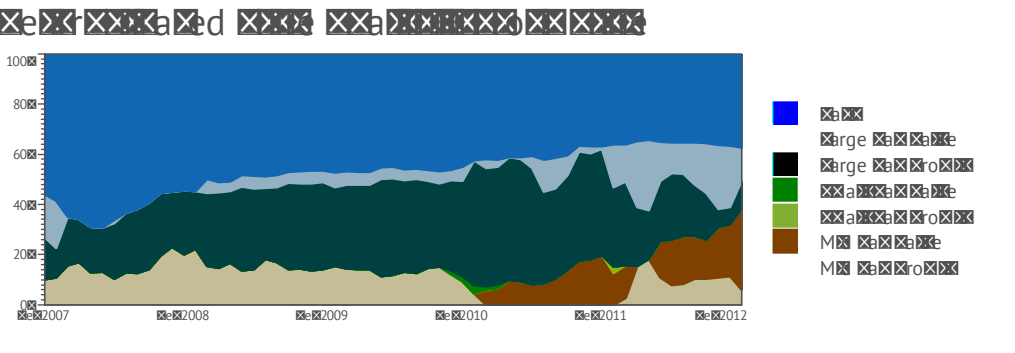
Nestle SA ADR	3.7%
US Treasury Note 1.25%	3.5%
US Treasury Note 1.375%	3.3%
UnitedHealth Group Inc	3.7%
Diageo PLC ADR	3.2%
Cenovus Energy, Inc.	3.7%
Philip Morris International, Inc.	3.3%
General Dynamics	2.2%
Dover Corporation	2.9%
Flowserve Corporation	2.1%
Top 10 Holding Weighting	29.85%

Americas	62.5%
Greater Europe	7.9%
Greater Asia	0%

Market Capitalization	\$185.2B
Giant Cap	17.4%
Large Cap	20.3%
Medium Cap	29.3%
Small Cap	1.2%
Micro Cap	0.2%

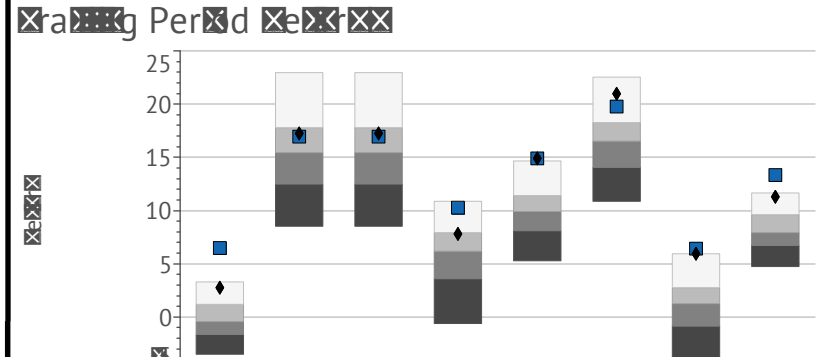
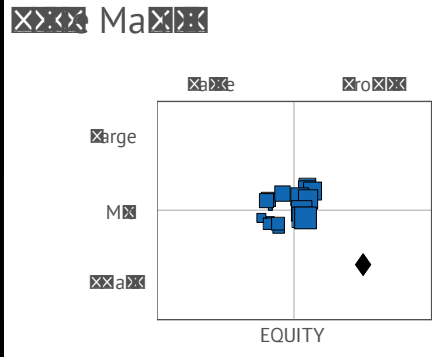


Performance relative to benchmark of the fund for the period ending 27/2/12. The fund has exceeded its benchmark for 9 out of 13 months since its inception in 2008.



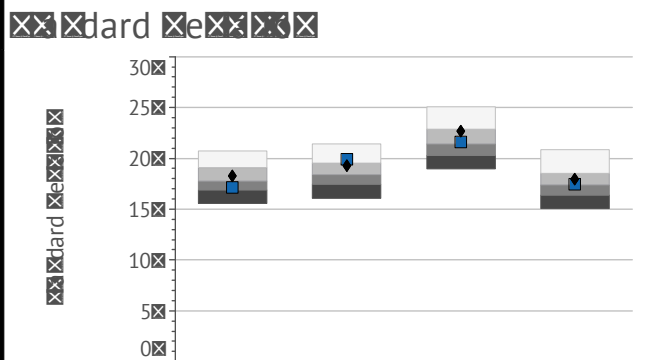
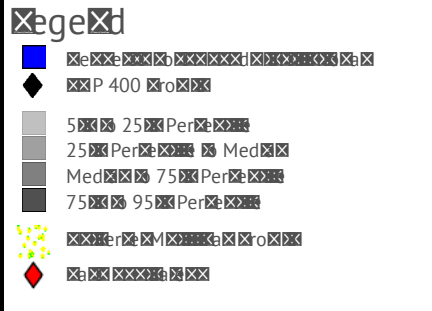
The fund's performance is measured against a benchmark of the S&P 500 Index. The fund has exceeded its benchmark for 9 out of 13 months since its inception in 2008. The fund's performance is measured against a benchmark of the S&P 500 Index. The fund has exceeded its benchmark for 9 out of 13 months since its inception in 2008.

**Assets**  
 P 400 6108  
 781  
 133  
 24  
 Per of 10 6811  
 155  
 5 Year Morningstar Rating 5  
 Manager  
 Manager 8209  
 Mgmt 354  
 P 80066354

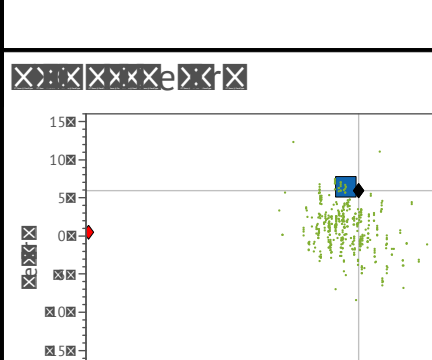


	QTR	YTD	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	10 YRS
Fund	66	168	168	108	142	190	60	133
Benchmark	25	176	176	79	140	205	55	112
Pxxxixip								
25%	19	177	177	74	119	180	26	91
50%	22	154	154	68	92	162	15	72
75%	11	120	120	32	81	145	22	108

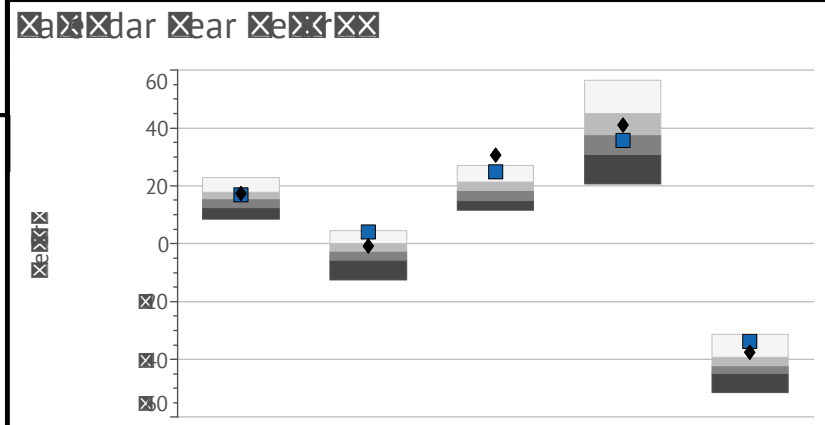
**Additional Information**  
 The fund's investment objective is to provide long-term capital appreciation. The fund invests in a diversified portfolio of common stocks of U.S. companies. The fund's investments are managed by the investment manager.



	3 YRS	4 YRS	5 YRS	10 YRS
Fund	177	199	210	178
Benchmark	185	190	226	173
Pxxxixip				
25%	196	190	223	181
50%	176	180	219	178
75%	166	175	206	166



	Return	St. Deviation
Fund	611	214
Benchmark	58	228



	2012	2011	2010	2009	2008
Fund	168	37	249	350	339
Benchmark	176	22	305	418	71
Pxxxixip					
25%	177	11	214	456	98
50%	154	9	187	375	27
75%	120	4	145	300	41

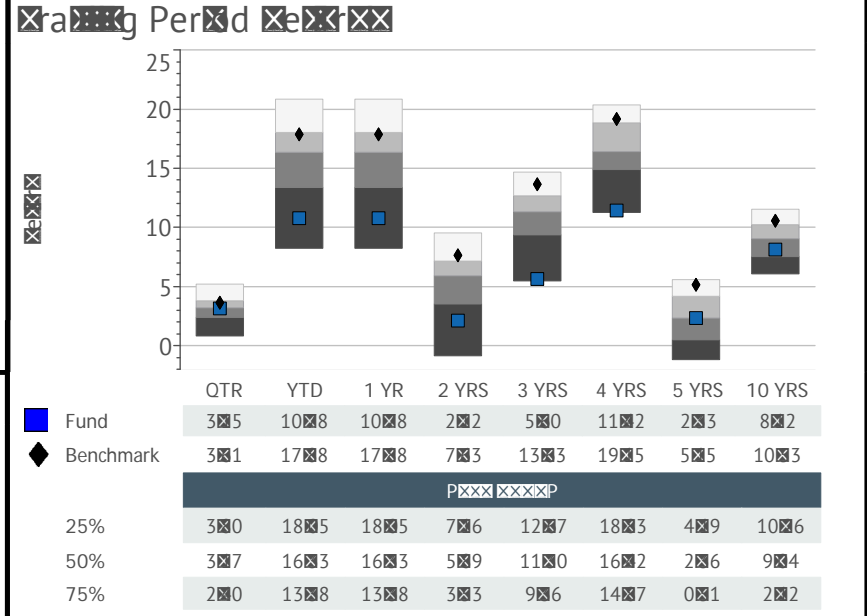
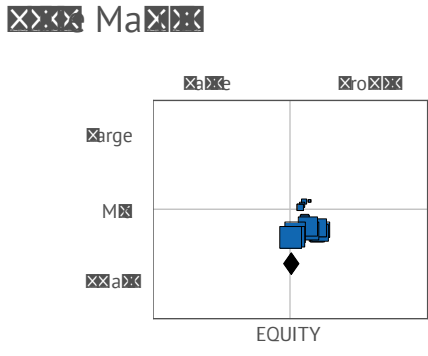






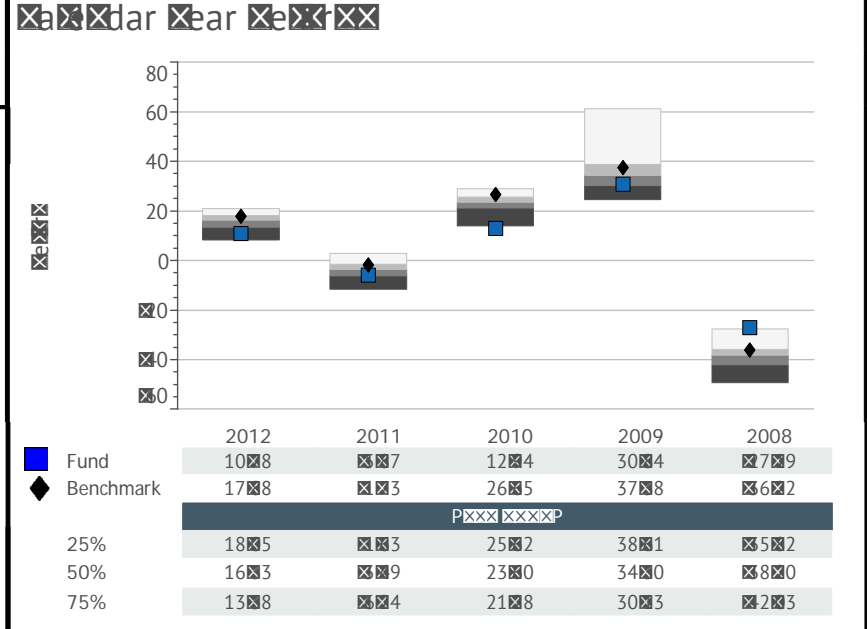
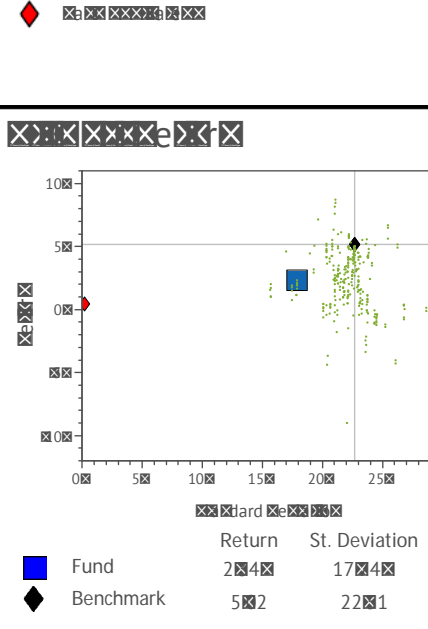
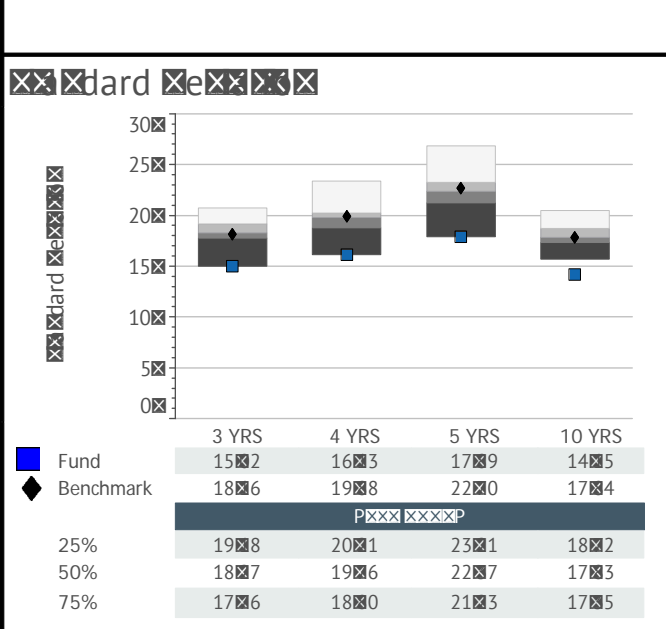
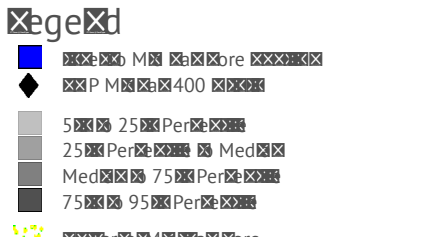
**Investment Manager Core**

Assets Under Management: \$400.00M  
 Inception Date: 3/5/02  
 Expense Ratio: 0.49%  
 Dividend Yield: 0.57%  
 Beta: 0.90  
 Performance of Best 10%: 16.77%  
 Expense Ratio: 0.49%  
 5 Year Morningstar Rating: 3  
 Manager: [Name]  
 Manager Since: 10/08  
 Mgmt. Fees: [Fees]  
 P/E: 800.59x005



**Additional Information**

The fund's performance is based on the gross of fund expenses. The fund's performance is based on the gross of fund expenses. The fund's performance is based on the gross of fund expenses.





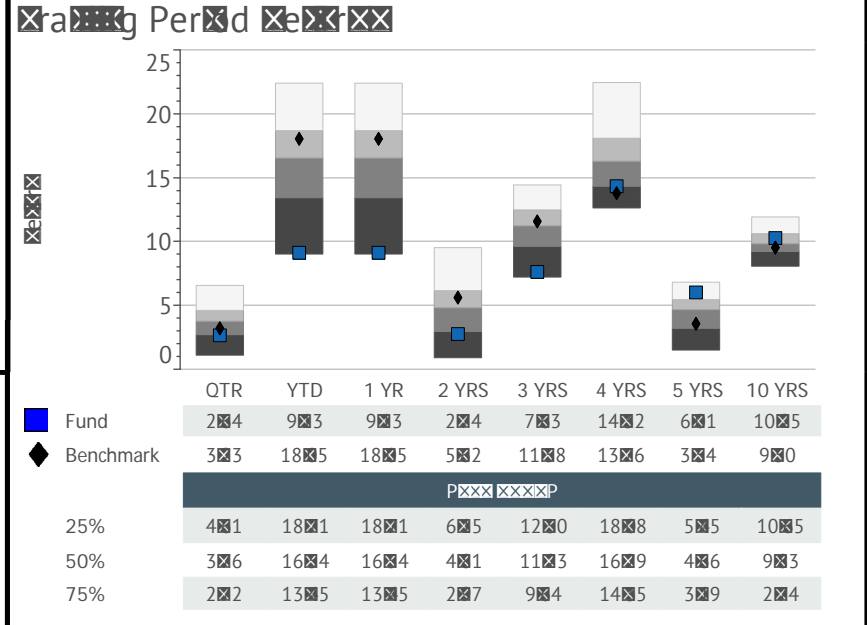
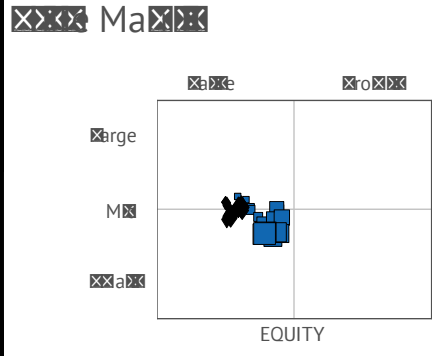






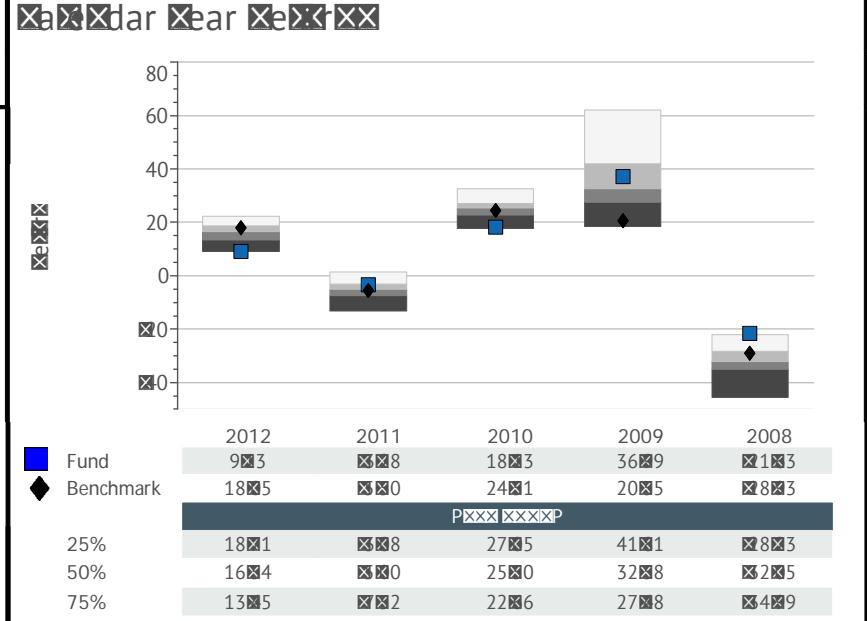
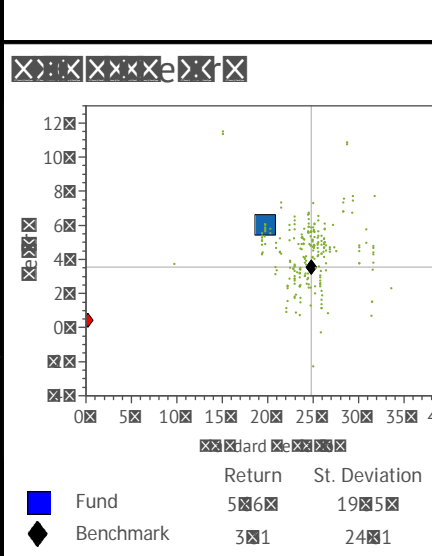
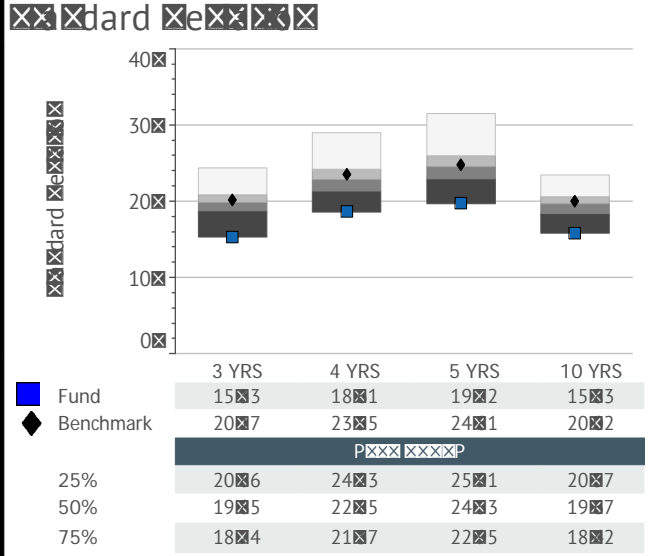
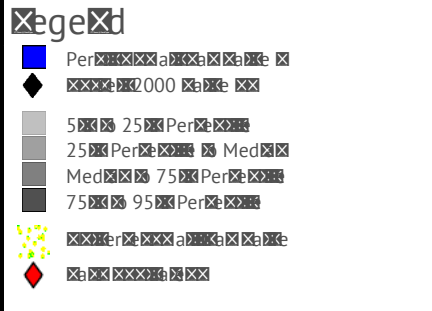
**Summary**

Assets Under Management: \$2,000,000,000  
 Expense Ratio: 7.09%  
 Inception Date: 1958  
 Number of Funds: 62  
 Number of Managers: 100  
 Performance of Top 10 Funds: 17.44%  
 Average of Top 5 Funds: 0.99%  
 5 Year Morningstar Return: 4.33%  
 Manager: Robert Perle  
 Manager Since: 2005  
 Mgmt. Fee: 2.45%  
 P/E Ratio: 800.25020



**Analysis**

The fund's performance is analyzed relative to its benchmark and peers. The chart shows that the fund has consistently underperformed the benchmark over the long term, particularly in the 10-year period.



# Performance

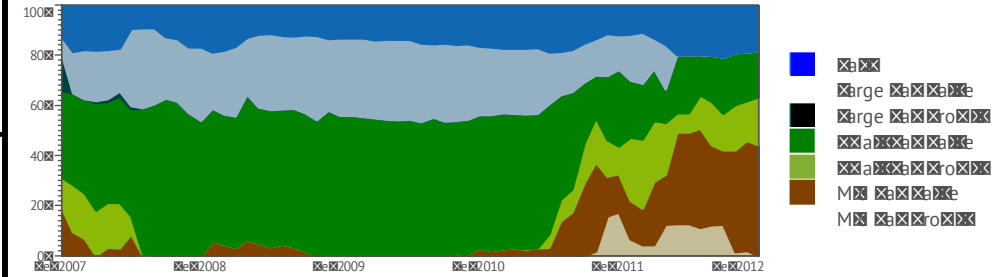
## Investment Objectives

Morningstar Category: Large Growth  
 Prospectus Objective: Large Growth  
 Net Assets All Shares: \$57.9 billion  
 NAV Price: \$1.00  
 Primary Index: S&P 500

## Portfolio Characteristics

Inception Date: 6/2009  
 Portfolio Date: 3/30/2012  
 Distribution Yield: 1.7%  
 Number Of Holdings: 100  
 Turnover Ratio: 62%

## Asset Allocation



## Sector Allocation

CYCLICAL SECTORS TOTAL	40.2%
Basic Materials	3.9%
Consumer Cyclical	7.5%
Financial Services	22.5%
Real Estate	6.5%
SENSITIVE SECTORS TOTAL	28.8%
Communication Services	0.0%
Energy	7.6%
Industrials	12.9%
Technology	7.3%
DEFENSIVE SECTORS TOTAL	15.0%
Consumer Defensive	5.5%
Healthcare	8.9%
Utilities	0.6%

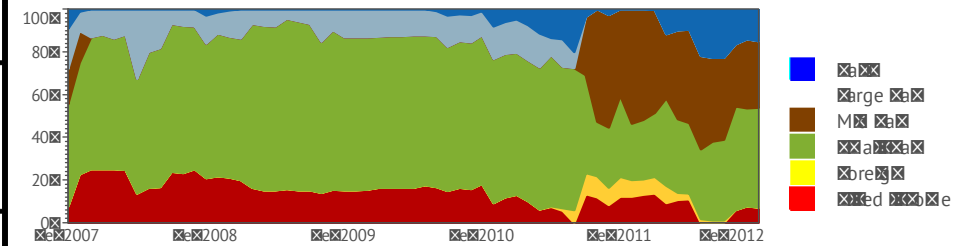
## Geographic Allocation

Domestic Stock	82.6%
Foreign Stock	0.4%
Domestic Bond	0.0%
Foreign Bond	0.0%
Preferred Bond	0.0%
Convertible Bond	0.0%
Cash	16.1%
Other	0.0%

## Market Allocation

Developed Country	83.9%
Emerging Market	0.0%
Not Classified	0.0%

## Asset Allocation



## Top 10 Holdings

First Niagara Financial Group Inc	2.7%
Owens & Minor, Inc.	1.3%
Fulton Financial Corp	1.4%
Washington Federal Inc.	1.2%
Potlatch Corp.	1.0%
Kemper Corp	1.4%
Flowers Foods, Inc.	1.5%
Diebold Incorporated	1.4%
Harris Teeter Supermarkets Inc	1.9%
Covance, Inc.	1.5%
Top 10 Holding Weighting	17.24%

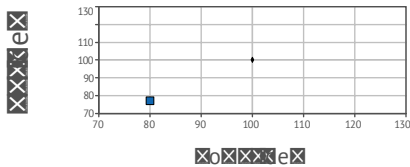
## Regional Allocation

Americas	82.8%
Greater Europe	0.1%
Greater Asia	0.0%

## Market Capitalization

Market Capitalization	\$160.8 billion
Giant Cap	0.0%
Large Cap	0.0%
Medium Cap	20.9%
Small Cap	50.7%
Micro Cap	12.4%

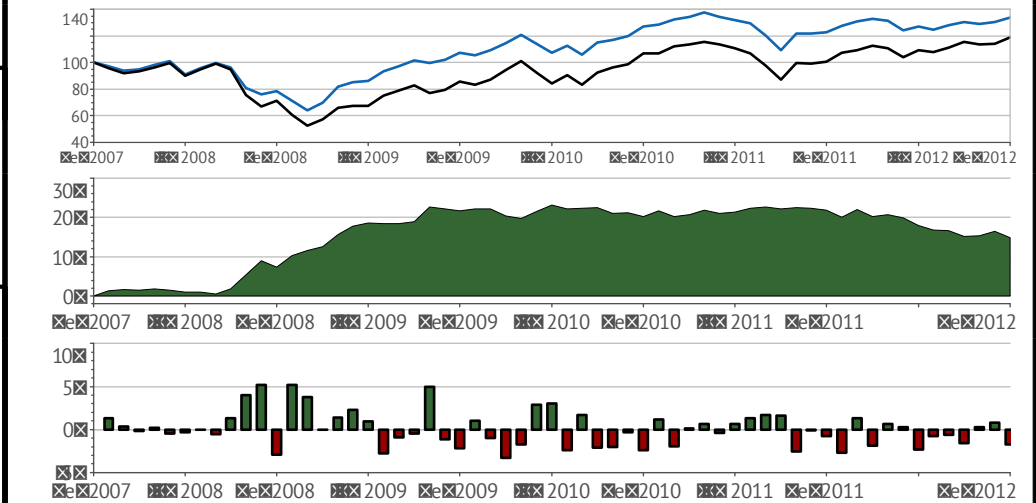
## Performance



## Performance

The performance of the fund is measured against the S&P 500 Index. The fund's performance is shown relative to the S&P 500 Index for the period from 2007 to 2009.

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**Investment Objectives**

Investment Objective: To provide long-term capital appreciation and income.

Investment Strategy: The fund invests primarily in U.S. equities, with a focus on large-cap growth companies.

Investment Process: The fund is managed by a team of experienced investment professionals who use a bottom-up approach to identify and invest in companies with strong growth potential.

Investment Style: The fund is a long-term growth fund.

Investment Risk: The fund is subject to the risks of equity investments, including market risk, credit risk, and liquidity risk.

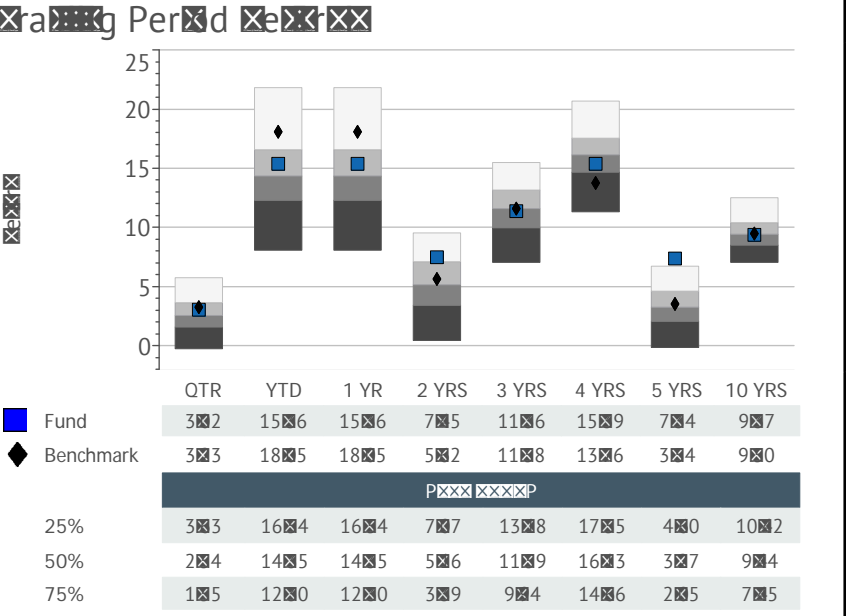
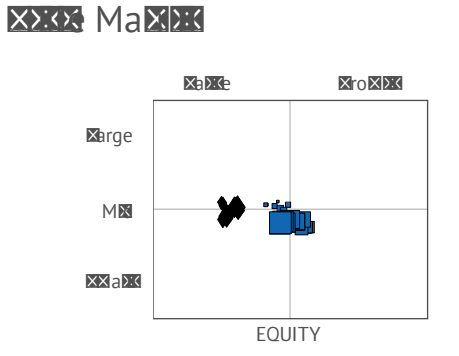
Investment Manager: The fund is managed by [Name], who has over 10 years of investment experience.

Investment Manager's Experience: [Name] has managed the fund since its inception in 2000.

Investment Manager's Education: [Name] holds a Bachelor's degree in Business Administration from [University].

Investment Manager's Other Experience: [Name] has previously worked for [Company] and [Company].

Investment Manager's Contact Information: [Name], [Address], [City], [State], [Zip].



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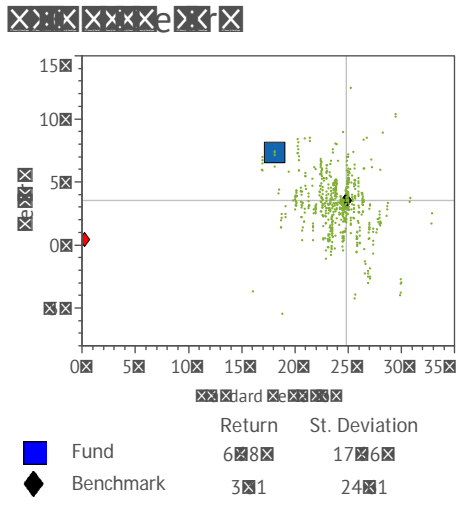
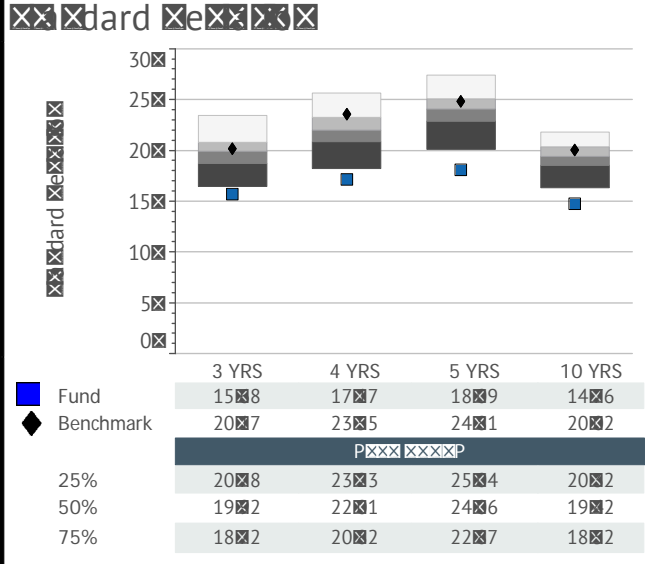
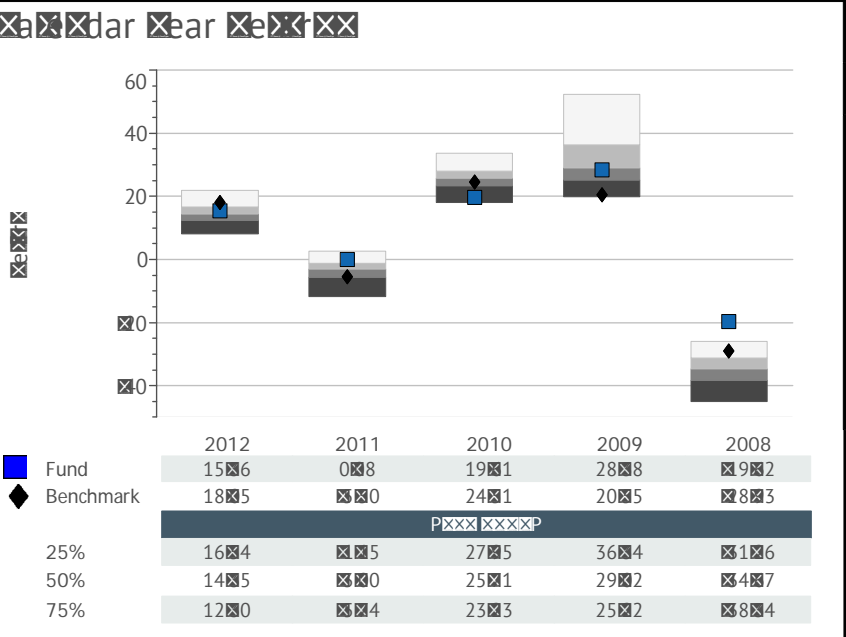
Investment Manager: The fund is managed by [Name], who has over 10 years of investment experience.

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Investment Manager's Education: [Name] holds a Bachelor's degree in Business Administration from [University].

Investment Manager's Other Experience: [Name] has previously worked for [Company] and [Company].

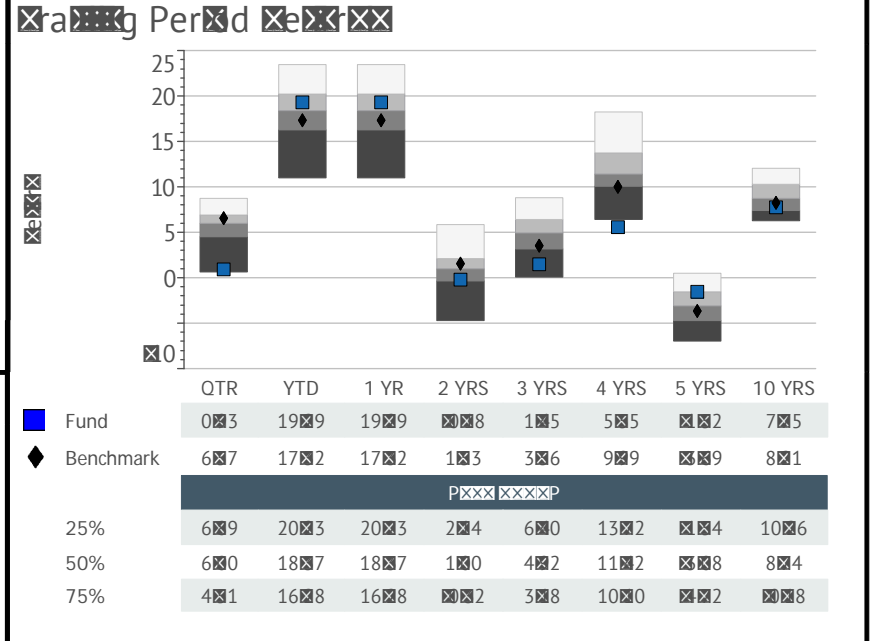
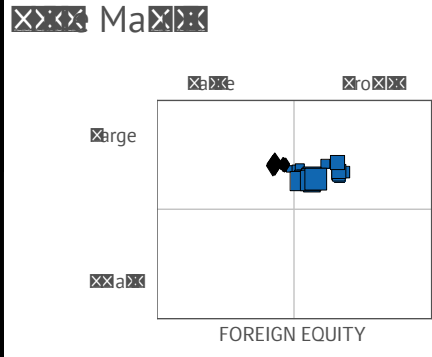
Investment Manager's Contact Information: [Name], [Address], [City], [State], [Zip].





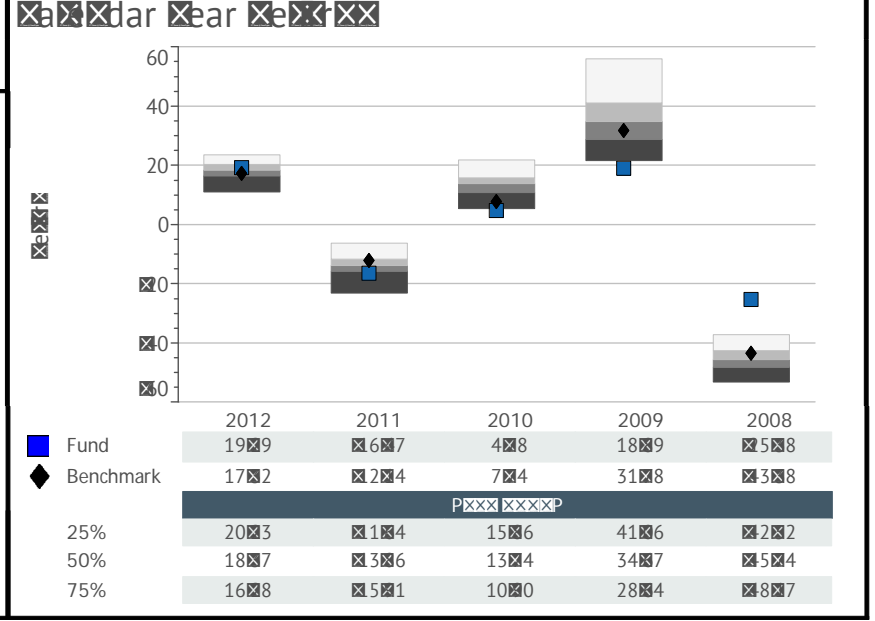
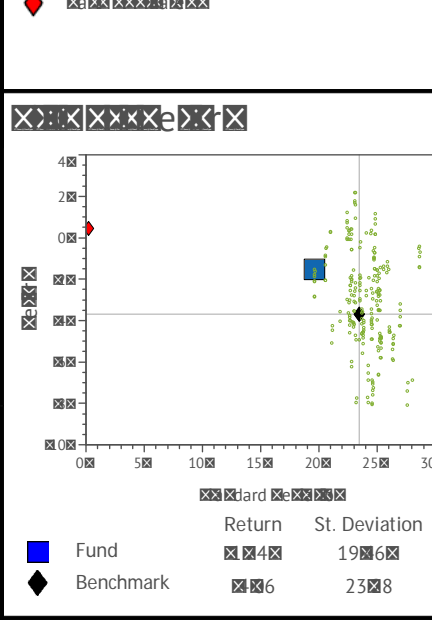
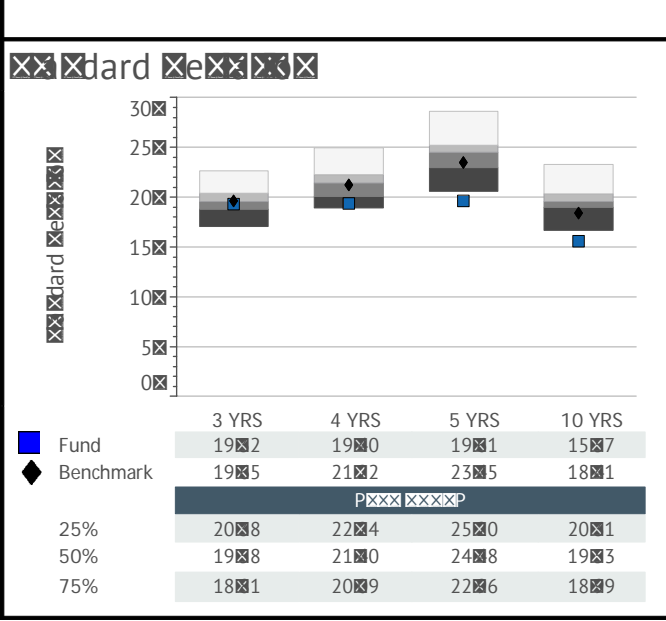
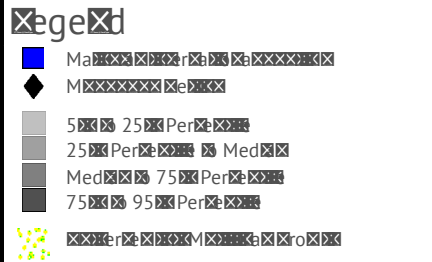
**Management**

Principal Manager: 1/04  
 Executive Director: 3/16  
 Senior Advisor: 8/00  
 Director: 5/5  
 Performance of 10: 35/33  
 5 Year Morningstar Rating: 4  
 Manager: Standard  
 Manager: 5/7/1  
 Manager: 800/24/782



**Additional Information**

The fund's investment objective is to invest in foreign securities to provide long-term capital appreciation. The fund may invest in international securities, including emerging markets. The fund is subject to the risks of international investing, including currency fluctuations and political instability.



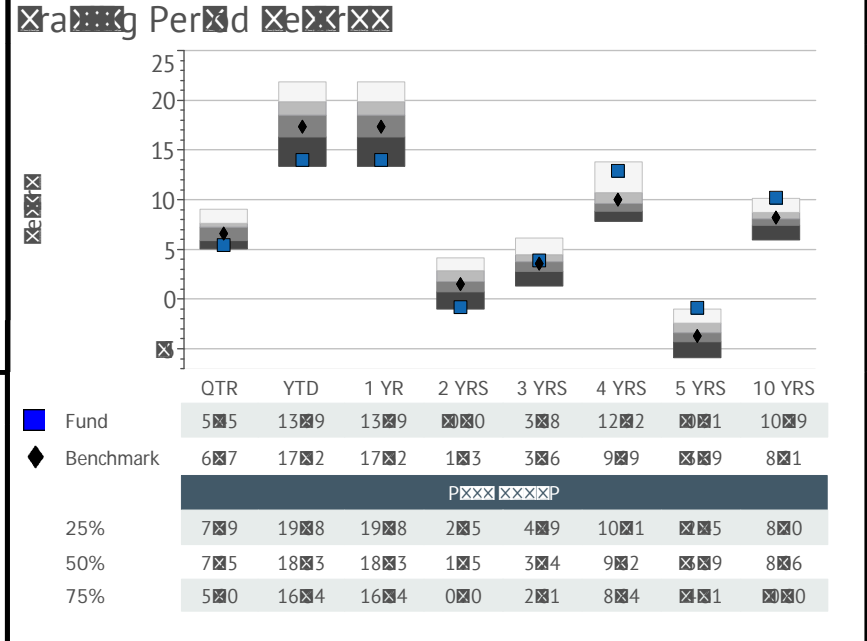
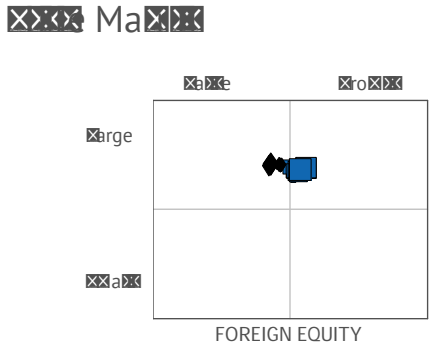




**Investment Objectives**

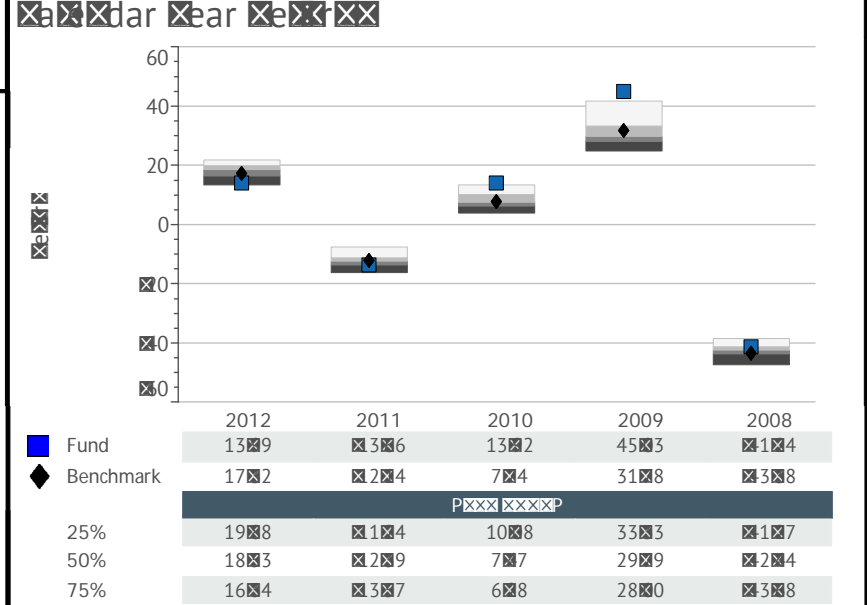
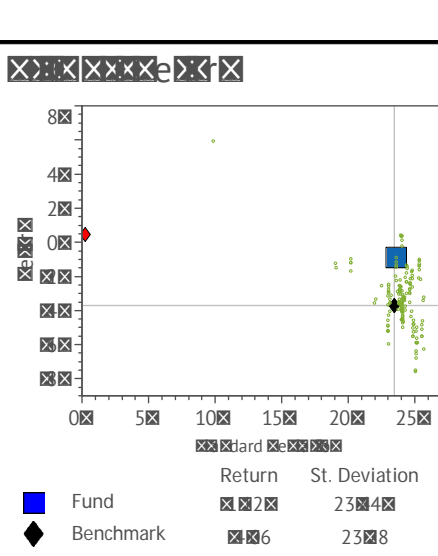
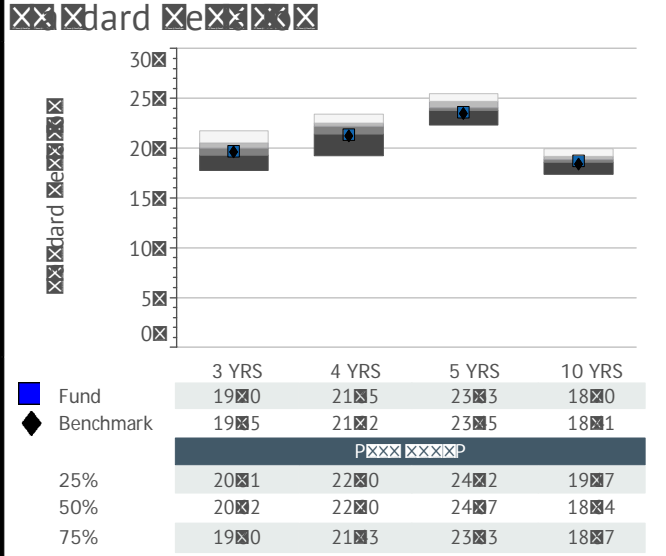
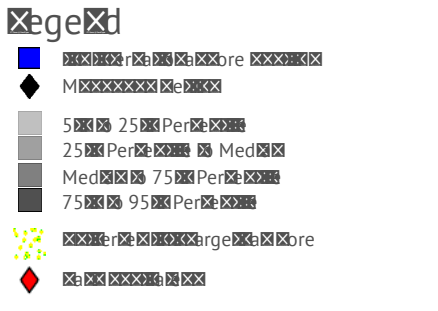
The Fund seeks to invest in a diversified portfolio of securities that will provide long-term capital appreciation and income. The Fund may invest in domestic and foreign securities, including common stocks, preferred stocks, convertible securities, bonds, and other securities. The Fund may also invest in derivatives and other financial instruments. The Fund's investments are subject to the risk of loss.

Management Expense Ratio	4.07%
Expense Ratio	4.45%
Net Expense Ratio	8.8%
Operating Expense Ratio	8.1%
Performance of the Fund vs. 10-Year Peer Group	26.5%
5-Year Morningstar Rating	5 Stars
Manager	Michael J. O'Connell
Manager Since	2/7/06
Manager's Experience	15 Years
Portfolio Size	800,777,472



**Additional Information**

The Fund is a diversified equity fund that invests in a portfolio of common stocks and convertible securities. The Fund's investments are subject to the risk of loss. The Fund's performance is measured relative to a benchmark of the S&P 500 Index. The Fund's performance is generally positive, especially in the 10-year period.



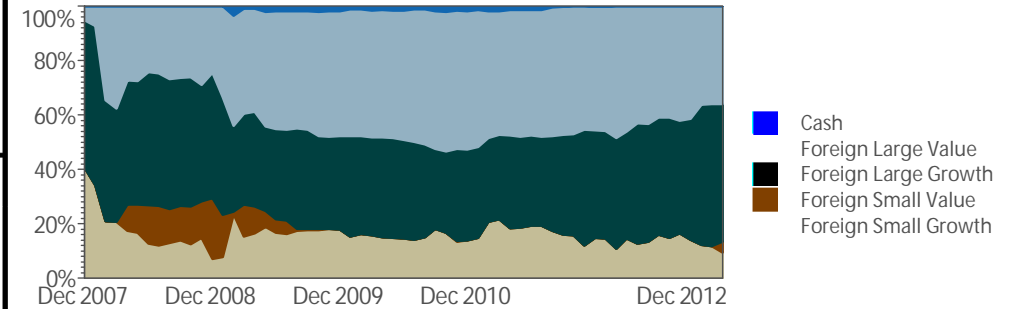
Investment Objectives

Morningstar Category: Large Growth  
 Prospectus Objective: Growth  
 Net Assets All Shares: \$44.3 billion  
 NAV Price: \$15.8  
 Primary Index: MSCI World

Portfolio Characteristics

Inception Date: 12/07  
 Portfolio Date: 12/30/12  
 Distribution Yield: 1.1%  
 Number Of Holdings: 81  
 Turnover Ratio: 88%

Asset Allocation



Industry Sector Allocation

Industry Sector	Weight (%)
<b>CYCLICAL SECTORS TOTAL</b>	<b>22.0%</b>
Basic Materials	3.3%
Consumer Cyclical	5.5%
Financial Services	8.3%
Real Estate	5.9%
<b>SENSITIVE SECTORS TOTAL</b>	<b>46.1%</b>
Communication Services	14.6%
Energy	10.7%
Industrials	8.8%
Technology	12.0%
<b>DEFENSIVE SECTORS TOTAL</b>	<b>19.0%</b>
Consumer Defensive	9.5%
Healthcare	8.3%
Utilities	1.2%

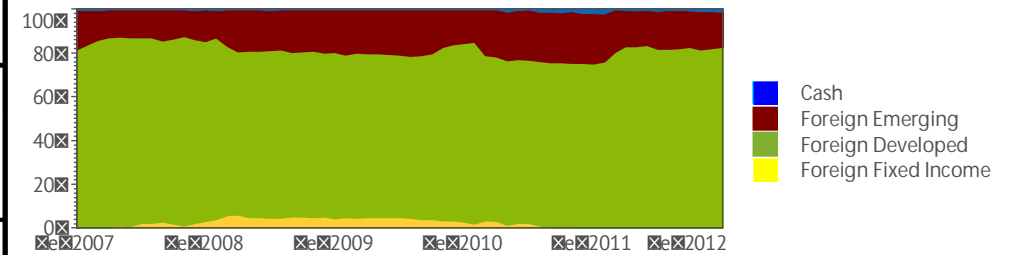
Geographic Allocation

Geographic Region	Weight (%)
Domestic Stock	31.1%
Foreign Stock	85.1%
Domestic Bond	0.7%
Foreign Bond	0.0%
Preferred Bond	0.0%
Convertible Bond	0.0%
Cash	0.9%
Other	10.1%

Market Allocation

Market Type	Weight (%)
Developed Country	82.1%
Emerging Market	6.1%
Not Classified	0.0%

Geographic Allocation (Detailed)



Top 10 Countries

Country	Weight (%)
United Kingdom	18.0%
Japan	16.6%
France	10.3%
Australia	7.4%
Netherlands	5.2%
China	4.4%
United States	3.9%
Hong Kong	3.5%
Singapore	3.7%
Germany	3.7%
<b>Top 10 Country Weighting</b>	<b>75.7%</b>

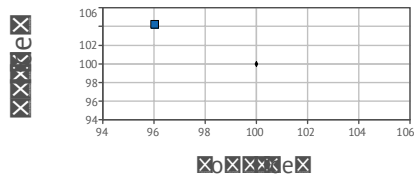
Regional Allocation

Region	Weight (%)
Americas	6.9%
Greater Europe	45.5%
Greater Asia	36.7%

Market Capitalization

Market Cap	Weight (%)
Market Capitalization	28.18%
Giant Cap	52.7%
Large Cap	24.9%
Medium Cap	9.9%
Small Cap	1.7%
Micro Cap	0.0%

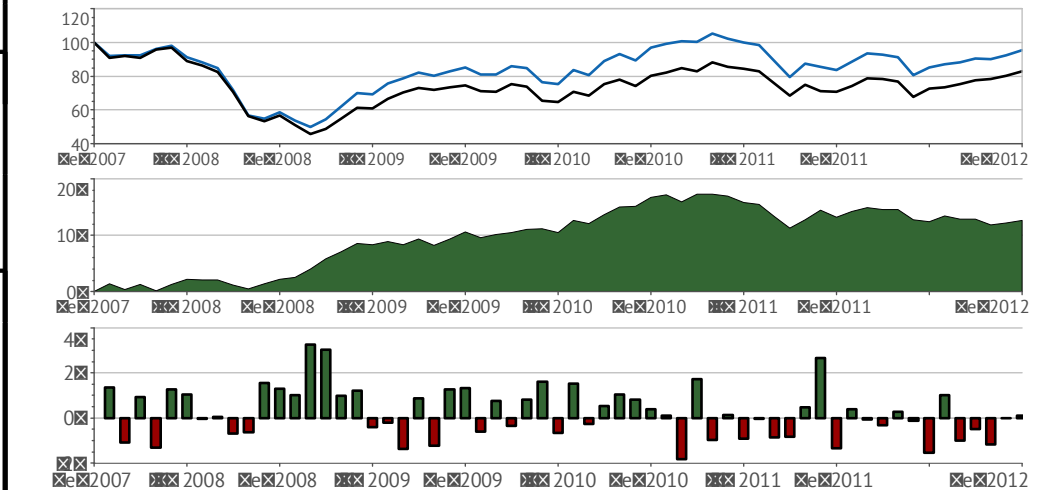
Performance



Peer Group

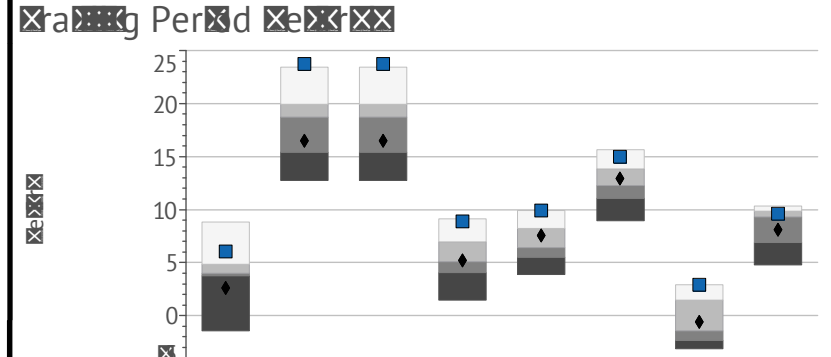
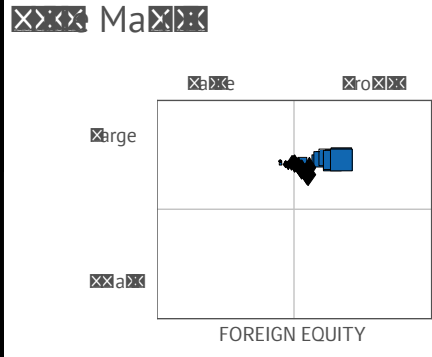
The Morningstar Large Growth fund is ranked 16 out of 16 funds in the peer group as of 12/30/12.

Performance Comparison



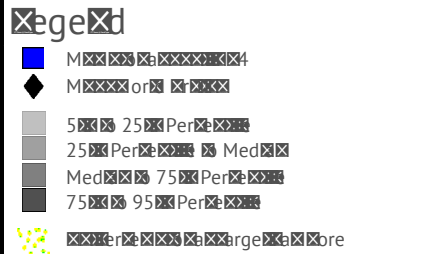
**Key Statistics**

Assets Under Management	\$4.05B
Number of Funds	949
Number of Shares	16M
Number of Investors	98
Percentage of Assets in 10-Year Morningstar Category	25%
5-Year Morningstar Category	4
Manager	Michael
Manager Since	4/2012
Manager's Other Funds	4
Manager's Other Funds Assets	\$800.25B
Percentage of Assets	606

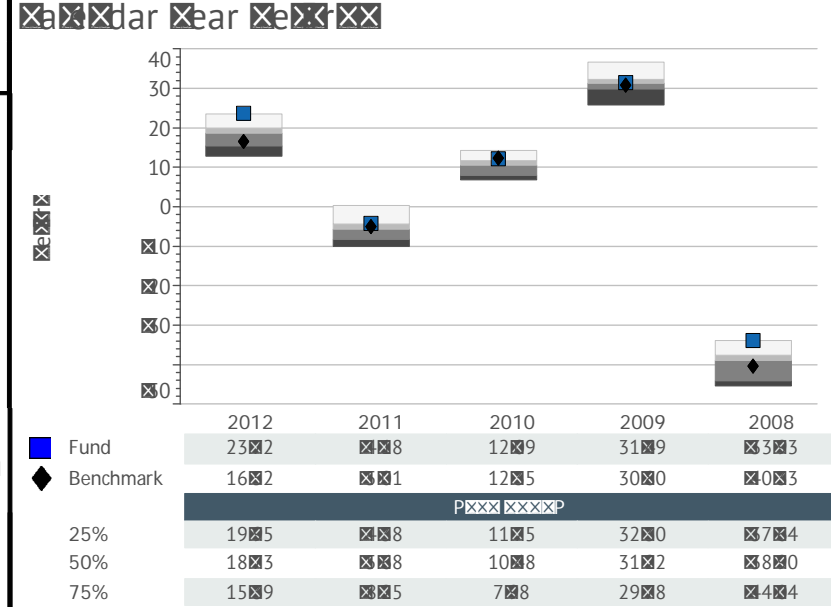
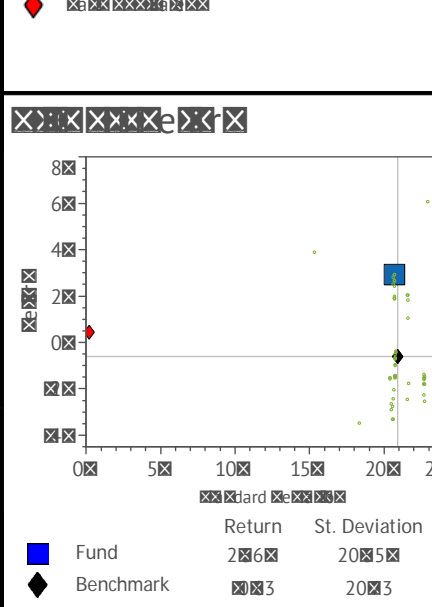
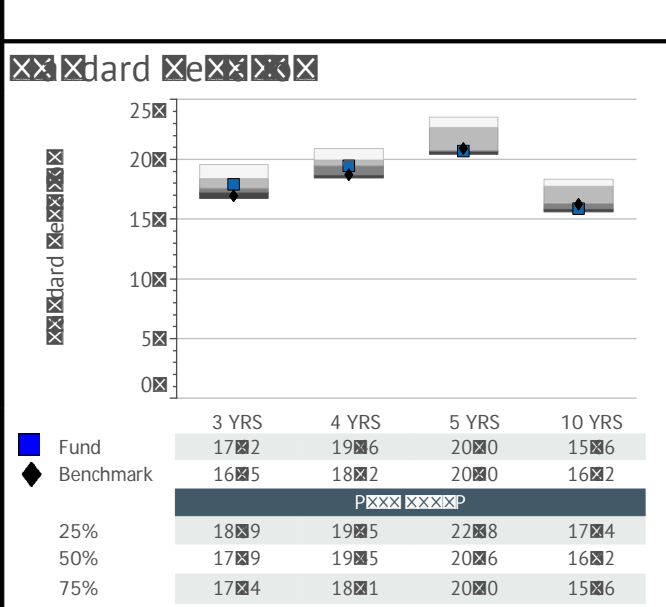


**Additional Information**

80% of the fund's assets are invested in foreign equities. The fund is a long-term capital appreciation fund. The fund's investment objective is to invest primarily in foreign equities to achieve long-term capital appreciation. The fund's investment process is based on a top-down approach, focusing on macroeconomic and political factors. The fund's investment team is led by Michael, who has over 20 years of experience in the investment industry. The fund's investment process is based on a top-down approach, focusing on macroeconomic and political factors. The fund's investment team is led by Michael, who has over 20 years of experience in the investment industry.



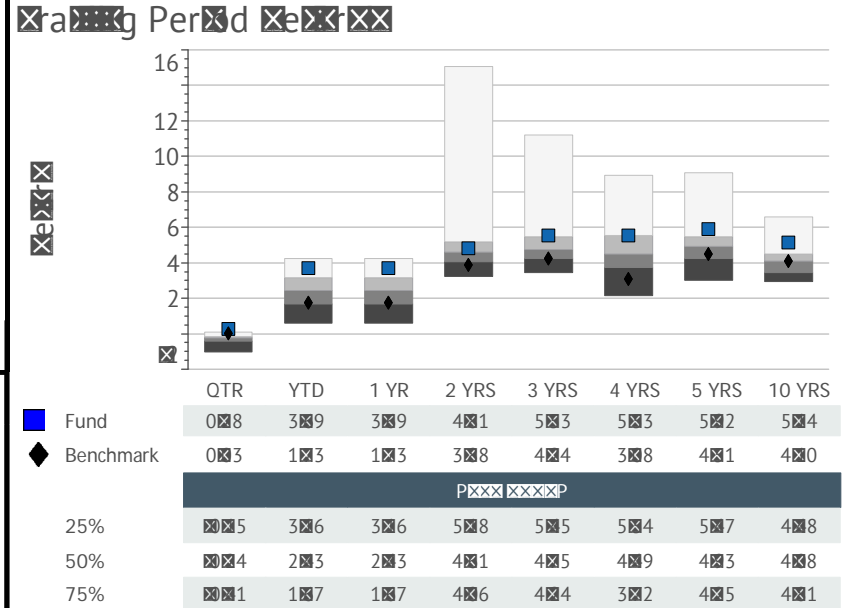
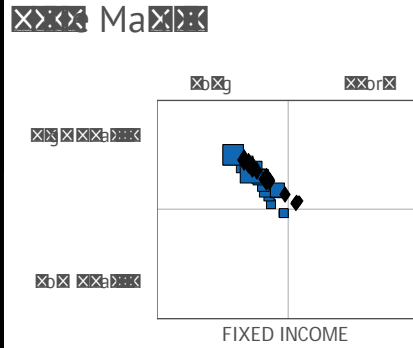
	QTR	YTD	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	10 YRS
Fund	6.4	23.2	23.2	8.8	9.4	14.7	2.1	9.0
Benchmark	2.1	16.2	16.2	5.1	7.4	12.3	0.0	8.9
Percentile								
25%	4.5	19.5	19.5	6.4	8.4	13.3	1.3	9.3
50%	4.1	18.3	18.3	5.9	6.3	12.9	0.6	9.4
75%	3.4	15.9	15.9	4.4	5.2	11.8	0.2	8.8





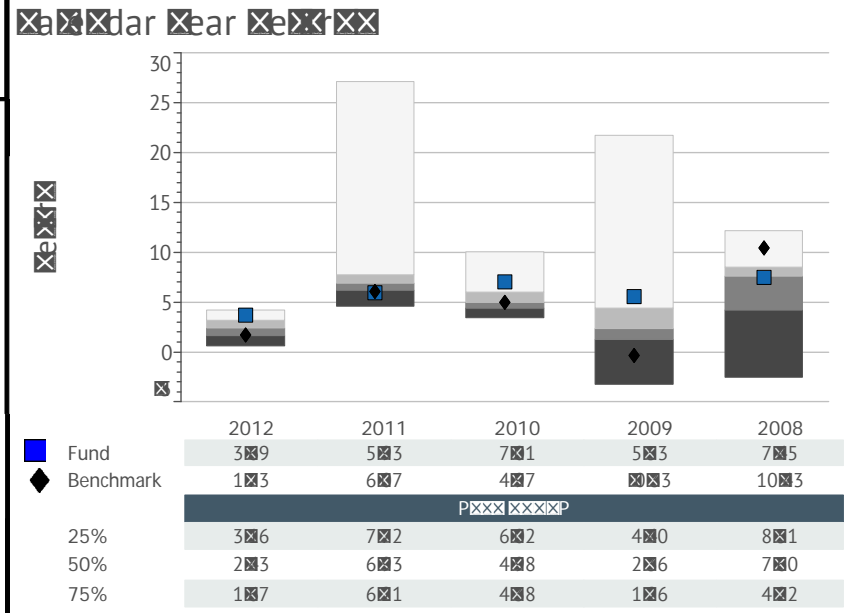
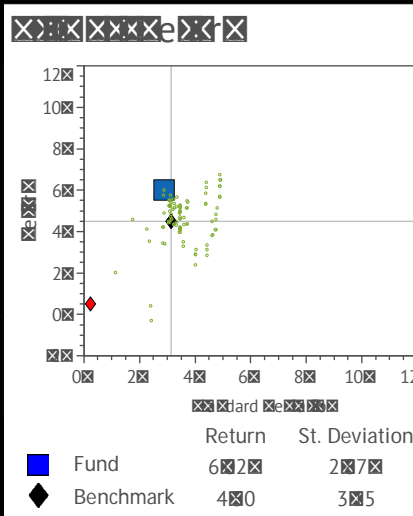
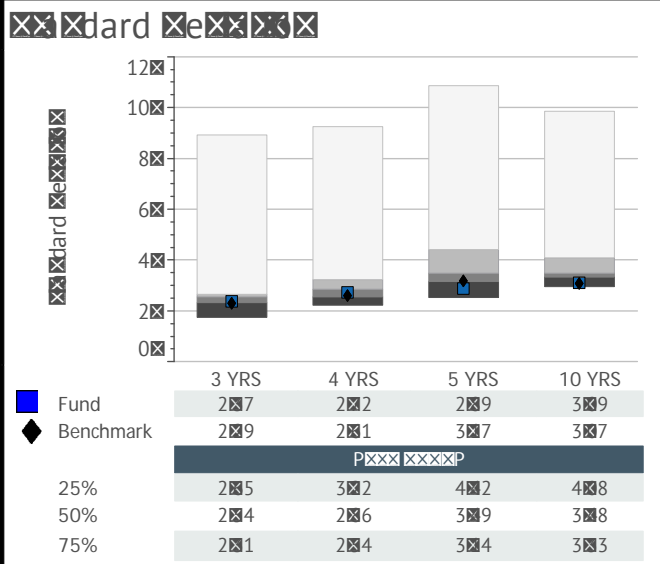
**Assets**

Net Assets \$5.07  
 Assets Under Management \$1.58  
 Total Assets \$6.88  
 Net Assets \$51  
 Per Share of \$39.88  
 Net Assets \$0.77  
 5 Year Morningstar Rating 4  
 Manager: [Name]  
 Manager Since: 7/9/3  
 Mgmt. Fees: [Value]  
 P/E: 800/82/863



**Analysis**

The fund's performance is analyzed relative to its benchmark and peers. The fund has shown consistent performance over the long term, particularly in the 5-year period. The fund's performance is generally in line with the benchmark, but it has underperformed in the most recent periods.

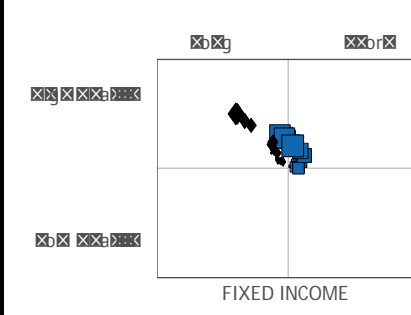




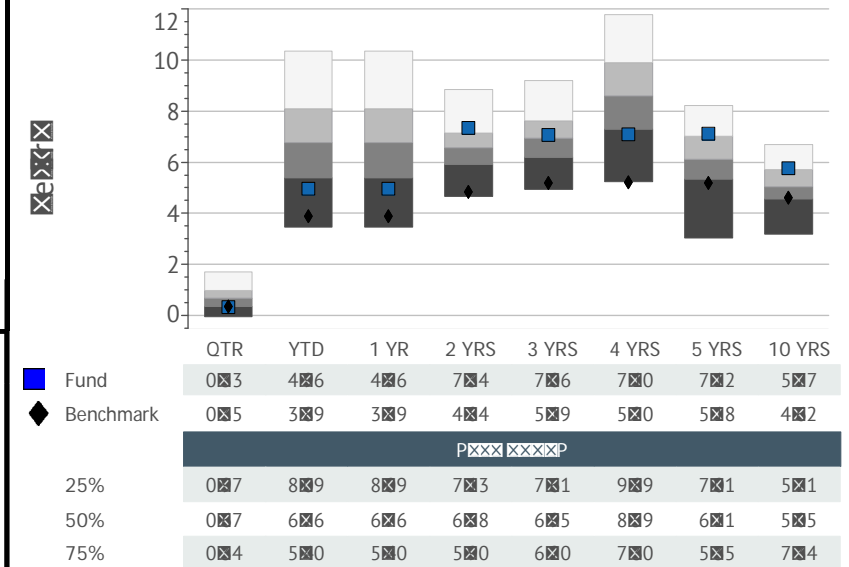
Attributes

Assets Under Management	\$12.0B
Assets Under Management (incl. cash)	\$11.4B
Number of Funds	170
Number of Advisors	478
Percentage of Assets Under Management over 10 years	39.7%
Number of Funds over 10 years	0.7%
5 Year Morningstar Rating	4 stars
Manager	Perrone
Manager since	1/5/02
Manager's tenure	11 years 8 months 6 days

Market



Tracking Period



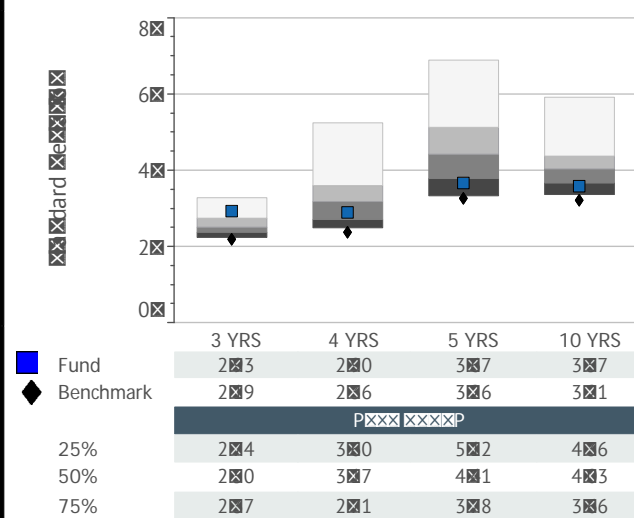
Analysis

The fund's performance is analyzed relative to its benchmark and peers. The fund has a 4-star Morningstar rating, indicating strong performance over the long term. The fund's performance is consistent with its benchmark and peers, particularly in the 5-year and 10-year periods.

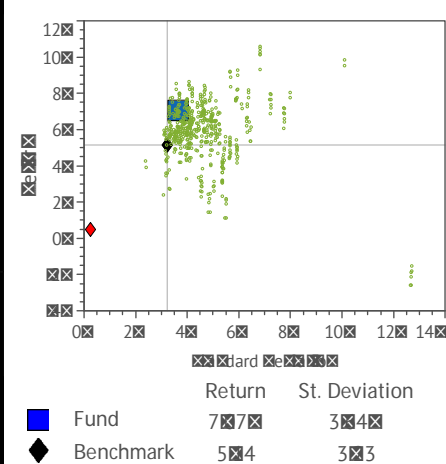
Legend

- Fund
- Benchmark
- 5% to 25% Percentile
- 25% to 75% Percentile (Median)
- 75% to 95% Percentile
- Outliers
- Extreme Outliers

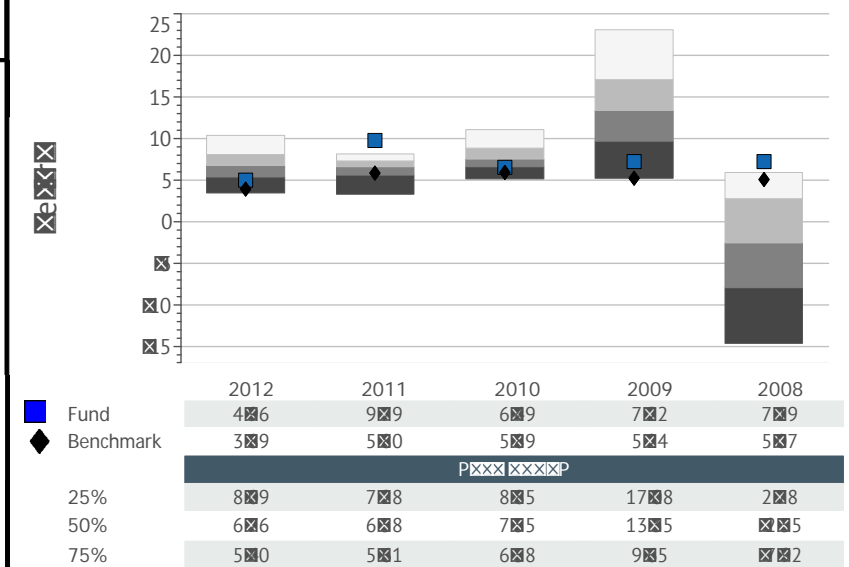
Standard Deviation



Return vs. Standard Deviation



Historical Performance



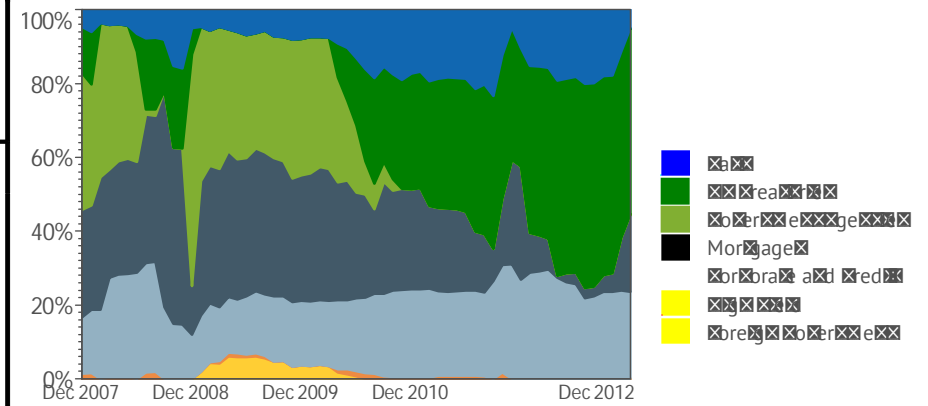
Details for a

Morningstar Category: **Real Estate**  
 Prospectus Objective: **Mutual Fund**  
 Net Assets All Shares: **\$1.42B**  
 NAV Price: **\$10.7**  
 Primary Index: **Russell 2000**

Portfolio Parameters

Inception Date: **Mar 30 1997**  
 Portfolio Date: **Mar 30 2012**  
 Distribution Yield: **2.4%**  
 Number Of Holdings: **478**  
 Turnover Ratio: **170%**

Expected Annualized Return



Holdings

Government	35.32%
Government Related	0.00
Municipal Taxable	0.00
Municipal Tax-Exempt	0.00
Bank Loan	0.53
Convertible	0.00
Corporate Bond	19.55
Preferred Stock	0.98
Agency Mortgage-Backed	27.82
Non-Agency Residential Mortgage-Backed	1.72
Commercial Mortgage-Backed	1.63
Covered Bond	0.00
Asset-Backed	1.69
Cash & Equivalents	5.68
Swap	0.02
Future/Forward	0.00
Option/Warrant	0.00

Holdings

Domestic Stock	0.00%
Foreign Stock	0.00
Domestic Bond	83.82
Foreign Bond	4.00
Preferred Bond	1.15
Convertible Bond	0.00
Cash	5.88
Other	4.15

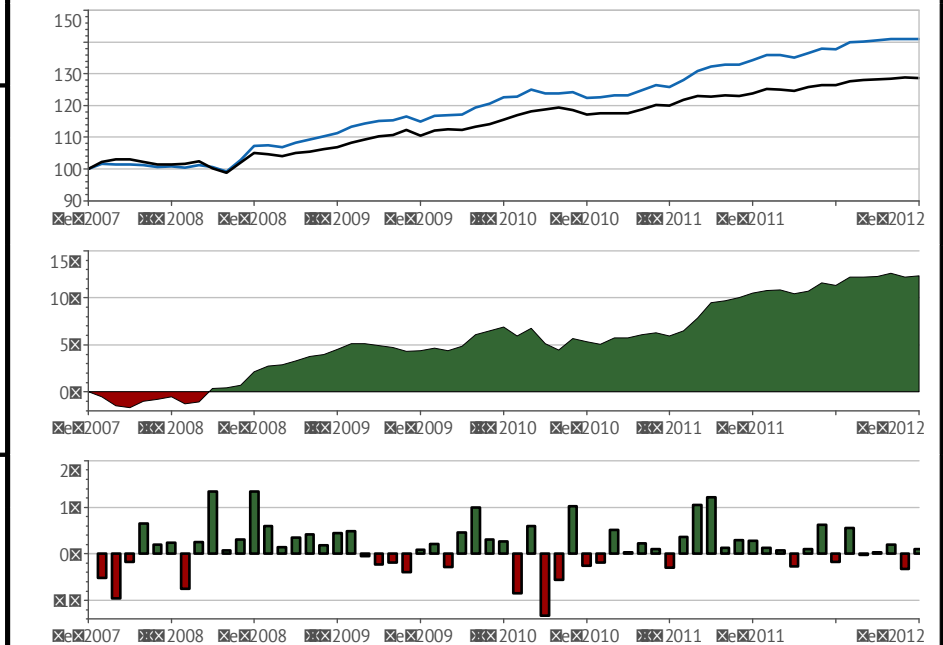
Portfolio Statistics

Effective Duration	4.49
Average Coupon	2.83%
Effective Maturity	7.18

Top 10 Countries

United States	83.2%
Netherlands	0.1%
United Kingdom	0.0%
Australia	0.6%
Canada	0.3%
Luxembourg	0.7%
Switzerland	0.3%
Bermuda	0.1%
Barbados	0.9%
Norway	0.3%
Top 10 Country Weighting	87.25%

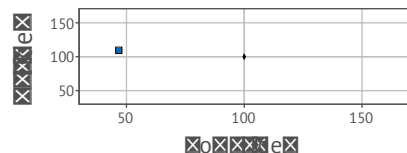
Performance



Rating

AAA	35.4%
AA	35.9%
A	9.0%
BBB	10.9%
BB	3.4%
B	2.7%
Below B	0.4%
Not Rated	3.3%

Expense Ratio



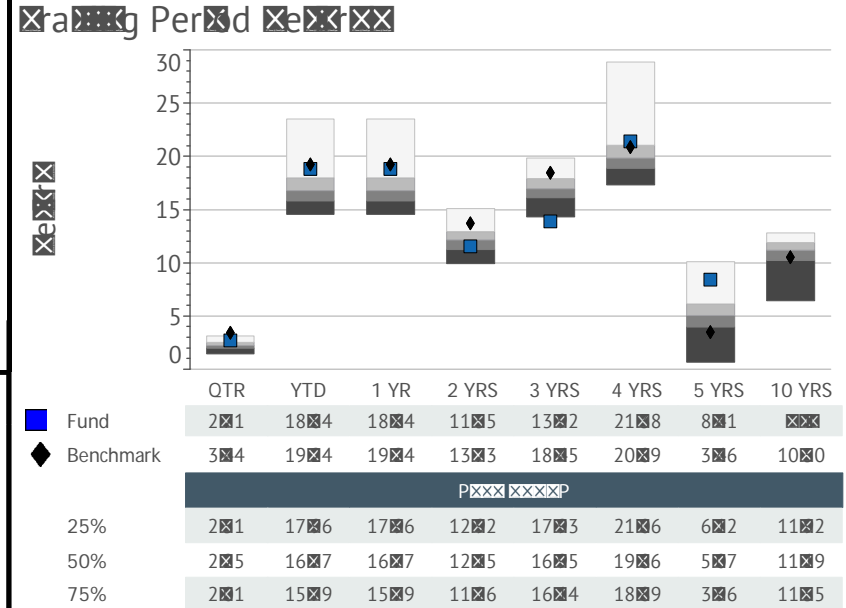
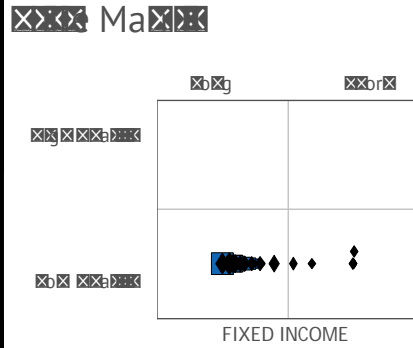
Peer Group

The Morningstar peer group performance of the fund is based on the 38 real estate mutual funds in the Morningstar Real Estate Index as of 12/31/2011. The fund's performance is compared to the Morningstar Real Estate Index and the Morningstar Real Estate Index Return Index.

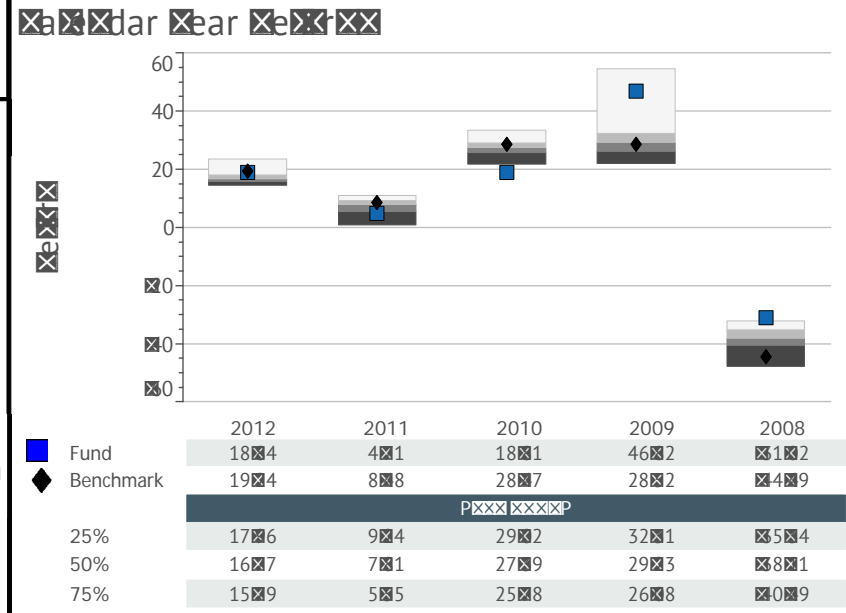
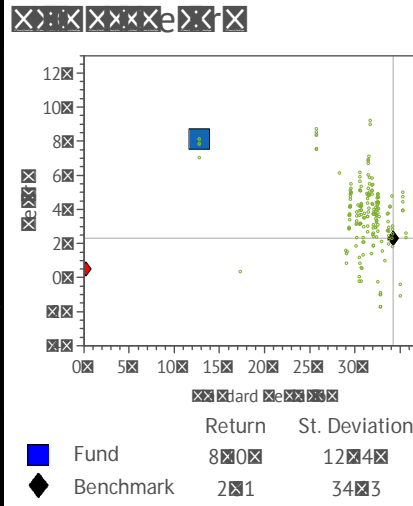
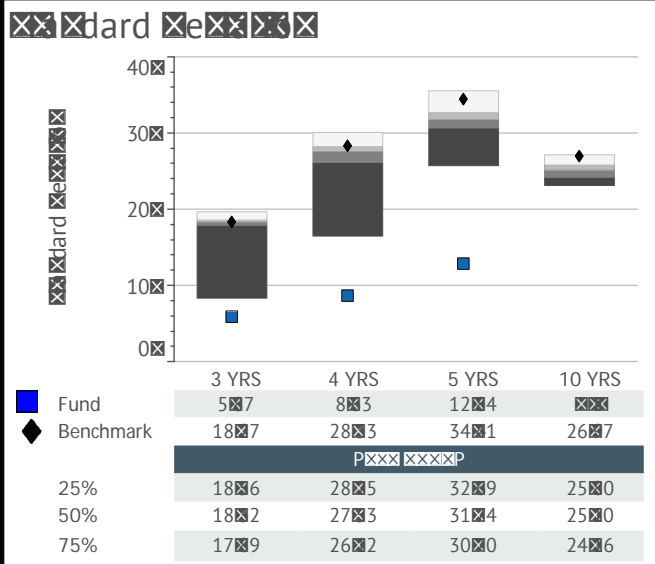
Georgeson is not a fiduciary with respect to the investment services it provides. The information provided is for informational purposes only and does not constitute an offer of securities. The performance shown is historical and does not guarantee a similar outcome. The fund is subject to investment risk, including the risk of loss of principal. The fund's performance is measured against the Morningstar Real Estate Index. The fund's performance is measured against the Morningstar Real Estate Index Return Index. The fund's performance is measured against the Morningstar Real Estate Index Return Index. The fund's performance is measured against the Morningstar Real Estate Index Return Index.



**Assets**  
 Net Assets \$1.2B  
 Assets Under Management \$1.5B  
 Total Assets \$2.7B  
 Per Share of \$10.00  
 5 Year Morningstar Rating  
 Manager  
 Manager Since 2003  
 Mgmt Since 2003  
 P/E Ratio 544



**Analysis**  
 The fund's performance is evaluated against its benchmark and peers. The chart shows that the fund has consistently outperformed its benchmark over the long term, particularly in the 5-year and 10-year periods. The fund's performance is also compared to various percentiles of the peer group, showing that it is in the top quartile of performers.



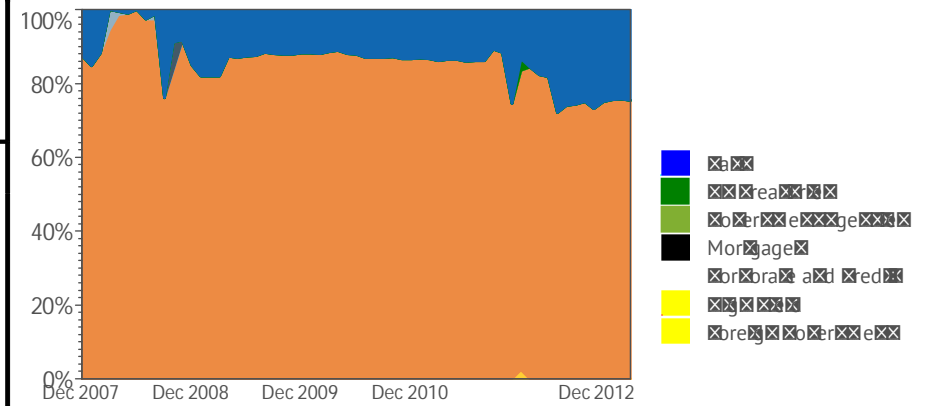
Investment Objectives

Morningstar Category: **Equity**  
 Prospectus Objective: **Equity**  
 Net Assets All Shares: **\$1.08B**  
 NAV Price: **\$11.00**  
 Primary Index: **MSCI World**

Portfolio Parameters

Inception Date: **Mar 4 2003**  
 Portfolio Date: **Dec 31 2012**  
 Distribution Yield: **4.8%**  
 Number Of Holdings: **506**  
 Turnover Ratio: **27%**

Asset Allocation



Government

Government	0.00%
Government Related	0.00
Municipal Taxable	0.00
Municipal Tax-Exempt	0.00
Bank Loan	7.20
Convertible	1.47
Corporate Bond	20.64
Preferred Stock	13.55
Agency Mortgage-Backed	0.31
Non-Agency Residential Mortgage-Backed	10.79
Commercial Mortgage-Backed	8.75
Covered Bond	0.00
Asset-Backed	3.49
Cash & Equivalents	9.42
Swap	0.00
Future/Forward	0.00
Option/Warrant	0.00

Domestic

Domestic Stock	22.2%
Foreign Stock	0.4
Domestic Bond	48.6
Foreign Bond	3.2
Preferred Bond	13.5
Convertible Bond	1.7
Cash	9.2
Other	0.3

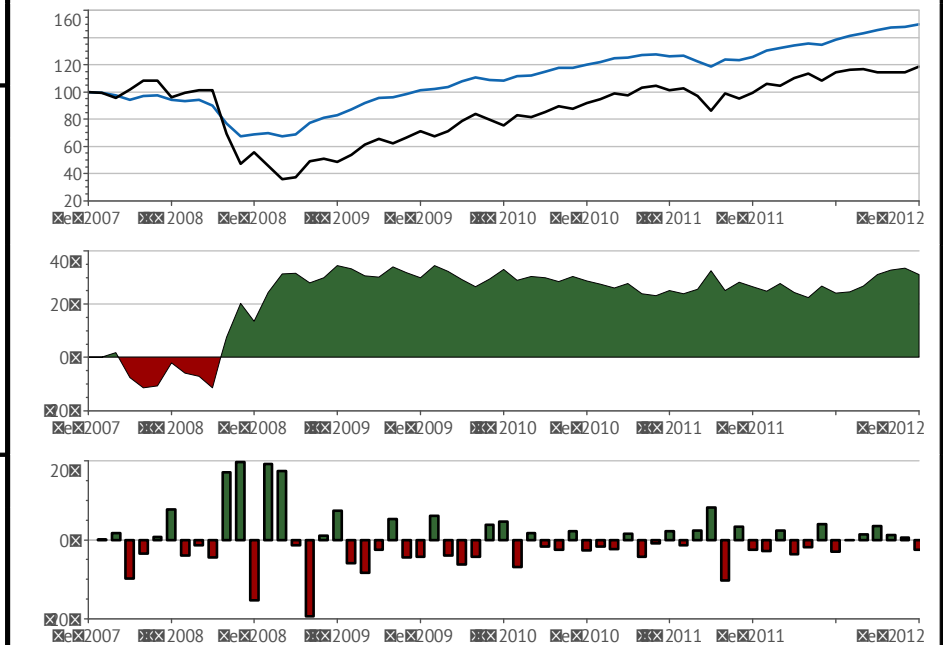
Portfolio Statistics

Effective Duration: **5.4**  
 Average Coupon: **5.4%**  
 Effective Maturity: **5.4**

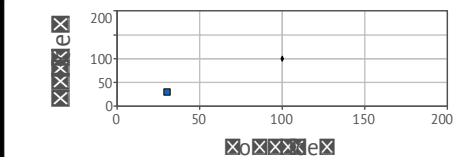
Top 10 Countries

United States	71.8%
Cayman Islands	2.3
Canada	0.1
United Kingdom	0.2
N/A	0.0
N/A	0.0
N/A	0.0
N/A	0.0
N/A	0.0
N/A	0.0
Top 10 Country Weighting	75.54%

Performance



Credit Quality

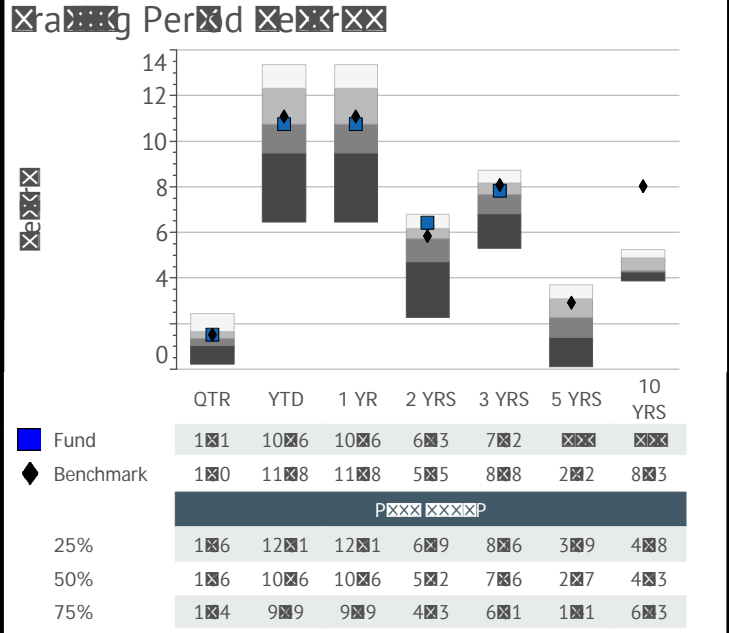
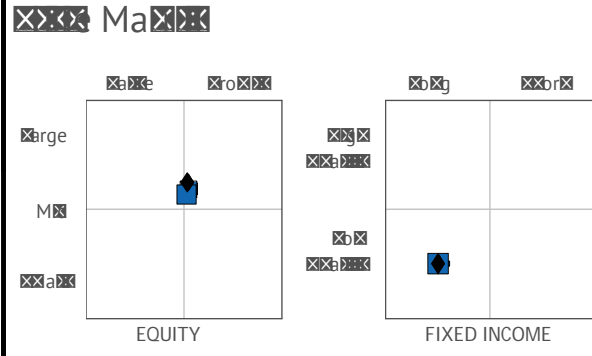


Peak to Trough

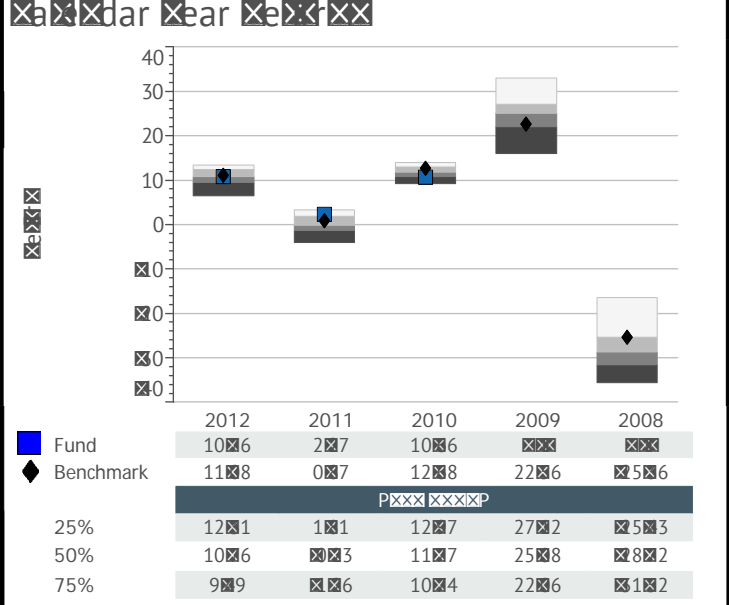
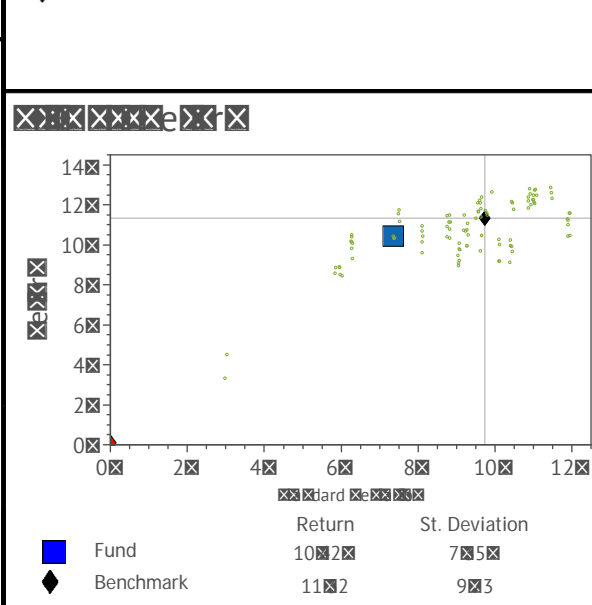
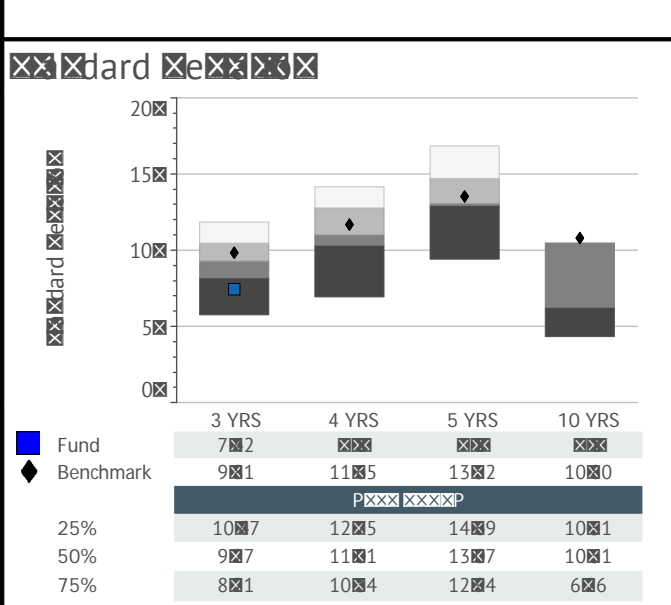
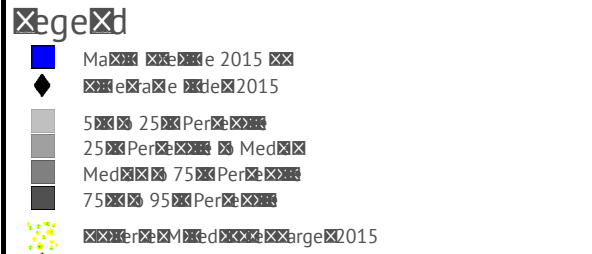
The portfolio's peak-to-trough decline of 38.3% occurred over a 21-month period from the peak in early 2007 to the trough in early 2009. The portfolio's recovery to 14% of its peak level occurred over 14 months from the trough in early 2009 to the recovery in early 2010.

This report is prepared for the sole use of the investor and is not intended for distribution to other persons. The information contained herein is confidential and may be subject to the securities laws of the United States and other jurisdictions. The performance shown is historical and does not guarantee a similar outcome in the future. The manager of the fund is Zephyr Style Advisor, L.P., a subsidiary of Morningstar, Inc.

**Performance**  
 Performance as of 3/31/2015  
 Assets Under Management \$1.98B  
 Expense Ratio 0.62%  
 Portfolio Turnover 37%  
 Performance of 10 Best Years 67.7%  
 5 Year Morningstar Rating 4  
 Manager: [Name]  
 Manager Since: 5/09  
 Mgmt. Fees: 5.129%



**Age-Weighted Performance**  
 Performance weighted by age group. The chart shows performance for different age groups, with the fund's performance (blue square) generally tracking the benchmark (black diamond) and staying within the peer group range (shaded area).







# Ma...e 2025

## Key Facts

Morningstar Category	Large Cap 2025
Prospectus Objective	Ro
Net Assets All Shares	240.6
NAV Price	13.8
Primary Index	Morgan Modera

## Portfolio Characteristics

Inception Date	Mar 2009
Portfolio Date	Mar 30 2012
Distribution Yield	2.9%
Number Of Holdings	37
Turnover Ratio	54%

## Boxed Error

Boxed Error	12.5%
M	0%
Boxed Error	14.2%
Boxed Error	10.5%
Boxed Error	9%
Boxed Error	0%

## Red

AAA	46.0%
AA	3.2%
A	10.8%
BBB	17.6%
BB	5.6%
B	8.9%
Below B	3.7%
Not Rated	4.5%

## Cyclical Sectors

<b>CYCLICAL SECTORS TOTAL</b>	<b>20.1%</b>
Basic Materials	2.1%
Consumer Cyclical	5.5%
Financial Services	5.7%
Real Estate	7.8%
<b>SENSITIVE SECTORS TOTAL</b>	<b>21.4%</b>
Communication Services	1.1%
Energy	3.2%
Industrials	5.4%
Technology	10.7%

<b>DEFENSIVE SECTORS TOTAL</b>	<b>9.4%</b>
Consumer Defensive	3.5%
Healthcare	4.2%
Utilities	1.7%

## Domestic/Foreign

Domestic Stock	33.3%
Foreign Stock	18.4%
Domestic Bond	28.0%
Foreign Bond	8.5%
Preferred Bond	0.2%
Convertible Bond	0.8%
Cash	9.3%
Other	1.4%

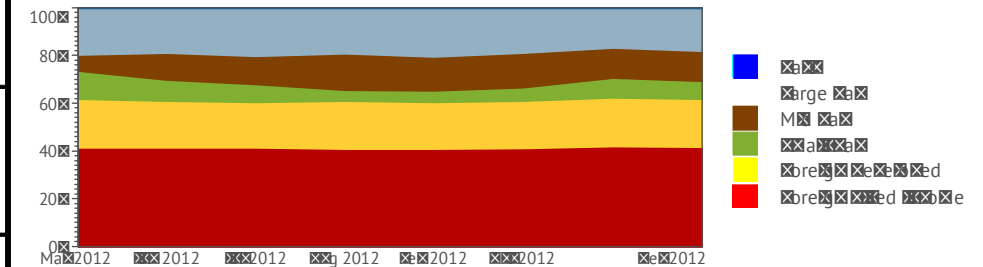
## Market

Developed Country	49.6%
Emerging Market	2.0%
Not Classified	0.0%

## Portfolio Metrics

Effective Duration	5.6
Average Coupon	4.3%
Effective Maturity	6.4

## Allocation



## Top 10 Countries

United States	61.4%
Sweden	5.6%
United Kingdom	2.1%
Japan	2.1%
France	1.3%
Australia	1.1%
Canada	1.2%
Switzerland	1.1%
Germany	0.6%
Brazil	0.6%
Top 10 Country Weighting	79.01%

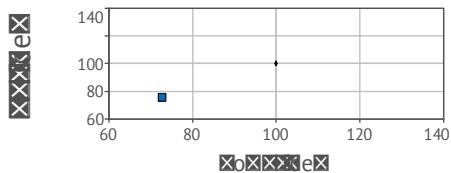
## Regional Allocation

Americas	34.6%
Greater Europe	12.8%
Greater Asia	5.0%

## Market Capitalization

Market Capitalization	11.41%
Giant Cap	14.7%
Large Cap	13.6%
Medium Cap	12.0%
Small Cap	10.5%
Micro Cap	1.3%

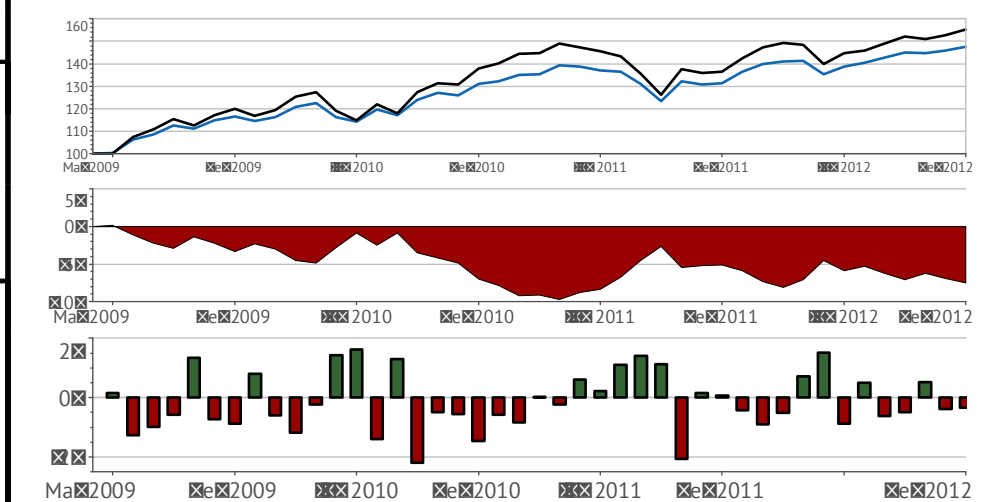
## Expense Ratio



## Peer Group

For the performance of the fund relative to the peer group of 5 funds as of March 31, 2011, the fund ranked 3rd out of 5 funds as of March 31, 2012.

## Performance

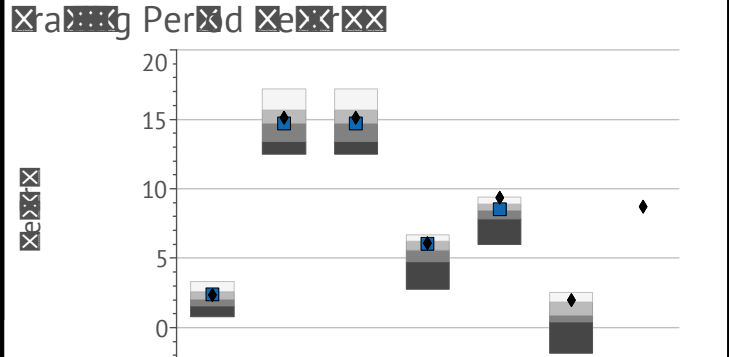
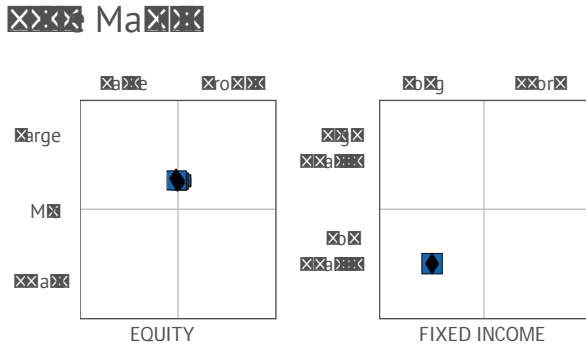


The information contained herein is not intended to be a recommendation or an offer of securities. It is provided for informational purposes only. The fund's performance is not guaranteed and may vary significantly from the performance of the benchmark index. Past performance does not guarantee a similar outcome. The fund is subject to the risks associated with equity investments, including market risk, credit risk, and liquidity risk. Investors should consult with their financial advisor before making any investment decisions.

**Maximize the 2035**

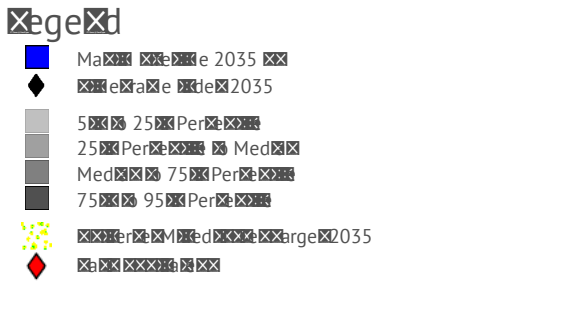
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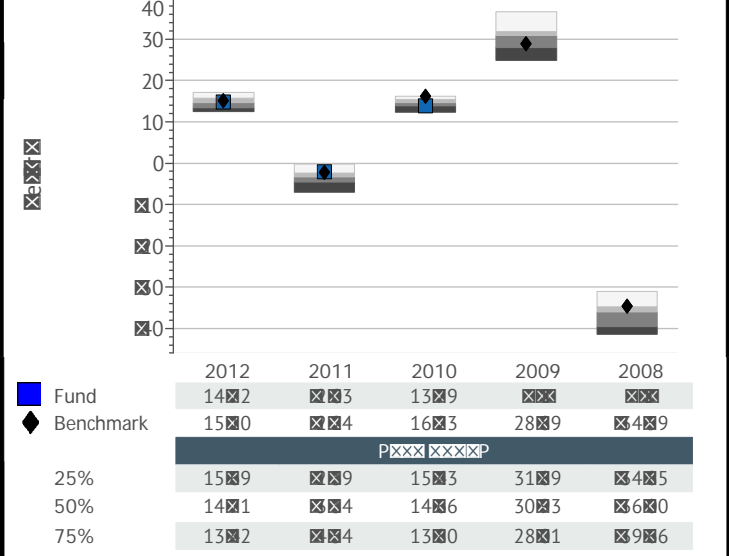
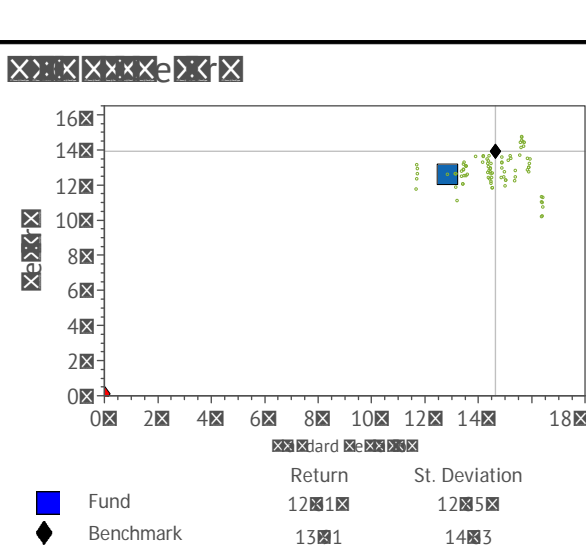
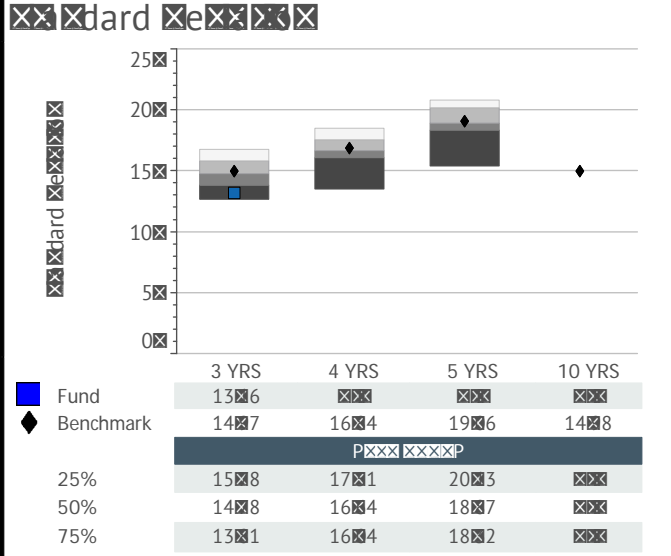
**Maximize the 2035**

...  
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**Rolling Period Return**

Percentile	QTR	YTD	1 YR	2 YRS	3 YRS	5 YRS	10 YRS
25%	2.7	15.9	15.9	6.2	8.0	1.3	...
50%	2.4	14.1	14.1	5.8	8.3	0.6	...
75%	1.6	13.2	13.2	4.4	7.5	0.9	6.2



# Market Performance 2035

## Investment Objectives

Morningstar Category	Large Cap Growth
Prospectus Objective	Long-Term Growth
Net Assets All Shares	\$1.72B
NAV Price	\$14.85
Primary Index	Morningstar Moderation

## Portfolio Characteristics

Inception Date	Mar 1, 2009
Portfolio Date	Mar 30, 2012
Distribution Yield	1.4%
Number Of Holdings	37
Turnover Ratio	53%

## Investment Strategy

Objective	80%
Modest	0%
Conservative	9%
Aggressive	6%
Very Aggressive	5%
Very Conservative	0%

## Credit Quality

AAA	46.8%
AA	3.7%
A	10.9%
BBB	16.6%
BB	5.1%
B	8.7%
Below B	3.7%
Not Rated	4.5%

## Asset Allocation

<b>CYCLICAL SECTORS TOTAL</b>	<b>28.0%</b>
Basic Materials	3.9%
Consumer Cyclical	8.2%
Financial Services	9.8%
Real Estate	7.1%
<b>SENSITIVE SECTORS TOTAL</b>	<b>25.2%</b>
Communication Services	2.3%
Energy	5.5%
Industrials	8.0%
Technology	9.4%
<b>DEFENSIVE SECTORS TOTAL</b>	<b>14.9%</b>
Consumer Defensive	5.1%
Healthcare	6.3%
Utilities	2.5%

## Geographic Allocation

Domestic Stock	45.8%
Foreign Stock	23.5%
Domestic Bond	18.7%
Foreign Bond	5.0%
Preferred Bond	0.2%
Convertible Bond	0.4%
Cash	5.6%
Other	1.9%

## Market Exposure

Developed Country	64.3%
Emerging Market	4.9%
Not Classified	0.0%

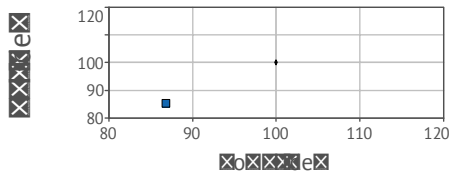
## Regional Allocation

Americas	47.3%
Greater Europe	12.7%
Greater Asia	8.5%

## Market Capitalization

Market Capitalization	\$15.54B
Giant Cap	22.3%
Large Cap	18.1%
Medium Cap	16.2%
Small Cap	8.3%
Micro Cap	1.9%

## Performance



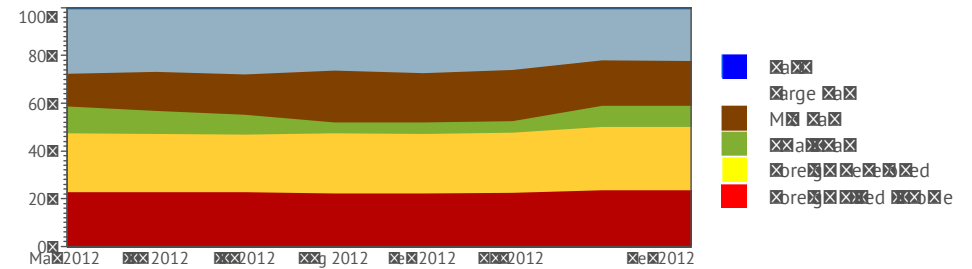
## Peak to Trough

The portfolio's performance peaked at 15.2% and reached a low of 5.0% over the period from March 2011 to March 2012.

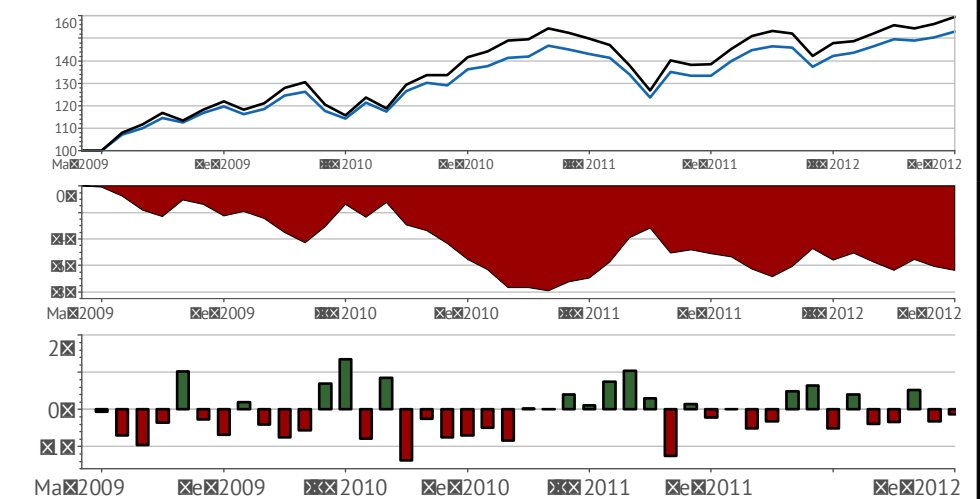
## Portfolio Metrics

Effective Duration	5.4
Average Coupon	4.5%
Effective Maturity	6.4

## Performance Attribution



## Performance Comparison



The performance of the portfolio is measured against the Morningstar Moderation Index. The portfolio's performance is generally in line with the index, with a peak-to-trough decline of 10.2% over the period from March 2011 to March 2012. The portfolio's performance is also measured against the Morningstar Moderation Index, which is a benchmark for large cap growth funds. The portfolio's performance is generally in line with the index, with a peak-to-trough decline of 10.2% over the period from March 2011 to March 2012.





# Morningstar Category: Large Cap Growth 2045

## Key Metrics

Morningstar Category	Large Cap Growth 2045
Prospectus Objective	Growth
Net Assets All Shares	\$82.9 billion
NAV Price	\$14.8
Primary Index	Morningstar Moderation Large Cap

## Portfolio Characteristics

Inception Date	March 2009
Portfolio Date	March 30, 2012
Distribution Yield	1.5%
Number Of Holdings	33
Turnover Ratio	52%

## Boxed Error Metrics

Boxed Error	4.1%
M	0.5%
Boxed Error	7.7%
Boxed Error	4.4%
Boxed Error	3.3%
Boxed Error	0.0%

## Redacted Data

AAA	46.4%
AA	3.1%
A	10.0%
BBB	16.6%
BB	5.2%
B	8.1%
Below B	3.7%
Not Rated	4.9%

## Cyclical Sectors

<b>CYCLICAL SECTORS TOTAL</b>	<b>32.2%</b>
Basic Materials	4.3%
Consumer Cyclical	9.2%
Financial Services	10.6%
Real Estate	7.1%

<b>SENSITIVE SECTORS TOTAL</b>	<b>29.7%</b>
Communication Services	3.1%
Energy	6.8%
Industrials	10.0%
Technology	9.8%

<b>DEFENSIVE SECTORS TOTAL</b>	<b>16.2%</b>
Consumer Defensive	7.9%
Healthcare	7.2%
Utilities	2.1%

## Domestic vs Foreign

Domestic Stock	50.4%
Foreign Stock	28.2%
Domestic Bond	12.6%
Foreign Bond	3.5%
Preferred Bond	0.2%
Convertible Bond	0.0%
Cash	3.5%
Other	1.6%

## Market Exposure

Developed Country	72.2%
Emerging Market	6.2%
Not Classified	0.0%

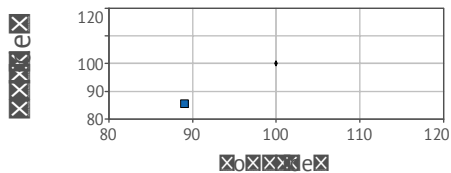
## Regional Exposure

Americas	53.7%
Greater Europe	14.6%
Greater Asia	10.0%

## Market Capitalization

Market Capitalization	\$16.29 billion
Giant Cap	26.5%
Large Cap	22.8%
Medium Cap	18.9%
Small Cap	8.0%
Micro Cap	1.7%

## Expense Ratio



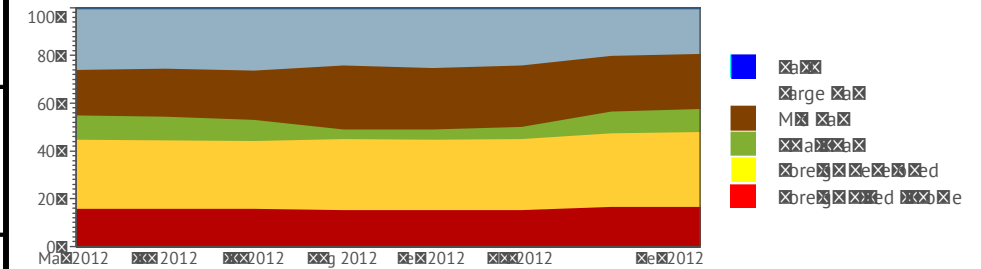
## Peer Group

The Morningstar peer group performance of the fund is based on 17 additional funds over a 5 year period of the Morningstar March 2011 fund returned over 12 months ending March 2012.

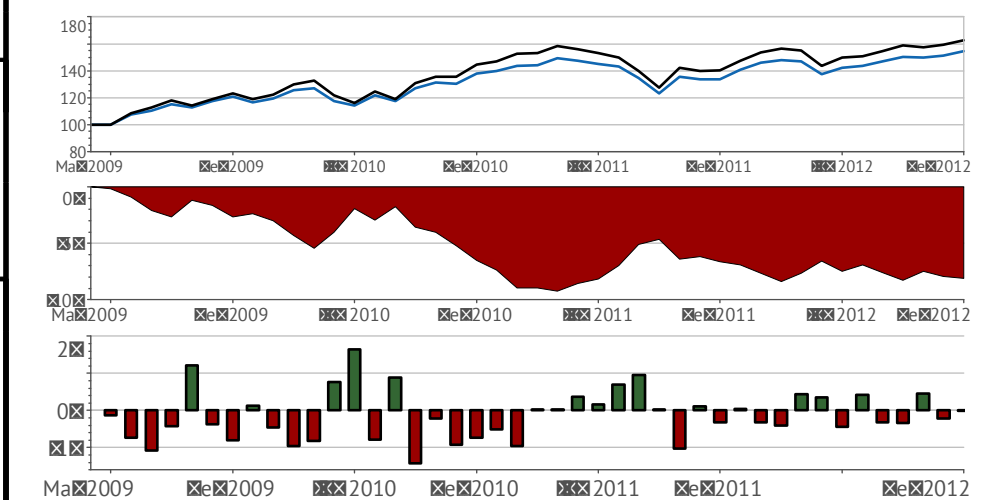
## Portfolio Metrics

Effective Duration	5.2
Average Coupon	5.1%
Effective Maturity	6.4

## Expense Ratio Trend



## Performance Comparison



The Morningstar peer group performance of the fund is based on 17 additional funds over a 5 year period of the Morningstar March 2011 fund returned over 12 months ending March 2012. The fund's performance is measured against the Morningstar Moderation Large Cap Index. The fund's performance is measured against the Morningstar Moderation Large Cap Index. The fund's performance is measured against the Morningstar Moderation Large Cap Index.







## Section 4 Investment Menu

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Lineup Changes	#78
Final Menu	#79

# New Mapping - County of Fresno 457 Retirement Plan

Target Date CIT Share Classes Included

12/31/2012 Assets

Current Lineup					Recommended Fund Changes with Lowest Share Class						
Asset Class	Ticker	Fund Name	Expense	Revenue	Assets	ACTION:	Asset Class	Ticker	Fund Name	Expense	Revenue
<b>US Large Cap</b>							<b>US Large Cap</b>				
Index		BlackRock Equity Index - Collective F	0.20%	0.18%	\$3,466,627	Share Class	Index		BlackRock Equity Index - Collective F	0.02%	0.00%
Blend	chtx	INVESCO Charter Institutional	0.75%	0.35%	\$26,526,539	Map	Index		BlackRock Equity Index - Collective F	0.02%	0.00%
Growth	aspix	Alger Spectra I	1.32%	0.50%	\$1,168,628	Keep	Growth	aspix	Alger Spectra I	1.32%	0.50%
Growth	sdgtx	DWS Capital Growth Inst	0.70%	0.10%	\$27,829,032	Map	Growth	aspix	Alger Spectra I	1.32%	0.50%
Value	gsftx	Columbia Dividend Income Z	0.75%	0.25%	\$8,115,589	Keep	Value	gsftx	Columbia Dividend Income Z	0.75%	0.25%
<b>US Mid Cap</b>							<b>US Mid Cap</b>				
Blend	gtavx	INVESCO Mid Cap Core Equity Fund - I	0.79%	0.35%	\$838,041	Map/Add	Index		BlackRock Mid Cap Index - Collective F	0.03%	0.00%
Growth	nbgnx	Neuberger Berman Genesis Inv	1.06%	0.00%	\$475,079	Map	Growth	hfcix	Hennessy Focus Funds Institutional	1.09%	0.00%
Growth	hfcix	Hennessy Focus Funds Institutional	1.15%	0.00%	\$2,558,315	Keep	Growth	hfcix	Hennessy Focus Funds Institutional	1.09%	0.00%
Value	jmvox	Perkins Mid Cap Value Fund I	0.85%	0.00%	\$4,622,440	Share Class	Value	jmvcvx	Perkins Mid Cap Value Fund Class T	1.00%	0.25%
<b>US Small Cap</b>							<b>US Small Cap</b>				
Growth	nclex	Nicholas Limited Edition I	0.91%	0.00%	\$4,607,711	Share Class	Growth	nnlex	Nicholas Limited Edition N Class	1.24%	0.40%
Value	jscox	Perkins Small Cap Value I	0.94%	0.00%	\$83,608	Keep	Value	jscox	Perkins Small Cap Value I	0.94%	0.00%
Value	rysex	Royce Special Equity Inv	1.16%	0.20%	\$1,303,137	Map/Add	Index		BlackRock Russell 2000 Index - Collective F	0.03%	0.00%
<b>Foreign Stocks</b>							<b>Foreign Stocks</b>				
						Add	Index		BlackRock EAFE Equity Index - Collective F	0.10%	0.00%
Blend	iceix	Ivy International Core Equity I	1.08%	0.00%	\$415,093	Share Class	Blend	ivvyx	Ivy International Core Equity Fund Class Y	1.33%	0.40%
Growth	msiix	MainStay International Equity I	1.21%	0.20%	\$3,065,824	Keep	Growth	msiix	MainStay International Equity I	1.21%	0.20%
World	mwelx	MFS Global Equity R4	1.12%	0.15%	\$6,241,472	Map	Blend	ivvyx	Ivy International Core Equity Fund Class Y	1.33%	0.40%
						Add	Value	sgovx	First Eagle Overseas A	1.14%	0.30%
						Add	Emerging	odvyx	Oppenheimer Developing Markets Y	1.00%	0.25%
<b>Fixed Income</b>							<b>Fixed Income</b>				
						Add	Index		BlackRock US Debt Index Fund - Collective F	0.04%	0.00%
Stable Value		County of Fresno Stable Value Fund	0.50%	0.15%	\$60,554,525	Share Class	Stable Value		County of Fresno Stable Value Fund	0.35%	0.00%
Intermediate	samfx	RidgeWorth Total Return Bond I	0.35%	0.15%	\$2,618,986	Share Class	Intermediate	scblx	RidgeWorth Total Return Bond Fund Class R	0.90%	0.75%
Government	sibwx	Sentinel Government Securities I	0.60%	0.10%	\$1,330,114	Share Class	Government	segsx	Sentinel Government Securities Fund Class A	0.80%	0.35%
						Add	Global	tgbax	Templeton Global Bond Adv	0.64%	0.15%
<b>Specialty Options</b>							<b>Specialty Options</b>				
Moderate	oakbx	Oakmark Equity & Income Fund	0.77%	0.25%	\$1,486,230	Keep	Moderate	oakbx	Oakmark Equity & Income Fund	0.77%	0.25%
Balanced	paxix	Pax World Balanced Instl	0.71%	0.00%	\$689,998	Map	Moderate	oakbx	Oakmark Equity & Income Fund	0.77%	0.25%
Utilities	fruax	Franklin Utilities Adv	0.61%	0.15%	\$2,078,221	Keep	Utilities	fruax	Franklin Utilities Adv	0.61%	0.15%
Real Estate	frifx	Fidelity Real Estate Income	0.92%	0.25%	\$973,723	Keep	Real Estate	frifx	Fidelity Real Estate Income	0.92%	0.25%
<b>Target Date</b>							<b>Target Date</b>				
TargetDate	mxltx	Maxim Lifetime 2015 Portfolio I T	0.86%	0.35%	\$1,351,822	Share Class	TargetDate		Great-West Lifetime 2015 Trust II	0.41%	0.00%
TargetDate	mxalx	Maxim Lifetime 2025 Portfolio I T	0.92%	0.35%	\$1,636,582	Share Class	TargetDate		Great-West Lifetime 2025 Trust II	0.42%	0.00%
TargetDate	mxglx	Maxim Lifetime 2035 Portfolio I T	0.98%	0.35%	\$847,437	Share Class	TargetDate		Great-West Lifetime 2035 Trust II	0.43%	0.00%
TargetDate	mxmlx	Maxim Lifetime 2045 Portfolio I T	1.00%	0.35%	\$556,873	Share Class	TargetDate		Great-West Lifetime 2045 Trust II	0.43%	0.00%
TargetDate	mxslx	Maxim Lifetime 2055 Portfolio I T	1.01%	0.35%	\$314,065	Share Class	TargetDate		Great-West Lifetime 2055 Trust II	0.44%	0.00%
<b>Weighted Average Totals</b>			<b>0.68%</b>	<b>0.18%</b>	<b>\$165,755,712</b>		<b>Weighted Average Totals</b>			<b>0.61%</b>	<b>0.16%</b>
Average Expense net of Rev Share			0.50%				Average Expense net of Rev Share			0.45%	
							Estimated Annual Plan Savings			\$	78,194.83

# Finalized Investment Menu

## Recommended Fund Changes with Lowest Share Class

Asset Class	Ticker	Fund Name	Expense	Revenue
<b>US Large Cap</b>				
Index		BlackRock Equity Index - Collective F	0.02%	0.00%
Growth	aspix	Alger Spectra I	1.32%	0.50%
Value	gsftx	Columbia Dividend Income Z	0.75%	0.25%
<b>US Mid Cap</b>				
Index		BlackRock Mid Cap Index - Collective F	0.03%	0.00%
Growth	hfcix	Hennessy Focus Funds Institutional	1.09%	0.00%
Value	jmcvx	Perkins Mid Cap Value Fund Class T	1.00%	0.25%
<b>US Small Cap</b>				
Index		BlackRock Russell 2000 Index - Collective F	0.03%	0.00%
Growth	nnlex	Nicholas Limited Edition N Class	1.24%	0.40%
Value	jscox	Perkins Small Cap Value I	0.94%	0.00%
<b>Foreign Stocks</b>				
Index		BlackRock EAFE Equity Index - Collective F	0.10%	0.00%
Blend	ivvyx	Ivy International Core Equity Fund Class Y	1.33%	0.40%
Growth	msiix	MainStay International Equity I	1.21%	0.20%
Value	sgovx	First Eagle Overseas A	1.14%	0.30%
Emerging	odvyx	Oppenheimer Developing Markets Y	1.00%	0.25%
<b>Fixed Income</b>				
Index		BlackRock US Debt Index Fund - Collective F	0.04%	0.00%
Stable Value		County of Fresno Stable Value Fund	0.35%	0.00%
Intermediate	scblx	RidgeWorth Total Return Bond Fund Class R	0.90%	0.75%
Government	segsx	Sentinel Government Securities Fund Class A	0.80%	0.35%
Global	tgbax	Templeton Global Bond Adv	0.64%	0.15%
<b>Specialty Options</b>				
Moderate	oakbx	Oakmark Equity & Income Fund	0.77%	0.25%
Utilities	fruax	Franklin Utilities Adv	0.61%	0.15%
Real Estate	frifx	Fidelity Real Estate Income	0.92%	0.25%
<b>Target Date</b>				
TargetDate		Great-West Lifetime 2015 Trust II	0.41%	0.00%
TargetDate		Great-West Lifetime 2025 Trust II	0.42%	0.00%
TargetDate		Great-West Lifetime 2035 Trust II	0.43%	0.00%
TargetDate		Great-West Lifetime 2045 Trust II	0.43%	0.00%
TargetDate		Great-West Lifetime 2055 Trust II	0.44%	0.00%
<b>Weighted Average Totals</b>			<b>0.61%</b>	<b>0.16%</b>
Average Expense net of Rev Share			0.45%	



**GREAT-WEST**<sup>SM</sup>  
FINANCIAL

*Bright tomorrows begin today*<sup>SM</sup>

*Great-West Retirement Services*

# PLAN REVIEW



## **COUNTY OF FRESNO DEFERRED COMPENSATION PLAN | 98957-01**

Reporting Period Ending December 31, 2012

SHERRI PANTTAJA  
GWRS  
559-303-8304



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**Executive Summary**

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**Reality Investing® Advisory Services**

**Services Offered**

**Glossary of Terms**

# EXECUTIVE SUMMARY

<b>Plan Assets</b>	<b>As of 12/31/2010</b>	<b>As of 12/31/2011</b>	<b>As of 12/31/2012</b>
Plan Asset Balance	\$160,129,358	\$154,342,863	\$166,158,320
<u>Account Reduction Loan Balance</u>	<u>\$3,508,662</u>	<u>\$3,587,190</u>	<u>\$3,648,981</u>
Total Plan Asset Balance	\$163,638,019	\$157,930,054	\$169,807,301

<b>Cash Flow</b>	<b>01/01/2010 to 12/31/2010</b>	<b>01/01/2011 to 12/31/2011</b>	<b>01/01/2012 to 12/31/2012</b>
Contributions	\$9,157,814	\$8,870,219	\$7,744,151
<u>Distributions</u>	<u>\$10,085,218</u>	<u>\$15,265,299</u>	<u>\$10,309,638</u>
Net Cash Flow	\$-927,404	\$-6,395,080	\$-2,565,486

# EXECUTIVE SUMMARY

Participants	12/31/2010	12/31/2011	12/31/2012
Eligible Employees	7,363	7,307	6,896
Participants Contributing	2,500	2,491	2,356
Active Participants with Balances	2,764	2,576	2,592
Terminated Participants with Balances	1,355	1,361	1,405
Participants with Loan Balance	611	626	666

Plan Utilization	12/31/2010	12/31/2011	12/31/2012
Participation Rate	33.95%	34.09%	34.16%
Average Participant Paycheck Contribution Percentage Rate*	20.52%	16.06%	10.43%
Average Participant Paycheck Contribution Dollar Amount**	\$135	\$140	\$139
Average Participant Contribution Amount***	\$3,503	\$3,468	\$3,211
Average Participant Balance	\$38,852	\$39,104	\$41,471
Investment Options in Plan with a Balance	28	27	27

\*If your plan only allows participant paycheck elections by amount, this will reflect 0%.

\*\*If your plan only allows participant paycheck elections by percent, this will reflect \$0.

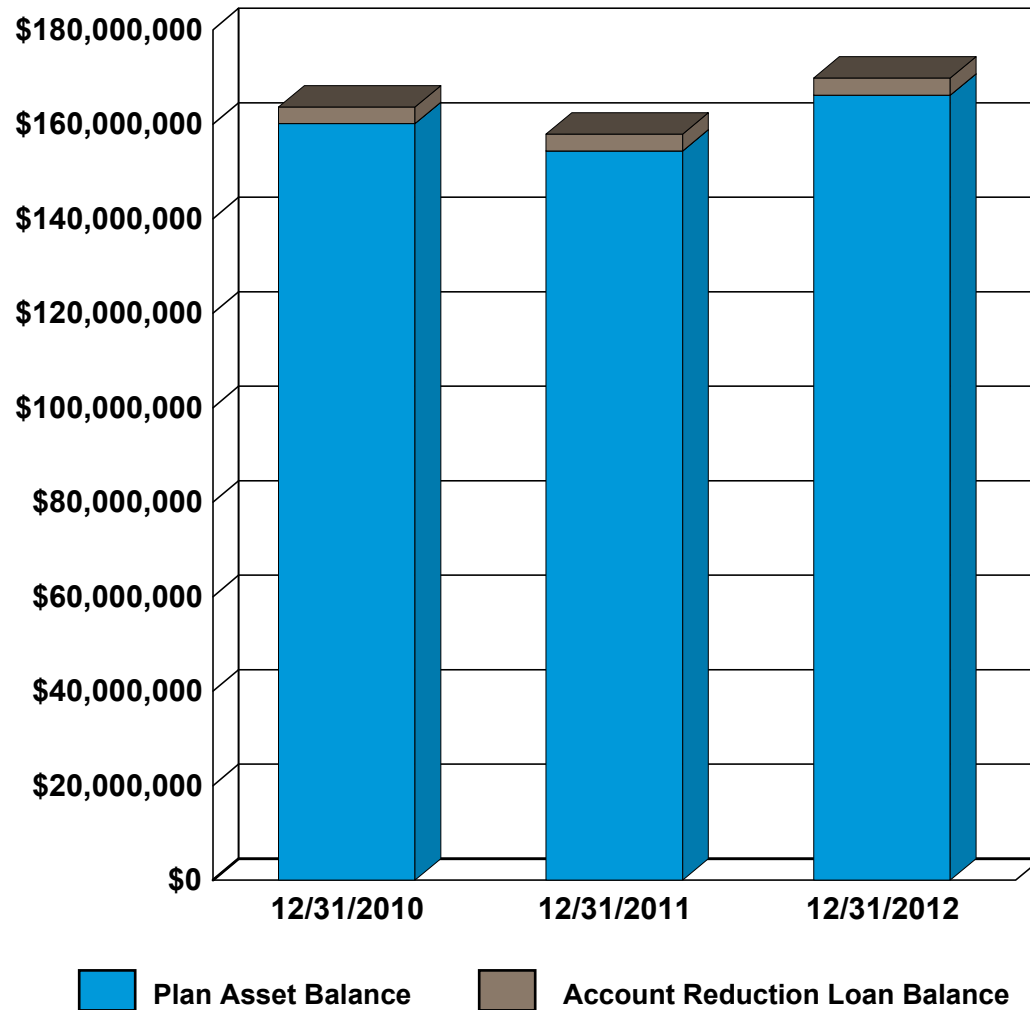
\*\*\*Average of total contributions during the reporting period.

*Figures provided represent plan information as of the reporting date listed. Please refer to the Glossary of Terms for a description of each figure's calculation.*

# PLAN ASSETS

Your plan's total asset balance is illustrated here. Total asset balance includes the balances of all employed and previously employed participants, in addition to plan forfeiture assets. Total loan balance includes all outstanding loans.

## Plan Asset History



## % Change in Plan Assets

12/31/2011 to 12/31/2012	7.52%
12/31/2010 to 12/31/2011	-3.49%

## Number of Investment Options

As of 12/31/2012, your plan offered **27** investment options.

The average number of investment options offered in Defined Contribution plans is 19.70.\*

*\*Source: PLANSPONSOR Defined Contribution Survey, 2011, Government and Public Works (County/State/Federal)*

## Plan Asset History

(Includes Plan Asset Balance and Account Reduction Loan Balance)

12/31/2012	\$169,807,301
12/31/2011	\$157,930,054
12/31/2010	\$163,638,019

# ASSET ALLOCATION

Asset Class	Investment Option	Assets As of 12/31/2011	% of Total	Number of Participants	Assets As of 12/31/2012	% of Total	Number of Participants
Lifetime	Great-West Lifetime 2015 Fund I T (*)	\$706,791	0.46%	82	\$1,351,822	0.81%	107
	Great-West Lifetime 2025 Fund I T (*)	\$868,694	0.56%	92	\$1,636,582	0.98%	124
	Great-West Lifetime 2035 Fund I T (*)	\$618,696	0.40%	120	\$847,437	0.51%	168
	Great-West Lifetime 2045 Fund I T (*)	\$353,626	0.23%	106	\$556,873	0.34%	135
	Great-West Lifetime 2055 Fund I T (*)	\$194,774	0.13%	51	\$314,065	0.19%	78
		<b>\$2,742,581</b>	<b>1.78%</b>		<b>\$4,706,779</b>	<b>2.83%</b>	
International Fund	Ivy International Core Equity I	\$283,346	0.18%	88	\$415,093	0.25%	152
	MFS Global Equity R4	\$5,131,117	3.32%	809	\$6,241,089	3.76%	838
	MainStay International Equity I	\$2,886,803	1.87%	417	\$3,065,568	1.84%	393
		<b>\$8,301,267</b>	<b>5.38%</b>		<b>\$9,721,751</b>	<b>5.85%</b>	
Specialty	Fidelity Real Estate Income	\$695,407	0.45%	93	\$973,596	0.59%	127
	Franklin Utilities Adv	\$2,093,185	1.36%	305	\$2,078,095	1.25%	318
		<b>\$2,788,592</b>	<b>1.81%</b>		<b>\$3,051,691</b>	<b>1.84%</b>	
Small Cap	Neuberger Berman Genesis Inv	\$577,466	0.37%	102	\$474,793	0.29%	78
	Nicholas Limited Edition I	\$4,400,721	2.85%	637	\$4,607,711	2.77%	663
	Perkins Small Cap Value I	\$113,576	0.07%	55	\$83,608	0.05%	73
	Royce Special Equity Invmt	\$1,115,665	0.72%	316	\$1,303,137	0.78%	324
		<b>\$6,207,429</b>	<b>4.02%</b>		<b>\$6,469,248</b>	<b>3.89%</b>	
Mid Cap	FBR Focus I	\$2,029,101	1.31%	325	\$0	0.00%	0
	Hennessy Focus Institutional	\$0	0.00%	0	\$2,558,315	1.54%	360
	Invesco Mid Cap Core Equity R5	\$790,577	0.51%	201	\$837,755	0.50%	194
	Perkins Mid Cap Value Fund I	\$4,184,780	2.71%	723	\$4,622,440	2.78%	784
		<b>\$7,004,458</b>	<b>4.54%</b>		<b>\$8,018,510</b>	<b>4.83%</b>	
Large Cap	Alger Spectra I	\$500,673	0.32%	104	\$1,168,628	0.70%	199
	BlackRock Equity Index - Collective F	\$2,996,600	1.94%	285	\$3,466,627	2.09%	287
	Columbia Dividend Income Z	\$7,560,224	4.90%	892	\$8,115,589	4.88%	947
	DWS Capital Growth Inst	\$25,772,539	16.70%	1,983	\$27,828,397	16.75%	1,875
	INVESCO Charter R5	\$24,747,025	16.03%	1,701	\$26,526,412	15.96%	1,611
		<b>\$61,577,061</b>	<b>39.90%</b>		<b>\$67,105,653</b>	<b>40.39%</b>	
Balanced	Oakmark Equity & Income I	\$1,190,431	0.77%	94	\$1,486,230	0.89%	98
	Pax World Balanced Instl	\$579,119	0.38%	69	\$689,998	0.42%	66
		<b>\$1,769,550</b>	<b>1.15%</b>		<b>\$2,176,228</b>	<b>1.31%</b>	
Bond	RidgeWorth Total Return Bond I	\$2,229,080	1.44%	263	\$2,623,193	1.58%	355

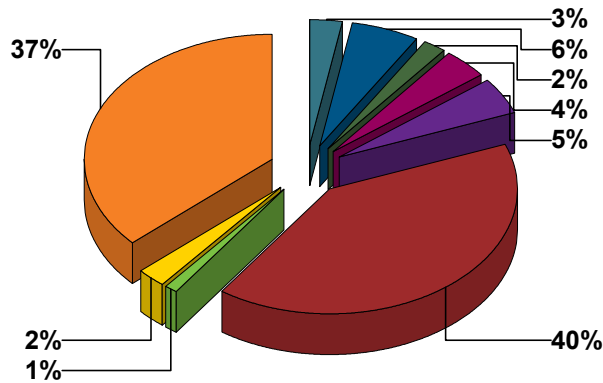
# ASSET ALLOCATION

Asset Class	Investment Option	Assets As of 12/31/2011	% of Total	Number of Participants	Assets As of 12/31/2012	% of Total	Number of Participants
	Sentinel Government Securities I	\$1,192,553	0.77%	113	\$1,330,114	0.80%	121
		<b>\$3,421,633</b>	<b>2.22%</b>		<b>\$3,953,307</b>	<b>2.38%</b>	
Fixed	County of Fresno Stable Value Fund	\$60,530,293	39.22%	2,017	\$60,955,154	36.68%	1,961
		<b>\$60,530,293</b>	<b>39.22%</b>		<b>\$60,955,154</b>	<b>36.68%</b>	
	<b>Grand Total</b>	<b>\$154,342,863</b>	<b>100.00%</b>		<b>\$166,158,320</b>	<b>100.00%</b>	

*\*Your plan's default investment election(s).*

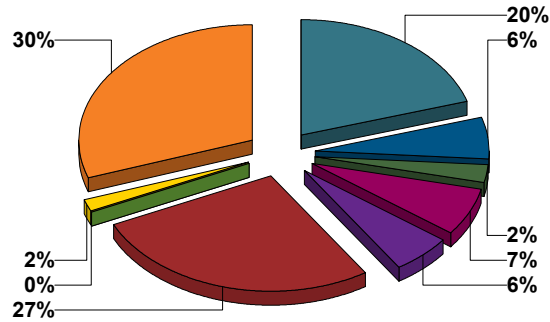
# ASSET ALLOCATION BY AGE (AS OF 12/31/2012)

**3,997 Participants**  
**Your Plan's Asset Allocation**

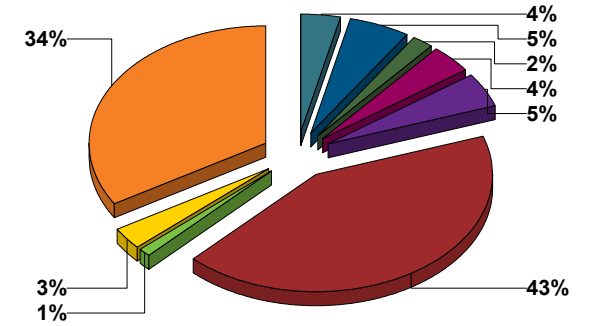


Lifetime	3%
International Fund	6%
Specialty	2%
Small Cap	4%
Mid Cap	5%
Large Cap	40%
Balanced	1%
Bond	2%
Fixed	37%
Total:	100%

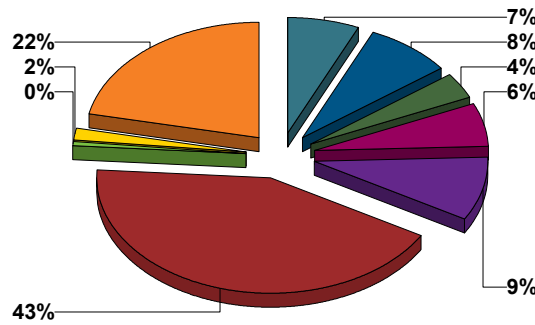
**123 Participants**  
**Age <=29**



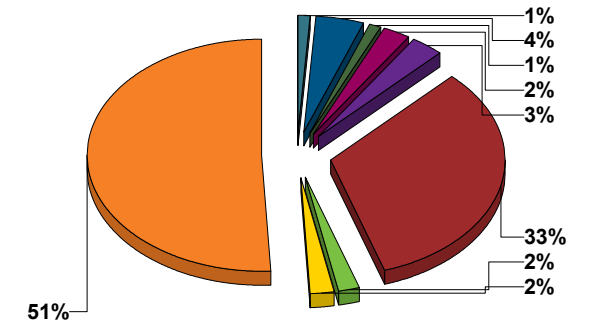
**1,140 Participants**  
**Age 50 - 59**



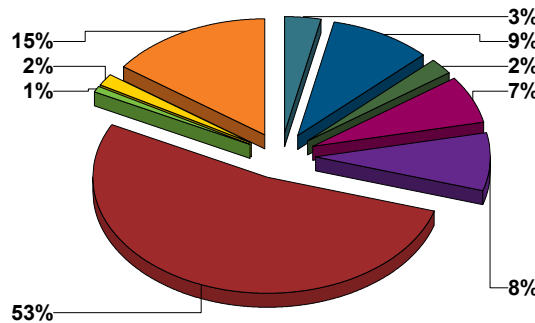
**689 Participants**  
**Age 30 - 39**



**981 Participants**  
**Age >=60**



**1,064 Participants**  
**Age 40 - 49**



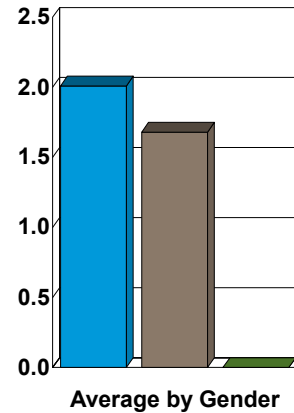
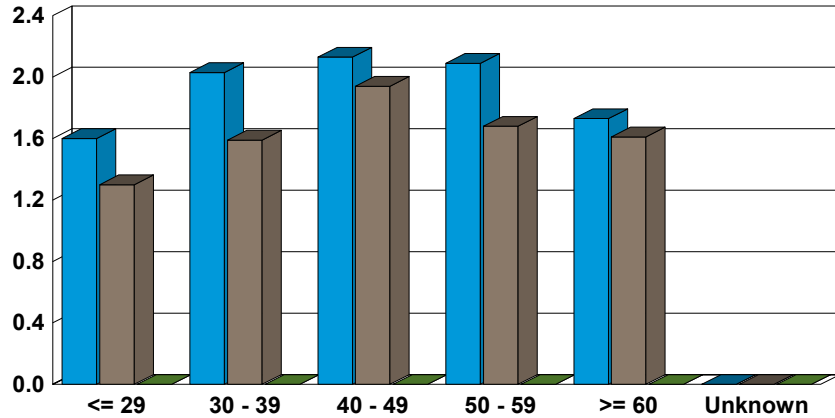
**0 Participants**  
**Age Unknown**

\*\*\*There are no assets for this age group\*\*\*

# ASSET ALLOCATION

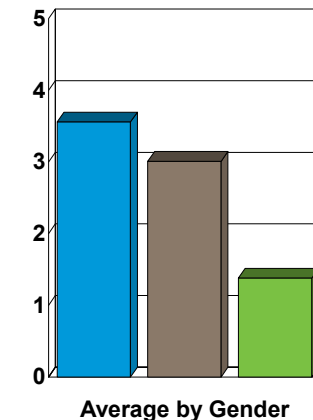
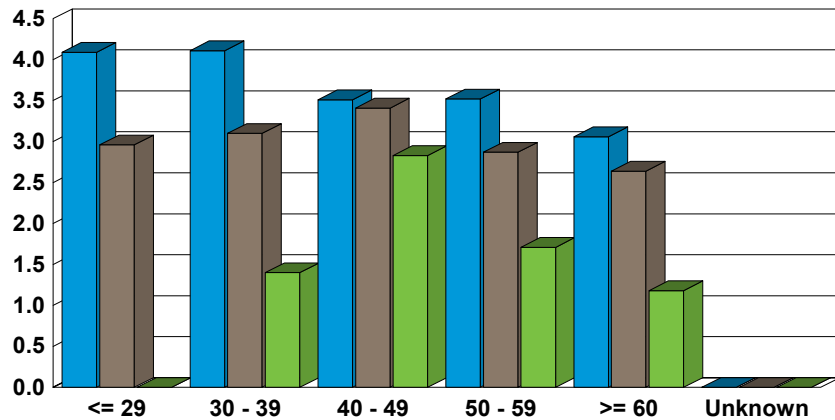
The number of investment options that plan participants direct contributions, as well as the number of investment options where balances are held in plan participant accounts, is shown here, by age and gender.

## Average Number of Investment Option Allocations for New Contributions As of 12/31/2012



Age	Male	Female	Unknown
<=29	2	1	0
30 - 39	2	2	0
40 - 49	2	2	0
50 - 59	2	2	0
>=60	2	2	0
Unknown	0	0	0

## Average Number of Investment Options for Existing Account Balances As of 12/31/2012



Age	Male	Female	Unknown
<=29	4	3	0
30 - 39	4	3	1
40 - 49	4	3	3
50 - 59	4	3	2
>=60	3	3	1
Unknown	0	0	0

Male

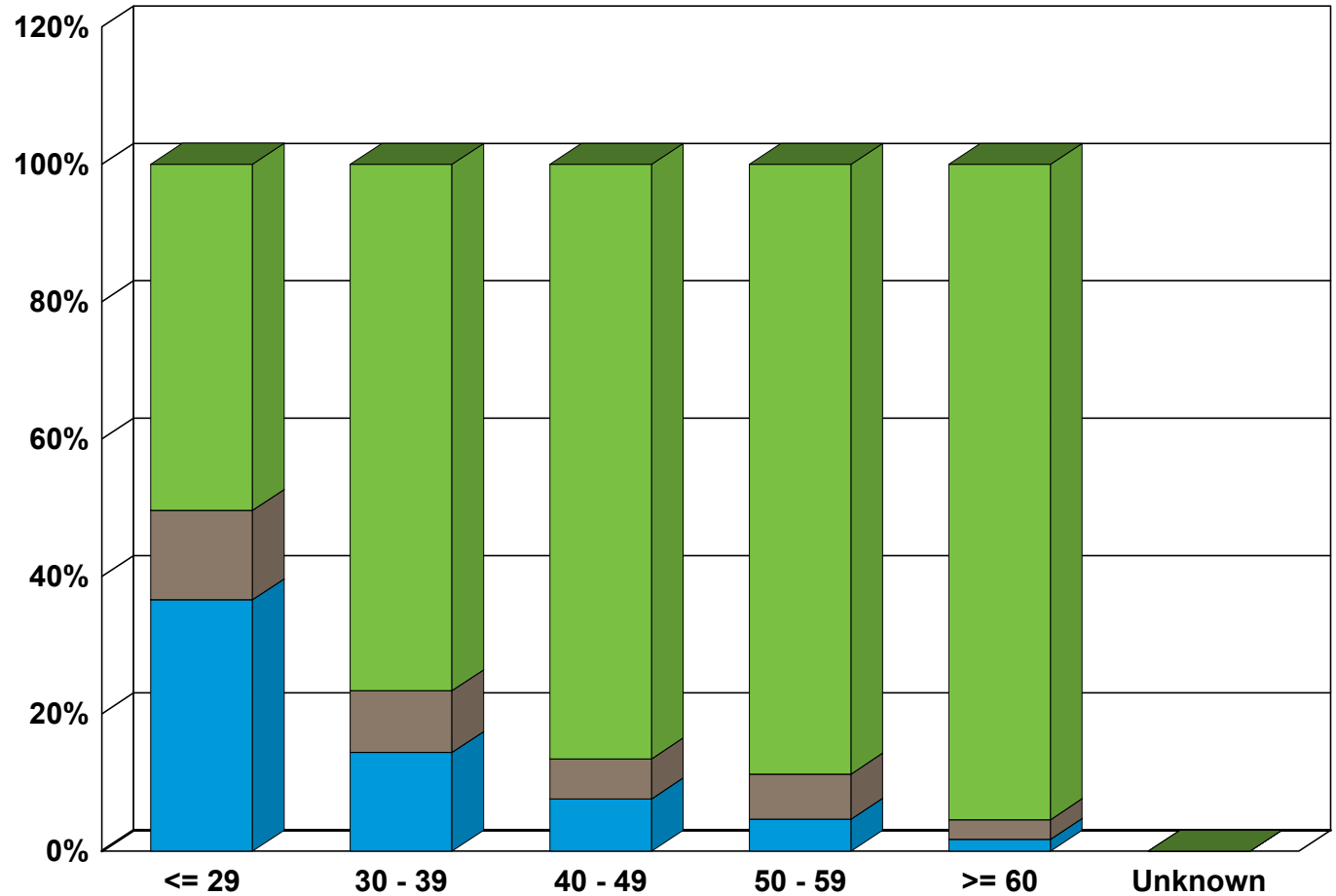
Female




Unknown



# ASSET ALLOCATION (AS OF 12/31/2012)

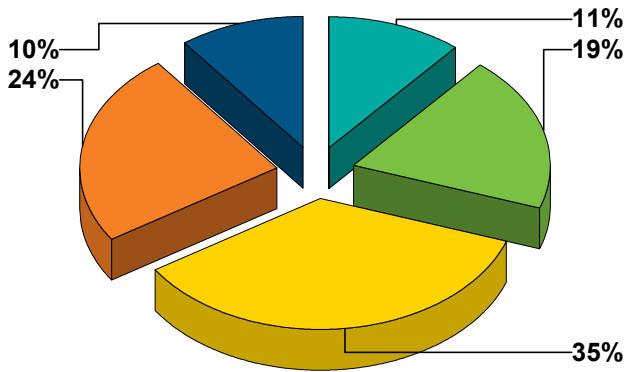
Your plan's percentage of participants, by age, with balances in Risk / Date Based Investment Options as well as other investment options, is illustrated here.



	Risk / Date Based Investment Options Only	36.59%	14.37%	7.61%	4.65%	1.73%	0.00%
	Risk / Date Based Investment Options and Other Investment Options	13.01%	9.00%	5.83%	6.58%	2.85%	0.00%
	Other Investment Options Only	50.41%	76.63%	86.56%	88.77%	95.41%	0.00%

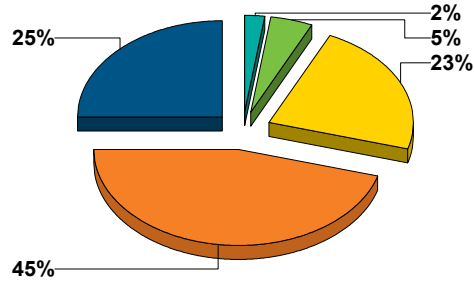
# ASSET ALLOCATION (AS OF 12/31/2012)

**280 Participants**  
Percentage of Participants with Balances in One Risk / Date Based Investment Option

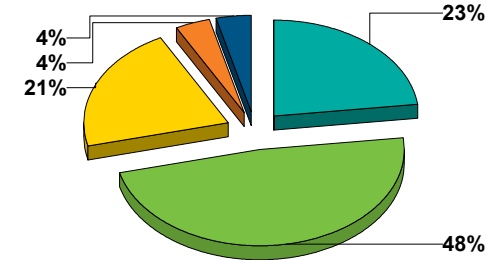


Great-West Lifetime 2015 Fund I T	11%
Great-West Lifetime 2025 Fund I T	19%
Great-West Lifetime 2035 Fund I T	35%
Great-West Lifetime 2045 Fund I T	24%
Great-West Lifetime 2055 Fund I T	10%
<b>Total:</b>	<b>100%</b>

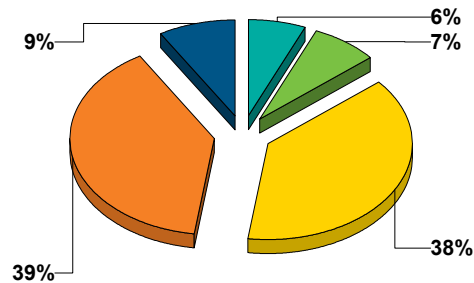
**44 Participants**  
Age <=29



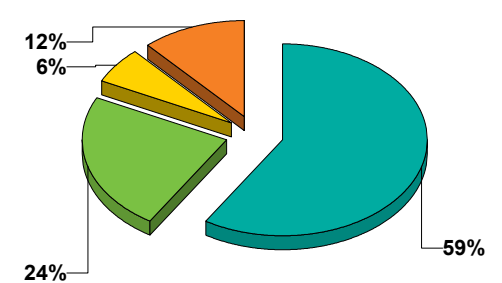
**52 Participants**  
Age 50 - 59



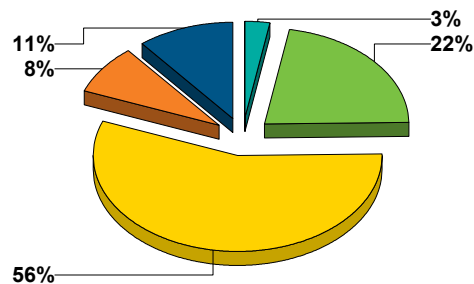
**94 Participants**  
Age 30 - 39



**17 Participants**  
Age >=60



**73 Participants**  
Age 40 - 49



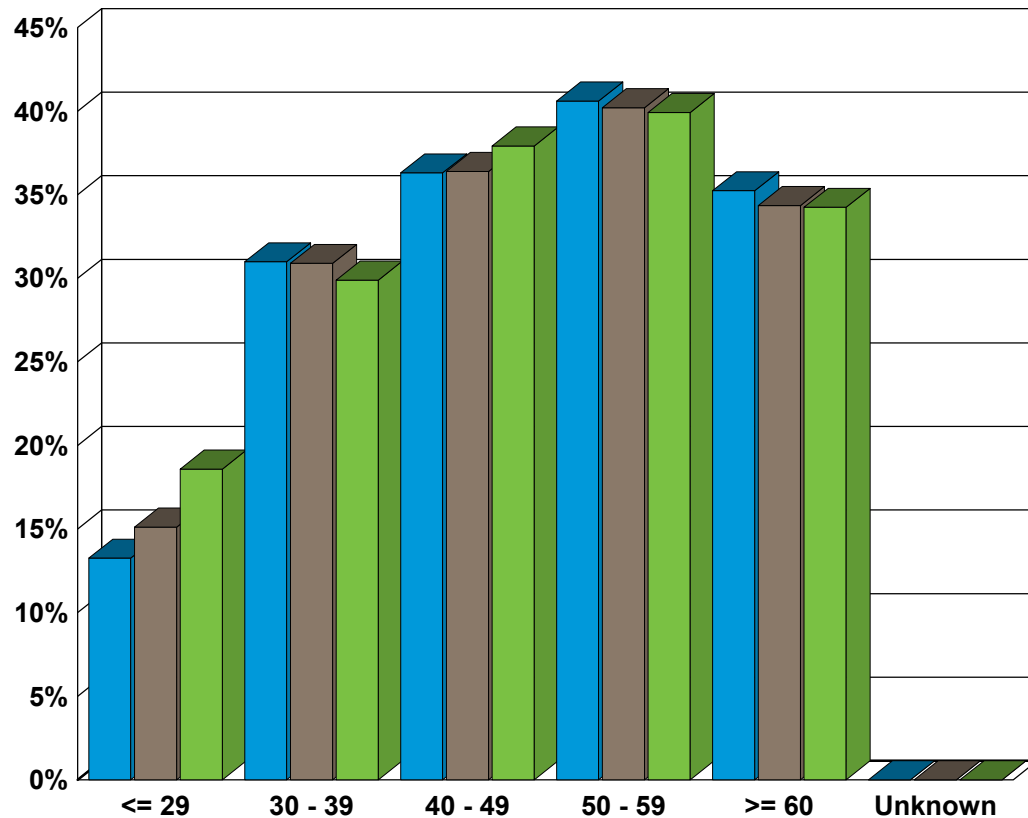
**0 Participants**  
Age Unknown

\*\*\*There are no balances for this age group\*\*\*

# PLAN UTILIZATION

Your plan's participation rates by age are shown here. Your plan's participation rate equals the total number of participants making regular contributions divided by the total number of eligible employees.

## Average Participation Rate by Age



# of Contributing Participants as of 12/31/2012

<= 29	30 - 39	40 - 49	50 - 59	>= 60	Unknown
113	571	733	715	224	0

■ 12/31/2010    
 ■ 12/31/2011    
 ■ 12/31/2012

## Participation Rate

As of 12/31/2012, the participation rate for your plan was **34.16%**.

The average Defined Contribution plan participation rate for eligible employees is 58.60%.\*

\*Source: PLANSPONSOR Defined Contribution Survey, 2011, Government and Public Works (County/State/Federal)

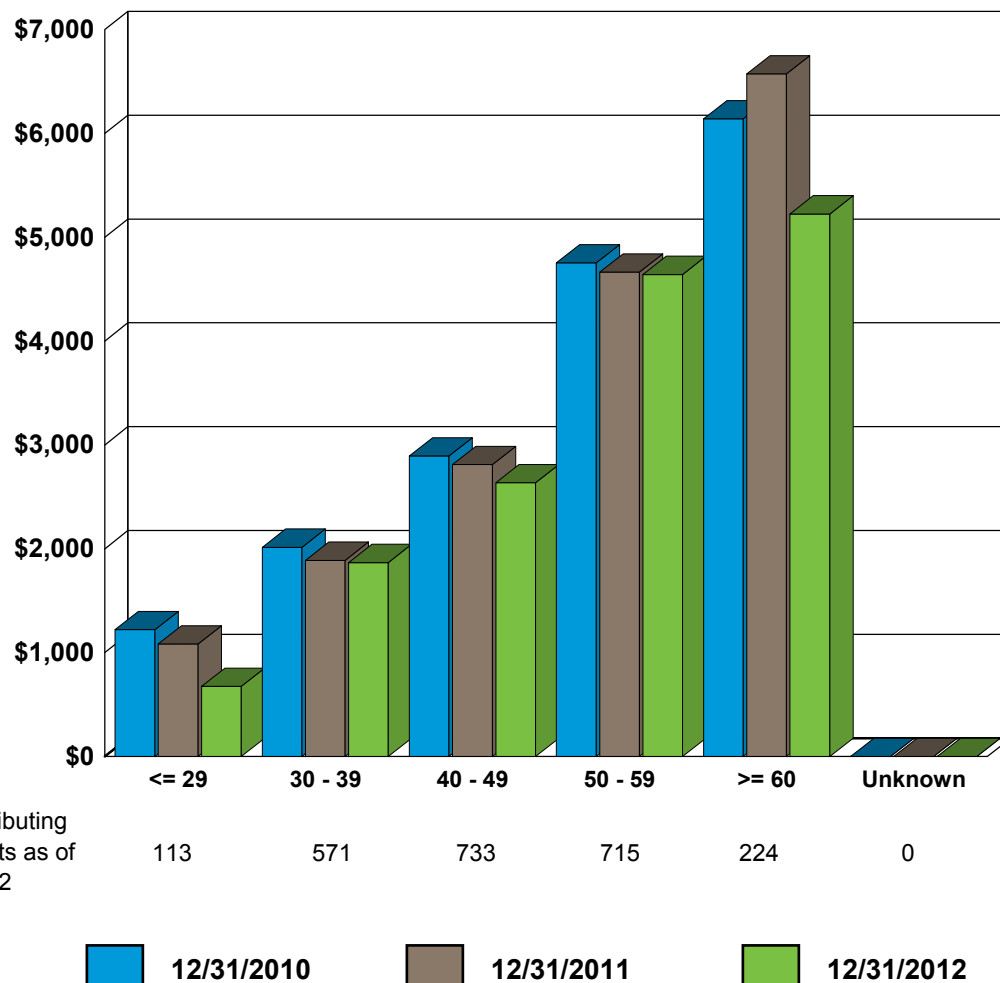
## Defaulted Participants

Your plan has **2,356** employees participating in the plan. As of 12/31/2012, **12** of these employees have not made an active investment election and their contributions are currently being allocated to the plan's default investment option.

# PLAN UTILIZATION

Your plan's average participant contribution amount by age is shown here. Your plan's average participant contribution amount equals the total amount of contributions divided by the total number of contributing participants.

## Average Participant Contribution Amount by Age



# of Contributing Participants as of 12/31/2012

113      571      733      715      224      0

## Paycheck Contribution Information

As of 12/31/2012, your plan's average participant paycheck contribution percentage rate was **10.43%** per payroll period.\*\*

As of 12/31/2012, your plan's average participant paycheck contribution dollar amount was **\$139** per payroll period.\*\*

\*\*If your plan only allows participant paycheck elections by percent (or amount) the value will reflect as 0% (or \$0).

The average deferral rate among non-highly compensated participants in Defined Contribution plans is 5.30%.\*

\*Source: Profit Sharing/401(k) Council of America, 54th Annual Survey of Profit Sharing and 401(k) Plans, 2011

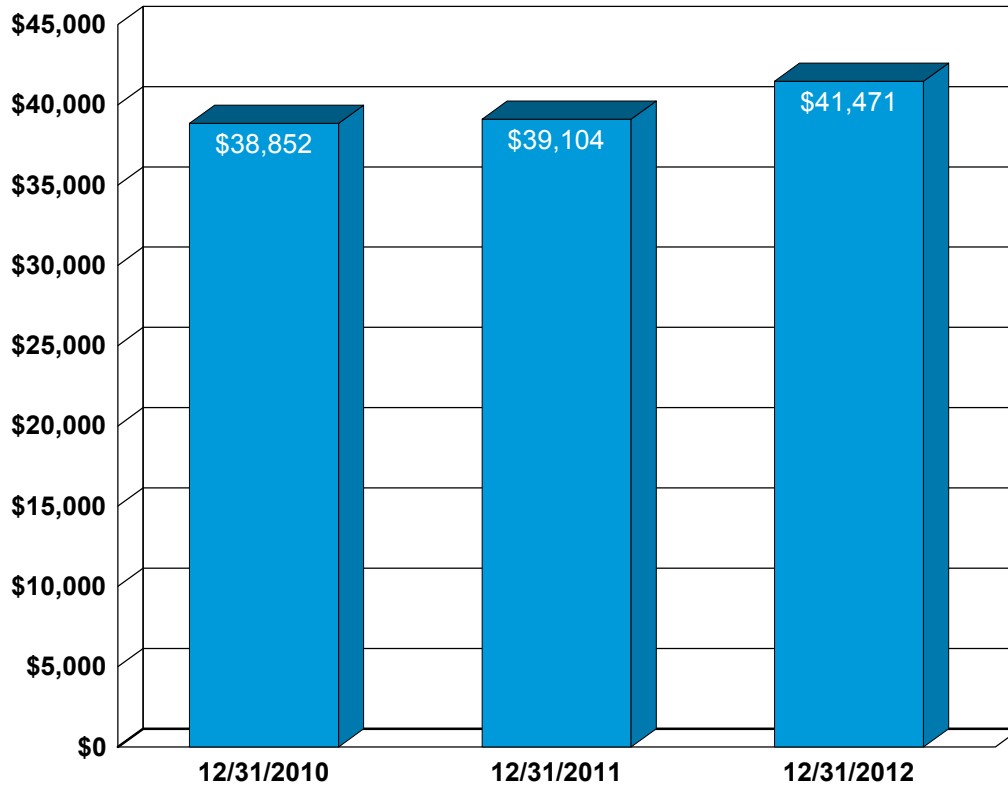
## Average Participant Contribution Amount by Age

Age	2010	2011	2012
<=29	\$1,222	\$1,083	\$675
30 - 39	\$2,015	\$1,889	\$1,867
40 - 49	\$2,894	\$2,811	\$2,636
50 - 59	\$4,754	\$4,664	\$4,641
>=60	\$6,140	\$6,573	\$5,225
Unknown	\$0	\$0	\$0

# PARTICIPANT DETAILS

Your plan's average participant balance and the average number of investment options held by your plan participants are shown here.

## Average Participant Balance



# of Participants  
with a Balance

4,119

3,937

3,997

## Number of Investment Options

As of 12/31/2012, participants in your plan held an average of **3.11** investment options.

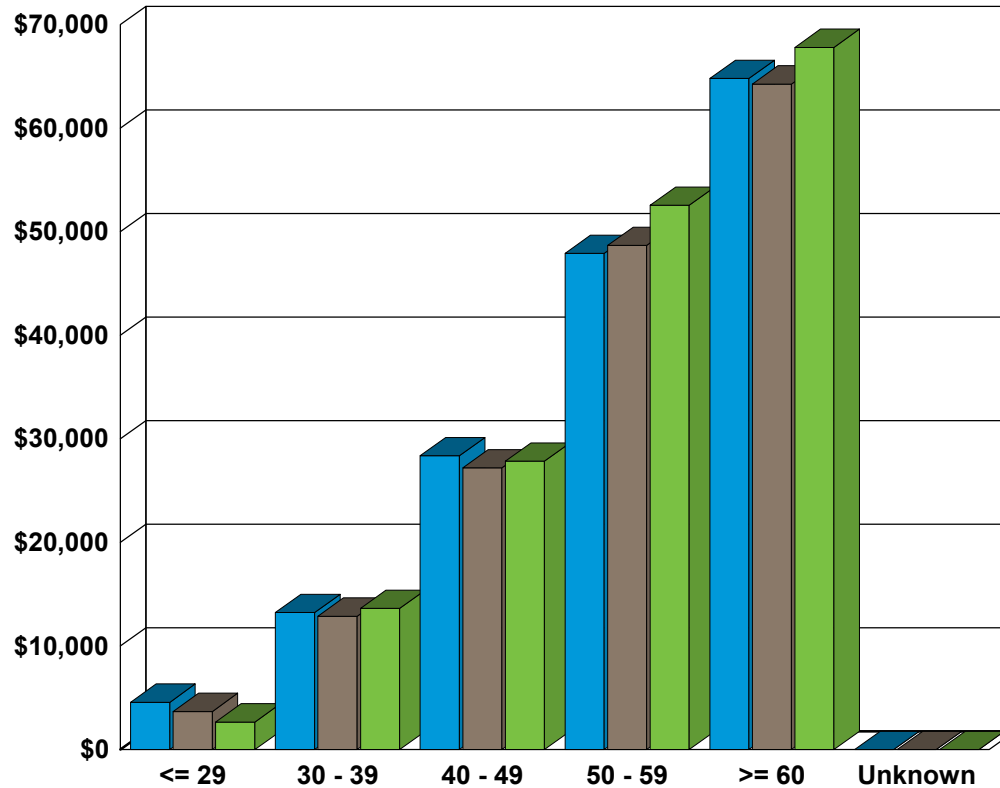
On average, participants hold 4.10 investment options in their Defined Contribution plan account.\*

*\*Source: PLANSPONSOR Defined Contribution Survey, 2011, Government and Public Works (County/State/Federal)*

# PARTICIPANT DETAILS

Here is a breakdown of your plan's average participant balance by age, by year.

## Average Participant Balance by Age



# of Participants with a Balance as of 12/31/2012

Age Group	2010	2011	2012
<= 29	123	689	1,064
30 - 39	1,140	981	0

■ 12/31/2010    
 ■ 12/31/2011    
 ■ 12/31/2012

## Your Plan

Age	2010	2011	2012
<=29	\$4,567	\$3,675	\$2,662
30 - 39	\$13,231	\$12,872	\$13,633
40 - 49	\$28,371	\$27,197	\$27,846
50 - 59	\$47,913	\$48,672	\$52,546
>=60	\$64,803	\$64,266	\$67,795
Unknown	\$0	\$0	\$0
All Ages	\$38,852	\$39,104	\$41,471

## Average Participant Account Balance <sup>1</sup>

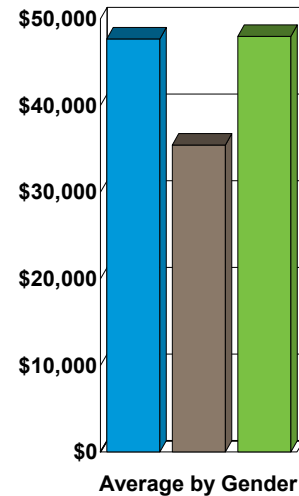
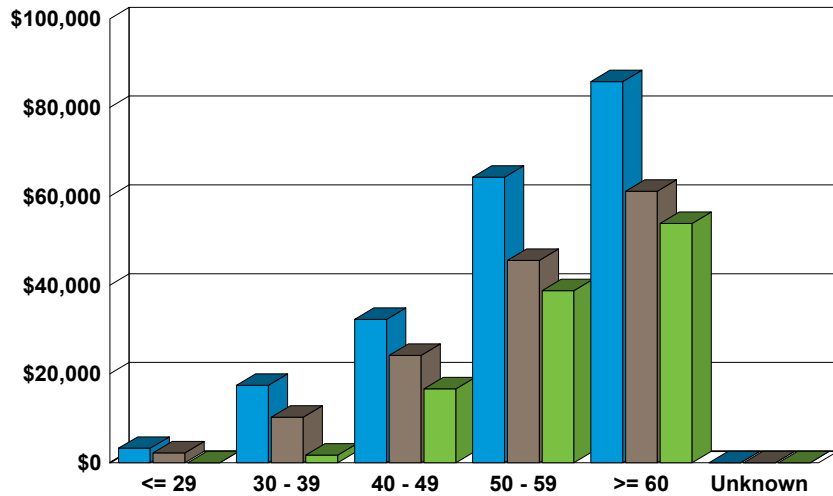
The average participant account balance for year-end 2010 is \$60,329.\*

\*Source: Tabulations from the EBRI/ICI Participant-Directed Retirement Plan Data Collection Project  
 Note: Information provided by the EBRI Issue Brief, No. 366, December 2011, Page 13

<sup>1</sup>Account Balances are participant account balances held in 401(k) plans at the participants' current employers and are net of plan loans. Retirement savings held in plans at previous employers or rolled over into IRAs are not included.

# PARTICIPANT DETAILS

## Average Account Balance - All Participants As of 12/31/2012

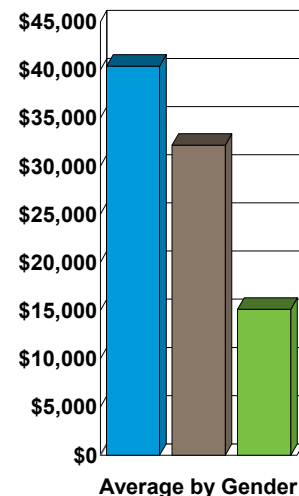
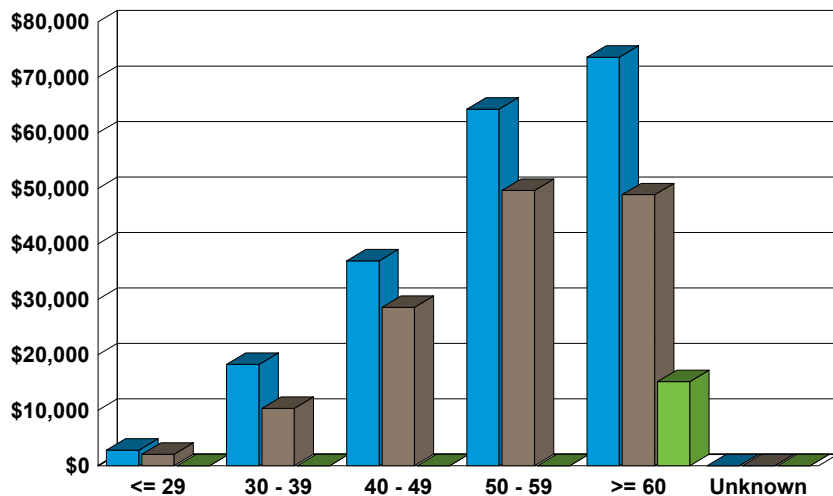


Age	Male	Female	Unknown
<=29	\$3,258	\$2,195	\$0
30 - 39	\$17,449	\$10,264	\$1,697
40 - 49	\$32,270	\$24,208	\$16,629
50 - 59	\$64,327	\$45,543	\$38,745
>=60	\$85,833	\$61,163	\$53,898
Unknown	\$0	\$0	\$0

### Average Account Balance

Your participants have an average balance of approximately **\$41,471** in this plan.

## Average Account Balance - Contributing Participants As of 12/31/2012



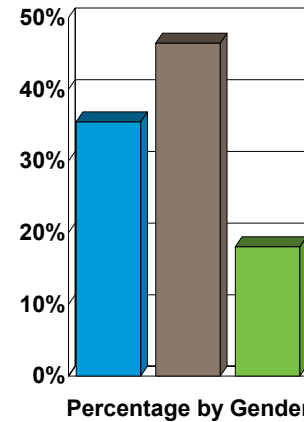
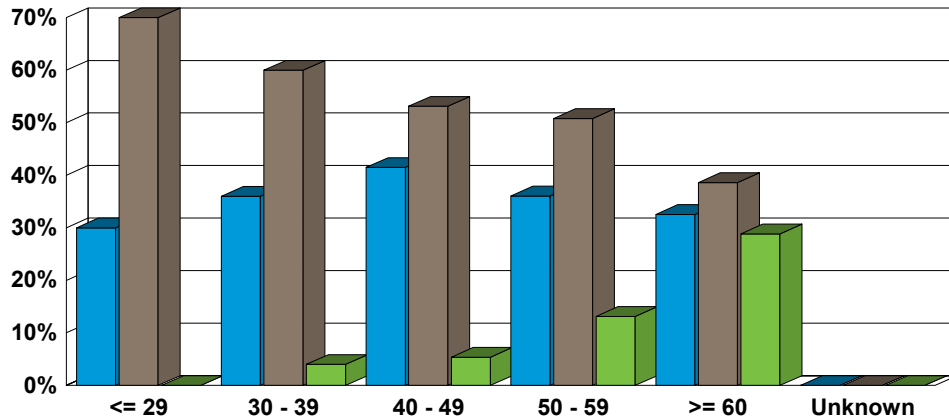
Age	Male	Female	Unknown
<=29	\$2,792	\$2,052	\$0
30 - 39	\$18,259	\$10,355	\$0
40 - 49	\$36,956	\$28,572	\$0
50 - 59	\$64,295	\$49,636	\$0
>=60	\$73,651	\$48,855	\$15,158
Unknown	\$0	\$0	\$0

■ Male    
 ■ Female    
 ■ Unknown

# PARTICIPANT DETAILS

The number and percentage of participants who have an account balance but have not made a contribution during the reporting period, by age and gender, are illustrated here.

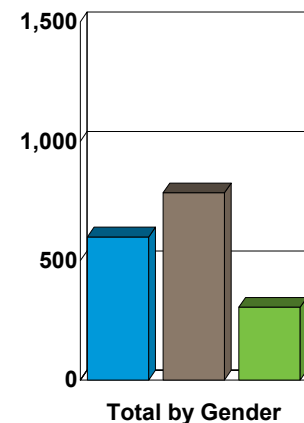
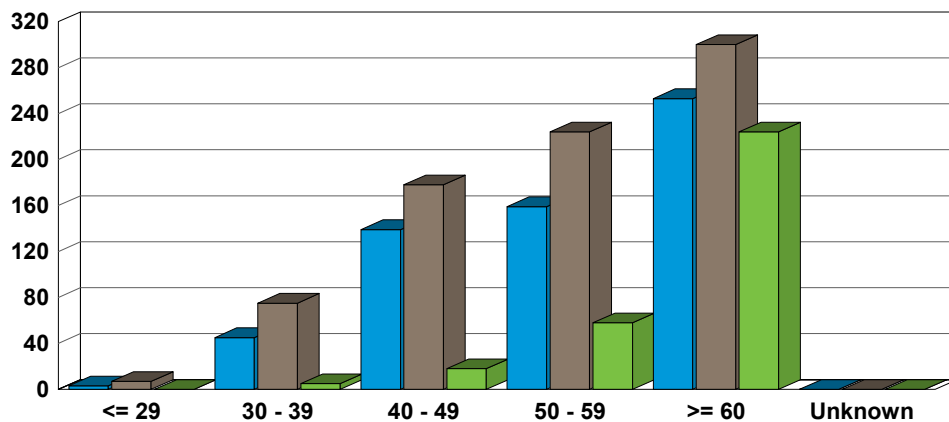
## Percentage of Participants with an Account Balance and No Current Paycheck Contributions During the Period



### Non-Contributing Participants

**42.23%** of your participants with an account balance are currently not contributing to their DC plan.

## Number of Participants with an Account Balance and No Current Paycheck Contributions During the Period



### Industry Percentage of Contributing Participants

On average, only 60% of American workers are saving for retirement.\*

\*Source: EBRI Issue Brief No. 340, The 2010 Confidence Survey

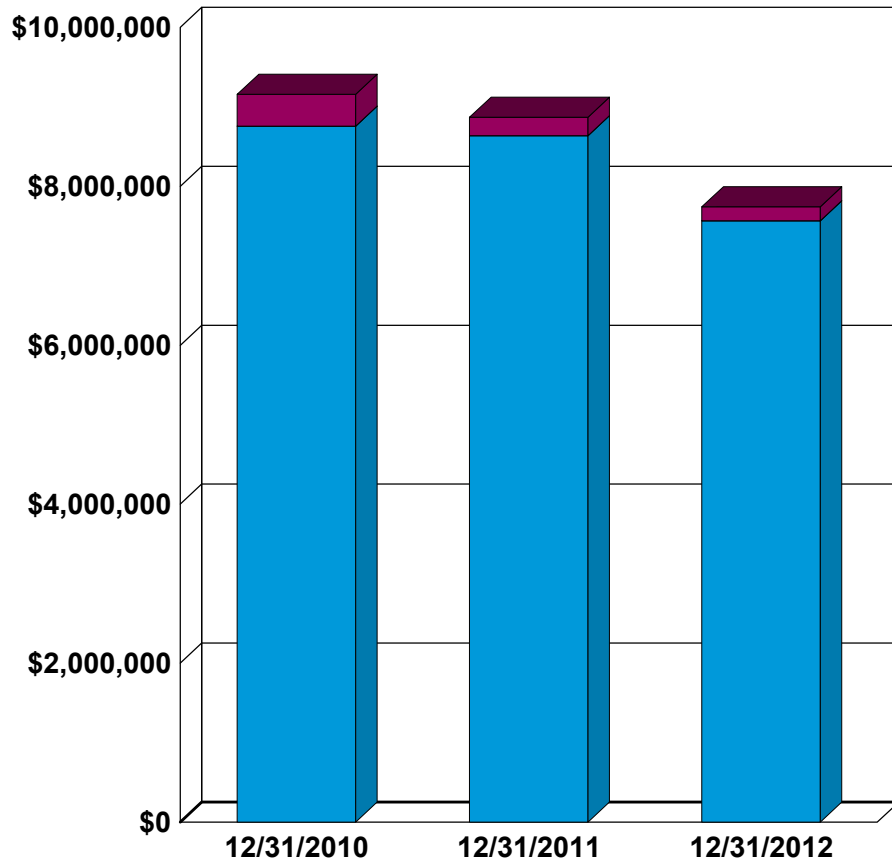
Male Female Unknown



# CONTRIBUTIONS

Your plan's contribution amounts by money type are shown here.

## Contributions by Money Type



## Contribution Detail

<u>Money Type</u>	<u>01/01/2010</u> <u>to</u> <u>12/31/2010</u>	<u>01/01/2011</u> <u>to</u> <u>12/31/2011</u>	<u>01/01/2012</u> <u>to</u> <u>12/31/2012</u>
Before Tax	\$8,757,104	\$8,637,858	\$7,564,194
After Tax	\$0	\$0	\$0
Roth	\$0	\$0	\$0
Rollover	\$400,710	\$232,361	\$179,957
<u>Employer</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>Total</b>	<b>\$9,157,814</b>	<b>\$8,870,219</b>	<b>\$7,744,151</b>

■ Before Tax  
 ■ After Tax  
 ■ Roth  
 ■ Rollover  
 ■ Employer

# CONTRIBUTION ANALYSIS

Asset Class	Investment Option	Contributions		Number of Participants Contributing	Contributions		Number of Participants Contributing
		01/01/2011 - 12/31/2011	% of Total		01/01/2012 - 12/31/2012	% of Total	
Lifetime	Great-West Lifetime 2015 Fund I T (*)	\$120,758	1.36%	76	\$153,368	1.98%	87
	Great-West Lifetime 2025 Fund I T (*)	\$273,950	3.09%	89	\$194,494	2.51%	110
	Great-West Lifetime 2035 Fund I T (*)	\$122,487	1.38%	119	\$182,170	2.35%	155
	Great-West Lifetime 2045 Fund I T (*)	\$151,734	1.71%	105	\$135,198	1.75%	123
	Great-West Lifetime 2055 Fund I T (*)	\$63,151	0.71%	56	\$88,881	1.15%	74
		<b>\$732,082</b>	<b>8.25%</b>		<b>\$754,110</b>	<b>9.74%</b>	
International Fund	Ivy International Core Equity I	\$32,979	0.37%	84	\$41,866	0.54%	132
	MFS Global Equity R4	\$325,349	3.67%	528	\$280,295	3.62%	514
	MainStay International Equity I	\$145,829	1.64%	232	\$111,761	1.44%	198
		<b>\$504,157</b>	<b>5.68%</b>		<b>\$433,921</b>	<b>5.60%</b>	
Specialty	Fidelity Real Estate Income	\$53,652	0.60%	82	\$51,684	0.67%	85
	Franklin Utilities Adv	\$105,106	1.18%	218	\$150,675	1.95%	215
		<b>\$158,758</b>	<b>1.79%</b>		<b>\$202,359</b>	<b>2.61%</b>	
Small Cap	Neuberger Berman Genesis Inv	\$35,551	0.40%	88	\$40,443	0.52%	93
	Nicholas Limited Edition I	\$258,963	2.92%	481	\$262,324	3.39%	468
	Perkins Small Cap Value I	\$30,697	0.35%	66	\$14,133	0.18%	95
	Royce Special Equity Invmt	\$108,506	1.22%	248	\$94,525	1.22%	220
		<b>\$433,718</b>	<b>4.89%</b>		<b>\$411,425</b>	<b>5.31%</b>	
Mid Cap	FBR Focus I	\$138,498	1.56%	236	\$105,016	1.36%	205
	Hennessy Focus Institutional	\$0	0.00%	0	\$18,338	0.24%	203
	Invesco Mid Cap Core Equity R5	\$64,085	0.72%	149	\$85,318	1.10%	124
	Perkins Mid Cap Value Fund I	\$309,197	3.49%	542	\$278,580	3.60%	538
		<b>\$511,780</b>	<b>5.77%</b>		<b>\$487,252</b>	<b>6.29%</b>	
Large Cap	Alger Spectra I	\$49,795	0.56%	100	\$52,045	0.67%	157
	BlackRock Equity Index - Collective F	\$155,844	1.76%	147	\$132,757	1.71%	130
	Columbia Dividend Income Z	\$475,023	5.36%	642	\$459,475	5.93%	628
	DWS Capital Growth Inst	\$1,420,437	16.01%	1,222	\$1,128,305	14.57%	1,013
	INVESCO Charter R5	\$1,007,607	11.36%	1,031	\$914,556	11.81%	890
		<b>\$3,108,707</b>	<b>35.05%</b>		<b>\$2,687,138</b>	<b>34.70%</b>	
Balanced	Oakmark Equity & Income I	\$83,213	0.94%	67	\$74,994	0.97%	53
	Pax World Balanced Instl	\$23,963	0.27%	40	\$21,614	0.28%	29
		<b>\$107,176</b>	<b>1.21%</b>		<b>\$96,608</b>	<b>1.25%</b>	
Bond	FPA New Income	\$99,554	1.12%	109	\$0	0.00%	0
	RidgeWorth Total Return Bond I	\$64,615	0.73%	162	\$170,907	2.21%	231
	Sentinel Government Securities I	\$59,230	0.67%	71	\$78,091	1.01%	71

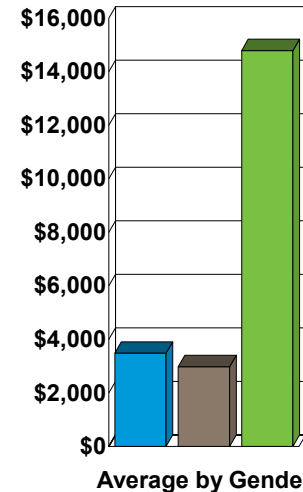
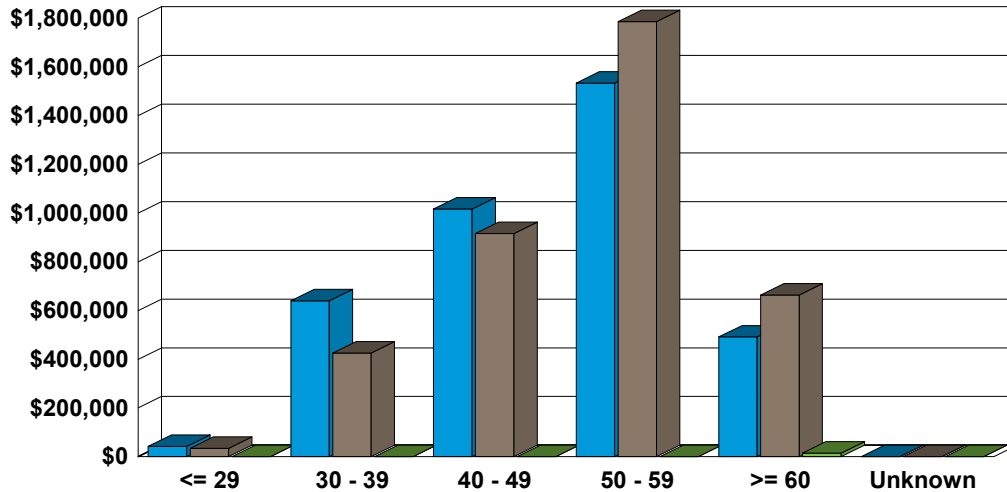
# CONTRIBUTION ANALYSIS

Asset Class	Investment Option	Contributions 01/01/2011 - 12/31/2011	% of Total	Number of Participants Contributing	Contributions 01/01/2012 - 12/31/2012	% of Total	Number of Participants Contributing
		\$223,398	2.52%		\$248,997	3.22%	
Fixed	County of Fresno Stable Value Fund	\$3,090,444	34.84%	1,144	\$2,422,340	31.28%	997
		\$3,090,444	34.84%		\$2,422,340	31.28%	
	<b>Grand Total</b>	<b>\$8,870,219</b>	<b>100.00%</b>		<b>\$7,744,151</b>	<b>100.00%</b>	

*\*Your plan's default investment election(s).*

# CONTRIBUTION ANALYSIS

## Total Paycheck Contributions From 01/01/2012 to 12/31/2012



### Average Contributions

Your participants contribute an average of **\$3,211** per year.\*

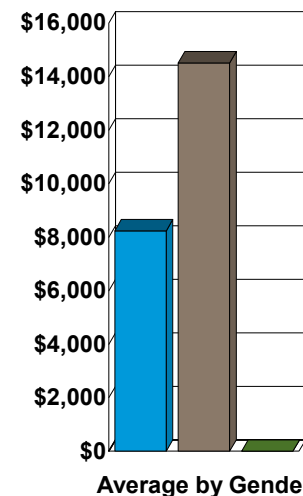
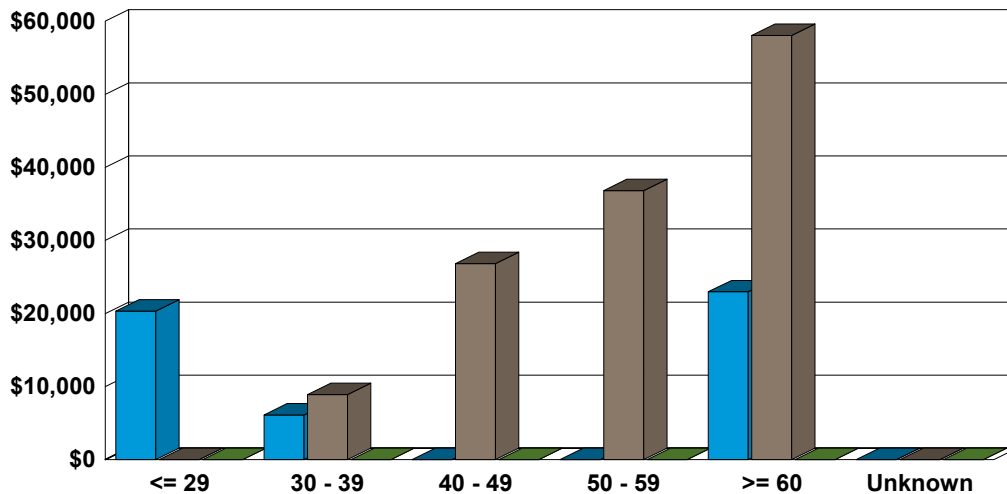
\*Average of total contributions during the reporting period.

### Industry Average of Participants Contributing

In comparison, based on NAGDCA survey results, the average deferral for governmental DC plans is about **\$3,884**.\*

\*Source: National Association of Governmental Deferred Compensation Administrators, 2011 Survey of Defined

## Total Rollover Contributions From 01/01/2012 to 12/31/2012



Male Female Unknown

# CONTRIBUTION ANALYSIS (AS OF 12/31/2012)

## Paycheck Contributions per Pay Period As a Percentage of Salary

Percent	# of Participants	% of Total
0%	291	84.59%
1%	5	1.45%
2%	5	1.45%
3%	5	1.45%
4%	4	1.16%
5%	7	2.03%
6%	3	0.87%
7%	3	0.87%
8%	1	0.29%
9%	2	0.58%
10+%	16	4.65%

## Paycheck Contributions per Pay Period In Dollars

Dollars	# of Participants	% of Total
\$0 - 25	744	33.04%
\$26 - 50	519	23.05%
\$51 - 75	151	6.71%
\$76 - 100	338	15.01%
\$101 - 125	43	1.91%
\$126 - 150	94	4.17%
\$151 - 175	16	0.71%
\$176 - 200	115	5.11%
\$201 - 225	11	0.49%
\$226 - 250	27	1.20%
>\$250	193	8.57%

Please Note: There are 3,772 eligible, employed participants in your plan who have not elected a paycheck contribution percentage / amount.

### Average Paycheck Contribution

The average deferral rate among non-highly compensated participants in Defined Contribution plans is 5.30%.\*

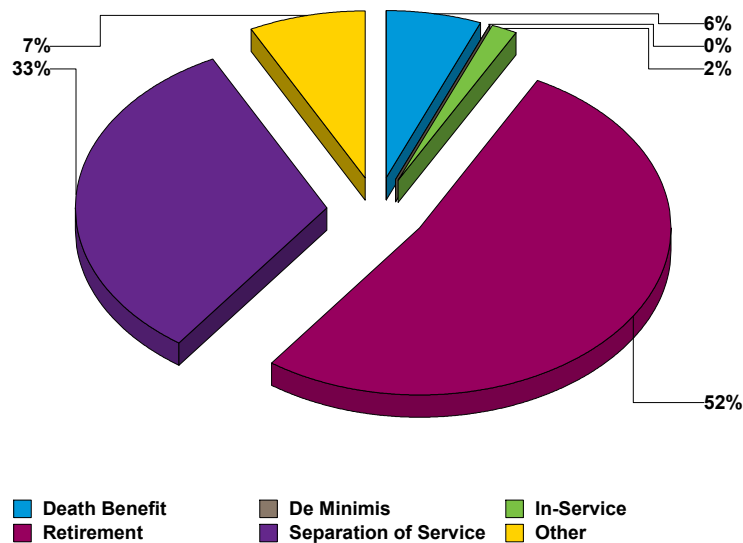
\*Source: Profit Sharing/401(k) Council of America, 54th Annual Survey of Profit Sharing and 401(k) Plans, 2011

# DISTRIBUTIONS

An overview of your plan's distribution activity is shown here, including distribution reasons, number of distributions and percentage of rollovers / transfers versus payment to self.

## Reasons for Distribution As of 12/31/2012

Percentages are based on dollar amount of distributions.



## Distributions

	Number	Amount	Percentage of Distribution Amounts Rolled Over / Transferred
01/01/2012 to 12/31/2012	738	\$10,309,638	56.03%
01/01/2011 to 12/31/2011	965	\$15,265,299	25.12%
01/01/2010 to 12/31/2010	678	\$10,085,218	54.55%

## Industry Average

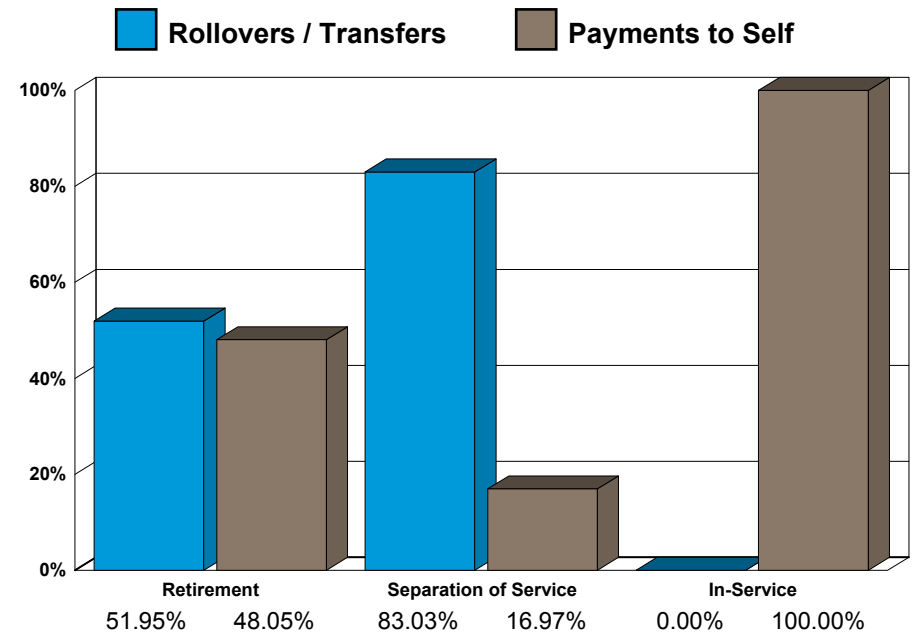
According to a national study of pre-retirement termination (i.e. job changes) for those participants between age 55-70, 39% transferred their money to an IRA, 7% took a cash payment, 47% left the money in their plan, and 6% transferred to a new employer pension plan.\*

\*Source: LIMRA, Asset Retention: Keys to Success in the Rollover Market (2011)

## Comparing Common Distribution Reasons

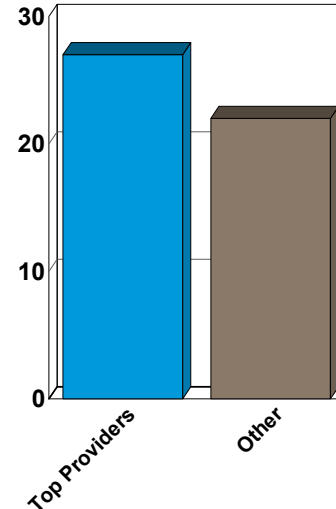
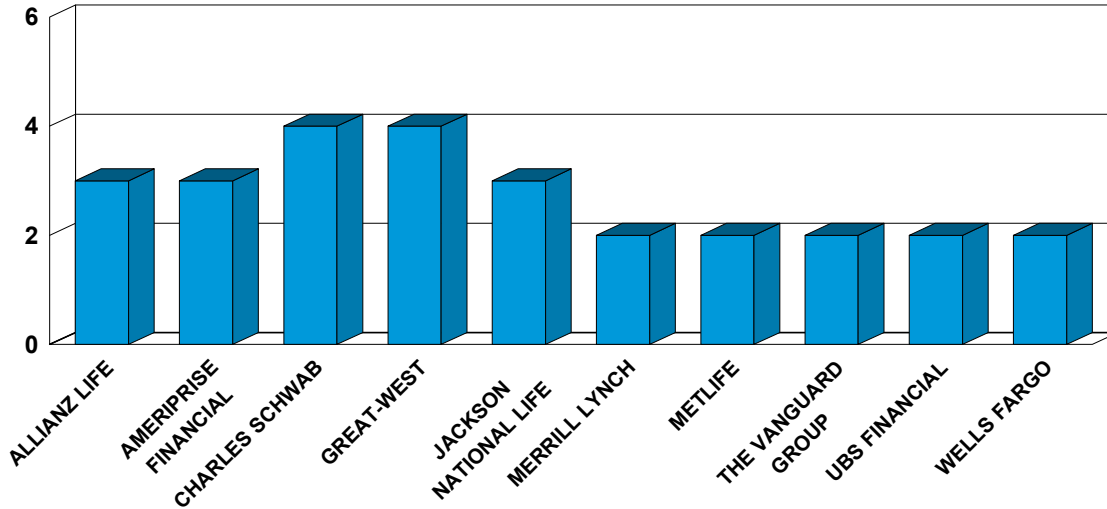
As of 12/31/2012

Percentages are based on dollar amount of distributions.



# DISTRIBUTIONS (FROM 01/01/2012 TO 12/31/2012)

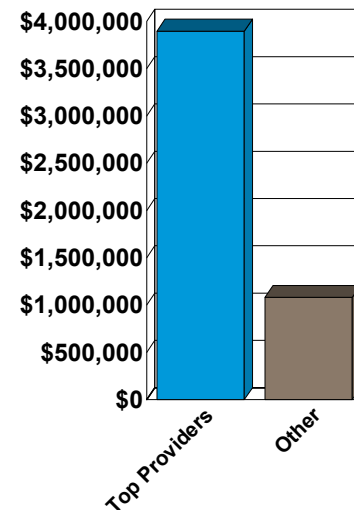
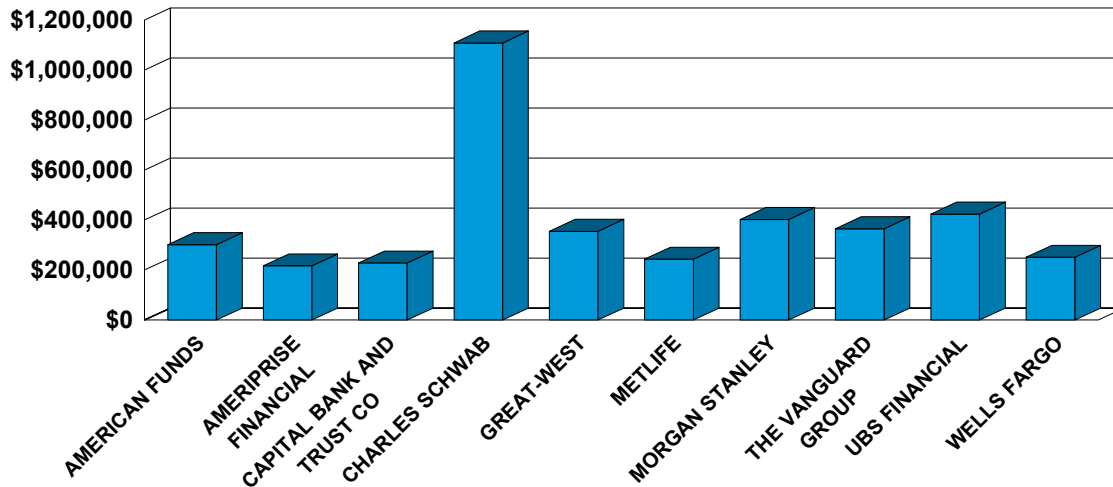
## Full Withdrawal Rollover IRA Summary by Top Providers by Number of Participants



### Participant Distributions

The top providers represent **55.10%** of total participants withdrawn and rolled to an IRA.

## Full Withdrawal Rollover IRA Summary by Top Providers by Dollars



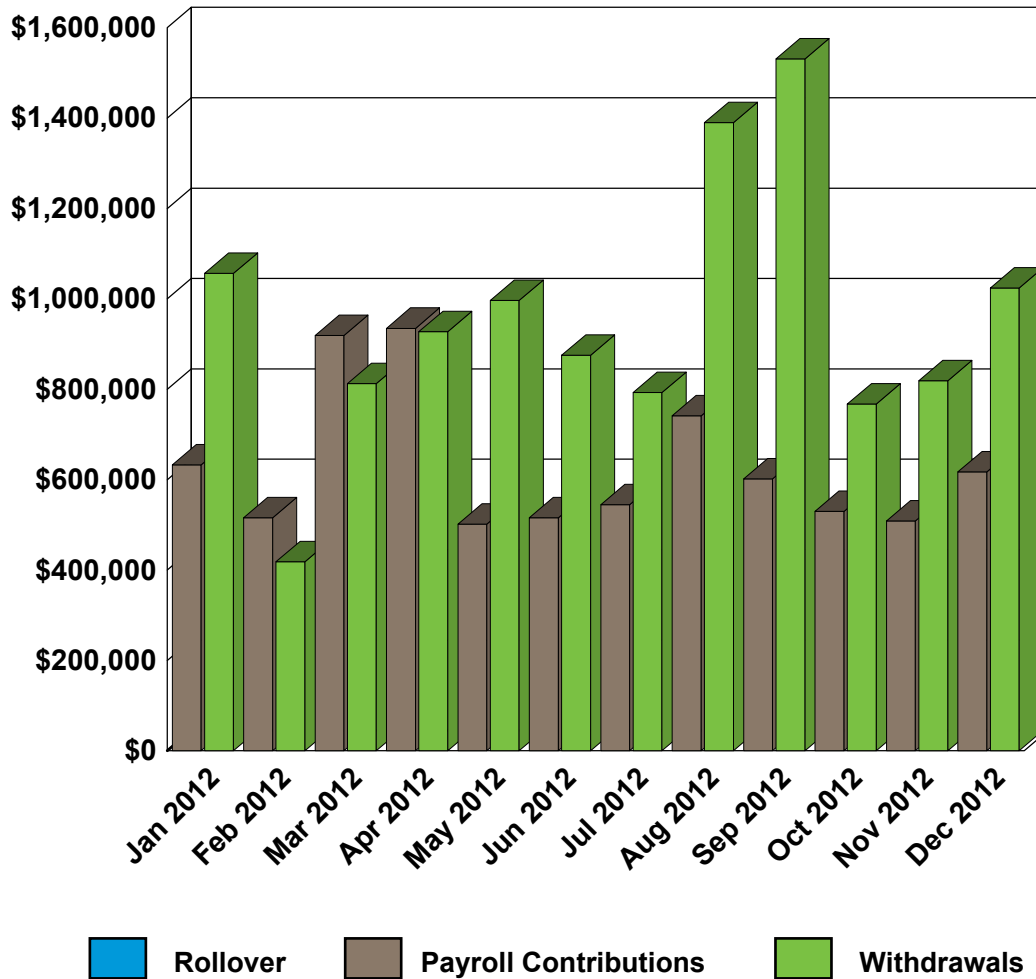
### Percentage of Assets

The top providers represent **78.27%** of total assets withdrawn and rolled to an IRA.

# DISTRIBUTIONS

The total amount of all plan participant rollovers, contributions and withdrawals made, by month, are reflected here.

## Total Contribution and Withdrawal Summary\*



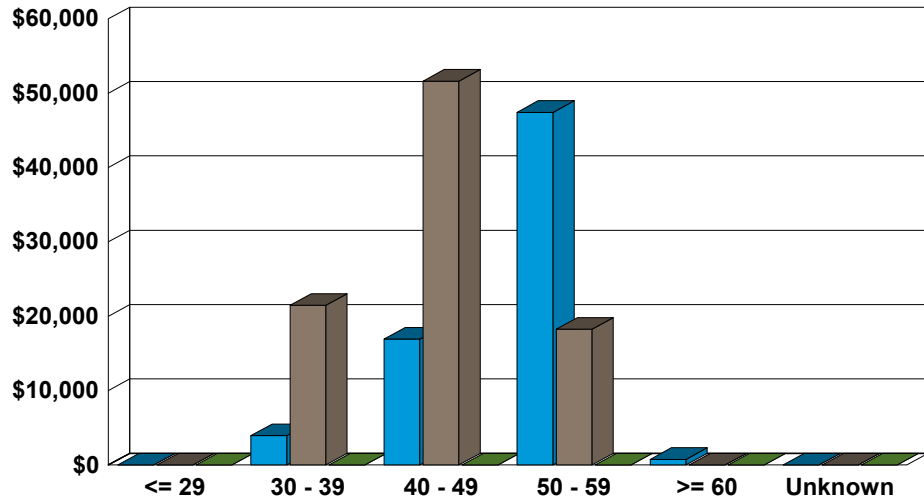
<u>Month</u>	<u>Rollover</u>	<u>Payroll Contributions</u>	<u>Withdrawals</u>
Jan 2012	\$0	\$632,658	\$1,056,852
Feb 2012	\$39,883	\$515,893	\$418,204
Mar 2012	\$127	\$918,904	\$812,527
Apr 2012	\$51,844	\$934,911	\$927,480
May 2012	\$1,008	\$501,869	\$996,748
Jun 2012	\$24,594	\$515,739	\$875,348
Jul 2012	\$0	\$544,806	\$792,603
Aug 2012	\$1,538	\$741,597	\$1,389,966
Sep 2012	\$0	\$601,908	\$1,531,006
Oct 2012	\$39,694	\$530,001	\$767,250
Nov 2012	\$1,966	\$508,659	\$818,708
Dec 2012	\$19,302	\$617,250	\$1,024,391

\*Monthly totals may not exactly match the amounts for the reporting periods on the Executive Summary pages due to any retroactive changes or corrections made.

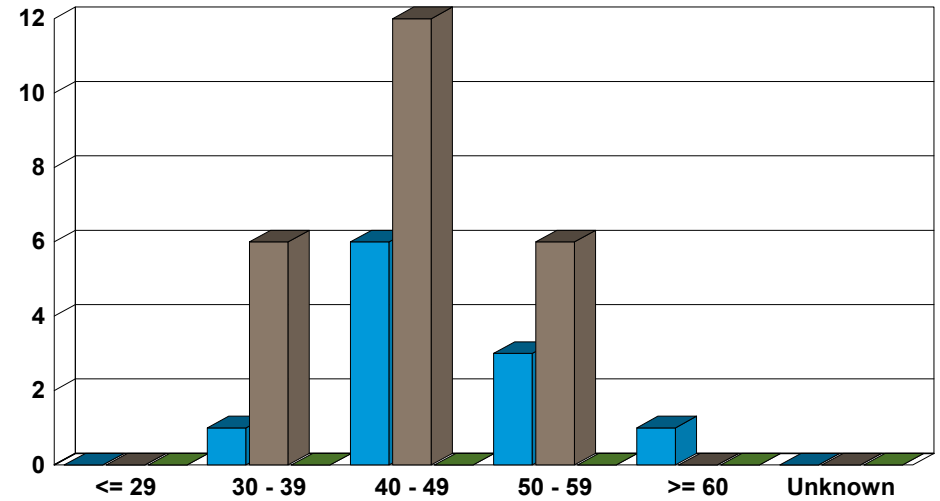


# DISTRIBUTIONS (FROM 01/01/2012 TO 12/31/2012)

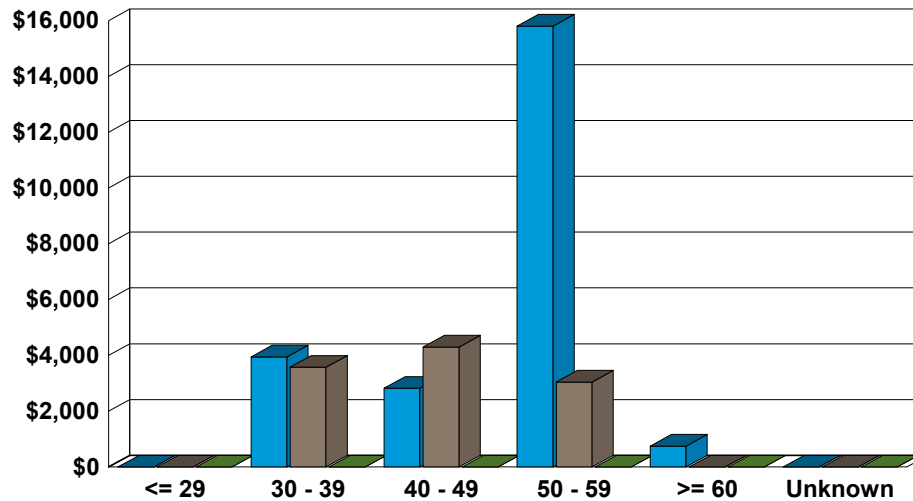
**Hardship Withdrawals (in Dollars)**



**Number of Participants Taking Hardships**



**Average Hardship Withdrawals (in Dollars)**

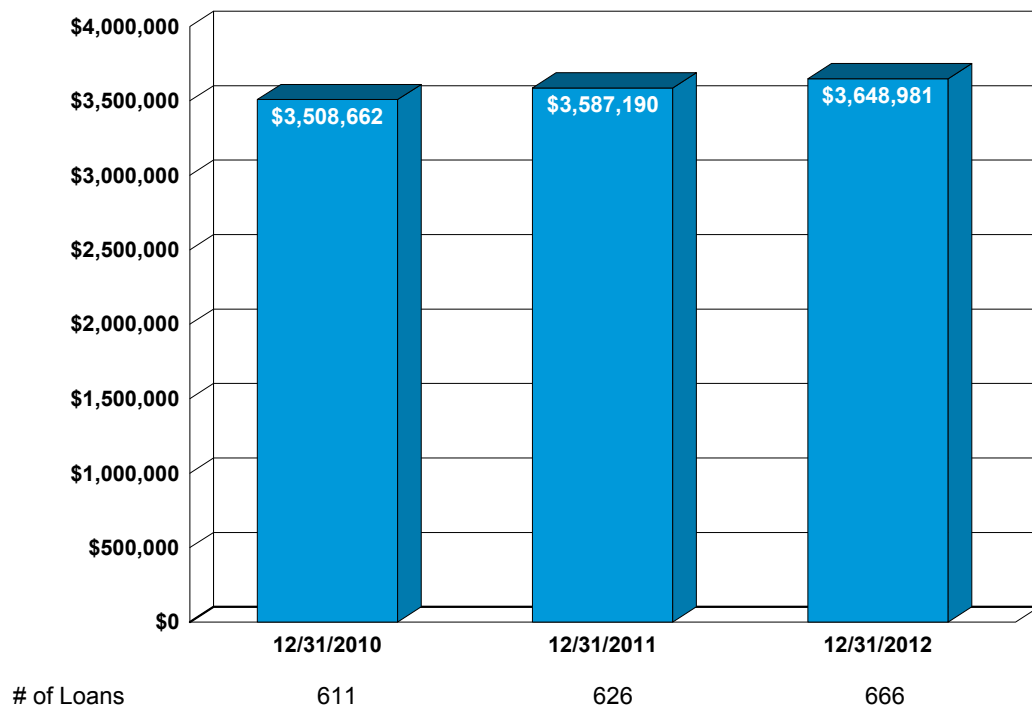


Male Female Unknown

# LOANS

Here is a breakdown of your plan's total outstanding loan balance, newly issued loans and loans that have defaulted during each period. The number of plan participants with loans and the average loan balance are also shown.

## Total Outstanding Loan Balance



## Loan Details

As of 12/31/2012, **666** participants in your plan had an outstanding loan. The average loan balance of all outstanding participant loans for your plan was **\$5,479**.

As of 12/31/2012, **17.00%** of your plan participants had an outstanding loan.

For plans that do offer loans, an average of 16.60% of plan participants have an outstanding loan.\*

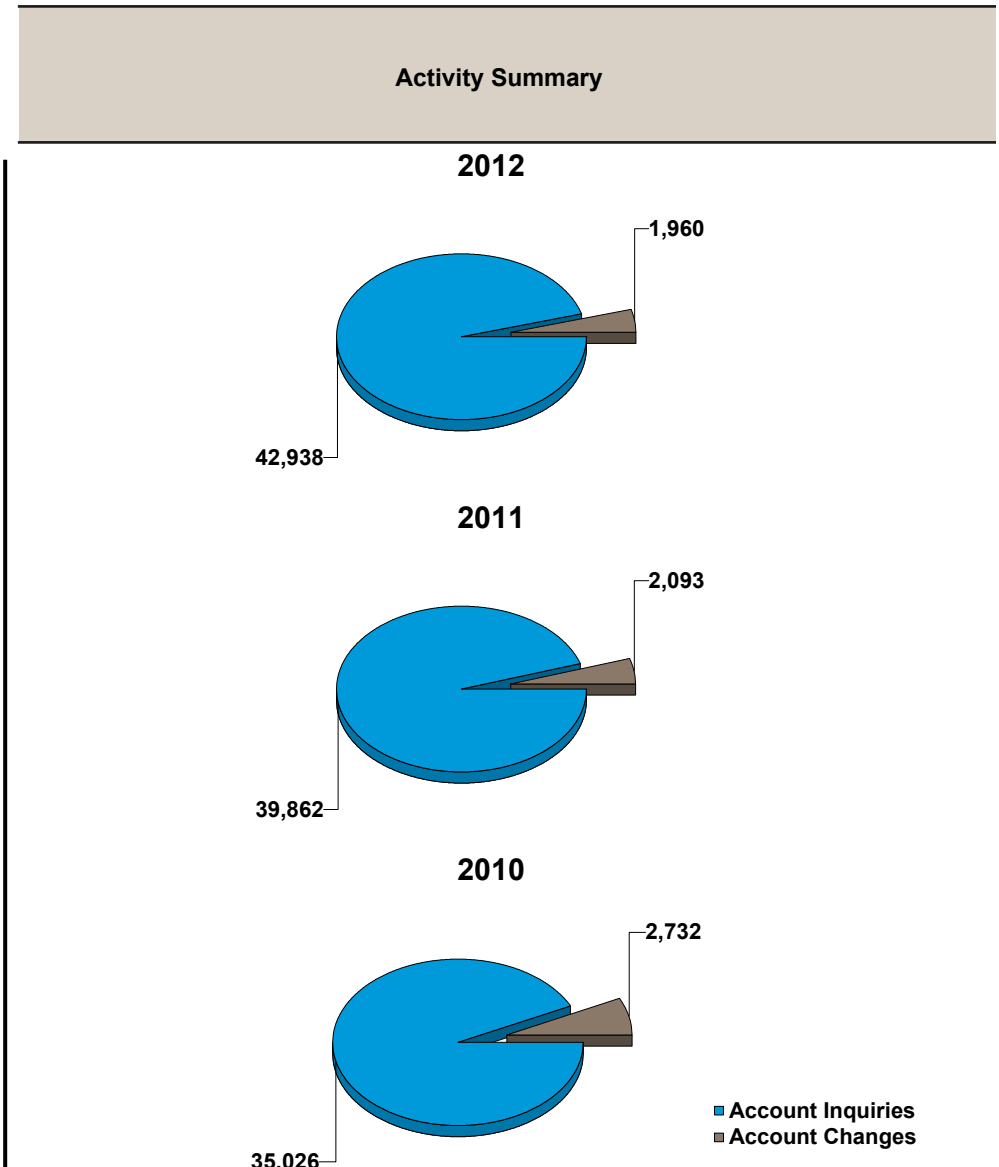
*\*Source: PLANSPONSOR Defined Contribution Survey, 2011, Government and Public Works (County/State/Federal)*

### New Loans

### Defaulted Loans

	<u>Number</u>	<u>Amount</u>	<u>Number</u>	<u>Amount</u>
01/01/2012 to 12/31/2012	234	\$1,753,047	23	\$150,593
01/01/2011 to 12/31/2011	241	\$1,798,206	16	\$51,110
01/01/2010 to 12/31/2010	270	\$2,174,381	12	\$73,996

Activity Detail	01/01/2010 to 12/31/2010	01/01/2011 to 12/31/2011	01/01/2012 to 12/31/2012
<b>Totals</b>			
Average Distinct Users	528	572	578
Total Logins	28,212	33,930	35,903
<b>Account Inquiries</b>			
Account Balance	4,762	5,349	3,954
Account Summary	3,045	3,749	1,906
Account and Certificates Overview (*)	0	0	4,341
Allocation and Asset Allocation (*)	0	0	1,235
Allocations	1,567	1,624	890
Asset Allocation	1,189	1,210	732
Balance Comparison	3,175	3,105	2,896
Disbursement Summary	1,509	1,297	1,369
Electronic Statements	1,450	1,607	1,138
Fund Overview and Prospectus (*)	0	0	846
Fund Returns	1,288	1,173	1,887
Fund Values	1,781	2,152	3,318
Investment Overview	2,317	2,096	1,459
Personal Rate of Return	4,989	6,559	7,470
Statement on Demand	4,118	6,701	3,642
Statement on Demand and Quarterly (*)	0	0	740
Transaction History	3,836	3,240	5,115
<b>Totals</b>	<b>35,026</b>	<b>39,862</b>	<b>42,938</b>
<b>Account Changes</b>			
Allocations	285	283	283
Beneficiary	271	118	100
Deferral	330	358	391
Disbursements	231	42	70
Fund Transfers	468	580	479
Loan Requests	190	181	140
Rebalancer	129	109	141
Registration	828	422	356
<b>Totals</b>	<b>2,732</b>	<b>2,093</b>	<b>1,960</b>



\*We recently redesigned the participant website and renamed some categories reported in this chart. As a result, you may see similarly named categories representing the same transaction.

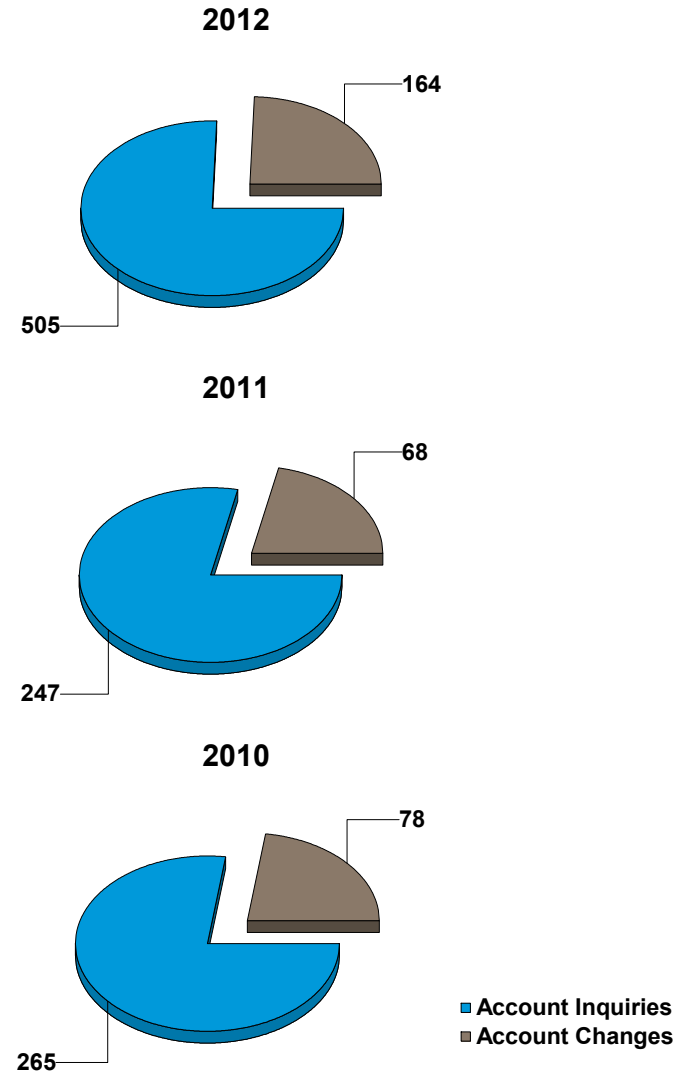
Activity Detail	01/01/2010 to 12/31/2010	01/01/2011 to 12/31/2011	01/01/2012 to 12/31/2012
-----------------	--------------------------------	--------------------------------	--------------------------------

<b>Totals</b>			
Average Distinct Users	155	138	145
Opt to Client Service Representative	1,933	1,870	1,955
Total Calls	3,500	3,102	3,032

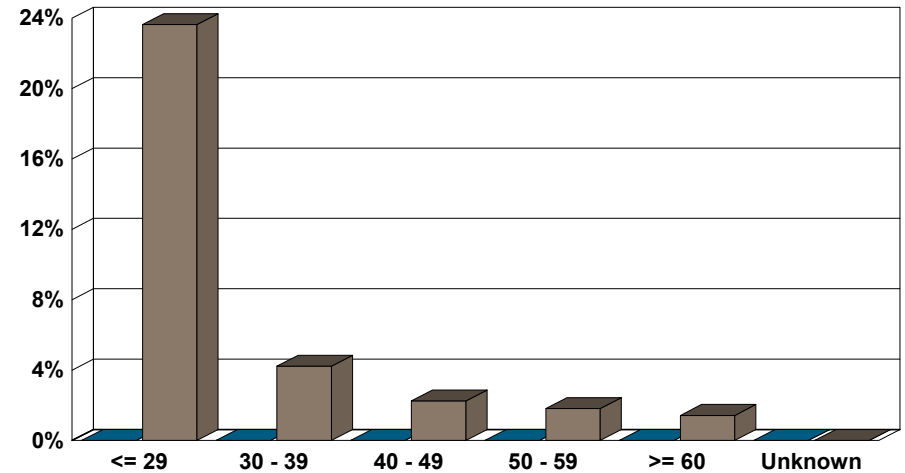
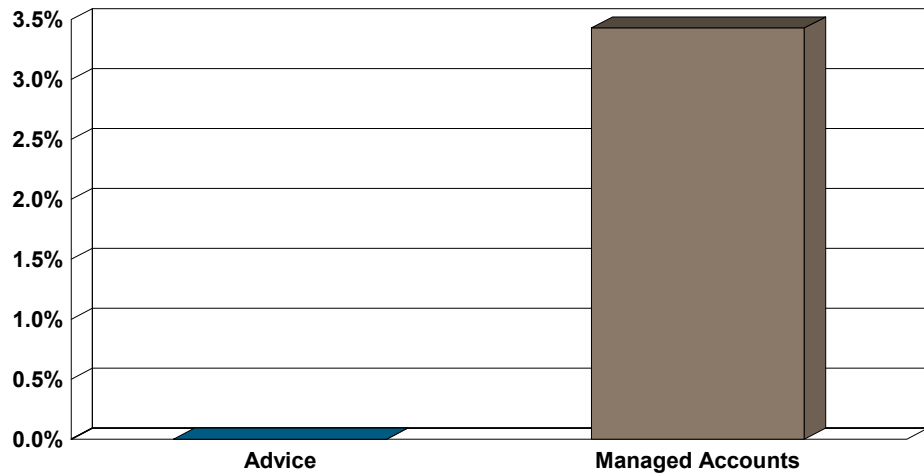
<b>Account Inquiries</b>			
Account Balance	68	36	21
Allocations	10	9	31
Dollar Cost Average	16	3	0
Fund Values	11	12	0
Interest Rates	72	18	0
Loans	64	156	433
Request Statements	0	1	3
Transaction History	24	12	17
<b>Totals</b>	<b>265</b>	<b>247</b>	<b>505</b>

<b>Account Changes</b>			
Allocations	0	1	3
Deferrals	3	9	64
Fund Transfers	3	1	2
Loan Requests	72	56	95
Rebalancer	0	1	0
<b>Totals</b>	<b>78</b>	<b>68</b>	<b>164</b>

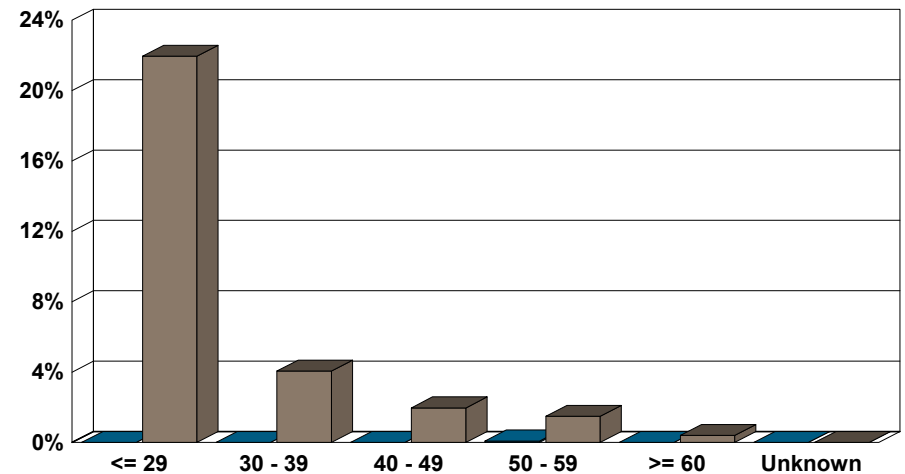
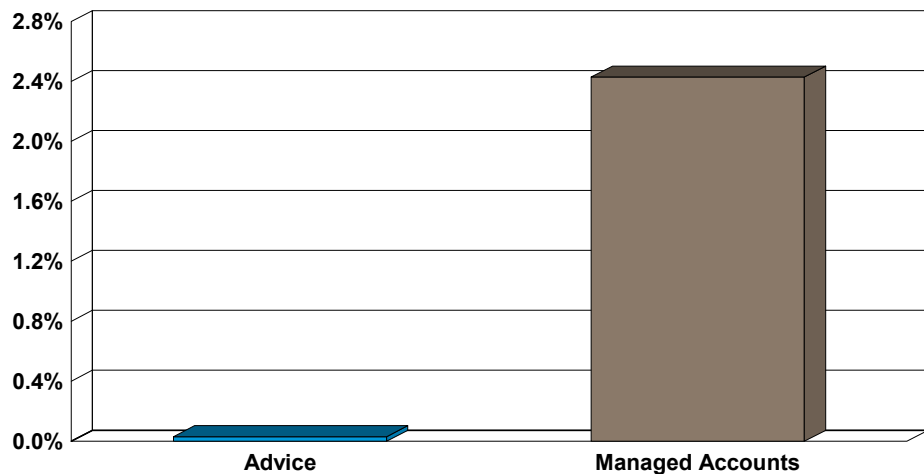
Activity Summary



## Utilization by Service and Age - Active Participants with a Balance As of 12/31/2012



## Utilization by Service and Age - Active and Terminated Participants with a Balance As of 12/31/2012



■ Advice      ■ Managed Accounts

# SERVICES OFFERED

Administrative Services	Available Today / Information	Administrative Services	Available Today / Information
Years on System	3.19	<b>Loans Available</b>	Yes
Online Statements	Yes	Online Loan Initiation	Yes
Beneficiary Recordkeeping	Yes	Loan File Feeds	Yes
Online Enrollment	Yes	<b>Automatic Enrollment</b>	No
Deferral Recordkeeping	Yes	Default Percentage	N/A
To-Do List	No	Auto Escalation Percentage	N/A
Advisory Services	Yes	Auto Escalation Percentage Maximum	N/A
SecureFoundation	No		
IRA Rollover Solution	Yes		
Approval Services	Yes		
QDIA Notices	No		

# GLOSSARY OF TERMS

<b>Term</b>	<b>Description</b>
Account Reduction Loan Balance	The total amount of all active, outstanding loans held by plan participants. Loans that have been offset or deemed as a distribution are not included.
Active Participants with Balances	Plan participants who are actively employed and have a balance.
Contributions	Amounts deposited for all money types, both regular payroll and single rollovers. Assets that are added to the plan during conversion to our recordkeeping system are not included.
Defaulted Loan	A loan that is not current on all loan assessments, which are due by the prior quarter-end; when this occurs, the loan will default as of the next quarter-end. The outstanding amount with accrued interest as of the default date will be tax-reported for the calendar year in which it defaulted.
Distributions	All full and partial withdrawals for every disbursement reason and tax reason code. In this report, the five most common distribution types are illustrated individually; any other types are combined into the "Other" category.
Eligible Employees	Employees who have met age and service requirements and are actively employed. The count is based upon employee information that has been transmitted to or input by the plan on the recordkeeping system.
Funds in Plan with a Balance	Count of funds or investment options within the plan's fund lineup that have balances greater than \$0.01 are included. This includes any employer stock awaiting purchase and self-directed brokerage products, as applicable.
Loan Balance (Average)	The average of all outstanding loan balances in the plan. This includes defaulted loan balances, but does not include offset or deemed loan balances.

# GLOSSARY OF TERMS

<b>Term</b>	<b>Description</b>
Net Cash Flow	The plan's total contributions less total distributions. Forfeited amounts and loan balances are not included in this calculation.
Participant Balance (Average)	The average balance of all actively employed and terminated plan participants. Only participant balances that are \$0.01 or greater are included. This balance does not include any outstanding loan amounts.
Participant Contribution Amount (Average)	The total amount of plan contributions for all money types divided by the number of contributing participants, both currently employed or employed during the reporting period.
Participant Paycheck Contribution Dollar Amount (Average)	For plans that utilize our deferral recordkeeping services, this is the average amount of all dollar amount deferrals that have been established by actively employed participants for any held employee money types during the reporting period. Only participant deferral amounts that are greater than \$0.01 are included.
Participant Paycheck Contribution Percentage Rate (Average)	For plans that utilize our deferral recordkeeping services, this is the average rate of all percentage deferrals that have been established by actively employed participants for any held employee money types during the reporting period. Only participant deferral amounts that are greater than 1% are included.
Participants Contributing	The number of actively employed plan participants who have regular payroll contributions during the reporting period.



Term	Description
Participants with Loan Balance	The number of individual plan participants who have an outstanding loan balance. This includes participants with defaulted loans, but does not include participants with offset or deemed loans.
Participation Rate	The percentage of the eligible employees participating in the plan; this figure is derived by dividing the total number of contributing participants by the total number of eligible employees. The rate is based upon participant information that is transmitted to or input by the plan on the recordkeeping system.
Payments to Self	A distribution that is taken for any qualifying reason in which the distribution proceeds are made payable directly to the participant.
Plan Asset Balance	A rollup of all contributions and deposit types, transfers in / out, interest and dividends, change in value, fees and withdrawals, and forfeiture assets.
Rollovers	A distribution that is taken for a qualifying reason in which the distribution proceeds are rolled over into an eligible plan, traditional IRA or Roth IRA.
Terminated Participants with Balances	Plan participants who are no longer employed, but have a balance.
Total Participating	The number of eligible participants actively contributing to and participating in the plan. The rate is based upon participant information that is transmitted to or input by the plan on the recordkeeping system.

# GLOSSARY OF TERMS

Term	Description
Total Plan Asset Balance	A rollup of all contributions and deposit types, transfers in / out, interest and dividends, changes in value, fees and withdrawals, and forfeiture assets plus the total amount of all active, outstanding participant loans.
Transfers	A distribution that is taken for a qualifying reason in which the proceeds are disbursed as a permissible plan transfer.

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