



# County of Fresno

## Deferred Compensation Management Council

### March 21, 2019 Agenda

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**THE MEETING WILL BE HELD AT 2:00 P.M. IN ROOM 301 OF THE HALL OF RECORDS,  
2281 TULARE STREET, FRESNO, CA 93721**

1. Call to Order.
2. 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. Please limit comments to 3 minutes or less.
3. Approve the March 21, 2019 Agenda.
4. Elect the 2019 Chair and Vice-Chair of the Deferred Compensation Management Council.
5. Approve the Action Summary Minutes from the December 13, 2018 meeting.
6. Receive and File the 2018-19 Fiscal Year Second Quarter Deferred Compensation Plan Budget Report, prepared by County staff.
7. Appoint up to three (3) members of the Deferred Compensation Management Council to a Request for Proposals (RFP) Subcommittee for the 2019 Deferred Compensation Plan Record-Keeper RFP process.
8. Receive a presentation from Jack Brown of Great-West Financial, regarding the County of Fresno Stable Value Fund and the Great-West Lifetime Trust Funds.
9. Receive and File and Approve Actions related to Deferred Compensation Plan Investments.
  - a. Receive and File the Deferred Compensation Plan Investment Review as of December 31, 2018, prepared by Northwest Capital Management;
  - b. Add the T. Rowe Price Mid Cap Growth I Fund and the Metropolitan West Total Return Bond Fund to the Plan Investment Lineup;

March 21, 2019

Deferred Compensation Management Council Meeting Agenda

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- c. Remove the Hennessy Focus Institutional Fund and map all assets to the T. Rowe Price Mid Cap Growth I Fund;
  - d. Remove the Virtus Seix Total Return Bond R6 Fund and map all assets to the Metropolitan West Total Return Bond Fund;
  - e. Remove the Oakmark Equity and Income Fund and map all assets to the age appropriate Great-West Lifetime target-date fund;
  - f. Remove the Great-West Lifetime Trust Funds from the Watch List.
10. Receive and File the Deferred Compensation Plan Review as of December 31, 2018 prepared by Nationwide Retirement Solutions.
11. Discuss and Approve Actions related to Plan outreach opportunities.
  - a. Discuss active employee and retired participant outreach opportunities prepared by Nationwide Retirement Solutions, Northwest Capital Management, and County staff.
  - b. Authorize County staff to execute a written authorization allowing Nationwide Retirement Solutions to disclose Plan and participant information to Merkle, the firm used by Nationwide Retirement Solutions for promotion of deferred compensation plans, pursuant to Section 18 of Agreement #14-170 and contingent upon review and approval of said written authorization by County Counsel.



## ITEM 5

### Deferred Compensation Management Council December 13, 2018 Action Summary Minutes

The meeting was held at 3:00 p.m. in the Hall of Records, Room 301  
2281 Tulare Street, Fresno, CA 93721

**Members Present:** Jean Rousseau, Robert Bash, Oscar Garcia, Donald Kendig, Paul Nerland, Kari Gilbert

**Members Absent:** Lawrence Seymour

1. Call to Order

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

2. Public Comment Period

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

3. Approve Agenda

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

**Ayes:** Rousseau, Bash, Nerland, Garcia

**Noes:** None

**Abstentions:** None

**Not Present:** Kendig, Gilbert, Seymour

4. Approve the Action Summary Minutes from the October 11, 2018 meeting.

**ACTION:** The Minutes were unanimously approved as recommended.

**Ayes:** Rousseau, Bash, Nerland, Garcia

**Noes:** None

**Abstentions:** None

**Not Present:** Kendig, Gilbert, Seymour

5. Approve the 2019 Deferred Compensation Management Council meeting schedule:
  - a. Thursday, March 21 at 2:00 p.m.
  - b. Thursday, May 23 at 1:30 p.m.
  - c. Thursday, September 26 at 1:30 p.m.
  - d. Thursday, December 19 at 1:30 p.m.

**ACTION: The 2019 Meeting Schedule was unanimously approved as recommended.**

**Ayes: Rousseau, Bash, Nerland, Garcia**

**Noes: None**

**Abstentions: None**

**Not Present: Kendig, Gilbert, Seymour**

6. Receive and File the 2018-19 Fiscal Year First Quarter Deferred Compensation Plan Budget Report, prepared by County staff.

**ACTION: The Report was received and filed.**

7. Receive and File and Approve Actions related to Deferred Compensation Plan Investments.
  - a. Receive and File the Deferred Compensation Plan Investment Review as of September 30, 2018, prepared by Northwest Capital Management;

**ACTION: The Plan Investment Review was received and filed. The Council directed Northwest Capital Management and County staff to place a presentation by Great-West Financial regarding the Stable Value Fund on the next meeting agenda.**

- b. Approve placement of the Hennessy Focus, Oakmark Equity and Income, and Virtus Seix Total Return Bond investments on the Watch List.

**ACTION: The Watch List placements were unanimously approved as recommended.**

**Ayes: Rousseau, Bash, Nerland, Garcia, Kendig, Gilbert**

**Noes: None**

**Abstentions: None**

**Not Present: Seymour**

8. Receive and File the Deferred Compensation Plan Review as of September 30, 2018 prepared by Nationwide Retirement Solutions.

**ACTION: The Deferred Compensation Plan Review was received and filed. The Council directed Nationwide Retirement Solutions and County staff to add an item on a future meeting agenda to discuss opportunities to promote the Deferred Compensation Plan to active participants and non-participating County employees, as well as to reach out to retired participants.**

**The meeting was adjourned at 3:44 p.m.**



## Inter Office Memo

DEPARTMENT OF  
HUMAN RESOURCES

### ITEM 6

DATE: March 21, 2019

TO: Deferred Compensation Management Council

FROM: Hollis Magill, Human Resources Manager

SUBJECT: Fiscal Year 2018-19 2<sup>nd</sup> Quarter Budget Report

#### 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, such as third-party administration, consulting, legal and County staff costs shall be charged to Plan participants. In order to offset the costs of these Plan-related expenses, and pursuant to Section 4.C of Agreement #14-710 with Nationwide Retirement Solutions (Nationwide) your Council directs Nationwide to charge an administrative fee to each participant. For Fiscal Year 2018-19, the administrative fee is 0.19%.

#### Issue

Staff has prepared a Fiscal Year 2018-19 budget report for the six-month period that ended December 31, 2018 (Attachment A). The Fiscal Year 2018-19 Deferred Compensation Plan budget was approved by your Council on June 14, 2018 and is attached to this item (Attachment B) for reference.

Attachment A has three (3) columns for Revenue, Discretionary Expenses, and Mandatory Expenses:

1. "Approved" provides the dollar amounts that were originally approved by your Council at the June 14, 2018 meeting.
2. "Year to Date" provides the revenue and expenses received/incurred between July 1, 2018 and December 31, 2018.
3. "Projected" provides the dollar amounts that staff projects will be the year-end totals.

In addition, staff has provided the surplus or deficit numbers, both year to date and projected for the full year. Please note that the projections are estimates based primarily on the following:

- The trends for this fiscal year, such as increasing/decreasing Plan assets leading to increasing/decreasing revenues and record-keeping fees; and
- Expenses that will be incurred prior to the end of the fiscal year, such as the fiduciary liability insurance policy.

#### Recommended Action

**There are no recommended actions associated with this item.**

Item 6 - Attachment A

**County of Fresno Deferred Compensation Plan**

**Fiscal Year 2018-19 Revenue & Expenses as of December 31, 2018**

Revenue	Approved	Year to Date	Projected
Administrative Fees	\$ 202,000	\$ 117,283	\$ 211,000
<b>Totals:</b>	<b>\$ 202,000</b>	<b>\$ 117,283</b>	<b>\$ 211,000</b>

Discretionary Expenses	Approved	Year to Date	Projected
County Staff	\$ 107,000	\$ 35,260	\$ 85,000
Consultant	\$ 40,000	\$ 20,000	\$ 40,000
Fiduciary Liability Insurance	\$ 11,000	\$ -	\$ 11,000
Off-Site Training	\$ 9,000	\$ 4,198	\$ 4,800
Contingencies	\$ 35,000	\$ -	\$ -
<b>Totals:</b>	<b>\$ 202,000</b>	<b>\$ 59,457</b>	<b>\$ 140,800</b>

	Year to Date	Projected
<b>Surplus (Deficit):</b>	<b>\$ 57,826</b>	<b>\$ 70,200</b>



Mandatory Expenses	Approved	Year to Date	Projected
Record-keeping Fees	\$ 240,000	\$ 127,161	\$ 255,000

**Item 6 - Attachment B: Approved 2018-19 Fiscal Year Deferred  
Compensation Plan Budget**

**Discretionary Items**

<b>Revenue Source</b>	<b>2018-19 Budget</b>	<b>% of Revenue</b>	<b>2017-18 Budget</b>	<b>\$ Change from 2017-18</b>	<b>% Change from 2017-18</b>
Administrative Fee	\$202,000	100%	\$192,000	\$10,000	5%
<b>Total Revenue:</b>	<b>\$202,000</b>	<b>100%</b>	<b>\$192,000</b>	<b>\$10,000</b>	<b>5%</b>
<hr/>					
<b>Expense</b>	<b>2018-19 Budget</b>	<b>% of Expenses</b>	<b>2017-18 Budget</b>	<b>\$ Change from 2017-18</b>	<b>% Change from 2017-18</b>
County Staff	\$107,000	53%	\$102,000	\$5,000	5%
Consultant	\$40,000	20%	\$40,000	\$0	0%
Fiduciary Liability Insurance	\$11,000	5%	\$11,000	\$0	0%
Off-Site Training	\$9,000	4%	\$7,000	\$2,000	29%
Contingencies	\$35,000	17%	\$20,000	\$15,000	75%
<b>Total Expenses:</b>	<b>\$202,000</b>	<b>100%</b>	<b>\$192,000</b>	<b>\$10,000</b>	<b>5%</b>

**Mandatory Items**

<b>Revenue Source</b>	<b>2018-19 Budget</b>	<b>2017-18 Budget</b>	<b>\$ Change from 2017-18</b>	<b>% Change from 2017-18</b>
Nationwide Fee	\$240,000	\$230,000	\$10,000	4%
<hr/>				
<b>Expense</b>	<b>2018-19 Budget</b>	<b>2017-18 Budget</b>	<b>\$ Change from 2017-18</b>	<b>% Change from 2017-18</b>
Record-keeping	\$240,000	\$230,000	\$10,000	4%





## Inter Office Memo

DEPARTMENT OF  
HUMAN RESOURCES

### ITEM 7

DATE: March 21, 2019

TO: Deferred Compensation Management Council

FROM: Hollis Magill, Human Resources Manager

SUBJECT: Request for Proposals Subcommittee – Deferred Compensation Plan Record-keeper

#### **Background**

Nationwide Retirement Solutions (Nationwide) was approved as the Deferred Compensation Plan Record-keeper effective January 24, 2015 for a three-year term with two (2) one-year renewals. During the previous RFP process, your Council appointed members Beth Bandy and Kari Gilbert along with County staff to an RFP Subcommittee to: 1) review the evaluations provided by Northwest Capital Management (Northwest); 2) interview finalists; and 3) make a final recommendation to your Council.

#### **Issue**

As this is the final year of the current agreement with Nationwide, staff is working with Northwest and the County of Fresno Purchasing Division to solicit bids for record-keeping services. Staff is requesting that your Council appoint up to three (3) members of your Council to sit on a subcommittee along with County staff. This subcommittee will have the following responsibilities:

- Review Northwest's vendor evaluations;
- Conduct finalist interviews, if applicable; and
- Make a final recommendation to your Council.

#### **Recommended Action**

**Appoint up to three (3) members of the Deferred Management Council to a Request for Proposals (RFP) Subcommittee for the 2019 Deferred Compensation Plan Record-Keeper RFP process.**

## Item 8

# Fresno County

## Stable Value & Target Date Fund Review

March 21<sup>st</sup>, 2019

Jack Brown, CFA

SVP, U.S. CIO & Lead Portfolio Manager

Bill Thornton

Investment Director, Govt. Markets



# Stable Value Portfolio Performance & Composition

*December 31, 2018*

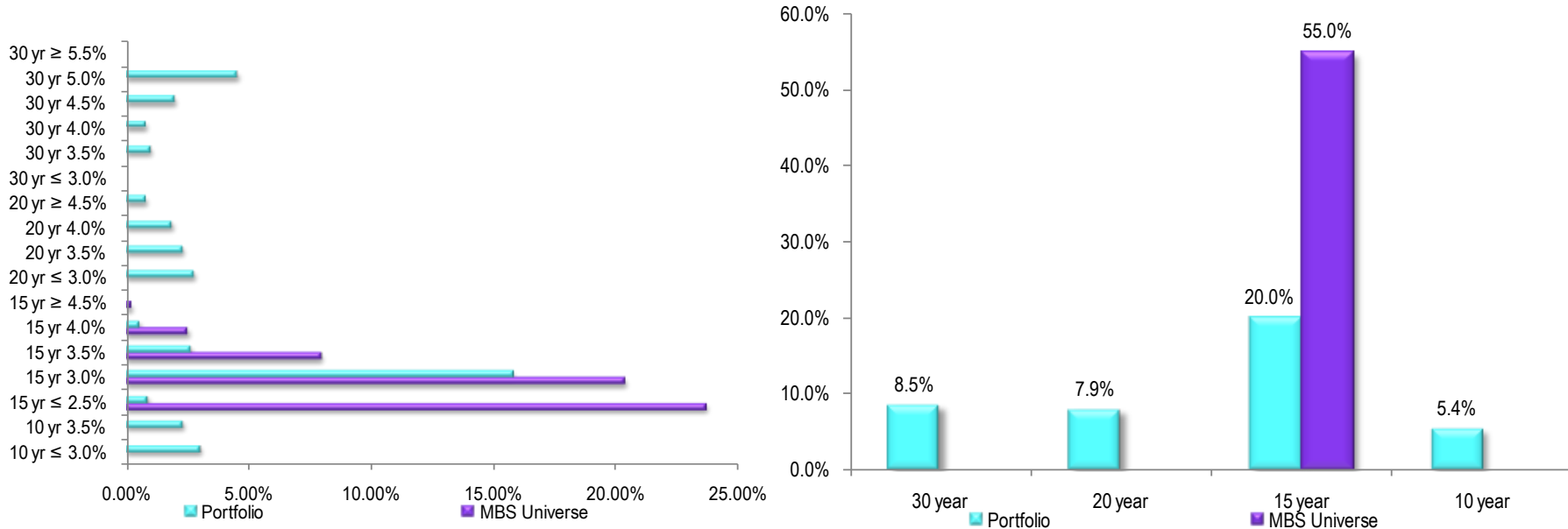
# Portfolio Composition

12/31/18	Fresno	Fresno Duration
<b>Sector Weightings:</b>		
<b>Agency</b>	<b>0.4%</b>	<b>2.9</b>
<b>MBS</b>	<b>41.8%</b>	<b>3.5</b>
30 year	8.5%	4.2
20 year	7.9%	3.9
15 year	20.0%	3.2
10 year	5.4%	2.8
<b>CMO</b>	<b>3.6%</b>	<b>3.7</b>
CMO Agency	2.2%	2.7
CMO Non-Agency	1.3%	5.2
<b>Corporate Bonds</b>	<b>34.9%</b>	<b>2.5</b>
<b>Finance</b>	<b>11.8%</b>	<b>1.9</b>
Banks	8.8%	2.0
Other	3.1%	1.7
<b>Industrial</b>	<b>21.5%</b>	<b>2.8</b>
Communication	2.6%	4.2
Consumer Cyclical	2.0%	2.9
Consumer Non Cyclical	7.4%	2.5
Energy	2.4%	2.3
Industrial	2.4%	2.8
Materials	2.0%	2.9
Technology	1.5%	2.6
Transportation	1.1%	3.4
<b>Utility</b>	<b>1.6%</b>	<b>3.2</b>
<b>CMBS</b>	<b>10.4%</b>	<b>1.7</b>
CMBS Agency	7.1%	1.6
CMBS Non-Agency	3.4%	1.9
<b>ABS</b>	<b>6.2%</b>	<b>1.9</b>
CLO	1.7%	0.3
Other	4.6%	2.5
<b>MMKT</b>	<b>2.6%</b>	<b>0.0</b>

Credit Quality	AA
Weighted Average Life	3.6
Effective Duration	2.8
Effective Convexity	-0.1
Yield To Maturity	3.20
OAS	56
Total AUM	\$61,966,189

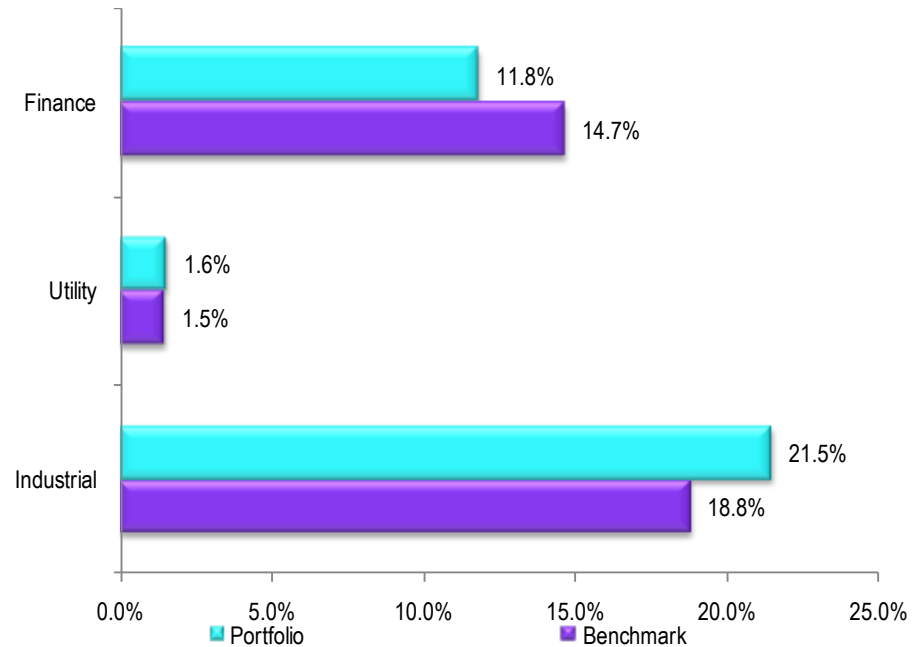
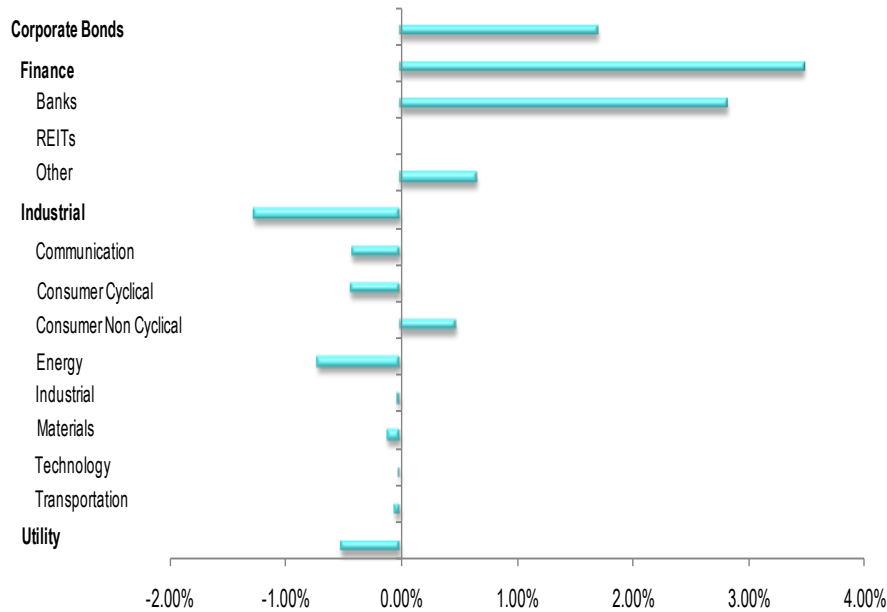
- 2018 Portfolio Composition Summary:
  - Maintained overweight allocation to spread product vs. treasuries
  - Increased allocations to corporate bonds, MMKT, and ABS vs. a decrease to CMBS, MBS, and CMO's
  - Within corporates, increased allocation to financial institutions vs. a decrease to industrials and utilities

# MBS Pass-Through: Term & Coupon



- Increased allocation to 10 year and 15 year MBS vs. a decrease to 20 and 30 year MBS
  - Expected a further flattening of the treasury curve and primarily followed originated coupons
- MBS portfolio holdings are diversified across coupons and term structures
  - MBS strategy continues to be focused on reducing duration / extension risk
- MBS holdings focus on specified pools whose underlying loan characteristics are less sensitive and/or responsive to changes in interest rates

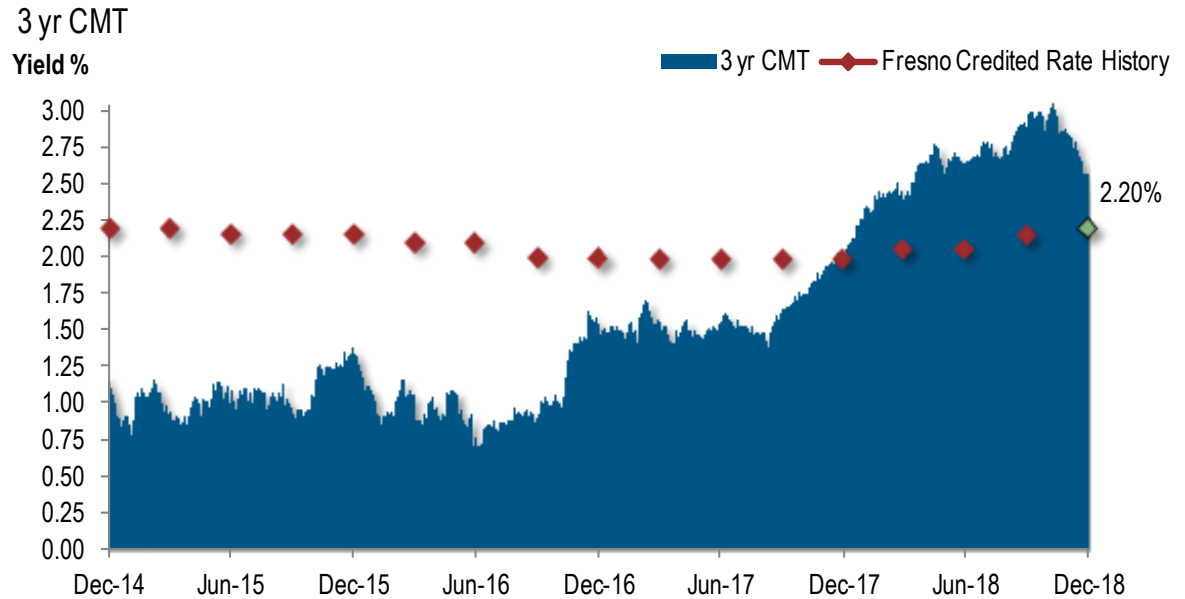
# Corporate Bonds



- Continue to be active in primary market to capture new issue discount at attractive prices and improve quality and diversification:
  - Bank of America Corp, Goldman Sachs Bank USA, Barclays Bank PLC, Comcast Corp, CVS Health Corp, Bayer US Finance II LLC, Abbvie Inc, Ei Du Pont De Nemours & Co, Halfmoon Parent Inc (Cigna), New York Life Global Funding, United Health Group
- Targeted high quality issuers in secondary market:
  - Comcast Corp, Walmart Stores Inc, Abbvie Inc, Perrigo Finance Unlimited, Sherwin Williams Co, Airgas Inc

# Credited Rate History

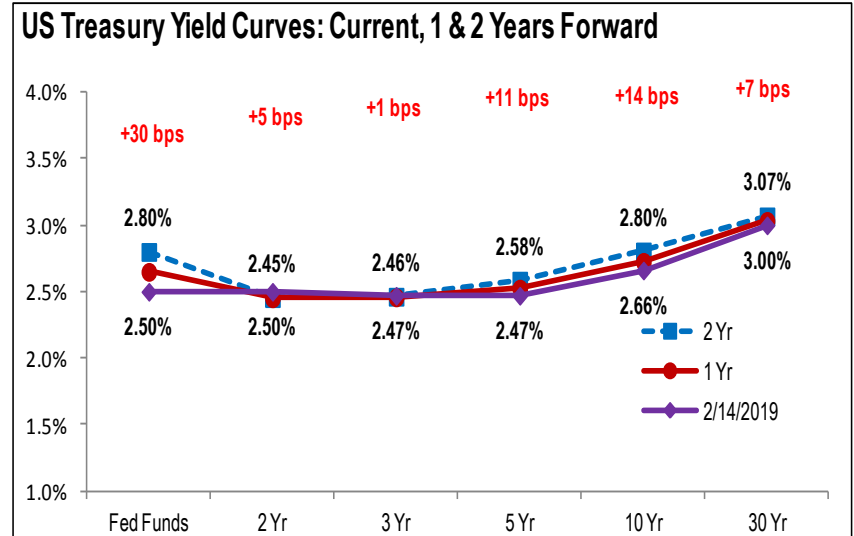
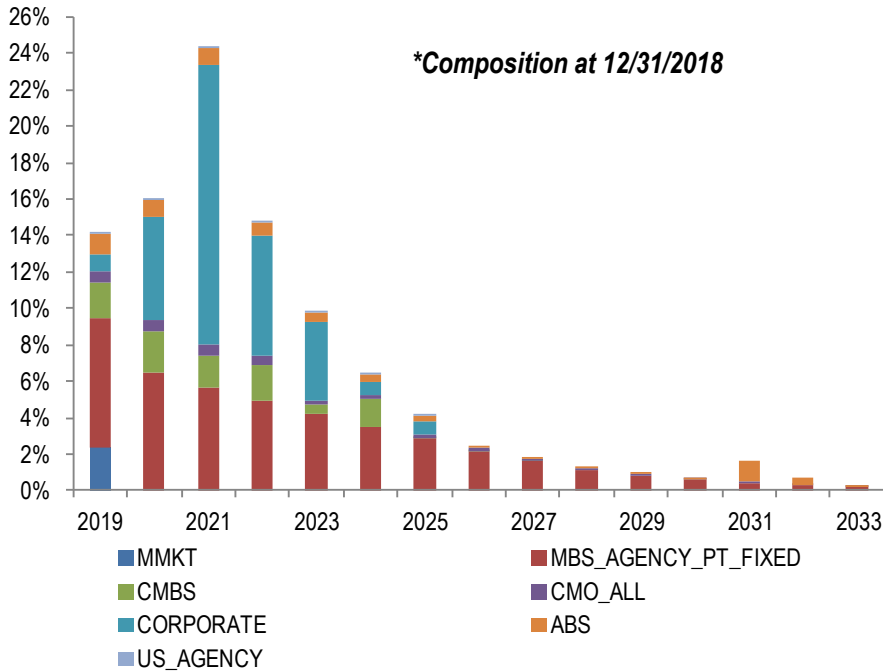
Fresno County Credited Rate History		
		2015 1Q 2.20%
		2015 2Q 2.20%
		2015 3Q 2.15%
2009 4Q	3.25%	2015 4Q 2.15%
2010 1Q	3.25%	2016 1Q 2.15%
2010 2Q	3.25%	2016 2Q 2.10%
2010 3Q	3.30%	2016 3Q 2.10%
2010 4Q	3.20%	2016 4Q 2.00%
2011 1Q	3.10%	2017 1Q 2.00%
2011 2Q	3.10%	2017 2Q 2.00%
2011 3Q	3.10%	2017 3Q 2.00%
2011 4Q	3.00%	2017 4Q 2.00%
2012 1Q	2.80%	2018 1Q 2.00%
2012 2Q	2.70%	2018 2Q 2.05%
2012 3Q	2.60%	2018 3Q 2.05%
2012 4Q	2.25%	2018 4Q 2.15%
2013 1Q	2.20%	2019 1Q 2.20%
2013 2Q	2.20%	
2013 3Q	2.10%	
2013 4Q	2.10%	
2014 1Q	2.20%	
2014 2Q	2.10%	
2014 3Q	2.20%	
2014 4Q	2.20%	



**Inception Date: 11/19/2009**  
**Book Yield (12/31): 2.69%**  
**MKT to Book (12/31): 98.2%**

# Portfolio Projected Cash Flows

Fresno County Portfolio Cash Flow Run-Off By Class



- Portfolio cash flow runoff laddered across front end of curve consistent with view on direction of short-term rates



# Stable Value Portfolio Performance & Composition

*January 31, 2019*

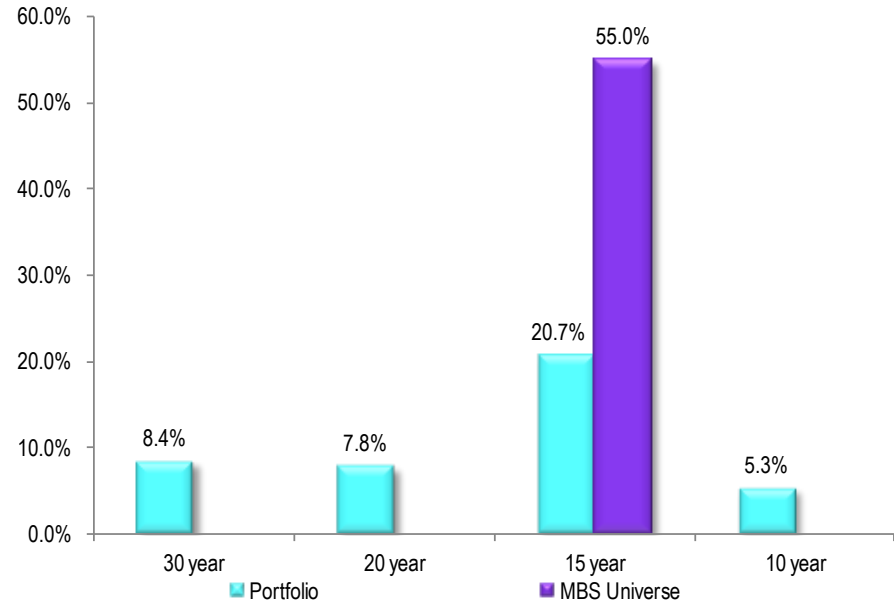
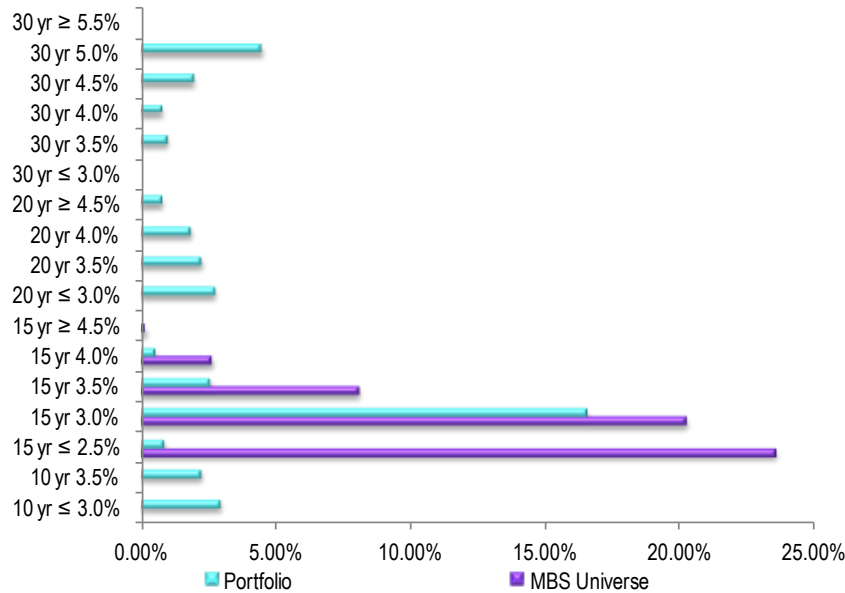
# Portfolio Composition

1/31/19	Fresno	Fresno Duration
<b>Sector Weightings:</b>		
Agency	0.4%	3.0
<b>MBS</b>	<b>42.1%</b>	<b>3.4</b>
30 year	8.4%	4.1
20 year	7.8%	3.8
15 year	20.7%	3.2
10 year	5.3%	2.7
<b>CMO</b>	<b>4.3%</b>	<b>5.6</b>
CMO Agency	3.0%	5.9
CMO Non-Agency	1.3%	5.0
<b>Corporate Bonds</b>	<b>35.6%</b>	<b>2.6</b>
<b>Finance</b>	<b>12.8%</b>	<b>2.2</b>
Banks	9.6%	2.3
Other	3.2%	2.0
<b>Industrial</b>	<b>21.2%</b>	<b>2.8</b>
Communication	2.6%	4.2
Consumer Cyclical	2.0%	2.8
Consumer Non Cyclical	7.7%	2.4
Energy	2.4%	2.2
Industrial	2.0%	2.8
Materials	2.0%	2.8
Technology	1.5%	2.6
Transportation	1.1%	3.4
<b>Utility</b>	<b>1.6%</b>	<b>3.1</b>
<b>CMBS</b>	<b>9.8%</b>	<b>1.7</b>
CMBS Agency	6.5%	1.6
CMBS Non-Agency	3.3%	1.9
<b>ABS</b>	<b>6.1%</b>	<b>1.9</b>
CLO	1.7%	0.2
Other	4.4%	2.5
<b>MMKT</b>	<b>1.6%</b>	<b>0.0</b>

Credit Quality	AA
Weighted Average Life	3.8
Effective Duration	2.9
Effective Convexity	-0.1
Yield To Maturity	3.09
OAS	51
Total AUM	\$62,400,050

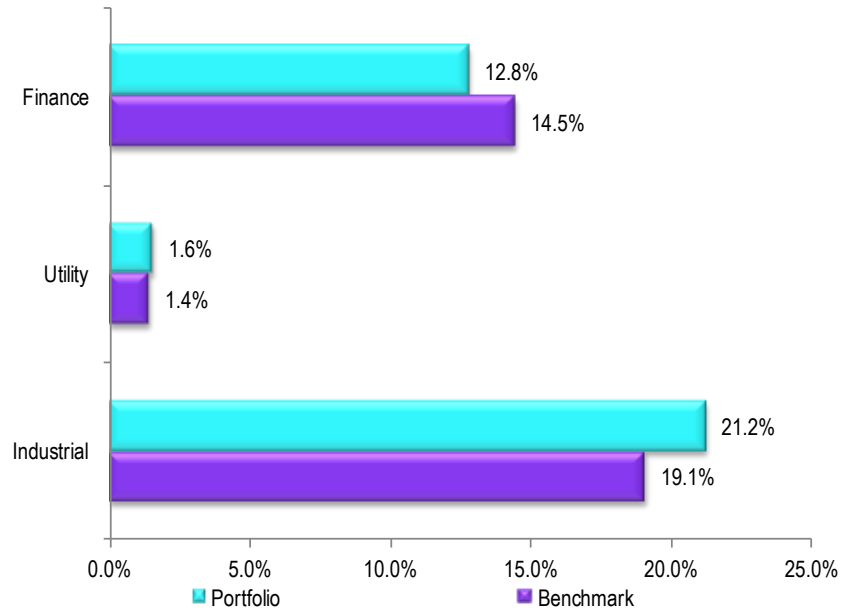
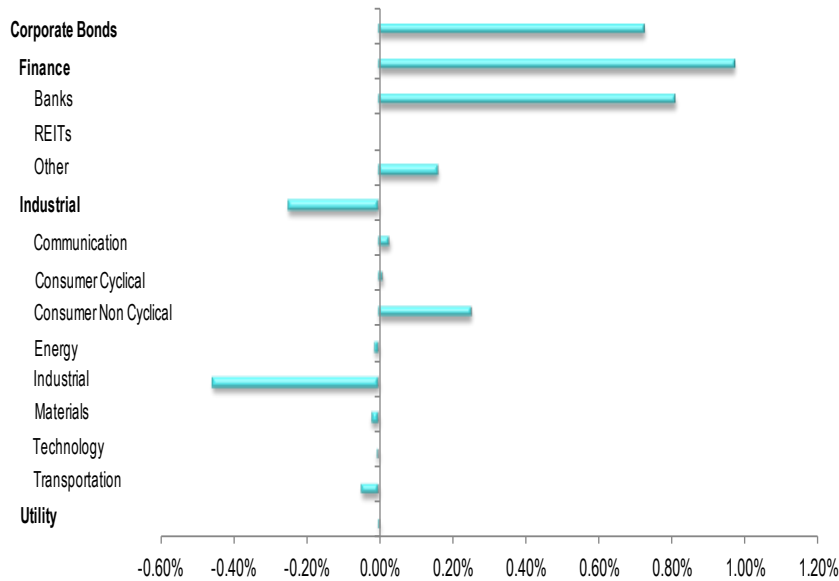
- January, 2019 Portfolio Composition Summary:
  - Maintained overweight allocation to spread product vs. treasuries
  - Increased allocations to corporate bonds and MBS vs. a decrease to CMBS and MMKT
  - Within corporates, increased allocation to financial institutions

# MBS Pass-Through: Term & Coupon



- Increased allocation to 15 year MBS vs. a decrease to 30 year MBS
- MBS portfolio holdings are diversified across coupons and term structures
  - MBS strategy continues to be focused on reducing duration / extension risk
- MBS holdings focus on specified pools whose underlying loan characteristics are less sensitive and/or responsive to changes in interest rates

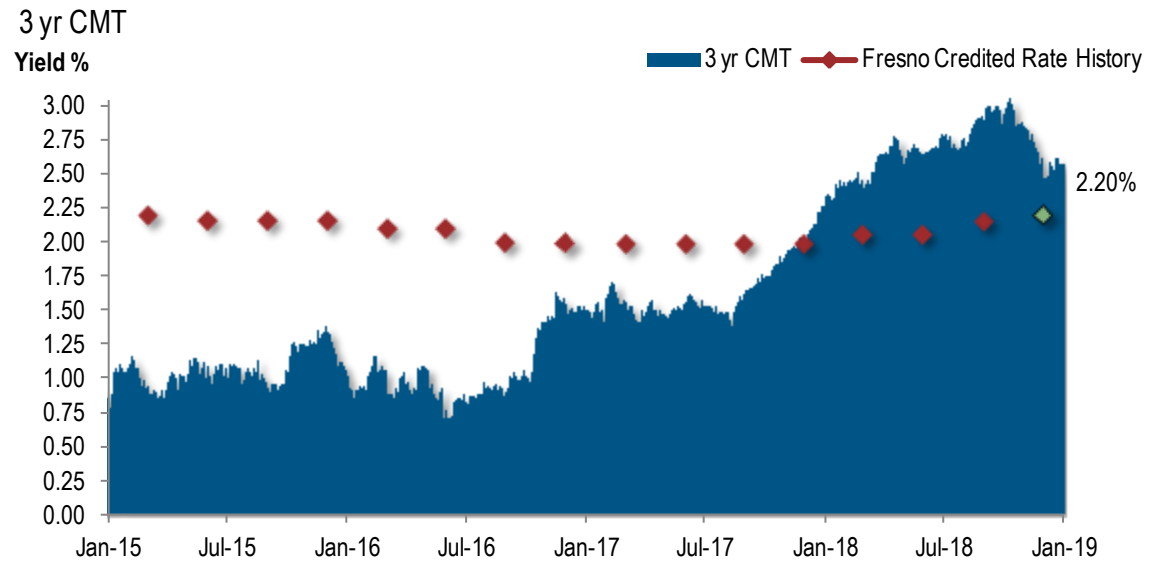
# Corporate Bonds



- Continue to be active in primary market to capture new issue discount at attractive prices and improve quality and diversification:
  - Marsh & McLennan Cos Inc, Citigroup Inc
- Targeted high quality issuers in secondary market:
  - There were no corporate securities purchased in the secondary market during the month of January

# Credited Rate History

Fresno County Credited Rate History		
		2015 1Q 2.20%
		2015 2Q 2.20%
		2015 3Q 2.15%
2009 4Q	3.25%	2015 4Q 2.15%
2010 1Q	3.25%	2016 1Q 2.15%
2010 2Q	3.25%	2016 2Q 2.10%
2010 3Q	3.30%	2016 3Q 2.10%
2010 4Q	3.20%	2016 4Q 2.00%
2011 1Q	3.10%	2017 1Q 2.00%
2011 2Q	3.10%	2017 2Q 2.00%
2011 3Q	3.10%	2017 3Q 2.00%
2011 4Q	3.00%	2017 4Q 2.00%
2012 1Q	2.80%	2018 1Q 2.00%
2012 2Q	2.70%	2018 2Q 2.05%
2012 3Q	2.60%	2018 3Q 2.05%
2012 4Q	2.25%	2018 4Q 2.15%
2013 1Q	2.20%	2019 1Q 2.20%
2013 2Q	2.20%	
2013 3Q	2.10%	
2013 4Q	2.10%	
2014 1Q	2.20%	
2014 2Q	2.10%	
2014 3Q	2.20%	
2014 4Q	2.20%	



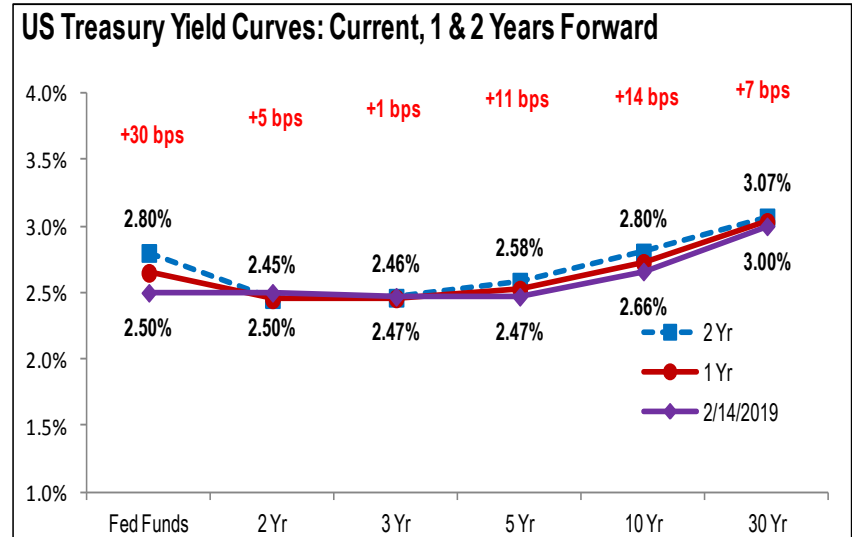
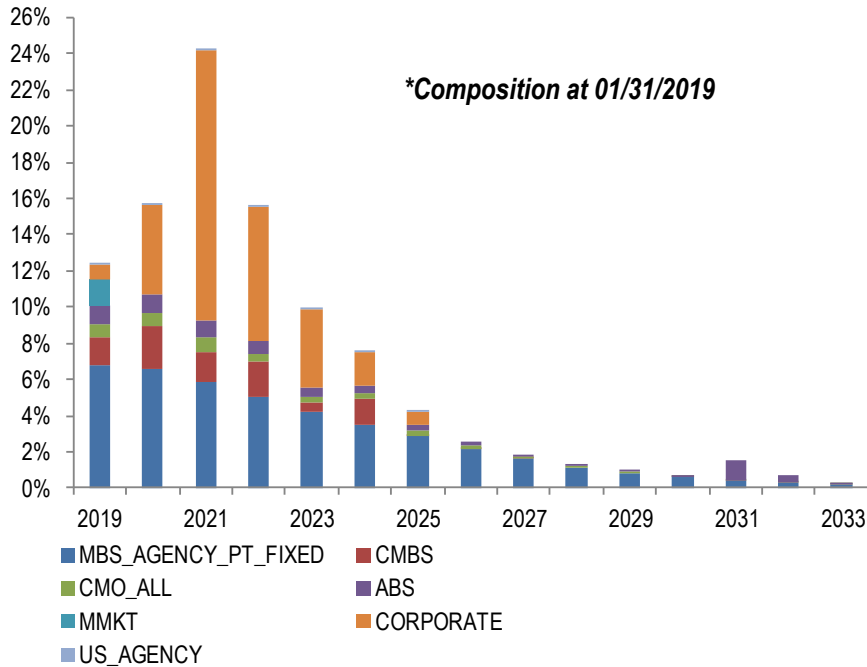
**Inception Date: 11/19/2009**

**Book Yield (1/31): 2.75%**

**MKT to Book (1/31): 98.7%**

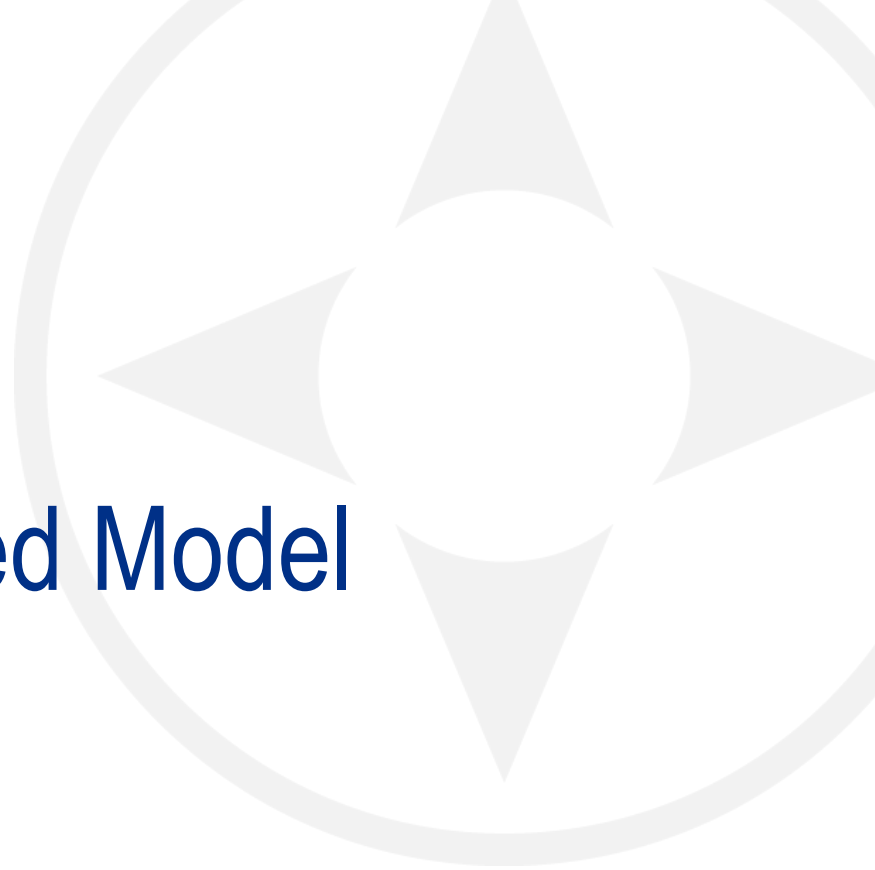
# Portfolio Projected Cash Flows

Fresno County Portfolio Cash Flow Run-Off By Class



- Portfolio cash flow runoff laddered across front end of curve consistent with view on direction of short-term rates

# Stable Value Proposed Model Portfolio Comparison



# Current vs. Model Portfolio

1/31/2019	Fresno	Fresno Duration	Model Portfolio	Model Portfolio
<b>Sector Weightings:</b>				
<b>Agency</b>	<b>0.4%</b>	<b>3.0</b>	<b>0.0%</b>	<b>0.0</b>
<b>MBS</b>	<b>42.1%</b>	<b>3.4</b>	<b>36.3%</b>	<b>3.4</b>
30 year	8.4%	4.1	5.7%	4.0
20 year	7.8%	3.8	5.4%	3.8
15 year	20.7%	3.2	22.2%	3.2
10 year	5.3%	2.7	3.0%	2.7
<b>CMO</b>	<b>4.3%</b>	<b>5.6</b>	<b>4.3%</b>	<b>5.6</b>
CMO Agency	3.0%	5.9	3.0%	5.9
CMO Non-Agency	1.3%	5.0	1.3%	5.0
<b>Corporate Bonds</b>	<b>35.6%</b>	<b>2.6</b>	<b>49.5%</b>	<b>2.7</b>
<b>Finance</b>	<b>12.8%</b>	<b>2.2</b>	<b>18.4%</b>	<b>2.5</b>
Banks	9.6%	2.3	13.4%	2.5
REITs	0.0%	0.0	1.0%	3.1
Other	3.2%	2.0	4.0%	2.2
<b>Industrial</b>	<b>21.2%</b>	<b>2.8</b>	<b>29.4%</b>	<b>2.9</b>
Communication	2.6%	4.2	2.8%	4.2
Consumer Cyclical	2.0%	2.8	2.9%	3.0
Consumer Non Cyclical	7.7%	2.4	9.9%	2.3
Energy	2.4%	2.2	4.7%	2.8
Industrial	2.0%	2.8	2.2%	2.8
Materials	2.0%	2.8	2.7%	3.0
Technology	1.5%	2.6	2.5%	3.1
Transportation	1.1%	3.4	1.6%	3.2
<b>Utility</b>	<b>1.6%</b>	<b>3.1</b>	<b>1.8%</b>	<b>3.0</b>
<b>CMBS</b>	<b>9.8%</b>	<b>1.7</b>	<b>3.8%</b>	<b>2.0</b>
CMBS Agency	6.5%	1.6	0.5%	3.2
CMBS Non-Agency	3.3%	1.9	3.3%	1.9
<b>ABS</b>	<b>6.1%</b>	<b>1.9</b>	<b>6.1%</b>	<b>1.9</b>
CLO	1.7%	0.2	1.7%	0.2
Other	4.4%	2.5	4.4%	2.5
<b>MMKT</b>	<b>1.6%</b>	<b>0.0</b>	<b>0.0%</b>	<b>0.0</b>

1/31/19	Fresno	Model Portfolio
<b>Credit Quality</b>	AA	AA
<b>Weighted Average Life</b>	3.8	3.7
<b>Effective Duration</b>	2.9	3.0
<b>Effective Convexity</b>	-0.1	-0.1
<b>Yield To Maturity</b>	3.09	3.10
<b>OAS</b>	51	60
<b>Total AUM</b>	\$62,400,050	\$62,400,050

- Portfolio structured to focus on preservation of capital, maintain ample liquidity and produce competitive yields relative to the benchmark
  - AA average credit quality
  - High overall liquidity
- Allocations to both Investment Grade corporate bonds and Securitized Products (MBS, CMBS, ABS) allow for greater portfolio management flexibility, a wider investable universe and better risk diversification
  - Allows active management of both interest rate risk and credit risk across multiple market cycles
  - More relative value opportunities available to portfolio management team
- Current corporate bond sector allocations reflect a slightly defensive posture given latter stages of the business cycle
- MBS useful for portfolio construction as the asset class provides natural liquidity through monthly pay downs which can be reinvested at current market rates
  - MBS allocations within the portfolio contain minimal extension (duration) risk and have less negative convexity compared to the benchmark



# Stable Value IPS Comparison



## Fresno County Stable Value Fund IPS Comparison

February 13, 2019

### Fund Allocation

	Min Allowed		Max Allowed		
	Current	Sample "CORE" IPS	Current	Sample "CORE" IPS	
Asset Backed Securities	0%	0%	50%	20%	*A maximum of 20% of the account assets may be invested in non-agency Asset-Backed Securities, Mortgage-Backed Securities, and Commercial Mortgage-Backed Securities
Mortgage Backed Securities	0%	0%	50%	20%	*A maximum of 20% of the account assets may be invested in non-agency Asset-Backed Securities, Mortgage-Backed Securities, and Commercial Mortgage-Backed Securities
Commercial Mortgage Backed Securities	0%	0%	50%	20%	*A maximum of 20% of the account assets may be invested in non-agency Asset-Backed Securities, Mortgage-Backed Securities, and Commercial Mortgage-Backed Securities
Corporates	0%	0%	50%	50%	
GICs	NA	NA	NA	NA	
U.S. Government	50%	0%	100%	100%	
Cash, Short Term & Other	0%	0%	NA	NA	* Neither the current or sample IPS specifies a maximum allocation to cash. For further information, please see the 5 year summary tab that includes historic data for Fresno County.
Effective Duration	0	0	4	4	*Duration will typically be 4 years or shorter
Weighted Average Credit Quality	AA	A-	AAA	AAA	

### Credit Quality

	Min Allowed		Max Allowed		
	Current	Sample "CORE" IPS	Current	Sample "CORE" IPS	
AAA	0%	NA	NA	NA	* Neither the current or sample IPS states specific amounts that are to be held in various levels of credit quality. Both the current and sample IPS' do state that a maximum of 10% may be held in BBB securities. For further information, please see the 5 year summary tab that includes historic data for Fresno County.
AA	0%	NA	NA	NA	
A	0%	NA	25%	NA	
BBB	0%	0%	10%	10%	
Credit Rating at Purchase	BBB-	BBB-	AAA	AAA	
Weighting in Single Issuer	0%	0%	2%	2%	

### Maturity

	Min Allowed		Max Allowed		
	Current	Sample "CORE" IPS	Current	Sample "CORE" IPS	
1-3 Yr	NA	NA	NA	NA	* Neither the current or sample IPS states specific amounts that are to be held in various maturity ranges. For further information, please see the 5 year summary tab that includes historic data for Fresno County.
3-5 Yr	NA	NA	NA	NA	
5-7 Yr	NA	NA	NA	NA	
7-10 Yr	NA	NA	NA	NA	
10-20 Yr	NA	NA	NA	NA	
>20 Yr	NA	NA	NA	NA	

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# Target Date Fund Review



# Great-West Lifetime Trusts



Period Ended 12/31/2018

**Funds:** ● The Great-West Lifetime Trusts, offered by Great-West Trust Company, LLC (Great-West Trust) consists of nine lifetime asset allocation funds (Great-West Lifetime 2015, 2020, 2025, 2030, 2035, 2040, 2045, 2050, 2055 Trusts). Each of the funds is a "fund-of-funds" that invests in the shares of mutual funds and other collective investment trusts.

**Type:** ● The Great-West Lifetime Trusts are designed to adjust asset allocation over time, generally becoming more conservative as the retirement transition date approaches.

**Strategy:** ● Each fund of the Great-West Lifetime Trusts provides a dynamic asset allocation and underlying investment selection investment strategy based on methodologies designed to primarily optimize risk-appropriate capital growth strategies prior to the designated transition year and primarily longevity-driven capital appreciation and inflation-protected income thereafter.

**Example:**

	Lifetime 2015 Trust	Lifetime 2025 Trust	Lifetime 2035 Trust	Lifetime 2045 Trust	Lifetime 2055 Trust
Asset Class	Allocation	Allocation	Allocation	Allocation	Allocation
Equity	40%	60%	70%	80%	90%
Fixed Income	60%	40%	30%	20%	10%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

**Composition:** ● The asset classes prescribed by the glide path may vary for each Great-West Lifetime Trust investment option. Therefore, the mix of underlying funds in each Great-West Lifetime Trust option may vary.

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Target Date Performance  
Returns as of February 28, 2019



<b>Name</b>	<b>Net Expense Ratio</b>	<b>YTD</b>	<b>YTD %ile Ranking</b>	<b>1 Year</b>	<b>1 Year %ile Ranking</b>	<b>3 Year</b>	<b>3 Year %ile Ranking</b>
Great-West Lifetime 2015 Trust	0.43	5.88	25	2.60	17	8.10	17
US Fund Target-Date 2015	0.73	5.47		1.82		7.12	
Morningstar Lifetime Mod 2015		5.82		2.87		7.32	
<i>Great-West Lifetime 2020 Trust</i>	<i>0.43</i>	<i>6.56</i>	<i>26</i>	<i>2.78</i>	<i>11</i>	<i>-</i>	
<i>US Fund Target-Date 2020</i>	<i>0.78</i>	<i>5.95</i>		<i>1.59</i>		<i>7.59</i>	
<i>Morningstar Lifetime Mod 2020</i>		<i>6.46</i>		<i>2.81</i>		<i>8.13</i>	
Great-West Lifetime 2025 Trust	0.43	7.36	29	2.75	7	9.98	14
US Fund Target-Date 2025	0.77	6.96		1.44		8.80	
Morningstar Lifetime Mod 2025		7.30		2.69		9.24	
<i>Great-West Lifetime 2030 Trust</i>	<i>0.44</i>	<i>8.36</i>	<i>37</i>	<i>2.72</i>	<i>4</i>	<i>-</i>	
<i>US Fund Target-Date 2030</i>	<i>0.80</i>	<i>7.96</i>		<i>1.22</i>		<i>9.81</i>	
<i>Morningstar Lifetime Mod 2030</i>		<i>8.39</i>		<i>2.48</i>		<i>10.57</i>	
Great-West Lifetime 2035 Trust	0.44	9.48	29	2.63	5	12.29	10
US Fund Target-Date 2035	0.78	8.97		1.02		10.86	
Morningstar Lifetime Mod 2035		9.52		2.16		11.78	
<i>Great-West Lifetime 2040 Trust</i>	<i>0.44</i>	<i>10.22</i>	<i>30</i>	<i>2.37</i>	<i>8</i>	<i>-</i>	
<i>US Fund Target-Date 2040</i>	<i>0.81</i>	<i>9.66</i>		<i>0.83</i>		<i>11.35</i>	
<i>Morningstar Lifetime Mod 2040</i>		<i>10.38</i>		<i>1.83</i>		<i>12.56</i>	
Great-West Lifetime 2045 Trust	0.44	10.64	23	2.19	8	13.20	1
US Fund Target-Date 2045	0.79	10.20		0.72		11.88	
Morningstar Lifetime Mod 2045		10.81		1.58		12.87	
<i>Great-West Lifetime 2050 Trust</i>	<i>0.44</i>	<i>10.77</i>	<i>22</i>	<i>2.05</i>	<i>12</i>	<i>-</i>	
<i>US Fund Target-Date 2050</i>	<i>0.82</i>	<i>10.35</i>		<i>0.63</i>		<i>11.87</i>	
<i>Morningstar Lifetime Mod 2050</i>		<i>10.93</i>		<i>1.41</i>		<i>12.94</i>	
Great-West Lifetime 2055 Trust	0.44	10.84	26	1.89	12	13.27	2
US Fund Target-Date 2055	0.79	10.51		0.61		12.11	
Morningstar Lifetime Mod 2055		10.95		1.27		12.95	

Funds in italics to be added to the Fresno County plan in the future.

# **Great-West Lifetime Trusts**

## **Asset Class Ranges**

Each of the Great-West Lifetime Trusts' asset allocations adjust from more aggressive to conservative over time. More aggressive Great-West Lifetime Trusts are weighted toward equities while more conservative funds are weighted towards fixed income investments.

The Great-West Lifetime Trusts will always be invested within the ranges below:

	<b>Equity</b>	<b>Fixed Income</b>
<b>Great-West Lifetime 2015 Trust</b>	<b>35-55%</b>	<b>45-65%</b>
<b>Great-West Lifetime 2020 Trust</b>	<b>40-60%</b>	<b>40-60%</b>
<b>Great-West Lifetime 2025 Trust</b>	<b>50-70%</b>	<b>30-50%</b>
<b>Great-West Lifetime 2030 Trust</b>	<b>60-80%</b>	<b>20-40%</b>
<b>Great-West Lifetime 2035 Trust</b>	<b>75-95%</b>	<b>5-25%</b>
<b>Great-West Lifetime 2040 Trust</b>	<b>80-98%</b>	<b>2-20%</b>
<b>Great-West Lifetime 2045 Trust</b>	<b>80-98%</b>	<b>2-20%</b>
<b>Great-West Lifetime 2050 Trust</b>	<b>80-98%</b>	<b>2-20%</b>
<b>Great-West Lifetime 2055 Trust</b>	<b>80-98%</b>	<b>2-20%</b>

Asset allocations (within these ranges) are set on an annual basis and rebalanced back to target allocations quarterly.

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# Great-West Lifetime Trusts

## Current Allocations:

Great-West Lifetime Trusts	2015	2020	2025	2030	2035	2040	2045	2050	2055
<b>International</b>	<b>9.74%</b>	<b>11.36%</b>	<b>13.56%</b>	<b>16.48%</b>	<b>19.60%</b>	<b>22.12%</b>	<b>23.60%</b>	<b>24.26%</b>	<b>24.67%</b>
MFS International Growth CIT	2.19%	2.56%	3.05%	3.71%	4.41%	4.98%	5.31%	5.46%	5.55%
MFS International Value CIT	2.68%	3.12%	3.73%	4.53%	5.39%	6.08%	6.49%	6.67%	6.78%
SSGA International Index SL Fund Class I	4.87%	5.68%	6.78%	8.24%	9.80%	11.06%	11.80%	12.13%	12.34%
<b>Alternative International</b>	<b>3.74%</b>	<b>4.44%</b>	<b>5.41%</b>	<b>6.71%</b>	<b>8.19%</b>	<b>9.55%</b>	<b>10.63%</b>	<b>11.43%</b>	<b>12.18%</b>
DFA Emerging Markets I	1.41%	1.73%	2.19%	2.81%	3.52%	4.17%	4.68%	5.05%	5.39%
SSGA Emerging Markets Index NL Fund Class A	1.41%	1.73%	2.19%	2.81%	3.52%	4.17%	4.68%	5.05%	5.39%
Invesco Equity Global Real Estate Secs. Trust	0.92%	0.98%	1.03%	1.09%	1.15%	1.21%	1.27%	1.33%	1.40%
<b>Alternative</b>	<b>3.28%</b>	<b>3.31%</b>	<b>3.33%</b>	<b>3.36%</b>	<b>3.38%</b>	<b>3.41%</b>	<b>3.43%</b>	<b>3.45%</b>	<b>3.47%</b>
Invesco Equity Real Estate Securities Trust	3.28%	3.31%	3.33%	3.36%	3.38%	3.41%	3.43%	3.45%	3.47%
<b>Small Cap</b>	<b>3.42%</b>	<b>4.18%</b>	<b>5.19%</b>	<b>6.55%</b>	<b>8.04%</b>	<b>9.34%</b>	<b>10.22%</b>	<b>10.77%</b>	<b>11.18%</b>
Janus Triton N	0.79%	0.96%	1.19%	1.51%	1.85%	2.15%	2.35%	2.48%	2.57%
DFA US Targeted Value I	0.92%	1.13%	1.40%	1.77%	2.17%	2.52%	2.76%	2.91%	3.02%
SSGA Russell Small Cap® Index LS Fund Class I	1.71%	2.09%	2.60%	3.27%	4.02%	4.67%	5.11%	5.38%	5.59%
<b>Mid Cap</b>	<b>7.12%</b>	<b>7.90%</b>	<b>9.00%</b>	<b>10.42%</b>	<b>11.84%</b>	<b>12.75%</b>	<b>13.00%</b>	<b>12.77%</b>	<b>12.42%</b>
Neuberger Berman Mid Growth R6	1.64%	1.82%	2.07%	2.40%	2.72%	2.93%	2.99%	2.94%	2.86%
American Century US Mid-Cap Value Equity CIT	1.92%	2.13%	2.43%	2.81%	3.20%	3.44%	3.51%	3.45%	3.35%
SSGA S&P MidCap® Index SL Fund Class I	3.56%	3.95%	4.50%	5.21%	5.92%	6.38%	6.50%	6.38%	6.21%
<b>Large Cap</b>	<b>16.63%</b>	<b>18.44%</b>	<b>20.98%</b>	<b>24.30%</b>	<b>27.63%</b>	<b>29.78%</b>	<b>30.35%</b>	<b>29.78%</b>	<b>28.97%</b>
JP Morgan Large Cap Growth CIT	1.91%	2.12%	2.41%	2.80%	3.18%	3.42%	3.49%	3.43%	3.33%
Pioneer Concentrated Growth CIT	1.91%	2.12%	2.41%	2.80%	3.18%	3.42%	3.49%	3.43%	3.33%
American Funds American Mutual R6**	4.49%	4.98%	5.67%	6.57%	7.46%	8.03%	8.19%	8.04%	7.82%
SSGA S&P 500® Index SL Fund Class I	8.32%	9.22%	10.49%	12.13%	13.81%	14.91%	15.18%	14.88%	14.49%
<b>Bond</b>	<b>56.07%</b>	<b>50.37%</b>	<b>42.53%</b>	<b>32.18%</b>	<b>21.32%</b>	<b>13.05%</b>	<b>8.77%</b>	<b>7.54%</b>	<b>7.11%</b>
EB International Bond Fund	5.49%	5.31%	4.81%	3.88%	2.73%	1.77%	1.26%	1.13%	1.12%
JPMCB High Yield Fund	4.11%	4.06%	3.74%	3.06%	2.17%	1.42%	1.01%	0.90%	0.84%
American Century Inflation-Adjs Bond R6	11.88%	8.97%	6.17%	3.62%	1.72%	0.64%	0.16%	0.00%	0.00%
JPMCB Core Bond	5.87%	6.05%	5.76%	4.84%	3.52%	2.34%	1.70%	1.52%	1.42%
Loomis Sayles Bond CIT	3.91%	4.03%	3.84%	3.23%	2.35%	1.56%	1.13%	1.01%	0.95%
American Century Short Duration R6	10.58%	8.48%	6.30%	4.13%	2.32%	1.17%	0.62%	0.45%	0.42%
Federated Prime Cash Collective Investment Fund R6	4.45%	3.36%	2.31%	1.36%	0.64%	0.24%	0.06%	0.00%	0.00%
SSGA U.S. Bond Index SL Fund Class I	9.78%	10.11%	9.60%	8.06%	5.87%	3.91%	2.83%	2.53%	2.36%

Holdings and compositions of holdings are subject to change.

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# Great-West Lifetime Trusts

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Generally, the results shown, prior to each Trust's inception, represent simulated historical performance returns based on the actual performance of the underlying funds in which the Great-West Trusts invest, adjusted for applicable operating expenses and fees of the underlying funds in which the Trusts invest.

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**Target Date 2015 - Lifetime GIPS Presentation**

As of December 31, 2018

**Benchmark:** Morningstar Lifetime Mod 2015 TR

Target Date 2015 - Lifetime Composite

Year	Composite Gross % Return	Composite Net % Return	Benchmark % Return	Composite 3-Yr % Std Dev	Benchmark 3-Yr % Std Dev	Number of Accounts	Internal Dispersion (Gross %)	Composite Assets (\$ M)	Firm Assets (\$ M)
2012	12.12	11.90	11.49	--	--	3	--	755	17,047
2013	9.57	8.94	10.50	--	--	3	--	978	21,164
2014	6.97	5.98	5.55	5.59	5.74	3	--	1,099	22,808
2015	-0.36	-1.24	-1.73	5.51	5.45	5	--	1,111	25,788
2016	8.37	7.42	7.10	5.43	5.44	3	--	1,094	28,524
2017	12.07	11.05	11.39	4.80	4.81	3	--	1,128	32,639
2018	-3.48	-4.33	-3.54	5.18	4.96	3	--	945	29,978

Great-West Capital Management, LLC ("GWCM" or the "Firm") claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. GWCM has been independently verified for the periods January 1, 2012 through December 31, 2017. The verification report is available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

GWCM is a Colorado limited liability company and Registered Investment Adviser, primarily providing investment advice to Investment Companies, Pooled Accounts, State and Municipal Government Entities, Pension and Profit Sharing Plans and Insurance Companies.

The Target Date 2015 Lifetime Composite (the "Composite") invests in a professionally selected mix of Underlying Funds that is tailored for investors planning to retire in (or otherwise begin using the invested funds on), or close to, 2015. The Composite currently invests 35-55% of its net assets in Underlying Funds that invest primarily in equity securities and 45-65% of its net assets in Underlying Funds that invest primarily in fixed income securities. The Composite was created on 07/01/2017. The Composite is comprised of all discretionary accounts managed by GWCM in this investment style.

The Morningstar Lifetime Allocation Index Family is a broadly diversified index that helps investors mitigate the challenges related to rising life expectancies, evolving risk appetites, inflation in major retirement expense categories, and postretirement income investing. The index family is designed to meet the benchmarking needs of target-date investors by offering an objective yardstick for performance comparison. Conceptually, the Morningstar Lifetime Allocation Index family are indexes of indexes. The index measures the performance of a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a US investor who intends to retire in the year 2015. The Moderate risk profile is for investors who are comfortable with average exposure to equity market volatility.

The Composite gross-of-fee returns reflect the reinvestment of income and the impact of transaction costs, but do not include the deduction of investment advisory fees or administration fees. Composite net-of-fee returns are calculated by deducting actual investment advisory fees and administration fees from each account's gross-of-fee returns. The maximum fee charged to an account in the composite is equal to an annual rate of 0.72% of the average daily net assets of the account. Actual fees may vary depending on, among other things, the applicable fee schedule and account size. Therefore, the actual performance of all the accounts in the composite on a net-of-fees basis may be different, and may be higher or lower, than the composite performance. However, such performance is intended to provide the most appropriate example of the impact management fees would have by applying management fees relevant to a separate account prospect to the gross of fee performance of the composite. While actual accounts incur transaction costs, pay investment advisory fees and administration fees, the benchmark index is shown without the impact of such charges.

The minimum asset level for including an account in the composite is \$15 million in order to fully manage the account to the investment strategy.

Internal Dispersion is represented by the equal-weighted standard deviation of full-period gross-of-fee returns of the accounts that were included in the composite for the entire period. Internal Dispersion is not presented for periods when less than six accounts were included in the composite for the full period. Three-year annualized Ex-post Standard Deviation of monthly returns is calculated using gross returns and is not applicable until the Composite reaches 3 years.

GWCM's composite descriptions and policies for valuing accounts, calculating performance and preparing compliant presentations are available upon request. All data are in U.S. dollars. The performance data quoted represents past performance, which does not guarantee future results. Returns for periods less than a full year are not annualized. Number of accounts represents the number of accounts in the composite at the end of the period.

**Target Date 2020 - Lifetime GIPS Presentation**

As of December 31, 2018

**Benchmark:** Morningstar Lifetime Mod 2020 TR

## Target Date 2020 - Lifetime Composite

Year	Composite Gross % Return	Composite Net % Return	Benchmark % Return	Composite 3-Yr % Std Dev	Benchmark 3-Yr % Std Dev	Number of Accounts	Internal Dispersion (Gross %)	Composite Assets (\$ M)	Firm Assets (\$ M)
2015	-3.16	-3.21	-1.88	--	--	1	--	12	25,788
2016	7.36	7.13	7.66	--	--	3	--	37	28,524
2017	13.17	12.51	12.79	--	--	3	--	165	32,639
2018	-4.09	-4.76	-4.16	5.94	5.58	3	--	248	29,978

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The Target Date 2020 - Lifetime Composite (the "Composite") invests in a professionally selected mix of Underlying Funds that is tailored for investors planning to retire in (or otherwise begin using the invested funds on), or close to, 2020. The Composite currently invests 40-60% of its net assets in Underlying Funds that invest primarily in equity securities and 40-60% of its net assets in Underlying Funds that invest primarily in fixed income securities. The Composite was created on 07/01/2017. The Composite is comprised of all discretionary accounts managed by GWCM in this investment style.

The Morningstar Lifetime Allocation Index Family is a broadly diversified index that helps investors mitigate the challenges related to rising life expectancies, evolving risk appetites, inflation in major retirement expense categories, and postretirement income investing. The index family is designed to meet the benchmarking needs of target-date investors by offering an objective yardstick for performance comparison. Conceptually, the Morningstar Lifetime Allocation Index family are indexes of indexes. The index measures the performance of a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a US investor who intends to retire in the year 2020. The Moderate risk profile is for investors who are comfortable with average exposure to equity market volatility.

The Composite gross-of-fee returns reflect the reinvestment of income and the impact of transaction costs, but do not include the deduction of investment advisory fees or administration fees. Composite net-of-fee returns are calculated by deducting actual investment advisory fees and administration fees from each account's gross-of-fee returns. The maximum fee charged to an account in the composite is equal to an annual rate of 0.72% of the average daily net assets of the account. Actual fees may vary depending on, among other things, the applicable fee schedule and account size. Therefore, the actual performance of all the accounts in the composite on a net-of-fees basis may be different, and may be higher or lower, than the composite performance. However, such performance is intended to provide the most appropriate example of the impact management fees would have by applying management fees relevant to a separate account prospect to the gross of fee performance of the composite. While actual accounts incur transaction costs, pay investment advisory fees and administration fees, the benchmark index is shown without the impact of such charges.

The minimum asset level for including an account in the composite is \$15 million in order to fully manage the account to the investment strategy.

Internal Dispersion is represented by the equal-weighted standard deviation of full-period gross-of-fee returns of the accounts that were included in the composite for the entire period. Internal Dispersion is not presented for periods when less than six accounts were included in the composite for the full period. Three-year annualized Ex-post Standard Deviation of monthly returns is calculated using gross returns and is not applicable until the Composite reaches 3 years.

GWCM's composite descriptions and policies for valuing accounts, calculating performance and preparing compliant presentations are available upon request. All data are in U.S. dollars. The performance data quoted represents past performance, which does not guarantee future results. Returns for periods less than a full year are not annualized. Number of accounts represents the number of accounts in the composite at the end of the period.

The first account came to this composite in August 2015. Returns are not annualized for 2015. The three-year annualized standard deviation is not presented as of December 31, 2017 because the composite does not yet have 36 monthly returns as of this date.

**Target Date 2025 - Lifetime GIPS Presentation**

As of December 31, 2018

**Benchmark:** Morningstar Lifetime Mod 2025 TR

Target Date 2025 - Lifetime Composite

Year	Composite Gross % Return	Composite Net % Return	Benchmark % Return	Composite 3-Yr % Std Dev	Benchmark 3-Yr % Std Dev	Number of Accounts	Internal Dispersion (Gross %)	Composite Assets (\$ M)	Firm Assets (\$ M)
2012	14.15	13.92	13.67	--	--	3	--	1,013	17,047
2013	15.29	14.60	16.28	--	--	3	--	1,497	21,164
2014	7.27	6.23	6.04	7.15	7.42	3	--	1,796	22,808
2015	-0.58	-1.49	-2.06	6.91	7.09	5	--	1,919	25,788
2016	9.43	8.46	8.39	6.91	7.11	3	--	1,973	28,524
2017	15.15	14.12	14.54	6.13	6.35	3	--	2,148	32,639
2018	-4.81	-5.61	-4.90	6.63	6.42	3	--	1,880	29,978

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The Target Date 2025 - Lifetime Composite (the "Composite") invests in a professionally selected mix of Underlying Funds that is tailored for investors planning to retire in (or otherwise begin using the invested funds on), or close to, 2025. The Composite currently invests 50-70% of its net assets in Underlying Funds that invest primarily in equity securities and 30-50% of its net assets in Underlying Funds that invest primarily in fixed income securities. The Composite was created on 07/01/2017. The Composite is comprised of all discretionary accounts managed by GWCM in this investment style.

The Morningstar Lifetime Allocation Index Family is a broadly diversified index that helps investors mitigate the challenges related to rising life expectancies, evolving risk appetites, inflation in major retirement expense categories, and postretirement income investing. The index family is designed to meet the benchmarking needs of target-date investors by offering an objective yardstick for performance comparison. Conceptually, the Morningstar Lifetime Allocation Index family are indexes of indexes. The index measures the performance of a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a US investor who intends to retire in the year 2025. The Moderate risk profile is for investors who are comfortable with average exposure to equity market volatility.

The Composite gross-of-fee returns reflect the reinvestment of income and the impact of transaction costs, but do not include the deduction of investment advisory fees or administration fees. Composite net-of-fee returns are calculated by deducting actual investment advisory fees and administration fees from each account's gross-of-fee returns. The maximum fee charged to an account in the composite is equal to an annual rate of 0.72% of the average daily net assets of the account. Actual fees may vary depending on, among other things, the applicable fee schedule and account size. Therefore, the actual performance of all the accounts in the composite on a net-of-fees basis may be different, and may be higher or lower, than the composite performance. However, such performance is intended to provide the most appropriate example of the impact management fees would have by applying management fees relevant to a separate account prospect to the gross of fee performance of the composite. While actual accounts incur transaction costs, pay investment advisory fees and administration fees, the benchmark index is shown without the impact of such charges.

The minimum asset level for including an account in the composite is \$15 million in order to fully manage the account to the investment strategy.

Internal Dispersion is represented by the equal-weighted standard deviation of full-period gross-of-fee returns of the accounts that were included in the composite for the entire period. Internal Dispersion is not presented for periods when less than six accounts were included in the composite for the full period. Three-year annualized Ex-post Standard Deviation of monthly returns is calculated using gross returns and is not applicable until the Composite reaches 3 years.

GWCM's composite descriptions and policies for valuing accounts, calculating performance and preparing compliant presentations are available upon request. All data are in U.S. dollars. The performance data quoted represents past performance, which does not guarantee future results. Returns for periods less than a full year are not annualized. Number of accounts represents the number of accounts in the composite at the end of the period.

## Target Date 2030 - Lifetime GIPS Presentation

As of December 31, 2018

Benchmark: Morningstar Lifetime Mod 2030 TR

### Target Date 2030 - Lifetime Composite

Year	Composite Gross % Return	Composite Net % Return	Benchmark % Return	Composite 3-Yr % Std Dev	Benchmark 3-Yr % Std Dev	Number of Accounts	Internal Dispersion (Gross %)	Composite Assets (\$ M)	Firm Assets (\$ M)
2015	-4.30	-4.36	-2.30	--	--	1	--	16	25,788
2016	8.33	8.13	9.26	--	--	3	--	47	28,524
2017	17.08	16.44	16.59	--	--	3	--	168	32,639
2018	-5.82	-6.44	-5.82	7.98	7.48	3	--	248	29,978

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GWCM is a Colorado limited liability company and Registered Investment Adviser, primarily providing investment advice to Investment Companies, Pooled Accounts, State and Municipal Government Entities, Pension and Profit Sharing Plans and Insurance Companies.

The Target Date 2030 - Lifetime Composite (the "Composite") invests in a professionally selected mix of Underlying Funds that is tailored for investors planning to retire in (or otherwise begin using the invested funds on), or close to, 2030. The Composite currently invests 60-80% of its net assets in Underlying Funds that invest primarily in equity securities and 20-40% of its net assets in Underlying Funds that invest primarily in fixed income securities. The Composite was created on 07/01/2017. The Composite is comprised of all discretionary accounts managed by GWCM in this investment style.

The Morningstar Lifetime Allocation Index Family is a broadly diversified index that helps investors mitigate the challenges related to rising life expectancies, evolving risk appetites, inflation in major retirement expense categories, and postretirement income investing. The index family is designed to meet the benchmarking needs of target-date investors by offering an objective yardstick for performance comparison. Conceptually, the Morningstar Lifetime Allocation Index family are indexes of indexes. The index measures the performance of a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a US investor who intends to retire in the year 2030. The Moderate risk profile is for investors who are comfortable with average exposure to equity market volatility.

The Composite gross-of-fee returns reflect the reinvestment of income and the impact of transaction costs, but do not include the deduction of investment advisory fees or administration fees. Composite net-of-fee returns are calculated by deducting actual investment advisory fees and administration fees from each account's gross-of-fee returns. The maximum fee charged to an account in the composite is equal to an annual rate of 0.72% of the average daily net assets of the account. Actual fees may vary depending on, among other things, the applicable fee schedule and account size. Therefore, the actual performance of all the accounts in the composite on a net-of-fees basis may be different, and may be higher or lower, than the composite performance. However, such performance is intended to provide the most appropriate example of the impact management fees would have by applying management fees relevant to a separate account prospect to the gross of fee performance of the composite. While actual accounts incur transaction costs, pay investment advisory fees and administration fees, the benchmark index is shown without the impact of such charges.

The minimum asset level for including an account in the composite is \$15 million in order to fully manage the account to the investment strategy.

Internal Dispersion is represented by the equal-weighted standard deviation of full-period gross-of-fee returns of the accounts that were included in the composite for the entire period. Internal Dispersion is not presented for periods when less than six accounts were included in the composite for the full period. Three-year annualized Ex-post Standard Deviation of monthly returns is calculated using gross returns and is not applicable until the Composite reaches 3 years.

GWCM's composite descriptions and policies for valuing accounts, calculating performance and preparing compliant presentations are available upon request. All data are in U.S. dollars. The performance data quoted represents past performance, which does not guarantee future results. Returns for periods less than a full year are not annualized. Number of accounts represents the number of accounts in the composite at the end of the period.

The first account came to this composite in August 2015. Returns are not annualized for 2015. The three-year annualized standard deviation is not presented as of December 31, 2017 because the composite does not yet have 36 monthly returns as of this date.

**Target Date 2035 - Lifetime GIPS Presentation**

As of December 31, 2018

**Benchmark:** Morningstar Lifetime Mod 2035 TR

Target Date 2035 - Lifetime Composite

Year	Composite Gross % Return	Composite Net % Return	Benchmark % Return	Composite 3-Yr % Std Dev	Benchmark 3-Yr % Std Dev	Number of Accounts	Internal Dispersion (Gross %)	Composite Assets (\$ M)	Firm Assets (\$ M)
2012	15.99	15.76	15.36	--	--	3	--	709	17,047
2013	21.58	20.82	22.03	--	--	3	--	1,166	21,164
2014	7.36	6.27	5.80	8.90	9.02	3	--	1,432	22,808
2015	-0.74	-1.73	-2.58	8.83	9.03	5	--	1,621	25,788
2016	9.92	8.93	10.07	8.99	9.27	3	--	1,726	28,524
2017	19.39	18.30	18.52	8.07	8.41	3	--	1,977	32,639
2018	-6.89	-7.69	-6.82	8.73	8.53	3	--	1,700	29,978

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The Target Date 2035 - Lifetime Composite (the "Composite") invests in a professionally selected mix of Underlying Funds that is tailored for investors planning to retire in (or otherwise begin using the invested funds on), or close to, 2035. The Composite currently invests 75-95% of its net assets in Underlying Funds that invest primarily in equity securities and 5-25% of its net assets in Underlying Funds that invest primarily in fixed income securities. The Composite was created on 07/01/2017. The Composite is comprised of all discretionary accounts managed by GWCM in this investment style.

The Morningstar Lifetime Allocation Index Family is a broadly diversified index that helps investors mitigate the challenges related to rising life expectancies, evolving risk appetites, inflation in major retirement expense categories, and postretirement income investing. The index family is designed to meet the benchmarking needs of target-date investors by offering an objective yardstick for performance comparison. Conceptually, the Morningstar Lifetime Allocation Index family are indexes of indexes. The index measures the performance of a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a US investor who intends to retire in the year 2035. The Moderate risk profile is for investors who are comfortable with average exposure to equity market volatility.

The Composite gross-of-fee returns reflect the reinvestment of income and the impact of transaction costs, but do not include the deduction of investment advisory fees or administration fees. Composite net-of-fee returns are calculated by deducting actual investment advisory fees and administration fees from each account's gross-of-fee returns. The maximum fee charged to an account in the composite is equal to an annual rate of 0.72% of the average daily net assets of the account. Actual fees may vary depending on, among other things, the applicable fee schedule and account size. Therefore, the actual performance of all the accounts in the composite on a net-of-fees basis may be different, and may be higher or lower, than the composite performance. However, such performance is intended to provide the most appropriate example of the impact management fees would have by applying management fees relevant to a separate account prospect to the gross of fee performance of the composite. While actual accounts incur transaction costs, pay investment advisory fees and administration fees, the benchmark index is shown without the impact of such charges.

The minimum asset level for including an account in the composite is \$15 million in order to fully manage the account to the investment strategy.

Internal Dispersion is represented by the equal-weighted standard deviation of full-period gross-of-fee returns of the accounts that were included in the composite for the entire period. Internal Dispersion is not presented for periods when less than six accounts were included in the composite for the full period. Three-year annualized Ex-post Standard Deviation of monthly returns is calculated using gross returns and is not applicable until the Composite reaches 3 years.

GWCM's composite descriptions and policies for valuing accounts, calculating performance and preparing compliant presentations are available upon request. All data are in U.S. dollars. The performance data quoted represents past performance, which does not guarantee future results. Returns for periods less than a full year are not annualized. Number of accounts represents the number of accounts in the composite at the end of the period.

## Target Date 2040 - Lifetime GIPS Presentation

As of December 31, 2018

Benchmark: Morningstar Lifetime Mod 2040 TR

### Target Date 2040 - Lifetime Composite

Year	Composite Gross % Return	Composite Net % Return	Benchmark % Return	Composite 3-Yr % Std Dev	Benchmark 3-Yr % Std Dev	Number of Accounts	Internal Dispersion (Gross %)	Composite Assets (\$ M)	Firm Assets (\$ M)
2015	-5.02	-5.07	-2.83	--	--	1	--	12	25,788
2016	9.19	8.90	10.61	--	--	3	--	42	28,524
2017	20.57	19.90	19.87	--	--	3	--	119	32,639
2018	-7.76	-8.34	-7.65	9.72	9.29	3	--	176	29,978

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The Target Date 2040 - Lifetime Composite (the "Composite") invests in a professionally selected mix of Underlying Funds that is tailored for investors planning to retire in (or otherwise begin using the invested funds on), or close to, 2040. The Composite currently invests 80-98% of its net assets in Underlying Funds that invest primarily in equity securities and 2-20% of its net assets in Underlying Funds that invest primarily in fixed income securities. The Composite was created on 07/01/2017. The Composite is comprised of all discretionary accounts managed by GWCM in this investment style.

The Morningstar Lifetime Allocation Index Family is a broadly diversified index that helps investors mitigate the challenges related to rising life expectancies, evolving risk appetites, inflation in major retirement expense categories, and postretirement income investing. The index family is designed to meet the benchmarking needs of target-date investors by offering an objective yardstick for performance comparison. Conceptually, the Morningstar Lifetime Allocation Index family are indexes of indexes. The index measures the performance of a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a US investor who intends to retire in the year 2040. The Moderate risk profile is for investors who are comfortable with average exposure to equity market volatility.

The Composite gross-of-fee returns reflect the reinvestment of income and the impact of transaction costs, but do not include the deduction of investment advisory fees or administration fees. Composite net-of-fee returns are calculated by deducting actual investment advisory fees and administration fees from each account's gross-of-fee returns. The maximum fee charged to an account in the composite is equal to an annual rate of 0.72% of the average daily net assets of the account. Actual fees may vary depending on, among other things, the applicable fee schedule and account size. Therefore, the actual performance of all the accounts in the composite on a net-of-fees basis may be different, and may be higher or lower, than the composite performance. However, such performance is intended to provide the most appropriate example of the impact management fees would have by applying management fees relevant to a separate account prospect to the gross of fee performance of the composite. While actual accounts incur transaction costs, pay investment advisory fees and administration fees, the benchmark index is shown without the impact of such charges.

The minimum asset level for including an account in the composite is \$15 million in order to fully manage the account to the investment strategy.

Internal Dispersion is represented by the equal-weighted standard deviation of full-period gross-of-fee returns of the accounts that were included in the composite for the entire period. Internal Dispersion is not presented for periods when less than six accounts were included in the composite for the full period. Three-year annualized Ex-post Standard Deviation of monthly returns is calculated using gross returns and is not applicable until the Composite reaches 3 years.

GWCM's composite descriptions and policies for valuing accounts, calculating performance and preparing compliant presentations are available upon request. All data are in U.S. dollars. The performance data quoted represents past performance, which does not guarantee future results. Returns for periods less than a full year are not annualized. Number of accounts represents the number of accounts in the composite at the end of the period.

The first account came to this composite in August 2015. Returns are not annualized for 2015. The three-year annualized standard deviation is not presented as of December 31, 2017 because the composite does not yet have 36 monthly returns as of this date.



**Target Date 2045 - Lifetime GIPS Presentation**

As of December 31, 2018

**Benchmark:** Morningstar Lifetime Mod 2045 TR

Target Date 2045 - Lifetime Composite

Year	Composite Gross % Return	Composite Net % Return	Benchmark % Return	Composite 3-Yr % Std Dev	Benchmark 3-Yr % Std Dev	Number of Accounts	Internal Dispersion (Gross %)	Composite Assets (\$ M)	Firm Assets (\$ M)
2012	16.47	16.25	15.84	--	--	3	--	353	17,047
2013	23.27	22.50	23.07	--	--	3	--	603	21,164
2014	6.87	5.77	5.25	9.55	9.51	3	--	748	22,808
2015	-0.98	-1.91	-3.03	9.65	9.72	5	--	881	25,788
2016	10.18	9.21	10.84	9.94	10.15	3	--	983	28,524
2017	21.55	20.47	20.53	8.96	9.30	3	--	1,171	32,639
2018	-8.30	-9.07	-8.17	9.85	9.66	3	--	1,017	29,978

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The Target Date 2045 - Lifetime Composite (the "Composite") invests in a professionally selected mix of Underlying Funds that is tailored for investors planning to retire in (or otherwise begin using the invested funds on), or close to, 2045. The Composite currently invests 80-98% of its net assets in Underlying Funds that invest primarily in equity securities and 2-20% of its net assets in Underlying Funds that invest primarily in fixed income securities. The Composite was created on 07/01/2017. The Composite is comprised of all discretionary accounts managed by GWCM in this investment style.

The Morningstar Lifetime Allocation Index Family is a broadly diversified index that helps investors mitigate the challenges related to rising life expectancies, evolving risk appetites, inflation in major retirement expense categories, and postretirement income investing. The index family is designed to meet the benchmarking needs of target-date investors by offering an objective yardstick for performance comparison. Conceptually, the Morningstar Lifetime Allocation Index family are indexes of indexes. The index measures the performance of a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a US investor who intends to retire in the year 2045. The Moderate risk profile is for investors who are comfortable with average exposure to equity market volatility.

The Composite gross-of-fee returns reflect the reinvestment of income and the impact of transaction costs, but do not include the deduction of investment advisory fees or administration fees. Composite net-of-fee returns are calculated by deducting actual investment advisory fees and administration fees from each account's gross-of-fee returns. The maximum fee charged to an account in the composite is equal to an annual rate of 0.72% of the average daily net assets of the account. Actual fees may vary depending on, among other things, the applicable fee schedule and account size. Therefore, the actual performance of all the accounts in the composite on a net-of-fees basis may be different, and may be higher or lower, than the composite performance. However, such performance is intended to provide the most appropriate example of the impact management fees would have by applying management fees relevant to a separate account prospect to the gross of fee performance of the composite. While actual accounts incur transaction costs, pay investment advisory fees and administration fees, the benchmark index is shown without the impact of such charges.

The minimum asset level for including an account in the composite is \$15 million in order to fully manage the account to the investment strategy.

Internal Dispersion is represented by the equal-weighted standard deviation of full-period gross-of-fee returns of the accounts that were included in the composite for the entire period. Internal Dispersion is not presented for periods when less than six accounts were included in the composite for the full period. Three-year annualized Ex-post Standard Deviation of monthly returns is calculated using gross returns and is not applicable until the Composite reaches 3 years.

GWCM's composite descriptions and policies for valuing accounts, calculating performance and preparing compliant presentations are available upon request. All data are in U.S. dollars. The performance data quoted represents past performance, which does not guarantee future results. Returns for periods less than a full year are not annualized. Number of accounts represents the number of accounts in the composite at the end of the period.

**Target Date 2050 - Lifetime GIPS Presentation**

As of December 31, 2018

**Benchmark:** Morningstar Lifetime Mod 2050 TR

## Target Date 2050 - Lifetime Composite

Year	Composite Gross % Return	Composite Net % Return	Benchmark % Return	Composite 3-Yr % Std Dev	Benchmark 3-Yr % Std Dev	Number of Accounts	Internal Dispersion (Gross %)	Composite Assets (\$ M)	Firm Assets (\$ M)
2015	-5.33	-5.38	-3.19	--	--	1	--	2	25,788
2016	8.92	8.71	10.89	--	--	3	--	17	28,524
2017	21.79	21.19	20.78	--	--	3	--	66	32,639
2018	-8.51	-9.07	-8.41	10.16	9.76	3	--	98	29,978

Great-West Capital Management, LLC ("GWCM" or the "Firm") claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. GWCM has been independently verified for the periods January 1, 2012 through December 31, 2017. The verification report is available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

GWCM is a Colorado limited liability company and Registered Investment Adviser, primarily providing investment advice to Investment Companies, Pooled Accounts, State and Municipal Government Entities, Pension and Profit Sharing Plans and Insurance Companies.

The Target Date 2050 - Lifetime Composite (the "Composite") invests in a professionally selected mix of Underlying Funds that is tailored for investors planning to retire in (or otherwise begin using the invested funds on), or close to, 2050. The Composite currently invests 80-98% of its net assets in Underlying Funds that invest primarily in equity securities and 2-20% of its net assets in Underlying Funds that invest primarily in fixed income securities. The Composite was created on 07/01/2017. The Composite is comprised of all discretionary accounts managed by GWCM in this investment style.

The Morningstar Lifetime Allocation Index Family is a broadly diversified index that helps investors mitigate the challenges related to rising life expectancies, evolving risk appetites, inflation in major retirement expense categories, and postretirement income investing. The index family is designed to meet the benchmarking needs of target-date investors by offering an objective yardstick for performance comparison. Conceptually, the Morningstar Lifetime Allocation Index family are indexes of indexes. The index measures the performance of a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a US investor who intends to retire in the year 2050. The Moderate risk profile is for investors who are comfortable with average exposure to equity market volatility.

The Composite gross-of-fee returns reflect the reinvestment of income and the impact of transaction costs, but do not include the deduction of investment advisory fees or administration fees. Composite net-of-fee returns are calculated by deducting actual investment advisory fees and administration fees from each account's gross-of-fee returns. The maximum fee charged to an account in the composite is equal to an annual rate of 0.72% of the average daily net assets of the account. Actual fees may vary depending on, among other things, the applicable fee schedule and account size. Therefore, the actual performance of all the accounts in the composite on a net-of-fees basis may be different, and may be higher or lower, than the composite performance. However, such performance is intended to provide the most appropriate example of the impact management fees would have by applying management fees relevant to a separate account prospect to the gross of fee performance of the composite. While actual accounts incur transaction costs, pay investment advisory fees and administration fees, the benchmark index is shown without the impact of such charges.

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The first account came to this composite in August 2015. Returns are not annualized for 2015. The three-year annualized standard deviation is not presented as of December 31, 2017 because the composite does not yet have 36 monthly returns as of this date.

**Target Date 2055 - Lifetime GIPS Presentation**

As of December 31, 2018

**Benchmark:** Morningstar Lifetime Mod 2055 TR

Target Date 2055 - Lifetime Composite

Year	Composite Gross % Return	Composite Net % Return	Benchmark % Return	Composite 3-Yr % Std Dev	Benchmark 3-Yr % Std Dev	Number of Accounts	Internal Dispersion (Gross %)	Composite Assets (\$ M)	Firm Assets (\$ M)
2012	16.70	16.47	16.00	--	--	3	--	71	17,047
2013	23.11	22.31	22.49	--	--	3	--	145	21,164
2014	6.28	5.16	4.74	9.72	9.68	3	--	201	22,808
2015	-1.26	-2.23	-3.34	9.81	9.82	5	--	266	25,788
2016	10.10	9.09	10.90	10.10	10.29	3	--	333	28,524
2017	21.96	20.84	20.95	9.11	9.44	3	--	429	32,639
2018	-8.74	-9.53	-8.57	10.00	9.81	3	--	402	29,978

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The Target Date 2055 - Lifetime Composite (the "Composite") invests in a professionally selected mix of Underlying Funds that is tailored for investors planning to retire in (or otherwise begin using the invested funds on), or close to, 2055. The Composite currently invests 80-98% of its net assets in Underlying Funds that invest primarily in equity securities and 2-20% of its net assets in Underlying Funds that invest primarily in fixed income securities. The Composite was created on 07/01/2017. The Composite is comprised of all discretionary accounts managed by GWCM in this investment style.

The Morningstar Lifetime Allocation Index Family is a broadly diversified index that helps investors mitigate the challenges related to rising life expectancies, evolving risk appetites, inflation in major retirement expense categories, and postretirement income investing. The index family is designed to meet the benchmarking needs of target-date investors by offering an objective yardstick for performance comparison. Conceptually, the Morningstar Lifetime Allocation Index family are indexes of indexes. The index measures the performance of a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a US investor who intends to retire in the year 2055. The Moderate risk profile is for investors who are comfortable with average exposure to equity market volatility.

The Composite gross-of-fee returns reflect the reinvestment of income and the impact of transaction costs, but do not include the deduction of investment advisory fees or administration fees. Composite net-of-fee returns are calculated by deducting actual investment advisory fees and administration fees from each account's gross-of-fee returns. The maximum fee charged to an account in the composite is equal to an annual rate of 0.72% of the average daily net assets of the account. Actual fees may vary depending on, among other things, the applicable fee schedule and account size. Therefore, the actual performance of all the accounts in the composite on a net-of-fees basis may be different, and may be higher or lower, than the composite performance. However, such performance is intended to provide the most appropriate example of the impact management fees would have by applying management fees relevant to a separate account prospect to the gross of fee performance of the composite. While actual accounts incur transaction costs, pay investment advisory fees and administration fees, the benchmark index is shown without the impact of such charges.

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## Item 9

DATE: March 21, 2019

TO: Deferred Compensation Management Council

FROM: Brent Petty, NWCM, Inc.

SUBJECT: Fourth Quarter Investment Performance Report (Executive Summary)

### Capital Markets

Name	YTD (02/28/2019)	Q4 2018	1-Year (02/28/2019)
S&P 500 TR USD	11.48	-13.52	4.68
S&P MidCap 400 TR	15.14	-17.28	4.14
S&P SmallCap 600 TR USD	15.45	-20.10	7.20
MSCI EAFE NR USD	9.29	-12.54	-6.04
MSCI EM NR USD	9.01	-7.47	-9.89
BBgBarc US Agg Bond TR USD	1.00	1.64	3.17

	2/28/2019	12/31/2018	2/28/2018
10-Year Treasury Yield	2.73%	2.69%	2.87%

### Fourth Quarter (Complete Quarterly Investment Report is provided as Exhibit A)

Despite a supportive fundamental backdrop, many asset classes struggled amid headwinds from rising rates, US-China trade tensions, and underlying concerns surrounding “peak” earnings and the duration of the economic cycle. U.S. equity went from a record high in September to well into correction territory by year-end. International equity continued its decline, however it outperformed relative to U.S. stocks.

In fixed income, fears of slowing economic growth hampered high yield sectors, while investment-grade bonds and interest-rate-sensitive government bonds rallied near the end of the year.

### **Economic Factors**

Home sales and homebuilder sentiment has declined, however most core fundamentals such as unemployment and Q3 GDP remained robust.

Even though the Fed raised rates in December, a stronger dollar and building global risks encouraged the Fed to take a cautious approach and adopt a “wait and see” strategy.

### **Investments**

Hennessy Focus Instl, Oakmark Equity and Income, and Virtus Seix Total Return Bond scored a five, four, and four respectively under our methodology, however all three funds remain on watch due to recent underperformance. All of the County’s other investment options comply with investment policy performance criteria.

- An updated fund watch report has been included as **Exhibit B**.
- A summary of proposed investment changes is provided **Exhibit C**.

### **Recommended Actions**

1. **Add the T. Rowe Price Mid Cap Growth I Fund and the Metropolitan West Total Return Bond Fund to the Plan Investment Lineup**
2. **Remove the Hennessy Focus Institutional Fund and map all assets to the T. Rowe Price Mid Cap Growth I Fund**
3. **Remove the Virtus Seix Total Return Bond R6 Fund and map all assets to the Metropolitan West Total Return Bond Fund**
4. **Remove the Oakmark Equity and Income Fund and map all assets to the age appropriate Great-West Lifetime target-date fund**
5. **Remove the Great-West Lifetime Trust Funds from the Watch List**

## Item 9 - Exhibit A

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## Market Overview

Quarterly Market Overview	1
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## Retirement

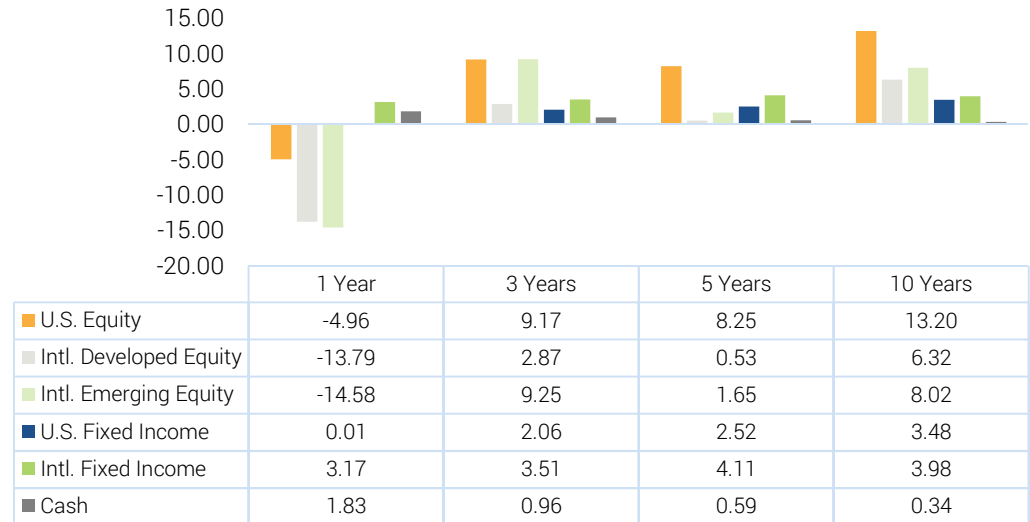
Plan Investment Summary	14
Fund Policy Compliance	16
Fund Commentary	22
Expense Ratio Report	30
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# Market Performance Summary

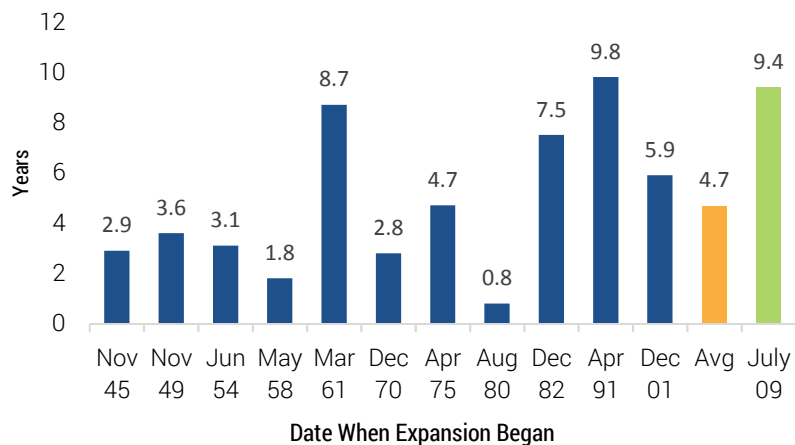
As of 12/31/2018

On the heels of a 2017 characterized by low volatility, robust growth, and strong performance across risky assets, 2018 has (unfortunately) delivered the reverse. After returning 11% through the first 3 quarters of 2018, the S&P 500 tumbled 14% during 4Q, bringing the annual total return to -4%. Volatility returned as 110 trading days experienced a 1%+ intraday move, compared to only 10 trading days in 2017. Despite a supportive fundamental backdrop, many asset classes struggled amid headwinds from rising rates, US-China trade tensions, and underlying concerns surrounding "peak" earnings and the duration of the economic cycle. Fixed income performance was muted for the year but rallied in the fourth quarter on the back of disappointing economic data and falling Treasury yields.

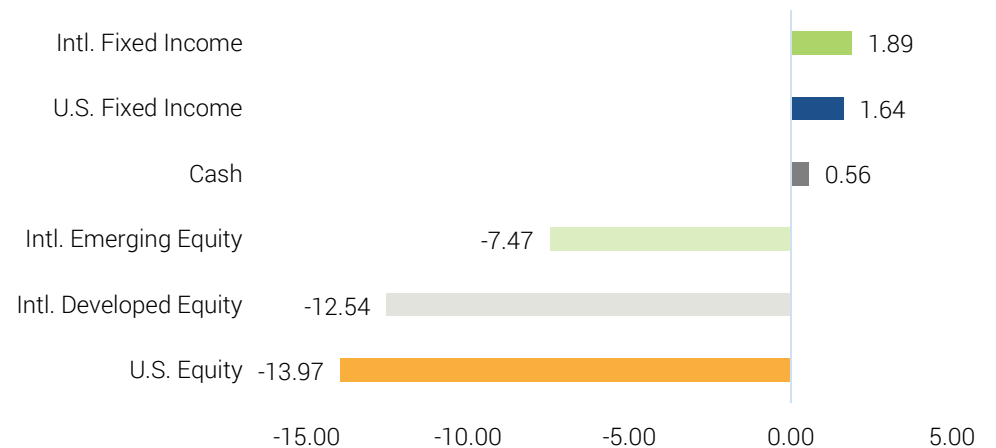
## Trailing Returns



## Length of U.S. Expansions



## Quarterly Performance



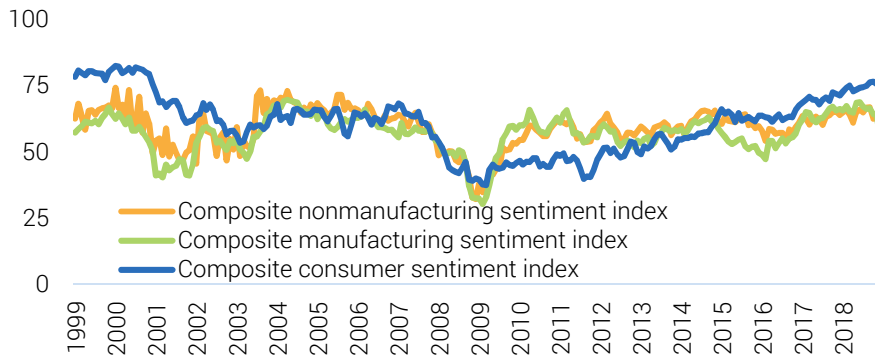
Source: BEA, S&P, MSCI, Barclays

# Economic Factors

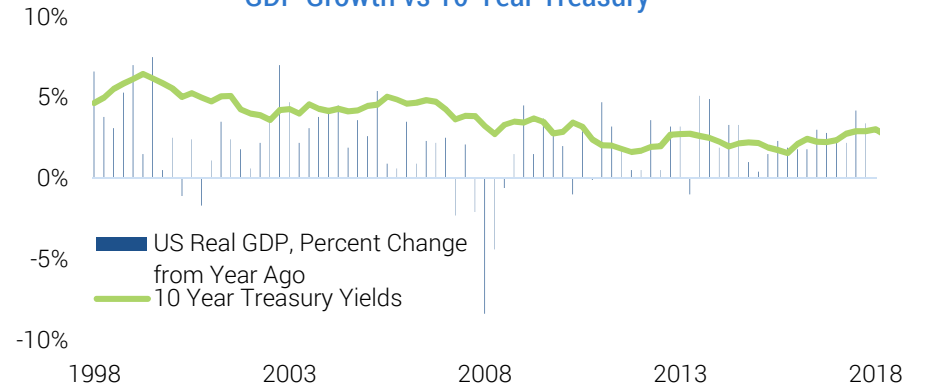
As of 12/31/2018

U.S. gross domestic product (GDP) growth remained strong into the third quarter, supported by consumers, but appears likely to have peaked. The downbeat run for the housing market through most of 2018 in response to higher mortgage rates has continued through many of the latest related reports, including declines in measures of pending existing home sales and homebuilder sentiment. Separately, orders and shipments for the key core capital goods series have also softened in recent months following a strong run. The more timely readings on business sentiment also have deteriorated lately, including a few eye-catching unfavorable results. The December jobs report was a welcome relief from the recent deterioration in many other economic indicators and financial markets. The unemployment rate remains at its lowest level in 16 years, implying tightness in the labor market. Inflation and labor costs gradually rose despite tighter labor markets, keeping recession risks relatively low despite the advanced age of the cycle. The stronger greenback and building global risks have encouraged a cautious approach from the Fed. A "wait and see" strategy is warranted in order to avoid choking off growth.

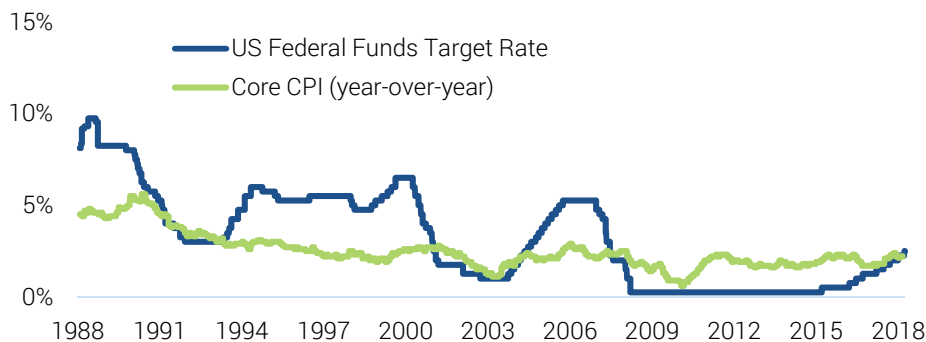
### Business and Consumer Sentiment



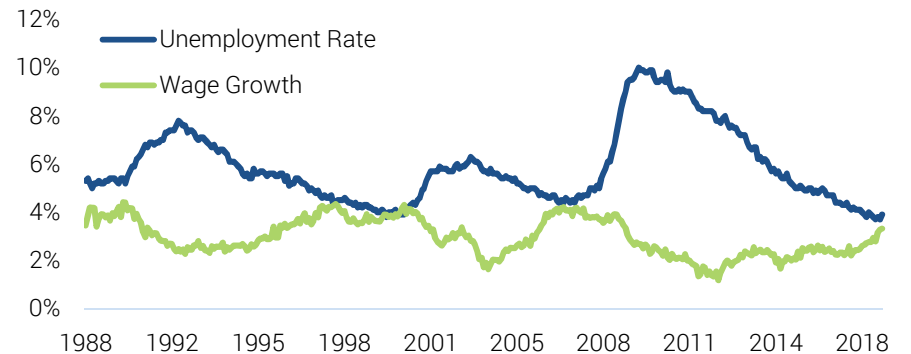
### GDP Growth vs 10-Year Treasury



### Fed Funds Returns to Normal Levels



### Strong Employment Trends Continue



Source: BEA, Department of Labor, J.P. Morgan

# U.S. Equity

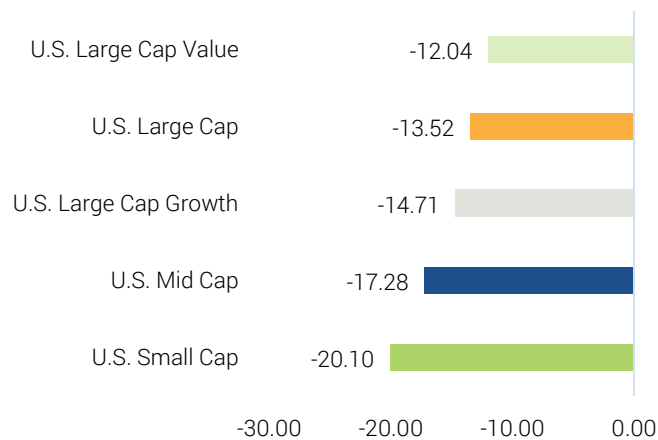
As of 12/31/2018

For U.S. equity investors, the fourth quarter of 2018 marked a sudden reversal of fortunes. In the U.S., the S&P 500 went from a record high in September to well into official correction territory by year-end. Small-company stocks, meanwhile, entered a bear market. A confluence of factors weighed, including rising U.S.-China trade tensions, signs the U.S. Fed was undeterred on their mission to raise rates, and concerns that earnings growth was peaking. The “buy the dip” mentality that we experienced earlier in the year was notably absent this time around, bringing valuations to their lowest levels in more than two years. Secular growth stocks that had led the advance over the last few years were among the largest decliners in the fourth quarter. With financial markets and economic data sending conflicting signals, we expect the market focus on Fed speak, key data releases, and information from the forthcoming corporate earnings season to intensify.

## US Large Cap vs. Small Cap



## Quarterly Performance



## Trailing Returns



Source: S&P, Bloomberg

# International Developed Equity

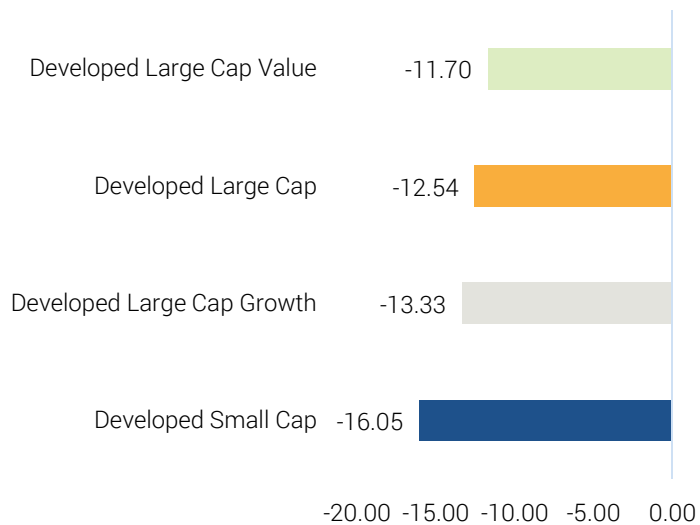
As of 12/31/2018

The divergence between the U.S. and International economies stalled in the fourth quarter allowing Non-U.S. stocks to outperform. In absolute terms, international developed equities declined into year-end as Britain's unresolved exit from the European Union and Italy's deficit concerns brought heightened anxieties. Household incomes grew strongly given solid employment gains and a notable acceleration in wage growth. Stocks in Japan outperformed the broad index in U.S. dollar terms. As was the case in U.S. markets, international developed equity value stocks outshined growth in the fourth quarter.

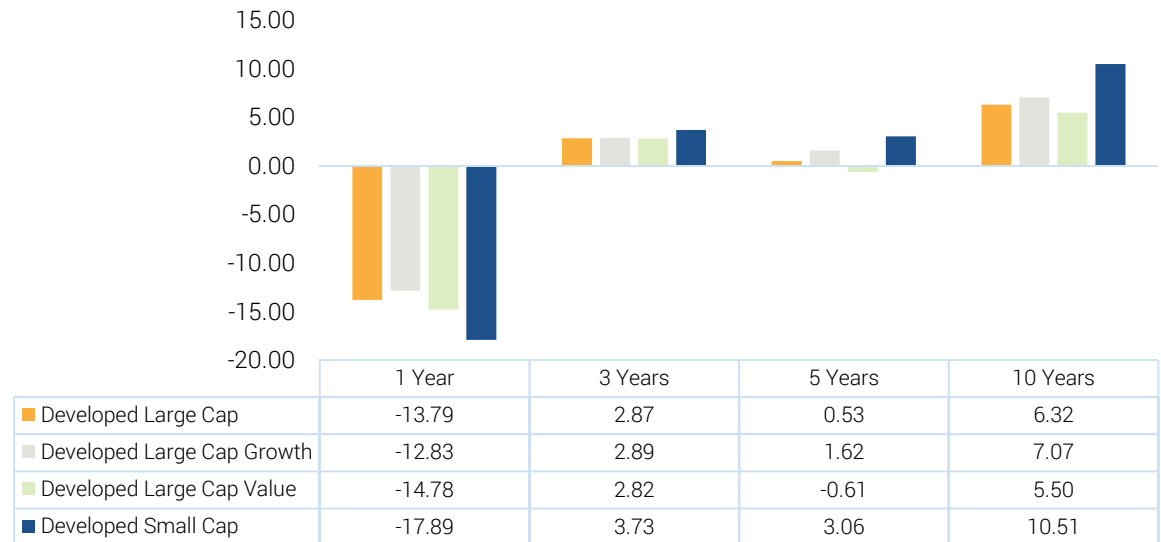
## J.P. Morgan Growth Forecast Revision Indices



## Quarterly Performance



## Trailing Returns

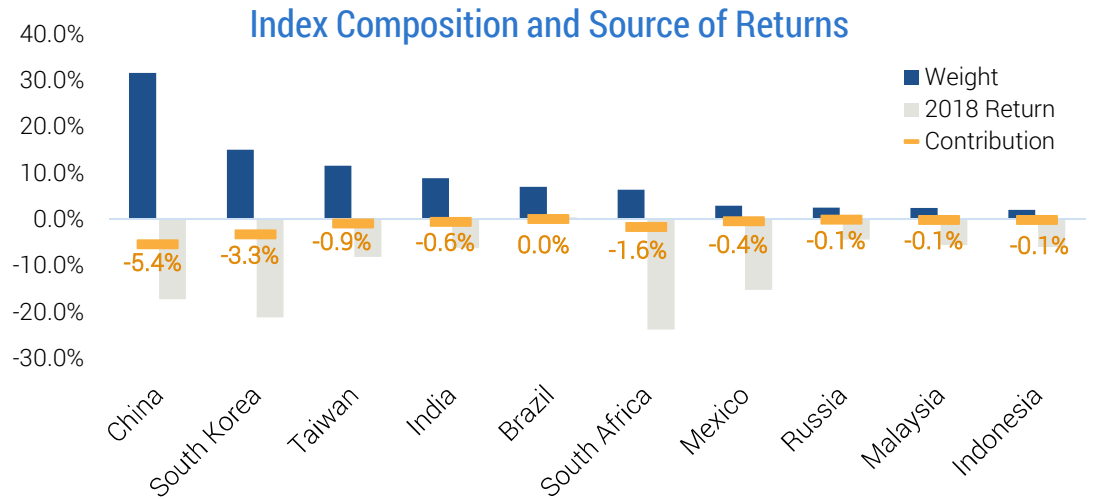


Source: JP Morgan, MSCI

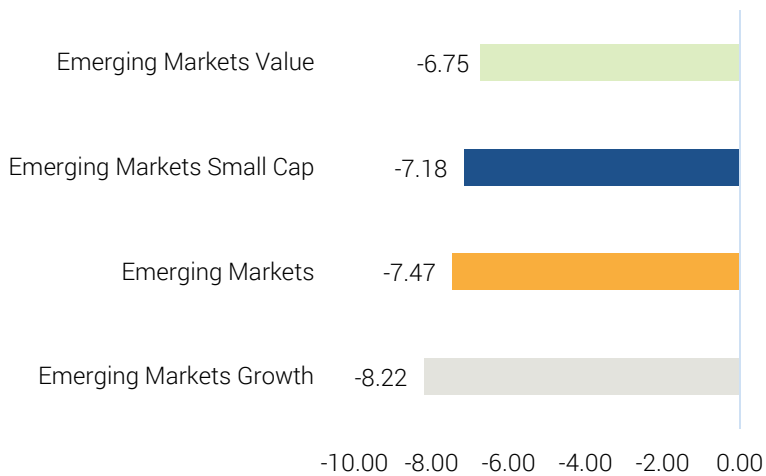
# Emerging Markets Equity

As of 12/31/2018

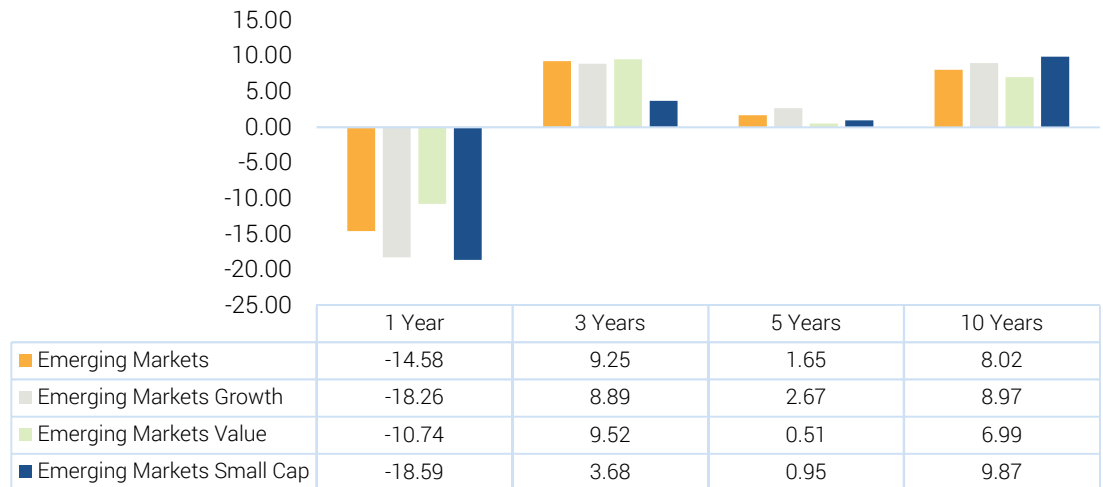
In a somewhat unusual pattern, emerging markets held up much better than U.S. and international developed equities, though that relative outperformance came after emerging-markets indexes had fallen earlier in the year. Incremental trade progress at the G20 meeting between China and the U.S. provided support. China responded to ongoing economic weakness through fiscal and monetary measures to spur growth. Economic growth has slowed but remains stable in most emerging markets, and corporate earnings have recovered after years of disappointing performance. India's economy grew 7.1% in the September quarter, lagging economists' forecasts and the previous quarter's 8.2% pace, but still strong enough to keep its status as the world's fastest-growing major economy.



## Quarterly Performance



## Trailing Returns



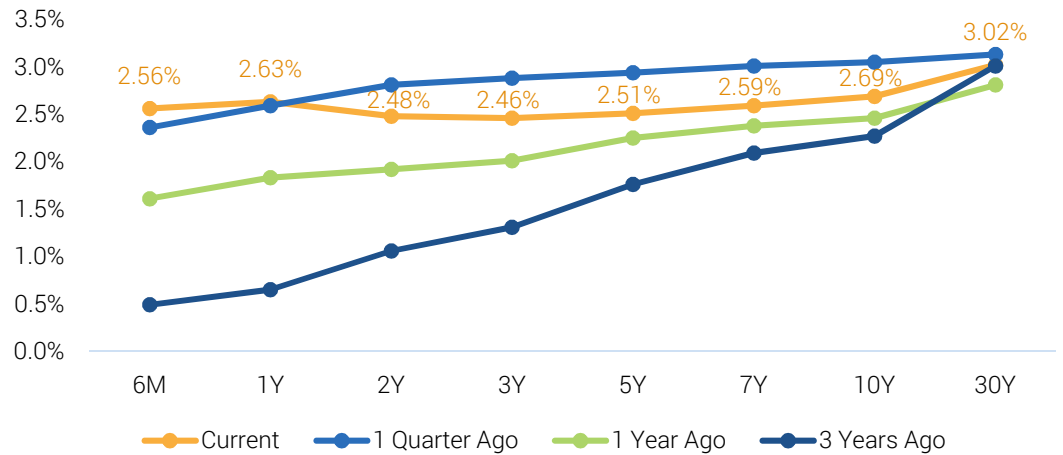
Source: Morningstar Direct, MSCI

# Fixed Income

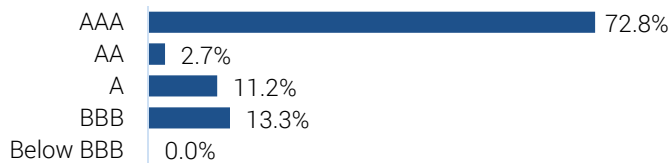
As of 12/31/2018

In the fixed income markets, central banks took the spotlight. For U.S. bond markets, that meant the fourth quarter offered something of a reprieve from the first nine months of the year when bond prices were under pressure from the Fed's rate increases. Although the Fed tightened again in December, worries about the pace of the economic expansion led investors to believe that the pace of Fed tightening will likely slow in 2019. That provided a window for a bounce in interest-rate-sensitive government bonds. It was a far different story in the credit markets, where even as investment-grade bonds rallied, lower-quality debt posted swift declines amid concerns about both slowing economic growth and the potential for rising default rates in some corners of the market where lending standards have grown looser in recent years.

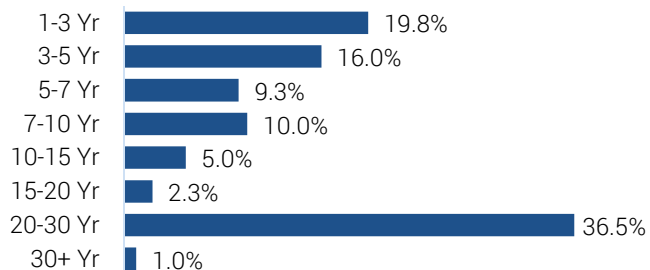
## Treasury Yield Curve



## U.S. Aggregate Quality Distribution

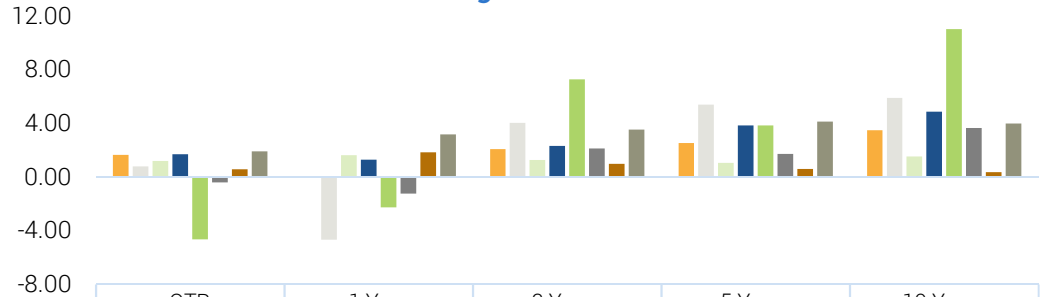


## U.S. Aggregate Maturity Distribution



Source: Federal Reserve, Barclays, Bloomberg, Bank of America,

## Trailing Returns



	QTR	1 Year	3 Years	5 Years	10 Years
U.S. Aggregate	1.64	0.01	2.06	2.52	3.48
U.S. Long	0.78	-4.68	4.03	5.37	5.88
U.S. Short	1.18	1.60	1.24	1.03	1.52
Municipals	1.69	1.28	2.30	3.82	4.85
High Yield	-4.67	-2.26	7.27	3.82	10.99
TIPS	-0.42	-1.26	2.11	1.69	3.64
Treasury Bill	0.56	1.83	0.96	0.59	0.34
Global Hedged	1.89	3.17	3.51	4.11	3.98

# Legislative and Regulatory Update

## Hardship Distributions

- The following changes to hardship distribution rules in 401(k) plans became effective on January 1, 2019:
  1. Participants are no longer required to take plan loans before taking a hardship distribution.
  2. Employee salary deferrals will no longer be suspended for six months following a hardship distribution.
  3. Participants can now use contributions other than salary deferrals as part of a hardship distribution, including qualified matching contributions, qualified nonelective contributions, safe harbor contributions, and earnings from all eligible sources.<sup>1</sup>

## Retirement Parity for Student Loans Act

- In December 2018, Senators Ron Wyden (D-Oregon) and Ben Cardin (D-Maryland) introduced a bill that would allow plan sponsors of 401(k), 403(b) and SIMPLE retirement plans to provide student loan repayment benefits to participants. If the bill passes, plan sponsors will be able to offer matching contributions to employees making student loan repayments. The bill requires the rate of matching for student loans to equal the rate of matching for salary reduction contributions. If a plan offers a 100% match on the first 5% of an employee's salary reduction contributions, then a 100% match must be made on student loan repayments equal to 5% of the employee's compensation. To receive the match, employees would need to provide evidence of student loan payments.<sup>2</sup>

## Retirement Security & Savings Act of 2018

- Introduced to the Senate on December 19, 2018, this bill includes nearly 60 provisions designed to increase savings in 401(k)s and IRAs, improve coverage among part-time workers, reduce barriers to lifetime income options, and allow employees to save for longer periods of time. Some of the key provisions are below:
  - Establish a new automatic safe harbor designed to increase the default level of contributions.
  - Allow long-term part-time employees to participate in a 401(k) plan by requiring dual eligibility of one year of service (1,000 hrs) or two consecutive years of service (500 hrs).
  - Increase the initial age for RMDs from 70 ½ to 72 until 2029, then up to age 75 after. The Treasury would also be required to update the mortality tables underlying the RMD regulations every 10 years.
  - Provide a tax credit of \$500/year for three years to small employers if they go through automatic re-enrollment at least once every three years.<sup>3,4</sup>

## Domestic Affairs

- **The Federal Reserve -**  
On December 19, 2018, the Federal Reserve raised its benchmark funds rate by a quarter of a percentage point to a range of 2.25 – 2.50%. This was the fourth rate hike of 2018, with one to two rate hikes currently expected in 2019.<sup>5</sup>



## Foreign Affairs

### • Trade Tariffs -

On December 1, 2018, the United States and China agreed to temporarily cease the escalation of trade tariffs for a period of 90 days. The US will maintain tariffs on \$200B of Chinese imports at 10% instead of increasing them to 25% as previously planned. China has agreed to purchase US agricultural products and is expected to also purchase US energy and industrial products. US President Donald Trump and Chinese President Xi Jinping plan to discuss technology transfers, intellectual property, cyber theft and other issues during the period. Trade negotiations remain ongoing between the two countries, and failure to reach an agreement by the March 2, 2019 deadline could result in additional tariffs on both sides.<sup>6,7,8</sup>

### • Brexit -

- In June 2016, the United Kingdom (UK) voted to leave the European Union (EU) on the scheduled date of March 29, 2019.
- Prior to the exit date, the UK expected to negotiate a deal on trade, immigration and other legal matters with the EU.
- On January 15, 2019, Parliament rejected Prime Minister Theresa May's proposed exit deal with the EU, causing uncertainty over the logistics of the UK's departure.
- Possible developments before the exit date could include renegotiation of May's deal, a re-vote on whether to leave the EU at all, an extension to the exit date, or Brexit with no deal.
- If Brexit occurs without a deal in place, Britain could potentially face serious economic damages. A 2018 analysis by the Bank of England suggests unemployment could rise from its current level of 4% to as high as 7.5%, house prices could fall by as much as 30%, and the economy could shrink by as much as 8%.<sup>9,10,11</sup>

## 2019 IRS Limitations

- Many of the contribution limits for the 2019 calendar year increased slightly from 2018. Catch-up contributions for employees age 50 and older remain unchanged at \$6,000.<sup>12</sup>
  - See below for a summary list of 2018 and 2019 contribution limits:

Item	IRC Reference	2018 Limit	2019 Limit
401(k) and 403(b) Employee Deferral Limit <sup>1</sup>	402(g)(1)	\$18,500	\$19,000
457 Employee Deferral Limit	457(e)(15)	\$18,500	\$19,000
Catch-up Contribution <sup>2</sup>	414(v)(2)(B)(i)	\$6,000	\$6,000
Defined Contribution Dollar Limit	415(c)(1)(A)	\$55,000	\$56,000
Defined Benefit Dollar Limit	415(b)(1)(A)	\$220,000	\$225,000
Compensation Limit <sup>3</sup>	401(a)(17); 404(l)	\$275,000	\$280,000
Highly Compensated Employee Income Limit <sup>4</sup>	414(q)(1)(B)	\$120,000	\$125,000
Key Employee/Officer	416(i)(1)(A)(i)	\$175,000	\$180,000
Social Security Taxable Wage Base		\$128,400	\$132,900

<sup>1</sup> Employee deferrals to all 401(k) and 403(b) plans must be aggregated for purposes of this limit. A lower limit applies to SIMPLE plans.

<sup>2</sup> Available to employees age 50 or older during the calendar year. A lower limit applies to SIMPLE plans.

<sup>3</sup> All compensation from a single employer (including all members of a controlled group) must be aggregated for purposes of this limit.

<sup>4</sup> For the 2019 plan year, an employee who earns more than \$120,000 in 2018 is an HCE. For the 2020 plan year, an employee who earns more than \$125,000 in 2019 is an HCE.

## Compliance Calendar

- In the following chart, NWCM has highlighted key compliance dates for retirement plan sponsors to be aware of in 2019:

### 2019 January

Sun	Mon	Tue	Wed	Thu	Fri	Sat
		01	02	03	04	05
06	07	08	09	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

01 Reminder for all payroll runs: participant contributions should be made no later than 3-5 days past the employee pay date.

31 Deadline to mail IRS Forms 1099-R to participants who received distributions the previous year. NOTE: 1099's for distributions are typically handled by the plan's trust company or record keeper.

31 Census data should be submitted to Record keepers for calculation that 402(g) limit has not been exceeded for previous plan year. **Off-calendar plans within 3 days following plan year end.**

### 2019 February

Sun	Mon	Tue	Wed	Thu	Fri	Sat
					01	02
03	04	05	06	07	08	09
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28		

28 Form 1099-R information transmitted to IRS.

### 2019 March

Sun	Mon	Tue	Wed	Thu	Fri	Sat
					01	02
03	04	05	06	07	08	09
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

15 Deadline for processing corrective distributions for nondiscrimination test failures of ADP (ave deferral %) /ACP (ave contribution %) for Highly Compensated Employees (HCEs). **Off-calendar plans corrections must be made 2 1/2 months following the end of the plan year.**

15 Deadline for employers to submit profit sharing or matching contributions in order to take a deduction for previous year taxes (unless corporate extension is filed). **Off-calendar plans 2 1/2 months following plan year end, unless extension filed.**

31 Deadline for electronic filing of Form 1099-R to report distributions for previous year.

### 2019 April

Sun	Mon	Tue	Wed	Thu	Fri	Sat
	01	02	03	04	05	06
07	08	09	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

01 Initial age 70 1/2 Required Minimum Distributions (RMDs) due to inactive participants who turned age 70 1/2 during previous year.

15 Deadline for processing corrective distributions for previous plan year 402(g) excess deferral amounts.

### 2019 May

- No key deadlines.

### 2019 June

Sun	Mon	Tue	Wed	Thu	Fri	Sat
						01
02	03	04	05	06	07	08
09	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

30 Deadline for processing corrective distributions for failed ADP/ACP test for plans with EACA (Eligible Automatic Contribution Arrangement) without 10% excise tax.

2019 July

Sun	Mon	Tue	Wed	Thu	Fri	Sat
	01	02	03	04	05	06
07	08	09	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

31 Deadline for filing Form 5500 (without extension). **Off-calendar plans, last day of the 7th month after the plan year end.**

31 Last day to submit Form 5558 to request automatic extension to file Form 5500 October 15th (2 1/2 months). **Off-calendar plans, last day of the 7th month after the plan year end.**

2019 August

- No key deadlines.

2019 September

Sun	Mon	Tue	Wed	Thu	Fri	Sat
01	02	03	04	05	06	07
08	09	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

15 Extended deadline for filing corporate tax returns and contribution deadline for deductibility.

30 Deadline for distributing Summary Annual Report (SAR) to participants if Form 5500 submission was not extended, December 15 if 5500 extended. Rule is the later of 9 months after close of plan year or 2 months after due date of Form 5500).

2019 October

Sun	Mon	Tue	Wed	Thu	Fri	Sat
		01	02	03	04	05
06	07	08	09	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

01 If plan sponsor is considering a plan design change for the coming plan year, requested changes should be delivered to your record keeper by Nov 1 to ensure processing and 30-day participant notice requirement.

15 Extended deadline for filing Form 5500 for plans that requested a Form 5558 extension. **Off-calendar plans, extension deadline is 2 1/2 months following extension filing or 9 1/2 months following plan year end.**

2019 November

Sun	Mon	Tue	Wed	Thu	Fri	Sat
					01	02
03	04	05	06	07	08	09
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

01 Sponsors with terminated participants who have turned 70 1/2 should be contacted by your record keeper (typically in November) with a list of participants due to receive RMDs (Required Minimum Distributions).

20 Recommended distribution of annual notices to participants. **Off-calendar plans, notice distribution 45 days before plan year end.**

2019 December

Sun	Mon	Tue	Wed	Thu	Fri	Sat
01	02	03	04	05	06	07
08	09	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

01 Deadline for sending annual 401(k) notices to participants: Safe Harbor notice, Qualified Default Investment Alternative (QDIA) notice, Automatic Contribution Arrangement (ACA) notice, Summary Annual Report (SAR) deadline is December 15, for extended 5500 filing. For administrative ease, a combined notice may be provided for these notices. **Off-calendar plans, 30 days prior to the end of the plan year.**

15 Summary Annual Report (SAR) deadline for extended 5500 filing.

31 Deadline for eligible participants to receive Required Minimum Distribution (RMD) for the current year.

31 Deadline for processing corrective distributions for failed ADP/ACP test for previous year with 10% excise tax.

31 Deadline for correcting a failed ADP/ACP test for previous year with qualified nonelective contributions (QNEC).

31 Deadline for amendment to convert existing 401(k) plan to safe harbor design or remove safe harbor design for next plan year.

31 Deadline for amending plan for discretionary changes implemented during plan year (certain exceptions apply, e.g. adding salary deferrals, cutting back accrued benefits).

\*This chart is intended to provide plan sponsors with a list of notable deadlines and is not a substitute for consultation with ERISA counsel and in no way represents legal advice.

- <sup>1</sup> Carl, John. "Case of the Week: Changes to Hardship Distributions for 2019." NAPA Net, 22 Aug. 2018, [www.napa-net.org/news/technical-competence/case-of-the-week/case-of-the-week-changes-to-hardship-distributions-for-2019/?mqsc=E3982537&utm\\_source=WhatCountsEmail&utm\\_medium=NAPA\\_Net\\_ListNapa-Net%2BDaily&utm\\_campaign=2018-08-22\\_eNewsNAPA\\_Wed](http://www.napa-net.org/news/technical-competence/case-of-the-week/case-of-the-week-changes-to-hardship-distributions-for-2019/?mqsc=E3982537&utm_source=WhatCountsEmail&utm_medium=NAPA_Net_ListNapa-Net%2BDaily&utm_campaign=2018-08-22_eNewsNAPA_Wed).
- <sup>2</sup> Moore, Rebecca. "Senators Introduce Bill Regarding Student Loan Repayment Benefits in Retirement Plans." *PLANADVISER*, 19 Dec. 2018, [www.planadviser.com/senators-introduce-bill-regarding-student-loan-repayment-benefits-retirement-plans/](http://www.planadviser.com/senators-introduce-bill-regarding-student-loan-repayment-benefits-retirement-plans/).
- <sup>3</sup> Godbout, Ted. "Portman, Cardin Introduce Sweeping Retirement Reform Legislation." *AMERICAN SOCIETY OF PENSION PROFESSIONALS & ACTUARIES*, 21 Dec. 2018, [www.asppanet.org/news/portman-cardin-introduce-sweeping-retirement-reform-legislation](http://www.asppanet.org/news/portman-cardin-introduce-sweeping-retirement-reform-legislation).
- <sup>4</sup> Godbout, Ted. "Portman, Cardin Introduce Sweeping Retirement Reform Legislation." *NAPA Net*, 20 Dec. 2018, [www.napa-net.org/news/technical-competence/legislation/portman-cardin-introduce-sweeping-retirement-reform-legislation/](http://www.napa-net.org/news/technical-competence/legislation/portman-cardin-introduce-sweeping-retirement-reform-legislation/).
- <sup>5</sup> Cox, Jeff. "Fed Hikes Rate, Lowers 2019 Projection to 2 Increases." *CNBC*, CNBC, 19 Dec. 2018, [www.cnbc.com/2018/12/19/fed-hikes-rates-by-a-quarter-point-.html](http://www.cnbc.com/2018/12/19/fed-hikes-rates-by-a-quarter-point-.html).
- <sup>6</sup> Rampton, Roberta. "U.S., China Agree on Trade War Ceasefire after Trump, Xi Summit." *Reuters*, Thomson Reuters, 2 Dec. 2018, [www.reuters.com/article/us-g20-argentina/u-s-china-agree-on-trade-war-ceasefire-after-trump-xi-summit-idUSKCN10031C](http://www.reuters.com/article/us-g20-argentina/u-s-china-agree-on-trade-war-ceasefire-after-trump-xi-summit-idUSKCN10031C).
- <sup>7</sup> Breuninger, Kevin, and Javier E. David. "US, China Call a 90-Day Truce in Trade War as Trump, Xi Agree to Continue Wide Ranging Talks." *CNBC*, CNBC, 3 Dec. 2018, [www.cnbc.com/2018/12/01/us-china-wont-impose-additional-tariffs-after-january-1-report.html](http://www.cnbc.com/2018/12/01/us-china-wont-impose-additional-tariffs-after-january-1-report.html).
- <sup>8</sup> CNBC. "US Trade Rep Lighthizer Warns 90 Day Pause in US-China Trade War Is a 'Hard Deadline'." *CNBC*, CNBC, 9 Dec. 2018, [www.cnbc.com/2018/12/09/lighthizer-90-day-pause-in-us-china-trade-war-is-a-hard-deadline.html](http://www.cnbc.com/2018/12/09/lighthizer-90-day-pause-in-us-china-trade-war-is-a-hard-deadline.html).
- <sup>9</sup> Reid, David. "Theresa May Lost Big on Her Brexit Deal Vote - Here's What Could Happen Now." *CNBC*, CNBC, 16 Jan. 2019, [www.cnbc.com/2019/01/15/theresa-may-loses-brexit-vote-what-happens-next.html](http://www.cnbc.com/2019/01/15/theresa-may-loses-brexit-vote-what-happens-next.html).
- <sup>10</sup> "Delaying Brexit Won't Solve Anything, Theresa May Tells MPs." *BBC News*, BBC, 23 Jan. 2019, [www.bbc.com/news/uk-politics-46971390](http://www.bbc.com/news/uk-politics-46971390).
- <sup>11</sup> MacLellan, Kylie. "Factbox: UK PM May's Brexit 'Plan B' - What Happens next in..." *Reuters*, Thomson Reuters, 23 Jan. 2019, [www.reuters.com/article/us-britain-eu-planb-factbox/factbox-uk-pm-mays-brexit-plan-b-what-happens-next-in-parliament-idUSKCN1PH171](http://www.reuters.com/article/us-britain-eu-planb-factbox/factbox-uk-pm-mays-brexit-plan-b-what-happens-next-in-parliament-idUSKCN1PH171).
- <sup>12</sup> "401(k) Contribution Limit Increases to \$19,000 for 2019; IRA Limit Increases to \$6,000." Internal Revenue Service, [www.irs.gov/newsroom/401k-contribution-limit-increases-to-19000-for-2019-ira-limit-increases-to-6000](http://www.irs.gov/newsroom/401k-contribution-limit-increases-to-19000-for-2019-ira-limit-increases-to-6000).

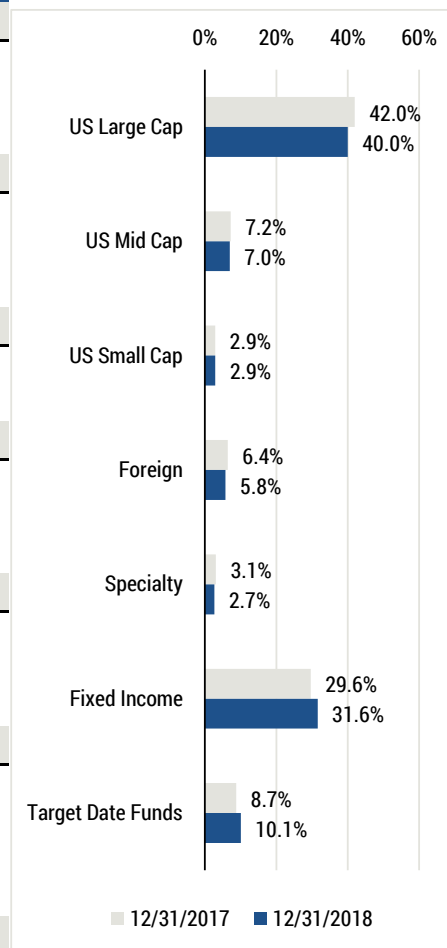


# County of Fresno 457 DC Plan

## Summary of Assets

As of 12/31/2018

Asset Class	Ticker	%	12/31/2017	Net Increases/Decreases	12/31/2018	%
<b>US Large Cap</b>		<b>42.00%</b>	<b>\$102,150,854</b>	<b>-\$8,974,562</b>	<b>\$93,176,292</b>	<b>40.04%</b>
BlackRock Equity Index - Collective M	02cff1	18.96%	\$46,108,280	(\$4,254,921)	\$41,853,359	17.99%
Alger Spectra Z	aspzx	17.57%	\$42,722,570	(\$3,706,561)	\$39,016,009	16.77%
Columbia Dividend Income Inst3	cddyx	5.48%	\$13,320,004	(\$1,013,080)	\$12,306,924	5.29%
<b>US Mid Cap</b>		<b>7.21%</b>	<b>\$17,533,172</b>	<b>-\$1,297,373</b>	<b>\$16,235,799</b>	<b>6.98%</b>
BlackRock Russell 2000 Index Coll M	03cff3	1.41%	\$3,419,692	\$292,758	\$3,712,450	1.60%
BlackRock MidCap Idx - Collective M	03cff2	3.54%	\$8,615,512	(\$896,266)	\$7,719,246	3.32%
Hennessy Focus Institutional	hfcix	2.26%	\$5,497,968	(\$693,866)	\$4,804,102	2.06%
<b>US Small Cap</b>		<b>2.88%</b>	<b>\$6,996,714</b>	<b>-\$248,892</b>	<b>\$6,747,822</b>	<b>2.90%</b>
Nicholas Limited Edition I	nclex	2.39%	\$5,810,468	(\$257,907)	\$5,552,562	2.39%
Janus Henderson Small Cap Value N	jdsnx	0.49%	\$1,186,246	\$9,015	\$1,195,260	0.51%
<b>Foreign</b>		<b>6.41%</b>	<b>\$15,595,006</b>	<b>-\$2,191,094</b>	<b>\$13,403,912</b>	<b>5.76%</b>
BlackRock EAFE Equity Index Coll F	10cff5	1.26%	\$3,054,660	\$73,233	\$3,127,893	1.34%
Ivy International Core Equity N	iincx	4.38%	\$10,662,849	(\$2,249,411)	\$8,413,438	3.62%
Oppenheimer Developing Markets I	odvix	0.77%	\$1,877,497	(\$14,917)	\$1,862,580	0.80%
<b>Specialty</b>		<b>3.12%</b>	<b>\$7,576,022</b>	<b>-\$1,390,069</b>	<b>\$6,185,953</b>	<b>2.66%</b>
Fidelity Advisor Real Estate Income I	frirx	0.47%	\$1,151,083	(\$210,062)	\$941,021	0.40%
Franklin Utilities R6	fufrx	1.65%	\$4,014,648	(\$711,490)	\$3,303,158	1.42%
Oakmark Equity And Income Investor	oakbx	0.99%	\$2,410,291	(\$468,518)	\$1,941,773	0.83%
<b>Fixed Income</b>		<b>29.64%</b>	<b>\$72,079,706</b>	<b>\$1,403,446</b>	<b>\$73,483,152</b>	<b>31.58%</b>
Virtus Seix Total Return Bond R6	samzx	1.43%	\$3,488,914	\$332,148	\$3,821,062	1.64%
BlackRock US Debt Index Fund Coll W	04cff4	1.64%	\$3,991,975	\$666,731	\$4,658,706	2.00%
Templeton Global Bond R6	fbnrx	0.57%	\$1,377,578	\$319,429	\$1,697,007	0.73%
Fresno County Stable Value	fressv	25.99%	\$63,221,239	\$85,138	\$63,306,377	27.21%
<b>Target Date Funds</b>		<b>8.75%</b>	<b>\$21,279,270</b>	<b>\$2,169,022</b>	<b>\$23,448,291</b>	<b>10.08%</b>
Great-West Lifetime 2015 Trust	grwl15	1.32%	\$3,199,357	(\$54,015)	\$3,145,342	1.35%
Great-West Lifetime 2025 Trust	grwl25	2.92%	\$7,106,144	\$656,224	\$7,762,368	3.34%
Great-West Lifetime 2035 Trust	grwl35	1.94%	\$4,720,176	\$614,030	\$5,334,206	2.29%
Great-West Lifetime 2045 Trust	grwl45	1.85%	\$4,494,394	\$251,884	\$4,746,278	2.04%
Great-West Lifetime 2055 Trust	grwl55	0.72%	\$1,759,200	\$700,898	\$2,460,098	1.06%
<b>Total</b>		<b>100.0%</b>	<b>\$243,210,743</b>	<b>-\$10,529,523</b>	<b>\$232,681,220</b>	<b>100.0%</b>



# County of Fresno 457 DC Plan

## Investment Summary

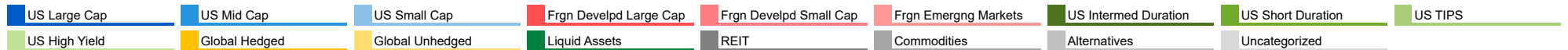
As of 12/31/2018

### Passively-Managed and Cash Funds

Investment	Ticker	Equities						Fixed Income						Liquid	Other				Exp	Qtr	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr						
		US			Foreign			US			Foreign				R	C	A	U															
		L	M	S	L	S	E	I	S	T	Y	H	U																				
BlackRock Equity Index - Collective M	02cff1	100																						0.02	-13.48	-4.32	-4.32	8.01	9.33	7.31	8.56	13.22	
BlackRock MidCap Idx - Collective M	03cff2		100																						0.03	-17.22	-10.98	-10.98	1.62	7.46	4.92	5.88	13.62
BlackRock Russell 2000 Index Coll M	03cff3			100																					0.03	-20.19	-10.91	-10.91	1.18	7.59	4.52	4.64	12.21
BlackRock EAFE Equity Index Coll F	10cff5				100																				0.10	-12.53	-13.43	-13.43	4.17	3.48	2.45	0.83	6.46
BlackRock US Debt Index Fund Coll W	04cff4							100																	0.04	1.62	0.05	0.05	1.83	2.13	1.81	2.67	

### Actively-Managed Funds

Style	Investment	Ticker	L	M	S	L	S	E	I	S	T	Y	H	U	C	R	C	A	U	Exp	Qtr	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr
Income	Columbia Dividend Income Inst3	CDDYX	89	3		3									5					0.58	-9.64	-4.28	-4.28	7.60	9.58	7.32	8.41	11.90
Growth	Alger Spectra Z	ASPZX	84	6		3		1							6					0.96	-16.32	-0.58	-0.58	14.32	9.40	8.90	9.63	16.62
Utilities	Franklin Utilities R6	FUFRX	63	28	2	5									2					0.49	0.88	2.94	2.94	6.83	10.46	5.77	9.45	10.62
Growth	Hennessy Focus Institutional	HFCIX	49	26	10	9	1								5					1.12	-13.02	-10.12	-10.12	3.73	4.99	4.55	5.72	13.95
Balanced	Oakmark Equity And Income Investor	OAKBX	41	13		6			11	8		3			12				6	0.78	-9.26	-8.34	-8.34	2.42	5.19	2.66	3.50	7.83
Growth	Nicholas Limited Edition I	NCLEX		35	50	2	3								10					0.86	-15.04	-0.98	-0.98	8.97	10.09	6.98	6.45	13.34
Blend	Janus Henderson Small Cap Value N	JDSNX		40	48	2	3								7					0.81	-13.90	-12.96	-12.96	-0.87	7.55	4.97	5.49	11.26
Global Blend	Ivy International Core Equity N	IINCX	4			81		11							3				1	0.79	-15.25	-17.53	-17.53	0.83	1.15	0.73	0.82	7.56
Emerging Gr	Oppenheimer Developing Markets I	ODVIX				29		62							5				4	0.87	-7.78	-11.78	-11.78	9.26	8.63	2.57	1.14	10.21
Intermediate	Virtus Seix Total Return Bond R6	SAMZX							64	17			2		17				0.31	2.13	-0.17	-0.17	1.32	1.92	1.52	2.50	3.74	
Real Estate	Fidelity Advisor Real Estate Income I	FRIRX	7	13	10				8	1		27	1		10				23	0.75	-3.02	-0.63	-0.63	3.28	5.54	4.60	6.13	11.80
Global Bond	Templeton Global Bond R6	FBNRX							2	1		1	61	1	34					0.56	1.75	1.56	1.56	2.18	3.69	1.73	1.78	5.41
Stable Value	Fresno County Stable Value	fressv													100					0.50	0.51	2.03	2.03	2.02	2.04	2.07	2.09	



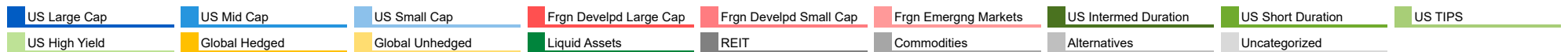
# County of Fresno 457 DC Plan

## Investment Summary

As of 12/31/2018

### Target-Date Funds









Style	Investment	Ticker	Equities						Fixed Income						Liquid	Other				Exp	Qtr	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr
			US			Foreign			US			Foreign				R	C	A	U									
			L	M	S	L	S	E	I	S	T	Y	H	U														
Target Date	Great-West Lifetime 2015 Trust	GRWL15	17	8	4	10		3	20	8	13	5	5		4	3					0.43	-5.71	-3.42	-3.42	4.03	5.34	3.74	4.27
Target Date	Great-West Lifetime 2025 Trust	GRWL25	22	9	6	14		5	19	5	6	5	4		2	3					0.43	-7.51	-4.52	-4.52	4.92	6.26	4.40	4.90
Target Date	Great-West Lifetime 2035 Trust	GRWL35	29	12	8	21		7	11	1	2	2	2		1	4					0.44	-10.21	-6.18	-6.18	5.83	7.25	5.07	5.08
Target Date	Great-West Lifetime 2045 Trust	GRWL45	31	13	10	24		10	6			1	1			4					0.44	-11.83	-7.35	-7.35	6.07	7.51	5.21	5.49
Target Date	Great-West Lifetime 2055 Trust	GRWL55	29	13	11	25		11	5			1	1			4					0.45	-11.99	-7.80	-7.80	6.04	7.48	5.12	5.31





# CALCULATION METHODOLOGY OF OVERALL FUND

1 (Worst) — 10 (Best)

Factor	Weight	Explanation	Score Calculation		
<p><b>RETURNS</b></p> <p>Summary compliance report shows the average peer group quartile rank for all time periods (no credit for bottom quartile performance)</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> Ranks in the top 75% of Peer Group</p>	<p><b>No Score</b> Ranks in the bottom 25% of Peer Group</p>	
<p><b>RISK ADJUSTED RETURNS</b></p> <p>Summary compliance report shows the average peer group quartile rank for all time periods (no credit for bottom quartile performance)</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> Ranks in top 75% of Peer Group</p>	<p><b>No Score</b> Ranks in bottom 25% of Peer Group</p>	
<p><b>RISK</b></p> <p>Summary compliance report shows the average peer group quartile rank for all time periods (no credit for bottom quartile performance)</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> Ranks in top 75% of Peer Group</p>	<p><b>No Score</b> 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> Ranks in top 75% of Peer Group</p>	<p><b>No Score</b> Ranks in bottom 25% of Peer Group</p>
<p><b>OTHER</b></p> <p>Fund expense quartile rank</p> <p>Manager tenure is greater than 3 years</p>	 <p>10% Overall</p>	 <p>5% Overall</p>	<p><b>Expense Ratio</b></p> <p>For current period</p>	<p><b>Proportional Score</b> Ranks in top 75% of Peer Group</p>	<p><b>No Score</b> 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> Manager Tenure more than 3 years</p>	<p><b>No Score</b> Manager Tenure less than 3 years</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.

Summary of Fund Compliance

**Passively-Managed and Cash Funds**

Type	Assets %	Fund Name	Ticker
LC Index	17.99%	BlackRock Equity Index - Collective M	02cff1
MC Index	3.32%	BlackRock MidCap Idx - Collective M	03cff2
SC Index	1.60%	BlackRock Russell 2000 Index Coll M	03cff3
Global	1.34%	BlackRock EAFE Equity Index Coll F	10cff5
US Debt	2.00%	BlackRock US Debt Index Fund Coll W	04cff4

\* This Investment has less than 3 years of performance data

**Actively-Managed Funds**

Underperforming ◀ ● ○ ● ● ▶ Outperforming

Status	Assets %	Fund Name	Ticker	Return (40%)	Risk Adjusted Return (20%)	Risk (30%)	Expense (5%)	Tenure (5%)
Pass	5.29%	Columbia Dividend Income Inst3	CDDYX	●	●	●	●	●
Pass	16.77%	Alger Spectra Z	ASPZX	●	●	○	●	●
Pass	1.42%	Franklin Utilities R6	FUFRX	●	●	●	●	●
Watch	2.06%	Hennessy Focus Institutional	HFCIX	○	●	●	●	●
Watch	0.83%	Oakmark Equity And Income Investor	OAKBX	○	○	○	●	●
Pass	2.39%	Nicholas Limited Edition I	NCLEX	●	●	●	●	●
Pass	0.51%	Janus Henderson Small Cap Value N	JDSNX	●	●	●	●	●
Pass	3.62%	Ivy International Core Equity N	IINCX	●	●	○	●	●
Pass	0.80%	Oppenheimer Developing Markets I	ODVIX	●	●	●	●	●
Watch	1.64%	Virtus Seix Total Return Bond R6	SAMZX	○	○	○	●	●
Pass	0.40%	Fidelity Advisor Real Estate Income I	FRIRX	●	●	●	●	●
Pass	0.73%	Templeton Global Bond R6	FBNRX	●	●	○	●	●
Pass	27.21%	Fresno County Stable Value	fressv	●	●	●	○	●

\* This Investment has less than 3 years of performance data

**Target-Date Funds**

Underperforming ◀ ● ○ ● ▶ Outperforming

Status	Assets %	Fund Name	Ticker	Return (40%)	Risk Adjusted Return (20%)	Risk (30%)	Expense (5%)	Tenure (5%)
Pass	1.35%	Great-West Lifetime 2015 Trust	GRWL15	●	●	●	●	●
Pass	3.34%	Great-West Lifetime 2025 Trust	GRWL25	●	●	●	●	●
Pass	2.29%	Great-West Lifetime 2035 Trust	GRWL35	●	●	●	●	●
Pass	2.04%	Great-West Lifetime 2045 Trust	GRWL45	●	●	●	●	●
Pass	1.06%	Great-West Lifetime 2055 Trust	GRWL55	●	●	●	●	●

\* This Investment has less than 3 years of performance data

Passively-Managed and Cash Funds

Type of Fund	Assets %	Ticker	Fund Name	Return vs Peer Group (40%)			Risk Adjusted Return Sharpe (20%)			Standard Deviation			Risk (30%) Up Capture			Down Capture			Other (10%) Expense Tenure	
				3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	Peer Rank %	Avg Yrs
				LC Index	17.99%	02cff1	BlackRock Equity Index - Collective M	11	6	13	14	7	9	38	35	36	17	10	27	34
MC Index	3.32%	03cff2	BlackRock MidCap Idx - Collective M	18	16	13	22	21	20	61	63	65	9	6	11	71	63	58	1	5
SC Index	1.60%	03cff3	BlackRock Russell 2000 Index Coll M	23	23	33	29	27	46	76	86	71	9	4	10	70	80	84	2	5
Global	1.34%	10cff5	BlackRock EAFE Equity Index Coll F	26	23	30	27	24	34	34	53	61	28	33	25	37	36	55	4	5
US Debt	2.00%	04cff4	BlackRock US Debt Index Fund Coll W	1	1		3	21		80	83		8	9		48	48		1	5

Actively-Managed Funds

Overall Fund Score	Assets %	Ticker	Fund Name	Return vs Peer Group (40%)			Risk Adjusted Return Sharpe (20%)			Standard Deviation			Risk (30%) Up Capture			Down Capture			Other (10%) Expense Tenure	
				3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	Peer Rank %	Avg Yrs
				9	5.29%	CDDYX	Columbia Dividend Income Inst3	6	1	19	5	2	6	9	12	9	68	54	84	7
7	16.77%	ASPZX	Alger Spectra Z	45	27	6	55	34	6	72	69	69	16	16	5	86	67	65	46	6
7	1.42%	FUFRX	Franklin Utilities R6	25	16	39	37	17	29	78	74	22	10	13	49	72	62	36	13	12
5	2.06%	HFCIX	Hennessy Focus Institutional	85	55	34	73	39	32	5	12	37	95	88	91	11	13	3	49	7
4	0.83%	OAKBX	Oakmark Equity And Income Investor	33	62	67	66	75	72	94	93	65	5	12	62	95	95	62	28	7
7	2.39%	NCLEX	Nicholas Limited Edition I	28	25	54	7	13	14	2	3	2	84	82	93	3	6	7	16	23
8	0.51%	JDSNX	Janus Henderson Small Cap Value N	13	1	38	4	1	3	5	5	4	82	73	89	4	3	2	12	14
6	3.62%	IINCX	Ivy International Core Equity N	73	24	10	74	25	11	83	80	46	40	13	20	85	65	32	29	10
7	0.80%	ODVIX	Oppenheimer Developing Markets I	26	41	5	18	41	5	29	48	34	62	57	48	16	38	16	12	5
4	1.64%	SAMZX	Virtus Seix Total Return Bond R6	61	36	76	71	50	75	86	89	45	47	25	72	70	63	56	8	7
7	0.40%	FRIRX	Fidelity Advisor Real Estate Income I	5	74	38	3	1	1	3	2	3	97	98	98	5	1	1	18	13
6	0.73%	FBNRX	Templeton Global Bond R6	20	30	25	48	43	40	72	75	89	98	92	84	2	2	3	12	10
9	27.21%	fressv	Fresno County Stable Value	1	1		1	1		1	1		1	1		n/a	1		64	6

Target-Date Funds

Overall Fund Score	Assets %	Ticker	Fund Name	Return vs Peer Group (40%)			Risk Adjusted Return Sharpe (20%)			Standard Deviation			Risk (30%) Up Capture			Down Capture			Other (10%) Expense		Tenure
				3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	Peer Rank %	Avg Yrs	
				9	1.35%	GRWL15	Great-West Lifetime 2015 Trust	5	2		6	1		41	21		15	24		30	
9	3.34%	GRWL25	Great-West Lifetime 2025 Trust	1	2		4	1		38	27		20	41		22	19		21	5	
9	2.29%	GRWL35	Great-West Lifetime 2035 Trust	4	11		3	8		42	25		12	46		27	18		21	5	
9	2.04%	GRWL45	Great-West Lifetime 2045 Trust	3	5		5	8		59	44		2	5		40	32		19	5	
8	1.06%	GRWL55	Great-West Lifetime 2055 Trust	3	12		6	13		55	50		3	6		44	41		21	5	

\* This Investment has less than 3 years of performance data

All data except for 'Tenure - Average Years' are listed as a peer rank percentage

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.



Northwest Capital Management, Inc. 01/30/2019

Trustee / Committee Member Date



**BlackRock Equity Index - Collective M (02cff1)**

Fund Type: LC Index

US Large Cap

The fund seeks to replicate the performance of U.S. Large Cap Stocks

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
02cff1	-13.48%	-4.32%	9.33%	8.56%	13.22%
S&P 500 TR USD	-13.52%	-4.40%	9.26%	8.50%	13.12%
<b>Out/(Under) Performing</b>	<b>0.04%</b>	<b>0.07%</b>	<b>0.07%</b>	<b>0.06%</b>	<b>0.10%</b>
<b>Peer Group Ranking</b>	37	20	11	6	13

**BlackRock MidCap Idx - Collective M (03cff2)**

Fund Type: MC Index

US Mid Cap

The fund seeks to replicate the performance of U.S. Mid Cap Stocks

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
03cff2	-17.22%	-10.98%	7.46%	5.88%	13.62%
S&P MidCap 400 TR	-17.29%	-11.10%	7.66%	6.03%	13.68%
<b>Out/(Under) Performing</b>	<b>0.06%</b>	<b>0.13%</b>	<b>-0.20%</b>	<b>-0.14%</b>	<b>-0.06%</b>
<b>Peer Group Ranking</b>	58	40	18	16	13

**BlackRock Russell 2000 Index Coll M (03cff3)**

Fund Type: SC Index

US Small Cap

The fund seeks to replicate the performance of U.S. Small Cap Stocks

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
03cff3	-20.19%	-10.91%	7.59%	4.64%	12.21%
Russell 2000 TR USD	-20.20%	-11.02%	7.36%	4.41%	11.97%
<b>Out/(Under) Performing</b>	<b>0.01%</b>	<b>0.11%</b>	<b>0.23%</b>	<b>0.24%</b>	<b>0.24%</b>
<b>Peer Group Ranking</b>	61	32	23	23	33

**BlackRock EAFE Equity Index Coll F (10cff5)**

Fund Type: Global

Frgn Developd Large Cap

The fund seeks to replicate performance of Foreign stock represented by the MSCI EAFE Index

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
10cff5	-12.53%	-13.43%	3.48%	0.83%	6.46%
MSCI ACWI Ex USA NR USD	-11.46%	-14.19%	4.48%	0.68%	6.57%
<b>Out/(Under) Performing</b>	<b>-1.07%</b>	<b>0.76%</b>	<b>-0.99%</b>	<b>0.15%</b>	<b>-0.11%</b>
<b>Peer Group Ranking</b>	39	20	26	23	30

**BlackRock US Debt Index Fund Coll W (04cff4)**

Fund Type: US Debt

US Intermed Duration

The fund seeks to replicate the performance of the U.S. Bond Market

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
04cff4	1.62%	0.05%	2.13%	2.67%	
BBgBarc US Govt Interm TR USD	2.22%	1.42%	1.20%	1.46%	1.83%
<b>Out/(Under) Performing</b>	<b>-0.60%</b>	<b>-1.37%</b>	<b>0.92%</b>	<b>1.21%</b>	
<b>Peer Group Ranking</b>	78	74	1	1	

**Columbia Dividend Income Inst3 (CDDYX)**

Fund Score: 9 (Status: Pass)

US Large Cap

The investment seeks total return, consisting of current income and capital appreciation.

The fund invests at least 80% of its net assets (including the amount of any borrowings for investment purposes) in a diversified portfolio of income-producing (dividend-paying) equity securities, which will consist primarily of common stocks but also may include preferred stocks and convertible securities. It invests principally in securities of companies believed to be undervalued but also may invest in securities of companies believed to have the potential for long-term growth. The fund may invest in companies that have market capitalizations of any size.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
CDDYX	-9.64%	-4.28%	9.58%	8.41%	11.90%
S&P 500 Value TR USD	-12.05%	-8.96%	7.23%	6.06%	11.21%
<b>Out/(Under) Performing</b>	<b>2.41%</b>	<b>4.68%</b>	<b>2.34%</b>	<b>2.36%</b>	<b>0.69%</b>
<b>Peer Group Ranking</b>	13	9	6	1	19

**Alger Spectra Z (ASPZX)**

Fund Score: 7 (Status: Pass)

US Large Cap

The investment seeks long-term capital appreciation.

The fund invests primarily in the equity securities of companies of any size that the manager believes demonstrate promising growth potential. Equity securities include common or preferred stocks that are listed on U.S. or foreign exchanges. It may invest a significant portion of its assets in securities of companies conducting business within a single sector, including the information technology, consumer discretionary, and health care sectors as these sectors are defined by manager and certain third party sources.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
ASPZX	-16.32%	-0.58%	9.40%	9.63%	16.62%
S&P 500 Growth TR USD	-14.72%	0.00%	10.85%	10.55%	14.81%
<b>Out/(Under) Performing</b>	<b>-1.60%</b>	<b>-0.58%</b>	<b>-1.46%</b>	<b>-0.93%</b>	<b>1.81%</b>
<b>Peer Group Ranking</b>	63	34	45	27	6

Alger Spectra returned -16.3% in Q4 2018 compared to -14.7% for its benchmark (S&P 500 Growth). For the full year, the fund returned -0.6% compared to -1 basis point for the benchmark. Stock selection in the Technology and Consumer Cyclical sectors were the primary headwinds on relative performance for the quarter. An overweight position in Apple was the biggest detractor as market participants were concerned about slowing iPhone demand and longer replacement cycles. Underweight positions in Starbucks and Tesla hampered relative returns as these names outperformed the broad index. Management has historically favored tech stocks but shifted into healthcare names to position the portfolio more defensively. The fund scores a 7 under our methodology and trailing returns rank in the top quartile of peers for the trailing five- and ten-year periods, respectively.



**Franklin Utilities R6 (FUFRX)**

Fund Score: 7 (Status: Pass)

US Large Cap

The investment seeks capital appreciation and current income.

The fund normally invests at least 80% of its net assets in the securities of public utilities companies. These are companies that provide electricity, natural gas, water, and communications services to the public and companies that provide services to public utilities companies. It concentrates (invests more than 25% of its total assets) in companies operating in the utilities industry. The fund invests primarily in equity securities, which consist mainly of common stocks.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
FUFRX	0.88%	2.94%	10.46%	9.45%	10.62%
MSCI World/Utilities NR USD	0.47%	1.98%	7.09%	5.74%	4.42%
<b>Out/(Under) Performing</b>	<b>0.42%</b>	<b>0.96%</b>	<b>3.38%</b>	<b>3.71%</b>	<b>6.20%</b>
<b>Peer Group Ranking</b>	8	36	25	16	39

**Hennessy Focus Institutional (HFCIX)**

Fund Score: 5 (Status: Watch)

US Mid Cap

The investment seeks capital appreciation.

The fund invests primarily in domestic companies listed on U.S. national securities exchanges. It may also invest in (i) foreign companies listed on U.S. national securities exchanges, (ii) foreign companies through American Depositary Receipts or other types of depositary receipts, which are U.S. dollar-denominated securities of foreign issuers listed on U.S. national securities exchanges and, (iii) foreign companies traded on foreign exchanges. The fund is non-diversified.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
HFCIX	-13.02%	-10.12%	4.99%	5.72%	13.95%
S&P MidCap 400 Growth TR USD	-17.62%	-10.34%	7.27%	6.26%	14.43%
<b>Out/(Under) Performing</b>	<b>4.60%</b>	<b>0.22%</b>	<b>-2.28%</b>	<b>-0.53%</b>	<b>-0.47%</b>
<b>Peer Group Ranking</b>	3	82	85	55	34

Hennessy Focus returned -13.0% over the trailing quarter, while its benchmark (S&P Mid-Cap 400 Growth) posted a -17.6% loss. In 2018, the fund returned -10.1% in line with its benchmark which posted a -10.3% return. Overweight positions in the communications sector and selection in the consumer cyclical sector bolstered performance for the quarter, bringing the fund back in line with its benchmark over the trailing year. However the highly concentrated portfolio opens the fund to idiosyncratic risk and its relatively high fees leave it little margin for error. Under our scoring methodology, the fund now scores a 5 out of 10, but needs one more quarter of outperformance before it can be removed from the watchlist. Based on risk-adjusted returns, the fund ranks in the top half of its peer group over the five- and ten-year periods.

**Oakmark Equity And Income Investor (OAKBX)**

Fund Score: 4 (Status: Watch)

Uncategorized

The investment seeks income and preservation and growth of capital. The fund invests primarily in a diversified portfolio of U.S. equity and debt securities (although the fund may invest up to 35% of its total assets in equity and debt securities of non-U.S. issuers). It is intended to present a balanced investment program between growth and income by investing approximately 40-75% of its total assets in common stock, including securities convertible into common stock, and up to 60% of its total assets in debt securities issued by U.S. or non-U.S. governments and corporate entities rated at the time of purchase within the two highest grades.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
OAKBX	-9.26%	-8.34%	5.19%	3.50%	7.83%
DJ Moderate TR USD	-7.70%	-5.21%	5.53%	4.11%	8.22%

**Out/(Under) Performing** -1.56% -3.13% -0.33% -0.61% -0.39%

**Peer Group Ranking** 64 85 33 62 67

Oakmark Equity and Income returned -9.26% over the last quarter, underperforming its benchmark (DJ Moderate) by -1.56%. The primary detractors from performance were an international equity and duration underweight. As the rolling bear entered the U.S. in October, international equity outperformed where valuation discounts were already priced. Subsequently, the risk-off sentiment collapsed Treasury yields where the fund's shorter duration provided less of a ballast. Management did not add to any new stocks during the sell-off, rather increased existing holdings at more attractive prices. The fund scores a 4 under our scoring methodology and trailing risk-adjusted returns rank in the bottom half of peers for the trailing three- and five- year periods, respectively.

**Nicholas Limited Edition I (NCLEX)**

Fund Score: 7 (Status: Pass)

US Small Cap

The investment seeks to increase the value of the investment over the long-term. The fund primarily invests in common stocks of domestic corporations with small- and medium-sized market capitalizations believed to have growth potential. The advisor believes a company's annual sales volume and market capitalization are the factors most illustrative of a company's size. The advisor generally considers companies with market capitalizations up to \$3 billion as "small", between \$3 billion and \$25 billion as "medium," and greater than \$25 billion as "large."

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
NCLEX	-15.04%	-0.98%	10.09%	6.45%	13.34%
Russell 2000 Growth TR USD	-21.65%	-9.30%	7.25%	5.14%	13.52%

**Out/(Under) Performing** 6.61% 8.31% 2.85% 1.31% -0.18%

**Peer Group Ranking** 1 20 28 25 54

Nicholas Limited Edition returned -15.0% compared to -21.7% of its benchmark (Russell 2000 Growth) over the trailing quarter. For the year, the fund returned -1.0%, while its benchmark returned -9.3%. Stock selection in industrials, healthcare, and consumer cyclical sectors provided the largest tailwinds over the quarter. Despite forgoing some gains in the bull market of the last decade, the conservative, quality-based approach of the fund has protected its investors in a volatile 2018. For our part, we are satisfied with the fund's effective conservative philosophy as it has continued to perform over the long-term. Under our scoring methodology, the fund scores a 7 and ranks in the top quartile of its peer group for the three-, five- and ten-year periods, based off risk-adjusted returns.

**Janus Henderson Small Cap Value N (JDSNX)**

Fund Score: 8 (Status: Pass)

US Small Cap

The investment seeks capital appreciation.

The fund pursues its investment objective by investing primarily in the common stocks of small companies whose stock prices are believed to be undervalued by the fund's portfolio managers. It invests, under normal circumstances, at least 80% of its net assets (plus any borrowings for investment purposes) in equity securities of small companies whose market capitalization, at the time of initial purchase, is less than the 12-month average of the maximum market capitalization for companies included in the Russell 2000 Value Index. The fund may invest up to 20% of its net assets in cash or similar investments.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
JDSNX	-13.90%	-12.96%	7.55%	5.49%	11.26%
Russell 2000 Value TR USD	-18.67%	-12.86%	7.37%	3.61%	10.40%
<b>Out/(Under) Performing</b>	<b>4.77%</b>	<b>-0.09%</b>	<b>0.17%</b>	<b>1.88%</b>	<b>0.86%</b>
<b>Peer Group Ranking</b>	4	22	13	1	38

**Ivy International Core Equity N (IINCX)**

Fund Score: 6 (Status: Pass)

Frgn Developd Large Cap

The investment seeks to provide capital growth and appreciation.

The fund invests, under normal circumstances, at least 80% of its net assets in equity securities of companies primarily located in, or principally traded in, developed European and Asian/Pacific Basin markets. In seeking to enhance potential return, it also may invest in issuers located or doing business in emerging market countries. The fund may invest up to 100% of its total assets in foreign securities.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
IINCX	-15.25%	-17.53%	1.15%	0.82%	7.56%
MSCI ACWI Ex USA NR USD	-11.46%	-14.19%	4.48%	0.68%	6.57%
<b>Out/(Under) Performing</b>	<b>-3.79%</b>	<b>-3.34%</b>	<b>-3.33%</b>	<b>0.15%</b>	<b>0.99%</b>
<b>Peer Group Ranking</b>	87	77	73	24	10

**Oppenheimer Developing Markets I (ODVIX)**

Fund Score: 7 (Status: Pass)

Frgn Emergng Markets

The investment seeks capital appreciation.

The fund mainly invests in common stocks of issuers in developing and emerging markets throughout the world and at times it may invest up to 100% of its total assets in foreign securities. Under normal market conditions, it will invest at least 80% of its net assets, plus borrowings for investment purposes, in equity securities of issuers whose principal activities are in a developing market, i.e. are in a developing market or are economically tied to a developing market country. The fund will invest in at least three developing markets.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
ODVIX	-7.78%	-11.78%	8.63%	1.14%	10.21%
MSCI EM NR USD	-7.48%	-14.57%	9.26%	1.65%	8.02%
<b>Out/(Under) Performing</b>	<b>-0.30%</b>	<b>2.79%</b>	<b>-0.63%</b>	<b>-0.52%</b>	<b>2.19%</b>
<b>Peer Group Ranking</b>	53	9	26	41	5

Oppenheimer Developing Markets returned -7.8% in Q4 2018 compared to -7.5% for its benchmark (MSCI Emerging Markets). For the full year, the fund returned -11.8% compared to -14.6% for the benchmark. An overweight position in Hong Kong was the primary headwind on Q4 performance relative to the benchmark, as the region underperformed the broader emerging markets. Additionally, management was underweight Utilities and Financial Services, which detracted from relative performance as these areas outperformed. Looking forward, management is bullish on emerging market equities and seeks to invest in companies with sustainable growth and durable advantages. The fund holds 10% less in China than its benchmark but seeks exposure through companies such as Louis Vuitton and Kering whose earnings will reflect Chinese growth. NWCM is pleased with yearly performance for 2018, and the fund currently scores a 7 under our methodology. Its risk-adjusted returns rank in the top decile relative to peers for the trailing three- and ten-year periods, and in the top half for the trailing five-year period.

**Virtus Seix Total Return Bond R6 (SAMZX)**

Fund Score: 4 (Status: Watch)

US Intermed Duration

The investment seeks to maximize long term total return through a combination of current income and capital appreciation, consistent with capital preservation.

The fund invests in various types of income-producing debt securities including mortgage- and asset-backed securities, government and agency obligations, corporate obligations and floating rate loans. It normally invests at least 80% of its net assets (plus any borrowings for investment purposes) in fixed income securities. The fund may invest up to 20% of its net assets in below investment grade, high yield debt obligations.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
SAMZX	2.13%	-0.17%	1.92%	2.50%	3.74%
BBgBarc US Agg Bond TR USD	1.64%	0.02%	2.06%	2.52%	3.48%
<b>Out/(Under) Performing</b>	<b>0.49%</b>	<b>-0.19%</b>	<b>-0.14%</b>	<b>-0.02%</b>	<b>0.26%</b>
<b>Peer Group Ranking</b>	3	31	61	36	76

The Virtus Seix Total Return Bond fund returned +2.13% in the quarter, outperforming the Bloomberg Barclays Aggregate Index return of 1.64%. The fund's high yield short (long credit-default swap index) was the primary contributor to relative performance during the quarter, contributing approximately 42 bps. The corporate bond and securitized underweights were also positive contributors to relative performance for the quarter. The fund closed out of its high yield short position in December, but has not made material changes to their credit asset exposure. Looking forward, management maintains their safe income at a reasonable price theme, and is overweight high quality Commercial Mortgage Backed Securities (CMBS) and Asset Back Securities (ABS). The fund scores a 4 under our scoring methodology and remains on watch despite the recent up-tick in performance. Trailing performance ranks in the top half for the trailing 5-year period, but lands in the bottom half of peers over the trailing 3- and 10-year periods, respectively.

**Fidelity Advisor Real Estate Income I (FRIRX)**

Fund Score: 7 (Status: Pass)

REIT

The investment seeks higher than average income; and capital growth is the secondary objective.

The fund normally invests primarily in preferred and common stocks of REITs; debt securities of real estate entities; and commercial and other mortgage-backed securities, with an emphasis on lower-quality debt securities (those of less than investment-grade quality, also referred to as high yield debt securities or junk bonds). It invests at least 80% of assets in securities of companies principally engaged in the real estate industry and other real estate related investments. The fund invests in domestic and foreign issuers.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
FRIRX	-3.02%	-0.63%	5.54%	6.13%	11.80%
FTSE Nareit Equity REITs TR USD	-6.73%	-5.05%	2.73%	7.81%	12.07%
<b>Out/(Under) Performing</b>	<b>3.72%</b>	<b>4.42%</b>	<b>2.81%</b>	<b>-1.68%</b>	<b>-0.27%</b>
<b>Peer Group Ranking</b>	4	7	5	74	38

**Templeton Global Bond R6 (FBNRX)**

Fund Score: 6 (Status: Pass)

Global Unhedged

The investment seeks current income with capital appreciation and growth of income.

Under normal market conditions, the fund invests at least 80% of its net assets in "bonds." Bonds include debt obligations of any maturity, such as bonds, notes, bills and debentures. It invests predominantly in bonds issued by governments, government-related entities and government agencies located around the world. The fund may invest up to 25% of its total assets in bonds that are rated below investment grade or, if unrated determined by the investment manager to be of comparable quality. It is non-diversified.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
FBNRX	1.75%	1.56%	3.69%	1.78%	5.41%
BBgBarc Global Aggregate TR Hdg USD	1.73%	1.76%	2.91%	3.44%	3.78%
<b>Out/(Under) Performing</b>	<b>0.02%</b>	<b>-0.20%</b>	<b>0.78%</b>	<b>-1.66%</b>	<b>1.63%</b>
<b>Peer Group Ranking</b>	13	12	20	30	25

The Templeton Global Bond fund returned 1.75% for the quarter, relative to 1.74% for the Bloomberg Barclays Global Aggregate U.S. Dollar Hedged Index. Currency positions in Latin American and Asia ex-Japan contributed to absolute results. On the other hand, negative duration exposure to U.S. Treasuries detracted from absolute fund performance as the yield on the 10-year note decreased 38 bps. Looking forward, management is focused on specific emerging markets that are less externally vulnerable to trade policy and more domestically driven. The fund scores a 6 under our methodology and trailing returns rank in the top half for the trailing 3-, 5-, and 10-year periods, respectively.

**Fresno County Stable Value (fressv)**

Fund Score: 9 (Status: Pass)

Liquid Assets

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
fressv	0.51%	2.03%	2.04%	2.09%	
ICE BofAML 0-3 M US Trsy Bill TR USD	0.55%	1.82%	0.96%	0.59%	0.34%
<b>Out/(Under) Performing</b>	<b>-0.04%</b>	<b>0.21%</b>	<b>1.08%</b>	<b>1.51%</b>	
<b>Peer Group Ranking</b>	26	1	1	1	

**Great-West Lifetime 2015 Trust (GRWL15)**

Fund Score: 9 (Status: Pass)

Uncategorized

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
GRWL15	-5.71%	-3.42%	5.34%	4.27%	
DJ Target 2015 TR USD	-1.80%	-1.27%	3.54%	2.81%	5.79%
<b>Out/(Under) Performing</b>	<b>-3.91%</b>	<b>-2.15%</b>	<b>1.80%</b>	<b>1.46%</b>	
<b>Peer Group Ranking</b>	52	32	5	2	

**Great-West Lifetime 2025 Trust (GRWL25)**

Fund Score: 9 (Status: Pass)

Uncategorized

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
GRWL25	-7.51%	-4.52%	6.26%	4.90%	
DJ Target 2025 TR USD	-4.46%	-3.23%	4.87%	3.70%	8.00%
<b>Out/(Under) Performing</b>	<b>-3.05%</b>	<b>-1.29%</b>	<b>1.39%</b>	<b>1.20%</b>	
<b>Peer Group Ranking</b>	45	24	1	2	

**Great-West Lifetime 2035 Trust (GRWL35)**

Fund Score: 9 (Status: Pass)

Uncategorized

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
GRWL35	-10.21%	-6.18%	7.25%	5.08%	
DJ Target 2035 TR USD	-8.70%	-5.79%	6.14%	4.48%	9.89%
<b>Out/(Under) Performing</b>	<b>-1.52%</b>	<b>-0.39%</b>	<b>1.11%</b>	<b>0.60%</b>	
<b>Peer Group Ranking</b>	49	19	4	11	

**Great-West Lifetime 2045 Trust (GRWL45)**

Fund Score: 9 (Status: Pass)

Uncategorized

<b>Trailing Returns</b>	<b>1 Qtr</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>
GRWL45	-11.83%	-7.35%	7.51%	5.49%	
DJ Target 2045 TR USD	-11.75%	-7.79%	6.83%	4.84%	10.70%
<b>Out/(Under) Performing</b>	<b>-0.08%</b>	<b>0.44%</b>	<b>0.68%</b>	<b>0.65%</b>	
<b>Peer Group Ranking</b>	50	22	3	5	

**Great-West Lifetime 2055 Trust (GRWL55)**

Fund Score: 8 (Status: Pass)

Uncategorized

<b>Trailing Returns</b>	<b>1 Qtr</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>
GRWL55	-11.99%	-7.80%	7.48%	5.31%	
DJ Target 2055 TR USD	-12.57%	-8.37%	6.89%	4.87%	10.73%
<b>Out/(Under) Performing</b>	<b>0.58%</b>	<b>0.58%</b>	<b>0.58%</b>	<b>0.44%</b>	
<b>Peer Group Ranking</b>	50	28	3	12	

# County of Fresno 457 DC Plan

## Expense Ratio Report

As of 12/31/2018

### Passively-Managed and Cash Funds

Investment	Ticker	Expense Ratio▲	Peer Rank	Range of Peer Group Expense Ratios							
				0%	0.5%	1%	1.5%	2%	2.5%	3%	
41,853,359 BlackRock Equity Index - Collective M	02cff1	0.02%	2	▲							
7,719,246 BlackRock MidCap Idx - Collective M	03cff2	0.03%	1	▲							
3,712,450 BlackRock Russell 2000 Index Coll M	03cff3	0.03%	2	▲							
3,127,893 BlackRock EAFE Equity Index Coll F	10cff5	0.10%	4	▲							
4,658,706 BlackRock US Debt Index Fund Coll W	04cff4	0.04%	1	▲							

### Actively-Managed Funds

12,306,924 Columbia Dividend Income Inst3	CDDYX	0.58%	15								
39,016,009 Alger Spectra Z	ASPZX	0.96%	46								
3,303,158 Franklin Utilities R6	FUFRX	0.49%	13	▲							
4,804,102 Hennessy Focus Institutional	HFCIX	1.12%	49								
1,941,773 Oakmark Equity And Income Investor	OAKBX	0.78%	28	▲							
5,552,562 Nicholas Limited Edition I	NCLEX	0.86%	16	▲							
1,195,260 Janus Henderson Small Cap Value N	JDSNX	0.81%	12	▲							
8,413,438 Ivy International Core Equity N	IINCX	0.79%	29	▲							
1,862,580 Oppenheimer Developing Markets I	ODVIX	0.87%	12	▲							
3,821,062 Virtus Seix Total Return Bond R6	SAMZX	0.31%	8	▲							
941,021 Fidelity Advisor Real Estate Income I	FRIRX	0.75%	18	▲							
1,697,007 Templeton Global Bond R6	FBNRX	0.56%	12	▲							
63,306,377 Fresno County Stable Value	fressv	0.50%	64	▲							

### Target-Date Funds

3,145,342 Great-West Lifetime 2015 Trust	GRWL15	0.43%	25	▲							
7,762,368 Great-West Lifetime 2025 Trust	GRWL25	0.43%	21	▲							
5,334,206 Great-West Lifetime 2035 Trust	GRWL35	0.44%	21	▲							
4,746,278 Great-West Lifetime 2045 Trust	GRWL45	0.44%	19	▲							
2,460,098 Great-West Lifetime 2055 Trust	GRWL55	0.45%	21	▲							

<b>232,681,220</b>	<b>Expense Ratio Averages</b>	<b>0.50%</b>	<b>19</b>	<b>Weighted Average Gross Expense Ratio: 0.49%</b>
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Your Plan	Bal Weighted Avg	1st Quartile	2nd Quartile	3rd Quartile	4th Quartile
Expense Ratio	0.49%	81.5%(22)	14.8%(4)	3.7%(1)	-

# County of Fresno 457 DC Plan

As of: 12/31/2018

## Target Date Review

Retirement Date	Investment	3-Mo	1 Yr	2 Yr *	3 Yr *	5 Yr *	Expense Ratio
<b>2015</b>							
	Great-West Lifetime 2015 Trust	-5.71	-3.42	4.03	5.34	4.27	0.43
	Morningstar Lifetime Mod 2015 TR USD	-5.20	-3.54	3.66	4.79	3.61	
	<b>Benchmark +/-</b>	<b>-0.51</b>	<b>0.12</b>	<b>0.37</b>	<b>0.55</b>	<b>0.66</b>	
<b>2025</b>							
	Great-West Lifetime 2025 Trust	-7.51	-4.52	4.92	6.26	4.90	0.43
	Morningstar Lifetime Mod 2025 TR USD	-7.01	-4.90	4.37	5.69	4.16	
	<b>Benchmark +/-</b>	<b>-0.50</b>	<b>0.38</b>	<b>0.55</b>	<b>0.57</b>	<b>0.74</b>	
<b>2035</b>							
	Great-West Lifetime 2035 Trust	-10.21	-6.18	5.83	7.25	5.08	0.44
	Morningstar Lifetime Mod 2035 TR USD	-9.95	-6.82	5.09	6.72	4.61	
	<b>Benchmark +/-</b>	<b>-0.26</b>	<b>0.64</b>	<b>0.74</b>	<b>0.53</b>	<b>0.47</b>	
<b>2045</b>							
	Great-West Lifetime 2045 Trust	-11.83	-7.35	6.07	7.51	5.49	0.44
	Morningstar Lifetime Mod 2045 TR USD	-11.67	-8.17	5.21	7.05	4.60	
	<b>Benchmark +/-</b>	<b>-0.16</b>	<b>0.82</b>	<b>0.86</b>	<b>0.46</b>	<b>0.89</b>	
<b>2055</b>							
	Great-West Lifetime 2055 Trust	-11.99	-7.80	6.04	7.48	5.31	0.45
	Morningstar Lifetime Mod 2055 TR USD	-11.84	-8.57	5.16	7.04	4.42	
	<b>Benchmark +/-</b>	<b>-0.15</b>	<b>0.77</b>	<b>0.88</b>	<b>0.44</b>	<b>0.89</b>	

\*Returns are annualized after 1 year

\*\*Great West Lifetime Trust Series replaced Great West Lifetime Trust Series II in June 2016. Return data prior to June 2016 reflects Great West Lifetime Trust Series II

\*\*\* Great West Lifetime Trust Series expense ratios were reduced to 0.43%-0.45% in Q2 2018



Historical Watch List

As of 12/31/2018

**Current Lineup Status**

Asset Class		Current Status	Placed On Watch	Asset Class		Current Status	Placed On Watch
<b>US Large Cap</b>				<b>Fixed Income</b>			
02cff1	BlackRock Equity Index - Collective M	Pass	-	04cff4	BlackRock US Debt Index Fund Coll W	Pass	-
ASPZX	Alger Spectra Z	Pass	-	SAMZX	Virtus Seix Total Return Bond R6	Watch	2018 - Q3
CDDYX	Columbia Dividend Income Inst3	Pass	-	FBNRX	Templeton Global Bond R6	Pass	-
<b>US Mid Cap</b>				fressv	Fresno County Stable Value	Pass	-
03cff2	BlackRock MidCap Idx - Collective M	Pass	-	<b>Target Date Funds</b>			
03cff3	BlackRock Russell 2000 Index Coll M	Pass	-	GRWL15	Great-West Lifetime 2015 Trust	Pass	-
HFCIX	Hennessy Focus Institutional	Watch	2018 - Q3	GRWL25	Great-West Lifetime 2025 Trust	Pass	-
<b>US Small Cap</b>				GRWL35	Great-West Lifetime 2035 Trust	Pass	-
NCLEX	Nicholas Limited Edition I	Pass	-	GRWL45	Great-West Lifetime 2045 Trust	Pass	-
JDSNX	Janus Henderson Small Cap Value N	Pass	-	GRWL55	Great-West Lifetime 2055 Trust	Pass	-
<b>Foreign</b>							
10cff5	BlackRock EAFE Equity Index Coll F	Pass	-				
IINCX	Ivy International Core Equity N	Pass	-				
ODVIX	Oppenheimer Developing Markets I	Pass	-				
<b>Specialty</b>							
FRIRX	Fidelity Advisor Real Estate Income I	Pass	-				
FUFRX	Franklin Utilities R6	Pass	-				
OAKBX	Oakmark Equity And Income Investor	Watch	2018 - Q3				

**Watch List History**

		Status	Most Recent Time on Watch		Previous Time on Watch		Previous Time on Watch	
			Placed	Removed	Placed	Removed	Placed	Removed
HFCIX	Hennessy Focus Institutional	In Plan	2018 - Q3	-				
OAKBX	Oakmark Equity and Income Investor	In Plan	2018 - Q3	-	2012 - Q1	2012 - Q3		
SAMZX	Virtus Seix Total Return Bond R6	In Plan	2018 - Q3	-	2013 - Q4	2015 - Q2		
FRESSV	County Of Fresno Stable Value Fund	In Plan	2017 - Q1	2018 - Q1				
GRWL15	Great-West Lifetime 2015 Trust	In Plan	2017 - Q1	2018 - Q1				
GRWL25	Great-West Lifetime 2025 Trust	In Plan	2017 - Q1	2018 - Q1				
GRWL35	Great-West Lifetime 2035 Trust	In Plan	2017 - Q1	2018 - Q1				
GRWL45	Great-West Lifetime 2045 Trust	In Plan	2017 - Q1	2018 - Q1				
GRWL55	Great-West Lifetime 2055 Trust	In Plan	2017 - Q1	2018 - Q1				
FBNRX	Templeton Global Bond R6	In Plan	2016 - Q2	2017 - Q1				
NCLEX	Nicholas Limited Edition N	In Plan	2013 - Q4	2015 - Q2				
CDDYX	Columbia Dividend Income Z	In Plan	2013 - Q4	2014 - Q4				
SEGSX	Sentinel Government Securities A	Removed	2014 - Q2	2015 - Q2				
MSIIX	MainStay International Equity I	Removed	2012 - Q4	2015 - Q2				
PAXIX	Pax Balanced Institutional	Removed	2012 - Q4	2013 - Q2				
GTAVX	Invesco Mid Cap Core Equity R5	Removed	2012 - Q1	2013 - Q2				
NBGNX	Neuberger Berman Genesis Inv	Removed	2012 - Q1	2012 - Q3				
SDGTX	Deutsche Capital Growth I	Removed	2012 - Q1	2012 - Q3				
CHTVX	Invesco Charter Fund R5	Removed	2012 - Q1	2012 - Q3				

\* Watch List History displays all funds that have been on watch in the plan since 2012



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## Item 9 - Exhibit C

### **Summary of Proposed Changes** County of Fresno 457 DCP

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## Overview

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In the December 2018 report, Northwest Capital Management (NWCM) provided an in-depth evaluation on the plan's investment options. At the meeting, NWCM reported that it would be recommending action items on three of the plan's investment options at the March 2019 report meeting. Listed below are action items for three funds NWCM has proposed for the DCMC's consideration:

1. NWCM recommends removing Oakmark Equity and Income and map all assets to the age appropriate Qualified Default Investment Alternative QDIA (page 4)
2. NWCM recommends removing Hennessy Focus Fund and map all assets to T. Rowe Price Mid-Cap Growth (pages 5-23)
3. NWCM recommends removing Virtus Seix Total Return Bond and map all assets to the Metropolitan West Total Return Bond Fund (pages 24-43)

This presentation includes two funds for comparison relative to each respective incumbent. NWCM's research department utilizes a variety of resources, including Morningstar Direct, to source institutional quality investment managers. The recommended replacements are approved by the NWCM Investment Committee, through our rigorous due diligence process. These funds have been through successive stages of analysis and multiple in-office reviews. NWCM has included a detailed writeup of each strategy recommended at the end of this document

**Review and Recommendation**  
Oakmark Equity & Income

## Oakmark Recommendation

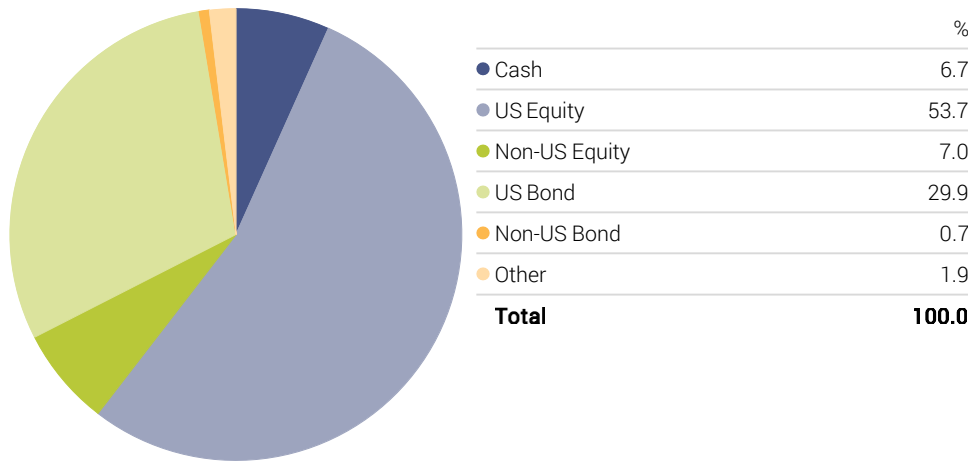
NWCM recommends removing the Oakmark Equity and Income fund due to poor performance and to consolidate the investment menu. It is not necessary to have both a balanced fund such as the Oakmark Equity and Income Fund and a suite of target retirement date funds that serve the same purpose. This purpose is to provide a diversified, one-stop offering for participants that are looking for professional management and don't want to build their own portfolio. We believe the target date funds are superior in fulfilling this purpose due to the broader spectrum of asset classes utilized in the portfolios. Additionally, these funds provide diversification benefits through the age appropriate asset allocation and automatic rebalancing to a more conservative portfolio as the investor ages. As such, in order to reduce redundancy in the menu and reduce potential participant confusion, we would recommend eliminating the Oakmark Equity Income Fund and mapping the assets to the particular participant age-appropriate target retirement date fund.

### Snapshot

Ticker	Morningstar Category	Fund Score	Percent of Plan Assets	Prospectus Net Expense Ratio
Oakmark Equity And Income Investor	OAKBX US Fund Allocation~50% to 70% Equity	4	0.83%	0.78

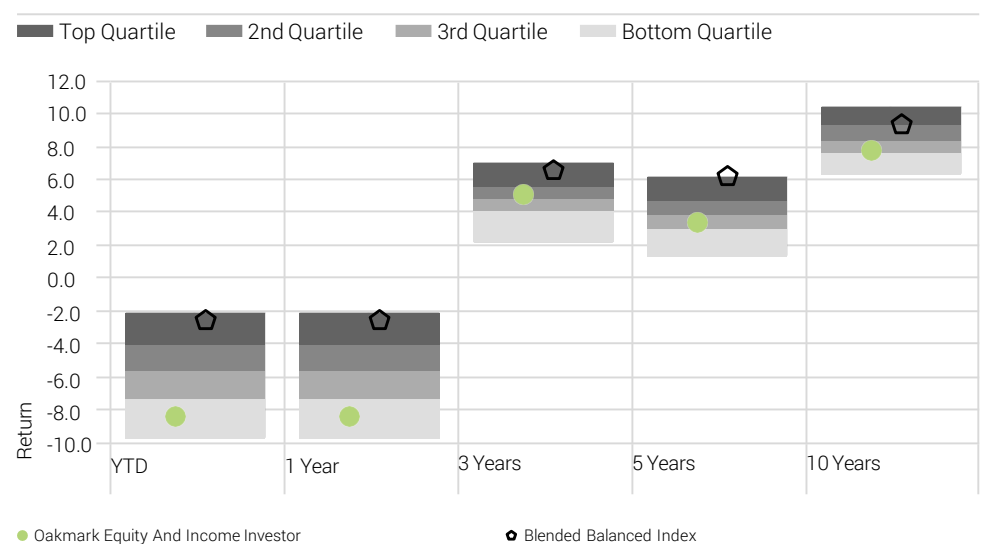
### Oakmark Equity And Income Investor - Asset Allocation (US)

Portfolio Date: 12/31/2018



### Performance Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Allocation~50% to 70% Equity Calculation Benchmark: Blended Balanced Index



# Mid-Cap Growth Manager Search Report

## Hennessy Focus Institutional

## Mid-Cap Growth Manager Search Report

### Executive Summary

2.06% of Total Assets

This document has been prepared to provide analysis of several potential replacement candidates in the Mid-Cap Growth asset class. The current option, Hennessy Focus Institutional, has worsened in the Mid-Cap Growth space due to continued underperformance relative to benchmark and peer group, and the availability of more compelling options in the category.

Northwest Capital Management (NWCM) has conducted a manager search in the Mid-Cap Growth space to find appropriate replacements. The candidates presented generally include management teams that have satisfied the following criteria:

1. Investment track record of no less than three years
2. Expense ratio below Mid-Cap Growth category average
3. Fund performance ranked within top 50th percentile of category peers over the trailing three- and five-year periods
4. Reasonable portfolio diversification and risk (volatility) characteristics
5. Investment Style consistency over evaluation periods

We have provided two alternative candidates in the Mid-Cap Growth asset class category along with the incumbent investment option for review. NWCM has determined that T Rowe Price Mid-Cap Growth I is a prudent replacement candidate. In making the investment recommendation, NWCM analyzed the following traits:

- Historical performance - T Rowe Price Mid-Cap Growth I substantially outperforms the Russell Mid Cap Growth Index for the trailing three-, five-, and ten-year periods
- Risk adjusted returns - T Rowe Price Mid-Cap Growth I has a greater Sharpe ratio (return / standard deviation) over each trailing period
- Peer group rankings - T Rowe Price Mid-Cap Growth I is in the top of its peer group for trailing one-, three-, five-, and ten-year periods
- Upside / downside capture - T Rowe Price Mid-Cap Growth I has participated to the upside while limiting the downside

We believe the best strategies have consistently impressive performance, established management with a proven track record, and appear best-suited to perform well in the spaces they are being slotted to fill. From the universe of Mid-Cap Growth managers, we recommend replacing Hennessy Focus Institutional with T. Rowe Price Mid-Cap Growth I.



## Mid-Cap Growth Manager Search Report

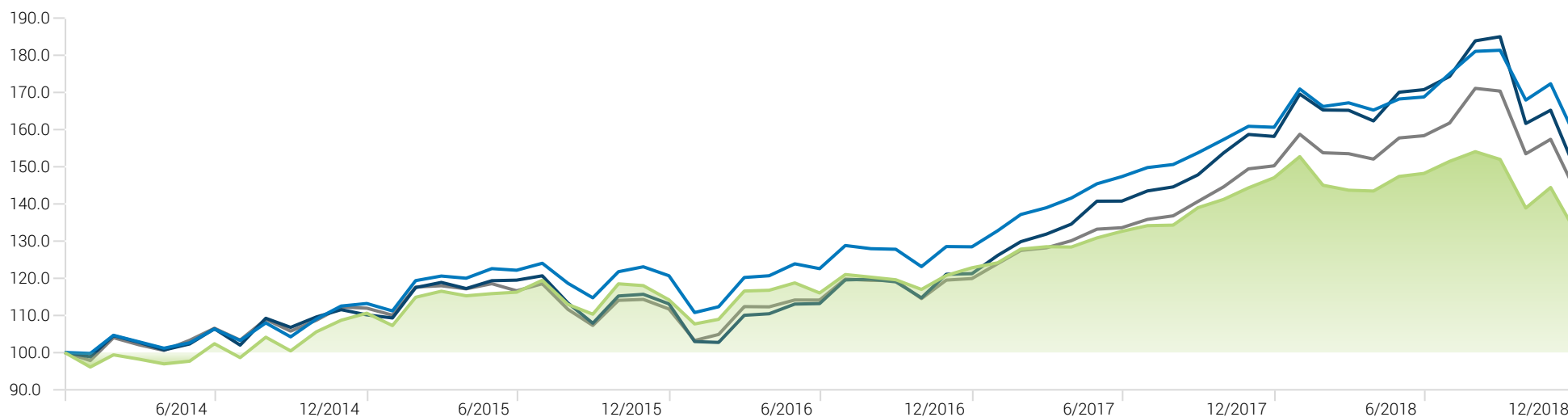
	<b>Hennessy Focus Institutional</b>	<b>T. Rowe Price Mid-Cap Growth I</b>	<b>Carillon Eagle Mid Cap Growth R6</b>
Firm City	Novato, CA	Baltimore, MD	St Petersburg, FL
Year Firm Founded	1989	1937	1976
Firm % Owned by Employees	0%	16%	~50%
GIPS Compliance*	No	Yes	Yes
Firm Total Assets	\$5.6 Billion	\$1.04 Trillion	\$32 Billion
Fund Size	1,790,760,088	31,100,512,176	4,998,102,922
Investment Type	Open-End Fund	Open-End Fund	Open-End Fund
Minimum Investment (Base Currency)	250,000	1,000,000	0
Prospectus Net Expense Ratio	1.10	0.62	0.66
NWCM Fund Score	5	9	7
Portfolio Manager(s)	David S. Rainey since 8/22/2009 Ira M. Rothberg since 8/22/2009 Brian E. Macauley since 8/22/2009	Brian W.H. Berghuis since 6/30/1992	Bert L. Boksen since 8/20/1998 Christopher Sassouni since 1/3/2006 Eric Mintz since 3/1/2008

\*The Global Investment Performance Standards (GIPS) are ethical standards used by investment managers. They are used when creating performance presentations that ensure fair representation and full disclosure of investment performance results. Global Investment Professional Standards were created by the CFA Institute and are governed by the GIPS Executive Committee. They are standardized guidelines for reporting the ability of an investment firm to make profits for investors.

# Mid-Cap Growth Manager Search Report

## Investment Growth

Time Period: 1/1/2014 to 12/31/2018



■ Hennessy Focus Institutional     
 — T. Rowe Price Mid-Cap Growth I     
 — Carillon Eagle Mid Cap Growth R6  
— Russell Mid Cap Growth TR USD

## Performance

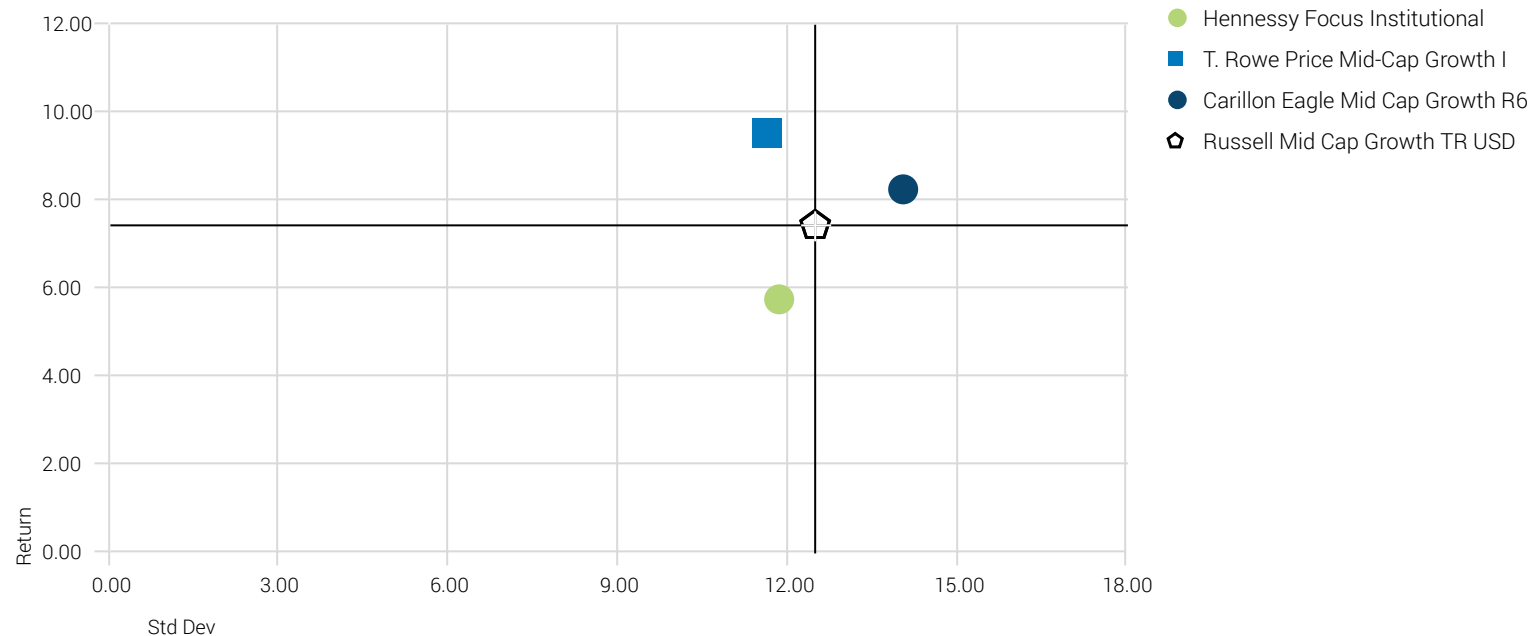
Time Period: 1/1/2014 to 12/31/2018 Calculation Benchmark: Russell Mid Cap Growth TR USD

	Return	Std Dev	Alpha	Beta	Sharpe Ratio	Treynor Ratio (arith)	Information Ratio (arith)	R2
Hennessy Focus Institutional	5.72	11.85	-0.83	0.88	0.47	5.71	-0.37	86.69
T. Rowe Price Mid-Cap Growth I	9.51	11.67	2.52	0.91	0.78	9.74	0.69	94.24
Carillon Eagle Mid Cap Growth R6	8.24	14.05	0.27	1.10	0.59	6.89	0.26	95.60
Russell Mid Cap Growth TR USD	7.42	12.51	0.00	1.00	0.58	6.74		100.00

# Mid-Cap Growth Manager Search Report

## Risk-Reward

Time Period: 1/1/2014 to 12/31/2018



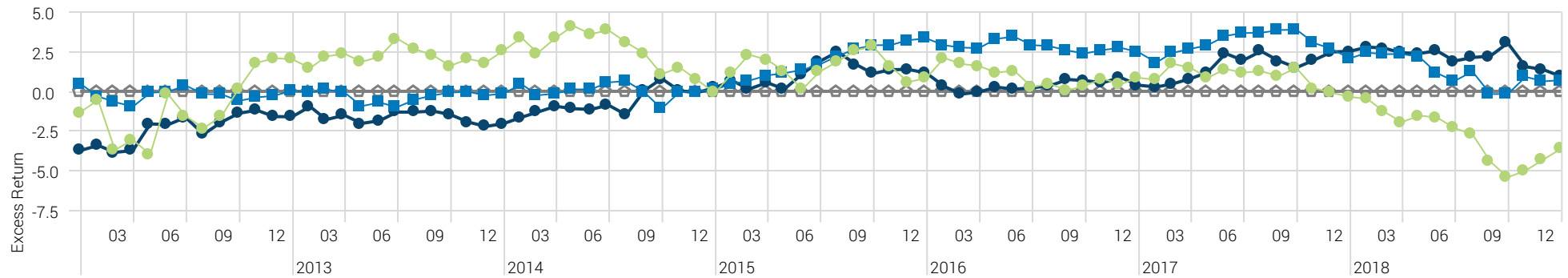
## Risk

Time Period: 1/1/2014 to 12/31/2018

	Return	Std Dev	Downside Deviation	Upside Std Dev	Value at Risk	Excess Return	Gain/Loss Ratio	Tracking Error
Hennessy Focus Institutional	5.72	11.85	3.58	2.43	7.18	-1.69	1.48	4.58
T. Rowe Price Mid-Cap Growth I	9.51	11.67	1.90	2.04		2.09	1.87	3.05
Carillon Eagle Mid Cap Growth R6	8.24	14.05	2.18	1.86	8.33	0.82	1.65	3.19
Russell Mid Cap Growth TR USD	7.42	12.51	0.00		7.46	0.00	1.63	0.00

# Mid-Cap Growth Manager Search Report

## 36 Month Rolling Excess Returns



— Hennessy Focus Institutional  
 — Russell Mid Cap Growth TR USD

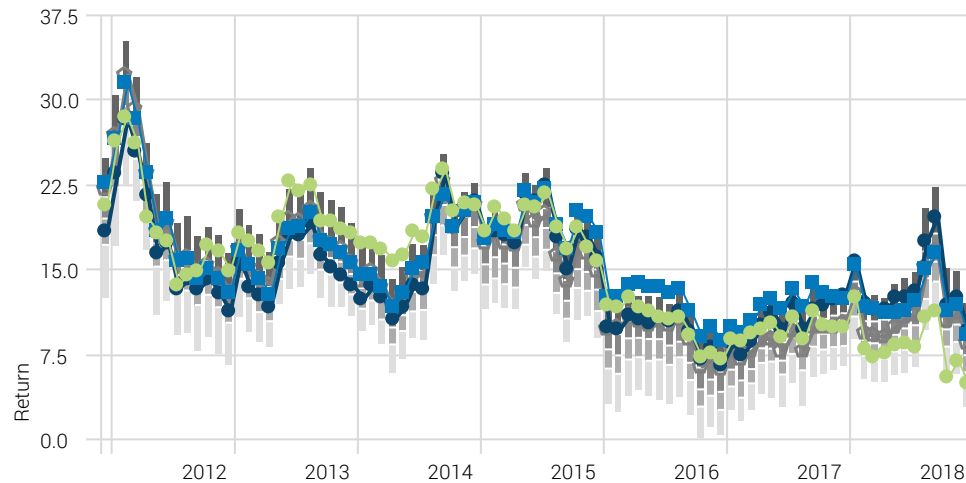
— T. Rowe Price Mid-Cap Growth I

— Carillon Eagle Mid Cap Growth R6

## Rolling Returns vs. Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Mid-Cap Growth

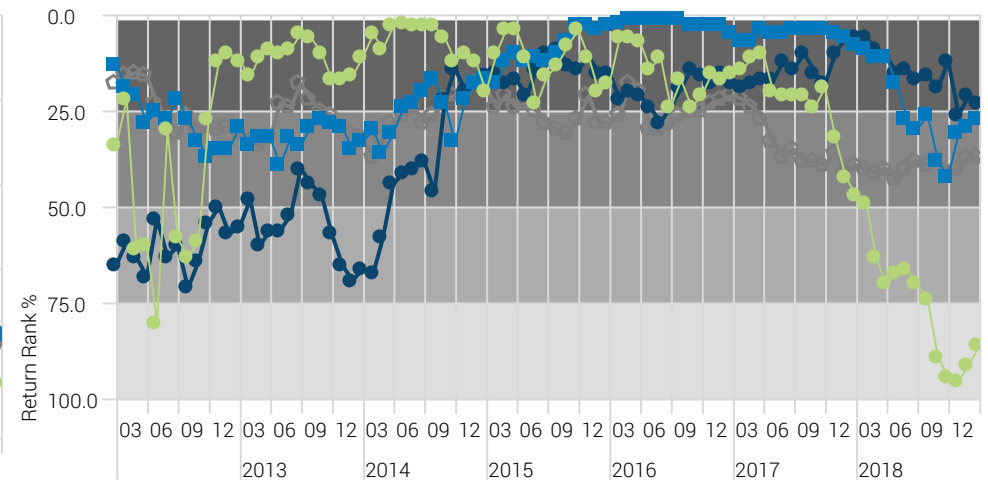
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



## Rolling Return Quartiles

Peer Group (5-95%): Open End Funds - U.S. - Mid-Cap Growth

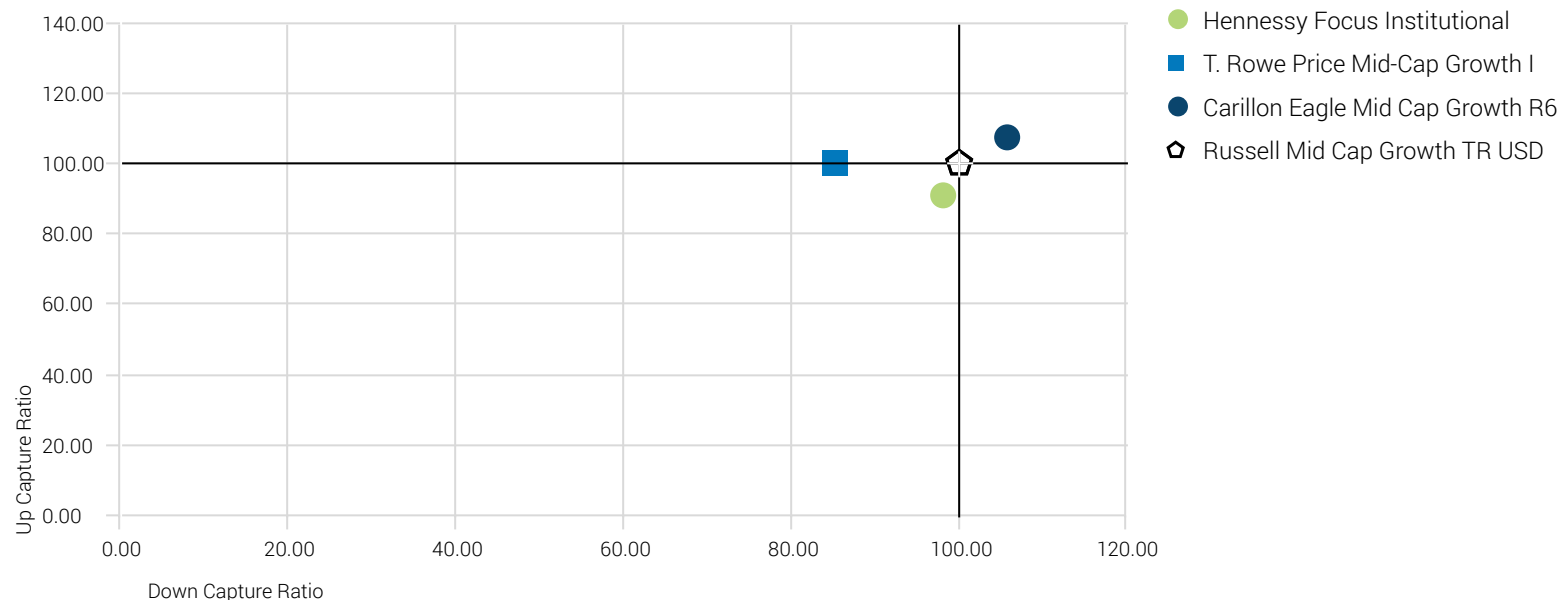
■ 1st to 25th Percentile ■ 26th to Median ■ 51st to 75th Percentile ■ 76th to 100th Percentile



# Mid-Cap Growth Manager Search Report

## Upside-Downside Capture

Time Period: 1/1/2014 to 12/31/2018



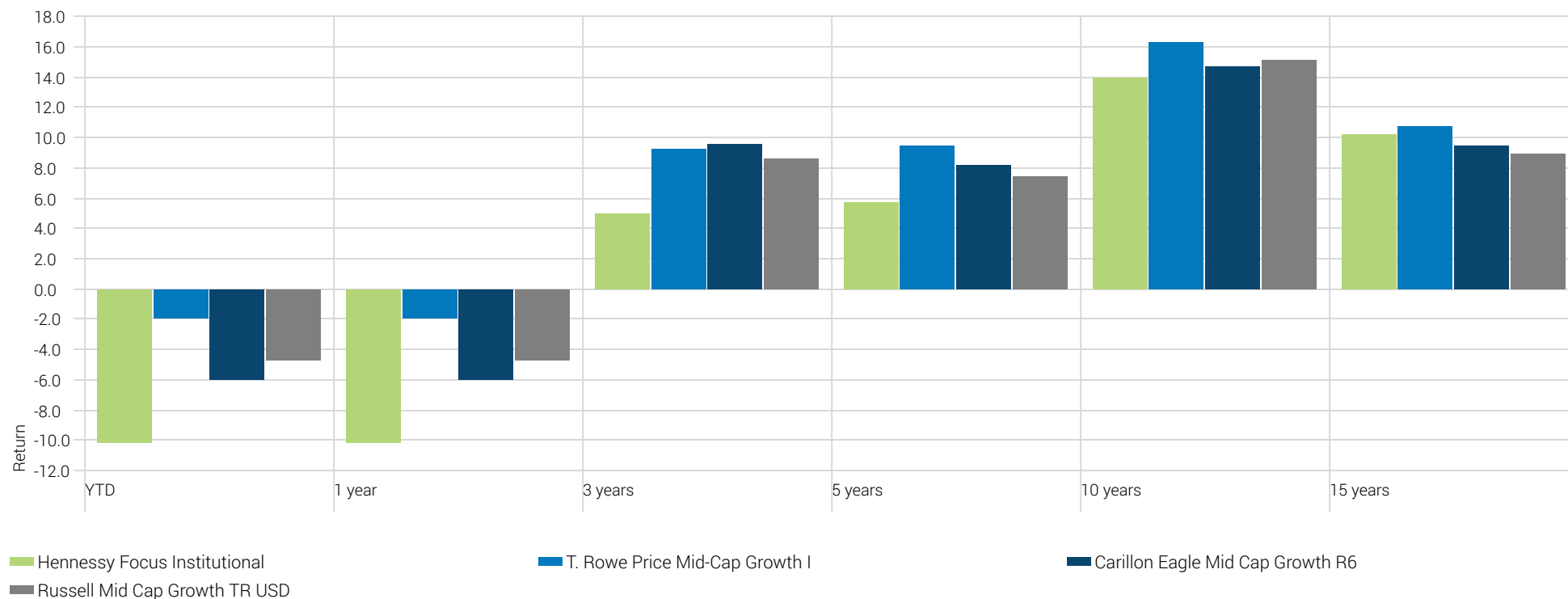
## Market Performance

Time Period: 1/1/2014 to 12/31/2018

	Up Period Percent	Down Period Percent	Best Month	Worst Month	Best Quarter	Worst Quarter	Up Capture Ratio	Down Capture Ratio	R2
Hennessy Focus Institutional	61.67	38.33	7.41	-8.60	10.09	-13.03	90.76	98.09	86.69
T. Rowe Price Mid-Cap Growth I	63.33	36.67	7.33	-8.57	8.60	-13.11	99.95	85.32	94.24
Carillon Eagle Mid Cap Growth R6	65.00	35.00	7.47	-12.62	8.78	-19.64	107.65	105.75	95.60
Russell Mid Cap Growth TR USD	60.00	40.00	7.14	-9.90	7.57	-15.99	100.00	100.00	100.00

## Mid-Cap Growth Manager Search Report

### Trailing Returns

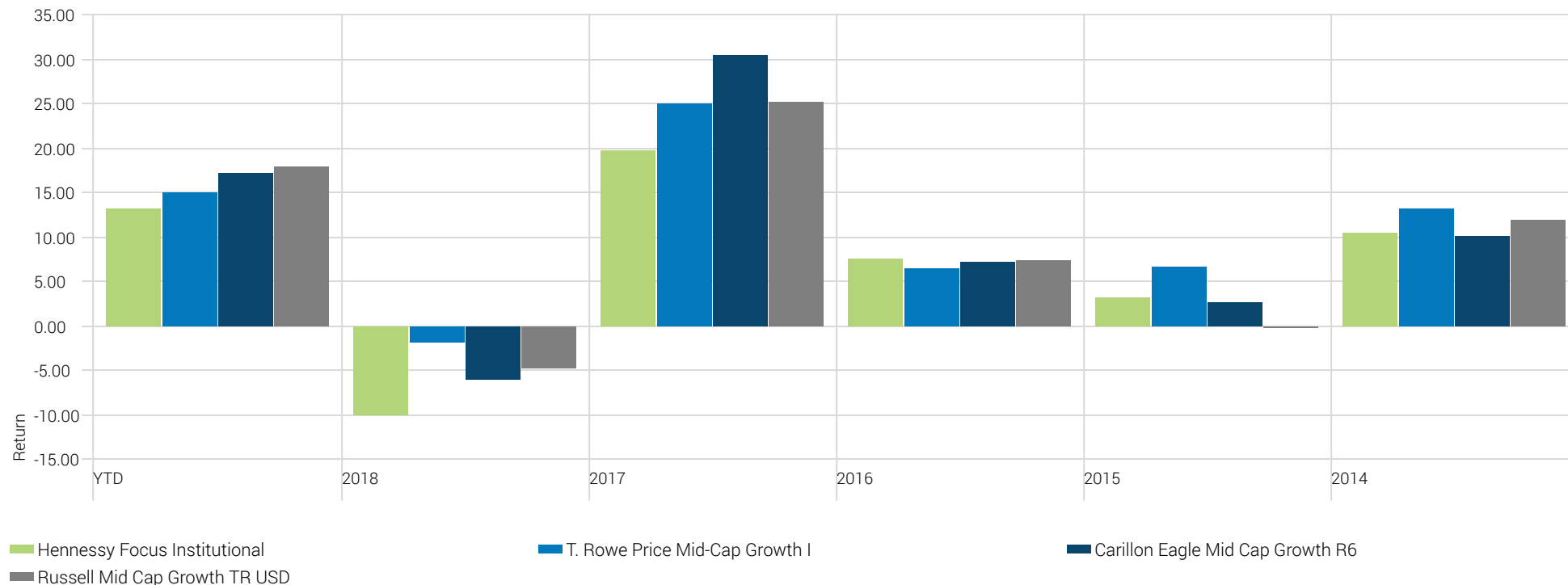


### Trailing Returns

	YTD	1 year	3 years	5 years	10 years	15 years
Hennessy Focus Institutional	-10.12	-10.12	4.99	5.72	13.95	10.20
T. Rowe Price Mid-Cap Growth I	-1.91	-1.91	9.29	9.51	16.28	10.80
Carillon Eagle Mid Cap Growth R6	-6.01	-6.01	9.53	8.24	14.75	9.51
Russell Mid Cap Growth TR USD	-4.75	-4.75	8.59	7.42	15.12	8.98

# Mid-Cap Growth Manager Search Report

## Calendar Year Returns

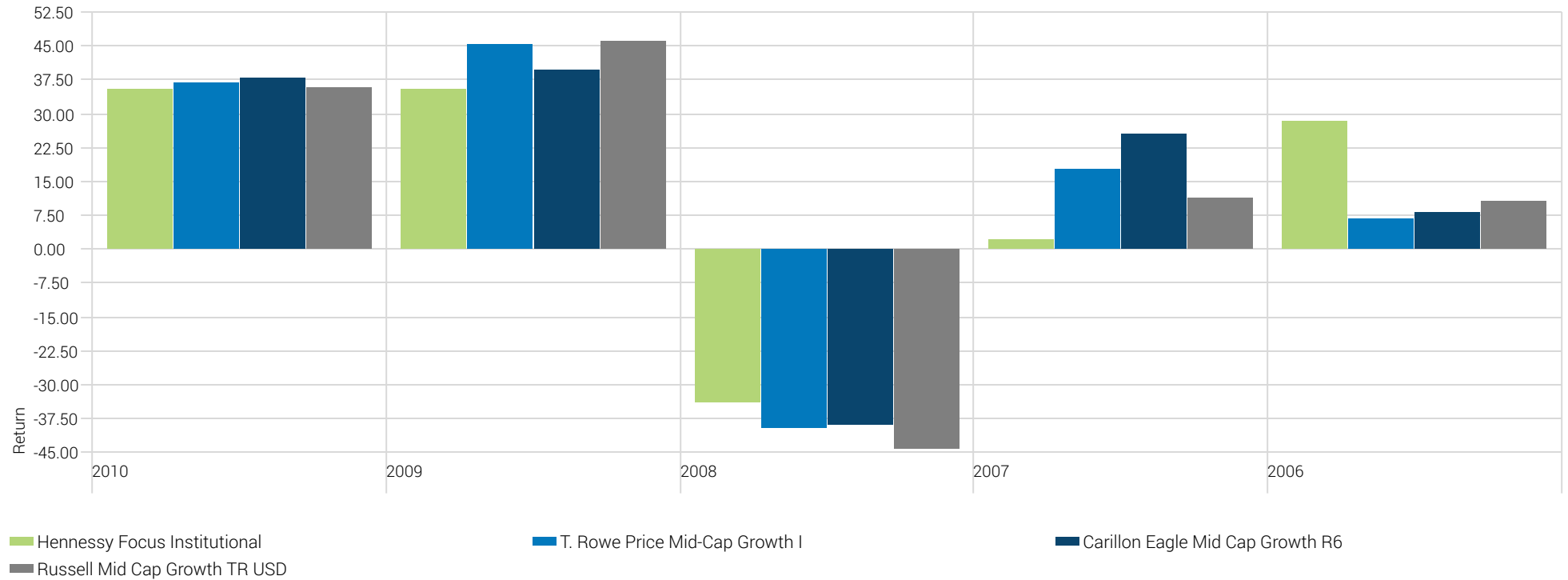


## Calendar Year Returns

	YTD	2018	2017	2016	2015	2014
Hennessy Focus Institutional	13.19	-10.12	19.71	7.55	3.25	10.55
T. Rowe Price Mid-Cap Growth I	15.08	-1.91	25.02	6.45	6.59	13.16
Carillon Eagle Mid Cap Growth R6	17.22	-6.01	30.44	7.18	2.68	10.11
Russell Mid Cap Growth TR USD	18.03	-4.75	25.27	7.33	-0.20	11.90

# Mid-Cap Growth Manager Search Report

## Calendar Year Returns



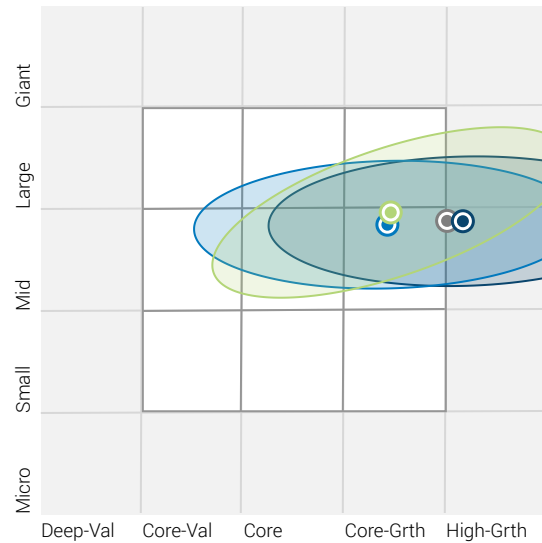
## Calendar Year Returns

	2010	2009	2008	2007	2006
Hennessy Focus Institutional	35.70	35.70	-33.81	2.30	28.49
T. Rowe Price Mid-Cap Growth I	36.89	45.44	-39.69	17.65	6.79
Carillon Eagle Mid Cap Growth R6	38.15	39.80	-38.91	25.55	8.29
Russell Mid Cap Growth TR USD	35.74	46.29	-44.32	11.43	10.66



# Mid-Cap Growth Manager Search Report

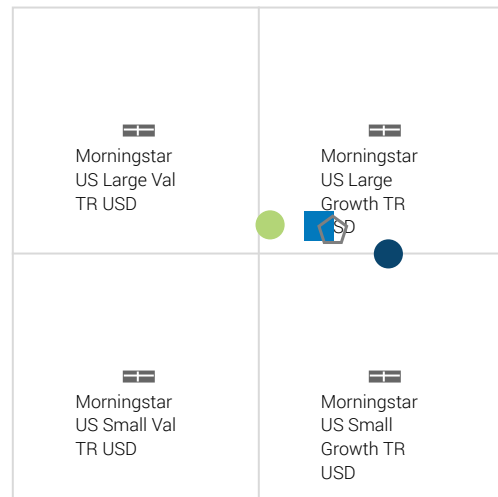
## Holdings-Based Style Map



- Hennessy Focus Institutional 12/31/2018
- T. Rowe Price Mid-Cap Growth I 12/31/2018
- Carillon Eagle Mid Cap Growth R6 12/31/2018
- Russell Mid Cap Growth TR USD 2/28/2019

## Returns-Based Style Map

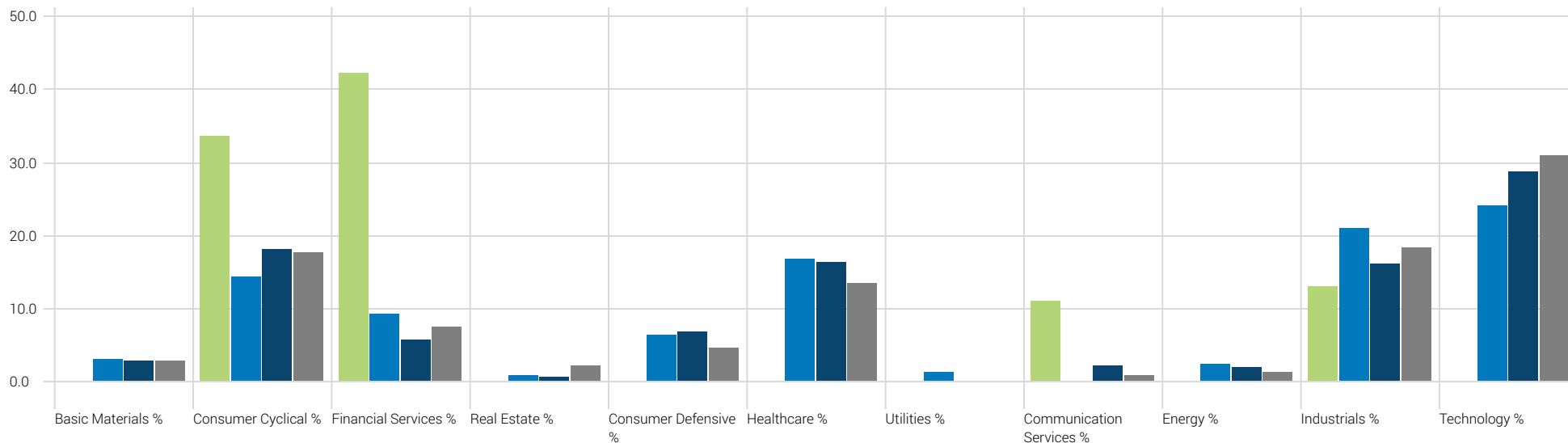
Time Period: 1/1/2014 to 12/31/2018



- Hennessy Focus Institutional
- T. Rowe Price Mid-Cap Growth I
- Carillon Eagle Mid Cap Growth R6
- ◻ Russell Mid Cap Growth TR USD

# Mid-Cap Growth Manager Search Report

## Sector Exposure



■ Hennessy Focus Institutional 12/31/2018 
 ■ T. Rowe Price Mid-Cap Growth I 12/31/2018 
 ■ Carillon Eagle Mid Cap Growth R6 12/31/2018 
 ■ Russell Mid Cap Growth TR USD 2/28/2019

## Equity Sectors

	Basic Materials %	Consumer Cyclical %	Financial Services %	Real Estate %	Consumer Defensive %	Healthcare %	Utilities %	Communication Services %	Energy %	Industrials %	Technology %
Hennessy Focus Institutional	0.00	33.63	42.30	0.00	0.00	0.00	0.00	11.09	0.00	12.98	0.00
T. Rowe Price Mid-Cap Growth I	3.21	14.42	9.29	0.91	6.42	16.81	1.24	0.00	2.54	21.01	24.14
Carillon Eagle Mid Cap Growth R6	2.94	18.19	5.77	0.69	6.93	16.47	0.00	2.19	1.92	16.11	28.79
Russell Mid Cap Growth TR USD	2.93	17.74	7.46	2.23	4.56	13.48	0.00	0.79	1.41	18.35	31.05

## Mid-Cap Growth Manager Search Report

### Correlation Matrix

Time Period: 1/1/2014 to 12/31/2018

	1	2	3	4
1 Hennessy Focus Institutional	1.00			
2 T. Rowe Price Mid-Cap Growth I	0.93	1.00		
3 Carillon Eagle Mid Cap Growth R6	0.90	0.96	1.00	
4 Russell Mid Cap Growth TR USD	0.93	0.97	0.98	1.00

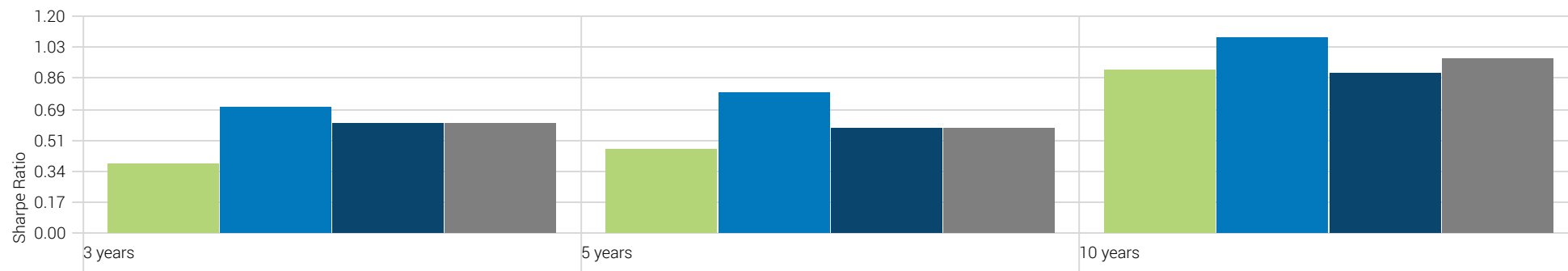
### Correlation Matrix (Excess Returns vs. Benchmark)

Time Period: 1/1/2014 to 12/31/2018

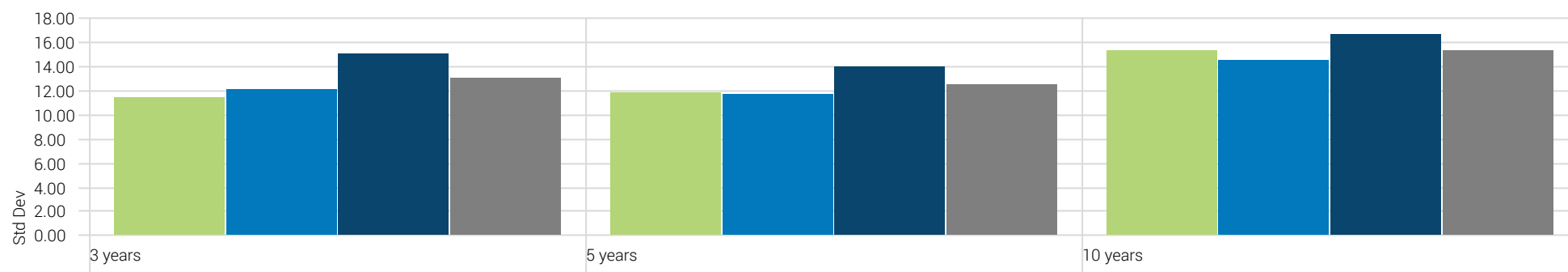
	1	2	3	4
1 Hennessy Focus Institutional	1.00			
2 T. Rowe Price Mid-Cap Growth I	0.42	1.00		
3 Carillon Eagle Mid Cap Growth R6	-0.22	0.03	1.00	
4 Russell Mid Cap Growth TR USD				1.00

## Mid-Cap Growth Manager Search Report

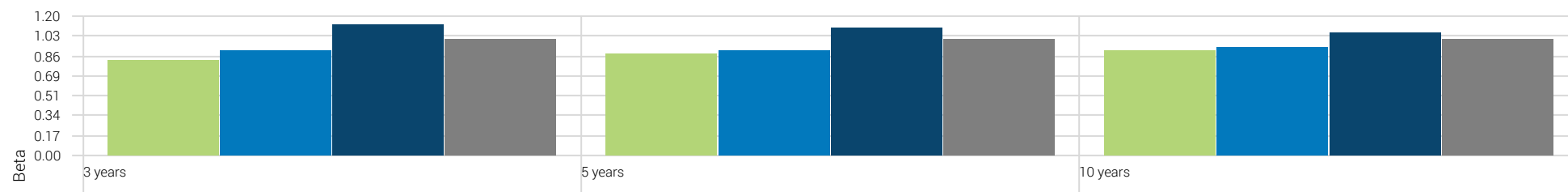
### Sharpe Ratio



### Standard Deviation



### Beta

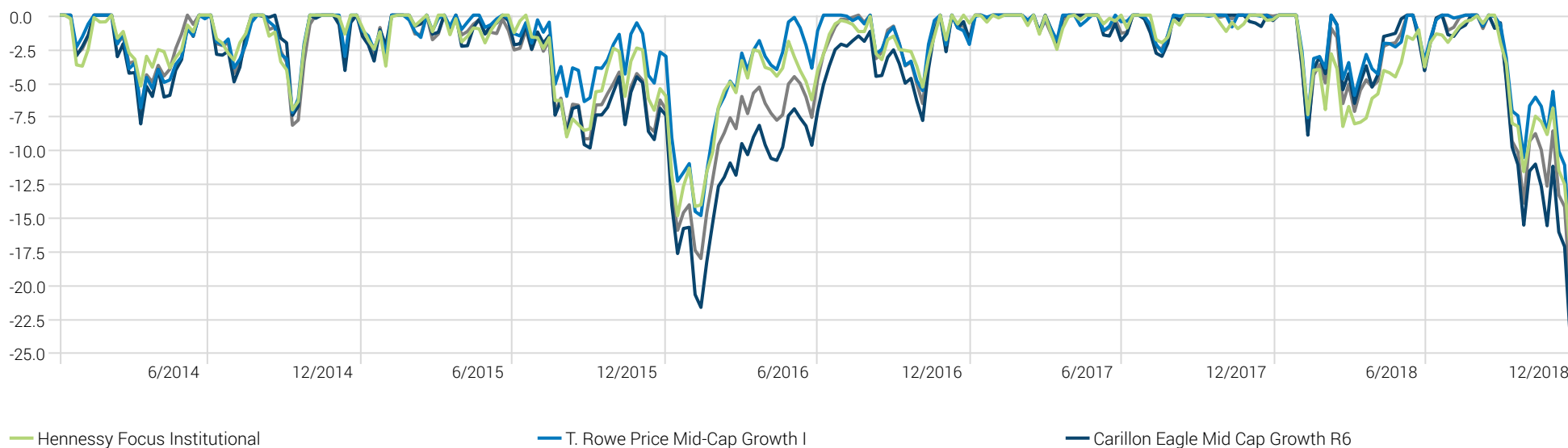


■ Hennessy Focus Institutional  
■ T. Rowe Price Mid-Cap Growth I  
■ Carillon Eagle Mid Cap Growth R6  
■ Russell Mid Cap Growth TR USD

# Mid-Cap Growth Manager Search Report

## Drawdown

Time Period: 1/5/2014 to 12/29/2018



## Drawdown

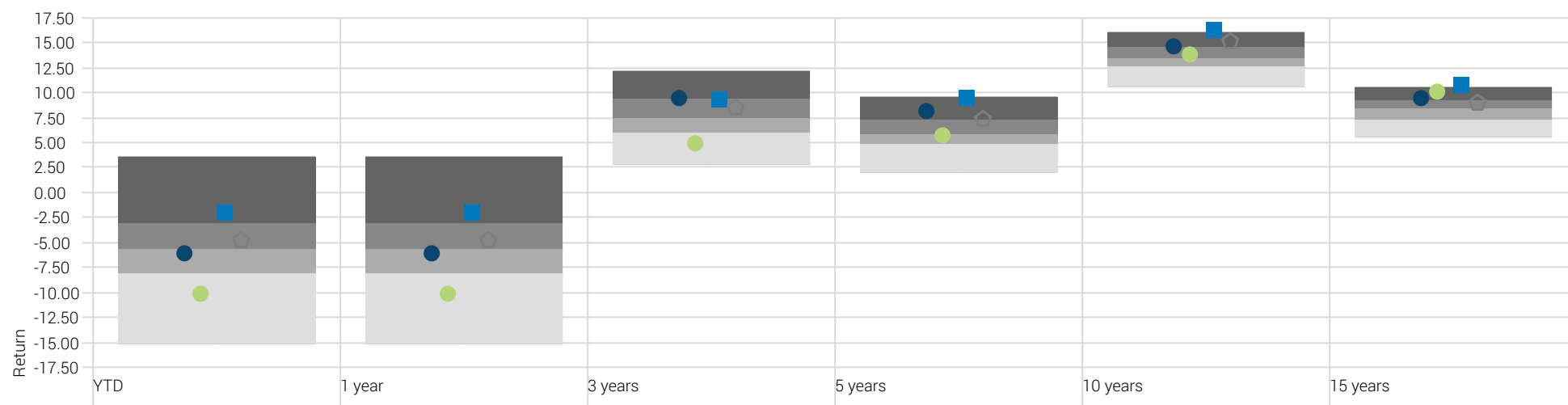
Time Period: 1/1/2014 to 12/31/2018

	Max Drawdown	Max Drawdown # of Periods	Max Drawdown Peak Date	Max Drawdown Valley Date	Omega
Hennessy Focus Institutional	-14.21	4	9/1/2018	12/31/2018	1.38
T. Rowe Price Mid-Cap Growth I	-13.11	3	10/1/2018	12/31/2018	1.77
Carillon Eagle Mid Cap Growth R6	-19.64	3	10/1/2018	12/31/2018	1.54
Russell Mid Cap Growth TR USD	-16.35	4	9/1/2018	12/31/2018	1.52

# Mid-Cap Growth Manager Search Report

## Performance Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Mid-Cap Growth



- Hennessy Focus Institutional
- T. Rowe Price Mid-Cap Growth I
- Carillon Eagle Mid Cap Growth R6
- ◇ Russell Mid Cap Growth TR USD

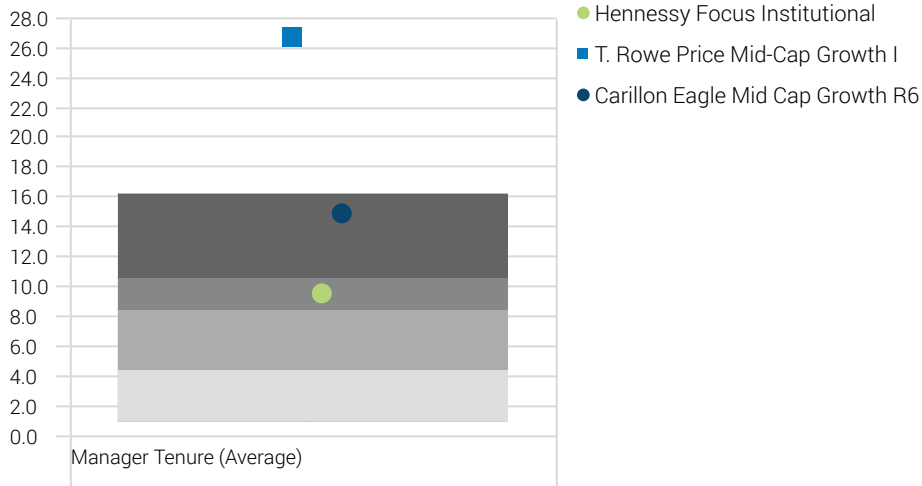
## Trailing Peer Group Performance

	YTD	% rank	1 year	% rank	3 years	% rank	5 years	% rank	10 years	% rank	15 years	% rank
Hennessy Focus Institutional	-10.12	84	-10.12	84	4.99	86	5.72	54	13.95	35	10.20	8
T. Rowe Price Mid-Cap Growth I	-1.91	19	-1.91	19	9.29	27	9.51	6	16.28	4	10.80	3
Carillon Eagle Mid Cap Growth R6	-6.01	54	-6.01	54	9.53	23	8.24	14	14.75	20	9.51	19
Russell Mid Cap Growth TR USD	-4.75	37	-4.75	37	8.59	37	7.42	24	15.12	14	8.98	32
5th Percentile	3.53		3.53		12.07		9.55		16.05		10.50	
25th Percentile	-3.10		-3.10		9.41		7.28		14.51		9.24	
50th Percentile	-5.70		-5.70		7.48		5.85		13.40		8.37	
75th Percentile	-8.17		-8.17		5.97		4.88		12.62		7.26	
95th Percentile	-15.08		-15.08		2.95		2.15		10.72		5.63	

# Mid-Cap Growth Manager Search Report

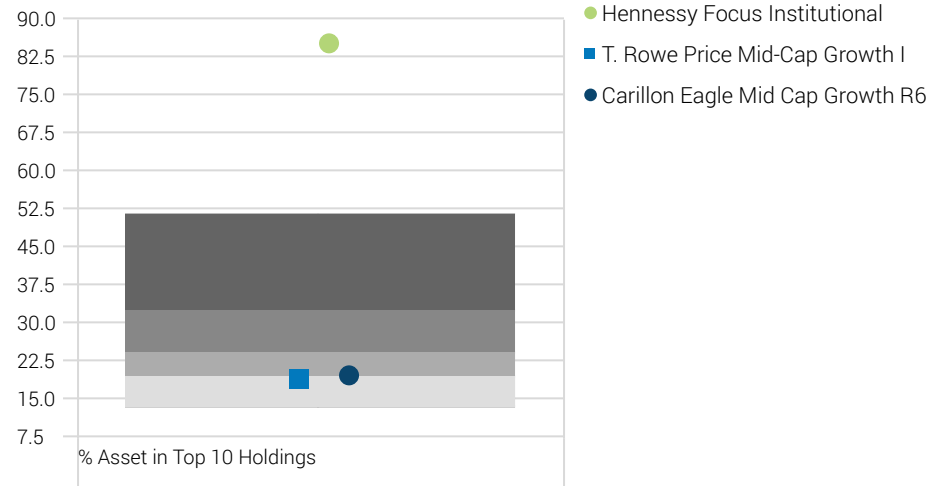
## Manager Tenure (Years) Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Mid-Cap Growth



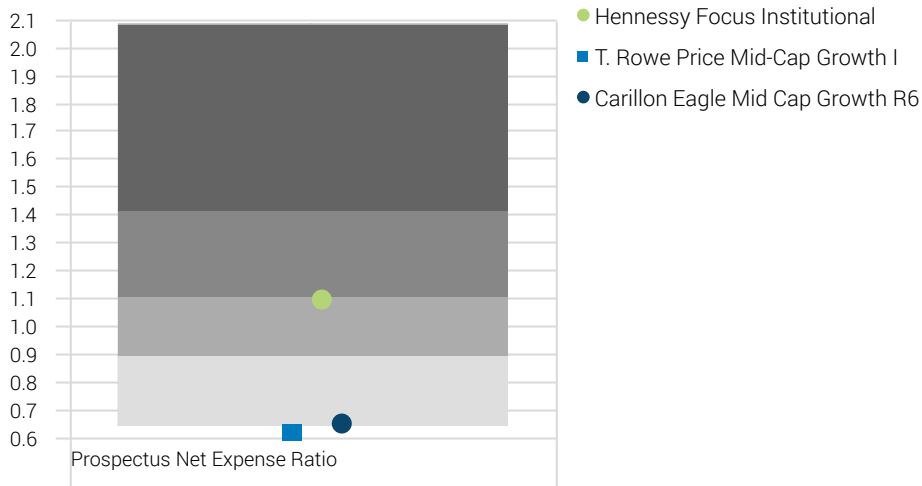
## Portfolio Concentration Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Mid-Cap Growth



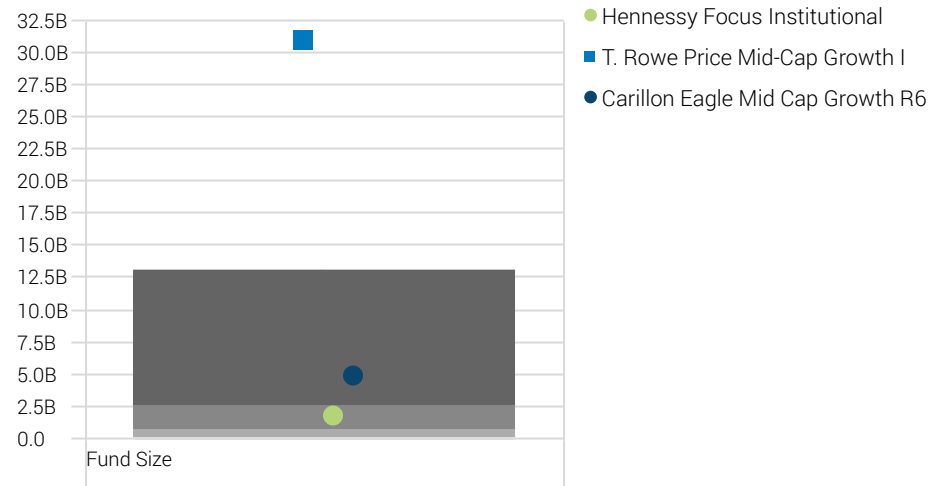
## Expense Ratio Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Mid-Cap Growth







## Fund Size Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Mid-Cap Growth



## Mid-Cap Growth Manager Search Report

### Snapshot

	Ticker	Morningstar Category	Equity Style Box	Morningstar Rating Overall	Closed to New Inv	Prospectus Net Expense Ratio
Hennessy Focus Institutional	HFCIX	US Fund Mid-Cap Growth		★★★	No	1.10
T. Rowe Price Mid-Cap Growth I	RPTIX	US Fund Mid-Cap Growth		★★★★	Yes	0.62
Carillon Eagle Mid Cap Growth R6	HRAUX	US Fund Mid-Cap Growth		★★★★	No	0.66
Russell Mid Cap Growth TR USD		Mid-Cap Growth			No	



## Mid-Cap Growth Manager Search Report

Hennessy Focus Institutional's performance has deteriorated relative to its benchmark and its holdings concentration leads to less diversification benefits for investors. This also leads to increased manager risk making security selection and fund personnel retention paramount. The following areas were assessed to determine Hennessy Focus Institutional's prudence to be offered in an investment menu.

Status	Criteria	Comment
Underperform	Composite Performance	Underperformance relative to benchmark over the trailing 3- and 5-years
Underperform	Performance versus Mid-Cap Growth Peer Group	Has performed in the bottom half of peers over the trailing 3-, 5-, and 10-year periods
Neutral	Investment Approach	Holdings concentration leads to lower diversification benefits and amplifies stock selection capability
Pass	Stability of Management	Seasoned team running the fund since 2009

### Concluding Thoughts

An underperform rating of Hennessy Focus Institutional's performance versus its benchmark still exists due to the fund's inability to outperform over shorter term periods. The strategy offers active management to discover attractive stocks in the marketplace and add value on a risk-adjusted basis. Although, the current market has not favored Hennessy Focus Institutional's strategy as its high concentration and allocation decisions have detracted from performance. Given the higher expenses, high concentration, and poor allocation decisions, **we recommend replacing with T. Rowe Price Mid-Cap Growth I.**

# Intermediate-Term Bond Manager Search Report

## Virtus Seix Total Return Bond R6

## Intermediate-Term Bond Manager Search Report

### Executive Summary

1.64% of Total Plan Assets

This document has been prepared to provide analysis of several potential replacement candidates in the Intermediate-Term Bond asset class. The current option, Virtus Seix Total Return Bond R6, has worsened in the Intermediate-Term Bond space due to continued underperformance relative to benchmark and peer group, and the availability of more competitive options in the Intermediate-Term Bond category.

Northwest Capital Management (NWCM) has conducted a manager search in the Intermediate-Term Bond space to find appropriate replacements. The candidates presented generally include management teams that have satisfied the following criteria:

1. Investment track record of no less than three years
2. Expense ratio below US Fund Intermediate-Term Bond category average
3. Fund performance ranked within top 50th percentile of category peers over the trailing three- and five-year periods.
4. Reasonable portfolio diversification and risk (volatility) characteristics
5. Investment Style consistency over evaluation periods

We have provided two alternative candidates in the US Fund Intermediate-Term Bond asset class category along with the incumbent investment option for review. NWCM has determined that Metropolitan West Total Return Bd Plan is a prudent replacement candidate. In making the investment recommendation, NWCM analyzed the following trails:

- Historical performance - Metropolitan West Total Return Bd Plan outperforms the BBgBarc US Agg Bond TR USD for the trailing three-, five-, and ten-year periods.
- Risk adjusted returns - Metropolitan West Total Return Bd Plan has a greater sharpe ratio (return / standard deviation) over each trailing period.
- Peer group rankings - Metropolitan West Total Return Bd Plan is in the top half of its peer group for trailing one-, three-, five-, and ten-year periods.
- Upside / downside capture - Metropolitan West Total Return Bd Plan has participated to the upside while limiting the downside.

We believe the best strategies have consistently impressive performance, established management with a proven track record, and are best-suited to perform well in the spaces they are being slotted to fill. From the universe of Intermediate-Term Bond managers, we recommend replacing Virtus Seix Total Return Bond R6 with Metropolitan West Total Return Bd Plan.

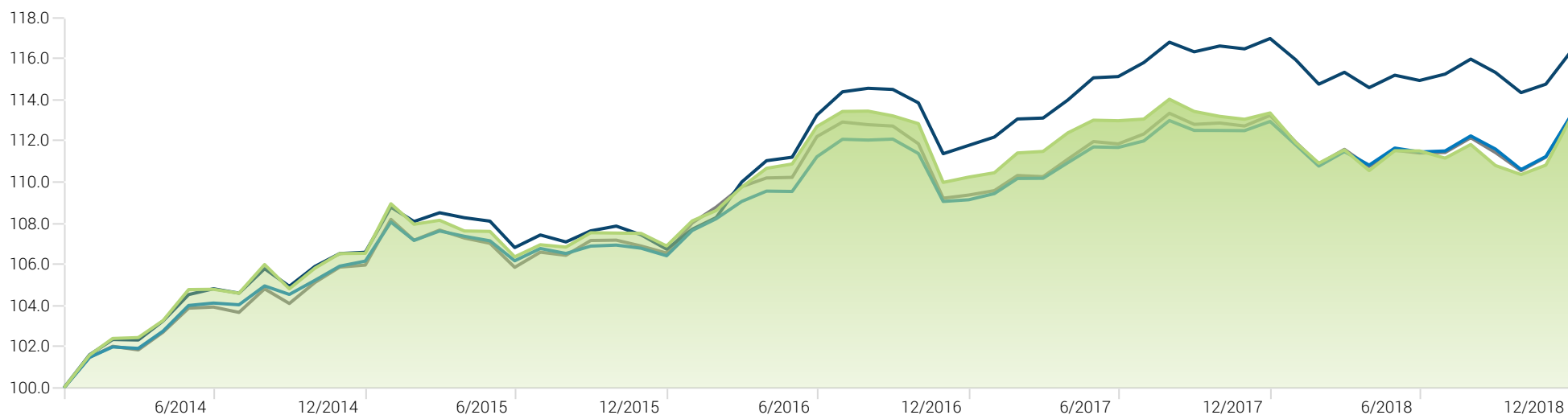
## Intermediate-Term Bond Manager Search Report

	<b>Virtus Seix Total Return Bond R6</b>	<b>Metropolitan West Total Return Bd Plan</b>	<b>Baird Core Plus Bond Inst</b>
Firm City	Greenfield	LOS ANGELES	Milwaukee
Year Firm Founded		1979	
Firm % Owned by Employees		44%	
GIPS Compliance		Yes	
Firm Total Assets			
Fund Size	423,139,261.00	70,552,588,215.0	18,105,095,785.00
Investment Type	Open-End Fund	Open-End Fund	Open-End Fund
Minimum Investment (Base Currency)	0	25,000,000	25,000
Prospectus Net Expense Ratio	0.31	0.37	0.30
Fund Score	4	7	8
Portfolio Manager(s)	Perry Troisi since 1/25/2002	Tad Rivelle since 3/31/1997	Charles B. Groeschell since 9/29/2000
	Michael Rieger since 8/1/2007	Laird R. Landmann since 3/31/1997	Mary Ellen Stanek since 9/29/2000
	Seth Antiles since 12/31/2007	Stephen M. Kane since 3/31/1997	Daniel A. Tranchita since 9/29/2000
	James F. Keegan since 3/31/2008	Bryan T. Whalen since 12/31/2004	Gary A. Elfe since 9/29/2000
	Carlos Catoya since 8/1/2015		Warren D. Pierson since 9/29/2000
	Jonathan Yozzo since 8/1/2015		M. Sharon deGuzman since 9/29/2000

# Intermediate-Term Bond Manager Search Report

## Investment Growth

Time Period: 1/1/2014 to 12/31/2018



■ Virtus Seix Total Return Bond R6     
 — Metropolitan West Total Return Bd Plan     
 — Baird Core Plus Bond Inst  
— BgBarc US Agg Bond TR USD

## Performance

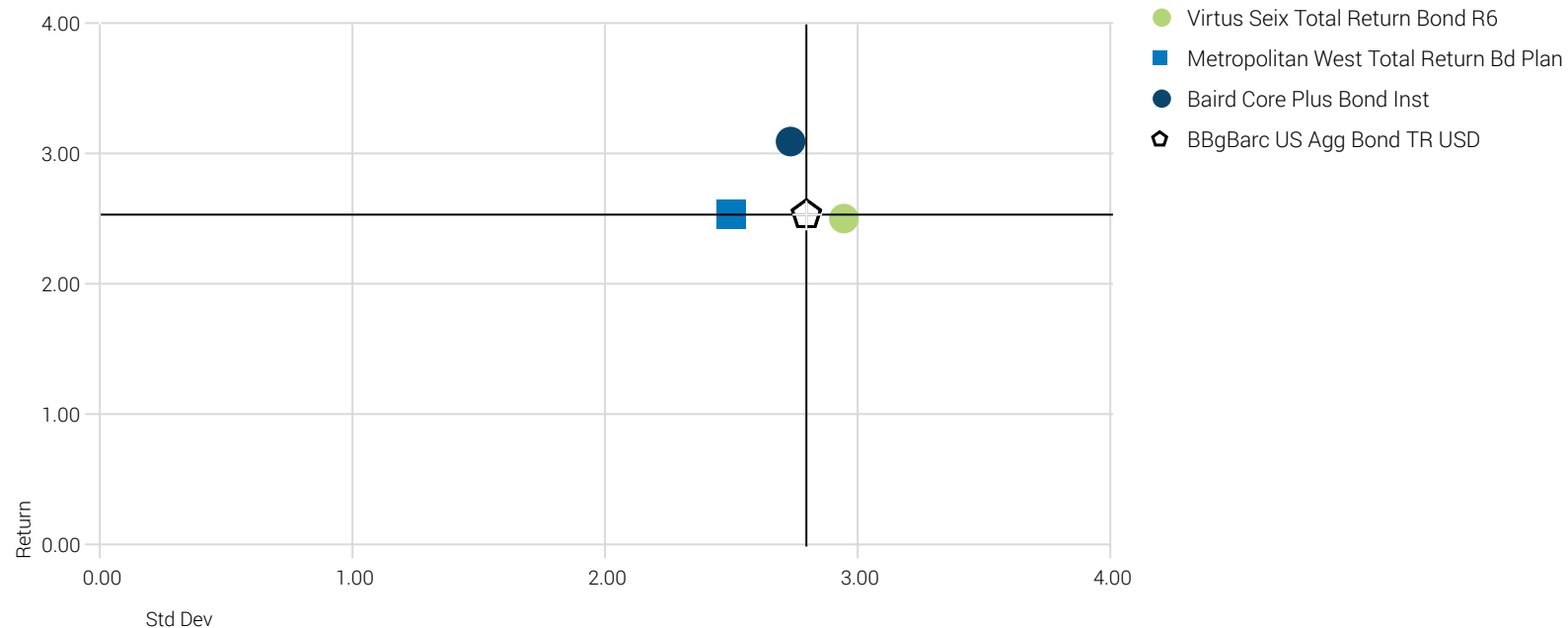
Time Period: 1/1/2014 to 12/31/2018 Calculation Benchmark: BgBarc US Agg Bond TR USD

	Return	Std Dev	Alpha	Beta	Sharpe Ratio	Treynor Ratio (arith)	Information Ratio (arith)	R2
Virtus Seix Total Return Bond R6	2.50	2.95	-0.06	1.03	0.62	1.77	-0.02	94.70
Metropolitan West Total Return Bd Plan	2.52	2.50	0.20	0.89	0.73	2.08	0.01	98.16
Baird Core Plus Bond Inst	3.08	2.73	0.63	0.95	0.86	2.52	0.80	93.82
BgBarc US Agg Bond TR USD	2.52	2.79	0.00	1.00	0.66	1.84		100.00

# Intermediate-Term Bond Manager Search Report

## Risk-Reward

Time Period: 1/1/2014 to 12/31/2018



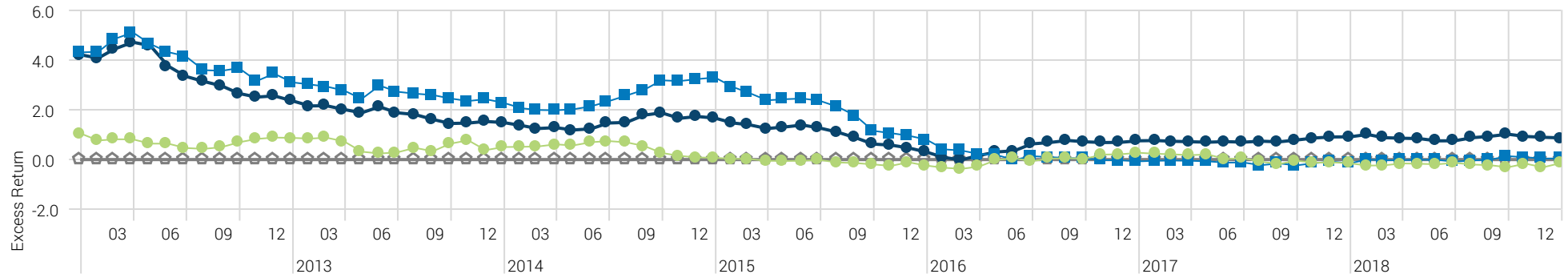
## Risk

Time Period: 1/1/2014 to 12/31/2018

	Return	Std Dev	Downside Deviation	Upside Std Dev	Value at Risk	Excess Return	Gain/Loss Ratio	Tracking Error
Virtus Seix Total Return Bond R6	2.50	2.95	0.47	0.43		-0.02	1.95	0.69
Metropolitan West Total Return Bd Plan	2.52	2.50	0.35	0.23	1.46	0.00	2.17	0.47
Baird Core Plus Bond Inst	3.08	2.73	0.40	0.48	1.57	0.56	2.27	0.70
BBgBarc US Agg Bond TR USD	2.52	2.79	0.00		1.65	0.00	1.98	0.00

# Intermediate-Term Bond Manager Search Report

## 36 Month Rolling Excess Returns

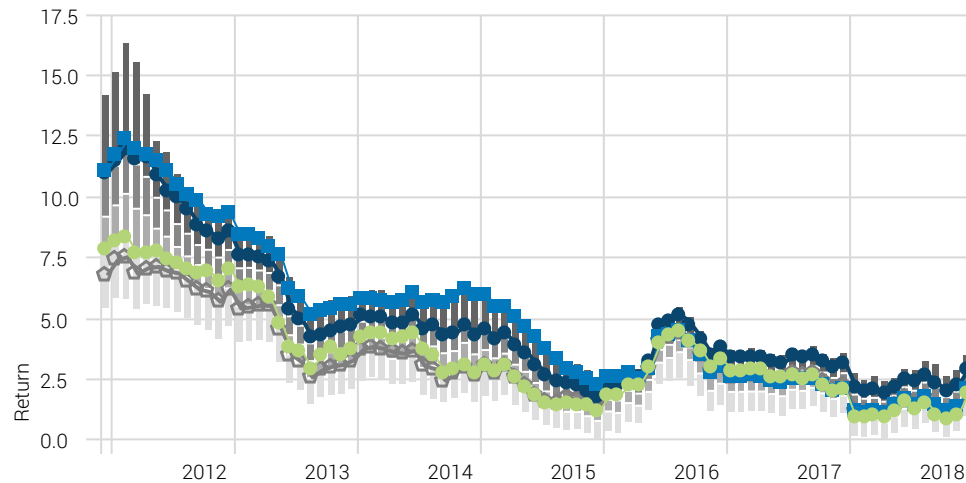


—●— Virtus Seix Total Return Bond R6     
 —■— Metropolitan West Total Return Bd Plan     
 —●— Baird Core Plus Bond Inst  
—▲— BBgBarc US Agg Bond TR USD

## Rolling Returns vs. Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Intermediate-Term Bond

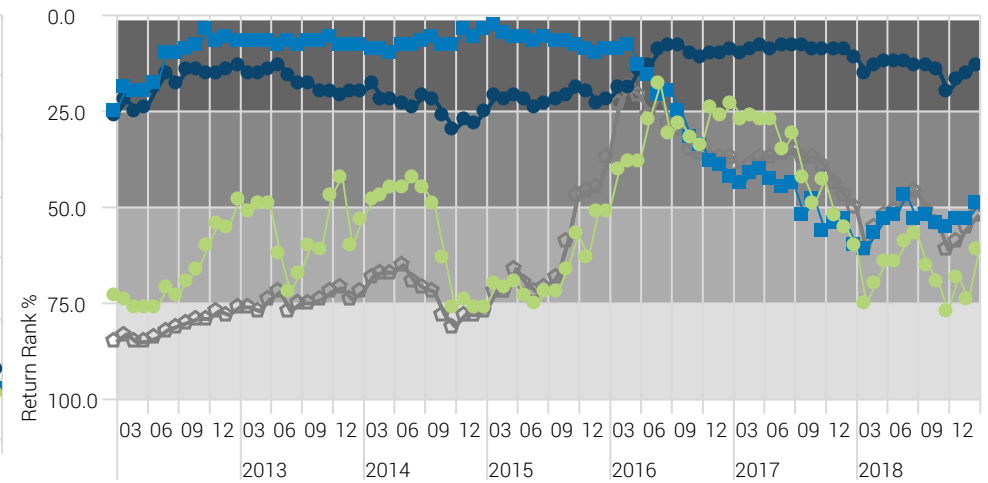
■ Top Quartile   
 ■ 2nd Quartile   
 ■ 3rd Quartile   
 ■ Bottom Quartile



## Rolling Return Quartiles

Peer Group (5-95%): Open End Funds - U.S. - Intermediate-Term Bond

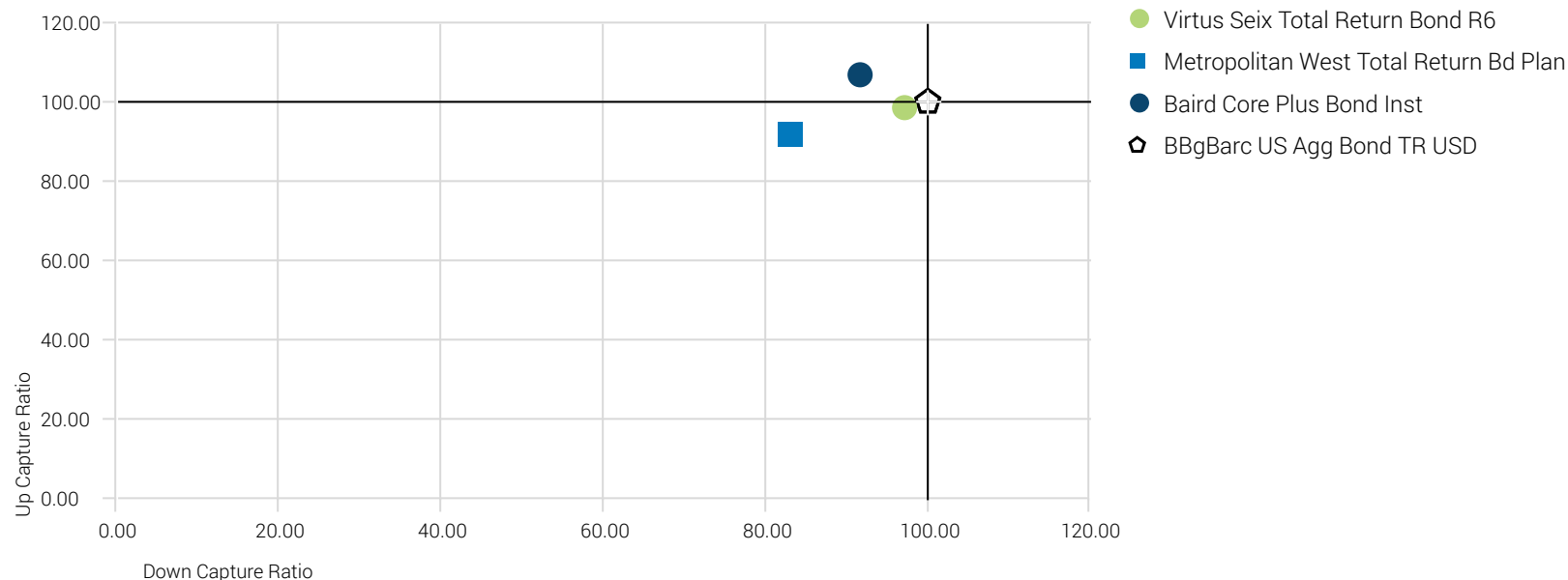
■ 1st to 25th Percentile   
 ■ 26th to Median   
 ■ 51st to 75th Percentile   
 ■ 76th to 100th Percentile



# Intermediate-Term Bond Manager Search Report

## Upside-Downside Capture

Time Period: 1/1/2014 to 12/31/2018



## Market Performance

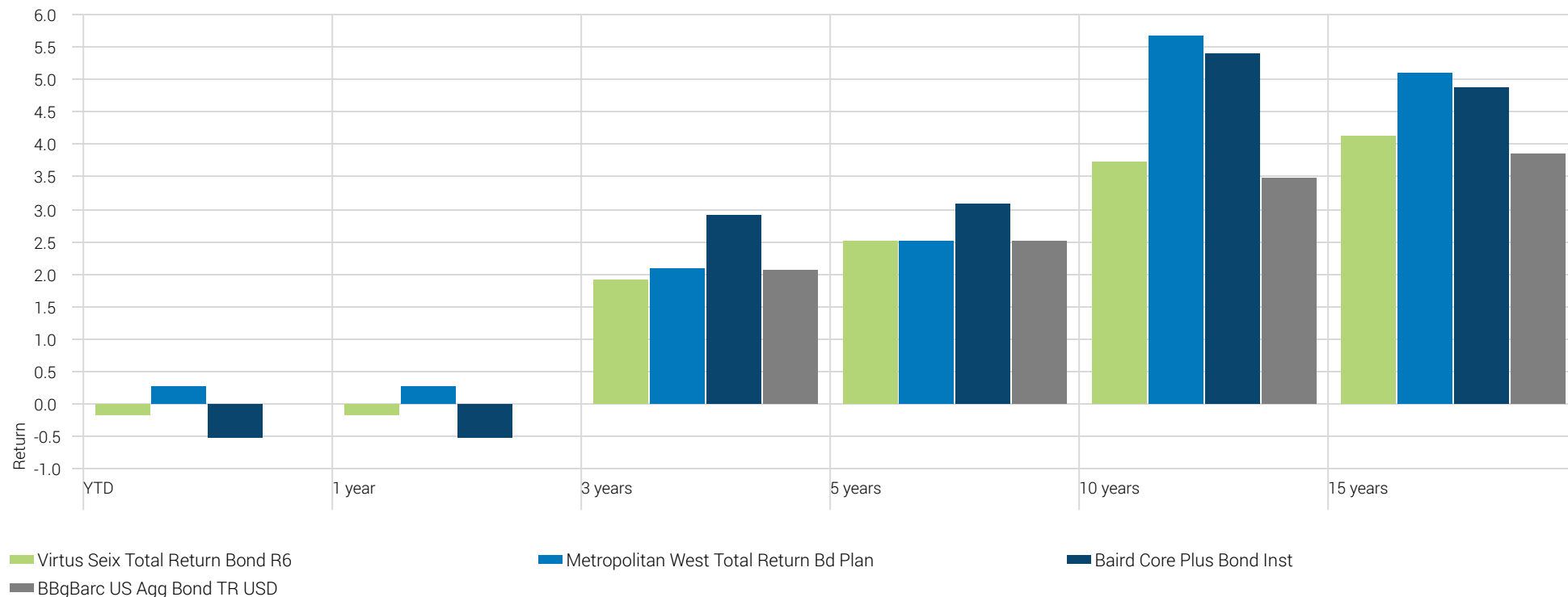
Time Period: 1/1/2014 to 12/31/2018

	Up Period Percent	Down Period Percent	Best Month	Worst Month	Best Quarter	Worst Quarter	Up Capture Ratio	Down Capture Ratio	R2
Virtus Seix Total Return Bond R6	60.00	40.00	2.26	-2.53	2.68	-2.63	98.25	97.23	94.70
Metropolitan West Total Return Bd Plan	60.00	40.00	1.83	-2.09	2.48	-2.63	91.40	83.14	98.16
Baird Core Plus Bond Inst	65.00	35.00	2.06	-2.17	3.06	-2.37	106.51	91.78	93.82
BBgBarc US Agg Bond TR USD	60.00	40.00	2.10	-2.37	3.03	-2.98	100.00	100.00	100.00



# Intermediate-Term Bond Manager Search Report

## Trailing Returns

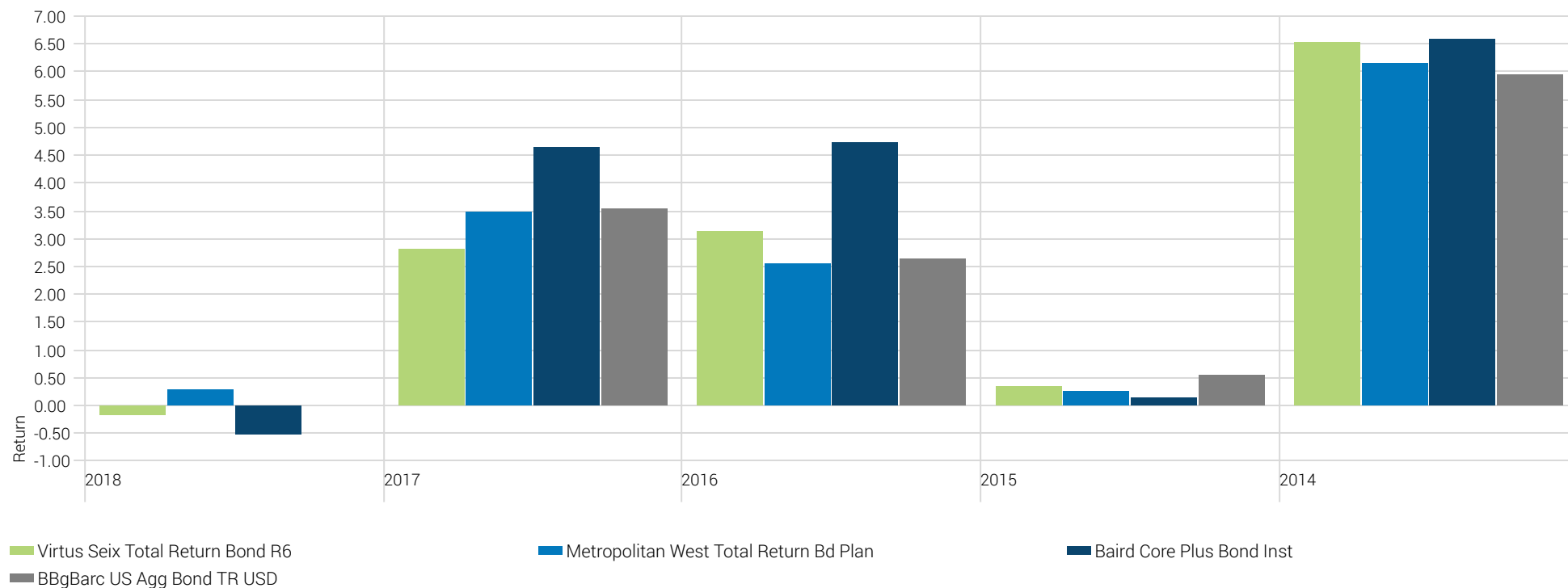


## Trailing Returns

	YTD	1 year	3 years	5 years	10 years	15 years
Virtus Seix Total Return Bond R6	-0.17	-0.17	1.92	2.50	3.74	4.13
Metropolitan West Total Return Bd Plan	0.29	0.29	2.10	2.52	5.69	5.11
Baird Core Plus Bond Inst	-0.51	-0.51	2.92	3.08	5.41	4.88
BBgBarc US Agg Bond TR USD	0.01	0.01	2.06	2.52	3.48	3.87

## Intermediate-Term Bond Manager Search Report

### Calendar Year Returns

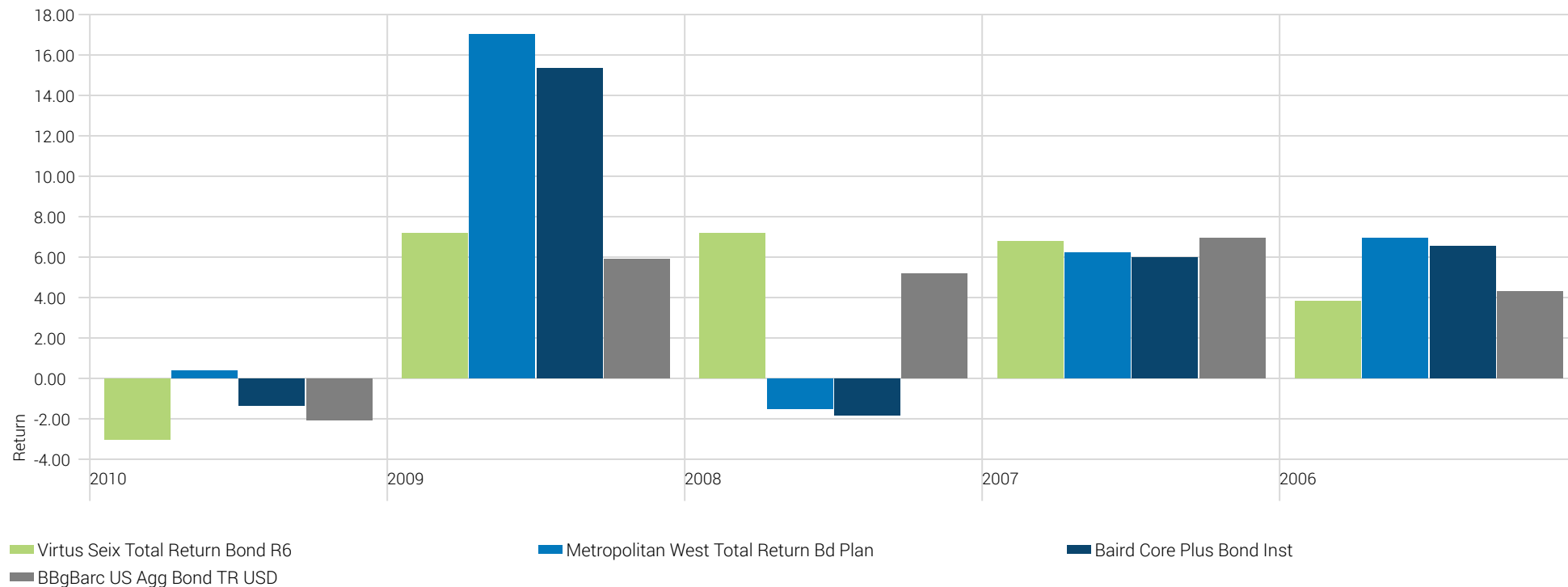


### Calendar Year Returns

	2018	2017	2016	2015	2014
Virtus Seix Total Return Bond R6	-0.17	2.83	3.13	0.34	6.54
Metropolitan West Total Return Bd Plan	0.29	3.49	2.56	0.25	6.16
Baird Core Plus Bond Inst	-0.51	4.65	4.73	0.14	6.59
BBgBarc US Agg Bond TR USD	0.01	3.54	2.65	0.55	5.97

# Intermediate-Term Bond Manager Search Report

## Calendar Year Returns



## Calendar Year Returns

	2010	2009	2008	2007	2006
Virtus Seix Total Return Bond R6	-3.04	7.22	7.19	6.84	3.87
Metropolitan West Total Return Bd Plan	0.45	17.08	-1.47	6.25	6.99
Baird Core Plus Bond Inst	-1.32	15.36	-1.79	5.99	6.58
BBgBarc US Agg Bond TR USD	-2.02	5.93	5.24	6.97	4.33

# Intermediate-Term Bond Manager Search Report

## Virtus Seix Total Return Bond R6

Portfolio Date: 1/31/2019

		Morningstar Fixed Income Style Box™		Fixed-Income Stats		
		Ltd	Mod	Ext		
High					Average Eff Duration	6.0
					Average Eff Maturity	9.4
					Average Coupon	3.0
Med					Average Price	100.3
Low						

## Metropolitan West Total Return Bd Plan

Portfolio Date: 12/31/2018

		Morningstar Fixed Income Style Box™		Fixed-Income Stats		
		Ltd	Mod	Ext		
High					Average Eff Duration	6.1
					Average Eff Maturity	7.5
					Average Coupon	3.6
Med					Average Price	99.4
Low						

## Baird Core Plus Bond Inst

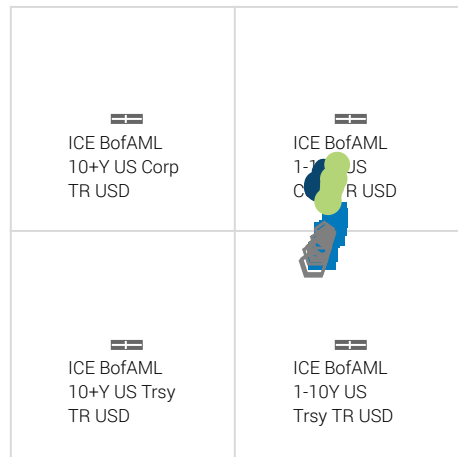
Portfolio Date: 12/31/2018

		Morningstar Fixed Income Style Box™		Fixed-Income Stats		
		Ltd	Mod	Ext		
High					Average Eff Duration	5.7
					Average Eff Maturity	7.8
					Average Coupon	3.8
Med					Average Price	99.5
Low						

## Returns-Based Style Map

Time Period: 1/1/2014 to 12/31/2018

Rolling Window: 3 Years 1 Month shift

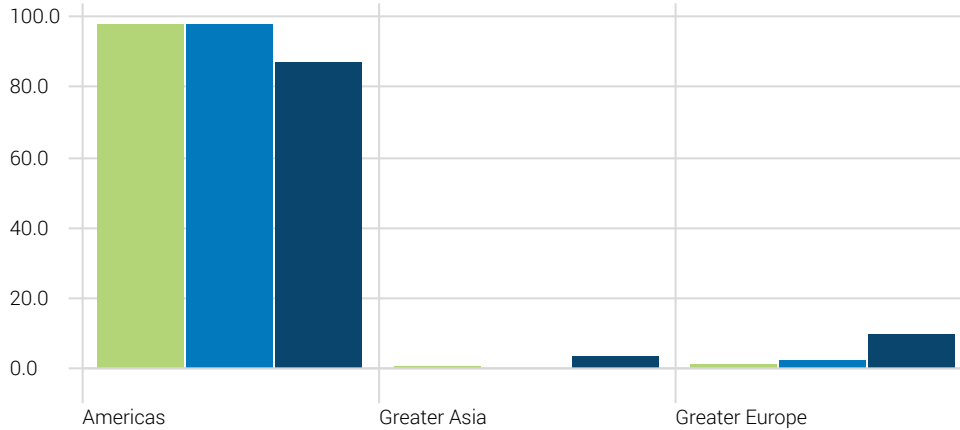


- Virtus Seix Total Return Bond R6
- Metropolitan West Total Return Bd Plan
- Baird Core Plus Bond Inst
- ◊ BBgBarc US Agg Bond TR USD

# Intermediate-Term Bond Manager Search Report

## Region Exposure

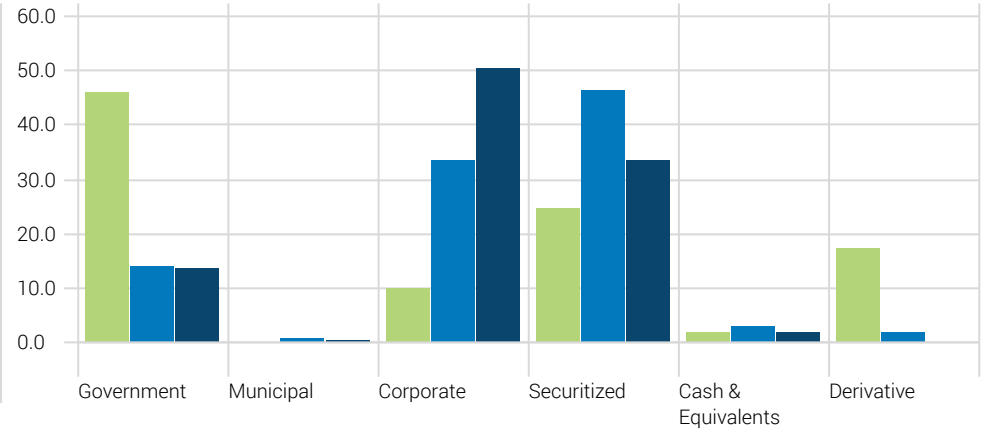
Portfolio Date: 12/31/2018



■ Virtus Seix Total Return Bond R6
 ■ Metropolitan West Total Return Bd Plan
 ■ Baird Core Plus Bond Inst

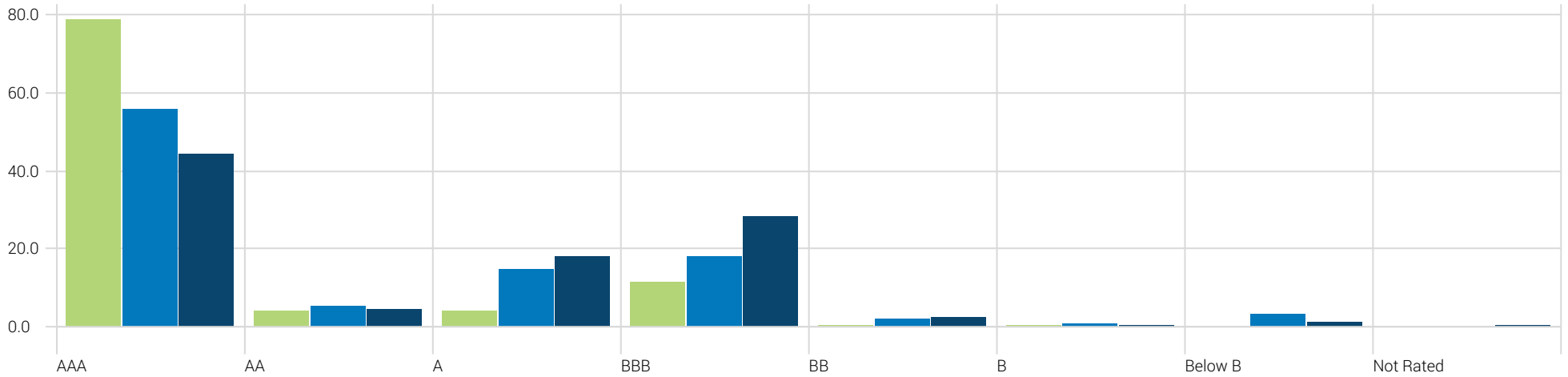
## Sector Exposure

Portfolio Date: 12/31/2018



■ Virtus Seix Total Return Bond R6
 ■ Metropolitan West Total Return Bd Plan
 ■ Baird Core Plus Bond Inst

## Credit Exposure



■ Virtus Seix Total Return Bond R6
 ■ Metropolitan West Total Return Bd Plan
 ■ Baird Core Plus Bond Inst

9/30/2018

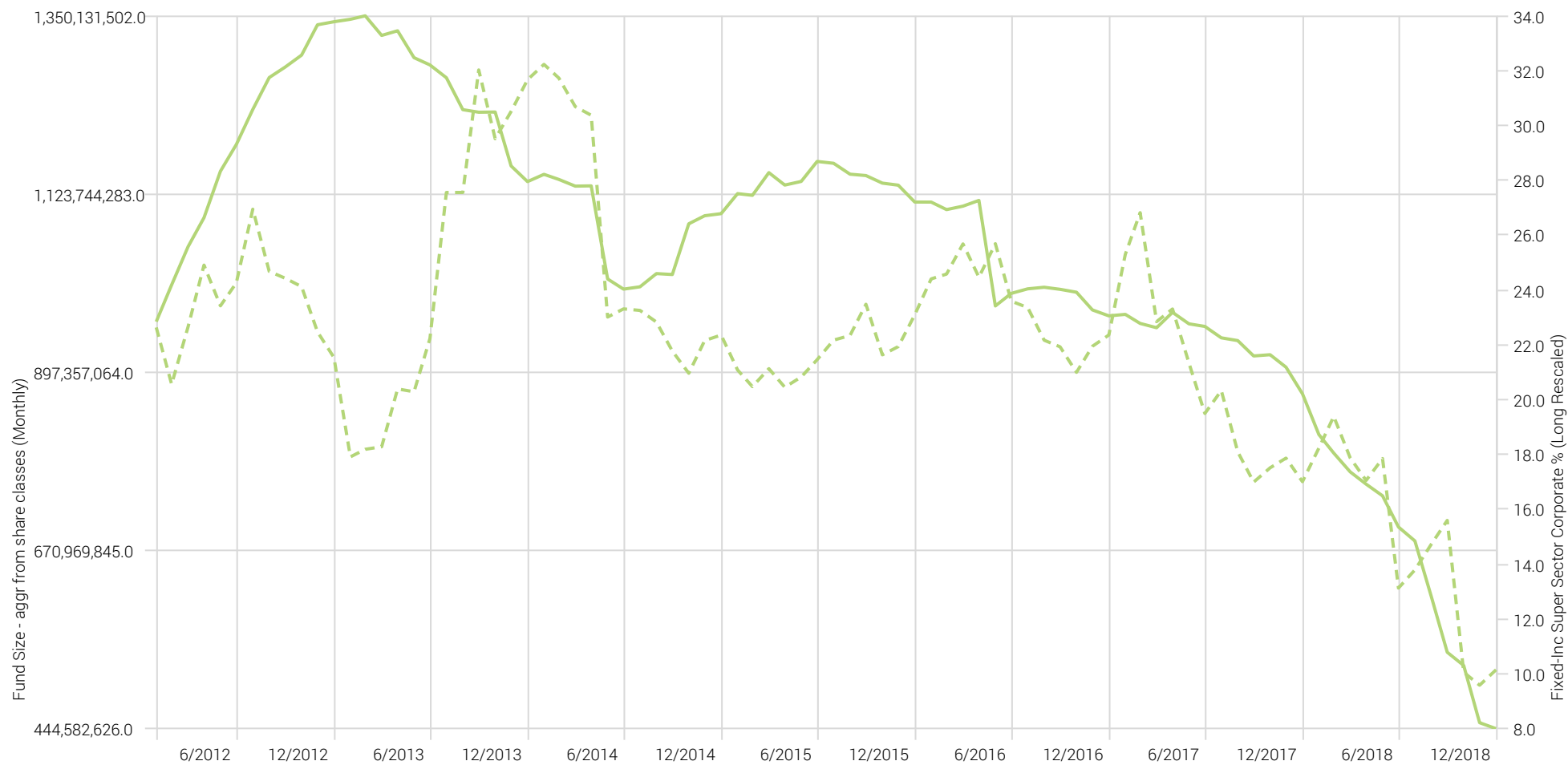
12/31/2018

12/31/2018

# Intermediate-Term Bond Manager Search Report

## Virtus Seix fund assets versus allocation to corporate bonds

Time Period: 1/1/2012 to 12/31/2018



— Virtus Seix Total Return Bond R6 (Fund Size - aggr from share classes (Monthly))

- - - Virtus Seix Total Return Bond R6 (Fixed-Inc Super Sector Corporate % (Long Rescaled))

## Intermediate-Term Bond Manager Search Report

### Correlation Matrix

Time Period: 1/1/2014 to 12/31/2018

	1	2	3	4
1 Virtus Seix Total Return Bond R6	1.00			
2 Metropolitan West Total Return Bd Plan	0.97	1.00		
3 Baird Core Plus Bond Inst	0.96	0.96	1.00	
4 BBgBarc US Agg Bond TR USD	0.97	0.99	0.97	1.00

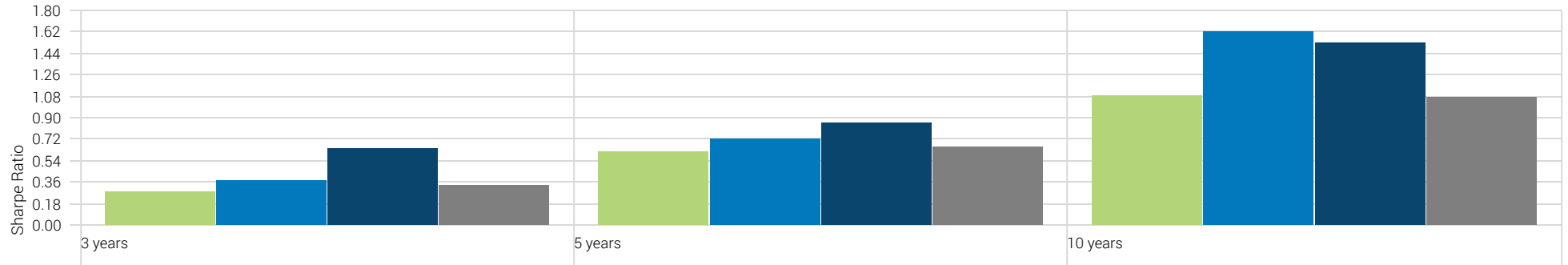
### Correlation Matrix (Excess Returns vs. Benchmark)

Time Period: 1/1/2014 to 12/31/2018

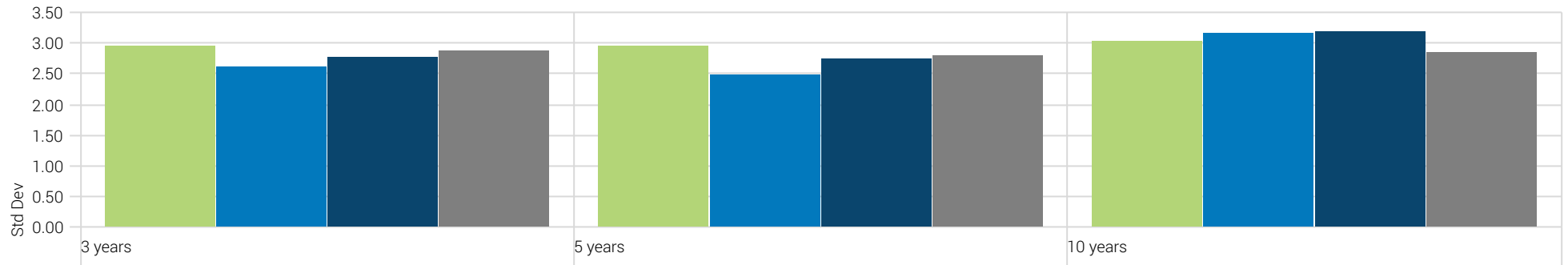
	1	2	3	4
1 Virtus Seix Total Return Bond R6	1.00			
2 Metropolitan West Total Return Bd Plan	0.02	1.00		
3 Baird Core Plus Bond Inst	0.22	0.26	1.00	
4 BBgBarc US Agg Bond TR USD				1.00

# Intermediate-Term Bond Manager Search Report

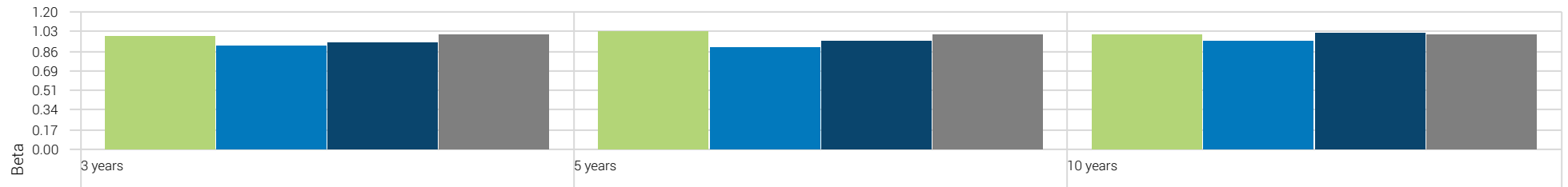
## Sharpe Ratio



## Standard Deviation



## Beta



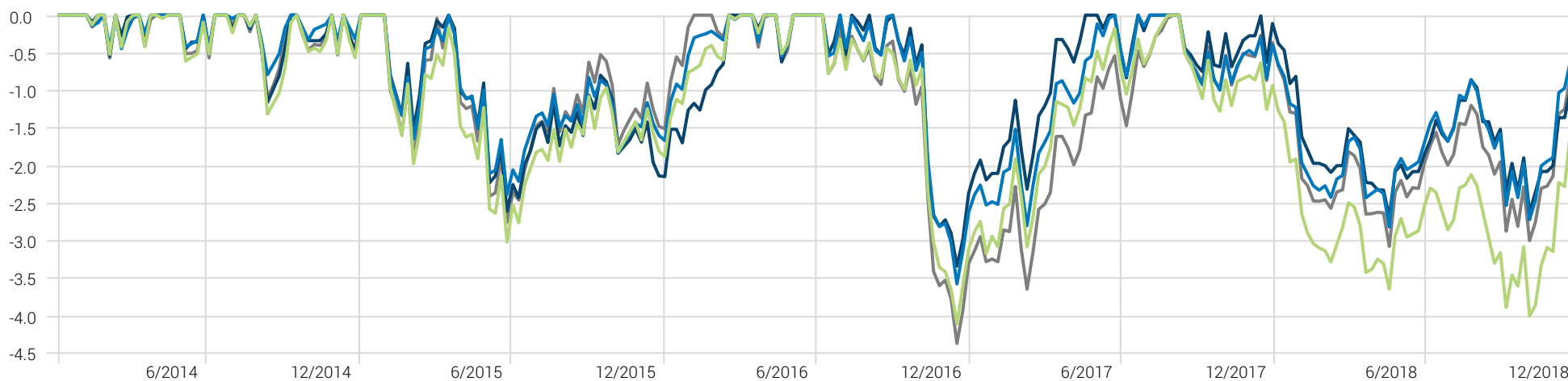
■ Virtus Seix Total Return Bond R6  
■ Metropolitan West Total Return Bd Plan  
■ Baird Core Plus Bond Inst  
■ BBgBarc US Agg Bond TR USD



# Intermediate-Term Bond Manager Search Report

## Drawdown

Time Period: 1/5/2014 to 12/29/2018



— Virtus Seix Total Return Bond R6  
— BBgBarc US Agg Bond TR USD

— Metropolitan West Total Return Bd Plan

— Baird Core Plus Bond Inst

## Drawdown

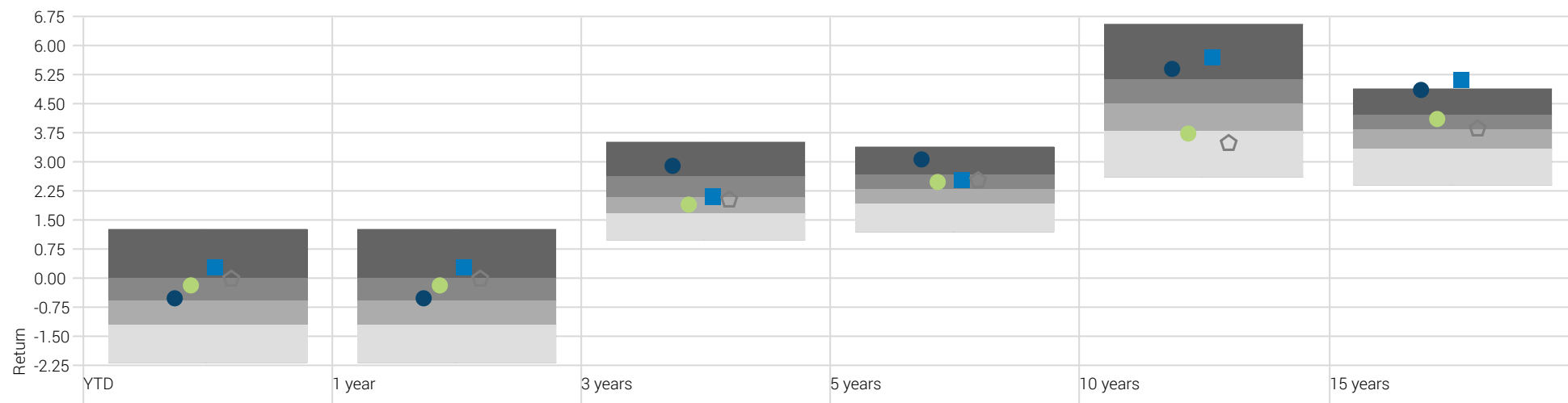
Time Period: 1/1/2014 to 12/31/2018

	Max Drawdown	Max Drawdown # of Periods	Max Drawdown Peak Date	Max Drawdown Valley Date	Omega
Virtus Seix Total Return Bond R6	-3.21	14	9/1/2017	10/31/2018	1.61
Metropolitan West Total Return Bd Plan	-2.70	2	10/1/2016	11/30/2016	1.74
Baird Core Plus Bond Inst	-2.78	3	9/1/2016	11/30/2016	1.89
BBgBarc US Agg Bond TR USD	-3.28	4	8/1/2016	11/30/2016	1.63

# Intermediate-Term Bond Manager Search Report

## Performance Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Intermediate-Term Bond



● Virtus Seix Total Return Bond R6     
 ■ Metropolitan West Total Return Bd Plan     
 ● Baird Core Plus Bond Inst  
◑ BBgBarc US Agg Bond TR USD

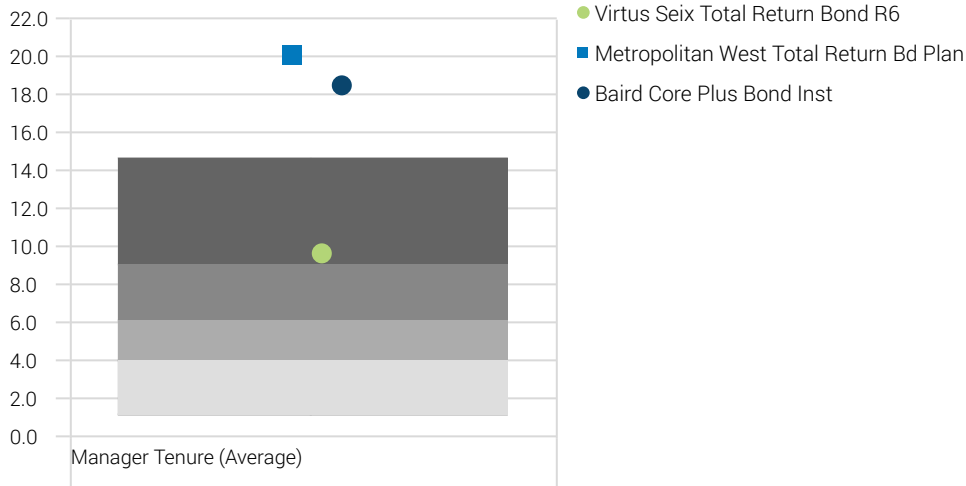
## Trailing Peer Group Performance

	YTD	% rank	1 year	% rank	3 years	% rank	5 years	% rank	10 years	% rank	15 years	% rank
Virtus Seix Total Return Bond R6	-0.17	31	-0.17	31	1.92	61	2.50	37	3.74	76	4.13	30
Metropolitan West Total Return Bd Plan	0.29	16	0.29	16	2.10	49	2.52	35	5.69	10	5.11	3
Baird Core Plus Bond Inst	-0.51	46	-0.51	46	2.92	13	3.08	10	5.41	16	4.88	6
BBgBarc US Agg Bond TR USD	0.01	24	0.01	24	2.06	52	2.52	35	3.48	81	3.87	46
5th Percentile	1.23		1.23		3.49		3.37		6.53		4.88	
25th Percentile	-0.01		-0.01		2.61		2.68		5.12		4.21	
50th Percentile	-0.58		-0.58		2.09		2.30		4.48		3.82	
75th Percentile	-1.21		-1.21		1.67		1.90		3.77		3.35	
95th Percentile	-2.18		-2.18		0.99		1.18		2.62		2.41	

# Intermediate-Term Bond Manager Search Report

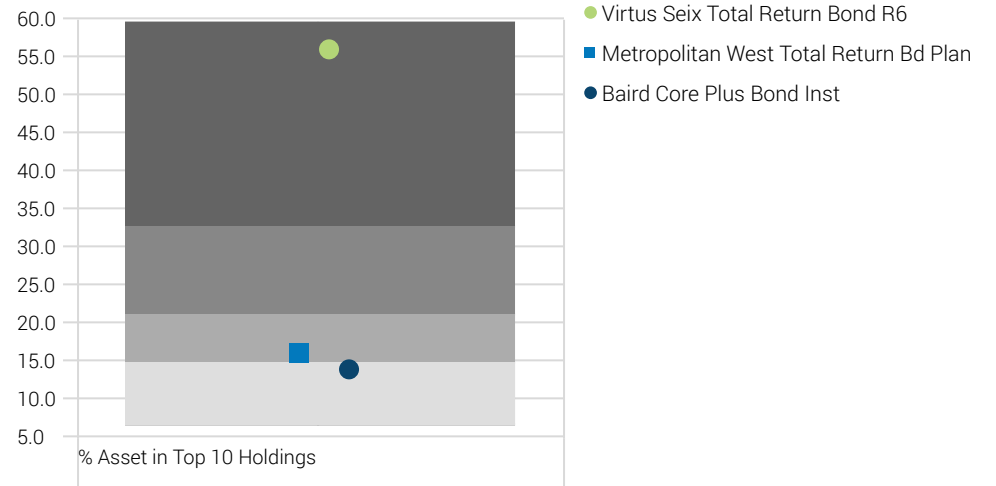
## Manager Tenure (Years) Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Intermediate-Term Bond



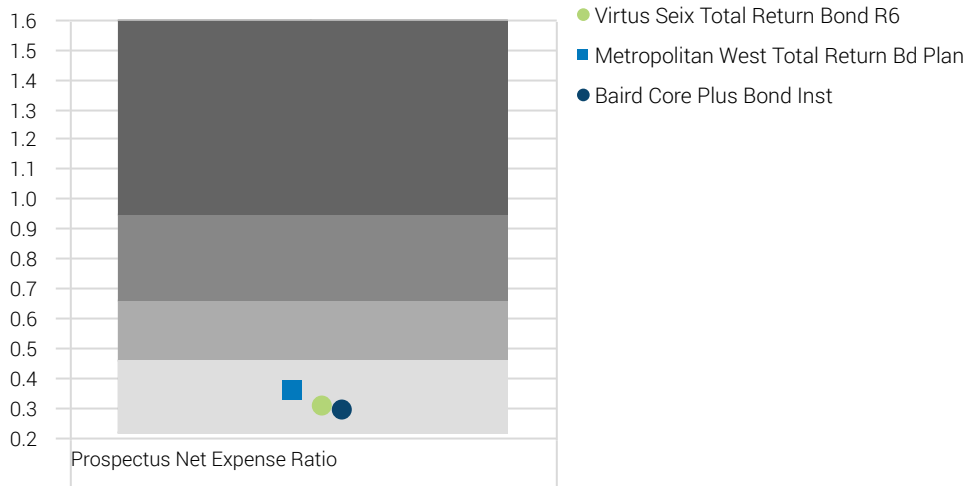
## Portfolio Concentration Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Intermediate-Term Bond



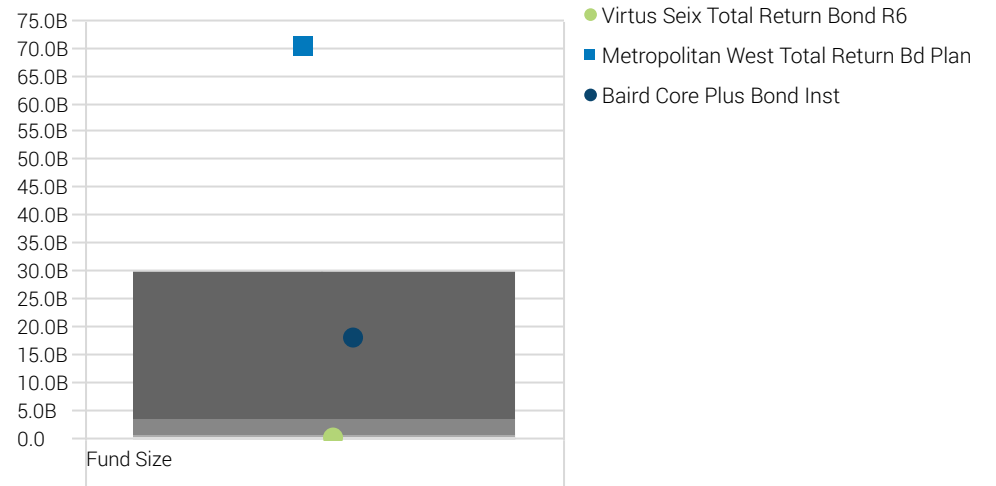
## Expense Ratio Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Intermediate-Term Bond






## Fund Size Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Intermediate-Term Bond



## Intermediate-Term Bond Manager Search Report

### Snapshot

	Ticker	Morningstar Category	Fixed Inc Style Box	Fund Size	Closed to New Inv	Prospectus Net Expense Ratio
Virtus Seix Total Return Bond R6	SAMZX	US Fund Intermediate-Term Bond		423,139,261.00	No	0.31
Metropolitan West Total Return Bd Plan	MWTSX	US Fund Intermediate-Term Bond		70,552,588,215.00	No	0.37
Baird Core Plus Bond Inst	BCOIX	US Fund Intermediate-Term Bond		18,105,095,785.00	No	0.30
BBgBarc US Agg Bond TR USD					No	

## Intermediate-Term Bond Manager Search Report

Virtus Seix Total Return Bond R6's performance has deteriorated relative to its benchmark and its smaller size disallows investment and trading efficiencies. The following areas were assessed to determine Virtus Seix Total Return Bond R6's prudence to be offered in an investment menu.

Status	Criteria	Comment
Underperform	Composite Performance	Underperformance relative to benchmark over the trailing 3- and 5-years
Underperform	Performance versus Interm-Term Bond Peer Group	Has performed in the bottom half of peers over the trailing 3- and 10-year periods
Neutral	Investment Approach	Poor top-down bets and smaller size does not achieve investment and trading efficiencies
Pass	Stability of Management	Seasoned team, with the core group running the fund since 2007

### Concluding Thoughts

An underperform rating of Virtus Seix Total Return Bond R6's performance versus its benchmark exists due to the fund's inability to outperform over multiple periods. The strategy offers active management to discover attractive opportunities in the marketplace and add value on a risk-adjusted basis. Although, Virtus Seix Total Return Bond R6's overly conservative tilt and allocation decisions have detracted from performance. Given its poor relative performance and small asset size, **we recommend replacing with Metropolitan West Total Return Bd Plan**.

We are comfortable recommending either replacement candidates for the Virtus Seix Total Return Strategy. However, Baird maintains consistent exposure to non-U.S. fixed income investments that may cause overlap with a current investment option, Templeton Global Bond Fund. Additionally, Baird's higher credit exposure has done well during the 10-year bull market, but may be less of a ballast for participant portfolios during a market downturn.

## Strategy Overviews

## Strategy Overview

### T. Rowe Price Mid-Cap Growth I (RPTIX)

Firm	Ownership Structure	Asset Class	Portfolio Details	Benchmark
T. Rowe Price, 100 East Pratt Street, Baltimore MD 21202	16.00% Employee Owned Founded 1/1/1937	Primary: Equity Sub-Style: US Fund Mid-Cap Growth	Inception Date: 8/28/2015 # Holdings: 135 10.00% From External Research	Russell Mid Cap Growth TR USD

### Strategy Summary

The T. Rowe Price Mid Cap Growth fund seeks to provide long-term capital appreciation by investing in medium capitalization companies that have the potential for above-average earnings growth. The fund generally has at least 80% of its assets in the common stock of mid-cap companies that exhibit "growth" characteristics, including higher valuations, above-average earnings growth and lower dividend yields. The fund is managed by Brian Berghuis, CFA, who has headed the strategy since the fund's inception in June 1992. Co-Portfolio Manager John Wakeman assists with fund management. Both managers have over 25 years of investment experience. The strategy is supported by T. Rowe Price's research team, which includes 284 research professionals worldwide. Analysts cover the entire market cap spectrum so they can understand the competitive dynamics of the industry or sector for which they are responsible. The firm employs an intensive recruiting program, coupled with mentoring and feedback, to foster a successful "grow-from-within" culture.

### Investment Philosophy

The fund's strategy targets companies with an annual earnings growth rate larger than 12%, narrowing the screen to about 800 companies. The purchase criteria include several "growth" requirements (above-average industry growth, above-average and sustainable earnings growth), a market-positioning component (attractive business model and competitive positioning), and a healthy business component (shareholder-oriented management teams, strong cash flow, good quality of sales and earnings, and a healthy balance sheet). The above components are then combined with a valuation requirement: that the growth potential is not fully reflected in the company's current valuation. However, the fund will hold some stocks with frothy multiples if growth potential remains, because Berghuis prefers to slowly trim (often reaping further gains) rather than sell outright. Managers look out for deteriorating fundamentals, a change in their investment thesis, excessive valuation, and seek to be aware of better ideas for the portfolio.

The research process includes an assessment of company management teams, which must have a reasonable long-term strategy and allocate capital well. Berghuis prefers companies with good business models, differentiated products, or anything that can lead to higher margins and returns on invested capital. Collaborating with T. Rowe's small-cap managers has led to winning picks that eventually grow into mid-caps.

While the material contained herein is believed to be reasonable, no guarantee can be provided to its accuracy or completeness. Data included in this document is as of indicated date and subject to change. Past performance does not guarantee future results. Any investment and/or asset allocation, no matter how conservative, can lose money. See disclosure at the end of this document regarding other important information

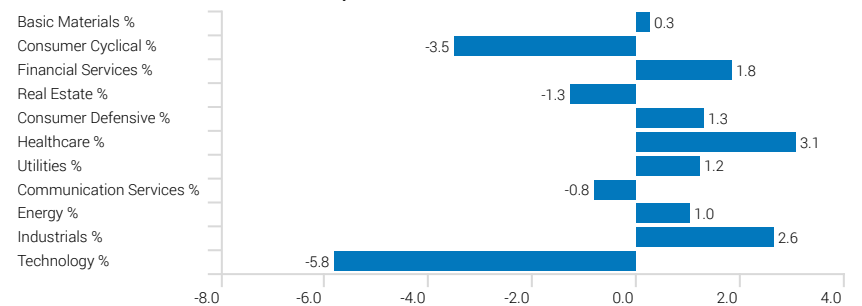
### Morningstar Style Box

Portfolio Date: 12/31/2018

	Value	Blend	Growth
Large	1.9	16.9	18.9
Mid	7.3	20.9	29.6
Small	2.0	1.7	0.8

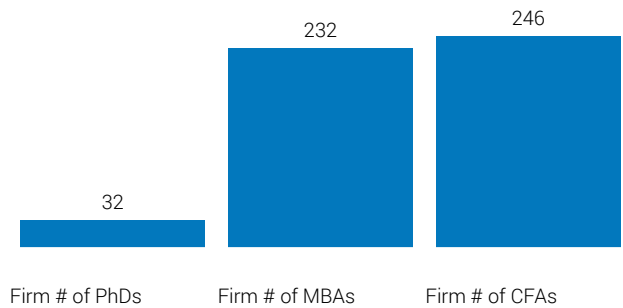
Market Cap	%
Market Cap Giant %	0.0
Market Cap Large %	37.4
Market Cap Mid %	58.1
Market Cap Small %	4.4
Market Cap Micro %	0.0

### Benchmark Relative Sector Exposure



# T. Rowe Price Mid-Cap Growth I (RPTIX)

## Firm Personnel

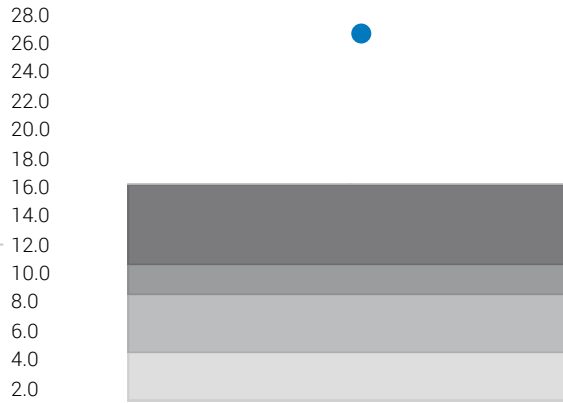


Category	Response
Errors Insured	Yes
Fiduciary Liability Insured	Yes
Disaster Recovery Plan	Yes
GIPS Compliance	Yes
Pending SEC Investigation	No
Pending Litigation	No

## Manager Tenure Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Mid-Cap Growth

■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile

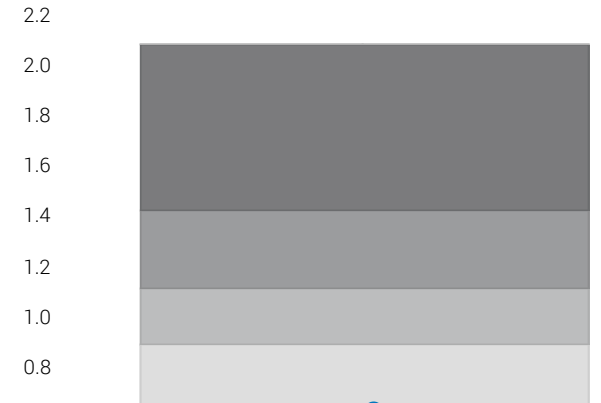


Manager Tenure (Average)

## Prospectus Net Expense Ratio Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Mid-Cap Growth

■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Prospectus Net Expense Ratio

## Fund Management

The fund is advised by T. Rowe Price Associates, and has been managed by Brian Berghuis, CFA since its 1992 inception. John Wakeman is the assistant portfolio manager, and has been with T. Rowe price since 1989. Berghuis invests over \$1 million in the Mid-Cap Growth Fund. T. Rowe Price believes that long tenure perpetuates their philosophy and investment approach, and averages 15 years of Portfolio Manager tenure with 20 years of average experience. They continue to invest in their global research team, adding analysts, managers and staff as needed as assets under management have grown. The investment advisory committee for the fund includes 10 analysts and/or portfolio managers with sector-specific focus. Each company in the portfolio will be seen on site by the analyst or the Portfolio Manager when it is purchased. Management also spends a significant amount of time with company management teams at conferences as well as through visits in their Baltimore offices. Berghuis also collaborates with the firm's small-cap managers, including Henry Ellenbogen of T. Rowe Price New Horizons (PRNHX), to identify up-and-coming companies with potential to grow into mid-caps. Many small-cap success stories have made it into this fund over the years, helping performance. Although Berghuis makes the portfolio decisions himself, the fund has an investment advisory committee that regularly meets with him and oversees the fund on a high level. Berghuis also serves on T. Rowe's equity steering committee, which makes broader decisions about the firm's equity lineup. He also has access to T. Rowe's analyst team, which has been strong over the long haul.

## Fees

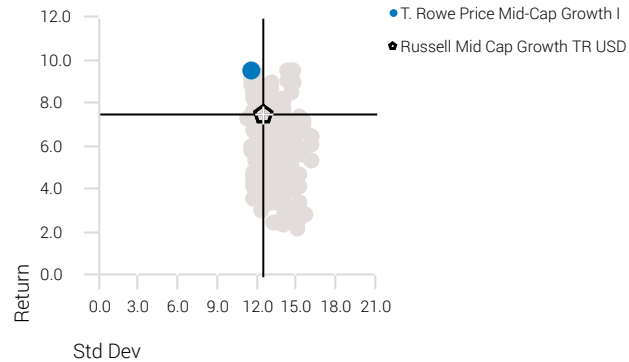
This fund benefits from reasonable costs due to its low turnover and scale from assets. The fund's expense of 0.62 is below the Morningstar Mid-Cap Institutional average of 0.89.



# T. Rowe Price Mid-Cap Growth I (RPTIX)

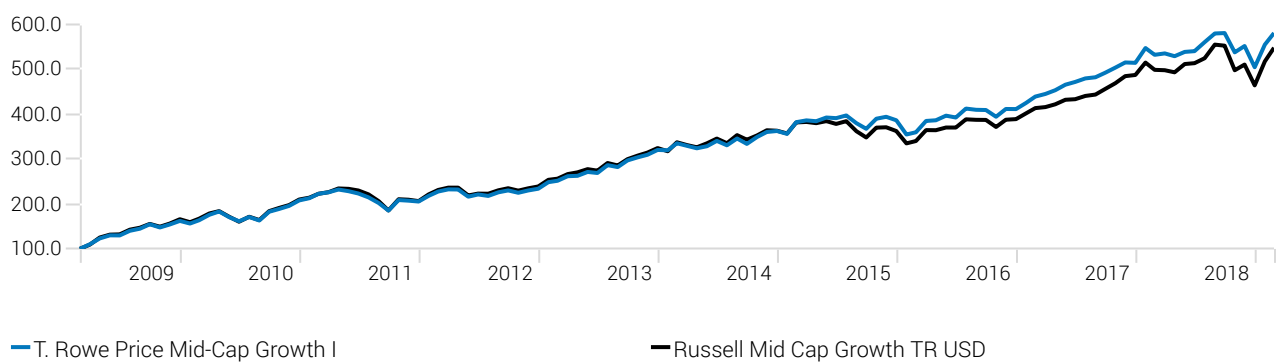
## Risk-Reward

Time Period: 1/1/2014 to 12/31/2018



## Investment Growth

Time Period: 3/1/2009 to 2/28/2019



## Performance Statistics

Time Period: 1/1/2014 to 12/31/2018 Calculation Benchmark: Russell Mid Cap Growth TR USD

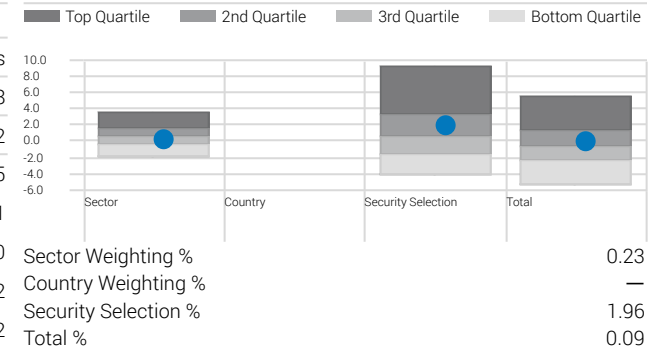
	T. Rowe Price Mid-Cap Growth I	Russell Mid Cap Growth TR USD	US Fund Mid-Cap Growth
Return	9.51	7.42	5.38
Std Dev	11.67	12.51	12.74
Sharpe Ratio	0.78	0.58	0.42
Information Ratio (arith)	0.69	—	-1.04
Beta	0.91	1.00	1.01
Tracking Error	3.05	0.00	1.95

## Trailing Peer Group Performance

Peer Group: Open End Funds - U.S. - Mid-Cap Growth

	1 Year	3 Years	5 Years	10 Years
T. Rowe Price Mid-Cap Growth I	-1.91	9.29	9.51	16.28
Russell Mid Cap Growth TR USD	-4.75	8.59	7.42	15.12
5th Percentile	3.53	12.07	9.55	16.05
25th Percentile	-3.10	9.41	7.28	14.51
50th Percentile	-5.70	7.48	5.85	13.40
75th Percentile	-8.17	5.97	4.88	12.62
95th Percentile	-15.08	2.95	2.15	10.72

## 3-Year Performance Attribution



## Performance

Brian Berghuis, this fund's sole manager since its 1992 inception, has generated an impressive record. The fund has sat atop the mid-growth category during his tenure, with its 13.2% annualized gain through December 2018, well ahead of the Russell Midcap Growth Index's 9.7% and the 9.1% category average. As with many T. Rowe Price funds, this one typically fares better in downturns and slightly lags in up markets because of its emphasis on risk control. Since the fund's inception, it has lost 78% as much as the Russell Midcap Growth Index in down markets while gaining 95% as much when stocks rise. True to form, the fund outperformed most of its rivals during the 2007-09 financial crisis and also fared better during the early 2000s bear market and other tough environments such as 2011 and 2015's rocky third quarter. With an appealing risk profile, the fund has maintained an enviable edge over the benchmark and peers on a risk-adjusted basis, with superior Sortino and Sharpe ratios. For the trailing year, the fund's 1.91% loss exemplifies risk control relative to the benchmark.

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## Disclosures

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# Strategy Overview

## Metropolitan West Total Return Bd Plan (MWT SX)

Firm	Ownership Structure	Asset Class	Portfolio Details	Benchmark
METROPOLITAN WEST ASSET MANAGEMENT, 865 S. FIGUEROA STREET, SUITE 2100, LOS ANGELES CA 90017. USA	44% Employee Owned Founded 1971	Primary: Fixed Income Sub-Style: US Fund Intermediate-Term Bond	Inception Date: 7/29/2011 # of Holdings 2,040	BBgBarc US Agg Bond TR USD

### Strategy Summary

Metropolitan West Total Return Bond benefits from a seasoned team and a time-tested investment approach. Portfolio managers Tad Rivelle, Laird Landmann, Steve Kane, and Bryan Whalen are backed by a cadre of specialists, analysts, and traders across the firm's securitized, credit, and government/rates teams. The generalists position the fund according to their views on the credit cycle and valuations. For instance, the team reduced the fund's corporate exposure to an all-time low of 7% in early 2008 given their view on the sector's frothy valuations but then bargain-hunting as spreads widened later that year. More than doubling that stake led to peer-topping results in the 2009 rally. This fund's positioning tends to shift dramatically early in the credit cycle as the managers take advantage of rock-bottom valuations in the credit and securitized spaces. The managers gradually dial down the fund's risk in the mid-to-later stages of the cycle. This approach has resulted in middling performance over the past five years compared with more intrepid rivals, particularly those willing to own more high yield. Still, the team has taken advantage of some valuation-drive opportunities. Though not eye-catching lately, the fund's long-term performance has been impressive thanks to the generalists' discipline around valuations and ability to take advantage during sell-offs. The sector teams' ability to find value in less-trafficked pockets of the fixed-income market also bodes well for this fund's future.

### Investment Philosophy

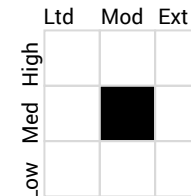
The process takes advantage of the team's belief that fixed income pricing is volatile in the short run, but over the long term tends to revert to the mean. This fundamental approach exploits market inefficiencies by purchasing securities whose current prices do not reflect fair value or based on other variables such as interest rates or sector spreads. The investment process is a combination of top down and bottom up approaches with the team relying on five primary tools to add value - duration management, yield curve positioning, sector selection, security selection and trading. The top down component starts with a long-term economic outlook to serve as the primary driver of the duration and yield curve strategy. The emphasis of the strategy, however, is on the fundamental bottom up research which shapes the sector and securities positions. This emphasis is due to the team's belief that the security and sector levels of the market are where the largest inefficiencies exist affording a higher potential reward. A review of their performance concludes that approximately 80% of the strategy's historical value add has come from these areas. In implementing their strategy, be it top down or bottom up, MetWest uses a dollar-cost averaging approach to help control risk when trading. Additional constraints include limiting duration to one year plus or minus the benchmark, permitted use of derivatives, and a maximum of 20% in non-investment grade bonds.

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### Morningstar Style Box

Portfolio Date: 12/31/2018

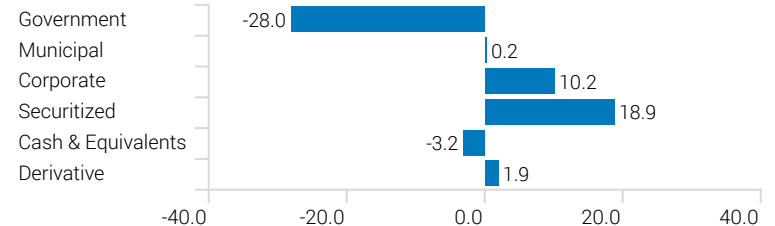
Morningstar Fixed Income Style Box™



### Fixed-Income Stats

Average Eff Duration	6.1
Average Eff Maturity	7.5
Average Coupon	3.6
Average Price	99.4

### Benchmark Relative Sector Exposure

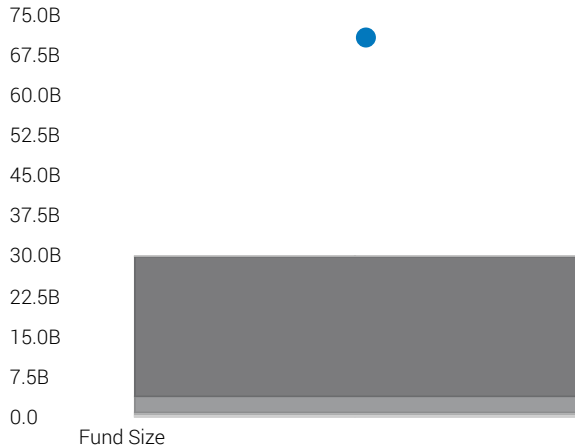


# Metropolitan West Total Return Bd Plan (MWTSEX)

## Fund Size Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Intermediate-Term Bond

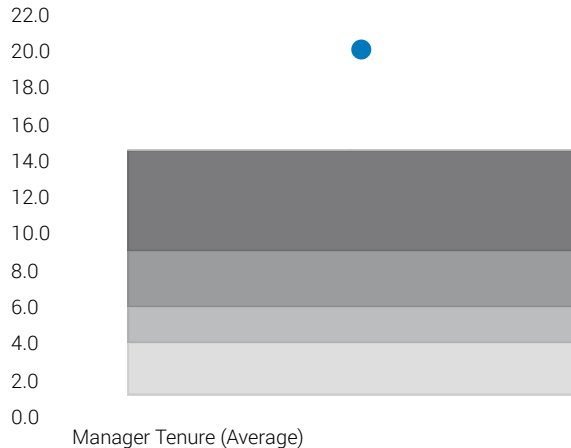
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



## Manager Tenure Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Intermediate-Term Bond

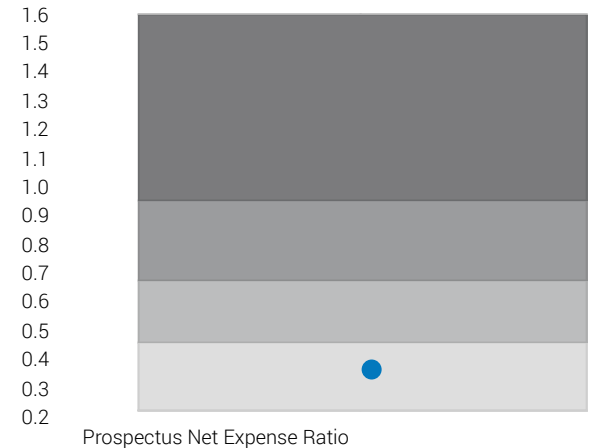
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



## Prospectus Net Expense Ratio Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Intermediate-Term Bond

■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



## Fund Management

Met West employs a collaborative team approach to the management of fixed income portfolios. The team is split between generalist and specialist portfolio managers and sector specific analysts. There are currently four generalist portfolio managers responsible for the development of the macro strategies and the long term outlook. They also oversee implementation and make certain various portfolios are consistently managed. The eight specialist portfolio managers lead the sector teams (securitized products, credit, government/rates, investment risk management, and product management) and are responsible for the implementation of the sector specific strategies. Trust Company of the West ("TCW") was founded in 1971 and is based in Los Angeles, CA. In early 2010, TCW completed its acquisition of Metropolitan West Asset Management ("Met West"), a fixed income asset manager also based in California. Met West was acquired to take over the management of TCW's investment grade fixed income platform. Subsequently, in February 2013, TCW's majority owner, Societe Generale, a French multinational bank and financial services company, completed the sale of its ownership stake in TCW to a private equity firm, The Carlyle Group. In December 2017, Carlyle sold 24.75% to Nippon Life, Japan's largest life insurance company. The resulting stakes are now: TCW 44.07%, Carlyle 31.18%, and Nippon Life 24.75%.

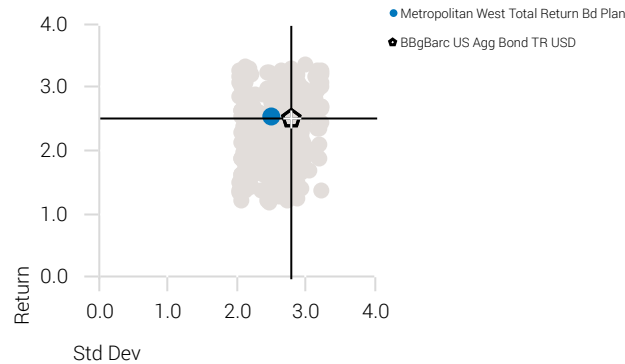
## Fees

Roughly 60% of this fund's assets reside in the Institutional share class, which comes with a 0.45% expense ratio after other investment-related costs. It's not the cheapest actively managed core bond fund in this channel but remains less expensive than the norm. Roughly one fourth of assets sit in another institutional share class (Plan) which comes with a more attractive 0.37% levy.

# Metropolitan West Total Return Bd Plan (MWTSEX)

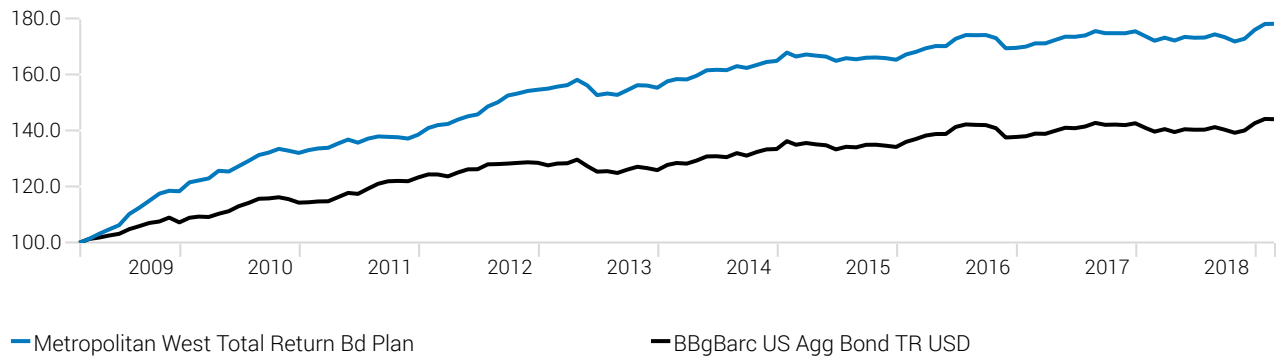
## Risk-Reward

Time Period: 1/1/2014 to 12/31/2018



## Investment Growth

Time Period: 3/1/2009 to 2/28/2019



## Performance Statistics

Time Period: 1/1/2014 to 12/31/2018 Calculation Benchmark: BBgBarc US Agg Bond TR USD

	Metropolitan West Total Return Bd Plan	BBgBarc US Agg Bond TR USD	US Fund Intermediate-Term Bond
Return	2.52	2.52	2.24
Std Dev	2.50	2.79	2.47
Sharpe Ratio	0.73	0.66	0.63
Information Ratio (arith)	0.01	—	-0.38
Beta	0.89	1.00	0.86
Tracking Error	0.47	0.00	0.73

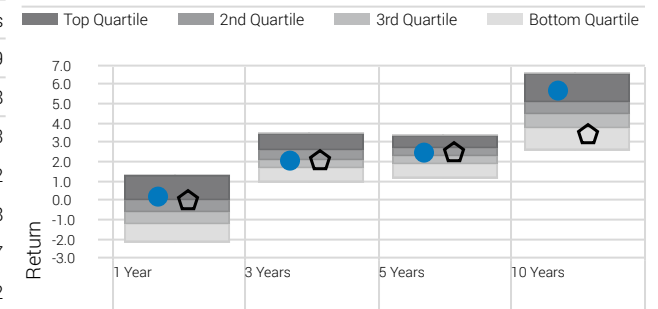
## Trailing Peer Group Performance

Peer Group: Open End Funds - U.S. - Intermediate-Term Bond

	1 Year	3 Years	5 Years	10 Years
Metropolitan West Total Return Bd Plan	0.29	2.10	2.52	5.69
BBgBarc US Agg Bond TR USD	0.01	2.06	2.52	3.48
5th Percentile	1.23	3.49	3.37	6.53
25th Percentile	-0.01	2.61	2.68	5.12
50th Percentile	-0.58	2.09	2.30	4.48
75th Percentile	-1.21	1.67	1.90	3.77
95th Percentile	-2.18	0.99	1.18	2.62

## Performance Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Intermediate-Term Bond



## Performance

The team's process, which centers on gradually reducing credit risk throughout the market cycle, has resulted in middling returns over the past several years. Its 2.5% five-year annualized gain through Decembers 2018 ties the Bloomberg Barclays U.S. Aggregate Bond Index's and exceeds the typical intermediate-term bond Morningstar Category peer's. Rivals that took on more credit and interest-rate risk over that time generally fared better. In most major market dislocations, this fund's management team has made bigger moves into unloved areas of the market with solid results. It bought battered nonagency mortgages early in 2008, and exposure to long U.S. Treasuries and credit default swap protection purchased against commercial mortgages helped keep the fund from going off the rails compared with peer funds that year. The team has also shown conviction through trying times. That was the case in 2011, when the fund's short duration and more credit-sensitive holdings weighed on its returns, and in 2015 when its student loan asset-backed securities took a hit. The team didn't capitulate on those bets, though, which helped when those areas recovered in 2012 and 2016. The team's patience, discipline, and eye for value have paid off longer term: The fund's 5.7% annualized return over the past 10 years bested 90% of distinct peers and handily beat the index.

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## Disclosures

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While the material contained herein is believed to be reasonable, no guarantee can be provided to its accuracy or completeness. The data, methodologies, and conclusions presented in this document may change over time without notice. There can be no assurance that the investments and/or asset classes referred to in this document will perform in a manner consistent with their historical performance and/or any forward-looking assumptions or opinions stated verbally or in this document. Any investment and/or asset allocation, no matter how conservative, can lose money. Historical performance results do not reflect the deduction of transaction fees, custodial charges, and/or investment management fees, which would serve to decrease historical performance results. This report in and of itself does not constitute a recommendation or investment advice offered by Northwest Capital Management. This report is provided solely for informational purposes and therefore is not an offer to buy or sell a security. Unless Northwest Capital Management. is making a separate, written recommendation to its client, or is exercising discretionary authority to affect a transaction involving this security for its clients, Northwest Capital Management. shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, this information, data, analyses or opinions or their use. The extent of liability, if any, Northwest Capital Management. may have to its clients will be determined by applicable law. This report is supplemental sales literature, and therefore must be preceded or accompanied by a prospectus and disclosure statement. Please read the prospectus carefully. Some of the data contained within this report has been provided by Morningstar.

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Investments have varying degrees of risk. Some of the risks involved with equities include the possibility that the value of the stocks may fluctuate in response to events specific to the companies or markets, as well as economic, political or social events in the U.S. or abroad. Bonds are subject to interest rate, inflation and credit risks. Investments in high-yield bonds may be subject to greater market fluctuations and risk of loss of income and principal than securities in higher rated categories. Investments in foreign securities (including ADRs) involve special risks, including foreign currency risk and the possibility of substantial volatility due to adverse political, economic or other developments. These risks are magnified for investments made in emerging markets. Investments in a certain industry or sector may pose additional risk due to lack of diversification and sector concentration. Investments in real estate securities can be subject to fluctuations in the value of the underlying properties, the effect of economic conditions on real estate values, changes in interest rates, and risk related to renting properties, such as rental defaults. There are special risks associated with an investment in commodities, including market price fluctuations, regulatory changes, interest rate changes, credit risk, economic changes and the impact of adverse political or financial factors.

# Item 10



# Fresno County

## 457 Deferred Compensation Plan

Quarterly Dashboard – December 31, 2018

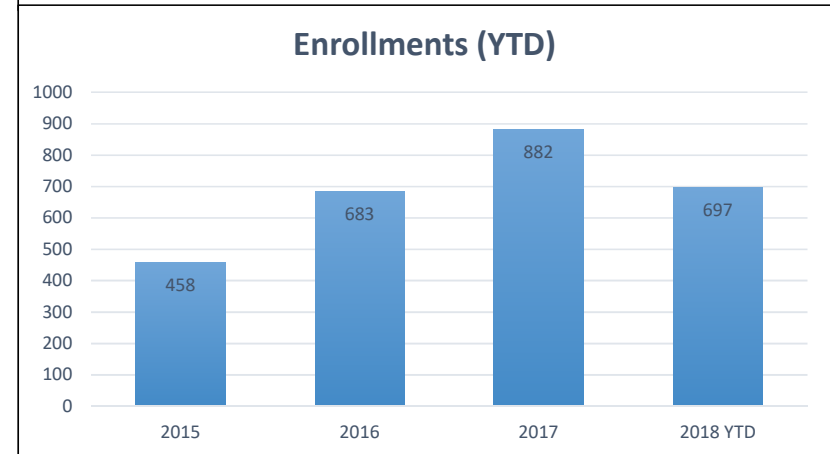
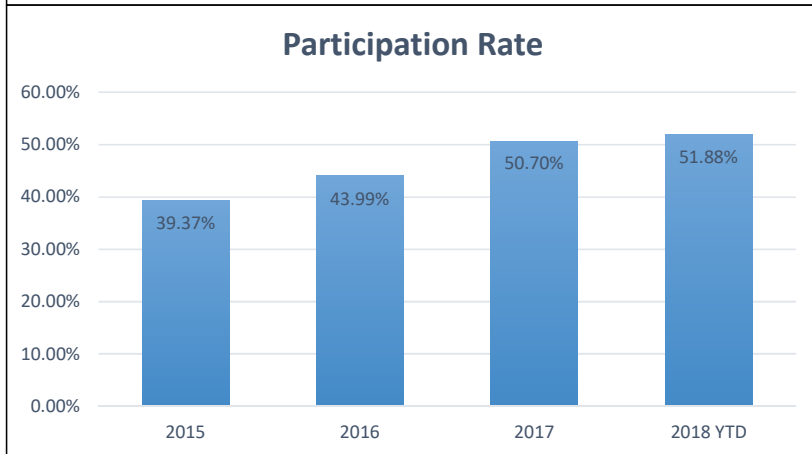
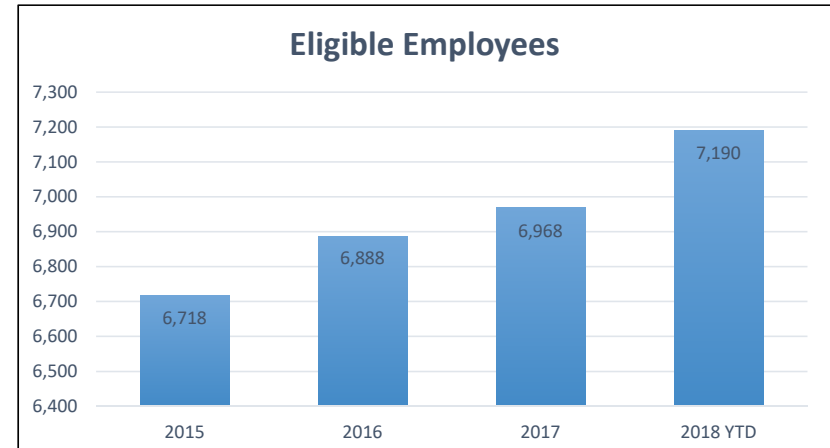
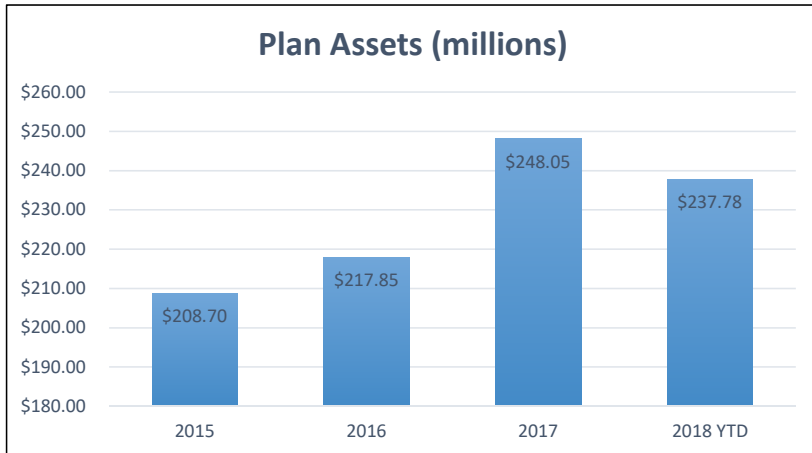


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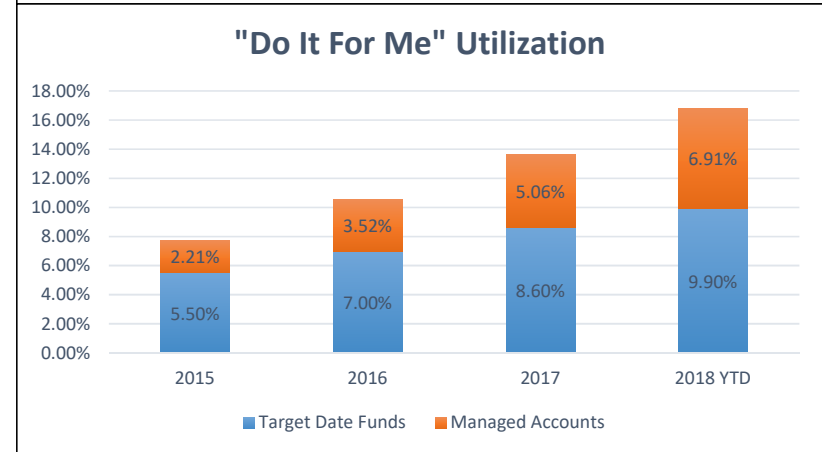
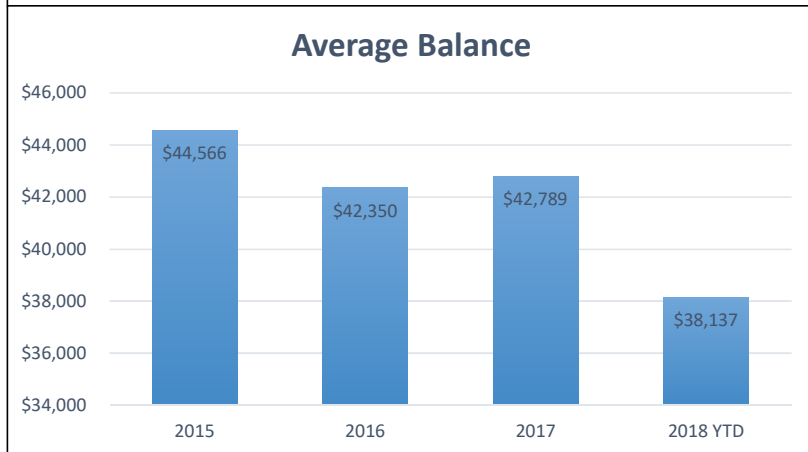
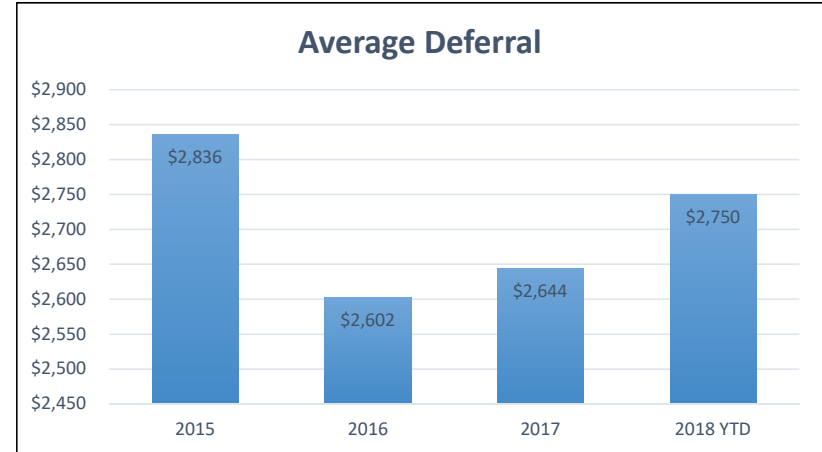
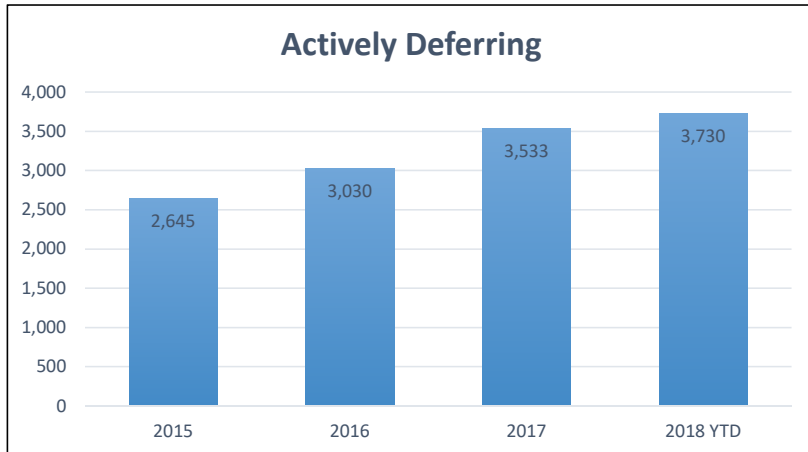
<b>Section 1</b>	Executive Summary
<b>Section 2</b>	Retirement Readiness
<b>Section 3</b>	Gauging Success Report
<b>Section 4</b>	Explicit Asset Fee Summary
<b>Section 5</b>	Fee Normalization Calculation



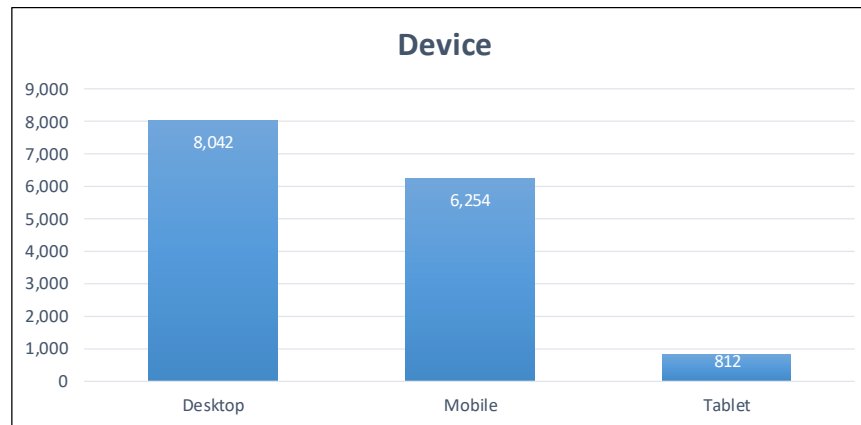
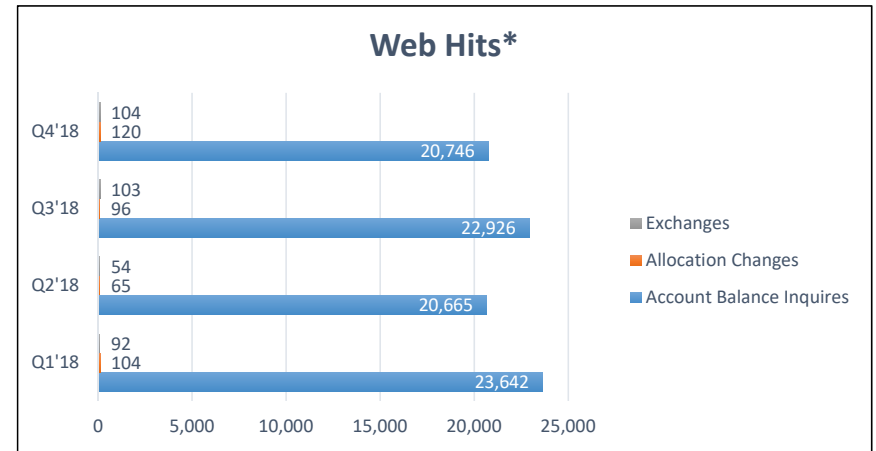
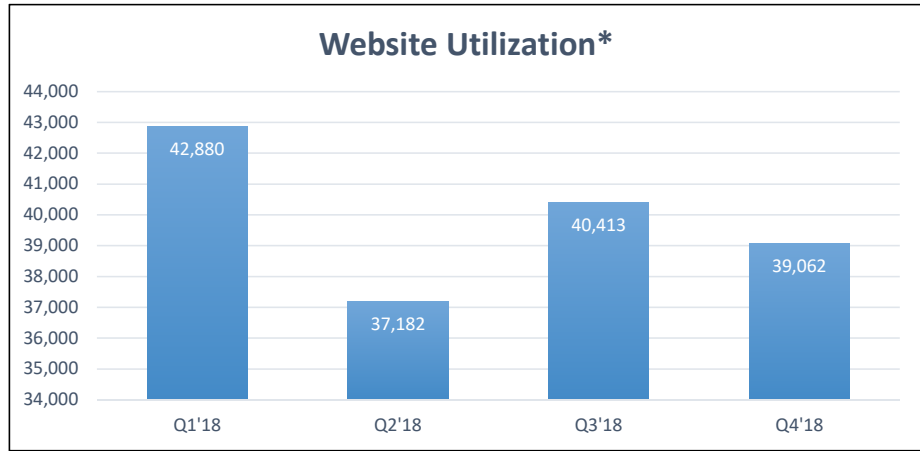
# Section 1 Executive Summary



# Section 1 Executive Summary



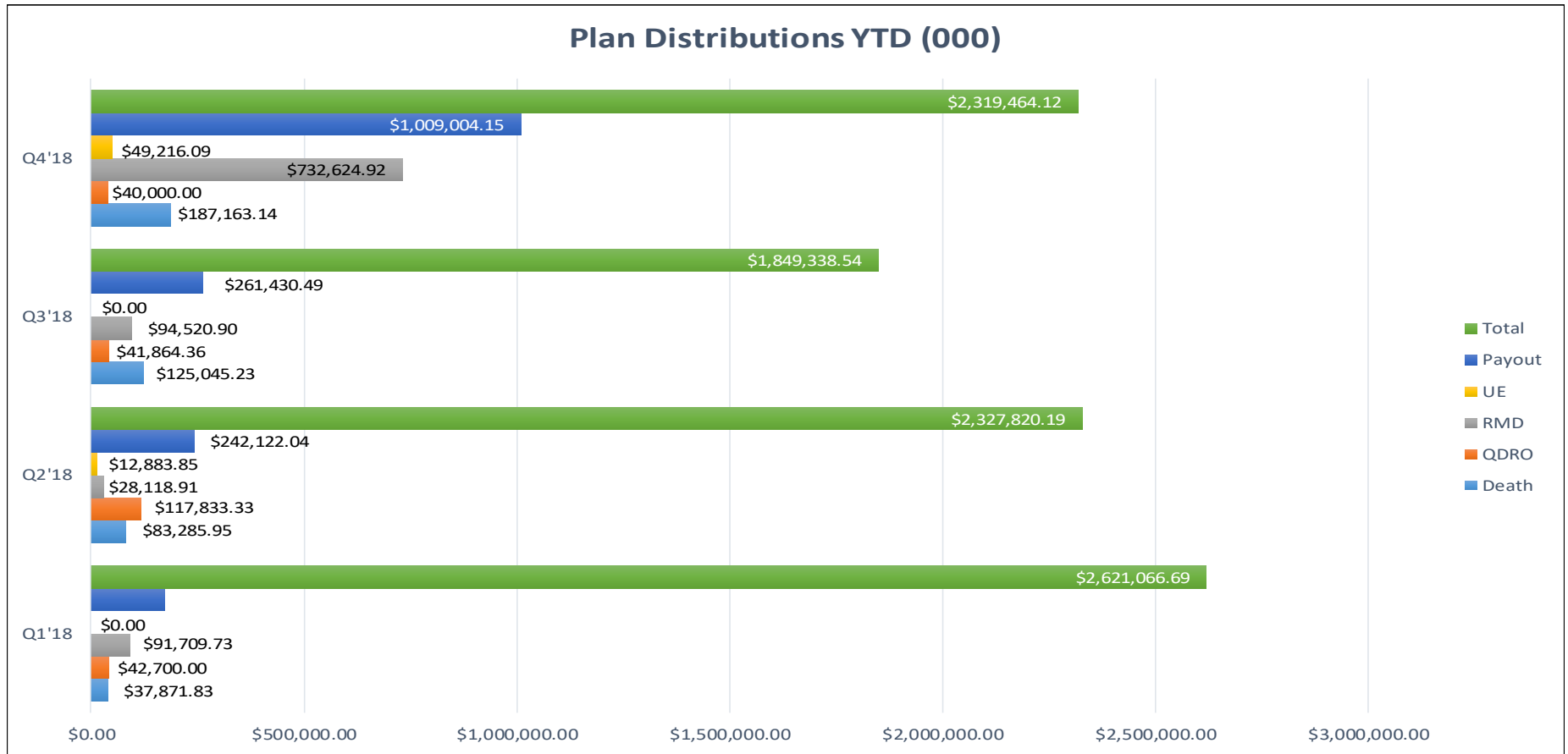
# Section 1 Executive Summary



\*Web Utilization represents total web hits for the quarter. Web Hits represents total hits for the listed categories.



# Section 1 Executive Summary



# Section 1 Executive Summary

External Transfer Out 1/1/18 to 12/31/18	Payee
\$ (70,000.00)	ALLIANZ LIFE INSURANCE COMPANY
\$ (104,253.87)	ALLIANZ LIFE INSURANCE COMPANY
\$ (39,934.49)	ALLIANZ LIFE INSURANCE COMPANY
\$ (53,129.98)	AMERICAN CENTURY INVESTMENTS
\$ (148,676.72)	AMERICAN GENERAL LIFE
\$ (22,719.57)	CAPITAL BANK & TRUST COMPANY
\$ (5,438.00)	CAPITAL BANK & TRUST COMPANY
\$ (78,046.85)	CHARLES SCHWAB & CO INC
\$ (5,690.93)	CHARLES SCHWAB & CO INC
\$ (115,015.66)	CHARLES SCHWAB & CO INC
\$ (163,241.13)	CHARLES SCHWAB & CO INC
\$ (31,827.89)	CHARLES SCHWAB & CO INC
\$ (84,993.86)	CHARLES SCHWAB & CO INC
\$ (9,200.65)	FIDELITY MANAGEMENT TRUST COMPANY
\$ (21,865.23)	FIDELITY MANAGEMENT TRUST COMPANY
\$ (3,070.11)	FIDELITY MANAGEMENT TRUST COMPANY
\$ (6,493.66)	FIIOC
\$ (708.08)	FIIOC
\$ (2,669.81)	FIIOC
\$ (163,173.52)	FORETHOUGHT LIFE INSURANCE COMPANY



## Section 1 Executive Summary

External Transfer Out 1/1/18 to 12/31/18	Payee
\$ (50,000.00)	GREAT AMERICAN LIFE INSURANCE CO
\$ (96,639.66)	GREAT-WEST FINANCIAL
\$ (4,001.61)	LA COUNTY PLANS - GREAT WEST
\$ (5,449.71)	LPL FINANCIAL
\$ (1,558.88)	LPL FINANCIAL
\$ (336,634.81)	LPL FINANCIAL
\$ (142,516.45)	LPL FINANCIAL
\$ (240,963.26)	LPL FINANCIAL
\$ (936.30)	MASS MUTUAL RETIREMENT SERVICES
\$ (68,256.10)	MERRILL LYNCH
\$ (70,649.15)	MERRILL LYNCH
\$ (20,095.47)	MORGAN STANLEY
\$ (3,469.34)	MUTUAL OF AMERICA
\$ (202,550.77)	NATIONAL FINANCIAL SERVICES
\$ (68,754.81)	NATIONWIDE
\$ (7,460.16)	NOBLE CREDIT UNION
\$ (15,268.31)	NOBLE CREDIT UNION
\$ (20,000.00)	NOBLE CREDIT UNION
\$ (14,281.27)	NYLIAC
\$ (64,435.46)	PACIFIC LIFE INS CO



## Section 1 Executive Summary

External Transfer Out 1/1/18 to 12/31/18	Payee
\$ (100,000.00)	PERSHING LLC
\$ (144,189.51)	PERSHING LLC
\$ (35,341.20)	PERSHING LLC
\$ (443,318.93)	PERSHING LLC
\$ (22,526.55)	PLACER COUNTY 401K PLAN-VOYA INSTITUTION
\$ (85,516.96)	PRINCIPAL TRUST COMPANY
\$ (480,865.06)	RAYMOND JAMES & ASSOC INC
\$ (69,986.73)	RAYMOND JAMES & ASSOC INC
\$ (195,752.51)	SEI PRIVATE TRUST COMPANY
\$ (1,721.50)	STATE STREET BANK
\$ (117,262.70)	STIFEL NICOLAUS & CO INC
\$ (20,000.00)	STRATA TRUST COMPANY
\$ (95,075.68)	SUNWEST TRUST
\$ (261,893.95)	SYMETRA LIFE INS CO
\$ (8,000.00)	TD AMERITRADE
\$ (1,822.20)	TD AMERITRADE
\$ (365.30)	TRANSAMERICA RETIREMENT SOLUTIONS
\$ (3,385.48)	TSP ROLLOVER & TRANSFER PROCESSING UNIT
\$ (31,562.41)	UNKNOWN
\$ (303,990.78)	UNKNOWN



## Section 1 Executive Summary

External Transfer Out 1/1/18 to 12/31/18	Payee
\$ (106,218.29)	UNKNOWN
\$ (15,269.36)	UNKNOWN
\$ (113,815.88)	UNKNOWN
\$ (4,925.56)	UNKNOWN
\$ (3,732.83)	UNKNOWN
\$ (37,976.25)	UNKNOWN
\$ (6,262.51)	UNKNOWN
\$ (29,995.45)	UNKNOWN
\$ (1,928.01)	UNKNOWN
\$ (80,823.25)	UNKNOWN
\$ (7,441.69)	UNKNOWN
\$ (42,876.31)	UNKNOWN
\$ (13,115.90)	UNKNOWN
\$ (75,547.96)	UNKNOWN
\$ (31.23)	UNKNOWN
\$ (6,051.13)	USAA INVESTMENT MANAGEMENT COMPANY
\$ (20,906.58)	VALIC
\$ (307,684.52)	VANGUARD FIDUCIARY TRUST COMPANY
\$ (216,792.28)	VANGUARD FIDUCIARY TRUST COMPANY
\$ (488.20)	VANTAGEPOINT TRANSFER AGENTS / 457





## Section 1 Executive Summary

External Transfer Out 1/1/18 to 12/31/18	Payee
\$ (1,140.73)	VANTAGEPOINT TRANSFER AGENTS / 457
\$ (3,165.19)	VANTAGEPOINT TRANSFER AGENTS / 457
\$ (7,529.42)	VANTAGEPOINT TRANSFER AGENTS / 457
\$ (2,303.61)	VANTAGEPOINT TRANSFER AGENTS / 457
\$ (9,708.77)	VANTAGEPOINT TRANSFER AGENTS / 457
\$ (323,199.82)	WELLS FARGO
\$ (1,951.36)	WELLS FARGO
\$ (120,830.77)	WELLS FARGO
\$ (441,609.18)	WELLS FARGO

# Section 2 Retirement Readiness



# Fresno County, CA Retirement Readiness Report

Plan-level summary of all participants' retirement readiness  
Q4 2018

The Fresno County Retirement Readiness Report helps you understand how prepared your participants are to reach their retirement goals. Nationwide has provided your participants with a personalized retirement readiness report, which includes their balance, pension, and Social Security benefits.

This plan-level report summarizes the progress your participants are making towards meeting their retirement goal. For more detailed plan information, access the Gauging Success report on your plan website.

## Plan Participants

What is the status of all 6,235 participants enrolled in your plan?



## Retirement Readiness

How engaged are your participants?  
Are they ready to retire?<sup>4</sup>

6,235  
total participants

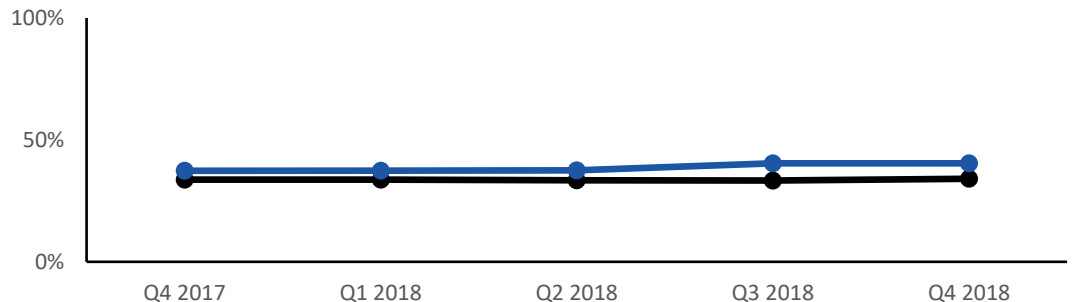
3,039  
have an online account

1,388  
engaged with their retirement  
readiness online



Participants that have engaged with their retirement outlook are **4 times more likely** to take action and save more for retirement

How does your plan's retirement readiness compare to a group of similar-sized Nationwide provided plans?<sup>4</sup>



<sup>1</sup> Participant with a balance, "employed" status, and contributed in the last 3 months

<sup>2</sup> Participant with a balance but no contribution in previous 3 months and no "payout" or "employed" status

<sup>3</sup> Participant with a balance and "payout" status

<sup>4</sup> These calculations are based on an 85% replacement ratio of pre-retirement income

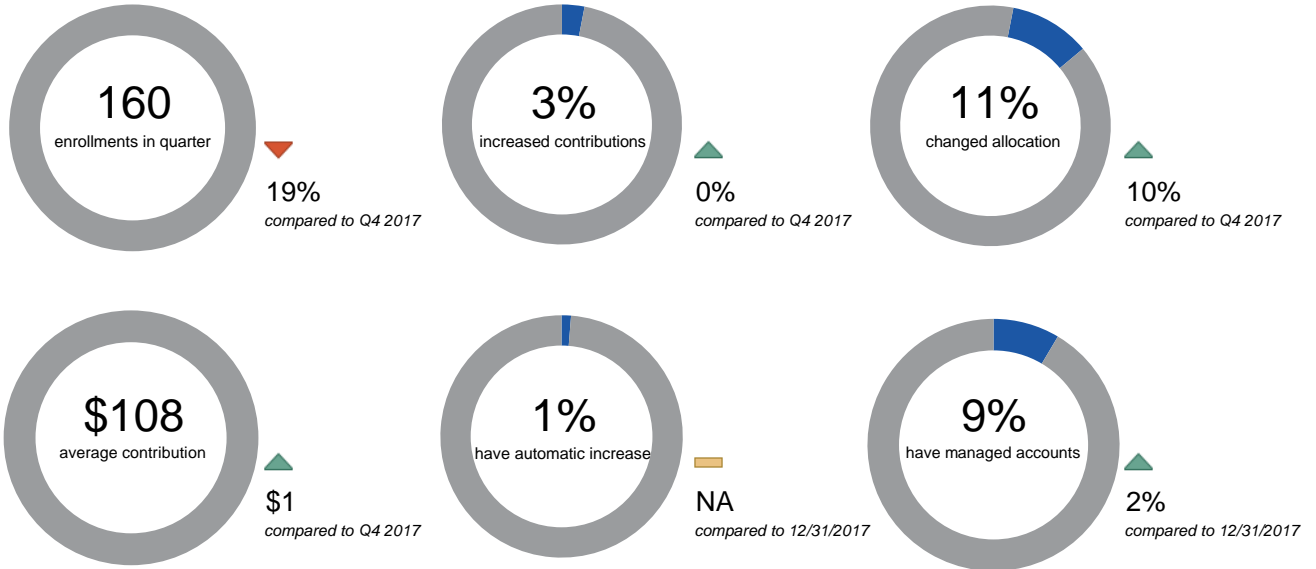


# Fresno County, CA Retirement Readiness Report

Plan-level summary of all participants' retirement readiness  
Q4 2018

## Account Activity

What key activities are the 6,235 participants taking to educate themselves and increase their retirement readiness?



## Top Opportunities

**Encourage online account usage**  
49% of participants have set up an online account. By establishing an online account, participants can access their personalized Retirement Readiness Report and take action to improve their readiness.

**Encourage increased contributions**  
Small increases can really add up. By encouraging participants to increase their contribution, time and compounding may build momentum for their retirement readiness.

**Encourage enrollment**  
One step towards improving an employee's financial well-being is ensuring all of your eligible employees are enrolled in a deferred compensation plan. Take this opportunity to promote the benefits of enrolling.

**Encourage ProAccount enrollment**  
With Nationwide ProAccount, participants get the peace of mind that comes from professional investment management, periodic adjustments based on market conditions, and personalized asset allocation.

FOR PLAN SPONSOR AND CONSULTANT USE ONLY

Investment advice for Nationwide ProAccount is provided to plan participants by Nationwide Investment Advisors, LLC ("NIA"), an SEC-registered investment advisor. There is an additional fee for the Nationwide ProAccount managed account service.

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NRM-15148AO.2 (03/17)



**Nationwide**

## Section 3 Gauging Success Report



# Gauging Success

## PLAN REVIEW Fresno County, CA

As of December 31, 2018



# WELCOME

Our goal is to help you objectively evaluate your plan's performance and how it performed against other plans like yours. Since Nationwide Retirement Solutions is one of the largest 457 providers in the industry we are in the unique position of being able to compare your plan to many others.

By comparing the current year information to previous years, you can see how your plan is performing, where your educational efforts are working, and what areas offer opportunities for additional improvement.

The "Peer Group" comparisons used in this report are based on NRS cases, within your state, with assets of:

**\$100 million - \$1 billion**

## Table of Contents

3	Executive Summary
4	Plan Participation
5	Plan Assets
6	Plan Contributions
7-8	Summary
9-20	Appendix

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# EXECUTIVE SUMMARY

## Plan Contribution Limits for 2018

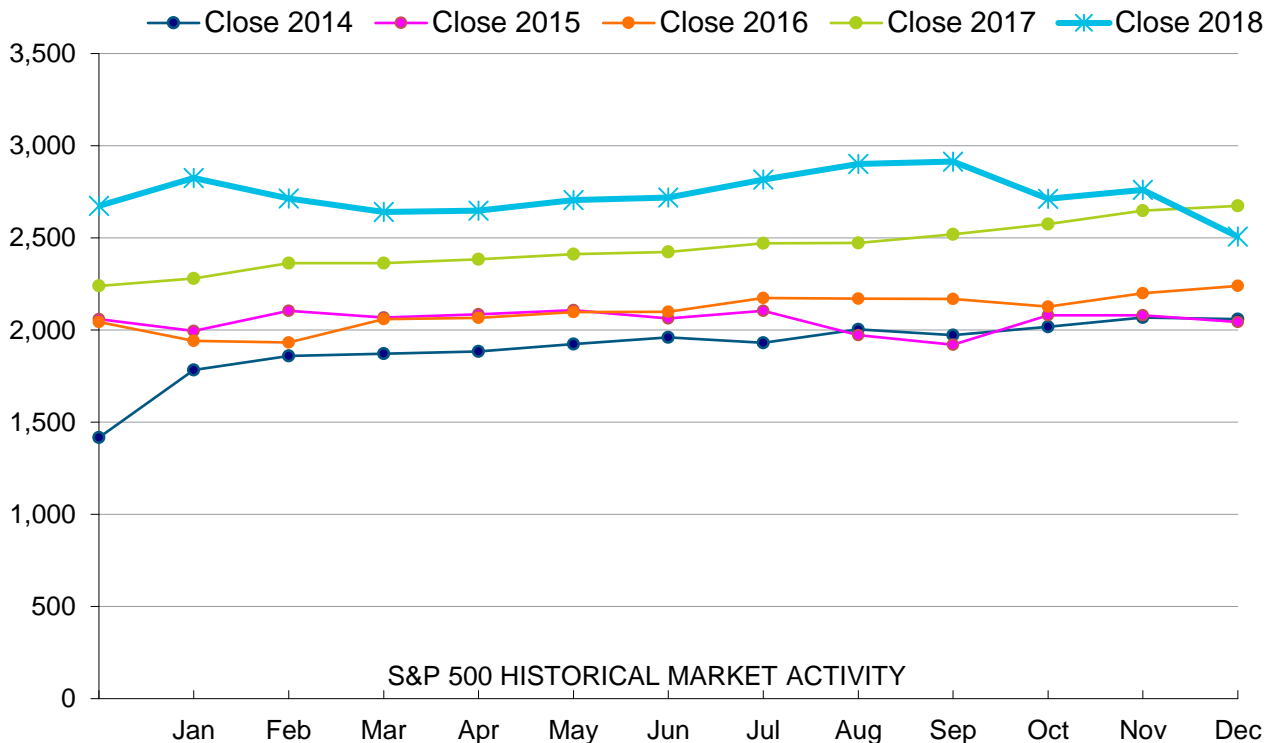
Regular Limit:	\$18,500
50+ Catch-Up:	\$24,500
3-Year Catch-Up:	\$37,000

## Quick Plan Facts

	Actual as of 12/31/18	% Chng from 1 year ago
Total Participant Count	6,235	7.6%
Total New Enrollments YTD Count	697	-21.0%
Total Plan Assets (millions)	\$237.78	-4.1%
Total Deferrals YTD (millions)	\$11.59	14.2%
Total Rollovers-In YTD (thousands)	\$748.65	-49.7%
ProAccount Assets (thousands)	\$16,441.73	31.0%
ProAccount Participant Count	531	39.7%

## Market Activity

S&P 500 CHANGE YTD: -6.2%



The 500 companies included in this index are selected by the S&P Index committee; a few of the mitigating factors are market size, industry representation and liquidity. This index is designed to be an overall indication of the United States stock market. The 500 securities represent approximately 75% of the total market value of all U.S. stocks.

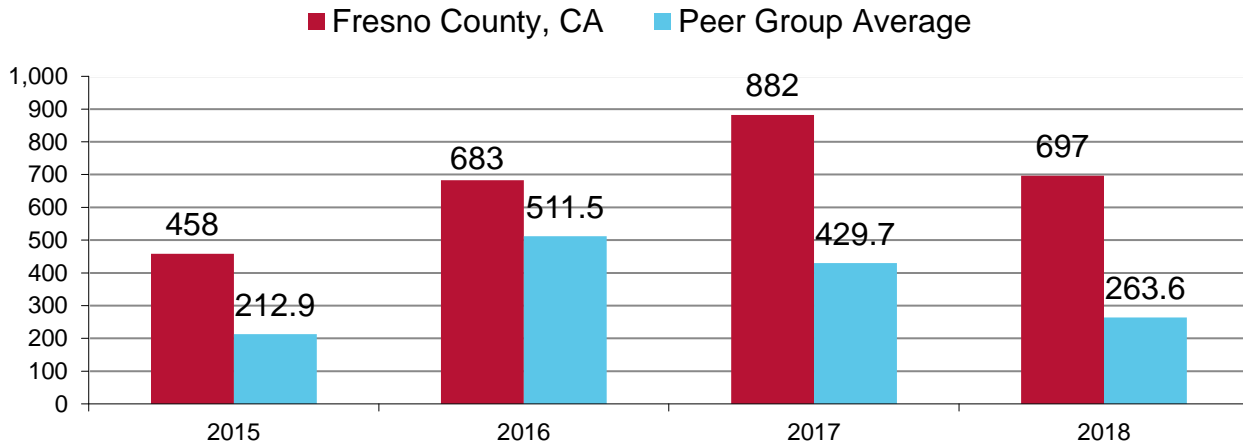


# PLAN PARTICIPATION

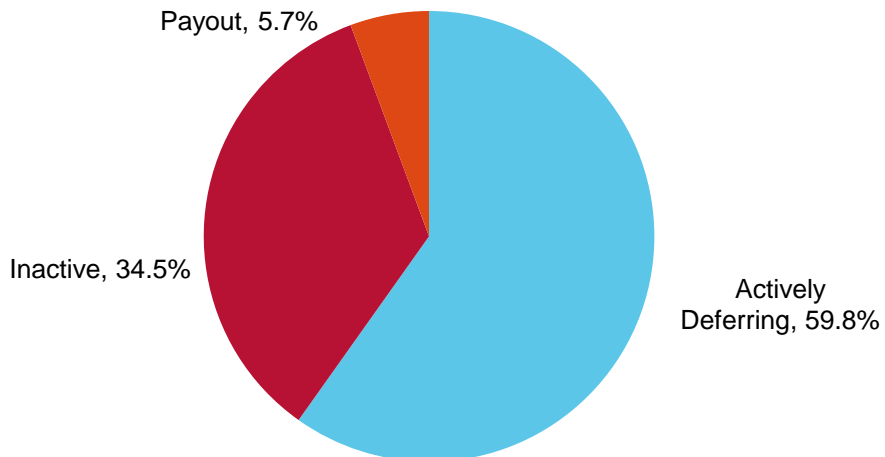
Participant Status	12/31/15	12/31/16	12/31/17	12/31/18	% Chng from 1 year ago
# of Participants Actively Deferring	2,645	3,030	3,533	3,730	5.6%
# of Inactive Participants*	1,795	1,843	1,955	2,152	10.1%
# of Participants in Payout	243	271	309	353	14.2%
<b>Total Participants</b>	<b>4,683</b>	<b>5,144</b>	<b>5,797</b>	<b>6,235</b>	<b>7.6%</b>

\* Inactive participants are those with a balance, not deferring and not in payout

## New Participant Count



## Total Participants as of 12/31/18

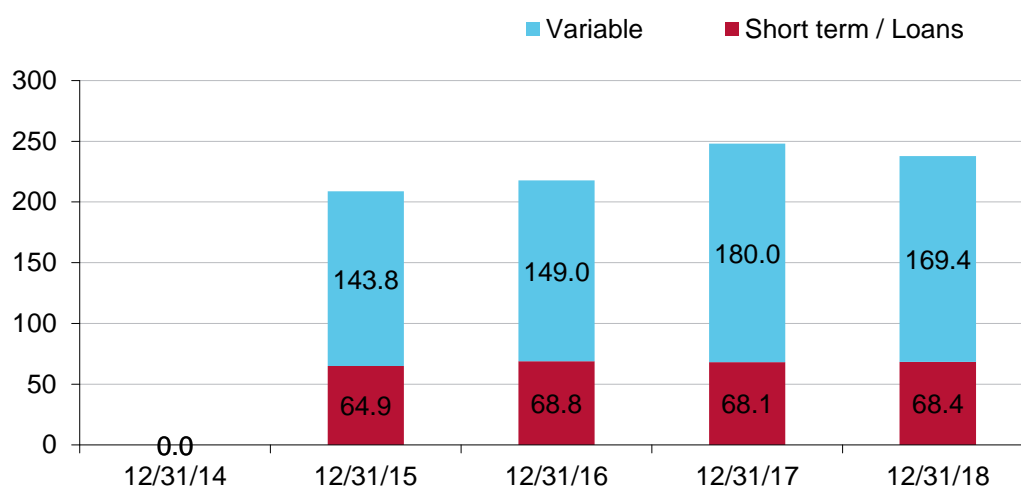


# PLAN ASSETS

## Total Plan Assets (Millions)

12/31/14	12/31/15	12/31/16	12/31/17	12/31/18	% Chng from 1 year ago
\$0.0	\$208.7	\$217.8	\$248.0	\$237.8	-4.1%

## Plan Assets Summary (Millions)



## Plan Assets by Investment Class (Millions)

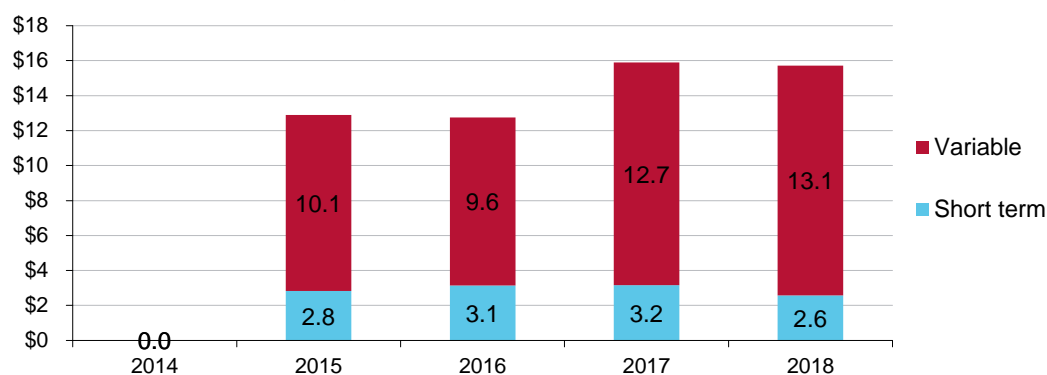
Investment Class	12/31/16	12/31/17	12/31/18	% of Total
Asset Allocation	\$15.29	\$21.28	\$23.44	9.9%
International	\$10.91	\$15.60	\$13.40	5.6%
Small Cap	\$8.86	\$10.42	\$10.46	4.4%
Mid Cap	\$12.76	\$14.11	\$12.52	5.3%
Large Cap	\$87.14	\$102.15	\$93.18	39.2%
Balanced	\$2.08	\$2.41	\$1.94	0.8%
Bonds	\$6.78	\$8.86	\$10.18	4.3%
Short term	\$64.29	\$63.22	\$63.31	26.6%
SDO	\$0.00	\$0.00	\$0.00	0.0%
Specialty	\$5.21	\$5.17	\$4.24	1.8%
Loan	\$4.52	\$4.84	\$5.10	2.1%
<b>Total</b>	<b>\$217.85</b>	<b>\$248.05</b>	<b>\$237.78</b>	<b>100.0%</b>

# PLAN CONTRIBUTIONS

## Total Contributions by Year (Millions)

	2014	2015	2016	2017	2018	% Chng from 1 year ago
Deferrals	\$0.0	\$7.4	\$8.6	\$10.2	\$11.6	14.2%
Rollovers-In	\$0.0	\$1.1	\$0.7	\$1.5	\$0.7	-49.7%
Other	\$0.0	\$4.4	\$3.5	\$4.3	\$3.4	-20.9%
<b>Total</b>	<b>\$0.0</b>	<b>\$12.9</b>	<b>\$12.8</b>	<b>\$15.9</b>	<b>\$15.7</b>	<b>-1.2%</b>

## Plan Contributions Summary (Millions)



## Plan Contributions by Investment Class (Thousands)

Investment Class	2016	2017	2018	% Total
Asset Allocation	\$2,490.60	\$4,059.30	\$4,604.88	29.3%
International	\$918.34	\$1,107.23	\$1,365.30	8.7%
Small Cap	\$515.02	\$618.55	\$828.33	5.3%
Mid Cap	\$955.29	\$920.21	\$952.85	6.1%
Large Cap	\$3,742.77	\$4,790.41	\$4,166.15	26.5%
Balanced	\$58.59	\$70.47	\$99.86	0.6%
Bonds	\$428.31	\$808.52	\$758.54	4.8%
Short term	\$3,138.36	\$3,161.64	\$2,584.11	16.4%
SDO	\$0.00	\$0.00	\$0.00	0.0%
Specialty	\$510.73	\$359.24	\$351.11	2.2%
Loan	\$0.00	\$0.00	\$0.00	0.0%
<b>Total</b>	<b>\$12,758.01</b>	<b>\$15,895.56</b>	<b>\$15,711.13</b>	<b>100.0%</b>

# IN SUMMARY

This report contains valuable information and insights about your plan. Now it is time to take action! Here are some suggestions to get you started:

1. Identify your top three areas of focus.
2. Consider which of the following suggestions would work best for your plan:

- Educational Workshops for your employees
- Additional 1-on-1 meetings with your Representative
- Benefit Fairs
- Open Enrollment
- Employer communication options  
(e.g. emails, staff meetings...)
- Other \_\_\_\_\_

3. Discuss your plan with your Nationwide Representative.

We look forward to working with you to bring even greater value to your employees through deferred compensation.

# YOUR PROVEN PARTNER

When you're one of the leaders in the industry, you're called to a higher standard. Nationwide's position as an industry leader stems from nearly 40 years in service to public sector retirement plan administrators like you.

Over the years, we have maintained our industry leadership position by being one of the top providers of record-keeping, sales and marketing services to public sector retirement plans in terms of number of clients served and range of assets under management. Here's why:

- Our average client tenure is 19 years
- We partner with more than 7,700 clients \* and have a 99% plan retention rate
- We provide education and service to more than 1.7 million participants \*
- We manage over \$89 billion in assets \*
- We have been featured in the top 10 most trusted companies for privacy by TRUSTe and Ponemon Institute *for the past nine years.*
- We offer recordkeeping, administration and investment products for:
  - 457(b) Deferred compensation plans serving city, county, special district and state employees
  - 401(a) and grandfathered 401(k) Defined employer-contribution plans serving city, county, special district and state employees
  - PEHP® Tax-free investment plan for post-employment health care expenses

Most importantly, *we are proud to serve you and your plan* through our representatives in the field and in our home office.

What does all this mean to you? Our tenure, our legacy, our service and our people make us uniquely qualified to handle your retirement plan needs. This **Gauging Success** report is just one of the ways that we work with you to understand both your needs as an administrator and your employees' needs for planning for their retirement.

\*As of 12/31/18

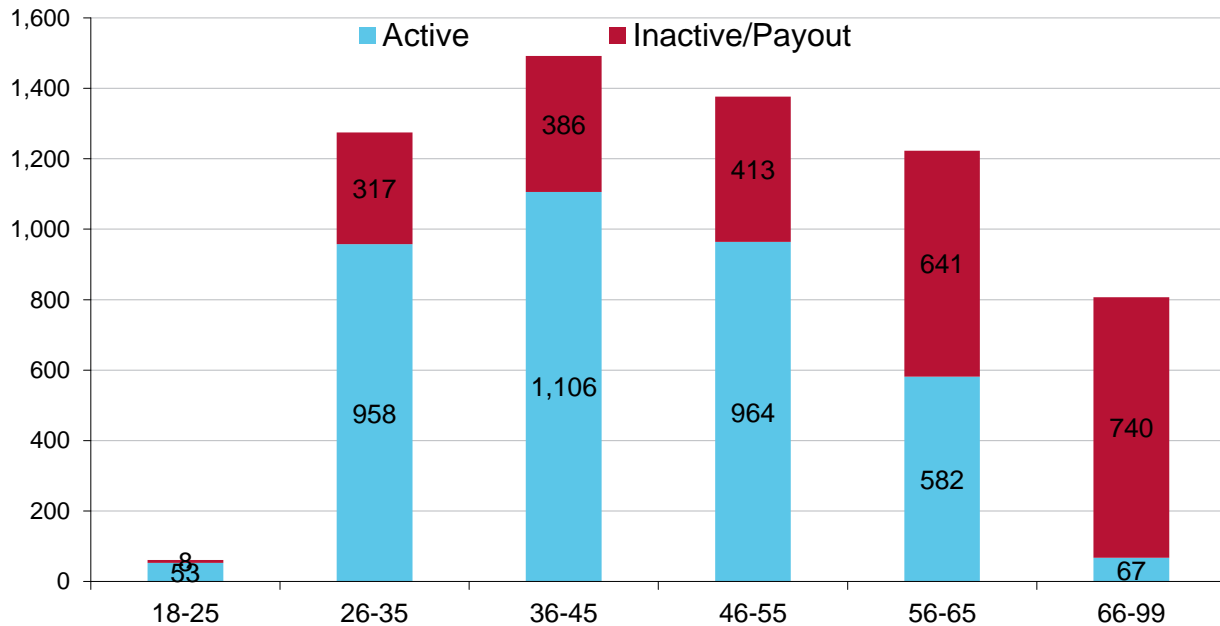
# APPENDIX

# PLAN PARTICIPATION

## Participant Counts by Age as of 12/31/18

Age Group	Total Participant Count	Male Participant Count	Female Participant Count	Actively Def Participant Count	Inactive / Payout Count
18-25	61	33	28	53	8
26-35	1,275	540	735	958	317
36-45	1,492	658	834	1,106	386
46-55	1,377	616	761	964	413
56-65	1,223	515	708	582	641
66-99	807	418	389	67	740
<b>Total</b>	<b>6,235</b>	<b>2,780</b>	<b>3,455</b>	<b>3,730</b>	<b>2,505</b>

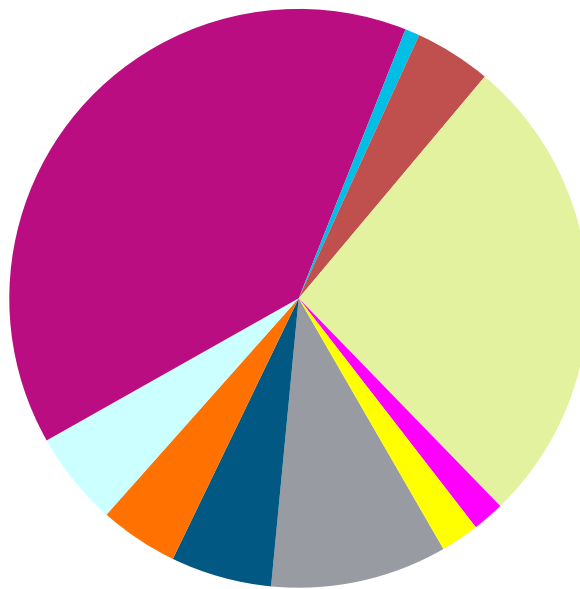
## Participant Counts by Age as of 12/31/18



# PLAN ASSETS

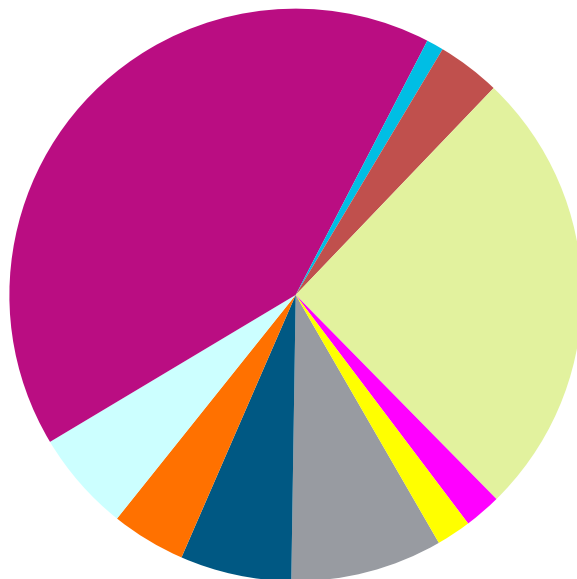
The use of asset allocation does not guarantee returns or insulate you from potential losses.

Fresno County, CA Asset Allocation as of 12/31/18



Asset Allocation	9.9%
International	5.6%
Small Cap	4.4%
Mid Cap	5.3%
Large Cap	39.2%
Balanced	0.8%
Bonds	4.3%
Short term	26.6%
SDO	0.0%
Specialty	1.8%
Loan	2.1%

Fresno County, CA Asset Allocation as of 12/31/17

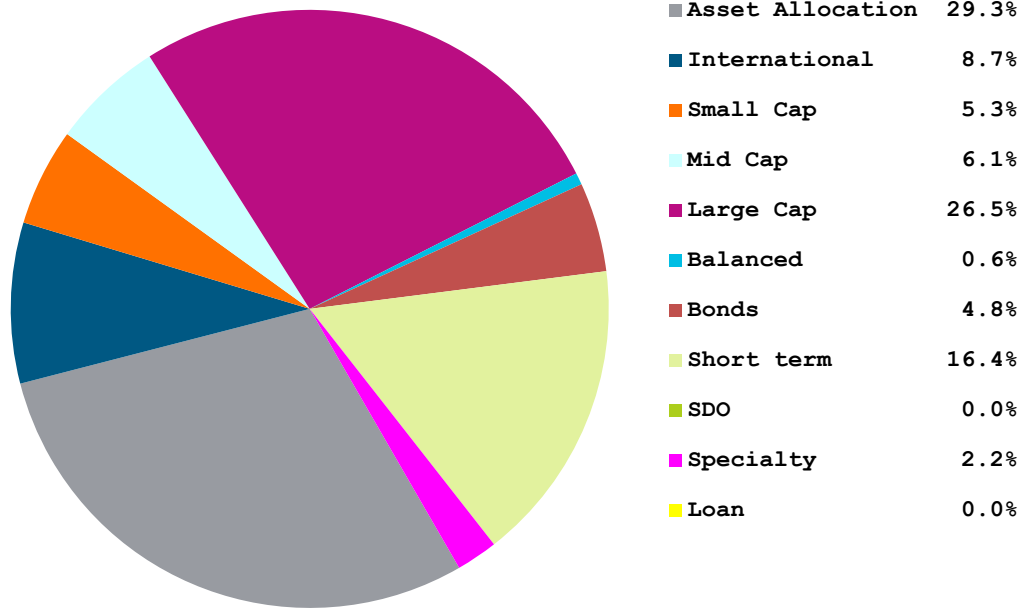


Asset Allocation	8.6%
International	6.3%
Small Cap	4.2%
Mid Cap	5.7%
Large Cap	41.2%
Balanced	1.0%
Bonds	3.6%
Short term	25.5%
SDO	0.0%
Specialty	2.1%
Loan	2.0%

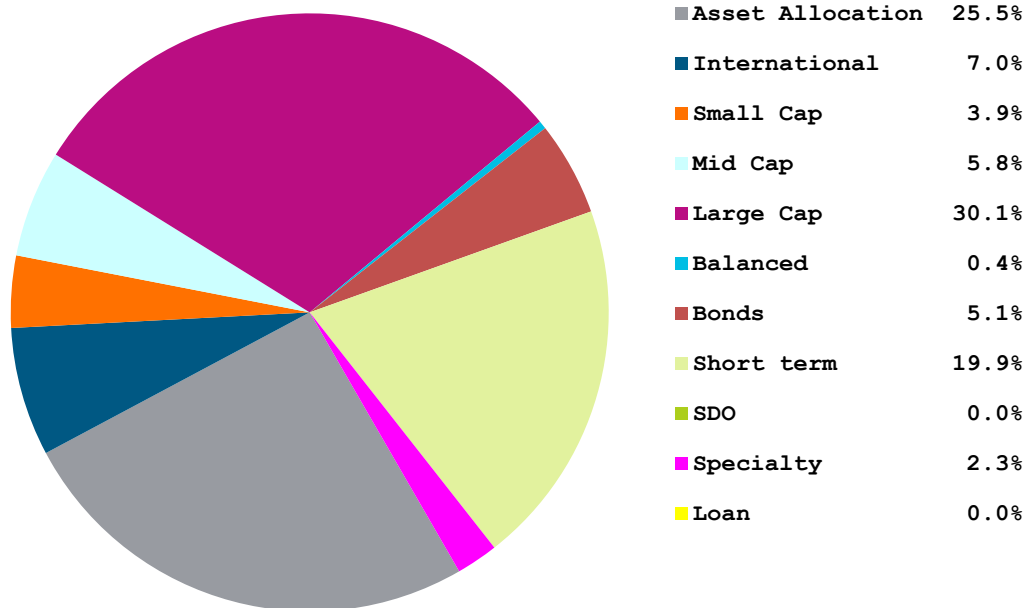


# PLAN CONTRIBUTIONS

Fresno County, CA Contribution Allocation 2018



Fresno County, CA Contribution Allocation 2017



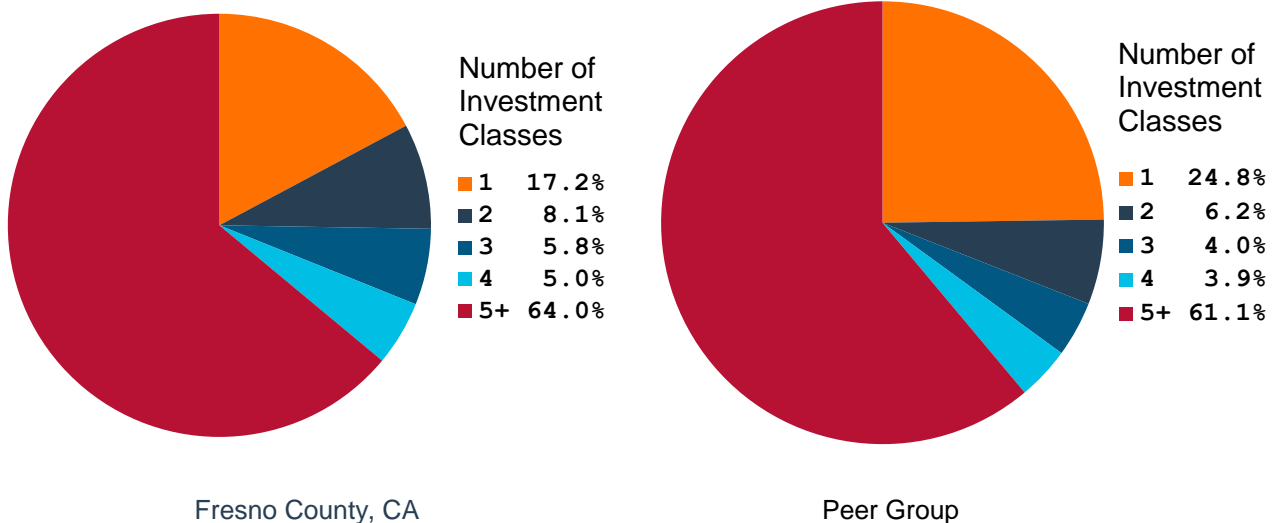
# PEER COMPARISONS

Your Peer Group is NRS cases, within your state, with assets of \$100 million - \$1 billion. The peer group consists of 13 NRS cases.

	Fresno County, CA	Peer Group	Recommended
Average # of asset classes	4.0	3.9	5.0
Average annualized deferrals	\$2,750	\$5,894	
Average assets	\$38,137	\$68,810	

## Asset Allocation Summary as of 12/31/18

percentage of participants by number of investment classes

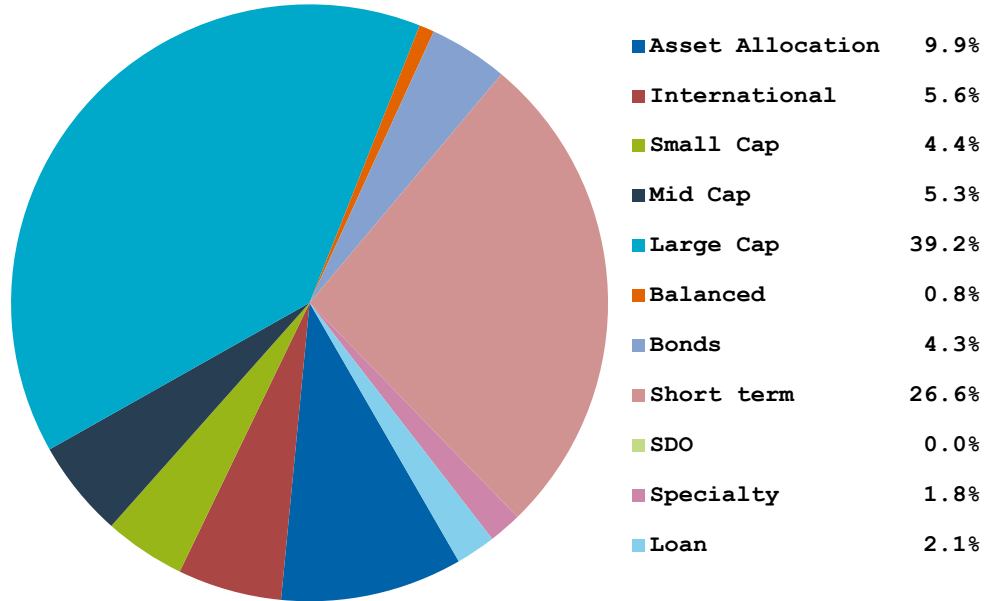


## Average Account Balance and Annualized Deferrals by Age Group as of 12/31/18

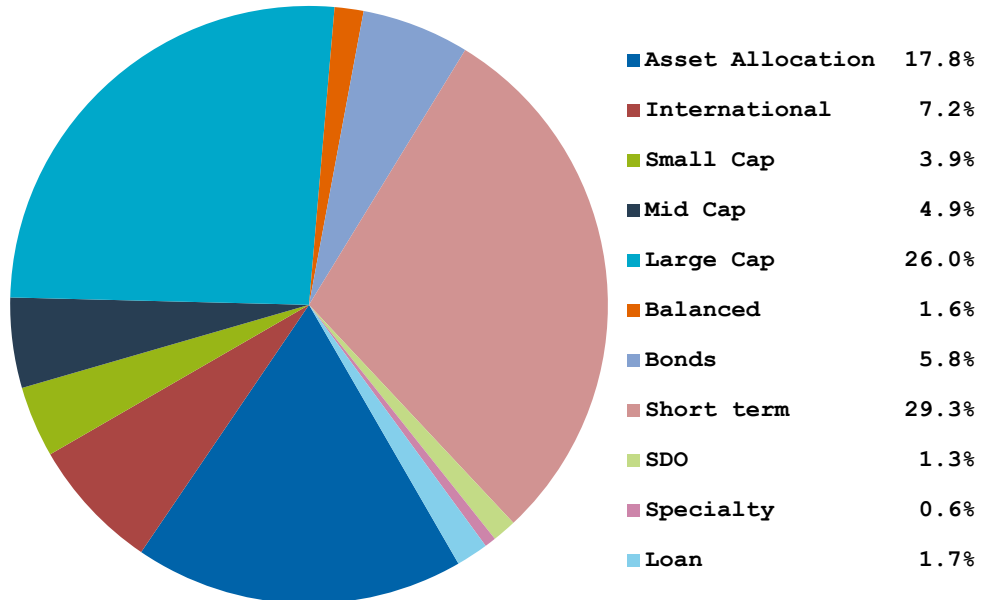
Age Group	Fresno County, CA		Peer Group	
	Account Balance	Annualized Deferrals	Account Balance	Annualized Deferrals
18-25	\$855	\$4,569	\$1,712	\$2,629
26-35	\$3,667	\$10,541	\$1,846	\$3,721
36-45	\$13,328	\$34,014	\$2,307	\$4,820
46-55	\$39,844	\$71,314	\$3,288	\$6,443
56-65	\$68,591	\$103,124	\$4,139	\$8,092
66-99	\$92,212	\$116,406	\$3,994	\$10,046

# PEER COMPARISONS

Fresno County, CA Asset Allocation as of 12/31/18

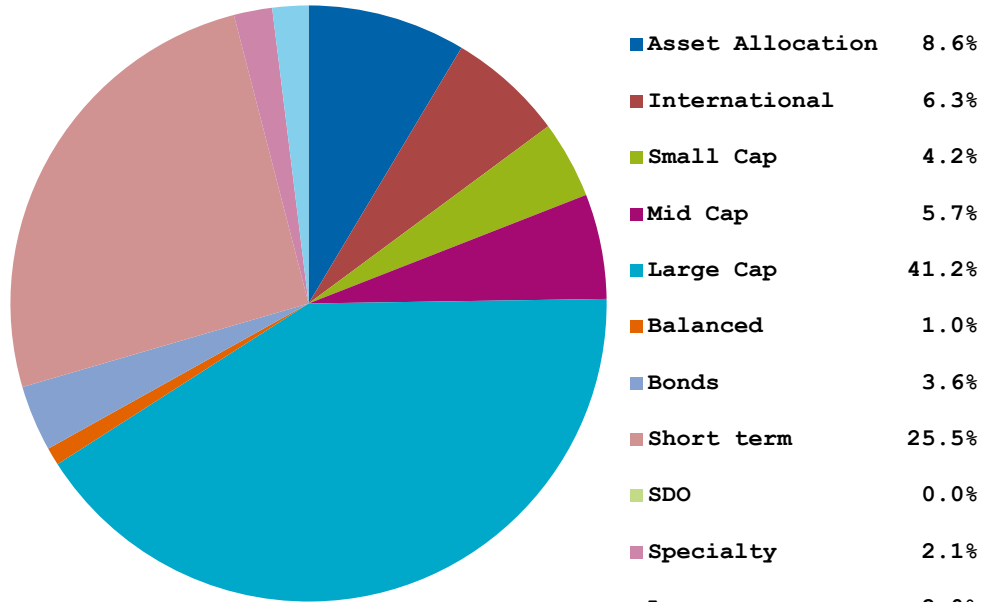


Peer Group Asset Allocation as of 12/31/18

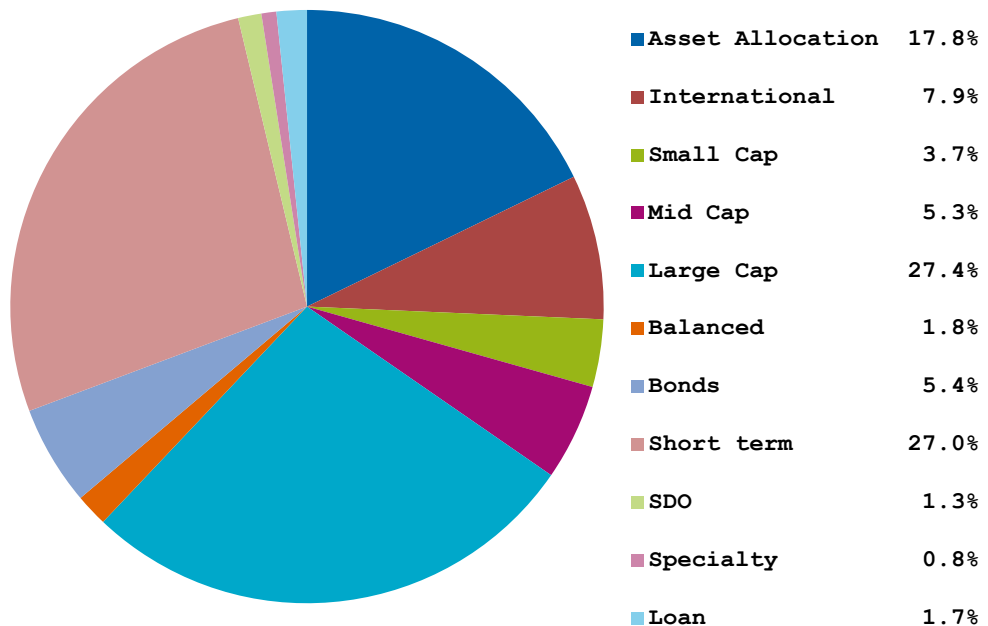


# PEER COMPARISONS

Fresno County, CA Asset Allocation as of 12/31/17

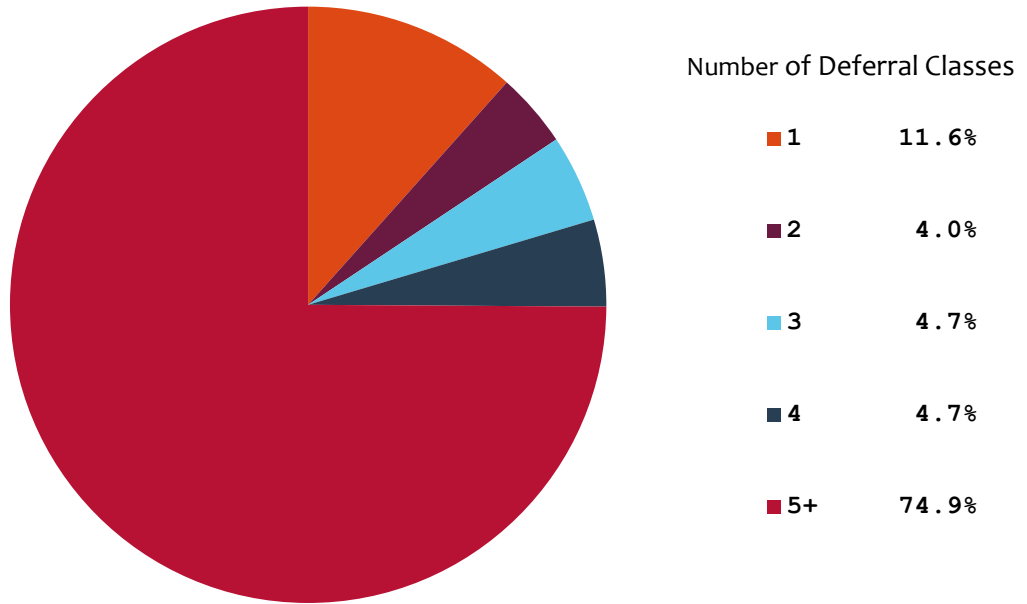


Peer Group Asset Allocation as of 12/31/17

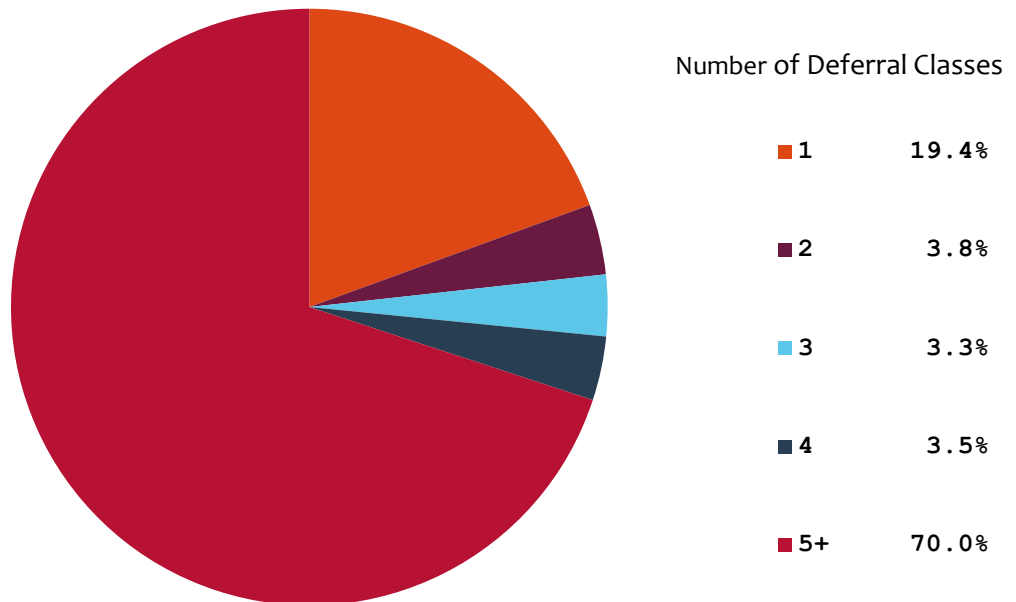


# PEER COMPARISONS

*Deferral allocation summary: percentage of participants by number of deferral investment classes*  
Fresno County, CA 2018

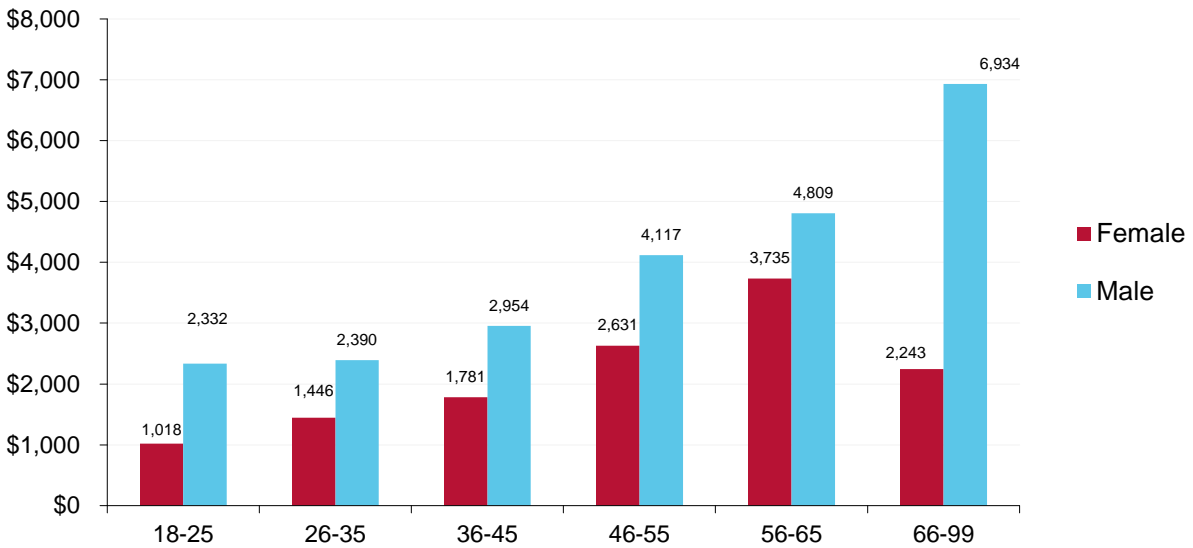


Peer Group 2018

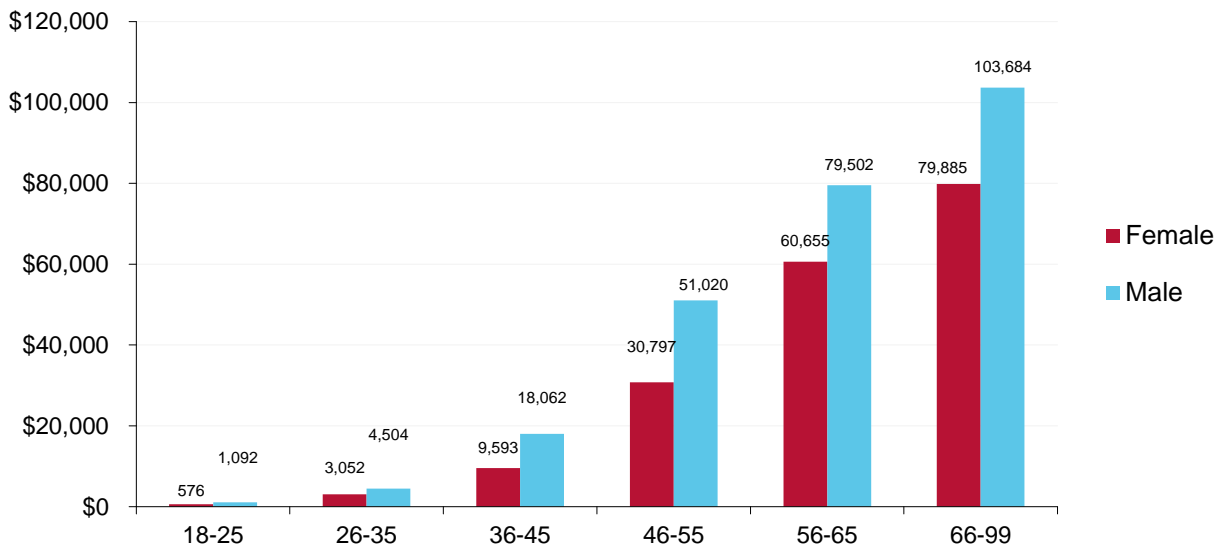


# PARTICIPANT DEMOGRAPHICS

## Male/Female Average Deferrals by Age

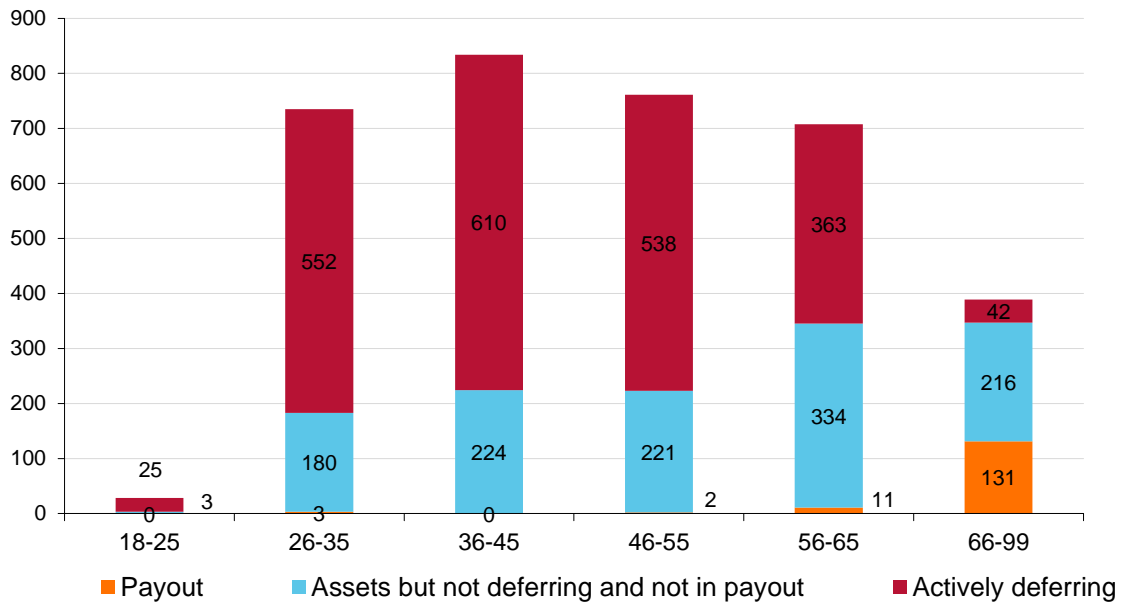


## Male/Female Average Account Balance by Age as of 12/31/18

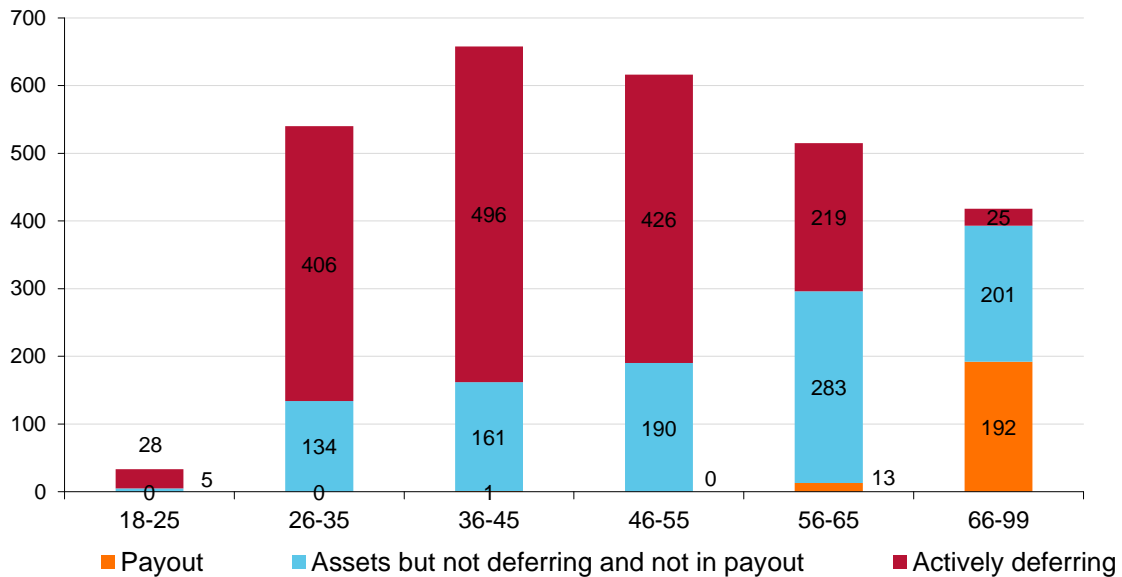


# PARTICIPANT DEMOGRAPHICS

## Female Participant Count by Age and Status as of 12/31/18



## Male Participant Count by Age and Status as of 12/31/18



# PLAN ASSETS

as of 12/31/18

Fund	Asset Value	% of Assets	Count / % of Participants	
<b>Asset Allocation</b>				
Great-West Lifetime 2015 Trust	3,145,341.62	1.3%	177	2.8%
Great-West Lifetime 2025 Trust	7,762,367.94	3.3%	394	6.3%
Great-West Lifetime 2035 Trust	5,334,205.73	2.2%	616	9.9%
Great-West Lifetime 2045 Trust	4,746,277.61	2.0%	883	14.2%
Great-West Lifetime 2055 Trust	2,455,853.44	1.0%	1,027	16.5%
<b><u>Sub-Total Asset Allocation</u></b>	<b>23,444,046.34</b>	<b>9.9%</b>		
<b>Balanced</b>				
Oakmark Equity and Income Fund (The) - Class I	1,941,773.18	0.8%	220	3.5%
<b><u>Sub-Total Balanced</u></b>	<b>1,941,773.18</b>	<b>0.8%</b>		
<b>Bonds</b>				
BlackRock US Debt Index Fund W	4,658,705.84	2.0%	794	12.7%
Templeton Global Bond Fund - Class R6	1,697,007.25	0.7%	692	11.1%
Virtus Seix Total Return Bond Fund - Class R6	3,821,061.68	1.6%	956	15.3%
<b><u>Sub-Total Bonds</u></b>	<b>10,176,774.77</b>	<b>4.3%</b>		
<b>International</b>				
BlackRock EAFE Equity Index Fund T	3,127,893.13	1.3%	816	13.1%
Ivy International Core Equity Fund - Class N	8,413,438.46	3.5%	1,508	24.2%
Oppenheimer Developing Markets I	1,862,580.15	0.8%	951	15.3%
<b><u>Sub-Total International</u></b>	<b>13,403,911.74</b>	<b>5.6%</b>		
<b>Large Cap</b>				
Alger Spectra Fund - Class Z	39,016,008.49	16.4%	2,322	37.2%
BlackRock Equity Index Fund M	41,853,359.03	17.6%	2,114	33.9%
Columbia Dividend Income Fund - Class Y	12,306,924.40	5.2%	1,477	23.7%
<b><u>Sub-Total Large Cap</u></b>	<b>93,176,291.92</b>	<b>39.2%</b>		
<b>Loan</b>				
Loan Outstanding Principal Balance	5,099,956.90	2.1%	822	13.2%

***Please consider the funds' investment objectives, risks, and charges and expenses carefully before investing. The prospectus contains this and other important information about the investment company. Read the prospectus carefully before investing. Prospectuses may be obtained from your plan's website or by calling your plan's toll-free customer service phone number.***

The use of diversification and asset allocation as part of an overall investment strategy does not assure a profit or protect against loss in a declining market.

Asset allocation funds are designed to provide diversification and asset allocation across several types of investments and asset classes, primarily by investing in underlying funds. Therefore, in addition to the expenses of the asset allocation fund itself, you are indirectly paying a proportionate share of the applicable fees and expenses of the underlying funds.



# PLAN ASSETS

as of 12/31/18

<b>Fund</b>	<b>Asset Value</b>	<b>% of Assets</b>	<b>Count / % of Participants</b>	
<b><u>Sub-Total Loan</u></b>	<b>5,099,956.90</b>	<b>2.1%</b>		
<b>Mid Cap</b>				
BlackRock Mid Capitalization Equity Index Fund M	7,719,245.90	3.2%	1,008	16.2%
Hennessy Focus Fund Institutional Class	4,804,102.33	2.0%	957	15.3%
<b><u>Sub-Total Mid Cap</u></b>	<b>12,523,348.23</b>	<b>5.3%</b>		
<b>Short Term Investments</b>				
Fresno County Stable Value Fund	63,306,377.18	26.6%	1,891	30.3%
Vanguard Federal Money Market Fund - Investor Class	4,244.25	0.0%	1	0.0%
<b><u>Sub-Total Short Term Investments</u></b>	<b>63,310,621.43</b>	<b>26.6%</b>		
<b>Small Cap</b>				
BlackRock Russell 2000 Index Fund M	3,712,450.27	1.6%	1,071	17.2%
Janus Henderson Small Cap Value Fund - Class N	1,195,260.22	0.5%	907	14.5%
Nicholas Limited Edition Fund - Institutional Class	5,552,561.65	2.3%	497	8.0%
<b><u>Sub-Total Small Cap</u></b>	<b>10,460,272.14</b>	<b>4.4%</b>		
<b>Specialty</b>				
Fidelity Advisor Real Estate Income Fund - Institutional Class	941,021.33	0.4%	146	2.3%
Franklin Utilities Fund - Class R6	3,303,158.12	1.4%	317	5.1%
<b><u>Sub-Total Specialty</u></b>	<b>4,244,179.45</b>	<b>1.8%</b>		
<b>Total</b>	<b>237,781,176.10</b>			

***Please consider the funds' investment objectives, risks, and charges and expenses carefully before investing. The prospectus contains this and other important information about the investment company. Read the prospectus carefully before investing. Prospectuses may be obtained from your plan's website or by calling your plan's toll-free customer service phone number.***

The use of diversification and asset allocation as part of an overall investment strategy does not assure a profit or protect against loss in a declining market.

Asset allocation funds are designed to provide diversification and asset allocation across several types of investments and asset classes, primarily by investing in underlying funds. Therefore, in addition to the expenses of the asset allocation fund itself, you are indirectly paying a proportionate share of the applicable fees and expenses of the underlying funds.

# Section 4 Explicit Asset Fee Summary

## 1079 - Explicit Asset Fee Report

Accounting Group: 21  
Plan Sponsor Name: COUNTY OF FRESNO CA  
Plan Name: COUNTY OF FRESNO CA  
Plan ID: 0051910 - 001  
IRS Code: 457  
Payee: Plan Sponsor/NRS

Process Date: 31-Dec-2018  
Report Date: 1-Jan-2019  
Report Period: 01 October-2018 to 31-December-201  
Page: 180

	Plan Sponsor Fee Amount	NRS Fee Amount
October	\$19,766.67	\$21,962.12
November	\$18,214.20	\$20,237.51
December	\$17,769.74	\$19,745.94
Q4 2018 Revenue Total	\$55,750.61	\$61,945.57

## Section 5 Fee Normalization Calculation

# Section 5 Fee Normalization Calculation

## Fee Normalization Calculation

Plan Sponsor Name: County of Fresno CA

Plan ID: 0051910001

IRS Code: 457

Report Period: 01-Oct-2018 to 31-Dec 2018

Fund Name	Fund	Ticker	10/31/2018 Account Value	11/30/2018 Account Value	12/31/2018 Account Value	Oct-2018 Annual Fund	Nov-2018 Annual Fund	Dec-2018 Annual Fund	4Q2018 Fund Service Fee Payment
Alger Spectra Fund - Class Z	NTV26	ASPZX	\$42,507,088.00	\$43,082,297.00	\$39,016,008.00	0.000%	0.000%	0.000%	\$0.00
BlackRock EAFE Equity Index Fund T	NTV19	BLKAX	\$3,277,097.00	\$3,269,689.00	\$3,127,893.00	0.000%	0.000%	0.000%	\$0.00
BlackRock Equity Index Fund M	NTV19	BLKBX	\$45,680,340.00	\$46,042,216.00	\$41,853,359.00	0.000%	0.000%	0.000%	\$0.00
BlackRock Mid Capitalization Equity Index Fund M	NTV19	BLKCX	\$8,438,437.00	\$8,747,455.00	\$7,719,246.00	0.000%	0.000%	0.000%	\$0.00
BlackRock Russell 2000 Index Fund M	NTV19	BLKDX	\$3,922,562.00	\$4,090,793.00	\$3,712,450.00	0.000%	0.000%	0.000%	\$0.00
BlackRock US Debt Index Fund W	NTV19	BLKEX	\$4,469,670.00	\$4,584,492.00	\$4,658,706.00	0.000%	0.000%	0.000%	\$0.00
Columbia Dividend Income Fund - Class Y	NTV26	CDDYX	\$13,240,589.00	\$13,551,682.00	\$12,306,924.00	0.000%	0.000%	0.000%	\$0.00
Fidelity Advisor Real Estate Income Fund - Institutional	NTV26	FRIRX	\$960,102.00	\$977,013.00	\$941,021.00	0.250%	0.250%	0.250%	\$604.43
Franklin Utilities Fund - Class R6	NTV26	FUFRX	\$3,351,788.00	\$3,522,503.00	\$3,303,158.00	0.000%	0.000%	0.000%	\$0.00
Fresno County Stable Value Fund	NTG0		\$62,874,492.00	\$62,609,399.00	\$63,306,377.00	0.000%	0.000%	0.000%	\$0.00
Great-West Lifetime 2015 Trust	NTV35		\$3,306,056.00	\$3,339,877.00	\$3,145,342.00	0.000%	0.000%	0.000%	\$0.00
Great-West Lifetime 2025 Trust	NTV35		\$7,914,828.00	\$8,087,262.00	\$7,762,368.00	0.000%	0.000%	0.000%	\$0.00
Great-West Lifetime 2035 Trust	NTV35		\$5,147,001.00	\$5,538,779.00	\$5,334,206.00	0.000%	0.000%	0.000%	\$0.00
Great-West Lifetime 2045 Trust	NTV35		\$5,015,411.00	\$5,208,172.00	\$4,746,278.00	0.000%	0.000%	0.000%	\$0.00
Great-West Lifetime 2055 Trust	NTV35		\$2,455,595.00	\$2,652,821.00	\$2,455,853.00	0.000%	0.000%	0.000%	\$0.00
Hennessy Focus Fund Institutional Class	NTV16	HFCIX	\$5,079,694.00	\$5,241,025.00	\$4,804,102.00	0.100%	0.100%	0.100%	\$1,270.22
Ivy International Core Equity Fund - Class N	NTV26	IINCX	\$8,997,376.00	\$8,956,711.00	\$8,413,438.00	0.000%	0.000%	0.000%	\$0.00
Janus Henderson Small Cap Value Fund - Class N	NTV26	JDSNX	\$1,262,947.00	\$1,323,686.00	\$1,195,260.00	0.000%	0.000%	0.000%	\$0.00
Loan	LXM00		\$5,110,552.00	\$5,103,192.00	\$5,099,957.00	0.000%	0.000%	0.000%	\$0.00
Nicholas Limited Edition Fund - Institutional Class	NTV26	NCLEX	\$6,055,273.00	\$6,199,627.00	\$5,552,562.00	0.000%	0.000%	0.000%	\$0.00
Oakmark Equity and Income Fund (The) - Class I	NTV01	OAKBX	\$2,098,873.00	\$2,038,790.00	\$1,941,773.00	0.300%	0.300%	0.300%	\$1,532.25
Oppenheimer Developing Markets I	NTV08	ODVIX	\$1,687,137.00	\$1,920,656.00	\$1,862,580.00	0.000%	0.000%	0.000%	\$0.00
Templeton Global Bond Fund - Class R6	NTV26	FBNRX	\$1,726,380.00	\$1,715,492.00	\$1,697,007.00	0.000%	0.000%	0.000%	\$0.00
Vanguard Federal Money Market Fund - Investor Class	NTV36	VMFXX	\$0.00	\$0.00	\$4,244.00	0.000%	0.000%	0.000%	\$0.00
Virtus Seix Total Return Bond Fund - Class R6	NTV27	SAMZX	\$3,648,999.00	\$3,722,455.00	\$3,821,062.00	0.000%	0.000%	0.000%	\$0.00
<b>Total</b>			<b>\$248,228,288.00</b>	<b>\$251,526,085.00</b>	<b>\$237,781,176.00</b>				<b>\$3,406.90</b>



## Inter Office Memo

DEPARTMENT OF  
HUMAN RESOURCES

# ITEM 11

DATE: March 21, 2019

TO: Deferred Compensation Management Council

FROM: Hollis Magill, Human Resources Manager Hollis Magill

SUBJECT: Active Employee and Retired Participant Outreach Opportunities

### Background

Pursuant to your Council's direction, staff is working with Nationwide Retirement Solutions (Nationwide) and Northwest Capital Management (Northwest) to provide outreach initiatives that may be targeted to active employees and retired participants.

### Issue

Staff, working with Nationwide and Northwest, has provided a number of outreach initiatives that may be targeted to active employees and retired participants. While some are new initiatives, others are a continuation of current practice, such as the annual Save Today campaign, and email communications to County employees who recently received a pay increase.

In addition, Attachment A provides information regarding the Participant Engagement Program, which your Council has expressed interest in at previous meetings; staff has confirmed that Nationwide's use of Merkle (a third-party marketing firm) to market the Plan to employees is compatible with our existing Agreement with Nationwide and will not go against County protocol. Therefore, staff is recommending that your Council authorize County staff to execute a written authorization allowing Nationwide Retirement Solutions to disclose Plan and participant information to Merkle, pursuant to Section 18 of Agreement #14-170 and contingent upon review and approval of said written authorization by County Counsel. Attachment B provides a description of the different workshops that Nationwide is able to provide to active employees and retired participants. Attachment C includes communication pieces that can be mailed or emailed to active employees and retired participants.

### Initiatives targeted to Active Employees:

- Continue the annual Save Today promotional campaign, which focuses on new enrollments, contribution increases and updating beneficiary information and investment options.
- Continue contacting employees who receive pay increases reminding them of the benefits of the Deferred Compensation Plan.
- Continue to send an annual, County-wide email notifying employees of the new annual deferral limits.

- Begin sending emails to specific demographic groups, such as:
  - Active participants who haven't contributed in a year or more;
  - Active employees who are not participating; and
  - Age 50+ employees to remind/notify them that they can contribute their annual leave payout to their Deferred Compensation Plan account.
- Targeted active employee participant mailers (see Attachment C).

Initiatives targeted to Retired Participants:

- Retiree luncheon (costs associated will need to be included in the FY 2019-20 budget).
- Partner with REFCo/attend REFCo meetings.
- Targeted retired participant mailers (see Attachment C).

**Recommended Action**

**Authorize County staff to execute a written authorization allowing Nationwide Retirement Solutions to disclose Plan and participant information to Merkle, the firm used by Nationwide Retirement Solutions for promotion of deferred compensation plans, pursuant to Section 18 of Agreement #14-170 and contingent upon review and approval of said written authorization by County Counsel.**

# **Item 11 – Attachment A**





# For your employees' retirement readiness side.

Nationwide's **Participant Engagement Program** is proven to help your employees plan for and reach their retirement goals. This smart and sophisticated data-driven approach has evolved over the last decade to deliver highly targeted, relevant and personalized messages at every stage of a employee's retirement journey.

## A proven platform – improving millions of employee outcomes

\$345 million in increased retirement savings over 3 years

Improved retirement readiness scores by 7.4%\*

Increased financial knowledge

Improved financial wellness

### We engage employees throughout their retirement journey

Each phase of retirement is based on employee data and delivers a customized experience unique to each person:



**Eligible Employees:** Our enrollment campaigns deliver practical information that explains the benefits of enrolling and contributing to their employee-sponsored retirement plan.



**New Enrollees:** Personalized well-timed communications provide a “Welcome” experience to make sure employees get off to a strong start.



**Young/Mid-Career Savers:** We provide relevant education, guidance and tools to encourage actions to help improve retirement readiness.



**Transitioners:** When it's time to retire, we help employees navigate tough decisions and guide a successful transition to retirement.



**Retirees:** Even after employees retire, they receive continued guidance and support to get the most from their plan.

### Program results



**+25%**

Conversations held\*



**+22%**

Increased contributions\*



**+14%**

Rolled in assets\*



**Contact your Nationwide Representative to learn more**

# Take a look at a sample **employee journey**



Sarah is a plan participant who hasn't realized she needs to save more for retirement to improve her retirement readiness



She sees a Facebook ad on the importance of saving for her future now — while time is on her side.



2 days later she reads an email from Nationwide. It explains how even a slight contribution increase of \$25 can really add up over time.

That evening she is online and notices an ad from Nationwide regarding the importance of retirement planning.



She clicks through and uses *My Interactive Retirement Planner*.



Later that week, she sees her Nationwide Representative in her building. She mentions an upcoming retirement savings best practice meeting and Sarah decides to attend.

The next day, Sarah receives another email about the benefits of increased contributions. She decides to call Nationwide with a few questions.



When Sarah gets home from work, she goes online and increases her contributions to improve her retirement readiness.

Sarah's personalized journey has helped her take the next steps to improving her retirement readiness.



**Contact your Nationwide Representative to learn more**

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\*Source: Participant Engagement Program results from April 2017 to October 2018.

Regular data feeds may be required from the Plan Sponsor in order to enjoy the benefits of the Participant Engagement Program. Talk to your Nationwide Representative to learn more.

Nationwide Retirement Specialists are Registered Representatives of Nationwide Investment Services Corporation: Member FINRA. While Nationwide Retirement Specialists cannot offer investment, tax or legal advice, we can help you understand the risks you may face and how to deal with them.

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NRM-17225AO (11/18)

# **Item 11 – Attachment B**



**Nationwide®**  
Is on your side



# Help participants confidently plan for retirement.

What's your plan for preparing financially for retirement?

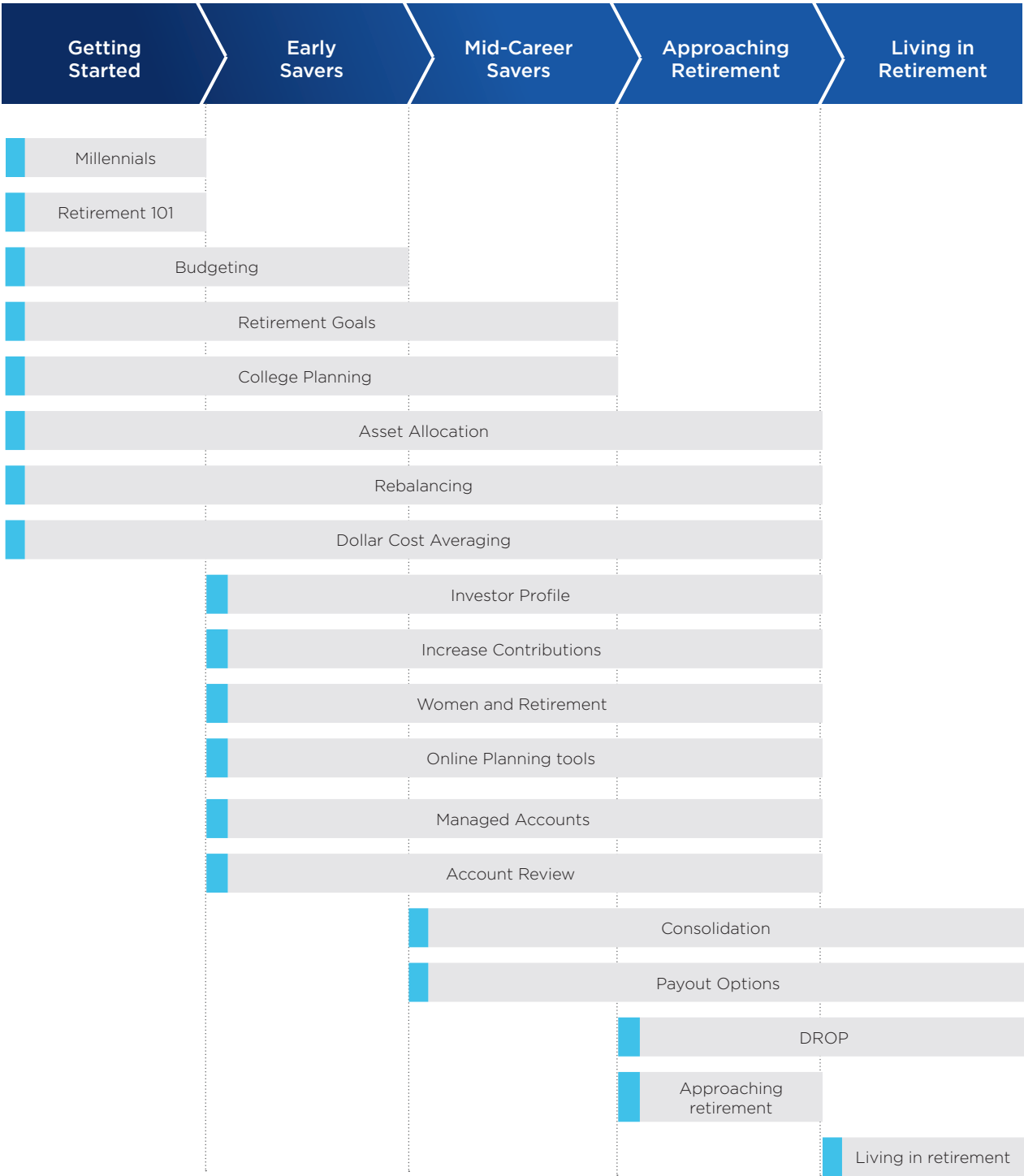
Nationwide has developed a series of topical workshops and MarketingWorks promotional fliers to help your employees understand general principles of identifying goals, retirement planning, and long-term investing. The concepts our Retirement Specialists cover are not intended as advice, but rather as education employees may use to make informed decisions about their participation in your deferred compensation plan. Each workshop may stand alone as a short presentation, or as part of a group of modules designed to cover several topics in a longer presentation.

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Our workshops cover a wide range of topics, each designed to answer a key question.

- MILLENNIALS**  
What do you need to make retirement saving a priority?  
*Workshop: NRM-13371AO*  
*MarketingWorks Flier: NRM-13395AO*
- RETIREMENT 101**  
What's your plan for preparing financially for retirement?  
*Workshop: NRM-13359AO*  
*MarketingWorks Flier: NRM-13380AO*
- BUDGETING**  
Do you know where you're going and how you're going to get there?  
*Workshop: NRM-13358AO*  
*MarketingWorks Flier: NRM-13379AO*
- COLLEGE PLANNING**  
How can you prepare now to ace this test?  
*Workshop: NRM-13369AO*  
*MarketingWorks Flier: NRM-13393AO*
- RETIREMENT GOALS**  
How can you know if you're saving enough for retirement?  
*Workshop: NRM-13360AO*  
*MarketingWorks Flier: NRM-13381AO*
- REBALANCING**  
Why should you consider making account rebalancing part of your strategy?  
*Workshop: NRM-13362AO*  
*MarketingWorks Flier: NRM-13383AO*
- ASSET ALLOCATION**  
How could this strategy benefit you?  
*Workshop: NRM-13361AO*  
*MarketingWorks Flier: NRM-13382AO*
- DOLLAR COST AVERAGING**  
How does this strategy benefit you?  
*Workshop: NRM-13365AO*  
*MarketingWorks Flier: NRM-13389AO*
- INCREASE CONTRIBUTIONS**  
How much will be enough?  
*Workshop: NRM-13363AO*  
*MarketingWorks Flier: NRM-13387AO*
- INVESTOR PROFILE**  
Why is it important to know who you are as an investor?  
*Workshop: NRM-13364AO*  
*MarketingWorks Flier: NRM-13388AO*
- WOMEN AND RETIREMENT**  
What kind of lifestyle do you want to enjoy in retirement?  
*Workshop: NRM-13370AO*  
*MarketingWorks Flier: NRM-13394AO*
- MANAGED ACCOUNTS**  
Could Nationwide ProAccount® be right for you?  
*Workshop: NRM-13376AO*  
*MarketingWorks Flier: NRM-13400AO*
- ACCOUNT REVIEW**  
How often should you check up on your retirement account?  
*Workshop: NRM-13375AO*  
*MarketingWorks Flier: NRM-13399AO*
- ONLINE PLANNING TOOLS**  
How can you know if you're preparing well for retirement?  
*Workshop: NRM-13374AO*  
*MarketingWorks Flier: NRM-13398AO*
- CONSOLIDATION**  
Is there a way to make managing multiple retirement accounts easier?  
*Workshop: NRM-13367AO*  
*MarketingWorks Flier: NRM-13391AO*
- PAYOUT OPTIONS**  
Where will your income come from?  
*Workshop: NRM-13368AO*  
*MarketingWorks Flier: NRM-13392AO*
- DROP**  
What options do you have for your money when your DROP term ends?  
*Workshop: NRM-13366AO*  
*MarketingWorks Flier: NRM-13390AO*
- APPROACHING RETIREMENT**  
Are you prepared?  
*Workshop: NRM-13372AO*  
*MarketingWorks Flier: NRM-13396AO*
- LIVING IN RETIREMENT**  
How can you move from planning for retirement to enjoying it?  
*Workshop: NRM-13373AO*  
*MarketingWorks Flier: NRM-13397AO*

These presentations are grouped by retirement planning life stages, so you can target participants' current needs.



*There are several presentations per life stage, so you can address specific needs regardless of where your audience is in their career and retirement planning.*



For more information about these workshops and related materials, contact your Nationwide® representative.



Or call **1-855-463-4977**.



**Nationwide®**

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NRM-13522AO (01/16)

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# **Item 11 – Attachment C**





## With Nationwide®, it's easy to restart your contributions anytime.

If you've stopped contributing to your deferred compensation plan, you can **start saving again for your retirement goals today**. Restarting with even a small contribution now can give your money time to grow, and make a big difference later.



To learn more about the benefits of restarting, talk with your Nationwide Retirement Specialist.

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NRM-10099M1.1 (08/17)

Contact your Nationwide Retirement Specialist:

<Jon Smith>  
<614-123-4567>  
<jsmith@nationwide.com>

Or contact your home office Retirement Specialist:

<Jane Smith>  
<740-123-4567>  
<jasmith@nationwide.com>

[To schedule an individual appointment, go to <jsmith.checkAppointments.com>]

Nationwide Retirement Solutions, Inc. and Nationwide Life Insurance Company (collectively "Nationwide") have endorsement relationships with the National Association of Counties and the International Association of Firefighters-Financial Corporation. More information about the endorsement relationships may be found online at [www.nrsforu.com](http://www.nrsforu.com). Nationwide and the Nationwide N and Eagle are service marks of Nationwide Mutual Insurance Company. © 2014 Nationwide. Retirement Specialists are registered representatives of Nationwide Investment Services Corporation, member FINRA.





# Your future is a good reason to invest more today.

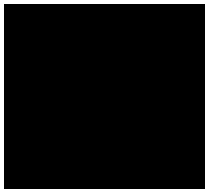
**Increasing contributions to your deferred compensation plan** could help you feel more confident about retirement. Even a small increase now can make a big difference later.

To learn more about the benefits of increasing your contribution, talk with your Nationwide® Retirement Specialist.

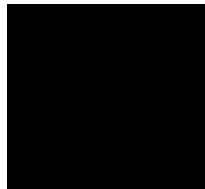
Information provided by Retirement Specialists is for educational purposes only and not intended as investment advice.

Investing involves market risk, including possible loss of principal, and there is no guarantee that investment objectives will be achieved.

NRM-10008M1.2 (05/17)



Contact your Nationwide Retirement Specialist:  
Jon Smith  
614-123-4567  
jsmith@nationwide.com



Or contact your home office Retirement Specialist:  
Jane Smith  
740-123-4567  
jasmith@nationwide.com

[To schedule an individual appointment, go to <jsmith.checkAppointments.com>]

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**Nationwide®**

# You'll be amazed at what an increase can add up to

Make time and compounding work together. Increase your contribution and potentially make a big difference in your retirement savings.

See how an increase to a retirement plan could make a significant impact over time.

An increase of:	10 years	20 years	30 years
\$20 per month	\$3,293	\$9,287	\$20,190
\$50 per month	\$8,234	\$23,217	\$50,476
\$100 per month	\$16,469	\$46,435	\$100,953

Assumes a hypothetical 6 percent rate of return compounded monthly and contributions made at the end of each month. This illustration is hypothetical, is not guaranteed, and it is not intended to reflect the performance of any specific investment. There is no assurance that increasing contributions will generate investment success. In addition, these figures do not reflect taxes or any fees or charges that may be assessed by the investments. The tax-deferred investment will be subject to taxes on withdrawal. Systematic investing does not ensure a profit nor guarantee against loss. Investors should consider their financial ability to continue consistently in up as well as down markets.

Think you can't come up with even \$20 a month? Check this out.



### Pack your lunch

Even if packing your lunch saves you just \$4 each time, you'll have \$20 in a week.



### Make your own coffee

Let's say that saves you \$2 a day — you'll have \$20 in two weeks.



### Take your foot off the accelerator

Gas mileage usually decreases at speeds above 50 mph.

NRM-15365M1.1 (01/19)

## Make an impact on your retirement savings

Contact your Nationwide Retirement Specialist  
<Jon Smith>  
<614-123-4567>  
<jsmith@nationwide.com>

Or contact your home office Retirement Specialist  
<Jane Smith>  
<614-123-4567>  
<jasmith@nationwide.com>

[To schedule an individual appointment, go to <jsmith.checkAppointments.com>]

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**To increase your Nationwide® 457(b) deferral today, complete the information below and** This is a drop down and options are shown at right>>

• return it to your HR/Payroll office  
 • return it to your Retirement Specialist  
 • fax it to (the number the user input - this will be a separate field the user has to fill out)

Name (please print) \_\_\_\_\_ Account Number \_\_\_\_\_

Street Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Daytime Phone \_\_\_\_\_ Email \_\_\_\_\_

Please increase my deferrals to \$ \_\_\_\_\_ or \_\_\_\_\_ % per pay. (Current allocations will remain the same.)

This increase applies to my (check one):  Nationwide 457(b) account  Nationwide 457 Roth account

Employer Name \_\_\_\_\_

I authorize my Employer to reduce my salary by the above amount which will be invested in my employer's Plan. The reduction will continue until otherwise authorized in accordance with the Plan.

I have read and understand each of the statements on the front and back of this form, which have been drafted in compliance with Section 457 of the Internal Revenue Code. I accept these terms and understand that these statements do not cover all the details of the Plans or products.

Signature of Participant \_\_\_\_\_ Date \_\_\_\_\_

**Maximum deferral and paycheck impact**

Pay frequency	Under Age 50		Age 50+ Catch-up*		Special 457 Catch-up*	
	Maximum Deferral	Paycheck Impact	Maximum Deferral	Paycheck Impact	Maximum Deferral	Paycheck Impact
<b>Weekly (52 pays)</b>	\$365	\$274	\$481	\$361	\$731	\$548
<b>Biweekly (26 pays)</b>	\$731	\$548	\$962	\$721	\$1,462	\$1,096
<b>Semi-monthly (24 pays)</b>	\$792	\$594	\$1,042	\$781	\$1,584	\$1,188
<b>Monthly (12 pays)</b>	\$1,584	\$1,188	\$2,084	\$1,563	\$3,167	\$2,375

\* Chart assumes a 25% tax rate and that you qualify for one of the maximum 2019 deferral limits: (1) \$19,000 under age 50, (2) \$25,000 for Age 50+ Catch-up and (3) \$38,000 for Special 457 Catch-up.

**Memorandum of Understanding**

- I. I understand that my participation in the Plan is governed by the terms and conditions of the Plan Document.
- II. The product informational brochure, fund prospectuses, and/or other information are available by calling 1-877-677-3678 or logging onto [www.nrsforu.com](http://www.nrsforu.com).
- III. The maximum total annual deferral amount to all 457(b) plans is the lesser of \$19,000 for calendar year 2019 or 100% of includible compensation. Under certain circumstances, additional amounts above the limit may be deferred into the Plan if (1) I will attain age 50 or older during the current calendar year, or (2) I am within three years of Normal Retirement Age and did not defer the maximum amount in prior years. The Plan Document provides additional details about deferral limits. Deferrals in excess of maximum amounts are not permitted, will be refunded to you and will be considered taxable income when refunded. It is my responsibility to ensure my deferrals do not exceed the annual limit. Limit information is based on the Economic Growth and Tax Relief Reconciliation Act of 2001, as implemented by final regulations implemented by the Internal Revenue Service in 2003. NOTE: You cannot use both the 457 Special Catch-Up provision and the EGTRRA 50+ Catch-Up provision at the same time.
- IV. Participants enrolling or electing to increase 457 deferrals must provide includible compensation data acceptable to Nationwide Retirement Solutions (Nationwide) and notify Nationwide of any subsequent decrease in includible compensation.

Investing involves market risk, including possible loss of principal. Retirement Specialists are registered representatives of Nationwide Investment Services Corporation, member FINRA.

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# Staying in the Plan offers long-term benefits

It may be tempting to take your money when you move on from this job, but the retirement plan that got you this far can help you keep building your future through lower-cost, you-focused options, features and services.

## Competitive fees

Your Plan Sponsor negotiates lower fees than you might get on your own. You also avoid the added direct expense a financial professional may charge for many services the Plan offers at no extra cost.

## Simplicity

By rolling your eligible outside retirement assets into your retirement plan account, you may make it easier to manage your investments.<sup>1</sup>

## Helpful people

Receive award-winning service,<sup>2</sup> investment education and personalized support through retirement — at no additional cost.

## Decreased tax burden

The Plan may allow you to defer sick, vacation and back pay. Doing so can help you smooth or delay the tax impact over several years.

## Flexible payout options

Receive money at regular intervals and amounts, or just when you need it. You should discuss payout options with your tax advisor before making any decisions.

## Confident Plan oversight

The Plan is required by law to ensure that it operates solely for the benefit of participants and their beneficiaries. To help meet that commitment, investment options are regularly reviewed for a variety of factors so Plan Sponsors can determine whether they are suitable and appropriate for the Plan.

## Intuitive online tools and resources

You have a suite of tools and educational resources at your fingertips, available anytime and on any device — at no additional cost.

## Timely communications

You get the right information at the right time so you can make informed decisions about your account.

## Community matters

Consider the company you partner with to manage your retirement assets. Nationwide is committed to giving back to the communities we serve. We enhance that commitment through the time, money and energy our associates personally invest in helping their communities each day.

<sup>1</sup> Qualified retirement plans, deferred compensation plans and IRAs are all different, including fees and when you can access funds. Assets rolled over from your account(s) may be subject to surrender charges, other fees and/or a 10% tax penalty if withdrawn before age 59½.

<sup>2</sup> DALBAR Plan Participant Service Award winner in 2014, 2015, 2016 and 2017.

This material is not a recommendation to buy, sell, hold or roll over any asset, adopt an investment strategy, retain a specific investment manager or use a particular account type. It does not take into account the specific investment objectives, tax and financial condition or particular needs of any specific person. Investors should discuss their specific situation with their financial professional.

Investing involves market risk, including possible loss of principal. No investment strategy or program — including asset allocation and diversification — can guarantee to make a profit or avoid loss. Actual results will vary depending on your investment and market experience. Information provided by Retirement Specialists is for educational purposes only and not intended as tax, legal or investment advice.

## Let's talk about how you can benefit by staying in the Plan.



Contact your Nationwide Retirement Specialist:  
<Jon Smith>  
<614-123-4567>  
<jsmith@nationwide.com>



Contact your Nationwide Retirement Specialist:  
<Jane Smith>  
<614-123-4567>  
<jasmith@nationwide.com>

[To schedule an individual appointment, go to <jsmith.timetap.com>]