



County of Fresno

Deferred Compensation Management Council

March 8, 2018 Agenda

THE MEETING WILL BE HELD AT 9:00 A.M. AT THE HALL OF RECORDS, ROOM 301, 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 8, 2018 Agenda.
4. Elect the 2018 Chair & Vice-Chair of the Deferred Compensation Management Council.
5. Approve the 2018 Deferred Compensation Management Council meeting schedule:
 - a. Thursday, June 14 at 1:30 p.m.
 - b. Thursday, October 11 at 3:00 p.m.
 - c. Thursday, December 13 at 3:00 p.m.
6. Approve the Action Summary Minutes from the August 24, 2017 meeting.
7. Receive and File the 2017-18 Fiscal Year Second Quarter Deferred Compensation Plan Budget Report, prepared by County staff.
8. Receive a Verbal Report on the 2017 National Association of Government Defined Contribution Administrators conference by Members Garcia and Kendig, County staff, and Northwest Capital Management.
9. Receive and File a Report on the Amendment and Restatement of the County of Fresno 457(b) Deferred Compensation Plan Document, prepared by County staff.
10. Receive and File the Deferred Compensation Plan Investment Review as of December 31, 2017, prepared by Northwest Capital Management and approve maintaining the Great-West Lifetime Target Date collective investment trusts and the Great West Stable Value Fund on the Watch List.

March 8, 2018

Deferred Compensation Management Council Meeting Agenda

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11. Receive and File a report prepared by Northwest Capital Management and Approve Actions
 - a. Receive and File a report on the County of Fresno Stable Value Fund investment manager search by Northwest Capital Management;
 - b. Decide whether to retain Great-West Financial as the County of Fresno Stable Value Fund investment manager or select T. Rowe Price as the new investment manager.
12. Receive and File the Deferred Compensation Plan Review as of December 31, 2017 prepared by Nationwide Retirement Solutions.



ITEM 6

Deferred Compensation Management Council August 24, 2017 Action Summary Minutes

Meeting was held at 10:00 a.m. at the Fresno County Employees' Retirement Association, 1111 H St., Fresno, CA 93721

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

Members Absent: None

1. Call to Order.

ACTION: The meeting was called to order at 10:01 a.m.

2. Public Comment Period.

There were no comments from the public.

3. Approve the August 24, 2017 Agenda.

ACTION: The Agenda was unanimously approved.

4. Approve Action Summary Minutes from the May 11, 2017 meeting.

ACTION: The Minutes were unanimously approved.

5. Receive and File and Approve Actions

- a. Receive and File 2016-17 Fiscal Year Fourth Quarter Deferred Compensation Plan Budget Report prepared by County staff;

ACTION: The 2016-17 Fiscal Year Fourth Quarter Deferred Compensation Plan Budget Report was Received and Filed.

- b. Approve a pro rata distribution of \$73,729 to current Deferred Compensation Plan participants based on each participant's percentage of Deferred Compensation Plan assets as of June 30, 2017.

ACTION: Unanimously approved as recommended.

6. Receive and File Deferred Compensation Plan Review as of June 30, 2017 prepared by Nationwide Retirement Solutions.

ACTION: The Deferred Compensation Plan Review as of June 30, 2017 was Received and Filed. The Council requested that staff provide participation information by retirement tier in future reporting.

7. Receive and File Reports prepared by Northwest Capital Management and Approve Actions.
 - a. Receive and File Deferred Compensation Plan Investment Review as of June 30, 2017;
ACTION: The Deferred Compensation Plan Investment Review as of June 30, 2017 was Received and Filed.
 - b. Approve maintaining the Great-West Lifetime Target Date collective investment trusts and the Great West Stable Value fund on the Watch List;
ACTION: Unanimously approved as recommended.
 - c. Receive and File Great-West Lifetime Trust Review as of June 30, 2017;
ACTION: The Great-West Lifetime Trust Review as of June 30, 2017 was Received and Filed.
 - d. Receive and File Stable Value Investment Management Services Project Overview.
ACTION: The Stable Value Investment Management Services Project Overview was Received and Filed. Northwest Capital Management will make a recommendation regarding the Stable Value Fund Investment Manager at a future meeting.
8. Receive and File a report on Self Directed Brokerage Accounts prepared by Northwest Capital Management and provide direction to staff on bringing a recommendation at a future meeting to add Self Directed Brokerage Accounts as a feature of the Deferred Compensation Plan.
ACTION: Report received and filed. The Council directed staff and Northwest Capital Management to provide additional information regarding Self Directed Brokerage Accounts at a future meeting, where the Council will decide whether to make a formal recommendation to the Board of Supervisors that the Self Directed Brokerage Account option be added to the Plan.
9. Council direction regarding 2017 National Association of Government Defined Contribution Administrators (NAGDCA) Conference.
ACTION: The Council directed that one (1) member of staff attend the 2017 NAGDCA Conference. The Council further directed staff to prepare a budget amendment item for the next meeting, if necessary, to offset the additional cost to the Plan.

The meeting was adjourned at 11:06 a.m.



Inter Office Memo

DEPARTMENT OF
HUMAN RESOURCES

ITEM 7

DATE: March 8, 2018

TO: Deferred Compensation Management Council

FROM: Hollis Magill, Human Resources Manager

SUBJECT: Fiscal Year 2017-18 2nd 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, your Council directs the Plan Record-keeper to charge an administrative fee to each participant. For Fiscal Year 2017-18, the administrative fee is 0.19%.

Issue

Staff has prepared a Fiscal Year 2017-18 budget report for the six-month period that ended December 31, 2017 (Attachment A). The Fiscal Year 2017-18 Deferred Compensation Plan budget was approved by your Council on May 11, 2017 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 May 11, 2017 meeting.
2. "Year to Date" provides the revenue and expenses received/incurred between July 1, 2017 and December 31, 2017.
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 Plan assets leading to increasing 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 and Plan Document legal review.

Recommended Action

There are no recommended actions associated with this Item.

Item 7 - Attachment A: FY 2017-18 2nd Quarter Report

County of Fresno Deferred Compensation Plan

Fiscal Year 2017-18 Revenue & Expenses as of December 31, 2017

Revenue	Approved	Year to Date	Projected
Administrative Fees	\$ 192,000	\$ 139,957	\$ 247,000
Totals:	\$ 192,000	\$ 139,957	\$ 247,000

Discretionary Expenses	Approved	Year to Date	Projected
Staff Costs	\$ 102,000	\$ 28,240	\$ 90,000
Consultant Fees	\$ 40,000	\$ 20,000	\$ 40,000
Plan Document Review Legal Fees	\$ 12,000	\$ -	\$ 12,000
Fiduciary Liability Insurance Policy	\$ 11,000	\$ -	\$ 11,000
NAGDCA	\$ 7,000	\$ 4,687	\$ 6,800
Contingencies	\$ 20,000	\$ -	\$ -
Totals:	\$ 192,000	\$ 52,927	\$ 159,800

	Year to Date	Projected
Surplus (Deficit):	\$ 87,030	\$ 87,200

Mandatory Expenses	Approved	Year to Date	Projected
Record-keeping Fees	\$ 230,000	\$ 119,418	\$ 239,000

Item 7 - Attachment B: Approved 2017-18 Fiscal Year Deferred Compensation Plan Budget

Discretionary Items

Revenue Source	Description	Dollars	% of Revenue
Administrative Fee	0.09% of Plan Assets, based on approximately \$220 million in assets.	\$192,000	100%
Total Revenue:		\$192,000	100%
Expense	Description	Dollars	% of Expenses
County Staff	Human Resources and County Counsel staff time and participant communications.	\$102,000	53.1%
Consultant	Pursuant to Agreement # 15-597 with Northwest Capital Management.	\$40,000	20.8%
Outside Counsel	Cost of outside legal firm to review Deferred Compensation Plan governing documents.	\$12,000	6.3%
Fiduciary Liability Insurance	Premium on \$5 million in Fiduciary Liability Insurance coverage.	\$11,000	5.7%
Off-Site Training	Send two (2) people to the 2017 NAGDCA conference and pay annual membership fee.	\$7,000	3.6%
Contingencies	Any appropriate expense not included in the items in the proposed budget.	\$20,000	10.4%
Total Discretionary Expenses:		\$192,000	100%

Mandatory Items

Revenue Source	Description	Dollars
Nationwide Fee	0.10% of Plan Assets, based on approximately \$220 million in assets. Fees are debited directly from participants' accounts on a monthly basis.	\$230,000
Expense	Description	Dollars
Record-keeping	Pursuant to Agreement # 14-710 with Nationwide, 0.10% of Total Assets per year.	\$230,000



Inter Office Memo

DEPARTMENT OF
HUMAN RESOURCES

ITEM 9

DATE: March 8, 2018

TO: Deferred Compensation Management Council

FROM: Hollis Magill, Human Resources Manager Hollis Magill

SUBJECT: Report on the Amendment and Restatement of the County of Fresno 457(B) Deferred Compensation Plan Document

Background

At the February 25, 2016 meeting, your Council directed staff to update the County of Fresno 457(B) Deferred Compensation Plan Document to ensure that it remains in compliance with applicable federal and state laws and regulations.

Issue

Staff is in the final stages of preparing the amended and restated Plan Document for your Council's review and approval. However, staff has summarized the substantive changes from the current Plan Document that will be included in the amended and restated Plan Document for your Council's consideration.

1. Roth Option

This provision was approved by your Council at the August 25, 2016 DCMC meeting and allows participants to make after-tax contributions as well as execute in-plan rollovers, which re-characterizes their balances from pre-tax to after-tax. Please note that a Roth IRA is not currently eligible to be rolled into the Plan pursuant to IRS rules.

2. Self-Directed Brokerage Accounts

This provision was added in the event that your Council and/or the Board of Supervisors elects to offer the option to participants. The option may be activated by your Council's establishment of a policy governing Self-Directed Brokerage Accounts. The proposed language does not obligate the Plan to offer this option.

3. Beneficiary Policy

The new language provides for the revocation of a spousal beneficiary upon dissolution of marriage and details who will receive a deceased participant's account if the participant does not designate a beneficiary.

4. Lost Participant or Beneficiary

The new language details the process for finding lost participants or beneficiaries and how an account is handled if the participant or beneficiary is not found.

5. Powers and Responsibilities of the Council

- a. Investment Options. Your Council shall have the authority to execute documents necessary to implement changes to the Plan investment options. In addition, your Council shall have the authority to outsource the selection of Plan investment options to a qualified investment advisor, but does not create an obligation to do so.
- b. Plan Expenses. Your Council shall have the authority to determine the reasonable Plan expenses and the administrative fee charged to Participants to pay for reasonable Plan expenses on an annual basis. This change formally codifies your Council's authority with regard to determining reasonable Plan expenses and setting the administrative fee; your Council currently performs both responsibilities as part of the annual budget approval and review process.

6. In-Plan Distributions

Currently, participants may take an "In-Plan De Minimis" distribution, if their account balance is less than \$5,000 and they have not contributed in at least two (2) years. This provision is recommended for removal as it is only allowed once per career, making it hard to track and enforce.

7. Distribute Small-Balance Accounts

This provision allows the Plan to distribute account balances of less than \$1,000 to participants upon separation from service, but does not create an obligation to do so. This will reduce the overall number of accounts, which will streamline administration. This will also ensure that separated participants will receive their funds instead of possibly forgetting about and never claiming their funds.

8. Claims Procedures

The new language provides procedures by which claimants, such as ex-spouses or beneficiaries of participants, may appeal the Plan's determination of benefits.

Recommended Action

There is no recommended action associated with this Item. However, your Council may direct staff to delete or alter the potential changes discussed in this Item and/or direct staff to add any provisions not discussed in this Item.

Northwest Capital Management Inc.

PHONE: 503.597.1616

FAX: 503.597.1605

13333 SW 68TH PARKWAY #230



PORTLAND, OR 97223

Item 10

DATE: March 8, 2018

TO: Deferred Compensation Management Council

FROM: Brent Petty, NWCM, Inc.

SUBJECT: Fourth Quarter Investment Performance Report (Executive Summary)

Capital Markets

Name	YTD (as of 1/31/2018)	Q4 2017	1 Year (as of 1/31/2018)
S&P 500 TR USD	5.73	6.64	26.30
S&P MidCap 400 TR	2.87	6.25	17.94
S&P SmallCap 600 TR USD	2.53	3.96	17.56
MSCI EAFE NR USD	5.02	4.23	27.75
MSCI EM NR USD	8.33	7.44	40.41
BBgBarc US Agg Bond TR USD	-1.15	0.39	2.29

	1/31/2018	9/30/2017	1/31/2017
10-Year Treasury Yield	2.72%	2.33%	2.45%

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

Equity markets continued to deliver strong results in the fourth quarter of 2017 with emerging market, international developed market and domestic large cap equities continuing to outperform. Fixed Income continued to underperform equities, but still yielded positive absolute returns

All major fixed income sectors ended the quarter with positive returns, except U.S. short duration as a third Fed Rate hike occurred in December

Economic Factors

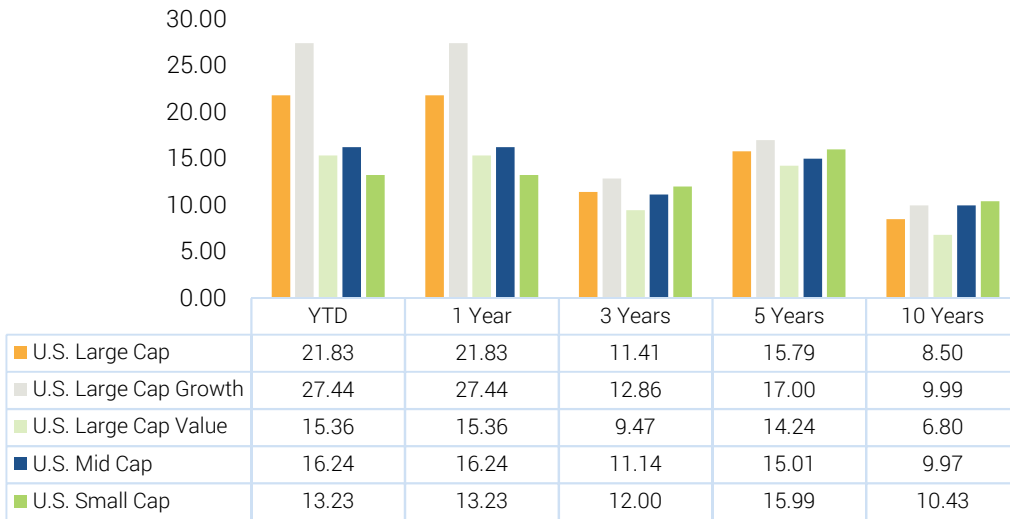
The U.S. economy has continued its positive trend. Major economic indicators have been positive, and tax cuts should further support the economy

CPI increased 0.4% and remains steady at 2.1% over the trailing 12-months. While PMI was 59.7% for December, marking a 1.5% increase from November

Crude oil prices increased and hit a 2 ½ year high due to a decrease in supply.

US Equity

Trailing Returns



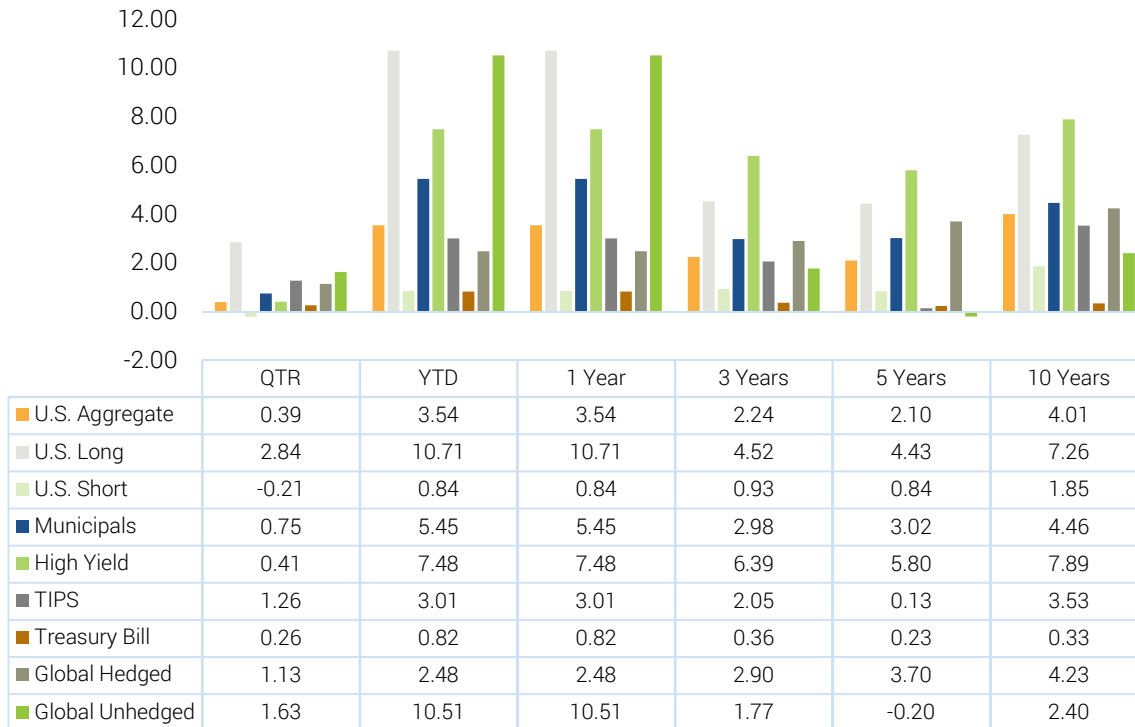
International Developed Equity

Trailing Returns



Fixed Income Insights

Trailing Returns



Investments

All of the County's current investment options comply with investment policy performance criteria.

- In July 2017, the RidgeWorth Seix Total Return Bond R6 (SAMZX) changed its name to Virtus Seix Total Return Bond R6 (SAMZX)
- Great-West's target date collective trusts series and stable value remain on Watch, due to the departure of manager Cathe Tocher and President of Investments David Musto. If the funds continue to perform, NWCM will consider taking the target dates and stable value off watch by Q1 2018.
- An updated fund watch report has been included as **Exhibit B**.
- A review of the Great West Lifetime Trusts Series has been provided in **Exhibit C**.

RFP for Stable Value Investment Management services

The complete Stable Value Search report has been provided in **Item 11**.

Recommended Actions

1. **Maintain both the Great-West Lifetime Target Date CITs and the Great West Stable Value fund on watch, as additional due-diligence is completed.**



Quarterly Report - December 31, 2017

County of Fresno

457 DC Plan

13333 SW 68th Pkwy Suite 230

Portland, OR 97223

Phone 503-597-1616

NWCM

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Market Overview

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Retirement

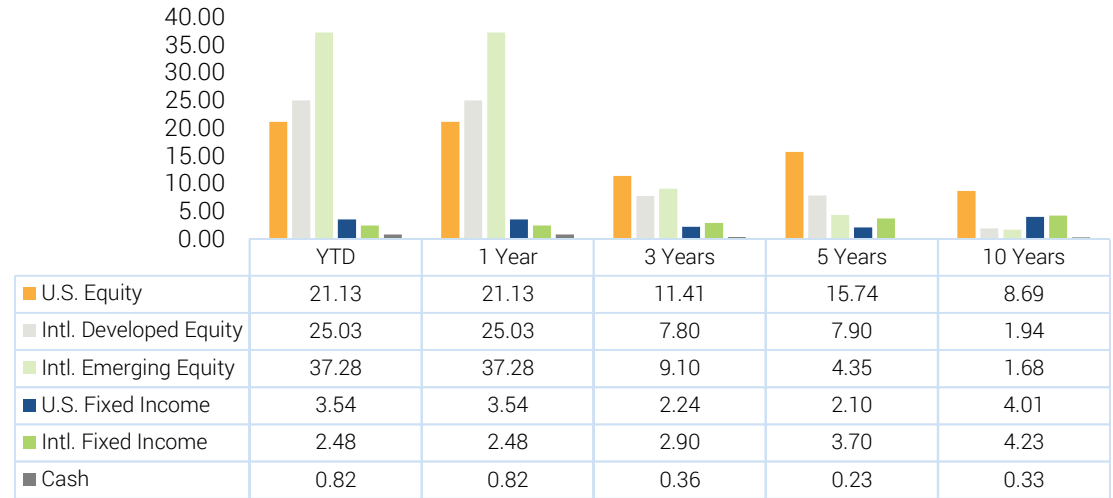
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Market Performance Summary

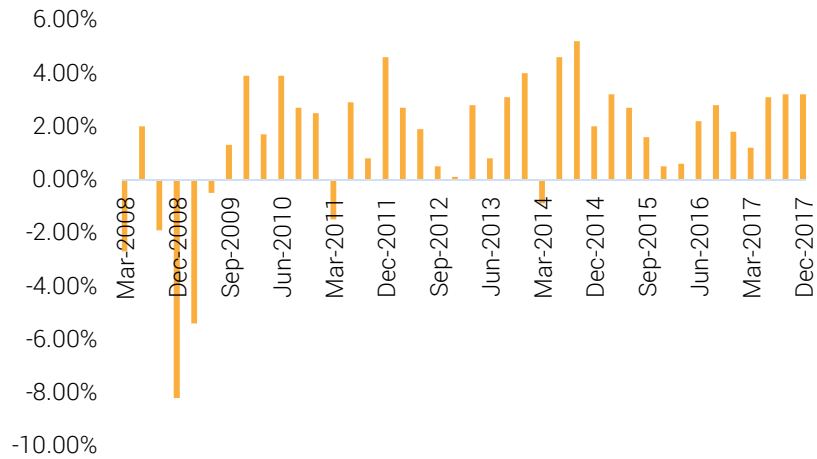
As of 12/31/2017

Another strong quarter for equities is in the books and 2017 finished strong. U.S. markets had solid performance coupled with a lack of volatility. The discussion and the passing of corporate tax reform benefitted equities coupled with strong Q3 earnings. International markets were equally strong with Emerging market stocks outpacing nearly all other indices. A weaker dollar with accommodating central banks have been the primary driver for these markets. GDP growth was above 3% in Q3'17 and is expected to be strong again in Q4. Fixed income continued to underperform equities but still yielded positive absolute returns. With the anticipated Federal Reserve rate hikes, we have started to see a rise in short-term rates.

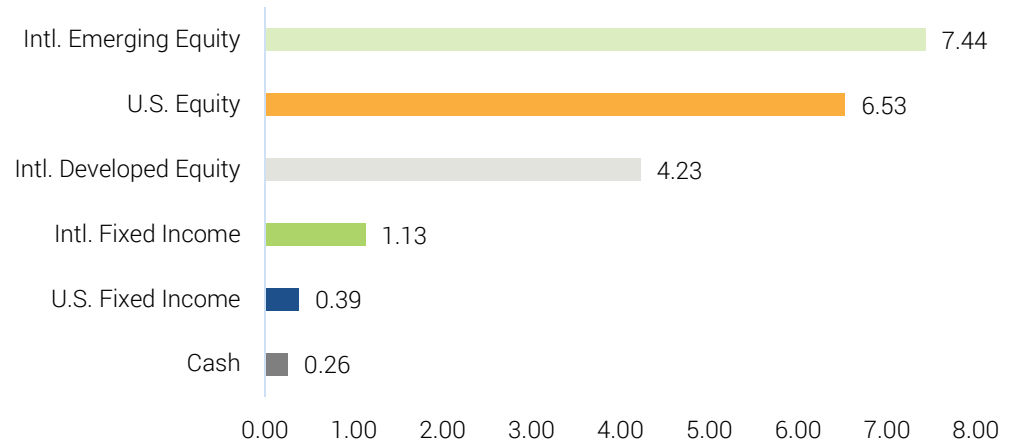
Trailing Returns



1-Q Change in GDP



Quarterly Performance

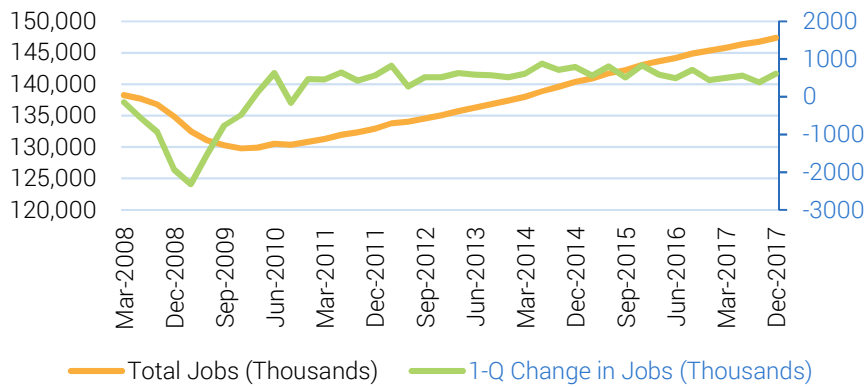


Economic Factors

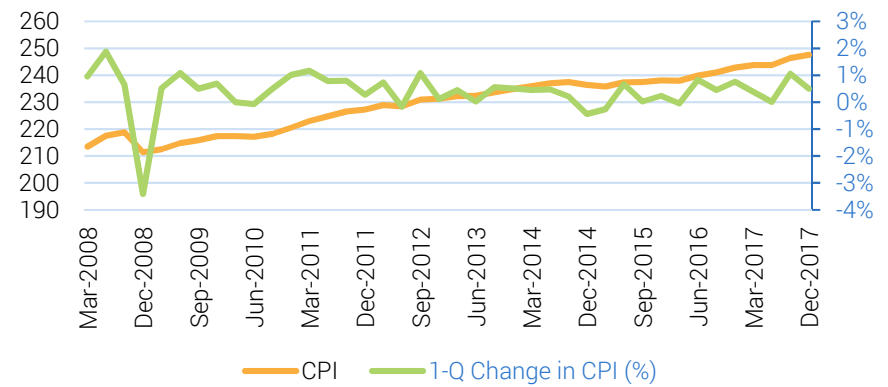
As of 12/31/2017

Continuing the trend from Q2 and Q3, Economic data in the U.S. remains positive. The December jobs report noted that non-farm payrolls increased 148,000 and unemployment dropped to 4.1%. The non-farm payrolls were a little below consensus but came off the back of a strong October and November. The Consumer Price Index (CPI) increased another 0.4% in the month of November and now stands at 2.2% on a 12-month basis. The energy index rose 4.9% and accounted for three-fourths of the increase in CPI. The ISM Producer Manufacturing Index (PMI) was 59.7% for December, a 1.5% sequential increase from November and just slightly lower than the recent high in September. Consumer Confidence measured by the Conference Board dropped slightly in December but this was measured before the tax cuts were approved by Congress. Crude oil prices have started to increase and hit a 2.5 year high due to a supply drop and the unrest in Iran. In general, commodity prices have been moderately increasing.

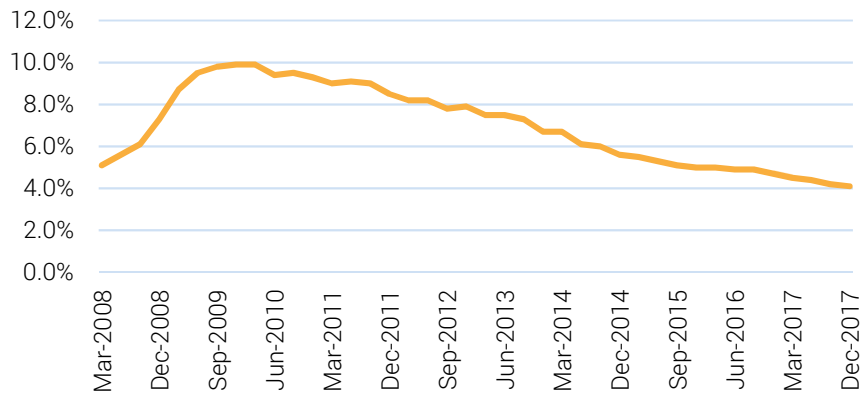
Jobs Market



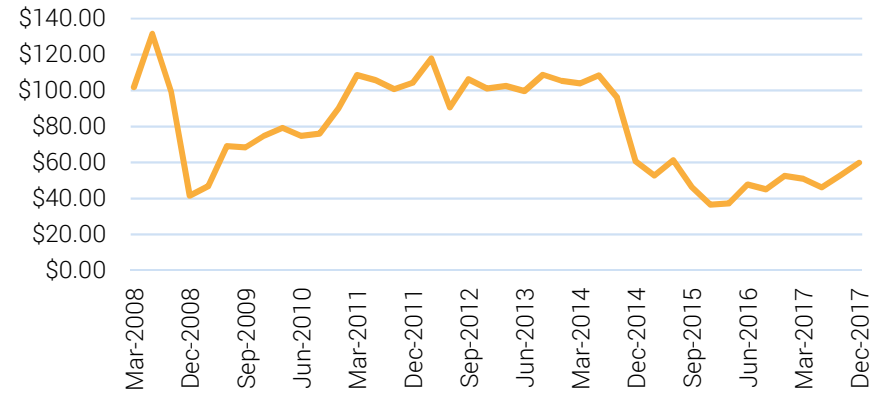
CPI



Unemployment Rate



Crude Oil Price per Barrel

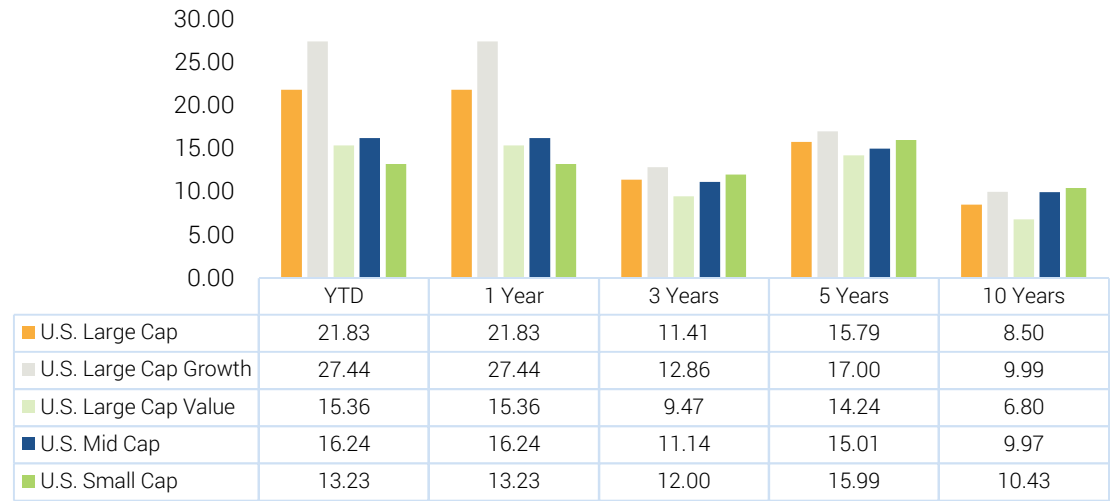


U.S. Equity

As of 12/31/2017

U.S equities enjoyed a very good quarter and year. Stocks in the U.S. were up every month of the year the first time that has happened since 1958. The rally was broad based except for defensive sectors such as utilities, telecommunications and REITs. Some of the strength in 2017 and in Q4 was based on expectations of stronger corporate earnings post due to a corporate tax cut. Additionally, earnings momentum during 2017 was robust with average S&P 500 earnings up 6% year-over-year in Q3. Growth stocks continued to outperform value stocks in the quarter, as has been the trend all year. For the quarter, large-cap and mid-cap stocks outperformed while small-cap equities trailed.

Trailing Returns

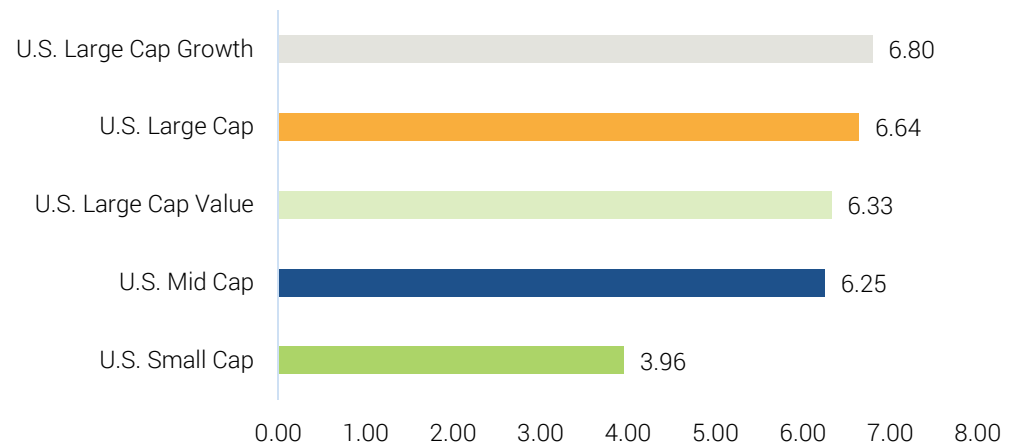


World Equity Market Capitalization



52.0%
U.S. Share of World Market

Quarterly Performance

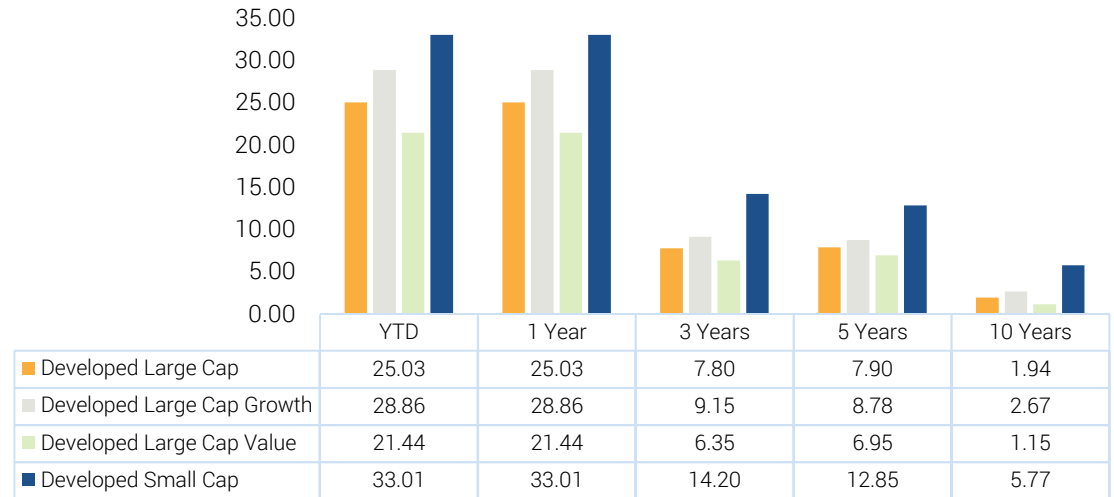


International Developed Equity

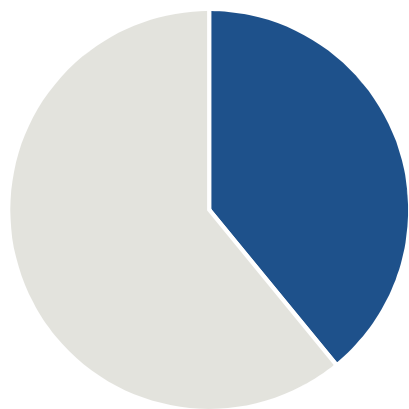
As of 12/31/2017

International developed markets also had a strong year and quarter. Japanese equities lead the way with the TOPIX up nearly 22.2% in the year and up 8.7% in Q4. Earnings were the primary driver with 16% year-over-year growth in Q3 due to a pick-up in global trade. Eurozone earnings have also been strong, up nearly 10% year-over-year, in Q3. However, equities within the region delivered flat returns in the quarter. UK equities underperformed most regions in 2017. Part of the reason has been the strength in the pound as Brexit talks have continued. Meanwhile, UK consumer confidence has deteriorated in contrast to other regions.

Trailing Returns

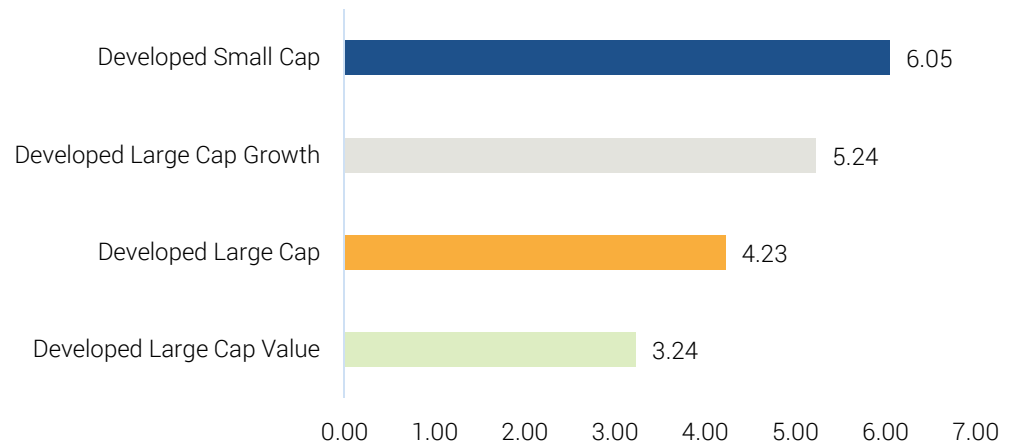


World Equity Market Capitalization



39.1%
Developed
International Share
of World Market

Quarterly Performance

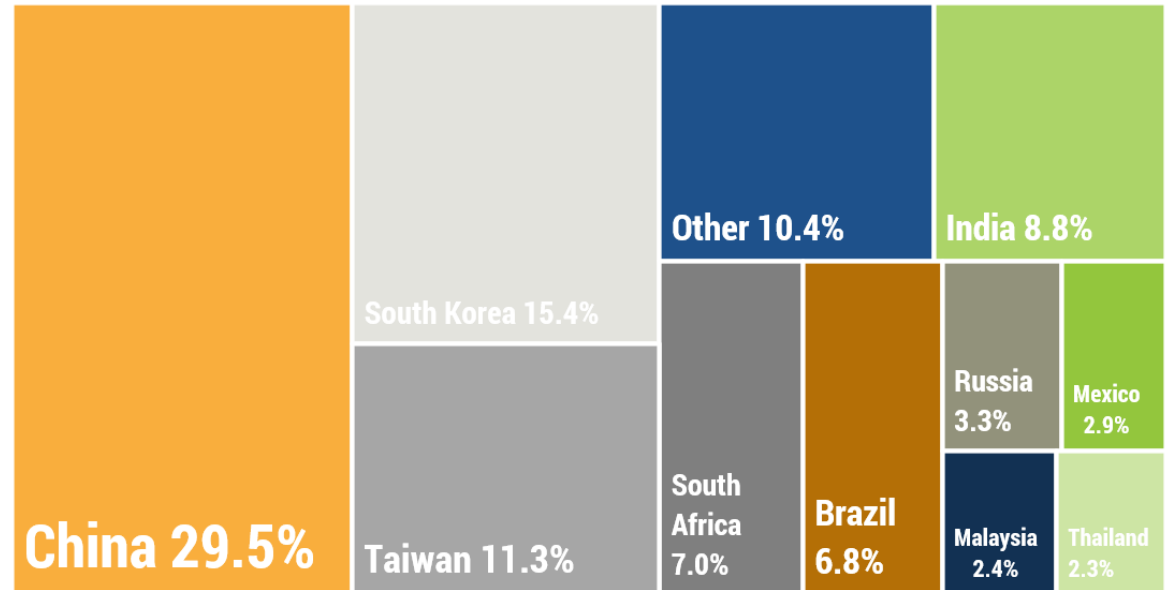


Emerging Markets Equity

Asia and emerging markets equities continued to have strong performance in Q4 and have been the best performing region within global markets in 2017. A weak dollar has been a key driver. Earnings have also improved as we had a rebound in 2017 off a low base. Technology names within the region rallied significantly and constitutes nearly 25% of the MSCI EM index. Chinese equities were also strong in the quarter in part due to the technology focus as well as President Xi's re-election. Beyond Asia, commodity prices such as copper also added to growth in other regions.

As of 12/31/2017

Emerging Markets Index - Top 10 Represented Countries

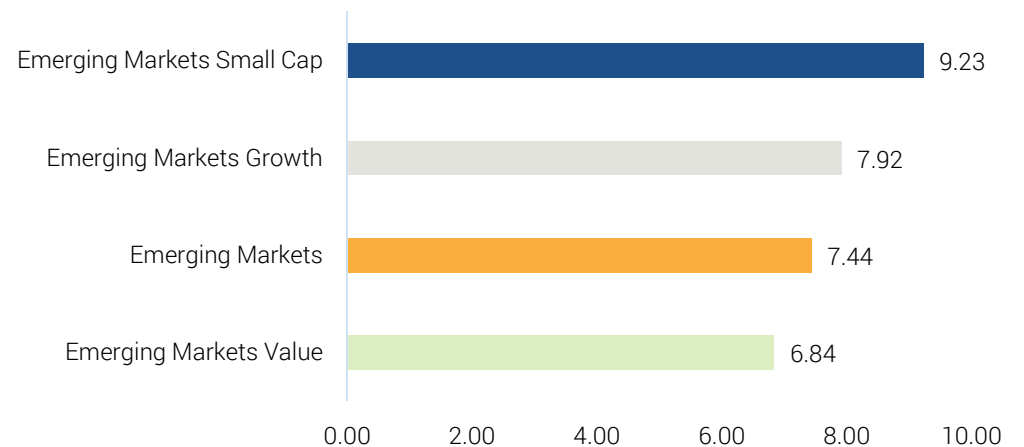


World Equity Market Capitalization



8.9%
Emerging Markets
Share of World
Market

Quarterly Performance

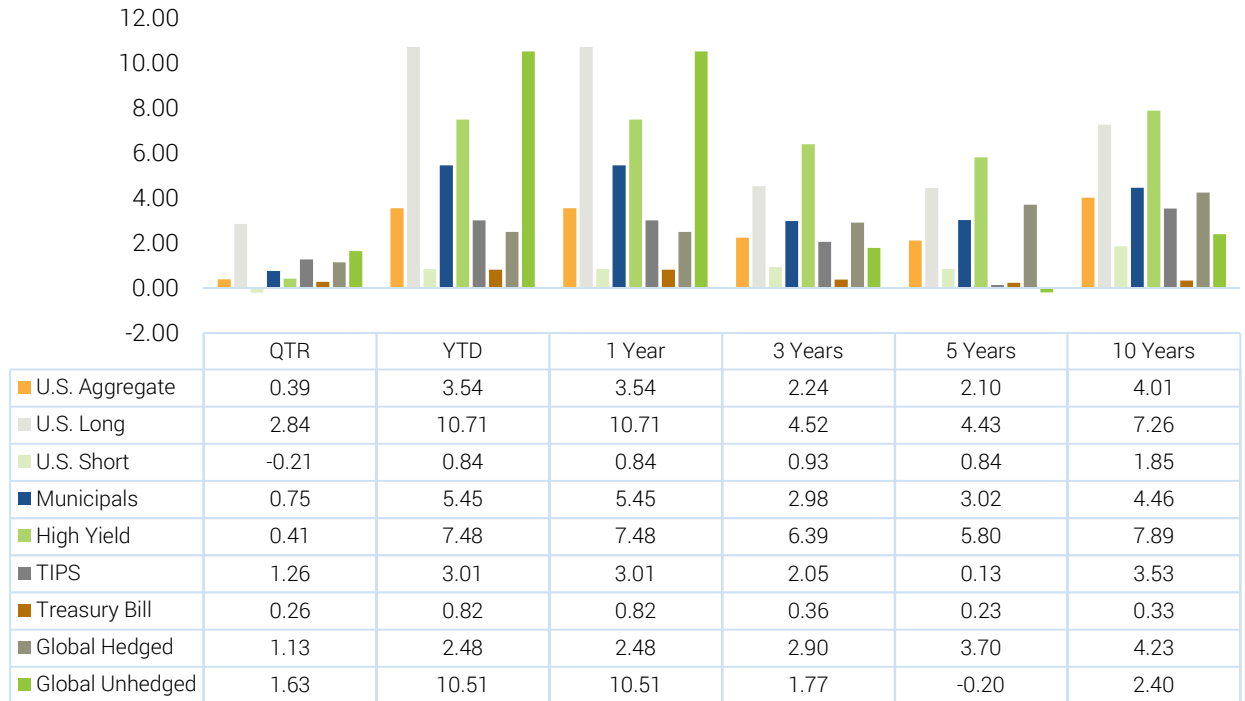


Fixed Income

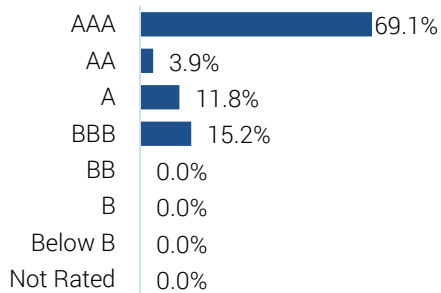
As of 12/31/2017

Fixed income issuances put a positive absolute return in Q4 and 2017. The Fed raised rates for the third time all year in December. Additionally, they began to unwind their balance sheet in October by letting its holdings mature. Core inflation still did not meaningfully appear as most had expected, particularly as unemployment continued to fall and GDP remained robust. Shorter dated treasuries did see yields increase and has led to a flattening of the yield curve. The European Central Bank did announce in October that it will reduce its monthly quantitative easing purchases starting in January but will continue make purchases for the foreseeable future.

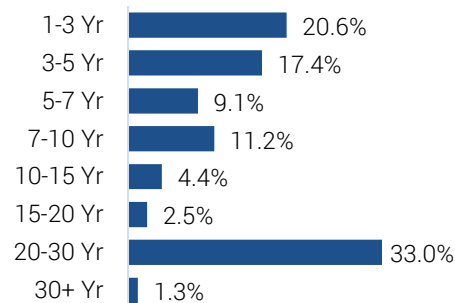
Trailing Returns



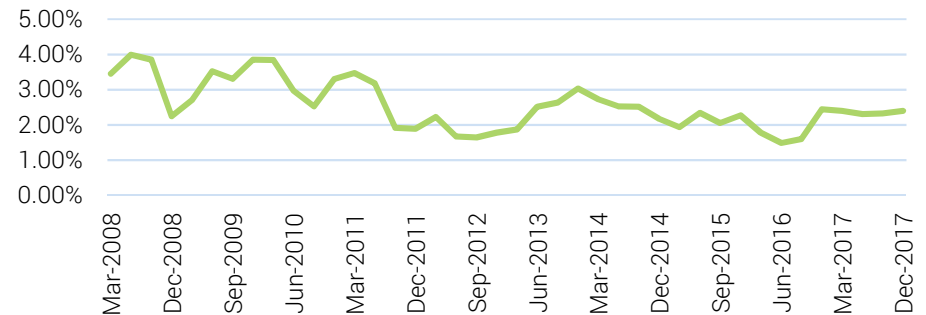
U.S. Aggregate Quality Distribution



U.S. Aggregate Maturity Distribution



10-Year Treasury Yield



Legislative and Regulatory Update

Fiduciary Rule

- › In Q4 2017, the Department of Labor (DOL) finalized an 18-month delay on full implementation of the fiduciary rule. The delay moves the effective date of full implementation from January 1, 2018 to July 1, 2019. Over the next 18 months, the DOL will review public comments and consider how the fiduciary rule may affect access to financial advice and retirement information for Americans.

Source: <https://www.planadviser.com/dol-allows-18-month-extension-fiduciary-rules-full-implementation/>

The Fed

- › On January 23, 2018, Jerome Powell was confirmed by the Senate as the next Chairman of the Federal Reserve. Following the expiration of Janet Yellen's term on February 3, 2018, Powell is likely to continue the normalization of the Federal Reserve by slowly increasing rates and reducing the Federal Reserve's balance sheet.
- › After meeting in December 2017, Fed policymakers increased short-term rates by a quarter percentage point to a range of 1.25% – 1.50%. This was the third rate increase of 2017, with three to four rate increases predicted in 2018 under Powell's leadership.

Source: <https://www.usatoday.com/story/money/economy/2017/12/13/federal-reserve-december-decision-janet-yellen-interest-rates/946193001/>

Corporate Tax Cuts

- › On December 20, 2017, both the U.S. Senate and House of Representatives approved a \$1.5 trillion tax bill that will lower the corporate tax rate from 35% to 21%. The bill is now awaiting President Trump's signature. Some additional highlights of the bill include a repeal of the corporate alternative minimum tax, a decrease in individual tax rates and a \$10,000 state and local tax deductions cap.

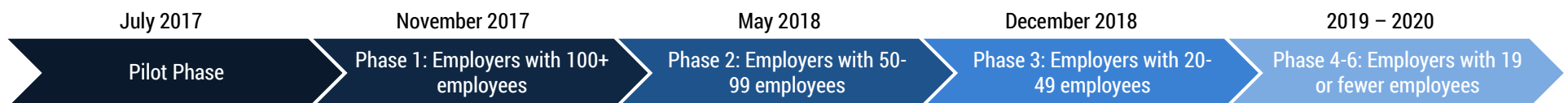
Source: <https://www.reuters.com/article/us-usa-tax/house-gives-final-approval-to-tax-bill-delivering-victory-to-trump-idUSKBN1ED16V>

<http://www.cnn.com/2017/12/20/politics/house-senate-trump-tax-bill/index.html>

<http://money.cnn.com/2017/12/15/news/economy/gop-tax-plan-details/index.html>

OregonSaves

- › Nov 15, 2017 marked the first registration deadline for OregonSaves, a state-sponsored Roth IRA plan for the employees of Oregon businesses. This deadline applied only to employers with 100+ employees. The subsequent registration deadlines will be implemented in the phases below:



Source: <http://www.oregon.gov/treasury/Newsroom/Pages/ViewArticle.aspx?pressReleaseID=201>

<https://www.oregonsaves.com/>

<http://www.cnn.com/2017/09/21/politics/donald-trump-north-korea-sanctions/index.html>

2017 Retirement Bills

- › Several bills were introduced before the end of Q4 2017 that have the potential to impact retirement plans in the future:
 - ARPA (Automatic Retirement Plan Act)
 - ARPA would require employers to offer a 401(k) or 403(b) plan, with exceptions for governments, churches, and companies with fewer than 10 employees or less than three years of business.
 - Retirement Plan Simplification and Enhancement Act of 2017
 - This bill modifies the current automatic enrollment safe harbor cap and establishes a new safe harbor to incentivize employers to defer more than the 3% of salary minimum.

- RETIRE (Receiving Electronic Statements to Improve Retiree Earnings) Act
 - RETIRE would make electronic delivery the default for retirement plan disclosures, subsequently reducing administrative costs and allowing easy electronic access.
- Retirement Plan Modernization Act
 - This bill would initially raise the automatic IRA rollover limit from \$5,000 to \$7,600 and allow future increases to be indexed for inflation. The purpose of this bill is to reduce administrative expenses for small businesses interested in offering retirement plans.

Source: <http://www.investmentnews.com/article/20171204/FREE/171209976/two-workplace-retirement-savings-bills-introduced-in-house>
<https://www.planadviser.com/house-bill-seeks-increase-auto-ira-cash-limit/>

2018 IRS Limitations

- > Many of the contribution limits for the 2018 calendar year increased slightly from 2017. Income limits on highly compensated employees and key employees/officers remain unchanged at \$120,000 and \$175,000 respectively. Catch-up contributions for employees age 50 and older also remain unchanged at \$6,000.
 - See below for a summary list of 2017 and 2018 contribution limits:

Item	IRC Reference	2017 Limit	2018 Limit
401(k) and 403(b) Employee Deferral Limit ¹	402(g)(1)	\$18,000	\$18,500
457 Employee Deferral Limit	457(e)(15)	\$18,000	\$18,500
Catch-up Contribution ²	414(v)(2)(B)(i)	\$6,000	\$6,000
Defined Contribution Dollar Limit	415(c)(1)(A)	\$54,000	\$55,000
Defined Benefit Dollar Limit	415(b)(1)(A)	\$215,000	\$220,000
Compensation Limit ³	401(a)(17); 404(l)	\$270,000	\$275,000
Highly Compensated Employee Income Limit ⁴	414(q)(1)(B)	\$120,000	\$120,000
Key Employee/Officer	416(i)(1)(A)(i)	\$175,000	\$175,000
Social Security Taxable Wage Base		\$127,200	\$128,700

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

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

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

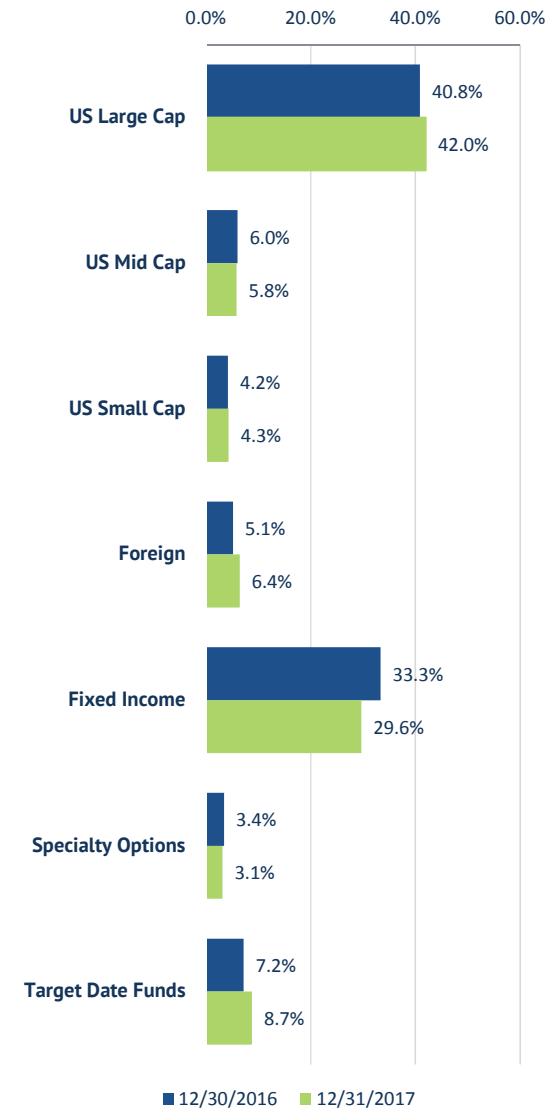
⁴For the 2018 plan year, an employee who earns more than \$120,000 in 2017 is an HCE. For the 2019 plan year, an employee who earned more than \$120,000 in 2018 is an HCE.

- > A full listing of dollar limitations can be found on the IRS website listed below:
 - <https://www.irs.gov/retirement-plans/cola-increases-for-dollar-limitations-on-benefits-and-contributions>

Summary of County of Fresno 457 DC Plan - Trailing Year

Data as of 12/31/2017

Asset Class	Ticker	%	12/30/2016	Net Increases/Decreases	12/31/2017	%
US Large Cap		40.8%	\$87,141,980	15,008,875	\$102,150,854	42.0%
Alger Spectra Z	ASPZX	16.3%	34,868,020	7,854,549	42,722,570	17.6%
Columbia Dividend Income Y	CDDYX	5.4%	11,467,767	1,852,237	13,320,004	5.5%
BlackRock Equity Index - Collective F2	02CFF1	19.1%	40,806,192	5,302,088	46,108,280	19.0%
US Mid Cap		6.0%	\$12,762,578	1,350,902	\$14,113,479	5.8%
Hennessy Focus Fund	HFCIX	2.4%	5,105,754	392,214	5,497,968	2.3%
BlackRock Mid Cap Index - Collective F	03CFF2	3.6%	7,656,824	958,687	8,615,512	3.5%
US Small Cap		4.2%	\$8,859,665	1,556,741	\$10,416,406	4.3%
Nicholas Limited Edition I	NCLEX	2.5%	5,237,454	573,014	5,810,468	2.4%
Perkins Small Cap Value N	JDSNX	0.7%	1,443,988	(257,743)	1,186,246	0.5%
BlackRock Russell 2000 Index - Collective F	03CFF3	1.0%	2,178,223	1,241,470	3,419,692	1.4%
Foreign		5.1%	\$10,912,134	4,682,872	\$15,595,006	6.4%
Ivy International Core Equity R6	IINCX	4.2%	8,863,021	1,799,828	10,662,849	4.4%
Oppenheimer Developing Markets I	ODVIX	0.3%	665,437	1,212,060	1,877,497	0.8%
BlackRock EAFE Equity Index - Collective F	10CFF5	0.6%	1,383,677	1,670,983	3,054,660	1.3%
Fixed Income		33.3%	\$71,069,957	1,009,749	\$72,079,706	29.6%
RidgeWorth Seix Total Return Bond IS	SAMZX	1.5%	3,208,879	280,035	3,488,914	1.4%
BlackRock US Debt Index Fund - Coll F	04CFF4	1.3%	2,803,672	1,188,303	3,991,975	1.6%
Templeton Global Bond R6	FBNRX	0.4%	763,551	614,027	1,377,578	0.6%
County of Fresno Stable Value Fund	FRESSV	30.1%	64,293,854	(1,072,615)	63,221,239	26.0%
Specialty Options		3.4%	\$7,295,068	280,953	\$7,576,022	3.1%
Oakmark Equity & Income I	OAKBX	1.0%	2,082,091	328,200	2,410,291	1.0%
Fidelity Advisor Real Estate Income Inst	FRIRX	0.5%	1,172,999	(21,916)	1,151,083	0.5%
Franklin Utilities R6	FUFRX	1.9%	4,039,979	(25,331)	4,014,648	1.7%
Target Date Funds		7.2%	\$15,289,934	5,989,335	\$21,279,270	8.7%
Great-West Lifetime 2015 Trust II	c15mzr	1.3%	2,687,257	(2,687,257)	0	0.0%
Great-West Lifetime 2025 Trust II	c25mzr	2.5%	5,277,954	(5,277,954)	0	0.0%
Great-West Lifetime 2035 Trust II	c35mzr	1.8%	3,762,151	(3,762,151)	0	0.0%
Great-West Lifetime 2045 Trust II	c45mzr	1.2%	2,627,479	(2,627,479)	0	0.0%
Great-West Lifetime 2055 Trust II	c55mzr	0.4%	935,092	(935,092)	0	0.0%
Great-West Lifetime 2015 Trust	grwl15	0.0%	0	3,199,357	3,199,357	1.3%
Great-West Lifetime 2025 Trust	grwl25	0.0%	0	7,106,144	7,106,144	2.9%
Great-West Lifetime 2035 Trust	grwl35	0.0%	0	4,720,176	4,720,176	1.9%
Great-West Lifetime 2045 Trust	grwl45	0.0%	0	4,494,394	4,494,394	1.8%
Great-West Lifetime 2055 Trust	grwl55	0.0%	0	1,759,200	1,759,200	0.7%
Total		100%	\$213,331,317	\$29,879,427	\$243,210,743	100%



Passively-Managed and Cash Funds

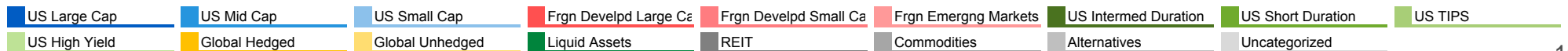
Investment	Ticker	Equities			Fixed Income				Liquid	Other				Exp	Qtr	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr									
		US		Foreign	US		Foreign			R	C	A	U																		
		L	M	S	L	S	E	I															S	T	Y	H	U				
BlackRock Equity Index - Collective M	02cff1	100																				0.02	6.70	21.93	21.93	16.87	11.49	12.04	15.86	8.69	
BlackRock MidCap Idx - Collective M	03cff2		100																				0.03	6.26	16.00	16.00	18.07	10.83	10.58	14.85	9.92
BlackRock Russell 2000 Index Coll M	03cff3			100																			0.03	3.40	14.92	14.92	18.23	10.24	8.94	14.42	8.95
BlackRock EAFE Equity Index Coll T	10cff5				100																		0.10	4.23	25.35	25.35	13.14	8.37	4.75	7.99	2.24
BlackRock US Debt Index Fund Coll W	04cff4							100															0.04	0.38	3.64	3.64	3.18	2.40	3.33	2.28	

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	86	6		4		1							3					0.59	6.95	20.95	20.95	17.23	11.49	11.84	15.06	8.79
Growth	Alger Spectra Z	ASPZX	77	8	1	4		5							5					0.89	6.75	31.46	31.46	14.76	12.25	12.34	16.63	10.28
Utilities	Franklin Utilities R6	FUFRX	55	30	6	6									3					0.47	-0.06	10.87	10.87	14.42	6.73	11.14	11.68	7.09
Growth	Hennessy Focus Institutional	HFCIX	39	33	12	5									11					1.13	5.80	19.71	19.71	13.46	9.95	10.10	14.80	10.52
Balanced	Oakmark Equity And Income Investor	OAKBX	38	15	2	5			13	5		2			14				6	0.79	4.22	14.45	14.45	12.69	6.61	6.69	9.99	6.87
Stable Value	Fresno County Stable Value	fressv													100					0.50	0.50	2.00	2.00	2.04	2.09	2.11	2.12	
Blend	Janus Henderson Small Cap Value N	JDSNX		21	71		2								6					0.88	5.14	12.90	12.90	19.54	11.73	10.68	14.29	10.10
Growth	Nicholas Limited Edition I	NCLEX		28	55	2	5								10					0.86	3.09	19.93	19.93	16.08	9.78	8.39	13.44	9.44
Global Blend	Ivy International Core Equity N	IINCX	4			82		8							4				2	0.82	4.33	23.30	23.30	12.03	7.68	6.02	9.49	3.93
Emerging Growth	Oppenheimer Developing Markets I	ODVIX				29		61							5				5	0.88	5.13	35.32	35.32	20.54	7.85	4.65	5.48	4.53
Intermediate	Virtus Seix Total Return Bond R6	SAMZX							72	9		5	8		6					0.32	-0.06	2.83	2.83	2.98	2.09	3.19	1.91	4.48
Real Estate	Fidelity Advisor Real Estate Income I	FRIRX	4	13	12				11	1		24			12				23	0.76	0.44	7.35	7.35	8.77	6.40	7.89	7.16	7.79
Global Bond	Templeton Global Bond R6	FBNRX											64		36					0.52	-1.77	2.79	2.79	4.76	1.79	1.84	1.94	5.89

Target-Date 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
Target Date	Great-West Lifetime 2055 Trust	GRWL55																	100	0.47	5.33	21.95	21.95	16.04	9.81	8.87	11.18	
Target Date	Great-West Lifetime 2015 Trust	GRWL15																	100	0.47	2.83	12.05	12.05	10.02	6.24	6.28	6.73	
Target Date	Great-West Lifetime 2025 Trust	GRWL25																	100	0.47	3.60	15.29	15.29	12.09	7.55	7.40	8.65	
Target Date	Great-West Lifetime 2035 Trust	GRWL35																	100	0.47	4.69	19.37	19.37	14.67	9.12	8.10	10.32	
Target Date	Great-West Lifetime 2045 Trust	GRWL45																	100	0.47	5.17	21.44	21.44	15.82	9.76	8.97	11.36	



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Fund Compliance Methodology

CALCULATION METHODOLOGY OF OVERALL FUND¹ (Worst) — 10 (Best)

Factor	Weight	Explanation	Score Calculation
<p>RETURNS</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>Absolute Returns</p> <p>Peer Group Percentile Rankings: 3,5,10 Year Periods</p>	<p>Proportional Score No Score</p> <p>Ranks in the top 75% of Peer Group Ranks in the bottom 25% of Peer Group</p>
<p>RISK ADJUSTED RETURNS</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>Sharpe Ratio</p> <p>Peer Group Percentile Rankings: 3,5,10 Year Periods</p>	<p>Proportional Score No Score</p> <p>Ranks in top 75% of Peer Group Ranks in bottom 25% of Peer Group</p>
<p>RISK</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>Standard Deviation</p> <p>Peer Group Percentile Rankings: 3,5,10 Year Periods</p>	<p>Proportional Score No Score</p> <p>Ranks in top 75% of Peer Group Ranks in bottom 25% of Peer Group</p>
		 <p>20% Overall</p> <p>Upside/Downside Capture</p> <p>Peer Group Percentile Rankings: 3,5,10 Year Periods</p>	<p>Proportional Score No Score</p> <p>Ranks in top 75% of Peer Group Ranks in bottom 25% of Peer Group</p>
<p>OTHER</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>Expense Ratio</p> <p>For current period</p>	<p>Proportional Score No Score</p> <p>Ranks in top 75% of Peer Group Ranks in bottom 25% of Peer Group</p>
		 <p>5% Overall</p> <p>Average Tenure</p> <p>Number of years</p>	<p>Full Score No Score</p> <p>Manager Tenure more than 3 years 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	18.96%	BlackRock Equity Index - Collective M	02cff1
MC Index	3.54%	BlackRock MidCap Idx - Collective M	03cff2
SC Index	1.41%	BlackRock Russell 2000 Index Coll M	03cff3
Global	1.26%	BlackRock EAFE Equity Index Coll T	10cff5
US Debt	1.64%	BlackRock US Debt Index Fund Coll W	04cff4

Actively-Managed Funds

Status	Assets %	Fund Name	Ticker	Return (40%)	Risk Adjusted Return (20%)	Risk (30%)	Expense (5%)	Tenure (5%)
Pass	5.48%	Columbia Dividend Income Inst3	CDDYX	●	●	●	●	●
Pass	17.57%	Alger Spectra Z	ASPZX	●	●	○	●	●
Pass	1.65%	Franklin Utilities R6	FUFRX	●	●	●	●	●
Pass	2.26%	Hennessy Focus Institutional	HFCIX	●	●	●	●	●
Pass	0.99%	Oakmark Equity And Income Investor	OAKBX	●	●	○	●	●
Pass	0.49%	Janus Henderson Small Cap Value N	JDSNX	●	●	●	●	●
Pass	2.39%	Nicholas Limited Edition I	NCLEX	●	●	●	●	●
Pass	4.38%	Ivy International Core Equity N	IINCX	●	●	●	●	●
Pass	0.77%	Oppenheimer Developing Markets I	ODVIX	●	●	●	●	●
Pass	1.43%	Virtus Seix Total Return Bond R6	SAMZX	○	●	○	●	●
Pass	0.47%	Fidelity Advisor Real Estate Income I	FRIRX	●	●	●	●	●
Pass	0.57%	Templeton Global Bond R6	FBNRX	●	●	○	●	●
Watch	25.99%	Fresno County Stable Value	fressv	●	●	●	○	●

Underperforming ◀ ● ○ ● ● ▶ Outperforming

Underperforming ◀ ● ○ ● ● ▶ Outperforming

Target-Date Funds

Status	Assets %	Fund Name	Ticker	Return (40%)	Risk Adjusted Return (20%)	Risk (30%)	Expense (5%)	Tenure (5%)
Watch	0.72%	Great-West Lifetime 2055 Trust	GRWL55	●	●	●	●	●
Watch	1.85%	Great-West Lifetime 2045 Trust	GRWL45	●	●	●	●	●
Watch	2.92%	Great-West Lifetime 2025 Trust	GRWL25	●	●	●	●	●
Watch	1.32%	Great-West Lifetime 2015 Trust	GRWL15	●	●	●	●	●
Watch	1.94%	Great-West Lifetime 2035 Trust	GRWL35	●	●	●	●	●

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	18.96%	02cff1	BlackRock Equity Index - Collective M	11	10	11	10	3	10	37	28	32	19	23	36	27
MC Index	3.54%	03cff2	BlackRock MidCap Idx - Collective M	11	18	6	13	25	10	43	53	53	12	13	14	52	63	47	1	5
SC Index	1.41%	03cff3	BlackRock Russell 2000 Index Coll M	26	25	30	34	38	36	74	79	64	6	6	11	73	77	79	1	5
Global	1.26%	10cff5	BlackRock EAFE Equity Index Coll T	30	27	32	36	35	32	72	75	52	28	18	28	51	50	44	4	5
US Debt	1.64%	04cff4	BlackRock US Debt Index Fund Coll W	1	1		14	7		85	89		8	6		52	53		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	5.48%	CDDYX	Columbia Dividend Income Inst3	2	9	5	2	1	2	13	10	8	67	68	85	7
7	17.57%	ASPZX	Alger Spectra Z	33	24	9	47	38	18	73	64	77	16	18	5	70	60	82	38	6
7	1.65%	FUFRX	Franklin Utilities R6	17	22	10	23	27	5	77	72	19	15	22	67	69	62	11	11	12
7	2.26%	HFCIX	Hennessy Focus Institutional	43	29	4	23	12	4	9	11	20	89	72	83	3	7	2	49	7
6	0.99%	OAKBX	Oakmark Equity And Income Investor	40	14	13	72	53	10	92	93	19	16	8	68	87	61	9	27	7
8	0.49%	JDSNX	Janus Henderson Small Cap Value N	8	19	8	1	1	1	7	5	6	70	76	86	6	5	2	15	14
6	2.39%	NCLEX	Nicholas Limited Edition I	52	62	27	31	25	9	12	7	5	85	86	93	18	15	7	15	23
7	4.38%	IINCX	Ivy International Core Equity N	50	7	10	53	6	9	74	41	34	41	10	22	56	21	19	29	10
7	0.77%	ODVIX	Oppenheimer Developing Markets I	61	29	4	57	30	3	44	49	22	63	47	60	39	40	16	13	5
5	1.43%	SAMZX	Virtus Seix Total Return Bond R6	58	63	33	61	62	17	65	56	34	61	60	57	49	54	18	8	7
7	0.47%	FRIRX	Fidelity Advisor Real Estate Income I	14	90	18	1	1	1	2	2	3	98	97	97	2	1	1	18	13
6	0.57%	FBNRX	Templeton Global Bond R6	57	27	3	68	33	19	75	71	70	93	89	73	2	3	2	10	10
10	25.99%	fressv	Fresno County Stable Value	1	1		1	1		8	9		1	1		1	1		59	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
				7	0.72%	GRWL55	Great-West Lifetime 2055 Trust	7	33		8	35		39	44		20	44		26
8	1.85%	GRWL45	Great-West Lifetime 2045 Trust	7	18		7	18		41	40		23	32		26	40		18	
8	2.92%	GRWL25	Great-West Lifetime 2025 Trust	7	32		2	8		23	22		43	54		14	16		21	
7	1.32%	GRWL15	Great-West Lifetime 2015 Trust	12	50		1	21		11	14		42	67		5	35		24	
7	1.94%	GRWL35	Great-West Lifetime 2035 Trust	9	35		2	17		28	28		33	59		17	18		19	

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.



Northwest Capital Management, Inc.

02/21/2018

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

Trustee / Committee Member

Date

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County of Fresno 457 DC Plan

Fund Comments

Data as of: 12/31/2017

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	6.70%	21.93%	11.49%	15.86%	8.69%
S&P 500 TR USD	6.64%	21.85%	11.42%	15.80%	8.50%
Out/(Under) Performing	0.06%	0.09%	0.07%	0.07%	0.19%
Peer Group Ranking	34	27	11	10	11

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	6.26%	16.00%	10.83%	14.85%	9.92%
S&P MidCap 400 TR	6.26%	16.25%	11.15%	15.01%	9.97%
Out/(Under) Performing	0.00%	-0.25%	-0.32%	-0.15%	-0.05%
Peer Group Ranking	22	46	11	18	6

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	3.40%	14.92%	10.24%	14.42%	8.95%
Russell 2000 TR USD	3.34%	14.65%	9.96%	14.12%	8.71%
Out/(Under) Performing	0.06%	0.26%	0.28%	0.29%	0.24%
Peer Group Ranking	51	21	26	25	30

BlackRock EAFE Equity Index Coll T (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	4.23%	25.35%	8.37%	7.99%	2.24%
MSCI ACWI Ex USA NR USD	5.01%	27.18%	7.83%	6.80%	1.84%
Out/(Under) Performing	-0.78%	-1.83%	0.54%	1.18%	0.40%
Peer Group Ranking	31	49	30	27	32

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	0.38%	3.64%	2.40%	2.28%	
BBgBarc US Govt Intermed TR USD	-0.40%	1.14%	1.12%	0.92%	2.70%
Out/(Under) Performing	0.78%	2.50%	1.28%	1.35%	
Peer Group Ranking	1	1	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	6.95%	20.95%	11.49%	15.06%	8.79%
S&P 500 Value TR USD	6.33%	15.35%	9.47%	14.24%	6.80%
Out/(Under) Performing	0.63%	5.59%	2.02%	0.82%	1.98%
Peer Group Ranking	20	4	2	9	5

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 Fred Alger Management, Inc. believes demonstrate promising growth potential. It can leverage, that is, borrow money to purchase additional securities. The fund can invest in foreign securities.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
ASPZX	6.75%	31.46%	12.25%	16.63%	10.28%
S&P 500 Growth TR USD	6.81%	27.44%	12.86%	17.00%	9.99%
Out/(Under) Performing	-0.06%	4.02%	-0.61%	-0.37%	0.29%
Peer Group Ranking	43	25	33	24	9

Alger Spectra returned ~6.8% for Q4 2017 compared to 6.8% for its benchmark (S&P 500 Growth). For 2017, the fund returned ~31.5% versus the benchmark at 27.4%. Stock selection in the Industrials and Consumer Cyclical sectors contributed to performance. Specifically, the fund held an overweight position to Honeywell and Stanley Black & Decker versus the benchmark within the Industrials sector. One of the fund's largest holdings remains Amazon.com and that was the single best contributor to performance. The fund remains overweight the Technology sector. A short position in shares of Symantec also added to performance during the quarter. Healthcare was a detractor in the quarter with Celgene being a particular name that suffered in the quarter. The fund continues to score a 7 and ranks in the second-quartile of its peer group on a risk adjusted returns basis in the trailing three- and five-year periods.

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	-0.06%	10.87%	6.73%	11.68%	7.09%
MSCI World/Utilities NR USD	-0.44%	13.65%	3.99%	7.86%	0.66%
Out/(Under) Performing	0.38%	-2.78%	2.73%	3.82%	6.43%
Peer Group Ranking	79	70	17	22	10

Franklin Utilities outperformed its benchmark (MSCI World/Utilities NR USD) by 0.4% in Q4 2017. For 2017, the fund returned 10.9%, compared to 13.7% for the benchmark. Stock selection detracted from overall performance relative to the benchmark in 2017. However, Franklin takes a conservative approach and has a significantly lower standard deviation when compared to its peers, allowing it to outperform in its category during market downturns. The fund scores an 7 under our scoring methodology and ranks in the third and fourth quartile for the trailing quarter and year. However, the fund continues to rank in the top quartile for the trailing three- five- and ten-year periods, respectively.

Hennessy Focus Institutional (HFCIX)

Fund Score: 7 (Status: Pass)

US Mid Cap

The investment seeks capital appreciation.

The fund invests primarily in U.S. securities, but may also invest in foreign companies traded in the U.S. on a national securities exchange or national securities association, including American Depositary Receipts, and foreign companies traded on a foreign exchange. Investments will consist primarily of common stocks, but may include preferred stocks, warrants, options, equity-like instruments and debt instruments. The Portfolio Managers invest in the stocks of companies of any size without regard to market capitalization. The fund is non-diversified.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
HFCIX	5.80%	19.71%	9.95%	14.80%	10.52%
S&P MidCap 400 Growth TR USD	7.08%	19.92%	11.99%	14.94%	10.35%
Out/(Under) Performing	-1.28%	-0.21%	-2.04%	-0.13%	0.17%
Peer Group Ranking	50	84	43	29	4

Oakmark Equity And Income Investor (OAKBX)

Fund Score: 6 (Status: Pass)

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	4.22%	14.45%	6.61%	9.99%	6.87%
DJ Moderate TR USD	3.93%	15.17%	7.00%	8.11%	5.75%
Out/(Under) Performing	0.30%	-0.71%	-0.39%	1.88%	1.12%
Peer Group Ranking	18	35	40	14	13

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	5.14%	12.90%	11.73%	14.29%	10.10%
Russell 2000 Value TR USD	2.05%	7.84%	9.55%	13.01%	8.17%
Out/(Under) Performing	3.10%	5.06%	2.19%	1.28%	1.92%
Peer Group Ranking	16	13	8	19	8

Nicholas Limited Edition I (NCLEX)

Fund Score: 6 (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 fund 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	3.09%	19.93%	9.78%	13.44%	9.44%
Russell 2000 Growth TR USD	4.59%	22.15%	10.27%	15.20%	9.19%
Out/(Under) Performing	-1.50%	-2.22%	-0.50%	-1.76%	0.25%
Peer Group Ranking	85	59	52	62	27

Nicholas Limited Edition returned 3.1% in Q4 compared to its benchmark (Russell 2000 growth TR USD, which returned 4.6%. For 2017, the fund has underperformed by -2.2%. The funds underweighting to technology and healthcare detracted from relative performance as these sectors outperformed the broader market. The fund's valuation sensitive approach underperformed during a broader risk-on year. The fund's price/book ratio and interest coverage ratio is below its benchmark as the fund has invested in companies with sustainable earnings growth (without much share repurchases financed by debt) and healthy balance sheets. Management expects interest rates will rise and has positioned the fund in beneficiaries such as financials. The fund currently scores a 6 under our scoring methodology and ranks in the third quartile of its peer group for the trailing one- three- and five-year periods.

Ivy International Core Equity N (IINCX)

Fund Score: 7 (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 located in, or principally traded largely 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	4.33%	23.30%	7.68%	9.49%	3.93%
MSCI ACWI Ex USA NR USD	5.01%	27.18%	7.83%	6.80%	1.84%
Out/(Under) Performing	-0.68%	-3.89%	-0.15%	2.69%	2.09%
Peer Group Ranking	29	81	50	7	10

Ivy International returned 4.3% for Q4 2017, compared to 5.0% for its benchmark (MSCI ACWI Ex USA NR USD). For the full year, the fund returned 23.3% compared to 27.2% for the benchmark. Strong stock selection in consumer cyclical, led by Isuzu Motors and consumer defensive sectors, led by Wuliangye Yibin Co. contributed to overall returns. An underweight position in the technology sector and poor stock selection in the basic materials sector, specifically Air Liquide SA and CRH PLC were major detractors in the quarter. For the year, heavy weightings toward poor performers in healthcare, namely Teva Pharmaceuticals and Shire PLC were by far the largest detractors. The fund currently scores a 7 and ranks in the top-quartile of its peer group over the trailing five- and ten-year periods.

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	5.13%	35.32%	7.85%	5.48%	4.53%
MSCI EM NR USD	7.44%	37.29%	9.11%	4.35%	1.68%
Out/(Under) Performing	-2.31%	-1.97%	-1.26%	1.13%	2.85%
Peer Group Ranking	78	51	61	29	4

Oppenheimer Developing Markets returned 5.1% for Q4 2017, compared to 7.4% for its benchmark (MSCI EM NR USD). For 2017, the fund returned 35.3% versus the benchmark at 37.3%. Major detractors for the quarter, included an underweight position in Asia ex Japan, and overweight positions in the consumer cyclical and consumer defensive sectors. However, strong stock selection in the technology sector heavily contributed to performance. Two of the fund's largest holdings, Tencent Holdings and Taiwan Semiconductor Manufacturing were top contributors to performance. The fund continues to score a 7 and ranks in the second- and first-quartiles of its peer group on a risk adjusted returns basis in the trailing five- and ten-year periods, respectively.

Virtus Seix Total Return Bond R6 (SAMZX)

Fund Score: 5 (Status: Pass)

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	-0.06%	2.83%	2.09%	1.91%	4.48%
BBgBarc US Agg Bond TR USD	0.39%	3.55%	2.24%	2.10%	4.01%
Out/(Under) Performing	-0.45%	-0.72%	-0.15%	-0.19%	0.47%
Peer Group Ranking	90	83	58	63	33

The primary detractor from performance over the quarter was attributed to the Fund's allocation to global strategies. Additional drags on relative performance were attributed to the Fund's short position in High Yield Credit Default Swaps (Bet on tightening spreads), security selection within the residential mortgage-backed security (RMBS) sector, and asset allocation to the corporate sector. Positive contributors during the quarter were attributed to security selection within the corporate bond sector and asset allocation within the asset-backed security (ABS) sector. Management is concerned about arising volatility and has positioned the portfolio in anticipation. The fund currently scores a 5 under our scoring methodology. Over the trailing ten-year period, the fund has outperformed the benchmark and placed in the second quartile of its peer group. However, the fund has underperformed its benchmark for the trailing quarter, one- three- and five-year periods.

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	0.44%	7.35%	6.40%	7.16%	7.79%
FTSE NAREIT Equity REITs TR USD	1.51%	5.23%	5.62%	9.46%	7.44%
Out/(Under) Performing	-1.07%	2.13%	0.78%	-2.30%	0.35%
Peer Group Ranking	91	27	14	90	18

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	-1.77%	2.79%	1.79%	1.94%	5.89%
BBgBarc Global Aggregate TR Hdg USD	0.79%	3.03%	2.66%	3.05%	4.16%
Out/(Under) Performing	-2.56%	-0.24%	-0.87%	-1.11%	1.73%
Peer Group Ranking	96	83	57	27	3

For the quarter, the fund's negative absolute performance was primarily due to currency positions, followed by interest-rate strategies. Sovereign credit exposures had a largely neutral effect on absolute results. On a relative basis, the fund's underperformance of its benchmark index was primarily due to currency positions, followed by interest-rate strategies. Negative duration exposure to USTs detracted from absolute performance, as did select duration exposures in Latin America. Select underweighted duration exposures in Europe detracted from relative results. Managements' focus is grounded on long-term fundamentals and seek to exploit imbalances they are witnessing in the market. The fund currently scores a 6 under our scoring methodology and ranks in the bottom quartile for the trailing quarter and year. However, it ranks in the top quartile over the trailing ten-year period.

Fresno County Stable Value (fressv)

Fund Score: 10 (Status: Watch)

Liquid Assets

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
fressv	0.50%	2.00%	2.09%	2.12%	
ICE BofAML 0-3 M US Trsy Bill TR USD	0.26%	0.81%	0.36%	0.23%	0.33%
Out/(Under) Performing	0.24%	1.19%	1.72%	1.89%	
Peer Group Ranking	1	1	1	1	

Due to the departure of long time fixed-income manager Cathe Tocher and President of Investments David Musto, Great-West Stable Value have been placed on Watch pending further review.

Great-West Lifetime 2055 Trust (GRWL55)

Fund Score: 7 (Status: Watch)

Uncategorized

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
GRWL55	5.33%	21.95%	9.81%	11.18%	
DJ Target 2055 TR USD	5.59%	21.05%	9.23%	11.39%	6.66%
Out/(Under) Performing	-0.26%	0.90%	0.58%	-0.20%	
Peer Group Ranking	19	21	7	33	

Due to the departure of long time fixed-income manager Cathe Tocher and President of Investments David Musto, the Great-West Lifetime funds have been placed on Watch pending further review.

Great-West Lifetime 2045 Trust (GRWL45)

Fund Score: 8 (Status: Watch)

Uncategorized

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
GRWL45	5.17%	21.44%	9.76%	11.36%	
DJ Target 2045 TR USD	5.38%	20.37%	8.97%	11.19%	6.56%
Out/(Under) Performing	-0.21%	1.06%	0.80%	0.18%	
Peer Group Ranking	29	26	7	18	

Due to the departure of long time fixed-income manager Cathe Tocher and President of Investments David Musto, the Great-West Lifetime funds have been placed on Watch pending further review.

Great-West Lifetime 2025 Trust (GRWL25)

Fund Score: 8 (Status: Watch)

Uncategorized

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
GRWL25	3.60%	15.29%	7.55%	8.65%	
DJ Target 2025 TR USD	2.95%	12.03%	5.63%	6.94%	4.91%
Out/(Under) Performing	0.65%	3.26%	1.92%	1.72%	
Peer Group Ranking	41	40	7	32	

Due to the departure of long time fixed-income manager Cathe Tocher and President of Investments David Musto, the Great-West Lifetime funds have been placed on Watch pending further review.

Great-West Lifetime 2015 Trust (GRWL15)

Fund Score: 7 (Status: Watch)

Uncategorized

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
GRWL15	2.83%	12.05%	6.24%	6.73%	
DJ Target 2015 TR USD	1.68%	7.58%	3.65%	4.18%	4.01%
Out/(Under) Performing	1.15%	4.48%	2.59%	2.55%	
Peer Group Ranking	31	35	12	50	

Due to the departure of long time fixed-income manager Cathe Tocher and President of Investments David Musto, the Great-West Lifetime funds have been placed on Watch pending further review.

Great-West Lifetime 2035 Trust (GRWL35)

Fund Score: 7 (Status: Watch)

Uncategorized

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
GRWL35	4.69%	19.37%	9.12%	10.32%	
DJ Target 2035 TR USD	4.39%	17.00%	7.69%	9.64%	5.86%
Out/(Under) Performing	0.30%	2.37%	1.42%	0.68%	
Peer Group Ranking	30	35	9	35	

Due to the departure of long time fixed-income manager Cathe Tocher and President of Investments David Musto, the Great-West Lifetime funds have been placed on Watch pending further review.

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Item 10 - Exhibit B

County of Fresno 457 DC Plan Watch List

As of: 12/31/2017

Current Lineup Status

Asset Class		Current Status	Placed On Watch
US Large Cap			
aspxz	Alger Spectra Z	Pass	-
cddyx	Columbia Dividend Income Y	Pass	-
02cff1	Blackrock Equity Index Fund	Index	-
US Mid Cap			
hfcix	Hennessy Focus Funds Institutional	Pass	-
03cff2	Blackrock Mid Cap Equity Index Fund	Index	-
US Small Cap			
nclex	Nicholas Limited Edition I	Pass	-
jdsnx	Perkins Small Cap Value N	Pass	-
03cff3	Blackrock Russell 2000 Index Fund	Index	-
Foreign Stocks			
iincx	Ivy International Core Equity R6	Pass	-
odvix	Oppenheimer Developing Markets I	Pass	-
10cff5	Blackrock Eafe Equity Index Fund	Index	-
Fixed Income			
samzx	RidgeWorth Seix Total Return Bond IS	Pass	-
fbnrx	Templeton Global Bond R6	Pass	-
04cff4	Blackrock US Debt Index Fund	Index	-
Specialty Options			
frirx	Fidelity AdvisorReal Estate Income I	Pass	-
fufrx	Franklin Utilities R6	Pass	-
oakbx	Oakmark Equity & Income I	Pass	-
fressv	County Of Fresno Stable Value Fund	Watch	-
Target Date			
grwl15	Great-West Lifetime 2015 Trust	Watch	-
grwl25	Great-West Lifetime 2025 Trust	Watch	-
grwl35	Great-West Lifetime 2035 Trust	Watch	-
grwl45	Great-West Lifetime 2045 Trust	Watch	-
grwl55	Great-West Lifetime 2055 Trust	Watch	-

Watch List History

All Investments		Current Status	Placed On Watch	Removed From Watch
fressv	County Of Fresno Stable Value Fund	In Plan	2017 - Q1	
grwl15	Great-West Lifetime 2015 Trust	In Plan	2017 - Q1	
grwl25	Great-West Lifetime 2025 Trust	In Plan	2017 - Q1	
grwl35	Great-West Lifetime 2035 Trust	In Plan	2017 - Q1	
grwl45	Great-West Lifetime 2045 Trust	In Plan	2017 - Q1	
grwl55	Great-West Lifetime 2055 Trust	In Plan	2017 - Q1	
fbnrx	Templeton Global Bond R6	In Plan	2016 - Q2	2017 - Q1
scblx	RidgeWorth Seix Total Return Bond R	In Plan	2013 - Q4	2015 - Q2
nnlex	Nicholas Limited Edition N	In Plan	2013 - Q4	2015 - Q2
gsftx	Columbia Dividend Income Z	In Plan	2013 - Q4	2014 - Q4
oakbx	Oakmark Equity And Income Investor	In Plan	2012 - Q1	2012 - Q3
segsx	Sentinel Government Securities A	Removed	2014 - Q2	2015 - Q2
jmcvx	Perkins Mid Cap Value T	Removed	2013 - Q4	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
jmvax	Perkins Mid Cap Value I	Removed	2012 - Q1	2012 - Q3
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

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Item 10 - Exhibit C

County of Fresno Target Date Review

Q4 2017 Performance Comparison

County of Fresno							
Investment Funds Performance Report						For the period ending 12/31/2017	
Retirement Date	Investment	3-Mo	1 Yr	2 Yr *	3 Yr *	5 Yr *	Expense Ratio
2015							
	Great-West Lifetime 2015 Trust	2.83	12.05	10.02	6.24	6.73	0.47
	Morningstar Lifetime Mod 2015 TR USD	3.15	11.39	9.09	5.32	6.56	
	Benchmark +/-	-0.32	0.66	0.93	0.92	0.17	
2025							
	Great-West Lifetime 2025 Trust	3.6	15.29	12.09	7.55	8.65	0.47
	Morningstar Lifetime Mod 2025 TR USD	3.98	14.54	11.20	6.56	8.59	
	Benchmark +/-	-0.38	0.75	0.89	0.99	0.06	
2035							
	Great-West Lifetime 2035 Trust	4.69	19.37	14.67	9.12	10.32	0.47
	Morningstar Lifetime Mod 2035 TR USD	5.00	18.52	13.88	8.08	10.61	
	Benchmark +/-	-0.31	0.85	0.79	1.04	-0.29	
2045							
	Great-West Lifetime 2045 Trust	5.17	21.44	15.82	9.76	11.36	0.47
	Morningstar Lifetime Mod 2045 TR USD	5.51	20.53	15.21	8.77	11.11	
	Benchmark +/-	-0.34	0.91	0.61	0.99	0.25	
2055							
	Great-West Lifetime 2055 Trust	5.33	21.95	16.04	9.81	11.18	0.47
	Morningstar Lifetime Mod 2055 TR USD	5.57	20.95	15.45	8.81	10.91	
	Benchmark +/-	-0.24	1.00	0.59	1.00	0.27	

*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

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Item 11



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- 1 Executive Summary
 - 2 Review of Great-West Stable Value
 - 3 Finalist Selection Process
 - 4 Stable Value Selection
 - 5 Conclusion
 - 6 Appendix

Northwest Capital Management (NWCM) issued a Request for Proposal (RFP) seeking proposals from qualified stable value managers on the behalf of the County of Fresno's 457 Deferred Compensation Plan (DCP). The intent of the RFP was to evaluate the stable value product delivered by the incumbent provider, Great-West, after the departure of long-time fixed income manager, Catherine Tocher. Additionally, to ensure the DCP is receiving stable value investment management services consistent with the current marketplace.

Since the County's selection of Great-West as a separate account manager in 2009, the stable value product has been invested in a blend of high-quality fixed income instruments insured by a wrap contract. Some concerns have been raised regarding: the stable value experience of newly appointed manager at Great-West, Jack Brown, the portfolio's mortgage-back security (MBS) exposure, the lack of wrapper diversification, and the market-to-book value.

The present RFP stipulated that the bidder have at least \$1 billion dollars of public sector assets under management, with at least 5 years of fixed income experience. It is noted that the preferred lead portfolio manager have at least 3 years of stable value experience. The RFP was released on July 21, 2017 to 15 prospective bidders (a full list of recipients can be found on page 7). This analysis is designed to assist the County with the identification of finalist candidates and the ultimate selection of a preferred stable value manager. The following pages offer background on the responses across various evaluation factors and the associated scoring of each of the candidates.

2 **Review of Great-West Stable Value**

Manager Change

- New manager, Jack Brown, has extensive fixed income experience, but not in stable value

A change in the investment management team of any product is always an important factor in determining the suitability of that product. The replacement of Cathe Tocher with Jack Brown as the manager of the County of Fresno's custom stable value product gives some cause for concern, given Mr. Brown's lack of stable value experience. Despite his lack of experience with stable value mandates, Mr. Brown has a strong fixed income background. His most recent focus was to low-quality issues in a high yield mandate, and despite being a stark difference from the high-quality portfolio he is currently managing, gives evidence to his capability of working in a credit-oriented / risk management portfolio.

MBS Exposure

- Overweight Agency MBS
- Resulting in the MV/BV to drop recently
- This strategy may underperform during economic downturns

After several years of large-scale mortgage refinancing driven by low rates and government incentive programs, the Government agency mortgage backed security (MBS) universe is now characterized by historically low coupons. MBS durations are based on modeling assumptions regarding future prepayment behavior in the underlying mortgages. If rates spike in the future, few homeowners are likely to have an incentive to refinance, and as a result, prepayments on MBS will be very low. With this source of cash flow largely eliminated, durations on MBS may increase substantially. Agency MBS is 42.6% of the overall portfolio as of 12/31/17, with the Morningstar category average being 6.97%. Great-West cites that they are focusing on specified MBS pools that limit-prepay speeds to curb the increase in duration risk. In addition, since the portfolio tends to be underweight Treasury Holdings, this strategy may underperform peers in economic downturns followed by spread widening. Lastly, the recent tax-plan's mortgage deductibility poses as a potential headwind in the near-term

Sole Wrap Provider

- Great-West is the sole wrap provider
- High credit ratings
- Exposed to inherent insurance industry risks

Great-West is the sole wrap provider for the portfolio. S&P, Fitch, and Moody's rate Great-West the second highest of their nine categories with AA, AA, and Aa3 respectively. However, the life insurance business model typically entails significant leverage and potentially exposes the industry to outlier capital market events, as demonstrated by the impact the financial crisis had on the industry. Great-West has generally been prudent, but these risk are inherent to the industry and should not be ignored. As the sole provider with inherent risks, wrapper diversification may better benefit the County.

Market-to-Book Value

- Drop in market-to-book ratio in December, 2016
- Recovered to Par in April, 2017, but dropped below again in 4Q17.

The product had seen a slight drop in its market-to-book ratio in December 2016. This also adds some level of pause. These same factors may have played out similarly under Ms. Tocher's management given the sudden changes in market conditions due to 2016 U.S. elections and the resulting uncertain regulatory environment. Since the market value was less than book value, the product saw an adjustment to the crediting rate and decrease in duration to more quickly narrow the gap. As of December 31, 2017, the market-to-book value is 99.5%. We hope to see an increase in crediting rate as a result, but MBS exposure and potential duration risks still pose as potential headwinds.

3 Finalist Selection Process

July
21st

RFP Issued

**Request
for
Proposal**

August
11th

RFP Received

Columbia Thread Needle	Mass Mutual	Invesco
T. Rowe Price	ICMA-RC	Bank of NY Mellon
Morley	Great West	Federated Investors
Lincoln Financial Group	Met Life	Prudential
Galliard	Nationwide	TIAA CREF
Fidelity	Transamerica	Voya
New York Life	Putnam	Principal
	Goldman Sachs	

Columbia Thread Needle	New York Life	Goldman Sachs
T. Rowe Price	ICMA-RC	Bank of NY Mellon
Morley	Great West	Prudential
Galliard	Nationwide	Voya
Fidelity	Putnam	

- When investing in a GIC, a plan may be more restricted than the Sponsor realizes, specifically with regards to the Put Provision (a Put Provision details how a plan can liquidate the investment). Typically GICs offer two Put Provision options: the first is an immediate payout subject to a market value adjustment (meaning the plan could lose money); the second is a 5 year, six-equal-payment option.
- Also, the structure of a GIC can put a plan's assets at risk, as being a part of an insurance company's general account makes the plan a general creditor of the insurer. This means that if the insurer were to be insolvent, a plan would essentially file a claim just like any other creditor. Of course, there is a low probability of default among highly rated insurers. It also highlights the need to analyze the strength of the insurer.
- Finally, it is important that a fiduciary know the cost structure of any investment in their portfolio. With a GIC, the true cost of the investment is difficult to ascertain. This is because a GIC is a "spread" product. A spread, in this instance, is the difference between the rate of return the insurance company earns on its general account investment activity, and the interest that it pays to the plan. This difference is the amount the insurance company keeps from investing the plan's assets, and could be considered the true cost of the investment.
- Disclosure is limited as the underlying assets and characteristics of the general account are made available only through quarterly State Insurance Department filings for mutual companies and also disclosed financial statements for publicly-traded insurance companies. In addition, the underlying holdings are primarily fixed income assets, but may include non traditional assets that are less liquid such as real estate, private placements, alternative investments, and even equities.

Finalists After Removal of GIC Providers:

Columbia Thread Needle
T. Rowe Price

Morley
Galliard

Fidelity
ICMA-RC

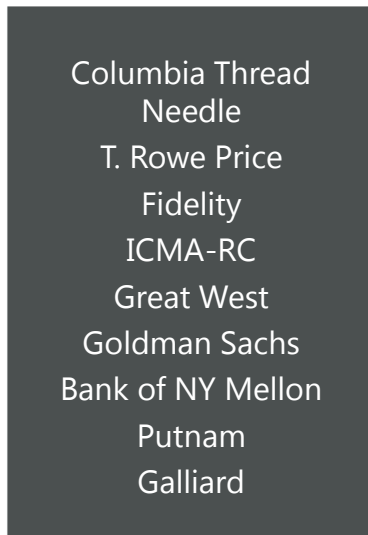
Great West
Putnam

Goldman Sachs
Bank of NY Mellon

Remove GICs

Respondents were eliminated if they proposed General Investment Contract

9



2008 MV/BV

Respondents were eliminated if they were in the bottom half for market-to-book during 2008. (Below 95%)

7



Crediting Rate

Respondents were eliminated if they were in the bottom half for annualized 5-year crediting rate

4



Finalists Remaining

Collective Trusts are pooled vehicles administered by a bank or trust company that seek to commingle the assets from unaffiliated plans. Conversely, Separate Accounts differ in that they are managed for a particular entity, and therefore do not allow outside investors to participate in the rate experience of a particular mandate.

	Separate Account	Collective Trust
Wrapper Diversification	Negative, limited wrap providers in an effort to limit costs.	Typically, a greater amount of assets increases the need for more wrap providers.
Termination / Portability	Exit at market value, but are typically allowed to transfer underlying assets.	While there may be some varying exit provisions, holders can exit at book value. Typically has a 12-month Put.
Cash Flow Impact	Not dependent on other unaffiliated plants. All assets / cashflow are plan specific.	This vehicle will pool assets w/ other unaffiliated plans and could see impacts from withdrawals and purchases.
Customize IPS	Ability to work w/ provider to develop a customized solution.	There is no customization with a pooled account.
Fees	Typically can reduce costs, because you limit # of wrap providers and can control # of outside managers.	Neutral, depending on size you may qualify for lower share class options.
Asset Diversification	Neutral, dependent on amount of assets and IPS.	Typically, pooled accounts have more assets and ability to use more sub-advisors.
Ease of Oversight	separate account data is primarily dependent on account provider.	A fair amount of CITs provide monthly data to vendors such as Morningstar.

Negative	Neutral	Positive
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Proposed Vehicles	ICMA-RC	GSAM	Great-West	T. Rowe Price
Separate Account		√	√	√
Pooled Funds	√	√		√

Benefit of Pooled Funds Over Separate Account:

- Diversification:
 - Multiple Wrap Providers
 - Diverse Fixed Income Holdings
 - Access to external managers
- Leverage of Scale Pricing
- Put Provision
 - Plan Sponsor can terminate contract and receive book value after 12-months

Risks of Pooled Funds Over Separate Account:

- Cash Flows
 - The Market-to-Book value and the crediting rate can be positively and negatively impacted by participant behavior outside of the plan.

Based on the factors above, NWCM recommends utilizing the pooled funds structure to increase manager and holdings diversification, mitigate wrap provider risk, and more favorable exit provisions.

4

Stable Value Selection


The finalists were evaluated on the following



- 1 Organizational strength** - examines each firm's business strength and resiliency, tenure of senior professionals, commitment to retaining overall personnel, and history of legal and regulatory proceedings.
- 2 Investment Experience** – Consideration was given to each firm's history of managing stable value assets, the scale of stable value assets undermanagement, and depth of staff specializing in stable value management.
- 3 Investment Approach** - This evaluation factor assesses each manager's strategic approach, consistency of the approach, appropriate adjustments made, and ability to align strategy with the County's policy guidelines.
- 4 Investment Performance** – Examines each manager's asset allocation decisions, historical performance and source of returns overtime. (1) duration, or the degree to which a manager might take interest rate risk to attain higher yield. (2) Utilization of external managers versus proprietary investments. (3) Cash positioning in how providers may structure the product to meet cash flow needs. (4) Risk management capabilities.
- 5 Portfolio Transition** – Examined the ability of each manager to assume the current Portfolio and assessed their stated transition plan.
- 6 Administrative and Performance Reporting** – Reviewed the managers' capabilities with regards to interfacing with the Plan's TPA, Nationwide, providing timely performance reporting to the County, supporting plan participants communication, and providing the County with back-office support as issues may rise.
- 7 Fees** – Were evaluation on a total cost basis reflecting investment management fees paid to the manager, fees if any, paid to external managers, and wrap fees.

Scoring Results

T. Rowe Price




874 Points

Goldman Sachs



861 Points

Great-West



823.5 Points

ICMA-RC



812 Points

<u>Evaluation Categories</u>	<u>Subset Points</u>	<u>% of Total</u>	<u>T. Rowe</u>	<u>Goldman</u>	<u>Great West</u>	<u>ICMA-RC</u>
Organizational Information	100 points	10%	90	84	80	95
Investment Experience	100 points	10%	80	71	42	74
Investment Approach and Process	250 points	25%	220	220	216	173
Investment Performance	250 points	25%	231	217	208	222
Portfolio Transition	100 points	10%	90	90	85	90
Administrative and Perform Reporting	50 points	5%	50	45	42.5	30
Fees	150 points	15%	113	134	150	128
Total	1,000 points	100%	874	861	823.5	812

Scoring Summary

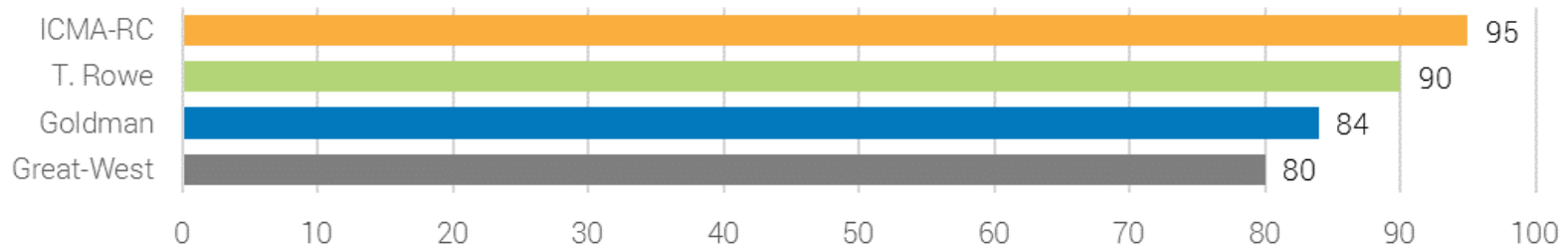
	Organization Strength	Investment Experience	Investment Approach	Investment Performance	Portfolio Transition	Administrative and Performance Reporting	Fees
Weight	10%	10%	25%	25%	10%	5%	15%
Best	ICMA-RC	T. Rowe Price	Goldman Sachs (1 st)	T. Rowe Price	Goldman Sachs	T. Rowe Price	Great-West
	Goldman Sachs	ICMA-RC	T. Rowe Price (1 st)	ICMA-RC	T. Rowe Price	Goldman Sachs	Goldman Sachs
	T. Rowe Price	Goldman Sachs	Great-West	Goldman Sachs	ICMA-RC	Great-West	ICMA-RC
Worst	Great-West	Great-West	ICMA-RC	Great-West	Great-West	ICMA-RC	T. Rowe Price

This simple chart does not do justice to how competitive many of these finalists were in most categories. It does, however, provide a visual as to how each Stable Value provider scored in each of the seven categories.

The following pages offer background on the responses across various evaluation factors and the associate scoring of each of the candidates. Further reference to Goldman Sachs and Great-West will utilize their separate investment advisory name of Goldman Sachs Asset Management (GSAM) and Great-West Capital Management (GWCM).

Subset Points Available: 100 Points

In general, all finalists have strong organizations with limited concerns from a regulatory or legal action standpoint.



ICMA-RC

ICMA-RC has an established track record in managing stable value assets for the public sector. They currently serve over 9,700 public sector clients with over one million participant accounts and more than \$51.2 billion in total assets under management.

T. Rowe Price

T. Rowe Price has been managing fixed income assets since 1971 and dedicated stable value portfolios since 1984. T. Rowe Price manages \$195.7 billion in fixed income assets, and has no outstanding long-term debt and maintains substantial liquidity. 187 fixed income investment professionals support managing assets across various strategies.

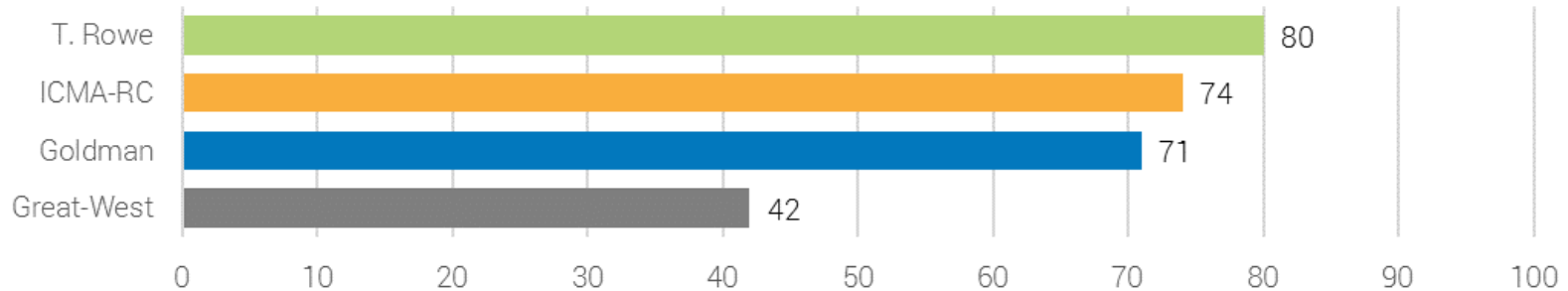
Goldman Sachs Asset Management

GSAM's stable value business benefits from the scale of its overall business. GSAM oversees in excess of \$800 billion in fixed income and liquidity assets. The global fixed income team consists of over 300 professionals. Their broad business relationships enable GSAM to build meaningful partnerships. The stable value team leverages their extensive fixed income resources to deliver their stable value product offerings.

Great-West Capital Management

GWCM has been offering stable value for over 40 years, and has been the incumbent provider for the last 8 years. As the sole wrap provider, the organization's high credit quality plays an important role. The parent firm is an insurance company and is exposed to the inherent risks of that industry.

Subset Points Available: 100 Points



T. Rowe Price

The stable value team consists of nine portfolio managers. Three specific stable value portfolio managers are responsible setting asset allocation across the underlying strategies, targeting duration and managing the wrap issuers. The other five fixed income portfolio managers are responsible for managing their respective underlying strategies, i.e. cash buffer, short, intermediate, and core portfolios. The three stable value managers have an average of 16.7 years of stable value experience with \$23 billion in total stable value assets (separate account and pooled).

ICMA-RC

Portfolio manager Karen Chong-Wuff, CFA, has more than 30 years of investment industry experience in stable value, including 10 years at ICMA-RC as lead manager. She participates in various stable value investment association-sponsored working groups. ICMA-RC focuses exclusively on external managers so it has significant expertise in performing due diligence of external managers. ICMA-RC has no current separate account clients. The firm also has a relatively small dedicated staff and no internal investment management capabilities.

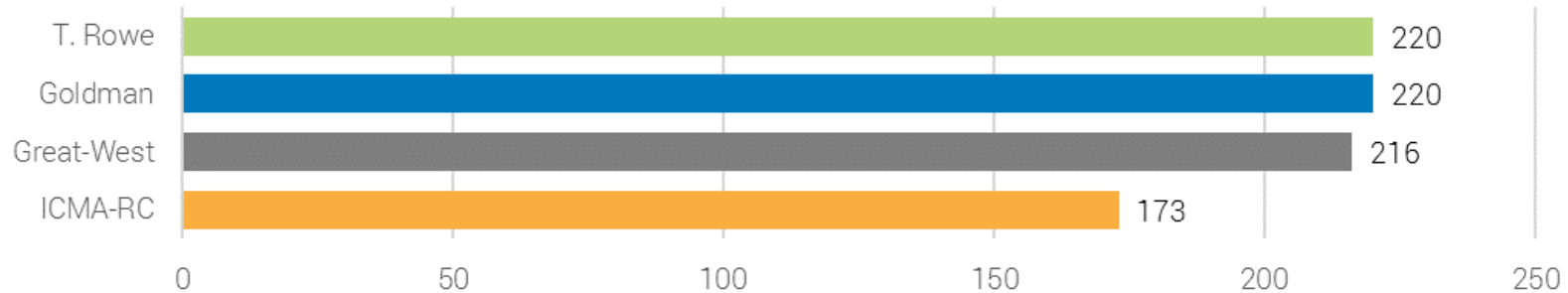
Goldman Sachs Asset Management

GSAM brings together extensive experience from its large scale business and the acquired teams from Dwight and Deutsche Asset Management. The industry tenure of the Portfolio Managers averages in excess of 17 years. GSAM's legal resources include wrap contract experts who work in tandem with their business counterparts to interpret and negotiate wrap contract terms with the goal of providing the best possible protection it its clients. However, business is largely built through acquisition of Dwight and Deutsche, and continuity of team over a long period of time is untested.

Great-West Capital Management

Despite his lack of experience with stable value mandates (2 years), Mr. Brown has a strong fixed income background. His prior dedication was to low-quality issues in a high yield mandate, and despite being a stark difference from the high-quality portfolio he is currently managing, gives evidence to his capability of working in a credit-oriented / risk management portfolio. Assets are relatively low compared to some of the larger stable value firms considered and does not have any external investment management capabilities.

Subset Points Available: 250 Points



T. Rowe Price

T. Rowe’s approach can be broken down into three pillars: principal preservation, focus on durable yield, and liquidity. Their primary objective is not preserve principal. The three stable value managers primary focus is on duration positioning, cash flows, and plan demographics. The underlying fixed income strategies conduct the bottom up credit research. Proprietary fundamental research is the key driver of their value-added active management. However, their underlying strategies may offer less diversification benefits as their in-house chief economists provide detailed analysis that drives their strategies research and recommendation.

Goldman Sachs Asset Management

Three-tiered portfolio construction process is designed and managed to seek capital preservation, competitive income and liquidity. GSAM utilizes the scale of their large fixed income business, and compliments it with external management capabilities. Short-duration securities are internally managed, with an allocation to external intermediate duration managers to create style diversification with the goal of enhancing risk-adjust performance over a market cycle. The credit research and manager selection teams are independent of the portfolio management function, adding a level of discipline and targeted expertise to the wrap provider and credit and external manager due diligence decisions.

Great-West Capital Management

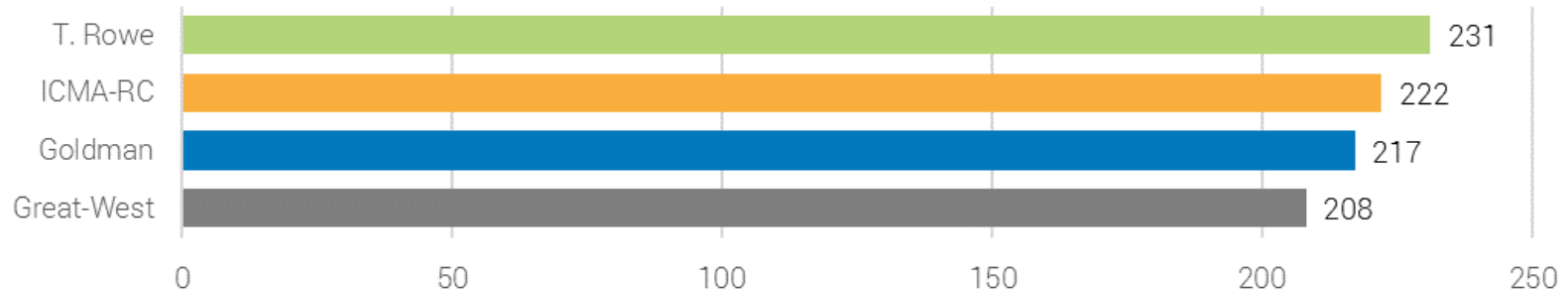
GWCM integrates a top-down macro-economic approach, paired with a strong bottom-up fundamental analysis for sector selection. The strategy does not anticipate excess return as a result of interest rate and duration calls. GWCM believes that their size is an advantage. Citing, that their relatively smaller assets under management and strong relationships on the street help them get smaller, yet still meaningful, allocations that allow them to add promised value to their clients. However, their strategy tends to be overweight to Agency MBS relative to Treasuries to generate higher yield. This may cause the strategy to underperform peers during market downturns as spreads widen.

ICMA-RC

A typical stable value portfolio managed by ICMA-RC will utilize four tiers, with liquidity needs and rate responsiveness representing the first three layers. The last layer is meant to enhance returns by investing in intermediate/core and specialized mandates. The entire portfolio is externally managed, and utilizes synthetic and traditional GICS. Credit analysis, manager due diligence, and allocation decisions are constructed through their own proprietary framework. ICMA-RC is the only finalist that chooses to entirely outsource asset management.

Subset Points Available: 250 Points

As of 12/31/16



T. Rowe Price

Crediting Rate: 2.29%
Effective Duration: 3.10
Weighted Average Credit Quality: AA-
of Holdings: 2069

Goldman Sachs Asset Management

Crediting Rate: 2.07%
Effective Duration: 2.78
Weighted Average Credit Quality: AA
of Holdings: 1,000+

ICMA-RC

Crediting Rate: 2.34%
Effective Duration: 3.38
Weighted Average Credit Quality: AA-
of Holdings: 2,500+

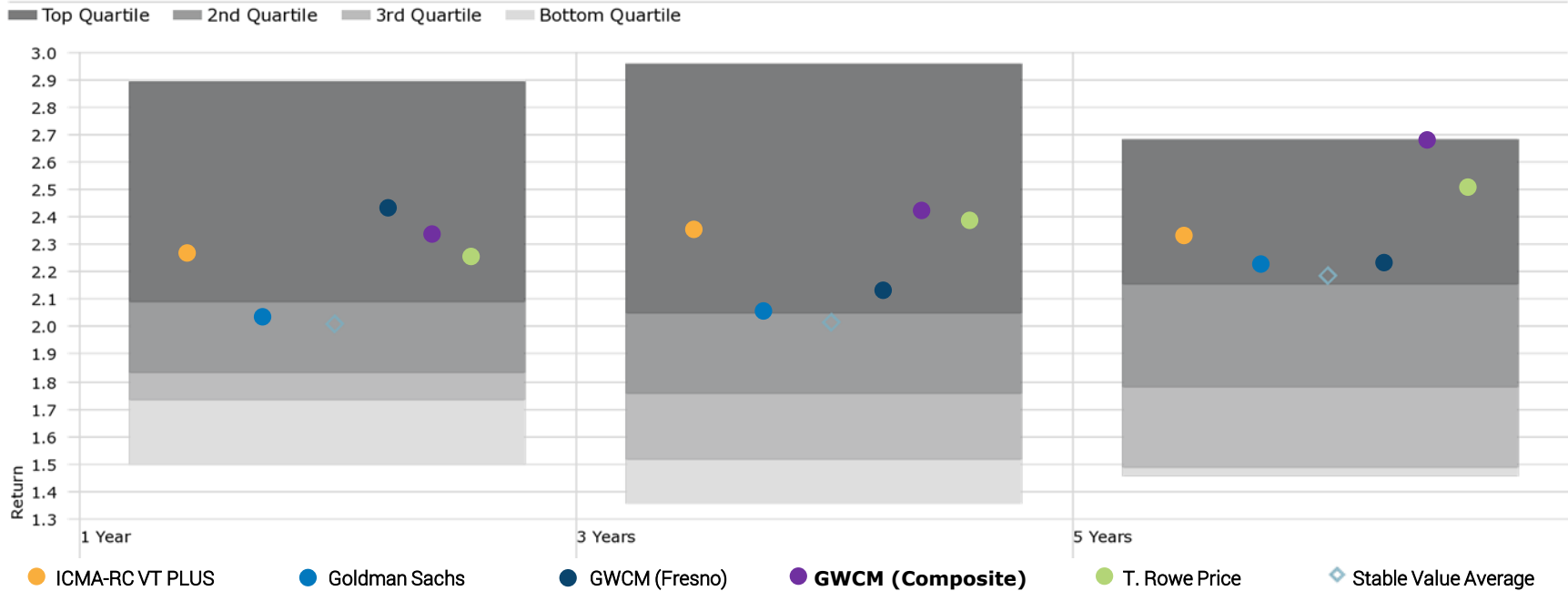
Great-West Capital Management

Crediting Rate: 2.00%
Effective Duration: 3.3
Weighted Average Credit Quality: AA+
of Holdings: 167

Each finalist performed better than 50% of Stable Value providers in Morningstar's Universe. ICMA-RC and T. Rowe have been able to derive returns with lower weighted average credit quality. Each duration is similar with GSAM maintaining the lowest duration and comparable credit quality to GWCM's IPS guidelines. T. Rowe was able to stand out through wrapper diversification and a tight targeted duration that balances interest rate risks with reinvestment risks.

Investment Performance

As of Date: 12/31/2016 Peer Group (5-95%): Separate Accounts/CITs - U.S. - Stable Value Source Data: Gross Return



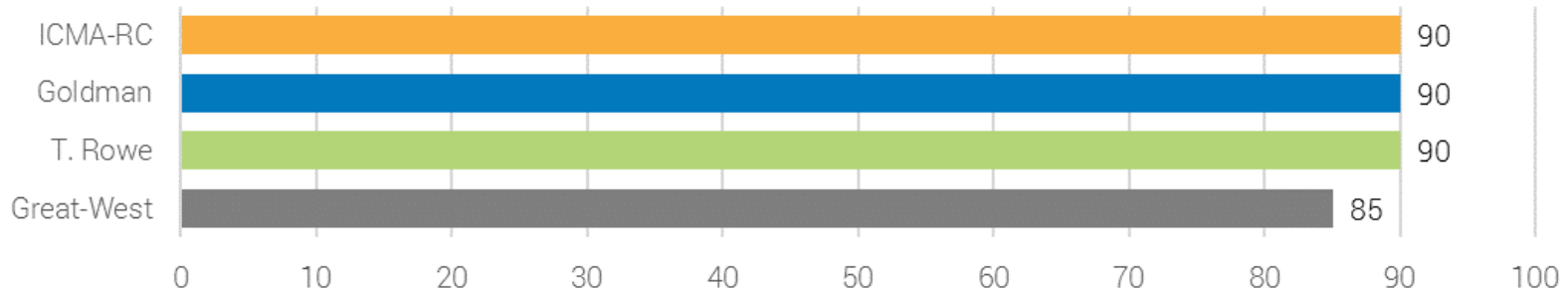
Trailing Returns

Data Point: Gross Return As of 12/31/16

	1 Year	3 Years	5 Years
Goldman Sachs (GSAM)	2.04	2.05	2.25
Great-West (GWCM) Fresno Account	2.44	2.15	2.24
Great-West (GWCM) Stable Value Composite	2.37	2.42	2.69
ICMA-RC VT Plus	2.29	2.34	2.53
T. Rowe Price	2.25	2.36	2.56
Morningstar Stable Value Category Average	2.01	2.02	2.19
25 th Percentile	2.09	2.05	2.16
75 th Percentile	1.73	1.51	1.49

Return Source: Aside from Great-West, each bidder provided gross performance in their respective proposal. Great-West returns acquired through relationship manager for the County of Fresno's managed account as well as Great-West's Stable Value Composite. All data as of 12/31/16.

Subset Points Available: 100 Points



ICMA-RC

ICMA-RC offers a 12-month put and has full discretion to defer the payout of assets for a period of 12 months regardless of market-to-book value. The VT PLUS Fund remains benefit responsive to participants eligible to take participant-direct withdrawals from the fund during the 12-month period.

Goldman Sachs Asset Management

GSAM offers a 12-month put provision in which the fund remains benefit responsive for the standard participant activity during the put period. If market value is below book value, GSAM could potentially accommodate a specific request for a market value payment. However, if book value is less than market value, the 12-month put would be enforced. GSAM's general posture is to provide book value no later than 12-months from the date of the redemption request.

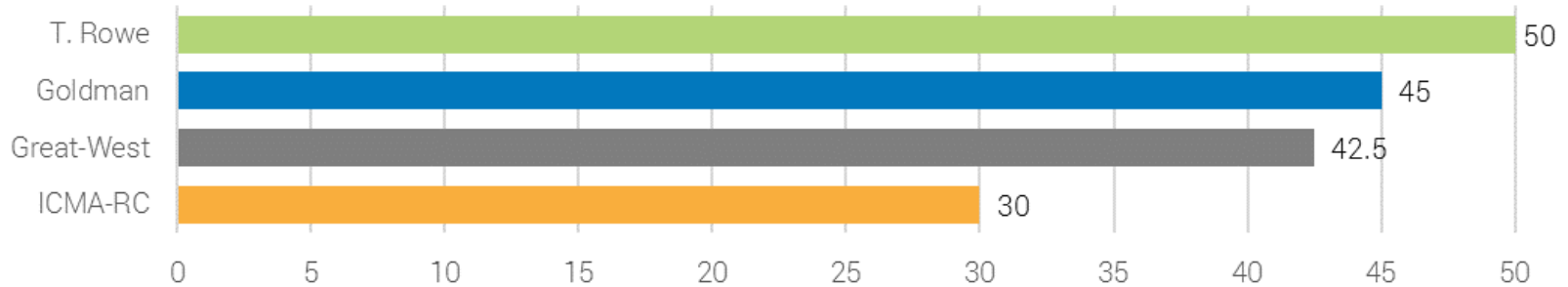
T. Rowe Price

T. Rowe offers a 12-month or 30-month put provision. The 30-month advance notice period applies to plan's owning 5% or more of the total units of the Stable Value Fund. Given T. Rowe's 2016 Stable Value asset base, plan's with more than \$728.15M of the total units are subject to the 30-month put. If the pooled fund's market-to-book is above par and the fund has ample liquidity, T. Rowe generally will not enforce the put. Typical with its peers, if the market-to-book is below par, they reserve the right to enforce the put provision.

Great-West Capital Management

For GWCM's separate account, no put provision is available. Upon termination of the contract, the client may elect to receive market value of the account at any time. If market value is below book value, it is the duty of the newly appointed manager to absorb the losses and make the transferring assets whole.

Subset Points Available: 50 Points



T. Rowe Price

There are no restrictions on participant withdrawals and participants may transfer assets to other fixed income funds with a duration of over 3 years. Units held, client transactions, and performance returns can be provided monthly. As requested by the client, presentations can be provided to detail updates on the management team, objective, philosophy and approach, risks, and more. On-site education is available by one or two of their representatives, and the collective trust is available on Nationwide’s platform.

Goldman Sachs Asset Management

Participants can make withdrawals on a daily basis at book value and are not subject to any liquidity restriction. GSAM provides a web-based client reporting site that is available to plan sponsors and consultants with access to monthly and quarterly reporting, participant fund fact sheets, and other various documents. GSAM commits to regular dialogue to ensure close coordination and an ongoing understanding of the Stable Value Fund and its objectives. The collective Trust is not currently available of Nationwide’s platform. However, GSAM representatives spoke with Nationwide and confirmed potential accommodation of addition with execution of formal agreements taking 2-6 weeks.

Great-West Capital Management

GWCM currently has no restrictions on participant initiated withdrawals and transfers. As the incumbent provider, GWCM deeply values the seven year relation with the County and believes their reporting and access are timely, complete and transparent. GWCM is willing to accommodate any needs the County may have, and is currently on the Nationwide platform.

ICMA-RC

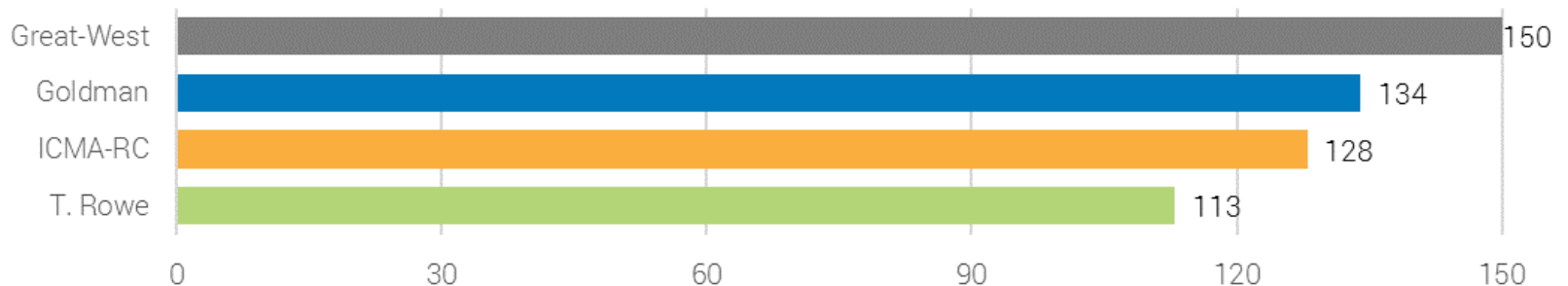
The VT PLUS Fund is benefit responsive and allows for benefit payments at book value. The Fund offers daily liquidity to individual participants for such benefit payments. ICMA-RC provides market commentary, outlook, and portfolio positioning on a quarterly basis where as other data may be available monthly. ICMA-RC typical meets with plan sponsors/consultant once a year and provide updates via the phone on a quarterly basis, or as needed. ICMA-RC is not currently on Nationwide's platform, but is seeking to be available on additional platforms in the coming months.

Fees

Subset Points Available: [150 Points](#)

Provider	Management Fees		Wrap Fees		Other Fees		Total Fees		Points
	in \$	Bps	in \$	Bps	in \$	Bps	in Dollars	Bps	
Great-West	\$89,810	14	\$128,299	20	\$0	0	\$218,109	34	150
Goldman Sachs	\$76,980	12	\$141,129	22	\$25,660	4	\$243,769	38	134
ICMA-RC	\$83,395	13	\$96,225	15	\$76,980	12	\$256,599	40	128
T. Rowe Price	\$128,229	20	\$128,299	25	\$0	0	\$288,674	45	113

Stable Value Estimated Fees on \$64.15 million



Scoring Results

T. Rowe Price

874 Points

Goldman Sachs

861 Points

Great-West

823.5 Points

ICMA-RC

812 Points

Evaluation Categories	Subset Points	% of Total	T. Rowe	Goldman	Great West	ICMA-RC
Organizational Information	100 points	10%	90	84	80	95
Investment Experience	100 points	10%	80	71	42	74
Investment Approach and Process	250 points	25%	220	220	216	173
Investment Performance	250 points	25%	231	217	208	222
Portfolio Transition	100 points	10%	90	90	85	90
Administrative and Perform Reporting	50 points	5%	50	45	42.5	30
Fees	150 points	15%	113	134	150	128
Total	1,000 points	100%	874	861	823.5	812

5 Conclusion

The goal of this RFP project was to ensure the County of Fresno's 457 DC Plan was receiving stable value investment management services consistent with the current marketplace. The process resulted in two available options presented to the DCMC:

1. Retain Great-West, the incumbent provider

OR

2. Select T. Rowe Price as the new stable value provider

Option 1: Retain Great-West

Strengths

1. As the incumbent provider, Great-West has provided sufficient returns given the County of Fresno's Investment Policy.
2. Their market to book ratio has been 100% or higher for 87 out of 94 months, since the inception of the relationship (as of 9/30/17).
3. Great-West currently manages 29 separate account public sector mandates and 9 corporate and non-profit clients. In total they manage \$11B of separate account assets in stable value, which ranks in the 54th percentile of all RFP respondents.
4. The County retains control of the investment policy statement and can make changes at any time.
5. Great-West was selected as a finalist, and finished third (3rd) under the scoring methodology.

Concerns

1. Utilization of Government agency mortgage backed securities (MBS) following the financial crisis has provided greater returns relative to some other Government fixed income options. The MBS position, however, currently accounts for 42.6% of the portfolio (as of 12/31/17). In comparison, the average MBS position for the other finalists in this RFP is 5.27%.
2. Six (6) months after agreeing to a modified investment, allowing greater investment flexibility for the GWCM team, the market to book ratio dropped below 100% for four (4) months. Granted, the market environment in which this happened was challenging given interest rates at the time. This trend continued for 4Q17 as the market to book fell amongst rising interest rates.
3. The recently appointed manager, Jack Brown, does have considerable fixed income experience and had some time to transition under Cathe Tocher's guidance, but he has relatively little experience specifically to stable value mandates.
4. Great-West is the sole wrap provider and they do not offer compelling collective trust (pooled) options with a 12-month put exit.

Summary

If the County elected to retain Great-West, the product would remain on Watch until the beginning of 2Q18 (NWCM requires a fund to be on watch for a minimum of a year when there is a manager change). NWCM would continue to monitor the funds ability to execute the County's policy statement, continue dialogue with management on portfolio positions and risk management procedures, and report any concerns we have to the DCMC. Any concerns that might develop, would be communicated in a timely fashion, outside the confines of the scheduled DCMC meetings.

Option 2: Select New Manager

Secondly, if the DCMC determines that another vendor would be the more appropriate decision, NWCM recommends T. Rowe Price as the stable value investment manager. All finalists mentioned in the report offered competitive options and would be a great selection. In a very competitive field, T. Rowe Price had the top overall score based upon their strengths in the following areas:



Investment Experience: T. Rowe Price SV manages a large amount of assets (top quartile of all RFP respondents) and exhibits stability in asset flows. The three (3) head stable value portfolio managers are fully dedicated to their strategy. T. Rowe has not undergone any major organizational changes during the past five (5) years nor do they anticipate any future changes.



Investment Approach: T. Rowe utilizes a commingled fund approach, as efficient means of increasing liquidity and diversification. Their use of proprietary short-duration fixed income management as a source of liquidity, provides a yield advantage over cash. Their fixed income managers offer diversification benefits as each separate manager follows their own respective mandate.



Investment Performance: T. Rowe Price has an established track record as a top performer. In addition, T. Rowe has significant diversification across wrap providers and leverages scale pricing.

By selecting T. Rowe Price, the DCMC would have the option of selecting a separate account mandate or utilizing a collective trust. NWCM would recommend the County utilize the collective trust product. This would remove the County's ability to have a customized investment policy statement. The product, however, would provide a maximum of a 12-month put (exit provision), not currently available with the GW separate account.

5 Appendix

Provider Update & Insurer Credit Quality

	T. Rowe Price	Goldman Sachs	ICMA-RC VT Plus	Great-West
Market to Book	99.39%	99.36%	100.53%	99.50%
Crediting Rate	2.23%	2.15%	2.21%	2.20%
Duration	3.11	2.91	2.79	3.20
Credit Quality	AA-	AA	AA-	AA-

As of 12/31/17, crediting rate net of wrap fess/gross of investment fees, S&P rated average credit quality

Issuer	S&P	Moody's	Fitch	A.M. Best	T. Rowe Price	ICMA-RC	Goldman Sachs	Great-West	T. Rowe Price
American General Life	A+	A2	A+		A+				6.31%
Met Life	AA-	Aa3	AA-		AA-		19.50%		15.65%
Pacific Life	AA-	A1	A+		A+	20.11%			13.55%
Prudential Life	AA-	A1	A+		A+	15.09%	18.70%		9.91%
Royal Bank of Canada	AA-	Aa3			A				7.61%
Transamerica	AA-	A1	A+		A	15.50%	20.80%		9.78%
Principal Life	A+	A1	AA-			5.15%			
United of Omaha	A+	A1							
Tokyo-Mitsubishi Bank	A+	A1	A		A	5.53%			5.76%
New York Life	AA+	Aaa	AAA	AA++	AAA	9.03%			
RGA Reinsurance	AA-	A1			A+				3.99%
State Street	AA-	Aa3	NR		AA		22.50%		11.77%
MassMutual	AA+	Aa2	AA+	A++			15.70%		
Great-West Life	AA	Aa3	AA	A+				100.00%	

Issuer credit rating data as of 12/31/16.

Provider Summary Statistics

		T. Rowe Price	Goldman Sachs	ICMA-RC VT Plus	Great-West
Overview	AUM	\$22.881B	\$53.84B	\$10.9B	\$11.01B
	Mkt/Bk (FY 2016)	100.1%	101.2%	100.3%	99.7%
	Mkt/Bk (2008, or Low)	99.3%	97.1%	95.2%	NA
	Crediting Rate	2.29%	2.07%	2.34%	2.20%
	Duration	3.1	2.78	3.38	3.3
	Avg Credit	AA-	AA	AA-	AA+
	% Below Inv Grade	0%	0%	1%	0%
	% Govt Agency/Treasury	25%	42%	14%	61%
Sectors	#Wrap Providers	9	5	6	1
	ABS	12.5	5.7	0	3.8
	MBS	9.5	8.3	22.26	0
	CMBS	3.4	0.7	0	4.8
	Treasuries	19.1	33.2	12.2	0
	Govt. Agencies	6	8.3	1.5	61.3
	Corporates	41.2	35.4	26.54	26
	GICs	0	0	23.11	0
	Cash	7.4	2.8	10.13	4.1
Credit Quality	Other	1	5.6	4.5	0
	AAA	58.8	66.1	53.47	70.9
	AA	6.1	5.2	11.82	5.3
	A	18.6	11.6	20.14	15.4
	BBB	16.1	17.1	13.33	8.4
	<BBB	0.4	0	1.25	0
	Score (low=higher qual)	1.93	1.80	1.97	1.61
	Account Minimum	\$250mm to \$100mm to n/a	\$50 Million	No Min; \$100m for Sep Acct	\$25 million
	Equity Wash Rules	90-day wash mmkt, <3 yr, SDBA	90-day equity wash; SV, Mmkt, 3Yr Duration, Guaranteed Rate	90-day was; sdba, <3 yr bond, mmkt, stable value, funds with 80% bonds	Competing Funds Prohibited (SV, Mmkt, 3Yr Duration, Guaranteed Rate)
	Termination Provisions	12-mo put (30-mo if own 5% or more of fund)	12-mo put; or in-kind	12-mo put at BV	In-kind; or sold at MV
	Cash Buffer/Liquidity Provisions	Cash reserves followed by SIC contracts, laddered GIC maturities (also used to replenish cash reserves)	Cash reserves, followed by short term fund	3-tiered approach: cash buffer, low duration synthetic GICs, and laddered traditional GICs	Higher cash at inception, then modeled around cash flow projections to cover both expected and unexpected future flows

All data as of 12/31/16. Crediting rate is net of wrap fees/gross of investment management fees

Scoring of Finalists

Evaluation Factor	Subset Points Total	ICMA	GSAM	Great West	T. Rowe Price
Organizational Strength (50 points)					
Organizational chart/no. of employees/affiliations	4	4 (Included)	2 (Included)	2 (Included)	2 (Included)
What services would be provided by a sub/affiliate	10	10	10	4; No-outsourcing	10
Registered investment advisor?	8	8 (yes)	8 (yes)	8 (yes)	0 (no)
Judgements/indictments/settlements of potential litigation	12	12 (none)	12 (none)	12 (none)	12 (none)
Available vehicles for investment. Fee vs. spread.	8	8 (CIT & Sep Acct)	8 (CIT & Sep Acct)	6 (Sep. Acct)	8 (CIT & Sep Acct)
Restructuring past & future	10	10 (no)	0 (Recent Acquisition of	0 (Departure of Cathe Tocher &	10 (no)
Financial health	8	8 (strong)	4 (BBB, stable)	8 (strong)	8 (strong, no debt)
Audited financial statements	8	8 (yes)	8 (yes)	8 (yes)	8 (yes)
Insurer ratings	10	5 (no answer)	10 (strong)	10 (strong)	10 (no external debt)
Insurances	12	12 (3well insured)	12 (well insured)	12 (medium coverage)	12 (well insured)
Fiduciary obligation?	10	10 (yes)	10 (yes)	10 (yes)	10 (yes)
Investment Experience (100 points)					
Time and expertise of management in stable value	20	20 (30+ years)	20 (30+ years including	0 (2 years)	20
What other strategies does the manager contribute to	11	0 (oversight of fixed income &	11 (100%)	0 (7 strategies & trading desk)	11 (100%)
Long-term goals, and analyst responsibilities	10	10 (high opportunities)	5 (some flexibility, focus on	10 (high opportunities)	10 (high opportunities)
Compensation structure/impact upon AUM, client ret.	11	11 (yes)	11 (yes)	11 (yes)	11 (yes)
Market value assets g/l, accounts g/l	12	12 (consistent)	6 (lost \$11B in 2011)	12 (consisent)	12 (consistent)
Assets in millions	18	12 (\$10.9 billion)	18 (\$53.89 billion)	9 (\$11 billion)	16 (\$23 billion)
What % of the pool is held by the 10 largest clients?	18	9 (20%)	0 (35%)	0 (no answer)	0 (no answer)

Scoring of Finalists (cont.)

Evaluation Factor	Subset Points Total	ICMA	GSAM	Great West	T. Rowe Price
Investment Approach and Process (250 points)					
Investment team philosophy	16	12 (3 tier, all external)	14 (3 tier, internal & external management)	12 (bottom up, security selection)	16 (3 tier, research focus)
Folio construction: curve positioning, sector selection, etc.	26	12 (13.72% in public excluding GICs, 3.38 duration)	24 (43.7% in Public, 2.78 duration)	22 (61.3% in public, 3.3 duration)	16 (26.1% in public, 3.1 duration)
Markets in which the folio will underperform/overperform	26	22 (rising rates, unfriendly market))	19 (claimed outperform in each market)	19 (underperform in down markets)	25 (outperformance in down markets)
Research process, and utilization	25	18 (small team, lack of internal capabilities)	25 (large credit team, top-down & bottom up)	20 (60% external, 40% internal research)	25 (large credit & economic team)
Has the current process been consistently implemented?	13	13 (strong consistent process)	13 (strong consistent process)	11 (new manager, small changes)	13 (strong consistent process)
Key investment guidelines. Flexibility in tailoring guidelines	11	11 (yes)	11 (yes)	11 (yes)	11 (yes)
Position size limits?	14	14 (yes)	14 (yes)	14 (yes)	14 (yes)
%age of pool held in cash/CEs	22	19 (10.13%)	14 (2.8%)	19 (4.1%)	22 (7.4%)
Foreign exposure	19	0 (non-us bonds & currency exposure)	10 (yes non-us bonds, no currnecy exposure)	19 (none)	10 (yes non-us bonds, no currnecy exposure)
Constraints on non-investment grade securities?	20	16 (1.3%)	18 (0.8%)	20 (none)	20 (none)
Competing fund policy	15	15 (typical)	15 (typical)	10 (180-day wash)	15 (typical)
Sub-advisors and % of assets managed/sectors managed	12	0 (no internal abilities)	12 (25-50%)	8 (0%)	12 (in house, multiple MF strategies)
Risk controls	21	21 (yes)	21 (yes)	21 (yes)	21 (yes)
Standard wrap contract	10	0 (NA)	10 (included)	10 (included)	0 (NA)
Investment Performance (250 points)					
Stable Value Composite (3 & 5 Year Performance Rank)	100	100 (Top 50% 3 & 5 yr)	100 (Top 50% 3 & 5 yr)	100 (Top 50% 3 & 5 yr)	100 (Top 50% 3 & 5 yr)
Diversification of wrappers	30	30 (19% of portfolio)	18 (33% of portfolio)	0 (100%)	30 (25% of portfolio)
Target Duration	20	12 (2-3)	12 (2.5-3.5)	8 (2.6-4)	16 (3-3.25)
Credit Quality	20	14 (AA-)	16 (AA)	20 (AA+)	14 (AA-)
Portfolio Composition (short duration, Intermediate, core)	30	30 (all three)	30 (all three)	30 (all three)	30 (all three)
Credit Quality of wrappers	20	16 (AA-)	16 (AA-)	20 (AA)	16 (AA-)
Changing wrapper rules, and the effect on portfolio mgmt.	10	10 (no)	10 (no)	10 (no)	10 (no)
Is there ample wrap capacity to handle mass in(out)flows	10	10 (yes)	10 (yes)	10 (yes)	10 (yes)
Conditions, and inv. impact, wrapper's right to terminate?	10	0 (N/A)	5 (average)	10 (self-wrapped)	5 (average)

Scoring of Finalists (cont.)

Evaluation Factor	Subset Points Total	ICMA	GSAM	Great West	T. Rowe Price
Portfolio Transition (100 points)					
Queue, present or past, to get out of a product	15	15 (no)	15 (no)	15 (no)	15 (no)
Put, and process	15	15 (12-mo put)	15 (12-mo put)	0 (no)	15 (12-mo put)
Guarantees of minimum ROI?	10	0 (no)	0 (no)	10 (0% floor)	0 (no)
Exit provisions, mv/bv variance prior to end of contract term	15	15 (clear plan)	15 (clear plan)	15 (clear plan)	15 (clear plan)
Currently enforced put provision for exiting plan sponsors	15	15 (yes)	15 (yes)	15 (yes)	15 (yes)
Plans if key managers leave, and replacements	10	10 (yes)	10 (yes)	10 (yes)	10 (yes)
Assets transfer in kind	20	20 (yes)	20 (yes)	20 (yes)	20 (yes)
Administrative and Performance Reporting (50 points)					
Restrictions on individual withdrawals/liquidity constraints	10	10 (no restrictions)	10 (no restrictions)	10 (no restrictions)	10 (no restrictions)
Withdrawal events not covered at the greater of mv or bv	5	5 (strong)	5 (strong)	5 (strong)	5 (strong)
Benchmark and permissible tracking error	5	0 (3-mo T-Bill)	0 (Money market fund index, hi tracking error)	5 (Bbgbarc intrm agg)	5 (Hueler SV Index)
Internal perf and portfolio pricing services suitable	5	5 (yes)	5 (yes)	5 (yes)	5 (yes)
Rep practices to clients/materials available/level of service	5	2.5 (average)	5 (strong)	2.5 (average)	5 (strong)
Service team and non-investment management	5	5 (strong capabilities)	5 (strong capabilities)	2.5 (average, not specific)	5 (strong capabilities)
Service team compensation	5	2.5 (average)	5 (above average)	2.5 (average)	5 (above average)
Approved platforms and process for adding	10	0 (unclear)	10 (can add)	10 (incumbent)	10 (on platform)
Fees (200 points)	150	128	134	150	113
TOTAL	1000	812	861	823.5	874

Scoring Methodology

Evaluation Factor	Subset Points Total	Percent of Total	Scoring Methodology
Organizational Information (50 points)			
Organizational chart/no. of employees/affiliations	4	0.4%	All points if included, 0 if not, and 1 if very small company.
What services would be provided by a sub/affiliate	10	1.0%	As appropriate.
Registered investment advisor?	8	0.8%	All points if yes, 0 if no.
Judgements/indictments/settlements of potential litigation	12	1.2%	Scaled based on severity of litigations. 0=worst, 12=no litigations, and 6=unanswered.
Available vehicles for investment. Fee vs. spread.	8	0.8%	All points if offering commingled and separate accounts, otherwise scaled.
Restructuring past & future	10	1.0%	Intent to restructure, or recent restructuring=0 points. No restructuring=100% of points.
Financial health	8	0.8%	Rated on a scale, average=4 points, worst=0
Audited financial statements	8	0.8%	All points if included, and strong, 2 points if unanswered, and 0 points if poor results.
Insurer ratings	10	1.0%	All points if strong ratings, 5 points if unanswered, and 0 points if poorly rated.
Insurances	12	1.2%	All points if well insured against cyber, errors and omissions, and fiduciary responsibilities.
Fiduciary obligation?	10	1.0%	All points if yes, 0 points if no, and 5 points if unanswered.
Investment Experience (100 points)			
Time and expertise of management in stable value	20	2.0%	Over 15 years of experience=20 points, 10 years=15 points, 5 years=10 points, and less than 3=0 points.
What other strategies does the manager contribute to	11	1.1%	All points if dedicated to stable value strategy, 0 points if more than 5 strategies.
Long-term goals, and analyst responsibilities	10	1.0%	All points if analysts are given the opportunities to start running funds, 0 points if low responsibilities.
Compensation structure/impact upon AUM, client ret.	11	1.1%	All points if comp structure leads to increased performance in client retention, etc.
Market value assets g/l, accounts g/l	12	1.2%	All points if consistent, 0 points if massive losses, scaled if a mixture of gains and losses.
Assets in millions	18	1.8%	Sufficient AUM, 0 points if minimal AUM.
What % of the pool is held by the 10 largest clients?	18	1.8%	All points if top 10 hold less than 10% of pool or N/A, scaled otherwise, 0 points if greater than 30%
Investment Approach and Process (250 points)			
Investment team philosophy	16	1.6%	Scaled against the other responses, average, N/A, or not included = 8 points.
Folio construction: curve positioning, sector selection, etc.	26	2.6%	All points if high majority of public sector, short/mid yield curve, scaled otherwise.
Markets in which the folio will underperform/overperform	26	2.6%	All points if overperforms during rising rates, or an unfriendly mkt environment, scaled otherwise.
Research process, and utilization	25	2.5%	Qualitative, scaled based upon the responses of other stable value proposals.
Has the current process been consistently implemented?	13	1.3%	All points if yes (with strong performance) or no (with consistent performance), otherwise, qualitative.
Key investment guidelines. Flexibility in tailoring guidelines	11	1.1%	All points if guidelines can be created to fit around the needs of Fresno County.
Position size limits?	14	1.4%	All points if allows for the current portfolio weightings.
%age of pool held in cash/CEs	22	2.2%	If average, 22 points, otherwise scaled based upon overages or underweights.
Foreign exposure	19	1.9%	All points if minimal exposure, 0 if non-US bond and non-US currency exposure, and scaled otherwise.
Constraints on non-investment grade securities?	20	2.0%	All points if little, or no securities below BBB, 0 if no constraints, scaled otherwise.
Competing fund policy	15	1.5%	Scaled, 8 points if typical: money mkts, short term bonds, etc. All points if no policy, otherwise scaled.
Sub-advisors and % of assets managed/sectors managed	12	1.2%	All points if some obvious advantage, no points if more than 50% managed by subs, scaled otherwise.
Risk controls	21	2.1%	0 points if no risk controls, scaled to other responses if yes. Average will be at 11 points.
Standard wrap contract	10	1.0%	All points if included, 5 if not, and zero if contract is considered insufficient.

Scoring Methodology (cont.)

Evaluation Factor	Subset Points Total	Percent of Total	Scoring Methodology
Investment Performance (250 points)			
Stable Value Composite (3 & 5 Year Performance Rank)	100	10.0%	Top half 1-50 in both 3 and 5 years = 100% of points; either 3 or 5-year period in top half = 50% of points; neither in top half = 0% of points
Diversification of wrappers	30	3.0%	< 25% maximum = 100% of points; 25-30% max = 80% of points; 30-35% max = 60% of points; 35-40% max = 40% of points; 40-50% max = 20% of points; +50% max = 0 % of points
Target Duration	20	2.0%	2.90-3.10 years = 100% of points; 2.75-3.25 years = 80% of points; 2.5 - 3.5 years = 60% of points; 2.25 - 3.75 years =40% points; other = 0 % of points
Credit Quality	20	2.0%	AA+ = 100% of points; AA = 80% of points; AA- = 70% of points; other = 40% point
Portfolio Composition (short duration, Intermediate, core)	30	3.0%	Exposure to All 3 = 100% of points; 2 of 3 = 80% points; 1 of 3 = 60% of points; 0 of 3 = 40% of points
Credit Quality of wrappers	20	2.0%	AA = 100% of points; AA- = 80% of points; A = 60% of points; other = 50% of points
Changing wrapper rules, and the effect on portfolio mgmt.	10	1.0%	No = 100% of points; Yes = 0% of points
Is there ample wrap capacity to handle mass in(out)flows	10	1.0%	Yes = 100% of points; No = 0% of points
Conditions, and inv. impact, wrapper's right to terminate?	10	1.0%	Difficult = 100% of points; Average = 50%; Easy = 0%
Portfolio Transition (100 points)			
Queue, present or past, to get out of a product	15	1.5%	No = 100% of points; Yes = 0% of points
Put, and process	15	1.5%	Yes = 100% of points; No = 0% of points
Guarantees of minimum ROI?	10	1.0%	Yes = 100% of points; No = 0% of points
Exit provisions, mv/bv variance prior to end of contract term	15	1.5%	Yes = 100% of points; Unclear plan = 50% of points; Unattractive plan = 0% of points
Currently enforced put provision for exiting plan sponsors	15	1.5%	Yes = 100% of points; No = 0% of points
Plans if key managers leave, and replacements	10	1.0%	Yes = 100% of points; Unclear plan = 50% of points; Unattractive plan = 0% of points
Assets transfer in kind	20	2.0%	Yes = 100% of points; No = 0% of points
Administrative and Performance Reporting (50 points)			
Restrictions on individual withdrawals/liquidity constraints	10	1.0%	No restrictions = 100% of points; average = 50% of points; strict restrictions = 0% of points
Withdrawal events not covered at the greater of mv or bv	5	0.5%	Strong = 100% of points; average = 50% of points; poor = 0% of points
Benchmark and permissible tracking error	5	0.5%	Appropriate benchmark = 100%, unappropriate benchmark = 0%
Internal perf and portfolio pricing services suitable	5	0.5%	Yes = 100% of points; No = 0% of points
Rep practices to clients/materials available/level of service	5	0.5%	Strong capabilities = 100% of points; average capabilities = 50% of points; poor = 0% of points
Service team and non-investment management	5	0.5%	Strong capabilities = 100% of points; average capabilities = 50% of points; poor = 0% of points
Service team compensation	5	0.5%	Above average compensation = 100% of points; average compensation = 50% of points; poor = 0% of points
Approved platforms and process for adding	10	1.0%	Yes = 100% of points; No = 0% of points
Fees (200 points)	150	15.0%	$((\text{Lowest fee})/X)*150$
TOTAL	1000	100%	

ITEM 12

Fresno County

457 Deferred Compensation Plan

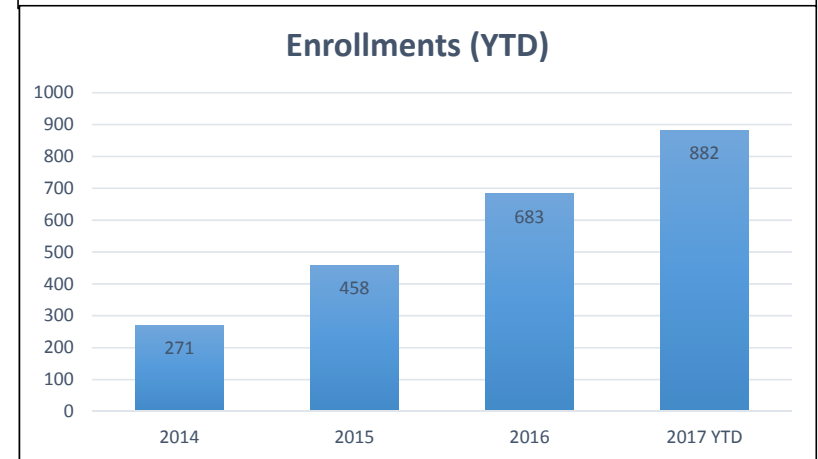
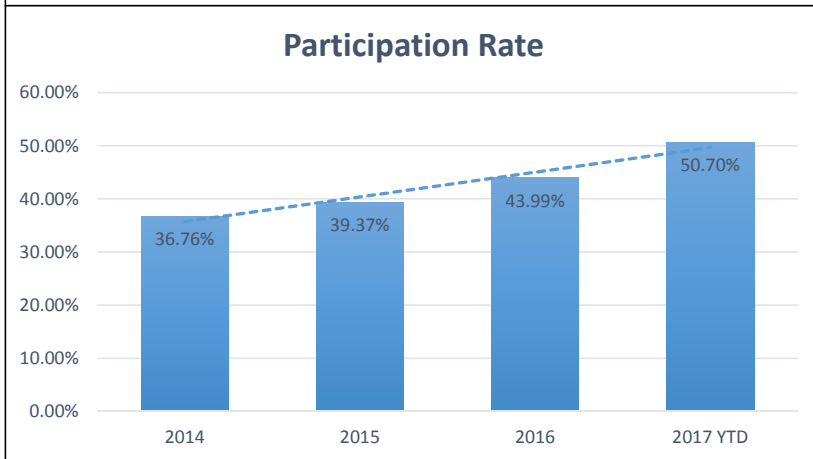
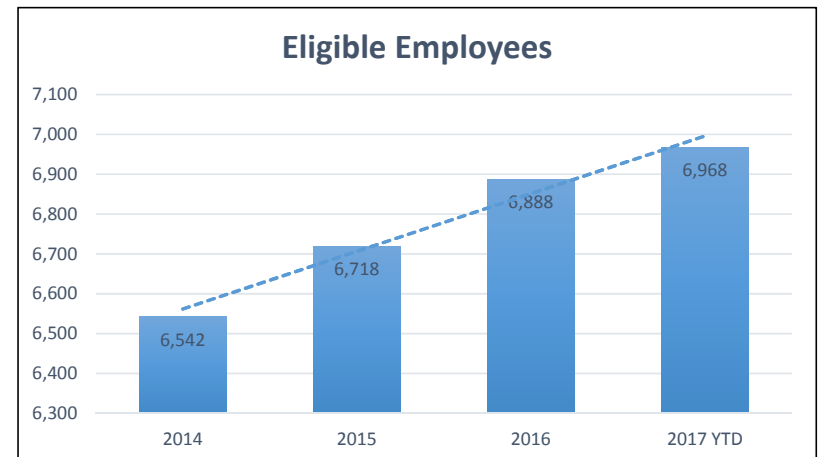
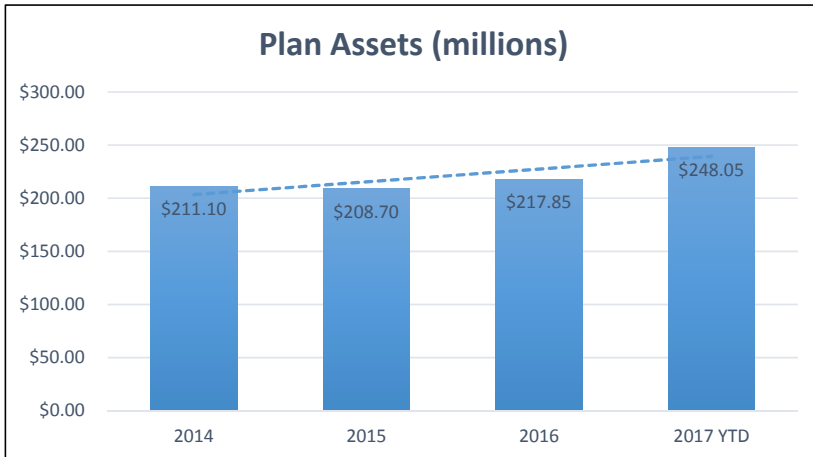
Quarterly Dashboard – December 31, 2017



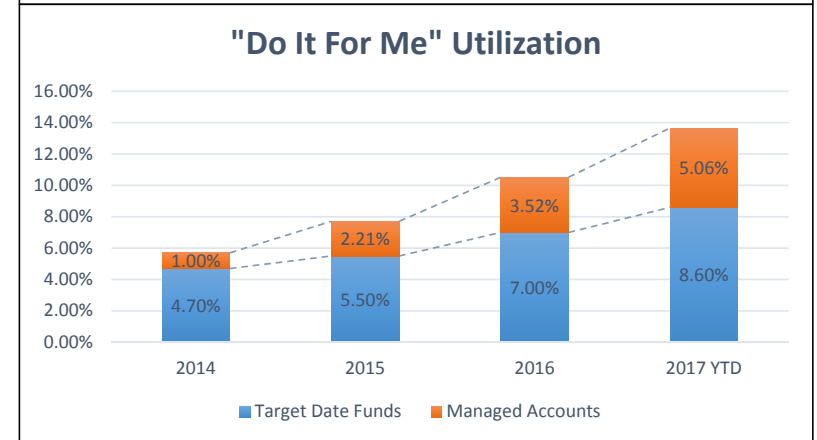
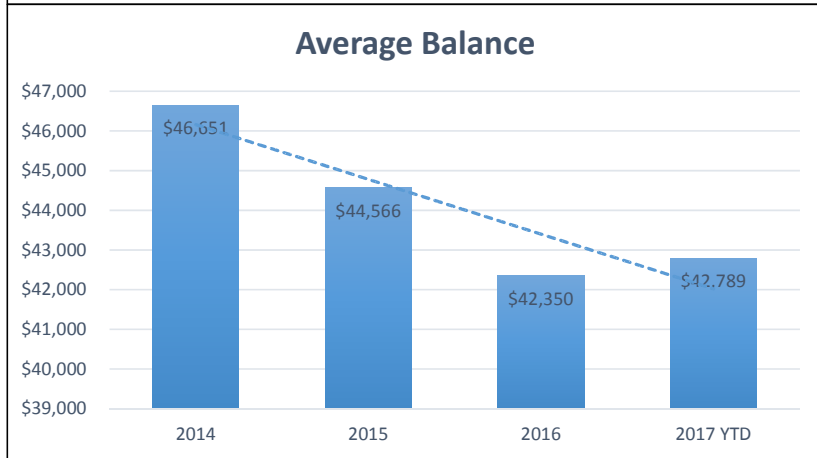
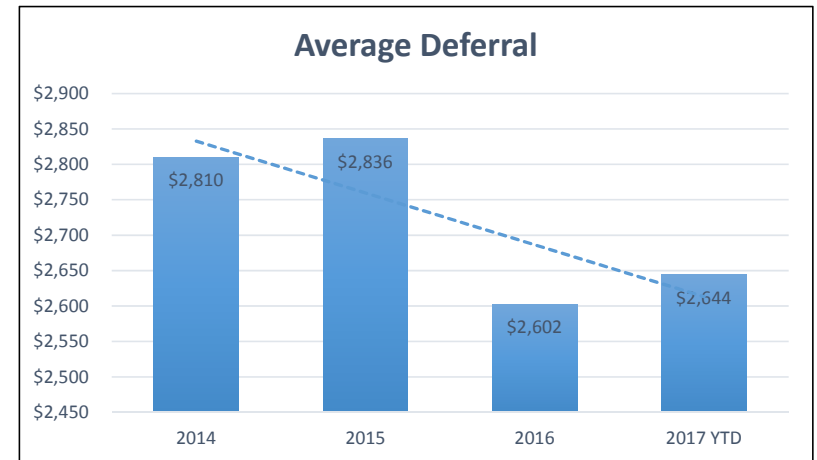
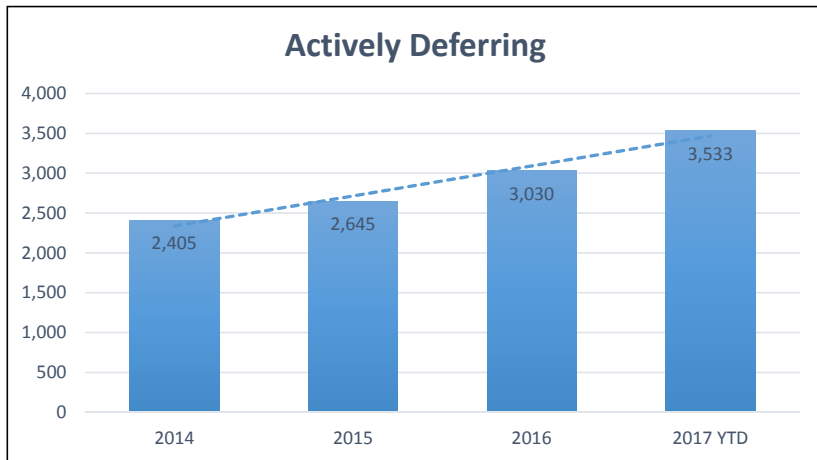
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Section 2	Service Summary
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Section 1 Executive Summary



Section 1 Executive Summary



Section 2 Service Summary

FRESNO COUNTY SERVICE RECAP

NATIONWIDE RETIREMENT SOLUTIONS

12/31/2017

Quick Plan Facts

	As of 12/31/2017	% Change from 12/31/2016
Total Participant Count	5,797	+12.7%
New Enrollments YTD	882	+29.1%
Total Plan Assets (millions)	\$248.05	+13.9%
Total Deferrals YTD (millions)	\$10.15	+18.7%
Total Rollovers-In (millions)	\$1.49	+100.8%
ProAccount Assets (millions)	\$12.55	+63.7%
ProAccount Participant Count	380	+48.4%

2017 Education, Workshops and Counseling

Date	Event/Activity	Results
January/July	FCERA Nearing Retirement Workshop	Ongoing
January - December	Bi-weekly New Employee Training	Ongoing
March 20 - 26	Save Today Expo	Provided Previously
September/October	Open Enrollment Roadshow	Ongoing

Enrollments by Month:

Total 4th Quarter Enrollments: 197

Total December New Enrollments: 95

Total November New Enrollments: 62

Total October New Enrollments: 40

Education Campaigns

EZ Enrollment/EZ Increase - All Fresno County Employees

Outbound Phone Campaign by Phillip Edwards - Account review

Asset Allocation - Fresno County participants with three asset classes or less

Online Tools for Retirement Planning (September)

Creating Your Retirement Readiness Report (September - December)

Local Nationwide Service Team

Ed Malone - Program Director/614-327-2218/ malonee@nationwide.com

Phillip Edwards - Retirement Specialist/ 559-999-7971/edwarp4@nationwide.com



Section 3 Plan Objectives Summary



2017

Communication and Education Plan

Prepared exclusively for:

Fresno County

January 1, 2017 - December 31, 2017



Helping Fresno County employees prepare for and live in retirement



Nationwide[®]
is on your side

Nationwide is your expert partner

With
43
years

in the public sector retirement plans industry and more plans than any other provider, we are committed to helping your employees prepare for and live in retirement.

Many employees look to their employer for guidance and information on retirement savings. In fact, in a recent survey,



said that if their employer provided them with more education, they might contribute more to their plan.¹

You can have piece of mind knowing we are providing education to your employees throughout their lifetime.

We have developed a comprehensive **Communication and Education Plan** for you.

- Our goal is to motivate participants to act and improve their retirement readiness.
- It starts with a tailored approach to service your plan.
- It includes our Participant Engagement Program, targeting the right employees at the right time with the right messaging.
- Then, we support and reinforce those messages through local communications.

¹ 2010 Retirement Confidence Survey, Employee Benefit Research Institute and Matthew Greenwald & Associates

Representing Fresno County



Program Director
Ed Malone



Local Retirement Specialist
Phillip Edwards



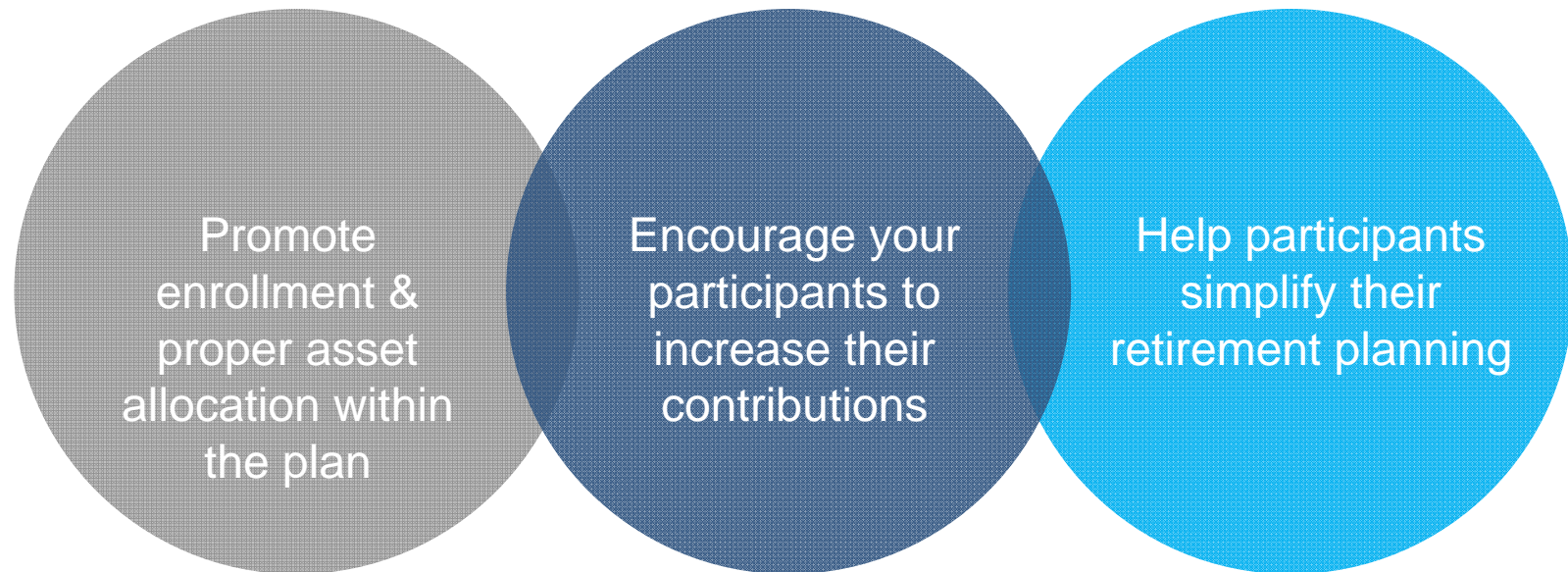
Internal Retirement Specialist
Kelli Kincaid

Fresno County Performance Overview

Business Measure	2015	2016
Plan Assets (millions)	\$208.70	\$217.85
New Enrollments	458	683
Actively Deferring	2,645	3,030
Average Participant Assets	\$44,566	\$42,350
Average Annual Deferral	\$2,836	\$2,602
Average Asset Classes	3.4	3.6
ProAccount Assets (millions)	\$4.62	\$7.66
ProAccount Participant Count	165	256

Your Plan Objectives

Through education, including creative strategies and tactics outlined in the following plan, we can help you achieve and recommend objectives that will benefit your employees, such as:



Fresno County Plan Objectives

Promote Plan Enrollment

1

Strategy: Educate participants on the importance and benefits of proper asset allocation and encourage participating employees to consolidate their accounts.

- Provide print materials – EZ Enrollment Form
 - Fresno County Save Today Expo – March 20-24
 - Communicate directly with participants/individual consultations
 - New Employee Orientation/County Benefits Fairs
-

Encourage your participants to increase their contributions

2

Strategy: Inform plan participants about taking advantage of the opportunities to increase their contributions and explore the long-term benefits of saving more now.

- Provide print materials – EZ Increase Form
 - Fresno County Save Today Expo – March 20-24/Nearing Retirement Seminar Jan-July
 - Communicate directly with key participant segments
 - Participants currently close to the max limit, age 50+ for Catch Up, or those who have not increased in the last year
-

Promote plan diversification and Retirement Readiness

3

Strategy: Educate participants on the importance and benefits of proper asset allocation.

- Print materials – Q2 Asset Allocation Mailer: Participants w/ 3 or fewer classes
 - Conduct group educational presentations, topic: Asset Allocation, Investor Profile
 - Fresno County Save Today Expo – March 20-24, 2017
 - Web based Retirement Readiness Report
-

Communication Grid

1 st Quarter Campaigns	Direct Mail	Email	Workshop	Statement Messaging
EZ Enrollment	X	X	X	
EZ Increase	X	X		

2 nd Quarter Campaigns	Direct Mail	Email	Workshop	Statement Messaging
Asset Allocation	X			
Restart	X			

Communication Grid

3 rd Quarter Campaigns	Direct Mail	Email	Workshop	Statement Messaging
Account Review	x	x		
Online Tools	x	x		

4 th Quarter Campaigns	Direct Mail	Email	Workshop	Statement Messaging
Increase Deferrals	x		x	
50+ Catch Up	x		x	

Ongoing communication materials



Plan Specific Campaigns

Such As: Increase Contributions / Asset Allocation / Consolidation

Helping the Fresno County employees prepare for and live in retirement



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