



County of Fresno

Deferred Compensation Management Council

August 27, 2015 Agenda

MEETING TO BE HELD AT 9:00 A.M. AT THE FRESNO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION, 1111 H ST., FRESNO, CA 93721

1. Call to Order
2. Approve Agenda
3. Public Comment – At this time, members of the public may comment on any item, within the jurisdiction of the Deferred Compensation Management Council, not appearing on the agenda. In order for everyone to be heard, please limit your comments to 3 minutes or less.
4. Approve Minutes from the March 16, 2015 meeting.
5. Approve Minutes from the May 11, 2015 special meeting.
6. Approve 2016 regular meeting dates – February 25 & August 25.
7. Approve Amendment to Fiscal Year 2014-15 Deferred Compensation Plan Budget to increase Fiduciary Liability Insurance Policy appropriation.
8. Receive and File 2014-15 Fiscal Year-End Deferred Compensation Plan Budget Report.
9. Confirm the Deferred Compensation Management Council's recommendation to the County of Fresno Board of Supervisors regarding the Deferred Compensation Consultant RFP.
10. Approve amended Deferred Compensation Plan Qualified Domestic Relations Order Policy.
11. Receive and File report on the County of Fresno Stable Value Fund prepared by Heintzberger-Payne Advisors.
12. Approve on-site and off-site training schedule for the Deferred Compensation Management Council.
13. Receive and File quarterly Investment Report prepared by Heintzberger-Payne Advisors.
14. Receive Verbal Report on status of prior Agenda Items and DCMC direction:
 - a. Fund changes approved at March 16, 2015 meeting;
 - b. Beneficiary outreach campaign.

Deferred Compensation Management Council Meeting Agenda

August 27, 2015

Page 2

15. Receive and File Deferred Compensation Plan Review as of June 30, 2015 prepared by Nationwide Retirement Solutions.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Personnel Services Department at (559) 600-1810.



ITEM 4

Deferred Compensation Management Council March 16, 2015 Action Summary Minutes

Meeting was held at 9:30 a.m. at the Fresno County Employees' Retirement Association, 1111 H St., Fresno, CA 93721

Members Present: Beth Bandy, Robert Bash, Vicki Crow, Kathleen Donawa, Kari Gilbert, Donald Kendig, John Navarrette

Members Absent: None

1. Call to Order

The meeting was called to order at 9:30 a.m.

2. Approve Agenda

The Agenda was unanimously approved.

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

There were no comments from the public.

4. Approve Minutes from the September 26, 2014 meeting

The Minutes were approved.

Ayes: Bandy, Crow, Donawa, Gilbert, Navarrette

Noes: None

Abstentions: Bash, Kendig

5. Approve Minutes from the January 29, 2015 special meeting

The Minutes were approved.

Ayes: Bandy, Crow, Donawa, Gilbert, Navarrette

Noes: None

Abstentions: Bash

Deferred Compensation Management Council
Action Summary Minutes – March 16, 2015 Meeting
Page 2

6. Approve Deferred Compensation Plan Budget Policy

The Deferred Compensation Plan Budget Policy was unanimously approved, with the following modification: The Council-approval thresholds in Section 4 of the Policy will be changed from “Ten percent (10%)” to “Ten percent (10%) and \$5,000.”

7. Approve Amendments to Fiscal Year 2014-15 Deferred Compensation Plan Budget

- a. Increase in County Staff Cost appropriation
- b. Payment to Heintzberger-Payne Advisors for Plan Record-keeper RFP services

The Amendments were unanimously approved as recommended.

8. Receive and File Mid-Fiscal Year 2014-15 Deferred Compensation Plan Budget Report

Report received & filed. The Council directed staff to add a “Modified Budget” column to the Report to show both the original budget and the amended budget, if applicable. The Council also directed staff to provide a year-to-date budget report on a quarterly basis.

9. Approve the Fiscal Year 2015-16 Deferred Compensation Plan Budget

Fiscal Year 2015-16 Deferred Compensation Plan Budget was unanimously approved as recommended. The Council directed staff to include the previous year’s appropriation next to the current-year proposed budget.

10. Provide direction to staff regarding the evaluation committee for the Deferred Compensation Plan Consultant RFP process

The Council chose to place members Beth Bandy and Kari Gilbert on the evaluation committee.

11. Receive Verbal Report on Deferred Compensation Plan Record-keeper transition from Nationwide Retirement Solutions

Report received. The Council directed Nationwide to send a beneficiary solicitation to participants who do not have a beneficiary election, within ninety (90) days.

12. Receive and File Fiduciary Liability Checklist prepared by Heintzberger-Payne Advisors

Report received & filed.

**Deferred Compensation Management Council
Action Summary Minutes – March 16, 2015 Meeting
Page 3**

13. Receive and File Investment Lineup Report prepared by Heintzberger-Payne Advisors and take appropriate action regarding recommended investment lineup changes

Report received & filed. Heintzberger-Payne brought an additional document regarding the recommended lineup changes, entitled “Option C.” The Council unanimously approved making the modifications to the fund lineup described in “Option C.”

The meeting was adjourned at 11:03 a.m.

John Navarrette, Chair

Date



ITEM 5

Deferred Compensation Management Council May 11, 2015 Action Summary Minutes

Meeting was held at 1:30 p.m. at the Fresno County Employees' Retirement Association, 1111 H St., Fresno, CA 93721

Members Present: Robert Bash, Kathleen Donawa, Kari Gilbert, Donald Kendig, John Navarrette

Members Absent: Beth Bandy, Vicki Crow

1. Call to Order

The meeting was called to order at 1:30 p.m.

2. Approve Agenda

The Agenda was unanimously approved.

3. Receive presentation regarding the County of Fresno Stable Value Fund by Empower Retirement

Presentation received & filed.

The meeting was adjourned at 3:16 p.m.

John Navarrette, Chair

Date



Inter Office Memo

DEPARTMENT OF
PERSONNEL SERVICES

ITEM 7

DATE: August 27, 2015

TO: Deferred Compensation Management Council

FROM: Hollis Magill, Principal Personnel Analyst *Hollis Magill*

SUBJECT: Amendment to Fiscal Year 2014-15 Deferred Compensation Plan Budget

BACKGROUND

At the March 16, 2015 meeting, your Council approved the Deferred Compensation Plan Budget Policy. The Budget Policy provides for the transfer of funds between line-items in the event that costs exceed the original appropriation by more than ten percent (10%) and \$5,000.

ISSUE

Staff is requesting that your Council review and approve the following budget amendment:

Transfer \$8,883 from the Contingency appropriation to the Fiduciary Liability Insurance Policy appropriation. The premium payment for the 2014-15 Fiduciary Liability Insurance Policy was originally budgeted for FY 2013-14. However, the Policy was approved by the Board of Supervisors after the start of FY 2014-15 on July 15, 2014. Therefore, premiums were paid in FY 2014-15 instead of FY 2013-14. The Policy was renewed for 2015-16 by the Board on June 16, 2015. The premium payment was processed on June 23, 2015, which was still within FY 2014-15. Staff does not anticipate that this timing issue will occur in the future, as Policy renewals will be executed well in advance of the new fiscal year.

RECOMMENDED ACTION

Approve the transfer of \$8,883 from the Contingency appropriation to the Fiduciary Liability Insurance Policy appropriation.



Inter Office Memo

DEPARTMENT OF
PERSONNEL SERVICES

ITEM 8

DATE: August 27, 2015

TO: Deferred Compensation Management Council

FROM: Hollis Magill, Principal Personnel Analyst

SUBJECT: 2014-15 Fiscal Year Deferred Compensation Plan Budget Update

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. The County currently charges the Plan for the cost of the third-party administrator (Nationwide) and for consulting services (Heintzberger-Payne), as well as time spent by County staff (including Personnel Services and County Counsel staff) in support of Plan activities and for outside legal counsel to review Plan-related documents.

ISSUE

Staff has prepared a budget update for the 2014-15 fiscal year that ended June 30, 2015 (Attachment A). Staff would like to note and explain the revenue and expense discrepancies:

- 1. Prior Amendments to the FY 2014-15 Budget.** On March 16, 2015, your Council approved the transfer of \$52,000 from Contingencies to provide:
 - a. \$27,000 to pay for expenses related to the Record-keeper RFP process. The original appropriation was \$0; the modified appropriation is \$27,000.
 - b. \$25,000 in additional funding for Staff Costs. The original appropriation was \$56,500; the modified appropriation is \$81,500.
- 2. Total revenues were higher than what was projected.** This is due to the fact that Nationwide charges administrative fees prospectively. Therefore, the July 2015 administrative fee was charged on June 30. This additional monthly charge will not occur in future fiscal years.
- 3. The Great-West Reimbursement was lower than what was projected.** This was due to the fact that our agreement with Great-West ended prior to the Plan receiving the full reimbursement amount.
- 4. Record-keeping fees exceeded what was budgeted.** This was due to the timing of Great-West's final service fee, charged in January of 2015, and Nationwide's recurring monthly service fees. As Nationwide charges their monthly fee prospectively, their July

2015 service fee was charged on June 30. While the Plan was not over-charged, there was an additional monthly charge in FY 2014-15 that will not occur in future fiscal years.

5. **Fiduciary Liability Insurance Policy costs exceeded what was budgeted.** This was due to the timing of the premium payments for the 2014-15 and 2015-16 Policies. The 2014-15 Policy was budgeted for FY 2013-14 but premium payment was made in FY 2014-15, as the Policy was approved by the Board of Supervisors on July 15, 2014. The Policy was renewed for 2015-16 by the Board of Supervisors on June 16, 2015, which made the premium payable in FY 2014-15.

Therefore, staff has placed a budget amendment on today's agenda (Item No. 7), requesting approval to transfer \$8,883 from the Contingency appropriation to the Fiduciary Liability Insurance Policy appropriation. Should your Council approve Item No. 7, the modified Fiduciary Liability Insurance Policy appropriation will be \$19,883. This timing issue will not occur in future fiscal years.

Item 8 - Attachment A

County of Fresno Deferred Compensation Plan

Year to Date vs. Budgeted Revenues & Expenses as of June 30, 2015

<u>Revenues</u>	Year to Date	Projected	YTD vs. Projected
Administrative Fees	\$514,207	\$460,000	\$54,207
Great-West Reimbursement	\$58,333	\$70,000	(\$11,667)
Totals:	\$572,540	\$530,000	\$42,540

<u>Expenses</u>	Year to Date	Original Budget ¹	Modified Budget	YTD vs. Modified Budget
Consulting	(\$50,000)	\$50,000	\$50,000	\$0
Record-keeper RFP (Consulting) ²	(\$27,000)	\$0	\$27,000	\$0
Record-keeping	(\$307,053)	\$300,000	\$300,000	(\$7,053)
Fiduciary Liability Insurance Policy ³	(\$19,883)	\$11,000	\$19,883	\$0
Staff ²	(\$69,101)	\$56,500	\$81,500	\$12,399
Legal	(\$4,859)	\$25,000	\$25,000	\$20,141
NAGDCA	(\$5,672)	\$5,500	\$5,500	(\$172)
Lunch & Learn	\$0	\$8,000	\$8,000	\$8,000
Totals:	(\$483,568)	\$456,000	\$516,883	\$33,315

	Transfers	Budgeted	Remaining Budget
Contingencies	(\$60,883)	\$74,000	\$13,117

	YTD Expenses	Total Budget	YTD vs. Total Budget
Grand Totals:	(\$483,568)	\$530,000	\$46,432

¹ The FY 2014-15 Budget was approved by the Deferred Compensation Management Council (Council) on February 27, 2014.

² On March 16, 2015, the Council approved the transfer of \$52,000 from Contingencies to provide: 1) \$27,000 to pay for expenses related to the Record-keeper RFP process (previous budget of \$0) and 2) \$25,000 in additional funding for Staff Costs (previous budget of \$56,500).

³ Pending Council approval on August 27, 2015, \$8,883 transferred from Contingencies to pay for premiums on the 2014-15 and 2015-16 Fiduciary Liability Insurance Policies (previous budget of \$11,000).



Inter Office Memo

DEPARTMENT OF
PERSONNEL SERVICES

ITEM 9

DATE: August 27, 2015

TO: Deferred Compensation Management Council

FROM: Hollis Magill, Principal Personnel Analyst Hollis Magill

SUBJECT: RFP No. 964-5342, Deferred Compensation Plan Consultant Services

BACKGROUND

The Board of Supervisors approved Agreement #11-731 with Heintzberger-Payne Advisors on December 13, 2011. The Agreement provided for a three (3) year term (ending December 12, 2014) with two (2) one-year extensions upon written consent of both parties. As your Council is aware, the Board of Supervisors approved the first one-year extension on May 20, 2014.

Pursuant to Section 11.2(d) of the Deferred Compensation Plan Document, your Council has the responsibility to recommend the appointment of a Deferred Compensation Plan Consultant to the Board of Supervisors. Therefore, at the March 16, 2015 Deferred Compensation Management Council meeting, your Council appointed Beth Bandy and Kari Gilbert to the Proposal Evaluation Committee (RFP Committee). The RFP Committee had the responsibility to review and evaluate the written proposals submitted, identify the proposals that best meet the needs of the County, interview the top finalists (if necessary) and recommend a winning bidder to your Council.

ISSUE

RFP No. 964-5342, requesting proposals for vendors to provide 457(b) Deferred Compensation Plan Consultant Services, was released on April 15, 2015 and closed May 14, 2015. Six (6) vendors responded to the RFP: Hyas Group, SST Benefits Consulting, Advanced Capital Group, Milliman Investment Consulting, Heintzberger-Payne Advisors, and Buck Consulting. All of the bids met the minimum qualifications and were evaluated.

The RFP Committee rated the proposals with regard to:

- Proposing firm's responsiveness to the RFP.
- Proposing firm's inclination and ability to accept the terms and conditions of the model County of Fresno contract.
- Qualifications and capability of proposing firm and key personnel assigned to the County Plan, as demonstrated in the Vendor Company Data section.

- Demonstrated ability of proposing firm to successfully provide the services outlined in the Scope of Work with emphasis on experience providing these services to 457(b) deferred compensation plans of comparable size and nature in California.
- Cost, as submitted under the Cost Proposal section.

The RFP Committee met on Monday, June 22, 2015 to discuss the proposals, with the County Purchasing Manager in attendance to observe the proposal evaluation process. Proposals were rated on the following scale: Excellent, Good, Moderate, Poor, and Insufficient. The table below includes a summary of the ratings.

Rater	Heintzberger-Payne Advisors	SST Benefits Consulting	Hyas Group	Buck Consulting	Milliman Investment Consulting	Advanced Capital Group
1	Excellent	Excellent	Good	Moderate	Moderate	Poor
2	Excellent	Good	Good	Good	Good	Moderate
3	Good	Good+	Good	Moderate	Moderate	Moderate
4	Excellent	Excellent	Good	Moderate	Moderate	Poor
5	Excellent	Good	Excellent	Moderate	Poor	Moderate

While the ratings above accounted for the recurring and one-time fees proposed by each vendor, a summary of each cost proposal is below (listed lowest to highest cost, by **five year cost**):

Vendor	Annual Consulting	RFP Process	Three Year Total Cost	Five Year Total Cost
SST Benefits Consulting	\$29,500	\$36,400	\$124,900	\$183,900
Heintzberger-Payne ¹	\$43,500	\$30,000	\$160,500	\$230,000
Hyas Group ²	\$47,000	\$45,000	\$194,000	\$300,000
Milliman Investment Consulting	\$55,000	\$50,000	\$215,000	\$325,000
Advanced Capital Group ³	\$60,000	\$25,000	\$205,000	\$338,200
Buck Consulting ⁴	\$135,000	\$80,000	\$485,000	\$680,000

¹ The Annual Consulting fee decreases from \$43,500 to \$40,000 if the County agrees to a 5-year term.

² Annual fees increase by \$2,000 per year, regardless of 3 or 5 year agreement.

³ Pricing for years 4 & 5 will increase based on CPI, from the start of the agreement; the total cost numbers assume for years 4 & 5 to be \$65,600 and \$67,600, respectively, based on 3% inflation.

⁴ The Annual Consulting fee decreases from \$135,000 to \$120,000 if the County agrees to a 5-year term.

After discussing each proposal in detail, the RFP Committee determined that **Heintzberger-Payne Advisors** was the strongest candidate for the County's Deferred Compensation Consultant Services. Due to the overall strength of Heintzberger-Payne's proposal, and their standing as the top-rated vendor, the RFP Committee further determined that finalist interviews were not necessary to select the winning bidder⁵. A summary of the key factors leading to the RFP Committee's determination is provided below.

Summary of Key Factors:

- Heintzberger-Payne demonstrated the most in-depth research and analysis of investments:
 - Conduct on-site visits of major record-keepers.
 - They have an Investment Committee that meets weekly.
 - Meet with fund managers before recommending a fund to clients.
 - Conduct 3 in-person meetings and 1-2 conference calls with fund managers per week.
 - They provide best practices seminars for Target-Date and Stable Value products, as well as a sample RFP for Stable Value products and are developing an RFP for Managed Account Services.
- Heintzberger-Payne has a plan in place for monitoring performance of the Deferred Compensation Plan and the Record-keeper:
 - Developing a report that includes "plan health" metrics, current initiatives/goals and progress summary, as compared to the contractual obligations of the record-keeper.
- Heintzberger-Payne has strong overall qualifications:
 - They have a knowledgeable team in place, with over 100 years of combined experience.
 - They provide services for a good mix of government and corporate plans, which enhances their knowledge of ERISA compliance.
- Heintzberger-Payne has submitted the second-lowest cost proposal, providing at least a 13% decrease over the current annual fee.

RECOMMENDED ACTIONS

- 1. Recommend to the Board of Supervisors that they select Heintzberger-Payne Advisors as the Deferred Compensation Plan Consultant.**
- 2. Recommend to the Board of Supervisors that they execute a five-year agreement with Heintzberger-Payne Advisors, as the discounted rate under a five-year agreement will save Deferred Compensation Plan participants \$3,500 per year.**

⁵ The RFP/RFQ Guidelines do not require interviews with potential vendors to determine a winning bidder.



Inter Office Memo

DEPARTMENT OF
PERSONNEL SERVICES

ITEM 10

DATE: August 27, 2015

TO: Deferred Compensation Management Council

FROM: Hollis Magill, Principal Personnel Analyst Hollis Magill

SUBJECT: Deferred Compensation Plan Qualified Domestic Relations Order Policy

BACKGROUND

Pursuant to Section 8.9 of the Deferred Compensation Plan Document, a participant's assets may not be assigned to anyone other than the participant, unless the assignment is required by a Qualified Domestic Relations Order (QDRO). At the August 9, 2012 Deferred Compensation Management Council meeting, your Council approved a Deferred Compensation Plan QDRO Policy. The QDRO Policy provides guidelines for the processing of spousal or child support domestic relations orders.

ISSUE

The current QDRO Policy requires minor updates due to the change in Plan Record-keepers. Staff is proposing an additional change to streamline QDRO processing. Attachment A shows the original Policy with deletions struck through and additions underlined; all changes are in red. Attachment B is the final version with all changes included. The proposed changes include:

- **Section III. Processing A QDRO:** Currently, Paragraph F states "If the Order provides a retroactive assignment date, that date must be after November 19, 2009, the date Great-West Retirement Services became the Record Keeper." This language has been changed to "If the Order provides a retroactive assignment date, that date must be after January 26, 2015, the date Nationwide Retirement Solutions became the Record Keeper." This change is necessary because Nationwide is unable to calculate gains and losses (a requirement in determining the amount owed to an "Alternate Payee") for a participant account prior to their assuming record-keeping responsibilities.
- **Section IV. Payment Of Benefits:** Currently, Paragraph C outlines when benefits are payable to the Alternate Payee and what information is required based on the Participant's retirement status. In practice, the information needed to process a QDRO and the timing of the benefit payment do not change based on the retirement status of the Participant. Therefore, the proposed changes to this section will bring the Policy in line with the current practice.

RECOMMENDED ACTION

Approve the Deferred Compensation Plan QDRO Policy in Attachment B, either as submitted or with amendments.

Item 10 – Attachment A

COUNTY OF FRESNO 457(b) DEFERRED COMPENSATION PLAN POLICY:

Qualified Domestic Relations Order

~~Effective as of August 9, 2012~~
As Amended August 27, 2015

**COUNTY OF FRESNO 457(b) DEFERRED COMPENSATION PLAN POLICY:
QUALIFIED DOMESTIC RELATIONS ORDER**

POLICY:

It is the policy of the County of Fresno 457(b) Deferred Compensation Plan (the "Plan") to process all Domestic Relations Orders received in compliance with all applicable laws and Plan provisions.

ADMINISTRATIVE RESPONSIBILITY:

Pursuant to Section 8.9 of the County of Fresno 457(b) Deferred Compensation Plan document, the Deferred Compensation Management Council (the "Council") established the following Qualified Domestic Relations Order Policy and Procedures (the "Policy") for determining the qualified status of Domestic Relations Orders and for administering distributions under such qualified orders with respect to benefits payable under the Plan.

I. DEFINITIONS

Alternate Payee: Any spouse, former spouse, child or other dependent of a Participant who is recognized by a Domestic Relations Order as having a right to receive all, or a portion of, the benefits payable under the Plan with respect to such Participant.

Domestic Relations Order ("DRO" or "Order"): A judgment, decree, or order (including the approval of a property settlement) that is made pursuant to State Domestic Relations Law (including community property law) and that relates to the provision of child support, alimony payments, or marital property rights for the benefit of a spouse, former spouse, child, or other dependent of a Participant.

Participant: An employee whose Plan account is subject to a Domestic Relations Order.

Council: The Council is the Deferred Compensation Management Council ("DCMC") or its designee, and is responsible for administering the Plan and this Policy. The Council is located at 2220 Tulare Street, 14th Floor, Fresno, CA 93721 and can be reached via telephone at (559) 600-1810 and fax at (559) 455-4787.

Record Keeper: The Record Keeper is the third party service provider with whom the County of Fresno contracts for investment, record-keeping or other management services for the Plan.

State Domestic Relations Law: Applicable State Domestic Relations Law includes, but is not limited to California Family Code Sections 2337 and 5208.

II. REQUIREMENTS FOR A QUALIFIED DOMESTIC RELATIONS ORDER ("QDRO")

A. A DRO shall be determined to be a QDRO only if it creates or recognizes the existence of an Alternate Payee's right to receive, or assigns to an Alternate Payee the right to receive, all or a part of a Participant's benefits under the Plan and includes all of the following information:

1. The names, Social Security numbers (which should be provided to the Council under separate cover and not filed with the court) and last known mailing addresses of the Participant and the Alternate Payee(s);
2. The name of the Plan;
3. The dollar amount or percentage (or the method of determining the amount or percentage) of the benefit to be paid to the Alternate Payee(s); and
4. The time period or number of payments to which the Order applies.

**COUNTY OF FRESNO 457(b) DEFERRED COMPENSATION PLAN POLICY:
QUALIFIED DOMESTIC RELATIONS ORDER**

B. An Order is not qualified if any of the following apply:

1. The Order fails to comply with all of the requirements in subsection A above;
2. The Order requires the Plan to provide an Alternate Payee or Participant with any type or form of benefit, or any option, not otherwise provided under the Plan;
3. The Order requires the Plan to provide for increased benefits;
4. The Order requires the Plan to pay benefits to an Alternate Payee that are required to be paid to another Alternate Payee under another Order previously determined to be a QDRO; and
5. The Order is not issued by or certified by a state agency or instrumentality with the authority to issue judgments, decrees, or orders, or to approve property settlement agreements, pursuant to State Domestic Relations Law (including community property law).

III. PROCESSING A QDRO

A. Notice to Participant and to Alternate Payee. Within thirty (30) days after receipt of an Order, the Council will notify the Participant and the Alternate Payee (and, upon written request of the Participant and/or Alternate Payee, to the Participant's and/or Alternate Payee's representative, including, in the case of an Order for child support, the County of Fresno Department of Child Support Services or other applicable organization, if the representative is identified by name and address in writing) of the receipt of the Order, and will deliver to the Participant and to each Alternate Payee (and to the Participant's and/or Alternate Payee's representative, as applicable) a copy of this Policy.

B. Suspension of Participant Distributions. Upon receipt of the Order, the Council will suspend the Participant's right to receive all distributions, including distributions in the form of a loan or on account of unforeseeable emergency to the extent of the amount of the award in the Order to the Alternate Payee during the time of review. If the award is not clear in the Order, then 100% of the Participant's rights to receive all distributions, including distributions in the form of a loan or on account of unforeseeable emergency will be suspended, unless otherwise agreed to in writing by the parties. If the Participant is receiving benefits in the form of periodic payments at the time of receipt of the Order, the Council will suspend periodic payments made to the Participant.

The Council will direct the Record Keeper to maintain a separate accounting (which may include a segregated account) at the time the Order is received for each Alternate Payee until the Plan has completed distribution of benefits under the QDRO.

Upon receipt of written notice of an adverse interest in a Participant's Account claimed by an alleged Alternate Payee under California law, including but not limited to Joinder documents, including a conformed file-stamped Request for Joinder of Employee Benefit and Order, or a draft or proposed Order that is not yet court-certified, the Council will suspend all distributions, as described in this section, until receipt of a proper Order

C. Notice to Legal Counsel. Within thirty (30) days after receipt of the Order, the Council may send a copy of the Order to legal counsel for review.

D. Review of Order. The Order will be reviewed within a reasonable period of time to determine whether the Order complies with applicable law and Plan provisions. After review, the Council will determine whether the Order is a QDRO.

**COUNTY OF FRESNO 457(b) DEFERRED COMPENSATION PLAN POLICY:
QUALIFIED DOMESTIC RELATIONS ORDER**

E. Determination that Order is a QDRO. If it is determined that the Order is a QDRO, the Council shall implement the following:

1. Notify the Participant and each Alternate Payee (and his/her legal representative, as applicable) that the Order is a QDRO and the Plan will make distribution pursuant to the QDRO.
2. Initiate the payment process for the designated benefits as soon as administratively feasible following receipt of the election forms completed by the Alternate Payee, and pursuant to Section IV below.
3. Entitle the Alternate Payee to file with the Plan a beneficiary designation in the same manner as a Participant in the Plan with respect to the Alternate Payee's assigned benefit in the Plan as established by the QDRO, unless the QDRO specifically provides otherwise.
4. Allow the Participant or the Alternate Payee (or their representatives, as applicable) to appeal the final determination of the Council by filing a written notice of appeal with the Council within thirty (30) days of the final determination. If the parties choose to expedite QDRO processing, the Participant and Alternate Payee may waive the appeal process by signing a waiver appeal form.

F. Ambiguity in Order. In the event of an ambiguity or defect in an Order that would otherwise constitute a QDRO, the Council may resolve the ambiguity or defect by written agreement of the Participant and the Alternate Payee (and their representatives, as applicable).

Note: If the Order provides a retroactive assignment date, that date must be after ~~November 19, 2009~~ January 26, 2015, the date ~~Great West Retirement Services~~ Nationwide Retirement Solutions became the Record Keeper.

G. Determination that Order is not a QDRO. If the Council determines the Order is not a QDRO:

1. The Council will advise the Participant and each Alternate Payee (and the Participant's and Alternate Payee's representative, as applicable) of the adverse decision and of the reasons for the adverse decision.
2. If the qualified status of the Order has not been established within 18 months from the date the first payment to the Alternate Payee would have been required under the Order, the Council shall cease the suspension of the Participant's distributions. If the Participant is eligible for payment of those amounts in the absence of the Order, the Council shall pay the amounts (plus interest, if any) to the person or persons entitled thereto.

IV. PAYMENT OF BENEFITS

A. Order qualified within the 18-month period. If the qualified status of an Order is established within 18 months of the date the first payment to the Alternate Payee would be required under the Order, the Council shall make payment of the amounts separately accounted for (plus interest, if any), to the person or persons entitled to benefits under the terms of the Order.

B. After the 18-month period. If the Order is determined to be qualified after the end of the 18-month period, the Council shall comply with the terms of the Order, but only on a prospective basis with respect to any payments that may be due after the later of the date

**COUNTY OF FRESNO 457(b) DEFERRED COMPENSATION PLAN POLICY:
QUALIFIED DOMESTIC RELATIONS ORDER**

the Council determines the Order is qualified or the date the Council receives written notice of such determination by a court of competent jurisdiction.

C. When benefits are payable. Benefits under the Plan are subject to a QDRO as of the date specified in the QDRO. The following procedures shall apply:

~~1. Before retirement. If the Participant has not retired:~~

~~i.1.~~ The Council shall require the Alternate Payee and Participant to provide any information that is reasonably required for the determination of the amount payable to the Alternate Payee;

~~ii.2.~~ Once the Council has all the necessary information, it shall determine the amount payable to the Alternate Payee;

~~2.3.~~ The Council shall notify the Participant and the Alternate Payee of the amount to which the Alternate Payee he or she is entitled pursuant to the QDRO and, where appropriate, provide the Alternate Payee with an opportunity to elect to receive benefits in any form available to a similarly-situated Participant.

~~2. After retirement. If the Participant has retired, the Council shall notify the Alternate Payee and the Participant of the amount of Participant's benefits payable by the Council directly to the Alternate Payee pursuant to the QDRO.~~

~~3. In all cases. In all cases, the following procedures shall apply:~~

~~3.4.~~ The Council shall attach the QDRO to the Plan's record of the Participant's account and take the Plan's obligations under the QDRO into account in any future determination of the Participant's benefits under the Plan;

~~4.5.~~ The Council shall initiate appropriate administrative action to effect a distribution to the Alternate Payee of the amount to which the Alternate Payee is entitled under the terms of the QDRO.

~~6.~~ Notwithstanding the above, QDRO benefits shall be distributed to an Alternate Payee pursuant to the QDRO as soon as administratively feasible after the Plan approves the Order, but no earlier than:

i. The date that the 30-day appeal period expires (i.e. 30 days from the date of the final determination); or

ii. The date that the Council receives a waiver of the 30 day appeal form signed by both the Participant and the Alternate Payee. The waiver must be either notarized or signed by the Participant and the Alternate Payee in the presence of the Council.

D. Form of payment. In the event that the Order does not specify how the Alternate Payee will receive their benefit (i.e., lump-sum distribution or rollover to qualified plan), the Alternate Payee may elect when and how payment will be made, as long as the election is at a time and in a form acceptable under the terms of the Plan.

E. Gains and losses. The Plan will include gains and losses on the Alternate Payee's assigned benefit as of the date specified in the Order, or, if a date is not specified in the Order, as of the date the Order was issued.

F. Allocation of Funds. If the Order is silent regarding the allocation of funds to the Alternate Payee, the Alternate Payee's assigned benefit will be comprised of a pro rata share of each of the assets in the Participant's account(s).

**COUNTY OF FRESNO 457(b) DEFERRED COMPENSATION PLAN POLICY:
QUALIFIED DOMESTIC RELATIONS ORDER**

G. Address Changes. It is the responsibility of the Participant and Alternate Payee to keep the Plan informed of any address changes. If, after reasonable efforts, an Alternate Payee cannot be located by the Council at the time any payment is to be made to the Alternate Payee pursuant to a QDRO, the Alternate Payee shall forfeit the right to such payment and the same shall remain in the Plan for its general purposes. However, if the Alternate Payee later claims such payments, the Alternate Payee's right to those payments shall be reinstated and the Council shall promptly pay the same to the Alternate Payee, without interest.

V. DEATH OF ALTERNATE PAYEE

- A.** If the Alternate Payee dies before a proposed order becomes a final Order of the court, the Order will not be approved as a QDRO.
- B.** If the Alternate Payee dies after a proposed order becomes a final Order of the court, and the Council determines that the Order is qualified, benefits will be paid to the Alternate Payee's designated beneficiary, or if none, to the Alternate Payee's estate.

VI. TAXATION OF QDRO PAYMENTS

- A.** An Alternate Payee who is the spouse or former spouse of the Participant is responsible for taxes owed on any benefit they receive. A payment made to an Alternate Payee who is the spouse or former spouse of the Participant is subject to a 20% mandatory income tax withholding unless the Alternate Payee elects a direct rollover to a qualified plan, as provided in the Plan document.
- B.** The Participant is responsible for paying taxes on any lump-sum payment to an Alternate Payee who is a child under the age of 18, or pursuant to a QDRO for Support for child support arrearages for the benefit of an Alternate Payee who is, or was, a child under the age of 18. Any lump sum payment under this provision will have an amount withheld and paid over to the appropriate taxing authorities to satisfy the Plan's mandatory federal and state withholding obligations.

VII. REIMBURSEMENT FOR QDRO ADMINISTRATION

- A.** The Plan shall assess reasonable administrative fees (Fees), not to exceed \$500, for administration of proposed agreements or Orders.
- B.** If the Alternate Payee is the spouse or former spouse, Fees shall be deducted equally from the Alternate Payee's share of benefits and from the Participant's account(s) on a pro-rata basis.
- C.** If the Alternate Payee is a child, or a former child, the Fees will be deducted solely from the Participant's account(s) on a pro-rata basis.

Item 10 – Attachment B

**COUNTY OF FRESNO 457(b) DEFERRED
COMPENSATION PLAN POLICY:**

Qualified Domestic Relations Order

As Amended August 27, 2015

**COUNTY OF FRESNO 457(b) DEFERRED COMPENSATION PLAN POLICY:
QUALIFIED DOMESTIC RELATIONS ORDER**

POLICY:

It is the policy of the County of Fresno 457(b) Deferred Compensation Plan (the "Plan") to process all Domestic Relations Orders received in compliance with all applicable laws and Plan provisions.

ADMINISTRATIVE RESPONSIBILITY:

Pursuant to Section 8.9 of the County of Fresno 457(b) Deferred Compensation Plan document, the Deferred Compensation Management Council (the "Council") established the following Qualified Domestic Relations Order Policy and Procedures (the "Policy") for determining the qualified status of Domestic Relations Orders and for administering distributions under such qualified orders with respect to benefits payable under the Plan.

I. DEFINITIONS

Alternate Payee: Any spouse, former spouse, child or other dependent of a Participant who is recognized by a Domestic Relations Order as having a right to receive all, or a portion of, the benefits payable under the Plan with respect to such Participant.

Domestic Relations Order ("DRO" or "Order"): A judgment, decree, or order (including the approval of a property settlement) that is made pursuant to State Domestic Relations Law (including community property law) and that relates to the provision of child support, alimony payments, or marital property rights for the benefit of a spouse, former spouse, child, or other dependent of a Participant.

Participant: An employee whose Plan account is subject to a Domestic Relations Order.

Council: The Council is the Deferred Compensation Management Council ("DCMC") or its designee, and is responsible for administering the Plan and this Policy. The Council is located at 2220 Tulare Street, 14th Floor, Fresno, CA 93721 and can be reached via telephone at (559) 600-1810 and fax at (559) 455-4787.

Record Keeper: The Record Keeper is the third party service provider with whom the County of Fresno contracts for investment, record-keeping or other management services for the Plan.

State Domestic Relations Law: Applicable State Domestic Relations Law includes, but is not limited to California Family Code Sections 2337 and 5208.

II. REQUIREMENTS FOR A QUALIFIED DOMESTIC RELATIONS ORDER ("QDRO")

A. A DRO shall be determined to be a QDRO only if it creates or recognizes the existence of an Alternate Payee's right to receive, or assigns to an Alternate Payee the right to receive, all or a part of a Participant's benefits under the Plan and includes all of the following information:

1. The names, Social Security numbers (which should be provided to the Council under separate cover and not filed with the court) and last known mailing addresses of the Participant and the Alternate Payee(s);
2. The name of the Plan;
3. The dollar amount or percentage (or the method of determining the amount or percentage) of the benefit to be paid to the Alternate Payee(s); and
4. The time period or number of payments to which the Order applies.

**COUNTY OF FRESNO 457(b) DEFERRED COMPENSATION PLAN POLICY:
QUALIFIED DOMESTIC RELATIONS ORDER**

B. An Order is not qualified if any of the following apply:

1. The Order fails to comply with all of the requirements in subsection A above;
2. The Order requires the Plan to provide an Alternate Payee or Participant with any type or form of benefit, or any option, not otherwise provided under the Plan;
3. The Order requires the Plan to provide for increased benefits;
4. The Order requires the Plan to pay benefits to an Alternate Payee that are required to be paid to another Alternate Payee under another Order previously determined to be a QDRO; and
5. The Order is not issued by or certified by a state agency or instrumentality with the authority to issue judgments, decrees, or orders, or to approve property settlement agreements, pursuant to State Domestic Relations Law (including community property law).

III. PROCESSING A QDRO

A. Notice to Participant and to Alternate Payee. Within thirty (30) days after receipt of an Order, the Council will notify the Participant and the Alternate Payee (and, upon written request of the Participant and/or Alternate Payee, to the Participant's and/or Alternate Payee's representative, including, in the case of an Order for child support, the County of Fresno Department of Child Support Services or other applicable organization, if the representative is identified by name and address in writing) of the receipt of the Order, and will deliver to the Participant and to each Alternate Payee (and to the Participant's and/or Alternate Payee's representative, as applicable) a copy of this Policy.

B. Suspension of Participant Distributions. Upon receipt of the Order, the Council will suspend the Participant's right to receive all distributions, including distributions in the form of a loan or on account of unforeseeable emergency to the extent of the amount of the award in the Order to the Alternate Payee during the time of review. If the award is not clear in the Order, then 100% of the Participant's rights to receive all distributions, including distributions in the form of a loan or on account of unforeseeable emergency will be suspended, unless otherwise agreed to in writing by the parties. If the Participant is receiving benefits in the form of periodic payments at the time of receipt of the Order, the Council will suspend periodic payments made to the Participant.

The Council will direct the Record Keeper to maintain a separate accounting (which may include a segregated account) at the time the Order is received for each Alternate Payee until the Plan has completed distribution of benefits under the QDRO.

Upon receipt of written notice of an adverse interest in a Participant's Account claimed by an alleged Alternate Payee under California law, including but not limited to Joinder documents, including a conformed file-stamped Request for Joinder of Employee Benefit and Order, or a draft or proposed Order that is not yet court-certified, the Council will suspend all distributions, as described in this section, until receipt of a proper Order

C. Notice to Legal Counsel. Within thirty (30) days after receipt of the Order, the Council may send a copy of the Order to legal counsel for review.

D. Review of Order. The Order will be reviewed within a reasonable period of time to determine whether the Order complies with applicable law and Plan provisions. After review, the Council will determine whether the Order is a QDRO.

**COUNTY OF FRESNO 457(b) DEFERRED COMPENSATION PLAN POLICY:
QUALIFIED DOMESTIC RELATIONS ORDER**

E. Determination that Order is a QDRO. If it is determined that the Order is a QDRO, the Council shall implement the following:

1. Notify the Participant and each Alternate Payee (and his/her legal representative, as applicable) that the Order is a QDRO and the Plan will make distribution pursuant to the QDRO.
2. Initiate the payment process for the designated benefits as soon as administratively feasible following receipt of the election forms completed by the Alternate Payee, and pursuant to Section IV below.
3. Entitle the Alternate Payee to file with the Plan a beneficiary designation in the same manner as a Participant in the Plan with respect to the Alternate Payee's assigned benefit in the Plan as established by the QDRO, unless the QDRO specifically provides otherwise.
4. Allow the Participant or the Alternate Payee (or their representatives, as applicable) to appeal the final determination of the Council by filing a written notice of appeal with the Council within thirty (30) days of the final determination. If the parties choose to expedite QDRO processing, the Participant and Alternate Payee may waive the appeal process by signing a waiver appeal form.

F. Ambiguity in Order. In the event of an ambiguity or defect in an Order that would otherwise constitute a QDRO, the Council may resolve the ambiguity or defect by written agreement of the Participant and the Alternate Payee (and their representatives, as applicable).

Note: If the Order provides a retroactive assignment date, that date must be after January 26, 2015, the date Nationwide Retirement Solutions became the Record Keeper.

G. Determination that Order is not a QDRO. If the Council determines the Order is not a QDRO:

1. The Council will advise the Participant and each Alternate Payee (and the Participant's and Alternate Payee's representative, as applicable) of the adverse decision and of the reasons for the adverse decision.
2. If the qualified status of the Order has not been established within 18 months from the date the first payment to the Alternate Payee would have been required under the Order, the Council shall cease the suspension of the Participant's distributions. If the Participant is eligible for payment of those amounts in the absence of the Order, the Council shall pay the amounts (plus interest, if any) to the person or persons entitled thereto.

IV. PAYMENT OF BENEFITS

A. Order qualified within the 18-month period. If the qualified status of an Order is established within 18 months of the date the first payment to the Alternate Payee would be required under the Order, the Council shall make payment of the amounts separately accounted for (plus interest, if any), to the person or persons entitled to benefits under the terms of the Order.

B. After the 18-month period. If the Order is determined to be qualified after the end of the 18-month period, the Council shall comply with the terms of the Order, but only on a prospective basis with respect to any payments that may be due after the later of the date the Council determines the Order is qualified or the date the Council receives written notice of such determination by a court of competent jurisdiction.

**COUNTY OF FRESNO 457(b) DEFERRED COMPENSATION PLAN POLICY:
QUALIFIED DOMESTIC RELATIONS ORDER**

- C. When benefits are payable.** Benefits under the Plan are subject to a QDRO as of the date specified in the QDRO. The following procedures shall apply:
1. The Council shall require the Alternate Payee and Participant to provide any information that is reasonably required for the determination of the amount payable to the Alternate Payee;
 2. Once the Council has all the necessary information, it shall determine the amount payable to the Alternate Payee;
 3. The Council shall notify the Participant and the Alternate Payee of the amount to which the Alternate Payee is entitled pursuant to the QDRO and, where appropriate, provide the Alternate Payee with an opportunity to elect to receive benefits in any form available to a similarly-situated Participant.
 4. The Council shall attach the QDRO to the Plan's record of the Participant's account and take the Plan's obligations under the QDRO into account in any future determination of the Participant's benefits under the Plan;
 5. The Council shall initiate appropriate administrative action to effect a distribution to the Alternate Payee of the amount to which the Alternate Payee is entitled under the terms of the QDRO.
 6. Notwithstanding the above, QDRO benefits shall be distributed to an Alternate Payee pursuant to the QDRO as soon as administratively feasible after the Plan approves the Order, but no earlier than:
 - i. The date that the 30-day appeal period expires (i.e. 30 days from the date of the final determination); or
 - ii. The date that the Council receives a waiver of the 30 day appeal form signed by both the Participant and the Alternate Payee. The waiver must be either notarized or signed by the Participant and the Alternate Payee in the presence of the Council.
- D. Form of payment.** In the event that the Order does not specify how the Alternate Payee will receive their benefit (i.e., lump-sum distribution or rollover to qualified plan), the Alternate Payee may elect when and how payment will be made, as long as the election is at a time and in a form acceptable under the terms of the Plan.
- E. Gains and losses.** The Plan will include gains and losses on the Alternate Payee's assigned benefit as of the date specified in the Order, or, if a date is not specified in the Order, as of the date the Order was issued.
- F. Allocation of Funds.** If the Order is silent regarding the allocation of funds to the Alternate Payee, the Alternate Payee's assigned benefit will be comprised of a pro rata share of each of the assets in the Participant's account(s).
- G. Address Changes.** It is the responsibility of the Participant and Alternate Payee to keep the Plan informed of any address changes. If, after reasonable efforts, an Alternate Payee cannot be located by the Council at the time any payment is to be made to the Alternate Payee pursuant to a QDRO, the Alternate Payee shall forfeit the right to such payment and the same shall remain in the Plan for its general purposes. However, if the Alternate Payee later claims such payments, the Alternate Payee's right to those payments shall be reinstated and the Council shall promptly pay the same to the Alternate Payee, without interest.

**COUNTY OF FRESNO 457(b) DEFERRED COMPENSATION PLAN POLICY:
QUALIFIED DOMESTIC RELATIONS ORDER**

V. DEATH OF ALTERNATE PAYEE

- A. If the Alternate Payee dies before a proposed order becomes a final Order of the court, the Order will not be approved as a QDRO.
- B. If the Alternate Payee dies after a proposed order becomes a final Order of the court, and the Council determines that the Order is qualified, benefits will be paid to the Alternate Payee's designated beneficiary, or if none, to the Alternate Payee's estate.

VI. TAXATION OF QDRO PAYMENTS

- A. An Alternate Payee who is the spouse or former spouse of the Participant is responsible for taxes owed on any benefit they receive. A payment made to an Alternate Payee who is the spouse or former spouse of the Participant is subject to a 20% mandatory income tax withholding unless the Alternate Payee elects a direct rollover to a qualified plan, as provided in the Plan document.
- B. The Participant is responsible for paying taxes on any lump-sum payment to an Alternate Payee who is a child under the age of 18, or pursuant to a QDRO for Support for child support arrearages for the benefit of an Alternate Payee who is, or was, a child under the age of 18. Any lump sum payment under this provision will have an amount withheld and paid over to the appropriate taxing authorities to satisfy the Plan's mandatory federal and state withholding obligations.

VII. REIMBURSEMENT FOR QDRO ADMINISTRATION

- A. The Plan shall assess reasonable administrative fees (Fees), not to exceed \$500, for administration of proposed agreements or Orders.
- B. If the Alternate Payee is the spouse or former spouse, Fees shall be deducted equally from the Alternate Payee's share of benefits and from the Participant's account(s) on a pro-rata basis.
- C. If the Alternate Payee is a child, or a former child, the Fees will be deducted solely from the Participant's account(s) on a pro-rata basis.

Item 11

Great West Life Stable Asset Fund Annuity Contract

Fresno County

June 30, 2015

Purpose

This document provides an overview of the Great West Life Fresno County Stable Asset Fund, its strategy and a summary of its current portfolio characteristics.

Summary

- The Stable Value Asset Fund's Guarantor has an acceptable A.M. Best Financial Strength Rating of A+ ("excellent").
- The portfolio's quality as of 6/30 is AA+, as rated by S&P, and AAA for Moody's and Fitch according to GWL statements.
- The Q3 crediting rate of 2.15% compares favorably to money market and other stable value options.
- Assets are held in a separate account and not subject to the general creditors of Great West.
- Great West Life Annuity and Insurance Company provides the product's book value wrapper.
- There is no put provision for termination of the contract, only a requirement for 60 days' notice. Termination would be conducted at market value.

What is a Stable Value Fund?

Stable value funds seek to provide Plan Participants with a higher yielding alternative to money market accounts. A stable value fund generally is a portfolio of bonds with longer maturities, as opposed to a money market fund which is a portfolio of bonds with extremely short maturities. Both have similar purposes within a portfolio.

How does a stable value fund seek to provide a higher yield than money market accounts? Both money market and stable value funds invest in high quality bonds. But stable value funds buy bonds with maturities that are measured in years compared to money markets, which buy maturities that are measured in months or days.

But the improved yield that stable value funds try to add relative to money markets comes with a layer of complexity. Longer maturity bonds, during the life of the bond, have market values that fluctuate. Generally, market values of bonds are more volatile as the bond's maturity increases. This is not a factor with which money markets must contend. So to smooth the portfolio's volatility, stable value managers enter into contracts, usually with multiple insurance companies, in order to guarantee that participants may transact the portfolio at its book value instead of its market value.

Fresno County Stable Asset Fund

Fresno County's Stable Asset Fund is an annuity contract with Great West Life. Deposits are made by the Plan Sponsor on behalf of Participants and held in a Separate Account created and managed specifically for the County. Great West Life, the sole Guarantor of the Contract, owns the assets in the bond portfolio and manages the County's portfolio to customized specifications.

Stable Value Funds are investment vehicles that are "wrapped" by multiple insurance companies in a variety of arrangements. Pooled investment funds commonly take the following measures to insure the portfolio's book value from the impact of changes in interest rates, but not defaults or downgrades: (1) Purchase Guaranteed Insurance Contracts (GICs) wherein the fund owns only a contract; (2) Create Synthetic GICs wherein the fund owns the assets and pays a fee to an insurance provider; (3) Place assets in Insurance Company Separate Accounts (ISAs); and/or (4) purchase individual bond issues and individually insure the bonds or purchase book value insurance coverage against the entire portfolio.

By diversifying the number of insurance companies to guarantee the assets, most stable value funds may provide an additional layer of protection in the event of a significant loss of value in the portfolio.

Great West Life Stable Asset Fund Annuity Contract

Fresno County

June 30, 2015

Summary Contract and Investment Policy Information

Provider:	Great West Life & Annuity Insurance (GWL) Company, 8515 East Orchard Road, Greenwood Village, CO 80111	Plan Level Termination, Cessation of Deposits and Complete Transfers:	60 days written notice is required. After which GWL will either (1) maintain each participant's annuity account value or (2) either (a) transfer assets in the separate account to the successor insurer or group policyholder; or (b) liquidate assets into cash and cash equivalents. Transfers conducted at book value.
Structure:	Group annuity. GWL, in effect, is the sole guarantor of the portfolio's book value. All assets are held in a separate account under the ownership of GWL.	Government-Related:	Minimum of 50% in US Government-related bonds (US Treasury debt, Agency MBS, and/or CMOs secured by GNMA, FNMA, FHLMC).
Fund Size:	As of June 30, the fund's reported market value was \$60.84 million, and book of \$60.11 million.	Non-Government:	Maximum of 50% in corporate bonds or asset backed securities including CMOs backed by non-agency collateral.
Fees:	Investment Management Fee of 0.35%.	Basis for Credit Ratings: Credit Quality:	Moody's, S&P and Fitch Weighted average of AA or better. No more than 10% in A rated securities. No more than 5% invested in any one corporate issuer.
Competing Funds:	The following are not allowed alongside the stable value fund: money market funds, any bond fund with a duration of 3 years or less, any fund with a known or periodically declared rate of interest.	Duration:	Not to exceed five years.
Crediting Rate and Floor:	0% floor. HPA received confirmation that trading gains and losses are amortized over the expected duration of the fund, per Investment Policy; and other book value differences from market value, including defaults, are amortized over the average remaining life of the assets per Section 5.2 of the Contract.	Investments:	United States Treasury Securities; United States Agency Securities and FDIC guaranteed bank debt, MBS issued by GNMA, FNMA, FHLMC, FHLB, VA Vendee or other government agencies; instruments of US-domiciled commercial banks wherein all money deposited is 100% guaranteed by the FDIC; commercial paper rated A or P as rated by S&P, Fitch or Moody's; corporate bonds rated A-/A3 or better at time of purchase, asset-backed securities rated "A" or better as rated by S&P, Fitch or Moody's at time of purchase including CMOs backed by non-agency collateral.
Distributions to Participants:	Participants may elect between several different distribution options that are conducted at book value and specified on a participant form.		
Transfers for Participants:	Participants may transfer out to any other available investment option at book value without any advance notice.		

Great West Life Stable Asset Fund Annuity Contract

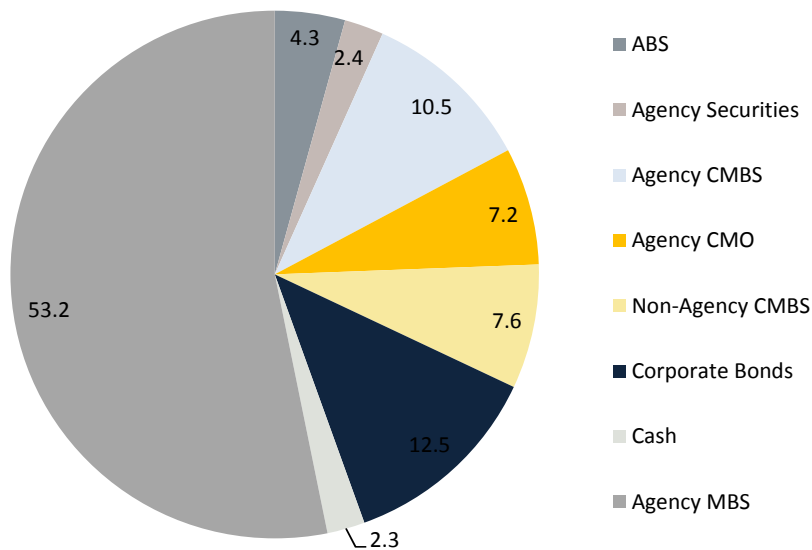
Fresno County

June 30, 2015

Q2 2015 Portfolio Characteristics

Composition

A summary of the portfolio's characteristics as of the Second Quarter follows:



The portfolio's largest exposure is currently in Agency Mortgage Backed Securities at 53.2%. Corporate bonds constitute the second largest component of the portfolio at 12.5%.

Average Duration:

The fund's duration was 3.6 years a year ago at this time and steadily declined to 2.9 years to finish Q1'15. However, more recently, the portfolio experienced an increase in duration during Q2'15 to end the quarter at 3.5 years. This was primarily due to durations extending in Agency Mortgage Backed Securities as we saw a decline in pre-payments.

Weighted Average Ratings by Agency:

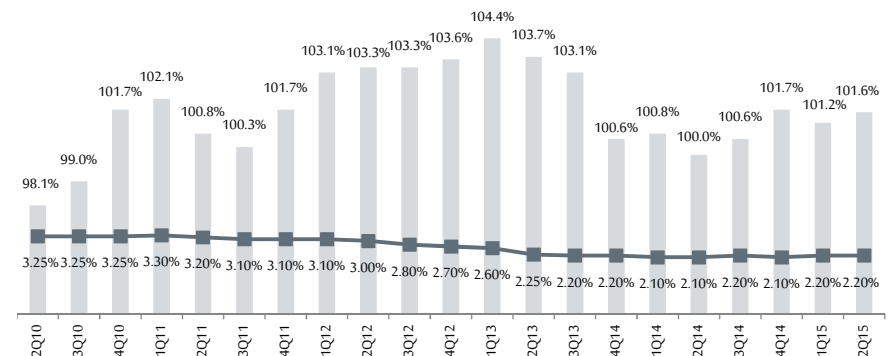
S&P	Moody's	Fitch
AA+	AAA	AAA

Average Credit Rating for Portfolio: The fund's average credit rating of AA+ as of the end of the Second Quarter is consistent with the Investment Policy Statement's guidelines. The portfolio's lowest average credit rating, as measured by S&P, is also AA+. Currently, the Investment Policy Statement does not specify which ratings agencies to consider when calculating the weighted average quality.

Crediting Rate and Annuity Provider

Third Quarter 2015 Crediting Rate: 2.15%

Market-to-Book Ratio and Crediting Rate



Annuity Provider's Financial Strength Ratings:

A.M. Best	Fitch	Moody's	S&P
A+	AA	Aa3	AA

Great West Life Stable Asset Fund Annuity Contract

Fresno County

June 30, 2015

Fund	Wrap Type	Market-to-Book	Avg. Portf. Quality	Est. Avg. Wrap Credit Quality	Effective Duration	Gross Crediting Rate***
Fresno County Stable Value	Single	101.2%	AAA	A+	3.50	2.15%
MetLife / Wilmington Trust	Single	101.7%	AA	A+	4.90	2.30%
New York Life Anchor Account	Single	100.5%	AA	A++	2.00	2.11%
Nationwide Guaranteed Separate Account	Single	103.2%*	A**	A+	3.53	2.75%
Vantage Trust PLUS Fund	Multiple	100.9%	Aa3	not available	3.07	2.34%
Columbia Income Fund	Multiple	100.8%	not available	not available	1.80	1.45%
Federated Capital Preservation Fund	Multiple	101.0%	AA	not available	1.96	0.66%
Morley Stable Value Fund (MSVF)	Multiple	100.9%	AA	not available	2.75	1.57%
Average		101.2%				1.85%

* data as of 5/31/15, **data as of 3/31/15, *** crediting rates as of Q3'15

Background

Recently the DCMC completed a two-part education and due-diligence training on stable value as an asset class, and on the Great West managed stable value fund currently offered to plan participants. The purpose of this document is provide concluding information in order for the DCMC to complete its due diligence and re-affirm the decision to use the Great West product in the Plan. Included in this information is a comparison of select key characteristics of the Great West product to alternatives in the market.

1. Stable Value Education Presentation – January 29, 2015
2. Great West Stable Value Product Presentation – May 11, 2015
3. Concluding Information – August 27, 2015

Going forward, we recommend that County Staff, HPA, and representatives from the Great West portfolio management team conduct a conference call to review the stable value portfolio prior to each DCMC performance report meeting. This call would focus on the current fund holdings, any changes in the positioning of the portfolio, managements' outlook, or proposed changes to its benchmark. The due-diligence session will then be reported at the following DCMC meeting. As the assets in stable value represent a significant portion of total plan assets, we believe this additional level of due-diligence and reporting will help educate and inform the DCMC in a timely manner of key issues regarding this fund. Results of the Q2'15 call with Great West are summarized in this document as well.

Comparison

As covered in HPA's Stable Value education session, once the decision is made to invest in a stable value product for the conservative plan investment option, a decision about the best vehicle/investment contract structure to utilize must be made. Investment contracts allow for book value accounting for participant transactions which smooth the volatility associated with the changes in market value of the underlying fixed income securities due to changes in interest rates. These investment contracts also set a pre-determined rate that interest will accrue at to generate a return. This is referred to as the crediting rate.

Investment contracts come in many forms but generally provide similar guarantee features. The primary difference is that the guarantee may be provided by multiple different wrap providers or a single insurance company wrap provider as in Fresno's current product with Great West. This is one of the principal factors that influences the crediting rate primarily through the investment guidelines/restrictions which will dictate which securities can be in the portfolio. The comparison table above contains products with multiple different investment contract structures in order to provide a snapshot of the universe from which to compare Great West's product.

In looking at this comparison group, Fresno County's stable value option provides the highest portfolio quality as compared to all the other products shown. In addition, the crediting rate is right in the range of other single insurance company

Great West Life Stable Asset Fund Annuity Contract

Fresno County

June 30, 2015

provider options and well above average as compared to all the peers shown in the comparison table. Lastly, the market-to-book value is comfortably above 100% at 101.2% and in line with the average of the products shown in the comparison table.

Q2'15 Fund Update and Positioning

The Great West managed stable value portfolio remains well diversified with no concentration of risk anywhere that is not appropriate. So far year-to-date interest rates have stayed low despite improving fundamentals. Part of the reason for this over the last quarter was the volatility in the market due to the uncertainty with Greece. This created a “risk-off” environment which also caused spreads in non-U.S. government debt to widen.

In order to take advantage of this widening of spreads, the Great West portfolio management team increased the allocation to both corporate bonds and Commercial Mortgage Backed Securities (CMBS) during the quarter. The portfolio’s duration also increased as the duration in Agency Mortgage Backed Securities (MBS), which make up over 50% of the portfolio, extended due to a decrease in pre-payments.

In terms of portfolio positioning, the portfolio continues to have an overweight to Agency MBS while peers are overweight non-spread product and cash. This overweight is in line with the investment policy constraints that restrict the Great West portfolio management team to own a minimum of 50% in U.S government related debt (e.g. U.S. Treasury debt, and Agency MBS). The portfolio management team does not currently feel it is appropriate to own a lot of U.S. government debt in a stable value mandate because it introduces more risk with U.S. interest rates set to rise.

Conclusion

In conclusion of this due diligence exercise, HPA continues to be comfortable with the Great West Life Stable Asset Fund and its use as the current stable value fund for the County’s plan participants.

In recent talks with the Great West portfolio management team, it was brought to our attention that the current investment guidelines are somewhat restrictive. Great West would like the County to explore changes to the investment policy statement in order to loosen the minimum 50% allocation to government related debt and consider allowing a small allocation to BBB rated securities. The following changes were recommended by the Great West portfolio management team for the County’s consideration:

- Allow up to 10% into BBB rated securities; and
- Remove the 10% cap on A rated securities (Great West commented that this is constraining because there are so few of these in the U.S. which leaves them with very few options.

As a follow-up to this due diligence exercise, HPA recommends that we, County Staff, and Great West continue to explore the merits of changes to the investment policy statement to determine if it would be in the best interest of the plan participants in order for the DCMC to make the most informed decision.

Great West Life Stable Asset Fund Annuity Contract

Fresno County

June 30, 2015

Summary of Proposed Investment Policy Changes

Types of Investments

- Expands Section B to include:
 - o U.S. Agency or GSE Asset-Backed Securities and Commercial Mortgage-Backed Securities
 - o Other U.S. Agency Securities
- Expands Section C and D to include GSE's
- Expands Section E to include U.S. Money Market Mutual Funds, or repurchase agreements fully collateralized by United States Government, Agency, or GSE securities
- Modifies Section F to apply to ratings A1, P1, and F1 (up from A, or P)
- Modifies and Expands Section G to include Corporate and Government Related Bonds:
 - o Rated "BBB-/Baa3" (down from A-/A3)
 - o All securities must be U.S. dollar denominated
 - o Government related bonds include:
 - Foreign Sovereigns,
 - Supnationals,
 - U.S. and Foreign Local Governments, and
 - Foreign Agencies
- Modifies and Expands Section H to include Asset-Backed, Mortgage-Backed, and Commercial Mortgage-Backed Securities rated "A-/A3" or better (down from "A" or better) and restricts purchasing of mezzanine or subordinated structured securities
- Adds Section I to reiterates all investments must be denominated in U.S. dollars

Quality and Diversification

- Modifies Section A to:
 - o Allow for 100% of assets to be invested in U.S. Government securities
 - o Remove the 50% minimum to U.S. Treasury debt, Agency Mortgage-Backed securities, or Collateralized Mortgages secured by GNMA, FNMA, FHLMC, securities
- Modifies Section B to:
 - o Allow for a maximum of 50% of the account assets to be invested in Corporate Bonds or Government Related Bonds
 - Previously applying the 50% cap to Corporate Bonds and Asset-Backed Securities
- Adds Section C to allow for a maximum of 20% of the account assets to be invested in non-agency Asset-Backed securities, Mortgage-Backed securities, and Commercial Mortgage-Backed securities
- Modifies Section D (previously Section C) to reduce weighted average quality to "A-/A3" or better (from "AA" or better)
- Modifies Section E (previously Section D) to allow for no more than 10% of assets to be invested in "BBB" (including "BBB+" and "BBB-") rated securities or lower (down from "A" rated securities or lower)
- Adds Section F to restrict purchasing of Corporate and Government Related Bonds to no more than 2% of the portfolio assets invested in any one issuer
- Expands Section G (previously Section E) to apply to non-Agency Asset-Backed, Mortgage-Backed, and Commercial Mortgage-Backed trusts

Great West Life Stable Asset Fund Annuity Contract

Fresno County

June 30, 2015

Comparison of Agency Bond and Commercial Paper Credit Ratings

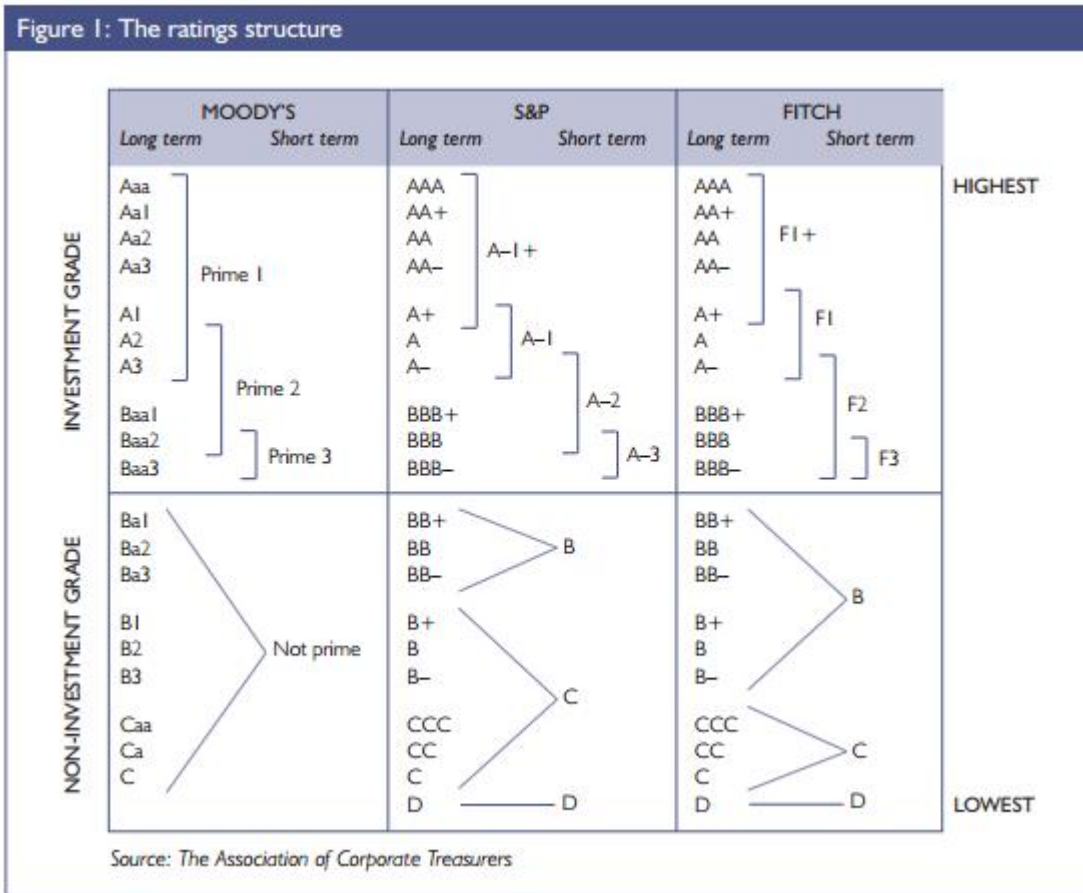


Figure courtesy of the Associated of Corporate Treasures (ACT) – “Corporate credit ratings: a quick guide.”

Great West Life Stable Asset Fund Annuity Contract

Fresno County

June 30, 2015

Comparison of Agency Bond and Commercial Paper Credit Ratings

	Moody's	S&P	Fitch
superior	P1	A1+ or A1	F1+ or F1
satisfactory	P2	A2	F2
adequate	P3	A3	F3
speculative	NP	B or C	F4
defaulted	NP	D	F5

Table provided by RiskEncyclopedia – “Commercial Paper.”



Inter Office Memo

DEPARTMENT OF
PERSONNEL SERVICES

ITEM 12

DATE: August 27, 2015

TO: Deferred Compensation Management Council

FROM: Hollis Magill, Principal Personnel Analyst

A handwritten signature in cursive script, appearing to read 'Hollis Magill', is written over a horizontal line.

SUBJECT: On-site and Off-site Training Opportunities

BACKGROUND

As your Council is aware, Members of the Deferred Compensation Management Council have fiduciary responsibility for the Deferred Compensation Plan. Previously, your Council has received education and training with regard to Fiduciary Responsibilities and the County of Fresno Stable Value Fund. In addition, members of your Council have attended the annual conference hosted by the National Association of Government Defined Contribution Administrators (NAGDCA).

ISSUE

Staff, with assistance from Heintzberger-Payne Advisors, has compiled a list of education and training opportunities for consideration by your Council. These opportunities are broken down into two categories: On-Site Trainings, provided by Heintzberger-Payne at regular or special Council meetings; and Off-Site Trainings, which include attendance at educational conferences.

The proposed On-Site and Off-Site Trainings are listed below. In addition, Attachment A includes a brief summary of each proposed On-Site Training topic, as well as a timeline to provide the On-Site Trainings. Attachment B includes the dates and agenda for the 2015 NAGDCA conference, while Attachment C includes the dates and agenda for the 2015 Pensions & Investments Defined Contribution Conference.

On-Site Trainings (Please see Attachment A for additional information)

1. Fiduciary Responsibilities
2. Target Retirement Date Investments
3. Managed Account Services
4. Income-for-Life Products

Off-Site Trainings (Please see Attachments B & C for additional information)

1. 2015 NAGDCA Conference, September 27-30
2. 2015 Pensions & Investments Defined Contribution Conference, October 18-20

Costs

There are no additional costs to the Deferred Compensation Plan to provide the On-Site Trainings. Off-Site Trainings require the use of discretionary funds for travel and registration costs. It is estimated that the cost per person to attend the NAGDCA conference will be \$3,000 - \$3,400, while the cost per person to attend the Pensions & Investments Conference is \$1,400 - \$1,800.

Please note that the FY 2015-16 Deferred Compensation Plan Budget includes \$7,000 for costs associated with two (2) people attending the 2015 NAGDCA conference. Should your Council elect to send two (2) people to the NAGDCA conference and one (1) or more people to the Pensions & Investments conference, the NAGDCA budget may need to be amended to reflect the additional costs.

OPTIONS FOR CONSIDERATION

1. **Approve the schedule of On-Site Trainings in Attachment A as recommended or with modifications.**
2. **Send one (1) or more interested members of your Council and/or staff to the 2015 NAGDCA Conference.**
3. **Send one (1) or more interested members of your Council and/or staff to the 2015 Pensions & Investments Conference.**

Item 12 – Attachment A

Proposed Schedule for On-Site Training Opportunities

Topic	Proposed Timeframe
Fiduciary Responsibilities	A special meeting in late 2015 or early 2016.
Target Retirement Date Investments	A special meeting in April or May of 2016.
Managed Account Services	The second regular Council meeting of 2016.
Income-for-Life Products	A special meeting in late 2016 or early 2017.

Description of Proposed On-Site Training Opportunities

Topic:	Fiduciary Responsibilities
Duration:	60 Minutes
Description:	Council Members' fiduciary obligations and industry best practices for the monitoring of deferred compensation plans.

Topic:	Target Retirement Date Investments
Duration:	60 Minutes
Description:	The presentation will: a) introduce Council Members to the universe of target date funds; b) discuss the differences between custom vs. product solutions; and c) summarize the different variables used in constructing target date glide paths.

Topic:	Managed Account Services
Duration:	30-45 Minutes
Description:	The presentation compares industry-leading providers of managed account services (such as Nationwide's ProAccount service) based on service offerings and portfolio construction methodologies.

Topic:	Income-for-Life Products
Duration:	60 Minutes
Description:	Income-for-Life products are similar to annuities; the presentation summarizes vendor solutions in the market place and discusses the due-diligence fiduciaries should consider in their evaluation process.

Item 12 - Attachment B

NAGDCA 2015 ANNUAL CONFERENCE AGENDA

September 27-30, 2015
JW Marriott Indianapolis

Conference agenda is subject to change.

Sunday, September 27

9:00 a.m. – 11:00 a.m.
JW Marriott – 312
Level 3

NAGDCA Board Meeting

11:00 a.m. – 12:00 p.m.
JW Marriott – 312
Level 3

ANC Foundation Board Meeting

12:00 p.m. – 6:30 p.m.
JW Marriott – Foyer
Level 3

Registration

12:00 p.m. – 6:30 p.m.
JW Marriott – Foyer
Level 3

Indianapolis Convention and Visitors Bureau Information Table

12:30 p.m. – 2:30 p.m.
JW Marriott – Grand 4
Level 3

403(b) Pre-Conference Workshop - Vendor Consolidation and Employer Best Practices to Assist with Retirement Readiness

Vendor consolidation in public schools and universities continues to be an active trend. There are many benefits for Employers and Participants through effective vendor consolidation, such as: lower fees, improved education, better participant outcomes, additional governance and oversight, and improved compliance with IRS regulations. Understanding how to build a successful strategy for vendor consolidation and learning from others that have successfully consolidated their vendors can be invaluable.

Participants will:

- Better understand the post-conversion environment
- Learn industry best practices for engaging employers to take ownership and accountability for outcomes
- Consider systematic solutions, such as auto-enrollment and escalation, as solutions for their plans
- Explore the importance of vendor consolidation and putting employees on a path towards retirement readiness

Moderator: David Morrell, State University of New York

Panelists: Rick May, TIAA-CREF; Carl Steinhilber, MassMutual; Ketul Thaker, Voya; Brian Usischon, University of North Carolina

12:30 p.m. – 4:30 p.m.
JW Marriott – Grand 3
Level 3

InFRE Pre-Conference Workshop - Fundamentals of Compliance and Ethics

Course #4 of the InFRE® Public Sector Retirement Plan Administrator Series

This course is designed for individuals who have a responsibility for a public sector retirement plan, whether it be a defined benefit or a defined contribution plan such as a 457(b), 403(b) or 401(k) plan. In this course you will learn about:

- What is required to ensure your plan is in compliance with federal tax laws
- Governmental regulation and the specific compliance requirements regarding plan form and operation that pertain to public sector plans
- Fiduciary roles and responsibilities to participants and beneficiaries
- Available IRS Corrective Programs
- General reporting issues
- The role of independent professionals in plan operation
- The ethics that are necessary for all parties responsible for the plan, in particular for those with a fiduciary role such as plan administrators, board or committee members, and other fiduciaries

Perfect for those with new to intermediate level skills, this is the fourth course in the four-part series designed specifically for public defined contribution administrators.

Presenter: Mary Willett, Willett Consulting

1:00 p.m. – 2:00 p.m.
JW Marriott – Foyer
Level 3

ANC Foundation 2 Mile Fun Run/Walk T-Shirt Pickup
Registered runners only

2:00 p.m. – 4:30 p.m.
JW Marriott - Lobby
Level 1

Off-Site Social Event

Please indicate participation on the registration form; open to all registered attendees until full.

All participants will meet in the lobby of the hotel and walk to their option of choice with a tour guide

Choice of one of the following:

NCAA Hall of Champions

Check out the NCAA Hall of Champions and shoot some hoops in the 1930s replica gymnasium or throw a pass to a receiver in our sport simulators. Attendees can also test their knowledge with a game of trivia on any or all 23 NCAA sports. The interactive exhibits give you an opportunity to engage in the life of the student-athlete. It is truly a place where everyone can come to appreciate collegiate sports.

Eiteljorg Museum

A visit to the Eiteljorg Museum can be fun and educational for the entire family. The Eiteljorg Museum is the only museum of its kind in the Midwest, and one of only two museums east of the Mississippi that showcase both Native American and Western art, culture and history. Re-live the romance of the cowboys and the beauty of Native American cultures in the permanent collections at the Eiteljorg Museum.

The museum was founded through the collections of Indianapolis businessman and philanthropist Harrison Eiteljorg. After World War II,

Eiteljorgs' business ventures took him West in pursuit of coal. While there, he developed a life-long passion for the West and its art.

The collection of Native American art and artifacts offers representation from all regions of North America; namely, the Woodlands, Southeast, Plains, Southwest, Plateau, California, Basin, Northwest Coast, and Subarctic/Arctic. Highlights of the collection include pottery, basketry, masterful wood carvings and a rich representation of beadwork and quillwork in the form of clothing and other items.

Indianapolis Zoo

The Indianapolis Zoo (one of the nation's Top 10, according to TripAdvisor) includes over 350 different animal species on its nearly 70 acres. The Indianapolis Zoo complex also includes a 3.3-acre garden, which features hundreds of plant varieties; which, when you think about it, is just a zoo with more chlorophyll.

The Zoo has many special features. The International Orangutan Center opened in May, 2014. Meet Azy, Knobi, Lucy, and their friends up close and personal on the ground and in the air via the SkyRide. The zoo's Oceans exhibit features the world's largest shark touch tank; while the Dolphin Adventure offers the world's first totally submerged dolphin viewing experience.

4:45 p.m. – 5:15 p.m.
JW Marriott – Grand 2
Level 3

Student/Mentor Orientation

5:15 p.m. – 5:45 p.m.
JW Marriott – Grand 1
Level 3

NAGDCA: An Environment for Learning

5:45 p.m. – 7:15 p.m.
JW Marriott – Grand 6
Level 3

President's Reception

Monday, September 28
8:00 a.m. – 9:00 a.m.
JW Marriott – Grand 6
Level 3

Breakfast Buffet

8:00 a.m. – 4:00 p.m.
JW Marriott - Foyer
Level 3

Registration

8:00 a.m. – 4:00 p.m.
JW Marriott - Foyer
Level 3

Indianapolis Convention and Visitors Bureau Information Table

9:00 a.m. – 9:45 a.m.
JW Marriott – Grand 5
Level 3

Conference Opening and Welcome

9:45 a.m. – 10:45 a.m.
JW Marriott – Grand 5

Keynote Presentation: Fixing the US Retirement System **Theresa Ghilarducci, The New School**

Level 3

Independent experts agree this is the first time in US history the majority of working Americans will do worse than their parents and grandparents in retirement. More elderly will work or look for work and pay off more debt than ever before as more retirement assets are skewed toward the very highest income retirees. The top 20% of baby boomers own 72% of all retirement assets. And, nearly half of workers have no plan at work because the system is voluntary. A national solution includes strengthening Social Security and increasing retirement savings with better tax policy and a requirement every worker to save at least 5% into a state or federally-administered retirement account. Because the federal government has not acted, today five states have acted to create retirement accounts for all workers. State DC plans for their government workers stand as a model for a national solution to the retirement crises.

10:45 a.m. – 11:15 a.m.

Networking Break

11:15 a.m. – 12:15 p.m.
JW Marriott – Grand 5
Level 3

General Session – Washington Update

All eyes seem to be watching Washington as it debates the federal budget, tax reform, deficit reduction, and the debt limit. The Washington Report session will provide up-to-date information on those activities and how they could impact the administration of public employer defined contribution plans. The panelists will review the topics that have been discussed by policy makers who are contemplating changes to defined contribution plans.

Moderator: Ralph Marsh, Houston Firefighters' Relief & Retirement Fund
Panelist: Susan White, Susan J. White & Associates

12:00 p.m. – 2:00 p.m.
JW Marriott – Foyer
Level 3

ANC Foundation 2 Mile Fun Run/Walk T-Shirt Pickup

Registered runners only

12:15 p.m. – 1:15 p.m.
JW Marriott – Grand 6
Level 3

Opening Luncheon

1:15 p.m. – 1:30 p.m.

Networking Break

1:30 p.m. – 2:45 p.m.

Government Member Case Studies

(Government members and students only)

Panel presentation with small group discussions

JW Marriott – Grand 2
Level 3

Case Study 1 – Recordkeeping Conversions

Moderator: Cindy Rehmeier, MOSERS

Panelists: Tim Atkinson, City of Austin; Cindy Blackman, City of Boise; Kole Crofts, Boise Police

JW Marriott – Grand 3
Level 3

Case Study 2 – 457 Participant Statements

Moderator: Regina Hilbert, Retired from Suffolk County, NY

Panelists: Laura Bowen, State of Wyoming, Jim Heagen, Ohio Deferred Compensation; Angie Surface, State of Georgia

JW Marriott – Grand 4
Level 3

Case Study 3 – Leadership Award Winner Case Studies

Moderator: Kathy Gannon, State of Oregon

Panelists: Mike Halpin, Stat of Maryland; Gary McBride, San Bernardino

County; Keith Overly, Ohio Deferred Compensation

2:45 p.m. – 3:00 p.m.

Networking Break

3:00 p.m. – 4:15 p.m.

Government Member Case Studies (Repeated)

(Government members and students only)

Panel presentation with small group discussions

*JW Marriott – Grand 3
Level 3*

Case Study 1 – Recordkeeping Conversions

*JW Marriott – Grand 4
Level 3*

Case Study 2 – 457 Participant Statements

*JW Marriott – Grand 5
Level 3*

Case Study 3 – Leadership Award Winner Case Studies

4:30 p.m. – 5:15 p.m.
*JW Marriott – Grand 7-8
Level 3*

Quiz Bowl – Elimination Round

Tuesday, September 29

6:00 a.m.
*JW Marriott – Lobby
Level 1*

ANC Foundation 2 Mile Fun Run/Walk Participants Meet in Hotel Lobby

Registered runners only

6:30 a.m.

ANC Foundation 2 Mile Fun Run/Walk Begins in White River State Park

Registered runners only

8:00 a.m. – 9:00 a.m.
*JW Marriott – Grand 6
Level 3*

Breakfast Buffet

8:00 a.m. – 4:00 p.m.
*JW Marriott – Foyer
Level 3*

Registration

8:00 a.m. – 4:00 p.m.
*JW Marriott – Foyer
Level 3*

Indianapolis Convention and Visitors Bureau Information Table

9:00 a.m. – 10:15 a.m.

Concurrent Sessions Divided by Track A & B (Open to All)

Track A – New Members – Deferred Compensation Basics

(Less than 5 years in the industry)

*JW Marriott – Grand 1-2
Level 3*

Session 1: Plan Governance: Board/Committee Membership, Responsibilities and Best Practices

Board or Committee governance of a defined contribution plan can be challenging as members must have an understanding of their fiduciary role, their responsibility to understand the Plan and its rules, comply with evolving legislative/regulatory changes, and generally ensure that their decisions are always made in the best interests of their plan participants. In this session, the following will be covered:

- How Board/Committee members can best familiarize themselves with vital information, including resources that may be available for reference.
- An overview of general responsibilities including fiduciary as well as communication responsibilities.
- Skills in being effective in the Board/Committee oversight role.
- How to utilize your staff and NAGDCA resources for the latest information/research on current and possibly future issues

Moderator: Brayton Connard, Monroe County, NY

Panelists: Marilyn Collister, Empower, Vincent Galindo, Hyas Group; Mike Halpin, State of Maryland

Track B – Administrators

(More Than 5 years in the industry)

*JW Marriott – Grand 3-4
Level 3*

Session 1: Strategies to Prevent or Slow Plan Leakage

Leakage from defined contribution plans is a serious threat to your employees' retirement income savings. Recent studies show that withdrawals and defaulted loans allow too many Americans to spend their retirement savings far in advance of retirement, jeopardizing retirement income. Lump-sum distributions or rollovers taken out at separation of service may result in a loss of retirement income security or higher fees. This session will focus on the challenges created by account leakage from your defined contribution plans and strategies to help slow the leaks.

In this course you will:

- Gain an understanding of factors affecting plan leakage
- Understand the balance between limiting withdrawals and discouraging plan participation
- Discuss communication and education strategies for plan participants on the long-term cost of
- withdrawing retirement savings before retirement
- Learn best practices for Plan Sponsors on minimizing plan leakage

Moderator: Wendy Carter, The Segal Group

Panelists: Matt Ketchum, State Street Global Advisors; Lori Lucas, Callan Associates; Kenje Mallot, Aon Hewitt

*JW Marriott – Grand 7-8
Level 3*

Session 2: Targeted Communications to Participants

Targeting public sector employees with financial education and messaging at the right time, through the most effective channel, is critical to helping people achieve their goals. This session will focus on creating relevant and valued messages that inspire participants and eligible employees to take action. This session will help you:

- Focus on developing content and messaging for different audiences
- Motivate your participants by creating materials that inspire people to take action that's appropriate for them
- Accommodate different learning styles.
- Design a campaign that makes use of resources available, to include digital as well as print and in-person.

- Learn from real-world examples through specific case studies spotlighting a partnership between a plan sponsor and record keeper to create successful materials using participant data.

Moderator: Kimberly Weir, State of California

Panelists: Scott Dingwell, BlackRock; Barbara Healy, SST Benefits Consulting; Casey Fick, MOSERS

*JW Marriott – Grand 9-10
Level 3*

Session 3: The Bad, the Good, and the Ugly

Behavioral Economics in DC Plans Behavioral Economics can explain why individuals make sub-optimal decisions (the Bad), and how DC Plans can remove barriers to smarter behavior (the Good). We know employees don't start saving early enough and they don't save enough. So why are supplemental DC Plans not using behavioral economics to create better retirement outcomes for their employees/participants? Employees need to better understand the changing cost and shifting role of DB plans in their retirement security planning. Why are "supplemental" DC Plans reluctant to use behavioral economics to help employees/participants have a real shot at retirement readiness (the Ugly)?

Moderator: Tom Mueller, Sanitation Districts of LA County

Panelists: Cathie Eitelberg, The Segal Group; Greg Jenkins, Invesco; Keith Overly, Ohio Deferred Compensation

10:15 a.m. – 11:00 a.m.

Networking Break

11:00 a.m. – 12:15 p.m.

Government Breakout Sessions by Asset Size
(Government members and students only)

*JW Marriott – 302-303
Level 3*

Session #1: \$100 million or less

Moderator: Kole Crofts, Boise Police Department

*JW Marriott – 304-306
Level 3*

Session #2: \$101 million - \$250 million

Moderator: Craig Phillips, City of Eugene, OR

*JW Marriott – 308
Level 3*

Session #3: \$251 million - \$499 million

Moderator: Tim Atkinson, City of Austin

*JW Marriott – 309-310
Level 3*

Session #4: \$500 million - \$999 million

Moderator: Patty Davis, Montana Public Employee Retirement Administration

*JW Marriott – 312
Level 3*

Session #5: \$1 billion - \$3 billion

Moderator: Steve Toole, State of North Carolina

*JW Marriott – 314
Level 3*

Session #6: \$3 billion or more

Moderator: Kandi Winters, State of Florida

11:00 a.m. – 12:00 p.m.
*JW Marriott – Grand 6
Level 3*

Industry Member Annual Meeting
(Industry members only)

12:00 p.m. – 4:00 p.m.
*JW Marriott – Lobby
Level 1*

Guest Program

Please confirm participation on registration form; only registered guests may participate

Lunch is included

A trip to Indianapolis would not be complete without a visit to the world famous Indianapolis Motor Speedway. This 2.5 mile oval track is host to the Indianapolis 500, Brickyard 400, and MotoGP races. Nearly all of the legends of worldwide racing have competed on the Speedway's hallowed ground, including names like Harroun, Foyt, Andretti, Unser, Mears, Gordon, Earnhardt, Schumacher and Rossi. While at the track, guests will get a sneak peek into the past, present, and future of racing at the Indianapolis Motor Speedway Hall of Fame Museum.

After experiencing the legendary Indianapolis Motor Speedway, the tour turns to the cars that compete in the IndyCar series with a stop at the Dallara IndyCar Factory. Dallara Automobili is an Italian chassis manufacturer for various motor racing series, including Formula 3, Indy Lights, and the IndyCar Series. Its Indianapolis manufacturing facility has a beautiful 22,000 square feet, glass-encased interactive hall. At the IndyCar factory, guests will have the opportunity to view a brief 10-minute film reviewing the history of Dallara Automobili and explore their interactive museum.

12:15 p.m. – 1:30 p.m.
*JW Marriott – Grand 6
Level 3*

Government Member Annual Business Meeting and Luncheon
(Government members and students only)

1:30 p.m. – 1:45 p.m.

Networking Break

1:45 p.m. – 2:30 p.m.
*JW Marriott – Grand 5
Level 3*

NAGDCA Retirement Knowledge Quiz Bowl (Open to all)

2:30 p.m. – 3:30 p.m.
*JW Marriott – Grand 5
Level 3*

General Session – Regulatory Update (Open to all)

Discussion around recently issued or pending regulations pertaining to defined contribution plans.

Moderator: Craig Stone, Utah Retirement Systems

Panelists: Robert Gauss, ICE Miller; Michael Paton, Barnes & Thornburg; Melanie Walker, The Segal Group

3:30 p.m. – 4:00 p.m.

Networking Break

4:00 p.m. – 5:15 p.m.

Concurrent Sessions Divided by Track A & B

Track A – New Members – Deferred Compensation Basics
(Less than 5 years in the industry)

*JW Marriott – Grand 1-2
Level 3*

Session 2: The What, Why and How of Structuring Investment Menus: Contrasting Case Studies

We know offering too much choice can have negative consequences. We've heard about the different ways to structure investment menus – Morningstar style box, fund-of-funds, target date funds. But, what have plan sponsors done? Why did they do it? How is it turning out? The Missouri State Employees Retirement System migrated from a traditional investment line-up to offering all target date funds and a low risk fund. City of Los Angeles takes a completely different approach and doesn't

offer target date funds. Colorado PERA uses primarily fund-of-funds. Hear their stories and take away ideas for improving your investment lineup.

Moderator: Richard Davies, Alliance Bernstein

Panelists: Jeffrey Cable, Colorado PERA; Steven Montagna, City of LA; Cindy Rehmeier, MOSERS

REPEAT of Track B – Administrators (Repeated)

(More Than 5 years in the industry)

*JW Marriott – Grand 3-4
Level 3*

Session 1: Strategies to Prevent or Slow Plan Leakage

*JW Marriott – Grand 7-8
Level 3*

Session 2: Targeted Communications to Participants

*JW Marriott – Grand 9-10
Level 3*

Session 3: The Bad, the Good, and the Ugly

*5:45 p.m. – 6:30 p.m.
JW Marriott – 312
Level 3*

Leadership Awards Photos

*6:30 p.m. – 7:30 p.m.
JW Marriott – Foyer
Level 3*

Networking Reception

*7:30 p.m. – 9:00 p.m.
JW Marriott – Grand 5-6
Level 3*

Annual Dinner

Wednesday, September 30

*7:30 a.m. – 8:30 a.m.
JW Marriott – 308
Level 3*

Annual Conference - Member Focus Group
(By invitation only)

*8:00 a.m. – 9:00 a.m.
JW Marriott – Grand 6
Level 3*

Breakfast Buffet

*8:00 a.m. – 10:30 a.m.
JW Marriott – Foyer
Level 3*

Registration

*8:00 a.m. – 10:30 a.m.
JW Marriott - Foyer
Level 3*

Denver Convention and Visitors Bureau Information Table
Site of 2016 Annual Conference

9:00 a.m. – 10:15 a.m.

Concurrent Sessions (Open to All)

*JW Marriott – Grand 1-2
Level 3*

Session 1: Putting All Your Eggs in One Basket, but Which Basket?

The session will explore how plan sponsors can better evaluate the growing number of All-in-One investment options and identify which of the alternatives might be suited for your workforce. The session will

explore the different structures for All-in-One investment options including balanced funds, target risk and target date funds, and managed accounts along with their features, risks inherent in the strategies, and the pros and cons of each alternative. Further, panelists will discuss the importance of All-in-One investment solutions in today's DC plans including the growth in popularity, their importance from a behavioral finance perspective and how they can/should impact investment menus generally. Additionally, the session will include discussion of recent trends, customization and what the future may hold.

Moderator: Jim Link, PFM Asset Management

Panelists: Rick Fulford, PIMCO; Alain Michnick, Russell Investments; Kevin Vandolder, Aon Hewitt

*JW Marriott – Grand 3-4
Level 3*

Session 2: “Am I going to run out of money?”- Lifetime Income Solutions

The first 35 years of the defined contribution industry have focused on the accumulation phase. As aging baby boomers begin leaving the workforce, the first generation of DC savers will now be tasked with turning an accumulated balance into a monthly retirement paycheck....for life. Many public pensions have also greatly reduced pension benefits for new hires, shifting them to DC plans and placing more of the retirement responsibility on the participant.

This session will discuss available options, both outside and inside of the plan, that plan sponsors can help ensure their participants are able to receive an adequate retirement paycheck for life.

Moderator: John Borne, Empower

Panelists: Scott Boyd, Prudential; Glenn Sherman, ICMA-RC

*JW Marriott – Grand 7-8
Level 3*

Session 3: “Where does retirement come from?” Taking a Holistic View of Retirement Readiness

Today's retirement income can come from multiple sources- Social Security, defined benefit, defined contribution and personal savings. It can be difficult for participants to make sense of it all. By taking a holistic approach to retirement planning, you can help simplify the planning process from multiple moving pieces into one consolidated source. This session will look at tools you can develop to provide a coordinated retirement income projection from multiple sources into one easy to understand number for your participants.

Moderator: Brenda Griebert, TIAA-CREF

Panelists: Kevin McGarry, Nationwide; Jake O'Shaughnessy, Americh Massena

*JW Marriott – Grand 9-10
Level 3*

Session 4: National Save for Retirement Week

2015 NAGDCA Leadership Award winners will provide case studies around best practices and successful programming for National Save for Retirement Week.

Moderators: Doug Miller, Suffolk County; Peter Schaffer, Davis Advisors
Panelists: Kandi Winters, State of Florida; Mary Buonfiglio, State of North Carolina; Michael Okumoto, State of Hawaii

10:15 a.m. – 10:45 a.m.

Networking Break

10:45 a.m. – 12:00 p.m.
*JW Marriott – Grand 5
Level 3*

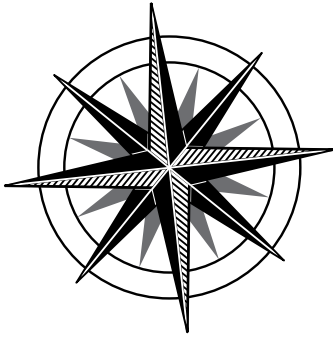
Closing Speaker - Jodi DiCenzo, Behavioral Research Associates

Jodi DiCenzo, CFA, CPA, leads Behavioral Research Associates, LLC, an applied behavioral research and consulting firm specializing in consumer financial decision making. Jodi founded Behavioral Research Associates, LLC in 2006 after a four-year partnership with Shlomo Benartzi, Ph.D., one of the most recognized behavioral economic thought leaders. She has over 25 years of consulting experience and brings a practical approach to applying academic behavioral research in real world contexts to help optimize individuals' financial outcomes.

Previously, Jodi was employed by Strong Financial Corporation, where she helped develop the Retirement Plan Services division from its inception and PricewaterhouseCoopers, LLC, where she specialized in providing audit and consulting services to financial service firms, employee benefit plans, publicly traded companies, and local governments.

Jodi's original research has appeared in BusinessWeek, Financial Planning Magazine, MarketWatch, The New York Times, The Wall Street Journal, and U.S. News and World Report.

Previously a member of The EBRI Defined Contribution Task Force, Jodi is a current member of the Employee Benefit Committee of the Illinois CPA Society, CFA Institute, CFA Chicago, and The Society for Judgment and Decision Making.



Pensions&Investments **West Coast**

Defined Contribution Conference

October 18-20, 2015 | The Palace Hotel | San Francisco

SUNDAY, October 18, 2015

3:30 p.m. - 6:30 p.m.

Registration

3:30 p.m. - 6:30 p.m.

Plan Sponsor-Only Round Tables

Plan executives get a head start on determining what's on the minds of fellow attendees from corporate and public DC plans, along with insights on how to tackle current challenges. These lively open discussions cover a wide range of topics from simplifying or customizing investment options, fees and plan design to compliance issues, the latest communication strategies, and vendor management. Attendees bring their specific issues to the table and come away with implementable advice from the moderators and plan attendees. For plan executives only; closed to Press.

Small- to Mid-Size Plans: (under \$1 billion in assets)

Moderators:

Jeffery Ballou, Senior Planner, Santa Clara Valley Transportation Authority

Carole Luckenbach, Manager, Risk Management, California Teachers Association

Large plans: (\$1 billion or more in assets)

Moderators:

Suzanne Carroll, Director, Financial Plans, Amgen

Carina E. Coleman, Director of Pension & Trust Investments, Sempra Energy

Lavina Mehta, Manager of Investments, Bechtel Corp.

Martha L. Tejera, Principal, Tejera & Associates, LLC

5:00 pm - 7:00 pm

Welcome Cocktail Reception

agenda

MONDAY, October 19, 2015

7:30 a.m. - 8:30 a.m.

Registration and Networking Breakfast with Sponsors and Exhibitors

8:30 a.m. - 8:45 a.m.

Welcome and Opening Remarks

Speakers:

Chris J. Battaglia, Vice President and Group Publisher, Pensions & Investments; Business Insurance

Lisa M. Laird, Investments and Cash Management, St. Joseph Health (Conference Co-Chair)

8:45 a.m. - 9:45 a.m.

Keynote address:

Aliya Wong, Executive Director of Retirement Policy, United States Chamber of Commerce

Washington Update: Understanding the Nuances... What's on the Table and What's Next?

There's a range of current legislative and regulatory proposals with major implications for defined contribution plans, some of which present big challenges while others may bring big opportunities. Where are the hidden surprises, and what are some prudent ways to respond to the key initiatives? New legislative proposals are unlikely going into the last year of the Obama Administration, but which are most likely to re-emerge under a new administration - from either side? What do proposed regulations - such as the change in the definition of fiduciary and proposed lifetime income illustration requirements - mean to you in practical terms? A seasoned policy expert unveils the next likely moves on retirement issues, and answers your questions about Washington.

9:45 a.m. - 10:45 a.m.

GENERAL SESSION

The Hidden Challenges of Customization

Customizing your investment lineup can demystify choices and improve participation from employees. Custom- or white-label funds, core options in target-date funds, and managed accounts can all be designed for employees at different life stages. Are you prepared to handle the challenges of open architecture? In what ways does customization impact plan administration? With newer off-the-shelf options that can better match plan goals, when does customization make sense and what are some fee considerations that impact the decision? DC plan executives and providers offer hands-on experience with their operational roadmap.

Moderator:

Eileen L. Kwei, Director, Defined Contribution, Artisan Partners

Panelists:

Jeffrey S. Coons, President, Manning & Napier

Craig Keim, Director, DC Investment Relationship Management, T. Rowe Price Retirement Plan Services

Stuart Odell, Assistant Treasurer, Retirement Investments, Intel Corp.

Anthony Tomich, Head of Pension Investments, Farmers Group

10:45 a.m. - 11:15 a.m.

Networking break

11:15 a.m. - 12:15 p.m.

GENERAL SESSION

Does Automation Trump Education?

As DC plans see improved participation via auto-enrollment and auto-escalation, are they dialing back on education? Whether or not you have auto features, how are you incorporating complementary educational initiatives? Do some plans need to stick with ongoing education for particular segments of participants? Which plan features are actually moving the needle in participation and savings rates: hear from both sides of this current debate.

Moderator:

Laura Gaynor, Vice President and National Practice Leader for Corporate Plans, Transamerica Retirement Solutions

Panelists:

Laraine McKinnon, Managing Director, Defined Contribution, Blackrock

Donna M. MacFarland, Senior Vice President, Chief Marketing Officer, Retirement Plan Services, Lincoln Financial Group

Meenu Natarajan, Retirement Programs Manager, Global Total Rewards, Franklin Templeton Investments

12:15 p.m. - 1:35 p.m.

2015 INNOVATOR AWARDS PRESENTATION and LUNCH

Pensions & Investments and the Defined Contribution Institutional Investment Association announce the winners of the 2015 Innovator Awards that recognize new and unusual changes in DC plan design to improve participants' retirement income security.

Moderator:

Amy Resnick, Editor, Pensions & Investments

1:40 p.m. - 2:40 p.m.

CONCURRENT SESSIONS

TRACK A: Meeting the Challenge of Making Plan Fees Transparent, Well Communicated and Equitable

The conversation around plan fees has evolved from simply trying to understand and benchmark them, to seeking to restructure the way that defined contribution plan fees are paid. Increasingly, DC plan executives want to ensure that participants' fee payments are equitable. That may mean moving away from using revenue sharing to pay for plan administration and instead charging participants explicit fees. But are flat fees—which may be disproportionately high for participants with small balances—or asset-based fees—which may burden higher-balance participants—the most equitable? How do DC plan officials implement and communicate new fee structures? In this session, we will explore the current DC fee landscape through a series of case studies featuring the latest thinking in plan fee structures.

Moderator:

Lori Lucas, Executive Vice President and Defined Contribution Practice Leader, Callan Associates

Panelists:

Michon Caton, Global Retirement Benefits and Paid Time Off, Gap

Lisa Laird, Vice President, Investments and Cash Management, St. Joseph Health

Jingmei Li, Global Benefits Manager, Applied Materials

John Poth, Investment Analyst, Employees Retirement System of Texas

agenda

TRACK B: Managing the Push-Pull of HSAs and Defined Contribution

As more employers offer health savings accounts, are employees getting on board? What are the challenges in allocating investment dollars to HSAs vs. their DC plan? How are investment and benefits executives working together to message the triple tax benefits of HSAs vs the lower investment management fees of the DC plan, within the fiduciary guidelines and the company's total rewards program? Who manages and monitors the HSAs assets? Hear from DC plan executives and consultants on how they plan and position HSAs relative to defined contribution plans.

Moderator:

Alison Borland, Senior Vice President Retirement Solutions & Strategy, Aon Hewitt

Panelists:

Rebecca Brown, Senior Director, Retirement & System Investments, Providence Health & Services

Eric Dowley, Senior Vice President, Fidelity Investments

2:40 p.m. - 2:50 p.m.

Transition break

2:50 p.m. - 3:45 p.m.

CONCURRENT SESSIONS

TRACK A: Targeted Communication: Sizing up Your Segments

Corporate and public plans are continually looking for the most effective ways to reach a wide range of plan participants, particularly as technologies evolve and messaging gets more sophisticated. Participants differ by age and stage in the lifecycle, marital and family status, gender, language, location, type of work – all factors that impact how each group responds and saves. Learn innovative approaches that work for some of these groups: from new college graduates to those nearing retirement.

Moderator:

Gene R. Huxhold, Senior Managing Director, Investment Only Retirement Plans, John Hancock Investments

Panelists:

Jodi Glandon, Benefits, Compensation & Retirement Plans Manager, Weyerhaeuser Company

Peter Kapinos, Head of Client Engagement, Empower Retirement

Megan Yost, Head of DC Participant Communication, State Street Global Advisors

TRACK B: How Do State Programs Change the Retirement Landscape?

State legislative initiatives on programs for private-sector employees not currently covered in a 401(k) or other retirement plan are being or have been debated, proposed or implemented in dozens of states – 24 at last count. What are the key design features of programs that have been adopted and what's under discussion for other programs? Who will manage the assets and will the investment choices be institutional? What will be the impact on retirement security for participants in small plans with a match – and for the industry – if small companies switch over to these programs and drop their 401(k) plans? What is the employer responsibility and who's on the hook if the employer doesn't make contributions to the state plan? What are implications for specific states such as Illinois which has adopted a program on a conditional basis, and the market analysis/feasibility studies going on in California and Connecticut? Hear from state plans and industry experts on what's going on across the country.

Moderator:

Sabrina Bailey, *Global Head of Defined Contribution Solutions, Northern Trust*

Panelists:

Angela M. Antonelli, *Adjunct Professor and Executive Director, Georgetown University's Center for Retirement Initiatives*

Christina Elliott, *Acting Executive Director, Secure Choice, Pension and Benefits Officer, Office of California State Treasurer*

Sarah M. Gill, *Senior Legislative Representative, State Financial Security & Consumer Affairs, AARP*

Marla Kreindler, *Partner, Morgan, Lewis & Bockius LLP*

3:45 p.m. - 4:15 p.m.

Networking break

4:15 p.m. - 5:15 p.m.

CONCURRENT SESSIONS

TRACK A: Secrets to Investment Menu Simplification

Two success stories from DC plans that embraced investment menu simplification – and prevailed with improved participation. See how they approached the challenge, handled their investment committee's top concerns, minimized implementation challenges via a detailed road map, and communicated with their employees. Industry experts also offer current approaches to simplifying the investment lineup – and practical follow-ups for plans already on this structure.

Moderator:

Jacob O'Shaughnessy, *Senior Consultant, Arnerich Massena*

Panelists:

Marvin Tong, *Project Manager – Investments Division, Southern California Edison*

Michelle Kelley, *Retirement Plan Manager, Nevada System of Higher Education*

W. Robert Phillips, *Senior Vice President, Consultant Relations, BNY Mellon Investment Management*

Martha A. Spano, *Principal, Investment Consulting, Buck Consultants*

Sponsored by:



agenda

TRACK B: Data Management and Cyber Security

Data management and data protection concerns underpin many of the new DC plan initiatives that focus on participant communication via electronic and social media and the addition of integrated retirement income dashboards. What does the SEC's recent guidance on cyber security for financial services firms mean for DC plans? What data best practices for specific areas should your record-keepers be following? A panel well versed in financial industry cyber security lays out practical steps.

Moderator:

George Triantis, *Charles J. Meyers Professor of Law and Business, Stanford University and Director, Stanford's Cyber-Initiative*

Panelists:

M. Travis Michalak, *Associate Vice President, Information Risk Management, Nationwide Insurance*

5:15 p.m. - 6:30 p.m. **Networking cocktail reception**

TUESDAY, October 20, 2015

7:30 a.m. - 8:30 a.m. **Networking breakfast**

8:30 a.m. - 8:40 a.m. **Opening remarks**

Speaker: *Marvin Tong, Senior Project Manager – Investments Division, Southern California Edison Company (Conference Co-Chair)*

8:45 a.m. - 9:45 a.m. **Keynote Address**

Moshe A. Milevsky, *Executive Director of The IFID Center and Associate Professor, York University*

The U.S. Treasury and Department of Labor are allowing and encouraging the use of life annuities in 401(k) plans, with the proviso that the allocation methodology be based on generally accepted "investment theories" using a consistent investment strategy. Without a doubt, outcome-based investing will be the next challenge for lifecycle and target date funds, one that will require a new mindset, framework and even vocabulary. Dr. Milevsky provides a high level "crash course" on what DC executives absolutely need-to-know about deferred and immediate life annuities as well as related investment theories, to make informed decisions and allocations. His academic work has been at the forefront of innovations in retirement planning, personal finance and insurance.

9:45 a.m. - 10:45 a.m.

GENERAL SESSION

The Holistic Approach to Financial Wellness

Financial wellness has evolved as a new category that combines retirement security with a host of other financial needs and goals. DC plans today are taking a broader look at an employee's finances to include budgeting, home equity, health benefits and retirement savings. How you inform and educate each employee about his or her total financial picture, current and future, depends on your plan type, size and philosophy. What are some best practices today for plan features that add up to true financial wellness? How does one manage employee communication while incorporating the bigger financial picture?

Moderator:

Lori McEvoy, Managing Director, Head of Institutional Sales, ClearBridge Investments

Panelists:

Roger W. Gray, Director, Institutional Sales Manager, Retirement & Benefit Plan Services, Bank of America Merrill Lynch

Jennifer A. Putney, Vice President of Total Retirement Solutions, Prudential Retirement

Michelle A. Ryan, Benefits and Investments Program Manager, Los Alamos National Labs

Rich Linton, President of Large Market and Retail Wealth Management, Voya Financial

10:30 a.m. - 11:00 a.m.

Networking break

11:15 a.m. - 12:15 p.m.

GENERAL SESSION

Are your Target-Date Funds Suitable for your Plan?

Target-date funds are now often the largest holding within a DC plan. But the target-date universe has evolved significantly over the past 10 years, and the Department of Labor has raised the bar on evaluating and monitoring target-date funds by issuing tips to plan fiduciaries. All of this is driving DC plan executives to evaluate their TDFs' suitability for the plan. How should plan sponsors conduct suitability studies? What makes a target-date fund suitable for a given demographic? If a search is necessary, how does one determine the right fit given all the moving pieces of TDFs? When does it make sense to go custom? Should plans consider re-enrolling participants into the new TDFs? Get the latest thinking on target-date fund analysis in this session

Moderator:

Chris Daley, Head of Defined Contribution Institutional Sales, J.P. Morgan Asset Management

Panelists:

Matthew C. Brancato, Department Head, Institutional Investor Group, Vanguard

Toni Brown, Senior Vice President, Defined Contribution, Capital Group

Daniel Holupchinski, Manager, Retirement Plans, Deluxe Corporation

agenda

12:15 p.m. - 2:00 p.m.

Luncheon keynote address:

Paul H. Irving, *Chairman, Center for the Future of Aging, Milken Institute*

Longevity and the New Retirement Landscape

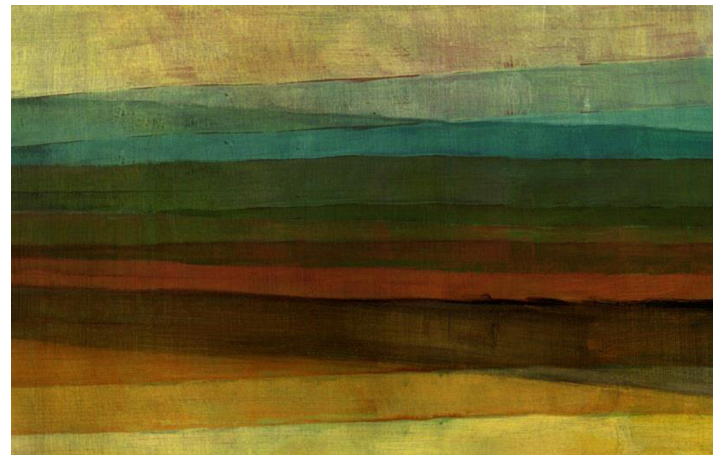
Over the course of just a few generations, life spans have doubled due to advances in science, sanitation and safety, dramatically changing the demographic landscape for countries, companies and customers. The consequences of this shift are now upon our aging population, and we can imagine how life will change for millennials and the generations that follow. Traditional retirement is being re-invented. Innovations in medicine and technology present prospects for longer and healthier lives. A longevity economy is growing as markets recognize the demand for new products and services geared toward older adults. As individuals facing a new future of aging search for guidance, how will retirement plan executives and other service providers respond to the new opportunities and challenges?

2:00 p.m.

CONFERENCE ADJOURNS

Item 13

County of Fresno
457 DC Plan



Quarterly Report - June 30, 2015

HEINTZBERGER | PAYNE
Client-Driven Investment Services

12550 SW 68th, St. | Portland, OR 97223
Phone 503-597-1616 | Fax 503-597-1649

Table Of Contents

Market Overview

Quarterly Market Overview	1
Market Performance Summary	3

Retirement

Executive Summary	9
Summary Of Assets	11
Investment Summary	12
Fund Policy Compliance	14
Fund Commentary	19
Fund Snapshots	25

Quarterly Market Commentary and Outlook, June 30, 2015

Quarter in Review and Glance Ahead.

Equities experienced a considerably mixed quarter, with domestic large caps generally positive, small caps flat and midcaps down. Both foreign developed and emerging markets softened in Q2, though with a wide variance. Yesteryear's flight to quality waned more in the quarter, as expectations for economic improvement in the second half of 2015 began to be reflected in stock and fixed-income returns.

The S&P 500 index rose +0.3% through June 30, with value and growth components running closet to even. Midcaps were off -1.5% as measured by the Midcap 400, and the Russell 2000 index gained +0.4%. Among the economic sectors in domestic markets, Health Care and Consumer Staples led the field, up +2.4% and +1.6% in price terms for Q2, whereas Utilities and Industrials were the most negatively affected, off -6.7% and -2.8%.

The MSCI All-World ex-US index fell -0.5% during the quarter, and the MSCI Emerging index fell -0.2%, coming shallow after +3.7% and +1.6% gains in Q1. Japan, Italy and the U.K led developed market returns during the period, while Australia, Germany and Sweden lagged. Emerging market performance was led by Russia, Brazil and China, with detractors led by Indonesia, Malaysia and South Korea.

The dollar index (primarily a mix of the Euro, Yen and Pound) was flat during the second quarter, indicative of improvement in the tone of European economic activity alongside the European Central Bank's bond-buying program.

The second quarter was volatile for some segments of the bond market. As measured by the Barclays US Aggregate Bond Index, bonds were off -1.7% in the second quarter. The parallel global bond index was down -0.8%.

Short-term US Treasuries were up 0.1%, while Intermediate and Long-Term maturity Treasuries fell -3.0% and -10.4%, respectively. Investment-grade corporates fell -3.2% in Q2, while high-yield bonds were flat.

The benchmark, 10-year Treasury note has stabilized somewhat. It does look like the worst of 2015's 'flight to safety' is behind us, given that the TNX yield has risen from 1.7% to 2.4% since February 2, and both the dollar and U.S. Treasuries appear to be brushing off macroeconomic and geopolitical risks. Actually, they are both reflecting a bit of confidence that economic growth will indeed resume in the second half in earnest, allowing stocks to deserve their lofty multiples and rates to back up without hamstringing expansion.

Overall, Q2 was another step in the right direction for the U.S. equity market, though certainly a shot across the bow for fixed-income securities perceived to be highly interest-rate sensitive, and/or on the longer-end of the yield curve.

A Return to Solid Growth in the Second Half?

In our view, there are a couple of primary factors to consider as we cross the halfway mark.

The first is that global GDP is expanding in 2015, but the rate of expected growth has been consistently reduced. The latest round was The World Bank's June 10 update, which included a -0.2% reduction to +2.8%. As for the U.S., the Fed's June update included a pushout of Fed Funds rate hikes, as well as a reduction in its outlook for domestic growth this year from the 2.3%-2.7% range, to 1.8% to 2.0%. Part of that equation was based on the first quarter's initial estimate of a -0.7% decline in GDP, which last week was revised to -0.2%. The bottom line is that we'll need to see north of +2.5% growth in subsequent quarters in order to reach the revised projections. The Fed's current projection for 2016 GDP growth is between 2.4%-2.7%.

The second is that earnings growth is expected to be only +2% this year for S&P 500 companies, and that has been reduced from +8% when we began the year. It is estimated that 2-4% of that reduction is due to the stronger dollar, but nevertheless the trend of the current-year growth estimate has been downward. Consensus estimates reflect a +10% growth rate in 2016.

The third is that wild cards remain, and we're now more than 3.5 years without a -10% or greater pullback. Greece has defaulted on the IMF and has rejected more austerity. Treasury yields have risen significantly since the start of the year, reflecting expectations of a stronger second-half economic environment, but their rise has also put rate-sensitive assets on more of a defensive footing.

Remember the Context of Long-Term Cycles

We believe it prudent to keep recent fundamental developments in mind while we celebrate healthy returns. We are in our seventh year of economic and market expansion. In terms of equity returns, the S&P 500 index has risen +212% since the cyclical low in March of 2009. This gain compares to +240% from 1994 to 2000, and +102% from 2002 to 2007.

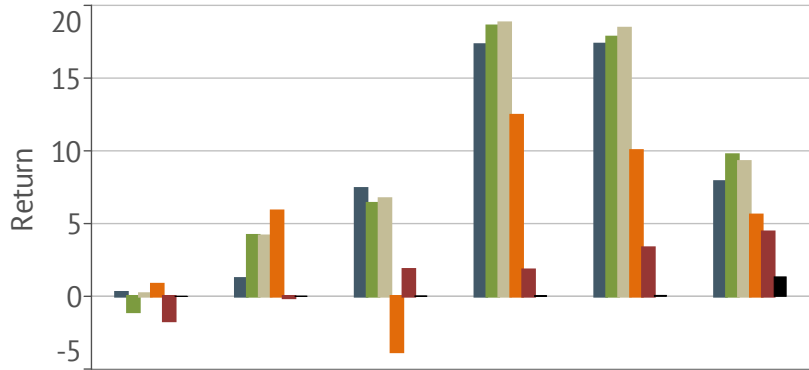
From a long-term technical perspective, we remain extended. In pure percentage terms, the SPX has appreciated +212% since the March 2009 trading low of 666. It has been more than 43 months since our last 10% pullback; that is the third-longest run in the past two market generations. Extended valuations are well known.

Perhaps we do have more factors to consider as of this update, but our best sense is that we are more likely to be in the midst of a mid-cycle breather than at the end of a cycle. Indeed, China needs to get back over +7% GDP growth in order to maintain lofty employment and development objectives. Europe needs to keep progressing with the help of its own quantitative easing activities. The U.S. needs to get past Q1's malaise, earning its lofty valuation with faster earnings growth; softening of the U.S. dollar will help. We see global markets with work to do, but overall there is potential for improvement as the year progresses.

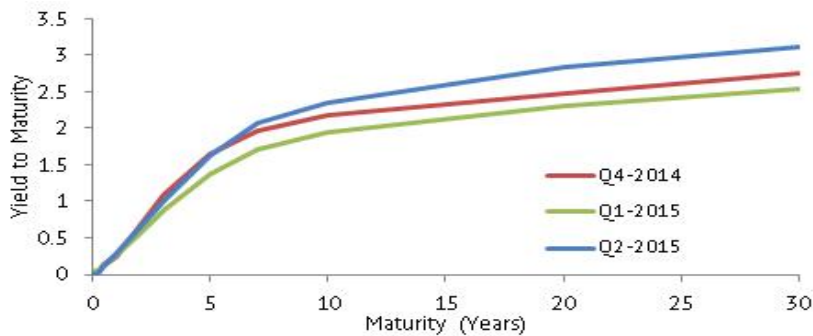
Thank you for the opportunity to be of service,
Heintzberger | Payne Advisors
June 30, 2015

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Trailing Returns



Index	QTR	YTD	1 year	3 years	5 years	10 years
S&P 500	0.28	1.23	7.42	17.31	17.34	7.89
S&P MidCap 400	-1.06	4.20	6.40	18.60	17.82	9.74
S&P SmallCap 600	0.19	4.16	6.72	18.81	18.44	9.28
MSCI EAFE Index	0.62	5.52	-4.22	11.97	9.54	5.12
Barclays U.S. Aggregate	-1.68	-0.10	1.86	1.83	3.35	4.44
Citigroup 3-month T-bill	0.00	0.01	0.02	0.05	0.06	1.34



Date	3 month	1 year	5 year	10 year	30 year
Q4 2014	0.04	0.25	1.65	2.17	2.75
Q1 2015	0.03	0.26	1.37	1.94	2.54
Q2 2015	0.01	0.28	1.63	2.35	3.11

Data: US Department of the Treasury

Market Overview

Trailing Quarter

US equities started the quarter off strong, but experienced a large falloff at the end of the quarter. US large cap stocks closed for the quarter with a gain of +0.28% and US small cap stocks rose +0.19% while US mid cap fell -1.06%. Foreign stocks, as represented by the MSCI EAFE Index, saw slightly higher returns, gaining +0.62% for the quarter. Bonds lost -1.68% over the same period, while cash continued to post a negligible yield.

Fixed Income Insights

Bonds, as measured by the Barclays US Aggregate Bond Index, were off -1.68% in the second quarter. The parallel global bond index was down -0.8%. Short-term US treasuries were up 0.1%, while Intermediate and Long-Term maturity treasuries fell -3.0% and -10.4%, respectively. Investment-grade corporates fell -3.2% in Q2, while high-yield bonds were flat.

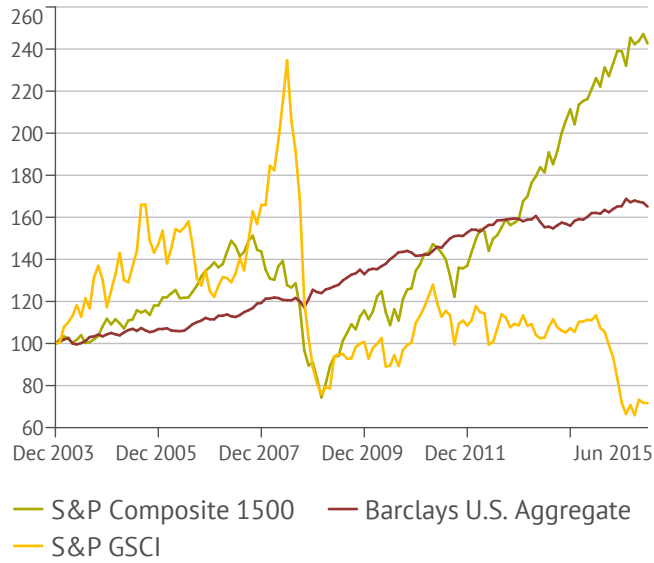
As opposed to recent quarters, being shorter on the yield curve was advantageous, as longer-duration assets reacted more negatively to Fed Funds rate hike chatter and a back-up in yields.

Expectations for a U.S. rate hike later this year have risen, though there remains a flight to quality in light of Greece's default to the IMF. QE continues in Europe, with reiterations by the ECB that the program will continue despite economic improvement. Global economic growth remains circumspect, with the second half of the year becoming a 'show me' period.

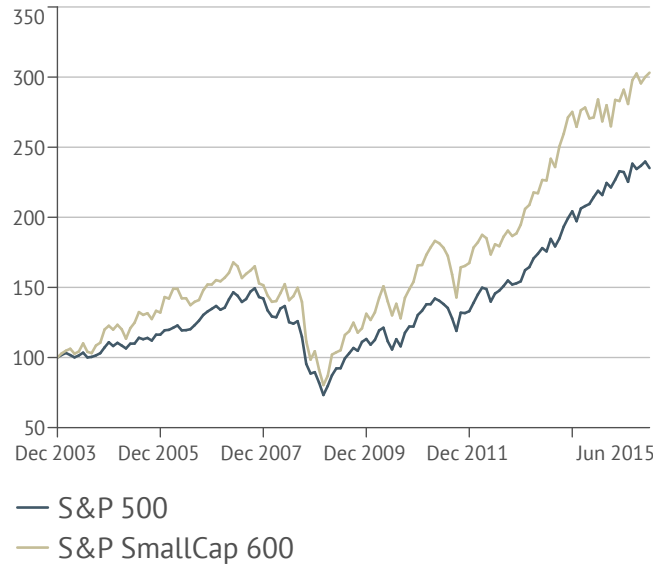
Capital Market Review

10 year trailing data ending 6/30/2015

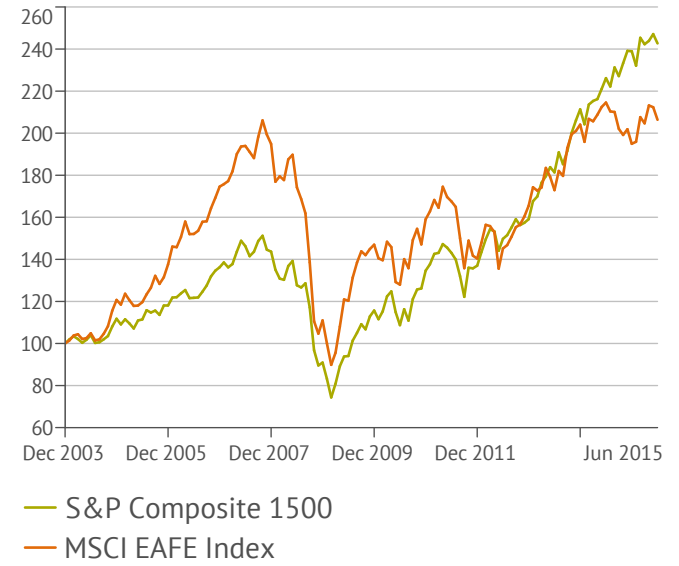
Stocks vs. Bonds vs. Commodities



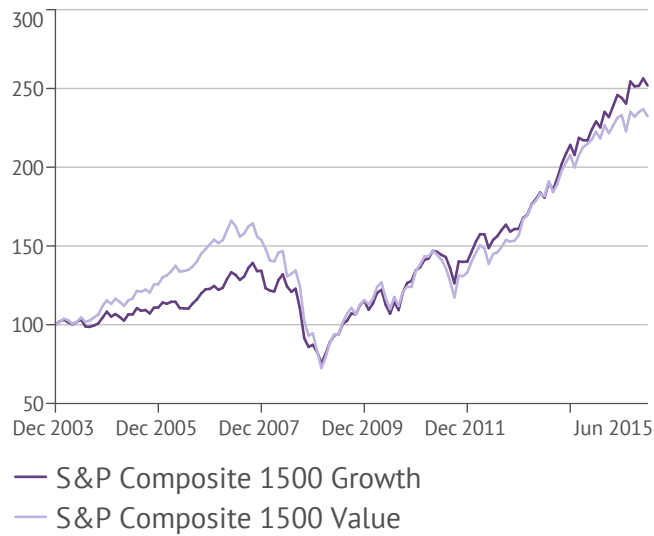
Large Cap vs. Small Cap



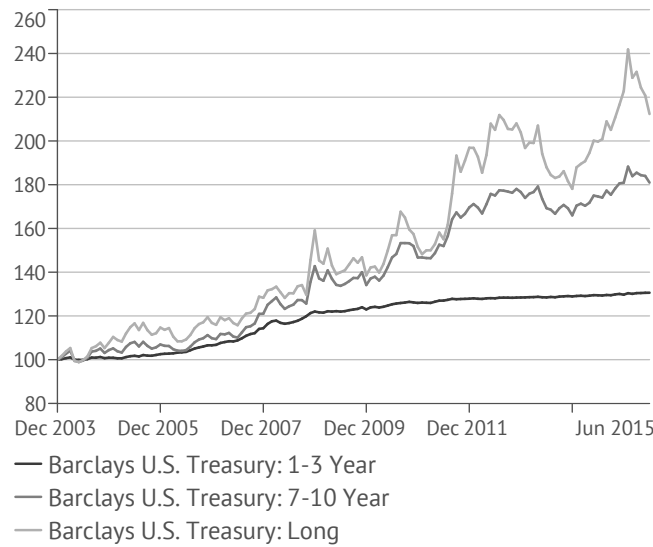
Domestic vs. International



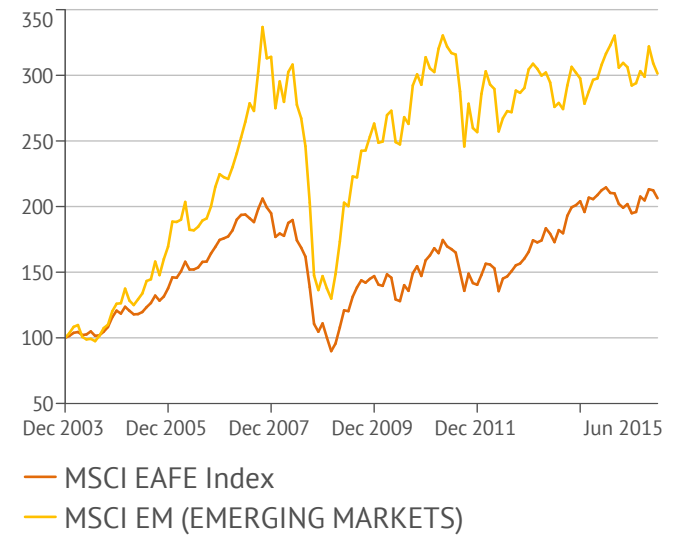
Growth vs. Value



Fixed Income: Long vs. Short Duration



Developed vs. Emerging

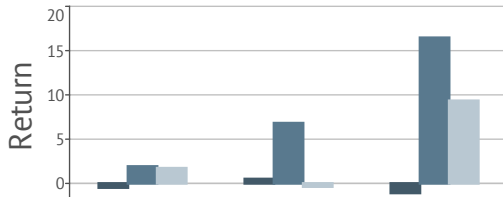


Heintzberger | Payne Advisors

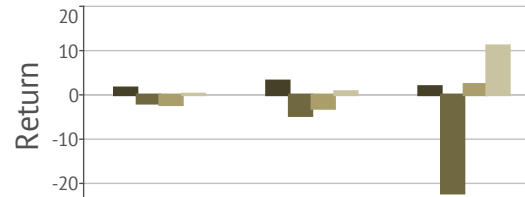
Sector Performance Summary

As of 6/30/2015

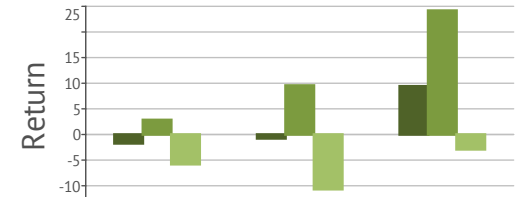
S&P 500 Sectors



Large - Cyclical	QTR	YTD	1 year
Materials	-0.48	0.50	-1.08
Consumer Discr.	1.92	6.81	16.45
Financials	1.72	-0.37	9.34

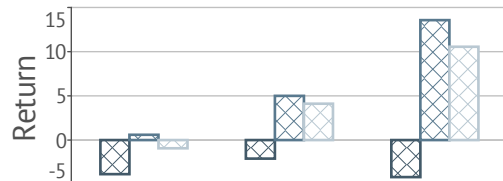


Large - Sensitive	QTR	YTD	1 year
Telecom	1.59	3.15	1.89
Energy	-1.88	-4.68	-22.20
Industrials	-2.23	-3.06	2.37
Technology	0.19	0.76	11.10

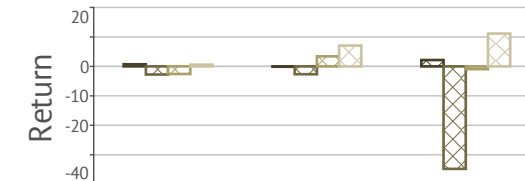


Large - Defensive	QTR	YTD	1 year
Consumer Staples	-1.74	-0.77	9.41
Health Care	2.84	9.56	24.17
Utilities	-5.80	-10.67	-2.90

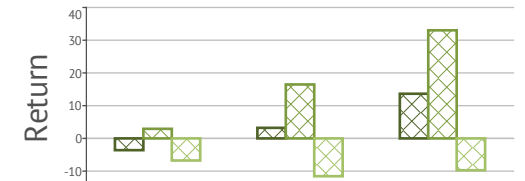
S&P 400 Sectors



Mid - Cyclical	QTR	YTD	1 year
Materials	-3.86	-2.10	-4.19
Consumer Discr.	0.60	5.00	13.57
Financials	-0.94	4.11	10.56

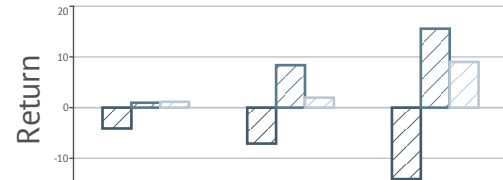


Mid - Sensitive	QTR	YTD	1 year
Telecom	0.74	-0.11	2.15
Energy	-2.76	-2.66	-34.79
Industrials	-2.57	3.43	-0.93
Technology	0.60	7.07	11.16

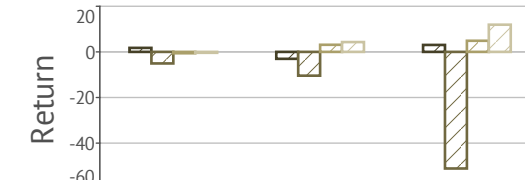


Mid - Defensive	QTR	YTD	1 year
Consumer Staples	-3.60	3.22	13.64
Health Care	2.93	16.49	33.04
Utilities	-6.75	-11.55	-9.72

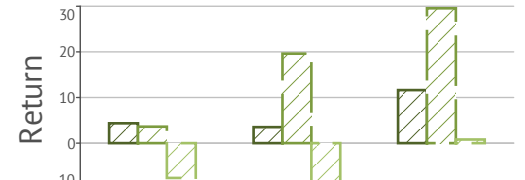
S&P 600 Sectors



Small - Cyclical	QTR	YTD	1 year
Materials	-4.12	-7.09	-14.11
Consumer Discr.	0.97	8.39	15.58
Financials	1.15	1.97	9.00



Small - Sensitive	QTR	YTD	1 year
Telecom	1.76	-3.05	3.07
Energy	-5.08	-10.42	-51.14
Industrials	-0.60	3.11	4.88
Technology	0.60	7.07	11.16

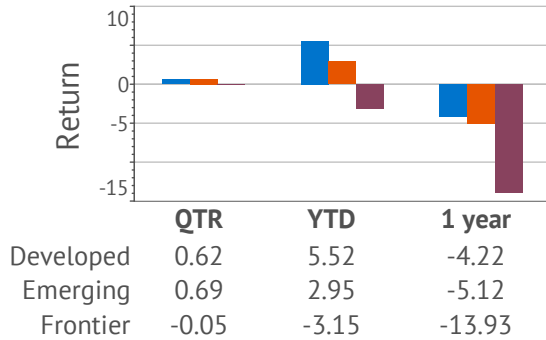


Small - Defensive	QTR	YTD	1 year
Consumer Staples	4.34	3.50	11.62
Health Care	3.59	19.60	29.55
Utilities	-7.64	-8.41	0.79

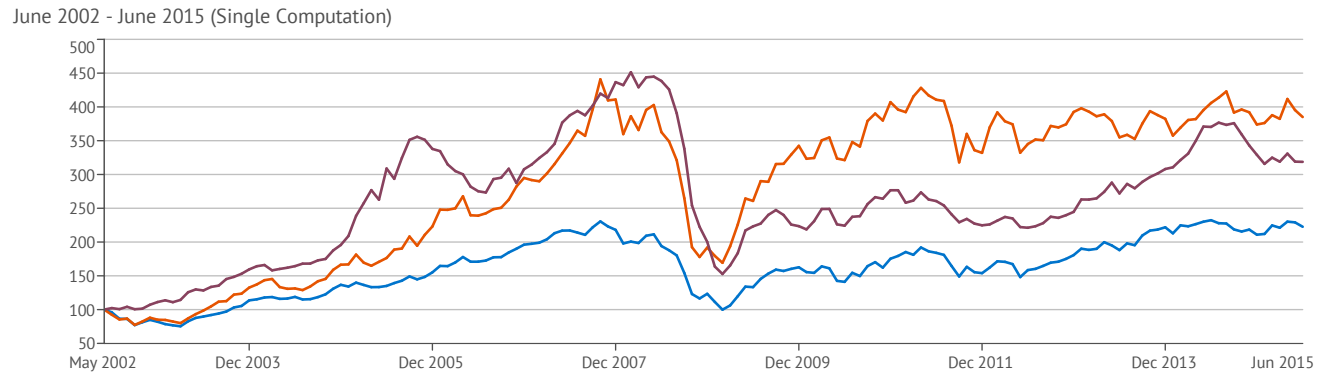
Regional Performance Summary

As of 6/30/2015

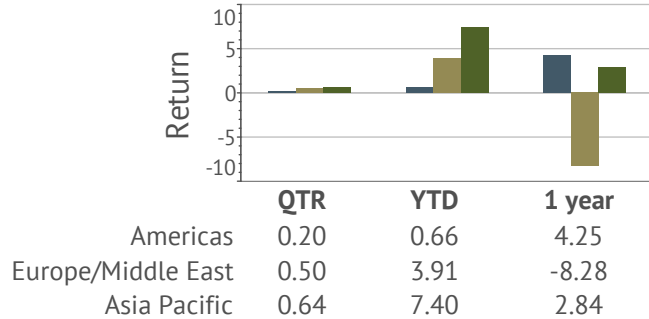
Developed, Emerging and Frontier Markets



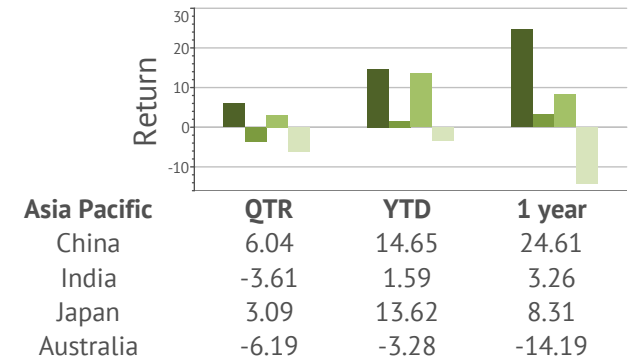
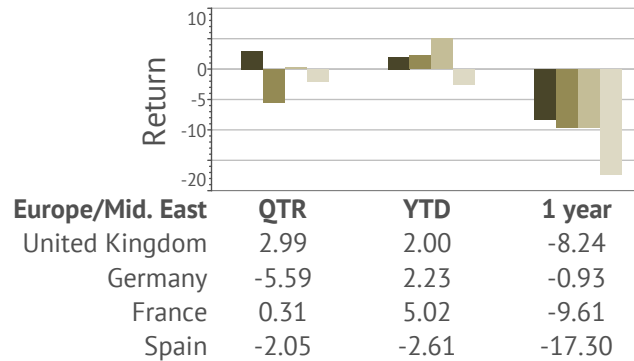
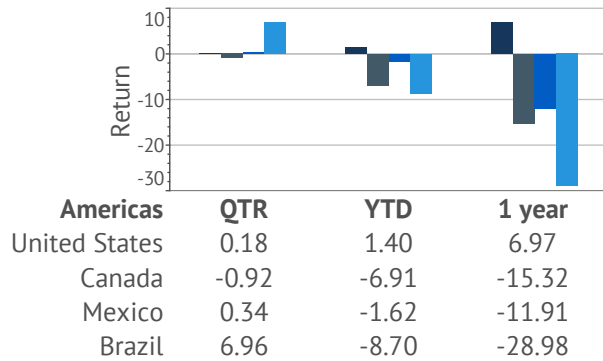
Longer Term Performance (note: the frontier market index was established in March 2008)



Regional Comparison



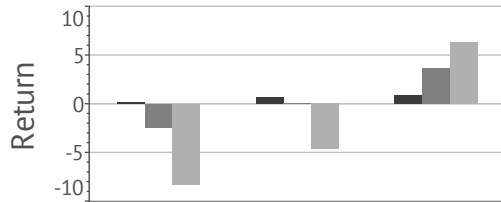
Selected Countries



Fixed Income Performance Summary

As of 6/30/2015

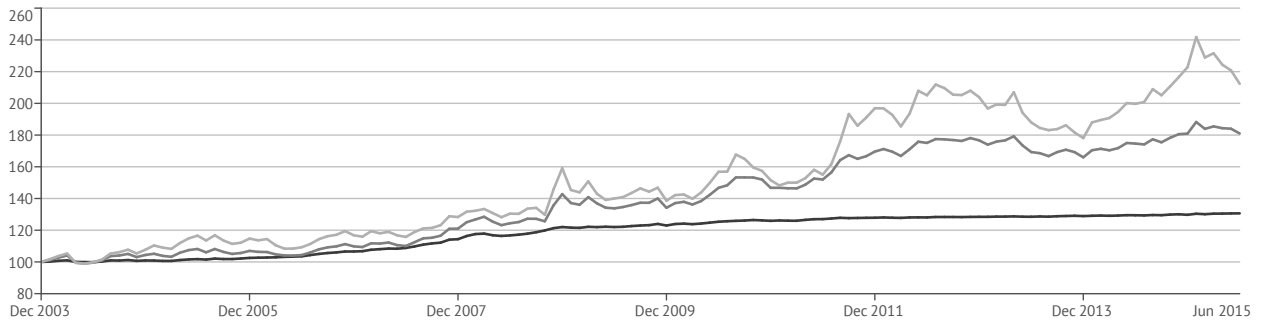
US Treasuries



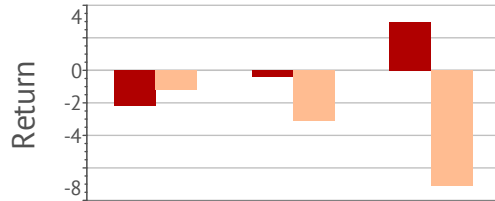
	QTR	YTD	1 year
Short Term	0.14	0.68	0.90
Intermediate	-2.43	0.04	3.65
Long Term	-8.30	-4.67	6.33

Longer Term Performance

January 2004 - June 2015 (Single Computation)

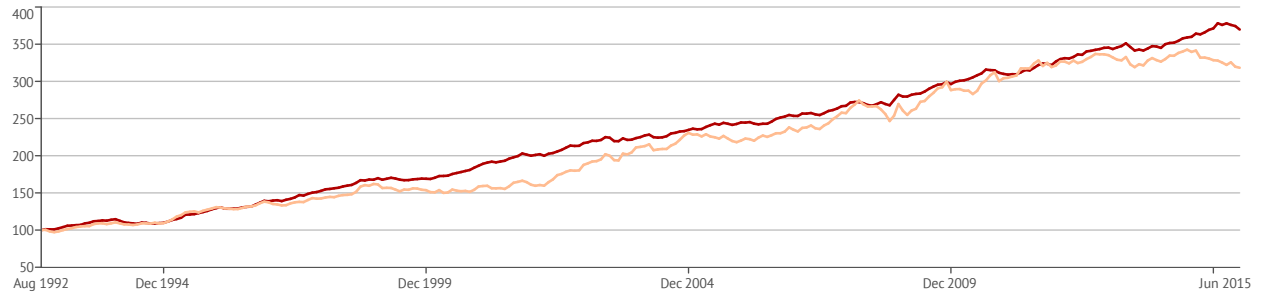


Global Hedged vs. Unhedged

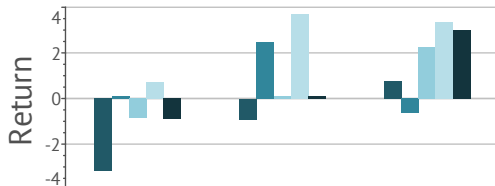


	QTR	YTD	1 year
USD Hedged Global	-2.20	-0.40	2.97
Global (Unhedged)	-1.19	-3.08	-7.10

September 1992 - June 2015 (Single Computation)



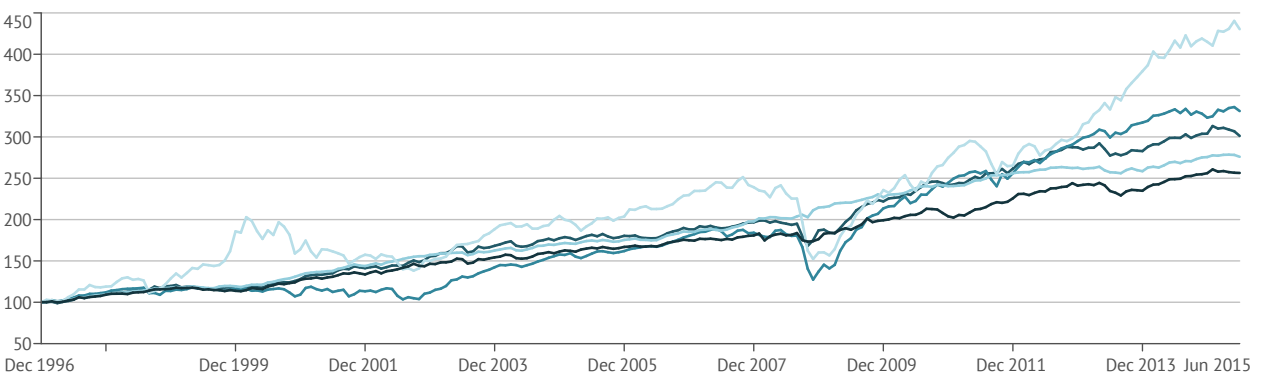
Selected Fixed Income Sectors



	QTR	YTD	1 year
US Corporate	-3.16	-0.92	0.75
US High Yield	0.11	2.48	-0.65
Mortgages (FNMA)	-0.84	0.12	2.26
Convertibles	0.73	3.72	3.37
Municipal Bonds	-0.89	0.11	3.00

Longer Term Performance

January 1997 - June 2015 (Single Computation)



County of Fresno 457 DC Plan

Executive Summary

Legislative Updates

Update on DOL Proposed Rule on Fiduciary Standards and Retirement Advice

- Proposal released April 14, 2015
 - DOL's proposal would significantly expand the number of advisers who are deemed to be fiduciaries under ERISA in the context of investment advice
 - Designed to protect investors from conflicts of interest and require advisers to put their client's best interests first rather than their own financial best interests
- Public comment period ended July 21
- General reaction from the industry was the exemptions were not broad enough and the 8 month applicability period was not long enough
- Remaining timeline:
 - Public hearings scheduled for August 8-13
 - 2 week follow-up comment period
 - DOL will review rule based on feedback
 - Final rule expected to be released late 2015 or early 2016
 - Immediate effective date with 8 month "applicability date"
- HPA will continue to monitor this proposed regulation and report any new developments back to our clients
- In terms of the impact this has to our clients, it will have none as HPA has always acted as a fiduciary in the servicing of our clients

Supreme Court Update: Tibble v. Edison International

- The original lawsuit claimed that Edison International (401(k) plan sponsor) failed to fulfill its fiduciary responsibility because it offered several funds that had higher fees than other nearly identical funds
- Edison claimed that according to ERISA law, the plaintiffs could only sue over funds that were among the offerings during the previous six years or less – and that several of the funds in question had been included for longer
- The case was appealed to the Supreme Court arguing that plan fiduciaries have an "ongoing" duty to monitor plan investments
- The pivotal question under review was "is an imprudent investment decision a one-time occurrence or does the breach continue if not corrected?"
- The U.S. Supreme Court overturned lower federal court rulings that held that plan fiduciaries only had a duty to review plan investments if circumstances had changed since initial selection
 - The U.S. Supreme Court determined plan fiduciaries have an ongoing duty under ERISA to monitor and remove imprudent plan investments

which is separate and distinct from the initial duty to act prudently when selecting plan investments

- HPA believes this case affirms the need for plan fiduciaries to have a strong process in place for selecting and reviewing investment options and available fee structures both at the time of initial inclusion and on an ongoing basis
- Additionally, plan sponsors should review plan documents and investment policies and make sure they outline the frequency of review and process for removal of imprudent investments
- The investment committee should make sure to have clear documentation of investment selection and monitoring activities and maintain records of this for compliance reasons

Pending Action Items

Education Campaign

- Joint effort between Nationwide, Fresno County, and HPA
- Education efforts include the following campaigns:
 - Beneficiary – May 2015 (Complete)
 - Fund Change and Asset Allocation – July-August 2015
 - Eligibility – September 2015

Fund Changes

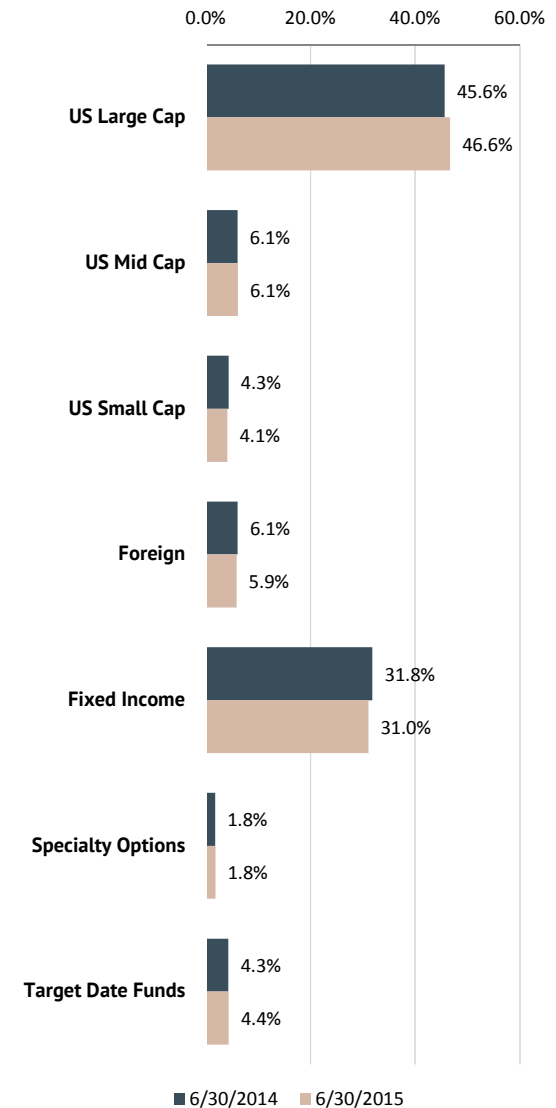
- Perkins Mid Cap Value to be mapped to BlackRock Mid Cap Index
- Mainstay International Eq to be mapped to Ivy International Eq
- Sentinel Govt Securities to be mapped to BlackRock US Debt Index
- Share class conversion of 10 funds to move to lowest gross expense ratio
 - Changes set to occur Aug. 18th

Stable Value Review

Summary of County of Fresno 457 DC Plan - Trailing Year

Data as of 06/30/2015

Asset Class	Ticker	%	6/30/2014	Net Increases/Decreases	6/30/2015	%
US Large Cap		45.6%	\$92,942,581	3,509,031	\$96,451,613	46.6%
Alger Spectra I	ASPIX	19.2%	39,169,697	3,342,581	42,512,278	20.6%
Franklin Utilities Adv	FRUAX	1.5%	2,997,967	(341,855)	2,656,112	1.3%
Columbia Dividend Income R4	CVIRX	0.0%	0	10,247,927	10,247,927	5.0%
Columbia Dividend Income Z	GSFTX	5.1%	10,298,305	(10,298,305)	0	0.0%
BlackRock Equity Index - Collective F2	02CFF1	19.9%	40,476,612	558,683	41,035,296	19.8%
US Mid Cap		6.1%	\$12,347,619	260,109	\$12,607,727	6.1%
Perkins Mid Cap Value T	JMCVX	3.0%	6,089,117	(596,581)	5,492,535	2.7%
Hennessy Focus Fund	HFCIX	2.2%	4,494,096	529,112	5,023,208	2.4%
BlackRock Mid Cap Index - Collective F	03CFF2	0.9%	1,764,406	327,578	2,091,984	1.0%
US Small Cap		4.3%	\$8,809,890	(283,804)	\$8,526,086	4.1%
Nicholas Limited Edition N	NNLEX	2.9%	5,887,276	93,945	5,981,221	2.9%
Perkins Small Cap Value I	JSCOX	0.2%	422,467	43,434	465,901	0.2%
BlackRock Russell 200 Index - Collective F	03CFF3	1.2%	2,500,147	(421,182)	2,078,964	1.0%
Foreign		6.1%	\$12,403,675	(218,600)	\$12,185,075	5.9%
Ivy International Core Equity Y	IVVYX	4.3%	8,799,630	(26,373)	8,773,256	4.2%
MainStay International Equity I	MSIIX	1.4%	2,871,088	(598,659)	2,272,429	1.1%
Oppenheimer Developing Markets Y	ODVYX	0.1%	209,356	158,943	368,299	0.2%
BlackRock EAFE Equity Index - Collective F	10CFF5	0.2%	364,850	406,240	771,090	0.4%
First Eagle Overseas A	SGOVX	0.1%	158,751	(158,751)	0	0.0%
Fixed Income		31.8%	\$64,827,340	(635,573)	\$64,191,767	31.0%
RidgeWorth Total Return Bond R	SCBLX	1.2%	2,395,526	142,437	2,537,963	1.2%
Sentinel Government Securities A	SEGSX	0.4%	837,943	(53,535)	784,408	0.4%
BlackRock US Debt Index Fund - Coll F	04CFF4	0.0%	41,942	404,981	446,923	0.2%
Templeton Global Bond Adv	TGBAX	0.1%	200,583	149,823	350,406	0.2%
County of Fresno Stable Value Fund	FRESSV	30.1%	61,351,346	(1,279,278)	60,072,067	29.1%
Specialty Options		1.8%	\$3,595,824	179,298	\$3,775,122	1.8%
Oakmark Equity & Income I	OAKBX	1.4%	2,809,077	(18,129)	2,790,949	1.3%
Fidelity Real Estate Income	FRIFX	0.4%	786,746	197,427	984,173	0.5%
Target Date Funds		4.3%	\$8,792,301	234,418	\$9,026,719	4.4%
Great-West Lifetime 2015 Trust II	C15MZR	1.0%	2,071,797	(219,022)	1,852,774	0.9%
Great-West Lifetime 2025 Trust II	C25MZR	1.3%	2,702,529	295,220	2,997,749	1.4%
Great-West Lifetime 2035 Trust II	C35MZR	0.8%	1,721,315	85,877	1,807,191	0.9%
Great-West Lifetime 2045 Trust II	C45MZR	0.8%	1,599,127	108,510	1,707,637	0.8%
Great-West Lifetime 2055 Trust II	C55MZR	0.3%	697,534	(36,166)	661,368	0.3%
Total		100%	\$203,719,230	\$3,044,879	\$206,764,109	100%



County of Fresno 457 DC Plan

Investment Summary

For the Period Ending 6/30/2015

Passively-Managed and Cash Funds

Investment	Ticker	EQUITY							Trailing Returns								
		US Stocks				FIXED INCOME			Exp	1 Qtr	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	10 Yrs
		Lrg	Mid	Sml	Fgn	Bnd	Csh	Oth									
BlackRock Equity Index - Collective M	O2CFF1	100							0.02	0.34	1.30	7.52	15.80	17.38	14.29	17.42	
BlackRock Mid Cap Index - Collectiv...	O3CFF2		100						0.03	-1.06	4.20	6.44	15.52	18.69	13.03	17.88	
BlackRock Russell 2000 Index Coll M	O3CFF3			100					0.03	0.46	4.86	6.73	15.05	18.09	12.80	17.35	
BlackRock EAFE Equity Index Coll T	10CFF5				100				0.10	0.75	6.46	-4.07	9.03	12.15	5.10	10.05	
BlackRock US Debt Index Fund Coll W	O4CFF4					100			0.04	-1.39	0.18	2.21	3.37	2.06			
Fresno County Stable Value	FRESSV					100			0.50	0.67	1.34	2.46	2.30	2.31	2.47	2.62	

Actively-Managed Funds

Style	Investment	Ticker	Lrg	Mid	Sml	Fgn	Bnd	Csh	Oth	Exp	1 Qtr	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	10 Yrs
Equity Income	Columbia Div Income R4	CVIRX	87	6		4		3		0.77	-0.91	-1.23	4.79	11.49				
Large-Cap Growth	Alger II Spectra I	ASPIX	71	16	2	8		2	1	1.50	1.36	7.00	13.53	21.35	20.08	15.61	19.57	13.71
Utility	Franklin Cust Util Adv	FRUAX	55	28	7	7	1	1	1	0.60	-5.91	-9.52	-4.09	8.29	8.75	10.53	13.45	7.95
Mix Tgt All Mod	Oakmark Eqty & Inc I	OAKBX	40	19	2	8	12	16	3	0.74	0.06	0.97	2.80	11.85	11.99	8.58	10.85	7.88
Multi-Cap Growth	Hennessy Focus Inst	HFCIX	22	48	24			6		1.10	-0.22	5.11	13.53	16.72	20.47	17.14	20.35	10.96
Mid-Cap Value	Perkins MC Value T	JMCVX	37	41	8	7		7		0.74	-1.50	-1.45	0.26	9.67	12.87	8.49	11.65	7.71
Small-Cap Core	Perkins SC Value I	JSCOX	1	30	61	2		6		0.73	-0.40	2.82	4.98	12.85	14.74	9.81	12.31	9.07
Small-Cap Growth	Nicholas Ltd Edition N	NNLEX		35	57	2		6		1.21	0.12	4.79	9.12	13.46	15.36	10.87	16.24	8.96
Emerging Markets	Oppenheimer Dev Mkts Y	ODVYX				94		5	1	1.07	0.81	-0.48	-10.41	3.58	4.99	1.03	6.29	10.59
Intl Large-Cap Core	Ivy Intl Core Eqty Y	IVVYX				92		7	1	1.29	1.94	7.25	0.18	13.53	14.81	6.42	11.26	8.69
Intl Multi-Cap Growth	MainStay Intl Eqty I	MSIIX	3	1		92		2	2	1.09	1.18	5.44	-3.51	7.49	9.35	4.35	7.17	4.96
General US Govt	Sentinel Govt Secs A	SEGSX					95	5		0.92	-1.14	-0.19	1.09	0.76	-0.03	1.18	1.51	3.75
Core Bond	RidgeWorth Tot Rtn R	SCBLX					83	16	1	1.05	-1.82	-0.52	0.67	2.32	1.14	3.04	2.87	4.12
Intl Income	Templeton Gl Bond Adv	TGBAX					51	48	1	0.63	-0.27	-0.04	-1.62	2.80	4.49	3.13	5.21	8.03
Real Estate	Fidelity Real Est Inc	FRIFX	7	14	22	1	46	9	1	0.83	-2.77	-0.25	2.61	6.14	8.11	8.48	10.04	6.41









Target-Date Funds

Investment	Ticker	Lrg	Mid	Sml	Fgn	Bnd	Csh	Oth	Exp	1 Qtr	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	10 Yrs
Great-West Lifetime 2045 Trust II	C45MZR	30	11	7	29	16	4	3	0.46	-0.61	2.62	2.91	11.35	13.09			
Great-West Lifetime 2035 Trust II	C35MZR	29	11	6	23	23	5	3	0.46	-0.82	2.21	3.01	9.78	11.64			
Great-West Lifetime 2025 Trust II	C25MZR	21	9	5	16	40	7	2	0.46	-1.10	1.40	2.46	8.66	9.73			
Great-West Lifetime 2015 Trust II	C15MZR	15	7	4	10	51	10	3	0.46	-1.22	0.86	1.82	6.65	7.16			
Great-West Lifetime 2055 Trust II	C55MZR	30	11	7	32	13	4	3	0.46	-0.56	2.79	2.64	11.32	12.91			

Market Exposure Legend

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

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

Factor	Weight	Explanation	Score Calculation
<p>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 Ranks in the top 75% of Peer Group</p> <p>No Score 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 Ranks in top 75% of Peer Group</p> <p>No Score 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 Ranks in top 75% of Peer Group</p> <p>No Score 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 Ranks in top 75% of Peer Group</p> <p>No Score 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 Ranks in top 75% of Peer Group</p> <p>No Score Ranks in bottom 25% of Peer Group</p>
		 <p>5% Overall</p> <p>Average Tenure</p> <p>Number of years</p>	<p>Full Score Manager Tenure more than 3 years</p> <p>No Score 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.

County of Fresno 457 DC Plan

Summary of Fund Compliance

For the Period Ending 06/30/2015

Passively-Managed and Cash Funds

Type	Assets %	Fund Name	Ticker
LC Index	19.85%	BlackRock Equity Index - Collective M	02cff1
MC Index	1.01%	BlackRock Mid Cap Index - Collective M	03cff2
SC Index	1.01%	BlackRock Russell 2000 Index Coll M	03cff3
Global	0.37%	BlackRock EAFE Equity Index Coll T	10cff5
Stable Value	29.05%	Fresno County Stable Value	fressv
US Debt	0.22%	BlackRock US Debt Index Fund Coll W	04cff4

* This Investment has less than 3 years of performance data

Actively-Managed Funds

Underperforming ◀ (Yellow) (White) (Light Green) (Dark Green) ▶ Outperforming

Status	Assets %	Fund Name	Ticker	Return (40%)	Risk Adjusted Return (20%)	Risk (30%)	Expense (5%)	Tenure (5%)
	4.96%	Columbia Div Income R4*	CVIRX					
Pass	20.56%	Alger II Spectra I	ASPIX	Dark Green	Dark Green	Light Green	Yellow	Dark Green
Pass	1.28%	Franklin Cust Util Adv	FRUAX	Light Green	Light Green	Light Green	Dark Green	Dark Green
Pass	1.35%	Oakmark Eqty & Inc I	OAKBX	Dark Green	Light Green	Light Green	Dark Green	Dark Green
Pass	2.43%	Hennessy Focus Inst	HFCIX	Dark Green	Dark Green	Light Green	Light Green	Dark Green
Watch	2.66%	Perkins MC Value T	JMCVX	Yellow	White	Light Green	Dark Green	Dark Green
Pass	0.23%	Perkins SC Value I	JSCOX	White	Light Green	Light Green	Dark Green	Dark Green
Watch	2.89%	Nicholas Ltd Edition N	NNLEX	Yellow	Light Green	Light Green	Light Green	Dark Green
Pass	0.18%	Oppenheimer Dev Mkts Y	ODVYX	Dark Green	Dark Green	Light Green	Dark Green	Dark Green
Replace	1.10%	MainStay Intl Eqty I	MSIIX	Yellow	White	Light Green	Light Green	Yellow
Pass	4.24%	Ivy Intl Core Eqty Y	IVVYX	Dark Green	Dark Green	Dark Green	White	Dark Green
Watch	0.38%	Sentinel Govt Secs A	SEGSX	Yellow	White	White	Light Green	Yellow
Watch	1.23%	RidgeWorth Tot Rtn R	SCBLX	Yellow	Yellow	White	Yellow	Dark Green
Pass	0.17%	Templeton Gl Bond Adv	TGBAX	Dark Green	Dark Green	Light Green	Dark Green	Dark Green
Pass	0.48%	Fidelity Real Est Inc	FRIFX	White	Dark Green	Light Green	Dark Green	Dark Green

* This Investment has less than 3 years of performance data

Underperforming ◀ (Yellow) (White) (Light Green) (Dark Green) ▶ Outperforming

Target-Date Funds

Status	Assets %	Fund Name	Ticker	Return (40%)	Risk Adjusted Return (20%)	Risk (30%)	Expense (5%)	Tenure (5%)
Pass	0.83%	Great-West Lifetime 2045 Trust II	c45mzr	Light Green	Light Green	Light Green	Dark Green	Yellow
Pass	0.87%	Great-West Lifetime 2035 Trust II	c35mzr	White	Light Green	Light Green	Dark Green	Yellow
Pass	1.45%	Great-West Lifetime 2025 Trust II	c25mzr	White	Light Green	Light Green	Dark Green	Yellow
Review	0.90%	Great-West Lifetime 2015 Trust II	c15mzr	White	Light Green	White	Dark Green	Yellow
Review	0.32%	Great-West Lifetime 2055 Trust II	c55mzr	White	White	White	Dark Green	Yellow

* This Investment has less than 3 years of performance data

County of Fresno 457 DC Plan

Fund Compliance Report

For the Periods Ending 06/30/2015

Passively-Managed and Cash Funds

Type of Fund	Assets %	Ticker	Fund Name	Return vs Peer Group (40%)			Risk Adjusted Return Sharpe (20%)			Risk (30%)						Other (10%)				
										Standard Deviation			Up Capture			Down Capture			Expense	Tenure
				3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	Peer Rank %	Avg Yrs
LC Index	19.85%	02cff1	BlackRock Equity Index - Collective M	29	16		16	11		30	40		30	34		36	22		1	5
MC Index	1.01%	03cff2	BlackRock Mid Cap Index - Collective M	27	14		34	16		56	51		19	20		66	40		1	5
SC Index	1.01%	03cff3	BlackRock Russell 2000 Index Coll M	32	26		49	39		76	68		10	13		85	78		1	5
Global	0.37%	10cff5	BlackRock EAFE Equity Index Coll T	72	72		84	81		90	85		79	48		47	86		1	5
able Valu	29.05%	fressv	Fresno County Stable Value	1	1		1	1		99			1	1		n/a	n/a		55	6
US Debt	0.22%	04cff4	BlackRock US Debt Index Fund Coll W	1			5			85			9			27			1	5

Actively-Managed Funds

Overall Fund Score	Assets %	Ticker	Fund Name	Return vs Peer Group (40%)			Risk Adjusted Return Sharpe (20%)			Risk (30%)						Other (10%)				
										Standard Deviation			Up Capture			Down Capture			Expense	Tenure
				3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	Peer Rank %	Avg Yrs
	4.96%	CVIRX	Columbia Div Income R4 *																18	6
8	20.56%	ASPIX	Alger II Spectra I	8	10	1	4	9	1	27	70	82	36	16	1	3	29	58	76	5
6	1.28%	FRUAX	Franklin Cust Util Adv	51	35	37	65	32	23	73	21	12	76	78	88	3	1	1	6	11
8	1.35%	OAKBX	Oakmark Eqty & Inc I	5	15	1	33	46	2	96	87	36	8	14	32	38	57	19	15	7
8	2.43%	HFCIX	Hennessy Focus Inst	13	4	7	10	3	8	32	35	59	56	91	53	2	1	7	41	6
4	2.66%	JMCVX	Perkins MC Value T	98	96	64	84	87	21	3	3	2	99	98	99	41	12	4	9	7
5	0.23%	JSCOX	Perkins SC Value I	75	89	22	45	66	8	4	2	6	83	95	85	23	12	11	10	13
4	2.89%	NNLEX	Nicholas Ltd Edition N	83	77	51	62	38	15	10	5	4	93	95	96	32	14	6	40	22
8	0.18%	ODVYX	Oppenheimer Dev Mkts Y	32	14	4	33	16	5	45	24	24	51	41	48	33	24	20	14	8
4	1.10%	MSIIX	MainStay Intl Eqty I	73	82	61	63	77	30	8	21	3	79	90	95	51	42	3	31	3
9	4.24%	IVVYX	Ivy Intl Core Eqty Y	2	2	1	1	1	3	7	43	54	7	34	12	3	8	8	66	9
3	0.38%	SEGSX	Sentinel Govt Secs A	82	81	36	82	67	23	50	77	20	76	85	63	58	30	19	49	2
2	1.23%	SCBLX	RidgeWorth Tot Rtn R	87	80	52	89	87	38	73	70	29	80	72	62	86	85	42	76	10
8	0.17%	TGBAX	Templeton Gl Bond Adv	11	9	1	13	16	15	29	79	32	57	56	64	16	18	24	11	9
6	0.48%	FRIFX	Fidelity Real Est Inc	53	96	54	5	3	1	4	1	1	97	97	99	6	4	1	17	12

Target-Date Funds

Overall Fund Score	Assets %	Ticker	Fund Name	Return vs Peer Group (40%)			Risk Adjusted Return Sharpe (20%)			Risk (30%)						Other (10%)				
										Standard Deviation			Up Capture			Down Capture			Expense	Tenure
				3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	Peer Rank %	Avg Yrs
6	0.83%	c45mzr	Great-West Lifetime 2045 Trust II	42			32			49			54			32			11	
5	0.87%	c35mzr	Great-West Lifetime 2035 Trust II	53			42			41			62			24			11	
5	1.45%	c25mzr	Great-West Lifetime 2025 Trust II	56			31			29			59			27			11	
4	0.90%	c15mzr	Great-West Lifetime 2015 Trust II	68			47			28			58			65			10	
4	0.32%	c55mzr	Great-West Lifetime 2055 Trust II	65			60			57			67			52			14	

County of Fresno 457 DC Plan

* This Investment has less than 3 years of performance data

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

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

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

Heintzberger | Payne Advisors Date

Trustee / Committee Member Date

County of Fresno 457 DC Plan

Fund Comments

Data as of: 06/30/2015

BlackRock Equity Index - Collective M (02cff1)

US Large Cap

Fund Type: LC Index

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
BlackRock Equity Index - Collective M (02cff1)	0.34%	7.52%	17.38%	17.42%	
S&P 500 (1936) TR IX	0.28%	7.43%	17.31%	17.34%	7.89%
Out/(Under) Performing	0.06%	0.09%	0.07%	0.08%	
Peer Group Ranking	34	22	29	16	

BlackRock Mid Cap Index - Collective M (03cff2)

US Mid Cap

Fund Type: MC Index

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
BlackRock Mid Cap Index - Collective M (03cff2)	-1.06%	6.44%	18.69%	17.88%	
S&P 400 TR IX	-1.06%	6.39%	18.60%	17.83%	9.74%
Out/(Under) Performing	0.00%	0.05%	0.09%	0.05%	
Peer Group Ranking	47	29	27	14	

BlackRock Russell 2000 Index Coll M (03cff3)

US Small Cap

Fund Type: SC Index

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
BlackRock Russell 2000 Index Coll M (03cff3)	0.46%	6.73%	18.09%	17.35%	
Russell 2000 TR IX	0.42%	6.48%	17.81%	17.08%	8.40%
Out/(Under) Performing	0.04%	0.24%	0.29%	0.27%	
Peer Group Ranking	31	25	32	26	

BlackRock EAFE Equity Index Coll T (10cff5)

Foreign

Fund Type: Global

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
BlackRock EAFE Equity Index Coll T (10cff5)	0.75%	-4.07%	12.15%	10.05%	
MSCI World ND IX	0.31%	1.42%	14.27%	13.10%	6.38%
Out/(Under) Performing	0.44%	-5.50%	-2.11%	-3.04%	
Peer Group Ranking	34	92	72	72	

Fresno County Stable Value (fressv)

Bonds

Fund Type: Stable Value

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Fresno County Stable Value (fressv)	0.67%	2.46%	2.31%	2.62%	
Citi US T-Bill 3 M TR IX	0.00%	0.00%	0.03%	0.06%	1.33%
Out/(Under) Performing	0.67%	2.46%	2.28%	2.56%	
Peer Group Ranking	1	1	1	1	

BlackRock US Debt Index Fund Coll W (04cff4)

Bonds

Fund Type: US Debt

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
BlackRock US Debt Index Fund Coll W (04cff4)	-1.39%	2.21%	2.06%		
Barclays US Gvt TRIX	-1.50%	2.27%	0.93%	2.63%	3.99%
Out/(Under) Performing	0.12%	-0.07%	1.13%		
Peer Group Ranking	62	8	1		

Columbia Div Income R4 (CVIRX)

US Large Cap

Fund Score: 10 (Status: Pass)

The Fund seeks total return, consisting of current income and capital appreciation. Normally, the Fund invests at least 80% of its net assets in a diversified portfolio of income-producing equity securities, which will consist primarily of common stocks but also may include preferred stocks and convertible securities.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Columbia Div Income R4 (CVIRX)	-0.91%	4.79%			
S&P 500 Value TR IX	0.24%	4.55%	16.83%	16.01%	6.68%
Out/(Under) Performing	-1.15%	0.24%			
Peer Group Ranking	51	14			

Alger II Spectra I (ASPIX)

US Large Cap

Fund Score: 8 (Status: Pass)

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

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Alger II Spectra I (ASPIX)	1.36%	13.53%	20.08%	19.57%	13.71%
S&P 500 Gr TR IX	0.32%	10.07%	17.79%	18.65%	9.04%
Out/(Under) Performing	1.04%	3.46%	2.29%	0.92%	4.68%
Peer Group Ranking	26	15	8	10	1

The Alger Spectra fund outperformed the S&P 500 Index by ~108 bps in the second quarter of 2015. The fund's biggest contributor to performance in the quarter was from the Healthcare sector where the fund was overweight relative to the Index but also benefitted from strong stock selection. In particular, the fund held a 1.1% position in Cigna, which is being acquired by Anthem. Additionally, the fund holds a 1.76% position in Gilead, which also performed well in the quarter. The fund's biggest detractor in the quarter was from the Communications Sector where the fund was underweight relative to the benchmark coupled with poor stock selection. Fund managers believe equities have a potential for generating still stronger gains in the near term. An improving economy should lead to stronger corporate dividends and stock buybacks. This coupled with M&A deal activity should support valuations. The fund continues to score an 8 under our scoring methodology. The fund ranks in the top quartile of its peer group for both return and risk adjusted return in the trailing three-, five- and ten-year periods.

Franklin Cust Util Adv (FRUAX)

US Large Cap

Fund Score: 6 (Status: Pass)

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

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Franklin Cust Util Adv (FRUAX)	-5.91%	-4.09%	8.75%	13.45%	7.95%
MSCI World ND IX	0.31%	1.42%	14.27%	13.10%	6.38%
Out/(Under) Performing	-6.21%	-5.51%	-5.52%	0.35%	1.57%
Peer Group Ranking	66	11	51	35	37

Oakmark Eqty & Inc I (OAKBX)

Specialty Options

Fund Score: 8 (Status: Pass)

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

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Oakmark Eqty & Inc I (OAKBX)	0.06%	2.80%	11.99%	10.85%	7.88%
DJ Moderate IX	-0.61%	1.25%	9.18%	9.60%	6.45%
Out/(Under) Performing	0.67%	1.55%	2.81%	1.25%	1.43%
Peer Group Ranking	5	21	5	15	1

The Oakmark Equity & Income fund outperformed the Dow Jones Moderate Index by ~67 bps in the second quarter of 2015. The fund has been averse to fixed income due to the high likelihood of an interest hike. That approach had paid off in the quarter as rates generally increased. The fund has approximately 64% allocated to equities and 36% in fixed income and short-term investments. The effective duration on the fixed income portion of the investments was ~1.2 years. Bank of America, Omnicare, MasterCard, and Phillip Morris led the list of equity contributors. GM, TE Connectivity, Oracle and Union Pacific led the list of detractors. The fund initiated new positions in GE and Kate Spade while eliminating small positions in Atlas Air Worldwide, FNFV Group and Lonmin. The fund ranks in the top quartile of its peer group for a three-, five- and ten-year basis. Additionally, the fund score did improve to an 8 from a 7 last quarter.

Hennessy Focus Inst (HFCIX)

US Mid Cap

Fund Score: 8 (Status: Pass)

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

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Hennessy Focus Inst (HFCIX)	-0.22%	13.53%	20.47%	20.35%	10.96%
Russell 3000 Gro TR IX	0.27%	10.69%	18.16%	18.65%	9.17%
Out/(Under) Performing	-0.49%	2.84%	2.31%	1.70%	1.80%
Peer Group Ranking	64	12	13	4	7

Perkins MC Value T (JMCVX)

US Mid Cap

Fund Score: 4 (Status: Watch)

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

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Perkins MC Value T (JMCVX)	-1.50%	0.26%	12.87%	11.65%	7.71%
S&P 400 Value TR IX	-1.18%	3.52%	18.77%	17.25%	9.07%
Out/(Under) Performing	-0.31%	-3.26%	-5.90%	-5.60%	-1.36%
Peer Group Ranking	60	78	98	96	64

Perkins Mid Cap Value Fund slightly outperformed the Russell 300 Midcap Value Index in the second quarter of 2015. An overweight position to the Financial Services sector coupled with good stock selection helped lead the outperformance. Three of the top five contributors in the quarter were regional banks. Additionally, an underweight position in REIT and Utilities sectors added to performance. The fund was hurt by not owning any managed care stocks in the Healthcare sector. This area saw some significant M&A activity in the quarter. The fund held less than 5% in cash at the end of the quarter, down slightly from the previous quarter as they have made some purchases in the Energy sector. The fund continues to score a 4 under our scoring methodology and has been on our Watch List for several quarters. With changes at Perkins (CEO and CIO resigned Apr. 15, 2015) and poor performance for several quarters, we are actively reviewing this fund.

Perkins SC Value I (JSCOX)

US Small Cap

Fund Score: 5 (Status: Pass)

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

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Perkins SC Value I (JSCOX)	-0.40%	4.98%	14.74%	12.31%	9.07%
Russell 2000 TR IX	0.42%	6.48%	17.81%	17.08%	8.40%
Out/(Under) Performing	-0.82%	-1.50%	-3.06%	-4.77%	0.67%
Peer Group Ranking	61	51	75	89	22

Nicholas Ltd Edition N (NNLEX)

US Small Cap

Fund Score: 4 (Status: Watch)

The Fund seeks long-term growth through investing in a diversified list of small company common stock having growth potential. Income is a secondary objective.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Nicholas Ltd Edition N (NNLEX)	0.12%	9.12%	15.36%	16.24%	8.96%
Russell 2000 Gro TR IX	1.97%	12.36%	20.12%	19.33%	9.86%
Out/(Under) Performing	-1.85%	-3.23%	-4.76%	-3.09%	-0.90%
Peer Group Ranking	85	57	83	77	51

Nicholas Limited is a small-cap, domestic growth fund. Its primary management decisions center on the mix between micro-, small- and mid-cap companies, as well as sector and industry allocations. In this environment, macro events are pushing hard on equity sentiment, especially as foreign economic developments sway opinion and the Fed fights a public battle over apparent GDP growth vs. rate hikes. Meanwhile, smaller firms get hamstrung when there is a 'flight to quality' mentality. The fund has been overweighted in micro-cap stocks vs. its peers (15% vs. 6%), and industrials (32% vs. 18%). By extension, it is significantly underweighted in other sectors like technology (12% vs. 24%), and is carrying 7% cash. Tactical allocation decisions went right in 2010, 2011 and 2014. In 2012, 2013 and YTD they have gone the other way.

Oppenheimer Dev Mkts Y (ODVYX)

Foreign

Fund Score: 8 (Status: Pass)

The fund primarily invests in companies with high growth potential located in developing economies. The fund mainly invests in common stocks of issuers whose principal activities are in at least three developing markets. Investors purchasing securities located in emerging market economies should expect a higher level of volatility.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Oppenheimer Dev Mkts Y (ODVYX)	0.81%	-10.41%	4.99%	6.29%	10.59%
MSCI Emerging Mkt ND IX	0.69%	-5.13%	3.71%	3.68%	8.11%
Out/(Under) Performing	0.11%	-5.28%	1.28%	2.61%	2.48%
Peer Group Ranking	45	79	32	14	4

The fund slightly outperformed its benchmark over the trailing quarter, although lagging by over 5% on the trailing one-year period. Emerging Markets (EM), as a whole, was roughly in line with developed markets over the trailing quarter, but underperformed broader foreign markets by 0.9% on the trailing one-year period. During the second quarter 2015, the fund's 5% overweight to Latin America contributed to performance as this was a top performing region returning +3.5% during the quarter. The fund has a 19% allocation to China (underweight by 4%) which was a drag on performance during the second quarter 2015 as Brazil, Russia, India and China contributed roughly 4.5% of return over the quarter. The strategy remains unchanged as management's outlook over the long-term remains positive for EM given reasonable valuations and relatively low debt levels. The fund has a bias against cyclical industries and companies with high financial/operating leverage as defensive position. In a continued effort to protect shareholder value, Oppenheimer initiated a soft close in Q2 2013, only allowing existing clientele to continue investment. The fund remains open to the plan, but with assets in the fund nearing \$40 billion, the fund's investable universe is shrinking. Oppenheimer is being reviewed for replacement as the fund's size has limited management's ability to produce excess returns versus its benchmark by narrowing its ability to invest in smaller capitalization companies.

MainStay Intl Eqty I (MSIIX)

Foreign

Fund Score: 4 (Status: Replace)

The MainStay International Equity Fund primarily invests in large international companies that do business outside of the United States and can also have some exposure to emerging markets. The fund had a subadvisor/manager change in July 2011 and two additional managers were brought on board in February 2013.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
MainStay Intl Eqty I (MSIIX)	1.18%	-3.51%	9.35%	7.17%	4.96%
MSCI AC W X-US Gr ND IX	0.59%	-2.06%	10.16%	8.48%	6.02%
Out/(Under) Performing	0.59%	-1.45%	-0.82%	-1.31%	-1.06%
Peer Group Ranking	52	70	73	82	61

The fund outperformed over the trailing quarter, but continues to lag its benchmark over the trailing one-year period. Underperformance over the five-year period was due to significant up market lag in 2009 through 2011. From a regional standpoint, the fund's two largest relative positions are an underweight to Japan and an overweight to United Kingdom, but overweighting the U.K. helped contribute to relative performance over the quarter. The team's investment strategy has historically been focused on high-quality companies with healthy balance sheets, favorable growth prospects, and generally lower beta. Mainstay typically fares well in down markets and is expected to lag during market rallies, but has struggled in recent quarters. The fund has been recommended for replacement as risk-adjusted return have slowly eroded causing it to rank in the bottom half of its peers over the three- and five-year periods. Compliance score has improved from a 3 to a 4 after performance slightly improved during the quarter.

Ivy Intl Core Eqty Y (IVVYX)

Foreign

Fund Score: 9 (Status: Pass)

The Fund seeks to provide long-term capital growth primarily through investments in equity securities that are traded in European, Pacific Basin, and Latin American Markets.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Ivy Intl Core Eqty Y (IVVYX)	1.94%	0.18%	14.81%	11.26%	8.69%
MSCI AC Wrld Ex US ND IX	0.53%	-5.27%	9.44%	7.76%	5.54%
Out/(Under) Performing	1.42%	5.44%	5.37%	3.51%	3.15%
Peer Group Ranking	13	2	2	2	1

Sentinel Govt Secs A (SEGSX)

Bonds

Fund Score: 3 (Status: Watch)

The Fund seeks high current income while seeking to control risk. The Fund normally invests at least 80% of its net assets in U.S. government securities. The Fund invests mainly in U.S. government bonds.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Sentinel Govt Secs A (SEGSX)	-1.14%	1.09%	-0.03%	1.51%	3.75%
Barclays US Gvt TRIX	-1.50%	2.27%	0.93%	2.63%	3.99%
Out/(Under) Performing	0.36%	-1.18%	-0.96%	-1.12%	-0.25%
Peer Group Ranking	34	62	82	81	36

Many managers are struggling against a backdrop of ongoing MBS asset purchases by the Fed, and surprising strength and demand for Treasuries since the beginning of last year. Sentinel are among that field. Duration remains fairly short (4 years), and the fund has increased its exposure to Treasuries to just under 30%, helping its return get closer to the category average – though it has lagged through the first half of 2015. There may indeed be some rotation in the relative demand for other bond sectors, so the fund will remain on Watch as the Fed's next policy steps unfold.

RidgeWorth Tot Rtn R (SCBLX)

Bonds

Fund Score: 2 (Status: Watch)

The Fund seeks to provide investors with a total return which consistently exceeds the total return of the broad U.S. investment grade bond market.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
RidgeWorth Tot Rtn R (SCBLX)	-1.82%	0.67%	1.14%	2.87%	4.12%
Barclays US Gvt/Cr TRIX	-2.09%	1.70%	1.77%	3.52%	4.39%
Out/(Under) Performing	0.27%	-1.03%	-0.63%	-0.65%	-0.27%
Peer Group Ranking	68	75	87	80	52

As before, RidgeWorth Total Return remains on Watch given its 2012-2014 and YTD returns, which were below its peer group/benchmark. Fund management has been consistent in its perspective of a rising interest rate environment, yet we haven't seen much of that save last summer and a volatile blip earlier this year. A 100-basis point rise in the 10-year benchmark Treasury Note yield during 2013 was a painful adjustment to many issues, and the fund was not alone in its performance lag. Performance did improve vs. its category last year, yet Q1 and Q2 lagged again behind category peers. The fund remains on Watch given the potential of rising rates and/or market yield adjustments.

Templeton Gl Bond Adv (TGBAX)

Bonds

Fund Score: 8 (Status: Pass)

Templeton Global Bond invests in bonds issued by foreign governments, but may also invest in US Government bonds to a lesser extent. The fund holds bonds in a composition without regard to a benchmark, and provides exposure to foreign currencies.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Templeton Gl Bond Adv (TGBAX)	-0.27%	-1.62%	4.49%	5.21%	8.03%
Barclays Gl Agg TRIX	-1.19%	-7.10%	-0.81%	2.07%	3.54%
Out/(Under) Performing	0.92%	5.49%	5.30%	3.14%	4.50%
Peer Group Ranking	11	24	11	9	1

Templeton Global Bond Fund delivered a slightly negative return for the quarter but outperformed its benchmark, the Barclays Global Aggregate Bond Index which returned -1.2%. The fund has significantly outperformed the index year-to-date with a return of -1.6% versus the index return of -7.1%. The primary driver of relative outperformance for the second quarter was due to interest rate strategies. During the quarter, yields increased broadly across Europe, Asia and the Americas. The fund continues to remain very defensive regarding interest rates in both developed and emerging markets with an overall effective duration of approximately zero. In particular, select underweighted duration exposures in Europe and the United States were a contributor, as interest rates increased and bond prices declined. The fund's strategy continues to remain consistent with management looking for opportunities that can offer positive real yields, without taking unnecessary interest rate risk, favoring countries with solid fundamentals. These positions are then augmented with select opportunities in emerging markets and numerous currency strategies. The cash position has increased in the fund and is now close to 25%. Management is currently holding cash hoping to use it to capitalize on certain credit opportunities once rates rise. The fund continues to remain in good standing and scores an 8 under our scoring methodology.

Fidelity Real Est Inc (FRIFX)

Specialty Options

Fund Score: 6 (Status: Pass)

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

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Fidelity Real Est Inc (FRIFX)	-2.77%	2.61%	8.11%	10.04%	6.41%
FTSE NAREIT Eq TR IX	-9.95%	4.34%	8.91%	14.28%	7.01%
Out/(Under) Performing	7.18%	-1.73%	-0.81%	-4.24%	-0.60%
Peer Group Ranking	3	84	53	96	54

Great-West Lifetime 2045 Trust II (c45mzr)

Target Date Funds

Fund Score: 6 (Status: Pass)

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Great-West Lifetime 2045 Trust II (c45mzr)	-0.61%	2.90%	13.09%		
DJ Target 2045 Index	-0.13%	2.89%	13.64%	13.10%	7.72%
Out/(Under) Performing	-0.48%	0.01%	-0.55%		
Peer Group Ranking	83	35	42		

Great-West Lifetime 2035 Trust II (c35mzr)

Target Date Funds

Fund Score: 5 (Status: Pass)

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Great-West Lifetime 2035 Trust II (c35mzr)	-0.82%	3.01%	11.64%		
DJ Target 2035 Index	-0.38%	2.07%	11.79%	11.82%	7.26%
Out/(Under) Performing	-0.45%	0.94%	-0.15%		
Peer Group Ranking	89	28	53		

Great-West Lifetime 2025 Trust II (c25mzr)

Target Date Funds

Fund Score: 5 (Status: Pass)

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Great-West Lifetime 2025 Trust II (c25mzr)	-1.10%	2.46%	9.73%		
DJ Target 2025 Index	-0.84%	0.59%	8.32%	9.18%	6.33%
Out/(Under) Performing	-0.26%	1.88%	1.41%		
Peer Group Ranking	88	22	56		

Great-West Lifetime 2015 Trust II (c15mzr)

Target Date Funds

Fund Score: 4 (Status: Review)

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Great-West Lifetime 2015 Trust II (c15mzr)	-1.22%	1.82%	7.16%		
DJ Target 2015 Index	-1.19%	-0.63%	4.68%	6.22%	5.10%
Out/(Under) Performing	-0.03%	2.45%	2.48%		
Peer Group Ranking	91	23	68		

Great-West Lifetime 2055 Trust II (c55mzr)

Target Date Funds

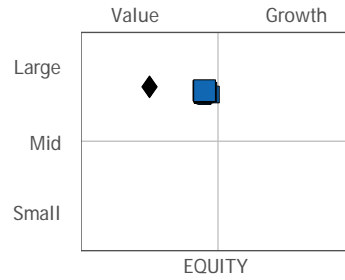
Fund Score: 4 (Status: Review)

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Great-West Lifetime 2055 Trust II (c55mzr)	-0.56%	2.64%	12.91%		
DJ Target 2055 Index	-0.10%	2.98%	13.75%	13.16%	7.75%
Out/(Under) Performing	-0.46%	-0.33%	-0.84%		
Peer Group Ranking	83	54	65		

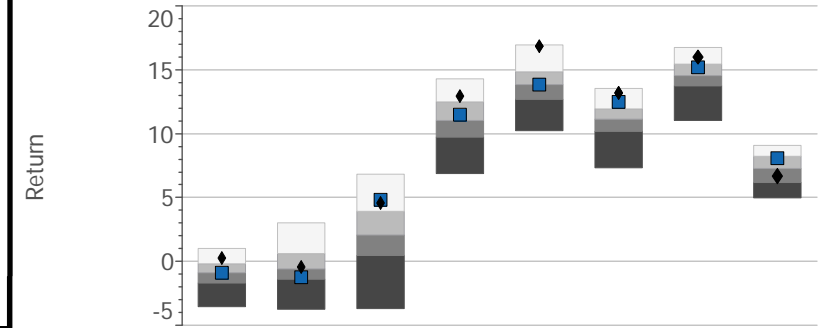
Facts

HPA Benchmark:	S&P 500 Value TR IX
Return Data Inception:	11/9/12
Net Strategy Assets (\$M):	\$8,717
Turnover Ratio:	19%
Total Holdings:	92
Percent of Assets in Top 10:	26.15%
Expense Ratio:	0.77%
5 Year Morningstar Rating:	3 stars
Manager:	Scott Davis
Manager Started:	11/1/01
Mgmt Company:	Columbia Funds Series Trust I
Phone Number:	800-345-6611

Style Matrix



Trailing Period Returns



	QTR	YTD	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	10 YRS
■ Fund	-0.91	-1.23	4.79	11.49	13.85	12.47	15.21	8.06
◆ Benchmark	0.24	-0.45	4.55	12.93	16.83	13.21	16.01	6.68
PEER GROUP								
25%	-0.20	0.60	3.91	12.48	14.86	11.94	15.44	8.22
50%	-0.87	-0.60	2.09	11.06	13.84	11.15	14.54	7.27
75%	-1.69	-1.37	0.44	9.72	12.67	10.18	13.76	11.49

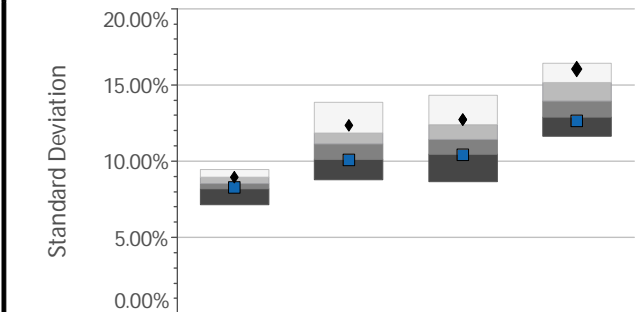
Strategy

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.

Legend

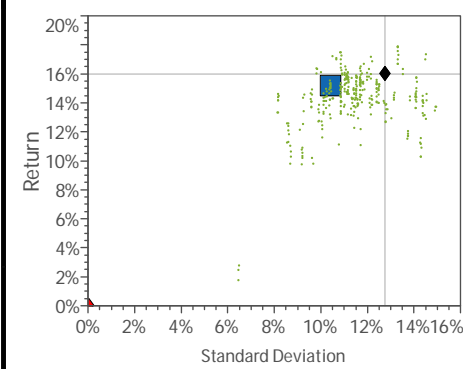
- Columbia Dividend Income R4
- ◆ S&P 500 Value TR IX
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile
- Universe: Equity Income
- ◆ Cash Equivalent

Standard Deviation

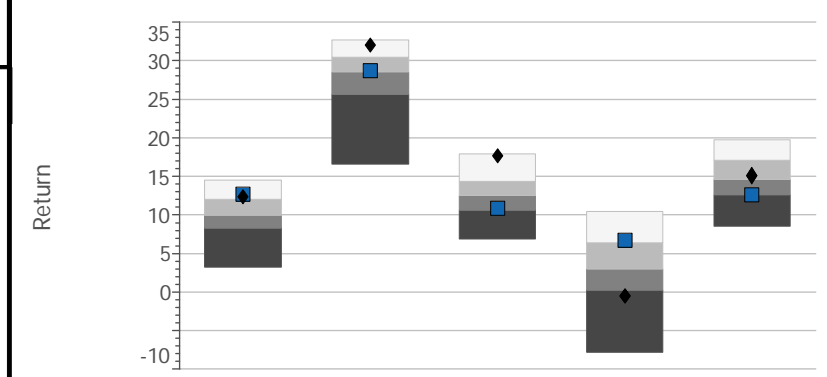


	3 YRS	4 YRS	5 YRS	10 YRS
■ Fund	8.28	10.06	10.40	12.62
◆ Benchmark	8.94	12.36	12.75	16.02
PEER GROUP				
25%	8.94	11.86	12.39	15.15
50%	8.53	11.11	11.42	13.95
75%	8.21	10.14	10.44	12.91

Risk vs. Return



Calendar Year Returns



	2014	2013	2012	2011	2010
■ Fund	12.69	28.68	10.83	6.72	12.60
◆ Benchmark	12.33	31.99	17.69	-0.48	15.10
PEER GROUP					
25%	12.04	30.43	14.31	6.40	17.05
50%	9.93	28.49	12.53	2.98	14.57
75%	8.30	25.61	10.65	0.21	12.60

Columbia Dividend Income R4 (CVIRX)

Fund Information

Morningstar Category	Large Value
Prospectus Objective	Equity-Income
Net Assets All Shares	\$8,716.97 million
NAV Price	\$18.73
Primary Index	S&P 500 TR USD

Portfolio Characteristics

Inception Date	November 9, 2012
Portfolio Date	May 31, 2015
Distribution Yield	2.31%
Number Of Holdings	92
Turnover Ratio	19%

Sector Allocation (%)

CYCLICAL SECTORS TOTAL	28.49%
Basic Materials	2.57
Consumer Cyclical	7.46
Financial Services	15.57
Real Estate	2.89
SENSITIVE SECTORS TOTAL	39.60
Communication Services	4.67
Energy	8.58
Industrials	13.80
Technology	12.55
DEFENSIVE SECTORS TOTAL	29.99
Consumer Defensive	10.66
Healthcare	14.85
Utilities	4.48

Asset Allocation (%)

Domestic Stock	94.21%
Foreign Stock	3.86
Domestic Bond	0.00
Foreign Bond	0.00
Preferred Bond	0.00
Convertible Bond	0.00
Cash	1.93
Other	0.00

Market Allocation (%)

Developed Country	97.78%
Emerging Market	0.29
Not Classified	0.00

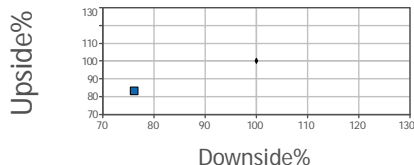
Regional Allocation (%)

Americas	94.21%
Greater Europe	3.57
Greater Asia	0.29

Capitalization

Market Capitalization	\$91,685.86
Giant Cap	61.32%
Large Cap	29.31
Medium Cap	7.42
Small Cap	0.00
Micro Cap	0.00

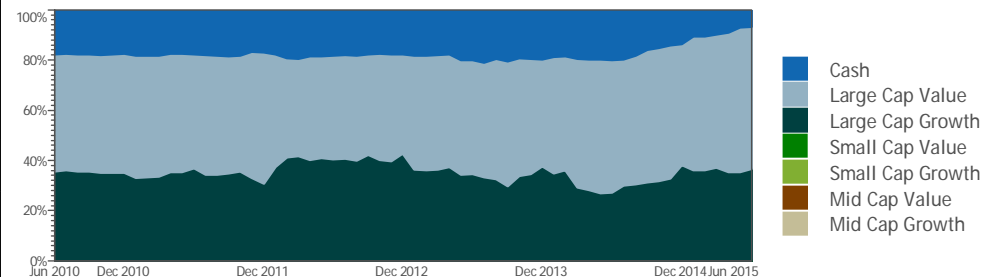
Upside Downside



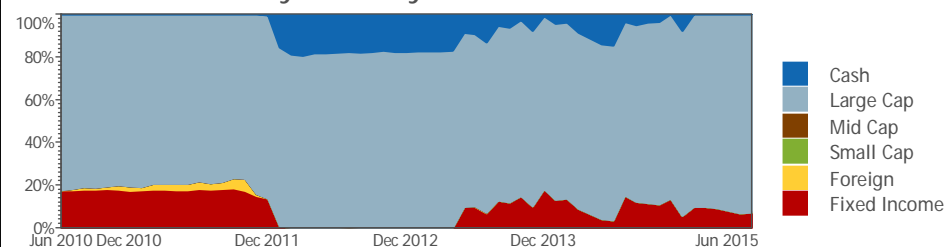
Peak to Trough

The worst peak-to-trough performance of the fund has been minus 43.45% and occurred over a 16 month period of time starting November 2007. The fund recouped this loss over 36 months by February 2012.

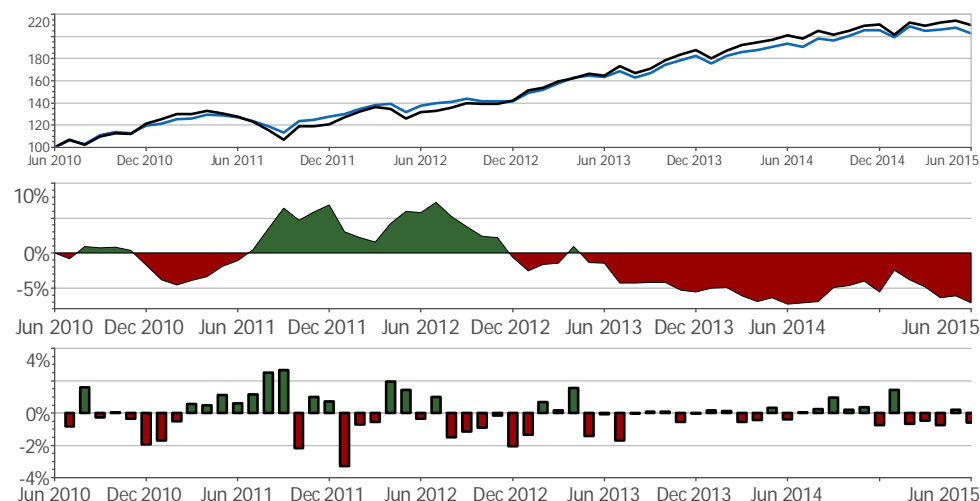
Returns-Based Style Analysis: Stock Style



Returns-Based Style Analysis: Asset Allocation



Performance, Cumulative Excess Return, Excess Return

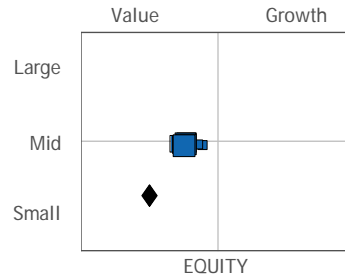


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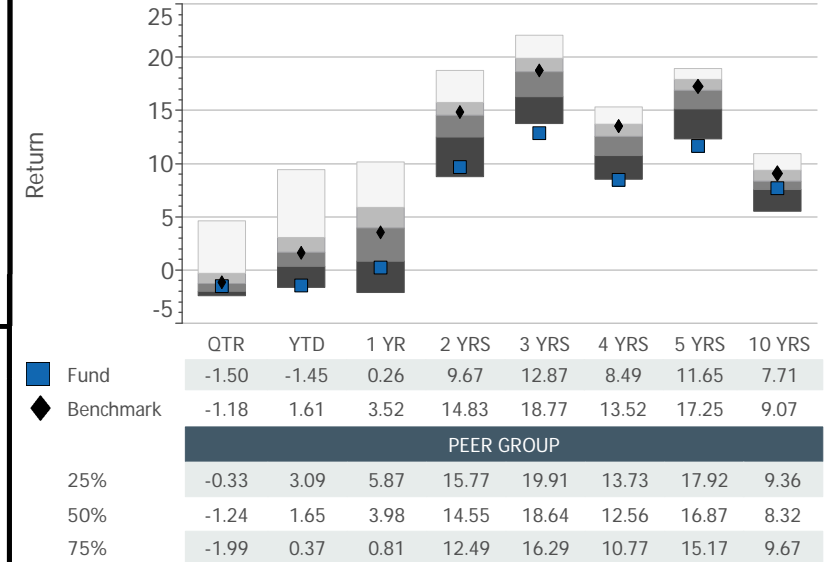
Facts

HPA Benchmark:	S&P 400 Value TR IX
Return Data Inception:	8/12/98
Net Strategy Assets (\$M):	\$5,962
Turnover Ratio:	51%
Total Holdings:	90
Percent of Assets in Top 10:	20.56%
Expense Ratio:	0.73%
5 Year Morningstar Rating:	1 stars
Manager:	Thomas Perkins
Manager Started:	8/12/98
Mgmt Company:	Janus Investment Fund
Phone Number:	877-335-2687

Style Matrix



Trailing Period Returns



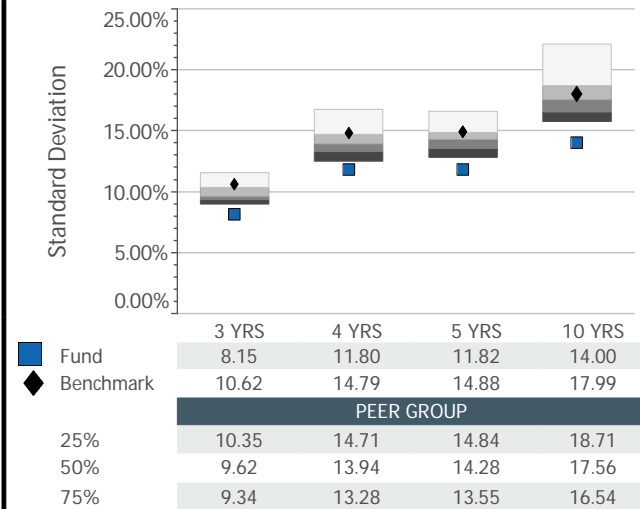
Strategy

The investment seeks capital appreciation. The fund primarily invests in the common stocks of mid-sized companies whose stock prices the portfolio managers believe to be undervalued. It invests at least 80% of its net assets in equity securities of companies whose market capitalization falls, at the time of purchase, within the 12-month average of the capitalization range of the Russell Midcap® Value Index. This average is updated monthly. The fund may invest, under normal circumstances, up to 20% of its net assets in securities of companies having market capitalizations outside of the aforementioned market capitalization ranges.

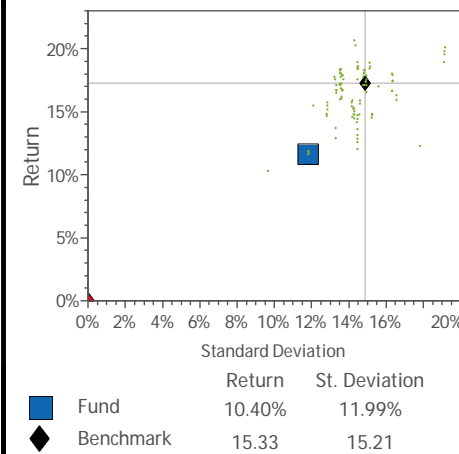
Legend

- Perkins Mid Cap Value T
- ◆ S&P 400 Value TR IX
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile
- Universe: Mid-Cap Value
- ◆ Cash Equivalent

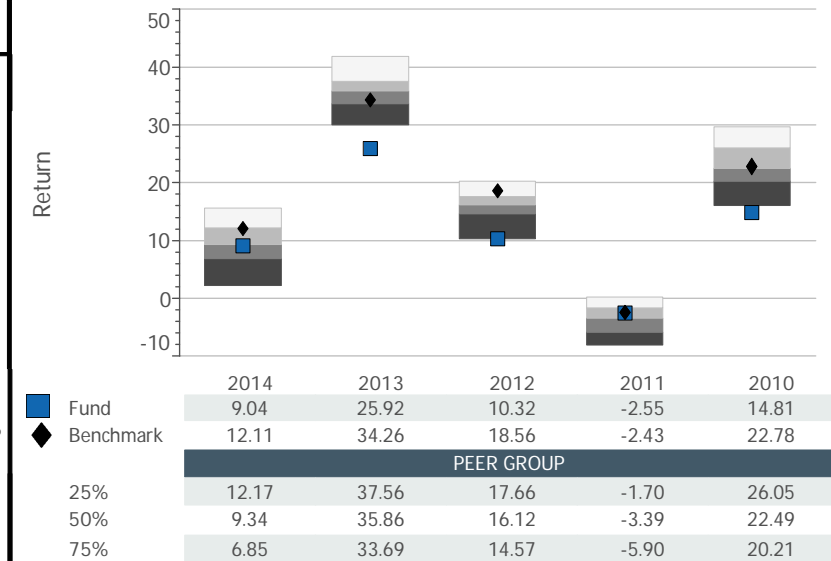
Standard Deviation



Risk vs. Return



Calendar Year Returns



Perkins Mid Cap Value T (JMCVX)

Fund Information

Morningstar Category	Mid-Cap Value
Prospectus Objective	Growth
Net Assets All Shares	\$5,961.83 million
NAV Price	\$19.76
Primary Index	S&P 500 TR USD

Portfolio Characteristics

Inception Date	August 12, 1998
Portfolio Date	March 31, 2015
Distribution Yield	2.75%
Number Of Holdings	90
Turnover Ratio	51%

Sector Allocation (%)

CYCLICAL SECTORS TOTAL	39.66%
Basic Materials	2.12
Consumer Cyclical	6.61
Financial Services	20.83
Real Estate	10.10
SENSITIVE SECTORS TOTAL	29.18
Communication Services	0.00
Energy	5.48
Industrials	15.37
Technology	8.33
DEFENSIVE SECTORS TOTAL	26.42
Consumer Defensive	7.99
Healthcare	12.55
Utilities	5.88

Asset Allocation (%)

Domestic Stock	92.47%
Foreign Stock	2.80
Domestic Bond	0.00
Foreign Bond	0.00
Preferred Bond	0.00
Convertible Bond	0.00
Cash	4.74
Other	0.00

Market Allocation (%)

Developed Country	95.26%
Emerging Market	0.00
Not Classified	0.00

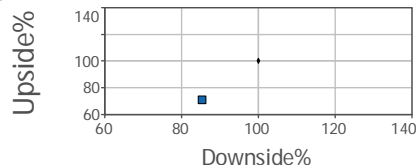
Regional Allocation (%)

Americas	93.81%
Greater Europe	1.46
Greater Asia	0.00

Capitalization

Market Capitalization	\$9,933.45
Giant Cap	1.82%
Large Cap	27.33
Medium Cap	52.75
Small Cap	12.83
Micro Cap	0.53

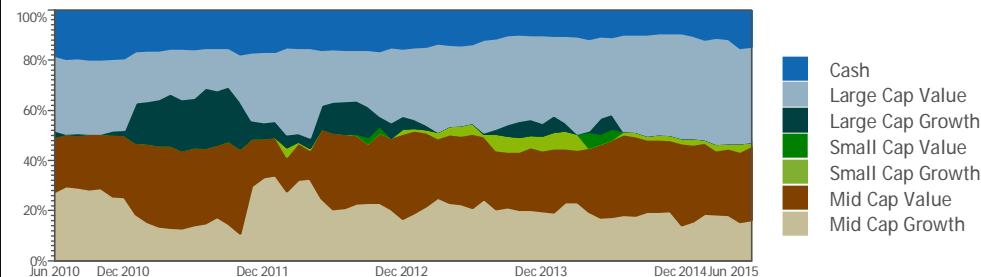
Upside Downside



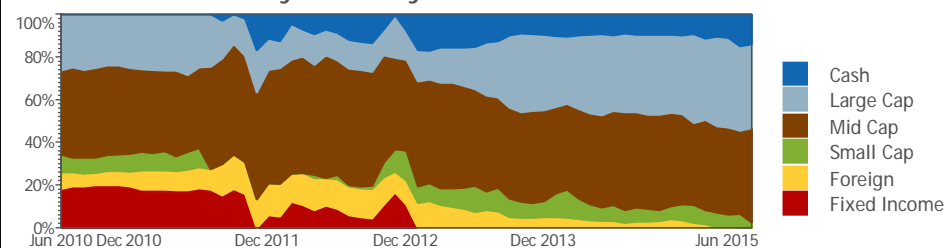
Peak to Trough

The worst peak-to-trough performance of the fund has been minus 40.06% and occurred over a 21 month period of time starting June 2007. The fund recouped this loss over 22 months by December 2010.

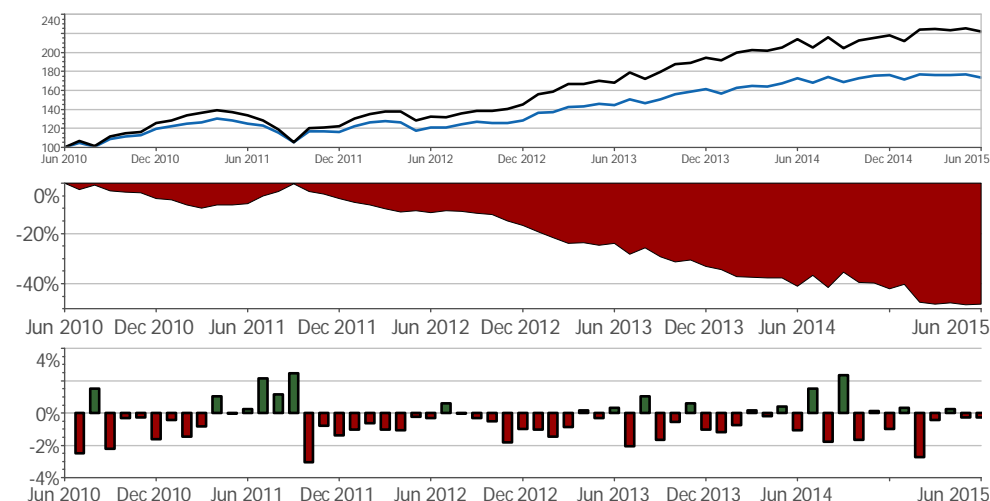
Returns-Based Style Analysis: Stock Style



Returns-Based Style Analysis: Asset Allocation



Performance, Cumulative Excess Return, Excess Return

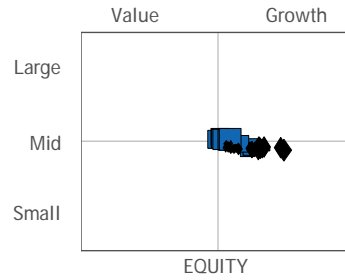


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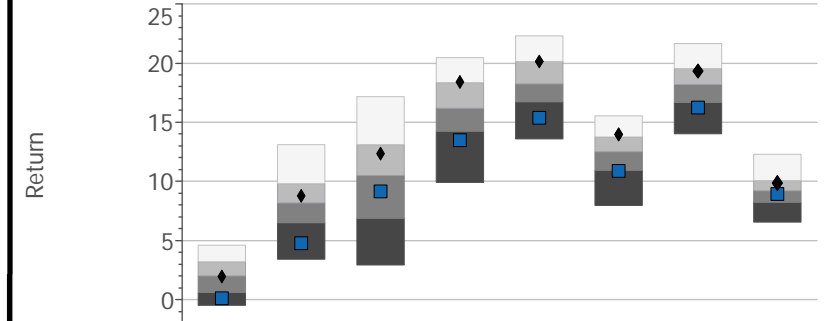
Facts

HPA Benchmark:	Russell 2000 Gro TR IX
Return Data Inception:	2/28/05
Net Strategy Assets (\$M):	\$338
Turnover Ratio:	20%
Total Holdings:	80
Percent of Assets in Top 10:	16.47%
Expense Ratio:	1.21%
5 Year Morningstar Rating:	2 stars
Manager:	David Nicholas
Manager Started:	3/31/93
Mgmt Company:	Nicholas Ltd Edition Inc
Phone Number:	800-544-6547

Style Matrix



Trailing Period Returns



	QTR	YTD	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	10 YRS
Fund	0.12	4.79	9.12	13.46	15.36	10.86	16.24	8.95
Benchmark	1.97	8.74	12.36	18.39	20.12	13.95	19.33	9.86
PEER GROUP								
25%	3.21	9.79	13.10	18.36	20.15	13.74	19.51	10.06
50%	2.00	8.17	10.53	16.18	18.25	12.48	18.21	9.22
75%	0.62	6.47	6.90	14.24	16.72	10.96	16.70	13.46

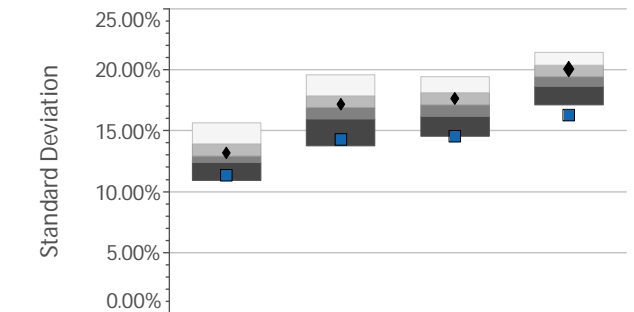
Strategy

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 capitalization believed to have growth potential. It 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 capitalization up to \$2 billion as "small", between \$2 billion and \$10 billion as "medium," and greater than \$10 billion as "large."

Legend

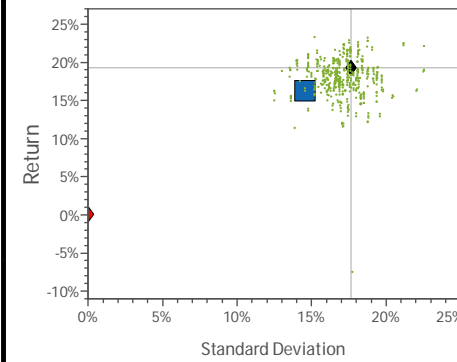
- Nicholas Limited Edition N
- ◆ Russell 2000 Gro TR IX
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile
- Universe: Small-Cap Growth
- ◆ Cash Equivalent

Standard Deviation



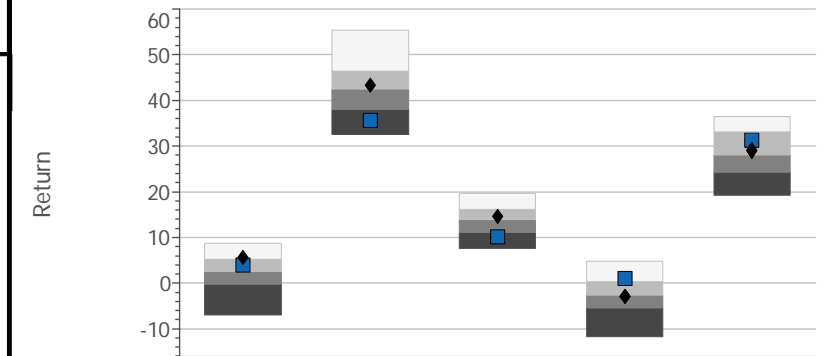
	3 YRS	4 YRS	5 YRS	10 YRS
Fund	11.33	14.30	14.55	16.26
Benchmark	13.19	17.16	17.65	20.05
PEER GROUP				
25%	13.91	17.87	18.11	20.37
50%	12.90	16.91	17.10	19.44
75%	12.39	15.98	16.18	18.64

Risk vs. Return



	Return	St. Deviation
Fund	15.05%	14.61%
Benchmark	17.37	17.89

Calendar Year Returns



	2014	2013	2012	2011	2010
Fund	3.98	35.60	10.20	0.98	31.28
Benchmark	5.62	43.29	14.59	-2.91	29.09
PEER GROUP					
25%	5.19	46.40	16.13	0.31	33.10
50%	2.62	42.51	13.89	-2.63	28.12
75%	-0.18	38.00	11.05	-5.46	24.29

Nicholas Limited Edition N (NNLEX)

Fund Information

Morningstar Category	Small Growth
Prospectus Objective	Growth
Net Assets All Shares	\$337.57 million
NAV Price	\$25.84
Primary Index	S&P 500 TR USD

Portfolio Characteristics

Inception Date	February 28, 2005
Portfolio Date	March 31, 2015
Distribution Yield	0.00%
Number Of Holdings	80
Turnover Ratio	20%

Sector Allocation (%)

CYCLICAL SECTORS TOTAL	29.37%
Basic Materials	2.76
Consumer Cyclical	20.25
Financial Services	6.36
Real Estate	0.00
SENSITIVE SECTORS TOTAL	43.05
Communication Services	1.19
Energy	1.43
Industrials	28.49
Technology	11.94
DEFENSIVE SECTORS TOTAL	21.04
Consumer Defensive	5.56
Healthcare	15.48
Utilities	0.00

Asset Allocation (%)

Domestic Stock	91.56%
Foreign Stock	1.89
Domestic Bond	0.00
Foreign Bond	0.00
Preferred Bond	0.00
Convertible Bond	0.00
Cash	6.55
Other	0.00

Market Allocation (%)

Developed Country	92.57%
Emerging Market	0.88
Not Classified	0.00

Regional Allocation (%)

Americas	92.44%
Greater Europe	0.00
Greater Asia	1.01

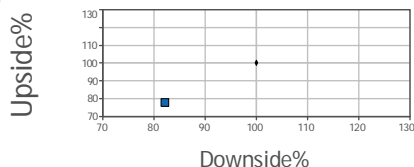
Capitalization

Market Capitalization	\$2,569.46
Giant Cap	0.00%
Large Cap	0.88
Medium Cap	32.60
Small Cap	48.77
Micro Cap	11.20

Top 10 Holdings

KAR Auction Services Inc	1.79%
Ulta Salon Cosmetics & Fragrances Inc	1.78
Carriage Services Inc	1.76
Syntel Inc	1.68
VeriFone Systems Inc	1.65
Teleflex Inc	1.60
The Middleby Corp	1.57
Euronet Worldwide Inc	1.56
RPM International Inc	1.56
Cinemark Holdings Inc	1.53
Top 10 Holding Weighting	16.47%

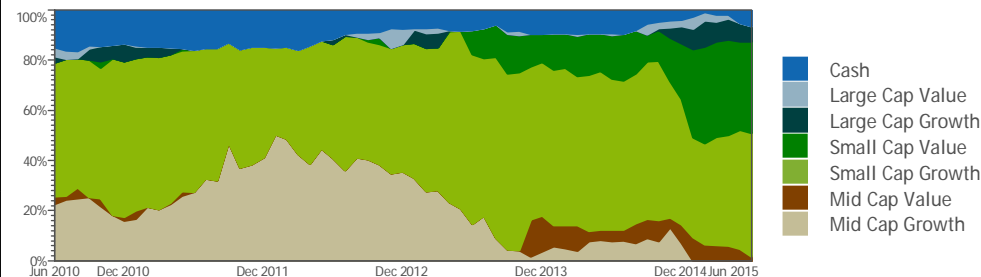
Upside Downside



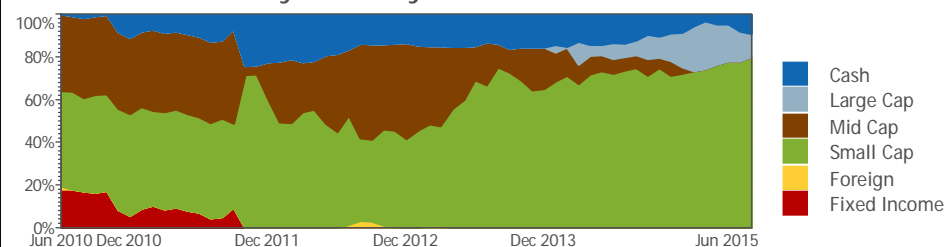
Peak to Trough

The worst peak-to-trough performance of the fund has been minus 43.88% and occurred over a 16 month period of time starting November 2007. The fund recouped this loss over 21 months by November 2010.

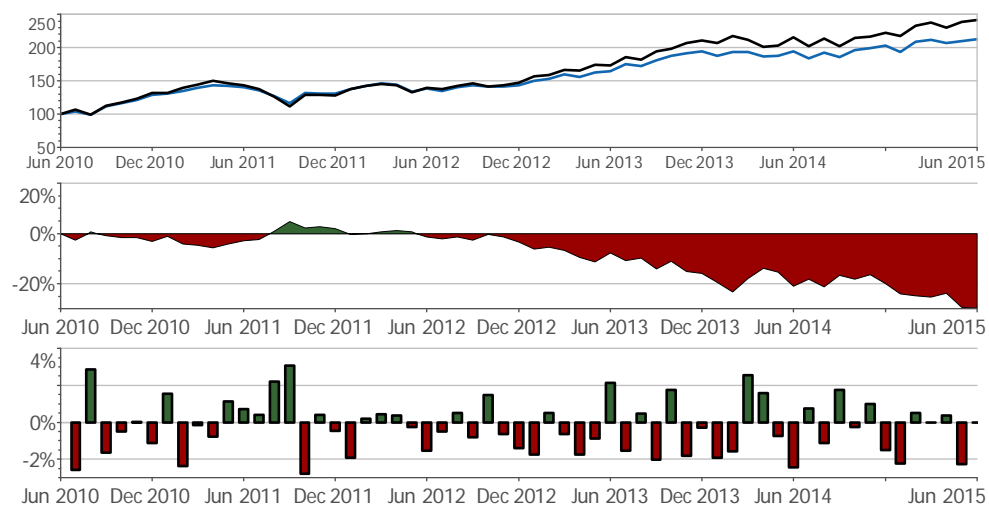
Returns-Based Style Analysis: Stock Style



Returns-Based Style Analysis: Asset Allocation



Performance, Cumulative Excess Return, Excess Return

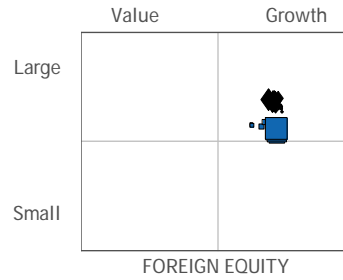


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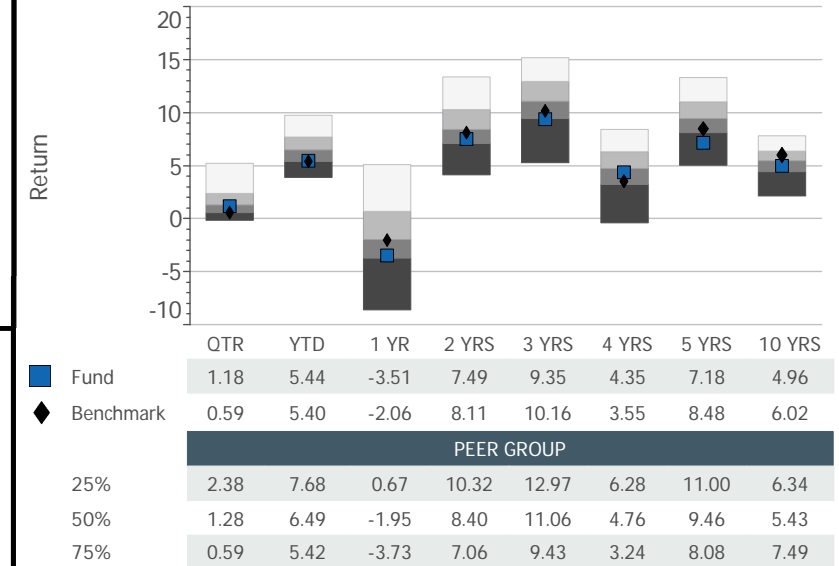
Facts

HPA Benchmark:	MSCI AC W X-US Gr ND IX
Return Data Inception:	1/2/04
Net Strategy Assets (\$M):	\$328
Turnover Ratio:	37%
Total Holdings:	58
Percent of Assets in Top 10 :	38.42%
Expense Ratio:	1.09%
5 Year Morningstar Rating:	1 stars
Manager:	Edward Ramos
Manager Started:	5/27/11
Mgmt Company:	MainStay Funds
Phone Number:	800-624-6782

Style Matrix



Trailing Period Returns



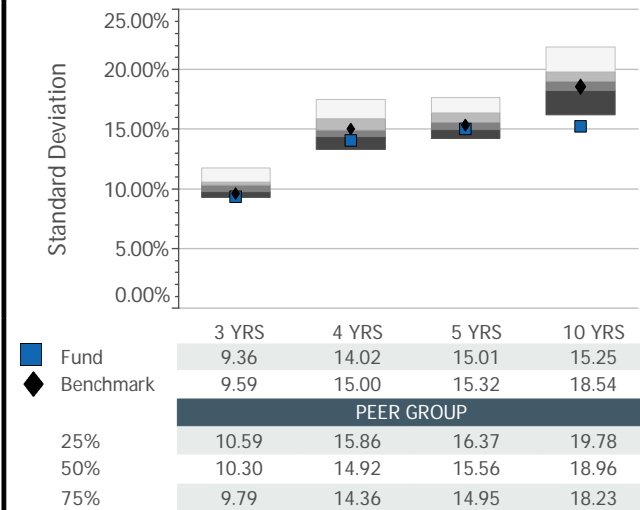
Strategy

The investment seeks long-term growth of capital. The fund normally invests at least 80% of its assets (net assets plus any borrowings for investment purposes) in equity securities of issuers, wherever organized, which operate mainly outside the U.S. It invests in securities of companies which conduct business in a variety of countries, with a minimum of five countries other than the U.S. This includes countries with established economies as well as emerging market countries that the Subadvisor believes present favorable opportunities. The fund may also invest in exchange traded funds ("ETFs").

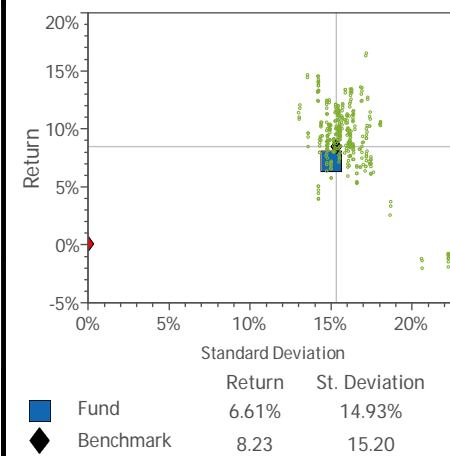
Legend

- MainStay International Equity I
- ◆ MSCI AC W X-US Gr ND IX
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile
- Universe: Intl Multi-Cap Growth
- ◆ Cash Equivalent

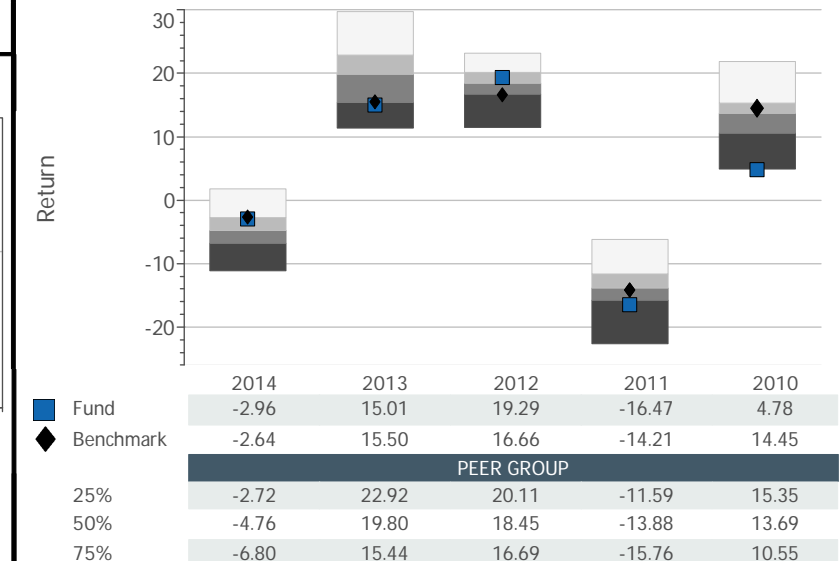
Standard Deviation



Risk vs. Return



Calendar Year Returns



MainStay International Equity I (MSIIX)

Fund Information

Morningstar Category	Foreign Large Growth
Prospectus Objective	Foreign Stock
Net Assets All Shares	\$328.05 million
NAV Price	\$13.77
Primary Index	MSCI ACWI Ex USA NR USD

Portfolio Characteristics

Inception Date	January 2, 2004
Portfolio Date	April 30, 2015
Distribution Yield	0.93%
Number Of Holdings	58
Turnover Ratio	37%

Sector Allocation (%)

CYCLICAL SECTORS TOTAL	20.36%
Basic Materials	4.47
Consumer Cyclical	10.50
Financial Services	5.39
Real Estate	0.00
SENSITIVE SECTORS TOTAL	40.55
Communication Services	3.44
Energy	0.00
Industrials	16.88
Technology	20.23
DEFENSIVE SECTORS TOTAL	34.27
Consumer Defensive	3.46
Healthcare	30.81
Utilities	0.00

Asset Allocation (%)

Domestic Stock	11.11%
Foreign Stock	85.87
Domestic Bond	0.00
Foreign Bond	0.00
Preferred Bond	0.00
Convertible Bond	0.00
Cash	2.68
Other	0.34

Market Allocation (%)

Developed Country	82.03%
Emerging Market	13.15
Not Classified	0.00

Top 10 Countries

United Kingdom	21.63%
Germany	11.74
United States	10.91
Sweden	5.86
China	5.68
Spain	5.66
Switzerland	4.56
Ireland	4.27
Israel	4.22
Japan	3.81
Top 10 Country Weighting	78.34%

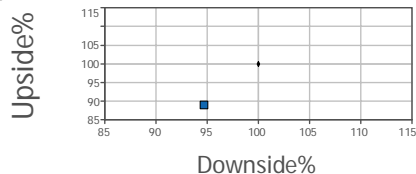
Regional Allocation (%)

Americas	13.68%
Greater Europe	67.32
Greater Asia	14.19

Capitalization

Market Capitalization	\$12,405.68
Giant Cap	11.72%
Large Cap	51.69
Medium Cap	27.64
Small Cap	4.13
Micro Cap	0.00

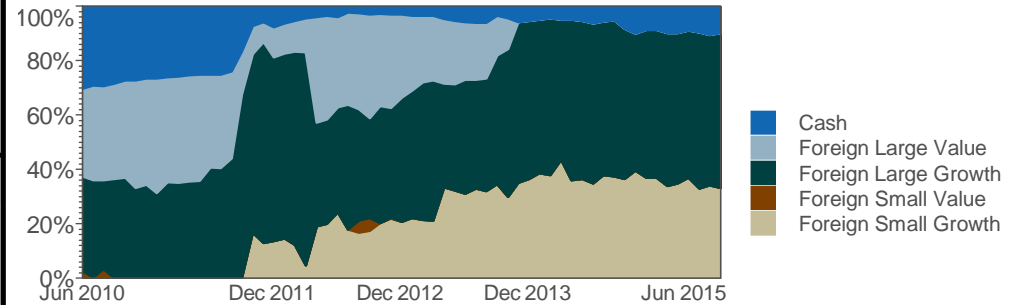
Upside Downside



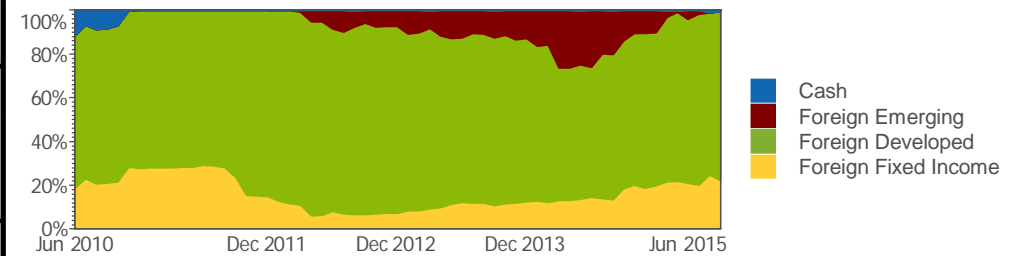
Peak to Trough

The worst peak-to-trough performance of the fund has been minus 39.7% and occurred over a 16 month period of time starting November 2007. The fund recouped this loss over 56 months by October 2013.

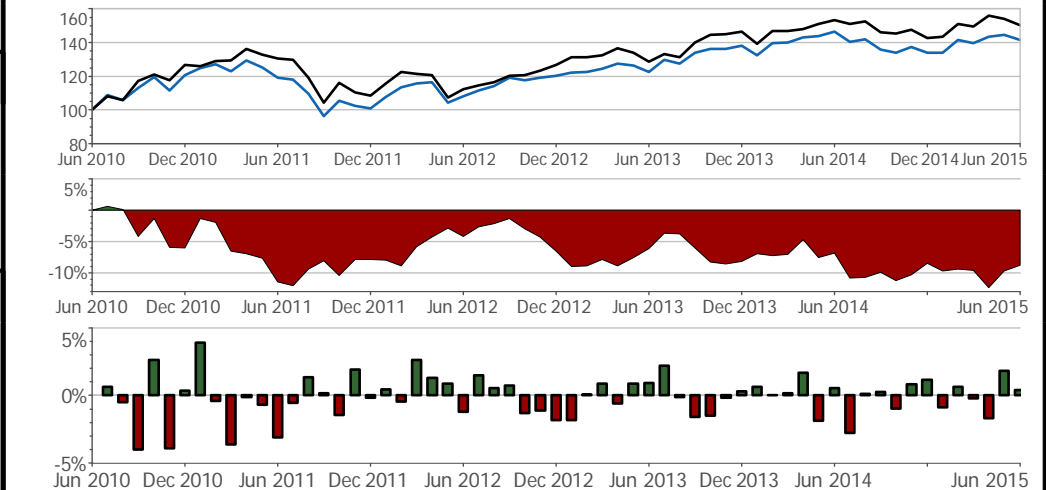
Returns-Based Style Analysis: Foreign Stock Style



Returns-Based Style Analysis: Asset Allocation



Performance, Cumulative Excess Return, Excess Return



This document shows the historical returns and volatility of the return of this Investment Alternative, assuming that an investor may have invested in the Alternative on the first day of any calendar month since its inception date. Returns are presented here primarily as an indication of the potential volatility of this investment and not an indication of future, positive returns. Historical performance clearly indicates there is the potential for loss, particularly over shorter periods of time. Calculations assume that all dividends and interest have been reinvested. Whereas returns have been reduced by actual mutual fund management fees and expenses, no deduction has been made for such expenses as advisory fees, custodial charges, and if applicable, third party administrator fees and other retirement plan expenses. Your investment returns will be reduced by those charges if assessed against your account. Your returns can vary from these given the timing of your purchases in this Investment alternative (c) 2011 Heintzberger | Payne Advisors, Inc.

Data as of 6/30/15

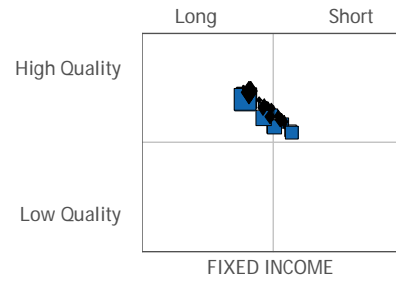
RidgeWorth Total Return Bond R (SCBLX)

(www.ridgeworth.com)

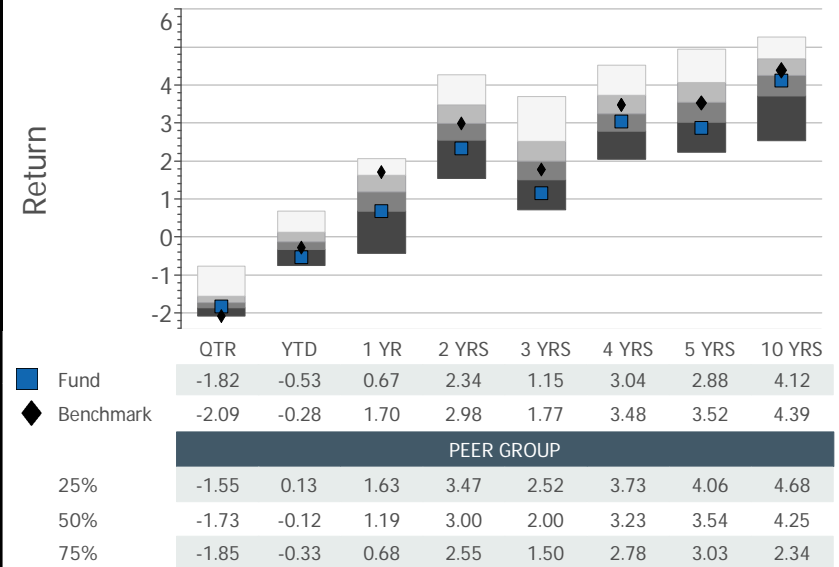
Facts

HPA Benchmark:	Barclays US Gvt/Cr TRIX
Return Data Inception:	10/11/04
Net Strategy Assets (\$M):	\$1,165
Turnover Ratio:	173%
Total Holdings:	280
Percent of Assets in Top 10:	40.5%
Expense Ratio:	1.05%
5 Year Morningstar Rating:	2 stars
Manager:	Perry Troisi
Manager Started:	1/25/02
Mgmt Company:	RidgeWorth Funds
Phone Number:	888-784-3863

Style Matrix



Trailing Period Returns



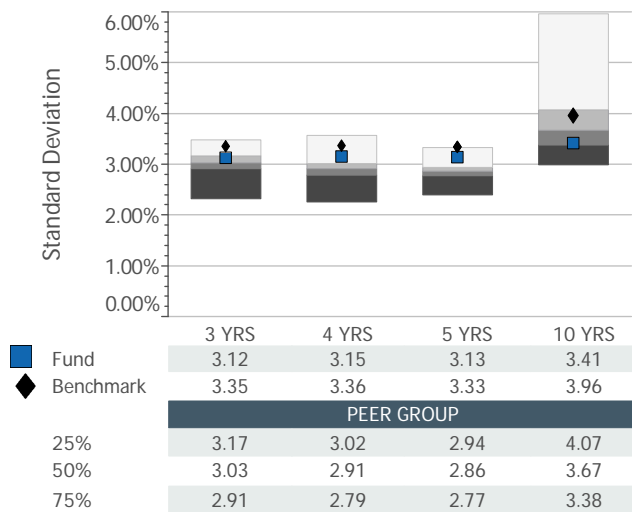
Strategy

The investment seeks total return that consistently exceeds the total return of the broad U.S. investment grade bond market. 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 in debt obligations of U.S. and non-U.S. issuers, including emerging market debt. It may invest up to 20% of its net assets in below investment grade, high yield debt obligations.

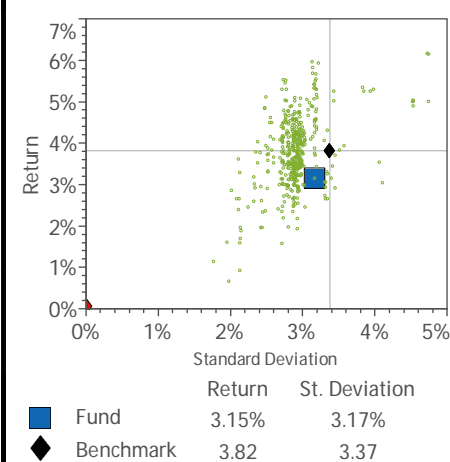
Legend

- RidgeWorth Total Return Bond R
- ◆ Barclays US Gvt/Cr TRIX
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile
- Universe: Core Bond
- ◆ Cash Equivalent

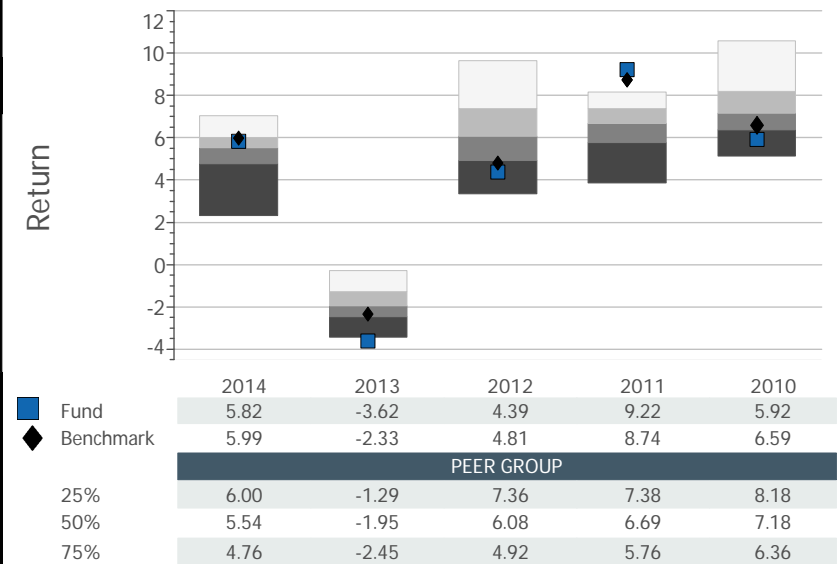
Standard Deviation



Risk vs. Return



Calendar Year Returns



RidgeWorth Total Return Bond R (SCBLX)

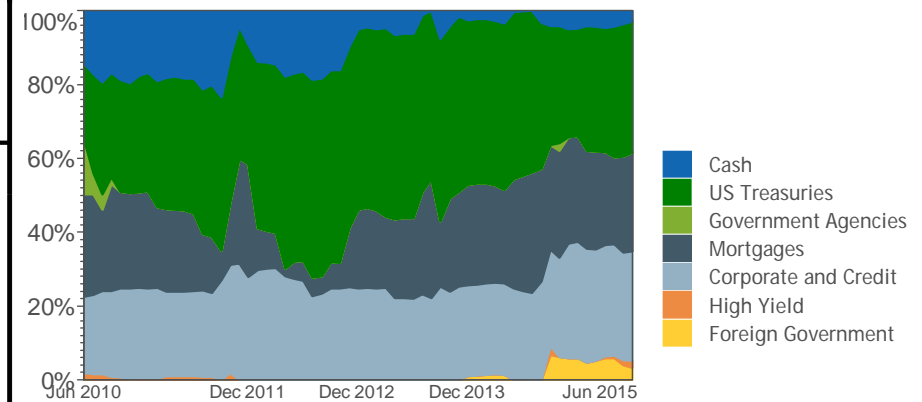
Fund Information

Morningstar Category	Intermediate-Term Bond
Prospectus Objective	Multisector Bond
Net Assets All Shares	\$1,165.15 million
NAV Price	\$10.52
Primary Index	Barclays US Agg Bond TR USD

Portfolio Characteristics

Inception Date	October 11, 2004
Portfolio Date	May 31, 2015
Distribution Yield	1.54%
Number Of Holdings	280
Turnover Ratio	173%

Returns-Based Style Analysis: Fixed Income Style



Bond Sector Allocation (%)

Government	35.71%
Government Related	0.00
Municipal Taxable	0.00
Municipal Tax-Exempt	0.00
Bank Loan	0.04
Convertible	0.00
Corporate Bond	20.85
Preferred Stock	0.00
Agency Mortgage-Backed	24.95
Non-Agency Residential Mortgage-Backed	2.72
Commercial Mortgage-Backed	2.02
Covered Bond	0.00
Asset-Backed	3.67
Cash & Equivalents	10.05
Swap	-0.01
Future/Forward	0.00
Option/Warrant	0.00

Asset Allocation (%)

Domestic Stock	0.00%
Foreign Stock	0.00
Domestic Bond	85.06
Foreign Bond	4.89
Preferred Bond	0.00
Convertible Bond	0.00
Cash	10.05
Other	0.00

Portfolio Statistics

Effective Duration	5.47
Average Coupon	2.77%
Effective Maturity	7.45

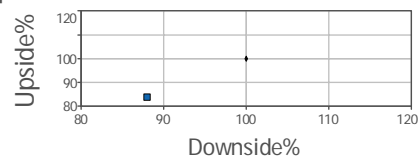
Top 10 Countries (%)

United States	85.17%
Australia	0.78
Netherlands	0.54
United Kingdom	0.50
Guernsey	0.44
Switzerland	0.33
Brazil	0.32
British Virgin Islands	0.31
Indonesia	0.29
Ireland	0.28
Top 10 Country Weighting	88.96%

Credit Quality (%)

AAA	72.55%
AA	3.25
A	8.80
BBB	13.74
BB	1.58
B	0.03
Below B	0.00
Not Rated	0.05

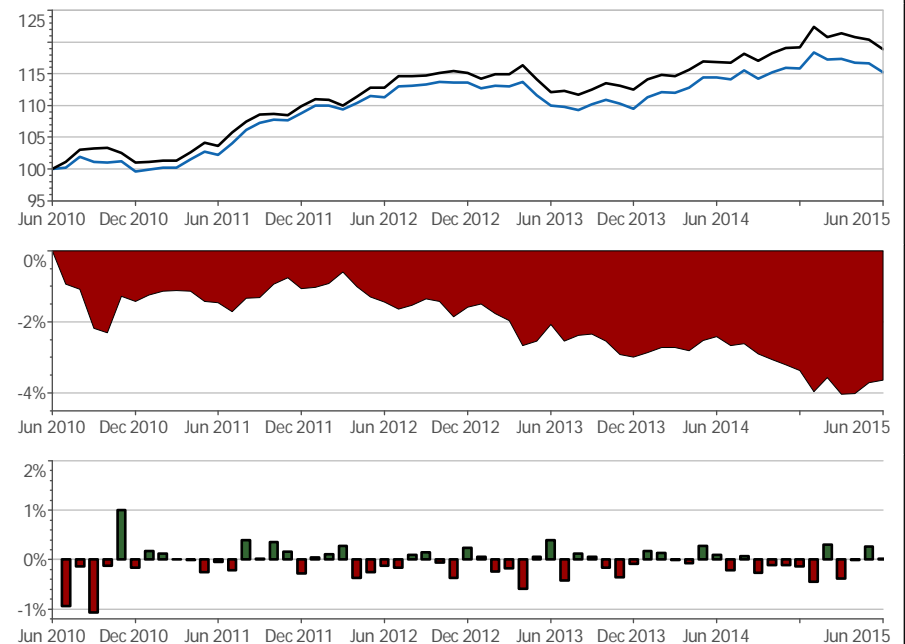
Upside Downside



Peak to Trough

The worst peak-to-trough performance of the fund has been minus 3.91% and occurred over a 4 month period of time starting May 2013. The fund recouped this loss over 9 months by May 2014.

Performance, Cumulative Excess Return, Excess Return

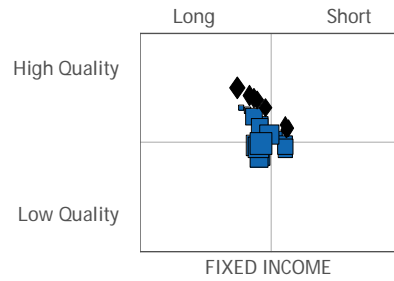


This document shows the historical returns and volatility of the return of this Investment Alternative, assuming that an investor may have invested in the Alternative on the first day of any calendar month since its inception date. Returns are presented here primarily as an indication of the potential volatility of this investment and not an indication of future, positive returns. Historical performance clearly indicates there is the potential for loss, particularly over shorter periods of time. Calculations assume that all dividends and interest have been reinvested. Whereas returns have been reduced by actual mutual fund management fees and expenses, no deduction has been made for such expenses as advisory fees, custodial charges, and if applicable, third party administrator fees and other retirement plan expenses. Your investment returns will be reduced by those charges if assessed against your account. Your returns can vary from these given the timing of your purchases in this Investment alternative (c) 2011 Heintzberger | Payne Advisors, Inc.

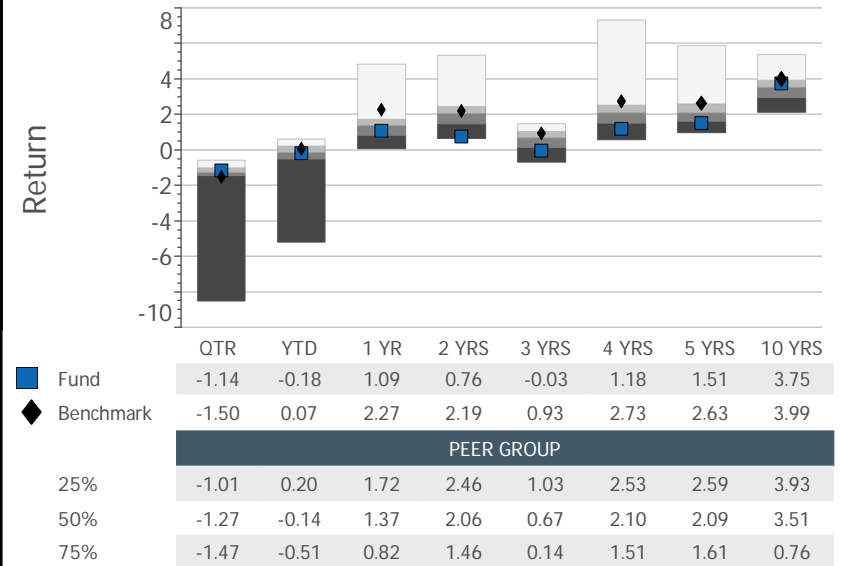
Facts

HPA Benchmark:	Barclays US Gvt TRIX
Return Data Inception:	9/2/86
Net Strategy Assets (\$M):	\$272
Turnover Ratio:	161%
Total Holdings:	40
Percent of Assets in Top 10:	51.42%
Expense Ratio:	0.92%
5 Year Morningstar Rating:	1 stars
Manager:	Jason Doiron
Manager Started:	3/29/12
Mgmt Company:	Sentinel Group Funds Inc
Phone Number:	800-282-3863

Style Matrix



Trailing Period Returns



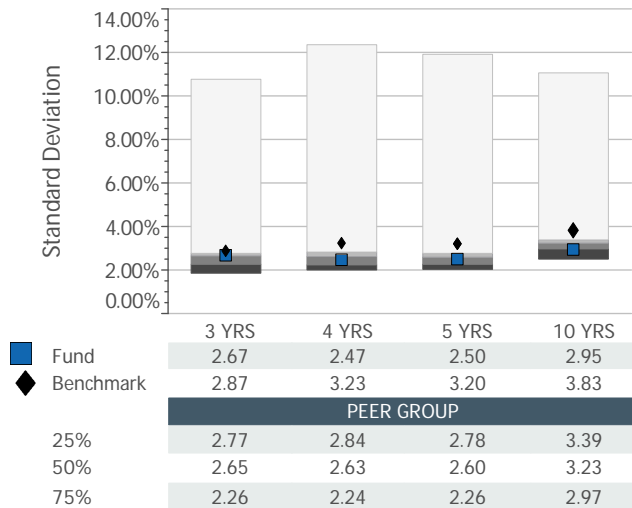
Strategy

The investment seeks a high level of current income consistent with the preservation of principal. The fund normally invests at least 80% of its net assets in U.S. government securities and related derivatives. Related derivatives include exchange-traded futures on U.S. Treasury notes and bonds, and options on these futures, and other derivatives intended to hedge interest rate risk, such as swaps, options on swaps, and interest rate caps and floors. It invests mainly in U.S. government bonds.

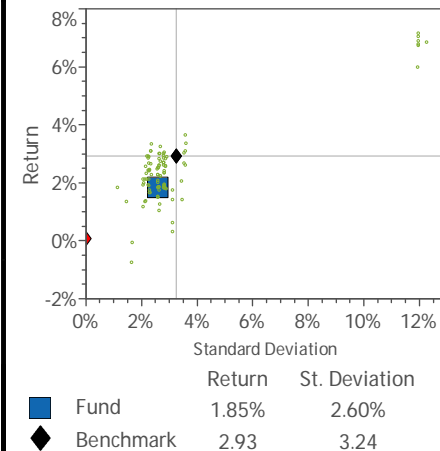
Legend

- Sentinel Government Securities A
- ◆ Barclays US Gvt TRIX
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile
- Universe: General US Govt
- ◆ Cash Equivalent

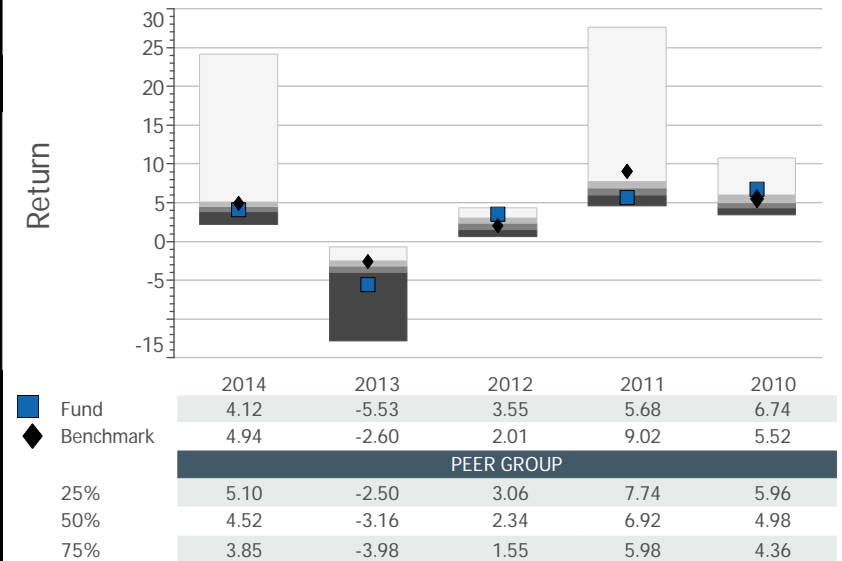
Standard Deviation



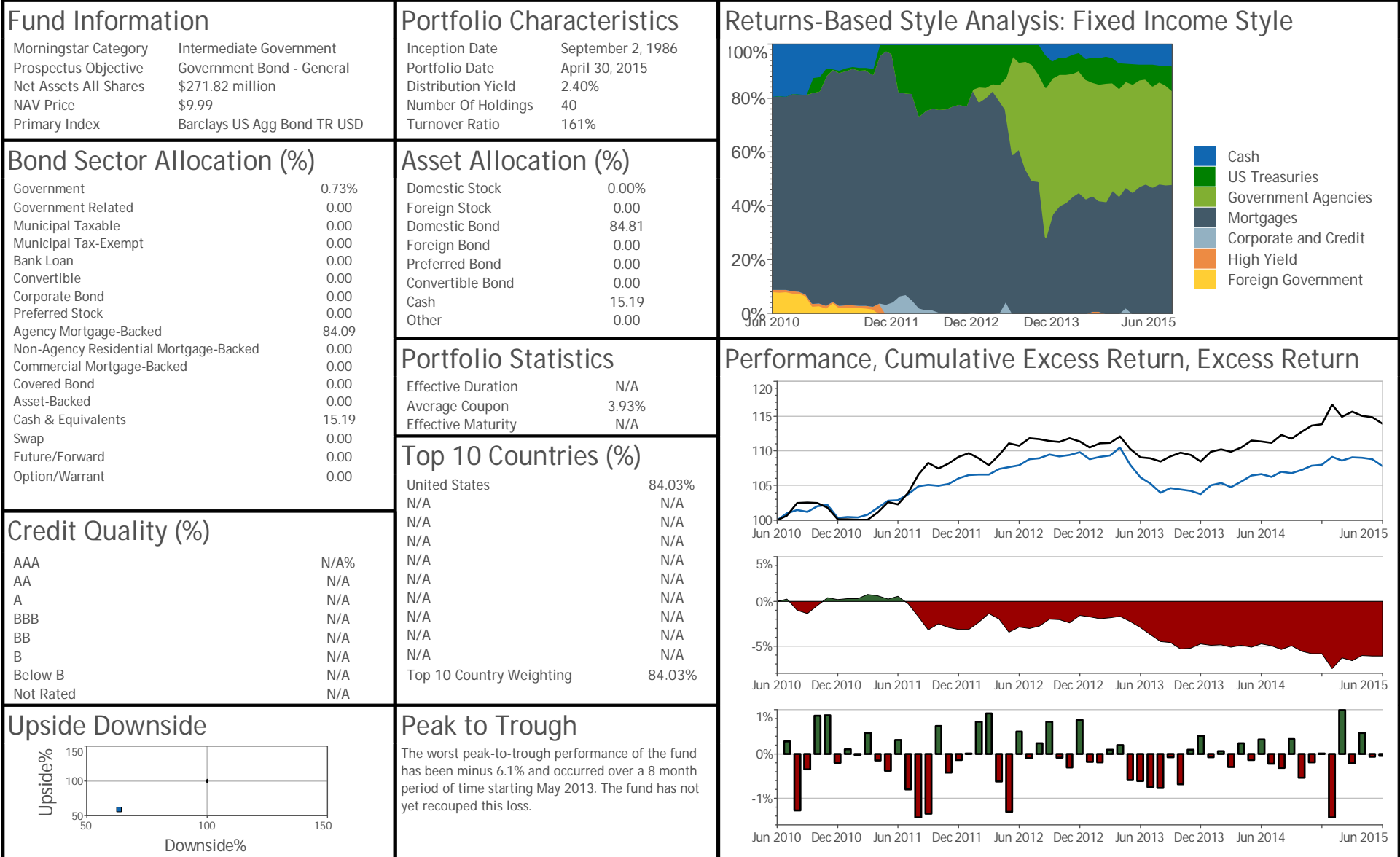
Risk vs. Return



Calendar Year Returns











Sentinel Government Securities A (SEGSX)



This document shows the historical returns and volatility of the return of this Investment Alternative, assuming that an investor may have invested in the Alternative on the first day of any calendar month since its inception date. Returns are presented here primarily as an indication of the potential volatility of this investment and not an indication of future, positive returns. Historical performance clearly indicates there is the potential for loss, particularly over shorter periods of time. Calculations assume that all dividends and interest have been reinvested. Whereas returns have been reduced by actual mutual fund management fees and expenses, no deduction has been made for such expenses as advisory fees, custodial charges, and if applicable, third party administrator fees and other retirement plan expenses. Your investment returns will be reduced by those charges if assessed against your account. Your returns can vary from these given the timing of your purchases in this Investment alternative (c) 2011 Heintzberger | Payne Advisors, Inc.

CALCULATION METHODOLOGY OF OVERALL FUND SCORE 1 (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 Ranks in the top 75% of Peer Group</p> <p>No Score 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 Ranks in top 75% of Peer Group</p> <p>No Score 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 Ranks in top 75% of Peer Group</p> <p>No Score 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 Ranks in top 75% of Peer Group</p> <p>No Score 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 Ranks in top 75% of Peer Group</p> <p>No Score Ranks in bottom 25% of Peer Group</p>
		 <p>5% Overall</p> <p>Average Tenure</p> <p>Number of years</p>	<p>Full Score Manager Tenure more than 3 years</p> <p>No Score 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.

XYZ 401(k) Plan

Summary of Fund Compliance

For the Period Ending 07/31/2015

Passively-Managed and Cash Funds

Type		Fund Name	Ticker
LC Index	n/a	BlackRock Equity Index - Collective M	02cff1
MC Index	n/a	BlackRock Mid Cap Index - Collective M	03cff2
SC Index	n/a	BlackRock Russell 2000 Index Coll M	03cff3
Global	n/a	BlackRock EAFE Equity Index Coll T	10cff5
Stable Value	n/a	Fresno County Stable Value	fressv
US Debt	n/a	BlackRock US Debt Index Fund Coll W	04cff4

* This Investment has less than 3 years of performance data

Actively-Managed Funds

Underperforming ◀ ● ○ ● ● ▶ Outperforming

Status		Fund Name	Ticker	Return (40%)	Risk Adjusted Return (20%)	Risk (30%)	Expense (5%)	Tenure (5%)
	n/a	Columbia Div Income Y*	CDDYX					
Pass	n/a	Alger II Spectra Z	ASPZX	●	●	●	○	●
	n/a	Franklin Cust Util R6*	FUFRX					
Pass	n/a	Oakmark Eqty & Inc I	OAKBX	●	●	●	●	●
Pass	n/a	Hennessy Focus Inst	HFCIX	●	●	●	●	●
Pass	n/a	Nicholas Ltd Edition I	NCLEX	○	●	●	●	●
Pass	n/a	Perkins SC Value N	JDSNX	●	●	●	●	●
Pass	n/a	Oppenheimer Dev Mkts I	ODVIX	●	●	●	●	●
	n/a	Ivy Intl Core Eqty R6*	IINCX					
	n/a	RidgeWorth Seix TR IS*	SAMZX					
Pass	n/a	Fidelity Adv RE Inc I	FRIRX	●	●	●	●	●
	n/a	Templeton Gl Bond R6*	FBNRX					

* This Investment has less than 3 years of performance data

Target-Date Funds

Underperforming ◀ ● ○ ● ● ▶ Outperforming

Status		Fund Name	Ticker	Return (40%)	Risk Adjusted Return (20%)	Risk (30%)	Expense (5%)	Tenure (5%)
Pass	n/a	Great-West Lifetime 2045 Trust II	c45mzr	●	●	●	●	●
Pass	n/a	Great-West Lifetime 2035 Trust II	c35mzr	●	●	●	●	●
Pass	n/a	Great-West Lifetime 2025 Trust II	c25mzr	●	●	●	●	●
Pass	n/a	Great-West Lifetime 2015 Trust II	c15mzr	○	●	●	●	●
Review	n/a	Great-West Lifetime 2055 Trust II	c55mzr	○	○	○	●	●

* This Investment has less than 3 years of performance data

XYZ 401(k) Plan

Fund Compliance Report

For the Periods Ending 07/31/2015

Passively-Managed and Cash Funds

Type of Fund	Ticker	Fund Name	Return vs Peer Group (40%)			Risk Adjusted Return Sharpe (20%)			Risk (30%)						Other (10%)					
									Standard Deviation			Up Capture			Down Capture			Expense	Tenure	
			3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	Peer Rank %	Avg Yrs	
LC Index	n/a	02cff1	BlackRock Equity Index - Collective M	28	16		15	11		27	46		29	34		36	22		1	5
MC Index	n/a	03cff2	BlackRock Mid Cap Index - Collective M	28	15		33	17		56	54		18	19		68	40		1	5
SC Index	n/a	03cff3	BlackRock Russell 2000 Index Coll M	27	27		44	38		74	74		10	11		74	75		1	5
Global	n/a	10cff5	BlackRock EAFE Equity Index Coll T	69	75		80	83		96	94		76	50		47	93		1	5
able Valu	n/a	fressv	Fresno County Stable Value	1	1		1	1		99	99		1	1		n/a	n/a		56	6
US Debt	n/a	04cff4	BlackRock US Debt Index Fund Coll W	1			3			87			10			27			1	5

Actively-Managed Funds

Overall Fund Score	Ticker	Fund Name	Return vs Peer Group (40%)			Risk Adjusted Return Sharpe (20%)			Risk (30%)						Other (10%)					
									Standard Deviation			Up Capture			Down Capture			Expense	Tenure	
			3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	Peer Rank %	Avg Yrs	
	n/a	CDDYX	Columbia Div Income Y *																5	6
8	n/a	ASPZX	Alger II Spectra Z	13	9	1	4	8	1	26	54	83	46	14	1	2	25	56	60	5
	n/a	FUFRX	Franklin Cust Util R6 *																2	11
8	n/a	OAKBX	Oakmark Eqty & Inc I	5	12	1	30	46	3	96	94	36	6	11	35	38	57	19	15	7
8	n/a	HFCIX	Hennessy Focus Inst	11	5	6	8	2	7	29	20	61	54	93	51	2	1	7	41	6
5	n/a	NCLEX	Nicholas Ltd Edition I	79	71	38	48	31	11	9	6	4	92	93	94	25	14	5	9	22
5	n/a	JDSNX	Perkins SC Value N	67	85		24	56		4	2		83	94		11	8		7	13
8	n/a	ODVIX	Oppenheimer Dev Mkts I	28	16	4	26	17	5	42	31	24	46	42	43	32	24	19	7	8
	n/a	IINCX	Ivy Intl Core Eqty R6 *																	9
	n/a	SAMZX	RidgeWorth Seix TR IS *																10	10
5	n/a	FRIRX	Fidelity Adv RE Inc I	81	94		4	2		3	3		96	94		6	4		13	12
	n/a	FBNRX	Templeton Gl Bond R6 *																6	9

Target-Date Funds

Overall Fund Score	Ticker	Fund Name	Return vs Peer Group (40%)			Risk Adjusted Return Sharpe (20%)			Risk (30%)						Other (10%)					
									Standard Deviation			Up Capture			Down Capture			Expense	Tenure	
			3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	Peer Rank %	Avg Yrs	
6	n/a	c45mzr	Great-West Lifetime 2045 Trust II	36			28			52			51			33			10	
5	n/a	c35mzr	Great-West Lifetime 2035 Trust II	49			38			40			62			23			10	
6	n/a	c25mzr	Great-West Lifetime 2025 Trust II	48			26			29			58			25			10	
5	n/a	c15mzr	Great-West Lifetime 2015 Trust II	59			40			27			54			66			10	
4	n/a	c55mzr	Great-West Lifetime 2055 Trust II	60			59			57			64			54			13	

* This Investment has less than 3 years of performance data

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

XYZ 401(k) Plan

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

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

Heintzberger | Payne Advisors Date

Trustee / Committee Member Date



County of Fresno, California



August 2015 Semi Annual Report



Nationwide[®]
is on your side



Section One

Participant Outcomes

- I - Baseline Report
- II - Activity Report
- III - Gauging Success Report

Baseline Report

Participation Rate Goal = 41.65%

12/31/14 = 33.32%

06/30/15 = 38.40%

Annual Enrollment Goal = 325

Three year average = 260

6/30/15 = 224

Average Deferral Goal = \$3,513

12/31/14 = \$2,810

06/30/15 = \$2,716

Consultations Goal = 2,500

06/30/15 = 1,197

Group Meeting Goal = 150

06/30/15 = 64

Fresno County, California

Nationwide Retirement Solutions Service Recap as of 7/31/2015

Plan Demographics

Total participants	4570
Total eligible participants	6614
Employee participation rate	38.4%
Participants actively deferring	2556
Participants not deferring or in payout	2014
Participants in payout	217

Accounts and Assets

Year-to-date total plan assets (in millions)	\$215
2014 total plan assets (in millions)	\$207
2013 total plan assets	NA
2012 total plan assets	NA
2011 total plan assets	NA

2015 Year-to-Date Plan Update

New enrollments	255
Transfers in (as of 6/30/2015)	8

Education, Workshops and Counseling

Date	Event/Activity	Results
Jan-Feb	Transition Workshops	Ongoing
January	FCERA Nearing Retirement	Ongoing
Jan-Dec	New Employee Training	Ongoing
July	FCERA Nearing Retirement	Ongoing

2015 Year-to-Date Plan Update

- May – Beneficiary Update Campaign
- July/August – Investment Enhancement Campaign

Nationwide Contacts

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edwarp4@nationwide.com





Gauging Success

PLAN REVIEW Fresno County, CA

As of June 30, 2015



WELCOME

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

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

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

\$100 million - \$1 billion

Table of Contents

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

Retirement Specialists are registered representatives of Nationwide Investment Services Corporation, member FINRA. The information they provide is for educational purposes only and is not legal, tax or investment advice.

Nationwide, the Nationwide N and Eagle, and Nationwide is on your side are service marks of Nationwide Mutual Insurance Company.

Nationwide Retirement Solutions, Inc. and Nationwide Life Insurance Company (collectively "Nationwide") have endorsement relationships with the National Association of Counties, the International Association of Fire Fighters-Financial Corporation and the National Association of Police Organizations. More information about the endorsement relationships may be found online at www.nrsforu.com.

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EXECUTIVE SUMMARY

Plan Contribution Limits for 2015

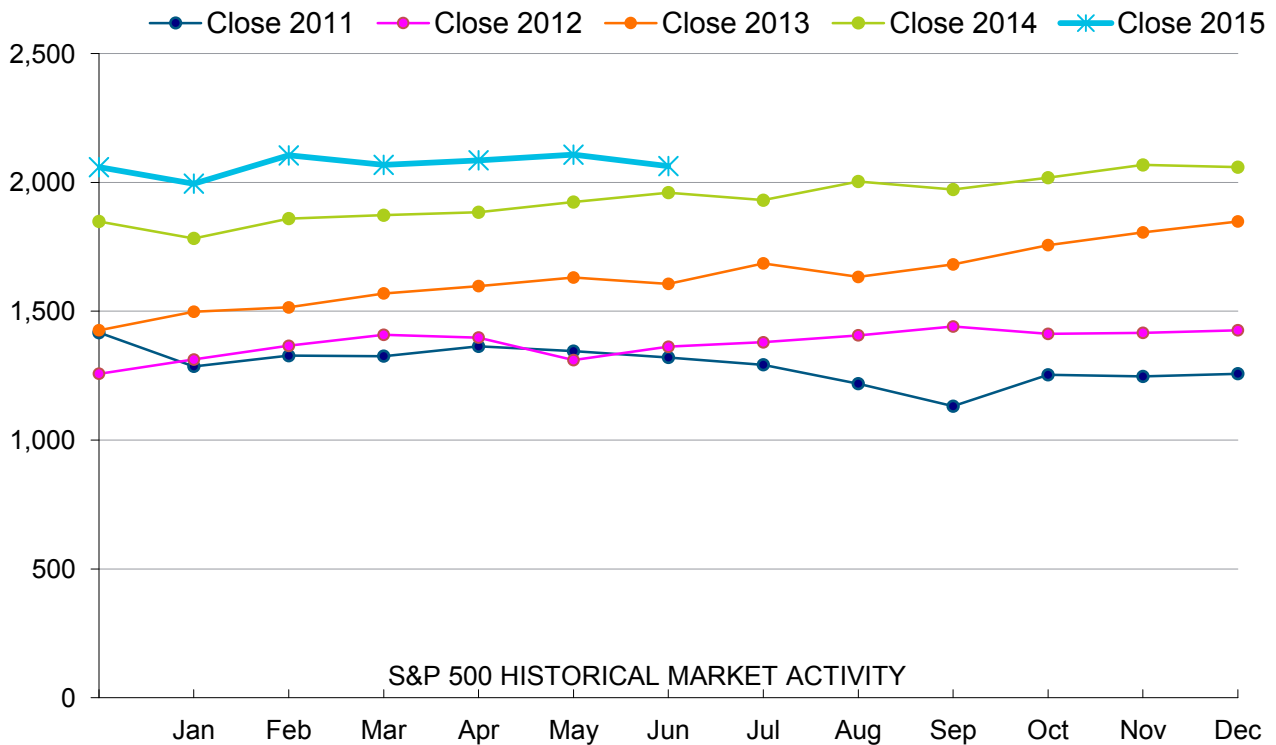
Regular Limit:	\$18,000
50+ Catch-Up:	\$24,000
3-Year Catch-Up:	\$36,000

Quick Plan Facts

	Actual as of 06/30/15	% Chng from 1 year ago
Total Participant Count	4,557	NA
Total New Enrollments YTD Count	224	NA
Total Plan Assets (millions)	\$213.00	NA
Total Deferrals YTD (millions)	\$3.30	NA
Total Rollovers-In YTD (thousands)	\$278.71	NA
ProAccount Assets (thousands)	\$1,715.07	NA
ProAccount Participant Count	48	NA

Market Activity

S&P 500 CHANGE YTD: 0.2%



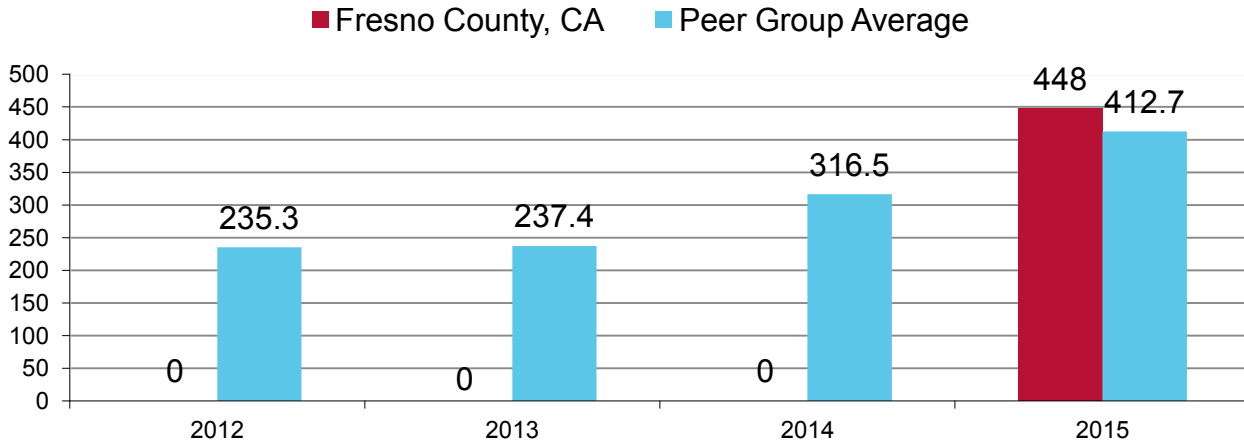
The 500 companies included in this index are selected by the S&P Index committee; a few of the mitigating factors are market size, industry representation and liquidity. This index is designed to be an overall indication of the United States stock market. The 500 securities represent approximately 75%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

PLAN PARTICIPATION

Participant Status	12/31/12	12/31/13	12/31/14	6/30/15	% Chng from 1 year ago
# of Participants Actively Deferring	0	0	0	2,540	NA
# of Inactive Participants*	0	0	0	1,809	NA
# of Participants in Payout	0	0	0	208	NA
Total Participants	0	0	0	4,557	NA

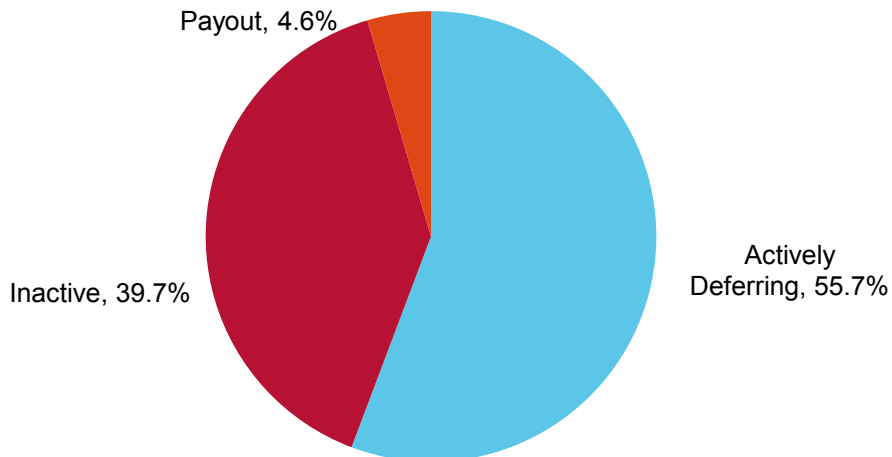
* Inactive participants are those with a balance, not deferring and not in payout

New Participant Count



2015 numbers are annualized

Total Participants as of 06/30/15

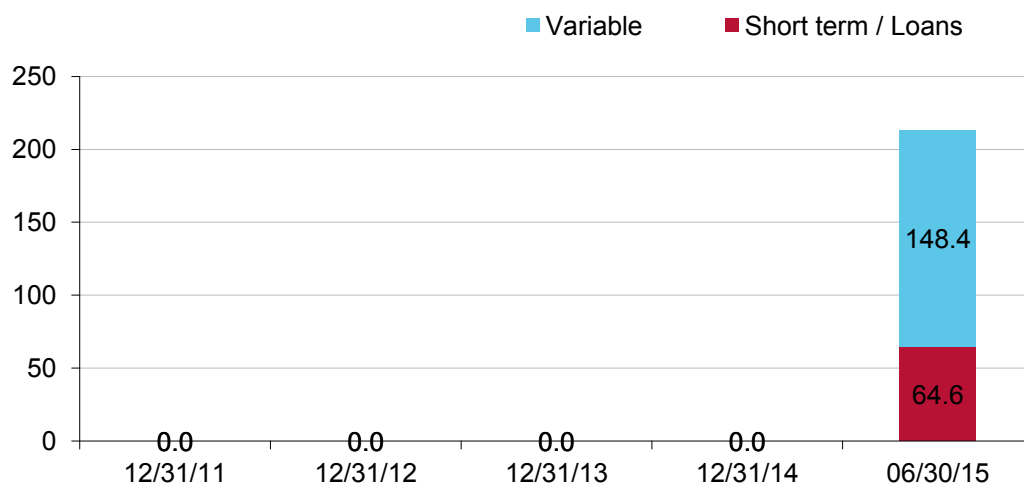


PLAN ASSETS

Total Plan Assets (Millions)

12/31/11	12/31/12	12/31/13	12/31/14	6/30/15	% Chng from 1 year ago
\$0.0	\$0.0	\$0.0	\$0.0	\$213.0	NA

Plan Assets Summary (Millions)



Plan Assets by Investment Class (Millions)

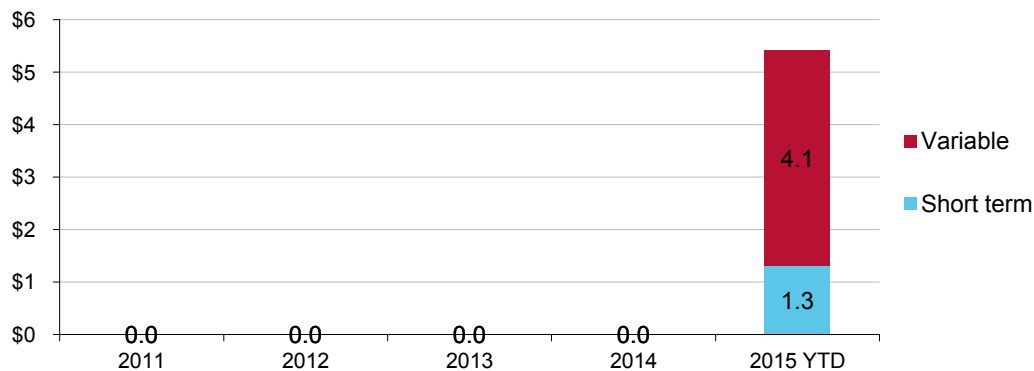
Investment Class	12/31/13	12/31/14	06/30/15	% of Total
Asset Allocation	\$0.00	\$0.00	\$10.75	5.0%
International	\$0.00	\$0.00	\$12.19	5.7%
Small Cap	\$0.00	\$0.00	\$8.53	4.0%
Mid Cap	\$0.00	\$0.00	\$12.61	5.9%
Large Cap	\$0.00	\$0.00	\$93.80	44.0%
Balanced	\$0.00	\$0.00	\$2.79	1.3%
Bonds	\$0.00	\$0.00	\$4.12	1.9%
Short term	\$0.00	\$0.00	\$60.07	28.2%
SDO	\$0.00	\$0.00	\$0.00	0.0%
Specialty	\$0.00	\$0.00	\$3.64	1.7%
Loan	\$0.00	\$0.00	\$4.51	2.1%
Total	\$0.00	\$0.00	\$213.00	100.0%

PLAN CONTRIBUTIONS

Total Contributions by Year (Millions)

	2011	2012	2013	2014	2015 YTD	% Chng from 1 year ago
Deferrals	\$0.0	\$0.0	\$0.0	\$0.0	\$3.3	NA
Rollovers-In	\$0.0	\$0.0	\$0.0	\$0.0	\$0.3	NA
Other	\$0.0	\$0.0	\$0.0	\$0.0	\$1.8	NA
Total	\$0.0	\$0.0	\$0.0	\$0.0	\$5.4	NA

Plan Contributions Summary (Millions)



Plan Contributions by Investment Class (Thousands)

Investment Class	2013	2014	2015 YTD	% Total
Asset Allocation	\$0.00	\$0.00	\$737.98	13.6%
International	\$0.00	\$0.00	\$394.17	7.3%
Small Cap	\$0.00	\$0.00	\$287.39	5.3%
Mid Cap	\$0.00	\$0.00	\$430.86	8.0%
Large Cap	\$0.00	\$0.00	\$1,962.50	36.2%
Balanced	\$0.00	\$0.00	\$40.12	0.7%
Bonds	\$0.00	\$0.00	\$114.03	2.1%
Short term	\$0.00	\$0.00	\$1,297.89	24.0%
SDO	\$0.00	\$0.00	\$0.00	0.0%
Specialty	\$0.00	\$0.00	\$153.27	2.8%
Loan	\$0.00	\$0.00	\$0.00	0.0%
Total	\$0.00	\$0.00	\$5,418.21	100.0%

IN SUMMARY

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

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

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

3. Discuss your plan with your Nationwide Representative.

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

YOUR PROVEN PARTNER

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

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

- Our average client tenure is 19 years
- We partner with more than 7 thousand clients * and have a 99% plan retention rate
- We provide education and service to 1.2 million participants *
- We manage \$62 billion in assets *
- We have been featured in the top 10 most trusted companies for privacy by TRUSTe and Ponemon Institute *for the past nine years.*
- We offer recordkeeping, administration and investment products for:
 - 457(b) Deferred compensation plans serving city, county, special district and state employees
 - 401(a) and grandfathered 401(k) Defined employer-contribution plans serving city, county, special district and state employees
 - PEHP® Tax-free investment plan for post-employment health care expenses

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

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

*As of 06/30/15

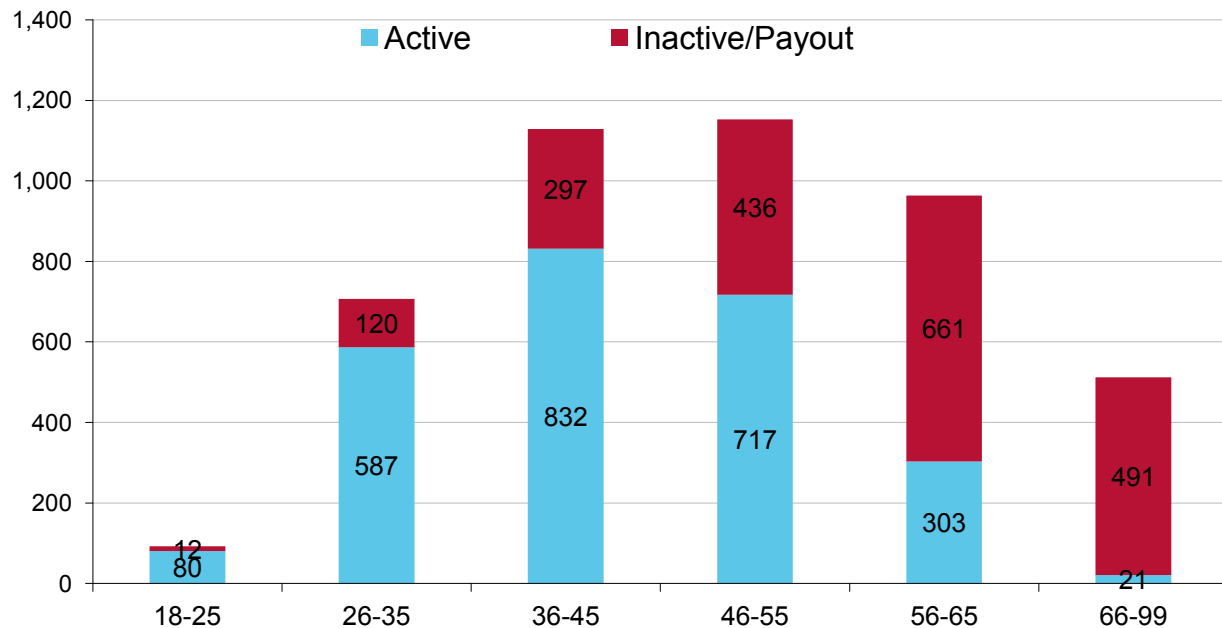
APPENDIX

PLAN PARTICIPATION

Participant Counts by Age as of 06/30/15

Age Group	Total Participant Count	Male Participant Count	Female Participant Count	Actively Def Participant Count	Inactive / Payout Count
18-25	92	39	53	80	12
26-35	707	318	389	587	120
36-45	1,129	520	609	832	297
46-55	1,153	509	644	717	436
56-65	964	432	532	303	661
66-99	512	301	211	21	491
Total	4,557	2,119	2,438	2,540	2,017

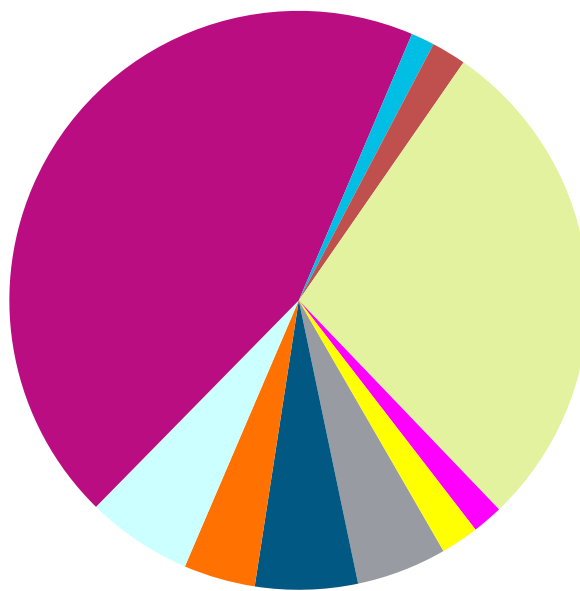
Participant Counts by Age as of 06/30/15



PLAN ASSETS

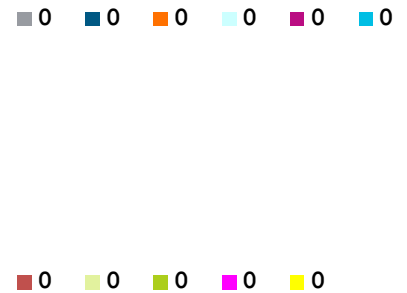
The use of asset allocation does not guarantee returns or insulate you from potential losses.

Fresno County, CA Asset Allocation as of 06/30/15



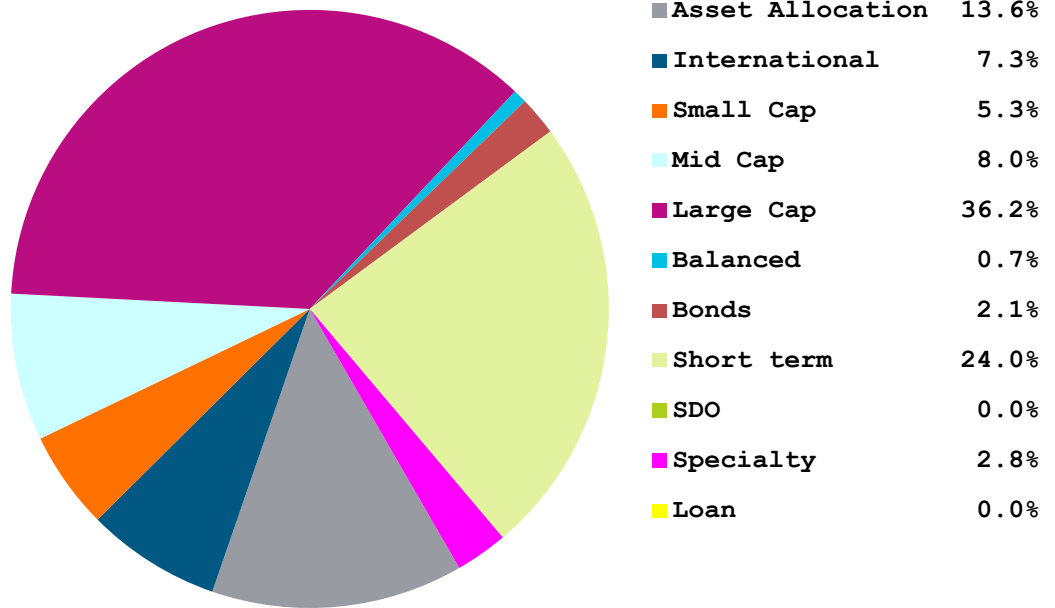
■ Asset Allocation	5.0%
■ International	5.7%
■ Small Cap	4.0%
■ Mid Cap	5.9%
■ Large Cap	44.0%
■ Balanced	1.3%
■ Bonds	1.9%
■ Short term	28.2%
■ SDO	0.0%
■ Specialty	1.7%
■ Loan	2.1%

Fresno County, CA Asset Allocation as of 06/30/14

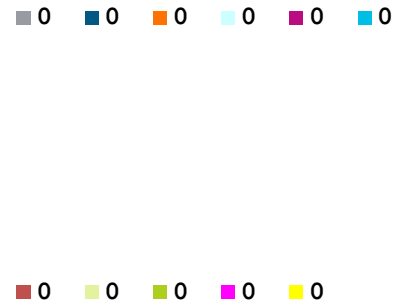


PLAN CONTRIBUTIONS

Fresno County, CA Contribution Allocation 2015 YTD



Fresno County, CA Contribution Allocation 2014 YTD



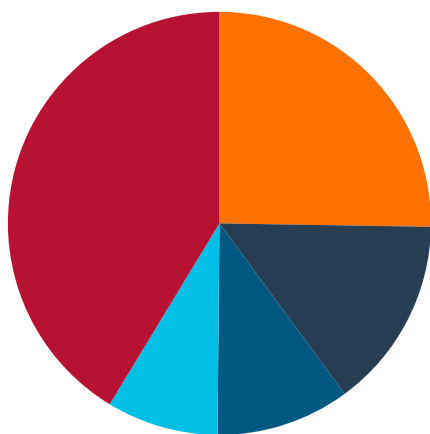
PEER COMPARISONS

Your Peer Group is NRS cases, within your region, with assets of \$100 million - \$1 billion. The peer group consists of 11 NRS cases.

	Fresno County, CA	Peer Group	Ibbotson Recommended
Average # of asset classes	3.3	3.0	5.0
Average annualized deferrals	\$2,716	\$4,297	
Average assets	\$46,740	\$55,491	

Asset Allocation Summary as of 06/30/15

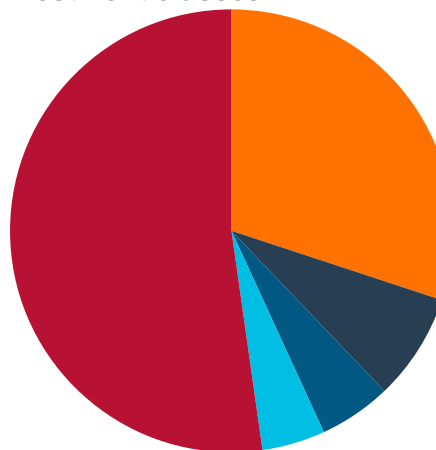
percentage of participants by number of investment classes



Number of Investment Classes

1	25.3%
2	14.7%
3	10.2%
4	8.5%
5+	41.3%

Fresno County, CA



Number of Investment Classes

1	30.1%
2	7.8%
3	5.3%
4	4.6%
5+	52.2%

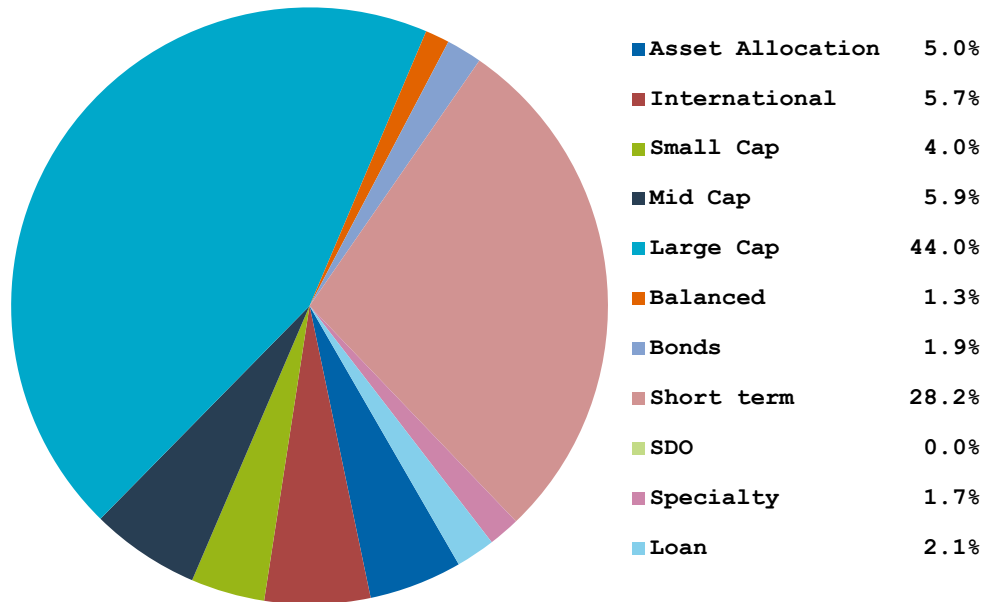
Peer Group

Average Account Balance and Annualized Deferrals by Age Group as of 06/30/15

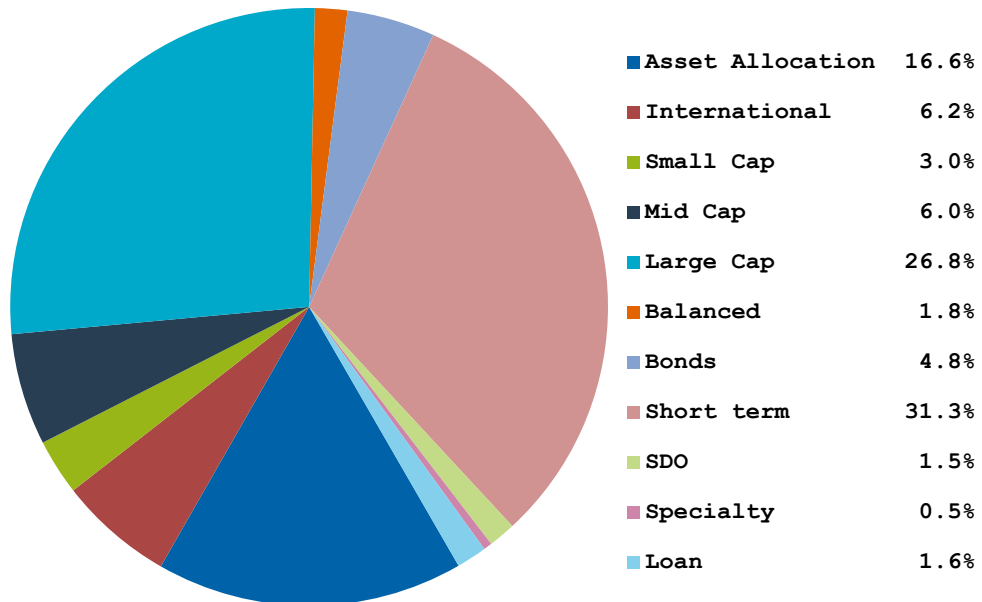
Age Group	Peer Group		Peer Group	
	Fresno County, CA	Fresno County, CA	Fresno County, CA	Fresno County, CA
	Account Balance		Annualized Deferrals	
18-25	\$1,234	\$3,292	\$1,151	\$2,036
26-35	\$5,086	\$12,618	\$1,430	\$2,689
36-45	\$24,020	\$31,354	\$2,334	\$3,525
46-55	\$53,353	\$58,437	\$3,650	\$4,757
56-65	\$78,256	\$84,486	\$4,200	\$6,202
66-99	\$88,309	\$97,129	\$6,391	\$8,219

PEER COMPARISONS

Fresno County, CA Asset Allocation as of 06/30/15



Peer Group Asset Allocation as of 06/30/15



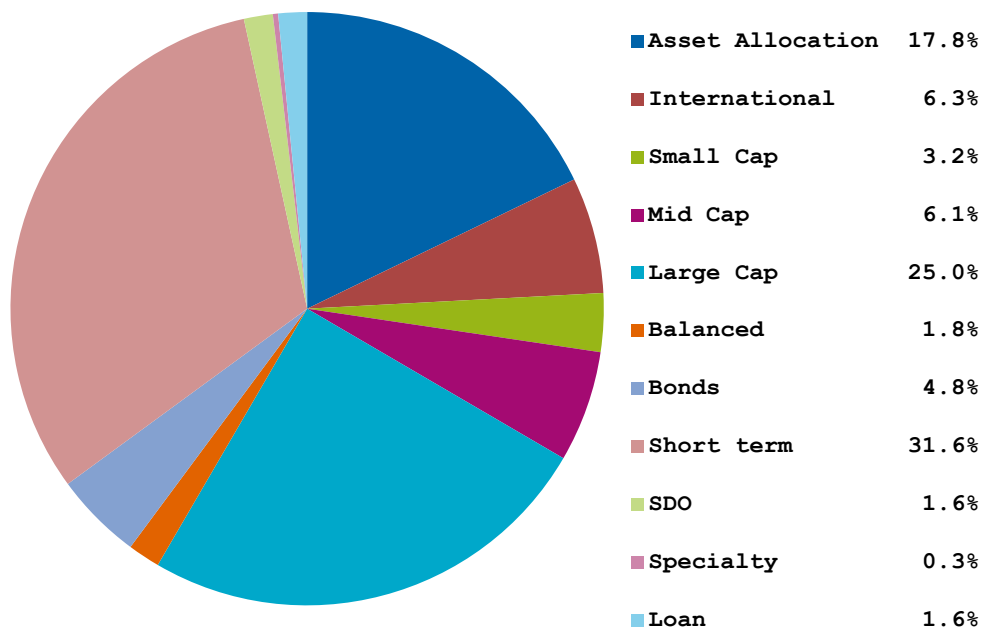
PEER COMPARISONS

Fresno County, CA Asset Allocation as of 06/30/14

■ 0 ■ 0 ■ 0 ■ 0 ■ 0 ■ 0

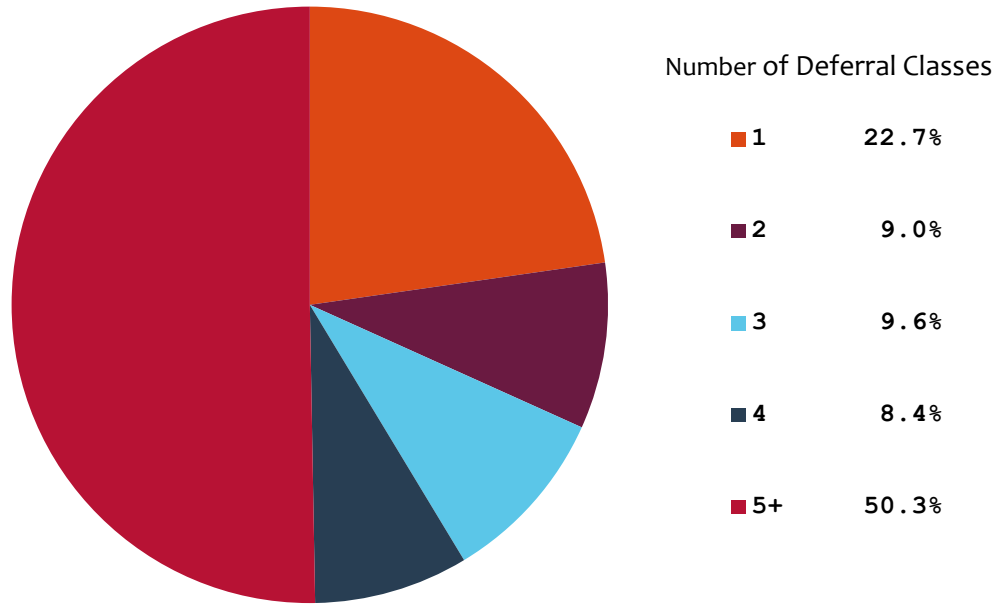
■ 0 ■ 0 ■ 0 ■ 0 ■ 0

Peer Group Asset Allocation as of 06/30/14

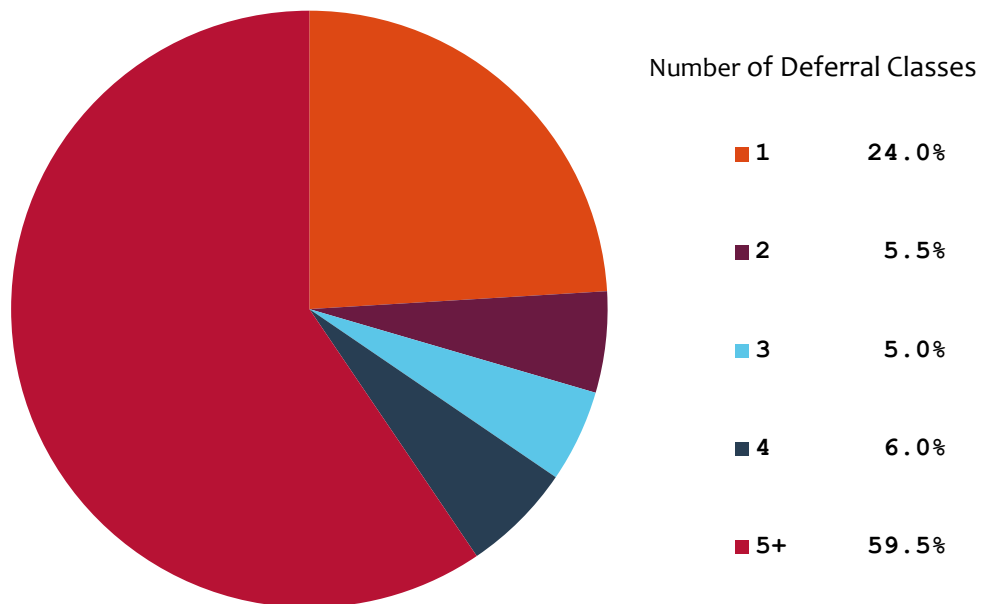


PEER COMPARISONS

Deferral allocation summary: percentage of participants by number of deferral investment classes
Fresno County, CA 2015 YTD

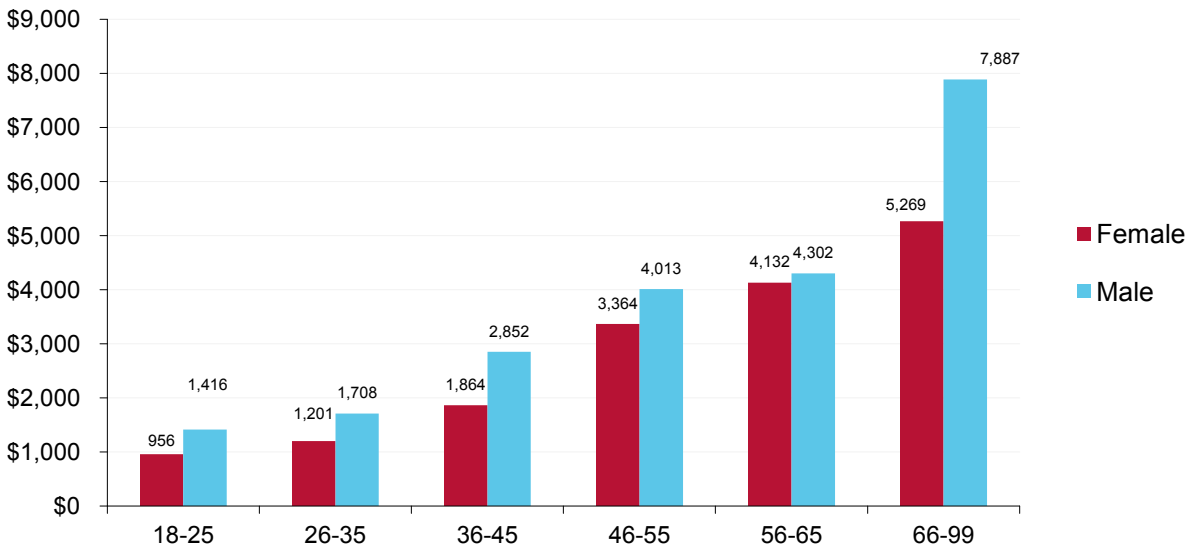


Peer Group 2015 YTD

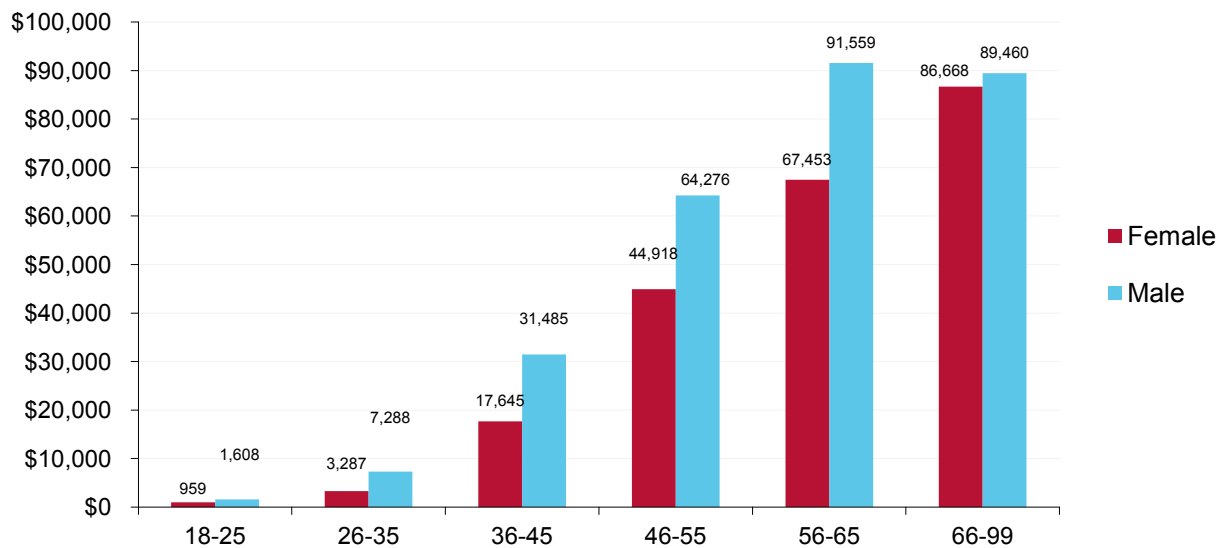


PARTICIPANT DEMOGRAPHICS

Male/Female Average Deferrals by Age

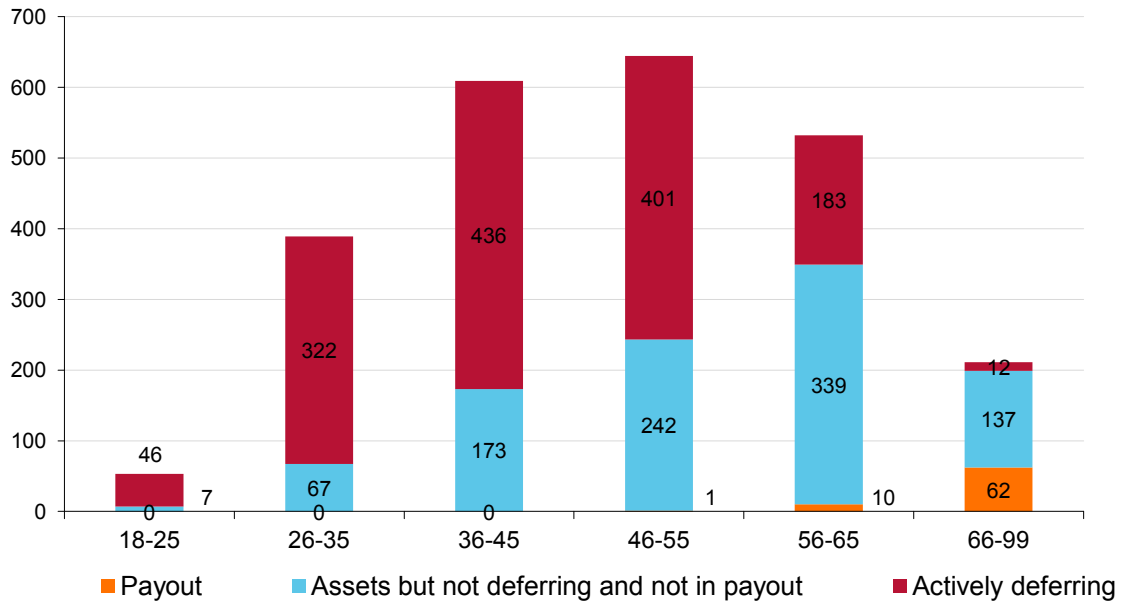


Male/Female Average Account Balance by Age as of 06/30/15

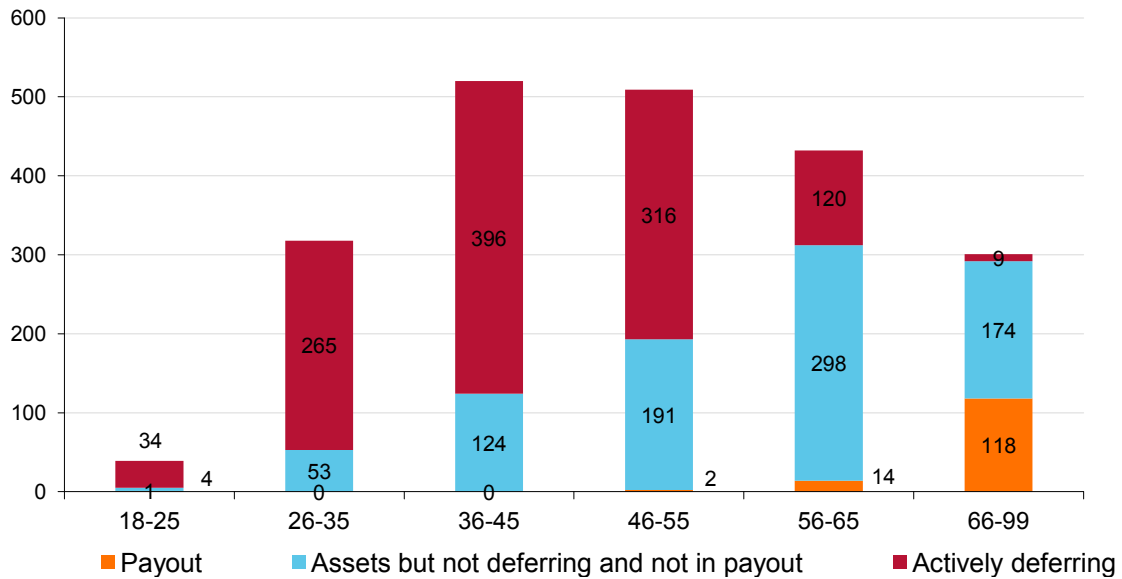


PARTICIPANT DEMOGRAPHICS

Female Participant Count by Age and Status as of 06/30/15



Male Participant Count by Age and Status as of 06/30/15



PLAN ASSETS

as of 06/30/15

Fund	Asset Value	% of Assets	Count / % of Participants	
Asset Allocation				
Great-West Lifetime 2015 Trust II	2,134,791.43	1.0%	158	3.5%
Great-West Lifetime 2025 Trust II	3,550,148.66	1.7%	227	5.0%
Great-West Lifetime 2035 Trust II	2,192,712.74	1.0%	324	7.1%
Great-West Lifetime 2045 Trust II	2,075,340.96	1.0%	362	7.9%
Great-West Lifetime 2055 Trust II	796,491.35	0.4%	188	4.1%
<u>Sub-Total Asset Allocation</u>	10,749,485.14	5.0%		
Balanced				
Oakmark Equity and Income Fund (The) - Class I	2,790,948.78	1.3%	253	5.6%
<u>Sub-Total Balanced</u>	2,790,948.78	1.3%		
Bonds				
BlackRock US Debt Index Fund W	446,922.53	0.2%	156	3.4%
RidgeWorth Total Return Bond Fund - Class R	2,537,962.92	1.2%	689	15.1%
Sentinel Government Securities Fund - Class A	784,408.11	0.4%	113	2.5%
Templeton Global Bond Fund - Advisor Class	350,405.81	0.2%	193	4.2%
<u>Sub-Total Bonds</u>	4,119,699.37	1.9%		
International				
BlackRock EAFE Equity Index Fund T	771,089.15	0.4%	332	7.3%
Ivy International Core Equity Fund - Class Y	8,773,256.41	4.1%	1,216	26.7%
MainStay International Equity Fund - Class I	2,272,429.44	1.1%	342	7.5%
Oppenheimer Developing Markets Fund - Class Y	368,299.12	0.2%	511	11.2%
<u>Sub-Total International</u>	12,185,074.12	5.7%		
Large Cap				
Alger Spectra Fund - Institutional Class	42,512,278.26	20.0%	2,331	51.2%
BlackRock Equity Index Fund M	41,035,295.72	19.3%	2,050	45.0%
Columbia Dividend Income Fund - Class R4	10,247,926.74	4.8%	1,242	27.3%
<u>Sub-Total Large Cap</u>	93,795,500.72	44.0%		

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

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

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

PLAN ASSETS

as of 06/30/15

Fund	Asset Value	% of Assets	Count / % of Participants	
Loan				
Loan Outstanding Principal Balance	4,509,041.20	2.1%	702	15.4%
<u>Sub-Total Loan</u>	4,509,041.20	2.1%		
Mid Cap				
BlackRock Mid Capitalization Equity Index Fund M	2,091,983.93	1.0%	644	14.1%
Hennessy Focus Fund Institutional Class	5,023,208.13	2.4%	466	10.2%
Perkins Mid Cap Value Fund - Class T	5,492,535.50	2.6%	1,050	23.0%
<u>Sub-Total Mid Cap</u>	12,607,727.56	5.9%		
Short Term Investments				
Fresno County Stable Value Fund	60,072,067.02	28.2%	1,881	41.3%
<u>Sub-Total Short Term Investments</u>	60,072,067.02	28.2%		
Small Cap				
BlackRock Russell 2000 Index Fund M	2,078,964.52	1.0%	580	12.7%
Nicholas Limited Edition Fund, Inc. - Class N	5,981,220.71	2.8%	541	11.9%
Perkins Small Cap Value Fund - Class I	465,900.97	0.2%	543	11.9%
<u>Sub-Total Small Cap</u>	8,526,086.20	4.0%		
Specialty				
Fidelity Real Estate Income Fund	984,172.99	0.5%	139	3.1%
Franklin Utilities Series Fund - Advisor Class	2,656,112.04	1.2%	346	7.6%
<u>Sub-Total Specialty</u>	3,640,285.03	1.7%		
Total	212,995,915.14			

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

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



Section Two

Communication Update

- I - Fund Enhancements
- II - Beneficiary Campaign
- III - Communication & Education Plan



Nationwide®
is on your side

Fresno County Investment Enhancement Campaign Summary

In order to effectively communicate to Fresno County participants regarding the enhancements being made to the County's Deferred Compensation investment line-up, Nationwide effectively collaborated with the Department of Personnel Services and Heintzberger-Payne to create a multi-faceted communication plan. Components of the plan are as follows:

Initial Notification to Participants

- Investment enhancement letter mailed 7/20/2015 detailing funds being replaced and the reduction in expense ratios
- Workshop flyer created indicating dates and locations that group workshops and individual consultations would be held

Ongoing Participant Meetings

- Group presentation created for use at multiple County work sites
- Certain sites able to accommodate active and retired participants
- Work sites include:
 - Crocker Building
 - Brix/Mercer Building
 - Air Fresno
 - Reedley Regional Center
 - County Plaza (three days)
 - Senior Resource Center
 - Coalinga Regional Center

Digital/Phone Efforts

- Recorded workshop added to www.Fresno457.com on Friday, July 24.
- Internal Nationwide phone representatives were made aware of enhancements and were prepared for participant calls regarding changes

Please see **Exhibit One** for examples of materials that were included in this campaign.



Nationwide®
is on your side

Fresno County Beneficiary Update Campaign Summary

In order to effectively communicate to 1,032 Fresno County participants regarding the need to collect beneficiary information for their Deferred Compensation accounts, Nationwide effectively collaborated with the Department of Personnel Services and Heintzberger-Payne to create a multi-faceted communication plan. Components of the plan are as follows:

Participant Communications

- Packet mailed to Fresno County participants without beneficiary information on file week of May 4, 2015. Packet included:
 - Letter indicating that no beneficiary was on file and options the participant had to add beneficiaries to their account
 - Beneficiary designation form
 - Prepaid envelope to be returned to Nationwide
- Emailed created providing direction for adding beneficiaries to account

Options for Completion

- Beneficiaries can be added at www.Fresno457.com
- Form can be completed and mailed to Nationwide home office
- Form can be completed and faxed to Nationwide home office

Please see **Exhibit Two** for examples of materials that were included in this campaign.



2015 Communication and Education Plan

Prepared exclusively for:

Fresno County

January 1, 2015 - December 31, 2015

Executive Summary

Working longer is the key to financial security, but it does not mean working forever. Half of today's households are ready to retire at age 65, but more than 85 percent would be prepared by age 70.¹ Many employees look to their employer for guidance and information on retirement savings. In fact, in a recent survey, 53% of employees said that if their employer provided them with more education, they might contribute more to their plan.²

That's why we're excited to help you educate and motivate your employees this year — so they can better prepare for and live in retirement. The following communication and education plan will show you how.

Contents of the Communication & Education Plan

This plan covers the following:

1. 2015 Nationwide Retirement Solutions Summary
2. Fresno County Performance Overview
3. 2015 Objectives
4. Campaign Effectiveness

2015 Nationwide Retirement Solutions Summary

Over the last 80 years, Nationwide has grown from a small mutual auto insurer owned by policyholders to one of the largest insurance and financial services companies in the world, with more than \$135 billion in statutory assets.

Nationwide Retirement Solutions is a subsidiary of Nationwide Financial®. As of October 31, 2014, NRS administered nearly 8,000 governmental retirement programs across the country, representing nearly \$61 billion in plan assets and across 1.3 million participants. NRS maintains an average client relationship length of 18 years. Because of solid numbers like these, Nationwide Retirement Solutions is uniquely suited to meet the needs of the public sector in both prosperous and difficult financial times.

¹ The National Retirement Risk Index, www.bc.edu/centers/crr/, June, 2012.

² 2010 Retirement Confidence Survey, Employee Benefit Research Institute and Matthew Greenwald & Associates

Fresno County Performance Overview

Below is an overview of key, long-term performance measures over the past two years in addition to the goals for 2015.

Business Measure	2013	2014*	2015	% Change
Plan Assets	NA	\$207.23 M		
New Enrollments	NA	NA		
Actively Deferring	NA	2,394		
Average Participant Assets	NA	\$46,547		
Average Annual Deferral	NA	\$2,810		
Average Asset Classes	NA	3.3		

**As of January 2015 transition date*

2015 Objectives

Through education, including creative strategies and tactics outlined in our 2015 Campaign Overview, we can help you achieve recommended objectives that will benefit your employees like the ones below:

- Participant awareness of plan enhancements due to transition to Nationwide
- Promote plan participation and awareness
- Encourage your participants to increase their contributions
- Participant asset allocation improvement (part of each campaign)
- Help participants consolidate outside asset to simplify down to one account
- Special Campaigns:
 - Increasing participants with stated beneficiary on file
 - Fresno County investment options enhancements

Your 2015 Campaign Overview includes integrated campaigns that educate participants on the basics of both your plan and retirement savings. Multiple marketing touch points will motivate employees to take action by communicating your plan's unique features and benefits, and are segmented by market type to accurately reach key groups of employees. The more opportunities we take to communicate with your employees and encourage them to take action, the more goals we can try to achieve.

Objective 1: Participant awareness of plan enhancements due to transition to Nationwide

- Notification letter and transition brochure to affected participants and retirees
- Series of local educational transition workshops at various County locations
- Narrated educational transition workshops on Fresno County's website

Objective 2: Promote Plan Participation and Awareness

Raise awareness about your 457(b) plan and the reliable enrollment support that Nationwide Retirement Solutions provides.

Timing: January through December 2015

1. Provide print materials

- Contact / informational fliers
- Meeting notices (i.e. Retirement Specialist regularly scheduled visits/posting on-site visitation schedule)
- Enrollment materials (Enrollment presentation, Planning for Retirement 101, Plan Highlights)
- Communicate directly with non-participants with plan assistance (direct mail, email, on-site)
- EZ Enrollment Flyer – 4th Quarter 2015

2. Conduct group educational presentations and events

- Schedule regular on-site workshops
- Biweekly presentations in conjunction with pension and employee benefits at Fresno County's New Employee Training sessions
- National Save for Retirement Week
- Group workshops / presentations upon request:
 - Topics include:
 - How do I know if I'm saving enough?
 - Get to know your Inner Investor
 - Where should my money be invested
 - Sometimes less is more
 - Fuel up with dollar-cost averaging
 - Saving is good. **Saving more** is better
 - Retirees need income too
 - Building your retirement Income
 - What's the point of budgeting anyway?
 - Managing debt; not as scary as it seems
 - Women in Retirement
 - 5 Myths to Retirement
 - Retirement Realities
 - Pre-Tax & Compounding
- Ongoing posting of on-site group workshops schedule

3. Communicate directly with new Fresno County participants

- Post-Enrollment Welcome Communications
- Quarterly Targeted Guidance Invitations; to set-up Personal Account Review with Retirement Specialists
- National Save For Retirement Direct Mail/Email Brochures
- Digital Tools/Capability Promotional Direct Mail/email
- E-mail
- Articles
- Statement messaging

Objective 3: Encourage Your Participants to Increase Their Contributions

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

Timing: August - September 2015

1. Provide print materials

- Contact and informational fliers
- Meeting notices
- Catch-up brochures

2. Conduct regular on-site group workshops and individual consultations

3. Send out direct participant communication

- Direct mail for key participant segments
- Targeted/Triggered Campaign
 - Contribution Increase Direct Mail: (Ex: Targeted participants with lower contribution amounts and have not increased in the last year)
- E-mail
- Statement messaging

4. Use mass communication outreach

- Articles
- Quarterly newsletter/statement
- Promotion of *On Your Side* My Interactive Retirement PlannerSM

Objective 4: Plan Diversification and Consolidation

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

Timing: TBD

1. Provide print materials

- Contact / informational fliers
- Targeted/Triggered Campaign Direct Mail
 - Roll-in Direct Mail example: Participants with higher contribution amounts (those most likely with outside assets)
- Meeting notices (announcing as Retirement Specialist visits and on-site group workshops)
- Brochures:
 - Asset Allocation

2. Conduct regular on-site group workshops

3. Send out direct employee communication

- Statement messaging
- Targeted mailings to participants to consolidate their accounts

4. Use mass communication outreach

- Asset Allocation quarterly messaging
- Asset Allocation articles

Objective 5: Special Campaigns:

- Beneficiary Campaign (May – June 2015)
- Fund Enhancement Campaign (July – August 2015)

Campaign Effectiveness

We will provide reports on a quarterly basis and at the semi-annual DCMC meeting on the progress of this communication and education plan. This analysis allows us to determine the effectiveness of campaign efforts and develop necessary recommended changes to the plan going forward.

When your employees look to you for guidance, look to Nationwide. From educational resources, catalog classes and on-site workshops to personalized account reviews, we're here to help your employees prepare for and live in retirement.

We look forward to partnering with you to provide effective communication and education to the Fresno County employees in 2015.





Section Three

Technology Update

2015 Website Enhancement Overview

August 2015



Nationwide®

2015 Website Enhancement Overview

Security Enhancements

Online security is important to us and to you. Security updates will be made to the login functionality starting in June . The first phase, starting in June, will be rolled out to all plans and participants. Second phase is targeted for 4th Qtr

Health Care Estimation Tool

Give participants a simple, easy to use tool to estimate their healthcare costs, provide a gap analysis and meaningful next steps. Available to all participants starting in late summer 2015.

My Interactive Retirement Planner: Pension Estimation

Offer Pension estimation within the MyIRP experience so participants can bring their personalized savings outlook together into a consolidated retirement planning experience that's easy, yet meaningful. The capability will be rolled out in early Fall .

My Interactive Retirement Planner : Social Security Estimation

Offer Social Security estimation within MyIRP so participants can easily include their benefit within their projected retirement income. Available to participants starting in 3rd Qtr, 2015.

Security Enhancements: Phased throughout 2015

Phase 1: Single Factor Security

Beginning June 2015, participants are now being prompted to update their online account information. Continuing to October, the phased rollout will lessen the potential impact participants.

Security enhancements include:

- User names and passwords will need to meet new minimum security requirements
- Participants will be required to confirm/provide an account recovery email address
- Participants will be required to select and answer four new security questions
- Robust password reset process

Phase 2: Multi-Factor Security

An additional layer of security will be added to the login process to further enhance the online security for Participants. The launch is targeted for late 4th Qtr 2015.

Security Enhancements include:

- Participants will be asked to register a device and can log in with no further delays
- Once registered, if they log in with a new device/computer, the Participant will be given the choice of having a code sent to them
- The Participant can enter that code and, then, will be able to access their online account

Health Care Estimation Tool

The cost of health care is one of the biggest challenges faced in retirement. The **online interactive healthcare solution increases awareness** of health care expenses and provides meaningful calls-to-actions.

- Getting started is easy
- We're here to help

- Five simple questions
- Personalized
- Inclusive

- Healthcare costs estimated
- Meaningful call-to-actions
- Confidence to have continued conversations

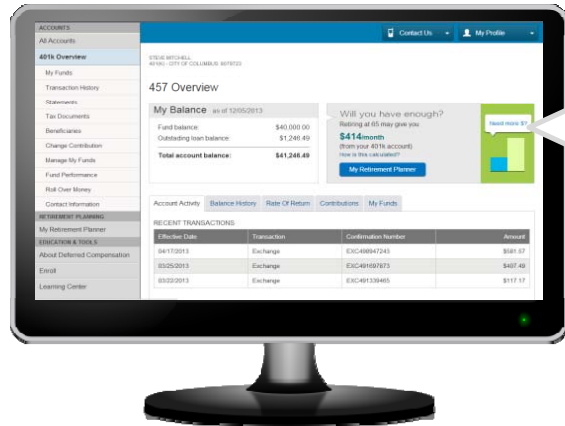
My Interactive Retirement Planner: Pension and Social Security Estimation

Previously...

Participants could see their account balance and performance information for short-term planning, but were left with questions:

- Will it be enough?
- How does my Pension benefits tie into my retirement outlook?
- How does my estimated Social Security benefit impact my expected income in retirement?
- How do I reach my retirement income goals?

Two key capabilities will soon offer easy estimation capabilities for Pension and Social Security benefits.



Will you have enough?

You're on track to potentially receive
\$414/month ?
(from your combined accounts)

Use My Interactive Retirement Planner®

Need more \$?

My Interactive Retirement Planner Pension Estimation Overview

Pension Estimation Enhancement

My Interactive Retirement Planner, will soon provide a Pension estimation feature for your employees Pension benefit throughout retirement.

Employees can enter additional information to easily estimate their pension income. Or, if known, they can manually input their expected benefit.

Details on the Pension Estimation...

- The pension estimation is provided by Still River Inc., a reliable partner delivering solutions for retirement planning.
- Still River interprets published plan details to provide an estimated benefit.
- The online capability takes your employees information, estimates their pension benefit and brings their personalized savings outlook together into a consolidated retirement planning experience that's easy, yet meaningful.

The screenshot displays the 'Pension Estimation' tool interface. At the top, a teal header bar shows 'As of today, My Interactive Retirement Planner™ estimates your retirement outlook to be:' with a projected income of \$4,987/mo and a desired income of \$4,703/mo. The main form is titled 'Pension Annually' with a total value of \$9,743.00. It includes a radio button for 'Help me estimate my pension', a 'State' dropdown set to 'California', and a 'Plan' dropdown menu with several options, including 'Public Employees' Retirement Sys. (Peace / Fire - 2.5% at 55 - hired 1/15/2011+)'. Below the plan selection are input fields for 'Pension benefits begin at age' (65), 'Percentage you are currently working full-time' (100.00%), 'Annual cost of living adjustment' (1.00%), and 'Number of creditable service years with this employer' (5). A 'Calculate' button is present, along with a link 'How is this calculated?'. At the bottom, a summary box shows 'Pension income: \$9,743.00' with an 'Annually' dropdown.

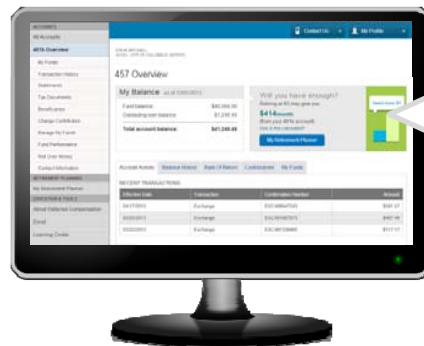
My Interactive Retirement Planner : Social Security Estimation

Social Security Enhancement

The online capability will easily estimate a Participants Social Security benefit. Again, it will bring their personalized savings outlook together into a consolidated retirement planning experience that's easy, yet meaningful.

Overview:

1. Online capability will be provided by Social Security Timing, a continued partner dedicated to bringing awareness to Consumers regarding their Social Security benefits
2. Participants will benefit from their estimated Social Security income included within their projected income. However, they can manually adjust as needed.
3. Tentatively planned for delivery in late 2015



Are you prepared for retirement?

You're on track to **potentially** receive
\$5,345/month ?
(Including your estimated Social Security benefit.)
Personalize your income by launching the Planner

Ready for retirement?

Launch My Interactive Retirement PlannerSM



Exhibit One



Enhancements are coming to your investment options

The County of Fresno Deferred Compensation Management Council, in partnership with Heintzberger Payne Advisors, continually oversees the investment options offered to participants. In keeping with its responsibility to rigorously monitor investment options, the Council, working in concert with Nationwide, administrator of the plan, is implementing the investment enhancements detailed below. These changes will better enable you to develop your investment strategy to help meet your retirement needs.

You do not have to take any action. Please review the information on these pages and decide for yourself whether you want to make changes to your individual investment strategy. Decisions on which specific investment options to choose are yours, but you're never on your own. For assistance in understanding your options we encourage you to attend an Investment Education Workshop. (See attached workshop schedule to find the dates and locations most convenient.)

Investment option enhancements:

- Aug 17th = After the market closes, funds listed in the left will no longer be available.
- Aug 18th = After the market closes, assets and deferrals will be moved to funds listed in the right.
- Aug 19th = Asset will be invested in the new funds, viewable on Fresno457.com and you can make updates.

You can always make investment changes prior to or after these dates.

Funds being replaced:

Current Fund	Ticker	Expense Ratio	To fund	Ticker	Expense Ratio
Perkins MC Value (T)	JMCVX	0.77	BlackRock Mid Cap Index Collective (M)	BLKCX	0.04
Mainstay International Equity (I)	MSIIX	1.09	Ivy International Core Equity (R6)	IINCX	0.90
Sentinel Govt. Securities (A)	SEGSX	0.85	BlackRock US Debt Index Collective (W)	BLKEX	0.04

Funds moving to a lower-priced share class:

Current Fund	Ticker	Expense Ratio	To fund	Ticker	Expense Ratio
Alger Spectra (Inst)	ASPIX	1.50	Alger Spectra Z Fund	ASPZX	1.23
Columbia Dividend Income (R4)	CVIRX	0.77	Columbia Dividend Income (Y)	CDDYX	0.59
Fidelity Real Estate Income	FRIFX	0.84	Fidelity Advisor Real Estate Income (Int)	FRIRX	0.78
Franklin Util (Adv)	FRUAX	0.60	Franklin Util (R6)	FUFRX	0.48
Ivy International Core Equity Y	IVVYX	1.31	Ivy International Core Equity (R6)	IINCX	0.90
Nicholas Limited Edition (N)	NNLEX	1.22	Nicholas Limited Edition (I)	NCLEX	0.86
Oppenheimer Developing Mkts Y	ODVYX	1.06	Oppenheimer Developing Markets (I)	ODVIX	0.87
Perkins SC Value (I)	JSCOX	0.73	Perkins SC Value (N)	JDSNX	0.58
RidgeWorth Total Return (R)	SCBLX	1.07	RidgeWorth Total Return (IS)	SAMZX	0.32
Templeton GL Bond (Adv)	TGBAX	0.64	Templeton GL Bond (R6)	FBNRX	0.53

Investing involves market risk, including possible loss of principal. Actual investment results will vary depending on your investment and market experience, and there is no guarantee that fund objectives will be met.

Before investing, consider the fund's investment objectives, risks, charges and expenses carefully. The underlying fund prospectuses contain this and other important information, and are available by download at www.Fresno457.com or by calling 1-877-MYFC457 (877-693-2455). Read carefully before investing.

On-site investment educational workshop schedule

Come to an on-site workshop. Your local Nationwide Retirement Specialist, Phillip Edwards, will provide important investment education. Attend an on-site workshop most convenient for you.

Date			Location	
July 28	Tuesday	8 a.m.-5 p.m.	Crocker-First floor*	2135 Fresno St
July 29	Wednesday	8 a.m.-5 p.m.	Brix/Mercer-Room 120	1221 Fulton Mall
July 30	Thursday	10 a.m.-5:30 p.m.	Air Fresno - Employee lounge*	2719 N Air Fresno Dr
July 31	Friday	8 a.m.-3 p.m.	Reedley Regional Center Blossom Trail Room*	1680 E Manning Ave. Reedley, CA 93654
Aug 3	Monday	7 a.m.-5 p.m.	County Plaza-Lobby	2220 Tulare St
Aug 6	Thursday	12 p.m.-4 p.m.	Senior Resource Center Sierra Room	2025 E Dakota Fresno, CA 93726
Aug 7	Friday	8 a.m.-3 p.m.	Coalinga Region Center*	311 Coaling Raza Coalinga, CA 93210
Aug 10	Monday	7 a.m.-5 p.m.	County Plaza-Lobby	2220 Tulare St
Aug 17	Monday	7 a.m.-5 p.m.	County Plaza-Lobby	2220 Tulare St

*Not available for outside employees.



Can't attend a workshop? Watch our investment education workshop on-line at www.Fresno457.com



Questions? Or to schedule an individual appointment, contact your local Nationwide Retirement Specialist:

Phillip Edwards
559-999-7971
Edwarp4@Nationwide.com



Reminder:
Ensure your beneficiary(ies) is up to date!



Nationwide Retirement Specialists are Registered Representatives of Nationwide Investment Services Corporation, member FINRA. Retirement Specialists cannot offer investment, tax or legal advice. Consult your own counsel before making decisions about participation in the Deferred Compensation Plan.

Nationwide and the Nationwide N and Eagle, and Nationwide is on your side, are service marks of Nationwide Mutual Insurance Company. ©2015 Nationwide

NRM- 13260CA-FR (4/15)

Investment Education

Your guide to understanding your investment options



Topics to Discuss

- ✓ Investment Option enhancements (Aug 19, 2015)
- ✓ Approaches you can take to build your personalized investment portfolio
- ✓ Available services and options to help you manage your investments
- ✓ Knowing your investor profile and asset classes
- ✓ The importance of asset allocation
- ✓ Helpful tips
- ✓ Resources available





Investment Option Enhancements

Why are we making enhancements?

- Continual oversight of investment options
- Plan's high level of loyalty and fiduciary duty
- To better enable you to develop your investment strategy
- Ensure appropriate variety of investment options available
- Funds moving to lower expense ratios

Before investing, please consider the fund's investment objectives, risks, and charges and expenses carefully. The prospectus contains this and other important information about the investment company. Prospectuses and fund fact sheets are available by download from www.Fresno457 or by calling 877-MYFC457 (877-693-2457) Please read the prospectus carefully before investing.

Investment option enhancements

Funds being replaced:

Current Fund	Ticker	Expense Ratio	To Fund	Ticker	Expense Ratio
Perkins MC Value (T)	JMCVX	0.77	BlackRock Mid Cap Index Collective-M	BLKCX	0.04
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Templeton GL Bond (Adv)	TGBAX	0.64	Templeton GL Bond (R6)	FBNRX	0.53

When are the funds changing?

**Monday
Aug 17th**

- After the market closes, the funds closing will no longer be available

**Tuesday
Aug 18th**

- New funds available
- New funds viewable on the website (Fresno457.com)
- After the market closes, assets and deferrals in the closing funds will map to the new funds

**Wednesday
Aug 19th**

- Assets will be invested in the new/mapped funds
- Mapped assets and deferrals will be viewable on the website (Fresno457.com)

Changes can be made before and after these dates.

What do I need to do?

- Nothing! You don't need to take any action
- If you are invested in any of the mapping funds:
 - You can review the mapping of your funds on your plan's website (log-into your account [Fresno457.com](https://www.fresno457.com))
 - You will also see the mapping summarized on your 3rd Quarter Statement (mailed to your home and/or available for viewing online in late October)



You decide how to invest. Go hands-off or hands-on.



Investment advice for Nationwide ProAccount is provided to plan participants by Nationwide Investment Advisors, LLC, an SEC-registered adviser. Nationwide Investment Advisors, LLC, has hired Wilshire Associates Incorporated as the Independent Financial Expert for ProAccount. Additional fees apply. See your Retirement Rep for details.

** Target Maturity funds are designed to provide diversification and asset allocation across several types of investments and asset classes, primarily by investing in underlying funds. Therefore, the expense ratios of the Target Maturity funds are inclusive of their own fees and expenses, as well as a proportionate share of the applicable fees and expenses of the underlying funds. Target Maturity funds are designed for people who plan to withdrawal funds during or near a specific year. These funds use a strategy that reallocates equity exposure to a higher percentage of fixed investments over time. As a result, the funds become more conservative as they approach retirement. It's important to remember that no strategy can assure a profit or prevent a loss in a declining market. A target date fund's principal value is not guaranteed at any time, including the target date designated in the fund's name.*

You decide how to invest.



Let us do it for you with ProAccount®

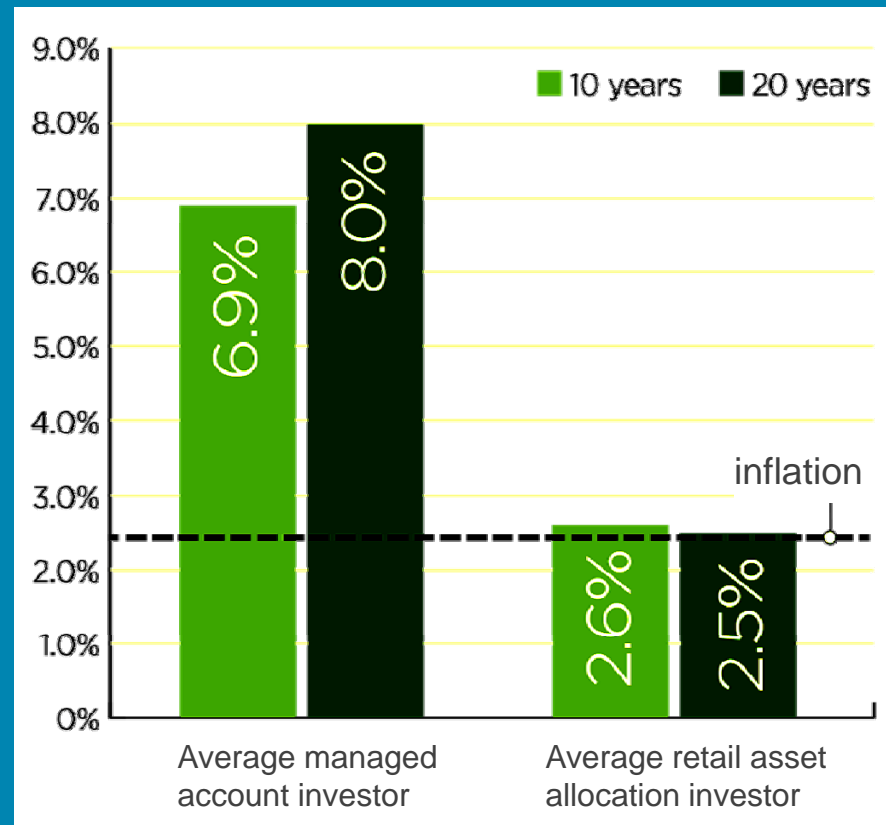
- Wilshire Associates, a leading provider of investment products and services acts as the Independent Financial Expert (IFE) and actively manages your account for you.
- Investment management is based on your retirement age and risk profile.
- Your account is updated and rebalanced on a quarterly and annual basis as market conditions merit a change.
- There is an expense for this professional management service, deducted from your account balance on a quarterly basis.

** Investment advice for Nationwide ProAccount is provided to plan participants by Nationwide Investment Advisors, LLC, an SEC-registered adviser. Nationwide Investment Advisors, LLC, has hired Wilshire Associates Incorporated as the Independent Financial Expert for ProAccount.*

Investors using an investment management service (ex. ProAccount[®]) generally outperform individual investors

Over 20 years:

- +5.4% better annualized returns
- +184.4% better cumulative returns



Source: Dalbar and Wilshire TUCS. Average Retail Equity Investor data from DALBAR. Average institutional investor is represented by Total Returns of Public Plans per Wilshire TUCS. Data as of 12/31/2013

Past performance is not indicative of future results. All investing involves risk, including loss of principal.

You decide how to invest.



Target Date Funds **

Target Date Funds - Set it and forget it investing

- You invest in one fund that is closest to the year in which you expect to retire or take a distribution.
- The fund is passively managed, automatically rebalanced and is designed to become gradually more conservative as the selected date approaches.
- The fund does not consider individual risk tolerances.

*** Target Maturity funds are designed to provide diversification and asset allocation across several types of investments and asset classes, primarily by investing in underlying funds. Therefore, in addition to the expenses of the Target Maturity funds, an investor is indirectly paying a proportionate share of the applicable fees and expenses of the underlying funds. Target Maturity funds are designed for people who plan to withdrawal funds during or near a specific year. These funds use a strategy that reallocates equity exposure to a higher percentage of fixed investments over time. As a result, the funds become more conservative as they approach retirement. It's important to remember that no strategy can assure a profit or prevent a loss in a declining market. A target date fund's principal value is not guaranteed at any time, including the target date designated in the fund's name.*

You decide how to invest.



**Do It
Yourself**

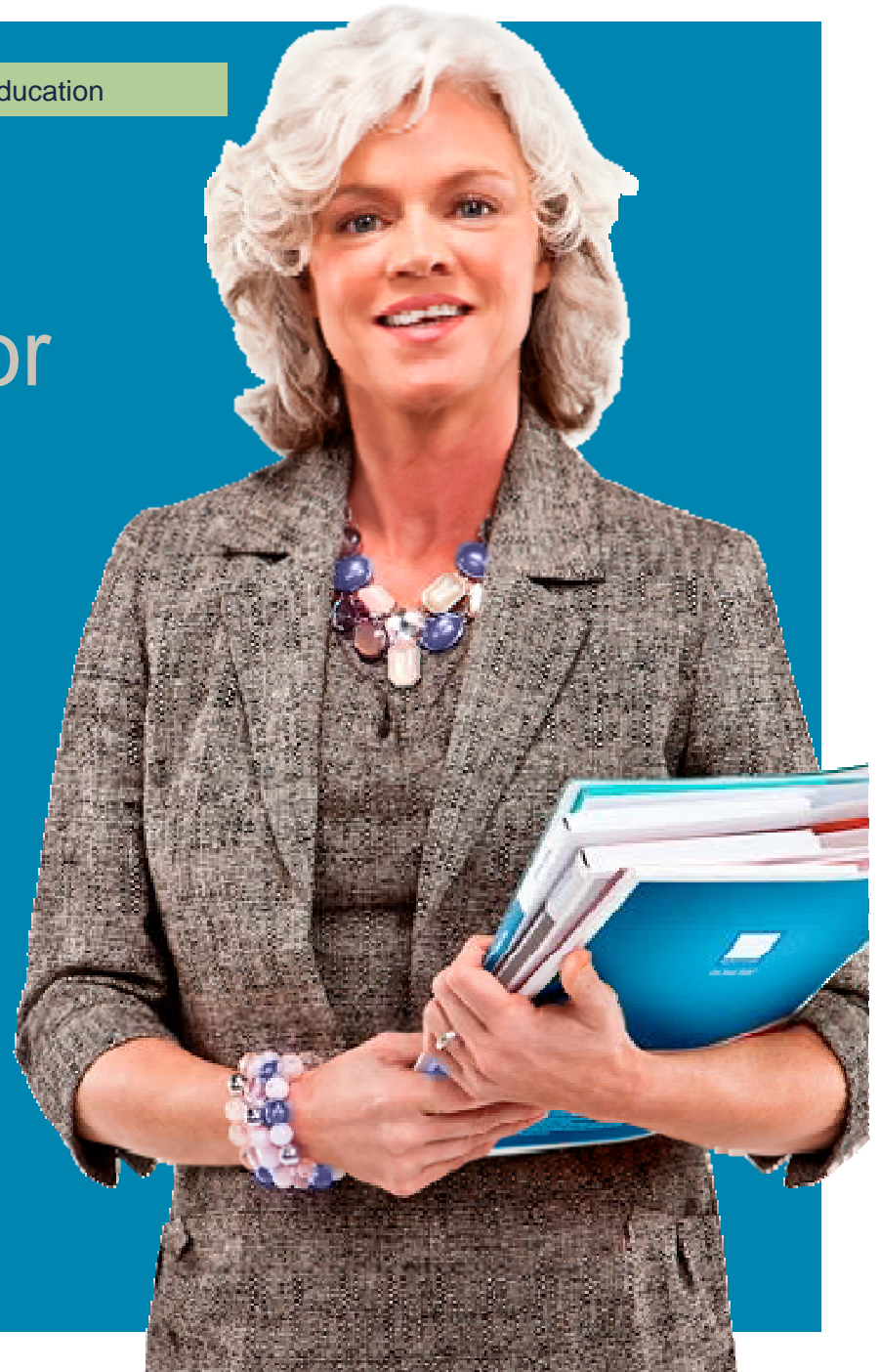
The Plan's available
investments

Your own strategy — Do-it-yourself investing

- You define your time horizon — the period between now until you retire or begin taking distributions —and your tolerance for market risk.
- You self-select funds from the Plan's diverse portfolio of 21 investment options.
- You invest the time, energy, desire and discipline to manage your own investments.

Helpful tips if you're a Do-it-Yourself investor

**Do It
Yourself**



Two keys to help unlock the right investment mix

1. Time Horizon

How long until you retire or begin withdrawing from your account?

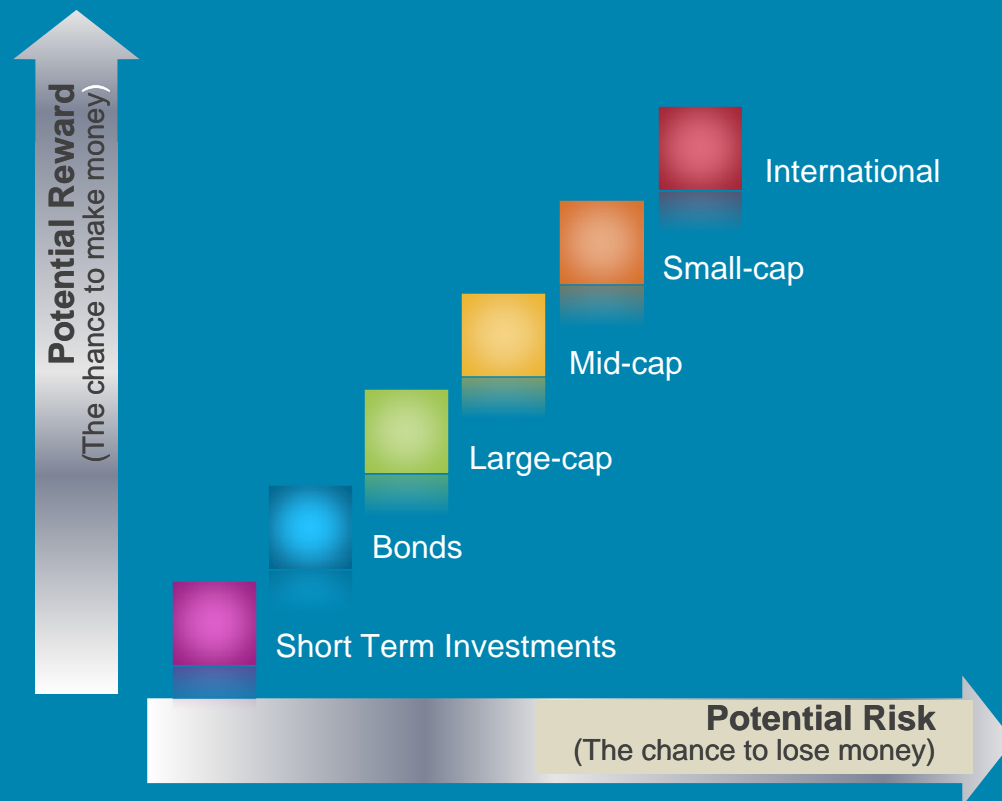
2. Risk Tolerance

How much market volatility are you comfortable with?

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



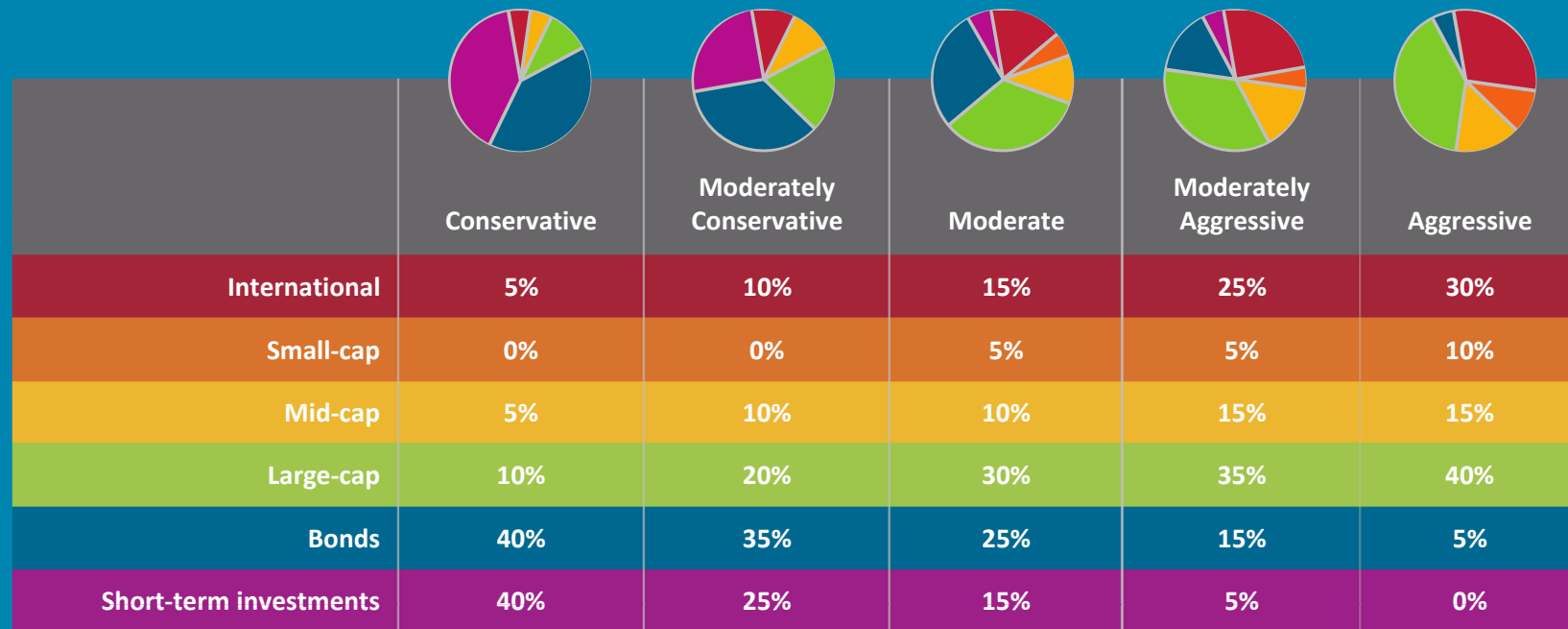
Aggressive, Conservative, or a little bit of both?



Investing involves market risk.



Meet our models



Asset allocation models provided by Ibbotson Associates Advisors, LLC, a leading financial consulting organization. Ibbotson uses a broad approach to diversify holdings across asset categories, which include combinations of different types of stock investments, diversified real return, bonds, and short-term investments.

International investing involves risks not associated with investing solely in the U.S., such as currency fluctuation, political risk, differences in accounting and limited availability of information.

Small-cap funds invest in stocks of small or emerging companies that may have less liquidity than those investing in larger, established companies and may be subject to greater price volatility and risk than the overall stock market.

Short-term investments may not keep pace with inflation.

Understanding Asset Allocation

➤ Ask yourself:

- How comfortable am I with market risk?
- When will I need to use my retirement dollars?



Give your account more traction

Asset Allocation means spreading the money in your account among different types of investments.

Think of it like 4-wheel drive for your money.

*Asset allocation does not guarantee returns or insulate against potential losses.
Investing involves market risk.*



What kind of investor are you? Benefits and trade-offs

**Do It For
Me**

**Do It
Yourself**

**Help Me
Do It**



Two small things that could make a big difference:

1. Consolidate

- ➔ Places all your retirement assets in one place
- ➔ Makes management easier

2. Catch up

- ➔ Helps those nearing retirement
- ➔ Allows larger contributions than normally allowed

Assets rolled over from your account (s) may be subject to surrender charges, other fees and/or a 10% tax penalty if withdrawn before age 59 ½.

Fresno457.com



COUNTY OF FRESNO
Deferred Compensation Plan

EDUCATION & TOOLS

About Deferred Compensation

Enroll

Learning Center

Support & Forms

CONTACT US

Have questions? Give us a call.

1-877-693-2457

1-877-MYFC457

[Send us an e-mail](#)

Contact Us

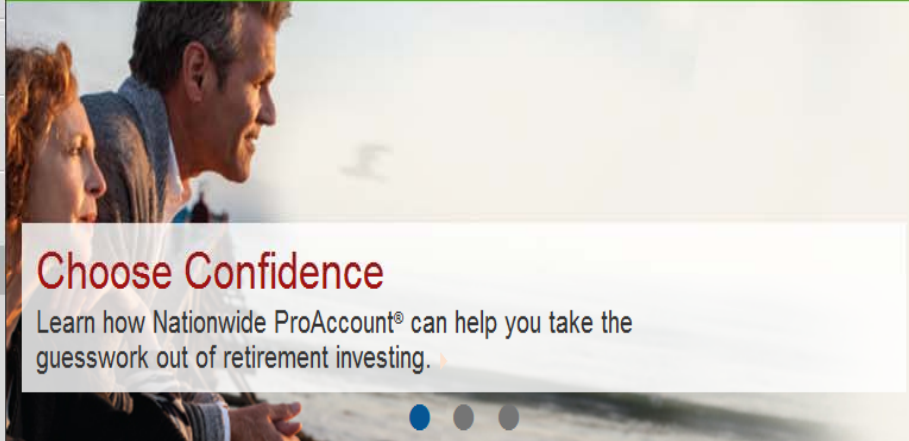
LOGIN

[Login Help & Sign Up](#)

Username (Case sensitive)

Password (Case sensitive)

Log In



Choose Confidence

Learn how Nationwide ProAccount® can help you take the guesswork out of retirement investing.

Explore Important Plan Updates And Announcements

- Why Nationwide?
- Are you ready to save for retirement?
- IRS Contribution Limits
- Saver's Tax Credit Limits

[Previous headlines...](#)

Keep your
beneficiaries
up to date.



Time to take Action!

Not enrolled?

- ➔ Access the website (Fresno457.com)
 - Enroll on-line (simply click on the 'Enroll' tab)
 - Access the enrollment form and return (fax or mail)
- ➔ See your local Retirement Rep or call the contact center to enroll

Is your portfolio diversified?

- ➔ Take time today and adjust your investment mix where appropriate
- ➔ See your local Rep to help you make updates

Is your beneficiary updated?

- ➔ Update a Beneficiary Form today (on-line or see your Rep)

You don't need to be an expert and you're not alone.

Your local Nationwide Retirement Specialist



Phillip Edwards



Phone: 559-999-7971

Email: Edwarp4@nationwide.com

Home Office Retirement Specialists:



888-401-5272

Website:



www.Fresno457.com

Neither Nationwide® nor any of its representatives give legal or tax advice.

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

Target Maturity Funds are designed for people who plan to retire during or near a specific year. These funds use a strategy that reallocates equity exposure to a higher percentage of fixed investments over time. As a result, the funds become more conservative over time as the investor approaches retirement. It's important to remember that no strategy can assure a profit or prevent a loss in a declining market. Target Maturity Funds are designed to provide diversification and asset allocation across several types of investments and asset classes, primarily by investing in underlying funds. Therefore, in addition to the expenses of the Target Maturity Funds, an investor is indirectly paying a proportionate share of the applicable fees and expenses of the underlying funds.

Nationwide Retirement Solutions, Inc. and Nationwide Life Insurance Company (collectively "Nationwide") have endorsement relationships with the National Association of Counties and the International Association of Firefighters-Financial Corporation. More information about the endorsement relationships may be found online at www.nrsforu.com.

Nationwide Retirement Solutions, Inc. and its affiliates (Nationwide) offer a variety of investment options to public sector retirement plans through variable annuity contracts, trust or custodial accounts. Nationwide may receive payments from mutual funds or their affiliates in connection with those investment options. For more detail about the payments Nationwide receives, please visit www.nrsforu.com.

Retirement Specialists are registered representatives of Nationwide Investment Services Corporation, member FINRA. In MI only: Nationwide Investment Svcs. Corporation.

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NRM-13250CA-FR (6/15)



**On-Site Investment Educational Workshop Schedule
County of Fresno Deferred Compensation Plan
Conducted by Nationwide**

Come to an on-site workshop. Your local Nationwide Retirement Specialist, Phillip Edwards, will provide important investment education. Attend an on-site workshop most convenient for you.

Date		Time	Location	Address
July 28	Tuesday	8:00 - 5:00	Crocker- First Floor*	2135 Fresno St
July 29	Wednesday	8:00 - 5:00	Brix/Mercer- Room 120	1221 Fulton Mall
July 30	Thursday	10:00 - 5:30	Air Fresno- Employee Lounge*	2719 N Air Fresno Dr
July 31	Friday	8:00 - 3:00	Reedley Regional Center- Blossom Trail Room*	1680 E Manning Ave Reedley, CA 93654
Aug 3	Monday	7:00 - 5:00	County Plaza- Lobby	2220 Tulare St
Aug 6	Thursday	12:00 - 4:00	Senior Resource Center- Sierra Room	2025 E Dakota, Fresno, CA 93726
Aug 7	Friday	8:00 - 3:00	Coalinga Region Center*	311 Coaling Raza, Coalinga, CA 93210
Aug 10	Monday	7:00 - 5:00	County Plaza - Lobby	2220 Tulare St
Aug 17	Monday	7:00 - 5:00	County Plaza - Lobby	2220 Tulare St

**Not available to outside employees.*

Questions? Or to schedule an individual appointment,
Contact your local Nationwide Retirement Specialist today:

Phillip Edwards, Retirement Specialist

Phone: 555-999-7971

Email: Edwarp4Nationwide.com

Nationwide Retirement Specialists are Registered Representatives of Nationwide Investment Services Corporation, member FINRA. Retirement Specialists cannot offer investment, tax or legal advice. Consult your own counsel before making decisions about participation in the Deferred Compensation Plan.

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Exhibit Two



Action Required

Fill out a new beneficiary designation form today

The County of Fresno asked Nationwide to contact all participants who currently do not have a beneficiary on file to secure your beneficiary designation for your Deferred Compensation Account. If you have not completed this form since the Plan transferred to Nationwide in January 2015, please take this opportunity to complete the form.

A properly filed beneficiary designation form protects your right to select the person(s) you want to control your Plan account, should you pass away unexpectedly. The form predetermines legally who will receive control of your Plan account, bypasses your will and probate court to transfer that control, and ensures a prompt, smooth transfer during a period your loved ones may find stressful.

How to file a new beneficiary designation form

Once you have decided who your beneficiary is (or beneficiaries are), select one of the following options:

- **Fastest and easiest!** Log into your Plan account at www.Fresno457.com click on the *Beneficiary Form* link and follow the directions for creating or updating beneficiary designation(s). Completing the form online **takes less than 5 minutes**.

– OR –

- Complete and sign the enclosed Beneficiary Change Form and fax to our toll free number 877-677-4929, or mail back in the self addressed pre-paid envelope to Nationwide.

Thank you for your immediate attention to this request.

If you have questions contact:

Phillip Edwards, your Retirement Specialist, at 559-999-7971 or
Nationwide toll-free at 877-MYFC457 (877-693-2457)

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NRN-0906CA-FR (4/15)

[Subject]

Action Required – Complete a Beneficiary Form Today!

[Headline]

You might not have a beneficiary on file for your Deferred Compensation Account

[Body]

A properly filed beneficiary designation form protects your right to select the person(s) you want to control your Plan account. If you have not completed a Beneficiary Form since the Plan transferred to Nationwide in January 2015, please take this opportunity to complete the form.

How to file a new beneficiary designation form

Once you have decided who your beneficiary is (or beneficiaries are), select one of the following options:

- **Fastest and easiest!** Log into your Plan account at www.Fresno457.com click on the *Beneficiary Form* link and follow the directions for creating or updating beneficiary designation(s). Completing the form online **takes less than 5 minutes**.

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[Disclosures]

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NRE-0647CA-FR (4/15)