



Item 10

DATE: May 11, 2017

TO: Deferred Compensation Management Council

FROM: Brent Petty, NWC, Inc.

SUBJECT: First Quarter Investment Performance Report (Executive Summary)

Capital Markets

| Index | YTD (As of 4/30/17) | Q1 2017 | 1 Year (As of 4/30/17) |
|--------------------------|------------------------|-----------------|---------------------------|
| S&P 500 | 7.16% | 6.07% | 17.92% |
| S&P 400 MidCap | 4.81% | 3.94% | 20.46% |
| S&P 600 SmallCap | 1.98% | 1.06% | 24.26% |
| MSCI EAFE | 9.97% | 7.25% | 11.29% |
| MSCI Emerging Markets | 13.88% | 11.45% | 19.13% |
| BBgBarc US Agg Bond | 1.59% | 0.82% | 0.83% |
| 10 Year Treasury (yield) | 2.29% (4/28/17) | 2.40% (3/31/17) | 1.83% (4/29/16) |

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

Stocks and Fixed Income returns were positive around the globe in the first quarter of 2017. Notably, Emerging Markets and Developed International equities lead the way.

Fixed Income markets underperformed, but still finished higher for the quarter despite the Federal Reserve's decision to raise rates in March.

Economic Factors

U.S. economy has continued to expand at a moderate pace. Strong consumer spending has continued to support growth.

The labor markets continue to tighten, with job gains helping to hold the unemployment rate of 4.7%.

Home builder sentiment was a surprise to the upside with the home builders index surging in March to levels not seen since 2005.

US Equity



International Developed Equity



Fixed Income Insights



Plan Fee Analysis

A plan fee summary report is provided in **Exhibit B**. Nationwide's required annual revenue is 0.19% and NWCM's annual fee is \$40,000 (~0.02%).

Fiduciary Checklist

An updated fiduciary checklist has been provided as **Exhibit C**.

- Documenting parties of interest is an initiative for the Q3 DCMC meeting.
- Plan document is currently under review by outside legal counsel.
- 404(a)(5) is a participant fee disclosure required for ERISA covered retirement plans. Nationwide is hoping to have an equivalent report available

Investments

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

- Templeton Global Bond Fund has successfully completed two consecutive quarters with performance that exceeded its investment policy criteria.

- NWCM recommends removing the fund from the Watch list; an updated fund watch report has been included as **Exhibit D**
- Great West's stable value and target date collective trusts series remain on Watch due to Cathe Tocher's retirement in June. Please refer to the Stable Value Commentary (**Exhibit E**) for further discussion regarding this matter.

Recommended Actions

1. **Approve the removal of Templeton Global Bond fund from the Watch List.**
2. **Provide guidance regarding Great-West Financial's management of the County of Fresno Stable Value Fund**

Item 10 - Exhibit A

County of Fresno

457 DC Plan



Quarterly Report - March 2017

County of Fresno
457 DC Plan

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Market Overview

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Retirement

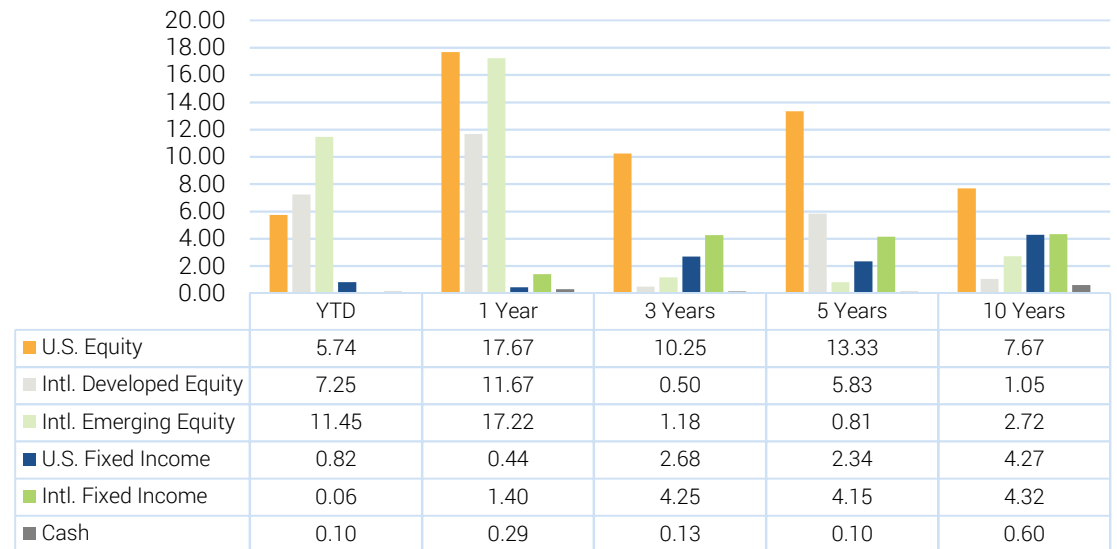
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Market Performance Summary

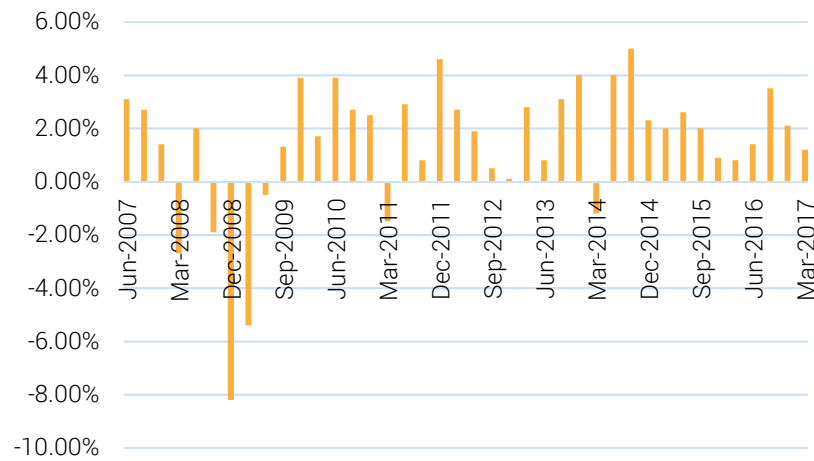
As of 03/31/2017

Stock and fixed income returns were positive around the globe in the first quarter, with emerging market and international developed market equities leading the way. International markets rose on the backdrop of international earnings growth and as political uncertainty abated somewhat. U.S. equity underperformed international equity but still experienced solid gains as the economy continued its moderate growth pace and confidence increased. A recent pullback in fixed investments weighed on GDP, but growth was supported by consumer spending. Fixed income markets underperformed equities, but still finished higher despite the Fed's decision to raise rates in March.

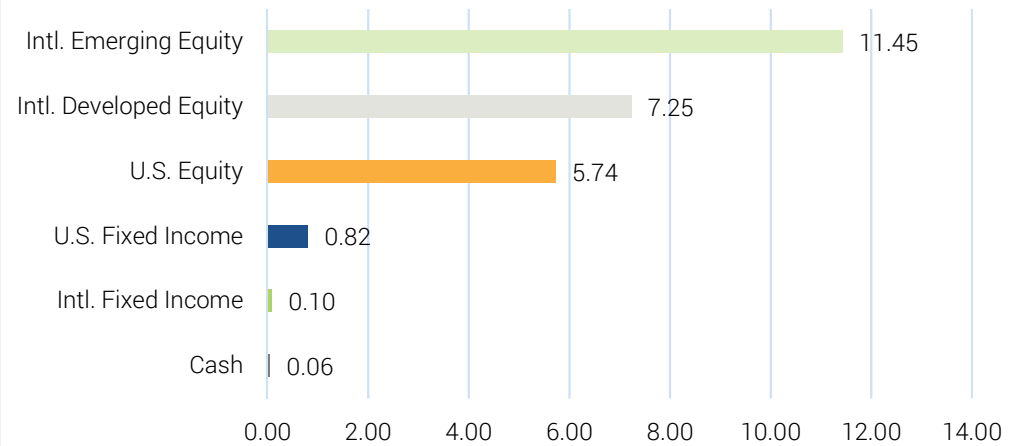
Trailing Returns



1-Q Change in GDP



Quarterly Performance

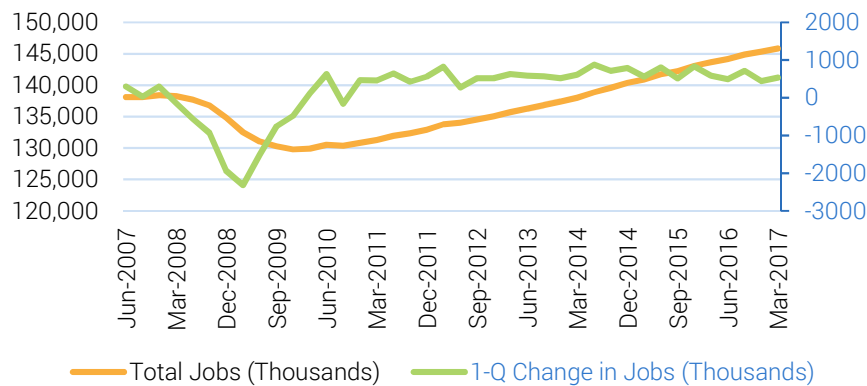


Economic Factors

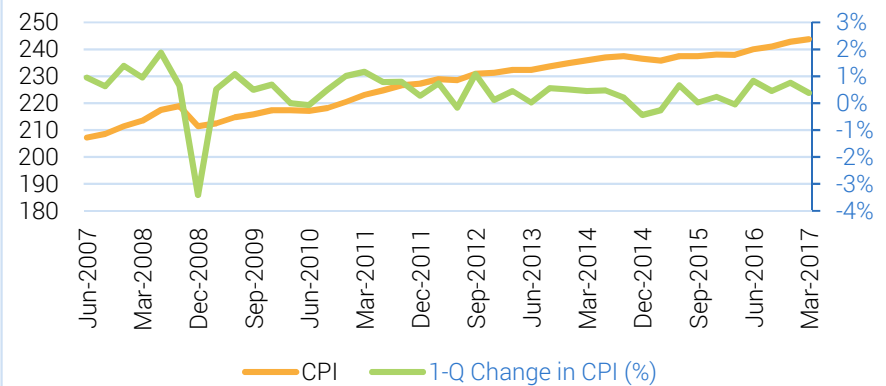
As of 03/31/2017

The U.S. economy has continued to expand at a moderate pace. Strong consumer spending has continued to support growth, while business fixed investments have experienced a recent pullback. The labor market has continued to tighten, with job gains helping to hold the unemployment rate to 4.7% and fueling wage growth and consumer confidence. Home builder sentiment surprised to the upside with The National Association of Home Builders/Wells Fargo Housing Market Index surging in March to levels not seen since 2005. Both consumer and business optimism has been high, but the administration's ability to push forward with tax reform, debt ceiling negotiations and infrastructure spending will heavily influence future expectations. Durable goods orders appear to be growing at a healthy pace, with headline orders beating expectations. The Consumer Price Index remains near the Fed's 2% target while inflation expectations have risen. Commodities ended the quarter lower. Energy was the primary laggard as oil prices finished the quarter near \$50 per barrel, down from a high of \$56 in mid-February.

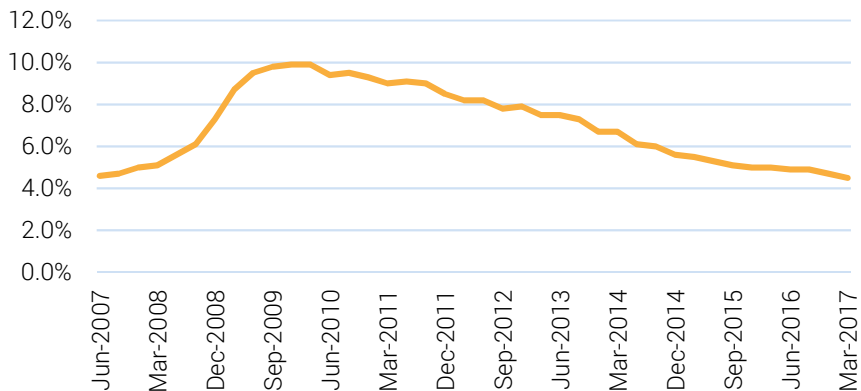
Jobs Market



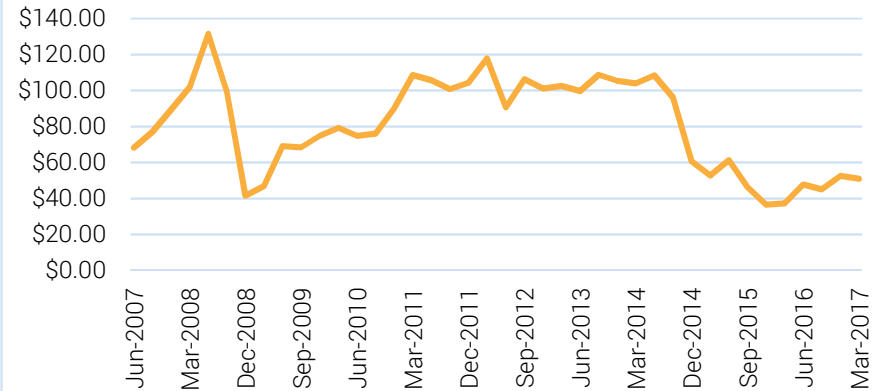
CPI



Unemployment Rate



Crude Oil Price per Barrel

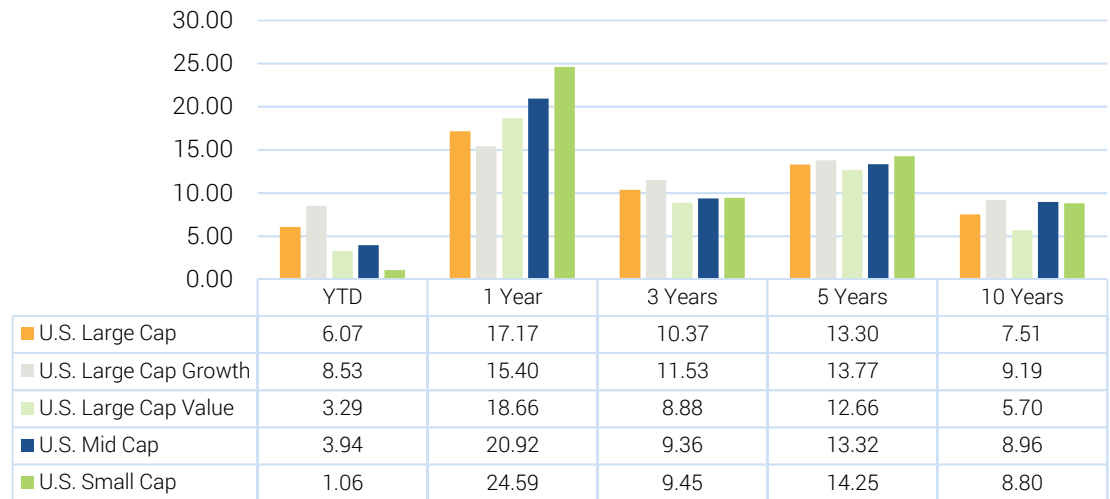


U.S. Equity

As of 03/31/2017

Strong fourth quarter earnings growth, full employment, and optimistic business and consumer sentiment supported U.S. equity markets in the first quarter. A pro-business agenda emanating from the new leadership in Washington aided business sentiment. However, the recent failure to pass a healthcare reform bill has caused markets to question the administration's ability to deliver its policy agenda and to re-evaluate would-be winners and losers. For example, large caps were the worst performers and small caps were the best performers in the fourth quarter, but that flipped in 1Q partially because big changes to trade rules that would impact larger businesses appear to have become less likely. Growth stocks came back in favor relative to value.

Trailing Returns



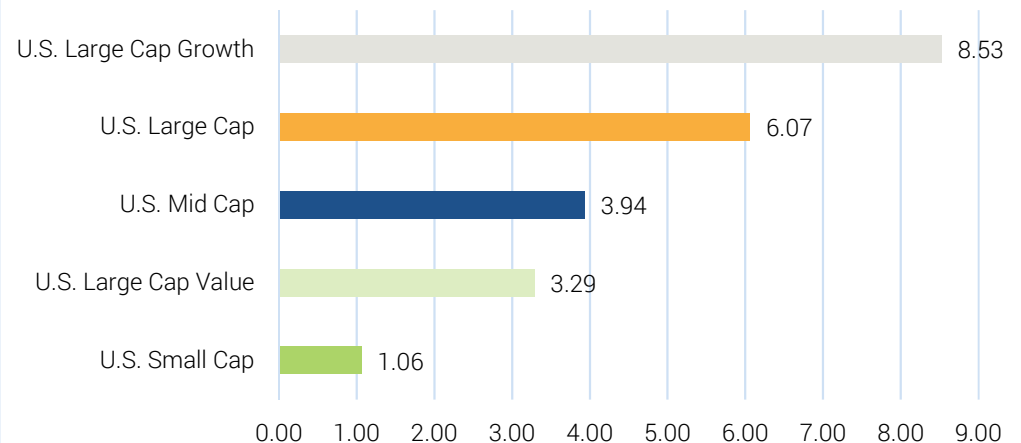
World Equity Market Capitalization



53.1%

U.S. Share of World Market

Quarterly Performance

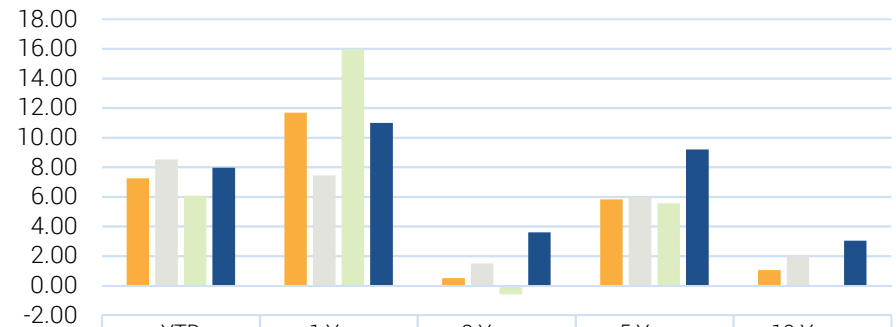


International Developed Equity

As of 03/31/2017

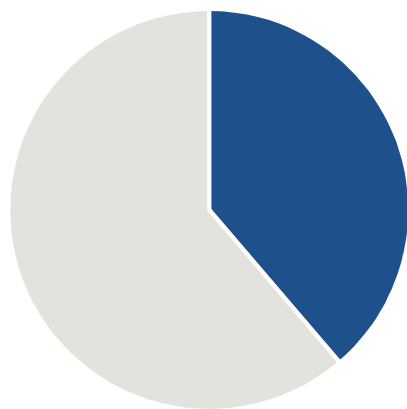
International developed markets benefited from improving business and consumer confidence, a pick-up in positive economic activity and subdued populist/protectionism support. International developed equities were led higher by Spain, Hong Kong and the Netherlands. In Europe, business surveys have risen to their highest levels in over five years, and elections in both Austria and the Netherlands largely rejected anti-euro politicians. Over the second quarter, close attention will be paid to elections in France where pro-euro candidate Emmanuel Macron is leading in the polls against the anti-euro candidate, Marine Le Pen. While business confidence has grown across most of Europe, it deteriorated in the UK at the start of the year. Britain officially invoked Article 50, starting an unprecedented two-year process to separate from the EU. Japanese data has been reasonably positive, but the yen has weighed on the performance of Japanese equities thus far this year.

Trailing Returns



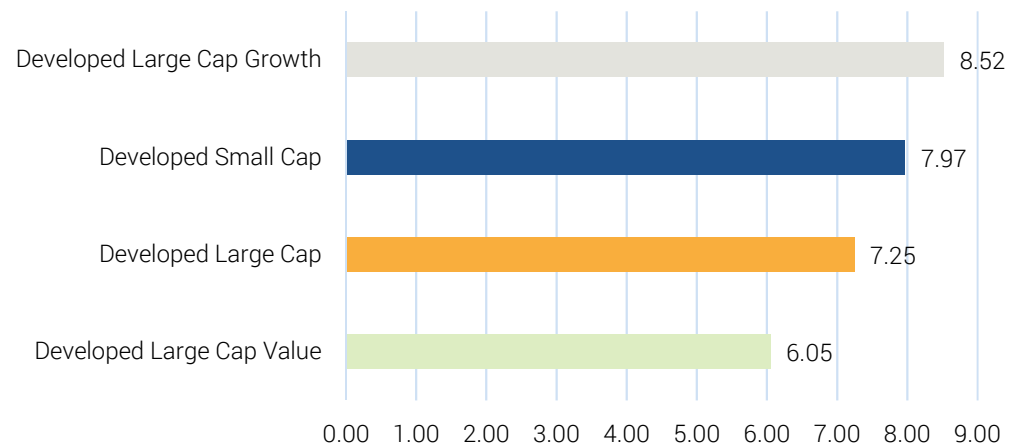
| | YTD | 1 Year | 3 Years | 5 Years | 10 Years |
|----------------------------|------|--------|---------|---------|----------|
| Developed Large Cap | 7.25 | 11.67 | 0.50 | 5.83 | 1.05 |
| Developed Large Cap Growth | 8.52 | 7.45 | 1.50 | 6.00 | 1.98 |
| Developed Large Cap Value | 6.05 | 15.98 | -0.61 | 5.56 | 0.05 |
| Developed Small Cap | 7.97 | 10.99 | 3.60 | 9.20 | 3.03 |

World Equity Market Capitalization



38.7%
Developed
International Share
of World Market

Quarterly Performance

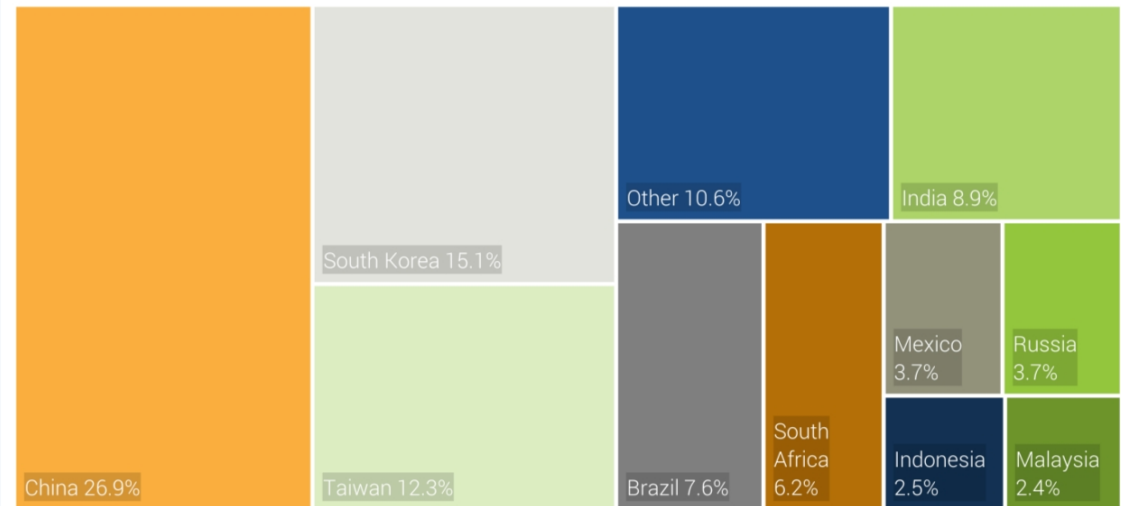


Emerging Markets Equity

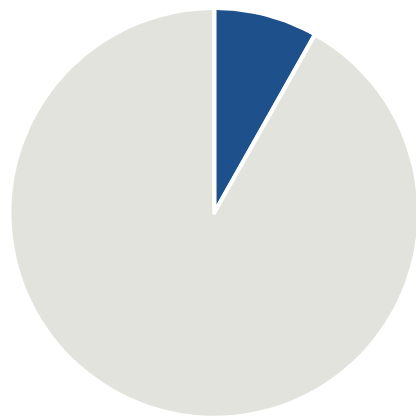
As of 03/31/2017

Emerging market equities were the strongest performing asset class in the first quarter. Returns were largely driven by macroeconomic and fundamental improvements that included range bound energy prices, a weaker U.S. dollar, and a sustained global recovery and stronger earnings. Also, a pause in the upward trajectory of bond yields provided additional support. The easing of global deflation fears also appeared to benefit emerging markets. The market was led higher by India, Korea, Mexico and Singapore.

Emerging Markets Index - Top 10 Represented Countries



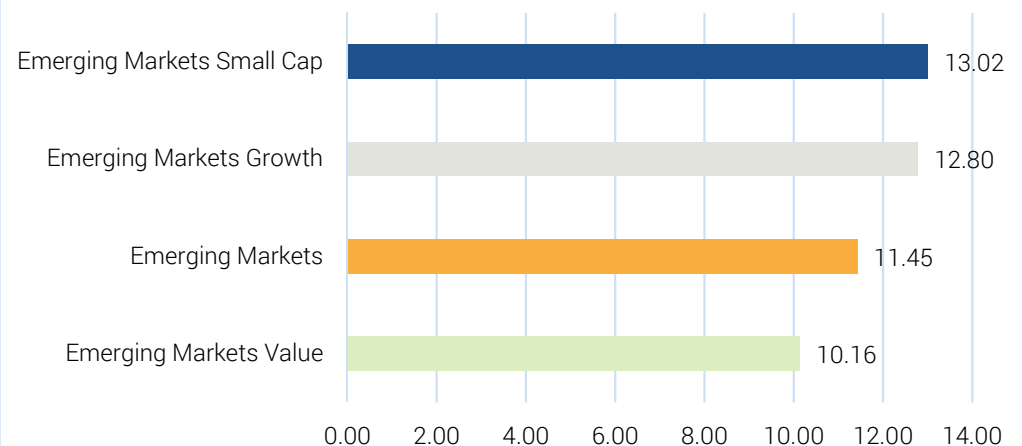
World Equity Market Capitalization



8.2%

Emerging Markets
Share of World
Market

Quarterly Performance

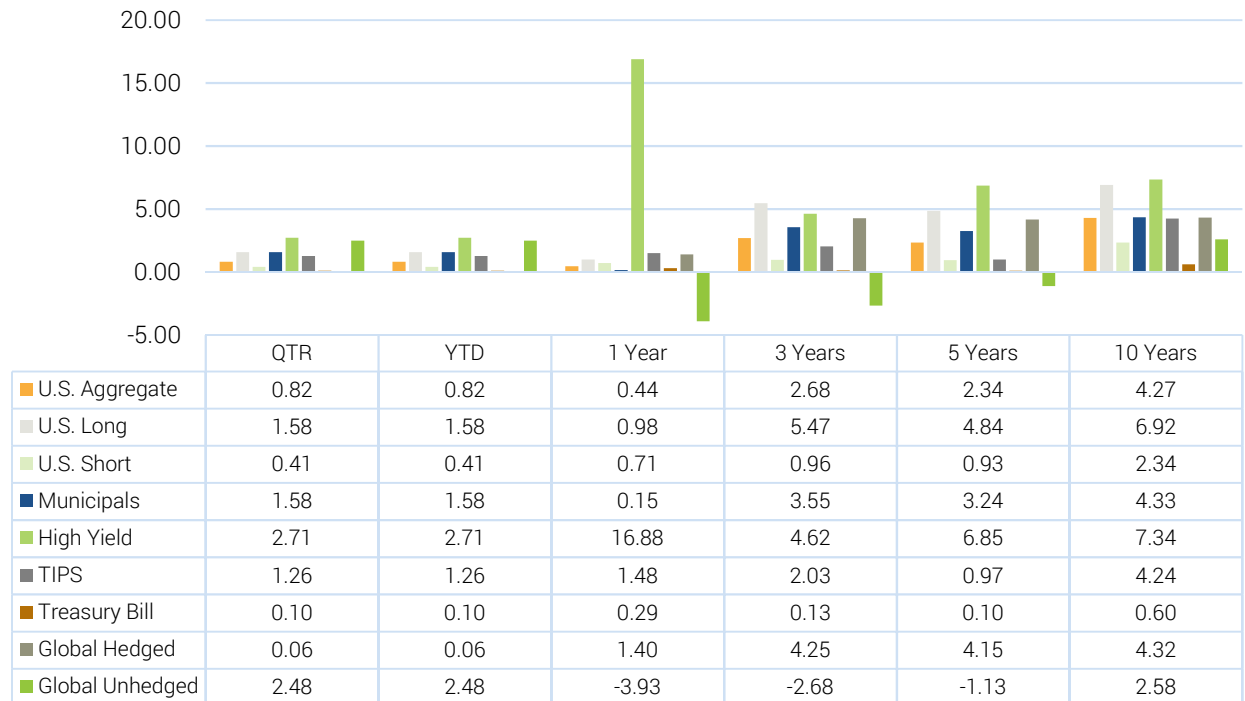


Fixed Income

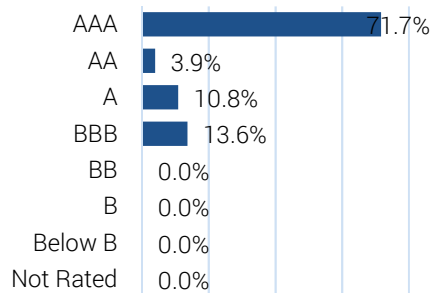
As of 03/31/2017

All major fixed income sectors ended the quarter with positive returns, but fixed income underperformed equities. Rates have been largely range bound – this is despite the Fed's decision to raise rates 25 bps in March, an increase in inflation expectations, and positive business and consumer sentiment. Many expect yields to continue to move higher, but the 10-year Treasury yield ended the quarter 5 bps lower at 2.40% and the curve flattened on strong demand for longer duration assets. Credit spreads tightened modestly in the quarter, providing a lift to bond prices. Solid fundamentals and strong investor demand – as witnessed in heightened mutual fund and ETF inflows – supported spread tightening. Investors preferred high yielding bonds over high quality, and favored longer maturity bonds over shorter maturity bonds. Municipal bonds rose as expectations for major tax reform fell.

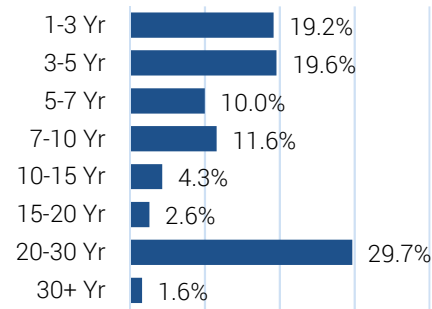
Trailing Returns



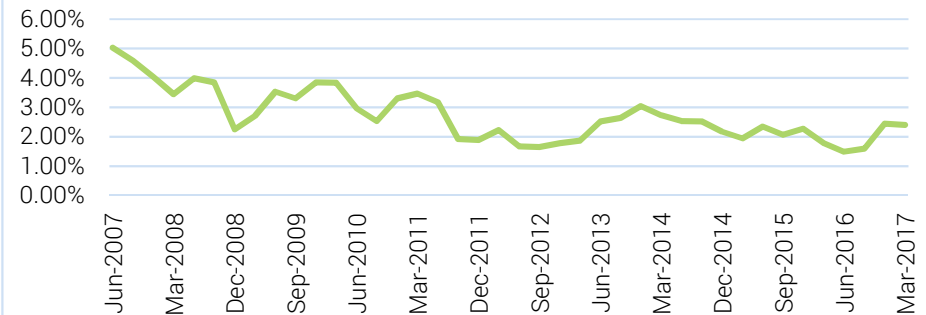
U.S. Aggregate Quality Distribution



U.S. Aggregate Maturity Distribution



10-Year Treasury Yield



Legislative and Regulatory Update

Fiduciary Rule Updates

- › In lawsuits around the country, judges have continued to rule in favor of upholding the DOL fiduciary rule including cases in Dallas, Kansas, and Minnesota.
- › On April 4th, the DOL announced a delay of the fiduciary rule, officially pushing the implementation date 60 days to June 9th. The push-back of the applicability date is a result of President Trump requesting the Labor Department re-asses the financial implications of the fiduciary rule.

Financial Choice Act

- › A memo dated February 6th from the House Financial Services Chairman outlines potential changes the Financial Choice Act could undergo.
 - The head of the Consumer Financial Protection Bureau (CFPB) would be a political appointee, rather than a five-member commission;
 - The CFPB would be unable to bring cases against financial institutions;
 - The database of consumer complaints would be eliminated; and
 - The Federal Deposit Insurance Corporation (FDIC) would no longer handle living wills of banks in case of collapse.
- › The Financial Choice Act relaxes several provisions of key protectionist Acts including Dodd-Frank and the Consumer Protection Act.

State-Run Plans

- › State and city auto-IRA plans have run into hurdles as the House voted on February 15th in favor of two resolutions to overturn Labor Department rules that promoted the creation of retirement plans for workers who otherwise didn't have access to one through their employer.
 - Lawmakers argued that these regulations discouraged small businesses from offering retirement plans to employees who would then only have access to plans without the protections of the Employee Retirement Income Security Act (ERISA).
 - Proponents of the state and city plans argue that the currently working Americans that do not have a way to save for retirement out of their regular paychecks may become dependent on social safety net programs in the future, costing taxpayers more down the line.
- › Similar resolutions were introduced in the Senate on March 6th.
 - The Senate voted 50-49 in favor of overturning city auto-IRA resolutions on March 30th while a timeline for the state resolutions is not set.

The Fed & SEC

- › The central bank raised rates by a quarter point to a target range of 0.75%-1.00% with a single “no” vote in the March 15th meeting.
- › The fed further signaled that two more rate hikes are expected this year, followed by three rate hikes in 2018.
- › Jay Clayton's nomination to chairman of the SEC was approved by the Senate Committee; a full vote on the nomination is still to come.

Retirement Plans Bills

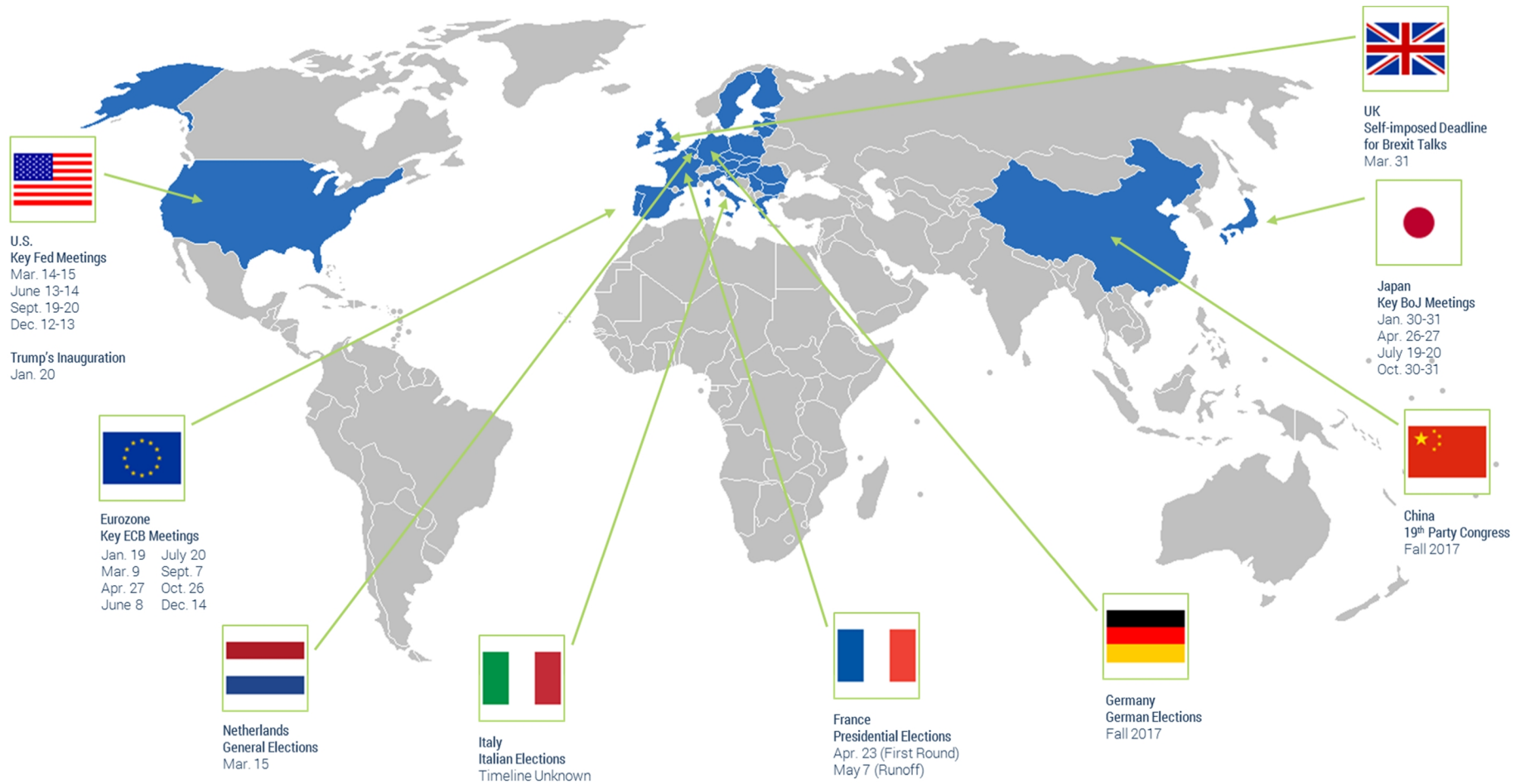
- › A newly introduced bill, the Warner-Collins Retirement Plans Bill, would allow for employers and sole-proprietors to file a single Form 5500 if retirement plans have the same trustee, fiduciary, plan administrator, plan year, and investment menu.
 - The legislation was unanimously approved by the Senate Finance Committee in the 114th Congress.
 - Votes in the House are still pending.
- › The Lifetime Income Disclosure Act is being considered by lawmakers. The bill would require employer-sponsored plans to provide participants with annual statements detailing approximate monthly income should they purchase an annuity with their retirement savings.

Brexit

- › The United Kingdom's exit from the European Union (Brexit) formally began on March 29th by Prime Minister Theresa May.
 - Prime Minister May notified EU Council President Donald Tusk of the UK's intention to leave the bloc under Article 50 of EU's Lisbon Treaty.
 - The exit is planned for late March 2019, providing two years to negotiate terms of the parting and reduce political and economic turmoil.

2017 Key Events

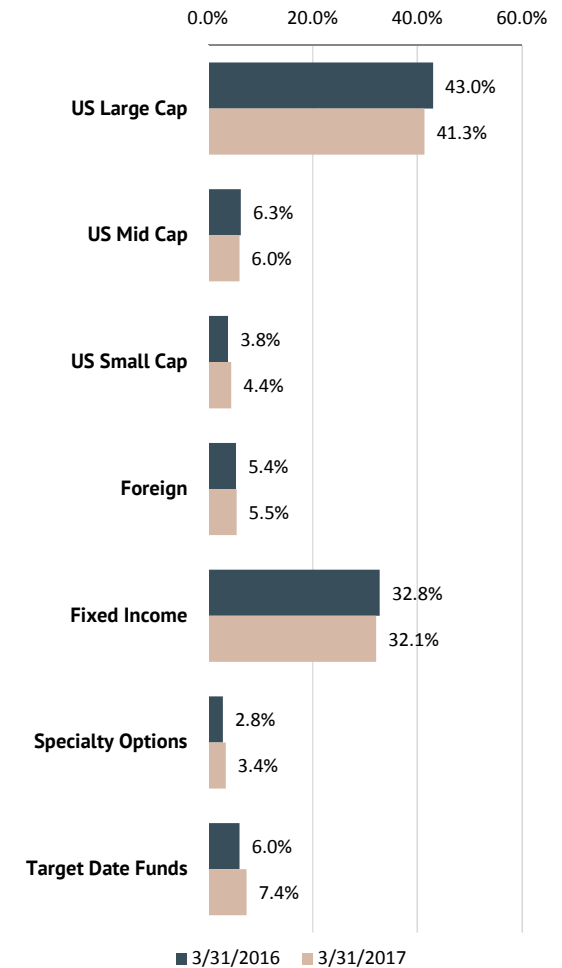
- › The 2017 political landscape is full of events that have potential to shake up the global economy. Highlighted on the map are the key areas to look out for political risks and the associated events for the coming year.



Summary of County of Fresno 457 DC Plan - Trailing Year

Data as of 3/31/2017

| Asset Class | Ticker | % | 3/31/2016 | Net Increases/Decreases | 3/31/2017 | % |
|---|--------|--------------|----------------------|-------------------------|----------------------|--------------|
| US Large Cap | | 43.0% | \$87,613,626 | 4,267,534 | \$91,881,160 | 41.3% |
| Alger Spectra Z | ASPZX | 18.7% | 38,208,368 | (1,299,827) | 36,908,540 | 16.6% |
| Columbia Dividend Income Y | CDDYX | 4.8% | 9,846,429 | 2,536,610 | 12,383,039 | 5.6% |
| BlackRock Equity Index - Collective F2 | 02CFF1 | 19.4% | 39,558,830 | 3,030,751 | 42,589,581 | 19.1% |
| US Mid Cap | | 6.3% | \$12,781,422 | 497,529 | \$13,278,951 | 6.0% |
| Hennessy Focus Fund | HFCIX | 2.9% | 5,888,545 | (984,058) | 4,904,486 | 2.2% |
| BlackRock Mid Cap Index - Collective F | 03CFF2 | 3.4% | 6,892,878 | 1,481,587 | 8,374,465 | 3.8% |
| US Small Cap | | 3.8% | \$7,779,176 | 2,042,283 | \$9,821,460 | 4.4% |
| Nicholas Limited Edition I | NCLEX | 2.5% | 5,139,318 | 236,011 | 5,375,328 | 2.4% |
| Perkins Small Cap Value N | JDSNX | 0.3% | 635,921 | 1,189,070 | 1,824,991 | 0.8% |
| BlackRock Russell 2000 Index - Collective F | 03CFF3 | 1.0% | 2,003,938 | 617,203 | 2,621,140 | 1.2% |
| Foreign | | 5.4% | \$10,914,720 | 1,234,509 | \$12,149,229 | 5.5% |
| Ivy International Core Equity R6 | IINCX | 4.4% | 8,915,624 | 517,822 | 9,433,446 | 4.2% |
| Oppenheimer Developing Markets I | ODVIX | 0.2% | 414,865 | 616,810 | 1,031,675 | 0.5% |
| BlackRock EAFE Equity Index - Collective F | 10CFF5 | 0.8% | 1,584,231 | 99,877 | 1,684,108 | 0.8% |
| Fixed Income | | 32.8% | \$66,908,297 | 4,540,706 | \$71,449,003 | 32.1% |
| RidgeWorth Seix Total Return Bond IS | SAMZX | 1.4% | 2,858,595 | 270,434 | 3,129,029 | 1.4% |
| BlackRock US Debt Index Fund - Coll F | 04CFF4 | 1.1% | 2,194,883 | 965,307 | 3,160,189 | 1.4% |
| Templeton Global Bond R6 | FBNRX | 0.3% | 563,983 | 413,222 | 977,205 | 0.4% |
| County of Fresno Stable Value Fund | FRESSV | 30.0% | 61,290,836 | 2,891,743 | 64,182,579 | 28.9% |
| Specialty Options | | 2.8% | \$5,723,844 | 1,750,007 | \$7,473,852 | 3.4% |
| Oakmark Equity & Income I | OAKBX | 1.0% | 2,007,875 | 292,646 | 2,300,521 | 1.0% |
| Fidelity Advisor Real Estate Income Inst | FRIRX | 0.5% | 1,061,867 | 104,214 | 1,166,081 | 0.5% |
| Franklin Utilities R6 | FUFRX | 1.3% | 2,654,102 | 1,353,148 | 4,007,250 | 1.8% |
| Target Date Funds | | 6.0% | \$12,247,459 | 4,101,935 | \$16,349,394 | 7.4% |
| Great-West Lifetime 2015 Trust II | C15MZR | 1.1% | 2,251,142 | 362,065 | 2,613,207 | 1.2% |
| Great-West Lifetime 2025 Trust II | C25MZR | 2.2% | 4,447,807 | 1,123,860 | 5,571,668 | 2.5% |
| Great-West Lifetime 2035 Trust II | C35MZR | 1.3% | 2,644,638 | 1,540,865 | 4,185,503 | 1.9% |
| Great-West Lifetime 2045 Trust II | C45MZR | 1.1% | 2,178,055 | 715,716 | 2,893,771 | 1.3% |
| Great-West Lifetime 2055 Trust II | C55MZR | 0.4% | 725,817 | 359,428 | 1,085,245 | 0.5% |
| Total | | 100% | \$203,968,546 | \$18,434,503 | \$222,403,049 | 100% |



Passively-Managed and Cash Funds

| Passively-Managed and Cash Funds | | Equities | | | | | | Fixed Income | | | | | | Liquid | Other | | | | | | | | | | | | | |
|----------------------------------|---------------------------------------|----------|-----|-----|---------|-----|-----|--------------|---|---|---|---------|-----|--------|-------|---|---|---|------|------|------|-------|------|-------|-------|-------|------|-------|
| | | US | | | Foreign | | | US | | | | Foreign | | | | | | | | | | | | | | | | |
| | | L | M | S | L | S | E | I | S | T | Y | H | U | | C | R | C | A | U | Exp | Qtr | YTD | 1 Yr | 2 Yr | 3 Yr | 4 Yr | 5 Yr | 10 Yr |
| | Investment | Ticker | 100 | | | | | | | | | | | | | | | | 0.02 | 6.07 | 6.07 | 17.21 | 9.27 | 10.42 | 13.20 | 13.36 | | |
| | BlackRock Equity Index - Collective M | 02cff1 | | 100 | | | | | | | | | | | | | | | 0.03 | 3.80 | 3.80 | 20.32 | 7.55 | 9.09 | 12.05 | 13.20 | 8.94 | |
| | BlackRock MidCap Idx - Collective M | 03cff2 | | | 100 | | | | | | | | | | | | | | 0.03 | 2.53 | 2.53 | 26.49 | 7.01 | 7.49 | 11.68 | 12.65 | | |
| | BlackRock Russell 2000 Index Coll M | 03cff3 | | | | 100 | | | | | | | | | | | | | 0.10 | 7.35 | 7.35 | 12.14 | 1.56 | 0.78 | 4.77 | 6.10 | | |
| | BlackRock EAFE Equity Index Coll T | 10cff5 | | | | | 100 | | | | | | | | | | | | 0.04 | 0.84 | 0.84 | 0.52 | 1.41 | 2.87 | 2.15 | 2.51 | | |
| | BlackRock US Debt Index Fund Coll W | 04cff4 | | | | | | 100 | | | | | | | | | | | 0.50 | 0.50 | 0.50 | 2.05 | 2.11 | 2.13 | 2.14 | 2.20 | | |
| | Fresno County Stable Value | fressv | | | | | | | | | | | 100 | | | | | | | | | | | | | | | |

Actively-Managed Funds









| Style | Investment | Ticker | L | M | S | L | S | E | I | S | T | Y | H | U | C | R | C | A | U | Exp | Qtr | YTD | 1 Yr | 2 Yr | 3 Yr | 4 Yr | 5 Yr | 10 Yr |
|-----------------|---------------------------------------|--------|----|----|----|----|---|----|----|---|---|----|----|----|----|---|---|---|----|------|-------|-------|-------|-------|-------|-------|-------|-------|
| Income | Columbia Dividend Income Y | CDDYX | 87 | 7 | | 1 | | | | | | | | | 5 | | | | | 0.59 | 5.07 | 5.07 | 15.50 | 9.88 | 10.01 | 11.96 | 12.47 | 7.77 |
| Growth | Alger Spectra Z | ASPZX | 75 | 14 | 2 | 3 | | | | | | | | | 6 | | | | | 0.89 | 11.07 | 11.07 | 15.48 | 6.35 | 10.30 | 13.74 | 13.26 | 10.77 |
| Utilities | Franklin Utilities R6 | FUFRX | 56 | 27 | 7 | 5 | | | | | | | | | 5 | | | | | 0.47 | 6.35 | 6.35 | 9.33 | 10.07 | 10.41 | 10.47 | 11.91 | 7.47 |
| Growth | Hennessy Focus Institutional | HFCIX | 41 | 22 | 13 | 5 | 1 | | | | | | | | 18 | | | | | 1.13 | 4.60 | 4.60 | 10.21 | 5.00 | 9.35 | 11.98 | 13.42 | 9.11 |
| Balanced | Oakmark Equity And Income Investor | OAKBX | 35 | 17 | 3 | 5 | | | 9 | 6 | | | 1 | | 18 | | | | 6 | 0.79 | 4.14 | 4.14 | 14.67 | 4.52 | 5.02 | 8.37 | 8.16 | 6.73 |
| Blend | Perkins Small Cap Value N | JDSNX | | 19 | 74 | | 1 | | | | | | | | 6 | | | | | 0.89 | 1.80 | 1.80 | 24.09 | 10.38 | 9.83 | 12.12 | 12.17 | 9.02 |
| Growth | Nicholas Limited Edition I | NCLEX | | 28 | 53 | 1 | 2 | 2 | | | | | | | 14 | | | | | 0.86 | 6.17 | 6.17 | 19.50 | 5.73 | 7.04 | 10.57 | 10.42 | 9.08 |
| Global Blend | Ivy International Core Equity N | IINCX | 5 | | | 81 | | 9 | | | | | | | 3 | | | | 2 | 0.83 | 8.05 | 8.05 | 14.85 | 1.94 | 3.06 | 7.37 | 7.16 | 3.94 |
| Emerging Growth | Oppenheimer Developing Markets I | ODVIX | | | | 22 | | 69 | | | | | | | 7 | | | | 2 | 0.88 | 11.07 | 11.07 | 15.68 | 2.10 | 0.04 | 1.69 | 2.51 | 5.34 |
| Intermediate | RidgeWorth Seix Total Return Bond IS | SAMZX | | | | | | | 74 | 6 | | 1 | 3 | | 16 | | | | | 0.31 | 1.13 | 1.13 | 1.58 | 1.54 | 2.86 | 2.06 | 2.45 | 4.85 |
| Real Estate | Fidelity Advisor Real Estate Income I | FRIRX | 3 | 11 | 16 | | | | 10 | 1 | | 25 | | | 12 | | | | 22 | 0.77 | 2.80 | 2.80 | 9.92 | 6.02 | 7.22 | 6.34 | 8.55 | 6.43 |
| Global Bond | Templeton Global Bond R6 | FBNRX | | | | | | | | | | | 51 | 46 | | | | | 3 | 0.53 | 4.68 | 4.68 | 11.63 | 3.51 | 2.81 | 2.56 | 3.94 | 6.98 |

Target-Date Funds

| Style | Investment | Ticker | L | M | S | L | S | E | I | S | T | Y | H | U | C | R | C | A | U | Exp | Qtr | YTD | 1 Yr | 2 Yr | 3 Yr | 4 Yr | 5 Yr | 10 Yr |
|-------------|--------------------------------|--------|----|----|---|----|---|----|----|---|----|---|---|---|---|---|---|---|---|------|------|------|-------|------|------|------|------|-------|
| Target Date | Great-West Lifetime 2045 Trust | gw2045 | 36 | 13 | 7 | 23 | | 8 | 6 | | | 1 | 1 | | | 5 | | | | 0.57 | 6.23 | 6.23 | 15.89 | 6.07 | 7.08 | 9.08 | 9.63 | |
| Target Date | Great-West Lifetime 2035 Trust | gw2035 | 34 | 13 | 6 | 20 | | 6 | 10 | 1 | 1 | 2 | 2 | | | 5 | | | | 0.57 | 5.68 | 5.68 | 14.60 | 5.75 | 6.84 | 8.62 | 9.21 | |
| Target Date | Great-West Lifetime 2055 Trust | gw2055 | 33 | 13 | 8 | 24 | | 10 | 5 | | | 1 | 1 | | | 5 | | | | 0.57 | 6.44 | 6.44 | 16.02 | 5.97 | 6.94 | 8.94 | 9.48 | |
| Target Date | Great-West Lifetime 2025 Trust | gw2025 | 25 | 10 | 4 | 14 | | 4 | 17 | 3 | 5 | 5 | 5 | | 2 | 6 | | | | 0.57 | 4.72 | 4.72 | 11.89 | 4.94 | 6.02 | 7.05 | 7.70 | |
| Target | Great-West Lifetime 2015 Trust | gw2015 | 19 | 7 | 3 | 9 | | 2 | 20 | 6 | 11 | 6 | 7 | | 4 | 6 | | | | 0.57 | 3.78 | 3.78 | 9.36 | 4.18 | 5.21 | 5.55 | 6.21 | |

Fund Compliance Methodology

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

| Factor | Weight | Explanation | Score Calculation |
|--|--|---|--|
| RETURNS Summary compliance report shows the average peer group quartile rank for all time periods (no credit for bottom quartile performance) |  40% Overall | Absolute Returns Peer Group Percentile Rankings: 3,5,10 Year Periods | Proportional Score No Score Ranks in the top 75% of Peer Group Ranks in the bottom 25% of Peer Group |
| RISK ADJUSTED RETURNS Summary compliance report shows the average peer group quartile rank for all time periods (no credit for bottom quartile performance) |  20% Overall | Sharpe Ratio Peer Group Percentile Rankings: 3,5,10 Year Periods | Proportional Score No Score Ranks in top 75% of Peer Group Ranks in bottom 25% of Peer Group |
| RISK Summary compliance report shows the average peer group quartile rank for all time periods (no credit for bottom quartile performance) |  30% Overall |  10% Overall Standard Deviation Peer Group Percentile Rankings: 3,5,10 Year Periods | Proportional Score No Score Ranks in top 75% of Peer Group Ranks in bottom 25% of Peer Group |
| | |  20% Overall Upside/Downside Capture Peer Group Percentile Rankings: 3,5,10 Year Periods | Proportional Score No Score Ranks in top 75% of Peer Group Ranks in bottom 25% of Peer Group |
| | |  5% Overall Expense Ratio For current period | Proportional Score No Score Ranks in top 75% of Peer Group Ranks in bottom 25% of Peer Group |
| | |  5% Overall Average Tenure Number of years | Full Score No Score Manager Tenure more than 3 years Manager Tenure less than 3 years |
| OTHER Fund expense quartile rank Manager tenure is greater than 3 years |  10% Overall | | |

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

Summary of Fund Compliance

Passively-Managed and Cash Funds

| Type | Assets 12-31 | Fund Name | Ticker |
|----------|--------------|---------------------------------------|--------|
| LC Index | 18.87% | BlackRock Equity Index - Collective M | 02cff1 |
| MC Index | 3.53% | BlackRock MidCap Idx - Collective M | 03cff2 |
| SC Index | 1.00% | BlackRock Russell 2000 Index Coll M | 03cff3 |
| Global | 0.63% | BlackRock EAFE Equity Index Coll T | 10cff5 |
| US Debt | 1.32% | BlackRock US Debt Index Fund Coll W | 04cff4 |

Actively-Managed Funds

| Status | Assets 12-31 | Fund Name | Ticker | Return (40%) | Risk Adjusted Return (20%) | Risk (30%) | Expense (5%) | Tenure (5%) |
|--------|--------------|---------------------------------------|--------|--------------|----------------------------|------------|--------------|-------------|
| Pass | 5.41% | Columbia Dividend Income Y | CDDYX | | | | | |
| Pass | 16.44% | Alger Spectra Z | ASPZX | | | | | |
| Pass | 1.91% | Franklin Utilities R6 | FUFRX | | | | | |
| Pass | 2.41% | Hennessy Focus Institutional | HFCIX | | | | | |
| Pass | 0.98% | Oakmark Equity And Income Investor | OAKBX | | | | | |
| Pass | 0.68% | Perkins Small Cap Value N | JDSNX | | | | | |
| Pass | 2.47% | Nicholas Limited Edition I | NCLEX | | | | | |
| Pass | 4.18% | Ivy International Core Equity N | IINCX | | | | | |
| Pass | 0.31% | Oppenheimer Developing Markets I | ODVIX | | | | | |
| Pass | 1.51% | RidgeWorth Seix Total Return Bond IS | SAMZX | | | | | |
| Pass | 0.55% | Fidelity Advisor Real Estate Income I | FRIRX | | | | | |
| Pass | 0.36% | Templeton Global Bond R6 | FBNRX | | | | | |
| Watch | 30.32% | Fresno County Stable Value | fressv | | | | | |

Underperforming ◀ ▶ Outperforming

Underperforming ◀ ▶ Outperforming

Target-Date Funds

| Status | Assets 12-31 | Fund Name | Ticker | Return (40%) | Risk Adjusted Return (20%) | Risk (30%) | Expense (5%) | Tenure (5%) |
|--------|--------------|--------------------------------|--------|--------------|----------------------------|------------|--------------|-------------|
| Watch | n/a | Great-West Lifetime 2055 Trust | gw2055 | | | | | |
| Watch | n/a | Great-West Lifetime 2045 Trust | gw2045 | | | | | |
| Watch | n/a | Great-West Lifetime 2035 Trust | gw2035 | | | | | |
| Watch | n/a | Great-West Lifetime 2025 Trust | gw2025 | | | | | |
| Watch | n/a | Great-West Lifetime 2015 Trust | gw2015 | | | | | |

Passively-Managed and Cash Funds

| Type of Fund | Assets 12-31 | Ticker | Fund Name | Return vs Peer Group (40%) | | | Risk Adjusted Return Sharpe (20%) | | | Standard Deviation | | | Risk (30%) Up Capture | | | Down Capture | | | Other (10%) Expense Tenure | |
|--------------|--------------|--------|---------------------------------------|----------------------------|----|-----|-----------------------------------|----|-----|--------------------|----|-----|-----------------------|----|-----|--------------|----|-----|----------------------------|---------|
| | | | | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | Peer Rank % | Avg Yrs |
| LC Index | 18.87% | 02cff1 | BlackRock Equity Index - Collective M | 4 | 9 | | 5 | 3 | | 36 | 25 | | 15 | 25 | | 21 | 20 | | 1 | 5 |
| MC Index | 3.53% | 03cff2 | BlackRock MidCap Idx - Collective M | 11 | 16 | 5 | 17 | 20 | 10 | 57 | 46 | 59 | 10 | 16 | 14 | 65 | 62 | 44 | 1 | 5 |
| SC Index | 1.00% | 03cff3 | BlackRock Russell 2000 Index Coll M | 32 | 33 | | 43 | 44 | | 87 | 80 | | 4 | 7 | | 83 | 82 | | 1 | 5 |
| Global | 0.63% | 10cff5 | BlackRock EAFE Equity Index Coll T | 41 | 21 | | 42 | 30 | | 74 | 83 | | 34 | 13 | | 51 | 53 | | 4 | 5 |
| US Debt | 1.32% | 04cff4 | BlackRock US Debt Index Fund Coll W | 3 | 4 | | 29 | 9 | | 85 | 86 | | 7 | 6 | | 55 | 55 | | 1 | 5 |

Actively-Managed Funds

| Overall Fund Score | Assets 12-31 | Ticker | Fund Name | Return vs Peer Group (40%) | | | Risk Adjusted Return Sharpe (20%) | | | Standard Deviation | | | Risk (30%) Up Capture | | | Down Capture | | | Other (10%) Expense Tenure | |
|--------------------|--------------|--------|---------------------------------------|----------------------------|----|-----|-----------------------------------|----|-----|--------------------|----|-----|-----------------------|----|-----|--------------|----|-----|----------------------------|---------|
| | | | | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | Peer Rank % | Avg Yrs |
| 8 | 5.41% | CDDYX | Columbia Dividend Income Y | 5 | 25 | 5 | 4 | 6 | 1 | 11 | 10 | 8 | 55 | 74 | 84 | 7 | 10 | 9 | 14 | 7 |
| 7 | 16.44% | ASPZX | Alger Spectra Z | 21 | 16 | 2 | 28 | 21 | 2 | 70 | 54 | 79 | 17 | 19 | 3 | 57 | 42 | 79 | 36 | 6 |
| 8 | 1.91% | FUFRX | Franklin Utilities R6 | 19 | 23 | 8 | 12 | 17 | 5 | 70 | 57 | 21 | 17 | 23 | 70 | 53 | 52 | 11 | 15 | 12 |
| 8 | 2.41% | HFCIX | Hennessy Focus Institutional | 8 | 7 | 14 | 10 | 3 | 9 | 22 | 6 | 20 | 47 | 63 | 91 | 6 | 1 | 1 | 48 | 7 |
| 6 | 0.98% | OAKBX | Oakmark Equity And Income Investor | 44 | 25 | 12 | 64 | 56 | 8 | 90 | 93 | 20 | 14 | 18 | 64 | 87 | 64 | 8 | 25 | 7 |
| 8 | 0.68% | JDSNX | Perkins Small Cap Value N | 3 | 44 | 1 | 1 | 6 | 1 | 6 | 6 | 6 | 67 | 81 | 84 | 8 | 8 | 4 | 14 | 14 |
| 7 | 2.47% | NCLEX | Nicholas Limited Edition I | 29 | 59 | 9 | 21 | 32 | 3 | 12 | 9 | 5 | 70 | 84 | 92 | 19 | 25 | 6 | 14 | 23 |
| 9 | 4.18% | IINCX | Ivy International Core Equity N | 6 | 8 | 6 | 7 | 8 | 6 | 70 | 41 | 31 | 5 | 13 | 9 | 40 | 26 | 16 | 27 | 10 |
| 7 | 0.31% | ODVIX | Oppenheimer Developing Markets I | 67 | 23 | 1 | 67 | 24 | 1 | 52 | 46 | 21 | 57 | 46 | 53 | 47 | 37 | 15 | 12 | 5 |
| 6 | 1.51% | SAMZX | RidgeWorth Seix Total Return Bond IS | 25 | 56 | 21 | 36 | 57 | 9 | 80 | 57 | 32 | 20 | 55 | 43 | 53 | 51 | 17 | 8 | 7 |
| 7 | 0.55% | FRIRX | Fidelity Advisor Real Estate Income I | 89 | 62 | 4 | 1 | 1 | 1 | 2 | 2 | 3 | 97 | 97 | 98 | 2 | 1 | 1 | 19 | 13 |
| 8 | 0.36% | FBNRX | Templeton Global Bond R6 | 19 | 10 | 1 | 28 | 32 | 18 | 76 | 87 | 70 | 51 | 57 | 47 | 4 | 3 | 2 | 11 | 10 |
| 9 | 30.32% | fressv | Fresno County Stable Value | 1 | 1 | | 1 | 1 | | 39 | 84 | | 1 | 1 | | 1 | 1 | | 58 | 6 |

Target-Date Funds

| Overall Fund Score | | Ticker | Fund Name | Return vs Peer Group (40%) | | | Risk Adjusted Return Sharpe (20%) | | | Standard Deviation | | | Risk (30%) Up Capture | | | Down Capture | | | Other (10%) Expense Tenure | |
|--------------------|-----|--------|--------------------------------|----------------------------|----|-----|-----------------------------------|----|-----|--------------------|----|-----|-----------------------|----|-----|--------------|----|-----|----------------------------|---------|
| | | | | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | Peer Rank % | Avg Yrs |
| 8 | n/a | gw2055 | Great-West Lifetime 2055 Trust | 1 | 23 | | 5 | 26 | | 56 | 66 | | 1 | 20 | | 39 | 44 | | 22 | 5 |
| 9 | n/a | gw2045 | Great-West Lifetime 2045 Trust | 1 | 11 | | 2 | 17 | | 51 | 48 | | 1 | 18 | | 29 | 37 | | 21 | 5 |
| 8 | n/a | gw2035 | Great-West Lifetime 2035 Trust | 1 | 11 | | 2 | 16 | | 71 | 64 | | 9 | 28 | | 37 | 50 | | 23 | 5 |
| 8 | n/a | gw2025 | Great-West Lifetime 2025 Trust | 1 | 24 | | 2 | 18 | | 67 | 44 | | 5 | 43 | | 29 | 32 | | 27 | 5 |
| 8 | n/a | gw2015 | Great-West Lifetime 2015 Trust | 1 | 38 | | 3 | 16 | | 51 | 23 | | 17 | 51 | | 13 | 37 | | 31 | 5 |

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

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

| | |
|------------------------------------|------|
| Northwest Capital Management, Inc. | Date |
|------------------------------------|------|

Northwest Capital Management, Inc.

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

| | |
|----------------------------|------|
| Trustee / Committee Member | Date |
|----------------------------|------|

County of Fresno 457 DC Plan

Fund Comments

Data as of: 03/31/2017

BlackRock Equity Index - Collective M (02cff1)

Fund Type: LC Index

US Large Cap

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

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|------------------------|-------|--------|--------|--------|-------|
| 02cff1 | 6.07% | 17.21% | 10.42% | 13.36% | |
| S&P 500 TR USD | 6.07% | 17.19% | 10.37% | 13.30% | 7.51% |
| Out/(Under) Performing | 0.00% | 0.02% | 0.04% | 0.05% | |
| Peer Group Ranking | 28 | 30 | 4 | 9 | |

BlackRock MidCap Idx - Collective M (03cff2)

Fund Type: MC Index

US Mid Cap

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

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|------------------------|--------|--------|--------|--------|--------|
| 03cff2 | 3.80% | 20.32% | 9.09% | 13.20% | 8.94% |
| S&P MidCap 400 TR | 3.94% | 20.92% | 9.36% | 13.32% | 8.96% |
| Out/(Under) Performing | -0.13% | -0.60% | -0.27% | -0.12% | -0.03% |
| Peer Group Ranking | 61 | 24 | 11 | 16 | 5 |

BlackRock Russell 2000 Index Coll M (03cff3)

Fund Type: SC Index

US Small Cap

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

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|------------------------|-------|--------|-------|--------|-------|
| 03cff3 | 2.53% | 26.49% | 7.49% | 12.65% | |
| Russell 2000 TR USD | 2.46% | 26.21% | 7.21% | 12.35% | 7.12% |
| Out/(Under) Performing | 0.07% | 0.28% | 0.27% | 0.29% | |
| Peer Group Ranking | 30 | 11 | 32 | 33 | |

BlackRock EAFE Equity Index Coll T (10cff5)

Fund Type: Global

Frgn Developd Large Cap

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

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------|--------|--------|-------|-------|-------|
| 10cff5 | 7.35% | 12.14% | 0.78% | 6.10% | |
| MSCI ACWI Ex USA NR USD | 7.86% | 13.13% | 0.56% | 4.36% | 1.35% |
| Out/(Under) Performing | -0.51% | -1.00% | 0.22% | 1.74% | |
| Peer Group Ranking | 70 | 32 | 41 | 21 | |

BlackRock US Debt Index Fund Coll W (04cff4)

Fund Type: US Debt

US Intermed Duration

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

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|---------------------------------|-------|--------|-------|-------|-------|
| 04cff4 | 0.84% | 0.52% | 2.87% | 2.51% | |
| BBgBarc US Govt Intermed TR USD | 0.54% | -0.67% | 1.55% | 1.23% | 3.32% |
| Out/(Under) Performing | 0.30% | 1.18% | 1.31% | 1.28% | |
| Peer Group Ranking | 8 | 11 | 3 | 4 | |

Columbia Dividend Income Y (CDDYX)

Fund Score: 8 (Status: Pass)

US Large Cap

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

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

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|--------------|---------------|--------------|---------------|--------------|
| CDDYX | 5.07% | 15.50% | 10.01% | 12.47% | 7.77% |
| S&P 500 Value TR USD | 3.29% | 18.67% | 8.88% | 12.66% | 5.70% |
| Out/(Under) Performing | 1.78% | -3.17% | 1.13% | -0.19% | 2.07% |
| Peer Group Ranking | 11 | 71 | 5 | 25 | 5 |

Alger Spectra Z (ASPZX)

Fund Score: 7 (Status: Pass)

US Large Cap

The investment seeks long-term capital appreciation.

The fund invests primarily in the equity securities of companies of any size that Fred Alger Management, Inc. believes demonstrate promising growth potential. It can leverage, that is, borrow money to purchase additional securities. The fund can invest in foreign securities.

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|--------------|--------------|---------------|---------------|--------------|
| ASPZX | 11.07% | 15.48% | 10.30% | 13.26% | 10.77% |
| S&P 500 Growth TR USD | 8.52% | 15.39% | 11.52% | 13.77% | 9.19% |
| Out/(Under) Performing | 2.55% | 0.10% | -1.22% | -0.51% | 1.57% |
| Peer Group Ranking | 11 | 39 | 21 | 16 | 2 |

The Alger Spectra fund outperformed the S&P 500 Growth Index by ~250 bps in the first quarter of 2017, recovering some ground after a disappointing 2016. The fund benefitted from its overweight position and stock selection within the Technology sector. Facebook, which is a top holding for the fund, was up nearly 23.5% in the quarter. Also, shares of Broadcom were up nearly 24.4%. Stock selection within the Healthcare sector also contributed to performance in the quarter. Top detractors during the quarter included names such as Air Products and Chemicals, Qualcomm and Anadarko Petroleum. The fund noted that its overweight to the Technology and Consumer Cyclical sectors benefitted from the current wave of consumer and business confidence. The fund continues to score a 7 and ranks in the second-quartile of its peer group on a risk adjusted returns basis in the trailing three- and five-year periods.

Franklin Utilities R6 (FUFRX)

Fund Score: 8 (Status: Pass)

US Large Cap

The investment seeks capital appreciation and current income.

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

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|---------------|--------------|--------------|--------------|--------------|
| FUFRX | 6.35% | 9.33% | 10.41% | 11.91% | 7.47% |
| MSCI World/Utilities NR USD | 6.51% | 3.95% | 3.86% | 6.52% | 1.35% |
| Out/(Under) Performing | -0.16% | 5.38% | 6.55% | 5.39% | 6.12% |
| Peer Group Ranking | 47 | 40 | 19 | 23 | 8 |

Hennessy Focus Institutional (HFCIX)

Fund Score: 8 (Status: Pass)

US Mid Cap

The investment seeks capital appreciation.

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

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|---------------|---------------|--------------|--------------|---------------|
| HFCIX | 4.60% | 10.21% | 9.35% | 13.42% | 9.11% |
| S&P MidCap 400 Growth TR USD | 5.09% | 19.15% | 9.03% | 12.56% | 9.66% |
| Out/(Under) Performing | -0.48% | -8.94% | 0.32% | 0.86% | -0.55% |
| Peer Group Ranking | 90 | 92 | 8 | 7 | 14 |

Oakmark Equity And Income Investor (OAKBX)

Fund Score: 6 (Status: Pass)

Uncategorized

The investment seeks income and preservation and growth of capital.

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

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|---------------|--------------|--------------|--------------|--------------|
| OAKBX | 4.14% | 14.67% | 5.02% | 8.16% | 6.73% |
| DJ Moderate TR USD | 4.45% | 9.79% | 4.73% | 6.78% | 5.30% |
| Out/(Under) Performing | -0.31% | 4.88% | 0.29% | 1.38% | 1.44% |
| Peer Group Ranking | 39 | 7 | 44 | 25 | 12 |

The Oakmark Equity & Income Fund underperformed the Dow Jones Moderate Index by ~30 bps in the first quarter of 2017. The fund's equity performance outperformed the S&P 500 index by ~100 bps in the first quarter and has returned nearly 17% since the election in November. The fund's equity focus on high-quality, growth-focused names, clearly helped performance. The largest contributors to performance were names such as Oracle, Philip Morris and Bank of America. Detractors included TD Ameritrade, Baker Hughes and Herman Miller. Fund managers noted that there is no common theme or discernable pattern amongst the winners and losers which supports their bottoms-up stock picking approach. Managers did add one new position, Arconic, which was a spin-off from Alcoa. Additionally, they exited three successful positions and sold due to shares exceeding their sell targets. These names included Comerica, Reinsurance Group of America and Rockwell Automation. On the fixed income side, the fund added to its longer dated Treasury position after the Fed raised interest rates. Duration remains low and consistent at 1.61 years and the current yield on the portfolio is about 2.02%. At the end of the quarter, the fund stood at about 55% in equities and 45% in fixed income and cash. The fund continues to score a 6 under our scoring methodology and ranks in the second quartile on a three-year basis for absolute performance versus its peer group. On a five- and ten-year basis, the fund ranks in the first quartile on an absolute performance basis.

Perkins Small Cap Value N (JDSNX)

Fund Score: 8 (Status: Pass)

US Small Cap

The investment seeks capital appreciation.

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

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|--------------|---------------|--------------|---------------|--------------|
| JDSNX | 1.80% | 24.09% | 9.83% | 12.17% | 9.02% |
| Russell 2000 Value TR USD | -0.13% | 29.37% | 7.63% | 12.55% | 6.09% |
| Out/(Under) Performing | 1.93% | -5.29% | 2.20% | -0.37% | 2.93% |
| Peer Group Ranking | 19 | 37 | 3 | 44 | 1 |

Nicholas Limited Edition I (NCLEX)

Fund Score: 7 (Status: Pass)

US Small Cap

The investment seeks to increase the value of the investment over the long-term.

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

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|--------------|---------------|--------------|---------------|--------------|
| NCLEX | 6.17% | 19.50% | 7.04% | 10.42% | 9.08% |
| Russell 2000 Growth TR USD | 5.34% | 23.02% | 6.72% | 12.10% | 8.05% |
| Out/(Under) Performing | 0.83% | -3.53% | 0.32% | -1.68% | 1.03% |
| Peer Group Ranking | 42 | 76 | 29 | 59 | 9 |

Ivy International Core Equity N (IINCX)

Fund Score: 9 (Status: Pass)

Frgn Developd Large Cap

The investment seeks to provide capital growth and appreciation.

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

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|--------------|--------------|--------------|--------------|--------------|
| IINCX | 8.05% | 14.85% | 3.06% | 7.16% | 3.94% |
| MSCI ACWI Ex USA NR USD | 7.86% | 13.13% | 0.56% | 4.36% | 1.35% |
| Out/(Under) Performing | 0.19% | 1.72% | 2.50% | 2.80% | 2.59% |
| Peer Group Ranking | 33 | 7 | 6 | 8 | 6 |

Oppenheimer Developing Markets I (ODVIX)

Fund Score: 7 (Status: Pass)

Frgn Emergng Markets

The investment seeks capital appreciation.

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

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|---------------|---------------|---------------|--------------|--------------|
| ODVIX | 11.07% | 15.68% | 0.04% | 2.51% | 5.34% |
| MSCI EM NR USD | 11.44% | 17.22% | 1.18% | 0.81% | 2.72% |
| Out/(Under) Performing | -0.37% | -1.54% | -1.13% | 1.71% | 2.62% |
| Peer Group Ranking | 63 | 58 | 67 | 23 | 1 |

RidgeWorth Seix Total Return Bond IS (SAMZX)

Fund Score: 6 (Status: Pass)

US Intermed Duration

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

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

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|--------------|--------------|--------------|--------------|--------------|
| SAMZX | 1.13% | 1.58% | 2.86% | 2.45% | 4.85% |
| BBgBarc US Agg Bond TR USD | 0.82% | 0.45% | 2.69% | 2.34% | 4.27% |
| Out/(Under) Performing | 0.31% | 1.14% | 0.18% | 0.11% | 0.58% |
| Peer Group Ranking | 36 | 48 | 25 | 56 | 21 |

Fidelity Advisor Real Estate Income I (FRIRX)

Fund Score: 7 (Status: Pass)

REIT

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

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

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|---------------------------------|--------------|--------------|---------------|---------------|--------------|
| FRIRX | 2.80% | 9.92% | 7.22% | 8.55% | 6.43% |
| FTSE NAREIT Equity REITs TR USD | 1.15% | 3.54% | 10.25% | 9.99% | 4.84% |
| Out/(Under) Performing | 1.64% | 6.38% | -3.03% | -1.43% | 1.59% |
| Peer Group Ranking | 9 | 7 | 89 | 62 | 4 |

Templeton Global Bond R6 (FBNRX)

Fund Score: 8 (Status: Pass)

Global Hedged

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

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

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------------|--------------|---------------|---------------|--------------|--------------|
| FBNRX | 4.68% | 11.63% | 2.81% | 3.94% | 6.98% |
| BBgBarc Global Aggregate TR Hdg USD | 0.45% | 1.09% | 3.61% | 3.43% | 4.32% |
| Out/(Under) Performing | 4.24% | 10.53% | -0.80% | 0.51% | 2.66% |
| Peer Group Ranking | 6 | 2 | 19 | 10 | 1 |

Templeton Global Bond continued its advance in the first quarter with a 4.65% return, outperforming its benchmark, the Bloomberg Barclays Global Aggregate Bond Index which returned 0.45%. The fund also outperformed its peers, ranking in the 7th percentile. The strong performance can be largely attributed to yen and euro depreciation – the fund holds significant short positions in these currencies – and short duration positioning as Treasury rates rose across the curve. First quarter results boosted trailing returns; the fund has outperformed most of its peers over the trailing 1-, 3-, 5-, and 10-year time periods. The fund continues to be positioned for rising rates by maintaining low overall portfolio duration. Templeton Global Bond favors countries with fundamentally undervalued currencies with increasing inflation and healthy growth. Short euro and yen positions have been used to guard against broad-based strengthening of the US dollar, while taking long positions in select emerging market currencies that they view as having attractive long term valuations. The fund has been removed from Watch due to its significant rally over the past two quarters. We will continue to monitor the fund and assess its suitability for an investment menu given the recent volatility in currency markets and their impact on the fund's ability to represent the asset class.

Fresno County Stable Value (fressv)

Fund Score: 9 (Status: Watch)

Liquid Assets

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|---|--------------|--------------|--------------|--------------|-------|
| fressv | 0.50% | 2.05% | 2.13% | 2.20% | |
| BofAML US Treasury Bills 0-3 Mon TR USD | 0.11% | 0.30% | 0.13% | 0.10% | 0.60% |
| Out/(Under) Performing | 0.39% | 1.75% | 2.00% | 2.10% | |
| Peer Group Ranking | 1 | 1 | 1 | 1 | |

Due to the departure of long time manager Cathe Tocher this fund has been placed on Watch.

Great-West Lifetime 2055 Trust (gw2055)

Fund Score: 8 (Status: Watch)

Uncategorized

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|--------------|--------------|--------------|--------------|-------|
| gw2055 | 6.44% | 16.02% | 6.94% | 9.48% | |
| DJ Target 2055 TR USD | 6.26% | 15.62% | 6.10% | 9.29% | 5.84% |
| Out/(Under) Performing | 0.17% | 0.40% | 0.84% | 0.19% | |
| Peer Group Ranking | 17 | 2 | 1 | 23 | |

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

Great-West Lifetime 2045 Trust (gw2045)

Fund Score: 9 (Status: Watch)

Uncategorized

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|--------------|--------------|--------------|--------------|-------|
| gw2045 | 6.23% | 15.89% | 7.08% | 9.63% | |
| DJ Target 2045 TR USD | 6.07% | 15.02% | 5.96% | 9.17% | 5.78% |
| Out/(Under) Performing | 0.16% | 0.87% | 1.12% | 0.46% | |
| Peer Group Ranking | 28 | 2 | 1 | 11 | |

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

Great-West Lifetime 2035 Trust (gw2035)

Fund Score: 8 (Status: Watch)

Uncategorized

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|--------------|--------------|--------------|--------------|-------|
| gw2035 | 5.68% | 14.60% | 6.84% | 9.21% | |
| DJ Target 2035 TR USD | 5.07% | 11.85% | 5.24% | 8.06% | 5.30% |
| Out/(Under) Performing | 0.60% | 2.75% | 1.59% | 1.15% | |
| Peer Group Ranking | 29 | 10 | 1 | 11 | |

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

Great-West Lifetime 2025 Trust (gw2025)

Fund Score: 8 (Status: Watch)

Uncategorized

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|--------------|--------------|--------------|--------------|-------|
| gw2025 | 4.72% | 11.89% | 6.02% | 7.70% | |
| DJ Target 2025 TR USD | 3.50% | 6.96% | 3.94% | 6.00% | 4.66% |
| Out/(Under) Performing | 1.21% | 4.92% | 2.07% | 1.70% | |
| Peer Group Ranking | 20 | 12 | 1 | 24 | |

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

Great-West Lifetime 2015 Trust (gw2015)

Fund Score: 8 (Status: Watch)

Uncategorized

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|--------------|--------------|--------------|--------------|-------|
| gw2015 | 3.78% | 9.36% | 5.21% | 6.21% | |
| DJ Target 2015 TR USD | 2.21% | 3.18% | 2.69% | 3.86% | 4.06% |
| Out/(Under) Performing | 1.57% | 6.18% | 2.52% | 2.36% | |
| Peer Group Ranking | 21 | 18 | 1 | 38 | |

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

Item 10 - Exhibit B

County of Fresno

457 DC Plan



Plan Fee Analysis

County of Fresno
457 DC Plan

13333 SW 68th Parkway, Suite 230
Portland, OR 97223
503.597.1616

County of Fresno 457 DC Plan

Plan Expense Audit

For the Period Ending 03/31/2017

Plan Expense Audit

This comprehensive review provides the plan sponsor with a detailed summary of the expenses associated with their plans. This summary looks at fixed fees; such as annual administration fees or quarterly participant fees, and asset based fees associated with the plan's investment menu. This report also helps plan sponsors fulfill their responsibility of monitoring plan expenses, as well as reconciling all revenue sharing and ensuring it is properly accounted for. Information for this Audit is obtained from the 408(b)(2) or similar notices that the plan's vendor(s) provided Northwest Capital Management, Inc., along with investment information, and the contract between Nationwide and the County of Fresno. A copy of the vendor's fee disclosure can be found in the last section of this analysis.

What is 408(b)(2)?

408(b)(2) is the disclosure the Department of Labor (DOL) has determined that Covered Service Providers will provide to ERISA plan fiduciaries to allow them to better evaluate their arrangements with the service provider to determine that "reasonable" compensation is paid for services. This rule dictates that the Vendor describe the services to be provided and all direct and indirect compensation to be received by the Vendor and its affiliates or subcontractors.

Investment Management Fee (Expense Ratio)

Investment management fee, or the expense ratio, is the costs for an investment company to operate a mutual fund. The operating expenses vary widely, but generally include expenses paid to the fund's investment manager, recordkeeping fees, custodial services, taxes, and legal expenses. The expense ratio is taken out of the fund's assets and lowers the return to a fund's investor. There may be additional fees associated with mutual funds such as loads, redemption fees, and trading fees, which are not considered in the expense ratio.

Revenue Sharing

Revenue Sharing is a portion of the Investment Management Fee (Expense ratio) that gets shared back to recordkeepers for providing certain administrative and record keeping services. Revenue sharing can take many form. The most common forms are: 12b-1 fees, sub-transfer agency fees, and finder's fee.

Plan Sponsor Acknowledgement:

The Plan Sponsor acknowledges receipt and review of the materials provided in this Audit. Further, the Plan Sponsor has determined that the fees for services provided are reasonable based on the information provided by the Vendor.

County of Fresno 457 DC Plan

| | | |
|-----------------------|--|------------------|
| Plan Summary | | |
| Plan Assets | | \$222,403,049.05 |
| Participants (Active) | | 5144 |

| | | |
|-----------------------------------|---------------|----------------------|
| ^Required Vendor Fees | 0.19% | \$422,565.79 |
| Revenue sharing | 0.01% | \$14,721.25 |
| Participant Credit/Deficit | -0.18% | -\$407,844.54 |

Additional Fees* Breakdown

| | | |
|------------------------|--------------|--------------------|
| Loan Fees | 0.02% | \$35,326.29 |
| Managed Account Fees | 0.01% | \$32,148.43 |
| Other Fees | 0.00% | \$755.49 |
| Additional Fees | 0.03% | \$68,230.21 |

Total Fee Dispersion

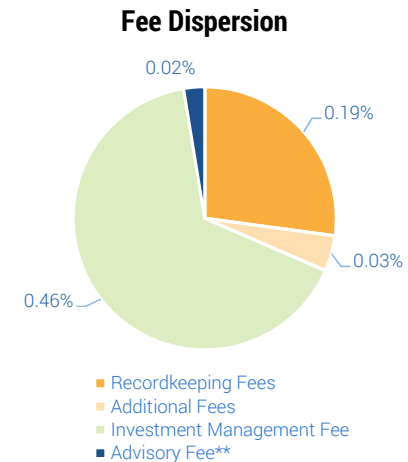
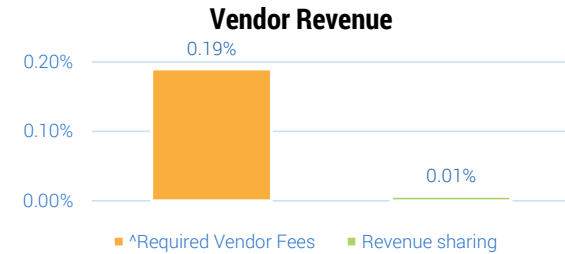
| | | |
|---------------------------|--------------|-----------------------|
| Recordkeeping Fees | 0.19% | \$422,565.79 |
| Additional Fees | 0.03% | \$68,230.21 |
| Investment Management Fee | 0.46% | \$1,026,270.36 |
| Advisory Fee** | 0.02% | \$40,000.00 |
| Annualized Fees | 0.70% | \$1,557,066.36 |

^Required revenue is contracted as a 19 basis point charge on plan assets in addition to participant initiated fees such as distributions and loans; these fees are included separately and as defined below.

*Additional Fees include loan fees, managed account fees, and other fees (overnight and short term trade fees).

**Advisory Fee is not included in Vendor's 408(b)(2), but is provided in order for the plan sponsor to access the plans fees in it's entirety.

Summary of Plan Expenses As of 03/31/2017



Annualized Fee Review

Data as of 03/31/2017

| Fund Name | Ticker | Plan Assets | Expense Ratio | Total Revenue Sharing | Investment Management Expense |
|--|--------|------------------|----------------|-----------------------|-------------------------------|
| Alger Spectra Z | aspzx | \$36,908,540.41 | 1.04% | 0.00% | 1.04% |
| Columbia Dividend Income Y | cddyx | \$12,383,039.24 | 0.59% | 0.00% | 0.59% |
| Blackrock Equity Index Fund M | 02cff1 | \$42,589,580.57 | 0.02% | 0.00% | 0.02% |
| Hennessy Focus Funds Institutional | hfcix | \$4,904,486.18 | 1.12% | 0.10% | 1.02% |
| Blackrock Mid Cap Equity Index - Fund M | 03cff2 | \$8,374,464.80 | 0.05% | 0.00% | 0.05% |
| Nicholas Limited Edition I | nclex | \$5,375,328.33 | 0.86% | 0.00% | 0.86% |
| Perkins Small Cap Value N | jdsnx | \$1,824,991.04 | 0.89% | 0.00% | 0.89% |
| Blackrock Russell 2000 Index Fund M | 03cff3 | \$2,621,140.37 | 0.06% | 0.00% | 0.06% |
| Ivy International Core Equity R6 | iincx | \$9,433,446.34 | 0.83% | 0.00% | 0.83% |
| Blackrock Eafe Equity Index Fund T | 10cff5 | \$1,684,107.61 | 0.12% | 0.00% | 0.12% |
| Oppenheimer Developing Markets I | odvix | \$1,031,675.11 | 0.88% | 0.00% | 0.88% |
| RidgeWorth Seix Total Return Bond IS | samzx | \$3,129,029.16 | 0.31% | 0.00% | 0.31% |
| Templeton Global Bond R6 | fbnrx | \$977,205.49 | 0.53% | 0.00% | 0.53% |
| Blackrock US Debt Index Fund W | 04cff4 | \$3,160,189.36 | 0.05% | 0.00% | 0.05% |
| County Of Fresno Stable Value Fund | fressv | \$64,182,579.26 | 0.35% | 0.00% | 0.35% |
| Fidelity Advisor Real Estate Income Inst | frirx | \$1,166,080.91 | 0.77% | 0.25% | 0.52% |
| Oakmark Equity & Income I | oakbx | \$2,300,520.91 | 0.75% | 0.30% | 0.45% |
| Franklin Utilities R6 | fufrx | \$4,007,249.97 | 0.47% | 0.00% | 0.47% |
| Great-West Lifetime 2015 Trust | c15mzr | \$2,613,207.44 | 0.47% | 0.00% | 0.47% |
| Great-West Lifetime 2025 Trust | c25mzr | \$5,571,667.90 | 0.47% | 0.00% | 0.47% |
| Great-West Lifetime 2035 Trust | c35mzr | \$4,185,503.05 | 0.47% | 0.00% | 0.47% |
| Great-West Lifetime 2045 Trust | c45mzr | \$2,893,770.71 | 0.47% | 0.00% | 0.47% |
| Great-West Lifetime 2055 Trust | c55mzr | \$1,085,244.89 | 0.47% | 0.00% | 0.47% |
| Weighted Average | | | 0.47% | 0.01% | 0.46% |
| Total | | \$222,403,049.05 | \$1,040,991.61 | \$14,721.25 | \$1,026,270.36 |

Annualized estimates are generally based on March 31, 2017 data. Projections are annualized over a 12-month period and may not match amounts billed to plan sponsor or debited from participant accounts.

Fresno County Fee Disclosure Summary

Effective 12/31/16 on 4th Quarter balance of \$212,331,316

The following are the main categories of the fees that correspond to the products and services in the retirement plan. We encourage the plan sponsor to review these fees to determine if the plan costs are in the best interest of the plan and participants.

Investment Gross Expense Fees

Investment Gross expense fees cover the operating expenses and management of the mutual funds and other investments within retirement products.

Asset Fees

Asset fees cover Nationwide's and the Plan Sponsor's day-to-day administration services, including access to investment options, access to customer service for your participants, recordkeeping and more.

Loan Fees

Loan fees will only be applicable to plans that allow participant loans. Nationwide charges a fee directly to any participant who opts to take a plan loan. This will include loans that participants take against their account balance prior to retirement or severance of service.

Managed Account Fees

Managed Account fees will only be applicable to plans that choose to utilize the services of Nationwide Investment Advisors, LLC. NIA charges a fee directly to any participant who elects to use the ProAccount service.

Other Fees

There may be additional fees that are associated with specific products, features and/or services the retirement plan. These can be found in the Plan's individual contracts.

| Summary of Fees | Total Estimated Expense |
|-------------------------------|-------------------------|
| Investment Gross Expense Fees | \$995,664.23 |
| Asset Fees | \$405,329.50 |
| Loan Fees | \$35,326.29 |
| Managed Account Fees | \$32,148.43 |
| Other Fees | \$755.49 |
| Total Fees | \$1,469,223.94 |

Fresno County Fee Disclosure Detail

| Investment option | Annual Asset Fee % | Estimated Annual Asset Fee Paid | Investment Gross Expense % | Estimated Inv Gross Expense fee paid Annually | NW Admin Reimb. from IP % | Estimate NW Admin Reimbursement Paid from IP Annually |
|---|--------------------|---------------------------------|----------------------------|---|---------------------------|---|
| Alger Spectra Fund- Class Z | 0.19% | \$66,249.24 | 1.04% | 362,627.41 | 0.00% | \$0.00 |
| BlackRock EAFE Equity Index Fund T | 0.19% | \$2,628.99 | 0.12% | 1,660.41 | 0.00% | \$0.00 |
| BlackRock Equity Index Fund M | 0.19% | \$77,531.77 | 0.02% | 8,161.24 | 0.00% | \$0.00 |
| BlackRock Mid Cap Equity Index Fund M | 0.19% | \$14,547.97 | 0.05% | 3,828.41 | 0.00% | \$0.00 |
| BlackRock Russell 2000 Index M | 0.19% | \$4,138.62 | 0.06% | 1,306.93 | 0.00% | \$0.00 |
| BlackRock US Debt Index Fund W | 0.19% | \$5,326.98 | 0.05% | 1,401.84 | 0.00% | \$0.00 |
| Columbia Dividend Income Fund- Class Y | 0.19% | \$21,788.76 | 0.59% | 67,659.83 | 0.00% | \$0.00 |
| Fidelity Advisor Real Estate Income Fund- Institutional Class | 0.19% | \$2,228.70 | 0.77% | 9,032.09 | 0.25% | \$2,620.86 |
| Franklin Utilities Fund- Class R6 | 0.19% | \$7,675.96 | 0.47% | 18,987.90 | 0.00% | \$0.00 |
| Fresno County Stable Value Fund | 0.19% | \$122,158.32 | 0.35% | 225,028.49 | 0.00% | \$0.00 |
| Great-West Lifetime 2015 Trust | 0.19% | \$5,105.79 | 0.47% | 12,630.11 | 0.00% | \$0.00 |
| Great-West Lifetime 2025 Trust | 0.19% | \$10,028.11 | 0.47% | 24,806.39 | 0.00% | \$0.00 |
| Great-West Lifetime 2035 Trust | 0.19% | \$7,148.09 | 0.47% | 17,682.11 | 0.00% | \$0.00 |
| Great-West Lifetime 2045 Trust | 0.19% | \$4,992.21 | 0.47% | 12,349.15 | 0.00% | \$0.00 |
| Great-West Lifetime 2055 Trust | 0.19% | \$1,776.68 | 0.47% | 4,394.93 | 0.00% | \$0.00 |
| Hennessy Focus Fund Institutional Class | 0.19% | \$9,700.93 | 1.12% | 57,184.44 | 0.10% | \$5,806.78 |
| Ivy International Core Equity Fund- Class R6 | 0.19% | \$16,839.74 | 0.83% | 73,563.07 | 0.00% | \$0.00 |
| Loan Outstanding Principal Balance | 0.00% | \$0.00 | 0.00% | 0.00 | 0.00% | \$0.00 |
| Nicholas Limited Edition Fund- Institutional Class | 0.19% | \$9,951.16 | 0.86% | 45,042.11 | 0.00% | \$0.00 |
| Oakmark Equity and Income Fund (The)- Class I | 0.19% | \$3,955.97 | 0.75% | 15,615.68 | 0.30% | \$6,543.82 |
| Oppenheimer Developing Markets I | 0.19% | \$1,264.33 | 0.88% | 5,855.84 | 0.00% | \$0.00 |
| Perkins Small Cap Value Fund - Class N | 0.19% | \$2,743.58 | 0.89% | 12,851.50 | 0.00% | \$0.00 |
| RidgeWorth Total Return Bond Fund - IS Shares | 0.19% | \$6,096.87 | 0.31% | 9,947.53 | 0.00% | \$0.00 |
| Templeton Global Bond Fund - Class R6 | 0.19% | \$1,450.75 | 0.53% | 4,046.82 | 0.00% | \$0.00 |
| Total | | \$405,329.50 | | \$995,664.23 | | \$14,284.52 |

| Loan Fees | Estimated Expense |
|---------------------------------|--------------------|
| Annual Loan Fee | \$16,425.00 |
| Loan Default Fee | \$2,526.29 |
| ACH Loan Insufficient Funds Fee | \$1,625.00 |
| Loan Initiation Fee | \$14,750.00 |
| Total Loan Fees | \$35,326.29 |

| Managed Account Fees | Estimated Expense |
|-----------------------------------|--------------------|
| Scheduled Managed Account Fee | \$31,427.25 |
| Transactional Managed Account Fee | \$721.18 |
| Total Managed Account Fees | \$32,148.43 |

| Other Fees | Expense |
|-------------------------|-----------------|
| Overnight Fee | \$725.00 |
| Short Term Trade Fee | \$30.49 |
| Total Other Fees | \$755.49 |

The information provided in this document has been collected from sources that are deemed to be reliable. However, its accuracy cannot be guaranteed. Errors and omissions can occur. None of the information constitutes a recommendation by Nationwide or solicitation of an offer to buy or sell any securities. Except as otherwise provided by law or regulation, this information shall be treated as confidential, non-public information and shall not be disclosed by the Employer or its agent to any third party other than the plan or plan sponsor, any party providing services to the plan sponsor, or plan participants and beneficiaries without prior written consent of Nationwide.

Item 10 - Exhibit C

Fiduciary Checklist

| Action Items | Documentation | Fiduciary Briefcase | Comments |
|--|--|--|--|
| Selecting and Monitoring Fiduciaries | Documenting Fiduciaries, Consultants & Service Providers | <input checked="" type="checkbox"/> Yes | |
| | Retirement Committee Charter | <input checked="" type="checkbox"/> Yes | |
| | Committee Fiduciary Education | <input checked="" type="checkbox"/> Yes | |
| Identifying and Monitoring Parties in Interest | Documenting Parties in Interest | <input type="checkbox"/> Yes | Initiative for Q3 report meeting |
| | Conduct Committee Meetings (2-4/year) | <input checked="" type="checkbox"/> Yes | |
| Selecting and Monitoring Service Providers | Selecting and Monitoring: | | Service agreement completed for 8/16 meeting |
| | • Consultants | <input checked="" type="checkbox"/> Yes | |
| | • Plan Providers | <input checked="" type="checkbox"/> Yes | |
| | Service Provider Agreement Review | <input checked="" type="checkbox"/> Yes | |
| Understanding and Documenting Fees and Expenses | Annual Fee Reconciliation Report | <input checked="" type="checkbox"/> Yes | Fee review included with 2017 Q1 report. |
| Selecting and Monitoring Plan Investments | Investment Policy Statement | <input checked="" type="checkbox"/> Yes | Target Dates and Stable Value under review due to manager change; Stable Value review included with 2017 Q1 report. |
| | Investment Scorecard™ | <input checked="" type="checkbox"/> Yes | |
| | Target Date Fund Review | <input checked="" type="checkbox"/> Yes | |
| Maintaining a Fiduciary File | Organizing Your Fiduciary File Checklist | <input checked="" type="checkbox"/> Yes | |
| | Maintain Fiduciary Practices Procedures | <input checked="" type="checkbox"/> Yes | |
| Minimizing Risk: Fidelity Bond & Fiduciary Insurance | Fiduciary Insurance Copy of Policy | <input checked="" type="checkbox"/> Yes | |
| Plan Demographic and Document Review | Plan Document Review | <input type="checkbox"/> Yes | Nationwide now provides a fee disclosure to the PS but currently not to PP. Should be available late 17 or early 18. |
| | 408(b)(2) Disclosure | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> N/A | |
| | 404(a)(5) Disclosure (pending) | <input type="checkbox"/> Yes <input type="checkbox"/> N/A | |
| Regulatory Update | Executive Regulatory Summary | <input checked="" type="checkbox"/> Yes | Provided quarterly |

Item 10 - Exhibit D

County of Fresno 457 DC Plan Watch List

As of: 3/31/2017

Current Lineup Status

| Asset Class | | Current Status | Placed On Watch |
|--------------------------|--------------------------------------|----------------|-----------------|
| US Large Cap | | | |
| aspzx | Alger Spectra Z | Pass | - |
| cddyx | Columbia Dividend Income Y | Pass | - |
| 02cff1 | Blackrock Equity Index Fund | Index | - |
| US Mid Cap | | | |
| hfcix | Hennessy Focus Funds Institutional | Pass | - |
| 03cff2 | Blackrock Mid Cap Equity Index Fund | Index | - |
| US Small Cap | | | |
| nclex | Nicholas Limited Edition I | Pass | - |
| jdsnx | Perkins Small Cap Value N | Pass | - |
| 03cff3 | Blackrock Russell 2000 Index Fund | Index | - |
| Foreign Stocks | | | |
| iincx | Ivy International Core Equity R6 | Pass | - |
| odvix | Oppenheimer Developing Markets I | Pass | - |
| 10cff5 | Blackrock Eafe Equity Index Fund | Index | - |
| Fixed Income | | | |
| samzx | RidgeWorth Seix Total Return Bond IS | Pass | - |
| fbnrx | Templeton Global Bond R6 | Pass | - |
| 04cff4 | Blackrock US Debt Index Fund | Index | - |
| Specialty Options | | | |
| frirx | Fidelity AdvisorReal Estate Income I | Pass | - |
| fufrx | Franklin Utilities R6 | Pass | - |
| oakbx | Oakmark Equity & Income I | Pass | - |
| fressv | County Of Fresno Stable Value Fund | Watch | 2017 - Q1 |
| Target Date | | | |
| c15mzr | Great-West Lifetime 2015 Trust | Watch | 2017 - Q1 |
| c25mzr | Great-West Lifetime 2025 Trust | Watch | 2017 - Q1 |
| c35mzr | Great-West Lifetime 2035 Trust | Watch | 2017 - Q1 |
| c45mzr | Great-West Lifetime 2045 Trust | Watch | 2017 - Q1 |
| c55mzr | Great-West Lifetime 2055 Trust | Watch | 2017 - Q1 |

Watch List History

| All Investments | | Current Status | Placed On Watch | Removed From Watch |
|-----------------|-------------------------------------|----------------|-----------------|--------------------|
| fbnrx | Templeton Global Bond R6 | In Plan | 2016 - Q2 | 2017 - Q1 |
| scblx | RidgeWorth Seix Total Return Bond R | In Plan | 2013 - Q4 | 2015 - Q2 |
| nnlex | Nicholas Limited Edition N | In Plan | 2013 - Q4 | 2015 - Q2 |
| gsftx | Columbia Dividend Income Z | In Plan | 2013 - Q4 | 2014 - Q4 |
| oakbx | Oakmark Equity And Income Investor | In Plan | 2012 - Q1 | 2012 - Q3 |
| segsx | Sentinel Government Securities A | Removed | 2014 - Q2 | 2015 - Q2 |
| jmcvx | Perkins Mid Cap Value T | Removed | 2013 - Q4 | 2015 - Q2 |
| msiix | MainStay International Equity I | Removed | 2012 - Q4 | 2015 - Q2 |
| paxix | Pax Balanced Institutional | Removed | 2012 - Q4 | 2013 - Q2 |
| gtavx | Invesco Mid Cap Core Equity R5 | Removed | 2012 - Q1 | 2013 - Q2 |
| jmvax | Perkins Mid Cap Value I | Removed | 2012 - Q1 | 2012 - Q3 |
| nbgmx | Neuberger Berman Genesis Inv | Removed | 2012 - Q1 | 2012 - Q3 |
| sdgtx | Deutsche Capital Growth I | Removed | 2012 - Q1 | 2012 - Q3 |
| chtvx | Invesco Charter Fund R5 | Removed | 2012 - Q1 | 2012 - Q3 |

Item 10 - Exhibit E

Great-West Financial Stable Value Separate Account Manager Change Memo March 2017

Introduction

This memo outlines the information we currently have regarding the manager change for the Great-West Financial Stable Value Separate Account Fund. Early in March 2017, Great-West representatives informed NWCM that Cathe Tocher, Senior Vice President and Chief Investment Officer, Separate Accounts, was leaving the firm in June. Ms. Tocher has been with Great-West Financial since 1986 and was appointed CIO in 2013. In her place, Jack Brown, Vice President of Separate Accounts, Portfolio Manager, will assume the lead role on the Stable Value Separate Account funds. Mr. Brown joined Great-West in October 2015. He previously was Portfolio Manager for Oppenheimer Funds where he managed their High Yield products. NWCM had a chance to meet with Jack Brown and other Great-West representatives after the announcement.

Background on Jack Brown

Mr. Brown was hired by Ms. Tocher in October 2015 from Oppenheimer Funds, where he spent 20 years helping manage their Total Return and Capital Preservation Strategies as well as being the lead PM on the High Yield Strategy. Mr. Brown's background in credit was desirable and helped fill a hole in the Stable Value process Ms. Tocher developed. Prior to Ms. Tocher's announced departure, Mr. Brown was the leader of day-to-day management of the Stable Value separate accounts and collective trust portfolios. Great-West representatives cite that leveraged finance investors share a commonality in disciplined risk management. Specifically, they note that a focus on capital preservation and avoiding bad credits has been part of Mr. Brown's process prior to him joining Great-West and will be critical when economic cycles turn.

Current State of Stable Value Account

In Q4'16 a drop in the market-to-book value was realized. Great-West cites that this was due to the period from November 6th, 2016 (immediately prior to the election) to December 31st, 2016 when mortgage durations extended by 1.5 years as interest rates spiked. Yields on treasuries spiking nearly 80 bps post-election causing the dollar prices of Mortgage-backed Securities (MBS) to decline was the primary contributor for the fall in the market-to-book ratio of the product.

Fresno Great-West Stable Value Account Portfolio Analytics:

| | 6/30/2016 | 9/30/2016 | 12/31/2016 | 2/28/2017 | Q2 17 |
|----------------------|------------------|------------------|-------------------|------------------|--------------|
| MV/BV | 100.20% | 101.90% | 99.70% | 99.90% | |
| Net Credited Rate | 2.10% | 2.10% | 2.00% | 2.00% | 2.00% |
| 3 Year U.S. Treasury | 0.69% | 0.88% | 1.45% | 1.52% | |
| 5 Year U.S. Treasury | 1.00% | 1.15% | 1.93% | 1.93% | |

Source: Great-West Financial Presentation to NWCM March 2017

Mr. Brown noted that Great-West has made a conscious decision to have a meaningful allocation to MBS. It gives the managers flexibility to structure cash flows across different market conditions. They believe that this flexibility may not exist in other asset classes.

Below is the current portfolio composition followed by the composition at the end of 2016.

Fresno Custom Stable Value Portfolio Composition as of 02/28/2017

| 2/28/17 | Fresno | GGF Composite Duration | Benchmark | Benchmark Duration |
|------------------------------|---------------------|---------------------------|--------------|-----------------------|
| Sector Weightings: | | | | |
| Agency | 1.2% | 3.3 | 0.0% | 0.0 |
| MBS | 46.1% | 3.5 | 55.0% | 3.7 |
| 30 year | 15.5% | 3.3 | 0.0% | 0.0 |
| 20 year | 11.7% | 3.9 | 0.0% | 0.0 |
| 15 year | 17.8% | 3.6 | 55.0% | 3.7 |
| 10 year | 1.0% | 2.1 | 0.0% | 0.0 |
| CMO | 6.9% | 3.1 | 0.0% | 0.0 |
| CMO Agency | 4.1% | 3.3 | 0.0% | 0.0 |
| CMO Non-Agency | 2.9% | 2.9 | 0.0% | 0.0 |
| Corporate Bonds | 28.4% | 3.5 | 35.0% | 2.8 |
| Finance | 5.9% | 3.3 | 14.2% | 2.8 |
| Banks | 5.1% | 3.7 | 11.4% | 2.8 |
| REITs | 0.0% | 0.0 | 0.7% | 3.0 |
| Other | 0.8% | 1.0 | 2.1% | 2.8 |
| Industrial | 20.2% | 3.5 | 19.0% | 2.8 |
| Communication | 3.3% | 3.7 | 2.2% | 2.9 |
| Consumer Cyclical | 3.2% | 2.1 | 2.8% | 2.8 |
| Consumer Non Cyclical | 6.9% | 3.7 | 5.1% | 2.8 |
| Energy | 1.2% | 3.2 | 2.8% | 2.6 |
| Industrial | 3.6% | 4.2 | 1.9% | 2.7 |
| Materials | 0.0% | 0.0 | 1.0% | 3.0 |
| Technology | 1.5% | 3.4 | 2.9% | 3.0 |
| Transportation | 0.5% | 2.7 | 0.4% | 2.7 |
| Utility | 2.3% | 3.7 | 1.8% | 2.5 |
| CMBS | 12.7% | 3.1 | 10.0% | 5.4 |
| CMBS Agency | 8.0% | 3.3 | 3.8% | 5.0 |
| CMBS Non-Agency | 4.7% | 2.8 | 6.2% | 5.6 |
| ABS | 3.8% | 1.7 | 0.0% | 0.0 |
| Auto | 2.3% | 1.2 | 0.0% | 0.0 |
| Credit Card | 0.9% | 2.2 | 0.0% | 0.0 |
| Home Equity | 0.6% | 3.0 | 0.0% | 0.0 |
| MMKT | 0.8% | 0.0 | 0.0% | 0.0 |
| Credit Quality | AA | | AA | |
| Weighted Average Life | 4.0 | | 4.1 | |
| Effective Duration | 3.3 | | 3.6 | |
| Effective Convexity | -0.5 | | -0.2 | |
| Yield To Maturity | 2.34 | | 2.29 | |
| Total AUM | \$64,265,080 | | | |

*Customized benchmark based on IPS constraints: 55% 15 yr MBS / 10% CMBS / 35% Corp 1-5

Source: Great-West Financial Presentation to NWCM March 2017

Fresno Custom Stable Value Portfolio Composition as of 12/31/2016

| 12/31/16 | GGF Composite | | Benchmark | |
|------------------------------|---------------------|------------|--------------|------------|
| | Fresno | Duration | Benchmark | Duration |
| Sector Weightings: | | | | |
| Agency | 1.6% | 4.4 | 0.0% | 0.0 |
| MBS | 44.5% | 3.6 | 55.0% | 3.7 |
| 30 year | 16.1% | 3.3 | 0.0% | 0.0 |
| 20 year | 12.6% | 4.0 | 0.0% | 0.0 |
| 15 year | 14.7% | 3.5 | 55.0% | 3.7 |
| 10 year | 1.1% | 2.2 | 0.0% | 0.0 |
| CMO | 7.2% | 3.1 | 0.0% | 0.0 |
| CMO Agency | 4.2% | 3.3 | 0.0% | 0.0 |
| CMO Non-Agency | 3.0% | 2.9 | 0.0% | 0.0 |
| Corporate Bonds | 26.2% | 3.5 | 35.0% | 2.7 |
| Finance | 5.6% | 3.4 | 14.4% | 2.7 |
| Banks | 4.8% | 3.7 | 11.6% | 2.7 |
| REITs | 0.0% | 0.0 | 0.7% | 2.9 |
| Other | 0.8% | 1.1 | 2.1% | 2.8 |
| Industrial | 18.3% | 3.6 | 18.8% | 2.8 |
| Communication | 1.6% | 3.9 | 2.4% | 2.8 |
| Consumer Cyclical | 2.4% | 2.0 | 2.7% | 2.8 |
| Consumer Non Cyclical | 7.3% | 3.7 | 5.0% | 2.8 |
| Energy | 1.2% | 3.3 | 2.8% | 2.6 |
| Industrial | 3.6% | 4.3 | 1.9% | 2.8 |
| Materials | 0.0% | 0.0 | 0.9% | 2.9 |
| Technology | 1.5% | 3.6 | 2.7% | 3.0 |
| Transportation | 0.6% | 2.4 | 0.4% | 2.7 |
| Utility | 2.4% | 3.8 | 1.8% | 2.6 |
| CMBS | 12.9% | 3.2 | 10.0% | 5.4 |
| CMBS Agency | 8.1% | 3.4 | 3.8% | 5.0 |
| CMBS Non-Agency | 4.8% | 2.9 | 6.2% | 5.7 |
| ABS | 3.9% | 1.9 | 0.0% | 0.0 |
| Auto | 2.3% | 1.4 | 0.0% | 0.0 |
| Credit Card | 0.9% | 2.4 | 0.0% | 0.0 |
| Home Equity | 0.6% | 3.0 | 0.0% | 0.0 |
| MMKT | 3.7% | 0.0 | 0.0% | 0.0 |
| Credit Quality | AA+ | | AA | |
| Weighted Average Life | 4.0 | | 4.0 | |
| Effective Duration | 3.3 | | 3.6 | |
| Effective Convexity | -0.5 | | -0.2 | |
| Yield To Maturity | 2.32 | | 2.36 | |
| Total AUM | \$64,030,436 | | | |

*Customized benchmark based on IPS constraints: 55% 15 yr MBS / 10% CMBS / 35% Corp 1-5

Source: Great-West Financial Presentation to NWCM March 2017

Changes in the portfolio composition since the end of the calendar year (12/31/2016) include the following:

- Credit quality has declined to AA from AA+
- MBS as a percentage of the overall portfolio has increased (46.1% vs. 44.5%); the corresponding duration has declined slightly (3.5 years vs. 3.6 years)
- Yield-to-Maturity increased slightly (2.34% vs. 2.32%)
- Reduced MMKT cash (0.8% vs. 3.7%)
- Added to corporate bonds (specifically in higher yielding sectors such as Communications)

Conclusion:

A change in the investment management team of any product is always an important factor in determining the suitability of that product. The change can correspond with changes in investment philosophy, buy and sell decisions, and team cohesiveness. For a product following a custom investment policy, these changes can be even more meaningful depending on the manager's personal strategic influences in the product. The replacement of Cathe Tocher with Jack Brown as the manager of the County of Fresno's custom stable value product gives some cause for concern given Mr. Brown's lack of stable value experience. Despite his lack of experience with stable value mandates, Mr. Brown has a strong fixed income background. His most recent dedication was to low-quality issues in a high yield mandate, and despite being a stark difference from the high-quality portfolio he is currently managing, gives evidence to his capability of working in a credit-oriented / risk management portfolio. Additional work with Total Return and Capital Preservation Strategies shows that outside of his niche in high-yield, Mr. Brown is a capable manager.

In addition to the change in management, the product has seen a slight drop in its market-to-book ratio that also adds some level of pause. These same factors may have played out similarly under Ms. Tocher's management given the sudden changes in market conditions due to U.S. elections and the resulting uncertain regulatory environment that ensued.

NWCM believes the County has two prudent and acceptable options to consider for moving forward:

1. **Continue to closely monitor the current stable value product to ensure that its new manager continues to manage the product in a prudent and policy compliant manner; or**
2. **Instruct NWCM to conduct a stable value manager search for suitable stable value replacement.**

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