

**CITY OF TORRANCE**  
**DEFERRED COMPENSATION PLAN COMMITTEE**  
SEPTEMBER 1, 2011 MEETING MINUTES

**Members Present:** Ms. Dana Cortez – City Treasurer  
Mr. Eric Tsao – Finance Director  
Mr. John Fellows – City Attorney  
Ms. Mary Giordano – Assist. City Manager

**Guests:** Ms. Usha Archer and Ms. Carol Say – Great-West Retirement Services

**Committee Consultants:** Mr. John Campbell and Ms. Rachel Fequiere - Benefit Funding Services Group  
("BFSG")

**CALL TO ORDER**

A special meeting of the Deferred Compensation Committee (the "Committee") was called to order by Dana Cortez on September 1, 2011 at 10:30 am. The meeting was intended to review the second quarter 2011 City of Torrance Deferred Compensation Plans (the "Plans") performance report prepared by BFSG as well as items noted on the meeting agenda.

**INVESTMENT MEETING**

**I. APPROVAL OF JUNE 1, 2011 MEETING MINUTES**

A motion was made to approve the minutes. The motion was seconded and unanimously voted as approved.

**II. RETIREMENT PLAN QUARTERLY INVESTMENT REVIEW**

Mr. Campbell reviewed the BFSG Retirement Plan Quarterly Investment Review, which was distributed at the meeting. The review included a discussion on the current state of the economy as well as the funds and Plan performance for the quarter ending June 30, 2011. Overall, the 457 Plan A and 401(a) Plans had seven funds ranked as "outperform," four funds ranked as "perform," and one fund ranked as "underperform," per the Investment Policy Statement ("IPS") methodology. The average ranking was reported as 24, and the weighted ranking was reported as 22; both of which are considered "outperform."

Each fund offered in the Plans was discussed. Noteworthy funds for the quarter included the Torrance Stable Value fund, which continues to hold approximately 49% of the Plans' assets, currently has a market-to-book of 103, has a slightly higher duration than other stable value funds (which may subject it to interest rate risk should interest rates rise), and is performing well; Dodge and Cox Income and PIMCO Total Return, which both maintain a higher percentage of corporate paper as compared to the Barclay's Aggregate Bond Index, causing them to lag the index; Dodge and Cox Stock, which posted short-term improved performance, though still lags on a 3- and 5-year basis due to an overweighing in financials in 2008; Fundamental Investors, which is more value-oriented than its peers and has more exposure to foreign equity, resulting in some short-term lagging performance; Fidelity Adv Leveraged Stock, which has struggled since 2008 as leveraged stocks significantly suffered that year; Prudential Jennison Small Company, which tends to perform better in down markets due to its value-oriented style; and AllianceBernstein International Growth, which has experienced multiple manager changes, buys more expensive growth-oriented stocks, has a lower market cap than its peers, and has continued to struggle since 2008.

Due to the change in management and volatility with AllianceBernstein International Growth fund, BFSG proposed placing it on the Watch List. Further, BFSG will present a fund search consisting of other growth-oriented international funds for the Committee's consideration at the December 1<sup>st</sup> meeting.

The Committee discussed overall portfolio construction. Mr. Campbell noted that the Plans' line-up currently provides for more upward potential and less down side protection. As funds are added to the Plans in the future, consideration will be made towards adding a few more conservative options.

Overlap in the Plans was reported as marginal, with only two funds (Growth Fund of America and Fundamental Investors) demonstrating notable overlap. Mr. Campbell advised that the slight overlap is not concerning.

The Part-Time (3121) Plan was reviewed along with a recap of the proposed fund changes discussed at the June 1<sup>st</sup> meeting.

### **III. PART TIME (3121) PLAN FUND CHANGES – STATUS UPDATE**

So that all proposed fund and expense ratio share class changes could be made at the same time, the Part-Time Plan fund changes agreed upon at the June 1<sup>st</sup> meeting were pending review/comment by Great West with respect to the expense ratio reductions in the Full-Time Plan. Ms. Archer advised that the requested Part-Time Plan fund changes and Full-Time Plan expense ratio reductions had all been approved by Great West.

With respect to the Blackrock index funds changes that had been briefly discussed at the June 1<sup>st</sup> meeting, the Committee agreed that no changes were warranted at this time.

A motion was made to approve the fund and expense ratio changes. The motion was seconded and unanimously voted as approved.

December 1<sup>st</sup> was agreed upon as the target effective date. Ms. Archer will work on providing the required paperwork and having draft employee notices sent to Ms. Cortez for review, approval, and execution.

### **Administrative Meeting**

### **IV. REVENUE SHARING ACCOUNT USAGE: CONSIDERATIONS – UPDATE (GREAT WEST)**

The Committee discussed the impact to the Trust Reimbursement Account ("TRA") as a result of the agreed upon expense ratio changes. It was noted that the expense ratio changes would substantially reduce the TRA credit; however, participants would benefit from the lower expense ratio offerings. Additionally, monies would continue to be credited to the TRA as Plan assets increased. Monies credited to the TRA going forward would continue to be used towards employee education and other plan-related expenses.

Ms. Archer reviewed some proposed employee communication materials that the Committee may choose to implement using TRA monies. Communications included a possible "e-merical" as well as a financial planning seminar luncheon geared towards City employees in their 30-40's. The Committee asked that samples of the materials be provided, including seminar bullet points and invites.

### **V. GREAT WEST REPORT**

Ms. Archer reviewed the Plan statistics. Her review included a discussion on Plan participation, average contributions, average account balance by age group, disbursements, loans, and asset allocation. She also provided an update on a new Great West "Puzzle" marketing campaign to help boost participation and deferral amounts.

### **VI. DISCUSSION ITEMS**

Ms. Archer summarized the Roth 457 provisions. She noted there was no charge to the City to make the feature available in the Plans. After discussion, a motion was made, seconded and unanimously voted as approved to add Roth 457 to the Plans effective December 1<sup>st</sup>.

Ms. Archer committed to having the necessary paperwork drafted for Ms. Cortez to review, approve, and execute.

### **VII. ADJOURNMENT**

The Deferred Compensation Committee meeting adjourned at 12:35 pm.

# Fund Performance Summary – 457 Plan A and 401(a) Plans

6/30/2011

| Investment Option / Benchmark           | Category          | Weight | 3 Month | YTD  | 1 Year | 3 Year       | 5 Year      | 10 Year     | Expense Ratio |
|---|-------------------|--------|---------|------|--------|--------------|-------------|-------------|---------------|
| Torrence Stable Value                   | Fixed             | 48.94% | 0.92    | 1.84 | 3.72   | 4.07         | 4.32        | N/A         | 0.44          |
| Great West Guaranteed Certificate       |                   | 0.01%  | N/A     | N/A  | N/A    | N/A          | N/A         | N/A         |               |
| Cat: Stable Value                       |                   |        | 0.56    | 1.14 | 2.48   | 2.88         | 3.39        | 3.86        |               |
| Dodge & Cox Income                      | Intermediate Bond | 0.76%  | 1.77    | 3.15 | 6.02   | 8.47 ( 23 )  | 7.10 ( 26 ) | 6.26 ( 20 ) | 0.43          |
| PIMCO Total Return Admin                |                   | 3.05%  | 1.80    | 2.86 | 5.67   | 9.19 ( 14 )  | 8.60 ( 4 )  | 7.11 ( 5 )  | 0.71          |
| Barclays Aggregate Bond                 |                   |        | 2.29    | 2.72 | 3.90   | 6.46         | 6.52        | 5.74        |               |
| Cat: Intermediate Bond                  |                   |        | 1.84    | 2.92 | 5.59   | 7.03         | 6.20        | 5.52        | 0.81          |
| Dodge & Cox Stock                       | Large Value       | 4.65%  | 0.32    | 6.29 | 31.00  | 2.19 ( 56 )  | 0.08 ( 83 ) | 5.20 ( 18 ) | 0.52          |
| Russell 1000 Value                      |                   |        | -0.50   | 5.92 | 28.94  | 2.28         | 1.15        | 3.99        |               |
| Cat: Large Value                        |                   |        | -0.34   | 5.74 | 29.12  | 2.74         | 1.85        | 3.94        | 1.07          |
| American Funds Fundamental Investors R4 | Large Blend       | 1.18%  | -0.44   | 6.13 | 31.02  | 1.64 ( 70 )  | 3.87 ( 28 ) | 5.58 ( 10 ) | 0.66          |
| Blackrock Equity Index                  |                   | 3.00%  | 0.08    | 6.07 | 30.79  | 3.54         | 3.09        | 2.81        | 0.18          |
| S&P 500                                 |                   |        | 0.10    | 6.02 | 30.69  | 3.34         | 2.94        | 2.72        |               |
| Cat: Large Blend                        |                   |        | -0.21   | 5.50 | 29.80  | 2.68         | 2.69        | 3.12        | 1.08          |
| American Funds Growth Fund of Amer R4   | Large Growth      | 6.97%  | -0.69   | 4.57 | 27.64  | 1.05 ( 74 )  | 2.88 ( 77 ) | 3.87 ( 23 ) | 0.68          |
| Russell 1000 Growth                     |                   |        | 0.76    | 6.83 | 35.01  | 5.01         | 5.33        | 2.24        |               |
| Cat: Large Growth                       |                   |        | 0.17    | 5.77 | 33.39  | 3.12         | 4.26        | 2.58        | 1.13          |
| JPMorgan Mid Cap Value A                | Mid Value         | 0.96%  | 0.90    | 7.05 | 31.96  | 6.85 ( 39 )  | 4.47 ( 47 ) | 8.86 ( 20 ) | 1.25          |
| Russell Mid Cap Value                   |                   |        | -0.69   | 6.69 | 34.28  | 6.35         | 4.01        | 8.42        |               |
| Cat: Mid Value                          |                   |        | -0.77   | 6.11 | 33.04  | 6.60         | 4.31        | 7.36        | 1.18          |
| Fidelity Advisor Leveraged Co Stk A     | Mid Blend         | 1.16%  | -1.96   | 5.99 | 38.11  | -2.98 ( 93 ) | 4.36 ( 52 ) | 14.05 ( 1 ) | 1.15          |
| Russell Mid Cap                         |                   |        | 0.42    | 8.08 | 38.47  | 6.46         | 5.30        | 7.59        |               |
| Cat: Mid Blend                          |                   |        | -0.40   | 7.24 | 35.50  | 5.19         | 4.49        | 6.99        | 1.25          |
| Blackrock Mid Cap Equity Index          |                   | 2.31%  | -0.73   | 8.56 | 39.39  | 7.85         | 6.64        | 7.98        | 0.25          |
| S&P 400                                 |                   |        | -0.73   | 8.56 | 39.38  | 7.82         | 6.60        | 7.94        |               |
| Cat: Mid Blend                          |                   |        | -0.40   | 7.24 | 35.50  | 5.19         | 4.49        | 6.99        | 1.25          |
| T. Rowe Price Mid-Cap Growth Adv        | Mid Growth        | 4.49%  | -1.27   | 7.27 | 37.92  | 8.69 ( 21 )  | 8.18 ( 19 ) | 8.15 ( 12 ) | 1.04          |
| Russell Mid Cap Growth                  |                   |        | 1.61    | 9.59 | 43.25  | 6.58         | 6.28        | 5.52        |               |
| Cat: Mid Growth                         |                   |        | 0.16    | 8.01 | 39.63  | 5.48         | 5.90        | 5.25        | 1.23          |
| Columbia Small Cap Value II Z           | Small Value       | 0.49%  | -1.99   | 7.56 | 40.37  | 6.86 ( 77 )  | 4.31 ( 49 ) | N/A ( N/A ) | 1.06          |
| Russell 2000 Value                      |                   |        | -2.65   | 3.77 | 31.35  | 7.09         | 2.24        | 7.53        |               |
| Cat: Small Value                        |                   |        | -2.06   | 4.59 | 32.73  | 9.17         | 4.27        | 8.55        | 1.31          |
| Blackrock Russell 2000 Index            | Small Blend       | 2.83%  | -1.69   | 6.20 | 37.40  | 7.91         | 4.11        | 6.25        | 0.25          |
| Russell 2000                            |                   |        | -1.61   | 6.21 | 37.41  | 7.77         | 4.08        | 6.27        |               |
| Cat: Small Blend                        |                   |        | -1.41   | 6.52 | 37.12  | 7.52         | 4.01        | 7.38        | 1.30          |
| Prudential Jennison Small Company A     | Small Growth      | 1.33%  | -0.50   | 8.67 | 38.57  | 7.51 ( 57 )  | 6.17 ( 40 ) | 8.49 ( 8 )  | 1.19          |
| Russell 2000 Growth                     |                   |        | -0.59   | 8.59 | 43.50  | 8.35         | 5.79        | 4.63        |               |
| Cat: Small Growth                       |                   |        | 0.09    | 9.44 | 42.70  | 7.95         | 5.35        | 5.24        | 1.35          |

## Fund Performance Summary (continued) - 457 Plan A and 401(a) Plans

| 6/30/2011                       |                      |        |         |      |        |              |             |             |               |  |
|---------------------------------|----------------------|--------|---------|------|--------|--------------|-------------|-------------|---------------|--|
| Investment Option / Benchmark   | Category             | Weight | 3 Month | YTD  | 1 Year | 3 Year       | 5 Year      | 10 Year     | Expense Ratio |  |
| AllianceBern Intl Growth A      | Foreign Large Equity | 1.21%  | 0.97    | 1.56 | 30.34  | -4.34 ( 85 ) | 2.12 ( 51 ) | 8.16 ( 14 ) | 1.31          |  |
| Artisan International Inv       |                      | 3.45%  | 2.81    | 6.36 | 31.85  | -1.51 ( 52 ) | 2.78 ( 39 ) | 5.44 ( 60 ) | 1.23          |  |
| Blackrock EAFE Equity Index     |                      | 0.54%  | 1.77    | 5.26 | 30.71  | -1.48        | 1.76        | 5.88        | 0.25          |  |
| MSCI EAFE                       |                      |        | 1.56    | 4.98 | 30.36  | -1.77        | 1.48        | 5.66        |               |  |
| Cat: Foreign Large Equity       |                      |        | 1.29    | 4.49 | 31.00  | -1.21        | 2.23        | 6.03        | 1.28          |  |
| Torrance Conservative Portfolio | Lifestyle            | 0.85%  | 0.98    | 3.75 | 15.36  | 5.59         | 5.75        | N/A         | 0.71          |  |
| 65% BC Agg / 35% S&P 500        |                      |        | 1.53    | 3.90 | 12.89  | 5.87         | 5.64        | 5.01        |               |  |
| Cat: Conservative Allocation    |                      |        | 1.04    | 4.22 | 15.38  | 5.63         | 4.90        | 4.81        | 1.05          |  |
| Torrance Moderate Portfolio     |                      | 6.20%  | 0.75    | 4.53 | 21.02  | 5.02         | 5.30        | N/A         | 0.78          |  |
| 40% BC Agg / 60% S&P 500        |                      |        | 0.98    | 4.72 | 19.57  | 5.11         | 4.76        | 4.27        |               |  |
| Cat: Moderate Allocation        |                      |        | 0.49    | 4.69 | 21.11  | 4.52         | 4.31        | 4.59        | 1.09          |  |
| Torrance Aggressive Portfolio   |                      | 5.64%  | 0.51    | 5.36 | 27.02  | 4.34         | 4.78        | N/A         | 0.85          |  |
| S&P 500                         |                      |        | 0.10    | 6.02 | 30.69  | 3.34         | 2.94        | 2.72        |               |  |
| Cat: Large Blend                |                      |        | -0.21   | 5.50 | 29.80  | 2.68         | 2.69        | 3.12        | 1.08          |  |

# Fund Performance Summary – 457 Plan B (Part-Time Plan)

| 6/30/2011                               |                   |        |         |      |        |              |             |              |               |  |
|---|-------------------|--------|---------|------|--------|--------------|-------------|--------------|---------------|--|
| Investment Option / Benchmark           | Category          | Weight | 3 Month | YTD  | 1 Year | 3 Year       | 5 Year      | 10 Year      | Expense Ratio |  |
| Torance Stable Value                    | Fixed             | 58.14% | 0.92    | 1.84 | 3.72   | 4.07         | 4.32        | N/A          | 0.44          |  |
| Great West Guaranteed Certificate       |                   | 36.31% | N/A     | N/A  | N/A    | N/A          | N/A         | N/A          |               |  |
| Cat: Stable Value                       |                   |        | 0.56    | 1.14 | 2.48   | 2.88         | 3.39        | 3.86         |               |  |
| PIWCO Total Return Admin                | Intermediate Bond | 0.17%  | 1.80    | 2.86 | 5.67   | 9.19 ( 14 )  | 8.60 ( 4 )  | 7.11 ( 5 )   | 0.71          |  |
| Barclays Aggregate Bond                 |                   |        | 2.29    | 2.72 | 3.90   | 6.46         | 6.52        | 5.74         |               |  |
| Cat: Intermediate Bond                  |                   |        | 1.84    | 2.92 | 5.59   | 7.03         | 6.20        | 5.52         | 0.81          |  |
| Maxim Loomis Sayles Bond                | Multisector Bond  | 0.02%  | 2.90    | 7.43 | 16.43  | 9.58 ( 42 )  | 8.98 ( 12 ) | 10.41 ( 13 ) | 0.90          |  |
| Barclays Multiverse                     |                   |        | 3.04    | 4.44 | 10.77  | 6.23         | 7.17        | 7.52         |               |  |
| Cat: Multisector Bond                   |                   |        | 1.33    | 3.89 | 11.11  | 8.86         | 7.33        | 8.05         | 0.95          |  |
| Janus Balanced T                        | Hybrid / Balanced | 0.12%  | 1.44    | 5.53 | 17.90  | 7.02 ( 9 )   | 7.49 ( 2 )  | 6.00 ( 13 )  | 0.85          |  |
| 40% BC Agg / 60% S&P 500                |                   |        | 0.98    | 4.72 | 19.57  | 5.11         | 4.76        | 4.27         |               |  |
| Cat: Moderate Allocation                |                   |        | 0.49    | 4.69 | 21.11  | 4.52         | 4.31        | 4.59         | 1.09          |  |
| Maxim T. Rowe Price Equity Income       | Large Value       | 2.12%  | -0.99   | 4.69 | 27.84  | 3.74 ( 35 )  | 2.41 ( 38 ) | 4.34 ( 36 )  | 0.83          |  |
| Russell 1000 Value                      |                   |        | -0.50   | 5.92 | 28.94  | 2.28         | 1.15        | 3.99         |               |  |
| Cat: Large Value                        |                   |        | -0.34   | 5.74 | 29.12  | 2.74         | 1.85        | 3.94         | 1.07          |  |
| Davis NY Venture R                      | Large Blend       | 0.01%  | -2.14   | 2.27 | 23.74  | 0.66 ( 83 )  | 0.92 ( 87 ) | 3.36 ( 41 )  | 1.23          |  |
| American Funds Fundamental Investors R4 | Large Blend       | 0.00%  | -0.44   | 6.13 | 31.02  | 1.64 ( 70 )  | 3.87 ( 28 ) | 5.58 ( 10 )  | 0.66          |  |
| Maxim Stock Index                       |                   | 0.01%  | -0.09   | 5.95 | 30.77  | 3.20         | 2.73        | 2.60         | 0.60          |  |
| S&P 500                                 |                   |        | 0.10    | 6.02 | 30.69  | 3.34         | 2.94        | 2.72         |               |  |
| Cat: Large Blend                        |                   |        | -0.21   | 5.50 | 29.80  | 2.68         | 2.69        | 3.12         | 1.08          |  |
| American Century Ultra Inv              | Large Growth      | 0.10%  | 1.42    | 7.37 | 36.44  | 4.37 ( 34 )  | 4.35 ( 46 ) | 1.76 ( 67 )  | 1.00          |  |
| American Funds Growth Fund of Amer R3   |                   | 0.26%  | -0.76   | 4.44 | 27.27  | 0.76 ( 77 )  | 2.59 ( 80 ) | 3.56 ( 27 )  | 0.97          |  |
| Maxim Janus Large Cap Growth            |                   | 0.05%  | -1.26   | 0.94 | 21.45  | -4.02 ( 97 ) | 5.04 ( 32 ) | N/A ( N/A )  | 1.05          |  |
| Oppenheimer Capital Appreciation A      |                   | 0.09%  | 0.79    | 5.28 | 30.30  | -0.70 ( 88 ) | 1.85 ( 88 ) | 0.63 ( 89 )  | 1.19          |  |
| American Funds Growth Fund of Amer R4   |                   | 0.00%  | -0.69   | 4.57 | 27.64  | 1.05 ( 74 )  | 2.88 ( 77 ) | 3.87 ( 23 )  | 0.68          |  |
| Russell 7000 Growth                     |                   |        | 0.76    | 6.83 | 35.01  | 5.01         | 5.33        | 2.24         |               |  |
| Cat: Large Growth                       |                   |        | 0.17    | 5.77 | 33.39  | 3.12         | 4.26        | 2.58         | 1.13          |  |
| Columbia Mid Cap Value R                | Mid Value         | 0.05%  | -0.23   | 6.89 | 36.82  | 4.40 ( 80 )  | 3.41 ( 76 ) | N/A ( N/A )  | 1.40          |  |
| JPMorgan Mid Cap Value A                |                   | 0.00%  | 0.90    | 7.05 | 31.96  | 6.85 ( 39 )  | 4.47 ( 47 ) | 8.86 ( 20 )  | 1.25          |  |
| Russell Mid Cap Value                   |                   |        | -0.69   | 6.69 | 34.28  | 6.35         | 4.01        | 8.42         |               |  |
| Cat: Mid Value                          |                   |        | -0.77   | 6.11 | 33.04  | 6.60         | 4.31        | 7.36         | 1.18          |  |
| Ariel Appreciation                      | Mid Blend         | 0.01%  | 0.99    | 8.07 | 40.78  | 12.35 ( 3 )  | 9.69 ( 20 ) | 6.96 ( 44 )  | 1.18          |  |
| Lord Abbett Value Opportunities A       |                   | 0.03%  | -0.42   | 6.00 | 33.75  | 11.54 ( 7 )  | 9.03 ( 4 )  | N/A ( N/A )  | 1.34          |  |
| Russell Mid Cap                         |                   |        | 0.42    | 8.08 | 38.47  | 6.46         | 5.30        | 7.59         |               |  |
| Cat: Mid Blend                          |                   |        | -0.40   | 7.24 | 35.50  | 5.19         | 4.49        | 6.99         | 1.25          |  |
| Maxim T. Rowe Price MidCap Growth       | Mid Growth        | 0.52%  | -1.26   | 7.21 | 37.76  | 8.16 ( 25 )  | 7.83 ( 24 ) | 7.85 ( 16 )  | 1.05          |  |
| Russell Mid Cap Growth                  |                   |        | 1.61    | 9.59 | 43.25  | 6.58         | 6.28        | 5.52         |               |  |
| Cat: Mid Growth                         |                   |        | 0.16    | 8.01 | 39.63  | 5.48         | 5.90        | 5.25         | 1.23          |  |

Funds listed in Green are scheduled to be added.

Funds listed in Blue are frozen to new contributions

Funds listed in Red are scheduled to be removed.

Funds shaded in Yellow have been placed on the watch list.

# Fund Performance Summary (continued) – 457 Plan B (Part-Time Plan)

| 6/30/2011                                |                |        |         |       |        |              |             |             |               |  |
|--|----------------|--------|---------|-------|--------|--------------|-------------|-------------|---------------|--|
| Investment Option / Benchmark            | Category       | Weight | 3 Month | YTD   | 1 Year | 3 Year       | 5 Year      | 10 Year     | Expense Ratio |  |
| Maxim Ariel SmallCap Value               | Small Blend    | 0.17%  | -4.74   | 3.25  | 37.82  | 13.19 ( 8 )  | 5.41 ( 30 ) | 7.56 ( 49 ) | 1.35          |  |
| Maxim Loomis Sayles SmallCap Value       |                | 0.24%  | -1.15   | 6.59  | 38.44  | 8.15 ( 37 )  | 4.75 ( 42 ) | 8.00 ( 38 ) | 1.12          |  |
| Royce Total Return K                     |                | 0.10%  | -1.00   | 5.25  | 30.82  | 5.98 ( 71 )  | 4.35 ( 48 ) | 7.76 ( 44 ) | 1.46          |  |
| Blackrock Russell 2000 Index             |                | 0.00%  | -1.69   | 6.20  | 37.40  | 7.91 ( 0 )   | 4.11 ( 0 )  | 6.25 ( 0 )  | 0.25          |  |
| Russell 2000                             |                |        | -1.61   | 6.21  | 37.41  | 7.77         | 4.08        | 6.27        |               |  |
| Cat: Small Blend                         |                |        | -1.41   | 6.52  | 37.12  | 7.52         | 4.01        | 7.38        | 1.30          |  |
| Ridgeworth Small Cap Growth Stock I      | Small Growth   | 0.29%  | -0.23   | 11.31 | 45.66  | 5.57 ( 73 )  | 3.56 ( 77 ) | 5.41 ( 45 ) | 1.22          |  |
| Prudential Jennison Small Company A      |                | 0.00%  | -0.50   | 8.67  | 38.57  | 7.51 ( 57 )  | 6.17 ( 40 ) | 8.49 ( 8 )  | 1.19          |  |
| Russell 2000 Growth                      |                |        | -0.59   | 8.59  | 43.50  | 8.35         | 5.79        | 4.63        |               |  |
| Cat: Small Growth                        |                |        | 0.09    | 9.44  | 42.70  | 7.95         | 5.35        | 5.24        | 1.35          |  |
| Oppenheimer Global A                     | Global Equity  | 0.19%  | 1.63    | 7.42  | 34.93  | 5.78 ( 12 )  | 4.12 ( 43 ) | 6.20 ( 35 ) | 1.20          |  |
| MSCI World                               |                |        | 0.47    | 5.29  | 30.51  | 0.47         | 2.28        | 3.99        |               |  |
| Cat: World Stock                         |                |        | 0.50    | 4.79  | 30.71  | 2.07         | 3.48        | 5.21        | 1.34          |  |
| Artisan International Inv                | Foreign Equity | 0.22%  | 2.81    | 6.36  | 31.85  | -1.51 ( 52 ) | 2.78 ( 39 ) | 5.44 ( 60 ) | 1.23          |  |
| Maxim MFS International Growth Portfolio |                | 0.01%  | 3.71    | 6.53  | 32.62  | 2.83 ( 10 )  | 4.45 ( 17 ) | N/A ( N/A ) | 1.20          |  |
| MSCI EAFE                                |                |        | 1.56    | 4.98  | 30.36  | -1.77        | 1.48        | 5.66        |               |  |
| Cat: Foreign Large Equity                |                |        | 1.29    | 4.49  | 31.00  | -1.21        | 2.23        | 6.03        | 1.28          |  |
| Maxim Conservative Profile II            | Lifestyle      | 0.04%  | 1.01    | 3.27  | 12.26  | 6.23         | 5.68        | 5.16        | 0.83          |  |
| 65% BC Agg / 35% S&P 500                 |                |        | 1.53    | 3.90  | 12.89  | 5.87         | 5.64        | 5.01        |               |  |
| Cat: Conservative Allocation             |                |        | 1.04    | 4.22  | 15.38  | 5.63         | 4.90        | 4.81        | 1.05          |  |
| Maxim Moderately Cnsv Profile II         |                | 0.52%  | 0.69    | 3.52  | 15.74  | 5.88         | 5.54        | 5.28        | 0.89          |  |
| Maxim Moderate Profile II                |                | 0.00%  | 0.58    | 4.07  | 19.72  | 5.47         | 5.37        | 5.29        | 0.97          |  |
| 40% BC Agg / 60% S&P 500                 |                |        | 0.98    | 4.72  | 19.57  | 5.11         | 4.76        | 4.27        |               |  |
| Cat: Moderate Allocation                 |                |        | 0.49    | 4.69  | 21.11  | 4.52         | 4.31        | 4.59        | 1.09          |  |
| Maxim Moderately Agrsv Profile II        |                | 0.02%  | 0.37    | 4.52  | 23.57  | 4.66         | 4.72        | 5.06        | 1.08          |  |
| S&P 500                                  |                |        | 0.10    | 6.02  | 30.69  | 3.34         | 2.94        | 2.72        |               |  |
| Cat: Aggressive Allocation               |                |        | 0.07    | 4.82  | 25.80  | 4.34         | 4.13        | 4.67        | 1.20          |  |
| Maxim Aggressive Profile II              |                | 0.13%  | -0.05   | 5.15  | 30.61  | 2.67         | 3.08        | 4.33        | 1.23          |  |
| S&P 500                                  |                |        | 0.10    | 6.02  | 30.69  | 3.34         | 2.94        | 2.72        |               |  |
| Cat: Large Blend                         |                |        | -0.21   | 5.50  | 29.80  | 2.68         | 2.69        | 3.12        | 1.08          |  |
| Maxim Lifetime 2035 II T                 | Lifecycle      | 0.06%  | 0.59    | 5.30  | 27.82  | N/A ( N/A )  | N/A ( N/A ) | N/A ( N/A ) | 1.00          |  |
| DJ Target 2035                           |                |        | 0.51    | 5.00  | 27.42  | 4.92         | 4.91        | 6.62        |               |  |
| Cat: Target Date 2031-2035               |                |        | 0.12    | 4.87  | 27.87  | 2.98         | 2.83        | 0.00        | 1.08          |  |

Funds listed in Green are scheduled to be added.

Funds listed in Blue are frozen to new contributions

Funds listed in Red are scheduled to be removed.

Funds shaded in Yellow have been placed on the watch list.