

RETIREMENT PLAN ADVISORY COMMITTEE

AGENDA

January 5, 2021, 1:00 PM

Virtual Meeting Held in Accordance with Public Act 254 of 2020

Zoom Virtual Meeting

Meeting ID: 399-700-0062 / Password: LCBOC

<https://zoom.us/j/3997000062?pwd=SUdLYVFFcmozWnFxbm0vcHRjWkVIZz09>

Pages

1. **CALL MEETING TO ORDER**
2. **ROLL CALL**
3. **APPROVAL OF MINUTES** 2
Meeting Minutes Dated: october 27, 2020
4. **APPROVAL OF AGENDA**
5. **CALL TO THE PUBLIC**
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 - 6.1. **Conversion Workbook**
 - 6.2. **Share Class Comparison (Nationwide)**
7. **DISCUSSION**
8. **ADJOURNMENT**

RETIREMENT PLAN ADVISORY COMMITTEE

MEETING MINUTES

October 27, 2020, 10:30 a.m.

Virtual Meeting Held in Accordance with Public Act 228 of 2020

Zoom Virtual Meeting Room

Meeting ID: 399-700-0062 / Password: LCBOC

<https://zoom.us/j/3997000062?pwd=SUdLYVFFcmozWnFxbm0vcHRjWkVIZz09>

Members Present:

Cindy Catanach, Nathan Burd, Kate Lawrence , Jennifer Palmbos, Jennifer Slater, and Jeff Warder

Members Absent:

Jennifer Nash

1. CALL MEETING TO ORDER

The meeting was called to order by Committee Chairwoman, Cindy Catanach at 10:31 a.m.

Roll call indicated the presence of a quorum attending virtually as follows:

Cindy Catanach, Howell, Michigan

Nathan Burd, Howell, Michigan

Kate Lawrence, Brighton, Michigan

Jennifer Palmbos, Howell, Michigan

Jennifer Slater, Brighton, Michigan

Jeff Warder, Howell, Michigan

2. APPROVAL OF MINUTES

Minutes of Meeting Dated: September 22, 2020

Motion to approve the minutes as presented.

Moved by: K. Lawrence

Seconded by: N. Burd

Yes (6): C. Catanach, N. Burd, K. Lawrence , J. Palmbos, J. Slater, and J. Warder

Absent (1): J. Nash

Motion Carried (6 to 0)

3. APPROVAL OF AGENDA

Motion to approve the Agenda as presented.

Moved by: K. Lawrence
Seconded by: J. Palmbos

Yes (6): C. Catanach, N. Burd, K. Lawrence , J. Palmbos, J. Slater, and J. Warder
Absent (1): J. Nash

Motion Carried (6 to 0)

4. CALL TO THE PUBLIC

None.

5. CAPTRUST

Cindy Catanach turned the floor to Dori Drayton, CAPTRUST.

5.1 CAPTRUST Review

- Capital Markets Commentary
- 3Q 2020 Investment Report Reviews
- Share Class Comparison
- IPS Review

5.2 CAPTRUST Review

- Provider Consolidation
- Goals and Strategic Planning

Motion to follow recommendation of CAPTRUST to shift assets in Fidelity Contra Fund upon consolidation of assets from Empower to Nationwide.

Moved by: J. Palmbos
Seconded by: J. Slater

Yes (6): C. Catanach, N. Burd, K. Lawrence , J. Palmbos, J. Slater, and J. Warder
Absent (1): J. Nash

Motion Carried (6 to 0)

6. DISCUSSION

6.1 Schedule Next Meeting

The next quarterly meeting will be scheduled for the first week of February, avoiding Tuesdays at 10:30 a.m.

7. ADJOURNMENT

Motion to adjourn the meeting at 11:28 a.m.

Moved by: J. Palmbos

Seconded by: K. Lawrence

Yes (6): C. Catanach, N. Burd, K. Lawrence , J. Palmbos, J. Slater, and J. Warder

Absent (1): J. Nash

Motion Carried (6 to 0)



Natalie Hunt, Recording Secretary

UNAPPROVED

Livingston County Deferred Compensation Plan

Agenda: January 5, 2021

1. Conversion Workbook
2. Share Class Comparison

COUNTY OF LIVINGSTON
3RD QUARTER, 2020

CONVERSION WORKBOOK

CAPTRUST

27400 Northwestern Highway, Southfield, MI 48034
634 Front Ave. NW, Suite 400, Grand Rapids, MI 49504

Our mission is to enrich the lives of our clients, colleagues and communities through sound financial advice, integrity, and a commitment to service beyond expectation.





- I. The Five Pillars
- II. Investment Program Design
- III. Recommendations

	PLAN DESIGN	PARTICIPANT ENGAGEMENT	INVESTMENT MANAGEMENT	FIDUCIARY PROCESS	PLAN ADMINISTRATION
KEY OBJECTIVES	<ul style="list-style-type: none"> • Ensure that retirement programs are aligned with corporate policies and business goals • Ensure that plan features and strategies are aligned with the needs or participant demographics • Ensure that the plan remains competitive with other companies that may compete for our employees 	<ul style="list-style-type: none"> • Provide the information, resources and advice to help our employees effectively plan, save and invest for their retirement • Viewed as very attractive and highly competitive benefit plan by our employees 	<ul style="list-style-type: none"> • Providing an attractive menu of investment options and account management programs to enable our employees to prudently invest their retirement savings • To allow for the diverse financial needs and sophistication of our employees • Maintain diverse but reasonable number of core menu options 	<ul style="list-style-type: none"> • Develop, follow and document a consistent series of prudent processes to satisfy our fiduciary obligations to our employees • Ensure that our retirement committee remains informed of prevailing regulatory considerations and market trends • Ensure that prudent policies are established and followed to allow for the inclusion of company stock in the plan 	<ul style="list-style-type: none"> • Timely and accurate account reporting and processing • Ensure that we retain effective and user friendly resources for the management of our plans • Maintain compliance with prevailing regulatory requirements • Ensure that the plan is paying fair and reasonable fees for the services provided
BEST PRACTICES	<ul style="list-style-type: none"> • Peer review key plan features: eligibility, matching, and vesting policies • Evaluate automatic features for enrollment and deferral increases • Evaluate re-enrollment • Evaluate optional testing methods • Evaluate Roth feature 	<ul style="list-style-type: none"> • Allow multiple options for personalized advice • Conduct targeted outreach campaigns • Conduct demographic analysis • Conduct participant satisfaction surveys • Provide multiple forms of participant communications 	<ul style="list-style-type: none"> • Evaluate risk versus age based asset allocation strategies • Evaluate model portfolios versus managed accounts • QDIA selection • Evaluate active and passive investing strategies 	<ul style="list-style-type: none"> • Formal investment policy statement • Evaluate investment oversight advisory services - 3(21) or 3(38) • Formal fee payment policy • Fiduciary Training 	<ul style="list-style-type: none"> • Fee benchmarking for service providers • 404(c) compliance • 408(b)(2) compliance



	PLAN DESIGN	PARTICIPANT ENGAGEMENT	INVESTMENT MENU
HIGHLY ENGAGED	<p>Issues</p> <ul style="list-style-type: none"> • Already taking advantage of the plan but may not be maximizing • Incent them to make positive incremental steps <p>Potential Action Steps</p> <ul style="list-style-type: none"> ✓ Enhanced employer match ✓ Stretch match formula ✓ E-Z enroll forms 	<p>Characteristics</p> <ul style="list-style-type: none"> • Affluent to high net worth • \$250,000 or more of household investable net worth • Engaged in saving and investing outside of their retirement plans • Higher income • May skew towards late-career employees <p>Issues</p> <ul style="list-style-type: none"> • Identify areas to further enhance what they are doing • Topical advice and targeted communication is needed <p>Potential Action Steps:</p> <ul style="list-style-type: none"> ✓ Plan integration ✓ Targeted campaigns ✓ Life stage counseling 	<p>Issues</p> <ul style="list-style-type: none"> • May look to go beyond the core menu • How to incorporate bigger picture • May desire professional management or access to outside experts <p>Potential Action Steps</p> <ul style="list-style-type: none"> ✓ Self-directed brokerage ✓ Managed account options
EMERGING SAVERS	<p>Issues</p> <ul style="list-style-type: none"> • Make it easy for them to participate at a meaningful level • Incent them to make positive incremental steps <p>Potential Action Steps</p> <ul style="list-style-type: none"> ✓ Delayed enrollment option ✓ Employer Match ✓ Non-elective contributions 	<p>Characteristics</p> <ul style="list-style-type: none"> • Serious about retirement saving • \$50,000 - \$250,000 of household investable net worth (primarily in retirement plans) • May be mid-career employees • Primary financial goals are retirement and education <p>Issues</p> <ul style="list-style-type: none"> • Easy-to-understand education and communication is a must • Show them the difference in savings makes <p>Potential Action Steps</p> <ul style="list-style-type: none"> ✓ Gap analysis ✓ One-on-One meetings ✓ Enhanced statements ✓ Newsletters 	<p>Issues</p> <ul style="list-style-type: none"> • Providing choice, but not enough to overwhelm • Simple approach to asset allocation • Linking investment selection to guidance <p>Potential Action Steps</p> <ul style="list-style-type: none"> ✓ Reassess core menu ✓ Active and passive options ✓ Asset allocation models ✓ Asset allocation tools
DELEGATORS (DISENGAGED)	<p>Issues</p> <ul style="list-style-type: none"> • Recognize inertia of new and disengaged employees • Use auto-features and re-enrollment to get them hooked on saving <p>Potential Action Steps</p> <ul style="list-style-type: none"> ✓ Auto-enrollment ✓ Auto-escalation ✓ Re-enrollment 	<p>Characteristics</p> <ul style="list-style-type: none"> • Less than \$50,000 in household investable net worth • Defaulted participants • Lower end wage scale • May skew toward younger or early-career employees <p>Issues</p> <ul style="list-style-type: none"> • Recognize inertia of new and disengaged employees • While auto-features may be effective, employers should continue to educate <p>Potential Action Steps</p> <ul style="list-style-type: none"> ✓ Auto-features ✓ General education campaigns ✓ Mandatory group meetings 	<p>Issues</p> <ul style="list-style-type: none"> • Want decisions to be made for them • One-stop shop for those wishing to delegate investment decisions • Bundling of investments and asset allocation “advice” <p>Potential Action Steps</p> <ul style="list-style-type: none"> ✓ Reassess QDIA ✓ Lifecycle or Target Date Funds



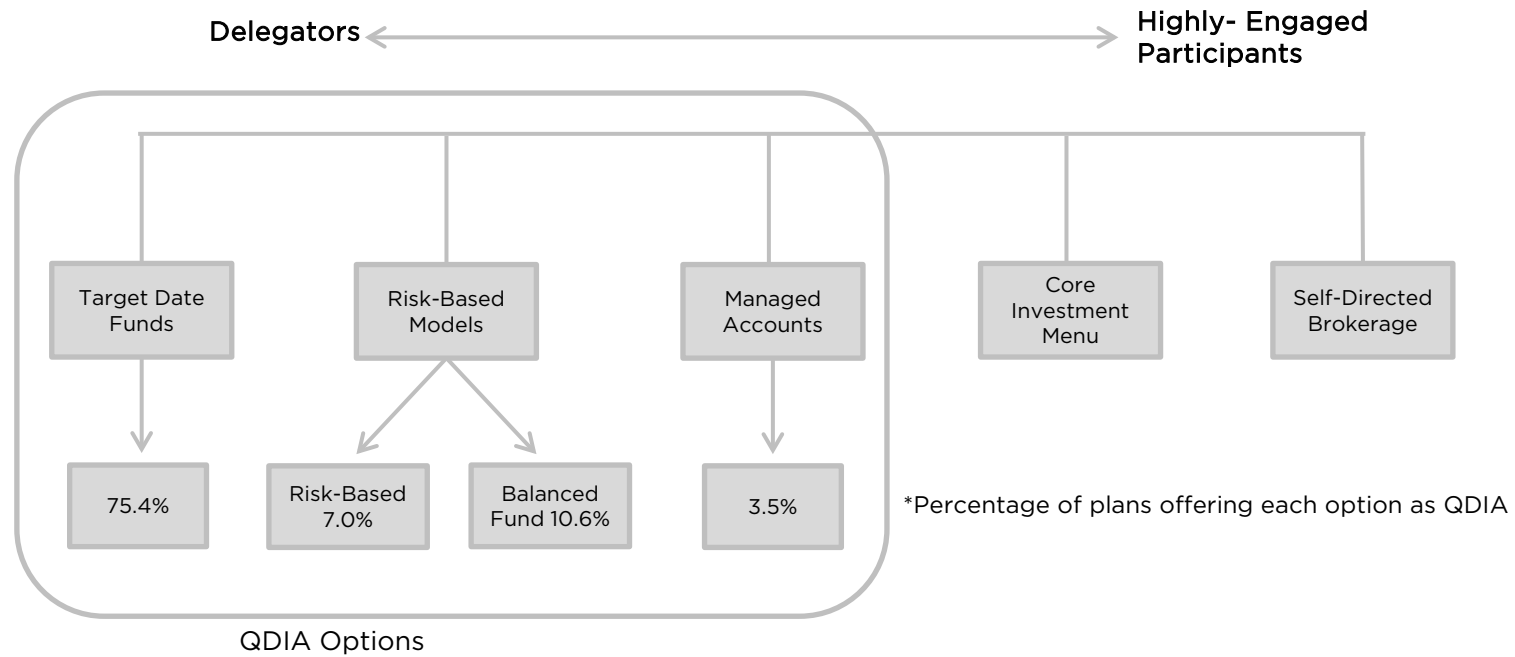
Influence		Impact
<p>Regulation</p>	<p>Suggests a “broad” range of investment alternatives in an effort to minimize the risk of large losses. At a minimum this is considered to be a stock option, a bond option, a cash option and an allocation tool to meet Qualified Default Investment Alternative (QDIA) standards.</p>	<p>At minimum:</p> <ul style="list-style-type: none"> • Stock option • Bond option • Cash option • Allocation
<p>Theory</p>	<p>Modern Portfolio Theory recommends building a portfolio using investment options that behave differently from one another on the basis of their risk, return and cross-correlation statistics. Each option within a portfolio should have a specific role and little overlap with other choices.</p>	<p>Potentially, a large number of options given they provide different risk/return characteristics.</p>
<p>Behavior</p>	<p>Research indicates the impact of “choice overload”. Choice overload suggests that the more options participants have to choose from the more likely they are to become overwhelmed and moved towards inaction lowering participation rates.</p>	<p>Offer a range from 3 – 30 investment choices.</p>
<p>Environment</p>	<p>The influence of the external environment suggests acknowledging standard practices with a particular industry. The environment is also shaped by the selection of service providers that may have limitations that place constraints on a plan.</p>	<p>Acknowledge industry best practices and provider constraints.</p>



A tiered approach is used to solve for different types of plan participants – from the disengaged to the highly engaged. By including both active and passive management engaged participants have multiple ways to build diversified portfolios.

	ALLOCATION TIER (1 OPTION)	PASSIVE TIER (4 OPTIONS)	ACTIVE TIER (9 OPTIONS)	OTHER
ASSET CLASSES	<ul style="list-style-type: none"> • Target Date fund <u>or</u> • Risk-based series 	<ul style="list-style-type: none"> • Intermediate Term Bond • Domestic Large Cap • Domestic Mid and Small Cap • International 	<ul style="list-style-type: none"> • Capital Preservation • Intermediate Term Bond • Large Cap Value • Large Cap Growth • Mid Cap Value • Mid Cap Growth • International Large Cap • Small Cap Value • Small Cap Growth 	<ul style="list-style-type: none"> • Self-Directed Brokerage Account • Mutual Fund Window • Loan
RATIONALE	<ul style="list-style-type: none"> • For disengaged participants that desire a pre-made diversified portfolio (Do-It-For-Me) • Can qualify as a Qualified Default Investment Alternative (QDIA) for auto-enrolled participants 	<ul style="list-style-type: none"> • For investors that do not wish to take on active management risk in addition to market risk • For investors who only want low-cost market exposure • All major asset classes are represented (same as active) 	<ul style="list-style-type: none"> • Gives investors the opportunity to outperform passive index options • All major asset classes are represented so engaged participants can create diversified portfolios (Do-It-Yourself) 	<ul style="list-style-type: none"> • <u>Optional tier</u> • May not be appropriate for all defined contribution plans • Satisfies highly engaged investors without adding unnecessary investment options to the core lineup





Segment	Investment Decision-Making	Product Solution
Delegators	No active decision-making	Qualified Default Investment Alternative (QDIA)
Engaged	Leverage in-plan advice	Risk-based models or managed accounts
Highly Engaged	Do-it-yourself or advice out of plan	Core options or self-directed brokerage

Source: 58th Annual Profit Sharing/401k Council of America's Annual Survey of Profit Sharing and 401(k) Plans.



	Money Market Funds	Stable Value (Multi-Insurer CIT)*	Insurance Separate Account	General Account
Pros	<ul style="list-style-type: none"> • Low interest rate sensitivity • High quality portfolios (Tier 1) • Regulated by the SEC • Daily Liquidity 	<ul style="list-style-type: none"> • Multi-insurer wrap diversification • Higher yield compared to money market funds • Book value accounting provides for a more stable, crediting rate versus money market funds • Principal is guaranteed by wrap providers 	<ul style="list-style-type: none"> • More lenient wrap guidelines give managers more investment flexibility • Book value accounting provides for a more stable crediting rate • Principal is guaranteed by insurance company • Assets are segregated to provide insulation from claims made by general creditors 	<ul style="list-style-type: none"> • Often provide attractive crediting rates relative to other product types • Crediting rates typically pre-announced and guaranteed for a period certain.
Cons	<ul style="list-style-type: none"> • Often, lower yields versus longer duration capital preservation options • \$1 NAV not insured or guaranteed 	<ul style="list-style-type: none"> • Liquidity constraints at the plan level, typically 12 month put • Higher interest rate sensitivity due to longer duration securities versus money market funds • Trading constraints at the participant level depending on other funds in the plan, equity wash provisions • Wrap fees add an additional layer of fees versus money market funds 	<ul style="list-style-type: none"> • Liquidity constraints at the plan level; typically 12 month put or market value adjustment • Higher interest rate sensitivity due to longer duration securities versus money market funds • Trading constraints at the participant level depending on other funds in the plan, equity wash provisions • Single-insurer risk versus the multi-insurer diversification provided by collective stable value funds 	<ul style="list-style-type: none"> • Lack of portfolio transparency • Guarantee is backed by the “claims paying ability” of a single insurer • Assets can be tied up in the event of insolvency
Other Factors	<ul style="list-style-type: none"> • Low yields • Consolidating industry • Fee claw-back provisions • Potential revenue sharing implications 	<ul style="list-style-type: none"> • Consolidating industry, many providers terminating or closing funds • Managers are constrained by tighter wrap guidelines 	<ul style="list-style-type: none"> • Limited availability on an investment-only basis • Smaller peer group compared to collective stable value funds or money markets • Investment minimums 	<ul style="list-style-type: none"> • Availability limited to insurance company platforms • Portability constraints

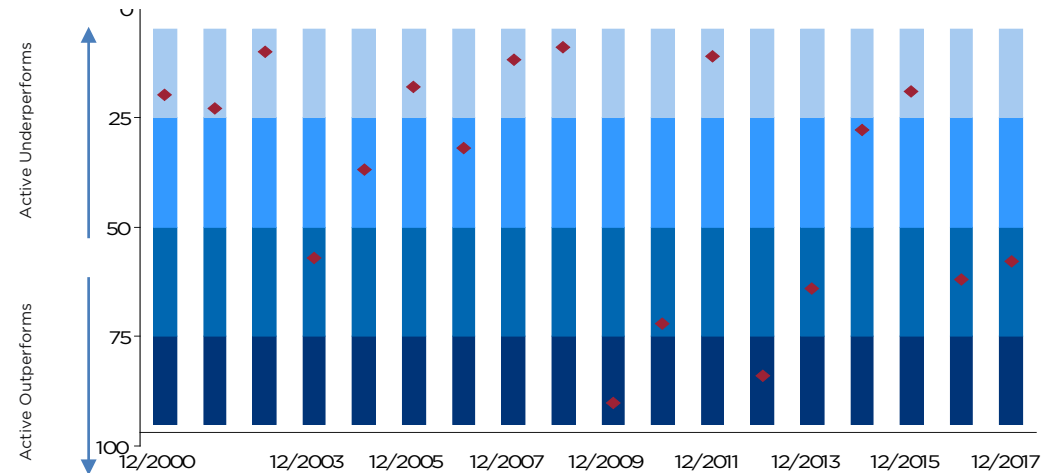
*Stable Value option can also include Single Insurer CIT’s



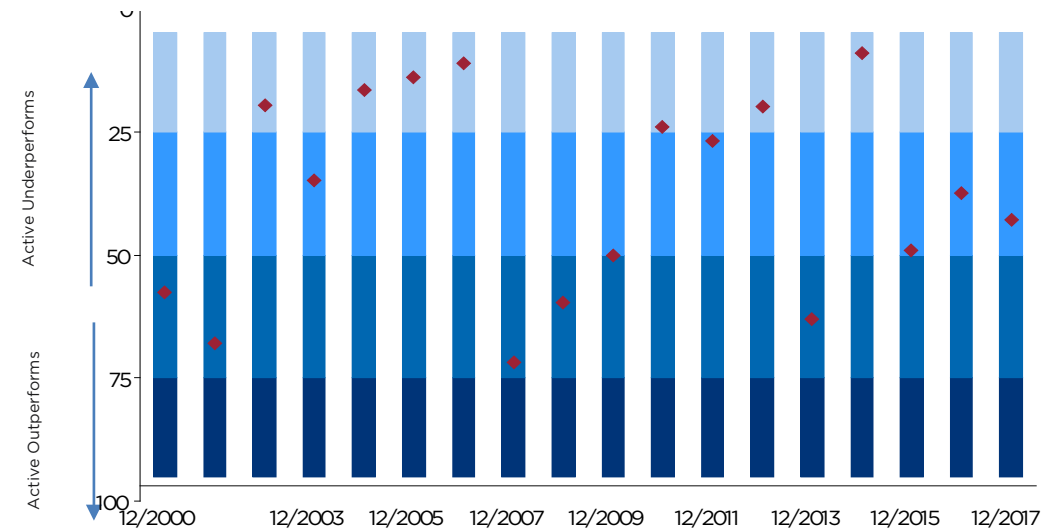
- Active strategies are designed to have the potential to generate above-market returns and reduce volatility.
- Active management can go through cycles of both under- and out-performance as various styles and market factors come in and out of favor.
- On the flip side, passive management is designed to provide consistency of returns relative to a benchmark, at relatively low costs.
- Through our tiering approach, participants have the ability to build a well-diversified portfolio using either actively managed or passively managed investment options, or a combination of both.
- The charts to the right demonstrate that on a year by year basis active managers may experience volatility relative to the index.

Source: MPI. One year rankings shown.

Barclays Aggregate Bond vs. Intermediate Term Bond Universe

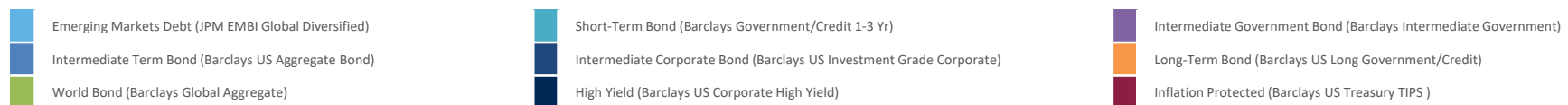


Russell Mid Cap Value vs. Mid Cap Value Universe



Most intermediate term bond managers will invest in all areas of the fixed income market on a tactical basis. This allows fixed income investors to have exposure to all sectors, without the volatility associated with sector specific options.

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
High Yield 58.21%	High Yield 15.12%	Long-Term Bond 22.49%	Emerging Market Debt 17.44%	High Yield 7.44%	Long-Term Bond 19.31%	Emerging Market Debt 1.18%	High Yield 17.13%	Long-Term Bond 10.71%	Short-Term bond 1.60%	Long-Term Bond 19.59%
Emerging Market Debt 29.82%	Emerging Market Debt 12.24%	Inflation Protected 13.56%	High Yield 15.81%	Short-Term Bond 0.64%	Interm Corp. Bond 7.46%	Interm Govt Bond 1.18%	Emerging Market Debt 10.15%	Emerging Market Debt 10.26%	Interm Govt Bond 1.43%	Emerging Market Debt 15.04%
Interm Corp. Bond 18.68%	Long-Term Bond 10.16%	Interm Corp. Bond 8.15%	Interm Corp. Bond 9.82%	Interm Govt Bond -1.25%	Emerging Market Debt 7.43%	Short-Term Bond 0.65%	Long-Term Bond 6.67%	High Yield 7.50%	Interm Term Bond 0.01%	Interm Corp. Bond 14.54%
Inflation Protected 11.41%	Interm Corp. Bond 9.00%	Interm Term Bond 7.84%	Long-Term Bond 8.78%	Interm Corp. Bond -1.53%	Interm Term Bond 5.97%	Interm Term Bond 0.55%	Interm Corp. Bond 6.11%	World Bond 7.39%	World Bond -1.20%	High Yield 14.32%
World Bond 6.93%	Interm Term Bond 5.54%	Emerging Market Debt 7.35%	Inflation Protected 6.98%	Interm Term Bond -2.02%	Inflation Protected 3.64%	Interm Corp. Bond -0.68%	Inflation Protected 4.68%	Interm Corp. Bond 6.42%	Inflation Protected -1.26%	Interm Term Bond 8.72%
Interm Term Bond 5.93%	Inflation Protected 6.31%	Interm Govt Bond 6.08%	World Bond 4.32%	World Bond -2.60%	Interm Govt Bond 2.52%	Inflation Protected -1.44%	Interm Term Bond 2.65%	Interm Term Bond 3.54%	High Yield -2.08%	Inflation Protected 8.43%
Short-Term Bond 3.82%	World Bond 5.54%	World Bond 5.64%	Interm Term Bond 4.21%	Emerging Market Debt -5.25%	High Yield 2.45%	World Bond -3.15%	World Bond 2.09%	Inflation Protected 3.01%	Interm Corp. Bond -2.51%	World Bond 6.84%
Long-Term Bond 1.92%	Interm Govt Bond 4.98%	High Yield 4.98%	Interm Govt Bond 1.73%	Inflation Protected -8.61%	Short-Term Bond 0.77%	Long-Term Bond -3.30%	Short-Term bond 1.28%	Interm Govt Bond 1.14%	Emerging Market Debt -4.26%	Interm Govt Bond 5.20%
Interm Govt Bond -0.32%	Short-Term Bond 2.80%	Short-Term Bond 1.59%	Short-Term Bond 1.26%	Long-Term Bond -8.83%	World Bond 0.59%	High Yield -4.47%	Interm Govt Bond 1.05%	Short-Term bond 0.84%	Long-Term Bond -4.68%	Short-Term bond 4.03%



Building an Investment Lineup						
Regulation		Theory - Modern Portfolio Theory			Behavior	Environment
404 (c)		CORE LINEUP			Avoid "Choice Overload". Limit of one option per asset class. Max of 30 options	Standard Industry Practice, generally between 11 and 20 options
		Allocation Tier (1 Allocation Solution)	Passive Tier (4 Options)	Active Tier (9 Options)		
Cash →	Capital Preservation			Active Option		
Fixed Income →	Intermediate Term Bond		Passive Option	Active Option		
Allocation (QDIA)	Allocation	Target Date Series or Risk Based Models				
Equity	Large Company Value			Active Option		
	Large Company Blend		Passive Option			
	Large Company Growth			Active Option		
	Medium Company Value			Active Option		
	Medium Company Blend		Passive Option (Completion)			
	Medium Company Growth			Active Option		
	Foreign Large Company		Passive Option	Active Option		
Small Company Value			Active Option			
Small Company Growth			Active Option			

Source: Profit Sharing/401k Council of America's Annual Survey of Profit Sharing and 401(k) Plans.



Fees Paid to....	Pays for....
Recordkeeper	Plan Administration/Recordkeeping Services
Advisor	Financial Advisory Services
Fund Company	Security Selection/Portfolio Management
Fund Custodian/Trustee	Trust Administration Cost

Plan Expense Payment Options:

1. Built-In Method
 - Expenses are paid through plan assets and included in a fund’s total expense ratio
 - Expenses are paid 100% by plan participants
2. Institutional Lineup Method
 - Revenue share is targeted to be as low as possible given available share classes per investment option
 - Expenses can be paid 100% by plan sponsor, 100% by plan participants, or any combination of the two
3. Fee Leveling Method
 - Each participant’s contribution to plan expenses is “leveled” meaning all participants contribute the same percentage towards total plan cost
 - Expenses are paid 100% by plan participants

Considerations:

- There is no requirement to be the lowest cost but rather document that fees are reasonable for services received.
- There are many prudent paths for paying plan expenses. A well thought out strategy that is documented and revisited as the environment changes is the best strategy
- Legal counsel should be sought if there is any question on appropriateness of strategy employed



CURRENT LINEUP – ALLOCATION & PASSIVE TIERS

Period Ending 9.30.20 | Q3 20

Allocation Tier						Total Cost	
Asset Class	Investment Name	Ticker	Value	% Assets	Expense Ratio		
					%	\$	
Allocation--50% to 70% Equity	Vanguard STAR Inv	VGSTX	\$8,434	0.16%	0.31%	\$26	
Target-Date 2000-2010	T. Rowe Price Retirement 2005	TRRFX	\$0	0.00%	0.52%	\$0	
Target-Date 2000-2010	T. Rowe Price Retirement 2010	TRRAX	\$283,369	5.41%	0.52%	\$1,474	
Target-Date 2015	T. Rowe Price Retirement 2015	TRRGX	\$0	0.00%	0.55%	\$0	
Target-Date 2020	T. Rowe Price Retirement 2020	TRRBX	\$518,863	9.91%	0.58%	\$3,009	
Target-Date 2025	T. Rowe Price Retirement 2025	TRRHX	\$606,486	11.58%	0.62%	\$3,760	
Target-Date 2030	T. Rowe Price Retirement 2030	TRRCX	\$723,400	13.82%	0.65%	\$4,702	
Target-Date 2035	T. Rowe Price Retirement 2035	TRRJX	\$304,652	5.82%	0.68%	\$2,072	
Target-Date 2040	T. Rowe Price Retirement 2040	TRRDY	\$109,093	2.08%	0.70%	\$764	
Target-Date 2045	T. Rowe Price Retirement 2045	TRRKX	\$214,127	4.09%	0.71%	\$1,520	
Target-Date 2050	T. Rowe Price Retirement 2050	TRRMX	\$0	0.00%	0.71%	\$0	
Target-Date 2055	T. Rowe Price Retirement 2055	TRRNX	\$0	0.00%	0.71%	\$0	
Target-Date 2060+	T. Rowe Price Retirement 2060	TRRLX	\$0	0.00%	0.71%	\$0	
Allocation Total			\$2,768,424	52.87%	0.63%	\$17,327	

Passive Tier						Total Cost	
Asset Class	Investment Name	Ticker	Value	% Assets	Expense Ratio		
					%	\$	
Intermediate Core Bond	Fidelity® US Bond Index	FXNAX	\$101,208	1.93%	0.03%	\$30	
Large Blend	Fidelity® 500 Index	FXAIX	\$451,863	8.63%	0.02%	\$90	
Mid-Cap Blend	Fidelity® Mid Cap Index	FSMDX	\$140,699	2.69%	0.03%	\$42	
Foreign Large Blend	Vanguard Total Intl Stock Index Admiral	VTIAX	\$97,851	1.87%	0.11%	\$108	
Small Blend	Fidelity® Small Cap Index	FSSNX	\$119,728	2.29%	0.03%	\$36	
Passive Total			\$911,349	17.41%	0.03%	\$306	



CURRENT LINEUP – ACTIVE TIER

Period Ending 9.30.20 | Q3 20

Active Tier					Total Cost	
Asset Class	Investment Name	Ticker	Value	% Assets	Expense Ratio %	Expense Ratio \$
Stable Value	Great-West Guaranteed Government Fund	-	\$714,722	13.65%	0.00%	\$0
Intermediate Core-Plus Bond	Metropolitan West Total Return Bd Admin	MWTNX	\$134,054	2.56%	0.79%	\$1,059
Inflation-Protected Bond	Vanguard Inflation-Protected Secs Adm	VAIPX	\$80,251	1.53%	0.10%	\$80
Multisector Bond	PIMCO Income A	PONAX	\$34,700	0.66%	1.49%	\$517
Large Value	JHancock Disciplined Value R6	JDVWX	\$46,782	0.89%	0.70%	\$327
Large Blend	Parnassus Core Equity Investor	PRBLX	\$53,332	1.02%	0.86%	\$459
Large Blend	Fidelity® Contrafund®	FCNTX	\$0	0.00%	0.85%	\$0
Large Growth	MainStay Winslow Large Cap Growth I	MLAIX	\$80,597	1.54%	0.74%	\$596
Mid-Cap Value	JPMorgan Mid Cap Value R6	JMVYX	\$69,621	1.33%	0.73%	\$508
Mid-Cap Growth	T. Rowe Price Instl Mid-Cap Equity Gr	PMEGX	\$101,478	1.94%	0.61%	\$619
Foreign Large Growth	American Funds Europacific Growth R6	RERGX	\$94,953	1.81%	0.46%	\$437
Foreign Large Growth	MFS International Intrinsic Value R3	MINGX	\$59,791	1.14%	0.98%	\$586
Foreign Large Growth	Vanguard International Growth Adm	VWILX	\$20,434	0.39%	0.32%	\$65
Small Value	American Beacon Small Cp Val A	ABSAX	\$4,486	0.09%	1.26%	\$57
Small Growth	T. Rowe Price QM US Small-Cap Gr Eq I	TQAIX	\$16,470	0.31%	0.65%	\$107
Real Estate	Nuveen Real Estate Securities I	FARCX	\$44,351	0.85%	1.06%	\$470
Active Total			\$1,556,023	29.72%	0.38%	\$5,888

Plan Totals			\$5,235,796	100%	0.45%	\$23,521
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Recommend for Replacement

Share class change



RECOMMENDED LINEUP – ALLOCATION & PASSIVE TIERS

Period Ending 9.30.20 | Q3 20

<u>Allocation Tier</u>						<u>Total Cost</u>	
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					%	\$	
Allocation--50% to 70% Equity	Vanguard STAR Inv	VGSTX	\$8,434	0.16%	0.31%	\$26	
Target-Date 2000-2010	T. Rowe Price Retirement 2005	TRRFX	\$0	0.00%	0.52%	\$0	
Target-Date 2000-2010	T. Rowe Price Retirement 2010	TRRAX	\$283,369	5.41%	0.52%	\$1,474	
Target-Date 2015	T. Rowe Price Retirement 2015	TRRGX	\$0	0.00%	0.55%	\$0	
Target-Date 2020	T. Rowe Price Retirement 2020	TRRBX	\$518,863	9.91%	0.58%	\$3,009	
Target-Date 2025	T. Rowe Price Retirement 2025	TRRHX	\$606,486	11.58%	0.62%	\$3,760	
Target-Date 2030	T. Rowe Price Retirement 2030	TRRCX	\$723,400	13.82%	0.65%	\$4,702	
Target-Date 2035	T. Rowe Price Retirement 2035	TRRJX	\$304,652	5.82%	0.68%	\$2,072	
Target-Date 2040	T. Rowe Price Retirement 2040	TRRDY	\$109,093	2.08%	0.70%	\$764	
Target-Date 2045	T. Rowe Price Retirement 2045	TRRKX	\$214,127	4.09%	0.71%	\$1,520	
Target-Date 2050	T. Rowe Price Retirement 2050	TRRMX	\$0	0.00%	0.71%	\$0	
Target-Date 2055	T. Rowe Price Retirement 2055	TRRNX	\$0	0.00%	0.71%	\$0	
Target-Date 2060+	T. Rowe Price Retirement 2060	TRRLX	\$0	0.00%	0.71%	\$0	
Allocation Total			\$2,768,424	52.87%	0.63%	\$17,327	

<u>Passive Tier</u>						<u>Total Cost</u>	
Asset Class	Investment Name	Ticker	Value	% Assets	Expense Ratio		
					%	\$	
Intermediate Core Bond	Fidelity® US Bond Index	FXNAX	\$101,208	1.93%	0.03%	\$30	
Large Blend	Fidelity® 500 Index	FXAIX	\$451,863	8.63%	0.02%	\$90	
Mid-Cap Blend	Fidelity® Mid Cap Index	FSMDX	\$140,699	2.69%	0.03%	\$42	
Foreign Large Blend	Vanguard Total Intl Stock Index Admiral	VTIAX	\$97,851	1.87%	0.11%	\$108	
Small Blend	Fidelity® Small Cap Index	FSSNX	\$119,728	2.29%	0.03%	\$36	
Passive Total			\$911,349	17.41%	0.03%	\$306	



RECOMMENDED LINEUP – ACTIVE TIER

Period Ending 9.30.20 | Q3 20

Active Tier					Total Cost	
Asset Class	Investment Name	Ticker	Value	% Assets	Expense Ratio %	Expense Ratio \$
Stable Value	Nationwide Fixed Account	-	\$714,722	13.65%	0.00%	\$0
Intermediate Core-Plus Bond	Metropolitan West Total Return Bd M	MWTRX	\$134,054	2.56%	0.68%	\$912
Inflation-Protected Bond	Vanguard Inflation-Protected Secs Adm	VAIPX	\$80,251	1.53%	0.10%	\$80
Multisector Bond	PIMCO Income A	PONAX	\$34,700	0.66%	1.49%	\$517
Large Value	JHancock Disciplined Value R4	JDVFX	\$46,782	0.89%	0.95%	\$444
Large Blend	Parnassus Core Equity Investor	PRBLX	\$53,332	1.02%	0.86%	\$459
Large Blend	Fidelity® Contrafund®	FCNTX	\$0	0.00%	0.85%	\$0
Large Growth	MainStay Winslow Large Cap Growth Inv	MLINX	\$80,597	1.54%	1.10%	\$887
Mid-Cap Value	JPMorgan Mid Cap Value R6	JMVYX	\$69,621	1.33%	0.73%	\$508
Mid-Cap Growth	T. Rowe Price Instl Mid-Cap Equity Gr	PMEGX	\$101,478	1.94%	0.61%	\$619
Foreign Large Growth	American Funds Europacific Growth R6	RERGX	\$94,953	1.81%	0.46%	\$437
Foreign Large Growth	MFS International Intrinsic Value R3	MINGX	\$59,791	1.14%	0.98%	\$586
Foreign Large Growth	Vanguard International Growth Adm	VWILX	\$20,434	0.39%	0.32%	\$65
Small Value	American Beacon Small Cap Value R6	AASRX	\$4,486	0.09%	0.80%	\$36
Small Growth	T. Rowe Price QM US Small-Cap Gr Eq	PRDSX	\$16,470	0.31%	0.79%	\$130
Real Estate	Nuveen Real Estate Securities I	FARCX	\$44,351	0.85%	1.06%	\$470
Active Total			\$1,556,023	29.72%	0.40%	\$6,150
Plan Totals			\$5,235,796	100%	0.45%	\$23,783

Recommended for addition

Recommended for new addition only

Share class change



Allocation - Mapping				
Asset Class	Current Investment	Ticker	Recommended Investment	Ticker
Allocation--50% to 70% Equity	Vanguard STAR Inv	VGSTX	Vanguard STAR Inv	VGSTX
Target-Date 2000-2010	T. Rowe Price Retirement 2005	TRRFX	T. Rowe Price Retirement 2005	TRRFX
Target-Date 2000-2010	T. Rowe Price Retirement 2010	TRRAX	T. Rowe Price Retirement 2010	TRRAX
Target-Date 2015	T. Rowe Price Retirement 2015	TRRGX	T. Rowe Price Retirement 2015	TRRGX
Target-Date 2020	T. Rowe Price Retirement 2020	TRRBX	T. Rowe Price Retirement 2020	TRRBX
Target-Date 2025	T. Rowe Price Retirement 2025	TRRHX	T. Rowe Price Retirement 2025	TRRHX
Target-Date 2030	T. Rowe Price Retirement 2030	TRRCX	T. Rowe Price Retirement 2030	TRRCX
Target-Date 2035	T. Rowe Price Retirement 2035	TRRJX	T. Rowe Price Retirement 2035	TRRJX
Target-Date 2040	T. Rowe Price Retirement 2040	TRRDY	T. Rowe Price Retirement 2040	TRRDY
Target-Date 2045	T. Rowe Price Retirement 2045	TRRKX	T. Rowe Price Retirement 2045	TRRKX
Target-Date 2050	T. Rowe Price Retirement 2050	TRRMX	T. Rowe Price Retirement 2050	TRRMX
Target-Date 2055	T. Rowe Price Retirement 2055	TRRNX	T. Rowe Price Retirement 2055	TRRNX
Target-Date 2060+	T. Rowe Price Retirement 2060	TRRLX	T. Rowe Price Retirement 2060	TRRLX

Passive - Mapping				
Asset Class	Current Investment	Ticker	Recommended Investment	Ticker
Intermediate Core Bond	Fidelity® US Bond Index	FXNAX	Fidelity® US Bond Index	FXNAX
Large Blend	Fidelity® 500 Index	FXAIX	Fidelity® 500 Index	FXAIX
Mid-Cap Blend	Fidelity® Mid Cap Index	FSMDX	Fidelity® Mid Cap Index	FSMDX
Foreign Large Blend	Vanguard Total Intl Stock Index Admiral	VTIAX	Vanguard Total Intl Stock Index Admiral	VTIAX
Small Blend	Fidelity® Small Cap Index	FSSNX	Fidelity® Small Cap Index	FSSNX

Active - Mapping				
Asset Class	Current Investment	Ticker	Recommended Investment	Ticker
Stable Value	Great-West Guaranteed Government Fund	-	Nationwide Fixed Account	-
Intermediate Core-Plus Bond	Metropolitan West Total Return Bd Admin	MWTNX	Metropolitan West Total Return Bd M	MWTRX
Inflation-Protected Bond	Vanguard Inflation-Protected Secs Adm	VAIPX	Vanguard Inflation-Protected Secs Adm	VAIPX
Multisector Bond	PIMCO Income A	PONAX	PIMCO Income A	PONAX
Large Value	JHancock Disciplined Value R6	JDVWX	JHancock Disciplined Value R4	JDVFX
Large Blend	Parnassus Core Equity Investor	PRBLX	Parnassus Core Equity Investor	PRBLX
Large Blend	Fidelity® Contrafund®	FCNTX	Fidelity® Contrafund®	FCNTX
Large Growth	MainStay Winslow Large Cap Growth I	MLAIX	MainStay Winslow Large Cap Growth Inv	MLINX
Mid-Cap Value	JPMorgan Mid Cap Value R6	JMVYX	JPMorgan Mid Cap Value R6	JMVYX
Mid-Cap Growth	T. Rowe Price Instl Mid-Cap Equity Gr	PMEGX	T. Rowe Price Instl Mid-Cap Equity Gr	PMEGX
Foreign Large Growth	American Funds Europacific Growth R6	RERGX	American Funds Europacific Growth R6	RERGX
Foreign Large Growth	MFS International Intrinsic Value R3	MINGX	MFS International Intrinsic Value R3	MINGX
Foreign Large Growth	Vanguard International Growth Adm	VWILX	Vanguard International Growth Adm	VWILX
Small Value	American Beacon Small Cp Val A	ABSAX	American Beacon Small Cap Value R6	AASRX
Small Growth	T. Rowe Price QM US Small-Cap Gr Eq I	TQAIK	T. Rowe Price QM US Small-Cap Gr Eq	PRDSX
Real Estate	Nuveen Real Estate Securities I	FARCX	Nuveen Real Estate Securities I	FARCX

Recommended for replacement
Recommended for asset class removal
Share class change

Recommended for addition
Recommended for new addition only



ALPHA

A manager's rate of return in excess of that which can be explained by its systematic risk, or Beta. It is a result of the analysis regressing a manager's returns against those of a benchmark index. A positive alpha implies that a manager has added value relative to its benchmark on a risk-adjusted basis.

BETA

A manager's sensitivity to systematic, or market risk. Beta is a result of the analysis regressing a manager's return against those of a benchmark index. A manager with a Beta of 1 should move perfectly with the benchmark. A Beta of that 1 implies that a manager's returns are less volatile than the market's. A Beta of greater than 1 similarly implies that a manager exhibits greater volatility than the market.

CAPTURE RATIO

A measure of a manager's performance relative to its benchmark under different market conditions. It is the ratio of the average manager return to the average benchmark return. Up market capture refers to relative performance in periods where the benchmark return is greater than 0. Down market capture is calculated over those periods where the benchmark return is less than 0.

INFORMATION RATIO

An efficiency measure which estimates a manager's excess return over a benchmark, divided by the volatility of the excess return, or Tracking Error.

PERCENTILE RANK

Percentile Rank is based on an individual fund's performance relative to all other available funds in its universe. Percentiles range from 1, being the best, to 100 being the worst. Ideally managers prefer to be in the 50th percentile or above which demonstrates that they have done better on a relative basis than at least 50% of their peers.

R-SQUARED

The portion of a manager's movements that are explained by movements in a benchmark index. R-squared values range from 0 to 100. An R-squared of 100 means that all movements of a manager are completely explained by movements in the index. Also identified as the coefficient of determination from a regression equation, a high R-squared values supports the validity of the Alpha and Beta measures.

SHARPE RATIO

A measure of a manager's return of per unit of risk. It is the ratio of a manager's excess return above the risk free rate over the standard deviation. A higher Sharpe Ratio implies greater manager efficiency.

STANDARD DEVIATION

A measure of the extent to which observations in a series vary from the arithmetic mean of the series. This measure of volatility or risk allows the estimation of a range of values for a manager's returns. The wider the range, the more uncertainty, and therefore the riskier a manager is assumed to be.



Livingston County

Share Class Review--October 2020

Fund Name	Ticker	Expense Ratio	Revenue Sharing	Net Cost
<i>Inflation-Protected Bond</i>				
Vanguard Inflation-Protected Secs Adm*	VAIPX	0.10%	0.00%	0.10%
Vanguard Inflation-Protected Secs Inv	VIPSX	0.20%	0.00%	0.20%
<i>Intermediate-Term Bond</i>				
Metropolitan West Total Return Bd Plan	MWTSX	0.38%	0.00%	0.38%
Metropolitan West Total Return Bd I	MWTIX	0.46%	0.00%	0.46%
Metropolitan West Total Return Bd M*	MWTRX	0.68%	0.35%	0.33%
Fidelity US Bond Index*	FXNAX	0.025%	0.00%	0.025%
<i>Multisector Bond</i>				
PIMCO Income Instl	PIMIX	1.09%	0.00%	1.09%
PIMCO Income Adm	PIINX	1.34%	0.25%	1.09%
PIMCO Income A*	PONAX	1.49%	0.45%	1.04%
PIMCO Income R	PONRX	1.74%	0.70%	1.04%
<i>Asset Allocation</i>				
Vanguard STAR Inv*	VGSTX	0.31%	0.00%	0.31%
<i>Large Cap Value</i>				
JHancock Disciplined Value R6	JDVWX	0.70%	0.00%	0.70%
JHancock Disciplined Value R5	JDVVX	0.75%	0.05%	0.70%
JHancock Disciplined Value I	JVLIX	0.81%	0.10%	0.71%
JHancock Disciplined Value R4*	JDVFX	0.95%	0.35%	0.60%
JHancock Disciplined Value A	JVLAX	1.06%	0.50%	0.56%
JHancock Disciplined Value R2	JDVPX	1.20%	0.50%	0.70%
JHancock Disciplined Value R3	JDVHX	1.35%	0.65%	0.70%
JHancock Disciplined Value R1	JDVOX	1.45%	0.75%	0.70%
<i>Large Cap Blend</i>				
Parnassus Core Equity Investor*	PRBLX	0.86%	0.50%	0.36%
Fidelity Contrafund K6	FLCNX	0.45%	0.00%	0.45%
Fidelity Contrafund K	FCNKX	0.77%	0.00%	0.77%
Fidelity Contrafund*	FCNTX	0.85%	0.25%	0.60%

Fidelity 500 Index*	FXAIX	0.015%	0.00%	0.015%
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Large Cap Growth

MainStay Winslow Large Cap Growth R6	MLRSX	0.64%	0.00%	0.64%
MainStay Winslow Large Cap Growth I	MLAIX	0.74%	0.15%	0.59%
MainStay Winslow Large Cap Growth R1	MLRRX	0.84%	0.25%	0.59%
MainStay Winslow Large Cap Growth R2	MLRTX	1.09%	0.50%	0.59%
MainStay Winslow Large Cap Growth Inv*	MLINX	1.10%	0.50%	0.60%

Mid Cap Value

JPMorgan Mid Cap Value R6*	JMVYX	0.73%	0.00%	0.73%
JPMorgan Mid Cap Value R5	JMVRX	0.84%	0.10%	0.74%
JPMorgan Mid Cap Value I	JMVSX	0.99%	0.25%	0.74%
JPMorgan Mid Cap Value R4	JMVQX	0.99%	0.25%	0.74%
JPMorgan Mid Cap Value A	JAMCX	1.24%	0.50%	0.74%
JPMorgan Mid Cap Value R3	JMVPX	1.25%	0.50%	0.75%

Mid Cap Blend

Fidelity Mid Cap Index*	FSMDX	0.025%	0.000%	0.025%
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Mid Cap Growth

T. Rowe Price Instl Mid-Cap Equity Gr*	PMEGX	0.61%	0.00%	0.61%
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Small Cap Value

American Beacon Small Cap Value R6*	AASRX	0.80%	0.00%	0.80%
American Beacon Small Cp Val Inst	AVFIX	0.83%	0.00%	0.83%
American Beacon Small Cp Val Y	ABSYX	0.90%	0.10%	0.80%
American Beacon Small Cp Val Inv	AVPAX	1.14%	0.35%	0.79%
American Beacon Small Cp Val Adv	AASSX	1.34%	0.50%	0.84%

Small Cap Blend

Fidelity Small Cap Index*	FSSNX	0.025%	0.00%	0.025%
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Small Cap Growth

T. Rowe Price QM US Small-Cap Gr Eq I	TQAIX	0.65%	0.00%	0.65%
T. Rowe Price QM US Small-Cap Gr Eq*	PRDSX	0.79%	0.15%	0.64%

Foreign Large Blend

MFS® International Intrinsic Value R6	MINJX	0.63%	0.00%	0.63%
MFS® International Intrinsic Value R4	MINHX	0.73%	0.15%	0.58%

MFS® International Intrinsic Value R3*	MINGX	0.98%	0.50%	0.48%
MFS® International Intrinsic Value R2	MINFX	1.23%	0.75%	0.48%
MFS® International Intrinsic Value R1	MINRX	1.73%	1.10%	0.63%

Vanguard Total Intl Stock Index Admiral*	VTIAX	0.11%	0.00%	0.11%
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American Funds Europacific Growth R6*	RERGX	0.46%	0.00%	0.46%
American Funds Europacific Growth R5	RERFX	0.51%	0.05%	0.46%
American Funds Europacific Growth R5E	RERHX	0.61%	0.15%	0.46%
American Funds Europacific Growth R4	REREX	0.81%	0.35%	0.46%
American Funds Europacific Growth A	AEPGX	0.84%	0.25%	0.59%
American Funds Europacific Growth R3	RERCX	1.12%	0.65%	0.47%
American Funds Europacific Growth R2E	REEBX	1.27%	0.80%	0.47%
American Funds Europacific Growth R2	RERBX	1.56%	1.10%	0.46%
American Funds Europacific Growth R1	RERAX	1.58%	1.10%	0.48%

Foreign Large Growth

Vanguard International Growth Adm*	VWILX	0.32%	0.00%	0.32%
Vanguard International Growth Inv	VWIGX	0.43%	0.00%	0.43%

Real Estate

Nuveen Real Estate Securities R6	FREGX	0.88%	0.00%	0.88%
Nuveen Real Estate Securities I*	FARCX	1.06%	0.25%	0.81%
Nuveen Real Estate Securities A	FREAX	1.30%	0.40%	0.90%
Nuveen Real Estate Securities R3	FRSSX	1.55%	0.75%	0.80%
Nuveen Real Estate Securities C	FRLCX	2.06%	1.00%	1.06%

Target Date Funds

T. Rowe Price Retirement I 2035 I	TRPJX	0.50%	0.00%	0.50%
T. Rowe Price Retirement 2035 Fund*	TRRJX	0.67%	0.15%	0.52%
T. Rowe Price Retirement 2035 Fund Advisor	PARKX	0.92%	0.40%	0.52%
T. Rowe Price Retirement 2035 Fund R	R RTPX	1.17%	0.65%	0.52%

Source: Morningstar; Nationwide

Lowest expense ratio available

Lowest net cost (if meeting threshold of 5 basis points or more)

Past performance does not guarantee future results.

Data sources for peer group comparisons, returns, and standard statistical data are provided by the sources referenced and are based on data obtained from recognized statistical services or other sources believed to be reliable. However, some or all information has not been verified prior to the analysis, and we do not make any representations as to its accuracy or completeness. Any analysis non-factual in nature constitutes only current opinions, which are subject to change. There may be instances when consultant opinions regarding any fundamental or quantitative analysis may not agree. The analysis was prepared solely to help in presenting our services. Accordingly, it may be incomplete or contain other departures from