Gunnison County
CCOERA Retirement Plan

Presented by:

Jacob P. Kuijper
Executive Director

August 6, 2013

Agenda

- What Makes CCOERA Unique
  - Plan Highlights & Enhancements
  - Current Products & Services
  - The CCOERA Advantage
- Gunnison County Plan Facts & Trends
- Individual Participant Service
- Service Strategy for Gunnison County Employees
- Questions & Answers

What Makes CCOERA Unique

Why the CCOERA System Works

- **Plan Highlights & Enhancements**

-Fee Waiver, 2010, 2011, 2012 & 3Q 2013 (0.1875% annualized)	- Hueler Annuity Services (Income Annuity option)
- Fund Expense Ratio Reductions	- Hub International Retiree Insurance Services (Gunnison Dental, Retiree Medical options)
- $300k Fee Cap 2007, reduced to $200k, 7/1/11	- Retiree Benefits Tab (Pre-retirement planning; Retiree money matters; Retirement lifestyles; Planning tools)
- Roth 457 Option, 1/1/2011	- Retirement Readiness Workshop/Worksheet

What Makes CCOERA Unique

Why the CCOERA System Works

- **Quality Products & Services**

  - Book Value Fund (current yield of 2.2%, & 3.43% last 5 years)
  - Custom Pension Portfolios (Professionally Allocated & Rebalanced)
  - Select Mutual Funds (Open Architecture – No Proprietary Mutual Funds)
  - Self-Directed Brokerage Account (Schwab – Individual Stock & Most Fund Options)
  - Web site account access & tracking
  - High quality educational seminars

2013 INVESTMENT RESULTS (2nd Quarter)

Total Return[1] of CCOERA Investments for the period ending June 30, 2013

INVESTMENT OPTIONS	2nd Qtr	YTD	1 Year	5 Year	10 Year	Exp Ratio[2]	Std Dev
Pension Portfolio 1 - Very Conservative	0.43%	2.42%	5.08%	4.00%	5.24%	0.39%	4.97%
Pension Portfolio 2 - Conservative	0.55%	3.97%	8.00%	4.34%	5.85%	0.50%	9.73%
Pension Portfolio 3 - Moderate	0.38%	5.12%	10.39%	4.51%	6.45%	0.62%	14.59%
Pension Portfolio 4 - Aggressive	0.26%	6.23%	12.62%	4.45%	6.92%	0.73%	19.48%
Pension Portfolio 5 - Very Aggressive	0.75%	8.29%	16.10%	3.50%	7.20%	0.64%	23.65%

	FIXED	TICKER	2nd Qtr	YTD	1 Year	5 Year	10 Year	Exp Ratio[2]	Std Dev
Other	Fidelity Select Money Market	(FSLXX)	0.00%	0.01%	0.04%	0.45%	1.82%	0.30%	0.23%
Other	CCOERA Book Value Fund		0.53%	1.09%	2.34%	3.27%	4.37%	0.06%	0.42%
Bonds	PIMCO Total Return Fund	(PTTRX)	-3.60%	-3.02%	1.20%	7.26%	5.97%	0.46%	4.38%
Bonds	PIMCO High Yield Fund	(PHIYX)	-1.55%	0.65%	8.12%	8.91%	7.70%	0.55%	12.31%

	EQUITY (STOCK FUNDS)	TICKER	2nd Qtr	YTD	1 Year	5 Year	10 Year	Exp Ratio[2]	Std Dev
Large Cap	Vanguard Institutional 500 Index	(VINIX)	2.91%	13.81%	20.57%	7.04%	7.30%	0.04%	18.26%
Large Cap	Neuberger Berman Social Fund	(NBSTX)	1.93%	17.28%	25.61%	6.26%	7.82%	1.06%	18.85%
Large Cap	Davis NY Venture	(DNVYX)	4.10%	15.68%	22.20%	4.82%	7.24%	0.64%	19.71%
Large Cap	Rainier Large Cap Equity	(RAIEX)	1.20%	10.48%	16.57%	2.28%	6.56%	0.79%	19.05%
Large Cap	Fidelity Contrafund	(FCNTX)	2.05%	11.42%	16.79%	5.98%	9.88%	0.74%	16.69%
Foreign	American Beacon International	(AAIEX)	1.00%	3.43%	20.10%	0.97%	8.27%	0.73%	23.79%
Foreign	American Funds EuroPacific Growth	(RERGX)[3]	-0.73%	2.19%	15.89%	1.41%	9.71%	0.50%	21.66%
Mid Cap	Vanguard Mid-Cap Index Fund	(VMCIX)	2.36%	15.56%	25.03%	7.96%	10.49%	0.08%	22.03%
Mid Cap	Fidelity Low-Priced Fund	(FLPSX)	4.45%	15.29%	27.05%	9.80%	11.30%	0.88%	20.55%
Mid Cap	Artisan Mid-Cap Fund	(APHMX)	3.27%	12.34%	20.47%	10.72%	11.33%	1.08%	22.57%
Sm Cap	Vanguard Small-Cap Index Fund	(VSCIX)	2.77%	15.97%	25.74%	10.19%	10.94%	0.08%	24.19%
Sm Cap	American Beacon Sm Cap Value	(AVFIX)	2.48%	16.53%	28.03%	10.14%	10.55%	0.92%	24.93%
RE	Cohen & Steers Reality Shares	(CSRIX)	-1.50%	6.05%	8.30%	8.23%	12.04%	0.75%	31.02%

PORTFOLIO DIVERIFICATION IS ALWAYS ESSENTIAL

Annual Returns for Key Indices (2003 - 2012) - *Ranked in order of Performance (Best to Worst)*

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	10 Yr Avg Return	10 Yr Avg Risk	
Best	Small Cap Stocks 47.25 %	REITs 33.16 %	Comm 21.36 %	REITs 35.97 %	Comm 16.23 %	Fixed Income 5.24 %	Int'l Stocks 31.78 %	REITs 28.60 %	REITs 9.24 %	REITs 17.59 %	REITs 11.57 %	Fixed Income 3.55 %	Less Risk
	Int'l Stocks 38.59 %	Int'l Stocks 20.25 %	REITs 13.82 %	Int'l Stocks 26.34 %	Int'l Stocks 11.17 %	Hedge Funds -21.37 %	REITs 28.60 %	Small Cap Stocks 26.85 %	Fixed Income 7.84 %	Int'l Stocks 17.32 %	Small Cap Stocks 9.72 %	Hedge Funds 5.52 %	
	REITs 36.18 %	Small Cap Stocks 18.33 %	Int'l Stocks 13.54 %	Small Cap Stocks 18.37 %	Hedge Funds 10.25 %	Div. Port -26.08%	Small Cap Stocks 27.17 %	Comm 16.83 %	Large Cap Stocks 2.11 %	Small Cap Stocks 16.35 %	Int'l Stocks 8.21 %	Div. Port 10.84%	
	Large Cap Stocks 28.68 %	Div. Port 11.79%	Hedge Funds 7.49 %	Large Cap Stocks 15.79 %	Fixed Income 6.97 %	Small Cap Stocks -33.79 %	Large Cap Stocks 26.46 %	Large Cap Stocks 15.06 %	Div. Port -0.15%	Large Cap Stocks 16.00 %	Div. Port 7.35%	Large Cap Stocks 14.77 %	
	Div. Port 24.35%	Large Cap Stocks 10.88 %	Div. Port 6.92%	Div. Port 14.09%	Div. Port 6.06%	Comm -35.65 %	Div. Port 21.08%	Div. Port 13.42%	Small Cap Stocks -4.18 %	Div. Port 11.45%	Large Cap Stocks 7.10 %	Int'l Stocks 18.42 %	
	Comm 23.93 %	Comm 9.15 %	Large Cap Stocks 4.91 %	Hedge Funds 10.39 %	Large Cap Stocks 5.49 %	Large Cap Stocks -37.00 %	Comm 18.91 %	Int'l Stocks 7.75 %	Hedge Funds -5.72 %	Hedge Funds 5.28 %	Fixed Income 5.19 %	Comm 18.46 %	
	Hedge Funds 11.61 %	Hedge Funds 6.86 %	Small Cap Stocks 4.55 %	Fixed Income 4.34 %	Small Cap Stocks -1.57 %	REITs -39.20 %	Hedge Funds 11.47 %	Fixed Income 6.54 %	Int'l Stocks -12.14 %	Fixed Income 4.21 %	Comm 4.09 %	Small Cap Stocks 20.10 %	
Worst	Fixed Income 4.11 %	Fixed Income 4.34 %	Fixed Income 2.43 %	Comm 2.07 %	REITs -17.55 %	Int'l Stocks -43.38 %	Fixed Income 5.93 %	Hedge Funds 5.70 %	Comm -13.32 %	Comm -1.06 %	Hedge Funds 3.63 %	REITs 26.66 %	More Risk

Past performance is not a guarantee of future results. No investment strategy, such as diversification can guarantee a profit against a loss.

Source: Ibbotson Associates. Large Cap Equity stocks are represented by the S&P 500 Index; Small Cap Equity stocks are represented by the Russell 2000 Index; International Equity stocks are represented by the MSCI EAFE Index; Core Fixed Income bonds are represented by the BC Aggregate Bond Index; REITS are represented by the DJ Wilshire RESI Index; Commodities are represented by the DJ UBS Commodity Index; Hedge Fund of Funds are represented by the HFRI Fund of Fund Composite Index. This material has been obtained from sources considered reliable. No guarantee can be made as to its accuracy. Indicies are unmanaged and on cannot invest directly in an index.

What Makes CCOERA Unique

Why the CCOERA System Works

- **Participant Elected Board**
  (7 Board Members; 5 county elected)
- **Independent Tax Counsel**
  (Holland & Hart)
- **Independent Record Keeper**
  (Great West Retirement Solutions)
- **Independent Investment Advisor**
  (Innovest Portfolio Solutions)
- **Governmental Retirement Plan Specialist**
  (since 1968; 216 members)

The CCOERA Advantage

Why the CCOERA System Works

- **Why Costs are Low**

  - A Non-profit Retirement Association
  - CCOERA pays no dividends, no profit sharing, no employee bonuses/commissions
  - Annual budget is based on a .25% Administration Fee, which is eliminated on the amount of combined account balances that exceeds $200,000)
  - Nonprofit means savings are passed on to all CCOERA participants, thereby allowing us to reduce fees when possible

The CCOERA Advantage

Why the CCOERA System Works

- **Experienced Retirement Counselors**

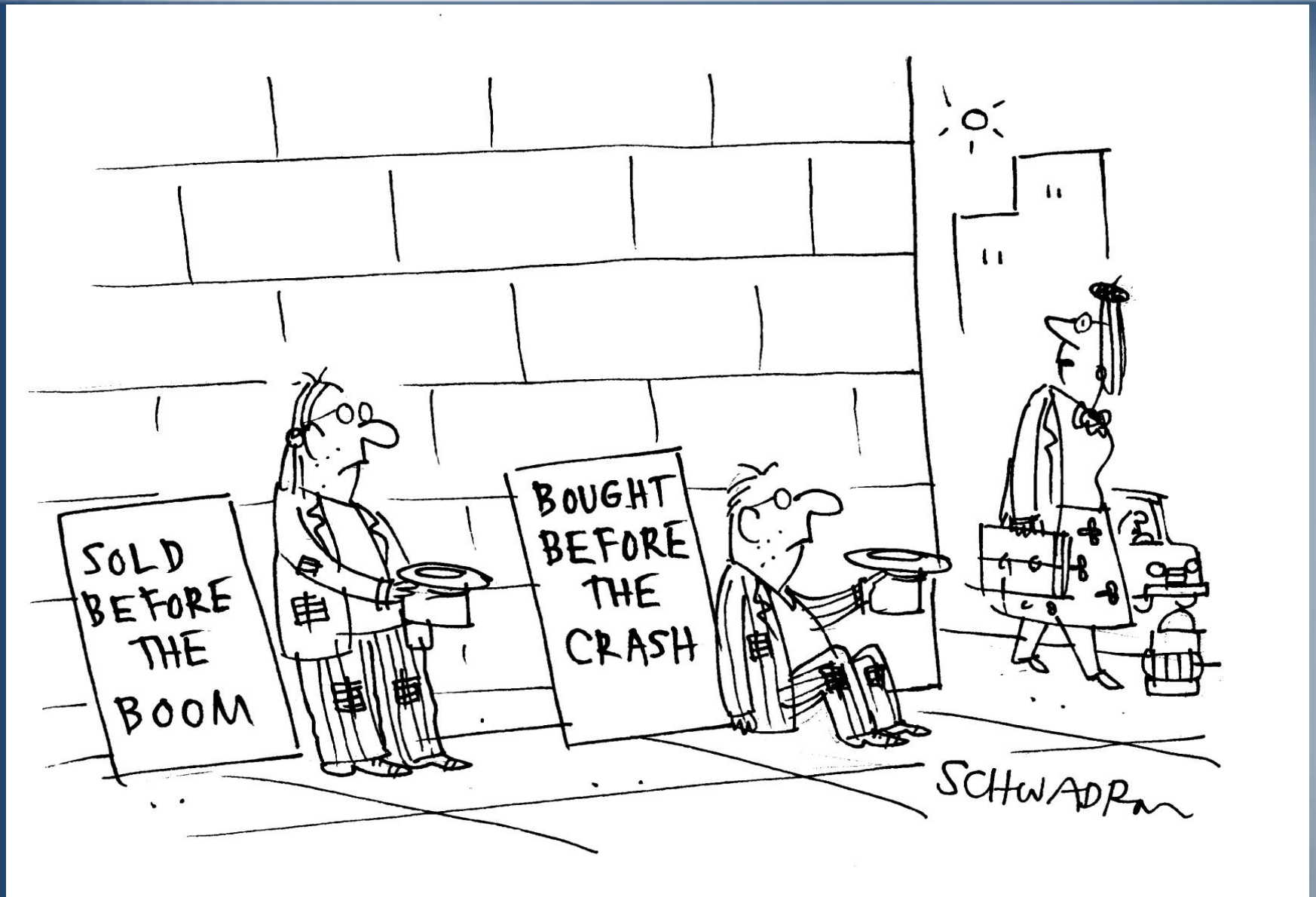
  - CCOERA Staff collectively has over 100 years experience in the retirement and investment services industry

  - Offer opportunity to review investments and retirement goals with five experienced CCOERA Counselors

  - Focus on individual counseling as well as educational meetings on retirement and investing

  - Employer Service Plans are designed to fit each employer's unique service needs and requests (457 Auto enrollment for new employees; Roth; Loans; Contribution schedules; Benefit Fairs)

Characteristics of a successful Investor

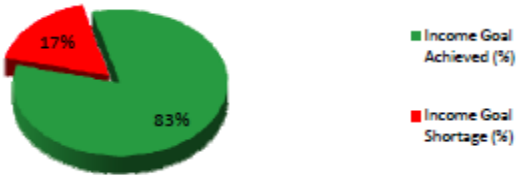


Your Retirement Overview

Created For: Shirley Smith **Date:** August 25, 2011

Your Retirement Assumptions	
Retirement Goals:	
Years to Retirement:	24
Current Age	43
Retirement Age	67
Income Replacement Need	70%
CCOERA Retirement Assets:	
Accumulation Rate of Return (ROR)	6.0%
Accumulation ROR-last 5 working years	4.5%
Income Payout Rate	4.0%

Your Retirement Goal Outlook



Your Retirement Outlook - Income Projections (Annual)

		Current Income Estimate (based on last pay period)	Projected Income Estimate (at retirement age)
Income from Employment*		$41,500	$53,716
Income Replacement Goal		$29,050	$37,601
Minus: Income expected from:			
Soc. Sec./Pension	**	n/a	$7,600
Other Income	**		
Equals: Income Needed from Retirement Assets		$29,050	$30,001
Minus: Income Projected from Retirement Assets		$1,932	$23,648
Equals: Income Shortage/(Surplus)		$27,118	$6,353
Projected Annual Retirement Income at age:		**67**	**$31,248**

Your Retirement Outlook - Asset Growth Projections

Retirement Assets		Current Balances	Projected Balances
CCOERA 401(a) Account		$23,750	$276,355
CCOERA 457 Account - Traditional		$6,800	$95,692
CCOERA 457 Account - Roth Option		$1,750	$123,353
Simple IRA	**	$15,000	$93,991
Cert. of Deposit	**	$1,000	$1,809
Totals		$48,300	$591,200
Annual Income Projected from Retirement Assets		$1,932	$23,648

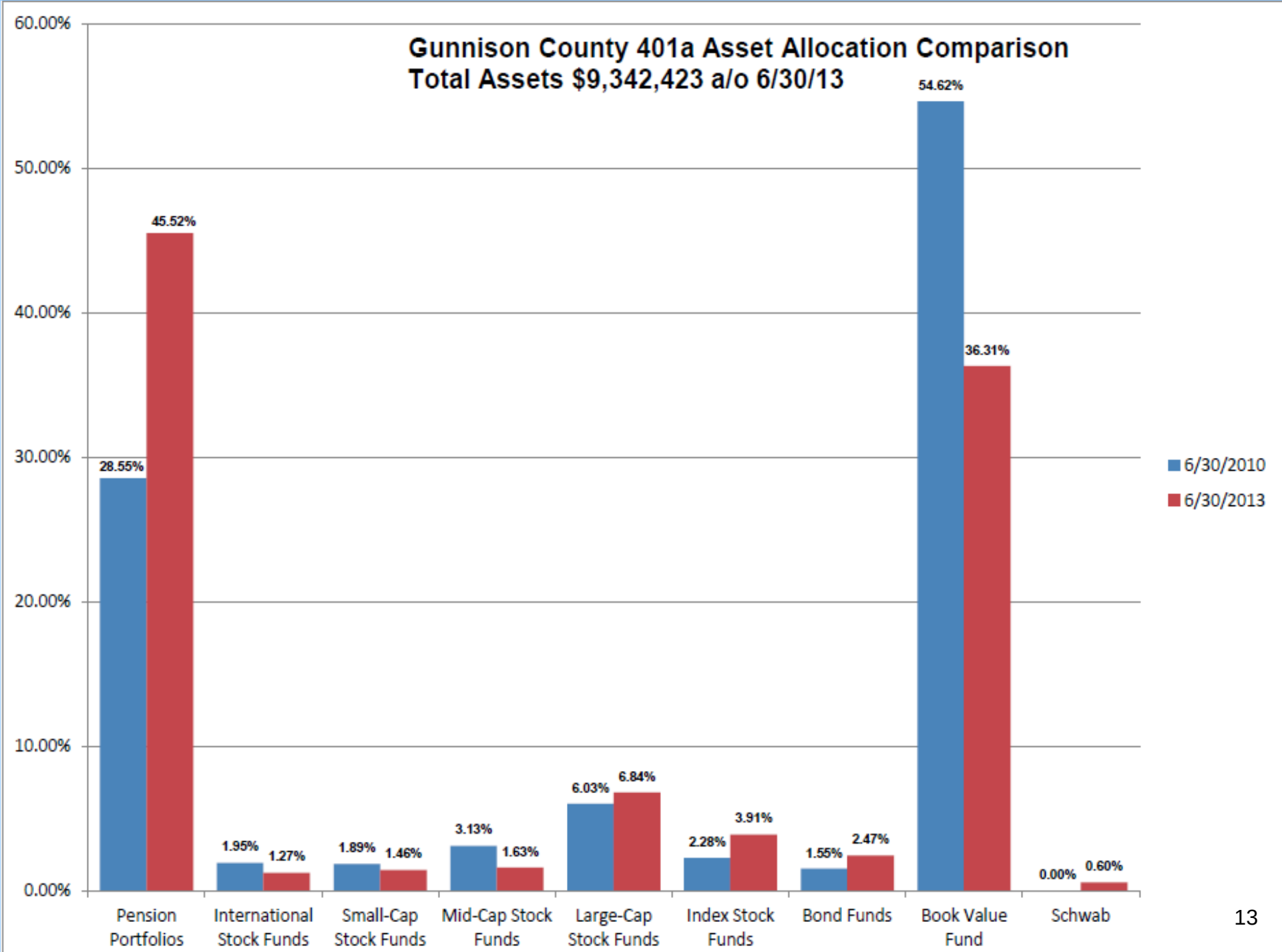
Your Retirement Outlook - Contributions

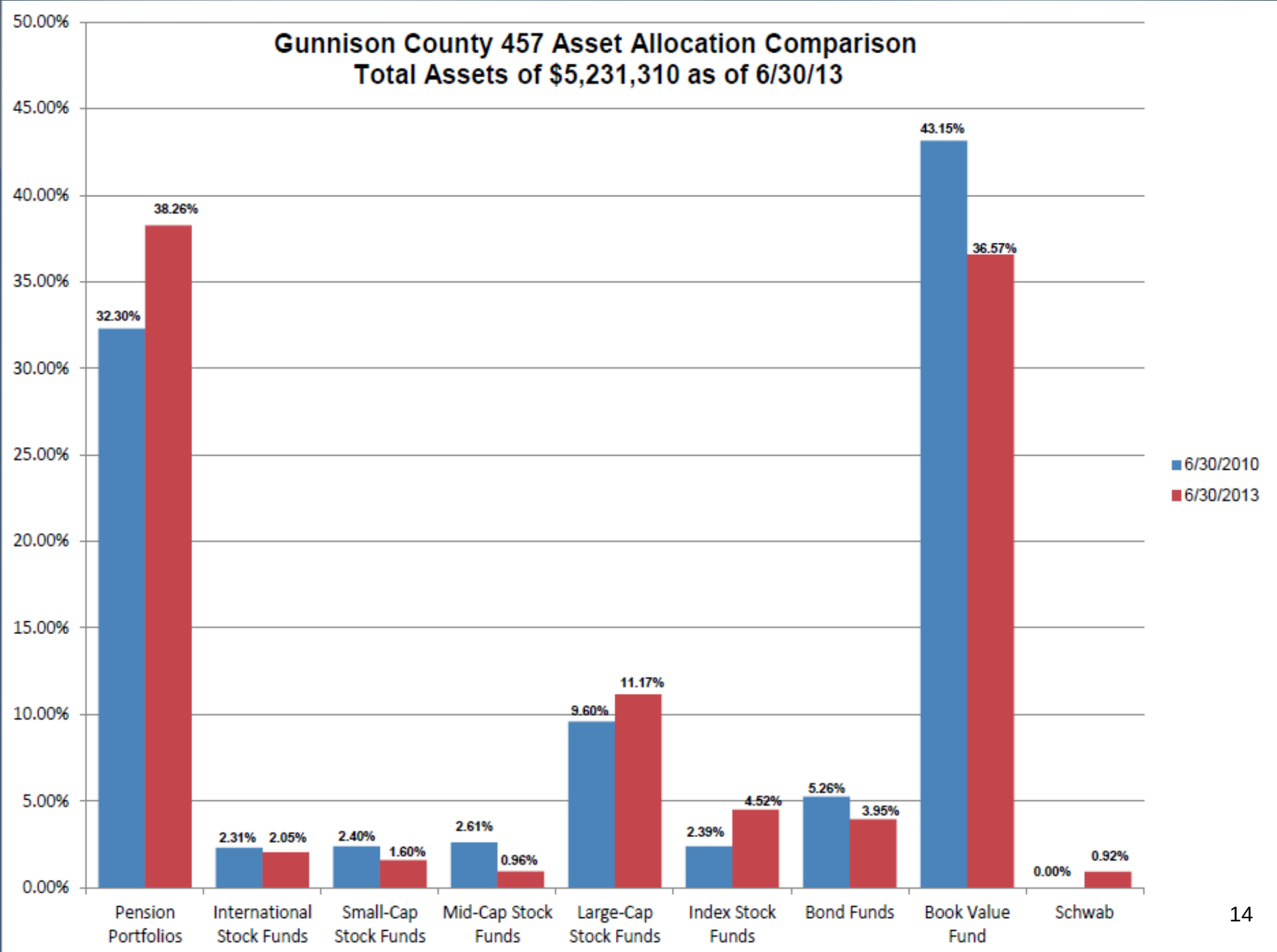
Elective Deferral Contributions	Current	Proposed
CCOERA 457 Deferred Compensation Plan - Traditional	$850	$1,245
CCOERA 457 Deferred Compensation Plan - Roth Option	$0	$2,075

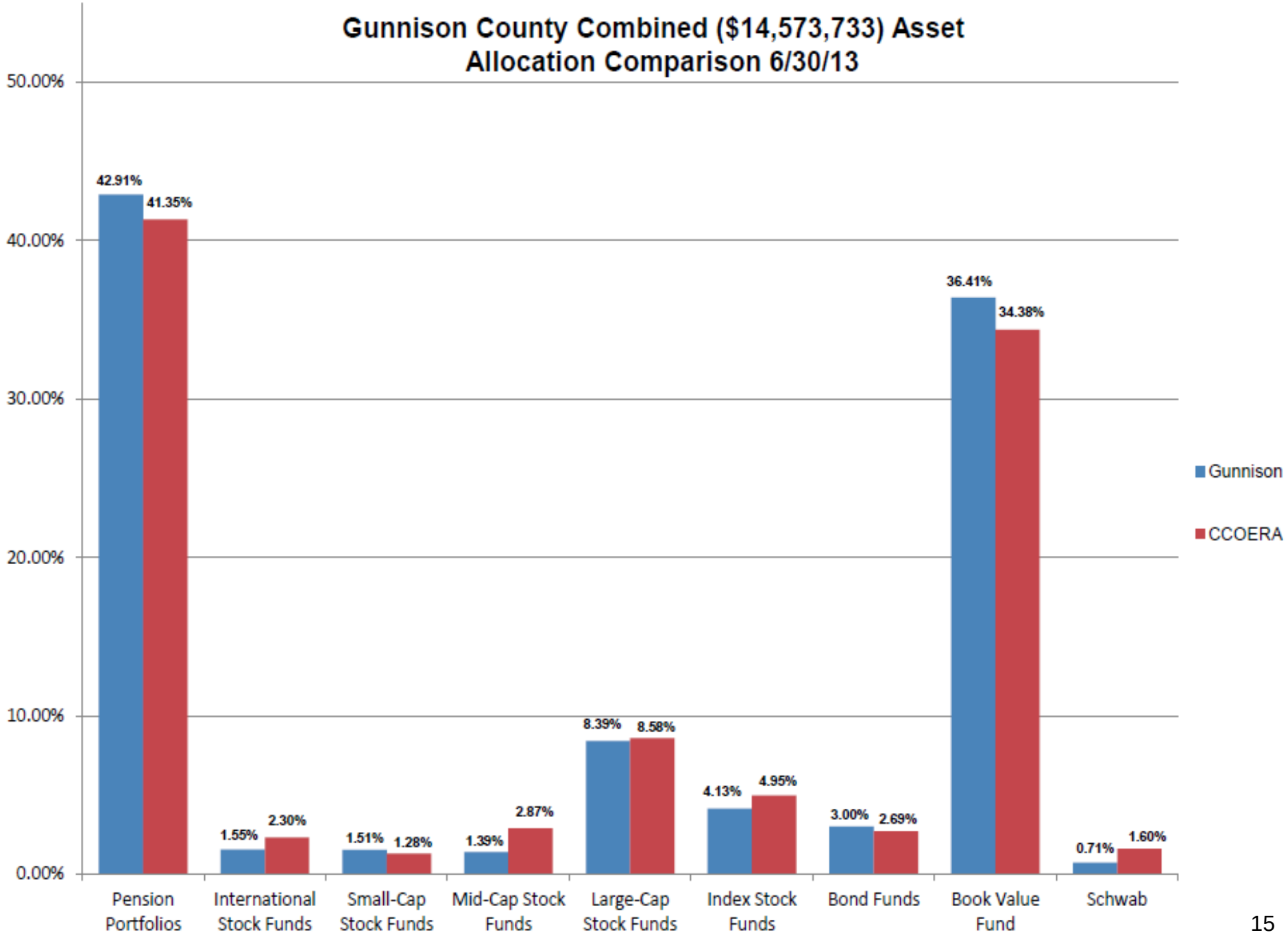
What Investors Should Do Now

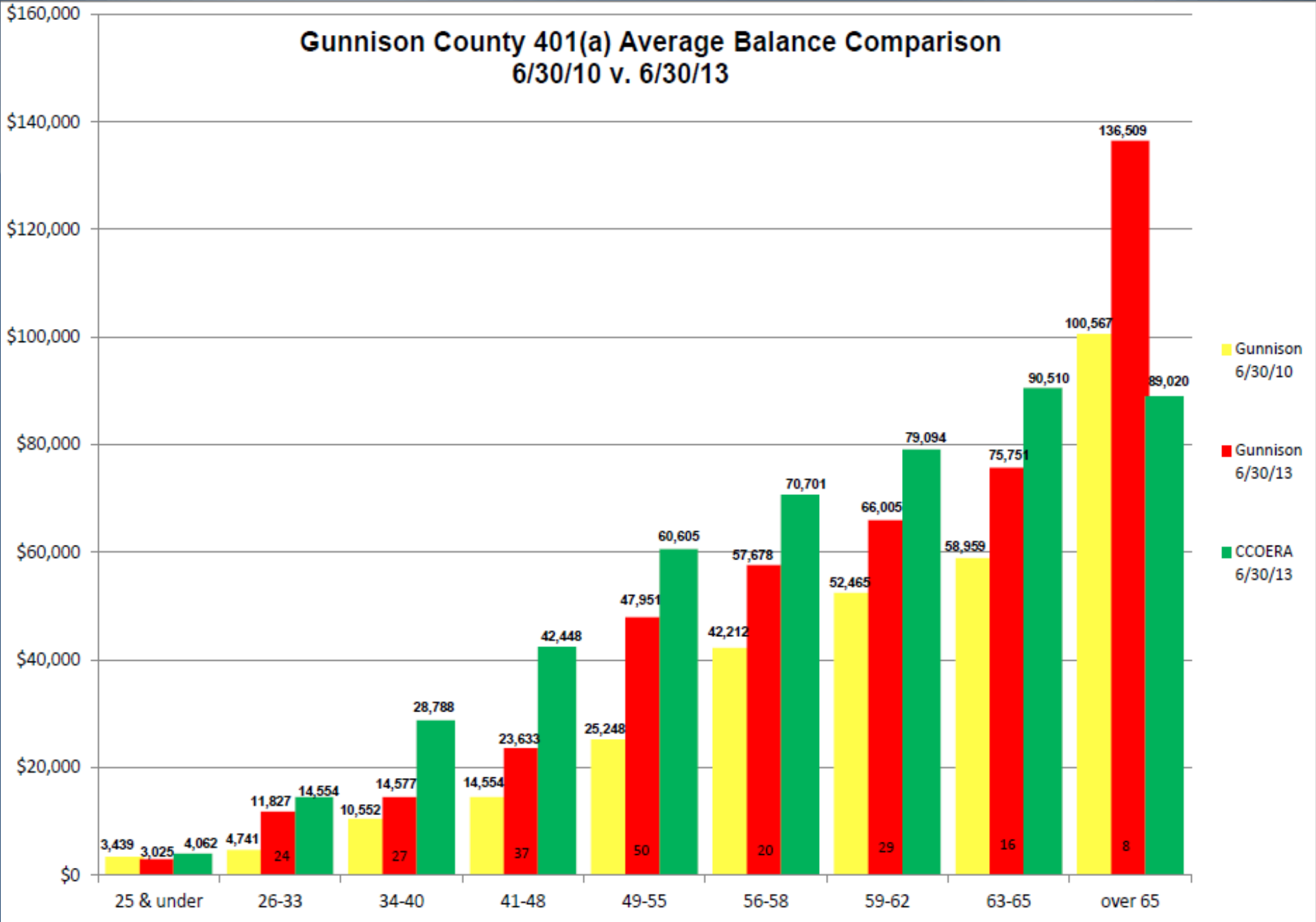
- Develop a Healthy Perspective on the Markets
- Avoid Letting Your Emotions adversely affect your Investment Decisions
- Don’t Attempt to Time the Market
- Utilize Dollar-cost Averaging and Portfolio Rebalancing Strategies
- Review Your Investment Objectives and Understand Your Portfolio Allocations
- Contact Your CCOERA Client Services Representative If You Need Assistance

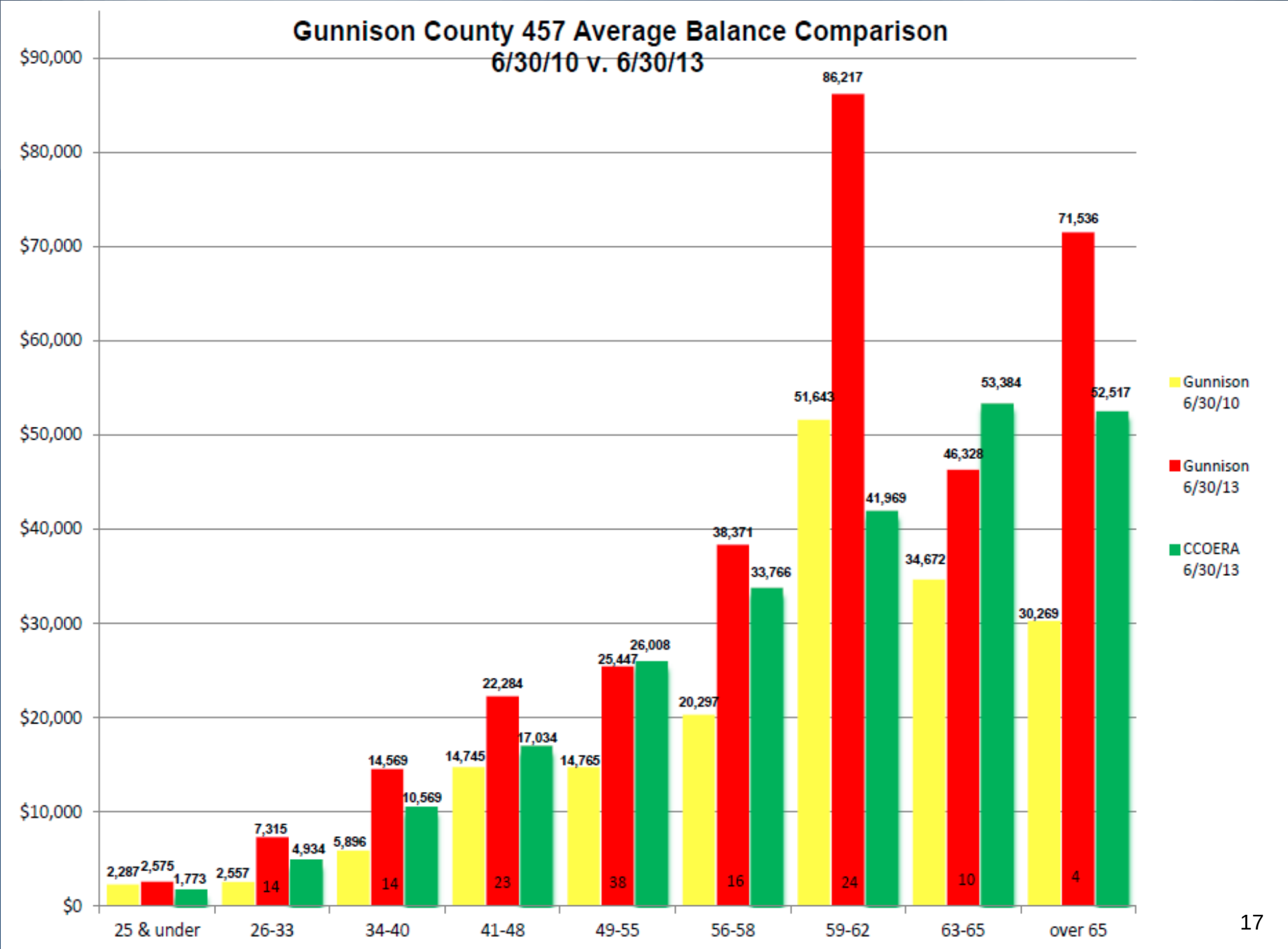
(Asset allocation and diversification do not ensure a profit or guarantee against a loss.)

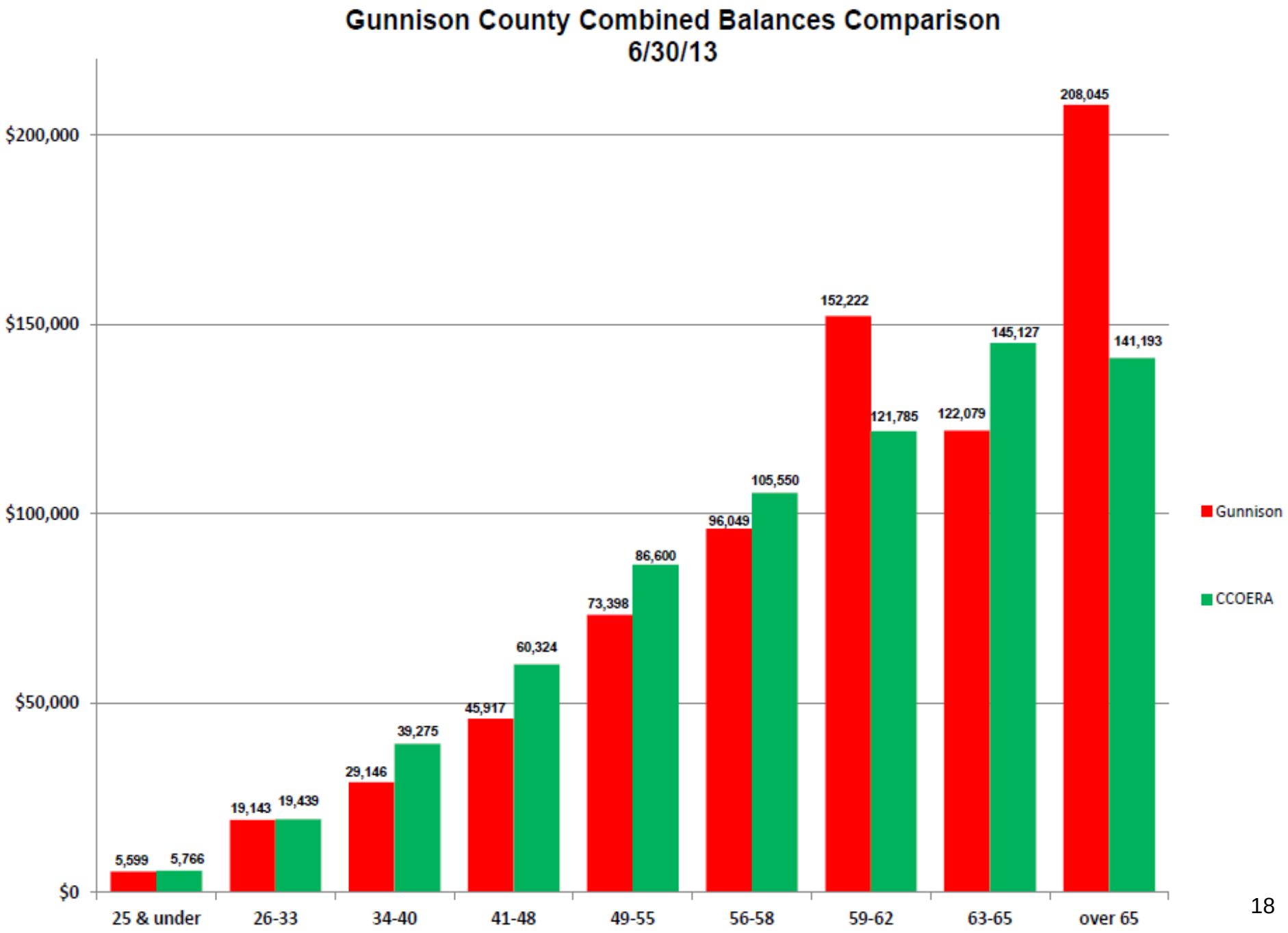

Gunnison County 401a Asset Allocation Comparison
Total Assets $9,342,423 a/o 6/30/13
60.00%
50.00%
40.00%
30.00%
20.00%
10.00%
0.00%
28.55%
45.52%
1.95%
1.27%
1.89%
1.46%
3.13%
1.63%
6.03%
6.84%
2.28%
3.91%
1.55%
2.47%
54.62%
36.31%
0.00%
0.60%
Pension Portfolios
International Stock Funds
Small-Cap Stock Funds
Mid-Cap Stock Funds
Large-Cap Stock Funds
Index Stock Funds
Bond Funds
Book Value Fund
Schwab
6/30/2010
6/30/2013


Gunnison County 457 Asset Allocation Comparison
Total Assets of $5,231,310 as of 6/30/13
50.00%
45.00%
40.00%
35.00%
30.00%
25.00%
20.00%
15.00%
10.00%
5.00%
0.00%
32.30%
38.26%
2.31%
2.05%
2.40%
1.60%
2.61%
0.96%
9.60%
11.17%
2.39%
4.52%
5.26%
3.95%
43.15%
36.57%
0.00%
0.92%
Pension Portfolios
International Stock Funds
Small-Cap Stock Funds
Mid-Cap Stock Funds
Large-Cap Stock Funds
Index Stock Funds
Bond Funds
Book Value Fund
Schwab
6/30/2010
6/30/2013

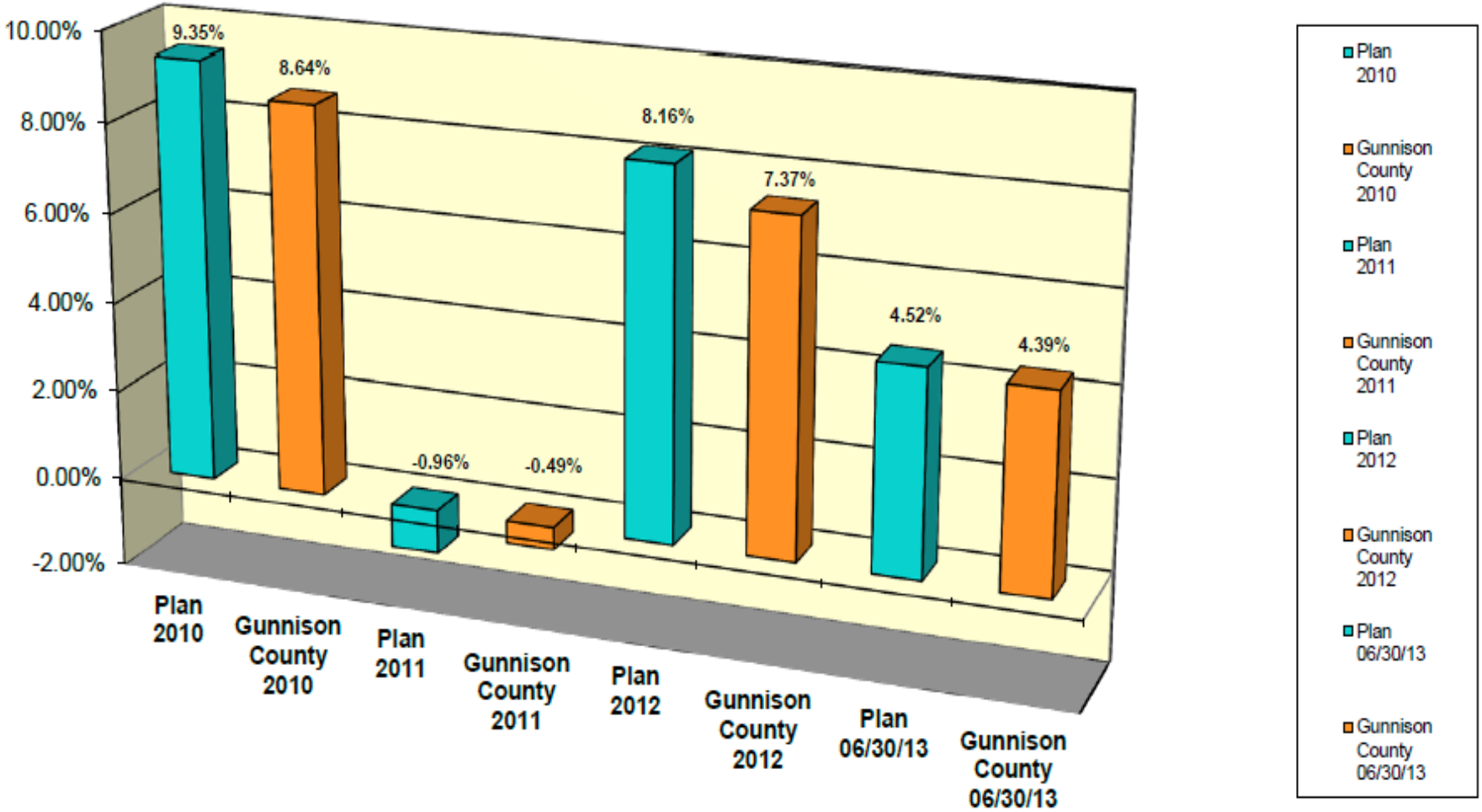

Gunnison County Combined ($14,573,733) Asset Allocation Comparison 6/30/13
50.00%
40.00%
30.00%
20.00%
10.00%
0.00%
42.91%
41.35%
1.55%
2.30%
1.51%
1.28%
1.39%
2.87%
8.39%
8.58%
4.13%
4.95%
3.00%
2.69%
36.41%
34.38%
0.71%
1.60%
Pension Portfolios
International Stock Funds
Small-Cap Stock Funds
Mid-Cap Stock Funds
Large-Cap Stock Funds
Index Stock Funds
Bond Funds
Book Value Fund
Schwab
Gunnison
CCOERA

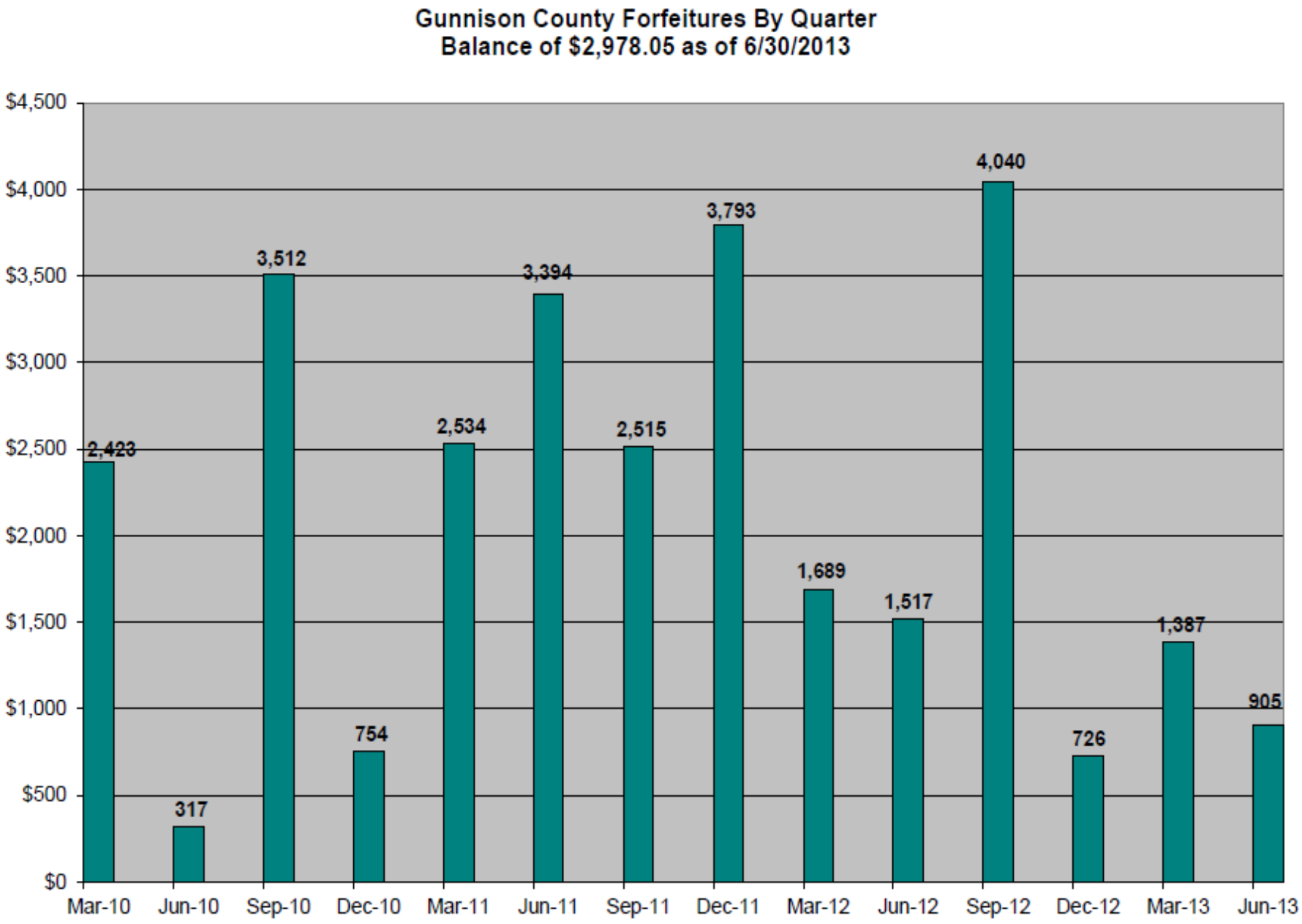

Gunnison County 401(a) Average Balance Comparison
6/30/10 v. 6/30/13
$160,000
$140,000
$120,000
$100,000
$80,000
$60,000
$40,000
$20,000
$0
3,439
3,025
4,062
4,741
11,827
24
14,554
10,552
14,577
27
28,788
14,554
23,633
37
42,448
25,248
47,951
50
60,605
42,212
57,678
20
70,701
52,465
66,005
29
79,094
58,959
75,751
16
90,510
100,567
136,509
8
89,020
25 & under
26-33
34-40
41-48
49-55
56-58
59-62
63-65
over 65
Gunnison 6/30/10
Gunnison 6/30/13
CCOERA 6/30/13


Gunnison County 457 Average Balance Comparison
6/30/10 v. 6/30/13
$90,000
$80,000
$70,000
$60,000
$50,000
$40,000
$30,000
$20,000
$10,000
$0
2,287
2,575
1,773
2,557
7,315
4,934
5,896
14,569
10,569
14,745
22,284
17,034
14,765
25,447
26,008
20,297
38,371
33,766
51,643
86,217
41,969
34,672
46,328
53,384
30,269
71,536
52,517
14
14
23
38
16
24
10
4
25 & under
26-33
34-40
41-48
49-55
56-58
59-62
63-65
over 65
Gunnison 6/30/10
Gunnison 6/30/13
CCOERA 6/30/13

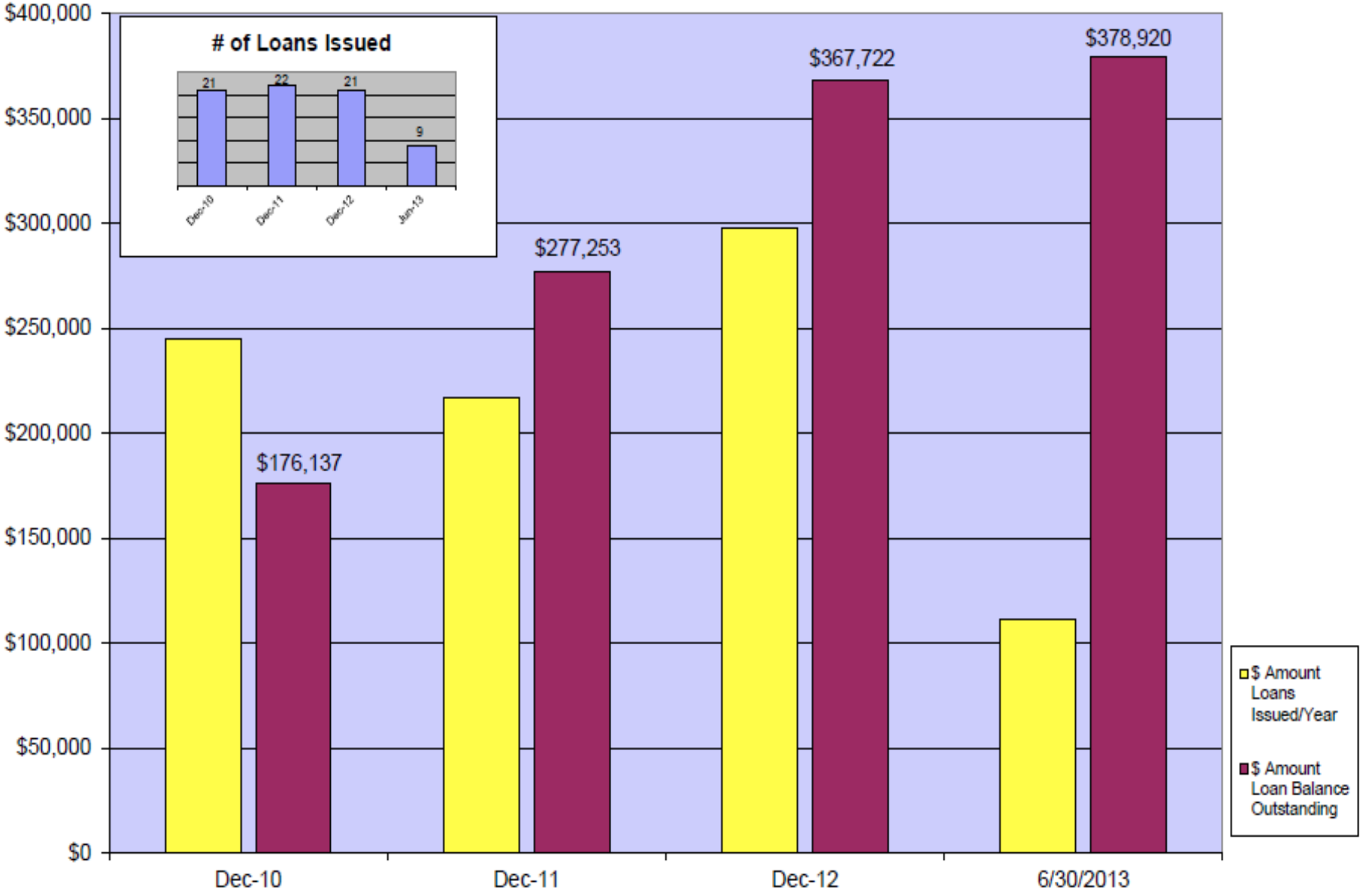

Gunnison County Combined Balances Comparison
6/30/13
$200,000
$150,000
$100,000
$50,000
$0
5,599
5,766
19,143
19,439
29,146
39,275
45,917
60,324
73,398
86,600
96,049
105,550
152,222
121,785
122,079
145,127
208,045
141,193
25 & under
26-33
34-40
41-48
49-55
56-58
59-62
63-65
over 65
Gunnison
CCOERA

Gunnison County Rate of Return Comparison




Gunnison County Forfeitures By Quarter
Balance of $2,978.05 as of 6/30/2013
$4,500
$4,000
$3,500
$3,000
$2,500
$2,000
$1,500
$1,000
$500
$0
2,423
317
3,512
754
2,534
3,394
2,515
3,793
1,689
1,517
4,040
726
1,387
905
Mar-10
Jun-10
Sep-10
Dec-10
Mar-11
Jun-11
Sep-11
Dec-11
Mar-12
Jun-12
Sep-12
Dec-12
Mar-13
Jun-13

Gunnison County 401(a) annual loan history through 6/30/2013



Gunnison County

Individual Participant Service

- Tracking Metrics (GPs v IMs)
- Contact Management System
- Targeted Service Approach
  - Older Participants
  - Larger Accounts
  - Younger Participants
  - Retired Participants
- Quality products & services encourage participants to maintain their accounts with CCOERA *throughout retirement*

Gunnison County
Service Events & Results

	2009	2010	2011	2012	2013 (Projected)
Events					
Group Presentations (GPs)	1	2	5	4	2
Open Sessions for IMs	2	5	1	0	2
Total Events	3	7	6	4	4
Results					
Attendees (GPs)	6	6	53	49	15
Individual Meetings (IMs)	16	31	14	26	37
Total Results	22	37	67	75	52

BMK15617

"If we take a late retirement and an early death, we'll just squeak by."