

Great Expectations!



Tulare County Deferred Compensation Plan Newsletter

August 2005

Deferred Comp Committee Adds/Replaces Funds

Over the course of its last few meetings, the Tulare County Deferred Compensation Committee has reviewed and discussed each of the current funds available to plan members as investment options. The results of those discussions have lead to the following changes:

At the Investment Review Meeting, the committee voted to eliminate the Van Kampen Emerging Growth Fund and map it to the existing **American Funds Growth Fund of America A**. This means that plan members who are currently invested with Van Kampen Emerging Growth Fund will be given a specific period of time to select a new fund as a replacement. Those participants who do not select an alternative to the Van Kampen Fund will see their investment moved automatically to the American Funds Growth Fund of America A. In addition, the Committee has decided to delete the Putnam International Equity A and map existing amounts held in this fund to **Artisan**.

The Deferred Compensation Committee has also approved a motion to eliminate the PBHG Large Cap Fund and add Hotchkis and Wiley Large Cap Value A Fund. The Committee also approved the addition of three index funds (BGI EAFE Index, BGI Mid Cap Equity Index, BGI US Debt Index).

Great West will now begin to process these changes and is targeting August 3, 2005 for

adding the new funds and September 14th for deleting the funds eliminated by the Deferred Comp Committee. All plan participants will be notified of the specific dates that these changes will take place as well as receive additional information regarding the investment options available to members of the Deferred Compensation program. ■

Put Your Great West Representative to Work!

Great West is the provider of investment services for the County's 457 (Deferred Compensation) plan. If you belong to the plan, or are thinking about joining, you can receive personal assistance in determining how much you might want to invest on a biweekly basis, the impact your deductions will have on your taxable income and the impact an investment in the Deferred Comp program could have on future retirement benefits.

Stephanie Henry, our local Great West representative, indicates that she receives many enrollments into the Deferred Compensation program but gets very few requests for assistance in selecting from the variety of investment options available. Stephanie is ready to assist plan members in developing an asset allocation program that is right for your needs. In addition, she can help to explain the investment philosophy of each of the investment options available to you. Stephanie is also ready to help you with any "rollovers" that you may wish to

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make from your previous employer's plan or from your IRA. We encourage you to contact Ms. Henry at (559) 967-2280, with your questions pertaining to Deferred Comp plan.

Besides using our local representative as an investment resource, we also recommend that you become familiar with the Great West website at www.gwrs.com. The site provides a wealth of information on planning for retirement, your investment choices and options, your individual account balance, your rate of investment return and a comparison of your rate of return to other investment portfolios. The website's "Dream Tracker" feature helps you to determine the appropriate amount to save now in order to reach your future retirement goals. Even if you're not currently enrolled in the 457 program, you can sign on to the website as a guest and still receive information to assist you with your retirement planning. In addition, Great West makes an "800" number available to plan members who need telephone assistance. You can get additional help by calling (800) 701-8255. ■

Think About Diversifying Your Investments

One way to reduce the risk in your investment portfolio, and still meet your long-term objectives is through diversification, that is spreading your investments over a number of asset types, or classes. The funds offered by the Tulare County Deferred Compensation program allow participants to invest not just in single types of stock and bond funds, but to also diversify these investments through a variety of strategies. An individual can invest in funds that are companies of large companies ("large cap" stocks), in small companies ("small cap" stocks), or in ones that have a blend of all sorts of companies irrespective of size. International

funds are also available to plan participants as are "index funds" - ones that track a specific equity index. There are funds that specialize in bonds and others that guarantee a specific return on your investment. Obviously, each of these funds carries with it different levels of risk, as well as different expected rates of return. The key for you as the individual investor is to find a combination of these investments that will keep your level of risk within a comfortable range while also providing an acceptable rate of return.

If you would like help in diversifying your investment portfolio, we suggest that you contact your Great West representative, Stephanie Henry, for assistance. She can explain the various funds to you, help you in assessing your "risk tolerance" and give you some suggestions as to how you might achieve your retirement goals more effectively. The Great West website (at www.gwrs.com) is also a good tool for learning more about investments and for obtaining more information regarding the performance of the funds available to Tulare County Deferred Compensation plan members. ■

CONTACT INFORMATION

Tulare County Deferred Compensation Plan:
www.co.tulare.ca.us/government/auditor/defercomp/default.asp

If you are interested in finding out more about the 457 Deferred Compensation Plan for Tulare County, please contact:

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This newsletter is a product of the Tulare County Deferred Compensation Subcommittee.