

PLAN HEALTH REPORT

CITY OF SACRAMENTO MANAGEMENT 401(a)

as of 12/31/2019



WELCOME

We value your partnership and the opportunity to offer a competitive, effective retirement plan to your participants. Through diligent work and thought leadership, we'll help you grow your plan and help your participants prepare for and live in retirement. This report includes balance information, participant demographics, contribution highlights and retirement readiness numbers. Together, we can use this information to help your participants achieve greater financial wellness.

Our goal is to help you objectively evaluate your Plan's performance and how it performs against other plans like yours. Since Nationwide Retirement Solutions is one of the largest retirement plan providers in the industry, we are uniquely positioned to compare your Plan to many others of similar asset size. By comparing the current year information to previous years, you can see how your Plan is performing, where your educational efforts are working and what areas offer opportunities for improvement. The "Peer Group" comparisons used in this report are based on cases with assets of: \$100 million - \$1 billion.

Thank you for your valued business. We look forward to helping improve retirement readiness for your participants.

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Quick plan facts

(as of 12/31/2019)

Metric	Current value	%Change from last quarter	%Change from last year
Participant Core Assets	\$101,770,784	7.00%	25.00%
Total Participant Count	1,139	2.15%	6.55%
Total New Enrollments YTD Count	110	41.03%	11.11%
Total Deferrals YTD	\$7,394,141	35.00%	10.00%
Total Rollovers-In YTD	\$796,568	24.00%	-56.00%
ProAccount Participant Count	356	0.56%	---
ProAccount Assets	\$27,473,675	10.00%	33.00%

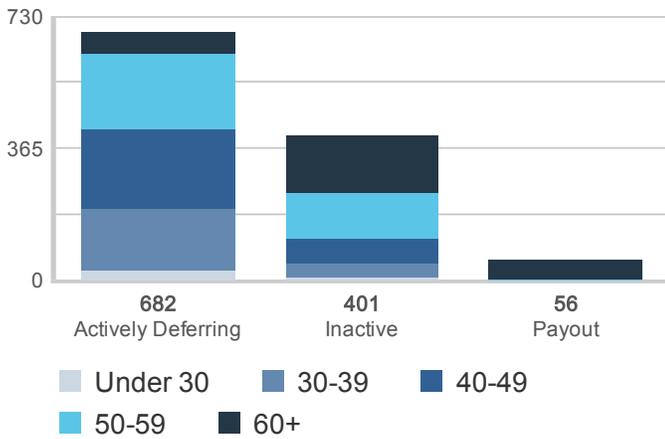
401(a) Plan Summary

\$ TOTAL PARTICIPANT ACCOUNT BALANCE
(as of 12/31/2019)
\$103,738,015



How many are participating?

ENROLLED PARTICIPANTS
(as of 12/31/2019)
1,139



NEW ENROLLMENTS
(Calendar year to date)
110

How are they saving & investing?

WHAT YOUR PARTICIPANTS ARE CONTRIBUTING
(as of 12/31/2019)

AVERAGE ACCOUNT BALANCE
\$90,986



AVERAGE CONTRIBUTION
\$405



How many participants are prepared for retirement

Online engagement
(as of 12/31/2019)

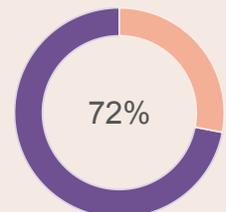
TOTAL ENROLLED PARTICIPANTS
1,139

ENROLLED PARTICIPANTS WITH AN ONLINE ACCOUNT
813

Retirement readiness
(as of 12/31/2019)

PARTICIPANTS WITH A RETIREMENT GOAL
580

PARTICIPANTS 'ON TRACK' FOR RETIREMENT



PARTICIPANT DEMOGRAPHICS

How participants are engaged in the plan



ENROLLED PARTICIPANTS ¹
(as of 12/31/2019)

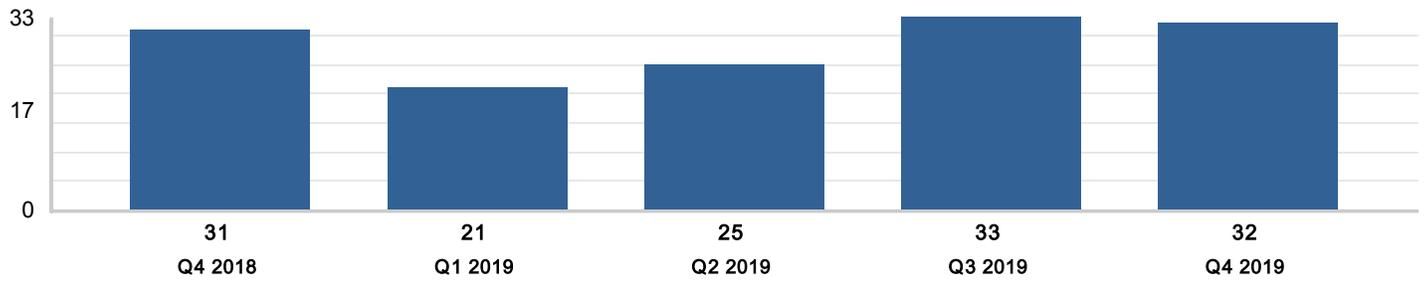
1,139



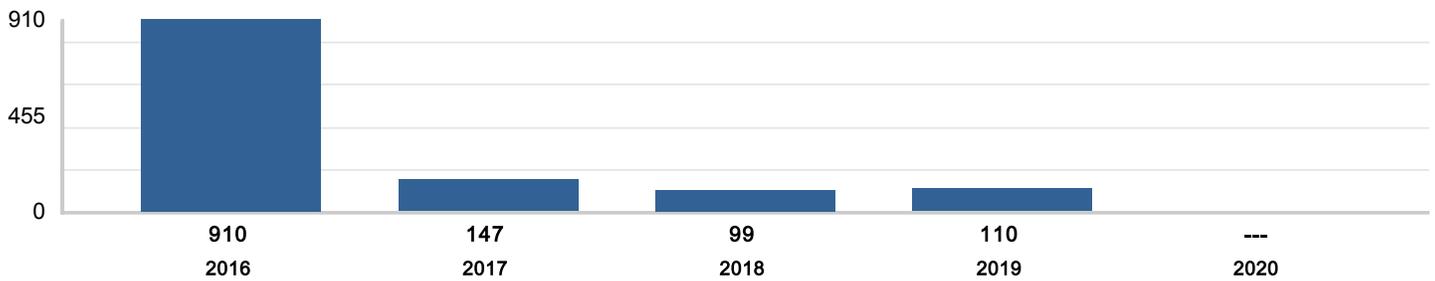
NEW ENROLLMENTS ²
(Calendar year to date)

110

ENROLLMENT TRENDS (BY QUARTER) ³



ENROLLMENT TRENDS (BY YEAR) ³



¹ Total number of enrolled participants in this plan.

² Participants who open and close their account within the calendar year, will not be counted in year-to-date enrollment numbers.

³ Total number of participants enrolled by quarter or by year.

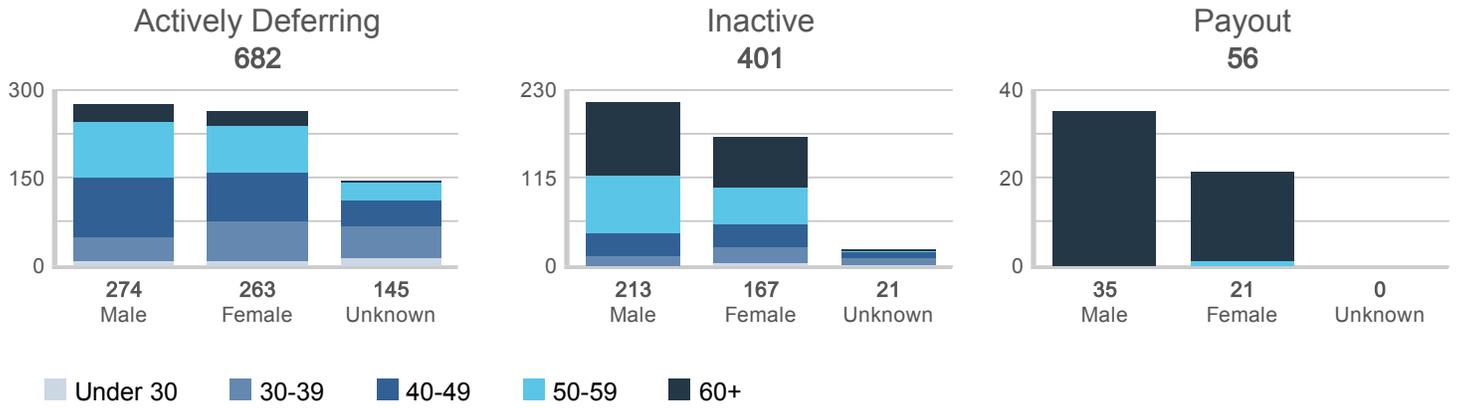
PARTICIPANT DEMOGRAPHICS

How participants are engaged in the plan



Enrolled participant data⁴

(as of 12/31/2019)



Actively Deferring 682

Inactive 401

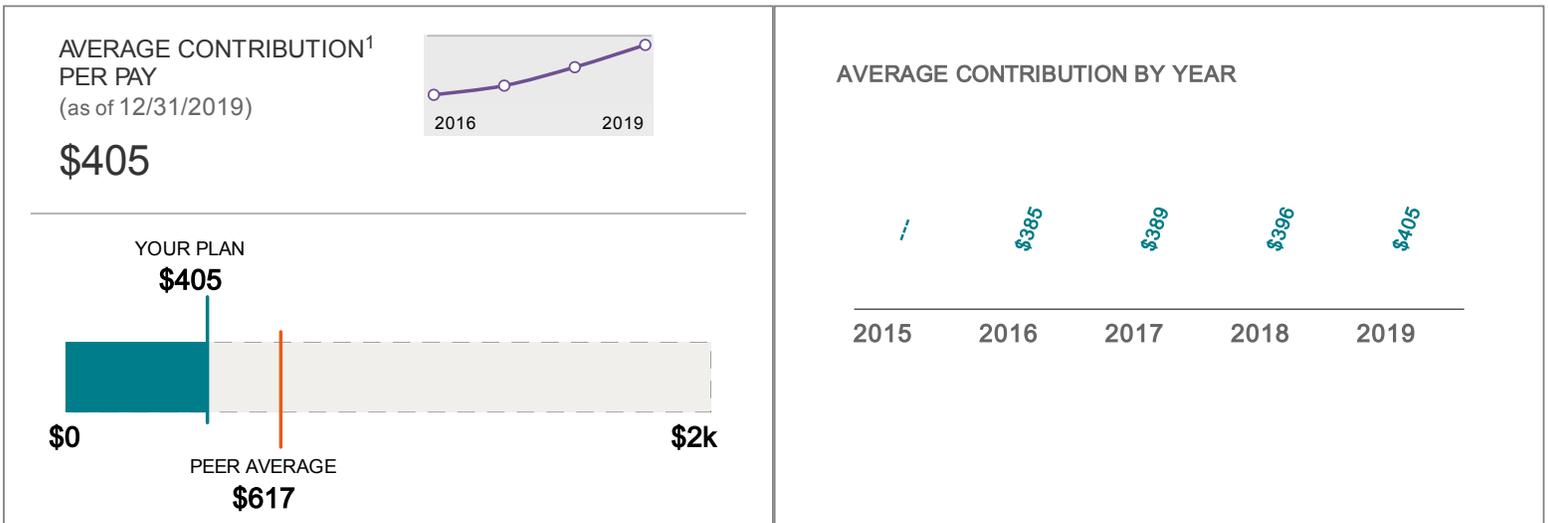
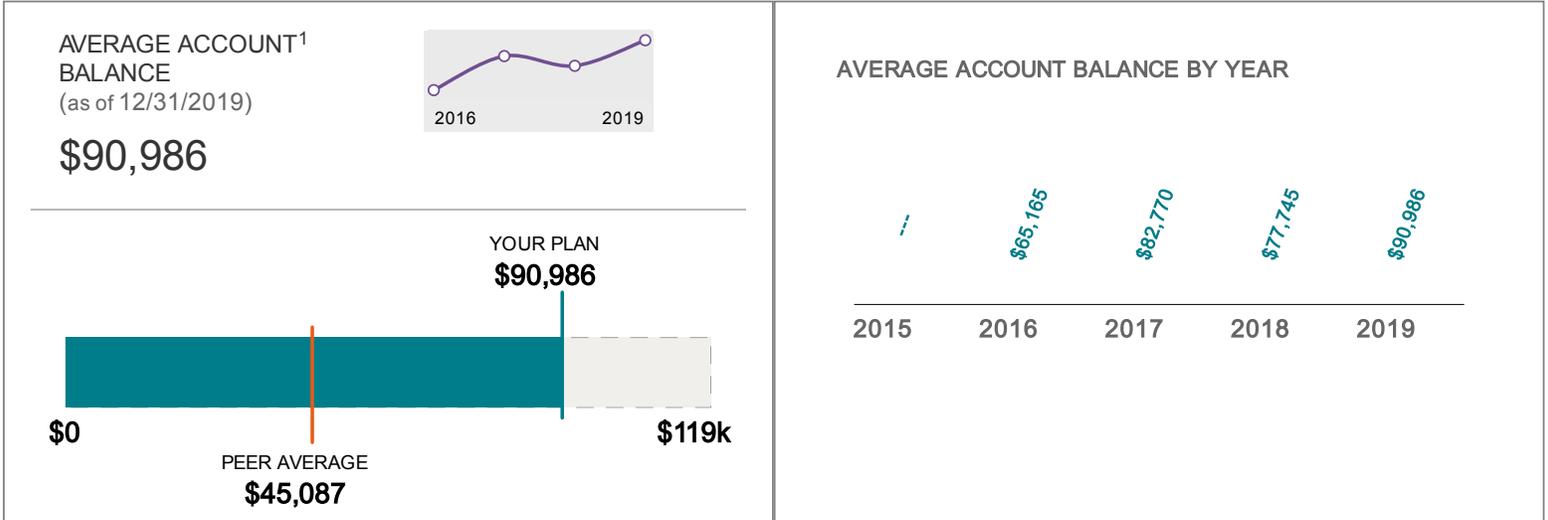
Payout 56

	Actively Deferring (682)			Inactive (401)			Payout (56)		
	Male	Female	Unknown	Male	Female	Unknown	Male	Female	Unknown
Under 30	6	8	14	0	4	2	0	0	0
30 - 39	44	69	53	12	19	8	0	0	0
40 - 49	99	81	43	31	30	6	0	0	0
50 - 59	97	81	33	74	48	4	0	1	0
60+	28	24	2	96	66	1	35	20	0

⁵ Actively deferring - Participants with a balance, a contribution in the past 3 months and a status of employed.
 Inactive - Participants with a balance, no contribution in the past 3 months and no status of payout or unemployed.
 Payout - Participants with a balance and a status of payout.

CONTRIBUTIONS & INVESTMENTS

What your participants are contributing



Balances & contributions by age & gender

(as of 12/31/2019)

	Average account balance			Average annualized contributions		
	Male	Female	Unknown	Male	Female	Unknown
Under 30	\$9,578	\$11,362	\$6,961	\$4,275	\$5,578	\$0
30 - 39	\$38,515	\$32,806	\$18,188	\$8,808	\$8,122	\$6,632
40 - 49	\$97,670	\$80,173	\$19,094	\$11,638	\$10,367	\$9,086
50 - 59	\$155,078	\$99,120	\$45,507	\$11,788	\$10,035	\$14,717
60+	\$124,933	\$123,461	\$36,705	\$11,623	\$9,025	\$0

¹A peer group consists of NRS plans with similar assets. This peer group comparison includes cases with \$100 million - \$1 billion.

CONTRIBUTION & INVESTMENTS

What your participants are contributing

0% PARTICIPANTS WITH INCREASED CONTRIBUTIONS
(Calendar year to date)

0% PARTICIPANTS WITH AUTOMATIC CONTRIBUTION INCREASE
(Calendar year to date)

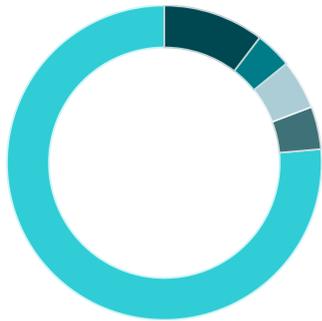
2019 IRS limits
Regular Limit \$19,000

How your participants are invested

ASSET ALLOCATION ¹ (as of 12/31/2019)

NUMBER OF ASSET CLASSES

1	10.4%
2	3.8%
3	5.1%
4	4.4%
5+	76.4%



ASSET DIVERSIFICATION ² (as of 12/31/2019)

AVG. # ASSET CLASSES

5.3

PEER GROUP

4.5

RECOMMENDED

5



ProAccount

(as of 12/31/2019)

TOTAL PROACCOUNT BALANCE

\$27,473,675

PARTICIPANTS WITH PROACCOUNT

356

out of 1,139 total enrolled participants

AVG ACCOUNT BALANCE WITH PROACCOUNT

\$77,173



Schwab Personal Choice Retirement Account

(as of 12/31/2019)

Number of accounts

5

Balance

\$308,628

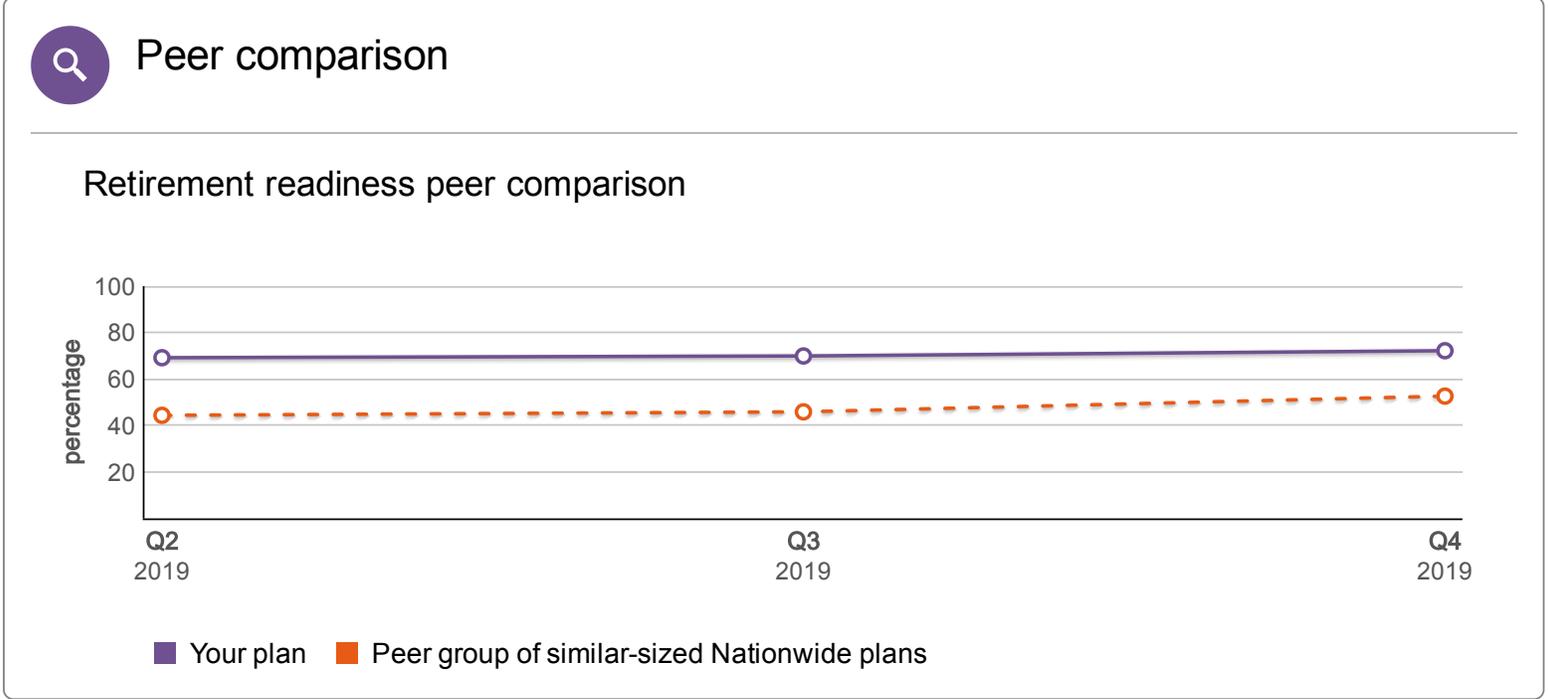
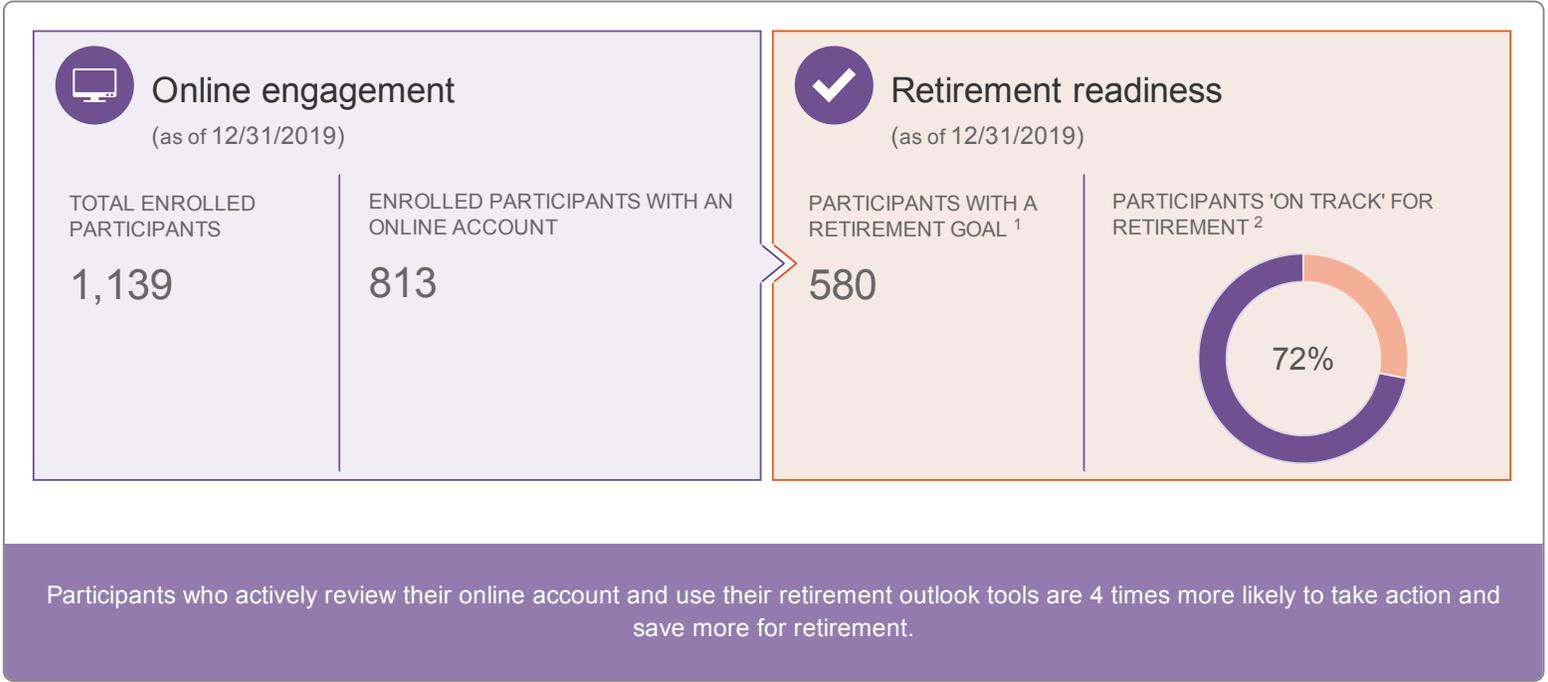
¹ Percentage of participants by number of investment classes.

² Average number of asset classes - Average number of asset classes in which participants are invested.

Peer group - Average number of asset classes in which this peer group (cases with \$100 million - \$1 billion) is invested.

Recommended number of asset classes - The number of asset classes in which a participant should be invested for ideal diversification.

How many participants are prepared for retirement



NRM-17390AO

¹ Participants with a retirement goal from My Interactive Retirement Planner®.

² Participants with a retirement goal from My Interactive Retirement Planner® and a retirement readiness score of "on track" (.915 or higher).

\$ Asset class totals

Asset class	2017	2018	2019 YTD	% of total
Mid cap	\$6,707,443.84	\$6,684,323.12	\$9,200,315.29	8.9%
Large cap	\$26,273,659.46	\$24,434,995.83	\$30,532,073.19	29.4%
Bonds	\$6,702,040.52	\$7,503,036.47	\$9,426,268.07	9.1%
SDO	\$257,549.33	\$229,348.25	\$308,627.95	0.3%
Specialty	\$1,836,030.35	\$1,637,214.74	\$2,700,243.78	2.6%
Loan	\$1,015,701.01	\$1,303,299.70	\$1,658,603.18	1.6%
Asset allocation	\$16,634,976.09	\$15,563,541.12	\$18,926,975.38	18.2%
International	\$7,853,257.04	\$7,876,192.73	\$10,477,759.90	10.1%
Small cap	\$4,819,730.88	\$4,944,865.14	\$6,031,026.80	5.8%
Fixed assets and cash	\$12,603,856.49	\$12,783,135.33	\$14,476,121.41	14.0%
Total	\$84,704,245.01	\$82,959,952.43	\$103,738,014.95	100%

 Total contributions by asset class

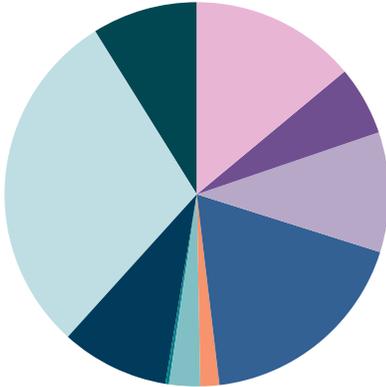
Asset class	2017	2018	2019 YTD	% of total
Mid cap	\$562,020.90	\$646,889.99	\$641,613.04	7.9%
Large cap	\$1,757,463.43	\$1,976,751.71	\$1,724,714.53	21.1%
Bonds	\$584,164.32	\$700,862.95	\$602,296.94	7.4%
Specialty	\$219,328.17	\$151,603.69	\$186,500.89	2.3%
Asset allocation	\$2,005,793.56	\$2,245,588.57	\$2,936,983.00	36.0%
International	\$894,397.76	\$1,250,535.69	\$991,741.13	12.2%
Small cap	\$382,076.71	\$459,810.46	\$465,134.40	5.7%
Fixed assets and cash	\$11,215,792.44	\$1,024,883.17	\$611,653.34	7.5%
Total	\$17,621,037.29	\$8,456,926.23	\$8,160,637.27	100%

2019



Asset allocation

(as of 12/31/2019)



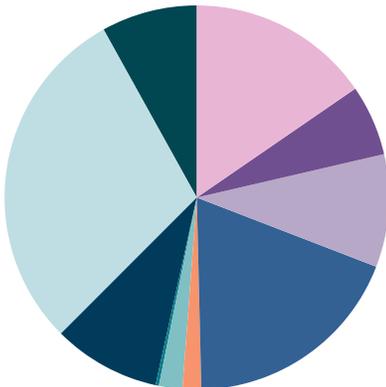
ASSET CLASS	YOUR PLAN	PEER GROUP	DIFFERENCE
Mid cap	8.9%	9.0%	-0.1% ●
Large cap	29.4%	29.5%	-0.1% ●
Balanced	0.0%	2.5%	0.0%
Bonds	9.1%	4.1%	5.0% ●
Short term	0.0%	4.4%	0.0%
SDO	0.3%	2.7%	-2.4% ●
Specialty	2.6%	0.7%	1.9% ●
Loan	1.6%	0.4%	1.2% ●
Asset allocation	18.2%	25.1%	-6.9% ●
International	10.1%	5.7%	4.4% ●
Small cap	5.8%	6.3%	-0.5% ●
Fixed assets and cash	14.0%	9.6%	4.4% ●

2018



Asset allocation

(as of 12/31/2018)



ASSET CLASS	YOUR PLAN	PEER GROUP	DIFFERENCE
Mid cap	8.1%	8.8%	-0.8% ●
Large cap	29.5%	28.8%	0.7% ●
Balanced	0.0%	2.9%	0.0%
Bonds	9.0%	3.7%	5.3% ●
Short term	0.0%	5.4%	0.0%
SDO	0.3%	2.9%	-2.6% ●
Specialty	2.0%	0.6%	1.4% ●
Loan	1.6%	0.7%	0.9% ●
Asset allocation	18.8%	23.5%	-4.8% ●
International	9.5%	5.3%	4.2% ●
Small cap	6.0%	6.1%	-0.2% ●
Fixed assets and cash	15.4%	11.2%	4.2% ●

BALANCE DETAILS



Total account balance

(as of 12/31/2019)

Money source	Current value
Participant assets	\$103,738,014.95
Rollover (Pre-Tax)	\$5,712,334.02
Employer Money Purchase	\$42,622,412.53
Mandatory Employee Pre-Tax	\$52,776,128.85
After-Tax Contribution	\$659,528.41
After-Tax Rollover	\$380.01
Loan balance	\$1,658,603.18
SDO balance	\$308,627.95
Total plan assets	\$103,738,014.95

BALANCE DETAILS



Loan Details

(as of 12/31/2019)

Loan type	Number of loans	Principal value
General purpose loan	179	\$1,427,317.23
Primary residence loan	10	\$231,285.95
Total	189	\$1,658,603.18



Contributions and transfers/rollovers-in

(as of 12/31/2019)

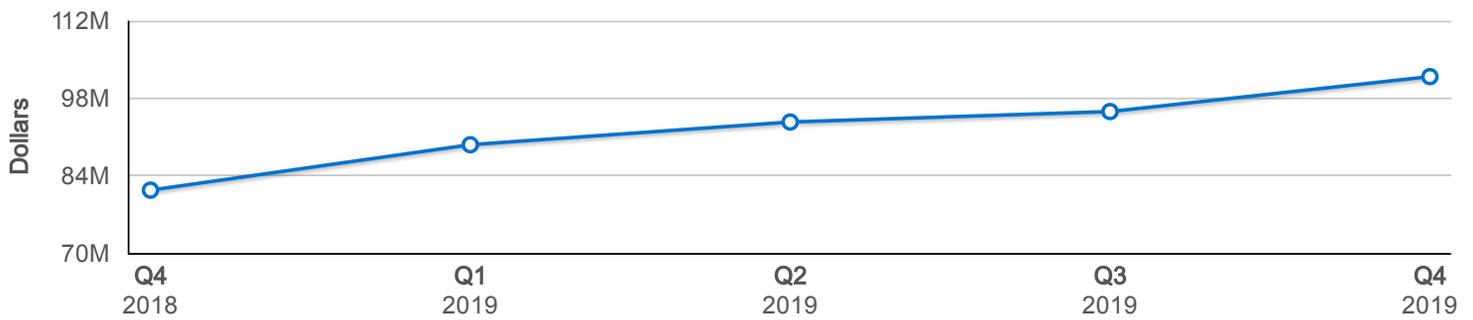
Type	Year to date
Contributions	\$7,394,140.95
Transfers/Rollovers-In	\$796,568.14
Total	\$8,190,709.09



Balance activity by quarter

Change in balance from last quarter

▲ 6.6%
FROM LAST QUARTER



	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019
Total balance	\$81,427,304.48	\$89,703,564.86	\$93,798,850.19	\$95,479,930.61	\$101,770,783.82
Charges	-\$218,232.58	-\$256,747.76	-\$294,223.36	-\$335,488.37	-\$376,029.81
Deposits	\$85,517,452.42	\$87,666,078.84	\$89,482,507.25	\$91,645,656.32	\$93,708,161.51
Dividends*	\$7,094,652.95	\$7,213,245.58	\$7,366,947.35	\$7,494,164.32	\$10,367,516.73
Market gain/loss & interest	-\$8,906,510.49	\$8,204,169.59	\$3,424,677.92	\$568,206.82	\$5,591,833.29
Loan payments	\$1,279,106.51	\$1,443,488.91	\$1,570,742.94	\$1,741,433.76	\$1,947,666.06
Withdrawals	-\$9,978,851.41	-\$12,029,817.06	-\$13,018,213.04	-\$13,903,542.58	-\$15,302,582.75

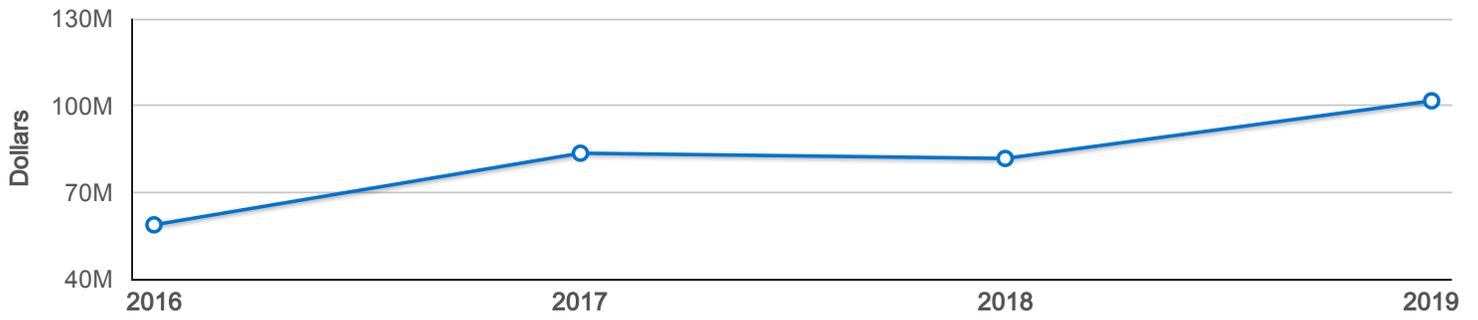
* May consist of dividends and fund reimbursements



Balance activity by year

Change in balance from last year

▲ 25.0%
FROM LAST YEAR



	2015	2016	2017	2018	2019
Total balance	---	\$58,798,841.05	\$83,430,994.67	\$81,427,304.48	\$101,770,783.82

Top opportunities to improve plan health

- ✓ **Encourage enrollment**
Are you happy with your participation rate? Schedule an enrollment workshop today
- ✓ **Suggest online account usage**
Those who engage in their online account are 4x more likely to save more for retirement
- ✓ **Propose contribution increases**
Anything can help. Talk with your participants about the benefits of saving now for a better tomorrow
- ✓ **Discuss the benefits of Nationwide ProAccount**
How participants are invested can play a big role in their retirement health

Additional opportunities

How participants are engaged in the plan

- ✓ **Are your participants in the correct status based on their age?**
Check in with participants who may not be in the correct status.

What your participants are contributing

- ✓ **Starting to save early is one of the best ways to prepare for retirement.**
Contact your Nationwide representative to schedule a workshop with your participants under the age of 30 to help them understand the benefits of saving more now.
- ✓ **Are your female participants actively contributing?**
Host a workshop for women eligible and enrolled in your plan. Nationwide's Women & Investing tools can help.
- ✓ **Incremental increases can go a long way.**
Let your participants know how having an automatic annual contribution increase can help them reach their retirement goal.
- ✓ **Work with your Nationwide Retirement Specialist to help manage your loans.**
- ✓ **Are those closer to retirement aware of catch-up contributions?**
Let your participants know that catch-up contributions may help them reach their goal.

How your participants are invested

- ✓ **Are participants diversified enough?**
Call your Nationwide retirement specialist and discuss your participants' asset diversification.

How many participants are prepared for retirement

- ✓ **How many participants are getting close to retirement?**
Talk with your participants about which payout strategies may benefit them the most.