CITY OF SANIBEL
GENERAL EMPLOYEES PENSION PLAN'S BOARD OF TRUSTEES
MACKENZIE HALL
800 DUNLOP ROAD
SANIBEL, FL 33957
MEETING
November 9, 2011; 10:00 AM

1. CALL TO ORDER

2. INTRODUCTION
New Council Appointed Trustee - Richard McDonnell

3. ROLL CALL
Vice Chair Tim Garmager, Secretary Elaine Fannon, Richard Pyle, Mike Armstrong, Richard Holmes, John Decker, Richard McDonnell, Sharon Gibson and Gates Castle

4. EXCUSE ELAINE FANNON

5. CHAIR MICHAEL CUSCADEN'S TERM EXPIRED 9/30/2011 REQUESTED NOT TO BE REAPPOINTED TO TAKE EFFECT IMMEDIATELY

6. ELECTION OF CHAIR, VICE CHAIR AND SECRETARY

7. PLEDGE OF ALLEGIANCE

8. APPROVAL OF MINUTES
a. August 3, 2011 Regular Meeting

9. CONSENT AGENDA:
   a. Cohen & Rind PA. (Legal fees for July 2011) $1,000.00
   b. Cohen & Rind PA. (Legal fees for August 2011) $1,000.00
   c. Cohen & Rind PA. (Legal fees for September 2011) $1,000.00
   d. Fed Ex (Ship documents to SSI Investments) $37.07
   e. Fed Ex (Ship agenda to Cohen & Rind PA) $24.58
   f. Fed Ex (Ship agenda to Cohen & Rind PA) $25.01
   g. 09/01/2011 Retiree Benefit Payments $70,758.54
   h. 10/01/2011 Retiree Benefit Payments $71,434.04
   i. 10/12/2011 Retiree Benefit Payment $824.41
   j. 11/01/2011 Retiree Benefit Payments $72,258.45
   k. Salem Trust (3rd Qtr 2011 Service fees) $3,383.05
   l. Richmond Capital Management (3rd Qtr. 2011 Management fees) $2,301.00
   m. Richmond Capital Management TIPS (3rd Qtr 2011 Management fees) $275.00
   n. Burgess Chambers & Associates, Inc. (3rd Qtr 2011 Consultant fees) $4,000.00
   q. Dana (4rd Qtr 2011 Management fees) $5,230.60
   r. SSI Management Fee for April 1 – June 30, 2011 $1,307.00
   s. SSI Management Fee for July 1 – September 30, 2011 $1,168.00
   t. DROP Payout $16,448.97
u. Foster & Foster (Attachment for Summary Plan Description) $ 125.00
v. Foster & Foster (Prepare Cost-of-Living adjustments for 10/1/11) $ 400.00
w. FPPTA Membership renewal (1/12/2011) $ 600.00
x. FPPTA Trustee School Registration (Decker, Fannon & Gibson) $ 1,350.00
y. FPPTA Trustee School mileage & meal per Diem (Gibson) $ 290.00
z. FPPTA Trustee School mileage & meal per Diem (Fannon) $ 307.26

10. CONSULTANT'S REPORTS
   a. Presentation - Investment Reports Quarter Ending 9/30/2011 (Burgess Chambers & Associates, Inc.)
   b. Dana Investment Advisors, Inc. – Portfolio Investment Report for Quarter Ending 9/30/2011

11. OLD BUSINESS
   a. Amendment to Foster & Foster, Inc. Agreement (approve extending agreement until February 13, 2012 and approve fee increases)

12. NEW BUSINESS
   a. Pension Board Members Re-appointed by Council (Richard Holmes and Richard Pyle)
   b. City Manager's Designee Re-appointed by Council (Gates Castle, Public Works Director)
   c. Ratify Actuarial Impact Statement dated October 19, 2011 (Changes made to General Employees' Pension Plan per negotiated labor agreement between the City of Sanibel and the Fraternal Order of Police for police dispatch employees)
   d. Authorize commencement of monthly pension benefit payments to former DROP participant Arthur Stallsmith, Amount $824.41 start date October 1, 2011, retiree’s lifetime with 180 monthly payments guaranteed
   e. Cost-of-Living Adjustment Effective October 1, 2011

13. REPORTS
   a. City Council Liaison Report
   b. Attorney
   c. Chair
   d. Secretary

14. PUBLIC COMMENT

15. NEXT MEETING DATE
    Wednesday, February 8, 2012; 10:00 a.m.

16. ADJOURNMENT

NOTICE TO PUBLIC: This is a public meeting. All interested parties may attend. The facility wherein this meeting will be held is accessible to the physically handicapped. Pursuant to Section 286.0101 Florida Statutes, the City hereby advises the public that: if a person decides to appeal any decision made by this Board with respect to any matter considered at its meeting or hearing, that person will need a record of the proceedings and for such purpose, affected persons may need to insure that a verbatim record of the proceedings is made, and such record shall include the testimony and evidence upon which the appeal is to be based. This notice does not constitute consent by the City for the introduction or admission into evidence of otherwise inadmissible or irrelevant evidence, nor does it authorize challenges or appeals not otherwise allowed by law. This agenda is posted on the Municipal Bulletin Board in City of Sanibel City Hall for public review.

IN ACCORDANCE WITH THE AMERICANS WITH DISABILITIES ACT, PERSONS NEEDING A SPECIAL ACCOMMODATION TO PARTICIPATE IN THIS PROCEEDING, TO INCLUDE HEARING IMPAIRMENT, SHOULD CONTACT JIM ISOM, DIRECTOR OF ADMINISTRATIVE SERVICES, NO LATER THAN ONE DAY PRIOR TO THE PROCEEDINGS AT (239) 472-3700. FOR ADDITIONAL ASSISTANCE IF HEARING IMPAIRED, TELEPHONE THE FLORIDA RELAY SERVICE AT 711.
2. INTRODUCTION

New Council Appointed Trustee Richard McDonnell
APPLICATION TO SERVE
SANIBEL VOLUNTEER COMMITTEES

Check the Committee(s) for which you are applying: (may attach letter & résumé)

____ Contractor Licensing Board (Monthly meetings; 1st Thursday 4:00 p.m.)

____ Historical Preservation Committee (Monthly meetings; 1st Thurs. 9:00 a.m. and Museum duties required) (NOTE: Must have “special knowledge, skills or interest in historic preservation.”)

____ Parks & Recreation Advisory Committee (Monthly meetings; 4th Thursday 8:00 a.m.)

____ Vegetation Committee (Monthly meetings; 1st Thursday at 1:30 p.m. and inspection duties required) (NOTE: Must have passed the Sanibel Vegetation Exam prior to appointment.)

X General Employee Pension Board of Trustees (Meets quarterly)

____ Planning Commission (Meets 2nd and 4th Tuesday of each month 9:00 a.m.)

____ Sanibel Police Pension Board of Trustees (Meets quarterly)

____ Recreation Financial Assistance Committee (Meets monthly as necessary)

____ Other (Lee Co Metropolitan Planning Organization (MPO) Citizen Advisory Committee (CAC); Lee Co Human Services Council)

Of Committees Marked How Many Meetings Have You Attended? __

New Member X Returning Member ________


ADDRESS: 1333 Tahiti Dr., Sanibel, FL 33957

E-MAIL: rich@ballinrush.com

YEAR ROUND SANIBEL RESIDENT: X YES ____ NO

NUMBER OF MONTHS RESIDING ON SANIBEL ANNUALLY: 12

OCCUPATION/EMPLOYER: Managing Member, Ballinrush LLC

BACKGROUND: (EDUCATION & EXPERIENCE)

Please see attached

________________________

________________________

________________________

________________________

________________________

-OVER-
COMMUNITY INVOLVEMENT:

Please see attached.

WHY ARE YOU INTERESTED IN THIS APPOINTMENT?

Please see attached.

Signature of Applicant

As a Florida governmental entity, all information including your address, phone number and e-mail address are subject to public records requests.
October 11, 2011

City Manager’s Office
City of Sanibel
Sanibel, FL 33957

Dear Sir or Madam,

This letter and accompanying application is submitted for the position of Volunteer to the General Employee Pension Board of Trustees. The following is keyed to the questions on the application form:

Background (Education & Experience): Please see my bio enclosed with this letter.

Community Involvement: My community involvement, since moving to Sanibel approximately 3 years ago, has been limited to my membership in the Kiwanis Club. A major reason for my applying for this position (more on this below) is to increase my involvement in the Sanibel community. I moved to Sanibel from the Washington, DC area where I had considerable community involvement, particularly in the nonprofit space.

While living and working in the DC area, I was a director of the Morino Institute (http://www.morino.org/), a private foundation which launched a number of nonprofit initiatives, including two with which I was intimately involved: the Youth Development Collaborative (YDC) Pilot project and Venture Philanthropy Partners (VPP). The goal of the YDC Pilot (now Youthlearn) was to assist four DC-area community based organizations enhance their youth development and after school programs by helping them build the capacity to integrate technology into their programs. A brief history of the YDC Pilot, including my involvement in the initiative, may be found at: http://www.youthlearn.org/about-us/history/history-youthlearn.

Venture Philanthropy Partners (VPP) (http://www.vppartners.org/) is an innovative nonprofit initiative which aims to help local (DC) leaders build strong, high-performing organizations. From its formation in
2000 through June 2009, I served as VPP’s Investment Director, overseeing its $30 million plus portfolio. I also served as a member of the Audit Committee and was advisor to the VPP Board of Directors. I served temporarily as a VPP team member and oversaw VPP’s $2.2 million (philanthropic) investment in the Calvary Bilingual Multicultural Learning Center (now Centronia). See details at: http://www.vpppartners.org/news/announcements/announcing-calvary-partnership.

Why Interested in the Appointment: As mentioned above, my involvement in the Sanibel community has thus far been limited. I view this position as a means of making a contribution to the Sanibel community in an area where I feel I can add considerable value. I have 10 plus years of managing the investments of a high net worth family and the nonprofit organizations with which the family has been involved. I am very familiar with nonprofit organizations, both as a board director/advisor and as supplemented by considerable on-the-ground experience. I am also a pensioner – a retired Foreign Service Officer – and, as such, can bring that perspective to the table.

I would be happy to discuss any aspect of the above by phone or in person. Thank you for your consideration.

Sincerely,
Rich McDonnell is President and Founder of Ballinrush LLC, a wealth management company formed in January 2010.

From 1998-2009, Rich worked for a high net worth family now based in Cleveland, Ohio. For most of this period, as Managing Director and then President of Morino Ventures LLC (a family office), he directed the family’s financial/investment strategy; served as liaison with the family’s tax, legal and risk management advisors; and assisted in the family’s periodic review and update of their estate plans. He was also responsible for overseeing the finances of other entities owned by the family, including real estate management partnerships (commercial and residential), a corporation that owns a fractional aircraft interest, and the family’s private foundation and donor-advised funds. He continues to serve as a trusted advisor and overall counsel to the family.

An active supporter of the family’s nonprofit initiatives and activities, Rich remains a director of the family’s private foundation. Until 2009, he oversaw the financial investment strategy of Venture Philanthropy Partners (http://www.vppartners.org), a DC-area philanthropic investment organization that helps organizations increase their impact on the lives of the children they serve.

Prior to joining Morino Ventures, Rich was a Foreign Service officer with the U.S. Department of Agriculture’s Foreign Agricultural Service (FAS). He spent approximately half of his Foreign Service career abroad, including postings to Holland, Portugal, Spain, Canada and Russia. During his diplomatic career, he negotiated with foreign governments to gain improved access for American products and helped U.S. businessmen penetrate overseas markets. He speaks Spanish.

A native of Haverhill, Massachusetts, Rich received a BA in Economics from the University of Massachusetts and an MA in International Relations (Russian Studies) from Georgetown University. After completing his undergraduate degree, he served four years as an officer in the U.S. Navy.

Rich lives with his wife, Mary Eileen, in Sanibel, Florida. He has three sons who live in Florida, Canada and Maryland.
4. Excuse Elaine Fannon from meeting (e-mail)
I will be unable to attend the pension meeting on 11/9/2011. I will be conducting a training session for the City’s new software.

Thank you
Elaine Fannon
5. Chair Michael Cuscaden’s email (term expired 9/30/2011) requested not to be reappointed.
Hi Pam. Confirming our conversation, I do not wish to be reappointed for another term. I understand this will be effective immediately. Please thank the City Manager. I will be at the next pension board meeting only as an interested citizen. Thanks for your help, Mike.
8. August 3, 2011 Minutes
The meeting of the Board of Trustee’s of the City of Sanibel General Employees Pension Plan was called to order on August 3, 2011 at 10:00 A.M. in City Hall, 800 Dunlop Road, Sanibel, FL 33957 by Chair Cuscaden.

CALL TO ORDER/ROLL CALL: Chairman Michael Cuscaden, Vice Chair Tim Garmager, Secretary Elaine Fannon, Richard Pyle, Mike Armstrong, Richard Holmes, John Decker, Sharon Gibson and Gates Castle. Councilman Congress attended as Council Liaison.

OTHERS PRESENT:


4. Approval of Minutes – May 4, 2011 Regular Meeting

MOTION: Trustee Armstrong moved to accept the minutes and to add a note giving an explanation regarding Ms. Edwards response as stated on Page 4, “Ms. Edward said they will automatically go into the Defined Benefit Plan.” Trustee Garmager seconded the motion. The motion passed by a unanimous roll call vote.

5. Consent Agenda:

a. Cohen & Rind P.A. (Legal fees for April 2011) $ 1,000.00
b. Cohen & Rind P.A. (Legal fees for May 2011) $ 1,000.00
c. Cohen & Rind P.A. (Legal fees for June 2011) $ 1,000.00
d. 04/01/2011 Retiree Benefit Payments $ 68,501.05
e. 05/01/2011 Retiree Benefit Payments $ 68,880.30
f. 06/01/2011 Retiree Benefit Payments $ 70,758.54
g. 07/01/2011 Retiree Benefit Payments $ 70,758.54
h. 08/01/2011 Retiree Benefit Payments $ 70,758.54
i. Salem Trust (2nd Qtr 2011 Service fees) $ 3,971.75
j. Richmond Capital Management (2nd Qtr. 2011 Management fees) $ 2,226.00
k. Richmond Capital Management TIPS (2nd Qtr. 2011 Management fees) $ 270.00
l. Burgess Chambers & Associates, Inc. (2nd Qtr. 2011 Consultant fees) $ 4,000.00
m. DANA (3rd Qtr 2011 Management fees) $ 6,230.54
n. SSI Management Fee for March 2011 $ 443.00
o. Foster & Foster Invoice #2080, dated June 9, 2011 $ 1,429.00
p. Florida Municipal Insurance Trust (Renewal Fiduciary Liability Ins.) $ 4,675.00
q. Non-vested opt-out member’s contributions & accrued benefit rollover $ 103,862.52
r. Return non-vested member’s contributions – Robert Conklin, Jr. $ 6,398.21

MOTION: Trustee Pyle moved to accept items a through r of the Consent Agenda; Trustee Holmes seconded the motion. The motion passed by a unanimous roll call vote.
6. Consultant’s Reports


Mr. Chambers reported the following:
1. In his 27 years being in business he has never seen such confusion in capital markets.
2. The Swiss just lowered their discount rate to almost zero to quell the rise in the value of the franc.
3. News report make it hard for the average investors to know what to do.
4. Average investors are predominantly in bonds.
5. Believes the future will be good.
6. Fundamentally the economy has to be stronger to drive the locomotive if prosperity is going to get stronger.
7. There are areas of opportunity around the country.
8. During the past year 175 jobs were created each month. This number needs to double.
9. The government sector was laying off people every month.
10. Normally credit expansion is associated with recovery. This is the first time we have seen a recovery with a credit contraction.
11. Rates will remain low; borrowing costs will remain low; companies will shore up their balance sheets and companies with global reach will continue to retain a lot of cash and show remarkable earnings growth.
12. It is not a good time to lend money because there is no return.
13. Buying equities you will have sustained dividends and dividends could rise. This has an impact on how assets are handled and how equities are allocated.

Mr. Pyle said there is no shortage of information; just a shortage of judgment. Stay with our plan and adjust it every 5 years not every 5 months.

Mr. Decker asked what signs show that credit is expanding. Mr. Chambers said the Federal Government tracks the borrowing base; this information is easily obtained. Banks are not making loans to bad borrowers; clear indications that things are getting better will prompt to lend. In the 1980’s there was expansion of commercial property. In 1986 the tax code changed and took the subsidy out of accelerated depreciation. It took about 9 years for commercial real estate to recover. Mr. Chambers said he doesn’t believe rates will go up.

Mr. Pyle asked Mr. Chambers what his view is on the European situation and what the impact this will have on our investments especially if something is done to change the standing of the euro. Mr. Chambers stated that he doesn’t see that the events in Greece or Italy will have much impact on Sanibel’s portfolio; the types of companies in this Plan are global.

Mr. Armstrong asked if there are any opportunities in this. Mr. Chambers said it would be a good time to start a finance company and lend money to people who are having a hard time getting loans from banks. The pension system doesn’t have any direct exposure to commodity funds. Mr. Chambers is not a proponent of commodity funds for pension clients; there is too much beta in the commodity market. He is cautiously optimistic about real estate and stay away from asset programs where we don’t have adequate transparency and where there is a chance of fraud or theft. The plan, from a risk standpoint, is somewhere in the middle. Investments made about...
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$178,000 for the quarter. Percentage wise we are ahead of the benchmark; Dana and Fiduciary did an outstanding job; fiscal year-to-date $1.3 million; TIPS have done very well. Mr. Chambers talked about the differences between the Police plan and the General Employee plan.

Mr. Pyle asked if it is possible to get to 7.5% with 32% in fixed income. Mr. Chambers said he believes so but with so much variability of returns the probability is less now than it was 15 years ago.

Mr. Armstrong asked if Mr. Chambers maintains confidence in attaining a double-digit return for the fiscal year. Mr. Chambers said he is still reasonably confident that this can be done.

Ms. Fannon asked if the market is range trading. Mr. Chambers said he didn’t know. Mr. Pyle said during the last two weeks we are off about 6% from the high in April and off about 5% through July; we are negative on S&P’s. Mr. Chambers said fiscal year-to-date we are in the range of 7 to 9%. Private real estate has been a stable area. There should be stability in fixed income but nothing will be made in the fixed income other than the coupon which is around 3.5%. TIPS seem to be the only put against inflation. Money was added to TIPS in June; a rebalancing letter will be ratified today. Presently Mr. Chambers is trying to get this plan to the finish line for the fiscal year; beat the actual assumption rate; want to be double digit; the plan is better positioned than it was last fiscal year because the fixed income allocation has been cut back to 25%.

Councilman Congress asked what Mr. Chambers’ thoughts are about what has transpired during the past two weeks and how this will affect future results. Mr. Chambers said it is interesting that Standard and Poor has weighed into the debate. Behind the scenes there is a lot going on other than what meets the eye. This is an on going train wreck and debate on how to turn the ship toward a better direction and will continue for a while. It would be interesting to go through all the areas where money is spent and will have an adverse affect on confidence in our system.

Mr. Pyle said Mr. Chambers talked about deleveraging. Savings rates 5 years ago were zero. Now there is a tremendous amount of deleveraging; it is different this time. It is a balance sheet financial crisis and difficult to forecast what worldwide growth will be; however, no tax increases are encouraging. Obama will have to talk about getting the budget under control rather than giveaways. Mr. Chambers said it seems that every year there are crisis and problems and it is more difficult to set up investment programs.

Mr. Holmes asked Mr. Chambers what his current feeling is regarding convertibles. Mr. Chambers stated they still like them and they like the coupon aspect that provides grounding and stability and the fact that if the underlying equity doesn't perform you have the bond piece as a back-up plan.

Mr. Decker asked how convertibles have done during the last quarter. Mr. Chambers said they may have been a little off during the last quarter; the SSI convertibles are down 1.4% for the quarter. During the last 24 months convertibles have earned between bonds and equities.
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Mr. Chambers:
1. Dana has done a good job for you.
2. Our analysis shows they have consistently beaten their pier group; are well above average and have beaten their benchmark for the 5-year period by 130 basis points per year after deducting their fee.
3. Mr. Chambers reviewed Dana’s report.
4. The ending value is $3.8 million.

Mr. Decker said on Page 12 there are comments regarding growth versus values and asked what Mr. Chambers thinks about the growth ratio for our portfolio versus what they have. Mr. Chambers said he didn’t have this answer but would get the answer. Mr. Decker said the presentation is good and highlights strategy but he doesn’t know how it applies to us. Mr. Pyle said we have had a growth bias. Dana is considered large core, they look for growth. It would be interesting to chart all the stocks we own and find out which ones are in the growth category. Mr. Chambers said there is a mixed bag of signals of growth and signals of value and explained the charts on Pages 7 and 13. Mr. Chambers said he made a note to get the percentages and weights and do a more careful presentation. It is interesting they are taking the annual dividend and dividing it by the current market price. These are at or around 2% or above. Mr. Pyle stated this is a trailing 12 month yield, not a prediction of the future. Morningstar puts them in the large cap core block. Mr. Chambers said they will introduce a new pier universe, which is being tested now, during the next meeting. Mr. Chambers also stated that he understands the Board is considering moving meeting dates one week forward; this will enable them to have more data for the report.

Mr. Armstrong said an ongoing request is that reports are submitted to the Board a week prior to a meeting. Mr. Chambers said if the meeting dates are moved ahead one week they would be able to submit the reports the week prior to the meeting.

Councilman Congress said an unintended result of moving the meetings back a week was that it gave presenters a shorter time to prepare reports. Mr. Cuscaden said the change was made to accommodate Mr. Chambers’ travel and to save money; we didn’t think about added pressure.

7. Old Business

a. Ratify rebalancing letter dated June 7, 2011

MOTION: Mr. Pyle moved to approve the rebalancing letter; Mr. Garmager seconded the motion. The motion carried by a unanimous roll call vote.


MOTION: Mr. Garmager moved to approve the standing order letter; Mr. Holmes seconded the motion. The motion carried by a unanimous roll call vote.

MOTION: Mr. Holmes moved to ratify the updated Actuarial Impact Statement; seconded by Mr. Pyle. The motion carried by a unanimous roll call vote.

8. New Business

a. Approval of General Employees Summary Plan Description (Mr. Ron Cohen)

Mr. Cuscaden said he tried to contact Attorney Cohen but he is on vacation; Attorney Brent Chudachek attended in Attorney Cohen’s place. The Plan has been reviewed by the Treasurer of the City of Sanibel and by the Administrative Director, Jim Isom.

MOTION: Mr. Holmes moved to approve the General Employees Summary Plan; Mr. Armstrong seconded the motion. The motion carried by a unanimous roll call vote.

b. Foster & Foster letter dated July 14, 2011 regarding notification of fee increases due to the recently signed Senate Bill 1128.

Ms. Edwards said this could be tabled for today and then ask Foster & Foster to send a representative to answer questions during the next meeting. Ms. Edwards said she questioned them regarding the 10% of the valuation fee and asked why they didn’t just charge an hourly rate. Foster & Foster said this equates to the additional time it takes to prepare the report. Regarding the individual early retirement benefit calculation that charge is going from $150 to $200 which is approximately 33%. There hasn’t been a rate increase in three years for retirement benefits. Ms. Edwards said she questioned the buy-back calculation which is being doubled from $100 to $200 and paid by employees. Mr. Decker asked how many employees this is done for. Ms. Edwards said this is done when an employee submits an application to retire. Ms. Gibson said approximately 6. Councilman Congress said the Board might have the ability to understand but they don’t have the ability to change the fees. Ms. Edwards said she questions the buy-back calculation because it comes out of the employees’ pocket. Ms. Gibson said there have only been three requests for this calculation. Mr. Holmes asked if the fees are tailored to us or across the board. Ms. Edwards said they are across the board.

Councilman Congress asked how much we paid last year. Ms. Edwards said she could get that figure. Mr. Pyle said a payment was approved today. Ms. Edwards said the cost to the City was for calculations and analysis. Councilman Congress said $8000 was for the actuarial impact report which is what they ran to show the impact of the adjustments made to the pension plan. Ms. Edwards said additional calculations were done for employees to show them what their benefits would be if they froze or opted out. Eight employees opted out because they were not vested so their contributions and accrued benefits had to be calculated.

Mr. Pyle asked what the City was recommending. Ms. Edwards said the retirement benefit calculation is reasonable; the 10% explanation is reasonable. Councilman Congress said this calculation is due to a bill being passed by the Senate that requires, for reporting purposes, plans to be equal. Everyone reports at the same rate of assumed interest which is 7.75. Councilman
Congress asked Ms. Edwards if she feels comfortable with everything except for the buy-back. Ms. Edwards said she is.

Mr. Garmager asked how much of the fees are paid by the City versus the Plan. The Plan pays for all the fees except for the buy-back which is paid for by employees. Mr. Garmager said the Board has review responsibility for the appointment of the actuary. Mr. Armstrong stated that the City asked the Board for permission to use their actuary. Mr. Garmager said the City pays the fee. Councilman Congress said the Plan pays the fee and the City pays the Plan. Mr. Armstrong said when the City asked the actuary to do additional work they paid for this. Mr. Garmager said these costs are germane to what the Board asks them to do. Ms. Edwards said this was correct.

Councilman Congress suggested that the Board accept this, but it would be prudent to question to get a better understanding. Mr. Armstrong said it isn't clear what would happen if the Board said no. Mr. Armstrong agreed that the next time Doug is here he should be asked to explain why the fee paid by employees was doubled.

MOTION: Mr. Armstrong moved to approve the fee increases and have someone from Foster & Foster attend a meeting to discuss and justify the buy-back fee that was doubled; Mr. Decker seconded the motion. The motion carried by a unanimous roll call vote.

Mr. Garmager said he wanted to make sure that the motion included Foster & Foster being asked to justify the rate increase for buy-back that employees pay.

9. Reports

a. City Council Liaison Report – Councilman Congress

   i. Information provided at the July 19, 2011 City Council Meeting

Councilman Congress reported there discussion during the August 2, 2011 City Council meeting regarding the pension plan in regard to the budget. The City is looking at our debt and its position to pay down some of the debt and what debt to pay down. The General Employee and Police pensions total a debt of $17 million. The General Employee Plan alone is about $10.8 million and Police is about $6.1 million. The actuary did calculations and prepared schedules for a pay down of $3 million; $2 million to this Plan and $1 million to the Police Plan. There will still be a funded ratio of approximately 50 to 60%. This will be looked at during the next couple years to continue to pay this down. Councilman Congress said Council has respect for the Board and offered to meet individually with each Board member.

Mr. Pyle asked when the $2 million would be available. Councilman Congress said this would be done after hurricane season. Mr. Pyle asked if these assets would be spread similarly to the way they are now spread. Councilman Congress said that Mr. Chambers would allocate this money according to the strategy for the Plan. Mr. Chambers stated this would be done pro rata.

Mr. Armstrong said he saw this was going to be paid and then he saw it wasn't. Councilman Congress said the intention was to make this pay down; the discussion was how much. Mr. Armstrong congratulated Council on their decision and Chair Cuscaden agreed.
Mr. Garmager asked if this is exclusive of the City's normal contribution. Councilman Congress said this is in addition. Mr. Garmager said the $2 million will have an impact on future contributions on an annual basis. Councilman Congress said this will reduce the annual number.

Mr. Decked asked what factors were considered to choose the $3 million. Councilman Congress reported that availability of dollars was the most important and the interest rate is high. Mr. Decker asked if it could have been $5 million instead of $3 million. Councilman Congress said he didn't believe that $5 million was a number that could have been absorbed at this time.

ii. Discussion on Changing Pension Board's Meeting Dates

Councilman Congress suggested that future meetings be held the second Wednesday instead of the first Wednesday of the month. Councilman Congress asked that Board members let Finance know if they don't get a packet.

Mr. Holmes commended whoever made the decision to put the meeting packets on-line. Councilman Congress spoke about Council using IPads.

Chair Cuscaden gave the proposed meeting dates and stated that the Police Board would need to agree to these dates.

The Board agreed to the new meeting dates being the second Wednesday of the appropriate month, i.e., 11/9/12; 2/8/12; 5/9/12; 8/8/12.

b. Attorney

Brent Chudachek representing Cohen & Rind, P.A., stated that Mr. Cohen apologized for not attending the meeting. Mr. Chudacheck said language, trustee names and a new section regarding how the Plan operates from October 1 to September 30 were added to the SPD. The SPD is up-to-date and can be distributed to members.

Regarding the Foster & Foster fee increases, a fee amendment will be drafted because there is a contract in place. In the original agreement it included non-standardized formats; they were charging $200; they want to increase this to $300. Regarding the military buy back, it was $100 and will go to $200. Mr. Chudachek asked if the Board wants to wait on this increase. Ms. Edwards said they were going to discuss this with Foster & Foster. Mr. Chudacheck said they would not include this increase in the amendment. This will be drafted and submitted to Mr. Edwards to be distributed to Board members so it will be in place prior to the next meeting.

c. Chair

There were no further comments.

d. Secretary

There were no further comments.
10. Public Comment

There were no further comments.

11. Next Meeting Date

The next meeting will be held on November 9, 2011.

12. Adjournment - Mr. Holmes moved to adjourn; Chair Cuscaden adjourned the meeting at 11:34 A.M.

Respectfully submitted,

Chair -  

Date

Secretary – Elaine Fannon  

Date
9. CONSENT AGENDA:

a. Cohen & Rind PA. (Legal fees for July 2011) $1,000.00
b. Cohen & Rind PA. (Legal fees for August 2011) $1,000.00
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j. 11/01/2011 Retiree Benefit Payments $72,258.45
k. Salem Trust (3rd Qtr 2011 Service fees) $3,383.05
l. Richmond Capital Management (3rd Qtr. 2011 Management fees) $2,301.00
m. Richmond Capital Management TIPS (3rd Qtr 2011 Management fees) $275.00
n. Burgess Chambers & Associates, Inc. (3rd Qtr 2011 Consultant fees) $4,000.00
q. Dana (4th Qtr 2011 Management fees) $5,230.60
r. SSI Management Fee for April 1 – June 30, 2011 $1,307.00
s. SSI Management Fee for July 1 – September 30, 2011 $1,168.00
t. DROP Payout $16,448.97
u. Foster & Foster (Attachment for Summary Plan Description) $125.00
v. Foster & Foster (Prepare Cost-of-Living adjustments for 10/1/11) $400.00
w. FPPTA Membership renewal (1/12/2011) $600.00
x. FPPTA Trustee School Registration (Decker, Fannon & Gibson) $1,350.00
y. FPPTA Trustee School mileage & meal per Diem (Gibson) $290.00
z. FPPTA Trustee School mileage & meal per Diem (Fannon) $307.26
INVOICE FOR PROFESSIONAL SERVICES RENDERED

Re: Sanibel General Employees Retirement Plan
    Our File No. 01-031
Invoice # 21425

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>For professional services rendered</td>
<td>$1,000.00</td>
</tr>
<tr>
<td>For professional services rendered</td>
<td>$1,000.00</td>
</tr>
<tr>
<td>Previous balance</td>
<td>$1,000.00</td>
</tr>
<tr>
<td>7/26/2011 Payment - thank you. Check No. 687015161</td>
<td>($1,000.00)</td>
</tr>
<tr>
<td>Total payments and adjustments</td>
<td>($1,000.00)</td>
</tr>
<tr>
<td>Balance due</td>
<td>$1,000.00</td>
</tr>
</tbody>
</table>

As per Professional Services Agreement.
For the month of July 2011

Approved By:

Sharon Gibson 8/12/2011
August 31, 2011

City of Sanibel
C/o Sharon Gibson
800 Dunlop Road
Sanibel FL 33957

INVOICE FOR PROFESSIONAL SERVICES RENDERED

Re: Sanibel General Employees Retirement Plan
    Our File No. 01-031

Invoice # 21468

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
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<td>$1,000.00</td>
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<tr>
<td>For professional services rendered Previous balance</td>
<td>$1,000.00</td>
</tr>
<tr>
<td>Previous balance</td>
<td>$1,000.00</td>
</tr>
<tr>
<td>8/16/2011 Payment - thank you. Check No. 687015593</td>
<td>($1,000.00)</td>
</tr>
<tr>
<td>Total payments and adjustments</td>
<td>($1,000.00)</td>
</tr>
<tr>
<td>Balance due</td>
<td>$1,000.00</td>
</tr>
</tbody>
</table>

As per Professional Services Agreement.
For the month of August 2011

Approved By:

[Signature]

9/19/2011
INVOICE FOR PROFESSIONAL SERVICES RENDERED

Re: Sanibel General Employees Retirement Plan
Our File No. 01-031
Invoice # 21515

<table>
<thead>
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<th>Description</th>
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<tr>
<td>For professional services rendered</td>
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<tr>
<td>For professional services rendered</td>
<td>$1,000.00</td>
</tr>
<tr>
<td>Previous balance</td>
<td>$1,000.00</td>
</tr>
<tr>
<td>9/26/2011 Payment - thank you. Check No. 687016093</td>
<td>($1,000.00)</td>
</tr>
<tr>
<td>Total payments and adjustments</td>
<td>($1,000.00)</td>
</tr>
<tr>
<td>Balance due</td>
<td>$1,000.00</td>
</tr>
</tbody>
</table>

As per Professional Services Agreement.
For the month of September 2011

Approved By: 

[Signature] 10-1-2011
FedEx Express Shipment Detail By Payor Type (Original)

Picked up: Feb 11, 2011  
Payor: Shipper

- Fuel Surcharge - FedEx has applied a fuel surcharge of 10.00% to this shipment.
- Distance Based Pricing, Zone 8

<table>
<thead>
<tr>
<th>Automation</th>
<th>USAB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tracking ID</td>
<td>873860067987</td>
</tr>
<tr>
<td>Service Type</td>
<td>FedEx Priority Overnight</td>
</tr>
<tr>
<td>Package Type</td>
<td>FedEx Envelope</td>
</tr>
<tr>
<td>Zone</td>
<td>08</td>
</tr>
<tr>
<td>Packages</td>
<td>1</td>
</tr>
<tr>
<td>Rated Weight</td>
<td>N/A</td>
</tr>
<tr>
<td>Delivered</td>
<td>Feb 14, 2011 10:30</td>
</tr>
<tr>
<td>Svc Area</td>
<td>A1</td>
</tr>
<tr>
<td>Signed by</td>
<td>S.SMILY</td>
</tr>
<tr>
<td>FedEx Use</td>
<td>00424171/0000052/</td>
</tr>
</tbody>
</table>

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Transportation Charge</strong></td>
<td>29.70 USD</td>
<td></td>
</tr>
<tr>
<td><strong>Courier Pickup Charge</strong></td>
<td>4.00 USD</td>
<td></td>
</tr>
<tr>
<td><strong>Fuel Surcharge</strong></td>
<td>3.37 USD</td>
<td></td>
</tr>
<tr>
<td><strong>Total Charge</strong></td>
<td>37.07 USD</td>
<td></td>
</tr>
</tbody>
</table>

| **Shipper Subtotal** | USD | 37.07 |
| **Total FedEx Express** | USD | 37.07 |
FedEx Express Shipment Detail By Payor Type (Original)

<table>
<thead>
<tr>
<th>Picked up: Apr 29, 2011</th>
<th>Cont. Ref: NO REFERENCE INFORMATION</th>
<th>Ref#:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payor: Shipper</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Automation</td>
<td>USAB</td>
<td></td>
</tr>
<tr>
<td>Tracking ID</td>
<td>0696390316311</td>
<td></td>
</tr>
<tr>
<td>Service Type</td>
<td>FedEx Standard Overnight</td>
<td></td>
</tr>
<tr>
<td>Package Type</td>
<td>FedEx Pak</td>
<td></td>
</tr>
<tr>
<td>Zone</td>
<td>02</td>
<td></td>
</tr>
<tr>
<td>Packages</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Rated Weight</td>
<td>1.0 lbs, 0.5 kgs</td>
<td></td>
</tr>
<tr>
<td>Delivered</td>
<td>May 02, 2011 10:54</td>
<td></td>
</tr>
<tr>
<td>Svc Area</td>
<td>A1</td>
<td></td>
</tr>
<tr>
<td>Signed by</td>
<td>J.BAKER</td>
<td></td>
</tr>
<tr>
<td>FedEx Use</td>
<td>011905618/00012635</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Fuel Surcharge</strong> - FedEx has applied a fuel surcharge of 13.00% to this shipment.</td>
<td><strong>Distance Based Pricing, Zone 2</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Automation</strong></td>
<td><strong>USAB</strong></td>
<td><strong>Sender</strong></td>
</tr>
<tr>
<td><strong>Tracking ID</strong></td>
<td><strong>0696390316311</strong></td>
<td><strong>CITY OF SANIBEL</strong></td>
</tr>
<tr>
<td><strong>Service Type</strong></td>
<td><strong>FedEx Standard Overnight</strong></td>
<td><strong>FEDEX Std NIGHT</strong></td>
</tr>
<tr>
<td><strong>Package Type</strong></td>
<td><strong>FedEx Pak</strong></td>
<td><strong>8100 OAK LN STE 403</strong></td>
</tr>
<tr>
<td><strong>Zone</strong></td>
<td><strong>02</strong></td>
<td><strong>8100 OAK LN STE 403</strong></td>
</tr>
<tr>
<td><strong>Packages</strong></td>
<td><strong>1</strong></td>
<td><strong>8100 OAK LN STE 403</strong></td>
</tr>
<tr>
<td><strong>Rated Weight</strong></td>
<td><strong>1.0 lbs, 0.5 kgs</strong></td>
<td><strong>8100 OAK LN STE 403</strong></td>
</tr>
<tr>
<td><strong>Delivered</strong></td>
<td><strong>May 02, 2011 10:54</strong></td>
<td><strong>8100 OAK LN STE 403</strong></td>
</tr>
<tr>
<td><strong>Svc Area</strong></td>
<td><strong>A1</strong></td>
<td><strong>8100 OAK LN STE 403</strong></td>
</tr>
<tr>
<td><strong>Signed by</strong></td>
<td><strong>J.BAKER</strong></td>
<td><strong>8100 OAK LN STE 403</strong></td>
</tr>
<tr>
<td><strong>FedEx Use</strong></td>
<td><strong>011905618/00012635</strong></td>
<td><strong>8100 OAK LN STE 403</strong></td>
</tr>
<tr>
<td><strong>Transportation Charge</strong></td>
<td><strong>17.75</strong></td>
<td><strong>8100 OAK LN STE 403</strong></td>
</tr>
<tr>
<td><strong>Courier Pickup Charge</strong></td>
<td><strong>4.00</strong></td>
<td><strong>8100 OAK LN STE 403</strong></td>
</tr>
<tr>
<td><strong>Fuel Surcharge</strong></td>
<td><strong>2.63</strong></td>
<td><strong>8100 OAK LN STE 403</strong></td>
</tr>
<tr>
<td><strong>Total Charge</strong></td>
<td><strong>$24.58</strong></td>
<td><strong>8100 OAK LN STE 403</strong></td>
</tr>
</tbody>
</table>

**Shipper Subtotal** USD **$24.58**

**Total FedEx Express** USD **$24.58**
## FedEx Express Shipment Detail By Payor Type (Original)

### Dropped off: Jul 29, 2011

**Payor:** Shipper  
**Custom. Ref.:** NO REFERENCE INFORMATION  
**Ref.#3:**

- Fuel Surcharge - FedEx has applied a fuel surcharge of 15.00% to this shipment.
- Distance Based Pricing, Zone 2
- The package weight exceeds the maximum for the packaging type, therefore, FedEx Envelope was rated as FedEx Pak.

<table>
<thead>
<tr>
<th>Automation</th>
<th>USAB</th>
<th><strong>Recipient</strong></th>
<th>RONALD J COHEN</th>
<th>COHEN &amp; RIND PA</th>
<th>8100 OAKLANE STE 403</th>
<th>HIALEAH FL 33016 US</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tracking ID</td>
<td>0758604532937</td>
<td>SENDER</td>
<td>SYLVIA A EDWARDS</td>
<td>CITY OF SANIBEL</td>
<td>800 DUNLOP RD</td>
<td>SANIBEL FL 33957-4021 US</td>
</tr>
<tr>
<td>Service Type</td>
<td>FedEx Priority Overnight</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Package Type</td>
<td>FedEx Pak</td>
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<td></td>
</tr>
<tr>
<td>Zone</td>
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</tr>
<tr>
<td>Packages</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rated Weight</td>
<td>2.0 lbs, 0.9 kgs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Delivered</td>
<td>Aug 01, 2011 09:59</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Signed by</td>
<td>J.BAKER</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FedEx Use</td>
<td>021002305/0001486/</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Transportation Charge</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Fuel Surcharge</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Charge</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>USD $21.75</td>
</tr>
</tbody>
</table>

### Dropped off: Aug 03, 2011

**Payor:** Shipper  
**Custom. Ref.:** NO REFERENCE INFORMATION  
**Ref.#3:**

- Fuel Surcharge - FedEx has applied a fuel surcharge of 15.00% to this shipment.
- Distance Based Pricing, Zone 3

<table>
<thead>
<tr>
<th>Automation</th>
<th>USAB</th>
<th><strong>Recipient</strong></th>
<th>SHARYN HEILAND</th>
<th>BUREAU OF HISTORIC PRESERVATION</th>
<th>500 SOUTH BRONAISH ST FLORIDA</th>
<th>TALLAHASSEE FL 32399 US</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tracking ID</td>
<td>066157888090</td>
<td>SENDER</td>
<td>SCOTT KRAWCUK</td>
<td>CITY OF SANIBEL</td>
<td>800 DUNLOP RD</td>
<td>SANIBEL FL 33957-4021 US</td>
</tr>
<tr>
<td>Service Type</td>
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<td>FedEx Envelope</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Zone</td>
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</tr>
<tr>
<td>Packages</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Rated Weight</td>
<td>N/A</td>
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<tr>
<td>Delivered</td>
<td>Aug 04, 2011 11:04</td>
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<td></td>
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<tr>
<td>Svc Area</td>
<td>A2</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Signed by</td>
<td>AANA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FedEx Use</td>
<td>021502916/0000211/</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Transportation Charge</strong></td>
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<td></td>
<td></td>
<td></td>
<td>USD 18.55</td>
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<tr>
<td><strong>Fuel Surcharge</strong></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>USD 2.78</td>
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<tr>
<td><strong>Total Charge</strong></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>USD $21.33</td>
</tr>
</tbody>
</table>

**Shopper Subtotal** USD $46.34  
**Total FedEx Express** USD $46.34
### Participant Payment Report

**CITY OF SANIBEL**

<table>
<thead>
<tr>
<th>Description</th>
<th>Sources Current</th>
<th>Year-to-Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>TAXABLE</td>
<td>69,758.54</td>
<td>619,168.40</td>
</tr>
<tr>
<td>TOTAL</td>
<td>69,758.54</td>
<td>619,168.40</td>
</tr>
<tr>
<td>NET AMOUNT</td>
<td>63,141.03</td>
<td>561,175.12</td>
</tr>
</tbody>
</table>

**DESCRIPTION**

**TAXABLE**

**TOTAL**

**NET AMOUNT**

**Fed Tax**

**ST Tax**

**Total**

**Year-to-Date**

---

**ID - P370PYS3 -42**

**ACCOUNT:**

**CHECK DATE:** SEP 01 2011

**TOTALS BY DATE**

<table>
<thead>
<tr>
<th>PARTICIPANTS</th>
<th>DESCRIPTION</th>
<th>SOURCES CURRENT</th>
<th>YEAR-TO-DATE</th>
<th>DESCRIPTION</th>
<th>DEDUCTIONS CURRENT</th>
<th>YEAR-TO-DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL</td>
<td>TAXABLE</td>
<td>69,758.54</td>
<td>619,168.40</td>
<td>FED TAX</td>
<td>6,517.51</td>
<td>57,093.28</td>
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<tr>
<td></td>
<td>TOTAL</td>
<td>69,758.54</td>
<td>619,168.40</td>
<td>ST TAX</td>
<td>100.00</td>
<td>900.00</td>
</tr>
<tr>
<td></td>
<td>NET AMOUNT</td>
<td>63,141.03</td>
<td>561,175.12</td>
<td>TOTAL</td>
<td>6,617.51</td>
<td>57,993.28</td>
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</table>

**ID - P370**

**ACCOUNT:** 1

**CHECK DATE:** SEP 01 2011

**TOTALS BY DATE**

<table>
<thead>
<tr>
<th>PARTICIPANTS</th>
<th>DESCRIPTION</th>
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<th>YEAR-TO-DATE</th>
<th>DESCRIPTION</th>
<th>DEDUCTIONS CURRENT</th>
<th>YEAR-TO-DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL</td>
<td>TAXABLE</td>
<td>1,000.00</td>
<td>9,000.00</td>
<td></td>
<td></td>
<td>0.00</td>
</tr>
<tr>
<td></td>
<td>TOTAL</td>
<td>1,000.00</td>
<td>9,000.00</td>
<td>TOTAL</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td></td>
<td>NET AMOUNT</td>
<td>1,000.00</td>
<td>9,000.00</td>
<td></td>
<td></td>
<td>0.00</td>
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<tr>
<td>PARTICIPANTS</td>
<td>DESCRIPTION</td>
<td>SOURCES CURRENT</td>
<td>YEAR-TO-DATE</td>
<td>SOURCES CURRENT</td>
<td>YEAR-TO-DATE</td>
<td></td>
</tr>
<tr>
<td>--------------</td>
<td>-------------</td>
<td>-----------------</td>
<td>--------------</td>
<td>----------------</td>
<td>--------------</td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>TAXABLE</td>
<td>1,000.00</td>
<td>10,000.00</td>
<td>1,000.00</td>
<td>10,000.00</td>
<td></td>
</tr>
<tr>
<td>NET AMOUNT</td>
<td>TOTAL</td>
<td>1,000.00</td>
<td>10,000.00</td>
<td>TOTAL</td>
<td>0.00</td>
<td>0.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PARTICIPANTS</th>
<th>DESCRIPTION</th>
<th>SOURCES CURRENT</th>
<th>YEAR-TO-DATE</th>
<th>SOURCES CURRENT</th>
<th>YEAR-TO-DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL</td>
<td>TAXABLE</td>
<td>70,434.04</td>
<td>689,602.44</td>
<td>69,602.44</td>
<td>689,602.44</td>
</tr>
<tr>
<td>NET AMOUNT</td>
<td>TOTAL</td>
<td>63,704.99</td>
<td>624,880.11</td>
<td>TOTAL</td>
<td>6,729.05</td>
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</tbody>
</table>

ID - P37
ACCOUNT: OCT 01 2011
CHECK DATE: OCT 01 2011
CITY OF SANIBEL
PRIVATE BANKING & TRUST RECURRING SK
PARTICIPANT PAYMENT REPORT
655T
DATE: SEP 23 2011
TIME: 10 59 46
PAGE: 2

ID - F
ACCOUNT: OCT 01 2011
CHECK DATE: OCT 01 2011
CITY OF SANIBEL
PRIVATE BANKING & TRUST RECURRING SK
PARTICIPANT PAYMENT REPORT
655T
DATE: SEP 23 2011
TIME: 10 59 46
PAGE: 2

$71,434.04
Oct 1, 2011
CITY OF SANIBEL
GENERAL EMPLOYEE PENSION PLAN

AUTHORIZATION FOR PAYMENT FROM THE FUND

TO: Salem Trust Company
   Via Facsimile: 1-813-301-1295

ATTN: Debbie Kocsis/Lynn Skinner
      Trust Client Services

FROM: Sharon Gibson
      HR Generalist
      sharon.gibson@mysanibel.com
      City of Sanibel
      800 Dunlop Road
      Sanibel, FL 33957
      (239) 472 9615

SUBJECT: AUTHORIZATION FOR DROP PAYMENT FROM THE FUND
NOTIFICATION TO COMMENCE DROP PARTICIPANT MONTHLY PENSION BENEFIT

NAME OF PAYEE: Arthur James Stallsmith
SOCIAL SECURITY  D.O.B. 12/31/1947
DATE OF HIRE: 02/03/2003  DROP RETIREMENT DATE: 03/01/2010
MONTHLY BENEFIT COMMENCEMENT DATE: 10/01/2011
ADDRESS FOR PAYMENT PURPOSES: 6018 SW 31st Street
                                 Cape Coral FL 33914

AMOUNT OF LUMP SUM DROP PAYMENT: $164,488.97
AMOUNT OF MONTHLY BENEFIT: $824.41
FORM OF BENEFIT SELECTED: Retiree's Lifetime with 180 payments
                          guaranteed

(Signature, DROP Retiree Member)  09/18/2011
(Signature, HR Generalist)  09/18/2011
Elaine Fannon, Secretary
General Employee Pension Plan

Revised 7-22-08
### Participant Payment Report

**City of Sanibel**

**Private Banking & Trust Recurring SK**

**Check Date:**
- **Nov 01 2011**
- **Oct 12 2011**
- **Nov 01 2011**

**Check Number:**
- **AC**

**Participants**

<table>
<thead>
<tr>
<th>Description</th>
<th>Sources</th>
<th>Current</th>
<th>Year-To-Date</th>
<th>Deductions</th>
<th>Description</th>
<th>Current</th>
<th>Year-To-Date</th>
</tr>
</thead>
</table>

**Final Total**

1

<table>
<thead>
<tr>
<th>Description</th>
<th>Sources</th>
<th>Current</th>
<th>Year-To-Date</th>
<th>Deductions</th>
<th>Description</th>
<th>Current</th>
<th>Year-To-Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taxable</td>
<td>1,000.00</td>
<td>11,000.00</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>11,000.00</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Net Amount</td>
<td>1,000.00</td>
<td></td>
<td>11,000.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Date:**
- **Oct 24 2011**
- **Oct 11 2011**
- **Oct 24 2011**

**Time:**
- **10 44 39**
- **13 24 01**
- **10 44 39**

**Page:**
- **2**
- **2**
- **20**
CITY OF SANIBEL
ATTN: SYLVIA EDWARDS
800 DUNLOP ROAD
SANIBEL, FL 33957-4093

Fee Advice for Period July 1, 2011 to September 30, 2011
Total Market Value for Fund: $10,010,525.24

Detail of Calculation:

<table>
<thead>
<tr>
<th>Market Value</th>
<th>Basis Point Rate</th>
<th>Annual Fee</th>
<th>Quarterly Fee</th>
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</thead>
<tbody>
<tr>
<td>$10,010,525.24</td>
<td>0.0004</td>
<td>$4,004.21</td>
<td>$1,001.05</td>
</tr>
</tbody>
</table>

MV Fee Total: $1,001.05

Activity Transactions

<table>
<thead>
<tr>
<th>Account</th>
<th>Transaction</th>
<th>Transaction Count</th>
<th>Charged</th>
<th>Rate</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>80103775</td>
<td>Buy/Sell</td>
<td>11</td>
<td>11</td>
<td>10.00</td>
<td>$110.00</td>
</tr>
<tr>
<td>80105142</td>
<td>Distribution</td>
<td>7</td>
<td>7</td>
<td>10.00</td>
<td>$70.00</td>
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<tr>
<td></td>
<td>Lump Sum Payment</td>
<td>1</td>
<td>1</td>
<td>10.00</td>
<td>$10.00</td>
</tr>
<tr>
<td></td>
<td>Recurring Periodic Payment</td>
<td>154</td>
<td>154</td>
<td>3.00</td>
<td>$462.00</td>
</tr>
<tr>
<td>80105941</td>
<td>Buy/Sell</td>
<td>20</td>
<td>20</td>
<td>10.00</td>
<td>$200.00</td>
</tr>
<tr>
<td>80106412</td>
<td>Buy/Sell</td>
<td>35</td>
<td>35</td>
<td>10.00</td>
<td>$350.00</td>
</tr>
<tr>
<td>80106657</td>
<td>Buy/Sell</td>
<td>118</td>
<td>118</td>
<td>10.00</td>
<td>$1,180.00</td>
</tr>
</tbody>
</table>

Activity Fee Total: $2,382.00

Breakdown of Fee by Account

<table>
<thead>
<tr>
<th>Account #</th>
<th>Name</th>
<th>Market Value</th>
<th>Percentage</th>
<th>MV Fee</th>
<th>Activity Fee</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>80103775</td>
<td>SANIBEL GENERAL / DANA</td>
<td>$3,211,562.29</td>
<td>32.08%</td>
<td>$321.16</td>
<td>$110.00</td>
<td>$431.16</td>
</tr>
<tr>
<td>80103778</td>
<td>SANIBEL GENERAL / NMF ASSET</td>
<td>$0.00</td>
<td>0.00%</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>80105142</td>
<td>SANIBEL GENERAL / R &amp; D</td>
<td>$235,250.29</td>
<td>2.35%</td>
<td>$23.52</td>
<td>$542.00</td>
<td>$565.52</td>
</tr>
<tr>
<td>80105941</td>
<td>SANIBEL GENERAL / RICHMOND CAP</td>
<td>$3,038,747.40</td>
<td>30.36%</td>
<td>$303.87</td>
<td>$200.00</td>
<td>$503.87</td>
</tr>
<tr>
<td>80106337</td>
<td>SANIBEL GENERAL / MUTUAL FUND</td>
<td>$2,264,705.08</td>
<td>22.62%</td>
<td>$226.47</td>
<td>$0.00</td>
<td>$226.47</td>
</tr>
<tr>
<td>80106412</td>
<td>SANIBEL GENERAL / RICHMOND CAP TIPS</td>
<td>$729,728.52</td>
<td>7.29%</td>
<td>$72.97</td>
<td>$350.00</td>
<td>$422.97</td>
</tr>
<tr>
<td>80106657</td>
<td>SANIBEL GENERAL / SSI</td>
<td>$530,511.66</td>
<td>5.30%</td>
<td>$53.05</td>
<td>$1,180.00</td>
<td>$1,233.05</td>
</tr>
</tbody>
</table>

Amount Due: $3,383.05

$3,383.05 in fees will be charged to your Account# 80105142

These fees will automatically be charged to your accounts

If you have any questions, please contact Leta Chaney at 813-301-1337

SALEM TRUST COMPANY IS A SUBSIDIARY OF U.S. FIDUCIARY SERVICES, INC., AN EMPLOYEE-OWNED COMPANY.
City of Sanibel General Employees' Retirement Plan
Invoice for Investment Advisory Fees-Qtr ending: 09/30/11

Net Fee: $2,301

Please make check payable to: Richmond Capital Management, Inc.

Please remit to:

William H. Schultz, Managing Director
Richmond Capital Management, Inc.
P.O. Box 73086
Richmond, VA 23235

Fee Schedule/Calculations

<table>
<thead>
<tr>
<th>Asset Level</th>
<th>Fee Basis/Yr.</th>
<th>Fee/Year</th>
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</thead>
<tbody>
<tr>
<td>1st $40 Mill.</td>
<td>$3,067,543</td>
<td>0.0030</td>
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<tr>
<td>Total M.V.</td>
<td>$3,067,543</td>
<td>$9,203 Annualized Fee</td>
</tr>
<tr>
<td>09/30/11</td>
<td></td>
<td>Divided by 4 equals</td>
</tr>
</tbody>
</table>

$2,301 Fee before prorations

Approved By:

[Signature]
10/12/2011
City of Sanibel General Employees' Retirement Plan TIPS
Invoice for Investment Advisory Fees-Qtr. ending: 09/30/11

<table>
<thead>
<tr>
<th>Asset Level</th>
<th>Fee Basis/Yr.</th>
<th>Fee/Year</th>
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</thead>
<tbody>
<tr>
<td>Market Value</td>
<td>$732,028</td>
<td>0.0015</td>
</tr>
</tbody>
</table>

Total M.V. $732,028

Net Fee: $275

Please make check payable to: Richmond Capital Management, Inc.

Please remit to:
William H. Schultz, Managing Director
Richmond Capital Management, Inc.
P.O. Box 73086
Richmond, VA 23235

$275 Fee before prorations
BURGESS CHAMBERS & ASSOCIATES, INC.
INVESTMENT ADVISORS
S.E.C. REGISTERED
Post Office Box 3316
Winter Park, FL 32790

Bill To
Sanibel General Employees
Sylvia Edwards
City of Sanibel
800 Dunlop Road
Sanibel, FL 33957

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Third Quarter 2011 Investment Consulting Fee per Contract</td>
<td>4,000.00</td>
</tr>
</tbody>
</table>

Approved By: [Signature]
9/7/2011

We appreciate your prompt payment.

<table>
<thead>
<tr>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$4,000.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Phone #</th>
<th>Fax #</th>
</tr>
</thead>
<tbody>
<tr>
<td>(407) 644-0111</td>
<td>(407) 644-0694</td>
</tr>
</tbody>
</table>
BURGESS CHAMBERS & ASSOCIATES, INC.
INVESTMENT ADVISORS
S.E.C. REGISTERED
Post Office Box 3316
Winter Park, FL 32790

Bill To
Sanibel General Employees
Sylvia Edwards
City of Sanibel
800 Dunlop Road
Sanibel, FL 33957

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Travel expenses for pension meeting on 5/4/11</td>
<td>414.30</td>
</tr>
</tbody>
</table>

Approved By:

We appreciate your prompt payment.

Total $414.30

<table>
<thead>
<tr>
<th>Phone #</th>
<th>Fax #</th>
</tr>
</thead>
<tbody>
<tr>
<td>(407) 644-0111</td>
<td>(407) 644-0694</td>
</tr>
</tbody>
</table>
BURGESS CHAMBERS & ASSOCIATES, INC.
INVESTMENT ADVISORS
S.E.C. REGISTERED
Post Office Box 3316
Winter Park, FL 32790

Bill To
Sanibel General Employees
Sylvia Edwards
City of Sanibel
800 Dunlop Road
Sanibel, FL 33957

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Travel expenses for pension meeting on 8/3/11</td>
<td>340.64</td>
</tr>
</tbody>
</table>

Approved By:

[Signature]
9/12/2011

We appreciate your prompt payment.

Phone # | Fax #
---|---
(407) 644-0111 | (407) 644-0694

Total $340.64
DANA Investment Advisors

October 15, 2011

Invoice No: 21157

Sylvia Edwards
Finance Director
City of Sanibel
800 Dunlop Road
Sanibel, FL 33957 United States

STATEMENT OF MANAGEMENT FEES
Account: 995 Sanibel General Employees' Retirement System
Custodian Account #: 80103775

Billing Period: FROM 10/01/2011 TO 12/31/2011

Account #: 995 - Sanibel General Employees' Retirement System

Portfolio Value .......................................................... $3,218,831

FEE CALCULATION

<table>
<thead>
<tr>
<th>Rate Applied: For Assets Under Management</th>
<th>Amount Based on Rate Applied</th>
<th>% of Rate Period</th>
<th>Amount Due (incl. adjusmt.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.6500 %</td>
<td>On the first: 3,218,831</td>
<td>20,922.40</td>
<td>5,230.60</td>
</tr>
<tr>
<td>Total Fee:</td>
<td>20,922.40</td>
<td>25.00 %</td>
<td>5,230.60</td>
</tr>
</tbody>
</table>

Amount Due, PAYABLE UPON RECEIPT: .......................................................... $5,230.60

Please feel free to contact us if you have any questions or would like further information:
(262) 782-3631

Dana Investment Advisors, Inc.
Attn: Jennifer
P.O. Box 1067
Brookfield, WI 53008-1067
cc: Melissa - MHoldcraft@BurgessChambers.com
Account #: 995 - Sanibel General Employees’ Retirement System

Portfolio Value .......................................................... $3,218,831

FEE CALCULATION

<table>
<thead>
<tr>
<th>Rate Applied: 0.6500 %</th>
<th>For Assets Under Management</th>
<th>Amount Based on Rate Applied</th>
<th>% of Rate Period</th>
<th>Amount Due (incl. adjustm.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>On the first: 3,218,831</td>
<td></td>
<td>20,922.40</td>
<td>5,230.60</td>
<td></td>
</tr>
<tr>
<td>Total Fee: 20,922.40</td>
<td></td>
<td></td>
<td>25.00 %</td>
<td>5,230.60</td>
</tr>
</tbody>
</table>

Amount Due, PAYABLE UPON RECEIPT: .................................................. $5,230.60

Please feel free to contact us if you have any questions or would like further information:
(262) 782-3631
Dana Investment Advisors, Inc.
Attn: Jennifer
P.O. Box 1067
Brookfield, WI 53008-1067
cc: Melissa - MHoldcraft@BurgessChambers.com

Approved By:

[Signature]
1/22/2011
# INVOICE

Investment Management Fees for the period of April 1, 2011 thru June 30, 2011

<table>
<thead>
<tr>
<th></th>
<th>04/30/11</th>
<th>05/31/11</th>
<th>06/30/11</th>
<th>AVERAGE</th>
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<tbody>
<tr>
<td>SANIBEL GENERAL</td>
<td>$642,619</td>
<td>$634,892</td>
<td>$623,911</td>
<td>$633,808</td>
</tr>
</tbody>
</table>

$633,807.55 x .8250% x .2500 = $1,307.00

Investment Counseling Fee: $1,307.00

---

* Investment Management Fees are based on the average of the month end market values during the period.
* Market values are based on Trade date and may not add due to rounding.
City of Sanibel General Employees' Retirement Fund  
ATTN: Sylvia Edwards  
Retirement Plan  
800 Dunlop Road  
Sanibel, FL 33957-4096

<table>
<thead>
<tr>
<th>Date</th>
<th>Asset Value</th>
<th>Quarterly rate</th>
<th>Fee</th>
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<tr>
<td>7/31/2011</td>
<td>$603,887</td>
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<tr>
<td>8/31/2011</td>
<td>$563,978</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9/30/2011</td>
<td>$531,276</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$1,699,141</td>
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<td></td>
</tr>
</tbody>
</table>

3-Month Average  
$566,381  
.20625%  
$1,168  
($230)

Investment Management Fee Due:  
$938

Please remit payment via wire using instructions below or via check to SSI's office:  
First Republic Bank  
(877) 743-7777  
ABA# 321081669  
SSI Investment Management  
Account # 80000306705  

Should you have any questions, please contact your SSI Account Manager at (310)595-2000.

cc: Burgess Chambers

Approved By:  
[Signature]  
10/31/2011

9440 Santa Monica Blvd. | 8th Floor | Beverly Hills, CA 90210 | tel: (310) 595-2000 | fax: (310) 595-2089 | www.ssi-invest.com
TO: Salem Trust Company
Via Facsimile: 1-813-301-1295
ATTN: Debbie Kocsis/Lynn Skinner
Trust Client Services

FROM: Sharon Gibson
HR Generalist
sharon.gibson@mysanibel.com
City of Sanibel
800 Dunlop Road
Sanibel, FL 33957
(239) 472 9615

SUBJECT: AUTHORIZATION FOR DROP PAYMENT FROM THE FUND
NOTIFICATION TO COMMENCE DROP PARTICIPANT MONTHLY PENSION BENEFIT

NAME OF PAYEE: Arthur James Stallsmith

SOCIAL SECURITY D.O.B. 12/31/1947
DATE OF HIRE: 02/03/2003 DROP RETIREMENT DATE: 03/01/2010
MONTHLY BENEFIT COMMENCEMENT DATE: 10/01/2011
ADDRESS FOR PAYMENT PURPOSES: 1618 SW 31st Street
Cape Coral, FL 33914

AMOUNT OF LUMP SUM DROP PAYMENT: $169,448.97
AMOUNT OF MONTHLY BENEFIT: $824.41

FORM OF BENEFIT SELECTED: Retiree’s Lifetime with 180 payments guaranteed

(Signature, DROP Retiree Member) 09/29/2011 (Date)

(Signature, HR Generalist) 09/29/2011 (Date)

Elaine Fannon, Secretary
General Employee Pension Plan

Revised 7-22-08
**Bill To**
City of Sanibel General Employees' Retirement Plan  
800 Dunlop Road  
Sanibel, FL 33957

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revised Roll Over Benefit Calculations: DIERKEN, HOLLER, JUDD, KLOESZ, MILLER, PALFI, RHODES</td>
<td>1,050.00</td>
</tr>
<tr>
<td>Preparation of Exhibit &quot;B&quot; for attachment to the required Summary Plan Description.</td>
<td>125.00</td>
</tr>
<tr>
<td>Special actuarial analysis and letter report dated July 8, 2011 to determine a five-year projection of City costs based on results of our June 23, 2011 study.</td>
<td>750.00</td>
</tr>
<tr>
<td>Special actuarial analysis and letter report dated July 29, 2011 to determine the interest savings associated with a $2 million lump sum payment to the UAAL.</td>
<td>750.00</td>
</tr>
</tbody>
</table>

**Balance Due** $2,675.00

*Thank you for your business!*

Please make all checks payable to:  
Foster & Foster, Inc.  
13420 Parker Commons Blvd, Suite 104  
Fort Myers, FL 33912
Preparation of Cost-Of-Living Adjustments for 10 retirees, effective October 1, 2011.


<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preparation of Cost-Of-Living Adjustments for 10 retirees, effective October 1, 2011.</td>
<td>400.00</td>
</tr>
<tr>
<td>Preparation of required Actuarial Impact Statement dated October 19, 2011.</td>
<td>1,000.00</td>
</tr>
</tbody>
</table>

Thank you for your business!

Please make all checks payable to:
Foster & Foster, Inc.
13420 Parker Commons Blvd, Suite 104
Fort Myers, FL 33912

Balance Due $1,400.00
FPPTA Membership Renewal Receipt

Membership Year: 2011

Membership Type: Pension Boards
Renewal Status: Confirmed
Renewal Fee: $800.00

Organization Name: Sanibel GE Pension Fund
Address: 800 Dunlop Road
Sanibel, FL 339574096
Phone: (239) 472-9615
Fax: (239) 472-3065
E-mail: sharon.gibson@mysanibel.com
Website: 

Confirmed On: 1/12/2011 5:15:06 PM By: Sharon Gibson
Paid On: By: 
Payment Method: Check To Follow

If you have paid for the renewal online at FPPTA.Org, you only need to keep this as your copy.

If you are paying by check, please make your check payable to:

Florida Public Pension Trustees Association (FPPTA)

and then mail a copy of this receipt and your check to the address below:

FPPTA
2946 Wellington Circle East
Tallahassee, FL 32309
Phone: 800-842-4064
Fax: 850-668-8514

Printed on: 1/12/2011 5:15 PM
FPPTA Event Registration Confirmation

Event Type: Trustees School
Event Name: Tampa Marriott Waterside
Location: Tampa
Dates: October 2 - 5, 2011

Sanibel GE Pension Fund

<table>
<thead>
<tr>
<th>Member Name</th>
<th>Status</th>
<th>Registered</th>
<th>Registered By</th>
<th>Date Paid</th>
<th>Amount</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sharon Gibson</td>
<td>Registered</td>
<td>8/24/2011</td>
<td>Sharon Gibson</td>
<td>8/24/2011</td>
<td>$450.00</td>
<td>TS Act Reg</td>
</tr>
<tr>
<td>Elaine Fannon</td>
<td>Registered</td>
<td>8/24/2011</td>
<td>Sharon Gibson</td>
<td>8/24/2011</td>
<td>$450.00</td>
<td>TS Act Reg</td>
</tr>
<tr>
<td>John Decker</td>
<td>Registered</td>
<td>8/24/2011</td>
<td>Sharon Gibson</td>
<td>8/24/2011</td>
<td>$450.00</td>
<td>TS Act Reg</td>
</tr>
</tbody>
</table>

Total Due: $1,350.00

Please make checks payable to:

Florida Public Pension Trustees Association (FPPTA)

Our mailing address is:

FPPTA
2946 Wellington Circle East, Suite A
Tallahassee, FL 32309
Phone: 800-842-4064

Please note that all credit card payments must be made online at FPPTA.Org
CITY OF SANIBEL
BAR YEAR 2011 REVISED TRAVEL AUTHORIZATION FORM

DATE: 8/25/2011

Expense/Reimbursement Form must be filed no later than ten (10) days after return.

Name: Sharon Gibson

Address: Tampa, Florida

Purpose: FPPTA Trustee School

Period of Absence - Depart: 10 / 02 / 11

Return: 10 / 05 / 11

REGISTRATION/TUITION FEES: (Attach copy of Registration Form)

- Visa Purchasing Card
- Direct Pay*
- Reimbursement

$450.00

TRANSPORTATION METHOD:

- Visa Purchasing Card
- Direct Pay*
- Reimbursement

Airline:

Ground: [ ] City Vehicle (Fuel Reimbursement Only)

- [ ] Personal Vehicle 280 miles x $.55/mile (Effective: 7/1/2011)

- [ ] Other - Describe

$154.00

ODING:

hotel: Marriott

Single Room Rate $189.00 x # of nights 3

- Visa Purchasing Card
- Direct Pay*
- Reimbursement

$567.00

MEALS:

Do not include if part of registration fee or if otherwise provided.

Partial Days:

3 Breakfast(s) @ $10.00
2 Lunch(es) @ $14.00
3 Dinner(s) @ $26.00

Full Days:

Per Diem @ $50.00

$30.00 $28.00 $78.00

OTHER EXPENSES: (Travelers will be reimbursed for actual costs of receipts)

- Fares (Taxi, Ferry, etc)
- Tolls (Bridge, road, tunnel)
- Parking
- Communication
- Other:

TOTAL ESTIMATED COST: 1387.00

Print Name: Sharon M. Gibson

Signed: shamm

Fund - Dept - Object

Attach a Copy of this form with your Travel Expense Reimbursement form.
CITY OF SANIBEL
CALENDAR YEAR 2011 REVISED TRAVEL EXPENSE REIMBURSEMENT FORM

Attach copy of Travel Authorization Form.

DATE:

The following is a true and correct statement of travel expenses while on official business for the City of Sanibel.

Travelers Name: **ELAINE FANNON**

Destination: **TAMPA**

Purpose: **PENSION CONF**

**Department:** FINANCE

**Fund:** PENSION

**Object Name:** 021

**Account#:** 021 - 1800 - 518 - 40 - 00

ITINERARY:

<table>
<thead>
<tr>
<th>Depart For:</th>
<th>M</th>
<th>D</th>
<th>Y</th>
<th>Time</th>
<th>O</th>
<th>Depart From:</th>
<th>M</th>
<th>D</th>
<th>Y</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>10 21 2011</td>
<td></td>
<td></td>
<td></td>
<td>am</td>
<td></td>
<td>10 25 2011</td>
<td></td>
<td></td>
<td></td>
<td>pm</td>
</tr>
</tbody>
</table>

REGISTRATION/TUITION FEES: (Attach copy of Receipt)

(Do not include if prepaid)

<table>
<thead>
<tr>
<th>Visa Card</th>
<th>Reimbursable</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$450.00</td>
<td></td>
<td>$450.00</td>
</tr>
</tbody>
</table>

TRANSPORTATION: (Attach paid receipts when applicable)

Airline: 

Ground: Fuel for City Vehicle (Attach paid receipts)

Personal Vehicle: 2138 Miles @ $.55/mile (Eff: 7/1/11)

Rental Car 

Other - Describe

LODGING: (Do not include if prepaid)

<table>
<thead>
<tr>
<th>Hotel:</th>
<th>Single Room Rate</th>
<th># of nights</th>
</tr>
</thead>
<tbody>
<tr>
<td>LATELTI</td>
<td>189</td>
<td>3</td>
</tr>
</tbody>
</table>

MEALS: (Do not include if part of registration fee or otherwise)

<table>
<thead>
<tr>
<th>Breakfast(s)</th>
<th>Lunch(es)</th>
<th>Dinner(s)</th>
<th>Full Day</th>
<th>Per Diem @ $50.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>$10.00</td>
<td>$14.00</td>
<td>$26.00</td>
<td></td>
<td>$50.00</td>
</tr>
</tbody>
</table>

OTHER EXPENSES:

(Travelers will be reimbursed for actual costs of attached receipts)

<table>
<thead>
<tr>
<th>Fares (Taxi, Ferry, etc)</th>
<th>Tolls (Bridge, Road, etc.)</th>
<th>Parking</th>
<th>Communication</th>
<th>Tips</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Fares:** 45.00  
**Tolls:** 45.00  
**Parking:** 
**Communication:** 
**Tips:** 
**Other:**

Certified Correct:

**Print Name:** ELAINE FANNON  
**Signed:**

**Fund:** PENSION  
**Department:** PENSION

**Object Name:** 021

**Account#:** 021 - 1800 - 518 - 40 - 00

**Approved:**

**Department Head:**

**City Manager:**
SANIBEL GENERAL EMPLOYEES' RETIREMENT PLAN

INVESTMENT PERFORMANCE
PERIOD ENDING
SEPTEMBER 30, 2011
In spite of above normal unemployment, American households are reducing debt; primarily consumer credit. While this may be a good way for individuals to become more responsible, it is reducing aggregate demand for goods and services; thereby limiting the economic recovery. Consumer demand for credit has been falling since January 2008. The graph below illustrates the unsustainable growth in credit since 1940.

Corporations have also reduced debt in recent years, while obtaining more favorable borrowing rates. In fact, corporations are so flush with cash, it is possible to self-finance sales, thereby eliminating traditional bank financing.

Declines in consumer and corporate debt in recent years have been off-set by increased Federal government debt. The Federal Reserve has temporarily managed the cost of this debt with a near zero interest rate policy.

Following typical recessions, demand for credit increases, as the Federal Reserve intervenes with lower interest rate policies. Credit spurs demand, which ultimately creates jobs and increased real income. This recovery has been radically different, as years of accumulated consumer debt have stalled the economy.

As America’s manufacturing base has moved off-shore during the past 30 years, local consumption has grown in importance, representing nearly 70 percent of gross domestic product. In contrast, Germany and China have economies which are more dependent upon manufacturing and the resultant income derived from exports of products.
Sanibel General Employees’ Retirement Plan  
Total Fund  
Investment Summary  
September 30, 2011

- For the quarter, the total Plan experienced a loss of $1.3M (-10.2% net), in line with the benchmark (-10.0%) and canceling most of the cumulative FYTD returns reported for 2Q2011. The volatility since mid-July has been extraordinary, as evidenced by the October performance of +9.2%.

- For the fiscal year, the Plan earned $17K (+0.6% net), in line with the benchmark return (+0.8%). The best performing asset classes were: private real estate (+16.1%) and fixed-income (+5.3%).

**Strategy and Asset Allocation**

The Investment Policy reflects a growth strategy with emphasis among equities, representing 65% of the target allocation. Domestic equities are divided among four strategies (large-cap core, convertibles, mid-cap growth and small-cap core). A single international manager is utilized to emphasize companies of developed countries. Bonds, TIPS and private real estate comprise the remaining 35%.

The equity/fixed-income ratio reflects the majority of income to be derived from equities. While private real estate has historically been a low volatility asset class, along with steady income source, it has shown unusual volatility in the recent past; the result of severe commercial real estate re-pricing.

Systematic risk is a challenge for balanced investment programs in the wake of enormous stimulation from central banks and uncertainty surrounding global growth. The Retirement Plan is not immune from volatility and is positioned for long-term growth. The recent manager additions were intended to reduce risk.

**Manager Performance Issues**

1) American Realty has experienced a significant recovery since March 2010, earning +19.9%. However, results remain behind the NCRIEF ODCE benchmark. BCA recommends that alternatives be considered at this time.
Sanibel General Employees’ Retirement Plan
Total Fund
Investment Performance
September 30, 2011

Dollars

<table>
<thead>
<tr>
<th></th>
<th>Quarter</th>
<th>Fiscal Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Market Value</td>
<td>12,954,066</td>
<td>11,298,997</td>
</tr>
<tr>
<td>Ending Market Value</td>
<td>11,727,293</td>
<td>11,727,293</td>
</tr>
<tr>
<td>Net Flows</td>
<td>+101,112</td>
<td>+410,810</td>
</tr>
<tr>
<td>Investment Gain/(Loss)</td>
<td>-1,327,885</td>
<td>+17,486</td>
</tr>
<tr>
<td><strong>Investment Return, Net</strong></td>
<td><strong>-10.2%</strong></td>
<td><strong>+0.6%</strong></td>
</tr>
<tr>
<td>Policy Index</td>
<td>-10.0%</td>
<td>+0.8%</td>
</tr>
<tr>
<td>Difference (% pts)</td>
<td>-0.2</td>
<td>-0.2</td>
</tr>
</tbody>
</table>

Fiscal Year: October 1st – September 30th
The total Fund’s annualized three-year performance achieved the 7.5% actuarial assumption rate. [☐] [☒]
The total Fund’s annualized three-year performance achieved the Policy Index. [☐] [☒]
The total Fund’s annualized three-year performance ranked in the top 40th percentile in the balanced Universe. [☐] [☒]
The total Fund’s annualized five-year performance achieved the 7.5% actuarial assumption rate. [☐] [☒]
The total Fund’s annualized five-year performance achieved the Policy Index. [☐] [☒]
The total Fund’s annualized five-year performance ranked in the top 40th percentile in the balanced Universe. [☐] [☒]

Dana Large Cap annualized three-year performance achieved the Russell 1000. [☒] [☐]
Dana Large Cap annualized three-year performance ranked in the top 40th percentile. [☒] [☐]
Dana Large Cap annualized five-year performance achieved the Russell 1000. [☒] [☐]
Dana Large Cap annualized five-year performance ranked in the top 40th percentile. (41) [☐] [☒]

American Core Realty annualized three-year performance achieved the NCREIF ODCE benchmark. [☐] [☒]

Equity allocation (at market) is within the 70% limitation at market stated in the Investment Policy. [☐] [☒]
No more than 5% of the Fund’s assets were invested in common or capital stock of an issuing company. [☒] [☐]
### Sanibel General Employees' Retirement Plan
**Total Fund**

**Actual vs. Target Asset Allocation**

**September 30, 2011**

<table>
<thead>
<tr>
<th></th>
<th>Market Value Actual</th>
<th>Percent Actual</th>
<th>Market Value Target</th>
<th>Percent Target</th>
<th>Market Value Difference</th>
<th>Percent Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>LARGE CAP</td>
<td>3,218,831.4</td>
<td>27.4%</td>
<td>3,518,187.8</td>
<td>30.0%</td>
<td>(299,356.4)</td>
<td>(2.6%)</td>
</tr>
<tr>
<td>MID CAP CORE</td>
<td>895,900.9</td>
<td>7.6%</td>
<td>938,183.4</td>
<td>8.0%</td>
<td>(42,282.6)</td>
<td>(0.4%)</td>
</tr>
<tr>
<td>SMALL CAP</td>
<td>753,609.6</td>
<td>6.4%</td>
<td>820,910.5</td>
<td>7.0%</td>
<td>(67,300.8)</td>
<td>(0.6%)</td>
</tr>
<tr>
<td>INTERNATIONAL</td>
<td>1,511,093.8</td>
<td>12.9%</td>
<td>1,759,093.9</td>
<td>15.0%</td>
<td>(248,000.1)</td>
<td>(2.1%)</td>
</tr>
<tr>
<td>CONVERTIBLE</td>
<td>533,433.9</td>
<td>4.5%</td>
<td>586,364.6</td>
<td>5.0%</td>
<td>(52,930.7)</td>
<td>(0.5%)</td>
</tr>
<tr>
<td>REAL ESTATE</td>
<td>779,181.8</td>
<td>6.6%</td>
<td>856,364.6</td>
<td>5.0%</td>
<td>192,817.1</td>
<td>1.6%</td>
</tr>
<tr>
<td>CORE FIXED INCOME</td>
<td>3,067,692.5</td>
<td>26.2%</td>
<td>3,291,823.2</td>
<td>25.0%</td>
<td>135,869.3</td>
<td>1.2%</td>
</tr>
<tr>
<td>TIPS</td>
<td>732,295.4</td>
<td>6.2%</td>
<td>586,364.6</td>
<td>5.0%</td>
<td>145,930.7</td>
<td>1.2%</td>
</tr>
<tr>
<td>CASH</td>
<td>235,253.5</td>
<td>2.0%</td>
<td>0.0</td>
<td>0.0%</td>
<td>235,253.5</td>
<td>2.0%</td>
</tr>
<tr>
<td><strong>TOTAL FUND</strong></td>
<td><strong>$11,727,292.7</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>$11,727,292.7</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>$0.0</strong></td>
<td><strong>0.0%</strong></td>
</tr>
</tbody>
</table>
Sanibel General Employees' Retirement Plan
Total Fund
Asset Allocation

TOTAL MARKET VALUE
AS OF SEPTEMBER 30, 2011
$11,727,293

<table>
<thead>
<tr>
<th>Fund Name</th>
<th>Value</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>DANA LARGE CAP</td>
<td>3,218,831</td>
<td>27.45%</td>
</tr>
<tr>
<td>RICHMOND CAP FIXED INC</td>
<td>3,067,693</td>
<td>26.16%</td>
</tr>
<tr>
<td>EUROPACIFIC GROWTH MF</td>
<td>1,511,094</td>
<td>12.89%</td>
</tr>
<tr>
<td>FRONTIER MID CAP GROWTH FUND</td>
<td>895,901</td>
<td>7.64%</td>
</tr>
<tr>
<td>AMERICAN CORE REALTY FD</td>
<td>779,182</td>
<td>6.64%</td>
</tr>
<tr>
<td>FMI COMMON STOCK FUND MF</td>
<td>753,610</td>
<td>6.43%</td>
</tr>
<tr>
<td>RICHMOND CAP TIPS</td>
<td>732,295</td>
<td>6.24%</td>
</tr>
<tr>
<td>SSI CONVERTIBLES</td>
<td>533,434</td>
<td>4.55%</td>
</tr>
<tr>
<td>SALEM TRUST R&amp;D ACCT</td>
<td>235,252</td>
<td>2.01%</td>
</tr>
<tr>
<td>SALEM CASH MF</td>
<td>2</td>
<td>0.00%</td>
</tr>
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Sanibel General Employees' Retirement Plan
Total Fund
Asset Allocation
Sanibel General Employees' Retirement Plan
Total Fund
Allocation Of Assets
October 31, 2009 Through September 30, 2011
<table>
<thead>
<tr>
<th>Name</th>
<th>Market Values</th>
<th>QTR ROR</th>
<th>1 Year ROR</th>
<th>2 Year ROR</th>
<th>3 Year ROR</th>
<th>5 Year ROR</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Equity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Domestic Equity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dana Large Cap</td>
<td>3,218,831</td>
<td>-16.0%</td>
<td>2.7%</td>
<td>7.8%</td>
<td>2.4%</td>
<td>0.4%</td>
</tr>
<tr>
<td>Frontier Mid Cap Growth fund</td>
<td>895,901</td>
<td>-17.7%</td>
<td>1.3%</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>FMI Common Stock Fund MF</td>
<td>753,610</td>
<td>-16.0%</td>
<td>3.0%</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Total Domestic Equity</strong></td>
<td>4,868,342</td>
<td>-16.4%</td>
<td>2.4%</td>
<td>7.3%</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>International Equity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EuroPacific Growth MF</td>
<td>1,511,094</td>
<td>-20.7%</td>
<td>-12.0%</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Convertible</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SSI Convertibles</td>
<td>533,434</td>
<td>-14.4%</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Total Equity</strong></td>
<td>6,912,870</td>
<td>-17.2%</td>
<td>-1.0%</td>
<td>5.0%</td>
<td>N/A</td>
<td>N/A</td>
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<tr>
<td><strong>Real Estate</strong></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>American Core Realty Fd</td>
<td>779,182</td>
<td>3.2%</td>
<td>16.1%</td>
<td>9.2%</td>
<td>-7.0%</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Fixed Income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Richmond Cap Fixed Inc</td>
<td>3,067,693</td>
<td>3.4%</td>
<td>5.1%</td>
<td>7.3%</td>
<td>10.1%</td>
<td>N/A</td>
</tr>
<tr>
<td>Richmond Cap TIPS</td>
<td>732,295</td>
<td>1.8%</td>
<td>7.1%</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Total Fixed Income</strong></td>
<td>3,799,988</td>
<td>3.1%</td>
<td>5.3%</td>
<td>7.2%</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Cash</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salem Trust R&amp;D Acct</td>
<td>235,252</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.3%</td>
<td>N/A</td>
</tr>
<tr>
<td>Salem Cash MF</td>
<td>2</td>
<td>0.0%</td>
<td>0.0%</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Total Cash</strong></td>
<td>235,253</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>TOTAL: (1)</strong></td>
<td>11,727,293</td>
<td>-10.0%</td>
<td>1.1%</td>
<td>5.5%</td>
<td>1.6%</td>
<td>0.9%</td>
</tr>
<tr>
<td>Policy Index</td>
<td></td>
<td>-10.0%</td>
<td>0.8%</td>
<td>5.0%</td>
<td>2.9%</td>
<td>1.5%</td>
</tr>
<tr>
<td>Russell 3000</td>
<td></td>
<td>-15.3%</td>
<td>0.5%</td>
<td>5.6%</td>
<td>1.5%</td>
<td>-0.9%</td>
</tr>
<tr>
<td>Russell 1000 Index</td>
<td></td>
<td>-14.7%</td>
<td>0.9%</td>
<td>5.7%</td>
<td>1.6%</td>
<td>-0.9%</td>
</tr>
<tr>
<td>S&amp;P 500 Index</td>
<td></td>
<td>-13.9%</td>
<td>1.1%</td>
<td>5.6%</td>
<td>1.2%</td>
<td>-1.2%</td>
</tr>
<tr>
<td>S&amp;P 400 Midcap Growth</td>
<td></td>
<td>-18.8%</td>
<td>2.9%</td>
<td>11.3%</td>
<td>7.0%</td>
<td>4.4%</td>
</tr>
<tr>
<td>Russell 2000</td>
<td></td>
<td>-21.9%</td>
<td>-3.5%</td>
<td>4.6%</td>
<td>-0.4%</td>
<td>-1.0%</td>
</tr>
<tr>
<td>MSCI Gross EAFE</td>
<td></td>
<td>-19.0%</td>
<td>-8.9%</td>
<td>-2.8%</td>
<td>-0.7%</td>
<td>-3.0%</td>
</tr>
<tr>
<td>Name</td>
<td>Market Values</td>
<td>QTR ROR</td>
<td>1 Year ROR</td>
<td>2 Year ROR</td>
<td>3 Year ROR</td>
<td>5 Year ROR</td>
</tr>
<tr>
<td>---------------------------</td>
<td>---------------</td>
<td>---------</td>
<td>------------</td>
<td>------------</td>
<td>------------</td>
<td>------------</td>
</tr>
<tr>
<td>ML Conv x144A AllQual</td>
<td>-13.0%</td>
<td>-2.3%</td>
<td>5.8%</td>
<td>8.7%</td>
<td>2.2%</td>
<td></td>
</tr>
<tr>
<td>NCREIF ODCE</td>
<td>3.5%</td>
<td>18.3%</td>
<td>12.5%</td>
<td>-6.4%</td>
<td>0.0%</td>
<td></td>
</tr>
<tr>
<td>NCREIF National</td>
<td>3.3%</td>
<td>16.1%</td>
<td>10.8%</td>
<td>-1.5%</td>
<td>3.4%</td>
<td></td>
</tr>
<tr>
<td>BC Aggregate</td>
<td>3.8%</td>
<td>5.3%</td>
<td>6.7%</td>
<td>8.0%</td>
<td>6.5%</td>
<td></td>
</tr>
<tr>
<td>BC TIPS</td>
<td>4.5%</td>
<td>9.9%</td>
<td>9.4%</td>
<td>8.1%</td>
<td>7.1%</td>
<td></td>
</tr>
<tr>
<td>ML 3M TBill</td>
<td>0.0%</td>
<td>0.1%</td>
<td>0.1%</td>
<td>0.2%</td>
<td>1.7%</td>
<td></td>
</tr>
</tbody>
</table>

1 Policy Index: from Mar'11, 30% R1000 + 5% ML Conv index X144 all quality + 8% S&P 400 + 7% R2000 + 15% MSCI EAFE + 5% NCREIF ODCE + 5% BC TIPS + 25% BC Agg; from Jan'10, 30% Russell 1000 + 8% S&P 400 + 7% Russell 2000 + 15% MSCI EAFE + 5% NCREIF + 5% Barclays TIPS + 30% Barclays Aggregate; prior from Jun'08, 50% Russell 3000 + 10% MSCI EAFE + 10% NCREIF + 30% Barclays Aggregate; 50% Russell 3000 + 10% MSCI EAFE + 40% Barclays Aggregate.
Sanibel General Employees' Retirement Plan
Total Fund
Fiscal Year Rates of Return
September 30, 2001 Through September 30, 2011

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<td>2008</td>
<td>-12.41</td>
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<tr>
<td>2007</td>
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<td>2005</td>
<td>13.03</td>
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Sanibel General Employees' Retirement Plan
Total Fund
Growth of a Dollar Analysis
September 30, 2006 Through September 30, 2011
Sanibel General Employees' Retirement Plan
Total Fund
Growth of a Dollar Analysis
September 30, 2009 Through September 30, 2011

<table>
<thead>
<tr>
<th>LATEST QUARTER</th>
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<th>ONE YEAR</th>
<th>TWO YEARS</th>
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<td>0.82</td>
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Sanibel General Employees' Retirement Plan
Dana Large Cap
Performance Profile
Through September 30, 2011

<table>
<thead>
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<tbody>
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<td>WORST 4 QUARTERS</td>
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<table>
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<tr>
<th>QUARTER TO DATE</th>
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<th>TWO YEARS</th>
<th>THREE YEARS</th>
<th>FIVE YEARS</th>
</tr>
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<tbody>
<tr>
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<td>7.82</td>
<td>2.36</td>
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<tr>
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<td>5.18</td>
<td>1.24</td>
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<table>
<thead>
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<th>PERIOD</th>
<th>RETURN</th>
<th>UNIVERSE RANKING</th>
<th>STD DEV</th>
<th>SHARPE RATIO</th>
<th>ALPHA</th>
<th>BETA</th>
<th>R-SQUARED</th>
<th>INFO RATIO</th>
</tr>
</thead>
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<td>14.23</td>
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<td>1.03</td>
<td>97.36</td>
<td>0.79</td>
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<td>16.14</td>
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<td>2.08</td>
<td>0.98</td>
<td>98.49</td>
<td>0.97</td>
</tr>
<tr>
<td>THREE YEARS</td>
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<td>37</td>
<td>22.05</td>
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<td>3.37</td>
<td>0.34</td>
<td>10.62</td>
<td>-0.10</td>
</tr>
<tr>
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<td>0.65</td>
<td>0.31</td>
<td>10.29</td>
<td>-0.05</td>
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The risk benchmark for this analysis is the Russell 1000 Index.
The universe used was the Large Cap.
Sanibel General Employees' Retirement Plan  
Dana Large Cap  
Performance in Rising and Declining Markets  
September 30, 2006 Through September 30, 2011

### UP MARKET PERFORMANCE

<table>
<thead>
<tr>
<th>YTD</th>
<th>ONE YEAR</th>
<th>THREE YEARS</th>
<th>FIVE YEARS</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL FUND</td>
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<td>29.84</td>
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<tr>
<td>RUSSELL 1000 INDEX</td>
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<td>67.39</td>
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<td>UP PERIODS</td>
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### DOWN MARKET PERFORMANCE

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<th>FIVE YEARS</th>
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<td>0.55</td>
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<td>14</td>
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</table>
Sanibel General Employees' Retirement Plan  
Frontier Mid Cap Growth fund  
Performance Profile  
Through September 30, 2011

<table>
<thead>
<tr>
<th>ENDED</th>
<th>RETURN</th>
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<tbody>
<tr>
<td>BEST QUARTER</td>
<td>12/2010</td>
</tr>
<tr>
<td>WORST QUARTER</td>
<td>9/2011</td>
</tr>
<tr>
<td>BEST 4 QUARTERS</td>
<td>9/2011</td>
</tr>
<tr>
<td>WORST 4 QUARTERS</td>
<td>9/2011</td>
</tr>
</tbody>
</table>

TOTAL # OF PERIODS: 12  
# OF POSITIVE PERIODS: 7  
# OF NEGATIVE PERIODS: 5

<table>
<thead>
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<th>QUARTER TO DATE</th>
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<tr>
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<td>S&amp;P 400 MIDCAP GROWTH</td>
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<td>EXCESS</td>
<td>1.12</td>
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<td>RISKLESS INDEX</td>
<td>0.02</td>
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<td>REAL ROR</td>
<td>-18.24</td>
</tr>
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</table>

PERIOD  RETURN  UNIVERSE RANKING  STD DEV  SHARPE RATIO  ALPHA  BETA  R-SQUARED  INFO RATIO
ONE YEAR  1.32  50  15.15  0.08  -1.36  0.89  95.47  -0.50

The risk benchmark for this analysis is the S&P 400 Midcap Growth.  
The universe used was the Mid Cap Growth.
Sanibel General Employees' Retirement Plan
Frontier Mid Cap Growth fund
Performance in Rising and Declining Markets
September 30, 2010 Through September 30, 2011

UP MARKET PERFORMANCE

<table>
<thead>
<tr>
<th></th>
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<th>ONE YEAR</th>
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<td>UP PERIODS</td>
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<td>7</td>
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DOWN MARKET PERFORMANCE

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<th>YTD</th>
<th>ONE YEAR</th>
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</thead>
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<td>TOTAL FUND</td>
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<td>RATIO</td>
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</tr>
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</table>
## Sanibel General Employees' Retirement Plan
### FMI Common Stock Fund MF
#### Performance Profile
##### Through September 30, 2011

<table>
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<th>RETURN</th>
<th>TOTAL # OF PERIODS:</th>
<th># OF POSITIVE PERIODS:</th>
<th># OF NEGATIVE PERIODS:</th>
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</thead>
<tbody>
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<td></td>
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<td>BEST 4 QUARTERS</td>
<td>9/2011</td>
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<td></td>
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<tr>
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<td>2.96</td>
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<table>
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<th>QUARTER TO DATE</th>
<th>ONE YEAR</th>
<th>TOTAL FUND</th>
<th>RUSSELL 2000</th>
<th>EXCESS</th>
<th>RISKLESS INDEX</th>
<th>REAL ROR</th>
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<tbody>
<tr>
<td></td>
<td></td>
<td>-16.05</td>
<td>-21.87</td>
<td>5.82</td>
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<tr>
<td></td>
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<td>-3.53</td>
<td>6.49</td>
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<td>-0.96</td>
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<table>
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<th>UNIVERSE RANKING</th>
<th>STD DEV</th>
<th>SHARPE RATIO</th>
<th>ALPHA</th>
<th>BETA</th>
<th>R-SQUARED</th>
<th>INFO RATIO</th>
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<tbody>
<tr>
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<td>13.80</td>
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<td>0.70</td>
<td>91.35</td>
<td>0.78</td>
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The risk benchmark for this analysis is the Russell 2000.  
The universe used was the Small Cap.
Sanibel General Employees' Retirement Plan
FMI Common Stock Fund MF
Performance in Rising and Declining Markets
September 30, 2010 Through September 30, 2011

UP MARKET PERFORMANCE

DOWN MARKET PERFORMANCE

<table>
<thead>
<tr>
<th></th>
<th>YTD</th>
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Sanibel General Employees' Retirement Plan
EuroPacific Growth MF
Performance Profile
Through September 30, 2011

<table>
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<tbody>
<tr>
<td>BEST QUARTER</td>
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<tr>
<td>WORST QUARTER</td>
<td>9/2011</td>
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TOTAL # OF PERIODS: 12
# OF POSITIVE PERIODS: 6
# OF NEGATIVE PERIODS: 6

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<tr>
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The risk benchmark for this analysis is the MSCI Gross EAFE.
The universe used was the EAFE.
Sanibel General Employees' Retirement Plan
EuroPacific Growth MF
Performance in Rising and Declining Markets
September 30, 2010 Through September 30, 2011

UP MARKET PERFORMANCE

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DOWN MARKET PERFORMANCE

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Sanibel General Employees' Retirement Plan
Quartile Ranking
SSI Convertibles Versus Convertibles
June 30, 2011 Through September 30, 2011

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<th>Quarter to Date</th>
<th>Rank</th>
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</tr>
<tr>
<td>-12.98</td>
<td>ML CNV X144a ALLQUAL</td>
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</tbody>
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Highest Value: -4.01
First Quartile: -5.98
Median Value: -11.98
Third Quartile: -13.40
Lowest Value: -15.37
Mean: -10.60
Members: 21
Sanibel General Employees' Retirement Plan  
American Core Realty Fd  
Performance Profile  
Through September 30, 2011

<table>
<thead>
<tr>
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<th>RETURN</th>
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<tbody>
<tr>
<td>BEST QUARTER</td>
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<tr>
<td>WORST QUARTER</td>
<td>3/2009</td>
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<tr>
<td>BEST 4 QUARTERS</td>
<td>9/2011</td>
</tr>
<tr>
<td>WORST 4 QUARTERS</td>
<td>9/2009</td>
</tr>
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<table>
<thead>
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<th>QUARTER TO DATE</th>
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<th>TWO YEARS</th>
<th>THREE YEARS</th>
</tr>
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<td>16.11</td>
<td>9.21</td>
</tr>
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<td>NCREIF ODCE</td>
<td>3.52</td>
<td>18.27</td>
<td>12.48</td>
</tr>
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<td>-3.27</td>
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<td>0.13</td>
</tr>
<tr>
<td>REAL ROR</td>
<td>2.58</td>
<td>11.71</td>
<td>6.53</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>PERIOD</th>
<th>RETURN</th>
<th>STD DEV</th>
<th>SHARPE RATIO</th>
<th>ALPHA</th>
<th>BETA</th>
<th>R-SQUARED</th>
<th>INFO RATIO</th>
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<tbody>
<tr>
<td>ONE YEAR</td>
<td>16.11</td>
<td>6.28</td>
<td>2.54</td>
<td>0.29</td>
<td>0.87</td>
<td>96.37</td>
<td>-1.27</td>
</tr>
<tr>
<td>TWO YEARS</td>
<td>9.21</td>
<td>6.88</td>
<td>1.32</td>
<td>-1.82</td>
<td>0.90</td>
<td>95.31</td>
<td>-1.79</td>
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<td>95.67</td>
<td>-0.27</td>
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</table>

The risk benchmark for this analysis is the NCREIF ODCE.
Sanibel General Employees' Retirement Plan
American Core Realty Fd
Performance in Rising and Declining Markets
September 30, 2008 Through September 30, 2011

UP MARKET PERFORMANCE

<table>
<thead>
<tr>
<th></th>
<th>YTD</th>
<th>ONE YEAR</th>
<th>THREE YEARS</th>
</tr>
</thead>
<tbody>
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</tr>
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<td>-2.18</td>
</tr>
<tr>
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DOWN MARKET PERFORMANCE

<table>
<thead>
<tr>
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<tr>
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<td>N/A</td>
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</tr>
<tr>
<td>RATIO</td>
<td>N/A</td>
<td>N/A</td>
<td>0.94</td>
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</table>
Sanibel General Employees' Retirement Plan
Richmond Cap Fixed Inc
Performance Profile
Through September 30, 2011

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>BEST QUARTER</td>
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</tr>
<tr>
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<td>12/2010</td>
</tr>
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<td>BEST 4 QUARTERS</td>
<td>9/2009</td>
</tr>
<tr>
<td>WORST 4 QUARTERS</td>
<td>9/2011</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>PERIOD</th>
<th>RETURN</th>
<th>UNIVERSE RANKING</th>
<th>STD DEV</th>
<th>SHARPE RATIO</th>
<th>ALPHA</th>
<th>BETA</th>
<th>R-SQUARED</th>
<th>INFO RATIO</th>
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</thead>
<tbody>
<tr>
<td>ONE YEAR</td>
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<td>21</td>
<td>2.55</td>
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<td>TWO YEARS</td>
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<td>2.90</td>
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<td>4.08</td>
<td>0.73</td>
<td>31.69</td>
<td>0.44</td>
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The risk benchmark for this analysis is the BC Aggregate.
The universe used was the Fixed Income.
Sanibel General Employees' Retirement Plan
Richmond Cap Fixed Inc
Performance in Rising andDeclining Markets
September 30, 2008 Through September 30, 2011

UP MARKET PERFORMANCE

<table>
<thead>
<tr>
<th></th>
<th>YTD</th>
<th>ONE YEAR</th>
<th>THREE YEARS</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL FUND</td>
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<td>0.89</td>
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<td>0.94</td>
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<td>UP PERIODS</td>
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<td>28</td>
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DOWN MARKET PERFORMANCE

<table>
<thead>
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<th>YTD</th>
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<th>THREE YEARS</th>
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<tbody>
<tr>
<td>TOTAL FUND</td>
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<td>-3.15</td>
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<td>-7.04</td>
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<td>0.19</td>
<td>3.88</td>
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<tr>
<td>RATIO</td>
<td>1.47</td>
<td>0.90</td>
<td>0.45</td>
</tr>
<tr>
<td>DOWN PERIODS</td>
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<td>3</td>
<td>8</td>
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Sanibel General Employees' Retirement Plan
Richmond Cap TIPS
Performance Profile
Through September 30, 2011

<table>
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<th>ENDED</th>
<th>RETURN</th>
</tr>
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<tbody>
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<td>6/2011</td>
</tr>
<tr>
<td>WORST QUARTER</td>
<td>12/2010</td>
</tr>
<tr>
<td>BEST 4 QUARTERS</td>
<td>9/2011</td>
</tr>
<tr>
<td>WORST 4 QUARTERS</td>
<td>9/2011</td>
</tr>
</tbody>
</table>

TOTAL # OF PERIODS: 12
# OF POSITIVE PERIODS: 8
# OF NEGATIVE PERIODS: 4

<table>
<thead>
<tr>
<th>QUARTER TO DATE</th>
<th>ONE YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>RICHMOND CAP TIPS</td>
<td>1.76  7.11</td>
</tr>
<tr>
<td>BC TIPS</td>
<td>4.51  9.87</td>
</tr>
<tr>
<td>EXCESS</td>
<td>-2.76 -2.77</td>
</tr>
<tr>
<td>RISKLESS INDEX</td>
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<tr>
<td>REAL ROR</td>
<td>1.15  3.03</td>
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<table>
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<th>PERIOD</th>
<th>RETURN</th>
<th>STD DEV</th>
<th>SHARPE RATIO</th>
<th>ALPHA</th>
<th>BETA</th>
<th>R-SQUARED</th>
<th>INFO RATIO</th>
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<tr>
<td>ONE YEAR</td>
<td>7.11</td>
<td>3.54</td>
<td>1.96</td>
<td>1.05</td>
<td>0.61</td>
<td>86.74</td>
<td>-1.06</td>
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The risk benchmark for this analysis is the BC TIPS.
Sanibel General Employees' Retirement Plan
Richmond Cap TIPS
Performance in Rising and Declining Markets
September 30, 2010 Through September 30, 2011

UP MARKET PERFORMANCE

<table>
<thead>
<tr>
<th>YTD</th>
<th>ONE YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL FUND</td>
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</tr>
<tr>
<td>BC TIPS</td>
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<tr>
<td>DIFFERENCE</td>
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<tr>
<td>RATIO</td>
<td>0.72</td>
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<tr>
<td>UP PERIODS</td>
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DOWN MARKET PERFORMANCE

<table>
<thead>
<tr>
<th>YTD</th>
<th>ONE YEAR</th>
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<tbody>
<tr>
<td>TOTAL FUND</td>
<td>-0.61</td>
</tr>
<tr>
<td>BC TIPS</td>
<td>-0.24</td>
</tr>
<tr>
<td>DIFFERENCE</td>
<td>-0.37</td>
</tr>
<tr>
<td>RATIO</td>
<td>2.59</td>
</tr>
<tr>
<td>DOWN PERIODS</td>
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</tbody>
</table>
Sanibel General Employees' Retirement Plan
Total Fund
Capital Market Line
September 30, 2008 Through September 30, 2011

<table>
<thead>
<tr>
<th>Total Fund</th>
<th>ML 3M TBill</th>
<th>STRATEGIC BENCHMARK</th>
<th>RUSSELL 1000 INDEX</th>
<th>RUSSELL MIDCAP</th>
<th>RUSSELL 2000</th>
<th>MSCI GROSS EAFE</th>
<th>NCREIF ODCE</th>
<th>BC AGGREGATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.56</td>
<td>1.56</td>
<td>1.56</td>
<td>1.56</td>
<td>1.56</td>
<td>1.56</td>
<td>1.56</td>
<td>1.56</td>
<td>1.56</td>
</tr>
</tbody>
</table>

RETURN | STD Dev | BETA | ALPHA | R-SQUARED |
-------|---------|------|-------|-----------|
TOTAL FUND | 1.56 | 13.19 | 0.26 | 1.26 | 7.50 |
STRATEGIC BENCHMARK | -0.66 | 25.12 | 1.00 | 0.00 | 100.00 |
RUSSELL 1000 INDEX | 1.61 | 21.40 | 1.00 | 0.00 | 100.00 |
RUSSELL MIDCAP | -0.37 | 27.84 | 1.00 | 0.00 | 100.00 |
RUSSELL 2000 | -6.40 | 13.79 | 1.00 | 0.00 | 100.00 |
MSCI GROSS EAFE | -6.40 | 13.79 | 1.00 | 0.00 | 100.00 |
NCREIF ODCE | 7.97 | 3.99 | 1.00 | 0.00 | 100.00 |
BC AGGREGATE | 7.97 | 3.99 | 1.00 | 0.00 | 100.00 |

MORE RETURN = MORE RISK
LESS RETURN = LESS RISK
MORE RETURN = LESS RISK
LESS RETURN = MORE RISK

Sanibel General Employees' Retirement Plan
Total Fund
September 30, 2008 Through September 30, 2011
Sanibel General Employees' Retirement Plan
Total Fund
Capital Market Line
September 30, 2006 Through September 30, 2011

<table>
<thead>
<tr>
<th></th>
<th>RETURN</th>
<th>STD DEV</th>
<th>BETA</th>
<th>ALPHA</th>
<th>R-SQUARED</th>
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</thead>
<tbody>
<tr>
<td>TOTAL FUND</td>
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<td>0.30</td>
<td>-0.33</td>
<td>9.64</td>
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<td>0.00</td>
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<td>18.56</td>
<td>1.00</td>
<td>0.00</td>
<td>100.00</td>
</tr>
<tr>
<td>RUSSELL MIDCAP</td>
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<td>21.98</td>
<td>1.00</td>
<td>0.00</td>
<td>100.00</td>
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<tr>
<td>RUSSELL 2000</td>
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<td>23.48</td>
<td>1.00</td>
<td>0.00</td>
<td>100.00</td>
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<tr>
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<td>0.00</td>
<td>100.00</td>
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<tr>
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<td>1.00</td>
<td>0.00</td>
<td>100.00</td>
</tr>
<tr>
<td>BC AGGREGATE</td>
<td>6.53</td>
<td>3.59</td>
<td>1.00</td>
<td>0.00</td>
<td>100.00</td>
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</table>
Sanibel General Employees' Retirement Plan
Total Fund
Performance in Rising and Declining Markets
September 30, 2006 Through September 30, 2011

UP MARKET PERFORMANCE

<table>
<thead>
<tr>
<th>YTD</th>
<th>ONE YEAR</th>
<th>THREE YEARS</th>
<th>FIVE YEARS</th>
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<tr>
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<tr>
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<td>0.96</td>
<td>0.26</td>
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<tr>
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<td>6</td>
<td>20</td>
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DOWN MARKET PERFORMANCE

<table>
<thead>
<tr>
<th>YTD</th>
<th>ONE YEAR</th>
<th>THREE YEARS</th>
<th>FIVE YEARS</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL FUND</td>
<td>-10.86</td>
<td>-11.08</td>
<td>-9.96</td>
</tr>
<tr>
<td>POLICY INDEX</td>
<td>-11.43</td>
<td>-11.75</td>
<td>-32.97</td>
</tr>
<tr>
<td>DIFFERENCE</td>
<td>0.57</td>
<td>0.67</td>
<td>23.00</td>
</tr>
<tr>
<td>RATIO</td>
<td>0.95</td>
<td>0.94</td>
<td>0.30</td>
</tr>
<tr>
<td>DOWN PERIODS</td>
<td>5</td>
<td>6</td>
<td>16</td>
</tr>
</tbody>
</table>
Sanibel General Employees' Retirement Plan
Glossary of Terms

-ACCRUED INTEREST- Bond interest earned since the last interest payment, but not yet received.

-ALPHA- A linear regressive constant that measures the manager's expected return independent of Beta.

-ASSET ALLOCATION- The optimal division of portfolio asset classes in order to achieve an expected investment objective.

-BETA- A measure of portfolio sensitivity (volatility) in relation to the market, based upon past experience.

-BOND DURATION- A measure of portfolio sensitivity to interest rate risk.

-COMMINGLED FUND- An investment fund which is similar to a mutual fund in that investors are permitted to purchase and redeem units that represent ownership in a pool of securities.

-CORE- A type of investment strategy that has approximately an equal weighting in both growth and value stocks in order to achieve a return that is comparable to the broad market performance (i.e., the S&P 500).

-CORRELATION COEFFICIENT- A statistical measure of how two assets move together. The measure is bounded by +1 and -1; +1 means that the two assets move together positively, while a measure of -1 means that the assets are perfectly negatively correlated.

-INDEXES- Indexes are used as "independent representations of markets" (e.g., S&P 500 and LBGC).

-INFORMATION RATIO- Annualized excess return above the benchmark relative to the annualized tracking error.

-GROWTH MANAGER- A growth manager generally invests in companies that have either experienced above-average growth rates and/or are expected to experience above-average growth rates in the future. Growth portfolios tend to have high price/earnings ratios and generally pay little to no dividends.

-LARGE CAP- Generally, the term refers to a company that has a market capitalization that exceeds $5 billion.

-MANAGER UNIVERSE- A collection of quarterly investment returns from various investment management firms that may be subdivided by style (e.g. growth, value, core).

-MID CAP- Generally, the term refers to a company that has a market capitalization between $1 and $5 billion.

-NCREIF - A quarterly time series composite total rate of return measure of investment performance of a large pool of individual commercial real estate properties acquired in the private market for investment purposes only.

-NCREIF ODCE - Open End Diversified Core Equity index which consists of historical and current returns from 26 open-end commingled funds pursuing core strategy. This index is capitalization weighted, time weighted and gross of fees.
- BALANCED UNIVERSES - BNY Mellon Public Funds, Endowments & Foundations, Corporate peer groups, and PSN peer groups.

- RATE OF RETURN - The percentage change in the value of an investment in a portfolio over a specified time period.

- RISK MEASURES - Measures of the investment risk level, including beta, credit, duration, standard deviation, and others that are based on current and historical data.

- R-SQUARED - Measures how closely portfolio returns and those of the market are correlated, or how much variation in the portfolio returns may be explained by the market. An R2 of 40 means that 40% of the variation in a fund’s price changes could be attributed to changes in the market index over the time period.

- SHARPE RATIO - The ratio of the rate of return earned above the risk-free rate to the standard deviation of the portfolio. It measures the number of units of return per unit of risk.

- STANDARD DEVIATION - Measure of the variability (dispersion) of historical returns around the mean. It measures how much exposure to volatility was experienced by the implementation of an investment strategy.

- SYSTEMATIC RISK - Measured by beta, it is the risk that cannot be diversified away (market risk).

- TIME WEIGHTED (TW) RETURN - A measure of the investments verses the investor. When there are no flows the TW & DOLLAR weighted (DW) return are the same and vice versa. CFA Institute recommends using the TW return. AIMR reasons that the investment mgr can not control when an investor has flows & thus should not be measured by that. BCA uses TW method.

- TRACKING ERROR - A measure of how closely a manager’s performance tracks an index; it is the annualized standard deviation of the differences between the quarterly returns for the manager and the benchmark.

- TREYNOR RATIO - A measure of reward per unit of risk. (excess return divided by beta)

- UP-MARKET CAPTURE RATIO - Ratio that illustrates how a manager performed relative to the market during rising market periods; the higher the ratio, the better the manager performed (i.e., a ratio of 110 implies the manager performed 10% better than the market).

- VALUE MANAGER - A value manager generally invests in companies that have low price-to-earnings and price-to-book ratios and/or above-average dividend yields.
Sanibel General Employees' Retirement Plan Disclosure

Advisory services are offered through or by Burgess Chambers and Associates, Inc., a registered SEC investment advisor.

Performance Reporting:
1. Changes in portfolio valuations due to capital gains or losses, dividends, interest or other income are included in the calculation of returns. All calculations are made in accordance with generally accepted industry standards.
2. Transaction costs, such as commissions, are included in the purchase cost or deducted from the proceeds or sale of a security. Differences in transaction costs may affect comparisons.
3. Individual client returns may vary due to a variety of factors, including differences in investment objectives and timing of investment decisions.
4. BCA does not have discretion or decision making authority over any investments. All decisions regarding investment manager selection and retention, asset allocation, and other investment policies were made by the client. While BCA provides recommendations and choices regarding suitable investments, not all clients take these recommendations or select from the choices offered.
5. Portfolio returns are generally shown before the deduction of investment advisory fees.
6. Performance reports are generated from information supplied by the client, custodian, and/or investment managers. BCA relies upon the accuracy of this data when preparing reports.
7. The market indexes do not include transaction costs, and an investment in a product similar to the index would have lower performance dependent upon costs, fees, dividend reinvestments, and timing. Benchmarks and indexes are for comparison purposes only, and there is no assurance or guarantee that such performance will be achieved.
8. Performance information prepared by third party sources may differ from that shown by BCA. These differences may be due to different methods of analysis, different time periods being evaluated, different pricing sources for securities, treatment of accrued income, treatment of cash, and different accounting procedures.
9. Certain valuations, such as alternative assets, ETF, and mutual funds, are prepared based on information from third party sources, the accuracy of such information cannot be guaranteed by BCA. Such data may include estimates and maybe be subject to revision.
10. BCA has not reviewed the risks of individual security holdings. The firm's ADV, Part II, is available upon request.
SANIBEL GENERAL EMPLOYEES' RETIREMENT PLAN

INVESTMENT PERFORMANCE
PERIOD ENDING
SEPTEMBER 30, 2011
In spite of above normal unemployment, American households are reducing debt; primarily consumer credit. While this may be a good way for individuals to become more responsible, it is reducing aggregate demand for goods and services; thereby limiting the economic recovery. Consumer demand for credit has been falling since January 2008. The graph below illustrates the unsustainable growth in credit since 1940.

Corporations have also reduced debt in recent years, while obtaining more favorable borrowing rates. In fact, corporations are so flush with cash, it is possible to self-finance sales, thereby eliminating traditional bank financing.

Declines in consumer and corporate debt in recent years have been off-set by increased Federal government debt. The Federal Reserve has temporarily managed the cost of this debt with a near zero interest rate policy.

Following typical recessions, demand for credit increases, as the Federal Reserve intervenes with lower interest rate policies. Credit spurs demand, which ultimately creates jobs and increased real income. This recovery has been radically different, as years of accumulated consumer debt have stalled the economy.

As America’s manufacturing base has moved off-shore during the past 30 years, local consumption has grown in importance, representing nearly 70 percent of gross domestic product. In contrast, Germany and China have economies which are more dependent upon manufacturing and the resultant income derived from exports of products.
Sanibel General Employees’ Retirement Plan  
Total Fund  
Investment Summary  
September 30, 2011

- For the quarter, the total Plan experienced a loss of $1.3M (-10.2% net), in line with the benchmark (-10.0%) and canceling most of the cumulative FYTD returns reported for 2Q2011. The volatility since mid-July has been extraordinary, as evidenced by the October performance of +9.2%.

- For the fiscal year, the Plan earned $17K (+0.6% net), in line with the benchmark return (+0.8%). The best performing asset classes were: private real estate (+16.1%) and fixed-income (+5.3%).

Strategy and Asset Allocation

The Investment Policy reflects a growth strategy with emphasis among equities, representing 65% of the target allocation. Domestic equities are divided among four strategies (large-cap core, convertibles, mid-cap growth and small-cap core). A single international manager is utilized to emphasize companies of developed countries. Bonds, TIPS and private real estate comprise the remaining 35%.

The equity/fixed-income ratio reflects the majority of income to be derived from equities. While private real estate has historically been a low volatility asset class, along with steady income source, it has shown unusual volatility in the recent past; the result of severe commercial real estate re-pricing.

Systematic risk is a challenge for balanced investment programs in the wake of enormous stimulation from central banks and uncertainty surrounding global growth. The Retirement Plan is not immune from volatility and is positioned for long-term growth. The recent manager additions were intended to reduce risk.

Manager Performance Issues

1) American Realty has experienced a significant recovery since March 2010, earning +19.9%. However, results remain behind the NCRIEF ODCE benchmark. BCA recommends that alternatives be considered at this time.
Sanibel General Employees’ Retirement Plan
Total Fund
Investment Performance
September 30, 2011

Dollars

<table>
<thead>
<tr>
<th></th>
<th>Quarter</th>
<th>Fiscal Year</th>
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<tbody>
<tr>
<td>Beginning Market Value</td>
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<td>11,298,997</td>
</tr>
<tr>
<td>Ending Market Value</td>
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<td>11,727,293</td>
</tr>
<tr>
<td>Net Flows</td>
<td>+101,112</td>
<td>+410,810</td>
</tr>
<tr>
<td>Investment Gain/(Loss)</td>
<td>-1,327,885</td>
<td>+17,486</td>
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<tr>
<td>Investment Return, Net</td>
<td>-10.2%</td>
<td>+0.6%</td>
</tr>
<tr>
<td>Policy Index</td>
<td>-10.0%</td>
<td>+0.8%</td>
</tr>
<tr>
<td>Difference (% pts)</td>
<td>-0.2</td>
<td>-0.2</td>
</tr>
</tbody>
</table>

Fiscal Year: October 1st – September 30th
The total Fund’s annualized three-year performance achieved the 7.5% actuarial assumption rate.  
Yes No

The total Fund’s annualized three-year performance achieved the Policy Index.  
Yes No

The total Fund’s annualized three-year performance ranked in the top 40th percentile in the balanced Universe.  
Yes No

The total Fund’s annualized five-year performance achieved the 7.5% actuarial assumption rate.  
Yes No

The total Fund’s annualized five-year performance achieved the Policy Index.  
Yes No

The total Fund’s annualized five-year performance ranked in the top 40th percentile in the balanced Universe.  
Yes No

Dana Large Cap annualized three-year performance achieved the Russell 1000.  
Yes No

Dana Large Cap annualized three-year performance ranked in the top 40th percentile.  
Yes No

Dana Large Cap annualized five-year performance achieved the Russell 1000.  
Yes No

Dana Large Cap annualized five-year performance ranked in the top 40th percentile. (41)  
Yes No

American Core Realty annualized three-year performance achieved the NCREIF ODCE benchmark.  
Yes No

Equity allocation (at market) is within the 70% limitation at market stated in the Investment Policy.  
Yes No

No more than 5% of the Fund’s assets were invested in common or capital stock of an issuing company.  
Yes No
## Sanibel General Employees' Retirement Plan
### Total Fund
#### Actual vs. Target Asset Allocation
#### September 30, 2011

### Actual Asset Allocation

- **Core Fixed Income**: 26.16%
- **Convertible**: 4.55%
- **International**: 12.89%
- **TIPS**: 6.24%
- **Mid Cap Core**: 7.64%
- **Small Cap**: 6.43%
- **Large Cap**: 27.45%
- **Cash**: 2.01%

### Target Asset Allocation

- **Core Fixed Income**: 25.00%
- **Convertible**: 5.00%
- **International**: 15.00%
- **TIPS**: 5.00%
- **Mid Cap Core**: 8.00%
- **Small Cap**: 7.00%
- **Large Cap**: 30.00%
- **Real Estate**: 5.00%

### Market Value and Percent Allocation

<table>
<thead>
<tr>
<th>Category</th>
<th>Actual Market Value</th>
<th>Actual Percent</th>
<th>Target Market Value</th>
<th>Target Percent</th>
<th>Difference</th>
<th>Percent Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large Cap</td>
<td>3,218,831.4</td>
<td>27.4%</td>
<td>3,518,187.8</td>
<td>30.0%</td>
<td>(299,356.4)</td>
<td>(2.6%)</td>
</tr>
<tr>
<td>Mid Cap Core</td>
<td>895,900.9</td>
<td>7.6%</td>
<td>938,183.4</td>
<td>8.0%</td>
<td>(42,282.6)</td>
<td>(0.4%)</td>
</tr>
<tr>
<td>Small Cap</td>
<td>753,609.6</td>
<td>6.4%</td>
<td>820,910.5</td>
<td>7.0%</td>
<td>(67,300.8)</td>
<td>(0.6%)</td>
</tr>
<tr>
<td>International</td>
<td>1,511,093.8</td>
<td>12.9%</td>
<td>1,759,093.9</td>
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<td>(248,000.1)</td>
<td>(2.1%)</td>
</tr>
<tr>
<td>Convertible</td>
<td>533,433.9</td>
<td>4.5%</td>
<td>586,364.6</td>
<td>5.0%</td>
<td>(52,930.7)</td>
<td>(0.5%)</td>
</tr>
<tr>
<td>Real Estate</td>
<td>779,181.8</td>
<td>6.6%</td>
<td>856,364.6</td>
<td>5.0%</td>
<td>77,181.8</td>
<td>1.6%</td>
</tr>
<tr>
<td>Core Fixed Income</td>
<td>3,067,692.5</td>
<td>26.2%</td>
<td>2,931,823.2</td>
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<td>135,869.3</td>
<td>1.2%</td>
</tr>
<tr>
<td>Tips</td>
<td>732,295.4</td>
<td>6.2%</td>
<td>586,364.6</td>
<td>5.0%</td>
<td>145,930.7</td>
<td>1.2%</td>
</tr>
<tr>
<td>Cash</td>
<td>235,253.5</td>
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<td>0.0</td>
<td>0.0%</td>
<td>235,253.5</td>
<td>2.0%</td>
</tr>
<tr>
<td><strong>Total Fund</strong></td>
<td><strong>$11,727,292.7</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>$11,727,292.7</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>$0.0</strong></td>
<td><strong>0.0%</strong></td>
</tr>
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</table>
### Total Market Value as of September 30, 2011

**Sanibel General Employees' Retirement Plan**

**Total Fund Asset Allocation**

<table>
<thead>
<tr>
<th>Fund Name</th>
<th>VALUE</th>
<th>PERCENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>DANA LARGE CAP</td>
<td>3,218,831</td>
<td>27.45</td>
</tr>
<tr>
<td>RICHMOND CAP FIXED INC</td>
<td>3,067,693</td>
<td>26.16</td>
</tr>
<tr>
<td>EUROPACIFIC GROWTH MF</td>
<td>1,511,094</td>
<td>12.89</td>
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<tr>
<td>FRONTIER MID CAP GROWTH FUND</td>
<td>895,901</td>
<td>7.64</td>
</tr>
<tr>
<td>AMERICAN CORE REALTY FD</td>
<td>779,182</td>
<td>6.64</td>
</tr>
<tr>
<td>FMI COMMON STOCK FUND MF</td>
<td>753,610</td>
<td>6.43</td>
</tr>
<tr>
<td>RICHMOND CAP TIPS</td>
<td>732,295</td>
<td>6.24</td>
</tr>
<tr>
<td>SSI CONVERTIBLES</td>
<td>533,434</td>
<td>4.55</td>
</tr>
<tr>
<td>SALEM TRUST R&amp;D ACCT</td>
<td>235,252</td>
<td>2.01</td>
</tr>
<tr>
<td>SALEM CASH MF</td>
<td>2</td>
<td>0.00</td>
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Sanibel General Employees' Retirement Plan
Total Fund
Allocation Of Assets
October 31, 2009 Through September 30, 2011
## Sanibel General Employees' Retirement Plan
### Total Fund
#### September 30, 2011
### Gross of Fees

<table>
<thead>
<tr>
<th>Name</th>
<th>Market Values</th>
<th>QTR ROR</th>
<th>1 Year ROR</th>
<th>2 Year ROR</th>
<th>3 Year ROR</th>
<th>5 Year ROR</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Equity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Domestic Equity</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dana Large Cap</td>
<td>3,218,831</td>
<td>-16.0%</td>
<td>2.7%</td>
<td>7.8%</td>
<td>2.4%</td>
<td>0.4%</td>
</tr>
<tr>
<td>Frontier Mid Cap Growth fund</td>
<td>895,901</td>
<td>-17.7%</td>
<td>1.3%</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>FMI Common Stock Fund MF</td>
<td>753,610</td>
<td>-16.0%</td>
<td>3.0%</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Total Domestic Equity</td>
<td>4,868,342</td>
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<td>2.4%</td>
<td>7.3%</td>
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<td>N/A</td>
</tr>
<tr>
<td>International Equity</td>
<td></td>
<td></td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>EuroPacific Growth MF</td>
<td>1,511,094</td>
<td>-20.7%</td>
<td>-12.0%</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Convertible</td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SSI Convertibles</td>
<td>533,434</td>
<td>-14.4%</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Total Equity</td>
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<td>-1.0%</td>
<td>5.0%</td>
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<td>N/A</td>
</tr>
<tr>
<td><strong>Real Estate</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>American Core Realty Fd</td>
<td>779,182</td>
<td>3.2%</td>
<td>16.1%</td>
<td>9.2%</td>
<td>-7.0%</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Fixed Income</strong></td>
<td></td>
<td></td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>Richmond Cap Fixed Inc</td>
<td>3,067,693</td>
<td>3.4%</td>
<td>5.1%</td>
<td>7.3%</td>
<td>10.1%</td>
<td>N/A</td>
</tr>
<tr>
<td>Richmond Cap TIPS</td>
<td>732,295</td>
<td>1.8%</td>
<td>7.1%</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Total Fixed Income</td>
<td>3,799,988</td>
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<td>5.3%</td>
<td>7.2%</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Cash</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salem Trust R&amp;D Acct</td>
<td>235,252</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.3%</td>
<td>N/A</td>
</tr>
<tr>
<td>Salem Cash MF</td>
<td>2</td>
<td>0.0%</td>
<td>0.0%</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Total Cash</td>
<td>235,253</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>TOTAL: (1)</strong></td>
<td>11,727,293</td>
<td>-10.0%</td>
<td>1.1%</td>
<td>5.5%</td>
<td>1.6%</td>
<td>0.9%</td>
</tr>
<tr>
<td>Policy Index</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Russell 3000</td>
<td></td>
<td>-15.3%</td>
<td>0.5%</td>
<td>5.6%</td>
<td>1.5%</td>
<td>-0.9%</td>
</tr>
<tr>
<td>Russell 1000 Index</td>
<td></td>
<td>-14.7%</td>
<td>0.9%</td>
<td>5.7%</td>
<td>1.6%</td>
<td>-0.9%</td>
</tr>
<tr>
<td>S&amp;P 500 Index</td>
<td></td>
<td>-13.9%</td>
<td>1.1%</td>
<td>5.6%</td>
<td>1.2%</td>
<td>-1.2%</td>
</tr>
<tr>
<td>S&amp;P 400 Midcap Grwth</td>
<td></td>
<td>-18.8%</td>
<td>2.9%</td>
<td>11.3%</td>
<td>7.0%</td>
<td>4.4%</td>
</tr>
<tr>
<td>Russell 2000</td>
<td></td>
<td>-21.9%</td>
<td>-3.5%</td>
<td>4.6%</td>
<td>-0.4%</td>
<td>-1.0%</td>
</tr>
<tr>
<td>MSCI Gross EAFE</td>
<td></td>
<td>-19.0%</td>
<td>-8.9%</td>
<td>-2.8%</td>
<td>-0.7%</td>
<td>-3.0%</td>
</tr>
</tbody>
</table>

9
# Sanibel General Employees' Retirement Plan
## Total Fund
### September 30, 2011
#### Gross of Fees

<table>
<thead>
<tr>
<th>Name</th>
<th>Market Values</th>
<th>QTR ROR</th>
<th>1 Year ROR</th>
<th>2 Year ROR</th>
<th>3 Year ROR</th>
<th>5 Year ROR</th>
</tr>
</thead>
<tbody>
<tr>
<td>ML Conv x144A AllQual</td>
<td>-13.0%</td>
<td>-2.3%</td>
<td>5.8%</td>
<td>8.7%</td>
<td>2.2%</td>
<td></td>
</tr>
<tr>
<td>NCREIF ODCE</td>
<td>3.5%</td>
<td>18.3%</td>
<td>12.5%</td>
<td>-6.4%</td>
<td>0.0%</td>
<td></td>
</tr>
<tr>
<td>NCREIF National</td>
<td>3.3%</td>
<td>16.1%</td>
<td>10.8%</td>
<td>-1.5%</td>
<td>3.4%</td>
<td></td>
</tr>
<tr>
<td>BC Aggregate</td>
<td>3.8%</td>
<td>5.3%</td>
<td>6.7%</td>
<td>8.0%</td>
<td>6.5%</td>
<td></td>
</tr>
<tr>
<td>BC TIPS</td>
<td>4.5%</td>
<td>9.9%</td>
<td>9.4%</td>
<td>8.1%</td>
<td>7.1%</td>
<td></td>
</tr>
<tr>
<td>ML 3M TBill</td>
<td>0.0%</td>
<td>0.1%</td>
<td>0.1%</td>
<td>0.2%</td>
<td>1.7%</td>
<td></td>
</tr>
</tbody>
</table>

1 Policy Index: from Mar’11, 30% R1000 + 5% ML Conv index X144 all quality + 8% S&P 400 + 7% R2000 + 15% MSCI EAFE + 5% NCREIF ODCE + 5% BC TIPS + 25% BC Agg; from Jan’10, 30% Russell 1000 + 8% S&P 400 + 7% Russell 2000 + 15% MSCI EAFE + 5% NCREIF + 5% Barclays TIPS + 30% Barclays Aggregate; prior from Jun’08, 50% Russell 3000 + 10% MSCI EAFE + 10% NCREIF + 30% Barclays Aggregate; 50% Russell 3000 + 10% MSCI EAFE + 40% Barclays Aggregate.
Sanibel General Employees' Retirement Plan
Total Fund
Fiscal Year Rates of Return
September 30, 2001 Through September 30, 2011

<table>
<thead>
<tr>
<th>Year</th>
<th>Rate of Return (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>1.14</td>
</tr>
<tr>
<td>2010</td>
<td>10.05</td>
</tr>
<tr>
<td>2009</td>
<td>-5.89</td>
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<tr>
<td>2008</td>
<td>-12.41</td>
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<tr>
<td>2007</td>
<td>13.84</td>
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<tr>
<td>2006</td>
<td>9.43</td>
</tr>
<tr>
<td>2005</td>
<td>13.03</td>
</tr>
<tr>
<td>2004</td>
<td>5.68</td>
</tr>
<tr>
<td>2003</td>
<td>12.37</td>
</tr>
<tr>
<td>2002</td>
<td>-13.22</td>
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Sanibel General Employees' Retirement Plan
Total Fund
Growth of a Dollar Analysis
September 30, 2006 Through September 30, 2011

<table>
<thead>
<tr>
<th>LATEST QUARTER</th>
<th>YEAR TO DATE</th>
<th>ONE YEAR</th>
<th>THREE YEARS</th>
<th>FIVE YEARS</th>
</tr>
</thead>
<tbody>
<tr>
<td>TF</td>
<td>-10.03</td>
<td>-4.40</td>
<td>1.14</td>
<td>1.56</td>
</tr>
<tr>
<td>POLICY INDEX</td>
<td>-10.01</td>
<td>-5.31</td>
<td>0.82</td>
<td>2.92</td>
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Sanibel General Employees' Retirement Plan
Total Fund
Growth of a Dollar Analysis
September 30, 2009 Through September 30, 2011

<table>
<thead>
<tr>
<th></th>
<th>LATEST QUARTER</th>
<th>YEAR TO DATE</th>
<th>ONE YEAR</th>
<th>TWO YEARS</th>
</tr>
</thead>
<tbody>
<tr>
<td>TF</td>
<td>-10.03</td>
<td>-4.40</td>
<td>1.14</td>
<td>5.50</td>
</tr>
<tr>
<td>POLICY INDEX</td>
<td>-10.01</td>
<td>-5.31</td>
<td>0.82</td>
<td>5.03</td>
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Sanibel General Employees' Retirement Plan  
Dana Large Cap  
Performance Profile  
Through September 30, 2011

<table>
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<tr>
<th>ENDED</th>
<th>RETURN</th>
</tr>
</thead>
<tbody>
<tr>
<td>BEST QUARTER</td>
<td>6/2009</td>
</tr>
<tr>
<td>WORST QUARTER</td>
<td>12/2008</td>
</tr>
<tr>
<td>BEST 4 QUARTERS</td>
<td>9/2007</td>
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<tr>
<td>WORST 4 QUARTERS</td>
<td>9/2008</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>QUARTER TO DATE</th>
<th>ONE YEAR</th>
<th>TWO YEARS</th>
<th>THREE YEARS</th>
<th>FIVE YEARS</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL FUND</td>
<td>-16.05</td>
<td>2.72</td>
<td>7.82</td>
<td>2.36</td>
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<tr>
<td>RUSSELL 1000 INDEX</td>
<td>-14.68</td>
<td>0.91</td>
<td>5.72</td>
<td>1.61</td>
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<tr>
<td>EXCESS</td>
<td>-1.37</td>
<td>1.82</td>
<td>2.10</td>
<td>0.76</td>
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<tr>
<td>RISKLESS INDEX</td>
<td>0.02</td>
<td>0.14</td>
<td>0.13</td>
<td>0.22</td>
</tr>
<tr>
<td>REAL ROR</td>
<td>-16.58</td>
<td>-1.18</td>
<td>5.18</td>
<td>1.24</td>
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</table>

<table>
<thead>
<tr>
<th>PERIOD</th>
<th>RETURN</th>
<th>UNIVERSE RANKING</th>
<th>STD DEV</th>
<th>SHARPE RATIO</th>
<th>ALPHA</th>
<th>BETA</th>
<th>R-SQUARED</th>
<th>INFO RATIO</th>
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<tr>
<td>ONE YEAR</td>
<td>2.72</td>
<td>24</td>
<td>14.23</td>
<td>0.18</td>
<td>1.82</td>
<td>1.03</td>
<td>97.36</td>
<td>0.79</td>
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<tr>
<td>TWO YEARS</td>
<td>7.82</td>
<td>16</td>
<td>16.14</td>
<td>0.48</td>
<td>2.08</td>
<td>0.98</td>
<td>98.49</td>
<td>0.97</td>
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<tr>
<td>THREE YEARS</td>
<td>2.36</td>
<td>37</td>
<td>22.05</td>
<td>0.10</td>
<td>3.37</td>
<td>0.34</td>
<td>10.62</td>
<td>-0.10</td>
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<tr>
<td>FIVE YEARS</td>
<td>0.40</td>
<td>41</td>
<td>18.21</td>
<td>-0.07</td>
<td>0.65</td>
<td>0.31</td>
<td>10.29</td>
<td>-0.05</td>
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</tbody>
</table>

The risk benchmark for this analysis is the Russell 1000 Index.  
The universe used was the Large Cap.
Sanibel General Employees' Retirement Plan
Dana Large Cap
Performance in Rising and Declining Markets
September 30, 2006 Through September 30, 2011

UP MARKET PERFORMANCE

<table>
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DOWN MARKET PERFORMANCE

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## Sanibel General Employees' Retirement Plan
### Frontier Mid Cap Growth fund
#### Performance Profile
Through September 30, 2011

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<td>9/2011</td>
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<td>9/2011</td>
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<td>WORST 4 QUARTERS</td>
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- **TOTAL # OF PERIODS:** 12
- **# OF POSITIVE PERIODS:** 7
- **# OF NEGATIVE PERIODS:** 5

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The risk benchmark for this analysis is the S&P 400 Midcap Growth. The universe used was the Mid Cap Growth.
Sanibel General Employees' Retirement Plan
Frontier Mid Cap Growth fund
Performance in Rising and Declining Markets
September 30, 2010 Through September 30, 2011

UP MARKET PERFORMANCE

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Sanibel General Employees' Retirement Plan
FMI Common Stock Fund MF
Performance Profile
Through September 30, 2011

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The risk benchmark for this analysis is the Russell 2000.
The universe used was the Small Cap.
Sanibel General Employees' Retirement Plan
FMI Common Stock Fund MF
Performance in Rising and Declining Markets
September 30, 2010 Through September 30, 2011

UP MARKET PERFORMANCE

RATE OF RETURN (%)
0.00 2.00 4.00 6.00 8.00 10.00 12.00 14.00 16.00 18.00 20.00 22.00 24.00 26.00 28.00 30.00

YTD 21.64
ONE YEAR 7.28

RUSSELL 2000
DIFERENCE
RATIO
UP PERIODS

DOWN MARKET PERFORMANCE

RATE OF RETURN (%)
-0.00 -2.00 -4.00 -6.00 -8.00 -10.00 -12.00 -14.00 -16.00 -18.00 -20.00 -22.00 -24.00

YTD -25.29
ONE YEAR -15.35

RUSSELL 2000
DIFERENCE
RATIO
DOWN PERIODS

Sanibel General Employees' Retirement Plan
FMI Common Stock Fund MF
Performance in Rising and Declining Markets
September 30, 2010 Through September 30, 2011

TOTAL FUND
YTD
ONE YEAR
RUSSELL 2000
DIFERENCE
RATIO
UP PERIODS

TOTAL FUND
YTD
ONE YEAR
RUSSELL 2000
DIFERENCE
RATIO
DOWN PERIODS
## Sanibel General Employees' Retirement Plan
### EuroPacific Growth MF
#### Performance Profile
Through September 30, 2011

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The risk benchmark for this analysis is the MSCI Gross EAFE.
The universe used was the EAFE.
Sanibel General Employees' Retirement Plan
EuroPacific Growth MF
Performance in Rising and Declining Markets
September 30, 2010 Through September 30, 2011

UP MARKET PERFORMANCE

DOWN MARKET PERFORMANCE

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Sanibel General Employees' Retirement Plan
American Core Realty Fd
Performance Profile
Through September 30, 2011

ENDED RETURN
BEST QUARTER 9/2010 4.56
WORST QUARTER 3/2009 -12.88
BEST 4 QUARTERS 9/2011 16.11
WORST 4 QUARTERS 9/2009 -32.46

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The risk benchmark for this analysis is the NCREIF ODCE.
Sanibel General Employees' Retirement Plan
American Core Realty Fd
Performance in Rising and Declining Markets
September 30, 2008 Through September 30, 2011

UP MARKET PERFORMANCE

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DOWN MARKET PERFORMANCE

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Sanibel General Employees' Retirement Plan
Richmond Cap Fixed Inc
Performance Profile
Through September 30, 2011

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The risk benchmark for this analysis is the BC Aggregate.
The universe used was the Fixed Income.
Sanibel General Employees' Retirement Plan
Richmond Cap Fixed Inc
Performance in Rising and Declining Markets
September 30, 2008 Through September 30, 2011

UP MARKET PERFORMANCE

<table>
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DOWN MARKET PERFORMANCE

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Sanibel General Employees' Retirement Plan  
Richmond Cap TIPS  
Performance Profile  
Through September 30, 2011

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<td>WORST 4 QUARTERS</td>
<td>9/2011</td>
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</table>

TOTAL # OF PERIODS: 12
# OF POSITIVE PERIODS: 8
# OF NEGATIVE PERIODS: 4

<table>
<thead>
<tr>
<th>RICHMOND CAP TIPS</th>
<th>1.76</th>
<th>7.11</th>
</tr>
</thead>
<tbody>
<tr>
<td>BC TIPS</td>
<td>4.51</td>
<td>9.87</td>
</tr>
<tr>
<td>EXCESS</td>
<td>-2.76</td>
<td>-2.77</td>
</tr>
<tr>
<td>RISKLESS INDEX</td>
<td>0.02</td>
<td>0.14</td>
</tr>
<tr>
<td>REAL ROR</td>
<td>1.15</td>
<td>3.03</td>
</tr>
</tbody>
</table>

The risk benchmark for this analysis is the BC TIPS.
Sanibel General Employees' Retirement Plan
Richmond Cap TIPS
Performance in Rising and Declining Markets
September 30, 2010 Through September 30, 2011

**UP MARKET PERFORMANCE**

<table>
<thead>
<tr>
<th></th>
<th>YTD</th>
<th>ONE YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL FUND</td>
<td>7.76</td>
<td>9.47</td>
</tr>
<tr>
<td>BC TIPS</td>
<td>10.85</td>
<td>13.79</td>
</tr>
<tr>
<td>DIFFERENCE</td>
<td>-3.09</td>
<td>-4.32</td>
</tr>
<tr>
<td>RATIO</td>
<td>0.72</td>
<td>0.69</td>
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<tr>
<td>UP PERIODS</td>
<td>8</td>
<td>9</td>
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</tbody>
</table>

**DOWN MARKET PERFORMANCE**

<table>
<thead>
<tr>
<th></th>
<th>YTD</th>
<th>ONE YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL FUND</td>
<td>-0.61</td>
<td>-2.16</td>
</tr>
<tr>
<td>BC TIPS</td>
<td>-0.24</td>
<td>-3.44</td>
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<tr>
<td>DIFFERENCE</td>
<td>-0.37</td>
<td>1.28</td>
</tr>
<tr>
<td>RATIO</td>
<td>2.59</td>
<td>0.63</td>
</tr>
<tr>
<td>DOWN PERIODS</td>
<td>1</td>
<td>3</td>
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Sanibel General Employees' Retirement Plan
Total Fund
Capital Market Line
September 30, 2008 Through September 30, 2011

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>RETURN</th>
<th>STD DEV</th>
<th>BETA</th>
<th>ALPHA</th>
<th>R-SQUARED</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL FUND</td>
<td>1.56</td>
<td>13.19</td>
<td>0.26</td>
<td>1.26</td>
<td>7.50</td>
</tr>
<tr>
<td>STRATEGIC BENCHMARK</td>
<td>2.47</td>
<td>18.38</td>
<td>1.00</td>
<td>0.00</td>
<td>100.00</td>
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<tr>
<td>RUSSELL 1000 INDEX</td>
<td>1.61</td>
<td>21.40</td>
<td>1.00</td>
<td>0.00</td>
<td>100.00</td>
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<tr>
<td>RUSSELL MIDCAP</td>
<td>3.96</td>
<td>25.43</td>
<td>1.00</td>
<td>0.00</td>
<td>100.00</td>
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<tr>
<td>MSCI GROSS EAFE</td>
<td>-0.66</td>
<td>25.12</td>
<td>1.00</td>
<td>0.00</td>
<td>100.00</td>
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<tr>
<td>NCREIF ODCE</td>
<td>-6.40</td>
<td>13.79</td>
<td>1.00</td>
<td>0.00</td>
<td>100.00</td>
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<tr>
<td>BC AGGREGATE</td>
<td>7.97</td>
<td>3.99</td>
<td>1.00</td>
<td>0.00</td>
<td>100.00</td>
</tr>
</tbody>
</table>

MORE RETURN = MORE RISK
LESS RETURN = LESS RISK

-2.00  -2.00  0.00  2.00  4.00  6.00  8.00  10.00  12.00  14.00  16.00  18.00  20.00  22.00  24.00  26.00  28.00  30.00  32.00  34.00
VARIABILITY OF RETURNS (RISK)

-8.00  -7.00  -6.00  -5.00  -4.00  -3.00  -2.00  -1.00  0.00  1.00  2.00  3.00  4.00  5.00  6.00  7.00  8.00  9.00  10.00
ANNUALIZED RATE OF RETURN %

Sanibel General Employees' Retirement Plan
Total Fund
Capital Market Line
September 30, 2008 Through September 30, 2011
Sanibel General Employees' Retirement Plan
Total Fund
Performance in Rising and Declining Markets
September 30, 2006 Through September 30, 2011

UP MARKET PERFORMANCE

DOWN MARKET PERFORMANCE

<table>
<thead>
<tr>
<th></th>
<th>YTD</th>
<th>ONE YEAR</th>
<th>THREE YEARS</th>
<th>FIVE YEARS</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL FUND</td>
<td>7.25</td>
<td>13.75</td>
<td>11.83</td>
<td>10.71</td>
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<tr>
<td>POLICY INDEX</td>
<td>6.91</td>
<td>14.25</td>
<td>45.03</td>
<td>35.21</td>
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<tr>
<td>DIFFERENCE</td>
<td>0.34</td>
<td>-0.50</td>
<td>-33.20</td>
<td>-24.49</td>
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<tr>
<td>RATIO</td>
<td>1.05</td>
<td>0.96</td>
<td>0.26</td>
<td>0.30</td>
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<td>UP PERIODS</td>
<td>4</td>
<td>6</td>
<td>20</td>
<td>33</td>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>YTD</th>
<th>ONE YEAR</th>
<th>THREE YEARS</th>
<th>FIVE YEARS</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL FUND</td>
<td>-10.86</td>
<td>-11.08</td>
<td>-9.96</td>
<td>-9.97</td>
</tr>
<tr>
<td>POLICY INDEX</td>
<td>-11.43</td>
<td>-11.75</td>
<td>-32.97</td>
<td>-28.54</td>
</tr>
<tr>
<td>DIFFERENCE</td>
<td>0.57</td>
<td>0.67</td>
<td>23.00</td>
<td>18.56</td>
</tr>
<tr>
<td>RATIO</td>
<td>0.95</td>
<td>0.94</td>
<td>0.30</td>
<td>0.35</td>
</tr>
<tr>
<td>DOWN PERIODS</td>
<td>5</td>
<td>6</td>
<td>16</td>
<td>27</td>
</tr>
</tbody>
</table>
Sanibel General Employees' Retirement Plan
Glossary of Terms

-ACCRUED INTEREST- Bond interest earned since the last interest payment, but not yet received.

-ALPHA- A linear regressive constant that measures the manager's expected return independent of Beta.

-ASSET ALLOCATION- The optimal division of portfolio asset classes in order to achieve an expected investment objective.

-BETA- A measure of portfolio sensitivity (volatility) in relation to the market, based upon past experience.

-BOND DURATION- A measure of portfolio sensitivity to interest rate risk.

-COMMINGLED FUND- An investment fund which is similar to a mutual fund in that investors are permitted to purchase and redeem units that represent ownership in a pool of securities.

-CORE- A type of investment strategy that has approximately an equal weighting in both growth and value stocks in order to achieve a return that is comparable to the broad market performance (i.e., the S&P 500).

-CORRELATION COEFFICIENT- A statistical measure of how two assets move together. The measure is bounded by +1 and -1; +1 means that the two assets move together positively, while a measure of -1 means that the assets are perfectly negatively correlated.

-INDEXES- Indexes are used as "independent representations of markets" (e.g., S&P 500 and LBGC).

-INFORMATION RATIO- Annualized excess return above the benchmark relative to the annualized tracking error.

-GROWTH MANAGER- A growth manager generally invests in companies that have either experienced above-average growth rates and/or are expected to experience above-average growth rates in the future. Growth portfolios tend to have high price/earnings ratios and generally pay little to no dividends.

-LARGE CAP- Generally, the term refers to a company that has a market capitalization that exceeds $5 billion.

-MANAGER UNIVERSE- A collection of quarterly investment returns from various investment management firms that may be subdivided by style (e.g. growth, value, core).

-MID CAP- Generally, the term refers to a company that has a market capitalization between $1 and $5 billion.

-NCREIF - A quarterly time series composite total rate of return measure of investment performance of a large pool of individual commercial real estate properties acquired in the private market for investment purposes only.

-NCREIF ODCE - Open End Diversified Core Equity index which consists of historical and current returns from 26 open-end commingled funds pursuing core strategy. This index is capitalization weighted, time weighted and gross of fees.
Sanibel General Employees' Retirement Plan
Glossary of Terms

-BALANCED UNIVERSES - BNY Mellon Public Funds, Endowments & Foundations, Corporate peer groups, and PSN peer groups.

-RATE OF RETURN- The percentage change in the value of an investment in a portfolio over a specified time period.

-RISK MEASURES- Measures of the investment risk level, including beta, credit, duration, standard deviation, and others that are based on current and historical data.

-R-SQUARED- Measures how closely portfolio returns and those of the market are correlated, or how much variation in the portfolio returns may be explained by the market. An R2 of 40 means that 40% of the variation in a fund’s price changes could be attributed to changes in the market index over the time period.

-SHARPE RATIO- The ratio of the rate of return earned above the risk-free rate to the standard deviation of the portfolio. It measures the number of units of return per unit of risk.

-STANDARD DEVIATION- Measure of the variability (dispersion) of historical returns around the mean. It measures how much exposure to volatility was experienced by the implementation of an investment strategy.

-SYSTEMATIC RISK- Measured by beta, it is the risk that cannot be diversified away (market risk).

- TIME WEIGHTED (TW) RETURN - A measure of the investments verses the investor. When there are no flows the TW & DOLLAR weighted (DW) return are the same and vice versa. CFA Institute recommends using the TW return. AIMR reasons that the investment mgr can not control when an investor has flows & thus should not be measured by that. BCA uses TW method.

-TRACKING ERROR- A measure of how closely a manager’s performance tracks an index; it is the annualized standard deviation of the differences between the quarterly returns for the manager and the benchmark.

-TREYNOR RATIO- A measure of reward per unit of risk. (excess return divided by beta)

-UP-MARKET CAPTURE RATIO- Ratio that illustrates how a manager performed relative to the market during rising market periods; the higher the ratio, the better the manager performed (i.e., a ratio of 110 implies the manager performed 10% better than the market).

-VALUE MANAGER- A value manager generally invests in companies that have low price-to-earnings and price-to-book ratios and/or above-average dividend yields.
Sanibel General Employees' Retirement Plan
Disclosure

Advisory services are offered through or by Burgess Chambers and Associates, Inc., a registered SEC investment advisor.
Performance Reporting:
1. Changes in portfolio valuations due to capital gains or losses, dividends, interest or other income are included in the calculation of returns. All calculations are made in accordance with generally accepted industry standards.
2. Transaction costs, such as commissions, are included in the purchase cost or deducted from the proceeds or sale of a security. Differences in transaction costs may affect comparisons.
3. Individual client returns may vary due to a variety of factors, including differences in investment objectives and timing of investment decisions.
4. BCA does not have discretion or decision making authority over any investments. All decisions regarding investment manager selection and retention, asset allocation, and other investment policies were made by the client. While BCA provides recommendations and choices regarding suitable investments, not all clients take these recommendations or select from the choices offered.
5. Portfolio returns are generally shown before the deduction of investment advisory fees.
6. Performance reports are generated from information supplied by the client, custodian, and/or investment managers. BCA relies upon the accuracy of this data when preparing reports.
7. The market indexes do not include transaction costs, and an investment in a product similar to the index would have lower performance dependent upon costs, fees, dividend reinvestments, and timing. Benchmarks and indexes are for comparison purposes only, and there is no assurance or guarantee that such performance will be achieved.
8. Performance information prepared by third party sources may differ from that shown by BCA. These differences may be due to different methods of analysis, different time periods being evaluated, different pricing sources for securities, treatment of accrued income, treatment of cash, and different accounting procedures.
9. Certain valuations, such as alternative assets, ETF, and mutual funds, are prepared based on information from third party sources, the accuracy of such information cannot be guaranteed by BCA. Such data may include estimates and maybe subject to revision.
10. BCA has not reviewed the risks of individual security holdings. The firm's ADV, Part II, is available upon request.
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<th>Page</th>
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<td>Performance &amp; Allocation</td>
</tr>
<tr>
<td>5</td>
<td>Dana Strategies Update &amp; Review</td>
</tr>
<tr>
<td>12</td>
<td>Economic Outlook &amp; Review</td>
</tr>
<tr>
<td>21</td>
<td>Holdings as of 9-30-11</td>
</tr>
<tr>
<td>23</td>
<td>Disclosure</td>
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</table>
## Portfolio Summary

**995 - Sanibel General Employees' Retirement System**

### Portfolio Allocation Summary

<table>
<thead>
<tr>
<th></th>
<th>Market 10/24/11</th>
<th>% of Estimated Assets</th>
<th>Current Income</th>
<th>Current Yield</th>
</tr>
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<tbody>
<tr>
<td>Cash</td>
<td>28,843</td>
<td>0.8</td>
<td>3</td>
<td>0.01</td>
</tr>
<tr>
<td>Equity Related</td>
<td>3,540,070</td>
<td>99.2</td>
<td>90,938</td>
<td>2.57</td>
</tr>
<tr>
<td><strong>Total Portfolio</strong></td>
<td><strong>3,568,913</strong></td>
<td><strong>100.0</strong></td>
<td><strong>90,941</strong></td>
<td><strong>2.55</strong></td>
</tr>
</tbody>
</table>

- **Equity Related (99.2%)**
- **Cash (0.8%)**

### Account Activity Summary

- **Portfolio Value on 09/30/2011**: $3,218,831.23
- **Contributions/Withdrawals**: $0.00
- **Investment Income**: $4,677.27
- **Unrealized Gain/Loss**: $345,684.55
- **Realized Gain/Loss**: $0.00
- **Change in Accrued Income**: ($279.69)

- **Portfolio Value on 10/24/2011**: $3,568,913.36

**Total Gain**: $350,082.13

### Account Value ($) Over Last 12 Months

- **$0**
- **$1,000,000**
- **$2,000,000**
- **$3,000,000**
- **$4,000,000**

<table>
<thead>
<tr>
<th>10/10</th>
<th>11/10</th>
<th>12/10</th>
<th>01/11</th>
<th>02/11</th>
<th>03/11</th>
<th>04/11</th>
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<th>06/11</th>
<th>07/11</th>
<th>08/11</th>
<th>09/11</th>
<th>10/11</th>
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</thead>
<tbody>
<tr>
<td>$0</td>
<td>$1,000,000</td>
<td>$2,000,000</td>
<td>$3,000,000</td>
<td>$4,000,000</td>
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<td>$3,218,831.23</td>
<td>$3,218,831.23</td>
<td>$3,218,831.23</td>
</tr>
</tbody>
</table>

Please refer to important disclosure information on reverse side and please feel free to call us with any questions at 1-800-765-0157
Account Data as of 9-30-11

Account Profile

Investment Objectives:
Over a 3 to 5 year time horizon, equity performance should be equal or greater than the return of the S&P 500 Index and greater than the median return (50th percentile) of the ICC (Investment Consultant Cooperative) Large Cap equity universe.

Comparative Indices:
S&P 500

Investment Restrictions:
Equity investments must be listed on any one of the recognized national stock exchanges within the US. Securities issued by a corporation or business under the laws of a country other than the US, but listed in the US exchanges or ADR’s shall be limited to 5% of the total equity portfolio. Equity portion shall not be exposed to risks that exceed an annual average beta coefficient of 1.15 where 1.0 is equal to market volatility of the S&P 500 Index. No investments in companies with less than $1 billion market cap. Issuers must have operating record of at least 5 years. No more than 5% of total market value in any one company.

Performance vs Comparables (Gross of Fees)

<table>
<thead>
<tr>
<th></th>
<th>Total Return</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Fiscal Year 2011*</td>
<td>Average Annual Since Inception</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4th Quarter 6-30-11 to 9-30-11</td>
<td>9-30-10 to 9-30-11</td>
<td>2-7-05 to 9-30-11</td>
</tr>
<tr>
<td>Sanibel General Employees' Retirement System</td>
<td>-16.05%</td>
<td>2.90%</td>
<td>3.11%</td>
</tr>
<tr>
<td>S&amp;P 500 Index</td>
<td>-13.87%</td>
<td>1.15%</td>
<td>1.17%</td>
</tr>
</tbody>
</table>

Fiscal 9-30  * Unannualized

Asset Allocation at Market

- Dana Lrg Core: $3,186,721 (99.0%)
- Money Market: $24,166 (0.8%)
- Dividends Accrued: $7,944 (0.2%)

The information set forth above is based upon information believed to be accurate and reliable but we do not guarantee its accuracy.
Q3 Sector Contributors

- Financials: we avoided some of the worst performers within the diversified financial services group including Citigroup (C), Bank of America (BAC) and Morgan Stanley (MS). Annaly Capital Management (NLY) significantly outperformed REIT peers
- Telecom: Verizon (VZ) had a positive return versus a -8% sector return
- Consumer Discretionary: strong relative performance from Mattel (MAT) and Ross Stores (ROST)

Q3 Sector Detractors

- Energy: weak performance from oilfield service related holdings Halliburton (HAL) and Helmerich & Payne (HP)
- Health Care: weak performance from Agilent (A), Endo Pharmaceutical (ENDP) and Covidien (COV); underweight in major pharmaceutical group
- Industrials: fears over slowing economic growth caused sharp correction in Dover (DOV), Timken (TKR) and Union Pacific (UNP)

<table>
<thead>
<tr>
<th>Top Individual Contributors</th>
<th>Individual Laggards</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apple Inc.</td>
<td>Freeport-McMoRan</td>
</tr>
<tr>
<td>+13.6%</td>
<td>-42.2%</td>
</tr>
<tr>
<td>Bristol-Myers Squibb Co</td>
<td>Halliburton Co.</td>
</tr>
<tr>
<td>+ 8.5%</td>
<td>-40.0%</td>
</tr>
<tr>
<td>Kimberly Clark Corp.</td>
<td>Agilent Technologies Inc.</td>
</tr>
<tr>
<td>+ 7.8%</td>
<td>-38.9%</td>
</tr>
<tr>
<td>IBM</td>
<td>Helmerich &amp; Payne Inc.</td>
</tr>
<tr>
<td>+ 2.4%</td>
<td>-38.5%</td>
</tr>
<tr>
<td>Verizon Communications</td>
<td>Whirlpool Corp.</td>
</tr>
<tr>
<td>+ .1%</td>
<td>-38.1%</td>
</tr>
</tbody>
</table>
Additions:

- Adobe Systems Inc. (ADBE) – leading computer software provider’s Digital Media Solutions segment experiencing solid fundamentals despite weakening macro outlook; solid free cash flow trends providing management with flexibility to continue accretive acquisitions
- Bristol-Myers Squibb Co. (BMY) – aggressive research and development investments resulting in solid new product pipeline; strong balance sheet and improving cash flow provide ability to offer one of highest dividend yields in large-cap pharmaceutical universe
- Cummins Inc. (CMI) – 60% of sales generated outside of the U.S. with a strong presence in China, Brazil and India; 2015 revenue goal of $30 billion and earnings per share (EPS) target of $20 ($18 billion in revenue and $8.90 in EPS expected for 2011); expected growth driven by secular trends including increasingly stringent government emissions and fuel efficiency regulations; raised dividend 50% in early July signaling confidence in future cash flow generation

Deletions:

- Arrow Electronics Inc. (ARW) – distributor of electronic components and semiconductors experiencing slowing global demand; uncertainty regarding timing of current inventory correction cycle; negative estimate revision trends
- Dover Corp. (DOV) – slowing macro outlook placing greater risk of sales and earnings shortfall for more cyclically oriented manufacturers; decelerating sales growth coupled with negative estimate revision trends
- Endo Pharmaceutical Holdings (ENDP) – specialty pharma company experiencing deteriorating returns on capital; pending acquisition of American Medical Systems significantly dilutive to near-term earnings; traded in favor of higher quality pharma (BMY) that offered superior risk/reward and better dividend yield
Consistent Portfolio Characteristics
Lower Valuation + High Growth + Higher Profitability
= Better Returns With Less Risk

- Price to Earnings Ratio (Forward 12 Months)
- Price to Cash Flow
- Sales Growth Rate (Historical 3 Years)
- EPS Growth Rate (Historical 3 Years)
- Return on Equity (ROE)
- Market Cap (Weighted Average / Median)

Actual Composite Holdings as of 9/30/2011
Dana’s process seeks out companies with strong, sustainable free cash flow and management teams that are shareholder friendly.

Dana Large Cap Core portfolios typically generate a higher dividend yield versus their benchmarks.

Dana holdings also tend to grow their dividends much faster than the benchmark average. Large Core holdings have increased their dividends at an annualized growth rate over 3 times that for the S&P 500.

Annualized 3 year dividend growth for Dana holdings was over 11.6% per year versus 3.7% for the S&P 500.

A number of portfolio holdings are also using their free cash flow in other methods that benefit shareholders, such as retirement of debt and share repurchases.

- Share buy-back activity has increased substantially for portfolio holdings that currently do not pay substantial dividends.

![Dividend Yield Chart](chart1.png)

![3 Year Dividend Growth Chart](chart2.png)

Actual Composite Holdings as of 9/30/2011
Dana Large Cap Core holdings typically have equivalent, if not higher, revenue growth versus the S&P 500. Dana holdings also have a superior track record in beating “street” earnings estimates.

Source = Bloomberg
Dana generates alpha through our proprietary stock selection process

**10 years ending 6/30/11**

### Portfolio vs. Peer Group

**Dana Large Cap Strategy**

- 295 bp beat per year!

**This strategy outperformed in 8 of 9 sectors in the last decade!**

### Sector Neutral Strategy

06/30/2001 - 06/30/2011

Another confirmation of our sector neutrality in practice
Dana Large Cap Core portfolios have significantly outperformed most major U.S. equity indices since inception of the strategy with lower risk.

Performance exclusive of fees (June 30, 1999 – September 30, 2011)

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>Total Return</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Annualized</td>
</tr>
<tr>
<td>Dana Large Cap Core</td>
<td>4.14%</td>
</tr>
<tr>
<td>S&amp;P 500</td>
<td>0.23%</td>
</tr>
<tr>
<td>Russell 1000</td>
<td>0.69%</td>
</tr>
<tr>
<td>Russell 3000</td>
<td>0.93%</td>
</tr>
<tr>
<td>NASDAQ Composite Index</td>
<td>-0.86%</td>
</tr>
<tr>
<td>Russell 1000 Value</td>
<td>1.80%</td>
</tr>
</tbody>
</table>
After five straight quarters of positive returns, the S&P 500 corrected by -13.87% in the September quarter.

U.S. equity markets experienced a sharp correction in early August, driven by European sovereign debt issues (Greece), concerns over decelerating global economic growth and concerns about U.S. Federal debt levels.

Growth outperformed Value in Q3
- The key drivers of growth outperformance were strong performance of the Information Technology sector and lower exposure to Financials.
- The Information Technology sector returned -7.96% in Q3 versus the Energy sector's -20.86% return, Materials sector -24.96% return and Financials sector -23.12% return.

Large caps outperformed small and midcap stocks in Q3
- The Russell 2000 underperformed the S&P 500 by 800 basis points in Q3.

Index Returns Through September 30, 2011

Source: Bloomberg
Utilities sector was the only sector within the S&P 500 to experience positive returns in Q3

Similar to Q2, market showed strong preference for more defensive sectors
- Fears of global economic slowdown drove sharp correction in more cyclical sectors, including Materials and Energy
- Information Technology held up surprisingly well, driven largely by performance of Apple and several other mega-cap tech stocks

Leaders
- Q3 – Utilities, Consumer Staples and Information Technology
- Past 12 months – Utilities, Consumer Staples and Energy

Laggards
- Q3 – Materials, Financials and Industrials
- Past 12 months – Financials, Materials and Industrials

Source: FactSet Data Systems
Market Data - S&P 500 - mega-caps outperforming

- Performance among S&P 500 constituents showing unusually large divergence.
- Divergence driven primarily by market rotation towards mega-caps with higher dividend yields in response to rising economic and political uncertainties in both the U.S. and Europe.
- Performance of equal-weighted S&P 500 holdings lagged the market-cap weighted index by over 430 basis points in Q3.
  - Both indices own the exact same holdings, just in different percentages!

Comparison of S&P 500 Market Cap vs. Equally Weighted Index
June 30, 2011 through September 30, 2011

Source: Bloomberg, S&P
Macroeconomic Background 3rd Quarter 2011

- US GDP decelerating
  - It may be hard to tell difference between low growth and recession
  - Government regulation has become an increasing burden forcing company management to take a very conservative stance in hiring people and using cash to fund internal growth

- Watching for economic data to show any positive signs
  - Confidence has dropped, markets have corrected
  - Falling confidence and weak equity markets are driving leading indicators lower
  - While the economy is weak, it is still growing and if we escape recession then current equity prices probably reflect the current slowdown

- Uncertainty keeping confidence low for businesses and consumers
  - U.S. government drama over debt ceiling did harm economy this summer
  - Europe needs to show a clear direction on sovereign debt issuers
  - Globally, there is a debate over near term stimulus needs and the long term needs for austerity

![GDP - Actual and Forward Forecasts](chart.png)
Market Data - Equity valuations are attractive

- Equity valuations relative to most fixed income alternatives have not been this attractive since the late 1970s.
- Equity valuations have been driven lower by the presumption that consensus estimates will be revised sharply lower.
- Downward estimates are probably in order, but we do not expect an earnings collapse.
Economic Data - Housing starts – the big picture

Basic housing arithmetic: the U.S. adds about 3 million bodies per year ... we need to build about 1.5 million new units per year. New home construction will likely substantially recover in future years.

Macroeconomic Background - Consumer de-leveraging continues

- The sub-par growth rate of the most recent economic recovery can be partially attributed to historically high consumer debt loads.
- Households remain over indebted compared to historical norms and demand for credit will remain weak until household balance sheets recover.
- But it’s the cost of carry that matters most, and record low interest rates have already brought debt burdens back to historical norms.
Equity Market Valuations are Attractive

- S&P 500 forward P/E ratio has ground lower year to date while earnings have maintained a positive trajectory
- Equities look attractive against alternatives
  - Equity risk premium remains elevated
  - Equities are historically cheap vs. treasuries
Companies are beginning to deploy their cash hoards

Aggressive actions involving dividends, M&A and share buybacks could be important market catalysts looking forward

Year-over-year growth in capital expenditures has turned positive

Corporate Liquid Assets vs. Capital Expenditures

- Domestic Nonfinancial Sectors - Capital Expenditures - Nonresidential - United States
- Nonfarm Nonfinancial Corporate Business - Total Liquid Assets, L.102 - Levels - United States
- Recession Periods - United States

©FactSet Research Systems
## PORTFOLIO HOLDINGS

**As of 09/30/2011**

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Total Domestic Equity Strategy 3,186,721.21 99.25 7,944.04 2.86

Total Stocks 3,186,721.21 99.25 7,944.04 2.86

The market prices shown on these pages represent the last reported sale on the stated report date as to listed securities or the bid price in the case of over-the-counter quotations. Prices on bonds and some other investments are based on round lot price quotations and are for evaluation purposes only and may not represent actual market values. Bonds sold on an odd lot basis (less than $1 million) may have a dollar price lower than the round lot quote. Where no regular market exists, prices shown are estimates by sources considered reliable by Dana Investment Advisors. While the prices are obtained from sources we consider reliable, we cannot guarantee them. Dana Investment Advisors is not a custodian. Clients should be receiving detailed statements from their custodian at least quarterly. While Dana Investment Advisors regularly reconciles to custodian information, we encourage clients to review their custodian statement(s).
Dana Investment Advisors, Inc. is an independent federally registered investment adviser providing equity and fixed income investment management services to a broad range of clients. All data is presented in U.S. Dollars. Portfolio Characteristics, Performance Report, Portfolio Holdings, and Sector Distributions reflect applicable investment holdings as of market close on the date indicated. Returns presented are exclusive of investment management and custodial fees, and net of transaction costs. Investment management fees would reduce the returns presented, for example: on a one-million dollar portfolio with an advisory fee of .75% earning a 10% return, the total compounded advisory fee over a five year period would be $50,368. The resulting average annual return for the period would therefore be 9.17%. All returns were calculated on a time weighted total return basis. Performance does include the accrual of income and the reinvestment of dividends and interest received.

During various market cycles, the strategies discussed herein have demonstrated portfolio characteristics and returns that have been both more and less volatile than that of the comparable index. Indices shown were selected because they demonstrated a broad range of characteristics, some of these characteristics being deemed useful for limited comparison purposes only. Historical performance results for investment indices and/or categories have been provided for general comparison purposes only, and generally do not reflect the deduction of transaction and/or custodial charges, the deduction of an investment management fee, nor the impact of taxes, the incurrence of which would have the effect of decreasing historical performance results. It should not be assumed that your account holdings do or will correspond directly to any comparative indices.

While data contained herein was gathered from sources deemed reliable, the accuracy of the data presented can not be guaranteed. Please remember that past performance may not be indicative of future results. Different types of investments involve varying degrees of risk, and there can be no assurance that the future performance of any specific investment or investment strategy made reference to directly or indirectly in this report, will be profitable, equal any corresponding indicated historical performance level(s), or will continue to be suitable for your portfolio. Due to various factors, including changing market conditions, the content of this report may no longer be reflective of current opinions, positions, investments or account allocations. Moreover, you should not assume that any discussion or information contained in this report serves as the receipt of, or as a substitute for, personalized investment advice from Dana Investment Advisors, Inc.

Dana Investment Advisors is not a custodian. Clients should be receiving detailed statements from their custodian at least quarterly. While Dana Investment Advisors regularly reconciles to custodian information, we encourage clients to review their custodian statement(s). The market prices shown on these pages represent the last reported sale on the stated report date as to listed securities or the bid price in the case of over-the-counter quotations. Prices on bonds and some other investments are based on round lot price quotations and are for evaluation purposes only and may not represent actual market values. Bonds sold on an odd lot basis (less than $1 million) may have a dollar price lower than the round lot quote. Where no regular market exists, prices shown are estimates by sources considered reliable by Dana Investment Advisors, Inc. While the prices are obtained from sources we consider reliable, we cannot guarantee them.

Please remember to contact Dana Investment Advisors, Inc. at (800) 765-0157, or P.O. Box 1067 Brookfield, WI 53008 with any questions or if there are any changes in your personal financial situation or investment objectives for the purpose of reviewing, evaluating, and revising any previous recommendations or investment services. Please also advise Dana if you would like to impose, add, or modify any reasonable restrictions to your account. A copy of Dana’s current Form ADV Brochure detailing a complete list of Dana’s advisory services and fees continues to remain available for your review upon request.
11. Old Business

a. Amend Foster & Foster, Inc. Agreement (approve extending agreement until February 13, 2012 and approve fee increases)
City of Sanibel
General Employees' Retirement Plan

Information for Proposed Fee Increases

1. **Services with Proposed Fee Increase**
   - Benefit Calculations - **$50 per calculation** ($150 prior; $200 new)
   - Buybacks (Member pays) - **$100** ($100 prior; $200 new)

2. **New Requirement (Florida Law)**
   - For each actuarial valuation, Senate Bill 1128 requires a calculation of the Present Value of Accrued Benefits utilizing the Florida Retirement System investment return assumption (currently 7.75%).
     
     Based on the 2011 valuation fee, the fee for this calculation will be **$486**.

3. **Services with No Proposed Fee Increase**
   - Hourly rates
   - Actuarial Impact Statements
   - Letters of No Impact
   - COLA calculations
   - Fees associated with Actuarial Studies
   - Refund of Member Contribution Calculations

Unfortunately, our current fee schedule is not reflective of the cost of performing benefit calculations or with the State's new requirement under SB1128. We appreciate the Board's consideration of our request.
SANIBEL GENERAL EMPLOYEES PENSION PLAN

Foster & Foster Fee Increase

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<tr>
<td>Calculation of Liabilities Using the FRS Interest Rate</td>
<td>N/A</td>
<td>10% of the valuation fee, if applicable</td>
</tr>
<tr>
<td>(Senate Bill 1128 - currently 7.75%)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hourly rates</td>
<td></td>
<td>No increase</td>
</tr>
</tbody>
</table>

2011 Fees paid to Foster & Foster by the Plan

<table>
<thead>
<tr>
<th>Invoice # 1733 dated 1/6/2011</th>
<th>$300</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benefit calculations for 2 participants</td>
<td>$200</td>
</tr>
<tr>
<td>Cost-of-living adjustments for 5 retirees</td>
<td>$180</td>
</tr>
<tr>
<td>Prepare DROP account schedules for 3 participants</td>
<td>$4,631</td>
</tr>
<tr>
<td>October 1, 2010 Actuarial Valuation &amp; Report; preparation of member certificates; Governmental Accounting Standards Board disclosure information</td>
<td>TOTAL</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$5,311</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Invoice # 2080 dated 6/9/2011</th>
<th>$25</th>
</tr>
</thead>
<tbody>
<tr>
<td>Delivery of 7 additional copies of 10/1/2010 report</td>
<td>$24</td>
</tr>
<tr>
<td>Expense for attendance at 2/2/2011 Board meeting</td>
<td>$750</td>
</tr>
<tr>
<td>Letter dated February 25, 2011 providing details surrounding the increase in the UAAL</td>
<td>$600</td>
</tr>
<tr>
<td>Benefit calculations for 4 participants</td>
<td>$60</td>
</tr>
<tr>
<td>Prepare DROP account schedule for 1 participant</td>
<td>TOTAL</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$1,459</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Invoice # 2134 dated 7/29/2011</th>
<th>$125</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preparation of Exhibit &quot;B&quot; for attachment to the required Summary Plan Description</td>
<td>TOTAL</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$125</td>
</tr>
</tbody>
</table>

TOTAL FOR FY 2011

$6,895

Prepared by: S. Edwards
Date: 10/30/2011
AMENDED FEE PROVISION

(This Amended Fee Provision is effective upon signing)

In connection with the Agreement for Actuarial Services dated March 27, 2008, ("Agreement") by and between the Board of Trustees for the City of Sanibel General Employees’ Retirement System (“Client”) and Foster & Foster, Inc., (“Actuary”) the parties agree to amend the paragraphs of the Agreement by amending/adding:

- Fees for retirement benefit calculations will continue to be $200.00, as long as the information is provided using a standardized form (that Foster & Foster will attach). Information provided in a non-standardized format will result in a $300.00 calculation fee.

- Calculate standard service or military buy-back contribution requirements for $200.00.

- Calculation of Liabilities Using the FRS Interest Rate (currently 7.75%), will be charged 10% of the valuation fee, if applicable.

The Agreement terminated February 13, 2011. Pursuant to the terms of that Agreement the parties had the option to extend the Agreement for three (3) additional one (1) year periods, upon written consent of both parties. As such, the parties agree to extend the Agreement for a period of one (1) year retroactively effective to February 14, 2011 and terminating February 13, 2012. The amended fees stated above shall take effect upon acceptance and signature by the Client and Actuary below and are not retroactively effective to the February 14, 2011 date.

THE BOARD OF TRUSTEES FOR THE CITY OF SANIBEL GENERAL EMPLOYEES’ RETIREMENT SYSTEM

______________________________
Chair
Date: _____________

[Signatures continued on next page]

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1 Additions to text are indicated by underline; deletions from existing text are indicated by strikethrough.
FOSTER & FOSTER, INC.,

Bradley R. Heinrichs, President
Date: _______________
12. New Business

a. Pension Board Members Re-appointed by Council (Richard Holmes and Richard Pyle)
b. City Manager’s Designee Re-appointed by Council (Gates Castle, Public Works Director)
c. Ratify Actuarial Impact Statement dated October 19, 2011 (Changes made to General Employees’ Pension Plan per negotiated labor agreement between the City of Sanibel and the Fraternal Order of Police for police dispatch employees)
d. Authorize commencement of monthly pension benefit payments to former DROP participant Arthur Stallsmith, Amount $824.41 start date October 1, 2011, retiree’s lifetime with 180 monthly payments guaranteed
e. Cost-of-Living Adjustment Effective October 1, 2011
CITY OF SANIBEL

RESOLUTION 11-086

A RESOLUTION REAPPOINTING TWO MEMBERS OF THE BOARD OF TRUSTEES OF THE GENERAL EMPLOYEES’ RETIREMENT PLAN; APPOINTING CITY MANAGER DESIGNEE TO BOARD OF TRUSTEES; ESTABLISHING AND DESIGNATING A COUNCIL MEMBER LIAISON TO SUCH BOARD; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Ordinance 04-013, Section 8.02, places general administration and responsibility for the proper administration of the General Employees’ Retirement Plan with the nine members of the Board of Trustees and outlines the method of appointment and term of office of the Board of Trustees; and

WHEREAS, the terms of office of three members of the Board of Trustees appointed by the Sanibel City Council are expiring.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Sanibel, Florida:

SECTION 1. This Council hereby reappoints Richard Holmes and Richard Pyle to the General Employees’ Retirement Plan Board of Trustees for the term of office commencing October 1, 2011 and ending September 30, 2013.

SECTION 2. This Council hereby appoints Gates Castle, Public Works Director, to serve as City Manager’s designee to the General Employees’ Retirement Plan Board of Trustees and shall serve in such capacity until such time as determined by City Manager.

SECTION 3. There is hereby established a City Council member liaison to the General Employees’ Retirement Plan Board of Trustees and Councilman Doug Congress shall serve as such liaison until such time as another liaison is designated by City Council.

Res. 11-086
SECTION 4. Effective date.

This resolution shall take effect immediately upon adoption.

DULLY PASSED AND ENACTED by the Council of the City of Sanibel,

Florida, this 20th day of September, 2011.

AUTHENTICATION:

Kevin Ruane, Mayor

Pamela Smith, City Clerk

APPROVED AS TO FORM:

Kenneth B. Cuyler, City Attorney  Date

Vote of Council members:

Ruane yea
Denham yea
Congress yea
Harrity yea
Jennings yea

Date filed with City Clerk: September 20, 2011
October 19, 2011

VIA MAIL AND E-MAIL

Mr. Jim Isom, Administrative Services Director
City of Sanibel
800 Dunlop Road
Sanibel, FL 33957

Re: City of Sanibel
General Employees’ Retirement Plan
Actuarial Impact Statement

Dear Jim:

Enclosed is the following material which has been prepared in support of the Benefit Improvement:

1. Three (3) copies of the required Actuarial Impact Statement which outlines the impact associated with implementing the amendment.

2. Draft of a transmittal letter to the Bureau of Program Services, Division of Retirement.

It will be necessary for the Chairman to sign each copy of the Actuarial Impact Statement as the Plan Administrator. A copy of the Impact Statement, along with a copy of the proposed Ordinance, should be sent to the Bureau of Program Services between first and second readings.

If you have any questions, please let me know.

Sincerely,

Douglas H. Lozen
 DH/LV

Enclosures
CITY OF SANIBEL
GENERAL EMPLOYEES' RETIREMENT PLAN

ACTUARIAL IMPACT STATEMENT

October 19, 2011
(Page 1)

Attached hereto is a comparison of the impact on the Total Required Contribution (per Chapter 112, Florida Statutes) resulting from the implementation of the following Plan change in benefits applicable to Police Dispatchers (hereafter referred to as Members for this Impact Statement):

1. **Benefit Accrual Rate**: Effective January 1, 2012, decrease from the current 3.00% for all years of Credited Service to 1.68% for Credited Service after December 31, 2011.

2. **Normal Retirement Date**: Effective January 1, 2012, the attainment of Age 65 with 6 or more years of Credited Service for Members with less than 15 years of Credited Service as of December 31, 2011. The current eligibility requirements of Age 60 with 5 or more years of Credited Service remain in effect for Members who currently satisfy the existing requirements, and for those Members who have completed at least 15 years of Credited Service as of December 31, 2011.

3. **Early Retirement Date**: Effective January 1, 2012, the attainment of Age 60 with 6 or more years of Credited Service for Members with less than 15 years of Credited Service as of December 31, 2011. The current eligibility requirements of Age 55 with 5 or more years of Credited Service remain in effect for Members who currently satisfy the existing requirements, and for those Members who have completed at least 15 years of Credited Service as of December 31, 2011. In addition, the Early Retirement reduction is increased from 2.5% per year to 5.0% per year for each year the Early Retirement Date precedes the Normal Retirement Date in conjunction with the new eligibility requirements.

4. **Vesting**: Increase from 5 years to 6 years, effective January 1, 2012. Members with less than 5 years of Credited Service as of December 31, 2011 will become 100% vested in their accrued benefit upon the completion of 6 years of Credited Service.

5. **Cost-of-Living Adjustment (COLA)**: Effective January 1, 2012, the COLA structure for Normal and Early Retirees changes as follows:

<table>
<thead>
<tr>
<th>Date of First COLA</th>
<th>Duration of COLA</th>
<th>COLA Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1&lt;sup&gt;st&lt;/sup&gt; October 1 following 36 monthly payments</td>
<td>25 Years</td>
<td>2.75%</td>
</tr>
<tr>
<td><strong>Proposed:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1&lt;sup&gt;st&lt;/sup&gt; October 1 following 60 monthly payments</td>
<td>25 Years</td>
<td>2.00%</td>
</tr>
</tbody>
</table>
For Members who are 100% vested as of December 31, 2011, and elect to opt out of the Plan, the current COLA structure shall be applied to their accrued benefit.

6. **Opt Out Provision:** Effective January 1, 2012, Members may elect to opt out and join a Defined Contribution (DC) plan as follows:

   a. Non-Vested Members as of December 31, 2011 shall receive a roll over contribution to the DC plan equal to their accumulated Member Contributions plus the present value of their accrued benefit. The maximum roll over amount shall not exceed two times the accumulated Member Contributions.

   b. Vested Members as of December 31, 2011 shall retain their “frozen” accrued benefit, payable at the Normal or Early Retirement Date according to the provisions of Items 2 and 3, respectively, as set forth on Page 1. Additionally, the current COLA structure described in Item 5 on Page 1 shall be applied to the accrued benefit.

For purposes of this Actuarial Impact Statement, Members who are not vested as of December 31, 2011, and those with at least 15 years of Credited Service as of December 31, 2011 are assumed to opt out according to the provisions of Item 6, above.
The cost impact, determined as of October 1, 2010 (relative to the June 8, 2011 Actuarial Impact Statement), as applicable to the fiscal year ending September 30, 2012, is as follows:

<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valuation Date</td>
<td>10/1/2010</td>
<td>10/1/2010</td>
</tr>
<tr>
<td>Applicable to Plan/Fiscal Year Ending</td>
<td>9/30/2012</td>
<td>9/30/2012</td>
</tr>
<tr>
<td>Total Required Contribution</td>
<td>101.03%</td>
<td>105.35%</td>
</tr>
<tr>
<td>% of Projected Annual Payroll</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Member Contributions (Est.)</td>
<td>4.77%</td>
<td>4.76%</td>
</tr>
<tr>
<td>% of Projected Annual Payroll</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance from City</td>
<td>96.26%</td>
<td>100.59%</td>
</tr>
<tr>
<td>% of Projected Annual Payroll</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The changes presented herein are in compliance with Part VII, Chapter 112, Florida Statutes and Section 14, Article X of the State Constitution.

Douglas H. Lozen, EA, MAAA
Enrolled Actuary #11-7778

STATEMENT OF PLAN ADMINISTRATOR

The prepared information presented herein reflects the estimated cost of each proposed improvement.

Board of Trustees
Comparative Summary of Principal Valuation Results

<table>
<thead>
<tr>
<th></th>
<th>Proposed 10/1/2010</th>
<th>June 8, 2011 Impact 10/1/2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. Participant Data</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number Included</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Actives</td>
<td>31</td>
<td>33</td>
</tr>
<tr>
<td>Service Retirees</td>
<td>45</td>
<td>45</td>
</tr>
<tr>
<td>DROP Retirees</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>Beneficiaries</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Terminated Vested</td>
<td>75</td>
<td>74</td>
</tr>
<tr>
<td>Disability Retirees</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>162</td>
<td>163</td>
</tr>
<tr>
<td><strong>Total Annual Payroll</strong></td>
<td>$1,534,370</td>
<td>$1,614,055</td>
</tr>
<tr>
<td>Payroll Under Assumed Ret. Age</td>
<td>1,534,370</td>
<td>1,614,055</td>
</tr>
<tr>
<td><strong>Annual Rate of Payments to:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service Retirees</td>
<td>798,183</td>
<td>798,183</td>
</tr>
<tr>
<td>DROP Retirees</td>
<td>151,765</td>
<td>151,765</td>
</tr>
<tr>
<td>Beneficiaries</td>
<td>5,922</td>
<td>5,922</td>
</tr>
<tr>
<td>Terminated Vested</td>
<td>1,426,540</td>
<td>1,384,161</td>
</tr>
<tr>
<td>Disability Retirees</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>B. Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Actuarial Value</td>
<td>11,845,784</td>
<td>11,859,978</td>
</tr>
<tr>
<td>Market Value</td>
<td>10,952,327</td>
<td>10,966,521</td>
</tr>
<tr>
<td><strong>C. Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Present Value of Benefits</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Active Members</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retirement Benefits</td>
<td>2,049,964</td>
<td>2,560,998</td>
</tr>
<tr>
<td>Disability Benefits</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Death Benefits</td>
<td>50,803</td>
<td>52,311</td>
</tr>
<tr>
<td>Vested Benefits</td>
<td>679,206</td>
<td>703,383</td>
</tr>
<tr>
<td>Refund of Contributions</td>
<td>16,779</td>
<td>19,044</td>
</tr>
<tr>
<td>Service Retirees</td>
<td>8,665,533</td>
<td>8,665,533</td>
</tr>
<tr>
<td>DROP Retirees *</td>
<td>1,808,404</td>
<td>1,808,404</td>
</tr>
<tr>
<td>Beneficiaries</td>
<td>36,283</td>
<td>36,283</td>
</tr>
<tr>
<td>Terminated Vested</td>
<td>10,156,393</td>
<td>9,729,705</td>
</tr>
<tr>
<td>Disability Retirees</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>23,463,365</td>
<td>23,575,661</td>
</tr>
</tbody>
</table>

* Liabilities shown are the present value of future benefits only. Assets in item B, above, are net of accumulated DROP Account balances as of the valuation date.
### C. Liabilities - (Continued)

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed 10/1/2010</th>
<th>June 8, 2011 Impact 10/1/2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Present Value of Future Salaries</td>
<td>9,084,049</td>
<td>9,296,609</td>
</tr>
<tr>
<td>Present Value of Future Member Cont.</td>
<td>375,745</td>
<td>387,872</td>
</tr>
<tr>
<td>Normal Cost (Entry Age Normal)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retirement Benefits</td>
<td>105,321</td>
<td>114,346</td>
</tr>
<tr>
<td>Disability Benefits</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Death Benefits</td>
<td>3,173</td>
<td>3,179</td>
</tr>
<tr>
<td>Vested Benefits</td>
<td>61,748</td>
<td>61,845</td>
</tr>
<tr>
<td>Refund of Contributions</td>
<td>3,767</td>
<td>4,784</td>
</tr>
<tr>
<td>Total Normal Cost</td>
<td>174,009</td>
<td>184,154</td>
</tr>
<tr>
<td>Present Value of Future Normal Costs</td>
<td>777,634</td>
<td>829,639</td>
</tr>
<tr>
<td>Actuarial Accrued Liability (Entry Age Normal)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retirement Benefits</td>
<td>1,576,691</td>
<td>2,055,939</td>
</tr>
<tr>
<td>Disability Benefits</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Death Benefits</td>
<td>35,133</td>
<td>36,683</td>
</tr>
<tr>
<td>Vested Benefits</td>
<td>401,055</td>
<td>406,178</td>
</tr>
<tr>
<td>Refund of Contributions</td>
<td>6,239</td>
<td>7,297</td>
</tr>
<tr>
<td>Inactives</td>
<td>20,666,613</td>
<td>20,239,925</td>
</tr>
<tr>
<td>Total Actuarial Accrued Liability</td>
<td>22,685,731</td>
<td>22,746,022</td>
</tr>
<tr>
<td>Unfunded Actuarial Accrued Liability (UAAL)</td>
<td>10,839,947</td>
<td>10,886,044</td>
</tr>
<tr>
<td>D. Actuarial Present Value of Accrued Benefits</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vested Accrued Benefits</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inactives</td>
<td>20,666,613</td>
<td>20,239,925</td>
</tr>
<tr>
<td>Actives</td>
<td>1,399,009</td>
<td>1,863,455</td>
</tr>
<tr>
<td>Member Contributions</td>
<td>310,345</td>
<td>328,237</td>
</tr>
<tr>
<td>Total</td>
<td>22,375,967</td>
<td>22,431,617</td>
</tr>
<tr>
<td>Non-vested Accrued Benefits</td>
<td>249,838</td>
<td>254,479</td>
</tr>
<tr>
<td>Total Present Value Accrued Benefits</td>
<td>22,625,805</td>
<td>22,686,096</td>
</tr>
</tbody>
</table>

### Increase (Decrease) in Present Value of Accrued Benefits Attributable to:

- **Plan Amendments**: (60,291)
- **Assumption Changes**: 0
- **New Accrued Benefits**: 0
- **Benefits Paid (net of DROP Lump Sums)**: 0
- **Interest**: 0
- **Other**: 0

**Total**: (60,291)
### E. Pension Cost

<table>
<thead>
<tr>
<th>Category</th>
<th>Proposed</th>
<th>Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valuation Date</td>
<td>10/1/2010</td>
<td>10/1/2010</td>
</tr>
<tr>
<td>Applicable to Fiscal Year Ending</td>
<td>9/30/2012</td>
<td>9/30/2012</td>
</tr>
<tr>
<td>Normal Cost (with interest) % of Total Annual Payroll*</td>
<td>11.77</td>
<td>11.84</td>
</tr>
<tr>
<td>Administrative Expense (with interest) % of Total Annual Payroll*</td>
<td>2.28</td>
<td>2.16</td>
</tr>
<tr>
<td>Payment Required to Amortize Unfunded Actuarial Accrued Liability over 26 years % of Total Annual Payroll*</td>
<td>91.30</td>
<td>87.03</td>
</tr>
<tr>
<td>Total Required Contribution % of Total Annual Payroll*</td>
<td>105.35</td>
<td>101.03</td>
</tr>
<tr>
<td>Expected Member Contributions % of Total Annual Payroll*</td>
<td>4.76</td>
<td>4.77</td>
</tr>
<tr>
<td>Expected City Contrib. % of Total Annual Payroll*</td>
<td>100.59</td>
<td>96.26</td>
</tr>
<tr>
<td>Estimated City Dollar Requirement **</td>
<td>$1,543,414</td>
<td>$1,553,651</td>
</tr>
</tbody>
</table>

* Contributions developed as of 10/1/10 are expressed as a percentage of total annual payroll at 10/1/10 of $1,534,370 for the Proposed column, and $1,614,055 for the June 8, 2011 Impact column.

** It is important to note that the City Dollar Requirements shown above are estimates only. The actual City Dollar Requirement shall be the percentages shown, applied to Pensionable Payroll for the applicable fiscal year.
ACTUARIAL ASSUMPTIONS AND COST METHODS

Assumptions

Mortality Rates
RP2000 Combined Healthy Mortality Table (sex distinct).
Disabled lives are set forward 5 years.

Termination Rates
See Table below.

Disability Rates
See Table below.

Retirement Age
Age 61 with 6 years of Credited Service.

Early Retirement
Commencing upon eligibility for Early Retirement, Members are assumed to retire with an immediate benefit at the rate of 5% per year.

Interest Rate
7.5% per year, compounded annually, net of investment related expenses.

Salary Increases
see Table below.

Payroll Increase
5% per year.

Cost-of-Living Adjustment
Before May 1, 2011: 2.75%, beginning 3 years after retirement, for 25 years, payable to Normal and Early Retirees.
On and After May 1, 2011: 2.00%, beginning 5 years after retirement, for 25 years, payable to Normal and Early Retirees.

Administrative Expenses
$33,658 added to Normal Cost.

<table>
<thead>
<tr>
<th>Age</th>
<th>% Terminating During the Year</th>
<th>% Becoming Disabled During the Year</th>
<th>Average Salary Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>20</td>
<td>18.6%</td>
<td>0.14%</td>
<td>7.8%</td>
</tr>
<tr>
<td>30</td>
<td>11.0</td>
<td>0.18</td>
<td>6.3</td>
</tr>
<tr>
<td>40</td>
<td>9.2</td>
<td>0.30</td>
<td>5.4</td>
</tr>
<tr>
<td>50</td>
<td>8.2</td>
<td>1.00</td>
<td>4.8</td>
</tr>
</tbody>
</table>

Funding Method
Entry Age Normal Actuarial Cost Method.
### SUMMARY OF PLAN PROVISIONS
(Through Ordinance 07-008)

<table>
<thead>
<tr>
<th><strong>Effective Date of Latest Amendment</strong></th>
<th>October 1, 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Eligibility</strong></td>
<td>Regular, full-time employees who are not sworn police officers enter on date of employment.</td>
</tr>
<tr>
<td><strong>Salary</strong></td>
<td>Fixed rate of pay on June 1.</td>
</tr>
<tr>
<td><strong>Average Compensation</strong></td>
<td>Career monthly average Salary for Plan B Members, and the average of the highest consecutive five years for Plan A Members.</td>
</tr>
<tr>
<td><strong>Credited Service</strong></td>
<td>Years and fractional parts of years of service with the City as a General Employee.</td>
</tr>
<tr>
<td><strong>Normal Retirement</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Date</strong></td>
<td>The attainment of age 60 with 5 years of Credited Service.</td>
</tr>
<tr>
<td><strong>Benefit</strong></td>
<td>3.0% of Average Compensation times Credited Service with a maximum of 30 years of Credited Service.</td>
</tr>
<tr>
<td><strong>Form of Benefit</strong></td>
<td>10 Year Certain and Life (options available).</td>
</tr>
<tr>
<td><strong>Early Retirement</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Date</strong></td>
<td>Attainment of age 55 with 5 years of Credited Service.</td>
</tr>
<tr>
<td><strong>Benefit</strong></td>
<td>Accrued Benefit on Early Retirement Date, reduced 2.5% for each year that Early Retirement precedes Normal Retirement.</td>
</tr>
<tr>
<td><strong>Form of Benefit</strong></td>
<td>10 Year Certain and Life (options available).</td>
</tr>
<tr>
<td><strong>Cost-of-Living Adjustment</strong></td>
<td>To all Normal and Early Retirees after October 17, 2006, 2.75% automatic COLA for 25 years, beginning on the first October 1 following 3 years of retirement.</td>
</tr>
</tbody>
</table>
### Pre-Retirement Death Benefit

**Eligibility**  
5 Years of Credited Service.

**Benefit**  
½ of the actuarially reduced accrued benefit payable for the life of the spouse or beneficiary beginning at the Member's otherwise early retirement date.

### Employee Contributions

**Plan A Members**  
5% of base pay.

**Plan B Members**  
None.

### Termination of Employment

**Vesting Schedule**

<table>
<thead>
<tr>
<th>Years of Service</th>
<th>Vested %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 5</td>
<td>0%</td>
</tr>
<tr>
<td>5 or more</td>
<td>100</td>
</tr>
</tbody>
</table>

**Benefit**  
Vested Accrued benefit payable at 60 (unreduced) or Early Retirement Date (reduced).

### DEFERRED RETIREMENT OPTION PLAN

**Eligibility**  
Satisfaction of Normal Retirement Requirements.

**Participation**  
Not to exceed 60 months.

**Rate of Return**  
6% annual rate, credited monthly.

**Distribution**  
Lump sum at termination of employment.

**Board of Trustees**  
2 Members of the Plan (1 with under 15 years of service, 1 with 15 years of service or more), 1 Department Director appointed by the City Manager, 3 Council appointees, 1 chosen by the other 6 Members of the Board.
CITY OF SANIBEL
GENERAL EMPLOYEE PENSION PLAN

AUTHORIZED FOR PAYMENT FROM THE FUND

TO: Salem Trust Company
Via Facsimile:
1-813-301-1295

ATTN: Debbie Kocsis/Lynn Skinner
Trust Client Services

FROM: Sharon Gibson
HR Generalist
sharon.gibson@mysanibel.com
City of Sanibel
800 Dunlop Road
Sanibel, FL 33957
(239) 472 9615

SUBJECT: AUTHORIZATION FOR DROP PAYMENT FROM THE FUND
NOTIFICATION TO COMMENCE DROP PARTICIPANT MONTHLY PENSION BENEFIT

NAME OF PAYEE: Arthur James Stallsmith
SOCIAL SECURITY NUMBER: 12/31/1947
DATE OF HIRE: 02/03/2003 DROP RETIREMENT DATE: 03/01/2010
MONTHLY BENEFIT COMMENCEMENT DATE: 10/01/2011
ADDRESS FOR PAYMENT PURPOSES: 1618 SW 31st Street
Cape Coral FL 33914

AMOUNT OF LUMP SUM DROP PAYMENT: $14,448.97
AMOUNT OF MONTHLY BENEFIT: $824.41
FORM OF BENEFIT SELECTED: Retiree's lifetime with 180 payments guaranteed

(Signature, DROP Retiree Member)
09/12/2011
(Date)

(Signature, HR Generalist)
09/29/2011
(Date)

Elaine Fannon, Secretary
General Employee Pension Plan

Revised 7-22-08
September 6, 2011

VIA EMAIL AND MAIL

CONFIDENTIAL

Ms. Sharon Gibson
City of Sanibel
800 Dunlop Road
Sanibel, FL 33957-4096

Re: City of Sanibel
   General Employees' Retirement System
   Cost-of-Living Adjustment effective October 1, 2011

Dear Sharon:

The enclosed schedule sets forth the monthly cost-of-living adjustments to the 10 retirees under the General Employees' Retirement System commencing on October 1, 2011.

Please note the schedule may also be used as the authorization to the custodian for the benefit adjustments.

Additionally, Mr. Tritto is eligible to receive his first COLA on the first October 1 following receipt of 36 monthly benefit payments. Given that he retired effective November 1, 2008, the first COLA date is October 1, 2012.

If you have any questions, please let me know.

Sincerely,

Sara E. Baumer

SEB/rv
Enclosure
City of Sanibel
General Employees' Retirement System

Authorization for Cost-of-Living Adjustments
Effective October 1, 2011

<table>
<thead>
<tr>
<th>Name of Payee</th>
<th>Current Payment</th>
<th>New Payment</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bauer, Thomas</td>
<td>$1,227.44</td>
<td>$1,261.19</td>
<td>$33.75</td>
</tr>
<tr>
<td>Hendzel, Raymond</td>
<td>1,149.55</td>
<td>1,181.16</td>
<td>31.61</td>
</tr>
<tr>
<td>Isom, James</td>
<td>992.27</td>
<td>1,019.56</td>
<td>27.29</td>
</tr>
<tr>
<td>Jinsky, Jerry</td>
<td>2,266.34</td>
<td>2,328.66</td>
<td>62.32</td>
</tr>
<tr>
<td>Liccardi, Alfred</td>
<td>1,878.24</td>
<td>1,929.89</td>
<td>51.65</td>
</tr>
<tr>
<td>Lynch, Renee</td>
<td>5,375.34</td>
<td>5,523.16</td>
<td>147.82</td>
</tr>
<tr>
<td>Pfalzer, Kenneth</td>
<td>5,349.17</td>
<td>5,496.27</td>
<td>147.10</td>
</tr>
<tr>
<td>Phillips, Helene</td>
<td>4,653.30</td>
<td>4,781.27</td>
<td>127.97</td>
</tr>
<tr>
<td>Pierce, John</td>
<td>684.90</td>
<td>703.73</td>
<td>18.83</td>
</tr>
<tr>
<td>Stidham, Ray</td>
<td>987.59</td>
<td>1,014.75</td>
<td>27.16</td>
</tr>
</tbody>
</table>

$24,564.14 $25,239.64 $675.50

This revision reflects a 2.75% increase effective October 1, 2011.

The foregoing authorization and direction for payment has been made pursuant to directions and authorities of the Board of Trustees.

BOARD OF TRUSTEES

By: [Signature]

Date of Issuance: 09/09/2011

(1 copy for Disbursing Agent, 1 copy for Board)