CIVILIAN PENSION BOARD AGENDA

FEBRUARY 14, 2013 - 2:00 P.M.

CITY HALL CONFERENCE ROOM
15 LOOCKERMAN PLAZA
DOVER, DELAWARE

Public comments are welcomed on any item and will be permitted at appropriate times. When possible, please notify the City Clerk (736-7008 or e-mail at CityClerk@dover.de.us) should you wish to be recognized.

AGENDA ADDITIONS/DELETIONS

1. Adoption of Minutes - Civilian Pension Board Meeting of November 8, 2012

2. Quarterly Performance Review *(Quarter Ending December 31, 2012) (Milliman, Inc.)*

3. Freedom of Information Act (FOIA) Training Session - *(Deputy City Solicitor William Pepper)*

4. Data Request *(Received During the Civilian Pension Board Meeting of November 8, 2012)*
   A. List of Each Investment by Name, Type, Numbers of Instruments (Bonds, Stocks, Certificates, Etc.) and the Value of Each at the End of the Reporting Quarter
   (Deputy City Solicitor Pepper Opined that the Board is Entitled to Information Concerning How the Funds are Invested)
   B. Cash on Hand at the End of the Reporting Quarter and Who is Holding the Cash and How Much Each is Holding (City of Dover, Wells Fargo, Others)
   (Deputy City Solicitor Pepper Opined that the Board is Entitled to Information Concerning the Pension Fund's Cash Position)
   C. Value of Checks Written Each Quarter (Pensions, Expenses, Pension Refunds, Etc.)
   (Deputy City Solicitor Pepper Opined that the Board is Entitled to Information Concerning the Fund's Expenses)
   D. Itemized List of General Expenses for Each Quarter
   (Deputy City Solicitor Pepper Opined that the Board is Entitled to Information Concerning the Fund's Expenses)
   E. List of Each Person Receiving a Pension Check at the End of the Quarter by Name, Amount of Check, and Retirement (Year, Month, Day) Listed in Alphabetical Order by Last Name)
   (Deputy City Solicitor Pepper Opined that All of this Information is Not Relevant to the Board's Duties)
   F. List of People Added to the Pension List to Include the Following Information - Full Name, Title, City Code, Service Dates, Total Service Time, Monthly Pension Amount, Effective Date of Retirement, Lump Sum Payment
   (Deputy City Solicitor Pepper Opined that the Level of Detail Sought Does Not Appear to be Relevant to the Board's Duties)
   G. List of People Removed from the Pension List with the Effective Date for the End of Pension Payments
   (Deputy City Solicitor Pepper Opined that a List of Deceased Pensioners and/or Survivors is Somewhat Related to the Board's Duties)

H. Method Used to Remove Pensioners from the Pension Payment List (How Do You Receive Notification of Death)
(Deputy City Solicitor Pepper Opined that the Board Should be Aware of How the City Determines Whether Pensions Should be Stopped)

I. Method and Schedule for Verification of Pension List
(Deputy City Solicitor Pepper Opined that the Board Should be Aware of How the Pension List is Verified)

J. Audit Schedule and Copy of Last Audit as well as Copies of All Future Audits for the City of Dover General Employees' Pension Plan
(Deputy City Solicitor Pepper Opined that the Board Should be Given Information Regarding the Audits)

5. Financial Activity for the Fiscal Year Ending June 30, 2012 and Results of Actuarial Study

6. Adjournment

TO ASSURE THAT THERE WILL BE A QUORUM,
PLEASE RSVP BY CONTACTING THE CITY CLERK'S OFFICE
BY EMAIL AT CITYCLERK@DOVER.DE.US OR BY CALLING 736-7008
AS SOON AS POSSIBLE.

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CIVILIAN PENSION BOARD

The Civilian Pension Board meeting was held on November 8, 2012 at 2:00 p.m. with Mr. Koenig, City Manager, presiding in the absence of Chairman Bonar. Members present were Mrs. Mitchell, Mr. Blakeman, Mr. Clendaniel, and Mrs. Hettinger. Councilman Lynn was absent.

AGENDA ADDITIONS/DELETIONS

Mr. Blakeman provided members with a handout entitled "Data Request" *(Attachment #1)* and requested that this item be added to the agenda. Mr. Clendaniel moved for approval of the agenda as amended, seconded by Mr. Blakeman and unanimously carried.

Adoption of Minutes - Civilian Pension Board Meeting of August 15, 2012

Mr. Blakeman moved for adoption of the Civilian Pension Board Minutes of August 15, 2012, seconded by Mr. Clendaniel and unanimously carried.

Referring to Attachment #2 to the Civilian Pension Board meeting minutes relating to Adjustments to the Minimum Payment for Pension, Mrs. Mitchell advised members that the City's actuary was working on an overall actuarial study for the City and had advised that this study be completed before performing the acturial study related to the cost of adjusting the minimum monthly pension payment. She noted that the overall study was expected to be completed by mid-December and that the actuary would provide the cost for the City to fully fund a pension increase.

Quarterly Performance Review *(Quarter Ending September 30, 2012) (Milliman, Inc.)*

Mr. Jeff Marzinsky, Principal and Employee Benefits Consultant, Milliman, Inc., reviewed the City of Dover Delaware General Employees' Pension Report dated November 8, 2012. He noted that one (1) year returns through September 30, 2012 reflected that the majority of market investments had been performing well, with stocks returning approximately 30%. Mr. Marzinsky stated that there were many positive signs in the U. S. economy, leading to "guarded optimism;" however, he explained that economic difficulties in Europe could drive the U. S. economy down.

Referring to Page 9 of the report, Mr. Marzinsky stated that as of September 30, 2012, plan assets totaled approximately $24.97M and the asset allocation of the plan was in line with the investment policy target. He noted that it was recommended that the plan's investment policy be amended and that the plan be rebalanced after the new investment policy was implemented.

Mr. Marzinsky stated that Page 10 of the report, Investment Policy Review - Active Management served as a "score card," providing information on the performance of the investments, and reminded members that highlighted cells indicated underperformance. He noted that the return rank provides ranking information comparing investments to all other funds in that category over three (3) or five (5) year periods, with 0 indicating the best return and 99 indicating the worst. Mr. Marzinsky indicated that Dimensional Fund Advisors (DFA) funds were underperforming and recommended phasing them out. He stated his belief that the Vanguard Morgan and Vanguard Prime Cap Funds were doing well overall; however, were in a negative cycle, and that he would like to continue to monitor these funds.

Mr. Marzinksky advised members that the index investments listed on Page 11, Investment Policy Review - Passive Management, were designed to follow the market and that these funds were accomplishing this goal.

Mr. Marzinsky explained that Page 12 reflected the returns of all of the investments compared to their indexes over various time periods. He noted that the gross return for the General Employees' Pension Plan over three (3) months was .94% and the net return was .86%. He stated that this reflected slight underperformance compared to the index; however, he felt this could have been influenced by the timing of contributions to and distributions from the plan and that this would be evaluated if rebalanced according to the proposed amendments to the Investment Policy (scheduled for discussion later in the meeting).

Responding to Mr. Blakeman, Mr. Marzinsky explained that the Employee Plan Policy Index on Page 12 reflected the return that might have been achieved if funds had been invested in all index plans. Because some of the actively managed plans underperformed and there were cash flows in and out of the plan, there were differences between market and portfolio performance.

Responding to Mrs. Hettinger, Mr. Marzinsky stated that it was difficult to project how the market would be affected by the recent national election; however, current indicators showed improvements over the past few months.

Mrs. Hettinger expressed her appreciation to Mr. Marzinsky for presenting the information in a clear and understandable manner.

Approval of Amendments to Investment Policy and Changes/Additions to Investment Managers

Mr. Marzinsky revewed suggested changes to the General Employees' Pension Plan Investment Policy and portfolio. Referring to the Allocation Adjustment 2012 - Asset Liability Study table (Page 13), he reminded members that during the meeting held on August 8, 2012, members approved modification of the investment portfolio by adjusting the asset allocation and including additional asset categories to diversify and moderate some of the volatility of the plan. He stated that the table on the top of the page reflected the fund allocations based on the current plan, which he stated was approximately 40% funded, and explained that assets must be brought up to the level of the future liabilities of the plan.

Referring to the Dynamic Investment Policy (Page 12), Mr. Marzinsky stated that proposed policy would allocate approximately 61% of the fund to stocks and 39% to bonds. He advised members that equity growth and periodic contributions were needed for the plan to achieve the funds required to pay future benefits. As the plan becomes better funded, he recommended that aggressive equity exposure be gradually removed and more funds be allocated into fixed income; therefore, when a 70% funded status is achieved, more investments would be moved out of stocks into bond funds, which would "de-risk" the plan by removing some of the volatility. He noted that the goal would be to match the duration of the fixed income investments to the duration of the plan and move toward a liability-driven investment strategy.

Mr. Blakeman inquired why the Dynamic Investment Policy reflected a relatively large gap between the 40% and 70% funded status columns (with regard to making adjustments to de-risk the portfolio) compared to smaller increments between columns as the funding status improved (e.g., from 70% to 80%, 80% to 85%, etc.). Mr. Marzinsky stated that a growth-oriented portfolio would be needed to achieve a higher return on assets; therefore, changing the growth/fixed income ratio of the portfolio was not recommended until the funding status achieves 70%.

Mr. Marzinsky explained that the Fund Changes Required to Meet Allocation Policy (Page 13) included recommended allocations of specific funds to achieve the percentages specified by the Investment Policy. Mr. Marzinsky stated that DFA Targeted Value and DFA International Value Funds were removed from the suggested asset allocation since they were underperforming and other funds were recommended for addition. Mr. Marzinsky stated that the Investment Policy Statement for the City of Dover Employees' Pension Board would have to be amended to incorporate these changes.

In response to Mr. Blakeman regarding the disclaimers included on the last page of the report, Mr. Marzinsky explained that Milliman, Inc. was a fiduciary and had a stake in the success of the Pension Plan. He noted that all information utilized by Milliman, Inc. was assumed to be accurate and Milliman makes projections regarding returns but cannot guarantee them. He noted that the software system used to do the calculations uses a peer review quality control process; therefore, numbers are checked for reasonableness and consistency to make sure calculations are as accurate as possible. He indicated that the analysis provided in the report included the rank and performance of the fund; however, Milliman does not review this on a daily basis or examine individual trades but monitors performance of investment managers over time to ensure that investments conform to the stated portfolio style.

Mr. Blakeman moved for approval of Amendment #I to the Investment Policy Statement for the City of Dover Employees' Pension Board *(Attachment #2)*, seconded by Mrs. Hettinger and unanimously carried.

Data Request

Members reviewed the Data Request ***(Attachment #1)*** submitted by members of the Civilian Pension Board, including Mrs. Fran Hettinger, Mr. Kenneth Clendaniel, Mr. Lester L. Blakeman, and Mr. Sean Lynn.

In reference to Item #1, request for quarterly information regarding specific pension investments, Mr. Marzkinsky reminded members that Milliman's quarterly General Employees' Pension Plan Report dated November 8, 2012 included a list of the mutual funds in which the plan is invested and that each of these funds purchases thousands of individual stocks. In addition, he stated that individual stock holdings may change on a daily basis, so it would be very onerous to track them. He noted that the column labeled "Ticker" on Page 12 provided a symbol which would allow individuals to track the funds on financial reports and Page 9 of the report included the dollar amount invested in these funds by the Employees' Pension Fund. At the suggestion of Mr. Koenig, Mr. Marzinsky stated that in the future the ticker symbol could be added to the "Notes" column on

Page 9 and that members could use these symbols to access information on internet sites such as Morningstar.

In regard to Items #2, #3, and #4, Mrs. Mitchell stated that financial schedules and an overall report are prepared annually for the City's audit and this report could be developed on a quarterly basis and included in the Civilian Pension Board meeting packet. She explained that the report would contain information such as investments, balance sheet accounts, liabilities, lump sum contributions to the plan (City and employee), pension payouts, Milliman fees, bank fees, etc. Mrs. Mitchell advised members that the City was working on its audit, and it was planned to place the audit report (as well as the actuarial study) on the next meeting agenda.

In reference to Item #6, Mr. Blakeman indicated that members were currently receiving a list of those individuals added to the pension list on a semi-annual basis from the Human Resources Department but requested that this be distributed to members each quarter.

In regard to Item #7, referring to individuals being removed from the pension plan upon demise, Mrs. Mitchell explained that typically the City is notified of a retiree's death by a spouse, through word of mouth, or by an obituary in the newspaper. She noted that changes made in health insurance (which is offered through the State plan) frequently bring the death of a participant to the City's attention. She explained that the City requires a death certificate and calculates all adjustments to health and retirement benefits.

Mr. Koenig noted that misrepresenting eligibility for a pension fund was illegal and felt that most individuals involved were honest.

In regard to Item #5, regarding a detailed list of persons receiving a pension, Mrs. Mitchell explained her understanding that once an individual retires and is no longer an active public employee, their personal information is not subject to release under the Freedom of Information Act (FOIA). She felt that an opinion should be obtained from the City Solicitor to ensure that this would hold true for members of the Pension Fund. Although she did not object to releasing aggregate information regarding the Pension Plan, she felt that some retirees might object to the release of their personal information due to privacy concerns.

Mrs. Hettinger stated that she felt that this information was public since participants were former employees.

Mr. Blakeman stated that he felt that a distinction should be made between a request for this information from members of the public versus a request made by the elected board of the Civilian Employees' Pension Plan. He suggested that if the City Solicitor determined that the information could not be released, that a specific code be assigned to each retiree that would allow Board members to track participants.

After further discussion, Mrs. Mitchell suggested that an objective opinion from the City Solicitor be sought.

Mr. Blakeman moved for adjournment, seconded by Mrs. Hettinger and unanimously carried.

Meeting Adjourned at 3:01 P.M.

Scott D. Koenig
Acting Chair

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Attachments

Attachment #1 - Data Request from Mrs. Fran Hettinger, Mr. Kenneth Clendaniel, Mr. Lester Blakeman, Sr., and Councilman Sean Lynn

Attachment #2 - Amendment I to Investment Policy Statement for City of Dover Employees' Pension Board

DATA REQUEST

In the form of a quarterly report please provide the following information (quarterly report should be received by Board at least one week before the scheduled quarterly meeting)

1. list of each investment by name, type, numbers of instruments (bonds, stocks, certificates, etc.) and the value of each at the end of the reporting quarter
2. cash on hand at the end of the reporting quarter and who is holding the cash and how much each is holding (City of Dover, Wells Fargo, others)
3. value of checks written each quarter (pensions, expenses, pension refunds, etc.)
4. itemized list of general expenses for each quarter
5. list of each person receiving a pension check at the end of the quarter by name, amount of check, date of retirement (year, month, day) listed in alphabetic order by last name
6. list of people added to the pension list to include the following information - full name, title, City code, service dates, total service time, monthly pension amount, effective date of retirement, lump sum payment
7. list of people removed from the pension list with the effective date for the end of pension payments

Additional data requested

1. method used to remove pensioners from the pension payment list (how do you receive notification of death)
2. method and schedule for verification of pension list
3. audit schedule and copy of last audit as well as copies of all future audits for the City of Dover General Employees Pension Plan

Frances Hettinger
Mrs. Hettinger

K. E. Clendaniel
Mr. Clendaniel

Justin L. Blakeman Sr.
Mr. Blakeman

Sean M. Lynn

INVESTMENT POLICY

CITY OF DOVER
EMPLOYEES' PENSION BOARD

May 2007

Amended November 9, 2011
Amended November 8, 2012

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City of Dover Employees' Pension Board

Investment Policy Statement
Pension Plan

INTRODUCTION

PURPOSES OF THE STATEMENT

Based upon and in keeping with requirements of City of Dover officials and Employees' Pension Plan participants serving as members of the Employees' Pension Board of the City of Dover ("Board") under Section 2-202 of the City of Dover Code of Ordinances, this Investment Policy Statement ("Statement") presents investment objectives, policies, guidelines, and monitoring and review procedures relating to financial assets (the "Fund") of the City of Dover Employees' Pension Plan ("Plan"). The Statement's purposes are to:

1. Present appropriate goals and objectives relating to investment management of the Fund.

2. Recognize and/or specify diversification and liquidity requirements and identify any legal constraints affecting investment management of the Fund.

3. Promulgate guidelines, consistent with any Board-selected investment time horizon(s), investment management classifications, and/or investment management styles, to which any Board-appointed Investment Manager (IM) shall adhere when determining investment strategies, making periodic investment decisions, and/or undertaking specific investment transactions relating to the Fund.

4. Establish standards and procedures for monitoring, measuring, reviewing, and absolutely and comparatively evaluating IM investment performance, along with similar standards and procedures for assuring conformity with investment policies, goals, objectives, guidelines, and/or constraints.

5. Foster understanding and effective communications between the Board and Staff and any persons appointed, employed, designated or in any way called upon by the Board or Staff to serve the Plan and its participants and/or beneficiaries.

PLAN DESCRIPTION

The Plan is a public employee retirement plan governed by the City of Dover Code of Ordinances as cited within "Purposes of the Statement," above.

PORTFOLIO MANAGEMENT PRECEPTS

The Board endorses contemporary investment practices, based upon the construction of well diversified multi-asset portfolios, which facilitate control of investment risk and afford reasonably predictable long-term investment returns, primarily by IM selection which maintain distinct investment practices or "styles" within any asset class. The monitoring and appropriate investment performance measurement respecting such styles requires relative comparisons among peers and to chosen (usually index) benchmarks as well as absolute measures respecting the financial progress of the Plan itself.

PRUDENCE IN INVESTMENT

Applicable terms, conditions, limitations and restrictions of applicable law upon Delaware fiduciaries notwithstanding, any IM serving the Fund shall discharge any duties relating to the Fund solely in the interest of Plan participants and beneficiaries, shall demonstrate appropriate knowledge of the Plan's purpose and contemporary operations, and shall diversify the investments of any Fund investment portfolio so as to minimize the risk of substantial loss.

When contemplating any investment, investment strategy or investment program, any IM managing any part of the Fund shall consider all relevant factual and circumstantial information and the impact of such information on a particular investment, strategy, or program, and on the Total Fund.

Further, respecting investment strategies, programs and/or specific investment actions for the Fund, any IM shall also consider:

1. potential losses and gains,

2. the composition of any IM-assigned portfolio, and the Total Fund, with regard to
   a. diversification
   b. liquidity and current return relative to the Fund's cash flow requirements
   c. projected total return relative to the Plan's funding objectives

Guidelines respecting Prudence have been developed in light of investment objectives related solely to the Plan's varied and dynamic obligations to its participants and beneficiaries. Actuarial, economic, investment, and even socio-political events and trends are fluid factors affecting the funding of those obligations. Accordingly, these guidelines respecting Prudence are, as a part of this Statement, intended singularly to present broad and balanced considerations to guide incumbent and successor Board and Staff, and all other parties concerned, seeking appropriate allocation, investment, safekeeping, monitoring and evaluation of the Fund.

RESPONSIBILITIES OF THE BOARD AND STAFF

The Board is charged under Section 18-51 of the City of Dover Code of Ordinances with overall responsibility for investment of the Fund. To assist the Board in this function, it is authorized and permitted by said Ordinances to appoint an IM or IM(s), including for this purpose banks, insurance companies, and firms registered under the Investment Advisers Act of 1940 and/or Delaware State law, to manage (including the power to acquire and dispose of) Plan assets. Any appointed IM must agree to conduct itself in accordance with all applicable City of Dover Ordinances.

The Board must also develop prudent management policies and guidelines intended to assure that the Plan will fulfill its objectives. Policies and guidelines are inclusive of, but not restricted to:

1. Establishment of investment objectives, investment policy, investment guidelines, and monitoring and review procedures.

2. Establishment of standards for measuring, monitoring, evaluating and comparing absolute and relative investment performance to assure that investment returns are reviewed on a regular basis and investment return objectives are met during acceptable periods of time.

3. Establishment of authorization, reporting, control, review and general governance procedures to assure that investment policies and guidelines are reviewed on a regular basis and conformed to at all times. All modifications of policies and/or guidelines shall be in writing, signed by all Board members, and delivered on a timely basis to any IM and/or Custodian affected by such changes.

4. Establishment of, through contractual relationships with recognized and carefully selected professional organizations, or by alternative means satisfactory to the Board, a retirement plan management structure which will assure appropriate investment management, custody, and surveillance or compliance procedures to meet investment objectives in conformity with the Board's stated investment policies and guidelines.

The Board shall examine this Statement from time to time and make appropriate revisions. At least annually the Board shall review the Statement entire and communicate any material changes to any persons affected by them.

RESPONSIBILITIES OF THE INVESTMENT MANAGER(S)

Fund management and responsibilities for investment decisions are delegated to any appointed IM. Any IM shall exercise complete discretion within the clear limits established by this Statement. Accordingly, the Board requires adherence to Delaware or other pertinent laws as now apply, or may apply in the future, with particular attention to the standards established by applicable rules of law.

Fiduciary insurance, and officer liability and omissions and errors insurance coverage, of any IM, must meet standards set by the Board from time to time.

If at any time a manager believes that this Investment Policy Statement inhibits its investment performance, it is the manager's responsibility to communicate this view to the Pension Board. In addition, the manager will promptly (within 30 days) notify the Pension Board, in writing, regarding all material or significant matters that change pertaining to the investments of the retirement fund assets, including but not limited to:

- changes in investment strategy portfolio structure, tactical approaches and market value of managed assets;

- changes in ownership organizational structure, financial condition, and/or professional staff of the investment firm; and

- all material legal, SEC and other regulatory proceedings affecting the firm.

RESPONSIBILITIES OF THE PLAN CUSTODIAN(S)

Any Custodian appointed by the Board shall be responsible for safekeeping of the Fund, including all security transaction settlements and deliveries, and for comprehensive recordkeeping and reporting, which shall include any custom recordkeeping, record retention, or reporting reasonably required by the Board or Staff.

Safety and continuity of operations shall be the primary objectives of any Custodian. Timely, accurate, and complete recordkeeping and reporting, arising from superior state-of-the-art information systems and committed staff, shall be the primary benchmarks for month-to-month evaluation of Custodian performance.

Fund safekeeping and securities settlement procedures shall include direct Custodian participation in one or more appropriate securities depositories (e.g., Depository Trust Company, New York) and, as necessary, correspondent participation in other major depositories (e.g., the Federal Reserve System). The Plan's beneficial ownership of all assets shall be inviolate and in all circumstances perfected. Board or designated IM authority to direct all investment transactions shall similarly be protected.

Ready access to information by the Board and Staff shall be a prime requisite of recordkeeping and reporting services, with no bar as to frequency of access, nor any delay greater than one day acceptable. Transaction records shall be maintained on a trade date basis and shall remain immediately available for at least two years. Nationally accepted asset pricing should be daily and reported not less often than monthly, and "non-trade" transaction records (e.g., stock splits, etc.) should be both available immediately and properly carried into monthly transaction and asset value reports.

Fiduciary insurance, and officer liability and omissions and errors insurance coverages, of any Custodian, must meet standards set by the Board from time to time.

INVESTMENT OBJECTIVES

Investment Objectives for the Plan represent anticipated results and are long-term in nature. Given the Board assumptions respecting current and projected Plan and capital market conditions, the following Objectives have been delineated:

1. All Plan fiduciaries shall discharge their responsibilities and the Fund shall be invested in a manner consistent with [relevant law] and generally accepted fiduciary standards. Further: (1) all transactions undertaken on behalf of the Plan shall be solely in the interest of Plan participants and beneficiaries, and (2) with reference to Prudence in Investment, set forth earlier in this Statement, safeguards and diversification to which a prudent investor familiar with and managing the Fund of this Plan under known or foreseeable circumstances would adhere, and liquidity and current return consistent with rationally anticipated cash flow requirements of the Fund, shall be governing factors in all investment considerations.

2. Consideration shall be given to suitable long-term investment intended to provide Fund capital and income growth which may be utilized to increase future benefits and thus maintain the purchasing power of Plan participants and their beneficiaries; the Board anticipates that such capital and income growth will be achieved during each economic and/or securities market cycle and/or within its selected three-to-five (3-5) year investment time horizon.

3. Consideration shall also be given, granting conformity with the objectives of 2., above, to providing adequate and timely cash flows to meet anticipated Plan benefit payments, with sufficient reserves to meet relatively smaller flows for unanticipated benefit payments; adequate emphasis, consistent with the foregoing, shall be placed upon current investment return; any Fund IM should expect to receive periodic projections of Fund liquidity requirements but, in the absence of such projections, shall be responsible for seeking necessary information from the Board or any party designated by the Board for this purpose.

4. While professional managers may strive to record positive rates of investment return during all measurement periods, securities markets are unlikely to provide a consistently favorable climate, on a shorter-term basis, for longer-term investments. Therefore, considering usual multi-year economic and/or investment cycles, and the three-to-five (3-5) year investment time horizon selected by the Board, requisite but not exclusive comparative or benchmark measures of investment return, and of risk or volatility, are delineated as follows:

    a. Commensurate with preserving participant and beneficiary purchasing power through the Plan, it is desired to achieve a positive real (post-inflation) rate of return during any multi-year period and over the life of the Plan. Based upon current and projected Plan and capital market conditions, and the extensive historical records provided by such sources as Ibbotson-Sinquefeld, the Board has set returns meeting or exceeding the Plan’s actuarial interest rate assumption at any time, annualized, as a gross *multi-year return* target. Concurrently, 3.5 percentage points above the CPI, or an annualized 3.5 percent *real rate of return,* is anticipated for the Total Fund.

    b. Consistent with anticipated real returns (above) and separate asset class returns (below), annualized Total Fund investment performance, for periods of three-to-five (3-5) years or more, is expected to meet or exceed the Plan's assumed actuarial rate and to meet or exceed the annualized investment performance of a "policy index" comprised of a weighted average of

relevant asset-class indexes matched with policy or "target" asset allocations in effect on average for the Fund during the period considered.

c. Consistent with b., above, the Total Fund's investment return volatility, as measured by the standard deviation of quarterly investment returns, is not expected to exceed the volatility of the policy index during any three-to-five (3-5) year measurement period.

d. Also consistent with b., above, Total Fund domestic equity investment returns are expected to meet or exceed similar annualized returns of the Russell 3000 Stock Index during periods of three-to-five (3-5) years or more; equity investment returns of any specific IM, annualized, are expected to meet or exceed returns of any index or benchmark cited in writing by the Board as appropriate to the investment process or "style" of any specific IM.

e. Also consistent with b., above, Total Fund domestic fixed income investment returns, annualized, are expected to meet or exceed similar returns of the Lehman Brothers Intermediate Government/Credit Bond Index during periods of three-to-five (3-5) years or more; as in d., above, any index or benchmark may be chosen by the Board as appropriate to the investment process, "style", or time-horizon of any specific IM.

f. All investment performance data submitted to the Board or its designees directly or indirectly by or on behalf of any IM shall as applicable be submitted in conformity with the North American Performance Presentation Standards and/or Global Investment Performance Standards promulgated by the Association for Investment Management and Research.

5. Investment performance objectives of the Fund are, as stated initially under Investment Objectives, above, long-term in nature. Concern respecting market value or Fund investment return volatility and other measures reflecting investment uncertainty will be addressed in part by functional constraints imposed by the Board through asset (class) allocations, investment management processes or "styles" chosen, portfolio diversification requirements, and other investment management guidelines and/or limitations.

INVESTMENT POLICY

Investment Policy delineates controls and the associated monitoring intended to enhance the likelihood of meeting Investment Objectives during acceptable periods of time.

ASSET ALLOCATION

Asset class allocation, resulting in so-called asset mix or investment ratios, is intended to afford an optimum approach toward Investment Objectives while limiting investment risk by assuring basic diversification. The variable percentages of asset classes delineated below provide a framework through which the Fund investments may be adjusted to meet economic and/or investment market conditions while remaining centered on the allocation target deemed most appropriate to the Fund's long-term Investment Objectives.

Asset Class	Minimum %	Target %	Maximum%	Benchmark
Equities	60	65	70	
Domestic	44	49	54	Russell 3000
International	11	16	21	MSCI EAFE (net)
Fixed Income	30	35	40	
Bonds	28	33	38	Barclays Intermediate Gov't/Credit
Cash	0	2	5	ML 90 Day T-Bill

ALLOCATION MONITORING/REBALANCING

The Board shall review asset allocation quarterly to monitor Total Fund allocation targets. In the event that asset allocations because of cash flows or market value changes fall moderately outside the ranges in the tables above, any appointed Custodian may be notified and instructed by the Board to adjust contribution cash flows to any specific IM and thus return the Total Fund to appropriate asset allocation levels. Should an allowable range be breached substantially, i.e., by ten (10) percent of per-portfolio per-IM assets or five (5) percent of Total Fund Assets, any IM involved may be required by the Board to adjust assets immediately. The Board may set asset allocation ranges for any specific IM different from ranges for the Total Fund.

LIQUIDITY

Emphasis shall, per Investment Objectives, 3., above, be placed on providing adequate and timely Fund cash flow to permit benefit payments from the Plan when due. The Board endeavors to meet all of the Plan's multiple objectives through asset allocation and constructive Investment Guidelines. Nevertheless, any IM appointed by the Board shall be responsible for seeking from the Board or its designee(s) current information respecting cash flow requirements and for assisting in meeting said requirements.

PROXY VOTING

While matters of public interest as well as corporate governance have long been a part of publicly owned corporations' Annual Meetings and proxy voting activity in the United States, the Board continues to believe that the Fund's proxy voting must be based upon the long-term economic value of the securities represented in each case and thus solely in the interests of Plan participants and their beneficiaries.

The Board delegates timely and complete proxy voting to any IM to assure that the interests cited immediately above have been met. Delegation as stated precludes Board interference with or exercise of proxy voting, but does not preclude any IM request for and independent consideration of Board views officially determined and expressed.

DIVERSIFICATION

Total Fund investments must be diversified broadly to minimize the risk of substantial losses. The Board recognizes that significant diversification is accomplished through asset allocation and the selection of investment management organizations. Nevertheless, the Investment Guidelines provided herewith include certain provisions intended to optimize investment diversification.

MUTUAL & OTHER COMMINGLED FUNDS

Given the nature of mutual and other commingled funds, it is recognized that there may be deviations between this Investment Policy Statement and the objectives of the mutual and other commingled fund(s). However, every effort shall be made to the extent practical or prudent and appropriate to select mutual and other commingled funds that have investment objectives and policies that are consistent with this Investment Policy.

INVESTMENT GUIDELINES

Investment Guidelines describe for any IM and for the information of any Custodian or interested person a wide range of permissible investment activities and choices while also delineating, specifically or by broader proscription, those which are not permissible.

GENERAL GUIDELINES

Subject to the asset allocation ranges set forth as a table within Investment Policy, above, or separate asset allocation ranges assigned specifically to any IM by the Board, any IM is expected to undertake flexible discretionary management of Fund assets. Nevertheless, when responsible for any investment portfolio, any IM shall report immediately to the Board or its designee(s) any shift between or change in market value of asset classes which equals or exceeds ten (10) percent of the market value of the assets assigned to the specific IM. For the purpose described herein, cash and money market or cash equivalent securities shall be considered an asset class.

The Board has determined that certain investment practices, as well as certain types of investments, are ***not suitable*** for the Fund irrespective of circumstances:

1. Buying or (short) selling securities on margin, and/or the use of any other form of leverage, excepting the lending of securities if approved in writing by the Board.

2. Privately placed or otherwise unregistered securities excepting fixed income securities, issued under SEC Rule 144(a), which are demonstrably marketable and otherwise within guidelines.

3. Investment in commodities or in any type of commodities contracts, forward or futures trading activities, and all forms of portfolio hedging, excepting the limited use of stock options and/or currency hedges; (See Domestic Equity and International Equity Investment Guidelines, below.)

4. Fixed income investments may not include deep discount or zero coupon (excepting U.S. Treasury) securities, tax exempt, indirectly asset backed or spread-dependent, and stripped or otherwise derivative or synthetic securities. Certain exceptions are delineated below.

DOMESTIC EQUITY INVESTMENT GUIDELINES

The Board shall review the Fund at least quarterly to assure that the domestic equity limit of 54 percent of Fund market value is not exceeded; as necessary, any Custodian will be instructed to redirect cash flows to or from any IM or to accommodate immediate Board-directed IM asset allocation revision to restore the Asset Allocation currently approved by the Board.

Permissible equity investments shall include convertible securities, which shall be limited to ten (10) percent of Fund assets at market value, as well as American Depositary Receipts (ADRs), equally limited.

Any IM retained for this mandate shall conform to the Domestic Equity Investment Guidelines set forth above and below. Any departure from the Guidelines must be submitted in writing to the Board for prior approval, as must any change in the "style" or investment philosophy, process, or practices approved by the Board at the time any IM was retained to serve the Fund.

Specific Guidelines, Domestic Equity

1. Full discretion, consistent with the Investment Objectives, Policies, and Guidelines set forth in this Statement, is granted to each IM retained to manage domestic equity securities.

2. Each IM retained for this mandate shall select domestic equity investments in conformity with criteria normally applied in its decision making process and previously reviewed and approved by the Board.

3. No IM shall invest on a market value basis more than five (5) percent of the domestic equity portion of any portfolio in the equity security(ies) of a single corporation or group of directly affiliated corporations, nor maintain an investment of more than eight (8) percent similarly calculated.

4. No IM may make or maintain an investment equaling or exceeding four and nine-tenths (4.9) percent ownership of the outstanding domestic equity security(ies) of a single corporation, or group of directly affiliated corporations, without the written consent of the Board.

5. Each IM is expected to purchase marketable domestic equity securities listed on national securities exchanges or actively traded within the national NASDAQ framework; domestic U.S. equity securities, purchased outside the channels cited, or purchased without regard to necessary market liquidity as demonstrated through weekly trading statistics, place upon any IM a special burden respecting Board tolerance of unacceptable risk and/or losses which might ensue.

6. As an exception to the general prohibition against so-called alternative investment instruments, stock options may be utilized by each IM managing domestic U.S. equity securities in "covered" or hedging postures but not in "naked" or speculative postures.

7. Again the total annualized investment return of all domestic U.S. equity investments of the Fund is expected to meet or exceed the total annualized return of the Russell 3000 Stock Index for cumulative periods of three-to-five (3-5) years or more.

8. Any IM serving as an active domestic U.S. equity manager will be assigned an index or other type of benchmark deemed suitable for it and agreed upon with the Board; as a general expectation any IM should exceed its assigned benchmark, post fees, on annualized bases during periods of three-to-five (3-5) years or more.

INTERNATIONAL EQUITY INVESTMENT GUIDELINES

The Board/Trustees shall review the Fund at least quarterly to assure that the International Equity limit of 21 percent of Fund market value is not exceeded; as necessary, the Custodian(s) will be instructed to redirect cash flows to the DA(s) or to accommodate immediate Board-directed DA(s)' asset allocation revisions to restore the asset allocation currently approved by the Board/Trustees. Stated percentages may include foreign equity securities admitted to trading on U.S. Stock Exchanges or NASDAQ; American Depositary Receipts (ADRs) shall be designated as domestic equities.

Specific Guidelines, International Equity

1. Investment in International Equity, is permissible up to the maximum stated in asset allocation (page 7). Each IM retained as an International Equity Manager must receive specific Board authorization to invest in International Equity. Investing in emerging market equity securities is permissible subject to a maximum of fifteen (15) percent of any international equity portfolio at market value. Appropriate regional, national, industry and individual security diversification must be maintained at all times.

2. Any IM retained for this mandate is expected to select International Equity investments in conformity with criteria normally applied in its decision making process and previously reviewed and approved by the Board.

3. No IM shall invest more than five (5) percent of the equity portion of any International Equity portfolio in the equity security(ies) of a single corporation or group of directly affiliated corporations; no IM may maintain an investment equaling or exceeding eight (8) percent ownership in the equity security(ies) of any corporation, or group of directly affiliated corporations, without the written consent of the Board, nor may any International Equity IM exceed four (4) percent ownership of the outstanding equity of any company or group of affiliated companies.

4. Any IM retained for this mandate shall purchase marketable foreign stocks traded on regulated foreign or U.S. stock exchanges for which trading activity is published on a daily basis and for which any IM can demonstrate necessary liquidity as well as acceptable investment quality standards.

5. The annualized total investment return from any portfolio of International Equity investments of the Fund is expected to meet or exceed after fees the annualized total return of an appropriate benchmark, to be agreed upon by any IM and the Board, for periods of three-to-five (3-5) years or more. In the absence of another selected benchmark, the Morgan Stanley C.I. "EAFE" Index shall serve as benchmark.

6. Because an active currency hedging strategy may reduce risk of loss and/or enhance IM International Equity investment performance, hedging to protect against currency impact upon a security position may be in the best interest of the Fund. Nevertheless, the purchase of speculative or "naked" currency contracts (i.e., "currency trading" or related risk taking undertaken without a demonstrable exposed investment position to be hedged in a specific currency) is prohibited.

DOMESTIC FIXED INCOME INVESTMENT GUIDELINES

The Board shall review the Fund portfolio at least quarterly to assure that the domestic fixed income securities market value limit of 40 percent is not exceeded. As necessary, any Custodian will be instructed by the Board to redirect investment and/or contribution cash flows to or from any IM or to accommodate immediate Board-ordered portfolio revisions to restore the asset allocation currently approved.

Any IM retained for this mandate shall conform to the Domestic Fixed Income Investment Guidelines set forth above and below. Any departure from the Guidelines must be submitted in writing to the Board for prior approval, as must any change in the "style" or investment philosophy, process, or practices approved by the Board at the time any IM was retained to manage domestic fixed income securities of the Fund.

Specific Guidelines, Domestic Intermediate Term Fixed Income

1. Full discretion, consistent with the Investment Objectives, Policies, and Guidelines set forth in this Statement, is granted to each IM retained to manage domestic intermediate term fixed income securities.

2. Any IM retained for this mandate is expected to select domestic intermediate term fixed income investments in conformity with the criteria normally applied in its decision making process and previously reviewed and approved by the Board.

3. Suitable domestic intermediate term fixed income investments include, but are not limited to, U.S. Treasury and Agency securities, marketable debt securities of U.S. corporations, U.S. certificates of deposit and bankers acceptances, and commercial paper or other generally utilized money market or cash equivalent investments, including money market mutual funds meeting the quality standards delineated below.

4. Foreign fixed income securities, if rated Baa or above, including Canadian securities, denominated in U.S. dollars (i.e., foreign “Yankee” and Canadian U.S. pay securities) may be purchased to a limit of the applicable fixed income manager’s benchmark plus 5% at market value of any domestic intermediate term fixed income securities portfolio.

5. Permissible private placement (Rule 144a) securities, per General Guidelines, 2., p. 9 above, shall not exceed twenty (20) percent of the market value of any domestic intermediate term fixed income portfolio. Fixed income investments may not otherwise include unregistered, deep discount or zero coupon securities (excepting U.S. Treasury, see 12., p. 13, below), tax exempt, indirectly asset backed, spread-dependent, stripped, or otherwise derivative or synthetic securities. (See also 14., p. 14, below).

6. At no time shall margin or other leveraged transactions, short sales, forward or futures trading, or any form of portfolio hedging be employed in the management of domestic intermediate term fixed income investments.

7. The total annualized investment return of all domestic fixed income investments of the Fund is expected to meet or exceed the total annualized return of the Lehman Intermediate Government/Credit.

8. The average quality of domestic intermediate term fixed income securities purchased by any IM shall equal or exceed A, the third broad investment grade as determined by any nationally recognized and regulated general or specialty debt/credit rating agency (e.g., including but not limited to Moody's, Standard & Poor's, Fitch, Duff & Phelps, Thompson's Bank Watch). If commercial paper is purchased the single acceptable quality shall be A1 or P1 or "Prime," with no second level considered.

9. The minimum quality of any single fixed income investment shall be investment grade, as defined by two out of three of the following rating agencies; Moody's, Standard and Poors, or Fitch. If an investment is made in commercial paper, the single standard shall be A1 or P1 or "Prime."

10. The average effective duration of domestic fixed income securities, said average including any investments considered to be reserve or cash equivalent assets specific to any fixed income portfolio, shall never be more than twelve (12) months greater or less than the most recently published average or effective duration of the fixed income policy benchmark.

11. There shall be no limit upon investment in U.S. Treasury securities as a percentage of domestic intermediate term fixed income investments at cost or market value, except that any single coupon issue thereof may constitute at purchase more than thirty (30) percent of domestic intermediate term fixed income portfolio at market value, nor any single Treasury zero coupon issue ten (10) percent at market value, with a per-portfolio collective limit for Treasury or Agency zero coupon securities of thirty (30) percent at market value and an eight (8) year effective duration limit for any zero coupon security. Federal Agency securities are hereby limited to forty (40) percent of any domestic intermediate term fixed income investment portfolio at market value, with a per-issue limit of ten (10) percent at market value, excepting zero coupon Agency securities which shall be limited to five (5) percent per-issue at market value. Sharply lower limits are set for other types of securities. Without prior written Board approval, excepting Treasury and Agency securities:

    a. any single security issue shall not constitute more than five (5) percent,
    b. securities of any single issuer or of directly affiliated issuers shall not constitute more than seven (7) percent,
    c. securities of a recognized industry (e.g., steel, auto, aluminum, banking), or
    d. securities of a single broad issuer type (e.g., utility, finance, industrial), or
    e. of one structural or transaction type (e.g., mortgage-backed, asset-backed),
    f. shall not constitute more than twenty (20) percent of any domestic intermediate term fixed income securities portfolio at market value. Permissible Rule 144a securities shall also be limited to twenty (20) percent at market value.

12. Any domestic fixed income security purchased in compliance with the quality, maturity, and/or diversification standards cited in 3., through 12., above, but no longer meeting a specific, per-security Investment Guideline standard, and/or by marginal effect causing non-compliance (e.g., occasioning fixed income portfolio decline to sub-standard average quality), may in lieu of immediate depressed or inappropriate sale be reported to the Board, with background information and an intended future course of action, by any IM. The Board may upon review approve temporary or indefinite retention or, in the Board's best judgment, order disposition of the security and a return to full compliance with the Investment Guidelines. Securities retained under such circumstances shall constitute no more than five (5) percent of the market value of domestic intermediate term fixed income securities (5% "basket clause").

13. AAA-rated asset-backed securities and AAA-rated agency and private label mortgage-backed securities, including collateralized mortgage obligations limited to five (5) percent per-issue and ten (10) percent of the market value of any domestic intermediate term fixed income portfolio at the time of purchase, are suitable fixed income investments, provided said obligations afford no features which would increase volatility beyond that of the underlying collateral. (E.g., C.M.O. “floaters” indexed to the London Interbank Offering Rate or LIBOR would not be suitable investments.)

REVIEW PROCEDURES

All Investment Policies, Objectives and Guidelines contained in this Statement shall be reviewed by the Board annually, or whenever circumstances change to the extent that earlier representations are ineffective or inappropriate. All concerned parties shall be notified in writing of any changes and/or additions.

1. Investment performance shall be reviewed quarterly.

2. Total Fund, asset class (e.g., domestic equity, international equity, domestic fixed income), and asset sub-class and/or "style" returns, shall be compared to universes of returns of comparable professionally managed tax-exempt balanced, equity and fixed income portfolios or collective or mutual funds as well as to benchmark indices or index composites.

3. It is expected that the investment performance of an IM will rank above any agreed upon universe median or index over periods of three-to-five (3-5) years and will meet or exceed the Investment Objectives identified in this Statement.

4. The Board reserves the right to terminate a relationship with any IM at any time, subject to the terms of any investment advisory agreement, if the Board determines that said action is warranted. In addition, the Board reserves the right to remove assets, in part, at any time provided that any contracted asset and/or fee minimum of any IM is met or a change is negotiated.

5. Any IM shall provide statements of assets under management to the Board quarterly, and shall also comply with reasonable additional information requests from the Board, including details of any/all securities transactions and/or "soft dollar" payments if said payments are made at official Board request and/or arise from transactions involving the Fund.

6. Any IM shall meet at least annually, if requested by the Board, to review the Total Fund and any respective portfolio(s) and to discuss investment results in the context of all of the goals, Objectives, Policies and Guidelines set forth in this Statement.

SIGNATURES

The effective date of this Investment Policy Statement, adopted by the City of Dover Employees' Pension Board, is November 9, 2011.

William P. McGlynn
Chairperson

Donna S. Mitchell
City of Dover – Controller/Treasurer

AMMENDMENT I
EMPLOYEES PENSION INVESTMENT POLICY

The following amendment to the investment policy has been reviewed and approved by the Board:

I. Allocation of Plan Assets -The plan will utilize a dynamic policy linked to funded status of the plan. As funded status improves to the next threshold, the allocation of the plan will be adjusted to the specified allocation. Within each threshold, there will be a range of +/- 5% to the target to allow for modest market fluctuations before rebalancing of the portfolio. The portfolio will be reviewed at least quarterly and adjusted as necessary to maintain alignment with the target allocations.

Dynamic Investment Policy	Funded Status						
Asset Category	40%	70%	80%	85%	90%	95%	100%
Cash & Short Term Bond	5%	5%	5%	5%	5%	5%	5%
US Treasuries/Inflation-linked	2%	2%	2%	4%	6%	10%	13%
Intermediate Term Bond	13%	15%	16%	18%	18%	21%	24%
Long Term Bond	19%	21%	22%	24%	26%	29%	33%
ge Cap Value-US Stock	10%	10%	9%	8%	8%	7%	4%
Large Cap Growth-US Stock	11%	9%	9%	8%	7%	5%	4%
Mid Cap – US Stock	5%	5%	5%	5%	5%	4%	3%
Small Cap-US Stock	5%	5%	5%	4%	4%	3%	3%
Real Estate/REIT	5%	5%	5%	4%	4%	3%	3%
Non-US Stock	10%	9%	9%	8%	7%	5%	3%
Emerging Markets	15%	14%	13%	12%	10%	8%	5%
Equity	61%	57%	55%	49%	45%	35%	25%
Fixed Income/Cash	39%	43%	45%	51%	55%	65%	75%

II. Performance Monitoring Benchmarks- The plan will utilize asset category specific benchmarks to monitor investment manager performance. In addition, overall portfolio performance will be benchmarked to a normal portfolio composed of category indexes allocated based on the Dynamic Investment Policy funded status position.

Asset	Inde
Cash & Money Market	CitiGroup 3 Month TBill
Short-term Bond	BofA Merrill Lynch 1-3 Yr Corp
Intermediate-term Bond	BarCap Interm US Govt/Credit Index
Long-term Bond	BarCap Long GovtCredit Index
Large Cap Value	S&P/Citi 500 Value
Large Cap Blend	S&P 500 Index
Large Cap Growth	S&P/Citi 500 Growth
Mid Cap Value	S&P/Citi Mid-Cap 400 Value
Mid Cap	S&P 400 Mid Cap
Mid Cap Growth	S&P/Citi Mid-Cap 400 Growth
Small Cap Value	S&P/Citi Small Cap 600 Value
Small Cap	S&P 600 Small Cap
Small Cap Growth	S&P/Citi Small Cap 600 Growth
Non-US Equity	MSCI EAFE
Non-US Small Cap	MSCI EAFE Small Cap
Emerging Mkts	MSCI EM (Emerging Markets)
REITS/Real Estate	FTSE NAREIT Equity REIT

AMENDMENT I

TO THE
INVESTMENT POLICY STATEMENT FOR
CITY OF DOVER EMPLOYEES' PENSION BOARD

III. Approval by the Board – To indicate approval of this amendment to the Investment Policy Statement, the appropriate designated Board member shall sign below.

This Amendment to the Statement of Investment Policy approved by action of the Board.

Date: Nov 8, 2012 Approved by: _____
Chairman

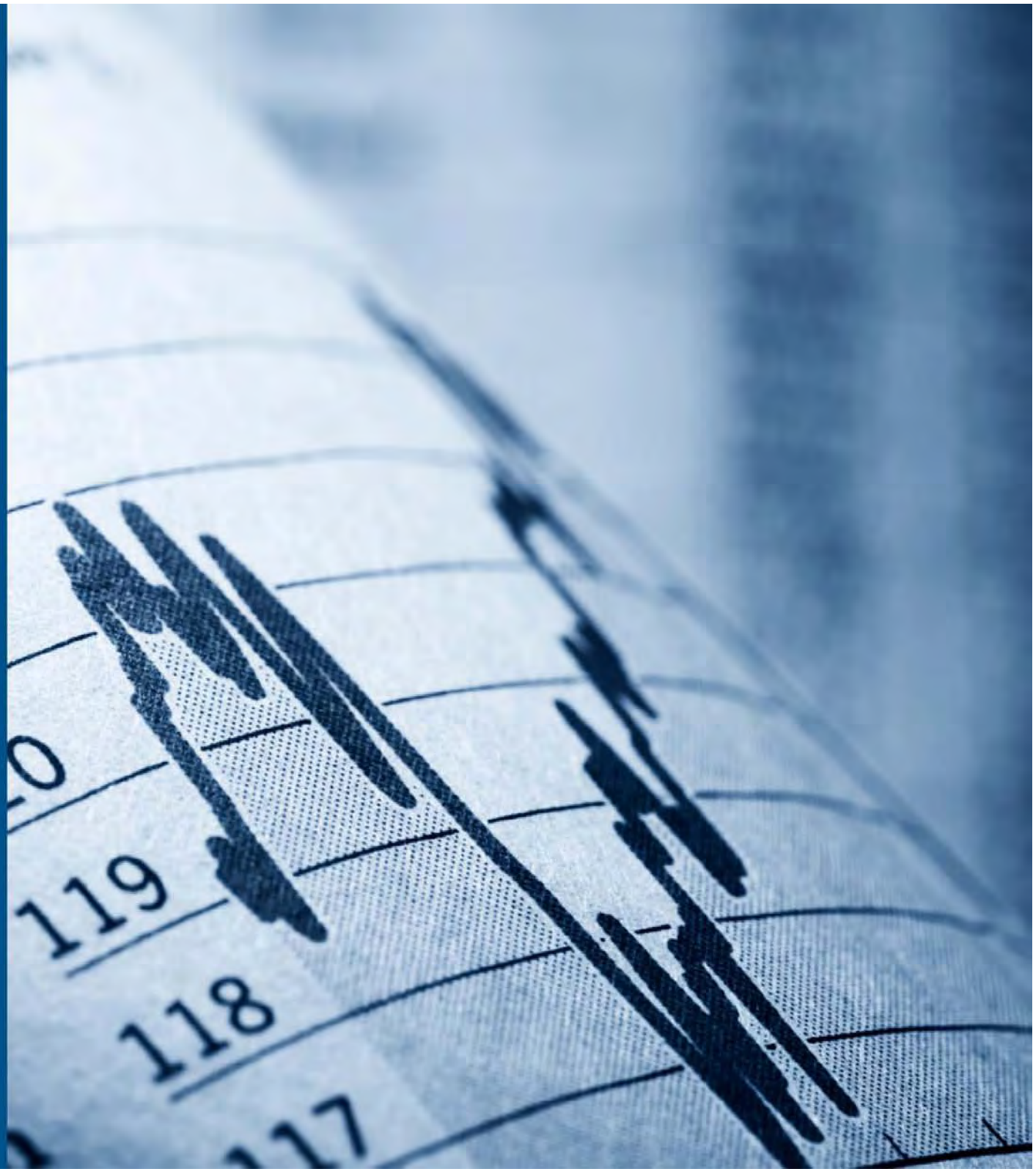
Title: City Councilman

Quarterly Investment Monitor

Summary Report for the Quarter Ending December 31, 2012

Prepared for
City of Dover, Delaware General Employee Pension Plan

Milliman



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MEMO

To:	City of Dover, Delaware General Employee Pension Plan – Board
From:	Jeff Marzinsky & Matt Albano/Milliman
Re:	Investment Committee Meeting Notes – 2/14/2013

Enclosures: Milliman Quarterly Investment Monitor Report (QIM)

1. Defined Benefit Pension Plan Investment Review through 12/31/2012:
    a. As of 12/31/2012, assets in the plan total $24.61 million, down from $24.97 at 9/30/2012. The plan had withdrawals of approximately $870k and contributions of $184k during the quarter.

    b. The plan asset allocation has been adjusted based on the investment policy approved during the Nov 8, 2012 meeting.

    c. Performance of the plan portfolio was slightly above the Plan normal portfolio index for the quarter, at +1.39% versus 1.16% for the plan index.

City of Dover
General Employees Pension Plan
Quarterly Return Summary

Month End	BMV	Contribution	Withdrawls	Fees	Gain	EMV	CIVILIAN-NET RETURN	CIVILIAN-GROSS RETURN
10/31/2012	$ 24,976,877.08	$ -	$ 304,027.26	$ 1,291.67	$ (149,116.64)	$ 24,522,441.51	-0.60%	-0.57%
11/30/2012	$ 24,522,441.51	$ 100,000.00	$ 281,359.60	$ 1,308.66	$ 127,906.60	$ 24,467,679.85	0.52%	0.55%
12/31/2012	$ 24,467,679.85	$ 84,087.87	$ 284,349.48	$ 1,323.53	$ 341,762.94	$ 24,607,857.65	1.40%	1.42%
		$ 184,087.87	$ 869,736.34	$ 3,923.86	$ 320,552.90	Quarterly Return	1.32%	1.39%

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Section A: Market Commentary

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Section C: Core Fund Review

Section D: Glossary

Milliman | Quarterly Investment Monitor

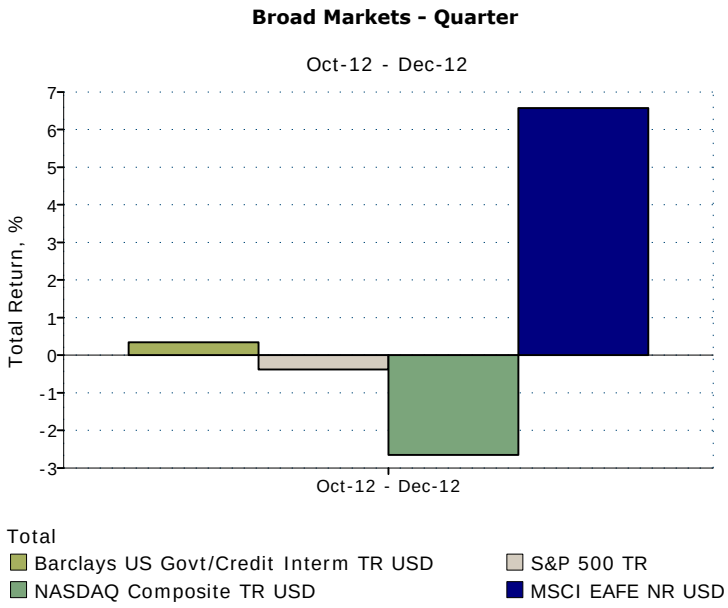
Market Indices - 4th Quarter 2012

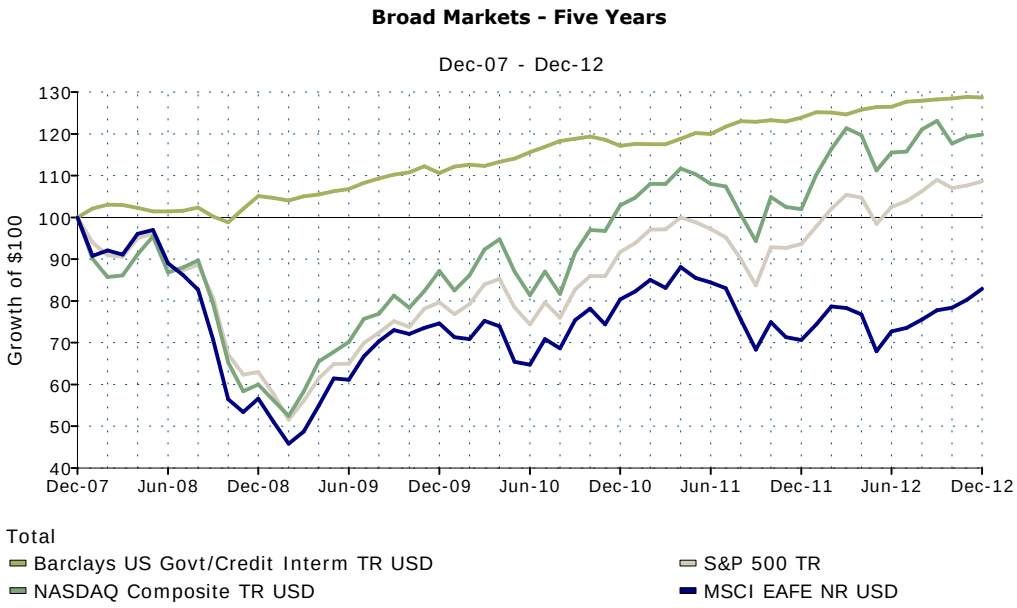


Index	3 Months	1 Year	3 Years	5 Years
BofAML US Treasury Bill 3 Mon	0.04	0.11	0.11	0.52
Barclays US Govt 1-3 Yr TR USD	0.07	0.51	1.49	2.49
Barclays US Govt/Credit Interm TR USD	0.35	3.89	5.19	5.18
Barclays US Government Long TR USD	-0.71	3.78	13.62	9.58
Barclays US Long Credit TR USD	1.25	12.73	13.48	10.40
Barclays US Corporate High Yield TR USD	3.29	15.81	11.86	10.34
DJ Industrial Average TR USD	-1.74	10.24	10.87	2.62
S&P 500 TR	-0.38	16.00	10.87	1.66
NASDAQ 100 TR USD	-4.50	18.35	13.80	5.89
NASDAQ Composite TR USD	-2.65	17.45	11.19	3.68
Russell 1000 Value TR USD	1.52	17.51	10.86	0.59
Russell 1000 TR USD	0.12	16.42	11.12	1.92
Russell 1000 Growth TR USD	-1.32	15.26	11.35	3.12
Russell 2000 Value TR USD	3.22	18.05	11.57	3.55
Russell 2000 TR USD	1.85	16.35	12.25	3.56
Russell 2000 Growth TR USD	0.45	14.59	12.82	3.49
FTSE NAREIT All REITs TR	2.19	20.14	18.03	5.60
MSCI EAFE NR USD	6.57	17.32	3.56	-3.69
MSCI EAFE Small Cap NR USD	6.01	20.00	7.17	-0.86
MSCI EM NR USD	5.58	18.22	4.66	-0.92

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Broad Market Commentary - 4th Quarter 2012



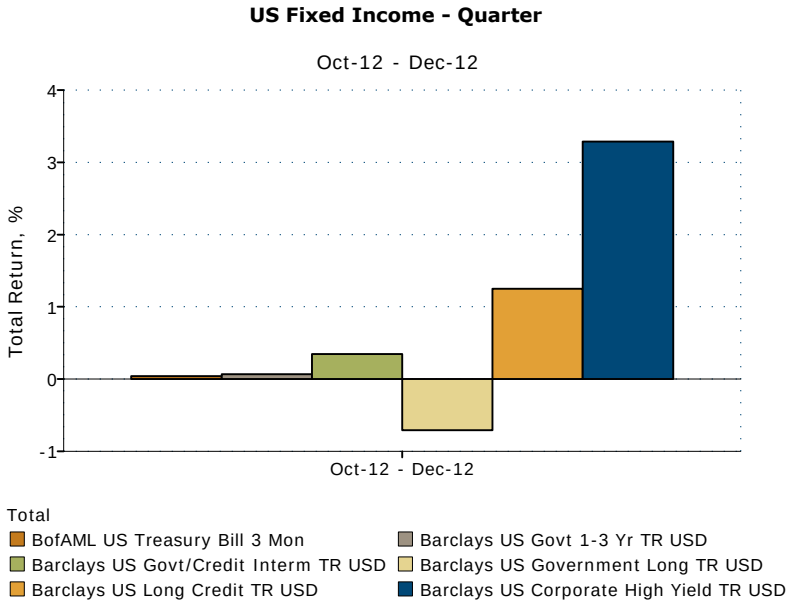


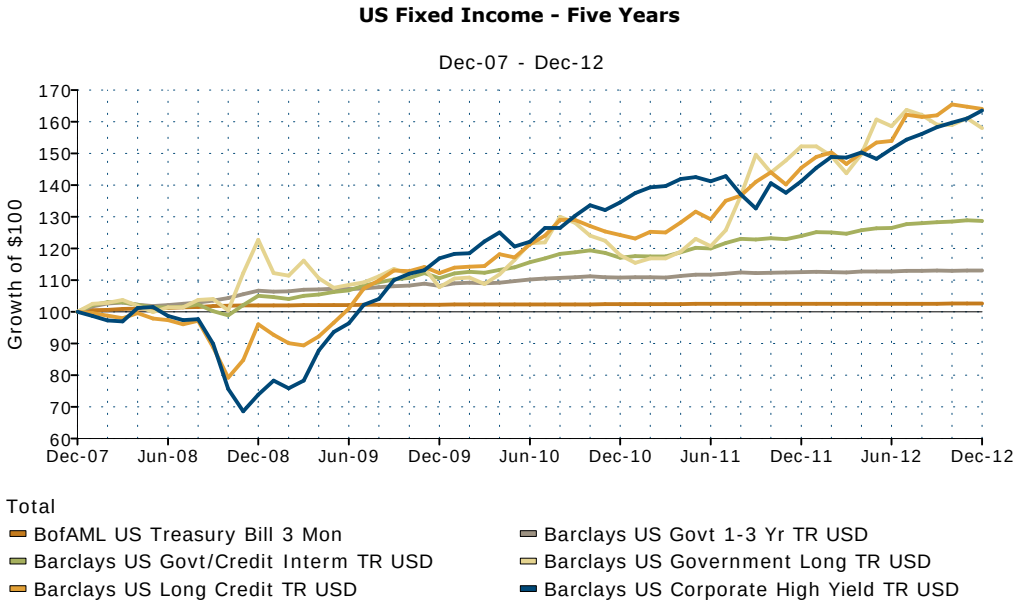
Market Commentary

- The U.S. stock market was mixed on concerns about the presidential election, the “fiscal cliff” of automatic spending cuts and tax increases, and the resulting impact on the U.S. economy.
- The international equity markets made substantial gains as investors became more confident in the European Central Bank's ability to address the European debt crisis and China's economy regained momentum.
- The Federal Reserve Bank announced its intentions to increase its securities purchases (“QE3”) and keep short-term interest rates low until unemployment falls below 6.5% -- the first time it has tied rates to an economic milestone.
- As the quarter ended, mutual fund investors increased their holdings in bonds and decreased their holdings in stocks. For the quarter, bond funds had net inflows of $68.2 billion, while stock funds had net outflows of $64.1 billion. Total money market mutual fund assets increased by $91.1 billion to $2.667 trillion.
- The unemployment rate was unchanged at 7.8%, as total employment increased by 453,000 jobs.
- The price of oil was unchanged at $92 per barrel.
- For the three months ending December 31, 2012, annualized seasonally adjusted CPI – U was -0.7%. Falling prices for gasoline drove the decrease.

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US Fixed Income Market Commentary - 4th Quarter 2012



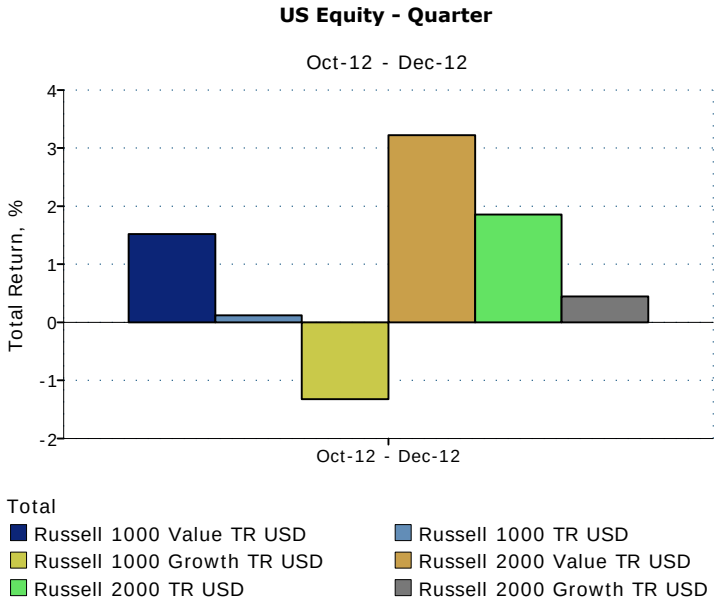


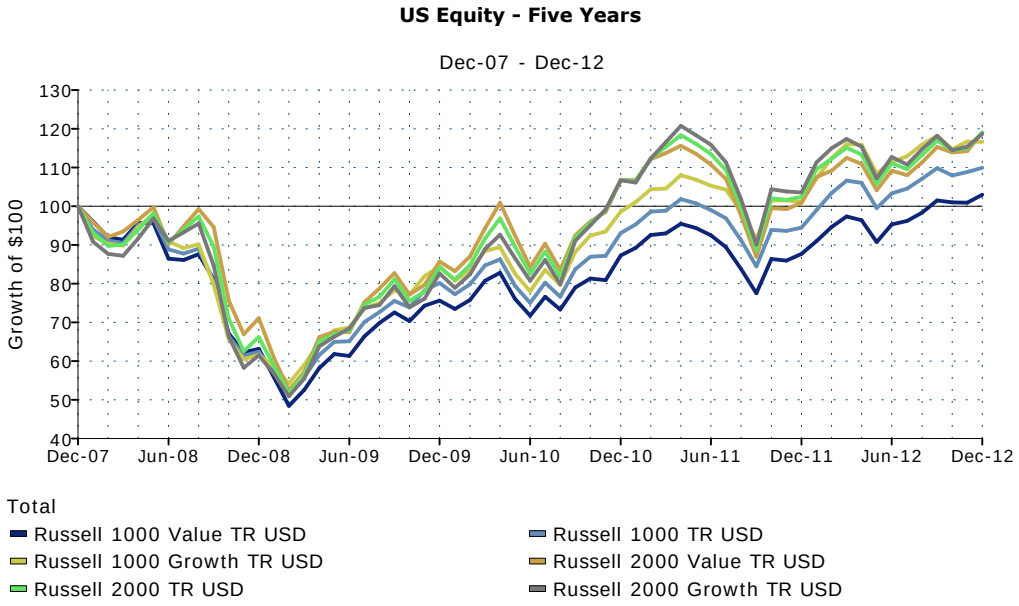
US Bond Market

- The broad fixed income market rose 0.21% in the 4th quarter, as the coupon return of 0.81% more than offset the negative impact from a 0.13% rise in interest rates.
- The short end of the yield curve remained unchanged as the Fed maintained its near-zero interest rate policy.
- Interest rates increased slightly from the 2- to the 30-year Treasury rates.
- Emerging market bonds and high-yield bonds were the best performing sectors this quarter, up 3.29%, as investors favored bonds with higher yields.
- Long-term corporate bonds were up 0.03%, as corporate credit spreads tightened sharply in response to strong demand from investors.
- Long-term government bonds were the worst performing sector this quarter, down 0.94%, on lower demand for safe-haven assets.
- 91-Day T-Bill returned 0.04% in the fourth quarter as compared with 0.03% in the third quarter.

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US Equity Market Commentary - 4th Quarter 2012



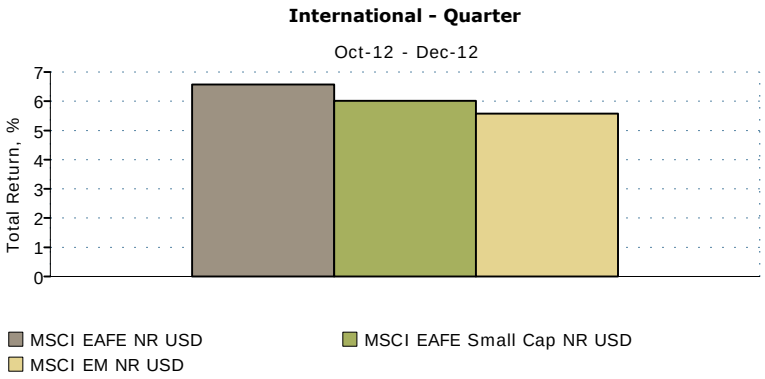


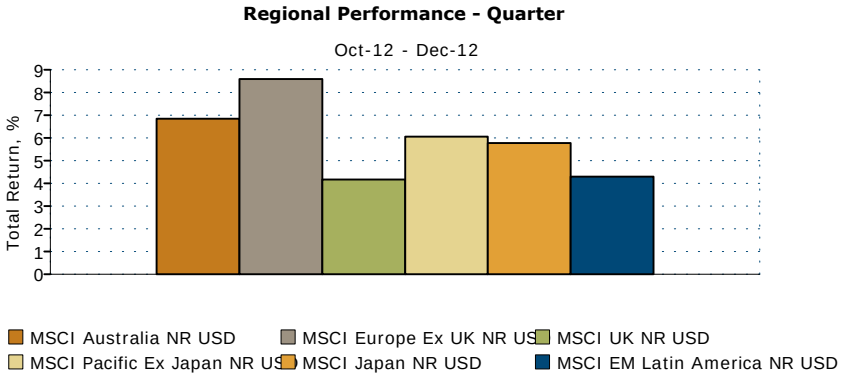
US Stock Market

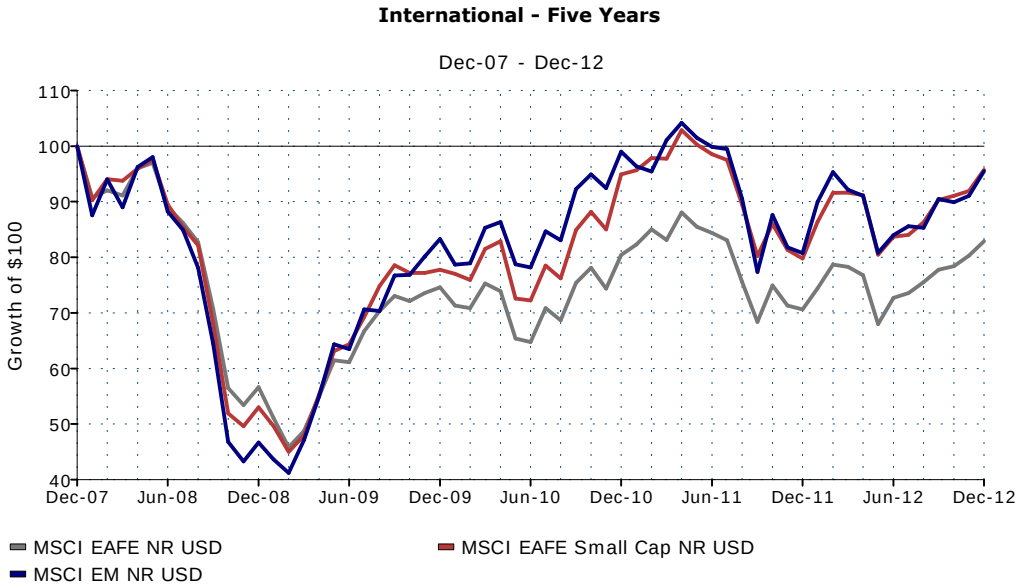
- The major domestic equity indices were mixed for the quarter. The small-cap Russell 2000 Value Index had the best return, up 3.2%.
- Small-cap stocks outperformed large-caps, up 1.9% vs. 0.1%.
- In comparing styles, value stocks did better than growth stocks.
- In a reversal from last quarter, REITs rose 2.31%, due to limited new supply, improving demand, and a low cost of capital. The best performing sectors were industrials and regional malls.
- Financials were the best performing sector, up 5.12%, on continued monetary stimulus by the Fed, an improving housing market, and capital levels that appear to be adequate.
- Telecommunication services were the worst performing sector, down 5.56%, as AT&T reported an unexpectedly large decline in subscriber growth.

Milliman | Quarterly Investment Monitor

International Market Commentary - 4th Quarter 2012







International Markets

- The dollar was down against the euro and pound, but up strongly against the yen.
- For the quarter, the EAFE Index was up 6.57% and Emerging Markets were up 5.58%. Local currency returns for the EAFE Index and Emerging Markets were 7.52% and 5.33%, respectively.
- Among the major international regions, Chinese stocks had the highest return (+12.43%), helped by a more positive economic outlook for China.
- Stocks in Europe (except for the U.K.) also rose substantially (+8.62%), as the European Central Bank provided stimulus and guided recovery efforts in debt-ridden countries.
- Small-cap stocks, up 6.0%, underperformed large-cap stocks, up 6.6%.

Performance Summary

Asset Allocation

	Balances As of 12/31/2012	Percent As of 12/31/2012	Balances As of 09/30/2012	Percent As of 09/30/2012	Notes
Wells Fargo Advantage Treas Plus MMkt I	$775,587	3.15%	$1,236,910	4.95%	PISXX
Vanguard Short-Term Bond Index Signal	$489,894	1.99%	$4,991,073	19.98%	VBSSX
Vanguard Inflation-Protected Secs I	$502,252	2.04%	$0	0.00%	VIPIX
Vanguard Interm-Term Bond Index Signal	$3,196,866	12.99%	$2,514,380	10.07%	VIBSX
Vanguard Long-Term Bond Index I	$2,345,184	9.53%	$0	0.00%	VBLLX
PIMCO Long Duration Total Return Instl	$2,334,775	9.49%	$0	0.00%	PLRIX
Vanguard Equity-Income Adm	$2,420,770	9.84%	$3,406,491	13.64%	VEIRX
Vanguard Morgan Growth Adm	$1,337,394	5.43%	$1,787,199	7.16%	VMRAX
Vanguard PRIMECAP Inv	$1,331,608	5.41%	$1,528,098	6.12%	VPMCX
Vanguard Mid-Cap Value Index Admiral	$1,220,479	4.96%	$2,110,913	8.45%	VMVAX
DFA US Targeted Value I	$0	0.00%	$1,247,252	4.99%	DFFVX
Target Small Capitalization Value T	$1,223,367	4.97%	$0	0.00%	TASVX
DFA International Value I	$0	0.00%	$1,649,258	6.60%	DFIVX
American Funds New Perspective R6	$1,220,696	4.96%	$2,254,886	9.03%	RNPGX
Harding Loevner Global Equity Inst	$1,212,771	4.93%	$2,250,581	9.01%	HLMVX
Vanguard Emerging Mkts Stock Idx I	$3,757,301	15.27%	$0	0.00%	VEMIX
Vanguard REIT Index I	$1,242,209	5.05%	$0	0.00%	VGSNX
Plan Total	**$24,611,153**		**$24,977,041**		

Investment Policy Review - Active Management

Fund Name	Return Rank 3Y	Return Rank 5Y	Excess Return 3Y	Excess Return 5Y	Relative StdDev 3Y	Relative StdDev 5Y	Alpha Rank 3Y	Sharpe Rank 3Y	Alpha Rank 5Y	Sharpe Rank 5Y
Vanguard Inflation-Protected Secs I	31	34	-0.08	-0.22	1.01	1.01	55	46	46	31
PIMCO Long Duration Total Return Instl	31	13	-0.21	1.46	0.93	0.97	81	56	63	25
Vanguard Equity-Income Adm	2	8	2.61	3.37	0.82	0.84	2	2	8	8
Vanguard Morgan Growth Adm	34	49	-1.16	-2.04	1.18	1.14	47	44	51	48
Vanguard PRIMECAP Inv	68	19	-2.83	-0.37	1.06	1.06	56	58	20	20
Target Small Capitalization Value T	52	19	-2.09	0.10	0.92	0.90	27	29	18	17
American Funds New Perspective R6	27	19	1.68	2.85	0.95	0.92	34	27	20	20
Harding Loevner Global Equity Inst	36	21	0.96	2.65	0.96	0.94	41	40	21	21

Definitions

Return Rank - Fund's category percentile return rank, a value less than 50 (1 is the best and 100 is the worst) implies the fund is beating more than 50% of its peer group.

Excess Return - Fund's excess return over its benchmark, a value greater than 0 implies the fund's return is higher than its benchmark.

Relative StdDev - Fund's standard deviation relative to its benchmark, a value less than 1 implies the fund's standard deviation is lower than its benchmark.

Alpha Rank - Fund's category percentile Alpha rank, a value less than 50 (1 is the best and 100 is the worst) implies the fund is beating more than 50% of its peer group.

Sharpe Rank - Fund's category percentile Sharpe Ratio rank, a value less than 50 (1 is the best and 100 is the worst) implies the fund is beating more than 50% of its peer group.

Investment Policy Review - Passive Management

Fund Name	Excess Return 3Y	Excess Return 5Y	Beta 3Y	Tracking Error 3Y	Beta 5Y	Tracking Error 5Y	Expense Ratio
Vanguard Short-Term Bond Index Signal	1.17	0.92	1.79	0.73	1.51	0.89	0.11
Vanguard Interm-Term Bond Index Signal	-0.06	0.03	1.02	0.35	1.02	0.43	0.11
Vanguard Long-Term Bond Index I	-0.06	0.03	1.04	0.94	1.02	0.83	0.07
Vanguard Mid-Cap Value Index Admiral	-0.59	1.05	0.93	2.60	0.98	4.28	0.10
Vanguard Emerging Mkts Stock Idx I	0.17	0.10	1.01	3.06	1.01	3.34	0.13
Vanguard REIT Index I	1.32	2.00	1.00	0.20	0.99	0.55	0.08

Definitions

Excess Return - Fund's excess return over its benchmark, a value greater than 0 implies the fund's return is higher than its benchmark.

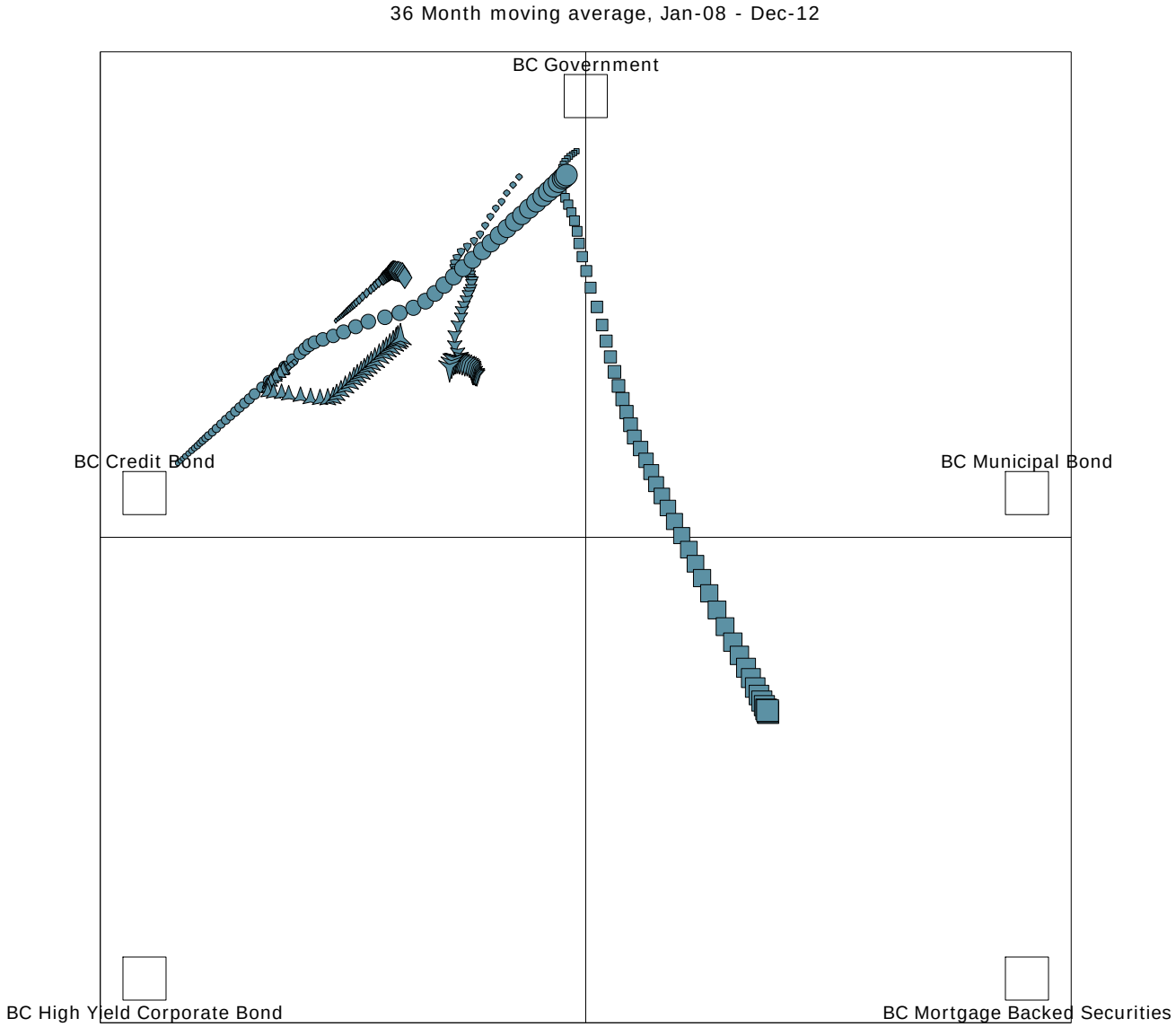
Beta - Fund's Beta or sensitivity to movements compared to its benchmark, a value of 1 implies its moving in sync with its benchmark.

Tracking Error - Fund's Tracking Error versus its benchmark, a value of 0 implies the Fund's ups and downs are the same size as its benchmark.

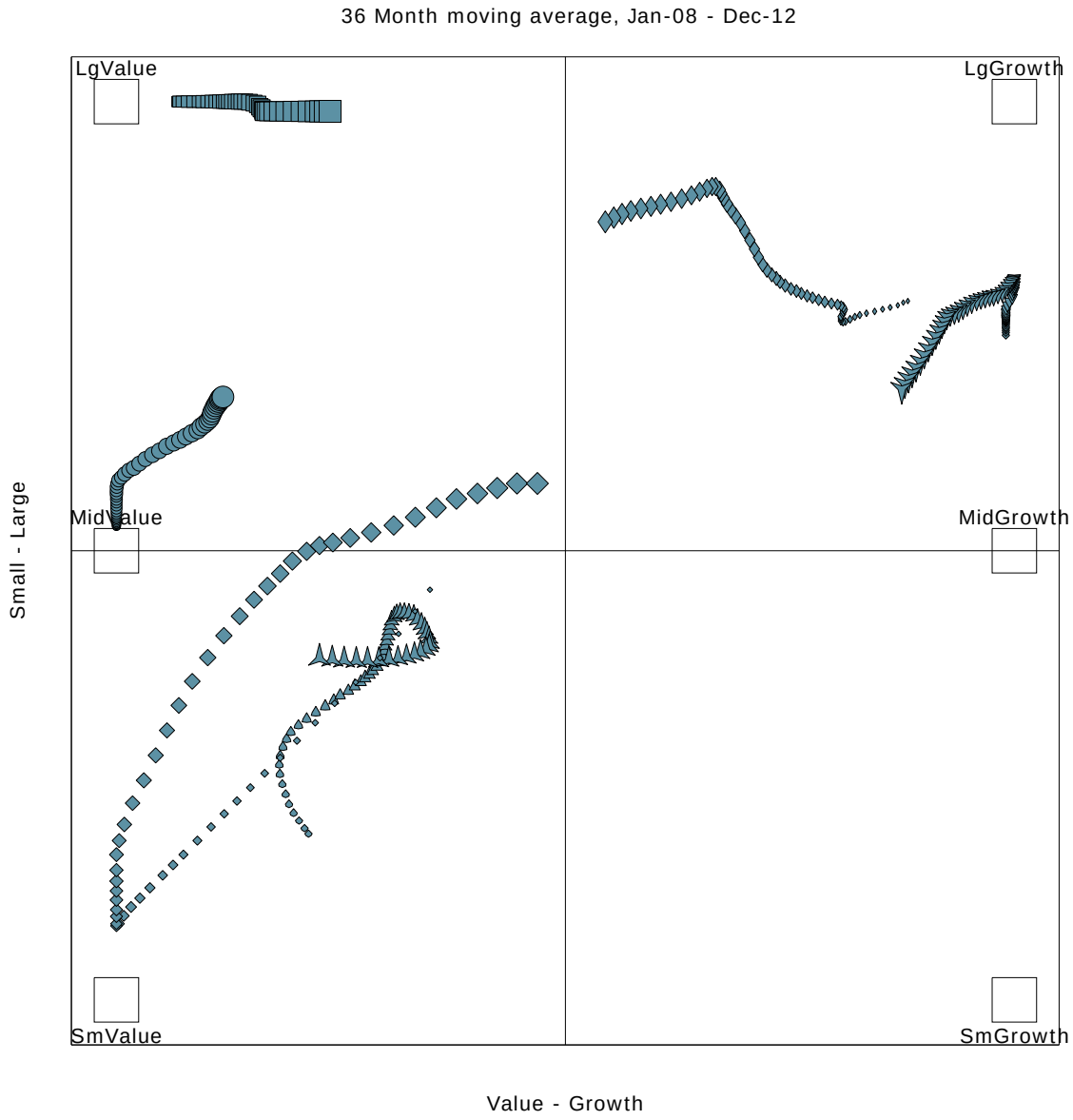
Investment Option Return Summary

Asset Class	Fund Name	3 Months	YTD	1 Year	3 Years	5 Years	10 Years	Ticker	Mstar Rating	Expense Ratio
Taxable Money Market	Wells Fargo Advantage Treas Plus MMkt I	0.00	0.01	0.01	0.01	0.32	1.61	PISXX	NA	0.20
	BofA ML 3-month T-bill total return Index	*0.04*	*0.11*	*0.11*	*0.11*	*0.52*	*1.78*	*N/A*	*NA*	*NA*
Short-term Bond	Vanguard Short-Term Bond Index Signal	0.15	2.05	2.05	3.05	3.80	3.67	VBSSX	3.00	0.11
	Barclays US Govt/Credit 1-3 Yr TR USD	*0.15*	*1.26*	*1.26*	*1.88*	*2.88*	*3.13*	*N/A*	*NA*	*NA*
Inflation-Protected Bond	Vanguard Inflation-Protected Secs I	0.57	6.87	6.87	8.82	6.81	6.50	VIPIX	4.00	0.07
	Barclays US Treasury US TIPS TR USD	*0.69*	*6.98*	*6.98*	*8.90*	*7.04*	*6.65*	*N/A*	*NA*	*NA*
Intermediate-term Bond	Vanguard Interm-Term Bond Index Signal	0.46	7.02	7.02	9.07	7.81	6.30	VIBSX	5.00	0.11
	Barclays US Govt/Credit 5-10 Yr TR USD	*0.65*	*7.21*	*7.21*	*9.13*	*7.78*	*6.31*	*N/A*	*NA*	*NA*
Long-term Bond	Vanguard Long-Term Bond Index I	0.11	8.55	8.55	13.58	10.19	7.93	VBLLX	3.00	0.07
Long-term Bond	PIMCO Long Duration Total Return Instl	0.44	10.28	10.28	13.44	11.62	NA	PLRIX	4.00	0.50
	BC Long Government/Credit	*0.45*	*8.78*	*8.78*	*13.65*	*10.16*	*7.96*	*N/A*	*NA*	*NA*
Large Value	Vanguard Equity-Income Adm	0.14	13.58	13.58	13.07	3.22	8.26	VEIRX	5.00	0.22
	S&P 500 Value	*1.64*	*17.68*	*17.68*	*10.47*	*(0.15)*	*7.14*	*N/A*	*NA*	*NA*
Large Growth	Vanguard Morgan Growth Adm	(0.95)	15.25	15.25	10.17	1.35	7.94	VMRAX	4.00	0.30
Large Growth	Vanguard PRIMECAP Inv	2.56	15.27	15.27	8.50	3.03	9.90	VPMCX	4.00	0.45
	S&P 500 Growth	*(2.04)*	*14.61*	*14.61*	*11.33*	*3.39*	*7.00*	*N/A*	*NA*	*NA*
Mid-Cap Value	Vanguard Mid-Cap Value Index Admiral	3.56	16.02	16.02	12.10	4.23	NA	VMVAX	3.00	0.10
	MSCI US Mid Cap 450 Index USD	*2.84*	*16.04*	*16.04*	*12.68*	*3.19*	*10.43*	*N/A*	*NA*	*NA*
Small Value	Target Small Capitalization Value T	3.75	14.14	14.14	11.98	5.24	11.86	TASVX	4.00	0.71
	S&P 600 Index	*2.22*	*16.33*	*16.33*	*14.07*	*5.14*	*10.45*	*N/A*	*NA*	*NA*
World Stock	American Funds New Perspective R6	4.21	21.19	21.19	8.30	1.69	10.16	RNPGX	4.00	0.46
World Stock	Harding Loevner Global Equity Inst	1.07	17.42	17.42	7.58	1.49	9.32	HLMVX	3.00	0.95
	MSCI AC World Index ND USD	*2.88*	*16.13*	*16.13*	*6.63*	*(1.16)*	*8.11*	*N/A*	*NA*	*NA*
Diversified Emerging Mkts	Vanguard Emerging Mkts Stock Idx I	6.84	18.90	18.90	4.83	(0.81)	16.41	VEMIX	3.00	0.13
	MSCI EM NR USD	*5.58*	*18.22*	*18.22*	*4.66*	*(0.92)*	*16.52*	*N/A*	*NA*	*NA*
Real Estate	Vanguard REIT Index I	2.50	17.65	17.65	18.03	6.11	11.71	VGSNX	3.00	0.08
	MSCI US REIT NR USD	*2.17*	*16.47*	*16.47*	*16.70*	*4.11*	*NA*	*N/A*	*NA*	*NA*
Total Plan	CIVILIAN-GROSS RETURN	1.39	9.66	9.66	7.24	3.34	NA	N/A	NA	NA
Total Plan	CIVILIAN-NET RETURN	1.32	9.27	9.27	6.81	2.90	NA	N/A	NA	NA
	Employee Plan Policy Index	*1.16*	*12.22*	*12.22*	*8.38*	*2.84*	*7.03*	*N/A*	*NA*	*NA*

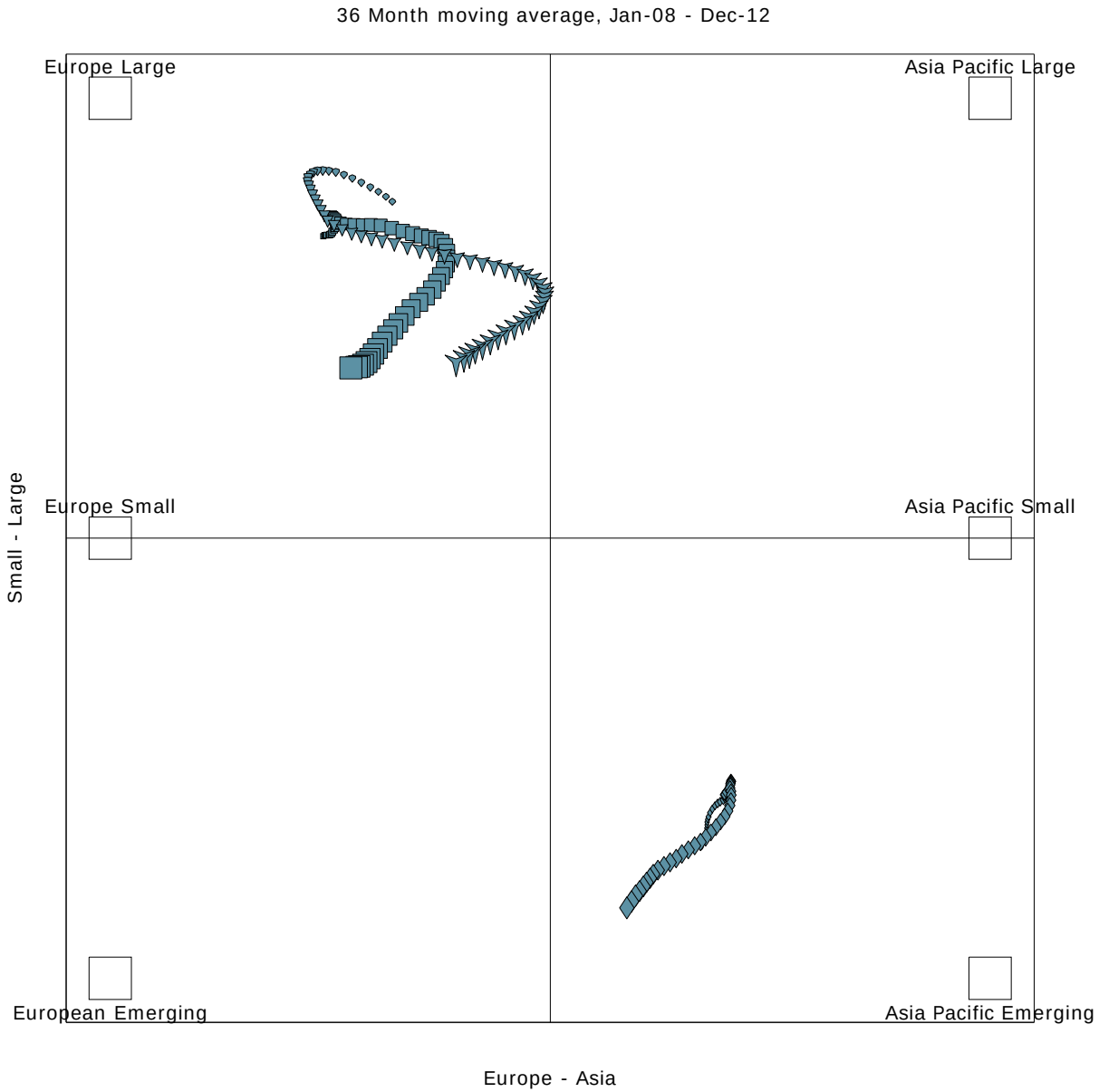
U.S. Fixed Income Style Map



U.S. Equity Style Map



International Equity Style Map

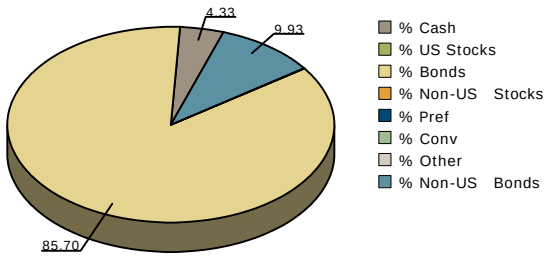


Core Fund Review

Milliman | Quarterly Investment Monitor

Data as of 12/31/2012

Vanguard Short-Term Bond Index Signal



Portfolio Region	
% United States	NA
% Canada	NA
% Latin America	NA
% United Kingdom	NA
% Eurozone	NA
% Europe - ex Euro	NA
% Europe - Emerging	NA
% Africa	NA
% Middle East	NA
% Japan	NA
% Australasia	NA
% Asia - Developed	NA
% Asia - Emerging	NA

Portfolio Structure	
% Cash	4.33
% US Stocks	0.00
% Bonds	85.70
% Non-US Stocks	0.00
% Pref	0.04
% Conv	0.00
% Other	0.00
% Non-US Bonds	9.93

Sector Allocation	
% Basic Materials	NA
% Communication Services	NA
% Consumer Cyclical	NA
% Consumer Defensive	NA
% Healthcare	NA
% Industrials	NA
% Real Estate	NA
% Technology	NA
% Energy	NA
% Financial Services	NA
% Utilities	NA

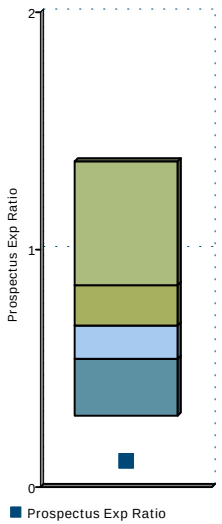
Credit Quality	
Avg Eff Duration	2.69
Effective Maturity	2.80
Avg Credit Quality	AA
US Govt/ Agency	NA
AAA	74.95
AA	6.08
A	11.10
BBB	7.87
BB	0.00
B	0.00
Below B	0.00
NR/NA	0.00

Top Ten Holdings	
US Treasury Note 0.625%	1.98%
US Treasury Note 2.5%	1.58%
US Treasury Note 2.625%	1.57%
US Treasury Note 1%	1.56%
US Treasury Note 0.875%	1.48%
US Treasury Note 1.75%	1.42%
US Treasury Note 2.375%	1.38%
US Treasury Note 0.25%	1.33%
US Treasury Note 0.25%	1.27%
US Treasury Note 0.625%	1.24%

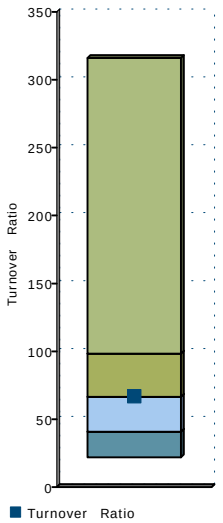
Portfolio Information	
Ticker	VBSSX
Morningstar Category	Short-term Bond
Avg Mkt Cap $MM	NA
Cat Med Mkt Cap $MM	9418.10
Net Assets $MM	26204.17
Turnover Ratio	67.00
% Assets in Top 10 Holdings	14.81
Total Number of Holdings	1468.00
Manager Name	Gregory Davis
Manager Tenure	7.92
Fund Incept Date	03/01/1994
Prospectus Exp Ratio	0.11
Phone Number	800-662-7447
Closed to New Investors	No

Portfolio Ratings	
Mstar Rating	★★★
3 Year Mstar Rating	★★★
% Rank Cat 3 Yr	49
5 Year Mstar Rating	★★★
% Rank Cat 5 Yr	32
10 Year Mstar Rating	★★★★
% Rank Cat 10 Yr	29

Expense Ratio vs. Peer Group



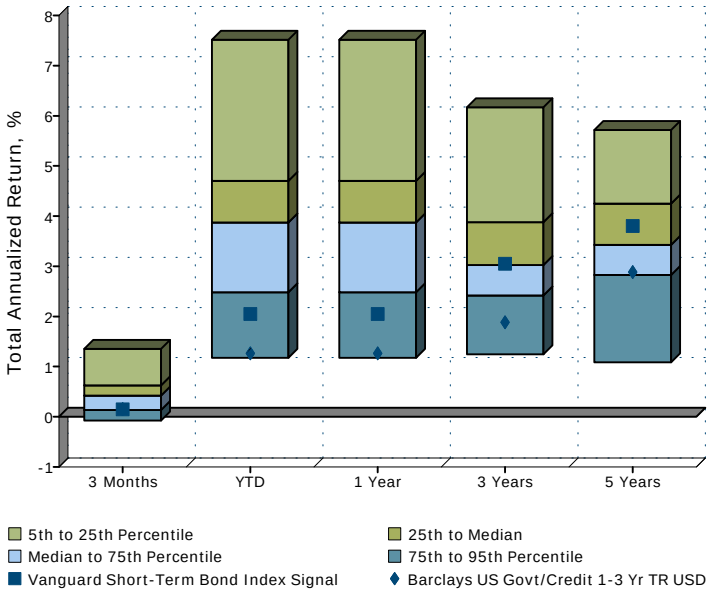
Turnover Ratio vs. Peer Group



Investment Strategy Summary

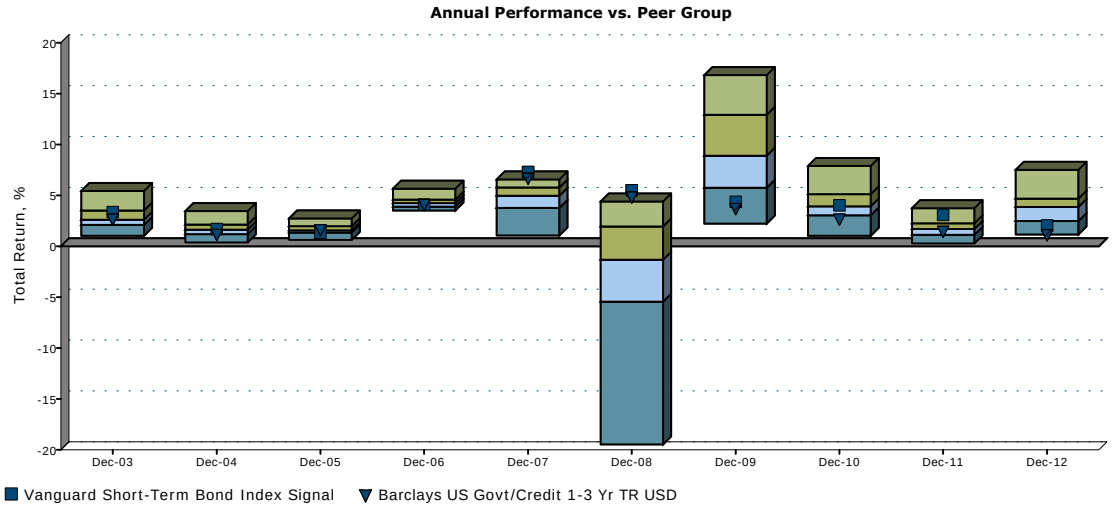
The investment seeks to track the performance of a market-weighted bond index with a short-term dollar-weighted average maturity. The fund employs an indexing investment approach designed to track the performance of the Barclays Capital U.S. 1-5 Year Government/Credit Float Adjusted Index. It invests by sampling the index. The fund invests at least 80% of assets in bonds held in the index. It maintains a dollar-weighted average maturity consistent with that of the index, which generally does not exceed 3 years.

Performance vs. Peer Group

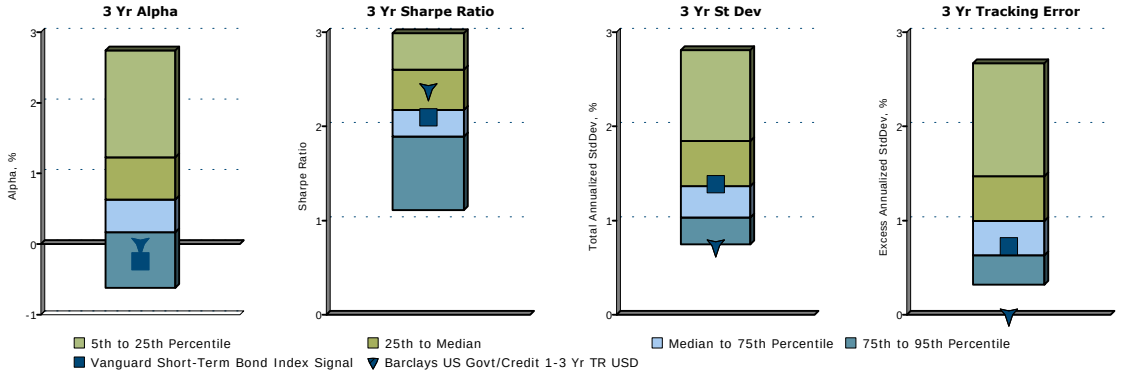


Performance	3 Months	Year to Date	1 Year	3 Years	5 Years
Vanguard Short-Term Bond Index Signal	0.15	2.05	2.05	3.05	3.80
Barclays US Govt/Credit 1-3 Yr TR USD	0.15	1.26	1.26	1.88	2.88
Universe(5%)	1.35	7.52	7.52	6.17	5.72
Universe(25%)	0.63	4.70	4.70	3.88	4.25
Universe(Median)	0.42	3.87	3.87	3.02	3.43
Universe(75%)	0.13	2.48	2.48	2.42	2.83
Universe(95%)	-0.08	1.17	1.17	1.24	1.08

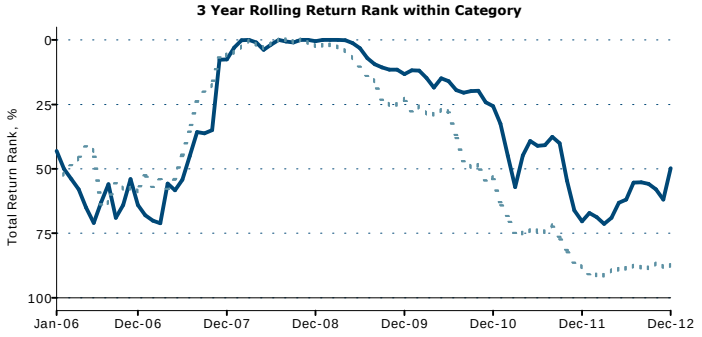
Vanguard Short-Term Bond Index Signal

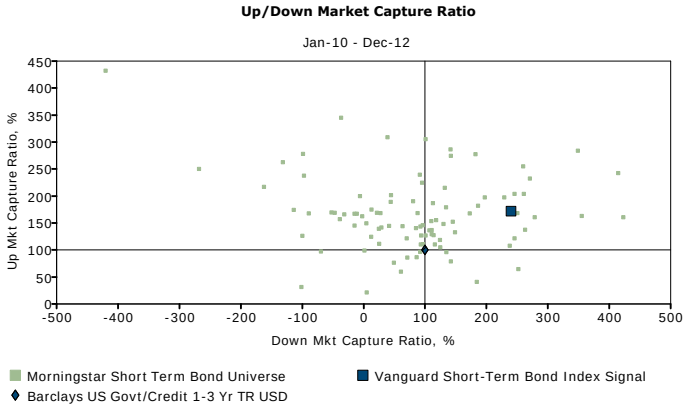


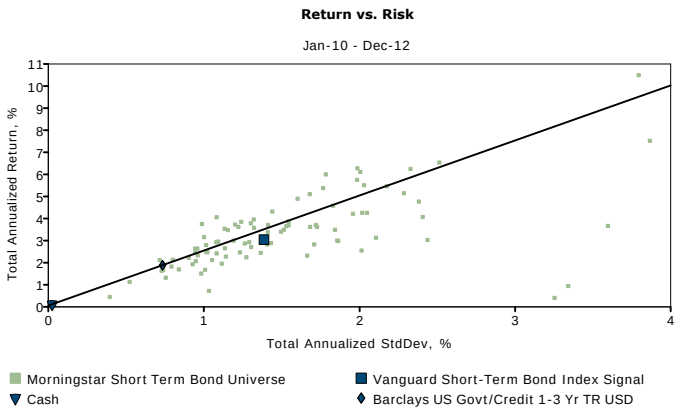
Annual Return %	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Vanguard Short-Term Bond Index Signal	3.37	1.70	1.31	4.09	7.28	5.51	4.38	4.03	3.08	2.05
Barclays US Govt/Credit 1-3 Yr TR USD	2.81	1.30	1.77	4.25	6.83	4.97	3.83	2.80	1.59	1.26



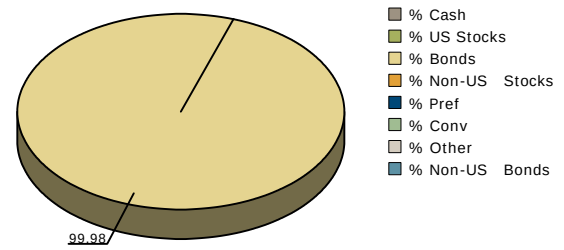
MPT Statistics	3 Yr Alpha	3 Yr Beta	3 Yr R-Squared	3 Yr Sharpe Ratio	3 Yr St Dev	3 Yr Tracking Error
Vanguard Short-Term Bond Index Signal	-0.24	1.79	90.08	2.10	1.39	0.73
Barclays US Govt/Credit 1-3 Yr TR USD	0.00	1.00	100.00	2.39	0.73	0.00
Universe(5%)	2.74	2.26	89.65	2.99	2.81	2.67
Universe(25%)	1.23	1.72	74.64	2.60	1.84	1.47
Universe(Median)	0.63	1.30	57.73	2.18	1.37	0.99
Universe(75%)	0.17	1.10	39.55	1.89	1.03	0.63
Universe(95%)	-0.62	0.75	11.96	1.11	0.75	0.32







Vanguard Inflation-Protected Secs I



Portfolio Region	
% United States	NA
% Canada	NA
% Latin America	NA
% United Kingdom	NA
% Eurozone	NA
% Europe - ex Euro	NA
% Europe - Emerging	NA
% Africa	NA
% Middle East	NA
% Japan	NA
% Australasia	NA
% Asia - Developed	NA
% Asia - Emerging	NA

Portfolio Structure	
% Cash	0.02
% US Stocks	0.00
% Bonds	99.98
% Non-US Stocks	0.00
% Pref	0.00
% Conv	0.00
% Other	0.00
% Non-US Bonds	0.00

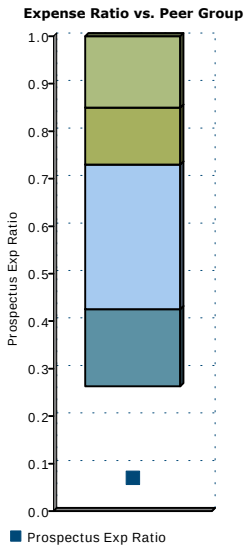
Sector Allocation	
% Basic Materials	NA
% Communication Services	NA
% Consumer Cyclical	NA
% Consumer Defensive	NA
% Healthcare	NA
% Industrials	NA
% Real Estate	NA
% Technology	NA
% Energy	NA
% Financial Services	NA
% Utilities	NA

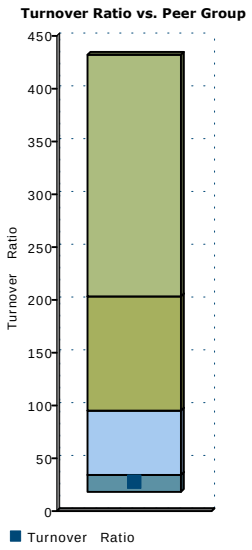
Credit Quality	
Avg Eff Duration	8.50
Effective Maturity	9.40
Avg Credit Quality	Government
US Govt/ Agency	NA
AAA	99.99
AA	0.01
A	0.00
BBB	0.00
BB	0.00
B	0.00
Below B	0.00
NR/NA	0.00

Top Ten Holdings	
US Treasury Note 1.125%	5.49%
US Treasury Note 0.125%	5.34%
US Treasury Note	5.33%
US Treasury Note	5.21%
US Treasury Note	4.55%
US Treasury Bond 3.875%	4.53%
US Treasury Note 1.25%	4.09%
US Treasury Bond 2.375%	3.97%
US Treasury Note	3.91%
US Treasury Note 2%	3.69%

Portfolio Information	
Ticker	VIPIX
Morningstar Category	Inflation-Protected Bond
Avg Mkt Cap $MM	NA
Cat Med Mkt Cap $MM	13018.99
Net Assets $MM	44577.78
Turnover Ratio	28.00
% Assets in Top 10 Holdings	46.11
Total Number of Holdings	34.00
Manager Name	Gemma Wright-Casparius
Manager Tenure	1.37
Fund Incept Date	06/29/2000
Prospectus Exp Ratio	0.07
Phone Number	800-662-7447
Closed to New Investors	No

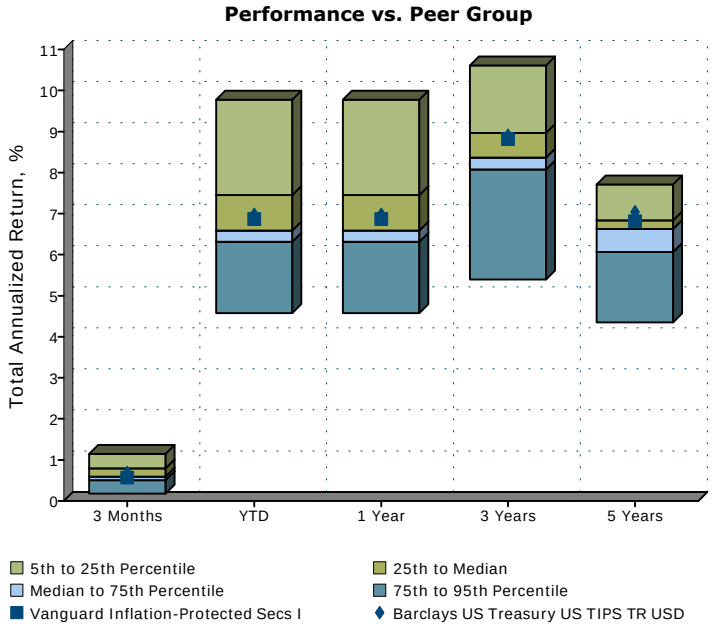
Portfolio Ratings	
Mstar Rating	★★★★
3 Year Mstar Rating	★★★★
% Rank Cat 3 Yr	16
5 Year Mstar Rating	★★★★
% Rank Cat 5 Yr	28
10 Year Mstar Rating	★★★★
% Rank Cat 10 Yr	21





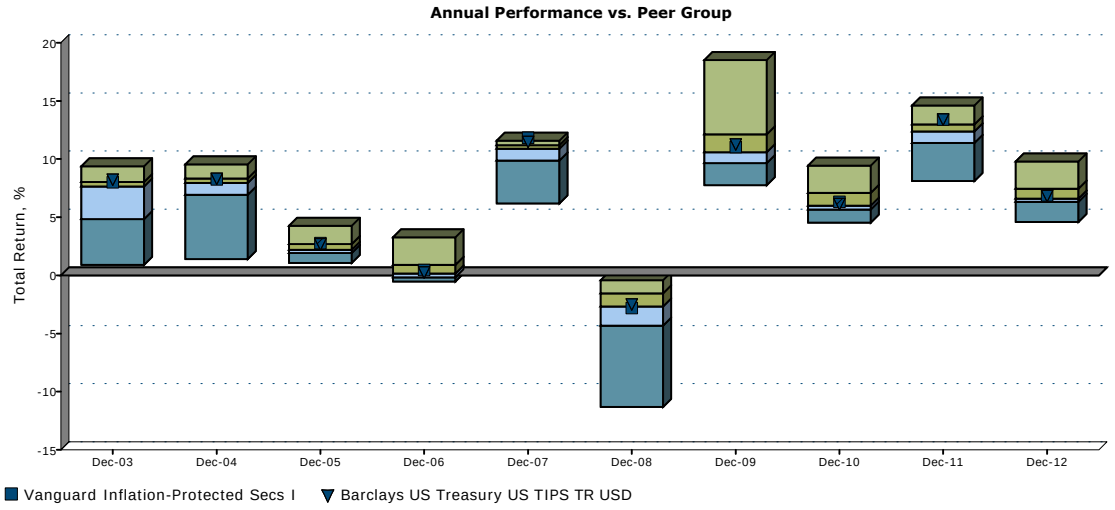
Investment Strategy Summary

The investment seeks to provide inflation protection and income consistent with investment in inflation-indexed securities. The fund invests at least 80% of its assets in inflation-indexed bonds issued by the U.S. government, its agencies and instrumentalities, and corporations. It may invest in bonds of any maturity; however, its dollar-weighted average maturity is expected to be in the range of 7 to 20 years. At a minimum, all bonds purchased by the fund will be rated "investment grade" or, if unrated, will be considered by the advisor to be investment grade.

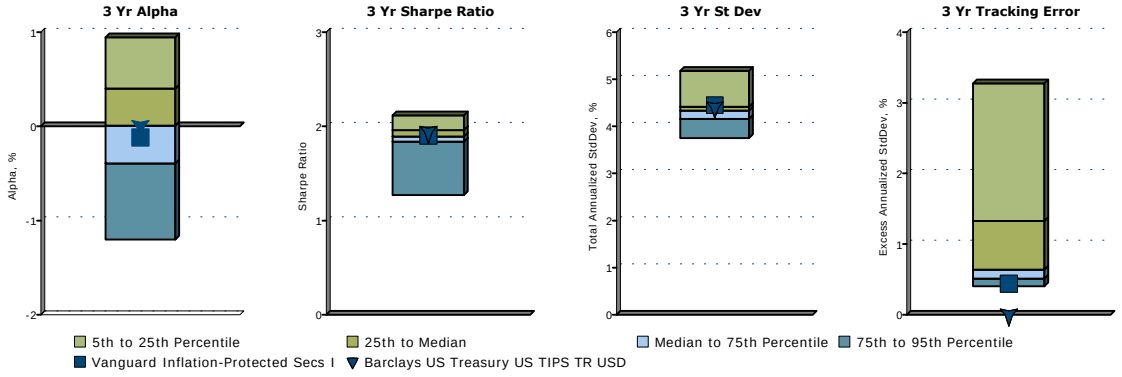


Performance	3 Months	Year to Date	1 Year	3 Years	5 Years
Vanguard Inflation-Protected Secs I	0.57	6.87	6.87	8.82	6.81
Barclays US Treasury US TIPS TR USD	0.69	6.98	6.98	8.90	7.04
Universe(5%)	1.15	9.78	9.78	10.61	7.71
Universe(25%)	0.79	7.45	7.45	8.96	6.84
Universe(Median)	0.59	6.59	6.59	8.36	6.63
Universe(75%)	0.51	6.31	6.31	8.08	6.06
Universe(95%)	0.18	4.58	4.58	5.39	4.35

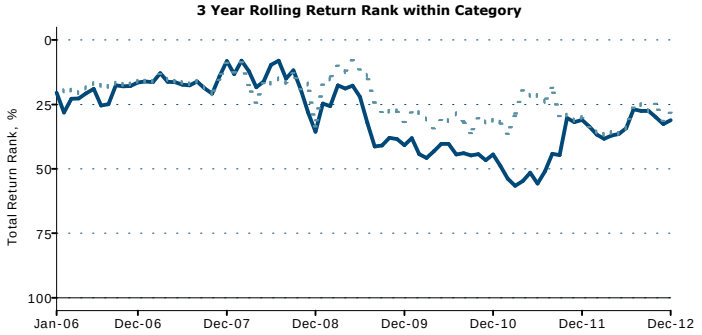
Vanguard Inflation-Protected Secs I

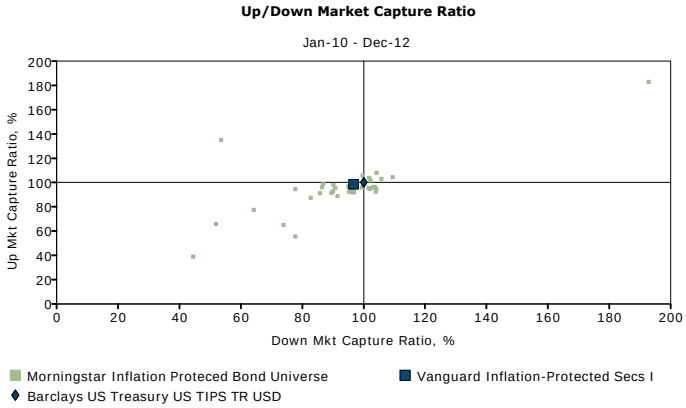


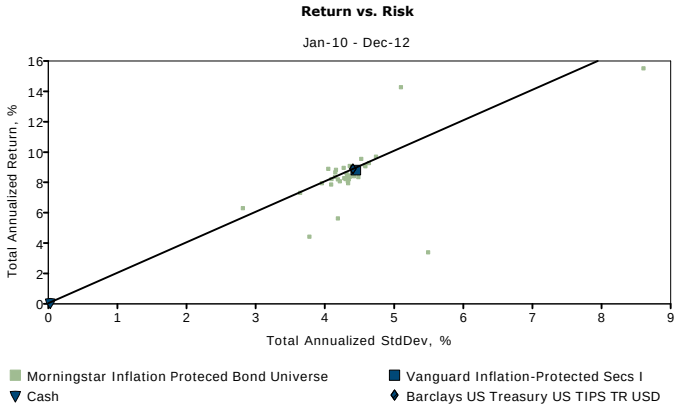
Annual Return %	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Vanguard Inflation-Protected Secs I	8.00	8.25	2.78	0.46	11.82	-2.81	11.03	6.33	13.39	6.87
Barclays US Treasury US TIPS TR USD	8.40	8.46	2.84	0.41	11.64	-2.35	11.41	6.31	13.56	6.98



MPT Statistics	3 Yr Alpha	3 Yr Beta	3 Yr R-Squared	3 Yr Sharpe Ratio	3 Yr St Dev	3 Yr Tracking Error
Vanguard Inflation-Protected Secs I	-0.12	1.01	99.03	1.90	4.45	0.44
Barclays US Treasury US TIPS TR USD	0.00	1.00	100.00	1.94	4.40	0.00
Universe(5%)	0.94	1.03	99.19	2.12	5.18	3.28
Universe(25%)	0.40	1.00	98.72	1.96	4.42	1.33
Universe(Median)	0.01	0.97	98.07	1.89	4.33	0.64
Universe(75%)	-0.39	0.92	91.88	1.84	4.16	0.51
Universe(95%)	-1.20	0.63	69.31	1.27	3.75	0.40



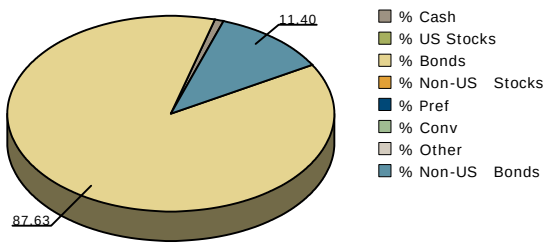




Milliman | Quarterly Investment Monitor

Data as of 12/31/2012

Vanguard Interm-Term Bond Index Signal



Portfolio Region	
% United States	NA
% Canada	NA
% Latin America	NA
% United Kingdom	NA
% Eurozone	NA
% Europe - ex Euro	NA
% Europe - Emerging	NA
% Africa	NA
% Middle East	NA
% Japan	NA
% Australasia	NA
% Asia - Developed	NA
% Asia - Emerging	NA

Portfolio Structure	
% Cash	0.97
% US Stocks	0.00
% Bonds	87.63
% Non-US Stocks	0.00
% Pref	0.00
% Conv	0.00
% Other	0.00
% Non-US Bonds	11.40

Sector Allocation	
% Basic Materials	NA
% Communication Services	NA
% Consumer Cyclical	NA
% Consumer Defensive	NA
% Healthcare	NA
% Industrials	NA
% Real Estate	NA
% Technology	NA
% Energy	NA
% Financial Services	NA
% Utilities	NA

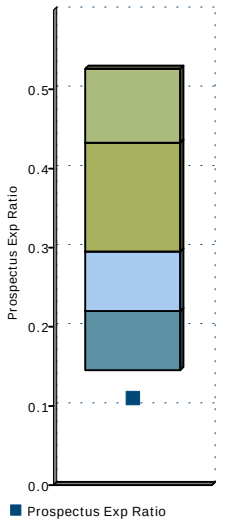
Credit Quality	
Avg Eff Duration	6.46
Effective Maturity	7.30
Avg Credit Quality	A
US Govt/ Agency	NA
AAA	53.14
AA	4.91
A	20.67
BBB	21.28
BB	0.00
B	0.00
Below B	0.00
NR/NA	0.00

Top Ten Holdings	
US Treasury Note 3.5%	3.17%
US Treasury Note 3.625%	3.10%
US Treasury Note 3.625%	2.92%
US Treasury Note 3.125%	2.76%
US Treasury Note 3.375%	2.47%
US Treasury Note 1.625%	2.36%
US Treasury Note 2.625%	2.34%
US Treasury Note 2%	2.21%
US Treasury Note 2.125%	2.14%
US Treasury Note 3.75%	2.04%

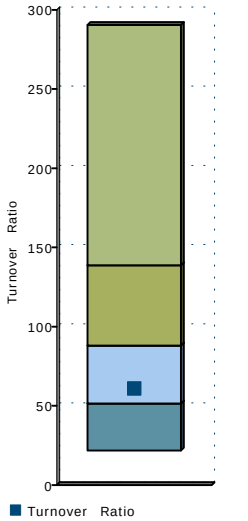
Portfolio Information	
Ticker	VIBSX
Morningstar Category	Intermediate-term Bond
Avg Mkt Cap $MM	NA
Cat Med Mkt Cap $MM	18030.59
Net Assets $MM	17226.63
Turnover Ratio	61.00
% Assets in Top 10 Holdings	25.50
Total Number of Holdings	1374.00
Manager Name	Joshua C. Barrickman
Manager Tenure	4.69
Fund Incept Date	03/01/1994
Prospectus Exp Ratio	0.11
Phone Number	800-662-7447
Closed to New Investors	No

Portfolio Ratings	
Mstar Rating	★★★★★
3 Year Mstar Rating	★★★★★
% Rank Cat 3 Yr	10
5 Year Mstar Rating	★★★★★
% Rank Cat 5 Yr	13
10 Year Mstar Rating	★★★★
% Rank Cat 10 Yr	14

Expense Ratio vs. Peer Group



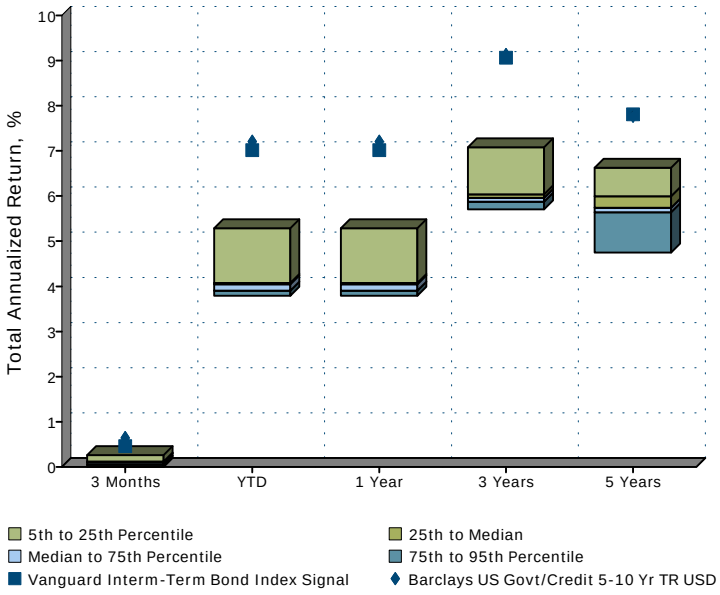
Turnover Ratio vs. Peer Group



Investment Strategy Summary

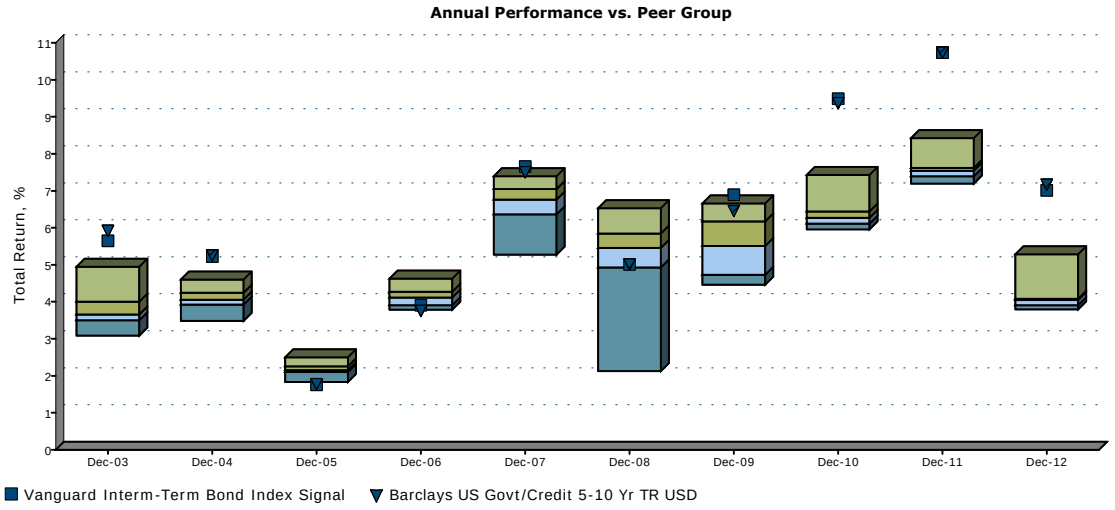
The investment seeks to track the performance of a market-weighted bond index with an intermediate-term dollar-weighted average maturity. The fund employs an indexing investment approach designed to track the performance of the Barclays U.S. 5-10 Year Government/Credit Float Adjusted Index. This index includes all medium and larger issues of U.S. government, investment-grade corporate, and investment-grade international dollar-denominated bonds that have maturities between 5 and 10 years and are publicly issued. All of its investments will be selected through the sampling process, and at least 80% of its assets will be invested in bonds held in the index.

Performance vs. Peer Group

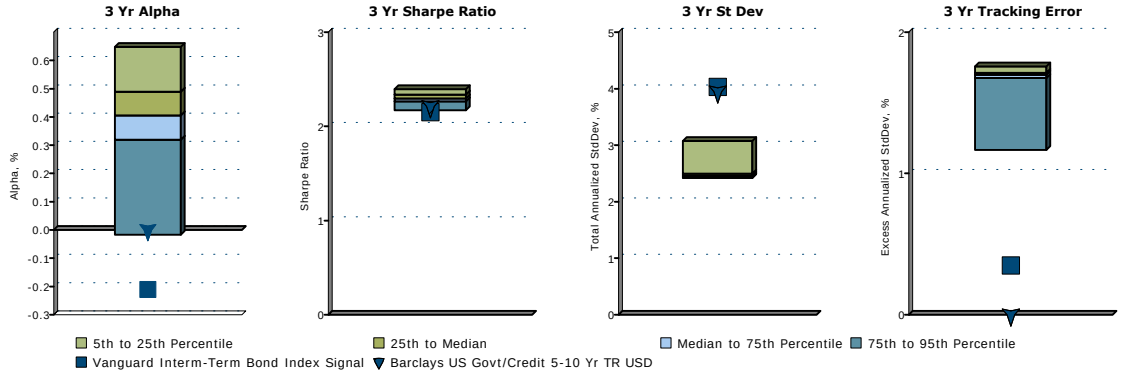


Performance	3 Months	Year to Date	1 Year	3 Years	5 Years
Vanguard Interm-Term Bond Index Signal	0.46	7.02	7.02	9.07	7.81
Barclays US Govt/Credit 5-10 Yr TR USD	0.65	7.21	7.21	9.13	7.78
Universe(5%)	0.26	5.28	5.28	7.08	6.62
Universe(25%)	0.12	4.08	4.08	6.04	6.00
Universe(Median)	0.10	4.05	4.05	5.96	5.74
Universe(75%)	0.05	3.91	3.91	5.87	5.64
Universe(95%)	0.00	3.79	3.79	5.71	4.75

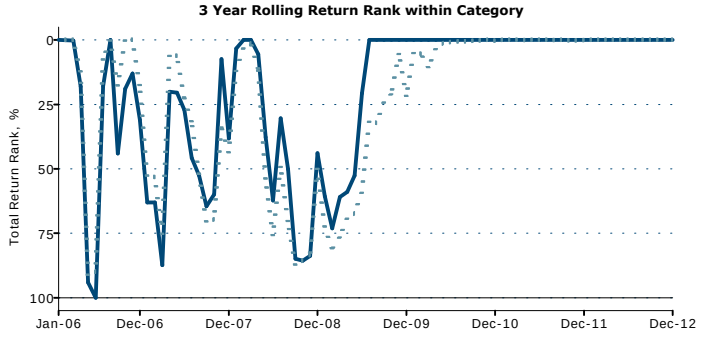
Vanguard Interm-Term Bond Index Signal

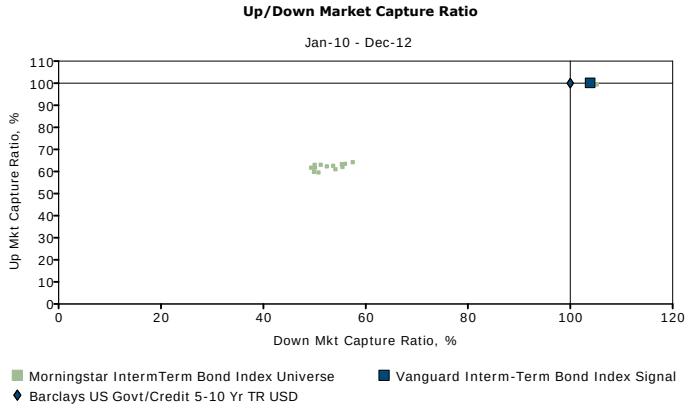


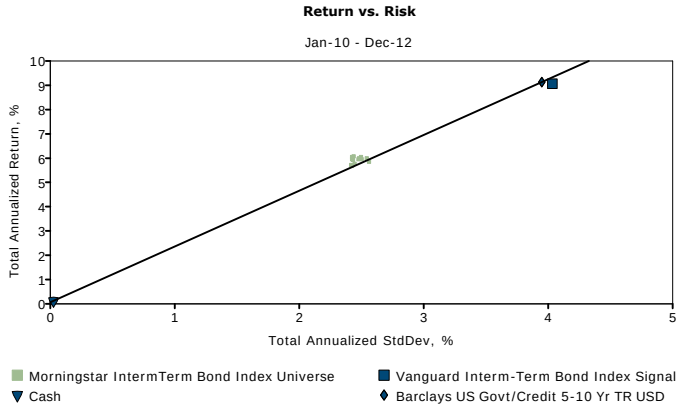
Annual Return %	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Vanguard Interm-Term Bond Index Signal	5.65	5.22	1.75	3.91	7.66	5.01	6.89	9.49	10.73	7.02
Barclays US Govt/Credit 5-10 Yr TR USD	5.97	5.30	1.83	3.81	7.55	5.06	6.50	9.42	10.79	7.21



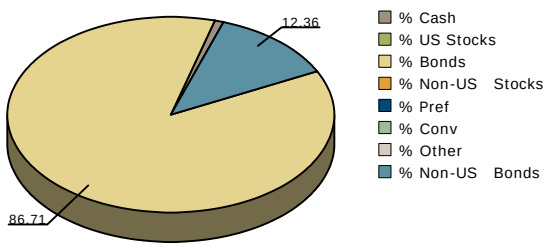
MPT Statistics	3 Yr Alpha	3 Yr Beta	3 Yr R-Squared	3 Yr Sharpe Ratio	3 Yr St Dev	3 Yr Tracking Error
Vanguard Interm-Term Bond Index Signal	-0.21	1.02	99.29	2.15	4.03	0.35
Barclays US Govt/Credit 5-10 Yr TR USD	0.00	1.00	100.00	2.21	3.95	0.00
Universe(5%)	0.65	0.76	96.08	2.39	3.08	1.76
Universe(25%)	0.49	0.61	93.58	2.34	2.50	1.71
Universe(Median)	0.41	0.60	93.42	2.30	2.46	1.70
Universe(75%)	0.32	0.60	92.90	2.26	2.43	1.68
Universe(95%)	-0.02	0.59	91.87	2.17	2.42	1.17







Vanguard Long-Term Bond Index I



Portfolio Region	
% United States	NA
% Canada	NA
% Latin America	NA
% United Kingdom	NA
% Eurozone	NA
% Europe - ex Euro	NA
% Europe - Emerging	NA
% Africa	NA
% Middle East	NA
% Japan	NA
% Australasia	NA
% Asia - Developed	NA
% Asia - Emerging	NA

Portfolio Structure	
% Cash	0.90
% US Stocks	0.00
% Bonds	86.71
% Non-US Stocks	0.00
% Pref	0.03
% Conv	0.00
% Other	0.00
% Non-US Bonds	12.36

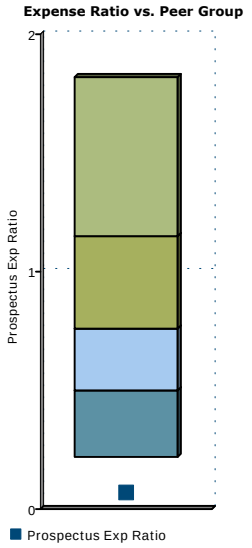
Sector Allocation	
% Basic Materials	NA
% Communication Services	NA
% Consumer Cyclical	NA
% Consumer Defensive	NA
% Healthcare	NA
% Industrials	NA
% Real Estate	NA
% Technology	NA
% Energy	NA
% Financial Services	NA
% Utilities	NA

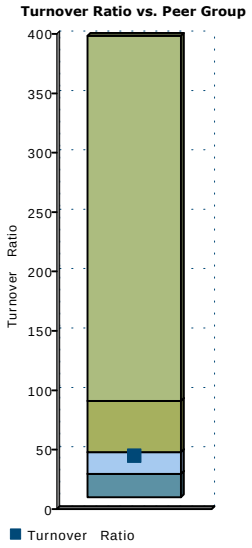
Credit Quality	
Avg Eff Duration	14.79
Effective Maturity	24.10
Avg Credit Quality	A
US Govt/ Agency	NA
AAA	43.45
AA	7.27
A	23.60
BBB	25.68
BB	0.00
B	0.00
Below B	0.00
NR/NA	0.00

Top Ten Holdings	
US Treasury Bond 4.375%	3.25%
US Treasury Bond 4.25%	2.73%
US Treasury Bond 3%	2.55%
US Treasury Bond 4.375%	2.42%
US Treasury Bond 3.125%	2.36%
US Treasury Bond 4.5%	2.27%
US Treasury Bond 4.375%	2.16%
US Treasury Bond 4.75%	2.16%
US Treasury Bond 4.625%	1.96%
US Treasury Bond 4.25%	1.86%

Portfolio Information	
Ticker	VBLLX
Morningstar Category	Long-term Bond
Avg Mkt Cap $MM	NA
Cat Med Mkt Cap $MM	45740.49
Net Assets $MM	5709.27
Turnover Ratio	45.00
% Assets in Top 10 Holdings	23.73
Total Number of Holdings	1385.00
Manager Name	Gregory Davis
Manager Tenure	4.69
Fund Incept Date	03/01/1994
Prospectus Exp Ratio	0.07
Phone Number	800-662-7447
Closed to New Investors	No

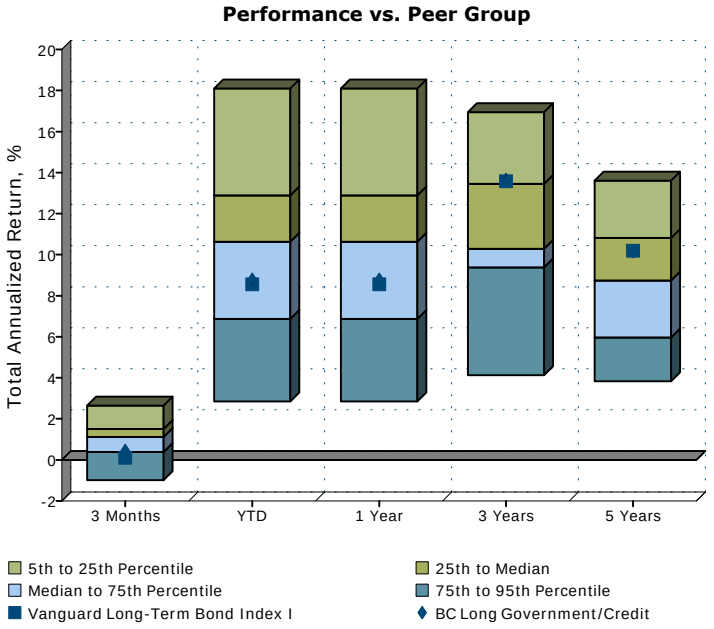
Portfolio Ratings	
Mstar Rating	★★★
3 Year Mstar Rating	★★★★
% Rank Cat 3 Yr	29
5 Year Mstar Rating	★★★
% Rank Cat 5 Yr	42
10 Year Mstar Rating	★★★
% Rank Cat 10 Yr	50





Investment Strategy Summary

The investment seeks to track the performance of a market-weighted bond index with a long-term dollar-weighted average maturity. The fund employs an indexing investment approach designed to track the performance of the Barclays Capital U.S. Long Government/Credit Float Adjusted Index. It invests at least 80% of assets in bonds held in the index. The fund maintains a dollar-weighted average maturity consistent with that of the index, which generally ranges between 15 and 30 years.



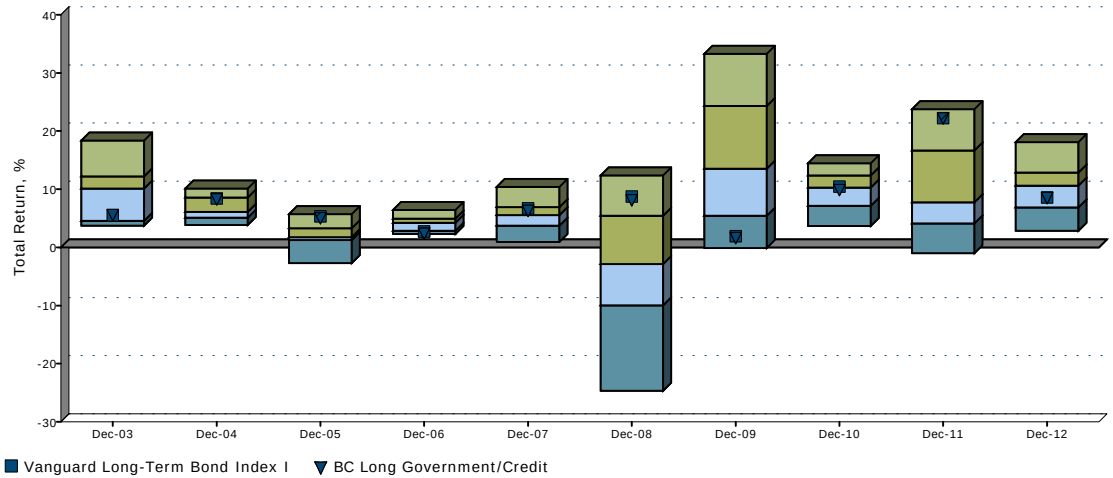
Performance	3 Months	Year to Date	1 Year	3 Years	5 Years
Vanguard Long-Term Bond Index I	0.11	8.55	8.55	13.58	10.19
BC Long Government/Credit	0.45	8.78	8.78	13.65	10.16
Universe(5%)	2.64	18.09	18.09	16.94	13.61
Universe(25%)	1.51	12.89	12.89	13.45	10.82
Universe(Median)	1.12	10.63	10.63	10.28	8.74
Universe(75%)	0.38	6.87	6.87	9.39	5.96
Universe(95%)	-0.99	2.85	2.85	4.12	3.84

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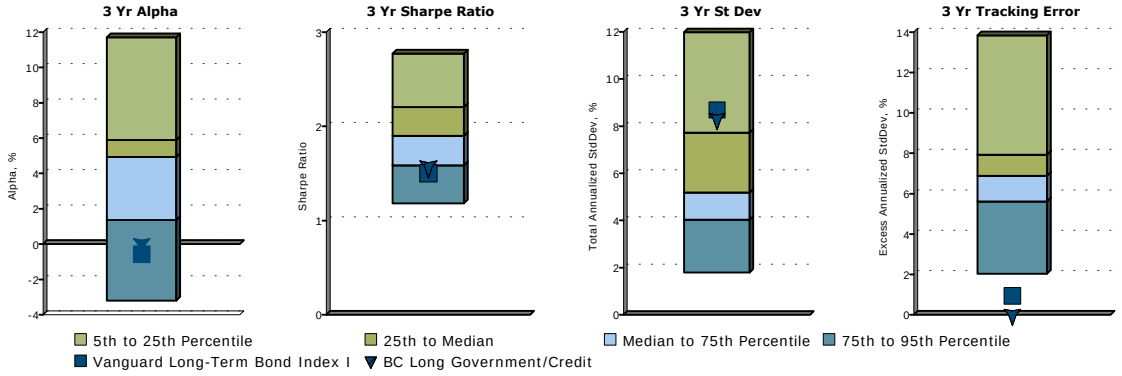
Data as of 12/31/2012

Vanguard Long-Term Bond Index I

Annual Performance vs. Peer Group



Annual Return %	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Vanguard Long-Term Bond Index I	5.50	8.40	5.32	2.75	6.71	8.77	1.91	10.43	22.23	8.55
BC Long Government/Credit	5.87	8.56	5.33	2.71	6.60	8.44	1.92	10.16	22.49	8.78



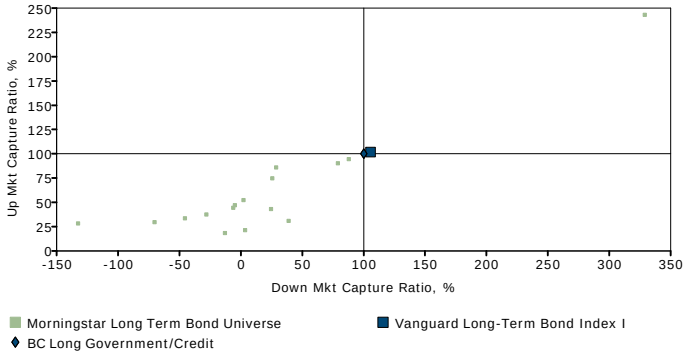
MPT Statistics	3 Yr Alpha	3 Yr Beta	3 Yr R-Squared	3 Yr Sharpe Ratio	3 Yr St Dev	3 Yr Tracking Error
Vanguard Long-Term Bond Index I	-0.57	1.04	98.99	1.50	8.69	0.94
BC Long Government/Credit	0.00	1.00	100.00	1.57	8.31	0.00
Universe(5%)	11.71	1.38	93.72	2.77	11.98	13.84
Universe(25%)	5.90	0.68	78.47	2.21	7.72	7.92
Universe(Median)	4.94	0.33	46.93	1.90	5.18	6.87
Universe(75%)	1.36	0.13	25.61	1.59	4.03	5.61
Universe(95%)	-3.21	-0.09	1.20	1.18	1.80	2.03

3 Year Rolling Return Rank within Category



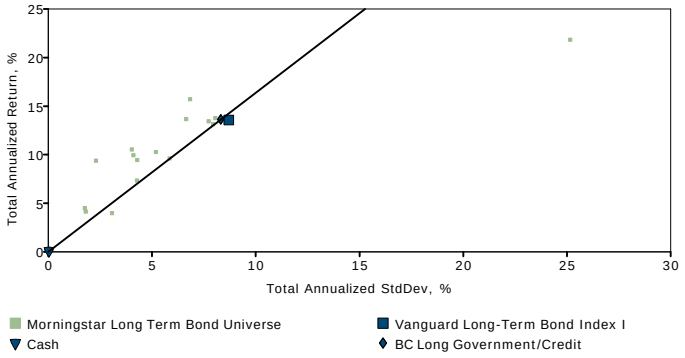
Up/Down Market Capture Ratio

Jan-10 - Dec-12

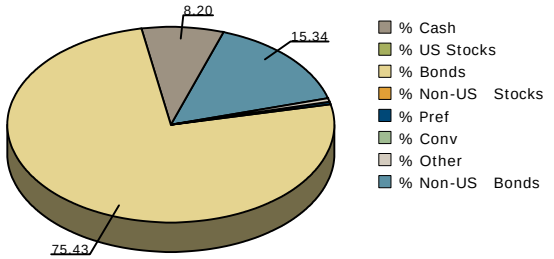


Return vs. Risk

Jan-10 - Dec-12



PIMCO Long Duration Total Return Instl



Portfolio Region	
% United States	100.00
% Canada	0.00
% Latin America	0.00
% United Kingdom	0.00
% Eurozone	0.00
% Europe - ex Euro	0.00
% Europe - Emerging	0.00
% Africa	0.00
% Middle East	0.00
% Japan	0.00
% Australasia	0.00
% Asia - Developed	0.00
% Asia - Emerging	0.00

Portfolio Structure	
% Cash	8.20
% US Stocks	0.00
% Bonds	75.43
% Non-US Stocks	0.00
% Pref	0.43
% Conv	0.00
% Other	0.59
% Non-US Bonds	15.34

Sector Allocation	
% Basic Materials	0.00
% Communication Services	0.00
% Consumer Cyclical	0.00
% Consumer Defensive	0.00
% Healthcare	0.00
% Industrials	0.00
% Real Estate	0.00
% Technology	0.00
% Energy	0.00
% Financial Services	100.00
% Utilities	0.00

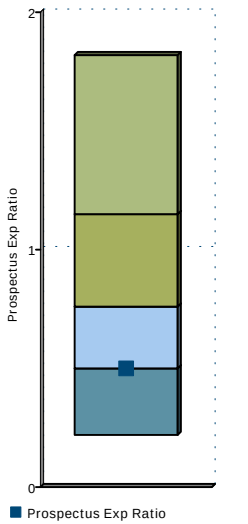
Credit Quality	
Avg Eff Duration	13.42
Effective Maturity	21.94
Avg Credit Quality	NA
US Govt/ Agency	NA
AAA	NA
AA	NA
A	NA
BBB	NA
BB	NA
B	NA
Below B	NA
NR/NA	NA

Top Ten Holdings	
US Treasury Bond 4.375%	6.49%
US Treasury Bond 4.25%	3.52%
US Treasury Bond 5.375%	2.39%
US Treasury Bond 3.125%	2.08%
Quebec Prov Cda 5.75%	1.80%
U S Treas Bd Stripped Prin Pmt	1.77%
Resolution Fdg Fed Bk Prin Stp	1.67%
Resolution Fdg Fed Bk Prin Stp	1.63%
AID 5.5%	1.50%
FNMA	1.35%

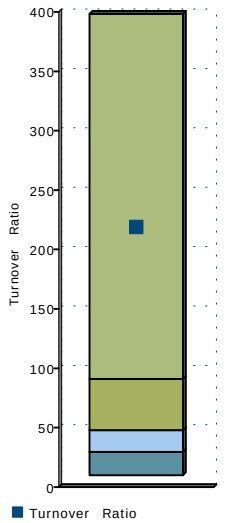
Portfolio Information	
Ticker	PLRIX
Morningstar Category	Long-term Bond
Avg Mkt Cap $MM	56676.85
Cat Med Mkt Cap $MM	45740.49
Net Assets $MM	6107.08
Turnover Ratio	219.00
% Assets in Top 10 Holdings	24.20
Total Number of Holdings	852.00
Manager Name	Stephen Rodosky
Manager Tenure	5.42
Fund Incept Date	08/31/2006
Prospectus Exp Ratio	0.50
Phone Number	888-877-4626
Closed to New Investors	No

Portfolio Ratings	
Mstar Rating	★★★★
3 Year Mstar Rating	★★★★
% Rank Cat 3 Yr	35
5 Year Mstar Rating	★★★★
% Rank Cat 5 Yr	17
10 Year Mstar Rating	NA
% Rank Cat 10 Yr	NA

Expense Ratio vs. Peer Group



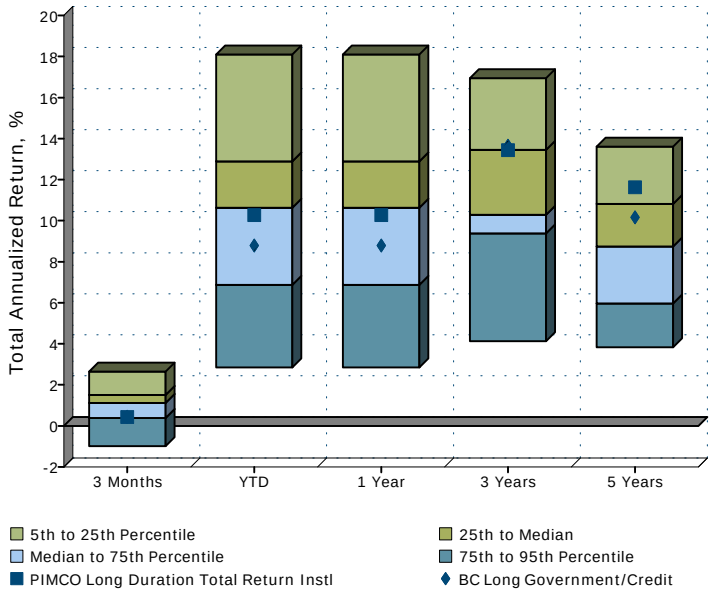
Turnover Ratio vs. Peer Group



Investment Strategy Summary

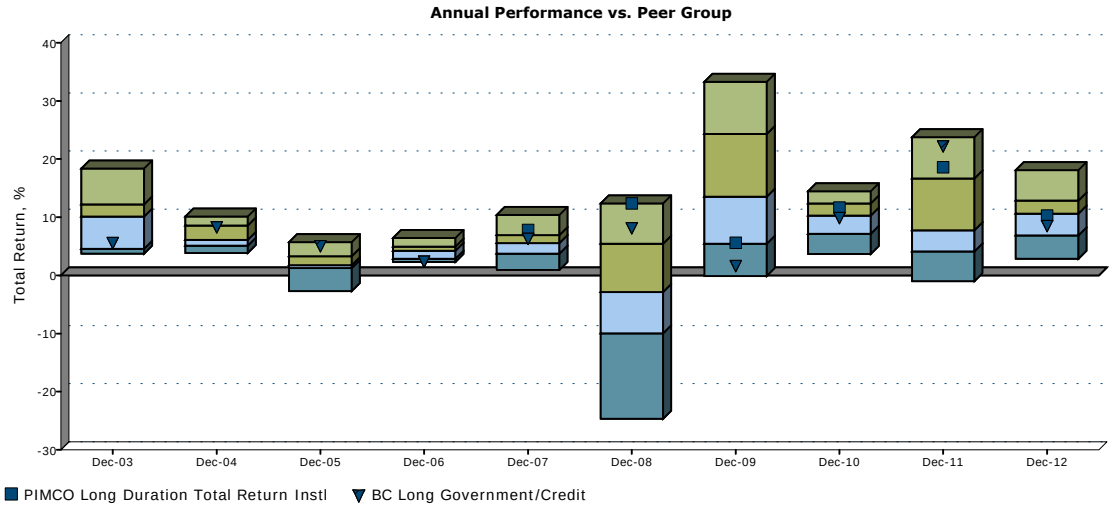
The investment seeks maximum total return, consistent with prudent investment management. The fund invests at least 65% of its total assets in a diversified portfolio of Fixed Income Instruments of varying maturities, which may be represented by forwards or derivatives such as options, futures contracts or swap agreements. It invests primarily in investment grade debt securities, but may invest up to 10% of its total assets in high yield securities ("junk bonds") that are rated B or higher by Moody's, or equivalently rated by S&P or Fitch, or, if unrated, determined by PIMCO to be of comparable quality.

Performance vs. Peer Group

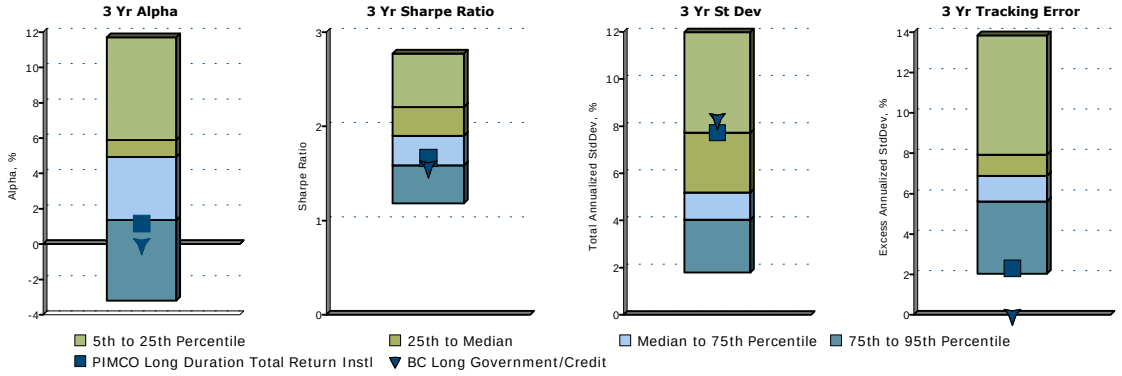


Performance	3 Months	Year to Date	1 Year	3 Years	5 Years
PIMCO Long Duration Total Return Instl	0.44	10.28	10.28	13.44	11.62
BC Long Government/Credit	0.45	8.78	8.78	13.65	10.16
Universe(5%)	2.64	18.09	18.09	16.94	13.61
Universe(25%)	1.51	12.89	12.89	13.45	10.82
Universe(Median)	1.12	10.63	10.63	10.28	8.74
Universe(75%)	0.38	6.87	6.87	9.39	5.96
Universe(95%)	-0.99	2.85	2.85	4.12	3.84

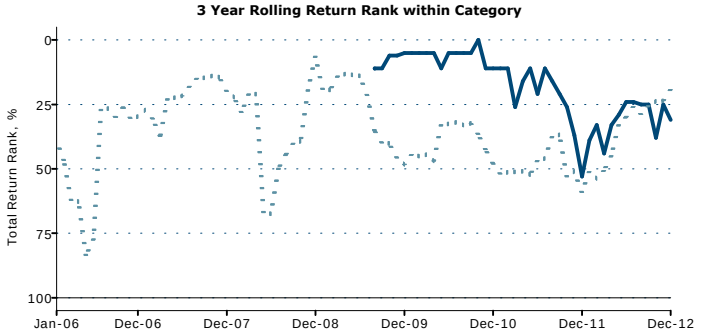
PIMCO Long Duration Total Return Instl

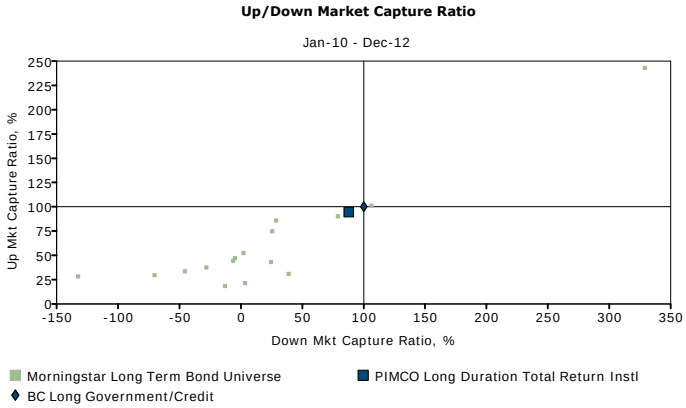


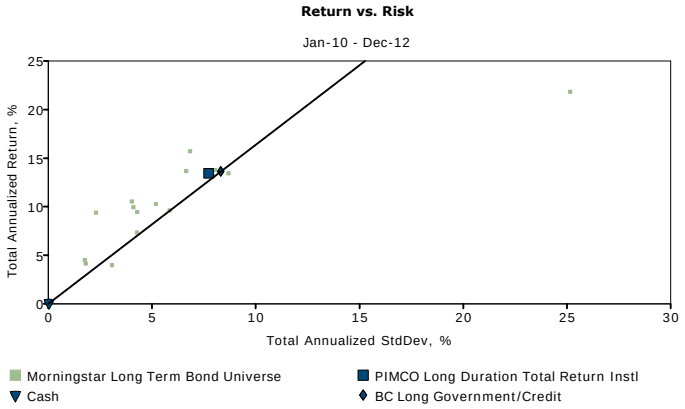
Annual Return %	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
PIMCO Long Duration Total Return Instl	NA	NA	NA	NA	7.83	12.38	5.62	11.64	18.57	10.28
BC Long Government/Credit	5.87	8.56	5.33	2.71	6.60	8.44	1.92	10.16	22.49	8.78



MPT Statistics	3 Yr Alpha	3 Yr Beta	3 Yr R-Squared	3 Yr Sharpe Ratio	3 Yr St Dev	3 Yr Tracking Error
PIMCO Long Duration Total Return Instl	1.16	0.89	92.40	1.66	7.72	2.30
BC Long Government/Credit	0.00	1.00	100.00	1.57	8.31	0.00
Universe(5%)	11.71	1.38	93.72	2.77	11.98	13.84
Universe(25%)	5.90	0.68	78.47	2.21	7.72	7.92
Universe(Median)	4.94	0.33	46.93	1.90	5.18	6.87
Universe(75%)	1.36	0.13	25.61	1.59	4.03	5.61
Universe(95%)	-3.21	-0.09	1.20	1.18	1.80	2.03



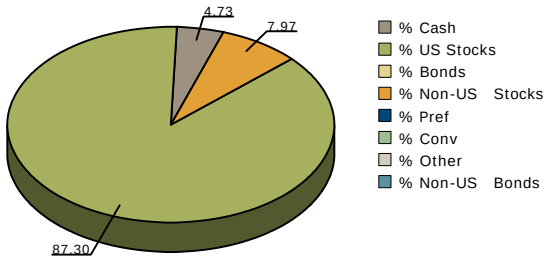




Milliman | Quarterly Investment Monitor

Data as of 12/31/2012

Vanguard Equity-Income Adm



Portfolio Region	
% United States	91.63
% Canada	0.59
% Latin America	0.00
% United Kingdom	3.87
% Eurozone	1.57
% Europe - ex Euro	2.35
% Europe - Emerging	0.00
% Africa	0.00
% Middle East	0.00
% Japan	0.00
% Australasia	0.00
% Asia - Developed	0.00
% Asia - Emerging	0.00

Portfolio Structure	
% Cash	4.73
% US Stocks	87.30
% Bonds	0.00
% Non-US Stocks	7.97
% Pref	0.00
% Conv	0.00
% Other	0.00
% Non-US Bonds	0.00

Sector Allocation	
% Basic Materials	2.93
% Communication Services	4.89
% Consumer Cyclical	7.08
% Consumer Defensive	15.73
% Healthcare	13.24
% Industrials	13.73
% Real Estate	0.02
% Technology	8.94
% Energy	13.43
% Financial Services	12.97
% Utilities	7.01

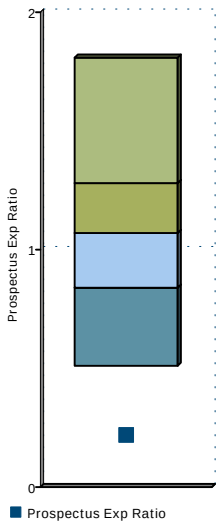
Credit Quality	
Avg Eff Duration	NA
Effective Maturity	NA
Avg Credit Quality	NA
US Govt/ Agency	NA
AAA	NA
AA	NA
A	NA
BBB	NA
BB	NA
B	NA
Below B	NA
NR/NA	NA

Top Ten Holdings	
Exxon Mobil Corporation	4.45%
Chevron Corp	4.08%
Merck & Co Inc	3.45%
Johnson & Johnson	3.24%
Pfizer Inc	3.19%
AT&T Inc	3.16%
General Electric Co	2.88%
JPMorgan Chase & Co	2.60%
Philip Morris International, Inc.	2.53%
Microsoft Corporation	2.40%

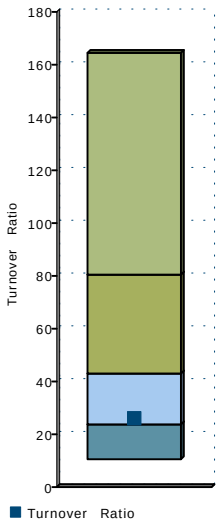
Portfolio Information	
Ticker	VEIRX
Morningstar Category	Large Value
Avg Mkt Cap $MM	63785.05
Cat Med Mkt Cap $MM	42144.86
Net Assets $MM	9690.30
Turnover Ratio	26.00
% Assets in Top 10 Holdings	31.97
Total Number of Holdings	162.00
Manager Name	W. Michael Reckmeyer III
Manager Tenure	5.01
Fund Incept Date	03/21/1988
Prospectus Exp Ratio	0.22
Phone Number	800-662-7447
Closed to New Investors	No

Portfolio Ratings	
Mstar Rating	★★★★★
3 Year Mstar Rating	★★★★★
% Rank Cat 3 Yr	2
5 Year Mstar Rating	★★★★★
% Rank Cat 5 Yr	7
10 Year Mstar Rating	★★★★★
% Rank Cat 10 Yr	8

Expense Ratio vs. Peer Group



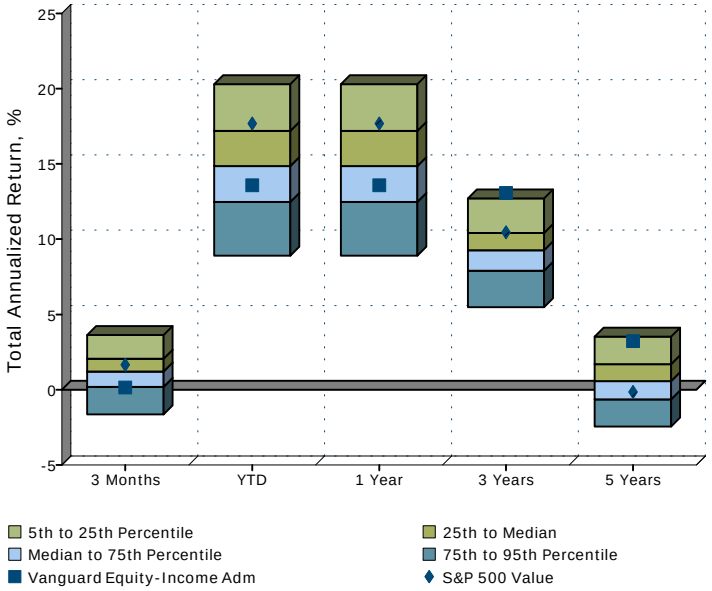
Turnover Ratio vs. Peer Group



Investment Strategy Summary

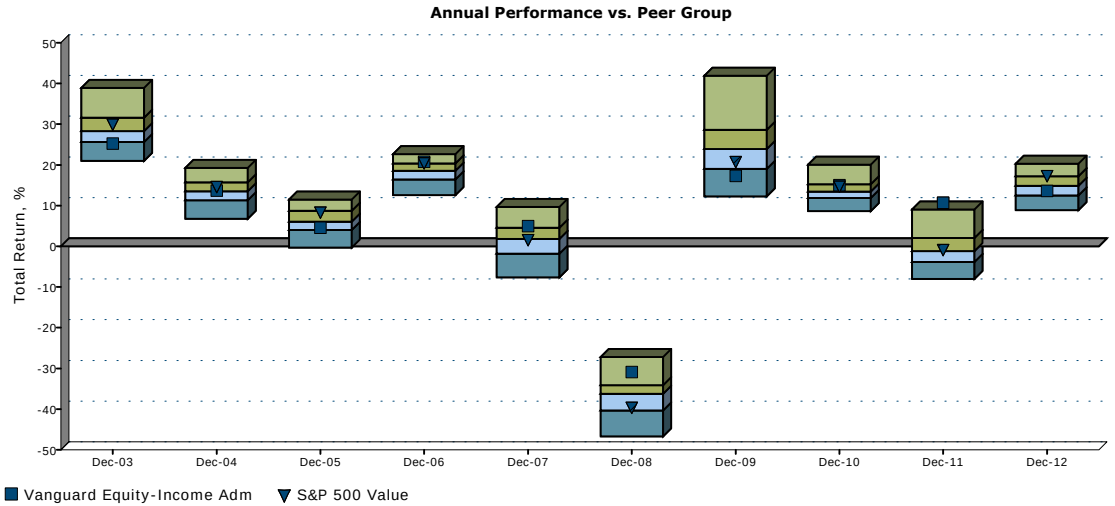
The investment seeks an above-average level of current income and reasonable capital appreciation. The fund primarily invests in common stocks of medium-sized and large companies whose stocks pay above-average levels of dividend income and are considered to have the potential for capital appreciation. In addition, the advisors generally look for companies that they believe are committed to paying dividends consistently. The fund invests at least 80% of its assets in stocks. It uses multiple investment advisors.

Performance vs. Peer Group

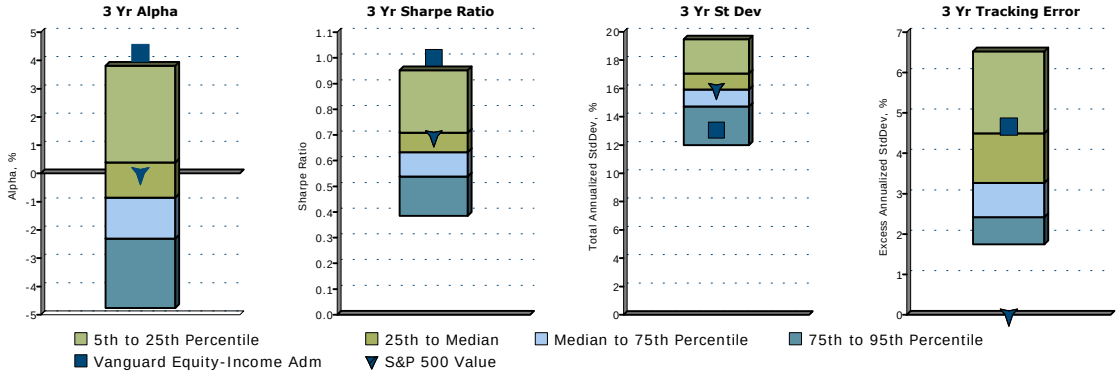


Performance	3 Months	Year to Date	1 Year	3 Years	5 Years
Vanguard Equity-Income Adm	0.14	13.58	13.58	13.07	3.22
S&P 500 Value	1.64	17.68	17.68	10.47	-0.15
Universe(5%)	3.64	20.29	20.29	12.72	3.53
Universe(25%)	2.07	17.19	17.19	10.42	1.70
Universe(Median)	1.21	14.86	14.86	9.26	0.58
Universe(75%)	0.19	12.47	12.47	7.90	-0.64
Universe(95%)	-1.64	8.91	8.91	5.49	-2.44

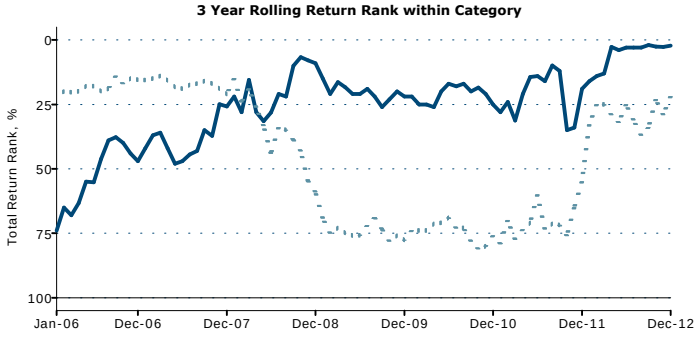
Vanguard Equity-Income Adm

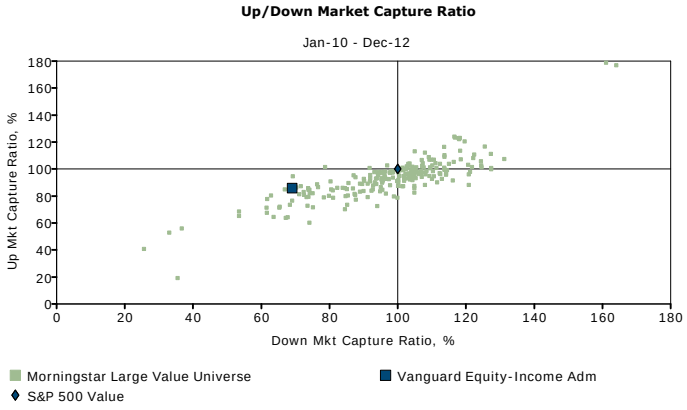


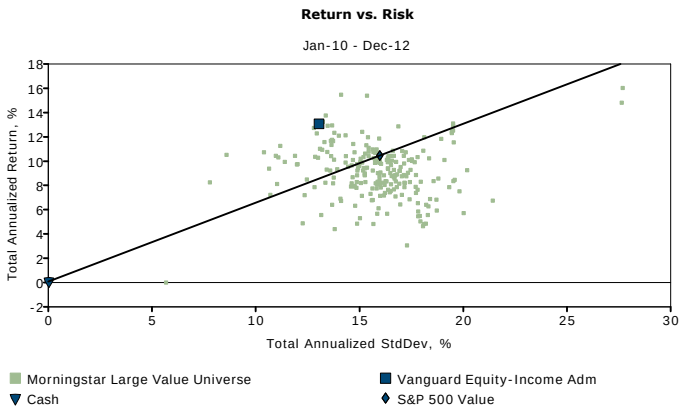
Annual Return %	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Vanguard Equity-Income Adm	25.24	13.69	4.52	20.77	4.99	-30.86	17.26	14.99	10.69	13.58
S&P 500 Value	30.36	15.03	8.71	20.80	1.99	-39.22	21.18	15.10	-0.48	17.68



MPT Statistics	3 Yr Alpha	3 Yr Beta	3 Yr R-Squared	3 Yr Sharpe Ratio	3 Yr St Dev	3 Yr Tracking Error
Vanguard Equity-Income Adm	4.26	0.79	93.81	1.00	13.05	4.66
S&P 500 Value	0.00	1.00	100.00	0.70	15.98	0.00
Universe(5%)	3.81	1.20	98.94	0.95	19.48	6.52
Universe(25%)	0.39	1.05	98.13	0.71	17.05	4.49
Universe(Median)	-0.86	0.98	96.87	0.63	15.92	3.27
Universe(75%)	-2.31	0.90	94.28	0.54	14.73	2.42
Universe(95%)	-4.76	0.72	89.14	0.39	11.99	1.74



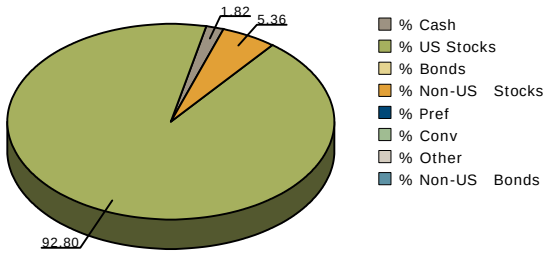




Milliman | Quarterly Investment Monitor

Data as of 12/31/2012

Vanguard Morgan Growth Adm



Portfolio Region	
% United States	94.53
% Canada	1.12
% Latin America	0.00
% United Kingdom	0.67
% Eurozone	1.02
% Europe - ex Euro	1.30
% Europe - Emerging	0.00
% Africa	0.00
% Middle East	0.33
% Japan	0.00
% Australasia	0.19
% Asia - Developed	0.28
% Asia - Emerging	0.55

Portfolio Structure	
% Cash	1.82
% US Stocks	92.80
% Bonds	0.00
% Non-US Stocks	5.36
% Pref	0.00
% Conv	0.00
% Other	0.02
% Non-US Bonds	0.00

Sector Allocation	
% Basic Materials	3.39
% Communication Services	2.67
% Consumer Cyclical	15.28
% Consumer Defensive	9.21
% Healthcare	13.46
% Industrials	11.27
% Real Estate	1.08
% Technology	32.76
% Energy	6.55
% Financial Services	4.32
% Utilities	0.00

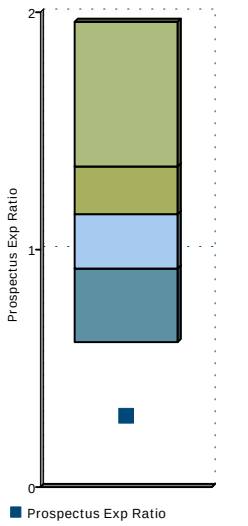
Credit Quality	
Avg Eff Duration	NA
Effective Maturity	NA
Avg Credit Quality	NA
US Govt/ Agency	NA
AAA	NA
AA	NA
A	NA
BBB	NA
BB	NA
B	NA
Below B	NA
NR/NA	NA

Top Ten Holdings	
Apple Inc	6.77%
Google, Inc. Class A	2.44%
Cisco Systems Inc	2.39%
International Business Machines Corp	2.29%
Microsoft Corporation	2.26%
Philip Morris International, Inc.	1.51%
EMC Corporation	1.47%
Coca-Cola Co	1.44%
Amazon.com Inc	1.30%
Wal-Mart Stores Inc	1.29%

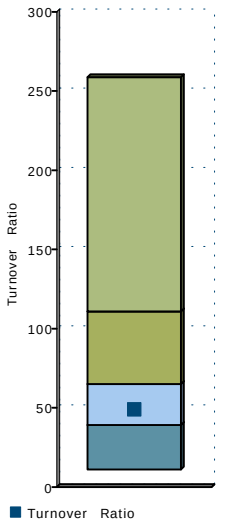
Portfolio Information	
Ticker	VMRAX
Morningstar Category	Large Growth
Avg Mkt Cap $MM	33465.64
Cat Med Mkt Cap $MM	39385.49
Net Assets $MM	8717.05
Turnover Ratio	49.00
% Assets in Top 10 Holdings	23.15
Total Number of Holdings	323.00
Manager Name	Ford B. Draper Jr.
Manager Tenure	4.10
Fund Incept Date	12/31/1968
Prospectus Exp Ratio	0.30
Phone Number	800-662-7447
Closed to New Investors	No

Portfolio Ratings	
Mstar Rating	★★★★
3 Year Mstar Rating	★★★
% Rank Cat 3 Yr	32
5 Year Mstar Rating	★★★
% Rank Cat 5 Yr	47
10 Year Mstar Rating	★★★★
% Rank Cat 10 Yr	27

Expense Ratio vs. Peer Group



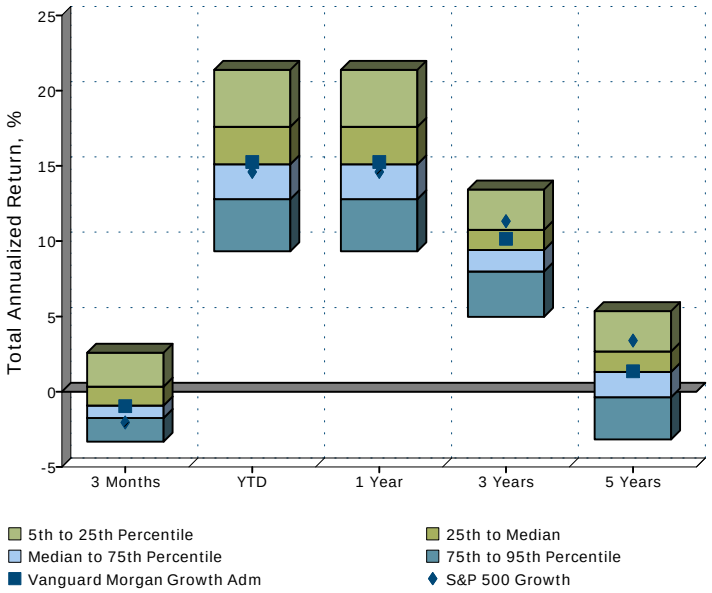
Turnover Ratio vs. Peer Group



Investment Strategy Summary

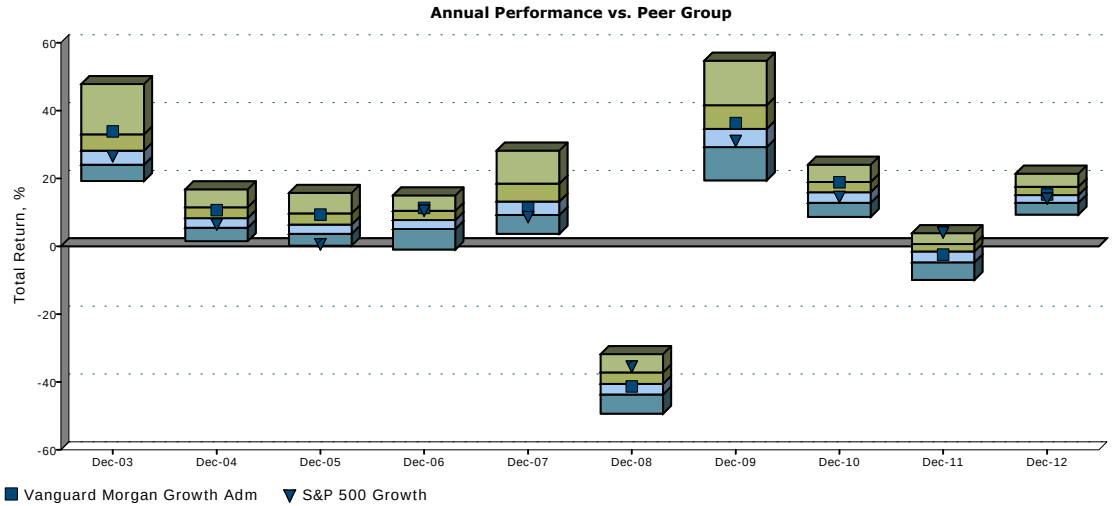
The investment seeks long-term growth of capital. The fund invests mainly in the stocks of mid- and large-capitalization U.S. companies whose revenues and/or earnings are expected to grow faster than those of the average company in the market. It uses multiple investment advisors.

Performance vs. Peer Group

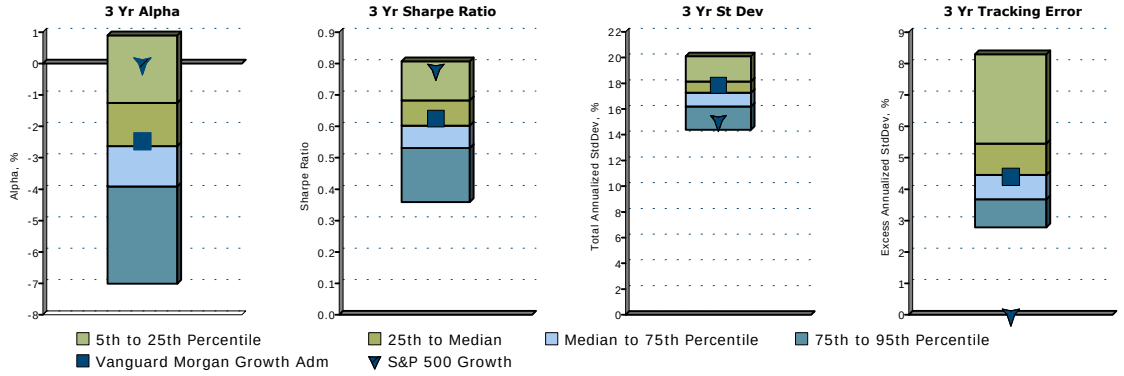


Performance	3 Months	Year to Date	1 Year	3 Years	5 Years
Vanguard Morgan Growth Adm	-0.95	15.25	15.25	10.17	1.35
S&P 500 Growth	-2.04	14.61	14.61	11.33	3.39
Universe(5%)	2.59	21.38	21.38	13.43	5.35
Universe(25%)	0.33	17.59	17.59	10.76	2.68
Universe(Median)	-0.92	15.11	15.11	9.42	1.31
Universe(75%)	-1.75	12.80	12.80	8.00	-0.36
Universe(95%)	-3.32	9.32	9.32	4.96	-3.17

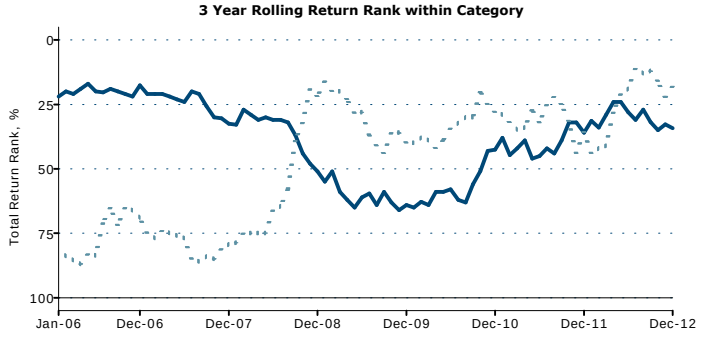
Vanguard Morgan Growth Adm

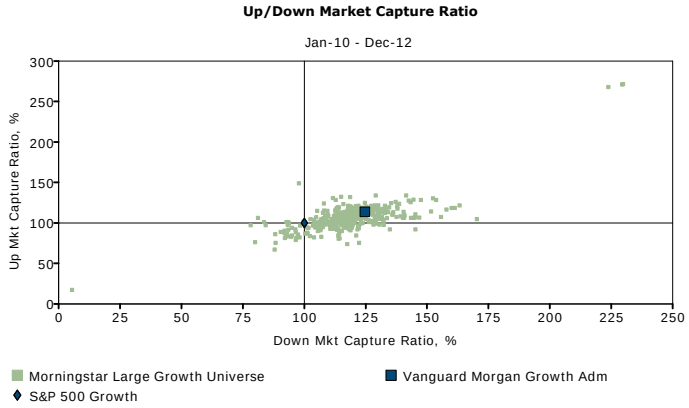


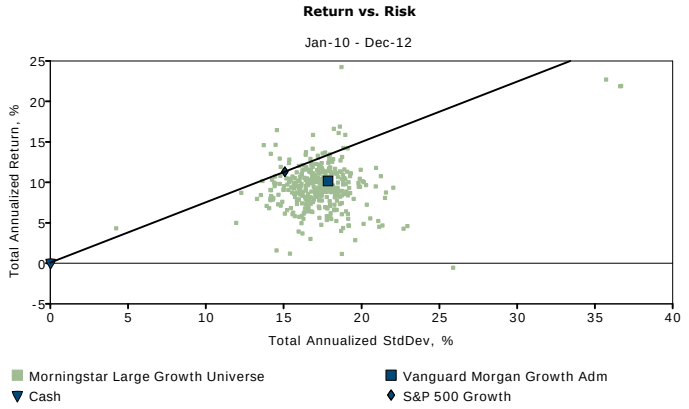
Annual Return %	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Vanguard Morgan Growth Adm	33.91	10.61	9.32	11.32	11.36	-41.33	36.31	18.90	-2.42	15.25
S&P 500 Growth	27.08	6.97	1.14	11.01	9.13	-34.92	31.57	15.05	4.65	14.61



MPT Statistics	3 Yr Alpha	3 Yr Beta	3 Yr R-Squared	3 Yr Sharpe Ratio	3 Yr St Dev	3 Yr Tracking Error
Vanguard Morgan Growth Adm	-2.48	1.16	95.71	0.62	17.84	4.40
S&P 500 Growth	0.00	1.00	100.00	0.78	15.08	0.00
Universe(5%)	0.90	1.27	97.30	0.81	20.11	8.30
Universe(25%)	-1.26	1.16	95.93	0.68	18.13	5.45
Universe(Median)	-2.63	1.11	94.54	0.60	17.28	4.46
Universe(75%)	-3.91	1.05	92.22	0.53	16.21	3.68
Universe(95%)	-7.02	0.92	85.79	0.36	14.39	2.78



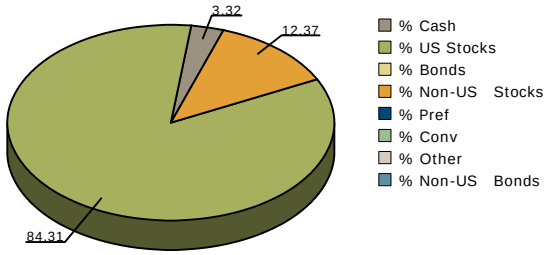




Milliman | Quarterly Investment Monitor

Data as of 12/31/2012

Vanguard PRIMECAP Inv



Portfolio Region	
% United States	87.21
% Canada	2.69
% Latin America	0.38
% United Kingdom	0.91
% Eurozone	0.81
% Europe - ex Euro	7.61
% Europe - Emerging	0.00
% Africa	0.00
% Middle East	0.00
% Japan	0.40
% Australasia	0.00
% Asia - Developed	0.00
% Asia - Emerging	0.00

Portfolio Structure	
% Cash	3.32
% US Stocks	84.31
% Bonds	0.00
% Non-US Stocks	12.37
% Pref	0.00
% Conv	0.00
% Other	0.00
% Non-US Bonds	0.00

Sector Allocation	
% Basic Materials	3.74
% Communication Services	2.62
% Consumer Cyclical	5.32
% Consumer Defensive	1.20
% Healthcare	31.83
% Industrials	13.38
% Real Estate	0.03
% Technology	30.94
% Energy	4.91
% Financial Services	5.83
% Utilities	0.21

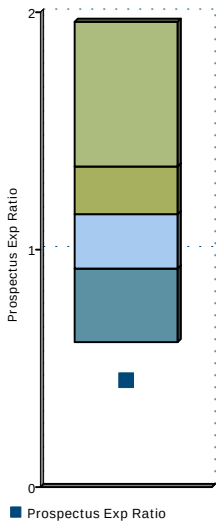
Credit Quality	
Avg Eff Duration	NA
Effective Maturity	NA
Avg Credit Quality	NA
US Govt/ Agency	NA
AAA	NA
AA	NA
A	NA
BBB	NA
BB	NA
B	NA
Below B	NA
NR/NA	NA

Top Ten Holdings	
Amgen Inc	6.27%
Biogen Idec Inc	6.03%
Google, Inc. Class A	4.46%
Eli Lilly and Company	3.94%
Roche Holding AG	3.71%
FedEx Corporation	3.53%
Microsoft Corporation	3.47%
Texas Instruments, Inc.	3.10%
Novartis AG ADR	3.06%
Medtronic, Inc.	2.92%

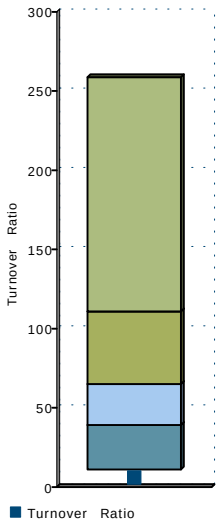
Portfolio Information	
Ticker	VPMCX
Morningstar Category	Large Growth
Avg Mkt Cap $MM	45385.05
Cat Med Mkt Cap $MM	39385.49
Net Assets $MM	29253.78
Turnover Ratio	6.00
% Assets in Top 10 Holdings	40.50
Total Number of Holdings	122.00
Manager Name	Joel P. Fried
Manager Tenure	24.02
Fund Incept Date	11/01/1984
Prospectus Exp Ratio	0.45
Phone Number	800-662-7447
Closed to New Investors	Yes

Portfolio Ratings	
Mstar Rating	★★★★
3 Year Mstar Rating	★★★
% Rank Cat 3 Yr	65
5 Year Mstar Rating	★★★★
% Rank Cat 5 Yr	16
10 Year Mstar Rating	★★★★★
% Rank Cat 10 Yr	8

Expense Ratio vs. Peer Group



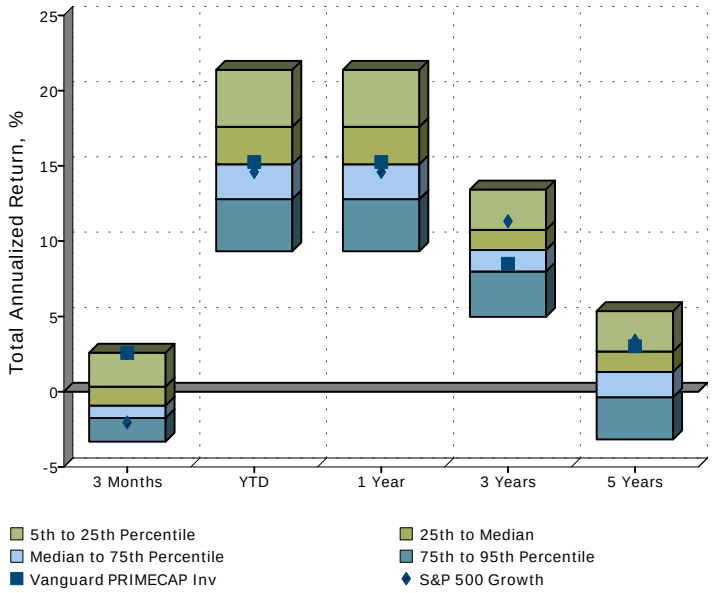
Turnover Ratio vs. Peer Group



Investment Strategy Summary

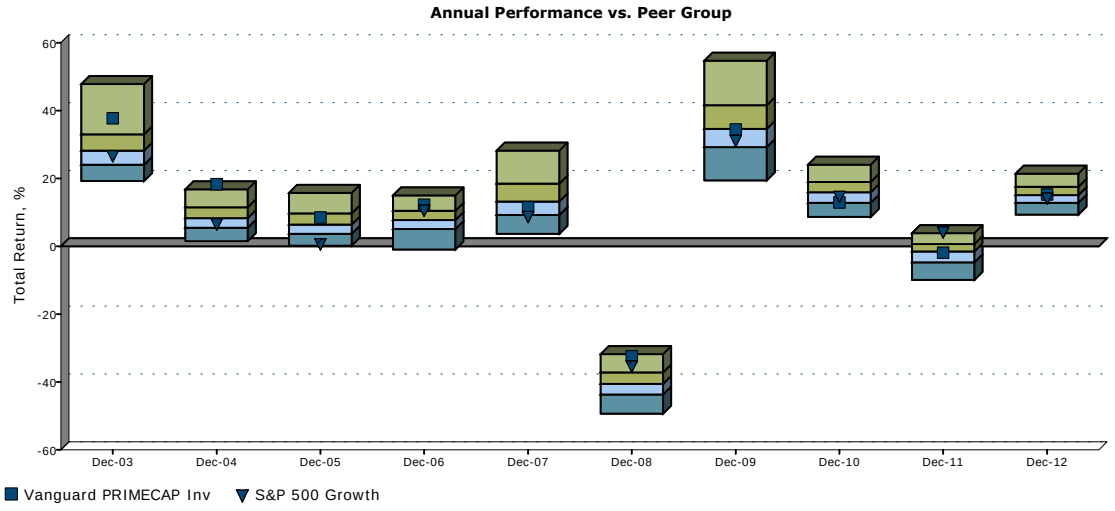
The investment seeks long-term capital appreciation. The fund invests in stocks considered to have above-average earnings growth potential that is not reflected in their current market prices. Its portfolio consists predominantly of large- and mid-capitalization stocks.

Performance vs. Peer Group

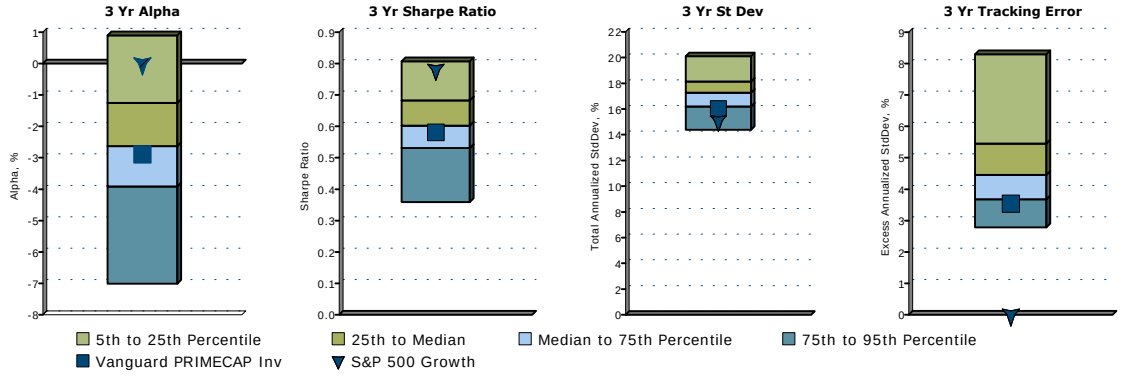


Performance	3 Months	Year to Date	1 Year	3 Years	5 Years
Vanguard PRIMECAP Inv	2.56	15.27	15.27	8.50	3.03
S&P 500 Growth	-2.04	14.61	14.61	11.33	3.39
Universe(5%)	2.59	21.38	21.38	13.43	5.35
Universe(25%)	0.33	17.59	17.59	10.76	2.68
Universe(Median)	-0.92	15.11	15.11	9.42	1.31
Universe(75%)	-1.75	12.80	12.80	8.00	-0.36
Universe(95%)	-3.32	9.32	9.32	4.96	-3.17

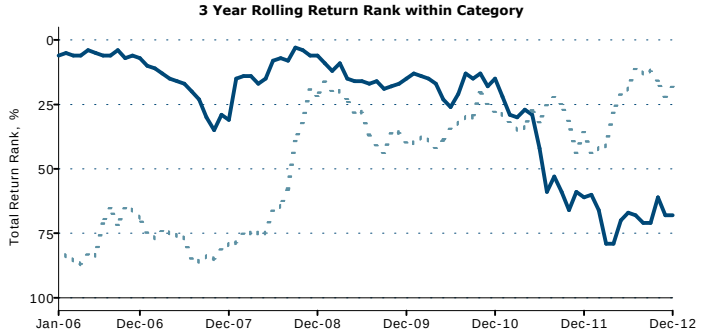
Vanguard PRIMECAP Inv

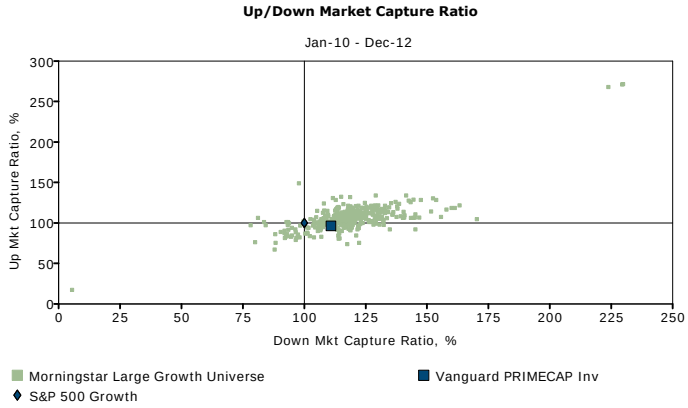


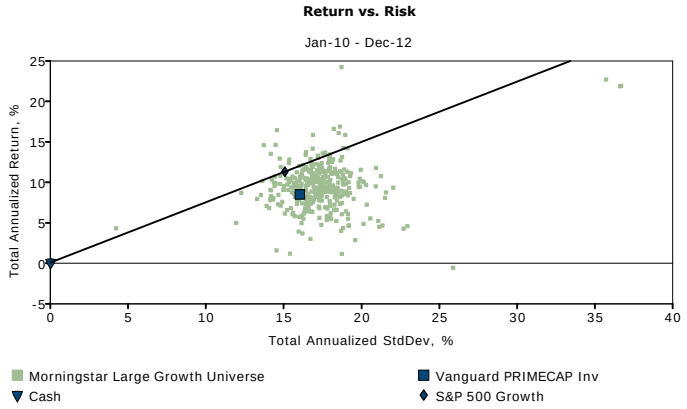
Annual Return %	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Vanguard PRIMECAP Inv	37.75	18.31	8.49	12.30	11.49	-32.41	34.45	12.89	-1.84	15.27
S&P 500 Growth	27.08	6.97	1.14	11.01	9.13	-34.92	31.57	15.05	4.65	14.61



MPT Statistics	3 Yr Alpha	3 Yr Beta	3 Yr R-Squared	3 Yr Sharpe Ratio	3 Yr St Dev	3 Yr Tracking Error
Vanguard PRIMECAP Inv	-2.90	1.04	95.25	0.58	16.03	3.54
S&P 500 Growth	0.00	1.00	100.00	0.78	15.08	0.00
Universe(5%)	0.90	1.27	97.30	0.81	20.11	8.30
Universe(25%)	-1.26	1.16	95.93	0.68	18.13	5.45
Universe(Median)	-2.63	1.11	94.54	0.60	17.28	4.46
Universe(75%)	-3.91	1.05	92.22	0.53	16.21	3.68
Universe(95%)	-7.02	0.92	85.79	0.36	14.39	2.78



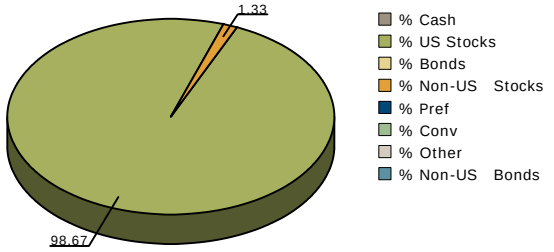




Milliman | Quarterly Investment Monitor

Data as of 12/31/2012

Vanguard Mid-Cap Value Index Admiral



Portfolio Region	
% United States	98.67
% Canada	0.00
% Latin America	0.00
% United Kingdom	0.50
% Eurozone	0.00
% Europe - ex Euro	0.62
% Europe - Emerging	0.00
% Africa	0.00
% Middle East	0.00
% Japan	0.00
% Australasia	0.00
% Asia - Developed	0.21
% Asia - Emerging	0.00

Portfolio Structure	
% Cash	0.00
% US Stocks	98.67
% Bonds	0.00
% Non-US Stocks	1.33
% Pref	0.00
% Conv	0.00
% Other	0.00
% Non-US Bonds	0.00

Sector Allocation	
% Basic Materials	6.21
% Communication Services	1.59
% Consumer Cyclical	12.21
% Consumer Defensive	7.21
% Healthcare	5.00
% Industrials	12.85
% Real Estate	11.32
% Technology	11.63
% Energy	5.04
% Financial Services	17.45
% Utilities	9.49

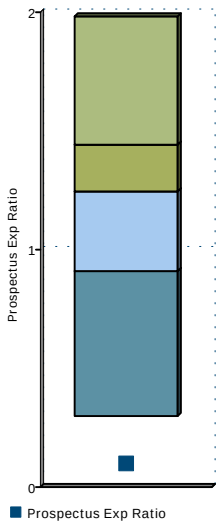
Credit Quality	
Avg Eff Duration	NA
Effective Maturity	NA
Avg Credit Quality	NA
US Govt/ Agency	NA
AAA	NA
AA	NA
A	NA
BBB	NA
BB	NA
B	NA
Below B	NA
NR/NA	NA

Top Ten Holdings	
Health Care REIT, Inc.	1.20%
AvalonBay Communities Inc	1.06%
Mattel, Inc.	0.99%
Cooper Industries PLC.	0.97%
Seagate Technology PLC	0.97%
American Capital Agency Corp.	0.95%
Watson Pharmaceuticals Inc.	0.89%
Regions Financial Corporation	0.83%
DTE Energy Holding Company	0.83%
Quest Diagnostics Inc	0.82%

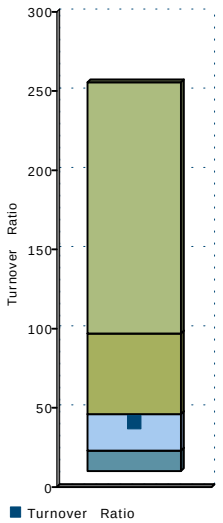
Portfolio Information	
Ticker	VMVAX
Morningstar Category	Mid-Cap Value
Avg Mkt Cap $MM	5973.09
Cat Med Mkt Cap $MM	6963.92
Net Assets $MM	2358.19
Turnover Ratio	41.00
% Assets in Top 10 Holdings	9.51
Total Number of Holdings	266.00
Manager Name	Donald M. Butler
Manager Tenure	6.38
Fund Incept Date	08/17/2006
Prospectus Exp Ratio	0.10
Phone Number	800-662-7447
Closed to New Investors	No

Portfolio Ratings	
Mstar Rating	★★★
3 Year Mstar Rating	★★★★
% Rank Cat 3 Yr	28
5 Year Mstar Rating	★★★
% Rank Cat 5 Yr	26
10 Year Mstar Rating	NA
% Rank Cat 10 Yr	NA

Expense Ratio vs. Peer Group



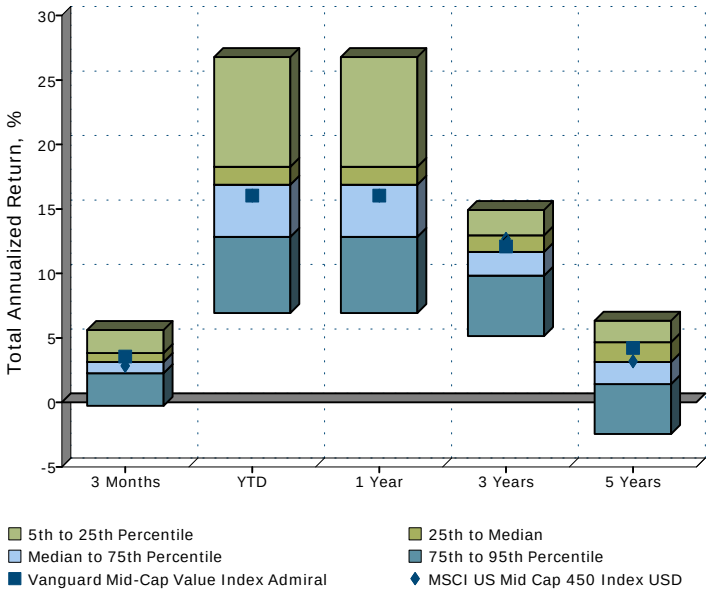
Turnover Ratio vs. Peer Group



Investment Strategy Summary

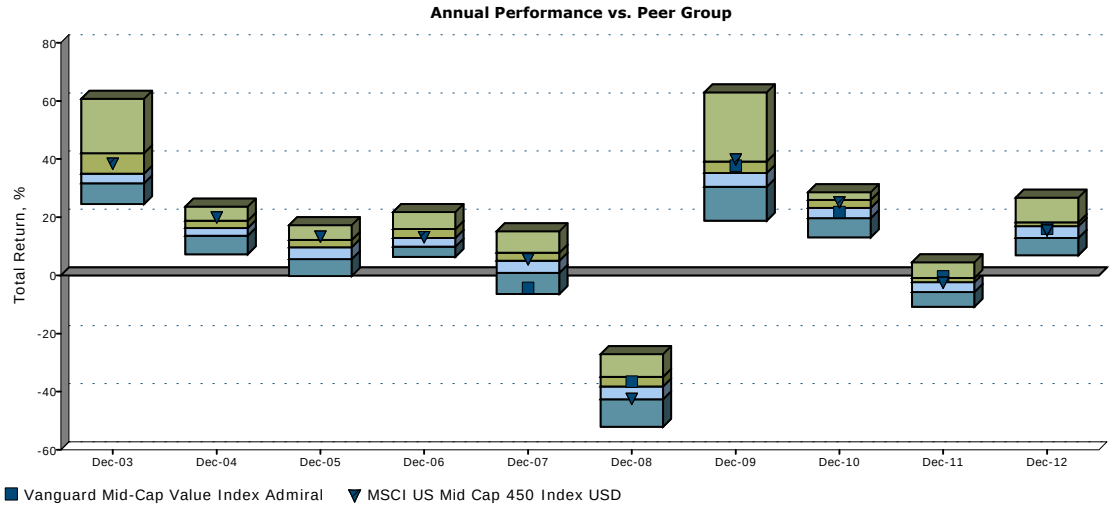
The investment seeks to track the performance of a benchmark index that measures the investment return of mid-capitalization value stocks. The fund employs an indexing investment approach designed to track the performance of the MSCI US Mid Cap Value Index, a broadly diversified index of value stocks of mid-size U.S. companies. It attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the index, holding each stock in approximately the same proportion as its weighting in the index.

Performance vs. Peer Group

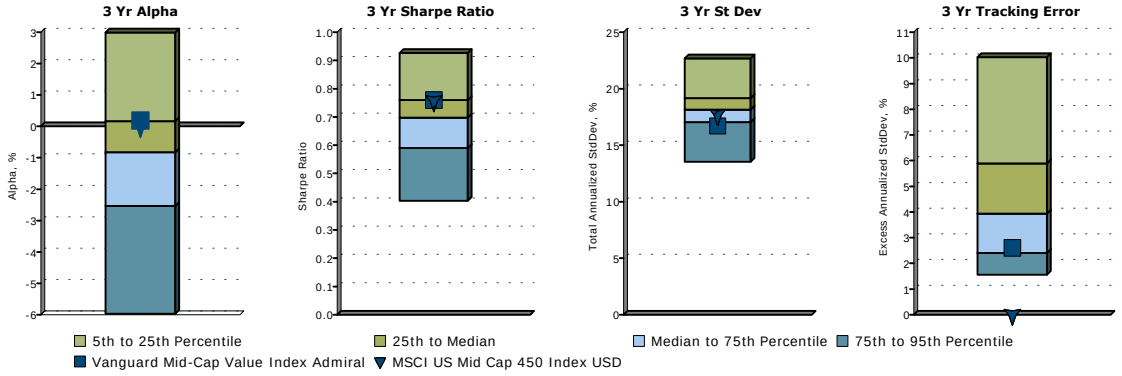


Performance	3 Months	Year to Date	1 Year	3 Years	5 Years
Vanguard Mid-Cap Value Index Admiral	3.56	16.02	16.02	12.10	4.23
MSCI US Mid Cap 450 Index USD	2.84	16.04	16.04	12.68	3.19
Universe(5%)	5.62	26.78	26.78	14.93	6.34
Universe(25%)	3.82	18.26	18.26	12.95	4.68
Universe(Median)	3.13	16.89	16.89	11.68	3.14
Universe(75%)	2.26	12.83	12.83	9.82	1.43
Universe(95%)	-0.25	6.94	6.94	5.14	-2.45

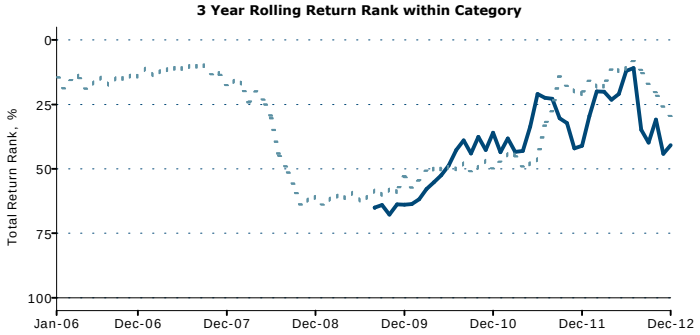
Vanguard Mid-Cap Value Index Admiral

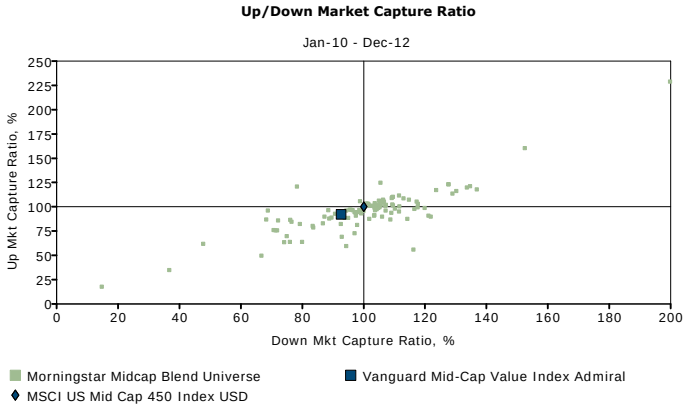


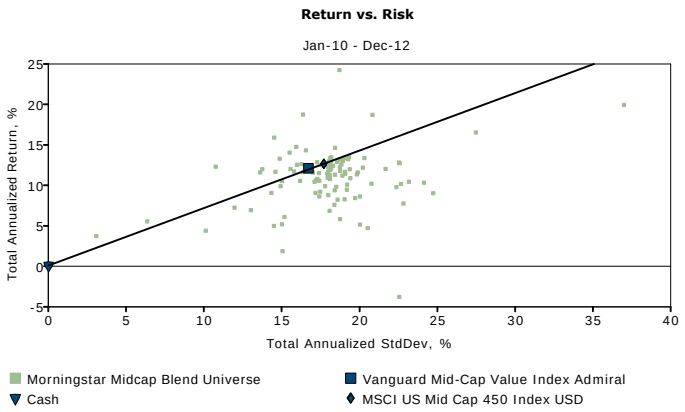
Annual Return %	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Vanguard Mid-Cap Value Index Admiral	NA	NA	NA	NA	-4.30	-36.56	37.70	21.78	-0.32	16.02
MSCI US Mid Cap 450 Index USD	39.05	20.52	13.94	13.75	6.19	-41.80	40.49	25.69	-1.91	16.04



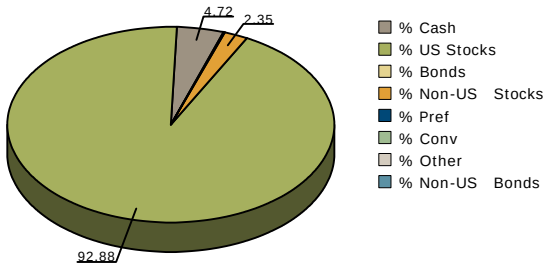
MPT Statistics	3 Yr Alpha	3 Yr Beta	3 Yr R-Squared	3 Yr Sharpe Ratio	3 Yr St Dev	3 Yr Tracking Error
Vanguard Mid-Cap Value Index Admiral	0.19	0.93	98.05	0.76	16.72	2.60
MSCI US Mid Cap 450 Index USD	0.00	1.00	100.00	0.76	17.71	0.00
Universe(5%)	2.99	1.24	99.31	0.93	22.68	10.03
Universe(25%)	0.16	1.06	98.55	0.76	19.15	5.89
Universe(Median)	-0.83	1.02	96.34	0.70	18.14	3.93
Universe(75%)	-2.54	0.92	93.37	0.59	17.03	2.41
Universe(95%)	-5.97	0.71	83.70	0.40	13.53	1.56







Target Small Capitalization Value T



Portfolio Region	
% United States	97.54
% Canada	1.14
% Latin America	0.43
% United Kingdom	0.03
% Eurozone	0.63
% Europe - ex Euro	0.00
% Europe - Emerging	0.00
% Africa	0.00
% Middle East	0.24
% Japan	0.00
% Australasia	0.00
% Asia - Developed	0.00
% Asia - Emerging	0.00

Portfolio Structure	
% Cash	4.72
% US Stocks	92.88
% Bonds	0.00
% Non-US Stocks	2.35
% Pref	0.00
% Conv	0.00
% Other	0.05
% Non-US Bonds	0.00

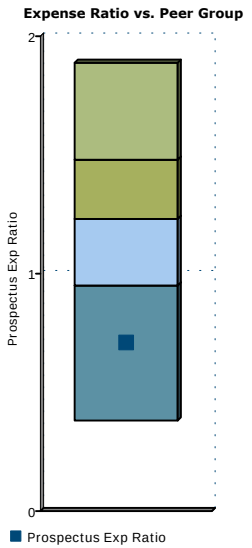
Sector Allocation	
% Basic Materials	8.09
% Communication Services	0.50
% Consumer Cyclical	11.87
% Consumer Defensive	4.94
% Healthcare	7.75
% Industrials	23.29
% Real Estate	5.78
% Technology	8.71
% Energy	6.39
% Financial Services	17.88
% Utilities	4.80

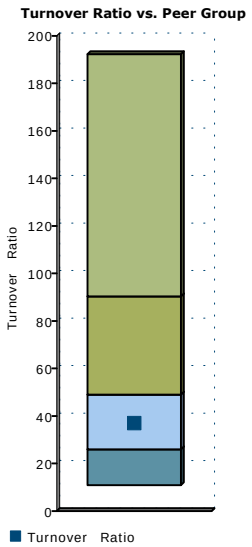
Credit Quality	
Avg Eff Duration	NA
Effective Maturity	NA
Avg Credit Quality	NA
US Govt/ Agency	NA
AAA	NA
AA	NA
A	NA
BBB	NA
BB	NA
B	NA
Below B	NA
NR/NA	NA

Top Ten Holdings	
Aaron's, Inc.	1.28%
Bristow Group, Inc.	1.17%
Amerigroup Corporation	1.06%
Teleflex Inc.	0.95%
PVH Corp	0.83%
Valmont Industries, Inc.	0.80%
Hexcel Corporation	0.80%
Silgan Holdings, Inc.	0.79%
Raymond James Financial Inc	0.79%
Trustmark Corporation	0.77%

Portfolio Information	
Ticker	TASVX
Morningstar Category	Small Value
Avg Mkt Cap $MM	1851.62
Cat Med Mkt Cap $MM	1302.61
Net Assets $MM	1219.57
Turnover Ratio	37.00
% Assets in Top 10 Holdings	9.22
Total Number of Holdings	666.00
Manager Name	Morley D. Campbell
Manager Tenure	4.25
Fund Incept Date	01/05/1993
Prospectus Exp Ratio	0.71
Phone Number	800-225-1852
Closed to New Investors	No

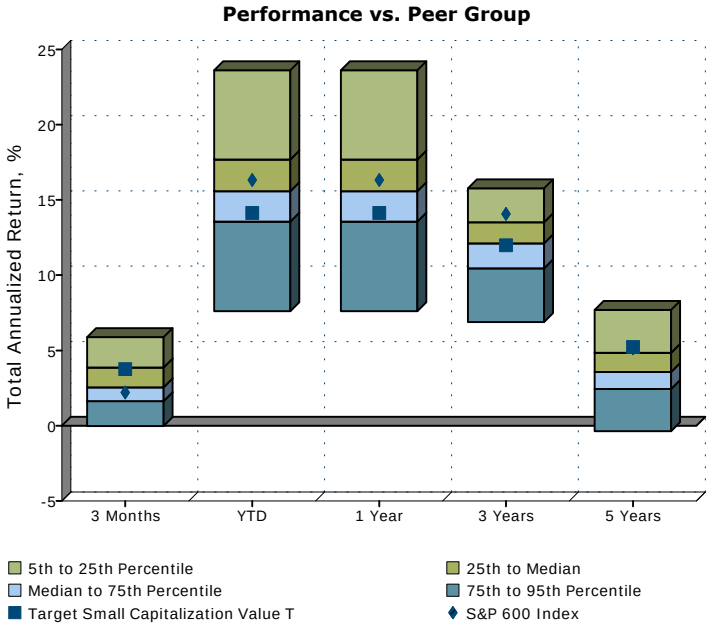
Portfolio Ratings	
Mstar Rating	★★★★
3 Year Mstar Rating	★★★★
% Rank Cat 3 Yr	39
5 Year Mstar Rating	★★★★
% Rank Cat 5 Yr	30
10 Year Mstar Rating	★★★★★
% Rank Cat 10 Yr	7





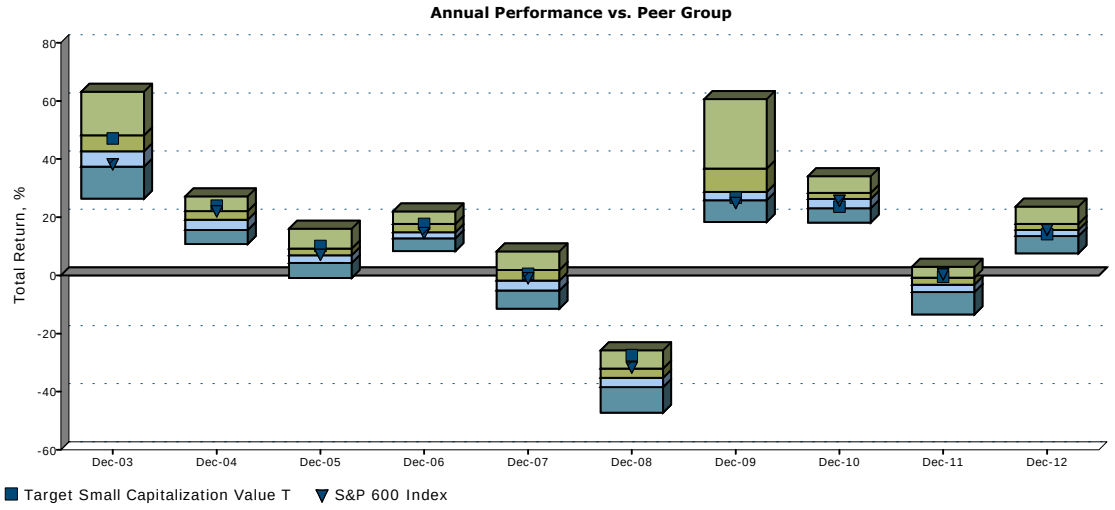
Investment Strategy Summary

The investment seeks above-average capital appreciation. The fund normally invests at least 80% of investable assets in common stocks of small companies. Small companies are those companies with market capitalizations comparable to those in the Russell 2000 Value Index. It invests in stocks of small companies that the advisor believe are undervalued and have an above-average potential to increase in price, given the company's sales, earnings, book value, cash flow and recent performance.

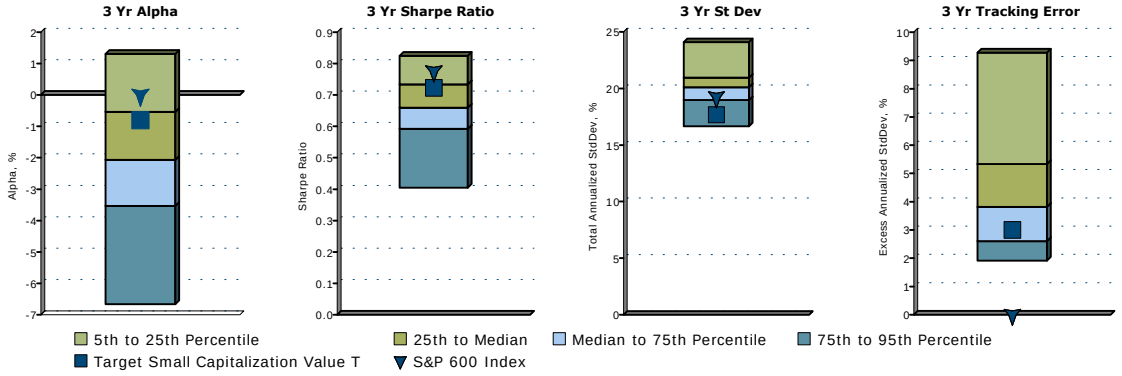


Performance	3 Months	Year to Date	1 Year	3 Years	5 Years
Target Small Capitalization Value T	3.75	14.14	14.14	11.98	5.24
S&P 600 Index	2.22	16.33	16.33	14.07	5.14
Universe(5%)	5.89	23.61	23.61	15.78	7.69
Universe(25%)	3.87	17.70	17.70	13.53	4.84
Universe(Median)	2.55	15.58	15.58	12.12	3.58
Universe(75%)	1.63	13.57	13.57	10.46	2.44
Universe(95%)	-0.02	7.60	7.60	6.88	-0.37

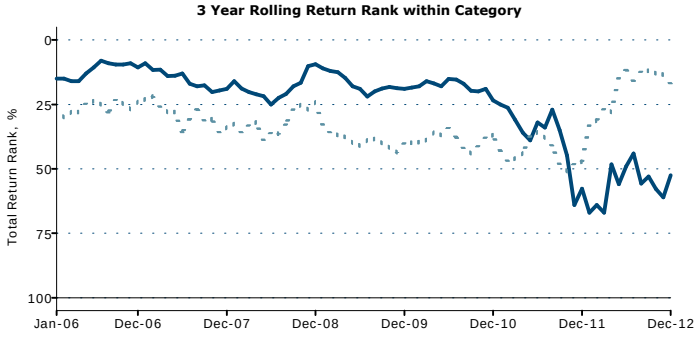
Target Small Capitalization Value T

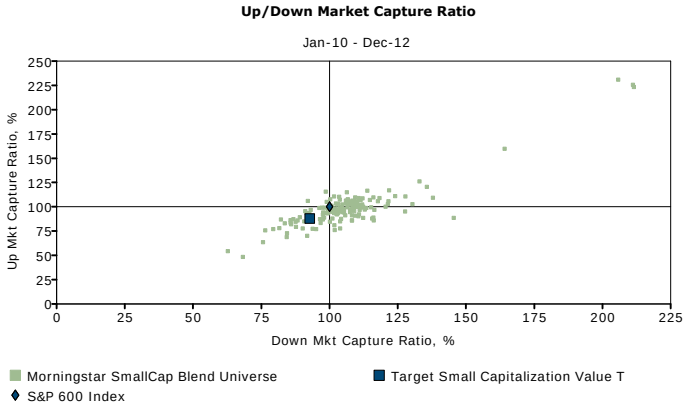


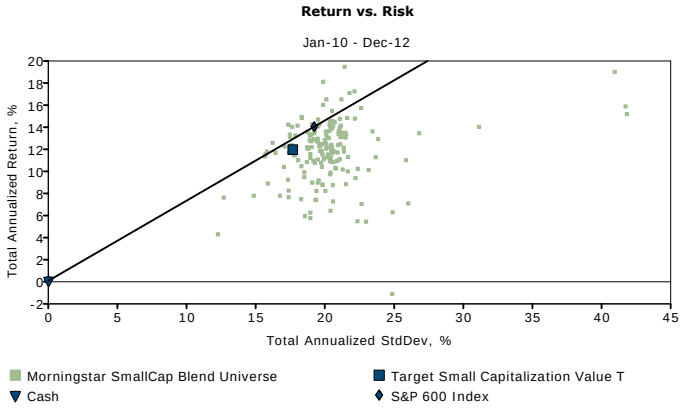
Annual Return %	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Target Small Capitalization Value T	47.10	24.02	10.10	17.72	0.52	-27.45	26.69	23.63	-0.48	14.14
S&P 600 Index	38.79	22.65	7.68	15.12	-0.30	-31.07	25.57	26.31	1.02	16.33



MPT Statistics	3 Yr Alpha	3 Yr Beta	3 Yr R-Squared	3 Yr Sharpe Ratio	3 Yr St Dev	3 Yr Tracking Error
Target Small Capitalization Value T	-0.80	0.91	98.06	0.72	17.68	3.00
S&P 600 Index	0.00	1.00	100.00	0.78	19.22	0.00
Universe(5%)	1.30	1.19	99.44	0.82	24.10	9.28
Universe(25%)	-0.54	1.07	98.52	0.73	20.95	5.33
Universe(Median)	-2.06	1.02	97.09	0.66	20.11	3.81
Universe(75%)	-3.54	0.98	94.49	0.59	18.98	2.60
Universe(95%)	-6.66	0.82	86.17	0.40	16.67	1.92



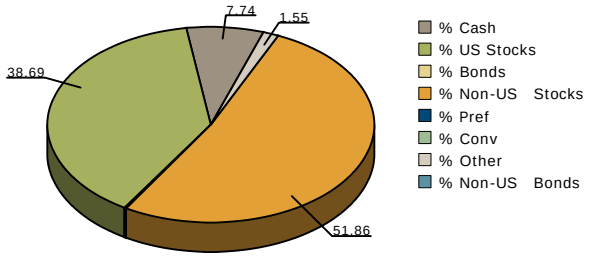




Milliman | Quarterly Investment Monitor

Data as of 12/31/2012

American Funds New Perspective R6



Portfolio Region	
% United States	42.73
% Canada	3.13
% Latin America	2.81
% United Kingdom	7.98
% Eurozone	15.59
% Europe - ex Euro	12.28
% Europe - Emerging	0.00
% Africa	3.11
% Middle East	0.00
% Japan	4.30
% Australasia	2.13
% Asia - Developed	4.65
% Asia - Emerging	1.29

Portfolio Structure	
% Cash	7.74
% US Stocks	38.69
% Bonds	0.16
% Non-US Stocks	51.86
% Pref	0.00
% Conv	0.00
% Other	1.55
% Non-US Bonds	0.00

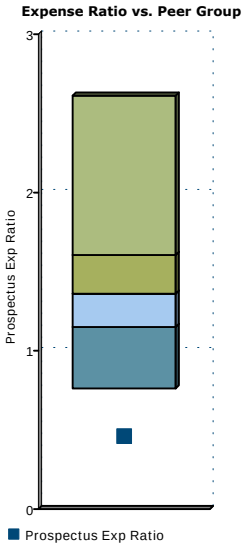
Sector Allocation	
% Basic Materials	6.88
% Communication Services	2.69
% Consumer Cyclical	15.70
% Consumer Defensive	13.00
% Healthcare	17.40
% Industrials	12.29
% Real Estate	0.24
% Technology	14.55
% Energy	5.93
% Financial Services	10.36
% Utilities	0.95

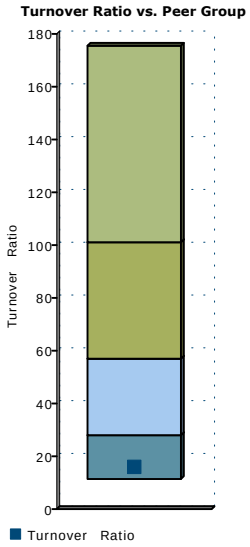
Credit Quality	
Avg Eff Duration	NA
Effective Maturity	NA
Avg Credit Quality	NA
US Govt/ Agency	NA
AAA	NA
AA	NA
A	NA
BBB	NA
BB	NA
B	NA
Below B	NA
NR/NA	NA

Top Ten Holdings	
Novo Nordisk A/S	4.99%
Amazon.com Inc	2.25%
Google, Inc. Class A	1.78%
Home Depot, Inc.	1.65%
Newmont Mining Corporation	1.41%
British American Tobacco PLC	1.39%
Naspers Ltd	1.36%
Nestle SA	1.27%
America Movil, S.A.B. de C.V. ADR	1.21%
ACE Ltd	1.16%

Portfolio Information	
Ticker	RNPGX
Morningstar Category	World Stock
Avg Mkt Cap $MM	43325.20
Cat Med Mkt Cap $MM	25224.82
Net Assets $MM	43579.90
Turnover Ratio	16.00
% Assets in Top 10 Holdings	18.47
Total Number of Holdings	290.00
Manager Name	Brady L. Enright
Manager Tenure	7.09
Fund Incept Date	03/13/1973
Prospectus Exp Ratio	0.46
Phone Number	800-421-4225
Closed to New Investors	No

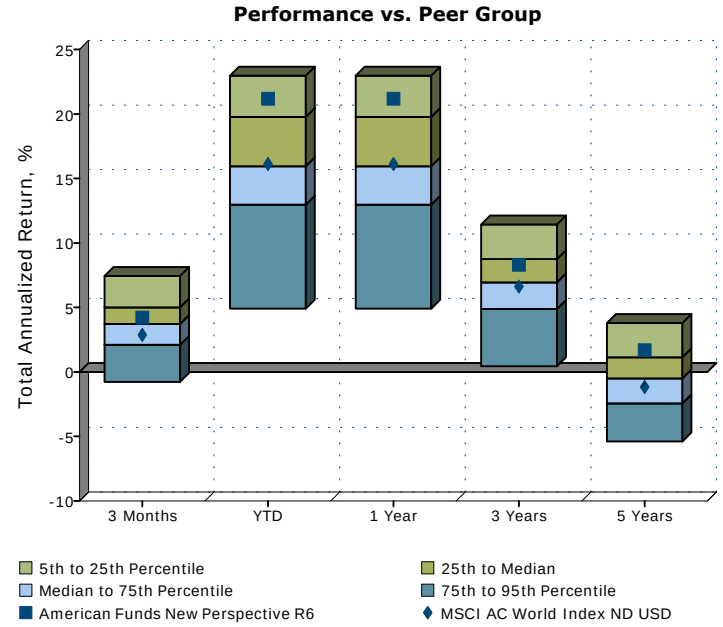
Portfolio Ratings	
Mstar Rating	★★★★
3 Year Mstar Rating	★★★★
% Rank Cat 3 Yr	28
5 Year Mstar Rating	★★★★
% Rank Cat 5 Yr	16
10 Year Mstar Rating	★★★★★
% Rank Cat 10 Yr	23





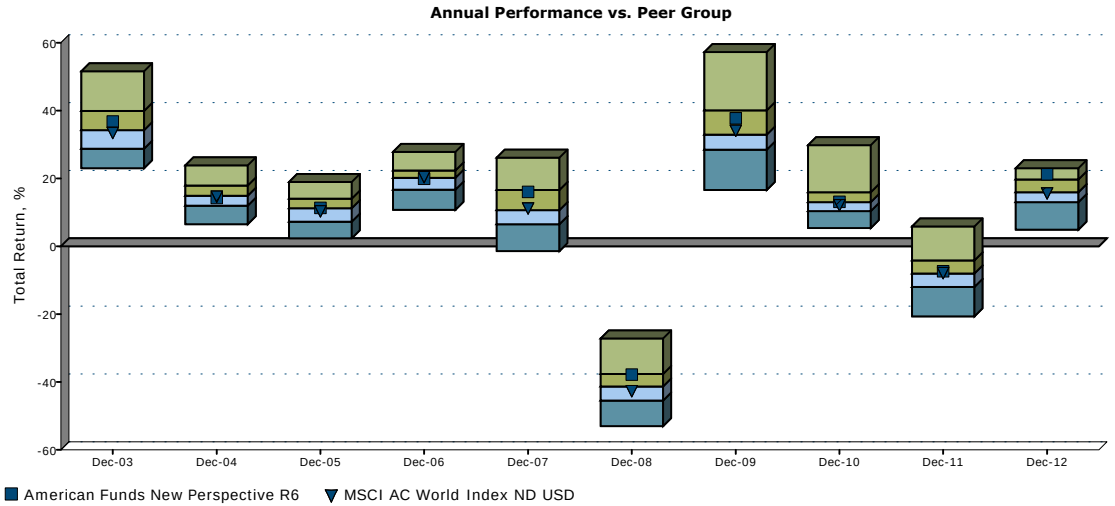
Investment Strategy Summary

The investment seeks long-term growth of capital; future income is a secondary objective. The fund seeks to take advantage of investment opportunities generated by changes in international trade patterns and economic and political relationships by investing in common stocks of companies located around the world. In pursuing its primary investment objective, it invests primarily in common stocks that the investment adviser believes have the potential for growth. In pursuing its secondary objective, the fund invests in common stocks of companies with the potential to pay dividends in the future.

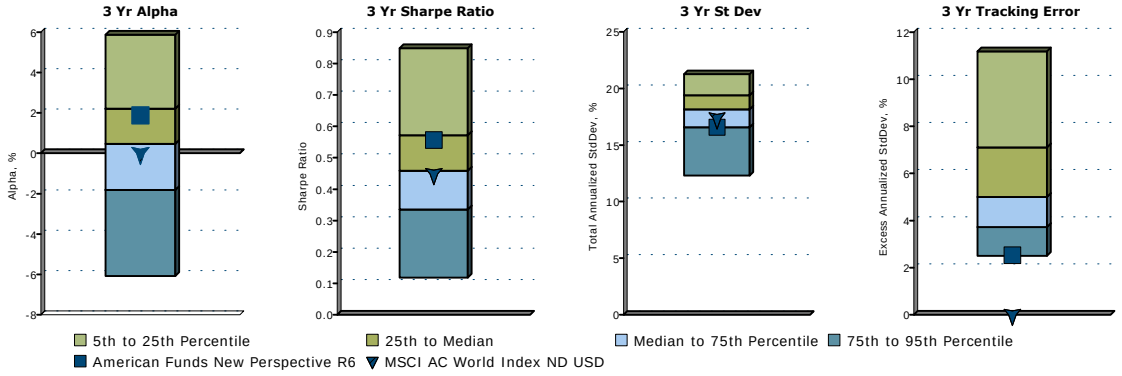


Performance	3 Months	Year to Date	1 Year	3 Years	5 Years
American Funds New Perspective R6	4.21	21.19	21.19	8.30	1.69
MSCI AC World Index ND USD	2.88	16.13	16.13	6.63	-1.16
Universe(5%)	7.43	22.97	22.97	11.43	3.80
Universe(25%)	5.01	19.76	19.76	8.75	1.14
Universe(Median)	3.71	15.94	15.94	6.93	-0.51
Universe(75%)	2.11	12.97	12.97	4.88	-2.43
Universe(95%)	-0.78	4.91	4.91	0.43	-5.37

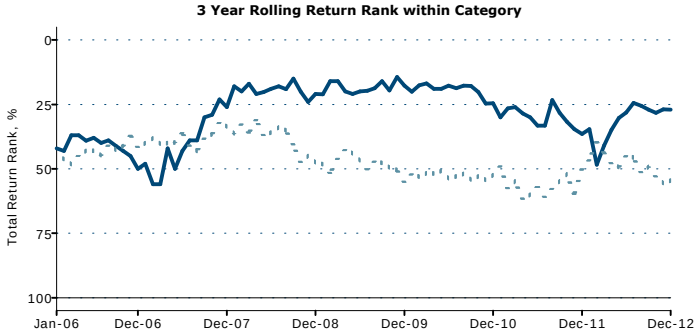
American Funds New Perspective R6

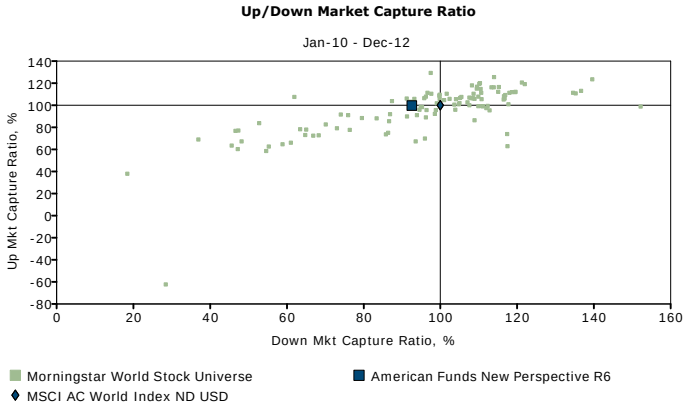


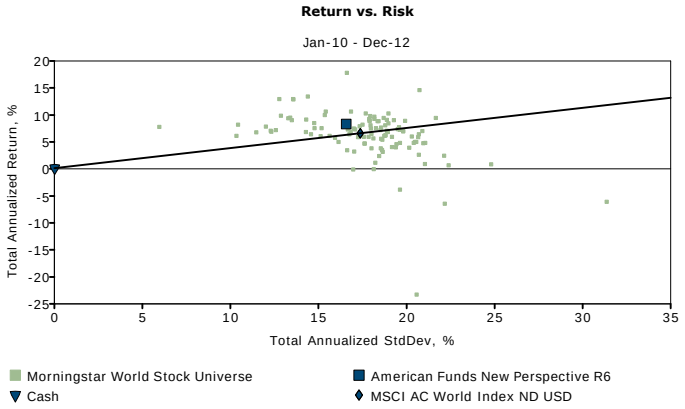
Annual Return %	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
American Funds New Perspective R6	36.76	14.27	11.28	19.87	16.03	-37.83	37.73	13.11	-7.33	21.19
MSCI AC World Index ND USD	33.99	15.23	10.84	20.95	11.66	-42.20	34.63	12.67	-7.35	16.13



MPT Statistics	3 Yr Alpha	3 Yr Beta	3 Yr R-Squared	3 Yr Sharpe Ratio	3 Yr St Dev	3 Yr Tracking Error
American Funds New Perspective R6	1.87	0.94	98.01	0.56	16.57	2.53
MSCI AC World Index ND USD	0.00	1.00	100.00	0.45	17.37	0.00
Universe(5%)	5.88	1.17	98.07	0.85	21.28	11.19
Universe(25%)	2.21	1.07	96.74	0.57	19.41	7.10
Universe(Median)	0.46	1.02	94.53	0.46	18.16	4.99
Universe(75%)	-1.82	0.85	87.32	0.34	16.57	3.73
Universe(95%)	-6.09	0.63	68.44	0.12	12.31	2.49



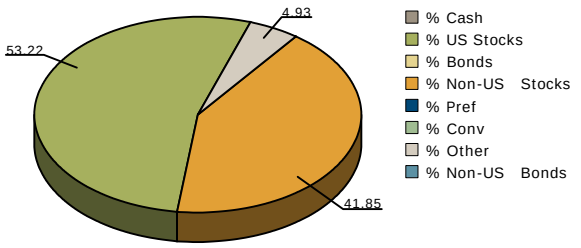




Milliman | Quarterly Investment Monitor

Data as of 12/31/2012

Harding Loevner Global Equity Inst



Portfolio Region	
% United States	55.97
% Canada	1.25
% Latin America	1.81
% United Kingdom	5.53
% Eurozone	7.81
% Europe - ex Euro	7.92
% Europe - Emerging	2.26
% Africa	1.39
% Middle East	0.00
% Japan	9.64
% Australasia	1.37
% Asia - Developed	0.00
% Asia - Emerging	5.05

Portfolio Structure	
% Cash	0.00
% US Stocks	53.22
% Bonds	0.00
% Non-US Stocks	41.85
% Pref	0.00
% Conv	0.00
% Other	4.93
% Non-US Bonds	0.00

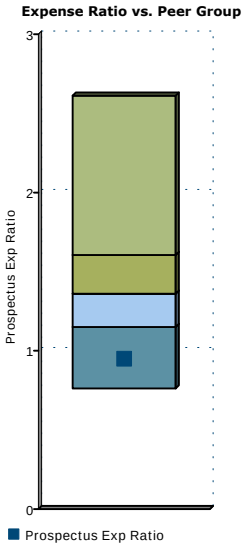
Sector Allocation	
% Basic Materials	3.76
% Communication Services	1.51
% Consumer Cyclical	18.13
% Consumer Defensive	12.33
% Healthcare	8.48
% Industrials	11.63
% Real Estate	0.00
% Technology	21.73
% Energy	6.46
% Financial Services	15.96
% Utilities	0.00

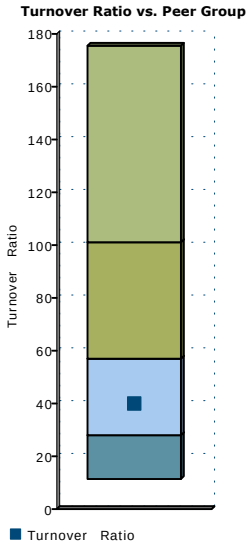
Credit Quality	
Avg Eff Duration	NA
Effective Maturity	NA
Avg Credit Quality	NA
US Govt/ Agency	NA
AAA	NA
AA	NA
A	NA
BBB	NA
BB	NA
B	NA
Below B	NA
NR/NA	NA

Top Ten Holdings	
Northern Instl Fds	4.93%
Wells Fargo & Co	3.59%
eBay Inc	3.52%
Unicharm Corp	3.12%
Microsoft Corporation	2.83%
Nestle SA ADR	2.81%
Schlumberger NV	2.55%
Fanuc Corp	2.39%
Apple Inc	2.22%
Emerson Electric Co.	2.17%

Portfolio Information	
Ticker	HLMVX
Morningstar Category	World Stock
Avg Mkt Cap $MM	30676.88
Cat Med Mkt Cap $MM	25224.82
Net Assets $MM	429.03
Turnover Ratio	40.00
% Assets in Top 10 Holdings	30.14
Total Number of Holdings	67.00
Manager Name	Peter J. Baughan
Manager Tenure	9.85
Fund Incept Date	11/29/1996
Prospectus Exp Ratio	0.95
Phone Number	877-435-8105
Closed to New Investors	No

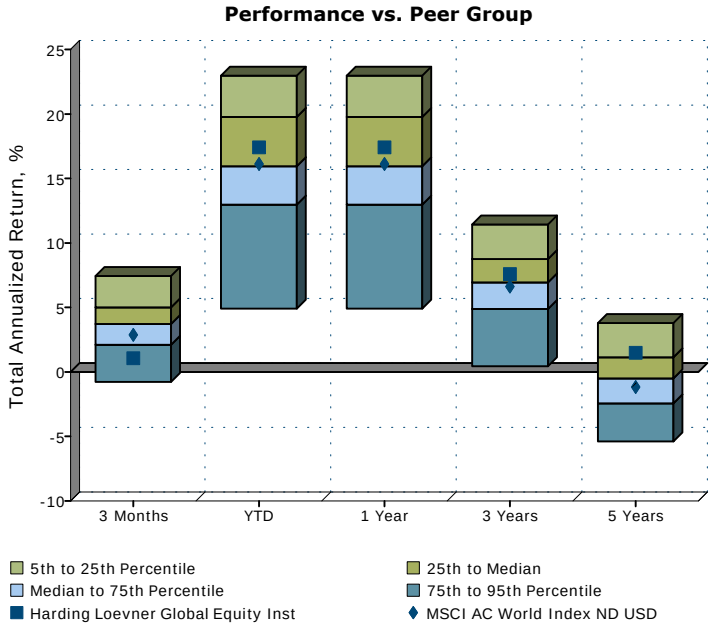
Portfolio Ratings	
Mstar Rating	★★★
3 Year Mstar Rating	★★★
% Rank Cat 3 Yr	37
5 Year Mstar Rating	★★★★
% Rank Cat 5 Yr	18
10 Year Mstar Rating	★★★★
% Rank Cat 10 Yr	39





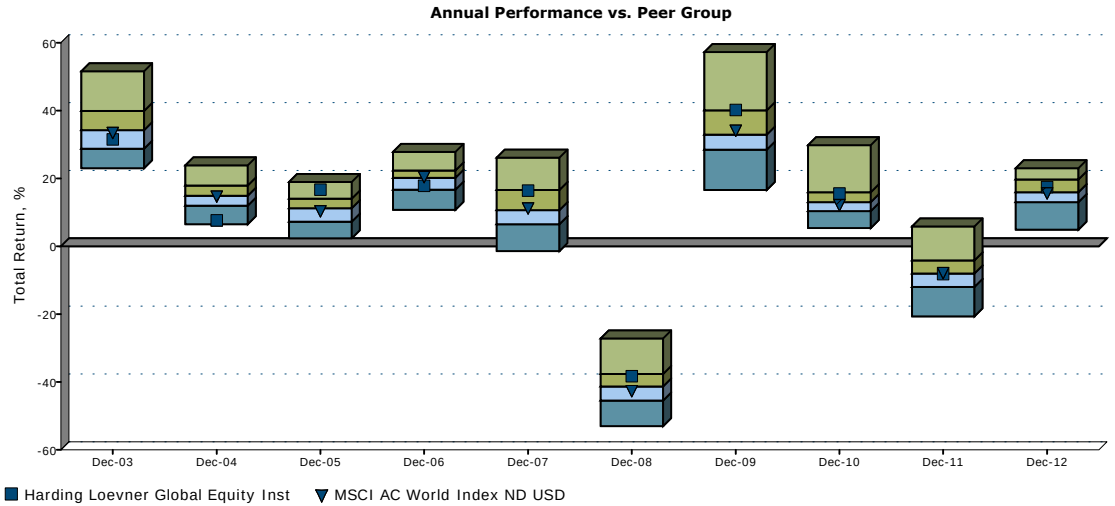
Investment Strategy Summary

The investment seeks long-term capital appreciation. The fund invests in companies based in the U.S. and other developed markets, as well as in emerging and frontier markets. It invests at least 80% of net assets in common stocks, preferred stock, rights and warrants issued by companies that are based both inside and outside the United States, securities convertible into such securities and investment companies that invest in the types of securities in which the fund would normally invest. The fund normally holds 35-75 investments across at least 15 countries.

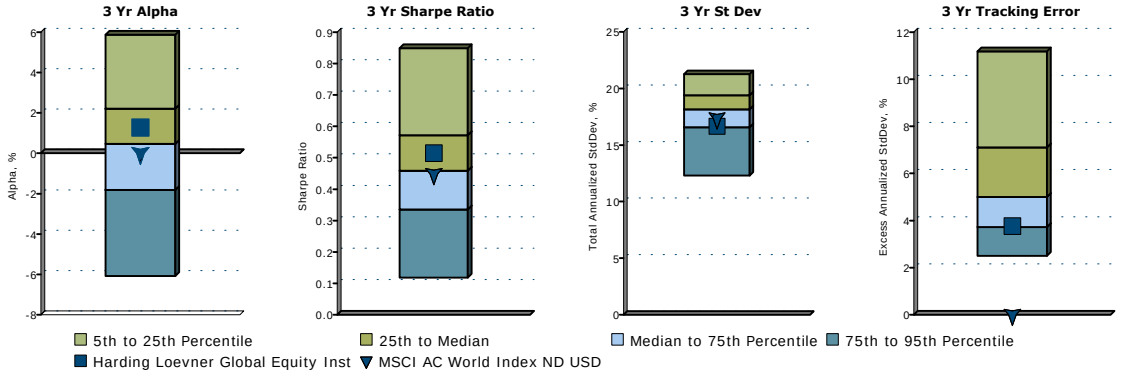


Performance	3 Months	Year to Date	1 Year	3 Years	5 Years
Harding Loevner Global Equity Inst	1.07	17.42	17.42	7.58	1.49
MSCI AC World Index ND USD	2.88	16.13	16.13	6.63	-1.16
Universe(5%)	7.43	22.97	22.97	11.43	3.80
Universe(25%)	5.01	19.76	19.76	8.75	1.14
Universe(Median)	3.71	15.94	15.94	6.93	-0.51
Universe(75%)	2.11	12.97	12.97	4.88	-2.43
Universe(95%)	-0.78	4.91	4.91	0.43	-5.37

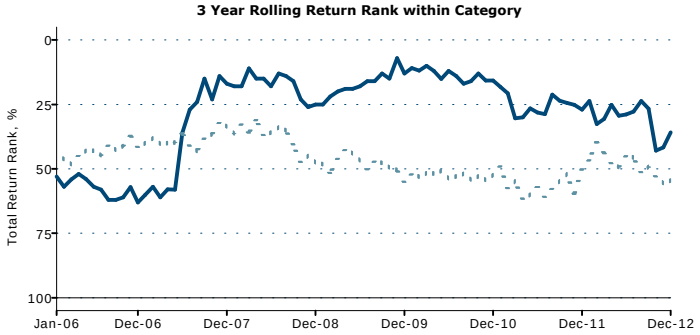
Harding Loevner Global Equity Inst

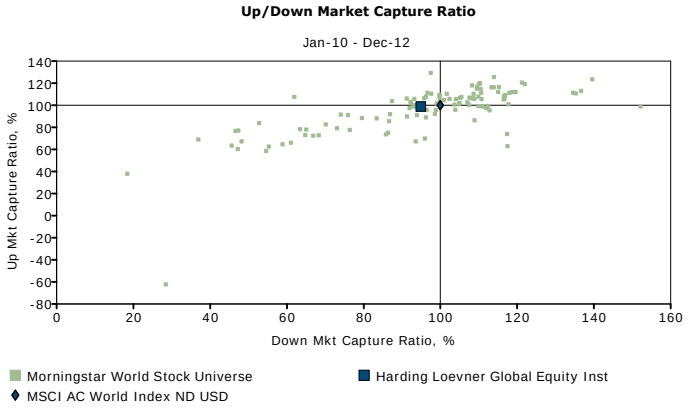


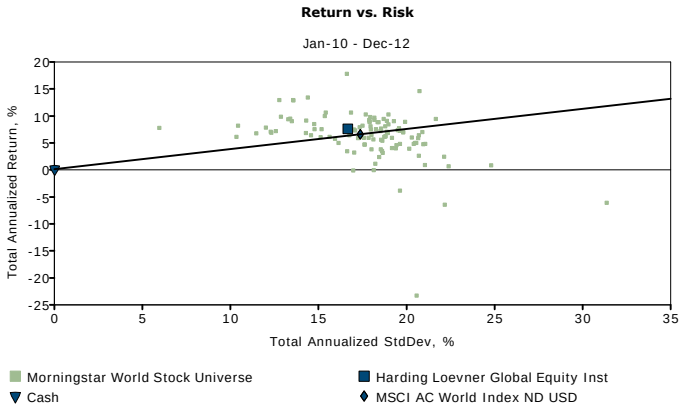
Annual Return %	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Harding Loevner Global Equity Inst	31.51	7.61	16.65	17.84	16.39	-38.29	40.16	15.55	-8.22	17.42
MSCI AC World Index ND USD	33.99	15.23	10.84	20.95	11.66	-42.20	34.63	12.67	-7.35	16.13



MPT Statistics	3 Yr Alpha	3 Yr Beta	3 Yr R-Squared	3 Yr Sharpe Ratio	3 Yr St Dev	3 Yr Tracking Error
Harding Loevner Global Equity Inst	1.27	0.94	95.33	0.51	16.66	3.77
MSCI AC World Index ND USD	0.00	1.00	100.00	0.45	17.37	0.00
Universe(5%)	5.88	1.17	98.07	0.85	21.28	11.19
Universe(25%)	2.21	1.07	96.74	0.57	19.41	7.10
Universe(Median)	0.46	1.02	94.53	0.46	18.16	4.99
Universe(75%)	-1.82	0.85	87.32	0.34	16.57	3.73
Universe(95%)	-6.09	0.63	68.44	0.12	12.31	2.49



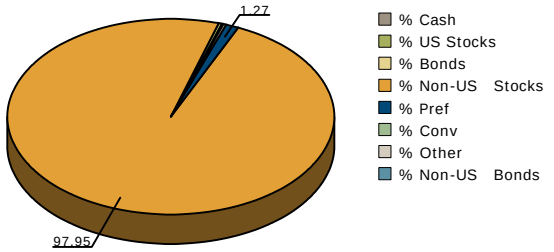




Milliman | Quarterly Investment Monitor

Data as of 12/31/2012

Vanguard Emerging Mkts Stock Idx I



Portfolio Region	
% United States	0.36
% Canada	0.00
% Latin America	20.72
% United Kingdom	0.00
% Eurozone	0.00
% Europe - ex Euro	0.00
% Europe - Emerging	9.82
% Africa	8.18
% Middle East	0.00
% Japan	0.00
% Australasia	0.00
% Asia - Developed	25.96
% Asia - Emerging	34.97

Portfolio Structure	
% Cash	0.23
% US Stocks	0.35
% Bonds	0.00
% Non-US Stocks	97.95
% Pref	1.27
% Conv	0.00
% Other	0.20
% Non-US Bonds	0.00

Sector Allocation	
% Basic Materials	12.06
% Communication Services	8.67
% Consumer Cyclical	8.70
% Consumer Defensive	8.20
% Healthcare	1.11
% Industrials	7.58
% Real Estate	1.65
% Technology	14.49
% Energy	11.59
% Financial Services	22.84
% Utilities	3.11

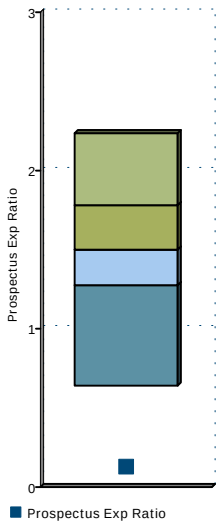
Credit Quality	
Avg Eff Duration	NA
Effective Maturity	NA
Avg Credit Quality	NA
US Govt/ Agency	NA
AAA	NA
AA	NA
A	NA
BBB	NA
BB	NA
B	NA
Below B	NA
NR/NA	NA

Top Ten Holdings	
Samsung Electronics Co Ltd GDR	2.51%
China Mobile Ltd.	1.86%
America Movil, S.A.B. de C.V.	1.39%
China Construction Bank Corp H Shares	1.38%
Taiwan Semiconductor Manufacturing ADR	1.38%
Gazprom OAO ADR	1.30%
Samsung Electronics Co Ltd	1.20%
Industrial And Commercial Bank Of China Ltd.	1.06%
CNOOC, Ltd.	1.01%
Hyundai Motor Co Ltd	0.97%

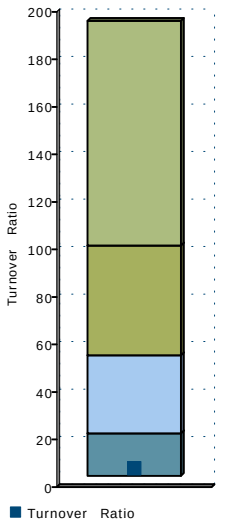
Portfolio Information	
Ticker	VEMIX
Morningstar Category	Diversified Emerging Mkts
Avg Mkt Cap $MM	19047.00
Cat Med Mkt Cap $MM	15161.94
Net Assets $MM	75732.08
Turnover Ratio	8.00
% Assets in Top 10 Holdings	14.05
Total Number of Holdings	888.00
Manager Name	Michael Perre
Manager Tenure	4.34
Fund Incept Date	05/04/1994
Prospectus Exp Ratio	0.13
Phone Number	800-662-7447
Closed to New Investors	No

Portfolio Ratings	
Mstar Rating	★★★
3 Year Mstar Rating	★★★
% Rank Cat 3 Yr	54
5 Year Mstar Rating	★★★
% Rank Cat 5 Yr	32
10 Year Mstar Rating	★★★
% Rank Cat 10 Yr	32

Expense Ratio vs. Peer Group



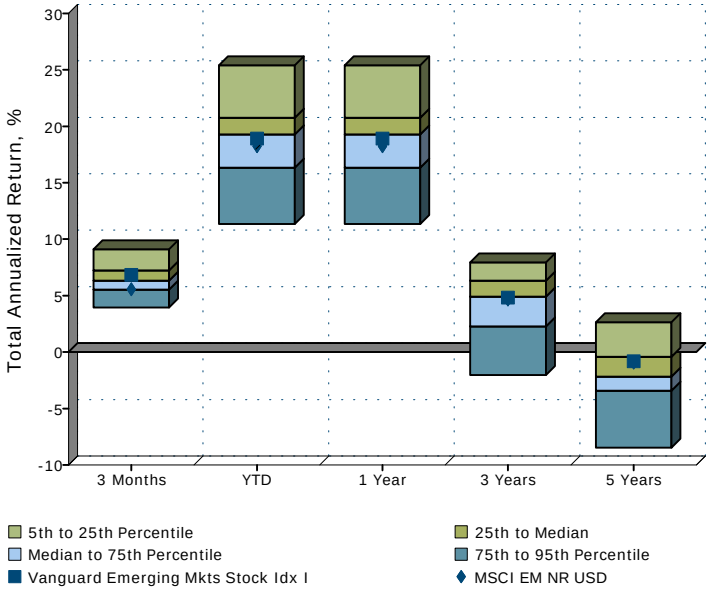
Turnover Ratio vs. Peer Group



Investment Strategy Summary

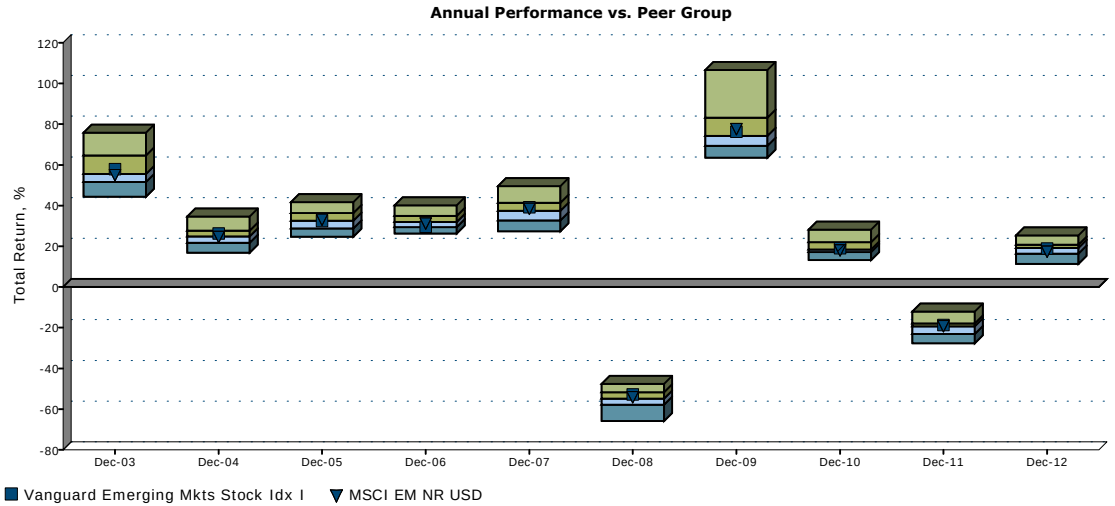
The investment seeks to track the performance of a benchmark index that measures the investment return of stocks issued by companies located in emerging market countries. The fund employs an indexing investment approach by investing substantially all (normally about 95%) of its assets in the common stocks included in the MSCI Emerging Markets Index, while employing a form of sampling to reduce risk. The MSCI Emerging Markets Index includes approximately 820 common stocks of companies located in emerging markets around the world.

Performance vs. Peer Group

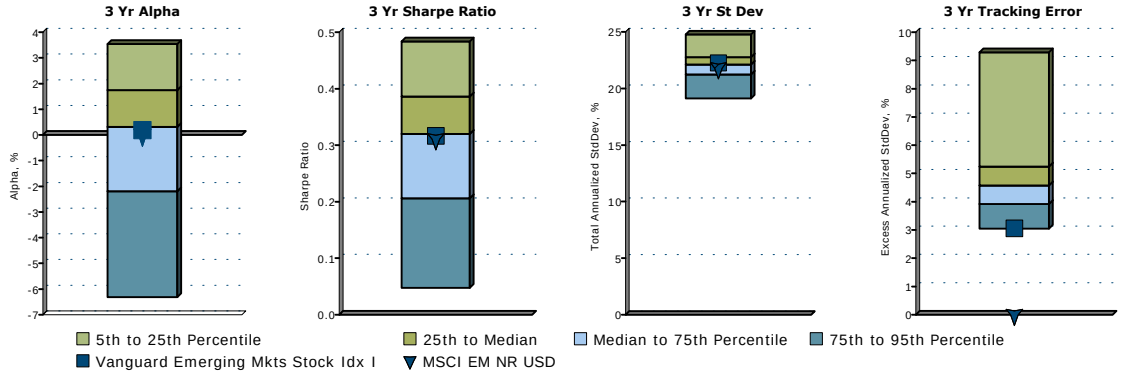


Performance	3 Months	Year to Date	1 Year	3 Years	5 Years
Vanguard Emerging Mkts Stock Idx I	6.84	18.90	18.90	4.83	-0.81
MSCI EM NR USD	5.58	18.22	18.22	4.66	-0.92
Universe(5%)	9.11	25.41	25.41	7.94	2.63
Universe(25%)	7.22	20.75	20.75	6.34	-0.43
Universe(Median)	6.34	19.28	19.28	4.92	-2.16
Universe(75%)	5.55	16.34	16.34	2.27	-3.43
Universe(95%)	3.94	11.34	11.34	-2.05	-8.46

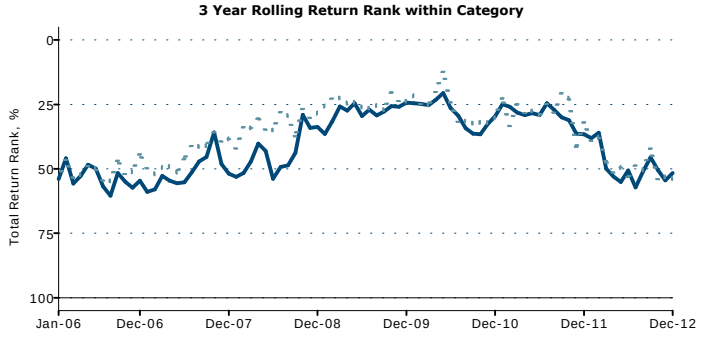
Vanguard Emerging Mkts Stock Idx I

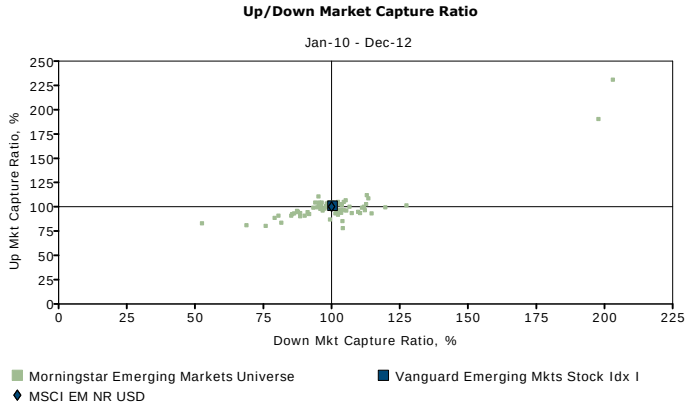


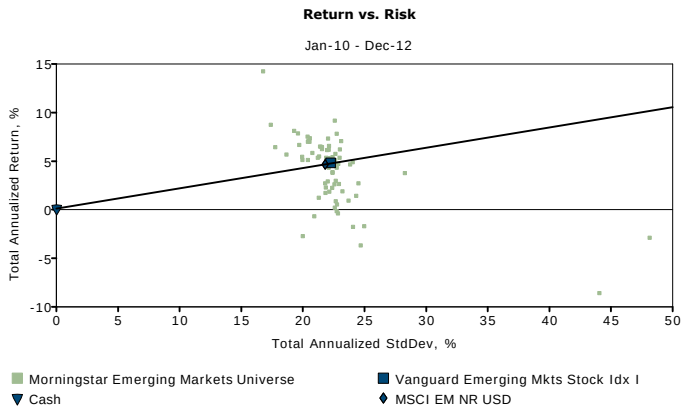
Annual Return %	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Vanguard Emerging Mkts Stock Idx I	57.97	26.24	32.35	29.57	39.15	-52.74	76.35	19.06	-18.63	18.90
MSCI EM NR USD	55.82	25.55	34.00	32.14	39.42	-53.33	78.51	18.88	-18.42	18.22



MPT Statistics	3 Yr Alpha	3 Yr Beta	3 Yr R-Squared	3 Yr Sharpe Ratio	3 Yr St Dev	3 Yr Tracking Error
Vanguard Emerging Mkts Stock Idx I	0.19	1.01	98.13	0.32	22.26	3.06
MSCI EM NR USD	0.00	1.00	100.00	0.31	21.80	0.00
Universe(5%)	3.54	1.12	98.12	0.48	24.78	9.29
Universe(25%)	1.74	1.02	97.11	0.39	22.76	5.24
Universe(Median)	0.31	1.00	96.09	0.32	22.12	4.58
Universe(75%)	-2.19	0.94	95.01	0.21	21.25	3.92
Universe(95%)	-6.32	0.86	91.13	0.05	19.11	3.05



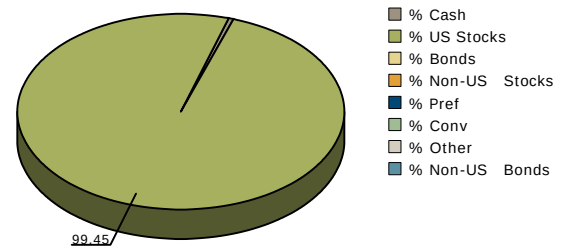




Milliman | Quarterly Investment Monitor

Data as of 12/31/2012

Vanguard REIT Index I



Portfolio Region	
% United States	100.00
% Canada	0.00
% Latin America	0.00
% United Kingdom	0.00
% Eurozone	0.00
% Europe - ex Euro	0.00
% Europe - Emerging	0.00
% Africa	0.00
% Middle East	0.00
% Japan	0.00
% Australasia	0.00
% Asia - Developed	0.00
% Asia - Emerging	0.00

Portfolio Structure	
% Cash	0.55
% US Stocks	99.45
% Bonds	0.00
% Non-US Stocks	0.00
% Pref	0.00
% Conv	0.00
% Other	0.00
% Non-US Bonds	0.00

Sector Allocation	
% Basic Materials	0.00
% Communication Services	0.00
% Consumer Cyclical	0.00
% Consumer Defensive	0.00
% Healthcare	0.00
% Industrials	0.00
% Real Estate	100.00
% Technology	0.00
% Energy	0.00
% Financial Services	0.00
% Utilities	0.00

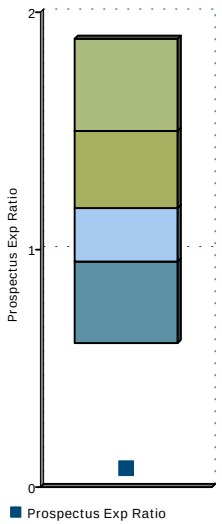
Credit Quality	
Avg Eff Duration	NA
Effective Maturity	NA
Avg Credit Quality	NA
US Govt/ Agency	NA
AAA	NA
AA	NA
A	NA
BBB	NA
BB	NA
B	NA
Below B	NA
NR/NA	NA

Top Ten Holdings	
Simon Property Group Inc	10.78%
Public Storage	4.75%
HCP Inc	4.37%
Ventas Inc	4.29%
Equity Residential	4.05%
Boston Properties Inc	3.88%
Prologis Inc	3.78%
Health Care REIT, Inc.	3.45%
Vornado Realty Trust	3.17%
AvalonBay Communities Inc	3.04%

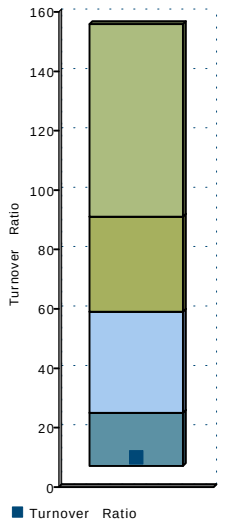
Portfolio Information	
Ticker	VGSNX
Morningstar Category	Real Estate
Avg Mkt Cap $MM	8100.38
Cat Med Mkt Cap $MM	8062.88
Net Assets $MM	29708.87
Turnover Ratio	10.00
% Assets in Top 10 Holdings	45.59
Total Number of Holdings	113.00
Manager Name	Gerard C. O'Reilly
Manager Tenure	16.65
Fund Incept Date	05/13/1996
Prospectus Exp Ratio	0.08
Phone Number	800-662-7447
Closed to New Investors	No

Portfolio Ratings	
Mstar Rating	★★★
3 Year Mstar Rating	★★★★
% Rank Cat 3 Yr	21
5 Year Mstar Rating	★★★
% Rank Cat 5 Yr	22
10 Year Mstar Rating	★★★
% Rank Cat 10 Yr	34

Expense Ratio vs. Peer Group



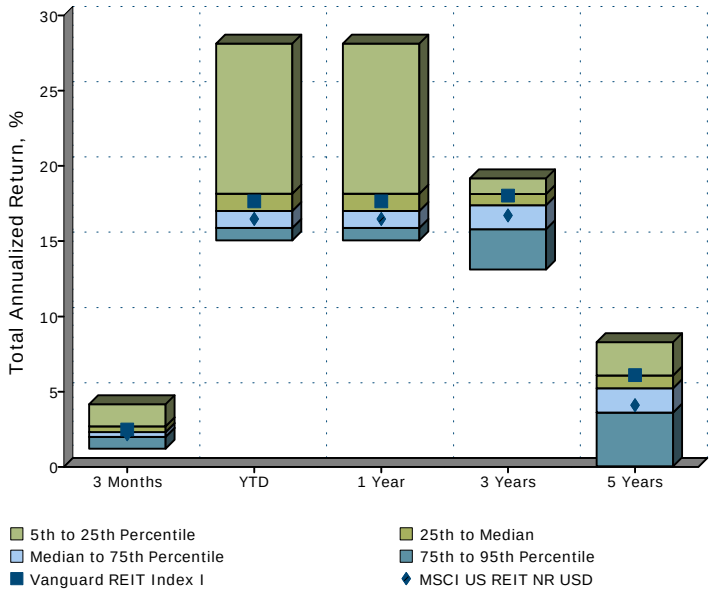
Turnover Ratio vs. Peer Group



Investment Strategy Summary

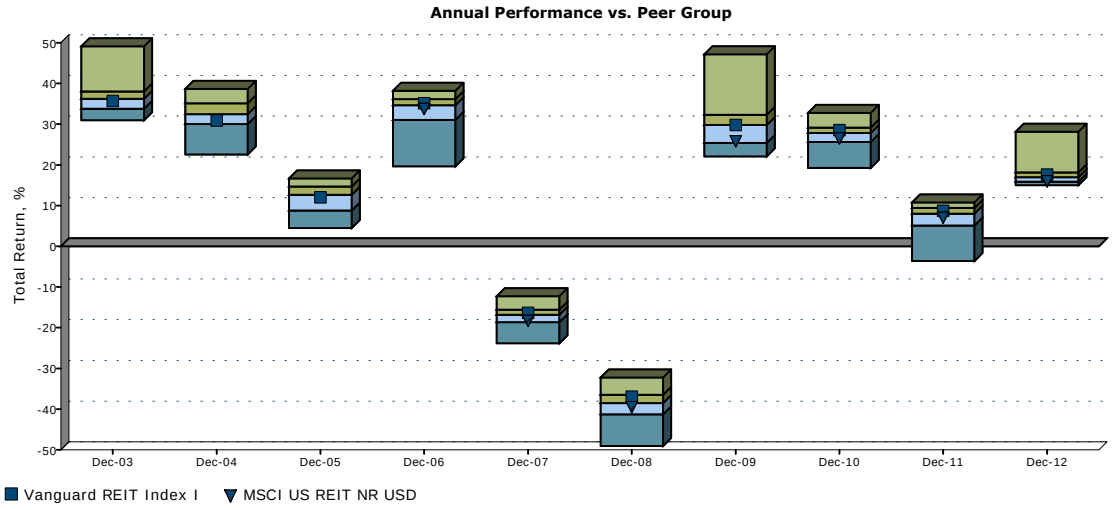
The investment seeks to provide a high level of income and moderate long-term capital appreciation by tracking the performance of a benchmark index that measures the performance of publicly traded equity REITs. The fund employs an indexing investment approach designed to track the performance of the MSCI US REIT Index. The index is composed of stocks of publicly traded equity real estate investment trusts (known as REITs). It attempts to replicate the index by investing all, or substantially all, of its assets in the stocks that make up the index, holding each stock in approximately the same proportion as its weighting in the index.

Performance vs. Peer Group

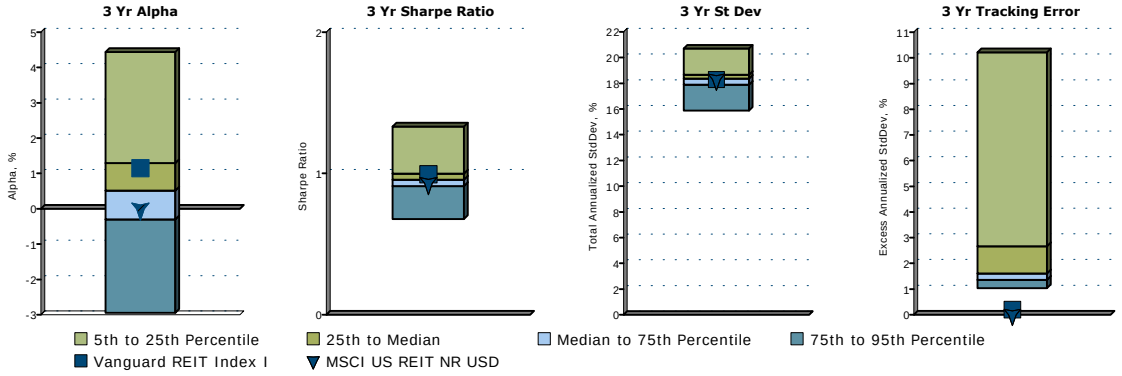


Performance	3 Months	Year to Date	1 Year	3 Years	5 Years
Vanguard REIT Index I	2.50	17.65	17.65	18.03	6.11
MSCI US REIT NR USD	2.17	16.47	16.47	16.70	4.11
Universe(5%)	4.16	28.13	28.13	19.18	8.30
Universe(25%)	2.71	18.17	18.17	18.14	6.07
Universe(Median)	2.31	17.01	17.01	17.39	5.23
Universe(75%)	1.99	15.89	15.89	15.79	3.62
Universe(95%)	1.21	15.05	15.05	13.13	0.05

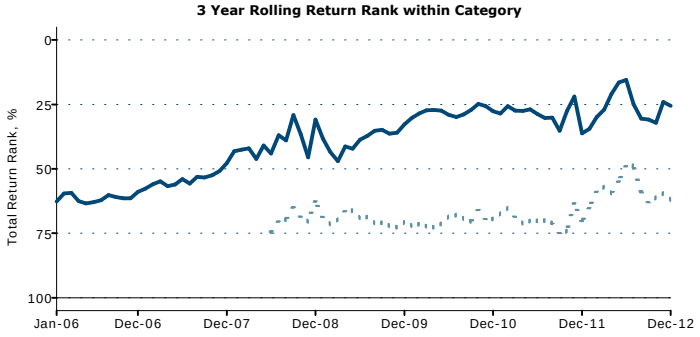
Vanguard REIT Index I

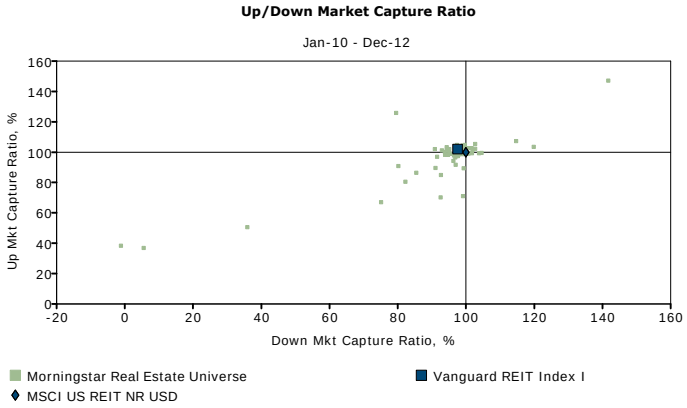


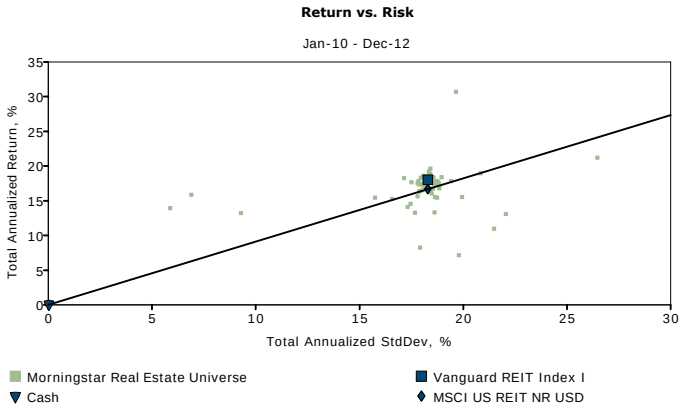
Annual Return %	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Vanguard REIT Index I	35.65	30.93	12.05	35.15	-16.38	-36.95	29.76	28.56	8.70	17.65
MSCI US REIT NR USD	NA	NA	NA	34.18	-17.84	-39.05	26.27	26.97	7.48	16.47



MPT Statistics	3 Yr Alpha	3 Yr Beta	3 Yr R-Squared	3 Yr Sharpe Ratio	3 Yr St Dev	3 Yr Tracking Error
Vanguard REIT Index I	1.15	1.00	99.99	0.99	18.29	0.20
MSCI US REIT NR USD	0.00	1.00	100.00	0.93	18.30	0.00
Universe(5%)	4.44	1.07	99.72	1.33	20.70	10.21
Universe(25%)	1.29	1.01	99.51	1.00	18.65	2.67
Universe(Median)	0.51	1.00	99.30	0.96	18.38	1.61
Universe(75%)	-0.30	0.97	98.12	0.91	17.90	1.35
Universe(95%)	-2.95	0.85	79.09	0.68	15.87	1.03







Glossary

Alpha (3 Yr)

Alpha is a measure of the difference between a portfolio's actual returns and its expected performance, given its level of risk as measured by beta. A positive alpha figure indicates the portfolio has performed better than its beta would predict. In contrast, a negative alpha indicates the portfolio has underperformed, given the expectations established by beta.

Average Effective Duration

A measure of a fund's interest-rate sensitivity--the longer a fund's duration, the more sensitive the fund is to shifts in interest rates. Duration is determined by a formula that includes coupon rates and bond maturities. Small coupons tend to increase duration, while shorter maturities and higher coupons shorten duration. The relationship between funds with different durations is straightforward: A fund with a duration of 10 years is twice as volatile as a fund with a five-year duration. Morningstar prints an average effective duration statistic that incorporates call, put, and prepayment possibilities.

Average Effective Maturity

Average effective maturity is a weighted average of all the effective maturities of the bonds in a portfolio. Effective maturity takes into consideration mortgage prepayments, puts, calls, adjustable coupons, and other features of individual bonds and is thus a more accurate measure of interest-rate sensitivity. Longer-maturity funds are generally considered more interest-rate sensitive than their shorter counterparts.

Beta

A measure of a fund's sensitivity to market movements. The beta of the market is 1.00 by definition. Morningstar calculates beta by comparing a fund's excess return over Treasury bills to the market's excess return over Treasury bills, so a beta of 1.10 shows that the fund has performed 10% better than its benchmark index in up markets and 10% worse in down markets, assuming all other factors remain constant. Conversely, a beta of 0.85 indicates that the fund's excess return is expected to perform 15% worse than the market's excess return during up markets and 15% better during down markets.

The Morningstar Rating

Commonly called the Star Rating, is a measure of a fund's risk-adjusted return, relative to funds in its category. Funds are rated from one to five stars, with the best performers receiving five stars and the worst performers receiving a single star.

Risk-adjusted return is calculated by subtracting a risk penalty from each fund total return, after accounting for all loads, sales charges, and redemption fees. The risk penalty is determined by the amount of variation in the fund's monthly return, with emphasis on downward variation. The greater the variation, the larger the penalty. Funds are ranked within their categories and stars are assigned as follows: Top 10% five stars; Next 22.5% four stars; Middle 35% three stars; Next 22.5% two stars; Bottom 10% one star.

Audited Expense Ratio

The percentage of fund assets paid for operating expenses and management fees, including 12b-1 fees, administrative fees, and all other asset-based costs incurred by the fund, except brokerage costs. Fund expenses are reflected in the fund's NAV . Sales charges are not included in the expense ratio.

Geometric Average Market Capitalization

Morningstar defines the overall "size" of a stock fund's portfolio as the geometric mean of the market capitalization for all of the stocks it owns. It's calculated by raising the market capitalization of each stock to a power equal to that stock's stake in the portfolio. The resulting numbers are multiplied together to produce the geometric mean of the market caps of the stocks in the portfolio, which is reported as average market capitalization.
This number is different from the fund's median market cap--the capitalization of the median stock in its portfolio. The geometric mean better identifies the portfolio's "center of gravity." That is, it provides more accurate insight into how market trends (as defined by capitalization) might affect the portfolio.

Net Assets

The month-end net assets of the mutual fund, recorded in millions of dollars. Net-asset figures are useful in gauging a fund's size, agility, and popularity. They help determine whether a small company fund, for example, can remain in its investment-objective category if its asset base reaches an ungainly size.

% Assets in Top 10 Holdings

The aggregate assets, expressed as a percentage, of the fund's top 10 portfolio holdings. This figure is meant to be a measure of portfolio risk. Specifically, the higher the percentage, the more concentrated the fund is in a few companies or issues, and the more the fund is susceptible to the market fluctuations in these few holdings. The figure is calculated from the most recent available fund holdings.

Price/Book Ratio TTM

The weighted average of the price/book ratios of all the stocks in a fund's portfolio. The P/B ratio of a company is calculated by dividing the market price of its stock by the company's per-share book value. Stocks with negative book values are excluded from this calculation. In theory, a high P/B ratio indicates that the price of the stock exceeds the actual worth of the company's assets, while a low P/B ratio indicates that the stock is a bargain.

Price/Earnings Ratio TTM

The weighted average of the price/earnings ratios of the stocks in a fund's portfolio. The P/E ratio of a stock is calculated by dividing the current price of the stock by its trailing 12 months' earnings per share. In computing the average, Morningstar weights each portfolio holding by the percentage of equity assets it represents, so that larger positions have proportionately greater influence on the fund's final P/E.

R-Squared

Reflects the percentage of a fund's movements that can be explained by movements in its benchmark index. An R-squared of 100 indicates that all movements of a fund can be explained by movements in the index. Thus, index funds that invest only in S&P 500 stocks will have an R-squared very close to 100. Conversely, a low R-squared indicates that very few of the fund's movements can be explained by movements in its benchmark index. An R-squared measure of 35, for example, means that only 35% of the fund's movements can be explained by movements in the benchmark index.

Sharpe Ratio

The Sharpe Ratio is a risk-adjusted measure developed by Nobel Laureate William Sharpe. It is calculated by using standard deviation and excess return to determine reward per unit of risk. The higher the Sharpe Ratio, the better the portfolio's historical risk-adjusted performance. It can be used to compare two portfolios directly on how much excess return each portfolio achieved for a certain level of risk.

Standard Deviation

Standard deviation is the statistical measurement of dispersion about an average, which depicts how widely a stock or portfolio's returns varied over a certain period of time. Investors use the standard deviation of historical performance to try to predict the range of returns that is most likely for a given investment. When a stock or portfolio has a high standard deviation, the predicted range of performance is wide, implying greater volatility.

Total Number of Holdings

The total number of different holdings of a fund. This figure is meant to be a measure of portfolio risk. Specifically, the lower the figure, the more concentrated the fund is in a few companies or issues, and the more the fund is susceptible to the market fluctuations in these few holdings. This figure also provides a context for the importance of % assets in top 10 holdings. The figure is calculated from the most recent available fund holdings. It does not include a fund's short positions.

Total Return

Expressed in percentage terms, Morningstar's calculation of total return is determined each month by taking the change in monthly net asset value, reinvesting all income and capital-gains distributions during that month, and dividing by the starting NAV. Reinvestments are made using the actual reinvestment NAV, and daily payoffs are reinvested monthly.

Turnover Ratio

This is a measure of the fund's trading activity which is computed by taking the lesser of purchases or sales (excluding all securities with maturities of less than one year) and dividing by average monthly net assets. A turnover ratio of 100% or more does not necessarily suggest that all securities in the portfolio have been traded. In practical terms, the resulting percentage loosely represents the percentage of the portfolio's holdings that have changed over the past year.

12-Month Yield

Also known as a distribution yield, Morningstar computes this figure by summing the trailing 12-month's income distributions and dividing the sum by the last month's ending NAV, plus any capital gains distributed over the same period. Income refers only to interest payments from fixed-income securities and dividend payoffs from common stocks.

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TITLE 29

State Government

General Regulations for State Agencies

CHAPTER 100. FREEDOM OF INFORMATION ACT

§ 10001. Declaration of policy.

It is vital in a democratic society that public business be performed in an open and public manner so that our citizens shall have the opportunity to observe the performance of public officials and to monitor the decisions that are made by such officials in formulating and executing public policy; and further, it is vital that citizens have easy access to public records in order that the society remain free and democratic. Toward these ends, and to further the accountability of government to the citizens of this State, this chapter is adopted, and shall be construed.

60 Del. Laws, c. 641, § 1; *65 Del. Laws, c. 191, § 1.*;

§ 10002. Definitions.

(a) "Agenda" shall include but is not limited to a general statement of the major issues expected to be discussed at a public meeting, as well as a statement of intent to hold an executive session and the specific ground or grounds therefor under § 10004(b) of this title.

(b) "Caucus" means members of the House of Representatives or Senate, of the same political party, who assemble to discuss matters of public business.

(c) "FOIA" means the Freedom of Information Act [this chapter].

(d) "FOIA coordinator" shall mean the person designated by the Cabinet Secretary, school district superintendent, or local government head to receive and process FOIA requests.

(e) "FOIA request" or "request" means a request to inspect or copy public records pursuant to § 10003 of this title.

(f) "FOIA Request Form" means the form promulgated by the Office of the Attorney General upon which requests for public records may be made.

(g) "Meeting" means the formal or informal gathering of a quorum of the members of any public body for the purpose of discussing or taking action on public business either in person or by video-conferencing.

(h) "Public body" means, unless specifically excluded, any regulatory, administrative, advisory, executive, appointive or legislative body of the State, or of any political subdivision of the State, including, but not limited to, any board, bureau, commission,

department, agency, committee, ad hoc committee, special committee, temporary committee, advisory board and committee, subcommittee, legislative committee, association, group, panel, council or any other entity or body established by an act of the General Assembly of the State, or established by any body established by the General Assembly of the State, or appointed by any body or public official of the State or otherwise empowered by any state governmental entity, which:

(1) Is supported in whole or in part by any public funds; or

(2) Expends or disburses any public funds, including grants, gifts or other similar disbursals and distributions; or

(3) Is impliedly or specifically charged by any other public official, body, or agency to advise or to make reports, investigations or recommendations.

"Public body" shall not include any caucus of the House of Representatives or Senate of the State. "Public body" shall include any authority created under Chapter 14 of Title 16.

(i) "Public body," "public record" and "meeting" shall not include activities of the University of Delaware and Delaware State University, except that the Board of Trustees of the University and the Board of Trustees of the University shall be "public bodies," and University and University documents relating to the expenditure of public funds shall be "public records," and each meeting of the full Board of Trustees of either institution shall be a "meeting."

(j) "Public business" means any matter over which the public body has supervision, control, jurisdiction or advisory power.

(k) "Public funds" are those funds derived from the State or any political subdivision of the State.

(l) "Public record" is information of any kind, owned, made, used, retained, received, produced, composed, drafted or otherwise compiled or collected, by any public body, relating in any way to public business, or in any way of public interest, or in any way related to public purposes, regardless of the physical form or characteristic by which such information is stored, recorded or reproduced. For purposes of this chapter, the following records shall not be deemed public:

(1) Any personnel, medical or pupil file, the disclosure of which would constitute an invasion of personal privacy, under this legislation or under any State or federal law as it relates to personal privacy;

(2) Trade secrets and commercial or financial information obtained from a person which is of a privileged or confidential nature;

(3) Investigatory files compiled for civil or criminal law-enforcement purposes including pending investigative files, pretrial and presentence investigations and child custody and adoption files where there is no criminal complaint at issue;

(4) Criminal files and criminal records, the disclosure of which would constitute an invasion of personal privacy. Any person may, upon proof of identity, obtain a copy of the person's personal criminal record. All other criminal records and files are closed to public scrutiny. Agencies holding such criminal records may delete any information, before release, which would disclose the names of witnesses, intelligence personnel and aids or any other information of a privileged and confidential nature;

(5) Intelligence files compiled for law-enforcement purposes, the disclosure of which could constitute an endangerment to the local, state or national welfare and security;

(6) Any records specifically exempted from public disclosure by statute or common law;

(7) Any records which disclose the identity of the contributor of a bona fide and lawful charitable contribution to the public body whenever public anonymity has been requested of the public body with respect to said contribution by the contributor;

(8) Any records involving labor negotiations or collective bargaining;

(9) Any records pertaining to pending or potential litigation which are not records of any court;

(10) Subject to § 10004(f) of this title with respect to release of minutes of executive sessions, any record of discussions held in executive session pursuant to § 10004(b) and (c) of this title;

(11) Any records which disclose the identity or address of any person holding a permit to carry a concealed deadly weapon; provided, however, all records relating to such permits shall be available to all bona fide law-enforcement officers;

(12) Any records of a public library which contain the identity of a user and the books, documents, films, recordings or other property of the library which a patron has used;

(13) Any records in the possession of the Department of Correction where disclosure is sought by an inmate in the Department's custody;

(14) Investigative files compiled or maintained by the Violent Crimes Compensation Board;

(15) Any photographs, video recordings or audio recordings of a postmortem examination in the possession of the office of the Chief Medical Examiner;

(16) Emails received or sent by members of the Delaware General Assembly or their staff;

(17)a. The following records, which, if copied or inspected, could jeopardize the security of any structure owned by the State or any of its political subdivisions, or could facilitate the planning of a terrorist attack, or could endanger the life or physical safety of an individual:

1. Response procedures or plans prepared to prevent or respond to emergency situations, the disclosure of which would reveal vulnerability assessments, specific tactics, specific emergency procedures or specific security procedures.

2. Building plans, blueprints, schematic drawings, diagrams, operational manuals or other records of mass transit facilities, bridges, tunnels, emergency response facilities or structures, buildings where hazardous materials are used or stored, arenas, stadiums, waste and water systems, electric transmission lines and substations, high-pressure natural gas pipelines and compressor stations, and telecommunications networks facilities and switching equipment, the disclosure of which would reveal the building's or structure's internal layout, specific location, life, safety and support systems, structural elements, surveillance techniques, alarm or security systems or technologies, operational and transportation plans or protocols, or personnel

deployments. Records that disclose the substances being used or stored on a given piece of property are public records; however, records which disclose the specific location on that property of the substances being used or stored may be disclosed only if the chief administrative officer of the agency from which the record is requested determines that disclosure will not jeopardize the security of any structure owned by the State or any of its political subdivisions, or will not facilitate the planning of a terrorist attack, or will not endanger the life or physical safety of an individual.

3. Records of any building or structure operated by the State or any of its political subdivisions, the disclosure of which would reveal the building's or structure's life, safety and support systems, surveillance techniques, alarm or security systems or technologies, operational and evacuation plans or protocols, or personnel deployments.

4. Records prepared to prevent or respond to emergency situations identifying or describing the name, location, pharmaceutical cache, contents, capacity, equipment, physical features or capabilities of individual medical facilities, storage facilities, or laboratories established, maintained or regulated by the State or any of its political subdivisions.

5. Those portions of records assembled, prepared or maintained to prevent, mitigate or respond to criminal acts, the public disclosure of which would have a substantial likelihood of threatening public safety. The only items that are protected from disclosure by this paragraph are:

A. Specific and unique vulnerability assessments or specific and unique response or deployment plans, including compiled underlying data collected in preparation of or essential to the assessments or to the response or deployment plans; and

B. Records not subject to public disclosure under federal law that are shared by federal or international agencies and information prepared from national security briefings provided to state or local government officials related to domestic preparedness for criminal acts against United States citizens or targets.

6. Nothing in this subsection shall be deemed to prohibit the disclosure of information necessary to comply with the requirements of Chapter 8 of Title 26, the Underground Utility Damage Prevention and Safety Act.

b. Nothing in this paragraph shall interfere with the right of any committee of the General Assembly to hear information in the committee at the request of the committee chair or, if appropriate, to hear information in an executive session of the committee, or to subpoena information pursuant to § 705 of this title;

(18)a. Any military service discharge document or documents, a discharge, separation notice, certificate of service, report of transfer or discharge, or any other notice or document which is evidence of severance or transfer from military service and which contains a service record from the armed forces of the United States, or any document that purports to represent a notice of separation from or service in any armed forces of the United States including but not limited to the United States Department of Defense, DD Form 214, of a veteran of the armed forces of the United States, which has been heretofore recorded at a county recorder of deeds. Such document or documents may only be disclosed in accordance with the provisions of paragraph (g)(17)b. of this section.

b. Access to authorized persons. -- The following persons are permitted to view or reproduce recorded military service discharge documents:

1. The veteran subject of the discharge;

2. The spouse or child of a veteran, with consent of the veteran;

3. If the veteran is deceased, a survivor or heir of the veteran who may be eligible to claim any type of benefit by virtue of the veteran's service in the military;

4. A person with a signed and notarized authorization from the veteran;

5. A county, state or federal officer assisting the veteran or veteran's family with a veteran's benefit application;

6. Anyone authorized by an order from a Delaware court, to view or copy the document; or

7. Government agencies, including courts, that have an interest in assisting the veteran subject to the military service discharge record or in assisting the beneficiaries of the deceased veteran subject to the military service discharge record in obtaining a benefit.

c. Any document referenced in paragraph (l)(18)a. of this section shall be deemed a public record upon the passage of 70 years from the date of the subject veteran's separation or discharge from service; or

(19) Any communications between a member of the General Assembly and that General Assembly member's constituent, or communications by a member of the General Assembly on behalf of that General Assembly member's constituent, or communications between members of the General Assembly.

(m) "Requesting party" shall mean the person filing the FOIA request.

(n) "Video-conferencing" means any system permitting interaction among all participants in 2 or more noticed public locations in compliance with § 10006 of this title.

60 Del. Laws, c. 641, § 1; 61 Del. Laws, c. 55, § 1; 63 Del. Laws, c. 424, § 1; 64 Del. Laws, c. 113, § 1; 65 Del. Laws, c. 191, §§ 2-6; 66 Del. Laws, c. 143, § 1; 67 Del. Laws, c. 281, § 194; 69 Del. Laws, c. 67, § 2; 69 Del. Laws, c. 250, § 2; 70 Del. Laws, c. 186, § 1; 73 Del. Laws, c. 260, §§ 1, 2, 3; 73 Del. Laws, c. 354, § 1; 75 Del. Laws, c. 235, §§ 3-5; 77 Del. Laws, c. 38, §§ 1-5, 8; 77 Del. Laws, c. 211, §§ 1, 2; 78 Del. Laws, c. 12, § 1; 78 Del. Laws, c. 382, § 1.;

§ 10003. Examination and copying of public records.

(a) All public records shall be open to inspection and copying during regular business hours by the custodian of the records for the appropriate public body. Reasonable access to and reasonable facilities for copying of these records shall not be denied to any citizen.

(b) All state agencies and public bodies shall implement and promulgate a policy for addressing requests made under the Freedom of Information Act.

(c) All state agencies and public bodies shall develop a web portal for receiving FOIA requests through the internet. Such portals shall utilize the standard request form promulgated by the Attorney General.

(d) All state agencies and public bodies are to provide reasonable assistance to the public in identifying and locating public records to which they are entitled access, and all

records held by the agency are "public records" to which the public should have access unless they fall within the scope of enumerated exceptions in § 10002 of this title.

(e)(1) Form of request. -- All FOIA requests shall be made in writing to the public body in person, by e-mail, by fax, or online in accordance with the provisions hereunder. FOIA requests may be submitted using the FOIA Request Form promulgated by the Office of the Attorney General provided, however, that any FOIA request that otherwise conforms with the policy hereunder shall not be denied solely because the request is not on the promulgated form. Copies of the FOIA request form may be obtained from the website of any state agency, school district, or other public body.

(2) All requests shall adequately describe the records sought in sufficient detail to enable the public body to locate such records with reasonable effort. The requesting party shall be as specific as possible when requesting records. To assist the public body in locating the requested records, the public body may request that the requesting party provide additional information known to the requesting party, such as the types of records, dates, parties to correspondence, and subject matter of the requested records.

(f) FOIA coordinator. --

(1) Each public body shall designate a FOIA coordinator who shall serve as the point of contact for FOIA requests and coordinate the public body's responses thereto. The FOIA coordinator shall be identified on the public body's website. The FOIA coordinator may designate other employees to perform specific duties and functions hereunder.

(2) The FOIA coordinator and/or his or her designee, working in cooperation with other employees and representatives, shall make every reasonable effort to assist the requesting party in identifying the records being sought, and to assist the public body in locating and providing the requested records. The FOIA coordinator and/or his or her designee will also work to foster cooperation between the public body and the requesting party.

(3) In addition to the foregoing responsibilities, the FOIA coordinator shall maintain a document tracking all FOIA requests. For each FOIA request, the document shall include, at a minimum, the requesting party's contact information, the date the public body received the request, the public body's response deadline, the date of the public body's response (including the reasons for any extension), the names, contact information and dates of correspondence with individuals contacted in connection with requests, the dates of review by the public body, the names of individuals who conducted such reviews, whether documents were made available, the amount of copying and/or administrative fees assessed, and the date of final disposition.

(g) Response to requests. --

(1) The public body shall respond to a FOIA request as soon as possible, but in any event within 15 business days after the receipt thereof, either by providing access to the requested records, denying access to the records or parts of them, or by advising that additional time is needed because the request is for voluminous records, requires legal advice, or a record is in storage or archived. If access cannot be provided within 15 business days, the public body shall cite 1 of the reasons hereunder why more time is needed and provide a good-faith estimate of how much additional time is required to fulfill the request.

(2) If the public body denies a request in whole or in part, the public body's response shall indicate the reasons for the denial. The public body shall not be required

to provide an index, or any other compilation, as to each record or part of a record denied.

(h) Requests for e-mail. --

(1) Requests for e-mail records shall be fulfilled by the public body from its own records, if doing so can be accomplished by the public body with reasonable effort. If the public body determines that it cannot fulfill all or any portion of such request, the public body shall promptly request that its information and technology personnel or custodians provide the e-mail records to the public body.

(2) Before requesting the information and technology personnel or custodians to provide e-mail records, the public body shall provide an itemized written cost estimate to the requesting party, listing all charges expected to be incurred in retrieving such records. Upon receipt of the estimate, the requesting party may decide whether to proceed with, cancel, or modify the request.

(i) Requests for other noncustodial records. --

(1) If all or any portion of a FOIA request seeks records controlled by the public body but are not within its possession or cannot otherwise be fulfilled by the public body with reasonable effort from the records it possesses, then the public body shall promptly request that the relevant custodian provide the noncustodial records to the public body.

(2) Before requesting any noncustodial records, the public body shall provide an itemized written cost estimate to the requesting party, listing all charges expected to be incurred in retrieving such records. Upon receipt of the estimate, the requesting party may decide whether to proceed with, cancel, or modify the request.

(j) Review by public body. -- Prior to disclosure, records may be reviewed by the public body to ensure that those records or portions of records deemed nonpublic may be removed pursuant to § 10002 of this title or any other applicable provision of law. In reviewing the records, all documents shall be considered public records unless subject to 1 of the exceptions set forth in § 10002 of this title or any other applicable provision of law.

(k) Hours of review. -- The public body shall provide reasonable access for reviewing public records during regular business hours.

(l) Fees. -- Unless otherwise set forth in the Delaware Code or any applicable code of a county or municipal public body, the following fees shall apply:

(1) Photocopying fees. -- In instances in which paper records are provided to the requesting party, photocopying fees shall be as follows:

Standard-sized, black and white copies: The first 20 pages of standard-sized, black and white copies material shall be provided free of charge. The charge for copying standard sized, black and white public records for copies over and above 20 shall be $0.10 per sheet ($0.20 for a double-sided sheet). This charge applies to copies on the following standard paper sizes: 8.5/'/' x 11/'/', 8.5/'/' x 14/'/', and 11/'/' x 17/'/'.

Oversized copies/printouts: The charge for copying oversized public records shall be as follows: 18/'/' x 22/'/', $2.00 per sheet; 24/'/' x 36/'/', $3.00 per sheet; documents larger than 24/'/' x 36/'/', $1.00 per square foot.

Color copies/printouts: An additional charge of $1.00 per sheet will be assessed for all color copies or printouts for standard-sized copies (8.5/'/' x 11/'/', 8.5/'/' x 14/'/', and 11/'/' x 17/'/') and $1.50 per sheet for larger copies.

(2) Administrative fees. -- Administrative fees shall be levied for requests requiring more than 1 hour of staff time to process. Charges for administrative fees may include staff time associated with processing FOIA requests, including, without limitation: identifying records; monitoring file reviews; and generating computer records (electronic or print-outs). Administrative fees shall not include any cost associated with the public body's legal review of whether any portion of the requested records is exempt from FOIA. The public body shall make every effort to ensure that administrative fees are minimized, and may only assess such charges as shall be reasonable required to process FOIA requests. In connection therewith, the public body shall minimize the use of nonadministrative personnel in processing FOIA requests, to the extent possible.

Prior to fulfilling any request that would require a requesting party to incur administrative fees, the public body shall provide an itemized written cost estimate of such fees to the requesting party, listing all charges expected to be incurred in retrieving such records. Upon receipt of the estimate, the requesting party may decide whether to proceed with, cancel, or modify the request.

Administrative fees will be billed to the requesting party per quarter hour. These charges will be billed at the current hourly pay grade (prorated for quarter hour increments) of the lowest-paid employee capable of performing the service. Administrative fees will be in addition to any other charges incurred under this section for copying fees.

When multiple FOIA requests are submitted by or on behalf of the requesting party in an effort to avoid incurring administrative charges, the public body may in its discretion aggregate staff time for all such requests when computing fees hereunder. Notwithstanding the foregoing, any Freedom of Information Act policy adopted by a public body pursuant to subsection (b) of this section hereunder may include provisions for the waiver of some or all of the above administrative fees; provided that such waiver shall apply equally to a particular class of persons (i.e., nonprofit organizations).

(3) Microfilm and/or microfiche printouts. -- The first 20 pages of standard-sized, black and white material copied from microfilm and/or microfiche shall be provided free of charge. The charge for microfilm and/or microfiche printouts over and above 20 shall be $0.15 per sheet.

(4) Electronically generated records. -- Charges for copying records maintained in an electronic format will be calculated by the material costs involved in generating the copies (including but not limited to DVD, CD, or other electronic storage costs) and administrative costs.

(5) Payment. -- The public body may require all or any portion of the fees due hereunder to be paid prior to any service being performed pursuant to this section.

60 Del. Laws, c. 641, § 1; 70 Del. Laws, c. 186, § 1; 78 Del. Laws, c. 10, § 1; 78 Del. Laws, c. 202, § 1; 78 Del. Laws, c. 382, § 1.;

§ 10004. Open meetings.

(a) Every meeting of all public bodies shall be open to the public except those closed pursuant to subsections (b), (c), (d) and (h) of this section.

(b) A public body may call for an executive session closed to the public pursuant to subsections (c) and (e) of this section, but only for the following purposes:

(1) Discussion of an individual citizen's qualifications to hold a job or pursue training unless the citizen requests that such a meeting be open. This provision shall not

apply to the discussion by a licensing board or commission which is subject to the provisions of § 8735 of this title, of an individual citizen's qualifications to pursue any profession or occupation for which a license must be issued by the public body in accordance with Delaware law;

(2) Preliminary discussions on site acquisitions for any publicly funded capital improvements;

(3) Activities of any law-enforcement agency in its efforts to collect information leading to criminal apprehension;

(4) Strategy sessions, including those involving legal advice or opinion from an attorney-at-law, with respect to collective bargaining or pending or potential litigation, but only when an open meeting would have an adverse effect on the bargaining or litigation position of the public body;

(5) Discussions which would disclose the identity of the contributor of a bona fide and lawful charitable contribution to the public body whenever public anonymity has been requested of the public body with respect to said contribution by the contributor;

(6) Discussion of the content of documents, excluded from the definition of "public record" in § 10002 of this title where such discussion may disclose the contents of such documents;

(7) The hearing of student disciplinary cases unless the student requests a public hearing;

(8) The hearing of employee disciplinary or dismissal cases unless the employee requests a public hearing;

(9) Personnel matters in which the names, competency and abilities of individual employees or students are discussed, unless the employee or student requests that such a meeting be open.

(c) A public body may hold an executive session closed to the public upon affirmative vote of a majority of members present at a meeting of the public body. The vote on the question of holding an executive session shall take place at a meeting of the public body which shall be open to the public, and the results of the vote shall be made public and shall be recorded in the minutes. The purpose of such executive sessions shall be set forth in the agenda and shall be limited to the purposes listed in subsection (b) of this section. Executive sessions may be held only for the discussion of public business, and all voting on public business must take place at a public meeting and the results of the vote made public.

(d) This section shall not prohibit the removal of any person from a public meeting who is willfully and seriously disruptive of the conduct of such meeting.

(e)(1) This subsection concerning notice of meetings shall not apply to any emergency meeting which is necessary for the immediate preservation of the public peace, health or safety, or to the General Assembly.

(2) All public bodies shall give public notice of their regular meetings and of their intent to hold an executive session closed to the public, at least 7 days in advance thereof. The notice shall include the agenda, if such has been determined at the time, and the dates, times and places of such meetings, including whether such meeting will be conducted by video-conferencing; however, the agenda shall be subject to change to include additional items including executive sessions or the deletion of items including executive sessions which arise at the time of the public body's meeting.

(3) All public bodies shall give public notice of the type set forth in paragraph (e)(2) of this section of any special or rescheduled meeting as soon as reasonably possible, but in any event no later than 24 hours before such meeting. A special or rescheduled meeting shall be defined as one to be held less than 7 days after the scheduling decision is made. The public notice of a special or rescheduled meeting shall include an explanation as to why the notice required by paragraph (e)(2) of this section could not be given.

(4) Public notice required by this subsection shall include, but not be limited to, conspicuous posting of said notice at the principal office of the public body holding the meeting, or if no such office exists at the place where meetings of the public body are regularly held, and making a reasonable number of such notices available. In addition, for all noncounty and nonmunicipal public bodies, public notice required by this subsection shall include, but not be limited to, electronic posting on a designated State of Delaware website, approved by the Registrar of Regulations by May 1, 2013, which shall be accessible to the public. In addition, all public bodies in the executive branch of state government that are subject to the provisions of this chapter shall electronically post said notice to the designated State of Delaware website approved by the Secretary of State.

(5) When the agenda is not available as of the time of the initial posting of the public notice it shall be added to the notice at least 6 hours in advance of said meeting, and the reasons for the delay in posting shall be briefly set forth on the agenda.

(f) Each public body shall maintain minutes of all meetings, including executive sessions, conducted pursuant to this section, and shall make such minutes available for public inspection and copying as a public record. Such minutes shall include a record of those members present and a record, by individual members (except where the public body is a town assembly where all citizens are entitled to vote), of each vote taken and action agreed upon. Such minutes or portions thereof, and any public records pertaining to executive sessions conducted pursuant to this section, may be withheld from public disclosure so long as public disclosure would defeat the lawful purpose for the executive session, but no longer. All public bodies in the executive branch of state government that are subject to the provisions of this chapter shall electronically post final approved minutes of open public meetings to the designated State of Delaware website approved by the Secretary of State within 5 working days of final approval of said minutes.

(g) Every regularly scheduled meeting of a public body shall be held within the geographic jurisdiction of that public body. All such other meetings shall be held as follows:

(1) A public body serving any political subdivision of the State, including, but not limited to, any city, town or school district, shall hold all such other meetings within its jurisdiction or the county in which its principal office is located, unless it is school board training that has been approved by the Secretary of Education as beneficial to school board development activities.

(2) For the purposes of this subsection, a "regularly scheduled meeting" shall mean any meeting of a public body held on a periodic basis.

(3) The provisions of this subsection, insofar as they are not practicable, shall not apply to any emergency meeting which is necessary for the immediate preservation of the public peace, health or safety, or to a meeting held by a public body outside of its jurisdiction which is necessary for the immediate preservation of the public financial welfare.

(h) This section shall not apply to the proceedings of:

(1) Grand juries;

(2) Petit juries;

(3) Special juries;

(4) The deliberations of any court;

(5) The Board of Pardons and Parole;

(6) Public bodies having only 1 member;

(7) Public bodies within the legislative branch of the state government other than the House of Representatives, the Senate, the Joint Finance Committee, the Joint Committee on Capital Improvement, the Joint Sunset Committee, Legislative Council, committees, excluding ethics committees, specifically enumerated and created by Resolution of the House of Representatives and/or Senate or task forces specifically enumerated and created by Resolution of the House of Representatives and/or Senate;

(8)a. The Violent Crimes Compensation Board may close any meeting to the public where:

1. The claim to be considered derives from any sexual offense within the definitions of a crime in § 9002 of Title 11.

2. The claim to be considered derives from any offense by or against a child, as defined in this section, unless such child has been deemed amenable to the jurisdiction of a criminal court as to the matter before the Board.

3. The claim to be considered derives from any matter not yet adjudicated.

4. The claim to be considered involves a "victim" who is a "child" as those terms are defined in Chapter 90 of Title 11.

b. The Board shall produce a complete record of any proceedings closed to the public which record may be denied to anyone seeking access for good cause shown; and

(9) The deliberations of the following agencies for any case decision governed by the Administrative Procedures Act in Chapter 101 of this title:

a. State Human Relations Commission;

b. Industrial Accident Board; and

c. Tax Appeals Board.

(i) In an enforcement action pursuant to § 10005 of this title, a citizen or the Attorney General, as the case may be, may seek the forfeiture of all or part of the compensation of members of a board, commission or other public body for any closed meeting which such board, commission or other public body closed knowing that such action violated this chapter. Such forfeiture may only be ordered by the Court if the Court makes a specific finding that the board, commission or public body had no good faith basis to believe that the meeting could be closed. It shall be an absolute defense that an individual never voted in favor of the closed meeting. If the board, commission or public body also met validity for other purposes on the same day as the meeting which violated

the act, such valid action shall be considered by the Court in determining the extent of any forfeiture award.

60 Del. Laws, c. 641, § 1; 63 Del. Laws, c. 269, § 1; 65 Del. Laws, c. 191, §§ 7-12; 66 Del. Laws, c. 419, § 1; 67 Del. Laws, c. 367, §§ 1, 2; 71 Del. Laws, c. 38, § 1; 71 Del. Laws, c. 117, § 1; 71 Del. Laws, c. 191, § 1; 71 Del. Laws, c. 193, § 1; 72 Del. Laws, c. 459, § 1; 72 Del. Laws, c. 460, § 18; 75 Del. Laws, c. 178, §§ 1, 2; 77 Del. Laws, c. 38, §§ 6, 7; 77 Del. Laws, c. 211, § 3; 78 Del. Laws, c. 288, § 5.;

§ 10005. Enforcement.

(a) Any action taken at a meeting in violation of this chapter may be voidable by the Court of Chancery. Any citizen may challenge the validity under this chapter of any action of a public body by filing suit within 60 days of the citizen's learning of such action but in no event later than 6 months after the date of the action.

(b) Any citizen denied access to public records as provided in this chapter may bring suit within 60 days of such denial. Venue in such cases where access to public records is denied shall be placed in a court of competent jurisdiction for the county or city in which the public body ordinarily meets or in which the plaintiff resides. Notwithstanding the foregoing, a person denied access to public records by an administrative office or officer, a department head, commission, or instrumentality of state government which the Attorney General is obliged to represent pursuant to § 2504 of this title must within 60 days of denial, present a petition and all supporting documentation to the Chief Deputy as described in subsection (e) of this section. Thereafter, the petitioner or public body the Attorney General is otherwise obligated to represent may appeal an adverse decision on the record to the Superior Court within 60 days of the Attorney General's decision.

(c) In any action brought under this section, the burden of proof shall be on the custodian of records to justify the denial of access to records, and shall be on the public body to justify a decision to meet in executive session or any failure to comply with this chapter.

(d) Remedies permitted by this section include an injunction, a declaratory judgment, writ of mandamus and/or other appropriate relief. The court may award attorney fees and costs to a successful plaintiff of any action brought under this section. The court may award attorney fees and costs to a successful defendant, but only if the court finds that the action was frivolous or was brought solely for the purpose of harassment.

(e) Any citizen may petition the Attorney General to determine whether a violation of this chapter has occurred or is about to occur. The petition shall set forth briefly the nature of the alleged violation. Upon receiving a petition, the Attorney General shall promptly determine whether the petition is against an administrative office or officer, agency, department, board, commission or instrumentality of state government which the Attorney General is obliged to represent pursuant to § 2504 of this title. Every petition against an administrative office or officer, agency, department, board, commission or instrumentality of state government which the Attorney General is obliged to represent pursuant to § 2504 of this title shall be referred to the Chief Deputy Attorney General who shall, within 20 days of receiving the petition, render a written determination to the petitioner and the public body involved declaring whether a violation has occurred or is about to occur. If the Chief Deputy finds that a violation of this chapter has occurred or is about to occur, the Attorney General shall not represent the public body in any appeal filed pursuant to this chapter for such violation if the public body the Attorney General is otherwise obligated to represent fails to comply with the Chief Deputy's determination. Regardless of the finding of the Chief Deputy, the petitioner or the public body may appeal the matter on the record to Superior Court. In every other case, the Attorney General shall, within 10 days, notify in writing the

custodian of records or public body involved. Within 20 days of receiving the petition, the Attorney General shall make a written determination of whether a violation has occurred or is about to occur, and shall provide the citizen and any custodian of records or public body involved with a copy of the determination. If the Attorney General finds that a violation of this chapter has occurred or is about occur, the citizen may: (1) File suit as set forth in this chapter; or (2) request in writing that the Attorney General file suit on the citizen's behalf. If such request is made, the Attorney General may file suit, and shall within 15 days notify the citizen of the decision to file suit, unless the custodian of records or public body has agreed to comply with this chapter. The citizen shall have the absolute right to file suit regardless of the determination of the Attorney General, and may move to intervene as a party in any suit filed by the Attorney General.

(f) An administrative office or officer, agency, department, board, commission or instrumentality of state government which the Attorney General is obligated to represent pursuant to § 2504 of this title shall not require the approval of the Attorney General pursuant to § 2507 of this title to address claims of violation under this chapter.

60 Del. Laws, c. 641, § 1; 65 Del. Laws, c. 191, § 13; 66 Del. Laws, c. 354, §§ 1, 2; 77 Del. Laws, c. 400, §§ 1-3.;

§ 10006. Video-conferencing participation in open meetings.

Unless otherwise prohibited by law, any public body subject to the provisions of this chapter, except for any public body in which members are elected by the public to serve on the public body, may conduct a meeting by means of video-conferencing, provided each attending member's participation occurs at a noticed public location where members of the public may also attend the meeting. The participation of a member of such public body by video-conferencing in compliance with this section shall be deemed attendance for all purposes, including purposes of establishing a quorum. When video conferencing is used, at least 1 of the noticed public locations shall be within the geographic jurisdiction of that public body. Meetings may otherwise be noticed for multiple public locations within the state where video-conferencing is available. During meetings where video-conferencing is used, each member must be identified, all participants shall be able to communicate with each other at the same time, and members of the public attending at the noticed public location or locations of the meeting must be able to hear and view the communication among all members of the public body participating by video-conference. Video-conferencing participation is not permitted when a verbatim transcript of the meeting may be required by law, except for public hearings on proposed rules and regulations, or where the chair or presiding officer determines that physical attendance is required at a single location.

77 Del. Laws, c. 211, § 4.;

DATA REQUEST

In the form of a quarterly report please provide the following information (quarterly report should be received by Board at least one week before the scheduled quarterly meeting)

1. list of each investment by name, type, numbers of instruments (bonds, stocks, certificates, etc.) and the value of each at the end of the reporting quarter
2. cash on hand at the end of the reporting quarter and who is holding the cash and how much each is holding (City of Dover, Wells Fargo, others)
3. value of checks written each quarter (pensions, expenses, pension refunds, etc.)
4. itemized list of general expenses for each quarter
5. list of each person receiving a pension check at the end of the quarter by name, amount of check, date of retirement (year, month, day) listed in alphabetic order by last name
6. list of people added to the pension list to include the following information - full name, title, City code, service dates, total service time, monthly pension amount, effective date of retirement, lump sum payment
7. list of people removed from the pension list with the effective date for the end of pension payments

Additional data requested

1. method used to remove pensioners from the pension payment list (how do you receive notification of death)
2. method and schedule for verification of pension list
3. audit schedule and copy of last audit as well as copies of all future audits for the City of Dover General Employees Pension Plan

Frances Hettinger
Mrs. Hettinger

K. E. Clendaniel
Mr. Clendaniel

Justin L. Blakeman Sr.
Mr. Blakeman

Sean M. Lynn

(Abridged for Civilian Pension Board Meeting of February 14, 2013)

City of Dover
Council Financial Workshop

January 7, 2013

- Update on Funding Status of Pension Plans and OPEB as of June 30, 2012
- GASB 67 & GASB 68 – Revised Pension Standards

City of Dover
General Pension Plan

General Pension Plan

The City of Dover, Delaware
Statement of Pension Trust Fund Net Assets
June 30, 2012

	General Pension
ASSETS:	
Cash and cash equivalents	$ 861,458
Investments at fair value - Mutual Funds	21,187,128
Net assets held in trust for pension benefits	$ 22,048,586

Retired & beneficiaries receiving benefits = 194
Active employees: Fully vested 81; Non-vested 68
Deferred vested: 14 (terminated w/10 yrs)
Approximately 48% in 55 – 65 age bracket as of last full actuary valuation
Payroll for this plan is approximately $8.0 million

The City of Dover, Delaware
Statement of Changes in Pension Trust Fund Net Assets
For the Year Ended June 30, 2012

	General Pension
Additions	
Net investment income/loss	$ (4,991)
City's contribution - payroll based	354,034
City's contribution - lump sum	2,788,900
Employee contribution	279,092
State contributions	-
Other	17
Total Additions to Net Assets	3,417,052
Deductions	
Benefit payments	3,249,878
General administration	18,149
Refund of pension contribution	109,354
Total Deductions From Net Assets	3,377,381
Change in net assets	39,671
Net assets - beginning	22,008,915
Net assets - ending	$ 22,048,586

General Pension Plan

	Total	Governmental Activities	Wastewater Fund Activities	Electric Fund Activities
Annual required contribution	$3,130,022	$1,686,462	$257,039	$1,186,521
Interest on net pension obligation	(24,036)	(6,017)	(13,232)	(4,787)
Adjustment to annual required contribution	29,938	7,495	16,481	5,962
Annual pension cost	3,135,924	1,687,940	260,288	1,187,696
Contributions made	(3,142,934)	(1,666,704)	(272,379)	(1,203,851)
(Increase)/decrease in net pension asset	(7,010)	21,236	(12,091)	(16,155)
Net pension obligation (asset) at beginning of year	(343,372)	(85,962)	(189,031)	(68,379)
Net pension obligation (asset) at end of year	($350,382)	($64,726)	($201,122)	($84,534)

General Pension Plan

	Annual Pension Cost	Percentage Contributed	NPO (Asset) End of Year
2010	$2,568,198	88%	($147,468)
2011	3,151,824	106%	(343,372)
2012	3,135,924	100.2%	(350,382)

Year Ended June 30	Annual Required Contribution	Percentage Contributed
2007	$2,231,594	124%
2008	2,269,802	128%
2009	2,356,529	106%
2010	2,564,767	89%
2011	3,149,493	106%
2012 *	3,130,022	109%

* Annual Required Contributions for fiscal year 2012 are assumed to equal approximately the same amount as the prior year

General Employee Pension Fund
Required Supplementary Information
Schedule of Funding Progress

Valuation Date	Plan Assets	Actuarial Accrued Liability	Unfunded Accrued Liability	Funded Ratio	Payroll	Unfunded as a Percent of Payroll
7/1/05	$16,277,640	$39,860,241	$23,582,601	40.8%	$7,380,629	319.5%
7/1/06	15,712,605	41,103,526	25,390,921	38.2%	7,612,121	333.6%
7/1/07	17,616,172	42,335,142	24,718,970	41.6%	8,006,103	308.8%
7/1/08	19,381,391	43,800,212	24,418,821	44.2%	8,716,361	280.1%
7/1/09	19,880,033	45,525,384	25,645,351	43.7%	8,786,981	291.9%
7/1/10	19,963,426	52,462,693	32,499,267	38.1%	8,256,751	393.6%
7/1/12	22,177,831	55,006,282	32,828,451	40.3%	7,076,322	463.9%

City of Dover
Summary of Retirement Benefit Liabilities and Annual Required Contributions

Interim Actuarial Report Dated 11/1/2011
With Full Funding Requirements (no-phase in period for OPEB)

City of Dover Interim Actuarial Valuation for Fiscal Year Ending June 30, 2012 Report Completed November 2011				
	General Pension	Police Pension	Full Funding OPEB	Total
General Fund				
Actuarial Accrued Liability (AAL)	$28,078,000	$19,737,000	$60,502,000	$108,317,000
Actuarial Value of Assets	$11,272,424	$11,553,751	$3,384,884	$26,211,059
Funded Ratio	40.1%	58.5%	5.6%	24.2%
Annual Required Contribution (ARC)	$1,686,462	$979,132	$6,002,522	$8,668,116
ARC as % of payroll (est.)	28.5%	n/a	31.1%	n/a
Water/Wastewater Fund				
Actuarial Accrued Liability (AAL)	$4,357,000		$5,389,000	$9,746,000
Actuarial Value of Assets	$1,749,197		$619,826	$2,369,023
Funded Ratio	40.1%		11.5%	24.3%
Annual Required Contribution (ARC)	$257,039		$476,203	$733,242
ARC as % of payroll	41.8%		31.7%	n/a
Electric Fund				
Actuarial Accrued Liability (AAL)	$21,051,000		$17,550,000	$38,601,000
Actuarial Value of Assets	$8,451,307		$3,043,277	$11,494,584
Funded Ratio	40.1%		17.3%	29.8%
Annual Required Contribution (ARC)	$1,186,521		$1,174,654	$2,361,175
ARC as % of payroll	60.8%		38.6%	n/a
Total				
Actuarial Accrued Liability (AAL)	$53,486,000	$19,737,000	$83,441,000	$156,664,000
Actuarial Value of Assets	$21,472,928	$11,553,751	$7,047,987	$40,074,666
Funded Ratio	40.1%	58.5%	8.4%	25.6%
Annual Required Contribution (ARC)	$3,130,022	$979,132	$7,653,379	$11,762,533
ARC as % of payroll	39.1%	n/a	32.3%	n/a

City of Dover
Actuarial Funding Differences for FY12
Report Completed November 2011

	General Pension	Police Pension	Full Funding OPEB	GAAP Total	Phase In OPEB
General Fund					
Annual Required Contribution (ARC)	$1,686,462	$979,132	$6,002,522	$8,668,116	$2,718,864
Employer Contributions FY12	(1,666,704)	(656,772)	(2,534,572)	(4,858,048)	(2,534,572)
Net (Asset)/Obligation	$19,758	$322,360	$3,467,950	$3,810,068	$184,292
Water/Wastewater Fund					
Annual Required Contribution (ARC)	$257,039		$476,203	$733,242	$260,378
Employer Contributions FY12	(272,379)		(635,227)	(907,606)	(635,227)
Net (Asset)/Obligation	($15,340)		($159,024)	($174,364)	($374,849)
Electric Fund					
Annual Required Contribution (ARC)	$1,186,521		$1,174,654	$2,361,175	$781,353
Employer Contributions FY12	(1,203,851)		(2,475,512)	(3,679,363)	(2,475,512)
Net (Asset)/Obligation	($17,330)		($1,300,858)	($1,318,188)	($1,694,159)
Total					
Annual Required Contribution (ARC)	$3,130,022	$979,132	$7,653,379	$11,762,533	$3,760,595
Employer Contributions FY12	(3,142,934)	(656,772)	(5,645,311)	(9,445,017)	(5,645,311)
Net (Asset)/Obligation	($12,912)	$322,360	$2,008,068	$2,317,516	($1,884,716)