CIVILIAN AND POLICE PENSION BOARDS

The Civilian and Police Pension Boards met on February 9, 2011 at 3:00 p.m. with Ret. Lt. Mullaney presiding until the arrival of Mr. Leary at 3:03 p.m. Members present were Dr. McGlumphy, Mr. Blakeman, Mr. Clendaniel, Mrs. Rigby, Ret. Lt. Knotts, Ret. Cpl. Stallings, Chief Hosfelt, and Mrs. Mitchell. Mr. DePrima was absent.

AGENDA ADDITIONS/DELETIONS

Ret. Lt. Knotts moved for approval of the agenda as presented, seconded by Dr. McGlumphy and unanimously carried.

APPROVAL OF MINUTES

By motion of Ret. Lt. Knotts, seconded by Mrs. Mitchell, the minutes of the Civilian and Police Pension Board meeting of August 20, 2010, were unanimously approved.

QUARTERLY INVESTMENT PERFORMANCE ANALYSIS REPORT - PRESENTED BY PEIRCE PARK GROUP

Mr. Lee Martin, Principal and Senior Investment Consultant, Peirce Park Group, advised members that Peirce Park has made some organizational changes, including the addition of two (2) new staff members. He explained that Mr. Christopher Thorsheim joined the firm and is responsible for performing due diligence on investment managers and funds for the Group, and Ms. Sarah Wilkerson joined the staff as a consultant. He noted that Peirce Park is growing and has opened an office in Pittsburgh, PA, in addition to their headquarters in West Chester, PA and office in Wilmington, DE. He noted that the Group now handles $4 billion in investments, which is an increase from $2 billion seven (7) to eight (8) years ago. He indicated that Peirce Park now provides additional consulting services to five (5) of their clients which involve exercising discretionary authority to hire and fire managers and perform timely rebalancing. He noted that passing on this type of fiduciary responsibility has become a trend in the industry and may be an option that the City would like to consider in the future.

Mr. Martin reviewed the Quarterly Investment Performance Analysis Report dated December 31, 2010. He explained that the U.S. market finished ahead of many international markets in 2010. Mr. Martin noted that the recession appears to be ending; however, unemployment remains a problem. He noted that the current unemployment rate is 9.4%, compared to a historical rate of 5% to 5.5%. Mr. Martin stated that industrial production and consumer spending increased in the fourth quarter and that the dollar was fairly low compared to other currencies, which led to good growth of exports to emerging markets. He indicated that inflation has not been a problem in the U.S.; therefore the Federal Reserve has kept interest rates low to encourage reinvestment in capital and to stimulate the job market.

Mr. Martin noted that fixed income fund returns were reduced to 1.3% for the quarter and continue to be reduced in 2011. He stated that the strong bull market for fixed income investments has prevailed for 30 years; however, he felt that this trend will not hold true in the future. He explained that there is a general feeling that 3.0% to 3.5% is a more realistic expected rate of return for fixed income investments and suggested that the Boards may wish to discuss how the 7.5% or 8% assumed rate of return can be achieved, possibly by increasing the equity allocation or utilizing other types of investments.

Referring to Page 2 of the report, Mr. Martin indicated that market returns for December 2010 were the best in 20 years and that, after two (2) years, Standard and Poor's (the S & P) has returned to the rate which was in effect just prior to the market collapse in 2008. He indicated that small caps performed best for the quarter and for the last year and that growth investments outperformed value in 2010; however, over a ten (10) year period, value outperformed growth. Mr. Martin explained that Peirce Park prefers a value tilt to porfolios because value funds provide reasonable returns in good markets and are more stable when the market is down.

Mr. Martin noted that cyclical growth sectors, including energy and materials, performed better than defensive sectors, such as health care, utilities, and consumer staples, noting that this situation was reversed when the Boards last met in August. He noted that this illustrates the importance of maintaining a diversified portfolio of investment managers and funds.

Referring to Page 4 of the report, Mr. Martin indicated that the U.S. outperformed the international market during the fourth quarter, noting that the U.S. tends to do better than most of the developed world when emerging from a recession.

In reference to Page 5 of the report, Mr. Martin stated that the City's Employees' Fund returned 7.0% for the quarter and 12.6% for the year. He provided members a City of Dover Employees' Pension Plan Provisional Performance Summary dated February 8, 2011 ***(Attachment #1)*** and noted that the Summary reflects an additional 3% gain for 2011 and that the fund balance now exceeds $21M. In response to Mrs. Mitchell, he indicated that these figures reflect gross returns and that fees amount to 30 basis points annually or 7.5 points per quarter. Mr. Martin advised members that the five (5) and seven (7) year returns for this fund rank it in the top 15% of all public funds, yet lower volatility than the policy index has been maintained. Mr. Martin indicated that this fund gained $1.3M in the fourth quarter and ranked in the 19th percentile, despite a value tilt to the fund.

Mr. Martin provided members a City of Dover Police Pension Plan Provisional Performance Summary dated February 8, 2011 ***(Attachment #2)*** and stated that the Police Fund typically mirrors the Employee Fund; however, the allocations are slightly different due to benefit withdrawals and timing. He noted that the fund increased 12% over the quarter, 3.2% for the year, and has a balance of more than $11.3M. In addition, he noted that this fund ranks in the 15th percentile over the long term.

Referring to Page 8 of the Investment Performance Report, Mr. Martin stated that the Employees Fund's one (1) year return is 12.6%, which exceeds the policy index of 12.3%. He felt that this was a strong performance, especially since the City's portfolio has a value tilt and value investments underperformed growth last year. Mr. Martin stated that he was generally satisfied with the performance of the City's individual domestic equity and international funds and that the various funds balance each other to provide a diversified portfolio.

Noting that he would be presenting information on global investing later in the meeting, Mr. Martin suggested that, should the City opt to pursue this strategy, it may be appropriate to remove funds from the American Funds Growth and American Funds Europacific Growth Funds for this purpose.

When reviewing Fixed Income Investments, Mr. Martin noted that short-term bonds did well compared to the benchmark and that intermediate bonds were down 2.9% for the quarter. Referring to the City of Dover Employees and Police Pension Plan Provisional Performance Summaries dated

February 8, 2011, he advised members that the Vanguard Short Term Bond Index is down 0.4% for the year and the Vanguard Intermediate Bond Index is down 1.6% for the year. He suggested that the City consider rebalancing its portfolio back to long-term strategic targets.

EDUCATION REGARDING UTILIZING GLOBAL FUND MANAGERS - PRESENTED BY PIERCE PARK GROUP

Mr. Martin provided members with a revised City of Dover Global Education Presentation dated February 9, 2011 ***(Attachment #3).*** He explained that the investment market is increasingly subject to global influences and that many U.S. based companies receive more than 50% of their revenue from overseas, and the reverse is also true. Mr. Martin advised members that it is becoming increasingly important to invest in emerging markets as well as developed markets. He noted that global fund managers are not restricted to U.S. or international funds but can invest in either. Mr. Martin explained that investors have increasingly been taking advantage of global investment opportunities to achieve greater diversification and flexibility, to take advantage of global sectors and currency trends, and to decrease volatility.

Mr. Martin stated that adopting a Global Tactical Asset Allocation approach would allow for a global manager who has the capability to purchase bonds as well as stocks and make technical decisions. He did not advocate this approach for the City at this time; however, wanted to make members aware that this type of service is available.

Mr. Martin provided members "Style Map Pages" for the City of Dover Police and Employee Funds ***(Attachment #4)***, which provided a breakdown of the percentage of each individual investment fund invested in U.S., International, Value/Growth, and Large/Medium/Small Cap funds and listed the percent of portfolio allocation. He stated that the City's portfolio should be targeted at 60% value funds and 40% growth funds with a ratio of 65% large cap, 25% medium cap, and 10% small cap funds. He noted that the Police Plan has slightly more invested in large cap funds and is slightly below the targeted value allocation.

In response to Ret. Lt. Mullaney regarding specific recommendations, Mr. Martin noted that the members could request Peirce Park to provide additional information regarding global fund management for discussion at the Joint Pension Board meeting scheduled for August 2011. Alternatively, he suggested that if members wished to move forward with such a change immediately, they could consider investing in New Perspective, a global fund under the American Funds umbrella which has many of the team members who manage the American Funds Growth Fund and the American Funds Europacific Growth Funds. These managers could be given a global mandate rather than an international and a large cap mandate. Mr. Martin provided members with a style map which provided information regarding how City funds could be rebalanced while incorporating global investment ***(Attachment #5)***.

In response to Mr. Leary, Mr. Martin stated that Peirce Park's recommendation would be to retain its current 14.9% overseas allocation and dedicate a portion of this to global investments. The global investments, when added to the DFA International Value Fund investments, would total approximately 14.9% of the portfolio. He noted that a global manager may invest slightly above or below the international target, depending on how they evaluate the U.S. market compared to the rest of the world.

Responding to Mrs. Mitchell, Mr. Martin indicated that he would recommend rebalancing the City's funds at this time, regardless of the Board's decision regarding global investing.

Ret. Lt. Mullaney moved to request Peirce Park Group to rebalance the City's investment funds at this time per the current model and to request additional information from Peirce Park regarding global fund managers for review and discussion at the Pension Board Meeting scheduled for August 19, 2011, seconded by Dr. McGlumphy. The motion carried unanimously.

DISCUSSION - JOINT PENSION BOARD REPRESENTATION ON THE HEALTH BENEFITS COMMITTEE

Ret. Lt. Mullaney stated he had received a number of inquiries from retirees regarding how decisions made by the Health Benefits Committee might affect retirees. Although he acknowledged that this was not strictly a pension issue, he inquired if other members had received similar communications. He questioned whether members were comfortable with the current level of representation on the Health Benefits Committee.

Mr. Leary noted that all three (3) bargaining units and non-bargaining employees are represented on the Committee and that Mr. Richard Hudson, a retiree, also serves on the Committee.

Mr. Mullaney suggested that members of the Civilian and Police Pension Boards be advised regarding Health Benefits Committee meetings. Concurring, Mr. Leary requested that the Clerk's Office be requested to notify members of the Joint Pension Board when meetings of the Health Benefits Committee are scheduled.

Ret. Lt. Mullaney moved for adjournment, seconded by Mr. Blakeman, and unanimously carried.

Meeting adjourned at 4:03 P.M.

Respectfully submitted,

Thomas J. Leary
Chairman of the Civilian Pension Board

Ret. Lt. Timothy Mullaney
Chairman of the Police Pension Board

TJL/TM/JS/ac/dd/tm

Attachments to Original and File Copy

Attachment #1 - City of Dover Employees Pension Plan Provisional Performance Summary dated February 8, 2011
Attachment #2 - City of Dover Police Pension Plan Provisional Performance Summary dated February 8, 2011
Attachment #3 - Revised Presentation - City of Dover Global Education dated February 9, 2011
Attachment #4 - "Style Map Pages" - City of Dover Police and Employee Plans
Attachment #5 - "Style Map Pages" - City of Dover Police and Employee Plans Adding New Perspective; Rebalance Back to Targets

City of Dover Employees Pension Plan

Provisional Performance Summary

TOTAL FUND	YTD RETURN	TOTAL ASSETS	ASSET ALLOCATION	TARGET ALLOCATION
TOTAL FUND (Gross)	**3.4**	**21,183,555**	**100.0%**	**100.0%**
Policy Index	3.2			
DOMESTIC EQUITIES				
VANGUARD VALUE INDEX	**6.1**	**4,817,697**	**22.7%**	
MSCI US Prime Market Value	6.1			
VANGUARD PRIMECAP CORE	**4.3**	**1,867,143**	**8.8%**	
MSCI US Prime Market 750	5.5			
VANGUARD MORGAN GROWTH ADM.	**5.9**	**1,581,479**	**7.5%**	
Russell 3000 Growth	5.7			
AMERICAN FUNDS GROWTH FUND (R5)	**4.2**	**1,314,341**	**6.2%**	
Russell 1000 Growth	5.9			
DFA U.S. TARGETED VALUE	**4.9**	**1,313,998**	**6.2%**	
Russell 2500 Value	4.7			
ROYCE VALUE PLUS	**4.4**	**873,974**	**4.1%**	
Russell 2000 Growth	4.3			
TOTAL DOMESTIC EQUITIES		***11,768,634***	***55.6%***	***51.0%***
INTERNATIONAL				
AMERICAN FUNDS EUROPACIFIC GROWTH (R5)	**2.3**	**1,369,489**	**6.5%**	
MSCI EAFE (Net)	5.5			
DFA INTERNATIONAL VALUE	**7.5**	**1,777,918**	**8.4%**	
MSCI EAFE VALUE (Net)	7.7			
TOTAL INTERNATIONAL		***3,147,407***	***14.9%***	***14.0%***
FIXED INCOME				
VANGUARD INTERMEDIATE BOND INDEX	**(1.6)**	**2,169,949**	**10.2%**	
Barclays 5-10 YR US Govt/Credit	(1.6)			
VANGUARD SHORT TERM BOND INDEX	**(0.4)**	**3,780,077**	**17.8%**	
Barclays 1-5 YR US Govt/Credit	(0.4)			
TOTAL FIXED INCOME		***5,950,025***	***28.1%***	***35.0%***
CASH & EQUIVALENTS				
MONEY MARKET		**317,489**	**1.5%**	

Performance updated through February 8, 2011

Peirce Park Group
Investment Management Consultants

ATTACHMENT #1
Civilian and Police Pension Boards Meeting of 02/09/2011

CITY OF DOVER POLICE PENSION PLAN

PROVISIONAL PERFORMANCE SUMMARY

TOTAL FUND	YTD RETURN	TOTAL ASSETS	ASSET ALLOCATION	TARGET ALLOCATION
TOTAL FUND - (Gross)	**3.2**	**11,353,389**	**100.0%**	**100.0%**
Policy Index	3.2			
DOMESTIC EQUITIES				
VANGUARD VALUE INDEX	**6.1**	**2,311,169**	**20.4%**	
MSCI US Prime Market Value	6.1			
VANGUARD PRIMECAP CORE	**4.3**	**862,373**	**7.6%**	
MSCI US Prime Market 750	5.5			
VANGUARD MORGAN GROWTH ADM.	**5.9**	**831,196**	**7.3%**	
Russell 3000 Growth	5.7			
AMERICAN FUNDS GROWTH FUND (R5)	**4.2**	**761,667**	**6.7%**	
Russell 1000 Growth	5.9			
DFA U.S. TARGETED VALUE	**4.9**	**659,674**	**5.8%**	
Russell 2500 Value	4.7			
ROYCE VALUE PLUS	**4.4**	**497,173**	**4.4%**	
Russell 2000 Growth	4.3			
TOTAL DOMESTIC EQUITIES		***5,923,253***	***52.2%***	***51.0%***
INTERNATIONAL				
AMERICAN FUNDS EUROPACIFIC GROWTH (R5)	**2.3**	**778,509**	**6.9%**	
MSCI EAFE (Net)	5.5			
DFA INTERNATIONAL VALUE	**7.5**	**884,586**	**7.8%**	
MSCI EAFE VALUE (Net)	7.7			
TOTAL INTERNATIONAL		***1,663,095***	***14.6%***	***14.0%***
FIXED INCOME				
VANGUARD INTERMEDIATE BOND INDEX	**(1.6)**	**1,188,494**	**10.5%**	
Barclays 5-10 YR US Govt/Credit	(1.6)			
VANGUARD SHORT TERM BOND INDEX	**(0.4)**	**2,282,146**	**20.1%**	
Barclays 1-5 YR US Govt/Credit	(0.4)			
TOTAL FIXED INCOME		***3,470,640***	***30.6%***	***35.0%***
CASH & EQUIVALENTS				
MONEY MARKET		**296,401**	**2.6%**	

Performance updated through February 8, 2011

PEIRCE PARK GROUP
INVESTMENT MANAGEMENT CONSULTANTS

ATTACHMENT #2
Civilian and Police Pension Boards Meeting of 02/09/2011

PEIRCE PARK GROUP
INVESTMENT MANAGEMENT CONSULTANTS

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City of Dover

Global Education

February 9, 2011





ATTACHMENT #3
Civilian and Police Pension Boards Meeting of 02/09/2011

Global Investing

- World is one global marketplace
  - Dismantled trade barriers
  - Creation of Eurozone
- Global markets affect each other
  - News in one country affects business in another
- Emergence of China and India has delivered a billion people to the marketplace
- Advances in technology and communications
  - Helps reduce cost of doing business around the world

Definitions?

- Domestic Markets
  - Issuing Company is Incorporated in the U.S.
  - Primary Listing is in the U.S. *(Microsoft, GE)*
- International Markets
  - Listed and Incorporated outside the U.S.
    - Developed – *(EAFE)*
    - Emerging – *(BRIC – expected 65% of global growth in 2011)*
    - Frontier – *(New emerging countries)*
- Global
  - Both U.S. and all other International Markets
  - Go anywhere in the world to pick the best investment ideas.

History of International Investing for U.S. Investors

	Pre-1980	1980's	1990's	2000's
Investor Type	Very Few	Large Corporate & Endowment Some Public Funds	Most Large US Institutional Investors DC Plans & Retail Some Middle Market (e.g. PA Counties)	All Types Institutional & Retail
Asset Managers	Majority in the UK	Regional Firms Emerge Boutiques Emerge	Global Multi-product Firms Dominated by UK, European & US	US-based Managers Gain Asset Flows
Strategies	EAFE Developed Public Markets	Primarily EAFE Global Equity Regional Mandates	EAFE plus Emerging Markets Emerging Markets International Small Cap Global Balanced & TAA Regional Mandates on the Decline Hedge Funds Global Fixed Income	Global Concentrated Strategies Global Macro Hedge Funds Style-based Investing (Growth & Value) Quantitative and Fundamental Processes
Market Environment & Trends	Local Markets & Exchanges Limited Access by Foreign Investors	Markets & Exchanges Develop Barriers to Entry Ease Currency Hedging Strategies	Developed Markets open Emerging Markets Develop Technology Improves Access Growth in Wealth of Investor Base	Emerging Markets and Economies Larger Firms Dominate Global Sector Research



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Why did they Invest in "International" Markets?

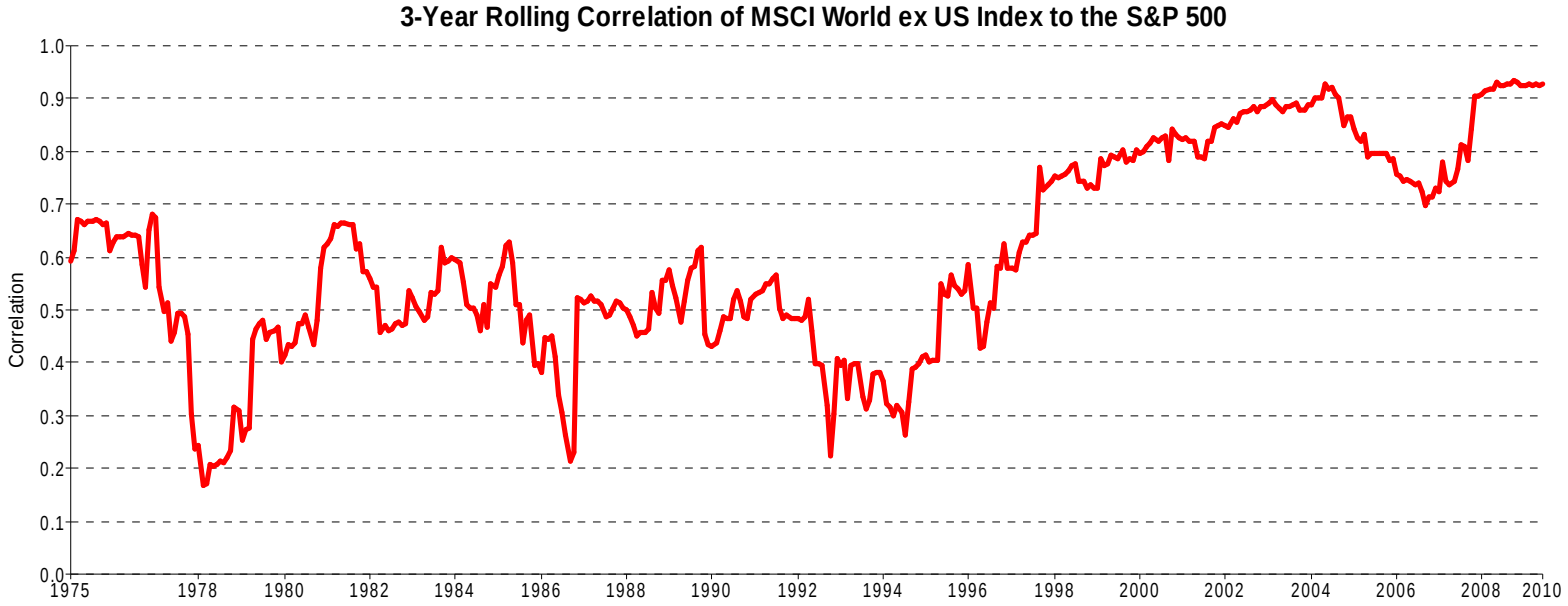
- Diversification
  - Low Correlation with the U.S. Markets
- Better Investment Opportunities outside of the U.S.
- Higher Growth in Smaller, Less Developed Markets
- Currency
  - Devaluation in U.S. $ helps International Returns

Historic Returns

9/1980-9/1985	9/1985-9/1990	9/1990-9/1995	9/1995-9/2000	9/2000-9/2005	9/2005-9/2010
U.S.	International	U.S.	U.S.	International	International
International	U.S.	International	International	U.S.	U.S.

What has Happened Recently?

- Globalization of Markets
- Correlation between U.S. & International returns have increased - both move in tandem, in up & down markets
  - Do not get the diversification benefits like you used to



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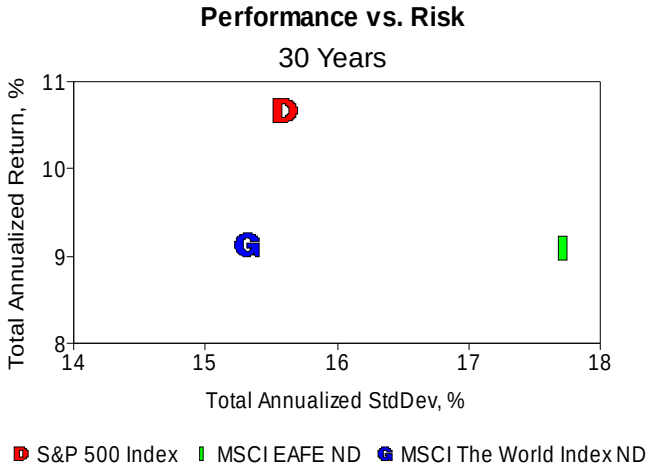
Why Invest in Global Strategies?

- U.S. is only 41% of the entire Investible Global Market
- Time periods when International outperforms U.S.: vice-versa
  - Global manager gives you flexibility as they can under or overweight U.S. or International Markets based upon their outlook
- Investment Managers analyze investment opportunities throughout the Globe even if they manage U.S. or International strategies only
  - Why limit their opportunities?
  - Opens up full global universe to find investment opportunities
- Investment Managers can take advantage of relative currency movements to add "alpha"

Why Invest in Global Strategies?

	Return	Std Dev	10 Yr Returns Relative to Peer Group Median	Approach
S&P 500 Index	10.7	15.6	(0.1)	Passive
MSCI EAFE (Net)	9.1	17.7	0.1	Passive
MSCI The World Index (Net)	9.1	15.3	(0.8)	Active

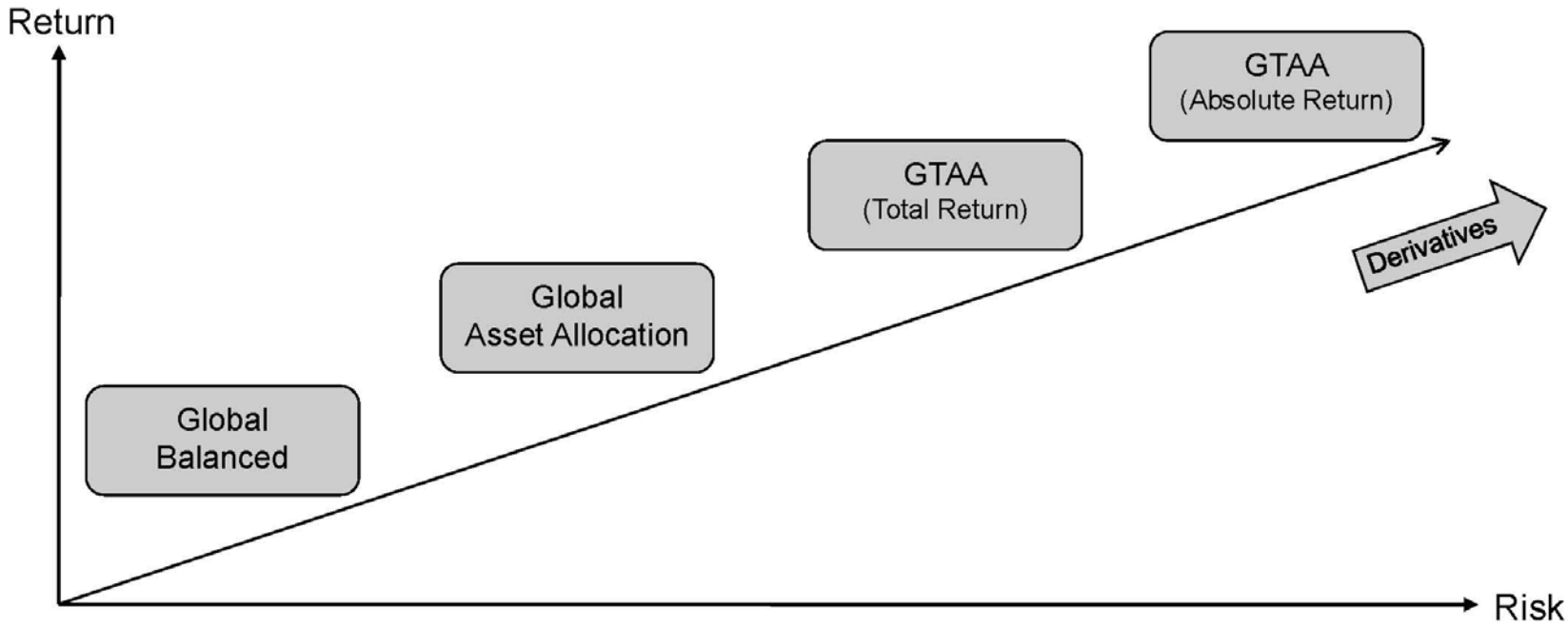
30 years through September 30, 2010. All figures annualized.



- Provides Active Global Managers the opportunity to add "alpha" at a time when it is desperately needed
- Historically Global Managers have exhibited lower volatility
  - Ability to move in/out of volatile markets
  - Ability to diversify holdings over the whole world
- Possible future consideration of Global Tactical Asset Allocation

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Global Tactical Asset Allocation – (GTAA)



Global Balanced	Global Asset Allocation	GTAA (Total Return)	GTAA (Absolute Return)
- Plain vanilla long only approach. - Individual stock and bond security selection. - Usually top-down thematic followed by bottom-up fundamental analysis. - American Funds, Thornburg, MFS, Fidelity, (income based funds).	- Similar to Global Balanced but can add other asset classes. - Commodities, TIP's, Real Assets, Precious Metals etc… - Accomplished by individual security selection or fund of funds approach. - PIMCO, Ivy, Loomis, First Eagle	- Similar to Global Asset Allocation but can use derivatives to hedge risk. - Looking for Total Return above set %. - Can use currencies, futures, swaps. - Shorting is allowed by some funds but tends to be primarily long only. - PIMCO, Allianz, BlackRock, JPM	- Similar to GTAA Total Return but always looking to post a positive return. - Shorting is very common and the funds tend to be market neutral. - Similar to Hedge Funds. - Dreyfus, Goldman, Schroder, UBS

City of Dover Police Plan

as of February 8, 2011

Inv. Min.	Cost	Ticker	Fund Name	U.S.	Int'l	Value	Growth	Large	Med	Small	Portfolio Allocation	Equity Portfolio	Cost
1,000,000	0.14%	VVISX	Value Index	100%	0%	75%	25%	85%	15%	0%	20.4%	*30.5%*	0.0286%
Closed	0.54%	VPCCX	Vanguard PRIMECAP Core	90%	10%	50%	50%	80%	20%	0%	7.6%	*11.4%*	0.0410%
0	0.37%	RGAGX	American Funds Growth America	90%	10%	25%	75%	90%	10%	0%	6.7%	*10.0%*	0.0248%
100,000	0.31%	VMRAX	Vanguard Morgan Growth	100%	0%	15%	85%	70%	30%	0%	7.3%	*10.9%*	0.0226%
0	0.41%	DFFVX	DFA US Targeted Value	100%	0%	70%	30%	0%	25%	75%	5.8%	*8.7%*	0.0238%
100,000	1.06%	RVPHX	Royce Value Plus	90%	10%	30%	70%	0%	40%	60%	4.4%	*6.6%*	0.0466%
0	0.46%	DFIVX	DFA International Value	0%	100%	100%	0%	84%	15%	1%	7.8%	*11.7%*	0.0359%
0	0.52%	RERGX	EuroPacific	0%	100%	40%	60%	95%	5%	0%	6.9%	*10.3%*	0.0359%
1,000,000	0.12%	-	Vanguard Interm./ST Bond Indices								33.1%	*0.0%*	0.0397%
											100.0%	**100.0%**	**0.2989%**

DE	51.00%	50.33%	DE Equity Targets are:	98.69%	funded
Intl	14.00%	16.57%	Int'l Equity Targets are:	118.36%	funded
Agg	35.00%	**66.90%**			
Cash	0.00%				
	100.00%				

	Value	Growth
Overall Value/Growth Split:	**56.52%**	**43.48%**
Value/Growth Targets:	60.00%	40.00%
.+/- targets:	94.20%	108.71%

	Large	Medium	Small
Overall Mkt Cap. Distribution	**71.25%**	**18.18%**	**10.57%**
Mkt Cap Targets:	65.00%	25.00%	10.00%
.+/- targets:	109.62%	72.74%	105.65%

Total Portfolio Allocations

Domestic	Value	Growth
Large	17.86%	15.48%
Mid	4.95%	5.31%
Small	3.76%	2.97%

International	Value	Growth
Large	9.63%	4.69%
Mid	1.45%	0.46%
Small	0.16%	0.18%

Total	Value	Growth
Large	27.49%	20.17%
Mid	6.40%	5.76%
Small	3.92%	3.15%

.+/- Target Portfolio Allocations

Domestic	Value	Growth
Large	91.01%	118.33%
Mid	65.55%	105.44%
Small	124.44%	147.44%

International	Value	Growth
Large	149.00%	108.84%
Mid	58.48%	27.55%
Small	15.81%	27.88%

Total	Value	Growth
Large	105.37%	115.98%
Mid	63.80%	86.14%
Small	97.53%	117.83%

PEIRCE PARK GROUP
INVESTMENT MANAGEMENT CONSULTANTS

ATTACHMENT #4
Civilian and Police Pension Boards Meeting of 02/09/2011

City of Dover Police Plan - proposed rebalancing

as of February 8, 2011

Inv. Min.	Cost	Ticker	Fund Name	U.S.	Int'l	Value	Growth	Large	Med	Small	Portfolio Allocation	Equity Portfolio	Cost
1,000,000	0.14%	VVISX	Value Index	100%	0%	75%	25%	85%	15%	0%	23.2%	*35.7%*	0.0325%
Closed	0.54%	VPCCX	Vanguard PRIMECAP Core	90%	10%	50%	50%	80%	20%	0%	7.6%	*11.7%*	0.0410%
0	0.37%	RGAGX	American Funds Growth America	90%	10%	25%	75%	90%	10%	0%	3.0%	*4.6%*	0.0111%
100,000	0.31%	VMRAX	Vanguard Morgan Growth	100%	0%	15%	85%	70%	30%	0%	7.3%	*11.2%*	0.0226%
0	0.41%	DFFVX	DFA US Targeted Value	100%	0%	70%	30%	0%	25%	75%	7.0%	*10.8%*	0.0287%
100,000	1.06%	RVPHX	Royce Value Plus	90%	10%	30%	70%	0%	40%	60%	3.0%	*4.6%*	0.0318%
0	0.46%	DFIVX	DFA International Value	0%	100%	100%	0%	84%	15%	1%	7.0%	*10.8%*	0.0322%
0	0.52%	RERGX	EuroPacific	0%	100%	40%	60%	95%	5%	0%	6.9%	*10.6%*	0.0359%
1,000,000	0.12%	-	Vanguard Interm./ST Bond Indices								35.0%	*0.0%*	0.0420%
											100.0%	**100.0%**	**0.2778%**

DE	51.00%	49.74%	DE Equity Targets are:	97.53%	funded
Intl	14.00%	15.26%	Int'l Equity Targets are:	109.00%	funded
Agg	35.00%	**65.00%**			
Cash	0.00%				
	100.00%				

	Value	Growth
Overall Value/Growth Split:	**59.39%**	**40.61%**
Value/Growth Targets:	60.00%	40.00%
.+/- targets:	98.99%	101.52%

	Large	Medium	Small
Overall Mkt Cap. Distribution	**70.84%**	**18.21%**	**10.95%**
Mkt Cap Targets:	65.00%	25.00%	10.00%
.+/- targets:	108.98%	72.83%	109.54%

funding/hiring

redeeming/terminating

Total Portfolio Allocations

Domestic	Value	Growth
Large	18.90%	13.83%
Mid	5.24%	4.90%
Small	4.16%	2.71%

International	Value	Growth
Large	8.87%	4.44%
Mid	1.31%	0.39%
Small	0.12%	0.13%

Total	Value	Growth
Large	27.77%	18.27%
Mid	6.55%	5.29%
Small	4.29%	2.84%

.+/- Target Portfolio Allocations

Domestic	Value	Growth
Large	97.43%	106.96%
Mid	70.22%	98.49%
Small	139.43%	136.16%

International	Value	Growth
Large	149.10%	111.89%
Mid	57.12%	25.52%
Small	13.54%	20.64%

Total	Value	Growth
Large	109.56%	108.12%
Mid	67.14%	81.36%
Small	109.87%	109.04%



PEIRCE PARK GROUP

INVESTMENT MANAGEMENT CONSULTANTS

City of Dover Employee Plan

as of February 8, 2011

Inv. Min.	Cost	Ticker	Fund Name	U.S.	Int'l	Value	Growth	Large	Med	Small	Portfolio Allocation	Equity Portfolio	Cost
1,000,000	0.14%	VVISX	Value Index	100%	0%	75%	25%	85%	15%	0%	22.7%	*32.2%*	0.0318%
Closed	0.54%	VPCCX	Vanguard PRIMECAP Core	90%	10%	50%	50%	80%	20%	0%	8.8%	*12.5%*	0.0475%
0	0.37%	RGAGX	American Funds Growth America	90%	10%	25%	75%	90%	10%	0%	6.2%	*8.8%*	0.0229%
100,000	0.31%	VMRAX	Vanguard Morgan Growth	100%	0%	15%	85%	70%	30%	0%	7.5%	*10.7%*	0.0233%
0	0.41%	DFFVX	DFA US Targeted Value	100%	0%	70%	30%	0%	25%	75%	6.2%	*8.8%*	0.0254%
100,000	1.06%	RVPHX	Royce Value Plus	90%	10%	30%	70%	0%	40%	60%	4.1%	*5.8%*	0.0435%
0	0.46%	DFIVX	DFA International Value	0%	100%	100%	0%	84%	15%	1%	8.4%	*11.9%*	0.0386%
0	0.52%	RERGX	EuroPacific	0%	100%	40%	60%	95%	5%	0%	6.5%	*9.2%*	0.0338%
1,000,000	0.12%	-	Vanguard Interm./ST Bond Indices								29.6%	*0.0%*	0.0355%
											100.0%	**100.0%**	**0.3023%**

DE	51.00%	53.59%	DE Equity Targets are:	105.08%	funded
Intl	14.00%	16.81%	Int'l Equity Targets are:	120.07%	funded
Agg	35.00%	**70.40%**			
Cash	0.00%				
	100.00%				

	Value	Growth
Overall Value/Growth Split:	**57.77%**	**42.23%**
Value/Growth Targets:	60.00%	40.00%
.+/- targets:	96.28%	105.58%

	Large	Medium	Small
Overall Mkt Cap. Distribution	**71.59%**	**18.20%**	**10.22%**
Mkt Cap Targets:	65.00%	25.00%	10.00%
.+/- targets:	110.13%	72.78%	102.19%

Total Portfolio Allocations

Domestic	Value	Growth
Large	19.68%	16.22%
Mid	5.35%	5.47%
Small	3.92%	2.94%

International	Value	Growth
Large	10.02%	4.48%
Mid	1.54%	0.44%
Small	0.16%	0.17%

Total	Value	Growth
Large	29.70%	20.70%
Mid	6.89%	5.92%
Small	4.08%	3.12%

.+/- Target Portfolio Allocations

Domestic	Value	Growth
Large	94.17%	116.42%
Mid	66.56%	102.12%
Small	121.89%	137.38%

International	Value	Growth
Large	152.80%	102.40%
Mid	61.18%	26.43%
Small	15.65%	25.61%

Total	Value	Growth
Large	108.17%	113.07%
Mid	65.28%	84.04%
Small	96.52%	110.69%

PEIRCE PARK GROUP
INVESTMENT MANAGEMENT CONSULTANTS

City of Dover Employee Plan - proposed rebalancing

as of February 8, 2011

Inv. Min.	Cost	Ticker	Fund Name	U.S.	Int'l	Value	Growth	Large	Med	Small	Portfolio Allocation	Equity Portfolio	Cost
1,000,000	0.14%	VVISX	Value Index	100%	0%	75%	25%	85%	15%	0%	23.2%	*35.7%*	0.0325%
Closed	0.54%	VPCCX	Vanguard PRIMECAP Core	90%	10%	50%	50%	80%	20%	0%	8.8%	*13.5%*	0.0475%
0	0.37%	RGAGX	American Funds Growth America	90%	10%	25%	75%	90%	10%	0%	3.5%	*5.4%*	0.0130%
100,000	0.31%	VMRAX	Vanguard Morgan Growth	100%	0%	15%	85%	70%	30%	0%	7.5%	*11.5%*	0.0233%
0	0.41%	DFFVX	DFA US Targeted Value	100%	0%	70%	30%	0%	25%	75%	9.0%	*13.8%*	0.0369%
100,000	1.06%	RVPHX	Royce Value Plus	90%	10%	30%	70%	0%	40%	60%	0.0%	*0.0%*	0.0000%
0	0.46%	DFIVX	DFA International Value	0%	100%	100%	0%	84%	15%	1%	6.5%	*10.0%*	0.0299%
0	0.52%	RERGX	EuroPacific	0%	100%	40%	60%	95%	5%	0%	6.5%	*10.0%*	0.0338%
1,000,000	0.12%	-	Vanguard Interm./ST Bond Indices								35.0%	*0.0%*	0.0420%
											100.0%	**100.0%**	**0.2588%**

DE	51.00%	50.77%	DE Equity Targets are:	99.55%	funded
Intl	14.00%	14.23%	Int'l Equity Targets are:	101.64%	funded
Agg	35.00%	**65.00%**			
Cash	0.00%				
	100.00%				

	Value	Growth
Overall Value/Growth Split:	**60.31%**	**39.69%**
Value/Growth Targets:	60.00%	40.00%
.+/- targets:	100.51%	99.23%

	Large	Medium	Small
Overall Mkt Cap. Distribution	**71.99%**	**17.52%**	**10.48%**
Mkt Cap Targets:	65.00%	25.00%	10.00%
.+/- targets:	110.76%	70.09%	104.85%

Total Portfolio Allocations

Domestic	Value	Growth
Large	19.45%	14.69%
Mid	5.39%	4.49%
Small	4.73%	2.03%

International	Value	Growth
Large	8.36%	4.29%
Mid	1.20%	0.31%
Small	0.07%	0.00%

Total	Value	Growth
Large	27.82%	18.98%
Mid	6.60%	4.80%
Small	4.79%	2.03%

.+/- Target Portfolio Allocations

Domestic	Value	Growth
Large	98.25%	111.26%
Mid	70.82%	88.35%
Small	155.11%	99.71%

International	Value	Growth
Large	150.65%	116.04%
Mid	56.30%	21.73%
Small	7.61%	0.00%

Total	Value	Growth
Large	109.72%	112.31%
Mid	67.64%	73.77%
Small	122.82%	77.88%

funding/hiring

redeeming/terminating

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City of Dover Police Plan - adding New Perspective, rebalance back to targets

as of February 8, 2011

Inv. Min.	Cost	Ticker	Fund Name	U.S.	Int'l	Value	Growth	Large	Med	Small	Portfolio Allocation	Equity Portfolio	Cost
1,000,000	0.14%	VVISX	Value Index	100%	0%	75%	25%	85%	15%	0%	20.4%	*31.4%*	0.0286%
Closed	0.54%	VPCCX	Vanguard PRIMECAP Core	90%	10%	50%	50%	80%	20%	0%	7.6%	*11.7%*	0.0410%
0	0.37%	RGAGX	American Funds Growth America	90%	10%	25%	75%	90%	10%	0%	0.0%	*0.0%*	0.0000%
100,000	0.31%	VMRAX	Vanguard Morgan Growth	100%	0%	15%	85%	70%	30%	0%	7.3%	*11.2%*	0.0226%
0	0.41%	DFFVX	DFA US Targeted Value	100%	0%	70%	30%	0%	25%	75%	7.5%	*11.5%*	0.0308%
100,000	1.06%	RVPHX	Royce Value Plus	90%	10%	30%	70%	0%	40%	60%	4.4%	*6.8%*	0.0466%
0	0.48%	RNPGX	New Perspective	41%	59%	40%	60%	95%	5%	0%	10.0%	*15.4%*	0.0480%
0	0.46%	DFIVX	DFA International Value	0%	100%	100%	0%	84%	15%	1%	7.8%	*12.0%*	0.0359%
0	0.52%	RERGX	EuroPacific	0%	100%	40%	60%	95%	5%	0%	0.0%	*0.0%*	0.0000%
1,000,000	0.12%	-	Vanguard Interm./ST Bond Indices								35.0%	*0.0%*	0.0420%
											100.0%	**100.0%**	**0.2955%**

DE	51.00%	50.10%	DE Equity Targets are:	98.24%	funded
Intl	14.00%	14.90%	Int'l Equity Targets are:	106.43%	funded
Agg	35.00%	**65.00%**			
Cash	0.00%				
	100.00%				

	Value	Growth
Overall Value/Growth Split:	**59.33%**	**40.67%**
Value/Growth Targets:	60.00%	40.00%
.+/- targets:	98.88%	101.67%

	Large	Medium	Small
Overall Mkt Cap. Distribution	**68.59%**	**18.58%**	**12.84%**
Mkt Cap Targets:	65.00%	25.00%	10.00%
.+/- targets:	105.52%	74.31%	128.35%

Total Portfolio Allocations

Domestic	Value	Growth
Large	18.07%	13.75%
Mid	5.18%	5.10%
Small	4.65%	3.35%

International	Value	Growth
Large	9.10%	3.67%
Mid	1.42%	0.38%
Small	0.16%	0.18%

Total	Value	Growth
Large	27.16%	17.42%
Mid	6.59%	5.48%
Small	4.81%	3.54%

.+/- Target Portfolio Allocations

Domestic	Value	Growth
Large	92.46%	105.57%
Mid	68.89%	101.89%
Small	154.70%	167.20%

International	Value	Growth
Large	156.57%	94.66%
Mid	63.39%	25.25%
Small	17.58%	31.01%

Total	Value	Growth
Large	107.15%	103.07%
Mid	67.63%	84.32%
Small	123.27%	135.98%

funding/hiring
redeeming/terminating

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ATTACHMENT #5
Civilian and Police Pension Boards Meeting of 02/09/2011

City of Dover Employee Plan - adding New Perspective, rebalancing back to targets

as of February 8, 2011

Inv. Min.	Cost	Ticker	Fund Name	U.S.	Int'l	Value	Growth	Large	Med	Small	Portfolio Allocation	Equity Portfolio	Cost
1,000,000	0.14%	VVISX	Value Index	100%	0%	75%	25%	85%	15%	0%	22.7%	*34.9%*	0.0318%
Closed	0.54%	VPCCX	Vanguard PRIMECAP Core	90%	10%	50%	50%	80%	20%	0%	8.8%	*13.5%*	0.0475%
0	0.37%	RGAGX	American Funds Growth America	90%	10%	25%	75%	90%	10%	0%	0.0%	*0.0%*	0.0000%
100,000	0.31%	VMRAX	Vanguard Morgan Growth	100%	0%	15%	85%	70%	30%	0%	7.5%	*11.5%*	0.0233%
0	0.41%	DFFVX	DFA US Targeted Value	100%	0%	70%	30%	0%	25%	75%	6.2%	*9.5%*	0.0254%
100,000	1.06%	RVPHX	Royce Value Plus	90%	10%	30%	70%	0%	40%	60%	4.1%	*6.3%*	0.0435%
0	0.48%	RNPGX	New Perspective	41%	59%	40%	60%	95%	5%	0%	7.3%	*11.2%*	0.0350%
0	0.46%	DFIVX	DFA International Value	0%	100%	100%	0%	84%	15%	1%	8.4%	*12.9%*	0.0386%
0	0.52%	RERGX	EuroPacific	0%	100%	40%	60%	95%	5%	0%	0.0%	*0.0%*	0.0000%
1,000,000	0.12%	-	Vanguard Interm./ST Bond Indices								35.0%	*0.0%*	0.0420%
											100.0%	**100.0%**	**0.2871%**

DE	51.00%	51.00%	DE Equity Targets are:	100.01%	funded
Intl	14.00%	14.00%	Int'l Equity Targets are:	99.98%	funded
Agg	35.00%	**65.00%**			
Cash	0.00%				
	100.00%				

	Value	Growth
Overall Value/Growth Split:	**60.68%**	**39.32%**
Value/Growth Targets:	60.00%	40.00%
.+/- targets:	101.13%	98.31%

	Large	Medium	Small
Overall Mkt Cap. Distribution	**70.12%**	**18.82%**	**11.07%**
Mkt Cap Targets:	65.00%	25.00%	10.00%
.+/- targets:	107.87%	75.26%	110.68%

funding/hiring

redeeming/terminating

Total Portfolio Allocations

Domestic	Value	Growth
Large	19.56%	14.16%
Mid	5.27%	5.14%
Small	3.92%	2.94%

International	Value	Growth
Large	9.04%	2.81%
Mid	1.48%	0.33%
Small	0.16%	0.17%

Total	Value	Growth
Large	28.61%	16.97%
Mid	6.75%	5.48%
Small	4.08%	3.12%

.+/- Target Portfolio Allocations

Domestic	Value	Growth
Large	98.36%	106.78%
Mid	68.90%	100.85%
Small	128.07%	144.34%

International	Value	Growth
Large	165.69%	77.13%
Mid	70.65%	23.72%
Small	18.79%	30.76%

Total	Value	Growth
Large	112.86%	100.40%
Mid	69.27%	84.24%
Small	104.54%	119.88%

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