

GENERAL EMPLOYEES' PENSION PLAN  
BOARD OF TRUSTEES  
August 31, 2009

Board Members Present:

Ray Dielman, Citizen  
Jim Freeman, City Clerk  
Gracie Johnson, Employee Representative  
Ellen Leonard, Citizen  
Jim Terry, Citizen

Board Members Absent:

Allen Tusing, Citizen

Staff and Others Present:

Scott Christiansen, Christiansen and Dehner  
Charlie Mulfinger, Morgan Stanley  
Mike DeGenova, Morgan Stanley  
Diane Ponder, Deputy Clerk-Administration

Chairman Dielman called the meeting to order at 8:30 am.

1. APPROVAL OF MINUTES

**MOTION: Mr. Freeman moved, Mrs. Johnson seconded and motion carried 5-0 to approve the June 1, and August 12, 2009 minutes.**

2. INVESTMENT REVIEW

Mr. Mulfinger introduced Jonathan W. Cangalosi, a principal of Golden Capital Management, the portfolio's small cap strategy/core managers. Mr. Cangalosi gave a presentation of his firm, which manages approximately \$3 billion in assets, with 20 employees. He reviewed the firm's performance relative to the Plan's investments he manages, and how that performance compares to the benchmark. He voiced his confidence that the market will be over confident and will pull back, returning to fundamentals.

Mike DeGenova began the investment review by discussing how the market performed during the third quarter. Mr. Mulfinger reviewed the data for the quarter ending June 30, 2009, reporting the balance at \$6,783,780.57, a total gain, net-of-fees, of \$609,787.38 and an increase of ten percent. He reviewed the Summary of Relevant Facts, Breakdown of Returns, Valuation & Performance, Compliance Checklist and Consulting & Management Fee Billing Summary reports, all of which are attached hereto and made a part of these minutes.

Mr. Mulfinger discussed the Board's decision to stay in the market, which resulted in a ten percent increase in value for the quarter. He reported that both equity and bonds are slightly underweighted, a result of the new monies coming into the portfolio being placed in cash. Mr. Mulfinger recommended that the Board consider balancing the portfolio equally at 17.5% for large cap value and large cap growth, to ensure long-term performance as the economy comes out of the recession.

Mr. Mulfinger briefly discussed the comparative date he prepared regarding fees that could be charged by the managers in the market, vs. the fee in the wrap program the portfolio currently pays. He also reviewed the report that shows every manager has a positive alpha over five years except Golden.

Mr. Mulfinger stated that the time to look at alternative investments, such as purchasing hedge funds is now; the market is high, having gone up 50% and hedge funds are purchased when the market is high. He stated this type of investment is a further attempt to diversify investments and protect the portfolio. He has had preliminary conversations with some hedge fund managers who

have indicated they are willing to invest at a \$500,000 minimum, and recommended a maximum investment limit of ten percent of the portfolio. He stated the portfolio, because of its size is an accredited investor and can invest in a 3B1 hedge fund for alternative investments.

**MOTION: Mr. Terry moved and Mrs. Leonard seconded to authorize Mr. Mulfinger to do a search and bring in three hedge fund managers for an interview.**

Mr. Mulfinger confirmed the fees for any alternative investment are outside the wrap program. He stated that if the Board decides to participate in any alternative investment, a contract will have to be developed that breaks the fees for that type of investment apart from the current fee structure. The fees will be fees on fees; but the returns will be shown as net of fees.

The meeting to interview the hedge fund managers will be set for October 15 or 16. The Board will be notified of the meeting date and time.

**Motion on the floor carried 5-0**

3. APPROVAL OF EXPENSES

A) Christiansen & Dehner: June and July, 2009

**MOTION: Mr. Freeman moved, Mrs. Johnson seconded and motion carried 5-0 to ratify the paid expenses as presented.**

4. ELECTION OF SECRETARY

**MOTION: Mr. Dielman moved, Mrs. Leonard seconded and motion carried 5-0 to elect Jim Freeman as Secretary.**

5. ATTORNEY'S REPORT

Reported Form 1 has been filed by all Trustees.


Reported he is having difficulty securing contracts from Gabriel Roeder Smith, relating to fees and the fiduciary liability.

Mr. Freeman reported he has not had an opportunity to do a full comparison with other cities. He reported that comparing just the Police and General Employees' Plan, the General Employees' return is based on calendar and Police based on fiscal year. He will get the fiscal year numbers for the General Employees and report back to the Board. The Bogdahn Group comparison will be utilized to also provide the data. Mr. Freeman also distributed a chart of monthly returns showing gross and net returns.

Mr. Dielman commented on the view rights to the portfolio on-line.

Mr. Dielman also commented on the Trustees' School October 4 – 7, 2009.

Meeting adjourned at 10:30 am.

  
James R. Freeman  
Secretary

**SUMMARY OF RELEVANT FACTS**  
**Palmetto General Employees' Pension Fund**  
**As of June 30, 2009**

Distribution of Assets	
Equity	
-Large Cap. Value	\$934,514.99
-Large Cap. Growth	\$1,320,107.24
-Mid Cap. Growth	\$697,095.86
-Small Cap. Core	\$643,633.39
-International Value	\$302,245.22
-International Growth	\$354,811.96
Total Equity	\$4,252,408.66
Fixed	\$2,265,045.24
Cash (Deposit & Disbursement Acct')	\$266,326.67
Total Portfolio	\$6,783,780.57

Distribution by Percentages		
Equity Breakdown	Policy	Current
-Large Cap. Value	15.00%	13.78%
-Large Cap. Growth	20.00%	19.46%
-Mid Cap. Growth	10.00%	10.28%
-Small Cap. Core	10.00%	9.49%
-International Value	5.00%	4.46%
-International Growth	5.00%	5.23%
Total Equity	65.00%	62.68%
Fixed	35.00%	33.39%
Cash (Deposit & Disbursement)	0.00%	3.93%
Total Portfolio	100.00%	100.00%

**Other Important Facts:**

Total Portfolio	\$6,783,780.57	
Total Gain or (Loss) - Gross-of-Fees	\$622,902.70	
Total Gain or (Loss) - Net-of-Fees	\$609,787.38	
Total Fees	(\$13,115.32)	
<b>GOLDEN CAPITAL</b>		
Total Assets	\$934,514.99	100.00%
Equity	\$894,242.07	96.67%
Cash	\$40,272.92	3.33%
Fees	(\$1,864.57)	
Gain or (Loss) - Gross-of-Fees	\$140,391.45	
Gain or (Loss) - Net-of-Fees	\$138,526.88	
	\$643,633.39	
	\$622,225.98	
	\$21,407.41	
	(\$1,288.57)	
	\$94,828.55	
	\$93,539.98	

**LAZARD ASSET MANAGEMENT**

Total Assets	\$657,109.80	100.00%
Equity	\$650,691.44	99.12%
Cash	\$6,418.36	0.88%
Fees	(\$1,365.19)	
Gain or (Loss) - Gross-of-Fees	\$75,674.57	
Gain or (Loss) - Net-of-Fees	\$74,309.38	
	\$302,245.22	
	\$299,582.97	
	\$2,662.25	
	(\$602.46)	
	\$45,661.73	
	\$45,059.27	

**RENAISSANCE (INT'L)**

Total Assets	\$662,997.44	100.00%
Equity	\$649,100.23	96.54%
Cash	\$13,897.21	3.46%
Fees	(\$1,413.44)	
Gain or (Loss) - Gross-of-Fees	\$61,011.08	
Gain or (Loss) - Net-of-Fees	\$59,597.64	
	\$354,811.96	
	\$342,519.59	
	\$12,292.37	
	\$0.00	
	\$71,514.04	
	\$71,514.04	

**DEPOSIT & DISBURSEMENT**

Total Assets	\$697,095.86	100.00%
Equity	\$684,609.05	75.02%
Cash	\$12,486.81	24.98%
Fees	(\$1,444.63)	
Gain or (Loss) - Gross-of-Fees	\$81,824.81	
Gain or (Loss) - Net-of-Fees	\$80,380.18	
	\$266,326.67	
	\$199,804.28	
	\$66,522.39	
	\$0.00	
	\$221.01	
	\$221.01	

**MADISON**

Total Assets	\$2,265,045.24	100.00%
Fixed	\$2,150,397.84	94.94%
Cash	\$114,647.40	5.06%
Fees	(\$5,136.46)	
Gain or (Loss) - Gross-of-Fees	\$51,775.46	
Gain or (Loss) - Net-of-Fees	\$46,639.00	

The prices, quotes, or statistics contained herein have been obtained from sources believed to be reliable, however, its accuracy cannot be guaranteed. Past performance is not a guarantee of future results.

**BREAKDOWN OF RETURNS**  
**Palmetto General Employees' Pension Fund**  
**As of June 30, 2009**

**ACTUARIAL ASSUMPTION = 7.5%**

EQUITY		Your Returns				
Fund Name	Value	Quarter	1 year	3 year	5 year	Since
<b>Lord Abbett</b>						
<b>Large Cap Value</b>						
		Quarter	17.65	17.40	16.69	15.86
		1 year	(25.29)	(26.03)	(29.03)	(25.37)
		3 year	(9.17)	(10.03)	(11.12)	(8.22)
		5 year	(2.05)	(2.96)	(2.14)	(0.86)
		Since 6/30/02	1.84	0.90	1.05	2.00
		Lord Abbett/Oppenheimer - Since 5/31/98	0.19	(0.71)	1.35	NA
						0.18
<b>Renaissance Alliance</b>						
<b>Large Cap Growth</b>						
		Quarter	13.00	12.75	16.82	15.18
		1 year	(26.99)	(27.72)	(24.53)	(26.37)
		Since 9/30/07	(21.26)	(22.07)	(19.75)	(20.65)
		Renaissance/Alliance - 3 year	(7.09)	(7.93)	(5.66)	(5.91)
		Renaissance/Alliance - 5 year	(3.23)	(4.10)	(1.78)	(0.22)
		Renaissance/Alliance - Since 12/31/98	(6.77)	(7.63)	(6.05)	(6.15)
						(6.25)
<b>Wells</b>						
<b>Large Cap Growth</b>						
		Quarter	10.12	9.87	16.32	15.18
		1 year	(38.09)	(38.72)	(24.49)	(26.37)
		Since 9/30/07	(24.24)	(24.90)	(19.68)	(20.65)
<b>Wells Bond ING Furman Selz</b>						
<b>Mid Cap Growth</b>						
		Quarter	13.27	13.03	20.67	17.84
		1 year	(39.16)	(39.77)	(30.33)	(30.96)
		Since 12/31/06	(12.32)	(13.06)	(12.15)	(11.05)
		Baird/ING Furman - 3 year	(9.99)	(10.85)	(7.93)	(7.62)
		Baird/ING Furman - 5 year	(2.33)	(3.24)	(0.45)	(0.05)
		Baird/ING Furman - Since 5/31/98	(0.92)	(1.81)	1.96	NA
<b>Golden Missouri Valley</b>						
<b>Small Cap Core</b>						
		Quarter	17.25	17.00	20.68	20.18
		1 Year	(34.26)	(34.93)	(25.01)	(24.36)
		Since 3/31/07	(20.60)	(21.37)	(17.07)	(16.57)
		Golden/Miss Valley - 3 year	(12.25)	(13.09)	(9.88)	(9.80)
		Golden/Miss Valley - 5 year	(5.39)	(6.28)	(1.71)	(0.44)
		Missouri Vly/Mississippi - Since 5/31/98	3.60	2.67	2.30	NA
<b>Lazard Asset Management</b>						
<b>International Value</b>						
		Quarter	17.78	17.52	25.43	29.75
		1 year	(25.57)	(26.50)	(31.36)	(28.94)
		3 year	(5.89)	(6.86)	(7.98)	(8.64)
		5 year	2.84	1.83	2.31	2.35
		Since 5/31/98	3.08	2.13	1.80	3.36
<b>Renaissance</b>						
<b>International Growth</b>						
		Quarter	25.29	25.24	26.27	21.43
		Since 1/31/09	19.14	19.10	21.07	16.30
		Since 1/13/09	16.23	15.96	NA	NA
<b>FIXED INCOME</b>						
<b>Madison Investment Adv</b>						
		Quarter	2.33	2.10	1.67	1.85
		1 year	7.33	6.33	5.27	5.26
		3 year	7.32	6.34	6.14	6.17
		5 year	5.18	4.23	4.57	4.80
		Since 5/31/98	5.58	4.66	5.54	5.70
						3.12
<b>TOTAL RETURN</b>						
		Quarter	10.20	9.97	13.08	12.35
		1 year	(16.27)	(17.06)	(16.18)	(14.01)
		3 year	(2.17)	(3.05)	(2.63)	(1.95)
		5 year	1.07	0.16	1.45	1.99
		Since 5/31/98	2.04		3.01	3.33

**Policy Index Composition**

- 15% Russ 1000 Value/ 10% Russ 3000 Growth/ 10% Russ 1000 Growth/ 10% Russ Mid Growth/ 10% Russ 2000/ 5% MSCI EAFE/ 5% MSCI AC World x US/ 35% BC Int. G/C for periods since Jan 2009
- 15% Russ 1000 Value/ 10% Russ 3000 Growth/ 10% Russ 1000 Growth/ 10% Russ Mid Growth/ 10% Russ 2000/ 10% MSCI EAFE/ 35% BC Int. G/C for periods from Sept 2007 Jan 2009
- 15% Russ 1000 Value/ 20% Russ 1000 Growth/ 10% Russ Mid Growth/ 10% Russ 2000/ 10% MSCI EAFE/ 35% BC Int. G/C for periods from Dec 2006 to Sept 2007
- 15% Russ 1000 Value/ 20% Russ 1000 Growth/ 10% Russ 2500 Growth/ 10% Russ 2000/ 10% MSCI EAFE/ 35% BC Int. G/C for periods from Sept 1999 to Dec 2006
- 15% Russ 1000 Value/ 15% Russ 1000 Growth/ 10% Russ 2500 Growth/ 10% Russ 2000/ 10% MSCI EAFE/ 40% BC Int. G/C for periods prior to Sept 1999

**BREAKDOWN OF RETURNS**  
**Palmetto General Employees' Pension Fund**  
**As of June 30, 2009**

*As of 6/30/09*

**ACTUARIAL ASSUMPTION = 7.5%**

EQUITY		Your Returns				
Lord Abbett		Gross	Net			
Large Cap. Value						
Quarter		17.65	17.40	16.69	15.86	15.93
1 year		(25.29)	(26.03)	(29.03)	(25.37)	(26.22)
3 year		(9.17)	(10.03)	(11.12)	(8.22)	(8.22)
5 year		(2.05)	(2.96)	(2.14)	(0.86)	(2.25)
Since 6/30/02		1.84	0.90	1.05	2.00	0.92
Lord Abbett/Oppenheimer - Since 5/31/98		0.19	(0.71)	1.35	NA	0.18
Renaissance/Alliance						
Large Cap. Growth						
Quarter		13.00	12.75	16.82	15.18	16.32
1 year		(26.99)	(27.72)	(24.53)	(26.37)	(24.49)
Since 9/30/07		(21.26)	(22.07)	(19.75)	(20.65)	(19.68)
Renaissance/Alliance - 3 year		(7.09)	(7.93)	(5.66)	(5.91)	(5.45)
Renaissance/Alliance - 5 year		(3.23)	(4.10)	(1.78)	(0.22)	(1.82)
Renaissance/Alliance - Since 12/31/99		(6.77)	(7.63)	(6.05)	(6.15)	(6.25)
Wells						
Large Cap. Growth						
Quarter		10.12	9.87	16.32	15.18	
1 year		(38.09)	(38.72)	(24.49)	(26.37)	
Since 9/30/07		(24.24)	(24.90)	(19.68)	(20.65)	
Wells/Baird/ING Furman Selz						
Mid Cap. Growth						
Quarter		13.27	13.03	20.67	17.84	
1 year		(39.16)	(39.77)	(30.33)	(30.96)	
Since 12/31/06		(12.32)	(13.06)	(12.15)	(11.05)	
Baird/ING Furman - 3 year		(9.99)	(10.85)	(7.93)	(7.62)	
Baird/ING Furman - 5 year		(2.33)	(3.24)	(0.45)	(0.05)	
Baird/ING Furman - Since 5/31/98		(0.92)	(1.81)	1.96	NA	
Golden/Missouri Valley						
Small Cap. Core						
Quarter		17.25	17.00	20.68	20.18	
1 Year		(34.26)	(34.93)	(25.01)	(24.36)	
Since 3/31/07		(20.60)	(21.37)	(17.07)	(16.57)	
Golden/Miss Valley - 3 year		(12.25)	(13.09)	(9.88)	(9.80)	
Golden/Miss Valley - 5 year		(5.39)	(6.28)	(1.71)	(0.44)	
Missouri Vly/Mississippi - Since 5/31/98		3.60	2.67	2.30	NA	
Lazard Asset Management						
International Value						
Quarter		17.78	17.52	25.43	29.75	
1 year		(25.57)	(26.50)	(31.36)	(28.94)	
3 year		(5.89)	(6.86)	(7.98)	(8.64)	
5 year		2.84	1.83	2.31	2.35	
Since 5/31/98		3.08	2.13	1.80	3.36	
Renaissance						
International Growth						
Quarter		25.29	25.24	26.27	21.43	
Since 1/31/09		19.14	19.10	21.07	16.30	
Since 1/13/09		16.23	15.96	NA	NA	
FIXED INCOME						
Madison Investment Adv.						
Quarter		2.33	2.10	1.67	1.85	0.04
1 year		7.33	6.33	5.27	5.26	0.50
3 year		7.32	6.34	6.14	6.17	2.73
5 year		5.18	4.23	4.57	4.80	2.95
Since 5/31/98		5.58	4.66	5.54	5.70	3.12
TOTAL RETURN						
Quarter		10.20	9.97	13.08	12.35	
1 year		(16.27)	(17.06)	(16.08)	(14.01)	
3 year		(2.17)	(3.05)	(3.21)	(1.95)	
5 year		1.07	0.16	0.93	1.99	
Since 5/31/98		2.04			3.33	

Index = 15% Russell 1000 Value + 10% Russell 3000 Growth + 10% Russell 1000 Growth + 10% Russell Midcap Growth + 10% Russell 2000 + 10% EAFE + 35% BC G/C Int. Bonds

\* Golden Capital replaced Missouri Valley on March 7, 2007

*Signature*

# COMPLIANCE CHECKLIST

## Palmetto General Employees' Pension Fund

As of June 30, 2009

### GUIDELINES In Compliance

#### Equity Portfolio

Listed on recognized exchange  
 Single issue not to exceed 10% at market value for each equity in each separately managed portfolio  
 Total equity portfolio < 67.5% & > 62.5% of total fund at market  
 Total international (ordinance) < 20% of total fund at market  
 Single issue not to exceed 5% at market value for the total portfolio

**OBJECTIVES**  
**Total Portfolio**  
 Exceed Target Index  
 Exceed actuarial assumption (7.5%)\*  
 Exceed CPI + 4%\*  
 \* Measured using net dollar-weighted return

3 years	5 years	Since Inception
Yes	Yes	N/A
No	No	No
No	No	No

#### Lord Abbett & Company

Large Capitalization Value Equity Portfolio  
 Market Value < 17.5% & > 12.5% of total fund  
 Performance (Inception 6/5/2002)  
 Rank in the Top 50% of manager universe  
 Return > Russell 1000 Value

3 years	Since Inception
No	No
Yes	Yes

#### Lazard Asset Management

International Value Equity Portfolio  
 Market Value < 6.25% & > 3.75% of total fund  
 Performance (Inception 5/8/1998)  
 Return > MSCI EAFE (Net)

3 years	Since Inception
Yes	Yes

#### Renaissance

Large Capitalization Growth Equity Portfolio  
 Market Value < 11.25% & > 8.75% of total fund  
 Performance (Inception 9/27/2007)  
 Rank in the Top 50% of manager universe  
 Return > Russell 3000 Growth

3 years	Since Inception
N/A	No
N/A	No

#### Renaissance

International Growth Equity Portfolio  
 Market Value < 6.25% & > 3.75% of total fund  
 Performance (Inception 1/13/2009)  
 Return > MSCI AC World ex US

3 years	Since Inception
N/A	No

#### Wells

Large Capitalization Growth Equity Portfolio  
 Market Value < 11.25% & > 8.75% of total fund  
 Performance (Inception 9/27/2007)  
 Rank in the Top 50% of manager universe  
 Return > Russell 1000 Growth

3 years	Since Inception
N/A	No
N/A	No

#### Madison Investment Advisors

Fixed Income Portfolio  
 Market Value < 37.5% & > 32.5% of total fund  
 Performance (Inception 5/8/1998)  
 Return > Barclays Cap Intern. Gov't/Credit U.S. Government / Agency or U.S. Corporations Bonds rated "A" or better  
 Single corporate issuer not exceed 10% of bond portfolio (except U.S. Government/Agency)  
 \* International Lease note was downgraded to BAA1 Moody's/ BBB+ S&P - letter sent by manager

3 years	Since Inception
Yes	Yes
Yes	No*
Yes	Yes

#### Wells Capital

Mid Capitalization Growth Equity Portfolio  
 Market Value < 12.5% & > 7.5% of total fund  
 Performance (Inception 12/7/2006)  
 Rank in the Top 50% of manager universe  
 Return > Russell Midcap Growth

3 years	Since Inception
N/A	No
N/A	No

#### Golden Capital

Small Capitalization Core Equity Portfolio  
 Market Value < 12.5% & > 7.5% of total fund  
 Performance (Inception 3/7/2007)  
 Rank in the Top 50% of manager universe  
 Return > Russell 2000

3 years	Since Inception
N/A	No
N/A	No

**Valuation & Performance**  
**Palmetto General Employees' Pension Fund**  
**As of August 27, 2009**

	Value	Fiscal YTD Return As of 8/27/2009
Lord Abbett	\$1,062,199	-5.83%
Renaissance (LG)	\$715,407	-6.52%
Wells (LG)	\$731,234	-8.89%
Wells (MG)	\$778,020	-4.00%
Golden	\$734,551	-12.10%
Lazard	\$338,883	-0.01%
Renaissance (Int'l)*	\$394,048	32.62%
Madison	\$2,296,959	9.18%
Deposit & Disbursement	\$231,556	
<b>Total Fund</b>	<b>\$7,282,857</b>	<b>1.40%</b>

\*Since 1/31/2009

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**City of Palmetto General Employees' Pension  
All Inclusive versus Separate Fee Comparison  
August 31, 2009**

**Separate Fee Investment Program**

Investment Managers	Weighting	Mgmt Fees	Mgmt Fees	Commission	Commission	Combined	Combined
		Range %	Average %	Range %	Average %	Average %	Weighted Avg %
Large Capitalization Value	15.00%	0.50 to 0.80%	0.650%	0.15 to 0.25%	0.200%	0.850%	0.128%
Large Capitalization Growth	20.00%	0.50 to 0.80%	0.650%	0.15 to 0.25%	0.200%	0.850%	0.170%
Small Capitalization Core	10.00%	0.75 to 1.00%	0.875%	0.25 to 0.45%	0.350%	1.225%	0.123%
Mid Capitalization Growth	10.00%	0.75 to 1.00%	0.875%	0.25 to 0.45%	0.350%	1.225%	0.123%
International Value	5.00%	0.75 to 1.00%	0.875%	0.25 to 0.40%	0.325%	1.200%	0.060%
International Growth	5.00%	0.75 to 1.00%	0.875%	0.25 to 0.40%	0.325%	1.200%	0.060%
Fixed Income	<u>35.00%</u>	0.25 to 0.35%	0.300%	0.075 to 0.125%	0.100%	0.400%	<u>0.140%</u>
<i>Sub-Total</i>	<i>100.00%</i>						<i>0.803%</i>
Custodian Fees	100.00%	0.05 to 0.10%	0.075%				0.075%
Consultant Fees	100.00%	0.15 to 0.35%	0.250%				<u>0.250%</u>
<b>Total</b>							<u><b>1.128%</b></u>

**All-Inclusive Fee Program**

**Approximate Savings of All-Inclusive vs. Separate Fee Program**

**0.950%**  
**0.178%**

\* **Additional Considerations**

- Access to quality professional money managers (account minimums lowered)
- Allow proper diversification - multiple investment styles utilized
- Flexibility to change money managers at low costs (no transaction fees)
- All custody charges included (wiring fees, ACH transfer fees, checks, retiree 1099R reporting)

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Current Palmetto Managers	Manager Minimums	
	Direct Institutional <sup>1</sup>	Current Palmetto Balance
Lord Abbett & Company	20,000,000	1,062,199
Wells	10,000,000	731,234
Renaissance	5,000,000	715,407
Golden Capital	1,000,000	734,551
Wells	10,000,000	778,020
Lazard	5,000,000	338,883
Renaissance	5,000,000	394,048
Madison	1,000,000	2,296,959

\* Represents manager's stated separately managed account minimum for institutional investors

\*\* FS= Consulting Group's Fiduciary Services Program (All-Inclusive Fee program) - Your Existing Program

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**Consulting & Management Fee Billing Summary**  
**Palmetto General Employees' Pension Fund**  
**As of June 30, 2009**

<b>Lord Abbett</b>		<b>676-02441</b>				
<u>\$ Fee</u>	<u>Date Billed</u>	<u>Market Value</u>	<u>From</u>	<u>To</u>	<u>% Fee</u>	<u>% Ann. Fee</u>
2,213.39	7/17/2009	934,514.98	4/1/2009	6/30/2009	0.2368%	0.9500%
1,864.57	4/17/2009	795,988.10	1/1/2009	3/31/2009	0.2342%	0.9500%
2,231.86	1/16/2009	934,627.14	10/1/2008	12/31/2008	0.2388%	0.9500%
2,537.62	10/17/2008	1,062,667.06	7/1/2008	9/30/2008	0.2388%	0.9500%
2,696.95	7/18/2008	1,141,798.63	4/1/2008	6/30/2008	0.2362%	0.9500%
2,641.33	4/18/2008	1,118,253.34	1/1/2008	3/31/2008	0.2362%	0.9500%
2,968.93	1/18/2008	1,239,885.71	10/1/2007	12/31/2007	0.2395%	0.9500%

<b>Renaissance</b>		<b>676-90224</b>				
<u>\$ Fee</u>	<u>Date Billed</u>	<u>Market Value</u>	<u>From</u>	<u>To</u>	<u>% Fee</u>	<u>% Ann. Fee</u>
1,556.35	7/17/2009	657,109.80	4/1/2009	6/30/2009	0.2368%	0.9500%
1,365.19	4/17/2009	582,800.42	1/1/2009	3/31/2009	0.2342%	0.9500%
1,498.30	1/16/2009	627,434.70	10/1/2008	12/31/2008	0.2388%	0.9500%
1,591.47	10/17/2008	666,452.98	7/1/2008	9/30/2008	0.2388%	0.9500%
1,788.68	7/18/2008	757,268.23	4/1/2008	6/30/2008	0.2362%	0.9500%
1,660.45	4/18/2008	702,981.18	1/1/2008	3/31/2008	0.2362%	0.9500%
1,854.07	1/18/2008	774,299.76	10/1/2007	12/31/2007	0.2395%	0.9500%

<b>Wells (LG)</b>		<b>676-92105</b>				
<u>\$ Fee</u>	<u>Date Billed</u>	<u>Market Value</u>	<u>From</u>	<u>To</u>	<u>% Fee</u>	<u>% Ann. Fee</u>
1,570.30	7/17/2009	662,997.44	4/1/2009	6/30/2009	0.2368%	0.9500%
1,413.44	4/17/2009	603,399.80	1/1/2009	3/31/2009	0.2342%	0.9500%
1,481.95	1/16/2009	620,590.74	10/1/2008	12/31/2008	0.2388%	0.9500%
1,483.03	10/17/2008	621,042.22	7/1/2008	9/30/2008	0.2388%	0.9500%
1,847.36	7/18/2008	782,110.12	4/1/2008	6/30/2008	0.2362%	0.9500%
1,710.44	4/18/2008	724,144.78	1/1/2008	3/31/2008	0.2362%	0.9500%
1,952.41	1/18/2008	815,367.29	10/1/2007	12/31/2007	0.2395%	0.9500%

<b>Wells (MG)</b>		<b>676-02436</b>				
<u>\$ Fee</u>	<u>Date Billed</u>	<u>Market Value</u>	<u>From</u>	<u>To</u>	<u>% Fee</u>	<u>% Ann. Fee</u>
1,651.06	7/17/2009	697,095.86	4/1/2009	6/30/2009	0.2368%	0.9500%
1,444.63	4/17/2009	616,715.68	1/1/2009	3/31/2009	0.2342%	0.9500%
1,497.65	1/16/2009	627,163.53	10/1/2008	12/31/2008	0.2388%	0.9500%
1,543.58	10/17/2008	646,397.84	7/1/2008	9/30/2008	0.2388%	0.9500%
1,997.01	7/18/2008	845,468.99	4/1/2008	6/30/2008	0.2362%	0.9500%
1,751.17	4/18/2008	741,386.18	1/1/2008	3/31/2008	0.2362%	0.9500%
2,057.21	1/18/2008	859,134.71	10/1/2007	12/31/2007	0.2395%	0.9500%

<b>Golden</b>		<b>676-02439</b>				
<u>\$ Fee</u>	<u>Date Billed</u>	<u>Market Value</u>	<u>From</u>	<u>To</u>	<u>% Fee</u>	<u>% Ann. Fee</u>
1,524.44	7/17/2009	643,633.39	4/1/2009	6/30/2009	0.2368%	0.9500%
1,288.57	4/17/2009	550,093.41	1/1/2009	3/31/2009	0.2342%	0.9500%
1,548.14	1/16/2009	648,309.82	10/1/2008	12/31/2008	0.2388%	0.9500%
1,607.73	10/17/2008	673,260.39	7/1/2008	9/30/2008	0.2388%	0.9500%
1,785.44	7/18/2008	755,896.21	4/1/2008	6/30/2008	0.2362%	0.9500%
1,617.19	4/18/2008	684,667.18	1/1/2008	3/31/2008	0.2362%	0.9500%
1,762.15	1/18/2008	735,911.21	10/1/2007	12/31/2007	0.2395%	0.9500%

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<b>Lazard</b>		<b>676-02432</b>				
<u>\$ Fee</u>	<u>Date Billed</u>	<u>Market Value</u>	<u>From</u>	<u>To</u>	<u>% Fee</u>	<u>% Ann. Fee</u>
715.86	7/17/2009	302,245.22	4/1/2009	6/30/2009	0.2368%	0.9500%
602.46	4/17/2009	257,190.80	1/1/2009	3/31/2009	0.2342%	0.9500%
1,442.14	1/16/2009	603,919.38	10/1/2008	12/31/2008	0.2388%	0.9500%
1,656.78	10/17/2008	693,803.90	7/1/2008	9/30/2008	0.2388%	0.9500%
1,923.23	7/18/2008	814,231.94	4/1/2008	6/30/2008	0.2362%	0.9500%
2,085.18	4/18/2008	882,796.82	1/1/2008	3/31/2008	0.2362%	0.9500%
2,296.64	1/18/2008	959,124.74	10/1/2007	12/31/2007	0.2395%	0.9500%

<b>Renaissance</b>		<b>676-92409</b>				
<u>\$ Fee</u>	<u>Date Billed</u>	<u>Market Value</u>	<u>From</u>	<u>To</u>	<u>% Fee</u>	<u>% Ann. Fee</u>
840.36	7/17/2009	354,811.96	4/1/2009	6/30/2009	0.2368%	0.9500%
621.20	1/15/2009	305,992.00	1/13/2009	3/31/2009	0.2030%	0.9500%

<b>Madison</b>		<b>676-02433</b>				
<u>\$ Fee</u>	<u>Date Billed</u>	<u>Market Value</u>	<u>From</u>	<u>To</u>	<u>% Fee</u>	<u>% Ann. Fee</u>
5,293.44	7/17/2009	2,234,941.82	4/1/2009	6/30/2009	0.2368%	0.9500%
5,136.47	4/17/2009	2,192,764.79	1/1/2009	3/31/2009	0.2342%	0.9500%
5,259.79	1/16/2009	2,202,616.25	10/1/2008	12/31/2008	0.2388%	0.9500%
6,496.95	10/17/2008	2,720,694.19	7/1/2008	9/30/2008	0.2388%	0.9500%
6,447.75	7/18/2008	2,729,759.51	4/1/2008	6/30/2008	0.2362%	0.9500%
6,428.51	4/18/2008	2,721,613.78	1/1/2008	3/31/2008	0.2362%	0.9500%
6,302.90	1/18/2008	2,632,219.16	10/1/2007	12/31/2007	0.2395%	0.9500%

<b>Total - All Managers</b>						
<u>\$ Fee</u>	<u>Date Billed</u>	<u>Market Value</u>	<u>From</u>	<u>To</u>	<u>% Fee</u>	<u>% Ann. Fee</u>
15,365.20	7/17/2009	6,487,350.47	4/1/2009	6/30/2009	0.2368%	0.9500%
13,115.33	4/17/2009	5,598,953.00	1/1/2009	3/31/2009	0.2342%	0.9500%
14,959.83	1/16/2009	6,264,661.56	10/1/2008	12/31/2008	0.2388%	0.9500%
621.20	1/15/2009	305,992.00	1/13/2009	3/31/2009	0.2030%	0.9500%
16,917.16	10/17/2008	7,084,318.58	7/1/2008	9/30/2008	0.2388%	0.9500%
18,486.42	7/18/2008	7,826,533.63	4/1/2008	6/30/2008	0.2362%	0.9500%
17,894.27	4/18/2008	7,575,843.26	1/1/2008	3/31/2008	0.2362%	0.9500%
19,194.31	1/18/2008	8,015,942.58	10/1/2007	12/31/2007	0.2395%	0.9500%

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