

**CONTINUATION OF**  
**EXHIBIT F PAGES 13-24**

Kent County Water Board Meeting

October 21, 2010

# Kent County Water Authority

## Fund Activity Summary

Period Ending 9/30/2010

GR#004214-202-001

Vanguard Mid-Cap Index Fund	\$0	\$31,498	\$242,930	(\$61,129)	\$0	\$0	\$11,899	\$225,199
Vanguard Small-Cap Growth Index Fund	\$0	\$5,250	\$40,350	(\$11,290)	\$0	\$0	\$3,436	\$37,745
Vanguard Small-Cap Value Index Fund	\$0	\$5,250	\$42,326	(\$16,843)	\$0	\$0	\$6,065	\$36,798
Vanguard Total Bond Market Index Fund	\$0	\$36,747	\$276,052	(\$109,756)	\$0	\$0	\$35,533	\$238,577
Vanguard Total International Stock Index Fund	\$0	\$31,498	\$264,375	(\$50,808)	\$0	\$0	(\$10,284)	\$234,781
Vanguard Value Index Fund	\$0	\$47,246	\$364,189	(\$76,496)	\$0	\$0	(\$6,516)	\$328,424
<b>Total Portfolio</b>	<b>\$662,698</b>	<b>\$7,617,550</b>	<b>\$10,477,236</b>	<b>(\$10,477,237)</b>	<b>(\$2,724,816)</b>	<b>(\$3,534,918)</b>	<b>\$1,519,157</b>	<b>\$3,539,670</b>

Nationwide Life Insurance Company is a wholly owned subsidiary of Nationwide Financial Services, Inc. The retirement plans are funded through the Selector + Group Variable Annuity Contract issued by Nationwide Life Insurance Company.

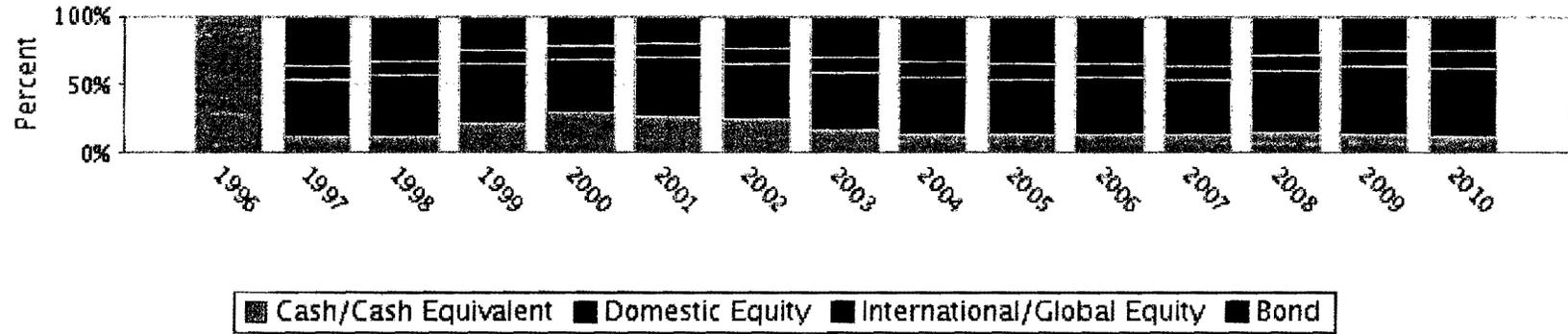
# Kent County Water Authority

History of Asset Growth

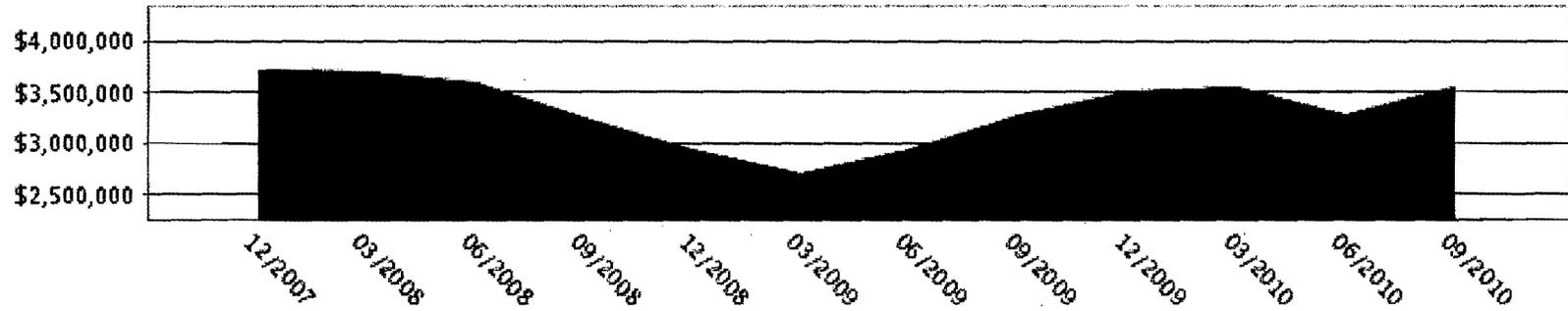
Period Ending 9/30/2010

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### Portfolio Allocation Over Time



### Ending Market Values Over Time



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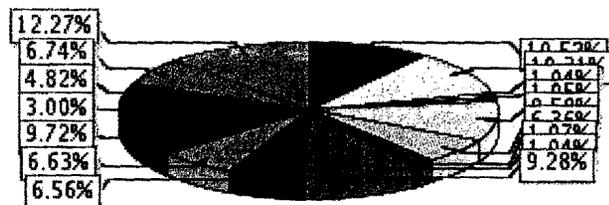
# Kent County Water Authority

## Portfolio Rebalancing Review

Period Ending 9/30/2010

GR#004214-202-001

### Current Portfolio Allocation



### Targeted Portfolio Allocation



- All Pro Large Cap Growth Fund
- All Pro Large Cap Value Fund
- ▨ All Pro Small Cap Growth Fund
- ▩ All Pro Small Cap Value Fund
- Vanguard Growth Index Fund Shares
- ▨ Vanguard Mid-Cap Index Fund
- Vanguard Small-Cap Growth Index Fund
- Vanguard Small-Cap Value Index Fund
- Vanguard Value Index Fund
- All Pro International Equity Strategy
- ▨ Vanguard Total International Stock Index Fund
- All Pro Diversified Bond Fund
- Vanguard High-Yield Corporate Fund
- Vanguard Inflation-Protected Securities
- ▨ Vanguard Total Bond Market Index Fund
- ▩ Fixed Income Fund

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- Vanguard Value Index Fund
- All Pro International Equity Strategy
- ▨ Vanguard Total International Stock Index Fund

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# Kent County Water Authority

## Portfolio Rebalancing Review

Period Ending 9/30/2010

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**The Targeted Portfolio Allocation is the stated portfolio rebalanced on a quarterly basis. Rebalancing plan assets can help assure that the plan will stay on course in achieving its particular goals.**

All Pro Diversified Bond Fund	10.00%	Vanguard High-Yield Corporate Fund	3.00%
Vanguard Inflation-Protected Securities	5.00%	Vanguard Total Bond Market Index Fund	7.00%
Fixed Income Fund	15.00%	All Pro Large Cap Growth Fund	10.00%
All Pro Large Cap Value Fund	10.00%	All Pro Small Cap Growth Fund	1.00%
All Pro Small Cap Value Fund	1.00%	Vanguard Growth Index Fund Shares	9.00%
Vanguard Mid-Cap Index Fund	6.00%	Vanguard Small-Cap Growth Index Fund	1.00%
Vanguard Small-Cap Value Index Fund	1.00%	Vanguard Value Index Fund	9.00%
All Pro International Equity Strategy	6.00%	Vanguard Total International Stock Index Fund	6.00%

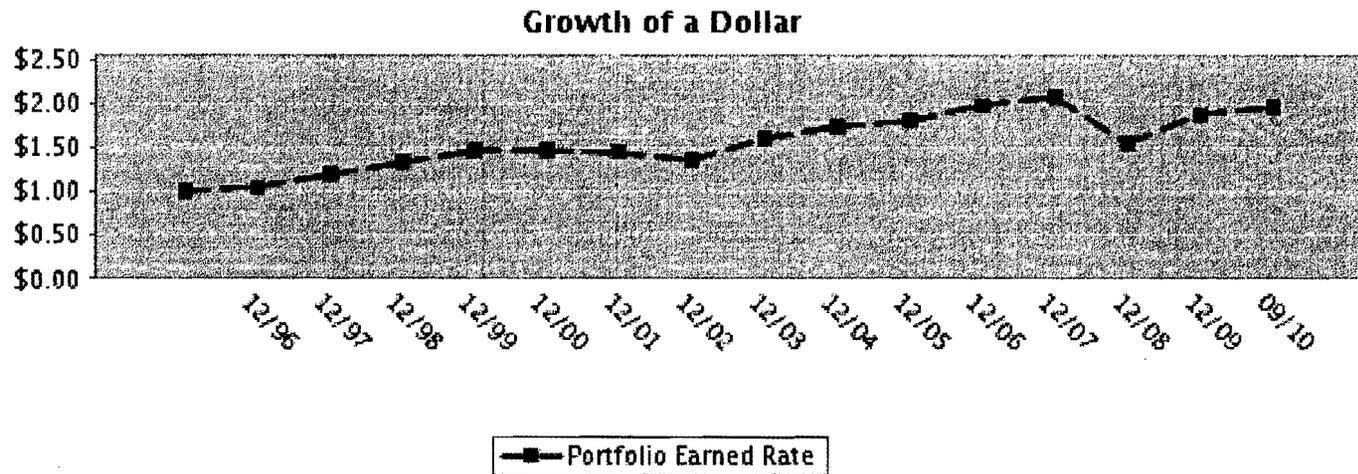
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# Kent County Water Authority

## Portfolio Analysis

Period Ending 9/30/2010

GR#004214-202-001



**Portfolio Earned Rate:** annual portfolio performance based on the investment experience of the underlying accounts.

Past performance is no guarantee of future results. Portfolio return and investment option performance reflect the deduction of investment management fees and any applicable group variable annuity contract charges (inclusive of broker commissions) that may exist. All performance reflects the reinvestment of all income and capital gains.

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# Kent County Water Authority

## Benefit Payment Review

Period Ending 9/30/2010

GR#004214-202-001

### Amount of Benefit Payments

	<u>Current Month</u>	<u>07/2010 - 09/2010</u>	<u>04/2010 - 06/2010</u>	<u>01/2010 - 03/2010</u>	<u>10/2009 - 12/2009</u>	<u>Current Year-to-Date</u>	<u>Since 02/21/1996</u>
<b>Beginning Balance</b>	\$3,321,777	\$3,263,938	\$3,552,890	\$3,499,204	\$3,278,565	\$3,499,204	\$662,698
<b>Benefit Payments</b>	(\$23,297)	(\$69,892)	(\$69,892)	(\$69,369)	(\$70,415)	(\$209,153)	(\$2,724,816)
<b>Ending Balance</b>	\$3,539,670	\$3,539,670	\$3,263,938	\$3,552,890	\$3,499,204	\$3,539,670	\$3,539,670

### Number of Benefit Payments

	<u>Current Month</u>	<u>07/2010 - 09/2010</u>	<u>04/2010 - 06/2010</u>	<u>01/2010 - 03/2010</u>	<u>10/2009 - 12/2009</u>	<u>Current Year-to-Date</u>	<u>Since 02/21/1996</u>
<b>Repetitive Payments</b>	22	66	66	65	65	197	2986
<b>Other Payments</b>	0	0	0	0	0	0	3

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# Kent County Water Authority

## Market Commentary

Period Ending 9/30/2010

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### Index Specifications

#### Domestic Equity

**Dow Jones Wilshire 5000:** This index measures the performance of all U.S. equity securities with readily available price data. Over 5,000 capitalization weighted security returns are used to adjust the index.

**Lipper Multi Cap Value Index:** This index invests in a variety of market capitalization ranges without concentrating 75% of its equity assets in any one market capitalization range over an extended period of time.

**MSCI US Broad Market Index:** An index that represents the universe of companies in the US equity market, including large, mid, small and micro cap companies. This index targets for inclusion 99.5% of the capitalization of the US equity market. The MSCI US Broad Market Index is the aggregation of the MSCI US Investable Market 2500 and Micro Cap Indices.

**MSCI US Mid Cap 450 Index:** An index comprised of the value companies of the MSCI US Mid Cap 450 Index. (The MSCI US Mid Cap 450 Index represents the universe of medium capitalization companies in the US equity market. This index targets for inclusion 450 companies and represents, as of October 29, 2004, approximately 15% of the capitalization of the US equity market.) The MSCI US Mid Cap Value Index is a subset of the MSCI US Mid Cap 450 Index.

**MSCI US Prime Market Growth Index:** An index comprised of the growth companies of the MSCI US Prime Market 750 Index. (The MSCI US Prime Market 750 Index represents the universe of large and medium capitalization companies in the US equity market. This index targets for inclusion 750 companies and represents, as of October 29, 2004, approximately 86% of the capitalization of the US equity market.) The MSCI US Prime Market Growth Index is a subset of the MSCI US Prime Market 750 Index.

# Kent County Water Authority

## Disclosure

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**MSCI US Prime Market Value Index:** This index represents the value companies of the MSCI US Prime Market 750 Index. (The MSCI US Prime Market 750 Index represents the universe of large and medium capitalization companies in the US equity market. This index targets for inclusion 750 companies and represents, as of October 29, 2004, approximately 86% of the capitalization of the US equity market.) The MSCI US Prime Market Value Index is a subset of the MSCI US Prime Market 750 Index.

**MSCI US REIT Index:** This index is a free float-adjusted market capitalization weighted index that is comprised of equity REITs that are included in the MSCI US Investable Market 2500 Index, with the exception of specialty equity REITs that do not generate a majority of their revenue and income from real estate rental and leasing operations. The index represents approximately 85% of the US REIT universe.

**MSCI US Small Cap 1750 Index:** This index represents the universe of small capitalization companies in the US equity market. This index targets for inclusion 1,750 companies and represents, as of October 29, 2004, approximately 12% of the capitalization of the US equity market.

**MSCI US Small Cap Growth Index:** This index is comprised of the growth companies of the MSCI US Small Cap 1750 Index. (The MSCI US Small Cap 1750 Index represents the universe of small capitalization companies in the US equity market. This index targets for inclusion 1,750 companies and represents, as of October 29, 2004, approximately 12% of the capitalization of the US equity market.) The MSCI US Small Cap Growth Index is a subset of the MSCI US Small Cap 1750 Index.

**MSCI US Small Cap Value Index:** The MSCI US Small Cap Value Index represents the value companies of the MSCI US Small Cap 1750 Index. (The MSCI US Small Cap 1750 Index represents the universe of small capitalization companies in the US equity market. This index targets for inclusion 1,750 companies and represents, as of October 29, 2004, approximately 12% of the capitalization of the US equity market.) The MSCI US Small Cap Value Index is a subset of the MSCI US Small Cap 1750 Index.

**Russell Mid Cap Index:** provides a comprehensive and unbiased barometer for the mid-cap segment and is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true mid-cap opportunity set. The Russell Midcap Index includes the smallest 800 securities in the Russell 1000

# Kent County Water Authority

## Disclosure

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**Russell Midcap Growth Index:** offers investors access to the mid-cap growth segment of the U.S. equity universe. The Russell Midcap Growth Index is constructed to provide a comprehensive and unbiased barometer of the mid-cap growth market. Based on ongoing empirical research of investment manager behavior, the methodology used to determine growth probability approximates the aggregate mid-cap growth manager's opportunity set.

**Russell 1000 Index:** Measures the performance of the 1,000 largest companies in the Russell 3000 Index, which represents approximately 92% of the total market capitalization of the Russell 3000 Index. As of the latest reconstitution, the average market capitalization was approximately \$12.1 billion; the median market capitalization was approximately \$4.0 billion. The smallest company in the index had an approximate market capitalization of \$1.6 billion.

**Russell 1000 Growth Index:** Measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.

**Russell 1000 Value Index:** Measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values.

**Russell 2000 Index:** Measures the performance of the 2,000 smallest companies in the Russell 3000 Index, which represents approximately 8% of the total market capitalization of the Russell 3000 Index. As of the latest reconstitution, the average market capitalization was approximately \$607.1 million; the median market capitalization was approximately \$496.4 million. The largest company in the index had an approximate market capitalization of \$1.6 billion.

**Russell 2000 Growth Index:** measures the performance of those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values.

**Russell 2000 Value Index:** measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values.

**Russell 2500 Growth Index:** This Index offers investors access to the small to mid-cap growth segment of the U.S. equity universe. The Russell 2500 Growth Index is constructed to provide a comprehensive and unbiased barometer of the small to mid-cap growth market. Based on ongoing empirical research of investment manager behavior, the methodology used to determine growth probability approximates the aggregate small to mid-cap growth manager's opportunity set.

**Russell 3000 Index:** measures the performance of the 3,000 largest U.S. companies based on total market capitalization, which represents approximately 98% of the investable U.S. equity market. As of the latest reconstitution, the average market capitalization was approximately \$4.4 billion; the median market capitalization was approximately \$822.4 million. The index had a total market capitalization range of approximately \$317.8 billion to \$175.8 million.

# Kent County Water Authority

## Disclosure

Period Ending 9/30/2010

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Russell 3000 Growth Index: measures the performance of those Russell 3000 Index companies with higher price-to-book ratios and higher forecasted growth values. The stocks in this index are also members of either the Russell 1000 Growth or the Russell 2000 Growth indexes.

Russell 3000 Value Index: measures the performance of those Russell 3000 Index companies with lower price-to-book ratios and lower forecasted growth values. The stocks in this index are also members of either the Russell 1000 Value or the Russell 2000 Value indexes.

S&P 500 Index: A basket of 500 stocks that are considered to be widely held. The S&P 500 Index is weighted by market value, and its performance is thought to be representative of the stock market as a whole. This index provides a broad snapshot of the overall U.S. equity market; in fact, over 70% of all U.S. equity is tracked by the S&P 500. Most of the companies in the index are solid mid cap or large cap corporations.

### International Equity

MSCI EAFE Index: Morgan Stanley Capital International Index is designed to measure the performance of the developed stock markets of Europe, Australia, and the Far East.

MSCI Emerging Markets Index: Morgan Stanley Capital International Emerging Markets Index a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets.

MSCI World Index: an unmanaged index composed of more than 1,400 stocks listed on exchanges in the US, Europe, Canada, Australia, New Zealand and the Far East. It assumes the reinvestment of dividends and capital gains and excludes management fees and expenses. One cannot invest directly in an index.

Total International Composite Index: Consists of the MSCI Europe Index, the MSCI Pacific Index, and the MSCI Emerging Markets Index. The MSCI Emerging Markets Index replaced the Select Emerging Markets Index on August 24, 2006. Index returns are adjusted for withholding taxes applicable to Luxembourg holding companies.

# Kent County Water Authority

## Disclosure

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### Bonds

**Lehman Aggregate Bond Index:** An index made up of the Lehman Brothers Government/Corporate Bond Index, Mortgage-Backed Securities Index, and Asset-Backed Securities Index, including securities that are of investment-grade quality or better, have at least one year to maturity, and have an outstanding par value of at least \$100 million.

**Lehman Government Bond Index:** An index made up of the Treasury Bond Index and the Agency Bond Index as well as the 1-3 Year Government Index and the 20+ Year Treasury Index.

**Lehman High Yield Index:** This index provides a broad-based measure of global high-yield fixed income markets. The Global High-Yield Index represents that union of U.S. High-Yield, U.S. Emerging Markets High-Yield, CMBS High-Yield, and Pan-European Emerging Markets High-Yield Indices. The Global High-Yield Index is a component of the Multiverse Index, along with the Global Aggregate Index.

**Lehman US Treasury Inflation Notes Index:** Includes the inflation-indexed securities within the Lehman Treasury Index, which represents U.S. Treasury obligations with maturities of more than 1 year.

**Merrill Lynch High Yield Index:** An unmanaged market index comprised of all domestic and Yankee high bonds greater than one year maturity.

### Cash

**91 Day T-Bill Index:** Based on the auctions of 91 day U.S. Treasury Bills.

# Kent County Water Authority

## Disclosure

Period Ending 9/30/2010

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### Investment Risk

**Foreign Securities Portfolios/Emerging Market Portfolios:** The investor should note that portfolios that invest in foreign securities involve special additional risks. These risks included, but are not limited to, currency risk, political risk, and risk associated with varying accounting standards. Investing in emerging markets can accentuate these risks.

**Non-Diversified Portfolios:** The investor should note that portfolios that invest more of their assets in a single issuer involve additional risks, including share price fluctuations, because of the increased concentration of investment.

**Small Cap Portfolios:** The investor should note these portfolios are more volatile than large cap stocks, are subject to significant price fluctuation and business risks, and are thinly traded. Investments in equities are not guaranteed.

**Mid Cap Portfolios:** The investor should note that portfolios that invest in companies with market capitalization below \$10 billion involve additional risks. The securities of these companies may be more volatile and less liquid than securities of larger companies.

**High Yield Bond Portfolios:** The investor should note that portfolios that invest in lower-rated debt securities (commonly referred to as junk bonds) involve additional risks because of the lower credit quality of the securities in the portfolio. The investor should be aware of the possible higher level of volatility and increase risk of default.

**Money Market Portfolios:** The investor should note that a money market portfolio's investment is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency. Although a money market portfolio seeks to preserve the value of an investment at \$1 per share, it is possible to lose money by investing in such a portfolio. The income will vary daily, generally reflecting changes in short-term interest rates.

Indices are hypothetical and unmanaged portfolios of specified securities, the performance of which is used as a benchmark in judging the relative performance of securities. It is not possible to invest in an index and it is not intended to predict the performance or return of any investment.

For costs and complete details contact your investment professional or consult your Selector + Group Variable Annuity Contract.

# **EXHIBIT G**

Kent County Water Board Meeting

October 21, 2010



Corporate Office:  
490 Industrial Park Rd  
Deep River, CT 06417  
Tel: (860) 526-2610  
Fax: (860) 526-5018

Western Region:  
185 E. Countryside Cir.  
Park City, UT 84098  
Tel/Fax: (435) 649-0775

Southern Region:  
4801 Lindstrom Drive  
Charlotte, NC 28226  
Tel/Fax: (704) 543-7940

Email: [jduchesneau@kentcountywater.org](mailto:jduchesneau@kentcountywater.org)

John Duchesneau  
Kent County Water  
PO Box 192  
West Warwick, RI 02893-0192

September 30, 2010

Re: Tech Park Tank Warranty Inspection

Dear John:

Extech, a Division of Acuren Inspection Inc. is pleased to provide the following proposal for the warranty inspection of the Tech Park Tank.

We would utilize our remotely operated vehicle TankRover II to perform a complete interior inspection of the tank with no loss of water or interruption to service. Digital pictures of the interior above water surfaces would be taken to document the performance of the coating.

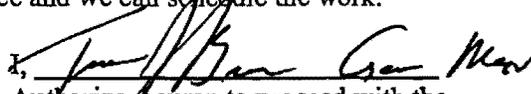
We would specifically look for coating defects such as blisters, holidays, peeling, etc. that would represent premature failure of the coating or shorten the intended coating service life. Interior dry film thickness readings will be taken with A comprehensive narrated inspection video would be provided along with a brief written report describing the condition of the interior coating and noting any deficiencies that may be present and recommendations regarding remediation work based on our observations.

Kent County personnel can view the interior condition real time if desired. We would point out any areas that require repair by the contractor.

All equipment used in the tank would be disinfected as per the new AWWA C652-02 Section 4.4 Standard using a 200-ppm chlorine solution.

The fee for the work is a lump sum of \$ 1,990.00. In addition the cost for interior DFT Readings is \$800. If you would like to proceed please contact our office and we can schedule the work.

Sincerely,

  
I, James B. Green  
Authorize Acuren to proceed with the  
above proposed inspections



Kent County Water

Ted Lund, Division Manager

Date: 10/7/10

# **EXHIBIT H**

Kent County Water Board Meeting

October 21, 2010

**PLANNING DOCUMENT \$25,000/YEAR ALLOCATION**

<b>PROJECT</b>	<b>STATUS</b>
<del>Water Supply System Management Plan WSSMP</del>	<del>Approved</del>
Hunt River Interim Management & Action Plan	Implementing, Weather Dependant , WRB Committee
<del>2008 CIP Program Plan</del>	<del>Approved</del>
<del>Clean Water Infrastructure Plan 2008</del>	<del>Approved</del>

**UPDATED CIP PROJECTS BOND FUNDING**

<b>PROJECT</b>	<b>STATUS</b>
Mishnock Well Field (new wells) CIP - 1A	Permitting Completed
Mishnock Transmission Mains CIP - 1B	Design Review, Funding may be critical
Mishnock Treatment Plant CIP - 1C	Encroachment Issue Resolution
East Greenwich Well Treatment Plant - CIP-2	Pending Finalization
<del>Clinton Avenue Pump Station Rehabilitation CIP - 7A</del>	<del>Completed</del>
Read School House Road Tank CIP - 7B	Online - Settlement
Read School House Road Main CIP 7c, 7d, 8a	Paving Failures - Action Required by Board

**IFR FUNDED PROJECTS**

<b>PROJECT</b>	<b>STATUS</b>
<del>IFR 2005</del>	<del>Completed C. O. #1 Asphalt Adjustment</del>
<del>IFR 2006 A</del>	<del>Closed out, Paving Issue West Warwick, Need Resolution</del>
IFR 2006 B / IFR 2007	Paving Failure Action Required by Board
IFR 2009 A & 2009 B	2009A - Construction Ongoing, 2009B Design Complete, Funding
IFR 2010	Design Review, Funding
<del>Prospect Street</del>	<del>Completed</del>
<del>PWSB 78" / Johnson Blvd. P.S. Modification</del>	<del>Completed</del>
<del>Greenwich Avenue Replacement</del>	<del>Completed</del>
<del>Hydraulic Tank Evaluation</del>	<del>Completed</del>
Quaker P. S. Design	Bid on Hold, Funding Needed, Easement Negotiations for Extension
<del>Tech Park Tank Recoating</del>	<del>Completed</del>
<del>Tiogue Tank Re-Service</del>	<del>Completed</del>
Hydrant Painting	Ongoing KCWA Forces