Integrity
Fixed Income Management, LLC

Presents:
The City of Sanibel
Operating, Reserve, Surplus & Restricted Funds
As of March 31, 2014

Investment Summary as of 3/31/2014

- Total Portfolio Market Value of $16,539,106
- Total Portfolio Market Value Return[1] :
  - Fiscal Year to Date :
    - $194,169
    - 1.19%
  - Inception to Date[2]:
    - $1,379,633
    - 1.85% Annualized
- Total Portfolio Yield to Maturity [3]: 1.1%

1) Principal and Income Returns, Gross of Investment Management and Custody Fees. Figure is inclusive of Realized and Unrealized gains or losses, interest received, and the change in accrued interest from the beginning of the measurement period. Figure does not include cash contributions or withdrawals to or from the portfolios. Past performance does not guarantee future results.

2) Inception Date is June 9, 2010

3) Yield to maturity on cost basis. Portfolio cost basis was $16,559,200.47 as of April 7, 2014.

Sanibel Investment Program Quarterly Summary

	12/31/2013 - 3/31/2014
Beginning Principal Value	**$16,238,745.20**
Beginning Accrued Interest	122,240.91
Beginning Market Value	**$16,360,986.11**
Contributions/Transfers	0.00
Withdrawals	0.00
Realized Gains/(Losses)	(8,887.70)
Unrealized Gains/(Losses)	72,911.76
Interest	115,575.95
Change in Accrued Interest	(1,480.28)
Ending Principal Value	16,418,345.21
Ending Accrued Interest	120,760.63
Ending Market Value	**$16,539,105.84**

Projected Annual Income as of 4/7/2014

Portfolio	Principal Cost Value *	Yield to Maturity on Amortized Cost (Gross of Fees)	Projected Annual Income
Operating (0-1 Yr)	$4,754,138.74	0.4%	$19,017
Reserves (0-2 Yr)	$6,464,428.81	1.0%	$64,644
Surplus (3-5 Yr)	$5,340,632.92	1.9%	$101,472
Total	**$16,559,200.47**	**1.1%**	**$185,133**
Less Projected Custody and Mgmt Fees @ 0.175% of Market Value			($28,943)
Projected Net Relationship Annual Income			**$156,189**

* Principal Cost Value is calculated by taking the Total Portfolio Cost Value from the custodial statement and subtracting accrued income. Projected income assumes stable interest rates and does not take into consideration changes in principal value due to market interest rate changes. Information is presented as of 4/7/2014 due to liquidation of the Restricted Portfolio and subsequent transfer of funds into the Operating Portfolio on 4/4/2014.

Operating Portfolio Performance – Gross of Fees

	3 Months	Fiscal Year to Date	1 Year	3 Years	Inception to Date
City of Sanibel Operating Fund	0.24%	0.43%	0.86%	0.81%	0.80%
Merrill Lynch 0-3 Month Treasury Bills Index	0.01%	0.02%	0.04%	0.05%	0.07%
Relative Performance	0.23%	0.41%	0.82%	0.76%	0.73%

Inception Date is June 9, 2010
Returns Reflect Principal and Income Returns
Returns Periods Longer Than One Year are Annualized

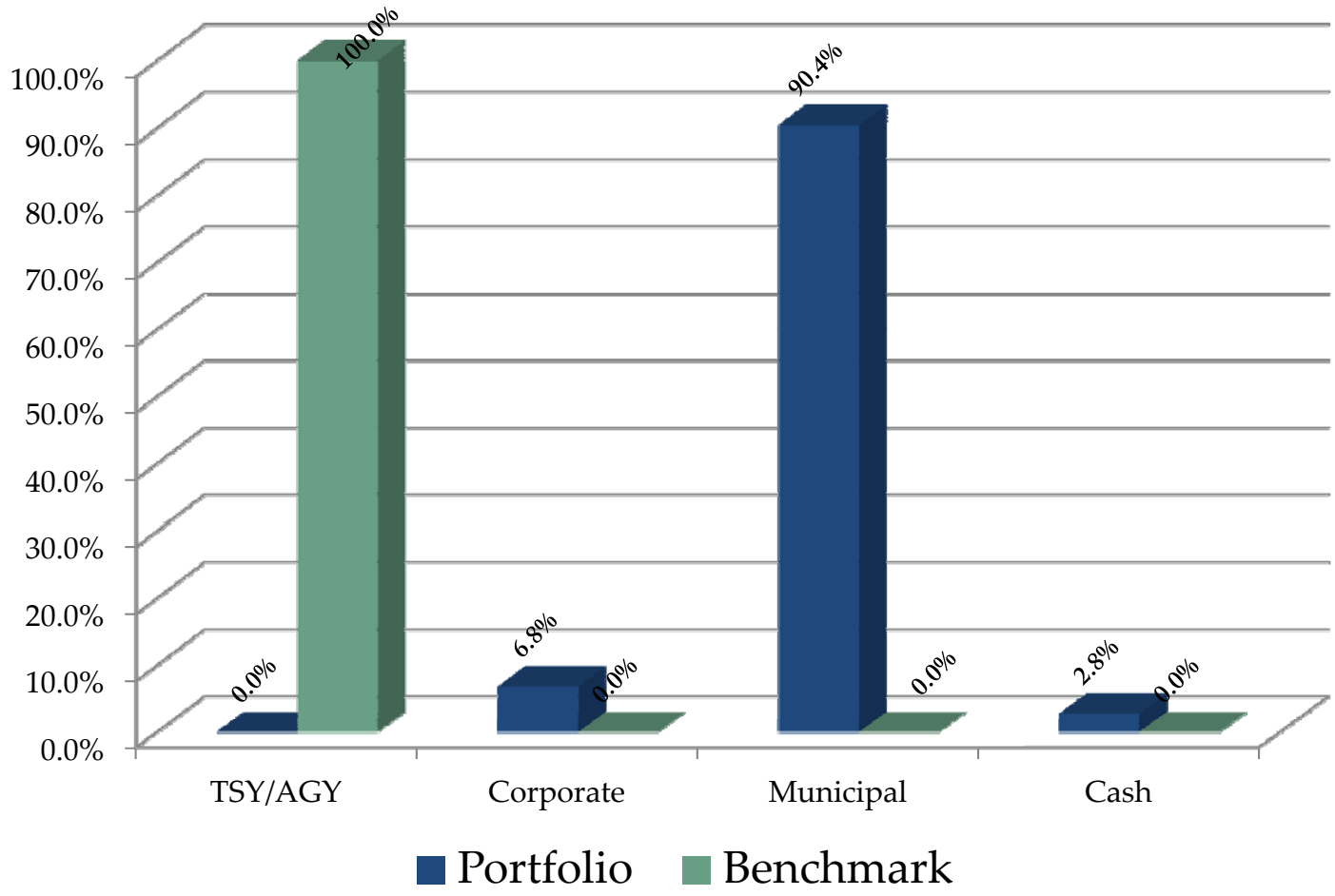
Operating Portfolio Summary

	12/31/2013 - 3/31/2014
Beginning Principal Value	$2,552,848.17
Beginning Accrued Interest	10,347.21
Beginning Market Value	**2,563,195.38**
Contributions/Transfers	0.00
Withdrawals	0.00
Realized Gains/(Losses)	(202.40)
Unrealized Gains/(Losses)	(4,728.44)
Interest	10,621.31
Change in Accrued Interest	596.87
Ending Principal Value	2,558,538.64
Ending Accrued Interest	10,944.08
Ending Market Value	**$2,569,482.72**

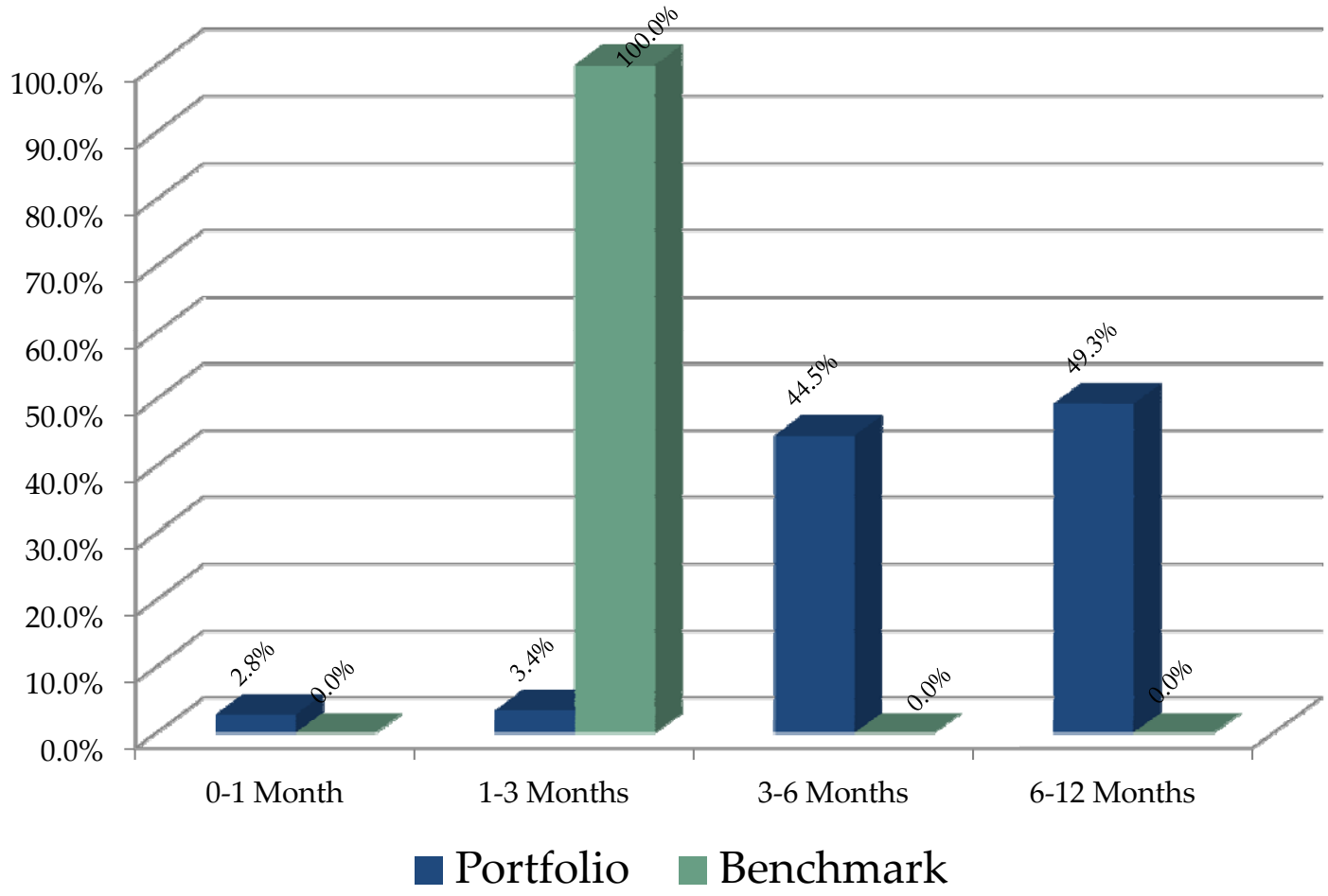
Operating Portfolio Characteristics

	Portfolio	Index
Avg. Quality	A+	AAA
Yield to Amortized Cost	0.6%	0.0%
Avg. Maturity	0.4	0.1
Effective Duration	0.4	0.1

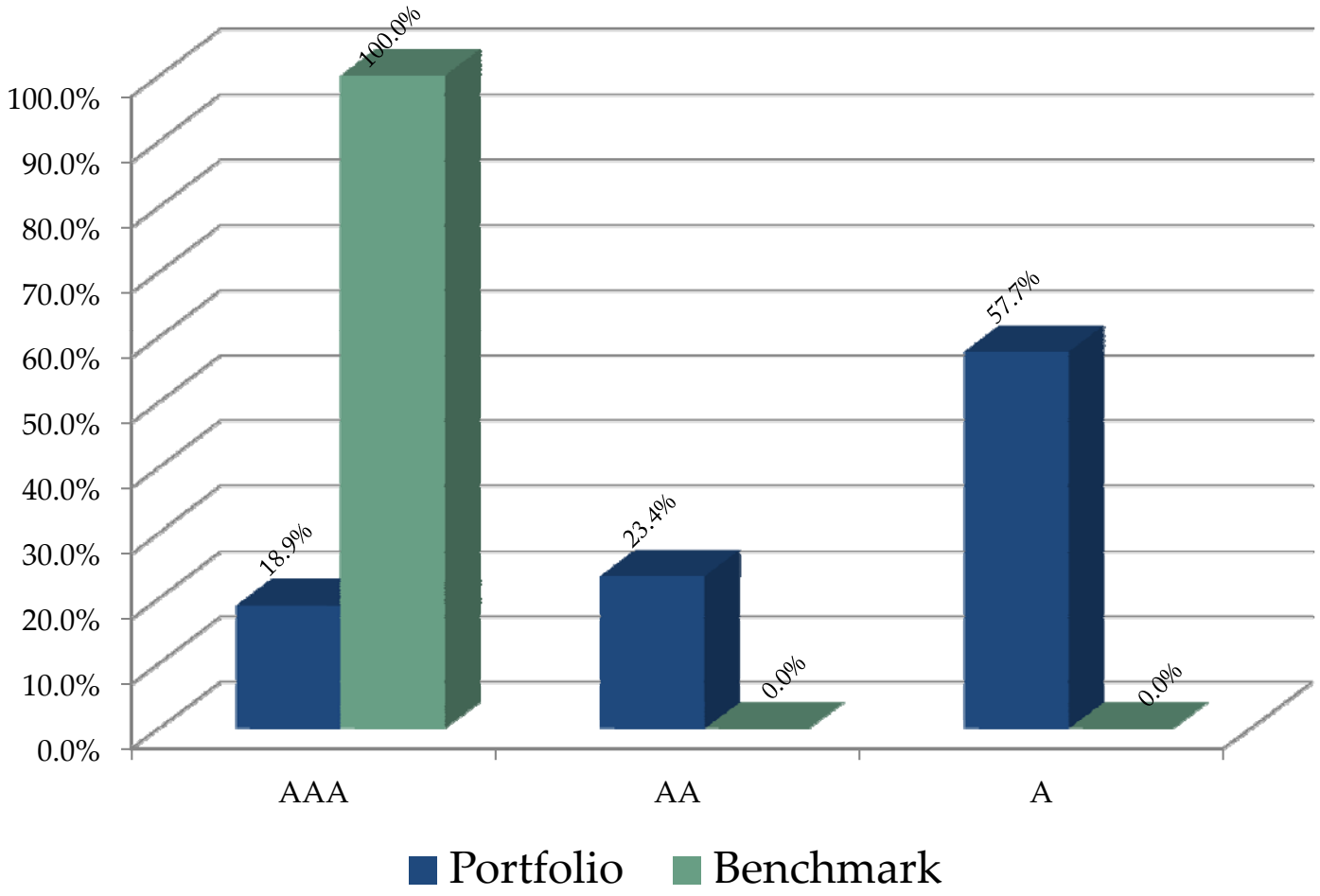
Operating Portfolio Sector Distribution



Operating Portfolio Maturity Distribution



Operating Portfolio Quality Distribution



Operating Portfolio Holdings

Issuer	Coupon	Maturity	S&P Rating	Moody's Rating	Par Value	Market Value	Yield to Maturity	% of Portfolio
CORPORATE BONDS								
BANK OF NEW YORK MELLON	4.95	3/15/2015	A	A2	35,000	$36,506	0.3%	1.4%
CITIGROUP INC	2.65	3/2/2015	A-	Baa2	40,000	$40,726	0.6%	1.6%
JPMORGAN CHASE & CO	4.75	3/1/2015	A	A3	35,000	$36,322	0.5%	1.4%
PRUDENTIAL FINANCIAL INC	6.20	1/15/2015	A	Baa1	35,000	$36,532	0.6%	1.4%
WELLS FARGO BANK NA	4.75	2/9/2015	A+	A1	22,000	$22,799	0.5%	0.9%
Subtotal						*$172,885*		
TAXABLE MU NICIPAL BONDS								
ARKANSAS ST DEV FIN AUTH E	0.66	10/1/2014	A	NA	500,000	$500,515	0.7%	19.5%
GRAND STRAND SC WTR & SW	1.22	6/1/2014	AA	Aa2	85,000	$85,094	0.5%	3.3%
LITTLE MIAMI OH JT FIRE & RE	2.25	12/1/2014	NA	A1	105,000	$105,883	0.8%	4.1%
LOUISIANA ST LOCAL GOVT E	2.00	8/1/2014	NA	A3	600,000	$602,904	0.6%	23.5%
MORRIS CNTY NJ IMPT AUTH L	3.02	8/15/2014	NA	Aaa	400,000	$403,824	0.7%	15.7%
RHODE ISLAND ST HSG & MTG	0.63	10/1/2014	NA	Aa2	200,000	$199,902	0.6%	7.8%
SOUTH CAROLINA ST PUBLIC S	4.27	1/1/2015	AA-	A1	75,000	$77,087	0.8%	3.0%
STHRN OH PORT AUTH ECON D	0.55	12/1/2014	AA	A2	135,000	$135,240	0.6%	5.3%
THOMSON & MCDUFFIE CNTY	1.00	7/1/2014	NA	A2	100,000	$100,036	1.0%	3.9%
WILL CNTY IL SCH DIST #122	4.45	10/1/2014	NA	Aa3	100,000	$101,933	0.7%	4.0%
Subtotal						*$2,312,418*		
CASH AND CASH EQUIVALENTS								
FDIC INSURED MONEY MARKET AT SYNOVUS BANK					73,236	$73,236	0.1%	2.9%
CASH					0	$0	0.0%	0.0%
PORTFOLIO ACCRUED INCOME						$10,944		0.4%
PENDING TRADES						$0		0.0%
Total Portfolio Value						$2,569,483		

Reserves Portfolio Performance – Gross of Fees

	3 Months	Fiscal Year to Date	1 Year	3 Years	Inception to Date
City of Sanibel Reserves Fund	0.33%	0.50%	0.88%	1.08%	1.05%
Merrill Lynch 0-1 Year Treasury Bills Index	0.05%	0.06%	0.17%	0.20%	0.24%
Relative Performance	0.28%	0.44%	0.71%	0.88%	0.81%

Inception Date is June 9, 2010
Returns Reflect Principal and Income Returns
Returns Longer Than One Year are Annualized

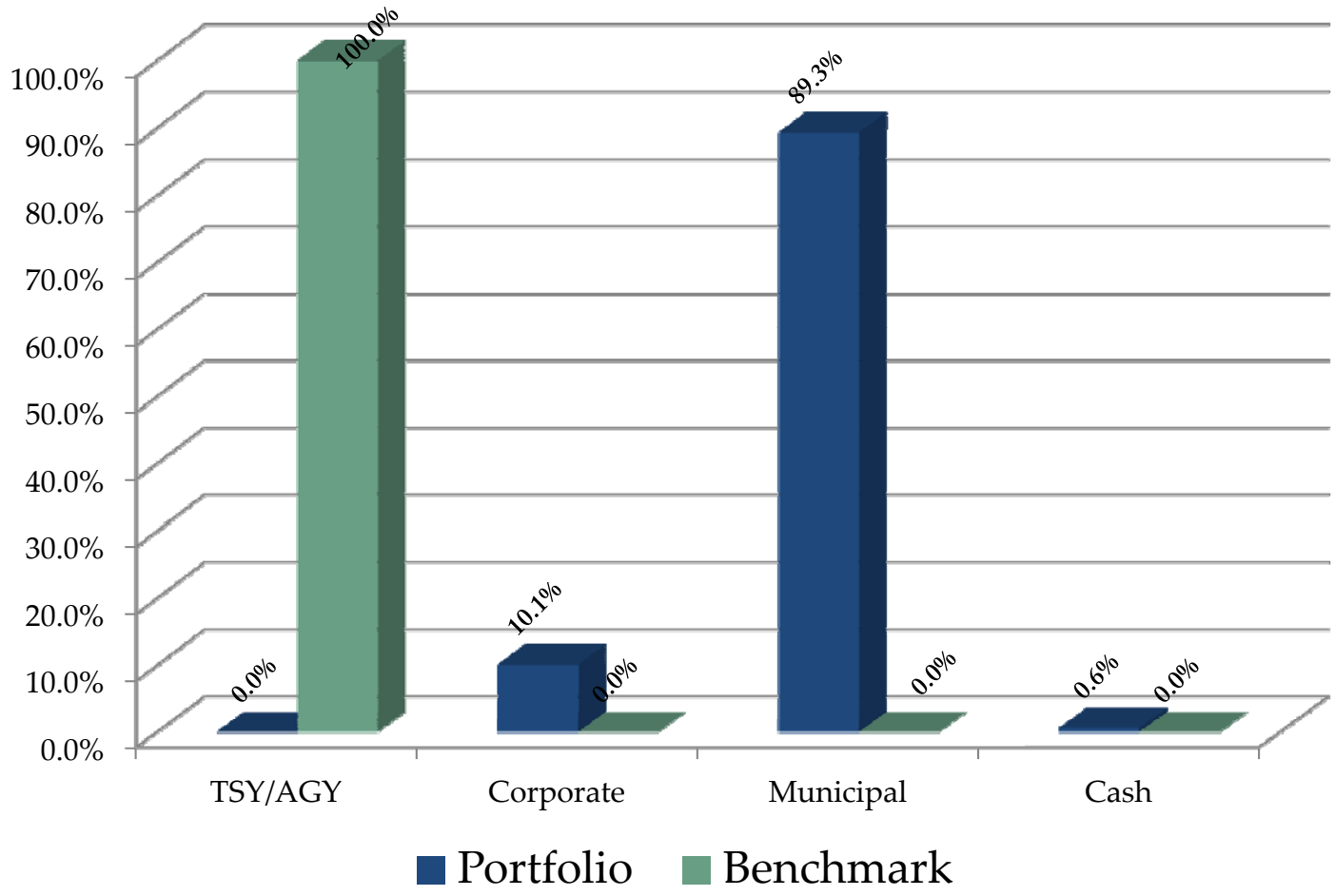
Reserves Portfolio Summary

	12/31/2013 - 3/31/2014
Beginning Principal Value	$6,366,096.87
Beginning Accrued Interest	43,724.11
Beginning Market Value	**6,409,820.98**
Contributions/Transfers	0.00
Withdrawals	0.00
Realized Gains/(Losses)	(3,212.80)
Unrealized Gains/(Losses)	(16,895.07)
Interest	33,421.39
Change in Accrued Interest	9,538.55
Ending Principal Value	6,379,410.39
Ending Accrued Interest	53,262.66
Ending Market Value	**$6,432,673.05**

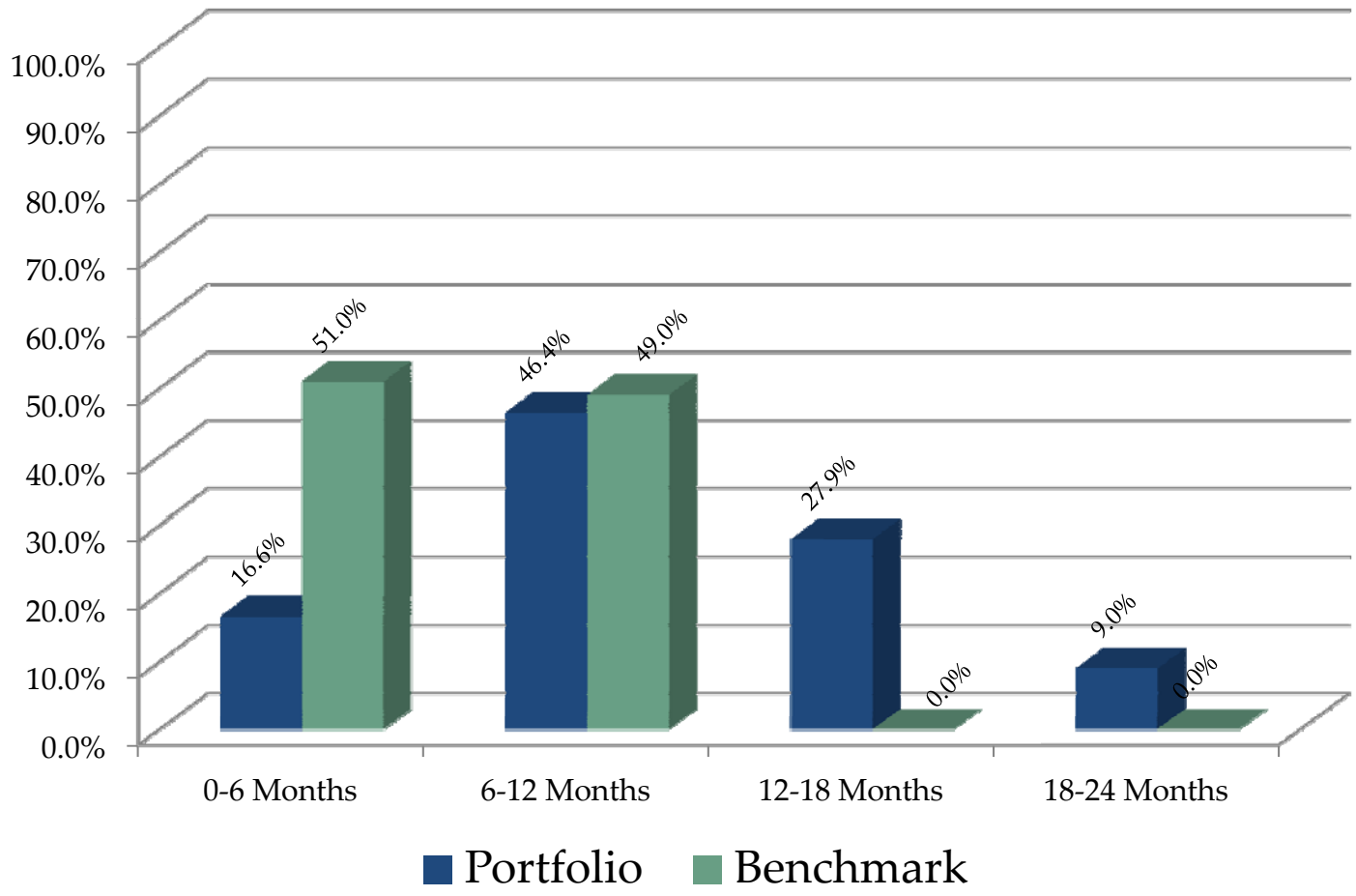
Reserves Portfolio Characteristics

	Portfolio	Index
Avg. Quality	A+	AAA
Yield to Amortized Cost	1.0%	0.1%
Avg. Maturity	1.0	0.5
Effective Duration	1.0	0.5

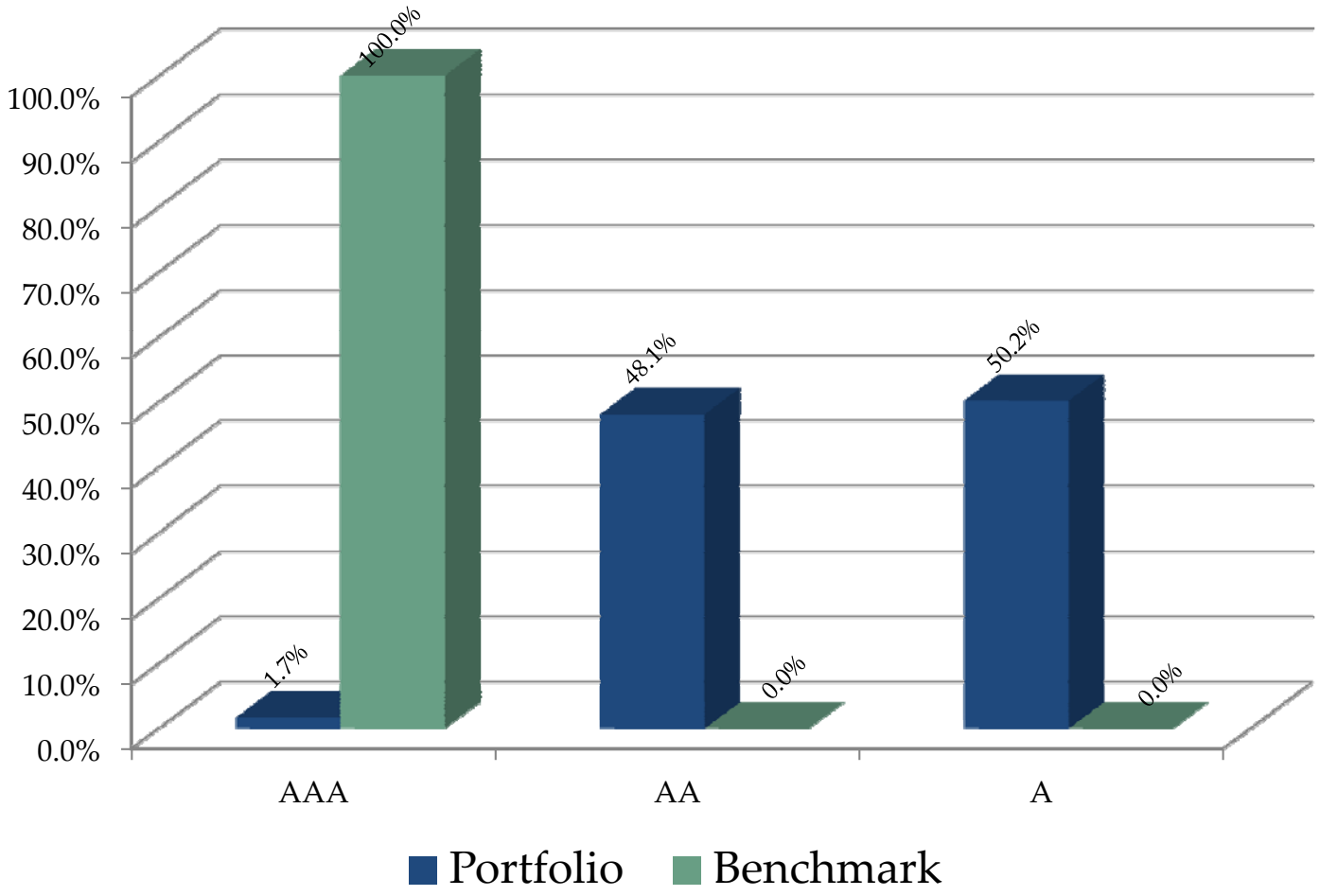
Reserves Portfolio Sector Distribution



Reserves Portfolio Maturity Distribution



Reserves Portfolio Quality Distribution



Reserves Portfolio Holdings

Issuer	Coupon	Maturity	S&P Rating	Moody's Rating	Par Value	Market Value	Yield to Maturity	% of Portfolio
TAXABLE MU NICIPAL BONDS								
ARIZONA BRD OF RGTS ST UNIV S	1.30	7/1/2015	AA	Aa3	100,000	$100,941	0.5%	1.6%
ARKANSAS ST DEV FIN AUTH ECC	0.66	10/1/2014	A	NA	150,000	$150,155	0.7%	2.3%
ATLANTIC CITY NJ	3.10	12/15/2015	AA	NA	400,000	$413,084	1.0%	6.4%
CLINTON PRAIRIE IN SCH CORP	0.75	1/15/2015	AA+	NA	270,000	$270,562	0.6%	4.2%
COLORADO ST EDUCTNL & CULT	4.00	6/1/2015	AA	A3	165,000	$170,523	0.9%	2.7%
CMWLTH FING AUTH PA	4.18	6/1/2015	AA-	A1	200,000	$208,554	0.9%	3.2%
ELK MOUND WI AREA SCH DIST	4.10	4/1/2015	AA	NA	50,000	$51,460	0.4%	0.8%
EVANSVILLE VANDERBURGH CN	1.05	8/1/2015	AA-	NA	200,000	$201,082	1.0%	3.1%
GAHANNA-JEFFERSON OH CITY S	3.59	12/1/2014	NA	Aa3	85,000	$86,671	1.0%	1.3%
GEORGIA ST MUNI GAS AUTH	4.47	8/1/2014	AA-	A1	250,000	$252,270	1.0%	3.9%
GTR ORLANDO FL AVIATION AUT	4.16	10/1/2014	NA	A2	660,000	$670,593	0.5%	10.4%
HAMDEN CT	3.00	8/15/2014	A	A3	205,000	$207,140	0.5%	3.2%
JERSEY CITY NJ MUNI UTILITIES	4.81	5/15/2014	AA-	A2	200,000	$200,878	1.6%	3.1%
JOBSOHIO BEVERAGE SYS STWD I	0.87	1/1/2015	AA	A2	525,000	$527,048	1.0%	8.2%
LANSING MI	4.50	5/1/2015	AA-	A1	100,000	$103,358	1.0%	1.6%
LEHIGH CNTY PA GEN PURPOSE A	3.00	11/1/2014	A	NA	100,000	$101,172	0.8%	1.6%
LOUISIANA ST LOCAL GOVT ENVI	2.00	8/1/2014	NA	A3	150,000	$150,726	0.6%	2.3%
LOUISIANA ST LOCAL GOVT ENVI	3.00	8/1/2015	NA	A3	250,000	$257,200	1.0%	4.0%
MAINE ST MUNI BOND BANK LIQU	1.07	6/1/2015	A+	A1	500,000	$500,330	1.0%	7.8%
MAINE ST HSG AUTH MTGE REVI	2.65	11/15/2014	AA+	Aa1	120,000	$120,527	2.5%	1.9%
MASSACHUSETTS ST HSG FIN AGY	0.75	12/1/2014	AA	Aa2	50,000	$50,159	0.2%	0.8%
MICHIGAN ST MUNI BOND AUTH	5.22	6/1/2014	AA-	Aa3	200,000	$201,484	1.0%	3.1%
MUNI ELEC AUTH OF GEORGIA	5.25	1/1/2015	A	A2	70,000	$72,323	1.0%	1.1%
NEW BRIGHTON MN	2.40	2/1/2016	AA	NA	50,000	$51,624	0.5%	0.8%
PALM BEACH GARDENS FL SPL OI	1.35	5/1/2014	AA	Aa1	40,000	$40,029	1.0%	0.6%
SAINT MARY PARISH LA SOL WST	2.00	3/1/2015	A-	NA	135,000	$136,262	0.9%	2.1%

Reserves Portfolio Holdings - continued

Issuer	Coupon	Maturity	S&P Rating	Moody's Rating	Par Value	Market Value	Yield to Maturity	% of Portfolio
TAXABLE MUNICIPAL BONDS								
SCOTTSBORO AL INDL DEV BRD IN	1.10	12/1/2014	A+	NA	200,000	$200,088	1.1%	3.1%
STRATFORD CT	1.52	8/15/2015	NA	A1	50,000	$50,094	1.0%	0.8%
TOLEDO OH	2.00	12/1/2014	A-	A2	150,000	$151,074	2.0%	2.3%
Subtotal						*$5,697,407*		
CORPORATE BONDS								
AMER EXPRESS CREDIT CO	2.75	9/15/2015	A-	A2	53,000	$54,611	2.7%	0.8%
BEAR STEARNS COS LLC	5.70	11/15/2014	A	A3	85,000	$87,728	5.5%	1.4%
CITIGROUP INC	6.01	1/15/2015	A-	Baa2	75,000	$78,171	5.8%	1.2%
COMERICA INC	3.00	9/16/2015	A-	A3	75,000	$77,489	2.9%	1.2%
GOLDMAN SACHS GROUP INC	5.00	10/1/2014	A-	Baa1	86,000	$87,926	4.9%	1.4%
MORGAN STANLEY	5.38	10/15/2015	A-	Baa2	100,000	$106,609	5.0%	1.7%
PRUDENTIAL FINANCIAL INC	3.88	1/14/2015	A	Baa1	100,000	$102,578	3.8%	1.6%
WELLS FARGO BANK NA	4.75	2/9/2015	A+	A1	45,000	$46,635	4.6%	0.7%
Subtotal						*$641,747*		
CASH AND CASH EQUIVALENTS								
FEDERATED PRIME OBLIGATIONS FUND					454,360	$454,360	0.1%	7.1%
CASH					9	$5	0.0%	0.0%
PORTFOLIO ACCRUED INCOME						$43,724	0.0%	0.7%
PENDING TRADES						-$414,112		-6.4%
TOTAL PORTFOLIO VALUE						$6,432,673		

Surplus Portfolio Performance – Gross of Fees

	3 Months	Fiscal Year to Date	1 Year	3 Years	Inception to Date
City of Sanibel Surplus Fund	1.27%	1.58%	1.74%	2.71%	2.51%
Merrill Lynch 3-5 Year Treasury Index	0.43%	0.08%	(0.68%)	2.40%	2.46%
Relative Performance	0.84%	1.50%	2.42%	0.31%	0.05%

Inception Date is June 9, 2010

Returns Reflect Principal and Income Returns

Returns Longer Than One Year are Annualized

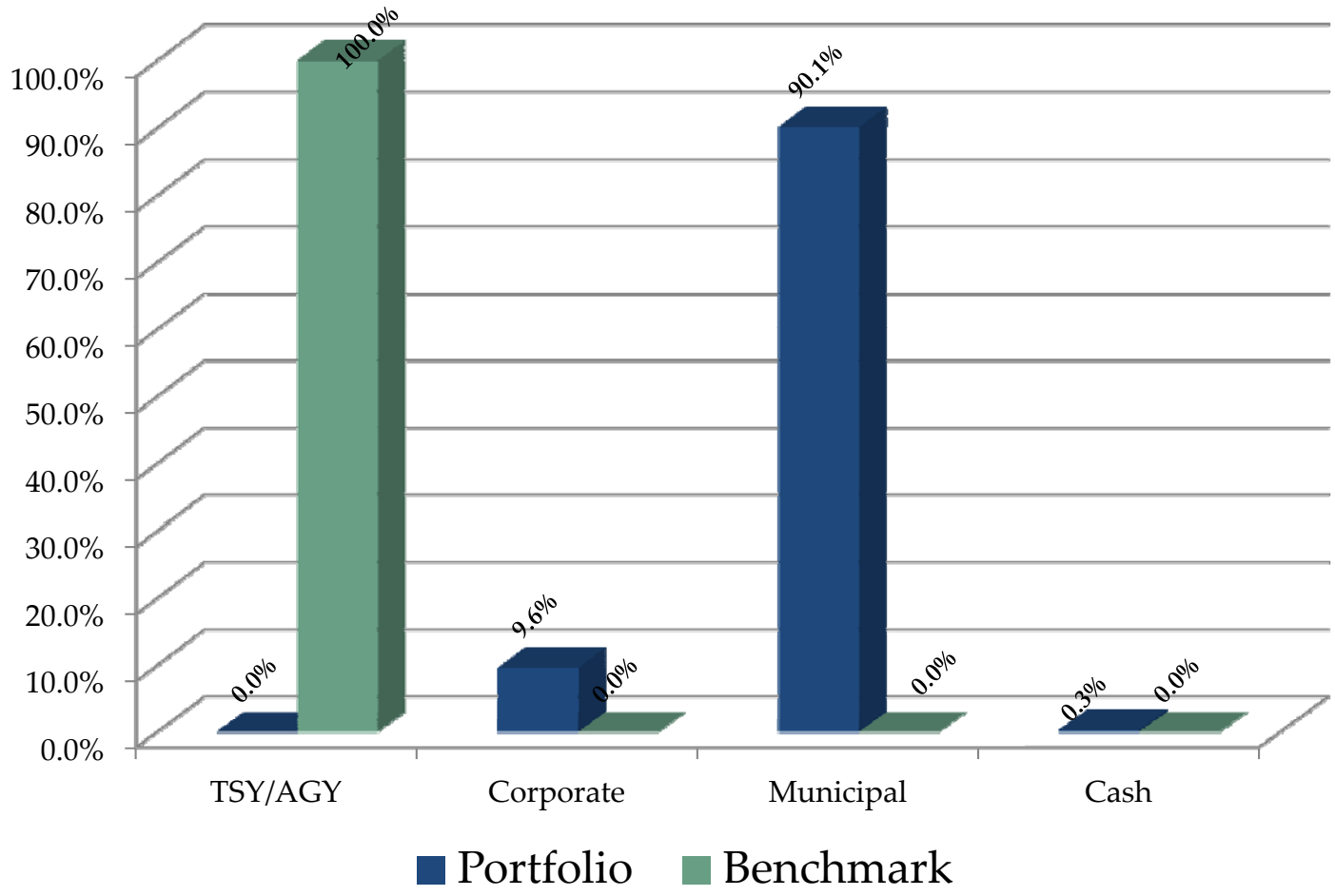
Surplus Portfolio Summary

	12/31/2013 - 3/31/2014
Beginning Principal Value	5,239,352.85
Beginning Accrued Interest	38,660.55
Beginning Market Value	**5,278,013.40**
Contributions/Transfers	0.00
Withdrawals	0.00
Realized Gains/(Losses)	0.00
Unrealized Gains/(Losses)	31,054.10
Interest	33,208.05
Change in Accrued Interest	3,333.56
Ending Principal Value	5,303,615.00
Ending Accrued Interest	41,994.11
Ending Market Value	**$5,345,609.11**

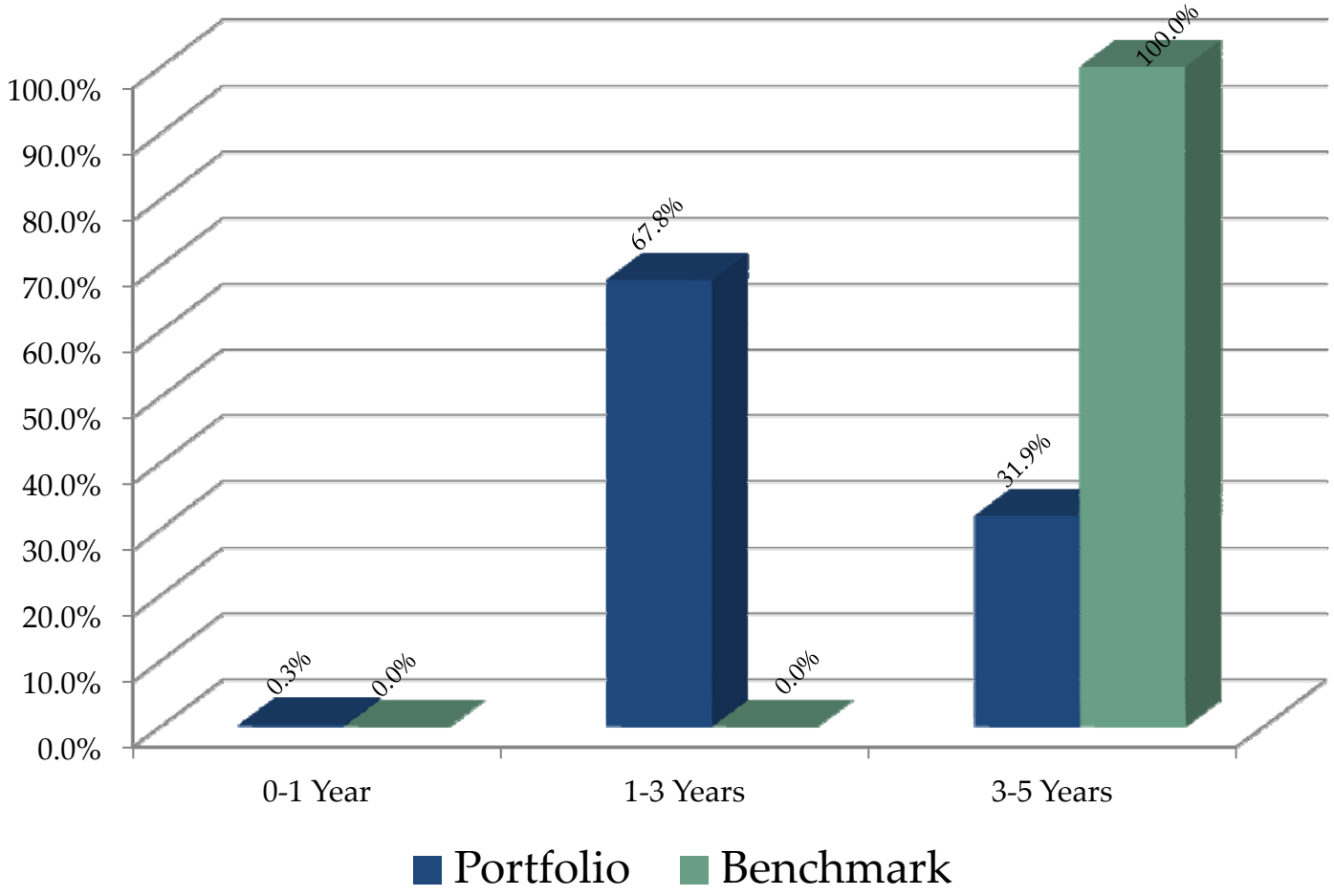
Surplus Portfolio Characteristics

	Portfolio	Index
Avg. Quality	AA	AAA
Yield to Amortized Cost	1.9%	1.4%
Avg. Maturity	2.8	3.9
Effective Duration	2.6	3.8

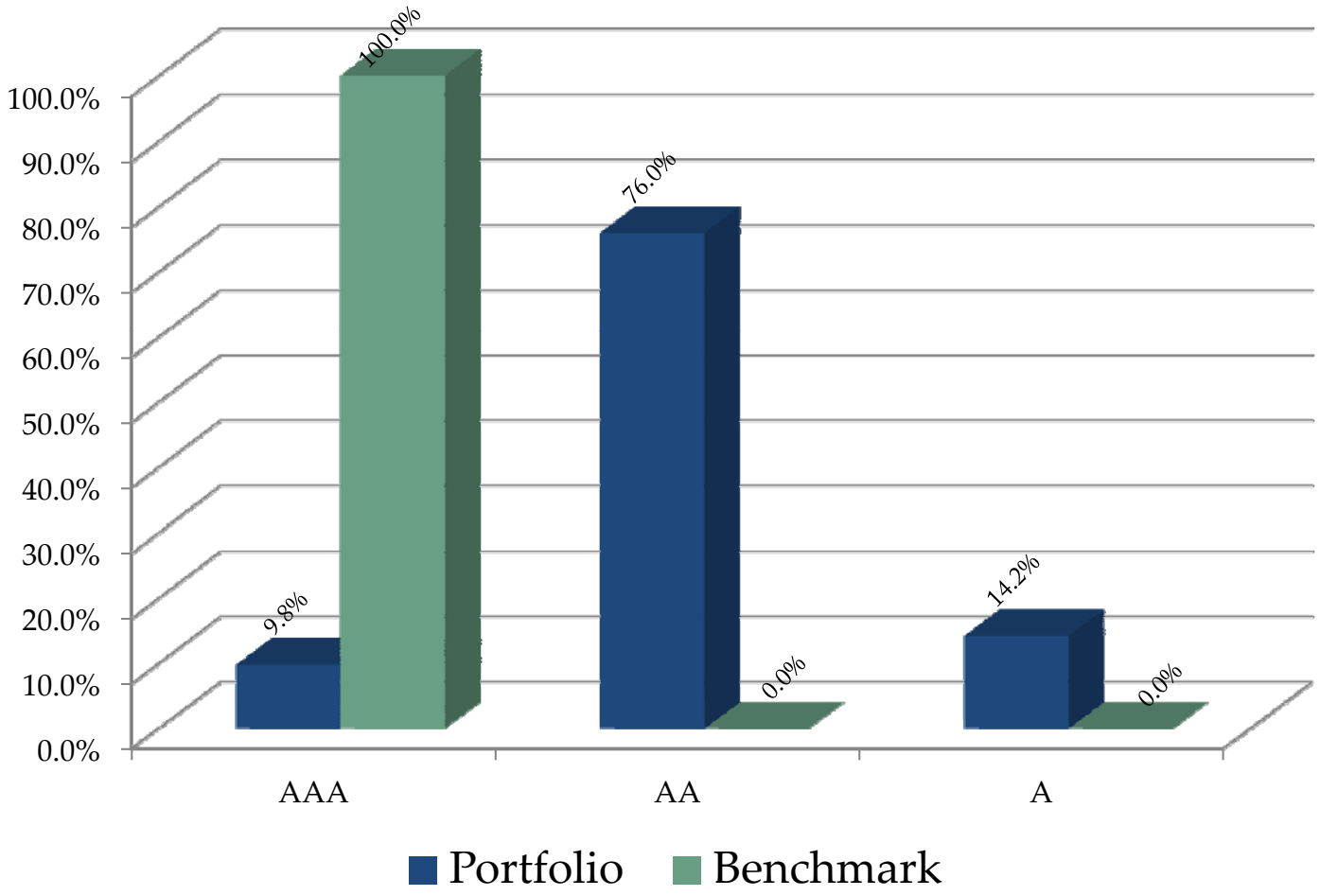
Surplus Portfolio Sector Distribution



Surplus Portfolio Maturity Distribution



Surplus Portfolio Quality Distribution



Surplus Portfolio Holdings

Issuer	Coupon	Maturity	S&P Rating	Moody's Rating	Par Value	Market Value	Yield to Maturity	% of Portfolio
CORPORATE BONDS								
CHARLES SCHWAB CORP	2.20	7/25/2018	A	A2	65,000	$73,750	1.9%	1.4%
GOLDMAN SACHS GROUP INC	5.95	1/18/2018	A-	Baa1	85,000	$96,262	2.3%	1.8%
HERSHEY COMPANY	5.45	9/1/2016	A	A1	90,000	$99,448	0.6%	1.9%
LOEWS CORP	5.25	3/15/2016	A+	A2	90,000	$97,422	0.7%	1.8%
CHARLES SCHWAB CORP	2.20	7/25/2018	A	A2	90,000	$90,611	1.9%	1.7%
US BANCORP	2.20	11/15/2016	A+	A1	50,000	$51,610	1.0%	1.0%
Subtotal						*$509,103*		
TAXABLE MU NICIPAL BONDS								
ATLANTIC CITY NJ	3.10	12/15/2015	AA	NA	75,000	$77,453	1.0%	1.5%
CLINTON PRAIRIE IN SCH CORP	1.40	1/15/2017	AA+	NA	50,000	$49,641	1.6%	0.9%
COLORADO RIVER TX MUNI WTR	2.63	1/1/2017	AA-	A1	100,000	$101,740	1.9%	1.9%
COLORADO ST DEPT OF CORRS C	1.69	9/1/2016	AA-	Aa2	250,000	$250,817	0.8%	4.8%
EVANSVILLE VANDERBURGH CNT	2.35	2/1/2018	AA-	NA	500,000	$503,375	2.3%	9.5%
FAIRFAX CNTY VA	3.70	10/1/2016	AAA	Aaa	445,000	$473,961	1.0%	9.0%
GRAND FORKS ND PUBLIC SCH DI	2.50	8/1/2015	NA	Aa2	275,000	$282,491	0.8%	5.4%
INDIANA ST BOND BANK REVENU	3.91	8/1/2016	AA+	NA	200,000	$212,883	0.8%	4.0%
JOBSOHIO BEVERAGE SYS STWD L	1.12	1/1/2016	AA	A2	100,000	$100,662	0.8%	1.9%
JOBSOHIO BEVERAGE SYS STWD L	1.57	1/1/2017	AA	A2	220,000	$221,892	1.2%	4.2%
MARYLAND ST STADIUM AUTH LE	1.90	6/15/2018	AA+	Aa2	400,000	$397,512	2.0%	7.5%
MISSISSIPPI ST LEASE REVENUE C	3.00	4/15/2016	AA-	NA	200,000	$209,000	1.0%	4.0%
MOBILE CNTY AL	3.50	6/1/2015	AA-	Aa2	185,000	$191,000	0.8%	3.6%
NEW ORLEANS LA	1.82	9/1/2016	A	A3	275,000	$274,631	1.0%	5.2%
NORTH CAROLINA ST ESTRN MUI	2.44	1/1/2017	A-	Baa1	50,000	$50,079	1.7%	0.9%
PENNSYLVANIA ST COPS	3.20	4/1/2016	NA	Aa3	140,000	$144,967	1.5%	2.7%
STRATFORD CT	1.52	8/15/2015	AA	A1	100,000	$100,187	0.6%	1.9%
TAMPA FL REVENUE	2.35	10/1/2016	NA	Aa2	580,000	$592,830	1.6%	11.2%
WILMINGTON NC LTD OBLG REV	4.60	6/1/2018	AA	Aa2	500,000	$543,060	2.2%	10.3%
Subtotal						*$4,778,181*		

Surplus Portfolio Holdings - continued

Issuer	Coupon	Maturity	S&P Rating	Moody's Rating	Par Value	Market Value	Yield to Maturity	% of Portfolio
CASH & CASH EQUIVALENTS								
FEDERATED PRIME OBLIGATIONS FUND					60,768	$93,975	0.1%	1.8%
CASH						$2		0.0%
PORTFOLIO ACCRUED INCOME						$41,994		0.8%
PENDING TRADES						-$77,646		-1.5%
TOTAL PORTFOLIO VALUE						$5,345,609		

Restricted Portfolio Performance – Gross of Fees

	3 Months	Fiscal Year to Date	1 Year	3 Years	Inception to Date
City of Sanibel Restricted Fund	3.85%	3.05%	(3.33%)	6.58%	6.07%
Merrill Lynch 10-15 Year Treasury Index	3.47%	1.04%	(3.87%)	5.82%	5.25%
Relative Performance	0.38%	2.01%	0.54%	0.76%	0.82%

Inception Date is June 9, 2010

Returns Reflect Principal and Income Returns

Returns Longer Than One Year are Annualized

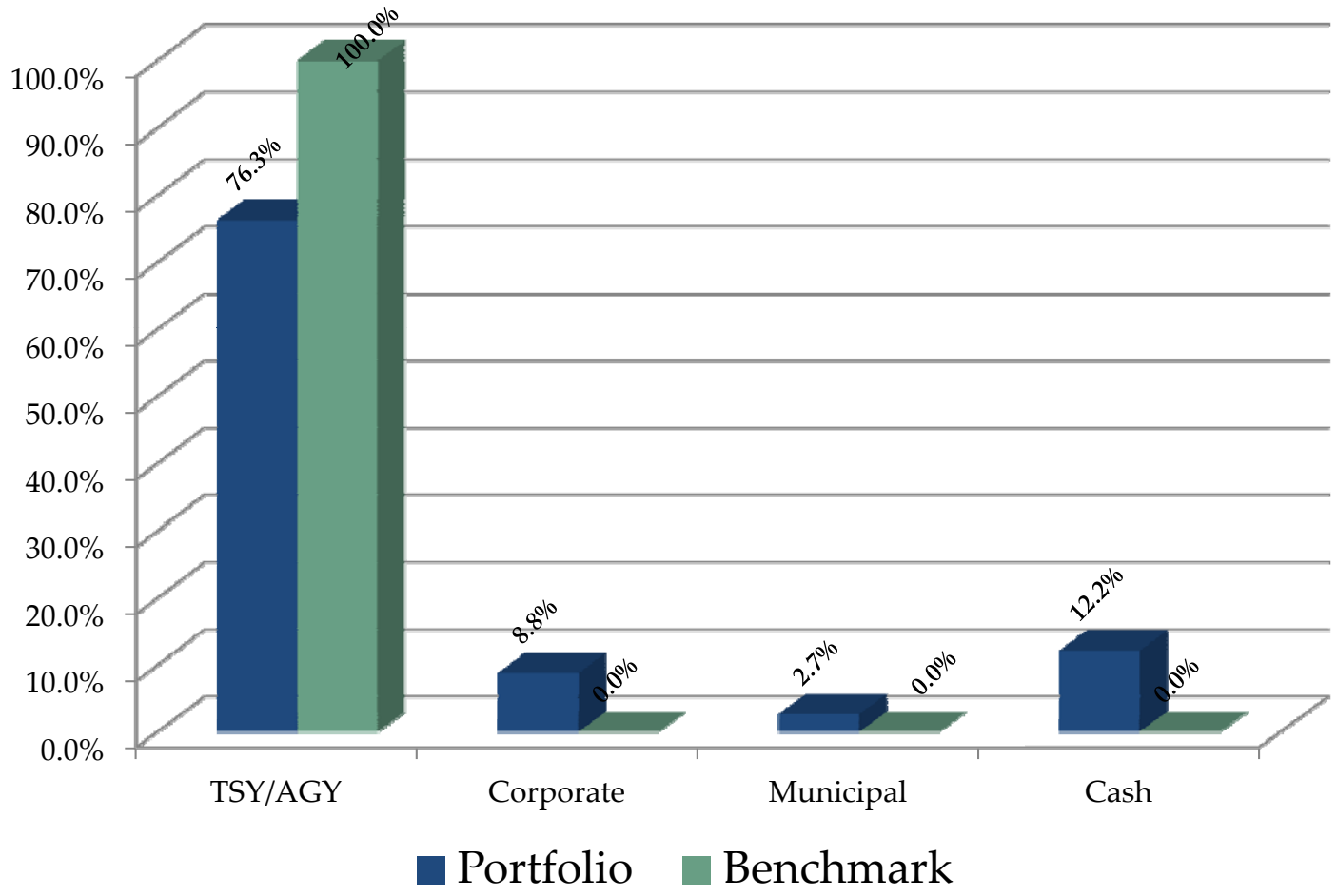
Restricted Portfolio Summary

	12/31/2013 - 3/31/2014
Beginning Principal Value	$2,080,447.31
Beginning Accrued Interest	29,509.04
Beginning Market Value	**2,109,956.35**
Contributions/Transfers	0.00
Withdrawals	0.00
Realized Gains/(Losses)	(5,472.50)
Unrealized Gains/(Losses)	63,481.17
Interest	38,325.20
Change in Accrued Interest	(14,949.26)
Ending Principal Value	2,176,781.18
Ending Accrued Interest	14,559.78
Ending Market Value	**$2,191,340.96**

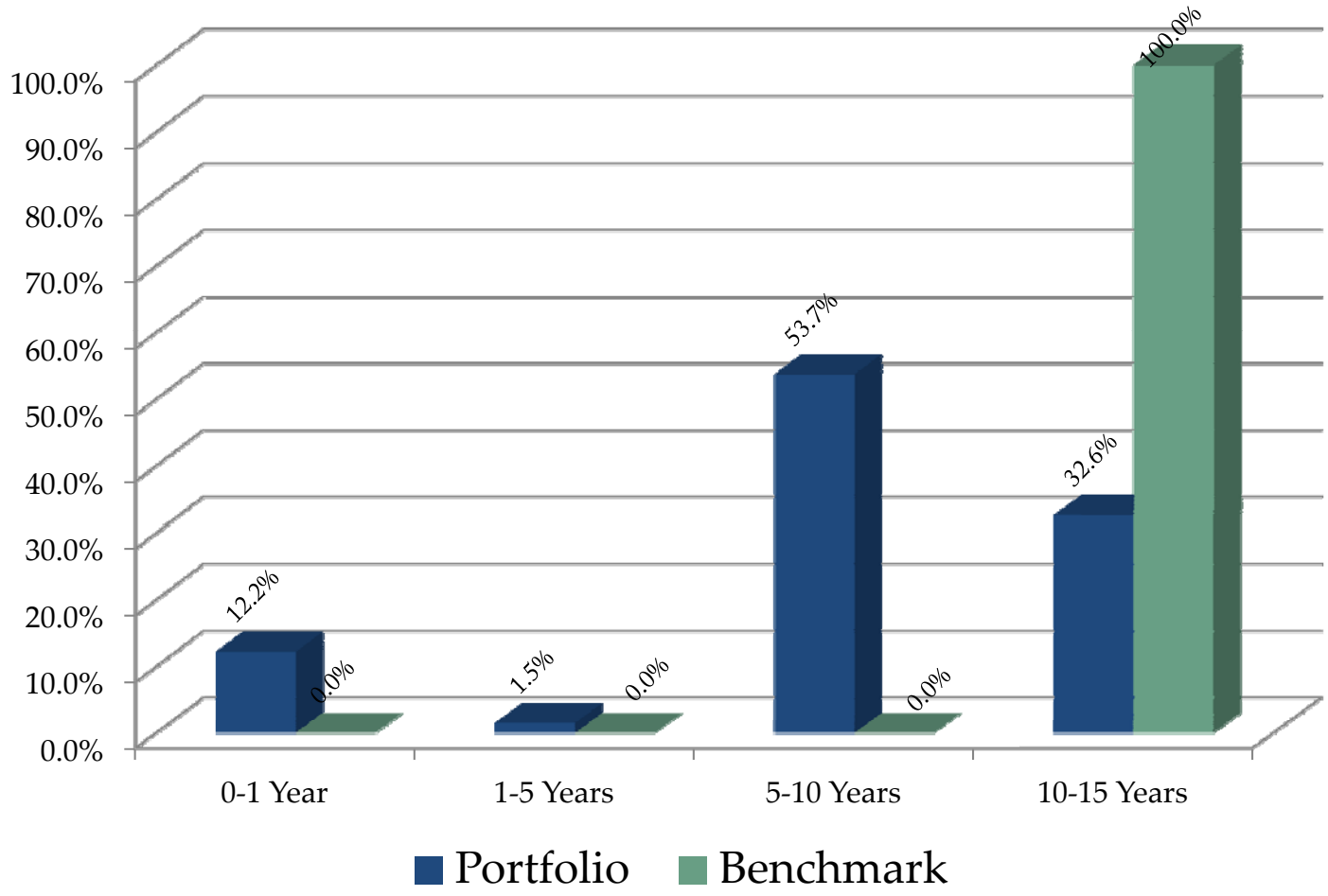
Restricted Portfolio Characteristics

	Portfolio	Index
Avg. Quality	AA+	AAA
Yield to Amortized Cost	3.4%	2.9%
Avg. Maturity	9.6	12.8
Effective Duration	8.0	9.6

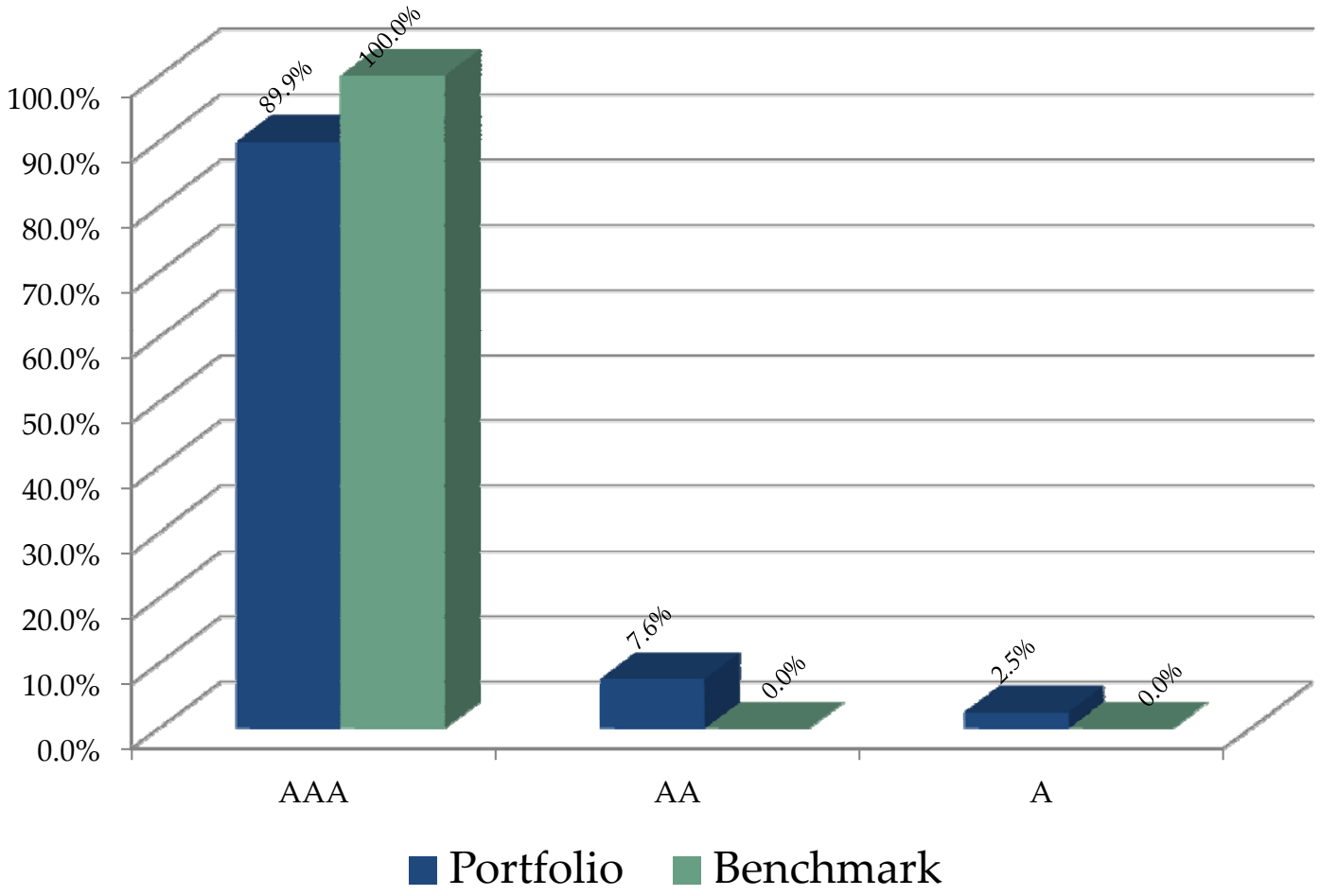
Restricted Portfolio Sector Distribution



Restricted Portfolio Maturity Distribution



Restricted Portfolio Quality Distribution



Restricted Portfolio Holdings

Issuer	Coupon	Maturity	S&P Rating	Moody's Rating	Par Value	Market Value	Yield to Maturity	% of Portfolio
CORPORATE BONDS								
MISSISSIPPI POWER CO	5.55	3/1/2019	A	Baa1	25,000	$27,434	3.9%	1.3%
ELI LILLY & CO	7.13	6/1/2025	AA-	A2	20,000	$26,142	4.3%	1.2%
PROCTER & GAMBLE CO/THE	8.00	9/1/2024	AA-	Aa3	25,000	$34,732	3.5%	1.6%
APACHE CORP	7.95	4/15/2026	A-	A3	20,000	$26,859	4.4%	1.2%
APPLE INC	2.40	5/3/2023	AA+	Aa1	45,000	$41,727	3.3%	1.9%
GENERAL ELEC CAP CORP	5.50	1/8/2020	AA+	A1	30,000	$34,521	5.2%	1.6%
Subtotal						*$191,415*		
TAXABLE MU NICIPAL BONDS								
VIRGINIA ST CLG BLDG AUTH EDI	5.00	9/1/2025	AA	Aa1	15,000	$16,831	3.7%	0.8%
UNIV OF TEXAS TX	4.28	8/15/2026	AAA	Aaa	30,000	$31,760	3.3%	1.4%
PHILADELPHIA PA AUTH FOR IND	6.35	4/15/2028	AA	A2	10,000	$10,880	5.5%	0.5%
Subtotal						*$59,471*		
GOVERNMENT SECURITIES								
FEDERAL FARM CREDIT BANK	5.24	9/5/2023	AA+	Aaa	1,000,000	$1,178,010	4.3%	53.8%
US TREASURY N/B	6.13	11/15/2027	AA+	AAA	350,000	$471,296	3.0%	21.5%
US TREASURY	1.75	5/15/2023	AA+	Aaa	10,000	$9,264	2.5%	0.4%
Subtotal						*$1,658,570*		
CASH & CASH EQUIVALENTS								
FEDERATED PRIME OBLIGATIONS FUND					267,323	$267,323	0.1%	12.2%
CASH					$3	$3		0.0%
PORTFOLIO ACCRUED INCOME						$14,560		0.7%
PENDING TRADES						$0		0.0%
TOTAL PORTFOLIO VALUE						$2,191,341		