




City Treasurer

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**TO:** Mayor and City Council

**FROM:** Roger Wisecup, CPA   
City Treasurer

**DATE:** October 5, 2011

**SUBJECT:** Investment Report for Quarter Ending September 30, 2011

Introduction

The purpose of this memorandum is to present a report summarizing the performance of the City of Ames investment portfolio for the quarter ending September 30, 2011.

Discussion

This report covers the period ending September 30, 2011 and presents a summary of the investments on hand at the end of September 2011. The investments are valued at amortized cost; this reflects the same basis that the assets are carried on the financial records of the City. All investments are in compliance with the current Investment Policy.

Comments

The Federal Reserve has continued to maintain its target rate for federal funds at zero to 0.25 percent. While the yield curve has a normal shape, rates are at historic lows. This means that future investments will be made at lower rates and future interest income will decrease. The current outlook has the Federal Reserve maintaining the target rate into the second quarter of 2013. Therefore, we will maintain our investment strategy, extending some investments maturities to the twelve months and longer range.

CITY OF AMES, IOWA

CASH AND INVESTMENTS SUMMARY  
AND SUMMARY OF INVESTMENT EARNINGS

FOR THE QUARTER ENDED SEPTEMBER 30, 2011  
AND THE ACCUMULATED YEAR-TO-DATE

| DESCRIPTION                           | BOOK<br>VALUE | MARKET<br>VALUE | UN-REALIZED<br>GAIN/(LOSS) |
|---------------------------------------|---------------|-----------------|----------------------------|
| CERTIFICATES OF DEPOSIT               | 29,500,000    | 29,500,000      | 0                          |
| FEDERAL AGENCY DISCOUNTS              | 197,844       | 199,580         | 1,736                      |
| FEDERAL AGENCY SECURITIES             | 34,901,512    | 35,023,144      | 121,632                    |
| COMMERCIAL PAPER                      | 5,992,996     | 5,992,850       | (146)                      |
| INVESTMENT POOLS                      |               |                 | 0                          |
| PASS THRU SECURITIES PAC/CMO          | 1,179,353     | 1,161,187       | (18,166)                   |
| MONEY FUND SAVINGS ACCOUNTS           | 14,178,273    | 14,178,273      | 0                          |
| STRIP BONDS                           |               |                 | 0                          |
| US TREASURY SECURITIES<br>INVESTMENTS | 85,949,978    | 86,055,034      | 105,056                    |
| CASH ACCOUNTS                         | 16,501,498    | 16,501,498      |                            |
| TOTAL FUNDS AVAILABLE                 | 102,451,476   | 102,556,532     | 105,056                    |

ACCURAL BASIS INVESTMENT EARNINGS

YR-TO-DATE

GROSS EARNINGS ON INVESTMENTS:

204,452

INTEREST EARNED ON CASH:

7,661

TOTAL INTEREST EARNED:

212,113



**Investments FY 2011-2012  
Portfolio Management  
Portfolio Summary  
September 30, 2011**

| <b>Investments</b>                 | <b>Par Value</b>     | <b>Market Value</b>  | <b>Book Value</b>    | <b>% of Portfolio</b> | <b>Term</b> | <b>Days to Maturity</b> | <b>YTM 360 Equiv.</b> | <b>YTM 365 Equiv.</b> |
|------------------------------------|----------------------|----------------------|----------------------|-----------------------|-------------|-------------------------|-----------------------|-----------------------|
| Certificates of Deposit            | 29,500,000.00        | 29,500,000.00        | 29,500,000.00        | 34.32                 | 465         | 203                     | 0.841                 | 0.853                 |
| Money Market                       | 14,178,273.40        | 14,178,273.40        | 14,178,273.40        | 16.50                 | 1           | 1                       | 0.542                 | 0.550                 |
| Commercial Paper Disc. -Amortizing | 6,000,000.00         | 5,992,850.00         | 5,992,995.56         | 6.97                  | 157         | 103                     | 0.473                 | 0.480                 |
| Federal Agency Coupon Securities   | 34,706,000.00        | 35,023,143.58        | 34,901,511.80        | 40.61                 | 1,245       | 1,086                   | 1.255                 | 1.273                 |
| Federal Agency Disc. -Amortizing   | 200,000.00           | 199,580.00           | 197,844.00           | 0.23                  | 588         | 166                     | 0.666                 | 0.676                 |
| Pass Through Securities /PAC/CMO   | 1,133,925.16         | 1,161,187.21         | 1,179,353.11         | 1.37                  | 1,438       | 602                     | 1.796                 | 1.821                 |
| <b>Investments</b>                 | <b>85,718,198.56</b> | <b>86,055,034.19</b> | <b>85,949,977.87</b> | <b>100.00%</b>        | <b>698</b>  | <b>527</b>              | <b>0.947</b>          | <b>0.960</b>          |

| <b>Total Earnings</b>           | <b>September 30 Month Ending</b> | <b>Fiscal Year To Date</b> |
|---------------------------------|----------------------------------|----------------------------|
| Current Year                    | 67,646.36                        | 204,451.57                 |
| <b>Average Daily Balance</b>    | <b>87,827,072.20</b>             |                            |
| <b>Effective Rate of Return</b> | <b>0.94%</b>                     |                            |

I certify that these reports are in conformance with the Iowa Public Investment Act.

Roger J Wisecup II, City Treasurer

**US TREASURY CONSTANT MATURITY RATES  
PERIOD ENDING SEPTEMBER 30, 2011  
3 YEAR COMPARISON**

|          | <b>September 30, 2011</b> | <b>September 30, 2010</b> | <b>September 30, 2009</b> |
|----------|---------------------------|---------------------------|---------------------------|
| 3 Months | 0.02%                     | 0.16%                     | 0.14%                     |
| 6 Months | 0.06%                     | 0.19%                     | 0.18%                     |
| 1 Year   | 0.13%                     | 0.26%                     | 0.40%                     |
| 2 Years  | 0.25%                     | 0.42%                     | 0.95%                     |
| 3 Years  | 0.42%                     | 0.63%                     | 1.45%                     |
| 5 Years  | 0.96%                     | 1.26%                     | 2.31%                     |

Reporting period 09/01/2011-09/30/2011

Run Date: 10/04/2011 - 09:51

Portfolio 2012  
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PM (PRF\_PM1) 7.2.5  
Report Ver. 7.3.1

**Investments FY 2011-2012  
Portfolio Management  
Portfolio Details - Investments  
September 30, 2011**

| CUSIP                                     | Investment # | Issuer              | Average Balance      | Purchase Date | Par Value            | Market Value         | Book Value           | Stated Rate  | YTM 360      | YTM 365    | Days to Maturity | Maturity Date |
|---|--------------|---------------------|----------------------|---------------|----------------------|----------------------|----------------------|--------------|--------------|------------|------------------|---------------|
| <b>Certificates of Deposit</b>            |              |                     |                      |               |                      |                      |                      |              |              |            |                  |               |
| SYS163487                                 | 163487       | Bankers Trust       |                      | 06/23/2011    | 1,000,000.00         | 1,000,000.00         | 1,000,000.00         | 0.350        | 0.345        | 0.350      | 75               | 12/15/2011    |
| SYS163488                                 | 163488       | Bankers Trust       |                      | 06/23/2011    | 1,000,000.00         | 1,000,000.00         | 1,000,000.00         | 0.400        | 0.395        | 0.400      | 90               | 12/30/2011    |
| SYS47919                                  | 47919        | First National Bank |                      | 10/29/2009    | 1,500,000.00         | 1,500,000.00         | 1,500,000.00         | 1.500        | 1.479        | 1.500      | 30               | 10/31/2011    |
| SYS48280                                  | 48280        | First National Bank |                      | 09/09/2010    | 2,000,000.00         | 2,000,000.00         | 2,000,000.00         | 0.950        | 0.937        | 0.950      | 244              | 06/01/2012    |
| SYS48315                                  | 48315        | First National Bank |                      | 10/15/2010    | 5,000,000.00         | 5,000,000.00         | 5,000,000.00         | 1.000        | 0.986        | 1.000      | 608              | 05/31/2013    |
| SYS144210873A                             | 144210873A   | Great Western Bank  |                      | 06/23/2011    | 1,500,000.00         | 1,500,000.00         | 1,500,000.00         | 0.600        | 0.592        | 0.600      | 45               | 11/15/2011    |
| SYS144210873B                             | 144210873B   | Great Western Bank  |                      | 06/23/2011    | 1,000,000.00         | 1,000,000.00         | 1,000,000.00         | 0.600        | 0.592        | 0.600      | 45               | 11/15/2011    |
| SYS144210886A                             | 144210886A   | Great Western Bank  |                      | 06/23/2011    | 1,500,000.00         | 1,500,000.00         | 1,500,000.00         | 0.650        | 0.641        | 0.650      | 60               | 11/30/2011    |
| SYS144210886B                             | 144210886B   | Great Western Bank  |                      | 06/23/2011    | 1,000,000.00         | 1,000,000.00         | 1,000,000.00         | 0.650        | 0.641        | 0.650      | 60               | 11/30/2011    |
| SYS144221114A                             | 144221114A   | Great Western Bank  |                      | 09/29/2011    | 1,250,000.00         | 1,250,000.00         | 1,250,000.00         | 0.350        | 0.345        | 0.350      | 104              | 01/13/2012    |
| SYS144221114B                             | 144221114B   | Great Western Bank  |                      | 09/29/2011    | 1,000,000.00         | 1,000,000.00         | 1,000,000.00         | 0.350        | 0.345        | 0.350      | 104              | 01/13/2012    |
| 52183                                     | 52183        | Valley Bank         |                      | 04/15/2010    | 5,000,000.00         | 5,000,000.00         | 5,000,000.00         | 1.829        | 1.804        | 1.829      | 244              | 06/01/2012    |
| SYS7860227193                             | 7860227193   | Wells Fargo         |                      | 08/18/2011    | 1,500,000.00         | 1,500,000.00         | 1,500,000.00         | 0.250        | 0.247        | 0.250      | 75               | 12/15/2011    |
| SYS7860227201                             | 7860227201   | Wells Fargo         |                      | 08/18/2011    | 1,250,000.00         | 1,250,000.00         | 1,250,000.00         | 0.250        | 0.247        | 0.250      | 90               | 12/30/2011    |
| SYS7961416901                             | 7961416901   | Wells Fargo         |                      | 09/30/2010    | 1,000,000.00         | 1,000,000.00         | 1,000,000.00         | 0.754        | 0.744        | 0.754      | 244              | 06/01/2012    |
| SYS8786860653                             | 8786860653   | Wells Fargo         |                      | 06/23/2011    | 1,500,000.00         | 1,500,000.00         | 1,500,000.00         | 0.250        | 0.247        | 0.250      | 13               | 10/14/2011    |
| SYS8786860661                             | 8786860661   | Wells Fargo         |                      | 06/23/2011    | 1,500,000.00         | 1,500,000.00         | 1,500,000.00         | 0.250        | 0.247        | 0.250      | 30               | 10/31/2011    |
| <b>Subtotal and Average</b>               |              |                     | <b>33,700,000.00</b> |               | <b>29,500,000.00</b> | <b>29,500,000.00</b> | <b>29,500,000.00</b> | <b>0.841</b> | <b>0.853</b> | <b>203</b> |                  |               |
| <b>Money Market</b>                       |              |                     |                      |               |                      |                      |                      |              |              |            |                  |               |
| SYS4531558874A                            | 4531558874A  | Great Western Bank  |                      |               | 4,063,845.76         | 4,063,845.76         | 4,063,845.76         | 0.550        | 0.542        | 0.550      | 1                |               |
| SYS4531558874B                            | 4531558874B  | Great Western Bank  |                      |               | 10,114,427.64        | 10,114,427.64        | 10,114,427.64        | 0.550        | 0.542        | 0.550      | 1                |               |
| <b>Subtotal and Average</b>               |              |                     | <b>14,178,038.51</b> |               | <b>14,178,273.40</b> | <b>14,178,273.40</b> | <b>14,178,273.40</b> | <b>0.542</b> | <b>0.550</b> | <b>1</b>   |                  |               |
| <b>Commercial Paper Disc. -Amortizing</b> |              |                     |                      |               |                      |                      |                      |              |              |            |                  |               |
| 0027A1XX2                                 | 0532-11      | Abbey National LLC  |                      | 04/25/2011    | 1,000,000.00         | 999,910.00           | 999,425.00           |              | 0.704        | 0.714      | 30               | 10/31/2011    |
| 0027A1XE4                                 | 0533-11      | Abbey National LLC  |                      | 04/25/2011    | 1,000,000.00         | 999,960.00           | 999,786.94           | 0.590        | 0.592        | 0.600      | 13               | 10/14/2011    |
| 4042F0AX9                                 | 0556-11      | HSBC                |                      | 09/30/2011    | 1,000,000.00         | 998,740.00           | 998,813.89           | 0.350        | 0.350        | 0.355      | 122              | 01/31/2012    |
| 4042F0BF7                                 | 0557-11      | HSBC                |                      | 09/30/2011    | 1,000,000.00         | 998,410.00           | 998,668.05           | 0.350        | 0.350        | 0.355      | 137              | 02/15/2012    |
| 4042F0BV2                                 | 0558-11      | HSBC                |                      | 09/30/2011    | 1,000,000.00         | 998,080.00           | 998,238.34           | 0.420        | 0.421        | 0.427      | 151              | 02/29/2012    |
| 4042F0CF6                                 | 0559-11      | HSBC                |                      | 09/30/2011    | 1,000,000.00         | 997,750.00           | 998,063.34           | 0.420        | 0.421        | 0.427      | 166              | 03/15/2012    |
| <b>Subtotal and Average</b>               |              |                     | <b>5,247,986.80</b>  |               | <b>6,000,000.00</b>  | <b>5,992,850.00</b>  | <b>5,992,995.56</b>  | <b>0.473</b> | <b>0.480</b> | <b>103</b> |                  |               |
| <b>Federal Agency Coupon Securities</b>   |              |                     |                      |               |                      |                      |                      |              |              |            |                  |               |
| 31331KEV8                                 | 0537-11      | Federal Farm Credit |                      | 04/28/2011    | 1,500,000.00         | 1,500,435.00         | 1,500,000.00         | 0.290        | 0.286        | 0.290      | 265              | 06/22/2012    |
| 31331KLC2                                 | 0538-11      | Federal Farm Credit |                      | 05/16/2011    | 870,000.00           | 875,872.50           | 870,000.00           | 2.250        | 2.219        | 2.250      | 1,689            | 05/16/2016    |

**Investments FY 2011-2012  
Portfolio Management  
Portfolio Details - Investments  
September 30, 2011**

| CUSIP                                   | Investment # | Issuer                         | Average Balance      | Purchase Date | Par Value            | Market Value         | Book Value           | Stated Rate | YTM 360      | YTM 365      | Days to Maturity | Maturity Date |
|---|--------------|--------------------------------|----------------------|---------------|----------------------|----------------------|----------------------|-------------|--------------|--------------|------------------|---------------|
| <b>Federal Agency Coupon Securities</b> |              |                                |                      |               |                      |                      |                      |             |              |              |                  |               |
| 31331KNV8                               | 0539-11      | Federal Farm Credit            |                      | 06/14/2011    | 1,000,000.00         | 999,920.00           | 1,000,000.00         | 0.600       | 0.592        | 0.600        | 622              | 06/14/2013    |
| 31331KNR7                               | 0540-11      | Federal Farm Credit            |                      | 06/15/2011    | 1,500,000.00         | 1,499,925.00         | 1,500,000.00         | 1.370       | 1.351        | 1.370        | 1,171            | 12/15/2014    |
| 31331KZV5                               | 0553-11      | Federal Farm Credit            |                      | 09/29/2011    | 1,000,000.00         | 993,700.00           | 1,000,000.00         | 1.390       | 1.371        | 1.390        | 1,825            | 09/29/2016    |
| 3133XVRS2                               | 0513-10      | Federal Home Loan Bank         |                      | 09/30/2010    | 2,000,000.00         | 2,003,580.00         | 2,003,099.37         | 1.000       | 0.352        | 0.357        | 88               | 12/28/2011    |
| 313373EE8                               | 0530-11      | Federal Home Loan Bank         |                      | 04/15/2011    | 3,500,000.00         | 3,579,310.00         | 3,504,087.47         | 1.420       | 1.356        | 1.375        | 972              | 05/30/2014    |
| 3133745F3                               | 0542-11      | Federal Home Loan Bank         |                      | 06/23/2011    | 1,000,000.00         | 999,670.00           | 1,000,000.00         | 0.750       | 0.740        | 0.750        | 814              | 12/23/2013    |
| 313374VQ0                               | 0547-11      | Federal Home Loan Bank         |                      | 08/10/2011    | 1,000,000.00         | 999,720.00           | 1,000,000.00         | 1.650       | 1.627        | 1.650        | 1,409            | 08/10/2015    |
| 313374Z86                               | 0548-11      | Federal Home Loan Bank         |                      | 08/10/2011    | 1,000,000.00         | 999,780.00           | 1,000,000.00         | 1.000       | 0.986        | 1.000        | 1,775            | 08/10/2016    |
| 3133756F9                               | 0549-11      | Federal Home Loan Bank         |                      | 08/25/2011    | 1,500,000.00         | 1,499,550.00         | 1,500,000.00         | 1.000       | 2.546        | 2.582        | 1,790            | 08/25/2016    |
| 3137EABY4                               | 0503-10      | Federal Home Loan Mortgage Co. |                      | 08/16/2010    | 1,500,000.00         | 1,513,620.00         | 1,511,437.85         | 2.125       | 0.513        | 0.520        | 174              | 03/23/2012    |
| 3137EABJ7                               | 0529-11      | Federal Home Loan Mortgage Co. |                      | 04/15/2011    | 3,000,000.00         | 3,155,850.00         | 3,130,792.93         | 3.500       | 0.834        | 0.846        | 606              | 05/29/2013    |
| 3134G2LE0                               | 0541-11      | Federal Home Loan Mortgage Co. |                      | 06/16/2011    | 1,500,000.00         | 1,499,910.00         | 1,500,000.00         | 2.125       | 2.096        | 2.125        | 1,720            | 06/16/2016    |
| 3134G2LY6                               | 0545-11      | Federal Home Loan Mortgage Co. |                      | 06/30/2011    | 1,000,000.00         | 1,006,425.56         | 1,000,055.56         | 2.000       | 1.973        | 2.000        | 1,733            | 06/29/2016    |
| 3134G2VS8                               | 0550-11      | Federal Home Loan Mortgage Co. |                      | 08/23/2011    | 1,000,000.00         | 999,740.00           | 1,000,000.00         | 0.875       | 1.298        | 1.316        | 1,241            | 02/23/2015    |
| 3134G2XN7                               | 0551-11      | Federal Home Loan Mortgage Co. |                      | 08/25/2011    | 1,000,000.00         | 999,700.00           | 1,000,000.00         | 1.000       | 2.087        | 2.116        | 1,790            | 08/25/2016    |
| 3134G2B35                               | 0552-11A     | Federal Home Loan Mortgage Co. |                      | 09/20/2011    | 1,536,000.00         | 1,535,339.52         | 1,536,000.00         | 1.000       | 1.804        | 1.829        | 1,816            | 09/20/2016    |
| 3134G2B35                               | 0552-11B     | Federal Home Loan Mortgage Co. |                      | 09/20/2011    | 1,000,000.00         | 999,570.00           | 1,000,000.00         | 1.000       | 1.804        | 1.829        | 1,816            | 09/20/2016    |
| 3136F9DU4                               | 0478-10      | Federal Nat'l Mtg. Assoc.      |                      | 01/05/2010    | 500,000.00           | 526,620.00           | 512,904.40           | 4.000       | 2.219        | 2.250        | 562              | 04/15/2013    |
| 31359MMQ3                               | 0502-10      | Federal Nat'l Mtg. Assoc.      |                      | 08/05/2010    | 1,300,000.00         | 1,334,866.00         | 1,333,134.22         | 6.125       | 0.493        | 0.500        | 166              | 03/15/2012    |
| 3136FPQH3                               | 0514-10A     | Federal Nat'l Mtg. Assoc.      |                      | 10/21/2010    | 1,500,000.00         | 1,500,090.00         | 1,500,000.00         | 1.200       | 1.184        | 1.200        | 1,024            | 07/21/2014    |
| 3136FPQH3                               | 0514-10B     | Federal Nat'l Mtg. Assoc.      |                      | 10/21/2010    | 1,000,000.00         | 1,000,060.00         | 1,000,000.00         | 1.200       | 1.184        | 1.200        | 1,024            | 07/21/2014    |
| 3136FRXN8                               | 0546-11      | Federal Nat'l Mtg. Assoc.      |                      | 06/30/2011    | 1,000,000.00         | 999,300.00           | 1,000,000.00         | 1.250       | 1.233        | 1.250        | 1,186            | 12/30/2014    |
| 3136FR2V4                               | 0554-11      | Federal Nat'l Mtg. Assoc.      |                      | 09/28/2011    | 1,000,000.00         | 1,000,590.00         | 1,000,000.00         | 1.000       | 1.580        | 1.602        | 1,915            | 12/28/2016    |
| 3136FR6N8                               | 0555-11      | Federal Nat'l Mtg. Assoc.      |                      | 09/30/2011    | 1,000,000.00         | 1,000,000.00         | 1,000,000.00         | 0.810       | 0.799        | 0.810        | 1,276            | 03/30/2015    |
| <b>Subtotal and Average</b>             |              |                                | <b>33,253,183.50</b> |               | <b>34,706,000.00</b> | <b>35,023,143.58</b> | <b>34,901,511.80</b> |             | <b>1.255</b> | <b>1.273</b> | <b>1,086</b>     |               |
| <b>Federal Agency Disc. -Amortizing</b> |              |                                |                      |               |                      |                      |                      |             |              |              |                  |               |
| 31358DEP5                               | 0501-10      | Federal Nat'l Mtg. Assoc.      |                      | 08/05/2010    | 200,000.00           | 199,580.00           | 197,844.00           | 0.660       | 0.666        | 0.676        | 166              | 03/15/2012    |
| <b>Subtotal and Average</b>             |              |                                | <b>197,844.00</b>    |               | <b>200,000.00</b>    | <b>199,580.00</b>    | <b>197,844.00</b>    |             | <b>0.666</b> | <b>0.676</b> | <b>166</b>       |               |
| <b>Pass Through Securities /PAC/CMO</b> |              |                                |                      |               |                      |                      |                      |             |              |              |                  |               |
| 31371L5H8                               | 0439-09      | Federal Nat'l Mtg. Assoc.      |                      | 01/27/2009    | 56,177.94            | 56,538.60            | 58,284.61            | 4.500       | 1.318        | 1.337        | 123              | 02/01/2012    |
| 31371L5G0                               | 0440-09      | Federal Nat'l Mtg. Assoc.      |                      | 01/27/2009    | 84,797.85            | 85,223.54            | 87,129.78            | 4.000       | 1.647        | 1.670        | 123              | 02/01/2012    |
| 31371LB99                               | 0442-09      | Federal Nat'l Mtg. Assoc.      |                      | 02/18/2009    | 117,074.98           | 119,268.97           | 120,879.92           | 4.500       | 2.576        | 2.612        | 670              | 08/01/2013    |
| 31371K3N9                               | 0444-09      | Federal Nat'l Mtg. Assoc.      |                      | 03/23/2009    | 57,617.54            | 58,863.81            | 60,282.35            | 5.500       | 2.138        | 2.167        | 517              | 03/01/2013    |
| 3136F6YK9                               | 0453-09      | Federal Nat'l Mtg. Assoc.      |                      | 05/26/2009    | 279,988.89           | 290,622.87           | 293,025.88           | 4.400       | 0.694        | 0.704        | 451              | 12/25/2012    |

Portfolio 2012  
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**Investments FY 2011-2012  
Portfolio Management  
Portfolio Details - Investments  
September 30, 2011**

| CUSIP                                   | Investment # | Issuer                    | Average Balance      | Purchase Date | Par Value            | Market Value         | Book Value           | Stated Rate | YTM 360      | YTM 365      | Days to Maturity | Maturity Date |
|---|--------------|---------------------------|----------------------|---------------|----------------------|----------------------|----------------------|-------------|--------------|--------------|------------------|---------------|
| <b>Pass Through Securities /PAC/CMO</b> |              |                           |                      |               |                      |                      |                      |             |              |              |                  |               |
| 31371LGW3                               | 0454-09      | Federal Nat'l Mtg. Assoc. |                      | 06/16/2009    | 98,041.05            | 100,777.38           | 101,932.05           | 5.000       | 2.742        | 2.780        | 762              | 11/01/2013    |
| 31371LMX4                               | 0458-09      | Federal Nat'l Mtg. Assoc. |                      | 09/18/2009    | 212,893.83           | 217,266.67           | 220,079.00           | 4.000       | 2.109        | 2.138        | 882              | 03/01/2014    |
| 31391FGK8                               | 0462-09      | Federal Nat'l Mtg. Assoc. |                      | 09/25/2009    | 52,799.84            | 53,500.49            | 55,439.83            | 6.500       | 2.219        | 2.250        | 336              | 09/01/2012    |
| 31400GJZ9                               | 0463-09      | Federal Nat'l Mtg. Assoc. |                      | 09/28/2009    | 61,611.61            | 63,008.96            | 64,692.19            | 6.000       | 2.059        | 2.088        | 458              | 01/01/2013    |
| 31371LWK1                               | 0465-09      | Federal Nat'l Mtg. Assoc. |                      | 10/08/2009    | 60,175.17            | 62,029.17            | 62,883.05            | 4.500       | 2.252        | 2.284        | 1,096            | 10/01/2014    |
| 31371LVX4                               | 0466-09      | Federal Nat'l Mtg. Assoc. |                      | 10/19/2009    | 52,746.46            | 54,086.75            | 54,724.45            | 4.000       | 2.056        | 2.084        | 1,066            | 09/01/2014    |
| <b>Subtotal and Average</b>             |              |                           | <b>1,250,019.40</b>  |               | <b>1,133,925.16</b>  | <b>1,161,187.21</b>  | <b>1,179,353.11</b>  |             | <b>1.796</b> | <b>1.821</b> | <b>602</b>       |               |
| <b>Total and Average</b>                |              |                           | <b>87,827,072.20</b> |               | <b>85,718,198.56</b> | <b>86,055,034.19</b> | <b>85,949,977.87</b> |             | <b>0.947</b> | <b>0.960</b> | <b>527</b>       |               |

**Investments FY 2011-2012**  
**Portfolio Management**  
**Portfolio Details - Cash**  
**September 30, 2011**

| CUSIP                      | Investment # | Issuer | Average Balance | Purchase Date | Par Value     | Market Value  | Book Value    | Stated Rate | YTM 360 | YTM 365 | Days to Maturity |
|----------------------------|--------------|--------|-----------------|---------------|---------------|---------------|---------------|-------------|---------|---------|------------------|
| Average Balance            |              |        | 0.00            |               |               |               |               |             |         |         | 0                |
| Total Cash and Investments |              |        | 87,827,072.20   |               | 85,718,198.56 | 86,055,034.19 | 85,949,977.87 |             | 0.947   | 0.960   | 527              |

**Investments FY 2011-2012  
Portfolio Management  
Investment Status Report - Investments  
September 30, 2011**

| CUSIP  | Investment # | Issuer | Par Value            | Stated Rate | Maturity Date | Purchase Date | YTM 360      | YTM 365      | Payment Dates       | Accrued Interest At Purchase | Current Principal    | Book Value           |
|--|--------------|--------|----------------------|-------------|---------------|---------------|--------------|--------------|---------------------|------------------------------|----------------------|----------------------|
| <b>Certificates of Deposit</b>                   |              |        |                      |             |               |               |              |              |                     |                              |                      |                      |
| SYS163487  | 163487       | BT     | 1,000,000.00         | 0.350       | 12/15/2011    | 06/23/2011    | 0.345        | 0.350        | 12/15 - At Maturity |                              | 1,000,000.00         | 1,000,000.00         |
| SYS163488  | 163488       | BT     | 1,000,000.00         | 0.400       | 12/30/2011    | 06/23/2011    | 0.395        | 0.400        | 12/30 - At Maturity |                              | 1,000,000.00         | 1,000,000.00         |
| SYS47919   | 47919        | FN     | 1,500,000.00         | 1.500       | 10/31/2011    | 10/29/2009    | 1.479        | 1.500        | 10/31 - At Maturity |                              | 1,500,000.00         | 1,500,000.00         |
| SYS48280   | 48280        | FN     | 2,000,000.00         | 0.950       | 06/01/2012    | 09/09/2010    | 0.937        | 0.950        | 06/01 - At Maturity |                              | 2,000,000.00         | 2,000,000.00         |
| SYS48315   | 48315        | FN     | 5,000,000.00         | 1.000       | 05/31/2013    | 10/15/2010    | 0.986        | 1.000        | 05/31 - At Maturity |                              | 5,000,000.00         | 5,000,000.00         |
| SYS144210873A                                    | 144210873A   | GWB    | 1,500,000.00         | 0.600       | 11/15/2011    | 06/23/2011    | 0.592        | 0.600        | 11/15 - At Maturity |                              | 1,500,000.00         | 1,500,000.00         |
| SYS144210873B                                    | 144210873B   | GWB    | 1,000,000.00         | 0.600       | 11/15/2011    | 06/23/2011    | 0.592        | 0.600        | 11/15 - At Maturity |                              | 1,000,000.00         | 1,000,000.00         |
| SYS144210886A                                    | 144210886A   | GWB    | 1,500,000.00         | 0.650       | 11/30/2011    | 06/23/2011    | 0.641        | 0.650        | 11/30 - At Maturity |                              | 1,500,000.00         | 1,500,000.00         |
| SYS144210886B                                    | 144210886B   | GWB    | 1,000,000.00         | 0.650       | 11/30/2011    | 06/23/2011    | 0.641        | 0.650        | 11/30 - At Maturity |                              | 1,000,000.00         | 1,000,000.00         |
| SYS144221114A                                    | 144221114A   | GWB    | 1,250,000.00         | 0.350       | 01/13/2012    | 09/29/2011    | 0.345        | 0.350        | 01/13 - At Maturity |                              | 1,250,000.00         | 1,250,000.00         |
| SYS144221114B                                    | 144221114B   | GWB    | 1,000,000.00         | 0.350       | 01/13/2012    | 09/29/2011    | 0.345        | 0.350        | 01/13 - At Maturity |                              | 1,000,000.00         | 1,000,000.00         |
| 52183  | 52183        | VB     | 5,000,000.00         | 1.829       | 06/01/2012    | 04/15/2010    | 1.804        | 1.829        | 06/01 - At Maturity |                              | 5,000,000.00         | 5,000,000.00         |
| SYS7860227193                                    | 7860227193   | WF     | 1,500,000.00         | 0.250       | 12/15/2011    | 08/18/2011    | 0.247        | 0.250        | 12/15 - At Maturity |                              | 1,500,000.00         | 1,500,000.00         |
| SYS7860227201                                    | 7860227201   | WF     | 1,250,000.00         | 0.250       | 12/30/2011    | 08/18/2011    | 0.247        | 0.250        | 12/30 - At Maturity |                              | 1,250,000.00         | 1,250,000.00         |
| SYS7961416901                                    | 7961416901   | WF     | 1,000,000.00         | 0.754       | 06/01/2012    | 09/30/2010    | 0.744        | 0.754        | 06/01 - At Maturity |                              | 1,000,000.00         | 1,000,000.00         |
| SYS8786860653                                    | 8786860653   | WF     | 1,500,000.00         | 0.250       | 10/14/2011    | 06/23/2011    | 0.247        | 0.250        | 10/14 - At Maturity |                              | 1,500,000.00         | 1,500,000.00         |
| SYS8786860661                                    | 8786860661   | WF     | 1,500,000.00         | 0.250       | 10/31/2011    | 06/23/2011    | 0.247        | 0.250        | 10/31 - At Maturity |                              | 1,500,000.00         | 1,500,000.00         |
| <b>Certificates of Deposit Totals</b>            |              |        | <b>29,500,000.00</b> |             |               |               | <b>0.841</b> | <b>0.853</b> |                     | <b>0.00</b>                  | <b>29,500,000.00</b> | <b>29,500,000.00</b> |
| <b>Money Market</b>                              |              |        |                      |             |               |               |              |              |                     |                              |                      |                      |
| SYS4531558874A                                   | 4531558874A  | GWB    | 4,063,845.76         | 0.550       |               |               | 0.542        | 0.550        | 07/01 - Monthly     |                              | 4,063,845.76         | 4,063,845.76         |
| SYS4531558874B                                   | 4531558874B  | GWB    | 10,114,427.64        | 0.550       |               |               | 0.542        | 0.550        | 07/01 - Monthly     |                              | 10,114,427.64        | 10,114,427.64        |
| <b>Money Market Totals</b>                       |              |        | <b>14,178,273.40</b> |             |               |               | <b>0.542</b> | <b>0.550</b> |                     | <b>0.00</b>                  | <b>14,178,273.40</b> | <b>14,178,273.40</b> |
| <b>Commercial Paper Disc. -Amortizing</b>        |              |        |                      |             |               |               |              |              |                     |                              |                      |                      |
| 0027A1XX2  | 0532-11      | ABBEY  | 1,000,000.00         |             | 10/31/2011    | 04/25/2011    | 0.704        | 0.714        | 10/31 - At Maturity |                              | 996,377.50           | 999,425.00           |
| 0027A1XE4  | 0533-11      | ABBEY  | 1,000,000.00         | 0.590       | 10/14/2011    | 04/25/2011    | 0.592        | 0.600        | 10/14 - At Maturity |                              | 997,181.11           | 999,786.94           |
| 4042F0AX9  | 0556-11      | HSBC   | 1,000,000.00         | 0.350       | 01/31/2012    | 09/30/2011    | 0.350        | 0.355        | 01/31 - At Maturity |                              | 998,804.17           | 998,813.89           |
| 4042F0BF7  | 0557-11      | HSBC   | 1,000,000.00         | 0.350       | 02/15/2012    | 09/30/2011    | 0.350        | 0.355        | 02/15 - At Maturity |                              | 998,658.33           | 998,668.05           |
| 4042F0BV2  | 0558-11      | HSBC   | 1,000,000.00         | 0.420       | 02/29/2012    | 09/30/2011    | 0.421        | 0.427        | 02/29 - At Maturity |                              | 998,226.67           | 998,238.34           |
| 4042F0CF6  | 0559-11      | HSBC   | 1,000,000.00         | 0.420       | 03/15/2012    | 09/30/2011    | 0.421        | 0.427        | 03/15 - At Maturity |                              | 998,051.67           | 998,063.34           |
| <b>Commercial Paper Disc. -Amortizing Totals</b> |              |        | <b>6,000,000.00</b>  |             |               |               | <b>0.473</b> | <b>0.480</b> |                     | <b>0.00</b>                  | <b>5,987,299.45</b>  | <b>5,992,995.56</b>  |



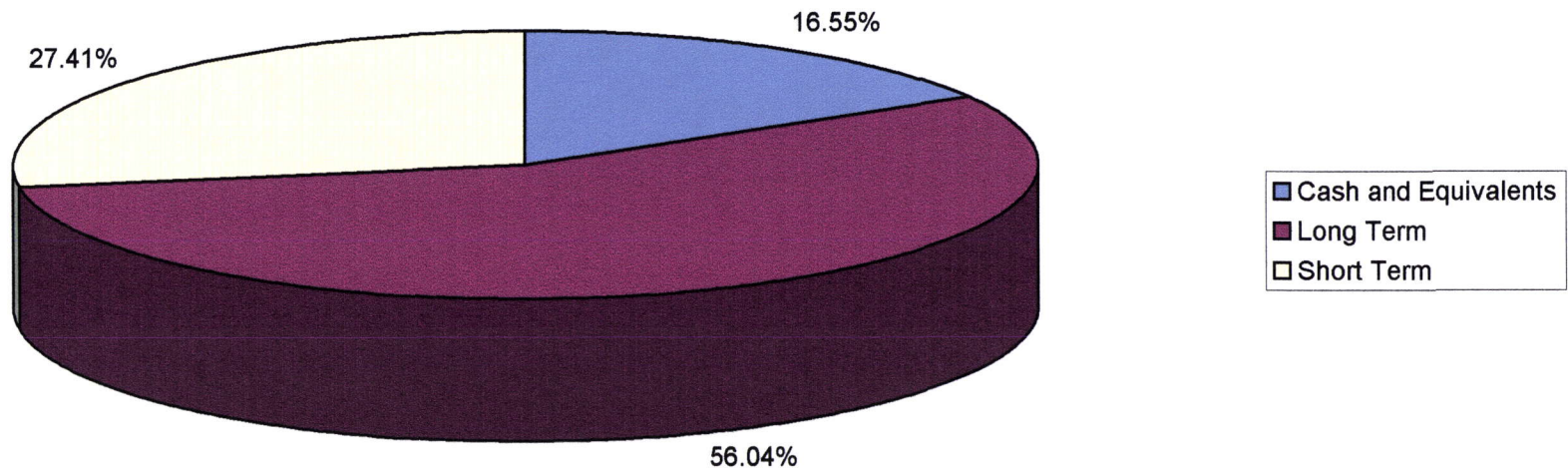
**Investments FY 2011-2012  
Portfolio Management  
Investment Status Report - Investments  
September 30, 2011**

| CUSIP  | Investment # | Issuer | Par Value            | Stated Rate | Maturity Date | Purchase Date | YTM 360      | YTM 365      | Payment Dates     | Accrued Interest At Purchase | Current Principal    | Book Value           |
|--|--------------|--------|----------------------|-------------|---------------|---------------|--------------|--------------|-------------------|------------------------------|----------------------|----------------------|
| <b>Federal Agency Coupon Securities</b>        |              |        |                      |             |               |               |              |              |                   |                              |                      |                      |
| 31331KEV8                                      | 0537-11      | FFCB   | 1,500,000.00         | 0.290       | 06/22/2012    | 04/28/2011    | 0.286        | 0.290        | 06/22 - 12/22     | Received                     | 1,500,000.00         | 1,500,000.00         |
| 31331KLC2                                      | 0538-11      | FFCB   | 870,000.00           | 2.250       | 05/16/2016    | 05/16/2011    | 2.219        | 2.250        | 11/16 - 05/16     |                              | 870,000.00           | 870,000.00           |
| 31331KNV8                                      | 0539-11      | FFCB   | 1,000,000.00         | 0.600       | 06/14/2013    | 06/14/2011    | 0.592        | 0.600        | 12/14 - 06/14     |                              | 1,000,000.00         | 1,000,000.00         |
| 31331KNR7                                      | 0540-11      | FFCB   | 1,500,000.00         | 1.370       | 12/15/2014    | 06/15/2011    | 1.351        | 1.370        | 12/15 - 06/15     |                              | 1,500,000.00         | 1,500,000.00         |
| 31331KZV5                                      | 0553-11      | FFCB   | 1,000,000.00         | 1.390       | 09/29/2016    | 09/29/2011    | 1.371        | 1.390        | 03/29 - 09/29     |                              | 1,000,000.00         | 1,000,000.00         |
| 3133XVRS2                                      | 0513-10      | FHLB   | 2,000,000.00         | 1.000       | 12/28/2011    | 09/30/2010    | 0.352        | 0.357        | 12/28 - 06/28     | Received                     | 2,015,960.00         | 2,003,099.37         |
| 313373EE8                                      | 0530-11      | FHLB   | 3,500,000.00         | 1.420       | 05/30/2014    | 04/15/2011    | 1.356        | 1.375        | 05/30 - 11/30     | Received                     | 3,504,795.00         | 3,504,087.47         |
| 3133745F3                                      | 0542-11      | FHLB   | 1,000,000.00         | 0.750       | 12/23/2013    | 06/23/2011    | 0.740        | 0.750        | 12/23 - 06/23     |                              | 1,000,000.00         | 1,000,000.00         |
| 313374VQ0                                      | 0547-11      | FHLB   | 1,000,000.00         | 1.650       | 08/10/2015    | 08/10/2011    | 1.627        | 1.650        | 02/10 - 08/10     |                              | 1,000,000.00         | 1,000,000.00         |
| 313374Z86                                      | 0548-11      | FHLB   | 1,000,000.00         | 1.000       | 08/10/2016    | 08/10/2011    | 0.986        | 1.000        | 11/10 - Quarterly |                              | 1,000,000.00         | 1,000,000.00         |
| 3133756F9                                      | 0549-11      | FHLB   | 1,500,000.00         | 1.000       | 08/25/2016    | 08/25/2011    | 2.546        | 2.582        | 02/25 - 08/25     |                              | 1,500,000.00         | 1,500,000.00         |
| 3137EABY4                                      | 0503-10      | FHLMC  | 1,500,000.00         | 2.125       | 03/23/2012    | 08/16/2010    | 0.513        | 0.520        | 09/23 - 03/23     | Received                     | 1,538,370.00         | 1,511,437.85         |
| 3137EABJ7                                      | 0529-11      | FHLMC  | 3,000,000.00         | 3.500       | 05/29/2013    | 04/15/2011    | 0.834        | 0.846        | 05/29 - 11/29     | Received                     | 3,167,100.00         | 3,130,792.93         |
| 3134G2LE0                                      | 0541-11      | FHLMC  | 1,500,000.00         | 2.125       | 06/16/2016    | 06/16/2011    | 2.096        | 2.125        | 12/16 - 06/16     |                              | 1,500,000.00         | 1,500,000.00         |
| 3134G2LY6                                      | 0545-11      | FHLMC  | 1,000,000.00         | 2.000       | 06/29/2016    | 06/30/2011    | 1.973        | 2.000        | 12/29 - 06/29     | 55.56                        | 1,000,000.00         | 1,000,055.56         |
| 3134G2VS8                                      | 0550-11      | FHLMC  | 1,000,000.00         | 0.875       | 02/23/2015    | 08/23/2011    | 1.298        | 1.316        | 02/23 - 08/23     |                              | 1,000,000.00         | 1,000,000.00         |
| 3134G2XN7                                      | 0551-11      | FHLMC  | 1,000,000.00         | 1.000       | 08/25/2016    | 08/25/2011    | 2.087        | 2.116        | 02/25 - 08/25     |                              | 1,000,000.00         | 1,000,000.00         |
| 3134G2B35                                      | 0552-11A     | FHLMC  | 1,536,000.00         | 1.000       | 09/20/2016    | 09/20/2011    | 1.804        | 1.829        | 03/20 - 09/20     |                              | 1,536,000.00         | 1,536,000.00         |
| 3134G2B35                                      | 0552-11B     | FHLMC  | 1,000,000.00         | 1.000       | 09/20/2016    | 09/20/2011    | 1.804        | 1.829        | 03/20 - 09/20     |                              | 1,000,000.00         | 1,000,000.00         |
| 3136F9DU4                                      | 0478-10      | FNMA   | 500,000.00           | 4.000       | 04/15/2013    | 01/05/2010    | 2.219        | 2.250        | 04/15 - 10/15     | Received                     | 527,485.91           | 512,904.40           |
| 31359MMQ3                                      | 0502-10      | FNMA   | 1,300,000.00         | 6.125       | 03/15/2012    | 08/05/2010    | 0.493        | 0.500        | 09/15 - 03/15     | Received                     | 1,417,182.00         | 1,333,134.22         |
| 3136FPQH3                                      | 0514-10A     | FNMA   | 1,500,000.00         | 1.200       | 07/21/2014    | 10/21/2010    | 1.184        | 1.200        | 01/21 - 07/21     |                              | 1,500,000.00         | 1,500,000.00         |
| 3136FPQH3                                      | 0514-10B     | FNMA   | 1,000,000.00         | 1.200       | 07/21/2014    | 10/21/2010    | 1.184        | 1.200        | 01/21 - 07/21     |                              | 1,000,000.00         | 1,000,000.00         |
| 3136FRXN8                                      | 0546-11      | FNMA   | 1,000,000.00         | 1.250       | 12/30/2014    | 06/30/2011    | 1.233        | 1.250        | 12/30 - 06/30     |                              | 1,000,000.00         | 1,000,000.00         |
| 3136FR2V4                                      | 0554-11      | FNMA   | 1,000,000.00         | 1.000       | 12/28/2016    | 09/28/2011    | 1.580        | 1.602        | 03/28 - 09/28     |                              | 1,000,000.00         | 1,000,000.00         |
| 3136FR6N8                                      | 0555-11      | FNMA   | 1,000,000.00         | 0.810       | 03/30/2015    | 09/30/2011    | 0.799        | 0.810        | 03/30 - 09/30     |                              | 1,000,000.00         | 1,000,000.00         |
| <b>Federal Agency Coupon Securities Totals</b> |              |        | <b>34,706,000.00</b> |             |               |               | <b>1.255</b> | <b>1.273</b> |                   | <b>55.56</b>                 | <b>35,076,892.91</b> | <b>34,901,511.80</b> |
| <b>Federal Agency Disc. -Amortizing</b>        |              |        |                      |             |               |               |              |              |                   |                              |                      |                      |
| 31358DEP5                                      | 0501-10      | FNMA   | 200,000.00           | 0.660       | 03/15/2012    | 08/05/2010    | 0.666        | 0.676        | / - Final Pmt.    |                              | 197,844.00           | 197,844.00           |
| <b>Federal Agency Disc. -Amortizing Totals</b> |              |        | <b>200,000.00</b>    |             |               |               | <b>0.666</b> | <b>0.676</b> |                   | <b>0.00</b>                  | <b>197,844.00</b>    | <b>197,844.00</b>    |
| <b>Pass Through Securities /PAC/CMO</b>        |              |        |                      |             |               |               |              |              |                   |                              |                      |                      |
| 31371L5H8                                      | 0439-09      | FNMA   | 56,177.94            | 4.500       | 02/01/2012    | 01/27/2009    | 1.318        | 1.337        | 02/25 - Monthly   | Received                     | 58,284.61            | 58,284.61            |
| 31371L5G0                                      | 0440-09      | FNMA   | 84,797.85            | 4.000       | 02/01/2012    | 01/27/2009    | 1.647        | 1.670        | 02/25 - Monthly   | Received                     | 87,129.79            | 87,129.78            |

**Investments FY 2011-2012  
Portfolio Management  
Investment Status Report - Investments  
September 30, 2011**

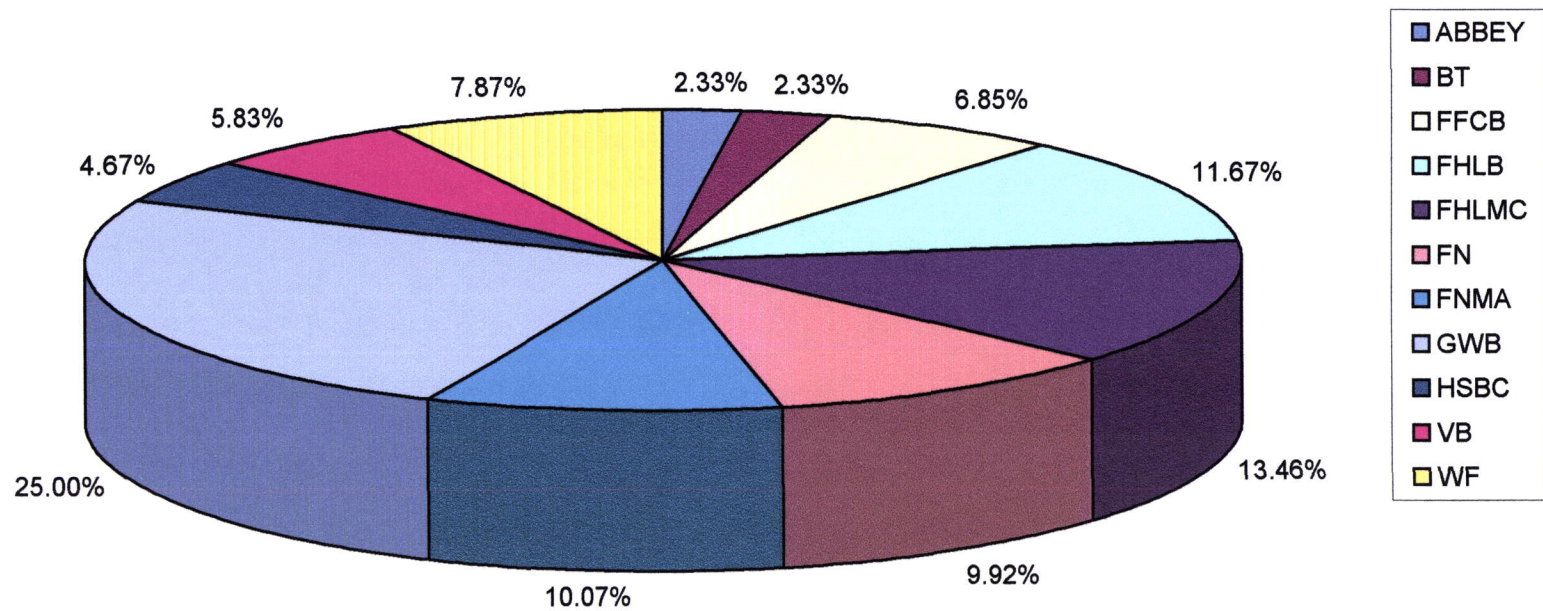
| CUSIP  | Investment # | Issuer | Par Value            | Stated Rate | Maturity Date | Purchase Date | YTM 360      | YTM 365      | Payment Dates   | Accrued Interest At Purchase | Current Principal    | Book Value           |
|--|--------------|--------|----------------------|-------------|---------------|---------------|--------------|--------------|-----------------|------------------------------|----------------------|----------------------|
| <b>Pass Through Securities /PAC/CMO</b>        |              |        |                      |             |               |               |              |              |                 |                              |                      |                      |
| 31371LB99                                      | 0442-09      | FNMA   | 117,074.98           | 4.500       | 08/01/2013    | 02/18/2009    | 2.576        | 2.612        | 03/25 - Monthly | Received                     | 120,879.92           | 120,879.92           |
| 31371K3N9                                      | 0444-09      | FNMA   | 57,617.54            | 5.500       | 03/01/2013    | 03/23/2009    | 2.138        | 2.167        | 04/25 - Monthly | Received                     | 60,282.35            | 60,282.35            |
| 3136F6YK9                                      | 0453-09      | FNMA   | 279,988.89           | 4.400       | 12/25/2012    | 05/26/2009    | 0.694        | 0.704        | 06/25 - Monthly | Received                     | 293,025.88           | 293,025.88           |
| 31371LGW3                                      | 0454-09      | FNMA   | 98,041.05            | 5.000       | 11/01/2013    | 06/16/2009    | 2.742        | 2.780        | 07/25 - Monthly | Received                     | 101,932.05           | 101,932.05           |
| 31371LMX4                                      | 0458-09      | FNMA   | 212,893.83           | 4.000       | 03/01/2014    | 09/18/2009    | 2.109        | 2.138        | 10/25 - Monthly | Received                     | 220,079.00           | 220,079.00           |
| 31391FGK8                                      | 0462-09      | FNMA   | 52,799.84            | 6.500       | 09/01/2012    | 09/25/2009    | 2.219        | 2.250        | 10/25 - Monthly | Received                     | 55,439.83            | 55,439.83            |
| 31400GJZ9                                      | 0463-09      | FNMA   | 61,611.61            | 6.000       | 01/01/2013    | 09/28/2009    | 2.059        | 2.088        | 10/25 - Monthly | Received                     | 64,692.19            | 64,692.19            |
| 31371LWK1                                      | 0465-09      | FNMA   | 60,175.17            | 4.500       | 10/01/2014    | 10/08/2009    | 2.252        | 2.284        | 11/25 - Monthly | Received                     | 62,883.05            | 62,883.05            |
| 31371LVX4                                      | 0466-09      | FNMA   | 52,746.46            | 4.000       | 09/01/2014    | 10/19/2009    | 2.056        | 2.084        | 11/25 - Monthly | Received                     | 54,724.45            | 54,724.45            |
| <b>Pass Through Securities /PAC/CMO Totals</b> |              |        | <b>1,133,925.16</b>  |             |               |               | <b>1.796</b> | <b>1.821</b> |                 | <b>0.00</b>                  | <b>1,179,353.12</b>  | <b>1,179,353.11</b>  |
| <b>Investment Totals</b>                       |              |        | <b>85,718,198.56</b> |             |               |               | <b>0.947</b> | <b>0.960</b> |                 | <b>55.56</b>                 | <b>86,119,662.88</b> | <b>85,949,977.87</b> |

### Portfolio by Asset Class



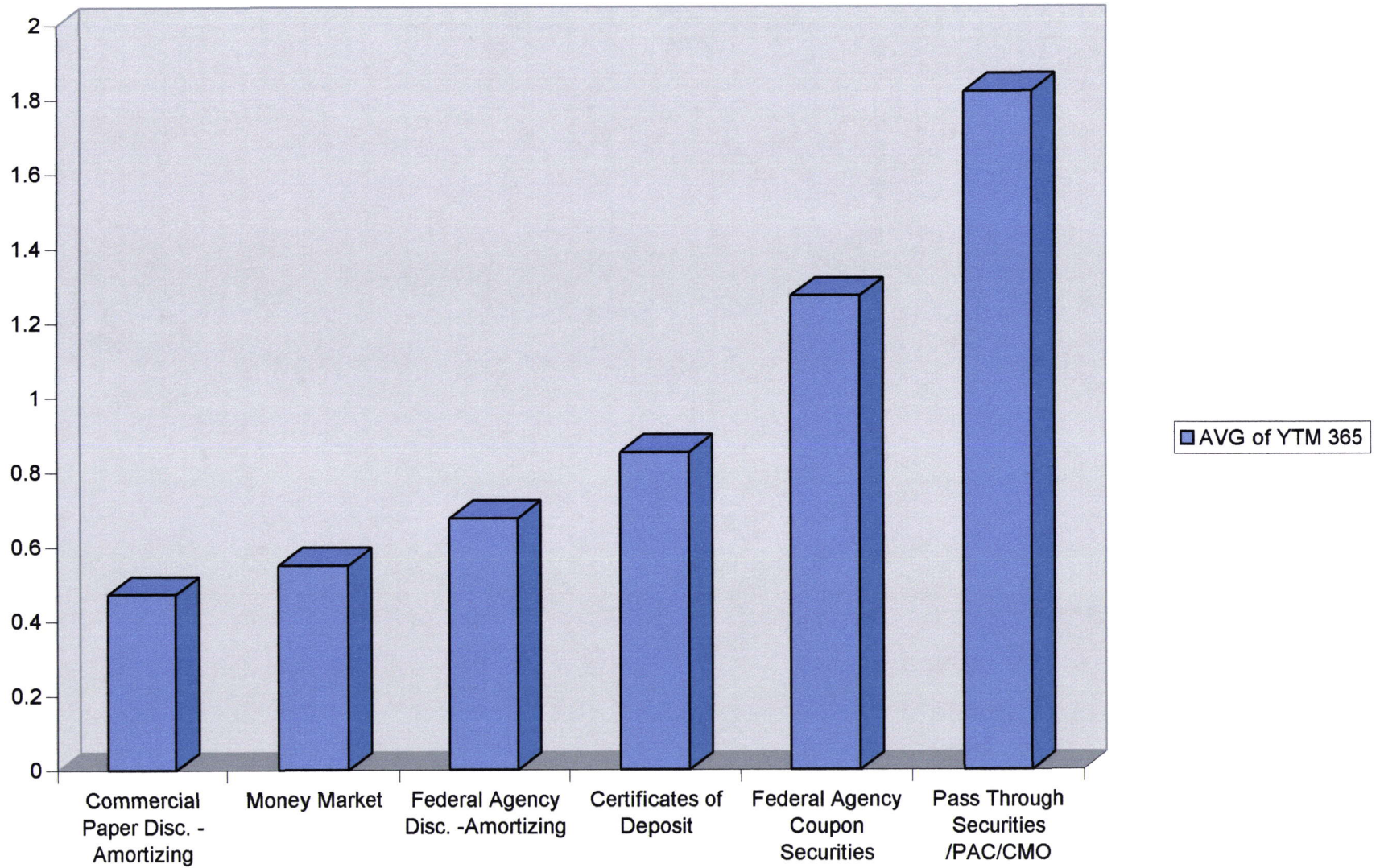
For Quarter Ending September 30, 2011

### Par Value by Issuer Graph



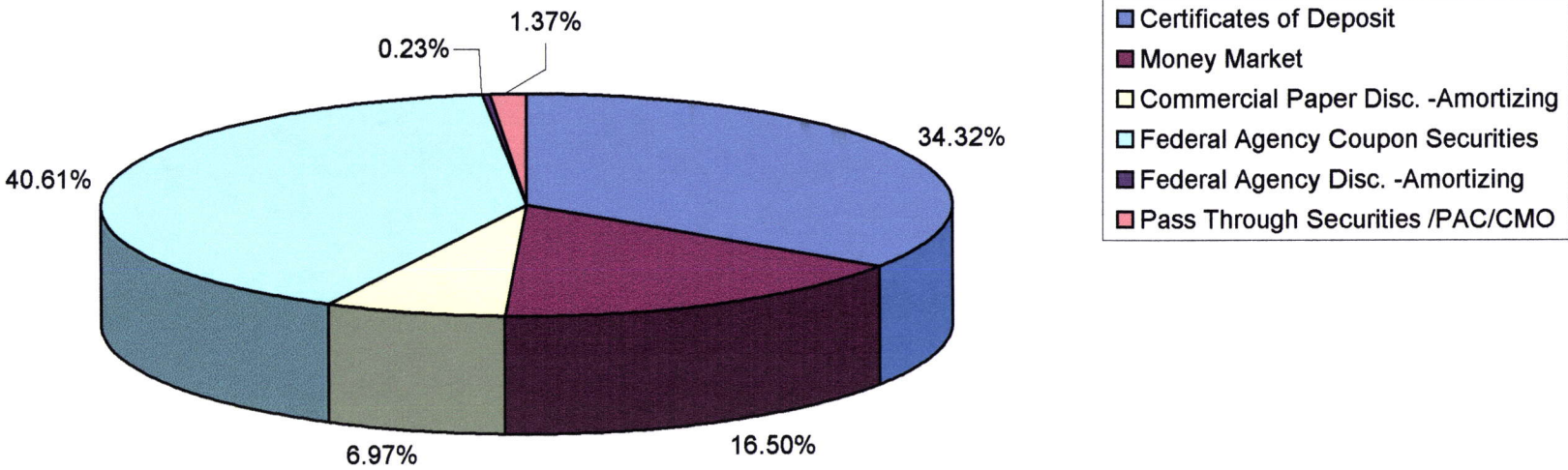
For Quarter Ending September 30, 2011

### Investment Yield by Type



For Quarter Ending September 30, 2011

### Book Value By Investment Type



For Quarter Ending September 30, 2011