

**STAFF REPORT**  
**COUNCIL MEETING DATE:**  
**January 23, 2012**

**ITEM FOR COUNCIL CONSIDERATION:**

REVIEW OF QUARTERLY INVESTMENT RESULTS AND CERTIFICATIONS  
CONCERNING COMPLIANCE WITH INVESTMENT POLICY AND CASH FLOW  
NEEDS FOR THE NEXT SIX MONTHS

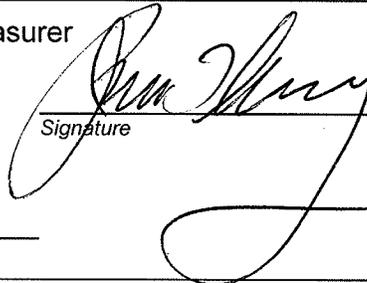
Report prepared by: John Thornberry, City Treasurer

Department: Administrative Services

Reviewed by:

City Manager

  
Signature

  
Signature

**STAFF RECOMMENDATION:**

**ACTION ITEM** \_\_\_; **NON-ACTION ITEM** x

**STAFF RECOMMENDATION:** Receive and file the report

**MOTION:** None Required

**I. BACKGROUND:**

California Government Code Section 53600 states that “all governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies are trustees and therefore fiduciaries subject to the “prudent investor standard”

The prudent investor standard states that “a trustee shall act with the care, skill, prudence and diligence that a prudent person acting in a like capacity would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. When investing public funds, the primary objective of a trustee shall be to safeguard the principal of the funds under its control. The secondary objective shall be to meet the liquidity needs of the depositor. The third objective shall be to achieve a return on the funds under its control.”

California Government Code Section 53646 mandates that cities annually adopt a written investment policy and that quarterly reports be prepared concerning the City's financial holdings, a statement of compliance with the policy and a statement concerning the City's ability to meet its cash flow needs in the ensuing six months.

This report is no longer mandatory but is provided each quarter because it is informative for the Council and the public, and because the cost of preparation is minimal. However, because the City chooses to prepare the report, copies of the second and fourth calendar quarter reports must be submitted to the California Debt and Investment Advisory Commission within 60 days after the close of the second and fourth calendar quarters.

## II. POLICY:

All portfolio investment transactions for the quarter ended December 31, 2011, have been made in full compliance with the Statement of Investment Policy adopted September 26, 2011 per Resolution No. 5341.

As a part of the City's 2004 work program, the Council directed staff to investigate alternative investment practices that could yield better returns while maintaining security. The first step in this process was the change in the investment policy. On September 27, 2004 the City Council, by adoption of Resolution 4898, modified the City's investment policy, expanding the list of 'Authorized Investments'. Now, in addition to investment in the Local Agency Investment Fund and other FDIC insured accounts, the City can invest in 'Other investments authorized and governed by California Government Code 53601.

On November 22, 2004 the City Council adopted Resolution 4910 authorizing investments in the Treasury Direct program whereby Treasury Securities would be purchased directly from the United States Treasury.

## III. FINANCIAL CONSIDERATIONS:

**Cash Statement:** At December 31, 2011 the City held cash investments as shown in the table below.

Table I

	Bank Balance at 12/31/11	Quarterly Earnings	Avg. Annualized Return
Treasury Direct/Schwab	\$9,331,742.25	\$51,724.68	2.22%
LAIF	20,169.17	19.64	0.38%
MB&T Checking	969,727.98	23.01	0.04%
MB&T Money Market	3,221,135.02	2,453.25	0.37%
<b>Total</b>	<b>\$13,542,774.42</b>	<b>\$54,220.58</b>	<b>1.78%</b>

### Investments:

Changes in the market value of Treasury securities are inversely proportional to changes in interest rates demanded in the open market, i.e. when rates rise market values fall, when rates fall market values rise. The sensitivity of a portfolio's market value to these changes in market rates is a function of its days to maturity and its coupon rate. Securities with longer maturities

and/or lower coupon rates are more sensitive to changes in market interest rates. As a security matures, changes in its value become less sensitive to market rate changes.

At December 31 the portfolio's average days to maturity was 797 days or 2.18 years, the average coupon rate was 2.12%, the average yield to maturity was 2.20% and the par value was \$9,353,100. The portfolio had a net positive cash flow of \$49,901.44 during the quarter.

Staff estimates the market value of the portfolio at \$9,781,701. This represents a net unrealized gain of \$445,900 or 4.78% of the net investment of \$9,335,800. In other words, if the City were to sell all of its holdings, the proceeds from the sale would be approximately this much more than what was paid for them. The City does not intend to sell nor does it have any foreseeable need to sell any securities. The intention of the City's investment policy is to hold all securities to maturity; and securities so held are redeemed at par value resulting in no net market gain or loss.

Attached for your review are statements from Treasury Direct, Charles Schwab, LAIF, and Montecito Bank & Trust as of December 31, 2011. Also attached is a recap of investment activity during the quarter, a subsidiary ledger listing showing the various yields and maturities of securities in the Treasury Direct/Charles Schwab portfolio, a Treasury Note portfolio segment analysis and a market value estimate calculation.

The City of Carpinteria will meet all expenditure obligations that might reasonably be anticipated for the six-month period ending June 30, 2012.

#### **IV. LEGAL ISSUES:**

This report has been prepared in compliance with California Government Code Sections 53600 and 53646.

#### **V. ATTACHMENTS:**

Treasury Direct statement  
Charles Schwab statement  
LAIF statement  
Montecito Bank & Trust bank statements  
Investment Activity Recap  
Treasury Direct/Charles Schwab Subsidiary Ledger Listing  
Treasury Direct/Charles Schwab portfolio segment analysis  
Market value estimate calculation

**Legacy Treasury Direct**

www.treasurydirect.gov  
 1-800-722-2678  
 1-304-480-6464 (Outside the U.S.)

**STATEMENT OF ACCOUNT**

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**RECEIVED**

CITY OF CARPINTERIA CA  
 5775 CARPINTERIA AVENUE  
 CARPINTERIA CA 93013

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CITY OF CARPINTERIA

**Your Site**  
 TREASURY RETAIL SECURITIES SITE  
 P O BOX 9150  
 MINNEAPOLIS MN 55480-9150  
 PHONE: (800) 722-2678

**Payment Information**  
 Payments made by direct deposit to:  
 MONTECITO BANK & TRUST  
 Routing Number: 122234783  
 Name on Account: CITY OF CARPINTERIA  
 CHECKING Account Number: Confidential

**Telephone Number:** (805) 684-5405

**Taxpayer Identification No.:** Confidential

**Tax Withholding Status:** No withholding

**Legacy Treasury Direct Account Number:** 4800-770-3487

**Total Par as of 01/06/2012:** \$7,614,400

**ACCOUNT HOLDINGS**

SECURITY		SECURITY SUB-ACCOUNT					SCHED. REINV.		NEXT PAYMENT			
CUSIP	Total Par	No.	Par Amount	Issue Date	Purchase Price/\$100 of Par	Yield/Rate (%)	Disc Rate (%)	No.	Term	Date	Type	Amount
Description	Maturity Date											
912828GF1 4 3/4 NOTE F 12 01/31/12	119,000	01	119,000	01/31/07	99.538790	4.855				01/31/12	Par and Interest	121,826.25
912828MJ6 0 7/8 NOTE AG 12 01/31/12	127,300	01	127,300	02/01/10	99.990112	0.88				01/31/12	Par and Interest	127,856.94
912828GK0 4 5/8 NOTE G 12 02/29/12	119,000	01	119,000	02/28/07	99.585650	4.719				02/29/12	Par and Interest	121,751.88
912828MQ0 0 7/8 NOTE AH 12 02/29/12	130,800	01	130,800	03/01/10	99.960486	0.895				02/29/12	Par and Interest	131,372.25
912828GM6 4 1/2 NOTE H 12 03/31/12	121,000	01	121,000	04/02/07	99.844593	4.535				03/31/12	Par and Interest	123,722.50

Schwab One® Account  
Account Number: 8975-8685

Statement Period: December 1, 2011 to December 31, 2011  
Page 1 of 4

Last Statement: November 30, 2011

*Cut paper clutter.  
Switch to eStatements at schwab.com/paperless.  
Questions? Call 1-800-435-4000*

30/12-CNCJ0307-007325-SML-93013260300 815911 \*1-2  
CITY OF CARPINTERIA  
5775 CARPINTERIA AVE  
CARPINTERIA CA 93013-2603



**Account Value Summary**

Cash & Sweep Money Market Funds	\$ 0.21
Total Investments Long	\$ 1,074,219.77
Total Investments Short	\$ 0.00
<b>Total Account Value</b>	<b>\$ 1,074,219.98</b>

**Change in Account Value**

Starting Account Value	\$ 1,068,740.97
Transactions & Income	\$ 0.00
Income Reinvested	\$ 0.00
Change in Value of Investments	\$ 5,479.01
<b>Ending Account Value</b>	<b>\$ 1,074,219.98</b>
Year-to-Date Change in Value Since 9/14/11	\$ 1,074,219.98

**Rate Summary**

Value Adv Money Fd SWVXX	0.01%
Sch Investor Money Fund	0.01%

**Income Summary**

Description	This Period	Year to Date
<b>Federally Taxable</b>		
Schwab One® Interest		0.21
<b>Total Income</b>	<b>0.00</b>	<b>0.21</b>

**Investment Detail**

Description	Symbol	Quantity	Price	Market Value
<b>Cash, Money Market Fund (Sweep)</b>				
CASH				0.21

\*C000073250102\*

Please see "Endnotes For Your Account" section for an explanation of the endnote codes and symbols on this statement.





JOHN CHIANG

California State Controller

LOCAL AGENCY INVESTMENT FUND  
REMITTANCE ADVICE

Agency Name	CARPINTERIA
Account Number	98-42-142

As of 01/13/2012, your Local Agency Investment Fund account has been directly credited with the interest earned on your deposits for the quarter ending 12/31/2011.

Earnings Ratio		.00001043176196406
Interest Rate		0.38%
Dollar Day Total	\$	1,882,908.71
Quarter End Principal Balance	\$	20,469.17
Quarterly Interest Earned	\$	19.64



Montecito  
Bank & Trust

P.O. Box 2460  
Santa Barbara, CA 93120-2460  
(805) 963-7511

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ACCOUNT:

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195020078 12/30/2011

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CITY OF CARPINTERIA

City of Carpinteria  
5775 Carpinteria Ave  
Carpinteria CA 93013-2603

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During this holiday season, we want to take a moment to thank you for placing your confidence and trust in us. We are honored to serve you and our local community. We wish you a happy holiday season and a new year filled with peace and prosperity.

SUMMARY OF ACCOUNTS

ACCOUNT TYPE	ACCOUNT NUMBER	CURRENT BALANCE	MATURITY DATE
BUS- Analyzed Business Interest Checking ACCOUNT	195003351	969,727.98	
Business Money Market ACCOUNT	195020078	3,221,135.02	
*TOTAL CURRENT BALANCE*		4,190,863.00	

Business Money Market ACCOUNT 195020078

		LAST STATEMENT 11/30/11	
INTEREST THIS STATEMENT	853.99	4 CREDITS	2,490,281.03
INTEREST PAID 2011	10,600.56	1 DEBITS	880,853.99
MINIMUM BALANCE	2,490,281.03	THIS STATEMENT 12/30/11	150,000.00
AVG AVAILABLE BALANCE	2,968,647.69		3,221,135.02
AVERAGE BALANCE	2,968,647.69		

OTHER CREDITS

DESCRIPTION	DATE	AMOUNT
BUSINESS BANKER TRANSFER FROM 195003351 12/02/11 112533889	12/02	211,000.00
BUSINESS BANKER TRANSFER FROM 195003351 12/08/11 113804721	12/08	54,000.00
BUSINESS BANKER TRANSFER FROM 195003351 12/15/11 117005560	12/15	615,000.00
INTEREST	12/30	853.99

\* \* \* CONTINUED \* \* \*



EQUAL HOUSING LENDER MEMBER FDIC

NOTICE: SEE REVERSE SIDE FOR IMPORTANT INFORMATION



Montecito  
Bank & Trust

P.O. Box 2460  
Santa Barbara, CA 93120-2460  
(805) 963-7511

000 00005 01  
ACCOUNT:

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195003351 12/30/2011

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City of Carpinteria  
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SUMMARY OF ACCOUNTS

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Business Money Market ACCOUNT	195020078	3,221,135.02	
*TOTAL CURRENT BALANCE*		4,190,863.00	

BUS- Analyzed Business Interest Checking ACCOUNT 195003351

INTEREST THIS STATEMENT	14.49	LAST STATEMENT 11/30/11	319,102.98
INTEREST PAID 2011	93.18	48 CREDITS	2,525,462.01
MINIMUM BALANCE	112.72	200 DEBITS	1,874,837.01
AVG AVAILABLE BALANCE	352,636.30	THIS STATEMENT 12/30/11	969,727.98
AVERAGE BALANCE	385,210.17		

DEPOSITS

REF #	TRACE #	DATE	AMOUNT	REF #	TRACE #	DATE	AMOUNT
0819055239	12/01	186,531.64	0824159952	12/13	639,754.49		
0821061404	12/06	6,844.04	0824994820	12/15	27,471.91		
0821648428	12/07	43,108.58	0826857865	12/20	36,466.04		
0822786648	12/09	3,051.56	0827290153	12/21	23,562.96		
0824060286	12/13	24,441.88					

\* \* \* C O N T I N U E D \* \* \*



EQUAL HOUSING LENDER MEMBER FDIC

NOTICE: SEE REVERSE SIDE FOR IMPORTANT INFORMATION

Investment Activity Recap

December 31, 2011

Month	Average Daily Investment	Return	ROI %	Ending Balance	% Portfolio
Treasury Direct					
10	\$9,331,850.76	\$17,580.80	2.26%	\$9,330,808.87	77.89%
11	9,330,808.87	17,237.25	2.22%	9,331,742.25	76.73%
12	9,331,742.25	16,906.63	2.17%	9,335,800.46	68.91%
Total / Average	\$9,331,474.45	\$51,724.68	2.22%		
LAIF					
10	\$20,449.53		0.38%	\$20,449.53	0.17%
11	20,449.53		0.41%	20,449.53	0.17%
12	20,449.53	19.64	0.38%	20,469.17	0.15%
Total / Average	\$20,469.17	\$19.64	0.38%		
Montecito Bank & Trust Checking					
10	\$138,745.74	\$5.07	0.04%	\$266,515.41	2.22%
11	97,803.11	3.45	0.04%	319,102.98	2.62%
12	385,210.17	14.49	0.05%	969,727.98	7.16%
Total / Average	\$208,442.68	\$23.01	0.04%		
Montecito Bank & Trust Money Market					
10	\$2,523,555.23	\$857.32	0.41%	\$2,361,541.59	19.71%
11	2,469,841.59	741.94	0.36%	2,490,281.03	20.48%
12	2,938,647.69	853.99	0.35%	3,221,135.02	23.78%
Total / Average	\$2,645,908.02	\$2,453.25	0.37%		
Recap					
10	\$12,014,601.26	\$18,443.19	1.84%	\$11,979,315.40	100.00%
11	11,918,903.10	17,982.64	1.81%	12,161,575.79	100.00%
12	12,676,049.64	17,794.75	1.68%	13,547,132.63	100.00%
Total / Average	\$12,206,294.32	\$54,220.58	1.78%		

City of Carpinteria  
 Treasury Direct Subsidiary Ledger Listing  
 Portfolio

December 31, 2011

Line	Type	Issue Date	CUSIP	Maturity Date	Net	Discount	Par Value	Coupon \$	Coupon %	Yield %	Days to Maturity	Accrued Interest \$/\$1,000	Price per \$100	Modified Duration	Next Coupon Date	Line
1	2	12/31/2009	912828ML1	12/31/2011	124,281.37	218.63	124,500.00	622.50	1.0000%	1.0890%	*	*	99.824397	*	12/31/2011	1
2	5	12/31/2006	912828GC8	12/31/2011	114,599.10	400.90	115,000.00	2,659.38	4.6250%	4.7041%	*	0.25582	99.651392	*	12/31/2011	2
3	5	01/31/2007	912828GF1	01/31/2012	118,451.16	548.84	119,000.00	2,826.25	4.7500%	4.8550%	31	*	99.538790	0.0833	01/31/2012	3
4	2	01/31/2010	912828MJ6	01/31/2012	127,287.41	12.59	127,300.00	556.94	0.8750%	0.8800%	31	0.02417	99.990112	0.0833	01/31/2012	4
5	2	02/28/2010	912828MQ0	02/29/2012	130,748.32	51.68	130,800.00	572.25	0.8750%	0.8950%	60	0.02378	99.960486	0.1667	02/29/2012	5
6	5	02/28/2007	912828GK0	02/29/2012	118,506.92	493.08	119,000.00	2,751.88	4.6250%	4.7190%	60	*	99.585650	0.1667	02/29/2012	6
7	2	03/31/2010	912828MU1	03/31/2012	112,000.00	*	112,000.00	560.00	1.0000%	1.0000%	91	*	100.000000	0.2500	03/31/2012	7
8	5	03/31/2007	912828GM6	03/31/2012	120,811.96	188.04	121,000.00	2,722.50	4.5000%	4.5351%	91	0.24590	99.844593	0.2500	03/31/2012	8
9	2	04/30/2010	912828NB2	04/30/2012	104,950.24	49.76	105,000.00	525.00	1.0000%	1.0240%	121	*	99.952608	0.3333	04/30/2012	9
10	5	04/30/2007	912828GQ7	04/30/2012	120,577.11	422.89	121,000.00	2,722.50	4.5000%	4.5790%	121	*	99.650503	0.3333	04/30/2012	10
11	5	05/31/2007	912828GU8	05/31/2012	117,647.21	352.79	118,000.00	2,802.50	4.7500%	4.8180%	152	*	99.701026	0.4167	05/31/2012	11
12	2	05/31/2010	912828NE6	05/31/2012	117,255.90	44.10	117,300.00	439.88	0.7500%	0.7690%	152	0.02049	99.962406	0.4167	05/31/2012	12
13	2	06/30/2010	912828NS5	06/30/2012	117,037.33	262.67	117,300.00	366.56	0.6250%	0.7380%	182	*	99.776070	0.5000	06/30/2012	13
14	5	06/30/2007	912828GW4	06/30/2012	122,649.15	350.85	123,000.00	2,998.13	4.8750%	4.9401%	182	0.26495	99.714754	0.5000	06/30/2012	14
15	5	07/31/2007	912828GZ7	07/31/2012	122,918.51	81.49	123,000.00	2,844.38	4.6250%	4.6400%	213	*	99.933745	0.5720	01/31/2012	15
16	2	07/31/2010	912828NQ9	07/31/2012	108,314.22	85.78	108,400.00	338.75	0.6250%	0.6649%	213	0.03397	99.920863	0.5818	01/31/2012	16
17	2	08/31/2010	912828PH7	08/31/2012	114,718.85	281.15	115,000.00	215.63	0.3750%	0.4980%	244	*	99.755524	0.6657	02/29/2012	17
18	5	08/31/2007	912828HC7	08/31/2012	130,280.99	719.01	131,000.00	2,701.88	4.1250%	4.2480%	244	*	99.451138	0.6566	02/29/2012	18
19	5	09/30/2007	912828HE3	09/30/2012	129,999.69	0.31	130,000.00	2,762.50	4.2500%	4.2501%	274	0.11612	99.999760	0.7396	03/31/2012	19
20	2	09/30/2010	912828NX4	09/30/2012	99.87	0.13	100.00	0.19	0.3750%	0.4410%	274	*	99.868724	0.7491	03/31/2012	20
21	5	10/31/2007	912828HG8	10/31/2012	122,348.01	651.99	123,000.00	2,383.13	3.8750%	3.9930%	305	*	99.469930	0.8238	04/30/2012	21
22	2	10/31/2010	912828PD6	10/31/2012	99.95	0.05	100.00	0.19	0.3750%	0.4000%	305	0.01036	99.950315	0.8324	04/30/2012	22
23	5	11/30/2007	912828HK9	11/30/2012	123,773.78	226.22	124,000.00	2,092.50	3.3750%	3.4150%	335	*	99.817568	0.9084	05/31/2012	23
24	2	11/30/2010	912828PV6	11/30/2012	99.96	0.04	100.00	0.25	0.5000%	0.5200%	335	*	99.960259	0.9154	05/31/2012	24
25	2	12/31/2010	912828PW4	12/31/2012	104,561.17	238.83	104,800.00	327.50	0.6250%	0.7400%	366	*	99.772112	0.9984	06/30/2012	25
26	5	12/31/2007	912828HM5	12/31/2012	122,855.05	144.95	123,000.00	2,229.38	3.6250%	3.6510%	366	*	99.882153	0.9911	06/30/2012	26
27	2	01/31/2011	912828PR5	01/31/2013	103,348.72	51.28	103,400.00	323.13	0.6250%	0.6500%	397	*	99.950404	1.0787	01/31/2012	27
28	5	01/31/2008	912828HQ6	01/31/2013	126,800.41	199.59	127,000.00	1,825.63	2.8750%	2.9090%	397	*	99.842844	1.0622	01/31/2012	28
29	5	02/29/2008	912828HT0	02/28/2013	131,969.37	30.63	132,000.00	1,815.00	2.7500%	2.7550%	425	*	99.976794	1.1464	02/29/2012	29
30	2	02/28/2011	912828QK9	02/28/2013	108,341.77	258.23	108,600.00	339.38	0.6250%	0.7450%	425	*	99.762218	1.1620	02/29/2012	30
31	5	03/31/2008	912828HV5	03/31/2013	126,437.66	562.34	127,000.00	1,587.50	2.5000%	2.5950%	456	*	99.557209	1.2315	03/31/2012	31
32	2	03/31/2011	912828QL7	03/31/2013	105,418.51	81.49	105,500.00	395.63	0.7500%	0.7890%	456	*	99.922763	1.2444	03/31/2012	32
33	5	04/30/2008	912828HY9	04/30/2013	125,803.29	196.71	126,000.00	1,968.75	3.1250%	3.1590%	486	*	99.843881	1.3104	04/30/2012	33
34	2	04/30/2011	912828QE3	04/30/2013	101,004.00	96.00	101,100.00	315.94	0.6250%	0.6729%	486	0.03397	99.905047	1.3287	04/30/2012	34
35	2	05/31/2011	912828QZ6	05/31/2013	109,968.80	131.20	110,100.00	275.25	0.5000%	0.5600%	517	*	99.880835	1.4129	05/31/2012	35
36	5	05/31/2008	912828JB7	05/31/2013	139,872.32	127.68	140,000.00	2,450.00	3.5000%	3.5201%	517	0.19126	99.908798	1.3910	05/31/2012	36
37	2	06/30/2011	912828RA0	06/30/2013	114,554.39	45.61	114,600.00	214.88	0.3750%	0.3950%	547	*	99.960197	1.4972	06/30/2012	37
38	5	07/31/2008	912828JG6	07/31/2013	130,611.90	388.10	131,000.00	2,210.63	3.3750%	3.4400%	578	*	99.703743	1.5341	01/31/2012	38
39	2	07/31/2011	912828QW3	07/31/2013	101,418.14	(418.14)	101,000.00	189.38	0.3750%	0.1676%	578	0.54010	100.414000	1.5777	01/31/2012	39

City of Carpinteria  
 Treasury Direct Subsidiary Ledger Listing  
 Portfolio

December 31, 2011

Line	Type	Issue Date	CUSIP	Maturity Date	Net	Discount	Par Value	Coupon \$	Coupon %	Yield %	Days to Maturity	Accrued Interest \$/\$1,000	Price per \$100	Modified Duration	Next Coupon Date	Line
40	2	08/31/2011	912828RD4	08/31/2013	100,819.32	180.68	101,000.00	63.13	0.1250%	0.2147%	609	0.08931	99.821113	1.6648	02/29/2012	40
41	5	08/31/2008	912828JK7	08/31/2013	129,975.79	24.21	130,000.00	2,031.25	3.1250%	3.1291%	609	0.17265	99.981374	1.6210	02/29/2012	41
42	2	09/30/2011	912828RK8	09/30/2013	100,750.30	249.70	101,000.00	63.13	0.1250%	0.2490%	639	*	99.752770	1.7481	03/31/2012	42
43	5	09/30/2008	912828JM3	09/30/2013	129,976.10	23.90	130,000.00	2,031.25	3.1250%	3.1290%	639	*	99.981618	1.7043	03/31/2012	43
44	2	10/31/2011	912828RN2	10/31/2013	999.38	0.62	1,000.00	1.25	0.2500%	0.2810%	670	*	99.938217	1.8296	04/30/2012	44
45	5	10/31/2008	912828JQ4	10/31/2013	126,558.75	441.25	127,000.00	1,746.25	2.7500%	2.8250%	670	*	99.652559	1.7930	04/30/2012	45
46	5	11/30/2008	912828JT8	11/30/2013	126,340.65	659.35	127,000.00	1,270.00	2.0000%	2.1100%	700	0.05495	99.480824	1.8871	05/31/2012	46
47	2	11/30/2011	912828RS1	11/30/2013	999.40	0.60	1,000.00	1.25	0.2500%	0.2800%	700	*	99.940209	1.9129	05/31/2012	47
48	5	12/31/2008	912828JW1	12/31/2013	123,768.13	231.87	124,000.00	930.00	1.5000%	1.5390%	731	*	99.813005	1.9778	06/30/2012	48
49	2	12/31/2011	912828RW2	12/31/2013	997.72	2.28	1,000.00	0.63	0.1250%	0.2395%	731	0.01030	99.771630	1.9981	06/30/2012	49
50	5	01/31/2009	912828JZ4	01/31/2014	126,577.30	422.70	127,000.00	1,111.25	1.7500%	1.8199%	762	0.09669	99.667162	2.0403	01/31/2012	50
51	5	02/28/2009	912828KF6	02/28/2014	134,297.06	702.94	135,000.00	1,265.63	1.8750%	1.9849%	790	0.10192	99.479306	2.1206	02/29/2012	51
52	5	03/31/2009	912828KJ8	03/31/2014	126,402.17	597.83	127,000.00	1,111.25	1.7500%	1.8490%	821	*	99.529266	2.2069	03/31/2012	52
53	5	04/30/2009	912828KN9	04/30/2014	118,633.11	366.89	119,000.00	1,115.63	1.8750%	1.9400%	851	*	99.691687	2.2873	04/30/2012	53
54	5	05/31/2009	912828KV1	05/31/2014	124,348.70	351.30	124,700.00	1,402.88	2.2500%	2.3100%	882	0.06148	99.718283	2.3616	05/31/2012	54
55	5	06/30/2009	912828KY5	06/30/2014	118,585.17	414.83	119,000.00	1,561.88	2.6250%	2.7000%	912	*	99.651404	2.4360	06/30/2012	55
56	5	07/31/2009	912828LC2	07/31/2014	124,229.25	370.75	124,600.00	1,635.38	2.6250%	2.6890%	943	*	99.702444	2.4877	01/31/2012	56
57	5	08/31/2009	912828LK4	08/31/2014	119,133.73	666.27	119,800.00	1,422.63	2.3750%	2.4940%	974	*	99.443852	2.5798	02/29/2012	57
58	5	09/30/2009	912828LQ1	09/30/2014	118,073.10	526.90	118,600.00	1,408.38	2.3750%	2.4700%	1004	*	99.555732	2.6632	03/31/2012	58
59	5	10/31/2009	912828LS7	10/31/2014	115,629.40	70.60	115,700.00	1,373.94	2.3750%	2.3880%	1035	0.13122	99.938982	2.7467	04/30/2012	59
60	5	11/30/2009	912828LZ1	11/30/2014	114,329.92	270.08	114,600.00	1,217.63	2.1250%	2.1750%	1065	*	99.764325	2.8388	05/31/2012	60
61	5	12/31/2009	912828ME7	12/31/2014	113,488.41	211.59	113,700.00	1,492.31	2.6250%	2.6650%	1096	*	99.813909	2.9044	06/30/2012	61
62	5	01/31/2010	912828MH0	01/31/2015	115,546.42	653.58	116,200.00	1,307.25	2.2500%	2.3700%	1127	0.06215	99.437540	2.9684	01/31/2012	62
63	5	02/28/2010	912828MR8	02/28/2015	119,288.07	111.93	119,400.00	1,417.88	2.3750%	2.3950%	1155	0.06454	99.906254	3.0458	02/29/2012	63
64	5	03/31/2010	912828MW7	03/31/2015	101,699.97	500.03	102,200.00	1,277.50	2.5000%	2.6050%	1186	*	99.510730	3.1227	03/31/2012	64
65	5	04/30/2010	912828MZ0	04/30/2015	95,621.13	178.87	95,800.00	1,197.50	2.5000%	2.5400%	1216	*	99.813289	3.2062	04/30/2012	65
66	5	05/31/2010	912828NF3	05/31/2015	107,074.68	25.32	107,100.00	1,137.94	2.1250%	2.1300%	1247	0.05806	99.976355	3.3082	05/31/2012	66
67	5	06/30/2010	912828NL0	06/30/2015	106,491.29	608.71	107,100.00	1,004.06	1.8750%	1.9950%	1277	*	99.431646	3.4037	06/30/2012	67
68	5	07/31/2010	912828NP1	07/31/2015	98,783.29	216.71	99,000.00	866.25	1.7500%	1.7960%	1308	0.09511	99.781106	3.4638	01/31/2012	68
69	5	08/31/2010	912828NV8	08/31/2015	104,372.94	627.06	105,000.00	656.25	1.2500%	1.3740%	1339	*	99.402797	3.5805	02/29/2012	69
70	5	09/30/2010	912828NZ9	09/30/2015	179,713.14	86.86	179,800.00	1,123.75	1.2500%	1.2600%	1369	*	99.951690	3.6641	03/31/2012	70
71	5	10/31/2010	912828PE4	10/31/2015	142,946.71	553.29	143,500.00	896.88	1.2500%	1.3300%	1400	0.03453	99.614432	3.7473	04/30/2012	71
72	5	11/30/2010	912828PJ3	11/30/2015	140,256.64	243.36	140,500.00	965.94	1.3750%	1.4110%	1430	*	99.826792	3.8223	05/31/2012	72
73	5	12/31/2010	912828PM6	12/31/2015	95,591.66	108.34	95,700.00	1,016.81	2.1250%	2.1490%	1461	*	99.886797	3.8558	06/30/2012	73
74	5	01/31/2011	912828PS3	01/31/2016	94,216.91	183.09	94,400.00	944.00	2.0000%	2.0410%	1492	*	99.806052	3.9090	01/31/2012	74
75	5	02/28/2011	912828QJ2	02/28/2016	108,267.41	332.59	108,600.00	1,153.88	2.1250%	2.1900%	1520	*	99.693745	3.9733	02/28/2012	75
76	5	03/31/2011	912828QA1	03/31/2016	96,254.71	45.29	96,300.00	1,083.38	2.2500%	2.2600%	1552	*	99.952972	4.0548	03/31/2012	76
77	5	04/30/2011	912828QF0	04/30/2016	91,760.24	539.76	92,300.00	923.00	2.0000%	2.1239%	1582	0.10870	99.415214	4.1586	04/30/2012	77
78	5	05/31/2011	912828QP8	05/31/2016	100,098.95	301.05	100,400.00	878.50	1.7500%	1.8130%	1613	*	99.700152	4.2634	05/31/2012	78

City of Carpinteria  
 Treasury Direct Subsidiary Ledger Listing  
 Portfolio

December 31, 2011

Line	Type	Issue Date	CUSIP	Maturity Date	Net	Discount	Par Value	Coupon \$	Coupon %	Yield %	Days to Maturity	Accrued Interest \$/\$1,000	Price per \$100	Modified Duration	Next Coupon Date	Line
79	5	06/30/2011	<u>912828QR4</u>	06/30/2016	104,024.42	575.58	104,600.00	784.50	1.5000%	1.6150%	1643	*	99.449734	4.3679	06/30/2012	79
80	5	07/31/2011	<u>912828QX1</u>	07/31/2016	96,218.76	(3,218.76)	93,000.00	697.50	1.5000%	0.7926%	1674	2.32333	103.461030	4.4226	01/31/2012	80
81	5	08/31/2011	<u>912828RF9</u>	08/31/2016	93,617.58	(617.58)	93,000.00	465.00	1.0000%	0.8640%	1705	0.71430	100.664060	4.5567	02/29/2012	81
82	5	09/30/2011	<u>912828RJ1</u>	09/30/2016	92,932.16	67.84	93,000.00	465.00	1.0000%	1.0150%	1735	*	99.927052	4.6395	03/31/2012	82
83	5	10/31/2011	<u>912828RM4</u>	10/31/2016	239,358.75	641.25	240,000.00	1,200.00	1.0000%	1.0550%	1766	*	99.732813	4.7227	04/30/2012	83
84	5	11/30/2011	<u>912828RU6</u>	11/30/2016	241,268.77	731.23	242,000.00	1,058.75	0.8750%	0.9370%	1796	*	99.697840	4.8196	05/31/2012	84
85	5	12/31/2011	<u>912828RX0</u>	12/31/2016	241,940.96	59.04	242,000.00	1,058.75	0.8750%	0.8800%	1827	0.07212	99.975602	4.9031	06/30/2012	85
*****																
				03/06/2014	9,574,680.93	\$17,919.07	\$9,592,600.00	\$3,281.88	2.1154%	2.2030%	797	0.06638	\$99.813199	2.1287	31-Dec-11	
				less Maturations	238,880.47	619.53	239,500.00									
					\$9,335,800.46	\$17,299.54	\$9,353,100.00									
							TD 1	\$6,368,900.00								
							TD 2	471,000.00								
							Schwab	2,752,700.00								
								\$9,592,600.00								
																*

Portfolio Segment Analysis

Month	Average Daily Investment	Return	ROI %	Net Cash Flow
10	\$9,331,850.76	\$17,580.80	2.2607%	\$19,903.96
11	9,330,808.87	17,237.25	2.2168%	17,245.73
12	9,331,742.25	16,906.63	2.1741%	12,751.75
Total / Average	\$9,331,474.45	\$51,724.68	2.2172%	\$49,901.44

ALL NOTES / BILLS	
Net Investment	\$9,335,800.46
Discount	17,299.54
Par Value	\$9,353,100.00
Coupon %	2.1154%
Yield to Maturity	2.2030%
Annual Yield \$	\$206,050.17
Days to Maturity	797
Years to Maturity	2.1835
Modified Duration	2.1055

5 YEAR NOTES				
	All	Most Recent	Maximum	Minimum
Net	\$7,350,006.79	\$241,940.96	\$241,940.96	\$91,760.24
Discount	15,593.21	59.04	731.23	(3,218.76)
Par	7,365,600.00	242,000.00	242,000.00	92,300.00
Coupon \$	94,062.23	1,058.75	2,998.13	465.00
Coupon %	2.5148%	0.8750%	4.8750%	0.8750%
Yield %	2.6006%	0.8800%	4.9401%	0.7926%
Years to Maturity	2.60	5.01	5.01	

78.75%

2 YEAR NOTES				
	All	Most Recent	Maximum	Minimum
Net	\$1,985,793.67	\$997.72	\$130,748.32	\$99.87
Discount	1,706.33	2.28	281.15	(418.14)
Par	1,987,500.00	1,000.00	130,800.00	100.00
Coupon \$	6,708.62	0.63	622.50	0.19
Coupon %	0.6353%	0.1250%	1.0000%	0.1250%
Yield %	0.7376%	0.2395%	1.0890%	0.1676%
Years to Maturity	0.90	2.00	2.00	

21.25%

December 31, 2011

Market Value Estimate Calculation

Years/Days	Portfolio Weighted Average Duration Date	CUSIP	Issue Date	Maturity Date	Coupon %	Market Price per \$100	Market Yield
5	06/20/2014	912828KY5	06/30/2009	06/30/2014	2.6250%	105.6710	0.3080%
2	11/20/2012	912828PV6	11/30/2010	11/30/2012	0.5000%	100.3280	0.1200%

Years/Days	A Actual Yield	B Market Yield	C Duration in years	D Estimated Market Value	E Par Value	F Net Value	G Unrealized Gain / (Loss)
5	2.6006%	0.3080%	2.4733	\$7,783,247	\$7,365,600	\$7,350,007	\$433,240
2	0.7376%	0.1200%	0.8923	1,998,454	1,987,500	1,985,794	12,660
All			2.1287	\$9,781,701	\$9,353,100	\$9,335,800	\$445,900

Percent of Par 4.78%

$$D=(1+(A-B)*C)*E$$

$$G=D-F$$