

CITY OF TRACY
CITY TREASURER'S REPORT
SUMMARY OF ALL INVESTMENTS
For the Month ending June 30, 2012

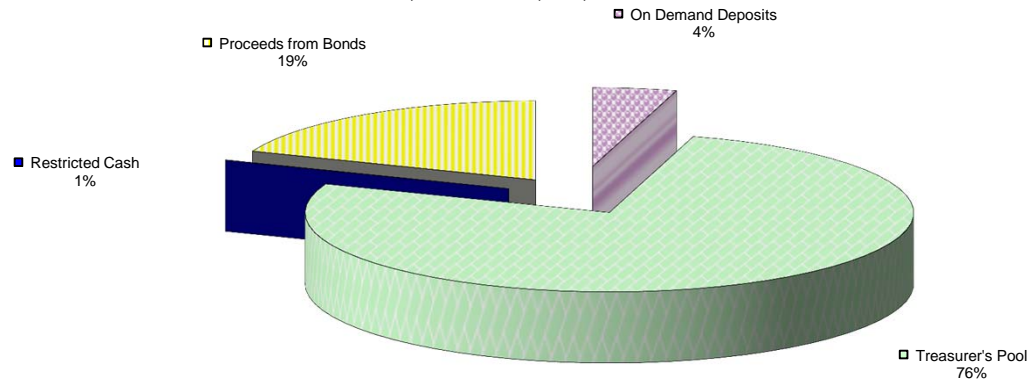
| Category | Maturity | | Average Interest Rate | HISTORICAL Book Value | GASB 31 ADJ Market Value |
|---------------------------------------|----------|-------|-----------------------|-----------------------|--------------------------|
| | Days | Years | | | |
| Pooled Investments: | | | | | |
| 1. ON DEMAND DEPOSITS | | | 0.050% | 9,377,134.54 | 9,377,134.54 |
| 2. TREASURER'S INVESTMENTS | | | | 161,344,258.38 | 160,653,288.25 |
| Total - Pooled Investments | 487 | 1.33 | 1.692% | 170,721,392.92 | 170,030,622.79 |
| 3. RESTRICTED CASH | | | | 113,455.12 | 113,455.12 |
| 4. PROCEEDS FROM BOND ISSUES | | | | 40,117,492.94 | 40,117,492.94 |
| Total - Non-Pooled Investments | | | | 40,230,948.06 | 40,230,948.06 |
| GRAND TOTAL ALL INVESTMENTS | | | | 210,952,340.98 | 210,261,570.85 |

I certify that categories #1 & #2 above comply with the City's investment policy in all respects including maturity length and permitted investments. A listing of assets owned by the City is available at the Treasurer's Office. Categories #3 & #4 are not managed by the City Treasurer but must be carried on the City's books. A copy of the City's "Investment Policy" is available at the office of the City Clerk. The City has the ability to meet projected expenditures for the next six months.

Raymond McCray
City Treasurer

Date

City of Tracy - Investment Summary
June 30, 2012 \$210,261,570.85 Market value



2. TREASURER'S INVESTMENTS

GASB 31 Adjusted

These investments comply with the City's adopted investment policy.

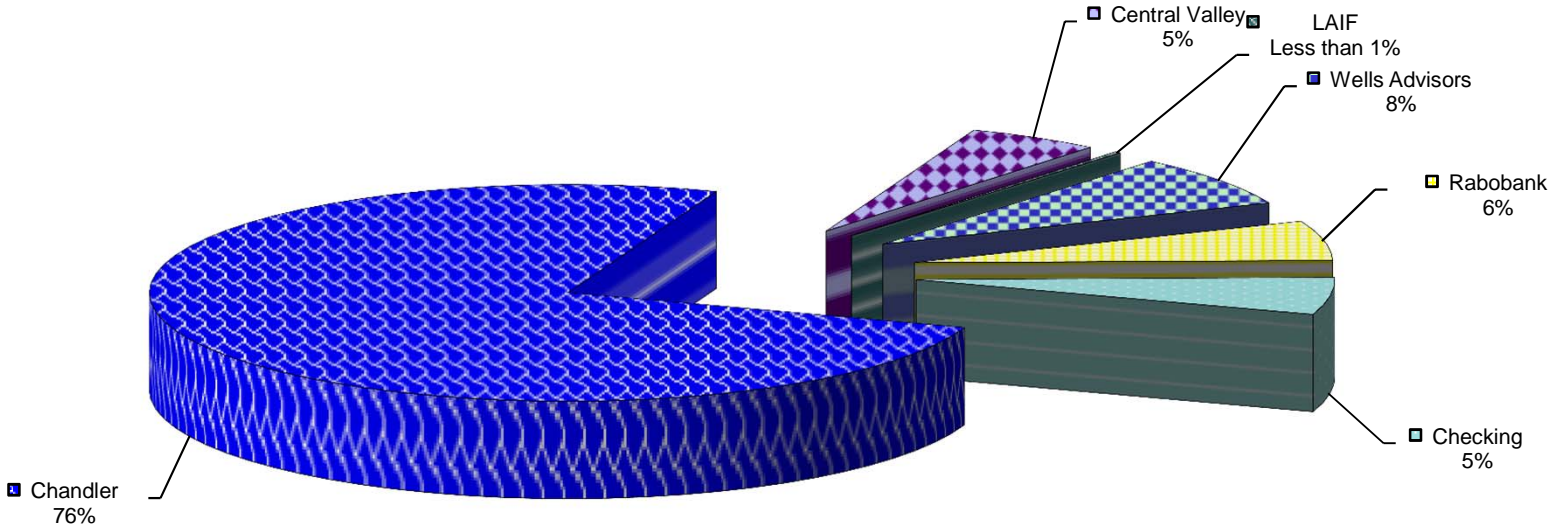
June 30, 2012

| Custodian/Description | Average Purchase YTM | Days to Maturity | Interest Rate | HISTORICAL Book Value | Market Value (no accruals) | |
|--|--------------------------|---------------------------|---------------|-----------------------|----------------------------|----------------|
| | | | | - | | |
| WELLS FARGO, Sweep | | 1 | 0.02% | 9,375,816.54 | 9,375,816.54 | |
| WELLS FARGO, Checking | | 1 | | 1,318.00 | 1,318.00 | |
| | | | | - | | |
| CHANDLER ASSET MNGT (04) PFM (05) | * | 0.978% | 661 | 1.91% | 128,789,555.39 | 128,476,041.26 |
| Wells Fargo Advisors HIGHMARK (07) | * | 1.202% | 336 | 3.02% | 13,398,927.62 | 13,021,671.62 |
| Rabobank MM(col) LAIF/HUD Closed 1/26/2012 | | | 1 | 0.47% | 10,055,181.74 | 10,055,181.74 |
| Central Valley Community Bank MM(col) | | | 1 | 0.37% | - | - |
| LOCAL AGENCY INVESTMENT FUND City of Tracy | | | 1 | 0.37% | 383,598.58 | 383,598.58 |
| | Yield to Maturity/Market | | | | | |
| | | Benchmark 2 year treasury | 0.303 | | | |
| | | ML 1-5 year YTM GVAO | 0.458 | BVAO | 0.92% | |

* Priced By Union Bank of Cal

| | | | |
|------------------------|------------------------------------|-----------------------|----------------|
| TOTAL INVESTMENTS | THIS MONTH | 170,721,392.92 | 170,030,622.79 |
| GASB 31 170,030,622.79 | LAST MONTH | 175,237,751.37 | 174,474,882.25 |
| | INCREASE(DECREASE) FROM LAST MONTH | (4,516,358.45) | (4,444,259.46) |
| | AVERAGE INTEREST RATE | 1.723% | |
| | AVERAGE DAYS TO MATURITY | 527 | |

City of Tracy's Investments
June 30, 2012 - \$170,030,622.79 Market Value



3. RESTRICTED CASH

Monies in this category are limited for specific benefit and therefore are not available for pooled investment.

June 30, 2012

| Item | Institution | Acct. # or Description | Book Value |
|------|-----------------|----------------------------|------------|
| HUD | Bank of America | 00481-05700 | 15,124.66 |
| | | 489-01031 CD 8/27/12 0.26% | 98,330.46 |

| | | |
|-----------------------|------------------------------------|-------------------|
| TOTAL RESTRICTED CASH | This Month | 113,455.12 |
| | Last Month | 113,240.64 |
| | INCREASE(DECREASE) FROM LAST MONTH | 214.48 |

4. PROCEEDS FROM BOND ISSUES

Funds in this category are held by a Trustee or other investment
which is governed by the bond documents.

June 30, 2012

| District | Description | | Book Value |
|-----------------------|-------------------------------|----------------------------|--------------|
| 93 Bonds | Water Revenue Bonds | Reserve Fund | |
| CFD 93-1 | Tracy Marketplace* | Reserve Fund | 812,221.61 |
| AD 98-4 | Morrison Homes* | Reserve Fund | |
| AD 2000-02 | Heartland 3 | Reserve Fund | |
| CFD 99-2 | South MacArthur* | Reserve Fund | |
| TOPJPA 94-1 | AD 94-1 Refinancing* | Reserve Fund | 130,280.16 |
| RFD 94-1 | AD 94-1 Refinancing* | Reserve Fund | 737,436.56 |
| CFD 99-2 | South MacArthur Series 2002* | Reserve & Improvement Fund | |
| CFD 93-1 | Series 2002* | Reserve Fund | 233,715.03 |
| Wastewater 2003 | Morrison Homes* | Reserve Fund | 339,303.56 |
| AD 2003-01 | Berg Avenue* | Reserve Fund | 151,098.70 |
| TOPJPA 2003A | I-205 Residential* | Reserve Fund | 2,036,747.33 |
| TOPJPA 2003B | I-205 Residential* | Reserve Fund | 60,320.51 |
| TOPJPA 2003C | 87-3 Refinancing* | Reserve Fund | |
| TOPJPA 2003D | 87-3 Refinancing* | Reserve Fund | |
| CFD 89-1 2003A | 89-1 Refinancing* | Reserve Fund | 2,294,691.28 |
| CFD 89-1 2003B | 89-1 Refinancing* | Reserve Fund | 121,639.18 |
| CDA 2003A&B | CDA 03A & 03B | Reserve & Project Funds | 3,776,746.63 |
| Wastewater 2004 | Upgrade | Installment Fund | |
| CFD 99-1 | Series 2004 - NEI Phase 1 | Multi Funds | 1,397,069.92 |
| TOPJA 2005 Clearing | Refinance of CDF 98-1,01 & 03 | Special Tax Fund | 4,019,033.32 |
| TOPJA 2005 Series B | Plan C | Reserve Fund | 109,596.02 |
| TOPJA 2005 Project | | Multi Funds | 3,131,602.60 |
| TOPJA 2005, Series C | 2000-01 Presidio | Multi Funds | 648,527.20 |
| CFD 2006-01 NEI | NEI - Phase 2 | Improvement Fund | 6,703,769.96 |
| TOPJA 2007 A & B | | Improvement Fund | 2,644,576.36 |
| TOPJA JPA 2008 | Revenue Bond | Improvement Fund | 7,551,444.84 |
| TOPJA Rev Bonds 2011A | | Revenue | 2,115,721.72 |
| Tracy LOB 2011-1 | | Escrow Fund | 191,709.73 |
| Tracy CFD 2011A | | Reserve | 910,240.72 |

*These accounts may also have tax receipts in balance of account until next bond principal or interest payment

| | | |
|----------------------------|------------------------------------|----------------------|
| TOTAL BOND PROCEEDS | THIS MONTH | 40,117,492.94 |
| | LAST MONTH | 40,748,136.44 |
| | Increase(Decrease) From Last Month | (630,643.50) |

5. STATISTICAL SUMMARY

GASB 31 Adjusted

The following is selected statistical information and trends concerning the Investment Portfolio.

June 30, 2012

TRENDS

| | Days | Maturity Years | Average Int Rate | Historical Book Value | Market Value | Difference |
|--------------------------|-------|-------------------|---------------------|--------------------------|----------------|---------------|
| Bench Mark Month (3/95) | 5,993 | 16.42 | 4.577% | 46,953,583.62 | 27,962,754.31 | 18,990,829.31 |
| Last Month(5/12) | 487 | 1.33 | 1.692% | 175,237,751.37 | 174,474,882.25 | 762,869.12 |
| This Month (6/12) | 514 | 1.41 | 1.838% | 173,279,808.86 | 172,530,846.24 | 748,962.62 |
| FISCAL YEAR AVERAGE | 477 | 1.31 | 2.024% | 175,983,988.23 | 175,320,732.85 | 663,255.38 |

HISTORICAL

| Pooled Investments <u>Market Value</u> | Pooled Investments <u>Book Value</u> | Monthly Totals Compared | Total Investments <u>Market Value</u> | Total Investments <u>Book Value</u> |
|--|--|---|---|---|
| 188,547,279.62 | 188,511,591.21 | May,11 | 226,854,874.49 | 226,819,286.08 |
| 192,845,503.29 | 192,809,735.24 | June,11 | 230,479,403.30 | 230,515,171.35 |
| 184,554,047.96 | 184,465,245.50 | July,11 | 224,263,054.44 | 224,172,251.98 |
| 177,756,255.91 | 177,733,279.50 | August, 11 | 217,586,935.39 | 217,609,929.71 |
| 177,200,283.98 | 177,883,467.90 | September, 11 | 208,973,266.10 | 209,656,450.02 |
| 175,169,285.19 | 175,841,480.65 | October, 11 | 206,259,670.48 | 206,931,865.94 |
| 171,659,779.82 | 172,998,627.80 | November, 11 | 203,047,165.73 | 204,089,013.71 |
| 170,413,334.35 | 171,324,047.53 | December, 11 | 204,668,029.41 | 205,278,742.59 |
| 176,591,234.54 | 177,252,517.50 | January, 12 | 218,638,674.99 | 219,299,957.95 |
| 178,973,762.16 | 179,758,295.85 | February, 12 | 219,861,767.67 | 220,646,301.36 |
| 174,220,435.40 | 175,288,757.96 | March,12 | 209,326,276.71 | 210,394,609.27 |
| 172,530,846.24 | 173,279,808.86 | April, 12 | 207,061,964.02 | 207,810,926.64 |
| 174,474,882.25 | 175,237,751.37 | May,12 | 215,336,473.19 | 216,099,342.31 |
| 170,030,622.79 | 170,721,392.92 | June,12 | 210,261,570.85 | 210,952,340.98 |

| | Total | Total | Total | Total | Total |
|-----------------------|--|-----------------|-----------------|-----------------|-----------------|
| INTEREST EARNINGS | Month | <u>FY 11-12</u> | <u>FY 10-11</u> | <u>FY 09-10</u> | <u>FY 08-09</u> |
| Pooled Investments | | | | | |
| Interest Earnings Net | 292,791.73 | 4,383,252.57 | 4,438,435.08 | 4,431,889.09 | 6,554,499.08 |
| Pooled Investments | | | | | |
| Gain (loss) on sale | Capital gain/loss (171,196.83) | | | | |

6. TRACY CONSOLIDATED

Portfolio Summary Information

Period Ending June 30, 2012

Sector/Quality Distribution

| <u>Sector</u> | <u>Market Value</u> | <u>Quality</u> |
|---------------------------|---------------------|----------------|
| Treasury | 8.4% | TSY |
| Agency | 39.3% | AAA |
| Corporate | 25.0% | AA- |
| ABS | 0.0% | |
| CMO | 0.0% | |
| Time Deposits | 0.0% | NR |
| LAIF | 0.2% | NR |
| Negotiable CD | 0.9% | |
| Commercial Paper | 3.7% | AAA |
| Money Market Funds | 21.2% | TSY |
| Municipal Bonds | 0.3% | |
| Corporate FDIC Guaranteed | 0.9% | AAA |

Duration/Maturity Distribution

% of Portfolio

| <u>Years</u> | <u>Maturity</u> |
|-----------------|-----------------|
| 0 - .25 | 27.8% |
| .25 -.50 | 6.5% |
| .5 - 1 | 10.6% |
| 1 year-2 year | 22.8% |
| 2 year-3 year | 20.4% |
| 3 year- 4 year | 6.4% |
| 4 -year- 5 year | 5.5% |
| 5 year + | 0.0% |