

*Gordon B. Ford*

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
ACTION AGENDA SUMMARY

DEPT: Treasurer-Tax Collector

BOARD AGENDA # \*B-7

Urgent  Routine

AGENDA DATE August 7, 2012

CEO Concurs with Recommendation YES  NO   
(Information Attached)

4/5 Vote Required YES  NO

SUBJECT:

Acceptance of the Annual Reports for the County of Stanislaus Tobacco Endowment Funds - Series 2002 and Series 2006 for Fiscal Year Ending June 30, 2012

STAFF RECOMMENDATIONS:

1. Accept the Annual Reports for the County of Stanislaus Tobacco Endowment Funds - Series 2002 and Series 2006 for Fiscal Year Ending June 30, 2012.
2. Authorize the Chairman of the Board of Supervisors to sign on behalf of the Board that the reports have been reviewed and accepted.

FISCAL IMPACT:

Preparation of these annual reports is a minimal cost to the County. Costs associated with managing the Tobacco Endowment Fund Series 2002 were \$4,954.80 for Fiscal Year 2011/2012. While the fund generated \$2,431,533.30 in interest earnings for the fiscal year ending June 30, 2012, the General Fund's portion of these earnings, which is 80% net of expenses or \$1,940,271.84, will be used towards paying off the accumulated deficit in the Health Services Agency Enterprise Fund in the current fiscal year 2012/2013.

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BOARD ACTION AS FOLLOWS:

No. 2012-409

On motion of Supervisor Withrow, Seconded by Supervisor De Martini

and approved by the following vote,

Ayes: Supervisors: Chiesa, Withrow, De Martini, and Chairman O'Brien

Noes: Supervisors: None

Excused or Absent: Supervisors: Monteith

Abstaining: Supervisor: None

1)  Approved as recommended

2)  Denied

3)  Approved as amended

4)  Other:

MOTION:

*Christine Ferraro*

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

**FISCAL IMPACT CONTINUED:**

Costs associated with managing the Tobacco Endowment Series 2006 Fund were \$4,435.80 for Fiscal Year 2011/2012. This fund generated \$839,223.41 in interest earnings for the fiscal year ending June 30, 2012, of which \$666,942.93 (80% net of expenses) has been transferred to the General Fund as discretionary revenue in the current Fiscal Year 2012/2013.

**DISCUSSION:**

In November 1998, the Attorneys General of 46 states (including California), the District of Columbia, the Commonwealth of Puerto Rico, Guam, The United States Virgin Islands, American Samoa and the Territory of the Northern Marianas (collectively, the "Settling States") and the four largest United States tobacco manufacturers (OPM's) entered into a master settlement agreement in resolution of cigarette-smoking related litigation. The master settlement agreement released the OPM's from past, present and future smoking-related claims in exchange for, among other things, certain payments to be made to the settling states.

On August 5, 1998 the counsel for the State of California and various cities and counties therein ("participating jurisdictions") entered into a memorandum of understanding (MOU). Pursuant to the MOU, participating jurisdictions were entitled to receive a portion of the payments made to the State of California in accordance with the master settlement agreement. Some jurisdictions, in an effort to manage/mitigate the risks associated with the receipt of the Tobacco Settlement Revenues (TSRs) opted to securitize this revenue stream.

On June 6, 2000, the Board of Supervisors authorized the Chief Executive Officer and the Debt Advisory Committee to proceed with the securitization of the County's share of the TSRs by issuing Tobacco Settlement Asset-Backed Bonds. In March 2002, the County sold their interest in the TSRs, received \$52,403,206 and subsequently placed the funds in an endowment.

In January 2002, the County Board of Supervisors delegated responsibility for the investment of the TSRs to the County Treasurer/Tax Collector in accordance with Stanislaus County's Investment Policy for the Investment of the Proceeds from the Securitization of the Tobacco Industry's Master Settlement Agreement. This policy includes language that mandates preparation of an annual report by the Office of the Treasurer/Tax Collector no later than August 15<sup>th</sup> following the close of each fiscal year on June 30. The report is to be forwarded to the Board of Supervisors for final review and acceptance.

Acceptance of the Annual Reports for the County of Stanislaus Tobacco Endowment Funds - Series 2002 and Series 2006 for Fiscal Year Ending June 30, 2012

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Interest earnings in the Tobacco Endowment Fund Series 2002 for Fiscal Year 2011/2012 were \$2,431,533.30. In accordance with the investment policy, interest and net gains received have been distributed as follows: 80% net of expenses or \$1,940,271.84 was distributed to the General Fund as discretionary revenue and the remaining 20% was re-invested in the endowment in the current fiscal year. On September 14, 2004, in the 2003/2004 Final Budget, the Board of Supervisors decided that the annual distribution that is received by the General Fund would be dedicated towards paying down the Health Services Agency accumulated deficit.

Since the offering of the 2002 Tobacco Bonds, interest rates fell and investor demand for tobacco settlement asset-backed bonds greatly improved giving the County the opportunity to either refund or restructure the 2002 bonds or issue additional bonds. In January 2006, the Board of Supervisors authorized the Chief Executive Officer and the Debt Advisory Committee to proceed with determining the optimal bond structure for the County.

On March 29, 2006, Stanislaus County issued \$42,153,611.25 in bonds to further securitize the Tobacco Settlement Revenues. Of that amount, \$40,971,290.96 was placed in an endowment - the County of Stanislaus Tobacco Endowment Series 2006 Fund. During the Fiscal Year 2009/2010, \$7,475,978.00 was withdrawn from this fund to provide a loan to the Animal Services Facility Capital Project as approved by the Stanislaus County Board of Supervisor's agenda item 2009-522 dated August 4, 2009. During the Fiscal Year 2011/2012, \$1,041,911.64 was withdrawn from this fund to provide a loan to the Coroner's Facility Capital Project and final debt payment for the medical arts building which will be re-used for the Coroner's facility as approved by the Stanislaus County Board of Supervisor's Agenda item 2011-746 dated December 13, 2011. The balance in the fund at June 30, 2012 was \$31,739,030.66. While these funds are invested separately, they fall under Stanislaus County's Investment Policy for the Investment of the Proceeds from the Securitization of the Tobacco Industry's Master Settlement Agreement, and are invested within the parameters of that policy.

Interest earnings in the Tobacco Endowment Fund Series 2006 for Fiscal Year 2011/2012 were \$839,223.41. In accordance with the investment policy, interest and net gains received have been distributed as follows: 80% net of expenses or \$666,942.93 was distributed to the General Fund as discretionary revenue and the remaining 20% was re-invested in the endowment in the current fiscal year.

The 2002 Tobacco Portfolio includes investments in long term municipal bonds. During the Fiscal Year 2011/2012, eight municipal bonds were called with a par value of \$11,595,000.00, three long term State of California municipal bonds were purchased with a par value of \$5,590,000.00 and one State of California Revenue Anticipation Note with a par value of \$3,050,000 was purchased and matured.

Acceptance of the Annual Reports for the County of Stanislaus Tobacco Endowment Funds - Series 2002 and Series 2006 for Fiscal Year Ending June 30, 2012  
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As of June 30, 2012, the Series 2002 Tobacco Portfolio balance was \$62,952,750.11 and had a market to book value of 101.3%.

The 2006 Tobacco Portfolio has included investments in long term municipal bonds since Fiscal Year 2010/2011. During the Fiscal Year 2011/2012, five municipal bonds were purchased with a par value of \$10,340,000.00. The funds for these purchases were withdrawn from lower yielding 2006 Tobacco short term accounts, thereby increasing the yield and value of the overall portfolio. As of June 30, 2012, the Series 2006 Tobacco Portfolio balance was \$31,739,030.66 and had a market to book value of 104.0%.

**POLICY ISSUES:**

Stanislaus County's Investment Policy for the Investment of the Proceeds from the Securitization of the Tobacco Industry's Master Settlement Agreement mandates that the Office of the Treasurer/Tax Collector prepare an annual report for the Board of Supervisors.

Approval of this agenda item will support the Board's priority of Efficient Delivery of Public Services.

**STAFFING IMPACT:**

There is no staffing impact associated with this agenda item.

**CONTACT PERSON:**

Gordon B. Ford, Treasurer-Tax Collector

Telephone: 209-525-4463



**OFFICE OF TREASURER/TAX COLLECTOR**

**Gordon B. Ford**  
Treasurer/Tax Collector

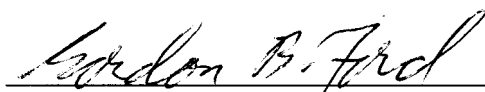
PO Box 3052, Modesto, CA 95353-3052  
Phone: 209.525.6524 Fax: 209.525.4333

County of Stanislaus Tobacco Endowment Series 2002 Fund  
Annual Report  
June 2012


The Stanislaus County Tobacco Endowment Series 2002 Fund generated \$2,431,533.30 in interest income for the fiscal year ending June 30, 2012. The cash receipts yielded an average interest rate of 3.5%. Eight municipal bonds were called prior to maturity resulting in a net loss of \$54,266.07 in unamortized premium which was recorded as an offset against interest income and is included in the above amount. Costs associated with managing the fund were \$4,954.80 giving a net distribution to the County of \$1,940,271.84 which was distributed to the County on July 12, 2012.

The portfolio has been reviewed by both the Treasurer and the Chief Deputy Treasurer for compliance with the investment policy. All investments are non-AMT investments and no taxable interest was generated. The Union Bank of California custodial statement has been reviewed by both the Treasurer and Chief Deputy Treasurer for accuracy and completeness. The custodial statement is the source of market valuation for securities held by our custodial agent. All other securities are valued at cost.

  
Dolores Sarenana, Chief Deputy Treasurer

  
Gordon B. Ford, Treasurer

The County of Stanislaus Board of Supervisors has reviewed and accepted the Stanislaus County Tobacco Endowment Fund annual report

  
Chairman, Board of Supervisors

STANISLAUS COUNTY 2002 TOBACCO SERIES  
MUNICIPAL BOND ACTIVITY  
UNION BANK OF CALIFORNIA, ACCOUNT# XXXXXX0241  
FISCAL YEAR ENDING JUNE 2012

INV #	CUSIP	AGENCY	PAR	COST	PAR PAID	COUPON	YIELD	MATURITY	
					@CALL				
HOLDINGS ON JUNE 30, 2011			45,165,000.00	45,814,474.70					
PURCHASES:									
9/22/2011	43	13063BLK6	CALIFORNIA STATE RAN	3,050,000.00	3,087,027.00		2.00%	0.40%	6/26/2012
9/28/2011	44	13063BLW0	CALIFORNIA STATE GOB	2,500,000.00	2,482,025.00		4.25%	4.31%	9/1/2028
4/24/2012	46	13063BWM0	CALIFORNIA STATE GOB	2,000,000.00	1,971,540.00		2.50%	2.68%	4/1/2021
4/24/2012	47	13063BWZ1	CALIFORNIA STATE GOB	1,090,000.00	1,289,448.20		5.00%	2.87%	4/1/2022
TOTAL PURCHASES:			8,640,000.00	8,830,040.20					
CALLS:									
8/1/2011	5	7976526Z2	SAN FRANCISCO AIRPORT	385,000.00	385,000.00	385,000.00	4.50%	4.98%	5/1/2026
8/1/2011	6	7976527Z1	SAN FRANCISCO AIRPORT	225,000.00	210,066.75	225,000.00	4.50%	4.98%	5/1/2026
8/1/2011	13	359796AT6	FULLERTON CA JT UNION HIGH SCHOOL	2,000,000.00	2,103,520.00	2,000,000.00	5.00%	4.57%	8/1/2020
9/23/2011	5	7976526Z2	SAN FRANCISCO AIRPORT	415,000.00	415,000.00	415,000.00	4.50%	4.98%	5/1/2026
9/23/2011	6	7976527Z1	SAN FRANCISCO AIRPORT	240,000.00	224,071.20	240,000.00	4.50%	4.98%	5/1/2026
2/1/2012	23	540261FT6	LODI CA UNIFIED SCHOOL DISTRICT	2,500,000.00	2,528,650.00	2,525,000.00	5.00%	4.91%	8/1/2023
3/23/2012	5	7976526Z2	SAN FRANCISCO AIRPORT	200,000.00	200,000.00	200,000.00	4.50%	4.98%	5/1/2026
3/23/2012	6	7976527Z1	SAN FRANCISCO AIRPORT	265,000.00	247,411.95	265,000.00	4.50%	4.98%	5/1/2026
4/2/2012	38	13062T3G7	CALIFORNIA STATE GOB	690,000.00	690,000.00	690,000.00	4.50%	4.70%	7/1/2023
5/1/2012	11	13062NG92	CALIFORNIA STATE GOB	1,800,000.00	1,915,182.00	1,800,000.00	5.00%	4.50%	2/1/2022
5/1/2012	39	13062T3R3	CALIFORNIA STATE GOB	875,000.00	875,000.00	875,000.00	5.00%	5.00%	4/1/2027
6/12/2012	22	231210FG5	CUPERTINO CA	2,000,000.00	1,947,300.00	2,000,000.00	4.50%	4.70%	7/1/2023
TOTAL CALLS:			11,595,000.00	11,741,201.90	11,620,000.00				
MATURITIES:									
6/26/2012	43	13063BLK6	CALIFORNIA STATE RAN	3,050,000.00	3,087,027.00		2.00%	0.40%	26-Jun-12
TOTAL MATURITIES:			3,050,000.00	3,087,027.00					
HOLDINGS ON JUNE 30, 2012			39,160,000.00	39,816,286.00					

STANISLAUS COUNTY 2002 TOBACCO SERIES  
MONEY MARKET FUND ACTIVITY  
INVESCO, INVESTMENT# 15, ACCOUNT# XXXXXX6492  
FISCAL YEAR ENDING JUNE 2012

	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11
BEGINNING	10,244,911.19	10,311,330.09	10,311,505.86	4,742,629.63	4,742,780.35	4,742,861.26
INTEREST	168.90	175.77	175.77	150.72	80.91	205.70
ADDITIONS	66,250.00					
WITHDRAWALS			(5,569,052.00)			
ENDING VALUE	10,311,330.09	10,311,505.86	4,742,629.63	4,742,780.35	4,742,861.26	4,743,066.96

	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	YTD
BEGINNING	4,743,066.96	4,743,430.27	4,743,793.67	7,744,132.55	6,483,410.93	6,483,846.45	10,244,911.19
INTEREST	363.31	363.40	338.88	266.58	435.52	308.63	3,034.09
ADDITIONS			3,000,000.00	2,000,000.00			5,066,250.00
WITHDRAWALS				(3,260,988.20)			(8,830,040.20)
TOTAL	4,743,430.27	4,743,793.67	7,744,132.55	6,483,410.93	6,483,846.45	6,484,155.08	6,484,155.08

STANISLAUS COUNTY 2002 TOBACCO SERIES  
MUTUAL FUND ACTIVITY  
USAA, INVESTMENT# 19, ACCOUNT# XXXXXXX7035  
FISCAL YEAR ENDING JUNE 2012

	TRANSACT. SHARES	CUMULATIVE SHARES	PRICE	PURCHASE	WITHDRAWAL	INTEREST EARNINGS	TOTAL AS SUM OF DOLLARS	TOTAL SHARES AT ENDING PRICE
30-Jun-11		383,675.317	10.72				4,025,298.83	4,112,999.40
29-Jul-12	825.779	384,501.096	10.76			8,885.38	4,034,184.21	4,137,231.79
2-Aug-11	283,100.046	667,601.142	10.77	3,048,987.50			7,083,171.70	7,190,064.30
31-Aug-11	1,361.286	668,962.428	10.79			14,688.28	7,097,859.98	7,218,104.60
1-Sep-11	24,671.571	693,633.999	10.79	266,206.25			7,364,066.23	7,484,310.85
15-Sep-11	4,629.630	698,263.629	10.80	50,000.00			7,414,066.23	7,541,247.19
23-Sep-11	61,724.653	759,988.282	10.80	666,626.25			8,080,692.49	8,207,873.45
30-Sep-11	1,595.799	761,584.081	10.78			17,202.71	8,097,895.20	8,209,876.39
3-Oct-11	18,398.655	779,982.736	10.78	198,337.50			8,296,232.70	8,408,213.89
31-Oct-11	1,540.463	781,523.199	10.74			16,544.57	8,312,777.27	8,393,559.16
1-Nov-11	3,298.837	784,822.036	10.75	35,462.50			8,348,239.77	8,436,836.89
30-Nov-11	1,673.705	786,495.741	10.75			17,992.33	8,366,232.10	8,454,829.22
1-Dec-12	2,325.581	788,821.322	10.75	25,000.00			8,391,232.10	8,479,829.21
30-Dec-11	1,775.940	790,597.262	10.79			19,162.39	8,410,394.49	8,530,544.46
3-Jan-12	6,139.944	796,737.206	10.79	66,250.00			8,476,644.48	8,596,794.45
31-Jan-12	1,493.970	798,231.176	10.83			16,179.70	8,492,824.18	8,644,843.64
2-Feb-12	268,184.963	1,066,416.139	10.84	2,907,125.00			11,399,949.18	11,559,950.95
29-Feb-12	2,054.634	1,068,470.773	10.84			22,272.23	11,422,221.41	11,582,223.18
1-Mar-12	28,723.478	1,097,194.251	10.84	311,362.50			11,733,583.91	11,893,585.68
15-Mar-12	4,625.347	1,101,819.598	10.81	50,000.00			11,783,583.91	11,910,669.85
15-Mar-12	21,970.398	1,123,789.996	10.81	237,500.00			12,021,083.92	12,148,169.86
20-Mar-12	-22,011.121	1,101,778.875	10.79		-237,500.00		11,783,583.92	11,888,194.06
23-Mar-12	43,819.792	1,145,598.667	10.80	473,253.75			12,256,837.67	12,372,465.60
28-Mar-12	-277,779.630	867,819.037	10.80		-3,000,020.00		9,256,817.67	9,372,445.60
30-Mar-12	2,106.856	869,925.893	10.80			22,754.04	9,279,571.71	9,395,199.64
2-Apr-12	82,253.472	952,179.365	10.80	888,337.50			10,167,909.21	10,283,537.14
2-Apr-12	-185,187.037	766,992.328	10.80		-2,000,020.00		8,167,889.21	8,283,517.14
30-Apr-12	1,417.840	768,410.168	10.82			15,341.03	8,183,230.24	8,314,198.02
1-May-12	251,721.711	1,020,131.879	10.83	2,726,146.13			10,909,376.37	11,048,028.25
31-May-12	1,794.344	1,021,926.223	10.84			19,450.69	10,928,827.06	11,077,680.26
1-Jun-12	2,306.273	1,024,232.496	10.84	25,000.00			10,953,827.06	11,102,680.26
12-Jun-12	188,388.735	1,212,621.231	10.83	2,040,250.00			12,994,077.06	13,132,687.93
26-Jun-12	285,912.076	1,498,533.307	10.83	3,096,427.78			16,090,504.84	16,229,115.71
29-Jun-12	1,963.921	1,500,497.228	10.83			21,269.26	16,111,774.11	16,250,384.98
Totals				17,112,272.661	-5,237,540.000	211,742.620		





**2002 Tobacco Series 2011/12  
Portfolio Management  
Portfolio Summary  
June 30, 2012**

<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>
Money Market Funds	6,484,155.08	6,484,155.08	6,484,155.08	10.43	1	1	0.020	0.020
Mutual Fund	16,111,774.11	16,250,384.98	16,111,774.11	25.92	1	1	1.055	1.070
Municipal Bonds	39,160,000.00	40,218,210.05	39,559,853.96	63.65	7,732	4,858	4.496	4.559
<b>Investments</b>	<b>61,755,929.19</b>	<b>62,952,750.11</b>	<b>62,155,783.15</b>	<b>100.00%</b>	<b>4,922</b>	<b>3,092</b>	<b>3.137</b>	<b>3.181</b>

<b>Total Earnings</b>	<b>June 30 Month Ending</b>	<b>Fiscal Year To Date</b>	<b>Fiscal Year Ending</b>
Current Year	203,447.39	2,222,276.17	2,222,276.17
<b>Average Daily Balance</b>	<b>62,075,465.11</b>	<b>61,062,622.16</b>	
<b>Effective Rate of Return</b>	<b>3.99%</b>	<b>3.63%</b>	

Market Values have been reconciled to Union Bank of California Custody Statement and differ only by the amount of Accrued Interest at Purchase which has not been received. This figure can be found on the Investment Status Report.

Gordon B. Ford, Treasurer/Tax Collector

**2002 Tobacco Series 2011/12  
Portfolio Management  
Portfolio Details - Investments  
June 30, 2012**

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>Money Market Funds</b>												
SYS15	15	Invesco Tax Free Inst Fund			6,484,155.08	6,484,155.08	6,484,155.08	0.020	0.020	0.020	1	
<b>Subtotal and Average</b>			<b>6,484,155.08</b>		<b>6,484,155.08</b>	<b>6,484,155.08</b>	<b>6,484,155.08</b>	<b>0.020</b>	<b>0.020</b>	<b>0.020</b>	<b>1</b>	
<b>Mutual Fund</b>												
SYS19	19	USAA Tax-Exempt Short-Term Fun		07/01/2002	16,111,774.11	16,250,384.98	16,111,774.11	1.070	1.055	1.070	1	
<b>Subtotal and Average</b>			<b>12,763,474.64</b>		<b>16,111,774.11</b>	<b>16,250,384.98</b>	<b>16,111,774.11</b>	<b>1.055</b>	<b>1.070</b>	<b>1.070</b>	<b>1</b>	
<b>Municipal Bonds</b>												
21969PBW8	14	Corona Calif Pub Fing Auth		09/10/2002	1,170,000.00	1,174,399.20	1,169,862.18	3.625	3.659	3.710	62	09/01/2012
212218LC3	25	Contra Costa Wtr Dist Wtr Rev		12/19/2002	2,000,000.00	2,019,580.00	1,997,488.14	4.250	4.241	4.300	1,187	10/01/2015
861419HB8	26	Stockton USD		01/23/2003	1,000,000.00	1,007,910.00	1,000,000.00	4.250	4.192	4.250	1,279	01/01/2016
13062NL96	4	California State		08/30/2002	2,000,000.00	2,426,500.00	2,125,291.45	6.000	4.162	4.220	1,735	04/01/2017
13063BWM0	46	State of California		04/24/2012	2,000,000.00	1,964,400.00	1,972,132.73	2.500	2.644	2.680	3,196	04/01/2021
13062NG92	11	California State		09/09/2002	200,000.00	200,618.00	206,323.85	5.000	4.440	4.502	3,502	02/01/2022
13063BWZ1	47	State of California		04/24/2012	1,090,000.00	1,305,449.40	1,285,712.38	5.000	2.831	2.870	3,561	04/01/2022
343261EQ2	9	Florin Calif Resource Consv Di		09/09/2002	2,000,000.00	2,044,060.00	2,000,000.00	4.750	4.685	4.750	3,714	09/01/2022
156809CV5	21	Cerritos Pub Fing Auth Rev Tax		10/21/2002	1,000,000.00	1,072,140.00	1,000,000.00	5.000	4.931	5.000	3,775	11/01/2022
261005JA1	33	Downey Unified School District		06/08/2004	1,080,000.00	1,105,401.60	1,076,905.48	5.000	4.972	5.041	4,048	08/01/2023
796720AX8	30	San Bernardino Comm Coll		02/06/2004	2,125,000.00	2,228,296.25	2,188,817.25	5.000	4.524	4.587	4,048	08/01/2023
196904EZ5	10	Colton Calif Pub Fing Auth Rev		09/09/2002	1,930,000.00	1,931,852.80	1,930,000.00	4.750	4.685	4.750	4,292	04/01/2024
542433FY8	35	Long Beach USD		06/22/2004	1,630,000.00	1,652,037.60	1,616,977.18	5.000	5.031	5.101	4,779	08/01/2025
612553BW6	3	Monterey Park CA Redev Agy Tax		08/22/2002	2,000,000.00	2,005,200.00	1,963,818.24	4.750	4.902	4.970	5,175	09/01/2026
13062T3R3	39	California State		05/25/2007	435,000.00	435,835.20	435,000.00	5.000	4.932	5.001	5,387	04/01/2027
18933QAX4	28	Clovis Public Financing Auth		02/06/2004	2,000,000.00	2,025,820.00	2,048,973.29	5.000	4.671	4.736	5,722	03/01/2028
13063BLW0	44	State of California		09/28/2011	2,500,000.00	2,615,750.00	2,482,830.38	4.250	4.251	4.311	5,906	09/01/2028
797300XY1	34	San Diego Redev		06/14/2004	2,000,000.00	1,918,500.00	1,981,439.03	5.000	5.030	5.100	5,906	09/01/2028
79875FDR0	1	San Marcos Calif Pub Faci Auth		08/22/2002	2,000,000.00	2,032,860.00	1,982,829.95	4.875	4.892	4.960	6,970	08/01/2031
798153FC1	24	San Jose Ca Fing Auth Lease Re		11/14/2002	1,000,000.00	1,002,140.00	987,725.33	5.000	5.049	5.119	7,275	06/01/2032
171294DZ1	2	Chula Vista Calif CTFS Partn		08/22/2002	2,000,000.00	2,021,920.00	2,000,000.00	5.000	4.931	5.000	7,336	08/01/2032
901073DA1	8	Tustin Calif Uni Sch Dist SPL		09/03/2002	2,000,000.00	2,007,140.00	2,000,000.00	5.000	4.931	5.000	7,367	09/01/2032
769045PU3	29	Riverside Redevelopment		02/06/2004	2,000,000.00	2,003,240.00	2,054,699.48	5.000	4.692	4.757	7,701	08/01/2033
900207CF6	31	Turlock Financing Auth		02/06/2004	2,000,000.00	2,017,160.00	2,053,027.62	5.000	4.700	4.765	7,746	09/15/2033
<b>Subtotal and Average</b>			<b>42,827,835.39</b>		<b>39,160,000.00</b>	<b>40,218,210.05</b>	<b>39,559,853.96</b>	<b>4.496</b>	<b>4.559</b>	<b>4.858</b>		

**2002 Tobacco Series 2011/12  
 Portfolio Management  
 Portfolio Details - Investments  
 June 30, 2012**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity
<b>Total and Average</b>			62,075,465.11		61,755,929.19	62,952,750.11	62,155,783.15		3.137	3.181	3,092

**2002 Tobacco Series 2011/12  
Portfolio Management  
Activity By Type  
June 1, 2012 through June 30, 2012**

CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
<b>Money Market Funds (Monthly Summary)</b>							
SYS15	15	Invesco Tax Free Inst Fund	0.020		308.63	0.00	
		<b>Subtotal</b>			<b>308.63</b>	<b>0.00</b>	<b>6,484,155.08</b>
<b>Mutual Fund</b>							
SYS19	19	USAA Tax-Exempt Short-Term Fun	1.070		5,182,947.05	0.00	
		<b>Subtotal</b>			<b>5,182,947.05</b>	<b>0.00</b>	<b>16,111,774.11</b>
<b>Municipal Bonds</b>							
13063BLK6	43	State of California	2.000	06/26/2012	0.00	3,050,000.00	
231210FG5	22	Cupertino CA CTFS Partn Refina	4.500	06/12/2012	0.00	1,971,853.25	
		<b>Subtotal</b>			<b>0.00</b>	<b>5,021,853.25</b>	<b>39,559,853.96</b>
		<b>Total</b>			<b>5,183,255.68</b>	<b>5,021,853.25</b>	<b>62,155,783.15</b>

**2002 Tobacco Series 2011/12  
Portfolio Management  
Activity Summary  
June 2011 through June 2012**

Month End	Year	Number of Securities	Total Invested	Yield to Maturity		Managed Pool Rate	Number of Investments Purchased	Number of Investments Redeemed	Average Term	Average Days to Maturity
				360 Equivalent	365 Equivalent					
June	2011	29	59,746,881.45	3.685	3.736	0.020	0	0	6,124	3,864
July	2011	29	59,818,966.50	3.677	3.729	0.040	0	0	6,117	3,836
August	2011	26	60,243,102.42	3.515	3.564	0.020	0	3	5,767	3,622
September	2011	28	60,611,010.73	3.648	3.698	0.020	2	2	5,909	3,791
October	2011	30	60,819,045.24	3.659	3.710	0.020	0	0	5,889	3,753
November	2011	30	60,865,582.76	3.658	3.708	0.060	0	0	5,884	3,727
December	2011	30	60,902,952.53	3.652	3.703	0.060	0	0	5,880	3,700
January	2012	30	60,978,747.27	3.623	3.673	0.060	0	0	5,872	3,671
February	2012	29	61,385,746.41	3.438	3.486	0.060	0	1	5,523	3,453
March	2012	27	61,789,915.31	3.336	3.383	0.060	0	2	5,424	3,370
April	2012	28	61,996,520.17	3.392	3.439	0.060	2	1	5,504	3,456
May	2012	26	62,001,743.76	3.224	3.269	0.020	0	2	5,188	3,249
June	2012	26	62,155,783.15	3.137	3.181	0.020	0	2	4,922	3,092
<b>Average</b>		<b>28</b>	<b>61,024,307.52</b>	<b>3.511%</b>	<b>3.560%</b>	<b>0.040</b>	<b>0</b>	<b>1</b>	<b>5,693</b>	<b>3,583</b>

**2002 Tobacco Series 2011/12  
Portfolio Management  
Distribution of Investments By Type  
June 2011 through June 2012**

Security Type	June 2011	July 2011	August 2011	September 2011	October 2011	November 2011	December 2011	January 2012	February 2012	March 2012	April 2012	May 2012	June 2012	Average by Period
Money Market Funds	17.2	17.2	17.1	7.8	7.8	7.8	7.8	7.8	7.7	12.5	10.5	10.5	10.4	10.9%
Mutual Fund	6.7	6.7	11.8	13.4	13.7	13.8	13.8	13.9	18.6	15.0	13.2	17.6	25.9	14.2%
Municipal Bonds	76.1	76.0	71.1	78.8	78.5	78.5	78.4	78.3	73.7	72.5	76.3	71.9	63.7	74.9%

**2002 Tobacco Series 2011/12  
Portfolio Management  
Interest Earnings Summary  
June 30, 2012**

	June 30 Month Ending	Fiscal Year To Date
<b>CD/Coupon/Discount Investments:</b>		
Interest Collected	111,677.78	2,248,618.49
Plus Accrued Interest at End of Period	594,165.97	578,528.48
Less Accrued Interest at Beginning of Period	( 544,412.85)	( 742,913.20)
Less Accrued Interest at Purchase During Period	( 0.00)	( 0.00)
Interest Earned during Period	161,430.90	2,084,233.77
Adjusted by Premiums and Discounts	-7,363.04	-74,602.81
Adjusted by Capital Gains or Losses	28,146.75	-2,254.87
Earnings during Periods	182,214.61	2,007,376.09
<b>Pass Through Securities:</b>		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	( 0.00)	( 0.00)
Less Accrued Interest at Purchase During Period	( 0.00)	( 0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
<b>Cash/Checking Accounts:</b>		
Interest Collected	21,577.90	214,776.71
Plus Accrued Interest at End of Period	-6,349.56	-6,349.56
Less Accrued Interest at Beginning of Period	( -6,004.44)	( -6,472.94)
Interest Earned during Period	21,232.78	214,900.09
<b>Total Interest Earned during Period</b>	<b>182,663.68</b>	<b>2,299,133.86</b>
<b>Total Adjustments from Premiums and Discounts</b>	<b>-7,363.04</b>	<b>-74,602.81</b>
<b>Total Capital Gains or Losses</b>	<b>28,146.75</b>	<b>-2,254.87</b>
<b>Total Earnings during Period</b>	<b>203,447.39</b>	<b>2,222,276.18</b>

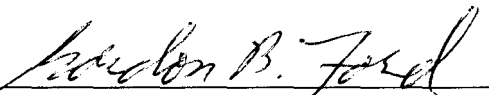


County of Stanislaus Tobacco Endowment Series 2006 Fund  
Annual Report  
June 2012

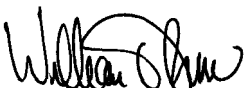
The Stanislaus County Tobacco Endowment Series 2006 Fund generated \$839,223.41 in interest income for the fiscal year ending June 30, 2012. The cash receipts yielded an average interest rate of 2.74%. No sales were made prior to maturity and no gains due to sale were recorded. Costs associated with managing the fund were \$4,435.80, giving a net distribution to the County of \$666,942.93 which was distributed to the County on July 12, 2012.

The portfolio has been reviewed by both the Treasurer and the Chief Deputy Treasurer for compliance with the investment policy. All investments are non-AMT investments and no taxable interest was generated. All securities are valued at cost.

  
Dolores Sarenaha, Chief Deputy Treasurer

  
Gordon B. Ford, Treasurer

The County of Stanislaus Board of Supervisors has reviewed and accepted the Stanislaus County Tobacco Endowment Fund annual report

  
Chairman, Board of Supervisors



STANISLAUS COUNTY 2006 TOBACCO SERIES  
MUNICIPAL BOND ACTIVITY  
UNION BANK OF CALIFORNIA, ACCOUNT# XXXXXX0242  
FISCAL YEAR ENDING JUNE 2012

CUSIP	AGENCY	PAR	COST	COUPON	YIELD	MATURITY
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HOLDINGS ON JUNE 30, 2011	7,920,000.00	7,809,195.35	
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PURCHASES:

9/28/2011	13063BLV2	CALIFORNIA STATE GOB	2,500,000.00	2,702,725.00	5.25%	4.24%	9/1/2027
9/28/2011	13063BNC2	CALIFORNIA STATE GOB	1,500,000.00	1,634,325.00	5.25%	4.14%	9/1/2026
4/3/2012	797646RB4	SAN FRANCISCO	2,230,000.00	2,372,586.20	4.00%	3.11%	6/15/2026
4/3/2012	797646RB4	SAN FRANCISCO	2,000,000.00	2,127,880.00	4.00%	3.11%	6/15/2026
4/3/2012	544351HH5	LOS ANGELES, CA	2,110,000.00	2,440,193.90	4.00%	1.74%	9/1/2019
TOTAL PURCHASES:			10,340,000.00	11,277,710.10			

CALLS:

NONE						
TOTAL CALLS:		0.00	0.00			

HOLDINGS ON JUNE 30, 2012	18,260,000.00	19,086,905.45	
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STANISLAUS COUNTY 2006 TOBACCO SERIES  
MONEY MARKET FUND ACTIVITY  
INVESCO, INVESTMENT# 10000, ACCOUNT# XXXXXX6493  
FISCAL YEAR ENDING JUNE 2012

	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11
BEGINNING	7,129,225.62	4,725,292.37	4,725,398.05	388,428.65	7,388,499.48	7,388,559.89
INTEREST	117.60	105.68	80.60	70.83	60.41	320.46
ADDITIONS				7,000,000.00		
WITHDRAWALS	-2,404,050.85		-4,337,050.00			
ENDING VALUE	4,725,292.37	4,725,398.05	388,428.65	7,388,499.48	7,388,559.89	7,388,880.35

	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	YTD
BEGINNING	7,388,880.35	7,389,446.10	7,390,012.01	11,390,539.86	7,431,076.70	7,431,386.57	7,129,225.62
INTEREST	565.75	565.91	527.85	449.16	309.87	353.59	3,527.71
ADDITIONS			4,000,000.00	3,000,000.00			14,000,000.00
WITHDRAWALS				-6,959,912.32			-13,701,013.17
TOTAL	7,389,446.10	7,390,012.01	11,390,539.86	7,431,076.70	7,431,386.57	7,431,740.16	7,431,740.16

STANISLAUS COUNTY 2006 TOBACCO SERIES  
MUTUAL FUND ACTIVITY  
USAA, INVESTMENT# 10001, ACCOUNT# XXXXXXX3596  
FISCAL YEAR ENDING JUNE 2012

	TRANSACT. SHARES	CUMULATIVE SHARES	PRICE	PURCHASE	WITHDRAWAL	INTEREST EARNINGS	TOTAL AS SUM OF DOLLARS	TOTAL SHARES AT ENDING PRICE
30-Jun-11		1,695,003.836	10.72				18,212,454.59	18,170,441.12
29-Jul-11	3,648.131	1,698,651.967	10.76			39,253.89	18,251,708.48	18,277,495.16
31-Aug-11	3,564.059	1,702,216.026	10.79			38,456.20	18,290,164.68	18,366,910.92
1-Sep-11	6,024.966	1,708,240.992	10.79	65,009.38			18,355,174.06	18,431,920.30
30-Sep-11	3,845.878	1,712,086.870	10.78			41,458.56	18,396,632.62	18,456,296.46
3-Oct-11	12,778.293	1,724,865.163	10.78	137,750.00			18,534,382.62	18,594,046.46
17-Oct-11	-651,769.088	1,073,096.075	10.74		-7,000,000.00		11,534,382.62	11,525,051.85
31-Oct-11	2,781.778	1,075,877.853	10.74			29,876.30	11,564,258.92	11,554,928.14
30-Nov-11	2,294.730	1,078,172.583	10.75			24,668.35	11,588,927.27	11,590,355.27
30-Dec-11	2,427.597	1,080,600.180	10.79			26,193.77	11,615,121.04	11,659,675.94
31-Jan-12	2,026.793	1,082,626.973	10.83			21,950.17	11,637,071.21	11,724,850.12
29-Feb-12	2,122.601	1,084,749.574	10.84			23,008.99	11,660,080.20	11,758,685.38
1-Mar-12	11,243.081	1,095,992.655	10.84	121,875.00			11,781,955.20	11,880,560.38
2-Mar-12	2,987.489	1,098,980.144	10.84	32,384.38			11,814,339.58	11,912,944.76
22-Mar-12	-185,187.037	913,793.107	10.80		-2,000,020.00		9,814,319.58	9,868,965.56
23-Mar-12	-185,187.037	728,606.070	10.80		-2,000,020.00		7,814,299.58	7,868,945.56
30-Mar-12	1,955.778	730,561.848	10.80			21,122.40	7,835,421.98	7,890,067.96
2-Apr-12	12,754.630	743,316.478	10.80	137,750.00			7,973,171.99	8,027,817.96
16-Apr-12	-277,522.664	465,793.814	10.81		-3,000,020.00		4,973,151.99	5,035,231.13
30-Apr-12	1,121.660	466,915.474	10.82			12,136.36	4,985,288.35	5,052,025.43
31-May-12	828.149	467,743.623	10.84			8,977.14	4,994,265.49	5,070,340.87
15-Jun-12	4,209.603	471,953.226	10.83	45,590.00			5,039,855.49	5,111,253.44
28-Jun-12	-96,207.908	375,745.318	10.83		-1,041,931.64		3,997,923.84	4,069,321.79
29-Jun-12	760.370	376,505.688	10.83			8,234.81	4,006,158.65	4,077,556.60
Totals				540,358.765	-15,041,991.641	295,336.935		



**2006 Tobacco Series 2011/12  
Portfolio Management  
Portfolio Summary  
June 30, 2012**

<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>
Money Market Fund	7,431,740.16	7,431,740.16	7,431,740.16	24.36	1	1	0.020	0.020
Mutual Fund	4,006,158.65	4,077,556.60	4,006,158.65	13.13	1	1	1.055	1.070
Municipal Bonds	18,260,000.00	20,229,733.90	19,069,015.10	62.51	5,632	5,303	4.148	4.206
<b>Investments</b>	<b>29,697,898.81</b>	<b>31,739,030.66</b>	<b>30,506,913.91</b>	<b>100.00%</b>	<b>3,521</b>	<b>3,315</b>	<b>2.736</b>	<b>2.774</b>

<b>Total Earnings</b>	<b>June 30 Month Ending</b>	<b>Fiscal Year To Date</b>	<b>Fiscal Year Ending</b>
Current Year	74,064.35	899,071.03	899,071.03
<b>Average Daily Balance</b>	<b>31,424,345.02</b>	<b>31,225,575.16</b>	
<b>Effective Rate of Return</b>	<b>2.87%</b>	<b>2.87%</b>	

Gordon B. Ford, Treasurer/Tax Collector

**2006 Tobacco Series 2011/12  
Portfolio Management  
Portfolio Details - Investments  
June 30, 2012**

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>Money Market Fund</b>												
SYS10000	10000	Invesco Tax- Free Inst Fund			7,431,740.16	7,431,740.16	7,431,740.16	0.020	0.020	0.020	1	
SYS10004	10004	Tax Exempt Money Market Fund			0.00	0.00	0.00	0.010	0.010	0.010	1	
<b>Subtotal and Average</b>			<b>7,431,740.16</b>		<b>7,431,740.16</b>	<b>7,431,740.16</b>	<b>7,431,740.16</b>	<b>0.020</b>	<b>0.020</b>	<b>0.020</b>	<b>1</b>	
<b>Mutual Fund</b>												
SYS10001	10001	Tax Exempt Bond Fund		03/29/2006	4,006,158.65	4,077,556.60	4,006,158.65	1.070	1.055	1.070	1	
<b>Subtotal and Average</b>			<b>4,914,935.97</b>		<b>4,006,158.65</b>	<b>4,077,556.60</b>	<b>4,006,158.65</b>	<b>1.055</b>	<b>1.070</b>	<b>1.070</b>	<b>1</b>	
<b>Municipal Bonds</b>												
544351HH5	10015	Los Angeles Calif		04/03/2012	2,110,000.00	2,447,958.70	2,436,805.17	4.000	1.804	1.829	2,618	09/01/2019
797646RB4	10016	San Francisco Calif City & Cty		04/03/2012	2,000,000.00	2,134,580.00	2,125,678.62	4.000	3.381	3.428	5,097	06/15/2026
797646RB4	10017	San Francisco Calif City & Cty		04/03/2012	2,230,000.00	2,380,056.70	2,370,131.66	4.000	3.381	3.428	5,097	06/15/2026
13063BNC2	10014	State of California		09/28/2011	1,500,000.00	1,728,165.00	1,627,500.00	5.250	4.364	4.424	5,175	09/01/2026
13062TPM0	10009	State of California		01/20/2011	1,305,000.00	1,416,838.50	1,246,815.81	5.000	5.375	5.450	5,540	09/01/2027
13063BLV2	10013	State of California		09/28/2011	2,500,000.00	2,859,025.00	2,693,071.43	5.250	4.468	4.530	5,540	09/01/2027
13063BAS1	10007	State of California		10/27/2010	2,000,000.00	2,215,260.00	2,122,322.60	5.250	4.645	4.710	6,301	10/01/2029
13063BAR3	10008	State of California		01/19/2011	3,410,000.00	3,702,612.10	3,158,478.76	5.000	5.622	5.700	6,301	10/01/2029
13063BEP3	10006	State of California		10/07/2010	1,205,000.00	1,345,237.90	1,288,211.05	5.375	4.699	4.764	6,452	03/01/2030
<b>Subtotal and Average</b>			<b>19,077,668.89</b>		<b>18,260,000.00</b>	<b>20,229,733.90</b>	<b>19,069,015.10</b>	<b>4.148</b>	<b>4.206</b>	<b>4.206</b>	<b>5,303</b>	
<b>Total and Average</b>			<b>31,424,345.02</b>		<b>29,697,898.81</b>	<b>31,739,030.66</b>	<b>30,506,913.91</b>	<b>2.736</b>	<b>2.774</b>	<b>2.774</b>	<b>3,315</b>	

**2006 Tobacco Series 2011/12  
 Portfolio Management  
 Portfolio Details - Cash  
 June 30, 2012**

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			31,424,345.02		29,697,898.81	31,739,030.66	30,506,913.91		2.736	2.774	3,315

**2006 Tobacco Series 2011/12  
Portfolio Management  
Activity By Type  
June 1, 2012 through June 30, 2012**

CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
<b>Money Market Fund (Monthly Summary)</b>							
SYS10000	10000	Invesco Tax- Free Inst Fund	0.020		353.59	0.00	
		<b>Subtotal</b>			<b>353.59</b>	<b>0.00</b>	<b>7,431,740.16</b>
<b>Mutual Fund</b>							
SYS10001	10001	Tax Exempt Bond Fund	1.070		53,824.81	1,041,931.64	
		<b>Subtotal</b>			<b>53,824.81</b>	<b>1,041,931.64</b>	<b>4,006,158.65</b>
<b>Municipal Bonds</b>							
		<b>Subtotal</b>					<b>19,069,015.10</b>
		<b>Total</b>			<b>54,178.40</b>	<b>1,041,931.64</b>	<b>30,506,913.91</b>

**2006 Tobacco Series 2011/12  
Portfolio Management  
Activity Summary  
June 2011 through June 2012**

Month End	Year	Number of Securities	Total Invested	Yield to Maturity		Managed Pool Rate	Number of Investments Purchased	Number of Investments Redeemed	Average Term	Average Days to Maturity
				360 Equivalent	365 Equivalent					
June	2011	7	33,150,892.40	2.131	2.161	0.020	0	0	1,596	1,549
July	2011	7	30,786,764.37	2.240	2.271	0.040	0	0	1,719	1,660
August	2011	7	30,825,877.58	2.183	2.214	0.020	0	0	1,717	1,650
September	2011	9	30,932,796.38	2.746	2.784	0.020	2	0	2,507	2,432
October	2011	9	31,099,234.01	2.484	2.518	0.020	0	0	2,494	2,407
November	2011	9	31,122,703.27	2.485	2.520	0.060	0	0	2,492	2,393
December	2011	9	31,147,958.01	2.473	2.508	0.060	0	0	2,489	2,379
January	2012	9	31,169,214.43	2.403	2.436	0.060	0	0	2,487	2,365
February	2012	9	31,191,529.84	2.354	2.386	0.060	0	0	2,485	2,352
March	2012	9	31,366,139.97	2.197	2.228	0.060	0	0	2,471	2,327
April	2012	12	31,510,249.27	2.703	2.740	0.060	3	0	3,412	3,250
May	2012	12	31,512,976.71	2.684	2.721	0.020	0	0	3,411	3,230
June	2012	12	30,506,913.91	2.736	2.774	0.020	0	0	3,521	3,315
<b>Average</b>		<b>9</b>	<b>31,255,634.63</b>	<b>2.448%</b>	<b>2.482%</b>	<b>0.040</b>	<b>0</b>	<b>0</b>	<b>2,523</b>	<b>2,408</b>



**2006 Tobacco Series 2011/12  
Portfolio Management  
Distribution of Investments By Type  
June 2011 through June 2012**

Security Type	June 2011	July 2011	August 2011	September 2011	October 2011	November 2011	December 2011	January 2012	February 2012	March 2012	April 2012	May 2012	June 2012	Average by Period
<b>Money Market Fund</b>	21.5	15.4	15.3	1.3	23.8	23.7	23.7	23.7	23.7	36.3	23.6	23.6	24.4	21.5%
<b>Mutual Fund</b>	54.9	59.3	59.3	59.5	37.2	37.2	37.3	37.3	37.4	25.0	15.8	15.9	13.1	37.6%
<b>Municipal Bonds</b>	23.6	25.4	25.3	39.3	39.1	39.0	39.0	39.0	38.9	38.7	60.6	60.6	62.5	40.8%

**2006 Tobacco Series 2011/12  
Portfolio Management  
Interest Earnings Summary  
June 30, 2012**

	June 30 Month Ending	Fiscal Year To Date
<b>CD/Coupon/Discount Investments:</b>		
Interest Collected	45,590.00	540,358.76
Plus Accrued Interest at End of Period	217,867.90	217,867.90
Less Accrued Interest at Beginning of Period	( 191,031.34)	( 112,214.58)
Less Accrued Interest at Purchase During Period	( 0.00)	( 19,252.22)
Interest Earned during Period	72,426.56	626,759.86
Adjusted by Premiums and Discounts	-6,559.56	-25,409.41
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	65,867.00	601,350.45
<b>Pass Through Securities:</b>		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	( 0.00)	( 0.00)
Less Accrued Interest at Purchase During Period	( 0.00)	( 0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
<b>Cash/Checking Accounts:</b>		
Interest Collected	8,588.40	298,864.65
Plus Accrued Interest at End of Period	-13,960.49	-13,960.49
Less Accrued Interest at Beginning of Period	( -13,569.44)	( -12,816.42)
Interest Earned during Period	8,197.35	297,720.58
<b>Total Interest Earned during Period</b>	<b>80,623.91</b>	<b>924,480.44</b>
<b>Total Adjustments from Premiums and Discounts</b>	<b>-6,559.56</b>	<b>-25,409.41</b>
<b>Total Capital Gains or Losses</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Earnings during Period</b>	<b>74,064.35</b>	<b>899,071.03</b>