



Cutwater Asset Management
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CITY OF ANN ARBOR

Report for the period April 1, 2012 - April 30, 2012

Please contact Accounting by calling the number above or email camreports@cutwater.com with questions concerning this report.

(This report was prepared on May 2, 2012)

Fixed Income Market Review April 30, 2012

U.S. Real GDP Yearly Change (%)

12/31/96 - 03/31/12

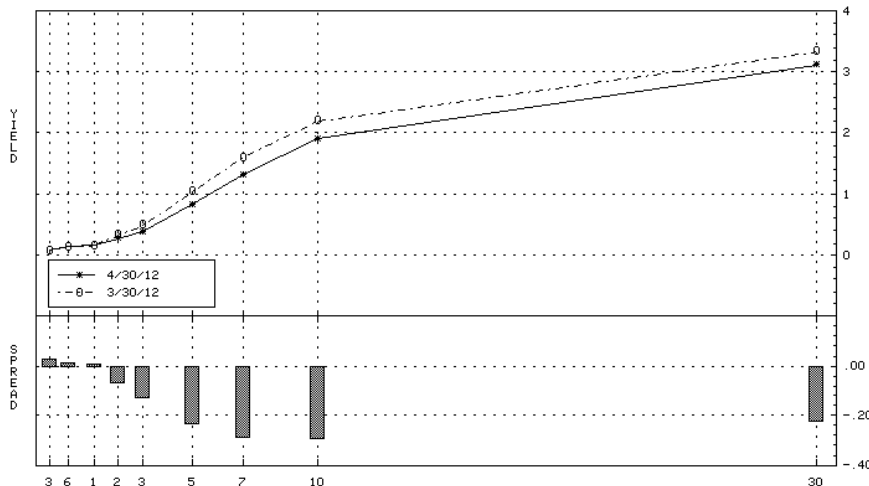
Chart 1



Treasury Yield Curves

03/31/12 - 04/30/12

Chart 2



Economic Indicators & Monetary Policy – Based on the advance estimate in real gross domestic product (GDP), the U.S. economy grew at a 2.2 percent annualized growth rate during the first quarter of 2012. Over the past year, real GDP increased 2.1 percent. (See Chart 1). Economists expected an increase of 2.5 percent during the quarter, but growth was slower than expected with continued weakness in business investment and government spending. On the other hand, consumer spending remained strong and jumped 2.9 percent in the first quarter of 2012 compared to 2.1 percent gain during the final quarter of 2011. Business investment decreased 2.1 percent for the quarter while total government spending fell 3.0 percent. The economy grew 1.6 percent for all of 2011, down from 3.1 percent in 2010. The economy is expected to continue growing at a relatively slow pace for the next several quarters, which allows the Federal Open Market Committee (FOMC) to maintain its low interest rate pledge.

Retail sales in the U.S. grew 0.8 percent in March compared to an expected gain of 0.3 percent for the month. This follows a 1.0 percent increase in February with retailers benefiting from an improving job market that gives households confidence to sustain spending. In addition, 11 of the 13 retail categories increased including furniture, clothing and electronics. Automobile dealership sales increased 0.9 percent with sales in cars and light trucks reaching an annual rate of 14.3 million, the strongest quarter in four years.

At its latest meeting on April 25th, the FOMC kept the federal funds target rate within a range of zero to 0.25 percent. The FOMC reiterated that borrowing costs are likely to remain “exceptionally low” at least through late 2014 and “expects economic growth to remain moderate over coming quarters and then to pick up gradually.” Policy makers are refraining from taking further actions to fuel the economy given the signs of economic strength over the past couple of years. The jobless rate, however, is not decreasing fast enough for the FOMC, which is concerned about the impact of the European debt crisis and the prospect of slower growth within China.

Yield Curve & Spreads – Treasury yields were mixed in April with the FOMC extending its pledge to keep rates low thru at least the end of 2014.

At the end of April, 3-month Treasury bills yielded 0.09 percent, 6-month Treasury bills yielded 0.14 percent, 2-year Treasuries yielded 0.26 percent, 5-year Treasuries yielded 0.80 percent, 10-year Treasuries yielded 1.91 percent, and 30-year bonds yielded 3.11 percent. (See Chart 2).

Additional Information
April 30, 2012

A current version of the investment adviser brochure, for Cutwater Investor Services Corp., in the form of the Firm's ADV Part 2A is available for your review. Please contact our Client Service Desk at 1-800-395-5505 or mail your request to:

Cutwater Investor Services Corp.
Attention: Client Services
113 King Street
Armonk, NY 10504

A copy of the brochure will be sent to you either by mail or electronically at your option.

In addition, a copy of the most recent version of the Firm's complete Form ADV can be downloaded from the SEC website at www.adviserinfo.sec.gov/.

**City of Ann Arbor
Activity and Performance Summary
for the period April 1, 2012 - April 30, 2012**

Amortized Cost Basis Activity Summary

Beginning Amortized Cost Value	200,288,306.70
Additions	
Contributions	0.00
Interest Received	261,572.50
Accrued Interest Sold	22,944.44
Gain on Sales	5,250.00
Total Additions	289,766.94
Deductions	
Withdrawals	8,379,884.92
Fees Paid	12,831.61
Accrued Interest Purchased	0.00
Loss on Sales	0.00
Total Deductions	(8,392,716.53)
Accretion (Amortization) for the Period	(96,600.25)
Ending Amortized Cost Value	192,088,756.86
Ending Fair Value	195,252,888.42
Unrealized Gain (Loss)	3,164,131.56

Detail of Amortized Cost Basis Return

	Interest Earned	Accretion (Amortization)	Realized Gain (Loss)	Total Income
Current Holdings				
U.S. Treasury	154,310.20	(71,804.08)	0.00	82,506.12
U.S. Instrumentality	207,425.64	(24,796.17)	0.00	182,629.47
Sales and Maturities				
U.S. Instrumentality	4,097.22	0.00	5,250.00	9,347.22
Total	365,833.06	(96,600.25)	5,250.00	274,482.81

Annualized Comparative Rates of Return

	Twelve Month Trailing	Six Month Trailing	For the Month
Fed Funds	0.09 %	0.10 %	0.15 %
Overnight Repo	0.07 %	0.09 %	0.15 %
3 Month T-Bill	0.03 %	0.04 %	0.07 %
6 Month T-Bill	0.06 %	0.08 %	0.12 %
1 Year T-Note	0.15 %	0.14 %	0.17 %
2 Year T-Note	0.31 %	0.27 %	0.27 %
5 Year T-Note	1.12 %	0.90 %	0.90 %

Summary of Amortized Cost Basis Return for the Period

	Total Portfolio	Excl. Cash Eq.
Interest Earned	365,833.06	365,833.06
Accretion (Amortization)	(96,600.25)	(96,600.25)
Realized Gain (Loss) on Sales	<u>5,250.00</u>	<u>5,250.00</u>
Total Income on Portfolio	274,482.81	274,482.81
Average Daily Historical Cost	201,019,832.36	192,438,524.69
Annualized Return	1.67%	1.74%
Annualized Return Net of Fees	1.59%	1.66%
Annualized Return Year to Date Net of Fees	1.50%	1.63%
Weighted Average Effective Maturity in Days	750	772

**City of Ann Arbor
Activity and Performance Summary
for the period April 1, 2012 - April 30, 2012**

Fair Value Basis Activity Summary

Beginning Fair Value	202,895,241.95
Additions	
Contributions	0.00
Interest Received	261,572.50
Accrued Interest Sold	22,944.44
Total Additions	284,516.94
Deductions	
Withdrawals	8,379,884.92
Fees Paid	12,831.61
Accrued Interest Purchased	0.00
Total Deductions	(8,392,716.53)
Change in Fair Value for the Period	465,846.06
Ending Fair Value	195,252,888.42

Detail of Fair Value Basis Return

	Interest Earned	Change in Fair Value	Total Income
Current Holdings			
U.S. Treasury	154,310.20	465,427.50	619,737.70
U.S. Instrumentality	207,425.64	1,268.56	208,694.20
Sales and Maturities			
U.S. Instrumentality	4,097.22	(850.00)	3,247.22
Total	365,833.06	465,846.06	831,679.12

Annualized Comparative Rates of Return

	Twelve Month Trailing	Six Month Trailing	For the Month
Fed Funds	0.09 %	0.10 %	0.15 %
Overnight Repo	0.07 %	0.09 %	0.15 %
3 Month T-Bill	0.06 %	0.04 %	0.12 %
6 Month T-Bill	0.20 %	0.12 %	0.12 %
1 Year T-Note	0.32 %	0.18 %	0.49 %
2 Year T-Note	1.16 %	0.36 %	2.07 %
5 Year T-Note	8.29 %	4.14 %	15.98 %

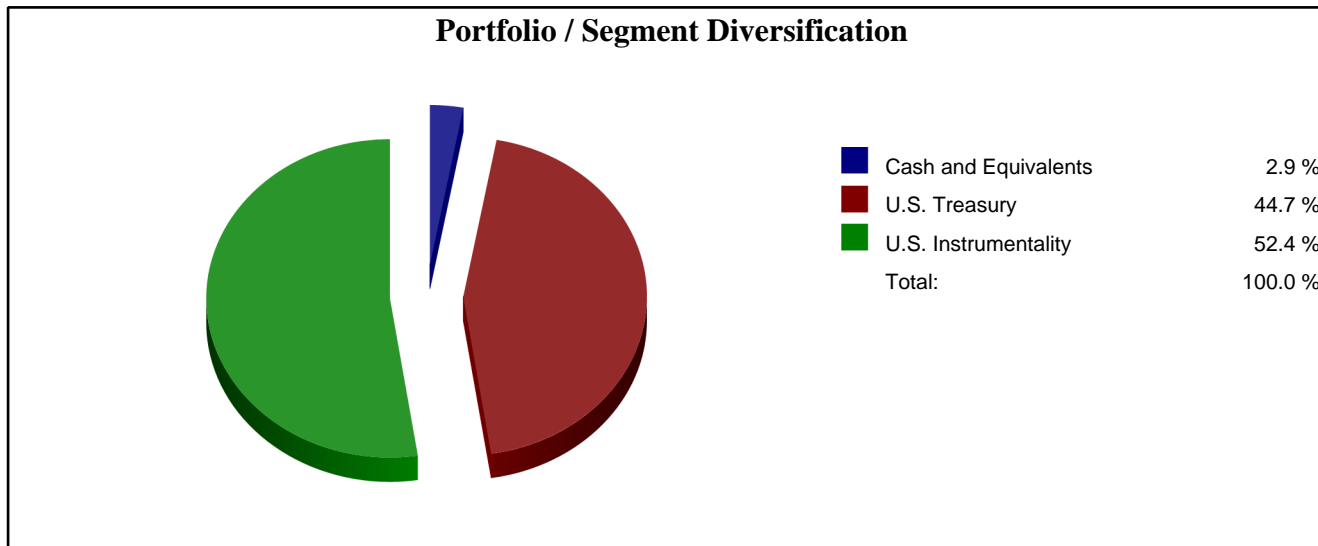
Summary of Fair Value Basis Return for the Period

	Total Portfolio	Excl. Cash Eq.
Interest Earned	365,833.06	365,833.06
Change in Fair Value	<u>465,846.06</u>	<u>465,846.06</u>
Total Income on Portfolio	831,679.12	831,679.12
Average Daily Historical Cost	201,019,832.36	192,438,524.69
Annualized Return	5.05%	5.27%
Annualized Return Net of Fees	4.97%	5.19%
Annualized Return Year to Date Net of Fees	1.08%	1.17%
Weighted Average Effective Maturity in Days	750	772

**City of Ann Arbor
Recap of Securities Held
April 30, 2012**

	Historical Cost	Amortized Cost	Fair Value	Unrealized Gain (Loss)	Weighted Average Final Maturity (Days)	Weighted Average Effective Maturity (Days)	% Portfolio/Segment	Weighted Average Yield *	Weighted Average Market Duration (Years)
Cash and Equivalents	5,627,102.24	5,627,102.24	5,627,102.24	0.00	1	1	2.90	0.00	0.00
U.S. Treasury	86,600,976.58	85,487,533.30	87,183,782.50	1,696,249.20	1,267	1,267	44.67	1.19	3.32
U.S. Instrumentality	101,658,559.22	100,974,121.32	102,442,003.68	1,467,882.36	980	351	52.43	2.20	0.94
Total	193,886,638.04	192,088,756.86	195,252,888.42	3,164,131.56	1,079	750	100.00	1.68	1.97

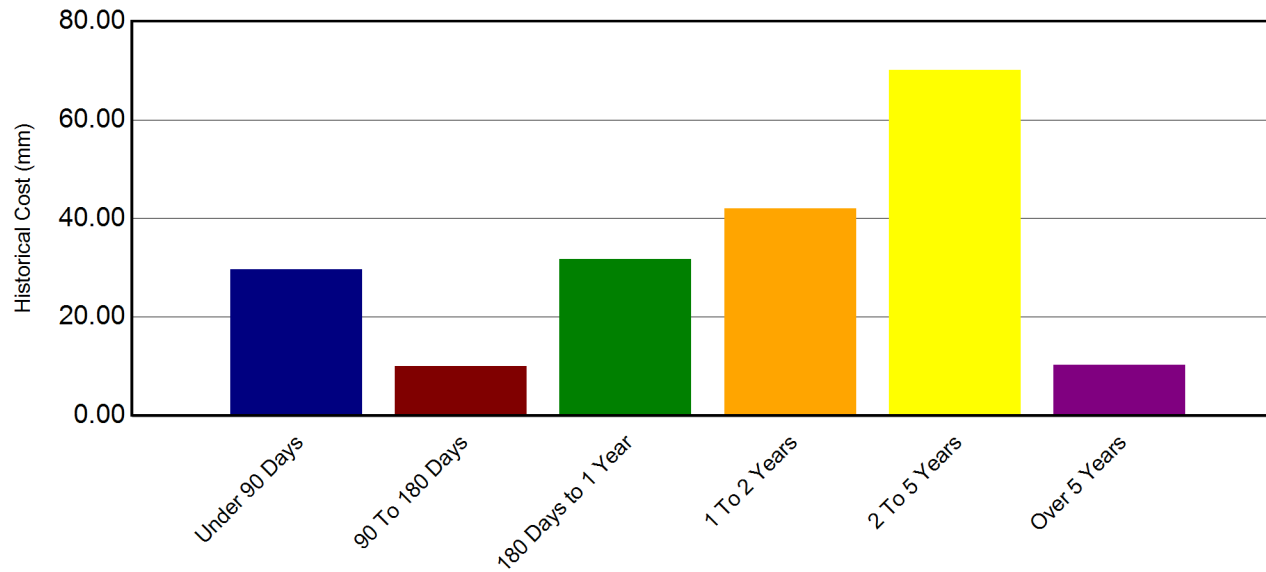
* Weighted Average Yield is calculated on a "yield to worst" basis.



**City of Ann Arbor
Maturity Distribution of Securities Held
April 30, 2012**

Maturity	Historical Cost	Percent
Under 90 Days	29,660,086.39	15.30 %
90 To 180 Days	10,000,000.00	5.16 %
180 Days to 1 Year	31,782,366.22	16.39 %
1 To 2 Years	42,049,180.73	21.69 %
2 To 5 Years	70,047,348.45	36.13 %
Over 5 Years	10,347,656.25	5.34 %
	193,886,638.04	100.00 %

Maturity Distribution



**City of Ann Arbor
Securities Held
April 30, 2012**

CUSIP/ Description	Purchase Date	Rate/ Coupon	Maturity/ Call Date	Par Value/ Shares	Historical Cost/ Accrued Interest Purchased	Amortized Cost/ Accretion (Amortization)	Fair Value/ Change In Fair Value	Unrealized Gain (Loss)	Interest Received	Interest Earned	Total Accrued Interest	% Port Cost	Yield
Cash and Equivalents													
BankOne	04/30/12	0.000V		5,627,102.24	5,627,102.24	5,627,102.24	5,627,102.24	0.00	0.00	0.00	0.00	2.90	0.00
					0.00	0.00	0.00						
TOTAL (Cash and Equivalents)				5,627,102.24	5,627,102.24	5,627,102.24	5,627,102.24	0.00	0.00	0.00	0.00	2.90	
					0.00	0.00	0.00						
U.S. Treasury													
912828JD3	07/17/08	3.375	06/30/13	5,000,000.00	5,035,937.50	5,008,443.03	5,183,205.00	174,761.97	0.00	13,907.97	56,559.07	2.60	3.22
T-Note					0.00	(595.98)	(10,155.00)						
912828KF6	08/26/10	1.875	02/28/14	5,000,000.00	5,173,046.88	5,090,167.95	5,146,680.00	56,512.05	0.00	7,642.67	15,794.84	2.67	0.87
T-Note					0.00	(4,049.46)	1,370.00						
912828QC7	08/29/11	1.250	04/15/14	5,000,000.00	5,131,250.00	5,097,617.19	5,094,725.00	(2,892.19)	31,250.00	5,122.95	2,732.24	2.65	0.25
T-Note					0.00	(4,101.56)	5,270.00						
912828LS7	08/29/11	2.375	10/31/14	5,000,000.00	5,314,062.50	5,247,402.12	5,251,955.00	4,552.88	59,375.00	9,733.60	324.45	2.74	0.38
T-Note					0.00	(8,129.32)	8,595.00						
912828LZ1	08/26/10	2.125	11/30/14	5,000,000.00	5,207,031.25	5,125,388.87	5,226,955.00	101,566.13	0.00	8,709.01	44,415.98	2.69	1.13
T-Note					0.00	(3,989.04)	10,160.00						
912828MR8	08/26/10	2.375	02/28/15	5,000,000.00	5,258,593.75	5,162,190.25	5,278,515.00	116,324.75	0.00	9,680.70	20,006.79	2.71	1.19
T-Note					0.00	(4,710.27)	12,890.00						
912828NL0	08/29/11	1.875	06/30/15	5,000,000.00	5,249,218.75	5,205,458.71	5,226,170.00	20,711.29	0.00	7,726.65	31,421.70	2.71	0.56
T-Note					0.00	(5,336.59)	21,875.00						
912828PE4	08/29/11	1.250	10/31/15	5,000,000.00	5,121,875.00	5,102,202.26	5,129,295.00	27,092.74	31,250.00	5,122.96	170.77	2.64	0.66
T-Note					0.00	(2,399.12)	29,685.00						
912828EN6	08/26/10	4.500	11/15/15	5,000,000.00	5,795,312.50	5,539,244.40	5,697,655.00	158,410.60	0.00	18,543.95	103,846.15	2.99	1.33
T-Note					0.00	(12,511.47)	17,965.00						
912828PJ3	08/29/11	1.375	11/30/15	5,000,000.00	5,146,093.75	5,122,966.94	5,151,560.00	28,593.06	0.00	5,635.24	28,739.75	2.65	0.68
T-Note					0.00	(2,820.34)	31,250.00						
912828KS8	08/26/10	2.625	02/29/16	5,000,000.00	5,287,890.63	5,200,078.98	5,387,500.00	187,421.02	0.00	10,699.73	22,112.77	2.73	1.53
T-Note					0.00	(4,290.47)	32,420.00						
912828KZ2	09/30/10	3.250	06/30/16	2,500,000.00	2,732,617.19	2,668,481.31	2,766,602.50	98,121.19	0.00	6,696.43	27,232.14	1.41	1.55
T-Note					0.00	(3,323.10)	18,947.50						
912828QR4	08/29/11	1.500	06/30/16	5,000,000.00	5,148,437.50	5,127,772.18	5,175,780.00	48,007.82	0.00	6,181.32	25,137.36	2.66	0.87
T-Note					0.00	(2,520.16)	43,360.00						
912828MA5	08/26/10	2.750	11/30/16	5,000,000.00	5,291,796.88	5,213,491.25	5,453,125.00	239,633.75	0.00	11,270.49	57,479.51	2.73	1.76
T-Note					0.00	(3,826.01)	51,955.00						
912828MS6	08/26/10	3.000	02/28/17	5,000,000.00	5,360,156.25	5,267,163.85	5,522,265.00	255,101.15	0.00	12,228.26	25,271.74	2.76	1.82
T-Note					0.00	(4,543.60)	50,390.00						

**City of Ann Arbor
Securities Held
April 30, 2012**

CUSIP/ Description	Purchase Date	Rate/ Coupon	Maturity/ Call Date	Par Value/ Shares	Historical Cost/ Accrued Interest Purchased	Amortized Cost/ Accretion (Amortization)	Fair Value/ Change In Fair Value	Unrealized Gain (Loss)	Interest Received	Interest Earned	Total Accrued Interest	% Port Cost	Yield
912828PA2 T-Note	08/29/11	1.875	09/30/17	5,000,000.00	5,175,000.00 0.00	5,155,642.99 (2,360.61)	5,246,875.00 69,140.00	91,232.01	0.00	7,684.42	7,940.57	2.67	1.28
912828PF1 T-Note	08/29/11	1.875	10/31/17	5,000,000.00	5,172,656.25 0.00	5,153,821.02 (2,296.98)	5,244,920.00 70,310.00	91,098.98	46,875.00	7,723.85	254.76	2.67	1.29
TOTAL (U.S. Treasury)				82,500,000.00	86,600,976.58 0.00	85,487,533.30 (71,804.08)	87,183,782.50 465,427.50	1,696,249.20	168,750.00	154,310.20	469,440.59	44.67	

U.S. Instrumentality

31331XG30 FFCB	11/15/07	5.450	06/21/12	3,885,000.00	4,039,584.15 0.00	3,889,692.73 (2,760.43)	3,913,686.84 (16,464.63)	23,994.11	0.00	17,644.38	76,458.96	2.08	4.48
31331Y3X6 FFCB	08/01/08	3.950	07/23/12	5,000,000.00	4,988,100.00 0.00	4,999,319.77 245.87	5,043,360.00 (15,020.00)	44,040.23	0.00	16,458.33	53,763.89	2.57	4.02
31331YGE4 FFCB	12/31/07	4.250	12/04/12	5,000,000.00	5,040,100.00 0.00	5,004,834.28 (668.33)	5,117,560.00 (19,020.00)	112,725.72	0.00	17,708.33	86,770.83	2.60	4.07
31359MQV8 FNMA	Call 09/18/06	4.750	02/21/13 02/21/13	5,000,000.00	4,902,300.00 0.00	4,987,683.48 1,248.30	5,179,795.00 (18,410.00)	192,111.52	0.00	19,791.67	46,180.56	2.53	5.11
31359MQV8 FNMA	Call 08/07/09	4.750	02/21/13 02/21/13	3,418,000.00	3,691,234.92 0.00	3,480,501.96 (6,334.66)	3,540,907.86 (12,585.08)	60,405.90	0.00	13,529.59	31,569.03	1.90	2.38
31359MQV8 FNMA	Call 12/09/09	4.750	02/21/13 02/21/13	2,870,000.00	3,151,231.30 0.00	2,941,149.12 (7,211.05)	2,973,202.33 (10,567.34)	32,053.21	0.00	11,360.42	26,507.64	1.63	1.60
31331GZL6 FFCB	07/01/09	2.800	06/03/13	3,000,000.00	3,018,360.00 0.00	3,005,099.29 (384.37)	3,081,615.00 (5,856.00)	76,515.71	0.00	7,000.00	34,533.33	1.56	2.64
31331GS83 FFCB	10/15/09	2.350	09/23/13	3,300,000.00	3,322,770.00 0.00	3,308,069.98 (474.70)	3,393,409.80 (907.50)	85,339.82	0.00	6,462.50	8,185.83	1.71	2.17
31398A4N9 FNMA	10/18/10	1.000	10/15/13	3,000,000.00	3,004,050.00 0.00	3,000,000.00 0.00	3,021,903.00 1,146.00	21,903.00	15,000.00	2,500.00	1,333.33	1.55	1.00
31398A4N9 FNMA	10/18/10	1.000	10/15/13	3,165,000.00	3,168,766.35 0.00	3,165,000.00 0.00	3,188,107.66 1,209.02	23,107.66	15,825.00	2,637.50	1,406.67	1.63	1.00
3134G3JR2 FHLMC	01/11/12	0.450	01/09/14	4,000,000.00	4,000,000.00 100.00	4,000,000.00 0.00	4,008,784.00 3,792.00	8,784.00	0.00	1,500.00	5,600.00	2.06	0.45
31331XSR4 FFCB	05/23/08	4.875	03/14/14	5,000,000.00	5,182,500.00 0.00	5,058,682.23 (2,581.32)	5,421,235.00 5,735.00	362,552.77	0.00	20,312.50	31,822.92	2.67	4.16
31331JQA4 FFCB	06/11/10	1.900	06/02/14	3,000,000.00	2,990,070.00 0.00	2,994,788.80 205.16	3,094,233.00 12,468.00	99,444.20	0.00	4,750.00	23,591.67	1.54	1.99
3134G23L4 FHLMC	Call 11/10/11	0.950	11/10/14 05/10/12	5,000,000.00	5,005,300.00 0.00	5,000,262.09 (873.62)	5,000,730.00 (2,485.00)	467.91	0.00	3,958.33	22,562.50	2.58	0.74
3134G2PM8 FHLMC	Call 06/29/11	1.250	12/29/14 06/29/12	5,000,000.00	5,000,000.00 0.00	5,000,000.00 0.00	5,006,695.00 (3,590.00)	6,695.00	0.00	5,208.34	21,180.56	2.58	1.25

**City of Ann Arbor
Securities Held
April 30, 2012**

CUSIP/ Description	Purchase Date	Rate/ Coupon	Maturity/ Call Date	Par Value/ Shares	Historical Cost/ Accrued Interest Purchased	Amortized Cost/ Accretion (Amortization)	Fair Value/ Change In Fair Value	Unrealized Gain (Loss)	Interest Received	Interest Earned	Total Accrued Interest	% Port Cost	Yield
31331GY29 FFCB	10/15/09	2.900	10/09/15	1,905,000.00	1,890,712.50	1,896,787.14	2,047,109.19	150,322.05	27,622.50	4,603.75	3,376.08	0.98	3.04
					0.00	196.17	10,666.09						
3134G24E9 FHLMC	Call 11/17/11	1.200	11/17/15 05/17/13	5,000,000.00	5,012,500.00	5,008,706.58	5,032,240.00	23,533.42	0.00	5,000.00	27,333.33	2.59	1.03
					0.00	(685.56)	7,670.00						
3137EACT4 FHLMC	01/11/12	2.500	05/27/16	4,000,000.00	4,253,480.00	4,235,872.82	4,269,880.00	34,007.18	0.00	8,333.34	42,777.78	2.19	1.02
					12,222.22	(4,758.69)	21,268.00						
3136FTEP0 FNMA	Call 10/26/11	1.375V	10/26/16 10/26/12	5,000,000.00	5,000,000.00	5,000,000.00	5,030,105.00	30,105.00	34,375.00	5,729.17	954.86	2.58	1.37
					0.00	0.00	1,865.00						
3136FTHU6 FNMA	Call 11/16/11	1.800	11/16/16 05/16/12	5,000,000.00	5,000,000.00	5,000,000.00	5,002,770.00	2,770.00	0.00	7,500.00	41,250.00	2.58	1.80
					0.00	0.00	(5,495.00)						
3136FTMP1 FNMA	Call 11/23/11	1.125V	11/23/16 11/23/12	5,000,000.00	5,000,000.00	5,000,000.00	5,016,385.00	16,385.00	0.00	4,687.50	24,687.50	2.58	1.13
					0.00	0.00	4,040.00						
3136FTVF3 FNMA	Call 12/28/11	1.000V	12/28/16 12/28/12	5,000,000.00	4,997,500.00	4,997,671.05	5,018,400.00	20,728.95	0.00	4,166.66	17,083.33	2.58	1.69
					0.00	41.06	6,415.00						
31331KZP8 FFCB	Call 09/26/11	1.800	09/26/17 09/26/12	5,000,000.00	5,000,000.00	5,000,000.00	5,018,030.00	18,030.00	0.00	7,500.00	8,750.00	2.58	1.80
					0.00	0.00	10,905.00						
313376CK9 FHLB	Call 11/16/11	2.180	11/16/18 11/16/12	5,000,000.00	5,000,000.00	5,000,000.00	5,021,860.00	21,860.00	0.00	9,083.33	49,958.33	2.58	2.18
					0.00	0.00	24,490.00						
TOTAL (U.S. Instrumentality)				100,543,000.00	101,658,559.22	100,974,121.32	102,442,003.68	1,467,882.36	92,822.50	207,425.64	687,638.93	52.43	
					12,322.22	(24,796.17)	1,268.56						

GRAND TOTAL **188,670,102.24** **193,886,638.04** **192,088,756.86** **195,252,888.42** **3,164,131.56** **261,572.50** **361,735.84** **1,157,079.52** **100.00**

12,322.22 **(96,600.25)** **466,696.06**

V = variable rate, current rate shown, average rate for Cash & Equivalents

City of Ann Arbor
GASB 40 - Deposit and Investment Risk Disclosure
April 30, 2012

CUSIP	Type	Coupon	Maturity Date	Call Date	S&P Rating	Moody Rating	Par Value / Shares	Historical Cost	% Portfolio Hist Cost	Market Value	% Portfolio Mkt Value	Weighted Avg Mkt Dur (Yrs)
<u>T-Note</u>												
912828JD3	U.S. Treasury	3.375	06/30/2013		AA+	Aaa	5,000,000.00	5,035,937.50	2.60	5,183,205.00	2.65	1.14
912828KF6	U.S. Treasury	1.875	02/28/2014		AA+	Aaa	5,000,000.00	5,173,046.88	2.67	5,146,680.00	2.64	1.80
912828QC7	U.S. Treasury	1.250	04/15/2014		AA+	Aaa	5,000,000.00	5,131,250.00	2.65	5,094,725.00	2.61	1.94
912828LS7	U.S. Treasury	2.375	10/31/2014		AA+	Aaa	5,000,000.00	5,314,062.50	2.74	5,251,955.00	2.69	2.44
912828LZ1	U.S. Treasury	2.125	11/30/2014		AA+	Aaa	5,000,000.00	5,207,031.25	2.69	5,226,955.00	2.68	2.50
912828MR8	U.S. Treasury	2.375	02/28/2015		AA+	Aaa	5,000,000.00	5,258,593.75	2.71	5,278,515.00	2.70	2.74
912828NL0	U.S. Treasury	1.875	06/30/2015		AA+	Aaa	5,000,000.00	5,249,218.75	2.71	5,226,170.00	2.68	3.07
912828EN6	U.S. Treasury	4.500	11/15/2015		AA+	Aaa	5,000,000.00	5,795,312.50	2.99	5,697,655.00	2.92	3.26
912828PE4	U.S. Treasury	1.250	10/31/2015		AA+	Aaa	5,000,000.00	5,121,875.00	2.64	5,129,295.00	2.63	3.43
912828PJ3	U.S. Treasury	1.375	11/30/2015		AA+	Aaa	5,000,000.00	5,146,093.75	2.65	5,151,560.00	2.64	3.48
912828KS8	U.S. Treasury	2.625	02/29/2016		AA+	Aaa	5,000,000.00	5,287,890.63	2.73	5,387,500.00	2.76	3.65
912828KZ2	U.S. Treasury	3.250	06/30/2016		AA+	Aaa	2,500,000.00	2,732,617.19	1.41	2,766,602.50	1.42	3.90
912828QR4	U.S. Treasury	1.500	06/30/2016		AA+	Aaa	5,000,000.00	5,148,437.50	2.66	5,175,780.00	2.65	4.03
912828MA5	U.S. Treasury	2.750	11/30/2016		AA+	Aaa	5,000,000.00	5,291,796.88	2.73	5,453,125.00	2.79	4.29
912828MS6	U.S. Treasury	3.000	02/28/2017		AA+	Aaa	5,000,000.00	5,360,156.25	2.76	5,522,265.00	2.83	4.52
912828PA2	U.S. Treasury	1.875	09/30/2017		AA+	Aaa	5,000,000.00	5,175,000.00	2.67	5,246,875.00	2.69	5.15
912828PF1	U.S. Treasury	1.875	10/31/2017		AA+	Aaa	5,000,000.00	5,172,656.25	2.67	5,244,920.00	2.69	5.23
ISSUER TOTAL							82,500,000.00	86,600,976.58	44.67	87,183,782.50	44.65	3.32
<u>FNMA</u>												
3136FTHU6	U.S. Instrumentality	1.800	11/16/2016	05/16/2012	AA+	Aaa	5,000,000.00	5,000,000.00	2.58	5,002,770.00	2.56	0.04
3136FTEP0	U.S. Instrumentality	1.375	10/26/2016	10/26/2012	AA+	Aaa	5,000,000.00	5,000,000.00	2.58	5,030,105.00	2.58	0.49
3136FTMP1	U.S. Instrumentality	1.125	11/23/2016	11/23/2012	AA+	Aaa	5,000,000.00	5,000,000.00	2.58	5,016,385.00	2.57	0.56
3136FTVF3	U.S. Instrumentality	1.000	12/28/2016	12/28/2012	AA+	Aaa	5,000,000.00	4,997,500.00	2.58	5,018,400.00	2.57	0.66
31359MQV8	U.S. Instrumentality	4.750	02/21/2013	02/21/2013	AA+	Aaa	11,288,000.00	11,744,766.22	6.06	11,693,905.19	5.99	0.80
31398A4N9	U.S. Instrumentality	1.000	10/15/2013		AA+	Aaa	6,165,000.00	6,172,816.35	3.18	6,210,010.66	3.18	1.45
ISSUER TOTAL							37,453,000.00	37,915,082.57	19.56	37,971,575.85	19.45	0.71
<u>FFCB</u>												
31331XG30	U.S. Instrumentality	5.450	06/21/2012		AA+	Aaa	3,885,000.00	4,039,584.15	2.08	3,913,686.84	2.00	0.14
31331Y3X6	U.S. Instrumentality	3.950	07/23/2012		AA+	Aaa	5,000,000.00	4,988,100.00	2.57	5,043,360.00	2.58	0.23
31331KZP8	U.S. Instrumentality	1.800	09/26/2017	09/26/2012	AA+	Aaa	5,000,000.00	5,000,000.00	2.58	5,018,030.00	2.57	0.40
31331YGE4	U.S. Instrumentality	4.250	12/04/2012		AA+	Aaa	5,000,000.00	5,040,100.00	2.60	5,117,560.00	2.62	0.58
31331GZL6	U.S. Instrumentality	2.800	06/03/2013		AA+	Aaa	3,000,000.00	3,018,360.00	1.56	3,081,615.00	1.58	1.07

City of Ann Arbor
GASB 40 - Deposit and Investment Risk Disclosure
April 30, 2012

CUSIP	Type	Coupon	Maturity Date	Call Date	S&P Rating	Moody Rating	Par Value / Shares	Historical Cost	% Portfolio Hist Cost	Market Value	% Portfolio Mkt Value	Weighted Avg Mkt Dur (Yrs)
31331GS83	U.S. Instrumentality	2.350	09/23/2013		AA+	Aaa	3,300,000.00	3,322,770.00	1.71	3,393,409.80	1.74	1.38
31331XSR4	U.S. Instrumentality	4.875	03/14/2014		AA+	Aaa	5,000,000.00	5,182,500.00	2.67	5,421,235.00	2.78	1.80
31331JQA4	U.S. Instrumentality	1.900	06/02/2014		AA+	Aaa	3,000,000.00	2,990,070.00	1.54	3,094,233.00	1.58	2.04
31331GY29	U.S. Instrumentality	2.900	10/09/2015		AA+	Aaa	1,905,000.00	1,890,712.50	0.98	2,047,109.19	1.05	3.29
ISSUER TOTAL							35,090,000.00	35,472,196.65	18.30	36,130,238.83	18.50	1.04

FHLMC

3134G23L4	U.S. Instrumentality	0.950	11/10/2014	05/10/2012	AA+	Aaa	5,000,000.00	5,005,300.00	2.58	5,000,730.00	2.56	0.03
3134G2PM8	U.S. Instrumentality	1.250	12/29/2014	06/29/2012	AA+	Aaa	5,000,000.00	5,000,000.00	2.58	5,006,695.00	2.56	0.16
3134G24E9	U.S. Instrumentality	1.200	11/17/2015	05/17/2013	AA+	Aaa	5,000,000.00	5,012,500.00	2.59	5,032,240.00	2.58	1.04
3134G3JR2	U.S. Instrumentality	0.450	01/09/2014		AA+	Aaa	4,000,000.00	4,000,000.00	2.06	4,008,784.00	2.05	1.68
3137EACT4	U.S. Instrumentality	2.500	05/27/2016		AA+	Aaa	4,000,000.00	4,253,480.00	2.19	4,269,880.00	2.19	3.85
ISSUER TOTAL							23,000,000.00	23,271,280.00	12.00	23,318,329.00	11.94	1.26

BankOne

	Cash and Equivalents	0.000					5,627,102.24	5,627,102.24	2.90	5,627,102.24	2.88	0.00
ISSUER TOTAL							5,627,102.24	5,627,102.24	2.90	5,627,102.24	2.88	0.00

FHLB

313376CK9	U.S. Instrumentality	2.180	11/16/2018	11/16/2012	AA+	Aaa	5,000,000.00	5,000,000.00	2.58	5,021,860.00	2.57	0.54
ISSUER TOTAL							5,000,000.00	5,000,000.00	2.58	5,021,860.00	2.57	0.54

GRAND TOTAL												
						188,670,102.24	193,886,638.04	100.00	195,252,888.42	100.00	1.98	

Highlighted totals are issuers representing 5.00% or more of the portfolio's market value

**City of Ann Arbor
Securities Purchased
April 1, 2012 - April 30, 2012**

NOTE: There is no activity for the period.

City of Ann Arbor
Securities Sold and Matured
April 1, 2012 - April 30, 2012

CUSIP/ Description	Sale or Maturity Date	Rate/ Coupon	Maturity/ Call Date	Par Value/ Shares	Historical Cost	Amortized Cost at Sale or Maturity / Acct/ (Amort)	Sale/ Maturity Price	Fair Value at Sale or Maturity / Chg.In Fair Value	Realized Gain (Loss)	Accrued Interest Sold	Interest Received	Interest Earned	Yield	
<u>Cash and Equivalents</u>														
BankOne	04/30/2012	0.000V		3,056,074.59	3,056,074.59	3,056,074.59	100.00	3,056,074.59	0.00	0.00	0.00	0.00	0.00	
						0.00		0.00						
TOTAL (Cash and Equivalents)				3,056,074.59	3,056,074.59	3,056,074.59		3,056,074.59	0.00	0.00	0.00	0.00		
						0.00		0.00						
<u>U.S. Instrumentality</u>														
31331KMF4	Call	04/26/2012	1.180	06/06/2014	5,000,000.00	5,000,000.00	5,000,000.00	100.11	5,005,250.00	5,250.00	22,944.44	0.00	4,097.22	1.18
FFCB				06/06/2012			0.00		(850.00)					
TOTAL (U.S. Instrumentality)				5,000,000.00	5,000,000.00	5,000,000.00		5,005,250.00	5,250.00	22,944.44	0.00	4,097.22		
						0.00		(850.00)						
GRAND TOTAL				8,056,074.59	8,056,074.59	8,056,074.59		8,061,324.59	5,250.00	22,944.44	0.00	4,097.22		
						0.00		(850.00)						

V = variable rate, current rate shown, average rate for Cash & Equivalents

**City of Ann Arbor
Transaction Report
for the period April 1, 2012 - April 30, 2012**

Date	CUSIP	Transaction	Sec Type	Description	Maturity	PAR Value/Shares	Principal	Interest	Transaction Total	Balance
04/01/2012		Maturity	CE	Int Receivable	04/01/2012	46,875.00	46,875.00	0.00	46,875.00	46,875.00
04/09/2012	31331GY29	Interest	INS	FFCB	10/09/2015	1,905,000.00	0.00	27,622.50	27,622.50	74,497.50
04/15/2012	31398A4N9	Interest	INS	FNMA	10/15/2013	6,165,000.00	0.00	30,825.00	30,825.00	105,322.50
04/15/2012	912828QC7	Interest	TSY	T-Note	04/15/2014	5,000,000.00	0.00	31,250.00	31,250.00	136,572.50
04/26/2012	31331KMF4	Sold	INS	FFCB	06/06/2014	5,000,000.00	5,000,000.00	22,944.44	5,028,194.44	5,164,766.94
04/26/2012	3136FTEP0	Interest	INS	FNMA	10/26/2016	5,000,000.00	0.00	34,375.00	34,375.00	5,199,141.94
04/30/2012		Sold	CE	BankOne		3,056,074.59	3,056,074.59	0.00	3,056,074.59	8,255,216.53
04/30/2012	912828LS7	Interest	TSY	T-Note	10/31/2014	5,000,000.00	0.00	59,375.00	59,375.00	8,314,591.53
04/30/2012	912828PE4	Interest	TSY	T-Note	10/31/2015	5,000,000.00	0.00	31,250.00	31,250.00	8,345,841.53
04/30/2012	912828PF1	Interest	TSY	T-Note	10/31/2017	5,000,000.00	0.00	46,875.00	46,875.00	8,392,716.53
Portfolio Activity Total									8,392,716.53	

Net Contributions:	0.00
Net Withdrawals:	8,379,884.92

Fees Charged:	12,563.74
Fees Paid:	12,831.61

**City of Ann Arbor
Securities Bid and Offer
for the period 4/1/2012 - 4/30/2012**

Trans	Settle	Description	Call Date	Broker	Par Value	Discount	Price	YTM/YTC	Competitive Bids
SELL	04/26/2012	FFCB 1.18 06/06/2014	06/06/12	UBS	5,000,000		100.105	0.23	CIT @ 100.100 JEF @ 100.089

**City of Ann Arbor
Upcoming Cash Activity
for the next 45 days**

Date	Transaction	CUSIP	Description	Coupon	Maturity Date	Next Call Date	Par / Shares	Principal	Interest	Transaction Total
05/10/2012	Potential Call	3134G23L4	FHLMC	0.950	11/10/2014	05/10/2012	5,000,000.00	5,000,000.00	23,750.00	5,023,750.00
05/15/2012	Interest	912828EN6	T-Note	4.500	11/15/2015		5,000,000.00	0.00	112,500.00	112,500.00
05/16/2012	Interest	313376CK9	FHLB	2.180	11/16/2018	11/16/2012	5,000,000.00	0.00	54,500.00	54,500.00
05/16/2012	Interest	3136FTHU6	FNMA	1.800	11/16/2016	05/16/2012	5,000,000.00	0.00	45,000.00	45,000.00
05/17/2012	Interest	3134G24E9	FHLMC	1.200	11/17/2015	05/17/2013	5,000,000.00	0.00	30,000.00	30,000.00
05/23/2012	Interest	3136FTMP1	FNMA	0.000	11/23/2016	11/23/2012	5,000,000.00	0.00	28,125.00	28,125.00
05/27/2012	Interest	3137EACT4	FHLMC	2.500	05/27/2016		4,000,000.00	0.00	50,000.00	50,000.00
05/31/2012	Interest	912828LZ1	T-Note	2.125	11/30/2014		5,000,000.00	0.00	53,125.00	53,125.00
05/31/2012	Interest	912828PJ3	T-Note	1.375	11/30/2015		5,000,000.00	0.00	34,375.00	34,375.00
05/31/2012	Interest	912828MA5	T-Note	2.750	11/30/2016		5,000,000.00	0.00	68,750.00	68,750.00
06/02/2012	Interest	31331JQA4	FFCB	1.900	06/02/2014		3,000,000.00	0.00	28,500.00	28,500.00
06/03/2012	Interest	31331GZL6	FFCB	2.800	06/03/2013		3,000,000.00	0.00	42,000.00	42,000.00
06/04/2012	Interest	31331YGE4	FFCB	4.250	12/04/2012		5,000,000.00	0.00	106,250.00	106,250.00

END OF REPORTS



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