

AGENDA
County Investment Advisory Committee
October 28, 2011– 9:00 a.m.
Executive Administration Conference Room - Second Floor
M.C. Blanchard Judicial Building

1. Call to Order.
2. Roll Call: M. Blaise Adams, Chairman (8/22/2011-8/21/2013)
Robert Beargie, Vice Chairman (8/20/2006-8/21/2012)
Bob Alft (11/13/2009-11/12/2012)
Honorable Ernie Lee Magaha, or designee
Amy Lovoy, designee for the County Administrator

3. Invocation - Honorable Ernie Lee Magaha, or designee.
4. Legal Advertisement - Was the Meeting properly advertised?
5. Approval of Minutes.

Recommendation: That the County Investment Advisory Committee (CIAC) approve the Minutes of the Quarterly Meeting of the CIAC held July 29, 2011, as prepared by Doris Harris, Clerk to the Board's Office.

6. Review of Investment Reports for July, August, and September 2011.
7. 2012 Meeting Schedule.

Recommendation: That the County Investment Advisory Committee schedule the following 2012 Meetings:

Quarterly Meeting – January 20, 2012
Quarterly Meeting – April 27, 2012
Quarterly Meeting – July 27, 2012
Quarterly Meeting – October 26, 2012

8. Election of Chairman and Vice Chairman.

Recommendation: That the County Investment Advisory Committee elect a Chairman and Vice Chairman for 2012.

9. Adjournment.



ERNIE LEE MAGAHA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER
ESCAMBIA COUNTY, FLORIDA

◆ AUDITOR ◆ ACCOUNTANT ◆ EX-OFFICIO CLERK TO THE BOARD ◆ CUSTODIAN OF COUNTY FUNDS ◆

AI-1184

Item #: 5.

County Investment Advisory Committee

Meeting Date: 10/28/2011
Issue: Approval of Minutes.
From: Doris Harris

Recommendation:

Recommendation: That the County Investment Advisory Committee (CIAC) approve the Minutes of the Quarterly Meeting of the CIAC held July 29, 2011, as prepared by Doris Harris, Clerk to the Board's Office.

Attachments

7-29-2011 Minutes

Form Review

Form Started By: Doris Harris

Started On: 07/26/2011 01:03 PM

Final Approval Date: 07/26/2011

MINUTES OF THE QUARTERLY MEETING OF THE
COUNTY INVESTMENT ADVISORY COMMITTEE
HELD JULY 29, 2011
M. C. BLANCHARD JUDICIAL BUILDING
EXECUTIVE ADMINISTRATION CONFERENCE ROOM, SECOND FLOOR
190 GOVERNMENTAL CENTER, PENSACOLA, FLORIDA
(9:05 a.m. – 10:32 a.m.)

Present: Bob Alft, Acting Chairman, Clerk of the Circuit Court and Comptroller's Appointee
Robert A. Beargie, Vice Chairman, Board of County Commissioners' Appointee
(Arrived at 9:20 a.m.)
Patricia L. Sheldon, Clerk & Comptroller's Designee
Amy Lovoy, County Administrator's Designee

Others

Present: Cheryl Maher, Accounting Supervisor, Clerk and Comptroller's Office
Doris Harris, Clerk to the Board's Office

Absent: M. Blaise Adams, Chairman, Board of County Commissioners' Appointee
Gene M. Valentino, BCC Oversight Representative

AGENDA NUMBER

1-2. Call to Order/Roll Call

Mr. Alft called the County Investment Advisory Committee (CIAC) Quarterly Meeting to order at 9:05 a.m., with a quorum present.

3. Invocation

Mrs. Harris delivered the Invocation.

4. Legal Advertisement

The CIAC was advised by Mrs. Harris that the Meeting was advertised in the Pensacola News Journal on July 23, 2011, in the *Board of County Commissioners – Escambia County, Florida, Meeting Schedule July 25 – July 29, 2011*.

5. Approval of Minutes

Motion made by Ms. Lovoy, seconded by Mrs. Sheldon, and carried 3-0, with Mr. Adams absent and Mr. Beargie not yet present, approving the Minutes of the Quarterly Meeting of the CIAC held April 29, 2011, as prepared by Doris Harris, Clerk to the Board's Office.

MINUTES OF THE CIAC MEETING – Continued

AGENDA NUMBER – Continued

6. Review of Investment Reports for April, May, and June 2011

Mrs. Sheldon reviewed the Investment Report for June 30, 2011, and advised that the total short-term portfolio equaled \$112,970,869, with a yield of .27%, as compared to Standard & Poor's (S&P) Government Investment Pool (GIP) 30-Day Index of .05%, and year-to-date earnings of \$167,485.

For Information: The CIAC:

- A. Heard comments from Steven Alexander and David Jang, PFM Asset Management, LLC, regarding the potential downgrade of the U. S. Treasury, pending the outcome of the August 2, 2011, deadline to raise the Federal debt ceiling, and was advised by Mr. Jang that the U. S. Government's debt is \$14.3 trillion and, if the debt ceiling is not raised, the Government cannot meet its obligations; and
- B. Reviewed the *Escambia County Clerk of Court, Florida – Investment Performance Review – Quarter Ended June 30, 2011*, as prepared by PFM Asset Management, LLC, which includes an Executive Summary that reflects:
 - The County's Long Term Portfolio is of high credit quality and maintains adequate liquidity. The portfolio is invested entirely in Federal Agency, U.S. Treasury, corporate notes, commercial paper and municipal bond securities. The securities are allocated among high quality issuers rated AAA, AA, A-1+ and A-1.
 - The economic recovery continued in the second quarter, albeit at a slower pace. Many economists believe the slower pace of the recovery reflects temporary factors, including the dampening effect of higher food and energy prices on consumer purchasing power and spending, as well as, supply chain disruptions associated with the tragic events in Japan. Although these factors are being considered temporary, Federal Reserve officials lowered their growth forecasts for the second time this year. U.S. central bankers said the economy will expand 2.7% to 2.9% this year, down from forecasts ranging from 3.1% to 3.3% in April.

(Continued on Page 3)

MINUTES OF THE CIAC MEETING – Continued

AGENDA NUMBER – Continued

6. Continued...

For Information – Continued

B. Continued...

- Debates over government spending and budget cuts have been at the forefront of the conversation in Europe and the United States during the second quarter. Greece was on the verge of default until Greek officials passed strict austerity measures needed to secure a bailout from the European Union. Meanwhile, in America, Congress has been unable to agree on the Federal budget and debt limit. The ongoing debate almost caused a government shutdown and prompted Standard & Poor's to put America's AAA credit rating on negative watch. Investors are concerned that cuts in government spending in the short run will slow future growth prospects.
- During the quarter, speculation of a Greek default drove intermediate-term U.S. Treasury yields near or below November 2010 lows. The 2-year U.S. Treasury fell for eleven consecutive weeks, the longest rally since the 1980s, until the last week of June, when Greek officials eased concerns of a Greek default by passing large budget cuts. By the end of the quarter, the 2-year U.S. Treasury yield hit 0.46%, approximately 37 bps lower than it was on March 31, 2011.
- The Federal Reserve completed its second round of quantitative easing on June 30, 2011. Although the Fed will continue its existing policy of reinvesting principal payments from its securities holdings, Fed Chairman Ben Bernanke indicated that the Fed is putting extraordinary monetary policy action on hold. However, Chairman Bernanke said the Fed will continue to monitor the economy and act as needed.
- Over the course of the quarter, PFM executed trades to take advantage of the decrease in yields. For example, in April, before rates began to fall, PFM purchased federal agency and Treasury securities in the one to four-year maturity range to increase the portfolio's yield. After intermediate-term rates hit new lows in late June, PFM sold out of Treasury securities to capitalize on market appreciation. These trades resulted in realizing over \$57,000 in gains on sales.

(Continued on Page 4)

MINUTES OF THE CIAC MEETING – Continued

AGENDA NUMBER – Continued

6. Continued...

For Information – Continued

B. Continued...

- At the beginning of the quarter, PFM targeted the portfolio's duration at 99% of the benchmark's duration in order to benefit from the yield and roll down offered by the steep yield curve. Over the quarter, as rates decreased PFM allowed the duration of the portfolio to shorten compared to the benchmark's duration. The portfolio's return of 1.56%, outperformed the benchmark's return of 1.49% by 7 basis points (0.07%). In an interest rate environment where yields remain at or near record lows, PFM will continue to position the portfolio's duration short of the benchmark's duration to reduce interest rate risk and the market value erosion that will occur if rates rise.
- PFM will continue to follow the prudent investment strategies that have safely provided the County with favorable long-term performance during this period of historically low interest rates.
- Intermediate-term rates remain at or near all-time lows. Further, the Fed continues to state that it plans to keep the target federal funds rates low for an extended period which is likely to keep short-term rates at their currently low levels. For the most part, the market is expecting higher rates in the future as measured by the steepness of the yield curve, or the difference in yield between the 2-year U.S. Treasury Note and the 10-Year U.S. Treasury note, which is at historically wide levels.
- As such, PFM is currently positioning the portfolio's duration short of the benchmark's duration in order to provide additional protection from market value losses in the event of a sharp yield increase. A shorter duration will also allow for the extension of duration to capitalize on higher yields in the event they increase. PFM will closely monitor the markets to make select purchases of securities when rates move towards the upper end of their range.

(Continued on Page 5)

MINUTES OF THE CIAC MEETING – Continued

AGENDA NUMBER – Continued

6. Continued...

For Information – Continued

B. Continued...

- In the coming quarter, PFM will continue to look for opportunities to purchase commercial paper, which has provided a yield advantage over comparably maturing short-term securities. Additionally, utilizing commercial paper will allow PFM to barbell the portfolio by offsetting the duration of longer-term securities.
- Agency spreads to Treasuries remain narrow. In the case that spreads widen, Treasuries could outperform agencies. At that point, PFM will restructure the portfolio, allocating a larger portion of agency securities.

7. Escambia County, Florida, Investment Policy Amendments

Motion made by Mr. Beargie, seconded by Ms Lovoy, and carried 4-0, with Mr. Adams absent, approving to recommend that the Board of County Commissioners amend the Escambia County, Florida, Investment Policy, Section XIV.B., Page 15, as follows, to allow for market driven options to the benchmarks used for the long-term portfolio:

XIV. PERFORMANCE MEASUREMENTS

- B. The long-term investment portfolio shall be designed with the annual objective of achieving a comparable return to the Merrill Lynch 1-3 Year Treasury Index or an appropriate index. The appropriate index will have a duration and asset mix that approximates the portfolio and will be utilized as a benchmark to be compared to the portfolio's total rate of return. The Merrill Lynch 1-3 Year Treasury Index represents all U.S. Treasury securities maturing over one year, but less than three years. This maturity range is an appropriate benchmark based on the objectives of the County.

(Continued on Page 6)

MINUTES OF THE CIAC MEETING – Continued

AGENDA NUMBER – Continued

7. Continued...

Motion made by Mrs. Sheldon, seconded by Mr. Beargie, and carried 4-0, with Mr. Adams absent, approving to recommend that the Board of County Commissioners amend the Escambia County, Florida, Investment Policy, Section XII.G.1., Page 12, as follows, as requested by Steven Alexander, PFM Asset Management, LLC, during the Meeting:

XII. AUTHORIZED INVESTMENTS AND PORTFOLIO COMPOSITION

G. Corporate Notes

1. Purchase Authorization

Corporate notes issued by corporations organized and operating within the United States or by depository institutions licensed by the United States that have a long term debt rating, at the time of purchase, at a minimum “Aa” “A” by Moody’s and a minimum long term debt rating of “AA” “A” by Standard & Poor’s. In addition, corporate obligations allowed are corporate obligations issued by financial institutions that participate in the FDIC’s Temporary Liquidity Guarantee Program and are fully insured by the FDIC and are guaranteed by the full faith and credit of the United States Government.

8. Adjourn

Mr. Alft adjourned the CIAC Meeting at 10:32 a.m.



ERNIE LEE MAGAHA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER
ESCAMBIA COUNTY, FLORIDA

◆ AUDITOR ◆ ACCOUNTANT ◆ EX-OFFICIO CLERK TO THE BOARD ◆ CUSTODIAN OF COUNTY FUNDS ◆

AI-1183

Item #: 6.

County Investment Advisory Committee

Meeting

Date:

10/28/2011

Issue:

Review of Investment Reports for July, August, and September 2011.

From:

Doris Harris

Recommendation:

Attachments

July 2011 Investment Report

August 2011 Investment Report

September 2011 Investment Report

Form Review

Form Started By: Doris Harris

Started On: 07/26/2011 01:02 PM

Final Approval Date: 07/26/2011



EXECUTIVE ADMINISTRATION/LEGAL DIVISION
ACCOUNTING DIVISION
APPEALS DIVISION
ARCHIVES AND RECORDS
CENTURY DIVISION
CHILD SUPPORT
CLERK TO THE BOARD
COUNTY CIVIL
COUNTY CRIMINAL
COURT DIVISION
CIRCUIT CIVIL
CIRCUIT CRIMINAL
DOMESTIC RELATIONS
FAMILY LAW

ERNIE LEE MAGAHA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER
ESCAMBIA COUNTY, FLORIDA

* AUDITOR * ACCOUNTANT * EX-OFFICIO CLERK TO THE BOARD * CUSTODIAN OF COUNTY FUNDS *

FINANCE
JURY MANAGEMENT
GUARDIANSHIP
HUMAN RESOURCES
JUVENILE DIVISION
MARRIAGE
MENTAL HEALTH
MANAGEMENT INFORMATION SYSTEMS
OFFICIAL RECORDS
ONE STOP
OPERATIONAL SERVICES
PROBATE DIVISION
TRAFFIC DIVISION
TREASURY

MEMORANDUM

TO: Honorable Board of County Commissioners

FROM: Ernie Lee Magaha
Clerk of the Circuit Court & Comptroller

By: *Patricia L. Sheldon*
Patricia L. Sheldon, CPA, CGFO, CPFO, CPFIM
Administrator for Financial Services
Clerk of the Circuit Court & Comptroller

DATE: August 9, 2011

SUBJECT: July 2011 Investment Report

RECOMMENDATION:

That the Board accepts, for filing with the Board's Minutes, the Investment Report for the month ended July 31, 2011 as required by Ordinance 95-13.

The total portfolio earnings for the month of July equaled \$138,194. The short term portfolio achieved an average yield of .27%. This yield should be compared to the benchmark of the Standard & Poor's Government Investment Pool 30 Day index yielding .04%. The core portfolio achieved an average Yield to Maturity at Cost of 1.16% and should be compared to the benchmark of the Merrill Lynch 1 – 3 Yr. Treasury Index yielding .28%.

All investments included in the County's portfolio are in compliance with the County's Investment Policy.

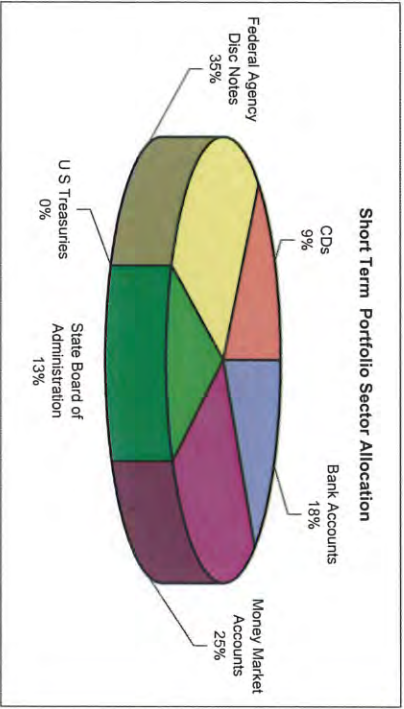
If you have any questions or comments, please do not hesitate to call me at 595-4825.

PLS/CM/nac

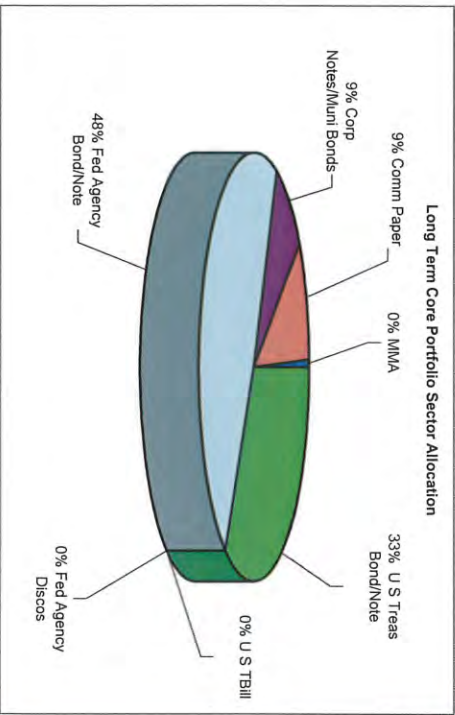


ESCAMBIA COUNTY BOARD OF COUNTY COMMISSIONERS
INVESTMENT PORTFOLIO SUMMARY REPORT
FISCAL YEAR 2010-2011
July 31, 2011

PORTFOLIO COMPOSITION



SHORT TERM PORTFOLIO (Maturities < or = to 1 Year)			
	Par Value	Market Value	Percent
Bank Accounts	\$ 16,483,657	\$ 16,483,657	16%
Money Market Accounts	27,873,911	27,873,911	27%
State Board of Administration	15,012,002	15,012,002	14%
U S Treasuries	-	-	0%
Federal Agency/Discount Notes	30,000,000	29,991,905	29%
Certificates of Deposit	15,000,000	15,000,000	14%
Total Short Term Portfolio Assets:	\$ 104,369,570	\$ 104,361,475	100%
Short Term Portfolio Yield:	0.27%	YTD Earnings: \$ 231,235.03	
Benchmark S&P GIP Index 30 Day:	0.04%		



LONG TERM CORE PORTFOLIO (Maturities > 1 Year):			
	Par Value	Market Value	Percent
US Treasury Bond/Notes	\$ 33,580,000	\$ 34,166,463	33%
US Treasury Bill	-	-	0%
Federal Agency Discount Notes	-	-	0%
Federal Agency Bond/Note	48,325,000	49,991,188	48%
Corporate Notes/Muni Bonds	8,650,000	9,166,620	9%
Commercial Paper	9,300,000	9,298,836	9%
Federated Govt Money Market Fund	419,973	419,973	0%
Total Managed CORE Assets:	\$100,274,973	\$103,043,080	100%
CORE Portfolio Yield to Maturity at Cost:	1.16%	YTD Earnings: \$ 1,097,298	
CORE Portfolio Yield to Maturity at Market:	0.71%		
Benchmark Merrill Lynch 1-3 Yr Treasury Index:	0.28%		
Benchmark Merrill Lynch 1-5 Yr Treasury Index:	0.76%		

Total Portfolio: \$ 204,644,543 \$ 207,404,555
Current Month Earnings: \$ 138,194
Year to Date Earnings: \$ 1,328,532

INVESTMENTS PORTFOLIO COMPOSITION
ESCAMBIA COUNTY, FLORIDA
July 31, 2011

Security Description	Description	Number	Purchase Date	Maturity Date	Interest or Coupon Rate	Yield to Maturity	Face Value	Market Value	Book Value	Actual Percentage	Portfolio Limit	Issuer Percentage	Issuer Limit	Net Earnings YTD
BANK ACCOUNTS:														
BANK OF AMERICA DEPOSITORY-810														
BANK OF AMERICA SHIP-120														
BANK OF AMERICA (DDA)001,106,901														
TOTAL BANK ACCOUNT:	BANK ACCOUNT													
BRANCH BANKING AND TRUST (MONEY MKT) ACCOUNT														
SUNTRUST NOW (MONEY MKT) ACCT														
TOTAL MONEY MARKET:	MONEY MKT													
STATE BOARD OF ADMINISTRATION Acct #141071														
TOTAL STATE BOARD OF ADMINISTRATION:	SBA													
U.S. TREASURIES:														
MATURED UNITED STATES TREASURIES	U S TREAS													
TOTAL UNITED STATES TREASURIES														
FEDERAL INSTRUMENTALITIES:														
CANTOR FITZGERALD														
CANTOR FITZGERALD														
TOTAL CANTOR FITZGERALD														
MORAN STANLEY SMITH BARNEY														
MORAN STANLEY SMITH BARNEY														
TOTAL PAINEWEBBER														
RBC														
RBC														
RBC														
TOTAL RBC WEALTH MGMT														
MATURED FEDERAL INSTRUMENTALITIES	FED INST													
TOTAL FEDERAL INSTRUMENTALITIES														
CERTIFICATES OF DEPOSITS:														
COMPASS BANK														
COMPASS BANK														
TOTAL COMPASS BANK-BSVA														
BB&T BANK														
BB&T BANK														
TOTAL BB&T BANK														
MATURED CERTIFICATES OF DEPOSITS	CD													
TOTAL CERTIFICATES OF DEPOSITS														
TOTAL INVESTMENTS														
INTEREST RECEIVABLE AS OF:	7/31/2011													
LONG TERM CORE PORTFOLIO MANAGED ASSETS (BMW):														
TOTAL EQUITY IN INVESTMENTS AS OF:	7/31/2011													

Transferred \$100 million in cash and par value of securities to CORE long term portfolio in July 2010.
 20.83% 20.00% Check limit for CDs and Money Mkts established portfolio limit.
 Exceeded limit reviewed with CIAC quarterly, formally noted on CIAC agenda/minutes 7/29/11.



Managed Account Issuer Summary

For the Month Ending July 31, 2011

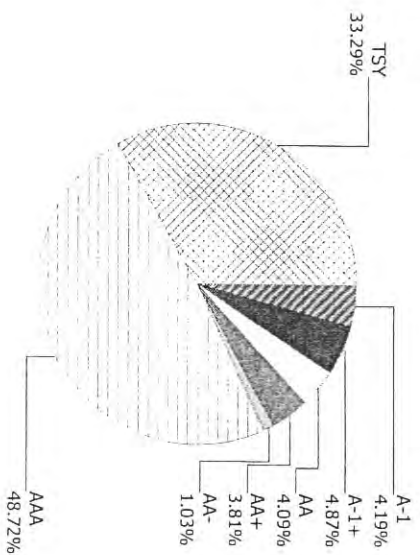
#6 (July)

ESCAMBIA COUNTY LONG TERM PORTFOLIO - 25000100

Issuer Summary

Issuer	Market Value of Holdings	Percent
BNP PARIBAS	4,999,795.00	4.87
CREDIT AGRICOLE SA	4,299,041.10	4.19
FANNIE MAE	20,323,935.36	19.80
FEDERAL FARM CREDIT BANKS	5,555,812.16	5.41
FEDERAL HOME LOAN BANKS	6,772,525.80	6.60
FREDDIE MAC	17,338,914.45	16.90
GENERAL ELECTRIC CO	3,909,959.98	3.81
MICHIGAN STATE	1,060,664.80	1.03
UNITED STATES TREASURY	34,166,462.73	33.30
WAL-MART STORES INC	4,195,995.00	4.09
Total	\$102,623,106.38	100.00%

Credit Quality (S&P Ratings)



PFM Asset Management LLC



EXECUTIVE ADMINISTRATION/LEGAL DIVISION
ACCOUNTING DIVISION
APPEALS DIVISION
ARCHIVES AND RECORDS
CENTURY DIVISION
CHILD SUPPORT
CLERK TO THE BOARD
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ERNIE LEE MAGAHA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER
ESCAMBIA COUNTY, FLORIDA

* AUDITOR * ACCOUNTANT * EX-OFFICIO CLERK TO THE BOARD * CUSTODIAN OF COUNTY FUNDS *

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MENTAL HEALTH
MANAGEMENT INFORMATION SYSTEMS
OFFICIAL RECORDS
ONE STOP
OPERATIONAL SERVICES
PROBATE DIVISION
TRAFFIC DIVISION
TREASURY

MEMORANDUM

TO: Honorable Board of County Commissioners

FROM: Ernie Lee Magaha
Clerk of the Circuit Court & Comptroller

By: *Patricia L. Sheldon*
Patricia L. Sheldon, CPA, CGFO, CPFO, CPFIM
Administrator for Financial Services
Clerk of the Circuit Court & Comptroller

DATE: September 10, 2011

SUBJECT: August 2011 Investment Report

RECOMMENDATION:

That the Board accepts, for filing with the Board's Minutes, the Investment Report for the month ended August 31, 2011 as required by Ordinance 95-13.

The total portfolio earnings for the month of August equaled \$178,881. The short term portfolio achieved an average yield of .28%. This yield should be compared to the benchmark of the Standard & Poor's Government Investment Pool 30 Day index yielding .06%. The core portfolio achieved an average Yield to Maturity at Cost of 1.16% and should be compared to the benchmark of the Merrill Lynch 1 – 5 Yr. Treasury Index yielding .77%.

All investments included in the County's portfolio are in compliance with the County's Investment Policy.

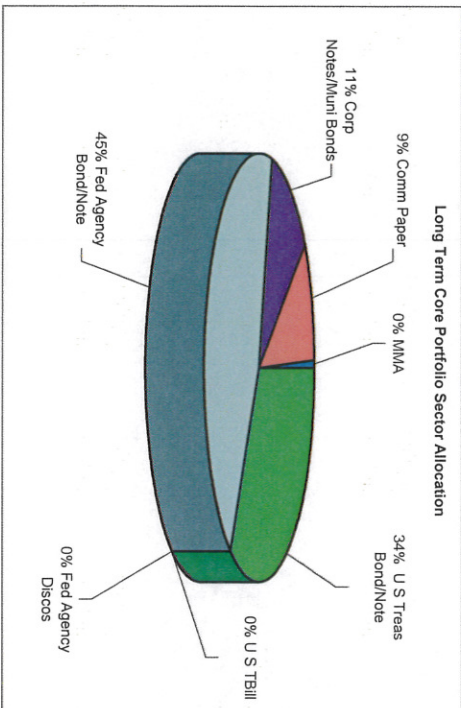
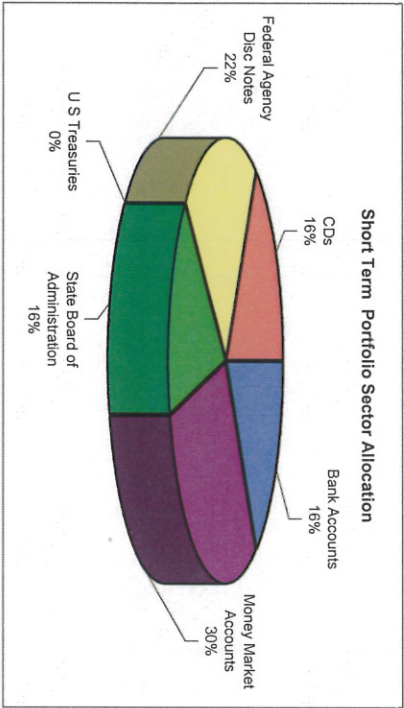
If you have any questions or comments, please do not hesitate to call me at 595-4825.

PLS/CM/nac



**ESCAMBIA COUNTY BOARD OF COUNTY COMMISSIONERS
INVESTMENT PORTFOLIO SUMMARY REPORT
FISCAL YEAR 2010-2011
August 31, 2011**

PORTFOLIO COMPOSITION



SHORT TERM PORTFOLIO (Maturities < or = to 1 Year):			
	Par Value	Market Value	Percent
Bank Accounts	\$ 15,101,076	\$ 15,101,076	16%
Money Market Accounts	27,880,069	27,880,069	30%
State Board of Administration	15,014,907	15,014,907	16%
U.S. Treasuries	-	-	0%
Federal Agency/Discount Notes	20,000,000	19,998,345	22%
Certificates of Deposit	15,000,000	15,000,000	16%
Total Short Term Portfolio Assets:	\$ 92,996,052	\$ 92,994,397	100%
Short Term Portfolio Yield:	0.28%	YTD Earnings: \$248,385	
Benchmark S&P GIP Index 30 Day:	0.06%		

LONG TERM CORE PORTFOLIO (Maturities > 1 Year):			
	Par Value	Market Value	Percent
U.S. Treasury Bond/Notes	\$ 33,580,000	\$ 34,332,153	34%
U.S. Treasury Bill	-	-	0%
Federal Agency Discount Notes	-	-	0%
Federal Agency Bond/Note	44,805,000	46,702,274	45%
Corporate Notes/Muni Bonds	11,650,000	12,143,328	12%
Commercial Paper	9,300,000	9,296,968	9%
Federated Govt. Money Market Fund	451,069	451,069	0%
Total Managed CORE Assets:	\$99,786,069	\$102,925,791	100%
CORE Portfolio Yield to Maturity at Cost:	1.16%	YTD Earnings: \$1,259,029	
CORE Portfolio Yield to Maturity at Market:	0.51%		
Benchmark Merrill Lynch 1-3 Yr Treasury Index:	0.36%		
Benchmark Merrill Lynch 1-5 Yr Treasury Index:	0.77%		

Total Portfolio: \$ 192,782,120 \$ 195,920,188
 Current Month Earnings: \$ 178,881
 Year to Date Earnings: \$ 1,507,414

INVESTMENTS PORTFOLIO COMPOSITION
ESCAMBIA COUNTY, FLORIDA
 August 31, 2011

Security Description	Purchase Date	Maturity Date	Interest or Coupon Rate	Yield to Maturity	Face Value	Market Value 8/31/2011	Book Value 8/31/2011	Actual Percentage	Portfolio Limit	Issuer Percentage	Issuer Limit	
BANK ACCOUNTS:												
BANK OF AMERICA (DEPOSITORY)			0.30%	NA	14,262,546	14,262,546	14,262,546			23.34%	10,000%	
BANK OF AMERICA (SHIP)			0.30%	NA	742,106	742,106	742,106			6.64%	10,000%	
BANK OF AMERICA (DDA)			0.30%	NA	96,424	96,424	96,424					
TOTAL BANK ACCOUNT					15,101,076	15,101,076	15,101,076	16.24%				
FEDERAL INSTRUMENTALITIES:												
BRANCH BANKING AND TRUST (MONEY MKT) ACCOUNT			0.30%	NA	21,704,078	21,704,078	21,704,078					
SUNTRUST NOW (MONEY MKT) ACCOUNT			0.12%	NA	6,175,992	6,175,992	6,175,992					
TOTAL MONEY MARKET ACCOUNT					27,880,069	27,880,069	27,880,069	29.98%	20.00%			
STATE BOARD OF ADMINISTRATION Acct #141071			0.23%	NA	15,014,907	15,014,907	15,014,907					
TOTAL STATE BOARD OF ADMINISTRATION					15,014,907	15,014,907	15,014,907	16.15%	50.00%			
FEDERAL INSTRUMENTALITIES:												
CANTOR FITZGERALD-FHLMC	11/30/2010	9/13/2011	0.25%	0.25%	5,000,000	4,999,965	4,999,583			5.38%	25,000%	
TOTAL CANTOR FITZGERALD					5,000,000	4,999,965	4,999,583					
MSSB-FHMA	12/16/2010	9/1/2011	0.21%	0.21%	5,000,000	5,000,000	5,000,000			5.38%	25,000%	
TOTAL MSSB CTI GROUP					5,000,000	5,000,000	5,000,000					
RBC-FHLMC	12/16/2010	12/12/2011	0.32%	0.33%	5,000,000	4,999,715	4,995,466					
RBC-FHLB	2/15/2011	2/8/2012	0.28%	0.28%	5,000,000	4,998,665	4,993,778					
TOTAL RBC					10,000,000	9,998,380	9,989,244			10.74%	25,000%	
TOTAL FEDERAL INSTRUMENTALITIES					20,000,000	19,998,345	19,988,826	21.50%	100.00%			
CERTIFICATES OF DEPOSITS:												
COMPASS BANK	5/13/2011	2/13/2012	0.23%	0.23%	5,000,000	5,000,000	5,000,000					
COMPASS BANK	07/20/11	07/20/12	0.35%	0.35%	5,000,000	5,000,000	5,000,000					
TOTAL COMPASS BANK					10,000,000	10,000,000	10,000,000		See Above	10.75%	10,000%	
SERVISFIRST	8/25/2011	8/24/2012	0.45%	0.45%	5,000,000	5,000,000	5,000,000			5.38%	10,000%	
TOTAL SERVISFIRST BANK					5,000,000	5,000,000	5,000,000					
TOTAL CERTIFICATES OF DEPOSITS					15,000,000	15,000,000	15,000,000	16.13%	20.00%			
INTEREST RECEIVABLE AS OF:												
	8/31/2011					92,994,397	92,984,878			100.00%		
TOTAL INVESTMENTS												
	8/31/2011					92,996,052	92,984,878					
INTEREST RECEIVABLE AS OF:												
	8/31/2011						5,991					
TOTAL EQUITY IN INVESTMENTS AS OF:												
	8/31/2011						92,990,869					
TOTAL LONG TERM CORE PORTFOLIO ASSETS AS OF:												
	8/31/2011						101,628,136					
TOTAL EQUITY IN INVESTMENTS AS OF:												
	8/31/2011						194,619,005					



Managed Account Issuer Summary

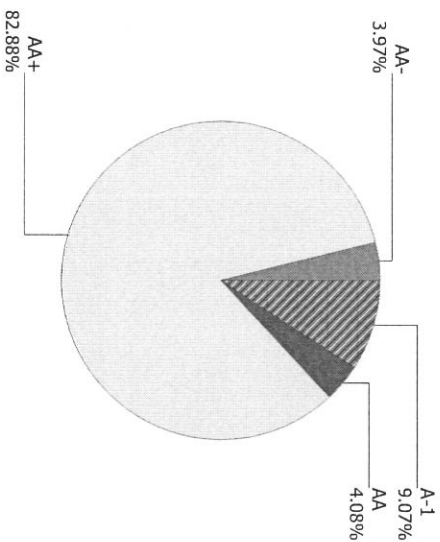
For the Month Ending August 31, 2011

ESCAMBIA COUNTY LONG TERM PORTFOLIO - 25000100

Issuer Summary

Issuer	Market Value of Holdings	Percent
CREDIT AGRICOLE SA	4,299,767.80	4.20
DEUTSCHE BANK AG	4,997,200.00	4.88
FANNIE MAE	19,730,871.93	19.25
FEDERAL FARM CREDIT BANKS	5,597,390.08	5.46
FEDERAL HOME LOAN BANKS	6,793,103.20	6.63
FREDDIE MAC	14,580,908.88	14.23
GENERAL ELECTRIC CO	3,896,832.12	3.80
MICHIGAN STATE	1,061,382.40	1.04
PROCTER & GAMBLE CO	3,007,332.00	2.93
UNITED STATES TREASURY	34,332,152.74	33.50
WAL-MART STORES INC	4,177,781.25	4.08
Total	\$102,474,722.40	100.00%

Credit Quality (S&P Ratings)



#6 (August)



PFM Asset Management LLC



EXECUTIVE ADMINISTRATION/LEGAL DIVISION
ACCOUNTING DIVISION
APPEALS DIVISION
ARCHIVES AND RECORDS
CENTURY DIVISION
CHILD SUPPORT
CLERK TO THE BOARD
COUNTY CIVIL
COUNTY CRIMINAL
COURT DIVISION
CIRCUIT CIVIL
CIRCUIT CRIMINAL
DOMESTIC RELATIONS
FAMILY LAW

ERNIE LEE MAGAHA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER
ESCAMBIA COUNTY, FLORIDA

* AUDITOR * ACCOUNTANT * EX-OFFICIO CLERK TO THE BOARD * CUSTODIAN OF COUNTY FUNDS *

FINANCE
JURY MANAGEMENT
GUARDIANSHIP
HUMAN RESOURCES
JUVENILE DIVISION
MARRIAGE
MENTAL HEALTH
MANAGEMENT INFORMATION SYSTEMS
OFFICIAL RECORDS
ONE STOP
OPERATIONAL SERVICES
PROBATE DIVISION
TRAFFIC DIVISION
TREASURY

MEMORANDUM

TO: Honorable Board of County Commissioners

FROM: Ernie Lee Magaha
Clerk of the Circuit Court & Comptroller

By: *Patricia L. Sheldon*
Patricia L. Sheldon, CPA, CGFO, CPFO, CPFIM
Administrator for Financial Services
Clerk of the Circuit Court & Comptroller

DATE: October 10, 2011

SUBJECT: September 2011 Investment Report

RECOMMENDATION:

That the Board accepts, for filing with the Board's Minutes, the Investment Report for the month ended September 30, 2011 as required by Ordinance 95-13.

The total portfolio earnings for the month of September equaled \$109,972. The short term portfolio achieved an average yield of .29%. This yield should be compared to the benchmark of the Standard & Poor's Government Investment Pool 30 Day index yielding .06%. The core portfolio achieved an average Yield to Maturity at Cost of 1.20% and should be compared to the benchmark of the Merrill Lynch 1 – 5 Yr. Treasury Index yielding -.14%.

All investments included in the County's portfolio are in compliance with the County's Investment Policy.

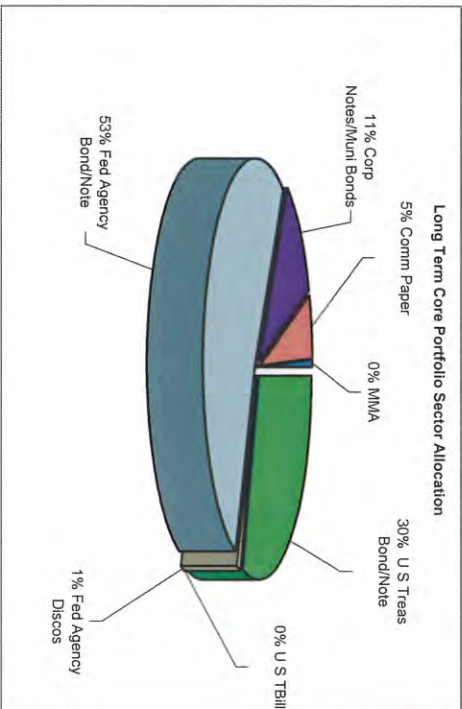
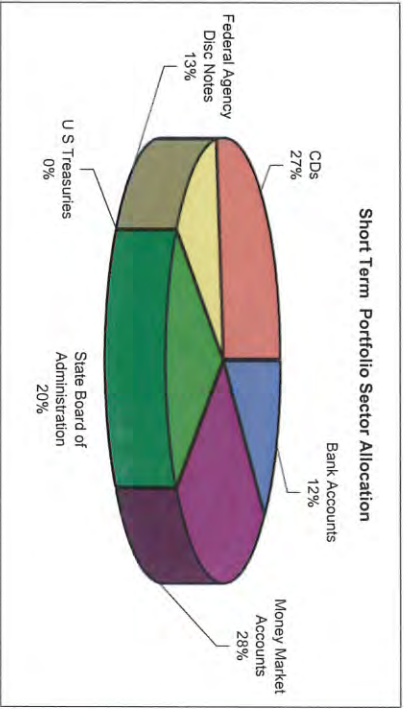
If you have any questions or comments, please do not hesitate to call me at 595-4825.

PLS/CM/nac



ESCAMBIA COUNTY BOARD OF COUNTY COMMISSIONERS
INVESTMENT PORTFOLIO SUMMARY REPORT
FISCAL YEAR 2010-2011
September 30, 2011

PORTFOLIO COMPOSITION



SHORT TERM PORTFOLIO (Maturities < or = to 1 Year)			
	Par Value	Market Value	Percent
Bank Accounts	\$ 9,540,737	\$ 9,540,737	12%
Money Market Accounts	21,810,027	21,810,027	28%
State Board of Administration	15,017,845	15,017,845	20%
U S Treasuries	-	-	0%
Federal Agency Disc Notes	10,000,000	9,999,450	13%
Certificates of Deposit	21,000,000	21,000,000	27%
Total Short Term Portfolio Assets:	\$ 77,368,609	\$ 77,368,059	100%
Short Term Portfolio Yield:	0.29%	YTD Earnings:	264,094
Benchmark S&P GIP Index 30 Day:	0.06%		

LONG TERM CORE PORTFOLIO (Maturities > 1 Year):			
	Par Value	Market Value	Percent
US Treasury Bond/Notes	\$ 29,850,000	\$ 30,486,954	30%
US Treasury Bill	-	-	0%
Federal Agency Discount Notes	1,040,000	1,065,262	1%
Federal Agency Bond/Note	52,575,000	54,917,960	53%
Corporate Notes/Muni Bonds	10,610,000	11,038,064	11%
Commercial Paper	5,000,000	4,998,645	5%
Federated Govt Money Market Fund	427,982	427,982	0%
Total Managed CORE Assets:	\$99,502,982	\$102,934,867	100%
CORE Portfolio Yield to Maturity at Cost:	1.20%	YTD Earnings:	\$ 1,353,291
CORE Portfolio Yield to Maturity at Market:	0.64%		
Benchmark Merrill Lynch 1-3 Yr Treasury Index:	-0.15%		
Benchmark Merrill Lynch 1-5 Yr Treasury Index:	-0.14%		

Total Portfolio: \$ 176,871,591 \$ 180,302,926
Current Month Earnings: \$ 109,972
Year to Date Earnings: \$ 1,617,385

INVESTMENTS PORTFOLIO COMPOSITION
ESCAMBIA COUNTY, FLORIDA
 September 30, 2011

Security Description	Purchase Date	Maturity Date	Interest or Coupon Rate	Yield to Maturity	Face Value	Market Value 9/30/2011	Book Value 9/30/2011	Actual Percentage	Portfolio Limit	Issuer Percentage	Issuer Limit	
BANK ACCOUNTS:												
BANK OF AMERICA (DEPOSITORY)			0.30%	NA	8,707,750	8,707,750	8,707,750					
BANK OF AMERICA (SHIP)			0.30%	NA	732,526	732,526	732,526					
BANK OF AMERICA (DDA)			0.30%	NA	100,461	100,461	100,461					
TOTAL BANK ACCOUNT					9,540,737	9,540,737	9,540,737	12.33%				
FEDERAL INSTRUMENTALITIES:												
BRANCH BANKING AND TRUST (MONEY MKT) ACCOUNT			0.28%	NA	21,708,746	21,708,746	21,708,746			28.08%	10,000%	
SUNTRUST NOW (MONEY MKT) ACCOUNT			0.12%	NA	101,281	101,281	101,281			0.13%	10,000%	
TOTAL MONEY MARKET ACCOUNT					21,810,027	21,810,027	21,810,027	28.19%	20.00%			
STATE BOARD OF ADMINISTRATION Acct #141071			0.24%	NA	15,017,845	15,017,845	15,017,845			19.41%	50.00%	
TOTAL STATE BOARD OF ADMINISTRATION					15,017,845	15,017,845	15,017,845	19.41%	50.00%			
FEDERAL INSTRUMENTALITIES:												
RBC-FHLMC	12/16/2010	12/12/2011	0.32%	0.33%	5,000,000	4,999,805	4,996,799					
RBC-FHLB	2/15/2011	2/8/2012	0.28%	0.28%	5,000,000	4,999,645	4,994,945			12.92%	25.00%	
TOTAL RBC					10,000,000	9,999,450	9,991,743	12.92%	100.00%			
TOTAL FEDERAL INSTRUMENTALITIES					10,000,000	9,999,450	9,991,743	12.92%	100.00%			
CERTIFICATES OF DEPOSITS:												
COMPASS BANK	5/13/2011	2/13/2012	0.23%	0.23%	5,000,000	5,000,000	5,000,000					
COMPASS BANK	07/20/11	07/20/12	0.35%	0.35%	5,000,000	5,000,000	5,000,000					
COMPASS BANK	9/16/2011	6/15/2012	0.35%	0.35%	6,000,000	6,000,000	6,000,000					
TOTAL COMPASS BANK					16,000,000	16,000,000	16,000,000	See Above	See Above	20.68%	10.00%	
SERVISFIRST	8/25/2011	8/24/2012	0.45%	0.45%	5,000,000	5,000,000	5,000,000			6.46%	10.00%	
TOTAL SERVISFIRST BANK					5,000,000	5,000,000	5,000,000	6.46%	10.00%			
TOTAL CERTIFICATES OF DEPOSITS					21,000,000	21,000,000	21,000,000	27.15%	20.00%			
INTEREST RECEIVABLE AS OF:												
	9/30/2011				77,368,609	77,368,059	77,360,353	100.00%				
TOTAL EQUITY IN INVESTMENTS AS OF:												
	9/30/2011						11,087					
	9/30/2011						77,371,440					
	9/30/2011						101,727,439					
TOTAL EQUITY IN INVESTMENTS AS OF:	9/30/2011						179,098,878					



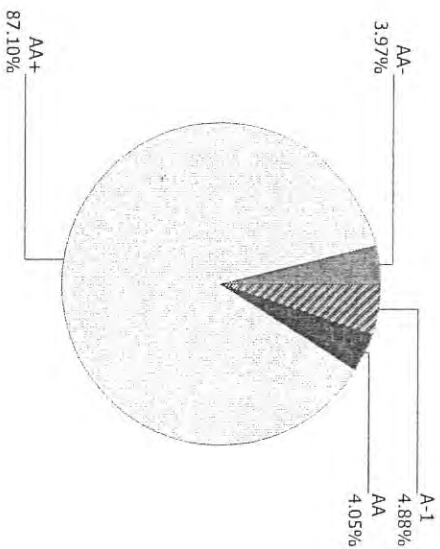
Managed Account Issuer Summary

For the Month Ending September 30, 2011

ESCAMBIA COUNTY LONG TERM PORTFOLIO - 25000100

Credit Quality (S&P Ratings)

Issuer	Market Value of Holdings	Percent
DEUTSCHE BANK AG	4,998,645.00	4.88
FANNIE MAE	19,616,591.09	19.14
FEDERAL FARM CREDIT BANKS	5,593,000.00	5.46
FEDERAL HOME LOAN BANKS	6,775,914.68	6.61
FREDDIE MAC	22,932,454.55	22.37
GENERAL ELECTRIC CO	3,877,744.42	3.78
MICHIGAN STATE	1,065,261.60	1.04
PROCTER & GAMBLE CO	3,006,111.00	2.93
UNITED STATES TREASURY	30,486,953.94	29.74
WAL-MART STORES INC	4,154,208.75	4.05
Total	\$102,506,885.03	100.00%





ERNIE LEE MAGAHA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER
ESCAMBIA COUNTY, FLORIDA

◆ AUDITOR ◆ ACCOUNTANT ◆ EX-OFFICIO CLERK TO THE BOARD ◆ CUSTODIAN OF COUNTY FUNDS ◆

AI-1248

Item #: 7.

County Investment Advisory Committee

Meeting Date: 10/28/2011

Issue: 2012 Meeting Schedule.

From: Doris Harris

Recommendation:

Recommendation: That the County Investment Advisory Committee schedule the following 2012 Meetings:

Quarterly Meeting – January 20, 2012

Quarterly Meeting – April 27, 2012

Quarterly Meeting – July 27, 2012

Quarterly Meeting – October 26, 2012

Form Review

Form Started By: Doris Harris

Started On: 08/08/2011 11:10 AM

Final Approval Date: 08/08/2011



ERNIE LEE MAGAHA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER
ESCAMBIA COUNTY, FLORIDA

◆ AUDITOR ◆ ACCOUNTANT ◆ EX-OFFICIO CLERK TO THE BOARD ◆ CUSTODIAN OF COUNTY FUNDS ◆

AI-1182

Item #: 8.

County Investment Advisory Committee

Meeting

Date:

10/28/2011

Issue:

Election of Chairman and Vice Chairman.

From:

Doris Harris

Recommendation:

Recommendation: That the County Investment Advisory Committee elect a Chairman and Vice Chairman for 2012.

Form Review

Form Started By: Doris Harris

Started On: 07/26/2011 12:59 PM

Final Approval Date: 07/26/2011