

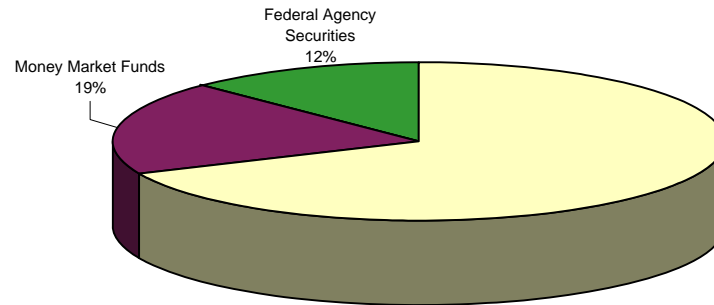
**City of Chico
Investment Portfolio Report
September 30, 2011**

Summary of Investments

| | <u>Cost Basis*</u> | <u>Fair Value**</u> | <u>Interest Earned</u> | <u>Gain/(Loss) on Investment</u> |
|-------------------------------------|----------------------|----------------------|------------------------|----------------------------------|
| Local Agency Investment Fund (LAIF) | 22,526,879.57 | 22,526,879.57 | 0.00 | 0.00 |
| Money Market Mutual Fund | 6,358,189.93 | 6,357,099.46 | 1,094.11 | 0.00 |
| Federal Agency Securities | 3,998,828.13 | 4,078,065.00 | 35,500.00 | 0.00 |
| Total Pooled Investments | 32,883,897.63 | 32,962,044.03 | 36,594.11 | 0.00 |
| Investments Held In Trust | 11,299,837.65 | 11,299,837.65 | 214,295.69 | 0.00 |
| Fiduciary Funds | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Investments | 44,183,735.28 | 44,261,881.68 | 250,889.80 | 0.00 |

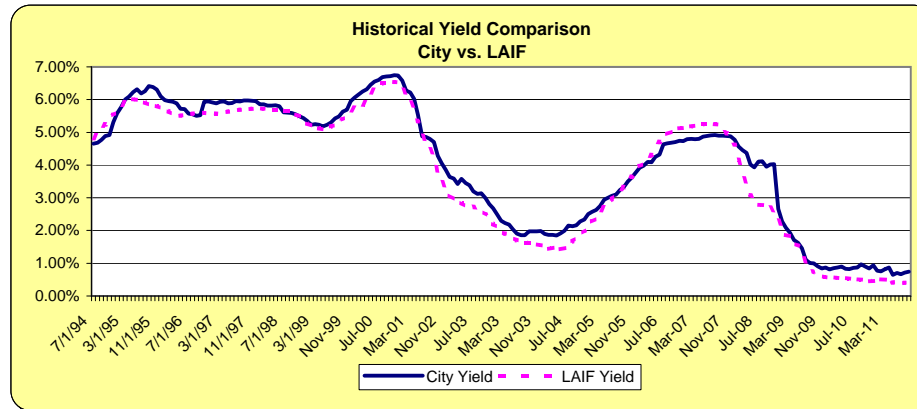
Distribution of Pooled Investments

| | <u>Fair Value</u> | <u>% Split</u> |
|---------------------------------|----------------------|----------------|
| LAIF | 22,526,879.57 | 68.3% |
| Money Market Funds | 6,357,099.46 | 19.3% |
| Federal Agency Securities | 4,078,065.00 | 12.4% |
| Total Pooled Investments | 32,962,044.03 | |



Weighted Annual Yield

| | |
|--------------------------|-------|
| Current Month | 0.74% |
| Prior Month | 0.71% |
| Average Days to Maturity | 236 |



* Cost Basis: The value paid on the purchase date of the asset.

** Fair Value: The value at which a financial instrument could be exchanged in a current transaction.

City of Chico
Investment Portfolio Report
September 30, 2011

| Type of Investment / Financial Institution | Yield to Maturity | Cost Basis* | Fair Value** | Interest Earned | Gain/(Loss) On Investment | Maturity Date |
|---|----------------------|----------------------------|----------------------|--------------------|------------------------------|------------------|
| <i>City Investment Portfolio - Pooled Investments</i> | | | | | | |
| <i>State of California Local Agency Investment Fund (LAIF)</i> | | | | | | |
| City of Chico | 0.378% | 7,679,178.24 | 7,679,178.24 | | | N/A |
| Chico Redevelopment Agency | 0.378% | 7,080,110.80 | 7,080,110.80 | | | N/A |
| Chico Urban Area JPFA | 0.378% | 7,767,590.53 | 7,767,590.53 | | | N/A |
| Total Local Agency Investment Fund | | 22,526,879.57 | 22,526,879.57 | 0.00 | 0.00 | |
| <i>Money Market Mutual Fund</i> | | | | | | |
| Union Bank of California | 0.000% | 2,903,397.76 | 2,903,397.76 | 3.64 | | N/A |
| Rabobank | 0.440% | 3,002,303.05 | 3,001,212.58 | 1,090.47 | | N/A |
| Bank of America | 0.000% | 452,489.12 | 452,489.12 | | | N/A |
| Total Money Market Fund | | 6,358,189.93 | 6,357,099.46 | 1,094.11 | 0.00 | |
| <i>Federal Agency Securities</i> | | | | | | |
| Federal Home Loan Bank | 3.100% | <u>bond called 9/15/11</u> | | 7,750.00 | | 9/15/2014 |
| Federal National Mortgage Assn | 2.000% | <u>bond called 9/23/11</u> | | 10,000.00 | | 9/23/2014 |
| Federal Home Loan Bank | 2.680% | 500,000.00 | 513,745.00 | | | 2/11/2015 |
| Federal Farm Credit Bank | 2.870% | 500,000.00 | 504,860.00 | | | 4/9/2015 |
| Federal National Mortgage Assn | 1.930% | 500,000.00 | 516,960.00 | 5,000.00 | | 9/21/2015 |
| Federal National Mortgage Assn | 1.990% | 498,828.13 | 501,320.00 | | | 11/30/2015 |
| Federal Farm Credit Bank | 2.360% | 500,000.00 | 502,970.00 | | | 1/28/2015 |
| Federal Home Loan Bank | 2.420% | 500,000.00 | 504,120.00 | | | 2/9/2016 |
| Federal Farm Credit Bank | 2.570% | 500,000.00 | 505,090.00 | 6,500.00 | | 3/9/2016 |
| Federal National Mortgage Assn | 2.500% | <u>bond called 9/30/11</u> | | 6,250.00 | | 3/30/2016 |
| Federal Home Loan Bank | 2.360% | 500,000.00 | 529,000.00 | | | 4/27/2016 |
| Total Federal Agency Securities | | 3,998,828.13 | 4,078,065.00 | 35,500.00 | 0.00 | |
| Total City Pooled Investments | | 32,883,897.63 | 32,962,044.03 | 36,594.11 | 0.00 | |

* Cost Basis: The value paid on the purchase date of the asset.

** Fair Value: The value at which a financial instrument could be exchanged in a current transaction.

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Investment Portfolio Report
September 30, 2011

| Type of Investment / Financial Institution | Yield to Maturity | Cost Basis* | Fair Value** | Interest Earned | Gain/(Loss) On Investment | Maturity Date |
|---|----------------------|----------------------|----------------------|--------------------|------------------------------|------------------|
| <i>City Investment Portfolio - Investments held in Trust</i> | | | | | | |
| 2001 Tax Allocation Revenue Bonds | | | | | | |
| Blackrock Provident Institutional Funds | 0.010% | 602,960.23 | 602,960.23 | 43,942.41 | | N/A |
| FSA Capital Management Services | 5.250% | 1,684,941.25 | 1,684,941.25 | | | 03/28/24 |
| 2005 Tax Allocation Bonds | | | | | | |
| Blackrock Provident Institutional Funds | 0.010% | 1,661,466.24 | 1,661,466.24 | 100,428.40 | | N/A |
| FSA Capital Management Services | 4.940% | 4,092,746.27 | 4,092,746.27 | | | 04/01/32 |
| 2007 Tax Allocation Refunding Bonds | | | | | | |
| Blackrock Provident Institutional Funds | 0.010% | 489,571.16 | 489,571.16 | 69,924.88 | | N/A |
| FSA Capital Management Services | 5.250% | 2,678,152.50 | 2,678,152.50 | | | 03/28/25 |
| General Liability Insurance Reserve | | | | | | |
| Umpqua Bank | N/A | 20,000.00 | 20,000.00 | | | N/A |
| Workers' Compensation Insurance Reserve | | | | | | |
| Tri Counties Bank | N/A | 70,000.00 | 70,000.00 | | | N/A |
| Total Investments Held In Trust | | 11,299,837.65 | 11,299,837.65 | 214,295.69 | 0.00 | |
| <i>City Investment Portfolio - Fiduciary Funds</i> | | | | | | |
| Mission Ranch Assessment District | | | | | | |
| Principal Cash | 0.000% | 0.00 | 0.00 | | | N/A |
| Total Fiduciary Funds | | 0.00 | 0.00 | 0.00 | 0.00 | |
| TOTAL INVESTMENTS | | 44,183,735.28 | 44,261,881.68 | 250,889.80 | 0.00 | |

* Cost Basis: The value paid on the purchase date of the asset.

** Fair Value: The value at which a financial instrument could be exchanged in a current transaction.