

**Leon County
Annual Investment Report
Quarter Ended December 31, 2011**



Leon County
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Quarter Ended December 31, 2011

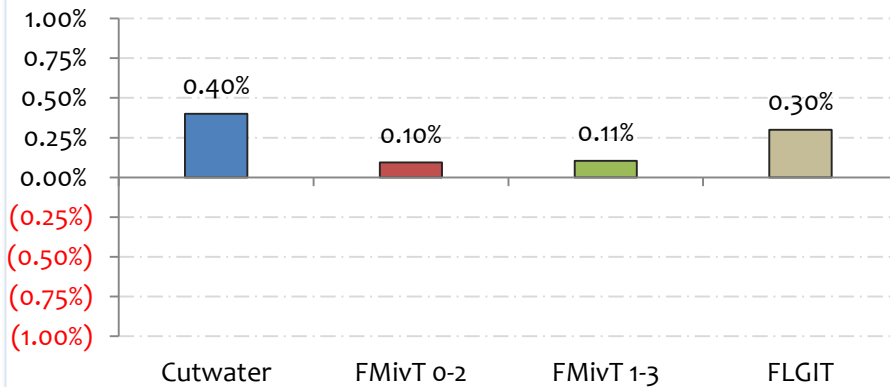
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**Leon County
Summary Portfolio Review
Quarter Ended December 31, 2011**

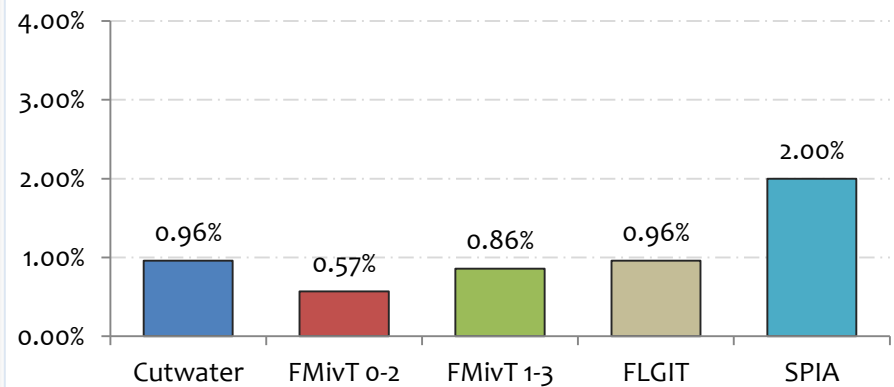
Leon County
 Portfolio Performance and Characteristics Internal and External Investment Portfolio
 Quarter Ended December 31, 2011

Portfolio Name	Quarter End Balance	Quarterly Return	Yield	Effective Duration
Cutwater Portfolio Manager Account	\$75,290,560	0.40%	0.96%	1.75 Years
Florida Municipal Investment Trust 0-2 YEARS	49,737	0.10%	0.57%	.73 Years
Florida Municipal Investment Trust 1-3 YEARS	37,289,901	0.11%	0.86%	1.49 Years
Florida Local Gov Investment Trust	37,366,175	0.30%	0.96%	1.83 Years
Florida Treasury SPIA	32,594,784	N/A	2.00%	2.49 Years
Wachovia Cash Pool	0	N/A	N/A	.01 Years
Certificates of Deposit	0	N/A	N/A	.00 Years
State Board of Administration Pool	0	N/A	N/A	.12 Years
Money Market-Variou	0	N/A	N/A	.01 Years
	\$182,591,156	0.30%	1.13%	1.85 Years

Quarterly Total Return

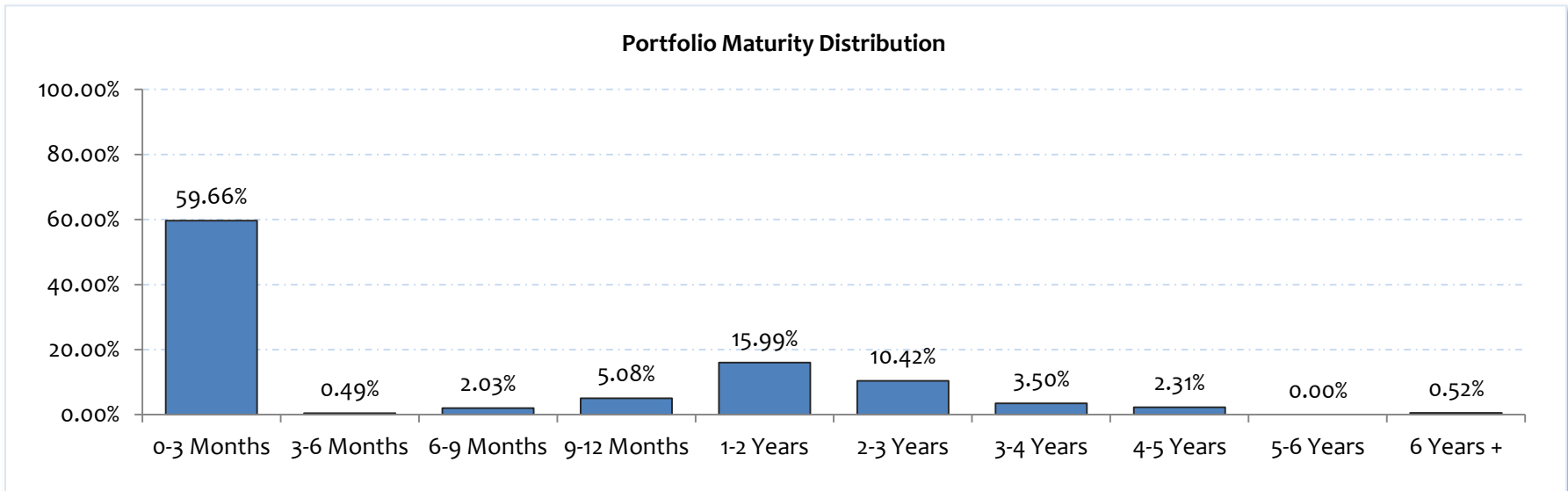


Yield as of December 31,2011



Leon County
Maturity Distribution for the Internal and External Investment Portfolio
Quarter Ended December 31, 2011

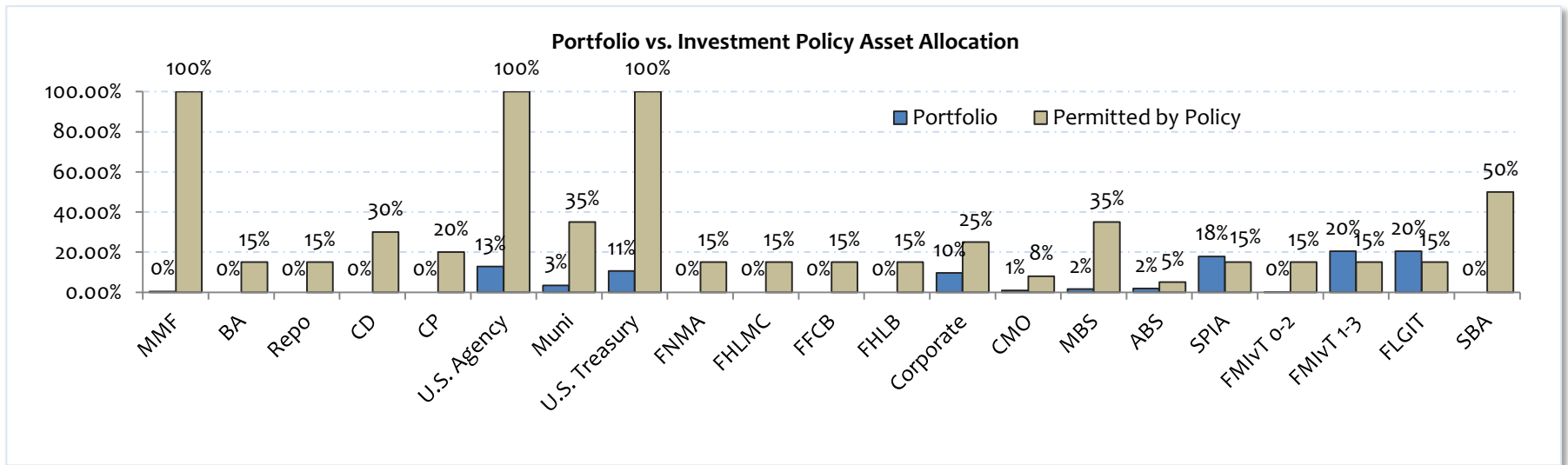
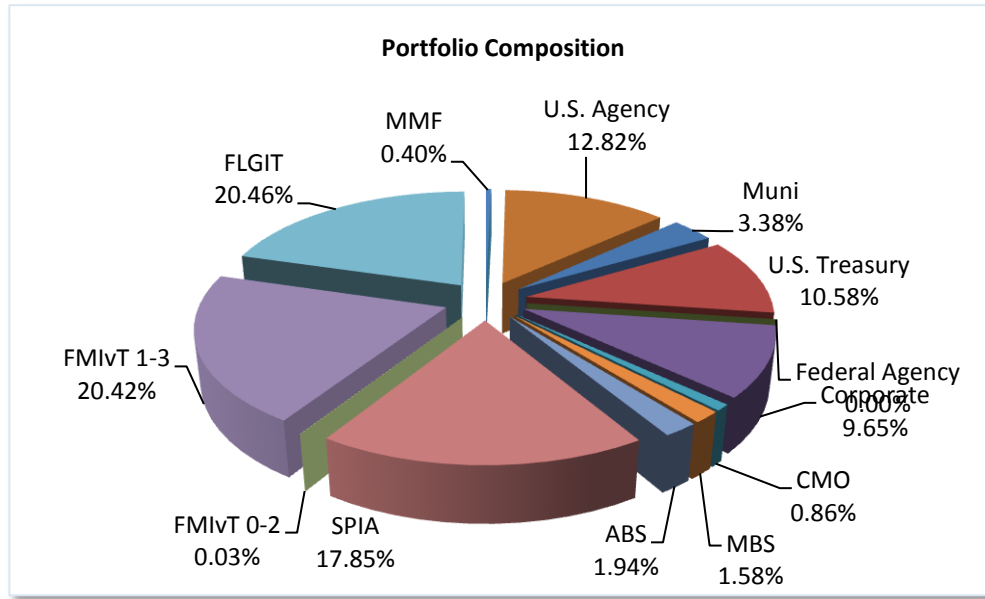
Maturity Distribution	<u>Assets</u>	<u>Percent of Portfolio</u>
0-3 Months	\$108,931,564	59.66%
3-6 Months	885,768	0.49%
6-9 Months	3,706,425	2.03%
9-12 Months	9,282,815	5.08%
1-2 Years	29,193,884	15.99%
2-3 Years	19,034,171	10.42%
3-4 Years	6,390,173	3.50%
4-5 Years	4,217,539	2.31%
5-6 Years	0	0.00%
6 Years +	948,817	0.52%
Total Portfolio	<u><u>\$182,591,156</u></u>	<u><u>100.00%</u></u>



Leon County
 Asset Allocation for Internal and External Investment Portfolio
 Quarter Ended December 31, 2011

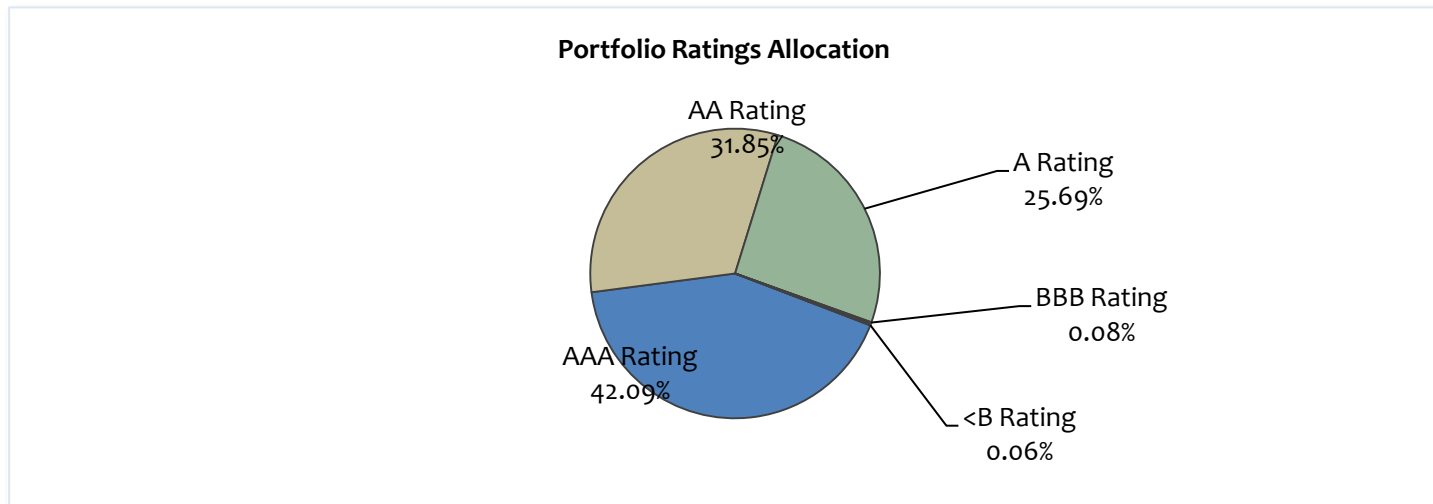
<u>Asset Allocation</u>	<u>Assets</u>	<u>Percent of Portfolio</u>	<u>Permitted by Policy</u>
Money Market Funds	\$738,629	0.40%	100.00%
Bankers Acceptances	0	0.00%	15.00%
Repurchase Agreements	0	0.00%	15.00%
Certificates of Deposit	0	0.00%	30.00%
Commercial Paper	0	0.00%	20.00%
U.S. Agency Notes	23,415,844	12.82%	100.00%
Municipal Notes	6,180,513	3.38%	35.00%
U.S. Treasury Notes	19,319,510	10.58%	100.00%
FNMA	0	0.00%	15.00%
FHLMC	0	0.00%	15.00%
FFCB	0	0.00%	15.00%
FHLB	0	0.00%	15.00%
Corporate Notes	17,613,349	9.65%	25.00%
Collateralized Mortgage Obligations	1,579,176	0.86%	8.00%
Mortgage Backed Securities	2,892,551	1.58%	35.00%
Asset Backed Securities	3,550,988	1.94%	5.00%
SPIA	32,594,784	17.85%	15.00%
FMIvT 0-2	49,737	0.03%	15.00%
FMIvT 1-3	37,289,901	20.42%	15.00%
FLGIT	37,366,175	20.46%	15.00%
SBA	0	0.00%	50.00%
Total Portfolio	\$182,591,156	100.00%	

Leon County
 Asset Allocation for the Investment Portfolio
 Quarter Ended June 30, 2011



Leon County
Ratings Distribution for the Internal and External Investment Portfolio
Quarter Ended December 31, 2011

Short Term Rating Distribution	<u>Assets</u>	<u>Percent of Portfolio</u>
A-1+	\$0.00	0.00%
A-1	0.00	0.00%
	<u>\$0.00</u>	<u>0.00%</u>
Long Term Rating Distribution		
AAA Rating	\$76,860,903	42.09%
AA Rating	58,157,320	31.85%
A Rating	46,909,709	25.69%
BBB Rating	150,166	0.08%
BB Rating	0	0.00%
B Rating	401,790	0.22%
<B Rating	111,269	0.06%
	<u>\$182,591,157</u>	<u>100.00%</u>
Total Portfolio	<u><u>\$182,591,157</u></u>	<u><u>100.00%</u></u>



**Leon County
Cutwater Asset Management Portfolio Review
Quarter Ended December 31 , 2011**

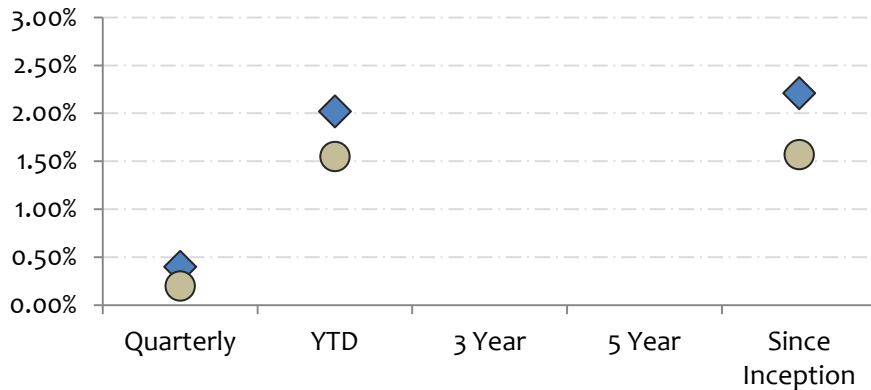
Leon County
 Portfolio Performance and Characteristics for the Cutwater Managed Investment Portfolio
 Quarter Ended December 31, 2011

Investment Portfolio	Ending Balance	Investment Portfolio Characteristics	
Market Value with Accrued	\$75,290,560.00	Weighted Market Yield	0.96%
Amortized Cost with Accrued	\$74,870,492.00	Weighted Yield on Cost	1.39%
Accrued Interest	\$296,195.00	Weighted Coupon	2.02%

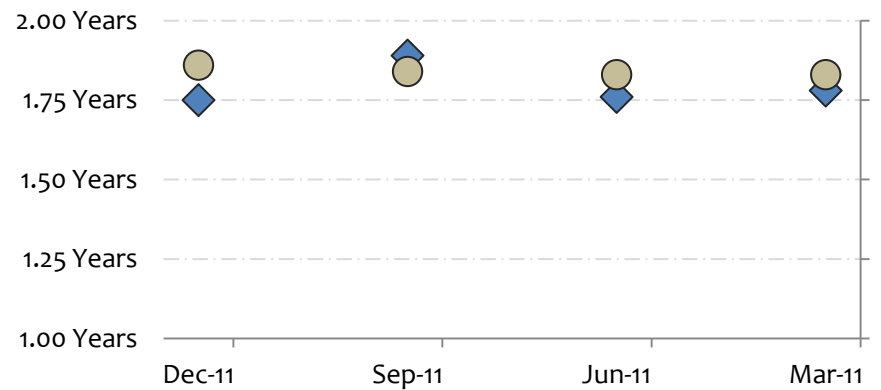
Performance	Quarterly	YTD	3 Year	5 Year	Since Inception
Investment Portfolio	0.40%	2.02%			2.21%
1-3 Year Treasury/Agency Index	0.20%	1.55%			1.57%

Duration	Dec-11	Sep-11	Jun-11	Mar-11
Investment Portfolio	1.75 Years	1.89 Years	1.76 Years	1.78 Years
1-3 Year Treasury/Agency Index	1.86 Years	1.84 Years	1.83 Years	1.83 Years

Portfolio Duration vs. Benchmark Performance

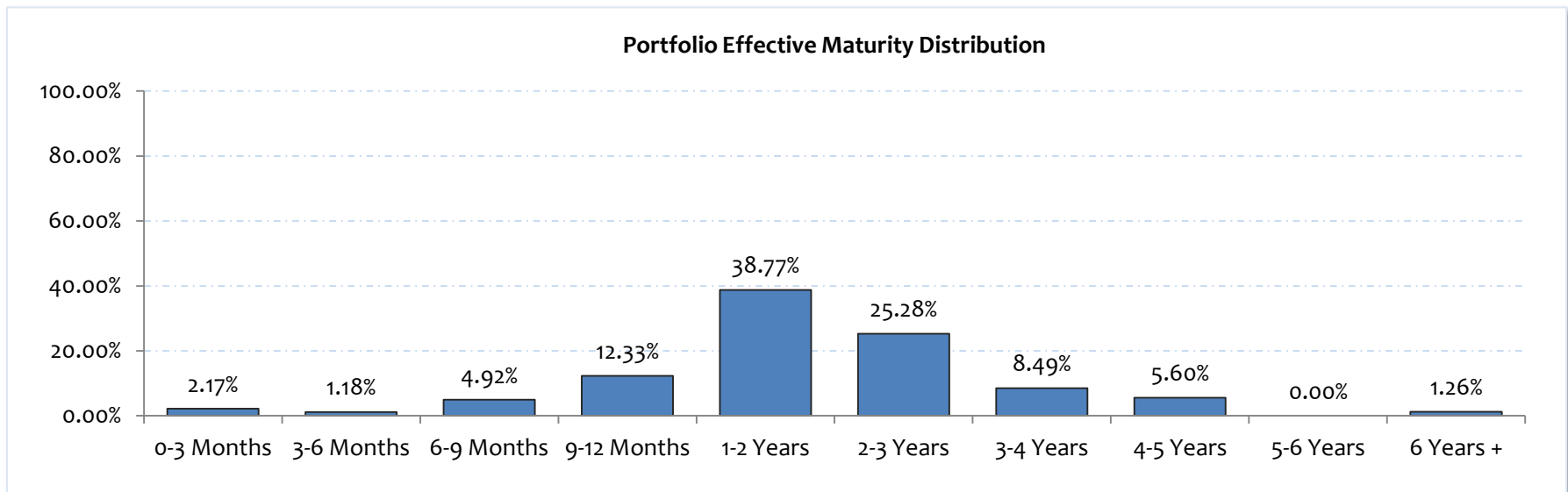


Portfolio Duration vs. Benchmark Duration



Leon County
Maturity Distribution for the Cutwater Managed Investment Portfolio
Quarter Ended December 31, 2011

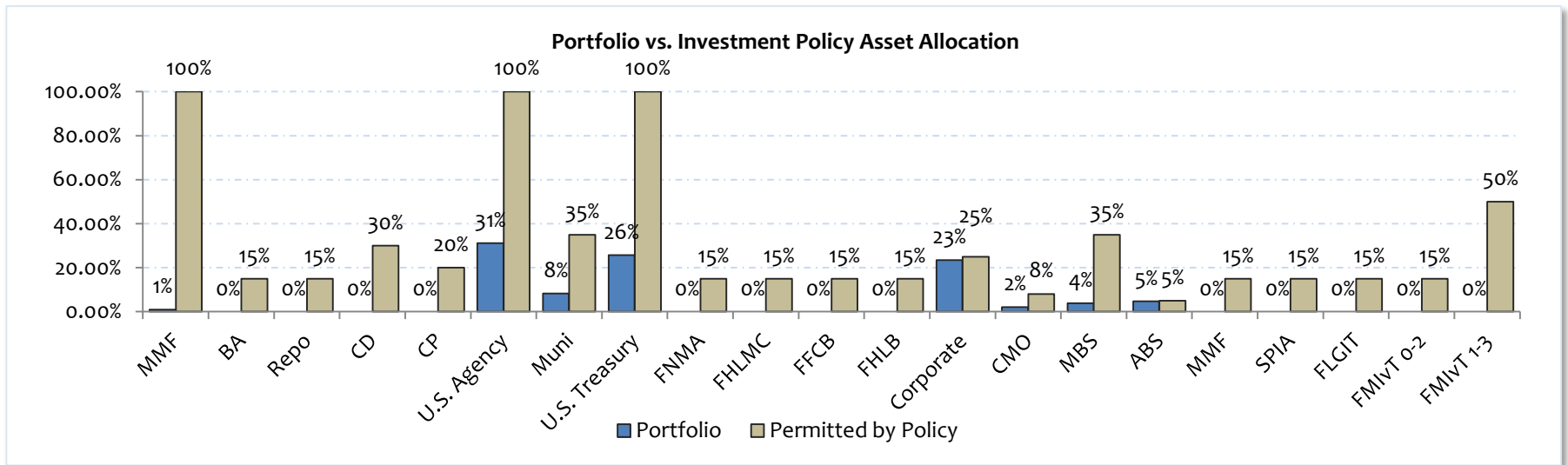
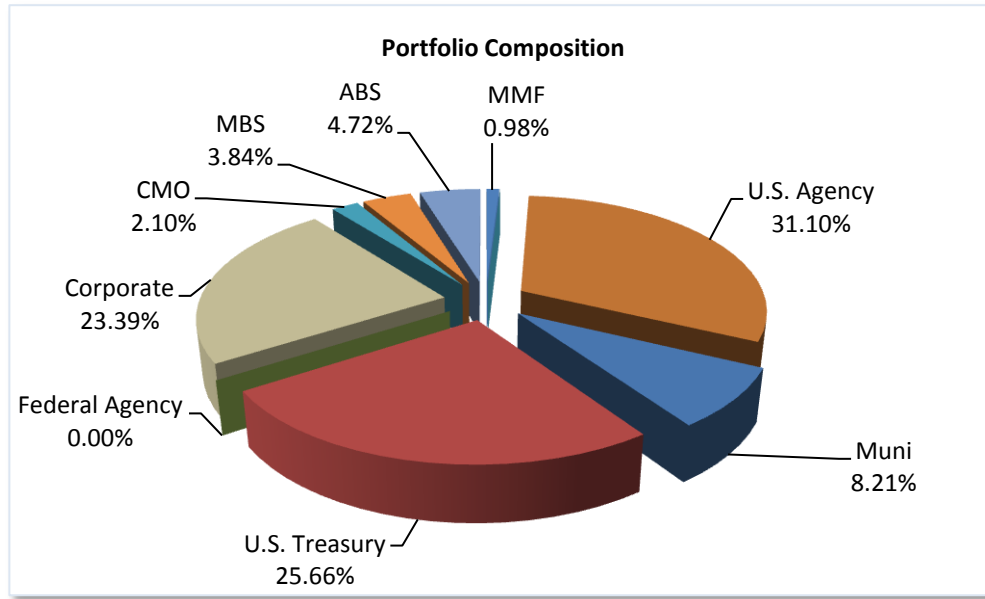
Maturity Distribution	<u>Assets</u>	<u>Percent of Portfolio</u>
0-3 Months	\$1,630,968	2.17%
3-6 Months	885,768	1.18%
6-9 Months	3,706,425	4.92%
9-12 Months	9,282,815	12.33%
1-2 Years	29,193,884	38.77%
2-3 Years	19,034,171	25.28%
3-4 Years	6,390,173	8.49%
4-5 Years	4,217,539	5.60%
5-6 Years	0	0.00%
6 Years +	948,817	1.26%
Total Portfolio	<u><u>\$75,290,560</u></u>	<u><u>100.00%</u></u>



Leon County
 Asset Allocation for the Cutwater Managed Investment Portfolio
 Quarter Ended December 31, 2011

<u>Asset Allocation</u>	<u>Assets</u>	<u>Percent of Portfolio</u>	<u>Permitted by Policy</u>
Money Market Funds	\$738,629	0.98%	100.00%
Bankers Acceptances	0	0.00%	15.00%
Repurchase Agreements	0	0.00%	15.00%
Certificates of Deposit	0	0.00%	30.00%
Commercial Paper	0	0.00%	20.00%
U.S. Agency Notes	23,415,844	31.10%	100.00%
Municipal Notes	6,180,513	8.21%	35.00%
U.S. Treasury Notes	19,319,510	25.66%	100.00%
FNMA	0	0.00%	15.00%
FHLMC	0	0.00%	15.00%
FFCB	0	0.00%	15.00%
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Corporate Notes	17,613,349	23.39%	25.00%
Collateralized Mortgage Obligations	1,579,176	2.10%	8.00%
Mortgage Backed Securities	2,892,551	3.84%	35.00%
Asset Backed Securities	3,550,988	4.72%	5.00%
SPIA	0	0.00%	15.00%
FMIvT 0-2	0	0.00%	15.00%
FMIvT 1-3	0	0.00%	15.00%
FLGIT	0	0.00%	15.00%
SBA	0	0.00%	50.00%
Total Portfolio	<u><u>\$75,290,560</u></u>	<u><u>100.00%</u></u>	

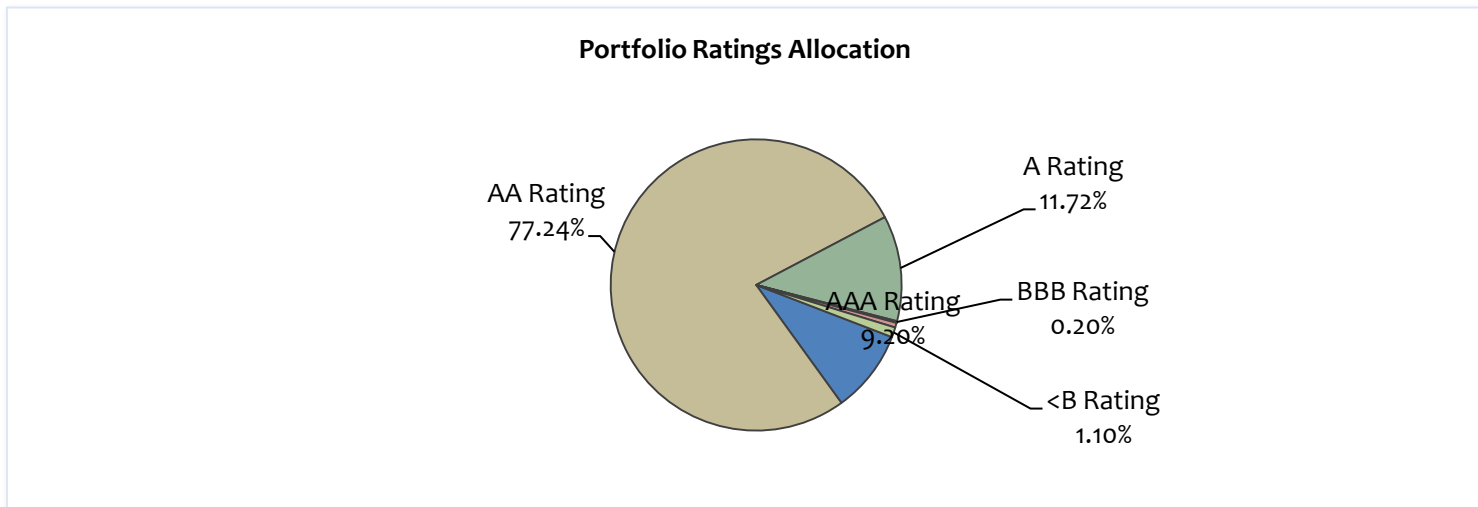
Leon County
 Asset Allocation for the Cutwater Managed Investment Portfolio
 Quarter Ended June 30, 2011



Leon County
Ratings Distribution for the Cutwater Manged Investment Portfolio
Quarter Ended December 31, 2011

Short Term Rating Distribution	<u>Assets</u>	<u>Percent of Portfolio</u>
A-1+	\$0	0.00%
A-1	0	0.00%
	<u>\$0</u>	<u>0.00%</u>
Long Term Rating Distribution		
AAA Rating	\$6,926,482	9.20%
AA Rating *	58,157,320	77.24%
A Rating	9,543,534	11.72%
BBB Rating	150,166	0.20%
BB Rating	0	0.00%
B Rating	401,790	0.53%
<B Rating	111,269	1.10%
	<u>\$75,290,560</u>	<u>100.00%</u>
Total Portfolio	<u><u>\$75,290,560</u></u>	<u><u>100.00%</u></u>

* 76.8% of AA Rating is U.S. Government Debt



Leon County
Footnotes for Leon County's Internal and External Managed Investment Program
Quarter Ended December 31, 2011

1. Fair Market asset values for Cutwater portfolio includes accrued interest.
2. Month end balances, yield and total return information obtained from external manager reports. Cutwater does not verify accuracy.
3. Permitted investment allocations defined in Leon County's investment policy.
4. Quarterly Total Return weighted average based on investments with available total return calculations.
5. Cutwater Asset Manage began managing Leon County's investment portfolio on June 1, 2010 (inception date).
6. Cutwater managed investment portfolio total return calculations in accordance with GIPS compliance.
7. Return and balance information for all non-Cutwater managed assets provided by external manager reports and Leon County.
8. Values based on period ended June 30, 2011 except as defined otherwise.
9. Florida Municipal Investment Trust Yield based on June 30, 2011 month end.

Leon County
Additional Disclosure

Additional Disclosure

1. The investment adviser providing these advisory services is Cutwater Investor Services Corp., which is an investment adviser registered with the SEC under the Investment Advisers act of 1940.
2. All performance numbers used in the analysis are gross returns. The performance reflect the reinvestment of all dividends and income. Cutwater charges management fees on all portfolios that it manages and these fees will reduce the returns on the portfolio. For example, assume that \$30 million is invested in an account with the Firm, and this account achieves a 5.0% annual return compounded monthly, gross of fees, for a period of five years. At the end of five years that account would have grown to \$38,500,760 before the deduction of management fees. Assuming management fees of .25% per year are deducted monthly from the account, the value at the end of the five year period would be \$38,022,447. Actual fees for new accounts are dependent on size and subject to negotiation. The adviser's investment advisory fees are discussed in Part II of the adviser's SEC Form ADV.
3. This presentation is intended for use in one-on-one presentations to the prospective client only. This presentation is not intended to be used as advertising nor is it for distribution to any other prospective clients.
4. Performance comparisons will be affected by changes in interest rates. Investment returns fluctuate due to changes in market conditions. **Past performance is no guarantee of future results.**
5. The returns and standard deviations, if used in this presentation, are based on data provided by eVestment Alliance an independent provider of performance data for registered investment advisors and are believed to be accurate. Actual client returns may differ from those shown in the presentation.
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