PERMANENT FUND COMMITTEE
491 E. PIONEER AVENUE
HOMER, ALASKA

APRIL 14, 2011
THURSDAY, 5:15 P.M.
CITY HALL COWLES COUNCIL CHAMBERS

NOTICE OF MEETING
REGULAR MEETING AGENDA

1. **CALL TO ORDER**

2. **APPROVAL OF AGENDA**

3. **PUBLIC COMMENTS REGARDING ITEMS ON THE AGENDA**

4. **APPROVAL OF MINUTES**

A. Synopsis of Regular Meeting of January 13, 2011 Page 1
B. Synopsis of Special Meeting of March 1, 2011 Page 3

5. **VISITORS**

6. **STAFF & COUNCIL REPORT/COMMITTEE REPORTS/BOROUGH REPORTS**

7. **PUBLIC HEARING**

8. **PENDING BUSINESS**

9. **NEW BUSINESS**

10. **INFORMATIONAL MATERIALS**

A. Statement of Earnings – U.S. Bank Page 5
B. Memorandum from U.S. Bank in regards to security in investments Page 35

11. **COMMENTS OF THE AUDIENCE** (3 MINUTE TIME LIMIT)
12. **COMMENTS OF THE CITY STAFF**
13. **COMMENTS OF THE COUNCILMEMBER**
14. **COMMENTS OF THE CHAIR**
15. **COMMENTS OF THE COMMISSION**

16. **ADJOURNMENT/NEXT REGULAR MEETING** is scheduled for Thursday, July 14, 2011 at 5:15 p.m. in the Homer City Hall Cowles Council Chambers, 491 E. Pioneer Avenue, Homer, Alaska.

Session 11-01 a Regular Meeting of the Permanent Fund Committee was called to order on January 13, 2011 at 5:15 p.m. by Chair Barbara Howard at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

PRESENT: COMMITTEE MEMBERS: REGINA MAURAS, BARBARA HOWARD, JO JOHNSON, MATT NORTH, BETH WYTHE

APPROVAL OF AGENDA

WYTHE/JOHNSON - MOVED TO APPROVE THE AGENDA.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

PUBLIC COMMENTS REGARDING ITEMS ON THE AGENDA

There were no public comments.

APPROVAL OF MINUTES

A. Synopsis of Regular Meeting October 14, 2010

WYTHE/MAURAS – MOVED TO APPROVED THE MINUTES.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

VISITORS

STAFF & COUNCIL REPORT/COMMITTEE REPORTS/BOROUGH REPORTS

A. Investment Portfolio Report

Finance Director Regina Mauras reported another settlement was received from Exxon in December. The only statement she can view is last month's.

WYTHE/JOHNSON – MOVED THAT A WRITTEN REQUEST BE SENT TO U.S. BANK TO CLARIFY THE STATEMENTS.

At this time the day to day activity on the account is not available. Data can only be traced by pulling up the transaction detail. Equity should be displayed real time; fixed assets may not be real time due to continual fluctuations.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Financial reports on the Permanent Fund will be provided quarterly to City Council with the minutes.

PUBLIC HEARING

PENDING BUSINESS

NEW BUSINESS

INFORMATIONAL MATERIALS

COMMENTS OF THE AUDIENCE (3 MINUTE TIME LIMIT)

There was no audience.

COMMENTS OF THE CITY STAFF

There were no comments from the staff.

COMMENTS OF THE COUNCILMEMBER

Councilmember Wythe had no comment.

COMMENTS OF THE CHAIR

Chair Howard had no comment.

COMMENTS OF THE COMMISSION

Commissioner Johnson commented it was nice to see $7,000 already earned.

ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 5:31 p.m. The next Regular Meeting is scheduled for Thursday, April 14, 2011 at 5:15 p.m. in the Homer City Hall Cowles Council Chambers, 491 E. Pioneer Avenue, Homer, Alaska.

Submitted by Jo Johnson

Session 11-02 a Special Meeting of the Permanent Fund Committee was called to order on March 1, 2011 at 12:00 p.m. by Chair Barbara Howard at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

PRESENT: COMMITTEE MEMBERS: REGINA MAURAS, BARBARA HOWARD, JO JOHNSON, BETH WYTHE

ABSENT: MATT NORTH (excused)

APPROVAL OF AGENDA

MAURAS/JOHNSON - MOVED TO APPROVE THE AGENDA.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

PUBLIC COMMENTS REGARDING ITEMS ON THE AGENDA

There were no public comments.

APPROVAL OF MINUTES

VISITORS

STAFF & COUNCIL REPORT/COMMITTEE REPORTS/BOROUGH REPORTS

Regina Mauras reported after working with U.S. Bank for online statements and accessibility to the account, she has been given access.

PUBLIC HEARING

PENDING BUSINESS

NEW BUSINESS

A. Review and Recommendations of the Investment Policies of the Permanent Fund Pursuant to HCC 3.10.130(b)(2).

Chair Howard explained the City Council is required to approve the Investment Policy annually within the first quarter of the year. A resolution before City Council will be heard on March 14, 2011.

WYTHE/JOHNSON - MOVED TO MAKE THE RECOMMENDATION FOR THE FUND TO REMAIN AS IT IS CURRENTLY ESTABLISHED AND INVESTED WITH NO CHANGES UNTIL CONSIDERATION NEXT YEAR.

The plan is new and less than six months we established our investment criteria. At the end of the year we will have an idea if the plan is working.

A resolution supported with a memorandum from the committee will be prepared.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

INFORMATIONAL MATERIALS

A laydown was provided by Committee member Mauras, the GFOA Newsletter pertaining to a requirement that municipal advisors be registered subject to new Dodd-Frank registration, disclosure, and other requirements. Mrs. Mauras will keep the committee apprised of new developments pertaining to the registration requirement.

COMMENTS OF THE AUDIENCE (3 MINUTE TIME LIMIT)

There was no audience.

COMMENTS OF THE CITY STAFF

There were no comments from the staff.

COMMENTS OF THE COUNCILMEMBER

Councilmember Wythe had no comment.

COMMENTS OF THE CHAIR

Chair Howard had no comment.

COMMENTS OF THE COMMISSION

Committee members Mauras and Johnson had no comment.

ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 12:09 p.m. The next Regular Meeting is scheduled for Thursday, April 14, 2011 at 5:15 p.m. in the Homer City Hall Cowles Council Chambers, 491 E. Pioneer Avenue, Homer, Alaska.

Submitted by Jo Johnson

CITY OF HOMER

	First American Prime Oblig Fund - 19-504340	First American Prime Oblig - 19-504341		5% is to be available for grants to Homer Foundation
	INCOME - 999-1043 /301	GROWTH - 999-1044 / 302	Total	
1/1/2011 Balance	560,961.61	971,468.73	1,532,430.34	
Administrative Expenses - 5611	(1,045.08)	(1,821.51)	(2,866.59)	
Recognized Gain/Loss	758.37	101.84	860.21	
Interest Received - **4801**	1,928.72	-	1,928.72	
01/31/2011 Balance	**562,603.62**	**969,749.06**	**1,532,352.68**	**76,617.63**
January Market Value	*561,751.28*	*980,303.99*	*9,702.59*	
Accrued Interest (Earned but not paid)	*(851.68)*	-	*(851.68)*	
Administrative Expenses - 5611	-	-	-	
Recognized Gain/Loss	(664.82)		(664.82)	
Interest Received - **4801**	636.20		636.20	
02/28/2011 Balance	**563,239.82**	**969,749.06**	**1,532,988.88**	**76,649.44**
February Market Value	*562,161.20*	*1,010,530.59*	*39,702.91*	
Accrued Interest (Earned but not paid)	*438.54*		*438.54*	
Administrative Expenses - 5611			-	
Recognized Gain/Loss	(990.00)		(990.00)	
Interest Received - 4801	1,443.88	719.01	2,162.89	
03/31/2011 Balance	**563,693.70**	**970,468.07**	**1,535,151.77**	**76,757.59**
March Market Value	*562,276.31*	*1,018,999.32*	*47,113.86*	
Accrued Interest (Earned but not paid)	*(338.77)*		*(338.77)*	

YTD Interest Earned:	1st Quarter	YTD
Interest Dividends Earned	4,727.81	4,727.81
Recognized Gains (Losses)	(794.61)	(794.61)
	3,933.20	3,933.20
YTD Administrative Fees:	2,866.59	2,866.59
Net Affect on Fund:	1,066.61	1,066.61

Notes:

Fund 806-301:	60% of Permanent Fund	5% of income has to be available for grants to the Homer Foundation or
Fund 806-302:	40% of Permanent Fund	

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Account Number: 19-504340
CITY OF HOMER
PERMANENT FUND - INCOME

This statement is for the period from March 1, 2011 to March 31, 2011

"Income7-

Questions?
If you have any questions regarding your account or this statement, please contact your Account Manager.

Account Manager:
SARAH VIELE
555 SW OAK ST
PORTLAND OR 97204
Phone: 503-275-4401
E-mail: sarah.viele@usbank.com

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CITY OF HOMER
ATTN: REGINA HARVILLE
491 E. PIONEER AVE.
HOMER, AK 99603-7624

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Period from March 1, 2011 to March 31, 2011

CITY OF HOMER - INCOME
ACCOUNT 19-504340

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CITY OF HOMER - INCOME
ACCOUNT 19-504340

Period from March 1, 2011 to March 31, 2011

MARKET VALUE RECONCILIATION

	CURRENT PERIOD 03/01/2011 TO 03/31/2011	YEAR TO DATE 01/01/2011 TO 03/31/2011
Beginning Market Value	562,161.20	560,961.67
Disbursements		
Administrative Expenses*	.00	- 1,045.80
Total Disbursements	.00	- 1,045.80
Asset Activity		
Taxable Interest	1,231.53	3,371.86
Taxable Dividends	212.35	636.94
Change In Unrealized Gain/Loss	- 990.00	- 896.45
Change In Accrued Income	- 338.77	- 751.91
Total Asset Activity	115.11	2,360.44
Net Change In Market Value	115.11	1,314.64
Ending Market Value	562,276.31	562,276.31

MARKET VALUE RECONCILIATION MESSAGES

* Includes Professional Fees, Contract Administrator Fees and Investment Advisory Fees

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CITY OF HOMER - INCOME
ACCOUNT 19-504340

Period from March 1, 2011 to March 31, 2011

COST RECONCILIATION

	CURRENT PERIOD 03/01/2011 TO 03/31/2011	YEAR TO DATE 01/01/2011 TO 03/31/2011
Beginning Cost	569,899.65	568,793.67
Disbursements		
Administrative Expenses*	.00	- 1,045.80
Total Disbursements	.00	- 1,045.80
Asset Activity		
Taxable Interest	1,231.53	3,371.86
Taxable Dividends	212.35	636.94
Change In Accrued Income	- 338.77	- 751.91
Total Asset Activity	1,105.11	3,256.89
Ending Cost	571,004.76	571,004.76

COST RECONCILIATION MESSAGES

* Includes Professional Fees, Contract Administrator Fees and Investment Advisory Fees

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CITY OF HOMER - INCOME
ACCOUNT 19-504340

Period from March 1, 2011 to March 31, 2011

ASSET CLASS SUMMARY

	BEGINNING FEDERAL TAX COST	ENDING FEDERAL TAX COST	BEGINNING MARKET	ENDING MARKET	% OF MARKET
Money Markets	27,196.20	4,347.97	27,196.20	4,347.97	0.77
Cash	212.24	212.35	212.24	212.35	0.04
US Government Issues	99,955.25	99,955.25	98,999.50	98,962.25	17.60
Corporate Issues	232,331.75	256,623.75	226,439.50	249,925.50	44.45
Foreign Issues	100,995.75	100,995.75	99,786.75	99,640.00	17.72
Mutual Funds-Fixed Income	106,500.00	106,500.00	106,818.55	106,818.55	19.00
Total Assets	**567,191.19**	**568,635.07**	**559,452.74**	**559,906.62**	**99.58**
Accrued Income	2,708.46	2,369.69	2,708.46	2,369.69	0.42
Grand Total	**569,899.65**	**571,004.76**	**562,161.20**	**562,276.31**	**100.00**

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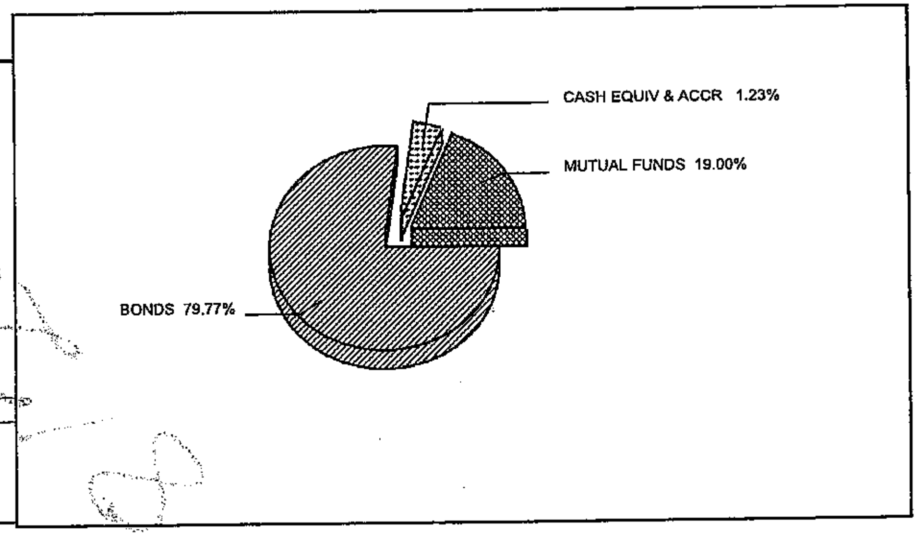
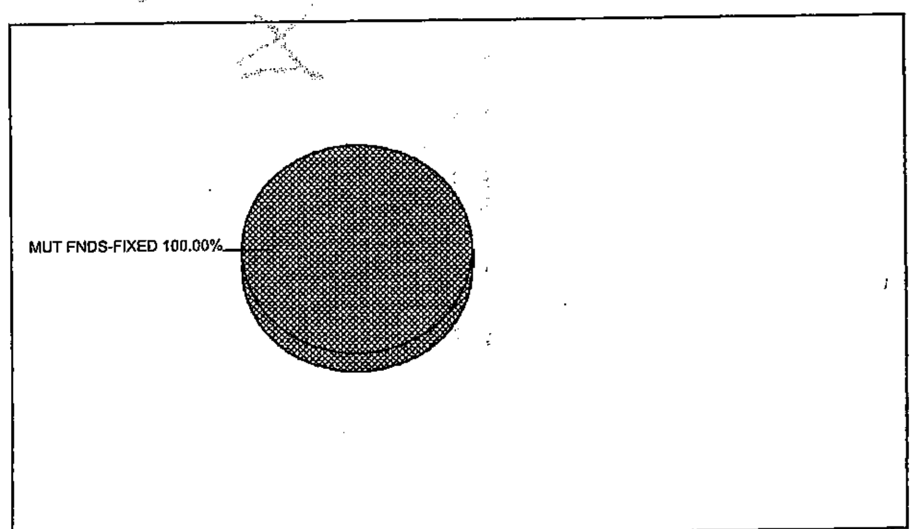
CITY OF HOMER - INCOME
ACCOUNT 19-504340

Period from March 1, 2011 to March 31, 2011

ASSET SUMMARY

ASSETS	03/31/2011 MARKET VALUE	% OF MARKET
Cash And Equivalents	4,560.32	0.81
U.S. Government Issues	98,962.25	17.60
Corporate Issues	249,925.50	44.45
Foreign Issues	99,640.00	17.72
Mutual Funds-Fixed Income	106,818.55	19.00
Total Assets	**559,906.62**	**99.58**
Accrued Income	2,369.69	0.42
Grand Total	**562,276.31**	**100.00**





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CITY OF HOMER - INCOME
ACCOUNT 19-504340

Period from March 1, 2011 to March 31, 2011

ASSET DETAIL

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	FEDERAL TAX COST	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MKT
Cash And Equivalents						
Money Markets						
First Amer Prime Oblig Fund Cl Y 31846V104 Asset Minor Code 1	4,347.970	4,347.97 1.0000	4,347.97	.00 .00	.00	0.00
Total Money Markets	**4,347.970**	**4,347.97**	**4,347.97**	**.00** **.00**	**.00**	**0.00**
Cash						
Cash		212.35	212.35			
Total Cash	**.000**	**212.35**	**212.35**	**.00** **.00**	**.00**	**0.00**
Total Cash And Equivalents	**4,347.970**	**4,560.32**	**4,560.32**	**.00** **.00**	**.00**	**0.00**
US Government Issues						
U S Treasury Nt 0.375% 8/31/12 Standard & Poors Rating: AAA Moodys Rating: AAA 912828PH7 Asset Minor Code 21	25,000.000	24,958.00 99.8320	24,951.26	6.74 - 14.75	8.15	0.40
U S Treasury Nt 0.750% 9/15/13 Standard & Poors Rating: AAA Moodys Rating: AAA 912828NY2 Asset Minor Code 21	25,000.000	24,841.75 99.3670	25,003.99	- 162.24 - 41.00	8.66	0.70
F N M A M T N 1.200% 12/30/13 Standard & Poors Rating: AAA Moodys Rating: AAA 3136FPKG1 Asset Minor Code 22	25,000.000	24,831.50 99.3260	25,000.00	- 168.50 - 23.75	75.83	1.20

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CITY OF HOMER - INCOME
ACCOUNT 19-504340

Period from March 1, 2011 to March 31, 2011

ASSET DETAIL (continued)

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	FEDERAL TAX COST	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MKT
F N M A M T N 2.000% 12/30/15 Standard & Poors Rating: AAA Moodys Rating: AAA 3136FPKH9 Asset Minor Code 22	25,000.000	24,331.00 97.3240	25,000.00	- 669.00 42.25	126.39	2.05
Total US Government Issues	**100,000.000**	**98,962.25**	**99,955.25**	**- 993.00** **- 37.25**	**219.03**	**1.08**

Corporate Issues

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	FEDERAL TAX COST	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MKT
Berkshire Hathaway 4.750% 5/15/12 Standard & Poors Rating: AA+ Moodys Rating: AA2 084670AS7 Asset Minor Code 28	25,000.000	26,077.75 104.3110	26,600.50	- 522.75 - 84.75	448.61	4.50
Gen Elec Cap M T N 2.800% 1/08/13 Standard & Poors Rating: AA+ Moodys Rating: AA2 36962G4H4 Asset Minor Code 28	25,000.000	25,580.00 102.3200	25,775.00	- 195.00 - 63.50	161.39	2.73
Hewlett Packard Co 1.250% 9/13/13 Standard & Poors Rating: A Moodys Rating: A2 428236BB8 Asset Minor Code 28	25,000.000	24,926.75 99.7070	25,131.50	- 204.75 - 71.00	15.63	1.20
Wells Fargo Co Mtn 3.750% 10/01/14 Standard & Poors Rating: AA- Moodys Rating: A1 94974BET3 Asset Minor Code 28	25,000.000	26,195.00 104.7800	26,412.50	- 217.50 - 132.00	468.75	3.53
Bk Of Ny Mellon Mtn 2.500% 1/15/16 Standard & Poors Rating: AA- Moodys Rating: AA2 06406HBS7 Asset Minor Code 28	25,000.000	24,825.50 99.3020	25,241.25	- 415.75 - 13.00	194.44	2.51
Dupont Ei Nemour 1.950% 1/15/16 Standard & Poors Rating: A Moodys Rating: A2 263534CD9 Asset Minor Code 28	25,000.000	24,066.25 96.2650	24,292.00	- 225.75 - 225.75	102.92	1.97

CITY OF HOMER - INCOME
ACCOUNT 19-504340

Period from March 1, 2011 to March 31, 2011

ASSET DETAIL (continued)

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	FEDERAL TAX COST	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MKT
Campbell Soup Co 3.050% 7/15/17 Standard & Poors Rating: A Moodys Rating: A2 134429AV1 Asset Minor Code 28	25,000.000	25,078.00 100.3120	26,102.50	- 1,024.50 - 77.50	160.97	2.99
John Deere Cap Mtn 2.800% 9/18/17 Standard & Poors Rating: A Moodys Rating: A2 24422EQZ5 Asset Minor Code 28	25,000.000	24,435.75 97.7430	24,996.75	- 561.00 - 33.25	25.28	2.86
Duke Energy Ind 3.750% 7/15/20 Standard & Poors Rating: A Moodys Rating: A2 263901AC4 Asset Minor Code 28	25,000.000	24,134.25 96.5370	26,027.00	- 1,892.75 - 12.25	197.91	3.83
Target Corp 3.875% 7/15/20 Standard & Poors Rating: A+ Moodys Rating: A2 87612EAV8 Asset Minor Code 28	25,000.000	24,606.25 98.4250	26,044.75	- 1,438.50 - 93.00	204.51	3.96
Total Corporate Issues	**250,000.000**	**249,925.50**	**256,623.75**	**- 6,698.25** **- 806.00**	**1,980.41**	**3.02**

Foreign Issues

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	FEDERAL TAX COST	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MKT
Shell Intl Fin 1.875% 3/25/13 Standard & Poors Rating: AA Moodys Rating: AA1 822582AL6 Asset Minor Code 35	25,000.000	25,448.25 101.7930	25,542.50	- 94.25 - 54.50	7.81	1.86
Can Impl Bk 1.450% 9/13/13 Standard & Poors Rating: A+ Moodys Rating: AA2 136069DP3 Asset Minor Code 33	25,000.000	24,907.50 99.6300	25,111.00	- 203.50 - 13.50	18.13	1.40
Westpac Banking 3.000% 8/04/15 Standard & Poors Rating: AA Moodys Rating: AA1 961214BN2 Asset Minor Code 35	25,000.000	24,938.00 99.7520	25,418.00	- 480.00 - 107.00	118.75	3.00

CITY OF HOMER - INCOME
ACCOUNT 19-504340

Period from March 1, 2011 to March 31, 2011

ASSET DETAIL (continued)

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	FEDERAL TAX COST	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MKT
Total Capital 2.300% 3/15/16 Standard & Poors Rating: AA Moodys Rating: AA1 89152UAE2 Asset Minor Code 35	25,000.000	24,346.25 97.3850	24,924.25	- 578.00 28.25	25.56	2.36
Total Foreign Issues	**100,000.000**	**99,640.00**	**100,995.75**	**- 1,355.75** **- 146.75**	**170.25**	**2.15**

Mutual Funds

Mutual Funds-Fixed Income

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	FEDERAL TAX COST	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MKT
Nuveen Short Term Bond Fund Cl Y 318530797 Asset Minor Code 99	10,618.146	106,818.55 10.0600	106,500.00	318.55 .00	.00	2.34
Total Mutual Funds-Fixed Income	**10,618.146**	**106,818.55**	**106,500.00**	**318.55** **.00**	**.00**	**2.34**
Total Mutual Funds	**10,618.146**	**106,818.55**	**106,500.00**	**318.55** **.00**	**.00**	**2.34**
Total Assets	**464,966.116**	**559,906.62**	**568,635.07**	**- 8,728.45** **- 990.00**	**2,369.69**	**2.37**
Accrued Income	**.000**	**2,369.69**	**2,369.69**			
Grand Total	**464,966.116**	**562,276.31**	**571,004.76**			

ASSET DETAIL MESSAGES

Time of trade execution and trading party (if not disclosed) will be provided upon request.

Publicly traded assets are valued in accordance with market quotations or valuation methodologies from financial industry services believed by us to be reliable. Assets that are not publicly traded may be reflected at values from other external sources. Assets for which a current value is not available may be reflected at a previous value or as not valued, at par value, or at a nominal value. Values shown do not necessarily reflect prices at which assets could be bought or sold. Values are updated based on internal policy and may be updated less frequently than statement generation.

For further information, please contact your account manager or relationship manager.

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CITY OF HOMER - INCOME
ACCOUNT 19-504340

Period from March 1, 2011 to March 31, 2011

INCOME ACCRUAL DETAIL

SHARES/ FACE AMOUNT	DESCRIPTION	EX DATE	PAY DATE	ANN RATE	BEGINNING ACCRUAL	INCOME EARNED	INCOME RECEIVED	ENDING ACCRUAL
US Government Issues								
25,000.000	F N M A M T N 1.200% 12/30/13 3136FPKG1				50.83	25.00	.00	75.83
25,000.000	F N M A M T N 2.000% 12/30/15 3136FPKH9				84.72	41.67	.00	126.39
25,000.000	U S Treasury Nt 0.750% 9/15/13 912828NY2				86.50	15.91	93.75	8.66
25,000.000	U S Treasury Nt 0.375% 8/31/12 912828PH7				.25	7.90	.00	8.15
Total US Government Issues					222.30	90.48	93.75	219.03
Corporate Issues								
25,000.000	Bk Of Ny Mellon Mtn 2.500% 1/15/16 06406HBS7				142.36	52.08	.00	194.44
25,000.000	Berkshire Hathaway 4.750% 5/15/12 084670AS7				349.65	98.96	.00	448.61
25,000.000	Campbell Soup Co 3.050% 7/15/17 134429AV1				97.43	63.54	.00	160.97
25,000.000	John Deere Cap Mtn 2.800% 9/18/17 24422EQZ5				320.83	58.34	353.89	25.28
25,000.000	Dupont Ei Nemour 1.950% 1/15/16 263534CD9				.00	28.44	- 74.48	102.92
25,000.000	Duke Energy Ind 3.750% 7/15/20 263901AC4				119.79	78.12	.00	197.91
25,000.000	Gen Elec Cap M T N 2.800% 1/08/13 36962G4H4				103.06	58.33	.00	161.39
25,000.000	Hewlett Packard Co 1.250% 9/13/13 428236BB8				145.83	26.05	156.25	15.63

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CITY OF HOMER - INCOME
ACCOUNT 19-504340

Period from March 1, 2011 to March 31, 2011

INCOME ACCRUAL DETAIL (continued)

SHARES/ FACE AMOUNT	DESCRIPTION	EX DATE	PAY DATE	ANN RATE	BEGINNING ACCRUAL	INCOME EARNED	INCOME RECEIVED	ENDING ACCRUAL
25,000.000	Target Corp 3.875% 7/15/20 87612EAV8				123.78	80.73	.00	204.51
25,000.000	Wells Fargo Co Mtn 3.750% 10/01/14 94974BET3				390.63	78.12	.00	468.75
Total Corporate Issues					**1,793.36**	**622.71**	**435.66**	**1,980.41**
Foreign Issues								
25,000.000	Can Impl Bk 1.450% 9/13/13 136069DP3				168.16	30.21	180.24	18.13
25,000.000	Shell Intl Fin 1.875% 3/25/13 822582AL6				203.13	39.06	234.38	7.81
25,000.000	Total Capital 2.300% 3/15/16 89152UAE2				265.14	47.92	287.50	25.56
25,000.000	Westpac Banking 3.000% 8/04/15 961214BN2				56.25	62.50	.00	118.75
Total Foreign Issues					**692.68**	**179.69**	**702.12**	**170.25**
Mutual Funds-Fixed Income								
10,618.146	Nuveen Short Term Bond Fund Cl Y 318530797	05/02/11	05/02/11	0.24	.12	212.23	212.35	.00
Total Mutual Funds-Fixed Income					**.12**	**212.23**	**212.35**	**.00**
Grand Total					**2,708.46**	**1,105.11**	**1,443.88**	**2,369.69**

CITY OF HOMER - INCOME
ACCOUNT 19-504340

TRANSACTION DETAIL

DATE	DESCRIPTION	CASH	FEDERAL TAX COST
Beginning Balance		**212.24**	**566,978.95**
03/02/2011	Purchased 212.24 Units Of First Amer Prime Oblig Fund Cl Y Trade Date 3/2/11 31846V104	- 212.24	212.24
03/10/2011	Purchased 25,000 Par Value Of Dupont Ei Nemour 1.950% 1/15/16 Trade Date 3/7/11 Purchased Through Bny Capital Markets, Inc. Purchased On The OTC Bulletin Board 25,000 Par Value At 97.168 % 263534CD9	- 24,292.00	24,292.00
03/10/2011	Paid Accrued Interest On Purchase Of Dupont Ei Nemour 1.950% 1/15/16 Income Debit 74.48- USD 263534CD9	- 74.48	.00
03/10/2011	Sold 24,366.48 Units Of First Amer Prime Oblig Fund Cl Y Trade Date 3/10/11 31846V104	24,366.48	- 24,366.48
03/14/2011	Cash Receipt Of Interest Earned On Can Impl Bk 1.450% 9/13/13 0.00721 USD/$1 Pv On 25,000 Par Value Due 3/13/11 136069DP3	180.24	.00
03/14/2011	Purchased 300.44 Units Of First Amer Prime Oblig Fund Cl Y Trade Date 3/14/11 31846V104	- 300.44	300.44
03/14/2011	Purchased 36.05 Units Of First Amer Prime Oblig Fund Cl Y Trade Date 3/14/11 31846V104	- 36.05	36.05

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CITY OF HOMER - INCOME
ACCOUNT 19-504340

TRANSACTION DETAIL (continued)

DATE	DESCRIPTION	CASH	FEDERAL TAX COST
03/14/2011	Cash Receipt Of Interest Earned On Hewlett Packard Co 1.250% 9/13/13 0.00625 USD/$1 Pv On 25,000 Par Value Due 3/13/11 428236BB8	156.25	.00
03/15/2011	Purchased 381.25 Units Of First Amer Prime Oblig Fund Cl Y Trade Date 3/15/11 31846V104	- 381.25	381.25
03/15/2011	Cash Receipt Of Interest Earned On Total Capital 2.300% 3/15/16 0.0115 USD/$1 Pv On 25,000 Par Value Due 3/15/11 89152UAE2	287.50	.00
03/15/2011	Cash Receipt Of Interest Earned On U S Treasury Nt 0.750% 9/15/13 0.00375 USD/$1 Pv On 25,000 Par Value Due 3/15/11 912828NY2	93.75	.00
03/18/2011	Purchased 353.89 Units Of First Amer Prime Oblig Fund Cl Y Trade Date 3/18/11 31846V104	- 353.89	353.89
03/18/2011	Cash Receipt Of Interest Earned On John Deere Cap Mtn 2.800% 9/18/17 0.014156 USD/$1 Pv On 25,000 Par Value Due 3/18/11 24422EQZ5	353.89	.00
03/25/2011	Purchased 234.38 Units Of First Amer Prime Oblig Fund Cl Y Trade Date 3/25/11 31846V104	- 234.38	234.38
03/25/2011	Cash Receipt Of Interest Earned On Shell Intl Fin 1.875% 3/25/13 0.009375 USD/$1 Pv On 25,000 Par Value Due 3/25/11 822582AL6	234.38	.00

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CITY OF HOMER - INCOME
ACCOUNT 19-504340

Period from March 1, 2011 to March 31, 2011

TRANSACTION DETAIL (continued)

DATE	DESCRIPTION	CASH	FEDERAL TAX COST
03/31/2011	Cash Receipt Of Dividend Earned On Nuveen Short Term Bond Fund Cl Y Dividend From 3/1/11 To 3/31/11 318530797	212.35	.00
Ending Balance		**212.35**	**568,422.72**

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CITY OF HOMER - INCOME
ACCOUNT 19-504340

Period from March 1, 2011 to March 31, 2011

BOND SUMMARY

	MARKET VALUE	PERCENTAGE OF CATEGORY
MATURITY SUMMARY		
2011	.00	0.00
2012 - 2015	277,035.50	61.77
2016 - 2020	171,492.25	38.23
Total	**448,527.75**	**100.00**
MOODY'S RATING		
AAA	98,962.25	22.06
AA1	74,732.50	16.66
AA2	101,390.75	22.61
A1	26,195.00	5.84
A2	147,247.25	32.83
Total	**448,527.75**	**100.00**
S&P RATING		
A	122,641.00	27.34
A+	49,513.75	11.04
AA	74,732.50	16.66
AA+	51,657.75	11.52
AA-	51,020.50	11.38
AAA	98,962.25	22.06
Total	**448,527.75**	**100.00**

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Account Number: 19-504341
CITY OF HOMER
PERMANENT FUND - INCOME

This statement is for the period from March 1, 2011 to March 31, 2011

"Growth 25"

Questions?
If you have any questions regarding your account or this statement, please contact your Account Manager.

Account Manager:
SARAH VIELE
555 SW OAK ST
PORTLAND OR 97204
Phone: 503-275-4401
E-mail: sarah.viele@usbank.com

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CITY OF HOMER
ATTN: REGINA HARVILLE
491 E. PIONEER AVE.
HOMER, AK 99603-7624

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CITY OF HOMER - GROWTH
ACCOUNT 19-504341

Period from March 1, 2011 to March 31, 2011

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CITY OF HOMER - GROWTH
ACCOUNT 19-504341

Period from March 1, 2011 to March 31, 2011

MARKET VALUE RECONCILIATION

	CURRENT PERIOD 03/01/2011 TO 03/31/2011	YEAR TO DATE 01/01/2011 TO 03/31/2011
Beginning Market Value	1,010,530.59	971,468.73
Disbursements		
Administrative Expenses*	.00	- 1,821.51
Total Disbursements	.00	- 1,821.51
Asset Activity		
Taxable Dividends	719.01	719.01
Realized Gain/Loss	.00	101.84
Change In Unrealized Gain/Loss	7,749.72	48,531.25
Total Asset Activity	8,468.73	49,352.10
Net Change In Market Value	8,468.73	47,530.59
Ending Market Value	1,018,999.32	1,018,999.32

MARKET VALUE RECONCILIATION MESSAGES

* Includes Professional Fees, Contract Administrator Fees and Investment Advisory Fees

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Period from March 1, 2011 to March 31, 2011

CITY OF HOMER - GROWTH
ACCOUNT 19-504341

COST RECONCILIATION

	CURRENT PERIOD 03/01/2011 TO 03/31/2011	YEAR TO DATE 01/01/2011 TO 03/31/2011
Beginning Cost	861,280.40	863,000.07
Disbursements		
Administrative Expenses*	.00	- 1,821.51
Total Disbursements	.00	- 1,821.51
Asset Activity		
Taxable Dividends	719.01	719.01
Realized Gain/Loss	.00	101.84
Total Asset Activity	719.01	820.85
Ending Cost	861,999.41	861,999.41

COST RECONCILIATION MESSAGES

* Includes Professional Fees, Contract Administrator Fees and Investment Advisory Fees

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CITY OF HOMER - GROWTH
ACCOUNT 19-504341

Period from March 1, 2011 to March 31, 2011

ASSET CLASS SUMMARY

	BEGINNING FEDERAL TAX COST	ENDING FEDERAL TAX COST	BEGINNING MARKET	ENDING MARKET	% OF MARKET
Money Markets	141.11	141.11	141.11	141.11	0.01
Mutual Funds-Equity	772,377.00	773,096.01	910,250.98	916,221.46	89.92
Mutual Funds-Fixed Income	88,762.29	88,762.29	100,138.50	102,636.75	10.07
Total Assets	**861,280.40**	**861,999.41**	**1,010,530.59**	**1,018,999.32**	**100.00**
Grand Total	**861,280.40**	**861,999.41**	**1,010,530.59**	**1,018,999.32**	**100.00**

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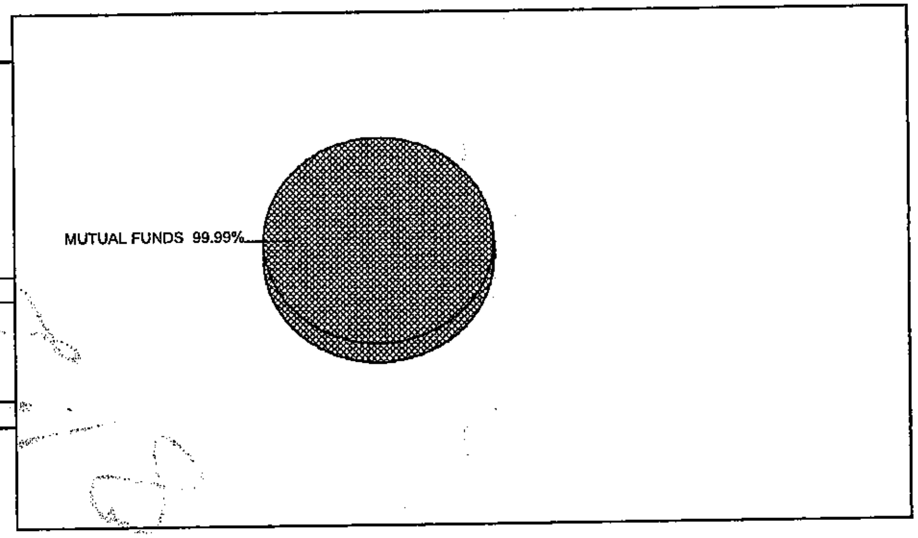
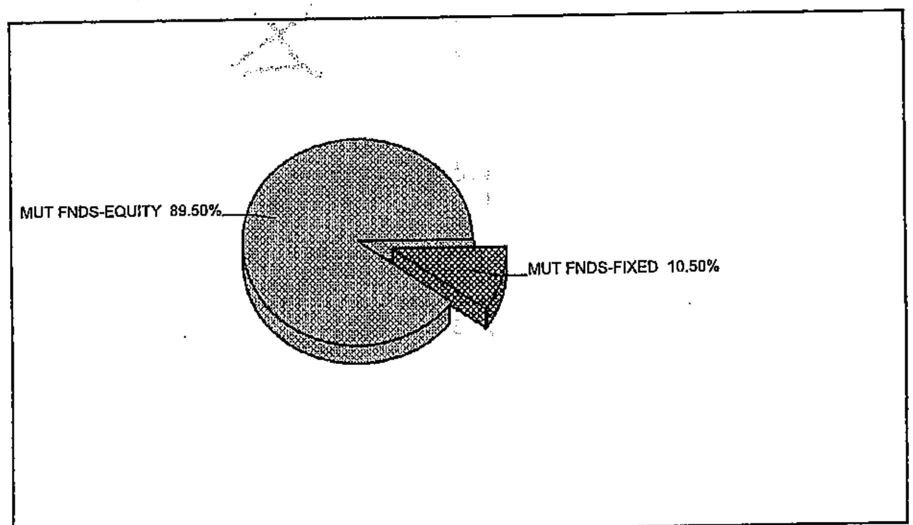
Period from March 1, 2011 to March 31, 2011

CITY OF HOMER - GROWTH
ACCOUNT 19-504341

ASSET SUMMARY

ASSETS	03/31/2011 MARKET VALUE	% OF MARKET
Cash And Equivalents	141.11	0.01
Mutual Funds-Equity	916,221.46	89.92
Mutual Funds-Fixed Income	102,636.75	10.07
Total Assets	**1,018,999.32**	**100.00**
Accrued Income	.00	0.00
Grand Total	**1,018,999.32**	**100.00**





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CITY OF HOMER - GROWTH
ACCOUNT 19-504341

Period from March 1, 2011 to March 31, 2011

ASSET DETAIL

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	FEDERAL TAX COST	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MKT
Cash And Equivalents						
Money Markets						
First Amer Prime Oblig Fund Cl Y 31846V104 Asset Minor Code 1	141.110	141.11 1.0000	141.11	.00 .00	.00	0.00
Total Money Markets	**141.110**	**141.11**	**141.11**	**.00 .00**	**.00**	**0.00**
Total Cash And Equivalents	**141.110**	**141.11**	**141.11**	**.00 .00**	**.00**	**0.00**
Mutual Funds						
Mutual Funds-Equity						
American Cent Small Cap Valu Ins 025076845 Asset Minor Code 98	11,218.914	106,804.06 9.5200	87,196.57	19,607.49 1,121.89	.00	0.77
Dodge & Cox Stock Fund 256219106 Asset Minor Code 98	1,803.892	205,228.79 113.7700	172,708.93	32,519.86 - 2,438.35	.00	1.13
Harbor Capital Aprction Inst 411511504 Asset Minor Code 98	5,324.556	204,569.44 38.4200	172,003.61	32,565.83 159.74	.00	0.20
Rowe T Price Mid-Cap Growth Fd #64 779556109 Asset Minor Code 98	2,564.575	163,183.91 63.6300	133,370.22	29,813.69 2,436.35	.00	0.00
Scout International Fund 81063U503 Asset Minor Code 98	4,339.635	144,813.62 33.3700	126,530.83	18,282.79 - 824.53	.00	1.61
Templeton Instl Emerging Mkt Ser Adv 880210208 Asset Minor Code 98	5,450.425	91,621.64 16.8100	81,285.85	10,335.79 4,796.37	.00	1.35
Total Mutual Funds-Equity	**30,701.997**	**916,221.46**	**773,096.01**	**143,125.45 5,251.47**	**.00**	**0.78**

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CITY OF HOMER - GROWTH
ACCOUNT 19-504341

Period from March 1, 2011 to March 31, 2011

ASSET DETAIL (continued)

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	FEDERAL TAX COST	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MKT
Mutual Funds-Fixed Income						
Credit Suisse Commod Ret Strat Com 22544R305 Asset Minor Code 99	10,409.407	102,636.75 9.8600	88,762.29	13,874.46 2,498.25	.00	6.76
Total Mutual Funds-Fixed Income	**10,409.407**	**102,636.75**	**88,762.29**	**13,874.46** **2,498.25**	**.00**	**6.76**
Total Mutual Funds	**41,111.404**	**1,018,858.21**	**861,858.30**	**156,999.91** **7,749.72**	**.00**	**1.38**
Total Assets	**41,252.514**	**1,018,999.32**	**861,999.41**	**156,999.91** **7,749.72**	**.00**	**1.38**
Accrued Income	**.000**	**.00**	**.00**			
Grand Total	**41,252.514**	**1,018,999.32**	**861,999.41**			

ASSET DETAIL MESSAGES

Time of trade execution and trading party (if not disclosed) will be provided upon request.

Publicly traded assets are valued in accordance with market quotations or valuation methodologies from financial industry services believed by us to be reliable. Assets that are not publicly traded may be reflected at values from other external sources. Assets for which a current value is not available may be reflected at a previous value or as not valued, at par value, or at a nominal value. Values shown do not necessarily reflect prices at which assets could be bought or sold. Values are updated based on internal policy and may be updated less frequently than statement generation.

For further information, please contact your account manager or relationship manager.

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CITY OF HOMER - GROWTH
ACCOUNT 19-504341

Period from March 1, 2011 to March 31, 2011

INCOME ACCRUAL DETAIL

SHARES/ FACE AMOUNT	DESCRIPTION	EX DATE	PAY DATE	ANN RATE	BEGINNING ACCRUAL	INCOME EARNED	INCOME RECEIVED	ENDING ACCRUAL
Mutual Funds-Equity								
1,803.892	Dodge & Cox Stock Fund 256219106	03/28/11	03/29/11	1.29	.00	719.01	719.01	.00
Total Mutual Funds-Equity					**.00**	**719.01**	**719.01**	**.00**
Grand Total					**.00**	**719.01**	**719.01**	**.00**

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CITY OF HOMER - GROWTH
ACCOUNT 19-504341

Period from March 1, 2011 to March 31, 2011

TRANSACTION DETAIL

DATE	DESCRIPTION	CASH	FEDERAL TAX COST
Beginning Balance		**.00**	**861,280.40**
03/30/2011	Cash Receipt Of Dividend Earned On Dodge & Cox Stock Fund 0.40 USD/Share On 1,797.517 Shares Due 3/29/11 Dividend Payable 3/29/11 256219106	719.01	.00
03/30/2011	Purchased 6.375 Shares Dodge & Cox Stock Fund @ 112.79 USD Through Reinvestment Of Cash Dividend Due 3/29/11 Dividend Dodge & Cox Stock Fund 256219106	- 719.01	719.01
Ending Balance		**.00**	**861,999.41**

Jo Johnson

From: Regina Mauras
Sent: Wednesday, April 06, 2011 9:57 AM
To: Jo Johnson
Subject: US Bank Investments Security

I hope this answers Mr. Hogan's questions on the security of our Permanent Fund.

regina

From: ROD.CASTELDA@usbank.com [mailto:ROD.CASTELDA@usbank.com]
Sent: Wednesday, March 16, 2011 2:31 PM
To: Regina Mauras
Cc: sarah.viele@usbank.com
Subject: US Bank Investments

Hi Regina

My initial reaction would be what they mean by "secured"? Insured? Guaranteed?

All investments we manage for the City of Homer are always fully invested at all times. These underlying assets, weather fixed income or equity securities, are not part of the general assets of U.S. Bank and are held "off book", and therefore are not considered as deposit or assets of U.S. Bank. They are secured by the actual asset itself and the credit worthiness of the issuer. For example Treasury Bonds are secured by the good faith and credit of the U.S. Government, a corporate bond by the credit worthiness of that corporation the bond was issued by. This is primarily why the investment policy spells out the ratings for these investments, plus the limitations on same, that we invest the assets.

Hope this addresses the question and will be happy to discuss in our upcoming meeting on April 25th with the city council

Regards, Rod

Rod Castelda
Vice President and Relationship Manager U.S. Bank Institutional Trust & Custody
1420 Fifth Avenue 10th floor PD-WA-T10T Seattle WA 98101 ☎ Direct: 206-344-5470 Cell: 206-799-3023 Fax: 206-344-5391
✉rod.castelda@usbank.com

From:	"Regina Mauras" <rmauras@ci.homer.ak.us>
To:	<ROD.CASTELDA@usbank.com>
Cc:	<sarah.viele@usbank.com>
Date:	03/16/2011 02:50 PM
Subject:	RE: U.S. Bank Visit

Hi Rod & Sarah,

We have a council member who wants to know how our investments with you all are secured. Would you be so kind as to address this? There are a lot of investments with the monies we have invested with you, so I don't have an exact answer.

Thanks bunches,

Regina Mauras CPA, CFE, EA
Finance Director
CITY OF HOMER
491 East Pioneer Avenue
Homer AK 99603
(907) 435-3117

"Do not apply whiteout to your mistakes"
