

## Everett School Employee Benefit Trust

*Investment Update*

April 30, 2012

**Presented by:** *Becker Capital Management, Inc.*

Keene Satchwell, Fixed Income Portfolio Manager

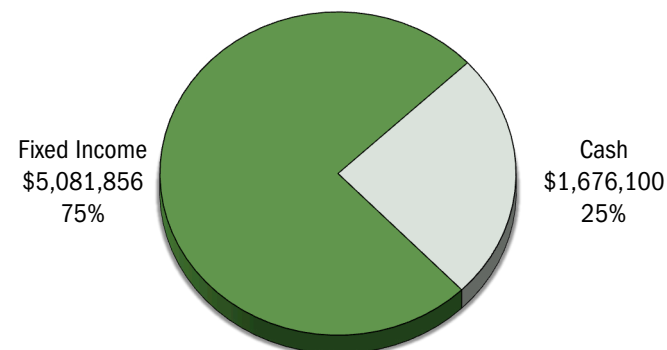
Jay Dyer, Regional Marketing & Client Service

# ACCOUNT PERFORMANCE

## MARCH 31, 2012

	1st Qtr	1 Year	Since Inception 9/3/09
<b>Everett School Employee Benefit Trust</b>	<b>0.1%</b>	<b>2.5%</b>	<b>2.2%</b>
Trust Fixed Income	0.2%	2.7%	2.6%
BAML 1 Year Treasury Note	0.0%	0.4%	0.6%
BAML TSY/AGCY 1-10 Year <sup>1</sup>	-0.4%	5.9%	4.1%
BAML TSY 1-10 Year	-0.5%	6.2%	4.3%
BAML AGCY 1-10 Year <sup>2</sup>	0.3%	3.9%	3.3%

• Results are presented after the deduction of commissions, but before the deduction of investment advisory fees. This past record is not meant to imply future results. This performance report is intended for use on a one-on-one basis only.



Total \$6,757,956

- ❑ We have been investing the portfolio to match your anticipated cash flows
  - ❑ This program is nearly complete
  - ❑ \$1,500,000 has been invested since the first of the year
    - ❑ The targeted total is \$1,750,000
- ❑ A considerable cash balance remains but with limited maturities it will likely be drawn down to your minimum levels by the first of the year.
- ❑ In a tough quarter for bonds your portfolio outperformed by a comfortable margin
  - ❑ The October sale of the portfolio's 9-year Treasury notes helped considerably by shortening duration.

<sup>1</sup> Bank of America Merrill Lynch Unsubordinated U.S. Treasury/Agency, 1-10 Years

<sup>2</sup> Bank of America Merrill Lynch Unsubordinated U.S. Agency, 1-10 Years

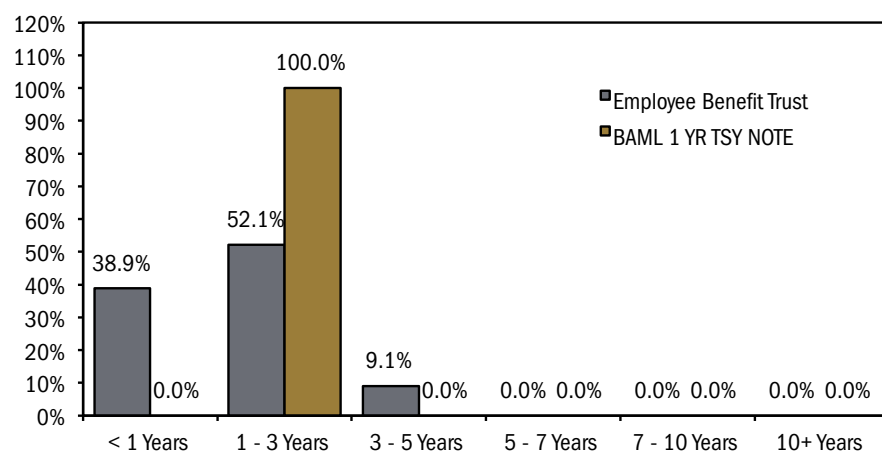


# FIXED INCOME PORTFOLIO

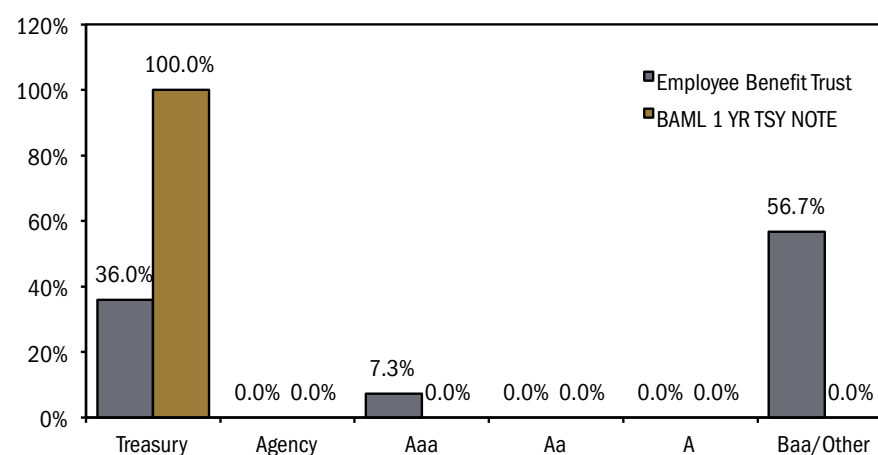
## MARCH 31, 2012

Characteristics	Employee Benefit Trust	BAML 1 YR TSY NOTE
Average Quality	Aaa	Aaa
Effective Duration	1.1 Years	1.0 Years

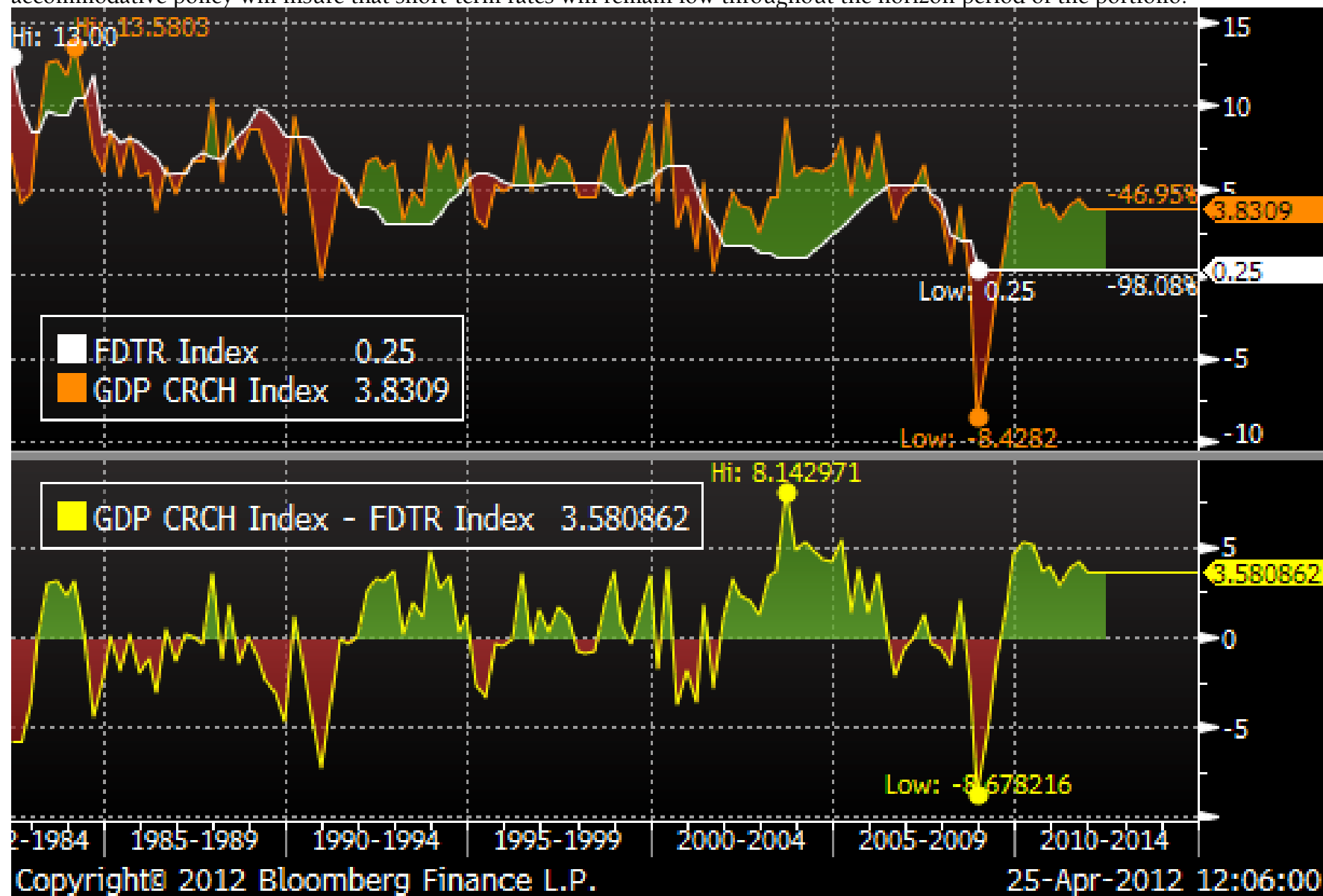
### MATURITY



### QUALITY



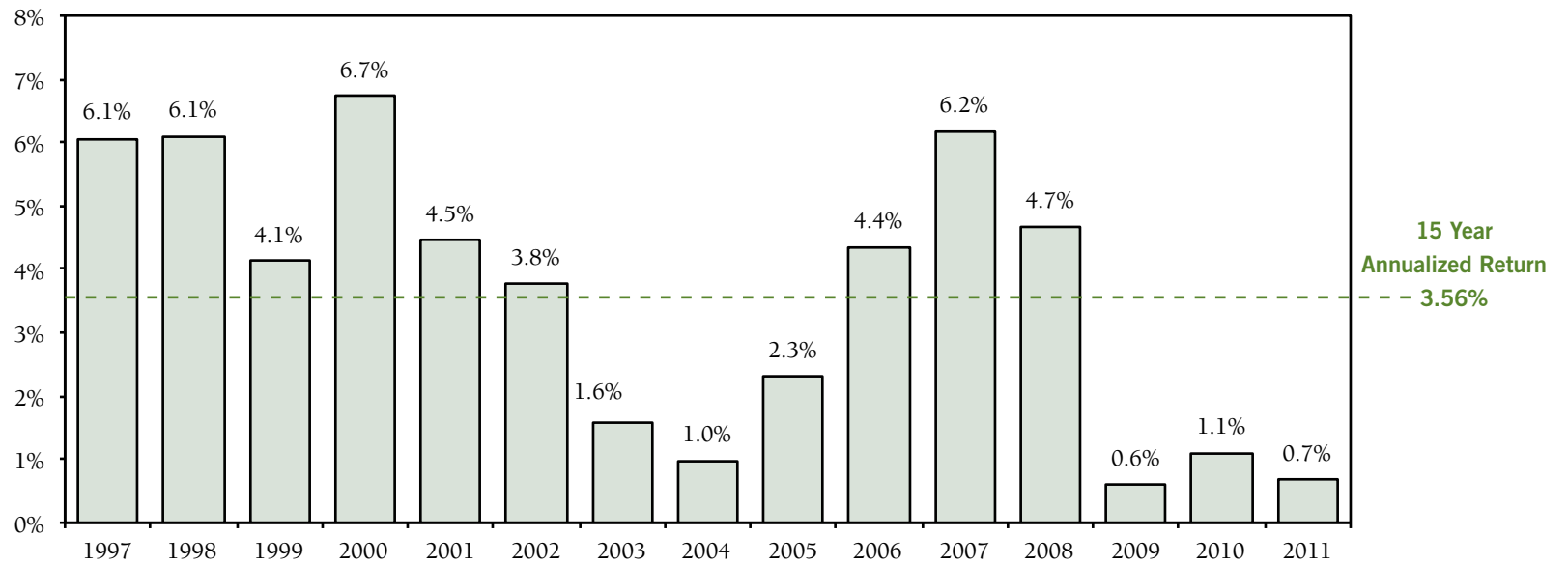
The Federal Reserve has assured the markets the Funds Rate will be “exceptionally low... at least through 2014.” This extremely accommodative policy will insure that short-term rates will remain low throughout the horizon period of the portfolio.



Over this 20 year period the Funds Rate has averaged 0.59 percentage points below the rate of nominal GDP growth. It is now 3.58 percentage points below or 3.83 percentage points if a 0% Funds Rate is used.



## BAML 0 TO 2 YEAR TREASURY INDEX ANNUAL RETURNS





*Becker Capital Management, Inc.*

**PORTFOLIO SUMMARY**  
**Everett School Employee Benefit Trust**  
**March 31, 2012**

Security Type	Total Cost	Market Value	Pct Assets	Est. Annual Income	Yield	Yield To Mat
<b>Fixed Income</b>						
GOVERNMENT BONDS						
TSY	1,816,751.96	1,822,755.99	27.0	21,937.50	1.2	0.29
	<u>1,816,751.96</u>	<u>1,822,755.99</u>	<u>27.0</u>	<u>21,937.50</u>	<u>1.2</u>	<u>0.29</u>
GNMA						
PASS	345,612.28	368,005.22	5.4	18,321.04	5.0	0.00
	<u>345,612.28</u>	<u>368,005.22</u>	<u>5.4</u>	<u>18,321.04</u>	<u>5.0</u>	<u>0.00</u>
CERTIFICATES OF DEPOSIT	2,830,000.00	2,867,505.60	42.4	64,202.50	2.2	0.69
Accrued Interest		23,588.71	0.3			
Fixed Income Total	<u>4,992,364.24</u>	<u>5,081,855.52</u>	<u>75.2</u>	<u>104,461.04</u>	<u>2.1</u>	<u>0.49</u>
<b>Cash and Equiv.</b>						
CASH AND EQUIVALENTS	1,676,100.31	1,676,100.31	24.8	167.61	0.0	
Cash and Equiv. Total	<u>1,676,100.31</u>	<u>1,676,100.31</u>	<u>24.8</u>	<u>167.61</u>	<u>0.0</u>	<u>0.00</u>
<b>TOTAL PORTFOLIO</b>	<b><u>6,668,464.55</u></b>	<b><u>6,757,955.83</u></b>	<b><u>100.0</u></b>	<b><u>104,628.65</u></b>	<b><u>1.6</u></b>	<b><u>0.49</u></b>

Account statements are sent directly to clients by the custodian on at least a quarterly basis. Clients are encouraged to compare the statements received from their custodians with the statements they receive from BCM. If you are not receiving statements directly from your custodian, please contact Stephanie Moyer at 503-223-1720.



*Becker Capital Management, Inc.*

**PORTFOLIO APPRAISAL - CASH ASSETS**  
Everett School Employee Benefit Trust  
*March 31, 2012*

<u>Quantity</u>	<u>Security</u>	<u>Unit Cost</u>	<u>Price</u>	<u>Total Cost</u>	<u>Market Value</u>	<u>Annual Income</u>	<u>Yield To Mat</u>	<u>Pct. Assets</u>
<b>CASH AND EQUIVALENTS</b>								
	MONEY MARKET FUND			1,676,100.31	1,676,100.31	167.61		24.8
<b>TOTAL FIXED INCOME ASSETS</b>				<b>1,676,100.31</b>	<b>1,676,100.31</b>	<b>167.61</b>	<b>0.00</b>	<b>24.8</b>



*Becker Capital Management, Inc.*

**PORTFOLIO APPRAISAL - FIXED INCOME ASSETS**  
**Everett School Employee Benefit Trust**  
**March 31, 2012**

Quantity	Security	Unit Cost	Price	Total Cost	Market Value	Annual Income	Yield To Mat	Pct. Assets
<b>CERTIFICATES OF DEPOSIT</b>								
95,000	WACHOVIA BANK FSB TX 4.000% Due 04-16-12	100.00	100.09	95,000.00	95,084.45	3,800.00	1.81	1.4
95,000	BRANCH BANKING AND TRUST CO 4.150% Due 05-21-12	100.00	100.48	95,000.00	95,459.04	3,942.50	0.72	1.4
95,000	CRESCENT BANK & TRUST LA 5.100% Due 05-31-12	100.00	100.72	95,000.00	95,688.37	4,845.00	0.74	1.4
95,000	ACACIA FEDERAL SAVINGS BK VA 4.400% Due 06-06-12	100.00	100.69	95,000.00	95,654.45	4,180.00	0.60	1.4
95,000	MIDFIRST BANK OK 4.750% Due 07-30-12	100.00	101.39	95,000.00	96,324.96	4,512.50	0.55	1.4
95,000	FLAGSTAR BANK FSB MI 4.750% Due 09-19-12	100.00	101.97	95,000.00	96,871.88	4,512.50	0.52	1.4
95,000	GOLDMAN SACHS BANK USA UT 5.000% Due 10-03-12	100.00	102.26	95,000.00	97,150.51	4,750.00	0.52	1.4
95,000	M & I BANK FSB NV 4.850% Due 11-14-12	100.00	102.71	95,000.00	97,570.70	4,607.50	0.49	1.4
250,000	BEAL BANK USA 0.450% Due 12-19-12	100.00	99.97	250,000.00	249,928.00	1,125.00	0.49	3.7
200,000	BANK OF CHINA 0.600% Due 01-11-13	100.00	100.07	200,000.00	200,133.00	1,200.00	0.51	3.0
150,000	GOLDMAN SACHS BANK USA 0.400% Due 01-25-13	100.00	99.90	150,000.00	149,846.10	600.00	0.52	2.2
95,000	SALLIE MAE BANK UT 3.250% Due 02-19-13	100.00	102.35	95,000.00	97,229.27	3,087.50	0.60	1.4
250,000	FIRSTBANK PUERTO RICO CD 0.450% Due 02-22-13	100.00	99.90	250,000.00	249,752.25	1,125.00	0.56	3.7
250,000	SOVEREIGN BANK CD 0.300% Due 03-14-13	100.00	99.73	250,000.00	249,334.25	750.00	0.58	3.7
250,000	APPLE BANK FOR SAVINGS 0.450% Due 04-08-13	100.00	99.84	250,000.00	249,600.25	1,125.00	0.61	3.7
150,000	SAFRA NATL BANK CD 0.250% Due 04-23-13	100.00	99.66	150,000.00	149,485.80	375.00	0.57	2.2
95,000	DISCOVER BANK DE 3.300% Due 04-29-13	100.00	102.84	95,000.00	97,693.91	3,135.00	0.65	1.4
95,000	BMW BANK OF NORTH AMERICA UT 4.400% Due 05-02-13	100.00	104.04	95,000.00	98,841.04	4,180.00	0.67	1.5
95,000	AMERICAN EXPRESS CENTURION BK 5.000% Due 11-26-13	100.00	106.65	95,000.00	101,316.74	4,750.00	0.94	1.5





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**PORTFOLIO APPRAISAL - FIXED INCOME ASSETS**  
**Everett School Employee Benefit Trust**  
**March 31, 2012**

Quantity	Security	Unit Cost	Price	Total Cost	Market Value	Annual Income	Yield To Mat	Pct. Assets
95,000	CAPMARK BANK UT 3.500% Due 05-13-14	100.00	104.83	95,000.00	99,584.70	3,325.00	1.19	1.5
95,000	GE MONEY BANK UT 4.500% Due 12-30-15	100.00	110.48	95,000.00	104,955.90	4,275.00	1.61	1.6
	Accrued Interest				17,850.53			0.3
TOTAL CERTIFICATES OF DEPOSIT				2,830,000.00	2,885,356.13	64,202.50	0.69	42.7
<b>GNMA</b>								
75,000	GNMA POOL 3207 5.500% Due 03-20-17	131.81	109.31	6,315.51	5,237.60	263.53	?	0.1
60,000	GNMA POOL 3255 5.000% Due 06-20-17	103.51	109.39	12,406.23	13,111.08	599.29	?	0.2
45,000	GNMA POOL 476724 6.000% Due 12-15-23	101.12	113.71	7,602.06	8,548.78	451.08	?	0.1
250,000	GNMA SERIES 2007-74 CLASS LK 5.500% Due 02-20-28	100.50	108.00	251,250.00	270,000.00	13,750.00	?	4.0
45,000	GNMA POOL 2629M 6.000% Due 08-20-28	135.86	113.25	2,547.00	2,123.03	112.48	?	0.0
60,000	GNMA POOL 2671 6.000% Due 11-20-28	112.93	113.18	2,590.33	2,596.17	137.63	?	0.0
35,556	GNMA POOL 3259 5.500% Due 07-20-32	122.59	111.94	4,055.87	3,703.38	181.96	?	0.1
63,000	GNMA POOL 3345 5.000% Due 02-20-33	107.08	111.03	12,413.73	12,872.32	579.66	?	0.2
25,000	GNMA POOL 3359 5.000% Due 03-20-33	104.57	111.03	5,055.01	5,367.57	241.71	?	0.1
125,702	GNMA POOL 3414 5.000% Due 07-20-33	103.42	110.91	30,225.74	32,412.80	1,461.25	?	0.5
40,110	GNMA POOL 3458 5.000% Due 10-20-33	102.78	110.91	11,150.80	12,032.50	542.45	?	0.2
	Accrued Interest				566.07			0.0
TOTAL GNMA				345,612.28	368,571.30	18,321.04	0.00	5.5
<b>GOVERNMENT BONDS</b>								
950,000	UNITED STATES TREAS NTS 1.375% Due 05-15-13	101.31	101.25	962,466.80	961,837.89	13,062.50	0.26	14.2
600,000	UNITED STATES TREAS NTS 0.750% Due 09-15-13	99.93	100.66	599,578.13	603,984.60	4,500.00	0.29	8.9
250,000	UNITED STATES TREAS NTS 1.750% Due 03-31-14	101.88	102.77	254,707.03	256,933.50	4,375.00	0.36	3.8



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**PORTFOLIO APPRAISAL - FIXED INCOME ASSETS**

Everett School Employee Benefit Trust

*March 31, 2012*

Quantity	Security	Unit Cost	Price	Total Cost	Market Value	Annual Income	Yield To Mat	Pct. Assets
	Accrued Interest				5,172.10			0.1
	TOTAL GOVERNMENT BONDS			1,816,751.96	1,827,928.09	21,937.50	0.29	27.0
<b>TOTAL FIXED INCOME ASSETS</b>				<b>4,992,364.24</b>	<b>5,081,855.52</b>	<b>104,461.04</b>	<b>0.49</b>	<b>75.2</b>