

Illinois Metropolitan Investment Fund

Comprehensive Annual Financial Report

Year ended September 30, 2012



**Illinois Metropolitan
Investment Fund**

Illinois Metropolitan Investment Fund

Comprehensive Annual Financial Report

Year ended September 30, 2012

**Laura F. Allen
Executive Director**

ILLINOIS METROPOLITAN INVESTMENT FUND

Comprehensive Annual Financial Report
Year Ended September 30, 2012

Table of Contents

INTRODUCTORY SECTION

Transmittal Letter	i - iv
Board of Trustees	v
Supporting Chicago Area Councils of Government and External Advisors	vi
Organizational Chart	vii
Certificate of Achievement for Excellence in Financial Reporting	viii

FINANCIAL SECTION

Independent Auditors' Report	1 - 2
Management's Discussion and Analysis	3 - 7
Basic Financial Statements:	
Combining Statement of Net Assets	8
Combining Statement of Changes in Net Assets	9
Notes to the Financial Statements	10 - 18
Required Supplementary Information	
Schedule of Funding Progress - Illinois Municipal Retirement Fund	19
Other Supplementary Information	
Schedule of Administrative Operations - Budget and Actual	20

INVESTMENT SECTION (Unaudited)

Report on Investment Activity	21 - 23
Schedule of Investment Results - IMET 1-3 Year Series	24
Schedule of Investment Results - IMET Convenience Series	25
Schedule of Investments - IMET 1-3 Year Series	26 - 29
Schedule of Cash and Short-Term Investments - IMET Convenience Series	30 - 51

(Continued)

ILLINOIS METROPOLITAN INVESTMENT FUND

Comprehensive Annual Financial Report
Year Ended September 30, 2012

Table of Contents (Continued)

INVESTMENT SECTION (Continued)

Schedule of Management Fees	52
Schedule of Participants by Concentration	53
Investment Policy - IMET 1-3 Year Series	54 - 60
Investment Policy - IMET Convenience Series	61 - 68

STATISTICAL SECTION (Unaudited)

Index for Statistical Section	69
Financial Trends	70 - 76
Demographic and Economic Information	77 - 78

INTRODUCTORY SECTION



Illinois Metropolitan Investment Fund

Investing together for
our communities

Jerry Duca
Village Administrator
Village of Frankfort
Chairman

January 3, 2013

Dear IMET Participants:

Robert Nowak
Director of Finance
Village of Skokie
Vice Chairman

Gary Szott
Director of Finance/Treasurer
Village of Bloomingdale
Treasurer

Chris Minick
Director of Finance
City of St. Charles
Secretary

Kevin Barr
Village Manager
Village of Schiller Park
Trustee

John Harrington
Director of Finance/Treasurer
Village of Minooka
Trustee

Christy Powell
Superintendent of Finance
& Personnel
Geneva Park District
Trustee

Eileen Santschi
Accounting Manager
South Suburban Mayors and
Managers Association
Trustee

Laura F. Allen
Executive Director

Debra A. Zimmerman
Associate Director

We hereby submit to you the sixteenth Comprehensive Annual Financial Report of the Illinois Metropolitan Investment Fund (IMET), which covers the fiscal year of October 1, 2011 through September 30, 2012. In accordance with the Illinois Metropolitan Investment Fund Second Amended and Restated Declaration of Trust, dated as of January 20, 2012, an annual independent audit of all funds and accounts of IMET shall be conducted by certified public accountants licensed to practice public accounting in the State of Illinois. This report is published to fulfill that requirement for the fiscal year ended September 30, 2012. Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Board of Trustees and Executive Director, and is based upon a comprehensive framework of internal controls that is established for this purpose.

To the best of our knowledge and belief, the enclosed data are accurate in all material respects, and are reported in a manner designed to present fairly the financial position and changes in financial position of IMET in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America, by a firm of licensed certified public accountants. Management is responsible for maintaining a system of adequate internal accounting controls designed to provide reasonable assurance that transactions are executed in accordance with management's general or specific authorization, and are recorded as necessary to maintain accountability of assets and to permit preparation of financial statements in accordance with GAAP. We believe the internal controls in effect during the fiscal year ended September 30, 2012, adequately safeguard IMET's assets and provide reasonable assurance regarding the proper recording of financial transactions. All disclosures necessary to enable the reader to gain an understanding of IMET's financial activities have been included. The data presented in the Investment Section is prepared on a basis consistent with the other sections of the report using data provided by reliable third party sources.

Miller, Cooper & Co., Ltd., Certified Public Accountants, have issued an unqualified opinion on IMET's financial statements for the fiscal year ended September 30, 2012. The independent auditors' report is located at the front of the financial section of this report.

Generally accepted accounting principles (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. IMET's MD&A can be found immediately following the report of the independent auditors.

IMET PROFILE

IMET is a local government investment pool created in 1996. In the early 1990's, the idea to develop an intermediate term investment fund was formed out of the discussions of various individuals who were not satisfied with the low returns being earned on the then currently available investments to public funds managers. Changes were occurring on the permissible investments for pension funds and the time seemed appropriate to research and create an investment vehicle to meet the needs for public funds managers. A committee was formed by five Chicago Metro Councils of Government (COGs) - the Will County Governmental League, West Central Municipal Conference, DuPage Mayors and Managers Conference, South Suburban Mayors and Managers Association, and the Northwest Municipal Conference to evaluate various strategies for the creation of the investment fund. The newly formed committee received legal assistance and direction from Chapman & Cutler in the creation of the investment fund. After numerous committee meetings over the course of a few years, the Illinois Metropolitan Investment Fund (IMET) was established as a not-for-profit investment fund under the Intergovernmental Cooperation Act and the Illinois Municipal Code on July 1, 1996. The investment fund, called the IMET 1-3 Year Series, was designed as a pooled, intermediate term investment vehicle designed for funds that could be invested for more than one year. The Series was designed with a fluctuating Net Asset Value and an average maturity of one-to-three years, with investments exclusively in US government backed securities (Treasuries and agencies). Each of the five founding COGs secured commitments from at least one of their respective members for an initial deposit into the fund. In September 2003, a second investment option was developed for IMET members. This second investment option called the Convenience Series (CVF) was created to provide members with another asset allocation option for their public funds. The Convenience Series is invested in FDIC insured CDs, CDs collateralized at 110%, collateralized repurchase agreements, and liquid bank deposits collateralized at 110%. The CVF is managed so as to maintain a stable \$1.00 share price. IMET is available to all governmental units in the State of Illinois for the purpose of jointly investing the funds of which the governmental unit treasurer has custody. IMET has 261 members, as of September 30, 2012.

INVESTMENT POLICIES AND PRACTICES

The primary objectives of the IMET investment pool, as set forth in the Investment Policies included in the Investment Section, are preservation of principal, liquidity, and return on investment. It is the policy of IMET to invest public funds of Illinois governments in a manner which seeks to provide the best return while pursuing the preservation of capital. IMET investment funds will conform to Illinois state statutes governing the investment of public funds. The standard of prudence to be used for all investment activities shall be the following "prudent person" standards and shall be applied while conducting all investment transactions. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable preservation of their capital as well as the probable income to be derived.

For fiscal year 2012, the 1-3 Year Series provided a yield of .16% on a gross of fees basis (-.12% net of fees) and the Convenience Series yield was .28% net to members. Please refer to the Investment Section of this CAFR for additional information on investments for each investment fund.

YEAR END REPORT

The nation continues to struggle in this prolonged and painfully slow economic recovery. IMET's challenges for the next fiscal year remain the same as this fiscal year, how to continue to add value to our members in a historically low interest rate environment and when is the right time to position our portfolios for an increase in rates. The Federal Funds Interest Rate remained at record lows between zero and 0.25 percent for the entire fiscal year, and according to recent Federal Open Market Committee (FOMC) comments rates will remain at or near zero through mid 2015. We assume the FOMC would act to raise rates should economic conditions change radically between now and mid 2015. However, all economic data suggest that conditions will not change anytime soon. While IMET members face many uncertainties and challenges, they also continue to benefit from IMET's proactive and strong leadership in the continued negotiation of our enhanced yield on the Convenience Series and the diversification and long-term investment performance on the 1-3 Year Series.

The 1-3 Year Series growth has been very good during FY 2012. The establishment of a separate administrative fund, at the end of December 2011, (see Note H to the financial statements) had a significant negative effect on the returns to members, but aside from the accounting change, the monthly returns have generally been positive in FY 2012 which has been challenging in the current low interest rate environment. The Convenience Series continues to perform well, providing returns that are significantly higher when compared to the other Illinois investment pools and, at minimum, very competitive to local bank rates. In some cases, IMET's competitive advantage when compared to local bank offers is the ability to invest in the Convenience Series without restriction where some banks will offer higher rates, but restrict the investment to a maximum dollar limit. We are pleased to report that these successes resulted in the achievement of an asset-balance milestone as we completed FY 2012 with combined assets exceeding \$1.3 billion. IMET also welcomed 25 new members in fiscal 2012 and now serves more than 260 units of government, including municipalities, pension funds, park districts, library districts, school districts, and other public agencies.

IMET had a productive FY 2012 successfully accomplishing many current goals and objectives. One of the major objectives completed in fiscal year 2012 was a comprehensive member survey to gauge member satisfaction in IMET's investment funds and operational services. The IMET Board of Trustees was also interested in member thoughts regarding additional investment options and enhanced services. To that end, the Trustees invited a group of members to participate in a focus group session to discuss member thoughts and comments from the survey in more detail. We are pleased to report that members are overwhelmingly satisfied with IMET's current operations, and we thank all of our members who took the time to provide IMET staff with comments and suggestions for improvements. Additionally, IMET successfully completed its RFP process for a new primary banking business partner for the Convenience Series. The transition to our new banking partner will offer our members with continued highly competitive rates along with the safety provided by collateralization at 110% on the liquid deposits in the fund.

IMET's goals for FY 2013 challenge us to continue to add value to our members in a historically low interest rate environment. We will strive to maintain stability and strength in the 1-3 Year Series and Convenience Series while continuously looking for opportunities to enhance member yields without compromising the safety of our investments. We will conduct the third biennial member outreach calling program early in the year to determine member interest in a longer duration fund and to gauge usefulness of offering transaction services to members through our new banking business partner.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Illinois Metropolitan Investment Fund for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2011. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Each member of the Board, each volunteer on IMET's standing committees, and each participant make IMET the strong, creative, and cooperative membership organization that it is today and will continue to be. Your continued participation in this joint endeavor is sincerely appreciated.

The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedication and hard work of the Board of Trustees and staff. Each member of the Board of Trustees and staff has our sincere appreciation for the contributions made in the preparation of this report. In addition, our appreciation is made to the independent auditors who have contributed to making this report possible.

On behalf of the IMET Board of Trustees and staff, we look forward to continuing to work with participants for the long-term success of IMET. We are proud to offer IMET's services to all units of government in the state of Illinois.

In service with you,



Jerry Ducay
IMET Chair



Laura F. Allen
IMET Executive Director

ILLINOIS METROPOLITAN INVESTMENT FUND

Board of Trustees
September 30, 2012

ILLINOIS METROPOLITAN INVESTMENT FUND

1220 Oak Brook Road
Oak Brook, Illinois 60523
Telephone: (630) 571-0480, ext. 229
Facsimile: (630) 571-0484

BOARD OF TRUSTEES

Chairman: Jerry Ducay
Village of Frankfort

Vice Chair: Robert Nowak
Village of Skokie

Treasurer: Gary Szott
Village of Bloomingdale

Secretary: Chris Minick
City of St. Charles

Trustee: Kevin Barr
Village of Schiller Park

Trustee: John Harrington
Village of Minooka

Trustee: Christy Powell
Geneva Park District

Trustee: Eileen Santschi
South Suburban Mayors and Managers Association

Executive Director: Laura F. Allen

ILLINOIS METROPOLITAN INVESTMENT FUND

Supporting Chicago Area Councils of Government
and External Advisors
September 30, 2012

SUPPORTING CHICAGO AREA COUNCILS OF GOVERNMENT

DUPAGE MAYORS AND MANAGERS CONFERENCE

Mark Baloga
Executive Director

NORTHWEST MUNICIPAL CONFERENCE

Mark Fowler
Executive Director

SOUTH SUBURBAN MAYORS AND MANAGERS ASSOCIATION

Ed Paesel
Executive Director

WEST CENTRAL MUNICIPAL CONFERENCE

Richard F. Pellegrino
Executive Director

WILL COUNTY GOVERNMENTAL LEAGUE

Steven Quigley
Executive Director

EXTERNAL ADVISORS

INVESTMENT ADVISOR

JP Morgan Asset Management
Chicago, Illinois
Columbus, Ohio

FUND ACCOUNTANT

PMA Financial Network, Inc.
Naperville, Illinois

EXTERNAL PERFORMANCE MONITORING

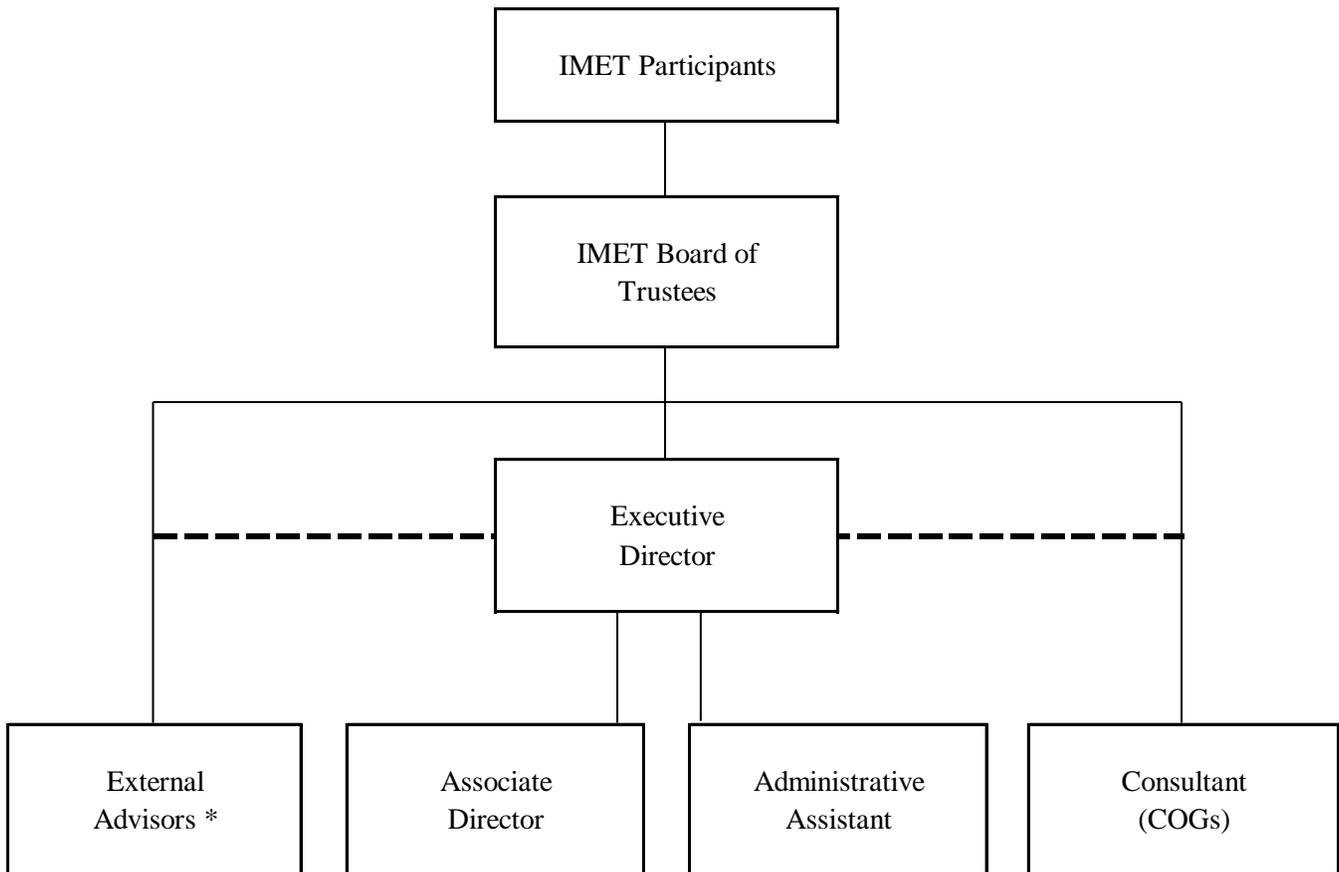
The Consulting Group of Smith Barney
Deerfield, Illinois

LEGAL COUNSEL

Chapman and Cutler LLP
Chicago, Illinois

ILLINOIS METROPOLITAN INVESTMENT FUND

Organizational Chart
September 30, 2012



* Please refer to the Schedule of Fees within the Investment Section of this report for a summary of fees paid both internally and externally.

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Illinois Metropolitan Investment Fund

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Christopher P. Moynell

President

Jeffrey R. Emer

Executive Director

FINANCIAL SECTION

MILLER COOPER & Co., Ltd

ACCOUNTANTS AND CONSULTANTS

INDEPENDENT AUDITORS' REPORT

The Members of the Board of Trustees
Illinois Metropolitan Investment Fund
Oak Brook, Illinois

We have audited the accompanying combining statement of net assets of the Illinois Metropolitan Investment Fund (IMET), as of September 30, 2012, and the related combining statement of changes in net assets for the year then ended. These financial statements are the responsibility of IMET's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of IMET as of September 30, 2012, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 7, and the Illinois Municipal Retirement Fund historical data on page 19, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

(Continued)

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise IMET's basic financial statements. The other supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise IMET's basic financial statements. The accompanying introductory, investment, and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements by us or other auditors, and accordingly, we do not express an opinion or provide any assurance on it.

MILLER, COOPER & CO., LTD.



Certified Public Accountants

Deerfield, Illinois
January 3, 2013

ILLINOIS METROPOLITAN INVESTMENT FUND

Management's Discussion and Analysis

Year ended September 30, 2012

Management is pleased to provide this discussion and analysis of the financial activities of the Illinois Metropolitan Investment Fund (IMET) for the years ended September 30, 2012 and September 30, 2011. Readers are encouraged to consider the information presented here, in conjunction with the additional information that is furnished in the letter of transmittal. Further, this correspondence is intended to serve as an introduction to IMET's basic financial statements, which are comprised of the fund financial statements and notes to the financial statements. The Comprehensive Annual Financial Report (CAFR) also contains other information in addition to the basic financial statements. The financial statements begin on page 8 of the report.

Financial Highlights

The 2012 fiscal year saw an increase in assets, as total assets (including the IMET 1-3 Year Series, the IMET Convenience Series, and the IMET Administration Fund) increased by \$409,764,042 to a balance of \$1,385,684,389 as of September 30, 2012. Total assets of the IMET 1-3 Year Series increased by \$22,223,240 to a balance of \$334,446,066 during fiscal year 2012, total assets of the IMET Convenience Series increased by \$386,129,418 to a balance of \$1,049,653,782 as of September 30, 2012, while total assets of the IMET Administration Fund increased by \$1,411,384 to a balance of \$1,584,541 as of September 30, 2012.

During fiscal year 2011, total assets of IMET (including the IMET 1-3 Year Series, the IMET Convenience Series, and the IMET Administration Fund) increased by \$90,867,389 to a balance of \$975,920,347 as of September 30, 2011. Total assets of the IMET 1-3 Year Series decreased by \$63,903,177 to a balance of \$312,222,826, while total assets of the IMET Convenience Series increased by \$154,597,409 to a balance of \$663,524,364 as of September 30, 2011. IMET also instituted an accounting change on January 1, 2011, whereby operating income and expenses are segregated in the Administration Fund. Total assets of the IMET Administration Fund were \$173,157 as of September 30, 2011.

Participants' equity in IMET was \$975,504,504 (\$312,144,822 in the IMET 1-3 Year Series, \$663,304,925 in the IMET Convenience Series, and \$54,757 in the IMET Administration Fund) as of September 30, 2011 and \$1,385,205,009 (\$334,346,520 in the IMET 1-3 Year Series, \$1,049,300,081 in the IMET Convenience Series, and \$1,558,408 in the IMET Administration Fund) as of September 30, 2012.

Although IMET's 1-3 Year Series did not outperform the benchmark Barclay's 1-3 Year Government Bond Index on a gross-of-fees basis in fiscal year 2011, IMET's 1-3 Year Series did outperform the 90-Day Treasury Bill rate, providing a highly competitive gross return to members of 1.07 percent. The performance measurement of IMET's 1-3 Year Series was somewhat similar in fiscal year 2012 as IMET's 1-3 Year Series did not outperform the benchmark Barclay's 1-3 Year Government Bond Index on a gross-of-fees basis in fiscal year 2012, nor did it outperform the 90-Day Treasury Bill rate, providing a gross return to members of .16 percent. While the nation continued to struggle to shake off the effects of the deep recession and an extended sluggish recovery in fiscal 2012, the IMET Convenience Series provided an excellent investment option for members with a net 12-month return of 0.28 percent, exceeding the federal funds rate range of zero to 0.25 percent.

ILLINOIS METROPOLITAN INVESTMENT FUND

Management's Discussion and Analysis

Year ended September 30, 2012

Overview of the Financial Statements

The two basic financial statements of the Fund are the *Combining Statement of Net Assets* and the *Combining Statement of Changes in Net Assets*. The statements are prepared in conformity with accounting principles generally accepted in the United States of America, as applied to governmental units.

The *Combining Statement of Net Assets* is a measure of each fund's assets and liabilities at the close of the fiscal year. Total assets less liabilities equal net assets held in trust for IMET participants. The following table is a Condensed Statement of Net Assets for the years ended September 30, 2012 and September 30, 2011.

Condensed Statement of Net Assets

	IMET	IMET	IMET	IMET	IMET	IMET		
	1-3 Year	1-3 Year	Convenience	Convenience	Administration	Administration	Total	Total
	Series	Series	Series	Series	Fund	Fund	2012	2011
	2012	2011	2012	2011	2012	2011	2012	2011
Total assets	\$ 334,446,066	\$ 312,222,826	\$ 1,049,653,782	\$ 663,524,364	\$ 1,584,541	\$ 173,157	\$ 1,385,684,389	\$ 975,920,347
Total liabilities	99,546	78,004	353,701	219,439	26,133	118,400	479,380	415,843
Total net assets	<u>\$ 334,346,520</u>	<u>\$ 312,144,822</u>	<u>\$ 1,049,300,081</u>	<u>\$ 663,304,925</u>	<u>\$ 1,558,408</u>	<u>\$ 54,757</u>	<u>\$ 1,385,205,009</u>	<u>\$ 975,504,504</u>

The *Combining Statement of Changes in Net Assets* shows purchases to and redemptions (withdrawals) from each fund, as well as additions and deductions due to operations during the fiscal year. The net increase or decrease in net assets is the change in net assets owned by participants since the end of the previous fiscal year. The following table is a Condensed Statement of Changes in Net Assets for the years ended September 30, 2012 and September 30, 2011.

ILLINOIS METROPOLITAN INVESTMENT FUND

Management's Discussion and Analysis Year ended September 30, 2012

Condensed Statement of Changes in Net Assets

	IMET 1-3 Year Series 2012	IMET 1-3 Year Series 2011	IMET Convenience Series 2012	IMET Convenience Series 2011	IMET Administration Fund 2012	IMET Administration Fund 2011	Total 2012	Total 2011
Total additions from operations	\$ 1,895,139	\$ 3,192,408	\$ 2,913,789	\$ 2,409,716	6,493	3,942	4,815,421	5,606,066
Total operating expenses	879,308	730,350	797,263	827,559	(161,790)	(50,815)	1,514,781	1,507,094
Net additions from operations	1,015,831	2,462,058	2,116,526	1,582,157	168,283	54,757	3,300,640	4,098,972
Total distributions	-	-	(2,116,526)	(1,582,157)	-	-	(2,116,526)	(1,582,157)
Net additions (deductions) from capital share and individual account transactions	21,185,867	(66,302,548)	385,995,156	154,595,380	1,335,368	-	408,516,391	88,292,832
Net increase (decrease)	22,201,698	(63,840,490)	385,995,156	154,595,380	1,503,651	54,757	409,700,505	90,809,647
Net assets held in trust for participants:								
Beginning of year	312,144,822	375,985,312	663,304,925	508,709,545	54,757	-	975,504,504	884,694,857
End of year	\$ 334,346,520	\$ 312,144,822	\$ 1,049,300,081	\$ 663,304,925	\$ 1,558,408	\$ 54,757	\$ 1,385,205,009	\$ 975,504,504

The *Notes to the Financial Statements* are a fundamental part of the financial statements and provide important information to augment the figures in the financial statements. The notes describe accounting policies and other financial information.

Schedules of Investments are included in the Investment Section to detail the types and amounts of investment instruments held by the IMET 1-3 Year Series and the IMET Convenience Series.

ILLINOIS METROPOLITAN INVESTMENT FUND

Management's Discussion and Analysis

Year ended September 30, 2012

Financial Statement Analysis

Net Assets

Although rates remained at historic lows for the entire year ended September 30, 2011, IMET's total net assets increased by \$90,809,647, to a total balance of \$975,504,504. Fiscal year 2011 brought a year of continued economic uncertainty and challenges with exceptionally low interest rates for more than two years, and the FOMC announced that rates would likely continue at these levels through mid-2015. The recovery has been sluggish at best, and yet IMET members have benefited from IMET's proactive and strong leadership in the continued negotiation of our enhanced yield on the Convenience Series, along with additional government intervention efforts, such as QE2, that contributed to strong performance in the 1-3 Year Series. The IMET Convenience Series return is pegged to the federal funds target rate as a minimum rate guarantee and is comprised of FDIC-insured CDs and liquid deposits collateralized at 110%. IMET's strong returns in the 1-3 Year Series (1.07%) and the Convenience Series (.31%) resulted in IMET proudly achieving several milestones in asset balances to end fiscal year 2011 with over \$975 million in combined assets.

Fiscal year 2012 saw a continuation of historically low interest rates along with the effects of federal stimulus programs, "Operation Twist" and QE3, in a campaign to revive the U.S. economy. Total net assets of IMET increased by \$409,700,505 to an ending balance of \$1,385,205,009 during fiscal year 2012. This net increase in total assets, in large part, was the result of IMET's enhanced Convenience Fund yield allowing IMET to offer members the highest rate available in a local government investment pool in the state of Illinois. Additionally, IMET's 1-3 Year Series offers diversification to its members with the safety provided by U.S. Government securities. Members continued to see the value of IMET's unique, intermediate-term investment option resulting in additional new dollar investments. This significant asset growth resulted in IMET achieving yet another milestone in its investment balances to end the year with over \$1.3 billion in combined assets.

Operations

During the current fiscal year ended September 30, 2012, total additions from operations consisted of \$5,914,076 in interest income, net depreciation in the fair value of investments of (\$1,099,843), and other income of \$1,188. These amounts may be compared with \$7,156,393 of interest income, net depreciation in the fair value of investments of (\$1,550,493), and other income of \$166 during the prior fiscal year, for total income of \$4,815,421 in fiscal year 2012, compared to \$5,606,066 in fiscal year 2011.

Operating expenses of IMET were \$1,514,781 (comprising \$987,276 of investment expenses and \$527,505 of administrative expenses) for the current fiscal year compared with \$1,507,094 for the prior fiscal year. This increase in operating expenses of less than one percent was significantly less than the increase in total assets, because of decreases in investment advisory fees that are calculated as a percentage of IMET's total assets, along with IMET's ability to maintain administrative expenses in line with the prior year. Total assets increased by more than 40 percent in fiscal year 2012.

ILLINOIS METROPOLITAN INVESTMENT FUND

Management's Discussion and Analysis

Year ended September 30, 2012

Investment Performance

IMET's 1-3 Year Series remained slightly shorter in duration compared to the Barclay's Capital 1-3 Year Government Bond Index in fiscal year 2011, resulting in underperformance when compared to the benchmark. However, the IMET 1-3 Year Series outperformed the 90-Day Treasury Bill rate. IMET's 1-3 Year Series ended the fiscal year with a gross one-year return of 1.07 percent versus a one-year return of 1.23 percent for the Barclay's Index, 0.79 percent for IMET's *net* 12-month return, and 0.14 percent for 90-Day Treasury Bills. The IMET Convenience Series outperformed the 90-Day Treasury Bill rate as well, with a return of 0.31 percent to participants for the fiscal year ended September 30, 2011.

During fiscal year 2012, IMET's 1-3 Year Series was unable to outperform the benchmark Barclay's Capital 1-3 Year Government Bond Index, on a gross-of-fees basis, due to the 1-3 Year Series' slightly shorter duration and the one-time accounting change in the 1-3 Year Series (see Note H to the financial statements). IMET ended the fiscal year with a gross one-year return of .16 percent, versus a one-year return of .65 percent for the Barclay's Index. Absent the accounting change, the gross one-year return on the 1-3 Year series would have been .60 percent. The IMET Convenience Series outperformed the 90-Day Treasury Bill rate with a return of .28 percent to participants for the fiscal year ended September 30, 2012 versus a one-year return of .07 percent for the 90-Day Treasury Bill rate.

For additional information regarding performance returns of IMET and asset allocation, please refer to the Investment section beginning on page 21 of this report.

Requests for Information

Questions about any information provided in this report should be addressed to:

The Illinois Metropolitan Investment Fund (IMET)
ATTN: Executive Director
1220 Oak Brook Road
Oak Brook, IL 60523

Illinois Metropolitan Investment Fund

Combining Statement of Net Assets

September 30, 2012

	IMET 1 - 3 Year Series	IMET Convenience Series	IMET Administration Fund	Total
ASSETS				
Cash and short-term investments	\$ -	\$ 1,049,207,408	\$ 1,522,431	\$ 1,050,729,839
Interest receivable	1,561,956	446,374	-	2,008,330
Securities sold receivable	58,848	-	-	58,848
Other receivables	-	-	61,520	61,520
Investments at fair value:				
U.S. Treasury obligations	242,119,863	-	-	242,119,863
U.S. Government agency and agency-guaranteed obligations	84,012,190	-	-	84,012,190
Mortgage-backed securities	2,719,762	-	-	2,719,762
Money market mutual funds	3,973,447	-	-	3,973,447
Other assets	-	-	590	590
Total assets	<u>334,446,066</u>	<u>1,049,653,782</u>	<u>1,584,541</u>	<u>1,385,684,389</u>
LIABILITIES				
Payables:				
Dividends payable to participants	-	264,359	-	264,359
Management fees	71,067	47,079	-	118,146
Administrative fee	28,479	33,041	-	61,520
Other	-	9,222	26,133	35,355
Total liabilities	<u>99,546</u>	<u>353,701</u>	<u>26,133</u>	<u>479,380</u>
NET ASSETS				
Net assets held in trust for participants (units outstanding: 17,589,148 and 1,049,300,081 at September 30, 2012 for IMET 1-3 Year Series and IMET Convenience Series, respectively; equivalent to \$19.01 and \$1.00 per unit outstanding at September 30, 2012 for IMET 1-3 Year Series and IMET Convenience Series, respectively)				
Total net assets	<u>\$ 334,346,520</u>	<u>\$ 1,049,300,081</u>	<u>\$ 1,558,408</u>	<u>\$ 1,385,205,009</u>

The accompanying notes are an integral part of this statement.

Illinois Metropolitan Investment Fund

Combining Statement of Changes in Net Assets
Year ended September 30, 2012

	IMET 1 - 3 Year Series	IMET Convenience Series	IMET Administration Fund	Total
Additions				
Investment income				
Interest	\$ 2,994,982	\$ 2,913,789	\$ 5,305	\$ 5,914,076
Net depreciation in fair value of investments	(1,099,843)	-	-	(1,099,843)
Other income	-	-	1,188	1,188
Total income	1,895,139	2,913,789	6,493	4,815,421
Expenses				
Investment advisory fees	319,746	-	-	319,746
Transfer agent and fund accounting fees	191,848	443,705	-	635,553
Custodial fees	31,977	-	-	31,977
Total expenses	543,571	443,705	-	987,276
Net investment income	1,351,568	2,470,084	6,493	3,828,145
Unit transactions				
Proceeds from sale of units to participants	59,105,373	1,097,507,758	-	1,156,613,131
Distributions reinvested by participants	-	2,003,950	-	2,003,950
Total unit transactions	59,105,373	1,099,511,708	-	1,158,617,081
Total additions	60,456,941	1,101,981,792	6,493	1,162,445,226
Deductions				
Administrative expenses:				
Management and administrative services	335,737	353,558	6,503	695,798
Compensation and related expenses	-	-	275,452	275,452
Professional services	-	-	47,544	47,544
Insurance	-	-	51,110	51,110
Audit	-	-	20,000	20,000
Marketing	-	-	29,723	29,723
Administrative and other	-	-	100,454	100,454
Less reimbursements for operating expenses	-	-	(692,576)	(692,576)
Total administrative expenses	335,737	353,558	(161,790)	527,505
Distributions of income to participants	-	2,116,526	-	2,116,526
Cost of units redeemed by participants	36,584,138	713,516,552	-	750,100,690
Total deductions	36,919,875	715,986,636	(161,790)	752,744,721
Transfers in (out)	(1,335,368)	-	1,335,368	-
Net increase in net assets held in trust for participants	22,201,698	385,995,156	1,503,651	409,700,505
Net assets held in trust for participants:				
Beginning of year	312,144,822	663,304,925	54,757	975,504,504
End of year	\$ 334,346,520	\$ 1,049,300,081	\$ 1,558,408	\$ 1,385,205,009

The accompanying notes are an integral part of this statement.

Illinois Metropolitan Investment Fund

Notes to the Financial Statements

September 30, 2012

NOTE A - NATURE OF OPERATIONS

The Illinois Metropolitan Investment Fund (IMET) is an actively managed investment fund for Illinois units of local government and for other official custodians of public funds. IMET offers two investment options, the 1-3 Year Series and the Convenience Series. IMET's 1-3 Year Series is designed as an investment vehicle for funds not required to be spent in the short term and which are available for investment in securities with average maturities and returns generally greater than those for money market instruments. The Convenience Series provides a short-term investment option with total liquidity that operates much like a money market account.

IMET is governed by a Board of Trustees comprised of eight Illinois public officials representing the Fund's investors. The Board meets monthly to review goals, objectives, and the direction of the Fund. Participants also benefit from IMET's standing committees, which include Audit, New Products, and Vendor Selection. IMET's committees consist of Trustees as well as at-large participants.

The authority for the creation and continued existence of the Fund comes from the Illinois Municipal Code, the Intergovernmental Cooperation Act of the State of Illinois, and the Debt Reform Act as amended which provides that each official custodian of a governmental unit may jointly invest with other official custodians of other governmental units the funds of the respective governmental unit.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Illinois Metropolitan Investment Fund (IMET) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of IMET's accounting policies are described below.

1. Reporting Entity

Based upon the required GASB criteria, IMET has no component units and is not a component unit of any other entity.

2. Basis of Accounting

The IMET 1-3 Year Series, Convenience Series, and Administration Fund operate as enterprise funds, which report on the accrual basis of accounting.

Illinois Metropolitan Investment Fund

Notes to the Financial Statements

September 30, 2012

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Security Valuation

Investments of the IMET 1-3 Year Series are reported at fair value based on market quotations obtained from a third-party provider. If there were securities for which quotations were not available, they would be stated at fair value as determined by the Board of Trustees. Currently there are none.

The IMET Convenience Series' investments are reported at cost, which approximates fair value based on the nature of the investments.

4. Security Transactions and Income

Security transactions are accounted for no later than one business day after the securities are purchased or sold. Gains and losses on investments are realized at the time of the sale, and the cost of securities sold is determined on the first-in, first-out basis. Interest income from fixed income and money market investments is accrued on a daily basis. Discounts and premiums on all fixed income securities are amortized or accreted on a constant-yield basis.

5. Subscriptions and Redemptions

Participants may subscribe to either of the funds on any business day. Purchase instructions received by IMET before 12:00 noon central time are credited to accounts at the net asset value as of the close of business that day. Participants may redeem shares of the IMET 1-3 Year Series with five days' notice at the net asset value as of the close of business on the third business day following the day of notification. Participants may redeem from the IMET Convenience Series with same day or next day notice at the current value as of the day of redemption. Redemptions from the IMET Convenience Series that are requested by 12:00 noon central time will be completed on the same day.

6. Use of Estimates

In preparing IMET's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Illinois Metropolitan Investment Fund

Notes to the Financial Statements

September 30, 2012

NOTE C - DEPOSITS AND INVESTMENTS

1. Deposits

At September 30, 2012, the deposits of the IMET 1-3 Year Series, Convenience Series, and Administration Fund had the following bank balances and carrying amounts. These deposits are insured, registered, or collateralized by securities recorded in IMET's name and held by IMET's agent.

<u>Fund</u>	<u>Bank Balance</u>	<u>Carrying Amount</u>
IMET Convenience Series	\$ 1,049,207,408	\$ 1,049,207,408
IMET Administration Fund	<u>1,560,770</u>	<u>1,522,431</u>
	<u>\$ 1,050,768,178</u>	<u>\$ 1,050,729,839</u>

The following table presents a summarization of the cash and short-term investments in the IMET Convenience Series at September 30, 2012.

	<u>Fair Value</u>
Certificates of deposit	\$ 391,884,750
Other interest-bearing bank deposit	616,373,719
Repurchase agreements	<u>40,948,939</u>
Total cash and short-term investments	<u>\$ 1,049,207,408</u>

All cash and short-term investments in the IMET Convenience Series are either collateralized, or insured by the Federal Deposit Insurance Corporation, in accordance with IMET's investment policy.

2. Investments

The following table presents a summarization of the fair values and duration of the IMET 1-3 Year Series investments at September 30, 2012.

	<u>Fair Value</u>	<u>Duration (in years)</u>
U.S. Treasury obligations	\$ 242,119,863	1.42
U.S. Government agency and agency-guaranteed obligations	84,012,190	1.52
Mortgage-backed securities	2,719,762	4.83
Money market mutual funds	<u>3,973,447</u>	-
Total investments	<u>\$ 332,825,262</u>	1.46

Illinois Metropolitan Investment Fund

Notes to the Financial Statements

September 30, 2012

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

2. Investments (Continued)

Interest Rate Risk

Through its investment policy, IMET manages its exposure to fair value losses of the IMET 1-3 Year Series arising from increasing interest rates by limiting the duration of its investment portfolio to within 25% of that of the Barclay's Capital 1-3 Year Government Bond Index, under normal conditions. The duration for total investments represents the weighted average of the durations for the respective categories of investments. The duration for the Barclay's Capital 1-3 Year Government Bond Fund was 1.87 years as of September 30, 2012.

Credit Risk

The investments in U.S. Treasury and agency and agency-guaranteed obligations carry the explicit guarantee of the United States Government. The investments in mortgage-backed securities are rated in the top rating category issued by nationally recognized rating organizations. The Fidelity Institutional Money Market was rated AAA-mf by Moody's and AAAM by Standard & Poor's at September 30, 2012.

Concentration of Credit Risk

IMET's investment policy for the IMET 1-3 Year Series does not restrict the allowable concentration of total assets invested in the securities of the United States Government, its agencies, or mortgage pass-through securities.

NOTE D - FUND EXPENSES - IMET 1-3 YEAR SERIES

The total expenses, including consulting fees, for the IMET 1-3 Year Series were approximately 0.27% of the average daily net assets for the year ended September 30, 2012. The average daily net assets of the IMET 1-3 Year Series were approximately \$321.3 million for the year ended September 30, 2012. The contractually obligated expenses are described below.

1. Fund Management

IMET pays a management fee to JP Morgan Asset Management, which acts as the investment advisor. The management fee is calculated each day and paid monthly based upon the average daily net assets of the fund as follows:

Illinois Metropolitan Investment Fund

Notes to the Financial Statements

September 30, 2012

NOTE D - FUND EXPENSES - IMET 1-3 YEAR SERIES (Continued)

1. Fund Management (Continued)

	<u>Fee Rate</u>
Average daily net assets:	
First \$350 million	0.10%
Next \$150 million	0.08%
Amount over \$500 million	0.06%

IMET has agreement with PMA Financial Network, Inc. to provide administrative services including fund accounting and transfer agent services. The fee associated with these services is calculated at an annual rate of 0.06% of the average daily net assets within the fund.

IMET has an agreement with Harris Bank to provide custody services. The fee associated with these services is calculated at an annual rate of 0.01% of the average daily net assets within the fund.

For the year ended September 30, 2012, the IMET 1-3 Year Series incurred expenses of \$319,746 for services provided by JP Morgan Asset Management, \$191,848 for services provided by PMA Financial Network, Inc., and \$31,977 for services provided by Harris Bank.

2. Consultant

The DuPage Mayors and Managers Conference, Northwest Municipal Conference, South Suburban Mayors and Managers Association, West Central Municipal Conference, and the Will County Governmental League act collectively as the IMET 1-3 Year Series' Consultant. Services provided by the Consultant typically include identification and solicitation of potential investors. IMET pays the Consultant an annual fee in arrears equal to 0.02% of the IMET 1-3 Year Series' average daily net assets for each fiscal year, not to exceed \$125,000 in any fiscal year. No annual fee shall be payable for any fiscal year unless the assets of the IMET 1-3 Year Series exceed \$100 million for at least 31 consecutive calendar days during such fiscal year and the total return to fund participants for such fiscal year equals or exceeds the average 90-day Treasury bill rate during such fiscal year. For fiscal year 2012, the IMET 1-3 Year Series' return did not exceed the average 90-day Treasury bill rate and, accordingly, no consultant fee was accrued or paid.

Illinois Metropolitan Investment Fund

Notes to the Financial Statements

September 30, 2012

NOTE D - FUND EXPENSES - IMET 1-3 YEAR SERIES (Continued)

3. Administrative Expenses

In accordance with the various agreements, the IMET 1-3 Year Series calculates a daily accrual, at a rate of 0.105%, applied to the Series' net assets. The amounts accrued are deposited monthly in a money market fund and are withdrawn as needed to cover actual administrative expenses incurred to operate and market the IMET 1-3 Year Series, including the cost of the Executive Director and staff of IMET. To the extent that the accrued amounts exceed the actual expenses in any period, IMET may use these amounts to pay future expenses. The amount incurred in fiscal year 2012 totaled \$335,737.

NOTE E - FUND EXPENSES - IMET CONVENIENCE SERIES

The total expenses, including consulting fees, for the IMET Convenience Series, were approximately 0.11% of the average daily net assets for the year ended September 30, 2012. The average daily net assets of the IMET Convenience Series were approximately \$743.1 million for the year ended September 30, 2012. The contractually obligated expenses are described below.

1. Fund Management

IMET has an agreement with PMA Financial Network, Inc. to provide administrative services including fund accounting and transfer agent services. The fee associated with these services is calculated at an annual rate of 0.06% of the average daily net assets within the Fund.

For the year ended September 30, 2012, the IMET Convenience Series incurred expenses of \$443,705 for services provided by PMA Financial Network, Inc.

2. Administrative Expenses

In accordance with the various operating agreements, the IMET Convenience Series calculates a daily accrual, at rates ranging from 0.04% to 0.10%, applied to various portions of the Series' net assets. The amounts accrued are deposited monthly in a separate money market fund and are withdrawn as needed to cover actual administrative expenses incurred to operate and market the IMET Convenience Series, including the cost of the Executive Director and staff of IMET. To the extent that the accrued amounts exceed the actual expenses in any period, IMET may use these amounts to pay future expenses. The amount incurred in fiscal year 2012 totaled \$353,558.

Illinois Metropolitan Investment Fund

Notes to the Financial Statements

September 30, 2012

NOTE F - UNIT TRANSACTIONS

A summary of participants' unit transactions for the year ended September 30, 2012 is as follows:

	IMET 1 - 3 Year Series	IMET Convenience Series
Unit transactions:		
Issued	3,113,005	1,097,507,758
Distributions reinvested	-	2,003,950
Redeemed	<u>(1,924,551)</u>	<u>(713,516,552)</u>
Change in units	1,188,454	385,995,156
Unit outstanding:		
Beginning of year	<u>16,400,694</u>	<u>663,304,925</u>
End of year	<u>17,589,148</u>	<u>1,049,300,081</u>

NOTE G - RETIREMENT FUND COMMITMENTS - ILLINOIS MUNICIPAL RETIREMENT FUND

Plan Description IMET's defined benefit pension plan provides retirement and disability benefits, postretirement increases, and death benefits to plan members and beneficiaries. IMET's plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at www.imrf.org.

Funding Policy As set by statute, plan members are required to contribute 4.5% of their annual covered salary. The statute requires IMET to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. IMET's annual required contribution rate and actual rate of contribution for calendar year 2012 was 13.31%. IMET also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Fiscal IMRF Pension Cost and Net IMRF Pension Obligation IMET's annual IMRF pension cost is calculated based on the annual required contribution (ARC) of the employer. The following table shows the components of IMET's annual IMRF pension cost for the fiscal year, the amount actually contributed to the plan for the fiscal year, and changes in IMET's net IMRF pension obligation as of September 30, 2012.

Illinois Metropolitan Investment Fund

Notes to the Financial Statements

September 30, 2012

NOTE G - RETIREMENT FUND COMMITMENTS - ILLINOIS MUNICIPAL RETIREMENT FUND

(Continued)

Fiscal IMRF Pension Cost and Net IMRF Pension Obligation (Continued)

	<u>September 30,</u> <u>2012</u>
Annual Required Contribution (ARC)	\$ 27,831
Interest on net IMRF pension obligation	247
Adjustment to annual required contribution	<u>(394)</u>
Annual IMRF cost	27,684
Contributions made	<u>(27,831)</u>
Decrease in IMRF pension obligation	(147)
Net IMRF pension obligation at October 1, 2011	<u>3,287</u>
Net IMRF pension obligation at September 30, 2012	\$ <u><u>3,140</u></u>

Annual Pension Cost Information related to IMET's contributions are on a fiscal year basis. The required contribution for fiscal year 2012 was \$27,831. The actuarial information is on a calendar year basis as that is the IMRF plan year.

	<u>Trend Information</u>		
<u>Fiscal</u> <u>Year</u> <u>Ended</u>	<u>Annual</u> <u>Pension</u> <u>Cost</u> <u>(APC)</u>	<u>Percentage</u> <u>of APC</u> <u>Contributed</u>	<u>Net</u> <u>Pension</u> <u>Obligation</u>
9/30/2012	\$ 27,684	101%	\$ 3,140
9/30/2011	26,133	97%	3,287
9/30/2010	19,136	87%	2,465

Illinois Metropolitan Investment Fund

Notes to the Financial Statements

September 30, 2012

NOTE G - RETIREMENT FUND COMMITMENTS - ILLINOIS MUNICIPAL RETIREMENT FUND

(Continued)

Annual Pension Cost The required contribution for 2011 was determined as part of the December 31, 2009 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2009 included: (a) a 7.5% investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) postretirement benefit increases of 3% annually. The actuarial value of plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The plan's unfunded actuarial accrued liability at December 31, 2009 is being amortized as a level percentage of projected payroll on an open 30 year basis.

Funded Status and Funding Policy As of December 31, 2011, the most recent actuarial valuation date, the plan was 73.92% funded. The actuarial accrued liability for benefits was \$405,533 and the actuarial value of assets was \$299,783, resulting in an underfunded actuarial accrued liability (UAAL) of \$105,750. The covered payroll for calendar year 2011 (annual payroll of active employees covered by the plan) was \$199,904 and the ratio of the UAAL to the covered payroll was 53%.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

NOTE H - INTERFUND TRANSFERS

On December 30, 2011, the balance of cash and short-term investments in the IMET 1-3 Year Series, of \$1,335,368, was transferred to the IMET Administration Fund, in order to complete the formal establishment of that Fund. This balance represents the accumulation of administrative fee revenues paid to IMET over the course of several years by the IMET 1-3 Year Series and the IMET Convenience Series, to support IMET's administrative operations.

NOTE I - SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 3, 2013, the date that these financial statements were available to be issued. Management has determined that no events or transactions have occurred subsequent to the date of the combining statement of net assets that require disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

Illinois Metropolitan Investment Fund
 Required Supplementary Information - Schedule of Funding Progress
 Illinois Municipal Retirement Fund
September 30, 2012

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(2) - (1) Unfunded AAL (UAAL)	(1) / (2) Funded Ratio	(3) Covered Payroll	UAAL as a Percentage of Covered Payroll ((2-1)/3)
12/31/2011	\$ 299,783	\$ 405,533	\$ 105,750	73.92%	\$ 199,904	52.90%
12/31/2010	258,903	353,158	94,255	73.31%	194,107	48.56%
12/31/2009	222,470	301,506	79,036	73.79%	163,880	48.23%

On a market value basis, the actuarial value of assets as of December 31, 2011 was \$291,161. On a market value basis, the funded ratio would be 71.80%.

OTHER SUPPLEMENTARY INFORMATION

Illinois Metropolitan Investment Fund
Schedule of Administrative Operations - Budget and Actual
Year Ended September 30, 2012

	Original and Final Budget	Actual	Variance from Final Budget
Additions from operations			
1-3 Year Fund income	\$ 292,872	\$ 337,552	\$ 44,680
Convenience Fund income	267,653	355,024	87,371
Interest income	4,339	5,305	966
Other revenue	21,000	1,188	(19,812)
Total additions from operations	<u>585,864</u>	<u>699,069</u>	<u>113,205</u>
Deductions from operations			
Payroll			
Pension expense	27,815	27,685	130
Salary expense	204,486	204,486	-
Benefit expense	27,040	28,684	(1,644)
Tax	14,421	14,597	(176)
Total payroll	<u>273,762</u>	<u>275,452</u>	<u>(1,690)</u>
Administrative			
Accounting services	6,550	6,503	47
Administrative assistance	15,450	14,931	519
Asset monitoring	39,000	15,000	24,000
Audit expense	21,000	20,000	1,000
COG repayment	67,700	-	67,700
Conferences	12,000	7,782	4,218
Dues & publications	11,375	11,311	64
Fund rating	38,000	17,710	20,290
Insurance	54,000	51,110	2,890
Legal services	40,000	26,544	13,456
Legislative consulting	6,000	6,000	-
Marketing	41,335	29,723	11,612
Office expense	19,400	19,355	45
Participant outing	15,500	14,642	858
Rent expense	6,000	5,708	292
Travel	12,000	8,415	3,585
Web site maintenance	10,650	600	10,050
Total administrative	<u>415,960</u>	<u>255,334</u>	<u>160,626</u>
Total deductions from operations	<u>689,722</u>	<u>530,786</u>	<u>158,936</u>
Net additions (deductions) from operations	<u>\$ (103,858)</u>	<u>\$ 168,283</u>	<u>\$ 272,141</u>

INVESTMENT SECTION (Unaudited)

Illinois Metropolitan Investment Fund

Report on Investment Activity

September 30, 2012

Description of the Fund

The Illinois Metropolitan Investment Fund (IMET) is a quasi-governmental investment fund created under the Illinois Municipal Code. IMET, which was formed on July 17, 1996, actively manages two investment funds for municipal treasurers, official custodians of municipal funds, and other public agencies in the state of Illinois. These funds are the IMET 1-3 Year Series and the IMET Convenience Series. IMET also offers arbitrage rebate calculation services for participants whose bond proceeds are subject to federal arbitrage restrictions.

The IMET 1-3 Year Series is designed as an investment vehicle for funds not required for immediate expenditure and which are available for investment in securities with average maturities and returns generally greater than those for money market instruments.

The objectives of the IMET 1-3 Year Series are to provide a high current yield while maintaining safety and liquidity and to offer participation in a diversified portfolio of high-quality fixed income instruments permitted for investment under the Public Funds Investment Act of the State of Illinois. The IMET 1-3 Year Series seeks to ensure the preservation of capital with the objective of obtaining an appropriate market rate of return in relation to the prevailing monetary environment as measured by the Barclay's 1-3 year Government Bond Index.

The IMET Convenience Series was established on September 2, 2003, as an investment alternative exclusively for IMET participants. The IMET Convenience Series is comprised of fully collateralized liquid bank deposits with same day or next day liquidity, collateralized certificates of deposit, collateralized overnight repurchase agreements, and FDIC Insured certificates of deposit. The Convenience Series currently provides a return that is pegged to the federal funds target interest rate. It is intended for use as a short-term investment for funds that may or may not be needed for near-term disbursement.

The objective of the IMET Convenience Series is to provide a high current return while maintaining the safety and liquidity of public funds. The IMET Convenience Series serves as a companion vehicle to the IMET 1-3 Year Series and arbitrage rebate calculation service. It provides a money market vehicle for the convenient investment of bond proceeds, for the temporary investment of intermediate funds, and/or for cash management and liquidity purposes.

(Continued)

Illinois Metropolitan Investment Fund

Report on Investment Activity (Continued)

September 30, 2012

Market Review

While the fears of a financial meltdown in Europe or a double-dip recession in the U.S. were quelled in the quarter ended December 31, 2011, policy actions and long-term risks kept investor conviction low. In the U.S., economic data began to improve during the quarter, albeit gradually. The impact of a recession in Europe will likely limit domestic growth to a continued sluggish pace at best. Furthermore, the inability of the political parties to reach a consensus on the federal budget in the fourth quarter will likely lead to persistent budgetary battles and gridlock in the new year, creating an environment of continued economic uncertainty. Heading into their year-end recess, the U.S. Congress managed to avert dramatic fiscal tightening at the start of 2012 by agreeing on an extension to the payroll tax cut and expanded unemployment benefits, but only for two months. The 2012 election cycle only heightened the level of this policy indecision. Markets focused on positive U.S. economic developments during the first quarter of 2012, as data reflected growth stronger than expectations at the beginning of the year, but still below trend following the fourth quarter's strong 3% growth rate. Specifically, the labor market continued to improve and national manufacturing and consumer confidence surveys were generally indicative of expansion, but activity measures were more subdued, with new risks coming from rising oil and gas prices. Ultimately, concerns remain that sub-trend growth will not result in a sustainable recovery.

Employment gains in non-farm payrolls averaged 245,000 over the past three months ended March 31, 2012, the fastest pace for job growth since the recovery began. Unemployment fell to a cycle low of 8.3%, with the broader U6 measure, which includes underemployment, declining to 14.9%. Initial jobless claims fell consistently over the quarter, entering 2012 at 383,000 and dropping to a post recession low of 359,000 in March.

In the second quarter of 2012, European and global growth concerns continued to be the main drivers of markets. In the U.S., it was apparent that an unseasonably warm winter pulled economic activity forward into the first quarter. While the housing market appears to be stabilizing, consumers continue to de-lever and corporations are still hoarding cash, thus holding back spending and job creation. U.S. investors hoped that the Federal Reserve would embark on a new asset purchase program, but were disappointed as the Fed announced only the continuation of its "Operation Twist" program until the end of 2012. In Europe, austerity measures are taking a bite out of growth, pushing the peripherals into a recession and threatening to do the same to the core. Growth in Asia, and China in particular, has been below expectations, and the Bank of China has not been as aggressive in stimulating the economy as investors had hoped.

Overall portfolio duration of the 1-3 Year Series remained slightly shorter than the benchmark, which was a detractor from performance relative to the benchmark, as rates moved lower, during the quarter ended June 30, 2012.

(Continued)

Illinois Metropolitan Investment Fund

Report on Investment Activity (Continued)

September 30, 2012

Market Review (Continued)

Unlike the second quarter, where safe-haven markets (U.S. and German government bonds) outperformed risk assets, the third quarter saw risk reign supreme. Risk assets rallied as global central banks (the European Central Bank, the Fed, and the Bank of Japan) showed their commitment to remain accommodative by announcing additional quantitative easing programs. U.S. stock indices performed strongly during the period, pushing to multi-year highs. The S&P 500 Index ended up 5.8%, while the Barclays U.S. Credit Index returned 3.54%.

Similar to the ECB, the Fed unleashed more stimulus into the economy with another round of quantitative easing (“QE3”) at its September 13th meeting after disappointing gains in the labor market. The Fed pledged to buy indefinitely \$40 billion in mortgage-backed securities each month until there is a substantial improvement in the unemployment rate. The Fed also extended its low interest rate guidance to mid-2015 from late 2014, and stated that it will continue its existing policy known as “Operation Twist” until December 2012. One of the most interesting parts of the Fed statement was the commitment to remain accommodative even after the economic recovery strengthens.

Overall portfolio duration of the 1-3 Year Series remained slightly shorter than the benchmark, which was neutral to performance on the quarter ended September 30, 2012.

Risk Profile

In the context of the broad fixed income market the 1-3 Year Series portfolio has a low risk profile. Investors should remain aware that the 1-3 Year Fund does have risk to principal when interest rates increase (interest rate risk) and credit risk to the US government and related entities.

The Convenience Fund has a very low risk profile. The Convenience Series portfolio is restricted to a maximum dollar weighted average maturity of 1 year or less, under normal conditions. The Convenience Series will be managed as to maintain a stable \$1.00 share price, although there is no guarantee that it will do so. The Convenience Series is currently invested entirely in collateralized investment options including bank obligations and overnight repurchase agreements.

Basis of Presentation

The Investment Section has been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

(Concluded)

Illinois Metropolitan Investment Fund
 Schedule of Investment Results - IMET 1-3 Year Series
September 30, 2012

	<u>One Year *</u>	<u>Three Year *</u>	<u>Five Year *</u>
IMET 1-3 Year Series Net Return	-0.12%	0.97%	2.48%
IMET 1-3 Year Series Gross Return**	0.16%	1.25%	2.76%
Barclays Capital 1-3 Year Government Bond Index	0.65%	1.49%	2.94%
Merrill Lynch 3-Month Treasury Bill Index	0.07%	0.11%	0.72%

* Annualized return. A time-weighted rate of return based on the market rate of return is the basis for the calculations.

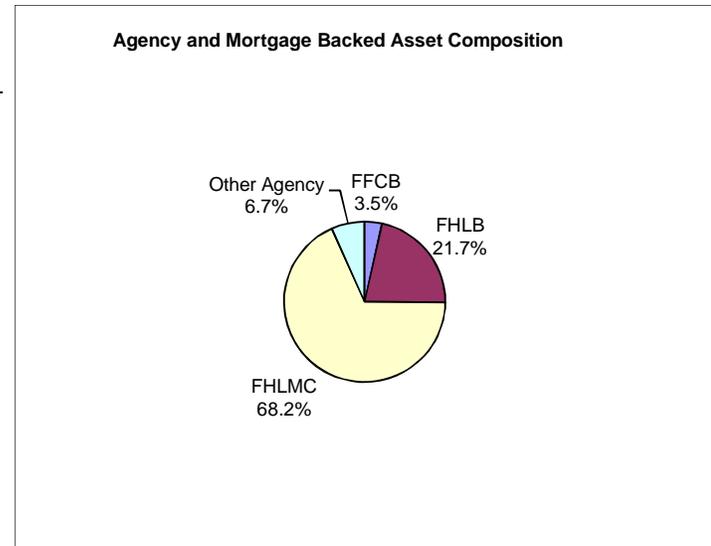
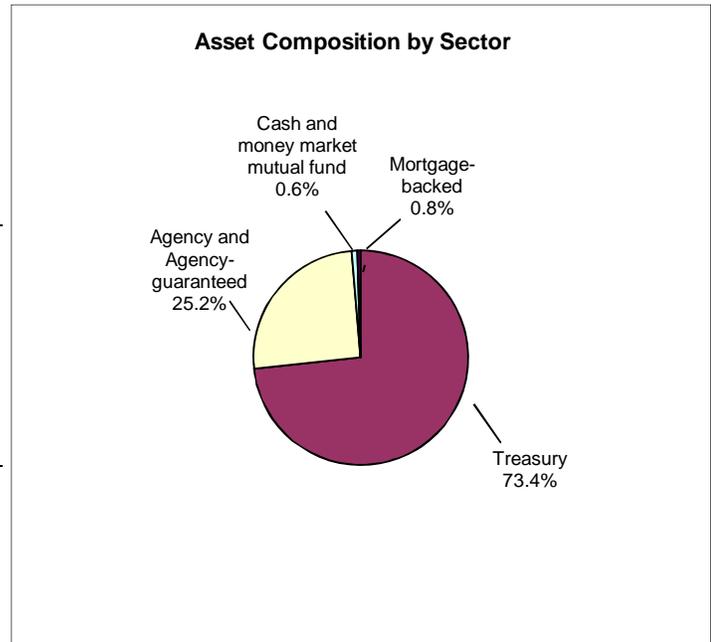
** Returns exclude expenses of the fund

	<u>Fund Profile</u>	<u>Index Profile</u>
Gross yield to maturity	0.25%	0.27%
Duration	1.42 years	1.87 years
Average maturity	1.48 years	1.94 years

<u>Sectors</u>	<u>Fund Profile</u>	<u>Index Profile</u>
Treasury	73.4%	84.5%
Agency and Agency-guaranteed	25.2%	15.5%
Mortgage-backed	0.8%	-
Cash and money market mutual fund	0.6%	-

<u>Quality***</u>	<u>Fund Profile</u>	<u>Index Profile</u>
AAA	100%	95.9%
AA	-	4.1%

***In August 2011, Standard and Poor's downgraded U.S. Government and agency obligations to AA+ while other credit rating agencies maintained a rating of AAA quality.



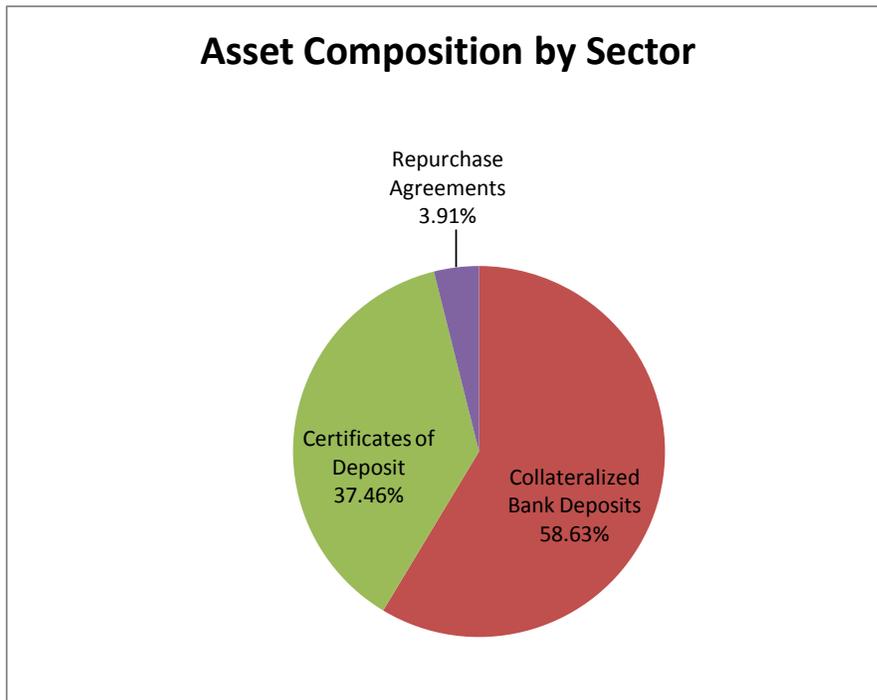
Illinois Metropolitan Investment Fund
 Select Comparative Data - IMET Convenience Series
September 30, 2012

	<u>One Year *</u>	<u>Three Year *</u>	<u>Five Year*</u>
IMET Convenience Series	0.28%	0.35%	0.99%
IL Funds Money Market Fund - Index	0.09%	0.10%	0.69%

* Annualized return. An internal rate of return based on the average annualized monthly yield is the basis for the calculations.

	<u>Fund Profile</u>	<u>Index Profile</u>
Average maturity	230 days	30 days

<u>Sectors</u>	<u>Fund Profile</u>	<u>Index Profile</u>
Collateralized Bank Deposits	58.63%	-
Certificates of Deposit	37.46%	-
Repurchase Agreements	3.91%	63.74%
Money Market Funds	-	3.20%
Commercial Paper	-	29.48%
Agencies	-	1.59%
Treasuries	-	1.99%



Illinois Metropolitan Investment Fund

Schedule of Investments

IMET 1-3 Year Series

September 30, 2012

Units/ par value	Description	Rate	Maturity	Market value
U.S. Treasury Obligations: 72.8%				
\$ 3,000,000	U.S. Treasury Note	1.375%	1/15/2013	\$ 3,010,770
3,500,000	U.S. Treasury Note	1.375%	1/15/2013	3,512,565
3,000,000	U.S. Treasury Note	1.375%	1/15/2013	3,010,770
2,000,000	U.S. Treasury Note	1.375%	2/15/2013	2,009,220
5,350,000	U.S. Treasury Note	1.375%	2/15/2013	5,374,664
1,800,000	U.S. Treasury Strip	None	2/15/2013	1,799,298
5,000,000	U.S. Treasury Note	1.375%	3/15/2013	5,027,750
3,000,000	U.S. Treasury Note	1.750%	4/15/2013	3,025,560
3,000,000	U.S. Treasury Note	1.750%	4/15/2013	3,025,560
6,000,000	U.S. Treasury Note	1.750%	4/15/2013	6,051,120
2,000,000	U.S. Treasury Note	1.375%	5/15/2013	2,015,000
6,000,000	U.S. Treasury Note	1.375%	5/15/2013	6,045,000
2,000,000	U.S. Treasury Note	1.125%	6/15/2013	2,013,280
6,000,000	U.S. Treasury Note	1.125%	6/15/2013	6,039,840
4,000,000	U.S. Treasury Note	1.125%	6/15/2013	4,026,560
5,000,000	U.S. Treasury Note	1.000%	7/15/2013	5,032,250
5,000,000	U.S. Treasury Note	0.375%	7/31/2013	5,008,200
5,000,000	U.S. Treasury Note	3.125%	8/31/2013	5,133,800
5,000,000	U.S. Treasury Note	3.125%	8/31/2013	5,133,800
5,000,000	U.S. Treasury Note	0.750%	9/15/2013	5,026,750
5,000,000	U.S. Treasury Note	0.750%	9/15/2013	5,026,750
3,000,000	U.S. Treasury Note	0.500%	10/15/2013	3,009,390
3,000,000	U.S. Treasury Note	0.500%	10/15/2013	3,009,390
10,000,000	U.S. Treasury Note	4.250%	11/15/2013	10,453,100
2,000,000	U.S. Treasury Note	2.000%	11/30/2013	2,041,560
2,000,000	U.S. Treasury Note	2.000%	11/30/2013	2,041,560
2,000,000	U.S. Treasury Note	1.000%	1/15/2014	2,020,240
5,000,000	U.S. Treasury Note	1.750%	1/31/2014	5,101,750
2,000,000	U.S. Treasury Strip	None	2/15/2014	1,993,980
2,000,000	U.S. Treasury Strip	None	2/15/2014	1,993,980
1,000,000	U.S. Treasury Note	1.250%	2/15/2014	1,014,060
5,000,000	U.S. Treasury Note	1.250%	2/15/2014	5,070,300
2,000,000	U.S. Treasury Note	1.250%	2/15/2014	2,028,120
1,500,000	U.S. Treasury Note	1.875%	2/28/2014	1,534,980
1,000,000	U.S. Treasury Note	1.875%	2/28/2014	1,023,320
3,000,000	U.S. Treasury Note	1.250%	3/15/2014	3,044,520
2,500,000	U.S. Treasury Note	1.750%	3/31/2014	2,556,825
5,000,000	U.S. Treasury Note	1.250%	4/15/2014	5,077,950
3,500,000	U.S. Treasury Note	1.250%	4/15/2014	3,554,565
10,000,000	U.S. Treasury Note	1.875%	4/30/2014	10,259,000
2,000,000	U.S. Treasury Note	2.250%	5/31/2014	2,066,720
1,500,000	U.S. Treasury Note	0.750%	6/15/2014	1,513,185
2,000,000	U.S. Treasury Note	2.625%	7/31/2014	2,087,040

(Continued)

Illinois Metropolitan Investment Fund

Schedule of Investments (Continued)

IMET 1-3 Year Series

September 30, 2012

Units/ par value	Description	Rate	Maturity	Market value
U.S. Treasury Obligations (Continued)				
\$ 5,000,000	U.S. Treasury Note	2.625%	7/31/2014	\$ 5,217,600
2,500,000	U.S. Treasury Note	4.250%	8/15/2014	2,686,425
2,000,000	U.S. Treasury Note	4.250%	8/15/2014	2,149,140
3,000,000	U.S. Treasury Strip	None	8/15/2014	2,986,140
5,000,000	U.S. Treasury Note	0.250%	9/15/2014	5,000,400
2,000,000	U.S. Treasury Note	2.375%	9/30/2014	2,085,000
6,000,000	U.S. Treasury Note	2.375%	10/31/2014	6,262,980
3,000,000	U.S. Treasury Note	2.375%	10/31/2014	3,131,490
2,000,000	U.S. Treasury Strip	None	11/15/2014	1,988,960
3,000,000	U.S. Treasury Note	2.125%	11/30/2014	3,120,240
3,000,000	U.S. Treasury Note	2.125%	11/30/2014	3,120,240
2,000,000	U.S. Treasury Note	2.625%	12/31/2014	2,106,260
2,600,000	U.S. Treasury Note	2.625%	12/31/2014	2,738,138
1,000,000	U.S. Treasury Note	2.250%	1/31/2015	1,045,940
2,000,000	U.S. Treasury Note	2.250%	1/31/2015	2,091,880
2,000,000	U.S. Treasury Note	2.250%	1/31/2015	2,091,880
2,000,000	U.S. Treasury Strip	None	2/15/2015	1,986,280
3,000,000	U.S. Treasury Strip	None	2/15/2015	2,979,420
1,000,000	U.S. Treasury Strip	None	2/15/2015	993,140
4,000,000	U.S. Treasury Note	2.375%	2/28/2015	4,201,240
1,000,000	U.S. Treasury Note	2.375%	2/28/2015	1,050,310
4,200,000	U.S. Treasury Note	2.500%	3/31/2015	4,432,638
2,000,000	U.S. Treasury Note	2.500%	4/30/2015	2,113,760
1,150,000	U.S. Treasury Note	4.125%	5/15/2015	1,264,736
2,700,000	U.S. Treasury Note	4.125%	5/15/2015	2,969,379
1,150,000	U.S. Treasury Note	4.125%	5/15/2015	1,264,736
3,000,000	U.S. Treasury Note	4.125%	5/15/2015	3,299,310
2,350,000	U.S. Treasury Note	4.250%	8/15/2015	2,613,835
2,350,000	U.S. Treasury Note	4.250%	8/15/2015	2,613,835
3,300,000	U.S. Treasury Note	4.250%	8/15/2015	3,670,491
				242,119,863
U.S. Government Agency and Agency-Guaranteed Obligations: 25.2%				
2,000,000	Citigroup Inc.	1.875%	11/15/2012	2,004,060
3,000,000	Federal Farm Credit Bank	1.875%	12/7/2012	3,009,420
2,000,000	Federal Home Loan Bank	1.750%	12/14/2012	2,006,160
2,500,000	General Electric Cap Corp	2.625%	12/28/2012	2,515,425
2,000,000	Federal Home Loan Mortgage Corp.	4.500%	1/15/2013	2,025,060
2,000,000	Federal Home Loan Mortgage Corp.	3.500%	5/29/2013	2,043,720
2,000,000	Federal Home Loan Mortgage Corp.	4.500%	7/15/2013	2,068,240
2,350,000	Federal Home Loan Bank	2.625%	9/13/2013	2,403,956
2,000,000	Federal Home Loan Mortgage Corp.	0.500%	10/15/2013	2,005,920

(Continued)

Illinois Metropolitan Investment Fund

Schedule of Investments (Continued)

IMET 1-3 Year Series

September 30, 2012

Units/ par value	Description	Rate	Maturity	Market value
U.S. Government Agency and Agency-Guaranteed Obligations (Continued)				
\$ 2,000,000	Federal Home Loan Mortgage Corp.	0.375%	10/30/2013	\$ 2,003,160
2,000,000	Federal Home Loan Bank	0.375%	11/27/2013	2,003,500
2,000,000	Federal Home Loan Bank	0.375%	11/27/2013	2,003,500
4,000,000	Federal Home Loan Mortgage Corp.	0.625%	12/23/2013	4,017,960
2,000,000	Federal Home Loan Bank	0.875%	12/27/2013	2,015,960
2,000,000	Federal Home Loan Mortgage Corp.	4.500%	1/15/2014	2,109,040
2,600,000	Federal Home Loan Mortgage Corp.	1.375%	2/25/2014	2,640,820
420,000	Federal Home Loan Bank	3.470%	3/10/2014	439,484
2,000,000	Federal Home Loan Mortgage Corp.	2.500%	4/23/2014	2,070,460
1,500,000	Federal Home Loan Mortgage Corp.	1.350%	4/29/2014	1,525,485
2,000,000	Federal Home Loan Mortgage Corp.	1.350%	4/29/2014	2,033,980
3,000,000	Federal Home Loan Bank	1.375%	5/28/2014	3,059,340
3,000,000	Federal Home Loan Bank	2.500%	6/13/2014	3,113,790
2,000,000	Federal Home Loan Mortgage Corp.	5.000%	7/15/2014	2,167,760
2,000,000	Federal Home Loan Mortgage Corp.	3.000%	7/28/2014	2,096,340
2,255,000	Federal Home Loan Mortgage Corp.	1.000%	8/20/2014	2,282,646
1,745,000	Federal Home Loan Mortgage Corp.	1.000%	8/20/2014	1,766,394
2,000,000	Federal Home Loan Mortgage Corp.	0.500%	9/19/2014	2,007,180
2,600,000	Federal Home Loan Mortgage Corp.	0.750%	9/22/2014	2,622,100
649,000	Overseas Private Invest	4.050%	11/15/2014	662,285
2,000,000	Federal Home Loan Mortgage Corp.	0.750%	11/25/2014	2,018,460
2,000,000	Federal Home Loan Mortgage Corp.	0.750%	11/25/2014	2,018,460
350,000	Federal Home Loan Mortgage Corp.	0.350%	12/5/2014	350,336
1,650,000	Federal Home Loan Bank	2.750%	12/12/2014	1,739,265
2,000,000	Federal Home Loan Mortgage Corp.	0.625%	12/29/2014	2,012,280
2,000,000	Federal Home Loan Mortgage Corp.	0.625%	12/29/2014	2,012,280
2,600,000	Federal Home Loan Mortgage Corp.	2.875%	2/9/2015	2,752,984
2,000,000	Federal Home Loan Mortgage Corp.	0.500%	4/17/2015	2,006,880
2,000,000	Federal Home Loan Mortgage Corp.	4.375%	7/17/2015	2,221,060
2,000,000	Federal Home Loan Mortgage Corp.	1.750%	9/10/2015	2,078,520
2,000,000	Federal Home Loan Mortgage Corp.	1.750%	9/10/2015	2,078,520
				84,012,190
Mortgage Backed Securities: 0.8%				
50,041	Federal Home Loan Mortgage Corp.	4.000%	11/1/2013	50,627
27,293	Federal Home Loan Mortgage Corp.	5.000%	4/1/2014	28,133
10,086	Federal Home Loan Mortgage Corp.	6.500%	7/1/2014	10,501
34,198	Federal Home Loan Mortgage Corp.	7.000%	12/1/2014	35,635
31,513	Federal Home Loan Mortgage Corp.	7.000%	3/1/2016	33,267
103,072	Federal Home Loan Mortgage Corp.	7.000%	9/1/2021	112,254
372,173	Federal Home Loan Mortgage Corp.	5.500%	12/1/2021	406,941

(Continued)

Illinois Metropolitan Investment Fund

Schedule of Investments (Continued)

IMET 1-3 Year Series

September 30, 2012

Units/ par value	Description	Rate	Maturity	Market value
Mortgage Backed Securities (Continued)				
\$ 21,953	Government National Mortgage Assoc.	9.500%	12/15/2024	\$ 24,300
20,675	Government National Mortgage Assoc.	8.500%	5/20/2025	25,413
5,860	Government National Mortgage Assoc.	8.000%	11/20/2026	7,152
25,771	Government National Mortgage Assoc.	8.000%	11/20/2027	31,580
118,339	Federal Home Loan Mortgage Corp.	6.549%	12/1/2027	126,354
1,506	Government National Mortgage Assoc.	8.000%	3/20/2028	1,756
2,309	Government National Mortgage Assoc.	8.000%	8/20/2028	2,834
7,189	Government National Mortgage Assoc.	8.000%	9/20/2028	8,794
1,037	Government National Mortgage Assoc.	8.000%	11/20/2028	1,041
63,005	Federal Home Loan Mortgage Corp.	5.140%	1/1/2030	67,312
407,817	Federal Home Loan Mortgage Corp.	4.311%	12/1/2034	434,456
360,524	Federal Home Loan Mortgage Corp.	4.660%	3/1/2035	385,746
122,582	Federal Home Loan Mortgage Corp.	5.144%	1/1/2036	131,371
143,175	Federal Home Loan Mortgage Corp.	5.618%	5/1/2037	154,198
125,389	Federal Home Loan Mortgage Corp.	5.457%	7/1/2037	135,557
446,303	Government National Mortgage Assoc.	6.000%	9/1/2038	504,541
				<u>2,719,762</u>
Money Market Mutual Funds: 1.2%				
3,973,447	Fidelity Institutional Money Market	0.010%	None	<u>3,973,447</u>
				<u>\$ 332,825,262</u>

(Concluded)

Illinois Metropolitan Investment Fund
Schedule of Cash and Short-Term Investments
IMET Convenience Series
September 30, 2012

Institution	City and State	Amount	Maturity
Certificates of Deposit: 37.4%			
FDIC-Insured			
1st United Bank	Boca Raton, FL	\$ 27,500	12/6/2012
1st United Bank	Boca Raton, FL	15,259	12/20/2012
1st United Bank	Boca Raton, FL	84,741	12/27/2012
1st United Bank	Boca Raton, FL	113,500	6/6/2013
Adams Bank & Trust	Ogallala, NE	241,000	7/4/2013
Adrian Bank	Adrian, MO	218,143	7/11/2013
Adrian Bank	Adrian, MO	22,857	7/18/2013
Alerus Financial, N.A.	Grand Forks, ND	58,369	7/11/2013
Allegiance Bank Texas	Houston, TX	243,500	7/18/2013
Alliance Bank	Lake City, MN	153,618	7/4/2013
Alliance Bank	Sulphur Springs, TX	92,691	7/11/2013
Alpine Bank	Glenwood Springs, CO	71,000	6/13/2013
Alpine Bank	Glenwood Springs, CO	172,500	7/18/2013
Alva State Bank & Trust Company	Alva, OK	35,348	12/6/2012
Alva State Bank & Trust Company	Alva, OK	137,062	12/27/2012
Alva State Bank & Trust Company	Alva, OK	68,590	7/11/2013
Amalgamated Bank	New York, NY	241,000	6/6/2013
Amarillo National Bank	Amarillo, TX	189,500	12/6/2012
Amarillo National Bank	Amarillo, TX	5,999	12/20/2012
Amarillo National Bank	Amarillo, TX	49,001	12/27/2012
American Bank	Bozeman, MT	166,565	7/11/2013
American Bank	Allentown, PA	233,000	5/29/2014
American Bank & Trust	Wessington Springs, SD	64,950	12/6/2012
American Community Bank	Woodstock, IL	243,500	2/14/2013
American National Bank	Omaha, NE	244,500	1/10/2013
American National Bank & Trust Co	Danville, AV	241,000	7/11/2013
Ameris Bank	Moultrie, GA	228,500	5/15/2014
Anchor D Bank	Texhoma, OK	241,000	5/2/2013
Androscoggin Savings Bank	Lewiston, ME	246,000	1/17/2013
Apollo Trust Company	Apollo, PA	244,500	12/20/2012
Apple Bank for Savings	Manhasset, NY	241,000	7/4/2013
Arbor Bank	Nebraska City, NE	122,933	7/4/2013
Armstrong Bank	Muskogee, OK	212,837	5/2/2013
Armstrong Bank	Muskogee, OK	28,163	6/27/2013
Arvest Bank	Fayetteville, AR	246,000	12/6/2012
Associated Bank, N.A.	Green Bay, WI	243,500	2/14/2013
Austin County State Bank	Bellville, TX	241,000	7/11/2013
AVB Bank	Broken Arrow, OK	246,000	12/13/2012

(Continued)

Illinois Metropolitan Investment Fund
Schedule of Cash and Short-Term Investments (Continued)
IMET Convenience Series
September 30, 2012

Institution	City and State	Amount	Maturity
Certificates of Deposit (Continued)			
FDIC-Insured (Continued)			
Avenue Bank	Nashville, TN	\$ 240,000	6/5/2014
Banco Popular North America	New York, NY	244,500	12/20/2012
Bangor Savings Bank	Bangor, ME	81,000	5/16/2013
Bangor Savings Bank	Bangor, ME	46,053	7/4/2013
Bangor Savings Bank	Bangor, ME	113,947	7/18/2013
Bank 2	Oklahoma City, OK	37,217	6/27/2013
Bank 2	Oklahoma City, OK	203,783	7/4/2013
Bank First National	Manitowoc, WI	136,158	6/27/2013
Bank Iowa	West Des Moines, IA	244,500	12/27/2012
Bank North	Crivitz, WI	240,000	5/8/2014
Bank of America, N. A.	Charlotte, NC	241,000	6/6/2013
Bank of American Fork	American Fork, UT	122,015	1/10/2013
Bank of American Fork	American Fork, UT	121,485	7/18/2013
Bank of Ann Arbor	Ann Arbor, MI	241,000	6/6/2013
Bank of Blue Valley	Overland Park, KS	241,000	6/6/2013
Bank of Cape Cod	Hyannis, MA	100,000	7/18/2013
Bank of Central Florida	Lakeland, FL	241,000	5/2/2013
Bank of China	New York, NY	243,500	6/27/2013
Bank of Clarke County	Berryville, VA	166,541	12/6/2012
Bank of Colorado	Fort Collins, CO	241,000	5/2/2013
Bank of East Asia (USA), N.A.	New York, NY	241,000	7/4/2013
Bank of Eastern Oregon	Heppner, OR	243,500	5/16/2013
Bank of England	England, AR	243,500	7/18/2013
Bank of Evergreen	Evergreen, AL	100,000	7/18/2013
Bank of Feather River	Yuba City, CA	22,000	12/27/2012
Bank of Georgetown	Washington, DC	14,138	5/2/2013
Bank of Houston	Houston, TX	244,500	1/10/2013
Bank of Marin	Novato, CA	243,500	2/14/2013
Bank of Michigan	Farmington Hills, MI	19,914	6/6/2013
Bank of Montgomery	Montgomery, LA	29,263	7/4/2013
Bank of Nevada	Las Vegas, NV	241,000	6/6/2013
Bank of North Carolina	Thomasville, NC	76,500	12/6/2012
Bank of North Carolina	Thomasville, NC	169,500	12/13/2012
Bank of Oak Ridge	Oak Ridge, NC	150,524	6/27/2013
Bank of Ocean City	Ocean City, MD	246,000	12/13/2012
Bank of Sacramento	Sacramento, CA	50,000	12/20/2012

(Continued)

Illinois Metropolitan Investment Fund
Schedule of Cash and Short-Term Investments (Continued)
IMET Convenience Series
September 30, 2012

Institution	City and State	Amount	Maturity
Certificates of Deposit (Continued)			
FDIC-Insured (Continued)			
Bank of Sacramento	Sacramento, CA	\$ 120,482	7/11/2013
Bank of Salem	Salem, AR	241,000	7/11/2013
Bank of San Francisco	San Francisco, CA	246,000	12/6/2012
Bank of Sun Prairie	Sun Prairie, WI	67,507	5/16/2013
Bank of the Sierra	Porterville, CA	13,000	7/25/2013
Bank of the West	San Francisco, CA	243,500	7/25/2013
BankAsiana	Palisades Park, NJ	243,500	7/18/2013
BankFinancial, FSB	Olympia Fields, IL	244,500	1/10/2013
BankFirst Financial Services	Macon, MS	227,213	2/14/2013
BankFirst Financial Services	Macon, MS	16,287	7/25/2013
BankTrust	Mobile, AL	244,500	1/10/2013
Banner County Bank, Inc.	Harrisburg, NE	246,000	12/13/2012
Banterra Bank	Marion, IL	243,500	6/27/2013
Barrington Bank & Trust Company	Barrington, IL	246,667	8/8/2014
Bath Savings Institution	Bath, ME	100,760	12/20/2012
Bath Savings Institution	Bath, ME	140,240	7/11/2013
Bay Commercial Bank	Walnut Creek, CA	246,000	12/6/2012
Baylake Bank	Sturgeon Bay, WI	244,500	1/10/2013
BB&T	Winston Salem, NC	26,814	12/20/2012
BB&T	Winston Salem, NC	214,186	6/6/2013
BBCN Bank	Los Angeles, CA	247,500	11/1/2012
Beacon Bank	Shorewood, MN	4,000	12/13/2012
Beacon Federal	East Syracuse, NY	243,500	5/16/2013
Belmont Bank & Trust Company	Chicago, IL	244,500	1/10/2013
Beneficial Mutual Savings Bank	Philadelphia, PA	243,500	5/16/2013
Beverly Bank & Trust Company	Chicago, IL	246,667	8/8/2014
BNC National Bank	Glendale, AZ	17,892	2/14/2013
BNC National Bank	Glendale, AZ	121,182	7/18/2013
Borrego Springs Bank, N.A.	La Mesa, CA	241,000	6/6/2013
Boston Private Bank & Trust Company	Boston, MA	241,000	7/4/2013
Brentwood Bank	Bethel Park, PA	36,780	6/6/2013
Brentwood Bank	Bethel Park, PA	204,220	6/27/2013
Britton & Koontz Bank, N.A.	Natchez, MS	246,000	1/3/2013
Bryant Bank	Tuscaloosa, AL	244,500	12/27/2012
BTC Bank	Bethany, MO	243,500	7/18/2013
Burke & Herbert Bank & Trust Company	Alexandria, VA	244,500	12/20/2012
Business First Bank	Baton Rouge, LA	243,500	2/14/2013

(Continued)

Illinois Metropolitan Investment Fund
Schedule of Cash and Short-Term Investments (Continued)
IMET Convenience Series
September 30, 2012

Institution	City and State	Amount	Maturity
Certificates of Deposit (Continued)			
FDIC-Insured (Continued)			
Butte State Bank	Butte, NE	\$ 50,000	12/6/2012
Byron Bank	Byron, IL	12,500	5/22/2014
C US Bank	Cresco, IA	101,002	7/18/2013
California United Bank	Encino, CA	246,000	12/13/2012
Cape Bank	Cape May Court House, NJ	241,000	7/11/2013
Capital Bank, National Association	Rockville, MD	246,000	12/6/2012
Capital City Bank	Topeka, KS	241,000	5/2/2013
Capital One, NA	McLean, VA	243,500	7/18/2013
Capital Pacific Bank	Portland, OR	138,500	12/27/2012
Capital Pacific Bank	Portland, OR	105,000	6/13/2013
CapitalMark Bank & Trust	Chattanooga, TN	241,000	6/6/2013
Capitol Bank	Madison, WI	246,000	12/6/2012
Cardinal Bank	McLean, VA	244,500	12/20/2012
Carolina Alliance Bank	Spartanburg, SC	243,500	6/27/2013
Carolina Bank	Greensboro, NC	243,500	6/13/2013
Carolina Trust Bank	Lincolnton, NC	167,132	12/13/2012
Carver Federal Savings Bank	New York , NY	210,433	12/20/2012
Carver Federal Savings Bank	New York , NY	11,000	5/2/2013
Cass Commerical Bank	Bridgeton, MO	243,500	6/13/2013
Catskill Hudson Bank	Monticello, NY	244,500	12/20/2012
CBC National Bank	Fernandina Beach, FL	241,000	6/6/2013
CCB Community Bank	Andalusia, AL	150,000	12/6/2012
CCB Community Bank	Andalusia, AL	78,500	5/15/2014
Cecil Bank	Elkton, MD	243,500	7/25/2013
Centennial Bank	Conway, AR	9,801	12/6/2012
Centennial Bank	Conway, AR	231,199	6/6/2013
Centera Bank	Sublette, KS	20,000	7/18/2013
Centera Bank	Sublette, KS	7,324	7/25/2013
Centerpointe Community Bank	Hood River, OR	237,000	12/20/2012
Centerpointe Community Bank	Hood River, OR	6,500	5/16/2013
Central Bank and Trust Company	Hutchinson, KS	241,000	6/6/2013
Central Bank of Lake of the Ozarks	Osage Beach, MO	243,500	7/18/2013
Central Natl Bank & Trust Co of Enid	Enid, OK	241,000	5/2/2013
Central State Bank	Beulah, MI	244,500	1/10/2013
Central State Bank	State Center, IA	243,500	7/18/2013
Central Valley Community Bank	Fresno, CA	9,186	6/27/2013
Centrix Bank & Trust	Bedford, NH	241,000	6/6/2013

(Continued)

Illinois Metropolitan Investment Fund
Schedule of Cash and Short-Term Investments (Continued)
IMET Convenience Series
September 30, 2012

Institution	City and State	Amount	Maturity
Certificates of Deposit (Continued)			
FDIC-Insured (Continued)			
Century Bank	Eugene, OR	\$ 246,000	12/13/2012
Chemical Bank	Midland, MI	241,000	6/6/2013
Chesapeake Bank	Kilmarnock, VA	84,285	6/27/2013
Chickasha Bank & Trust Company	Chickasha, OK	243,500	5/16/2013
ChoiceOne Bank	Sparta, MI	244,500	1/10/2013
Citizens Bank	Elizabethton, TN	21,098	12/13/2012
Citizens Bank	Elizabethton, TN	222,402	6/13/2013
Citizens Bank of Florida	Oviedo, FL	180,269	7/25/2013
Citizens Bank of Oklahoma	Pawhuska, OK	225,005	12/13/2012
Citizens Bank of Oklahoma	Pawhuska, OK	15,995	5/2/2013
Citizens Business Bank	Ontario, CA	241,000	6/6/2013
Citizens National Bank	Sevierville, TN	243,500	7/25/2013
Citizens National Bank of Meridian	Meridian, MS	193,613	1/10/2013
Citizens National Bank of Meridian	Meridian, MS	49,887	7/18/2013
Citizens National Bank of Texas	Waxahachie, TX	62,116	7/11/2013
Citizens Savings Bank and Trust Co.	Nashville, TN	241,000	6/6/2013
Citizens Security Bank & Trust Co.	Bixby, OK	244,500	12/20/2012
Citizens State Bank	Lena, IL	72,516	5/15/2014
City First Bank of D.C., NA	Washington, DC	243,500	2/14/2013
Citywide Banks	Aurora, CO	244,500	12/20/2012
Claremont Savings Bank	Claremont, NH	30,500	5/16/2013
Clear Mountain Bank	Bruceton Mills, WV	157,157	5/16/2013
Clear Mountain Bank	Bruceton Mills, WV	42,700	5/15/2014
CoBiz Bank	Denver, CO	246,000	12/13/2012
Colony Bank	Fitzgerald, GA	241,000	7/11/2013
Commercial Bank of California	Costa Mesa, CA	247,500	11/1/2012
Commonwealth Bank and Trust Company	Louisville, KY	240,000	5/8/2014
Community Bank	Pasadena, CA	241,000	6/6/2013
Community Bank	Carmichaels, PA	243,500	6/27/2013
Community Bank of Florida, Inc.	Homestead, FL	43,172	12/27/2012
Community Bank of Tri-County	Waldorf, MD	200,647	12/20/2012
Community Bank of Tri-County	Waldorf, MD	42,853	6/27/2013
Community Bank, Coast	Biloxi, MS	226,515	12/6/2012
Community Bank, Destin	Miramar Beach, FL	168,388	12/6/2012
Community Bank, Destin	Miramar Beach, FL	59,905	1/10/2013
Community Bank, Destin	Miramar Beach, FL	15,207	7/25/2013
Community Bank, National Association	Mobile, AL	75,500	12/27/2012

(Continued)

Illinois Metropolitan Investment Fund
Schedule of Cash and Short-Term Investments (Continued)
IMET Convenience Series
September 30, 2012

Institution	City and State	Amount	Maturity
Certificates of Deposit (Continued)			
FDIC-Insured (Continued)			
Community Business Bank	West Sacramento, CA	\$ 244,500	12/20/2012
Community Development Bank, FSB	Ogema, MN	103,604	5/2/2013
Community Development Bank, FSB	Ogema, MN	96,208	7/11/2013
Community Development Bank, FSB	Ogema, MN	41,189	7/18/2013
Community First Bank	Boscobel, WI	244,500	12/20/2012
Community First National Bank	Manhattan, KS	50,913	5/2/2013
Community National Bank	Monett, MO	95,758	7/4/2013
Community Pride Bank	Isanti, MN	189,375	12/27/2012
Community Resource Bank	Northfield, MN	241,000	7/11/2013
Coulee Bank	La Crosse, WI	246,000	12/13/2012
County First Bank	La Plata, MD	243,500	6/27/2013
Crystal Lake Bank & Trust Company	Crystal Lake, IL	246,667	8/8/2014
Decatur County Bank	Decaturville, TN	55,500	12/27/2012
Decatur County Bank	Decaturville, TN	100,000	5/2/2013
Delta Trust & Bank	Parkdale, AR	241,000	5/2/2013
Denali State Bank	Fairbanks, AK	241,000	7/11/2013
DNB National Bank	Clear Lake, SD	201,496	7/11/2013
East West Bank	Pasadena, CA	138,339	12/20/2012
East West Bank	Pasadena, CA	42,737	6/27/2013
East West Bank	Pasadena, CA	56,424	5/22/2014
Eastwood Bank	Kasson, MN	246,000	12/6/2012
Elk State Bank	Clyde, KS	241,000	7/4/2013
Enterprise Bank & Trust	Clayton, MO	100,000	7/4/2013
Enterprise Bank and Trust Company	Lowell, MA	247,500	11/1/2012
Esquire Bank	Brooklyn, NY	69,667	1/10/2013
Esquire Bank	Brooklyn, NY	81,459	2/14/2013
Esquire Bank	Brooklyn, NY	92,374	5/16/2013
Eureka Bank	Pittsburgh, PA	200,000	7/11/2013
EverBank	Jacksonville, FL	241,000	6/6/2013
Exchange Bank and Trust Company	Perry, OK	104,433	7/11/2013
Exchange Bank and Trust Company	Perry, OK	136,567	7/18/2013
F&M Bank and Trust Company	Hannibal, MO	50,000	7/4/2013
F&M Bank of Central CA	Lodi, CA	246,000	12/6/2012
F&M Community Bank, N.A.	Preston, MN	233,000	5/29/2014
F&M State Bank Springfield	Springfield, MN	241,000	5/2/2013
Fairfield County Bank	Ridgefield, CT	244,500	12/20/2012
Farm Bureau Bank FSB	Sparks, NV	241,000	6/6/2013

(Continued)

Illinois Metropolitan Investment Fund
Schedule of Cash and Short-Term Investments (Continued)
IMET Convenience Series
September 30, 2012

Institution	City and State	Amount	Maturity
Certificates of Deposit (Continued)			
FDIC-Insured (Continued)			
Farmers & Merchants Bank of Colby	Colby, KS	\$ 241,000	6/6/2013
Farmers and Merchants Bank	Piedmont, AL	244,500	12/27/2012
Farmers and Merchants State Bank	Langdon, ND	243,500	5/16/2013
Farmers and Merchants Union Bank	Columbus, WI	25,000	7/4/2013
Farmers Bank & Trust, NA	Great Bend, KS	243,500	6/27/2013
Farmers State Bank	Northwood, IA	47,544	12/20/2012
Farmers State Bank	Northwood, IA	100,000	7/18/2013
Federation Bank	Washington, IA	228,500	5/15/2014
Fidelity Bank	Wichita, KS	243,500	7/18/2013
Fieldpoint Private Bank & Trust	Greenwich, CT	244,500	12/20/2012
FineMark National Bank & Trust	Fort Myers, FL	241,000	5/2/2013
First American Bank	Elk Grove Village, IL	246,000	12/6/2012
First Associations Bank	Dallas, TX	66,111	6/27/2013
First Bank & Trust	Brookings, SD	243,500	6/27/2013
First Bank & Trust Company	Wagoner, OK	244,500	12/20/2012
First Bank & Trust Company	Lubbock, TX	172,400	5/16/2013
First Bank Blue Earth	Blue Earth, MN	246,000	1/3/2013
First Bank Financial Centre	Oconomowoc, WI	56,500	7/18/2013
First Bank of Charleston, Inc.	Charleston, WV	241,000	7/11/2013
First Bankers Trust Company, N.A.	Quincy, IL	8,000	12/13/2012
First Bankers Trust Company, N.A.	Quincy, IL	61,500	12/20/2012
First Bankers Trust Company, N.A.	Quincy, IL	175,000	1/10/2013
First Business Bank	Madison, WI	243,500	2/14/2013
First Business Bank-Milwaukee	Brookfield, WI	237,500	5/22/2014
First Century Bank, Inc.	Bluefield, WV	165,000	7/4/2013
First Century Bank, Inc.	Bluefield, WV	76,000	7/11/2013
First Choice Bank	Cerritos, CA	246,000	12/6/2012
First Choice Bank	Lawrenceville, NJ	241,000	5/2/2013
First Citizens National Bank	Dyersburg, TN	13,228	12/20/2012
First Citizens National Bank	Mason City, IA	102,000	5/8/2014
First Citizens National Bank	Dyersburg, TN	219,772	5/29/2014
First Clover Leaf Bank, FSB	Edwardsville, IL	42,395	12/6/2012
First Clover Leaf Bank, FSB	Edwardsville, IL	201,105	2/14/2013
First Commerce Bank	Lewisburg, TN	241,000	7/11/2013
First Commercial Bank	Edmond, OK	115,831	7/11/2013
First Community Bank	Bluefield, VA	32,035	12/13/2012
First Community Bank	Bluefield, VA	213,965	1/3/2013

(Continued)

Illinois Metropolitan Investment Fund
Schedule of Cash and Short-Term Investments (Continued)
IMET Convenience Series
September 30, 2012

Institution	City and State	Amount	Maturity
Certificates of Deposit (Continued)			
FDIC-Insured (Continued)			
First Community Bank	Glasgow, MT	\$ 202,258	7/4/2013
First Community Bank and Trust	Beecher, IL	241,000	5/2/2013
First Community Bank of E. Arkansas	Marion, AR	150,000	7/11/2013
First Community Bank of Plainfield	Plainfield, IL	244,500	1/10/2013
First Dakota National Bank	Yankton, SD	135,741	11/1/2012
First Federal Bank	Charleston, SC	244,500	12/20/2012
First Federal Bank of Florida	Lake City, FL	226,644	5/2/2013
First Federal Bank of the Midwest	Defiance, OH	87,680	7/11/2013
First Federal Bank of the Midwest	Defiance, OH	57,237	7/18/2013
First Federal Bank of the Midwest	Defiance, OH	96,083	7/25/2013
First Federal Savings and Loan Assn	McMinnville, OR	151,364	6/27/2013
First Federal Savings and Loan Assn	McMinnville, OR	92,136	7/18/2013
First Federal Savings Bank of Iowa	Fort Dodge, IA	50,000	5/15/2014
First Fidelity Bank, NA	Oklahoma City, OK	18,500	5/16/2013
First Fidelity Bank, NA	Oklahoma City, OK	222,500	6/6/2013
First Financial Bank	El Dorado, AR	244,500	1/10/2013
First Foundation Bank	Irvine, CA	132,400	12/13/2012
First Foundation Bank	Irvine, CA	111,100	6/13/2013
First Freedom Bank	Lebanon, TN	243,500	5/16/2013
First International Bank & Trust	Watford City, ND	244,500	1/10/2013
First Merchants Bank, NA	Muncie, IN	244,500	1/10/2013
First National Bank in Green Forest	Green Forest, AR	246,000	12/13/2012
First National Bank of Eagle River	Eagle River, WI	246,000	12/13/2012
First National Bank of Michigan	Kalamazoo, MI	243,500	2/14/2013
First National Bank of Oklahoma	Oklahoma City, OK	246,000	12/6/2012
First National Bank of Omaha	Omaha, NE	243,500	7/18/2013
First National Bank South Dakota	Yankton, SD	20,100	6/27/2013
First National Bank South Dakota	Yankton, SD	104,162	7/4/2013
First National Bank South Dakota	Yankton, SD	65,957	7/18/2013
First National Bank, Sallisaw	Sallisaw, OK	243,500	6/13/2013
First Nat'l Bank & Tr Co of Vinita	Vinita, OK	246,000	12/6/2012
First Nat'l Bank of S. California	Riverside, CA	243,500	6/27/2013
First NBC Bank	New Orleans, LA	6,000	12/13/2012
First NBC Bank	New Orleans, LA	238,500	12/20/2012
First Niagara Bank, N.A.	Buffalo, NY	3,443	7/11/2013
First Northern Bank of Dixon	Dixon, CA	246,000	12/6/2012
First Savings Bank of Perkaspie	Perkaspie, PA	18,465	7/11/2013

(Continued)

Illinois Metropolitan Investment Fund
Schedule of Cash and Short-Term Investments (Continued)
IMET Convenience Series
September 30, 2012

Institution	City and State	Amount	Maturity
Certificates of Deposit (Continued)			
FDIC-Insured (Continued)			
First Security Bank	Batesville, MS	\$ 150,000	6/6/2013
First Security Bank	Searcy, AR	243,500	6/13/2013
First Security Bank	Batesville, MS	91,000	7/4/2013
First Security Bank	Mackinaw, IL	243,500	7/25/2013
First Security Bk of Owensboro, Inc.	Owensboro, KY	199,943	5/29/2014
First Sentry Bank, Inc.	Huntington, WV	193,652	7/11/2013
First State Bank	Union City, TN	244,500	12/20/2012
First State Bank	Winchester, OH	96,951	5/16/2013
First State Bank	Mendota, IL	157,904	6/6/2013
First State Bank	Mendota, IL	83,096	6/27/2013
First State Bank	Graham, TX	241,000	7/4/2013
First State Bank of Illinois	La Harpe, IL	243,500	7/25/2013
First State Community Bank	Farmington, MO	83,788	5/2/2013
First State Community Bank	Farmington, MO	157,212	7/11/2013
First Tennessee Bank, NA	Memphis, TN	246,000	12/6/2012
First Trade Union Bank	Boston, MA	200,000	7/18/2013
First Trade Union Bank	Boston, MA	43,500	7/25/2013
First United Bank	Park River, ND	233,000	5/29/2014
First United Bank and Trust Company	Durant, OK	244,500	12/20/2012
First Virginia Community Bank	Fairfax, VA	241,000	5/2/2013
First Vision Bank of Tennessee	Tullahoma, TN	243,500	6/27/2013
First Western Trust Bank	Denver, CO	244,500	12/20/2012
Firstbank	Mount Pleasant, MI	16,500	12/27/2012
FirstCapital Bank of Texas, N.A.	Midland, TX	38,552	12/6/2012
FirstCapital Bank of Texas, N.A.	Midland, TX	202,448	6/6/2013
First-Citizens Bank & Trust Company	Raleigh, NC	240,299	7/18/2013
Five Star Bank	Rocklin, CA	95,840	12/13/2012
Five Star Bank	Rocklin, CA	144,160	5/8/2014
Flagstar Bank, FSB	Troy, MI	237,500	5/22/2014
Florida Shores Bank - Southwest	Venice, FL	79,708	1/10/2013
Florida Shores Bank - Southwest	Venice, FL	141,022	6/27/2013
Florida Shores Bank - Southwest	Venice, FL	22,769	7/18/2013
Flushing Savings Bank, FSB	Flushing, NY	241,000	7/4/2013
Fortune Bank	Seattle, WA	244,500	1/10/2013
Four Oaks Bank & Trust Company	Four Oaks, NC	103,240	5/16/2013
Four Oaks Bank & Trust Company	Four Oaks, NC	132,332	7/25/2013
Franklin Natl Bank of Minneapolis	Minneapolis, MN	100,000	6/27/2013

(Continued)

Illinois Metropolitan Investment Fund
Schedule of Cash and Short-Term Investments (Continued)
IMET Convenience Series
September 30, 2012

Institution	City and State	Amount	Maturity
Certificates of Deposit (Continued)			
FDIC-Insured (Continued)			
Freedom Financial Bank	West Des Moines, IA	\$ 246,000	12/13/2012
Freehold Savings Bank	Freehold, NJ	243,500	6/13/2013
Fremont Bank	Fremont, CA	241,000	7/11/2013
Gateway Bank of Florida	Daytona Beach, FL	246,000	1/17/2013
Gateway State Bank	Clinton, IA	100,000	5/15/2014
Genesee Regional Bank	Rochester, NY	244,500	1/10/2013
Georgia Commerce Bank	Atlanta, GA	241,000	7/11/2013
Gibraltar Private Bank & Trust Co.	Coral Gables, FL	203,708	12/6/2012
Glacier Bank	Kalispell, MT	241,000	7/4/2013
Grand Savings Bank	Grove, OK	104,000	7/11/2013
Great Plains National Bank	Elk City, OK	40,140	12/6/2012
Great Southern Bank	Reeds Spring, MO	246,000	12/6/2012
Greater Rome Bank	Rome, GA	38,282	5/2/2013
Greater Rome Bank	Rome, GA	37,706	7/4/2013
Guaranty State Bank and Trust Co	Beloit, KS	135,999	7/18/2013
Guaranty State Bank and Trust Co	Beloit, KS	24,501	7/18/2013
Gulf Coast Bank	Abbeville, LA	100,000	7/4/2013
Gulfstream Business Bank	Stuart, FL	74,576	1/10/2013
Gulfstream Business Bank	Stuart, FL	75,112	6/27/2013
Gulfstream Business Bank	Stuart, FL	91,311	7/11/2013
Happy State Bank	Happy, TX	243,500	7/25/2013
Hawthorn Bank	Jefferson City, MO	243,500	6/27/2013
Heartland Bank and Trust Company	Bloomington, IL	59,239	6/27/2013
Heartland Bank and Trust Company	Bloomington, IL	100,000	7/11/2013
Heartland Bank and Trust Company	Bloomington, IL	81,761	7/25/2013
Heartland State Bank	Edgeley, ND	166,467	1/17/2013
Henderson State Bank	Henderson, NE	26,134	5/15/2014
Herget Bank, National Association	Pekin, IL	30,808	5/2/2013
Herget Bank, National Association	Pekin, IL	196,586	7/18/2013
Heritage Bank	Olympia, WA	200,000	12/13/2012
Heritage Bank	Wood River, NE	116,229	7/4/2013
Heritage Bank	Wood River, NE	124,771	7/25/2013
Heritage Bank	Olympia, WA	40,000	6/5/2014
Heritage Bank National Association	Spicer, MN	233,000	5/29/2014
Heritage Bank of Commerce	San Jose, CA	75,000	7/11/2013
Heritage Bank of Nevada	Reno, NV	244,500	12/27/2012
Heritage Bank of the South	Albany, GA	53,402	7/18/2013

(Continued)

Illinois Metropolitan Investment Fund
Schedule of Cash and Short-Term Investments (Continued)
IMET Convenience Series
September 30, 2012

Institution	City and State	Amount	Maturity
Certificates of Deposit (Continued)			
FDIC-Insured (Continued)			
Heritage Bank, Inc.	Erlanger, KY	\$ 243,500	6/27/2013
Heritage Bank, National Association	Jonesboro, AR	243,500	7/18/2013
Hiawatha National Bank	Hager City, WI	243,500	7/18/2013
High Point Bank and Trust Company	High Point, NC	143,577	12/27/2012
High Point Bank and Trust Company	High Point, NC	99,923	7/18/2013
Hills Bank and Trust Company	Hills, IA	43,575	7/18/2013
Hinsdale Bank & Trust Company	Hinsdale, IL	246,667	8/8/2014
HNB National Bank	Hannibal, MO	241,000	7/4/2013
Home Federal Bank	Sioux Falls, SD	122,126	5/2/2013
HomeTown Bank	Roanoke, VA	56,500	7/25/2013
Hometown Bank of The Hudson Valley	Walden, NY	11,308	12/27/2012
HomeTrust Bank	Clyde, NC	8,021	5/16/2013
HomeTrust Bank	Clyde, NC	235,479	7/25/2013
Hopewell Valley Community Bank	Pennington, NJ	241,000	5/2/2013
Houston Community Bank, NA	Houston, TX	244,500	12/20/2012
Howard Bank	Ellicott City, MD	44,500	12/27/2012
Hyde Park Bank and Trust Company	Chicago, IL	241,000	7/4/2013
Iberiabank	Lafayette, LA	240,000	6/5/2014
Illinois National Bank	Springfield, IL	228,500	5/15/2014
Independent Bank	Mckinney, TX	20,306	6/6/2013
Independent Bank	Mckinney, TX	220,694	7/4/2013
Inland Bank & Trust	Oak Brook, IL	240,000	5/8/2014
Inland Northwest Bank	Spokane, WA	84,701	5/15/2014
InsBank	Nashville, TN	125,000	12/27/2012
InsBank	Nashville, TN	118,500	7/18/2013
Integrity Bank & Trust	Monument, CO	157,188	12/20/2012
Integrity Bank & Trust	Monument, CO	73,390	12/27/2012
Integrity Bank & Trust	Monument, CO	12,921	6/13/2013
Integrity First Bank	Wausau, WI	243,500	7/18/2013
InterBank	Oklahoma City, OK	246,000	12/6/2012
Investors Community Bank	Manitowoc, WI	243,500	2/14/2013
Isabella Bank	Mount Pleasant, MI	13,000	2/14/2013
Isabella Bank	Mount Pleasant, MI	159,000	6/6/2013
John Marshall Bank	Reston, VA	240,000	6/5/2014
Jonestown Bank & Trust Company	Jonestown, PA	13,136	6/6/2013
Jonestown Bank & Trust Company	Jonestown, PA	227,864	6/27/2013
Kanabec State Bank	Mora, MN	14,361	5/22/2014

(Continued)

Illinois Metropolitan Investment Fund
Schedule of Cash and Short-Term Investments (Continued)
IMET Convenience Series
September 30, 2012

Institution	City and State	Amount	Maturity
Certificates of Deposit (Continued)			
FDIC-Insured (Continued)			
Kansas State Bank of Manhattan	Manhattan, KS	\$ 241,000	7/11/2013
Kanza Bank	Kingman, KS	246,000	12/13/2012
Katahdin Trust Company	Patten, ME	241,000	5/2/2013
KeySource Commercial Bank	Durham, NC	243,900	12/13/2012
Kirkpatrick Bank	Edmond, OK	68,852	12/27/2012
Kirkpatrick Bank	Edmond, OK	175,648	1/17/2013
KleinBank	Big Lake, MN	128,500	12/20/2012
KleinBank	Big Lake, MN	100,000	5/15/2014
Labette Bank	Altamont, KS	150,000	5/2/2013
Labette Bank	Altamont, KS	91,000	6/27/2013
Lake City Bank	Warsaw, IN	241,000	5/2/2013
Lake Forest Bank & Trust Company	Lake Forest, IL	246,667	8/8/2014
Landmark Community Bank	Collierville, TN	243,500	6/13/2013
Lapeer County Bank & Trust Co.	Lapeer, MI	246,000	12/6/2012
Legacy Bank	Colwich, KS	241,000	7/4/2013
Legacy Bank	Wiley, CO	243,500	7/18/2013
LegacyTexas Bank	Plano, TX	246,000	12/6/2012
Liberty Bank	Middletown, CT	241,000	5/2/2013
Liberty Bank and Trust Company	New Orleans, LA	244,500	12/20/2012
Liberty Bank of Arkansas	Jonesboro, AR	246,000	1/17/2013
Liberty National Bank	Ada, OH	241,000	6/6/2013
Libertyville Bank & Trust Company	Libertyville, IL	246,667	8/8/2014
Lifestore Bank	West Jefferson, NC	206,000	1/10/2013
Litchfield Bancorp	Litchfield, CT	100,500	5/2/2013
Livingston State Bank	Livingston, WI	25,000	5/2/2013
Livingston State Bank	Livingston, WI	195,191	7/11/2013
Lubbock National Bank	Lubbock, TX	241,000	7/4/2013
Lusk State Bank	Lusk, WY	101,204	5/2/2013
Lusk State Bank	Lusk, WY	139,796	6/27/2013
Machias Savings Bank	Machias, ME	595	12/13/2012
Machias Savings Bank	Machias, ME	70,840	1/3/2013
Machias Savings Bank	Machias, ME	20,463	1/17/2013
Machias Savings Bank	Machias, ME	36,615	7/11/2013
Machias Savings Bank	Machias, ME	112,486	7/18/2013
Main Bank	Albuquerque, NM	241,000	5/2/2013
MainStreet Bank	Herndon, VA	244,500	12/20/2012
Mainstreet Community Bank of Florida	Deland, FL	15,387	5/2/2013

(Continued)

Illinois Metropolitan Investment Fund
Schedule of Cash and Short-Term Investments (Continued)
IMET Convenience Series
September 30, 2012

Institution	City and State	Amount	Maturity
Certificates of Deposit (Continued)			
FDIC-Insured (Continued)			
MB Financial Bank, N.A.	Chicago, IL	\$ 244,500	12/27/2012
Mechanics & Farmers Bank	Durham, NC	243,500	6/27/2013
Mechanics Bank	Water Valley, MS	246,000	12/6/2012
Mercer County State Bank	Sandy Lake, PA	243,500	6/13/2013
Meridian Bank	Paoli, PA	244,500	12/27/2012
Merrimack County Savings Bank	Concord, NH	244,500	1/10/2013
Metro City Bank	Doraville, GA	241,000	7/4/2013
Metropolitan Bank	Crystal Springs, MS	73,500	1/10/2013
Metropolitan Bank	Crystal Springs, MS	170,000	6/13/2013
Metropolitan Capital Bank	Chicago, IL	223,096	5/16/2013
Metropolitan Capital Bank	Chicago, IL	17,904	7/11/2013
MidFirst Bank	Oklahoma City, OK	243,500	5/16/2013
MidSouth Bank	Murfreesboro, TN	150,523	12/6/2012
MidSouth Bank	Murfreesboro, TN	90,477	5/2/2013
Midwest Bank	Detroit Lakes, MN	243,500	7/18/2013
MidWestOne Bank	Iowa City, IA	80,366	5/8/2014
MidWestOne Bank	Iowa City, IA	148,134	5/15/2014
Millennium Bank	Edwards, CO	143,296	12/6/2012
Millington Savings Bank	Millington, NJ	243,500	6/13/2013
Mission Community Bank	San Luis Obispo, CA	243,500	2/14/2013
Mission Valley Bank	Sun Valley, CA	241,000	7/11/2013
Missouri Bk & Tr Co of Kansas City	Kansas City, MO	241,000	7/11/2013
Monarch Bank	Chesapeake, VA	243,500	7/25/2013
Monument Bank	Bethesda, MD	243,500	7/25/2013
Morris Bank	Dublin, GA	72,595	5/2/2013
Morris Bank	Dublin, GA	168,405	7/18/2013
Mutual of Omaha Bank	Omaha, NE	237,500	5/22/2014
MVB Bank, Inc	Fairmont, WV	152,097	12/6/2012
MVB Bank, Inc	Fairmont, WV	92,403	12/20/2012
National Bank of St. Anne	St. Anne, IL	241,000	7/11/2013
National Penn Bank	Boyertown, PA	244,500	1/10/2013
Native American Bank, N.A.	Denver, CO	642	12/20/2012
Native American Bank, N.A.	Denver, CO	240,358	7/11/2013
NBC Oklahoma	Oklahoma City, OK	90,785	7/11/2013
NBRS Financial	Rising Sun, MD	243,500	2/14/2013
NCB, FSB	Hillsboro, OH	127,095	7/4/2013
NCB, FSB	Hillsboro, OH	113,905	7/25/2013

(Continued)

Illinois Metropolitan Investment Fund
Schedule of Cash and Short-Term Investments (Continued)
IMET Convenience Series
September 30, 2012

Institution	City and State	Amount	Maturity
Certificates of Deposit (Continued)			
FDIC-Insured (Continued)			
Nebraska State Bank and Trust Co.	Broken Bow, NE	\$ 244,500	12/20/2012
New Mexico Bank & Trust	Albuquerque, NM	44,958	2/14/2013
New Mexico Bank & Trust	Albuquerque, NM	198,542	7/18/2013
New Peoples Bank, Inc.	Honaker, VA	103,420	1/10/2013
New Resource Bank	San Francisco, CA	244,500	12/20/2012
NewBridge Bank	Greensboro, NC	246,000	12/6/2012
Nicolet National Bank	Green Bay, WI	240,000	5/8/2014
North Shore Community Bank & Trust Co.	Wilmette, IL	246,667	8/8/2014
North State Bank	Raleigh, NC	246,000	12/6/2012
Northbrook Bank & Trust Company	Northbrook, IL	246,667	8/8/2014
Northern Bank & Trust Company	Woburn, MA	244,500	12/27/2012
NorthSide Community Bank	Gurnee, IL	87,000	5/16/2013
NorthSide Community Bank	Gurnee, IL	156,500	7/25/2013
Northstar Bank of Texas	Denton, TX	194,439	5/16/2013
Northstar Bank of Texas	Denton, TX	49,061	6/27/2013
Northwest Savings Bank	Warren, PA	150,000	6/27/2013
Northwestern Bank, N.A.	Dilworth, MN	243,500	6/27/2013
Nuvo Bank & Trust Company	Springfield, MA	246,000	1/3/2013
Oak Valley Community Bank	Oakdale, CA	25,230	5/2/2013
Old Florida National Bank	Longwood, FL	243,500	5/16/2013
Old Line Bank	Bowie, MD	244,500	12/20/2012
Old Plank Trail Community Bank	Mokena, IL	246,667	8/8/2014
ONB Bank and Trust Company	Tulsa, OK	244,500	12/20/2012
One PacificCoast Bank, FSB	Oakland, CA	200,000	7/4/2013
One PacificCoast Bank, FSB	Oakland, CA	41,000	7/11/2013
Orange County Trust Company	Middletown, NY	241,000	6/6/2013
Orange Savings Bank, SSB	Orange, TX	21,399	5/15/2014
Pacific Western Bank	San Diego, CA	244,500	12/20/2012
Paradise Bank	Boca Raton, FL	247,500	11/1/2012
Paragon Commercial Bank	Raleigh, NC	244,500	12/20/2012
Patriot State Bank	Fuquay Varina, NC	243,500	7/25/2013
Penn Security Bank and Trust Company	Scranton, PA	16,715	5/22/2014
Penn Security Bank and Trust Company	Scranton, PA	216,285	5/29/2014
Peoples Bank	Newton, NC	70,065	12/20/2012
Peoples Bank	Newton, NC	174,435	12/27/2012
Peoples Bank & Tr Co of Madison Cty	Berea, KY	239,485	5/2/2013
Peoples Bank & Tr Co of Madison Cty	Berea, KY	1,515	7/4/2013

(Continued)

Illinois Metropolitan Investment Fund
Schedule of Cash and Short-Term Investments (Continued)
IMET Convenience Series
September 30, 2012

Institution	City and State	Amount	Maturity
Certificates of Deposit (Continued)			
FDIC-Insured (Continued)			
Peoples Bank & Trust	Pana, IL	\$ 246,000	12/6/2012
Peoples National Bank, N.A.	Mt. Vernon, IL	244,500	1/10/2013
Peoples State Bank	Wausau, WI	243,500	7/25/2013
Peoples Trust & Savings Bank	Clive, IA	243,500	6/27/2013
PeoplesBank, A Codorus Valley Co.	Glen Rock, PA	237,500	5/22/2014
Phenix-Girard Bank	Phenix City, AL	122,000	12/20/2012
Phenix-Girard Bank	Phenix City, AL	121,500	7/18/2013
Pinnacle Bank	Lincoln, NE	246,000	12/6/2012
Pinnacle Bank	Gilroy, CA	39,530	12/20/2012
Pinnacle Bank	Gilroy, CA	201,470	5/2/2013
Pinnacle Bank	Elberton, GA	241,000	5/2/2013
Pinnacle Bank of South Carolina	Greenville, SC	241,000	7/4/2013
Pinnacle National Bank	Nashville, TN	98,220	12/6/2012
Pinnacle National Bank	Nashville, TN	147,780	12/13/2012
Pioneer Bank	Stanley, VA	205,000	7/18/2013
Pony Express Bank	Braymer, MO	241,000	7/11/2013
Portage Community Bank	Ravenna, OH	228,500	5/15/2014
Prairie Community Bank	Marengo, IL	124,649	5/16/2013
Prairie Community Bank	Marengo, IL	55,549	6/27/2013
Prairie Community Bank	Marengo, IL	18,747	7/4/2013
Prairie Community Bank	Marengo, IL	42,055	7/11/2013
Premier Community Bank	Marion, WI	24,780	7/18/2013
Premier Valley Bank	Fresno, CA	125,390	5/15/2014
PriorityOne Bank	Magee, MS	90,000	7/18/2013
Progressive Savings Bank	Jamestown, TN	50,000	1/10/2013
Providence Bank	Rocky Mount, NC	124,024	12/27/2012
Providence Bank	Rocky Mount, NC	116,976	6/6/2013
Puget Sound Bank	Bellevue, WA	243,500	7/25/2013
Pulaski Bank	Saint Louis, MO	184,048	2/14/2013
Pulaski Bank	Saint Louis, MO	56,952	6/6/2013
Quad City Bank and Trust Company	Bettendorf, IA	40,979	12/6/2012
Quad City Bank and Trust Company	Bettendorf, IA	203,521	1/10/2013
Randolph Bank & Trust Company	Asheboro, NC	111,242	7/18/2013
Redding Bank of Commerce	Redding, CA	246,000	12/6/2012
Redwood Capital Bank	Eureka, CA	117,080	5/2/2013
Redwood Capital Bank	Eureka, CA	123,920	7/25/2013
Regent Bank	Davie, FL	128,443	11/1/2012

(Continued)

Illinois Metropolitan Investment Fund
Schedule of Cash and Short-Term Investments (Continued)
IMET Convenience Series
September 30, 2012

Institution	City and State	Amount	Maturity
Certificates of Deposit (Continued)			
FDIC-Insured (Continued)			
Regent Bank	Nowata, OK	\$ 246,000	12/6/2012
Regent Bank	Davie, FL	12,557	5/2/2013
Regent Bank	Davie, FL	100,000	7/11/2013
Regents Bank, National Association	La Jolla, CA	244,500	1/10/2013
Renasant Bank	Tupelo, MS	241,000	5/2/2013
Republic Bank & Trust Company	Louisville, KY	198,865	6/27/2013
Republic Bank & Trust Company	Louisville, KY	44,635	6/27/2013
RepublicBankAz, N.A.	Phoenix, AZ	243,500	6/27/2013
Revere Bank	Laurel, MD	56,500	7/25/2013
River City Bank	Sacramento, CA	241,000	7/4/2013
RiverHills Bank	New Richmond, OH	22,000	12/20/2012
Robertson Banking Company	Demopolis, AL	13,810	1/17/2013
Rock Branch Community Bank, Inc.	Nitro, WV	100,000	7/4/2013
Rock Branch Community Bank, Inc.	Nitro, WV	141,000	7/11/2013
Rockford Bank and Trust Company	Rockford, IL	243,020	1/17/2013
Rockland Trust Company	Rockland, MA	243,500	2/14/2013
Ruby Valley National Bank	Twin Bridges, MT	79,489	7/25/2013
S&T Bank	Indiana, PA	246,000	12/6/2012
Sabine State Bank and Trust Company	Many, LA	244,500	1/10/2013
Saco & Biddeford Savings Institution	Saco, ME	55,500	12/27/2012
Saco & Biddeford Savings Institution	Saco, ME	58,000	6/6/2013
Santa Barbara Bank and Trust, N.A.	Santa Barbara, CA	42,517	6/27/2013
Schaumburg Bank & Trust Company	Schaumburg, IL	246,667	8/8/2014
Seaside National Bank & Trust	Orlando, FL	244,500	12/27/2012
Seaway Bank and Trust Company	Chicago, IL	241,000	7/4/2013
Settlers Bank	Windsor, WI	240,000	5/8/2014
Severn Savings Bank, FSB	Annapolis, MD	6,500	2/14/2013
Sierra Vista Bank	Folsom, CA	241,000	6/6/2013
Signature Bank	Chicago, IL	244,500	1/10/2013
Signature Bank	New York, NY	241,000	5/2/2013
Signature Bank	Minnetonka, MN	51,431	7/18/2013
Signature Bank	Minnetonka, MN	30,420	7/25/2013
Signature Bank, National Association	Toledo, OH	56,000	12/20/2012
Simmons First Bank of NW Arkansas	Rogers, AR	241,000	5/2/2013
Simmons First Bank of Searcy	Searcy, AR	241,000	7/11/2013
Skagit State Bank	Burlington, WA	241,000	7/4/2013
Sound Banking Company	Morehead City, NC	3,941	12/20/2012

(Continued)

Illinois Metropolitan Investment Fund
Schedule of Cash and Short-Term Investments (Continued)
IMET Convenience Series
September 30, 2012

Institution	City and State	Amount	Maturity
Certificates of Deposit (Continued)			
FDIC-Insured (Continued)			
Southern Bank	Poplar Bluff, MO	\$ 119,070	7/11/2013
Southern Missouri Bank of Marshfield	Marshfield, MO	38,000	6/6/2013
Southwest Bank	Fort Worth, TX	203,500	12/6/2012
Southwest Bank	Fort Worth, TX	40,000	2/14/2013
Southwest National Bank	Wichita, KS	241,000	6/6/2013
Sovereign Bank	Wilmington, DE	241,000	6/6/2013
SpiritBank	Tulsa, OK	243,500	7/18/2013
St. Charles Bank & Trust Company	St. Charles, IL	246,667	8/8/2014
St. Louis Bank	Town and Country, MO	244,500	12/20/2012
State Bank	Spencer, IA	100,000	7/11/2013
State Bank Financial	La Crosse, WI	197,116	5/16/2013
State Bank of Countryside	Countryside, IL	100,000	7/11/2013
State Bank of Cross Plains	Cross Plains, WI	79,326	2/14/2013
State Bank of Florence	Florence, WI	240,000	5/8/2014
State Bank of Herscher	Herscher, IL	72,568	1/3/2013
State Bank of Herscher	Herscher, IL	168,433	7/11/2013
State Bank of Southern Utah	Cedar City, UT	23,500	1/10/2013
State Bank of Southern Utah	Cedar City, UT	13,449	7/25/2013
State Bank of The Lakes	Antioch, IL	246,667	8/8/2014
Steele Street Bank & Trust	Denver, CO	153,898	12/20/2012
Steele Street Bank & Trust	Denver, CO	90,602	1/10/2013
Sterling Bank	Barron, WI	243,500	2/14/2013
Sterling National Bank	New York, NY	244,500	12/20/2012
Stillman BancCorp N.A.	Stillman Valley, IL	243,500	2/14/2013
Stillwater National Bk and Trust Co.	Stillwater, OK	111,475	1/10/2013
Stock Yards Bank & Trust Company	Louisville, KY	243,500	7/25/2013
Stockmans Bank	Altus, OK	60,000	12/6/2012
Stockmans Bank	Altus, OK	184,500	12/27/2012
Stonegate Bank	Fort Lauderdale, FL	246,000	12/6/2012
Summit Bank	Eugene, OR	165,136	12/20/2012
Sun National Bank	Vineland, NJ	110,943	7/18/2013
Susquehanna Bank	Lititz, PA	25,000	6/13/2013
Susquehanna Bank	Lititz, PA	218,500	6/27/2013
Synergy Bank	Houma, LA	246,000	1/17/2013
Talmer Bank & Trust	Troy, MI	246,000	1/17/2013
Texas Champion Bank	Alice, TX	200,000	7/4/2013
Texas Champion Bank	Alice, TX	1,500	7/11/2013

(Continued)

Illinois Metropolitan Investment Fund
Schedule of Cash and Short-Term Investments (Continued)
IMET Convenience Series
September 30, 2012

Institution	City and State	Amount	Maturity
Certificates of Deposit (Continued)			
FDIC-Insured (Continued)			
Texas Champion Bank	Alice, TX	\$ 38,500	5/8/2014
Texas Community Bank, N.A.	Laredo, TX	56,529	12/13/2012
Texas Community Bank, N.A.	Laredo, TX	187,971	12/20/2012
Texas National Bank of Jacksonville	Jacksonville, TX	135,035	6/27/2013
Texas Star Bank	Van Alstyne, TX	243,500	7/18/2013
TexStar National Bank	Universal City, TX	35,606	12/13/2012
TexStar National Bank	Universal City, TX	93,022	5/2/2013
The American National Bank of Texas	Terrell, TX	75,000	7/11/2013
The American National Bank of Texas	Terrell, TX	166,000	7/18/2013
The Bank of Edwardsville	Edwardsville, IL	98,063	5/16/2013
The Bank of Edwardsville	Edwardsville, IL	145,437	6/27/2013
The Bank of Fayetteville	Fayetteville, AR	244,500	1/10/2013
The Bank of Missouri	Perryville, MO	243,500	7/25/2013
The Bank of New Canaan	New Canaan, CT	243,500	7/25/2013
The Bank of Vernon	Vernon, AL	243,500	7/18/2013
The Baraboo National Bank	Baraboo, WI	241,000	6/6/2013
The Biltmore Bank of Arizona	Phoenix, AZ	244,500	12/27/2012
The Business Bank	Minnetonka, MN	243,500	7/25/2013
The Business Bank of Saint Louis	Clayton, MO	23,646	12/20/2012
The Citizens Bank	Batesville, AR	241,000	7/11/2013
The Citizens Bank of Clovis	Clovis, NM	200,000	12/6/2012
The Citizens Banking Company	Sandusky, OH	241,000	7/4/2013
The Citizens National Bank of Athens	Athens, TN	127,592	7/11/2013
The Citizens National Bank of Bluffton	Bluffton, OH	243,500	5/16/2013
The Citizens State Bank	Okemah, OK	243,500	6/27/2013
The Dime Bank	Honesdale, PA	5,500	12/27/2012
The Dime Bank	Honesdale, PA	119,592	1/17/2013
The Dime Bank	Honesdale, PA	118,408	7/25/2013
The East Carolina Bank	Engelhard, NC	243,500	6/27/2013
The Eastern Colorado Bank	Cheyenne Wells, CO	187,000	12/27/2012
The Eastern Colorado Bank	Cheyenne Wells, CO	56,500	6/27/2013
The Eastman National Bank of Newkirk	Newkirk, OK	51,367	7/25/2013
The F&M Bank & Trust Company	Tulsa, OK	241,000	6/6/2013
The Fairfield National Bank	Fairfield, IL	31,000	1/17/2013
The Fairfield National Bank	Fairfield, IL	210,000	7/11/2013
The Farmers & Merchants Bank	Stuttgart, AR	243,500	2/14/2013
The Farmers & Merchants State Bank	Archbold, OH	241,000	6/6/2013

(Continued)

Illinois Metropolitan Investment Fund
Schedule of Cash and Short-Term Investments (Continued)
IMET Convenience Series
September 30, 2012

Institution	City and State	Amount	Maturity
Certificates of Deposit (Continued)			
FDIC-Insured (Continued)			
The Fidelity Deposit and Discount Bank	Dunmore, PA	\$ 237,500	5/22/2014
The First Bank and Trust Company	Lebanon, VA	241,000	7/4/2013
The First National Bank - Fox Valley	Neenah, WI	244,500	12/27/2012
The First National Bank of Moody	Moody, TX	85,630	7/18/2013
The First National Bank of Syracuse	Syracuse, KS	159,901	12/13/2012
The First National Bank of Syracuse	Syracuse, KS	83,599	7/25/2013
The First National Bank of Wamego	Wamego, KS	241,000	7/4/2013
The First Natl Bank of Manchester	Manchester, TN	35,703	7/4/2013
The First State Bank	Barboursville, WV	243,500	7/18/2013
The First, A Natl Banking Association	Hattiesburg, MS	223,000	5/15/2014
The FNB of Lawrence County at Walnut Rdg	Walnut Ridge, AR	237,500	5/22/2014
The Huntington National Bank	Columbus, OH	241,000	6/6/2013
The La Porte Savings Bank	LaPorte, IN	244,500	1/10/2013
The Leaders Bank	Oak Brook, IL	241,000	6/6/2013
The Lorain National Bank	Lorain, OH	243,500	2/14/2013
The Old Fort Banking Company	Old Fort, OH	241,000	5/2/2013
The Park Bank	Madison, WI	233,000	5/29/2014
The Park National Bank	Newark, OH	240,000	6/5/2014
The Pauls Valley National Bank	Pauls Valley, OK	246,000	12/13/2012
The Peoples Community Bank	Mazomanie, WI	243,500	7/18/2013
The Security National Bank of Enid	Enid, OK	132,201	12/20/2012
The Security National Bank of Enid	Enid, OK	111,299	6/27/2013
The State Bank and Trust Company	Defiance, OH	243,500	6/27/2013
The Talbot Bank of Easton, Maryland	Easton, MD	244,500	12/20/2012
The Union Bank Company	Columbus Grove, OH	214,974	5/8/2014
The Union Bank Company	Columbus Grove, OH	13,526	5/15/2014
The Washington Trust Company of Westerly	Westerly, RI	241,000	6/6/2013
Timberwood Bank	Tomah, WI	246,000	12/6/2012
Touchmark National Bank	Alpharetta, GA	114,725	7/18/2013
Touchmark National Bank	Alpharetta, GA	9,202	7/25/2013
Town & Country Bank	Springfield, IL	241,000	5/2/2013
Town Bank	Hartland, WI	243,500	2/14/2013
Towne Bank	Portsmouth, VA	236,197	6/6/2013
Traditional Bank, Inc.	Mount Sterling, KY	241,000	6/6/2013
Tri Counties Bank	Chico, CA	16,672	12/13/2012
Tri Counties Bank	Chico, CA	37,681	6/27/2013
TriStar Bank	Dickson, TN	241,000	7/11/2013

(Continued)

Illinois Metropolitan Investment Fund
Schedule of Cash and Short-Term Investments (Continued)
IMET Convenience Series
September 30, 2012

Institution	City and State	Amount	Maturity
Certificates of Deposit (Continued)			
FDIC-Insured (Continued)			
TriState Capital Bank	Pittsburgh, PA	\$ 237,500	5/22/2014
TriSummit Bank	Kingsport, TN	210,316	7/18/2013
Union Bank	Morrisville, VT	13,000	6/27/2013
Union Bank	Morrisville, VT	228,000	7/4/2013
Union Bank and Trust Company	Lincoln, NE	233,000	5/29/2014
Union Center National Bank	Union, NJ	50,350	7/25/2013
Union First Market Bank	Richmond, VA	205,500	1/3/2013
Union First Market Bank	Richmond, VA	35,500	7/4/2013
Union Savings Bank	Albuquerque, NM	104,425	7/11/2013
Union State Bank	Florence, TX	243,500	5/16/2013
Union State Bank of Hazen	Hazen, ND	241,000	5/2/2013
United Bank	Fairfax, VA	243,500	6/13/2013
United Bank	Parkersburg, WV	100,856	6/27/2013
United Bank	Parkersburg, WV	140,144	7/11/2013
United Bank & Trust	Marysville, KS	70,860	5/2/2013
United Bank & Trust	Ann Arbor, MI	241,000	6/6/2013
United Bank of Kansas	Lenexa, KS	72,498	1/10/2013
United Community Bank	Perham, MN	93,500	12/6/2012
United Community Bank	Blairsville, GA	241,000	6/6/2013
United Security Bank	Fresno, CA	246,000	12/6/2012
United State Bank	Lewistown, MO	56,500	2/14/2013
United State Bank	Lewistown, MO	150,000	5/2/2013
Univest Bank and Trust Co.	Souderton, PA	152,000	2/14/2013
Univest Bank and Trust Co.	Souderton, PA	91,500	5/16/2013
Urban Partnership Bank	Chicago, IL	109,062	12/27/2012
Urban Partnership Bank	Chicago, IL	91,076	6/13/2013
Urban Partnership Bank	Chicago, IL	43,362	6/27/2013
Valley Bank	Roanoke, VA	241,000	6/6/2013
Valley Green Bank	Philadelphia, PA	107,507	12/13/2012
Valley Green Bank	Philadelphia, PA	18,852	12/20/2012
Valley Green Bank	Philadelphia, PA	117,141	6/27/2013
VantageSouth Bank	Burlington, NC	234,048	12/6/2012
Vibra Bank	Chula Vista, CA	192,500	12/27/2012
Vibra Bank	Chula Vista, CA	51,000	7/25/2013
ViewPoint Bank	Plano, TX	233,000	5/29/2014
Village Bank and Trust	Arlington Heights, IL	241,000	6/6/2013
Virginia Commerce Bank	Arlington, VA	164,515	6/27/2013

(Continued)

Illinois Metropolitan Investment Fund
Schedule of Cash and Short-Term Investments (Continued)
IMET Convenience Series
September 30, 2012

Institution	City and State	Amount	Maturity
Certificates of Deposit (Continued)			
FDIC-Insured (Continued)			
Virginia Commerce Bank	Arlington, VA	\$ 76,485	7/4/2013
Virginia National Bank	Charlottesville, VA	178,500	1/10/2013
Virginia National Bank	Charlottesville, VA	65,000	6/27/2013
Vision Bank, National Association	Ada, OK	52,500	7/4/2013
Vision Bank, National Association	Ada, OK	188,500	7/25/2013
VIST Bank	Wyomissing, PA	11,986	5/16/2013
Volunteer State Bank	Portland, TN	247,500	11/1/2012
Wallis State Bank	Wallis, TX	244,500	12/27/2012
Washington Federal	Seattle, WA	244,500	1/10/2013
Washington Financial Bank	Washington, PA	244,500	12/20/2012
Washington Trust Bank	Spokane, WA	244,500	12/20/2012
WashingtonFirst Bank	Reston, VA	233,000	5/29/2014
Waterford Bank, N.A.	Toledo, OH	237,500	5/22/2014
Waumandee State Bank	Waumandee, WI	241,000	7/11/2013
Welch State Bank of Welch, Okla.	Welch, OK	244,500	1/10/2013
WesBanco Bank, Inc.	Wheeling, WV	241,000	7/11/2013
West Bank	West Des Moines, IA	246,000	12/13/2012
Western Alliance Bank	Phoenix, AZ	241,000	7/4/2013
Western Bank	St. Paul, MN	246,000	12/6/2012
Western National Bank	Odessa, TX	243,500	5/16/2013
Westfield Bank, FSB	Westfield Center, OH	240,000	5/8/2014
Wheaton Bank & Trust Company	Wheaton, IL	246,667	8/8/2014
Whidbey Island Bank	Coupeville, WA	244,500	1/10/2013
White Rock Bank	Cannon Falls, MN	240,000	5/8/2014
Williamstown Bank, Inc.	Williamstown, WV	241,000	5/2/2013
Worthington National Bank	Arlington, TX	243,500	5/16/2013
Wyoming National Bank	Riverton, WY	241,000	7/11/2013
York State Bank	York, NE	243,500	5/16/2013
Your Community Bank	New Albany, IN	241,000	5/2/2013
		128,483,339	¹
Total FDIC-Insured			

(Continued)

Illinois Metropolitan Investment Fund
Schedule of Cash and Short-Term Investments (Continued)
IMET Convenience Series
September 30, 2012

Institution	City and State	Amount	Maturity
Certificates of Deposit (Continued)			
Collateralized			
Popular Community Bank	Rosemont, IL	\$ 10,000,000	8/13/2014
Popular Community Bank	Rosemont, IL	10,000,000	9/14/2014
Harris Bank	Chicago, IL	30,164,921	5/24/2013
Harris Bank	Chicago, IL	23,126,495	5/31/2013
Harris Bank	Chicago, IL	20,109,995	6/7/2013
JPMorgan Chase Bank, N.A.	Chicago, IL	<u>170,000,000</u>	8/16/2015
Total Collateralized		<u>263,401,411</u>	
Total Certificates of Deposit		<u>391,884,750</u>	
Repurchase Agreements: 3.9%			
Pennant Management, Inc.	Milwaukee, WI	<u>40,948,939</u>	Overnight
Collateralized Bank Deposit: 58.7%			
JPMorgan Chase Bank, N.A.	Chicago, IL	<u>616,373,719</u>	None
		<u>\$ 1,049,207,408</u>	

¹ Funds are placed in certificates of deposit with the institutions listed above under *Certificate of Deposit Account Registry Service* (CDARS) and *MaxSafe* FDIC-insured certificate of deposit arrangements with the following institutions:

Institution	City and State	Amount
Bank of the West	San Ramon, CA	\$ 50,000,000
Cole Taylor Bank	Rosemont, IL	15,000,000
Old Plank Trail Community Bank	Frankfort, IL	3,206,667
The Private Bank	Chicago, IL	<u>60,276,672</u>
		<u>\$ 128,483,339</u>

(Concluded)

Illinois Metropolitan Investment Fund

Schedule of Management Fees
Year Ended September 30, 2012

<u>Type</u>	<u>IMET 1-3 Year Series</u>	<u>IMET Convenience Series</u>	<u>Total</u>
Internal fees	\$ 335,737	\$ 353,558	\$ 689,295
External fees	<u>543,571</u>	<u>443,705</u>	<u>987,276</u>
	<u>\$ 879,308</u>	<u>\$ 797,263</u>	<u>\$ 1,676,571</u>

Illinois Metropolitan Investment Fund

Schedule of Participants by Concentration

September 30, 2012

Type	Number of Participants	IMET 1-3 Year Series	IMET Convenience Series	Total
Municipal entities	146	68.3 %	59.0 %	61.2 %
Pension funds	50	2.6	1.2	1.5
Other entities ¹	65	29.1	39.8	37.3
	261	100.0 %	100.0 %	100.0 %

¹ Includes townships, school districts, park districts, public library districts, and various local agencies and special districts.

Illinois Metropolitan Investment Fund

Investment Policy - IMET 1-3 Year Series

September 30, 2012

The Illinois Metropolitan Investment Fund (“*IMET*” or “*Fund*”) is an actively managed investment fund for Illinois local governments. The IMET 1-3 Year Fund has a fluctuating net asset value and an average maturity of one-to-three years. Designed for public funds that may be invested for more than one year, IMET invests exclusively in U.S. government-backed securities (Treasuries and agencies).

1.0 Policy

It is the policy of IMET to invest public funds of Illinois governments in a manner which seeks to provide the best return while pursuing the preservation of capital. IMET is designed as an investment vehicle for funds not required to be spent immediately and available for investment in securities with maturities and returns generally greater than those for money market instruments. IMET will conform to Illinois state statutes governing the investment of public funds.

2.0 Funds

Monies invested in this Fund will be those of participating Illinois governments whose treasurers become members of the Fund. Any funds that an Illinois government can invest in under Illinois state statutes are eligible for investment in IMET. This is an intermediate investment fund, however, and short-term cash monies which are needed for immediate liquidity demands will not be encouraged to be invested in this Fund.

3.0 Prudence

The standard of prudence to be used for all investment activities shall be the following “prudent person” standards, as stated below, and shall be applied while conducting all investment transactions.

"Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable preservation of their capital as well as the probable income to be derived."

4.0 Objective

This actively managed portfolio will be invested in certain fixed income securities and cash equivalents. In summary, the investment objectives of IMET are:

- A. Preservation of Principal: Preservation of principal is the foremost objective of IMET. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

Illinois Metropolitan Investment Fund
Investment Policy - IMET 1-3 Year Series (Continued)
September 30, 2012

4.0 Objective (Continued)

- B. Liquidity: IMET will seek to remain sufficiently liquid to allow for withdrawals by Fund members with five business days' notice of that withdrawal to the Fund, and will otherwise remain sufficiently liquid in accordance with prudent fund management.
- C. Return on Investment: IMET's assets will be invested with the objective of obtaining an appropriate market rate of return in relation to the prevailing monetary environment. See also "Performance Standards" herein.

5.0 Delegation of Authority

The Board of Trustees of IMET (the "*Board*") seeks to employ an investment advisor who possesses superior capabilities in the management of assets of the Councils of Governments' governmental bodies. The Board further requires the investment advisor selected and working on its behalf to meet the following set of conditions.

- A. To take, in its discretion, actions which in its best professional judgment are in the best interests of IMET, in accordance with this Investment Policy and the Investment Circular distributed by the Fund, to meet IMET investment objectives. Such actions include but are not limited to (A) the allocation of funds among alternative types of investments; (B) specific investment opportunities regarding the acquisition, retention, or disposition of investments; and (C) the recommendation of the addition, deletion, or modification of authorized investments.
- B. To execute all investment transactions on behalf of the Fund at the best net price, utilizing such brokers and dealers as they deem appropriate to obtain the best execution capabilities and/or valuable information with respect to the economy and the affairs of corporations at the lowest cost to the Fund.
- C. Additional responsibilities as detailed in each investment advisor's agreement with the Board.

6.0 Ethics and Conflicts of Interest

Officers and employees of the Fund involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose to the IMET chairperson any material financial interests in financial institutions that conduct business with IMET, and they shall further disclose any large personal financial/investment positions that could be related to the performance of IMET, particularly with regard to the time of purchases and sales.

Illinois Metropolitan Investment Fund
Investment Policy - IMET 1-3 Year Series (Continued)
September 30, 2012

7.0 Authorized Financial Dealers and Institutions

The Board will maintain a list of financial institutions authorized to provide investment advisor, administrative, and distributive investment services. The advisor will make investments only in those investments specifically authorized in the Public Investment Act of the State of Illinois (30 ILCS 235/1) (the “*Investment Act*”). The administrator shall perform its duties in conformance with the Declaration of Trust, By-Laws, and Investment Circular of the Fund. The distributor shall be competent and fully qualified under federal and state securities laws and the rules and regulations of the Comptroller of the Currency or the National Association of Securities Dealers, as applicable, to engage in marketing and sales efforts.

A current audited financial statement is required to be on file for each financial institution which provides the above mentioned services.

8.0 Authorized and Suitable Investments

All investments shall be made in compliance with the Investment Act, including, without limitation, the definition of “agency” contained therein. In seeking to achieve its investment objective, the Fund intends to invest under normal market conditions at least fifty percent (50%) in (i) obligations issued or secured by the U.S. Government and/or its agencies and/or (ii) money market mutual funds that are permitted investments under the Investment Act. In extraordinary circumstances, such as when the investment advisor believes that market conditions indicate that the Fund should adopt a temporary defensive position, the Fund may invest up to one hundred percent (100%) in cash and/or such money market mutual funds.

The Fund portfolio is restricted to a maximum dollar weighted-average maturity of five years or less, under normal conditions. The net asset value will fluctuate on a daily basis according to the change in market value of its underlying portfolio obligations.

The following are additional investment restrictions:

- (i) All fixed income securities (other than obligations of the U.S. or its agencies) at the time of purchase shall be rated at the highest rating classification established by at least two standard rating services (without regard to any refinement or gradation of rating category by numerical modifier or otherwise). However, issues that are reclassified after purchase so that they are no longer at the highest classifications established by at least two standard rating services may be sold by the advisor to the Fund after the date of the security’s reclassification or held to maturity, in either case based on the investment advisor’s discretion.

Illinois Metropolitan Investment Fund
Investment Policy - IMET 1-3 Year Series (Continued)
September 30, 2012

8.0 Authorized and Suitable Investments (Continued)

- (ii) Mortgage pass-through securities must be issued by an agency of the United States government. There are three major types of such agency pass-throughs, guaranteed by three organizations: Government National Mortgage Association (“*Ginnie Mae*”), Federal Home Loan Mortgage Corporation (“*Freddie Mac*”), and Federal National Mortgage Association (“*Fannie Mae*”). Pass-through securities or collateralized mortgage obligations of Fannie Mae are not permitted investments under Illinois law. In addition, privately structured and issued mortgage pass-through securities or collateralized mortgage obligations are not permitted investments.

- (iii) All investments are required to be made in compliance with the Investment Act, including, without limitation, the definition of “agency” contained therein.

The following transactions are prohibited in the portfolio managed by the investment advisor.

- 1) Reverse repurchase agreements.
- 2) Common or preferred stocks.
- 3) Futures and options.
- 4) Margin purchases or intentional use of leverage.
- 5) Private or direct placements.
- 6) Commodities.
- 7) Direct ownership of real estate or mortgages.
- 8) Non-U.S. dollar-denominated securities.
- 9) Stripped mortgage-backed securities (*i.e.*, interest-only (IO) and principal-only (PO) securities).
- 10) Convertible notes or bonds.

Illinois Metropolitan Investment Fund

Investment Policy - IMET 1-3 Year Series (Continued)

September 30, 2012

8.0 Authorized and Suitable Investments (Continued)

- 11) Purchase, participation, or other direct interest in gas, oil, or other mineral exploration or development programs.
- 12) Collateralized mortgage obligations.
- 13) Lending of Fund securities.
- 14) Structured notes—however, the Portfolio may invest in federal government agency securities whose coupon rates are scheduled to “step up” (*i.e.* increase) one or more times before they mature.
- 15) Investments not allowed under the Investment Act.

The advisor shall indemnify and make whole the Fund and its shareholders for any losses incurred by the Fund as a result of the advisor’s own or any subadvisor’s gross negligence or its failure to comply with the provisions of the Investment Act as those provisions are communicated to the investment advisor in writing by IMET or by IMET’s legal counsel.

9.0 Safekeeping and Custody

Securities purchased for IMET, as well as collateral for repurchase agreements, shall be delivered against payment and held in a custodial safekeeping account with the trust department of a bank acting as custodian. The bank will be designated by the Board and all transactions will be evidenced by safekeeping receipts or confirmations.

10.0 Diversification

Fixed income securities in the Fund will have the following characteristics:

- A) United States Treasury, agency, and agency mortgage pass-through securities may be used without limitation. Under normal market conditions, such obligations, along with money market mutual funds that are permitted investments under the Investment Act, will constitute at least 50% of the portfolio.
- B) Commercial paper investment, pursuant to Illinois law, must mature within 180 days from the date of purchase and cannot exceed 10% of the corporation’s total commercial paper. The Fund will have no more than one-third of its monies invested in commercial paper.

Illinois Metropolitan Investment Fund

Investment Policy - IMET 1-3 Year Series (Continued)

September 30, 2012

10.0 Diversification (Continued)

- C) At no time may the portfolio own more than 5% of the outstanding amount of any one fixed income issue (other than securities of the United States Government or its agencies) or have more than 7% of its total assets invested in the securities (including cash equivalents) of any permissible fixed income issuer (other than securities of the United States government or its agencies) without prior notification and approval of the Board.

11.0 Maturities

Portfolio duration is to be maintained within 25% of that of the Barclay's Capital 1-3 Year Government Bond Index under normal conditions; *provided, however*, that the portfolio's dollar weighted-average maturity will not exceed five years under normal conditions. Individual securities may have remaining maturities of greater than five years, but in any event not greater than ten years from the date of the Fund's purchase thereof. The remaining life of any agency mortgage pass-through security will be determined based on the weighted-average life of the security.

12.0 Internal Control

The advisor shall establish a system of internal controls, which shall be documented in writing. The controls shall be annually reviewed by their auditor and shall be designed to prevent losses of public funds arising from failure to comply with the provisions of the Investment Act, fraud, employee error, misrepresentation by third parties, or imprudent actions by employees and officers of the firm. The advisor shall at all times have in place a fidelity bond or bonds covering the actions of its employees and officers relating to fraud, theft, dishonesty, and other willful acts which may result in the loss of Fund assets. Such bond or bonds shall be maintained in amounts not less than \$5,000,000 per occurrence and \$10,000,000 in the annual aggregate, covering its duties. The advisor will also maintain a fidelity bond against employee theft, dishonesty, and related risk, and cover its duties in an amount not less than \$10,000,000 in the annual aggregate.

13.0 Performance Standards

IMET's investment strategy is targeted active management. The performance objective for this portfolio is to meet or exceed the Lehman Brothers 1-3 Year Government Bond Index (the benchmark) prior to payment of Fund expenses.

Illinois Metropolitan Investment Fund

Investment Policy - IMET 1-3 Year Series (Continued)

September 30, 2012

14.0 Reporting

The advisor shall report to the Board at least quarterly on:

- A) Performance as compared to the benchmark.
- B) Asset allocation and duration as compared to the benchmark.
- C) Any deviation from the guidelines herein established.
- D) Significant changes in the portfolio under their management during the quarter.
- E) Economic and investment outlook for the near and long term.
- F) Monthly purchase and sale transactions.
- G) Any change in key personnel.

15.0 Investment Policy Adoption

IMET's investment policy shall be adopted by resolution of the Board. The policy shall be reviewed annually by the Board and any modifications made thereto must be approved by the Board.

(Concluded)

Illinois Metropolitan Investment Fund

Investment Policy - IMET Convenience Series

September 30, 2012

The Illinois Metropolitan Investment Fund (“*IMET*” or “*Fund*”) is an actively managed investment fund for Illinois local governments. IMET’s Convenience Series (“Convenience Series”) is a short-term vehicle for use exclusively by members of IMET. This policy applies to the investment of Convenience Series funds. The Convenience Series is designed as an investment vehicle for: a) near-term investment of funds intended for eventual placement into the IMET 1-3 Year Series, b) the investment of bond proceeds, and c) any purpose deemed necessary and beneficial by Fund participants.

1.0 Governing Authority

It is the policy of IMET to invest public funds of Illinois governments in a manner which seeks to provide the best return while pursuing the preservation of capital. The Convenience Series will conform to Illinois state statutes governing the investment of public funds.

2.0 Funds

Monies invested in this Convenience Series will be those of participating Illinois governments whose treasurers are members of the IMET. Any funds that an Illinois government can invest in under Illinois state statutes are eligible for investment in the Convenience Series.

3.0 Prudence

The standard of prudence to be used for all investment activities shall be the following “prudent person” standards, as stated below, and shall be applied while conducting all investment transactions.

"Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable preservation of their capital as well as the probable income to be derived."

4.0 Objective

This portfolio will be invested in certain fixed income securities and cash equivalents. In summary, the investment objectives of the Convenience Series are:

- A. Preservation of Principal: Preservation of principal is the foremost objective of the Convenience Series. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

Illinois Metropolitan Investment Fund
Investment Policy - IMET Convenience Series (Continued)
September 30, 2012

4.0 Objective (Continued)

- B. Liquidity: The Convenience Series will seek to remain sufficiently liquid to accommodate Convenience Series members and will otherwise remain sufficiently liquid in accordance with prudent fund management.
- C. Return on Investment: The Convenience Series' assets will be invested with the objective of obtaining an appropriate market rate of return in relation to the prevailing monetary environment. See also "Performance Standards" herein.

5.0 Delegation of Authority

The Board of Trustees of IMET and of the Convenience Series (the "*Board*") seeks to employ financial institutions possessing established capabilities in the management of assets of the Councils of Governments' governmental bodies. The Board further requires the financial institution(s) selected and working on its behalf to meet the following set of conditions.

- A. To take, in its discretion, to the extent allowed by the financial institution's agreement with IMET, actions which in its best professional judgment are in the best interests of the Convenience Series, in accordance with this Investment Policy distributed by IMET, to meet Convenience Series investment objectives. Such actions include but are not limited to (A) the allocation of funds among alternative types of investments; (B) specific investment opportunities regarding the acquisition, retention, or disposition of investments; and (C) the recommendation of the addition, deletion, or modification of authorized investments.
- B. To execute all investment transactions on behalf of the Convenience Series at the best net price, utilizing such brokers and dealers as deemed appropriate to obtain the best execution capabilities and/or valuable information with respect to the economy and the affairs of corporations at the lowest cost to the Convenience Series.
- C. Additional responsibilities as detailed in each financial institution's agreement with the Board.

Illinois Metropolitan Investment Fund
Investment Policy - IMET Convenience Series (Continued)
September 30, 2012

6.0 Ethics and Conflicts of Interest

Officers and employees of the Convenience Series involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose to the Board chairperson any material financial interests in financial institutions that conduct business with IMET and the Convenience Series, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the Convenience Series, particularly with regard to the time of purchases and sales.

7.0 Authorized Financial Dealers and Institutions

The Board will maintain a list of financial institutions authorized to provide investment advisor, administrative, and distributive investment services. The financial institution(s) will make investments only in those investments specifically authorized by the Public Investment Act of the State of Illinois (30 ILCS 235/1) (the “*Investment Act*”) and by this Investment Policy. The financial institution(s) shall perform its duties in conformance with the IMET Declaration of Trust, the IMET By-Laws, and the Convenience Series Investment Policy. The distributor shall be competent and fully qualified under federal and state securities laws and the rules and regulations of the Comptroller of the Currency or the National Association of Securities Dealers, as applicable, to engage in marketing and sales efforts.

A current audited financial statement is required to be on file for each financial institution which provides the above mentioned services.

8.0 Authorized and Suitable Investments

The investments permitted by this policy are those defined by the Investment Act, including, without limitation, the definition of “agency” contained therein. In seeking to achieve its investment objective, the Convenience Series intends to invest under normal market conditions at least fifty percent (50%) in (i) interest-bearing savings accounts, interest-bearing certificates of deposit, or interest-bearing time deposits, or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act, or (ii) money market mutual funds that are permitted investments under the Investment Act, or (iii) securities now or hereafter issued that constitute direct obligations of the U.S. Treasury which are guaranteed by the full faith and credit of the United States of America as to principal and interest, or (iv) other similar obligations of the United States of America or its agencies. In circumstances when the investment advisor believes that market conditions indicate that the Convenience Series should adopt a defensive position, the Convenience Series may invest up to one hundred percent (100%) in bank obligations and/or such money market mutual funds.

Illinois Metropolitan Investment Fund
Investment Policy - IMET Convenience Series (Continued)
September 30, 2012

8.0 Authorized and Suitable Investments (Continued)

The Convenience Series portfolio is restricted to a maximum dollar weighted-average maturity of one year or less, under normal conditions. The Convenience Series will be managed so as to maintain a stable \$1.00 share price, although there is no guarantee that it will do so.

The following are additional investment restrictions:

- (i) All fixed income securities (other than obligations of the U.S. or its agencies) at the time of purchase shall be rated at the highest rating classification established by at least two standard rating services (without regard to any refinement or gradation of rating category by numerical modifier or otherwise). However, issues that are reclassified after purchase so that they are no longer at the highest classifications established by at least two standard rating services may be sold by the financial institution(s) maintaining the Convenience Series after the date of the security's reclassification or held to maturity, in either case based on the financial institutions' discretion.

- (ii) Mortgage pass-through securities must be issued by an agency of the United States government and must have a liquid market with a readily determinable market value. There are three major types of such agency pass-throughs, guaranteed by three organizations: Government National Mortgage Association ("*Ginnie Mae*"), Federal Home Loan Mortgage Corporation ("*Freddie Mac*"), and Federal National Mortgage Association ("*Fannie Mae*"). Pass-through securities or collateralized mortgage obligations of Fannie Mae are not permitted investments under Illinois law. In addition, privately structured and issued mortgage pass-through securities or collateralized mortgage obligations are not permitted investments.

- (iii) All investments are required to be made in compliance with the Investment Act, including, without limitation, the definition of "agency" contained therein.

The following transactions are prohibited in the portfolio:

- 1) Reverse repurchase agreements.
- 2) Common or preferred stocks.
- 3) Futures and options.
- 4) Margin purchases or intentional use of leverage.
- 5) Private or direct placements.

Illinois Metropolitan Investment Fund
Investment Policy - IMET Convenience Series (Continued)
September 30, 2012

8.0 Authorized and Suitable Investments (Continued)

- 6) Commodities.
- 7) Direct ownership of real estate or mortgages.
- 8) Non-U.S. dollar-denominated securities.
- 9) Stripped mortgage-backed securities (*i.e.*, interest-only (IO) and principal-only (PO) securities).
- 10) Convertible notes or bonds.
- 11) Purchase, participation, or other direct interest in gas, oil, or other mineral exploration or development programs.
- 12) Collateralized mortgage obligations.
- 13) Lending of Convenience Series securities.
- 14) Structured notes—however, the Portfolio may invest in federal government agency securities whose coupon rates are scheduled to “step up” (*i.e.* increase) one or more times before they mature.
- 15) Investments not allowed under the Investment Act.

The advisor shall indemnify and make whole the Convenience Series and its shareholders for any losses incurred by the Convenience Series as a result of the advisor’s own or any subadvisor’s gross negligence or its failure to comply with the provisions of the Investment Act as those provisions are communicated to the investment advisor in writing by the Convenience Series or by the Convenience Series’ legal counsel.

9.0 Collateralization

Collateral will be pledged to the Convenience Fund with a market value equal to at least 105% of the obligations of the financial institution to the Convenience Fund’s deposits which exceed the sum of the Federal Deposit Insurance Corporation’s insurance limitation. The financial institution will monitor the market value of pledged securities on at least a daily basis, and make adjustments as necessary.

Illinois Metropolitan Investment Fund
Investment Policy - IMET Convenience Series (Continued)
September 30, 2012

10.0 Safekeeping and Custody

Securities purchased for the Convenience Series, as well as collateral for repurchase agreements, shall be delivered against payment and held in a custodial safekeeping account with the trust department of a bank acting as custodian. The bank will be designated by the Board and all transactions will be evidenced by safekeeping receipts or confirmations.

11.0 Diversification

Fixed income securities in the Convenience Series will have the following characteristics:

- a) No more than 50 percent of the portfolio may be invested beyond 12 months, and the weighted-average maturity of the portfolio generally shall not exceed one year.
- b) The following instruments may be used without limitation:
 - i) Interest-bearing savings accounts, interest-bearing certificates of deposit or interest-bearing time deposits, or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act.
 - ii) Money market mutual funds registered under the Investment Company Act of 1940, provided that the portfolio of any such money market mutual fund is limited to obligations of the U.S. Treasury and its agencies as defined by Illinois law.

12.0 Maturities

At least 50 percent of the Fund's investments are expected to mature in the short-term (397 days or less), and the dollar-weighted average portfolio maturity of the Convenience Series will not exceed one year under normal conditions. Individual securities may have remaining maturities of greater than one year, but in any event not greater than five years from the date of the Convenience Series' purchase thereof. The remaining life of any agency mortgage pass-through security will be determined based on the weighted-average life of the security.

Illinois Metropolitan Investment Fund
Investment Policy - IMET Convenience Series (Continued)
September 30, 2012

13.0 Internal Control

The financial institution(s) shall establish a system of internal controls, which shall be documented in writing. The controls shall be annually reviewed by their auditor and shall be designed to prevent losses of public funds arising from failure to comply with the provisions of the Investment Act, fraud, employee error, misrepresentation by third parties, or imprudent actions by employees and officers of the firm. The financial institution(s) shall at all times have in place a fidelity bond or bonds covering the actions of its employees and officers relating to fraud, theft, dishonesty, and other willful acts which may result in the loss of Convenience Series assets. Such bond or bonds shall be maintained in amounts not less than \$5,000,000 per occurrence and \$10,000,000 in the annual aggregate, covering its duties. The financial institution(s) will also maintain a fidelity bond against employee theft, dishonesty, and related risk, and cover its duties in an amount not less than \$10,000,000 in the annual aggregate.

14.0 Performance Standards

The Convenience Series' investment strategy is designed so that the Convenience Series may maintain a stable \$1.00 per share price, although there is no guarantee that it will do so. The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio shall be designed with the objective of regularly meeting or exceeding the selected performance benchmark of Fed Funds, gross of fees. This index is considered a benchmark for lower risk investment transactions and, therefore, comprises an appropriate standard for the portfolio's rate of return.

15.0 Reporting

The financial institution(s) shall report to the Board at least quarterly on:

- a. Performance as compared to the benchmark.
- b. Asset allocation and duration as compared to the benchmark.
- c. Any deviation from the guidelines herein established.
- d. Significant changes in the portfolio under their management during the quarter.
- e. Economic and investment outlook for the near and long term.
- f. Monthly purchase and sale transactions.
- g. Any change in key personnel.

Illinois Metropolitan Investment Fund
Investment Policy - IMET Convenience Series (Continued)
September 30, 2012

16.0 Investment Policy Adoption

The Convenience Series' investment policy shall be adopted by resolution of the Board. The policy shall be reviewed annually by the Board and any modifications made thereto must be approved by the Board.

(Concluded)

STATISTICAL SECTION (Unaudited)

Illinois Metropolitan Investment Fund

Index for Statistical Section

September 30, 2012

This part of the Illinois Metropolitan Investment Fund's (IMET's) comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about IMET's overall financial health.

Contents

Page (s)

Financial Trends

These schedules contain trend information to help the reader understand how IMET's financial performance and well-being have changed over time.

Schedule of net assets	70 - 71
Schedule of changes in net assets - IMET 1-3 Year Series	72 - 73
Schedule of changes in net assets - IMET Convenience Series	74 - 75
Schedule of changes in net assets - IMET Administration Fund	76

Revenue Capacity

Revenue capacity information is not applicable to the Illinois Metropolitan Investment Fund.

Debt Capacity

Debt capacity information is not applicable to the Illinois Metropolitan Investment Fund.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment in which IMET's activities take place.

Principal employers - State of Illinois - fiscal years 2011 and 2002	77
Demographic and economic statistics - State of Illinois - calendar years 2001-2010	78

Operating Information

Operating information is not applicable to the Illinois Metropolitan Investment Fund.

Illinois Metropolitan Investment Fund
SCHEDULE OF NET ASSETS
Last Ten Fiscal Years

<u>Fiscal Year Ended September 30th</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Net assets held in trust for participants				
IMET 1-3 Year Series ¹	\$ 334,346,520	\$ 312,144,822	\$ 375,985,312	\$ 319,459,941
IMET Convenience Series ²	1,049,300,081	663,304,925	508,709,545	330,874,968
IMET Administration Fund ¹	<u>1,558,408</u>	<u>54,757</u>	-	-
Total net assets	<u>\$ 1,385,205,009</u>	<u>\$ 975,504,504</u>	<u>\$ 884,694,857</u>	<u>\$ 650,334,909</u>
Number of units outstanding				
IMET 1-3 Year Series ¹	17,589,148	16,400,694	19,910,917	17,300,260
IMET Convenience Series ²	<u>1,049,300,081</u>	<u>663,304,925</u>	<u>508,709,545</u>	<u>330,874,968</u>
Total units outstanding	<u>1,066,889,229</u>	<u>679,705,619</u>	<u>528,620,462</u>	<u>348,175,228</u>
Price per unit				
IMET 1-3 Year Series ¹	\$ 19.009	\$ 19.032	\$ 18.883	\$ 18.466
IMET Convenience Series ²	1.000	1.000	1.000	1.000

¹ IMET's operations activities were included in the 1-3 Year Series in fiscal years 2003 - 2010 and in fiscal year 2011 through December 31, 2010. Effective January 1, 2011, those activities were reported separately in the Administration Fund.

² The IMET Convenience Series was established on September 2, 2003. For the fiscal year ended September 30, 2003, the activities reported for the Illinois Metropolitan Investment Fund consisted solely of the IMET 1-3 Year Series.

Data Source: Illinois Metropolitan Investment Fund Comprehensive Annual Financial Reports

<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 181,920,272	\$ 132,424,610	\$ 130,764,704	\$ 170,651,850	\$ 285,110,546	\$ 300,446,900
221,126,359	254,508,762	218,964,199	118,389,298	12,325,078	-
-	-	-	-	-	-
<u>\$ 403,046,631</u>	<u>\$ 386,933,372</u>	<u>\$ 349,728,903</u>	<u>\$ 289,041,148</u>	<u>\$ 297,435,624</u>	<u>\$ 300,446,900</u>
10,279,838	7,877,633	8,213,887	11,118,439	18,743,658	19,944,753
<u>221,126,359</u>	<u>254,508,762</u>	<u>218,964,199</u>	<u>118,389,298</u>	<u>12,325,078</u>	<u>-</u>
<u>231,406,197</u>	<u>262,386,395</u>	<u>227,178,086</u>	<u>129,507,737</u>	<u>31,068,736</u>	<u>19,944,753</u>
\$ 17.697	\$ 16.810	\$ 15.920	\$ 15.349	\$ 15.211	\$ 15.064
1.000	1.000	1.000	1.000	1.000	N/A

Illinois Metropolitan Investment Fund
SCHEDULE OF CHANGES IN NET ASSETS - IMET 1-3 YEAR SERIES
 Last Ten Fiscal Years

Fiscal Year Ended September 30th	2012 ¹	2011 ^{1,2}	2010 ²	2009 ²
Additions				
Investment income				
Interest	\$ 2,994,982	\$ 4,742,901	\$ 6,584,917	\$ 7,077,345
Net appreciation (depreciation) in fair value of investments	(1,099,843)	(1,550,493)	1,486,358	3,023,693
Total income	<u>1,895,139</u>	<u>3,192,408</u>	<u>8,071,275</u>	<u>10,101,038</u>
Expenses				
Investment advisory fees	319,746	-	-	-
Transfer agent and fund accounting fees	191,848	-	-	-
Custodial fees	31,977	-	-	-
Total expenses	<u>543,571</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net investment income	<u>1,351,568</u>	<u>3,192,408</u>	<u>8,071,275</u>	<u>10,101,038</u>
Unit transactions				
Proceeds from sale of units to participants	<u>59,105,373</u>	<u>52,098,847</u>	<u>161,712,850</u>	<u>185,947,494</u>
Total additions	<u>60,456,941</u>	<u>55,291,255</u>	<u>169,784,125</u>	<u>196,048,532</u>
Deductions				
Administrative expenses:				
Management and administrative services	335,737	845,008	679,686	495,909
Compensation and related expenses	-	58,276	256,891	199,779
Consulting fee	-	-	-	-
Professional services	-	9,684	43,279	34,920
Insurance	-	7,500	30,049	30,241
Audit	-	7,200	20,500	22,150
Marketing	-	5,615	21,623	31,872
Administrative and other	-	20,163	78,911	110,532
Less reimbursement for operating expenses	-	(223,096)	(743,221)	(295,558)
Total administrative expenses	<u>335,737</u>	<u>730,350</u>	<u>387,718</u>	<u>629,845</u>
Cost of units redeemed by participants	<u>36,584,138</u>	<u>118,401,395</u>	<u>112,871,036</u>	<u>57,879,018</u>
Total deductions	<u>36,919,875</u>	<u>119,131,745</u>	<u>113,258,754</u>	<u>58,508,863</u>
Transfers out	<u>(1,335,368)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in net assets held in trust for participants	22,201,698	(63,840,490)	56,525,371	137,539,669
Net assets held in trust for participants:				
Beginning of year	<u>312,144,822</u>	<u>375,985,312</u>	<u>319,459,941</u>	<u>181,920,272</u>
End of year	<u>\$ 334,346,520</u>	<u>\$ 312,144,822</u>	<u>\$ 375,985,312</u>	<u>\$ 319,459,941</u>

¹ IMET's operations activities were included in the 1-3 Year Series in fiscal years 2002 - 2010 and in fiscal year 2011 through December 31, 2010. Effective January 1, 2011, those activities were reported separately in the Administration Fund.

² For fiscal years 2011 and prior, investment advisory fees, transfer agent and fund accounting fees, and custodial fees were included in management and administrative services expense.

Data Source: Illinois Metropolitan Investment Fund Comprehensive Annual Financial Reports

	<u>2008²</u>	<u>2007²</u>	<u>2006²</u>	<u>2005²</u>	<u>2004²</u>	<u>2003²</u>
\$	6,752,159	\$ 5,884,703	\$ 5,266,639	\$ 6,424,115	\$ 8,665,283	\$ 10,953,334
	<u>1,771,280</u>	<u>1,646,788</u>	<u>21,150</u>	<u>(4,237,413)</u>	<u>(5,133,777)</u>	<u>(2,442,396)</u>
	<u>8,523,439</u>	<u>7,531,491</u>	<u>5,287,789</u>	<u>2,186,702</u>	<u>3,531,506</u>	<u>8,510,938</u>
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	<u>8,523,439</u>	<u>7,531,491</u>	<u>5,287,789</u>	<u>2,186,702</u>	<u>3,531,506</u>	<u>8,510,938</u>
	<u>59,565,003</u>	<u>9,505,793</u>	<u>15,678,873</u>	<u>1,568,103</u>	<u>25,179,747</u>	<u>34,648,390</u>
	<u>68,088,442</u>	<u>17,037,284</u>	<u>20,966,662</u>	<u>3,754,805</u>	<u>28,711,253</u>	<u>43,159,328</u>
	331,965	254,613	402,435	278,609	474,154	501,955
	161,919	222,580	210,777	203,018	190,126	173,000
	-	-	-	-	-	59,363
	15,000	44,818	18,442	28,284	22,704	21,672
	33,127	32,836	32,542	32,041	31,613	27,815
	18,867	16,400	15,900	24,750	17,500	17,000
	35,648	38,013	33,135	27,920	7,816	14,265
	81,516	68,194	58,399	44,316	11,305	22,479
	<u>(245,204)</u>	<u>(271,353)</u>	<u>(363,527)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>432,838</u>	<u>406,101</u>	<u>408,103</u>	<u>638,938</u>	<u>755,218</u>	<u>837,549</u>
	<u>18,159,942</u>	<u>14,971,277</u>	<u>60,445,705</u>	<u>117,574,563</u>	<u>43,292,389</u>	<u>25,643,251</u>
	<u>18,592,780</u>	<u>15,377,378</u>	<u>60,853,808</u>	<u>118,213,501</u>	<u>44,047,607</u>	<u>26,480,800</u>
	-	-	-	-	-	-
	49,495,662	1,659,906	(39,887,146)	(114,458,696)	(15,336,354)	16,678,528
	<u>132,424,610</u>	<u>130,764,704</u>	<u>170,651,850</u>	<u>285,110,546</u>	<u>300,446,900</u>	<u>283,768,372</u>
\$	<u><u>181,920,272</u></u>	<u><u>132,424,610</u></u>	<u><u>130,764,704</u></u>	<u><u>170,651,850</u></u>	<u><u>285,110,546</u></u>	<u><u>300,446,900</u></u>

Illinois Metropolitan Investment Fund
SCHEDULE OF CHANGES IN NET ASSETS - IMET CONVENIENCE SERIES
Last Nine Fiscal Years

Fiscal Year Ended September 30th	2012	2011 ²	2010 ²
Additions			
Investment income			
Interest	\$ 2,913,789	\$ 2,409,716	\$ 2,577,858
Expenses			
Transfer agent and fund accounting fees	443,705	-	-
Net investment income	2,470,084	2,409,716	2,577,858
Unit transactions			
Proceeds from sale of units to participants	1,097,507,758	737,235,175	553,727,334
Distributions reinvested by participants	2,003,950	1,544,472	1,486,176
Total unit transactions	1,099,511,708	738,779,647	555,213,510
Total additions	1,101,981,792	741,189,363	557,791,368
Deductions			
Administrative expenses:			
Management and administrative services	353,558	827,559	977,919
Audit	-	-	-
Total administrative expenses	353,558	827,559	977,919
Distributions of income to participants	2,116,526	1,582,157	1,599,939
Cost of units redeemed by participants	713,516,552	584,184,267	377,378,933
Total deductions	715,986,636	586,593,983	379,956,791
Net increase (decrease) in net assets held in trust for participants	385,995,156	154,595,380	177,834,577
Net assets held in trust for participants:			
Beginning of year	663,304,925	508,709,545	330,874,968
End of year	\$ 1,049,300,081	\$ 663,304,925	\$ 508,709,545

¹ The IMET Convenience Series was established on September 2, 2003. The fiscal year ended September 30, 2004 was the first full year of operations for the Series.

² For fiscal years 2011 and prior, transfer agent and fund accounting fees were included in management and administrative services expense.

Data Source: Illinois Metropolitan Investment Fund Comprehensive Annual Financial Reports

<u>2009²</u>	<u>2008²</u>	<u>2007²</u>	<u>2006²</u>	<u>2005²</u>	<u>2004^{1 2}</u>
\$ <u>1,687,833</u>	\$ <u>7,628,873</u>	\$ <u>12,907,429</u>	\$ <u>8,925,306</u>	\$ <u>1,851,089</u>	\$ <u>106,268</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>1,687,833</u>	<u>7,628,873</u>	<u>12,907,429</u>	<u>8,925,306</u>	<u>1,851,089</u>	<u>106,268</u>
267,401,336	104,123,895	90,392,635	133,578,647	132,774,312	20,454,952
<u>1,246,570</u>	<u>7,241,234</u>	<u>12,494,649</u>	<u>8,469,957</u>	<u>1,724,801</u>	<u>96,905</u>
<u>268,647,906</u>	<u>111,365,129</u>	<u>102,887,284</u>	<u>142,048,604</u>	<u>134,499,113</u>	<u>20,551,857</u>
<u>270,335,739</u>	<u>118,994,002</u>	<u>115,794,713</u>	<u>150,973,910</u>	<u>136,350,202</u>	<u>20,658,125</u>
438,182	387,639	412,780	455,349	126,288	3,745
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,618</u>
<u>438,182</u>	<u>387,639</u>	<u>412,780</u>	<u>455,349</u>	<u>126,288</u>	<u>9,363</u>
<u>1,249,651</u>	<u>7,241,234</u>	<u>12,494,649</u>	<u>8,469,957</u>	<u>1,724,801</u>	<u>96,905</u>
<u>158,899,297</u>	<u>144,747,532</u>	<u>67,342,721</u>	<u>41,473,703</u>	<u>28,434,893</u>	<u>9,676,779</u>
<u>160,587,130</u>	<u>152,376,405</u>	<u>80,250,150</u>	<u>50,399,009</u>	<u>30,285,982</u>	<u>9,783,047</u>
109,748,609	(33,382,403)	35,544,563	100,574,901	106,064,220	10,875,078
<u>221,126,359</u>	<u>254,508,762</u>	<u>218,964,199</u>	<u>118,389,298</u>	<u>12,325,078</u>	<u>1,450,000</u>
\$ <u><u>330,874,968</u></u>	\$ <u><u>221,126,359</u></u>	\$ <u><u>254,508,762</u></u>	\$ <u><u>218,964,199</u></u>	\$ <u><u>118,389,298</u></u>	\$ <u><u>12,325,078</u></u>

Illinois Metropolitan Investment Fund
SCHEDULE OF CHANGES IN NET ASSETS - IMET ADMINISTRATION FUND
Last Two Fiscal Years

Fiscal Year Ended September 30th	2012	2011 ¹
Additions		
Fee income	\$ 692,576	\$ 540,903
Interest	5,305	3,776
Other income	1,188	166
Total additions	<u>699,069</u>	<u>544,845</u>
Deductions		
Administrative expenses:		
Management and administrative services	6,503	54,910
Compensation and related expenses	275,452	205,887
Professional services	47,544	59,198
Insurance	51,110	44,341
Audit	20,000	14,800
Marketing	29,723	24,784
Administrative and other	100,454	86,168
Total deductions	<u>530,786</u>	<u>490,088</u>
Transfers in	<u>1,335,368</u>	<u>-</u>
Net increase in net assets held in trust for participants	1,503,651	54,757
Net assets held in trust for participants:		
Beginning of year	<u>54,757</u>	<u>-</u>
End of year	<u>\$ 1,558,408</u>	<u>\$ 54,757</u>

¹ IMET's operations activities were included in the 1-3 Year Series through December 31, 2010. Effective January 1, 2011, those activities were reported separately in the Administration Fund.

Data Source: Illinois Metropolitan Investment Fund Comprehensive Annual Financial Reports

Illinois Metropolitan Investment Fund
PRINCIPAL EMPLOYERS - STATE OF ILLINOIS
FISCAL YEARS 2011 AND 2002

<u>2011</u> *		
Employer	Employees	% of Total Employment
State of Illinois	68,146	1.15%
U.S. Government	55,100	0.93%
Wal-Mart	45,780	0.77%
Chicago School Board	39,945	0.68%
City of Chicago	36,889	0.62%
Jewel Food Stores	33,030	0.56%
U.S. Postal Service	30,500	0.52%
University of Illinois	28,573	0.48%
Sears	24,050	0.41%
Cook County	23,892	0.40%
	<u>385,905</u>	<u>6.52%</u>
 <u>2002</u>		
Employer	Employees	% of Total Employment
State of Illinois	87,421	1.43%
U.S. Government	49,100	0.80%
Chicago School Board	46,179	0.76%
U.S. Postal Service	43,500	0.71%
City of Chicago	41,948	0.69%
Abbott Laboratories	36,875	0.60%
McLane Company	30,575	0.50%
Jewel Food Stores	30,570	0.50%
Sears	30,240	0.49%
Motorola	29,620	0.48%
	<u>426,028</u>	<u>6.96%</u>

* 2011 information is the most recent information available.

Note: Information presented is representative of the State of Illinois as a whole.

Data Source: State of Illinois Comprehensive Annual Financial Report June 30, 2011

Illinois Metropolitan Investment Fund
 DEMOGRAPHIC AND ECONOMIC STATISTICS - STATE OF ILLINOIS
 CALENDAR YEARS 2001 - 2010

Year	(a) Population	(b) Per Capita Income	(a) x (b) Personal Income	Unemployment Rate
2010 *	12,843,000	\$ 42,057	\$ 540,138,943,000	10.5%
2009	12,797,000	41,057	525,411,146,000	10.0%
2008	12,747,000	43,498	554,467,249,000	6.4%
2007	12,696,000	41,949	532,587,009,000	5.1%
2006	12,644,000	39,900	504,493,021,000	4.6%
2005	12,610,000	37,436	472,072,676,000	5.8%
2004	12,590,000	36,163	455,290,572,000	6.2%
2003	12,556,000	34,717	435,900,840,000	6.7%
2002	12,526,000	33,792	423,278,085,000	6.5%
2001	12,488,000	33,234	415,020,394,000	5.4%

* 2010 information is the most recent information available.

Note: Information presented is representative of the State of Illinois as a whole.

Data Source: State of Illinois Comprehensive Annual Financial Report June 30, 2011