



+COUNCIL AGENDA REPORT

**City of Anaheim
OFFICE OF THE CITY TREASURER**

DATE: JUNE 22, 2010
FROM: OFFICE OF THE CITY TREASURER
SUBJECT: INVESTMENT PORTFOLIO REPORT – MAY 2010

ATTACHMENT (Y/N): YES ITEM #

RECOMMENDATION:

That the City Council, by Motion, approve the Investment Portfolio Report for May 2010.

DISCUSSION:

This is the investment report for the City’s general pool for the month ending May 31, 2010. The report is provided to ensure that the City Council is informed as to the investment activities and fulfills the reporting requirements of the City’s adopted investment policy.

COMPLIANCE:

All investment transactions were executed in accordance with the California Government Code and the City’s Investment Policy. There is sufficient liquidity to meet the City’s anticipated expenditure requirements for the next six months.

INVESTMENT SUMMARY:

The following table shows summary investment information for the month ending May 31, 2010:

	Short-term Portfolio	Long-term Portfolio	Total Portfolio Values
Portfolio Balance (Market Value)	\$ 122,993,132	\$ 251,525,293	\$ 374,518,425
Effective Yield	0.33 %	2.62 %	1.86 %
Avg. Weighted Maturity	23 Days	2.2 Years	1.5 Years
Net Earnings	\$ 38,352	\$ 535,905	\$ 574,257
Benchmark*	0.15 %	0.77 %	0.55 %

* Benchmark value is the Interpolated Treasury Yield to the Portfolio’s Avg. Weighted Maturity

INVESTMENT ACTIVITIES

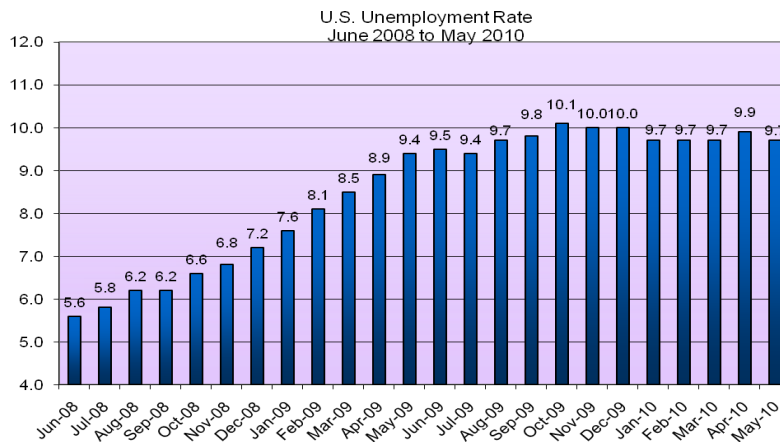
The City Treasurer’s Investment Portfolio received a credit rating of AAf and a volatility rating of S1 from Standard and Poor’s in July 2008. The portfolio is reviewed monthly by Standard and Poor’s for portfolio holdings, liquidity values and the overall management of the investment staff. Standard and Poor’s reaffirmed the City’s AAf credit rating during their annual July 2009 due diligence review. The City of Anaheim is only the fourth City in the country at this time to receive the prestigious credit rating.

In addition to independent verification of the high standard for the City’s investment program, the AAf credit rating is recognized by leading bond insurer's as a highly safe investment option for future City bond issues and to include the City’s portfolio as a ‘permitted investment’ in the bond covenants.

On August 11, 2008, the City of Anaheim’s Investment Policy was recognized and certified by the Association of Professional Treasurers of the United States and Canada (APT US&C) as meeting all standards and criteria established by the APT US&C.

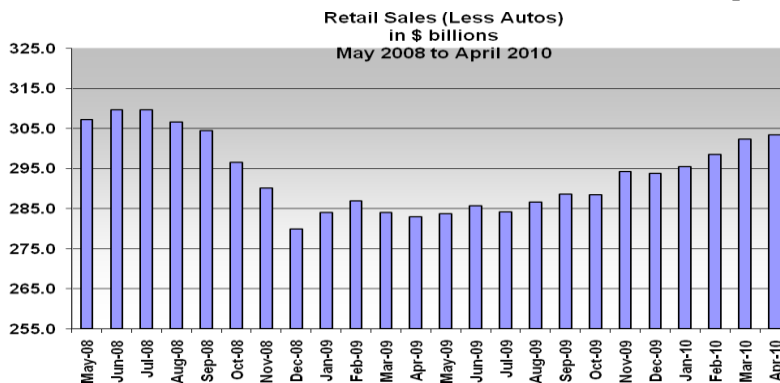
INVESTMENT ENVIRONMENT

The national economy continues to show marginal signs of growth. Uncertainty is still the key description in the slow recovery we are seeing. One economic indicator looked at closely every month is the national unemployment rate. From a low of just over 5.6% in June 2008, the unemployment rate hit 10.1% in October 2009 and has remained at 9.7% or higher. This indicator is considered a “lagging” economic indicator and does not reflect current economic conditions. It appears unemployment will continue to stay at current levels for the next several months as other economic sectors of the economy continue to show mixed results. The chart below shows the national unemployment rate for the past twenty four months:



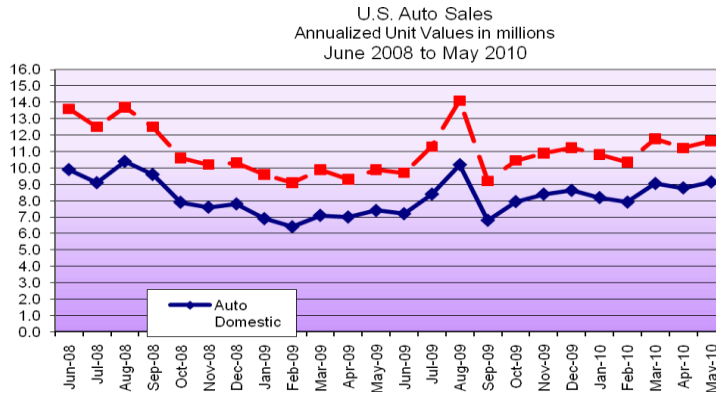
Source: Bureau of Statistics, Dept of Labor

Another key economic factor we watch is the economic strength of the consumer as measured in the monthly Retail Sales (Less Autos) figures. The chart below shows the significant drop in consumer spending during the financial crises in late 2008, however, overall consumer spending has slowly risen back to levels seen in early 2008. This increase reflects the daily buying of consumers and does not indicate the level of “large” or “major” purchases, such as autos, houses, etc. The chart below shows Retail Sales (less Autos) for the past twenty four months:



Source: Census Bureau, US Government

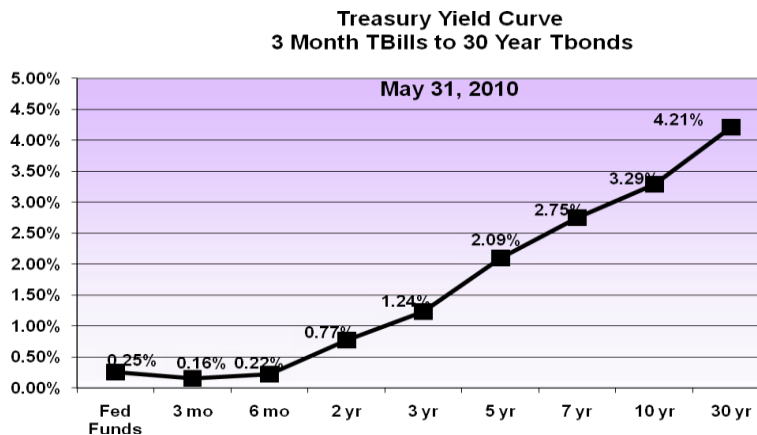
Along with Retail Sales, we look at Auto sales as an indicator of consumer buying sentiment. With the rapid increase in unemployment and uncertainty in the financial markets, auto sales in the United States have decreased significantly in the past two years. The chart below shows the monthly annualized auto sales for the past twenty four months:



Source: Bloomberg Financial System

Interest rates for the month ending May 2010 were mixed, with short-term (under one year) remaining unchanged from the March and April 2010 levels, while longer term rates of two years to thirty years continued to decline. Concern in the international markets, with the European Union addressing the financial crises in Greece, and additional financial stress about Portugal, Spain and Italy, caused some investors to seek a safe haven or “flight to quality” in purchasing U.S. Treasury debt. The Federal Reserve’s ‘Federal Open Market Committee’ (FOMC) meeting on April 28, 2010 continued to reaffirm the benchmark Federal Funds rate at the range of 0.0% to 0.25%. This key market interest rate has remained at this level since the FOMC meeting on December 16, 2008. The statement issued by the FOMC to justify the continued low interest rates is a “risk to growth” in the overall economy. The Federal Funds interest rate is the interest rate that banks charge other banks to borrow money. The Federal Reserve has continued to indicate that with the slow economic recovery and absence of evidence of sustainability, their posture is to hold short term interest rates at current levels for the foreseeable future. A majority of economists and market participants do not anticipate an increase in interest rates until early in 2011.

The City’s short-term portfolio ended May1 earning 0.33%, as compared to the three month U.S. Treasury bill yield of 0.16%. The longer term portfolio’s yield was 2.62%, which exceeded the interpolated yield of 0.55% for the month of May 2010. Interest rates have traded in a range for the past twelve months and we do not anticipate any further material rise in interest rates until either inflationary pressures increase or the Federal Reserve changes its current strategy. The chart below shows the interest rates for U. S. Treasury issues for month ending May 2010:



Source: Bloomberg Financial Systems

The City’s investment portfolio remains strongly diversified and invested in high credit quality issues of U.S. Treasuries, Federal Agencies, Medium Term Corporate Notes and high grade commercial paper. Investments in money market accounts are restricted to U.S. Treasury and Federal Agencies only and a review of the State of California Local Agency Investment Fund (LAIF) shows high levels of liquidity and safe investments. The City’s investment strategy continues to focus on safety and providing liquidity for the City’s operational requirements.

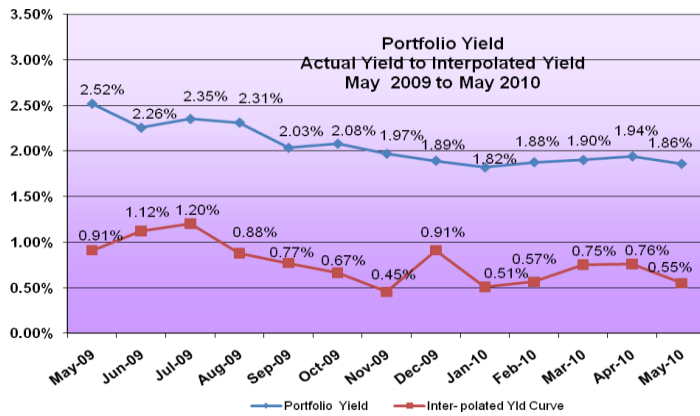
INVESTMENT PERFORMANCE

For May 2010, the City Treasurer’s Investment Portfolio performance was:

	Amount of Funds (Market Value)	Maturity	Effective Yield	Interpolated Yield	Total Return Monthly	Total Return Annual
Short-Term Portfolio	\$ 122,993,132	23 days	0.33 %	0.14 %	0.032	0.458
Long-Term Portfolio	\$ 251,525,293	2.2 years	2.62 %	0.77 %	0.414	3.483
Total Portfolio	\$ 374,518,425	1.5 years	1.86 %	0.55 %	0.283	2.600

Please note the use of interpolated yield values and total return values are guidelines and not used in the performance evaluation of the portfolio. The investment of public funds is exposed to a large range of variable factors, such as increases or decreases in revenues and expenditures as well as seasonal timing, which can affect the cash flow of the City.

The City’s investment portfolio continues to provide a market rate of return on funds as shown in the following graph which shows the City’s net overall performance to a market indicator for the past thirteen months:



Source: Treasurer’s Office, Anaheim

A complete listing of the portfolio holdings and investment activity for the City of Anaheim’s Investment Portfolio for the month of May 2010 is on the following pages.

IMPACT ON BUDGET:

None.

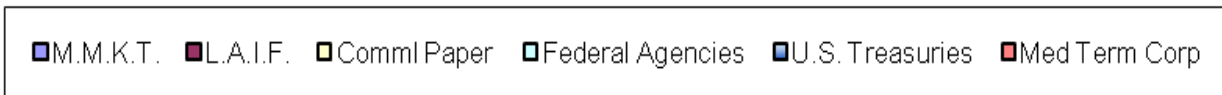
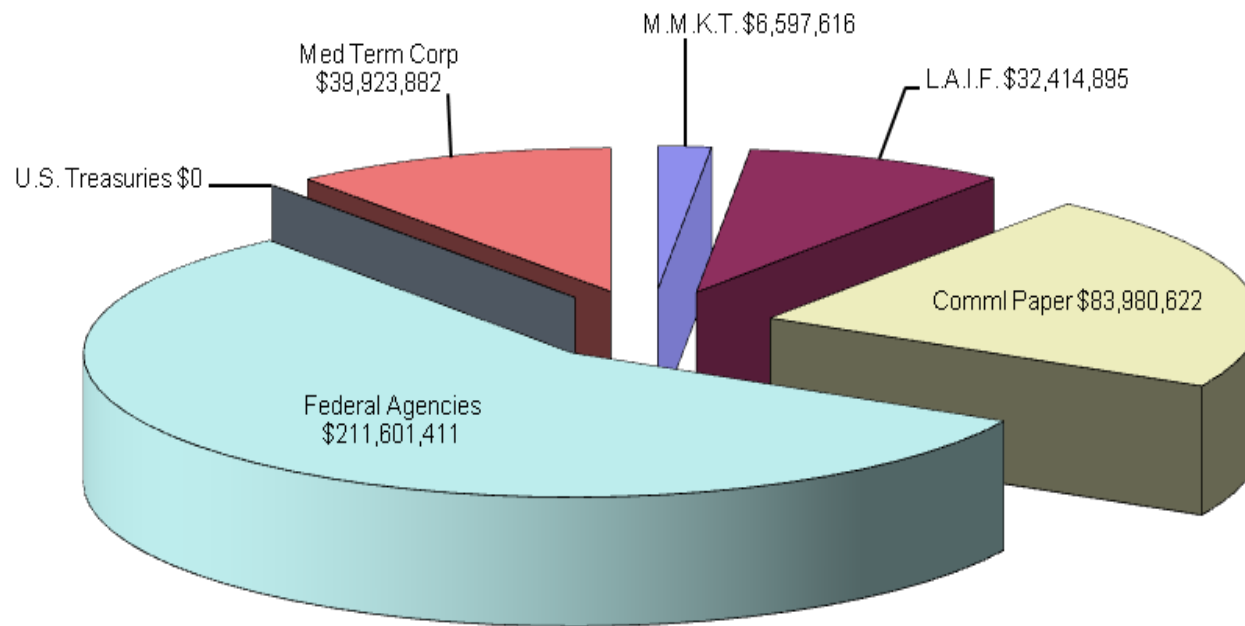
Respectfully submitted,

Henry W. Stern, CTP
City Treasurer

Balances, Yields and Average Maturities**May 31, 2010**

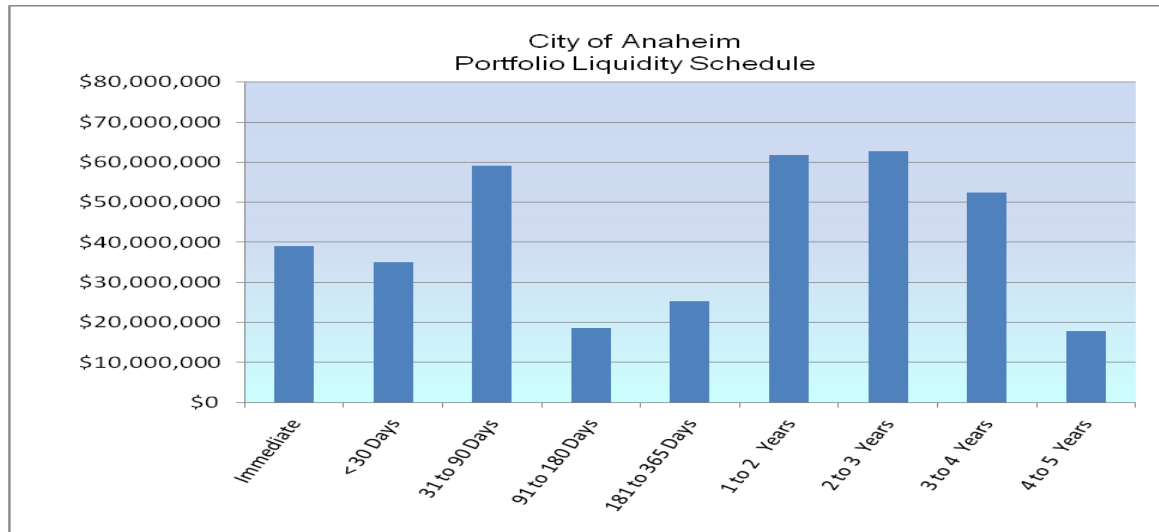
<u>Description</u>	<u>Par Value</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Yield to Maturity</u>	<u>Percent of Total Funds</u>	<u>Average Weighted Maturity</u>	
						<u>Days</u>	<u>Years</u>
Short-Term Portfolio							
Money Market Funds	\$6,597,616	\$6,597,616	\$6,597,616	0.21%	1.76%	1	0.00
L.A.I.F. (State of California	\$32,414,895	\$32,414,895	\$32,414,895	0.59%	8.66%	1	0.00
subtotal: Cash and Overnight Investments	\$39,012,510	\$39,012,510	\$39,012,510		10.42%	1	0.00
Commercial Paper	\$84,000,000	\$83,980,622	\$83,980,622	0.25%	22.42%	33	0.09
Medium Term Corporate Notes	\$0	\$0	\$0	0.00%	0.00%	0	0.00
U.S. Federal Agencies	\$0	\$0	\$0	0.00%	0.00%	0	0.00
U.S. Treasury	\$0	\$0	\$0	0.00%	0.00%	0	0.00
subtotal: Pooled Investments	\$84,000,000	\$83,980,622	\$83,980,622	0.25%	22.42%	28	0.08
Total Short-Term Portfolio:	\$123,012,510	\$122,993,132	\$122,993,132	0.33%	32.84%	23	0.06
Long -Term Portfolio							
Commercial Paper	\$0	\$0	\$0		0.00%	0	0.00
Medium Term Corporate Notes	\$38,369,000	\$39,135,088	\$39,923,882	3.66%	10.66%	591	1.62
U.S. Federal Agencies	\$207,488,000	\$207,566,954	\$211,601,411	2.43%	56.50%	842	2.31
U.S. Treasury	\$0	\$0	\$0	0.00%	0.00%	0	0.00
Total Long-Term Portfolio:	\$245,857,000	\$246,702,042	\$251,525,293	2.62%	67.16%	802	2.20
Total Cash and Pooled Investments	\$368,869,510	\$369,695,174	\$374,518,425	1.86%	100.00%	543	1.49

City of Anaheim
Investment Portfolio Asset Allocation
May 31, 2010
\$ 374,518,425



Liquidity Schedule
 May 31, 2010

	<u>Availability</u>	<u>Market Value</u>	<u>Cumulative Balances</u>	<u>% of Total Assets</u>
Money Market Funds	Immediate	\$6,597,616	\$6,597,616	1.78%
L.A.I.F. (State of California)	Immediate	\$32,414,895	\$39,012,510	10.50%
Pooled Investment Maturities:	< 30 Days	\$34,996,952	\$74,009,462	19.92%
	31 to 90 Days	\$59,027,420	\$133,036,882	35.81%
	91 to 180 Days	\$18,492,626	\$151,529,508	40.79%
	181 to 365 Days	\$25,200,000	\$176,729,508	47.57%
	1 to 2 years	\$61,840,389	\$238,569,897	64.21%
	2 to 3 years	\$62,797,917	\$301,367,813	81.12%
	3 to 4 years	\$52,430,768	\$353,798,581	95.23%
	4 to 5 years	\$17,719,844	\$371,518,425	100.00%
Total Cash and Pooled Investments:		\$371,518,425		



Summary and Comparison of Yields and Balances
May 31, 2010

<u>Description</u>	<u>Current Month</u> <u>May 31, 2010</u>	<u>Prior Month</u> <u>April 30, 2010</u>
Yield to Maturity (at market):		
Money Market Funds (US Treasuries)	0.02%	0.01%
L.A.I.F. (State of California)	0.59%	0.55%
U.S. Treasuries	0.00%	0.00%
Federal Agency Bonds	2.43%	2.45%
Commercial Paper	0.25%	0.20%
Medium Term Corporate Notes	3.66%	4.26%
	1.86%	1.94%
Weighted Average Maturity (Days)	543	593
Weighted Average Maturity (Years)	1.49	1.62
Balances (at Market Value)		
Money Market Funds (US Gov Sec)	\$6,597,616	\$534,755
L.A.I.F. (State of California)	\$32,414,895	\$45,830,895
U.S. Treasuries	\$0	\$0
Federal Agencies	\$211,601,411	\$236,021,943
Commercial Paper	\$83,980,622	\$62,989,394
Medium Term Corporate Notes	\$39,923,882	\$25,283,493
Total Portfolio:	\$374,518,425	\$370,660,480
	<u>Current Month</u>	<u>Fiscal Year to</u>
Earnings:	<u>May 31, 2010</u>	<u>Date Earnings</u>
Total Interest Earnings for Month:	\$566,424.47	\$6,724,953.17
Total Adjustments from Premiums and Discounts	\$3,387.86	-\$45,377.30
Total Capital Gains or Losses	\$4,444.44	\$146,108.68
Total Earnings for Month	\$574,256.77	\$6,825,684.55

City Treasurer's Investment Report – May 2010

Attachment 1

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CITY OF
ANAHEIM
Short-Term Portfolio Listing

May 31, 2010

CUSIP	Security #	Issuer	Security Type	S&P	Par Value	Book Value	Market Value	Purchase Date	Maturity Date	Stated Rate
SYS17430	17430	LAIF	MMKT	AA	14,715,313.19	14,715,313.19	14,715,313.19		6/1/2010	0.59%
SYS17431	17431	LAIF	MMKT	AA	17,699,581.70	17,699,581.70	17,699,581.70		6/1/2010	0.59%
SYS987	987	FIDELITY GOVERNMENT MMKT	MMKT	AAA	5,419,520.83	5,419,520.83	5,419,520.83		6/1/2010	0.02%
SYS500	500	GOLDMAN SACHS PRIME	MMKT	AAA	1,178,094.77	1,178,094.77	1,178,094.77		6/1/2010	0.03%
4662J1F47	1493	JP Morgan	CP	A-1	5,000,000.00	4,999,905.25	4,999,905.25	04/29/2010	06/04/2010	0.23%
0660P1F48	1490	BANK OF AMERICA	CP	A-1	5,000,000.00	4,999,905.25	4,999,905.25	04/20/2010	06/04/2010	0.23%
1667X1F92	1499	CHEVRON	CP	A-1	5,000,000.00	4,999,791.28	4,999,791.28	05/11/2010	06/09/2010	0.19%
00282DFF2	1504	Abbott Labs	CP	A-1	5,000,000.00	4,999,577.09	4,999,577.09	05/14/2010	06/15/2010	0.22%
19121BFJ3	1489	COCA COLA	CP	A-1	5,000,000.00	4,999,509.73	4,999,509.73	04/20/2010	06/18/2010	0.21%
36959JFJ7	1497	GENERAL ELEC CP	CP	AAA	5,000,000.00	4,999,486.42	4,999,486.42	04/30/2010	06/18/2010	0.22%
0660P1FU0	1500	BANK OF AMERICA	CP	A-1	5,000,000.00	4,998,776.74	4,998,776.74	05/13/2010	06/28/2010	0.33%
0660P1G21	1491	BANK OF AMERICA	CP	A-1	5,000,000.00	4,998,844.27	4,998,844.27	04/28/2010	07/02/2010	0.27%
36959SG23	1501	GE COMPANY CP	CP	A-1	5,000,000.00	4,998,844.40	4,998,844.40	05/13/2010	07/02/2010	0.27%
02665KG68	1498	American Honda	CP	A	4,000,000.00	3,999,149.38	3,999,149.38	04/30/2010	07/06/2010	0.22%
89233HG99	1506	TOYOTA MOTOR CREDIT	CP	A-1	5,000,000.00	4,998,688.33	4,998,688.33	05/14/2010	07/09/2010	0.25%
4662J1GD6	1505	JP Morgan	CP	A-1	5,000,000.00	4,998,550.23	4,998,550.23	05/14/2010	07/13/2010	0.25%
02665KGG6	1503	American Honda	CP	A-1	5,000,000.00	4,998,322.44	4,998,322.44	05/14/2010	07/16/2010	0.27%
90526NGG4	1507	UNION BANK	CP	A-1	5,000,000.00	4,998,322.53	4,998,322.53	05/21/2010	07/16/2010	0.27%
71344UGP8	1502	Pepsico	CP	A-1	5,000,000.00	4,998,492.12	4,998,492.12	05/14/2010	07/23/2010	0.21%
19121BHD4	1509	COCA COLA	CP	A-1	5,000,000.00	4,997,480.02	4,997,480.02	05/21/2010	08/13/2010	0.25%
64105HHD7	1508	Nestle Capital	CP	A-1	5,000,000.00	4,996,976.20	4,996,976.20	05/21/2010	08/13/2010	0.30%
Total Short-Term Portfolio:					<u>123,012,510.49</u>	<u>122,993,132.17</u>	<u>122,993,132.17</u>			<u>0.33%</u>

City Treasurer's Investment Report – May 2010

Attachment 1

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Long-Term Portfolio Listing

CUSIP	Security #	Issuer	Security Type	S&P	Par Value	Book Value	Market Value	Purchase Date	Maturity Date	Stated Rate
92976WAT3	1340	WELLS FARGO CO	MTN	AA	3,000,000.00	3,000,000.00	3,000,000.00	01/20/2009	06/01/2010	4.38%
31331Y3U2	1298	FEDERAL FARM CREDIT BANK	Fed Ag	AAA	10,000,000.00	9,999,951.39	10,043,750.00	07/21/2008	07/21/2010	3.30%
3136FHFE0	1363	FED NATL MORTGAGE ASSN	Fed Ag	AAA	10,000,000.00	10,007,540.00	10,037,500.00	04/01/2009	09/16/2010	1.50%
94974BAZ3	1334	WELLS FARGO CO	MTN	AA	8,364,000.00	8,365,301.07	8,455,125.78	12/23/2008	10/29/2010	3.98%
31331GJY6	1338	FEDERAL FARM CREDIT BANK	Fed Ag	AAA	5,000,000.00	5,002,342.54	5,034,375.00	01/15/2009	01/12/2011	1.60%
3133XT4D5	1365	FEDERAL HOME LOAN BANKS	Fed Ag	AAA	10,000,000.00	10,015,280.85	10,090,625.00	04/01/2009	03/16/2011	1.63%
3133XTJ64	1380	FEDERAL HOME LOAN BANKS	Fed Ag	AAA	10,000,000.00	10,003,551.62	10,075,000.00	05/01/2009	05/16/2011	1.38%
3133XW4V8	1460	FEDERAL HOME LOAN BANKS	Fed Ag	AAA	5,000,000.00	4,993,876.85	4,998,437.50	12/30/2009	06/30/2011	0.80%
3133XH6G2	1039 C	FEDERAL HOME LOAN BANKS	Fed Ag	AAA	5,000,000.00	5,000,000.00	5,304,687.50	09/29/2006	09/29/2011	5.34%
31331Y3P3	1296	FEDERAL FARM CREDIT BANK	Fed Ag	AAA	10,000,000.00	9,992,258.03	10,365,625.00	07/15/2008	10/03/2011	3.50%
3133XVQL8	1456	FEDERAL HOME LOAN BANKS	Fed Ag	AAA	3,240,000.00	3,240,050.66	3,256,200.00	12/28/2009	12/09/2011	1.13%
3137EACF4	1454	FED HOME LOAN MORT CORP	Fed Ag	AAA	5,000,000.00	5,003,369.45	5,025,000.00	12/28/2009	12/15/2011	1.13%
3136FJF89	1459	FED NATL MORTGAGE ASSN	Fed Ag	AAA	5,000,000.00	4,987,355.56	5,018,750.00	12/30/2009	12/30/2011	1.13%
38141GBU7	1511	Goldman Sachs Group	MTN	A	9,005,000.00	9,524,351.95	9,451,846.11	05/28/2010	01/15/2012	6.60%
36962GXS8	1510	GENERAL ELEC CAP CORP	MTN	AA	5,000,000.00	5,307,447.81	5,308,905.00	05/28/2010	02/15/2012	5.88%
3136FHEV3	1362	FED NATL MORTGAGE ASSN	Fed Ag	AAA	8,000,000.00	8,041,358.21	8,087,500.00	04/01/2009	03/23/2012	2.38%
3133XWDC0	1458	FEDERAL HOME LOAN BANKS	Fed Ag	AAA	5,000,000.00	4,986,041.18	5,023,437.50	12/28/2009	05/25/2012	1.25%
3128X8H62	1391	FED HOME LOAN MORT CORP	Fed Ag	AAA	5,000,000.00	5,000,000.00	5,001,150.00	06/08/2009	06/08/2012	1.75%
3136F94U4	1342	FED NATL MORTGAGE ASSN	Fed Ag	AAA	2,500,000.00	2,500,000.00	2,525,000.00	02/03/2009	08/03/2012	2.00%
31359MPF4	1286	FED NATL MORTGAGE ASSN	Fed Ag	AAA	10,000,000.00	10,042,717.89	10,721,875.00	06/25/2008	09/15/2012	4.38%
3133XVNT4	1470	FEDERAL HOME LOAN BANKS	Fed Ag	AAA	9,850,000.00	9,880,471.60	9,960,812.50	02/04/2010	12/14/2012	1.75%
3136FJD57	1455	FED NATL MORTGAGE ASSN	Fed Ag	AAA	1,200,000.00	1,198,393.20	1,201,125.00	12/28/2009	12/28/2012	1.90%
3137EACG2	1469	FED HOME LOAN MORT CORP	Fed Ag	AAA	5,000,000.00	4,965,975.38	5,007,812.50	01/29/2010	01/09/2013	1.38%
31398AME9	1206	FED NATL MORTGAGE ASSN	Fed Ag	AAA	10,000,000.00	10,000,000.00	10,653,125.00	01/28/2008	01/28/2013	4.00%
949746NY3	1333	WELLS FARGO CO	MTN	AA	8,000,000.00	7,939,745.97	8,376,440.00	12/23/2008	01/31/2013	4.38%
02666QB69	1237	American Honda	MTN	A	5,000,000.00	4,998,241.61	5,331,565.00	04/02/2008	04/02/2013	4.63%
3128X8TZ5	1368	FED HOME LOAN MORT CORP	Fed Ag	AAA	3,955,000.00	3,952,337.46	4,019,011.68	04/14/2009	04/08/2013	2.50%

May 31, 2010

City Treasurer's Investment Report – May 2010

Attachment 1

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ANAHEIM

Long-Term Portfolio Listing

CUSIP	Security #	Issuer	Security Type	S&P	Par Value	Book Value	Market Value	Purchase Date	Maturity Date	Stated Rate
3133XTNY8	1390	FEDERAL HOME LOAN BANKS	Fed Ag	AAA	1,685,000.00	1,683,417.39	1,708,168.75	06/03/2009	06/03/2013	2.38%
3136FJZZ7	1457	FED NATL MORTGAGE ASSN	Fed Ag	AAA	2,175,000.00	2,169,038.01	2,186,554.69	12/28/2009	06/28/2013	2.00%
3128X9VY3	1472	FED HOME LOAN MORT CORP	Fed Ag	AAA	5,000,000.00	4,996,762.90	5,013,255.00	02/11/2010	07/29/2013	2.25%
3133XSP93	1330	FEDERAL HOME LOAN BANKS	Fed Ag	AAA	6,845,000.00	6,872,844.45	7,170,137.50	12/15/2008	12/13/2013	3.13%
31398AWH1	1367	FED NATL MORTGAGE ASSN	Fed Ag	AAA	5,000,000.00	5,019,982.21	5,085,937.50	04/14/2009	04/07/2014	2.90%
31331GTJ8	1369	FEDERAL FARM CREDIT BANK	Fed Ag	AAA	8,000,000.00	8,003,722.67	8,217,500.00	04/17/2009	04/17/2014	2.63%
31331GTJ8	1379	FEDERAL FARM CREDIT BANK	Fed Ag	AAA	4,500,000.00	4,482,940.82	4,622,343.75	05/01/2009	04/17/2014	2.63%
31331GTJ8	1468	FEDERAL FARM CREDIT BANK	Fed Ag	AAA	4,000,000.00	4,051,094.70	4,108,750.00	01/29/2010	04/17/2014	2.63%
3128X8YK2	1381	FED HOME LOAN MORT CORP	Fed Ag	AAA	4,038,000.00	4,022,189.37	4,107,183.05	05/01/2009	04/29/2014	2.75%
31331GVG1	1392	FEDERAL FARM CREDIT BANK	Fed Ag	AAA	5,000,000.00	4,927,021.65	5,103,125.00	05/28/2009	05/06/2014	2.75%
31398AXJ6	1496	FED NATL MORTGAGE ASSN	Fed Ag	AAA	5,000,000.00	5,038,854.16	5,107,812.50	04/30/2010	05/15/2014	2.50%
3133XTRN8	1393	FEDERAL HOME LOAN BANKS	Fed Ag	AAA	7,500,000.00	7,463,975.00	7,502,343.75	06/02/2009	06/02/2014	3.00%
31398AZV7	1495	FED NATL MORTGAGE ASSN	Fed Ag	AAA	8,000,000.00	8,020,720.78	8,175,000.00	04/30/2010	11/20/2014	2.63%
3133XWX95	1481	FEDERAL HOME LOAN BANKS	Fed Ag	AAA	2,000,000.00	2,001,517.57	2,042,500.00	03/19/2010	03/13/2015	2.75%
Total Long-Term Portfolio:					<u>245,857,000.00</u>	<u>246,702,041.96</u>	<u>251,525,292.56</u>			<u>2.62%</u>
Total Portfolio:					<u>368,869,510.49</u>	<u>369,695,174.13</u>	<u>374,518,424.73</u>			<u>1.86%</u>

**Mat Call Sale Purch
 Purchases Report
 Sorted by Fund - Fund
 May 1, 2010 - May 31, 2010**

CUSIP	Investment #	Fund	Sec. Type Issuer	Original Par Value	Purchase Date	Payment Periods	Principal Purchased	Accrued Interest at Purchase	Rate at Purchase	Maturity Date	YTM %	Ending Book Value
SHORT- TERM PORTFOLIO												
1667X1F92	1499	01	ACP CHEVRN	5,000,000.00	05/11/2010	06/09 - At Maturity	4,999,234.72		0.190	06/09/2010	0.190	4,999,791.28
0660P1FU0	1500	01	ACP BAC	5,000,000.00	05/13/2010	06/28 - At Maturity	4,997,891.67		0.330	06/28/2010	0.330	4,998,776.74
369599G23	1501	01	ACP GE COM	5,000,000.00	05/13/2010	07/02 - At Maturity	4,998,126.00		0.270	07/02/2010	0.270	4,998,844.40
4662J1GD5	1505	01	ACP JPM	5,000,000.00	05/14/2010	07/13 - At Maturity	4,997,916.67		0.260	07/13/2010	0.250	4,998,550.23
00282DF2	1504	01	ACP ABT	5,000,000.00	05/14/2010	06/15 - At Maturity	4,999,022.22		0.220	06/15/2010	0.220	4,999,577.09
02665KGG6	1503	01	ACP HND4	5,000,000.00	05/14/2010	07/16 - At Maturity	4,997,637.50		0.270	07/16/2010	0.270	4,998,322.44
71344UGP8	1502	01	ACP PEPSIC	5,000,000.00	05/14/2010	07/23 - At Maturity	4,997,958.33		0.210	07/23/2010	0.210	4,998,492.12
89233HG99	1506	01	ACP TOYOC	5,000,000.00	05/14/2010	07/09 - At Maturity	4,998,056.56		0.260	07/09/2010	0.250	4,998,688.33
19121BHD4	1509	01	ACP COCA C	5,000,000.00	05/21/2010	08/13 - At Maturity	4,997,083.33		0.250	08/13/2010	0.250	4,997,480.02
64105HHD7	1508	01	ACP NESTLE	5,000,000.00	05/21/2010	08/13 - At Maturity	4,996,500.00		0.300	08/13/2010	0.300	4,996,976.20
90526NGG4	1507	01	ACP UNION	5,000,000.00	05/21/2010	07/16 - At Maturity	4,997,900.00		0.270	07/16/2010	0.270	4,998,322.53
Subtotal				55,000,000.00			64,877,326.00	0.00				64,883,821.28
LONG-TERM PORTFOLIO												
36962GX98	1510	02	MTN GECC	5,000,000.00	05/28/2010	08/15 - 02/15	5,308,950.00	84,045.14	5.875	02/15/2012	2.150	5,307,447.81
38141GBU7	1511	02	MTN GOLDM	9,006,000.00	05/28/2010	07/15 - 01/15	9,527,019.85	219,571.92	6.600	01/15/2012	2.890	9,524,351.95
Subtotal				14,006,000.00			14,835,969.85	303,617.06				14,831,799.78
Managed Pool Deposits												
				Deposit Amount	Deposit Date		Deposit Amount		Rate			
SYS987	987	01	PA2 FIDELI	6,370,000.00	05/05/2010		6,370,000.00		0.510			
SYS987	987	01	PA2 FIDELI	8,135,000.00	05/06/2010		8,135,000.00		0.510			
SYS987	987	01	PA2 FIDELI	15,133,266.28	05/11/2010		15,133,266.28		0.510			
SYS987	987	01	PA2 FIDELI	62,500.00	05/17/2010		62,500.00		0.510			
SYS987	987	01	PA2 FIDELI	68,750.00	05/17/2010		68,750.00		0.510			
SYS987	987	01	PA2 FIDELI	6,156,000.00	05/18/2010		6,156,000.00		0.510			
SYS987	987	01	PA2 FIDELI	2,633,000.00	05/20/2010		2,633,000.00		0.510			
SYS987	987	01	PA2 FIDELI	25,520.83	05/25/2010		25,520.83		0.510			
SYS987	987	01	PA2 FIDELI	5,394,000.00	05/28/2010		5,394,000.00		0.510			
SYS500	500	01	PA2 GOLDSA	4,408,629.00	05/03/2010		4,408,629.00		0.288			
SYS500	500	01	PA2 GOLDSA	3,010,000.00	05/04/2010		3,010,000.00		0.288			
SYS500	500	01	PA2 GOLDSA	562,000.00	05/10/2010		562,000.00		0.288			

Mat Call Sale Purch
 Purchases Report
 May 1, 2010 - May 31, 2010

CUSIP	Investment #	Fund	Sec. Type	Issuer	Original Par Value	Purchase Date	Payment Periods	Principal Purchased	Accrued Interest at Purchase	Rate at Purchase	Maturity Date	YTM %	Ending Book Value
Managed Pool Deposits					Deposit Amount	Deposit Date		Deposit Amount		Rate			
SYS500	500	01	PA2	GOLDSA	1,334,000.00	05/12/2010		1,334,000.00		0.288			
SYS500	500	01	PA2	GOLDSA	3,272,000.00	05/19/2010		3,272,000.00		0.288			
SYS500	500	01	PA2	GOLDSA	3,242,000.00	05/24/2010		3,242,000.00		0.288			
SYS500	500	01	PA2	GOLDSA	210.84	05/31/2010		210.84		0.288			
SYS17430	17430	01	PA1	LAIF	5,000,000.00	05/14/2010		5,000,000.00		1.370			
SYS17431	17431	01	PA1	LAIF	4,000,000.00	05/14/2010		4,000,000.00		1.370			
				Subtotal	88,808,876.95			88,808,876.95					
Total Purchases and Deposits					137,811,876.95			138,820,170.80	303,617.06				89,815,621.14

**Mat Call Sale Purch
Sales/Call Report
Sorted by Maturity Date - Fund
May 1, 2010 - May 31, 2010**

CU3IP	Investment #	Fund	Issuer Sec. Type	Purchase Date	Redem. Date Matur. Date	Par Value	Rate at Redem.	Book Value at Redem.	Redemption Principal	Redemption Interest	Total Amount	Net Income
08/11/2011												
3128X8C26	1382	02	FILMC FAC	05/11/2009	05/11/2010 08/11/2011	10,000,000.00	1.625	9,995,555.56	10,000,000.00	81,250.00	10,081,250.00	85,694.44
											Call	
						10,000,000.00		9,995,555.56	10,000,000.00	81,250.00	10,081,250.00	85,694.44
05/11/2012												
3128X8A93	1376	02	FILMC FAC	05/11/2009	05/11/2010 05/11/2012	5,000,000.00	2.050	5,000,000.00	5,000,000.00	51,250.00	5,051,250.00	51,250.00
											Call	
						5,000,000.00		5,000,000.00	5,000,000.00	51,250.00	5,051,250.00	51,250.00
05/14/2013												
3136F9PL1	1264	02	FNMA FAC	05/14/2008	05/14/2010 05/14/2013	10,000,000.00	4.000	10,000,000.00	10,000,000.00	200,000.00	10,200,000.00	200,000.00
											Call	
						10,000,000.00		10,000,000.00	10,000,000.00	200,000.00	10,200,000.00	200,000.00
Managed Pool Withdrawals					Withdrawal Date	Withdrawal Amount	Current Rate		Withdrawal Amount		Withdrawal Amount	
	500		GOLDSA	05/03/2010	247.19	0.026		247.19			247.19	
	997		FIDELI	05/07/2010	5,700,000.00	0.020		5,700,000.00			5,700,000.00	
	500		GOLDSA	05/11/2010	231,000.00	0.026		231,000.00			231,000.00	
	997		FIDELI	05/13/2010	23,995,016.67	0.020		23,995,016.67			23,995,016.67	
	500		GOLDSA	05/13/2010	262,000.00	0.026		262,000.00			262,000.00	
	500		GOLDSA	05/17/2010	1,550,000.00	0.026		1,550,000.00			1,550,000.00	
	997		FIDELI	05/21/2010	8,935,189.74	0.020		8,935,189.74			8,935,189.74	
	500		GOLDSA	05/21/2010	8,055,000.00	0.026		8,055,000.00			8,055,000.00	
	500		GOLDSA	05/26/2010	4,402,000.00	0.026		4,402,000.00			4,402,000.00	
	17430		LAIF	05/26/2010	2,416,000.00	0.588		2,416,000.00			2,416,000.00	
	500		GOLDSA	05/27/2010	613,000.00	0.026		613,000.00			613,000.00	
	17430		LAIF	05/28/2010	10,000,000.00	0.588		10,000,000.00			10,000,000.00	
	17431		LAIF	05/28/2010	10,000,000.00	0.588		10,000,000.00			10,000,000.00	
						78,180,463.80			78,180,463.80		78,180,463.80	
Total Sales and Withdrawals						101,180,463.80		24,995,555.56	101,180,463.80	332,500.00	101,482,963.80	338,944.44

Mat Call Sale Purch
Maturity Report
Sorted by Maturity Date
Receipts during May 1, 2010 - May 31, 2010

CUSIP	Investment #	Fund	Sec. Type	Issuer	Par Value	Maturity Date	Purchase Date	Rate at Maturity	Book Value at Maturity	Interest	Maturity Proceeds	Net Income
45920GEE1	1492	01	ACP	IBM	4,000,000.00	05/05/2010	04/28/2010	0.160	4,000,000.00	0.00	4,000,000.00	0.00
1667X1E69	1487	01	ACP	CHEVRN	5,000,000.00	05/06/2010	04/07/2010	0.170	5,000,000.00	0.00	5,000,000.00	0.00
36959JE74	1482	01	ACP	GECC	5,000,000.00	05/07/2010	03/19/2010	0.170	5,000,000.00	0.00	5,000,000.00	0.00
00282DEB2	1476	01	ACP	ABT	5,000,000.00	05/11/2010	02/25/2010	0.130	5,000,000.00	0.00	5,000,000.00	0.00
45920GEE2	1494	01	ACP	IBM	5,000,000.00	05/14/2010	04/29/2010	0.170	5,000,000.00	0.00	5,000,000.00	0.00
00282DEJ5	1486	01	ACP	ABT	5,000,000.00	05/19/2010	03/19/2010	0.170	5,000,000.00	0.00	5,000,000.00	0.00
02665KEM5	1488	01	ACP	HNDL	5,000,000.00	05/21/2010	04/09/2010	0.180	5,000,000.00	0.00	5,000,000.00	0.00
Total Maturities					34,000,000.00				34,000,000.00	0.00	34,000,000.00	0.00



FUND PROFILE

March 31, 2009

City of Anaheim Treasurer Investment Pool



Credit Quality Ratings Definitions

AAAF The fund's portfolio holdings provide extremely strong protection against losses from credit defaults.

AAf The fund's portfolio holdings provide very strong protection against losses from credit defaults.

Af The fund's portfolio holdings provide strong protection against losses from credit defaults.

BBBf The fund's portfolio holdings provide adequate protection against losses from credit defaults.

BBf The fund's portfolio holdings provide uncertain protection against losses from credit defaults.

Bf The fund's portfolio holdings exhibit vulnerability to losses from credit defaults.

CCCF The fund's portfolio holdings make it extremely vulnerable to losses from credit defaults.

Plus (+) or Minus (-) The ratings from 'AAf' to 'CCCF' may be modified to show relative standing within the major rating categories.

Credit quality ratings, identified by the 'f' subscript, are assigned to bond funds and other actively managed funds that exhibit variable net asset values. These ratings are current assessments of the overall credit quality of a fund's portfolio. The ratings reflect the level of protection against losses from credit defaults and are based on an analysis of the portfolio investments and the likelihood of counterparty defaults.

About the Fund

Fund Rating	AAAF / S1
Fund Type	Variable NAV Government Investment Pool
Investment Adviser	City of Anaheim CA
Portfolio Manager	Henry Stern
Date Rating Assigned	July 2008

Fund Highlights

- Average maturity 2 years or less
- The portfolio must purchase securities with a rating of A or better

Management

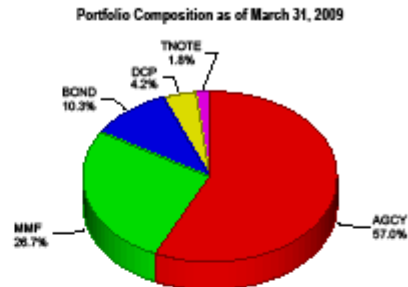
The Treasurer for the city of Anaheim, CA is responsible for overall management of the portfolio. The Treasurer has prior experience managing S&P rated government investment pools during his tenure at the cities of Los Angeles and Long Beach. The city of Anaheim's \$500+ million portfolio is being divided into a shorter-term and a longer term portion, where \$100-\$125 million comprises the shorter-term component. The investment policy, which was last revised and approved in January 2008, apply to all cash and investments controlled by the Anaheim Treasurer on behalf of the City.

Credit Quality

The 'AAAF' fund credit quality rating is based on our analysis of the credit quality of the Portfolio's eligible investments, the counterparties, and overall management by the portfolio's investment managers. The 'AAAF' rating signifies that the portfolio holdings provide extremely strong protection against losses from credit defaults. The 'S1' volatility rating signifies that a fund possesses low sensitivity to changing market conditions and a level of risk that is less than or equal to that of a portfolio comprised of the highest quality fixed-income instruments with an average maturity of one to three years. As part of our volatility analysis, we assessed the management, portfolio-level risk, target durations, and comparable return strategies of the Portfolio.

Portfolio Assets

Eligible portfolio holdings are typically comprised of highly rated securities, including money-market



AGCY - Agency Fixed Rate; MMF - Money Market Fund; BOND - Corporate Fixed Rate; DCP - Commercial Paper; TNOTE - US Treasury Note

*As assessed by Standard & Poor's

funds, investment-grade corporate debt, CP, the Local Agency Investment Fund (LAIF), U.S. Treasury and Agency securities. The portfolio has to purchase securities with a rating of A or better. The Anaheim Treasurer's Investment Pool's primary objective is to provide safety of principal followed by maintenance of liquidity and return on investment. The various city departments are the Investment Pool's predominant investors. The short-term portfolio's benchmark is the ninety-one day T-bill and it is managed with the view that cash is needed for operating purposes within a 6-month period. The long-term portfolio uses the ML 1-3 Year US Treasury benchmark. The Investment Pool's overall duration is currently 1.2 years with a maximum duration of 3 years. Union Bank of CA is the custodian for the pool.

Standard & Poor's Analyst: Guyna Johnson - (1) 312-233-7008

www.standardandpoors.com

Investors should consider the investment objectives, risks and charges and expenses of the fund before investing. The prospectus which can be obtained from your broker-dealer, contains this and other information about the fund and should be read carefully before investing.

CITY OF ANAHEIM
BOND FUND INVESTMENTS
April 30, 2010

<u>Debt Issue</u>	<u>Trustee</u>	<u>Book Value</u>	<u>Total Trustee Holdings</u>
Decommissioning Trust	Union Bank of Calif.	\$ 115,428,681	
APFA Revenue Bds, 1998 Series	Union Bank of Calif.	\$ 1	\$ 115,428,682
COP 1992 Convention Ctr.	US Bank	\$ 7,571,587	
1993 Land Acquisition Program Lease	US Bank	\$ 2,358,711	
Anaheim R/A Tax Allocation Bond - Escrow Fd	US Bank	\$ 28,683,590	
Anaheim CFD no. 1989-3	US Bank	\$ 1,572,340	
APFR Rev Bds. - Escrow Fd	US Bank	\$ 6,410,000	
Anaheim CFD 1989 - 1, Sycamore Canyon	US Bank	\$ 899,424	
Anaheim CFD 1989 - 2, Highlands Sp Tax Bds	US Bank	\$ 1,733,396	
CITY OF ANAHEIM CFD DIST 06-2 2007	US Bank	\$ 1,068,322	
Anaheim RDA 2007 Tax Allocation Refunding Bds	US Bank	\$ 19,928,037	
APFA Lease Revenue Refunding Bonds Ser 2008	US Bank	\$ 5,182,000	\$ 75,407,408
Anaheim Dist Sys 99	BNY Western Trust	\$ 366,131	
Anaheim Arena 03	BNY Western Trust	\$ -	
Anaheim 04 Electric Purchase	BNY Western Trust	\$ 10,240,052	
Anaheim Debt Service Payment Account	BNY Western Trust	\$ -	
Anaheim/Disney Lease Revenue 1997A	BNY Western Trust	\$ 35,441,187	
Anaheim Lenain Reserve	BNY Western Trust	\$ 1,098,537	
APFA 02 A	BNY Western Trust	\$ 8,168,889	
APFA 03 B	BNY Western Trust	\$ 7,003,857	
Anaheim 03 A	BNY Western Trust	\$ 3,668,757	
Anaheim 03 B	BNY Western Trust	\$ -	
Anaheim 93 A Reserve Fund	BNY Western Trust	\$ 2,205,046	
Anaheim 04 Water	BNY Western Trust	\$ 1,210,500	
APFA 2007A	BNY Western Trust	\$ 16,645,207	
APFA 2007A Farecal Escrow	BNY Western Trust	\$ 1,496,582	
Anaheim Sewer Rev Bds 2007	BNY Western Trust	\$ 30,960,986	
Anaheim (Dsny) 2007 Ref Ser A	BNY Western Trust	\$ 1,539,459	
Anaheim (Dsny) 2007 Ref Ser B	BNY Western Trust	\$ 623,289	
Anaheim/Disney 97 Series A-1/B Escrow	BNY Western Trust	\$ -	
Anaheim/Disney 97 Series A-2 Escrow	BNY Western Trust	\$ -	
Farecal Anaheim	BNY Western Trust	\$ -	
Anaheim 08 Water	BNY Western Trust	\$ 3,896,656	
Anaheim 09A Electric	BNY Western Trust	\$ 20,904,246	\$ 145,469,382
Total Bond Funds with external Trustees:			\$ 336,305,473
Anaheim RDA PFA 1992 Tax Alloc Rev	City Treasurer	\$ 23,446	
2000 RDA SubAccount	City Treasurer	\$ 5,478,185	
2007 RDA Bond - A	City Treasurer	\$ 38,759	
2007 RDA Bond - B	City Treasurer	\$ 2,105,946	
2007 RDA Bond - D	City Treasurer	\$ -	
Total Bond Funds with City Treasurer:			\$ 7,646,336
Total Bond Funds:			\$ 343,951,809

CITY OF ANAHEIM
BOND FUND INVESTMENTS
May 31, 2010

<u>Debt Issue</u>	<u>Trustee</u>	<u>Book Value</u>	<u>Total Trustee Holdings</u>
Decommissioning Trust	Union Bank of Calif.	\$ 115,541,440	
APFA Revenue Bds, 1998 Series	Union Bank of Calif.	\$ 1	\$ 115,541,441
COP 1992 Convention Ctr.	US Bank	\$ 7,571,605	
1993 Land Acquisition Program Lease	US Bank	\$ 1,936,538	
Anaheim R/A Tax Allocation Bond - Escrow Fd	US Bank	\$ 28,683,590	
Anaheim CFD no. 1989-3	US Bank	\$ 1,508,183	
APFR Rev Bds. - Escrow Fd	US Bank	\$ 6,410,000	
Anaheim CFD 1989 - 1, Sycamore Canyon	US Bank	\$ 892,434	
Anaheim CFD 1989 - 2, Highlands Sp Tax Bds	US Bank	\$ 1,432,055	
CITY OF ANAHEIM CFD DIST 06-2 2007	US Bank	\$ 1,059,596	
Anaheim RDA 2007 Tax Allocation Refunding Bds	US Bank	\$ 19,928,037	
APFA Lease Revenue Refunding Bonds Ser 2008	US Bank	\$ 5,182,000	\$ 74,604,040
Anaheim Dist Sys 99	BNY Western Trust	\$ 732,272	
Anaheim Arena 03	BNY Western Trust	\$ -	
Anaheim 04 Electric Purchase	BNY Western Trust	\$ 10,240,052	
Anaheim Debt Service Payment Account	BNY Western Trust	\$ -	
Anaheim/Disney Lease Revenue 1997A	BNY Western Trust	\$ 36,759,203	
Anaheim Lenain Reserve	BNY Western Trust	\$ 1,098,538	
APFA 02 A	BNY Western Trust	\$ 8,168,889	
APFA 03 B	BNY Western Trust	\$ 7,003,857	
Anaheim 03 A	BNY Western Trust	\$ 3,668,757	
Anaheim 03 B	BNY Western Trust	\$ -	
Anaheim 93 A Reserve Fund	BNY Western Trust	\$ 2,205,046	
Anaheim 04 Water	BNY Western Trust	\$ 1,210,500	
APFA 2007A	BNY Western Trust	\$ 16,645,207	
APFA 2007A Farecal Escrow	BNY Western Trust	\$ 1,496,582	
Anaheim Sewer Rev Bds 2007	BNY Western Trust	\$ 31,143,695	
Anaheim (Dsnr) 2007 Ref Ser A	BNY Western Trust	\$ 2,342,188	
Anaheim (Dsnr) 2007 Ref Ser B	BNY Western Trust	\$ 859,934	
Anaheim/Disney 97 Series A-1/B Escrow	BNY Western Trust	\$ -	
Anaheim/Disney 97 Series A-2 Escrow	BNY Western Trust	\$ -	
Farecal Anaheim	BNY Western Trust	\$ -	
Anaheim 08 Water	BNY Western Trust	\$ 3,896,656	
Anaheim 09A Electric	BNY Western Trust	\$ 17,568,173	\$ 145,039,549
Total Bond Funds with external Trustees:			\$ 335,185,029
Anaheim RDA PFA 1992 Tax Alloc Rev	City Treasurer	\$ 23,446	
2000 RDA SubAccount	City Treasurer	\$ 5,478,223	
2007 RDA Bond - A	City Treasurer	\$ 38,759	
2007 RDA Bond - B	City Treasurer	\$ 2,105,960	
2007 RDA Bond - D	City Treasurer	\$ -	
Total Bond Funds with City Treasurer:			\$ 7,646,389
Total Bond Funds:			\$ 342,831,418