



+COUNCIL AGENDA REPORT

City of Anaheim OFFICE OF THE CITY TREASURER

DATE: MAY 28, 2013
FROM: OFFICE OF THE CITY TREASURER
SUBJECT: INVESTMENT PORTFOLIO REPORT – APRIL 2013

ATTACHMENT (Y/N): YES ITEM #

RECOMMENDATION:

That the City Council, by Motion, approve the Investment Portfolio Report for April 2013.

DISCUSSION:

This is the investment report for the City's general pool for the month ending April 30, 2013. 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 April 30, 2013:

	Short-term Portfolio	Long-term Portfolio	Total Portfolio Values
Portfolio Balance (Market Value) *	\$ 145,789,032	\$ 279,600,648	\$ 425,389,680
Effective Yield	0.16 %	1.44 %	1.00 %
Avg. Weighted Maturity	16 Days	2.7 Years	1.8 Years
Net Earnings	\$ 16,679	\$ 349,922	\$ 366,601
Benchmark**	0.03 %	0.29 %	0.21 %

* Portfolio balance includes approximately \$42.3 million of the 2011A Electric Bond project funds (April 2013)

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

INVESTMENT ACTIVITIES

The City Treasurer's Investment Portfolio has a current rating of "AAf" from Standard and Poor's (S&P). This rating was effective August 8, 2011, as a result of the action of S&P downgrading the debt issues of the United States Treasury and Federal Agencies from a credit rating of "AAA" to "AA+". The credit rating reflects the investment holdings of the City's Investment Portfolio (approximately 55% of funds in Federal Agency issues) and not the management of the investment fund.

It should be pointed out the downgrade in credit rating is the sole action of Standard and Poor’s, since the other two major national credit firms of Moody’s Investor Services and Fitch Ratings have maintained the “AAA” credit rating on all U.S. Treasury and Federal Agency debt issues. Even with the credit downgrade to the investment portfolio, the investment portfolio is still eligible and qualifies as a ‘permitted investment’ for City bond funds (i.e., project or acquisition funds).

This credit rating is for the City’s investment portfolio and does NOT reflect the credit rating of the City’s bond issues.

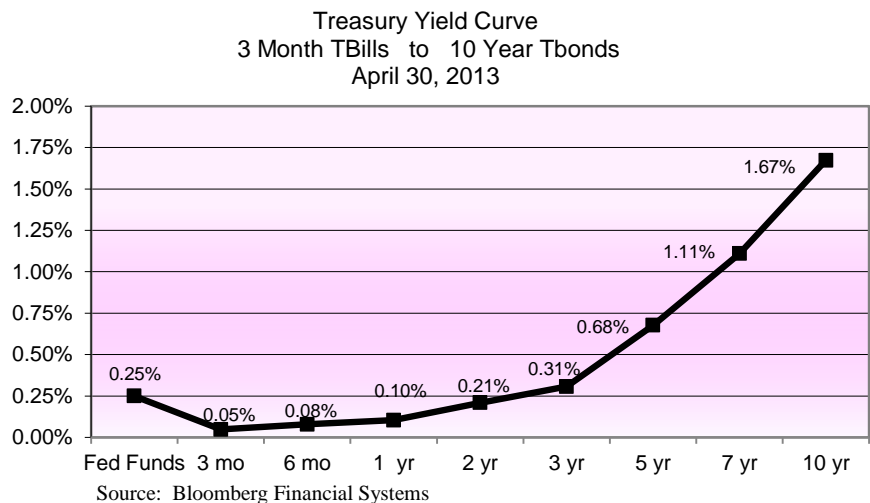
On August 11, 2008, the City of Anaheim’s Investment Policy was recognized and certified by the Association of Professional Treasurers of the United States and Canada (APT US&C) as meeting all standards and criteria established by the APT US&C.

INVESTMENT ENVIRONMENT

The month of April 2013 closed with short-term interest rates moving slightly lower from the previous month, while the longer maturities showed larger declines in value. The three month U.S. Treasury Bill closed April at 0.05%, down from the previous month’s close of 0.07%. The two year U.S Treasury Note closed April at 0.21%, lower by 0.03% from the March close of 0.24% and the five year U.S. Treasury Note closed at 0.68% and the ten year U.S. Treasury Note closed April at 1.67%, down 0.18% from March’s close of 1.85%. The benchmark U.S Treasury yield curve continues to show small movement within a tight trading range.

For example, the two-year U.S Treasury Note, which is close to the City’s investment portfolio weighted average maturity of 1.8 to 2.0 years, has traded in a range from 0.21% to 0.25% for the past six months. The absence of volatility provides some evidence that the financial markets appear to have stabilized for the short time. There still remains the question of long term resolution of the European financial conditions and closer to home the ongoing budget negotiations for the United States. The threat of sequestration has not shown a large impact on budgetary issues as several large concessions by Congress has delayed major cuts to federal agencies. The “speed” of the federal bureaucracy has caught up with reality and substantial cuts to the federal budget will take months before becoming an actuality.

The chart below shows the interest rates for U.S. Treasury issues for the month ending April 2013:

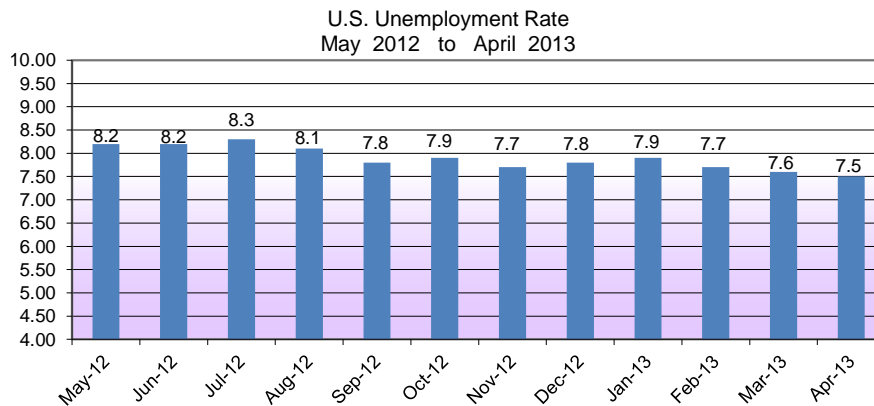


The Federal Reserve continues to maintain the benchmark “Federal Funds” rate in the established range of 0.00% to 0.25% with the explanation of “risk to growth”. The Fed Funds rate has been at this rate for over four and a half years, since the Federal Open Market Committee (FOMC) took action at their December 2008 meeting. The FOMC meeting of May 1, 2013 continued its low rate policy action. There is no indication that at the next FOMC meeting scheduled for June 18-19, 2013 that there will be a change in policy. Federal Reserve Chairman Bernanke has voiced his concern for the slow growth of new job creation in the economy and has indicated he is prepared to

advance additional stimulus, which the financial markets are calling “qualitative easing” or QE 3. Mr. Bernanke has also stated he intends to keep rates at these levels through the end of calendar year 2014 and possibly well into 2015.

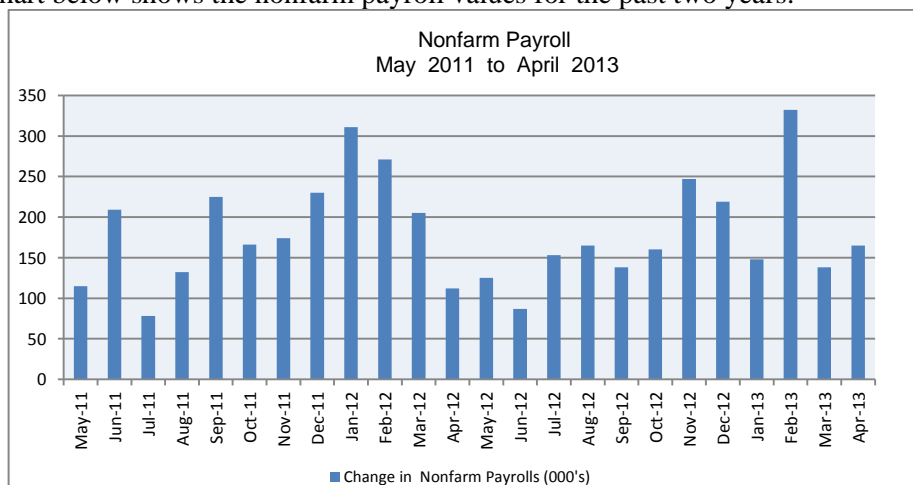
The U.S. economy continues to show slow incremental growth. A key economic indicator watched by investors is the national unemployment rate, which tends to show the overall health of the national economy. For the month of April 2013, the national unemployment rate was reported at 7.5%, down 1/10 of a percent from the March 2013 value of 7.6% and below the twelve month average of 7.9%. The level has declined significantly from the December 2011 level of 8.5%, however, economists are still forecasting a rate of 7.0% or higher for calendar year 2013.

The unemployment rate is considered a “lagging” economic indicator and does not reflect immediate or current financial and economic events. The unemployment rate does indicate the level of idle workers as a percentage of the overall labor force. The chart below shows the national unemployment rate for the past twelve months:



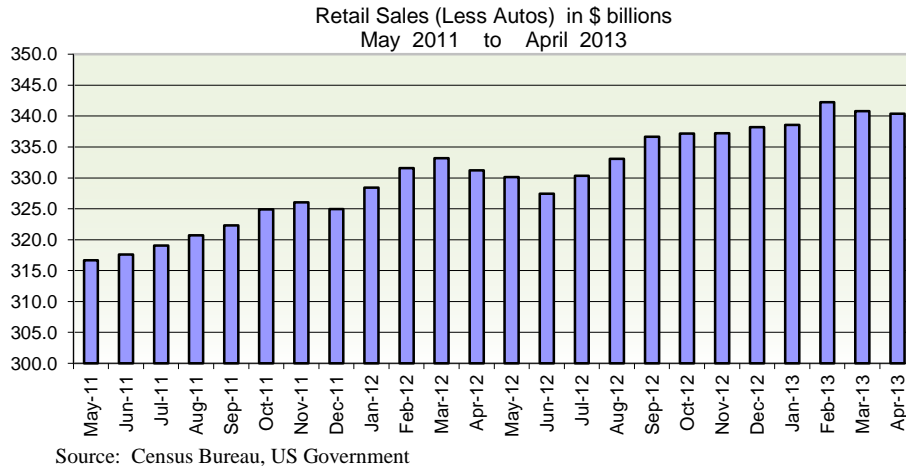
Source: U.S. Bureau of Labor Statistics

A more accurate gauge of the employment sector and the improving economy is the amount of jobs being created. The Bureau of Labor Statistics publishes monthly the value of US Employees on nonfarm payrolls, which is an indication of how the corporate or business sector is hiring. For the month of April 2013, the nonfarm payroll number was reported to be 165,000 new jobs created, up from the revised value for March 2013 of 138,000 (revised upward from a previously reported value of 88,000). The annual (twelve month average) value with the revised values shows approximately 173,000 monthly new jobs are being created, which is above the minimum value of 165,000 new monthly jobs that economists have said are needed to show sustained economic growth. It should be noted the nonfarm payroll values are subject to revisions, making an analysis of a distinct trend in this indicator difficult. The chart below shows the nonfarm payroll values for the past two years:



Source: U.S. Bureau of Labor Statistics

Another economic factor we watch is the monthly Retail Sales (less Autos), which measures the level of consumer spending and provides an indication of the underlying vitality of the overall national economy. The April 2013 value shows an annualized retail sales value of \$340.4 billion, down slightly from the March 2013 reported level of \$340.8 billion. The small decline shows evidence that the economy is still in a fragile condition and limping along with marginal buying by consumers. It is estimated that consumer spending accounts for nearly seventy percent of economic activity, so a ‘flat’ value indicates slow or incremental recovery. One factor in the decline may be the effect the ‘sequestered’ action of Congress, since the Government is a large factor in retail sales. Another factor may be the additional social security withholding tax that was increased with January 2013 payrolls, causing a drop in net income to employees. For the past year (May 2012 thru April 2013) retail sales have increased at an annualized rate of 2.2%. The chart below shows the monthly increase in consumer spending for the past twenty four months:



INVESTMENT PERFORMANCE/

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.

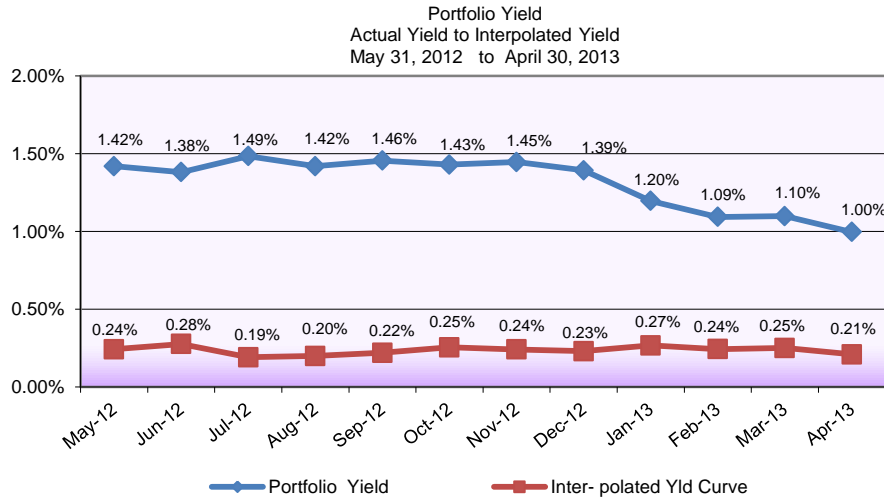
For April 30, 2013, the City Treasurer’s Investment Portfolio performance was:

	Amount of Funds (Market Value)	Maturity	Effective Yield	Interpolated Yield	Total Return Monthly	Total Return Annual
Short-Term Portfolio	\$ 145,789,032	16 days	0.16 %	0.03 %	0.012	0.237
Long-Term Portfolio	\$ 279,600,648	2.7 years	1.44 %	0.29 %	0.132	1.442
Total Portfolio	\$ 425,389,680	1.8 years	1.00 %	0.21 %	0.092	1.093

The portfolio balance includes a deposit for the acquisition funds of the 2011A Electric Bonds of \$42,310,011 as of the April 30, 2013 bond fund report balance. As a credit rated portfolio of “AA”, we are recognized as a permitted investment by the bond indenture of the above bonds. These funds enjoy the advantage of superior market rates of return in a historically low interest rate environment.

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 above market rates of return on funds invested as shown in the following graph which shows the City's net overall performance to a market indicator for the past twelve 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 April 2013 is on the following pages.

IMPACT ON BUDGET:

There is no impact on the General Fund.

Respectfully submitted,

Henry W. Stern, CTP
City Treasurer

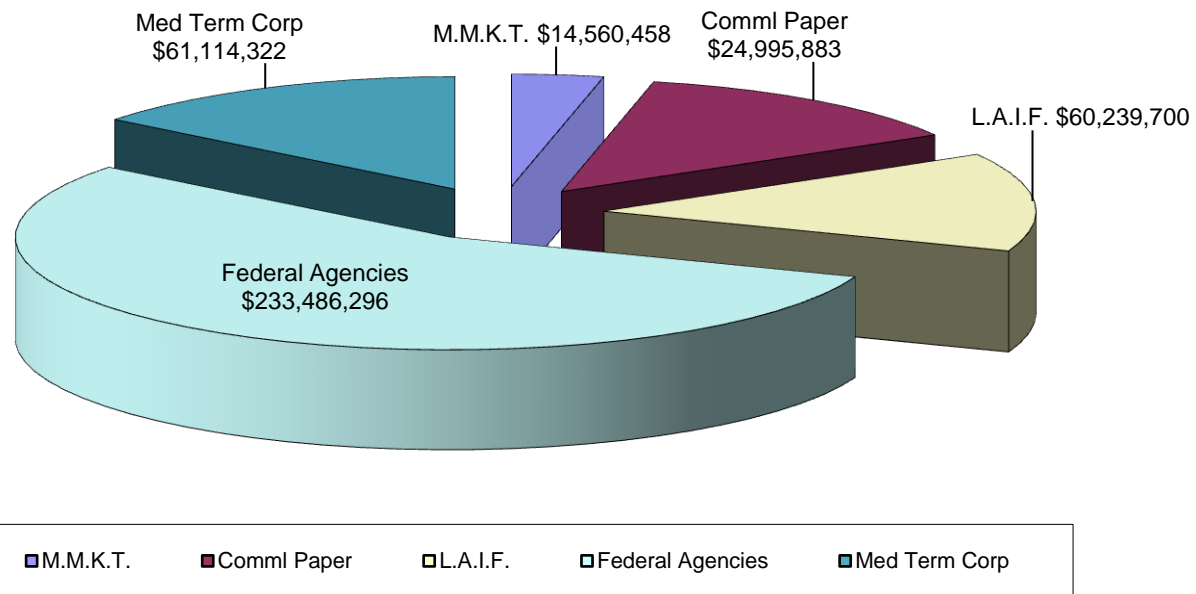
Attachment

1. City Treasurer's Investment Report

Balances, Yields and Average Maturities**April 30, 2013**

<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	\$14,560,458	\$14,560,458	\$14,560,458	0.01%	3.42%	1	0.00
L.A.I.F. (State of California	\$60,239,700	\$60,239,700	\$60,239,700	0.26%	14.16%	1	0.00
subtotal: Cash and Overnight Investments	\$74,800,158	\$74,800,158	\$74,800,158		17.58%	1	0.00
Commercial Paper	\$55,994,000	\$55,988,905	\$55,988,905	0.11%	13.16%	29	0.08
Medium Term Corporate Notes	\$0	\$0	\$0	0.00%	0.00%	0	0.00
U.S. Federal Agencies	\$15,000,000	\$14,999,260	\$14,999,970	0.10%	3.53%	45	0.12
U.S. Treasury	\$0	\$0	\$0	0.00%	0.00%	0	0.00
subtotal: Pooled Investments	\$70,994,000	\$70,988,164	\$70,988,875	0.11%	16.69%	32	0.09
Total Short-Term Portfolio:	\$145,794,158	\$145,788,322	\$145,789,032	0.16%	34.27%	16	0.04
Long -Term Portfolio							
Commercial Paper	\$0	\$0	\$0		0.00%	0	0.00
Medium Term Corporate Notes	\$58,956,000	\$59,523,777	\$61,114,322	1.84%	14.37%	940	2.58
U.S. Federal Agencies	\$216,175,000	\$215,956,298	\$218,486,326	1.33%	51.36%	1007	2.76
U.S. Treasury	\$0	\$0	\$0	0.00%	0.00%	0	0.00
Total Long-Term Portfolio:	\$275,131,000	\$275,480,075	\$279,600,648	1.44%	65.73%	992	2.72
Total Cash and Pooled Investments	\$420,925,158	\$421,268,396	\$425,389,680	1.00%	100.00%	654	1.79

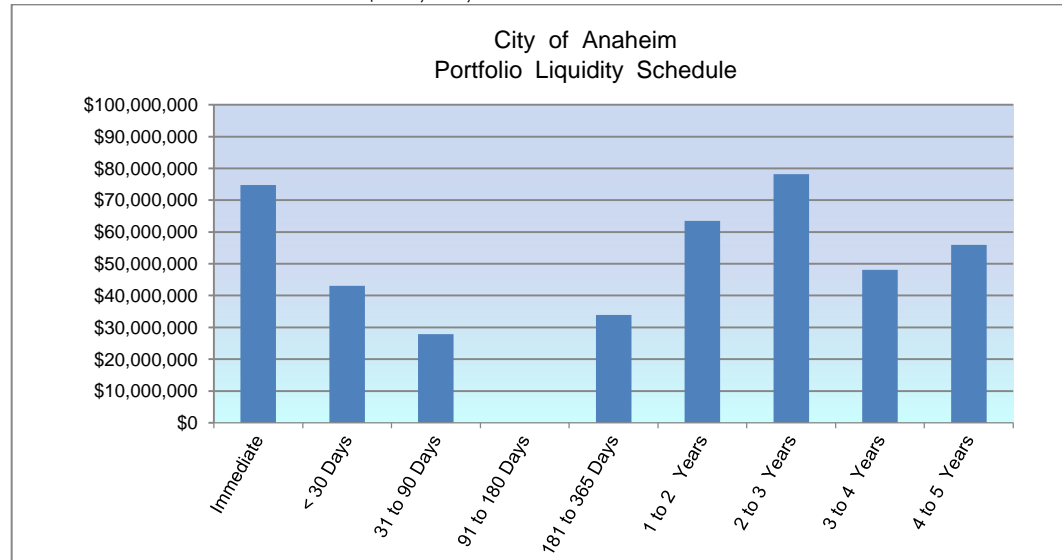
City of Anaheim
Investment Portfolio Asset Allocation
April 30, 2013
\$ 425,389,680



Liquidity Schedule

April 30, 2013

	<u>Availability</u>	<u>Market Value</u>	<u>Cumulative Balances</u>	<u>% of Total Assets</u>
Money Market Funds	Immediate	\$14,560,458	\$14,560,458	3.42%
L.A.I.F. (State of California)	Immediate	\$60,239,700	\$74,800,158	17.58%
Pooled Investment Maturities:	< 30 Days	\$43,098,588	\$117,898,745	27.72%
	31 to 90 Days	\$27,890,287	\$145,789,032	34.27%
	91 to 180 Days	\$0	\$145,789,032	34.27%
	181 to 365 Days	\$33,931,950	\$179,720,982	42.25%
	1 to 2 years	\$63,446,285	\$243,167,267	57.16%
	2 to 3 years	\$78,159,108	\$321,326,375	75.54%
	3 to 4 years	\$48,094,542	\$369,420,917	86.84%
	4 to 5 years	\$55,968,763	\$425,389,680	100.00%
Total Cash and Pooled Investments:		\$425,389,680		



Summary and Comparison of Yields and Balances

April 30, 2013

<u>Description</u>	Current Month <u>April 30, 2013</u>	Prior Month <u>March 31, 2013</u>
Yield to Maturity (at market):		
Money Market Funds (US Treasuries)	0.01%	0.01%
L.A.I.F. (State of California)	0.28%	0.28%
U.S. Treasuries	0.00%	0.00%
Federal Agency Bonds	1.30%	1.30%
Commercial Paper	0.11%	0.15%
Medium Term Corporate Notes	1.84%	2.10%
	1.00%	1.20%
Weighted Average Maturity (Days)	654	695
Weighted Average Maturity (Years)	1.79	1.90
Balances (at Market Value)		
Money Market Funds (US Gov Sec)	\$14,560,458	\$19,233,499
L.A.I.F. (State of California)	\$60,239,700	\$49,214,327
U.S. Treasuries	\$0	\$0
Federal Agencies	\$233,486,296	\$233,495,054
Commercial Paper	\$55,988,905	\$42,340,569
Medium Term Corporate Notes	\$61,114,322	\$68,282,815
Total Portfolio:	\$425,389,680	\$412,566,263
Earnings:	Current Month <u>April 30, 2013</u>	Fiscal Year to <u>Date Earnings</u>
Total Interest Earnings for Month:	\$352,895.74	\$4,362,730.30
Total Adjustments from Premiums and Discounts	\$13,817.72	-\$47,035.59
Total Capital Gains or Losses	-\$111.76	\$6,138.24
Total Earnings for Month	<u>\$366,601.70</u>	<u>\$4,321,832.95</u>

City of Anaheim
Investment Portfolio Summary

<u>Month / Yr</u>	<u>Core Portfolio</u>	<u>Reserve Portfolio</u>	<u>Portfolio Balance (market value)</u>	<u>Portfolio Yield</u>	<u>Avg Wgt Mat. - Days</u>	<u>Avg Wgt Mat. - Yrs</u>	<u>Inter - polated Yld Curve</u>	<u>Difference: City Yield / Interpolated</u>
Jun-09	\$92,988,732	\$316,049,180	\$409,037,911	2.26%	752	2.06	1.12%	1.14%
Jun-10	\$127,268,510	\$256,712,953	\$383,981,463	1.87%	536	1.47	0.45%	1.42%
Jun-11	\$180,459,755	\$261,836,213	\$442,295,968	1.52%	554	1.52	0.35%	1.17%
Dec-11	\$129,691,517	\$272,170,290	\$401,861,807	1.57%	573	1.57	0.21%	1.35%
Jan-12	\$108,441,692	\$304,366,034	\$412,807,726	1.50%	685	1.88	0.21%	1.28%
Feb-12	\$94,579,193	\$314,333,654	\$408,912,847	1.51%	721	1.98	0.30%	1.21%
Mar-12	\$68,764,668	\$293,380,467	\$362,145,135	1.63%	716	1.96	0.34%	1.29%
Apr-12	\$120,322,637	\$268,779,964	\$389,102,601	1.51%	575	1.58	0.25%	1.26%
May-12	\$150,877,446	\$263,058,671	\$413,936,117	1.42%	521	1.43	0.24%	1.18%
Jun-12	\$161,711,522	\$259,031,847	\$420,743,369	1.38%	484	1.33	0.28%	1.11%
Jul-12	\$130,883,306	\$254,515,935	\$385,399,241	1.49%	503	1.38	0.19%	1.29%
Aug-12	\$128,310,646	\$269,502,499	\$397,813,145	1.47%	521	1.43	0.20%	1.27%
Sep-12	\$108,805,936	\$259,373,508	\$368,179,443	1.46%	542	1.48	0.22%	1.24%
Oct-12	\$107,137,761	\$270,989,809	\$378,127,570	1.43%	561	1.54	0.25%	1.18%
Nov-12	\$97,947,618	\$273,455,616	\$371,403,234	1.45%	575	1.58	0.24%	1.20%
Dec-12	\$97,621,426	\$285,055,252	\$382,676,678	1.39%	634	1.74	0.23%	1.16%
Jan-13	\$105,033,351	\$291,834,246	\$396,867,596	1.20%	751	2.06	0.27%	0.93%
Feb-13	\$128,239,171	\$286,885,162	\$415,124,333	1.09%	716	1.96	0.24%	0.85%
Mar-13	\$125,785,560	\$286,780,703	\$412,566,263	1.10%	695	1.90	0.25%	0.85%
Apr-13	\$145,789,032	\$279,600,648	\$425,389,680	1.00%	654	1.79	0.21%	0.79%

Note: April 2013 balance reflects acquisition funds from 2011A Electric Bonds, approx. \$42.3 million (April 2013)
Portfolio balances from June 2011 through April 2013 reflect additional funds from 2011A Electric Bonds

City Treasurer's Investment Report – April 2013

Attachment 1

CITY OF ANAHEIM

April 30, 2013

Short-Term Portfolio

CUSIP	Security #	Issuer	Security Type	S & P Rating	Par Value	Book Value	Market Value	Purchase Date	Maturity Date	Stated Rate
SYS17430	17430	LAIF	MMKT	AA+	30,066,112.38	30,066,112.38	30,066,112.38		4/1/2013	0.26%
SYS17432	17432	LAIF	MMKT	AA+	30,173,587.48	30,173,587.48	30,173,587.48		4/1/2013	0.26%
SYS987	987	FIDELITY GOVERNMENT	MMKT	AAA	4,220,732.36	4,220,732.36	4,220,732.36		4/1/2013	0.01%
SYS500	500	GOLDMAN SACHS PRIME	MMKT	AAA	10,339,725.28	10,339,725.28	10,339,725.28		4/1/2013	0.01%
90526MS32	1732	UNION BANK OF CALIFORNIA	CP	A1 / P1	5,000,000.00	4,999,972.38	4,999,972.38	02/20/2013	05/03/2013	0.10%
SYS1733	1733	CARGILL	CP	A1 / P1	3,100,000.00	3,099,915.23	3,099,915.23	03/28/2013	05/10/2013	0.11%
14177TSD7	1737	CARGILL	CP	A1 / P1	5,000,000.00	4,999,817.71	4,999,817.71	04/09/2013	05/13/2013	0.11%
14177TSF2	1734	CARGILL	CP	A1 / P1	5,000,000.00	4,999,806.66	4,999,806.66	04/04/2013	05/15/2013	0.10%
90526MSH1	1741	UNION BANK OF CALIFORNIA	CP	A1 / P1	5,000,000.00	4,999,823.24	4,999,823.24	04/30/2013	05/17/2013	0.08%
9497F0SL7	1731	WELLS FARGO CO	CP	A1 / P1	10,000,000.00	9,999,422.67	9,999,422.67	02/20/2013	05/20/2013	0.11%
313397GG0	1725	FED HOME LOAN MORT CORP	Fed Agy	AAA	10,000,000.00	9,999,331.48	9,999,830.00	02/04/2013	05/31/2013	0.08%
89233GT71	1738	TOYOTA MOTOR CREDIT	CP	A1 / P1	5,000,000.00	4,999,339.43	4,999,339.43	04/19/2013	06/07/2013	0.13%
19121ATD3	1736	COCA COLA	CP	A1 / P1	5,000,000.00	4,999,409.42	4,999,409.42	04/09/2013	06/13/2013	0.10%
00282CTT9	1735	ABBOTT LABS	CP	A1 / P1	5,000,000.00	4,999,060.55	4,999,060.55	04/04/2013	06/27/2013	0.12%
00282CTU6	1739	ABBOTT LABS	CP	A1 / P1	5,000,000.00	4,999,123.78	4,999,123.78	04/30/2013	06/28/2013	0.11%
19121AUN9	1740	COCA COLA	CP	A1 / P1	2,894,000.00	2,893,213.47	2,893,213.47	04/30/2013	07/22/2013	0.12%
Total Short-Term Portfolio:					<u>140,794,157.50</u>	<u>140,788,393.52</u>	<u>140,788,892.04</u>			<u>0.16%</u>

CITY OF ANAHEIM

April 30, 2013

Long-Term Portfolio

CUSIP	Security #	Issuer	Security Type	S & P Rating	Par Value	Book Value	Market Value	Purchase Date	Maturity Date	Stated Rate
313381M28	1711	FEDERAL HOME LOAN BANKS	Fed Agy	AA+	5,000,000.00	4,999,928.16	5,000,140.00	12/27/2012	06/21/2013	0.13%
31331J2Z5	1547	FEDERAL FARM CREDIT BANK	Fed Agy	AA+	5,000,000.00	4,991,683.59	5,021,905.00	01/07/2011	11/26/2013	0.92%
3133XSP93	1330	FEDERAL HOME LOAN BANKS	Fed Agy	AA+	6,845,000.00	6,849,859.65	6,971,125.97	12/15/2008	12/13/2013	3.13%
31398A3K6	1567	FED NATL MORTGAGE ASSN	Fed Agy	AA+	5,000,000.00	4,997,866.57	5,047,770.00	03/23/2011	03/14/2014	1.25%
31331GTJ8	1369	FEDERAL FARM CREDIT BANK	Fed Agy	AA+	8,000,000.00	8,000,922.67	8,189,648.00	04/17/2009	04/17/2014	2.63%
31331GTJ8	1379	FEDERAL FARM CREDIT BANK	Fed Agy	AA+	4,500,000.00	4,495,771.86	4,606,677.00	05/01/2009	04/17/2014	2.63%
31331GTJ8	1468	FEDERAL FARM CREDIT BANK	Fed Agy	AA+	4,000,000.00	4,012,663.87	4,094,824.00	01/29/2010	04/17/2014	2.63%
31398AXJ6	1496	FED NATL MORTGAGE ASSN	Fed Agy	AA+	5,000,000.00	5,010,204.67	5,121,145.00	04/30/2010	05/15/2014	2.50%
478160AX2	1584	JOHNSON & JOHNSON	MTN	AAA	3,000,000.00	2,998,778.85	3,029,049.00	05/20/2011	05/15/2014	1.20%
313370JS8	1568	FEDERAL HOME LOAN BANKS	Fed Agy	AA+	8,000,000.00	7,979,369.35	8,127,488.00	03/23/2011	09/12/2014	1.38%
31331KHW3	1580	FEDERAL FARM CREDIT BANK	Fed Agy	AA+	5,000,000.00	5,018,622.09	5,110,390.00	05/16/2011	11/19/2014	1.63%
31398AZV7	1495	FED NATL MORTGAGE ASSN	Fed Agy	AA+	8,000,000.00	8,007,198.83	8,302,280.00	04/30/2010	11/20/2014	2.63%
313371W51	1557	FEDERAL HOME LOAN BANKS	Fed Agy	AA+	5,000,000.00	4,963,593.99	5,073,445.00	01/24/2011	12/12/2014	1.25%
36962G5M2	1638	GENERAL ELEC CAP CORP	MTN	AA+	5,000,000.00	5,028,640.15	5,128,655.00	01/18/2012	01/09/2015	2.15%
46625HHP8	1637	JP MORGAN	MTN	A+	6,000,000.00	6,127,690.20	6,295,434.00	01/18/2012	01/20/2015	3.70%
3134G3JX9	1647	FED HOME LOAN MORT CORP	Fed Agy	AA+	10,000,000.00	9,999,439.58	10,033,370.00	01/30/2012	01/30/2015	0.65%

City Treasurer's Investment Report – April 2013

Attachment 1

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CITY OF ANAHEIM

April 30, 2013

Long-Term Portfolio

CUSIP	Security #	Issuer	Security Type	S & P Rating	Par Value	Book Value	Market Value	Purchase Date	Maturity Date	Stated Rate
3133XWX95	1481	FEDERAL HOME LOAN BANKS	Fed Agy	AA+	2,000,000.00	2,000,592.22	2,092,234.00	03/19/2010	03/13/2015	2.75%
31331KFS4	1569	FEDERAL FARM CREDIT BANK	Fed Agy	AA+	5,000,000.00	4,991,130.49	5,132,795.00	03/24/2011	03/24/2015	1.67%
94974BFE5	1665	WELLS FARGO CO	MTN	A+	1,000,000.00	998,589.67	1,017,537.00	06/27/2012	07/01/2015	1.50%
36962G5Z3	1668	GE CAPITAL SERVICES	MTN	AA+	5,000,000.00	4,996,926.62	5,093,605.00	07/02/2012	07/02/2015	1.63%
594918AG9	1591	MICROSOFT CORP	MTN	AAA	5,000,000.00	5,000,000.00	5,144,475.00	06/09/2011	09/25/2015	1.63%
31398A4K5	1574	FED NATL MORTGAGE ASSN	Fed Agy	AA+	3,000,000.00	2,999,567.43	3,104,025.00	05/11/2011	10/15/2015	1.88%
46623EJR1	1705	JP MORGAN	MTN	A+	5,000,000.00	5,000,000.00	5,020,415.00	12/19/2012	10/15/2015	1.10%
931142CX9	1581	WALMART	MTN	AA	2,956,000.00	2,921,034.76	3,030,101.01	05/18/2011	10/25/2015	1.50%
31331J3T8	1549	FEDERAL FARM CREDIT BANK	Fed Agy	AA+	5,000,000.00	4,934,125.00	5,179,170.00	01/07/2011	12/01/2015	1.75%
31331J3T8	1558	FEDERAL FARM CREDIT BANK	Fed Agy	AA+	5,000,000.00	4,940,324.56	5,179,170.00	01/24/2011	12/01/2015	1.75%
3136G17A1	1712	FED NATL MORTGAGE ASSN	Fed Agy	AA+	5,000,000.00	4,998,340.28	5,006,385.00	12/31/2012	12/30/2015	0.45%
3135G0TT0	1719	FED NATL MORTGAGE ASSN	Fed Agy	AA+	10,000,000.00	9,991,736.67	10,010,920.00	01/29/2013	01/29/2016	0.50%
3135G0TZ6	1720	FED NATL MORTGAGE ASSN	Fed Agy	AA+	10,000,000.00	9,988,833.33	10,013,090.00	01/29/2013	01/29/2016	0.45%
38143USC6	1560	GOLDMAN SACHS GROUP	MTN	A-	5,000,000.00	4,994,851.14	5,324,325.00	02/08/2011	02/07/2016	3.63%
3134G3LJ7	1646	FED HOME LOAN MORT CORP	Fed Agy	AA+	5,000,000.00	4,997,051.56	5,029,085.00	02/10/2012	02/10/2016	0.95%
3135G0NM1	1678	FED NATL MORTGAGE ASSN	Fed Agy	AA+	5,000,000.00	4,999,849.57	5,005,640.00	08/27/2012	02/16/2016	0.56%
3135G0NJ8	1679	FED NATL MORTGAGE ASSN	Fed Agy	AA+	5,000,000.00	5,000,000.00	5,001,165.00	08/27/2012	02/22/2016	0.60%
478160AY0	1583	JOHNSON & JOHNSON	MTN	AAA	3,000,000.00	2,994,423.34	3,144,378.00	05/20/2011	05/15/2016	2.15%
478160AY0	1704	JOHNSON & JOHNSON	MTN	AAA	10,000,000.00	10,468,602.61	10,481,260.00	12/17/2012	05/15/2016	2.15%
36962G5H3	1617	GENERAL ELEC CAP CORP	MTN	AA+	5,000,000.00	4,995,881.28	5,370,180.00	10/17/2011	10/17/2016	3.35%
3133EA5V6	1690	FEDERAL FARM CREDIT BANK	Fed Agy	AA+	5,000,000.00	4,993,473.96	5,010,455.00	10/24/2012	10/24/2016	0.62%
3134G3Z37	1703	FED HOME LOAN MORT CORP	Fed Agy	AA+	10,000,000.00	9,999,393.77	10,016,130.00	12/12/2012	12/05/2016	0.63%
313376RQ0	1635	FEDERAL HOME LOAN BANKS	Fed Agy	AA+	4,020,000.00	4,019,353.90	4,033,398.66	01/24/2012	01/24/2017	1.15%
3136FTZB8	1644	FED NATL MORTGAGE ASSN	Fed Agy	AA+	5,000,000.00	4,993,292.47	5,024,850.00	01/30/2012	01/30/2017	1.25%
3136G04R9	1702	FED NATL MORTGAGE ASSN	Fed Agy	AA+	5,000,000.00	5,002,773.67	5,013,890.00	12/13/2012	02/21/2017	0.75%
3134G3C81	1677	FED HOME LOAN MORT CORP	Fed Agy	AA+	5,000,000.00	5,000,000.00	5,002,845.00	08/27/2012	08/22/2017	1.01%
3135G0PU1	1694	FED NATL MORTGAGE ASSN	Fed Agy	AA+	5,000,000.00	5,001,957.19	5,016,295.00	11/14/2012	10/11/2017	1.00%
3135G0QD8	1689	FED NATL MORTGAGE ASSN	Fed Agy	AA+	6,995,000.00	6,998,162.57	7,015,656.24	10/22/2012	10/16/2017	1.00%
3135G0QW6	1691	FED NATL MORTGAGE ASSN	Fed Agy	AA+	2,035,000.00	2,034,968.34	2,038,917.38	11/08/2012	11/08/2017	1.00%
3135G0QW6	1692	FED NATL MORTGAGE ASSN	Fed Agy	AA+	3,600,000.00	3,599,944.00	3,606,930.00	11/08/2012	11/08/2017	1.00%
3133ECE26	1721	FEDERAL FARM CREDIT BANK	Fed Agy	AA+	8,930,000.00	8,930,000.00	8,930,875.14	01/30/2013	01/30/2018	0.94%
3135G0TM5	1722	FED NATL MORTGAGE ASSN	Fed Agy	AA+	5,000,000.00	4,994,585.83	5,008,685.00	01/30/2013	01/30/2018	1.02%
3135G0TV5	1723	FED NATL MORTGAGE ASSN	Fed Agy	AA+	10,000,000.00	9,981,319.44	10,039,170.00	01/30/2013	01/30/2018	1.03%
3135G0TV5	1724	FED NATL MORTGAGE ASSN	Fed Agy	AA+	6,250,000.00	6,238,324.65	6,274,481.25	01/30/2013	01/30/2018	1.03%
02666QM26	1730	AMERICAN HONDA	MTN	A+	3,000,000.00	2,998,358.51	3,034,908.00	02/19/2013	02/16/2018	1.60%
Total Long-Term Portfolio:					<u>280,131,000.00</u>	<u>280,480,002.91</u>	<u>284,600,787.65</u>			<u>1.44%</u>
Total Portfolio Holdings:					<u>420,925,157.50</u>	<u>421,268,396.43</u>	<u>425,389,679.69</u>			<u>1.00%</u>

**Mat Call Sale Purch
Purchases Report
Sorted by Fund - Fund
April 1, 2013 - April 30, 2013**

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 360	Ending Book Value
SHORT- TERM PORTFOLIO												
00282CTT9	1735	01	ACP ABT	5,000,000.00	04/04/2013	06/27 - At Maturity	4,998,600.00		0.120	06/27/2013	0.120	4,999,060.55
14177TSF2	1734	01	ACP CARGIL	5,000,000.00	04/04/2013	05/15 - At Maturity	4,999,430.56		0.100	05/15/2013	0.100	4,999,806.66
14177TSD7	1737	01	ACP CARGIL	5,000,000.00	04/09/2013	05/13 - At Maturity	4,999,480.56		0.110	05/13/2013	0.110	4,999,817.71
19121ATD3	1736	01	ACP COCA C	5,000,000.00	04/09/2013	06/13 - At Maturity	4,999,097.22		0.100	06/13/2013	0.100	4,999,409.42
89233GT71	1738	01	ACP TOYCC	5,000,000.00	04/19/2013	06/07 - At Maturity	4,999,115.28		0.130	06/07/2013	0.130	4,999,339.43
00282CTU6	1739	01	ACP ABT	5,000,000.00	04/30/2013	06/28 - At Maturity	4,999,098.61		0.110	06/28/2013	0.110	4,999,123.78
19121ALN9	1740	01	ACP COCA C	2,894,000.00	04/30/2013	07/22 - At Maturity	2,893,199.33		0.120	07/22/2013	0.120	2,893,213.47
90526MSH1	1741	01	ACP UN BK	5,000,000.00	04/30/2013	05/17 - At Maturity	4,999,811.11		0.080	05/17/2013	0.080	4,999,823.24
			Subtotal	37,894,000.00			37,887,832.87	0.00				37,889,684.28

Managed Pool Deposits				Deposit Amount	Deposit Date	Deposit Amount	Rate
SYS987	987	01	PA2 FIDELI	2,282,380.00	04/01/2013	2,282,380.00	0.010
SYS987	987	01	PA2 FIDELI	5,115,625.00	04/02/2013	5,115,625.00	0.010
SYS987	987	01	PA2 FIDELI	8,000,000.00	04/05/2013	8,000,000.00	0.010
SYS987	987	01	PA2 FIDELI	25,000.00	04/11/2013	25,000.00	0.010
SYS987	987	01	PA2 FIDELI	8,055,166.67	04/15/2013	8,055,166.67	0.010
SYS987	987	01	PA2 FIDELI	34,975.00	04/16/2013	34,975.00	0.010
SYS987	987	01	PA2 FIDELI	105,000.00	04/17/2013	105,000.00	0.010
SYS987	987	01	PA2 FIDELI	59,062.50	04/17/2013	59,062.50	0.010
SYS987	987	01	PA2 FIDELI	52,500.00	04/17/2013	52,500.00	0.010
SYS987	987	01	PA2 FIDELI	83,750.00	04/17/2013	83,750.00	0.010
SYS987	987	01	PA2 FIDELI	4,478,000.00	04/19/2013	4,478,000.00	0.010
SYS987	987	01	PA2 FIDELI	3,766,000.00	04/22/2013	3,766,000.00	0.010
SYS987	987	01	PA2 FIDELI	15,500.00	04/24/2013	15,500.00	0.010
SYS987	987	01	PA2 FIDELI	22,170.00	04/25/2013	22,170.00	0.010
SYS500	500	01	PA2 GOLDSA	2,622,000.00	04/01/2013	2,622,000.00	0.010
SYS500	500	01	PA2 GOLDSA	1,462,000.00	04/02/2013	1,462,000.00	0.010
SYS500	500	01	PA2 GOLDSA	1,906,000.00	04/03/2013	1,906,000.00	0.010
SYS500	500	01	PA2 GOLDSA	1,000,000.00	04/04/2013	1,000,000.00	0.010
SYS500	500	01	PA2 GOLDSA	7,485,000.00	04/10/2013	7,485,000.00	0.010

**Mat Call Sale Purch
Purchases Report
April 1, 2013 - April 30, 2013**

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 360	Ending Book Value
Managed Pool Deposits					Deposit Amount	Deposit Date		Deposit Amount		Rate			
SYS500	500	01	PA2	GOLDSA	2,320,000.00	04/16/2013		2,320,000.00		0.010			
SYS500	500	01	PA2	GOLDSA	2,000,000.00	04/17/2013		2,000,000.00		0.010			
SYS500	500	01	PA2	GOLDSA	13,447,000.00	04/25/2013		13,447,000.00		0.010			
SYS500	500	01	PA2	GOLDSA	810,000.00	04/26/2013		810,000.00		0.010			
SYS500	500	01	PA2	GOLDSA	98.98	04/30/2013		98.98		0.010			
SYS17430	17430	01	PA1	LAIF	6,000,000.00	04/30/2013		6,000,000.00		0.358			
SYS17432	17432	01	PA1	LAIF	5,000,000.00	04/30/2013		5,000,000.00		0.358			
Subtotal					78,147,228.16			78,147,228.16					
Total Purchases and Deposits					114,041,228.16			114,035,080.82	0.00				37,889,684.28

**Mat Call Sale Purch
Maturity Report
Sorted by Maturity Date
Receipts during April 1, 2013 - April 30, 2013**

CUSIP	Investment #	Fund	Sec. Type	Issuer	Par Value	Maturity Date	Purchase Date	Rate at Maturity	Book Value at Maturity	Interest	Maturity Proceeds	Net Income
38141GDB7	1517	02	MTN	GOLDMA	2,224,000.00	04/01/2013	06/23/2010	5.250	2,224,111.76	0.00	2,224,000.00	-111.76
02666QB69	1237	02	MTN	HNDA	5,000,000.00	04/02/2013	04/02/2008	4.625	5,000,000.00	115,625.00	5,115,625.00	115,625.00
22532ARS9	1718	01	ACP	CR AGR	8,000,000.00	04/05/2013	01/28/2013	0.270	8,000,000.00	0.00	8,000,000.00	0.00
90526MRF6	1727	01	ACP	UN BK	8,000,000.00	04/15/2013	02/04/2013	0.120	8,000,000.00	0.00	8,000,000.00	0.00
19121ARK9	1716	01	ACP	COCA C	4,478,000.00	04/19/2013	01/15/2013	0.130	4,478,000.00	0.00	4,478,000.00	0.00
00282CRN4	1729	01	ACP	ABT	3,766,000.00	04/22/2013	02/05/2013	0.110	3,766,000.00	0.00	3,766,000.00	0.00
Total Maturities					31,488,000.00				31,488,111.76	116,825.00	31,683,825.00	116,613.24



POOL PROFILE

September 28, 2012

City of Anaheim Treasurer Investment Pool

Fund 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.

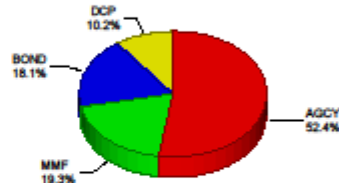
Plus (+) or Minus (-) The ratings from 'AAf' to 'CCCf' may be modified to show relative standing within the major rating categories.

Fund 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 credit quality of the portfolio investments and the likelihood of counterparty defaults.

About the Pool

Pool Rating	AAf / S1
Pool Type	Variable NAV Government Investment Pool
Investment Adviser	City of Anaheim CA
Portfolio Manager	Henry Stern
Pool Rated Since	July 2008

Portfolio Composition as of September 28, 2012



AGCY - Agency Fixed Rate; MMF - Money Market Fund; BOND - Corporate Fixed Rate; DCP - Commercial Paper

*As assessed by Standard & Poor's

Pool Highlights

- The City of Anaheim Treasurer Investment Pool holds securities that have an average maturity of two years or less.
- The pool must purchase securities with a rating of 'A' or better.

Management

The treasurer for the city of Anaheim, California, is responsible for overall management of the portfolio. The treasurer has prior experience managing Standard & Poor's-rated government investment pools from his tenure at the cities of Los Angeles and Long Beach. The City of Anaheim's \$300 million-plus portfolio is divided into a short-term and a long-term portfolio; \$95 million to \$120 million comprises the short-term component. The investment policy is reviewed and submitted to the city council annually—with the current 2012 policy in effect—and applies to all cash and investments controlled by the Anaheim treasurer on behalf of the city.

Credit Quality

Standard & Poor's rates City of Anaheim Treasurer Investment Pool 'AAf/S1'. The 'AAf' fund credit quality rating is based on Standard & Poor's analysis of the credit quality of the portfolio's eligible investments, the counterparties, and the overall management by the portfolio's investment managers. The 'AAf' rating demonstrates that the fund's portfolio holdings provide very strong protection against losses from credit defaults. The 'S1' volatility rating indicates that the pool possesses low sensitivity to changing market conditions and an aggregate level of risk that is less than or equal to that of a portfolio comprised of government securities maturing within one to three years and denominated in the base currency of the pool. As part of Standard & Poor's volatility

analysis, it 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 funds, investment-grade corporate debt, commercial paper, the Local Agency Investment Fund (LAIF), and U.S. Treasury and agency securities. The pool can only purchase securities with a rating of 'A' or better. The pool's primary objectives are to provide safety of principal, followed by maintenance of liquidity and return on investment. Various city departments are the pool's predominant investors. The short-term portfolio's benchmark is the 91-Day Treasury bill, which is managed with the view that cash is needed for operating purposes within a six-month period. The long-term portfolio's benchmark is the Merrill Lynch 1-3 Year U.S. Treasury Index. The pool's overall duration is currently 1.5 years, with a maximum duration of three years. Union Bank of California is the custodian for the pool.

Standard & Poor's Analyst: Joel Friedman - (1) 212-438-5043

www.standardandpoors.com

Participants should consider the investment objectives, risks, charges and expenses of the pool before investing. The investment guidelines which can be obtained from your broker-dealer, contain this and other information about the pool and should be read carefully before investing.