



+COUNCIL AGENDA REPORT

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

DATE: JANUARY 26, 2010
FROM: HENRY W. STERN, CITY TREASURER
SUBJECT: INVESTMENT PORTFOLIO REPORT – DECEMBER 2009

ATTACHMENT (Y/N): YES ITEM #

RECOMMENDATION:

That the City Council, by Motion, approve the Investment Portfolio Report for December 2009.

DISCUSSION:

This is the investment report for the City’s general pool for the month ending December 31, 2009. 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 December 31, 2009:

	Short-term Portfolio	Long-term Portfolio	Total Portfolio Values
Portfolio Balance (Market Value)	\$ 124,300,074	\$ 249,625,896	\$ 373,925,970
Effective Yield	0.29 %	2.69 %	1.89 %
Avg. Weighted Maturity	24 Days	2.4 Years	1.6 Years
Net Earnings	\$ 30,568	\$ 536,915	\$ 567,483
Benchmark*	0.04 %	1.37 %	0.91 %

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

INVESTMENT ACTIVITIES

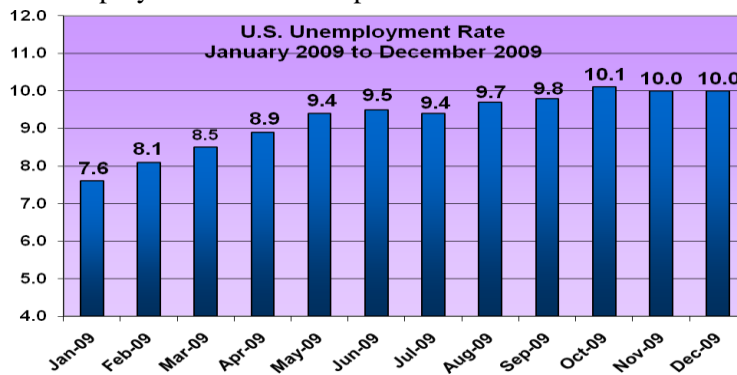
The City Treasurer’s Investment Portfolio received a credit rating of AAf and a volatility rating of S1 from Standard and Poor’s in July 2008. The portfolio is reviewed monthly by Standard and Poor’s for portfolio holdings, liquidity values and the overall management of the investment staff. Standard 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.

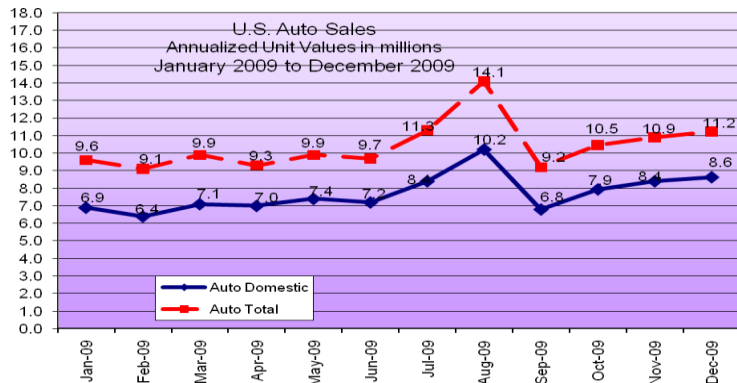
INVESTMENT ENVIRONMENT

Economic data for December 2009 indicates that the national economy may have reached its lows in the fourth quarter 2009. As mentioned in earlier monthly investment reports, the unemployment rate is a major economic indicator that provides some insight into the health and strength of the workforce. For the three months ending the fourth quarter 2009, the national unemployment rate has remained at 10.0 percent. Although the rate is the highest in twenty years, a stable value for the past three months may indicate we have seen the worse in the unemployment field. It should be noted the unemployment rate is a “lagging” indicator, which means this economic indicator will be slow to show improvement or lower values in comparison to other industry economic indicators. The chart below shows the national unemployment rate for the past twelve months:



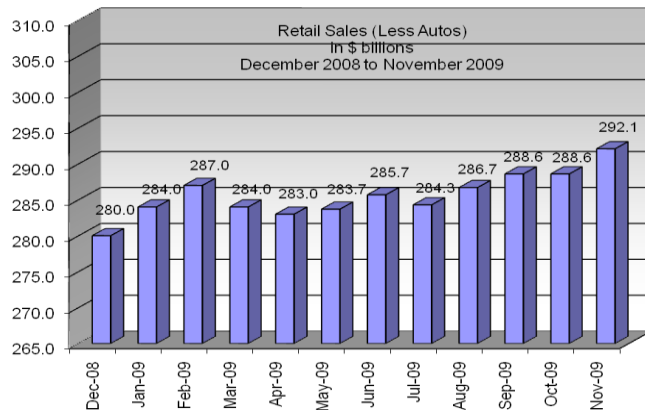
Source: Bureau of Statistics, Dept of Labor

The consumer has been the driving force in the economy for the past thirty years. One key sales indicator is the level of autos purchased. For the past twelve months, auto sales, both domestic and total sales, have shown an annualized value of approximately 8 million and 10.5 million respectively. Note the spike in sales for August 2009 was due to the “Cash for Clunkers” program. The following chart shows the twelve values and an upward trend for the fourth quarter of 2009:



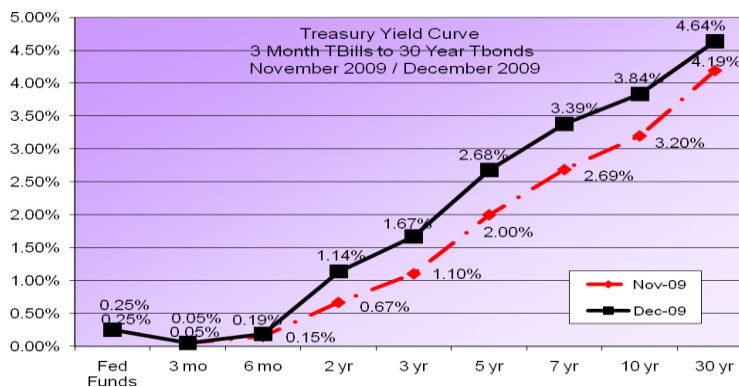
Source: Bloomberg Financial Systems

Supplementing the auto sales, are retail sales (excluding autos) for the past year. Although the economic environment continues to be stressful for the individual consumer, the levels of retail sales less autos have shown a consistency through the 2009 calendar year. Final numbers for December 2009 are not available yet, however, the chart below shows the past twelve months of retail sales through November 2009:



Source: Bloomberg Financial Systems

Interest rates for the month of December 2009 moved dramatically higher from November 2009 levels. Market concerns were about the strengthening economy leading to an increase in inflationary pressures and the large increasing amount of debt issued by the U.S. Treasury to finance the stimulus and recovery program by government. The Federal Reserve’s ‘Federal Open Market Committee’ (FOMC) meeting on December 16, 2009 reaffirmed the benchmark Federal Funds rate at a 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 financial markets have begun to consider an economic recovery that may have inflationary tones, and caused rates from two years to thirty years to rise significantly in the month of December 2009. While interest rates under one year remained essentially unchanged, the two year TNote closed December at 1.14%, up from the November level of 0.67%, for a monthly increase of 47 basis points or nearly 70 percent. Correspondingly, the five year TNote closed December 2009 at 2.68% compared to November 2009 close of 2.00%, for a 69 basis point or 34 percent increase. The financial markets are now divided on the direction of interest rates, with the majority still looking for interest rates to remain low for calendar year 2010, but a small but growing number of economists suggesting interest rates may move higher earlier in 2010. The chart below shows the interest rates for Treasury issues for the period of November 2009 and December 2009:



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.

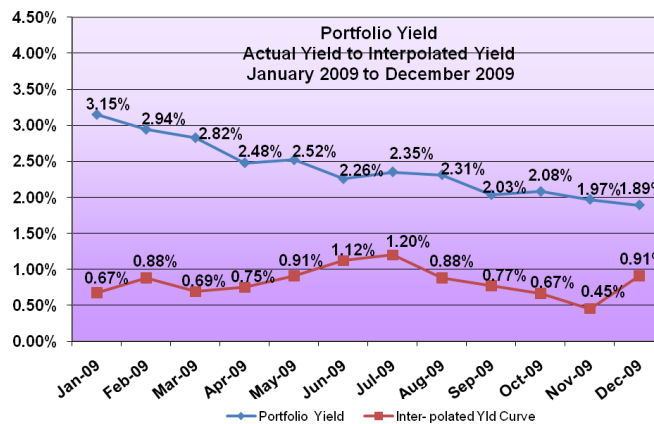
INVESTMENT PERFORMANCE

For December 2009, 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	\$ 124,300,074	24 days	0.31 %	0.04 %	0.024	0.614
Long-Term Portfolio	\$ 249,625,896	2.4 years	2.69 %	1.37 %	-1.133	3.581
Total Portfolio	\$ 373,925,970	1.6 years	1.89 %	0.91 %	-0.075	3.024

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 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 December 2009 is on the following pages.

IMPACT ON BUDGET:

None.

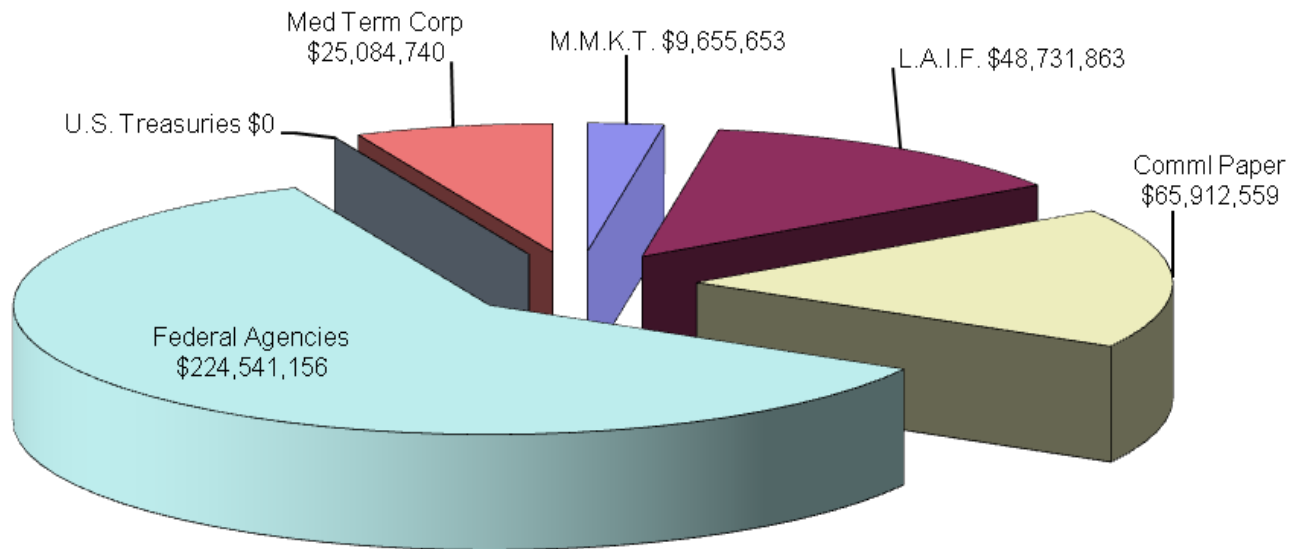
Respectfully submitted,

Henry W. Stern, CTP
City Treasurer

Balances, Yields and Average Maturities**December 31, 2009**

<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	\$9,655,653	\$9,655,653	\$9,655,653	0.04%	2.58%	1	0.00
L.A.I.F. (State of California	\$48,731,863	\$48,731,863	\$48,731,863	0.57%	13.03%	1	0.00
subtotal: Cash and Overnight Investments	\$58,387,515	\$58,387,515	\$58,387,515		15.61%	1	0.00
Commercial Paper	\$65,925,000	\$62,912,559	\$65,912,559	0.14%	17.63%	45	0.12
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	\$65,925,000	\$62,912,559	\$65,912,559	0.14%	17.63%	15	0.04
Total Short-Term Portfolio:	\$124,312,515	\$121,300,074	\$124,300,074	0.31%	33.24%	24	0.07
Long -Term Portfolio							
Commercial Paper	\$0	\$0	\$0		0.00%	0	0.00
Medium Term Corporate Notes	\$24,364,000	\$24,306,573	\$25,084,740	4.26%	6.71%	734	2.01
U.S. Federal Agencies	\$221,728,000	\$221,730,832	\$224,541,156	2.52%	60.05%	881	2.41
U.S. Treasury	\$0	\$0	\$0	0.00%	0.00%	0	0.00
Total Long-Term Portfolio:	\$246,092,000	\$246,037,405	\$249,625,896	2.69%	66.76%	867	2.38
Total Cash and Pooled Investments	\$370,404,515	\$367,337,479	\$373,925,970	1.89%	100.00%	584	1.60

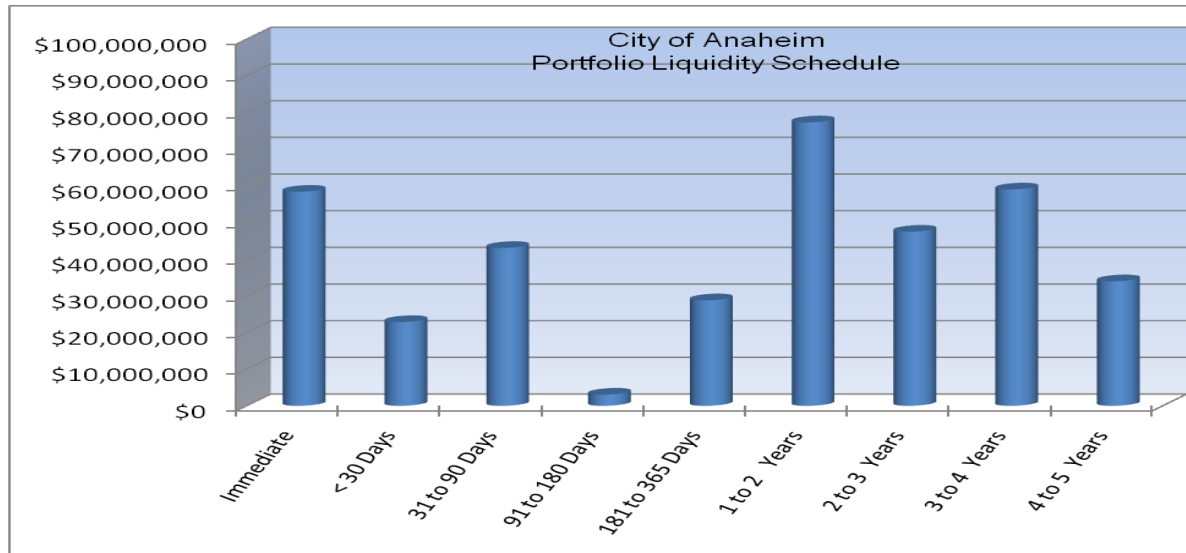
City of Anaheim
Investment Portfolio Asset Allocation
December 31, 2009
\$ 373,925,970



■ M.M.K.T. ■ L.A.I.F. ■ Comm'l Paper ■ Federal Agencies ■ U.S. Treasuries ■ Med Term Corp

Liquidity Schedule
 December 31, 2009

	<u>Availability</u>	<u>Market Value</u>	<u>Cumulative Balances</u>	<u>% of Total Assets</u>
Money Market Funds	Immediate	\$9,655,653	\$9,655,653	2.58%
L.A.I.F. (State of California)	Immediate	\$48,731,863	\$58,387,515	15.61%
Pooled Investment Maturities:	< 30 Days	\$22,848,563	\$81,236,078	21.73%
	31 to 90 Days	\$43,063,996	\$124,300,074	33.24%
	91 to 180 Days	\$3,049,293	\$127,349,367	34.06%
	181 to 365 Days	\$28,782,507	\$156,131,874	41.75%
	1 to 2 years	\$77,316,461	\$233,448,335	62.43%
	2 to 3 years	\$47,492,858	\$280,941,193	75.13%
	3 to 4 years	\$59,020,403	\$339,961,596	90.92%
	4 to 5 years	\$33,964,375	\$373,925,970	100.00%
Total Cash and Pooled Investments:		\$373,925,970		



Summary and Comparison of Yields and Balances

December 31, 2009

<u>Description</u>	<u>Current Month</u> <u>December 31, 2009</u>	<u>Prior Month</u> <u>November 30, 2009</u>
Yield to Maturity (at market):		
Money Market Funds (US Treasuries)	0.04%	0.07%
L.A.I.F. (State of California)	0.57%	0.62%
U.S. Treasuries	0.00%	0.00%
Federal Agency Bonds	2.52%	2.70%
Commercial Paper	0.14%	0.16%
Medium Term Corporate Notes	4.26%	4.26%
	1.89%	1.97%
Weighted Average Maturity (Days)	584	593
Weighted Average Maturity (Years)	1.60	1.62
Balances (at Market Value)		
Money Market Funds (US Gov Sec)	\$9,655,653	\$37,009,634
L.A.I.F. (State of California)	\$48,731,863	\$39,602,863
U.S. Treasuries	\$0	\$0
Federal Agencies	\$224,541,156	\$204,295,527
Commercial Paper	\$65,912,559	\$42,997,336
Medium Term Corporate Notes	\$25,084,740	\$25,292,016
Total Portfolio:	\$373,925,970	\$349,197,376
	<u>Current Month</u>	<u>Fiscal Year to</u>
Earnings:	<u>December 31, 2009</u>	<u>Date Earnings</u>
Total Interest Earnings for Month:	\$566,953.24	\$3,910,979.93
Total Adjustments from Premiums and Discounts	\$529.22	-\$61,895.09
Total Capital Gains or Losses	\$0.00	\$156,730.51
Total Earnings for Month	\$567,482.46	\$4,005,815.35

City Treasurer's Investment Report – December 2009

Attachment 1

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City of Anaheim

December 31, 2009

Short-Term Portfolio

CUSIP	Security #	Issuer	Type	S&P	Par Value	Book Value	Market Value	Purchase Date	Maturity Date	Stated Rate
SYS17430	17430	LAIF	LAIF	AA	\$20,448,179.86	\$20,448,179.86	\$20,448,179.86			0.569%
SYS17431	17431	LAIF	LAIF	AA	\$28,283,682.79	\$28,283,682.79	\$28,283,682.79			0.569%
SYS987	987	FIDELITY GOVERNMENT MMKT	MMKT	AAA	\$0.00	\$0.00	\$0.00			0.035%
SYS500	500	GOLDMAN SACHS MMKT	MMKT	AAA	\$9,655,652.84	\$9,655,652.84	\$9,655,652.84			0.035%
4662J1A75	1439	JP Morgan		A-1	\$3,850,000.00	\$3,849,924.69	\$3,849,924.69	12/01/2009	01/07/2010	0.120%
00282DB82	1440	Abbott Labs	CP	A-1	\$4,000,000.00	\$3,999,545.71	\$3,999,545.71	12/04/2009	02/08/2010	0.110%
00282DC16	1443	Abbott Labs	CP	A-1	\$3,700,000.00	\$3,699,336.75	\$3,699,336.75	12/16/2009	03/01/2010	0.110%
0660P1CK5	1444	BANK OF AMERICA	CP	A-1	\$5,000,000.00	\$4,997,873.34	\$4,997,873.34	12/16/2009	03/19/2010	0.200%
0660P1CQ2	1450	BANK OF AMERICA	CP	A-1	\$5,000,000.00	\$4,997,735.25	\$4,997,735.25	12/18/2009	03/24/2010	0.200%
14178MAF5	1442	CARGILL	CP	A-1	\$5,000,000.00	\$4,999,790.80	\$4,999,790.80	12/04/2009	01/15/2010	0.110%
19121BAN9	1441	COCA COLA	CP	A-1	\$5,000,000.00	\$4,999,714.71	\$4,999,714.71	12/04/2009	01/22/2010	0.100%
2546R3AV6	1445	Disney	CP	A-1	\$4,000,000.00	\$3,999,665.28	\$3,999,665.28	12/16/2009	01/29/2010	0.110%
2546R3B52	1446	Disney	CP	A-1	\$4,000,000.00	\$3,999,543.56	\$3,999,543.56	12/16/2009	02/05/2010	0.120%
2546R3C51	1448	Disney	CP	A-1	\$5,000,000.00	\$4,998,781.97	\$4,998,781.97	12/16/2009	03/05/2010	0.140%
36959SAV5	1449	GE COMPANY	CP	A-1	\$5,000,000.00	\$4,999,467.52	\$4,999,467.52	12/18/2009	01/29/2010	0.140%
36959SBC6	1451	GE COMPANY	CP	A-1	\$5,000,000.00	\$4,999,201.26	\$4,999,201.26	12/18/2009	02/12/2010	0.140%
02665KBR7	1447	American Honda	CP	A-1	\$2,375,000.00	\$2,374,432.18	\$2,374,432.18	12/16/2009	02/25/2010	0.160%
89233HBS2	1452	TOYOTA MOTOR CREDIT	CP	A-1	\$5,000,000.00	\$4,998,782.88	\$4,998,782.88	12/21/2009	02/26/2010	0.160%
89233HCC6	1453	TOYOTA MOTOR CREDIT	CP	A-1	\$4,000,000.00	\$3,998,762.68	\$3,998,762.68	12/23/2009	03/12/2010	0.160%
Total of Short-Term Portfolio:					<u>\$124,312,515.49</u>	<u>\$124,300,074.07</u>	<u>\$124,300,074.07</u>			<u>0.310%</u>

City of Anaheim

December 31, 2009

Long-Term Portfolio

CUSIP	Security #	Issuer	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	\$3,011,648.68	\$3,049,293.00	01/20/2009	06/01/2010	4.375%
31331Y3U2	1298	FED FARM CREDIT BANK	Fed Agy	AAA	\$10,000,000.00	\$9,999,805.56	\$10,156,250.00	07/21/2008	07/21/2010	3.300%
3136FHFE0	1363	FED NATL MORT ASSN	Fed Agy	AAA	\$10,000,000.00	\$10,018,311.43	\$10,037,500.00	04/01/2009	09/16/2010	1.500%
94974BAZ3	1334	WELLS FARGO CO	MTN	AA-	\$8,364,000.00	\$8,366,619.72	\$8,588,757.41	12/23/2008	10/29/2010	3.980%
31331GJY6	1338	FED FARM CREDIT BANK	Fed Agy	AAA	\$5,000,000.00	\$5,003,932.50	\$5,050,000.00	01/15/2009	01/12/2011	1.600%
3136FHAA3	1352	FED NATL MORT ASSN	Fed Agy	AAA	\$5,000,000.00	\$4,999,444.44	\$5,009,375.00	02/11/2009	02/11/2011	2.000%
31398AVL3	1371	FED NATL MORT ASSN	Fed Agy	AAA	\$3,090,000.00	\$3,101,772.76	\$3,098,690.63	04/29/2009	03/02/2011	2.000%
3133XT4D5	1365	FED HOME LOAN BANKS	Fed Agy	AAA	\$10,000,000.00	\$10,023,323.40	\$10,106,250.00	04/01/2009	03/16/2011	1.625%
3133XTJ64	1380	FED HOME LOAN BANKS	Fed Agy	AAA	\$10,000,000.00	\$10,005,095.81	\$10,071,875.00	05/01/2009	05/16/2011	1.375%
3133XW4V8	1460	FED HOME LOAN BANKS	Fed Agy	AAA	\$5,000,000.00	\$4,991,515.74	\$4,973,437.50	12/30/2009	06/30/2011	0.800%

City Treasurer's Investment Report – December 2009

Attachment 1

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City of Anaheim
Long-Term Portfolio

December 31, 2009

CUSIP	Security #	Issuer	Type	S&P	Par Value	Book Value	Market Value	Purchase Date	Maturity Date	Stated Rate
3128X8C26	1382	FED HOME LOAN MORT CORP	Fed Agy	AAA	\$10,000,000.00	\$9,994,271.60	\$10,025,570.00	05/11/2009	08/11/2011	1.625%
3133XH6G2	1039 C	FED HOME LOAN BANKS	Fed Agy	AAA	\$5,000,000.00	\$5,000,000.00	\$5,365,625.00	09/29/2006	09/29/2011	5.340%
31331Y3P3	1296	FED FARM CREDIT BANK	Fed Agy	AAA	\$10,000,000.00	\$9,989,848.70	\$10,403,125.00	07/15/2008	10/03/2011	3.500%
3133XVQL8	1456	FED HOME LOAN BANKS	Fed Agy	AAA	\$3,240,000.00	\$3,240,064.52	\$3,235,950.00	12/28/2009	12/09/2011	1.125%
3137EACF4	1454	FED HOME LOAN MORT CORP	Fed Agy	AAA	\$5,000,000.00	\$5,004,281.75	\$4,984,375.00	12/28/2009	12/15/2011	1.125%
3136FJF89	1459	FED NATL MORT ASSN	Fed Agy	AAA	\$5,000,000.00	\$4,984,022.22	\$4,992,187.50	12/30/2009	12/30/2011	1.125%
3128X8EM0	1349	FED HOME LOAN MORT CORP	Fed Agy	AAA	\$10,000,000.00	\$10,007,568.90	\$10,005,900.00	01/26/2009	01/20/2012	2.250%
3136FHEV3	1362	FED NATL MORT ASSN	Fed Agy	AAA	\$8,000,000.00	\$8,050,873.13	\$8,082,500.00	04/01/2009	03/23/2012	2.375%
3128X8A93	1376	FED HOME LOAN MORT CORP	Fed Agy	AAA	\$5,000,000.00	\$5,000,000.00	\$5,013,195.00	05/11/2009	05/11/2012	2.050%
3133XWDC0	1458	FED HOME LOAN BANKS	Fed Agy	AAA	\$5,000,000.00	\$4,983,108.65	\$4,967,187.50	12/28/2009	05/25/2012	1.250%
3128X8H62	1391	FED HOME LOAN MORT CORP	Fed Agy	AAA	\$5,000,000.00	\$5,000,000.00	\$5,003,825.00	06/08/2009	06/08/2012	1.750%
3136F9U4	1342	FED NATL MORT ASSN	Fed Agy	AAA	\$2,500,000.00	\$2,500,000.00	\$2,518,750.00	02/03/2009	08/03/2012	2.000%
31359MPF4	1286	FED NATL MORT ASSN	Fed Agy	AAA	\$10,000,000.00	\$10,050,494.21	\$10,709,375.00	06/25/2008	09/15/2012	4.375%
3136FJD57	1455	FED NATL MORT ASSN	Fed Agy	AAA	\$1,200,000.00	\$1,198,133.20	\$1,192,125.00	12/28/2009	12/28/2012	1.900%
31331YQP8	1204	FED FARM CREDIT BANK	Fed Agy	AAA	\$5,000,000.00	\$5,000,000.00	\$5,009,375.00	01/25/2008	01/25/2013	3.800%
31398AME9	1206	FED NATL MORT ASSN	Fed Agy	AAA	\$10,000,000.00	\$10,000,000.00	\$10,584,375.00	01/28/2008	01/28/2013	4.000%
949746NY3	1333	WELLS FARGO CO	MTN	AA-	\$8,000,000.00	\$7,930,321.46	\$8,309,440.00	12/23/2008	01/31/2013	4.375%
3133XSTQ1	1351	FED HOME LOAN BANKS	Fed Agy	AAA	\$5,000,000.00	\$4,998,067.71	\$5,009,375.00	02/04/2009	02/04/2013	2.875%
02666QB69	1237	American Honda	MTN	A	\$5,000,000.00	\$4,997,983.28	\$5,137,250.00	04/02/2008	04/02/2013	4.625%
3128X8TZ5	1368	FED HOME LOAN MORT CORP	Fed Agy	AAA	\$3,955,000.00	\$3,951,948.58	\$3,973,675.51	04/14/2009	04/08/2013	2.500%
3136F9PL1	1264	FED NATL MORT ASSN	Fed Agy	AAA	\$10,000,000.00	\$10,000,000.00	\$10,134,375.00	05/14/2008	05/14/2013	4.000%
3133XTNY8	1390	FED HOME LOAN BANKS	Fed Agy	AAA	\$1,685,000.00	\$1,683,197.99	\$1,682,367.19	06/03/2009	06/03/2013	2.375%
3136FJZZ7	1457	FED NATL MORT ASSN	Fed Agy	AAA	\$2,175,000.00	\$2,168,230.16	\$2,151,210.94	12/28/2009	06/28/2013	2.000%
3133XSP93	1330	FED HOME LOAN BANKS	Fed Agy	AAA	\$6,845,000.00	\$6,876,128.00	\$7,028,959.38	12/15/2008	12/13/2013	3.125%
31398AWH1	1367	FED NATL MORT ASSN	Fed Agy	AAA	\$5,000,000.00	\$5,022,144.79	\$4,987,500.00	04/14/2009	04/07/2014	2.900%
31331GTJ8	1369	FED FARM CREDIT BANK	Fed Agy	AAA	\$8,000,000.00	\$8,004,122.67	\$7,975,000.00	04/17/2009	04/17/2014	2.625%
31331GTJ8	1379	FED FARM CREDIT BANK	Fed Agy	AAA	\$4,500,000.00	\$4,481,107.81	\$4,485,937.50	05/01/2009	04/17/2014	2.625%
3128X8YK2	1381	FED HOME LOAN MORT CORP	Fed Agy	AAA	\$4,038,000.00	\$4,020,504.99	\$4,022,187.19	05/01/2009	04/29/2014	2.750%
31331GVG1	1392	FED FARM CREDIT BANK	Fed Agy	AAA	\$5,000,000.00	\$4,919,285.43	\$4,984,375.00	05/28/2009	05/06/2014	2.750%
3133XTRN8	1393	FED HOME LOAN BANKS	Fed Agy	AAA	\$7,500,000.00	\$7,460,225.00	\$7,509,375.00	06/02/2009	06/02/2014	3.000%
Total Long-Term Portfolio:					<u>\$246,092,000.00</u>	<u>\$246,037,404.79</u>	<u>\$249,625,896.25</u>			<u>2.690%</u>
Total Portfolio Holdings:					<u>\$370,404,515.48</u>	<u>\$370,337,478.85</u>	<u>\$373,925,970.31</u>			<u>1.89%</u>

CITY OF ANAHEIM MONTHLY REPORT
Purchases Report
Sorted by Security Type - Fund
December 1, 2009 - December 31, 2009

CUBIP	Investment #	Fund	Sec. Type	Issuer	Original Par Value	Purchase Date	Payment Periods	Principal Purchased	Accrued Interest at Purchase	Rate of Purchase	Maturity Date	YTM	Ending Book Value
Federal Agency Issues - Coupon													
3133KVQL8	1456	02	FAC	FHLB	3,240,000.00	12/28/2009	06/09 - 12/09	3,240,064.80	4,860.00	1.125	12/09/2011	1.124	3,240,064.52
3133KWDC0	1458	02	FAC	FHLB	5,000,000.00	12/28/2009	05/25 - 11/25	4,983,050.00		1.250	05/25/2012	1.394	4,983,108.65
3137EACF4	1454	02	FAC	FHLMC	5,000,000.00	12/28/2009	06/15 - 12/15	5,004,300.00	10,468.75	1.125	12/15/2011	1.080	5,004,281.75
3136FJD57	1455	02	FAC	FNMA	1,200,000.00	12/28/2009	06/28 - 12/28	1,198,128.00		1.900	12/28/2012	1.954	1,198,133.20
3136FJZZ7	1457	02	FAC	FNMA	2,175,000.00	12/28/2009	06/28 - 12/28	2,168,214.00		2.000	06/28/2013	2.093	2,168,230.16
3133KW4V8	1460	02	FAC	FHLB	5,000,000.00	12/30/2009	06/30 - 12/30	4,991,500.00		0.800	06/30/2011	0.914	4,991,515.74
3136FJF89	1459	02	FAC	FNMA	5,000,000.00	12/30/2009	06/30 - 12/30	4,984,000.00		1.125	12/30/2011	1.288	4,984,022.22
Subtotal					28,815,000.00			28,688,268.80	15,328.75				28,688,368.24
Commercial Paper Disc. -Amortizing													
4662J1A75	1439	01	ACP	JPM	3,850,000.00	12/01/2009	01/07 - At Maturity	3,849,525.17		0.120	01/07/2010	0.120	3,849,924.69
00282DB82	1440	01	ACP	ABT	4,000,000.00	12/04/2009	02/08 - At Maturity	3,999,193.33		0.110	02/08/2010	0.110	3,999,545.71
14178MAF5	1442	01	ACP	CARGIL	5,000,000.00	12/04/2009	01/15 - At Maturity	4,999,358.33		0.110	01/15/2010	0.110	4,999,790.80
19121BAN9	1441	01	ACP	COCA C	5,000,000.00	12/04/2009	01/22 - At Maturity	4,999,319.44		0.100	01/22/2010	0.100	4,999,714.71
00282DC16	1443	01	ACP	ABT	3,700,000.00	12/16/2009	03/01 - At Maturity	3,699,152.08		0.110	03/01/2010	0.110	3,699,336.75
0660P1CK5	1444	01	ACP	BAC	5,000,000.00	12/16/2009	03/19 - At Maturity	4,997,416.67		0.200	03/19/2010	0.200	4,997,873.34
2546R3AV6	1445	01	ACP	DISNEY	4,000,000.00	12/16/2009	01/29 - At Maturity	3,999,462.22		0.110	01/29/2010	0.110	3,999,665.28
2546R3B52	1446	01	ACP	DISNEY	4,000,000.00	12/16/2009	02/05 - At Maturity	3,999,320.00		0.120	02/05/2010	0.120	3,999,543.56
2546R3C51	1448	01	ACP	DISNEY	5,000,000.00	12/16/2009	03/05 - At Maturity	4,998,463.89		0.140	03/05/2010	0.140	4,998,781.97
02665KBR7	1447	01	ACP	HNDX	2,375,000.00	12/16/2009	02/25 - At Maturity	2,374,250.56		0.160	02/25/2010	0.160	2,374,432.18
0660P1CQ2	1450	01	ACP	BAC	5,000,000.00	12/18/2009	03/24 - At Maturity	4,997,333.33		0.200	03/24/2010	0.200	4,997,735.25
36959SAV5	1449	01	ACP	GE COM	5,000,000.00	12/18/2009	01/29 - At Maturity	4,999,183.33		0.140	01/29/2010	0.140	4,999,467.52
36959SBC6	1451	01	ACP	GE COM	5,000,000.00	12/18/2009	02/12 - At Maturity	4,998,911.11		0.140	02/12/2010	0.140	4,999,201.26
89233HBS2	1452	01	ACP	TOYCC	5,000,000.00	12/21/2009	02/26 - At Maturity	4,998,511.11		0.160	02/26/2010	0.160	4,998,782.88
89233HCC6	1453	01	ACP	TOYCC	4,000,000.00	12/23/2009	03/12 - At Maturity	3,998,595.56		0.160	03/12/2010	0.160	3,998,762.68
Subtotal					66,825,000.00			66,807,898.13	0.00				66,812,668.68
Managed Pool Deposits													
					Deposit Amount	Deposit Date		Deposit Amount		Rate			
SY8987	987	01	PA2	FIDELI	112,500.00	12/02/2009		112,500.00		0.510			
SY8987	987	01	PA2	FIDELI	14,393,009.38	12/03/2009		14,393,009.38		0.510			
SY8987	987	01	PA2	FIDELI	43,750.00	12/08/2009		43,750.00		0.510			

CITY OF ANAHEIM MONTHLY REPORT
 Purchases Report
 December 1, 2009 - December 31, 2009

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			
SY987	987	01	PA2	FIDELI	5,000,000.00	12/11/2009		5,000,000.00		0.510			
SY987	987	01	PA2	FIDELI	106,953.13	12/13/2009		106,953.13		0.510			
SY987	987	01	PA2	FIDELI	3,001,000.00	12/15/2009		3,001,000.00		0.510			
SY987	987	01	PA2	FIDELI	65,624.99	12/17/2009		65,624.99		0.510			
SY987	987	01	PA2	FIDELI	4,485,000.00	12/29/2009		4,485,000.00		0.510			
SY987	987	01	PA2	FIDELI	67,275.00	12/29/2009		67,275.00		0.510			
SY987	987	01	PA2	FIDELI	9,975,500.00	12/30/2009		9,975,500.00		0.510			
SY9500	500	01	PA2	GOLDSA	1,463,000.00	12/01/2009		1,463,000.00		0.288			
SY9500	500	01	PA2	GOLDSA	2,383,000.00	12/02/2009		2,383,000.00		0.288			
SY9500	500	01	PA2	GOLDSA	1,529,000.00	12/08/2009		1,529,000.00		0.288			
SY9500	500	01	PA2	GOLDSA	2,116,000.00	12/09/2009		2,116,000.00		0.288			
SY9500	500	01	PA2	GOLDSA	684,000.00	12/11/2009		684,000.00		0.288			
SY9500	500	01	PA2	GOLDSA	1,069,812.00	12/14/2009		1,069,812.00		0.288			
SY9500	500	01	PA2	GOLDSA	4,485,000.00	12/17/2009		4,485,000.00		0.288			
SY9500	500	01	PA2	GOLDSA	3,602,000.00	12/22/2009		3,602,000.00		0.288			
SY9500	500	01	PA2	GOLDSA	796,000.00	12/23/2009		796,000.00		0.288			
SY9500	500	01	PA2	GOLDSA	23,163,000.00	12/24/2009		23,163,000.00		0.288			
SY9500	500	01	PA2	GOLDSA	10,329,000.00	12/29/2009		10,329,000.00		0.288			
SY9500	500	01	PA2	GOLDSA	687.72	12/31/2009		687.72		0.288			
SY917431	17431	01	PA1	LAIF	9,129,000.00	12/10/2009		9,129,000.00		1.370			
				Subtotal	88,000,112.22			88,000,112.22					
		Total Purchases and Deposits			190,640,112.22			190,477,386.16	16,328.76				92,481,814.82

CITY OF ANAHEIM MONTHLY REPORT
Maturity Report
Sorted by Maturity Date
Amounts due during December 1, 2009 - December 31, 2009

CUSIP	Investment #	Fund	Sec. Type	Issuer	Par Value	Maturity Date	Purchase Date	Rate at Maturity	Book Value at Maturity	Interest	Maturity Proceeds	Net Income
4662J0Z39	1433	01	ACP	JPM	4,000,000.00	12/03/2009	11/03/2009	0.160	4,000,000.00	0.00	4,000,000.00	0.00
19121AZ38	1414	01	ACP	COCA C	4,000,000.00	12/03/2009	09/04/2009	0.180	4,000,000.00	0.00	4,000,000.00	0.00
89233GZ41	1429	01	ACP	TOYCC	4,000,000.00	12/04/2009	10/23/2009	0.140	4,000,000.00	0.00	4,000,000.00	0.00
0660P0Z71	1438	01	ACP	BAC	4,000,000.00	12/07/2009	11/13/2009	0.170	4,000,000.00	0.00	4,000,000.00	0.00
36960LZB4	1432	01	ACP	GE COM	5,000,000.00	12/11/2009	11/03/2009	0.150	5,000,000.00	0.00	5,000,000.00	0.00
36959HZJ9	1430	01	ACP	GE COM	5,000,000.00	12/18/2009	11/02/2009	0.170	5,000,000.00	0.00	5,000,000.00	0.00
89233GZP4	1431	01	ACP	TOYCC	4,000,000.00	12/23/2009	11/03/2009	0.140	4,000,000.00	0.00	4,000,000.00	0.00
00282CZU9	1437	01	ACP	ABT	3,000,000.00	12/28/2009	11/13/2009	0.100	3,000,000.00	0.00	3,000,000.00	0.00
36960LZU2	1436	01	ACP	GE COM	5,000,000.00	12/28/2009	11/13/2009	0.180	5,000,000.00	0.00	5,000,000.00	0.00
89233GZX7	1435	01	ACP	TOYCC	5,000,000.00	12/31/2009	11/13/2009	0.150	5,000,000.00	0.00	5,000,000.00	0.00
Total Maturities					43,000,000.00				43,000,000.00	0.00	43,000,000.00	0.00

CITY OF ANAHEIM MONTHLY REPORT
Sales/Call Report
Sorted by Maturity Date - Fund
December 1, 2009 - December 31, 2009

<u>CUSIP</u>	<u>Investment #</u>	<u>Fund</u>	<u>Issuer</u> <u>Sec. Type</u>	<u>Purchase Date</u>	<u>Redem. Date</u> <u>Matur. Date</u>	<u>Par Value</u>	<u>Rate at Redem.</u>	<u>Book Value at Redem.</u>	<u>Redemption Principal</u>	<u>Redemption Interest</u>	<u>Total Amount</u>	<u>Net Income</u>
12/29/2011												
3133XSGH4	1335	02	FHLB FAC	12/29/2008	12/29/2009 12/29/2011	4,485,000.00	3.000	4,485,000.00	4,485,000.00	67,275.00	4,552,275.00 Call	67,275.00
Subtotal						4,485,000.00		4,485,000.00	4,485,000.00	67,275.00	4,662,275.00	67,275.00
Total Sales						4,485,000.00		4,485,000.00	4,485,000.00	67,275.00	4,662,275.00	67,275.00



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 credit quality 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

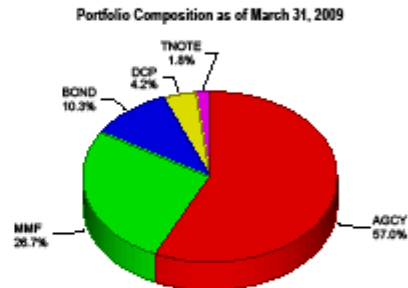
The Treasurer for the city of Anaheim, CA is responsible for overall management of the portfolio. The Treasurer has prior experience managing S&P rated government investment pools during his tenure at the cities of Los Angeles and Long Beach. The city of Anaheim's \$500+ million portfolio is being divided 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 Treasurer's Investment Report – December 2009

Attachment 1

CITY OF ANAHEIM
BOND FUND INVESTMENTS
November 30, 2009

<u>Debt Issue</u>	<u>Trustee</u>	<u>Book Value</u>	<u>Total Trustee Holdings</u>
Decommissioning Trust	Union Bank of Calif.	\$ 113,561,626	
APFA Revenue Bds, 1998 Series	Union Bank of Calif.	\$ 3	\$ 113,561,629
COP 1992 Convention Ctr.	US Bank	\$ 6,575,705	
1993 Land Acquisition Program Lease	US Bank	\$ 1,936,539	
Anaheim R/A Tax Allocation Bond - Escrow Fd	US Bank	\$ 28,096,466	
Anaheim CFD no. 1989-3	US Bank	\$ 864,846	
APFR Rev Bds. - Escrow Fd	US Bank	\$ 6,410,000	
Anaheim CFD 1989 - 1, Sycamore Canyon	US Bank	\$ 482,997	
Anaheim CFD 1989 - 2, Highlands Sp Tax Bds	US Bank	\$ 736,974	
CITY OF ANAHEIM CFD DIST 06-2 2007	US Bank	\$ 754,213	
Anaheim RDA 2007 Tax Allocation Refunding Bds	US Bank	\$ 19,928,038	
APFA Lease Revenue Refunding Bonds Ser 2008	US Bank	\$ 5,182,000	\$ 70,967,778
Anaheim Dist Sys 99	BNY Western Trust	\$ 295,606	
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	\$ 33,666,208	
Anaheim Lenain Reserve	BNY Western Trust	\$ 1,039,281	
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	\$ 2,151,479	
Anaheim Sewer Rev Bds 2007	BNY Western Trust	\$ 35,500,796	
Anaheim (Dsny) 2007 Ref Ser A	BNY Western Trust	\$ 2,342,146	
Anaheim (Dsny) 2007 Ref Ser B	BNY Western Trust	\$ 709,934	
Anaheim/Disney 97 Series A-1/B Escrow	BNY Western Trust	\$ 0	
Anaheim/Disney 97 Series A-2 Escrow	BNY Western Trust	\$ -	
Farecal Anaheim	BNY Western Trust	\$ -	
Anaheim 08 Water	BNY Western Trust	\$ 5,410,407	
Anaheim 09A Electric	BNY Western Trust	\$ 34,816,713	\$ 165,074,877
Total Bond Funds with external Trustees:			\$ 349,604,284
Anaheim RDA PFA 1992 Tax Alloc Rev	City Treasurer	\$ 23,444	
2000 RDA SubAccount	City Treasurer	\$ 5,477,969	
2007 RDA Bond - A	City Treasurer	\$ 38,757	
2007 RDA Bond - B	City Treasurer	\$ 2,105,863	
2007 RDA Bond - D	City Treasurer	\$ -	
Total Bond Funds with City Treasurer:			\$ 7,646,034
Total Bond Funds:			\$ 357,250,318