



+COUNCIL AGENDA REPORT

City of Anaheim OFFICE OF THE CITY TREASURER

DATE: MARCH 23, 2010
FROM: OFFICE OF THE CITY TREASURER
SUBJECT: INVESTMENT PORTFOLIO REPORT – FEBRUARY 2010

ATTACHMENT (Y/N): YES **ITEM #**

RECOMMENDATION:

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

DISCUSSION:

This is the investment report for the City's general pool for the month ending February 28, 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 February 28, 2010:

	Short-term Portfolio	Long-term Portfolio	Total Portfolio Values
Portfolio Balance (Market Value)	\$ 114,221,905	\$ 249,725,431	\$ 363,947,336
Effective Yield	0.28 %	2.62 %	1.88 %
Avg. Weighted Maturity	17 Days	2.3 Years	1.6 Years
Net Earnings	\$ 26,506	\$ 536,961	\$ 563,467
Benchmark*	0.06 %	0.97 %	0.57 %

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

INVESTMENT ACTIVITIES

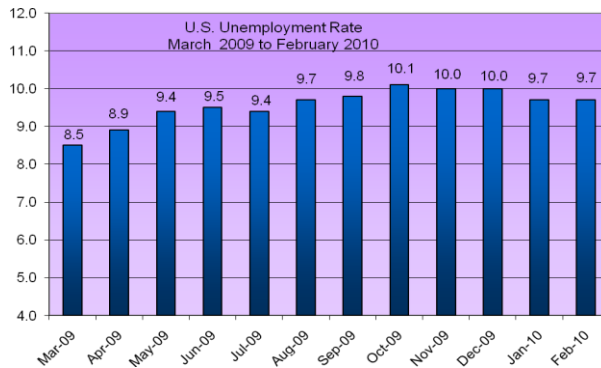
The City Treasurer's Investment Portfolio received a credit rating of AAf and a volatility rating of S1 from Standard and Poor's in July 2008. The portfolio is reviewed monthly by Standard and Poor's for portfolio holdings, liquidity values and the overall management of the investment staff. Standard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

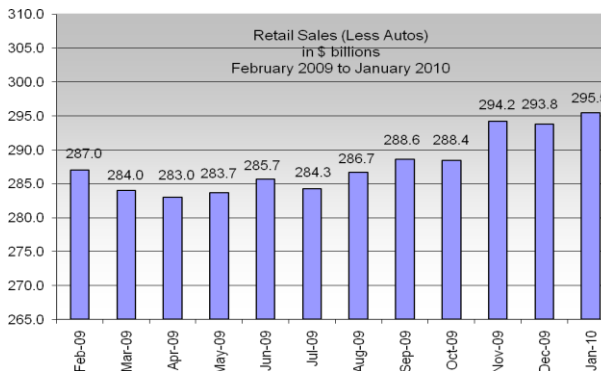
INVESTMENT ENVIRONMENT

Economic data for February 2010 showed marginal improvement from prior months. One economic indicator that has been a focus on the health of the overall economy is the national unemployment rate. The published rate for February 2010 was 9.7 %, unchanged from the January 2010 value and off the high value of 10.1% listed for October 2009. However, this indicator is considered a “lagging” economic indicator and does not reflect current economic conditions. It appears this indicator will continue to stay at the current levels for the next several months as uncertainty in other economic sectors of the economy continue to show mixed results. The chart below shows the national unemployment rate for the past twelve months:



Source: Bureau of Statistics, Dept of Labor

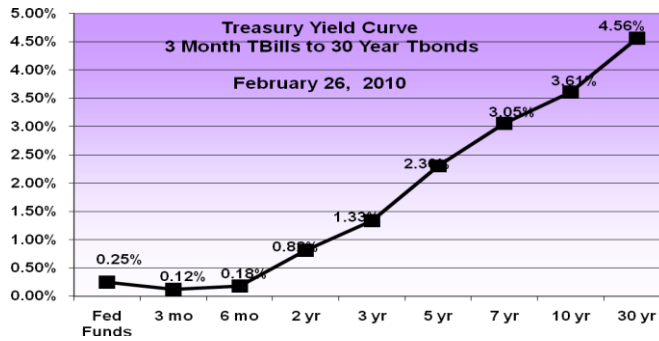
Another key economic factor we have been monitoring is the national Retail Sales (less Autos) values, which represent the level of consumption the average person is spending. The individual consumer accounts for over seventy (70) percent of economic activity in the United States economy. This strong purchasing power is the ‘engine’ that drives our overall economic health. The annualized retail sales (less autos) for January 2010 were released at \$295.5 billion, up from December 2009 annualized values of \$293.8 billion and above the twelve month moving average for annualized sales of \$287.9 billion. These values suggest the core consumption economy is stable and is starting to recover. The following chart shows Retail Sales (less Autos) for the last twelve months:



Source: Census Bureau, US Government

Interest rates for the month ending February 2010 were unchanged. The Federal Reserve’s ‘Federal Open Market Committee (FOMC) meeting on January 27, 2010 reaffirmed 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 low interest rates is a “risk to growth” in the overall economy. The Federal Reserve board did raise the discount rate from 0.50% to 0.75% on February 19, 2010. The discount rate is the interest rate the Federal Reserve charges member banks for borrowing money. This rate is different than the Federal Funds interest rate, which is the interest rate that banks charge other banks to borrow money. The increase in the discount rate by the Fed is perceived by the market as a beginning action to wean member banks off the ‘cheap’ access to money and prepare the financial markets for a rise in overall interest rates in the future. However, with slow economic growth, a majority of economists and market participants do not anticipate an increase in interest rates until late in the calendar year.

The close of February 2010 saw the three month Treasury bill yielding 0.12%, up from 0.07% from the close on January 31, 2010. The two year U.S. Treasury Note closed February 2010 yielding 0.82%, unchanged from the close in January and the five year U.S. Treasury Notes was yielding 2.30%, down slightly from the January close of 2.33%. Interest rates will continue to stay at these current levels until a definitive change can be seen in the overall condition of the economy. The chart below shows the interest rates for Treasury issues for month ending February 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

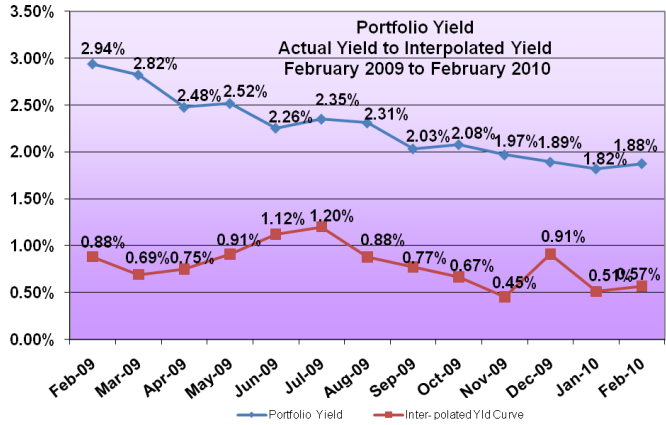
For February 2010, the City Treasurer’s Investment Portfolio performance was:

	Amount of Funds (Market Value)	Maturity	Effective Yield	Interpolated Yield	Total Return Monthly	Total Return Annual
Short-Term Portfolio	\$ 114,221,905	17 days	0.28 %	0.06 %	0.021	0.510
Long-Term Portfolio	\$ 249,725,431	2.3 years	2.62 %	0.97 %	0.345	3.974
Total Portfolio	\$ 363,947,336	1.6 years	1.88 %	0.57 %	0.236	3.167

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 February 2010 is on the following pages.

IMPACT ON BUDGET:

None.

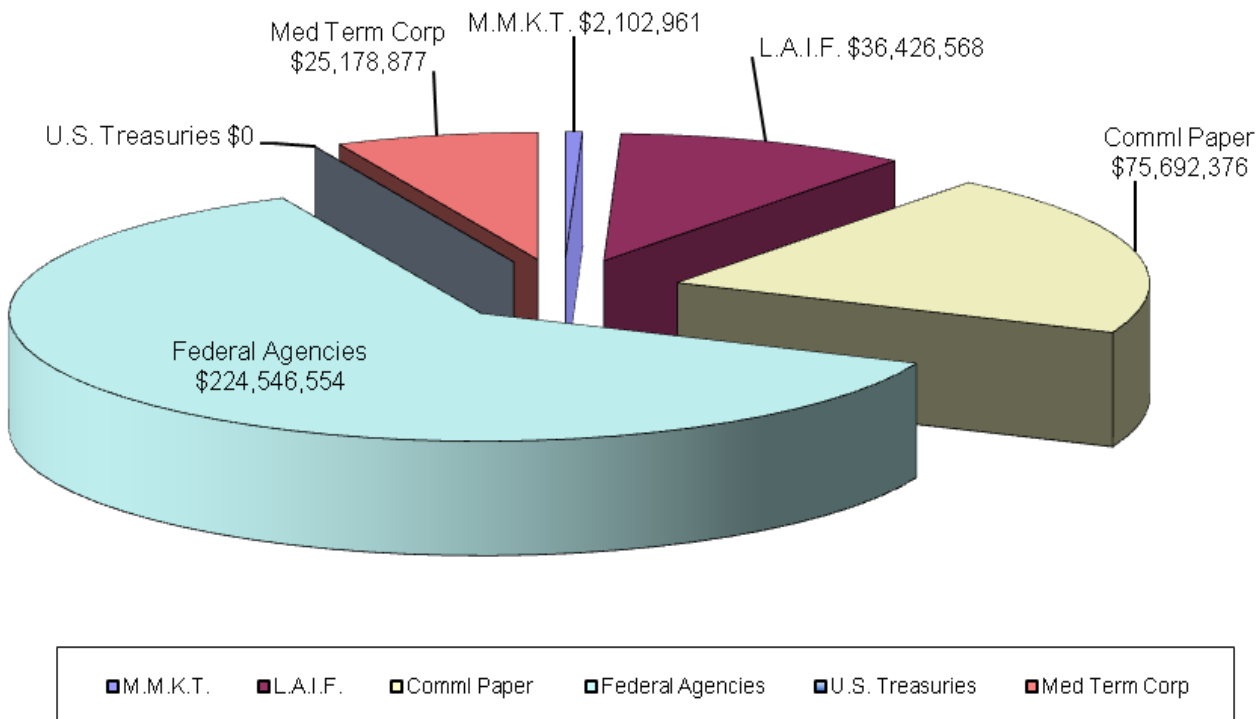
Respectfully submitted,

Henry W. Stern, CTP
 City Treasurer

Balances, Yields and Average Maturities**February 28, 2010**

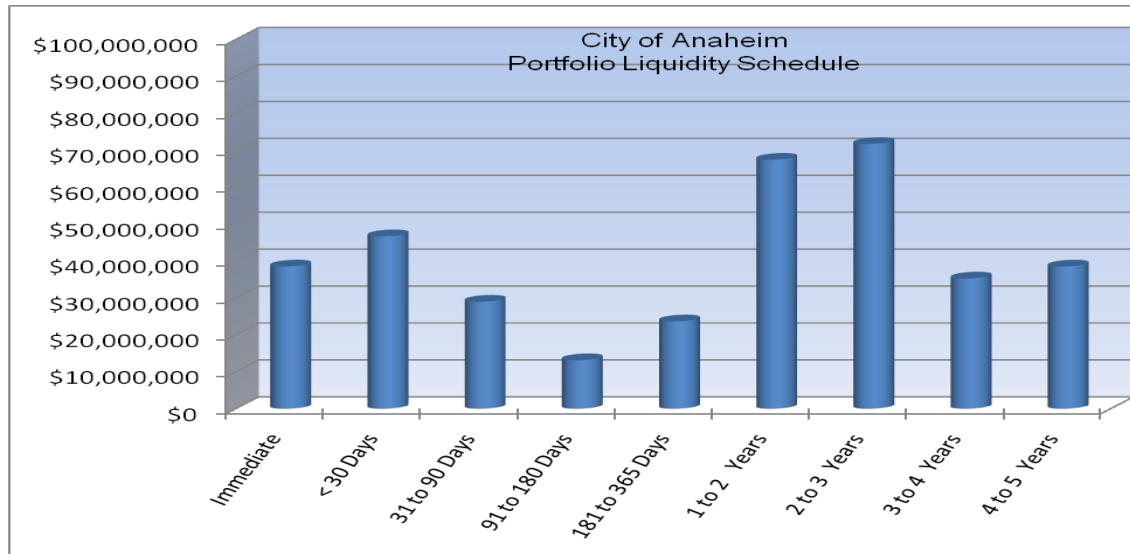
<u>Description</u>	<u>Par Value</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Yield to Maturity</u>	<u>Percent of Total Funds</u>	<u>Average Weighted Maturity</u>	
						<u>Days</u>	<u>Years</u>
Short-Term Portfolio							
Money Market Funds	\$2,102,961	\$2,102,961	\$2,102,961	0.02%	0.58%	1	0.00
L.A.I.F. (State of California	\$36,426,568	\$36,426,568	\$36,426,568	0.58%	10.01%	1	0.00
subtotal: Cash and Overnight Investments	\$38,529,529	\$38,529,529	\$38,529,529		10.59%	1	0.00
Commercial Paper	\$75,700,000	\$75,692,376	\$75,692,376	0.15%	20.80%	25	0.07
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	\$75,700,000	\$75,692,376	\$75,692,376	0.15%	20.80%	15	0.04
Total Short-Term Portfolio:	\$114,229,529	\$114,221,905	\$114,221,905	0.28%	31.38%	17	0.05
Long -Term Portfolio							
Commercial Paper	\$0	\$0	\$0		0.00%	0	0.00
Medium Term Corporate Notes	\$24,364,000	\$24,305,259	\$25,178,877	4.26%	6.92%	675	1.85
U.S. Federal Agencies	\$220,578,000	\$220,614,487	\$224,546,554	2.44%	61.70%	864	2.37
U.S. Treasury	\$0	\$0	\$0	0.00%	0.00%	0	0.00
Total Long-Term Portfolio:	\$244,942,000	\$244,919,747	\$249,725,431	2.62%	68.62%	845	2.32
Total Cash and Pooled Investments	\$359,171,529	\$359,141,651	\$363,947,336	1.88%	100.00%	582	1.59

City of Anaheim
Investment Portfolio Asset Allocation
February 28, 2010
\$ 363,947,336



Liquidity Schedule
 February 28, 2010

	<u>Availability</u>	<u>Market Value</u>	<u>Cumulative Balances</u>	<u>% of Total Assets</u>
Money Market Funds	Immediate	\$2,102,961	\$2,102,961	0.58%
L.A.I.F. (State of California)	Immediate	\$36,426,568	\$38,529,529	10.59%
Pooled Investment Maturities:	< 30 Days	\$46,697,386	\$85,226,915	23.42%
	31 to 90 Days	\$28,994,990	\$114,221,905	31.38%
	91 to 180 Days	\$13,150,330	\$127,372,235	35.00%
	181 to 365 Days	\$23,663,177	\$151,035,412	41.50%
	1 to 2 years	\$67,419,248	\$218,454,659	60.02%
	2 to 3 years	\$71,705,076	\$290,159,735	79.73%
	3 to 4 years	\$35,269,731	\$325,429,466	89.42%
	4 to 5 years	\$38,517,870	\$363,947,336	100.00%
Total Cash and Pooled Investments:		\$363,947,336		



Summary and Comparison of Yields and Balances
February 28, 2010

<u>Description</u>	<u>Current Month</u> <u>February 28, 2010</u>	<u>Prior Month</u> <u>January 31, 2010</u>
Yield to Maturity (at market):		
Money Market Funds (US Treasuries)	0.02%	0.03%
L.A.I.F. (State of California)	0.58%	0.55%
U.S. Treasuries	0.00%	0.00%
Federal Agency Bonds	2.44%	2.48%
Commercial Paper	0.15%	0.14%
Medium Term Corporate Notes	4.26%	4.26%
	1.88%	1.82%
Weighted Average Maturity (Days)	582	558
Weighted Average Maturity (Years)	1.59	1.53
Balances (at Market Value)		
Money Market Funds (US Gov Sec)	\$2,102,961	\$12,248,895
L.A.I.F. (State of California)	\$36,426,568	\$41,491,568
U.S. Treasuries	\$0	\$0
Federal Agencies	\$224,546,554	\$219,364,805
Commercial Paper	\$75,692,376	\$77,066,145
Medium Term Corporate Notes	\$25,178,877	\$25,208,737
Total Portfolio:	\$363,947,336	\$375,380,151
	<u>Current Month</u>	<u>Fiscal Year to</u>
Earnings:	<u>February 28, 2010</u>	<u>Date Earnings</u>
Total Interest Earnings for Month:	\$558,472.21	\$5,038,082.71
Total Adjustments from Premiums and Discounts	\$2,619.67	-\$54,264.26
Total Capital Gains or Losses	\$2,375.00	\$151,731.21
Total Earnings for Month	\$563,466.88	\$5,135,549.66

City Treasurer's Investment Report – February 2010

Attachment 1

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City of Anaheim

February 28, 2010

Short-Term Portfolio Listing

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	\$20,477,181.79	\$20,477,181.79	\$20,477,181.79			0.577%
SYS17431	17431	LAIF	MMKT	AA	\$15,949,386.22	\$15,949,386.22	\$15,949,386.22			0.577%
SYS987	987	FIDELITY GOVERNMENT MMKT	MMKT	AAA	\$0.00	\$0.00	\$0.00			0.040%
SYS500	500	GOLDMAN SACHS MMKT	MMKT	AAA	\$2,102,960.95	\$2,102,960.95	\$2,102,960.95			0.020%
00282DC16	1443	Abbott Labs	CP	A-1	\$3,700,000.00	\$3,700,000.00	\$3,700,000.00	12/16/2009	03/01/2010	0.110%
2546R3C51	1448	Disney	CP	A-1	\$5,000,000.00	\$4,999,922.66	\$4,999,922.66	12/16/2009	03/05/2010	0.140%
4662J1CB4	1463	JP Morgan	CP	A-1	\$4,000,000.00	\$3,999,867.42	\$3,999,867.42	01/08/2010	03/11/2010	0.120%
1667X1CC8	1474	CHEVRON	CP	A-1	\$5,000,000.00	\$4,999,848.10	\$4,999,848.10	02/19/2010	03/12/2010	0.100%
89233HCC6	1453	TOYOTA MOTOR CREDIT	CP	A-1	\$4,000,000.00	\$3,999,805.54	\$3,999,805.54	12/23/2009	03/12/2010	0.160%
19121BCG2	1461	COCA COLA	CP	A-1	\$5,000,000.00	\$4,999,772.12	\$4,999,772.12	01/05/2010	03/16/2010	0.110%
0660P1CK5	1444	BANK OF AMERICA	CP	A-1	\$5,000,000.00	\$4,999,502.78	\$4,999,502.78	12/16/2009	03/19/2010	0.200%
1667X1CK0	1475	CHEVRON	CP	A-1	\$5,000,000.00	\$4,999,751.43	\$4,999,751.43	02/19/2010	03/19/2010	0.100%
0660P1CQ2	1450	BANK OF AMERICA	CP	A-1	\$5,000,000.00	\$4,999,364.66	\$4,999,364.66	12/18/2009	03/24/2010	0.200%
89233HCS1	1466	TOYOTA MOTOR CREDIT	CP	A-1	\$5,000,000.00	\$4,999,551.15	\$4,999,551.15	01/08/2010	03/26/2010	0.130%
36959SD18	1473	GE COMPANY	CP	A-1	\$5,000,000.00	\$4,999,404.00	\$4,999,404.00	02/19/2010	04/01/2010	0.140%
90526ND10	1471	UNION BANK	CP	A-1	\$10,000,000.00	\$9,998,552.58	\$9,998,552.58	02/10/2010	04/01/2010	0.170%
0660P1D57	1477	BANK OF AMERICA	CP	A-1	\$4,000,000.00	\$3,999,384.80	\$3,999,384.80	02/25/2010	04/05/2010	0.160%
4662J1DS6	1478	JP Morgan	CP	A-1	\$5,000,000.00	\$4,998,923.32	\$4,998,923.32	02/25/2010	04/26/2010	0.140%
00282DEB2	1476	Abbott Labs	CP	A-1	\$5,000,000.00	\$4,998,725.37	\$4,998,725.37	02/25/2010	05/11/2010	0.130%
Total Short-Term Portfolio:					<u>\$114,229,528.96</u>	<u>\$114,221,904.89</u>	<u>\$114,221,904.89</u>			<u>0.280%</u>

City Treasurer's Investment Report – February 2010
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City of Anaheim
Long-Term Portfolio

February 28, 2010

CUSIP	Security #	Issuer	Security Type	S&P Rating	Par Value	Book Value	Market Value	Purchase Date	Maturity Date	Stated Rate
92976WAT3	1340	Wells Fargo Corp	MTN	AA	\$3,000,000.00	\$3,006,989.21	\$3,028,455.00	01/20/2009	06/01/2010	3.500%
31331Y3U2	1298	Fed Farm Credit Note	Fed Agy	AAA	\$10,000,000.00	\$9,999,863.89	\$10,121,875.00	07/21/2008	07/21/2010	3.300%
3136FHFE0	1363	Fed Natl Mort Assoc Note	Fed Agy	AAA	\$10,000,000.00	\$10,014,002.86	\$10,068,750.00	04/01/2009	09/16/2010	1.600%
94974BAZ3	1334	Wells Fargo Corp	MTN	AA	\$8,364,000.00	\$8,366,092.26	\$8,542,864.14	12/23/2008	10/29/2010	2.625%
31331GJY6	1338	Fed Farm Credit Note	Fed Agy	AAA	\$5,000,000.00	\$5,003,296.51	\$5,051,562.50	01/15/2009	01/12/2011	2.625%
31398AVL3	1371	Fed Natl Mort Assoc Note	Fed Agy	AAA	\$3,090,000.00	\$3,100,094.93	\$3,090,000.00	04/29/2009	03/02/2011	2.750%
3133XT4D5	1365	Fed Home Loan Bank Notes	Fed Agy	AAA	\$10,000,000.00	\$10,020,106.38	\$10,121,875.00	04/01/2009	03/16/2011	2.625%
3133XTJ64	1380	Fed Home Loan Bank Notes	Fed Agy	AAA	\$10,000,000.00	\$10,004,478.13	\$10,100,000.00	05/01/2009	05/16/2011	5.340%
3133XW4V8	1460	Fed Home Loan Bank Notes	Fed Agy	AAA	\$5,000,000.00	\$4,992,460.19	\$4,998,437.50	12/30/2009	06/30/2011	3.125%
3128X8C26	1382	Fed Home Loan Mort Corp	Fed Agy	AAA	\$10,000,000.00	\$9,994,864.20	\$10,018,910.00	05/11/2009	08/11/2011	1.625%
3133XH6G2	1039 C	Fed Home Loan Bank Notes	Fed Agy	AAA	\$5,000,000.00	\$5,000,000.00	\$5,360,937.50	09/29/2006	09/29/2011	1.375%
31331Y3P3	1296	Fed Farm Credit Note	Fed Agy	AAA	\$10,000,000.00	\$9,990,812.44	\$10,421,875.00	07/15/2008	10/03/2011	2.375%
3133XVQL8	1456	Fed Home Loan Bank Notes	Fed Agy	AAA	\$3,240,000.00	\$3,240,058.98	\$3,257,212.50	12/28/2009	12/09/2011	3.000%
3137EACF4	1454	Fed Home Loan Mort Corp	Fed Agy	AAA	\$5,000,000.00	\$5,003,916.83	\$5,021,875.00	12/28/2009	12/15/2011	1.125%
3136FJF89	1459	Fed Natl Mort Assoc Note	Fed Agy	AAA	\$5,000,000.00	\$4,985,355.56	\$5,028,125.00	12/30/2009	12/30/2011	1.250%
3136FHEV3	1362	Fed Natl Mort Assoc Note	Fed Agy	AAA	\$8,000,000.00	\$8,047,067.16	\$8,120,000.00	04/01/2009	03/23/2012	0.800%
3128X8A93	1376	Fed Home Loan Mort Corp	Fed Agy	AAA	\$5,000,000.00	\$5,000,000.00	\$5,013,695.00	05/11/2009	05/11/2012	1.750%
3133XWDC0	1458	Fed Home Loan Bank Notes	Fed Agy	AAA	\$5,000,000.00	\$4,984,281.66	\$5,018,750.00	12/28/2009	05/25/2012	2.500%
3128X8H62	1391	Fed Home Loan Mort Corp	Fed Agy	AAA	\$5,000,000.00	\$5,000,000.00	\$5,017,625.00	06/08/2009	06/08/2012	2.050%
3136F94U4	1342	Fed Natl Mort Assoc Note	Fed Agy	AAA	\$2,500,000.00	\$2,500,000.00	\$2,533,593.75	02/03/2009	08/03/2012	2.750%
31359MPF4	1286	Fed Natl Mort Assoc Note	Fed Agy	AAA	\$10,000,000.00	\$10,047,383.68	\$10,778,125.00	06/25/2008	09/15/2012	1.625%
3133XVNT4	1470	Fed Home Loan Bank Notes	Fed Agy	AAA	\$9,850,000.00	\$9,883,475.37	\$9,933,109.38	02/04/2010	12/14/2012	1.750%
3136FJD57	1455	Fed Natl Mort Assoc Note	Fed Agy	AAA	\$1,200,000.00	\$1,198,237.20	\$1,203,375.00	12/28/2009	12/28/2012	1.125%
3137EACG2	1469	Fed Home Loan Mort Corp	Fed Agy	AAA	\$5,000,000.00	\$4,962,710.75	\$4,996,875.00	01/29/2010	01/09/2013	1.375%
31398AME9	1206	Fed Natl Mort Assoc Note	Fed Agy	AAA	\$10,000,000.00	\$10,000,000.00	\$10,675,000.00	01/28/2008	01/28/2013	2.250%

City Treasurer's Investment Report – February 2010

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City of Anaheim

February 28, 2010

Long-Term Portfolio

CUSIP	Security #	Issuer	Security Type	S&P Rating	Par Value	Book Value	Market Value	Purchase Date	Maturity Date	Stated Rate
949746NY3	1333	Wells Fargo Corp	MTN	AA	\$8,000,000.00	\$7,934,091.27	\$8,414,928.00	12/23/2008	01/31/2013	4.000%
02666QB69	1237	American Honda	MTN	A+	\$5,000,000.00	\$4,998,086.61	\$5,192,630.00	04/02/2008	04/02/2013	4.000%
3128X8TZ5	1368	Fed Home Loan Mort Corp	Fed Agy	AAA	\$3,955,000.00	\$3,952,104.13	\$3,992,643.69	04/14/2009	04/08/2013	4.375%
3136F9PL1	1264	Fed Natl Mort Assoc Note	Fed Agy	AAA	\$10,000,000.00	\$10,000,000.00	\$10,071,875.00	05/14/2008	05/14/2013	2.000%
3133XTNY8	1390	Fed Home Loan Bank Notes	Fed Agy	AAA	\$1,685,000.00	\$1,683,285.75	\$1,704,482.81	06/03/2009	06/03/2013	2.375%
3136FJZZ7	1457	Fed Natl Mort Assoc Note	Fed Agy	AAA	\$2,175,000.00	\$2,168,553.30	\$2,179,757.81	12/28/2009	06/28/2013	1.500%
3128X9VY3	1472	Fed Home Loan Mort Corp	Fed Agy	AAA	\$5,000,000.00	\$4,996,506.89	\$5,024,515.00	02/11/2010	07/29/2013	2.900%
3133XSP93	1330	Fed Home Loan Bank Notes	Fed Agy	AAA	\$6,845,000.00	\$6,874,814.58	\$7,103,826.56	12/15/2008	12/13/2013	2.000%
31398AWH1	1367	Fed Natl Mort Assoc Note	Fed Agy	AAA	\$5,000,000.00	\$5,021,279.75	\$5,060,937.50	04/14/2009	04/07/2014	1.900%
31331GTJ8	1369	Fed Farm Credit Note	Fed Agy	AAA	\$8,000,000.00	\$8,003,962.67	\$8,125,000.00	04/17/2009	04/17/2014	2.000%
31331GTJ8	1379	Fed Farm Credit Note	Fed Agy	AAA	\$4,500,000.00	\$4,481,841.01	\$4,570,312.50	05/01/2009	04/17/2014	1.125%
31331GTJ8	1468	Fed Farm Credit Note	Fed Agy	AAA	\$4,000,000.00	\$4,054,388.77	\$4,062,500.00	01/29/2010	04/17/2014	4.625%
3128X8YK2	1381	Fed Home Loan Mort Corp	Fed Agy	AAA	\$4,038,000.00	\$4,021,178.74	\$4,077,245.32	05/01/2009	04/29/2014	4.375%
31331GVG1	1392	Fed Farm Credit Note	Fed Agy	AAA	\$5,000,000.00	\$4,922,379.92	\$5,070,312.50	05/28/2009	05/06/2014	3.980%
3133XTRN8	1393	Fed Home Loan Bank Notes	Fed Agy	AAA	\$7,500,000.00	\$7,461,725.00	\$7,551,562.50	06/02/2009	06/02/2014	4.375%
Total Long-Term Portfolio:					<u>\$244,942,000.00</u>	<u>\$244,919,746.58</u>	<u>\$249,725,431.46</u>			<u>2.620%</u>
Total Portfolio:					<u>\$359,171,528.96</u>	<u>\$359,141,651.47</u>	<u>\$363,947,336.35</u>			<u>1.880%</u>

**Mat Call Sale Purch
 Purchases Report
 Sorted by Fund - Fund
 February 1, 2010 - February 28, 2010**

CUSIP	Investment #	Fund	Sec. Type Issuer	Original Par Value	Purchase Date	Payment Periods	Prtnclal Purchased	Accrued Interest at Purchase	Rate at Purchase	Maturity Date	YTM %	Ending Book Value
SHORT- TERM PORTFOLIO												
90526ND10	1471	01	ACP UNION	10,000,000.00	02/10/2010	04/01 - At Maturity	9,997,638.89		0.170	04/01/2010	0.170	9,998,552.58
1667X1CC8	1474	01	ACP CHEVRN	5,000,000.00	02/19/2010	03/12 - At Maturity	4,999,708.33		0.100	03/12/2010	0.100	4,999,848.10
1667X1CK0	1475	01	ACP CHEVRN	5,000,000.00	02/19/2010	03/19 - At Maturity	4,999,611.11		0.100	03/19/2010	0.100	4,999,751.43
36959SD18	1473	01	ACP GE COM	5,000,000.00	02/19/2010	04/01 - At Maturity	4,999,202.78		0.140	04/01/2010	0.140	4,999,404.00
4662J1DS6	1478	01	ACP JPM	5,000,000.00	02/25/2010	04/26 - At Maturity	4,998,833.33		0.140	04/26/2010	0.140	4,998,923.32
00282DEB2	1476	01	ACP ABT	5,000,000.00	02/25/2010	05/11 - At Maturity	4,998,645.83		0.130	05/11/2010	0.130	4,998,725.37
0660P1DS7	1477	01	ACP BAC	4,000,000.00	02/25/2010	04/05 - At Maturity	3,999,306.67		0.160	04/05/2010	0.160	3,999,384.80
			Subtotal	38,000,000.00			38,982,948.94	0.00				38,984,688.60
LONG-TERM PORTFOLIO												
3133KVNT4	1470	02	FAC FHLB	9,850,000.00	02/04/2010	06/14 - 12/14	9,884,376.50	43,093.75	1.750	12/14/2012	1.602	9,883,475.37
3128X9VY3	1472	02	FAC FHLMC	5,000,000.00	02/11/2010	07/29 - 01/29	4,996,450.00	3,750.00	2.250	07/29/2013	2.240	4,996,506.89
			Subtotal	14,850,000.00			14,880,826.50	46,843.75				14,879,982.26
Managed Pool Deposits												
				Deposit Amount	Deposit Date		Deposit Amount		Rate			
SY8987	987	01	PA2 FIDELI	175,000.00	02/01/2010		175,000.00		0.510			
SY8987	987	01	PA2 FIDELI	25,000.00	02/03/2010		25,000.00		0.510			
SY8987	987	01	PA2 FIDELI	4,000,000.00	02/08/2010		4,000,000.00		0.510			
SY8987	987	01	PA2 FIDELI	49,800.00	02/11/2010		49,800.00		0.510			
SY8987	987	01	PA2 FIDELI	5,000,000.00	02/16/2010		5,000,000.00		0.510			
SY8987	987	01	PA2 FIDELI	5,000,000.00	02/22/2010		5,000,000.00		0.510			
SY8500	500	01	PA2 GOLDSA	4,519,000.00	02/02/2010		4,519,000.00		0.288			
SY8500	500	01	PA2 GOLDSA	2,273,000.00	02/03/2010		2,273,000.00		0.288			
SY8500	500	01	PA2 GOLDSA	411,000.00	02/08/2010		411,000.00		0.288			
SY8500	500	01	PA2 GOLDSA	369,000.00	02/09/2010		369,000.00		0.288			
SY8500	500	01	PA2 GOLDSA	1,406,000.00	02/11/2010		1,406,000.00		0.288			
SY8500	500	01	PA2 GOLDSA	1,802,000.00	02/12/2010		1,802,000.00		0.288			
SY8500	500	01	PA2 GOLDSA	590,000.00	02/17/2010		590,000.00		0.288			
SY8500	500	01	PA2 GOLDSA	6,428,000.00	02/18/2010		6,428,000.00		0.288			
SY8500	500	01	PA2 GOLDSA	867,000.00	02/23/2010		867,000.00		0.288			
SY8500	500	01	PA2 GOLDSA	4,842,000.00	02/24/2010		4,842,000.00		0.288			

**Mat Call Sale Purch
 Maturity Report
 Sorted by Maturity Date
 Receipts during February 1, 2010 - February 28, 2010**

CUSIP	Investment #	Fund	Sec. Type Issuer	Par Value	Maturity Date	Purchase Date at Maturity	Rate	Book Value at Maturity	Interest	Maturity Proceeds	Net Income
2546R3BS2	1446	01	ACP DISNEY	4,000,000.00	02/05/2010	12/16/2009	0.120	4,000,000.00	0.00	4,000,000.00	0.00
00282DBS2	1440	01	ACP ABT	4,000,000.00	02/08/2010	12/04/2009	0.110	4,000,000.00	0.00	4,000,000.00	0.00
14178MBC1	1462	01	ACP CARGIL	5,000,000.00	02/12/2010	01/05/2010	0.150	5,000,000.00	0.00	5,000,000.00	0.00
369598BC6	1451	01	ACP GE COM	5,000,000.00	02/12/2010	12/18/2009	0.140	5,000,000.00	0.00	5,000,000.00	0.00
4662J1BG4	1467	01	ACP JPM	5,000,000.00	02/16/2010	01/15/2010	0.100	5,000,000.00	0.00	5,000,000.00	0.00
14178MBN7	1464	01	ACP CARGIL	5,000,000.00	02/22/2010	01/08/2010	0.130	5,000,000.00	0.00	5,000,000.00	0.00
02665KBR7	1447	01	ACP HNDA	2,375,000.00	02/25/2010	12/16/2009	0.160	2,375,000.00	0.00	2,375,000.00	0.00
36960MBS1	1465	01	ACP GE COM	5,000,000.00	02/26/2010	01/08/2010	0.150	5,000,000.00	0.00	5,000,000.00	0.00
89233HBS2	1452	01	ACP TOYCC	5,000,000.00	02/26/2010	12/21/2009	0.160	5,000,000.00	0.00	5,000,000.00	0.00
Total Maturities				40,376,000.00				40,376,000.00	0.00	40,376,000.00	0.00

**Mat Call Sale Purch
 Sales/Call Report
 Sorted by Maturity Date - Fund
 February 1, 2010 - February 28, 2010**

CUSIP	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
02/11/2011												
3136FHAA3	1352	02	FNMA FAC	02/11/2009	02/11/2010 02/11/2011	5,000,000.00	2.000	4,999,500.00	5,000,000.00	50,000.00	5,050,000.00	50,500.00
											Call	
					Subtotal	5,000,000.00		4,999,500.00	5,000,000.00	50,000.00	5,050,000.00	50,500.00
02/04/2013												
3133XSTQ1	1351	02	FHLB FAC	02/04/2009	02/04/2010 02/04/2013	5,000,000.00	2.875	4,998,125.00	5,000,000.00	71,875.00	5,071,875.00	73,750.00
											Call	
					Subtotal	5,000,000.00		4,998,125.00	5,000,000.00	71,875.00	5,071,875.00	73,750.00
Managed Pool Withdrawals												
				Withdrawal Date		Withdrawal Amount	Current Rate		Withdrawal Amount		Withdrawal Amount	
	500		GOLDSA	02/01/2010		242.38	0.020		242.38		242.38	
	500		GOLDSA	02/01/2010		4,335,000.00	0.020		4,335,000.00		4,335,000.00	
	987		FIDELI	02/04/2010		200,155.28	0.040		200,155.28		200,155.28	
	500		GOLDSA	02/04/2010		2,177,000.00	0.020		2,177,000.00		2,177,000.00	
	500		GOLDSA	02/05/2010		204,000.00	0.020		204,000.00		204,000.00	
	987		FIDELI	02/10/2010		4,000,000.00	0.040		4,000,000.00		4,000,000.00	
	500		GOLDSA	02/10/2010		4,596,000.00	0.020		4,596,000.00		4,596,000.00	
	500		GOLDSA	02/16/2010		1,575,000.00	0.020		1,575,000.00		1,575,000.00	
	987		FIDELI	02/19/2010		5,040,000.00	0.040		5,040,000.00		5,040,000.00	
	500		GOLDSA	02/19/2010		7,212,000.00	0.020		7,212,000.00		7,212,000.00	
	987		FIDELI	02/22/2010		2,757,329.00	0.040		2,757,329.00		2,757,329.00	
	987		FIDELI	02/25/2010		2,252,471.00	0.040		2,252,471.00		2,252,471.00	
	500		GOLDSA	02/25/2010		13,554,000.00	0.020		13,554,000.00		13,554,000.00	
	17431		LAIF	02/26/2010		5,065,000.00	0.577		5,065,000.00		5,065,000.00	
				Subtotal		62,988,197.98			62,988,197.98		62,988,197.98	
			Total Sales and Withdrawals			82,988,197.98		8,997,825.00	82,988,197.98	121,875.00	83,080,072.98	124,250.00



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

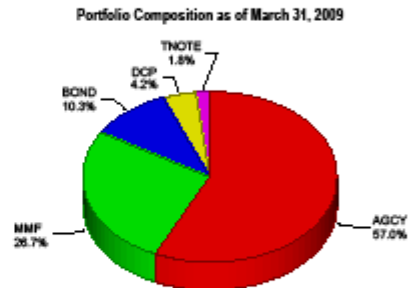
The Treasurer for the city of Anaheim, CA is responsible for overall management of the portfolio. The Treasurer has prior experience managing S&P rated government investment pools during his tenure at the cities of Los Angeles and Long Beach. The city of Anaheim's \$500+ million portfolio is being divided 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 – February 2010

Attachment 1

CITY OF ANAHEIM
BOND FUND INVESTMENTS
January 31, 2010

<u>Debt Issue</u>	<u>Trustee</u>	<u>Book Value</u>	<u>Total Trustee Holdings</u>
Decommissioning Trust	Union Bank of Calif.	\$ 114,304,934	
APFA Revenue Bds, 1998 Series	Union Bank of Calif.	\$ 3	\$ 114,304,937
COP 1992 Convention Ctr.	US Bank	\$ 7,355,760	
1993 Land Acquisition Program Lease	US Bank	\$ 1,936,543	
Anaheim R/A Tax Allocation Bond - Escrow Fd	US Bank	\$ 28,096,466	
Anaheim CFD no. 1989-3	US Bank	\$ 1,275,861	
APFR Rev Bds. - Escrow Fd	US Bank	\$ 6,410,000	
Anaheim CFD 1989 - 1, Sycamore Canyon	US Bank	\$ 724,789	
Anaheim CFD 1989 - 2, Highlands Sp Tax Bds	US Bank	\$ 1,299,670	
CITY OF ANAHEIM CFD DIST 06-2 2007	US Bank	\$ 1,019,675	
Anaheim RDA 2007 Tax Allocation Refunding Bds	US Bank	\$ 19,928,038	
APFA Lease Revenue Refunding Bonds Ser 2008	US Bank	\$ 5,182,000	\$ 73,228,801
Anaheim Dist Sys 99	BNY Western Trust	\$ 591,221	
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	\$ 35,655,690	
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	\$ 2,151,479	
Anaheim Sewer Rev Bds 2007	BNY Western Trust	\$ 36,181,907	
Anaheim (Dsny) 2007 Ref Ser A	BNY Western Trust	\$ 3,903,445	
Anaheim (Dsny) 2007 Ref Ser B	BNY Western Trust	\$ 1,183,223	
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	\$ 5,440,029	
Anaheim 09A Electric	BNY Western Trust	\$ 30,698,298	\$ 166,046,137
Total Bond Funds with external Trustees:			\$ 353,579,875
Anaheim RDA PFA 1992 Tax Alloc Rev	City Treasurer	\$ 23,445	
2000 RDA SubAccount	City Treasurer	\$ 5,478,068	
2007 RDA Bond - A	City Treasurer	\$ 38,758	
2007 RDA Bond - B	City Treasurer	\$ 2,105,901	
2007 RDA Bond - D	City Treasurer	\$ -	
Total Bond Funds with City Treasurer:			\$ 7,646,172
Total Bond Funds:			\$ 361,226,048