



## +COUNCIL AGENDA REPORT

# City of Anaheim OFFICE OF THE CITY TREASURER

**DATE: FEBRUARY 16, 2010**  
**FROM: OFFICE OF THE CITY TREASURER**  
**SUBJECT: INVESTMENT PORTFOLIO REPORT – JANUARY 2010**

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

### **RECOMMENDATION:**

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

### **DISCUSSION:**

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

### **COMPLIANCE:**

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

### **INVESTMENT SUMMARY:**

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

	<b>Short-term Portfolio</b>	<b>Long-term Portfolio</b>	<b>Total Portfolio Values</b>
Portfolio Balance (Market Value)	\$ 130,806,608	\$ 244,573,543	\$ 375,380,151
Effective Yield	0.26 %	2.66 %	1.82 %
Avg. Weighted Maturity	17 Days	2.3 Years	1.5 Years
Net Earnings	\$ 30,176	\$ 536,131	\$ 566,307
Benchmark*	0.02 %	0.93 %	0.51 %

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

### **INVESTMENT ACTIVITIES**

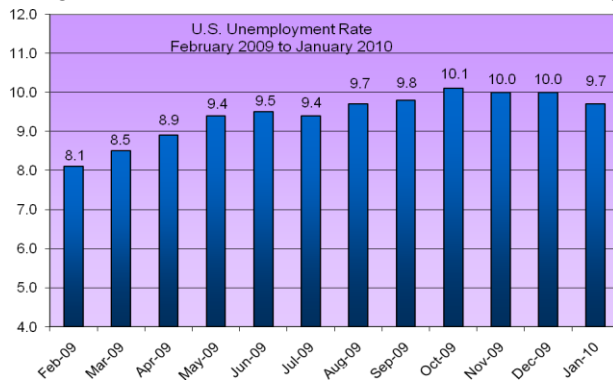
The City Treasurer's Investment Portfolio received a credit rating of AAf and a volatility rating of S1 from Standard and Poor's in July 2008. The portfolio is reviewed monthly by Standard and Poor's for portfolio holdings, liquidity values and the overall management of the investment staff. Standard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

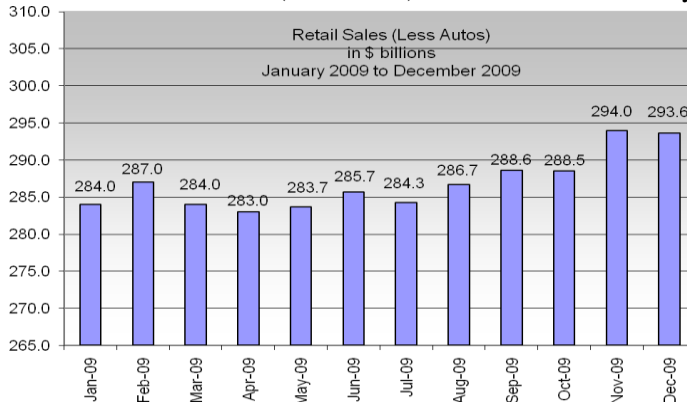
**INVESTMENT ENVIRONMENT**

Economic data for January 2010 continues to show evidence that on a national level 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. The January 2010 value continues to show improvement with a value of 9.7% unemployment. Although the January value of 9.7% is nearly double the rate of 4.9% for January 2008, there are indications that we are slowly seeing some economic strength. The chart below shows the national unemployment rate for the past twelve months:



Source: Bureau of Statistics, Dept of Labor

A key economic factor that reflects the strength of the economy is consumer spending. The individual consumer accounts for over seventy (70) percent of economic activity in the United States economy. After a dramatic drop in retail sales in the fourth quarter of 2008, consumer spending has shown a consistent level of consumption and expenditures for the calendar year 2009. Retail sales (less Autos) for December 2009 were \$293.6 billion. The average for retail sales for calendar 2009 was approximately \$287 billion, which shows a core baseline of demand. The following chart shows Retail Sales (less Autos) for the 2009 calendar year:

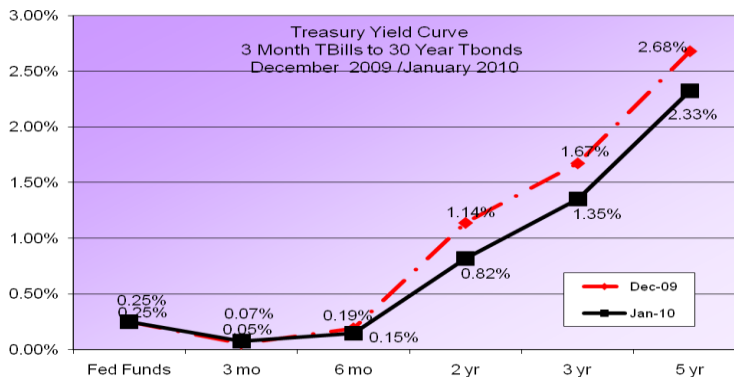


Source: Census Bureau, US Government

Interest rates for the past four months have been see-sawing up and down as the financial markets try to determine if we are recovering from the recession or if we are still in a no growth economy. When economic growth is slow or contracting, interest rates generally move lower to provide a stimulus and lower cost of funds for businesses to purchase goods and services. Conversely, when economic growth is present, interest rates tend to generally move higher to compensate for possible inflationary pressures.

For the month of January 2010 interest rates moved lower from their December 2009 highs. The six month Treasury bill closed January 2010 at 0.15%, down four basis points from December’s close of 0.19%. The decline in interest rates was more dramatic further out the yield curve, as seen by the two year Treasury Note closing January yield of 0.82% compared to the end of December 2009 level of 1.14%, for a drop of 0.32% or 32 basis points (1 basis point is equal to .01% - or there are 100 basis points in 1.0%). Correspondingly, the three year Treasury Notes closed January 2010 at 1.35%, down 32 basis points from its December 2009 close of 1.67%.

Low interest rates are affecting overnight and short term investments, as many money market funds are yielding under 0.05%. The Federal Reserve’s ‘Federal Open Market Committee’ (FOMC) meeting on January 27, 2010 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. As long as the Federal Reserve continues to target the benchmark Federal Funds rate in a range of 0.0% to 0.25%, we will see overall interest rates move erratically. The chart below shows the interest rates for Treasury issues for the period of December 2009 and January 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.

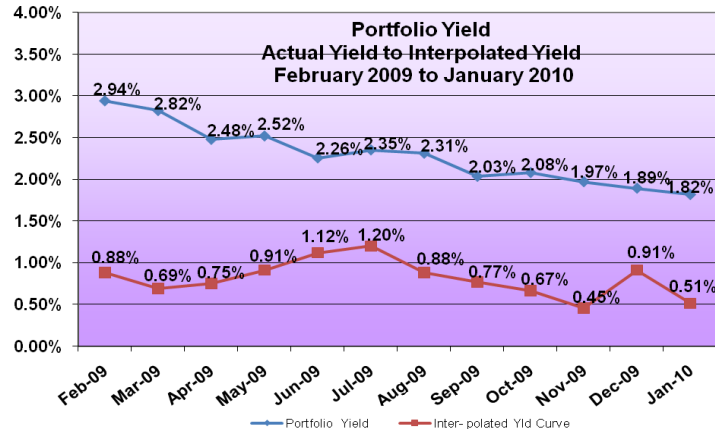
**INVESTMENT PERFORMANCE**

For January 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	\$ 130,806,608	17 days	0.26 %	0.02 %	0.021	0.590
Long-Term Portfolio	\$ 244,573,543	2.3 years	2.66 %	0.93 %	0.569	3.860
Total Portfolio	\$ 375,380,151	1.5 years	1.82 %	0.51 %	0.365	3.185

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 January 2010 is on the following pages.

**IMPACT ON BUDGET:**

None.

Respectfully submitted,

Henry W. Stern, CTP  
City Treasurer

**Attachment:**

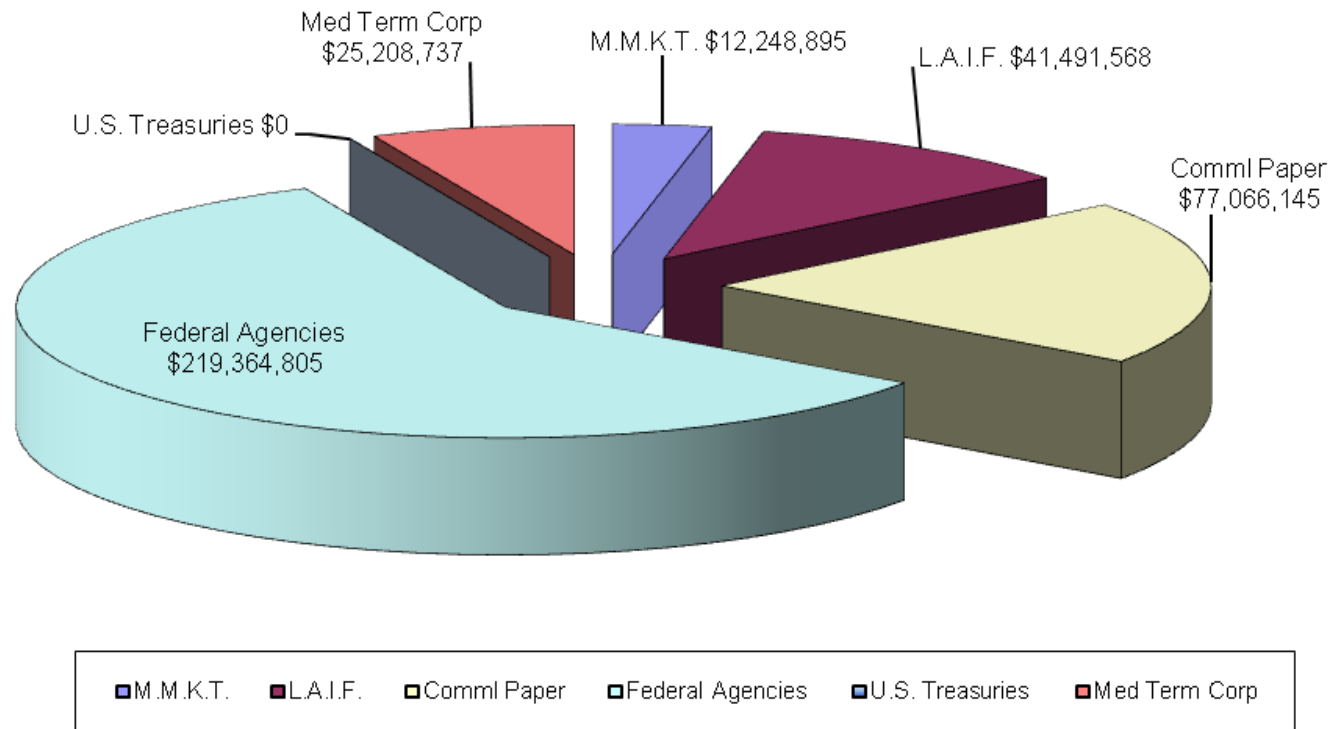
1. City Treasurer's Investment Report – January 2010

**Balances, Yields and Average Maturities**

**January 31, 2010**

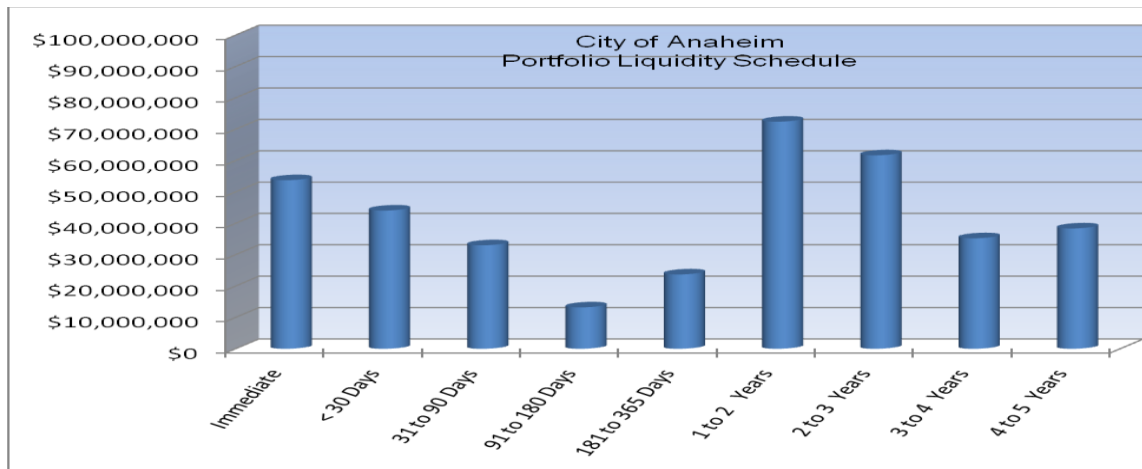
<u>Description</u>	<u>Par Value</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Yield to Maturity</u>	<u>Percent of Total Funds</u>	<u>Average Weighted Maturity</u>	
						<u>Days</u>	<u>Years</u>
<b>Short-Term Portfolio</b>							
Money Market Funds	\$12,248,895	\$12,248,895	\$12,248,895	0.03%	3.26%	1	0.00
L.A.I.F. (State of California)	\$41,491,568	\$41,491,568	\$41,491,568	0.55%	11.05%	1	0.00
subtotal: Cash and Overnight Investments	\$53,740,463	\$53,740,463	\$53,740,463		14.32%	1	0.00
Commercial Paper	\$77,075,000	\$77,066,145	\$77,066,145	0.14%	20.53%	28	0.08
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	\$77,075,000	\$77,066,145	\$77,066,145	0.14%	20.53%	15	0.04
<b>Total Short-Term Portfolio:</b>	<b>\$130,815,463</b>	<b>\$130,806,608</b>	<b>\$130,806,608</b>	<b>0.26%</b>	<b>34.85%</b>	<b>17</b>	<b>0.05</b>
<b>Long -Term Portfolio</b>							
Commercial Paper	\$0	\$0	\$0		0.00%	0	0.00
Medium Term Corporate Notes	\$24,364,000	\$24,305,916	\$25,208,737	4.26%	6.72%	703	1.93
U.S. Federal Agencies	\$215,728,000	\$215,736,293	\$219,364,805	2.48%	58.44%	869	2.38
U.S. Treasury	\$0	\$0	\$0	0.00%	0.00%	0	0.00
<b>Total Long-Term Portfolio:</b>	<b>\$240,092,000</b>	<b>\$240,042,210</b>	<b>\$244,573,542</b>	<b>2.69%</b>	<b>65.15%</b>	<b>867</b>	<b>2.38</b>
<b>Total Cash and Pooled Investments</b>	<b>\$370,907,463</b>	<b>\$370,848,818</b>	<b>\$375,380,151</b>	<b>1.82%</b>	<b>100.00%</b>	<b>558</b>	<b>1.53</b>

City of Anaheim  
Investment Portfolio Asset Allocation  
January 31, 2010  
\$ 375,380,151



Liquidity Schedule  
 January 31, 2010

	<u>Availability</u>	<u>Market Value</u>	<u>Cumulative Balances</u>	<u>% of Total Assets</u>
Money Market Funds	Immediate	\$12,248,895	\$12,248,895	3.26%
L.A.I.F. (State of California)	Immediate	\$41,491,568	\$53,740,463	14.32%
Pooled Investment Maturities:	< 30 Days	\$44,072,241	\$97,812,704	26.06%
	31 to 90 Days	\$32,993,904	\$130,806,608	34.85%
	91 to 180 Days	\$13,186,067	\$143,992,675	38.36%
	181 to 365 Days	\$23,695,623	\$167,688,298	44.67%
	1 to 2 years	\$72,409,301	\$240,097,598	63.96%
	2 to 3 years	\$61,690,488	\$301,788,086	80.40%
	3 to 4 years	\$35,225,090	\$337,013,176	89.78%
	4 to 5 years	\$38,366,974	\$375,380,151	100.00%
Total Cash and Pooled Investments:		\$375,380,151		



Summary and Comparison of Yields and Balances  
January 31, 2010

<u>Description</u>	<u>Current Month</u> <u>January 31, 2010</u>	<u>Prior Month</u> <u>December 31, 2009</u>
Yield to Maturity (at market):		
Money Market Funds (US Treasuries)	0.03%	0.04%
L.A.I.F. (State of California)	0.55%	0.57%
U.S. Treasuries	0.00%	0.00%
Federal Agency Bonds	2.48%	2.52%
Commercial Paper	0.14%	0.14%
Medium Term Corporate Notes	4.26%	4.26%
	1.82%	1.89%
Weighted Average Maturity (Days)	558	584
Weighted Average Maturity (Years)	1.53	1.60
Balances (at Market Value)		
Money Market Funds (US Gov Sec)	\$12,248,895	\$9,655,653
L.A.I.F. (State of California)	\$41,491,568	\$48,731,863
U.S. Treasuries	\$0	\$0
Federal Agencies	\$219,364,805	\$224,541,156
Commercial Paper	\$77,066,145	\$65,912,559
Medium Term Corporate Notes	\$25,208,737	\$25,084,740
Total Portfolio:	\$375,380,151	\$373,925,970
Earnings:	<u>Current Month</u> <u>January 31, 2010</u>	<u>Fiscal Year to</u> <u>Date Earnings</u>
Total Interest Earnings for Month:	\$568,670.58	\$4,479,610.50
Total Adjustments from Premiums and Discounts	\$5,011.16	-\$56,883.93
Total Capital Gains or Losses	-\$7,374.30	\$149,356.21
Total Earnings for Month	\$566,307.44	\$4,572,082.78



City Treasurer's Investment Report – January 2010

Attachment 1

**City of Anaheim  
Short-Term Portfolio Listing**

**January 31, 2010**

<b>CUSIP</b>	<b>Security #</b>	<b>Issuer</b>	<b>Security Type</b>	<b>S &amp; P Rating</b>	<b>Par Value</b>	<b>Book Value</b>	<b>Market Value</b>	<b>Purchase Date</b>	<b>Maturity Date</b>	<b>Stated Rate</b>
SYS17430	17430	LAIF	MMKT	AA	\$20,477,181.79	\$20,477,181.79	\$20,477,181.79			0.55%
SYS17431	17431	LAIF	MMKT	AA	\$21,014,386.22	\$21,014,386.22	\$21,014,386.22			0.55%
SYS987	987	FIDELITY GOVERNMENT MMKT	MMKT	AAA	\$0.00	\$0.00	\$0.00			0.03%
SYS500	500	GOLDMAN SACHS PRIME	MMKT	AAA	\$12,248,895.22	\$12,248,895.22	\$12,248,895.22			0.03%
2546R3B52	1446	Disney	CP	A-1	\$4,000,000.00	\$3,999,947.83	\$3,999,947.83	12/16/2009	02/05/2010	0.12%
00282DB82	1440	Abbott Labs	CP	A-1	\$4,000,000.00	\$3,999,916.31	\$3,999,916.31	12/04/2009	02/08/2010	0.11%
14178MBC1	1462	CARGILL	CP	A-1	\$5,000,000.00	\$4,999,775.87	\$4,999,775.87	01/05/2010	02/12/2010	0.15%
36959SBC6	1451	GE COMPANY	CP	A-1	\$5,000,000.00	\$4,999,790.79	\$4,999,790.79	12/18/2009	02/12/2010	0.14%
4662J1BG4	1467	JP Morgan	CP	A-1	\$5,000,000.00	\$4,999,796.23	\$4,999,796.23	01/15/2010	02/16/2010	0.10%
14178MBN7	1464	CARGILL	CP	A-1	\$5,000,000.00	\$4,999,629.15	\$4,999,629.15	01/08/2010	02/22/2010	0.13%
02665KBR7	1447	American Honda	CP	A-1	\$2,375,000.00	\$2,374,752.21	\$2,374,752.21	12/16/2009	02/25/2010	0.16%
36960MBS1	1465	GE COMPANY	CP	A-1	\$5,000,000.00	\$4,999,490.60	\$4,999,490.60	01/08/2010	02/26/2010	0.15%
89233HBS2	1452	TOYOTA MOTOR CREDIT	CP	A-1	\$5,000,000.00	\$4,999,456.61	\$4,999,456.61	12/21/2009	02/26/2010	0.16%
00282DC16	1443	Abbott Labs	CP	A-1	\$3,700,000.00	\$3,699,685.22	\$3,699,685.22	12/16/2009	03/01/2010	0.11%
2546R3C51	1448	Disney	CP	A-1	\$5,000,000.00	\$4,999,381.28	\$4,999,381.28	12/16/2009	03/05/2010	0.14%
4662J1CB4	1463	JP Morgan	CP	A-1	\$4,000,000.00	\$3,999,496.21	\$3,999,496.21	01/08/2010	03/11/2010	0.12%
89233HCC6	1453	TOYOTA MOTOR CREDIT	CP	A-1	\$4,000,000.00	\$3,999,310.59	\$3,999,310.59	12/23/2009	03/12/2010	0.16%
19121BCG2	1461	COCA COLA	CP	A-1	\$5,000,000.00	\$4,999,346.77	\$4,999,346.77	01/05/2010	03/16/2010	0.11%
0660P1CK5	1444	BANK OF AMERICA	CP	A-1	\$5,000,000.00	\$4,998,729.42	\$4,998,729.42	12/16/2009	03/19/2010	0.20%
0660P1CQ2	1450	BANK OF AMERICA	CP	A-1	\$5,000,000.00	\$4,998,591.31	\$4,998,591.31	12/18/2009	03/24/2010	0.20%
89233HCS1	1466	TOYOTA MOTOR CREDIT	CP	A-1	\$5,000,000.00	\$4,999,048.48	\$4,999,048.48	01/08/2010	03/26/2010	0.13%
Total Short-Term Portfolio:					<u>\$130,815,463.23</u>	<u>\$130,806,608.11</u>	<u>\$130,806,608.11</u>			0.26%

## City Treasurer's Investment Report – January 2010

## Attachment 1

## Page 6 of 13

City of Anaheim  
Long-Term Portfolio Listing

January 31, 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 CO	MTN	A-1	\$3,000,000.00	\$3,009,318.94	\$3,039,192.00	01/20/2009	06/01/2010	4.38%
31331Y3U2	1298	FEDERAL FARM CREDIT	Fed Agy	AAA	\$10,000,000.00	\$9,999,834.72	\$10,146,875.00	07/21/2008	07/21/2010	3.30%
3136FHFE0	1363	FED NATL MORTGAGE ASSN	Fed Agy	AAA	\$10,000,000.00	\$10,016,157.14	\$10,071,875.00	04/01/2009	09/16/2010	1.50%
94974BAZ3	1334	WELLS FARGO CO	MTN	A-1	\$8,364,000.00	\$8,366,355.99	\$8,569,060.19	12/23/2008	10/29/2010	3.98%
31331GJY6	1338	FEDERAL FARM CREDIT	Fed Agy	AAA	\$5,000,000.00	\$5,003,614.50	\$5,054,687.50	01/15/2009	01/12/2011	1.60%
3136FHAA3	1352	FED NATL MORTGAGE ASSN	Fed Agy	AAA	\$5,000,000.00	\$4,999,486.11	\$5,003,125.00	02/11/2009	02/11/2011	2.00%
31398AVL3	1371	FED NATL MORTGAGE ASSN	Fed Agy	AAA	\$3,090,000.00	\$3,100,933.85	\$3,094,828.13	04/29/2009	03/02/2011	2.00%
3133XT4D5	1365	FEDERAL HOME LOAN BANKS	Fed Agy	AAA	\$10,000,000.00	\$10,021,714.89	\$10,121,875.00	04/01/2009	03/16/2011	1.63%
3133XTJ64	1380	FEDERAL HOME LOAN BANKS	Fed Agy	AAA	\$10,000,000.00	\$10,004,786.97	\$10,096,875.00	05/01/2009	05/16/2011	1.38%
3133XW4V8	1460	FEDERAL HOME LOAN BANKS	Fed Agy	AAA	\$5,000,000.00	\$4,991,987.96	\$4,992,187.50	12/30/2009	06/30/2011	0.80%
3128X8C26	1382	FED HOME LOAN MORT CORP	Fed Agy	AAA	\$10,000,000.00	\$9,994,567.90	\$10,027,310.00	05/11/2009	08/11/2011	1.63%
3133XH6G2	1039 C	FEDERAL HOME LOAN BANKS	Fed Agy	AAA	\$5,000,000.00	\$5,000,000.00	\$5,368,750.00	09/29/2006	09/29/2011	5.34%
31331Y3P3	1296	FEDERAL FARM CREDIT	Fed Agy	AAA	\$10,000,000.00	\$9,990,330.57	\$10,428,125.00	07/15/2008	10/03/2011	3.50%
3133XVQL8	1456	FEDERAL HOME LOAN BANKS	Fed Agy	AAA	\$3,240,000.00	\$3,240,061.75	\$3,248,100.00	12/28/2009	12/09/2011	1.13%
3137EACF4	1454	FED HOME LOAN MORT CORP	Fed Agy	AAA	\$5,000,000.00	\$5,004,099.29	\$5,010,937.50	12/28/2009	12/15/2011	1.13%
3136FJF89	1459	FED NATL MORTGAGE ASSN	Fed Agy	AAA	\$5,000,000.00	\$4,984,688.89	\$5,017,187.50	12/30/2009	12/30/2011	1.13%
3136FHEV3	1362	FED NATL MORTGAGE ASSN	Fed Agy	AAA	\$8,000,000.00	\$8,048,970.15	\$8,115,000.00	04/01/2009	03/23/2012	2.38%
3128X8A93	1376	FED HOME LOAN MORT CORP	Fed Agy	AAA	\$5,000,000.00	\$5,000,000.00	\$5,018,630.00	05/11/2009	05/11/2012	2.05%
3133XWDC0	1458	FEDERAL HOME LOAN BANKS	Fed Agy	AAA	\$5,000,000.00	\$4,983,695.16	\$5,000,000.00	12/28/2009	05/25/2012	1.25%
3128X8H62	1391	FED HOME LOAN MORT CORP	Fed Agy	AAA	\$5,000,000.00	\$5,000,000.00	\$5,020,890.00	06/08/2009	06/08/2012	1.75%
3136F94U4	1342	FED NATL MORTGAGE ASSN	Fed Agy	AAA	\$2,500,000.00	\$2,500,000.00	\$2,529,687.50	02/03/2009	08/03/2012	2.00%
31359MPF4	1286	FED NATL MORTGAGE ASSN	Fed Agy	AAA	\$10,000,000.00	\$10,048,938.95	\$10,765,625.00	06/25/2008	09/15/2012	4.38%
3136FJD57	1455	FED NATL MORTGAGE ASSN	Fed Agy	AAA	\$1,200,000.00	\$1,198,185.20	\$1,200,375.00	12/28/2009	12/28/2012	1.90%
3137EACG2	1469	FED HOME LOAN MORT CORP	Fed Agy	AAA	\$5,000,000.00	\$4,961,622.55	\$4,971,875.00	01/29/2010	01/09/2013	1.38%
31398AME9	1206	FED NATL MORTGAGE ASSN	Fed Agy	AAA	\$10,000,000.00	\$10,000,000.00	\$10,653,125.00	01/28/2008	01/28/2013	4.00%
949746NY3	1333	WELLS FARGO CO	MTN	A-1	\$8,000,000.00	\$7,932,206.36	\$8,415,280.00	12/23/2008	01/31/2013	4.38%
3133XSTQ1	1351	FEDERAL HOME LOAN BANKS	Fed Agy	AAA	\$5,000,000.00	\$4,998,119.79	\$5,001,562.50	02/04/2009	02/04/2013	2.88%
02666QB69	1237	American Honda	MTN	A	\$5,000,000.00	\$4,998,034.94	\$5,185,205.00	04/02/2008	04/02/2013	4.63%
3128X8TZ5	1368	FED HOME LOAN MORT CORP	Fed Agy	AAA	\$3,955,000.00	\$3,952,026.36	\$4,007,225.78	04/14/2009	04/08/2013	2.50%
3136F9PL1	1264	FED NATL MORTGAGE ASSN	Fed Agy	AAA	\$10,000,000.00	\$10,000,000.00	\$10,103,125.00	05/14/2008	05/14/2013	4.00%

City Treasurer's Investment Report – January 2010

Attachment 1

City of Anaheim

January 31, 2010

Long-Term Portfolio Listing

CUSIP	Security #	Issuer	Security Type	S & P Rating	Par Value	Book Value	Market Value	Purchase Date	Maturity Date	Stated Rate
3133XTNY8	1390	FEDERAL HOME LOAN BANKS	Fed Agy	AAA	\$1,685,000.00	\$1,683,241.87	\$1,696,584.38	06/03/2009	06/03/2013	2.38%
3136FJZZ7	1457	FED NATL MORTGAGE ASSN	Fed Agy	AAA	\$2,175,000.00	\$2,168,391.73	\$2,168,203.13	12/28/2009	06/28/2013	2.00%
3133XSP93	1330	FEDERAL HOME LOAN BANKS	Fed Agy	AAA	\$6,845,000.00	\$6,875,471.29	\$7,063,184.38	12/15/2008	12/13/2013	3.13%
31398AWH1	1367	FED NATL MORTGAGE ASSN	Fed Agy	AAA	\$5,000,000.00	\$5,021,712.27	\$5,026,562.50	04/14/2009	04/07/2014	2.90%
31331GTJ8	1369	FEDERAL FARM CREDIT	Fed Agy	AAA	\$8,000,000.00	\$8,004,042.67	\$8,105,000.00	04/17/2009	04/17/2014	2.63%
31331GTJ8	1379	FEDERAL FARM CREDIT	Fed Agy	AAA	\$4,500,000.00	\$4,481,474.41	\$4,559,062.50	05/01/2009	04/17/2014	2.63%
31331GTJ8	1468	FEDERAL FARM CREDIT	Fed Agy	AAA	\$4,000,000.00	\$4,055,486.80	\$4,052,500.00	01/29/2010	04/17/2014	2.63%
3128X8YK2	1381	FED HOME LOAN MORT CORP	Fed Agy	AAA	\$4,038,000.00	\$4,020,841.87	\$4,044,161.99	05/01/2009	04/29/2014	2.75%
31331GVG1	1392	FEDERAL FARM CREDIT	Fed Agy	AAA	\$5,000,000.00	\$4,920,832.68	\$5,042,187.50	05/28/2009	05/06/2014	2.75%
3133XTRN8	1393	FEDERAL HOME LOAN BANKS	Fed Agy	AAA	\$7,500,000.00	\$7,460,975.00	\$7,537,500.00	06/02/2009	06/02/2014	3.00%
Total Long Term Portfolio:					<u>\$240,092,000.00</u>	<u>\$240,042,209.52</u>	<u>\$244,573,542.48</u>			<u>2.66%</u>
Total Portfolio:					<u>\$370,907,463.23</u>	<u>\$370,848,817.63</u>	<u>\$375,380,150.59</u>			<u>1.82%</u>

**CITY OF ANAHEIM MONTHLY REPORT  
 Purchases Report  
 Sorted by Security Type - Fund  
 January 1, 2010 - January 31, 2010**

CUSIP	Investment #	Fund	Sec. Type	Issuer	Original Par Value	Purchase Date	Payment Periods	Principal Purchased	Accrued Interest at Purchase	Rate at Purchase	Maturity Date	YTM	Ending Book Value
<b>Federal Agency Issues - Coupon</b>													
31331GTJ8	1468	02	FAC	FFCB	4,000,000.00	01/29/2010	04/17 - 10/17	4,055,560.00	29,750.00	2.625	04/17/2014	2.277	4,055,486.80
3137EACG2	1469	02	FAC	FHLMC	5,000,000.00	01/29/2010	07/09 - 01/09	4,961,550.00	10,885.42	1.375	01/09/2013	1.643	4,961,622.55
<b>Subtotal</b>					<b>9,000,000.00</b>			<b>9,017,110.00</b>	<b>40,896.42</b>				<b>9,017,109.36</b>
<b>Commercial Paper Disc. - Amortizing</b>													
14178MBC1	1462	01	ACP	CARGIL	5,000,000.00	01/05/2010	02/12 - At Maturity	4,999,208.33		0.150	02/12/2010	0.150	4,999,775.87
19121BCG2	1461	01	ACP	COCA C	5,000,000.00	01/05/2010	03/16 - At Maturity	4,998,930.56		0.110	03/16/2010	0.110	4,999,346.77
4662J1CB4	1463	01	ACP	JPM	4,000,000.00	01/09/2010	03/11 - At Maturity	3,999,173.33		0.120	03/11/2010	0.120	3,999,496.21
14178MBN7	1464	01	ACP	CARGIL	5,000,000.00	01/09/2010	02/22 - At Maturity	4,999,187.50		0.130	02/22/2010	0.130	4,999,629.15
36960MBS1	1465	01	ACP	GE COM	5,000,000.00	01/09/2010	02/26 - At Maturity	4,998,979.17		0.150	02/26/2010	0.150	4,999,490.60
89233HCS1	1466	01	ACP	TOYCC	5,000,000.00	01/09/2010	03/26 - At Maturity	4,998,609.72		0.130	03/26/2010	0.130	4,999,048.48
4662J1BG4	1467	01	ACP	JPM	5,000,000.00	01/15/2010	02/16 - At Maturity	4,999,555.56		0.100	02/16/2010	0.100	4,999,796.23
<b>Subtotal</b>					<b>34,000,000.00</b>			<b>33,983,644.17</b>	<b>0.00</b>				<b>33,986,683.31</b>
<b>Managed Pool Deposits</b>													
					Deposit Amount	Deposit Date		Deposit Amount		Rate			
SYS987	987	01	PA2	FIDELI	3,850,000.00	01/07/2010		3,850,000.00		0.510			
SYS987	987	01	PA2	FIDELI	40,000.00	01/12/2010		40,000.00		0.510			
SYS987	987	01	PA2	FIDELI	444.44	01/15/2010		444.44		0.510			
SYS987	987	01	PA2	FIDELI	10,112,500.00	01/20/2010		10,112,500.00		0.510			
SYS987	987	01	PA2	FIDELI	5,000,000.00	01/22/2010		5,000,000.00		0.510			
SYS987	987	01	PA2	FIDELI	5,000,000.00	01/25/2010		5,000,000.00		0.510			
SYS987	987	01	PA2	FIDELI	95,000.00	01/25/2010		95,000.00		0.510			
SYS987	987	01	PA2	FIDELI	200,000.00	01/28/2010		200,000.00		0.510			
SYS987	987	01	PA2	FIDELI	0.01	01/29/2010		0.01		0.510			
SYS500	500	01	PA2	GOLDSA	4,544,000.00	01/06/2010		4,544,000.00		0.288			
SYS500	500	01	PA2	GOLDSA	1,130,000.00	01/07/2010		1,130,000.00		0.288			
SYS500	500	01	PA2	GOLDSA	870,000.00	01/12/2010		870,000.00		0.288			
SYS500	500	01	PA2	GOLDSA	5,392,000.00	01/13/2010		5,392,000.00		0.288			
SYS500	500	01	PA2	GOLDSA	7,255,000.00	01/21/2010		7,255,000.00		0.288			
SYS500	500	01	PA2	GOLDSA	5,496,000.00	01/22/2010		5,496,000.00		0.288			
SYS500	500	01	PA2	GOLDSA	242.38	01/29/2010		242.38		0.288			

CITY OF ANAHEIM MONTHLY REPORT  
 Purchases Report  
 January 1, 2010 - January 31, 2010

CUSIP	Investment #	Fund	Sec. Type Issuer	Original Par Value	Purchase Date	Payment Periods	Principal Purchased	Accrued Interest at Purchase	Rate at Purchase	Maturity Date	YTM	Ending Book Value
<b>Subtotal</b>				<b>48,885,188.83</b>			<b>48,885,188.83</b>					
<b>Total Purchases and Deposits</b>				<b>81,885,188.83</b>			<b>81,885,841.00</b>	<b>40,835.42</b>				<b>43,013,882.88</b>

**CITY OF ANAHEIM MONTHLY REPORT**  
**Maturity Report**  
**Sorted by Maturity Date**  
**Amounts due during January 1, 2010 - January 31, 2010**

CUSIP	Investment #	Fund	Sec. Type Issuer	Par Value	Maturity Date	Purchase Date	Rate at Maturity	Book Value at Maturity	Interest	Maturity Proceeds	Net Income
46621A75	1439	01	ACP JPM	3,850,000.00	01/07/2010	12/01/2009	0.120	3,850,000.00	0.00	3,850,000.00	0.00
14178MAF5	1442	01	ACP CARGIL	5,000,000.00	01/15/2010	12/04/2009	0.110	5,000,000.00	0.00	5,000,000.00	0.00
19121BAN9	1441	01	ACP COCA C	5,000,000.00	01/22/2010	12/04/2009	0.100	5,000,000.00	0.00	5,000,000.00	0.00
2546R3AV6	1445	01	ACP DISNEY	4,000,000.00	01/29/2010	12/16/2009	0.110	4,000,000.00	0.00	4,000,000.00	0.00
36959SAV5	1449	01	ACP GE COM	5,000,000.00	01/29/2010	12/18/2009	0.140	5,000,000.00	0.00	5,000,000.00	0.00
<b>Total Maturities</b>				<b>22,850,000.00</b>				<b>22,850,000.00</b>	<b>0.00</b>	<b>22,850,000.00</b>	<b>0.00</b>

**CITY OF ANAHEIM MONTHLY REPORT**  
**Sales/Call Report**  
**Sorted by Maturity Date - Fund**  
**January 1, 2010 - January 31, 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
<b>01/20/2012</b>												
3128XBEM0	1349	02	FHLMC FAC	01/26/2009	01/20/2010 01/20/2012	10,000,000.00	2.250	10,007,374.30	10,000,000.00	112,500.00	10,112,500.00	105,125.70
					<b>Subtotal</b>	<b>10,000,000.00</b>		<b>10,007,374.30</b>	<b>10,000,000.00</b>	<b>112,500.00</b>	<b>10,112,500.00</b>	<b>105,125.70</b>
<b>01/25/2013</b>												
31331YQP8	1204	02	FFCB FAC	01/25/2008	01/25/2010 01/25/2013	5,000,000.00	3.800	5,000,000.00	5,000,000.00	95,000.00	5,095,000.00	95,000.00
					<b>Subtotal</b>	<b>5,000,000.00</b>		<b>5,000,000.00</b>	<b>5,000,000.00</b>	<b>95,000.00</b>	<b>5,095,000.00</b>	<b>95,000.00</b>
					<b>Total Sales</b>	<b>15,000,000.00</b>		<b>15,007,374.30</b>	<b>15,000,000.00</b>	<b>207,500.00</b>	<b>15,207,500.00</b>	<b>200,125.70</b>

Data Updated: SET\_MRPT: 02/04/2010 14:07  
 Run Date: 02/04/2010 - 14:07

Portfolio CITY  
 AP  
 SA (PRF\_SA) 7.1.1  
 Report Ver. 7.3.1



**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	<b>AAAF / S1</b>
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**

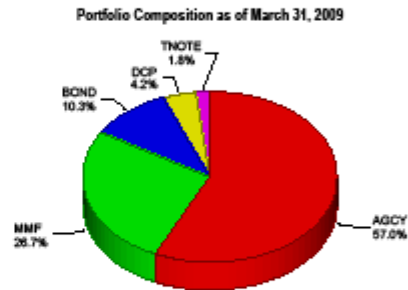
The Treasurer for the city of Anaheim, CA is responsible for overall management of the portfolio. The Treasurer has prior experience managing S&P rated government investment pools during his tenure at the cities of Los Angeles and Long Beach. The city of Anaheim's \$500+ million portfolio is being divided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

Attachment 1

CITY OF ANAHEIM  
BOND FUND INVESTMENTS  
December 31, 2009

<u>Debt Issue</u>	<u>Trustee</u>	<u>Book Value</u>	<u>Total Trustee Holdings</u>
Decommissioning Trust	Union Bank of Calif.	\$ 114,147,358	
APFA Revenue Bds, 1998 Series	Union Bank of Calif.	\$ 3	\$ 114,147,361
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 (Dsn) 2007 Ref Ser A	BNY Western Trust	\$ 2,342,146	
Anaheim (Dsn) 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:			\$ 350,190,016
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:			\$ 357,836,050