



# Information Item

**Date: December 10, 2009**

To: Mayor and City Council  
From: Carol Swindell, Director of Finance/City Treasurer  
Subject: City Monthly Cash and Investment Report for September 2009

## **Introduction**

In compliance with the City Charter, State law, and the City's Investment Policy, the attached monthly report provides information concerning City investments and cash held and/or managed by the Director of Finance/City Treasurer as of September 30, 2009.

## **Discussion**

The September 2009 Investment Report highlights changes from last month. The value of cash and investments held in the pooled portfolio increased by \$12.8 million in September to \$527.3 million primarily due to the receipt of Big Blue Bus funds from LACMTA and the draw down of funds from the Santa Monica Water Treatment Facility escrow account. Further detail is provided below. The pooled portfolio yield-to-maturity fell eleven (11) basis points in September to 1.92%, one hundred fifty (150) basis points lower than in September 2008. Investment earnings for the month were \$0.5 million. Fiscal year-to-date earnings are down 46.4% from the same period last year.

In addition to the pooled portfolio, the City's total cash holdings as of September 30, 2009 included \$85.6 million in Charnock settlement-related funds, \$8.9 million in bond proceeds held in trust with fiscal agents, \$7.8 million in other funds held in trust, and \$56,882 in petty cash for a total balance of \$629.7 million.

In compliance with Governmental Accounting Standards, the City reports all investments, with certain exceptions, at their current fair market value on the last day of each month.

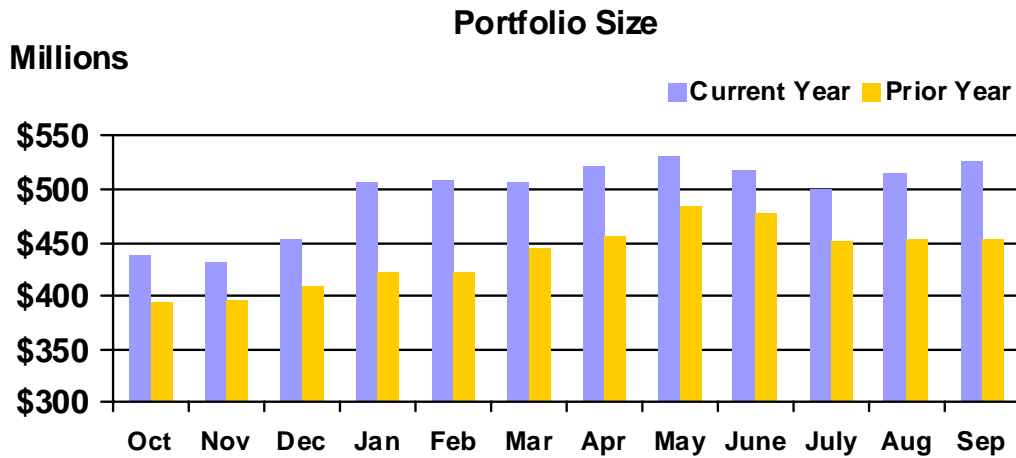
The investments held by the City may have a current fair market value that is greater or less than the original purchase price (book/reported value) of the investments due to fluctuations in the market resulting in either an unrealized gain or loss for financial disclosure purposes only. The City reports book value exclusive of amortization/accretion of premiums/discounts. Since it is the City's policy to hold most securities to maturity, these fluctuations in market value do not affect the redemption value of the securities or the overall yield of the portfolio. As of September 30, 2009, the market value of the City's portfolio was approximately \$1.3 million greater than the book value.

Attached is a summary of investment activity as well as a detailed report of public monies held by the City Treasurer for the month of September 2009.

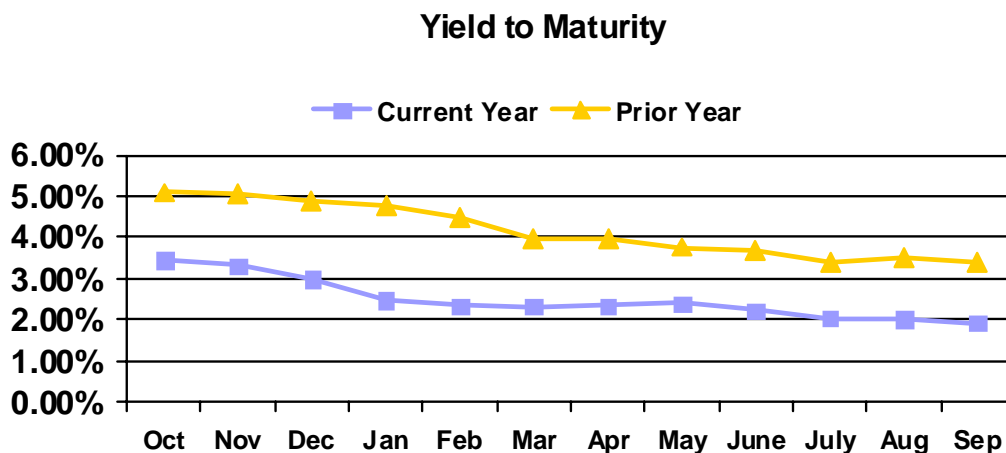
Prepared by: David Carr, Principal Investment Analyst

Attachments: 1 – Investment Highlights  
2 – Investment Report

# Investment Highlights September 2009

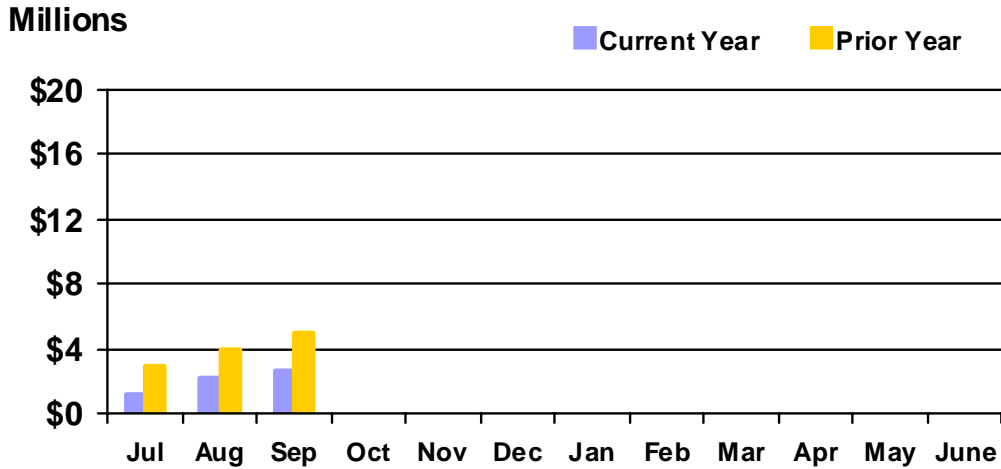


- As of September 30, the portfolio size is \$12.8 million more than in August and \$86.4 million more than in September 2008
- Increase from August reflects receipt of Big Blue Bus funds from LACMTA and draw down of funds from Water Treatment escrow account.
- Increase from last year reflects transfer of Charnock settlement funds to City from escrow accounts.



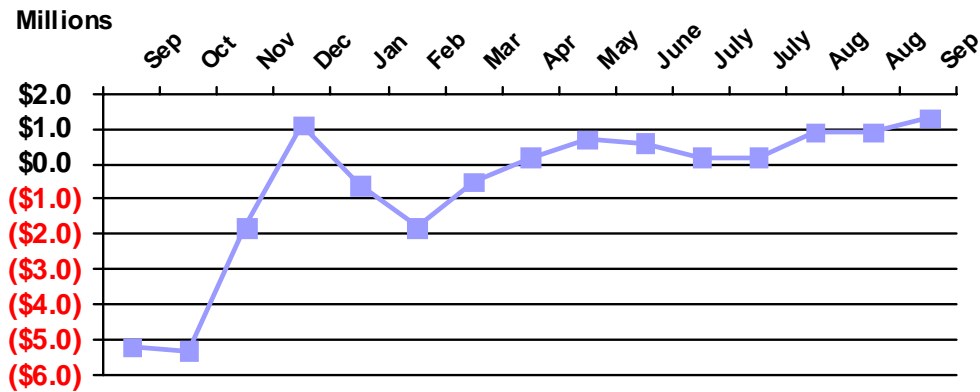
- As of September 30, yield to maturity is 1.92 percent.
- Decrease of 11 basis points in August and 151 basis points from one year earlier.

### Fiscal Year-to-Date Interest Earnings (Cumulative by Month)



- September earnings were 50% less than the prior year.
- Fiscal y-t-d earnings are 46.4% less than the prior year.

### Unrealized Gain/(Loss)



- The unrealized gain of \$1.3 million reported as of September 30, 2009 is the difference between market value and the unamortized book value (purchase price).



# Investment Report

## September 2009

Prepared by:  
Carol Swindell, Director of Finance/City Treasurer  
David R. Carr, Principal Investment Analyst

**City of Santa Monica  
Report of Public Monies Held by the City Treasurer  
As of September 30, 2009**

<b>Petty Cash</b>	\$56,882.00
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**Pooled Portfolio**

Bank of America (1)	
General Account	\$2,095,365.01
Columbia Money Market Sweep Account	\$26,042,536.18
Total Bank of America	\$28,137,901.19
Bank of New York (BNY)	
Corporate Bonds	\$0.00
Corporate Bonds - FDIC Insured	\$67,942,931.80
Federal Agencies Securities	\$356,157,773.38
Total Bank of New York	\$424,100,705.18
State of California Local Agency Investment Fund - RDA	\$38,938,075.12
State of California Local Agency Investment Fund - City	\$36,112,440.28

<b>Total Pooled Portfolio</b>	\$527,289,121.77
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**Restricted Cash/Investments Held in Trust**

Bond Proceeds	
Union Bank-Earthquake Recovery Redevelopment 2006	
Tax Allocation Refunding Bonds Series A & B	\$2.00
BNY-Library Improvement Project 2002 Series	\$0.00
BNY-Ocean Park Redevelopment Project 2002 Refunding	\$2,464,957.23
BNY-Parking Authority Lease Revenue Bonds 2002 Refunding	\$2.01
BNY-Public Safety Facility Bonds 1999 Series and 2002 Series	\$2,441,219.98
U.S. Bank-Wastewater Enterprise Revenue Bonds-1993 Refunding	\$0.00
U.S. Bank-Wastewater Enterprise Revenue Bonds-2005 Refunding	\$1.00
Union Bank-Civic Center Parking Project 2004 Lease Revenue Bonds	\$3,944,881.82

<b>Total Restricted Cash/Investments Held in Trust</b>	\$8,851,064.04
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**Charnock Settlement Funds**

Union Bank (December 2006 Settlement)	
Money Market Funds	\$6,527,949.23
Federal Agencies Securities	\$73,972,324.18
Corporate Bonds	\$5,144,450.00
Total Union Bank (December 2006 Settlement)	\$85,644,723.41

<b>Total Charnock Settlement Funds</b>	\$85,644,723.41
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**Other Funds Held in Trust**

Cemetery Perpetual Care Fund (3)	\$6,959,673.18
Mausoleum Perpetual Care Fund (3)	\$734,415.49
Public Agency Family Self Sufficiency Program (2)	\$145,665.89

<b>Total Other Funds Held in Trust</b>	\$7,839,754.56
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<b>GRAND TOTAL</b>	\$629,681,545.78
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**City of Santa Monica**  
**Report of Public Monies Held by the City Treasurer**  
**As of September 30, 2009**

- (1) This is the actual bank account balance as of 9/30/09. It only reflects checks and warrants that have been presented for payment and deposits received by the bank. The balance on deposit per the City books would reflect reductions for all checks and warrants issued and an increase for all deposits transmitted. Redevelopment Agency, Housing Authority, and Parking Authority Funds included in totals.
- (2) The City of Santa Monica Housing Authority administers the Family Self Sufficiency Program. An escrow account is set up for each family in the program. The Housing Authority maintains and releases the escrow funds as required by HUD regulations.
- (3) The Cemetery Perpetual Care Funds and the Mausoleum Perpetual Care Funds are held in trust by Charles Schwab & Company, Inc. and administered by the investment firm RNC Genter Capital Management Company. Market value is shown since a large portion of the portfolio is in equities.

**City of Santa Monica  
Cash Receipts, Disbursements and Cash Balances\*  
September 30, 2009**

Pursuant to Section 711d of the City Charter, I submit the following:

Cash and Investments - August 31, 2009	\$514,521,016.08
Receipts	52,070,546.46
Disbursements	(39,302,440.77)
Cash and Investments - September 30, 2009	\$527,289,121.77

\* Pooled portfolio only. Excludes certain investments held in trust by third parties such as bond proceeds, perpetual care funds, and Charnock settlement funds.

Carol Swindell  
Director of Finance/City Treasurer

**Overview**

As of September 30, 2009, total City cash and investments were \$629.7 million, a \$7.0 million increase from August. The increase primarily reflects two large payments to the Big Blue Bus from the LACMTA (\$12.2 million) partially offset by several large expenditures for capital projects. Further details are provided below.

Petty Cash	\$	56,882.00
Pooled Investment Portfolio	\$	527,289,121.77
Restricted Cash/Investment Held in Trust	\$	8,851,064.04
Charnock Settlement Funds	\$	85,644,723.41
Other Funds Held in Trust	\$	7,839,754.56
Total	\$	<u>629,681,545.78</u>

**Definitions**

- Basis Point – One hundredth of one percent (.01%)
- Book (Reported) Value – The price paid for the security at purchase.
- Bullets – A security with a fixed coupon or interest rate that cannot be redeemed by the issuer before the maturity date.
- Callable Securities – A security that can be redeemed by the issuer before the maturity date.
- Duration – A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a security. The duration of a security is a useful indicator of its price volatility for given changes in interest rates.
- Market Value – The price at which a security is currently trading and could be presumably bought or sold.
- Par Value – The full face value of the security.
- Rebalancing – Strategy whereby low yielding securities are sold at a loss with the proceeds used to purchase higher yielding securities.
- TLGP (Temporary Loan Guarantee Program) – Federal program through which the Federal Deposit Insurance Corporation guarantees repayment of certain bonds issued by financial institutions.
- Unrealized Gain/Loss – Difference between the current market value and purchase price (book value) of a security.
- Yield to Maturity – The rate of return of a security held to maturity when both interest payments and the investor's gain or loss (premium paid or discount taken) on the security is taken into account.

**Pooled Investment Portfolio**

As of September 30, 2009, the portfolio size (unamortized book value/purchase price) of City pooled cash and investments is \$527.3 million, a \$12.8 million increase from August. Since the City holds most investments to maturity, variations in portfolio book value are typically due to receipt and expenditure patterns during the month rather than any gains or losses on securities.

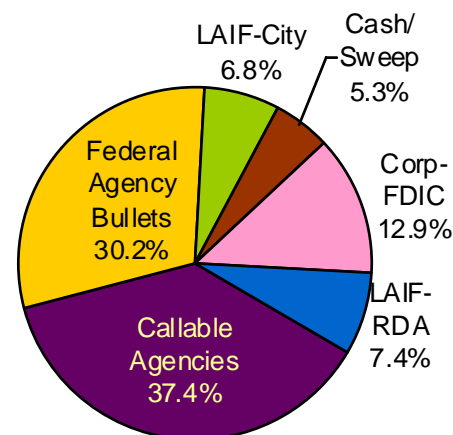
As noted above, this month’s increase is primarily due to payments to the Big Blue Bus totaling approximately \$12.2 million and \$5.8 million in draw downs from the Water Treatment Facility escrow account to reimburse the City for expenses related to construction of the new water treatment facility. Partially offsetting were several large payments for capital expenditures. Four investments (\$13 million) were made during the month. Two investments matured during the month (\$10.4 million), and two investments were fully or partially called (\$6.7 million). No investments were sold. The total of City and RDA LAIF account balances decreased by \$2 million in September. The balance of the sweep account on September 30 was \$26.1 million as several large payments were received the last two days of the month. Much of these funds were invested in October.

Details of the main portfolio follow.

**Portfolio Composition**

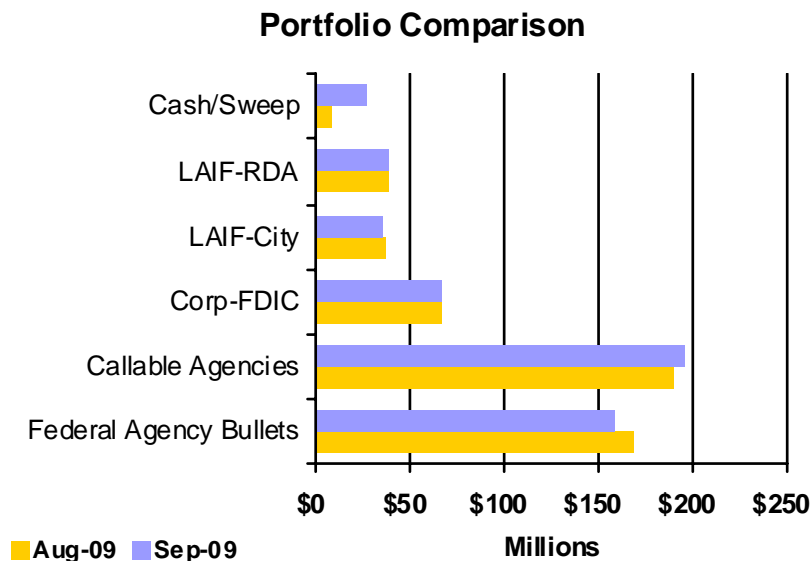
The portfolio is well-diversified and is in compliance with the City’s Investment Policy and applicable provisions of the State Government Code. The largest sector of the portfolio is Federal Agency Securities (67.6%). The remaining 32.4% is invested in State Local Agency Investment Fund accounts for the City (6.8%) and the RDA (7.4%); corporate notes (12.9%), all of which are currently all FDIC insured bonds (AAA rated) issued under the FDIC’s Temporary Liquidity Guarantee Program (TLGP); and cash including the money market sweep account (5.3%). As noted above, the sweep account balance was larger than typical due to several large payments received at the end of the month. This portfolio mix allows the City to maintain its primary investment objectives of safety and liquidity while attaining a rate of return consistent with the City’s Investment Policy and Investment Plan.

**Portfolio Composition**



**Portfolio Comparison**

The chart to the right shows the overall structure of the portfolio by type of investment compared to last month. There were no significant changes in September. As noted earlier, the City continues to hold a significant balance in short term funds as interest rates remain at historic lows. The bond market, financial and economic conditions, and portfolio structure are continuously evaluated when making investment decisions.



**Rebalancing of Portfolio**

No portfolio rebalancing occurred in September due to the low interest rate environment. However, when rates begin to rise again, rebalancing opportunities will be evaluated.

**City of Santa Monica  
Portfolio Management  
Portfolio Details - Investments  
September 30, 2009**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Term	YTM 365	Days to Maturity	Maturity Date
<b>Federal Agency Coupon</b>												
3133XQL83	10745	Federal Home Loan Bank		05/21/2008	5,000,000.00	5,000,000.00	4,978,250.00	2.250	499	2.576	1	10/02/2009
3136F6JW0	10724	Federal National Mort Assoc		03/26/2008	2,000,000.00	2,006,250.00	2,067,977.47	4.625	581	2.430	27	10/28/2009
3133X9BF6	10727	Federal Home Loan Bank		03/28/2008	5,000,000.00	5,014,062.50	5,086,350.00	3.500	585	2.390	33	11/03/2009
3133X8RL8	10726	Federal Home Loan Bank		03/28/2008	5,000,000.00	5,037,500.00	5,110,550.00	3.710	635	2.400	83	12/23/2009
3136F6TY5	10725	Federal National Mort Assoc		03/26/2008	5,000,000.00	5,057,812.50	5,166,588.67	4.300	664	2.410	110	01/19/2010
3133MATQ2	10729	Federal Home Loan Bank		03/27/2008	4,830,000.00	4,953,768.75	5,265,955.80	7.375	687	2.420	134	02/12/2010
3133XPNX8	10711	Federal Home Loan Bank		02/14/2008	5,000,000.00	5,051,562.50	5,000,900.00	2.625	757	2.617	162	03/12/2010
3133X6PG5	10719	Federal Home Loan Bank		03/19/2008	5,000,000.00	5,106,250.00	5,180,500.00	4.080	768	2.310	207	04/26/2010
31398APV8	10736	Federal National Mort Assoc		04/23/2008	5,000,000.00	5,065,625.00	4,959,350.00	2.375	757	2.805	231	05/20/2010
3133XFLE4	10715	Federal Home Loan Bank		02/25/2008	5,000,000.00	5,168,750.00	5,259,921.70	5.250	837	2.890	253	06/11/2010
3133XR2Y5	10739	Federal Home Loan Bank		05/15/2008	5,000,000.00	5,090,625.00	4,981,850.00	3.000	757	3.182	253	06/11/2010
3133XR2Y5	10744	Federal Home Loan Bank		05/21/2008	5,000,000.00	5,090,625.00	5,009,000.00	3.000	751	2.904	253	06/11/2010
31331YYU8	10731	Federal Farm Credit Bank		03/27/2008	5,000,000.00	5,068,750.00	4,986,750.00	2.250	826	2.372	273	07/01/2010
3133XTZD1	10872	Federal Home Loan Bank		07/06/2009	10,000,000.00	10,009,375.00	10,000,000.00	0.063	365	0.063	278	07/06/2010
3133XCBP7	10749	Federal Home Loan Bank		05/29/2008	5,000,000.00	5,178,125.00	5,181,750.00	5.000	774	3.210	284	07/12/2010
3137EABQ1	10866	Fed Home Loan Mortgage Corp		05/22/2009	5,000,000.00	5,110,937.50	5,154,500.00	3.250	420	0.550	288	07/16/2010
3133XCSY0	10710	Federal Home Loan Bank		02/14/2008	5,000,000.00	5,190,625.00	5,255,500.00	4.875	914	2.750	319	08/16/2010
3133XGRD8	10728	Federal Home Loan Bank		03/27/2008	4,900,000.00	5,115,906.25	5,200,664.00	5.125	916	2.580	363	09/29/2010
3133XSCT3	10813	Federal Home Loan Bank		01/16/2009	3,000,000.00	3,088,125.00	3,101,580.00	3.375	642	1.386	384	10/20/2010
3133XMES6	10789	Federal Home Loan Bank		11/25/2008	7,000,000.00	7,273,437.50	7,177,059.51	4.375	696	3.000	386	10/22/2010
31331TNU6	10730	Federal Farm Credit Bank		04/24/2008	5,000,000.00	5,220,312.50	5,206,000.00	4.350	967	2.725	442	12/17/2010
3137EABW8	10869	Fed Home Loan Mortgage Corp		05/22/2009	3,000,000.00	3,031,830.00	3,030,120.00	1.500	595	0.875	463	01/07/2011
3133X5XR4	10819	Federal Home Loan Bank		02/03/2009	5,000,000.00	5,012,500.00	5,000,000.00	2.750	730	2.313	490	02/03/2011
31331YWG1	10817	Federal Farm Credit Bank		01/22/2009	5,000,000.00	5,153,125.00	5,144,150.00	3.000	770	1.607	518	03/03/2011
3128X8NB4	10835	Fed Home Loan Mortgage Corp		03/09/2009	5,000,000.00	5,032,812.50	5,000,000.00	2.050	730	2.050	524	03/09/2011
3133XPNY6	10751	Federal Home Loan Bank		05/29/2008	3,000,000.00	3,090,937.50	2,948,160.00	2.875	1,016	3.521	526	03/11/2011
31359MM26	10750	Federal National Mort Assoc		05/29/2008	3,000,000.00	3,202,500.00	3,134,760.00	5.125	1,051	3.470	561	04/15/2011
31331YG46	10865	Federal Farm Credit Bank		05/22/2009	5,000,000.00	5,132,812.50	5,157,217.65	2.625	699	1.080	567	04/21/2011
3128X7MN1	10810	Fed Home Loan Mortgage Corp		01/15/2009	5,000,000.00	5,197,400.00	5,206,700.00	3.500	840	1.664	581	05/05/2011
3136F9QM8	10741	Federal National Mort Assoc		06/02/2008	5,000,000.00	5,104,687.50	4,984,100.00	3.400	1,095	3.513	609	06/02/2011
3133XFJY3	10699	Federal Home Loan Bank		01/18/2008	5,000,000.00	5,356,250.00	5,335,350.00	5.250	1,239	3.150	617	06/10/2011
3133XR4U1	10806	Federal Home Loan Bank		01/09/2009	5,000,000.00	5,170,312.50	5,174,150.00	3.125	882	1.650	617	06/10/2011
3136FHE43	10873	Federal National Mort Assoc		07/01/2009	5,000,000.00	5,000,000.00	4,992,500.00	1.500	730	1.576	638	07/01/2011
3133XTXH4	10894	Federal Home Loan Bank		08/26/2009	4,000,000.00	4,046,250.00	4,033,596.11	1.625	700	1.250	664	07/27/2011
3133XUD26	10879	Federal Home Loan Bank		08/10/2009	3,000,000.00	3,025,312.50	3,000,000.00	1.000	730	1.000	678	08/10/2011
3128X8HV7	10825	Fed Home Loan Mortgage Corp		02/11/2009	5,000,000.00	5,031,750.00	4,992,500.00	2.000	911	2.062	679	08/11/2011

Portfolio INVT

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**City of Santa Monica  
Portfolio Management  
Portfolio Details - Investments  
September 30, 2009**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Term	YTM 365	Days to Maturity	Maturity Date
<b>Federal Agency Coupon</b>												
31331GDC0	10877	Federal Farm Credit Bank		07/17/2009	5,000,000.00	5,235,937.50	5,299,802.16	3.600	819	1.299	743	10/14/2011
3133XT2S4	10827	Federal Home Loan Bank		02/17/2009	5,000,000.00	5,035,937.50	5,000,000.00	2.100	1,003	2.100	777	11/17/2011
3128X8FD9	10809	Fed Home Loan Mortgage Corp		01/30/2009	5,000,000.00	5,013,750.00	5,000,000.00	1.500	1,095	1.500	851	01/30/2012
3128X8GP1	10822	Fed Home Loan Mortgage Corp		02/02/2009	5,000,000.00	5,026,400.00	5,000,000.00	2.250	1,095	2.250	854	02/02/2012
3128X8JB9	10824	Fed Home Loan Mortgage Corp		02/17/2009	5,000,000.00	5,030,950.00	4,999,500.00	2.450	1,095	2.453	869	02/17/2012
3136F82S3	10708	Federal National Mort Assoc		02/22/2008	1,255,000.00	1,269,510.94	1,251,862.50	3.300	1,461	3.367	874	02/22/2012
3128X8KX9	10834	Fed Home Loan Mortgage Corp		02/25/2009	5,000,000.00	5,035,050.00	5,000,000.00	2.375	1,094	2.375	876	02/24/2012
3136FHCP8	10831	Federal National Mort Assoc		03/09/2009	5,000,000.00	5,059,375.00	5,000,000.00	2.000	1,096	2.000	890	03/09/2012
3133XQZ39	10737	Federal Home Loan Bank		04/30/2008	5,000,000.00	5,092,187.50	5,000,000.00	3.650	1,461	3.650	942	04/30/2012
31331GVL0	10860	Federal Farm Credit Bank		05/07/2009	5,000,000.00	5,035,937.50	5,000,000.00	1.875	1,096	1.875	949	05/07/2012
3133MNVV0	10814	Federal Home Loan Bank		01/16/2009	5,000,000.00	5,554,687.50	5,620,170.41	5.750	1,212	1.880	954	05/12/2012
3128X8ZG0	10853	Fed Home Loan Mortgage Corp		05/21/2009	5,000,000.00	5,012,850.00	5,000,000.00	2.250	1,096	2.250	963	05/21/2012
3136FHUY9	10867	Federal National Mort Assoc		06/01/2009	4,465,296.88	4,465,296.88	4,450,000.00	1.400	1,096	1.400	974	06/01/2012
3136FHUY9	10868	Federal National Mort Assoc		06/01/2009	550,000.00	551,890.63	550,000.00	1.400	1,096	1.400	974	06/01/2012
3128X8ED0	10803	Fed Home Loan Mortgage Corp		01/20/2009	5,000,000.00	5,029,350.00	5,000,000.00	2.400	1,277	2.400	1,023	07/20/2012
3128X83W0	10892	Fed Home Loan Mortgage Corp		08/26/2009	2,000,000.00	2,006,000.00	2,006,387.50	2.100	1,059	2.061	1,023	07/20/2012
3133XUG31	10881	Federal Home Loan Bank		07/30/2009	5,000,000.00	5,031,250.00	5,000,000.00	2.050	1,096	2.050	1,033	07/30/2012
3128X85C2	10880	Fed Home Loan Mortgage Corp		08/13/2009	5,000,000.00	5,008,650.00	5,000,000.00	2.250	1,096	2.250	1,047	08/13/2012
3133XUK93	10890	Federal Home Loan Bank		08/19/2009	5,000,000.00	5,045,312.50	5,010,946.86	2.000	1,122	1.951	1,079	09/14/2012
3128X8WD0	10845	Fed Home Loan Mortgage Corp		04/15/2009	5,000,000.00	5,029,000.00	5,000,000.00	2.300	1,279	2.300	1,110	10/15/2012
3136FHRE7	10859	Federal National Mort Assoc		05/20/2009	5,000,000.00	5,017,187.50	5,000,000.00	2.250	1,280	2.250	1,146	11/20/2012
3136F8YW9	10678	Federal National Mort Assoc		12/14/2007	5,000,000.00	5,039,062.50	5,000,000.00	4.600	1,827	4.600	1,170	12/14/2012
3128X84Q2	10893	Fed Home Loan Mortgage Corp		08/26/2009	4,000,000.00	4,002,880.00	4,002,900.00	2.250	1,253	2.277	1,217	01/30/2013
3136F95N9	10818	Federal National Mort Assoc		02/06/2009	5,000,000.00	5,009,375.00	4,998,750.00	2.000	1,461	1.756	1,224	02/06/2013
3136FH7J8	10891	Federal National Mort Assoc		09/01/2009	5,000,000.00	5,021,875.00	5,000,000.00	2.500	1,277	2.500	1,247	03/01/2013
3128X8TZ5	10844	Fed Home Loan Mortgage Corp		04/08/2009	5,000,000.00	5,036,850.00	5,000,000.00	2.500	1,461	2.500	1,285	04/08/2013
3136FHLL7	10861	Federal National Mort Assoc		05/01/2009	5,000,000.00	5,028,125.00	5,000,416.67	1.500	1,459	1.500	1,306	04/29/2013
31398ARC8	10807	Federal National Mort Assoc		01/09/2009	5,000,000.00	5,015,625.00	5,107,000.00	4.120	1,578	3.580	1,313	05/06/2013
3133XRBS8	10740	Federal Home Loan Bank		05/28/2008	5,000,000.00	5,126,562.50	5,000,000.00	4.125	1,826	4.125	1,335	05/28/2013
3133XTSG2	10874	Federal Home Loan Bank		06/18/2009	1,404,545.46	1,404,984.38	1,401,736.37	2.875	1,461	2.928	1,356	06/18/2013
31331GYF0	10875	Federal Farm Credit Bank		06/24/2009	2,000,000.00	1,992,500.00	1,994,000.00	2.750	1,461	2.830	1,362	06/24/2013
3133XUTR4	10897	Federal Home Loan Bank		09/28/2009	3,000,000.00	3,005,625.00	3,000,000.00	2.300	1,369	2.300	1,366	06/28/2013
3128X86V9	10883	Fed Home Loan Mortgage Corp		08/19/2009	5,000,000.00	5,058,150.00	5,000,000.00	2.800	1,461	2.800	1,418	08/19/2013
31331GR35	10896	Federal Farm Credit Bank		09/16/2009	3,000,000.00	3,002,812.50	3,000,000.00	2.690	1,461	2.690	1,446	09/16/2013
31331GS26	10898	Federal Farm Credit Bank		09/23/2009	2,000,000.00	1,993,125.00	2,000,000.00	2.350	1,461	2.350	1,453	09/23/2013
3128X8ZA3	10855	Fed Home Loan Mortgage Corp		05/05/2009	5,000,000.00	5,013,250.00	5,000,000.00	2.875	1,645	2.875	1,496	11/05/2013

Portfolio INVT

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**City of Santa Monica  
Portfolio Management  
Portfolio Details - Investments  
September 30, 2009**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Term	YTM 365	Days to Maturity	Maturity Date
<b>Federal Agency Coupon</b>												
3136F93R2	10802	Federal National Mort Assoc		01/22/2009	5,000,000.00	5,020,312.50	5,000,000.00	2.000	1,826	2.000	1,574	01/22/2014
3128X8FT4	10815	Fed Home Loan Mortgage Corp		01/29/2009	5,000,000.00	4,996,093.50	5,000,000.00	2.000	1,826	2.000	1,581	01/29/2014
3128X8NE8	10836	Fed Home Loan Mortgage Corp		03/10/2009	5,000,000.00	5,060,200.00	5,000,000.00	2.125	1,826	2.125	1,621	03/10/2014
31398AXB3	10852	Federal National Mort Assoc		05/05/2009	5,000,000.00	4,971,875.00	5,000,000.00	2.800	1,826	2.800	1,677	05/05/2014
3128X85J7	10882	Fed Home Loan Mortgage Corp		08/18/2009	5,000,000.00	5,019,150.00	5,000,000.00	3.550	1,826	3.550	1,782	08/18/2014
<b>Subtotal and Average</b>			<b>359,606,620.77</b>		<b>351,389,545.46</b>	<b>356,891,848.83</b>	<b>356,157,773.38</b>		<b>1,059</b>	<b>2.310</b>	<b>773</b>	
<b>Local Agency Investment Funds</b>												
SYS10090	10090	Local Agency Investment Fund			36,112,440.28	36,112,440.28	36,112,440.28	0.750	1	0.750	1	
<b>Subtotal and Average</b>			<b>37,179,106.95</b>		<b>36,112,440.28</b>	<b>36,112,440.28</b>	<b>36,112,440.28</b>		<b>1</b>	<b>0.750</b>	<b>1</b>	
<b>Columbia Money Market Fund</b>												
SYS10091	10091	Columbia Money Market Reserves		09/15/2006	26,042,536.18	26,042,536.18	26,042,536.18	0.010	1	0.010	1	
<b>Subtotal and Average</b>			<b>6,628,085.96</b>		<b>26,042,536.18</b>	<b>26,042,536.18</b>	<b>26,042,536.18</b>		<b>1</b>	<b>0.010</b>	<b>1</b>	
<b>Local Agency Investment Funds - RDA</b>												
SYS10092	10092	LAIF - RDA		03/17/2009	38,938,075.12	38,938,075.12	38,938,075.12	0.750	1	0.750	1	
<b>Subtotal and Average</b>			<b>38,938,075.12</b>		<b>38,938,075.12</b>	<b>38,938,075.12</b>	<b>38,938,075.12</b>		<b>1</b>	<b>0.750</b>	<b>1</b>	
<b>Corporate Bonds</b>												
481247AD6	10793	JP Morgan Chase		12/22/2008	5,000,000.00	5,110,750.00	5,088,900.00	2.625	709	1.700	426	12/01/2010
17314JAK9	10886	Citigroup		08/07/2009	5,000,000.00	5,032,150.00	5,018,108.33	1.500	704	1.391	649	07/12/2011
38146FAF8	10888	Goldman Sachs		08/07/2009	5,000,000.00	5,049,850.00	5,034,965.28	1.625	707	1.310	652	07/15/2011
17314JAN3	10887	Citigroup		08/07/2009	5,000,000.00	5,017,900.00	4,991,790.97	1.375	733	1.460	678	08/10/2011
61757UAF7	10878	Morgan Stanley		07/21/2009	5,000,000.00	5,081,000.00	5,090,200.00	2.000	793	1.155	721	09/22/2011
86801BAB1	10798	Suntrust Bank		12/29/2008	5,000,000.00	5,176,250.00	5,153,450.00	3.000	1,052	1.900	776	11/16/2011
949744AA4	10790	Wells Fargo Bank		12/10/2008	5,000,000.00	5,178,125.00	4,994,150.00	3.000	1,094	3.041	799	12/09/2011
4042EPAA5	10823	HSBC		02/06/2009	5,000,000.00	5,192,400.00	5,151,350.00	3.125	1,043	2.030	806	12/16/2011
9116OHAA5	10842	US Bank		03/13/2009	5,000,000.00	5,092,700.00	4,999,400.00	2.250	1,096	2.254	894	03/13/2012
06050BAA9	10808	Bank of America		01/20/2009	5,000,000.00	5,200,400.00	5,199,100.00	3.125	1,242	1.913	988	06/15/2012
38146FAA9	10816	Goldman Sachs		01/26/2009	5,000,000.00	5,218,150.00	5,206,850.00	3.250	1,236	1.984	988	06/15/2012
61757UAH3	10846	Morgan Stanley		04/13/2009	5,000,000.00	5,050,500.00	4,998,450.00	1.950	1,164	1.960	993	06/20/2012
17313YAG6	10895	Citigroup		08/28/2009	2,000,000.00	2,022,080.00	2,022,367.22	2.125	1,049	1.844	1,015	07/12/2012
481247AM6	10847	JP Morgan Chase		04/13/2009	5,000,000.00	5,066,900.00	4,993,850.00	2.125	1,353	2.160	1,182	12/26/2012
<b>Subtotal and Average</b>			<b>67,966,070.69</b>		<b>67,000,000.00</b>	<b>68,489,155.00</b>	<b>67,942,931.80</b>		<b>997</b>	<b>1.865</b>	<b>818</b>	

Portfolio INVT

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**City of Santa Monica  
Portfolio Management  
Portfolio Details - Investments  
September 30, 2009**

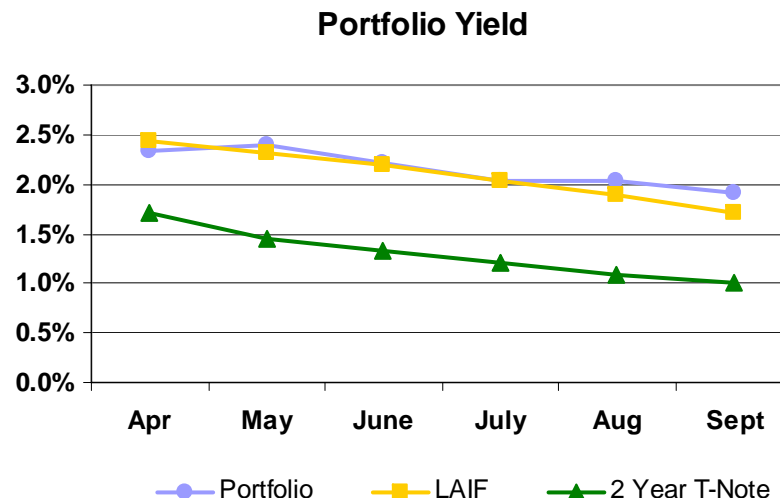
CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Term	YTM 365	Days to Maturity
Total and Average			510,317,959.49		519,482,597.04	526,474,055.41	525,193,756.76		848	1.915	630

**City of Santa Monica  
Portfolio Management  
Activity By Type  
September 1, 2009 through September 30, 2009**

CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
<b>Federal Agency Coupon</b>							
31331GUE7	10851	Federal Farm Credit Bank	2.875	09/25/2009	0.00	5,000,000.00	
31331GR35	10896	Federal Farm Credit Bank	2.690	09/16/2009	3,000,000.00	0.00	
31331GS26	10898	Federal Farm Credit Bank	2.350	09/23/2009	2,000,000.00	0.00	
3133XGJ88	10714	Federal Home Loan Bank	5.250	09/11/2009	0.00	5,196,150.00	
3133XTSG2	10874	Federal Home Loan Bank	2.875	09/18/2009	0.00	1,682,083.63	
3133XUTR4	10897	Federal Home Loan Bank	2.300	09/28/2009	3,000,000.00	0.00	
3134A3M78	10752	Fed Home Loan Mortgage Corp	6.625	09/15/2009	0.00	5,207,750.00	
3136FH7J8	10891	Federal National Mort Assoc	2.500	09/01/2009	5,000,000.00	0.00	
<b>Subtotal</b>					<b>13,000,000.00</b>	<b>17,085,983.63</b>	<b>356,157,773.38</b>
<b>Local Agency Investment Funds (Monthly Summary)</b>							
SYS10090	10090	Local Agency Investment Fund	0.750		0.00	2,000,000.00	
<b>Subtotal</b>					<b>0.00</b>	<b>2,000,000.00</b>	<b>36,112,440.28</b>
<b>Columbia Money Market Fund (Monthly Summary)</b>							
SYS10091	10091	Columbia Money Market Reserves	0.010		40,705,958.76	22,192,204.84	
<b>Subtotal</b>					<b>40,705,958.76</b>	<b>22,192,204.84</b>	<b>26,042,536.18</b>
<b>Local Agency Investment Funds - RDA (Monthly Summary)</b>							
<b>Subtotal</b>							<b>38,938,075.12</b>
<b>Corporate Bonds</b>							
<b>Subtotal</b>							<b>67,942,931.80</b>
<b>Total</b>					<b>53,705,958.76</b>	<b>41,278,188.47</b>	<b>525,193,756.76</b>

**Portfolio Yield**

The portfolio yield-to-maturity was 1.92% as of September 30, 2009, down eleven basis points from August and one hundred fifty-one (151) basis points from September 2008. This is the fourth consecutive month of decrease after four relatively flat months. The decrease reflects the continuing record low interest rate environment, the large balance in the sweep account due to large payments received at the end of the month, and a drop in LAIF yield. This month's yield is three hundred eighteen (318) basis points below the high mark of 5.1% in September 2007, and is the lowest since February 2004. The chart compares the month-end portfolio yield to the twelve-month moving averages of the two-year Constant Maturing Treasury security yield (CMT) and State Local Agency Investment Fund (LAIF) yield.



September interest rates fell from August levels as rates continue at historically low levels, particularly in the shorter maturities, reflecting uncertainty about the strength of economic recovery. The month-end two year CMT decreased by two (2) basis points to 0.95% and is one hundred fifty-four (154) basis points less than in September 2008. Indications are that rates in very short maturities will remain relatively low at least through the first part of 2010. The twelve month moving average of the two year CMT fell by eight (8) basis points during the month and is three hundred eighty-six (386) basis points off its February 2007 high. LAIF rates have also decreased significantly in recent months. The twelve month moving average LAIF yield decreased by fifteen (17) basis points to 1.72% in September and has now declined for twenty-three consecutive months. As of September, the LAIF yield was a record low of 0.75%. The LAIF yield is expected to decrease further in the upcoming months.

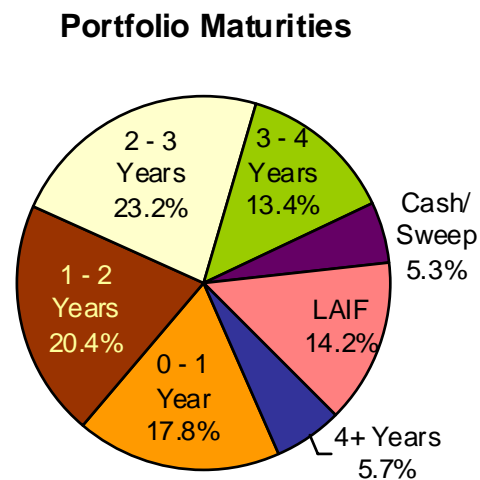
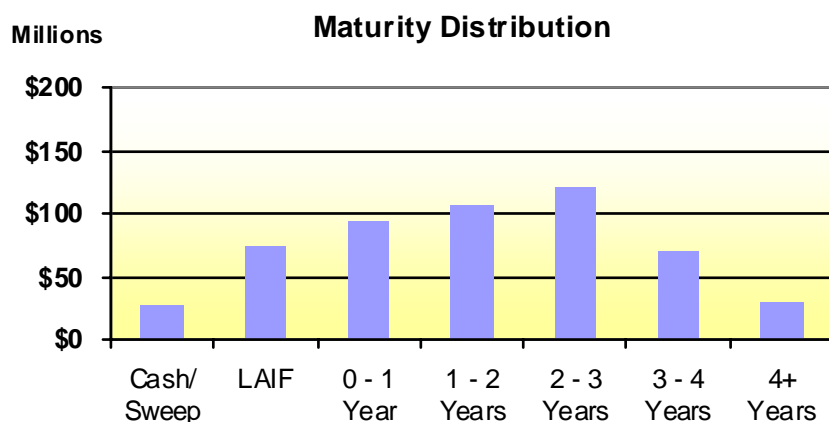
At its September 2009 meeting, the Federal Open Market Committee (Fed) left the target Fed Funds rate at a range of 0% to 0.25%. As noted earlier, these short term rates are not expected to change in the near future. However, the economy has showed recent of recovery the stock market as shown recent gained, may corporations' earnings have been better than expected, and the housing market looks as if it may have bottomed out. Consumer spending has also picked up, but unemployment and job losses continue to mount, and the commercial real estate market is a concern. Most economists now

expect positive economic growth in the 3<sup>rd</sup> and 4<sup>th</sup> quarters of 2009. However, the recovery is projected to be mild. The City's portfolio yield-to-maturity has decreased significantly over the last year as interest rates have reached historic lows resulting in many investments being called and reinvested at lower rates. Overall, the yield is not anticipated to change significantly over the next few months, but the market continues to be is volatile, so yields could vary on a month-to-month basis. Nearly \$446 million in bonds were called between October 2007 and the end of September as compared to only \$69 million in the prior two years. As noted, more bonds will be called in the next few months as interest rates are expected to remain very low, but the volume of called investments should decrease as many of the higher yielding investments have already been called, matured, or in the case of corporate securities, sold.

Investment earnings in September were \$0.5 million. Fiscal year-to-date earnings are 46.4% less than for the same period last fiscal year.

**Maturity Distribution**

The weighted average days to maturity as of September 30, 2009 is 630 days (1.72 years), 23 days less than the prior month. As noted above, large payments were received at the end of the month and held in the sweep account. Much of these funds will be invested in October. Due to the current volatile interest rate environment resulting in many called investments, the average days to maturity may vary over the next several months. Additionally, most investments are being made primarily in maturities of three years or less until there is a clear indication that interest rates have bottomed out.



**Unrealized Gains/Losses**

The Governmental Accounting Standards Board Statement No. 31 (GASB 31) requires public agencies to report all investments, with certain exceptions, at current fair market value rather than at the original purchase price. Current fair market value is defined in GASB 31 as “the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation state.”

The current fair market value and unrealized gain/loss of a security do not affect its redemption value or yield, if held to maturity. There is an inverse relationship between the price of the bond and the market interest rate. The City’s practice is to hold most securities to maturity. Book value and market values are exclusive of interest realized to date on investments. Also, the book value shown is the purchase price and is exclusive of any amortization of premiums or accretion of discounts. As of September 30, 2009, the market value and the book value of the City’s pooled investments (excluding cash) are:

Market Value	\$	526,474,055.41
Book Value (purchase price)		525,193,756.76
		1,280,298.75
Unrealized Gain/(Loss)	\$	1,280,298.75

**Charnock Settlement**

All remaining settlement funds are now held in an escrow account with Union Bank to be used to pay for the costs of design, construction, and operation of the water treatment facility at the Charnock Wells. The remaining funds are invested under the same guidelines as the pooled portfolio with maturity dates to match the estimated cash flow needs of the Water Treatment Facility project. As noted earlier, in accordance with the December 2006 settlement agreement, the City can withdraw investment earnings from this account at anytime. In August, all interest earned from opening of the account in December 2006 through July 2009 were transferred to the City (approximately \$9.7 million) and interest is now being transferred on a monthly basis. Funds remaining in the account should be sufficient to cover all costs related to construction and operation of the facility. The yield to maturity on these funds as of September 30, 2009 is 1.84%, one (1) basis point more than the prior month.

On September 30, 2009, the portfolio showed an unrealized loss of \$57,897.03. The weighted average days-to- maturity was 428 days (1.17 years), unchanged from the prior month.

**SM Water Treatment Facility  
Portfolio Management  
Portfolio Details - Investments  
September 30, 2009**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 365	Days to Maturity	Maturity Date
<b>Money Market Sweep Fund</b>												
SYS1	1	Blackrock Institutional Funds-		12/19/2006	6,527,949.23	6,527,949.23	6,527,949.23	0.070		0.070	1	
<b>Subtotal and Average</b>			<b>9,230,812.41</b>		<b>6,527,949.23</b>	<b>6,527,949.23</b>	<b>6,527,949.23</b>			<b>0.070</b>	<b>1</b>	
<b>Corporate Notes</b>												
61757UAA8	54	Morgan Stanley		04/13/2009	5,000,000.00	5,126,550.00	5,144,450.00	2.900		1.108	426	12/01/2010
<b>Subtotal and Average</b>			<b>5,144,450.00</b>		<b>5,000,000.00</b>	<b>5,126,550.00</b>	<b>5,144,450.00</b>			<b>1.108</b>	<b>426</b>	
<b>Federal Agency Coupon Securities</b>												
31331XBQ4	31	Federal Farm Credit Bank		04/07/2008	4,000,000.00	4,011,240.00	4,162,840.00	5.000		2.301	22	10/23/2009
3133X8RL8	32	Federal Home Loan Bank		04/07/2008	4,000,000.00	4,030,000.00	4,085,840.00	3.710		2.420	83	12/23/2009
3136F6TY5	36	Federal national Mortgage Asso		04/09/2008	1,825,000.00	1,846,097.00	1,883,003.38	4.300		2.460	110	01/19/2010
3133XSZS0	58	Federal Home Loan Bank		07/22/2009	3,400,000.00	3,408,500.00	3,410,914.00	1.000		0.400	127	02/05/2010
3133MVBM2	46	Federal Home Loan Bank		04/24/2008	1,055,000.00	1,068,852.15	1,074,084.95	3.875		2.835	134	02/12/2010
31398AMV1	34	Federal national Mortgage Asso		04/07/2008	4,000,000.00	4,046,240.00	4,007,000.00	2.500		2.410	190	04/09/2010
31398AMV1	37	Federal national Mortgage Asso		04/09/2008	3,000,000.00	3,034,680.00	3,004,080.00	2.500		2.430	190	04/09/2010
3133XCBP7	39	Federal Home Loan Bank		04/09/2008	3,000,000.00	3,106,890.00	3,159,510.00	5.000		2.580	284	07/12/2010
3128X4EL1	35	Federal Home Loan Mortgage Cor		04/07/2008	4,000,000.00	4,133,480.00	4,191,200.00	4.625		2.480	300	07/28/2010
3133XGRD8	40	Federal Home Loan Bank		04/09/2008	3,000,000.00	3,132,180.00	3,176,010.00	5.125		2.657	363	09/29/2010
3133XUCG6	55	Federal Home Loan Bank		07/28/2009	3,000,000.00	3,001,890.00	2,999,700.00	1.000		1.007	484	01/28/2011
3137EAAB5	45	Federal Home Loan Mortgage Cor		04/16/2008	1,200,000.00	1,280,256.00	1,277,432.96	5.125		2.869	564	04/18/2011
3128X8WC2	53	Federal Home Loan Mortgage Cor		04/20/2009	10,000,000.00	10,067,300.00	10,000,000.00	1.750		1.750	566	04/20/2011
3137EAAF6	42	Federal Home Loan Mortgage Cor		04/16/2008	4,200,000.00	4,526,802.00	4,497,570.00	5.250		2.950	655	07/18/2011
3128X84Z2	56	Federal Home Loan Mortgage Cor		07/27/2009	5,000,000.00	5,012,200.00	5,000,000.00	1.750		1.750	848	01/27/2012
3133XT2T2	57	Federal Home Loan Bank		07/17/2009	5,000,000.00	5,118,750.00	5,087,600.00	2.250		1.550	862	02/10/2012
3128X8MS8	49	Federal Home Loan Mortgage Cor		03/02/2009	5,000,000.00	5,056,150.00	4,997,500.00	2.350		2.367	883	03/02/2012
3136F9GR8	30	Federal national Mortgage Asso		04/15/2008	3,000,000.00	3,055,320.00	3,000,000.00	3.750		3.750	1,292	04/15/2013
<b>Subtotal and Average</b>			<b>71,791,316.29</b>		<b>67,680,000.00</b>	<b>68,936,827.15</b>	<b>69,014,285.29</b>			<b>2.167</b>	<b>486</b>	
<b>Federal Agency Disc. -At Cost</b>												
313385VF0	52	Federal Home Loan Bank		04/08/2009	5,000,000.00	4,995,500.00	4,958,038.89	0.830		0.859	188	04/07/2010
<b>Subtotal and Average</b>			<b>4,958,038.89</b>		<b>5,000,000.00</b>	<b>4,995,500.00</b>	<b>4,958,038.89</b>			<b>0.859</b>	<b>188</b>	

Portfolio MTBE

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**SM Water Treatment Facility**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**September 30, 2009**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 365	Days to Maturity
Total and Average			91,124,617.59		84,207,949.23	85,586,826.38	85,644,723.41			1.868	428

**Compliance**

California State law and the City's Investment Policy set certain legal standards for allowable investments that can be included in the City's portfolio. Additionally, there are certain maximum limits for classes of investments, as well as minimum credit quality requirements. In testing for compliance, the City considers all funds under the direct control and invested directly by the City including the pooled portfolio, the Water Treatment Facility account, and the MtBE Custodial account. Bond proceeds and the Cemetery and Mausoleum Perpetual Care Funds are excluded.

The tables below summarize portfolio compliance as of September 30, 2009. All investments were in compliance with State law and the City's Investment Policy at the time of purchase. State law requires that any investment subject to a credit downgrade subsequent to the time of purchase shall be reviewed for possible sale within a reasonable amount of time after the downgrade. As of the date of this report, the portfolio includes no bonds that have been downgraded since the time of purchase and all remaining corporate bonds are FDIC insured and rated AAA.

Further detail regarding City compliance with State law and City investment guidelines is presented as follows:

## Portfolio Allocation as of 9/30/09

	Pooled Portfolio	SM Water Treatment Facility Account (1)	Total Portfolio (2) (4)	% of Portfolio	Legal/ Policy Limit	In Compliance (Yes/No)
<b>Federal Agency Securities</b>						
Federal Home Loan Bank	\$142,313,940.76	\$27,951,697.84	\$170,265,638.60	27.8%	50.0%	Yes
Federal National Mortgage Association	76,663,305.31	11,894,083.38	88,557,388.69	14.4%	50.0%	Yes
Federal Home Loan Mortgage Corporation	99,392,607.50	29,963,702.96	129,356,310.46	21.1%	50.0%	Yes
Federal Farm Credit Bank	37,787,919.81	4,162,840.00	41,950,759.81	6.8%	50.0%	Yes
<b>Total Federal Agency Securities</b>	<b>\$356,157,773.38</b>	<b>73,972,324.18</b>	<b>430,130,097.56</b>	<b>70.2%</b>	<b>n/a</b>	<b>Yes</b>
<b>Corporate Bonds</b>						
Corporate Bonds - TGLP (FDIC Insured)	\$67,942,931.80	\$5,144,450.00	73,087,381.80			
Corporate Bonds - Other	\$0.00		0.00			
<b>Total Corporate Bonds</b>	<b>\$67,942,931.80</b>	<b>\$5,144,450.00</b>	<b>\$73,087,381.80</b>	<b>11.9%</b>	<b>30.0%</b>	<b>Yes</b>
<b>Money Market Mutual Funds</b>						
Columbia Money Market Reserves Advisor Class	26,042,536.18		26,042,536.18	4.2%	10.0%	Yes
BlackrockT-Find Cash Management Sweep		6,527,949.23	6,527,949.23	1.1%	10.0%	Yes
<b>Total-Money Market Mutual Funds</b>	<b>\$26,042,536.18</b>	<b>\$6,527,949.23</b>	<b>\$32,570,485.41</b>	<b>5.3%</b>	<b>20.0%</b>	<b>Yes</b>
<b>State Local Agency Investment Fund-City</b>	<b>\$36,112,440.28</b>		<b>\$36,112,440.28</b>	<b>5.9%</b>	<b>\$40 million</b>	<b>Yes</b>
<b>State Local Agency Investment Fund-City</b>	<b>\$38,938,075.12</b>		<b>\$38,938,075.12</b>	<b>6.4%</b>	<b>\$40 million</b>	<b>Yes</b>
<b>Cash (3)</b>	<b>2,095,365.01</b>		<b>2,095,365.01</b>	<b>0.3%</b>	<b>None</b>	<b>Yes</b>
<b>Total (Book Value)</b>	<b>\$527,289,121.77</b>	<b>\$85,644,723.41</b>	<b>\$612,933,845.18</b>	<b>100.00%</b>		

**Notes:**

- (1) Held by Union Bank
- (2) Excludes bond proceeds, funds held in trust for others, petty cash accounts, and other funds which are not entirely under City ownership and control
- (3) City's general bank account held at Bank of America.
- (4) Value used to test compliance is reported value (book value plus unrealized purchased interest).

**Credit Ratings - Corporate Medium Term Notes**

	Standard & Poors/ Fitch	Moodys	In Compliance (Yes/No)
<b>Best Quality</b>	AAA	Aaa	Yes
	AA+	Aa1	Yes
<b>High Quality</b>	AA	Aa2	Yes
	AA-	Aa3	Yes
	A+	A1	Yes
<b>Upper Medium Grade</b>	A	A2	Yes
	A-	A3	Yes
	BBB+	Baa1	No
<b>Medium Grade</b>	BBB	Baa2	No
	BBB-	Baa3	No

**City Portfolio as of 9/30/09 (Book Value)**

Security	Pooled Portfolio	MTBE Custodial Account	SM Water Treatment Facility Account	Total Portfolio	Credit Rating*	In Compliance (Yes/No)
<b>Corporate - TLGP (FDIC Guaranteed)</b>						
Bank of America 3.125% (TLGP) 6/15/2012	\$5,199,100.00			\$5,199,100.00	AAA	Yes
Suntrust Bank 3% (TLGP) maturing 11/16/11	\$5,153,450.00			\$5,153,450.00	AAA	Yes
Goldman Sachs 3.25% (TLGP) 6/15/2012	\$5,206,850.00			\$5,206,850.00	AAA	Yes
Goldman Sachs 1.625% (TLGP) 7/15/11	\$5,034,965.28			\$5,034,965.28	AAA	Yes
HSBC 3.125% (TLGP) maturing 12/16/11	\$5,151,350.00			\$5,151,350.00	AAA	Yes
JP Morgan Chase 2.625% (TLGP) maturing 12/1/10	\$10,082,750.00			\$10,082,750.00	AAA	Yes
Wells Fargo Bank 3% (TLGP) maturing 1/12/11	\$4,994,150.00			\$4,994,150.00	AAA	Yes
Morgan Stanley 1.95% (TLGP) maturing 6/20/12	\$4,998,450.00			\$4,998,450.00	AAA	Yes
Morgan Stanley 2.9% (TLGP) maturing 12/01/10			\$5,144,450.00	\$5,144,450.00	AAA	Yes
Morgan Stanley 2% (TLGP) maturing 9/22/11	\$5,090,200.00			\$5,090,200.00	AAA	Yes
U.S. Bank 2.25% (TLGP) maturing 3/13/12	\$4,999,400.00			\$4,999,400.00	AAA	Yes
Citigroup 2.125% (TLGP) maturing 7/12/12	\$2,022,367.22			\$2,022,367.22	AAA	Yes
Citigroup 1.5% (TLGP) maturing 7/12/11	\$5,018,108.33			\$5,018,108.33	AAA	Yes
Citigroup 1.375% (TLGP) maturing 8/10/11	\$4,991,790.97			\$4,991,790.97	AAA	Yes

\* Per Standard and Poors

**Certification**

In compliance with California Government Code Section 53546 as amended January 1, 1996, I hereby certify that sufficient investment liquidity and anticipated revenues are available to meet the City's budgeted expenditure requirements for the next six months.



\_\_\_\_\_  
Carol Swindell, Director of Finance/City Treasurer