

# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Scott P. Johnson

**SUBJECT:** JULY 2010 INVESTMENT  
REPORT

**DATE:** October 1, 2010

Approved



Date

10/1/10

## INFORMATION

As required by the City's Investment Policy, this monthly investment report is an abbreviated version of the quarterly investment reports and summarizes the City's investment portfolio activity for the month ended July 31, 2010. To meet the requirements set forth in the City of San José Investment Policy, an electronic version of the report is posted on the City's website at [www.csjfinance.org](http://www.csjfinance.org) and a hard copy is on file at the City Clerk's Office located at 200 East Santa Clara Street. Subject to City Council approval on September 28, 2010 of the recommended changes to the Investment Policy, this will be the final monthly Investment Report. However, per the recommended Policy changes, it should be noted that Monthly Reports are generated for the benefit of external parties and their removal does not reflect a reduction of internal control procedures within the Investment Program. The Investment Program will continue to utilize its daily internal reporting structure. In addition, bimonthly reports will continue to inform Council of General Fund cash balances.

Summary of the City's total investment portfolio performance and compliance for the month ended July 31, 2010:

- Size of total portfolio – \$1,003,380,594
- Earned interest yield – 1.46%
- Weighted average days to maturity – 149 days
- Fiscal Year-to-Date net interest earnings – \$1,274,787
- No sale of securities prior to maturity dates, therefore no realized gains/losses from sales

The information presented on the next page highlights the investment activity for July 2010 as well as provides a comparison to the months of June 2010 and July 2009.

**INVESTMENT SUMMARY**

<b>For the Month Ended</b>	<b>July 2010</b>	<b>June 2010</b>	<b>July 2009</b>
<b><i>Total Portfolio</i></b>			
Portfolio Value <sup>(1) (2)</sup>	\$1,003,380,594	\$1,145,352,434	\$1,030,453,269
Earned Interest Yield	1.46%	1.50%	2.67%
Weighted average days to maturity	149	122	264
<b><i>Total Portfolio Income Recognized</i></b>			
For the Month	\$1,274,787	\$1,246,255	\$2,452,994
Fiscal Year To Date	\$1,274,787	\$19,612,626	\$2,452,994
<b><i>Portfolio Fund 1</i></b> <sup>(3)</sup>			
Portfolio Value <sup>(1) (2)</sup>	\$964,424,740	\$1,123,425,521	\$929,223,462
Earned Interest Yield	1.50%	1.52%	2.84%
Weighted average days to maturity	155	124	292

<sup>1</sup>Reflects book value (principal plus any purchased interest costs) of investments.

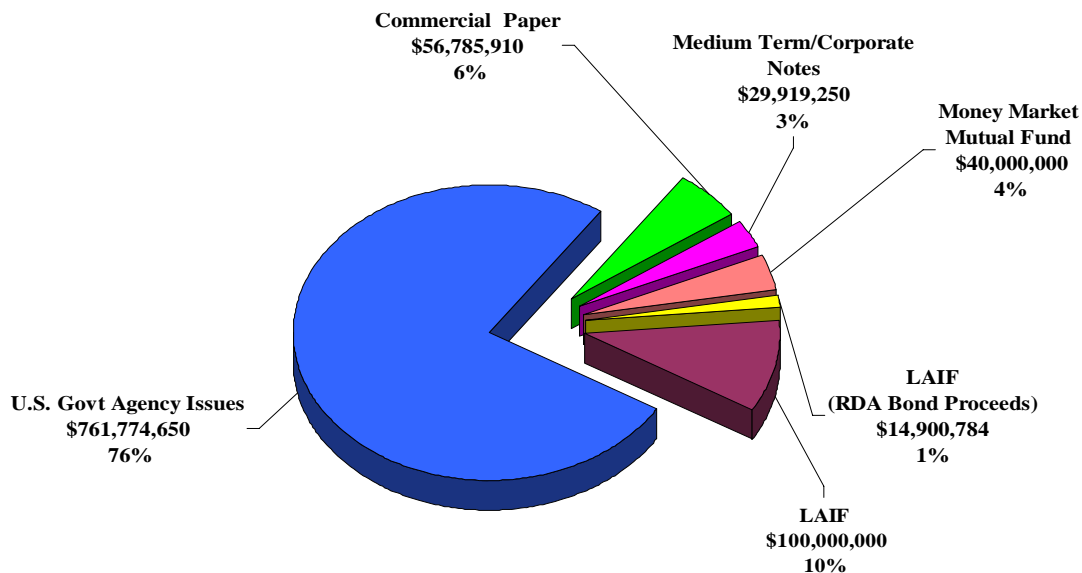
<sup>2</sup>Total excludes bond proceeds held by trustees for the City of San José (\$529,235,294) and the Redevelopment Agency.

<sup>3</sup>Portfolio Fund 1 includes all City pooled funds and excludes bond proceeds.

**PORTFOLIO STATISTICS**

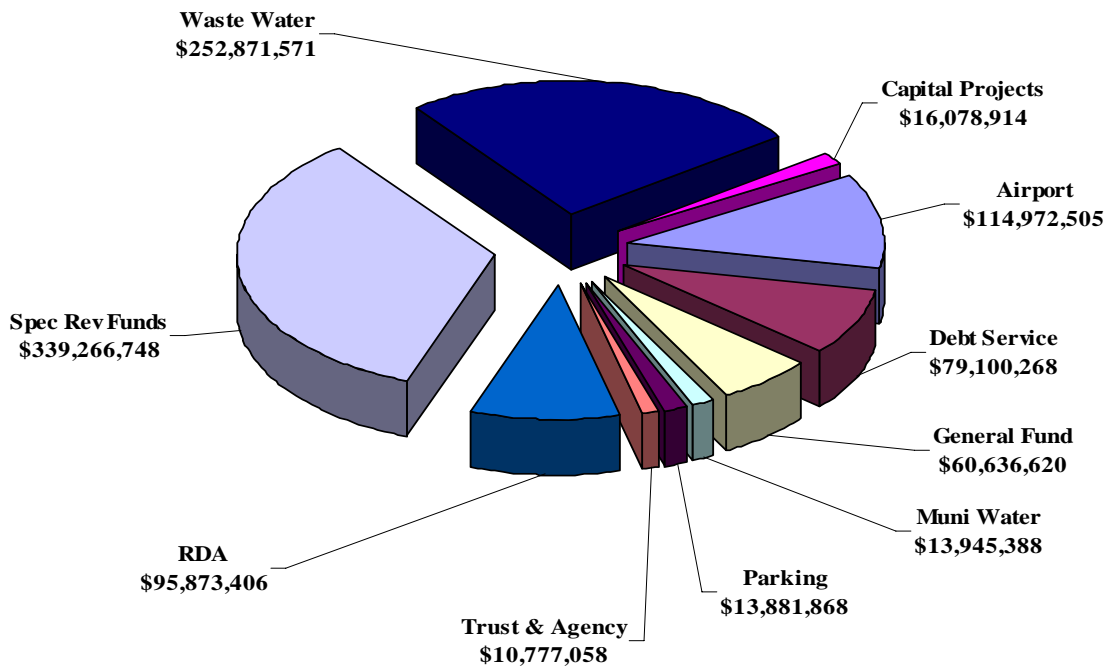
The graphs below provide snapshots of the City’s total investment portfolio as of July 31, 2010. The total portfolio size was \$1,003,380,594. The first graph below shows the portfolio composition by investment type.

**Portfolio Composition  
As of July 31, 2010  
\$1,003,380,594**



The graph below shows the portfolio's cash balances by fund type.

**Cash Balances by Fund Type  
As of July 31, 2010  
\$997,404,346**



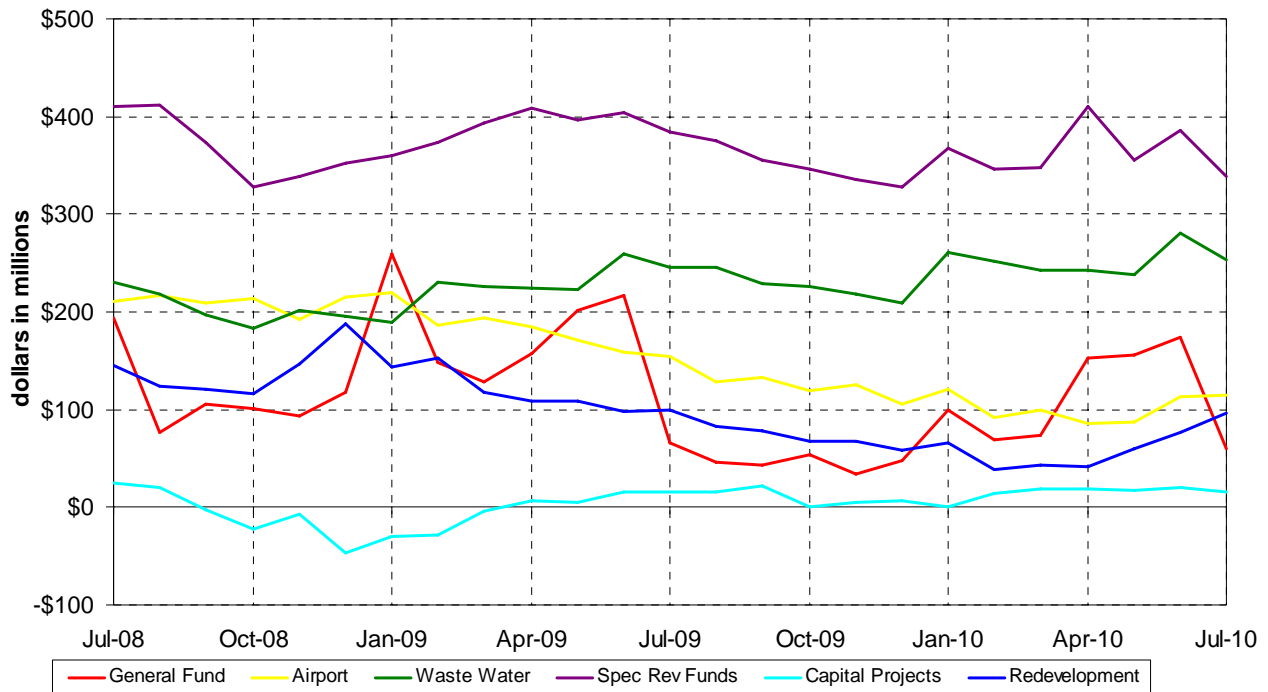
Below is a reconciliation of total balances reported by the City's portfolio investment accounting system compared to the City's Financial Management System (FMS):

Total Cash Balances per FMS	\$997,404,346
Deposit-in-Transit, Outstanding Checks *	<u>\$5,976,248</u>
<b>Total Portfolio</b>	<b>\$1,003,380,594</b>

\*Reflects timing differences between when deposits are made and accounting for proceeds in FMS or when checks are written and not yet cashed by the receiving party.

The graph below illustrates the monthly ending cash and investment balances of selected City funds as reported by the City’s Financial Management System (FMS).

**Monthly Comparison of Balances by Fund Type**  
**From July 2008 through July 2010**



**General Fund Balances**

Cash balances in the General Fund have decreased by \$112.8 million from the June 30, 2010 balance of \$173 million to the July 31, 2010 ending balance of \$60.6 million. The decline is primarily attributable to the City’s prefunding of employer retirement contributions to the Federated Retirement System and the Police and Fire Retirement Plan for FY 2010-11. As depicted above, cash balances usually peak during the months of January and June when minimal debt service payments are made and property taxes are received. Traditionally the summer months experience a decline in the Portfolio and the General Fund balances due to large debt service payments and operational expenditures during months when no property tax revenue is received. It should be noted as illustrated on the graph above, the General Fund has experienced a structural change in cash balances. This structural cash balance shift is due to two factors; reduced revenues and use of General Fund reserves. Although revenues have declined and expenditures have increased, causing a lowered General Fund balance, the City’s total portfolio will not experience a total portfolio cash flow shortfall.

### **Negative Cash Balances**

Cash balances in the Capital Projects funds remained above zero this month. Negative balances are caused by a time lag between when payments are made through the investment pool, and receipt of funds for the related reimbursement for these capital costs from trustees. Finance staff has been working with departments to shorten the time lag between capital project expenditures processed through the pooled investment portfolio by capital project managers and reimbursement requests.

### **INVESTMENT STRATEGY**

The Federal Open Market Committee (FOMC) had no regularly scheduled meeting during the month of July 2010. The Federal Funds target range remained unchanged between 0.00% (zero percent) and 0.25%.

During the month of July the FOMC released the minutes from their June 22-23, 2010 meeting. The minutes of the meeting indicate that participants “*generally saw the incoming data and information received from business contacts as consistent with a continued, moderate recovery in economic activity. Participants noted that the labor market was improving gradually, household spending was increasing, and business spending on equipment and software had risen significantly. However, financial markets were generally seen as recently having become less supportive of economic growth, largely reflecting international spillovers from European fiscal strains.*”

For the month of July short-term treasury yields remained near historic lows. Yields on longer dated treasuries declined from the previous month, indicating a less optimistic outlook for both U.S. and global economies. The decline in yields can be attributed to the increased demand for the safety of treasuries in the wake of European sovereign debt concerns and weak economic signals in the U.S.

The City’s investment strategy will continue to include a matching of maturities to cash flow by filling liquidity needs within the next twelve months while looking for value in these areas and keeping within the guidelines of the City’s investment policy. Once the City’s liquidity needs are met the positive slope of the yield curve may start to present opportunities for addition of higher yielding, longer dated U.S. Agency securities. The Investment Program maintains its focus on its core mandate of safety, liquidity, and lastly yield.

### **Investment Agreements with Citigroup**

As requested by the City Council at its May 5, 2009 meeting, staff is providing monthly updates on the status of the City’s Investment Agreements (IA) with Citigroup. The balance of the IA as of July 31, 2010 was \$213,518,991. The next IA maturity date is August 1, 2010 and the IAs will reach final maturity on September 1, 2010. The IAs remains collateralized with U.S. Treasuries/Federal Agencies at 107%/108% of the outstanding balance of the IAs. No changes occurred to Citigroup’s long-term ratings (A3/A/A+) during the month of July 2010.

Treasury staff continues to carefully monitor the City’s Investment Agreements with Citigroup for Phase 1 of the Airport Development Program. As of July 31, 2010, the aggregate balance of the agreements was \$213,518,991 and the outstanding balances of the agreements were collateralized

by U.S. Treasury securities at 107% and Federal Agency securities at 108%. Of the outstanding balance, \$205,812,075 will mature on August 1, 2010 and \$7,706,916 will mature on September 1, 2010. As noted in the staff report dated April 13, 2009, the collateral is held by the City's bond trustee with the City designated as the beneficiary. Citigroup's long-term ratings did not change during the month of July 2010 and remain A3/A/A+ from Moody's/S&P/Fitch, respectively.

**PORTFOLIO PERFORMANCE**

**Comparison of Portfolio Investment Earnings to FY 2010-11 Budget**

The following is a comparison of actual investment earnings on an accrual basis to the fiscal year 2010-11 budget. The City's Adopted Budget for the General Fund's projected total investment income earnings is \$1.206 million for the FY 2010-11.

Monthly budgeted earnings apportionments for the City funds are based upon historical cash balance averages and an assumed average interest rate yield for the fiscal year. The 2010-11 estimate for interest earnings in the General Fund assumes an average interest rate of 1.25%, applied to an average cash balance of approximately \$90 million. The following schedule reflects the actual net investment earnings (unaudited) for the General Fund participating in Investment Portfolio Fund 1 as of July 31, 2010 compared to the adopted budget projections.

<b>BUDGET COMPARISON</b>		
<b><u>Net Investment Earnings</u></b>	<b><u>Yield</u></b>	<b><u>General Fund</u></b>
<b><i>July 2010</i></b>		
Budget <sup>(a)</sup>	1.25%	100,525
Actual <sup>(b)</sup>	<u>1.00%</u>	<u>42,147</u>
Variance	(.25%)	(58,378)
<b><i>Fiscal Year to Date</i></b>		
Budget <sup>(a)</sup>	1.25%	100,525
Actual <sup>(b)</sup>	<u>1.00%</u>	<u>42,147</u>
Variance <sup>(c)</sup>	(0.25%)	(58,378)

(a) Reflects the FY 10/11 Adopted Budget as approved by the Council on June 17, 2010.

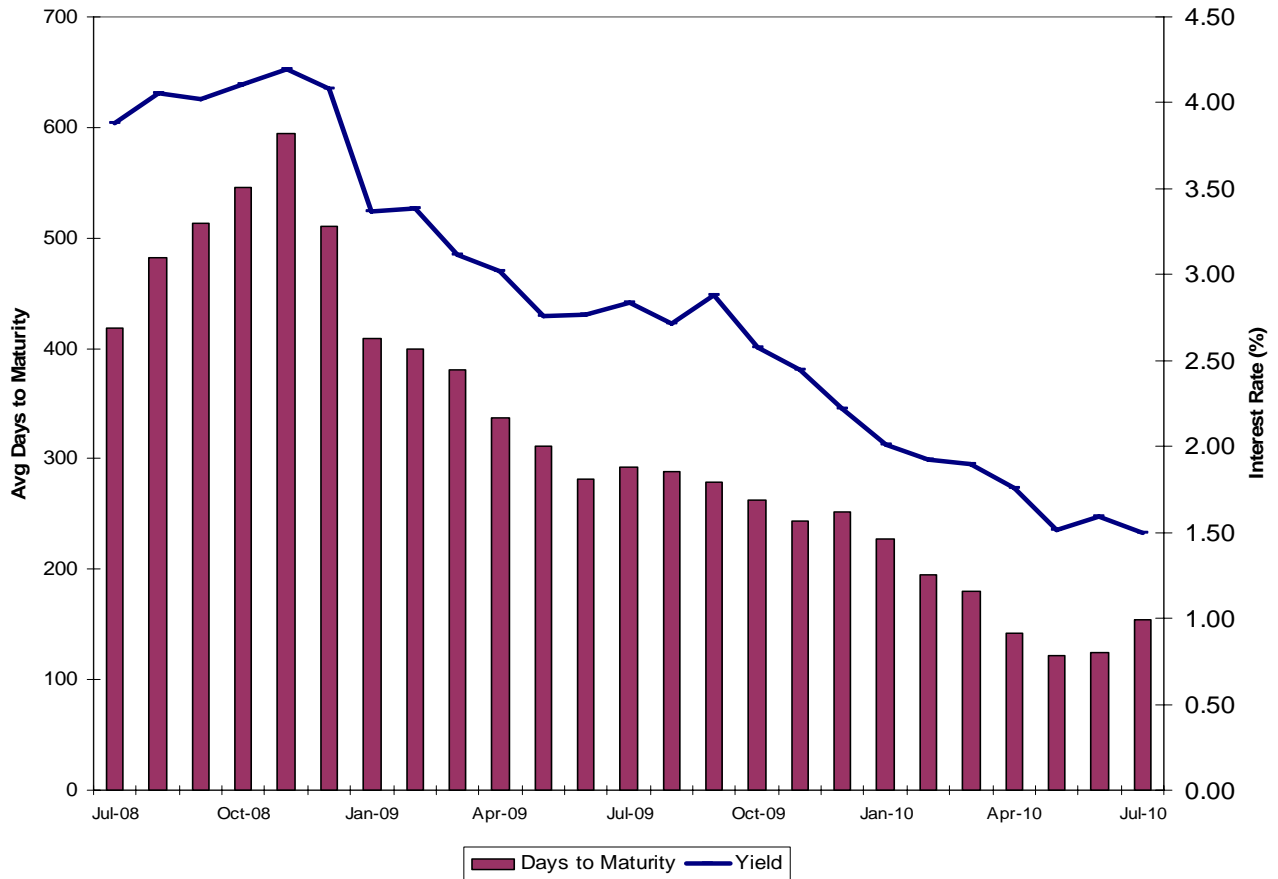
(b) Reflects net investment yield which is calculated based on the earned interest yield less costs to administer the investment program and adjustment for funds with negative cash balances at month end.

(c) Investment yield and average General Fund balances below 10/11 projections will cause a decline in actual Net Investment Earnings.

**Yield and Maturity Trend**

The following graph provides the historical monthly weighted average days to maturity of the portfolio for each month for the past two years (bar graph) along with the yield trend in Portfolio 1 (line graph).

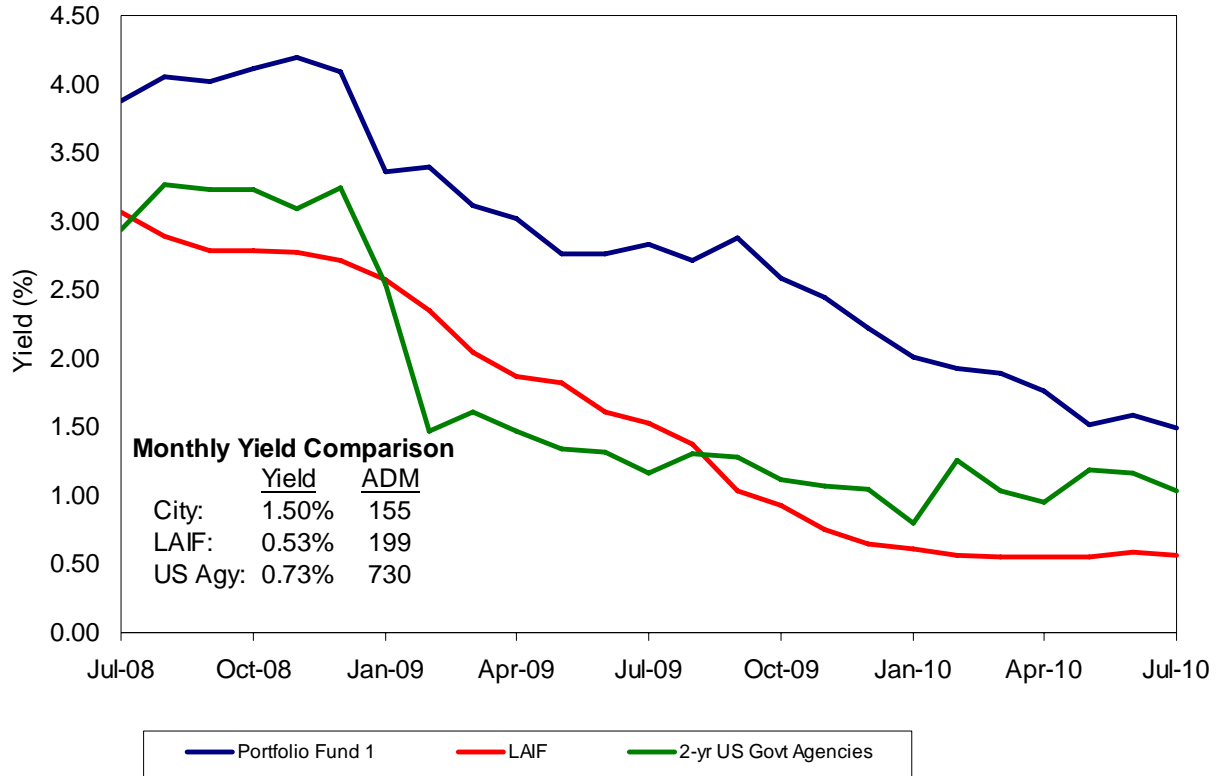
**Yield and Maturity Trends  
From July 2008 through July 2010**



**Benchmark Comparison**

The following graph compares the earned interest yield of the City’s Portfolio Fund 1 with the monthly average yields for the same period of the State of California Local Agency Investment Fund (LAIF) and of the two-year U.S. Government Agency securities from July 2008 through July 2010. The City’s Total Portfolio is not used for benchmarking comparisons since it includes various funds, which are required to be invested apart from the pool and have their own separate cash flow needs.

**Portfolio Fund 1  
Monthly Benchmark Comparisons  
From July 2008 through July 2010**



The two-year US Government Agency securities and the Local Agency Investment Fund (LAIF) historically are the closest suitable benchmarks for the City’s Portfolio Fund 1. The weighted Average Days to Maturity (ADM) for the portfolio is 155 days. The yield on LAIF decreased slightly and the two-year agencies also decreased slightly during the month of July. Both benchmarks remained below the City’s Portfolio Fund 1 yield of 1.50%.

During the month of July 2010, LAIF’s average days-to-maturity (ADM) was 199 days versus the City’s Portfolio Fund 1’s 155 days. Since the shorter end of the yield curve produces lower interest rates, LAIF’s and the City’s short average life will continue to cause the portfolio’s yields to decline over time. The City’s current investment strategy will continue to be investment in securities with maturities eighteen months or less (due to cash flow needs), which will continue to produce a low ADM. This strategy will allow the City to react more quickly when interest rates increase, as cash flows permit, resulting in more favorable yield performance.

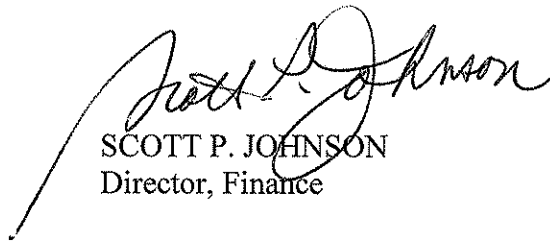


Attached to this report are the following reports, providing more detailed information on the portfolio statistics as of July 31, 2010:

- Investment Inventory with Market Value, showing classifications of investments by issuer, maturity date, par amount and dollar amount invested.
- Purchase activity with each investment broker during the month of July.
- Earnings associated with investment held during the month of July.

### **COMPLIANCE REPORTING REQUIREMENTS**

There were no exceptions or violations outstanding for the month ended July 31, 2010. The investment portfolio meets the requirements of the City's Investment Policy and the California Government Code section 53601.



SCOTT P. JOHNSON  
Director, Finance

Attachment

CITY OF SAN JOSE  
 TREASURY DIVISION  
 INVESTMENT INVENTORY WITH MARKET VALUE

(RPTMKT)

INVESTMENTS OUTSTANDING AS OF 07/31/10  
 MAJOR SORT KEY IS FUND

INVEST NUMBER	DESCRIPTION PURCHASE MATURITY DATE	CUSIP	BANK BROK	FUND SAFE	CPN YTM	RATE TR	PAR/SHARES BOOK	MARKET VALUE MARKET PRICE	CURR ACCR INT PRICE SOURCE	UNREALIZED GAIN UNREALIZED LOSS
A 35119	FHLB-GILFD 02/15/07 08/04/10	3133XCN66	1365	186	100	4.7500 5.0200	5,000,000.00 4,957,400.00	5,001,562.50 100.0312500000	116,770.83 SUNGARD	44,162.50
A 35120	FHLB-GILFD 02/15/07 08/10/10	3133XCJ38	1365	186	100	4.7000 5.0270	10,000,000.00 9,896,600.00	10,009,375.00 100.0937500000	223,250.00 SUNGARD	112,775.00
A 35160	FHLB-GILFD 03/15/07 08/10/10	3133X85H1	1365	186	100	4.5160 4.7890	10,000,000.00 9,914,900.00	10,009,375.00 100.0937500000	214,510.00 SUNGARD	94,475.00
A 35171	FHLB-GILFD 03/27/07 08/13/10	3133X06Q7	1365	186	100	4.1250 4.7550	5,000,000.00 4,902,610.00	5,006,250.00 100.1250000000	95,104.17 SUNGARD	103,640.00
A 35193	FHLB-GILFD 04/17/07 08/13/10	3133X06Q7	1365	186	100	4.1250 4.9560	10,000,000.00 9,747,900.00	10,012,500.00 100.1250000000	190,208.33 SUNGARD	264,600.00
A 35194	FHLB-GILFD 04/17/07 08/26/10	3133XCXV0	1365	186	100	4.7850 4.8980	5,000,000.00 4,982,400.00	5,015,625.00 100.3125000000	103,010.42 SUNGARD	33,225.00
A 35122	FHLB-JPM 02/15/07 09/10/10	3133XGLE2	1365	325	100	5.1250 5.0120	10,000,000.00 10,036,000.00	10,056,250.00 100.5625000000	200,729.17 SUNGARD	20,250.00
A 35177	FHLB-UBS 04/03/07 09/10/10	3133XGLE2	1365	441	100	5.1250 4.8090	10,000,000.00 10,098,700.00	10,056,250.00 100.5625000000	200,729.17 SUNGARD	-42,450.00
A 35159	FHLB-UBC 03/15/07 09/21/10	3133XD6V8	1365	445	100	4.7000 4.7880	9,500,000.00 9,473,153.00	9,559,375.00 100.6250000000	161,236.11 SUNGARD	86,222.00
A 35174	FHLB-UBS 04/03/07 09/29/10	3133XGRD8	1365	441	100	5.1250 4.7400	10,000,000.00 10,122,400.00	10,075,000.00 100.7500000000	173,680.56 SUNGARD	-47,400.00
A 35202	FHLB-UBS 04/23/07 09/29/10	3133XGRD8	1365	441	100	5.1250 4.8640	5,000,000.00 5,040,650.00	5,037,500.00 100.7500000000	86,840.28 SUNGARD	-3,150.00
A 35197	FHLB-GILFD 04/17/07 12/10/10	3133XJHW1	1365	186	100	4.8750 4.8940	10,000,000.00 9,993,500.00	10,165,625.00 101.6562500000	69,062.50 SUNGARD	172,125.00
A 35205	FHLB-GILFD 04/23/07 12/10/10	3133XJHW1	1365	186	100	4.8750 4.8530	5,000,000.00 5,003,400.00	5,082,812.50 101.6562500000	34,531.25 SUNGARD	79,412.50
A 36499	FHLB-CITIG 06/25/10 02/07/11	3133XUJD6	1365	132	100	1.0000 .3270	20,000,000.00 20,159,466.67	20,062,500.00 100.3125000000	96,666.67 SUNGARD	-20,300.00
A 35497	FHLB-UBC 02/12/08 05/12/11	3133XPHY3	1365	445	100	3.4500 3.4510	9,030,000.00 9,030,000.00	9,250,106.25 102.4375000000	68,364.63 SUNGARD	220,106.25
A 35892	FHLB-CALL-CITIG 11/17/08 11/17/11	3133XSLH9	1365	132	100	3.5500 3.5500	10,000,000.00 10,000,000.00	10,087,500.00 100.8750000000	72,972.22 SUNGARD	87,500.00
A 35889	FHLB-CALL-WF 11/07/08 11/08/12	3133XSL55	1365	451	100	4.1250 4.1250	3,500,000.00 3,500,000.00	3,532,812.50 100.9375000000	33,286.46 SUNGARD	32,812.50
A 35890	FHLB-CALL-WF 11/07/08 11/08/12	3133XSLA4	1365	451	100	4.1000 4.1000	8,000,000.00 8,000,000.00	8,075,000.00 100.9375000000	75,622.22 SUNGARD	75,000.00
SUBTOTAL (Inv Type) 22 FEDERAL HOME LOAN BANKS 16.12%(M)					4.0807	155,030,000.00	156,095,418.75	2,216,574.99	1,426,305.75	
					4.0607	154,859,079.67	100.6872340000		-113,300.00	
A 35181	FFCB-LB 04/03/07 08/06/10	31331V7K6	1365	260	100	4.8750 4.8000	5,000,000.00 5,011,100.00	5,003,125.00 100.0625000000	118,489.58 SUNGARD	-7,975.00
A 35258	FFCB-GILFD 06/11/07 08/06/10	31331V7K6	1365	186	100	4.8750 5.3180	5,000,000.00 4,936,100.00	5,003,125.00 100.0625000000	118,489.58 SUNGARD	67,025.00
A 35201	FFCB-GILFD 04/23/07 08/27/10	31331TBZ3	1365	186	100	4.4500 4.8560	1,200,000.00 1,185,048.00	1,203,375.00 100.2812500000	22,843.33 SUNGARD	18,327.00

CITY OF SAN JOSE  
 TREASURY DIVISION  
 INVESTMENT INVENTORY WITH MARKET VALUE

(RPTMKT)

INVESTMENTS OUTSTANDING AS OF 07/31/10  
 MAJOR SORT KEY IS FUND

INVEST NUMBER	DESCRIPTION PURCHASE MATURITY DATE	CUSIP	BANK BROK	FUND SAFE	CPN RATE YTM TR	PAR/SHARES BOOK	MARKET VALUE MARKET PRICE	CURR ACCR INT PRICE SOURCE	UNREALIZED GAIN UNREALIZED LOSS
A 35176	FFCB-UBC 04/03/07 10/26/10	31331XJR4	1365	1	4.8000	5,000,000.00	5,053,125.00	63,333.33	40,025.00
			445	100	4.7190	5,013,100.00	101.0625000000	SUNGARD	
A 35179	FFCB-GILFD 04/03/07 10/26/10	31331XJR4	1365	1	4.8000	5,000,000.00	5,053,125.00	63,333.33	52,680.00
			186	100	4.7970	5,000,445.00	101.0625000000	SUNGARD	
A 35180	FFCB-CITIG 04/03/07 10/26/10	31331XJR4	1365	1	4.8000	5,000,000.00	5,053,125.00	63,333.33	51,575.00
			132	100	4.7900	5,001,550.00	101.0625000000	SUNGARD	
A 35211	FFCB-GILFD 05/01/07 11/01/10	31331XXJ6	1365	1	4.7500	5,000,000.00	5,056,250.00	59,375.00	65,650.00
			186	100	4.8090	4,990,600.00	101.1250000000	SUNGARD	
A 35904	FFCB-GILFD 11/24/08 03/03/11	31331YWG1	1365	1	3.0000	10,000,000.00	10,156,250.00	123,333.33	181,180.00
			186	100	3.1130	9,975,070.00	101.5625000000	SUNGARD	
A 35860	FFCB-WF 10/14/08 10/14/11	31331GDC0	1365	1	3.6000	10,000,000.00	10,381,250.00	107,000.00	381,250.00
			451	100	3.6000	10,000,000.00	103.8125000000	SUNGARD	
A 35895	FFCB-UBS 11/21/08 11/21/11	31331GFC8	1365	1	3.2000	10,000,000.00	10,356,250.00	62,222.22	356,250.00
			441	100	3.2000	10,000,000.00	103.5625000000	SUNGARD	
A 35866	FFCB-CALL-UBS 10/15/08 10/15/13	31331GDF3	1365	1	4.2500	10,000,000.00	10,075,000.00	125,138.89	75,000.00
			441	100	4.2500	10,000,000.00	100.7500000000	SUNGARD	
SUBTOTAL (Inv Type) 27 FEDERAL FARM CREDIT BAN 7.48%(M)					4.0776	71,200,000.00	72,394,000.00	926,891.92	1,288,962.00
					4.1232	71,113,013.00	101.6769660000		-7,975.00
A 35153	FHLMC-GILFD 03/15/07 08/16/10	3128X4GV7	1365	1	4.8750	9,900,000.00	9,918,562.50	221,203.13	
			186	100	4.7750	9,930,591.00	100.1875000000	SUNGARD	-12,028.50
A 35155	FHLMC-BA 03/14/07 09/22/10	3128X4KF7	1365	1	4.7500	2,679,000.00	2,694,906.56	45,598.81	20,059.01
			40	100	4.7980	2,674,847.55	100.5937500000	SUNGARD	
A 35169	FHLMC-UBS 03/26/07 10/04/10	3128X4MP3	1365	1	4.7500	10,475,000.00	10,556,835.94	161,707.81	100,376.69
			441	100	4.8050	10,456,459.25	100.7812500000	SUNGARD	
A 35154	FHLMC-GILFD 03/15/07 10/13/10	3128X3YF4	1365	1	4.1600	4,000,000.00	4,030,000.00	49,920.00	110,520.00
			186	100	4.7780	3,919,480.00	100.7500000000	SUNGARD	
A 35173	FHLMC-GILFD 04/03/07 10/18/10	3128X4QK0	1365	1	5.0000	9,705,000.00	9,799,017.19	138,835.42	17,570.90
			186	100	4.7550	9,781,446.29	100.9687500000	SUNGARD	
A 35212	FHLMC-CITIG 05/01/07 10/18/10	3134A4VE1	1365	1	4.1250	10,000,000.00	10,084,375.00	118,020.83	296,375.00
			132	100	4.7960	9,788,000.00	100.8437500000	SUNGARD	
A 35225	FHLMC-GILFD 05/08/07 11/19/10	3128X3M34	1365	1	4.4000	1,000,000.00	1,012,187.50	8,800.00	26,367.50
			186	100	4.8410	985,820.00	101.2187500000	SUNGARD	
A 35230	FHLMC-GILFD 05/09/07 12/08/10	3128X2EV3	1365	1	4.7500	4,236,000.00	4,303,511.25	29,622.58	81,447.69
			186	100	4.8500	4,222,063.56	101.5937500000	SUNGARD	
A 35203	FHLMC-UBC 04/23/07 12/16/10	3128X2HT5	1365	1	4.5000	9,500,000.00	9,651,406.25	53,437.50	255,317.25
			445	100	4.8290	9,396,089.00	101.5937500000	SUNGARD	
A 35226	FHLMC-GILFD 05/08/07 12/16/10	3128X2HT5	1365	1	4.5000	2,000,000.00	2,031,875.00	11,250.00	54,295.00
			186	100	4.8410	1,977,580.00	101.5937500000	SUNGARD	
SUBTOTAL (Inv Type) 30 FED HOME LOAN MORTGAGE 6.62%(M)					4.6244	63,495,000.00	64,082,677.19	838,396.08	962,329.04
					4.7974	63,132,376.65	100.9255490000		-12,028.50
A 36351	FNMA-DISC-BA 01/26/10 08/23/10	313589C92	1365	1	.1700	30,000,000.00	30,000,000.00	.00	29,608.33
			40	100	.1730	29,970,391.67	100.0000000000	SUNGARD	

CITY OF SAN JOSE  
 TREASURY DIVISION  
 INVESTMENT INVENTORY WITH MARKET VALUE

(RPTMKT)

RUN: 08/16/10 09:20:11

INVESTMENTS OUTSTANDING AS OF 07/31/10  
 MAJOR SORT KEY IS FUND

INVEST NUMBER	DESCRIPTION PURCHASE MATURITY DATE	CUSIP	BANK BROK	FUND SAFE	CPN RATE YTM TR	PAR/SHARES BOOK	MARKET VALUE MARKET PRICE	CURR ACCR INT PRICE SOURCE	UNREALIZED GAIN UNREALIZED LOSS
A 36356	FNMA-DISC-UBS 01/27/10 09/13/10	313589F65	1365	441	1 .2100	20,000,000.00	19,993,750.00	.00	20,466.67
A 36390	FNMA-DISC-UBS 03/08/10 11/01/10	313589M75	1365	441	1 .2900	10,000,000.00	9,993,750.00	.00	12,922.22
A 36388	FNMA-DISC-UBS 03/04/10 11/19/10	313589P98	1365	441	1 .2900	15,000,000.00	14,990,625.00	.00	22,041.67
A 36397	FNMA-DISC-UBC 03/12/10 11/22/10	313589Q48	1365	445	1 .3100	20,000,000.00	19,987,500.00	.00	31,416.67
A 36496	FNMA-DISC-UBC 06/24/10 01/10/11	313588AK1	1365	445	1 .2500	13,400,000.00	13,387,437.50	.00	6,048.61
A 36498	FNMA-DISC-UBS 06/25/10 01/31/11	313588BG9	1365	441	1 .2700	10,000,000.00	9,987,500.00	.00	4,000.00
A 36500	FNMA-DISC-CITIG 06/25/10 02/14/11	313588BW4	1365	132	1 .2800	34,000,000.00	33,957,500.00	.00	19,380.00
A 36503	FNMA-DISC-CITIG 06/25/10 03/07/11	313588CT0	1365	132	1 .3000	6,000,000.00	5,990,625.00	.00	3,375.00
A 36504	FNMA-DISC-UBS 06/25/10 03/21/11	313588DH5	1365	441	1 .3200	23,000,000.00	22,956,875.00	.00	11,870.56
A 36507	FNMA-DISC-UBC 06/29/10 04/04/11	313588DX0	1365	445	1 .3300	20,000,000.00	19,962,500.00	.00	13,650.00
A 36506	FNMA-DISC-UBS 06/29/10 04/11/11	313588EE1	1365	441	1 .3400	12,283,000.00	12,259,969.38	.00	10,147.13
A 36515	FNMA-DISC-UBS 07/07/10 07/01/11	313588HP3	1365	441	1 .4300	25,000,000.00	24,921,875.00	.00	29,076.39
A 36522	FNMA-DISC-UBS 07/13/10 07/01/11	313588HP3	1365	441	1 .3900	20,000,000.00	19,937,500.00	.00	13,983.33
A 36523	FNMA-DISC-BA 07/13/10 07/01/11	313588HP3	1365	40	1 .3900	19,270,000.00	19,209,781.25	.00	13,472.94
A 36526	FNMA-DISC-WF 07/14/10 07/01/11	313588HP3	1365	451	1 .3900	30,000,000.00	29,906,250.00	.00	20,650.00
SUBTOTAL (Inv Type) 41 FNMA DISCOUNT NOTES		31.75%(M)			.3117	307,953,000.00	307,443,438.13	.00	262,109.52
					.3168	307,181,328.61	99.83453300000		
A 36508	FHLB-DISC-UBS 06/30/10 09/14/10	313385F76	1365	441	1 .1000	22,960,000.00	22,952,825.00	.00	-2,327.89
A 36473	FHLB-DISC-JPM 05/28/10 12/03/10	313385R73	1365	325	1 .2400	22,640,000.00	22,618,775.00	.00	7,301.40
A 36501	FHLB-DISC-UBC 06/25/10 02/23/11	313384CF4	1365	445	1 .2850	21,000,000.00	20,973,750.00	.00	14,148.75
SUBTOTAL (Inv Type) 43 FHLB DISCOUNT NOTES		6.87%(M)			.2059	66,600,000.00	66,545,350.00	.00	21,450.15
					.2088	66,526,227.74	99.91794300000		-2,327.89
A 36349	FHLMC-DISC-UBC 01/26/10 08/17/10	313397C33	1365	445	1 .1700	10,000,000.00	10,000,000.00	.00	9,586.11
					.1730	9,990,413.89	100.00000000000	SUNGARD	

CITY OF SAN JOSE  
 TREASURY DIVISION  
 INVESTMENT INVENTORY WITH MARKET VALUE

(RPTMKT)

INVESTMENTS OUTSTANDING AS OF 07/31/10  
 MAJOR SORT KEY IS FUND

INVEST NUMBER	DESCRIPTION PURCHASE MATURITY DATE	CUSIP	BANK BROK	FUND SAFE	CPN YTM	RATE TR	PAR/SHARES BOOK	MARKET VALUE MARKET PRICE	CURR ACCR INT PRICE SOURCE	UNREALIZED GAIN UNREALIZED LOSS
A 36350	FHLMC-DISC-CITIG 01/26/10 08/26/10	313397D40	1365	1	.1700		20,000,000.00	20,000,000.00	.00	20,022.22
			132	100	.1730		19,979,977.78	100.0000000000	SUNGARD	
A 36345	FHLMC-DISC-UBS 01/26/10 09/01/10	313397E23	1365	1	.1900		20,000,000.00	20,000,000.00	.00	23,011.11
			441	100	.1930		19,976,988.89	100.0000000000	SUNGARD	
A 36543	FHLMC-DISC-WF 07/29/10 11/30/10	313397R45	1365	1	.2000		10,000,000.00	9,993,750.00	.00	638.89
			451	100	.2030		9,993,111.11	99.9375000000	SUNGARD	
A 36502	FHLMC-DISC-BA 06/25/10 03/07/11	313396CT8	1365	1	.3100		15,000,000.00	14,976,562.50	.00	9,500.00
			40	100	.3150		14,967,062.50	99.8437500000	SUNGARD	
SUBTOTAL (Inv Type) 44 FHLMC DISCOUNT NOTES				7.74%(M)						
					.2073		75,000,000.00	74,970,312.50	.00	62,758.33
					.2107		74,907,554.17	99.96041700000		
A 35922	MTN-PNC-CITIG 12/22/08 06/22/11	69351CAA1	1365	1	1.8750		5,000,000.00	4,991,000.00*	10,156.25	0.00
			132	100	1.9490		4,991,000.00	99.8200000000	BOOK	
A 35913	MTN-GE CAPITAL CORP-BA 12/09/08 12/09/11	36967HAD9	1365	1	3.0000		25,000,000.00	24,928,250.00*	108,333.33	0.00
			40	100	3.1010		24,928,250.00	99.7130000000	BOOK	
SUBTOTAL (Inv Type) 47 CORP MEDIUM TERM NOTE				3.09%(M)						
					2.8123		30,000,000.00	29,919,250.00	118,489.58	.00
					2.9088		29,919,250.00	99.73083300000		
A 36544	CP-DISC-BANKAMERICA-BA 07/30/10 08/02/10	0660P1H20	1365	1	.1800		17,830,000.00	17,829,856.37	.00	123.82
			40	100	.1830		17,829,732.55	99.99919444444	SUNGARD	
A 36541	CP-DISC-JP MORGAN-JPM 07/28/10 08/18/10	4662J1HJ2	1365	1	.1800		20,000,000.00	19,997,261.11	.00	
			325	100	.1830		19,997,900.00	99.98630555555	SUNGARD	-638.89
A 36472	CP-DISC-GE CAPITAL CORP-GECC 05/27/10 10/08/10	36959JK85	1365	1	.4200		9,000,000.00	8,993,540.00	.00	7,610.00
			187	100	.4270		8,985,930.00	99.92822222222	SUNGARD	
A 36477	CP-DISC-GE CAPITAL CORP-GECC 06/03/10 12/01/10	36959JM18	1365	1	.5500		10,000,000.00	9,984,072.22	.00	11,725.00
			187	100	.5590		9,972,347.22	99.84072222222	SUNGARD	
SUBTOTAL (Inv Type) 82 COMMERCIAL PAPER, DISCO				5.87%(M)						
					.2830		56,830,000.00	56,804,729.70	.00	19,458.82
					.2876		56,785,909.77	99.95553400000		-638.89
A 36510	BLACKROCK LIQUIDITY FEDFUND 07/01/10 08/01/10	09248U700	1365	1	.0600		10,000,000.00	10,000,000.00*	575.34	0.00
			452	100	.0600		10,000,000.00	100.0000000000	BOOK	
A 36511	MORGAN STANLEY INST LIQ GO 07/01/10 08/01/10	61747C707	1365	1	.0600		10,000,000.00	10,000,000.00*	575.34	0.00
			452	100	.0600		10,000,000.00	100.0000000000	BOOK	
A 36512	FEDERATED GOVT OBLIGATIONS 07/01/10 08/01/10	VP6000104	1365	1	.0500		20,000,000.00	20,000,000.00*	890.42	0.00
			452	100	.0500		20,000,000.00	100.0000000000	BOOK	
SUBTOTAL (Inv Type) 97 WFB MONEY MARKET FUND				4.13%(M)						
					.0550		40,000,000.00	40,000,000.00	2,041.10	.00
					.0550		40,000,000.00	100.0000000000		

\* MARKET = BOOK LESS PURCHASE INTEREST

CITY OF SAN JOSE  
 TREASURY DIVISION  
 INVESTMENT INVENTORY WITH MARKET VALUE

(RPTMKT)

INVESTMENTS OUTSTANDING AS OF 07/31/10  
 MAJOR SORT KEY IS FUND

INVEST NUMBER	DESCRIPTION PURCHASE MATURITY DATE	CUSIP	BANK BROK	FUND SAFE	CPN RATE YTM TR	PAR/SHARES BOOK	MARKET VALUE MARKET PRICE	CURR ACCR INT PRICE SOURCE	UNREALIZED GAIN UNREALIZED LOSS
A 32936	STATE INVESTMT POOL-CTY 01/01/02 08/01/10		1235 415	1 000	.5300 .5300	50,000,000.00 50,000,000.00	50,000,000.00* 100.0000000000	22,505.47 BOOK	0.00
A 33658	STATE INVESTMT POOL-RDA 10/01/03 08/01/10		1365 415	1 100	.5300 .5300	50,000,000.00 50,000,000.00	50,000,000.00* 100.0000000000	22,505.73 BOOK	0.00
SUBTOTAL (Inv Type) 99 PASSBOOK & STATE POOL			10.33%(M)		.5300 .5300	100,000,000.00 100,000,000.00	100,000,000.00 100.0000000000	45,011.20	.00
SUBTOTAL (Fund) 1 INVESTMENT FUNDS			96.13%(M)		1.5492 1.5660	966,108,000.00 964,424,739.61	968,255,176.27 100.2222500000	4,147,404.87	4,043,373.61 -136,270.28

\* MARKET = BOOK LESS PURCHASE INTEREST

CITY OF SAN JOSE  
 TREASURY DIVISION  
 INVESTMENT INVENTORY WITH MARKET VALUE

(RPTMKT)

INVESTMENTS OUTSTANDING AS OF 07/31/10  
 MAJOR SORT KEY IS FUND

INVEST NUMBER	DESCRIPTION PURCHASE MATURITY DATE	CUSIP	BANK BROK	FUND SAFE	CPN RATE YTM TR	PAR/SHARES BOOK	MARKET VALUE MARKET PRICE	CURR ACCR INT PRICE SOURCE	UNREALIZED GAIN UNREALIZED LOSS
A 36330	FHLB-DISC-WF 01/14/10 01/05/11	313384AE9	1365 451	34 100	.3400 .3460	851,000.00 848,138.75	850,202.19 99.90625000000	.00 SUNGARD	2,063.44
SUBTOTAL (Inv Type) 43 FHLB DISCOUNT NOTES 100.00%(M)					.3400 .3460	851,000.00 848,138.75	850,202.19 99.90625000000	.00	2,063.44
SUBTOTAL (Fund) 34 CSJ/CSC Jt Pwr .08%(M)					.3400 .3460	851,000.00 848,138.75	850,202.19 99.90625000000	.00	2,063.44

C I T Y O F S A N J O S E  
T R E A S U R Y D I V I S I O N  
I N V E S T M E N T I N V E N T O R Y W I T H M A R K E T V A L U E

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(RPTMKT)

I N V E S T M E N T S O U T S T A N D I N G A S O F 0 7 / 3 1 / 1 0  
M A J O R S O R T K E Y I S F U N D

INVEST NUMBER	DESCRIPTION PURCHASE MATURITY DATE	CUSIP	BANK BROK	FUND SAFE	CPN RATE YTM TR	PAR/SHARES BOOK	MARKET VALUE MARKET PRICE	CURR ACCR INT PRICE SOURCE	UNREALIZED GAIN UNREALIZED LOSS
A 35894	Series 2008 B-RDA Tax Allocatio 11/14/08 08/01/10		130 415	55 100	.5300 .5300	14,900,784.30 14,900,784.30	14,900,784.30* 100.0000000000	7,873.12 BOOK	0.00
SUBTOTAL (Inv Type) 99 PASSBOOK & STATE POOL 100.00%(M)					.5300 .5300	14,900,784.30 14,900,784.30	14,900,784.30 100.0000000000	7,873.12	.00
SUBTOTAL (Fund) 55 Series 2008B-RDA Tax Alloca 1.48%(M)					.5300 .5300	14,900,784.30 14,900,784.30	14,900,784.30 100.0000000000	7,873.12	.00

\* MARKET = BOOK LESS PURCHASE INTEREST



CITY OF SAN JOSE  
 TREASURY DIVISION  
 INVESTMENT INVENTORY WITH MARKET VALUE

(RPTMKT)

INVESTMENTS OUTSTANDING AS OF 07/31/10  
 MAJOR SORT KEY IS FUND

INVEST NUMBER	DESCRIPTION PURCHASE MATURITY DATE	CUSIP	BANK BROK	FUND SAFE	CPN RATE YTM TR	PAR/SHARES BOOK	MARKET VALUE MARKET PRICE	CURR ACCR INT PRICE SOURCE	UNREALIZED GAIN UNREALIZED LOSS
A 36527	FHLB-DISC-BA 07/14/10 08/11/10	313385B54	1365 40	56 100	.1700 .1720	23,210,000.00 23,206,931.12	23,210,000.00 100.0000000000	.00 SUNGARD	3,068.88
SUBTOTAL (Inv Type) 43 FHLB DISCOUNT NOTES					100.00%(M)	.1700 .1720	23,210,000.00 23,206,931.12	100.0000000000	.00 3,068.88
SUBTOTAL (Fund) 56 RDA 2008A BOND PROCEEDS					2.30%(M)	.1700 .1720	23,210,000.00 23,206,931.12	100.0000000000	.00 3,068.88
GRAND TOTAL						1.5011 1.5173	1005069784.30 1003380593.78	1007216162.76 100.2135550000	4,155,277.99 4,048,505.93 -136,270.28

**CITY OF SAN JOSE  
TREASURY DIVISION**  
INVESTMENT INVENTORY WITH MARKET VALUE

INVESTMENTS OUTSTANDING AS OF 7/31/10

<u>INVEST NUMBER</u>	<u>DESCRIPTION</u>	<u>CUSIP</u>	<u>PAR SHARES</u>	<u>BOOK</u>	<u>MARKET PRICE*</u>	<u>MARKET VALUE</u>	<u>UNREALIZED GAIN/LOSS</u>
35922	MTN-PNC	69351CAA1	5,000,000	4,991,000	101.333	5,066,650	75,650
35913	MTN - GE CAP CORP	36967HAD9	25,000,000	24,928,250	103.055	25,763,750	<u>835,500</u>
							911,150

\* SunGard reports does not provide market pricing for Temporary Liquidity Guarantee Program (TLGP) Corporate Notes.  
Pricing quoted is extracted from Wells Fargo custodial statements whose pricing source is the Depository Trust Company (DTC).

C I T Y O F S A N J O S E  
T R E A S U R Y D I V I S I O N

BROKER PURCHASE DISTRIBUTION  
07/01/10 THROUGH 07/31/10

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ALL FUNDS					(ABSOLUTE)
CODE	BROKER NAME	TRANSACTIONS	ASSETS	LIABILITIES	TOTAL
40	BANK OF AMERICA SECURITIES LLC	17	336,267,864.66		336,267,864.66
187	GENERAL ELECTRIC CAPITAL CORP	1	9,999,622.22		9,999,622.22
325	J P MORGAN SECURITIES INC	5	118,307,398.65		118,307,398.65
415	STATE INVESTMENT POOL	3	170,406.56		170,406.56
441	UBS FINANCIAL SERVICES INC.	7	138,766,026.82		138,766,026.82
451	WELLS FARGO BANK - INVESTMENTS	3	50,878,564.44		50,878,564.44
452	WELLS FARGO - CUSTODIAN	3	150,000,000.00		150,000,000.00
GRAND TOTALS		39	804,389,883.35		804,389,883.35

CITY OF SAN JOSE  
TREASURY DIVISION

(EIS / ERNEIS)

## EARNED INCOME SUMMARY

07/01/10 THROUGH 07/31/10

SORT KEYS ARE FUND ICC# MATD

FUND: 1 INVESTMENT FUNDS

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INV NO.	PURCHASE DATE	COUPON RATE	DESCRIPTION	TICKER / MATURITY DATE	SHARES / SCHEDULED PAR VALUE	SCHEDULED ORIG. COST	YIELD/ 365	DATE SOLD/MAT	INCOME RECEIVED THIS PER	TOTAL/NET EARNINGS
36445	04/29/10	.1400	TBIL-DISC-UBS	07/01/10	30,000,000.00	29,992,650.00	N.D.	MATURED	7,350.00	
36446	04/29/10	.1400	TBIL-DISC-UBC	07/01/10	29,900,000.00	29,892,674.50	N.D.	MATURED	7,325.50	
36450	05/03/10	.1450	TBIL-DISC-UBS	07/01/10	25,000,000.00	24,994,059.03	N.D.	MATURED	5,940.97	
36458	05/12/10	.1400	TBIL-DISC-UBS	07/01/10	20,000,000.00	19,996,111.11	N.D.	MATURED	3,888.89	
36463	05/18/10	.1450	TBIL-DISC-CITIG	07/01/10	10,000,000.00	9,998,227.78	N.D.	MATURED	1,772.22	
SUBTOTAL (ICC#) 11 TREASURY BILLS				0 DAYS	.00	.00	.000		26,277.58	.00
35119	02/15/07	4.7500	FHLB-GILFD	08/04/10	5,000,000.00	4,957,400.00	4.948			20,834.79
35120	02/15/07	4.7000	FHLB-GILFD	08/10/10	10,000,000.00	9,896,600.00	4.960			41,686.64
35160	03/15/07	4.5160	FHLB-GILFD	08/10/10	10,000,000.00	9,914,900.00	4.721			39,753.98
35171	03/27/07	4.1250	FHLB-GILFD	08/13/10	5,000,000.00	4,902,610.00	4.715			19,632.11
35193	04/17/07	4.1250	FHLB-GILFD	08/13/10	10,000,000.00	9,747,900.00	4.930			40,812.48
35194	04/17/07	4.7850	FHLB-GILFD	08/26/10	5,000,000.00	4,982,400.00	4.817			20,382.16
35122	02/15/07	5.1250	FHLB-JPM	09/10/10	10,000,000.00	10,036,000.00	4.910			41,851.85
35177	04/03/07	5.1250	FHLB-UBS	09/10/10	10,000,000.00	10,098,700.00	4.695			40,272.27
35159	03/15/07	4.7000	FHLB-UBC	09/21/10	9,500,000.00	9,473,153.00	4.705			37,855.50
35174	04/03/07	5.1250	FHLB-UBS	09/29/10	10,000,000.00	10,122,400.00	4.622			39,732.34
35202	04/23/07	5.1250	FHLB-UBS	09/29/10	5,000,000.00	5,040,650.00	4.753			20,350.07
35197	04/17/07	4.8750	FHLB-GILFD	12/10/10	10,000,000.00	9,993,500.00	4.804			40,776.17
35205	04/23/07	4.8750	FHLB-GILFD	12/10/10	5,000,000.00	5,003,400.00	4.761			20,233.07
36499	06/25/10	1.0000	FHLB-CITIG	02/07/11	20,000,000.00	20,159,466.67	.313			5,359.18
35497	02/12/08	3.4500	FHLB-UBC	05/12/11	9,030,000.00	9,030,000.00	3.385			25,961.25
35892	11/17/08	3.5500	FHLB-CALL-CITIG	11/17/11	10,000,000.00	10,000,000.00	3.483			29,583.33
35889	11/07/08	4.1250	FHLB-CALL-WF	11/08/12	3,500,000.00	3,500,000.00	4.047			12,031.25
35890	11/07/08	4.1000	FHLB-CALL-WF	11/08/12	8,000,000.00	8,000,000.00	4.023			27,333.33
SUBTOTAL (ICC#) 22 FEDERAL HOME LOA 15.43%(C)				164 DAYS	155,030,000.00	154,859,079.67	3.987		.00	524,441.77
35181	04/03/07	4.8750	FFCB-LB	08/06/10	5,000,000.00	5,011,100.00	4.706			20,030.68
35258	06/11/07	4.8750	FFCB-GILFD	08/06/10	5,000,000.00	4,936,100.00	5.255			22,032.03
35201	04/23/07	4.4500	FFCB-GILFD	08/27/10	1,200,000.00	1,185,048.00	4.798			4,829.30
35176	04/03/07	4.8000	FFCB-UBC	10/26/10	5,000,000.00	5,013,100.00	4.624			19,688.09
35179	04/03/07	4.8000	FFCB-GILFD	10/26/10	5,000,000.00	5,000,445.00	4.707			19,989.40
35180	04/03/07	4.8000	FFCB-CITIG	10/26/10	5,000,000.00	5,001,550.00	4.700			19,963.09
35211	05/01/07	4.7500	FFCB-GILFD	11/01/10	5,000,000.00	4,990,600.00	4.723			20,019.33
35904	11/24/08	3.0000	FFCB-GILFD	03/03/11	10,000,000.00	9,975,070.00	3.061			25,932.24
35860	10/14/08	3.6000	FFCB-WF	10/14/11	10,000,000.00	10,000,000.00	3.532			30,000.00
35895	11/21/08	3.2000	FFCB-UBS	11/21/11	10,000,000.00	10,000,000.00	3.140			26,666.66
35866	10/15/08	4.2500	FFCB-CALL-UBS	10/15/13	10,000,000.00	10,000,000.00	4.170			35,416.67
SUBTOTAL (ICC#) 27 FEDERAL FARM CRE 7.09%(C)				350 DAYS	71,200,000.00	71,113,013.00	4.049		.00	244,567.49
36369	01/26/10	4.1250	FHLMC-CITIG	07/12/10	10,000,000.00	10,197,731.67	.207	MATURED	8,518.33	636.56

CITY OF SAN JOSE  
TREASURY DIVISION

(EIS / ERNEIS)

## EARNED INCOME SUMMARY

07/01/10 THROUGH 07/31/10

SORT KEYS ARE FUND ICC# MATD

FUND: 1 INVESTMENT FUNDS

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INV NO.	PURCHASE DATE	COUPON RATE	DESCRIPTION	TICKER / MATURITY DATE	SHARES / SCHEDULED PAR VALUE	SCHEDULED ORIG. COST	YIELD/ 365	DATE SOLD/MAT	INCOME RECEIVED THIS PER	TOTAL/NET EARNINGS
35153	03/15/07	4.8750	FHLMC-GILFD	08/16/10	9,900,000.00	9,930,591.00	4.679			39,460.09
35155	03/14/07	4.7500	FHLMC-BA	09/22/10	2,679,000.00	2,674,847.55	4.712			10,704.31
35169	03/26/07	4.7500	FHLMC-UBS	10/04/10	10,475,000.00	10,456,459.25	4.719			41,909.78
35154	03/15/07	4.1600	FHLMC-GILFD	10/13/10	4,000,000.00	3,919,480.00	4.739			15,775.02
35173	04/03/07	5.0000	FHLMC-GILFD	10/18/10	9,705,000.00	9,781,446.29	4.647			38,606.10
35212	05/01/07	4.1250	FHLMC-CITIG	10/18/10	10,000,000.00	9,788,000.00	4.759			39,566.15
35225	05/08/07	4.4000	FHLMC-GILFD	11/19/10	1,000,000.00	985,820.00	4.786			4,007.17
35230	05/09/07	4.7500	FHLMC-GILFD	12/08/10	4,236,000.00	4,222,063.56	4.768			17,097.54
35203	04/23/07	4.5000	FHLMC-UBC	12/16/10	9,500,000.00	9,396,089.00	4.767			38,041.53
35226	05/08/07	4.5000	FHLMC-GILFD	12/16/10	2,000,000.00	1,977,580.00	4.779			8,027.32
SUBTOTAL (ICC#) 30 FED HOME LOAN MO 6.29%(C) 79 DAYS 63,495,000.00 63,132,376.65 4.477 8,518.33 253,831.57										
36355	01/27/10	.1300	FNMA-DISC-UBS	07/07/10	10,000,000.00	9,994,186.11	.132	MATURED	5,813.89	216.67
36431	04/15/10	.1850	FNMA-DISC-CITIG	07/14/10	20,000,000.00	19,990,750.00	.188	MATURED	9,250.00	1,336.11
36352	01/26/10	.1200	FNMA-DISC-WF	07/20/10	10,000,000.00	9,994,166.67	.122	MATURED	5,833.33	633.33
36351	01/26/10	.1700	FNMA-DISC-BA	08/23/10	30,000,000.00	29,970,391.67	.173			4,391.66
36356	01/27/10	.2100	FNMA-DISC-UBS	09/13/10	20,000,000.00	19,973,283.33	.213			3,616.66
36390	03/08/10	.2900	FNMA-DISC-UBS	11/01/10	10,000,000.00	9,980,827.78	.295			2,497.22
36388	03/04/10	.2900	FNMA-DISC-UBS	11/19/10	15,000,000.00	14,968,583.33	.295			3,745.83
36397	03/12/10	.3100	FNMA-DISC-UBC	11/22/10	20,000,000.00	19,956,083.33	.315			5,338.89
36496	06/24/10	.2500	FNMA-DISC-UBC	01/10/11	13,400,000.00	13,381,388.89	.254			2,884.72
36498	06/25/10	.2700	FNMA-DISC-UBS	01/31/11	10,000,000.00	9,983,500.00	.274			2,325.00
36500	06/25/10	.2800	FNMA-DISC-CITIG	02/14/11	34,000,000.00	33,938,120.00	.284			8,197.77
36503	06/25/10	.3000	FNMA-DISC-CITIG	03/07/11	6,000,000.00	5,987,250.00	.305			1,550.00
36504	06/25/10	.3200	FNMA-DISC-UBS	03/21/11	23,000,000.00	22,945,004.44	.325			6,337.78
36507	06/29/10	.3300	FNMA-DISC-UBC	04/04/11	20,000,000.00	19,948,850.00	.335			5,683.33
36506	06/29/10	.3400	FNMA-DISC-UBS	04/11/11	12,283,000.00	12,249,822.25	.346			3,596.19
36515	07/07/10	.4300	FNMA-DISC-UBS	07/01/11	25,000,000.00	24,892,798.61	.438			7,465.28
36522	07/13/10	.3900	FNMA-DISC-UBS	07/01/11	20,000,000.00	19,923,516.67	.397			4,116.67
36523	07/13/10	.3900	FNMA-DISC-BA	07/01/11	19,270,000.00	19,196,308.31	.397			3,966.41
36526	07/14/10	.3900	FNMA-DISC-WF	07/01/11	30,000,000.00	29,885,600.00	.397			5,850.00
SUBTOTAL (ICC#) 41 FNMA DISCOUNT NO 30.61%(C) 206 DAYS 307,953,000.00 307,181,328.61 .298 20,897.22 73,749.52										
36480	06/07/10	.1100	FHLB-DISC-JPM	07/01/10	15,000,000.00	14,998,900.00	N.D.	MATURED	1,100.00	
36494	06/22/10	.0100	FHLB-DISC-CITIG	07/02/10	29,750,000.00	29,749,917.36	.010	MATURED	82.64	8.26
36513	07/02/10	.1200	FHLB-DISC-WF	07/06/10	11,000,000.00	10,999,853.33	.122	MATURED	146.67	146.67
36520	07/12/10	.1400	FHLB-DISC-JPM	07/14/10	27,760,000.00	27,759,784.09	.142	MATURED	215.91	215.91
36528	07/15/10	.1500	FHLB-DISC-JPM	07/16/10	28,710,000.00	28,709,880.38	.152	MATURED	119.62	119.62
36533	07/21/10	.1300	FHLB-DISC-JPM	07/22/10	24,160,000.00	24,159,912.76	.132	MATURED	87.24	87.24
36508	06/30/10	.1000	FHLB-DISC-UBS	09/14/10	22,960,000.00	22,955,152.89	.101			1,977.11
36473	05/28/10	.2400	FHLB-DISC-JPM	12/03/10	22,640,000.00	22,611,473.60	.244			4,678.94
36501	06/25/10	.2850	FHLB-DISC-UBC	02/23/11	21,000,000.00	20,959,601.25	.290			5,153.75

CITY OF SAN JOSE  
TREASURY DIVISION

(EIS / ERNEIS)

## EARNED INCOME SUMMARY

07/01/10 THROUGH 07/31/10

SORT KEYS ARE FUND ICC# MATD

FUND: 1 INVESTMENT FUNDS

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INV NO.	PURCHASE DATE	COUPON RATE	DESCRIPTION	TICKER / MATURITY DATE	SHARES / SCHEDULED PAR VALUE	SCHEDULED ORIG. COST	YIELD/ 365	DATE SOLD/MAT	INCOME RECEIVED THIS PER	TOTAL/NET EARNINGS
-----										
SUBTOTAL (ICC#) 43 FHLB DISCOUNT NO 6.63%(C) 123 DAYS 66,600,000.00 66,526,227.74 .201 1,752.08 12,387.50										
36349	01/26/10	.1700	FHLMC-DISC-UBC	08/17/10	10,000,000.00	9,990,413.89	.173			1,463.88
36350	01/26/10	.1700	FHLMC-DISC-CITIG	08/26/10	20,000,000.00	19,979,977.78	.173			2,927.78
36345	01/26/10	.1900	FHLMC-DISC-UBS	09/01/10	20,000,000.00	19,976,988.89	.193			3,272.22
36543	07/29/10	.2000	FHLMC-DISC-WF	11/30/10	10,000,000.00	9,993,111.11	.203			166.67
36502	06/25/10	.3100	FHLMC-DISC-BA	03/07/11	15,000,000.00	14,967,062.50	.315			4,004.17
SUBTOTAL (ICC#) 44 FHLMC DISCOUNT N 7.47%(C) 77 DAYS 75,000,000.00 74,907,554.17 .212 .00 11,834.72										
35922	12/22/08	1.8750	MTN-PNC-CITIG	06/22/11	5,000,000.00	4,991,000.00	1.915			8,118.42
35913	12/09/08	3.0000	MTN-GE CAPITAL CORP-BA	12/09/11	25,000,000.00	24,928,250.00	3.048			64,531.28
SUBTOTAL (ICC#) 47 CORP MEDIUM TERM 2.98%(C) 467 DAYS 30,000,000.00 29,919,250.00 2.859 .00 72,649.70										
36426	04/09/10	.2900	NCD-UBOC-UBC	07/07/10	20,000,000.00	20,000,000.00	.294	MATURED	14,338.89	966.67
36354	01/26/10	.2600	NCD-UBS AG STAMFORD-UBS	07/12/10	25,000,000.00	25,000,000.00	.264	MATURED	30,152.78	1,986.11
36344	01/26/10	.2500	NCD-UBOC-UBC	07/23/10	10,000,000.00	10,000,000.00	.253	MATURED	12,361.11	1,527.78
SUBTOTAL (ICC#) 71 NEGOTIABLE CERT 0 DAYS .00 .00 .266 56,852.78 4,480.56										
36489	06/16/10	.0600	CP-DISC-JP MORGAN-JPM	07/02/10	20,000,000.00	19,999,466.67	.061	MATURED	533.33	33.33
36509	07/01/10	.1900	CP-DISC-BANKAMERICA-BA	07/02/10	25,190,000.00	25,189,867.05	.193	MATURED	132.95	132.95
36514	07/06/10	.2000	CP-DISC-BANKAMERICA-BA	07/07/10	8,547,000.00	8,546,952.52	.203	MATURED	47.48	47.48
36516	07/07/10	.1900	CP-DISC-BANKAMERICA-BA	07/08/10	10,700,000.00	10,699,943.53	.193	MATURED	56.47	56.47
36517	07/08/10	.1900	CP-DISC-BANKAMERICA-BA	07/09/10	11,700,000.00	11,699,938.25	.193	MATURED	61.75	61.75
36294	12/11/09	.3300	CP-DISC-TOYOTA-TOY	07/12/10	8,000,000.00	7,984,380.00	.335	MATURED	15,620.00	806.67
36518	07/09/10	.1900	CP-DISC-BANKAMERICA-BA	07/12/10	16,100,000.00	16,099,745.08	.193	MATURED	254.92	254.92
36519	07/12/10	.1900	CP-DISC-BANKAMERICA-BA	07/13/10	30,000,000.00	29,999,841.67	.193	MATURED	158.33	158.33
36333	01/14/10	.3000	CP-DISC-UBS FIN DEL-UBS	07/14/10	10,000,000.00	9,984,916.67	.305	MATURED	15,083.33	1,083.33
36524	07/14/10	.1700	CP-DISC-BANKAMERICA-BA	07/15/10	20,000,000.00	19,999,905.56	.172	MATURED	94.44	94.44
36525	07/14/10	.1600	CP-DISC-UBS FIN DEL-JPM	07/15/10	17,680,000.00	17,679,921.42	.162	MATURED	78.58	78.58
36324	01/11/10	.2500	CP-DISC-TOYOTA-TOY	07/16/10	18,000,000.00	17,976,750.00	.254	MATURED	23,250.00	1,875.00
36529	07/16/10	.1900	CP-DISC-BANKAMERICA-BA	07/19/10	30,810,000.00	30,809,512.18	.193	MATURED	487.82	487.82
36530	07/19/10	.1900	CP-DISC-UBS FIN DEL-UBS	07/20/10	23,640,000.00	23,639,875.23	.193	MATURED	124.77	124.77
36531	07/20/10	.1900	CP-DISC-BANKAMERICA-BA	07/21/10	21,460,000.00	21,459,886.74	.193	MATURED	113.26	113.26
36534	07/22/10	.1700	CP-DISC-BANKAMERICA-BA	07/23/10	15,330,000.00	15,329,927.61	.172	MATURED	72.39	72.39
36346	01/26/10	.2500	CP-DISC-JP MORGAN-JPM	07/26/10	20,000,000.00	19,974,861.11	.254	MATURED	25,138.89	3,472.22
36536	07/23/10	.1800	CP-DISC-BANKAMERICA-BA	07/27/10	14,430,000.00	14,429,711.40	.183	MATURED	288.60	288.60
36537	07/26/10	.1700	CP-DISC-BANKAMERICA-BA	07/27/10	10,000,000.00	9,999,952.78	.172	MATURED	47.22	47.22
36538	07/26/10	.1700	CP-DISC-UBS FIN DEL-UBS	07/27/10	8,320,000.00	8,319,960.71	.172	MATURED	39.29	39.29

CITY OF SAN JOSE  
TREASURY DIVISION

(EIS / ERNEIS)

EARNED INCOME SUMMARY  
07/01/10 THROUGH 07/31/10  
SORT KEYS ARE FUND ICC# MATD  
FUND: 1 INVESTMENT FUNDS

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INV NO.	PURCHASE DATE	COUPON RATE	DESCRIPTION	TICKER / MATURITY DATE	SHARES / SCHEDULED PAR VALUE	SCHEDULED ORIG. COST	YIELD/ 365	DATE SOLD/MAT	INCOME RECEIVED THIS PER	TOTAL/NET EARNINGS
36539	07/27/10	.1700	CP-DISC-BANKAMERICA-BA	07/28/10	39,390,000.00	39,389,813.99	.172	MATURED	186.01	186.01
36532	07/20/10	.1700	CP-DISC-UBS FIN DEL-UBS	07/29/10	20,000,000.00	19,999,150.00	.172	MATURED	850.00	850.00
36540	07/28/10	.1700	CP-DISC-BANKAMERICA-BA	07/29/10	22,380,000.00	22,379,894.32	.172	MATURED	105.68	105.68
36535	07/22/10	.1700	CP-DISC-GE CAPITAL CORP-	07/30/10	10,000,000.00	9,999,622.22	.172	MATURED	377.78	377.78
36542	07/29/10	.1800	CP-DISC-UBS FIN DEL-UBS	07/30/10	18,790,000.00	18,789,906.05	.183	MATURED	93.95	93.95
36544	07/30/10	.1800	CP-DISC-BANKAMERICA-BA	08/02/10	17,830,000.00	17,829,732.55	.183			178.30
36541	07/28/10	.1800	CP-DISC-JP MORGAN-JPM	08/18/10	20,000,000.00	19,997,900.00	.183			400.00
36472	05/27/10	.4200	CP-DISC-GE CAPITAL CORP-	10/08/10	9,000,000.00	8,985,930.00	.427			3,255.00
36477	06/03/10	.5500	CP-DISC-GE CAPITAL CORP-	12/01/10	10,000,000.00	9,972,347.22	.559			4,736.11
SUBTOTAL (ICC#)		82	COMMERCIAL PAPER	5.66%(C)	39 DAYS	56,830,000.00	56,785,909.77	.290	83,297.24	19,511.65
36510	07/01/10	.0600	BLACKROCK LIQUIDITY FEDF	08/01/10	10,000,000.00	10,000,000.00	.060			575.34
36511	07/01/10	.0600	MORGAN STANLEY INST LIQ	08/01/10	10,000,000.00	10,000,000.00	.060			575.34
36512	07/01/10	.0500	FEDERATED GOVT OBLIGATIO	08/01/10	20,000,000.00	20,000,000.00	.050			890.42
SUBTOTAL (ICC#)		97	WFB MONEY MARKET	3.99%(C)	1 DAYS	40,000,000.00	40,000,000.00	.055	.00	2,041.10
32936	01/01/02	.5300	STATE INVESTMT POOL-CTY	08/01/10	50,000,000.00	50,000,000.00	.530			22,507.85
33658	10/01/03	.5300	STATE INVESTMT POOL-RDA	08/01/10	50,000,000.00	50,000,000.00	.530			22,507.86
SUBTOTAL (ICC#)		99	PASSBOOK & STATE	9.97%(C)	1 DAYS	100,000,000.00	100,000,000.00	.530	.00	45,015.71
SUBTOTAL (FUND)		1	INVESTMENT FUNDS	- ASSETS	154 DAYS	966,108,000.00	964,424,739.61		197,595.23	1,264,511.29
SUBTOTAL (FUND)		1	INVESTMENT FUNDS	- NET		966,108,000.00	964,424,739.61		197,595.23	1,264,511.29

FUND STATISTICS		ASSETS	LIABILITIES
AVERAGE DAILY INVESTMENT BALANCE	:	994,530,607.26	
EARNED INTEREST YIELD THIS PERIOD	:	1.497	.000
WEIGHTED AVG YIELD AT END OF PERIOD	:	1.543	.000
TOTAL INTEREST EARNED FOR FUTURE RECEIPT:	:	5,173,320.94	

CITY OF SAN JOSE  
TREASURY DIVISION

(EIS / ERNEIS)

EARNED INCOME SUMMARY  
07/01/10 THROUGH 07/31/10  
SORT KEYS ARE FUND ICC# MATD  
FUND: 34 CSJ/CSC Jt Pwr

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INV NO.	PURCHASE DATE	COUPON RATE	DESCRIPTION	TICKER / MATURITY DATE	SHARES / SCHEDULED PAR VALUE	SCHEDULED ORIG. COST	YIELD/ 365	DATE SOLD/MAT	INCOME RECEIVED THIS PER	TOTAL/NET EARNINGS
36330	01/14/10	.3400	FHLB-DISC-WF	01/05/11	851,000.00	848,138.75	.346			249.16
SUBTOTAL (ICC#) 43 FHLB DISCOUNT NO			.08%(C)	158 DAYS	851,000.00	848,138.75	.346		.00	249.16
SUBTOTAL (FUND) 34 CSJ/CSC Jt Pwr			- ASSETS	158 DAYS	851,000.00	848,138.75			.00	249.16
SUBTOTAL (FUND) 34 CSJ/CSC Jt Pwr			- NET		851,000.00	848,138.75			.00	249.16
FUND STATISTICS				ASSETS	LIABILITIES					
AVERAGE DAILY INVESTMENT BALANCE				:	848,138.75					
EARNED INTEREST YIELD THIS PERIOD				:	.346	.000				
WEIGHTED AVG YIELD AT END OF PERIOD				:	.346	.000				
TOTAL INTEREST EARNED FOR FUTURE RECEIPT:				:	1,599.41					



CITY OF SAN JOSE  
TREASURY DIVISION

(EIS / ERNEIS)

EARNED INCOME SUMMARY

07/01/10 THROUGH 07/31/10

SORT KEYS ARE FUND ICC# MATD

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FUND: 55 Series 2008B-RDA Tax Allocation

INV NO.	PURCHASE DATE	COUPON RATE	DESCRIPTION	TICKER / MATURITY DATE	SHARES / SCHEDULED PAR VALUE	SCHEDULED ORIG. COST	YIELD/ 365	DATE SOLD/MAT	INCOME RECEIVED THIS PER	TOTAL/NET EARNINGS
35894	11/14/08	.5300	Series 2008 B-RDA Tax Al	08/01/10	14,900,784.30	14,900,784.30	.530			7,873.13
SUBTOTAL (ICC#) 99 PASSBOOK & STATE 1.49%(C) 1 DAYS										
					14,900,784.30	14,900,784.30	.530		.00	7,873.13
SUBTOTAL (FUND) 55 Series 2008B-RDA Ta- ASSETS 1 DAYS										
					14,900,784.30	14,900,784.30			.00	7,873.13
SUBTOTAL (FUND) 55 Series 2008B-RDA Ta- NET										
					14,900,784.30	14,900,784.30			.00	7,873.13

FUND STATISTICS	ASSETS	LIABILITIES
AVERAGE DAILY INVESTMENT BALANCE	: 17,490,521.46	
EARNED INTEREST YIELD THIS PERIOD	: .530	.000
WEIGHTED AVG YIELD AT END OF PERIOD	: .530	.000
TOTAL INTEREST EARNED FOR FUTURE RECEIPT:	7,873.12	

CITY OF SAN JOSE  
TREASURY DIVISION

(EIS / ERNEIS)

EARNED INCOME SUMMARY  
07/01/10 THROUGH 07/31/10  
SORT KEYS ARE FUND ICC# MATD  
FUND: 56 RDA 2008A BOND PROCEEDS

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INV NO.	PURCHASE DATE	COUPON RATE	DESCRIPTION	TICKER / MATURITY DATE	SHARES / SCHEDULED PAR VALUE	SCHEDULED ORIG. COST	YIELD/ 365	DATE SOLD/MAT	INCOME RECEIVED THIS PER	TOTAL/NET EARNINGS
36521	07/12/10	.1400	FHLB-DISC-UBS	07/14/10	23,201,000.00	23,200,819.55	.142	MATURED	180.45	180.45
36527	07/14/10	.1700	FHLB-DISC-BA	08/11/10	23,210,000.00	23,206,931.12	.172			1,972.85
SUBTOTAL (ICC#) 43 FHLB DISCOUNT NO			2.31%(C)	11 DAYS	23,210,000.00	23,206,931.12	.169		180.45	2,153.30
SUBTOTAL (FUND) 56 RDA 2008A BOND PROC- ASSETS				11 DAYS	23,210,000.00	23,206,931.12			180.45	2,153.30
SUBTOTAL (FUND) 56 RDA 2008A BOND PROC- NET					23,210,000.00	23,206,931.12			180.45	2,153.30
FUND STATISTICS				ASSETS	LIABILITIES					
AVERAGE DAILY INVESTMENT BALANCE :				14,971,819.33						
EARNED INTEREST YIELD THIS PERIOD :				.169	.000					
WEIGHTED AVG YIELD AT END OF PERIOD :				.172	.000					
TOTAL INTEREST EARNED FOR FUTURE RECEIPT:				1,972.85						
GRAND TOTAL			100.00%(C)	149 DAYS	1005069784.30	1003380593.78	1.460		197,775.68	1,274,786.88