



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Scott P. Johnson

SUBJECT: MAY 2010 INVESTMENT
REPORT

DATE: July 19, 2010

Approved

Date

7-23-10

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 May 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 and a hard copy is on file at the City Clerk's Office located at 200 East Santa Clara Street.

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

- Size of total portfolio – \$987,479,737
- Earned interest yield – 1.49%
- Weighted average days to maturity – 120 days
- Fiscal Year-to-Date net interest earnings – \$18,369,221.02
- 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 May 2010 as well as provides a comparison to the months of April 2010 and May 2009.

INVESTMENT SUMMARY

For the Month Ended	<u>May 2010</u>	<u>April 2010</u>	<u>May 2009</u>
<u>Total Portfolio</u>			
Portfolio Value ^{(1) (2)}	\$987,479,737	\$1,030,278,397	\$1,170,961,151
Earned Interest Yield	1.49%	1.73%	2.66%
Weighted average days to maturity	120	139	285
<u>Total Portfolio Income Recognized</u>			
For the Month	\$1,250,895	\$1,301,719	\$2,687,737
Fiscal Year To Date	\$18,369,221	\$17,120,372	\$36,391,620
<u>Portfolio Fund 1</u> ⁽³⁾			
Portfolio Value ^{(1) (2)}	\$964,153,825	\$1,005,535,484	\$1,070,107,988
Earned Interest Yield	1.51%	1.76%	2.76%
Weighted average days to maturity	122	142	312

¹Reflects book value (principal plus any purchased interest costs) of investments.

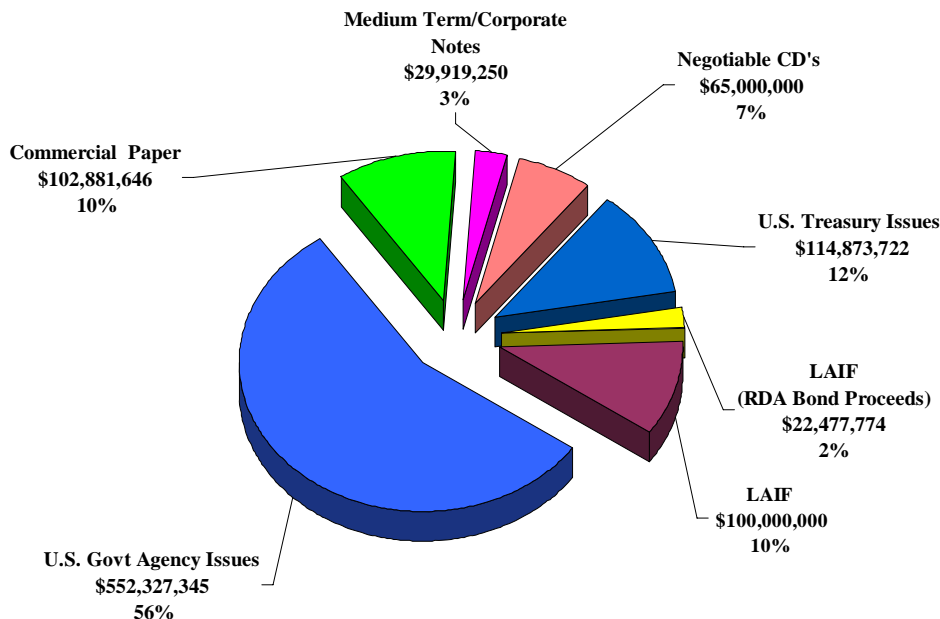
²Total excludes bond proceeds held by trustees for the City of San José (\$539,648,796) and the Redevelopment Agency.

³Portfolio Fund 1 includes all City pooled funds and excludes bond proceeds.

PORTFOLIO STATISTICS

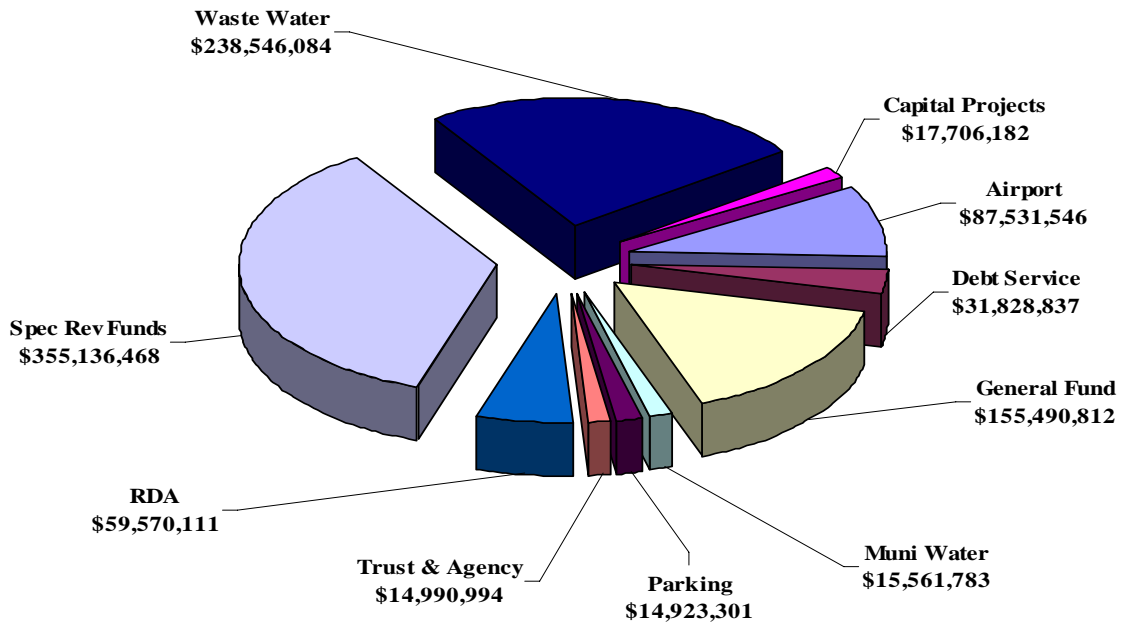
The graphs below provide snapshots of the City’s total investment portfolio as of May 31, 2010. The total portfolio size was \$987,479,737. The first graph below shows the portfolio composition by investment type.

**Portfolio Composition
As of May 31, 2010
\$987,479,737**



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

**Cash Balances by Fund Type
As of May 31, 2010
\$991,286,118**



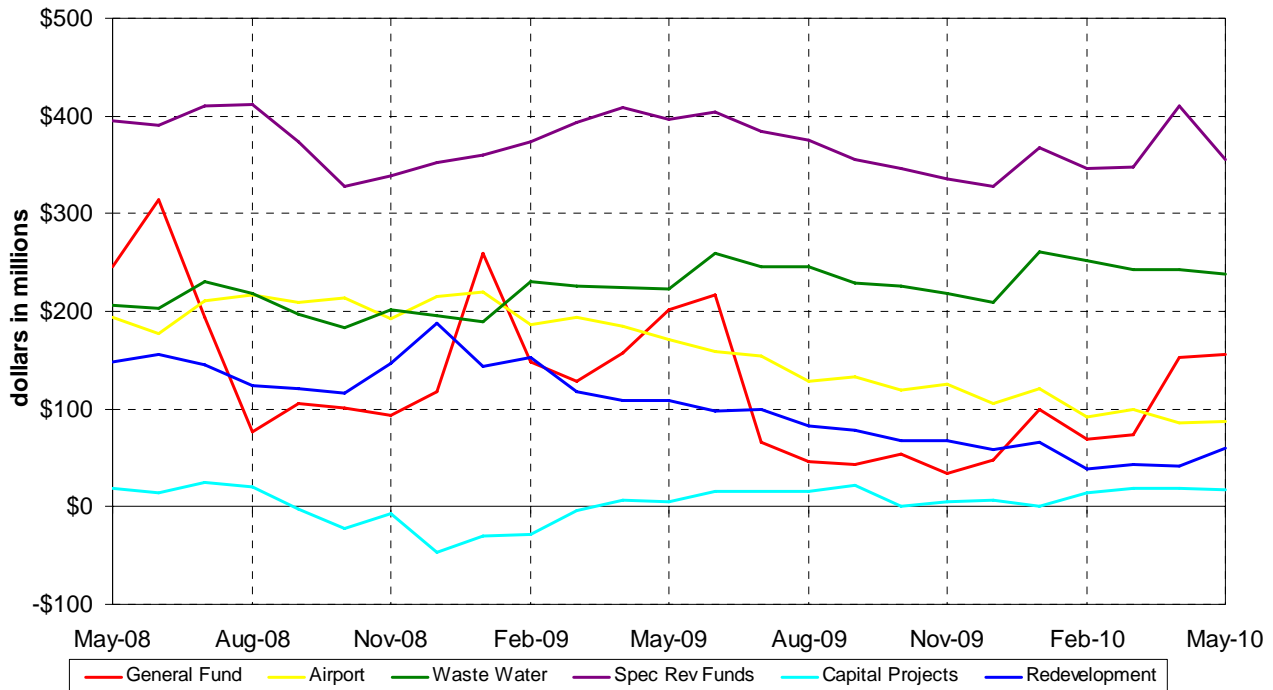
Below is a reconciliation of total balances reported by the City's portfolio investment accounting system compared to the City's Financial Management System (FMS):

Total Cash Balances per FMS	\$991,286,118
Deposit-in-Transit, Outstanding Checks *	<u>\$3,806,381</u>
Total Portfolio	\$987,479,737

*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 May 2008 through May 2010



General Fund Balances

Cash balances in the General Fund have increased slightly by \$3.0 million from the April 30, 2010 balance of \$152.4 million to the May 31, 2010 ending balance of \$155.5 million. 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 May 2010. The Federal Funds target range remained unchanged between 0.00% (zero percent) and 0.25%.

For the month of May 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 mixed 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 increased 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. Treasury staff continues to carefully monitor the City's Investment Agreements with Citigroup for Phase 1 of the Airport Development Program. As of May 31, 2010, the aggregate balance of the agreements was \$250,863,707 and the outstanding balances of the agreements were collateralized by U.S. Treasury securities at 107% and Federal Agency securities at 108%. 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 May 2010 and remain A3/A/A+ from Moody's/S&P/Fitch, respectively. On May 26, 2010, the U.S. Treasury sold approximately 1.5 billion shares (19.5% of its holdings) of Citigroup common stock. The U.S. Treasury currently owns approximately 6.2 billion shares of Citigroup common stock and expects to continue selling its shares in the market in an orderly fashion.

PORTFOLIO PERFORMANCE

Comparison of Portfolio Investment Earnings to FY 2009-10 Budget

The following is a comparison of actual investment earnings on an accrual basis to the fiscal year 2009-10 budget. The City's Adopted Budget for the General Fund's projected total investment income earnings is \$3.708 million for the FY 2009-10. However, on February 9, 2010, Council approved staff's recommendation to reduce the General Fund interest earnings estimate bringing it down to \$1.658 million for the FY 2009-10. This revision to the General Fund projected investment earnings was due to two factors; 1) the continuing decline in market interest rates; and 2) the structural reduction in General Fund cash balances due to budget actions to use some reserves as a balancing strategy, reduction in revenues as a result of the economic downturn, and the annual prefunding of employer portion of retirement contributions.

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 following schedule reflects the actual net investment earnings (unaudited) for the General Fund participating in Investment Portfolio Fund 1 as of May 31, 2010 compared to the adopted budget projections.

BUDGET COMPARISON		
<u>Net Investment Earnings</u>	<u>Yield</u>	<u>General Fund</u>
<i>May 2010</i>		
Budget ^(a)	2.06%	128,750
Actual ^(b)	<u>1.01%</u>	<u>120,566</u>
Variance	(1.05%)	(8,184)
<i>Fiscal Year to Date</i>		
Budget ^(a)	2.06%	1,416,250
Actual ^(b)	<u>1.73%</u>	<u>1,006,895</u>
Variance ^(c)	(0.33%)	(409,356)

(a) Reflects the FY 09/10 adopted budget as approved by the Council and mid-year adjustment approved by Council on February 9, 2010.

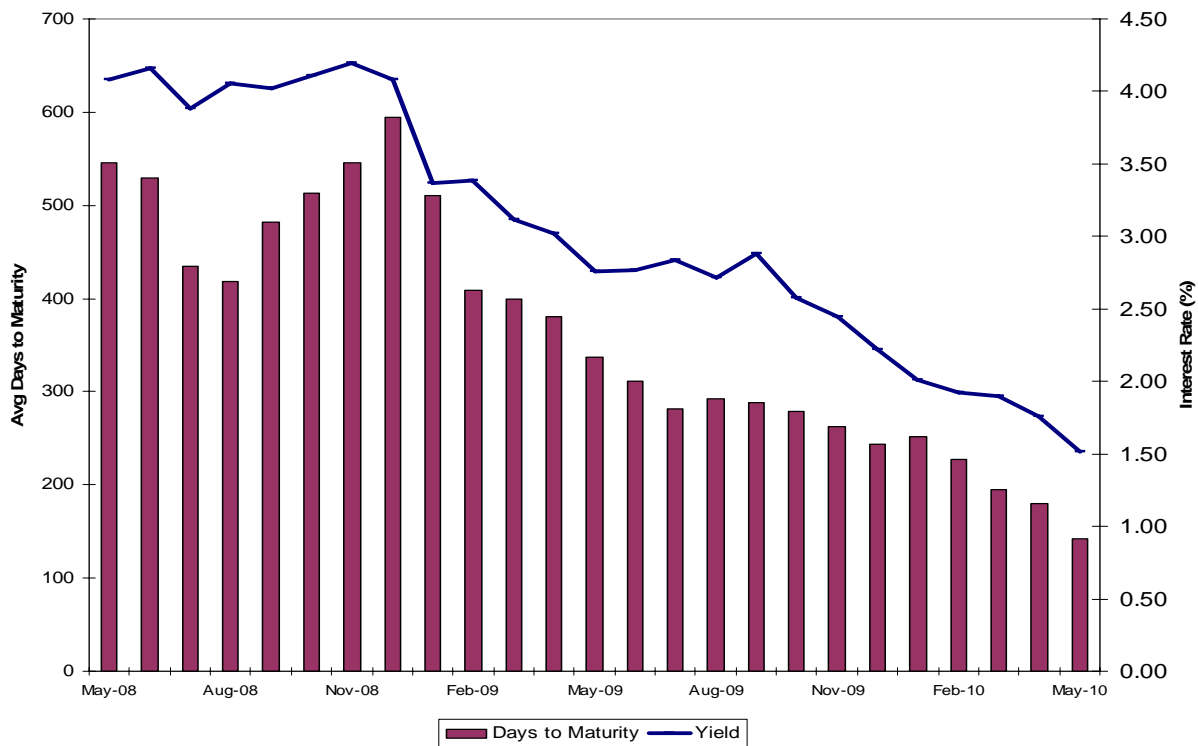
(b) Reflects net investment yield which is calculated based on the earned interest yield less costs to administer the investment program and adjustment for funds with negative cash balances at month end.

(c) Yield on Investments, as well as average General Fund balance declining below 09/10 projections causing a decline in actual Net Investment Earnings, which is expected to continue through June 30, 2010.

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).

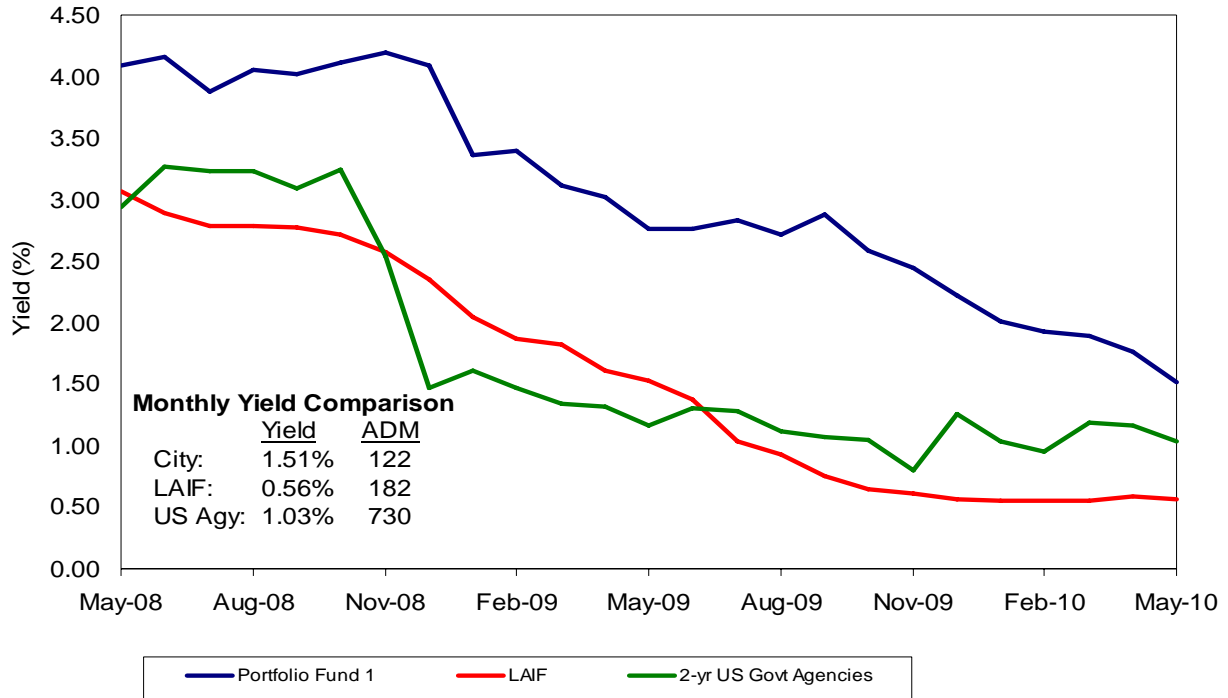
Yield and Maturity Trends
From May 2008 through May 2010



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 May 2008 through May 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 May 2008 through May 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 122 days. The yield on LAIF decreased slightly and the two-year agencies also decreased slightly during the month of May. Both benchmarks remained below the City’s Portfolio Fund 1 yield of 1.51%.

During the month of May 2010, LAIF’s average days-to-maturity (ADM) was 182 days versus the City’s Portfolio Fund 1’s 122 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 more rapidly. However, LAIF and the City’s yield performance will be able to react more quickly when short-term interest rates begin to rise. The City’s current investment strategy to invest in securities with maturities eighteen months or less (due to cash flow needs), will continue to produce a decline in 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 May 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 May.
- Earnings associated with investment held during the month of May.

COMPLIANCE REPORTING REQUIREMENTS

There were no exceptions or violations outstanding for the month ended May 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)

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INVESTMENTS OUTSTANDING AS OF 05/31/10
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 36445	TBIL-DISC-UBS 04/29/10 07/01/10	912795U66	1365	441	100	.1400 .1420	30,000,000.00	30,000,000.00	.00 SUNGARD	7,350.00
A 36446	TBIL-DISC-UBC 04/29/10 07/01/10	912795U66	1365	445	100	.1400 .1420	29,900,000.00	29,900,000.00	.00 SUNGARD	7,325.50
A 36450	TBIL-DISC-UBS 05/03/10 07/01/10	912795U66	1365	441	100	.1450 .1470	25,000,000.00	25,000,000.00	.00 SUNGARD	5,940.97
A 36458	TBIL-DISC-UBS 05/12/10 07/01/10	912795U66	1365	441	100	.1400 .1420	20,000,000.00	20,000,000.00	.00 SUNGARD	3,888.89
A 36463	TBIL-DISC-CITIG 05/18/10 07/01/10	912795U66	1365	132	100	.1450 .1470	10,000,000.00	10,000,000.00	.00 SUNGARD	1,772.22
SUBTOTAL (Inv Type) 11 TREASURY BILLS		11.85%(M)				.1415 .1435	114,900,000.00	114,900,000.00	.00	26,277.58
A 35119	FHLB-GILFD 02/15/07 08/04/10	3133XCN66	1365	186	100	4.7500 5.0200	5,000,000.00	5,039,062.50	77,187.50 SUNGARD	81,662.50
A 35120	FHLB-GILFD 02/15/07 08/10/10	3133XCJ38	1365	186	100	4.7000 5.0270	10,000,000.00	10,081,250.00	144,916.67 SUNGARD	184,650.00
A 35160	FHLB-GILFD 03/15/07 08/10/10	3133X85H1	1365	186	100	4.5160 4.7890	10,000,000.00	10,078,125.00	139,243.33 SUNGARD	163,225.00
A 35171	FHLB-GILFD 03/27/07 08/13/10	3133X06Q7	1365	186	100	4.1250 4.7550	5,000,000.00	5,039,062.50	60,729.17 SUNGARD	136,452.50
A 35193	FHLB-GILFD 04/17/07 08/13/10	3133X06Q7	1365	186	100	4.1250 4.9560	10,000,000.00	10,078,125.00	121,458.33 SUNGARD	330,225.00
A 35194	FHLB-GILFD 04/17/07 08/26/10	3133XCXV0	1365	186	100	4.7850 4.8980	5,000,000.00	5,053,125.00	63,135.42 SUNGARD	70,725.00
A 35122	FHLB-JPM 02/15/07 09/10/10	3133XGLE2	1365	325	100	5.1250 5.0120	10,000,000.00	10,140,625.00	115,312.50 SUNGARD	104,625.00
A 35177	FHLB-UBS 04/03/07 09/10/10	3133XGLE2	1365	441	100	5.1250 4.8090	10,000,000.00	10,140,625.00	115,312.50 SUNGARD	41,925.00
A 35159	FHLB-UBC 03/15/07 09/21/10	3133XD6V8	1365	445	100	4.7000 4.7880	9,500,000.00	9,630,625.00	86,819.44 SUNGARD	157,472.00
A 35174	FHLB-UBS 04/03/07 09/29/10	3133XGRD8	1365	441	100	5.1250 4.7400	10,000,000.00	10,156,250.00	88,263.89 SUNGARD	33,850.00
A 35202	FHLB-UBS 04/23/07 09/29/10	3133XGRD8	1365	441	100	5.1250 4.8640	5,000,000.00	5,078,125.00	44,131.94 SUNGARD	37,475.00
A 35197	FHLB-GILFD 04/17/07 12/10/10	3133XJHW1	1365	186	100	4.8750 4.8940	10,000,000.00	10,234,375.00	231,562.50 SUNGARD	240,875.00
A 35205	FHLB-GILFD 04/23/07 12/10/10	3133XJHW1	1365	186	100	4.8750 4.8530	5,000,000.00	5,117,187.50	115,781.25 SUNGARD	113,787.50
A 35497	FHLB-UBC 02/12/08 05/12/11	3133XPHY3	1365	445	100	3.4500 3.4510	9,030,000.00	9,272,681.25	16,442.13 SUNGARD	242,681.25
A 35892	FHLB-CALL-CITIG 11/17/08 11/17/11	3133XSLH9	1365	132	100	3.5500 3.5500	10,000,000.00	10,128,125.00	13,805.56 SUNGARD	128,125.00
A 35889	FHLB-CALL-WF 11/07/08 11/08/12	3133XSL55	1365	451	100	4.1250 4.1250	3,500,000.00	3,551,406.25	9,223.96 SUNGARD	51,406.25

CITY OF SAN JOSE
TREASURY DIVISION
INVESTMENT INVENTORY WITH MARKET VALUE

(RPTMKT)

INVESTMENTS OUTSTANDING AS OF 05/31/10
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 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	8,117,500.00 101.4687500000	20,955.56 SUNGARD	117,500.00
SUBTOTAL (Inv Type) 22 FEDERAL HOME LOAN BANKS 14.12%(M)					4.5400 4.6174	135,030,000.00 134,699,613.00	136,936,275.00 101.4117420000	1,464,281.65	2,236,662.00
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	5,042,187.50 100.8437500000	77,864.58 SUNGARD	31,087.50
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	5,042,187.50 100.8437500000	77,864.58 SUNGARD	106,087.50
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	1,212,000.00 101.0000000000	13,943.33 SUNGARD	26,952.00
A 35176	FFCB-UBC 04/03/07 10/26/10	31331XJR4	1365 445	100	4.8000 4.7190	5,000,000.00 5,013,100.00	5,092,187.50 101.8437500000	23,333.33 SUNGARD	79,087.50
A 35179	FFCB-GILFD 04/03/07 10/26/10	31331XJR4	1365 186	100	4.8000 4.7970	5,000,000.00 5,000,445.00	5,092,187.50 101.8437500000	23,333.33 SUNGARD	91,742.50
A 35180	FFCB-CITIG 04/03/07 10/26/10	31331XJR4	1365 132	100	4.8000 4.7900	5,000,000.00 5,001,550.00	5,092,187.50 101.8437500000	23,333.33 SUNGARD	90,637.50
A 35211	FFCB-GILFD 05/01/07 11/01/10	31331XXJ6	1365 186	100	4.7500 4.8090	5,000,000.00 4,990,600.00	5,093,750.00 101.8750000000	19,791.67 SUNGARD	103,150.00
A 35904	FFCB-GILFD 11/24/08 03/03/11	31331YWG1	1365 186	100	3.0000 3.1130	10,000,000.00 9,975,070.00	10,187,500.00 101.8750000000	73,333.33 SUNGARD	212,430.00
A 35860	FFCB-WF 10/14/08 10/14/11	31331GDC0	1365 451	100	3.6000 3.6000	10,000,000.00 10,000,000.00	10,390,625.00 103.9062500000	47,000.00 SUNGARD	390,625.00
A 35895	FFCB-UBS 11/21/08 11/21/11	31331GFC8	1365 441	100	3.2000 3.2000	10,000,000.00 10,000,000.00	10,353,125.00 103.5312500000	8,888.89 SUNGARD	353,125.00
A 35866	FFCB-CALL-UBS 10/15/08 10/15/13	31331GDF3	1365 441	100	4.2500 4.2500	10,000,000.00 10,000,000.00	10,137,500.00 101.3750000000	54,305.56 SUNGARD	137,500.00
SUBTOTAL (Inv Type) 27 FEDERAL FARM CREDIT BAN 7.50%(M)					4.0776 4.1232	71,200,000.00 71,113,013.00	72,735,437.50 102.1565130000	442,991.93	1,622,424.50
A 36369	FHLMC-CITIG 01/26/10 07/12/10	3134A4VB7	1365 132	100	4.1250 .1810	10,000,000.00 10,197,731.67	10,043,750.00 100.4375000000	159,270.84 SUNGARD	-137,940.00
A 35153	FHLMC-GILFD 03/15/07 08/16/10	3128X4GV7	1365 186	100	4.8750 4.7750	9,900,000.00 9,930,591.00	9,995,906.25 100.9687500000	140,765.63 SUNGARD	65,315.25
A 35155	FHLMC-BA 03/14/07 09/22/10	3128X4KF7	1365 40	100	4.7500 4.7980	2,679,000.00 2,674,847.55	2,713,324.69 101.2812500000	24,390.06 SUNGARD	38,477.14
A 35169	FHLMC-UBS 03/26/07 10/04/10	3128X4MP3	1365 441	100	4.7500 4.8050	10,475,000.00 10,456,459.25	10,632,125.00 101.5000000000	78,780.73 SUNGARD	175,665.75
A 35154	FHLMC-GILFD 03/15/07 10/13/10	3128X3YF4	1365 186	100	4.1600 4.7780	4,000,000.00 3,919,480.00	4,055,000.00 101.3750000000	22,186.67 SUNGARD	135,520.00
A 35173	FHLMC-GILFD 04/03/07 10/18/10	3128X4QK0	1365 186	100	5.0000 4.7550	9,705,000.00 9,781,446.29	9,874,837.50 101.7500000000	57,960.42 SUNGARD	93,391.21
A 35212	FHLMC-CITIG 05/01/07 10/18/10	3134A4VE1	1365 132	100	4.1250 4.7960	10,000,000.00 9,788,000.00	10,146,875.00 101.4687500000	49,270.83 SUNGARD	358,875.00

CITY OF SAN JOSE
 TREASURY DIVISION
 INVESTMENT INVENTORY WITH MARKET VALUE

(RPTMKT)

INVESTMENTS OUTSTANDING AS OF 05/31/10
 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 35225	FHLMC-GILFD 05/08/07 11/19/10	3128X3M34	1365	186	100	4.4000 4.8410	1,000,000.00 985,820.00	1,018,437.50 101.8437500000	1,466.67 SUNGARD	32,617.50
A 35230	FHLMC-GILFD 05/09/07 12/08/10	3128X2EV3	1365	186	100	4.7500 4.8500	4,236,000.00 4,222,063.56	4,332,633.75 102.2812500000	96,692.58 SUNGARD	110,570.19
A 35203	FHLMC-UBC 04/23/07 12/16/10	3128X2HT5	1365	445	100	4.5000 4.8290	9,500,000.00 9,396,089.00	9,710,781.25 102.2187500000	195,937.50 SUNGARD	314,692.25
A 35226	FHLMC-GILFD 05/08/07 12/16/10	3128X2HT5	1365	186	100	4.5000 4.8410	2,000,000.00 1,977,580.00	2,044,375.00 102.2187500000	41,250.00 SUNGARD	66,795.00
SUBTOTAL (Inv Type) 30 FED HOME LOAN MORTGAGE 7.69%(M)						4.5550 4.1563	73,495,000.00 73,330,108.32	74,568,045.94 101.4600260000	867,971.93	1,391,919.29 -137,940.00
A 36334	FNMA-DISC-UBS 01/14/10 06/28/10	313589YR8	1365	441	100	.1100 .1120	15,000,000.00 14,992,437.50	15,000,000.00 100.0000000000	.00 SUNGARD	7,562.50
A 36355	FNMA-DISC-UBS 01/27/10 07/07/10	313589ZA4	1365	441	100	.1300 .1320	10,000,000.00 9,994,186.11	10,000,000.00 100.0000000000	.00 SUNGARD	5,813.89
A 36431	FNMA-DISC-CITIG 04/15/10 07/14/10	313589ZH9	1365	132	100	.1850 .1880	20,000,000.00 19,990,750.00	20,000,000.00 100.0000000000	.00 SUNGARD	9,250.00
A 36352	FNMA-DISC-WF 01/26/10 07/20/10	313589ZP1	1365	451	100	.1200 .1220	10,000,000.00 9,994,166.67	10,000,000.00 100.0000000000	.00 SUNGARD	5,833.33
A 36351	FNMA-DISC-BA 01/26/10 08/23/10	313589C92	1365	40	100	.1700 .1730	30,000,000.00 29,970,391.67	29,990,625.00 99.9687500000	.00 SUNGARD	20,233.33
A 36356	FNMA-DISC-UBS 01/27/10 09/13/10	313589F65	1365	441	100	.2100 .2130	20,000,000.00 19,973,283.33	19,987,500.00 99.9375000000	.00 SUNGARD	14,216.67
A 36390	FNMA-DISC-UBS 03/08/10 11/01/10	313589M75	1365	441	100	.2900 .2940	10,000,000.00 9,980,827.78	9,990,625.00 99.9062500000	.00 SUNGARD	9,797.22
A 36388	FNMA-DISC-UBS 03/04/10 11/19/10	313589P98	1365	441	100	.2900 .2950	15,000,000.00 14,968,583.33	14,981,250.00 99.8750000000	.00 SUNGARD	12,666.67
A 36397	FNMA-DISC-UBC 03/12/10 11/22/10	313589Q48	1365	445	100	.3100 .3150	20,000,000.00 19,956,083.33	19,975,000.00 99.8750000000	.00 SUNGARD	18,916.67
SUBTOTAL (Inv Type) 41 FNMA DISCOUNT NOTES 15.46%(M)						.2040 .2073	150,000,000.00 149,820,709.72	149,925,000.00 99.9500000000	.00	104,290.28
A 36296	FHLB-DISC-UBC 12/14/09 06/07/10	313385XU5	1365	445	100	.1500 .1520	10,000,000.00 9,992,708.33	10,000,000.00 100.0000000000	.00 SUNGARD	7,291.67
A 36299	FHLB-DISC-WF 12/17/09 06/16/10	313385YD2	1365	451	100	.1800 .1830	20,000,000.00 19,981,900.00	20,000,000.00 100.0000000000	.00 SUNGARD	18,100.00
A 36302	FHLB-DISC-WF 12/21/09 06/16/10	313385YD2	1365	451	100	.1800 .1830	20,000,000.00 19,982,300.00	20,000,000.00 100.0000000000	.00 SUNGARD	17,700.00
A 36473	FHLB-DISC-JPM 05/28/10 12/03/10	313385R73	1365	325	100	.2400 .2440	22,640,000.00 22,611,473.60	22,611,700.00 99.8750000000	.00 SUNGARD	226.40
SUBTOTAL (Inv Type) 43 FHLB DISCOUNT NOTES 7.49%(M)						.1946 .1977	72,640,000.00 72,568,381.93	72,611,700.00 99.9610410000	.00	43,318.07

CITY OF SAN JOSE
 TREASURY DIVISION
 INVESTMENT INVENTORY WITH MARKET VALUE

(RPTMKT)

INVESTMENTS OUTSTANDING AS OF 05/31/10
 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 36349	FHLMC-DISC-UBC 01/26/10 08/17/10	313397C33	1365 445	1 100	.1700 .1730		10,000,000.00 9,990,413.89	9,996,875.00 99.96875000000	.00 SUNGARD	6,461.11
A 36350	FHLMC-DISC-CITIG 01/26/10 08/26/10	313397D40	1365 132	1 100	.1700 .1730		20,000,000.00 19,979,977.78	19,993,750.00 99.96875000000	.00 SUNGARD	13,772.22
A 36345	FHLMC-DISC-UBS 01/26/10 09/01/10	313397E23	1365 441	1 100	.1900 .1930		20,000,000.00 19,976,988.89	19,987,500.00 99.93750000000	.00 SUNGARD	10,511.11
SUBTOTAL (Inv Type) 44 FHLMC DISCOUNT NOTES 5.15%(M)					.1780 .1810		50,000,000.00 49,947,380.56	49,978,125.00 99.95625000000	.00	30,744.44
A 35922	MTN-PNC-CITIG 12/22/08 06/22/11	69351CAA1	1365 132	1 100	1.8750 1.9490		5,000,000.00 4,991,000.00	4,991,000.00* 99.82000000000	41,406.25 BOOK	0.00
A 35913	MTN-GE CAPITAL CORP-BA 12/09/08 12/09/11	36967HAD9	1365 40	1 100	3.0000 3.1010		25,000,000.00 24,928,250.00	24,928,250.00* 99.71300000000	358,333.33 BOOK	0.00
SUBTOTAL (Inv Type) 47 CORP MEDIUM TERM NOTE 3.09%(M)					2.8123 2.9088		30,000,000.00 29,919,250.00	29,919,250.00 99.73083300000	399,739.58	.00
A 36285	NCD-UBOC-UBC 12/03/09 06/01/10	90531C7B2	1365 445	1 100	.3000 .3000		10,000,000.00 10,000,000.00	9,999,999.88 99.99999875695	15,000.00 SUNGARD	- .12
A 36426	NCD-UBOC-UBC 04/09/10 07/07/10	90527MDR4	1365 445	1 100	.2900 .2900		20,000,000.00 20,000,000.00	19,999,791.93 99.99895962726	8,538.89 SUNGARD	-208.07
A 36354	NCD-UBS AG STAMFORD-UBS 01/26/10 07/12/10	90267AKQ8	1365 441	1 100	.2600 .2600		25,000,000.00 25,000,000.00	24,998,825.84 99.99530337993	22,750.00 SUNGARD	-1,174.16
A 36344	NCD-UBOC-UBC 01/26/10 07/23/10	90527MBJ4	1365 445	1 100	.2500 .2500		10,000,000.00 10,000,000.00	9,999,260.38 99.99260381642	8,750.00 SUNGARD	-739.62
SUBTOTAL (Inv Type) 71 NEGOTIABLE CERT OF DEPO 6.70%(M)					.2738 .2738		65,000,000.00 65,000,000.00	64,997,878.03 99.99673500000	55,038.89	.00 -2,121.97
A 36470	CP-DISC-GE CAPITAL CORP-GECC 05/26/10 06/02/10	36959JF24	1365 187	1 100	.2100 .2130		20,000,000.00 19,999,183.33	19,999,805.56 99.99902777778	.00 SUNGARD	622.23
A 36289	CP-DISC-GE CAPITAL CORP-GECC 12/08/09 06/04/10	36959JF40	1365 187	1 100	.2600 .2640		10,000,000.00 9,987,144.44	9,999,708.33 99.99708333333	.00 SUNGARD	12,563.89
A 36290	CP-DISC-GE CAPITAL CORP-GECC 12/08/09 06/18/10	36959JFJ7	1365 187	1 100	.2700 .2740		8,000,000.00 7,988,480.00	7,998,677.78 99.98347222222	.00 SUNGARD	10,197.78
A 36294	CP-DISC-TOYOTA-TOY 12/11/09 07/12/10	89233HGC2	1365 436	1 100	.3300 .3350		8,000,000.00 7,984,380.00	7,996,811.11 99.96013888889	.00 SUNGARD	12,431.11
A 36333	CP-DISC-UBS FIN DEL-UBS 01/14/10 07/14/10	90262DGE9	1365 441	1 100	.3000 .3050		10,000,000.00 9,984,916.67	9,995,819.44 99.95819444444	.00 SUNGARD	10,902.77
A 36324	CP-DISC-TOYOTA-TOY 01/11/10 07/16/10	89233HGG3	1365 436	1 100	.2500 .2540		18,000,000.00 17,976,750.00	17,992,125.00 99.95625000000	.00 SUNGARD	15,375.00

* MARKET = BOOK LESS PURCHASE INTEREST

CITY OF SAN JOSE
 TREASURY DIVISION
 INVESTMENT INVENTORY WITH MARKET VALUE

(RPTMKT)

INVESTMENTS OUTSTANDING AS OF 05/31/10
 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 36346	CP-DISC-JP MORGAN-JPM 01/26/10 07/26/10	4662J1GS3	1365	1	.2500	20,000,000.00	19,989,305.56	.00	14,444.45
A 36472	CP-DISC-GE CAPITAL CORP-GECC 05/27/10 10/08/10	36959JK85	1365	1	.4200	9,000,000.00	8,981,940.00	.00	-3,990.00
			187	100	.4270	8,985,930.00	99.799333333333	SUNGARD	
SUBTOTAL (Inv Type) 82 COMMERCIAL PAPER, DISCO 10.62%(M)					.2707	103,000,000.00	102,954,192.78	.00	76,537.23
					.2749	102,881,645.55	99.95552700000		-3,990.00
A 32936	STATE INVESTMT POOL-CTY 01/01/02 06/01/10		1235	1	.5700	50,000,000.00	50,000,000.00*	47,346.26	0.00
			415	000	.5700	50,000,000.00	100.0000000000	BOOK	
A 33658	STATE INVESTMT POOL-RDA 10/01/03 06/01/10		1365	1	.5700	50,000,000.00	50,000,000.00*	47,632.29	0.00
			415	100	.5700	50,000,000.00	100.0000000000	BOOK	
SUBTOTAL (Inv Type) 99 PASSBOOK & STATE POOL 10.31%(M)					.5700	100,000,000.00	100,000,000.00	94,978.55	.00
					.5700	100,000,000.00	100.0000000000		
SUBTOTAL (Fund) 1 INVESTMENT FUNDS 97.65%(M)					1.5476	965,265,000.00	969,525,904.25	3,325,002.53	5,532,173.39
					1.5360	964,153,824.50	100.4414230000		-144,051.97

* MARKET = BOOK LESS PURCHASE INTEREST

CITY OF SAN JOSE
 TREASURY DIVISION
 INVESTMENT INVENTORY WITH MARKET VALUE

(RPTMKT)

INVESTMENTS OUTSTANDING AS OF 05/31/10
 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 PRICE	INT SOURCE	UNREALIZED UNREALIZED	GAIN 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	849,404.38 99.8125000000		.00 SUNGARD		1,265.63
SUBTOTAL (Inv Type) 43 FHLB DISCOUNT NOTES 100.00%(M)					.3400 .3460		851,000.00 848,138.75	849,404.38 99.8125000000		.00		1,265.63
SUBTOTAL (Fund) 34 CSJ/CSC Jt Pwr .09%(M)					.3400 .3460		851,000.00 848,138.75	849,404.38 99.8125000000		.00		1,265.63

CITY OF SAN JOSE
 TREASURY DIVISION
 INVESTMENT INVENTORY WITH MARKET VALUE

(RPTMKT)

INVESTMENTS OUTSTANDING AS OF 05/31/10
 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 35894	Series 2008 B-RDA Tax Allocatio 11/14/08 06/01/10		130 415	55 100	.5700 .5700	22,477,773.73 22,477,773.73	22,477,773.73* 100.0000000000	22,646.11 BOOK	0.00
SUBTOTAL (Inv Type) 99 PASSBOOK & STATE POOL 100.00%(M)					.5700 .5700	22,477,773.73 22,477,773.73	22,477,773.73 100.0000000000	22,646.11	.00
SUBTOTAL (Fund) 55 Series 2008B-RDA Tax Alloca 2.26%(M)					.5700 .5700	22,477,773.73 22,477,773.73	22,477,773.73 100.0000000000	22,646.11	.00
GRAND TOTAL					1.5243 1.5130	988,593,773.73 987,479,736.98	992,853,082.36 100.4308450000	3,347,648.64	5,533,439.02 -144,051.97
					=====				

* MARKET = BOOK LESS PURCHASE INTEREST

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
05/01/10 THROUGH 05/31/10

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ALL FUNDS					(ABSOLUTE)
CODE	BROKER NAME	TRANSACTIONS	ASSETS	LIABILITIES	TOTAL
132	CITIGROUP GLOBAL MARKETS INC.	1	9,998,227.78		9,998,227.78
187	GENERAL ELECTRIC CAPITAL CORP	11	161,754,345.62		161,754,345.62
325	J P MORGAN SECURITIES INC	8	123,740,961.95		123,740,961.95
415	STATE INVESTMENT POOL	2	11,200,000.00		11,200,000.00
441	UBS FINANCIAL SERVICES INC.	5	88,189,784.80		88,189,784.80
GRAND TOTALS		27	394,883,320.15		394,883,320.15

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

(EIS / ERNEIS)

E A R N E D I N C O M E S U M M A R Y
05/01/10 THROUGH 05/31/10
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	.142			3,616.67
36446	04/29/10	.1400	TBIL-DISC-UBC	07/01/10	29,900,000.00	29,892,674.50	.142			3,604.61
36450	05/03/10	.1450	TBIL-DISC-UBS	07/01/10	25,000,000.00	24,994,059.03	.147			2,920.14
36458	05/12/10	.1400	TBIL-DISC-UBS	07/01/10	20,000,000.00	19,996,111.11	.142			1,555.56
36463	05/18/10	.1450	TBIL-DISC-CITIG	07/01/10	10,000,000.00	9,998,227.78	.147			563.89
SUBTOTAL (ICC#) 11			TREASURY BILLS	11.63%(C)	31 DAYS	114,900,000.00	114,873,722.42	.143	.00	12,260.87
35119	02/15/07	4.7500	FHLB-GILFD	08/04/10	5,000,000.00	4,957,400.00	4.948			20,834.80
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			19,632.10
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			41,851.84
35177	04/03/07	5.1250	FHLB-UBS	09/10/10	10,000,000.00	10,098,700.00	4.695			40,272.26
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			39,732.33
35202	04/23/07	5.1250	FHLB-UBS	09/29/10	5,000,000.00	5,040,650.00	4.753			20,350.05
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			20,233.08
35497	02/12/08	3.4500	FHLB-UBC	05/12/11	9,030,000.00	9,030,000.00	3.385		155,767.50	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		177,500.00	29,583.34
35213	05/03/07	5.0200	FHLB-CALL-UBC	05/03/12	5,000,000.00	5,000,000.00	5.090	05/03/10	125,500.00	1,394.44
35216	05/07/07	5.0500	FHLB-CALL-UBC	05/07/12	5,000,000.00	5,000,000.00	5.120	05/07/10	126,250.00	4,208.33
35889	11/07/08	4.1250	FHLB-CALL-WF	11/08/12	3,500,000.00	3,500,000.00	4.047		72,187.50	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		164,000.00	27,333.34
SUBTOTAL (ICC#) 22			FEDERAL HOME LOA	13.64%(C)	221 DAYS	135,030,000.00	134,699,613.00	4.543	821,205.00	524,685.34
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			4,829.31
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			19,963.10
35211	05/01/07	4.7500	FFCB-GILFD	11/01/10	5,000,000.00	4,990,600.00	4.723		118,750.00	20,019.33
35904	11/24/08	3.0000	FFCB-GILFD	03/03/11	10,000,000.00	9,975,070.00	3.061			25,932.25
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		160,000.00	26,666.67
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	7.20%(C)	411 DAYS	71,200,000.00	71,113,013.00	4.049	278,750.00	244,567.53

CITY OF SAN JOSE
TREASURY DIVISION

(EIS / ERNEIS)

EARNED INCOME SUMMARY

05/01/10 THROUGH 05/31/10

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
36369	01/26/10	4.1250	FHLMC-CITIG	07/12/10	10,000,000.00	10,197,731.67	.075			648.12
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			41,909.79
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			38,606.09
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		22,000.00	4,007.16
35230	05/09/07	4.7500	FHLMC-GILFD	12/08/10	4,236,000.00	4,222,063.56	4.768			17,097.55
35203	04/23/07	4.5000	FHLMC-UBC	12/16/10	9,500,000.00	9,396,089.00	4.767			38,041.54
35226	05/08/07	4.5000	FHLMC-GILFD	12/16/10	2,000,000.00	1,977,580.00	4.779			8,027.33
SUBTOTAL (ICC#) 30 FED HOME LOAN MO			7.43%(C)	127 DAYS	73,495,000.00	73,330,108.32	4.076		22,000.00	253,843.15
36334	01/14/10	.1100	FNMA-DISC-UBS	06/28/10	15,000,000.00	14,992,437.50	.112			1,420.83
36355	01/27/10	.1300	FNMA-DISC-UBS	07/07/10	10,000,000.00	9,994,186.11	.132			1,119.44
36431	04/15/10	.1850	FNMA-DISC-CITIG	07/14/10	20,000,000.00	19,990,750.00	.188			3,186.12
36352	01/26/10	.1200	FNMA-DISC-WF	07/20/10	10,000,000.00	9,994,166.67	.122			1,033.34
36351	01/26/10	.1700	FNMA-DISC-BA	08/23/10	30,000,000.00	29,970,391.67	.173			4,391.67
36356	01/27/10	.2100	FNMA-DISC-UBS	09/13/10	20,000,000.00	19,973,283.33	.213			3,616.67
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			3,745.84
36397	03/12/10	.3100	FNMA-DISC-UBC	11/22/10	20,000,000.00	19,956,083.33	.315			5,338.89
SUBTOTAL (ICC#) 41 FNMA DISCOUNT NO			15.17%(C)	96 DAYS	150,000,000.00	149,820,709.72	.207		.00	26,350.02
36448	04/30/10	.0600	FHLB-DISC-UBS	05/03/10	15,500,000.00	15,499,922.50	.061	MATURED	77.50	51.67
36452	05/05/10	.0800	FHLB-DISC-JPM	05/10/10	10,500,000.00	10,499,883.33	.081	MATURED	116.67	116.67
36441	04/26/10	.1250	FHLB-DISC-WF	05/12/10	40,000,000.00	39,997,777.78	.127	MATURED	2,222.22	1,527.78
36303	12/21/09	.1600	FHLB-DISC-UBC	05/18/10	20,000,000.00	19,986,844.44	.162	MATURED	13,155.56	1,511.11
36461	05/17/10	.1500	FHLB-DISC-JPM	05/18/10	11,450,000.00	11,449,952.29	.152	MATURED	47.71	47.71
36247	10/26/09	.1800	FHLB-DISC-WF	05/21/10	15,000,000.00	14,984,475.00	.183	MATURED	15,525.00	1,500.00
36296	12/14/09	.1500	FHLB-DISC-UBC	06/07/10	10,000,000.00	9,992,708.33	.152			1,291.67
36299	12/17/09	.1800	FHLB-DISC-WF	06/16/10	20,000,000.00	19,981,900.00	.183			3,100.00
36302	12/21/09	.1800	FHLB-DISC-WF	06/16/10	20,000,000.00	19,982,300.00	.183			3,100.00
36473	05/28/10	.2400	FHLB-DISC-JPM	12/03/10	22,640,000.00	22,611,473.60	.244			603.73
SUBTOTAL (ICC#) 43 FHLB DISCOUNT NO			7.35%(C)	67 DAYS	72,640,000.00	72,568,381.93	.167		31,144.66	12,850.34
36349	01/26/10	.1700	FHLMC-DISC-UBC	08/17/10	10,000,000.00	9,990,413.89	.173			1,463.89
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

CITY OF SAN JOSE
TREASURY DIVISION

(EIS / ERNEIS)

EARNED INCOME SUMMARY

05/01/10 THROUGH 05/31/10

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#) 44 FHLMC DISCOUNT N 5.06%(C) 87 DAYS 50,000,000.00 49,947,380.56 .181 .00 7,663.89										
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 3.03%(C) 528 DAYS 30,000,000.00 29,919,250.00 2.859 .00 72,649.70										
36285	12/03/09	.3000	NCD-UBOC-UBC	06/01/10	10,000,000.00	10,000,000.00	.304			2,583.33
36426	04/09/10	.2900	NCD-UBOC-UBC	07/07/10	20,000,000.00	20,000,000.00	.294			4,994.45
36354	01/26/10	.2600	NCD-UBS AG STAMFORD-UBS	07/12/10	25,000,000.00	25,000,000.00	.264			5,597.22
36344	01/26/10	.2500	NCD-UBOC-UBC	07/23/10	10,000,000.00	10,000,000.00	.253			2,152.78
SUBTOTAL (ICC#) 71 NEGOTIABLE CERT 6.58%(C) 35 DAYS 65,000,000.00 65,000,000.00 .278 .00 15,327.78										
36447	04/30/10	.1200	CP-DISC-JP MORGAN-JPM	05/03/10	25,000,000.00	24,999,750.00	.122	MATURED	250.00	166.67
36449	05/03/10	.1200	CP-DISC-JP MORGAN-JPM	05/04/10	20,500,000.00	20,499,931.67	.122	MATURED	68.33	68.33
36451	05/04/10	.2100	CP-DISC-UBS FIN DEL-UBS	05/05/10	18,200,000.00	18,199,893.83	.213	MATURED	106.17	106.17
36453	05/06/10	.1200	CP-DISC-JP MORGAN-JPM	05/07/10	19,400,000.00	19,399,935.33	.122	MATURED	64.67	64.67
36454	05/06/10	.2100	CP-DISC-UBS FIN DEL-UBS	05/07/10	15,000,000.00	14,999,912.50	.213	MATURED	87.50	87.50
36440	04/23/10	.2000	CP-DISC-GE CAPITAL CORP-	05/10/10	22,500,000.00	22,497,875.00	.203	MATURED	2,125.00	1,125.00
36455	05/07/10	.1200	CP-DISC-JPM MORAN-JPM	05/10/10	12,500,000.00	12,499,875.00	.122	MATURED	125.00	125.00
36456	05/07/10	.2300	CP-DISC-UBS FIN DEL-UBS	05/10/10	10,000,000.00	9,999,808.33	.233	MATURED	191.67	191.67
36457	05/12/10	.1400	CP-DISC-GE CAPITAL CORP-	05/13/10	15,600,000.00	15,599,939.33	.142	MATURED	60.67	60.67
36459	05/13/10	.1400	CP-DISC-GE CAPITAL CORP-	05/14/10	16,800,000.00	16,799,934.67	.142	MATURED	65.33	65.33
36460	05/14/10	.1400	CP-DISC-GE CAPITAL CORP-	05/17/10	13,800,000.00	13,799,839.00	.142	MATURED	161.00	161.00
36462	05/18/10	.1500	CP-DISC-GE CAPITAL CORP-	05/19/10	17,390,000.00	17,389,927.54	.152	MATURED	72.46	72.46
36464	05/19/10	.1500	CP-DISC-GE CAPITAL CORP-	05/20/10	14,800,000.00	14,799,938.33	.152	MATURED	61.67	61.67
36465	05/20/10	.1500	CP-DISC-GE CAPITAL CORP-	05/21/10	14,770,000.00	14,769,938.46	.152	MATURED	61.54	61.54
36466	05/21/10	.1500	CP-DISC-GE CAPITAL CORP-	05/24/10	14,400,000.00	14,399,820.00	.152	MATURED	180.00	180.00
36467	05/24/10	.1500	CP-DISC-GE CAPITAL CORP-	05/25/10	12,940,000.00	12,939,946.08	.152	MATURED	53.92	53.92
36468	05/25/10	.1500	CP-DISC-GE CAPITAL CORP-	05/26/10	12,270,000.00	12,269,948.88	.152	MATURED	51.12	51.12
36469	05/26/10	.1200	CP-DISC-JP MORGAN-JPM	05/27/10	13,580,000.00	13,579,954.73	.122	MATURED	45.27	45.27
36471	05/27/10	.1200	CP-DISC-JP MORGAN-JPM	05/28/10	13,200,000.00	13,199,956.00	.122	MATURED	44.00	44.00
36470	05/26/10	.2100	CP-DISC-GE CAPITAL CORP-	06/02/10	20,000,000.00	19,999,183.33	.213			700.00
36289	12/08/09	.2600	CP-DISC-GE CAPITAL CORP-	06/04/10	10,000,000.00	9,987,144.44	.264			2,238.89
36290	12/08/09	.2700	CP-DISC-GE CAPITAL CORP-	06/18/10	8,000,000.00	7,988,480.00	.274			1,860.00
36294	12/11/09	.3300	CP-DISC-TOYOTA-TOY	07/12/10	8,000,000.00	7,984,380.00	.335			2,273.33
36333	01/14/10	.3000	CP-DISC-UBS FIN DEL-UBS	07/14/10	10,000,000.00	9,984,916.67	.305			2,583.34
36324	01/11/10	.2500	CP-DISC-TOYOTA-TOY	07/16/10	18,000,000.00	17,976,750.00	.254			3,875.00
36346	01/26/10	.2500	CP-DISC-JP MORGAN-JPM	07/26/10	20,000,000.00	19,974,861.11	.254			4,305.55
36472	05/27/10	.4200	CP-DISC-GE CAPITAL CORP-	10/08/10	9,000,000.00	8,985,930.00	.427			525.00

CITY OF SAN JOSE
TREASURY DIVISION

(EIS / ERNEIS)

EARNED INCOME SUMMARY
05/01/10 THROUGH 05/31/10
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#) 82 COMMERCIAL PAPER 10.42%(C) 39 DAYS 103,000,000.00 102,881,645.55 .252 3,875.32 21,153.10										
32936	01/01/02	.5700	STATE INVESTMT POOL-CTY	06/01/10	50,000,000.00	50,000,000.00	.570			23,919.70
33658	10/01/03	.5700	STATE INVESTMT POOL-RDA	06/01/10	50,000,000.00	50,000,000.00	.570			24,205.48
SUBTOTAL (ICC#) 99 PASSBOOK & STATE 10.13%(C) 1 DAYS 100,000,000.00 100,000,000.00 .570 .00 48,125.18										
SUBTOTAL (FUND) 1 INVESTMENT FUNDS - ASSETS 122 DAYS 965,265,000.00 964,153,824.50 1,156,974.98 1,239,476.90										
SUBTOTAL (FUND) 1 INVESTMENT FUNDS - NET 965,265,000.00 964,153,824.50 1,156,974.98 1,239,476.90										

FUND STATISTICS		ASSETS	LIABILITIES

AVERAGE DAILY INVESTMENT BALANCE	:	964,833,805.83	
EARNED INTEREST YIELD THIS PERIOD	:	1.513	.000
WEIGHTED AVG YIELD AT END OF PERIOD	:	1.512	.000
TOTAL INTEREST EARNED FOR FUTURE RECEIPT:	:	4,190,637.78	

CITY OF SAN JOSE
TREASURY DIVISION

(EIS / ERNEIS)

EARNED INCOME SUMMARY
05/01/10 THROUGH 05/31/10
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	.09%(C) 219 DAYS	851,000.00	848,138.75	.346		.00	249.16
SUBTOTAL (FUND)			34 CSJ/CSC Jt Pwr	- ASSETS 219 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:				:	1,109.14					

CITY OF SAN JOSE
TREASURY DIVISION

(EIS / ERNEIS)

EARNED INCOME SUMMARY

05/01/10 THROUGH 05/31/10

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	.5700	Series 2008 B-RDA Tax Al	06/01/10	22,477,773.73	22,477,773.73	.570			11,169.38
SUBTOTAL (ICC#) 99 PASSBOOK & STATE 2.28%(C) 1 DAYS 22,477,773.73 22,477,773.73 .570 .00 11,169.38										
SUBTOTAL (FUND) 55 Series 2008B-RDA Ta- ASSETS 1 DAYS 22,477,773.73 22,477,773.73 .00 11,169.38										
SUBTOTAL (FUND) 55 Series 2008B-RDA Ta- NET 22,477,773.73 22,477,773.73 .00 11,169.38										

FUND STATISTICS	ASSETS	LIABILITIES
AVERAGE DAILY INVESTMENT BALANCE	: 23,071,999.54	
EARNED INTEREST YIELD THIS PERIOD	: .570	.000
WEIGHTED AVG YIELD AT END OF PERIOD	: .570	.000
TOTAL INTEREST EARNED FOR FUTURE RECEIPT:	22,646.11	

GRAND TOTAL 100.00%(C) 119 DAYS 988,593,773.73 987,479,736.98 1.490 1,156,974.98 1,250,895.44