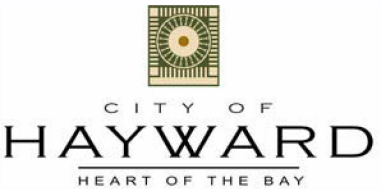
City of Hayward Finance Department

August 21, 2009



FY 2009 Annual Investment Review

Summary

Prudent management, along with a sound Investment Policy have ensured a solid Investment Program.

The annual review provides an overview of the year's investment activities.

The annual report is provided to the City Council as a supplement to monthly investment reports. The annual report is prepared in compliance with the City of Hayward Investment Policy and the State of California. The purpose of the report is to apprise the members of the City Council on the performance, composition, quality, diversity, and liquidity of the City investment portfolio during the preceding fiscal year.

The report provides an opportunity for the City Council to conduct its review, and annually adopt the Statement of Investment Policy in accordance with City and State requirements; and to amend the policy as required to meet local needs or comply with legal requirements.

FY 2009—Year In Review

Staff continued to maintain an emphasis on safety, liquidity, and yield in FY 2009.

The portfolio gross accrued interest declined $3 million (from $8.4 to $5.4 million) or 36%, as the annual portfolio yield declined 153 basis points (from 4.59% to 3.06%), or 33%. The decrease in total accrued interest was expected due to the effects of a severe economic recession, which caused a reduction in interest rates available for investment. As available interest rates declined, short-term investments were shifted into LAIF, due to LAIF's competitive rate of return. For FY 2009, average cash available for investment went down $3.6 million (from $184 to $180.4 million), or 2%.

Annual Average Comparison
($ in 000's)

	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Annual Portfolio Yield	2.38%	3.79%	5.06%	4.59%	3.06%
Annual Accrued Interest	$3,386	$5,881	$8,643	$8,434	$5,410
Annual Avg Portfolio Balance	$147,642	$162,458	$177,590	$184,095	$180,424

FY 2009 Overview

- ***$5.4 million**—gross accrued interest.*
- ***3.06%**—average yield.*
- ***$180 million**—average cash available for investment.*

Inside:

Available Investment Rates	2
Portfolio Yield	2
Cash & Interest Growth	3
Investing in LAIF	4
Average Liquidity	5
Market Value	5
Portfolio Make-Up & Credit Worthiness	6
Oversight & Accounting	7
Internal Controls	8
Policy Constraints	9

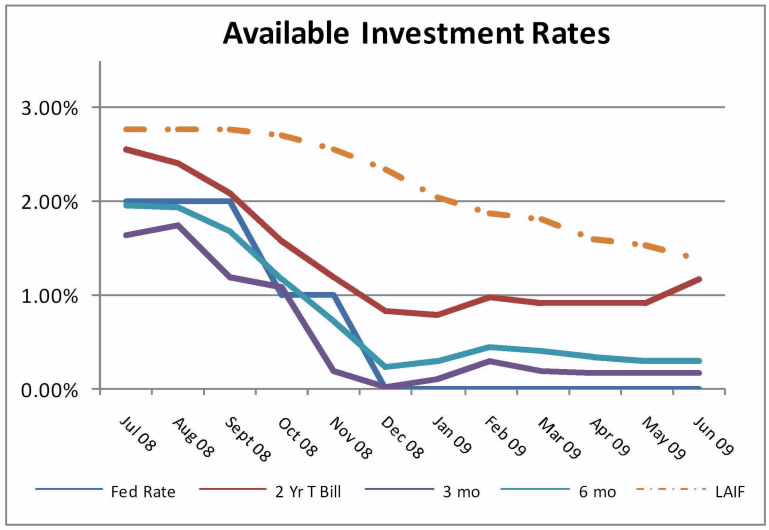
Available Investment Rates

Available investment rates are determined by national economic conditions.

FY 2009 rates available for investment declined, as the economy entered into a severe economic recession.

The chart highlights the decline in short and medium term rates over the past year.

As the Federal Reserve went to a zero to 0.25% federal funds rate in December 2008, rates leveled off. Of particular note, the LAIF rate followed the decline of other rates, but declined at a lesser rate, due to its longer maturity period.



Portfolio Yield

Yield is the percentage of annual return on investment.

For FY 2009, the portfolio earned an average yield of 3.06%.

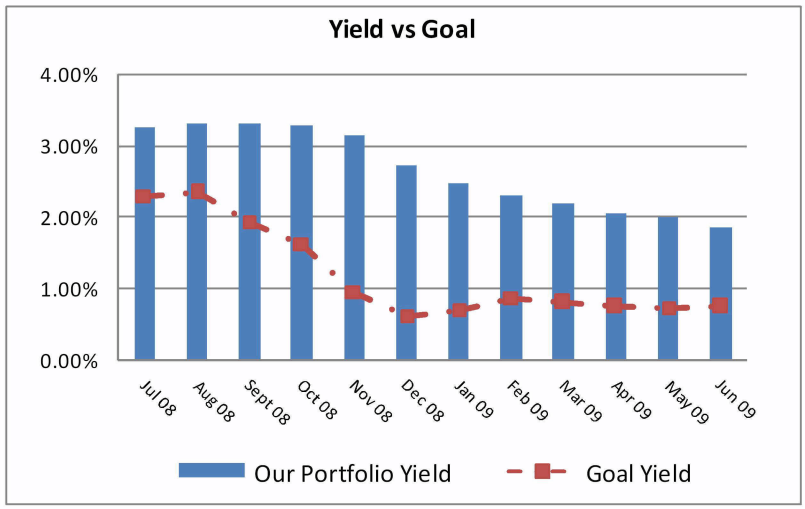
In FY 2009, rates available for investment declined. As rates available for investment declined, so did our investment portfolio yield. The average annual yield declined 153 basis points (from 4.59% to 3.06%); or 33%.

The yield decrease was a result of two factors. First, the maturation or call of higher yielding securities; followed by the purchase of lower yielding securities. Second, a drop in rates aided to the decline.

It should be emphasized that the Statement of Investment Policy states that the portfolio is to be managed with an emphasis first on safety, then on liquidity, and finally on yield.

Therefore, it should be emphasized that the need to maintain quality, diversity, and liquidity constrain the ability to maximize yield.

The chart highlights the FY 2009 portfolio yield versus the goal yield. The chart shows a steady decline in the portfolio yield, as the goal yield dropped, then leveled off.

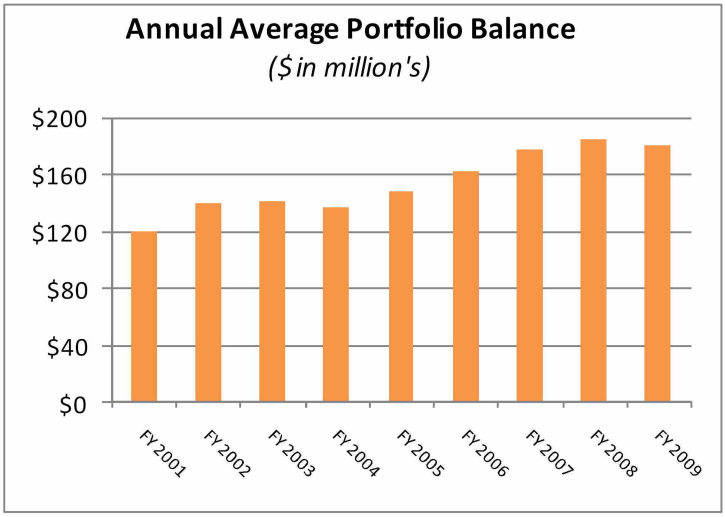


Cash and Interest Growth Overview

Cash Available for Investment

For FY 2009, the annual portfolio cash balance averaged $180 million, a $4 million, or 35% decrease over the previous year.

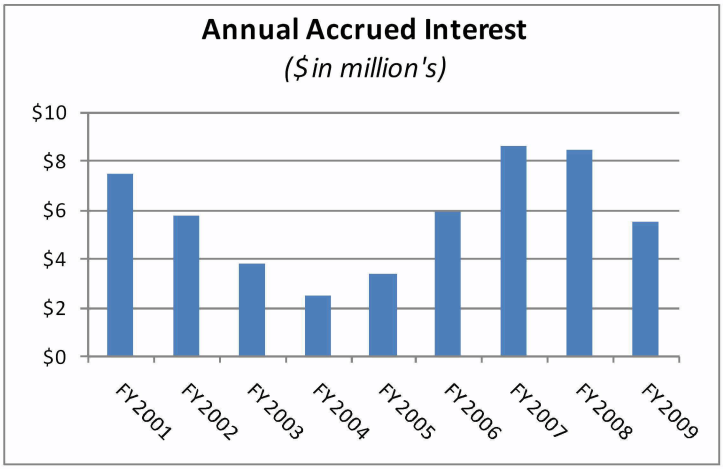
The chart shows that the City's cash available for investment has grown over the past four years, with only a small decline in FY 2009.

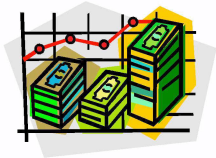


Interest Earnings

For FY 2009, the gross accrued interest totaled $5.5 million (a 33% or $2.9 million decline from the previous year).

The chart shows the change in annual accrued interest over the past nine years. Interest earnings over the years have increased from their FY 2004 lows.





Over the past nine years, cash available for investment has increased by $60 million, while annual accrued interest has gone up and down, following the economic cycle.

Investing in LAIF

Same day investments averaged 59% in FY 2009, and ended the year at 63%.

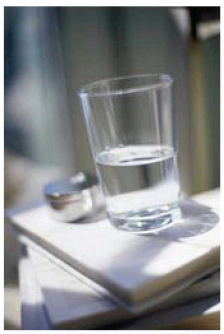
A portfolio has the appropriate level of liquidity if needed portions of it can be 1) converted into cash to meet obligations, and 2) take advantage of market conditions.

Of the two factors above, the need to meet obligations is the most critical.

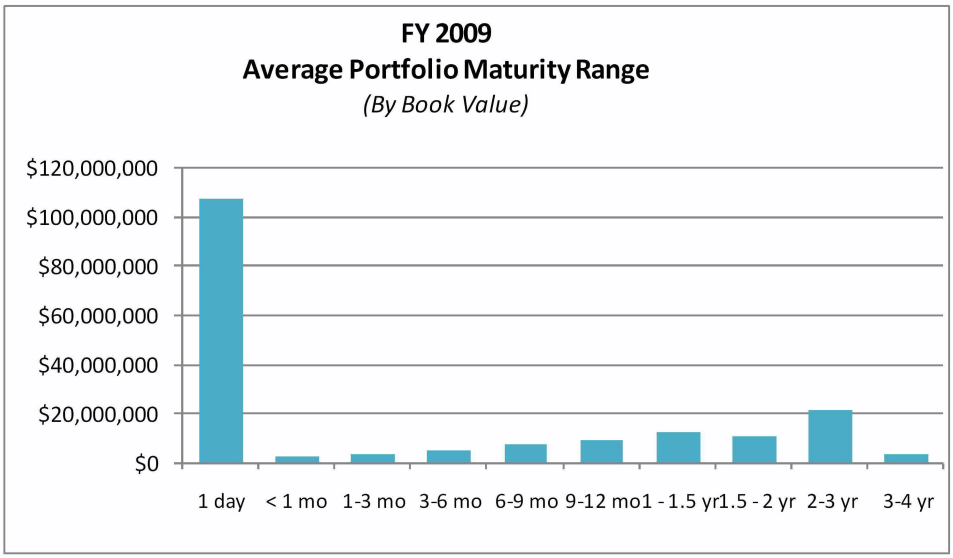
LAIF is the investment of choice for this purpose. LAIF offers the City overnight liquidity at rates that are equivalent to other short-term investment types, with the added benefit of daily withdrawal being available.

Throughout the year, available investment rates declined. As the rates declined, we chose to invest larger percentages of the short-term portfolio into LAIF. During period of declining rates, the LAIF yield is slow to decline due to its longer maturity period. As rates improve, we will be evaluating our other short term investment opportunities. To learn more about LAIF, visit http://www.treasurer.ca.gov/pmia-laif.

The following chart represents the portfolio's June 30, 2009 book value, separated by maturity periods. Investment in LAIF represents the 1 day maturity period.



Securities are purchased in various maturity ranges in order to ensure liquidity.

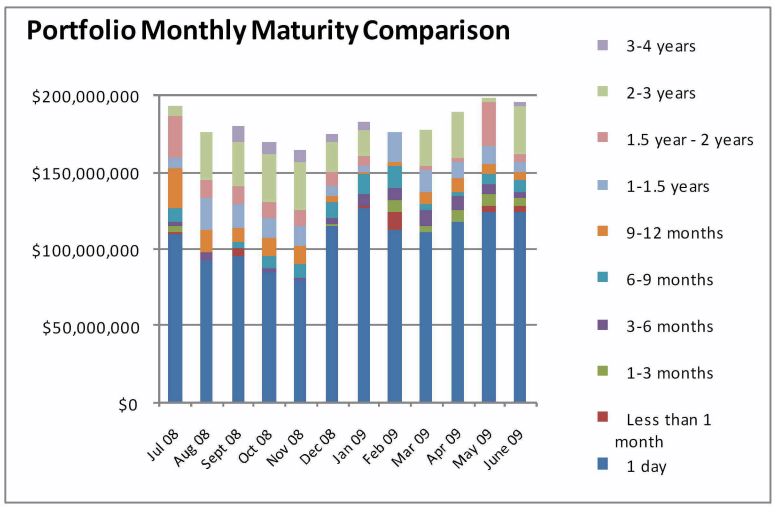


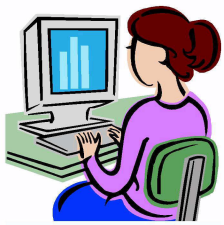
Average Liquidity

As rates declined, we concentrated our investments into LAIF.

LAIF and other short-term investments provide sufficient liquidity to more than cover foreseeable shortfalls in cash resulting from the normal variability of our many revenue sources. If necessary, any investments in the portfolio can be sold immediately if the need arose, although it is generally our practice to hold investments until maturity.

The chart shows the average maturity periods for FY 2009. As can be seen in the chart, we chose to invest larger percentages of the portfolio into LAIF; mainly due to the declining rates of other short-term investments. In the future, when rates improve, we will be laddering our maturity levels more evenly along the maturity range.





To ensure adequate cash is available, the City monitors its cash position daily, satisfying its obligations and investing the remaining cash.

Market Value

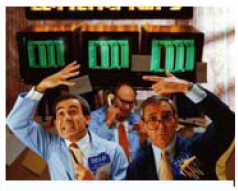
If sold on June 30, 2009, $9,661 would have been gained on the portfolio.

As stated in previous reports, the value at maturity of all securities in the portfolio is not affected by this calculation.

What is demonstrated is the movement in bond prices associated with changes in bond market yields. Since bond yields and bond prices move in opposite directions, any overall decrease in market interest rates serves to increase the prices of existing holdings.

The City is required to report its portfolio market value each June 30th. This information is reported in the Annual Comprehensive Annual Financial Report (CAFR).

[1]*Market pricing is provided by Bank of the West.*



Market value is the current price at which investors are willing to buy or sell a bond at a given time.

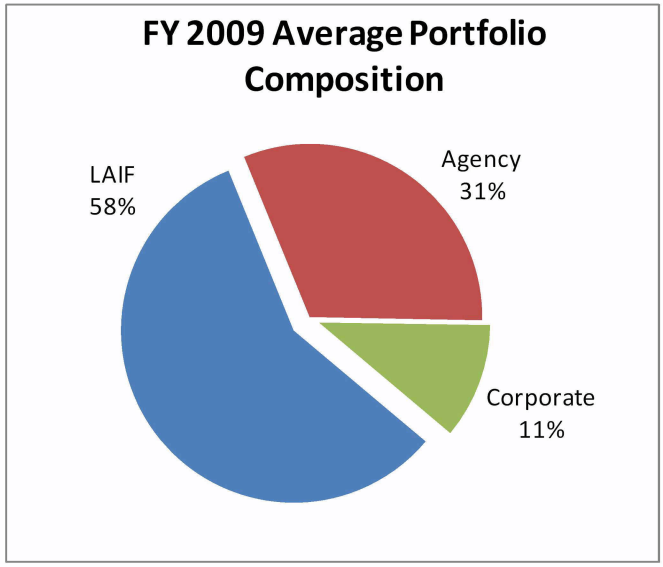
Portfolio composition describes the make-up of the portfolio by security type.

Portfolio Make-Up

Our diverse portfolio adds value and safety.

The investment program took advantage of its safety, liquidity, and yield requirements by investing in diverse security types. Diversifying security issuers and types, along with correlating investment maturities with cash flow needs dilutes risk.

The chart shows the average composition of a monthly FY 2009 portfolio. As can be seen from the graph, our portfolio is diversified among several security types.

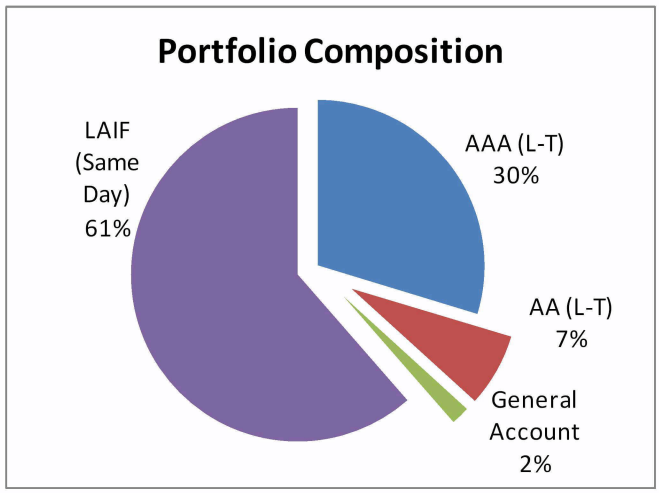


A credit rating assesses the credit worthiness of a corporation. Credit ratings are calculated from financial history and current assets and liabilities. Typically, a credit rating tells an investor the probability of the subject being able to pay back a bond.

Credit Worthiness

Security credit ratings are monitored monthly.

The graph presents the portfolio investments' by credit ratings as of June 30, 2009. AAA and AA are long-term ratings (maturity of greater than one year), while A-1 is a short-term rating (shorter than one year). LAIF has not been issued a credit rating by a national rating agency, and is listed separately. Corporate security holdings as of June 30, 2009 as listed below.



Company *(# of issues)*	**S & P Rating**	**Total Amount** *(in millions)*	**Maturity Date**
General Electric (2)	AA	$5.7	09/15/09, 10/27/09
Greater Bay Bancorp (WF) (1)	AA+	$2.1	04/15/10
Toyota (1)	AA	$2	04/28/10
Wells Fargo (2)	AA	$4	01/15/10, 08/09/10

Oversight

The Investment Advisory Committee has met with Finance staff every quarter for more than thirteen years.

The purpose of Investment Advisory Committee meetings is to review investment strategy, approve new investment sources, discuss economic developments, monitor investment activity and consider proposed changes to investment practices and to the Statement of Investment Policy.

The result has been a focus on safe investing, improved investment standards, and improved investment quality. The board has provided an invaluable sounding board for staff concerns about the economy, the direction of interest rates, downgrading of well-rated issuers of securities, and a variety of other subjects related to the treasury operation.

Information is provided to the Committee monthly by the Finance Department. The Finance Director chairs the quarterly meetings, which include a briefing from the Investment Officer on the status of the investment portfolio.

The Committee consists of the Assistant City Manager; the City Attorney (represented by the Assistant City Attorney); two department heads appointed by the City Manager (current appointees include the Maintenance Services Director and Fire Chief); a Professor from California State University, East Bay (CSUEB), representing the finance & economic educational community; and a representative from the banking community.

The contributions of Professor Zock of CSUEB and Andrew Stoddard, VP of Institutional Sales from Union Banc, warrant particular attention and deserve particular thanks. Their expertise in economic and financial matters within the private sector and the larger economy is invaluable to maintenance of prudent, effective investment.

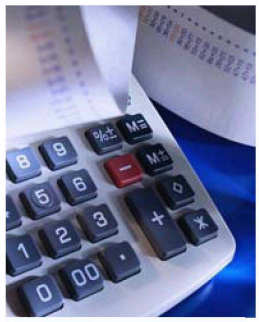
The Investment Program is reviewed quarterly by the Investment Advisory Committee.

Accounting Requirements

Investment procedures and results are reviewed by independent auditors.

GASB No. 40, Deposit and Investment Risk Disclosure, requires annual disclosure of various types of investment risks as of the June 30 reporting period. The purpose of the accounting disclosure is to add information regarding certain risks associated with cash and investments. The requirement serves to provide additional disclosure as related to credit rating risk, interest rate risk, and concentration risk. By disclosing these areas of risk in the City's Annual Financial Statements, a reader can become more informed of various risks associated with cash and investments.

The FY 2009 Comprehensive Annual Financial Report (CAFR) will be audited by the City's certified public accountant firm, and will be available in January 2010. The report will contain the GASB No. 40 reporting requirement.



Independent auditors review the Investment Program.

Internal Controls

As always, staff continued to monitor investment safety in FY 2009.

Internal control are defined as a process effected by an organization's structure, work and authority flows, people and management information systems, designed to help the organization accomplish specific goals or objectives. It is a means by which an organization's resources are directed, monitored, and measured. It plays an important role in preventing and detecting fraud and protecting the organization's resources. At the organizational level, internal control objectives relate to the reliability of financial reporting, timely feedback on the achievement of operational or strategic goals, and compliance with laws and regulations.

The Statement of Investment Policy's internal control requirements were observed, to include:

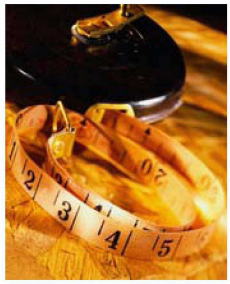
1. Transactions were only completed with investment institutions that were qualified and approved by the Investment Advisory Committee.
2. All transactions were executed on a delivery-versus-payment basis. This means that the City does not pay for securities until its title to them is confirmed.
3. Competitive bidding was the standard method of security procurement, and all bidders were pre-qualified by agreement to comply with the City policies. Furthermore, no addition to the bidders' list is made without the concurrence of the Investment Advisory Committee.
4. Investment practices followed written authorizations, controls and procedures in the Statement of Investment Policy; as previously approved by the City Council.
5. All investment instruments were secured through third-party custody and safekeeping procedures by Bank of the West.
6. The City employed a computerized cash budgeting system, which plots expenditure requirements and income delivery for the entire year. Staff correlated investment maturities with cash flow needs as a matter of routine.

Policy Constraints

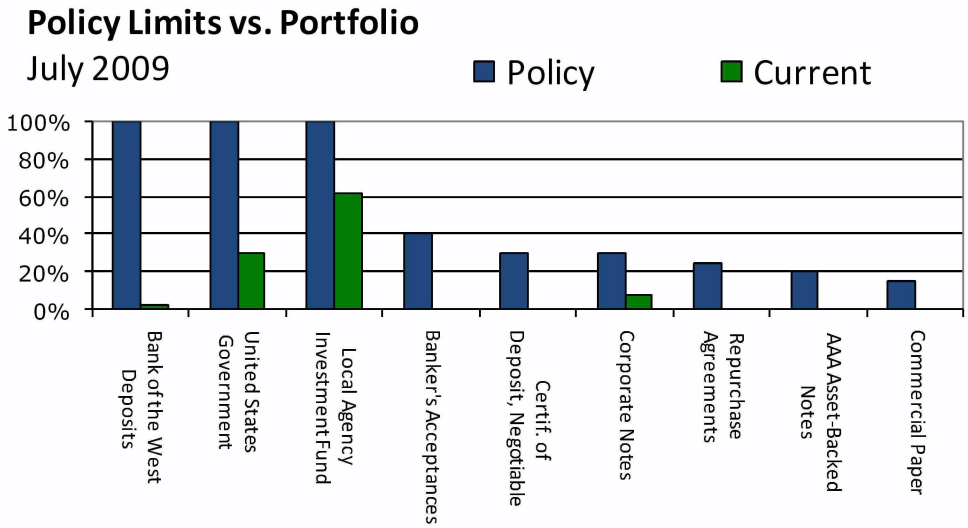
At June 30, 2009, the portfolio met all policy limitations.

The Investment Policy sets guidelines and constraints to guide the investment program. These standards ensure a safe and prudent investment program. The Statement of Investment Policy sets three major maturity constraints to insure liquidity. The chart provides a comparison between our policy and the investment category held as of June 30.

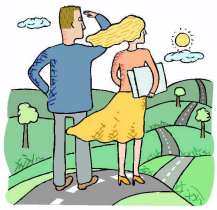
Policy	—> Program in FY 2009
1. The City shall not invest in instruments whose maturities exceed four years at the time of purchase. State law allows five-year maturities, but City policy is more restrictive than State law.	—> In FY 2009, all securities that were purchased matured within four years.
2. No more than 40% of the portfolio shall be invested beyond twelve months.	—> As of June 30, 23% of the portfolio was invested in maturities beyond one year.
3. The average maturity of portfolio investments shall not exceed 400 calendar days.	—> As of June 30, the portfolio's average weighted maturity was 214 days.



Actual results are measured against the policy to ensure compliance.



Future Investment Strategy



What does the future look like? Investment strategy requires assumptions about the future.

The investment strategy going into FY 2010 is to selectively extend maturities to take advantage of interest rates and to evaluate our investment in LAIF. As always, we will maintain our emphasis upon safety and liquidity.

The rate-setting Federal Reserve Open Market Committee maintained the zero to .25% federal funds rate as of August 2009. For FY 2010 interest rate estimates continue to be low. For the upcoming year, we will continue to monitor national economic information and its affect on rates available for investment.

The table below was copied from UBS's weekly economic report. UBS is forecasting that the national economy will experience sluggish growth throughout this year and next. 2010 estimates show that unemployment will continue to increase, while inflation will decline. Based on this information, we anticipate rates for future investment to remain at their current, low levels.

	Quarterly Figures								Annual Figures		
	2008-Q1	2008-Q2	2008-Q3	2008-Q4	2009-Q1	2009-Q2	2009-Q3	2009-Q4	2008	2009	2010
	Actual	*Actual*	*Actual*	*Actual*	*Actual*	*Actual*	*Estimate*	*Estimate*	*Actual*	*Estimate*	*Estimate*
Key Economic Indicators											
Unemployment	4.9%	5.4%	6.1%	6.9%	8.1%	9.3%	9.6%	9.7%	5.8%	9.1%	9.4%
GDP	-0.7	1.5	-2.7	-5.4	-6.4	-1	2.5	3	0.4	-2.6	2.6
Core CPI-U	2.5	2	2.8	0.6	1.5	2.4	1.5	1	2.3	1.7	0.9
Core PCE	2.5	2	2.8	0.6	1.5	2.4	1.5	1	2.3	1.7	0.9
Interest Rates											
Federal Funds Rate	2.25	2	2	0.13	0.13	0.13	0-.25	0-.25	2.08	0.13	0.49
2 Year T Bills	1.6	2.6	2	0.8	0.8	1.1	1.4	1.8	2	1.2	2.6
10 Year T Bill	3.5	4	3.9	2.3	2.7	3.5	3.7	3.8	3.7	3.4	3.9

Reference: UBS US Economic Perspectives, 14 August 2009

Attachments

1. 2009 Purchase Report
2. 2009 Maturity Report
3. 2009 Sale/Call Report
4. 2009 Cash Flow Report

Prepared by:
Budget Administrator
Denise.blohm@hayward-ca.gov

CITY OF HAYWARD
HEART OF THE BAY

City of Hayward
Purchases Report
Sorted by Purchase Date - Investment Number
July 1, 2008 - June 30, 2009

CUSIP	Investment #	Fund	Sec. Type	Issuer	Original Par Value	Purchase Date	Payment Periods	Principal Purchased	Accrued Interest at Purchase	Rate at Purchas	Maturity Date	YTM	Ending Book Value
SYSGeneral Cash	General Cash	950	PA3	BOW2	574,834.55	07/01/2008	07/01 - Monthly	574,834.55					3,507,335.25
31331YQY9	466	950	MC1	FFCB	4,000,000.00	08/07/2008	12/26 - Final Pmt.	3,974,000.00	Sold	3.625	02/01/2011	3.902	0.00
31331Y6T2	467	950	MC1	FFCB	5,000,000.00	08/20/2008	02/20 - Final Pmt.	5,000,000.00		4.500	08/20/2012	4.500	0.00
31331Y5T3	468	950	MC1	FFCB	4,000,000.00	08/14/2008	02/11 - 08/11	4,000,000.00	1,333.33	4.000	08/11/2011	4.000	4,000,000.00
90262CN29	469	950	COM	UBSFIN	5,000,000.00	10/02/2008	10/16 - At Maturity	4,946,844.44		4.160	01/02/2009	4.205	0.00
4042FOM24	470	950	COM	HSBC	5,000,000.00	10/02/2008	10/14 - At Maturity	4,968,398.61		3.730	12/02/2008	3.754	0.00
36959HN60	471	950	COM	GECC	5,000,000.00	10/02/2008	10/14 - At Maturity	4,949,333.33		3.800	01/06/2009	3.839	0.00
31331GDC0	472	950	FAC	FFCB	3,000,000.00	10/14/2008	04/14 - 10/14	3,000,000.00		3.600	10/14/2011	3.600	3,000,000.00
3133XGDD3	473	950	FAC	FHLB	5,000,000.00	02/04/2009	02/19 - 08/19	5,418,700.00	123,177.08	5.375	08/19/2011	1.980	5,418,700.00
313385SN7	474	950	FAD	FHDN	5,000,000.00	02/04/2009	02/01 - At Maturity	4,950,727.78		0.980	02/01/2010	1.001	4,950,727.78
31331GMF3	475	950	MC1	FFCB	5,000,000.00	02/11/2009	05/15 - Final Pmt.	4,990,000.00		1.350	08/11/2010	1.485	0.00
3133MBJA6	476	950	FAC	FHLB	2,000,000.00	02/18/2009	05/15 - 11/15	2,157,360.00	39,395.83	7.625	05/14/2010	1.219	2,157,360.00
31331GNP0	477	950	MC1	FFCB	2,000,000.00	03/02/2009	09/02 - 03/02	1,999,600.00		2.370	03/02/2012	2.377	1,999,600.00
31331GNP0	478	950	MC1	FFCB	2,000,000.00	03/03/2009	09/02 - 03/02	1,999,000.00	131.67	2.370	03/02/2012	2.387	1,999,000.00
3133XTE93	479	950	MC2	FHLB	3,000,000.00	04/16/2009	10/06 - 04/06	3,000,000.00	875.00	1.050	10/06/2011	1.050	3,000,000.00
31331GSM2	480	950	MC1	FFCB	3,000,000.00	04/16/2009	10/09 - 04/09	2,998,500.00	1,195.83	2.050	04/09/2012	2.067	2,998,500.00
31331GTK5	481	950	MC1	FFCB	2,000,000.00	04/20/2009	10/20 - 04/20	2,000,000.00		2.020	04/20/2012	2.020	2,000,000.00
31331GWL9	483	950	MC1	FFCB	2,000,000.00	05/22/2009	11/20 - 05/20	2,000,000.00	277.78	2.500	05/20/2013	2.500	2,000,000.00
3133XTQX7	482	950	MC1	FHLB	2,000,000.00	06/09/2009	12/09 - 06/09	2,000,000.00		1.150	06/09/2011	1.150	2,000,000.00
3133XTS31	484	950	MC2	FHLB	3,000,000.00	06/09/2009	09/09 - Final Pmt.	2,988,000.00		0.750	06/09/2011	0.952	2,988,000.00
31331GYP8	485	950	FAC	FFCB	2,000,000.00	06/24/2009	12/18 - 06/18	2,002,580.00	708.33	2.125	06/18/2012	2.080	2,002,580.00
3133XTWK8	486	950	MC1	FHLB	2,000,000.00	06/24/2009	12/22 - 06/22	2,000,000.00	250.00	2.250	06/22/2012	2.250	2,000,000.00
			Total Purchases		**71,574,834.55**			**71,917,878.71**	**167,344.85**				**46,021,803.03**

City of Hayward
Maturity Report
Sorted by Maturity Date
Receipts during July 1, 2008 - June 30, 2009

CUSIP	Investment #	Fund	Sec. Type	Issuer	Par Value	Maturity Date	Purchase Date	Rate at Maturity	Book Value at Maturity	Interest	Maturity Proceeds	Net Income
0605COCG5	442	950	NCB	BOA1	5,000,000.00	07/02/2008	04/03/2008	2.560	5,000,000.00	32,000.00	5,032,000.00	32,000.00
31331SJK0	318	950	FAC	FFCB	2,000,000.00	07/15/2008	06/26/2006	3.375	1,917,760.00	33,750.00	2,033,750.00	115,990.00
31331SJKO	392	950	FAC	FFCB	5,000,000.00	07/15/2008	05/23/2007	3.375	4,900,750.00	84,375.00	5,084,375.00	183,625.00
90262CGM3	448	950	COM	UBSFIN	5,000,000.00	07/21/2008	04/21/2008	2.940	4,962,841.67	37,158.33	5,000,000.00	37,158.33
90331HKW2	348	950	MC3	USB	2,000,000.00	08/15/2008	12/29/2006	4.400	1,976,420.00	44,000.00	2,044,000.00	67,580.00
060505BH6	407	950	MC3	BOA2	1,675,000.00	02/17/2009	07/20/2007	3.375	1,624,632.75	0.00	1,675,000.00	50,367.25
31331YU99	457	950	FAC	FFCB	2,000,000.00	06/05/2009	06/05/2008	2.750	2,000,000.00	27,500.00	2,027,500.00	27,500.00
3133XFLG9	465	950	FAC	FHLB	2,000,000.00	06/12/2009	06/13/2008	5.250	2,040,140.00	52,500.00	2,052,500.00	12,360.00
			Total Maturities		**24,675,000.00**				**24,422,544.42**	**311,283.33**	**24,949,125.00**	**526,580.58**

City of Hayward
Sales/Call Report
Sorted by Investment Number - Fund
July 1, 2008 - June 30, 2009

CUSIP	Investment #	Fund	Issuer Sec. Type	Purchase Date	Redem. Date Matur. Date	Par Value	Rate at Redem.	Book Value at Redem.	Redemption Principal	Redemption Interest	Total Amount	Net Income
338												
3133XHFA5	338	950	FHLB MC1	10/16/2006	10/16/2008 10/16/2009	2,000,000.00	5.000	2,000,000.00	2,000,000.00	50,000.00	2,050,000.00 Call	50,000.00
					Subtotal	**2,000,000.00**		**2,000,000.00**	**2,000,000.00**	**50,000.00**	**2,050,000.00**	**50,000.00**
343												
3133XJAK4	343	950	FHLB MC1	12/15/2006	12/15/2008 12/15/2010	2,000,000.00	5.000	2,000,000.00	2,000,000.00	50,000.00	2,050,000.00 Call	50,000.00
					Subtotal	**2,000,000.00**		**2,000,000.00**	**2,000,000.00**	**50,000.00**	**2,050,000.00**	**50,000.00**
353												
3133XHNL2	353	950	FHLB MC1	01/16/2007	11/03/2008 11/03/2009	3,000,000.00	5.250	3,000,000.00	3,000,000.00	78,750.00	3,078,750.00 Call	78,750.00
					Subtotal	**3,000,000.00**		**3,000,000.00**	**3,000,000.00**	**78,750.00**	**3,078,750.00**	**78,750.00**
400												
38143UAA9	400	950	GS MC3	07/06/2007	10/17/2008 01/15/2009	2,000,000.00	3.875	1,956,180.00	1,975,000.00	19,805.56	1,994,805.56 Sale	38,625.56
					Subtotal	**2,000,000.00**		**1,956,180.00**	**1,975,000.00**	**19,805.56**	**1,994,805.56**	**38,625.56**
403												
38143UAA9	403	950	GS MC3	07/10/2007	10/17/2008 01/15/2009	2,000,000.00	3.875	1,954,800.00	1,975,000.00	19,805.56	1,994,805.56 Sale	40,005.56
					Subtotal	**2,000,000.00**		**1,954,800.00**	**1,975,000.00**	**19,805.56**	**1,994,805.56**	**40,005.56**
408												
31331XN73	408	950	FFCB MC1	07/30/2007	07/30/2008 07/30/2010	3,000,000.00	5.500	3,000,000.00	3,000,000.00	82,500.00	3,082,500.00 Call	82,500.00
					Subtotal	**3,000,000.00**		**3,000,000.00**	**3,000,000.00**	**82,500.00**	**3,082,500.00**	**82,500.00**
425												
3133XNUC1	425	950	FHLB FAC	12/24/2007	09/24/2008 09/24/2010	2,600,000.00	4.300	2,600,000.00	2,600,000.00	27,950.00	2,627,950.00 Call	27,950.00
					Subtotal	**2,600,000.00**		**2,600,000.00**	**2,600,000.00**	**27,950.00**	**2,627,950.00**	**27,950.00**
428												
3133XNV63	428	950	FHLB MC1	01/07/2008	07/07/2008 01/07/2011	3,000,000.00	4.600	3,000,000.00	3,000,000.00	69,000.00	3,069,000.00 Call	69,000.00
					Subtotal	**3,000,000.00**		**3,000,000.00**	**3,000,000.00**	**69,000.00**	**3,069,000.00**	**69,000.00**

CUSIP	Investment #	Fund	Issuer Sec. Type	Purchase Date	Redem. Date Matur. Date	Par Value	Rate at Redem.	Book Value at Redem.	Redemption Principal	Redemption Interest	Total Amount	Net Income
435												
3133XP5M2	435	950	FHLB MC1	01/25/2008	01/25/2009 07/25/2011	3,000,000.00	4.000	3,000,000.00	3,000,000.00	60,000.00	3,060,000.00 Call	60,000.00
					Subtotal	**3,000,000.00**		**3,000,000.00**	**3,000,000.00**	**60,000.00**	**3,060,000.00**	**60,000.00**
437												
3133XPJ47	437	950	FHLB MC1	02/08/2008	02/08/2009 02/08/2011	3,000,000.00	3.750	3,000,000.00	3,000,000.00	56,250.00	3,056,250.00 Call	56,250.00
					Subtotal	**3,000,000.00**		**3,000,000.00**	**3,000,000.00**	**56,250.00**	**3,056,250.00**	**56,250.00**
441												
3133XP7H1	441	950	FHLB MC1	02/15/2008	12/01/2008 02/15/2011	2,000,000.00	3.750	2,001,000.00	2,000,000.00	22,083.33	2,022,083.33 Call	21,083.33
					Subtotal	**2,000,000.00**		**2,001,000.00**	**2,000,000.00**	**22,083.33**	**2,022,083.33**	**21,083.33**
446												
31331YG53	446	950	FFCB MC1	04/22/2008	01/14/2009 10/22/2010	3,000,000.00	3.300	2,991,000.00	3,000,000.00	22,550.00	3,022,550.00 Call	31,550.00
					Subtotal	**3,000,000.00**		**2,991,000.00**	**3,000,000.00**	**22,550.00**	**3,022,550.00**	**31,550.00**
450												
3133XQAV4	450	950	FHLB MC1	04/23/2008	12/12/2008 12/12/2011	2,700,000.00	3.600	2,690,010.00	2,700,000.00	48,600.00	2,748,600.00 Call	58,590.00
					Subtotal	**2,700,000.00**		**2,690,010.00**	**2,700,000.00**	**48,600.00**	**2,748,600.00**	**58,590.00**
452												
89233PW36	452	950	TOY MC3	04/29/2008	04/29/2009 04/29/2011	2,000,000.00	3.840	2,000,000.00	2,000,000.00	38,400.00	2,038,400.00 Call	38,400.00
					Subtotal	**2,000,000.00**		**2,000,000.00**	**2,000,000.00**	**38,400.00**	**2,038,400.00**	**38,400.00**
454												
3133XR7G9	454	950	FHLB MC1	06/02/2008	12/10/2008 06/02/2011	1,000,000.00	3.490	1,000,000.00	1,000,000.00	775.56	1,000,775.56 Call	775.56
3133XR7G9	454	950	FHLB MC1	06/02/2008	12/24/2008 06/02/2011	1,000,000.00	3.490	1,000,000.00	1,000,000.00	2,132.78	1,002,132.78 Call	2,132.78
					Subtotal	**2,000,000.00**		**2,000,000.00**	**2,000,000.00**	**2,908.34**	**2,002,908.34**	**2,908.34**
455												
3133XREM8	455	950	FHLB MC1	06/11/2008	12/11/2008 12/11/2009	2,000,000.00	3.000	1,999,000.00	2,000,000.00	30,000.00	2,030,000.00 Call	31,000.00
					Subtotal	**2,000,000.00**		**1,999,000.00**	**2,000,000.00**	**30,000.00**	**2,030,000.00**	**31,000.00**
456												

CUSIP	Investment #	Fund	Issuer Sec. Type	Purchase Date	Redem. Date Matur. Date	Par Value	Rate at Redem.	Book Value at Redem.	Redemption Principal	Redemption Interest	Total Amount	Net Income
456												
3133XRF96	456	950	FHLB MC1	06/16/2008	12/16/2008 12/16/2009	2,000,000.00	3.150	2,000,000.00	2,000,000.00	31,500.00	2,031,500.00 Call	31,500.00
					Subtotal	**2,000,000.00**		**2,000,000.00**	**2,000,000.00**	**31,500.00**	**2,031,500.00**	**31,500.00**
458												
3133XNZ85	458	950	FHLB MC1	06/12/2008	07/29/2008 07/29/2010	2,000,000.00	4.000	1,997,900.00	2,000,000.00	40,000.00	2,040,000.00 Call	42,100.00
					Subtotal	**2,000,000.00**		**1,997,900.00**	**2,000,000.00**	**40,000.00**	**2,040,000.00**	**42,100.00**
459												
31331YX96	459	950	FFCB MC1	06/17/2008	09/17/2008 06/17/2009	2,000,000.00	3.125	2,000,000.00	2,000,000.00	15,625.00	2,015,625.00 Call	15,625.00
					Subtotal	**2,000,000.00**		**2,000,000.00**	**2,000,000.00**	**15,625.00**	**2,015,625.00**	**15,625.00**
460												
31331YY20	460	950	FFCB MC1	06/17/2008	09/17/2008 12/17/2009	2,000,000.00	3.500	2,000,000.00	2,000,000.00	17,500.00	2,017,500.00 Call	17,500.00
					Subtotal	**2,000,000.00**		**2,000,000.00**	**2,000,000.00**	**17,500.00**	**2,017,500.00**	**17,500.00**
461												
31331YY20	461	950	FFCB MC1	06/17/2008	09/17/2008 12/17/2009	2,000,000.00	3.500	2,000,000.00	2,000,000.00	17,500.00	2,017,500.00 Call	17,500.00
					Subtotal	**2,000,000.00**		**2,000,000.00**	**2,000,000.00**	**17,500.00**	**2,017,500.00**	**17,500.00**
462												
89233PY75	462	950	TOY MC3	06/16/2008	12/16/2008 06/16/2010	3,100,000.00	3.750	3,096,125.00	3,100,000.00	58,125.00	3,158,125.00 Call	62,000.00
					Subtotal	**3,100,000.00**		**3,096,125.00**	**3,100,000.00**	**58,125.00**	**3,158,125.00**	**62,000.00**
463												
31331YY53	463	950	FFCB MC1	06/23/2008	06/23/2009 06/23/2011	2,000,000.00	4.375	2,000,000.00	2,000,000.00	43,750.00	2,043,750.00 Call	43,750.00
					Subtotal	**2,000,000.00**		**2,000,000.00**	**2,000,000.00**	**43,750.00**	**2,043,750.00**	**43,750.00**
466												
31331YQY9	466	950	FFCB MC1	08/07/2008	12/26/2008 02/01/2011	4,000,000.00	3.625	3,974,000.00	4,000,000.00	58,402.78	4,058,402.78 Call	84,402.78
					Subtotal	**4,000,000.00**		**3,974,000.00**	**4,000,000.00**	**58,402.78**	**4,058,402.78**	**84,402.78**
467												
31331Y6T2	467	950	FFCB MC1	08/20/2008	02/20/2009 08/20/2012	5,000,000.00	4.500	5,000,000.00	5,000,000.00	112,500.00	5,112,500.00 Call	112,500.00

CUSIP	Investment #	Fund	Issuer Sec. Type	Purchase Date	Redem. Date Matur. Date	Par Value	Rate at Redem.	Book Value at Redem.	Redemption Principal	Redemption Interest	Total Amount	Net Income
					Subtotal	**5,000,000.00**		**5,000,000.00**	**5,000,000.00**	**112,500.00**	**5,112,500.00**	**112,500.00**
469												
90262CN29	469	950	UBSFIN COM	10/02/2008	10/16/2008 01/02/2009	5,000,000.00	4.160	4,946,844.44	4,943,125.00	0.00	4,943,125.00 Sale	-3,719.44
					Subtotal	**5,000,000.00**		**4,946,844.44**	**4,943,125.00**	**0.00**	**4,943,125.00**	**-3,719.44**
470												
4042FOM24	470	950	HSBC COM	10/02/2008	10/14/2008 12/02/2008	5,000,000.00	3.730	4,968,398.61	4,970,055.56	0.00	4,970,055.56 Sale	1,656.95
					Subtotal	**5,000,000.00**		**4,968,398.61**	**4,970,055.56**	**0.00**	**4,970,055.56**	**1,656.95**
471												
36959HN60	471	950	GECC COM	10/02/2008	10/14/2008 01/06/2009	5,000,000.00	3.800	4,949,333.33	4,952,516.67	0.00	4,952,516.67 Sale	3,183.34
					Subtotal	**5,000,000.00**		**4,949,333.33**	**4,952,516.67**	**0.00**	**4,952,516.67**	**3,183.34**
475												
31331GMF3	475	950	FFCB MC1	02/11/2009	05/15/2009 08/11/2010	5,000,000.00	1.350	4,990,000.00	5,000,000.00	17,625.00	5,017,625.00 Call	27,625.00
					Subtotal	**5,000,000.00**		**4,990,000.00**	**5,000,000.00**	**17,625.00**	**5,017,625.00**	**27,625.00**
					Total Sales	**83,400,000.00**		**83,114,591.38**	**83,215,697.23**	**1,091,130.57**	**84,306,827.80**	**1,192,236.42**

City of Hayward
Projected Cashflow Report
Sorted by Date Due
For the Period July 1, 2008 - June 30, 2009

Projected Trans. Date	Investment #	Fund	Secure ID	Transaction Type	Issuer	Par Value	Original Cost	Principal	Interest	Total
07/01/2008										
07/01/2008	General Cash	950	SYSGeneral Cash	Purchase	Bank of the West General Cash	574,834.55	574,834.55	-574,834.55	0.00	-574,834.55
07/01/2008	LAIF-1	950	SYSLAIF-1	Purchase	LAIF	40,000,000.00	40,000,000.00	-40,000,000.00	0.00	-40,000,000.00
07/01/2008	LAIF-2	950	SYSLAIF-2	Purchase	LAIF	6,800,000.00	6,800,000.00	-6,800,000.00	0.00	-6,800,000.00
07/01/2008	LAIF-3	950	SYSLAIF-3	Purchase	LAIF	40,000,000.00	40,000,000.00	-40,000,000.00	0.00	-40,000,000.00
					Total for 07/01/2008	**87,374,834.55**	**87,374,834.55**	**-87,374,834.55**	**0.00**	**-87,374,834.55**
07/02/2008										
07/02/2008	442	950	0605COCG5	Maturity	Bank of Amercia CD	5,000,000.00	0.00	0.00	32,000.00	5,032,000.00
					Total for 07/02/2008	**5,000,000.00**	**0.00**	**0.00**	**32,000.00**	**5,032,000.00**
07/07/2008										
07/07/2008	428	950	3133XNV63	Interest	Federal Home Loan Bank	3,000,000.00	3,000,000.00	0.00	69,000.00	69,000.00
					Total for 07/07/2008	**3,000,000.00**	**3,000,000.00**	**0.00**	**69,000.00**	**69,000.00**
07/15/2008										
07/15/2008	318	950	31331SJK0	Maturity	Federal Farm Credit Bank	2,000,000.00	0.00	0.00	33,750.00	2,033,750.00
07/15/2008	392	950	31331SJKO	Maturity	Federal Farm Credit Bank	5,000,000.00	0.00	0.00	84,375.00	5,084,375.00
07/15/2008	400	950	38143UAA9	Interest	Goldman Sachs - MTN	2,000,000.00	1,956,180.00	0.00	38,750.00	38,750.00
07/15/2008	403	950	38143UAA9	Interest	Goldman Sachs - MTN	2,000,000.00	1,954,800.00	0.00	38,750.00	38,750.00
07/15/2008	422	950	949746JJ1	Interest	Wells Fargo & Company - MTN	2,000,000.00	1,999,080.00	0.00	42,000.00	42,000.00
					Total for 07/15/2008	**13,000,000.00**	**5,910,060.00**	**0.00**	**237,625.00**	**7,237,625.00**
07/20/2008										
07/20/2008	354	950	31331VQ66	Interest	Federal Farm Credit Bank	2,000,000.00	2,014,640.00	0.00	53,750.00	53,750.00
07/20/2008	365	950	31331VQ66	Interest	Federal Farm Credit Bank	2,000,000.00	2,012,360.00	0.00	53,750.00	53,750.00
					Total for 07/20/2008	**4,000,000.00**	**4,027,000.00**	**0.00**	**107,500.00**	**107,500.00**
07/21/2008										
07/21/2008	448	950	90262CGM3	Maturity	UBS Financial - CP	5,000,000.00	0.00	0.00	37,158.33	5,037,158.33
					Total for 07/21/2008	**5,000,000.00**	**0.00**	**0.00**	**37,158.33**	**5,037,158.33**
07/25/2008										
07/25/2008	435	950	3133XP5M2	Interest	Federal Home Loan Bank	3,000,000.00	3,000,000.00	0.00	60,000.00	60,000.00
					Total for 07/25/2008	**3,000,000.00**	**3,000,000.00**	**0.00**	**60,000.00**	**60,000.00**
07/29/2008										

Projected Trans. Date	Investment #	Fund	Secure ID	Transaction Type	Issuer	Par Value	Original Cost	Principal	Interest	Total
07/29/2008										
07/29/2008	458	950	3133XNZ85	Interest	Federal Home Loan Bank	2,000,000.00	1,997,900.00	0.00	40,000.00	40,000.00
					Total for 07/29/2008	**2,000,000.00**	**1,997,900.00**	**0.00**	**40,000.00**	**40,000.00**
07/30/2008										
07/30/2008	408	950	31331XN73	Interest	Federal Farm Credit Bank	3,000,000.00	3,000,000.00	0.00	82,500.00	82,500.00
					Total for 07/30/2008	**3,000,000.00**	**3,000,000.00**	**0.00**	**82,500.00**	**82,500.00**
08/07/2008										
08/07/2008	466	950	31331YQY9	Purchase	Federal Farm Credit Bank	4,000,000.00	3,974,000.00	-3,974,000.00	-2,416.67	-3,976,416.67
					Total for 08/07/2008	**4,000,000.00**	**3,974,000.00**	**-3,974,000.00**	**-2,416.67**	**-3,976,416.67**
08/08/2008										
08/08/2008	437	950	3133XPJ47	Interest	Federal Home Loan Bank	3,000,000.00	3,000,000.00	0.00	56,250.00	56,250.00
					Total for 08/08/2008	**3,000,000.00**	**3,000,000.00**	**0.00**	**56,250.00**	**56,250.00**
08/09/2008										
08/09/2008	436	950	949746MZ1	Interest	Wells Fargo & Company - MTN	2,000,000.00	2,042,100.00	0.00	46,250.00	46,250.00
					Total for 08/09/2008	**2,000,000.00**	**2,042,100.00**	**0.00**	**46,250.00**	**46,250.00**
08/14/2008										
08/14/2008	468	950	31331Y5T3	Purchase	Federal Farm Credit Bank	4,000,000.00	4,000,000.00	-4,000,000.00	-1,333.33	-4,001,333.33
					Total for 08/14/2008	**4,000,000.00**	**4,000,000.00**	**-4,000,000.00**	**-1,333.33**	**-4,001,333.33**
08/15/2008										
08/15/2008	348	950	90331HKW2	Maturity	US Bank Corp - MTN	2,000,000.00	0.00	0.00	44,000.00	2,044,000.00
08/15/2008	441	950	3133XP7H1	Interest	Federal Home Loan Bank	2,000,000.00	2,001,000.00	0.00	37,500.00	37,500.00
08/15/2008	464	950	3133M9FC1	Interest	Federal Home Loan Bank	3,000,000.00	3,112,920.00	0.00	97,500.00	97,500.00
					Total for 08/15/2008	**7,000,000.00**	**5,113,920.00**	**0.00**	**179,000.00**	**2,179,000.00**
08/17/2008										
08/17/2008	407	950	060505BH6	Interest	Bank of America MTN	1,675,000.00	1,624,632.75	0.00	28,265.63	28,265.63
					Total for 08/17/2008	**1,675,000.00**	**1,624,632.75**	**0.00**	**28,265.63**	**28,265.63**
08/20/2008										
08/20/2008	467	950	31331Y6T2	Purchase	Federal Farm Credit Bank	5,000,000.00	5,000,000.00	-5,000,000.00	0.00	-5,000,000.00
					Total for 08/20/2008	**5,000,000.00**	**5,000,000.00**	**-5,000,000.00**	**0.00**	**-5,000,000.00**
08/27/2008										
08/27/2008	438	950	31331TBZ3	Interest	Federal Farm Credit Bank	2,000,000.00	2,079,220.00	0.00	44,500.00	44,500.00
					Total for 08/27/2008	**2,000,000.00**	**2,079,220.00**	**0.00**	**44,500.00**	**44,500.00**
09/15/2008										

Projected Trans. Date	Investment #	Fund	Secure ID	Transaction Type	Issuer	Par Value	Original Cost	Principal	Interest	Total
09/15/2008										
09/15/2008	440	950	36962GZHO	Interest	GE Capital Corportation - MTN	2,000,000.00	2,048,900.00	0.00	46,250.00	46,250.00
					Total for 09/15/2008	**2,000,000.00**	**2,048,900.00**	**0.00**	**46,250.00**	**46,250.00**
09/17/2008										
09/17/2008	459	950	31331YX96	Interest	Federal Farm Credit Bank	2,000,000.00	2,000,000.00	0.00	15,625.00	15,625.00
09/17/2008	460	950	31331YY20	Interest	Federal Farm Credit Bank	2,000,000.00	2,000,000.00	0.00	17,500.00	17,500.00
09/17/2008	461	950	31331YY20	Interest	Federal Farm Credit Bank	2,000,000.00	2,000,000.00	0.00	17,500.00	17,500.00
					Total for 09/17/2008	**6,000,000.00**	**6,000,000.00**	**0.00**	**50,625.00**	**50,625.00**
09/24/2008										
09/24/2008	425	950	3133XNUC1	Interest	Federal Home Loan Bank	2,600,000.00	2,600,000.00	0.00	27,950.00	27,950.00
					Total for 09/24/2008	**2,600,000.00**	**2,600,000.00**	**0.00**	**27,950.00**	**27,950.00**
10/02/2008										
10/02/2008	469	950	90262CN29	Purchase	UBS Financial - CP	5,000,000.00	4,946,844.44	-4,946,844.44	0.00	-4,946,844.44
10/02/2008	470	950	4042FOM24	Purchase	HSBC Financial Corp - CP	5,000,000.00	4,968,398.61	-4,968,398.61	0.00	-4,968,398.61
10/02/2008	471	950	36959HN60	Purchase	GE Capital Corporation - CP	5,000,000.00	4,949,333.33	-4,949,333.33	0.00	-4,949,333.33
					Total for 10/02/2008	**15,000,000.00**	**14,864,576.38**	**-14,864,576.38**	**0.00**	**-14,864,576.38**
10/14/2008										
10/14/2008	470	950	4042FOM24	Sale	HSBC Financial Corp - CP	5,000,000.00	4,968,398.61	4,970,055.56	6,216.67	4,976,272.23
10/14/2008	471	950	36959HN60	Sale	GE Capital Corporation - CP	5,000,000.00	4,949,333.33	4,952,516.67	6,333.33	4,958,850.00
10/14/2008	472	950	31331GDC0	Purchase	Federal Farm Credit Bank	3,000,000.00	3,000,000.00	-3,000,000.00	0.00	-3,000,000.00
					Total for 10/14/2008	**13,000,000.00**	**12,917,731.94**	**6,922,572.23**	**12,550.00**	**6,935,122.23**
10/15/2008										
10/15/2008	426	950	391648AT9	Interest	Greater Bay Bancorp (WFC) - MT	2,000,000.00	2,031,300.00	0.00	51,250.00	51,250.00
					Total for 10/15/2008	**2,000,000.00**	**2,031,300.00**	**0.00**	**51,250.00**	**51,250.00**
10/16/2008										
10/16/2008	338	950	3133XHFA5	Interest	Federal Home Loan Bank	2,000,000.00	2,000,000.00	0.00	50,000.00	50,000.00
10/16/2008	469	950	90262CN29	Sale	UBS Financial - CP	5,000,000.00	4,946,844.44	4,943,125.00	8,088.89	4,951,213.89
					Total for 10/16/2008	**7,000,000.00**	**6,946,844.44**	**4,943,125.00**	**58,088.89**	**5,001,213.89**
10/17/2008										
10/17/2008	400	950	38143UAA9	Sale	Goldman Sachs - MTN	2,000,000.00	1,956,180.00	1,975,000.00	19,805.56	1,994,805.56
10/17/2008	403	950	38143UAA9	Sale	Goldman Sachs - MTN	2,000,000.00	1,954,800.00	1,975,000.00	19,805.56	1,994,805.56
					Total for 10/17/2008	**4,000,000.00**	**3,910,980.00**	**3,950,000.00**	**39,611.12**	**3,989,611.12**
10/21/2008										
10/21/2008	451	950	3133XQR61	Interest	Federal Home Loan Bank	2,000,000.00	1,980,000.00	0.00	31,250.00	31,250.00

Projected Trans. Date	Investment #	Fund	Secure ID	Transaction Type	Issuer	Par Value	Original Cost	Principal	Interest	Total
					Total for 10/21/2008	**2,000,000.00**	**1,980,000.00**	**0.00**	**31,250.00**	**31,250.00**
10/22/2008										
10/22/2008	446	950	31331YG53	Interest	Federal Farm Credit Bank	3,000,000.00	2,991,000.00	0.00	49,500.00	49,500.00
					Total for 10/22/2008	**3,000,000.00**	**2,991,000.00**	**0.00**	**49,500.00**	**49,500.00**
10/23/2008										
10/23/2008	366	950	31331XBQ4	Interest	Federal Farm Credit Bank	1,000,000.00	998,560.00	0.00	25,000.00	25,000.00
					Total for 10/23/2008	**1,000,000.00**	**998,560.00**	**0.00**	**25,000.00**	**25,000.00**
10/25/2008										
10/25/2008	439	950	31331SVB6	Interest	Federal Farm Credit Bank	1,170,000.00	1,223,223.30	0.00	26,325.00	26,325.00
					Total for 10/25/2008	**1,170,000.00**	**1,223,223.30**	**0.00**	**26,325.00**	**26,325.00**
10/27/2008										
10/27/2008	443	950	36962GZ31	Interest	GE Capital Corportation - MTN	3,625,000.00	3,756,623.75	0.00	95,156.25	95,156.25
					Total for 10/27/2008	**3,625,000.00**	**3,756,623.75**	**0.00**	**95,156.25**	**95,156.25**
10/28/2008										
10/28/2008	447	950	89233PV60	Interest	Toyota Motor Credit - MTN	2,000,000.00	1,993,000.00	0.00	28,500.00	28,500.00
					Total for 10/28/2008	**2,000,000.00**	**1,993,000.00**	**0.00**	**28,500.00**	**28,500.00**
10/29/2008										
10/29/2008	452	950	89233PW36	Interest	Toyota Motor Credit - MTN	2,000,000.00	2,000,000.00	0.00	38,400.00	38,400.00
					Total for 10/29/2008	**2,000,000.00**	**2,000,000.00**	**0.00**	**38,400.00**	**38,400.00**
11/03/2008										
11/03/2008	353	950	3133XHNL2	Interest	Federal Home Loan Bank	3,000,000.00	3,000,000.00	0.00	78,750.00	78,750.00
					Total for 11/03/2008	**3,000,000.00**	**3,000,000.00**	**0.00**	**78,750.00**	**78,750.00**
11/19/2008										
11/19/2008	453	950	3133XR5S5	Interest	Federal Home Loan Bank	2,000,000.00	2,000,000.00	0.00	32,500.00	32,500.00
					Total for 11/19/2008	**2,000,000.00**	**2,000,000.00**	**0.00**	**32,500.00**	**32,500.00**
12/01/2008										
12/01/2008	441	950	3133XP7H1	Interest	Federal Home Loan Bank	2,000,000.00	2,001,000.00	0.00	22,083.33	22,083.33
					Total for 12/01/2008	**2,000,000.00**	**2,001,000.00**	**0.00**	**22,083.33**	**22,083.33**
12/02/2008										
12/02/2008	454	950	3133XR7G9	Interest	Federal Home Loan Bank	2,000,000.00	2,000,000.00	0.00	34,900.00	34,900.00
					Total for 12/02/2008	**2,000,000.00**	**2,000,000.00**	**0.00**	**34,900.00**	**34,900.00**
12/05/2008										

Projected Trans. Date	Investment #	Fund	Secure ID	Transaction Type	Issuer	Par Value	Original Cost	Principal	Interest	Total
12/05/2008										
12/05/2008	457	950	31331YU99	Interest	Federal Farm Credit Bank	2,000,000.00	2,000,000.00	0.00	27,500.00	27,500.00
					Total for 12/05/2008	**2,000,000.00**	**2,000,000.00**	**0.00**	**27,500.00**	**27,500.00**
12/10/2008										
12/10/2008	454	950	3133XR7G9	Interest	Federal Home Loan Bank	2,000,000.00	2,000,000.00	0.00	775.56	775.56
					Total for 12/10/2008	**2,000,000.00**	**2,000,000.00**	**0.00**	**775.56**	**775.56**
12/11/2008										
12/11/2008	455	950	3133XREM8	Interest	Federal Home Loan Bank	2,000,000.00	1,999,000.00	0.00	30,000.00	30,000.00
					Total for 12/11/2008	**2,000,000.00**	**1,999,000.00**	**0.00**	**30,000.00**	**30,000.00**
12/12/2008										
12/12/2008	450	950	3133XQAV4	Interest	Federal Home Loan Bank	2,700,000.00	2,690,010.00	0.00	48,600.00	48,600.00
12/12/2008	465	950	3133XFLG9	Interest	Federal Home Loan Bank	2,000,000.00	2,040,140.00	0.00	52,500.00	52,500.00
					Total for 12/12/2008	**4,700,000.00**	**4,730,150.00**	**0.00**	**101,100.00**	**101,100.00**
12/15/2008										
12/15/2008	343	950	3133XJAK4	Interest	Federal Home Loan Bank	2,000,000.00	2,000,000.00	0.00	50,000.00	50,000.00
					Total for 12/15/2008	**2,000,000.00**	**2,000,000.00**	**0.00**	**50,000.00**	**50,000.00**
12/16/2008										
12/16/2008	456	950	3133XRF96	Interest	Federal Home Loan Bank	2,000,000.00	2,000,000.00	0.00	31,500.00	31,500.00
12/16/2008	462	950	89233PY75	Interest	Toyota Motor Credit - MTN	3,100,000.00	3,096,125.00	0.00	58,125.00	58,125.00
					Total for 12/16/2008	**5,100,000.00**	**5,096,125.00**	**0.00**	**89,625.00**	**89,625.00**
12/23/2008										
12/23/2008	463	950	31331YY53	Interest	Federal Farm Credit Bank	2,000,000.00	2,000,000.00	0.00	43,750.00	43,750.00
					Total for 12/23/2008	**2,000,000.00**	**2,000,000.00**	**0.00**	**43,750.00**	**43,750.00**
12/24/2008										
12/24/2008	454	950	3133XR7G9	Interest	Federal Home Loan Bank	2,000,000.00	2,000,000.00	0.00	2,132.78	2,132.78
					Total for 12/24/2008	**2,000,000.00**	**2,000,000.00**	**0.00**	**2,132.78**	**2,132.78**
12/26/2008										
12/26/2008	466	950	31331YQY9	Interest	Federal Farm Credit Bank	4,000,000.00	3,974,000.00	0.00	58,402.78	58,402.78
					Total for 12/26/2008	**4,000,000.00**	**3,974,000.00**	**0.00**	**58,402.78**	**58,402.78**
01/14/2009										
01/14/2009	446	950	31331YG53	Interest	Federal Farm Credit Bank	3,000,000.00	2,991,000.00	0.00	22,550.00	22,550.00
					Total for 01/14/2009	**3,000,000.00**	**2,991,000.00**	**0.00**	**22,550.00**	**22,550.00**
01/15/2009										

Projected Trans. Date	Investment #	Fund	Secure ID	Transaction Type	Issuer	Par Value	Original Cost	Principal	Interest	Total
01/15/2009										
01/15/2009	422	950	949746JJ1	Interest	Wells Fargo & Company - MTN	2,000,000.00	1,999,080.00	0.00	42,000.00	42,000.00
					Total for 01/15/2009	**2,000,000.00**	**1,999,080.00**	**0.00**	**42,000.00**	**42,000.00**
01/20/2009										
01/20/2009	354	950	31331VQ66	Interest	Federal Farm Credit Bank	2,000,000.00	2,014,640.00	0.00	53,750.00	53,750.00
01/20/2009	365	950	31331VQ66	Interest	Federal Farm Credit Bank	2,000,000.00	2,012,360.00	0.00	53,750.00	53,750.00
					Total for 01/20/2009	**4,000,000.00**	**4,027,000.00**	**0.00**	**107,500.00**	**107,500.00**
01/25/2009										
01/25/2009	435	950	3133XP5M2	Interest	Federal Home Loan Bank	3,000,000.00	3,000,000.00	0.00	60,000.00	60,000.00
					Total for 01/25/2009	**3,000,000.00**	**3,000,000.00**	**0.00**	**60,000.00**	**60,000.00**
02/04/2009										
02/04/2009	473	950	3133XGDD3	Purchase	Federal Home Loan Bank	5,000,000.00	5,418,700.00	-5,418,700.00	-123,177.08	-5,541,877.08
02/04/2009	474	950	313385SN7	Purchase	FHLB Discount Progrm	5,000,000.00	4,950,727.78	-4,950,727.78	0.00	-4,950,727.78
					Total for 02/04/2009	**10,000,000.00**	**10,369,427.78**	**-10,369,427.78**	**-123,177.08**	**-10,492,604.86**
02/08/2009										
02/08/2009	437	950	3133XPJ47	Interest	Federal Home Loan Bank	3,000,000.00	3,000,000.00	0.00	56,250.00	56,250.00
					Total for 02/08/2009	**3,000,000.00**	**3,000,000.00**	**0.00**	**56,250.00**	**56,250.00**
02/09/2009										
02/09/2009	436	950	949746MZ1	Interest	Wells Fargo & Company - MTN	2,000,000.00	2,042,100.00	0.00	46,250.00	46,250.00
					Total for 02/09/2009	**2,000,000.00**	**2,042,100.00**	**0.00**	**46,250.00**	**46,250.00**
02/11/2009										
02/11/2009	468	950	31331Y5T3	Interest	Federal Farm Credit Bank	4,000,000.00	4,000,000.00	0.00	80,000.00	80,000.00
02/11/2009	475	950	31331GMF3	Purchase	Federal Farm Credit Bank	5,000,000.00	4,990,000.00	-4,990,000.00	0.00	-4,990,000.00
					Total for 02/11/2009	**9,000,000.00**	**8,990,000.00**	**-4,990,000.00**	**80,000.00**	**-4,910,000.00**
02/15/2009										
02/15/2009	464	950	3133M9FC1	Interest	Federal Home Loan Bank	3,000,000.00	3,112,920.00	0.00	97,500.00	97,500.00
					Total for 02/15/2009	**3,000,000.00**	**3,112,920.00**	**0.00**	**97,500.00**	**97,500.00**
02/17/2009										
02/17/2009	407	950	060505BH6	Maturity	Bank of America MTN	1,675,000.00	0.00	0.00	28,265.63	1,703,265.63
					Total for 02/17/2009	**1,675,000.00**	**0.00**	**0.00**	**28,265.63**	**1,703,265.63**
02/18/2009										
02/18/2009	476	950	3133MBJA6	Purchase	Federal Home Loan Bank	2,000,000.00	2,157,360.00	-2,157,360.00	-39,395.83	-2,196,755.83
					Total for 02/18/2009	**2,000,000.00**	**2,157,360.00**	**-2,157,360.00**	**-39,395.83**	**-2,196,755.83**

Projected Trans. Date	Investment #	Fund	Secure ID	Transaction Type	Issuer	Par Value	Original Cost	Principal	Interest	Total
02/19/2009										
02/19/2009	473	950	3133XGDD3	Interest	Federal Home Loan Bank	5,000,000.00	5,418,700.00	0.00	134,375.00	134,375.00
					Total for 02/19/2009	**5,000,000.00**	**5,418,700.00**	**0.00**	**134,375.00**	**134,375.00**
02/20/2009										
02/20/2009	467	950	31331Y6T2	Interest	Federal Farm Credit Bank	5,000,000.00	5,000,000.00	0.00	112,500.00	112,500.00
					Total for 02/20/2009	**5,000,000.00**	**5,000,000.00**	**0.00**	**112,500.00**	**112,500.00**
02/27/2009										
02/27/2009	438	950	31331TBZ3	Interest	Federal Farm Credit Bank	2,000,000.00	2,079,220.00	0.00	44,500.00	44,500.00
					Total for 02/27/2009	**2,000,000.00**	**2,079,220.00**	**0.00**	**44,500.00**	**44,500.00**
03/02/2009										
03/02/2009	477	950	31331GNP0	Purchase	Federal Farm Credit Bank	2,000,000.00	1,999,600.00	-1,999,600.00	0.00	-1,999,600.00
					Total for 03/02/2009	**2,000,000.00**	**1,999,600.00**	**-1,999,600.00**	**0.00**	**-1,999,600.00**
03/03/2009										
03/03/2009	478	950	31331GNP0	Purchase	Federal Farm Credit Bank	2,000,000.00	1,999,000.00	-1,999,000.00	-131.67	-1,999,131.67
					Total for 03/03/2009	**2,000,000.00**	**1,999,000.00**	**-1,999,000.00**	**-131.67**	**-1,999,131.67**
03/15/2009										
03/15/2009	440	950	36962GZHO	Interest	GE Capital Corportation - MTN	2,000,000.00	2,048,900.00	0.00	46,250.00	46,250.00
					Total for 03/15/2009	**2,000,000.00**	**2,048,900.00**	**0.00**	**46,250.00**	**46,250.00**
04/14/2009										
04/14/2009	472	950	31331GDC0	Interest	Federal Farm Credit Bank	3,000,000.00	3,000,000.00	0.00	54,000.00	54,000.00
					Total for 04/14/2009	**3,000,000.00**	**3,000,000.00**	**0.00**	**54,000.00**	**54,000.00**
04/15/2009										
04/15/2009	426	950	391648AT9	Interest	Greater Bay Bancorp (WFC) - MT	2,000,000.00	2,031,300.00	0.00	51,250.00	51,250.00
					Total for 04/15/2009	**2,000,000.00**	**2,031,300.00**	**0.00**	**51,250.00**	**51,250.00**
04/16/2009										
04/16/2009	479	950	3133XTE93	Purchase	Federal Home Loan Bank	3,000,000.00	3,000,000.00	-3,000,000.00	-875.00	-3,000,875.00
04/16/2009	480	950	31331GSM2	Purchase	Federal Farm Credit Bank	3,000,000.00	2,998,500.00	-2,998,500.00	-1,195.83	-2,999,695.83
					Total for 04/16/2009	**6,000,000.00**	**5,998,500.00**	**-5,998,500.00**	**-2,070.83**	**-6,000,570.83**
04/20/2009										
04/20/2009	481	950	31331GTK5	Purchase	Federal Farm Credit Bank	2,000,000.00	2,000,000.00	-2,000,000.00	0.00	-2,000,000.00
					Total for 04/20/2009	**2,000,000.00**	**2,000,000.00**	**-2,000,000.00**	**0.00**	**-2,000,000.00**
04/21/2009										
04/21/2009	451	950	3133XQR61	Interest	Federal Home Loan Bank	2,000,000.00	1,980,000.00	0.00	31,250.00	31,250.00

Projected Trans. Date	Investment #	Fund	Secure ID	Transaction Type	Issuer	Par Value	Original Cost	Principal	Interest	Total
					Total for 04/21/2009	**2,000,000.00**	**1,980,000.00**	**0.00**	**31,250.00**	**31,250.00**
04/23/2009										
04/23/2009	366	950	31331XBQ4	Interest	Federal Farm Credit Bank	1,000,000.00	998,560.00	0.00	25,000.00	25,000.00
					Total for 04/23/2009	**1,000,000.00**	**998,560.00**	**0.00**	**25,000.00**	**25,000.00**
04/25/2009										
04/25/2009	439	950	31331SVB6	Interest	Federal Farm Credit Bank	1,170,000.00	1,223,223.30	0.00	26,325.00	26,325.00
					Total for 04/25/2009	**1,170,000.00**	**1,223,223.30**	**0.00**	**26,325.00**	**26,325.00**
04/27/2009										
04/27/2009	443	950	36962GZ31	Interest	GE Capital Corportation - MTN	3,625,000.00	3,756,623.75	0.00	95,156.25	95,156.25
					Total for 04/27/2009	**3,625,000.00**	**3,756,623.75**	**0.00**	**95,156.25**	**95,156.25**
04/28/2009										
04/28/2009	447	950	89233PV60	Interest	Toyota Motor Credit - MTN	2,000,000.00	1,993,000.00	0.00	28,500.00	28,500.00
					Total for 04/28/2009	**2,000,000.00**	**1,993,000.00**	**0.00**	**28,500.00**	**28,500.00**
04/29/2009										
04/29/2009	452	950	89233PW36	Interest	Toyota Motor Credit - MTN	2,000,000.00	2,000,000.00	0.00	38,400.00	38,400.00
					Total for 04/29/2009	**2,000,000.00**	**2,000,000.00**	**0.00**	**38,400.00**	**38,400.00**
05/15/2009										
05/15/2009	475	950	31331GMF3	Interest	Federal Farm Credit Bank	5,000,000.00	4,990,000.00	0.00	17,625.00	17,625.00
05/15/2009	476	950	3133MBJA6	Interest	Federal Home Loan Bank	2,000,000.00	2,157,360.00	0.00	76,250.00	76,250.00
					Total for 05/15/2009	**7,000,000.00**	**7,147,360.00**	**0.00**	**93,875.00**	**93,875.00**
05/19/2009										
05/19/2009	453	950	3133XR5S5	Interest	Federal Home Loan Bank	2,000,000.00	2,000,000.00	0.00	32,500.00	32,500.00
					Total for 05/19/2009	**2,000,000.00**	**2,000,000.00**	**0.00**	**32,500.00**	**32,500.00**
05/22/2009										
05/22/2009	483	950	31331GWL9	Purchase	Federal Farm Credit Bank	2,000,000.00	2,000,000.00	-2,000,000.00	-277.78	-2,000,277.78
					Total for 05/22/2009	**2,000,000.00**	**2,000,000.00**	**-2,000,000.00**	**-277.78**	**-2,000,277.78**
06/05/2009										
06/05/2009	457	950	31331YU99	Maturity	Federal Farm Credit Bank	2,000,000.00	0.00	0.00	27,500.00	2,027,500.00
					Total for 06/05/2009	**2,000,000.00**	**0.00**	**0.00**	**27,500.00**	**2,027,500.00**
06/09/2009										
06/09/2009	482	950	3133XTQX7	Purchase	Federal Home Loan Bank	2,000,000.00	2,000,000.00	-2,000,000.00	0.00	-2,000,000.00
06/09/2009	484	950	3133XTS31	Purchase	Federal Home Loan Bank	3,000,000.00	2,988,000.00	-2,988,000.00	0.00	-2,988,000.00

Projected Trans. Date	Investment #	Fund	Secure ID	Transaction Type	Issuer	Par Value	Original Cost	Principal	Interest	Total
					Total for 06/09/2009	**5,000,000.00**	**4,988,000.00**	**-4,988,000.00**	**0.00**	**-4,988,000.00**
06/12/2009										
06/12/2009	465	950	3133XFLG9	Maturity	Federal Home Loan Bank	2,000,000.00	0.00	0.00	52,500.00	2,052,500.00
					Total for 06/12/2009	**2,000,000.00**	**0.00**	**0.00**	**52,500.00**	**2,052,500.00**
06/23/2009										
06/23/2009	463	950	31331YY53	Interest	Federal Farm Credit Bank	2,000,000.00	2,000,000.00	0.00	43,750.00	43,750.00
					Total for 06/23/2009	**2,000,000.00**	**2,000,000.00**	**0.00**	**43,750.00**	**43,750.00**
06/24/2009										
06/24/2009	485	950	31331GYP8	Purchase	Federal Farm Credit Bank	2,000,000.00	2,002,580.00	-2,002,580.00	-708.33	-2,003,288.33
06/24/2009	486	950	3133XTWK8	Purchase	Federal Home Loan Bank	2,000,000.00	2,000,000.00	-2,000,000.00	-250.00	-2,000,250.00
					Total for 06/24/2009	**4,000,000.00**	**4,002,580.00**	**-4,002,580.00**	**-958.33**	**-4,003,538.33**
					GRAND TOTALS:	**366,714,834.55**	**343,560,136.94**	**-139,902,181.48**	**3,480,210.03**	**-111,746,971.45**

This page left intentionally blank.