



QUARTERLY INVESTMENT REPORT DECEMBER 31, 2008

**City of Houston, Texas
Office of the City Controller**

**Annise D. Parker
City Controller**

**Jim Moncur
Deputy City Controller**

**Sue Bailey
Investment Manager**



**OFFICE OF THE CITY CONTROLLER
CITY OF HOUSTON
TEXAS**

January 20, 2009

To Mayor White, City Council Members and
The Citizens of Houston:

I am pleased to submit to you the City of Houston's Quarterly Investment Report for the quarter ending December 31, 2008. This report presents the portfolio composition of investment pools the City Controller's Office manages.

The Report is organized as follows: Investment Portfolio Summary and Composition of all pools; an analysis of the General and Tax Exempt pools; security listings by maturity for the quarters ending September 30, 2008 and December 31, 2008.

I hope you find this data useful and informative.

Respectfully submitted,

Annise D. Parker
City Controller



**OFFICE OF THE CITY CONTROLLER
CITY OF HOUSTON
TEXAS**

Quarterly Investment Report

We believe the data presented for the quarter ending December 31, 2008, are accurate in all material respects, and are presented in a manner that fairly sets forth the investment standing of the City of Houston.

This report was prepared in compliance with the City's Investment Policy and the Public Funds Investment Act of the State of Texas.

Annise D. Parker
City Controller

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Deputy City Controller
Treasury Division

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CITY OF HOUSTON
QUARTERLY INVESTMENT REPORT
Executive Summary
For the Quarter Ending December 31, 2008

The accompanying Quarterly Investment Report lists in summary form and in detail the investment positions of the City of Houston operating funds as of December 31, 2008. As of that date, the City had a total of approximately \$2.0 billion invested. The majority of these funds, with the exception of about \$21 million that must be segregated per federal mandates, are contained in the city's General Investment Pool. The General Investment Pool consists of working capital, and construction and debt service funds that are not subject to yield restriction under IRS arbitrage regulations. All investments are governed by state law and the City's Investment Policy, which dictates the following investment objectives, in order of priority:

1. Safety
2. Liquidity
3. Return on Investments
4. Legal Requirements

Approximately 50% of the City's holdings are currently invested in securities issued by US government-sponsored enterprises, such as the Federal Home Loan Bank, Fannie Mae, and Freddie Mac. Other investment sectors include a 15% allocation to United States Treasuries, 15% to high grade money market funds, 8% to municipals, and 12% to commercial paper. The securities contained in the city's investment portfolios generally have an AAA or equivalent long-term rating and at least an A-1, P-1 or equivalent short-term rating by the major bond rating companies, indicating a portfolio of the highest quality and lowest credit risk.

The weighted average maturity of the City's investments has historically ranged from about 1 year to about 2 years. The average maturity is currently about 1.5 years. From an operating standpoint, approximately 43% of the funds invested are designated to be spent on capital projects such as roads and bridges, the water and sewer system and the airport system. Investment maturities are arranged to coincide with needed expenditures for these capital projects. In addition investment maturities are arranged to meet short-term obligations, such as payroll and debt service payments.

Standard & Poor's Investment Services has assigned its AAf credit rating and S1 volatility rating to the General Pool. The AAf credit quality rating is the highest rating available from Standard & Poor's and reflects the extremely strong protection that the Pool's portfolio investments provide against losses from credit defaults or credit deterioration. The S1 volatility rating recognizes the Pool's sensitivity to changing market conditions as a result of its low market risk profile and conservative investment policies.

At quarter end December 31, 2008, the general pool was yielding 3.75% based on the amortized cost of the portfolio.

**Investment Portfolio Summary
Activity For Quarter Ending
December 31, 2008**

General Fund 9900 (960)

	<u>12/31/2008</u>	<u>9/30/2008</u>	<u>Last Quarter Net Change</u>	<u>12/31/2007</u>	<u>Last Year Net Change</u>
Book Value	\$2,016,277,655	\$2,110,437,999	-94,160,345	\$1,905,352,951	110,924,704
Market Value	\$2,070,317,114	\$2,122,797,985	-52,480,871	\$1,927,342,351	142,974,763
Market/Book Ratio	1.027	1.006	0	1.012	0
Accrued Interest	\$15,454,862	\$18,303,210	-2,848,348	\$17,171,835	-1,716,972

The General Pool consists of all working capital, construction, and debt service funds which are not subject to yield restriction under IRS arbitrage regulations. Combining the net cash-flows of all funds allows the City to invest in longer-term, higher-yielding securities without sacrificing the ability to meet short-term cash needs. The General Pool strategy, as outlined in the City's Investment Policy, combines a variation on the traditional laddered maturity strategy which matches assets and liabilities, with more active management strategies, such as yield curve analysis and bond swaps.

For the quarter ending December 31, 2008, the 3-month average yield was 3.81%. The weighted average maturity (WAM) as of December 31 was 543 days.



Standard & Poor's Investment Services has assigned its AAAf credit rating and S1 volatility rating to the General Pool. The AAAf credit quality rating is the highest rating available from Standard & Poor's and reflects the extremely strong protection that the Pool's portfolio investments provide against losses from credit defaults or credit deterioration. The S1 volatility rating recognizes the Pool's sensitivity to changing market conditions as a result of its low market risk profile and conservative investment policies.

Tax Exempt Fund 9901 (971)

	<u>12/31/2008</u>	<u>9/30/2008</u>	<u>Last Quarter Net Change</u>	<u>12/31/2007</u>	<u>Last Year Net Change</u>
Book Value	\$17,261,080	\$17,203,073	58,007	\$3,527,893	13,733,187
Market Value	\$17,261,080	\$17,203,073	58,007	\$3,527,893	13,733,187
Market/Book Ratio	1.000	1.000	0	1.000	0
Accrued Interest	\$0	\$0	0	\$8,693	-8,693

The Tax Exempt Pool consists of those funds which are subject to yield restriction and arbitrage regulation under the 1986 Tax Reform Act. This pool was created to do the following: demonstrate compliance with Internal Revenue Code regarding arbitrage, maximize the amount of interest earned and retained by the City from the investment of funds subject to the regulations, minimize the amount of rebate liability, and minimize the cost of administering the arbitrage tracking program. The Tax Exempt Pool strategy, as outlined in the City's Investment Policy, is to invest in high quality, short-term municipal bonds and one or more tax-exempt money market mutual funds in order to meet the liquidity demands of the City.

For the quarter ending December 31, 2008, the 3-month average yield was 3.453%. The WAM was 33 days at December 31.

**Investment Portfolio Summary
Activity For Quarter Ending
December 31, 2008**

Housing Department Section 108 Fund 9902 (974)

	<u>12/31/2008</u>	<u>9/30/2008</u>	<u>Last Quarter Net Change</u>	<u>12/31/2007</u>	<u>Last Year Net Change</u>
Book Value	\$4,429,865	\$4,158,081	271,784	\$3,886,084	543,781
Market Value	\$4,430,000	\$4,159,073	270,927	\$3,885,725	544,275
Market/Book Ratio	1.000	1.000	0	0.000	1
Accrued Interest	\$0	\$0	0	\$0	0

The Housing Department Fund was created to comply with the U.S. Department of Housing and Urban Development (HUD), which requires a separate custodial account for HUD's benefit.

For the quarter ending December 31, 2008, the 3-month average yield was 1.102%. The WAM was 2 days at December 31.

Convention Center and Hotel Reserve Funds 9903 (979)

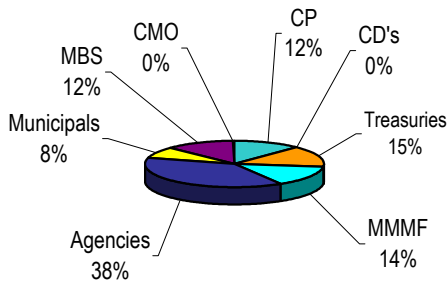
	<u>12/31/2008</u>	<u>9/30/2008</u>	<u>Last Quarter Net Change</u>	<u>12/31/2007</u>	<u>Last Year Net Change</u>
Book Value	\$0	\$21,774,454	-21,774,454	\$21,774,454	-21,774,454
Market Value	\$0	\$21,774,454	-21,774,454	\$21,774,454	-21,774,454
Market/Book Ratio	0.000	1.000	-1	1.000	-1
Accrued Interest	\$0	\$115,985	-115,985	\$433,239	-433,239

The Convention Center and Hotel Reserve Funds Pool consists of \$22 million of proceeds from the 2001 Series A, B & C Hotel Occupancy Tax and Special Revenue Bond Issues designated as reserve funds. A separate investment pool was created for this part of the bond issues to facilitate effective management of the funds and compliance with arbitrage requirements under the Tax Reform Act of 1986.

For the quarter ending December 31, 2008, the 3-month average yield was 1.88%. The WAM was 0 days at December 31.

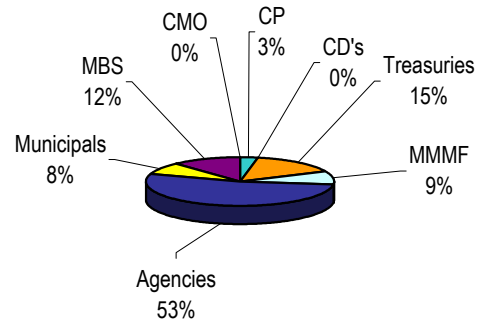
Investment Portfolio Composition General Fund 9900 (960) Percentages by Market Sector

**Portfolio Composition as of
December 31, 2008***



* 6.4% Reverse Repo (liabilities)

**Portfolio Composition as of
September 30, 2008****



** 7.7% Reverse Repo (liabilities)

Note: Adjustments were made to include the Reverse Repo.

FIGURE 2
Source: City of Houston Controller's Office

Investment Policy Limitations

Overnight Investment Account (O/N)	≤15%
Money Market Mutual Funds (MMMF)	≤15%
Repurchase Agreements (Repo)	≤15%
Commercial Paper/Banker Acceptances (CP/BA)	≤15%
US Treasury Bills/Notes/Bonds	≥15%
US Agencies	≤85%
Municipal Bonds*	≤20%
Mortgage-Backed Securities (MBS) & Collateralized Mortgage Obligations (CMO)	≤20%

The portfolio composition graph for the General Pool (Figure 2) shows the percentage of the pool held in U.S. Treasuries, U.S. Agencies, Mortgage-Backed Securities, Municipal Bonds and liquidity investments (MMMF, Repo and CP) positions. All investments are in compliance with the objectives and restrictions set forth in the City's Investment Policy and the Public Funds Investment Act of the State of Texas.

* In May 2008 City Council approved an increase in the maximum limitation for Municipal Bonds from 15% to 20%.

**Annual Portfolio Composition
General Fund 9900 (960)
January 2008 through December 2008**

Annual Portfolio Composition

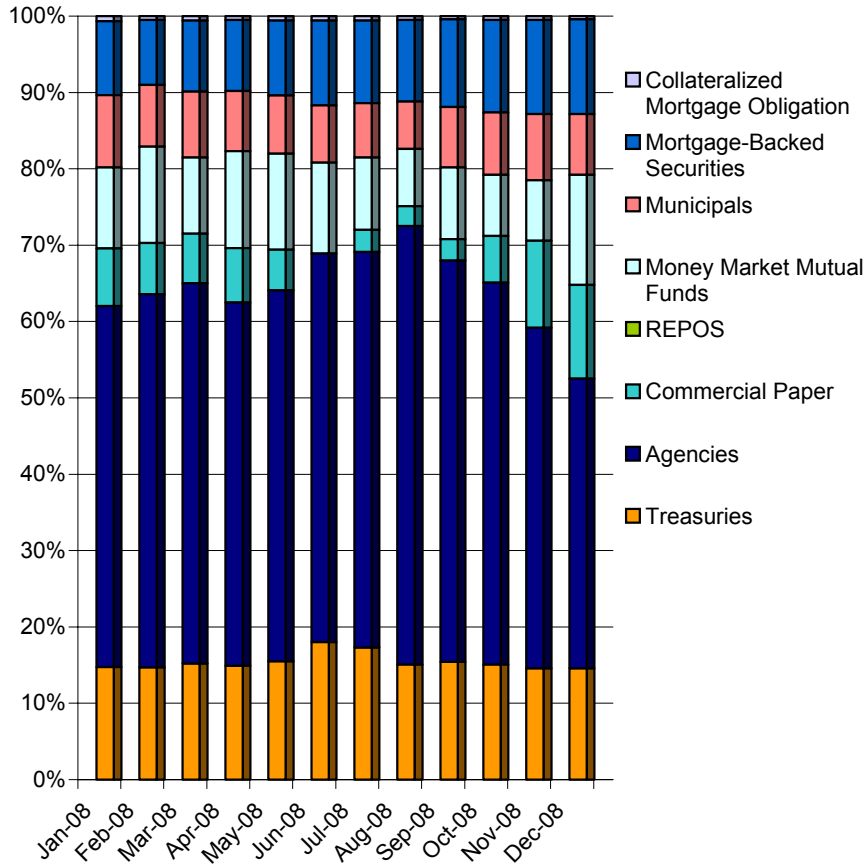


FIGURE 3
Source: City of Houston Controller's Office

**Investment Portfolio Composition
Tax Exempt Pool
Percentages by Market Sector**

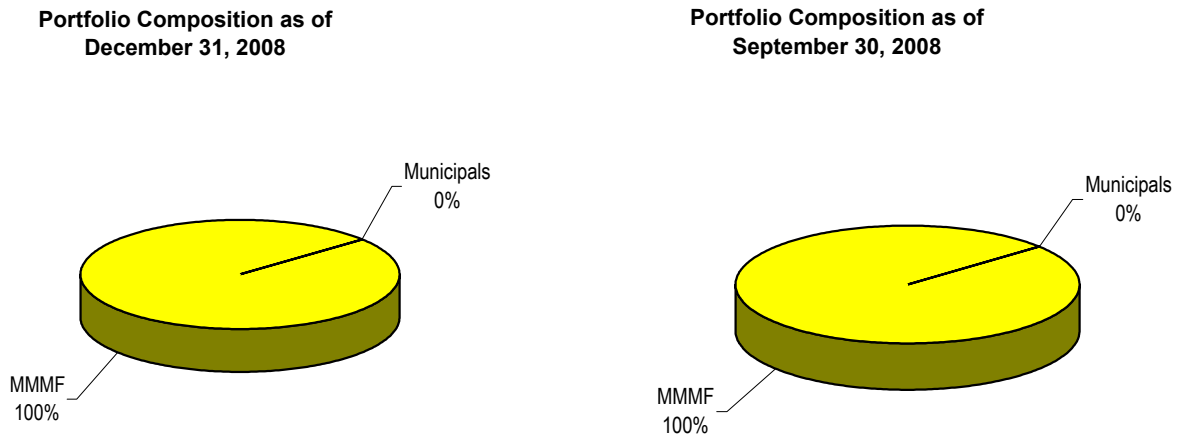


FIGURE 5
Source: City of Houston Controller's Office

Investment Policy Limitations

	<u>Maximum Level</u>
Money Market Mutual Funds (MMMF)	100%
Municipal Notes and Bonds (Including VRDSs)	100%

The portfolio composition graph for the Tax Exempt Pool (Figure 5) shows the percentage of the pool held in Municipal Notes/Bonds/VRDS's and Money Market Mutual Funds. All investments are in compliance with the objectives and restrictions set forth in the City's Investment Policy and the Public Funds Investment Act of the State of Texas.

Appendix I

Investments by Sector and Maturity as of December 31, 2008

**INVESTMENT BY SECTOR AND MATURITY - GENERAL FUND 9900 (960)
AS OF DECEMBER 31, 2008**

Description	Coupon	Par Value	Maturity Date	Call Date	Mod DTW	Purchase Date	Accrued Interest	Book Value	YTC	Current Yield	Market Value
Treasury Notes											
T 3.00 02-15-09	3.000%	20,000,000.00	02/15/09		0.126	03/24/08	226,630.43	20,034,191.59		1.592	20,065,620.00
T 4.5 04-30-09	4.500%	25,000,000.00	04/30/09		0.329	08/27/08	192,679.56	25,195,574.50		2.077	25,353,525.00
T 4.875 05-15-09	4.875%	25,000,000.00	05/15/09		0.370	08/28/08	158,235.50	25,250,142.73		2.119	25,428,700.00
T 3.875 05-15-09	3.875%	25,000,000.00	05/15/09		0.370	09/25/08	125,776.93	25,189,520.47		1.796	25,338,875.00
T 4.875 06-30-09	4.875%	20,000,000.00	06/30/09		0.496	09/30/08	2,693.37	20,322,458.79		1.579	20,455,460.00
HUD 2.62 8-1-09	2.620%	5,000,000.00	08/01/09		0.575	12/11/08	72,413.89	5,037,500.00		1.434	5,062,500.00
T 6.0 08-15-09	6.000%	30,000,000.00	08/15/09		0.608	11/18/08	679,891.30	30,912,239.58		1.068	31,040,640.00
T 3.5 08-15-09	3.500%	30,000,000.00	08/15/09		0.614	11/24/08	396,603.26	30,497,585.23		0.815	30,587,100.00
T 6.0 08-15-09	6.000%	25,000,000.00	08/15/09		0.608	11/26/08	566,576.09	25,782,569.48		0.930	25,867,200.00
T 4.0 08-31-09	4.000%	25,000,000.00	08/31/09		0.657	05/30/08	339,779.01	25,268,320.13		2.343	25,596,675.00
T 4.625 11-15-09	4.625%	20,000,000.00	11/15/09		0.861	12/26/08	120,096.68	20,729,976.85		0.419	20,725,781.20
TII 4.25 01-15-10	4.250%	6,465,200.00	01/15/10		1.009	08/14/08	126,932.26	6,717,121.11		0.471	6,349,531.11
TII 3.5 01-15-11	3.500%	6,249,750.00	01/15/11		1.958	08/14/08	101,048.95	6,596,168.38		0.747	6,134,029.63
HUD 3.44 08-01-11	3.440%	21,688,000.00	08/01/11		2.459	06/12/08	412,409.37	21,688,000.00		3.440	22,792,732.50
HUD 3.82 08-01-12	3.820%	25,000,000.00	08/01/12		3.331	06/12/08	527,902.78	25,000,000.00		3.820	26,507,812.50
Subtotal Treasury Notes	4.359%	309,402,950.00	12/11/09		0.925		4,049,669.38	314,221,368.84		1.751	317,306,181.94
Commercial Paper											
MTTRTX 4.09 1-5-09	4.090%	30,000,000.00	1/5/2009		0.014	10/6/2008	291,663.93	30,000,000.00		4.090	30,000,000.00
HOUGOD 3.25 1-15-09	3.250%	75,000,000.00	1/15/2009		0.041	11/20/2008	280,479.45	75,000,000.00		3.250	75,000,000.00
HOUGOD 3.25 01-15-09	3.250%	52,495,000.00	1/15/2009		0.041	11/26/2008	168,271.64	52,495,000.00		3.250	52,495,000.00
HOUGOD 2.75 01-15-09	2.750%	6,000,000.00	1/15/2009		0.041	12/15/2008	7,684.93	6,000,000.00		2.750	6,000,000.00
HOAIRA 2.0 01-15-09	2.000%	30,000,000.00	1/15/2009		0.041	12/3/2008	47,540.98	30,000,000.00		2.000	30,000,000.00
HOAIRA 2.5 01-15-09	2.500%	21,000,000.00	1/15/2009		0.041	12/15/2008	24,385.25	21,000,000.00		2.500	21,000,000.00
HOUGOF 3.0 01-21-09	3.000%	8,000,000.00	1/21/2009		0.057	12/19/2008	8,547.95	8,000,000.00		3.000	8,000,000.00
HOUGOG 1.9 01-21-09	1.900%	13,000,000.00	1/21/2009		0.057	12/19/2008	8,797.26	13,000,000.00		1.900	13,000,000.00
HOAIRA 2.0 01-22-09	2.000%	30,000,000.00	1/22/2009		0.060	12/23/2008	14,754.10	30,000,000.00		2.000	30,000,000.00
Subtotal Commercial Paper	2.918%	265,495,000.00	01/15/09		0.041		852,125.49	265,495,000.00		2.918	265,495,000.00
Certificates of Deposit											
Georgian Bank CDARS	3.125%	94,500.00	9/17/2009		0.712	9/18/2008	861.33	94,500.00		3.125	94,500.00
Empire Bank CDARS	3.125%	94,500.00	9/17/2009		0.712	9/18/2008	861.33	94,500.00		3.125	94,500.00
Pilot Bank CDARS	3.125%	94,500.00	9/17/2009		0.712	9/18/2008	861.33	94,500.00		3.125	94,500.00
West Bank CDARS	3.125%	94,500.00	9/17/2009		0.712	9/18/2008	861.33	94,500.00		3.125	94,500.00
National City Bank C	3.125%	94,500.00	9/17/2009		0.712	9/18/2008	861.33	94,500.00		3.125	94,500.00
BB&T CDARS	3.125%	94,500.00	9/17/2009		0.712	9/18/2008	861.33	94,500.00		3.125	94,500.00
The F&M Bank & Trust	3.125%	91,562.08	9/17/2009		0.712	9/18/2008	834.55	91,562.08		3.125	91,562.08
The PrivateBank & Tr	3.125%	94,500.00	9/17/2009		0.712	9/18/2008	861.33	94,500.00		3.125	94,500.00
Spirit Bank CDARS	3.125%	94,500.00	9/17/2009		0.712	9/18/2008	861.33	94,500.00		3.125	94,500.00
Puget Sound Bank CDA	3.125%	17,937.92	9/17/2009		0.712	9/18/2008	163.5	17,937.92		3.125	17,937.92
FirsTier Bank CDARS	3.125%	94,500.00	9/17/2009		0.712	9/18/2008	861.33	94,500.00		3.125	94,500.00
Subtotal Certificates of Deposit	3.125%	960,000.00	09/17/09		0.712		8750.02	960,000.00		3.125	960,000.00
Mortgage-Backed Securities											
FN254627 5.0 12-01-0	5.000%	499,843.35	12/01/09		0.670	12/23/02	2,082.68	499,843.35		4.571	501,278.46
FNCI 7.00 03/01/12	7.000%	68,549.94	03/01/12		1.020	06/30/99	399.88	68,549.94		6.681	70,937.55
FGCI 7.00 4/01/12	7.000%	75,228.77	04/01/12		1.230	06/30/99	438.83	75,228.77		6.789	78,141.01
FNCI 7.00 04/01/12	7.000%	114,822.25	04/01/12		1.020	06/30/99	669.80	114,822.25		6.761	118,821.11
FNCI 7.00 04/01/12	7.000%	45,148.94	04/01/12		1.020	10/19/99	263.37	45,148.94		6.792	46,721.30
FNCI 7.00 05/01/12	7.000%	97,271.57	05/01/12		1.050	06/30/99	567.42	97,271.57		6.693	100,659.20

Description	Coupon	Par Value	Maturity Date	Call Date	Mod DTW	Purchase Date	Accrued Interest	Book Value	YTC	Current Yield	Market Value
FNCI 6.50 07/01/12	6.500%	78,525.72	07/01/12		1.260	06/30/99	425.35	78,525.72	6.284		81,620.01
FGCI 7.00 07/01/12	7.000%	39,277.23	07/01/12		1.240	06/30/99	229.12	39,277.23	6.753		40,904.07
FGCI 7.00 07/01/12	7.000%	122,445.10	07/01/12		1.220	08/21/00	714.26	122,445.10	6.930		127,516.71
FGCI 7.00 10/01/12	7.000%	83,542.39	10/01/12		1.340	09/19/00	487.33	83,542.39	6.924		86,947.19
FGCI 6.50 01/01/13	6.500%	54,753.99	01/01/13		1.410	06/30/99	296.58	54,753.99	6.272		56,728.16
FNCI 6.50 01/01/13	6.500%	70,153.17	01/01/13		1.450	06/30/99	380.00	70,153.17	6.301		72,918.25
GNJO 6.50 04/15/13	6.500%	196,657.90	04/15/13		1.340	08/30/00	1,065.23	196,657.90	6.649		207,602.48
FNCI 6.00 08/01/13	6.000%	77,520.88	08/01/13		1.560	06/30/99	387.61	77,520.88	5.873		80,158.01
FNCI 6.00 09/01/13	6.000%	97,756.44	09/01/13		1.580	06/30/99	488.78	97,756.44	5.881		101,910.22
FNCI 6.00 09/01/13	6.000%	138,488.17	09/01/13		1.580	06/30/99	692.44	138,488.17	5.892		144,372.81
GNJO 6.50 09/15/03	6.500%	148,136.21	09/15/13		1.500	06/30/99	802.41	148,136.21	6.460		156,324.10
FNCI 6.50 02/01/14	6.500%	72,385.86	02/01/14		1.340	06/30/99	392.09	72,385.86	6.422		75,238.24
FNCI 6.50 03/01/14	6.500%	73,805.89	03/01/14		1.410	06/30/99	399.78	73,805.89	6.324		76,714.75
GNJO 6.00 03-15-14	6.000%	348,343.35	03/15/14		1.660	06/30/99	1,741.72	348,343.35	5.944		362,270.91
FGCI 6.00 04/01/14	6.000%	151,515.31	04/01/14		1.760	01/23/01	757.58	151,515.31	5.974		156,354.59
FNCI 6.00 08/01/14	6.000%	170,999.21	08/01/14		1.880	05/17/01	855.00	170,999.21	5.946		178,265.16
GNJO 7.00 01/15/15	7.000%	255,821.99	01/15/15		1.600	08/30/00	1,492.29	255,821.99	7.030		270,532.33
FNCI 7.00 03/01/15	7.000%	212,562.87	03/01/15		1.720	11/16/00	1,239.95	212,562.87	6.885		220,905.38
FGCI 7.00 04/01/15	7.000%	127,398.28	04/01/15		1.860	09/19/00	743.16	127,398.28	7.002		133,449.81
FNCI 6.50 06/01/15	6.500%	1,193,638.00	06/01/15		2.370	06/18/02	6,465.54	1,193,638.00	5.675		1,240,237.84
FNCI 6.00 07/01/15	6.000%	284,585.13	07/01/15		1.820	05/17/01	1,422.93	284,471.30	5.959		296,677.48
FGCI 7.00 08/01/15	7.000%	81,181.50	08/01/15		1.950	08/21/00	473.56	81,181.50	7.096		85,156.54
FGCI 7.00 10/01/15	7.000%	116,267.88	10/01/15		1.860	10/19/00	678.23	116,267.88	7.041		121,790.71
FNCI 7.00 10/01/15	7.000%	116,516.32	10/01/15		1.990	11/16/00	679.68	116,516.32	6.885		121,444.61
FGCI 7.00 12/01/15	7.000%	260,540.49	12/01/15		2.090	02/19/02	1,519.82	260,540.49	5.390		273,297.80
FGCI 6.00 01/01/16	6.000%	65,482.88	01/01/16		2.100	02/15/01	327.41	65,482.88	6.018		67,902.58
FGCI 6.00 09/01/16	6.000%	448,063.77	09/01/16		2.250	10/18/01	2,240.32	448,063.77	5.461		463,562.24
FGCI 6.00 11/01/16	6.000%	660,827.66	11/01/16		2.280	12/18/01	3,304.14	660,988.29	5.733		683,769.80
FN 616072 6.00 11-01	6.000%	663,618.27	11/01/16		2.310	04/21/03	3,318.09	663,618.27	4.657		691,401.34
GNJO 6.5 11/15/16	6.500%	574,676.71	11/15/16		1.910	04/16/02	3,112.83	575,642.19	5.988		607,521.12
FGCI 6.50 02/01/17	6.500%	639,974.32	02/01/17		2.290	03/18/02	3,466.53	639,974.32	5.769		664,979.30
FN15 254684 5.0 02-0	5.000%	5,925,436.60	02/25/17		2.430	02/19/03	24,689.32	5,925,436.60	4.551		6,116,955.18
FNCI 6.50 03/01/17	6.500%	415,678.70	03/01/17		2.330	03/18/02	2,251.59	415,678.70	5.720		431,906.87
FNCI 6.50 03/01/17	6.500%	658,566.80	04/01/17		2.330	03/18/02	3,567.24	658,566.80	5.711		684,277.37
FGE01280 5.00 12-1-1	5.000%	1,793,473.08	12/01/17		2.400	12/17/02	7,472.80	1,793,473.08	4.737		1,854,670.13
FN 702860 5.00 04-01	5.000%	2,846,507.10	04/01/18		2.460	04/21/03	11,860.45	2,846,507.10	4.441		2,938,510.28
FN 254721 5.00 4-1-1	5.000%	1,542,357.20	04/21/18		2.470	04/21/03	6,426.49	1,543,579.45	4.366		1,592,208.39
FNCI 5.00 05-01-18	5.000%	3,237,944.80	05/01/18		2.490	05/19/03	13,491.44	3,241,135.80	4.428		3,342,599.81
FNCI 5.00 LLB 05-01-2	5.000%	1,939,844.25	05/01/18		2.460	05/19/03	8,082.68	1,944,164.48	4.094		2,010,560.28
FG E97045 4.5 06-01-	4.500%	1,875,014.64	06/01/18		2.760	07/17/03	7,031.30	1,875,915.04	3.874		1,929,172.43
FGE01425 4.5 08-01-1	4.500%	6,989,664.45	08/01/18		2.790	08/18/03	26,211.24	6,999,773.97	4.315		7,216,668.13
FN254942 4.00 09-01-	4.000%	4,908,063.10	09/01/18		3.110	09/18/03	16,360.21	4,908,821.36	3.920		5,036,023.32
FN255077 5.00 01-01-	5.000%	1,486,938.35	01/01/19		2.560	03/17/05	6,195.58	1,487,618.70	4.687		1,534,998.33
FGG18008 4.5 09-01-1	4.500%	2,728,611.90	09/01/19		2.840	12/21/04	10,232.29	2,727,893.29	4.478		2,800,603.41
FGG18065 5.00 07-01-	5.000%	3,079,791.35	07/01/20		2.270	07/19/05	12,832.46	3,091,241.13	4.838		3,169,710.26
FGB19758 5.00 08-01-	5.000%	3,132,232.00	08/01/20		2.290	08/16/05	13,050.97	3,142,324.39	4.893		3,223,681.99
FGG18073 5.00 09-01-	5.000%	3,238,400.76	09/01/20		2.280	10/18/05	13,493.34	3,235,796.71	4.989		3,332,950.49
FGG18079 5.50 10-01-	5.500%	3,641,771.56	10/01/20		2.460	11/17/05	16,691.45	3,657,532.34	5.366		3,758,958.57
FGG18077 5.5 10-01-2	5.500%	3,563,463.12	10/01/20		2.440	12/15/05	16,332.54	3,575,523.83	5.388		3,678,130.27
FGG11810 5.5 12-01-2	5.500%	3,448,055.29	12/01/20		2.420	12/15/05	15,803.59	3,455,290.40	5.419		3,559,008.81
FGG18096 5.5 1-1-21	5.500%	3,758,649.36	01/01/21		2.460	02/16/06	17,227.14	3,774,423.00	5.373		3,879,597.32
FGG18101 5.5 02-01-2	5.500%	3,253,247.25	02/01/21		2.470	02/16/06	14,910.72	3,267,646.71	5.369		3,355,390.49
FN865183 5.5 02-01-2	5.500%	4,645,382.53	02/01/21		2.500	03/16/06	21,291.34	4,654,003.09	5.403		4,792,686.76
FGG18106 5.5 03-01-2	5.500%	4,928,283.76	03/01/21		2.470	03/16/06	22,587.97	4,927,744.00	5.470		5,083,018.66
FNCI 5.5 04-01-21	5.500%	5,527,642.16	04/01/21		2.520	04/18/06	25,335.03	5,519,656.46	5.475		5,702,922.70
FGG18115 6.0 05-01-2	6.000%	4,260,952.50	05/01/21		2.820	05/16/06	21,304.76	4,291,385.78	5.811		4,418,702.85

Description	Coupon	Par Value	Maturity Date	Call Date	Mod DTW	Purchase Date	Accrued Interest	Book Value	YTC	Current Yield	Market Value
FGG18124 6.0 6-1-21	6.000%	3,440,929.68	06/01/21		2.830	06/19/06	17,204.65	3,460,314.80		5.845	3,568,320.88
FGG18124 6.0 6-1-21	6.000%	4,609,945.97	06/01/21		2.830	07/18/06	23,049.73	4,609,945.97		5.963	4,780,616.86
FGCI03360 5.50 09-01	5.500%	5,000,468.72	09/01/21		1.890	09/18/06	22,918.81	4,978,531.42		5.556	5,157,470.04
FGG12369 5.5 10-01-2	5.500%	5,264,931.62	10/01/21		2.470	10/17/06	24,130.94	5,263,668.75		5.472	5,430,236.39
FNCI 5.5 11-01-21	5.500%	5,560,805.04	11/01/21		1.550	11/16/06	25,487.02	5,548,656.30		5.487	5,737,137.17
FGG18157 5.5 12-01-2	5.500%	5,242,294.64	12/01/21		1.920	01/17/07	24,027.18	5,240,994.10		5.472	5,406,888.64
FGG18169 5.5 02-01-2	5.500%	5,613,682.00	02/01/22		1.950	02/15/07	25,729.38	5,586,871.91		5.559	5,789,620.80
FGG12514 5.5 02-01-2	5.500%	5,667,589.93	02/01/22		1.920	03/19/07	25,976.45	5,669,013.29		5.462	5,845,537.05
FN938603 5.5 05-01-2	5.500%	5,195,520.96	05/01/22		1.600	05/17/07	23,812.80	5,198,192.62		5.434	5,359,977.75
FGJ05074 5.5 06-01-2	5.500%	5,042,810.72	06/01/22		1.950	06/18/07	23,112.88	5,044,136.11		5.462	5,200,857.80
FGG12692 5.5 06-1-22	5.500%	6,033,506.68	06/01/22		2.020	06/18/07	27,653.57	6,036,678.17		5.457	6,222,603.22
FGJ05038 5.5 07-01-2	5.500%	6,334,322.08	07/01/22		2.070	06/18/07	29,032.31	6,301,800.42		5.561	6,532,846.51
FGG12718 5.5 07-01-2	5.500%	6,171,335.28	07/01/22		2.020	07/17/07	28,285.29	6,115,580.36		5.632	6,364,751.53
FGJ05317 5.5 08-01-2	5.500%	6,265,266.35	08/01/22		2.110	09/18/07	28,715.80	6,229,611.24		5.569	6,461,626.48
FGJ05440 6.0 08-01-2	6.000%	5,054,113.82	08/01/22		2.130	09/18/07	25,270.57	5,079,876.00		5.872	5,240,944.55
FGCI 6.0 9-1-22	5.500%	7,908,137.36	09/01/22		1.960	11/18/08	36,245.63	7,961,785.82		5.352	8,156,431.68
FGJ05665 5.5 10-01-2	5.500%	6,422,252.64	10/01/22		2.120	10/16/07	29,435.32	6,397,629.10		5.534	6,623,532.91
FGGH12956 5.0 01-01-	5.000%	6,759,547.60	01/01/23		2.070	12/17/07	28,164.78	6,754,883.60		4.982	6,951,621.36
FGCI 4.5 02-01-23	4.500%	7,517,973.52	02/01/23		3.250	02/19/08	28,192.40	7,514,808.17		4.481	7,697,532.27
FGG18239 5.0 03-01-2	5.000%	9,321,405.20	03/01/23		2.440	03/18/08	38,839.19	9,333,440.82		4.949	9,581,905.20
FGJ07494 4.5 04-01-2	4.500%	7,733,481.76	04/01/23		3.300	04/17/08	29,000.56	7,668,648.74		4.610	7,918,187.70
FGG13072 5.0 04-01-2	5.000%	5,448,508.74	04/01/23		2.350	03/18/08	22,702.12	5,413,301.79		5.077	5,601,319.96
FGCI 4.5 04-01-23	4.500%	8,000,000.13	04/01/23		3.330	12/16/08	30,000.00	8,113,220.29		4.254	8,191,071.57
FNCI 5.0 5-1-23	5.000%	7,634,753.04	05/01/23		2.410	05/19/08	31,811.47	7,601,247.88		5.021	7,848,117.13
FGG18259 5.5 06-01-2	5.500%	7,593,528.08	06/01/23		2.450	06/17/08	34,803.67	7,650,186.43		5.347	7,830,758.02
FGG18259 5.5 06-01-2	5.500%	7,635,557.30	06/01/23		2.450	07/17/08	34,996.30	7,611,655.86		5.518	7,874,100.29
FGG13247 5.0 07-01-2	5.000%	7,840,299.31	07/01/23		2.490	09/16/08	32,667.91	7,904,434.56		4.842	8,059,407.68
FGJ08476 5.5 08-01-2	5.500%	7,818,615.44	08/01/23		2.580	08/18/08	35,835.32	7,771,553.08		5.564	8,062,877.35
Subtotal Mortgage-Backed Securiti	5.285%	269,483,884.03	08/26/11		2.386		1,186,857.73	269,549,139.80		5.186	277,805,245.06
CMOs											
FHR2840EG 4.0 08-15-	4.000%	1,598,074.95	08/15/12		0.950	11/15/04	5,326.92	1,598,212.92		3.867	1,606,704.55
FHR2892GA 4.0 12-15-	4.000%	1,544,106.50	12/15/12		1.350	12/20/04	5,147.02	1,544,289.89		3.917	1,535,243.33
FNBR2006-B2AB 5.5 05	5.500%	2,653,161.90	05/25/14		1.040	12/27/06	12,160.33	2,654,098.57		5.375	2,716,280.62
FHRR 5.125 10-15-15	5.125%	3,587,554.05	10/15/15		0.760	03/29/07	15,321.85	3,581,959.20		5.139	3,639,609.51
Subtotal CMOs	4.854%	9,382,897.40	01/08/10		0.968		37,956.12	9,378,560.58		4.788	9,497,838.01
Agency Notes											
FCCB 4.45 6-11-09	4.450%	14,000,000.00	06/11/09		0.444	12/05/06	34,611.11	13,988,030.97		4.657	14,253,750.00
FHLB 5.25 06-12-09	5.250%	20,000,000.00	06/12/09		0.446	05/17/06	55,416.67	19,996,246.00		5.295	20,431,250.00
FHLB 5.25 06-12-09	5.250%	14,950,000.00	06/12/09		0.446	05/17/06	41,423.96	14,947,021.21		5.298	15,272,359.38
FHLB 5.25 06-12-09	5.250%	20,000,000.00	06/12/09		0.446	05/31/06	55,416.67	19,998,450.17		5.272	20,431,250.00
FHLB 5.25 9-11-09	5.250%	25,000,000.00	09/11/09		0.682	09/19/06	401,041.67	25,022,032.85		5.111	25,789,062.50
FHLB 5.25 9-11-09	5.250%	25,000,000.00	09/11/09		0.682	09/27/06	401,041.67	25,055,929.40		4.898	25,789,062.50
FHLB 5.25 9-11-09	5.250%	10,000,000.00	09/11/09		0.682	02/26/07	160,416.67	10,019,411.19		4.947	10,315,625.00
FHLMC 6.625 09-15-09	6.625%	20,000,000.00	09/15/09		0.690	06/19/06	390,138.89	20,145,864.87		5.475	20,825,000.00
FHLB 5 10-02-09	5.000%	20,000,000.00	10/02/09		0.741	05/16/07	247,222.22	20,006,083.24		4.950	20,650,000.00
FFCB 5 10-23-09	5.000%	20,584,000.00	10/23/09		0.799	03/06/07	194,404.44	20,610,195.38		4.828	21,310,872.50
FNMA 4.125 11-12-09	4.125%	19,900,000.00	11/12/09		0.854	10/12/06	111,730.21	19,747,041.94		5.099	20,447,250.00
FHLB 6.5 11-13-09	6.500%	8,940,000.00	11/13/09		0.851	03/15/07	74,251.67	9,061,209.89		4.805	9,389,793.75
FFCB 4.75 12-07-09	4.750%	15,690,000.00	12/07/09		0.922	03/15/07	49,685.00	15,684,761.64		4.786	16,283,278.13
FHLB 5.0 12-11-09	5.000%	26,435,000.00	12/11/09		0.932	02/12/07	73,430.56	26,417,833.89		5.072	27,508,921.88
FHLB 4.55 6-22-10	4.550%	20,000,000.00	06/22/10		1.442	06/15/07	22,750.00	19,767,089.03		5.419	21,068,750.00
FFCB 3.35 07-07-10	3.350%	10,000,000.00	07/07/10		1.467	03/16/07	161,916.67	9,792,212.39		4.854	10,365,625.00
FFCB 3.35 07-07-10	3.350%	10,000,000.00	07/07/10		1.467	03/16/07	161,916.67	9,794,230.50		4.839	10,365,625.00

Description	Coupon	Par Value	Maturity Date	Call Date	Mod DTW	Purchase Date	Accrued Interest	Book Value	YTC	Current Yield	Market Value
FFCB 3.35 07-07-10	3.350%	20,000,000.00	07/07/10		1.467	03/26/07	323,833.33	19,606,361.12		4.843	20,731,250.00
FHLB 5.0 09-01-10	5.000%	18,205,000.00	09/01/10		1.595	03/28/07	303,416.67	18,264,929.91		4.772	19,394,014.06
FHLMC 5.0 09-01-10	5.000%	15,000,000.00	09/01/10		1.595	03/29/07	250,000.00	15,039,113.80		4.819	15,934,230.00
FHLB 4.7 09-21-10	4.700%	15,000,000.00	09/21/10		1.654	03/29/07	195,833.33	14,973,598.83		4.817	15,928,125.00
FNMA 3.25 5-5-11 1xC	3.250%	20,000,000.00	05/05/11	05/05/10	1.314	05/05/08	101,111.11	19,986,431.23	1.067	3.285	20,581,250.00
FHLB 5.25 06-10-11	5.250%	20,000,000.00	06/10/11		2.317	05/22/07	61,250.00	20,084,533.52		5.049	21,893,750.00
FHLB 5.25 06-10-11	5.250%	10,000,000.00	06/10/11		2.317	05/24/07	30,625.00	10,022,124.83		5.144	10,946,875.00
FHLB 5.25 06-10-11	5.250%	10,000,000.00	06/10/11		2.317	05/24/07	30,625.00	10,022,591.86		5.142	10,946,875.00
FHLB 5.25 06-10-11	5.250%	20,000,000.00	06/10/11		2.317	06/01/07	61,250.00	20,015,025.85		5.214	21,893,750.00
FHLB 4.25 06-10-11	4.250%	25,000,000.00	06/10/11		2.341	07/16/08	61,979.17	25,348,499.28		3.641	26,773,437.50
FHLB 4.25 06-10-11	4.250%	16,000,000.00	06/10/11		2.340	07/23/08	39,666.67	16,098,407.61		3.979	17,135,000.00
FHLB 4.25 06-10-11	4.250%	9,000,000.00	06/10/11		2.340	07/23/08	22,312.50	9,054,136.02		3.985	9,638,437.50
FHLB 5 09-09-11	5.000%	20,000,000.00	09/09/11		2.511	06/07/07	311,111.11	19,840,390.36		5.334	21,693,750.00
FHLB 5 09-09-11	5.000%	14,460,000.00	09/09/11		2.511	06/07/07	224,933.33	14,343,589.64		5.337	15,684,581.25
FHLB 3.55 11-17-11	3.550%	25,000,000.00	11/17/11	11/17/10	1.811	11/17/08	108,472.22	25,000,000.00	1.765	3.550	25,820,312.50
FFCB 3.375 11-18-11	3.375%	15,000,000.00	11/18/11	11/18/09	0.866	11/18/08	60,468.75	15,000,000.00	1.403	3.375	15,257,812.50
FHLB 4.75 12-9-11	4.750%	20,000,000.00	12/09/11		2.768	06/15/07	58,055.56	19,623,046.03		5.483	21,812,500.00
TVA 6.79 05-23-12	6.790%	9,309,000.00	05/23/12		3.087	02/19/08	66,719.67	10,238,111.81		3.517	10,686,527.20
FHLB 4.875 06-08-12	4.875%	5,000,000.00	06/08/12		3.202	02/19/08	15,572.92	5,207,563.78		3.529	5,485,937.50
FHLB 4.875 12-14-12	4.875%	15,000,000.00	12/14/12		3.644	02/12/08	34,531.25	15,701,775.37		3.548	16,382,812.50
FHLB 4.875 12-14-12	4.875%	20,000,000.00	12/14/12		3.644	02/12/08	46,041.67	20,935,700.47		3.548	21,843,750.00
FHLB 4.875 12-14-12	4.875%	14,000,000.00	12/14/12		3.644	02/13/08	32,229.17	14,679,567.47		3.500	15,290,625.00
FFCB 3.4 02-07-13	3.400%	25,000,000.00	02/07/13		3.809	02/14/08	340,000.00	24,825,501.91		3.591	25,906,250.00
FFCB 3.4 02-07-13	3.400%	20,000,000.00	02/07/13		3.808	02/20/08	272,000.00	19,704,982.98		3.806	20,725,000.00
FNMA 4.75 02-21-13	4.750%	15,000,000.00	02/21/13		3.750	06/03/08	257,291.67	15,389,269.84		4.053	16,307,812.50
FNMA 4.75 02-21-13	4.750%	10,000,000.00	02/21/13		3.749	06/05/08	171,527.78	10,241,726.82		4.100	10,871,875.00
FHLB 3.875 03-08-13	3.875%	20,000,000.00	03/08/13		3.861	03/12/08	243,263.89	20,189,743.59		3.624	21,118,750.00
FHLB 3.875 03-08-13	3.875%	20,000,000.00	03/08/13		3.862	03/24/08	243,263.89	20,299,663.20		3.481	21,118,750.00
FFCB 4.0 05-21-13	4.000%	10,000,000.00	05/21/13		4.051	06/03/08	44,444.44	9,961,763.21		4.097	10,634,375.00
FHLB 5.13 05-24-13	5.130%	30,000,000.00	05/24/13		3.984	06/04/08	158,175.00	31,345,769.24		3.994	33,309,375.00
Subtotal Agency Notes	4.657%	806,473,000.00	03/05/11		2.045		6,806,819.85	811,097,564.14		4.509	852,245,265.65
Municipal Bonds											
CHI 3.81 01-01-09	3.810%	3,000,000.00	01/01/09		0.003	08/21/06	57,150.00	3,000,000.00		5.311	3,000,000.00
CHI 5.025 01-01-09	5.025%	2,990,000.00	01/01/09		0.003	05/16/07	75,123.75	2,990,000.00		5.061	2,990,000.00
HOB 3.97 2-1-09	3.970%	2,860,000.00	02/01/09		0.088	07/20/06	47,309.17	2,856,529.39		5.550	2,859,742.60
INSBBK 3.15 02-01-09	3.150%	5,000,000.00	02/01/09		0.088	03/02/07	65,625.00	4,992,537.01		5.050	5,002,400.00
WAT 5.43 04-01-09	5.430%	125,000.00	04/01/09	04/01/09	0.249	08/01/05	1,696.87	125,000.00	2.687	4.805	125,840.00
PLK 4.1 06-01-09	4.100%	2,735,000.00	06/01/09		0.416	06/28/07	9,344.58	2,724,107.35		5.320	2,756,989.40
ILS 2.8 06-01-09	2.800%	2,300,000.00	06/01/09		0.416	05/12/08	5,366.67	2,297,883.57		3.070	2,303,795.00
GAS 6.4 7-1-09	6.400%	1,650,000.00	07/01/09		0.985	07/20/06	52,800.00	1,655,917.59		5.610	1,681,944.00
PHO 4.3 7-1-09	4.300%	1,500,000.00	07/01/09		0.989	10/04/06	32,250.00	1,495,431.63		4.956	1,516,020.00
HOWSCD 4.35 07-15-09	4.350%	1,025,000.00	07/15/09		0.528	03/22/05	20,559.79	1,024,345.70		4.480	1,035,147.50
WOO 5.11 07-15-09	5.110%	1,730,000.00	07/15/09		0.526	05/13/05	40,763.61	1,736,142.59		4.380	1,753,476.10
TULGEN 7.28 8-15-09	7.280%	2,100,000.00	08/15/09		0.605	08/30/06	57,754.67	2,124,504.97		5.230	2,152,017.00
NYC 4.5 08-15-09	4.500%	1,000,000.00	08/15/09		0.611	04/28/08	17,000.00	1,007,228.44		3.300	1,006,050.00
BRI 4 09-15-09	4.000%	1,625,000.00	09/15/09		0.696	06/06/07	19,138.89	1,610,783.07		5.330	1,626,137.50
BROAPT 6.4 10-01-09	6.400%	1,000,000.00	10/01/09		0.735	10/02/06	16,000.00	1,009,145.94		5.070	1,029,860.00
ORLUTL 3.92 10-01-09	3.920%	1,365,000.00	10/01/09		0.740	06/20/07	13,377.00	1,350,240.05		5.470	1,383,222.75
LASSCD 7.5 12-01-09	7.500%	965,000.00	12/01/09		0.899	05/12/06	6,031.25	979,689.21		5.480	980,295.25
COOSCD 5.25 12-01-09	5.250%	1,100,000.00	12/01/09		0.904	02/08/07	4,812.50	1,100,000.00		5.250	1,112,716.00
NYSDEV 4.39 12-15-09	4.390%	1,470,000.00	12/15/09		0.945	10/11/06	2,868.13	1,461,884.40		5.020	1,493,196.60
NYSDEV 4.39 12-15-09	4.390%	1,000,000.00	12/15/09		0.945	11/07/06	1,951.11	994,421.52		5.026	1,015,780.00
BERUTL 3.90 01-01-10	3.900%	785,000.00	01/01/10	01/01/09	1.471	01/26/05	15,307.50	785,000.00	3.900	3.900	791,853.05
OKADEV 8.5 1-1-29 pr	8.500%	5,000,000.00	01/01/10		1.441	05/19/06	177,083.33	5,138,967.74		5.400	5,295,950.00

Description	Coupon	Par Value	Maturity Date	Call Date	Mod DTW	Purchase Date	Accrued Interest	Book Value	YTC	Current Yield	Market Value
BEMDEV 4.25 02-01-10	4.250%	5,000,000.00	02/01/10	02/01/09	1.052	01/25/08	88,541.67	5,000,000.00	3.088	4.250	5,004,600.00
NWK 3.662 04-01-10	3.662%	1,025,000.00	04/01/10		1.204	04/22/08	26,483.38	1,028,701.89		3.362	1,033,692.00
DOBIE 6.51 05-01-10	6.510%	1,015,000.00	05/01/10		1.287	10/11/06	11,012.75	1,034,762.00		4.900	1,038,254.67
OHS 3.75 05-01-10	3.750%	1,330,000.00	05/01/10		1.317	10/17/08	8,312.50	1,327,003.91		3.926	1,345,348.20
ILS 3.3 06-01-10	3.300%	1,000,000.00	06/01/10		1.393	04/11/08	2,750.00	1,003,840.83		3.000	1,008,190.00
ORS 4.375 06-01-10	4.375%	3,000,000.00	06/01/10		1.385	10/16/08	10,937.50	3,010,077.95		4.110	3,070,740.00
ILS 3.3 06-01-10	3.300%	1,645,000.00	06/01/10		1.392	10/17/08	4,523.75	1,632,273.69		3.900	1,658,472.55
FFLGEN 8 7-1-28 prer	8.000%	1,150,000.00	07/01/10	07/01/10	1.891	04/13/06	46,000.00	1,193,805.91	3.053	5.166	1,243,782.50
FFLGEN 8 7-1-28 prer	8.000%	500,000.00	07/01/10	07/01/10	1.891	01/11/07	20,000.00	522,016.88	3.053	4.779	540,775.00
TXS 5.75 8-1-10	5.750%	1,500,000.00	08/01/10		1.503	11/04/08	35,937.50	1,551,313.63		3.500	1,563,210.00
JER 4.11 09-01-10	4.110%	1,005,000.00	09/01/10		1.607	12/08/06	13,768.50	996,002.10		4.700	1,024,949.25
MEN 5.60 09-01-10	5.600%	5,000,000.00	09/01/10	09/01/09	1.587	10/22/07	93,333.33	5,035,772.59	3.445	5.129	5,070,150.00
MAD 4.30 10-01-10	4.300%	880,000.00	10/01/10	10/01/09	1.688	10/18/05	9,460.00	879,717.04	2.405	4.320	900,380.80
WILSCD 5.375 10-01-1	5.375%	1,550,000.00	10/01/10		1.673	03/15/07	20,828.13	1,554,752.40		5.180	1,612,015.50
ALT 3.74 10-01-10	3.740%	1,640,000.00	10/01/10		1.695	08/30/07	15,334.00	1,603,498.54		5.130	1,628,438.00
ERI 4.94 11-1-10	4.940%	8,400,000.00	11/01/10		1.762	12/14/06	69,160.00	8,390,197.79		5.009	8,588,664.00
MAN 4.125 12-01-10	4.125%	3,250,000.00	12/01/10		1.857	11/13/08	11,171.88	3,296,839.54		3.320	3,360,987.50
PEOSCD 0 01-01-11	0.000%	1,930,000.00	01/01/11		2.001	05/18/07	0.00	1,756,746.96		5.177	1,599,024.30
MAY 6.75 01-01-11	6.750%	1,325,000.00	01/01/11	01/01/09	2.344	10/02/07	44,718.75	1,345,834.55	6.366	5.871	1,330,671.00
UNC 4.3 01-01-11 Sin	4.300%	975,000.00	01/01/11	01/01/09	2.396	10/15/07	20,962.50	967,409.16	4.161	4.722	976,989.00
HOB 4.76 02-01-11	4.760%	1,960,000.00	02/01/11		1.969	07/20/07	38,873.33	1,933,202.30		5.490	1,957,256.00
OHS 4.15 05-01-11	4.150%	1,000,000.00	05/01/11		2.257	08/19/08	6,916.67	1,000,000.00		4.150	1,018,570.00
ORSGEN 5.197 06-01-1	5.197%	1,070,000.00	06/01/11		2.293	08/17/07	4,633.99	1,069,426.01		5.220	1,115,228.90
ORS 4.605 06-01-11	4.605%	7,000,000.00	06/01/11		2.308	02/21/08	26,862.50	7,167,330.52		3.511	7,278,180.00
SFO 5.0 06-15-11	5.000%	1,450,000.00	06/15/11		2.339	05/29/08	3,222.22	1,496,102.71		3.620	1,494,268.50
STNPWR 3.76 07-01-08	3.760%	4,550,000.00	07/01/11		2.865	02/11/08	85,540.00	4,571,503.62		3.552	4,590,859.00
DOVPWR 4.6 07-01-11	4.600%	1,000,000.00	07/01/11	7/1/2010	2.838	04/15/08	23,000.00	1,015,711.57	3.411	3.825	1,017,240.00
LONFAC 7.24 9-1-11	7.240%	1,135,000.00	09/01/11		2.427	11/05/08	27,391.33	1,211,969.09		4.500	1,245,197.15
ALT 3.98 10-01-11	3.980%	1,800,000.00	10/01/11		2.605	08/21/07	17,910.00	1,747,045.73		5.180	1,804,536.00
WTA 5.4 10-01-11	5.400%	2,030,000.00	10/01/11	10/01/09	2.562	01/10/08	27,405.00	2,051,844.57	3.436	4.586	2,059,150.80
ROBUTL 8.45 11-15-11	8.450%	935,000.00	11/15/11	05/15/09	2.592	10/02/07	10,179.90	975,347.00	-0.302	6.702	1,063,609.25
MAN 5.375 12-01-11	5.375%	1,000,000.00	12/01/11		2.732	11/17/08	4,479.17	1,047,758.69		3.630	1,073,890.00
PEOSCD 0 01-01-12	0.000%	2,000,000.00	01/01/12		3.001	08/29/07	0.00	1,719,152.49		5.309	1,494,020.00
CHI 5.25 01-01-12	5.250%	4,000,000.00	01/01/12		3.250	01/25/08	105,000.00	4,172,760.46		3.647	4,140,520.00
MES 5.05 01-15-12	5.050%	1,085,000.00	01/15/12		2.797	11/10/08	25,265.43	1,124,206.95		3.775	1,124,027.45
NWK 4.504 04-01-12	4.504%	1,200,000.00	04/01/12		2.883	04/22/08	38,133.87	1,207,212.92		4.301	1,209,060.00
MIS 3.95 05-01-12	3.950%	1,000,000.00	05/01/12		3.136	04/29/08	6,583.33	998,468.79		4.000	1,005,780.00
MIS 3.95 05-01-12	3.950%	1,000,000.00	05/01/12		3.137	04/29/08	6,583.33	1,005,517.36		3.770	1,005,780.00
OHS 4.55 05-01-12	4.550%	1,000,000.00	05/01/12		3.146	08/19/08	7,583.33	1,000,243.25		4.544	1,025,960.00
KSSDEV 4.372 05-01-1	4.372%	2,600,000.00	05/01/12		3.118	10/10/08	18,945.33	2,633,733.01		3.950	2,667,080.00
PAL 5.735 06-01-12	5.735%	3,515,000.00	06/01/12		3.148	03/06/08	16,798.77	3,741,662.21		3.630	3,771,841.05
ILS 3.75 6-1-12	3.750%	4,955,000.00	06/01/12		3.229	09/16/08	15,484.38	4,927,948.52		3.926	4,987,950.75
STNPWR 4.05 07-01-12	4.050%	4,875,000.00	07/01/12		3.733	02/06/08	98,718.75	4,882,419.14		4.002	4,871,831.25
WAS 5.6 07-01-12	5.600%	5,000,000.00	07/01/12		3.653	11/17/08	140,000.00	5,304,081.29		3.725	5,420,350.00
MONHGR 4.24 08-01-12	4.240%	1,000,000.00	08/01/12		3.304	01/24/08	17,666.67	1,000,000.00		4.240	1,017,540.00
SCRGEN 5.556 08-01-1	5.556%	1,000,000.00	08/01/12		3.223	11/03/08	23,150.00	991,195.85		5.830	1,030,110.00
NYC 4.5 9-1-12	4.500%	4,400,000.00	09/01/12		3.375	09/16/08	66,000.00	4,470,837.21		4.020	4,329,996.00
DUPSCD 4.0 10-01-12	4.000%	1,255,000.00	10/01/12		3.486	03/31/08	12,550.00	1,255,000.00		4.000	1,264,475.25
MAN 5.375 12-01-12	5.375%	1,000,000.00	12/01/12		3.580	11/17/08	4,479.17	1,055,924.83		3.820	1,038,200.00
PAS 4.76 02-15-13	4.760%	1,825,000.00	02/15/13	02/15/09	3.735	03/28/08	32,817.56	1,890,356.81	3.633	3.799	1,872,121.50
NWK 4.654 04-01-13	4.654%	1,000,000.00	04/01/13		3.630	04/22/08	32,836.56	1,009,580.76		4.401	1,007,350.00
MIS 4.16 05-01-13	4.160%	1,000,000.00	05/01/13		3.986	05/01/08	6,933.33	1,009,360.00		3.920	1,013,670.00
KSSDEV 4.522 05-01-1	4.522%	3,840,000.00	05/01/13		3.954	10/15/08	28,940.80	3,813,526.54		4.700	3,924,326.40
WAS 5.625 07-01-13	5.625%	5,000,000.00	07/01/13		4.449	11/20/08	140,625.00	5,298,934.38		4.150	5,413,450.00
TXS 6.0 08-01-13	6.000%	1,010,000.00	08/01/13		3.999	11/13/08	25,250.00	1,070,260.96		4.537	1,088,749.70

Description	Coupon	Par Value	Maturity Date	Call Date	Mod DTW	Purchase Date	Accrued Interest	Book Value	YTC	Current Yield	Market Value
GAS 5.15 03-01-16	5.150%	5,000,000.00	03/01/16	03/01/09	6.011	11/25/08	85,833.33	5,205,877.30	4.358	4.470	5,143,450.00
Subtotal Municipal Bonds	4.850%	169,935,000.00	04/18/11		2.033		2,525,143.01	171,665,830.37		4.449	173,097,391.97
Money Market Mutual Funds											
TexStar960 Cash Rese	1.358%	246,739,372.87	02/16/09		0.129	06/04/07	46.62	246,739,372.87		1.358	246,739,372.87
CHASE MONEY MARKET F	0.904%	0.00	01/01/09		0.000	02/01/08	1,283.29	0.00		0.904	0.00
REPO- TexStar	1.231%	64,001,175.23	01/06/09		0.016	12/22/08	0.73	64,001,175.23		1.231	64,001,175.23
Subtotal Money Market Mutual Fur	1.332%	310,740,548.10	02/07/09		0.106		1,330.64	310,740,548.10		1.332	310,740,548.10
Reverse Repurchase Agreements											
RR T 3.5 8-15-09	0.300%	(31,607,142.86)	01/06/09		0.016	12/22/08	(2,633.93)	(31,607,142.86)		0.300	(31,607,142.86)
RR T 6.0 8-15-09	0.300%	(32,372,448.98)	01/06/09		0.016	12/22/08	(2,697.70)	(32,372,448.98)		0.300	(32,372,448.98)
RR T 4.5 4-30-09	0.350%	(26,052,295.92)	01/15/09		0.041	12/15/08	(4,305.87)	(26,052,295.92)		0.350	(26,052,295.92)
RR T 3.0 02-15-09	0.250%	(20,714,285.71)	01/21/09		0.057	12/19/08	(1,870.04)	(20,714,285.71)		0.250	(20,714,285.71)
RR T 4.875 05-15-09	0.350%	(26,084,183.67)	01/22/09		0.060	12/23/08	(2,282.37)	(26,084,183.67)		0.350	(26,084,183.67)
Subtotal Reverse Repurchase Agr	0.312%	(136,830,357.14)	01/13/09		0.035		(13,789.91)	(136,830,357.14)		0.311	(136,830,357.14)
TOTAL FUND 9900 (960)	4.262%	2,005,042,922.39	06/27/10		1.407		15,454,862.33	2,016,277,654.69		3.751	2,070,317,113.59

**INVESTMENT BY SECTOR AND MATURITY - TAX EXEMPT FUND 9901 (971)
AS OF DECEMBER 31, 2008**

Description	Coupon	Par Value	Maturity Date	Call Date	Mod DTW	Purchase Date	Accrued Interest	Book Value	YTC	Current Yield	Market Value
Money Market Mutual Funds											
FIDELITY TAX FREE MO	0.774%	17,261,080.36	02/02/09		0.090	07/01/99	6,619.84	17,261,080.36		0.773	17,261,080.36
Subtotal Money Market Mutual Fur	0.774%	17,261,080.36	02/02/09		0.090		6,619.84	17,261,080.36		0.773	17,261,080.36
TOTAL FUND 9901 (971)	0.774%	17,261,080.36	02/02/09		0.090		6,619.84	17,261,080.36		0.773	17,261,080.36

**INVESTMENT BY SECTOR AND MATURITY - HOUSING DEPARTMENT SECTION 108 FUND 9902 (974)
AS OF DECEMBER 31, 2008**

Description	Coupon	Par Value	Maturity Date	Call Date	Mod DTW	Purchase Date	Accrued Interest	Book Value	YTC	Current Yield	Market Value
Treasury Bills											
B 1.1 01-02-09	1.100%	4,430,000.00	01/02/09		0.005	10/21/08	0.00	4,429,864.64		1.102	4,430,000.00
Subtotal Treasury Bills	1.100%	4,430,000.00	01/02/09		0.005		0.00	4,429,864.64		1.102	4,430,000.00
TOTAL FUND 9902 (974)	1.100%	4,430,000.00	01/02/09		0.005		0.00	4,429,864.64		1.102	4,430,000.00
GRAND TOTALS	4.225%	2,026,734,002.75	06/21/10		1.393		15,461,482.17	2,037,968,599.69		3.720	2,092,008,193.95

Appendix II

Investments by Sector and Maturity as of September 30, 2008

INVESTMENT BY SECTOR AND MATURITY - GENERAL FUND 9900 (960)
AS OF SEPTEMBER 30, 2008

Description	Coupon	Par Value	Maturity Date	Call Date	Mod DTW	Purchase Date	Accrued Interest	Book Value	BEYTW@ Cost	YTC	Current Yield	Market Value
Treasury Notes												
T 4.875 10-31-08	4.875%	25,000,000.00	10/31/08		0.085	12/20/07	510,020.38	25,030,038.57	3.369		3.369	25,082,025.00
T 4.375 11-15-08	4.375%	25,000,000.00	11/15/08		0.126	12/27/07	413,128.40	25,023,735.90	3.579		3.579	25,105,475.00
T 4.375 11-15-08	4.375%	25,000,000.00	11/15/08		0.126	01/30/08	413,128.40	25,061,220.36	2.346		2.346	25,105,475.00
T 4.75 11-15-08	4.750%	20,000,000.00	11/15/08		0.126	04/21/08	358,831.52	20,075,045.07	1.656		1.656	20,095,320.00
T 4.75 11-15-08	4.750%	30,000,000.00	11/15/08		0.126	04/30/08	538,247.28	30,109,708.70	1.733		1.733	30,142,980.00
T 4.75 12-31-08	4.750%	25,000,000.00	12/31/08		0.252	03/27/08	300,101.90	25,200,349.32	1.488		1.488	25,232,425.00
T 3.00 02-15-09	3.000%	20,000,000.00	02/15/09		0.378	03/24/08	76,630.43	20,104,094.41	1.592		1.592	20,115,620.00
T 4.5 04-30-09	4.500%	25,000,000.00	04/30/09		0.572	08/27/08	470,788.04	25,346,774.96	2.077		2.077	25,404,300.00
T 4.875 05-15-09	4.875%	25,000,000.00	05/15/09		0.613	08/28/08	460,343.07	25,421,882.51	2.119		2.119	25,474,600.00
T 3.875 05-15-09	3.875%	25,000,000.00	05/15/09		0.616	09/25/08	365,913.73	25,319,639.01	1.796		1.796	25,333,975.00
T 4.875 06-30-09	4.875%	20,000,000.00	06/30/09		0.738	09/30/08	246,399.46	20,487,271.06	1.579		1.579	20,451,560.00
T 4.0 08-31-09	4.000%	25,000,000.00	08/31/09		0.907	05/30/08	85,635.36	25,370,326.14	2.343		2.343	25,470,700.00
TII 4.25 01-15-10	4.250%	6,465,200.00	01/15/10		1.262	08/14/08	58,239.51	6,778,273.46	0.471		0.471	6,654,106.68
TII 3.5 01-15-11	3.500%	6,249,750.00	01/15/11		2.210	08/14/08	46,363.64	6,639,005.06	0.747		0.747	6,499,252.52
HUD 3.44 08-01-11	3.440%	21,688,000.00	08/01/11		2.712	06/12/08	226,150.51	21,688,000.00	3.440		3.440	21,606,670.00
HUD 3.82 08-01-12	3.820%	25,000,000.00	08/01/12		3.583	06/12/08	289,482.95	25,000,000.00	3.820		3.820	24,921,875.00
Subtotal Treasury Notes	4.308%	349,402,950.00	07/31/09		0.803		4,859,404.58	352,655,364.53	2.296		2.296	352,696,359.20
Commercial Paper												
TOYCC 2.42 10-17-08	2.420%	63,000,000.00	10/17/08		0.047	09/17/08	0.00	62,932,240.00	2.425		2.425	62,915,580.00
Subtotal Commercial Paper	2.420%	63,000,000.00	10/17/08		0.047		0.00	62,932,240.00	2.425		2.425	62,915,580.00
Agency Discount Notes												
FHDN 2.26 10-03-08	2.260%	35,000,000.00	10/03/08		0.008	09/03/08	0.00	34,995,605.56	2.264		2.264	35,000,000.00
FHDN 2.26 10-03-08	2.260%	35,000,000.00	10/03/08		0.008	09/03/08	0.00	34,995,605.56	2.264		2.264	35,000,000.00
FNDN 2.34 10-24-08	2.340%	15,000,000.00	10/24/08		0.066	08/18/08	0.00	14,977,575.00	2.350		2.350	14,995,500.00
FNDN 2.34 10-24-08	2.340%	15,000,000.00	10/24/08		0.066	08/18/08	0.00	14,977,575.00	2.350		2.350	14,995,500.00
FNDN 2.43 11-12-08	2.430%	25,000,000.00	11/12/08		0.118	07/15/08	0.00	24,929,125.00	2.450		2.450	24,942,500.00
FNDN 2.57 11-14-08	2.570%	25,000,000.00	11/14/08		0.123	08/27/08	0.00	24,921,472.22	2.585		2.585	24,940,000.00
FHDN 2.41 11-17-08	2.410%	30,000,000.00	11/17/08		0.131	08/11/08	0.00	29,905,608.33	2.426		2.426	29,925,000.00
FMCDN 2.42 11-21-08	2.420%	25,000,000.00	11/21/08		0.142	07/15/08	0.00	24,914,291.66	2.441		2.441	24,930,000.00
FMCDN 2.42 11-24-08	2.420%	15,000,000.00	11/24/08		0.151	07/08/08	0.00	14,945,550.00	2.443		2.443	14,956,500.00
FMCDN 2.445 12-01-0	2.445%	24,000,000.00	12/01/08		0.170	07/03/08	0.00	23,900,570.00	2.470		2.470	23,899,200.00
FMCDN 2.43 12-1-08	2.430%	15,257,000.00	12/01/08		0.170	07/08/08	0.00	15,194,179.30	2.454		2.454	15,192,920.60
FNDN 2.227 12-04-08	2.227%	25,000,000.00	12/04/08		0.178	05/27/08	0.00	24,901,022.22	2.254		2.254	24,890,000.00
FHDN 2.51 12-5-08	2.510%	20,000,000.00	12/05/08		0.181	07/02/08	0.00	19,909,361.11	2.538		2.538	19,910,000.00
FMCDN 2.588 12-15-08	2.588%	25,000,000.00	12/15/08		0.208	06/17/08	0.00	24,865,208.34	2.622		2.622	24,870,000.00
FHDN 2.535 12-19-08	2.535%	15,000,000.00	12/19/08		0.219	07/02/08	0.00	14,916,556.25	2.566		2.566	14,917,500.00
Subtotal Agency Discount Notes	2.402%	344,257,000.00	11/13/08		0.121		0.00	343,249,305.55	2.420		2.420	343,364,620.60
Certificates of Deposit												
Georgian Bank CDARS	3.125%	94,500.00	9/17/2009		0.964	9/18/2008	106.64	94,500.00	3.125		3.125	94,500.00
Empire Bank CDARS	3.125%	94,500.00	9/17/2009		0.964	9/18/2008	106.64	94,500.00	3.125		3.125	94,500.00
Pilot Bank CDARS	3.125%	94,500.00	9/17/2009		0.964	9/18/2008	106.64	94,500.00	3.125		3.125	94,500.00
West Bank CDARS	3.125%	94,500.00	9/17/2009		0.964	9/18/2008	106.64	94,500.00	3.125		3.125	94,500.00
National City Bank C	3.125%	94,500.00	9/17/2009		0.964	9/18/2008	106.64	94,500.00	3.125		3.125	94,500.00
BB&T CDARS	3.125%	94,500.00	9/17/2009		0.964	9/18/2008	106.64	94,500.00	3.125		3.125	94,500.00
The F&M Bank & Trust	3.125%	91,562.08	9/17/2009		0.964	9/18/2008	103.33	91,562.08	3.125		3.125	91,562.08
The PrivateBank & Tr	3.125%	94,500.00	9/17/2009		0.964	9/18/2008	106.64	94,500.00	3.125		3.125	94,500.00
Spirit Bank CDARS	3.125%	94,500.00	9/17/2009		0.964	9/18/2008	106.64	94,500.00	3.125		3.125	94,500.00
Puget Sound Bank CDA	3.125%	17,937.92	9/17/2009		0.964	9/18/2008	20.24	17,937.92	3.125		3.125	17,937.92
FirsTier Bank CDARS	3.125%	94,500.00	9/17/2009		0.964	9/18/2008	106.64	94,500.00	3.125		3.125	94,500.00
Subtotal Certificates of Deposit	3.125%	960,000.00	09/17/09		0.964		1083.33	960,000.00	3.125		3.125	960,000.00
Mortgage-Backed Securities												
FN254627 5.0 12-01-0	5.000%	552,568.20	12/01/09		0.870	12/23/02	2,302.37	552,568.20	4.256		4.571	556,743.09
FNCI 7.00 03/01/12	7.000%	77,957.14	03/01/12		1.140	06/30/99	454.75	77,957.14	6.522		6.681	81,478.74
FGCI 7.00 4/01/12	7.000%	84,715.28	04/01/12		1.310	06/30/99	494.17	84,715.28	6.590		6.789	88,904.84
FNCI 7.00 04/01/12	7.000%	129,484.60	04/01/12		1.130	06/30/99	755.33	129,484.60	6.847		6.761	135,333.45
FNCI 7.00 04/01/12	7.000%	50,914.28	04/01/12		1.130	10/19/99	297.00	50,914.28	6.989		6.792	53,214.07
FNCI 7.00 05/01/12	7.000%	110,963.91	05/01/12		1.160	06/30/99	647.29	110,963.91	6.531		6.693	115,976.18
FNCI 6.50 07/01/12	6.500%	86,458.88	07/01/12		1.400	06/30/99	468.32	86,458.88	6.237		6.284	89,731.28
FGCI 7.00 07/01/12	7.000%	44,687.28	07/01/12		1.330	06/30/99	260.68	44,687.28	6.602		6.753	47,059.86
FGCI 7.00 07/01/12	7.000%	138,755.20	07/01/12		1.320	08/21/00	809.41	138,755.20	7.090		6.930	146,122.12
FGCI 7.00 10/01/12	7.000%	94,500.96	10/01/12		1.460	09/19/00	551.26	94,500.96	7.026		6.924	99,430.88
FGCI 6.50 01/01/13	6.500%	59,322.06	01/01/13		1.560	06/30/99	321.33	59,322.06	6.249		6.272	62,181.87
FNCI 6.50 01/01/13	6.500%	77,827.51	01/01/13		1.550	06/30/99	421.57	77,827.51	6.415		6.301	80,773.94
GNJO 6.50 04/15/13	6.500%	220,413.15	04/15/13		1.520	08/30/00	1,193.90	220,413.15	6.787		6.649	231,888.68
FNCI 6.00 08/01/13	6.000%	85,162.11	08/01/13		1.690	06/30/99	425.81	85,162.11	6.011		5.873	87,619.41

INVESTMENT BY SECTOR AND MATURITY - GENERAL FUND 9900 (960)
AS OF SEPTEMBER 30, 2008

Description	Coupon	Par Value	Maturity Date	Call Date	Mod DTW	Purchase Date	Accrued Interest	Book Value	BEYTW@ Cost	YTC	Current Yield	Market Value
FNCI 6.00 09/01/13	6.000%	106,806.15	09/01/13		1.690	06/30/99	534.03	106,806.15	6.029		5.881	109,327.09
FNCI 6.00 09/01/13	6.000%	151,308.60	09/01/13		1.690	06/30/99	756.54	151,308.60	6.032		5.892	154,880.04
GNJO 6.50 09/15/03	6.500%	161,605.08	09/15/13		1.700	06/30/99	875.37	161,605.08	6.559		6.460	170,083.14
FNCI 6.50 02/01/14	6.500%	79,613.43	02/01/14		1.480	06/30/99	431.24	79,613.43	6.574		6.422	82,626.77
FNCI 6.50 03/01/14	6.500%	81,690.78	03/01/14		1.560	06/30/99	442.49	81,690.78	6.430		6.324	84,783.28
GNJO 6.00 03-15-14	6.000%	380,879.70	03/15/14		1.940	06/30/99	1,904.40	380,879.70	6.003		5.944	394,367.09
FGCI 6.00 04/01/14	6.000%	163,219.15	04/01/14		1.890	01/23/01	816.10	163,219.15	6.033		5.974	167,170.10
FNCI 6.00 08/01/14	6.000%	194,010.75	08/01/14		2.110	05/17/01	970.05	193,997.93	6.020		5.946	198,589.99
GNJO 7.00 01/15/15	7.000%	280,985.83	01/15/15		1.980	08/30/00	1,639.08	280,985.83	7.079		7.030	296,217.02
FNCI 7.00 03/01/15	7.000%	228,537.92	03/01/15		1.880	11/16/00	1,333.14	228,537.92	7.003		6.885	241,080.99
FGCI 7.00 04/01/15	7.000%	135,610.80	04/01/15		2.000	09/19/00	791.06	135,610.80	7.056		7.002	143,069.17
FNCI 6.50 06/01/15	6.500%	1,256,041.20	06/01/15		2.630	06/18/02	6,803.56	1,256,041.20	6.008		5.675	1,305,543.99
FNCI 6.00 07/01/15	6.000%	298,097.45	07/01/15		2.110	05/17/01	1,490.49	297,927.69	6.016		5.959	305,133.45
FGCI 7.00 08/01/15	7.000%	84,526.45	08/01/15		1.680	08/21/00	493.07	84,526.45	7.141		7.096	89,269.05
FGCI 7.00 10/01/15	7.000%	124,314.66	10/01/15		2.050	10/19/00	725.17	124,314.66	7.082		7.041	131,151.76
FNCI 7.00 10/01/15	7.000%	120,907.06	10/01/15		2.180	11/16/00	705.29	120,907.06	7.011		6.885	127,467.43
FGCI 7.00 12/01/15	7.000%	275,552.73	12/01/15		2.230	02/19/02	1,607.39	275,552.73	6.260		5.390	291,013.41
FGCI 6.00 01/01/16	6.000%	67,627.14	01/01/16		2.300	02/15/01	338.14	67,627.14	6.052		6.018	68,875.16
FGCI 6.00 09/01/16	6.000%	476,788.76	09/01/16		2.490	10/18/01	2,383.94	476,788.76	5.624		5.461	488,109.00
FGCI 6.00 11/01/16	6.000%	705,334.88	11/01/16		2.520	12/18/01	3,526.67	705,847.69	5.803		5.733	722,002.98
FN 616072 6.00 11-01	6.000%	737,790.61	11/01/16		2.450	04/21/03	3,688.95	737,790.61	5.208		4.657	755,204.61
GNJO 6.5 11/15/16	6.500%	620,620.75	11/15/16		2.510	04/16/02	3,361.70	622,328.60	6.092		5.988	653,232.11
FGCI 6.50 02/01/17	6.500%	681,345.12	02/01/17		2.510	03/18/02	3,690.62	681,345.12	6.039		5.769	713,843.15
FN15 254684 5.0 02-0	5.000%	6,201,142.20	02/25/17		2.990	02/19/03	25,838.09	6,201,142.20	4.736		4.551	6,221,546.69
FNCI 6.50 03/01/17	6.500%	437,550.35	03/01/17		2.610	03/18/02	2,370.06	437,550.35	6.096		5.720	454,794.98
FNCI 6.50 03/01/17	6.500%	691,702.32	04/01/17		2.610	03/18/02	3,746.72	691,702.32	6.096		5.711	718,963.53
FGE01280 5.00 12-1-1	5.000%	1,880,533.06	12/01/17		2.900	12/17/02	7,835.55	1,881,104.55	4.841		4.737	1,889,366.88
FN 702860 5.00 04-01	5.000%	2,955,842.90	04/01/18		3.010	04/21/03	12,316.01	2,955,842.90	4.689		4.441	2,965,568.92
FN 254721 5.00 4-1-1	5.000%	1,612,696.05	04/21/18		3.050	04/21/03	6,719.57	1,616,140.39	4.599		4.366	1,618,002.53
FNCI 5.00 05-01-18	5.000%	3,384,571.10	05/01/18		3.070	05/19/03	14,102.38	3,391,920.82	4.638		4.428	3,395,707.83
FNCI 5.00 LLB 05-01-	5.000%	2,014,151.25	05/01/18		3.030	05/19/03	8,392.30	2,022,717.69	4.410		4.094	2,027,694.34
FG E97045 4.5 06-01-	4.500%	1,959,564.61	06/01/18		3.150	07/17/03	7,348.37	1,963,314.87	4.116		3.874	1,928,298.03
FGE01425 4.5 08-01-1	4.500%	7,270,741.20	08/01/18		3.180	08/18/03	27,265.28	7,283,734.33	4.365		4.315	7,167,466.43
FN254942 4.00 09-01-	4.000%	5,104,945.40	09/01/18		3.470	09/18/03	17,016.48	5,105,919.44	3.949		3.920	4,954,893.80
FN255077 5.00 01-01-	5.000%	1,541,534.33	01/01/19		3.130	03/17/05	6,423.06	1,543,066.44	4.825		4.687	1,546,606.68
FGG18008 4.5 09-01-1	4.500%	2,857,946.10	09/01/19		3.410	12/21/04	10,717.30	2,857,088.09	4.485		4.478	2,803,413.97
FGG18065 5.00 07-01-	5.000%	3,190,527.70	07/01/20		3.390	07/19/05	13,293.87	3,203,260.93	4.862		4.838	3,175,513.46
FGB19758 5.00 08-01-	5.000%	3,331,340.20	08/01/20		3.460	08/16/05	13,880.58	3,342,588.90	4.893		4.893	3,315,663.31
FGG18073 5.00 09-01-	5.000%	3,350,564.97	09/01/20		3.420	10/18/05	13,960.69	3,347,745.29	4.989		4.989	3,334,797.60
FGG18079 5.50 10-01-	5.500%	3,822,590.99	10/01/20		3.320	11/17/05	17,520.21	3,839,872.44	5.366		5.366	3,857,965.63
FGG11807 5.5 10-01-2	5.500%	3,722,496.60	10/01/20		3.280	12/15/05	17,061.44	3,735,653.26	5.388		5.388	3,756,847.58
FGG11810 5.5 12-01-2	5.500%	3,585,613.25	12/01/20		3.230	12/15/05	16,434.06	3,593,462.80	5.419		5.419	3,618,701.09
FGG18096 5.5 1-1-21	5.500%	3,904,102.74	01/01/21		3.350	02/16/06	17,893.80	3,921,177.38	5.373		5.373	3,940,129.57
FGG18101 5.5 02-01-2	5.500%	3,382,374.65	02/01/21		3.370	02/16/06	15,502.55	3,397,970.09	5.369		5.369	3,409,359.03
FN865183 5.5 02-01-2	5.500%	4,862,985.54	02/01/21		3.430	03/16/06	22,288.68	4,872,383.16	5.403		5.403	4,909,380.55
FGG18106 5.5 03-01-2	5.500%	5,155,037.20	03/01/21		3.370	03/16/06	23,627.25	5,154,449.49	5.470		5.470	5,196,163.78
FNCI 5.5 04-01-21	5.500%	5,646,102.08	04/01/21		3.440	04/18/06	25,877.97	5,637,617.76	5.475		5.475	5,699,968.38
FGG18115 6.0 05-01-2	6.000%	4,526,837.35	05/01/21		2.570	05/16/06	22,634.19	4,560,416.62	5.811		5.811	4,610,993.25
FGG18124 6.0 6-1-21	6.000%	3,601,087.50	06/01/21		2.590	06/19/06	18,005.44	3,622,142.73	5.845		5.845	3,668,033.30
FGG18124 6.0 6-1-21	6.000%	4,824,515.56	06/01/21		2.590	07/18/06	24,122.58	4,824,515.56	5.963		5.963	4,914,205.44
FGCI03360 5.50 09-01	5.500%	5,194,945.92	09/01/21		3.100	09/18/06	23,810.17	5,171,317.71	5.556		5.556	5,236,390.89
FGG12369 5.5 10-01-2	5.500%	5,488,652.51	10/01/21		3.030	10/17/06	25,156.32	5,487,288.33	5.472		5.472	5,532,440.67
FNCI 5.5 11-01-21	5.500%	5,763,594.56	11/01/21		3.040	11/16/06	26,416.48	5,750,554.70	5.487		5.487	5,818,581.79
FGG18157 5.5 12-01-2	5.500%	5,442,137.92	12/01/21		3.160	01/17/07	24,943.13	5,440,740.87	5.472		5.472	5,485,554.97
FGG18169 5.5 02-01-2	5.500%	5,850,297.20	02/01/22		3.200	02/15/07	26,813.86	5,821,410.69	5.559		5.559	5,893,899.11
FGG12514 5.5 02-01-2	5.500%	5,889,241.31	02/01/22		3.130	03/19/07	26,992.36	5,890,770.91	5.462		5.462	5,936,225.32
FN938603 5.5 05-01-2	5.500%	5,467,633.04	05/01/22		3.140	05/17/07	25,059.98	5,470,537.00	5.434		5.434	5,516,926.16
FGJ05074 5.5 06-01-2	5.500%	5,408,616.56	06/01/22		3.270	06/18/07	24,789.49	5,410,083.38	5.462		5.462	5,448,926.65
FGG12692 5.5 06-1-22	5.500%	6,198,508.60	06/01/22		3.300	06/18/07	28,409.83	6,201,870.62	5.457		5.457	6,244,705.71
FGJ05038 5.5 07-01-2	5.500%	6,475,149.20	07/01/22		3.340	06/18/07	29,677.77	6,440,856.70	5.561		5.561	6,523,408.10
FGG12718 5.5 07-01-2	5.500%	6,399,490.78	07/01/22		3.260	07/17/07	29,331.00	6,339,866.37	5.632		5.632	6,447,185.80
FGJ05317 5.5 08-01-2	5.500%	6,473,194.55	08/01/22		3.370	09/18/07	29,668.81	6,435,227.49	5.569		5.569	6,521,438.86
FGJ05440 6.0 08-01-2	6.000%	5,511,212.11	08/01/22		2.890	09/18/07	27,556.06	5,540,145.78	5.872		5.872	5,612,565.72
FGJ05665 5.5 10-01-2	5.500%	6,539,081.04	10/01/22		3.410	10/16/07	29,970.79	6,513,258.19	5.534		5.534	6,587,816.42
FGG12956 5.0 01-01-	5.000%	6,944,509.12	01/01/23		3.710	12/17/07	28,935.45	6,939,525.66	4.982		4.982	6,896,637.98
FGCI 4.5 02-01-23	4.500%	7,636,344.00	02/01/23		4.470	02/19/08	28,636.29	7,632,999.27	4.481		4.481	7,438,135.97
FGG18239 5.0 03-01-2	5.000%	9,577,691.20	03/01/23		4.150	03/18/08	39,907.05	9,590,412.87	4.949		4.949	9,502,689.45
FGJ07494 4.5 04-01-2	4.500%	7,834,192.88	04/01/23		4.540	04/17/08	29,378.22	7,766,610.71	4.610		4.610	7,630,849.51
FGG13072 5.0 04-01-2	5.000%	5,607,426.84	04/01/23		4.060	03/18/08	23,364.28	5,570,163.59	5.077		5.077	5,564,076.50
FNCI 5.0 5-1-23	5.000%	7,774,139.20	05/01/23		4.230	05/19/08	32,392.25	7,739,071.32	5.021		5.021	7,726,836.98
FGG18259 5.5 06-01-2	5.500%	7,805,506.96	06/01/23		3.740	06/17/08	35,775.24	7,865,313.16	5.347		5.347	7,862,900.38

INVESTMENT BY SECTOR AND MATURITY - GENERAL FUND 9900 (960)
AS OF SEPTEMBER 30, 2008

Description	Coupon	Par Value	Maturity Date	Call Date	Mod DTW	Purchase Date	Accrued Interest	Book Value	BEYTW@ Cost	YTC	Current Yield	Market Value
FGG18259 5.5 06-01-2	5.500%	7,848,709.46	06/01/23		3.740	07/17/08	35,973.25	7,823,486.91	5.518		5.518	7,906,420.56
FGG13247 5.0 07-01-2	5.000%	8,000,000.05	07/01/23		3.890	09/16/08	33,333.34	8,067,207.53	4.842		4.842	7,937,353.01
FCJ08476 5.5 08-01-2	5.500%	7,970,496.40	08/01/23		4.220	08/18/08	36,531.44	7,921,271.39	5.564		5.564	8,029,102.98
Subtotal Mortgage-Backed Securities	5.307%	263,146,814.17	10/30/12		3.401		1,163,729.02	263,063,482.44	5.240		5.213	263,970,515.26
CMOs												
FHR2840EG 4.0 08-15-	4.000%	1,755,725.25	08/15/12		1.220	11/15/04	5,852.42	1,756,255.60	3.866		3.867	1,750,106.93
FHR2892GA 4.0 12-15-	4.000%	1,551,179.45	12/15/12		2.480	12/20/04	5,170.60	1,551,511.58	3.918		3.917	1,548,852.68
FHR2760 4.5 04-15-13	4.500%	828,947.91	04/15/13		0.080	09/19/07	3,108.55	828,150.67	4.627		4.627	828,699.24
FNBR2006-B2AB 5.5 05	5.500%	2,819,910.65	05/25/14		1.600	12/27/06	12,924.59	2,821,034.90	5.375		5.375	2,861,278.74
FHRR 5.125 10-15-15	5.125%	3,724,111.26	10/15/15		1.940	03/29/07	15,905.06	3,717,786.77	5.139		5.139	3,757,367.61
Subtotal CMOs	4.827%	10,679,874.52	07/26/10		1.667		42,961.22	10,672,739.52	4.775		4.775	10,746,305.20
Agency Notes												
FNMA 4.5 10-15-08	4.500%	25,000,000.00	10/15/08		0.041	02/21/08	518,750.00	25,018,046.41	2.587		2.587	25,015,625.00
FNMA 4.9 11-03-08	4.900%	20,000,000.00	11/03/08		0.093	05/14/07	402,888.89	19,999,725.04	5.075		5.075	20,031,250.00
FHLB 4.2 11-19-08	4.200%	11,310,000.00	11/19/08		0.137	02/20/08	174,174.00	11,335,188.24	2.509		2.509	11,324,137.50
FHLB 4.125 11-28-08	4.125%	12,000,000.00	11/28/08		0.162	02/20/08	169,125.00	12,029,705.87	2.537		2.537	12,018,750.00
FHLB 5.0 12-12-08	5.000%	20,000,000.00	12/12/08		0.200	12/20/06	302,777.78	20,002,429.87	4.934		4.934	20,075,000.00
FCCB 4.45 6-11-09	4.450%	14,000,000.00	06/11/09		0.686	12/05/06	190,361.11	13,981,191.54	4.657		4.657	14,118,125.00
FHLB 5.25 06-12-09	5.250%	20,000,000.00	06/12/09		0.687	05/17/06	317,916.67	19,994,114.10	5.295		5.295	20,281,250.00
FHLB 5.25 06-12-09	5.250%	14,950,000.00	06/12/09		0.687	05/17/06	237,642.71	14,945,329.54	5.298		5.298	15,160,234.38
FHLB 5.25 06-12-09	5.250%	20,000,000.00	06/12/09		0.687	05/31/06	317,916.67	19,997,570.02	5.272		5.272	20,281,250.00
FHLB 5.25 9-11-09	5.250%	25,000,000.00	09/11/09		0.934	09/19/06	72,916.67	25,030,044.80	5.111		5.111	25,453,125.00
FHLB 5.25 9-11-09	5.250%	25,000,000.00	09/11/09		0.934	09/27/06	72,916.67	25,076,267.37	4.898		4.898	25,453,125.00
FHLB 5.25 9-11-09	5.250%	10,000,000.00	09/11/09		0.934	02/26/07	29,166.67	10,026,469.81	4.947		4.947	10,181,250.00
FHLMC 6.625 09-15-09	6.625%	20,000,000.00	09/15/09		0.942	06/19/06	58,888.89	20,198,081.08	5.475		5.475	20,650,000.00
FHLB 5 10-02-09	5.000%	20,000,000.00	10/02/09		0.969	05/16/07	497,222.22	20,008,125.79	4.950		4.950	20,343,750.00
FFCB 5 10-23-09	5.000%	20,584,000.00	10/23/09		1.028	03/06/07	451,704.44	20,618,364.79	4.828		4.828	20,976,382.50
FNMA 4.125 11-12-09	4.125%	19,900,000.00	11/12/09		1.086	10/12/06	316,948.96	19,702,368.47	5.099		5.099	20,074,125.00
FHLB 6.5 11-13-09	6.500%	8,940,000.00	11/13/09		1.073	03/15/07	219,526.67	9,096,498.84	4.805		4.805	9,261,281.25
FFCB 4.75 12-07-09	4.750%	15,690,000.00	12/07/09		1.152	03/15/07	236,003.75	15,683,344.19	4.786		4.786	15,969,478.13
FHLB 5.0 12-11-09	5.000%	26,435,000.00	12/11/09		1.161	02/12/07	403,868.06	26,413,242.95	5.072		5.072	26,988,482.81
FHLB 4.55 6-22-10	4.550%	20,000,000.00	06/22/10		1.661	06/15/07	250,250.00	19,727,186.22	5.419		5.419	20,412,500.00
FFCB 3.35 07-07-10	3.350%	10,000,000.00	07/07/10		1.720	03/16/07	78,166.67	9,757,581.12	4.854		4.854	10,006,250.00
FFCB 3.35 07-07-10	3.350%	10,000,000.00	07/07/10		1.720	03/16/07	78,166.67	9,759,935.58	4.839		4.839	10,006,250.00
FFCB 3.35 07-07-10	3.350%	20,000,000.00	07/07/10		1.720	03/26/07	156,333.33	19,540,754.64	4.843		4.843	20,012,500.00
FHLB 5.0 09-01-10	5.000%	18,205,000.00	09/01/10		1.848	03/28/07	75,854.17	18,273,998.26	4.772		4.772	18,768,217.19
FHLMC 5.0 09-01-10	5.000%	15,000,000.00	09/01/10		1.848	03/29/07	62,500.00	15,045,032.34	4.819		4.819	15,497,310.00
FHLB 4.7 09-21-10	4.700%	15,000,000.00	09/21/10		1.907	03/29/07	19,583.33	14,969,731.15	4.817		4.817	15,389,062.50
FNMA 3.25 5-5-11 1xC	3.250%	20,000,000.00	05/05/11	05/05/10	1.522	05/05/08	263,611.11	19,983,878.41	3.285	3.830	3.285	19,881,250.00
FHLB 5.25 06-10-11	5.250%	20,000,000.00	06/10/11		2.510	05/22/07	323,750.00	20,093,271.82	5.049		5.049	20,868,750.00
FHLB 5.25 06-10-11	5.250%	10,000,000.00	06/10/11		2.509	05/24/07	161,875.00	10,024,411.89	5.144		5.144	10,434,375.00
FHLB 5.25 06-10-11	5.250%	10,000,000.00	06/10/11		2.509	05/24/07	161,875.00	10,024,927.20	5.142		5.142	10,434,375.00
FHLB 5.25 06-10-11	5.250%	20,000,000.00	06/10/11		2.509	06/01/07	323,750.00	20,016,579.08	5.214		5.214	20,868,750.00
FHLB 4.25 06-10-11	4.250%	25,000,000.00	06/10/11		2.544	07/16/08	327,604.17	25,384,523.93	3.641		3.641	25,453,125.00
FHLB 4.25 06-10-11	4.250%	16,000,000.00	06/10/11		2.543	07/23/08	209,666.66	16,108,580.08	3.979		3.979	16,290,000.00
FHLB 4.25 06-10-11	4.250%	9,000,000.00	06/10/11		2.543	07/23/08	117,937.50	9,059,732.11	3.985		3.985	9,163,125.00
FHLB 5 09-09-11	5.000%	20,000,000.00	09/09/11		2.764	06/07/07	61,111.11	19,825,421.87	5.334		5.334	20,806,250.00
FHLB 5 09-09-11	5.000%	14,460,000.00	09/09/11		2.764	06/07/07	44,183.33	14,332,672.46	5.337		5.337	15,042,918.75
FHLB 4.75 12-9-11	4.750%	20,000,000.00	12/09/11		2.954	06/15/07	295,555.56	19,590,695.51	5.483		5.483	20,618,750.00
TVA 6.79 05-23-12	6.790%	9,309,000.00	05/23/12		3.245	02/19/08	224,739.95	10,331,325.74	3.517		3.517	10,217,521.16
FHLB 4.875 06-08-12	4.875%	5,000,000.00	06/08/12		3.380	02/19/08	76,510.42	5,228,117.44	3.529		3.529	5,168,750.00
FHLB 4.875 12-14-12	4.875%	15,000,000.00	12/14/12		3.813	02/12/08	217,343.75	15,762,027.18	3.548		3.548	15,506,250.00
FHLB 4.875 12-14-12	4.875%	20,000,000.00	12/14/12		3.813	02/12/08	289,791.67	21,016,036.20	3.548		3.548	20,675,000.00
FHLB 4.875 12-14-12	4.875%	14,000,000.00	12/14/12		3.813	02/13/08	202,854.17	14,737,912.58	3.500		3.500	14,472,500.00
FFCB 3.4 02-07-13	3.400%	25,000,000.00	02/07/13		4.062	02/14/08	127,500.00	24,811,078.30	3.591		3.591	24,375,000.00
FFCB 3.4 02-07-13	3.400%	20,000,000.00	02/07/13		4.060	02/20/08	102,000.00	19,680,597.56	3.806		3.806	19,500,000.00
FNMA 4.75 02-21-13	4.750%	15,000,000.00	02/21/13		4.003	06/03/08	79,166.67	15,412,955.57	4.053		4.053	15,520,312.50
FNMA 4.75 02-21-13	4.750%	10,000,000.00	02/21/13		4.002	06/05/08	52,777.78	10,256,435.07	4.100		4.100	10,346,875.00
FHLB 3.875 03-08-13	3.875%	20,000,000.00	03/08/13		4.114	03/12/08	49,513.89	20,201,175.42	3.624		3.624	19,856,250.00
FHLB 3.875 03-08-13	3.875%	20,000,000.00	03/08/13		4.115	03/24/08	49,513.89	20,317,717.57	3.481		3.481	19,856,250.00
FFCB 4.0 05-21-13	4.000%	10,000,000.00	05/21/13		4.222	06/03/08	144,444.44	9,959,565.97	4.097		4.097	9,950,000.00
FHLB 5.13 05-24-13	5.130%	30,000,000.00	05/24/13		4.139	06/04/08	542,925.00	31,422,958.01	3.994		3.994	31,275,000.00
Subtotal Agency Notes	4.708%	854,783,000.00	12/12/10		2.057		10,161,571.07	859,812,925.00	4.469		4.469	870,330,088.67
Municipal Bonds												
ORLUTL 3.6 10-01-08	3.600%	1,000,000.00	10/01/08		0.003	06/26/06	18,000.00	1,000,000.00	5.690		5.690	1,000,000.00
GRO 5.0 10-09-08	5.000%	2,000,000.00	10/09/08		0.025	10/10/07	97,500.00	2,000,020.95	4.951		4.951	2,000,840.00
NOBDEV 6.95 11-1-27p	6.950%	2,000,000.00	11/01/08		0.086	06/13/06	57,916.67	2,003,748.25	4.548		4.548	2,046,140.00
NOBDEV 6.95 11-1-27p	6.950%	1,100,000.00	11/01/08		0.086	06/30/06	31,854.17	1,101,812.84	4.831		4.831	1,125,377.00

INVESTMENT BY SECTOR AND MATURITY - GENERAL FUND 9900 (960)
AS OF SEPTEMBER 30, 2008

Description	Coupon	Par Value	Maturity Date	Call Date	Mod DTW	Purchase Date	Accrued Interest	Book Value	BEYTW@ Cost	YTC	Current Yield	Market Value
MIS 4.09 11-1-08	4.090%	3,120,000.00	11/01/08		0.088	06/15/07	53,170.00	3,116,793.83	5.382		5.382	3,122,995.20
BROAPT SER-N 8.3 10-	8.300%	10,000,000.00	11/01/08		0.086	09/26/08	30,737.71	10,000,000.00	3.304		8.300	10,000,000.00
HARWTR 8.0 10-01-24	8.000%	12,000,000.00	11/01/08		0.086	09/29/08	33,918.03	12,000,000.00	3.535		8.000	12,000,000.00
AMRGEN 7.12 11-15-08	7.120%	1,000,000.00	11/15/08		0.126	03/23/07	26,897.78	1,000,783.71	4.990		4.990	1,004,990.00
LASSCD 7.4 12-01-08	7.400%	1,310,000.00	12/01/08		0.170	05/12/06	32,313.33	1,313,941.11	5.008		5.008	1,319,838.10
COOSCD 5.3 12-01-08	5.300%	3,180,000.00	12/01/08		0.170	02/08/07	56,180.00	3,180,175.31	5.260		5.260	3,193,387.80
MSG 5.25 12-01-08	5.250%	1,500,000.00	12/01/08		0.170	06/01/07	26,250.00	1,500,451.67	5.060		5.060	1,506,075.00
ERI 4.0 12-15-08	4.000%	2,100,000.00	12/15/08		0.208	08/18/06	24,733.33	2,094,500.65	5.369		5.369	2,104,242.00
NYSDEV 3.83 12-15-08	3.830%	7,110,000.00	12/15/08		0.208	10/24/06	80,181.05	7,091,376.98	5.190		5.190	7,125,570.90
CHI 3.81 01-01-09	3.810%	3,000,000.00	01/01/09		0.255	08/21/06	28,575.00	2,989,533.53	5.311		5.311	3,006,270.00
CHI 5.025 01-01-09	5.025%	2,990,000.00	01/01/09		0.255	05/16/07	37,561.88	2,989,862.00	5.061		5.061	3,005,009.80
HOB 3.97 2-1-09	3.970%	2,860,000.00	02/01/09		0.339	07/20/06	18,923.67	2,846,117.54	5.550		5.550	2,863,003.00
INSBBK 3.15 02-01-09	3.150%	5,000,000.00	02/01/09		0.339	03/02/07	26,250.00	4,970,148.04	5.050		5.050	4,998,600.00
WAT 5.43 04-01-09	5.430%	125,000.00	04/01/09		0.482	08/01/05	3,393.74	125,000.00	4.805		4.805	126,282.50
PLK 4.1 06-01-09	4.100%	2,735,000.00	06/01/09		0.659	06/28/07	37,378.33	2,714,086.12	5.320		5.320	2,756,797.95
ILS 2.8 06-01-09	2.800%	2,300,000.00	06/01/09		0.663	05/12/08	21,466.67	2,295,936.46	3.070		3.070	2,294,411.00
GAS 6.4 7-1-09	6.400%	1,650,000.00	07/01/09		0.737	07/20/06	26,400.00	1,658,876.38	5.610		5.610	1,689,534.00
PHO 4.3 7-1-09	4.300%	1,500,000.00	07/01/09		0.742	10/04/06	16,125.00	1,493,147.45	4.956		4.956	1,515,630.00
HOWSCD 4.35 07-15-09	4.350%	1,025,000.00	07/15/09		0.781	03/22/05	9,412.92	1,024,042.16	4.480		4.480	1,034,717.00
WOO 5.11 07-15-09	5.110%	1,730,000.00	07/15/09		0.779	05/13/05	18,662.86	1,738,992.24	4.380		4.380	1,755,811.60
TULGEN 7.28 8-15-09	7.280%	2,100,000.00	08/15/09		0.858	08/30/06	19,534.67	2,134,350.71	5.230		5.230	2,167,599.00
NYC 4.5 08-15-09	4.500%	1,000,000.00	08/15/09		0.864	04/28/08	5,750.00	1,010,132.73	3.300		3.300	1,012,530.00
BRI 4 09-15-09	4.000%	1,625,000.00	09/15/09		0.948	06/06/07	2,888.89	1,605,745.57	5.330		5.330	1,637,658.75
BROAPT 6.4 10-01-09	6.400%	1,000,000.00	10/01/09		0.957	10/02/06	32,000.00	1,012,194.60	5.070		5.070	1,032,370.00
ORLUTL 3.92 10-01-09	3.920%	1,365,000.00	10/01/09		0.974	06/20/07	26,754.00	1,345,320.06	5.470		5.470	1,378,950.30
LASSCD 7.5 12-01-09	7.500%	965,000.00	12/01/09		1.117	05/12/06	24,125.00	985,394.93	5.480		5.480	1,012,034.10
COOSCD 5.25 12-01-09	5.250%	1,100,000.00	12/01/09		1.131	02/08/07	19,250.00	1,100,000.00	5.250		5.250	1,121,406.00
NYSDEV 4.39 12-15-09	4.390%	1,470,000.00	12/15/09		1.176	10/11/06	19,001.38	1,459,761.12	5.020		5.020	1,496,121.90
NYSDEV 4.39 12-15-09	4.390%	1,000,000.00	12/15/09		1.176	11/07/06	12,926.11	992,962.04	5.026		5.026	1,017,770.00
BERUTL 3.90 01-01-10	3.900%	785,000.00	01/01/10	01/01/09	0.741	01/26/05	7,653.75	785,000.00	3.820		3.900	787,205.85
OAKDEV 8.5 1-1-29 pr	8.500%	5,000,000.00	01/01/10		1.194	05/19/06	70,833.33	5,173,709.67	5.400		5.400	5,286,900.00
BEAMDEV 4.25 02-01-10	4.250%	5,000,000.00	02/01/10	02/01/09	0.332	01/25/08	35,416.67	5,000,000.00	4.250	3.625	4.250	5,009,950.00
NWK 3.662 04-01-10	3.662%	1,025,000.00	04/01/10		1.456	04/22/08	17,099.51	1,029,442.26	3.362		3.362	1,025,604.75
DOBIE 6.51 05-01-10	6.510%	1,015,000.00	05/01/10		1.495	10/11/06	27,531.88	1,038,467.39	4.900		4.900	1,053,249.26
ILS 3.3 06-01-10	3.300%	1,000,000.00	06/01/10		1.621	04/11/08	11,000.00	1,004,784.42	3.000		3.000	1,000,930.00
FFLGEN 8 7-1-28 prer	8.000%	1,150,000.00	07/01/10		1.616	04/13/06	23,000.00	1,201,106.89	5.166		5.166	1,242,460.00
FFLGEN 8 7-1-28 prer	8.000%	500,000.00	07/01/10		1.616	01/11/07	10,000.00	525,686.36	4.779		4.779	540,200.00
JER 4.11 09-01-10	4.110%	1,005,000.00	09/01/10		1.859	12/08/06	3,442.13	994,652.42	4.700		4.700	1,014,175.65
MEN 5.60 09-01-10	5.600%	5,000,000.00	09/01/10	09/01/09	0.889	10/22/07	23,333.33	5,041,138.48	5.129	3.757	5.129	5,082,350.00
MAD 4.30 10-01-10	4.300%	1,320,000.00	10/01/10	10/01/08	1.417	10/18/05	28,380.00	1,319,514.94	4.320		4.320	1,336,104.00
WILSCD 5.375 10-01-1	5.375%	1,550,000.00	10/01/10		1.876	03/15/07	41,656.25	1,555,431.32	5.180		5.180	1,600,685.00
ALT 3.74 10-01-10	3.740%	1,640,000.00	10/01/10		1.911	08/30/07	30,668.00	1,598,284.04	5.130		5.130	1,621,008.80
ERI 4.94 11-1-10	4.940%	8,400,000.00	11/01/10		1.968	12/14/06	172,900.00	8,388,861.13	5.009		5.009	8,557,332.00
PEOSCD 0 01-01-11	0.000%	1,930,000.00	01/01/11		2.253	05/18/07	0.00	1,734,912.33	5.177		5.177	1,760,024.90
MAY 6.75 01-01-11	6.750%	1,325,000.00	01/01/11	1/1/2009	0.929	10/02/07	22,359.38	1,348,438.88	5.871		5.871	1,333,639.00
UNC 4.3 01-01-11 Sin	4.300%	975,000.00	01/01/11	1/1/2009	1.289	10/15/07	10,481.25	966,460.31	4.722		4.722	976,959.75
HOB 4.76 02-01-11	4.760%	1,960,000.00	02/01/11		2.221	07/20/07	15,549.33	1,929,986.57	5.490		5.490	1,969,310.00
OHS 4.15 05-01-11	4.150%	1,000,000.00	05/01/11		2.467	08/19/08	4,841.67	1,000,000.00	4.150		4.150	1,002,400.00
ORSGEN 5.197 06-01-1	5.197%	1,070,000.00	06/01/11		2.486	08/17/07	18,535.97	1,069,344.80	5.220		5.220	1,099,521.30
ORS 4.605 06-01-11	4.605%	7,000,000.00	06/01/11		2.509	02/21/08	107,450.00	7,191,007.48	3.511		3.511	7,133,910.00
SFO 5.0 06-15-11	5.000%	1,450,000.00	06/15/11		2.535	05/29/08	24,569.44	1,500,796.42	3.620		3.620	1,503,983.50
STNPWR 3.76 07-01-08	3.760%	4,550,000.00	07/01/11		2.618	02/11/08	42,770.00	4,574,442.45	3.552		3.552	4,528,706.00
DOVPWR 4.6 07-01-11	4.600%	1,000,000.00	07/01/11		2.591	04/15/08	11,500.00	1,018,330.16	3.825		3.825	1,008,280.00
ALT 3.98 10-01-11	3.980%	1,800,000.00	10/01/11		2.800	08/21/07	35,820.00	1,742,231.70	5.180		5.180	1,781,982.00
WTA 5.4 10-01-11	5.400%	2,030,000.00	10/01/11	10/01/09	0.944	01/10/08	54,810.00	2,062,362.32	4.586	4.150	4.586	2,054,664.50
ROBUTL 8.45 11-15-11	8.450%	1,115,000.00	11/15/11	11/15/08	1.442	10/02/07	35,593.28	1,167,302.24	6.702		6.702	1,255,478.85
PEOSCD 0 01-01-12	0.000%	2,000,000.00	01/01/12		3.253	08/29/07	0.00	1,695,556.18	5.309		5.309	1,732,760.00
CHI 5.25 01-01-12	5.250%	4,000,000.00	01/01/12		3.003	01/25/08	52,500.00	4,192,355.96	3.647		3.647	4,118,560.00
NWK 4.504 04-01-12	4.504%	1,200,000.00	04/01/12		3.237	04/22/08	24,621.87	1,207,767.77	4.301		4.301	1,192,500.00
MIS 3.95 05-01-12	3.950%	1,000,000.00	05/01/12		3.325	04/29/08	16,677.78	998,353.95	4.000		4.000	981,600.00
MIS 3.95 05-01-12	3.950%	1,000,000.00	05/01/12		3.326	04/29/08	16,677.78	1,005,931.15	3.770		3.770	981,600.00
OHS 4.55 05-01-12	4.550%	1,000,000.00	05/01/12		3.332	08/19/08	5,308.33	1,000,261.49	4.544		4.544	1,002,910.00
PAL 5.735 06-01-12	5.735%	3,515,000.00	06/01/12		3.316	03/06/08	67,195.08	3,764,180.10	3.630		3.630	3,719,326.95
ILS 3.75 6-1-12	3.750%	4,955,000.00	06/01/12		3.420	09/16/08	61,937.50	4,925,261.09	3.926		3.926	4,894,747.20
STNPWR 4.05 07-01-12	4.050%	4,875,000.00	07/01/12		3.486	02/06/08	49,359.38	4,883,138.34	4.002		4.002	4,806,506.25
MONHGR 4.24 08-01-12	4.240%	1,000,000.00	08/01/12		3.557	01/24/08	7,066.67	1,000,000.00	4.240		4.240	992,280.00
NYC 4.5 9-1-12	4.500%	4,400,000.00	09/01/12		3.628	09/16/08	16,500.00	4,475,667.03	4.020		4.020	4,406,072.00
DUPSCD 4.0 10-01-12	4.000%	1,255,000.00	10/01/12		3.738	03/31/08	25,239.44	1,255,000.00	4.000		4.000	1,231,832.70

INVESTMENT BY SECTOR AND MATURITY - GENERAL FUND 9900 (960)
AS OF SEPTEMBER 30, 2008

Description	Coupon	Par Value	Maturity Date	Call Date	Mod DTW	Purchase Date	Accrued Interest	Book Value	BEYTW@ Cost	YTC	Current Yield	Market Value
PAS 4.76 02-15-13	4.760%	1,825,000.00	02/15/13	02/15/09	2.464	03/28/08	11,100.06	1,894,320.50	3.799		3.799	1,826,332.25
NWK 4.654 04-01-13	4.654%	1,000,000.00	04/01/13		4.066	04/22/08	21,201.56	1,010,144.34	4.401		4.401	988,200.00
MIS 4.16 05-01-13	4.160%	1,000,000.00	05/01/13		4.151	05/01/08	17,564.44	1,009,900.00	3.920		3.920	983,110.00
Subtotal Municipal Bonds	5.240%	179,580,000.00	03/08/10		1.395		2,256,177.25	180,174,741.86	4.503		5.078	180,897,315.36
Money Market Mutual Funds												
TexStar960 Cash Rese	2.309%	157,128,170.82	11/04/08		0.096	06/04/07	20.17	157,128,170.82	5.285		2.309	157,128,170.82
CHASE MONEY MARKET F	1.843%	0.00	10/01/08		0.000	02/01/08	2,517.81	0.00	3.891		1.843	0.00
Repo - TexSTAR	2.043%	46,924,130.89	10/22/08		0.060	09/22/08	1.32	46,924,130.89	2.639		2.043	46,924,130.89
Fidelity MMF	5.031%	10,001,378.44	11/10/08		0.112	09/30/08	0.00	10,001,378.44	4.910		5.031	10,001,378.44
Subtotal Money Market Mutual Funds	2.378%	214,053,680.15	11/01/08		0.089		2,539.30	214,053,680.15	4.688		2.378	214,053,680.15
Reverse Repurchase Agreements												
RR T 4.5 04-30-09	2.150%	(26,307,397.96)	10/03/08		0.008	09/03/08	(43,991.82)	(26,307,397.96)	2.150		2.150	(26,307,397.96)
RR T 4.375 11-15-08	2.150%	(41,581,632.65)	10/03/08		0.008	09/03/08	(69,533.73)	(41,581,632.65)	2.150		2.150	(41,581,632.65)
RR T 3.0 02-15-09	1.950%	(20,612,244.90)	10/17/08		0.047	09/17/08	(15,630.95)	(20,612,244.90)	1.950		1.950	(20,612,244.90)
RR T 4.75 11-15-08	1.950%	(41,734,693.88)	10/17/08		0.047	09/17/08	(31,648.81)	(41,734,693.88)	1.950		1.950	(41,734,693.88)
RR T 4.75 12-31-08	2.000%	(20,816,326.53)	10/22/08		0.060	09/22/08	(10,408.16)	(20,816,326.53)	2.000		2.000	(20,816,326.53)
RR T 4.875 10-31-08	2.000%	(26,084,183.67)	10/22/08		0.060	09/22/08	(13,042.09)	(26,084,183.67)	2.000		2.000	(26,084,183.67)
Subtotal Reverse Repurchase Agreements	2.040%	(177,136,479.59)	10/12/08		0.035		(184,255.56)	(177,136,479.59)	2.040		2.040	(177,136,479.59)
TOTAL FUND 9900 (960)	4.301%	2,102,726,839.25	04/29/10		1.437		18,303,210.21	2,110,437,999.46	4.038		3.849	2,122,797,984.85

INVESTMENT BY SECTOR AND MATURITY - TAX EXEMPT FUND 9901 (971)
AS OF SEPTEMBER 30, 2008

Description	Coupon	Par Value	Maturity Date	Call Date	Mod DTW	Purchase Date	Accrued Interest	Book Value	BEYTW@ Cost	YTC	Current Yield	Market Value
Money Market Mutual Funds												
FIDELITY TAX FREE MO	3.023%	17,203,072.88	11/01/08		0.088	07/01/99	6,617.16	17,203,072.88	3.001		3.023	17,203,072.88
Subtotal Money Market Mutual Funds	3.023%	17,203,072.88	11/01/08		0.088		6,617.16	17,203,072.88	3.001		3.023	17,203,072.88
TOTAL FUND 9901 (971)	3.023%	17,203,072.88	11/01/08		0.088		6,617.16	17,203,072.88	3.001		3.023	17,203,072.88

INVESTMENT BY SECTOR AND MATURITY - HOUSING DEPARTMENT SECTION 108 FUND 9902 (974)
AS OF SEPTEMBER 30, 2008

Description	Coupon	Par Value	Maturity Date	Call Date	Mod DTW	Purchase Date	Accrued Interest	Book Value	BEYTW@ Cost	YTC	Current Yield	Market Value
Treasury Bills												
B 1.74 10-09-08	1.740%	2,510,000.00	10/09/08		0.025	07/10/08	0.00	2,509,029.47	1.748		1.748	2,509,884.54
B 1.38 10-16-08	1.380%	1,650,000.00	10/16/08		0.044	07/17/08	0.00	1,649,051.25	1.385		1.385	1,649,186.20
Subtotal Treasury Bills	1.597%	4,160,000.00	10/11/08		0.032		0.00	4,158,080.72	1.604		1.604	4,159,072.74
TOTAL FUND 9902 (974)	1.597%	4,160,000.00	10/11/08		0.032		0.00	4,158,080.72	1.604		1.604	4,159,072.74

INVESTMENT BY SECTOR AND MATURITY - CONVENTION CENTER HOTEL RESERVE FUND 9903 (979)
AS OF SEPTEMBER 30, 2008

Description	Coupon	Par Value	Maturity Date	Call Date	Mod DTW	Purchase Date	Accrued Interest	Book Value	BEYTW@ Cost	YTC	Current Yield	Market Value
Repurchase Agreements												
MBIA Flex REPO	5.640%	21,774,454.45	09/01/11		2.721	05/08/01	115,985.26	21,774,454.45	5.640		5.640	21,774,454.45
Subtotal Repurchase Agreements	5.640%	21,774,454.45	09/01/11		2.721		115,985.26	21,774,454.45	5.640		5.640	21,774,454.45
TOTAL FUND 9903 (979)	5.640%	21,774,454.45	09/01/11		2.721		115,985.26	21,774,454.45	5.640		5.640	21,774,454.45
GRAND TOTALS	4.299%	2,145,864,366.58	04/28/10		1.439		18,425,812.63	2,153,573,607.51	4.041		3.856	2,165,934,584.92