



# **QUARTERLY INVESTMENT REPORT SEPTMEBER, 2009**

**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

**Quarterly Investment Report**

We believe the data presented for the quarter ending September 30, 2009, 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

  
James Moncur  
Deputy City Controller  
Treasury Division  
Sue Bailey  
Investment Manager  
Treasury Division



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

October 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 September 30, 2009. 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 June 30, 2009 and September 30, 2009.

I hope you find this data useful and informative.

Respectfully submitted,

A handwritten signature in cursive script, reading "Annise D. Parker".

Annise D. Parker  
City Controller

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**CITY OF HOUSTON**  
**QUARTERLY INVESTMENT REPORT**  
**Executive Summary**  
**For the Quarter Ending September 30, 2009**

The accompanying Quarterly Investment Report lists in summary form and in detail the investment positions of the City of Houston operating funds as of September 30, 2009. As of that date, the City had a total of approximately \$2.5 billion invested. The majority of these funds, with the exception of about \$25 million that must be segregated per federal mandates, are part of the city's General Investment Pool. The General Investment Pool consists of working capital, construction funds, and debt service funds 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 60% 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 16% allocation to United States Treasuries, 13% to high grade money market funds, 8% to municipals, and 3% to commercial paper. The securities held in the city's investment portfolios generally have an AAA or equivalent long-term rating or an A-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 1.7 years. From an operating standpoint, over 40% 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 targeted to coincide with needed expenditures for these capital projects. In addition investment maturities are targeted 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 September 30, 2009, the general pool was yielding 2.58% based on the amortized cost of the portfolio.

**Investment Portfolio Summary  
Activity For Quarter Ending  
September 30, 2009**

**General Fund 9900 (960)**

	<u>9/30/2009</u>	<u>6/30/2009</u>	<u>Last Quarter Net Change</u>	<u>9/30/2008</u>	<u>Last Year Net Change</u>
Book Value	\$2,382,548,354	\$2,150,430,953	232,117,402	\$2,110,437,999	272,110,355
Market Value	\$2,434,274,609	\$2,196,284,623	237,989,986	\$2,122,797,985	311,476,624
Market/Book Ratio	1.022	1.021	0	1.006	0.016
Accrued Interest	\$16,982,095	\$14,893,722	2,088,373	\$18,303,210	-1,321,115

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 September 30, 2009, the 3-month average yield was 2.72%. The weighted average maturity (WAM) as of September 30 was 614 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>9/30/2009</u>	<u>6/30/2009</u>	<u>Last Quarter Net Change</u>	<u>9/30/2008</u>	<u>Last Year Net Change</u>
Book Value	\$20,586,490	\$20,579,079	7,411	\$17,203,073	3,383,417
Market Value	\$20,586,490	\$20,579,079	7,411	\$17,203,073	3,383,417
Market/Book Ratio	1.000	1.000	0	1.000	0
Accrued Interest	\$675	\$0	675	\$6,617	-5,942

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 September 30, 2009, the 3-month average yield was 0.16%. The WAM was 33 days at September 30.

**Investment Portfolio Summary  
Activity For Quarter Ending  
September 30, 2009**

**Housing Department Section 108 Fund 9902 (974)**

	<u>9/30/2009</u>	<u>6/30/2009</u>	<u>Last Quarter Net Change</u>	<u>9/30/2008</u>	<u>Last Year Net Change</u>
Book Value	\$4,299,655	\$7,559,219	-3,259,564	\$4,158,081	141,574
Market Value	\$4,299,687	\$7,559,251	-3,259,564	\$4,159,073	140,614
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.

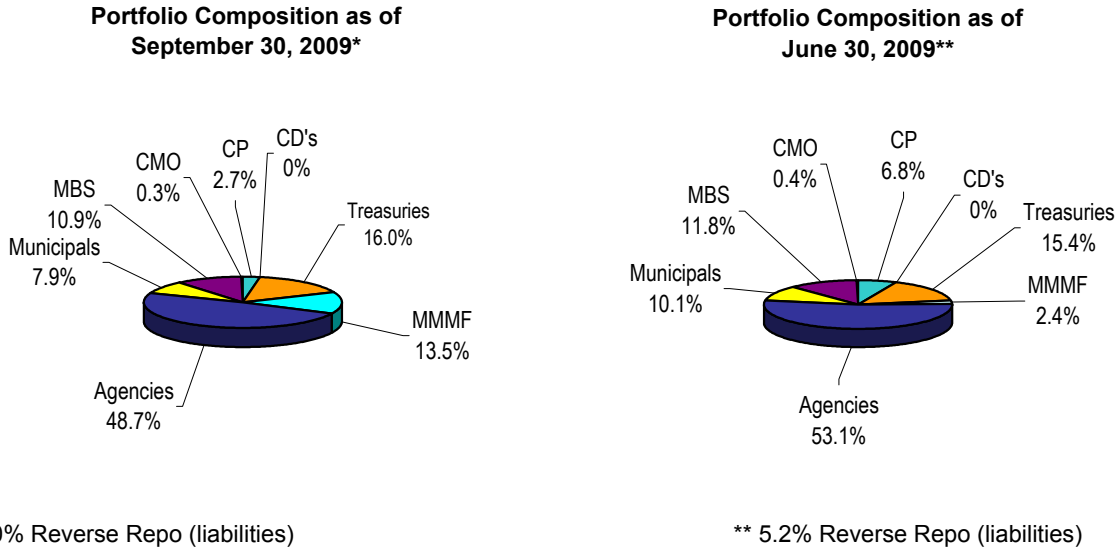
For the quarter ending September 30, 2009, the 3-month average yield was 0.13%. The WAM was 33 days at September 30.

**Convention Center and Hotel Reserve Funds 9903 (979)**

	<u>9/30/2009</u>	<u>6/30/2009</u>	<u>Last Quarter Net Change</u>	<u>9/30/2008</u>	<u>Last Year Net Change</u>
Book Value	\$0	\$0	0	\$21,774,454	-21,774,454
Market Value	\$0	\$0	0	\$21,774,454	-21,774,454
Market/Book Ratio	0.000	0.000	0	1.000	-1
Accrued Interest	\$0	\$0	0	\$115,985	-115,985

The Convention Center and Hotel Reserve Funds Pool consisted 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 to segregate the earnings for arbitrage calculations. Because the issuer, MBIA, was downgraded, the City dissolved the pool on November 26, 2008 and invested the proceeds in the General Pool.

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



Note: Adjustments were made to include the Reverse Repo.

FIGURE 2  
Source: City of Houston Controller's Office

### Investment Policy Limitations

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.

**Annual Portfolio Composition  
General Fund 9900 (960)  
October 2008 through September 2009**

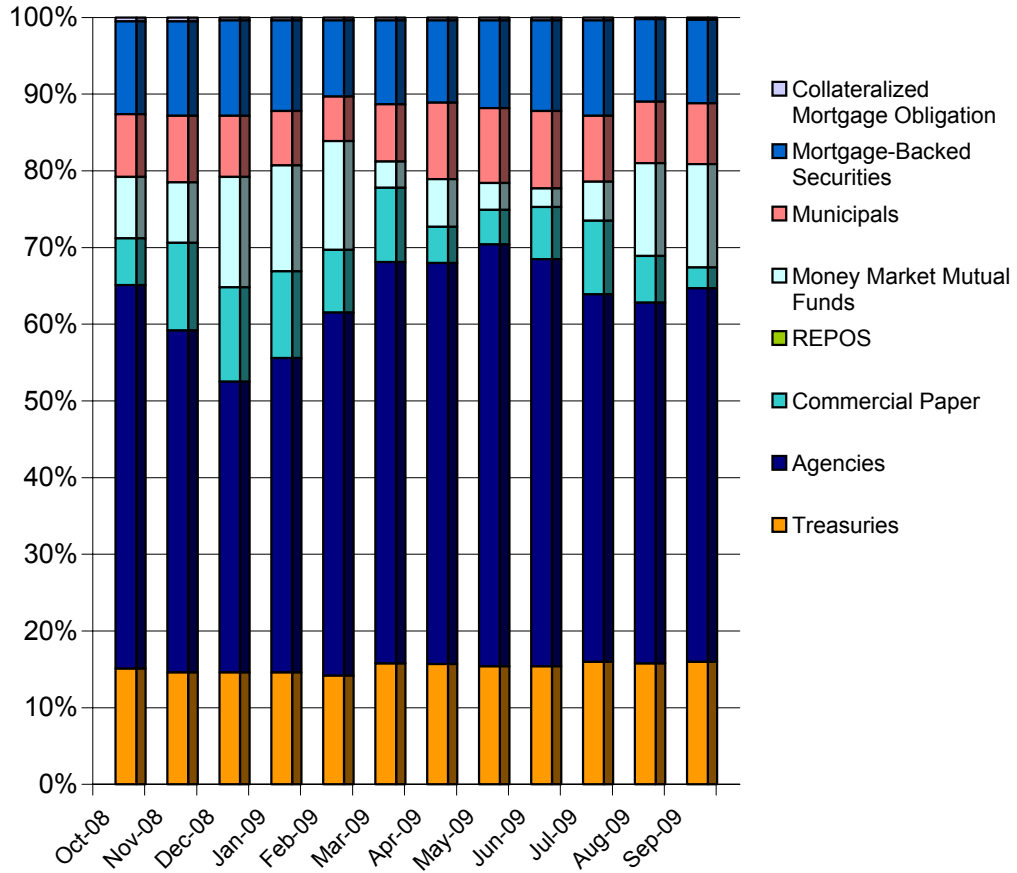


FIGURE 3  
Source: City of Houston Controller's Office

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

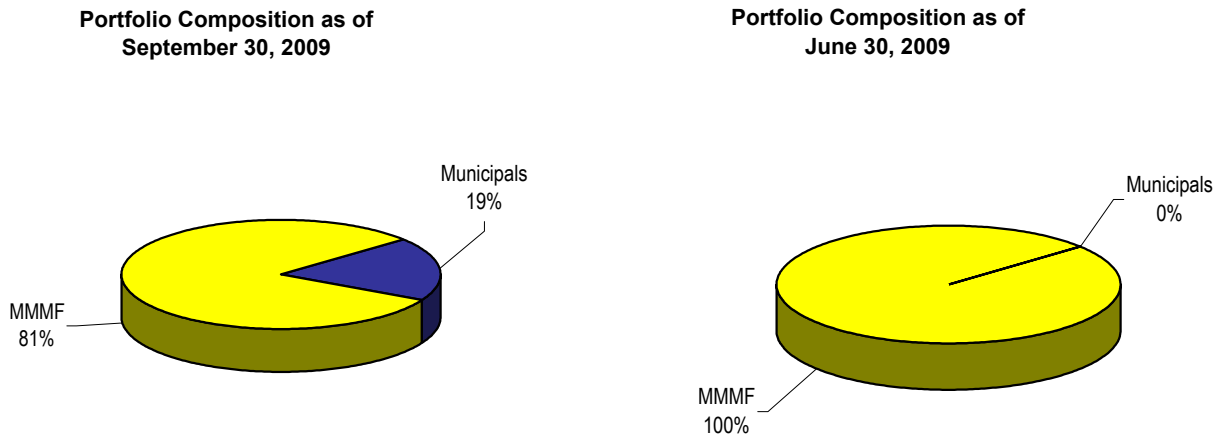


FIGURE 5  
Source: City of Houston Controller's Office

**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 September 30, 2009**

**INVESTMENT BY SECTOR AND MATURITY - GENERAL FUND 9900 (960)**  
**AS OF SEPTEMBER 30, 2009**

Description	Coupon	Par Value	Maturity Date	Call Date	Mod DTW	Purchase Date	Accrued Interest	Book Value	YTC	Current Yield	Market Value
<b>Treasury Notes</b>											
T 3.625 10-31-09	3.625%	25,000,000.00	10/31/09		0.085	2/18/2009	379,245.92	25,061,810.66		0.594	25,071,300.00
T 4.625 11-15-09	4.625%	20,000,000.00	11/15/09		0.126	12/26/2008	349,388.59	20,103,298.61		0.419	20,109,380.00
T 4.625 11-15-09	4.625%	25,000,000.00	11/15/09		0.126	1/27/2009	436,735.73	25,128,224.00		0.443	25,136,725.00
T 3.25 12-31-09	3.250%	25,000,000.00	12/31/09		0.252	2/13/2009	205,332.88	25,163,892.13		0.606	25,189,450.00
TII 4.25 01-15-10	4.250%	6,465,200.00	01/15/10		0.293	8/14/2008	62,583.00	6,535,658.15		0.471	6,525,811.25
T 4.75 02-15-10	4.750%	25,000,000.00	02/15/10		0.378	2/6/2009	151,664.40	25,388,489.10		0.590	25,424,800.00
T 4.125 8-15-10	4.125%	25,000,000.00	08/15/10		0.865	4/30/2009	131,708.56	25,767,156.07		0.590	25,812,500.00
T 1.25 11-30-10	1.250%	25,000,000.00	11/30/10		1.157	8/6/2009	105,020.49	25,132,881.54		0.790	25,220,700.00
T 4.375 12-15-10	4.375%	25,000,000.00	12/15/10		1.177	5/27/2009	322,745.90	26,087,480.71		0.736	26,167,975.00
TII 3.5 01-15-11	3.500%	6,249,750.00	01/15/11		1.267	8/14/2008	49,820.76	6,469,055.19		0.747	6,505,602.27
T 0.875 1-31-11	0.875%	25,000,000.00	01/31/11		1.327	8/18/2009	36,854.62	25,049,260.31		0.726	25,104,500.00
T 0.875 3-31-11	0.875%	25,000,000.00	03/31/11		1.493	8/19/2009	600.96	25,028,063.33		0.799	25,083,975.00
T 0.875 4-30-11	0.875%	25,000,000.00	04/30/11		1.570	8/20/2009	91,542.12	25,000,000.00		0.875	25,068,350.00
T 0.875 5-31-11	0.875%	25,000,000.00	05/31/11		1.654	8/20/2009	73,514.35	24,984,472.81		0.913	25,059,575.00
HUD 3.44 08-01-11	3.440%	21,688,000.00	08/01/11		1.786	6/12/2008	124,344.53	21,688,000.00		3.440	22,697,847.50
T 1.75 11-15-11	1.750%	25,000,000.00	11/15/11		2.082	8/26/2009	165,251.36	25,299,561.44		1.176	25,376,950.00
HUD 3.82 08-01-12	3.820%	25,000,000.00	08/01/12		2.699	6/12/2008	159,166.67	25,000,000.00		3.820	26,531,250.00
<b>Subtotal Treasury Notes</b>	<b>2.881%</b>	<b>379,402,950.00</b>	<b>11/21/10</b>		<b>1.121</b>		<b>2,845,520.84</b>	<b>382,887,304.05</b>		<b>1.070</b>	<b>386,086,691.02</b>
<b>Commercial Paper</b>											
HOUGOG 0.65 10-06-09	0.650%	15,000,000.00	10/06/09		0.016	9/1/2009	8,013.70	15,000,000.00		0.650	15,000,000.00
HOUSTN 1.0 10-15-09	1.000%	5,000,000.00	10/15/09		0.041	8/21/2009	5,616.44	5,000,000.00		1.000	5,000,000.00
HOUSTN 0.85 10-20-09	0.850%	25,000,000.00	10/20/09		0.055	9/2/2009	16,883.56	25,000,000.00		0.850	25,008,750.00
HOUCTY 0.35 11-05-09	0.350%	10,000,000.00	11/05/09		0.097	9/29/2009	191.78	10,000,000.00		0.350	10,000,000.00
HOUGOG 0.5 12-15-09	0.500%	10,000,000.00	12/15/09		0.208	9/29/2009	273.97	10,000,000.00		0.500	10,000,000.00
<b>Subtotal Commercial Paper</b>	<b>0.685%</b>	<b>65,000,000.00</b>	<b>10/27/09</b>		<b>0.075</b>		<b>30,979.45</b>	<b>65,000,000.00</b>		<b>0.685</b>	<b>65,008,750.00</b>
<b>Agency Discount Notes</b>											
FNDN 0.73 10-26-09	0.730%	30,000,000.00	10/26/09		0.071	2/13/2009	0.00	29,984,791.66		0.734	30,000,000.00
FMCDN 0.72 11-16-09	0.720%	30,000,000.00	11/16/09		0.129	2/5/2009	0.00	29,972,400.00		0.724	29,997,000.00
FHLBDN 0.74 11-16-09	0.740%	22,213,000.00	11/16/09		0.129	2/9/2009	0.00	22,191,996.38		0.744	22,210,778.70
FNDN 0.82 11-16-09	0.820%	30,000,000.00	11/16/09		0.129	2/11/2009	0.00	29,968,566.66		0.825	29,997,000.00
FHDN 0.78 11-23-09	0.780%	25,000,000.00	11/23/09		0.148	2/25/2009	0.00	24,971,291.67		0.785	24,997,500.00
<b>Subtotal Agency Discount Notes</b>	<b>0.758%</b>	<b>137,213,000.00</b>	<b>11/12/09</b>		<b>0.120</b>		<b>0.00</b>	<b>137,089,046.37</b>		<b>0.763</b>	<b>137,202,278.70</b>
<b>Certificates of Deposit</b>											
United Bank CDARS	1.500%	98,031.73	09/17/10		0.964	9/17/2009	57.19	98,031.73		1.500	98,031.73
Banco Popular de PR	1.500%	167,468.27	09/17/10		0.964	9/17/2009	97.69	167,468.27		1.500	167,468.27
Amalgamated Bank CDA	1.500%	236,500.00	09/17/10		0.964	9/17/2009	137.96	236,500.00		1.500	236,500.00
Spirit Bank CDARS	1.500%	236,500.00	09/17/10		0.964	9/17/2009	137.96	236,500.00		1.500	236,500.00
TriState Capital Ban	1.500%	236,500.00	09/17/10		0.964	9/17/2009	137.96	236,500.00		1.500	236,500.00
<b>Subtotal Certificates of Deposit</b>	<b>1.500%</b>	<b>975,000.00</b>	<b>09/17/10</b>		<b>0.964</b>		<b>568.76</b>	<b>975,000.00</b>		<b>1.500</b>	<b>975,000.00</b>
<b>Mortgage-Backed Securities</b>											
FN254627 5.0 12-01-0	5.000%	277,593.70	12/01/09		0.230	12/23/2002	1,156.64	277,593.70		4.571	280,346.46
FNCI 7.00 03/01/12	7.000%	42,724.46	03/01/12		0.920	6/30/1999	249.23	42,724.46		6.681	44,391.57
FGCI 7.00 4/01/12	7.000%	48,304.03	04/01/12		1.020	6/30/1999	281.77	48,304.03		6.789	50,661.72
FNCI 7.00 04/01/12	7.000%	72,729.50	04/01/12		0.920	6/30/1999	424.26	72,729.50		6.761	75,566.96
FNCI 7.00 04/01/12	7.000%	28,597.77	04/01/12		0.920	10/19/1999	166.82	28,597.77		6.792	29,713.47
FNCI 7.00 05/01/12	7.000%	63,397.96	05/01/12		0.980	6/30/1999	369.82	63,397.96		6.693	65,871.37

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%	54,244.88	07/01/12		1.080	6/30/1999	293.83	54,244.88	6.284		57,878.86
FGCI 7.00 07/01/12	7.000%	26,617.32	07/01/12		1.050	6/30/1999	155.27	26,617.32	6.753		28,013.79
FGCI 7.00 07/01/12	7.000%	80,268.50	07/01/12		1.040	8/21/2000	468.23	80,268.50	6.930		84,479.78
FGCI 7.00 10/01/12	7.000%	57,418.78	10/01/12		1.170	9/19/2000	334.94	57,418.78	6.924		60,403.00
FGCI 6.50 01/01/13	6.500%	37,058.94	01/01/13		1.250	6/30/1999	200.74	37,058.94	6.272		39,005.21
FNCI 6.50 01/01/13	6.500%	51,441.45	01/01/13		1.270	6/30/1999	278.64	51,441.45	6.301		54,888.36
GNJO 6.50 04/15/13	6.500%	133,915.46	04/15/13		1.250	8/30/2000	725.38	133,915.46	6.649		142,859.18
FNCI 6.00 08/01/13	6.000%	57,045.71	08/01/13		1.400	6/30/1999	285.23	57,045.71	5.873		59,782.33
FNCI 6.00 09/01/13	6.000%	70,419.15	09/01/13		1.430	6/30/1999	352.10	70,419.15	5.881		75,475.03
FNCI 6.00 09/01/13	6.000%	99,760.35	09/01/13		1.430	6/30/1999	498.80	99,760.35	5.892		106,922.95
GNJO 6.50 09/15/03	6.500%	112,954.49	09/15/13		1.440	6/30/1999	611.84	112,954.49	6.460		120,875.16
FNCI 6.50 02/01/14	6.500%	50,077.10	02/01/14		1.270	6/30/1999	271.25	50,077.10	6.422		53,431.90
FNCI 6.50 03/01/14	6.500%	50,447.09	03/01/14		1.350	6/30/1999	273.26	50,447.09	6.324		53,827.24
GNJO 6.00 03-15-14	6.000%	266,482.70	03/15/14		1.630	6/30/1999	1,332.41	266,482.70	5.944		281,750.36
FGCI 6.00 04/01/14	6.000%	113,208.85	04/01/14		1.640	1/23/2001	566.04	113,208.85	5.974		119,316.98
FNCI 6.00 08/01/14	6.000%	123,754.58	08/01/14		1.800	5/17/2001	618.77	123,754.58	5.946		132,717.14
GNJO 7.00 01/15/15	7.000%	201,315.75	01/15/15		1.730	8/30/2000	1,174.34	201,315.75	7.030		216,478.15
FNCI 7.00 03/01/15	7.000%	164,660.03	03/01/15		1.690	11/16/2000	960.52	164,660.03	6.885		176,578.62
FGCI 7.00 04/01/15	7.000%	100,238.35	04/01/15		1.770	9/19/2000	584.72	100,238.35	7.002		107,561.76
FNCI 6.50 06/01/15	6.500%	996,275.40	06/01/15		2.350	6/18/2002	5,396.49	996,275.40	5.675		1,075,471.51
FNCI 6.00 07/01/15	6.000%	220,620.03	07/01/15		1.650	5/17/2001	1,103.10	220,620.03	5.959		236,597.76
FGCI 7.00 08/01/15	7.000%	70,789.40	08/01/15		1.840	8/21/2000	412.94	70,789.40	7.096		76,129.39
FGCI 7.00 10/01/15	7.000%	91,882.68	10/01/15		1.800	10/19/2000	535.98	91,882.68	7.041		98,595.61
FNCI 7.00 10/01/15	7.000%	102,559.11	10/01/15		1.920	11/16/2000	598.26	102,559.11	6.885		110,711.20
FGCI 7.00 12/01/15	7.000%	217,773.59	12/01/15		2.060	2/19/2002	1,270.35	217,773.59	5.390		234,201.29
FGCI 6.00 01/01/16	6.000%	44,679.38	01/01/16		2.040	2/15/2001	223.40	44,679.38	6.018		47,943.07
FGCI 6.00 09/01/16	6.000%	352,303.07	09/01/16		2.180	10/18/2001	1,761.52	352,303.07	5.461		376,685.75
FGCI 6.00 11/01/16	6.000%	522,309.20	11/01/16		2.220	12/18/2001	2,611.55	522,309.20	5.733		558,634.45
FN 616072 6.00 11-01	6.000%	528,316.15	11/01/16		2.290	4/21/2003	2,641.58	528,316.15	4.657		567,568.36
GNJO 6.5 11/15/16	6.500%	482,985.40	11/15/16		2.000	4/16/2002	2,616.17	482,985.40	5.988		519,959.13
FGCI 6.50 02/01/17	6.500%	515,536.32	02/01/17		2.240	3/18/2002	2,792.49	515,536.32	5.769		554,211.35
FN15 254684 5.0 02-0	5.000%	4,817,764.60	02/25/17		2.310	2/19/2003	20,074.02	4,817,764.60	4.551		5,118,498.52
FNCI 6.50 03/01/17	6.500%	344,157.40	03/01/17		2.270	3/18/2002	1,864.19	344,157.40	5.720		371,515.23
FNCI 6.50 03/01/17	6.500%	553,109.04	04/01/17		2.280	3/18/2002	2,996.01	553,109.04	5.711		597,076.89
FGE01280 5.00 12-1-1	5.000%	1,415,725.50	12/01/17		2.210	12/17/2002	5,898.86	1,415,725.50	4.737		1,503,332.43
FN 702860 5.00 04-01	5.000%	2,340,102.60	04/01/18		2.340	4/21/2003	9,750.43	2,340,102.60	4.441		2,486,176.20
FN 254721 5.00 4-1-1	5.000%	1,272,190.40	04/21/18		2.350	4/21/2003	5,300.79	1,272,190.40	4.366		1,351,602.92
FNCI 5.00 05-01-18	5.000%	2,709,094.50	05/01/18		2.350	5/19/2003	11,287.89	2,709,094.50	4.428		2,878,201.27
FNCI 5.00 LLB 05-01-1	5.000%	1,662,750.40	05/01/18		2.340	5/19/2003	6,928.13	1,662,750.40	4.094		1,773,654.87
FG E97045 4.5 06-01-	4.500%	1,526,759.64	06/01/18		2.530	7/17/2003	5,725.35	1,526,759.64	3.874		1,612,803.87
FGE01425 4.5 08-01-1	4.500%	5,891,783.10	08/01/18		2.560	8/18/2003	22,094.19	5,894,150.27	4.315		6,222,445.82
FN254942 4.00 09-01-	4.000%	4,231,047.50	09/01/18		2.830	9/18/2003	14,103.49	4,231,230.99	3.920		4,408,677.11
FN255077 5.00 01-01-	5.000%	1,262,823.86	01/01/19		2.440	3/17/2005	5,261.77	1,262,823.86	4.687		1,341,651.71
FGG18008 4.5 09-01-1	4.500%	2,283,849.10	09/01/19		2.750	12/21/2004	8,564.43	2,283,505.89	4.478		2,403,996.51
FGG18065 5.00 07-01-	5.000%	2,434,392.80	07/01/20		2.240	7/19/2005	10,143.30	2,441,398.51	4.838		2,576,462.45
FGB19758 5.00 08-01-	5.000%	2,670,898.30	08/01/20		2.240	8/16/2005	11,128.74	2,678,235.24	4.893		2,826,770.27
FGG18073 5.00 09-01-	5.000%	2,568,264.71	09/01/20		2.240	10/18/2005	10,701.10	2,566,495.29	4.989		2,718,147.04
FGG18079 5.50 10-01-	5.500%	2,908,547.74	10/01/20		2.140	11/17/2005	13,330.84	2,919,404.26	5.366		3,089,195.85
FGG1807 5.5 10-01-2	5.500%	2,960,559.78	10/01/20		2.140	12/15/2005	13,569.23	2,969,212.74	5.388		3,144,438.31
FGG11810 5.5 12-01-2	5.500%	2,817,606.53	12/01/20		2.110	12/15/2005	12,914.03	2,822,729.51	5.419		2,992,606.36
FGG18096 5.5 1-1-21	5.500%	2,647,142.04	01/01/21		2.160	2/16/2006	12,132.73	2,656,807.85	5.373		2,811,554.39
FGG18101 5.5 02-01-2	5.500%	2,263,031.95	02/01/21		2.170	2/16/2006	10,372.23	2,271,760.87	5.369		2,400,051.47
FN865183 5.5 02-01-2	5.500%	3,635,733.22	02/01/21		2.220	3/16/2006	16,663.78	3,641,619.83	5.403		3,857,001.67
FGG18106 5.5 03-01-2	5.500%	3,375,662.08	03/01/21		2.150	3/16/2006	15,471.78	3,375,339.02	5.470		3,580,047.89
FNCI 5.5 04-01-21	5.500%	3,881,267.20	04/01/21		2.180	4/18/2006	17,789.14	3,876,354.28	5.475		4,117,478.72
FGG18115 6.0 05-01-2	6.000%	2,800,659.19	05/01/21		2.130	5/16/2006	14,003.30	2,818,279.49	5.811		2,989,484.90

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%	2,344,090.08	06/01/21		2.250	6/19/2006	11,720.45	2,355,751.78		5.845	2,502,133.04
FGG18124 6.0 6-1-21	6.000%	3,140,467.72	06/01/21		2.250	7/18/2006	15,702.34	3,140,467.72		5.963	3,352,203.97
FGCI03360 5.0 09-01	5.500%	3,159,155.92	09/01/21		2.170	9/18/2006	14,479.46	3,146,868.21		5.556	3,350,432.95
FGG12369 5.5 10-01-2	5.500%	3,940,436.76	10/01/21		2.150	10/17/2006	18,060.34	3,939,597.08		5.472	4,179,017.94
FNCI 5.5 11-01-21	5.500%	3,816,463.52	11/01/21		2.190	11/16/2006	17,492.12	3,809,040.75		5.487	4,048,731.12
FGG18157 5.5 12-01-2	5.500%	3,417,192.16	12/01/21		2.190	1/17/2007	15,662.13	3,416,435.29		5.472	3,624,092.48
FGG18169 5.5 02-01-2	5.500%	3,805,458.08	02/01/22		2.220	2/15/2007	17,441.68	3,789,182.95		5.559	4,032,893.68
FGG12514 5.5 02-01-2	5.500%	4,095,471.55	02/01/22		2.190	3/19/2007	18,770.91	4,096,391.63		5.462	4,343,439.56
FN938603 5.5 05-01-2	5.500%	3,335,940.64	05/01/22		2.230	5/17/2007	15,289.73	3,337,482.26		5.434	3,533,230.27
FGJ05074 5.5 06-01-2	5.500%	2,669,241.28	06/01/22		2.110	6/18/2007	12,234.02	2,669,866.14		5.462	2,828,770.17
FGG12692 5.5 06-1-22	5.500%	4,576,128.14	06/01/22		2.260	6/18/2007	20,973.92	4,578,270.57		5.457	4,849,623.31
FGJ05038 5.5 07-01-2	5.500%	4,883,509.28	07/01/22		2.150	6/18/2007	22,382.75	4,861,150.32		5.561	5,175,375.29
FGG12718 5.5 07-01-2	5.500%	4,471,546.89	07/01/22		2.070	7/17/2007	20,494.59	4,435,489.48		5.632	4,738,791.73
FGJ05317 5.5 08-01-2	5.500%	4,823,253.31	08/01/22		2.090	9/18/2007	22,106.58	4,798,399.15		5.569	5,111,518.07
FGJ05440 6.0 08-01-2	6.000%	2,967,215.07	08/01/22		2.240	9/18/2007	14,836.08	2,980,939.78		5.872	3,162,003.47
FGCI 6.0 9-1-22	5.500%	6,210,246.79	09/01/22		2.210	11/18/2008	28,463.63	6,248,743.86		5.352	6,586,257.84
FGJ05665 5.5 10-01-2	5.500%	4,970,203.84	10/01/22		2.180	10/16/2007	22,780.10	4,952,909.25		5.534	5,267,251.20
FGG12956 5.0 01-01-	5.000%	5,005,545.68	01/01/23		2.340	12/17/2007	20,856.44	5,002,411.89		4.982	5,277,331.19
FGCI 4.5 02-01-23	4.500%	6,351,405.60	02/01/23		2.530	2/19/2008	23,817.77	6,348,980.06		4.481	6,587,288.36
FGG18239 5.0 03-01-2	5.000%	6,582,684.60	03/01/23		2.260	3/18/2008	27,427.85	6,590,433.29		4.949	6,918,134.13
FGJ07494 4.5 04-01-2	4.500%	7,236,999.60	04/01/23		2.670	4/17/2008	27,138.75	7,181,731.57		4.610	7,505,772.14
FGG13072 5.0 04-01-2	5.000%	4,219,994.82	04/01/23		2.200	3/18/2008	17,583.31	4,195,110.48		5.077	4,438,577.39
FGCI 4.5 04-01-23	4.500%	6,351,545.67	04/01/23		2.660	12/16/2008	23,818.30	6,433,741.32		4.254	6,587,433.63
FNCI 5.0 5-1-23	5.000%	5,760,828.32	05/01/23		2.270	5/19/2008	24,003.45	5,737,715.39		5.021	6,048,995.78
FGG18259 5.5 06-01-2	5.500%	5,680,321.76	06/01/23		2.340	6/17/2008	26,034.81	5,719,192.44		5.347	6,019,490.25
FGG18259 5.5 06-01-2	5.500%	5,711,761.62	06/01/23		2.340	7/17/2008	26,178.91	5,695,349.93		5.518	6,052,807.38
FGG13247 5.0 07-01-2	5.000%	6,454,986.94	07/01/23		2.290	9/16/2008	26,895.78	6,503,410.23		4.842	6,783,929.07
FGJ08476 5.5 08-01-2	5.500%	6,933,771.28	08/01/23		2.340	8/18/2008	31,779.79	6,895,385.67		5.564	7,347,782.46
FGG18300 4.0 1-1-24	4.000%	7,515,262.00	01/01/24		3.710	1/20/2009	25,050.87	7,651,853.18		3.691	7,659,328.97
FGJ09194 4.0 1-1-24	4.000%	7,327,470.40	01/01/24		3.780	2/20/2009	24,424.90	7,409,651.54		3.800	7,467,937.42
FGCI 4.0 03-01-24	4.000%	7,709,096.80	03/01/24		3.870	3/17/2009	25,696.99	7,783,909.79		3.826	7,854,470.48
FGCI 4.0 05-01-24	4.000%	7,763,351.92	05/01/24		3.920	4/16/2009	25,877.84	7,882,068.05		3.744	7,909,748.71
FGCI 4.0 05-01-24	4.000%	7,829,822.72	05/01/24		3.960	5/18/2009	26,099.41	7,926,095.87		3.790	7,977,472.98
FGCI 4.0 06-01-24	4.000%	7,877,716.32	06/01/24		4.010	6/16/2009	26,259.05	7,839,571.04		4.051	8,026,269.73
FGJ10251 4.0 7-1-24	4.000%	7,926,383.94	07/01/24		3.980	7/16/2009	26,421.28	7,997,801.28		3.842	8,075,855.09
<b>Subtotal Mortgage-Backed Securit</b>	<b>4.996%</b>	<b>258,670,600.83</b>	<b>08/16/12</b>		<b>2.610</b>		<b>1,076,924.76</b>	<b>259,233,107.85</b>		<b>4.875</b>	<b>271,372,770.14</b>
<b>CMOs</b>											
FHR2840EG 4.0 08-15-	4.000%	872,368.30	08/15/12		0.600	11/15/2004	2,907.89	872,368.30		3.867	887,521.34
FHR2892GA 4.0 12-15-	4.000%	1,383,276.10	12/15/12		1.070	12/20/2004	4,610.92	1,383,276.10		3.917	1,420,707.55
FNBR2006-B2AB 5.5 05	5.500%	1,748,727.85	05/25/14		0.900	12/27/2006	8,015.00	1,749,099.12		5.375	1,823,433.50
FHRR 5.125 10-15-15	5.125%	2,434,252.01	10/15/15		0.710	3/29/2007	10,396.28	2,431,495.54		5.139	2,508,521.11
<b>Subtotal CMOs</b>	<b>4.833%</b>	<b>6,438,624.26</b>	<b>08/13/10</b>		<b>0.824</b>		<b>25,930.09</b>	<b>6,436,239.06</b>		<b>4.768</b>	<b>6,640,183.50</b>
<b>Agency Notes</b>											
FHLB 5 10-02-09	5.00%	20,000,000.00	10/02/09		0.005	5/16/2007	497,222.22	20,000,022.20		4.950	20,000,000.00
FFCB 5 10-23-09	5.00%	20,584,000.00	10/23/09		0.063	3/6/2007	451,704.44	20,585,953.55		4.828	20,641,892.50
FNMA 4.125 11-12-09	4.13%	19,900,000.00	11/12/09		0.118	10/12/2006	316,948.96	19,879,605.59		5.099	19,980,843.75
FFCB 4.75 12-07-09	4.75%	15,690,000.00	12/07/09		0.186	3/15/2007	236,003.75	15,688,967.74		4.786	15,817,481.25
FHLB 5.0 12-11-09	5.00%	26,435,000.00	12/11/09		0.197	2/12/2007	403,868.06	26,431,456.99		5.072	26,674,567.19
FHLB 4.55 6-22-10	4.55%	20,000,000.00	06/22/10		0.717	6/15/2007	250,250.00	19,892,203.61		5.419	20,600,000.00
FFCB 3.35 07-07-10	3.35%	10,000,000.00	07/07/10		0.761	3/16/2007	78,166.67	9,894,976.91		4.854	10,221,875.00
FFCB 3.35 07-07-10	3.35%	10,000,000.00	07/07/10		0.761	3/16/2007	78,166.67	9,895,996.94		4.839	10,221,875.00
FFCB 3.35 07-07-10	3.35%	20,000,000.00	07/07/10		0.761	3/26/2007	156,333.33	19,801,041.22		4.843	20,443,750.00
FHLB 5.0 09-01-10	5.00%	18,205,000.00	09/01/10		0.907	3/28/2007	75,854.17	18,238,020.57		4.772	18,950,267.19

Description	Coupon	Par Value	Maturity Date	Call Date	Mod DTW	Purchase Date	Accrued Interest	Book Value	YTC	Current Yield	Market Value
FHLMC 5.0 09-01-10	5.00%	15,000,000.00	09/01/10		0.907	3/29/2007	62,500.00	15,021,551.18		4.819	15,602,145.00
FHLB 4.7 09-21-10	4.70%	10,000,000.00	09/21/10		0.964	3/29/2007	13,055.56	9,990,050.50		4.817	10,403,125.00
FNMA 3.25 5-5-11 1xC	3.25%	20,000,000.00	05/05/11	05/05/10	0.588	5/5/2008	263,611.11	19,994,006.44	0.314	3.285	20,350,000.00
FHLB 5.25 06-10-11	5.25%	20,000,000.00	06/10/11		1.619	5/22/2007	323,750.00	20,058,603.57		5.049	21,425,000.00
FHLB 5.25 06-10-11	5.25%	10,000,000.00	06/10/11		1.619	5/24/2007	161,875.00	10,015,338.23		5.144	10,712,500.00
FHLB 5.25 06-10-11	5.25%	10,000,000.00	06/10/11		1.619	5/24/2007	161,875.00	10,015,661.99		5.142	10,712,500.00
FHLB 5.25 06-10-11	5.25%	20,000,000.00	06/10/11		1.619	6/1/2007	323,750.00	20,010,416.81		5.214	21,425,000.00
FHLB 4.25 06-10-11	4.25%	25,000,000.00	06/10/11		1.633	7/16/2008	327,604.17	25,241,600.05		3.641	26,359,375.00
FHLB 4.25 06-10-11	4.25%	16,000,000.00	06/10/11		1.633	7/23/2008	209,666.67	16,068,221.91		3.979	16,870,000.00
FHLB 4.25 06-10-11	4.25%	9,000,000.00	06/10/11		1.633	7/23/2008	117,937.50	9,037,530.23		3.985	9,489,375.00
FHLB 5 09-09-11	5.00%	20,000,000.00	09/09/11		1.869	6/7/2007	61,111.11	19,888,305.99		5.334	21,431,250.00
FHLB 5 09-09-11	5.00%	14,460,000.00	09/09/11		1.869	6/7/2007	44,183.33	14,378,536.61		5.337	15,494,793.75
FHLB 3.55 11-17-11	3.55%	25,000,000.00	11/17/11	11/17/10	1.100	11/17/2008	330,347.22	25,000,000.00	0.850	3.550	25,757,812.50
FFCB 3.375 11-18-11	3.38%	15,000,000.00	11/18/11	11/18/09	0.133	11/18/2008	187,031.25	15,000,000.00	0.783	3.375	15,051,562.50
FHLB 4.75 12-9-11	4.75%	20,000,000.00	12/09/11		2.077	6/15/2007	295,555.56	19,726,808.55		5.483	21,525,000.00
TVA 6.79 05-23-12	6.79%	9,309,000.00	05/23/12		2.423	2/19/2008	224,739.95	10,033,226.88		3.517	10,486,644.35
FHLB 4.875 06-08-12	4.88%	5,000,000.00	06/08/12		2.520	2/19/2008	76,510.42	5,162,376.46		3.529	5,431,250.00
FHLMC 1.75 6-15-12	1.75%	20,000,000.00	06/15/12		2.636	9/17/2009	126,388.89	20,058,175.65		1.639	20,106,250.00
FFCB 2.125 6-18-12	2.13%	25,000,000.00	06/18/12		2.640	9/14/2009	151,996.53	25,346,800.84		1.600	25,250,000.00
FHLB 1.875 6-20-12	1.88%	20,000,000.00	06/20/12		2.653	6/12/2009	105,208.33	19,819,029.35		2.221	20,193,750.00
FHLB 1.875 6-20-12	1.88%	30,000,000.00	06/20/12		2.654	8/20/2009	157,812.50	30,071,956.52		1.784	30,290,625.00
FHLB 2.0 09-14-12	2.00%	25,000,000.00	09/14/12		2.868	9/15/2009	76,388.89	25,133,273.74		1.813	25,226,562.50
FHLB 2.0 09-14-12	2.00%	20,000,000.00	09/14/12		2.868	9/16/2009	61,111.11	20,126,777.57		1.778	20,181,250.00
FHLB 4.625 10-10-12	4.63%	20,000,000.00	10/10/12		2.811	8/28/2009	439,375.00	21,567,179.10		1.941	21,731,250.00
FFCB 4.5 10-17-12	4.50%	19,502,000.00	10/17/12		2.834	6/5/2009	399,791.00	20,797,355.19		2.222	21,068,254.38
FHLB 4.875 12-14-12	4.88%	15,000,000.00	12/14/12		2.971	2/12/2008	217,343.75	15,569,007.05		3.548	16,415,625.00
FHLB 4.875 12-14-12	4.88%	20,000,000.00	12/14/12		2.971	2/12/2008	289,791.67	20,758,676.08		3.548	21,887,500.00
FHLB 4.875 12-14-12	4.88%	14,000,000.00	12/14/12		2.972	2/13/2008	202,854.17	14,551,000.67		3.500	15,321,250.00
FHLMC 4.125 12-21-12	4.13%	20,000,000.00	12/21/12		3.028	8/4/2009	229,166.67	21,287,627.52		2.046	21,462,500.00
FHLMC 4.125 12-21-12	4.13%	30,000,000.00	12/21/12		3.028	8/24/2009	343,750.00	31,948,298.27		2.029	32,193,750.00
FHLMC 2.25 01-30-13	2.25%	25,000,000.00	01/30/13	07/30/10	0.819	8/21/2009	95,312.50	24,988,728.94	2.161	2.265	25,017,950.00
FFCB 3.4 02-07-13	3.40%	25,000,000.00	02/07/13		3.181	2/14/2008	127,500.00	24,857,302.97		3.591	26,101,562.50
FFCB 3.4 02-07-13	3.40%	20,000,000.00	02/07/13		3.181	2/20/2008	102,000.00	19,758,747.78		3.806	20,881,250.00
FNMA 4.75 02-21-13	4.75%	15,000,000.00	02/21/13		3.160	6/3/2008	79,166.67	15,318,985.01		4.053	16,256,250.00
FNMA 4.75 02-21-13	4.75%	10,000,000.00	02/21/13		3.160	6/5/2008	52,777.78	10,198,081.69		4.100	10,837,500.00
FHLB 3.875 03-08-13	3.88%	20,000,000.00	03/08/13		3.246	3/12/2008	49,513.89	20,155,820.88		3.624	21,281,250.00
FHLB 3.875 03-08-13	3.88%	20,000,000.00	03/08/13		3.247	3/24/2008	49,513.89	20,246,088.82		3.481	21,281,250.00
FFCB 4.0 05-21-13	4.00%	10,000,000.00	05/21/13		3.377	6/3/2008	144,444.44	9,968,283.29		4.097	10,631,250.00
FHLB 5.13 05-24-13	5.13%	30,000,000.00	05/24/13		3.325	6/4/2008	542,925.00	31,116,719.96		3.994	33,234,375.00
FHLMC 4.0 06-12-13	4.00%	25,000,000.00	06/12/13		3.446	5/12/2009	302,777.78	26,443,875.67		2.351	26,703,125.00
FHLMC 4.0 06-12-13	4.00%	20,000,000.00	06/12/13		3.444	6/16/2009	242,222.22	20,953,246.40		2.633	21,362,500.00
FHLMC 4.0 06-12-13	4.00%	20,000,000.00	06/12/13		3.443	6/23/2009	242,222.22	20,893,793.10		2.716	21,362,500.00
FHLB 5.375 06-14-13	5.38%	20,000,000.00	06/14/13		3.381	9/15/2009	319,513.89	22,274,878.36		2.160	22,293,750.00
FHLB 4.875 12-13-13	4.88%	20,000,000.00	12/13/13		3.813	6/19/2009	292,500.00	21,253,047.63		3.259	22,050,000.00
<b>Subtotal Agency Notes</b>	<b>4.043%</b>	<b>1,003,085,000.00</b>	<b>02/21/12</b>		<b>2.263</b>		<b>11,172,990.91</b>	<b>1,020,413,238.77</b>		<b>3.547</b>	<b>1,052,702,964.36</b>
<b>Municipal Bonds</b>											
BROAPT 6.4 10-01-09	6.400%	1,000,000.00	10/01/09		0.003	10/02/06	32,000.00	1,000,000.00		5.070	1,000,000.00
ORLUTL 3.92 10-01-09	3.920%	1,365,000.00	10/01/09		0.003	06/20/07	26,754.00	1,365,000.00		5.470	1,365,000.00
LASSCD 7.5 12-01-09	7.500%	965,000.00	12/01/09		0.170	05/12/06	24,125.00	967,670.77		5.480	968,985.45
COOSCD 5.25 12-01-09	5.250%	1,100,000.00	12/01/09		0.170	02/08/07	19,250.00	1,100,000.00		5.250	1,107,513.00
NYSDEV 4.39 12-15-09	4.390%	1,470,000.00	12/15/09		0.208	10/11/06	19,001.38	1,468,254.20		5.020	1,480,686.90
NYSDEV 4.39 12-15-09	4.390%	1,000,000.00	12/15/09		0.208	11/07/06	12,926.11	998,799.98		5.026	1,007,270.00
BERUTL 3.90 01-01-10	3.900%	400,000.00	01/01/10	01/01/10	0.252	01/26/05	3,900.00	400,000.00	1.757	3.900	402,140.00
OKAKDEV 8.5 1-1-29 pr	8.500%	5,000,000.00	01/01/10		0.255	05/19/06	70,833.33	5,034,741.93		5.400	5,088,600.00

Description	Coupon	Par Value	Maturity Date	Call Date	Mod DTW	Purchase Date	Accrued Interest	Book Value	YTC	Current Yield	Market Value
NWK 3.662 04-01-10	3.662%	1,025,000.00	04/01/10		0.494	04/22/08	18,767.75	1,026,480.77		3.362	1,037,535.75
DOBIE 6.51 05-01-10	6.510%	1,015,000.00	05/01/10		0.570	10/11/06	27,531.88	1,023,645.87		4.900	1,026,871.44
OHS 3.75 05-01-10	3.750%	1,330,000.00	05/01/10		0.577	10/17/08	20,781.25	1,328,689.22		3.926	1,350,881.00
ILS 3.3 06-01-10	3.300%	1,000,000.00	06/01/10		0.661	04/11/08	11,000.00	1,001,807.46		3.000	1,012,410.00
ORS 4.375 06-01-10	4.375%	3,000,000.00	06/01/10		0.659	10/16/08	43,750.00	3,004,742.57		4.110	3,056,190.00
ILS 3.3 06-01-10	3.300%	1,645,000.00	06/01/10		0.661	10/17/08	18,095.00	1,639,011.16		3.900	1,665,414.45
FFLGEN 8 7-1-28 prer	8.000%	1,118,636.00	07/01/10	07/01/10	0.728	04/13/06	22,372.72	1,139,941.60	1.770	5.166	1,181,514.53
FFLGEN 8 7-1-28 prer	8.000%	486,364.00	07/01/10	07/01/10	0.728	01/11/07	9,727.28	497,072.22	1.770	4.779	513,702.52
CHI 1.34 05-31-11	1.340%	2,000,000.00	07/08/10		0.769	07/16/09	5,583.33	2,000,000.00		1.340	2,002,540.00
TXS 5.75 8-1-10	5.750%	1,500,000.00	08/01/10		0.822	11/04/08	14,375.00	1,527,007.15		3.500	1,557,915.00
JER 4.11 09-01-10	4.110%	1,005,000.00	09/01/10		0.909	12/08/06	3,442.13	1,000,051.16		4.700	1,028,406.45
MAD 4.30 10-01-10	4.300%	880,000.00	10/01/10	10/01/10	0.969	10/18/05	18,920.00	879,838.30	0.709	4.320	911,521.60
ALT 3.74 10-01-10	3.740%	1,640,000.00	10/01/10		0.975	08/30/07	30,668.00	1,619,142.02		5.130	1,672,012.80
WILSCD 5.375 10-1-10	5.375%	695,000.00	10/01/10		0.964	07/24/09	18,678.12	698,329.77		4.869	723,578.40
WILSCD 5.375 10-1-10	5.375%	855,000.00	10/01/10		0.964	07/24/09	22,978.13	854,385.89		5.443	887,395.95
MAN 4.125 12-01-10	4.125%	3,250,000.00	12/01/10		1.140	11/13/08	44,687.50	3,278,511.04		3.320	3,365,602.50
PEOSCD 0 01-01-11	0.000%	1,930,000.00	01/01/11		1.254	05/18/07	0.00	1,821,538.85		5.177	1,782,316.40
MAY 6.75 01-01-11	6.750%	810,000.00	01/01/11	03/17/10	0.447	10/02/07	13,668.75	817,960.38	5.048	5.871	816,204.60
UNC 4.3 01-01-11 Sin	4.300%	700,000.00	01/01/11	07/15/10	0.763	10/15/07	7,525.00	696,593.88	4.293	4.722	700,000.00
OHS 4.15 05-01-11	4.150%	1,000,000.00	05/01/11		1.526	08/19/08	17,291.67	1,000,000.00		4.150	1,039,900.00
KSSDEV 4.152 05-01-1	4.152%	2,605,000.00	05/01/11		1.527	01/27/09	45,066.50	2,650,530.55		3.000	2,690,496.10
ORS 4.605 06-01-11	4.605%	7,000,000.00	06/01/11		1.604	02/21/08	107,450.00	7,115,400.34		3.511	7,293,020.00
SFO 5.0 06-15-11	5.000%	1,450,000.00	06/15/11		1.637	05/29/08	21,347.22	1,482,021.58		3.620	1,519,092.50
STNPWR 3.76 07-01-11	3.760%	4,550,000.00	07/01/11		1.698	02/11/08	42,770.00	4,565,052.51		3.552	4,676,626.50
DOVPWR 4.6 07-01-11	4.600%	1,000,000.00	07/01/11	07/01/10	0.734	04/15/08	11,500.00	1,007,855.78	2.224	3.825	1,017,610.00
LONFAC 7.24 9-1-11	7.240%	1,135,000.00	09/01/11		1.820	11/05/08	6,847.83	1,190,321.55		4.500	1,246,298.10
IRVWTR 8.18 9-15-11	8.180%	8,000,000.00	09/15/11		1.850	06/17/09	29,084.44	8,841,314.85		2.606	9,050,000.00
ALT 3.98 10-01-11	3.980%	1,800,000.00	10/01/11		1.906	08/21/07	35,820.00	1,762,730.13		5.180	1,857,744.00
WTA 5.4 10-01-11	5.400%	2,030,000.00	10/01/11	10/01/10	1.825	01/10/08	54,810.00	2,030,000.00	5.400	4.586	2,030,000.00
ROBUTL 8.45 11-15-11	8.450%	765,000.00	11/15/11	10/29/10	1.046	10/02/07	24,420.50	789,391.24	-3.228	6.702	864,090.45
MAN 5.375 12-01-11	5.375%	1,000,000.00	12/01/11		2.045	11/17/08	17,916.67	1,035,477.91		3.630	1,079,650.00
PEOSCD 0 01-01-12	0.000%	2,000,000.00	01/01/12		2.253	08/29/07	0.00	1,794,870.04		5.309	1,714,480.00
CHI 5.25 01-01-12	5.250%	4,000,000.00	01/01/12		2.131	01/25/08	52,500.00	4,129,570.36		3.647	4,274,920.00
MES 5.05 01-15-12	5.050%	1,085,000.00	01/15/12		2.174	11/10/08	11,567.31	1,114,530.65		3.775	1,163,065.75
NWK 4.504 04-01-12	4.504%	1,200,000.00	04/01/12		2.343	04/22/08	27,024.00	1,205,548.37		4.301	1,247,364.00
MIS 3.95 05-01-12	3.950%	1,000,000.00	05/01/12		2.444	04/29/08	16,458.33	998,813.31		4.000	1,053,490.00
MIS 3.95 05-01-12	3.950%	1,000,000.00	05/01/12		2.445	04/29/08	16,458.33	1,004,275.98		3.770	1,053,490.00
OHS 4.55 05-01-12	4.550%	1,000,000.00	05/01/12		2.424	08/19/08	18,958.33	1,000,188.53		4.544	1,069,850.00
KSSDEV 4.372 05-01-1	4.372%	2,600,000.00	05/01/12		2.431	10/10/08	47,363.33	2,626,143.07		3.950	2,714,530.00
PAL 5.735 06-01-12	5.735%	3,515,000.00	06/01/12		2.475	03/06/08	67,195.08	3,691,907.06		3.630	3,820,383.20
STNPWR 4.05 07-01-12	4.050%	4,875,000.00	07/01/12		2.608	02/06/08	49,359.38	4,880,829.29		4.002	5,052,693.75
WAS 5.6 07-01-12	5.600%	5,000,000.00	07/01/12		2.562	11/17/08	70,000.00	5,238,921.02		3.725	5,464,650.00
MONHGR 4.24 08-01-12	4.240%	1,000,000.00	08/01/12		2.685	01/24/08	7,066.67	1,000,000.00		4.240	1,067,970.00
SCRGEN 5.556 08-01-1	5.556%	1,000,000.00	08/01/12		2.640	11/03/08	9,260.00	993,038.60		5.830	1,059,710.00
NYC 4.5 9-1-12	4.500%	4,400,000.00	09/01/12		2.760	09/16/08	16,500.00	4,456,347.75		4.020	4,636,192.00
DUPSCD 4.0 10-01-12	4.000%	1,255,000.00	10/01/12		2.803	03/31/08	25,100.00	1,255,000.00		4.000	1,317,022.10
NYC 4.75 10-01-12	4.750%	4,000,000.00	10/01/12		2.775	02/02/09	95,000.00	4,162,483.09		3.300	4,288,680.00
MAN 5.375 12-01-12	5.375%	1,000,000.00	12/01/12		2.914	11/17/08	17,916.67	1,045,215.82		3.820	1,074,080.00
PAS 4.76 02-15-13	4.760%	1,570,000.00	02/15/13	10/14/11	1.943	03/28/08	9,549.09	1,615,995.18	1.602	3.799	1,669,051.30
NWK 4.654 04-01-13	4.654%	1,000,000.00	04/01/13		3.200	04/22/08	23,270.00	1,007,890.02		4.401	1,045,280.00
KSSDEV 4.522 05-01-1	4.522%	3,840,000.00	05/01/13		3.289	10/15/08	72,352.00	3,818,108.49		4.700	4,011,302.40
WAS 5.625 07-01-13	5.625%	5,000,000.00	07/01/13		3.401	11/20/08	70,312.50	5,249,112.00		4.150	5,490,400.00
TXS 6.0 08-01-13	6.000%	1,010,000.00	08/01/13		3.463	11/13/08	10,100.00	1,060,400.11		4.537	1,131,391.90
SCSUTL 6.808 01-01-1	6.808%	2,500,000.00	01/01/14		3.738	03/23/09	42,550.00	2,768,974.54		4.000	2,850,100.00
CHEUTL 5.14 07-1-24	5.140%	2,000,000.00	07/01/14		4.235	07/01/09	25,700.00	2,059,374.99		4.436	2,093,660.00
GAS 5.15 03-01-16	5.150%	4,500,000.00	03/01/16	05/30/13	3.338	11/25/08	19,312.50	4,665,898.80	2.997	4.470	4,833,810.00

Description	Coupon	Par Value	Maturity Date	Call Date	Mod DTW	Purchase Date	Accrued Interest	Book Value	YTC	Current Yield	Market Value
TXS 0 12-01-25	0.853%	4,365,000.00	12/01/25	10/30/09	0.083	05/12/09	3,104.00	4,365,000.00		0.853	4,365,000.00
TXS 0 12-01-25	0.853%	10,000,000.00	12/01/25	10/30/09	0.083	05/20/09	7,111.11	10,000,000.00		0.853	10,000,000.00
TXS 0 12-01-25	0.853%	3,015,000.00	12/01/25	10/30/09	0.083	06/16/09	2,144.00	3,015,000.00		0.853	3,015,000.00
TXS 0 12-01-25	0.853%	7,500,000.00	12/01/25	10/30/09	0.083	08/13/09	5,333.33	7,500,000.00		0.853	7,500,000.00
TXS 0 12-01-25	0.829%	2,600,000.00	12/01/25	10/30/09	0.083	09/10/09	1,848.89	2,600,000.00		0.829	2,600,000.00
TXS 0 06-01-29	0.436%	9,000,000.00	06/01/29	10/30/09	0.083	04/16/09	3,270.00	9,000,000.00		0.436	9,000,000.00
TXS 0 12-01-33	0.557%	6,500,000.00	12/01/33	10/30/09	0.083	07/01/09	3,015.28	6,500,000.00		0.557	6,500,000.00
TXS 0 12-01-33	0.557%	12,000,000.00	12/01/33	10/30/09	0.083	08/26/09	5,566.67	12,000,000.00		0.557	12,000,000.00
<b>Subtotal Municipal Bonds</b>	<b>3.824%</b>	<b>186,850,000.00</b>	<b>05/04/11</b>		<b>1.403</b>		<b>1,827,933.29</b>	<b>189,482,749.70</b>		<b>3.070</b>	<b>193,254,302.79</b>
<b>Money Market Mutual Funds</b>											
TexStar960 Cash Rese	0.261%	321,031,668.55	11/15/09		0.050	06/04/07	58.56	321,031,668.55		0.261	321,031,668.55
CHASE MONEY MARKET F	0.904%	0.00	10/01/09		0.000	02/01/08	1,188.19	0.00		0.904	0.00
<b>Subtotal Money Market Mutual Fur</b>	<b>0.261%</b>	<b>321,031,668.55</b>	<b>11/15/09</b>		<b>0.050</b>		<b>1,246.75</b>	<b>321,031,668.55</b>		<b>0.261</b>	<b>321,031,668.55</b>
<b>TOTAL FUND 9900 (960)</b>	<b>3.145%</b>	<b>2,358,666,843.64</b>	<b>06/06/11</b>		<b>1.522</b>		<b>16,982,094.85</b>	<b>2,382,548,354.35</b>		<b>2.577</b>	<b>2,434,274,609.06</b>

**INVESTMENT BY SECTOR AND MATURITY - TAX EXEMPT FUND 9901 (971)  
AS OF SEPTEMBER 30, 2009**

Description	Coupon	Par Value	Maturity Date	Call Date	Mod DTW	Purchase Date	Accrued Interest	Book Value	YTC	Current Yield	Market Value
<b>Municipal Bonds</b>											
GAIUTL 0 10-01-36	0.333%	4,000,000.00	10/30/09	10/30/09	0.083	9/25/2009	675.07	4,000,000.00		0.333	4,000,000.00
<b>Subtotal Municipal Bonds</b>	<b>0.333%</b>	<b>4,000,000.00</b>	<b>10/30/09</b>		<b>0.083</b>		<b>675.07</b>	<b>4,000,000.00</b>		<b>0.333</b>	<b>4,000,000.00</b>
<b>Money Market Mutual Funds</b>											
Fidelity Tax-Free Mo	0.102%	16,586,490.29	11/03/09		0.050	06/01/09	0.05	16,586,490.29		0.102	16,586,490.29
<b>Subtotal Money Market Mutual Fur</b>	<b>0.102%</b>	<b>16,586,490.29</b>	<b>11/03/09</b>		<b>0.050</b>		<b>0.05</b>	<b>16,586,490.29</b>		<b>0.102</b>	<b>16,586,490.29</b>
<b>TOTAL FUND 9901 (971)</b>	<b>0.147%</b>	<b>20,586,490.29</b>	<b>11/02/09</b>		<b>0.056</b>		<b>675.12</b>	<b>20,586,490.29</b>		<b>0.147</b>	<b>20,586,490.29</b>

**INVESTMENT BY SECTOR AND MATURITY - HOUSING DEPARTMENT SECTION 108 FUND 9902 (974)  
AS OF SEPTEMBER 30, 2009**

Description	Coupon	Par Value	Maturity Date	Call Date	Mod DTW	Purchase Date	Accrued Interest	Book Value	YTC	Current Yield	Market Value
<b>Treasury Bills</b>											
B 0.1 10-29-09	0.100%	1,600,000.00	10/29/09		0.079	09/10/09	0.00	1,599,875.55		0.100	1,599,924.80
B 0.06 11-19-09	0.060%	2,700,000.00	11/19/09		0.137	09/24/09	0.00	2,699,779.50		0.060	2,699,762.40
<b>Subtotal Treasury Bills</b>	<b>0.075%</b>	<b>4,300,000.00</b>	<b>11/11/09</b>		<b>0.115</b>		<b>0.00</b>	<b>4,299,655.05</b>		<b>0.075</b>	<b>4,299,687.20</b>
<b>TOTAL FUND 9902 (974)</b>	<b>0.075%</b>	<b>4,300,000.00</b>	<b>11/11/09</b>		<b>0.115</b>		<b>0.00</b>	<b>4,299,655.05</b>		<b>0.075</b>	<b>4,299,687.20</b>
<b>GRAND TOTALS</b>	<b>3.114%</b>	<b>2,383,553,333.93</b>	<b>05/30/11</b>		<b>1.507</b>		<b>16,982,769.97</b>	<b>2,407,434,499.69</b>		<b>2.552</b>	<b>2,459,160,786.55</b>

## **Appendix II**

### **Investments by Sector and Maturity as of June 30, 2009**

**INVESTMENT BY SECTOR AND MATURITY - GENERAL FUND 9900 (960)**  
**AS OF JUNE 30, 2009**

Description	Coupon	Par Value	Maturity Date	Call Date	Mod DTW	Purchase Date	Accrued Interest	Book Value	YTC	Current Yield	Market Value
<b>Treasury Notes</b>											
HUD 2.62 8-1-09	2.620%	5,000,000.00	08/01/09		0.088	12/11/2008	54,583.33	5,037,500.00	1.434		5,009,375.00
T 6.0 08-15-09	6.000%	30,000,000.00	08/15/09		0.126	11/18/2008	676,243.09	30,181,640.62	1.068		30,213,270.00
T 3.5 08-15-09	3.500%	30,000,000.00	08/15/09		0.126	11/24/2008	394,475.14	30,099,076.70	0.815		30,120,690.00
T 6.0 08-15-09	6.000%	25,000,000.00	08/15/09		0.126	11/26/2008	563,535.91	25,155,821.36	0.930		25,177,725.00
T 4.0 08-31-09	4.000%	25,000,000.00	08/31/09		0.170	5/30/2008	334,239.13	25,067,634.41	2.343		25,154,300.00
T 3.625 10-31-09	3.625%	25,000,000.00	10/31/09		0.337	2/18/2009	152,683.42	25,251,363.36	0.594		25,275,400.00
T 4.625 11-15-09	4.625%	20,000,000.00	11/15/09		0.378	12/26/2008	118,138.59	20,314,486.88	0.419		20,318,760.00
T 4.625 11-15-09	4.625%	25,000,000.00	11/15/09		0.378	1/27/2009	147,673.23	25,390,370.83	0.443		25,398,450.00
T 3.25 12-31-09	3.250%	25,000,000.00	12/31/09		0.504	2/13/2009	2,207.88	25,329,585.28	0.606		25,357,425.00
TII 4.25 01-15-10	4.250%	6,465,200.00	01/15/10		0.531	8/14/2008	128,557.81	6,596,810.50	0.471		6,586,422.50
T 4.75 02-15-10	4.750%	25,000,000.00	02/15/10		0.614	2/6/2009	446,132.60	25,649,372.28	0.590		25,673,825.00
T 4.125 8-15-10	4.125%	25,000,000.00	08/15/10		1.096	4/30/2009	387,430.94	25,989,100.58	0.590		25,993,175.00
T 4.375 12-15-10	4.375%	25,000,000.00	12/15/10		1.427	5/27/2009	47,814.21	26,314,863.04	0.736		26,307,625.00
TII 3.5 01-15-11	3.500%	6,249,750.00	01/15/11		1.492	8/14/2008	102,342.52	6,511,891.87	0.747		6,521,226.64
HUD 3.44 08-01-11	3.440%	21,688,000.00	08/01/11		2.003	6/12/2008	310,861.33	21,688,000.00	3.440		22,609,740.00
HUD 3.82 08-01-12	3.820%	25,000,000.00	08/01/12		2.895	6/12/2008	397,916.67	25,000,000.00	3.820		26,359,375.00
<b>Subtotal Treasury Notes</b>	<b>4.294%</b>	<b>344,402,950.00</b>	<b>04/16/10</b>		<b>0.769</b>		<b>4,264,835.80</b>	<b>349,577,517.71</b>	<b>1.213</b>		<b>352,076,784.14</b>
<b>Commercial Paper</b>											
HOUGOG 1.25 07-09-09	1.250%	10,000,000.00	07/09/09		0.025	6/9/2009	7,534.25	10,000,000.00	1.250		10,000,000.00
HOUGOG 1.25 7-20-09	1.250%	28,000,000.00	07/20/09		0.055	6/18/2009	12,465.75	28,000,000.00	1.250		28,000,000.00
HOAIRA 1.2 7-20-09	1.200%	60,000,000.00	07/20/09		0.055	6/18/2009	25,643.84	60,000,000.00	1.200		60,000,000.00
HOUGOG 1.1 7-20-09	1.100%	15,000,000.00	07/20/09		0.055	6/29/2009	904.11	15,000,000.00	1.100		15,000,000.00
HOAIRA 1.1 7-22-09	1.100%	21,000,000.00	07/22/09		0.060	6/22/2009	5,695.89	21,000,000.00	1.100		21,000,000.00
HOUGOG 1.6 08-10-09	1.600%	10,000,000.00	08/10/09		0.112	5/11/2009	22,356.16	10,000,000.00	1.600		10,000,000.00
HOUGOG 1.6 8-10-09	1.600%	10,000,000.00	08/10/09		0.112	5/15/2009	20,602.74	10,000,000.00	1.600		10,000,000.00
<b>Subtotal Commercial Paper</b>	<b>1.241%</b>	<b>154,000,000.00</b>	<b>07/22/09</b>		<b>0.061</b>		<b>95,202.74</b>	<b>154,000,000.00</b>	<b>1.241</b>		<b>154,000,000.00</b>
<b>Agency Discount Notes</b>											
FNDN 0.32 07-01-09	0.320%	30,000,000.00	07/01/09		0.003	1/13/2009	0.00	30,000,000.00	0.320		30,000,000.00
FHDN 0.48 07-01-09	0.480%	30,000,000.00	07/01/09		0.003	1/22/2009	0.00	30,000,000.00	0.481		30,000,000.00
FHDN 0.43 07-02-09	0.430%	20,000,000.00	07/02/09		0.005	2/19/2009	0.00	19,999,761.11	0.431		20,000,000.00
FMCDN 0.51 7-6-09	0.510%	25,000,000.00	07/06/09		0.016	2/3/2009	0.00	24,998,229.17	0.511		25,000,000.00
FHDN 0.45 07-13-09	0.450%	25,000,000.00	07/13/09		0.036	1/15/2009	0.00	24,996,250.00	0.451		25,000,000.00
FNDN 0.56 07-31-09	0.560%	30,000,000.00	07/31/09		0.085	2/10/2009	0.00	29,986,000.00	0.561		29,997,000.00
FMCDN 0.57 09-01-09	0.570%	30,000,000.00	09/01/09		0.172	2/10/2009	0.00	29,970,550.00	0.572		29,991,000.00
FNDN 0.73 10-26-09	0.730%	30,000,000.00	10/26/09		0.323	2/13/2009	0.00	29,928,824.99	0.734		29,982,000.00
FMCDN 0.72 11-16-09	0.720%	30,000,000.00	11/16/09		0.381	2/5/2009	0.00	29,917,200.00	0.724		29,973,000.00
FHLBDN 0.74 11-16-09	0.740%	22,213,000.00	11/16/09		0.381	2/9/2009	0.00	22,149,989.13	0.744		22,193,008.30
FNDN 0.82 11-16-09	0.820%	30,000,000.00	11/16/09		0.381	2/11/2009	0.00	29,905,699.99	0.825		29,973,000.00
FHDN 0.78 11-23-09	0.780%	25,000,000.00	11/23/09		0.400	2/25/2009	0.00	24,921,458.34	0.785		24,977,500.00
FHLBDN 0.79 12-01-09	0.790%	20,000,000.00	12/01/09		0.422	2/17/2009	0.00	19,932,850.01	0.795		19,978,000.00
<b>Subtotal Agency Discount Notes</b>	<b>0.606%</b>	<b>347,213,000.00</b>	<b>09/10/09</b>		<b>0.198</b>		<b>0.00</b>	<b>346,706,812.74</b>	<b>0.608</b>		<b>347,064,508.30</b>
<b>Certificates of Deposit</b>											
Georgian Bank CDARS	3.125%	94,500.00	09/17/09		0.216	9/18/2008	2,346.09	94,500.00	3.125		94,500.00
Empire Bank CDARS	3.125%	94,500.00	09/17/09		0.216	9/18/2008	2,346.09	94,500.00	3.125		94,500.00
Pilot Bank CDARS	3.125%	94,500.00	09/17/09		0.216	9/18/2008	2,346.09	94,500.00	3.125		94,500.00
West Bank CDARS	3.125%	94,500.00	09/17/09		0.216	9/18/2008	2,346.09	94,500.00	3.125		94,500.00
National City Bank C	3.125%	94,500.00	09/17/09		0.216	9/18/2008	2,346.09	94,500.00	3.125		94,500.00
BB&T CDARS	3.125%	94,500.00	09/17/09		0.216	9/18/2008	2,346.09	94,500.00	3.125		94,500.00
The F&M Bank & Trust	3.125%	91,562.08	09/17/09		0.216	9/18/2008	2,273.16	91,562.08	3.125		91,562.08
The PrivateBank & Tr	3.125%	94,500.00	09/17/09		0.216	9/18/2008	2,346.09	94,500.00	3.125		94,500.00
Spirit Bank CDARS	3.125%	94,500.00	09/17/09		0.216	9/18/2008	2,346.09	94,500.00	3.125		94,500.00
Puget Sound Bank CDA	3.125%	17,937.92	09/17/09		0.216	9/18/2008	445.33	17,937.92	3.125		17,937.92

Description	Coupon	Par Value	Maturity Date	Call Date	Mod DTW	Purchase Date	Accrued Interest	Book Value	YTC	Current Yield	Market Value
FirstTier Bank CDARS	3.125%	94,500.00	09/17/09		0.216	9/18/2008	2,346.09	94,500.00		3.125	94,500.00
<b>Subtotal Certificates of Deposit</b>	<b>3.125%</b>	<b>960,000.00</b>	<b>09/17/09</b>		<b>0.216</b>		<b>23,833.30</b>	<b>960,000.00</b>		<b>3.125</b>	<b>960,000.00</b>
<b>Mortgage-Backed Securities</b>											
FN254627 5.0 12-01-0	5.000%	357,502.60	12/1/2009		0.380	12/23/2002	1,489.59	357,502.60		4.571	361,405.41
FNCI 7.00 03/01/12	7.000%	50,870.48	3/1/2012		0.970	6/30/1999	296.75	50,870.48		6.681	53,246.34
FGCI 7.00 4/01/12	7.000%	56,018.11	4/1/2012		1.100	6/30/1999	326.77	56,018.11		6.789	58,949.77
FNCI 7.00 04/01/12	7.000%	85,988.51	4/1/2012		0.970	6/30/1999	501.60	85,988.51		6.761	90,004.07
FNCI 7.00 04/01/12	7.000%	33,811.31	4/1/2012		0.970	10/19/1999	197.23	33,811.31		6.792	35,390.24
FNCI 7.00 05/01/12	7.000%	73,303.46	5/1/2012		1.060	6/30/1999	427.60	73,303.46		6.693	76,726.63
FNCI 6.50 07/01/12	6.500%	61,442.20	7/1/2012		1.160	6/30/1999	332.81	61,442.20		6.284	65,198.49
FGCI 7.00 07/01/12	7.000%	30,244.11	7/1/2012		1.140	6/30/1999	176.42	30,244.11		6.753	31,924.02
FGCI 7.00 07/01/12	7.000%	94,376.10	7/1/2012		1.090	8/21/2000	550.53	94,376.10		6.930	99,618.23
FGCI 7.00 10/01/12	7.000%	66,416.19	10/1/2012		1.240	9/19/2000	387.43	66,416.19		6.924	70,077.10
FGCI 6.50 01/01/13	6.500%	43,031.73	1/1/2013		1.310	6/30/1999	233.09	43,031.73		6.272	45,248.39
FNCI 6.50 01/01/13	6.500%	56,642.46	1/1/2013		1.330	6/30/1999	306.82	56,642.46		6.301	60,106.04
GNJO 6.50 04/15/13	6.500%	152,257.92	4/15/2013		1.280	8/30/2000	824.73	152,257.92		6.649	162,696.75
FNCI 6.00 08/01/13	6.000%	63,660.21	8/1/2013		1.470	6/30/1999	318.30	63,660.21		5.873	66,837.99
FNCI 6.00 09/01/13	6.000%	79,245.81	9/1/2013		1.470	6/30/1999	396.23	79,245.81		5.881	84,292.78
FNCI 6.00 09/01/13	6.000%	112,264.78	9/1/2013		1.470	6/30/1999	561.32	112,264.78		5.892	119,414.77
GNJO 6.50 09/15/03	6.500%	124,433.02	9/15/2013		1.480	6/30/1999	674.02	124,433.02		6.460	133,058.10
FNCI 6.50 02/01/14	6.500%	56,208.20	2/1/2014		1.330	6/30/1999	304.46	56,208.20		6.422	59,644.53
FNCI 6.50 03/01/14	6.500%	56,376.78	3/1/2014		1.490	6/30/1999	305.38	56,376.78		6.324	59,823.98
GNJO 6.00 03-15-14	6.000%	295,658.05	3/15/2014		1.660	6/30/1999	1,478.29	295,658.05		5.944	311,184.73
FGCI 6.00 04/01/14	6.000%	125,890.16	4/1/2014		1.690	1/23/2001	629.45	125,890.16		5.974	132,174.95
FNCI 6.00 08/01/14	6.000%	142,365.31	8/1/2014		1.810	5/17/2001	711.83	142,365.31		5.946	151,432.22
GNJO 7.00 01/15/15	7.000%	227,470.88	1/15/2015		1.810	8/30/2000	1,326.91	227,470.88		7.030	243,938.15
FNCI 7.00 03/01/15	7.000%	180,776.27	3/1/2015		1.730	11/16/2000	1,054.53	180,776.27		6.885	190,977.88
FGCI 7.00 04/01/15	7.000%	107,288.18	4/1/2015		1.820	9/19/2000	625.85	107,288.18		7.002	114,187.97
FNCI 6.50 06/01/15	6.500%	1,056,480.70	6/1/2015		2.420	6/18/2002	5,722.60	1,056,480.70		5.675	1,119,748.49
FNCI 6.00 07/01/15	6.000%	234,365.98	7/1/2015		1.690	5/17/2001	1,171.83	234,365.98		5.959	249,292.17
FGCI 7.00 08/01/15	7.000%	74,399.40	8/1/2015		1.890	8/21/2000	434.00	74,399.40		7.096	79,322.42
FGCI 7.00 10/01/15	7.000%	97,778.46	10/1/2015		1.860	10/19/2000	570.37	97,778.46		7.041	104,066.67
FNCI 7.00 10/01/15	7.000%	107,540.45	10/1/2015		1.920	11/16/2000	627.32	107,540.45		6.885	113,993.30
FGCI 7.00 12/01/15	7.000%	233,872.07	12/1/2015		2.110	2/19/2002	1,364.25	233,872.07		5.390	249,347.40
FGCI 6.00 01/01/16	6.000%	46,314.51	1/1/2016		2.090	2/15/2001	231.57	46,314.51		6.018	49,322.07
FGCI 6.00 09/01/16	6.000%	381,903.20	9/1/2016		2.220	10/18/2001	1,909.52	381,903.20		5.461	402,914.91
FGCI 6.00 11/01/16	6.000%	575,690.88	11/1/2016		2.240	12/18/2001	2,878.45	575,690.88		5.733	607,467.73
FN 616072 6.00 11-01	6.000%	576,420.57	11/1/2016		2.300	4/21/2003	2,882.10	576,420.57		4.657	614,572.37
GNJO 6.5 11/15/16	6.500%	516,170.74	11/15/2016		2.010	4/16/2002	2,795.92	516,170.74		5.988	553,246.14
FGCI 6.50 02/01/17	6.500%	555,371.36	2/1/2017		2.240	3/18/2002	3,008.26	555,371.36		5.769	587,803.78
FN15 254684 5.0 02-0	5.000%	5,185,340.40	2/25/2017		2.570	2/19/2003	21,605.59	5,185,340.40		4.551	5,429,699.57
FNCI 6.50 03/01/17	6.500%	368,827.05	3/1/2017		2.360	3/18/2002	1,997.81	368,827.05		5.720	390,914.41
FNCI 6.50 03/01/17	6.500%	598,233.20	4/1/2017		2.360	3/18/2002	3,240.43	598,233.20		5.711	634,058.65
FGE01280 5.00 12-1-1	5.000%	1,542,803.57	12/1/2017		2.490	12/17/2002	6,428.35	1,542,803.57		4.737	1,604,000.23
FN 702860 5.00 04-01	5.000%	2,525,990.00	4/1/2018		2.610	4/21/2003	10,524.96	2,525,990.00		4.441	2,645,027.28
FN 254721 5.00 4-1-1	5.000%	1,370,324.15	4/21/2018		2.620	4/21/2003	5,709.68	1,370,324.15		4.366	1,434,900.68
FNCI 5.00 05-01-18	5.000%	2,891,734.60	5/1/2018		2.630	5/19/2003	12,048.89	2,891,734.60		4.428	3,028,007.59
FNCI 5.00 LLB 05-01-	5.000%	1,756,362.80	5/1/2018		2.600	5/19/2003	7,318.18	1,756,362.80		4.094	1,831,814.99
FG E97045 4.5 06-01-	4.500%	1,653,776.42	6/1/2018		2.770	7/17/2003	6,201.66	1,653,776.42		3.874	1,715,207.33
FGE01425 4.5 08-01-1	4.500%	6,263,675.40	8/1/2018		2.830	8/18/2003	23,488.78	6,263,675.40		4.315	6,432,403.47
FN254942 4.00 09-01-	4.000%	4,466,786.60	9/1/2018		3.050	9/18/2003	14,889.29	4,466,786.60		3.920	4,567,754.60
FN255077 5.00 01-01-	5.000%	1,345,172.55	1/1/2019		2.730	3/17/2005	5,604.89	1,345,172.55		4.687	1,408,563.82
FGG18008 4.5 09-01-1	4.500%	2,417,679.40	9/1/2019		2.740	12/21/2004	9,066.30	2,417,679.40		4.478	2,485,575.89
FGG18065 5.00 07-01	5.000%	2,640,552.55	7/1/2020		2.420	7/19/2005	11,002.30	2,640,552.55		4.838	2,747,659.96
FGB19758 5.00 08-01-	5.000%	3,005,011.35	8/1/2020		2.340	8/16/2005	12,520.88	3,005,011.35		4.893	3,126,902.12
FGG18073 5.00 09-01-	5.000%	2,764,190.85	9/1/2020		2.460	10/18/2005	11,517.46	2,764,190.85		4.989	2,876,313.33
FGG18079 5.50 10-01-	5.500%	3,101,542.29	10/1/2020		2.490	11/17/2005	14,215.40	3,101,542.29		5.366	3,253,517.86
FGG11807 5.5 10-01-2	5.500%	3,149,576.70	10/1/2020		2.480	12/15/2005	14,435.56	3,149,576.70		5.388	3,303,905.96
FGG11810 5.5 12-01-2	5.500%	3,025,910.00	12/1/2020		2.440	12/15/2005	13,868.75	3,025,910.00		5.419	3,174,179.62

Description	Coupon	Par Value	Maturity Date	Call Date	Mod DTW	Purchase Date	Accrued Interest	Book Value	YTC	Current Yield	Market Value
FGG18096 5.5 1-1-21	5.500%	2,948,314.62	1/1/2021		2.470	2/16/2006	13,513.11	2,959,623.20		5.373	3,092,782.04
FGG18101 5.5 02-01-2	5.500%	2,482,191.15	2/1/2021		2.490	2/16/2006	11,376.71	2,492,242.56		5.369	2,599,940.09
FN865183 5.5 02-01-2	5.500%	3,983,094.76	2/1/2021		2.530	3/16/2006	18,255.85	3,989,862.24		5.403	4,177,021.67
FGG18106 5.5 03-01-2	5.500%	3,755,609.52	3/1/2021		2.470	3/16/2006	17,213.21	3,755,232.55		5.470	3,933,766.25
FNCI 5.5 04-01-21	5.500%	4,557,464.72	4/1/2021		2.530	4/18/2006	20,888.38	4,551,420.36		5.475	4,779,356.28
FGG18115 6.0 05-01-2	6.000%	3,201,851.38	5/1/2021		2.350	5/16/2006	16,009.26	3,222,917.18		5.811	3,390,260.32
FGG18124 6.0 6-1-21	6.000%	2,634,058.44	6/1/2021		2.400	6/19/2006	13,170.29	2,647,749.61		5.845	2,789,056.32
FGG18124 6.0 6-1-21	6.000%	3,528,949.50	6/1/2021		2.400	7/18/2006	17,644.75	3,528,949.50		5.963	3,736,606.12
FGCI03360 5.50 09-01	5.500%	3,596,126.48	9/1/2021		2.500	9/18/2006	16,482.25	3,581,534.46		5.556	3,766,717.73
FGG12369 5.5 10-01-2	5.500%	4,353,489.78	10/1/2021		2.500	10/17/2006	19,953.49	4,352,522.70		5.472	4,560,008.48
FNCI 5.5 11-01-21	5.500%	4,436,802.96	11/1/2021		2.580	11/16/2006	20,335.35	4,427,814.15		5.487	4,652,819.80
FGG18157 5.5 12-01-2	5.500%	3,936,100.08	12/1/2021		2.460	1/17/2007	18,040.46	3,935,192.90		5.472	4,122,818.83
FGG18169 5.5 02-01-2	5.500%	4,245,452.56	2/1/2022		2.560	2/15/2007	19,458.32	4,226,579.55		5.559	4,443,529.46
FGG12514 5.5 02-01-2	5.500%	4,592,602.66	2/1/2022		2.530	3/19/2007	21,049.43	4,593,675.52		5.462	4,810,464.24
FN938603 5.5 05-01-2	5.500%	3,896,281.92	5/1/2022		2.420	5/17/2007	17,857.96	3,898,151.08		5.434	4,082,938.18
FGJ05074 5.5 06-01-2	5.500%	3,152,809.76	6/1/2022		2.470	6/18/2007	14,450.38	3,153,575.44		5.462	3,299,908.04
FGG12692 5.5 06-1-22	5.500%	5,110,069.09	6/1/2022		2.450	6/18/2007	23,421.15	5,112,551.05		5.457	5,348,485.74
FGJ05038 5.5 07-01-2	5.500%	5,210,725.84	7/1/2022		2.480	6/18/2007	23,882.49	5,185,985.42		5.561	5,453,838.77
FGG12718 5.5 07-01-2	5.500%	5,005,011.19	7/1/2022		2.450	7/17/2007	22,939.63	4,963,169.69		5.632	5,238,526.26
FGJ05317 5.5 08-01-2	5.500%	5,183,778.99	8/1/2022		2.580	9/18/2007	23,758.99	5,156,124.52		5.569	5,425,634.66
FGJ05440 6.0 08-01-2	6.000%	3,752,254.52	8/1/2022		2.130	9/18/2007	18,761.27	3,770,209.24		5.872	3,972,840.18
FGCI 6.0 9-1-22	5.500%	6,789,385.76	9/1/2022		2.570	11/18/2008	31,118.02	6,832,814.63		5.352	7,111,457.23
FGJ05665 5.5 10-01-2	5.500%	5,229,833.28	10/1/2022		2.610	10/16/2007	23,970.07	5,211,008.78		5.534	5,473,837.69
FGGI12956 5.0 01-01-1	5.000%	5,718,227.84	1/1/2023		2.560	12/17/2007	23,825.95	5,714,524.50		4.982	5,939,451.78
FGCI 4.5 02-01-23	4.500%	6,873,365.20	2/1/2023		3.210	2/19/2008	25,775.12	6,870,649.63		4.481	7,019,825.13
FGG18239 5.0 03-01-2	5.000%	7,170,921.80	3/1/2023		2.350	3/18/2008	29,878.84	7,179,638.93		4.949	7,424,413.89
FGJ07494 4.5 04-01-2	4.500%	7,481,954.72	4/1/2023		3.300	4/17/2008	28,057.33	7,422,932.53		4.610	7,641,382.68
FGG13072 5.0 04-01-2	5.000%	4,532,567.58	4/1/2023		2.300	3/18/2008	18,885.70	4,504,975.55		5.077	4,696,589.87
FGCI 4.5 04-01-23	4.500%	6,986,740.89	4/1/2023		3.220	12/16/2008	26,200.28	7,080,008.23		4.254	7,135,616.67
FNCI 5.0 5-1-23	5.000%	6,197,000.96	5/1/2023		2.510	5/19/2008	25,820.84	6,171,350.64		5.021	6,421,874.63
FGG18259 5.5 06-01-2	5.500%	6,166,459.44	6/1/2023		2.750	6/17/2008	28,262.94	6,209,944.89		5.347	6,453,816.45
FGG18259 5.5 06-01-2	5.500%	6,200,590.01	6/1/2023		2.750	7/17/2008	28,419.37	6,182,235.27		5.518	6,489,537.51
FGG13247 5.0 07-01-2	5.000%	6,900,262.24	7/1/2023		2.410	9/16/2008	28,751.09	6,953,605.50		4.842	7,144,186.52
FGJ08476 5.5 08-01-2	5.500%	7,169,263.60	8/1/2023		2.930	8/18/2008	32,859.12	7,128,403.32		5.564	7,503,351.28
FGG18300 4.0 1-1-24	4.000%	7,777,462.24	1/1/2024		4.180	1/20/2009	25,924.87	7,923,071.24		3.691	7,786,341.54
FGJ09194 4.0 1-1-24	4.000%	7,667,247.28	1/1/2024		2.500	2/20/2009	25,557.49	7,755,803.90		3.800	7,676,000.75
FGCI 4.0 03-01-24	4.000%	7,859,435.52	3/1/2024		4.400	3/17/2009	26,198.12	7,937,936.47		3.826	7,867,622.46
FGCI 4.0 05-01-24	4.000%	7,921,358.16	5/1/2024		4.430	4/16/2009	26,404.53	8,045,968.56		3.744	7,929,609.60
FGCI 4.0 05-01-24	4.000%	7,967,481.76	5/1/2024		4.500	5/18/2009	26,558.27	8,068,239.95		3.790	7,975,781.25
FGCI 4.0 06-01-24	4.000%	8,000,000.00	6/1/2024		4.550	6/16/2009	26,666.66	7,960,179.59		4.051	8,008,333.36
<b>Subtotal Mortgage-Backed Securit</b>	<b>5.046%</b>	<b>271,435,939.23</b>	<b>09/30/12</b>		<b>2.842</b>		<b>1,141,316.63</b>	<b>271,969,087.56</b>		<b>4.928</b>	<b>281,075,414.09</b>
<b>CMOs</b>											
FHR2840EG 4.0 08-15-	4.000%	1,135,825.65	08/15/12		0.710	11/15/2004	3,786.09	1,135,825.65		3.867	1,155,509.51
FHR2892GA 4.0 12-15-	4.000%	1,465,713.85	12/15/12		1.550	12/20/2004	4,885.71	1,465,713.85		3.917	1,502,635.18
FNBR2006-B2AB 5.5 05	5.500%	2,062,429.50	05/25/14		1.090	12/27/2006	9,452.80	2,062,965.44		5.375	2,143,173.61
FHRR 5.125 10-15-15	5.125%	2,788,409.01	10/15/15		0.740	3/29/2007	11,908.83	2,784,849.33		5.139	2,862,190.37
<b>Subtotal CMOs</b>	<b>4.836%</b>	<b>7,452,378.01</b>	<b>07/19/10</b>		<b>0.992</b>		<b>30,033.43</b>	<b>7,449,354.27</b>		<b>4.770</b>	<b>7,663,508.67</b>
<b>Agency Notes</b>											
FHLB 5.25 9-11-09	5.250%	25,000,000.00	09/11/09		0.200	9/19/2006	401,041.67	25,006,270.21		5.111	25,234,375.00
FHLB 5.25 9-11-09	5.250%	25,000,000.00	09/11/09		0.200	9/27/2006	401,041.67	25,015,916.67		4.898	25,234,375.00
FHLMC 6.625 09-15-09	6.625%	20,000,000.00	09/15/09		0.211	6/19/2006	390,138.89	20,043,135.13		5.475	20,262,500.00
FHLB 5 10-02-09	5.000%	20,000,000.00	10/02/09		0.257	5/16/2007	247,222.22	20,002,064.75		4.950	20,237,500.00
FFCB 5 10-23-09	5.000%	20,584,000.00	10/23/09		0.315	3/6/2007	194,404.44	20,594,122.96		4.828	20,886,327.50
FNMA 4.125 11-12-09	4.125%	19,900,000.00	11/12/09		0.370	10/12/2006	111,730.21	19,834,932.12		5.099	20,167,406.25
FFCB 4.75 12-07-09	4.750%	15,690,000.00	12/07/09		0.438	3/15/2007	49,685.00	15,687,550.30		4.786	15,993,993.75
FHLB 5.0 12-11-09	5.000%	26,435,000.00	12/11/09		0.449	2/12/2007	73,430.56	26,426,866.06		5.072	26,988,482.81
FHLB 4.55 6-22-10	4.550%	20,000,000.00	06/22/10		0.967	6/15/2007	22,750.00	19,854,638.20		5.419	20,787,500.00
FFCB 3.35 07-07-10	3.350%	10,000,000.00	07/07/10		0.995	3/16/2007	161,916.67	9,860,345.64		4.854	10,281,250.00

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%	10,000,000.00	07/07/10		0.995	3/16/2007	161,916.67	9,861,702.02		4.839	10,281,250.00
FFCB 3.35 07-07-10	3.350%	20,000,000.00	07/07/10		0.995	3/26/2007	323,833.33	19,735,434.74		4.843	20,562,500.00
FHLB 5.0 09-01-10	5.000%	18,205,000.00	09/01/10		1.133	3/28/2007	303,416.67	18,247,088.92		4.772	19,126,628.13
FHLMC 5.0 09-01-10	5.000%	15,000,000.00	09/01/10		1.133	3/29/2007	250,000.00	15,027,469.72		4.819	15,743,655.00
FHLB 4.7 09-21-10	4.700%	15,000,000.00	09/21/10		1.191	3/29/2007	195,833.33	14,981,208.07		4.817	15,731,250.00
FNMA 3.25 5-5-11 1xC	3.250%	20,000,000.00	05/05/11	05/05/10	0.837	5/5/2008	101,111.11	19,991,453.62	0.655	3.285	20,437,500.00
FHLB 5.25 06-10-11	5.250%	20,000,000.00	06/10/11		1.869	5/22/2007	61,250.00	20,067,341.87		5.049	21,450,000.00
FHLB 5.25 06-10-11	5.250%	10,000,000.00	06/10/11		1.869	5/24/2007	30,625.00	10,017,625.29		5.144	10,725,000.00
FHLB 5.25 06-10-11	5.250%	10,000,000.00	06/10/11		1.869	5/24/2007	30,625.00	10,017,997.33		5.142	10,725,000.00
FHLB 5.25 06-10-11	5.250%	20,000,000.00	06/10/11		1.869	6/1/2007	61,250.00	20,011,970.04		5.214	21,450,000.00
FHLB 4.25 06-10-11	4.250%	25,000,000.00	06/10/11		1.883	7/16/2008	61,979.17	25,277,624.70		3.641	26,429,687.50
FHLB 4.25 06-10-11	4.250%	16,000,000.00	06/10/11		1.883	7/23/2008	39,666.67	16,078,394.38		3.979	16,915,000.00
FHLB 4.25 06-10-11	4.250%	9,000,000.00	06/10/11		1.883	7/23/2008	22,312.50	9,043,126.32		3.985	9,514,687.50
FHLB 5 09-09-11	5.000%	20,000,000.00	09/09/11		2.072	6/7/2007	311,111.11	19,873,792.07		5.334	21,381,250.00
FHLB 5 09-09-11	5.000%	14,460,000.00	09/09/11		2.072	6/7/2007	224,933.33	14,367,950.97		5.337	15,458,643.75
FHLB 3.55 11-17-11	3.550%	25,000,000.00	11/17/11	11/17/10	1.345	11/17/2008	108,472.22	25,000,000.00	1.438	3.550	25,718,750.00
FFCB 3.375 11-18-11	3.375%	15,000,000.00	11/18/11	11/18/09	0.382	11/18/2008	60,468.75	15,000,000.00	0.999	3.375	15,135,937.50
FHLB 4.75 12-9-11	4.750%	20,000,000.00	12/09/11		2.327	6/15/2007	58,055.56	19,695,352.21		5.483	21,456,250.00
TVA 6.79 05-23-12	6.790%	9,309,000.00	05/23/12		2.673	2/19/2008	66,719.67	10,102,272.35		3.517	10,508,371.56
FHLB 4.875 06-08-12	4.875%	5,000,000.00	06/08/12		2.770	2/19/2008	15,572.92	5,177,604.42		3.529	5,421,875.00
FHLB 1.875 6-20-12	1.875%	20,000,000.00	06/20/12		2.903	6/12/2009	11,458.33	19,802,262.68		2.221	19,975,000.00
FFCB 4.5 10-17-12	4.500%	19,502,000.00	10/17/12		3.084	6/5/2009	180,393.50	20,904,524.86		2.222	20,989,027.50
FHLB 4.875 12-14-12	4.875%	15,000,000.00	12/14/12		3.221	2/12/2008	34,531.25	15,613,749.49		3.548	16,307,812.50
FHLB 4.875 12-14-12	4.875%	20,000,000.00	12/14/12		3.221	2/12/2008	46,041.67	20,818,332.65		3.548	21,743,750.00
FHLB 4.875 12-14-12	4.875%	14,000,000.00	12/14/12		3.222	2/13/2008	32,229.17	14,594,327.21		3.500	15,220,625.00
FFCB 3.4 02-07-13	3.400%	25,000,000.00	02/07/13		3.375	2/14/2008	340,000.00	24,846,586.13		3.591	25,992,187.50
FFCB 3.4 02-07-13	3.400%	20,000,000.00	02/07/13		3.374	2/20/2008	272,000.00	19,740,629.24		3.806	20,793,750.00
FNMA 4.75 02-21-13	4.750%	15,000,000.00	02/21/13		3.336	6/3/2008	257,291.67	15,342,670.74		4.053	16,125,000.00
FNMA 4.75 02-21-13	4.750%	10,000,000.00	02/21/13		3.336	6/5/2008	171,527.78	10,212,789.94		4.100	10,750,000.00
FHLB 3.875 03-08-13	3.875%	20,000,000.00	03/08/13		3.434	3/12/2008	243,263.89	20,167,252.71		3.624	21,043,750.00
FHLB 3.875 03-08-13	3.875%	20,000,000.00	03/08/13		3.435	3/24/2008	243,263.89	20,264,143.19		3.481	21,043,750.00
FFCB 4.0 05-21-13	4.000%	10,000,000.00	05/21/13		3.627	6/3/2008	44,444.44	9,966,086.05		4.097	10,596,875.00
FHLB 5.13 05-24-13	5.130%	30,000,000.00	05/24/13		3.575	6/4/2008	158,175.00	31,193,908.73		3.994	32,878,125.00
FHLMC 4.0 06-12-13	4.000%	25,000,000.00	06/12/13		3.696	5/12/2009	52,777.78	26,542,273.12		2.351	26,132,812.50
FHLMC 4.0 06-12-13	4.000%	20,000,000.00	06/12/13		3.694	6/16/2009	42,222.22	21,018,208.37		2.633	20,906,250.00
FHLMC 4.0 06-12-13	4.000%	20,000,000.00	06/12/13		3.693	6/23/2009	42,222.22	20,954,703.45		2.716	20,906,250.00
FHLB 4.875 12-13-13	4.875%	20,000,000.00	12/13/13		4.063	6/19/2009	48,750.00	21,328,197.80		3.259	21,737,500.00
<b>Subtotal Agency Notes</b>	<b>4.480%</b>	<b>843,085,000.00</b>	<b>09/29/11</b>		<b>2.038</b>		<b>6,763,107.15</b>	<b>853,211,897.44</b>		<b>4.151</b>	<b>883,389,411.25</b>
<b>Municipal Bonds</b>											
GAS 6.4 7-1-09	6.400%	1,650,000.00	07/01/09		0.003	07/20/06	52,800.00	1,650,000.00		5.610	1,650,000.00
PHO 4.3 7-1-09	4.300%	1,500,000.00	07/01/09		0.003	10/04/06	32,250.00	1,500,000.00		4.956	1,500,000.00
HOWSCD 4.35 07-15-09	4.350%	1,025,000.00	07/15/09		0.041	03/22/05	20,559.79	1,024,952.78		4.480	1,025,943.00
WOO 5.11 07-15-09	5.110%	1,730,000.00	07/15/09		0.041	05/13/05	40,763.61	1,730,443.28		4.380	1,731,660.80
TULGEN 7.28 8-15-09	7.280%	2,100,000.00	08/15/09		0.126	08/30/06	57,754.67	2,104,813.48		5.230	2,110,962.00
NYC 4.5 08-15-09	4.500%	1,000,000.00	08/15/09		0.126	04/28/08	17,000.00	1,001,419.87		3.300	1,002,800.00
BRI 4 09-15-09	4.000%	1,625,000.00	09/15/09		0.211	06/06/07	19,138.89	1,621,498.57		5.330	1,626,917.50
BROAPT 6.4 10-01-09	6.400%	1,000,000.00	10/01/09		0.255	10/02/06	16,000.00	1,003,048.64		5.070	1,011,400.00
ORLUTL 3.92 10-01-09	3.920%	1,365,000.00	10/01/09		0.255	06/20/07	13,377.00	1,360,782.88		5.470	1,373,271.90
LASSCD 7.5 12-01-09	7.500%	965,000.00	12/01/09		0.422	05/12/06	6,031.25	971,676.92		5.480	972,970.90
COOSCD 5.25 12-01-09	5.250%	1,100,000.00	12/01/09		0.422	02/08/07	4,812.50	1,100,000.00		5.250	1,116,797.00
NYSDEV 4.39 12-15-09	4.390%	1,470,000.00	12/15/09		0.460	10/11/06	2,868.13	1,466,130.94		5.020	1,485,802.50
NYSDEV 4.39 12-15-09	4.390%	1,000,000.00	12/15/09		0.460	11/07/06	1,951.11	997,340.49		5.026	1,010,750.00
BERUTL 3.90 01-01-10	3.900%	400,000.00	01/01/10	01/01/10	0.488	01/26/05	7,800.00	400,000.00	2.251	3.900	403,280.00
OAKDEV 8.5 1-1-29 pr	8.500%	5,000,000.00	01/01/10		0.483	05/19/06	177,083.33	5,069,483.87		5.400	5,167,850.00
BEMDEV 4.25 02-01-10	4.250%	5,000,000.00	02/01/10	07/10/09	0.022	01/25/08	88,541.67	5,000,000.00	3.203	4.250	5,003,700.00
NWK 3.662 04-01-10	3.662%	1,025,000.00	04/01/10		0.744	04/22/08	9,383.88	1,027,221.15		3.362	1,039,585.75
DOBIE 6.51 05-01-10	6.510%	1,015,000.00	05/01/10		0.820	10/11/06	11,012.75	1,027,351.25		4.900	1,025,745.81
OHS 3.75 05-01-10	3.750%	1,330,000.00	05/01/10		0.827	10/17/08	8,312.50	1,328,127.45		3.926	1,354,485.30
ILS 3.3 06-01-10	3.300%	1,000,000.00	06/01/10		0.911	04/11/08	2,750.00	1,002,485.25		3.000	1,012,640.00

Description	Coupon	Par Value	Maturity Date	Call Date	Mod DTW	Purchase Date	Accrued Interest	Book Value	YTC	Current Yield	Market Value
ORS 4.375 06-01-10	4.375%	3,000,000.00	06/01/10		0.909	10/16/08	10,937.50	3,006,521.03		4.110	3,066,630.00
ILS 3.3 06-01-10	3.300%	1,645,000.00	06/01/10		0.911	10/17/08	4,523.75	1,636,765.35		3.900	1,665,792.80
FFLGEN 8 7-1-28 prer	8.000%	1,150,000.00	07/01/10	07/01/10	0.938	04/13/06	46,000.00	1,179,203.95	2.310	5.166	1,225,727.50
FFLGEN 8 7-1-28 prer	8.000%	500,000.00	07/01/10	07/01/10	0.938	01/11/07	20,000.00	514,677.92	2.310	4.779	532,925.00
TXS 5.75 8-1-10	5.750%	1,500,000.00	08/01/10		1.045	11/04/08	35,937.50	1,535,109.31		3.500	1,566,060.00
JER 4.11 09-01-10	4.110%	1,005,000.00	09/01/10		1.139	12/08/06	13,768.50	998,701.47		4.700	1,028,215.50
MEN 5.60 09-01-10	5.600%	5,000,000.00	09/01/10	09/01/09	0.019	10/22/07	93,333.33	5,025,040.81	5.533	5.129	4,999,700.00
MAD 4.30 10-01-10	4.300%	880,000.00	10/01/10	10/01/09	0.745	10/18/05	9,460.00	879,797.88	-0.680	4.320	913,140.80
WILSCD 5.375 10-01-1	5.375%	1,550,000.00	10/01/10		1.214	03/15/07	20,828.13	1,553,394.57		5.180	1,618,556.50
ALT 3.74 10-01-10	3.740%	1,640,000.00	10/01/10		1.225	08/30/07	15,334.00	1,613,927.53		5.130	1,669,979.20
ERI 4.94 11-1-10	4.940%	8,400,000.00	11/01/10		1.300	12/14/06	69,160.00	8,392,871.12		5.009	8,622,096.00
MAN 4.125 12-01-10	4.125%	3,250,000.00	12/01/10		1.390	11/13/08	11,171.88	3,284,620.54		3.320	3,367,487.50
PEOSCD 0 01-01-11	0.000%	1,930,000.00	01/01/11		1.506	05/18/07	0.00	1,799,704.22		5.177	1,743,658.50
MAY 6.75 01-01-11	6.750%	810,000.00	01/01/11	01/01/10	0.670	10/02/07	27,337.50	819,552.45	5.420	5.871	817,354.80
UNC 4.3 01-01-11 Sin	4.300%	700,000.00	01/01/11	01/01/10	0.988	10/15/07	15,050.00	695,912.65	4.155	4.722	701,015.00
OHS 4.15 05-01-11	4.150%	1,000,000.00	05/01/11		1.776	08/19/08	6,916.67	1,000,000.00		4.150	1,038,570.00
KSSDEV 4.152 05-01-1	4.152%	2,605,000.00	05/01/11		1.777	01/27/09	18,026.60	2,657,719.59		3.000	2,684,296.20
ORSGEN 5.197 06-01-1	5.197%	1,070,000.00	06/01/11		0.017	08/17/07	4,633.99	1,069,561.62		5.220	1,116,363.10
ORS 4.605 06-01-11	4.605%	7,000,000.00	06/01/11		1.854	02/21/08	26,862.50	7,132,710.40		3.511	7,314,580.00
SFO 5.0 06-15-11	5.000%	1,450,000.00	06/15/11		1.887	05/29/08	3,222.22	1,486,715.29		3.620	1,517,425.00
STNPWR 3.76 07-01-11	3.760%	4,550,000.00	07/01/11		1.912	02/11/08	85,540.00	4,567,202.88		3.552	4,657,744.00
DOVPWR 4.6 07-01-11	4.600%	1,000,000.00	07/01/11	07/01/10	1.894	04/15/08	23,000.00	1,010,474.38	3.500	3.825	1,018,750.00
LONFAC 7.24 9-1-11	7.240%	1,135,000.00	09/01/11		2.007	11/05/08	27,391.33	1,197,537.41		4.500	1,250,043.60
IRVWTR 8.18 9-15-11	8.180%	8,000,000.00	09/15/11		2.033	06/17/09	192,684.45	8,948,869.31		2.606	9,104,720.00
ALT 3.98 10-01-11	3.980%	1,800,000.00	10/01/11		2.156	08/21/07	17,910.00	1,758,071.40		5.180	1,848,420.00
WTA 5.4 10-01-11	5.400%	2,030,000.00	10/01/11	10/01/09	2.073	01/10/08	27,405.00	2,037,281.52	2.414	4.586	2,045,062.60
ROBUTL 8.45 11-15-11	8.450%	765,000.00	11/15/11	05/15/09	1.288	10/02/07	8,259.88	792,264.55	-1.375	6.702	866,308.95
MAN 5.375 12-01-11	5.375%	1,000,000.00	12/01/11		2.295	11/17/08	4,479.17	1,039,571.51		3.630	1,078,530.00
PEOSCD 0 01-01-12	0.000%	2,000,000.00	01/01/12		2.505	08/29/07	0.00	1,771,911.46		5.309	1,671,460.00
CHI 5.25 01-01-12	5.250%	4,000,000.00	01/01/12		2.322	01/25/08	105,000.00	4,143,967.06		3.647	4,250,600.00
MES 5.05 01-15-12	5.050%	1,085,000.00	01/15/12		2.367	11/10/08	25,265.43	1,117,756.08		3.775	1,159,984.35
NWK 4.504 04-01-12	4.504%	1,200,000.00	04/01/12		2.593	04/22/08	13,512.00	1,206,103.22		4.301	1,238,724.00
MIS 3.95 05-01-12	3.950%	1,000,000.00	05/01/12		2.694	04/29/08	6,583.33	998,698.47		4.000	1,046,960.00
MIS 3.95 05-01-12	3.950%	1,000,000.00	05/01/12		2.695	04/29/08	6,583.33	1,004,689.78		3.770	1,046,960.00
OHS 4.55 05-01-12	4.550%	1,000,000.00	05/01/12		2.674	08/19/08	7,583.33	1,000,206.77		4.544	1,064,720.00
KSSDEV 4.372 05-01-1	4.372%	2,600,000.00	05/01/12		2.681	10/10/08	18,945.33	2,628,673.05		3.950	2,700,646.00
PAL 5.735 06-01-12	5.735%	3,515,000.00	06/01/12		2.725	03/06/08	16,798.77	3,708,492.11		3.630	3,812,861.10
ILS 3.75 6-1-12	3.750%	4,955,000.00	06/01/12		2.784	09/16/08	15,484.38	4,931,907.26		3.926	5,074,118.20
STNPWR 4.05 07-01-12	4.050%	4,875,000.00	07/01/12		2.801	02/06/08	98,718.75	4,881,359.24		4.002	4,960,068.75
WAS 5.6 07-01-12	5.600%	5,000,000.00	07/01/12		2.739	11/17/08	140,000.00	5,260,641.11		3.725	5,453,850.00
MONHGR 4.24 08-01-12	4.240%	1,000,000.00	08/01/12		2.876	01/24/08	17,666.67	1,000,000.00		4.240	1,061,130.00
SCRGEN 5.556 08-01-1	5.556%	1,000,000.00	08/01/12		2.813	11/03/08	23,150.00	992,424.35		5.830	1,052,470.00
NYC 4.5 9-1-12	4.500%	4,400,000.00	09/01/12		2.949	09/16/08	66,000.00	4,461,177.57		4.020	4,562,052.00
DUPSCD 4.0 10-01-12	4.000%	1,255,000.00	10/01/12		3.053	03/31/08	12,550.00	1,255,000.00		4.000	1,305,589.05
NYC 4.75 10-01-12	4.750%	4,000,000.00	10/01/12		3.025	02/02/09	47,500.00	4,176,023.35		3.300	4,185,200.00
MAN 5.375 12-01-12	5.375%	1,000,000.00	12/01/12		3.164	11/17/08	4,479.17	1,048,785.49		3.820	1,065,910.00
PAS 4.76 02-15-13	4.760%	1,570,000.00	02/15/13	02/15/10	2.139	03/28/08	28,299.52	1,619,405.04	2.271	3.799	1,656,632.60
NWK 4.654 04-01-13	4.654%	1,000,000.00	04/01/13		3.450	04/22/08	11,635.00	1,008,453.60		4.401	1,035,780.00
MIS 4.16 05-01-13	4.160%	1,000,000.00	05/01/13		3.564	05/01/08	6,933.33	1,008,280.00		3.920	1,028,050.00
KSSDEV 4.522 05-01-1	4.522%	3,840,000.00	05/01/13		3.539	10/15/08	28,940.80	3,816,581.17		4.700	3,983,155.20
WAS 5.625 07-01-13	5.625%	5,000,000.00	07/01/13		3.556	11/20/08	140,625.00	5,265,719.46		4.150	5,466,050.00
TXS 6.0 08-01-13	6.000%	1,010,000.00	08/01/13		3.612	11/13/08	25,250.00	1,063,687.06		4.537	1,124,826.90
SCSUTL 6.808 01-01-1	6.808%	2,500,000.00	01/01/14		3.870	03/23/09	85,100.00	2,784,796.57		4.000	2,805,125.00
GAS 5.15 03-01-16	5.150%	4,500,000.00	03/01/16	03/01/10	3.499	11/25/08	77,250.00	4,672,362.39	3.158	4.470	4,827,735.00
TXS 0 12-01-18	1.640%	7,120,000.00	12/01/18	07/31/09	0.019	04/09/09	9,730.67	7,120,000.00		1.640	7,120,000.00
TXS 0 12-01-24	1.549%	16,535,000.00	12/01/24	07/31/09	0.017	04/21/09	21,338.02	16,535,000.00		1.549	16,535,000.00
TXS 0 12-01-25	3.795%	4,365,000.00	12/01/25	07/31/09	0.083	05/12/09	13,804.31	4,365,000.00		3.795	4,365,000.00
TXS 0 12-01-25	3.795%	10,000,000.00	12/01/25	07/31/09	0.083	05/20/09	31,625.00	10,000,000.00		3.795	10,000,000.00
TXS 0 12-01-25	3.597%	3,015,000.00	12/01/25	07/31/09	0.083	06/16/09	9,534.94	3,015,000.00		3.597	3,015,000.00
TXS 0 12-01-26	1.640%	1,400,000.00	12/01/26	07/31/09	0.019	04/07/09	1,913.33	1,400,000.00		1.640	1,400,000.00

Description	Coupon	Par Value	Maturity Date	Call Date	Mod DTW	Purchase Date	Accrued Interest	Book Value	YTC	Current Yield	Market Value
TXS 0 12-01-27	1.533%	3,110,000.00	12/01/27	07/31/09	0.019	04/06/09	3,973.89	3,110,000.00		1.533	3,110,000.00
TXS 0 06-01-29	1.375%	9,000,000.00	06/01/29	07/31/09	0.083	04/16/09	12,300.00	9,000,000.00		1.375	9,000,000.00
TXS 0 12-01-34	3.283%	9,000,000.00	12/01/34	07/31/09	0.082	05/01/09	24,287.67	9,000,000.00		3.283	9,000,000.00
<b>Subtotal Municipal Bonds</b>	<b>4.367%</b>	<b>227,515,000.00</b>	<b>01/30/11</b>		<b>1.360</b>		<b>2,587,726.95</b>	<b>230,392,659.14</b>		<b>3.711</b>	<b>233,891,373.16</b>
<b>Money Market Mutual Funds</b>											
TexStar960 Cash Rese	0.373%	47,863,392.27	08/16/09		0.050	06/04/07	57.23	47,863,392.27		0.372	47,863,392.27
CHASE MONEY MARKET F	0.904%	6,981,353.99	07/01/09		0.003	02/01/08	704.47	6,981,353.99		0.904	6,981,353.99
<b>Subtotal Money Market Mutual Fur</b>	<b>0.440%</b>	<b>54,844,746.26</b>	<b>08/10/09</b>		<b>0.044</b>		<b>761.70</b>	<b>54,844,746.26</b>		<b>0.440</b>	<b>54,844,746.26</b>
<b>Reverse Repurchase Agreements</b>											
RR T 4.625 11-15-09	0.370%	(26,052,295.92)	07/20/09		0.055	06/18/09	(3,480.88)	(26,052,295.92)		0.370	(26,052,295.92)
RR T 3.5 8-15-09	0.370%	(31,147,959.18)	07/20/09		0.055	06/18/09	(4,161.71)	(31,147,959.18)		0.370	(31,147,959.18)
RR T 3.625 10-31-09	0.370%	(25,924,744.90)	07/20/09		0.055	06/18/09	(3,463.83)	(25,924,744.90)		0.370	(25,924,744.90)
RR T 6.0 8-15-09	0.350%	(14,714,285.71)	07/20/09		0.055	06/29/09	(286.11)	(14,714,285.71)		0.350	(14,714,285.71)
RR T 4.625 11-15-09	0.380%	(20,841,836.73)	07/22/09		0.060	06/22/09	(1,979.97)	(20,841,836.73)		0.380	(20,841,836.73)
<b>Subtotal Reverse Repurchase Agr</b>	<b>0.369%</b>	<b>(118,681,122.44)</b>	<b>07/20/09</b>		<b>0.056</b>		<b>(13,372.50)</b>	<b>(118,681,122.44)</b>		<b>0.369</b>	<b>(118,681,122.44)</b>
<b>TOTAL FUND 9900 (960)</b>	<b>3.770%</b>	<b>2,132,227,891.06</b>	<b>01/25/11</b>		<b>1.415</b>		<b>14,893,445.20</b>	<b>2,150,430,952.68</b>		<b>3.061</b>	<b>2,196,284,623.43</b>

**INVESTMENT BY SECTOR AND MATURITY - TAX EXEMPT FUND 9901 (971)  
AS OF JUNE 30, 2009**

Description	Coupon	Par Value	Maturity Date	Call Date	Mod DTW	Purchase Date	Accrued Interest	Book Value	YTC	Current Yield	Market Value
<b>Money Market Mutual Funds</b>											
Fidelity Tax-Free Mo	0.207%	20,579,078.92	07/25/09		0.082	06/01/09	0.02	20,579,078.92		0.207	20,579,078.92
<b>Subtotal Money Market Mutual Fur</b>	<b>0.207%</b>	<b>20,579,078.92</b>	<b>07/25/09</b>		<b>0.082</b>		<b>0.02</b>	<b>20,579,078.92</b>		<b>0.207</b>	<b>20,579,078.92</b>
<b>TOTAL FUND 9901 (971)</b>	<b>0.207%</b>	<b>20,579,078.92</b>	<b>07/25/09</b>		<b>0.082</b>		<b>0.02</b>	<b>20,579,078.92</b>		<b>0.207</b>	<b>20,579,078.92</b>

**INVESTMENT BY SECTOR AND MATURITY - HOUSING DEPARTMENT SECTION 108 FUND 9902 (974)  
AS OF MAY 31, 2009**

Description	Coupon	Par Value	Maturity Date	Call Date	Mod DTW	Purchase Date	Accrued Interest	Book Value	YTC	Current Yield	Market Value
<b>Treasury Bills</b>											
B 0.16 07-16-09	0.160%	6,100,000.00	07/16/09		0.044	05/05/09	0.00	6,099,593.33		0.160	6,099,725.50
B 0.13 09-10-09	0.130%	1,460,000.00	09/10/09		0.197	06/04/09	0.00	1,459,625.67		0.130	1,459,525.50
<b>Subtotal Treasury Bills</b>	<b>0.154%</b>	<b>7,560,000.00</b>	<b>07/26/09</b>		<b>0.073</b>		<b>0.00</b>	<b>7,559,219.00</b>		<b>0.154</b>	<b>7,559,251.00</b>
<b>TOTAL FUND 9902 (974)</b>	<b>0.154%</b>	<b>7,560,000.00</b>	<b>07/26/09</b>		<b>0.073</b>		<b>0.00</b>	<b>7,559,219.00</b>		<b>0.154</b>	<b>7,559,251.00</b>
<b>GRAND TOTALS</b>	<b>3.723%</b>	<b>2,160,366,969.98</b>	<b>01/17/11</b>		<b>1.398</b>		<b>14,893,445.22</b>	<b>2,178,569,250.60</b>		<b>3.024</b>	<b>2,224,422,953.35</b>