



# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Scott P. Johnson

**SUBJECT:** MAY 2010 INVESTMENT  
REPORT

**DATE:** July 19, 2010

Approved

Date

7-23-10

## INFORMATION

As required by the City's Investment Policy, this monthly investment report is an abbreviated version of the quarterly investment reports and summarizes the City's investment portfolio activity for the month ended May 31, 2010. To meet the requirements set forth in the City of San José Investment Policy, an electronic version of the report is posted on the City's website at [www.csjfinance.org](http://www.csjfinance.org) and a hard copy is on file at the City Clerk's Office located at 200 East Santa Clara Street.

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

- Size of total portfolio – \$987,479,737
- Earned interest yield – 1.49%
- Weighted average days to maturity – 120 days
- Fiscal Year-to-Date net interest earnings – \$18,369,221.02
- No sale of securities prior to maturity dates, therefore no realized gains/losses from sales

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

**INVESTMENT SUMMARY**

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

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

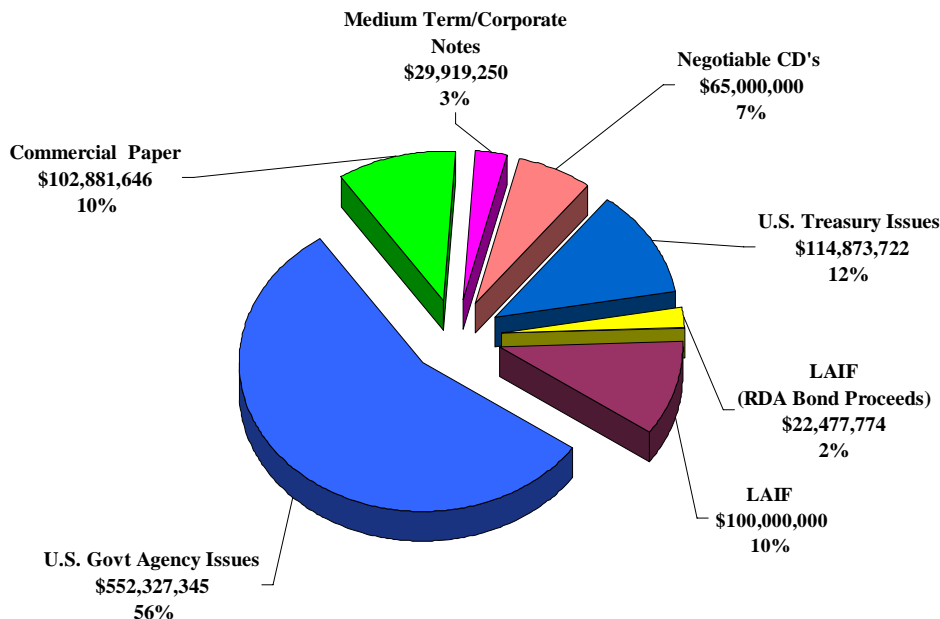
<sup>2</sup>Total excludes bond proceeds held by trustees for the City of San José (\$539,648,796) and the Redevelopment Agency.

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

**PORTFOLIO STATISTICS**

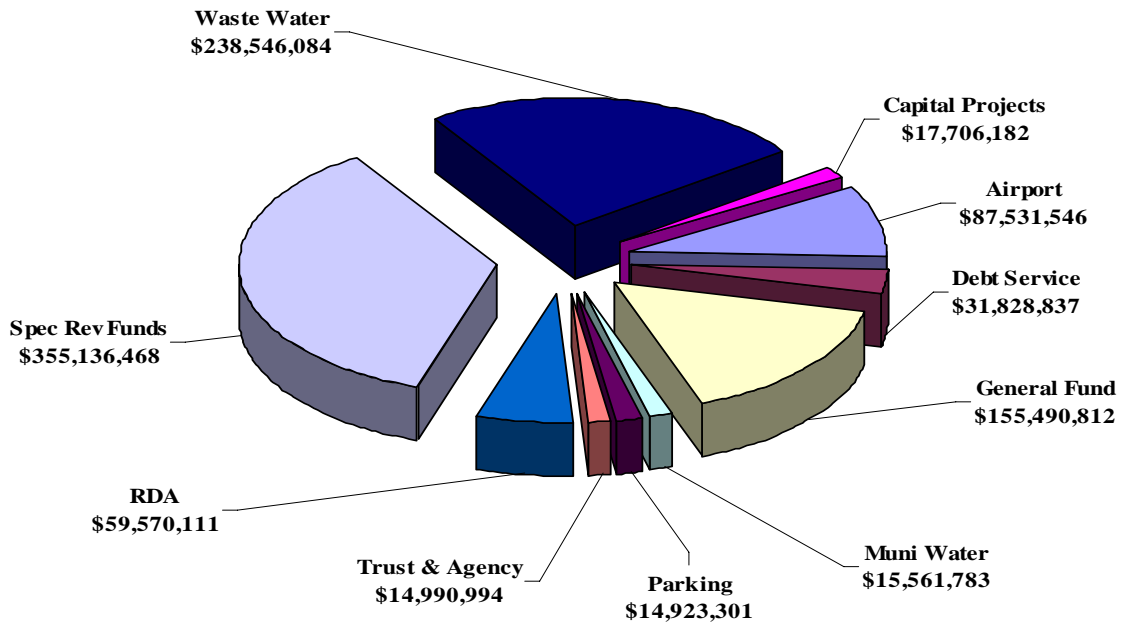
The graphs below provide snapshots of the City’s total investment portfolio as of May 31, 2010. The total portfolio size was \$987,479,737. The first graph below shows the portfolio composition by investment type.

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



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

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



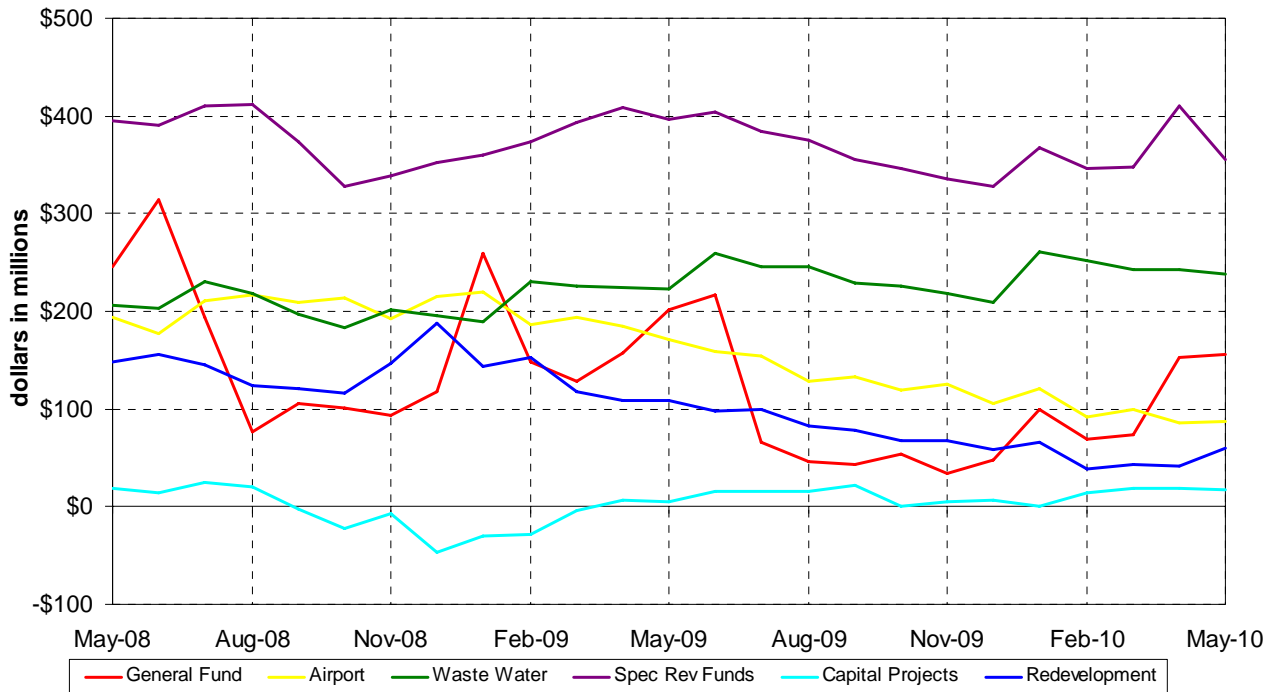
Below is a reconciliation of total balances reported by the City's portfolio investment accounting system compared to the City's Financial Management System (FMS):

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

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

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

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



**General Fund Balances**

Cash balances in the General Fund have increased slightly by \$3.0 million from the April 30, 2010 balance of \$152.4 million to the May 31, 2010 ending balance of \$155.5 million. As depicted above, cash balances usually peak during the months of January and June when minimal debt service payments are made and property taxes are received. Traditionally the summer months experience a decline in the Portfolio and the General Fund balances due to large debt service payments and operational expenditures during months when no property tax revenue is received. It should be noted as illustrated on the graph above, the General Fund has experienced a structural change in cash balances. This structural cash balance shift is due to two factors; reduced revenues and use of General Fund reserves. Although revenues have declined and expenditures have increased, causing a lowered General Fund balance, the City’s total portfolio will not experience a total portfolio cash flow shortfall.

### **Negative Cash Balances**

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

### **INVESTMENT STRATEGY**

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

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

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

### **Investment Agreements with Citigroup**

As requested by the City Council at its May 5, 2009 meeting, staff is providing monthly updates on the status of the City's Investment Agreements (IA) with Citigroup. Treasury staff continues to carefully monitor the City's Investment Agreements with Citigroup for Phase 1 of the Airport Development Program. As of May 31, 2010, the aggregate balance of the agreements was \$250,863,707 and the outstanding balances of the agreements were collateralized by U.S. Treasury securities at 107% and Federal Agency securities at 108%. As noted in the staff report dated April 13, 2009, the collateral is held by the City's bond trustee with the City designated as the beneficiary. Citigroup's long-term ratings did not change during the month of May 2010 and remain A3/A/A+ from Moody's/S&P/Fitch, respectively. On May 26, 2010, the U.S. Treasury sold approximately 1.5 billion shares (19.5% of its holdings) of Citigroup common stock. The U.S. Treasury currently owns approximately 6.2 billion shares of Citigroup common stock and expects to continue selling its shares in the market in an orderly fashion.

**PORTFOLIO PERFORMANCE**

**Comparison of Portfolio Investment Earnings to FY 2009-10 Budget**

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

Monthly budgeted earnings apportionments for the City funds are based upon historical cash balance averages and an assumed average interest rate yield for the fiscal year. The following schedule reflects the actual net investment earnings (unaudited) for the General Fund participating in Investment Portfolio Fund 1 as of May 31, 2010 compared to the adopted budget projections.

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

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

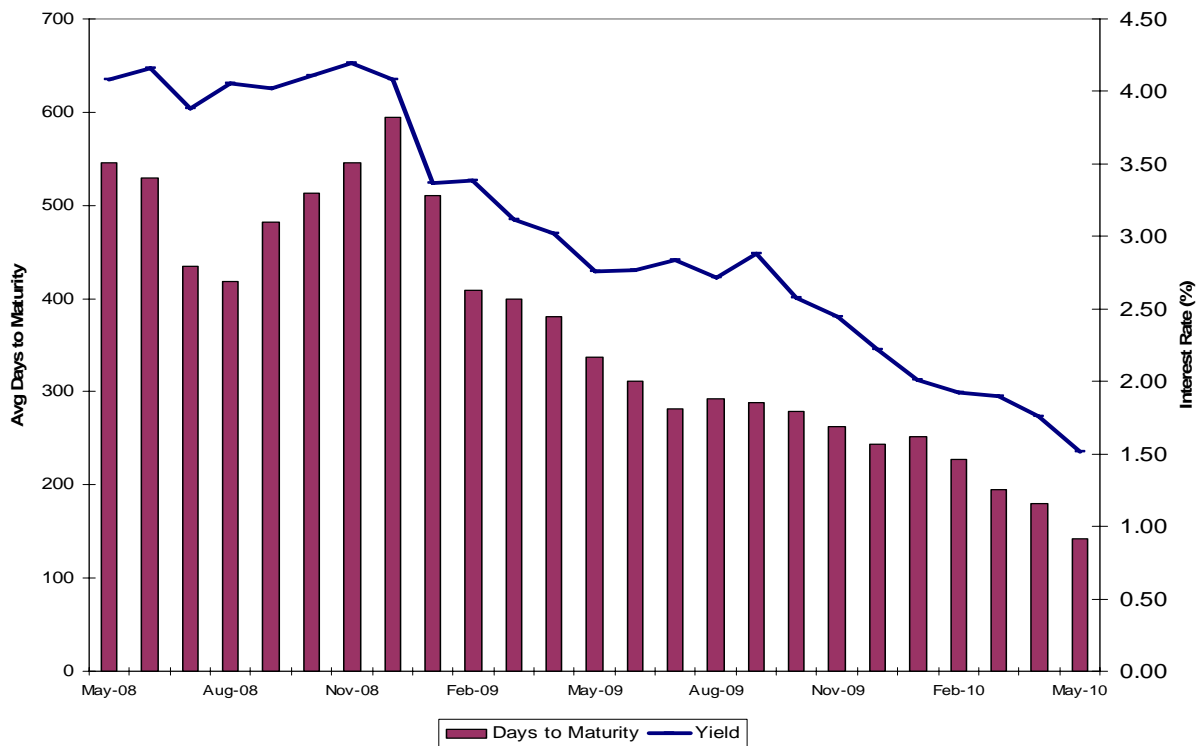
(b) Reflects net investment yield which is calculated based on the earned interest yield less costs to administer the investment program and adjustment for funds with negative cash balances at month end.

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

**Yield and Maturity Trend**

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

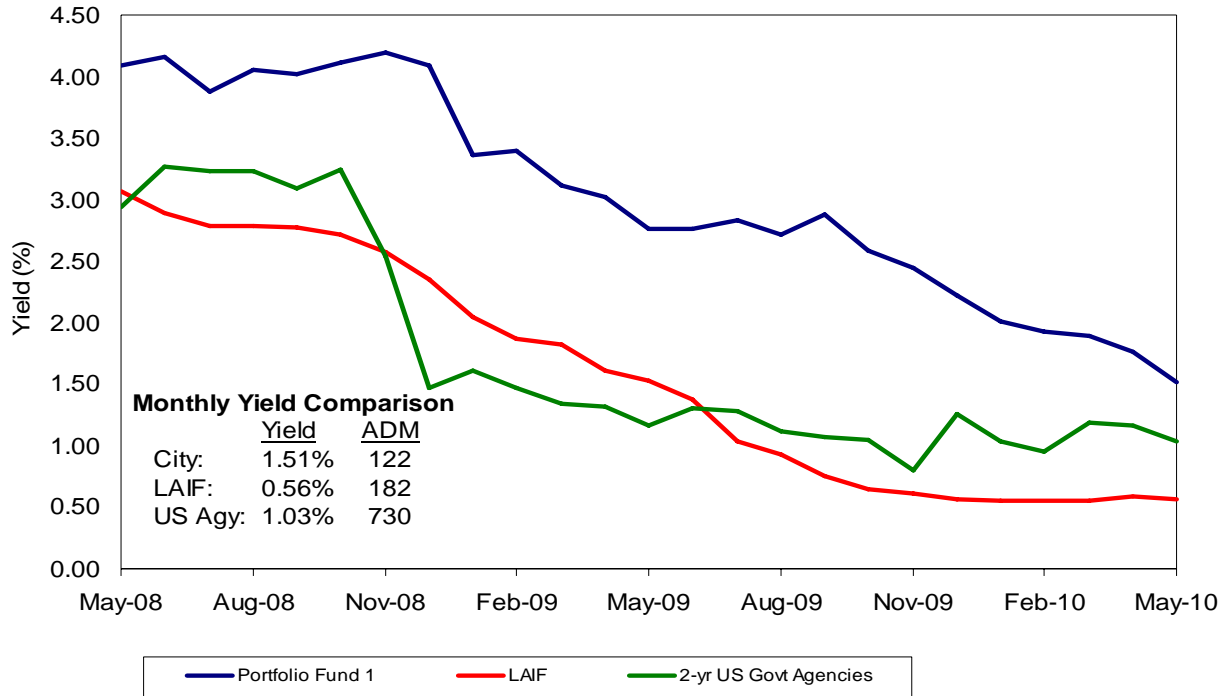
**Yield and Maturity Trends**  
From May 2008 through May 2010



**Benchmark Comparison**

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

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



The two-year US Government Agency securities and the Local Agency Investment Fund (LAIF) historically are the closest suitable benchmarks for the City’s Portfolio Fund 1. The weighted Average Days to Maturity (ADM) for the portfolio is 122 days. The yield on LAIF decreased slightly and the two-year agencies also decreased slightly during the month of May. Both benchmarks remained below the City’s Portfolio Fund 1 yield of 1.51%.

During the month of May 2010, LAIF’s average days-to-maturity (ADM) was 182 days versus the City’s Portfolio Fund 1’s 122 days. Since the shorter end of the yield curve produces lower interest rates, LAIF’s and the City’s short average life will continue to cause the portfolio’s yields to decline more rapidly. However, LAIF and the City’s yield performance will be able to react more quickly when short-term interest rates begin to rise. The City’s current investment strategy to invest in securities with maturities eighteen months or less (due to cash flow needs), will continue to produce a decline in ADM. This strategy will allow the City to react more quickly when interest rates increase, as cash flows permit, resulting in more favorable yield performance.

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

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

**COMPLIANCE REPORTING REQUIREMENTS**

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



SCOTT P. JOHNSON  
Director, Finance

Attachment

CITY OF SAN JOSE  
TREASURY DIVISION  
INVESTMENT INVENTORY WITH MARKET VALUE

(RPTMKT)

INVESTMENTS OUTSTANDING AS OF 05/31/10  
MAJOR SORT KEY IS FUND

| INVEST NUMBER                         | DESCRIPTION<br>PURCHASE MATURITY DATE | CUSIP     | BANK BROK | FUND SAFE | CPN YTM | RATE TR          | PAR/SHARES BOOK | MARKET VALUE MARKET PRICE | CURR ACCR INT PRICE SOURCE | UNREALIZED GAIN UNREALIZED LOSS |
|---------------------------------------|---------------------------------------|-----------|-----------|-----------|---------|------------------|-----------------|---------------------------|----------------------------|---------------------------------|
| A 36445                               | TBIL-DISC-UBS<br>04/29/10 07/01/10    | 912795U66 | 1365      | 441       | 100     | .1400<br>.1420   | 30,000,000.00   | 30,000,000.00             | .00<br>SUNGARD             | 7,350.00                        |
| A 36446                               | TBIL-DISC-UBC<br>04/29/10 07/01/10    | 912795U66 | 1365      | 445       | 100     | .1400<br>.1420   | 29,900,000.00   | 29,900,000.00             | .00<br>SUNGARD             | 7,325.50                        |
| A 36450                               | TBIL-DISC-UBS<br>05/03/10 07/01/10    | 912795U66 | 1365      | 441       | 100     | .1450<br>.1470   | 25,000,000.00   | 25,000,000.00             | .00<br>SUNGARD             | 5,940.97                        |
| A 36458                               | TBIL-DISC-UBS<br>05/12/10 07/01/10    | 912795U66 | 1365      | 441       | 100     | .1400<br>.1420   | 20,000,000.00   | 20,000,000.00             | .00<br>SUNGARD             | 3,888.89                        |
| A 36463                               | TBIL-DISC-CITIG<br>05/18/10 07/01/10  | 912795U66 | 1365      | 132       | 100     | .1450<br>.1470   | 10,000,000.00   | 10,000,000.00             | .00<br>SUNGARD             | 1,772.22                        |
| SUBTOTAL (Inv Type) 11 TREASURY BILLS |                                       |           | 11.85%(M) |           |         | .1415<br>.1435   | 114,900,000.00  | 114,900,000.00            | .00                        | 26,277.58                       |
| A 35119                               | FHLB-GILFD<br>02/15/07 08/04/10       | 3133XCN66 | 1365      | 186       | 100     | 4.7500<br>5.0200 | 5,000,000.00    | 5,039,062.50              | 77,187.50<br>SUNGARD       | 81,662.50                       |
| A 35120                               | FHLB-GILFD<br>02/15/07 08/10/10       | 3133XCJ38 | 1365      | 186       | 100     | 4.7000<br>5.0270 | 10,000,000.00   | 10,081,250.00             | 144,916.67<br>SUNGARD      | 184,650.00                      |
| A 35160                               | FHLB-GILFD<br>03/15/07 08/10/10       | 3133X85H1 | 1365      | 186       | 100     | 4.5160<br>4.7890 | 10,000,000.00   | 10,078,125.00             | 139,243.33<br>SUNGARD      | 163,225.00                      |
| A 35171                               | FHLB-GILFD<br>03/27/07 08/13/10       | 3133X06Q7 | 1365      | 186       | 100     | 4.1250<br>4.7550 | 5,000,000.00    | 5,039,062.50              | 60,729.17<br>SUNGARD       | 136,452.50                      |
| A 35193                               | FHLB-GILFD<br>04/17/07 08/13/10       | 3133X06Q7 | 1365      | 186       | 100     | 4.1250<br>4.9560 | 10,000,000.00   | 10,078,125.00             | 121,458.33<br>SUNGARD      | 330,225.00                      |
| A 35194                               | FHLB-GILFD<br>04/17/07 08/26/10       | 3133XCXV0 | 1365      | 186       | 100     | 4.7850<br>4.8980 | 5,000,000.00    | 5,053,125.00              | 63,135.42<br>SUNGARD       | 70,725.00                       |
| A 35122                               | FHLB-JPM<br>02/15/07 09/10/10         | 3133XGLE2 | 1365      | 325       | 100     | 5.1250<br>5.0120 | 10,000,000.00   | 10,140,625.00             | 115,312.50<br>SUNGARD      | 104,625.00                      |
| A 35177                               | FHLB-UBS<br>04/03/07 09/10/10         | 3133XGLE2 | 1365      | 441       | 100     | 5.1250<br>4.8090 | 10,000,000.00   | 10,140,625.00             | 115,312.50<br>SUNGARD      | 41,925.00                       |
| A 35159                               | FHLB-UBC<br>03/15/07 09/21/10         | 3133XD6V8 | 1365      | 445       | 100     | 4.7000<br>4.7880 | 9,500,000.00    | 9,630,625.00              | 86,819.44<br>SUNGARD       | 157,472.00                      |
| A 35174                               | FHLB-UBS<br>04/03/07 09/29/10         | 3133XGRD8 | 1365      | 441       | 100     | 5.1250<br>4.7400 | 10,000,000.00   | 10,156,250.00             | 88,263.89<br>SUNGARD       | 33,850.00                       |
| A 35202                               | FHLB-UBS<br>04/23/07 09/29/10         | 3133XGRD8 | 1365      | 441       | 100     | 5.1250<br>4.8640 | 5,000,000.00    | 5,078,125.00              | 44,131.94<br>SUNGARD       | 37,475.00                       |
| A 35197                               | FHLB-GILFD<br>04/17/07 12/10/10       | 3133XJHW1 | 1365      | 186       | 100     | 4.8750<br>4.8940 | 10,000,000.00   | 10,234,375.00             | 231,562.50<br>SUNGARD      | 240,875.00                      |
| A 35205                               | FHLB-GILFD<br>04/23/07 12/10/10       | 3133XJHW1 | 1365      | 186       | 100     | 4.8750<br>4.8530 | 5,000,000.00    | 5,117,187.50              | 115,781.25<br>SUNGARD      | 113,787.50                      |
| A 35497                               | FHLB-UBC<br>02/12/08 05/12/11         | 3133XPYH3 | 1365      | 445       | 100     | 3.4500<br>3.4510 | 9,030,000.00    | 9,272,681.25              | 16,442.13<br>SUNGARD       | 242,681.25                      |
| A 35892                               | FHLB-CALL-CITIG<br>11/17/08 11/17/11  | 3133XSLH9 | 1365      | 132       | 100     | 3.5500<br>3.5500 | 10,000,000.00   | 10,128,125.00             | 13,805.56<br>SUNGARD       | 128,125.00                      |
| A 35889                               | FHLB-CALL-WF<br>11/07/08 11/08/12     | 3133XSL55 | 1365      | 451       | 100     | 4.1250<br>4.1250 | 3,500,000.00    | 3,551,406.25              | 9,223.96<br>SUNGARD        | 51,406.25                       |

CITY OF SAN JOSE  
 TREASURY DIVISION  
 INVESTMENT INVENTORY WITH MARKET VALUE

(RPTMKT)

INVESTMENTS OUTSTANDING AS OF 05/31/10  
 MAJOR SORT KEY IS FUND

| INVEST NUMBER                                            | DESCRIPTION PURCHASE MATURITY DATE | CUSIP     | BANK BROK   | FUND SAFE | CPN RATE YTM TR  | PAR/SHARES BOOK                  | MARKET VALUE MARKET PRICE        | CURR ACCR INT PRICE SOURCE | UNREALIZED GAIN UNREALIZED LOSS |
|----------------------------------------------------------|------------------------------------|-----------|-------------|-----------|------------------|----------------------------------|----------------------------------|----------------------------|---------------------------------|
| A 35890                                                  | FHLB-CALL-WF<br>11/07/08 11/08/12  | 3133XSLA4 | 1365<br>451 | 1<br>100  | 4.1000<br>4.1000 | 8,000,000.00<br>8,000,000.00     | 8,117,500.00<br>101.4687500000   | 20,955.56<br>SUNGARD       | 117,500.00                      |
| SUBTOTAL (Inv Type) 22 FEDERAL HOME LOAN BANKS 14.12%(M) |                                    |           |             |           | 4.5400<br>4.6174 | 135,030,000.00<br>134,699,613.00 | 136,936,275.00<br>101.4117420000 | 1,464,281.65               | 2,236,662.00                    |
| A 35181                                                  | FFCB-LB<br>04/03/07 08/06/10       | 31331V7K6 | 1365<br>260 | 1<br>100  | 4.8750<br>4.8000 | 5,000,000.00<br>5,011,100.00     | 5,042,187.50<br>100.8437500000   | 77,864.58<br>SUNGARD       | 31,087.50                       |
| A 35258                                                  | FFCB-GILFD<br>06/11/07 08/06/10    | 31331V7K6 | 1365<br>186 | 1<br>100  | 4.8750<br>5.3180 | 5,000,000.00<br>4,936,100.00     | 5,042,187.50<br>100.8437500000   | 77,864.58<br>SUNGARD       | 106,087.50                      |
| A 35201                                                  | FFCB-GILFD<br>04/23/07 08/27/10    | 31331TBZ3 | 1365<br>186 | 1<br>100  | 4.4500<br>4.8560 | 1,200,000.00<br>1,185,048.00     | 1,212,000.00<br>101.0000000000   | 13,943.33<br>SUNGARD       | 26,952.00                       |
| A 35176                                                  | FFCB-UBC<br>04/03/07 10/26/10      | 31331XJR4 | 1365<br>445 | 1<br>100  | 4.8000<br>4.7190 | 5,000,000.00<br>5,013,100.00     | 5,092,187.50<br>101.8437500000   | 23,333.33<br>SUNGARD       | 79,087.50                       |
| A 35179                                                  | FFCB-GILFD<br>04/03/07 10/26/10    | 31331XJR4 | 1365<br>186 | 1<br>100  | 4.8000<br>4.7970 | 5,000,000.00<br>5,000,445.00     | 5,092,187.50<br>101.8437500000   | 23,333.33<br>SUNGARD       | 91,742.50                       |
| A 35180                                                  | FFCB-CITIG<br>04/03/07 10/26/10    | 31331XJR4 | 1365<br>132 | 1<br>100  | 4.8000<br>4.7900 | 5,000,000.00<br>5,001,550.00     | 5,092,187.50<br>101.8437500000   | 23,333.33<br>SUNGARD       | 90,637.50                       |
| A 35211                                                  | FFCB-GILFD<br>05/01/07 11/01/10    | 31331XXJ6 | 1365<br>186 | 1<br>100  | 4.7500<br>4.8090 | 5,000,000.00<br>4,990,600.00     | 5,093,750.00<br>101.8750000000   | 19,791.67<br>SUNGARD       | 103,150.00                      |
| A 35904                                                  | FFCB-GILFD<br>11/24/08 03/03/11    | 31331YWG1 | 1365<br>186 | 1<br>100  | 3.0000<br>3.1130 | 10,000,000.00<br>9,975,070.00    | 10,187,500.00<br>101.8750000000  | 73,333.33<br>SUNGARD       | 212,430.00                      |
| A 35860                                                  | FFCB-WF<br>10/14/08 10/14/11       | 31331GDC0 | 1365<br>451 | 1<br>100  | 3.6000<br>3.6000 | 10,000,000.00<br>10,000,000.00   | 10,390,625.00<br>103.9062500000  | 47,000.00<br>SUNGARD       | 390,625.00                      |
| A 35895                                                  | FFCB-UBS<br>11/21/08 11/21/11      | 31331GFC8 | 1365<br>441 | 1<br>100  | 3.2000<br>3.2000 | 10,000,000.00<br>10,000,000.00   | 10,353,125.00<br>103.5312500000  | 8,888.89<br>SUNGARD        | 353,125.00                      |
| A 35866                                                  | FFCB-CALL-UBS<br>10/15/08 10/15/13 | 31331GDF3 | 1365<br>441 | 1<br>100  | 4.2500<br>4.2500 | 10,000,000.00<br>10,000,000.00   | 10,137,500.00<br>101.3750000000  | 54,305.56<br>SUNGARD       | 137,500.00                      |
| SUBTOTAL (Inv Type) 27 FEDERAL FARM CREDIT BAN 7.50%(M)  |                                    |           |             |           | 4.0776<br>4.1232 | 71,200,000.00<br>71,113,013.00   | 72,735,437.50<br>102.1565130000  | 442,991.93                 | 1,622,424.50                    |
| A 36369                                                  | FHLMC-CITIG<br>01/26/10 07/12/10   | 3134A4VB7 | 1365<br>132 | 1<br>100  | 4.1250<br>.1810  | 10,000,000.00<br>10,197,731.67   | 10,043,750.00<br>100.4375000000  | 159,270.84<br>SUNGARD      | -137,940.00                     |
| A 35153                                                  | FHLMC-GILFD<br>03/15/07 08/16/10   | 3128X4GV7 | 1365<br>186 | 1<br>100  | 4.8750<br>4.7750 | 9,900,000.00<br>9,930,591.00     | 9,995,906.25<br>100.9687500000   | 140,765.63<br>SUNGARD      | 65,315.25                       |
| A 35155                                                  | FHLMC-BA<br>03/14/07 09/22/10      | 3128X4KF7 | 1365<br>40  | 1<br>100  | 4.7500<br>4.7980 | 2,679,000.00<br>2,674,847.55     | 2,713,324.69<br>101.2812500000   | 24,390.06<br>SUNGARD       | 38,477.14                       |
| A 35169                                                  | FHLMC-UBS<br>03/26/07 10/04/10     | 3128X4MP3 | 1365<br>441 | 1<br>100  | 4.7500<br>4.8050 | 10,475,000.00<br>10,456,459.25   | 10,632,125.00<br>101.5000000000  | 78,780.73<br>SUNGARD       | 175,665.75                      |
| A 35154                                                  | FHLMC-GILFD<br>03/15/07 10/13/10   | 3128X3YF4 | 1365<br>186 | 1<br>100  | 4.1600<br>4.7780 | 4,000,000.00<br>3,919,480.00     | 4,055,000.00<br>101.3750000000   | 22,186.67<br>SUNGARD       | 135,520.00                      |
| A 35173                                                  | FHLMC-GILFD<br>04/03/07 10/18/10   | 3128X4QK0 | 1365<br>186 | 1<br>100  | 5.0000<br>4.7550 | 9,705,000.00<br>9,781,446.29     | 9,874,837.50<br>101.7500000000   | 57,960.42<br>SUNGARD       | 93,391.21                       |
| A 35212                                                  | FHLMC-CITIG<br>05/01/07 10/18/10   | 3134A4VE1 | 1365<br>132 | 1<br>100  | 4.1250<br>4.7960 | 10,000,000.00<br>9,788,000.00    | 10,146,875.00<br>101.4687500000  | 49,270.83<br>SUNGARD       | 358,875.00                      |

CITY OF SAN JOSE  
 TREASURY DIVISION  
 INVESTMENT INVENTORY WITH MARKET VALUE

(RPTMKT)

INVESTMENTS OUTSTANDING AS OF 05/31/10  
 MAJOR SORT KEY IS FUND

| INVEST NUMBER                                          | DESCRIPTION PURCHASE MATURITY DATE   | CUSIP     | BANK BROK | FUND SAFE | CPN YTM | RATE TR          | PAR/SHARES BOOK                  | MARKET VALUE MARKET PRICE         | CURR ACCR INT PRICE SOURCE | UNREALIZED GAIN UNREALIZED LOSS |
|--------------------------------------------------------|--------------------------------------|-----------|-----------|-----------|---------|------------------|----------------------------------|-----------------------------------|----------------------------|---------------------------------|
| A 35225                                                | FHLMC-GILFD<br>05/08/07 11/19/10     | 3128X3M34 | 1365      | 186       | 100     | 4.4000<br>4.8410 | 1,000,000.00<br>985,820.00       | 1,018,437.50<br>101.8437500000    | 1,466.67<br>SUNGARD        | 32,617.50                       |
| A 35230                                                | FHLMC-GILFD<br>05/09/07 12/08/10     | 3128X2EV3 | 1365      | 186       | 100     | 4.7500<br>4.8500 | 4,236,000.00<br>4,222,063.56     | 4,332,633.75<br>102.2812500000    | 96,692.58<br>SUNGARD       | 110,570.19                      |
| A 35203                                                | FHLMC-UBC<br>04/23/07 12/16/10       | 3128X2HT5 | 1365      | 445       | 100     | 4.5000<br>4.8290 | 9,500,000.00<br>9,396,089.00     | 9,710,781.25<br>102.2187500000    | 195,937.50<br>SUNGARD      | 314,692.25                      |
| A 35226                                                | FHLMC-GILFD<br>05/08/07 12/16/10     | 3128X2HT5 | 1365      | 186       | 100     | 4.5000<br>4.8410 | 2,000,000.00<br>1,977,580.00     | 2,044,375.00<br>102.2187500000    | 41,250.00<br>SUNGARD       | 66,795.00                       |
| SUBTOTAL (Inv Type) 30 FED HOME LOAN MORTGAGE 7.69%(M) |                                      |           |           |           |         | 4.5550<br>4.1563 | 73,495,000.00<br>73,330,108.32   | 74,568,045.94<br>101.4600260000   | 867,971.93                 | 1,391,919.29<br>-137,940.00     |
| A 36334                                                | FNMA-DISC-UBS<br>01/14/10 06/28/10   | 313589YR8 | 1365      | 441       | 100     | .1100<br>.1120   | 15,000,000.00<br>14,992,437.50   | 15,000,000.00<br>100.0000000000   | .00<br>SUNGARD             | 7,562.50                        |
| A 36355                                                | FNMA-DISC-UBS<br>01/27/10 07/07/10   | 313589ZA4 | 1365      | 441       | 100     | .1300<br>.1320   | 10,000,000.00<br>9,994,186.11    | 10,000,000.00<br>100.0000000000   | .00<br>SUNGARD             | 5,813.89                        |
| A 36431                                                | FNMA-DISC-CITIG<br>04/15/10 07/14/10 | 313589ZH9 | 1365      | 132       | 100     | .1850<br>.1880   | 20,000,000.00<br>19,990,750.00   | 20,000,000.00<br>100.0000000000   | .00<br>SUNGARD             | 9,250.00                        |
| A 36352                                                | FNMA-DISC-WF<br>01/26/10 07/20/10    | 313589ZP1 | 1365      | 451       | 100     | .1200<br>.1220   | 10,000,000.00<br>9,994,166.67    | 10,000,000.00<br>100.0000000000   | .00<br>SUNGARD             | 5,833.33                        |
| A 36351                                                | FNMA-DISC-BA<br>01/26/10 08/23/10    | 313589C92 | 1365      | 40        | 100     | .1700<br>.1730   | 30,000,000.00<br>29,970,391.67   | 29,990,625.00<br>99.968750000000  | .00<br>SUNGARD             | 20,233.33                       |
| A 36356                                                | FNMA-DISC-UBS<br>01/27/10 09/13/10   | 313589F65 | 1365      | 441       | 100     | .2100<br>.2130   | 20,000,000.00<br>19,973,283.33   | 19,987,500.00<br>99.937500000000  | .00<br>SUNGARD             | 14,216.67                       |
| A 36390                                                | FNMA-DISC-UBS<br>03/08/10 11/01/10   | 313589M75 | 1365      | 441       | 100     | .2900<br>.2940   | 10,000,000.00<br>9,980,827.78    | 9,990,625.00<br>99.906250000000   | .00<br>SUNGARD             | 9,797.22                        |
| A 36388                                                | FNMA-DISC-UBS<br>03/04/10 11/19/10   | 313589P98 | 1365      | 441       | 100     | .2900<br>.2950   | 15,000,000.00<br>14,968,583.33   | 14,981,250.00<br>99.875000000000  | .00<br>SUNGARD             | 12,666.67                       |
| A 36397                                                | FNMA-DISC-UBC<br>03/12/10 11/22/10   | 313589Q48 | 1365      | 445       | 100     | .3100<br>.3150   | 20,000,000.00<br>19,956,083.33   | 19,975,000.00<br>99.875000000000  | .00<br>SUNGARD             | 18,916.67                       |
| SUBTOTAL (Inv Type) 41 FNMA DISCOUNT NOTES 15.46%(M)   |                                      |           |           |           |         | .2040<br>.2073   | 150,000,000.00<br>149,820,709.72 | 149,925,000.00<br>99.950000000000 | .00                        | 104,290.28                      |
| A 36296                                                | FHLB-DISC-UBC<br>12/14/09 06/07/10   | 313385XU5 | 1365      | 445       | 100     | .1500<br>.1520   | 10,000,000.00<br>9,992,708.33    | 10,000,000.00<br>100.0000000000   | .00<br>SUNGARD             | 7,291.67                        |
| A 36299                                                | FHLB-DISC-WF<br>12/17/09 06/16/10    | 313385YD2 | 1365      | 451       | 100     | .1800<br>.1830   | 20,000,000.00<br>19,981,900.00   | 20,000,000.00<br>100.0000000000   | .00<br>SUNGARD             | 18,100.00                       |
| A 36302                                                | FHLB-DISC-WF<br>12/21/09 06/16/10    | 313385YD2 | 1365      | 451       | 100     | .1800<br>.1830   | 20,000,000.00<br>19,982,300.00   | 20,000,000.00<br>100.0000000000   | .00<br>SUNGARD             | 17,700.00                       |
| A 36473                                                | FHLB-DISC-JPM<br>05/28/10 12/03/10   | 313385R73 | 1365      | 325       | 100     | .2400<br>.2440   | 22,640,000.00<br>22,611,473.60   | 22,611,700.00<br>99.875000000000  | .00<br>SUNGARD             | 226.40                          |
| SUBTOTAL (Inv Type) 43 FHLB DISCOUNT NOTES 7.49%(M)    |                                      |           |           |           |         | .1946<br>.1977   | 72,640,000.00<br>72,568,381.93   | 72,611,700.00<br>99.961041000000  | .00                        | 43,318.07                       |

CITY OF SAN JOSE  
 TREASURY DIVISION  
 INVESTMENT INVENTORY WITH MARKET VALUE

(RPTMKT)

INVESTMENTS OUTSTANDING AS OF 05/31/10  
 MAJOR SORT KEY IS FUND

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

\* MARKET = BOOK LESS PURCHASE INTEREST

CITY OF SAN JOSE  
 TREASURY DIVISION  
 INVESTMENT INVENTORY WITH MARKET VALUE

(RPTMKT)

INVESTMENTS OUTSTANDING AS OF 05/31/10  
 MAJOR SORT KEY IS FUND

| INVEST<br>NUMBER                                         | DESCRIPTION<br>PURCHASE MATURITY DATE             | CUSIP     | BANK<br>BROK | FUND<br>SAFE | CPN RATE<br>YTM TR | PAR/SHARES<br>BOOK               | MARKET VALUE<br>MARKET PRICE      | CURR ACCR INT<br>PRICE SOURCE | UNREALIZED GAIN<br>UNREALIZED LOSS |
|----------------------------------------------------------|---------------------------------------------------|-----------|--------------|--------------|--------------------|----------------------------------|-----------------------------------|-------------------------------|------------------------------------|
| A 36346                                                  | CP-DISC-JP MORGAN-JPM<br>01/26/10 07/26/10        | 4662J1GS3 | 1365<br>325  | 1<br>100     | .2500<br>.2540     | 20,000,000.00<br>19,974,861.11   | 19,989,305.56<br>99.94652777778   | .00<br>SUNGARD                | 14,444.45                          |
| A 36472                                                  | CP-DISC-GE CAPITAL CORP-GECC<br>05/27/10 10/08/10 | 36959JK85 | 1365<br>187  | 1<br>100     | .4200<br>.4270     | 9,000,000.00<br>8,985,930.00     | 8,981,940.00<br>99.79933333333    | .00<br>SUNGARD                | -3,990.00                          |
| SUBTOTAL (Inv Type) 82 COMMERCIAL PAPER, DISCO 10.62%(M) |                                                   |           |              |              | .2707<br>.2749     | 103,000,000.00<br>102,881,645.55 | 102,954,192.78<br>99.95552700000  | .00                           | 76,537.23<br>-3,990.00             |
| A 32936                                                  | STATE INVESTMT POOL-CTY<br>01/01/02 06/01/10      |           | 1235<br>415  | 1<br>000     | .5700<br>.5700     | 50,000,000.00<br>50,000,000.00   | 50,000,000.00*<br>100.00000000000 | 47,346.26<br>BOOK             | 0.00                               |
| A 33658                                                  | STATE INVESTMT POOL-RDA<br>10/01/03 06/01/10      |           | 1365<br>415  | 1<br>100     | .5700<br>.5700     | 50,000,000.00<br>50,000,000.00   | 50,000,000.00*<br>100.00000000000 | 47,632.29<br>BOOK             | 0.00                               |
| SUBTOTAL (Inv Type) 99 PASSBOOK & STATE POOL 10.31%(M)   |                                                   |           |              |              | .5700<br>.5700     | 100,000,000.00<br>100,000,000.00 | 100,000,000.00<br>100.00000000000 | 94,978.55                     | .00                                |
| SUBTOTAL (Fund) 1 INVESTMENT FUNDS 97.65%(M)             |                                                   |           |              |              | 1.5476<br>1.5360   | 965,265,000.00<br>964,153,824.50 | 969,525,904.25<br>100.4414230000  | 3,325,002.53                  | 5,532,173.39<br>-144,051.97        |

\* MARKET = BOOK LESS PURCHASE INTEREST

CITY OF SAN JOSE  
 TREASURY DIVISION  
 INVESTMENT INVENTORY WITH MARKET VALUE

(RPTMKT)

INVESTMENTS OUTSTANDING AS OF 05/31/10  
 MAJOR SORT KEY IS FUND

| INVEST<br>NUMBER                                      | DESCRIPTION<br>PURCHASE MATURITY DATE | CUSIP     | BANK<br>BROK | FUND<br>SAFE | CPN RATE<br>YTM TR | PAR/SHARES<br>BOOK       | MARKET VALUE<br>MARKET PRICE | CURR ACCR INT<br>PRICE SOURCE | UNREALIZED GAIN<br>UNREALIZED LOSS |
|-------------------------------------------------------|---------------------------------------|-----------|--------------|--------------|--------------------|--------------------------|------------------------------|-------------------------------|------------------------------------|
| A 36330                                               | FHLB-DISC-WF<br>01/14/10 01/05/11     | 313384AE9 | 1365<br>451  | 34<br>100    | .3400<br>.3460     | 851,000.00<br>848,138.75 | 849,404.38<br>99.81250000000 | .00<br>SUNGARD                | 1,265.63                           |
| SUBTOTAL (Inv Type) 43 FHLB DISCOUNT NOTES 100.00%(M) |                                       |           |              |              | .3400<br>.3460     | 851,000.00<br>848,138.75 | 849,404.38<br>99.81250000000 | .00                           | 1,265.63                           |
| SUBTOTAL (Fund) 34 CSJ/CSC Jt Pwr .09%(M)             |                                       |           |              |              | .3400<br>.3460     | 851,000.00<br>848,138.75 | 849,404.38<br>99.81250000000 | .00                           | 1,265.63                           |

CITY OF SAN JOSE  
 TREASURY DIVISION  
 INVESTMENT INVENTORY WITH MARKET VALUE

(RPTMKT)

INVESTMENTS OUTSTANDING AS OF 05/31/10  
 MAJOR SORT KEY IS FUND

| INVEST<br>NUMBER                                        | DESCRIPTION<br>PURCHASE MATURITY DATE                | CUSIP | BANK<br>BROK | FUND<br>SAFE | CPN RATE<br>YTM TR | PAR/SHARES<br>BOOK               | MARKET VALUE<br>MARKET PRICE     | CURR ACCR INT<br>PRICE SOURCE | UNREALIZED GAIN<br>UNREALIZED LOSS |
|---------------------------------------------------------|------------------------------------------------------|-------|--------------|--------------|--------------------|----------------------------------|----------------------------------|-------------------------------|------------------------------------|
| A 35894                                                 | Series 2008 B-RDA Tax Allocatio<br>11/14/08 06/01/10 |       | 130<br>415   | 55<br>100    | .5700<br>.5700     | 22,477,773.73<br>22,477,773.73   | 22,477,773.73*<br>100.0000000000 | 22,646.11<br>BOOK             | 0.00                               |
| SUBTOTAL (Inv Type) 99 PASSBOOK & STATE POOL 100.00%(M) |                                                      |       |              |              | .5700<br>.5700     | 22,477,773.73<br>22,477,773.73   | 22,477,773.73<br>100.0000000000  | 22,646.11                     | .00                                |
| SUBTOTAL (Fund) 55 Series 2008B-RDA Tax Alloca 2.26%(M) |                                                      |       |              |              | .5700<br>.5700     | 22,477,773.73<br>22,477,773.73   | 22,477,773.73<br>100.0000000000  | 22,646.11                     | .00                                |
| GRAND TOTAL                                             |                                                      |       |              |              | 1.5243<br>1.5130   | 988,593,773.73<br>987,479,736.98 | 992,853,082.36<br>100.4308450000 | 3,347,648.64                  | 5,533,439.02<br>-144,051.97        |
|                                                         |                                                      |       |              |              | =====              |                                  |                                  |                               |                                    |

\* MARKET = BOOK LESS PURCHASE INTEREST

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

BROKER PURCHASE DISTRIBUTION  
05/01/10 THROUGH 05/31/10

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

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

(EIS / ERNEIS)

E A R N E D I N C O M E S U M M A R Y  
05/01/10 THROUGH 05/31/10  
SORT KEYS ARE FUND ICC# MATD  
FUND: 1 INVESTMENT FUNDS

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| INV NO.            | PURCHASE DATE | COUPON RATE | DESCRIPTION      | TICKER / MATURITY DATE | SHARES / SCHEDULED PAR VALUE | SCHEDULED ORIG. COST | YIELD/ 365     | DATE SOLD/MAT | INCOME RECEIVED THIS PER | TOTAL/NET EARNINGS |
|--------------------|---------------|-------------|------------------|------------------------|------------------------------|----------------------|----------------|---------------|--------------------------|--------------------|
| 36445              | 04/29/10      | .1400       | TBIL-DISC-UBS    | 07/01/10               | 30,000,000.00                | 29,992,650.00        | .142           |               |                          | 3,616.67           |
| 36446              | 04/29/10      | .1400       | TBIL-DISC-UBC    | 07/01/10               | 29,900,000.00                | 29,892,674.50        | .142           |               |                          | 3,604.61           |
| 36450              | 05/03/10      | .1450       | TBIL-DISC-UBS    | 07/01/10               | 25,000,000.00                | 24,994,059.03        | .147           |               |                          | 2,920.14           |
| 36458              | 05/12/10      | .1400       | TBIL-DISC-UBS    | 07/01/10               | 20,000,000.00                | 19,996,111.11        | .142           |               |                          | 1,555.56           |
| 36463              | 05/18/10      | .1450       | TBIL-DISC-CITIG  | 07/01/10               | 10,000,000.00                | 9,998,227.78         | .147           |               |                          | 563.89             |
| SUBTOTAL (ICC#) 11 |               |             | TREASURY BILLS   | 11.63%(C)              | 31 DAYS                      | 114,900,000.00       | 114,873,722.42 | .143          | .00                      | 12,260.87          |
| 35119              | 02/15/07      | 4.7500      | FHLB-GILFD       | 08/04/10               | 5,000,000.00                 | 4,957,400.00         | 4.948          |               |                          | 20,834.80          |
| 35120              | 02/15/07      | 4.7000      | FHLB-GILFD       | 08/10/10               | 10,000,000.00                | 9,896,600.00         | 4.960          |               |                          | 41,686.64          |
| 35160              | 03/15/07      | 4.5160      | FHLB-GILFD       | 08/10/10               | 10,000,000.00                | 9,914,900.00         | 4.721          |               |                          | 39,753.98          |
| 35171              | 03/27/07      | 4.1250      | FHLB-GILFD       | 08/13/10               | 5,000,000.00                 | 4,902,610.00         | 4.715          |               |                          | 19,632.10          |
| 35193              | 04/17/07      | 4.1250      | FHLB-GILFD       | 08/13/10               | 10,000,000.00                | 9,747,900.00         | 4.930          |               |                          | 40,812.48          |
| 35194              | 04/17/07      | 4.7850      | FHLB-GILFD       | 08/26/10               | 5,000,000.00                 | 4,982,400.00         | 4.817          |               |                          | 20,382.16          |
| 35122              | 02/15/07      | 5.1250      | FHLB-JPM         | 09/10/10               | 10,000,000.00                | 10,036,000.00        | 4.910          |               |                          | 41,851.84          |
| 35177              | 04/03/07      | 5.1250      | FHLB-UBS         | 09/10/10               | 10,000,000.00                | 10,098,700.00        | 4.695          |               |                          | 40,272.26          |
| 35159              | 03/15/07      | 4.7000      | FHLB-UBC         | 09/21/10               | 9,500,000.00                 | 9,473,153.00         | 4.705          |               |                          | 37,855.50          |
| 35174              | 04/03/07      | 5.1250      | FHLB-UBS         | 09/29/10               | 10,000,000.00                | 10,122,400.00        | 4.622          |               |                          | 39,732.33          |
| 35202              | 04/23/07      | 5.1250      | FHLB-UBS         | 09/29/10               | 5,000,000.00                 | 5,040,650.00         | 4.753          |               |                          | 20,350.05          |
| 35197              | 04/17/07      | 4.8750      | FHLB-GILFD       | 12/10/10               | 10,000,000.00                | 9,993,500.00         | 4.804          |               |                          | 40,776.17          |
| 35205              | 04/23/07      | 4.8750      | FHLB-GILFD       | 12/10/10               | 5,000,000.00                 | 5,003,400.00         | 4.761          |               |                          | 20,233.08          |
| 35497              | 02/12/08      | 3.4500      | FHLB-UBC         | 05/12/11               | 9,030,000.00                 | 9,030,000.00         | 3.385          |               | 155,767.50               | 25,961.25          |
| 35892              | 11/17/08      | 3.5500      | FHLB-CALL-CITIG  | 11/17/11               | 10,000,000.00                | 10,000,000.00        | 3.483          |               | 177,500.00               | 29,583.34          |
| 35213              | 05/03/07      | 5.0200      | FHLB-CALL-UBC    | 05/03/12               | 5,000,000.00                 | 5,000,000.00         | 5.090          | 05/03/10      | 125,500.00               | 1,394.44           |
| 35216              | 05/07/07      | 5.0500      | FHLB-CALL-UBC    | 05/07/12               | 5,000,000.00                 | 5,000,000.00         | 5.120          | 05/07/10      | 126,250.00               | 4,208.33           |
| 35889              | 11/07/08      | 4.1250      | FHLB-CALL-WF     | 11/08/12               | 3,500,000.00                 | 3,500,000.00         | 4.047          |               | 72,187.50                | 12,031.25          |
| 35890              | 11/07/08      | 4.1000      | FHLB-CALL-WF     | 11/08/12               | 8,000,000.00                 | 8,000,000.00         | 4.023          |               | 164,000.00               | 27,333.34          |
| SUBTOTAL (ICC#) 22 |               |             | FEDERAL HOME LOA | 13.64%(C)              | 221 DAYS                     | 135,030,000.00       | 134,699,613.00 | 4.543         | 821,205.00               | 524,685.34         |
| 35181              | 04/03/07      | 4.8750      | FFCB-LB          | 08/06/10               | 5,000,000.00                 | 5,011,100.00         | 4.706          |               |                          | 20,030.68          |
| 35258              | 06/11/07      | 4.8750      | FFCB-GILFD       | 08/06/10               | 5,000,000.00                 | 4,936,100.00         | 5.255          |               |                          | 22,032.03          |
| 35201              | 04/23/07      | 4.4500      | FFCB-GILFD       | 08/27/10               | 1,200,000.00                 | 1,185,048.00         | 4.798          |               |                          | 4,829.31           |
| 35176              | 04/03/07      | 4.8000      | FFCB-UBC         | 10/26/10               | 5,000,000.00                 | 5,013,100.00         | 4.624          |               |                          | 19,688.09          |
| 35179              | 04/03/07      | 4.8000      | FFCB-GILFD       | 10/26/10               | 5,000,000.00                 | 5,000,445.00         | 4.707          |               |                          | 19,989.40          |
| 35180              | 04/03/07      | 4.8000      | FFCB-CITIG       | 10/26/10               | 5,000,000.00                 | 5,001,550.00         | 4.700          |               |                          | 19,963.10          |
| 35211              | 05/01/07      | 4.7500      | FFCB-GILFD       | 11/01/10               | 5,000,000.00                 | 4,990,600.00         | 4.723          |               | 118,750.00               | 20,019.33          |
| 35904              | 11/24/08      | 3.0000      | FFCB-GILFD       | 03/03/11               | 10,000,000.00                | 9,975,070.00         | 3.061          |               |                          | 25,932.25          |
| 35860              | 10/14/08      | 3.6000      | FFCB-WF          | 10/14/11               | 10,000,000.00                | 10,000,000.00        | 3.532          |               |                          | 30,000.00          |
| 35895              | 11/21/08      | 3.2000      | FFCB-UBS         | 11/21/11               | 10,000,000.00                | 10,000,000.00        | 3.140          |               | 160,000.00               | 26,666.67          |
| 35866              | 10/15/08      | 4.2500      | FFCB-CALL-UBS    | 10/15/13               | 10,000,000.00                | 10,000,000.00        | 4.170          |               |                          | 35,416.67          |
| SUBTOTAL (ICC#) 27 |               |             | FEDERAL FARM CRE | 7.20%(C)               | 411 DAYS                     | 71,200,000.00        | 71,113,013.00  | 4.049         | 278,750.00               | 244,567.53         |

CITY OF SAN JOSE  
TREASURY DIVISION

(EIS / ERNEIS)

## EARNED INCOME SUMMARY

05/01/10 THROUGH 05/31/10

SORT KEYS ARE FUND ICC# MATD

FUND: 1 INVESTMENT FUNDS

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| INV NO.                             | PURCHASE DATE | COUPON RATE | DESCRIPTION      | TICKER / MATURITY DATE | SHARES / SCHEDULED PAR VALUE | SCHEDULED ORIG. COST | YIELD/ 365 | DATE SOLD/MAT | INCOME RECEIVED THIS PER | TOTAL/NET EARNINGS |
|-------------------------------------|---------------|-------------|------------------|------------------------|------------------------------|----------------------|------------|---------------|--------------------------|--------------------|
| 36369                               | 01/26/10      | 4.1250      | FHLMC-CITIG      | 07/12/10               | 10,000,000.00                | 10,197,731.67        | .075       |               |                          | 648.12             |
| 35153                               | 03/15/07      | 4.8750      | FHLMC-GILFD      | 08/16/10               | 9,900,000.00                 | 9,930,591.00         | 4.679      |               |                          | 39,460.09          |
| 35155                               | 03/14/07      | 4.7500      | FHLMC-BA         | 09/22/10               | 2,679,000.00                 | 2,674,847.55         | 4.712      |               |                          | 10,704.31          |
| 35169                               | 03/26/07      | 4.7500      | FHLMC-UBS        | 10/04/10               | 10,475,000.00                | 10,456,459.25        | 4.719      |               |                          | 41,909.79          |
| 35154                               | 03/15/07      | 4.1600      | FHLMC-GILFD      | 10/13/10               | 4,000,000.00                 | 3,919,480.00         | 4.739      |               |                          | 15,775.02          |
| 35173                               | 04/03/07      | 5.0000      | FHLMC-GILFD      | 10/18/10               | 9,705,000.00                 | 9,781,446.29         | 4.647      |               |                          | 38,606.09          |
| 35212                               | 05/01/07      | 4.1250      | FHLMC-CITIG      | 10/18/10               | 10,000,000.00                | 9,788,000.00         | 4.759      |               |                          | 39,566.15          |
| 35225                               | 05/08/07      | 4.4000      | FHLMC-GILFD      | 11/19/10               | 1,000,000.00                 | 985,820.00           | 4.786      |               | 22,000.00                | 4,007.16           |
| 35230                               | 05/09/07      | 4.7500      | FHLMC-GILFD      | 12/08/10               | 4,236,000.00                 | 4,222,063.56         | 4.768      |               |                          | 17,097.55          |
| 35203                               | 04/23/07      | 4.5000      | FHLMC-UBC        | 12/16/10               | 9,500,000.00                 | 9,396,089.00         | 4.767      |               |                          | 38,041.54          |
| 35226                               | 05/08/07      | 4.5000      | FHLMC-GILFD      | 12/16/10               | 2,000,000.00                 | 1,977,580.00         | 4.779      |               |                          | 8,027.33           |
| SUBTOTAL (ICC#) 30 FED HOME LOAN MO |               |             | 7.43%(C)         | 127 DAYS               | 73,495,000.00                | 73,330,108.32        | 4.076      |               | 22,000.00                | 253,843.15         |
| 36334                               | 01/14/10      | .1100       | FNMA-DISC-UBS    | 06/28/10               | 15,000,000.00                | 14,992,437.50        | .112       |               |                          | 1,420.83           |
| 36355                               | 01/27/10      | .1300       | FNMA-DISC-UBS    | 07/07/10               | 10,000,000.00                | 9,994,186.11         | .132       |               |                          | 1,119.44           |
| 36431                               | 04/15/10      | .1850       | FNMA-DISC-CITIG  | 07/14/10               | 20,000,000.00                | 19,990,750.00        | .188       |               |                          | 3,186.12           |
| 36352                               | 01/26/10      | .1200       | FNMA-DISC-WF     | 07/20/10               | 10,000,000.00                | 9,994,166.67         | .122       |               |                          | 1,033.34           |
| 36351                               | 01/26/10      | .1700       | FNMA-DISC-BA     | 08/23/10               | 30,000,000.00                | 29,970,391.67        | .173       |               |                          | 4,391.67           |
| 36356                               | 01/27/10      | .2100       | FNMA-DISC-UBS    | 09/13/10               | 20,000,000.00                | 19,973,283.33        | .213       |               |                          | 3,616.67           |
| 36390                               | 03/08/10      | .2900       | FNMA-DISC-UBS    | 11/01/10               | 10,000,000.00                | 9,980,827.78         | .295       |               |                          | 2,497.22           |
| 36388                               | 03/04/10      | .2900       | FNMA-DISC-UBS    | 11/19/10               | 15,000,000.00                | 14,968,583.33        | .295       |               |                          | 3,745.84           |
| 36397                               | 03/12/10      | .3100       | FNMA-DISC-UBC    | 11/22/10               | 20,000,000.00                | 19,956,083.33        | .315       |               |                          | 5,338.89           |
| SUBTOTAL (ICC#) 41 FNMA DISCOUNT NO |               |             | 15.17%(C)        | 96 DAYS                | 150,000,000.00               | 149,820,709.72       | .207       |               | .00                      | 26,350.02          |
| 36448                               | 04/30/10      | .0600       | FHLB-DISC-UBS    | 05/03/10               | 15,500,000.00                | 15,499,922.50        | .061       | MATURED       | 77.50                    | 51.67              |
| 36452                               | 05/05/10      | .0800       | FHLB-DISC-JPM    | 05/10/10               | 10,500,000.00                | 10,499,883.33        | .081       | MATURED       | 116.67                   | 116.67             |
| 36441                               | 04/26/10      | .1250       | FHLB-DISC-WF     | 05/12/10               | 40,000,000.00                | 39,997,777.78        | .127       | MATURED       | 2,222.22                 | 1,527.78           |
| 36303                               | 12/21/09      | .1600       | FHLB-DISC-UBC    | 05/18/10               | 20,000,000.00                | 19,986,844.44        | .162       | MATURED       | 13,155.56                | 1,511.11           |
| 36461                               | 05/17/10      | .1500       | FHLB-DISC-JPM    | 05/18/10               | 11,450,000.00                | 11,449,952.29        | .152       | MATURED       | 47.71                    | 47.71              |
| 36247                               | 10/26/09      | .1800       | FHLB-DISC-WF     | 05/21/10               | 15,000,000.00                | 14,984,475.00        | .183       | MATURED       | 15,525.00                | 1,500.00           |
| 36296                               | 12/14/09      | .1500       | FHLB-DISC-UBC    | 06/07/10               | 10,000,000.00                | 9,992,708.33         | .152       |               |                          | 1,291.67           |
| 36299                               | 12/17/09      | .1800       | FHLB-DISC-WF     | 06/16/10               | 20,000,000.00                | 19,981,900.00        | .183       |               |                          | 3,100.00           |
| 36302                               | 12/21/09      | .1800       | FHLB-DISC-WF     | 06/16/10               | 20,000,000.00                | 19,982,300.00        | .183       |               |                          | 3,100.00           |
| 36473                               | 05/28/10      | .2400       | FHLB-DISC-JPM    | 12/03/10               | 22,640,000.00                | 22,611,473.60        | .244       |               |                          | 603.73             |
| SUBTOTAL (ICC#) 43 FHLB DISCOUNT NO |               |             | 7.35%(C)         | 67 DAYS                | 72,640,000.00                | 72,568,381.93        | .167       |               | 31,144.66                | 12,850.34          |
| 36349                               | 01/26/10      | .1700       | FHLMC-DISC-UBC   | 08/17/10               | 10,000,000.00                | 9,990,413.89         | .173       |               |                          | 1,463.89           |
| 36350                               | 01/26/10      | .1700       | FHLMC-DISC-CITIG | 08/26/10               | 20,000,000.00                | 19,979,977.78        | .173       |               |                          | 2,927.78           |
| 36345                               | 01/26/10      | .1900       | FHLMC-DISC-UBS   | 09/01/10               | 20,000,000.00                | 19,976,988.89        | .193       |               |                          | 3,272.22           |

CITY OF SAN JOSE  
TREASURY DIVISION

(EIS / ERNEIS)

## EARNED INCOME SUMMARY

05/01/10 THROUGH 05/31/10

SORT KEYS ARE FUND ICC# MATD

FUND: 1 INVESTMENT FUNDS

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| INV NO.                                                                                               | PURCHASE DATE | COUPON RATE | DESCRIPTION              | TICKER / MATURITY DATE | SHARES / SCHEDULED PAR VALUE | SCHEDULED ORIG. COST | YIELD/ 365 | DATE SOLD/MAT | INCOME RECEIVED THIS PER | TOTAL/NET EARNINGS |
|-------------------------------------------------------------------------------------------------------|---------------|-------------|--------------------------|------------------------|------------------------------|----------------------|------------|---------------|--------------------------|--------------------|
| -----                                                                                                 |               |             |                          |                        |                              |                      |            |               |                          |                    |
| SUBTOTAL (ICC#) 44 FHLMC DISCOUNT N 5.06%(C) 87 DAYS 50,000,000.00 49,947,380.56 .181 .00 7,663.89    |               |             |                          |                        |                              |                      |            |               |                          |                    |
| 35922                                                                                                 | 12/22/08      | 1.8750      | MTN-PNC-CITIG            | 06/22/11               | 5,000,000.00                 | 4,991,000.00         | 1.915      |               |                          | 8,118.42           |
| 35913                                                                                                 | 12/09/08      | 3.0000      | MTN-GE CAPITAL CORP-BA   | 12/09/11               | 25,000,000.00                | 24,928,250.00        | 3.048      |               |                          | 64,531.28          |
| SUBTOTAL (ICC#) 47 CORP MEDIUM TERM 3.03%(C) 528 DAYS 30,000,000.00 29,919,250.00 2.859 .00 72,649.70 |               |             |                          |                        |                              |                      |            |               |                          |                    |
| 36285                                                                                                 | 12/03/09      | .3000       | NCD-UBOC-UBC             | 06/01/10               | 10,000,000.00                | 10,000,000.00        | .304       |               |                          | 2,583.33           |
| 36426                                                                                                 | 04/09/10      | .2900       | NCD-UBOC-UBC             | 07/07/10               | 20,000,000.00                | 20,000,000.00        | .294       |               |                          | 4,994.45           |
| 36354                                                                                                 | 01/26/10      | .2600       | NCD-UBS AG STAMFORD-UBS  | 07/12/10               | 25,000,000.00                | 25,000,000.00        | .264       |               |                          | 5,597.22           |
| 36344                                                                                                 | 01/26/10      | .2500       | NCD-UBOC-UBC             | 07/23/10               | 10,000,000.00                | 10,000,000.00        | .253       |               |                          | 2,152.78           |
| SUBTOTAL (ICC#) 71 NEGOTIABLE CERT 6.58%(C) 35 DAYS 65,000,000.00 65,000,000.00 .278 .00 15,327.78    |               |             |                          |                        |                              |                      |            |               |                          |                    |
| 36447                                                                                                 | 04/30/10      | .1200       | CP-DISC-JP MORGAN-JPM    | 05/03/10               | 25,000,000.00                | 24,999,750.00        | .122       | MATURED       | 250.00                   | 166.67             |
| 36449                                                                                                 | 05/03/10      | .1200       | CP-DISC-JP MORGAN-JPM    | 05/04/10               | 20,500,000.00                | 20,499,931.67        | .122       | MATURED       | 68.33                    | 68.33              |
| 36451                                                                                                 | 05/04/10      | .2100       | CP-DISC-UBS FIN DEL-UBS  | 05/05/10               | 18,200,000.00                | 18,199,893.83        | .213       | MATURED       | 106.17                   | 106.17             |
| 36453                                                                                                 | 05/06/10      | .1200       | CP-DISC-JP MORGAN-JPM    | 05/07/10               | 19,400,000.00                | 19,399,935.33        | .122       | MATURED       | 64.67                    | 64.67              |
| 36454                                                                                                 | 05/06/10      | .2100       | CP-DISC-UBS FIN DEL-UBS  | 05/07/10               | 15,000,000.00                | 14,999,912.50        | .213       | MATURED       | 87.50                    | 87.50              |
| 36440                                                                                                 | 04/23/10      | .2000       | CP-DISC-GE CAPITAL CORP- | 05/10/10               | 22,500,000.00                | 22,497,875.00        | .203       | MATURED       | 2,125.00                 | 1,125.00           |
| 36455                                                                                                 | 05/07/10      | .1200       | CP-DISC-JPM MORAN-JPM    | 05/10/10               | 12,500,000.00                | 12,499,875.00        | .122       | MATURED       | 125.00                   | 125.00             |
| 36456                                                                                                 | 05/07/10      | .2300       | CP-DISC-UBS FIN DEL-UBS  | 05/10/10               | 10,000,000.00                | 9,999,808.33         | .233       | MATURED       | 191.67                   | 191.67             |
| 36457                                                                                                 | 05/12/10      | .1400       | CP-DISC-GE CAPITAL CORP- | 05/13/10               | 15,600,000.00                | 15,599,939.33        | .142       | MATURED       | 60.67                    | 60.67              |
| 36459                                                                                                 | 05/13/10      | .1400       | CP-DISC-GE CAPITAL CORP- | 05/14/10               | 16,800,000.00                | 16,799,934.67        | .142       | MATURED       | 65.33                    | 65.33              |
| 36460                                                                                                 | 05/14/10      | .1400       | CP-DISC-GE CAPITAL CORP- | 05/17/10               | 13,800,000.00                | 13,799,839.00        | .142       | MATURED       | 161.00                   | 161.00             |
| 36462                                                                                                 | 05/18/10      | .1500       | CP-DISC-GE CAPITAL CORP- | 05/19/10               | 17,390,000.00                | 17,389,927.54        | .152       | MATURED       | 72.46                    | 72.46              |
| 36464                                                                                                 | 05/19/10      | .1500       | CP-DISC-GE CAPITAL CORP- | 05/20/10               | 14,800,000.00                | 14,799,938.33        | .152       | MATURED       | 61.67                    | 61.67              |
| 36465                                                                                                 | 05/20/10      | .1500       | CP-DISC-GE CAPITAL CORP- | 05/21/10               | 14,770,000.00                | 14,769,938.46        | .152       | MATURED       | 61.54                    | 61.54              |
| 36466                                                                                                 | 05/21/10      | .1500       | CP-DISC-GE CAPITAL CORP- | 05/24/10               | 14,400,000.00                | 14,399,820.00        | .152       | MATURED       | 180.00                   | 180.00             |
| 36467                                                                                                 | 05/24/10      | .1500       | CP-DISC-GE CAPITAL CORP- | 05/25/10               | 12,940,000.00                | 12,939,946.08        | .152       | MATURED       | 53.92                    | 53.92              |
| 36468                                                                                                 | 05/25/10      | .1500       | CP-DISC-GE CAPITAL CORP- | 05/26/10               | 12,270,000.00                | 12,269,948.88        | .152       | MATURED       | 51.12                    | 51.12              |
| 36469                                                                                                 | 05/26/10      | .1200       | CP-DISC-JP MORGAN-JPM    | 05/27/10               | 13,580,000.00                | 13,579,954.73        | .122       | MATURED       | 45.27                    | 45.27              |
| 36471                                                                                                 | 05/27/10      | .1200       | CP-DISC-JP MORGAN-JPM    | 05/28/10               | 13,200,000.00                | 13,199,956.00        | .122       | MATURED       | 44.00                    | 44.00              |
| 36470                                                                                                 | 05/26/10      | .2100       | CP-DISC-GE CAPITAL CORP- | 06/02/10               | 20,000,000.00                | 19,999,183.33        | .213       |               |                          | 700.00             |
| 36289                                                                                                 | 12/08/09      | .2600       | CP-DISC-GE CAPITAL CORP- | 06/04/10               | 10,000,000.00                | 9,987,144.44         | .264       |               |                          | 2,238.89           |
| 36290                                                                                                 | 12/08/09      | .2700       | CP-DISC-GE CAPITAL CORP- | 06/18/10               | 8,000,000.00                 | 7,988,480.00         | .274       |               |                          | 1,860.00           |
| 36294                                                                                                 | 12/11/09      | .3300       | CP-DISC-TOYOTA-TOY       | 07/12/10               | 8,000,000.00                 | 7,984,380.00         | .335       |               |                          | 2,273.33           |
| 36333                                                                                                 | 01/14/10      | .3000       | CP-DISC-UBS FIN DEL-UBS  | 07/14/10               | 10,000,000.00                | 9,984,916.67         | .305       |               |                          | 2,583.34           |
| 36324                                                                                                 | 01/11/10      | .2500       | CP-DISC-TOYOTA-TOY       | 07/16/10               | 18,000,000.00                | 17,976,750.00        | .254       |               |                          | 3,875.00           |
| 36346                                                                                                 | 01/26/10      | .2500       | CP-DISC-JP MORGAN-JPM    | 07/26/10               | 20,000,000.00                | 19,974,861.11        | .254       |               |                          | 4,305.55           |
| 36472                                                                                                 | 05/27/10      | .4200       | CP-DISC-GE CAPITAL CORP- | 10/08/10               | 9,000,000.00                 | 8,985,930.00         | .427       |               |                          | 525.00             |

CITY OF SAN JOSE  
TREASURY DIVISION

(EIS / ERNEIS)

EARNED INCOME SUMMARY  
05/01/10 THROUGH 05/31/10  
SORT KEYS ARE FUND ICC# MATD  
FUND: 1 INVESTMENT FUNDS

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| INV NO.                                                                                                      | PURCHASE DATE | COUPON RATE | DESCRIPTION             | TICKER / MATURITY DATE | SHARES / SCHEDULED PAR VALUE | SCHEDULED ORIG. COST | YIELD/ 365 | DATE SOLD/MAT | INCOME RECEIVED THIS PER | TOTAL/NET EARNINGS |
|--------------------------------------------------------------------------------------------------------------|---------------|-------------|-------------------------|------------------------|------------------------------|----------------------|------------|---------------|--------------------------|--------------------|
| -----                                                                                                        |               |             |                         |                        |                              |                      |            |               |                          |                    |
| SUBTOTAL (ICC#) 82 COMMERCIAL PAPER 10.42%(C) 39 DAYS 103,000,000.00 102,881,645.55 .252 3,875.32 21,153.10  |               |             |                         |                        |                              |                      |            |               |                          |                    |
| 32936                                                                                                        | 01/01/02      | .5700       | STATE INVESTMT POOL-CTY | 06/01/10               | 50,000,000.00                | 50,000,000.00        | .570       |               |                          | 23,919.70          |
| 33658                                                                                                        | 10/01/03      | .5700       | STATE INVESTMT POOL-RDA | 06/01/10               | 50,000,000.00                | 50,000,000.00        | .570       |               |                          | 24,205.48          |
| -----                                                                                                        |               |             |                         |                        |                              |                      |            |               |                          |                    |
| SUBTOTAL (ICC#) 99 PASSBOOK & STATE 10.13%(C) 1 DAYS 100,000,000.00 100,000,000.00 .570 .00 48,125.18        |               |             |                         |                        |                              |                      |            |               |                          |                    |
| -----                                                                                                        |               |             |                         |                        |                              |                      |            |               |                          |                    |
| SUBTOTAL (FUND) 1 INVESTMENT FUNDS - ASSETS 122 DAYS 965,265,000.00 964,153,824.50 1,156,974.98 1,239,476.90 |               |             |                         |                        |                              |                      |            |               |                          |                    |
| -----                                                                                                        |               |             |                         |                        |                              |                      |            |               |                          |                    |
| SUBTOTAL (FUND) 1 INVESTMENT FUNDS - NET 965,265,000.00 964,153,824.50 1,156,974.98 1,239,476.90             |               |             |                         |                        |                              |                      |            |               |                          |                    |
| -----                                                                                                        |               |             |                         |                        |                              |                      |            |               |                          |                    |

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

CITY OF SAN JOSE  
TREASURY DIVISION

(EIS / ERNEIS)

EARNED INCOME SUMMARY  
05/01/10 THROUGH 05/31/10  
SORT KEYS ARE FUND ICC# MATD  
FUND: 34 CSJ/CSC Jt Pwr

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| INV NO.                                   | PURCHASE DATE | COUPON RATE | DESCRIPTION      | TICKER / MATURITY DATE | SHARES / SCHEDULED PAR VALUE | SCHEDULED ORIG. COST | YIELD/ 365 | DATE SOLD/MAT | INCOME RECEIVED THIS PER | TOTAL/NET EARNINGS |
|-------------------------------------------|---------------|-------------|------------------|------------------------|------------------------------|----------------------|------------|---------------|--------------------------|--------------------|
| 36330                                     | 01/14/10      | .3400       | FHLB-DISC-WF     | 01/05/11               | 851,000.00                   | 848,138.75           | .346       |               |                          | 249.16             |
| SUBTOTAL (ICC#)                           |               | 43          | FHLB DISCOUNT NO | .09%(C) 219 DAYS       | 851,000.00                   | 848,138.75           | .346       |               | .00                      | 249.16             |
| SUBTOTAL (FUND)                           |               | 34          | CSJ/CSC Jt Pwr   | - ASSETS 219 DAYS      | 851,000.00                   | 848,138.75           |            |               | .00                      | 249.16             |
| SUBTOTAL (FUND)                           |               | 34          | CSJ/CSC Jt Pwr   | - NET                  | 851,000.00                   | 848,138.75           |            |               | .00                      | 249.16             |
| FUND STATISTICS                           |               |             |                  | ASSETS                 | LIABILITIES                  |                      |            |               |                          |                    |
| AVERAGE DAILY INVESTMENT BALANCE          |               |             |                  | :                      | 848,138.75                   |                      |            |               |                          |                    |
| EARNED INTEREST YIELD THIS PERIOD         |               |             |                  | :                      | .346                         | .000                 |            |               |                          |                    |
| WEIGHTED AVG YIELD AT END OF PERIOD       |               |             |                  | :                      | .346                         | .000                 |            |               |                          |                    |
| TOTAL INTEREST EARNED FOR FUTURE RECEIPT: |               |             |                  | :                      | 1,109.14                     |                      |            |               |                          |                    |

CITY OF SAN JOSE  
TREASURY DIVISION

(EIS / ERNEIS)

EARNED INCOME SUMMARY

05/01/10 THROUGH 05/31/10

SORT KEYS ARE FUND ICC# MATD

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FUND: 55 Series 2008B-RDA Tax Allocation

| INV NO.                                                                                            | PURCHASE DATE | COUPON RATE | DESCRIPTION              | TICKER / MATURITY DATE | SHARES / SCHEDULED PAR VALUE | SCHEDULED ORIG. COST | YIELD/ 365 | DATE SOLD/MAT | INCOME RECEIVED THIS PER | TOTAL/NET EARNINGS |
|----------------------------------------------------------------------------------------------------|---------------|-------------|--------------------------|------------------------|------------------------------|----------------------|------------|---------------|--------------------------|--------------------|
| 35894                                                                                              | 11/14/08      | .5700       | Series 2008 B-RDA Tax Al | 06/01/10               | 22,477,773.73                | 22,477,773.73        | .570       |               |                          | 11,169.38          |
| SUBTOTAL (ICC#) 99 PASSBOOK & STATE 2.28%(C) 1 DAYS 22,477,773.73 22,477,773.73 .570 .00 11,169.38 |               |             |                          |                        |                              |                      |            |               |                          |                    |
| SUBTOTAL (FUND) 55 Series 2008B-RDA Ta- ASSETS 1 DAYS 22,477,773.73 22,477,773.73 .00 11,169.38    |               |             |                          |                        |                              |                      |            |               |                          |                    |
| SUBTOTAL (FUND) 55 Series 2008B-RDA Ta- NET 22,477,773.73 22,477,773.73 .00 11,169.38              |               |             |                          |                        |                              |                      |            |               |                          |                    |

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

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