



**Quarterly Pooled Investment Fund Report**  
 As Prescribed By  
 California Government Code Section 53646  
**For The Quarter Ended September 30, 2008**

**Compliance to Investment Policy**

Based on the Director of Finance's Review Group Month-End Reports, there were no items out of compliance with the Calendar Year 2008 Investment Policy during the quarter ended September 30, 2008.

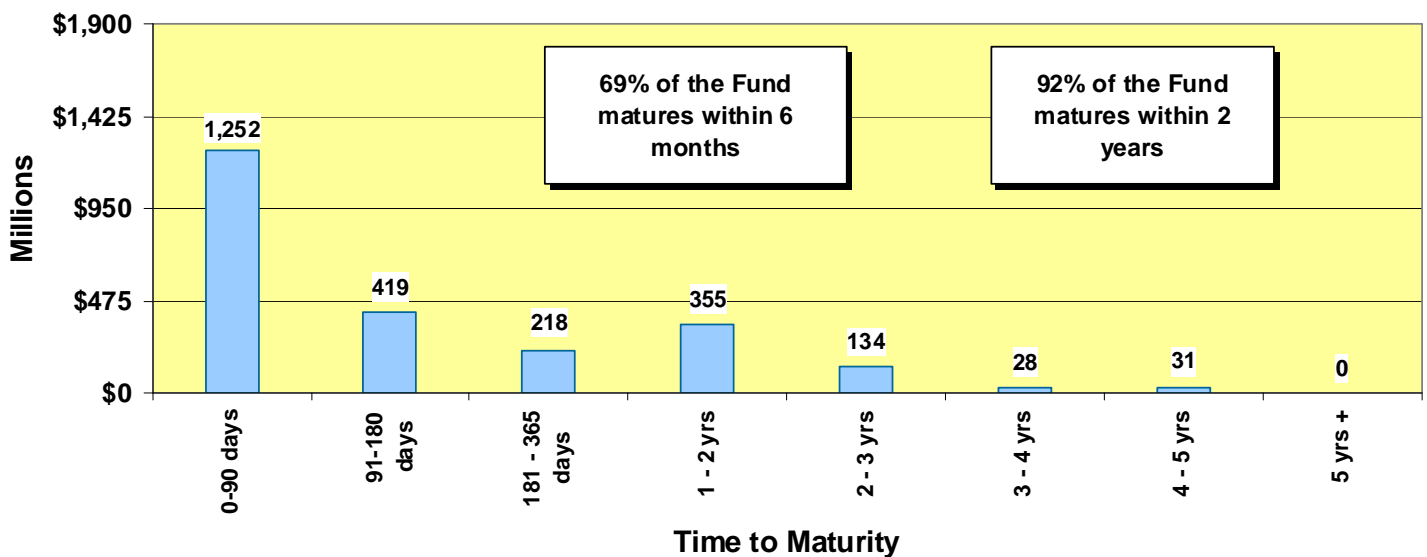
<b>Portfolio Statistics</b>	<b>Quarter Ended 06/30/08</b>	<b>Quarter Ended 09/30/08</b>
Average Daily Balance	\$3,297,438,707	\$2,609,069,778
Period-End Balance	\$3,088,104,903	\$2,436,556,752
Earned Interest Yield	3.415%	3.178%
Weighted Average Maturity	210 Days	231 Days
Duration in Years	0.557	0.610
Historical Cost	\$3,088,335,371	\$2,436,066,788
Market Value	\$3,103,529,033	\$2,446,145,257
Percent of Market to Cost	100.49%	100.41%

The earned interest yield presented above does not have any costs deducted. The investment management costs in prior years and this year continue to be approximately 10 basis points or 0.10%. The quarterly apportionment of earnings to participating funds will be made on a cash basis (as opposed to an accrual basis) for the first three quarters of the fiscal year. Earnings to participating funds will be annualized over the fiscal year based on a fund's cumulative average daily cash balance at each quarter end and fiscal year end. At fiscal year end (fourth quarter), the earnings of the Pool will be converted to an accrual basis for the fourth quarter earnings' allocation.

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

Investment Description	Percentage of Portfolio at Cost 06/30/08	Percentage of Portfolio at Cost 09/30/08	Percentage of Portfolio at Market 09/30/08	Earned Interest Yield at 09/30/08
<i>US Agency, Treasury &amp; Municipal Notes (USATM):</i>				
<i>US Agency Notes</i>	50.73%	49.27%	49.40%	3.816%
<i>Notes/Discount Notes FFCB</i>	7.28%	7.39%	7.43%	4.321%
<i>Notes/Discount Notes FHLB</i>	14.87%	19.95%	19.98%	4.121%
<i>Notes/Discount Notes FNMA</i>	13.56%	10.94%	10.94%	3.166%
<i>Notes/Discount Notes FHLMC</i>	15.02%	10.99%	11.05%	3.571%
<i>US Treasury Notes</i>	0.00%	0.00%	0.00%	0.00%
<i>Municipal Notes</i>	1.68%	1.46%	1.46%	3.503%
<b>Total USATM</b>	<b>52.41%</b>	<b>50.73%</b>	<b>50.86%</b>	<b>3.807%</b>
<b>Repurchase Agreements</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>-</b>
<b>Commercial Paper</b>	<b>19.85%</b>	<b>21.45%</b>	<b>21.47%</b>	<b>3.115%</b>
<b>Certificates of Deposit</b>	<b>24.86%</b>	<b>22.28%</b>	<b>22.15%</b>	<b>3.013%</b>
<b>LAIF</b>	<b>1.30%</b>	<b>1.64%</b>	<b>1.64%</b>	<b>2.779%</b>
<b>Money Market Funds</b>	<b>1.58%</b>	<b>3.90%</b>	<b>3.88%</b>	<b>2.206%</b>

**POOLED INVESTMENT FUND MATURITIES AS OF SEPTEMBER 30, 2008**  
**\$2.437 Billion**



### Projected Cash Flow

Based upon our cash flow model projection dated October 8, 2008, summarized below, we have sufficient cash flow to meet expenditures for the next 12 months.

Month	Bank Balance	Receipts & Maturities	Disbursements	Difference	Less Investments Beyond One Year	Funds Available for Future Cash Flow Needs*
<i>Dollar amounts represented in millions</i>						
Oct	5.0	\$934.5	\$575.3	\$359.2	\$30.0	\$329.2
Nov	5.0	\$789.6	\$368.2	\$421.4	\$35.0	\$386.4
Dec	5.0	\$1,461.0	\$908.1	\$552.9	\$30.0	\$522.9
Jan	5.0	\$824.1	\$750.4	\$73.7	\$35.0	\$38.7
Feb	5.0	\$612.7	\$528.5	\$84.2	\$30.0	\$54.2
Mar	5.0	\$556.3	\$659.2	(\$102.9)	\$35.0	(\$137.9)
Apr	5.0	\$1,001.7	\$616.8	\$384.9	\$30.0	\$354.9
May	5.0	\$472.4	\$724.5	(\$252.1)	\$35.0	(\$287.1)
Jun	5.0	\$384.0	\$687.0	(\$303.0)	\$30.0	(\$333.0)
Jul	5.0	\$387.5	\$809.2	(\$421.7)	\$35.0	(\$456.7)
Aug	5.0	\$417.8	\$716.4	(\$298.6)	\$30.0	(\$328.6)
Sep	5.0	\$476.7	\$584.7	(\$108.0)	\$35.0	(\$143.0)

\*Any excess net cash flow amounts in this column will be used to fund negative cash flow positions in later months.

### Detailed Listing of Investments

A complete detailed listing of all investments for the Pooled Investment Fund as of September 30, 2008, is contained in the back of this report. This report notes the type of investment; name of the security; the CUSIP; the purchase date; the maturity date; the coupon and the yield; the par value, book value and market value of each security; the pricing source for the market value; and the duration of each security.

External third-party investment manager(s) at September 30, 2008:

<u>Investment</u>	<u>Firm</u>	<u>Amount</u>
Local Agency Investment Fund	State Treasurer's Office	\$40,000,000.00
Government Obligations Fund	Federated Investors	\$56,000,000.00
Government Portfolio	Fidelity Investments	\$39,000,000.00

The Fund utilizes an external investment accounting system called MoneyMax, Series II by SunGard Financial. The market valuations are based upon the pricing of Interactive Data Corporation (IDC).

**THIS COMPLETES THE QUARTERLY REPORT REQUIREMENTS OF CALIFORNIA GOVERNMENT CODE § 53646.**

## Financial Markets Commentary

As investors worldwide contemplated the worst financial market conditions and most government intervention since the Great Depression, the Federal Open Market Committee (FOMC) made an intermeeting, emergency rate cut of 50 basis points on October 8, 2008, taking the overnight rate down to 1.50%. The FOMC rate cut was a coordinated effort with other central banks, including the European Central Bank, Bank of England, Bank of Canada, and Bank of Sweden, to pump more liquidity into the system and calm financial markets. The FOMC cited the freezing of the credit markets as its chief short-term focus and inflation as a concern for the future.

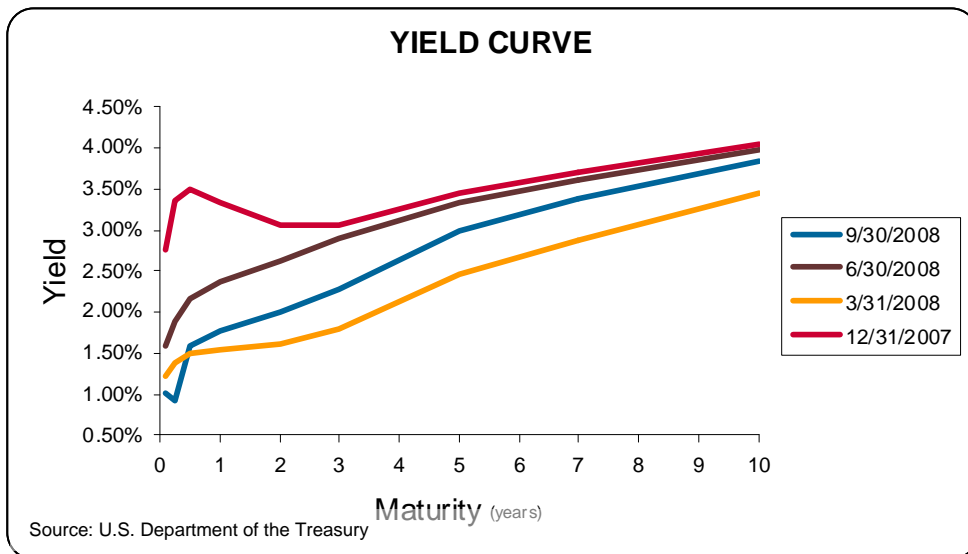
The credit crisis that began to unravel in August 2007 has now claimed significant casualties. Over the last several months, the markets witnessed the downfall of Lehman Brothers, the largest bankruptcy in U.S. history, the government seizure of Fannie Mae and Freddie Mac, the collapse and forced sale of the biggest savings thrift in the country, Washington Mutual, and the near collapse of AIG, one of the world's largest insurers, which was only prevented by an emergency \$85 billion loan from the U.S. Government. According to the Associated Press, over the last year, investors have lost \$8.3 trillion invested in pension funds, 401(k) plans, college savings plans, and other investments. All of these events lead to the creation of the \$700 billion Troubled Asset Relief Program (TARP), authorized by Congress and to be administered by the U.S. Treasury Department, which will make direct investments into some of the nation's largest financial institutions as well as buy the bad debts these same institutions created.

The main question is whether the moves taken by the Federal Reserve and the U.S. Treasury will offset the deleveraging of the securitized debt market. The money being created by the government must be adequate enough to counter the loss from financial institutions unwinding all of the debt they created during the real estate bubble. For example, during this time, Wall Street firms took sub-prime mortgage loans, as well as other asset-backed loans, and effectively leveraged them an estimated 30 to 50 times. They created exotic securities such as collateralized debt obligations (CDOs), swaps, structured investment vehicles (SIVs), and collateralized mortgage obligations (CMOs). It now seems astonishing for these institutions to take a \$250,000 mortgage loan and create \$10 million in asset-backed securities and derivatives. Now, as the underlying loans go into default, all this debt is unwinding. No one knows how much government intervention will be needed offset the deleveraging, but even if it does work and the U.S. economy avoids a severe recession, the economy will remain weak as it deals with less consumer spending.

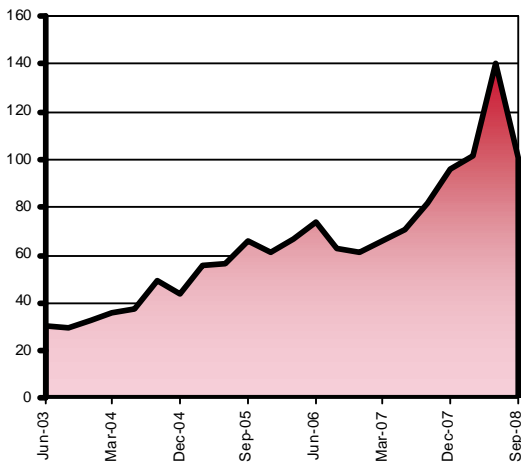
The actions by the Federal Reserve and the U.S. Treasury will clearly cause inflation pressures in the future, but the credit crisis will put a lid on inflation in the immediate term as illustrated in the dramatic fall in oil prices in recent months. We continue to expect short-term interest rates to fall and medium-term interest rates to level off. We also expect the earned interest yield on the County's Pooled Investment Fund<sup>1</sup> to continue to fall but at a slower rate over the next several quarters.

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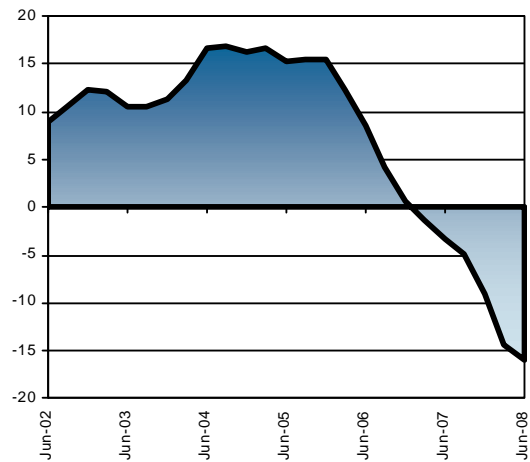
<sup>1</sup> Some county investment pools in California have disclosed that they had investment losses in Lehman Brothers Holding Company. The County's Pooled Investment Fund did not have any investments with Lehman Brothers, which filed for Chapter 11 bankruptcy protection on September 15, 2008. As of this writing, all the investments in the Pooled Investment Fund are either 110% collateralized or rated at or above AA-/Aa3/AA- by Standard & Poor's, Moody's and Fitch, the major credit rating agencies. There is one issuer, Wells Fargo Bank that is on negative credit watch because of its recent acquisition of Wachovia Bank although Wells Fargo remains the only AAA-rated bank in the United States. The investment strategies employed by the Department of Finance staff will continue to be prudent and adhere to the investment objectives of the Annual Investment Policy of the Pooled Investment Fund, which are, in order of importance: 1) safety of principal; 2) liquidity; 3) public trust; and 4) maximum rate of return.



**CRUDE OIL  
(\$/BARREL)**



**S&P/CASE-SCHILLER COMPOSITE-20 CITY  
HOME PRICE INDEX (YOY % CHANGE)**



### **Portfolio Management Strategy**

During the past quarter, we continued to provide adequate liquidity to meet the cash flow needs of the Pooled Investment Fund participants. We are currently funding the cash flows for March 2008. The market value of the portfolio is 100.41%.

We continue to purchase two- and three-year U. S. Treasury and/or Agency securities, on a monthly basis, and five-year U. S. Treasury and/or Agency securities on a bimonthly basis, for the "CORE" portfolio, which is composed of all securities maturing beyond one year. Agency securities continued to be attractively priced at spreads of 0.80% to 1.50% higher than treasury securities. This laddered structure stabilizes the yield over longer periods of time. Over the next quarter, our quarterly yield should range between 2.75% and 3.00% as interest rates cycle downward with the expectation that the FOMC will keep the Federal Funds rate low over the next several quarters to help the economy recover.

Respectfully submitted,  
Mari Lynn Shimamoto  
Chief Investment Officer

Concur,  
Dave Irish  
Director of Finance

MLS/bsd

Attachment County of Sacramento Short-Term Investment Portfolio

Release Date: October 24, 2008

COUNTY OF SACRAMENTO  
SHORT-TERM INVESTMENT PORTFOLIO  
POOLED FUNDS  
AS OF 9/30/08

DESCRIPTION	CUSIP	PURCHASE	MATURITY	INTEREST	TRADING	PAR VALUE	BOOK VALUE	MARKET VALUE	SOURCE	DURATION (YEARS)
		DATE	DATE	RATE	YIELD					
VR-SAC COUNTY 04-05	-	09/21/04	08/01/09	2.880%	2.880%	162,856.07	162,856.07	162,856.07	BOOK	0.835
VR-SAC COUNTY 05-06	-	10/11/05	08/01/10	3.150%	3.150%	1,803,225.96	1,803,225.96	1,803,225.96	BOOK	1.793
VR-SAC COUNTY 06-07	-	10/17/06	08/01/11	3.365%	3.365%	7,631,238.81	7,631,238.81	7,631,238.81	BOOK	2.637
VR-SAC COUNTY 07-08	-	11/27/07	08/01/12	3.580%	3.580%	22,628,059.98	22,628,059.98	22,628,059.98	BOOK	3.628
<b>TOTAL VARIABLE RATE NOTES</b>				3.501%	3.501%	32,225,380.82	32,225,380.82	32,225,380.82		3.277
							1.32%	1.32%		
FFCB NOTES	31331XDW9	11/30/06	11/20/08	4.875%	4.851%	10,000,000.00	10,004,300.00	10,025,000.00	SUNGARD	0.140
FFCB NOTES	31331V6A9	12/20/06	12/29/08	5.000%	4.919%	10,000,000.00	10,015,400.00	10,046,875.00	SUNGARD	0.246
FFCB NOTES	31331SQ89	07/06/07	07/17/09	4.125%	5.251%	10,000,000.00	9,785,600.00	10,075,000.00	SUNGARD	0.787
FFCB NOTES	31331VQ66	07/31/06	07/20/09	5.375%	5.250%	10,000,000.00	10,033,760.00	10,171,875.00	SUNGARD	0.792
FFCB NOTES	31331V4M5	10/25/06	09/21/09	5.000%	5.112%	10,000,000.00	9,969,600.00	10,175,000.00	SUNGARD	0.963
FFCB NOTES	31331X5X6	10/05/07	10/05/09	4.500%	4.486%	10,000,000.00	10,003,800.00	10,134,375.00	SUNGARD	0.981
FFCB NOTES	31331X5X6	10/30/07	10/05/09	4.500%	4.263%	5,000,000.00	5,021,600.00	5,067,187.50	SUNGARD	0.981
FFCB NOTES	31331XBQ4	10/12/07	10/23/09	5.000%	4.605%	5,000,000.00	5,037,800.00	5,095,312.50	SUNGARD	1.028
FFCB NOTES	31331YDR8	11/28/07	11/13/09	4.125%	3.733%	10,000,000.00	10,073,200.00	10,071,875.00	SUNGARD	1.089
FFCB NOTES	31331XEE8	12/01/06	11/20/09	4.850%	4.749%	10,000,000.00	10,027,500.00	10,178,125.00	SUNGARD	1.104
FFCB NOTES	31331YJA9	12/17/07	12/17/09	3.875%	3.862%	10,000,000.00	10,002,470.00	10,078,125.00	SUNGARD	1.186
FFCB NOTES	31331XSQ6	04/27/07	03/15/10	4.750%	4.877%	10,000,000.00	9,965,700.00	10,206,250.00	SUNGARD	1.424
FFCB NOTES	31331XXL1	05/04/07	05/03/10	4.780%	4.895%	5,000,000.00	4,984,140.00	5,114,062.50	SUNGARD	1.523
FFCB NOTES	31331XH39	06/29/07	06/28/10	5.250%	5.258%	5,000,000.00	4,998,894.70	5,162,500.00	SUNGARD	1.669
FFCB NOTES	31331Y3U2	07/21/08	07/21/10	3.300%	3.313%	20,000,000.00	19,995,000.00	19,993,750.00	SUNGARD	1.760
FFCB NOTES	31331V7K6	08/21/07	08/06/10	4.875%	4.768%	5,000,000.00	5,014,500.00	5,137,500.00	SUNGARD	1.780
FFCB NOTES	31331X6M9	10/04/07	10/04/10	4.500%	4.552%	5,000,000.00	4,992,785.00	5,112,500.00	SUNGARD	1.903
FFCB NOTES	31331YNJ5	01/18/08	01/18/11	3.500%	3.257%	10,000,000.00	10,068,900.00	10,018,750.00	SUNGARD	2.216
FFCB NOTES	31331YUD0	02/14/08	02/14/11	2.875%	3.006%	5,000,000.00	4,981,340.00	4,935,937.50	SUNGARD	2.302
FFCB NOTES	31331YUD0	02/20/08	02/14/11	2.875%	3.122%	5,000,000.00	4,965,050.00	4,935,937.50	SUNGARD	2.302
FFCB NOTES	31331Y6G0	08/28/08	08/15/11	3.800%	3.601%	10,000,000.00	10,055,400.00	10,056,250.00	SUNGARD	2.739
<b>TOTAL FFCB NOTES</b>				4.317%	4.321%	180,000,000.00	179,996,739.70	181,792,187.50		1.328
							7.39%	7.43%		
FHLB NOTES	3133XDJG7	10/13/05	10/14/08	4.500%	4.560%	10,000,000.00	9,983,300.00	10,006,250.00	SUNGARD	0.038
FHLB NOTES	3133XDJG7	10/10/06	10/14/08	4.500%	5.000%	10,000,000.00	9,905,300.00	10,006,250.00	SUNGARD	0.038
FHLB NOTES	3133XDJG7	10/19/06	10/14/08	4.500%	5.109%	10,000,000.00	9,886,300.00	10,006,250.00	SUNGARD	0.038
FHLB NOTES	3133MJX39	11/30/05	11/14/08	4.500%	4.710%	10,000,000.00	9,942,500.00	10,015,625.00	SUNGARD	0.123
FHLB NOTES	3133XDT76	12/21/05	12/12/08	4.750%	4.752%	5,000,000.00	4,999,100.00	5,015,625.00	SUNGARD	0.200
FHLB NOTES	3133XDT76	12/21/05	12/12/08	4.750%	4.752%	5,000,000.00	4,999,100.00	5,015,625.00	SUNGARD	0.200
FHLB NOTES	3133XHTU6	12/11/06	12/12/08	5.000%	4.851%	10,000,000.00	10,027,000.00	10,037,500.00	SUNGARD	0.200
FHLB NOTES	3133XJTC2	02/14/07	02/02/09	5.125%	5.140%	10,000,000.00	9,997,000.00	10,068,750.00	SUNGARD	0.342
FHLB NOTES	3133XJTC2	02/23/07	02/02/09	5.125%	5.055%	10,000,000.00	10,012,400.00	10,068,750.00	SUNGARD	0.342
FHLB NOTES	3133XEN96	03/29/06	03/13/09	4.750%	5.093%	10,000,000.00	9,905,500.00	10,071,875.00	SUNGARD	0.449
FHLB NOTES	3133XEN96	04/26/06	03/13/09	4.750%	5.249%	10,000,000.00	9,866,600.00	10,071,875.00	SUNGARD	0.449
FHLB NOTES	3133XEN96	03/09/07	03/13/09	4.750%	4.809%	10,000,000.00	9,988,700.00	10,071,875.00	SUNGARD	0.449
FHLB NOTES	3133XFEQ5	03/19/07	03/13/09	5.250%	4.890%	15,000,000.00	15,100,650.00	15,140,625.00	SUNGARD	0.449
FHLB NOTES	3133M8JJ4	05/04/07	05/06/09	5.823%	4.969%	5,000,000.00	5,080,500.00	5,076,562.50	SUNGARD	0.586
FHLB NOTES	3133XFLG9	06/21/06	06/12/09	5.250%	5.491%	10,000,000.00	9,933,200.00	10,140,625.00	SUNGARD	0.687
FHLB NOTES	3133XFLG9	06/08/07	06/12/09	5.250%	5.286%	10,000,000.00	9,993,100.00	10,140,625.00	SUNGARD	0.687
FHLB NOTES	3133XFLG9	06/29/07	06/12/09	5.250%	5.226%	10,000,000.00	10,004,112.50	10,140,625.00	SUNGARD	0.687
FHLB NOTES	3133XGEG3	08/15/06	08/05/09	5.250%	5.265%	10,000,000.00	9,995,600.00	10,171,875.00	SUNGARD	0.834
FHLB NOTES	3133XLUM3	08/08/07	08/05/09	5.125%	4.944%	10,000,000.00	10,033,700.00	10,162,500.00	SUNGARD	0.835
FHLB NOTES	3133XLUM3	08/21/07	08/05/09	5.125%	4.672%	10,000,000.00	10,083,370.00	10,162,500.00	SUNGARD	0.835
FHLB NOTES	3133XGJ88	09/19/06	09/11/09	5.250%	5.124%	10,000,000.00	10,033,100.00	10,181,250.00	SUNGARD	0.934

COUNTY OF SACRAMENTO  
SHORT-TERM INVESTMENT PORTFOLIO  
POOLED FUNDS  
AS OF 9/30/08

DESCRIPTION	CUSIP	PURCHASE	MATURITY	INTEREST	TRADING	PAR VALUE	BOOK VALUE	MARKET VALUE	SOURCE	DURATION (YEARS)
		DATE	DATE	RATE	YIELD					
FHLB NOTES	3133XGJ88	09/07/07	09/11/09	5.250%	4.666%	10,000,000.00	10,110,800.00	10,181,250.00	SUNGARD	0.934
FHLB NOTES	3133MTRK6	11/14/07	11/13/09	4.000%	4.109%	5,000,000.00	4,989,650.00	5,043,750.00	SUNGARD	1.090
FHLB NOTES	3133XGYT5	12/27/06	12/11/09	5.000%	4.881%	10,000,000.00	10,032,100.00	10,209,375.00	SUNGARD	1.161
FHLB NOTES	3133XGYT5	12/06/07	12/11/09	5.000%	3.687%	10,000,000.00	10,252,500.00	10,209,375.00	SUNGARD	1.161
FHLB NOTES	3133XNTD1	01/25/08	01/08/10	3.750%	2.655%	10,000,000.00	10,206,700.00	10,065,625.00	SUNGARD	1.245
FHLB NOTES	3133MATQ2	02/08/08	02/12/10	7.375%	2.724%	10,000,000.00	10,904,170.00	10,081,250.00	SUNGARD	1.338
FHLB NOTES	3133MWBM2	02/28/07	02/12/10	3.875%	4.857%	10,000,000.00	9,732,500.00	10,540,625.00	SUNGARD	1.316
FHLB NOTES	3133MWBM2	02/20/08	02/12/10	3.875%	2.827%	10,000,000.00	10,200,200.00	10,081,250.00	SUNGARD	1.339
FHLB NOTES	3133XJUS5	03/23/07	03/12/10	5.000%	4.800%	10,000,000.00	10,053,400.00	10,240,625.00	SUNGARD	1.414
FHLB NOTES	3133XPNX8	03/12/08	03/12/10	2.625%	2.460%	10,000,000.00	10,031,700.00	9,909,375.00	SUNGARD	1.431
FHLB NOTES	3133XPY57	03/25/08	03/12/10	2.750%	2.563%	10,000,000.00	10,035,400.00	9,925,000.00	SUNGARD	1.430
FHLB NOTES	3133XBSM8	05/15/07	05/12/10	4.500%	4.936%	5,000,000.00	4,940,000.00	5,093,750.00	SUNGARD	1.551
FHLB NOTES	3133XRCX6	05/28/08	05/21/10	2.950%	3.062%	10,000,000.00	9,978,600.00	9,943,750.00	SUNGARD	1.599
FHLB NOTES	3313XBTH8	06/11/08	06/11/10	4.250%	3.624%	10,000,000.00	10,119,700.00	10,153,125.00	SUNGARD	1.636
FHLB NOTES	3133XBTH8	06/27/08	06/11/10	4.250%	3.416%	10,000,000.00	10,156,300.00	10,153,125.00	SUNGARD	1.636
FHLB NOTES	3133XCA86	06/08/07	06/22/10	4.550%	5.326%	5,000,000.00	4,892,350.00	5,103,125.00	SUNGARD	1.661
FHLB NOTES	3313XCA78	07/06/07	07/07/10	4.570%	5.319%	5,000,000.00	4,897,300.00	5,106,250.00	SUNGARD	1.703
FHLB NOTES	3133XCA78	07/31/07	07/07/10	4.570%	4.570%	5,000,000.00	4,938,650.00	5,106,250.00	SUNGARD	1.703
FHLB NOTES	3133XGLE2	09/14/07	09/10/10	5.125%	4.613%	10,000,000.00	10,141,300.00	10,334,375.00	SUNGARD	1.871
FHLB NOTES	3133XRT83	09/22/08	09/10/10	3.375%	3.063%	10,000,000.00	10,058,200.00	10,009,375.00	SUNGARD	1.880
FHLB NOTES	3133XQYX4	09/23/08	09/10/10	3.000%	3.234%	10,000,000.00	9,955,700.00	9,940,625.00	SUNGARD	1.900
FHLB NOTES	3133XDTA9	12/14/07	12/10/10	4.750%	3.872%	5,000,000.00	5,122,750.00	5,143,750.00	SUNGARD	2.082
FHLB NOTES	3133XENX3	03/12/08	03/11/11	4.875%	2.930%	10,000,000.00	10,554,200.00	10,328,125.00	SUNGARD	2.334
FHLB NOTES	3133XLHG9	06/11/08	06/10/11	5.375%	4.025%	5,000,000.00	5,188,800.00	5,234,375.00	SUNGARD	2.509
FHLB NOTES	3133XBYA7	06/27/08	06/10/11	4.250%	3.816%	5,000,000.00	5,059,950.00	5,090,625.00	SUNGARD	2.544
FHLB NOTES	3133XRY46	09/22/08	09/09/11	3.750%	3.523%	10,000,000.00	10,062,700.00	10,037,500.00	SUNGARD	2.785
FHLB NOTES	3133XRX88	09/23/08	09/06/13	4.000%	4.022%	5,000,000.00	4,995,000.00	4,956,250.00	SUNGARD	4.514
<b>TOTAL FEDERAL HOME LOAN BANKS</b>				4.616%	4.314%	425,000,000.00	427,380,752.50	429,995,312.50		1.113
							17.54%	17.58%		
FNMA NOTES	31359MK69	04/09/07	04/15/09	4.875%	4.862%	10,000,000.00	10,002,400.00	10,081,250.00	SUNGARD	0.530
FNMA NOTES	31398AFA5	07/31/07	07/13/09	5.125%	4.947%	15,000,000.00	15,048,600.00	15,215,625.00	SUNGARD	0.774
FNMA NOTES	3136F5HF1	09/21/07	09/29/09	5.125%	4.564%	10,000,000.00	10,107,100.00	10,175,000.00	SUNGARD	0.985
FNMA NOTES	3136F6LL1	11/14/07	11/09/09	4.000%	4.085%	5,000,000.00	4,991,940.00	5,037,500.00	SUNGARD	1.079
FNMA NOTES	31359MFG3	01/24/07	01/15/10	7.250%	5.063%	10,000,000.00	10,596,800.00	10,512,500.00	SUNGARD	1.241
FNMA NOTES	3136F6TK5	01/15/08	01/19/10	4.250%	3.073%	10,000,000.00	10,227,800.00	10,118,750.00	SUNGARD	1.272
FNMA NOTES	31398AMV1	04/03/08	04/09/10	2.500%	2.523%	10,000,000.00	9,995,500.00	9,903,125.00	SUNGARD	1.488
FNMA NOTES	3136F7GP6	08/08/07	08/02/10	4.750%	4.974%	5,000,000.00	4,969,250.00	5,134,375.00	SUNGARD	1.770
FNMA NOTES	31359MYN7	08/27/08	08/15/10	4.250%	3.181%	20,000,000.00	20,404,200.00	20,406,250.00	SUNGARD	1.814
FNMA NOTES	31359MGJ6	11/14/07	11/15/10	6.625%	4.159%	10,000,000.00	10,689,400.00	10,709,375.00	SUNGARD	1.975
FNMA NOTES	31359MM26	04/03/08	04/15/11	5.125%	2.940%	5,000,000.00	5,314,800.00	5,225,000.00	SUNGARD	2.367
FNMA NOTES	31359MM26	04/17/08	04/15/11	5.125%	3.039%	5,000,000.00	5,296,400.00	5,225,000.00	SUNGARD	2.366
FNMA NOTES	31359MJH7	05/14/08	05/15/11	6.000%	3.385%	10,000,000.00	10,740,700.00	10,675,000.00	SUNGARD	2.424
FNMA NOTES	31398AHZ8	11/28/07	11/19/12	4.750%	4.132%	5,000,000.00	5,137,600.00	5,170,312.50	SUNGARD	3.746
FNMA NOTES	31359MRG0	03/25/08	03/15/13	4.375%	3.485%	5,000,000.00	5,201,500.00	5,098,437.50	SUNGARD	4.100
FNMA NOTES	31359MSL8	07/21/08	07/17/13	4.375%	4.365%	5,000,000.00	5,002,200.00	5,073,437.50	SUNGARD	4.342
<b>TOTAL FEDERAL NATIONAL MORTGAGE ASSOCIATION NOTES</b>				4.953%	3.919%	140,000,000.00	143,726,190.00	143,760,937.50		1.763
							5.90%	5.88%		
FNMA DISCOUNT NOTE	313588J30	05/29/08	10/03/08	2.200%	2.217%	20,000,000.00	19,844,777.78	20,000,000.00	SUNGARD	0.008
FNMA DISCOUNT NOTE	313588J89	05/30/08	10/08/08	2.220%	2.238%	14,000,000.00	13,886,903.33	14,000,000.00	SUNGARD	0.022
FNMA DISCOUNT NOTE	313588L60	05/12/08	10/22/08	2.090%	2.110%	20,000,000.00	19,810,738.89	19,993,750.00	SUNGARD	0.060



COUNTY OF SACRAMENTO  
SHORT-TERM INVESTMENT PORTFOLIO  
POOLED FUNDS  
AS OF 9/30/08

<u>DESCRIPTION</u>	<u>CUSIP</u>	<u>PURCHASE DATE</u>	<u>MATURITY DATE</u>	<u>INTEREST RATE</u>	<u>TRADING YIELD</u>	<u>PAR VALUE</u>	<u>BOOK VALUE</u>	<u>MARKET VALUE</u>	<u>SOURCE</u>	<u>DURATION (YEARS)</u>
FNMA DISCOUNT NOTE	313588L86	05/30/08	10/24/08	2.230%	2.250%	34,000,000.00	33,690,401.67	33,989,375.00	SUNGARD	0.066
FNMA DISCOUNT NOTE	313588R72	07/15/08	12/02/08	2.450%	2.474%	18,000,000.00	17,828,500.00	17,921,250.00	SUNGARD	0.172
FNMA DISCOUNT NOTE	313588P80	07/03/08	12/03/08	2.440%	2.466%	18,000,000.00	17,813,340.00	17,921,250.00	SUNGARD	0.175
<b>TOTAL FNMA DISCOUNT NOTES</b>				2.264%	2.285%	124,000,000.00	122,874,661.67	123,825,625.00		0.082
							5.04%	5.06%		
FHLB DISCOUNT NOTE	313384K73	09/24/08	10/15/08	2.360%	2.363%	25,000,000.00	24,965,583.33	24,992,187.50	SUNGARD	0.041
FHLB DISCOUNT NOTE	313384K99	05/12/08	10/17/08	2.080%	2.099%	10,000,000.00	9,908,711.11	9,996,875.00	SUNGARD	0.047
FHLB DISCOUNT NOTE	313385AG1	09/26/08	01/07/09	3.310%	3.342%	24,000,000.00	23,772,713.33	23,812,500.00	SUNGARD	0.271
<b>TOTAL FHLB DISCOUNT NOTES</b>				2.698%	2.715%	59,000,000.00	58,647,007.77	58,801,562.50		0.135
							2.41%	2.40%		
FHLMC DISCOUNT NOTE	313396J61	05/30/08	10/06/08	2.220%	2.238%	17,000,000.00	16,864,765.00	17,000,000.00	SUNGARD	0.016
FHLMC DISCOUNT NOTE	313396K28	05/13/08	10/10/08	2.140%	2.159%	13,000,000.00	12,884,083.33	13,000,000.00	SUNGARD	0.027
FHLMC DISCOUNT NOTE	313396L43	05/27/08	10/20/08	2.180%	2.199%	30,000,000.00	29,734,766.67	29,990,625.00	SUNGARD	0.055
FHLMC DISCOUNT NOTE	313396R62	07/02/08	12/01/08	2.470%	2.496%	43,000,000.00	42,551,557.78	42,825,312.50	SUNGARD	0.170
FHLMC DISCOUNT NOTE	313396R62	07/09/08	12/01/08	2.400%	2.423%	11,000,000.00	10,893,666.67	10,955,312.50	SUNGARD	0.170
<b>TOTAL FHLMC DISCOUNT NOTES</b>				2.312%	2.334%	114,000,000.00	112,928,839.45	113,771,250.00		0.100
							4.63%	4.65%		
FHLMC NOTES	3128X4ST9	11/07/06	11/03/08	4.900%	5.053%	15,000,000.00	14,956,950.00	15,018,750.00	SUNGARD	0.093
FHLMC NOTES	3128X2ME2	01/26/06	01/12/09	3.875%	4.719%	10,000,000.00	9,769,100.00	10,015,625.00	SUNGARD	0.285
FHLMC NOTES	3128X2ME2	01/10/07	01/12/09	3.875%	4.976%	15,000,000.00	14,688,300.00	15,023,437.50	SUNGARD	0.285
FHLMC NOTES	3128X2ME2	01/16/07	01/12/09	3.875%	5.062%	10,000,000.00	9,778,000.00	10,015,625.00	SUNGARD	0.285
FHLMC NOTES	3137EAAA7	02/27/06	02/17/09	4.875%	4.931%	10,000,000.00	9,984,413.90	10,059,375.00	SUNGARD	0.383
FHLMC NOTES	3134A4UQ5	04/16/07	04/15/09	3.375%	4.986%	10,000,000.00	9,697,311.00	9,996,875.00	SUNGARD	0.533
FHLMC NOTES	3137EAAE9	05/31/06	05/21/09	5.250%	5.260%	10,000,000.00	9,997,200.00	10,115,625.00	SUNGARD	0.629
FHLMC NOTES	3137EAAE9	05/15/07	05/21/09	5.250%	4.957%	10,000,000.00	10,055,500.00	10,115,625.00	SUNGARD	0.629
FHLMC NOTES	3137EAAE9	05/18/07	05/21/09	5.250%	5.009%	10,000,000.00	10,045,500.00	10,115,625.00	SUNGARD	0.629
FHLMC NOTES	3137EABG3	04/17/08	04/30/10	2.875%	2.692%	10,000,000.00	10,035,300.00	9,937,500.00	SUNGARD	1.527
FHLMC NOTES	3137EABH1	05/14/08	05/28/10	2.375%	2.965%	10,000,000.00	9,883,400.00	9,875,000.00	SUNGARD	1.612
FHLMC NOTES	3128X4MP3	10/30/07	10/04/10	4.750%	4.320%	5,000,000.00	5,058,400.00	5,150,000.00	SUNGARD	1.898
FHLMC NOTES	3128X2EV3	12/06/07	12/08/10	4.750%	3.757%	5,000,000.00	5,139,850.00	5,150,000.00	SUNGARD	2.077
FHLMC NOTES	3137EAAF6	07/21/08	07/18/11	5.250%	3.830%	10,000,000.00	10,397,800.00	10,500,000.00	SUNGARD	2.619
FHLMC NOTES	3137EAAV1	09/14/07	08/20/12	5.500%	4.673%	2,500,000.00	2,589,575.00	2,648,437.50	SUNGARD	3.540
FHLMC NOTES	3137EAAV1	09/14/07	08/20/12	5.500%	4.673%	2,500,000.00	2,589,575.00	2,648,437.50	SUNGARD	3.540
FHLMC NOTES	3134A4SA3	01/25/08	01/15/13	4.500%	3.327%	5,000,000.00	5,266,700.00	5,118,750.00	SUNGARD	3.926
FHLMC NOTES	3137EABJ7	05/29/08	05/29/13	3.500%	3.884%	5,000,000.00	4,912,800.00	4,914,062.50	SUNGARD	4.168
<b>TOTAL FHLMC NOTES</b>				4.328%	4.474%	155,000,000.00	154,845,674.90	156,418,750.00		1.138
							6.36%	6.39%		
CP-ING US FUNDING	4497W0K15	05/06/08	10/01/08	2.700%	2.751%	26,000,000.00	25,709,262.22	26,000,000.00	SUNGARD	0.003
CP-HSBC USA	40427RK18	05/09/08	10/01/08	2.620%	2.648%	60,000,000.00	59,366,833.33	60,000,000.00	SUNGARD	0.003
CP-TOYOTA MOTOR CC	89233GK39	05/19/08	10/03/08	2.420%	5.442%	20,000,000.00	19,815,811.11	19,995,888.89	SUNGARD	0.008
CP-TOYOTA MOTOR CC	89233GK62	05/05/08	10/06/08	2.550%	2.578%	33,000,000.00	32,640,025.00	32,983,041.67	SUNGARD	0.016
CP-RABOBANK	74977KK73	09/25/08	10/07/08	2.320%	2.322%	17,000,000.00	16,986,853.33	16,989,516.67	SUNGARD	0.019
CP-ING US FUNDING	4497W0KX5	09/26/08	10/31/08	3.620%	3.633%	50,000,000.00	49,824,027.78	49,845,833.33	SUNGARD	0.085

COUNTY OF SACRAMENTO  
SHORT-TERM INVESTMENT PORTFOLIO  
POOLED FUNDS  
AS OF 9/30/08

<u>DESCRIPTION</u>	<u>CUSIP</u>	<u>PURCHASE DATE</u>	<u>MATURITY DATE</u>	<u>INTEREST RATE</u>	<u>TRADING YIELD</u>	<u>PAR VALUE</u>	<u>BOOK VALUE</u>	<u>MARKET VALUE</u>	<u>SOURCE</u>	<u>DURATION (YEARS)</u>
CP-TOYOTA MOTOR CC	89233GL38	06/05/08	11/03/08	2.530%	2.557%	16,000,000.00	15,830,208.89	15,945,733.33	SUNGARD	0.093
CP-GECC	36959HL47	06/05/08	11/04/08	2.570%	2.598%	25,000,000.00	24,728,722.22	24,912,638.89	SUNGARD	0.096
CP-GECC	36959HLA3	06/19/08	11/10/08	2.620%	2.648%	19,000,000.00	18,800,880.00	18,921,888.89	SUNGARD	0.112
CP-ING US FUNDING	4497W0LD8	06/20/08	11/13/08	2.925%	2.960%	6,000,000.00	5,928,825.00	5,973,483.33	SUNGARD	0.120
CP-GECC	36959HLD7	06/20/08	11/13/08	2.620%	2.648%	10,000,000.00	9,893,744.44	9,955,805.56	SUNGARD	0.120
CP-TOYOTA MOTOR CC	89233GLE4	07/01/08	11/14/08	2.610%	2.636%	5,000,000.00	4,950,700.00	4,977,388.89	SUNGARD	0.123
CP-GECC	36959HLH8	06/30/08	11/17/08	2.560%	2.586%	27,000,000.00	26,731,200.00	26,869,575.00	SUNGARD	0.131
CP-GECC	36959HLJ4	06/30/08	11/18/08	2.560%	2.586%	13,000,000.00	12,869,653.33	12,935,866.67	SUNGARD	0.134
CP-GECC	36959HLJ4	07/01/08	11/18/08	2.560%	2.586%	10,000,000.00	9,900,444.44	9,950,666.67	SUNGARD	0.134
CP-ING US FUNDING	4497W0LL0	06/27/08	11/20/08	2.890%	2.924%	13,000,000.00	12,847,632.78	12,933,194.44	SUNGARD	0.140
CP-HSBC USA	40427RM16	07/07/08	12/01/08	2.845%	2.878%	32,000,000.00	31,628,253.33	31,790,702.22	SUNGARD	0.170
CP-TOYOTA MOTOR CC	89233GM52	07/09/08	12/05/08	2.710%	2.741%	21,000,000.00	20,764,455.83	20,853,641.67	SUNGARD	0.181
CP-RABOBANK	74977KNP0	09/29/08	01/23/09	3.600%	3.642%	60,000,000.00	59,304,000.00	59,264,700.00	SUNGARD	0.315
CP-BNP PARIBAS	0556N0NP6	09/30/08	01/23/09	3.800%	3.847%	65,000,000.00	64,210,972.22	64,203,425.00	SUNGARD	0.315
<b>TOTAL COMMERCIAL PAPER</b>				<b>2.971%</b>	<b>3.115%</b>	<b>528,000,000.00</b>	<b>522,732,505.25</b>	<b>525,302,991.12</b>		<b>0.134</b>
							<b>21.45%</b>	<b>21.47%</b>		
CD-TORONTO DOM BANK	8911A3KC5	05/07/08	10/02/08	2.560%	2.560%	41,000,000.00	41,000,000.00	40,994,946.69	SUNGARD	0.005
CD-TORONTO DOM BANK	8911A3K66	05/13/08	10/08/08	2.500%	2.500%	20,000,000.00	20,000,000.00	19,989,895.13	SUNGARD	0.022
CD-RABOBANK	74977FC65	06/03/08	10/16/08	2.520%	2.520%	10,000,000.00	10,000,000.00	9,990,023.64	SUNGARD	0.044
CD-WELLS FARGO (CRA)	-	10/17/07	10/17/08	4.630%	4.630%	10,000,000.00	10,000,000.00	10,000,000.00	SUNGARD	0.047
CD-BNP PARIBAS	05566QQL4	06/02/08	10/17/08	2.700%	2.700%	25,000,000.00	25,000,000.00	24,975,586.69	SUNGARD	0.047
CD-RABOBANK	74977FC57	06/03/08	10/21/08	2.520%	2.520%	10,000,000.00	10,000,000.00	9,986,914.60	SUNGARD	0.057
CD-BNP PARIBAS	05566QQM2	06/02/08	10/23/08	2.700%	2.700%	20,000,000.00	20,000,000.00	19,973,596.95	SUNGARD	0.063
CD-WASHINGTON MUTUAL (CRA)	-	11/02/07	10/31/08	4.520%	4.520%	10,000,000.00	10,000,000.00	10,000,000.00	USERPR	0.085
CD-RBC	78009JGJ8	06/16/08	11/03/08	2.850%	2.850%	30,000,000.00	30,000,000.00	29,945,850.61	SUNGARD	0.093
CD-RABOBANK	74977FD64	06/17/08	11/03/08	2.700%	2.700%	13,000,000.00	13,000,000.00	12,974,731.66	SUNGARD	0.093
CD-US BANK	90333UN73	06/17/08	11/05/08	2.820%	2.820%	25,000,000.00	25,000,000.00	24,951,506.77	SUNGARD	0.099
CD-RBC	78009JGE9	06/13/08	11/06/08	2.850%	2.850%	28,000,000.00	28,000,000.00	27,944,990.61	SUNGARD	0.101
CD-US BANK	90333UN81	06/17/08	11/07/08	2.820%	2.820%	19,000,000.00	19,000,000.00	18,961,107.82	SUNGARD	0.104
CD-US BANK	90333UQ21	06/24/08	11/12/08	2.800%	2.800%	21,000,000.00	21,000,000.00	20,950,961.89	SUNGARD	0.118
CD-US BANK	90333UQ39	06/24/08	11/14/08	2.810%	2.810%	15,000,000.00	15,000,000.00	14,963,537.18	SUNGARD	0.123
CD-US BANK	90333UQ54	06/26/08	11/14/08	2.750%	2.750%	13,000,000.00	13,000,000.00	12,967,453.77	SUNGARD	0.123
CD-UNITED COM BK (CRA)	-	11/20/07	11/20/08	4.230%	4.230%	100,000.00	100,000.00	100,000.00	USERPR	0.139
CD-US BANK	90333US37	07/14/08	12/01/08	2.770%	2.770%	6,000,000.00	6,000,000.00	5,979,619.35	SUNGARD	0.170
CD-HSBC USA	40428AWX1	07/16/08	12/04/08	2.800%	2.800%	36,000,000.00	36,000,000.00	35,873,810.32	SUNGARD	0.178
CD-STOCKMANS BANK (CRA)	-	12/21/07	12/19/08	4.020%	4.100%	99,000.00	99,000.00	99,000.00	USERPR	0.219
CD-WELLS FARGO (170)	9497P6XC7	09/26/08	01/05/09	3.370%	3.370%	36,000,000.00	36,000,000.00	35,896,710.57	SUNGARD	0.253
CD-WELLS FARGO (170)	9497P6XD5	09/26/08	01/06/09	3.370%	3.370%	40,000,000.00	40,000,000.00	39,881,614.91	SUNGARD	0.262
CD-WELLS FARGO (170)	9497P6XE3	09/26/08	01/07/09	3.370%	3.370%	27,000,000.00	27,000,000.00	26,919,276.17	SUNGARD	0.265
CD-BANK OF AMERICA (CRA)	-	01/08/08	01/07/09	3.970%	3.970%	10,000,000.00	10,000,000.00	10,000,000.00	SUNGARD	0.268
CD-TORONTO DOM BANK	8911A3TT9	09/29/08	01/09/09	3.850%	3.850%	40,000,000.00	40,000,000.00	39,930,124.49	SUNGARD	0.273
CD-U.S. BANK (CRA)	-	02/29/08	02/27/09	2.380%	2.380%	10,000,000.00	10,000,000.00	10,000,000.00	SUNGARD	0.407
CD-FARMERS & MERCHANTS (CRA)	-	03/11/08	03/11/09	2.400%	2.400%	100,000.00	100,000.00	100,000.00	SUNGARD	0.445
CD-BANK OF WEST (CRA)	-	04/07/08	04/07/09	2.450%	2.450%	10,000,000.00	10,000,000.00	10,000,000.00	SUNGARD	0.517
CD-CITIBANK WEST (CRA)	-	04/23/08	04/23/09	2.800%	2.800%	10,000,000.00	10,000,000.00	10,000,000.00	SUNGARD	0.560
CD-CA BANK & TRUST (CRA)	-	06/17/08	06/17/09	2.080%	2.080%	2,500,000.00	2,500,000.00	2,500,000.00	SUNGARD	0.709
CD-COMERICA BANK (CRA)	-	08/26/08	08/26/09	3.050%	3.050%	5,000,000.00	5,000,000.00	5,000,000.00	SUNGARD	0.894
<b>TOTAL CERTIFICATE OF DEPOSITS</b>				<b>3.013%</b>	<b>3.013%</b>	<b>542,799,000.00</b>	<b>542,799,000.00</b>	<b>541,851,259.82</b>		<b>0.169</b>
							<b>22.28%</b>	<b>22.15%</b>		

COUNTY OF SACRAMENTO  
SHORT-TERM INVESTMENT PORTFOLIO  
POOLED FUNDS  
AS OF 9/30/08

<u>DESCRIPTION</u>	<u>CUSIP</u>	<u>PURCHASE DATE</u>	<u>MATURITY DATE</u>	<u>INTEREST RATE</u>	<u>TRADING YIELD</u>	<u>PAR VALUE</u>	<u>BOOK VALUE</u>	<u>MARKET VALUE</u>	<u>SOURCE</u>	<u>DURATION (YEARS)</u>
LAIF COUNTY POOLED	-	07/31/97	12/31/08	2.779%	2.779%	40,000,000.00	40,000,000.00	40,000,000.00	BOOK	0.252
MMF-FEDERATED		08/31/06	12/31/08	2.210%	2.210%	56,000,000.00	56,000,000.00	56,000,000.00	BOOK	0.249
MMF-FIDELITY	-	01/29/08	12/31/08	2.200%	2.200%	39,000,000.00	39,000,000.00	39,000,000.00	BOOK	0.249
COUNTY NOTE (SHRA)		08/15/08	06/30/11	3.420%	3.420%	2,900,000.00	2,900,000.00	2,900,000.00	BOOK	2.656
RIVER DELTA F.D. LOAN		06/27/08	06/27/13	4.080%	4.080%	500,000.00	500,000.00	500,000.00	BOOK	4.362
<b>TOTAL PASSBOOK ACCOUNTS</b>				2.404%	2.404%	138,400,000.00	138,400,000.00	138,400,000.00		0.315
							5.68%	5.66%		
<b>GRAND TOTAL</b>				3.474%	3.402%	2,438,424,380.82	2,436,556,752.06	2,446,145,256.76		.610
				=====	=====	=====	=====	=====		=====
				<u>3.300%</u>						

SOURCE OF DATA:  
SERIES 2 REPORT-INVENTORY REPORT (SIRPT)  
SERIES 2 REPORT-MARKET VALUE REPORT (RPTMKT)  
SERIES 2 REPORT-DURATION (WRRPT)  
SERIES 2 REPORT-PORTFOLIO STATISTICS (FS/ERNFS)