



# State of the Market

October 21<sup>st</sup>, 2008

**Chriss W. Street**  
**Treasurer-Tax Collector**

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# OVERVIEW



**SAFETY**  
**LIQUIDITY**  
**YIELD**

# SAFETY



## TOP THREE SECTOR HOLDINGS

**June 30, 2007**

**Financials 62%**

**Gov't Agencies 31%**

**Municipal Debt 3.5%**

**September 3, 2008**

**Gov't Agencies 71.5%**

**Financials 13.5%**

**Household  
Corporates 12.5%**

# SAFETY



## Government Agencies

- **Fannie Mae & Freddie Mac bonds are now explicitly supported by the Federal Government**
- **Over 70% of investments are Gov't Securities**
  - **A 40% increase since June, 2007**
- **Treasurer's Office locked in \$3 million in profit selling agency securities during September's flight to quality**

# SAFETY



## Structured Investment Vehicles

- **50% reduction in SIV holdings**
- **Whistlejacket**
  - Deloitte still managing as Receiver
  - Substantial cash distribution forthcoming
- **AAA Rating for remaining structured investment vehicles**

# SAFETY



## Pitfalls Avoided

**Did Not Own:**

- Lehman Brothers**
- Bear Stearns**
- American Int'l Group (AIG)**
- Wachovia**
- IndyMac**
- Washington Mutual**



# SAFETY



## Household Name Holdings

- **High Quality Corporate Bonds**
  - Wal-Mart
  - Coca Cola
  - Microsoft
  - 3M
  - ADP
  - Nestle
  - Johnson & Johnson

# LIQUIDITY



- **\$550 Million of portfolio in liquid investments**
  - **Defn: investment matures within three business days**
  
- **Cash on hand to assist County Department & Agencies as challenges arise**
  - **OCTA**



# YIELD



## Interest Earned

<b>September:</b>	<b>\$10,878,074</b>
<b>Quarter:</b>	<b>\$39,762,077</b>
<b>12 Months:</b>	<b>\$234,503,761</b>

# CONCLUSION



## Safety

- **Over 70% of holdings in Gov't Agencies**
- **Bulk of remaining investments in household names**

## Liquidity

- **\$550,000,000 or 10% of portfolio liquid**

## Yield

- **Over \$230,000,000 in interest earned for taxpayers in last twelve months**