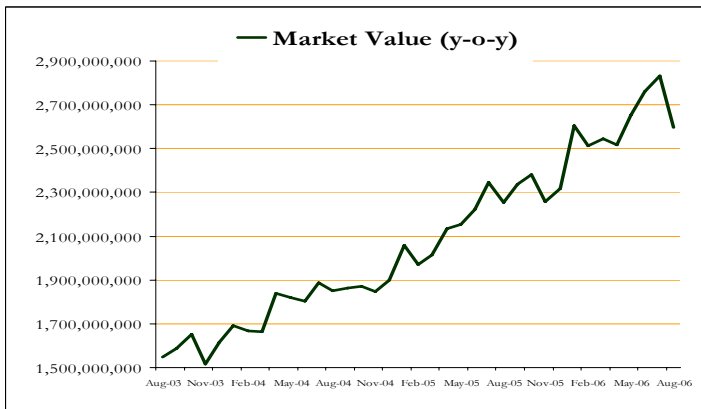


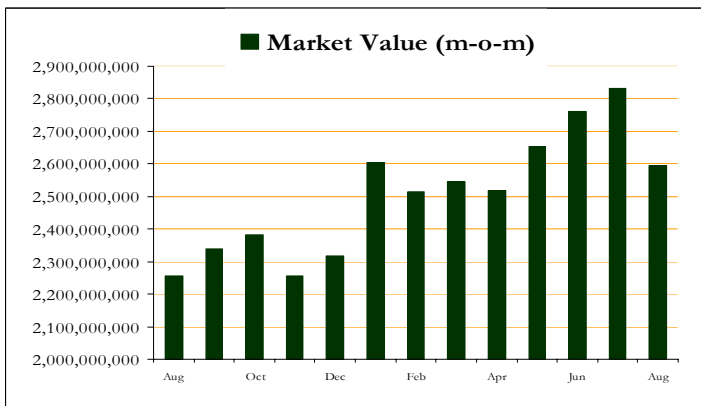
# EXECUTIVE SUMMARY

As of August 31, 2006.

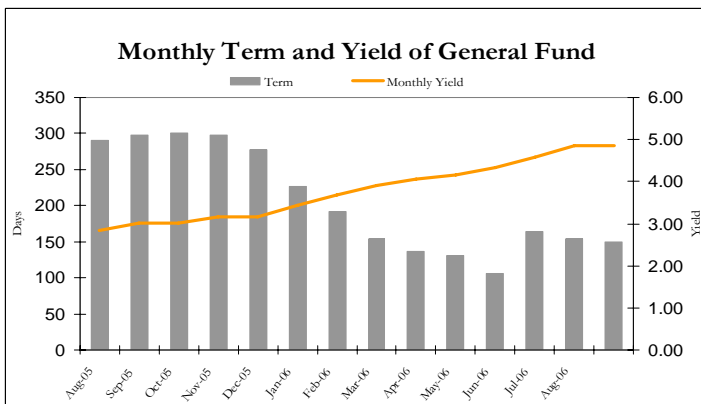
## GENERAL FUND INVESTMENT PORTFOLIO



- The market value of the General Fund Investment Portfolio on August 31, 2006, was \$2.59 billion, compared to \$2.25 billion at the same point last year and \$1.85 billion at the same point two years ago.



- The market value of the General Fund at month end was \$2.59 billion, a decrease of 8.4% from July's \$2.83 billion, and a decrease of 6.1% from June's \$2.76 billion.



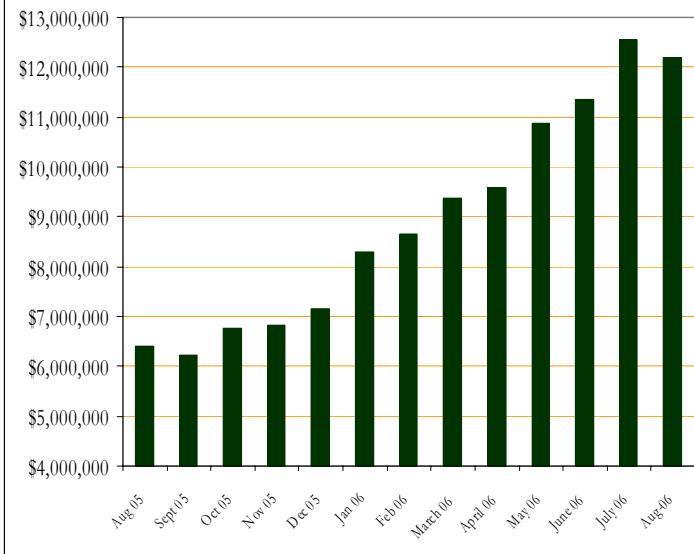
- The yield on the General Fund was 4.86% at month end, up from 4.84% in July. The average term of the portfolio decreased to 149 days in August, down from 155 days in July.

## General Fund Portfolio (including TRANS)

Asset Type	Yield	Market Value	% of Portfolio	Term (days)
Agencies	4.70%	\$ 1,978,565,822	66.2	223
Repurchase Pool	5.28%	\$ 642,716,692	21.5%	1
Commercial Paper	5.46%	\$ 122,885,796	4.1%	5
Certificates of Deposit	4.77%	\$ 245,850,000	8.2%	115
Corporate Bonds	4.43%	\$ 4,499,250	0.16%	15
<b>Total:</b>	<b>4.86%</b>	<b>\$ 2,995,017,560</b>	<b>100.0%</b>	<b>148</b>

- As of August 31<sup>st</sup> the dollar weighted asset mix of the General Fund comprised 66.2% in U.S. Agencies, 4.1% commercial paper, 21.5% in the overnight repurchase pool, 8.2% in certificates of deposit, and .16% in corporate bonds.
- There was no investment activity to report for the month of August.

## General Fund Total Earnings

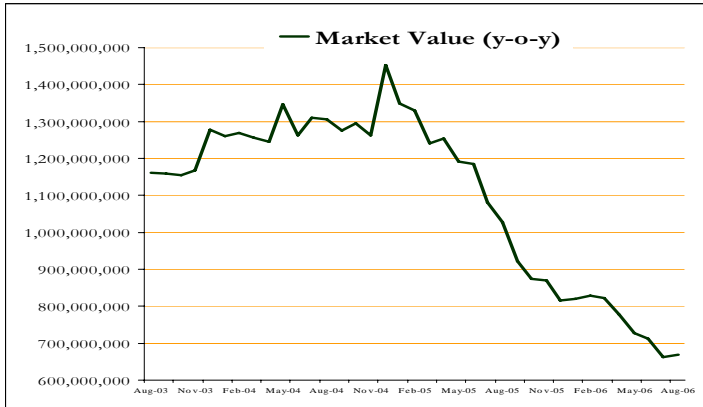


- The General Fund earnings for August were \$12.19 million, a decrease of 3% compared to July's earnings of \$12.57 million but an increase of 47.6% over August 2005 earnings of \$6.38 million.

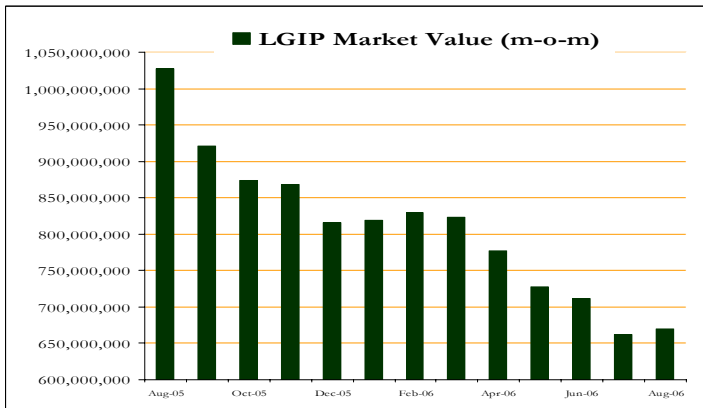
# EXECUTIVE SUMMARY

As of August 31, 2006.

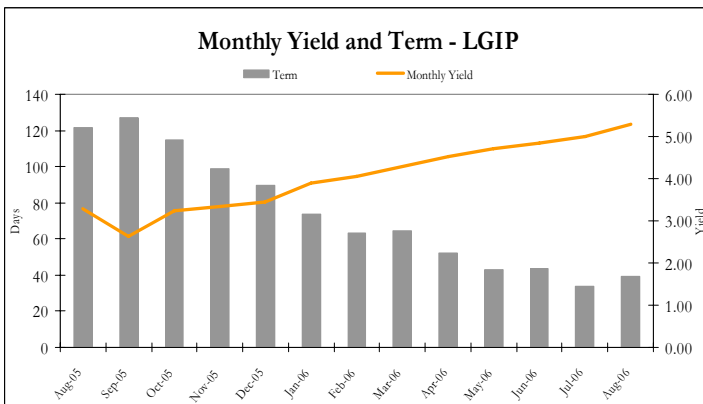
## LOCAL GOVERNMENT INVESTMENT POOL (LGIP)



- The market value of the LGIP portfolio as of August 31 was \$668.69 million, compared to a market value of \$1.027 billion at the same period in the prior fiscal year.



- The market value of the investment portfolio as of August 31, \$668.69 million, increased 1.0% over the \$662.3 million market value at July 31. The increase in pool balance can be attributed to participant response to promotion of the AAA rating and a much-improved, competitive yield.



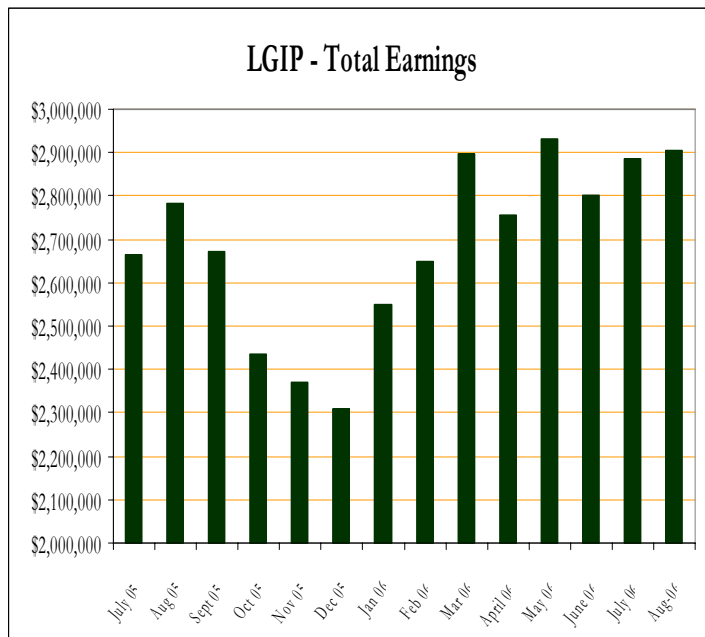
- The average yield of the LGIP Portfolio increased 28 basis points to 5.291% at August 31. The weighted average maturity at August 31 was 39 days, slightly up from July 31 weighted average maturity of 34 days, but still within the allowable limit of 50 days.

## Local Government Investment Portfolio

Asset Type	Yield	Market Value	% of Portfolio	Term (days)
Agencies	5.18%	\$ 276,759,633	41.31%	25.10
Commercial Paper	5.45%	\$ 221,039,517	32.90%	57.70
Money Market Funds	5.29%	\$ 157,450,000	23.53%	1.22
Certificates of Deposit	4.39%	\$ 11,500,000	1.72%	83.60
LGIP Bank Account	5.03%	\$ 3,259,068	0.49%	1.00
<b>Total:</b>	<b>5.29%</b>	<b>\$ 670,008,218</b>	<b>100.0%</b>	<b>39</b>

- August investment activity in the LGIP Portfolio included the purchase of \$ 132.9 million in A-1+ commercial paper with an average yield of 5.436% and average term of 84 days. In addition, \$81.73 million in agency discount notes was purchased with an average yield of 5.345% and average term of 60 days.

## LGIP - Total Earnings

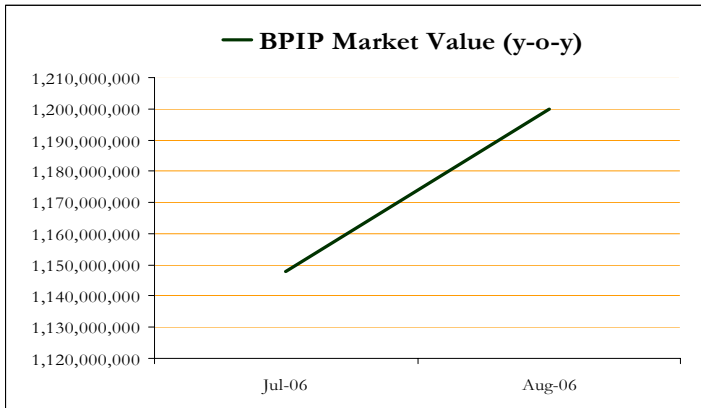


- Total LGIP earnings for August were \$ 2.90 million a slight increase over July earnings of \$ 2.88 million. Fiscal year-to-date earnings for the LGIP totaled \$5.78 million compared to \$2.22 million for the same period last fiscal year.

# EXECUTIVE SUMMARY

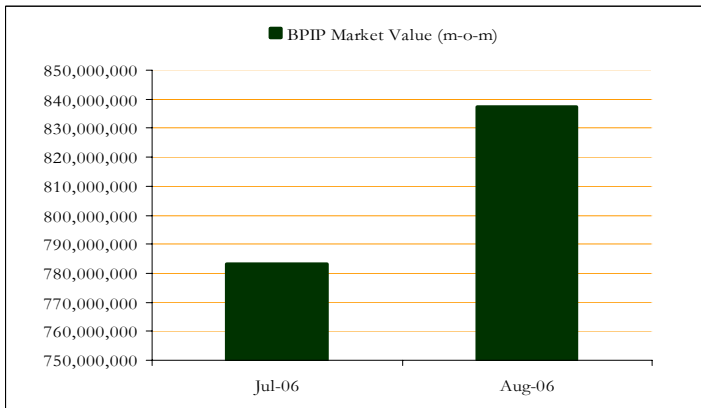
As of August 31, 2006.

## BOND PROCEED INVESTMENT POOL (BPIP)

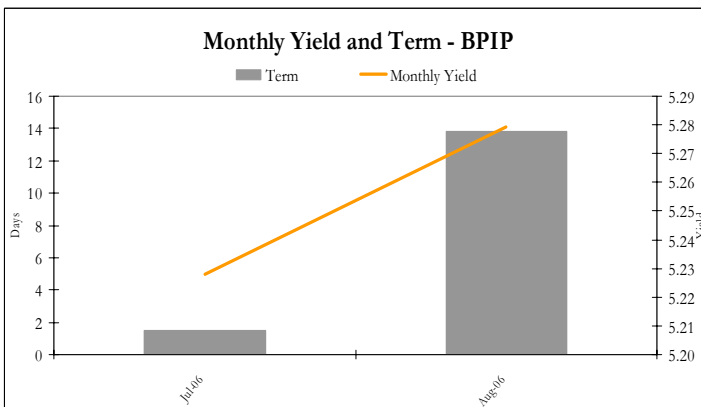


- The market value of the Bond Proceeds Invest Pool (BPIP) on August 31, 2006 was \$1.2 billion, which includes \$362 million in bond proceeds held pursuant to flexible repurchase agreements.

Please note, however, that all statistics reported hereafter exclude flex account statistics (i.e., BPIP ex. Flex) unless otherwise noted.



- The market value of the BPIP at month end was \$837million (ex. Flex), an increase of 6.9% over July's \$783 million, a change primarily due to a \$62 million inflow of severance tax bonding money to pay for upcoming debt service.



- The yield on the BPIP was 5.28% at month end, up from 5.23% in July. The average term of the portfolio increased to 14 days in August, up from 1.5 days in July.

### BPIP Portfolio (including Flex)

Asset Type	Yield	Market Value	% of Portfolio	Term (days)
Agencies	5.27%	\$ 91,264,220	8%	87
Commercial Paper	5.38%	\$ 23,863,080	2%	40
Flex Repurchase Agreements	3.15%	\$ 362,643,300	30%	215
Repurchase Pool	5.28%	\$ 712,522,393	59%	1
US Treasuries	5.12%	\$ 9,765,600	1%	171
<b>Total:</b>	<b>5.27%</b>	<b>\$ 1,200,058,593</b>	<b>100%</b>	<b>13</b>

- As of August 31<sup>st</sup> the dollar weighted asset mix of the BPIP (including Flex) was comprised of 8% U.S. Agencies, 1% U.S. Treasuries, 2% commercial paper, and 59% in the overnight repurchase pool; and 30% in Flex repurchase agreements.

- In August, investment activity included the purchase of \$9.76 million in U.S. Treasuries, \$92.2 million in U.S. Agencies, and \$23.8 million in commercial paper.

### General Fund Total Earnings



- The BPIP earnings for August were \$3.52 million, a decrease of .2% compared to July's earnings of \$3.53 million.