## ORANGE COUNTY TREASURER-TAX COLLECTOR INVESTMENT POLICY COMPLIANCE December 31, 2008

Investment Policy Guidelines		Orange Coun	ty Pool	Orange County Educational Pool - MMF		John Wayne Airport Investment Pool	
Percent of Portfolio	Investment Type	Market Value of	Percent of	Market Value of	Percent of	Market Value of	Percent of
(See Notes)		Investments	Portfolio	Investments	Portfolio	Investments	Portfolio
100%	U.S. Treasuries	\$ 10,104,690	0.21%	\$ -	-	\$ -	-
40%	Bankers' Acceptances	-	-	-	-	-	-
30%	Negotiable Certificates of Deposit	240,018,200	4.94%	174,974,450	8.13%	4,000,200	6.88%
45%	Commercial Paper	636,891,350	13.09%	364,849,155	16.95%	10,191,922	17.52%
100%	U.S. Government Agencies	2,626,910,467	54.01%	1,117,824,373	51.92%	35,134,133	60.39%
20%	Money Market Funds	417,014,003	8.57%	370,928,111	17.23%	6,857,463	11.79%
30%	Medium-Term Notes	776,234,582	15.96%	105,003,840	4.88%	1,999,382	3.44%
50%	Repurchase Agreements	-	-	-	0.00%	-	-
10%	Municipal Debt	156,398,759	3.22%	19,247,803	0.89%	-	-
10%	Receivable-Backed Securities	-	-	-	-	-	-
		\$ 4,863,572,050	100.00%	\$ 2,152,827,732	100.00%	\$ 58,183,101	100.00%

Compliance Category (Yes/No)	Money Market Fund	Extended Fund	Orange County Educational Investment Pool - MMF		John Wayne Airport Investment Pool	
Percentage Limits	Yes		Yes		Yes	
Maturity Limits	Yes	Yes	Yes		Yes	
Quality Limits	Yes		Yes		Yes	
Net Asset Value Limits	Yes		Yes		Yes	

- Notes: (1) The Money Market Fund (MMF) is authorized to purchase an additional 5-percent of its total assets in any authorized investment type, except commercial paper, for a period not to exceed 30 business days.
  - (2) Commercial paper holdings in the Money Market Fund may increase up to 50 percent of the total assets if the portfolio's month-end weighted average credit rating (WACR) remains at AA- or higher.
  - (3) The Money Market Fund (MMF) is authorized to purchase up to 12.5 percent of its total assets in any authorized issuer for a period not to exceed 3 business days.
  - (4) The Orange County Pool includes the Money Market Fund, Extended Fund and OC Extended Fund B

## Noncompliance Report Summary For the Month Ended December 31, 2008

During December The County, Educational, John Wayne Airport, and Children and Families Commission Investment pools were all free of noncompliance incidents. Although certain Investment Policy Statement (IPS) guidelines were temporarily exceeded during the month in the Educational Pool, the Treasurer believes they did not cause any material impact of a negative nature.

## **County Investment Pool**

The Orange County Investment Pool is authorized to purchase up to 12.5% of its total market value in the securities of a single issuer for a period not to exceed 3 business days. During December, as discussed below, the money market fund within the Orange County Investment Pool invested under this provision.

12-31 A purchase in the Orange County Investment Pool on December 30, 2008 increased the holdings of money market funds to 5.14% of the market value of the portfolio. However, a portion of money market funds were subsequently sold on January 02, 2009 which brought the total money market fund holdings back within the 5% limitation.