*RA10

CITY OF MILPITAS
INVESTMENT PORTFOLIO STATUS

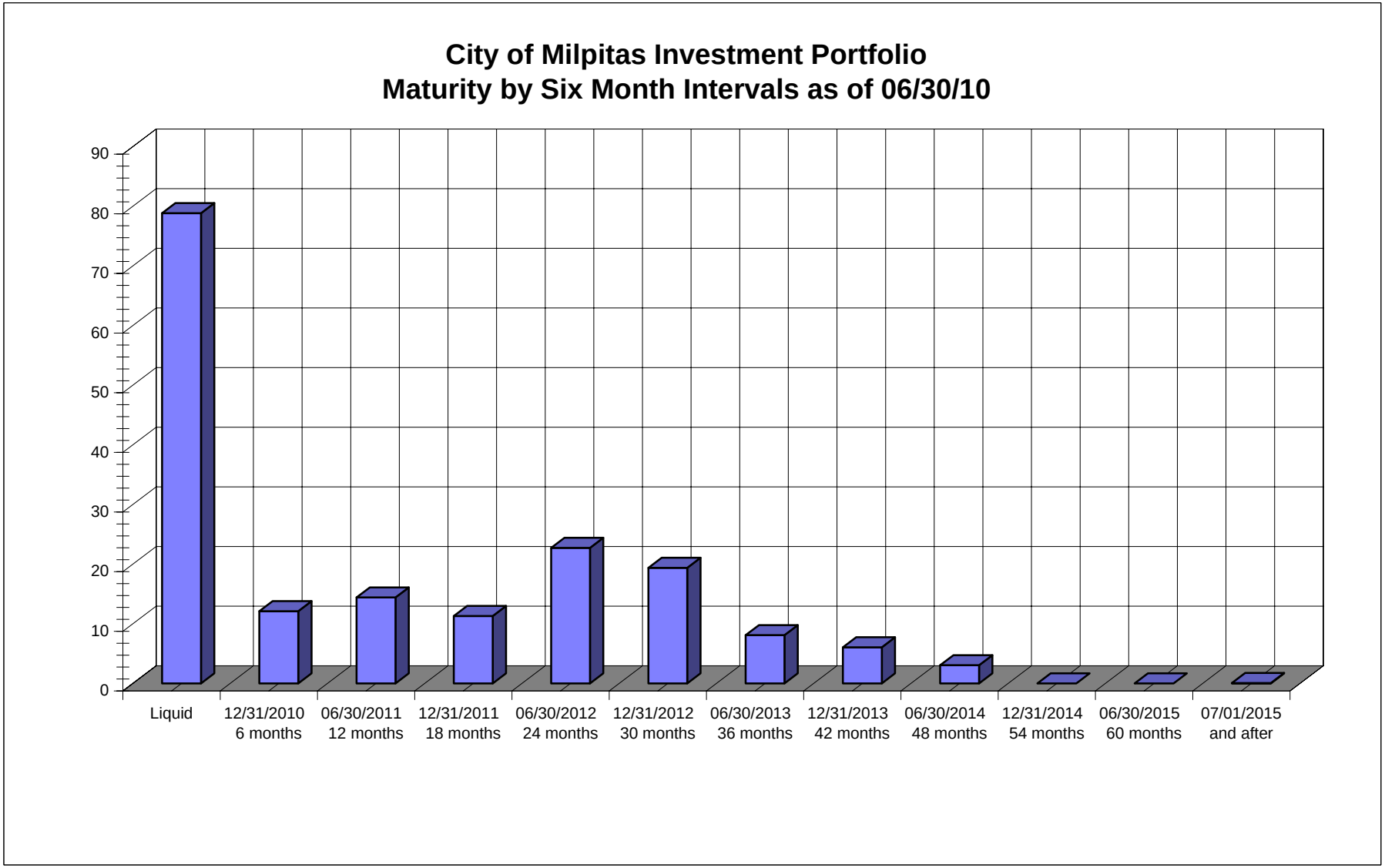
PERCENT OF TOTAL DOLLARS INVESTED AT QUARTER ENDED

TYPE OF SECURITY	Jun-10	Mar-10	Dec-09	Sep-09
LAIF & Money Market	45	44	47	48
Corporate Medium Term Notes	4	4	5	6
Treasury Notes / Bills	6	5	4	4
Federal Agency	45	47	44	42
	100	100	100	100

	Jun-10	Mar-10	Dec-09	Sep-09
Market Value	176,012,200	171,464,282	168,831,383	174,689,747
Cost	173,612,945	169,361,443	166,408,431	171,691,153
Days				
Weighted Average Maturity (1)	355	366	355	375
Rates				
Average Yield	1.84%	1.89%	2.15%	2.21%
Benchmarks:				
LAIF	0.27%	0.29%	0.31%	0.50%
2 Year Treasury - (12 Month Average)	0.89%	0.95%	0.95%	1.01%

(1) Excludes GNMA & Bond Proceeds

Exhibit 2



Copy of Maturity by Six Month Intervals (3) As of 06-30-10

City of Milpitas Investment Portfolio Yields Compared to Benchmarks for the Quarters Ended 09/30/07 – 06/30/10

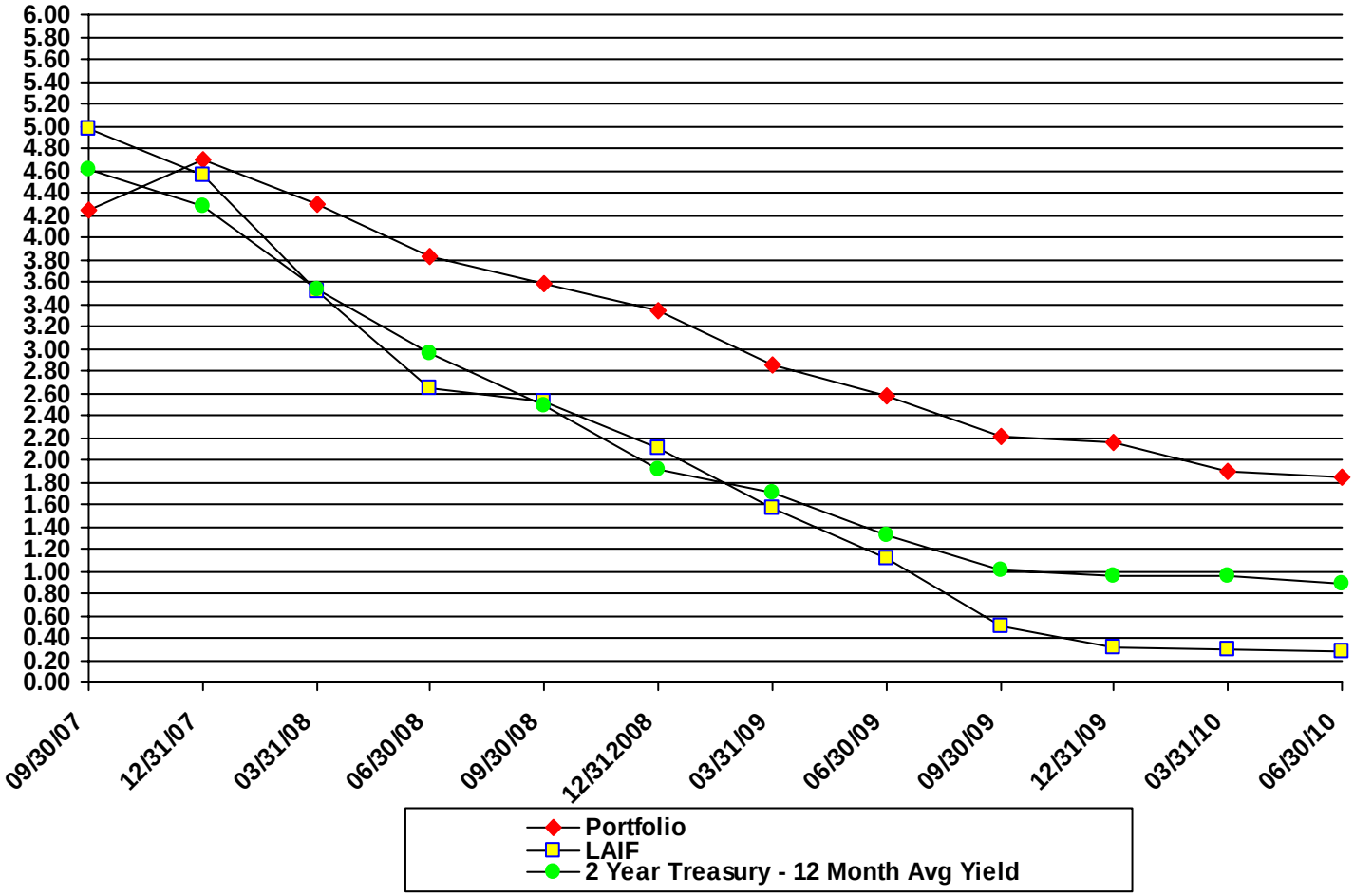


Exhibit 3

City of Milpitas
Portfolio Management
Portfolio Summary
June 30, 2010

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
LAIF	78,262,499.58	78,391,145.60	78,262,499.58	45.06	1	1	0.266	0.270
Money Market Funds	250,002.92	250,002.92	250,002.92	0.14	1	1	0.000	0.000
Corporate Notes	7,000,000.00	7,097,840.00	7,012,086.29	4.04	1,336	139	4.548	4.612
Federal Agency	77,000,000.00	78,755,640.00	77,072,269.30	44.39	1,140	635	2.566	2.601
Treasury Coupon Securities	11,000,000.00	11,463,510.00	10,967,568.83	6.32	1,291	697	2.917	2.958
GNMA	48,517.93	54,061.68	48,517.93	0.03	7,186	2,438	8.174	8.287
Investments	**173,561,020.43**	**176,012,200.20**	**173,612,944.85**	**100.00%**	**644**	**333**	**1.629**	**1.652**
Cash								
Passbook/Checking (not included in yield calculations)	3,529,198.21	3,501,452.32	3,529,198.21		1	1	0.030	0.030
Total Cash and Investments	**177,090,218.64**	**179,541,398.41**	**177,142,143.06**		**644**	**333**	**1.629**	**1.652**

Total Earnings	June 30 Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	266,853.14	3,724,713.37	3,724,713.37
Average Daily Balance	**176,453,416.10**	**178,734,095.73**	
Effective Rate of Return	**1.84%**	**2.08%**	

To the best of my knowledge, this report accurately reflects all City and RDA pooled investments and is in conformity with all State laws and the City's investment policy. A copy of the policy is available at the office of the City Clerk. This investment program herein shown provides sufficient cash flow liquidity to meet next six months' estimated expenditures.

Em C. Karl 7/22/10

Emma C. Karlen, Director of Finance

City of Milpitas
Portfolio Management
Portfolio Details - Investments
June 30, 2010

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
LAIF												
SYS82000010	82000010	Local Agency Invest. Fd - City			24,200,000.00	24,239,779.38	24,200,000.00	0.270		0.270	1	
SYS97090401	97090401	Local Agency Invest. Fd - MPFA			17,000,000.00	17,027,944.19	17,000,000.00	0.270		0.270	1	
SYS07111602	07111602	Local Agency Invest. Fd - RDA			11,062,499.58	11,080,683.85	11,062,499.58	0.270		0.270	1	
SYS82000900	82000900	Local Agency Invest. Fd - RDA			26,000,000.00	26,042,738.18	26,000,000.00	0.270		0.270	1	
		Subtotal and Average	**75,900,932.91**		**78,262,499.58**	**78,391,145.60**	**78,262,499.58**			**0.270**	**1**	
Money Market Funds												
SYS98122102	98122102	Dreyfus Treasury & Agency Fund			250,002.92	250,002.92	250,002.92		AAA	0.000	1	
		Subtotal and Average	**3,835,508.84**		**250,002.92**	**250,002.92**	**250,002.92**			**0.000**	**1**	
Corporate Notes												
931142BZ5	07012302	Walmart Stores		01/23/2007	1,000,000.00	1,000,000.00	1,000,000.00	4.125	AA	5.100	0	07/01/2010
931142CA9	06041101	Walmart Stores		04/11/2006	1,000,000.00	1,004,710.00	999,482.07	4.750	AA	5.227	45	08/15/2010
36962GS62	06031401	General Electric Capital Corp		03/14/2008	1,000,000.00	1,011,690.00	1,005,004.59	4.875	AA+	3.155	112	10/21/2010
060505BF0	06100201	Bank of America Corp		10/02/2006	1,000,000.00	1,013,300.00	997,559.10	4.375	A	5.030	153	12/01/2010
892332AM9	07041801	Toyota Motor Credit		04/18/2007	1,000,000.00	1,014,180.00	997,194.44	4.350	AA	5.030	167	12/15/2010
949746NB3	06092802	Wells Fargo Financial		09/28/2006	1,000,000.00	1,020,540.00	999,354.26	4.875	AA-	5.010	195	01/12/2011
36962GW59	08031402	General Electric Capital Corp		03/14/2008	1,000,000.00	1,033,420.00	1,013,491.83	5.500	AA+	3.750	301	04/28/2011
		Subtotal and Average	**7,012,344.57**		**7,000,000.00**	**7,097,840.00**	**7,012,086.29**			**4.612**	**139**	
Federal Agency												
3133X08Q7	08022101	Federal Home Loan Bank		02/21/2008	2,000,000.00	2,009,380.00	2,002,509.64	4.125	AAA	3.001	43	08/13/2010
3133XRWL0	08072801	Federal Home Loan Bank		07/28/2008	3,000,000.00	3,011,250.00	2,999,957.14	3.375	AAA	3.387	43	08/13/2010
3133XQYX4	08042401	Federal Home Loan Bank		04/24/2008	2,000,000.00	2,010,620.00	1,999,959.70	3.000	AAA	3.012	71	09/10/2010
31331YNJ5	08013102	Federal Farm Credit Bank		01/31/2008	2,000,000.00	2,034,380.00	2,005,221.33	3.500	AAA	2.998	201	01/18/2011
31331XNE8	07020101	Federal Farm Credit Bank		02/01/2007	3,000,000.00	3,081,570.00	3,000,000.00	5.050	AAA	5.050	215	02/01/2011
3133XEMR7	08013101	Federal Home Loan Bank		01/31/2008	2,000,000.00	2,051,880.00	2,020,780.78	4.850	AAA	3.000	218	02/04/2011
31331YQ45	08051901	Federal Farm Credit Bank		05/19/2008	3,000,000.00	3,071,250.00	3,000,000.00	3.150	AAA	3.150	322	05/19/2011
31331XA36	07052501	Federal Farm Credit Bank		05/25/2007	2,000,000.00	2,082,500.00	2,000,162.00	5.050	AAA	5.040	328	05/25/2011
31331Y3N8	08071501	Federal Farm Credit Bank		07/15/2008	2,000,000.00	2,065,000.00	2,000,000.00	3.625	AAA	3.625	379	07/15/2011
3133XT3T1	09021101	Federal Home Loan Bank		02/11/2009	3,000,000.00	3,045,930.00	3,000,000.00	2.050	AAA	2.050	406	08/11/2011
31331GDC0	08101401	Federal Farm Credit Bank		10/14/2008	2,000,000.00	2,078,760.00	2,000,000.00	3.600	AAA	3.600	470	10/14/2011
31331YER7	07112101	Federal Farm Credit Bank		11/21/2007	2,000,000.00	2,104,380.00	2,000,000.00	4.350	AAA	4.350	508	11/21/2011
3133XSTE8	09010901	Federal Home Loan Bank		01/09/2009	2,000,000.00	2,041,880.00	2,000,000.00	2.000	AAA	2.000	557	01/09/2012
31331XMN9	07020501	Federal Farm Credit Bank		02/05/2007	2,000,000.00	2,137,500.00	1,997,258.89	5.040	AAA	5.140	572	01/24/2012
3133XSZK7	09020601	Federal Home Loan Bank		02/06/2009	3,000,000.00	3,072,180.00	3,000,000.00	2.150	AAA	2.150	585	02/06/2012

City of Milpitas
Portfolio Management
Portfolio Details - Investments
June 30, 2010

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Federal Agency												
3133XX4L8	10022201	Federal Home Loan Bank		02/22/2010	2,000,000.00	2,011,260.00	2,000,000.00	1.000	AAA	1.000	601	02/22/2012
3133XVWF4	09121501	Federal Home Loan Bank		12/15/2009	2,000,000.00	2,013,120.00	2,000,000.00	1.050	AAA	1.050	623	03/15/2012
31331YC24	08040901	Federal Farm Credit Bank		04/09/2008	2,000,000.00	2,090,620.00	2,000,000.00	3.250	AAA	3.250	648	04/09/2012
3133XTQH2	09052201	Federal Home Loan Bank		05/22/2009	2,000,000.00	2,040,000.00	2,000,000.00	1.800	AAA	1.800	691	05/22/2012
31331YU40	08060401	Federal Farm Credit Bank		06/04/2008	2,000,000.00	2,120,000.00	1,999,759.38	3.875	AAA	3.882	704	06/04/2012
3133XXTU1	10041201	Federal Home Loan Bank		04/12/2010	2,000,000.00	2,019,380.00	2,000,000.00	1.260	AAA	1.260	742	07/12/2012
3133XXP68	10032201	Federal Home Loan Bank		03/22/2010	2,000,000.00	2,018,760.00	2,000,000.00	1.250	AAA	1.250	757	07/27/2012
3133XT3A2	09021001	Federal Home Loan Bank		02/10/2009	3,000,000.00	3,105,000.00	3,000,000.00	2.500	AAA	2.500	771	08/10/2012
3133XWSR1	10021001	Federal Home Loan Bank		02/10/2010	3,000,000.00	3,015,930.00	3,000,000.00	1.360	AAA	1.360	771	08/10/2012
3133XT4J2	09021301	Federal Home Loan Bank		02/13/2009	3,000,000.00	3,102,180.00	3,000,000.00	2.450	AAA	2.450	774	08/13/2012
3133XYTY1	10061801	Federal Home Loan Bank		06/18/2010	2,000,000.00	2,011,880.00	2,000,000.00	1.150	AAA	1.150	844	10/22/2012
3133XYFC4	10051001	Federal Home Loan Bank		05/10/2010	2,000,000.00	2,023,120.00	2,000,000.00	1.375	AAA	1.375	851	10/29/2012
31331GG37	09080401	Federal Farm Credit Bank		08/04/2009	2,000,000.00	2,055,620.00	2,000,000.00	2.150	AAA	2.150	949	02/04/2013
3133XVER8	09102601	Federal Home Loan Bank		10/26/2009	2,000,000.00	2,035,000.00	2,000,000.00	2.050	AAA	2.050	1,030	04/26/2013
3133XYHD0	10050701	Federal Home Loan Bank		05/07/2010	2,000,000.00	2,024,380.00	1,998,153.79	1.625	AAA	1.657	1,079	06/14/2013
3136FJ4X6	10021601	Federal Nat'l. Mortgage Assoc		02/16/2010	2,000,000.00	2,018,120.00	2,000,000.00	2.125	AAA	2.125	1,142	08/16/2013
3133XXKD8	10033001	Federal Home Loan Bank		03/30/2010	2,000,000.00	2,023,760.00	2,000,000.00	2.000	AAA	2.000	1,187	09/30/2013
3133XYDB8	10052001	Federal Home Loan Bank		05/20/2010	2,000,000.00	2,030,620.00	2,000,000.00	2.140	AAA	2.140	1,238	11/20/2013
3133XWE70	10060101A	Federal Home Loan Bank		06/01/2010	1,600,000.00	1,652,496.00	1,625,870.21	2.500	AAA	2.071	1,443	06/13/2014
3133XWE70	10060101B	Federal Home Loan Bank		06/01/2010	1,400,000.00	1,445,934.00	1,422,636.44	2.500	AAA	2.071	1,443	06/13/2014
		Subtotal and Average	**78,688,973.07**		**77,000,000.00**	**78,755,640.00**	**77,072,269.30**			**2.601**	**635**	
Treasury Coupon Securities												
912828LG3	09073101	United States Treasury Note		07/31/2009	2,000,000.00	2,012,500.00	1,998,611.66	1.000	AAA	1.065	395	07/31/2011
912828NB2	10043001	United States Treasury Note		04/30/2010	2,000,000.00	2,015,000.00	1,996,389.05	1.000	AAA	1.100	669	04/30/2012
912828GU8	07061101	United States Treasury Note		06/11/2007	3,000,000.00	3,238,350.00	2,983,829.07	4.750	AAA	5.071	700	05/31/2012
912828GW4	07070201	United States Treasury Note		07/02/2007	2,000,000.00	2,171,720.00	1,995,500.00	4.875	AAA	5.004	730	06/30/2012
912828MT4	10031501	United States Treasury Note		03/15/2010	2,000,000.00	2,025,940.00	1,993,239.05	1.375	AAA	1.503	988	03/15/2013
		Subtotal and Average	**10,966,916.02**		**11,000,000.00**	**11,463,510.00**	**10,967,568.83**			**2.958**	**697**	
GNMA												
36216NNL3	88021601A	GNMA		07/01/1997	3,975.83	4,438.58	3,975.83	9.500	AAA	9.615	2,298	10/15/2016
36217ENG3	87052601C	GNMA		07/01/1997	8,094.52	8,881.63	8,094.52	8.500	AAA	8.588	2,359	12/15/2016
36217KGX0	87052601D	GNMA		07/01/1997	0.00	0.00	0.00	8.500	AAA	8.588	0	02/15/2017
362174T46	87042001C	GNMA		07/01/1997	10,834.64	12,111.07	10,834.64	8.000	AAA	8.075	2,449	03/15/2017
36217FKE8	87042001A	GNMA		07/01/1997	25,612.94	28,630.40	25,612.94	8.000	AAA	8.076	2,480	04/15/2017

City of Milpitas
Portfolio Management
Portfolio Details - Investments
June 30, 2010

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity
		Subtotal and Average	48,740.69		48,517.93	54,061.68	48,517.93			8.287	2,438
		Total and Average	176,453,416.10		173,561,020.43	176,012,200.20	173,612,944.85			1.652	333

City of Milpitas
Portfolio Management
Portfolio Details - Cash
June 30, 2010

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity
Money Market Funds											
SYS1000	1000	Cash in Bank			668,797.00	668,797.00	668,797.00	0.160		0.160	1
SYS1030	1030	Cash with Fiscal Agent			2,860,401.21	2,832,655.32	2,860,401.21			0.000	1
		Average Balance	**0.00**								**1**
		Total Cash and Investments	**176,453,416.10**		**177,090,218.64**	**179,541,398.41**	**177,142,143.06**			**1.652**	**333**

City of Milpitas
Portfolio Management
Activity By Type
June 1, 2010 through June 30, 2010

CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
LAIF (Monthly Summary)							
SYS82000010	82000010	Local Agency Invest. Fd - City	0.270		5,700,000.00	300,000.00	
SYS07111602	07111602	Local Agency Invest. Fd - RDA	0.270		0.00	681,000.00	
SYS62000900	82000900	Local Agency Invest. Fd - RDA	0.270		0.00	3,000,000.00	
		Subtotal			**5,700,000.00**	**3,981,000.00**	**78,262,499.58**
Money Market Funds (Monthly Summary)							
SYS1000	1000	Cash in Bank	0.160		668,797.00	727,047.00	
SYS98122102	98122102	Dreyfus Treasury & Agency Fund			0.64	250,000.00	
SYS1030	1030	Cash with Fiscal Agent			2,860,401.21	2,860,401.21	
		Subtotal			**3,529,198.85**	**3,837,448.21**	**250,002.92**
Corporate Notes							
		Subtotal					**7,012,086.29**
Federal Agency							
31331XH39	07062801	Federal Farm Credit Bank	5.250	06/28/2010	0.00	2,000,000.00	
3133XLAS2	07061501	Federal Home Loan Bank	5.420	06/15/2010	0.00	2,000,000.00	
3133XTRL2	09060101A	Federal Home Loan Bank	0.520	06/01/2010	0.00	1,620,000.00	
3133XTRL2	09060101B	Federal Home Loan Bank	0.520	06/01/2010	0.00	1,380,000.00	
3133XWE70	10060101A	Federal Home Loan Bank	2.500	06/01/2010	1,626,416.00	0.00	
3133XWE70	10060101B	Federal Home Loan Bank	2.500	06/01/2010	1,423,114.00	0.00	
3133XYTY1	10061801	Federal Home Loan Bank	1.150	06/18/2010	2,000,000.00	0.00	
		Subtotal			**5,049,530.00**	**7,000,000.00**	**77,072,269.30**
Treasury Coupon Securities							
		Subtotal					**10,967,568.83**
GNMA							
36217FKE8	87042001A	GNMA	8.000	06/15/2010	0.00	248.26	
362174T46	87042001C	GNMA	8.000	06/15/2010	0.00	103.93	
36217ENG3	87052601C	GNMA	8.500	06/15/2010	0.00	84.60	
36216NNL3	88021601A	GNMA	9.500	06/15/2010	0.00	40.55	
		Subtotal			**0.00**	**477.34**	**48,517.93**
		Total			**14,278,728.85**	**14,818,925.55**	**173,612,944.85**

City of Milpitas

Investment Broker Dealer List

Morgan Stanley Smith Barney - formerly

Citigroup Global Markets Inc. (Smith Barney)

Morgan Stanley Dean Witter

Mischler Financial Group, Inc.

Vining Sparks IBG, L.P.

Dreyfus Institutional Services

State of California Local Agency Investment Fund