OFFICE OF THE TREASURER-TAX COLLECTOR

HALL OF FINANCE & RECORDS
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ROBIN RUSSELL
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ADMINISTRATION

CLARISSA ADRIANO-CERES
ASSISTANT TREASURER-TAX COLLECTOR
INFORMATION TECHNOLOGY

CHANGES IN ELIGIBILE CREDITS

In the month of September, there were no changes to the Treasurer's approved eligibility list of issuers. The foreign bank HBOS (Halifax Bank of Scotland) Treasury Services NY, however, revised its name to Bank of Scotland PLC NY.

The Treasury Investment Committee also discussed Structured Investment Vehicle (SIV) holdings. Please see the attached report.

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To: Treasury Investment Committee
From: John Byerly, Senior Financial Analyst
Date: September 17, 2007

Subject: **Structured Investment Vehicle Holdings**

Ratings: AAA/Aaa/AAA A-1+/P-1/F1+ (not all rated by Fitch)

Exposure:

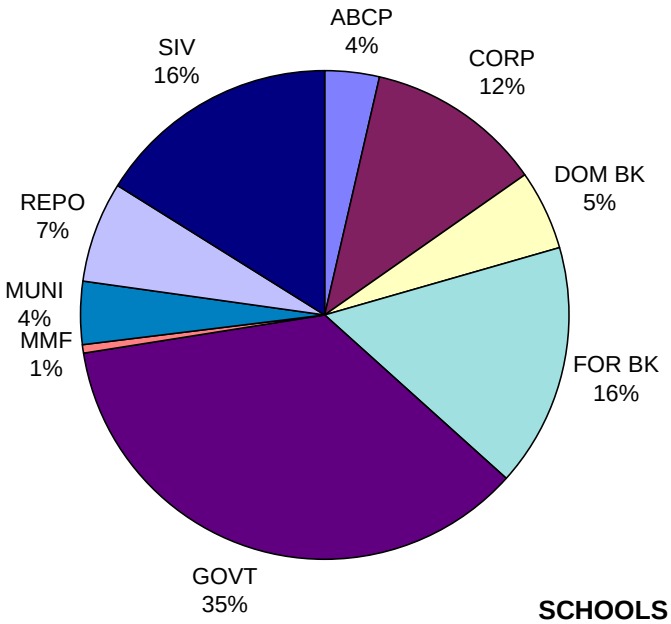
County -	$50 mm
Schools -	$100 mm
X-Fund -	$745 mm
JWA -	$4 mm

Update:

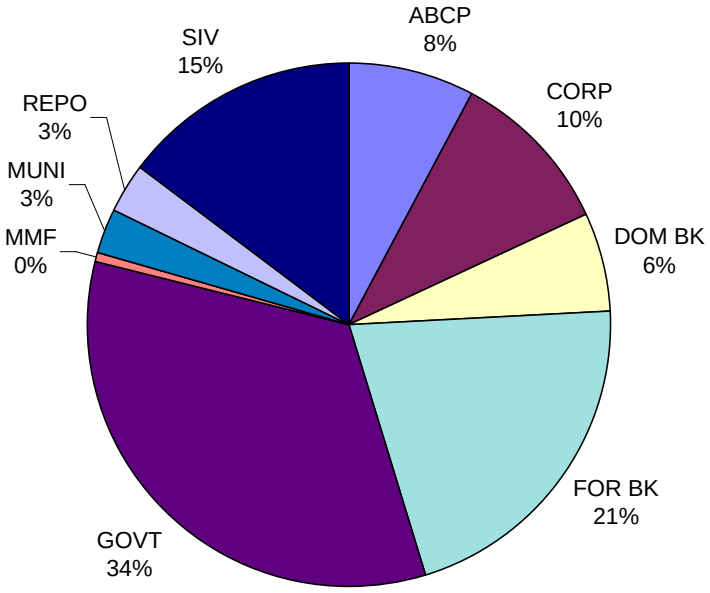
All Structured Investment Vehicles (SIVs) are not created equal. The SIV market is dominated by a few, mostly bank-sponsored, issuers. The TTC favors these larger and older SIVs' conservative investment approach which has resulted in minimal exposure to sub-prime U.S. mortgages. Our SIV holdings benefit from minimal exposure to recent vintage ABS, longer investment histories and potential sponsor support. This is in stark contrast to ABCP and SIV issuers who have been recently running into trouble. Approved SIVs' diversified asset portfolios, liability structures, and liquidity support indicate high creditworthiness and an orderly de-leveraging in the case of a market disruption.

Our funds are predominately exposed to Government Agency debt and large, double-A rated foreign bank debt (see pie charts on the following page). SIV debt is the next largest asset type, around 15% of the County and Schools portfolios. John Wayne has one piece each of Citi's Five Finance and Dresdner's K2 making up 7% of its portfolio (see security holdings below).

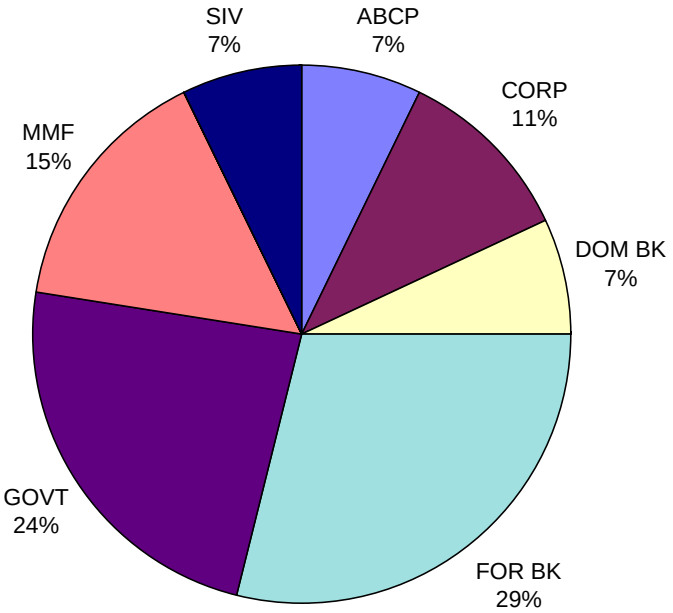
COUNTY COMBINED - ISSUE TYPE



SCHOOLS COMBINED - ISSUE TYPE



JWA - ISSUE TYPE



Securities Holdings by pool:

County Money Market:

K2 (USA)LLC / JP MORGAN CHASE & CO	3/10/2008	5.37	50,000,000

Schools Money Market:

K2 (USA)LLC / JP MORGAN CHASE & CO	3/10/2008	5.66	50,000,000
SIGMA FIN INC / LEHMAN BROTHERS INC	2/21/2008	5.28	50,000,000

X-Fund:

CC(USA) INC. / CRED SUIS FIRST BOST NY	1/23/2009	5.31	50,000,000
CC(USA) INC. / BANK OF AMERICA	2/9/2009	5.26	50,000,000
FIVE FINANCE, INC / BANK OF AMERICA	6/6/2008	5.36	50,000,000
FIVE FINANCE, INC / LEHMAN BROTHERS INC	11/25/2008	5.50	49,981,700
FIVE FINANCE, INC / MERRILL LYNCH	11/25/2008	5.52	14,993,865
K2 (USA)LLC / MERRILL LYNCH	2/23/2009	5.18	25,000,000
K2 (USA)LLC / CRED SUIS SECURITIES	6/9/2009	5.48	50,031,300
K2 (USA)LLC / JP MORGAN CHASE & CO	6/9/2009	5.38	25,000,000
SIGMA FIN INC / MERRILL LYNCH	9/28/2007	4.70	34,881,385
SIGMA FIN INC / JP MORGAN CHASE & CO	5/14/2008	5.20	50,003,950
SIGMA FIN INC / MERRILL LYNCH	10/30/2008	5.41	49,987,350
SIGMA FIN INC / MERRILL LYNCH	10/30/2008	5.41	24,993,675
TANGO FIN CORP / MERRILL LYNCH	10/3/2007	5.22	24,996,050
TANGO FIN CORP / MERRILL LYNCH	11/12/2008	5.53	49,995,700
TANGO FIN CORP / CRED SUIS SECURITIES	6/10/2009	5.36	49,990,000
TANGO FIN CORP / MERRILL LYNCH	7/30/2009	5.50	40,000,000
TANGO FIN CORP / MERRILL LYNCH	9/25/2009	5.35	25,026,550
WHISTLEJACKET CAPITAL LLC / CRED SUIS FIRST BOST NY	1/25/2009	5.34	50,000,000
WHISTLEJACKET CAPITAL LLC / MERRILL LYNCH	1/26/2009	5.19	30,000,000

John Wayne:

FIVE FINANCE, INC / MERRILL LYNCH	10/9/2007	5.2600	1,985,618.00
K2 (USA)LLC / JP MORGAN CHASE & CO	3/10/2008	5.2750	2,000,000.00

Citi SIVs, CC and Five
Collectively, Citi SIVs are the largest and considered the most conservative and liquid. Citi's zero default history over their 18-year track record is testament to Citi's conservative investment approach. Citi SIVs should be the most likely to benefit from market tiering.

Sub-prime and ABS CDOs together account for less than 0.5% of the Citi SIV portfolios and benefit from extensive financial and structural protection.

Over $5 billion of paid up capital is available to protect debt investors.

CC benefits from nearly $1.4 billion in committed liquidity (6% of debt) and Five benefits from over $1 billion in committed liquidity (7.9 of debt)

K2 LLC
Dresdner's K2 has no exposure at all to securities backed by subprime collateral (US RMBS or otherwise), CDOs backed by ABS or MBS collateral, or home equity loans (HELs) or home equity loan lines of credit (HELOCs).

K2's Capital Value and NAV were 97.5% and 94.9% respectively, well above the 50% Capital Loss limit where resi mortgage-heavy Cheyne hit its trigger.

K2's $1.7 billion in liquidity lines and breakable deposits have no "outs" based on market value triggers or asset credit rating declines.

Sigma Finance, Inc.
Gordian Knot's Sigma has no direct exposure to sub-prime or Alt-A RMBS transactions, nor to Home Equity Loan transactions.

Indirect exposure to these sectors is through CDO of ABS which represents less than 1% of the portfolio. All of these CDOs are the senior-most tranche and therefore it is much less likely that the current market turmoil will affect the credit quality of these positions.

Capital base now stands at $4.0 billion and committed liquidity has increased to $4.9 billion. Sigma has an additional $1 billion in short-term bank investments that have been made to provide additional liquidity.

Tango Finance Corp.
Rabobank's Tango assets primarily consist of commercial bank debt (33%) and non-US residential MBS (25%). Tango's assets are more geographically diversified than many others, with only 35% of assets from the United States.

Tango's direct sub-prime exposure is just 0.07% and remains rated triple-A. Two CDOs of ABS contain US RMBS exposure, are wrapped, from 2003 vintage, and account for just 0.11% of the portfolio.

Tango raised surplus cash by mid-July and provides a cushion against continuing illiquidity. Tango has increased contingent liquidity to $1 billion, over 7% of debt. The majority of Tango's committed liquidity is in the form of breakable deposits. Tango has also secured an amount of short-term Repo financing as an alternative to its traditional reliance on the ABCP markets.

Whistlejacket Capital LLC
Standard Chartered's Whistlejacket has no direct exposure to sub-prime, Alt-A or second-lien mortgages. The only direct exposure to US mortgages is less than 1% of the portfolio and is entirely prime.

Indirect exposure includes ABS CDOs (4.5% of assets) where a portion of the underlying portfolios are allocated to the sector. AAA/Aaa rated, these securities benefit from a weighted average credit enhancement of 51%. Portfolio NAV is 99.01%.

Whistlejacket's capital adequacy test is 1.51 to 1.57, well above a 1% minimum. Total paid up capital of $1.125 billion and capital NAV is 87.37%, down sharply but with lots of cushion still.

Committed Liquidity is $1.8 billion while breakable deposits add another $1.2 billion.