ORANGE COUNTY TREASURER-TAX COLLECTOR
INVESTMENT POLICY COMPLIANCE
September 30, 2006

Investment Policy Guidelines		Orange County Investment Pool		Orange County Educational Investment Pool		John Wayne Airport Investment Pool	
Percent of Portfolio (See Notes)	Investment Type	Market Value of Investments	Percent of Portfolio	Market Value of Investments	Percent of Portfolio	Market Value of Investments	Percent of Portfolio
100%	U.S. Treasuries	$ -	-	$ -	-	$ -	-
40%	Bankers' Acceptances	-	-	-	-	-	-
30%	Negotiable Certificates of Deposit	565,068,242	16.06%	582,853,645	29.92%	13,993,659	26.58%
45%	Commercial Paper	597,983,400	16.99%	891,635,936	45.75%	23,961,547	45.52%
100%	U.S. Government Agencies	1,494,410,940	42.47%	261,064,074	13.40%	2,996,636	5.69%
20%	Money Market Funds	18,734,090	0.53%	9,839,942	0.51%	4,416,248	8.39%
30%	Medium-Term Notes	577,140,441	16.40%	112,917,454	5.80%	7,278,266	13.82%
50%	Repurchase Agreements	175,000,000	4.97%	90,000,000	4.62%	-	-
10%	Municipal Debt	90,711,313	2.58%	-	-	-	-
10%	Receivable-Backed Securities	-	-	-	-	-	-
		$ 3,519,048,426	100.00%	$ 1,948,311,050	100.00%	$ 52,646,356	100.00%

Compliance Category (Yes/No)	Money Market Fund	Extended Fund	Orange County Educational Investment Pool		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 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 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.

Orange County Treasurer-Tax Collector
Noncompliance Report Summary
For the Month Ended September 30, 2006

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

Technical Incident

Educational Investment Pool

The percentage of overall portfolio holdings for a single issuer exceeded 5 percent of the market value of the portfolio:

09-29 A reduction in the Pool's total assets on September 29, 2006 increased the holdings of UBS Finance to 5.07% of the market value of the portfolio. The Treasurer has decided to hold this security until its maturity on October 10, 2006. This will bring the percentage of overall holdings for a single issuer back within IPS limits.

Additional Disclosures

Educational Investment Pool

At the time of the purchase of any security, a fund may invest up to twelve and a half percent (12.5%) of its total market value in the securities of a single issuer for a period of up to three Business Days.

09-28 A purchase of Liberty Street Funding Co. on September 28, 2006 increased the holdings of UBS Finance to 5.01% of the market value of the portfolio. On October 3, 2006, the fourth business day, a sale of $10 million of Liberty Street Funding brought the percentage of overall holdings for a single issuer back below 5%.

The money market fund 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.

09-13 A purchase of Societe Generale Yankee CD's September 13, 2006 increased the percentage of negotiable certificates of deposit to 30.15% of the total portfolio. On September 15, 2006, certain holdings of Societe Generale matured bringing the percentage of negotiable certificates of deposit back below 30%.