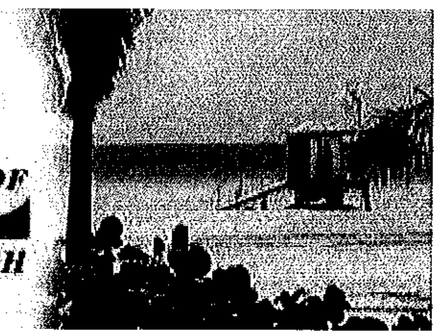
City of Hallandale Beach

Investment Performance Review
Quarter Ended September 30, 2008

CITY OF HALLANDALE BEACH
City of Choice



Investment Advisors

Steven Alexander, CTP, CGFO, Managing Director
Mel Hamilton, Senior Managing Consultant
Gregg Manjerovic, CFA, Portfolio Manager
Rebecca Dole, Consultant

PFM Asset Management LLC

300 S. Orange Avenue, Suite 1170
Orlando, FL 32801
(407) 648-2208
(407) 648-1323 fax

One Keystone Plaza, Suite 300
North Front & Market Streets
Harrisburg, PA 17101-2044
717-232-2723
717-233-6073 fax

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Market Review

After more than a year of increasing turbulence, the credit crunch reached crisis proportions during the third quarter and crashed down on the U.S. economy like a tidal wave, washing away hundreds of billions of dollars of asset value and causing the credit markets to seize up. In its continuing wake the U.S. economy experienced failures of several very significant financial institutions, continued declines in home values, near-frozen municipal borrowing markets, and rising unemployment.

Investors fled to the high ground and safety of U.S. Treasury securities, which pushed the yields on these securities, and their returns, into unchartered waters. For example, during the quarter, yields on some short-term U.S. Treasury bills fell below 0%, meaning that investors were willing to accept a negative return for peace of mind. On the whole, short- and intermediate-term U.S. Treasury yields fell sharply, producing exceptional returns for U.S. Treasury benchmark portfolios, while returns in other sectors were hampered by widening spreads.

In an attempt to navigate the floodwaters, the Federal Reserve injected hundreds of billions of dollars of liquidity into the markets. Even so, the effects of the added cash were limited, as lending among financial institutions remained nearly frozen. Investors increased their desire for safety, and continued their preference for U.S. Treasury securities over all other asset classes.

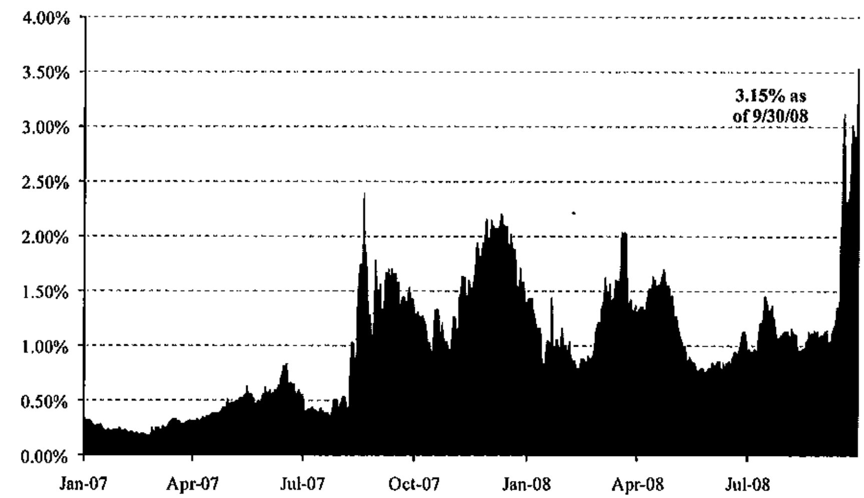
Yields and Returns

During the quarter, yields were volatile, cresting and falling with the release of each day's market news. For example, the two-year U.S. Treasury note reached a high of 2.74% and a low of 1.64%, a difference of approximately 1.09%. This is an especially large range given both the relatively low level of interest rates and the Federal Open Market Committee left the Fed funds target rate unchanged at 2.00%. By quarter end, the two-year U.S. Treasury yield was nearly 70 basis points (0.70%) lower than its close on June 30th.

Corporate securities took on the brunt of the credit storm, and yields on corporate securities were higher as banks stopped lending and corporations found trouble accessing capital. Even AAA rated firms like General Electric and Toyota experienced substantially higher borrowing costs. As many investors abandoned corporate holdings for the safety of U.S. Treasury securities, the yield spread between U.S. Treasuries and even the highest rated corporate holdings widened to historic levels.

One way to look at credit spreads is to compare the difference between short-term U.S. Treasury rates and short-term corporate borrowing rates. The chart below shows the ratio of Treasury bill to Eurodollar rates (the TED spread), which tracks the difference between the rates on the 3-month U.S. Treasury bill (considered a risk-free investment) and 3-month LIBOR (reflects short-term corporate borrowing yields). A rising or elevated TED spread indicates some combination of increased credit or default risk and a flight to quality in the markets, whereas a low TED spread shows improving credit conditions. During the quarter, the TED spread widened to an all-time high of 3.54%.

TED Spread
January 2007 – September 2008

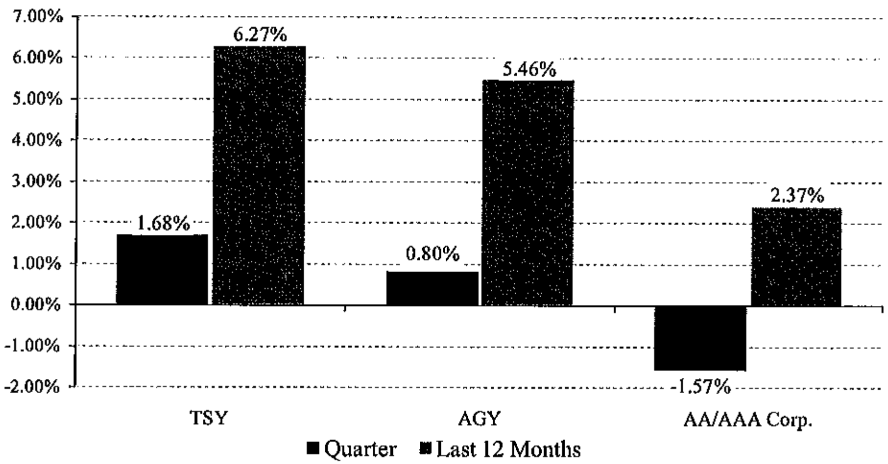


Source: Bloomberg

Widening spreads between U.S. Treasury and other fixed income securities rewarded holders of U.S. Treasuries by reducing the returns on non-Treasury sectors which usually out-perform comparable maturity Treasuries. For example, the spread between two-year Agencies and Treasuries widened from 65 basis points (0.65%) to 112 basis points (1.12%) by quarter end, three times the historic average of approximately 35 basis points (0.35%).

The chart below shows the returns for the Merrill Lynch 1-3 year U.S. Treasury, Federal Agency, and AA-AAA rated Corporate Indices over the past quarter and 12 months.

Merrill Lynch 1-3 Year Indices Duration Adjusted
Quarterly & Last 12 Months Returns as of September 30, 2008



Source: Merrill Lynch Indices provided by Bloomberg Financial Markets

In fact, during the quarter, U.S. Treasuries outperformed Federal Agencies and high-quality corporates by the largest margins since the late 1970s. U.S. Treasuries also outperformed Agencies and corporates in four out of the past five quarters, truly an unusual occurrence. Since the inception of the Merrill Lynch 1-3 year Agency and AA-AAA Corporate Indices in 1976, U.S. Treasuries outperformed Agencies and corporates in four out of five quarters only 6% and 2% of the time, respectively. Even in these rare occasions, as the tables at the top of the next column show, **at no time in the past 30+ years have Treasuries outperformed Agencies and corporates by such a large margin.**

U.S. Treasury Outperformance of AA-AAA Corporate Index in Four out of Five Consecutive Quarters (1-3 year Indices, since 1976)

Time Period	Outperformance
April 1984 to June 1985	0.68%
January 1986 to March 1987	-0.18%
July 2007 to September 2008	**4.10%**

U.S. Treasury Outperformance of Federal Agency Index in Four out of Five Consecutive Quarters (1-3 year Indices, since 1976)

Time Period	Outperformance
October 1977 to December 1978	0.25%
July 1980 to September 1981	0.61%
October 1980 to December 1981	0.80%
January 1981 to March 1982	0.53%
April 1981 to June 1982	0.74%
July 1996 to September 1997	0.03%
October 1996 to December 1997	0.04%
July 2007 to September 2008	**1.13%**

Source: Bloomberg

Historically, adding Federal Agency and high quality corporate notes to a portfolio enhances returns when compared to 100% U.S. Treasury portfolios. From the second quarter of 1976 to July 2007 (the beginning of the mortgage-induced market meltdown), the 1-3 year Merrill Lynch Federal Agency and the AA-AAA Corporate Indices outperformed the Merrill Lynch 1-3 year U.S. Treasury index by 20 and 57 basis points (0.20% and 0.57%), respectively, per annum.

To put the recent Treasury rally into perspective, the highly unusual performance of the most recent five quarters caused the 1-3 year Treasury index to gain 5 and 18 basis points (0.05% and 0.18%) per annum against the return since inception of the 1-3 year Federal Agency and AA-AAA Corporate Indices, respectively. Since inception, the 1-3 year U.S. Treasury Index underperformed the Federal Agency and AA-AAA Corporate Index by 15 and 39 basis points (0.15% and 0.39%) as of September 30, 2008 compared to underperformance of 20 and 57 basis points (0.20% and 0.57%) as of June 30, 2007.

A Horizon Analysis: Expected Returns of Treasury and Agency Portfolios Going Forward

Total return consists of two components – (1) income return (interest earned) and (2) price return (change in market value). In recent quarters, U.S. Treasuries had a higher price return when compared to Federal Agencies, due to the spread widening. This significant price appreciation far outweighed any Agency income advantage, and has enabled Treasuries to outperform Agencies on a total return basis over this time period.

The yield spread between 2-year Federal Agencies and U.S. Treasuries ended the quarter at approximately 112 basis points (1.12%), over three times the historical 10-year average of approximately 35 basis points (0.35%). Going forward, this Treasury out-performance is likely to be reversed even if spreads remain elevated or widen further. The following chart suggests how Federal Agency securities may perform under different market scenarios versus U.S. Treasury securities over the next two quarters.

As shown in the analysis below, the extraordinary underperformance of Agency benchmarks should reverse itself and result in outperformance of portfolios that now hold Agency securities in coming quarters. Investors may anticipate Federal Agencies outperforming U.S. Treasury securities in the foreseeable future.

	Performance (Annualized)		
	TSY[1]	AGY[2]	Agency Over/Under
Past 6 months	0.75%	-0.02%	-0.77%
Forecast return over next 6 months if Spreads[3]			
Widen by 0.50%	1.88%	2.02%	0.14%
Widen by 0.25%	1.88%	2.52%	0.64%
Are Unchanged	1.88%	3.03%	1.15%
Narrow by 0.25%	1.88%	3.54%	1.66%
Narrow by 0.50%	1.88%	4.05%	2.17%
Narrow by 0.75%	1.88%	4.57%	2.68%

Source Data: Bloomberg

[1] *U.S. Treasury Security:*
Maturity: March 31, 2010; Coupon: 1.75%; Settlement Date: April 1, 2008; Yield at Settlement: 1.59%

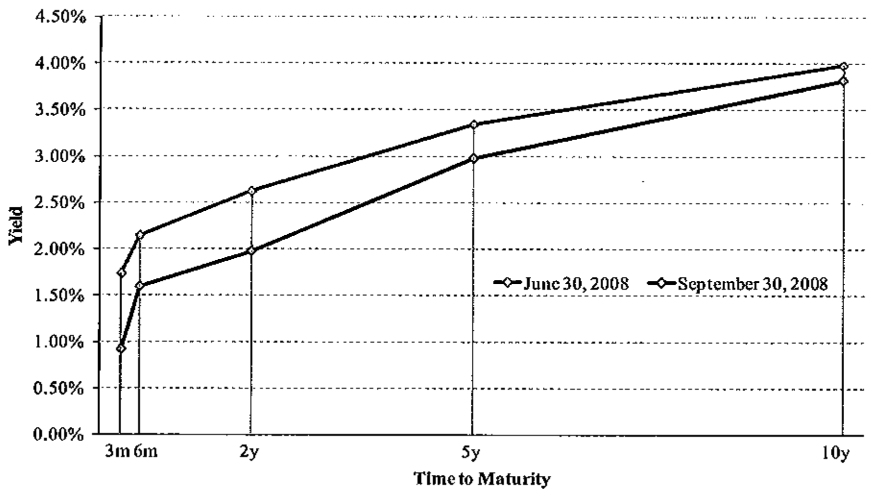
[2] *Federal Agency Security:*
Maturity: March 31, 2010; Coupon: 4.75%; Settlement Date: April 1, 2008; Yield at Settlement: 2.24%

[3] *Yield on U.S. Treasury security assumed to remain constant. Spread between U.S. Treasury and Agency investments assumed to change.*

Yield Curve

The chart below illustrates how, due to the sharp increase in the price of short and intermediate term Treasuries (see chart below), the yield curve steepened during the quarter. As investors placed their money in the safest and most-liquid securities available, short-term rates plummeted faster and farther than intermediate- and long-term rates.

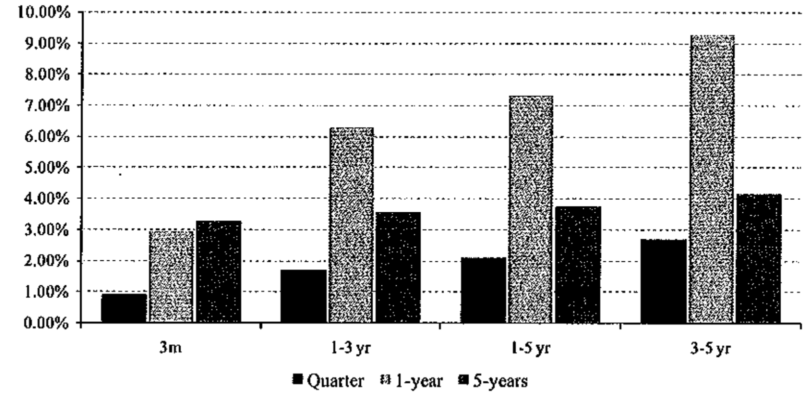
U.S. Treasury Yield Curve
June 30, 2008 vs. September 30, 2008



Source: Bloomberg

On an absolute basis, intermediate and long-term benchmark portfolios outperformed short-term benchmarks for the past quarter, one year, and five years, with the contribution of portfolio duration (long-term portfolios out-performing) in the past year also unusually strong.

Merrill Lynch U.S. Treasury Indices
Quarter vs. 12 Months vs. 5 Year Average Returns (as of September 30, 2008)



On a risk-adjusted basis, however, short-term portfolios performed well. In general, due to market value risk, long-term portfolios experience greater price volatility than short-term portfolios. To gauge a portfolio's risk-adjusted return, an investor should consider the portfolio's duration[4]. During the third quarter, based on return per unit of risk[5], short-term indices outperformed intermediate- and long-term indices by a large margin.

As the following table shows, for the quarter, the Merrill Lynch 3-month U.S. Treasury Bill Index (duration of 0.25 years) returned 3.53% per unit of duration while the Merrill Lynch 3-5 year U.S. Treasury Index (duration of 3.67 years) returned approximately 0.73% per unit of duration.

Merrill Lynch U.S. Treasury Index Return						
	3m	6m	1-3yr	1-5yr	1-10yr	3-5yr
Quarterly	0.88%	0.99%	1.69%	2.06%	2.19%	2.68%
Per Unit of Risk	3.53%	1.98%	1.05%	0.85%	0.60%	0.73%
Last 12 Months	2.90%	4.03%	6.27%	7.33%	8.31%	9.29%
Per Unit of Risk	11.61%	8.06%	3.92%	3.02%	2.28%	2.53%

Source: Bloomberg

[4] *Duration is the average weighted life of the present value of portfolio cash flows.*

[5] *Return per unit of risk equals the periodic return divided by index duration.*

The Effect of the Credit Storm on Financial Institutions

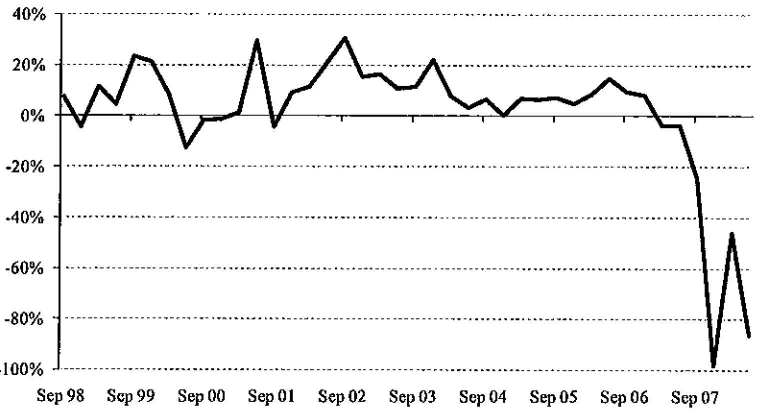
As the credit crunch intensified and crashed down on the U.S. economy, the financial storm battered and eventually washed away several financial institutions. Increased borrowing costs, lack of liquidity in the markets, highly-leveraged balance sheets, and short-selling brought down several banks and widely-recognized Wall Street firms.

September brought the most riveting chain of events in modern financial times. A day did not pass without major news affecting financial institutions, the economy, or both. The timeline at the bottom of this page highlights some of the major events that occurred during the month.

Problems in the housing market, including the devaluation of mortgage-related securities, continued to hamper FDIC-insured institutions. As the market for these securities went from weak to non-existent, the securities became increasingly difficult to price and nearly impossible to sell.

The chart at the top of the next column shows the deterioration in net income of FDIC-insured banking institutions. The 4th quarter of 2007 and the 2nd quarter of 2008 brought the lowest earnings for these institutions since the 4th quarter of 1991. In fact, out of approximately 8,000 FDIC-insured institutions, over 1,500 had negative net income for the 2nd quarter.

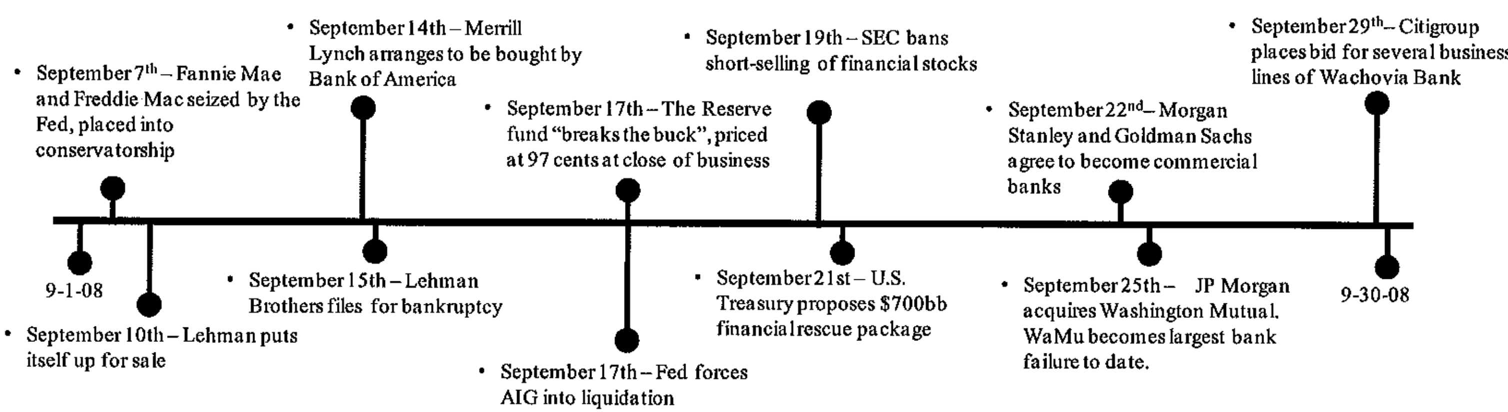
Net Income of FDIC Insured Institutions
Change Over Previous Year
September 1998 – June 2008



Source Data: FDIC

Year-to-date, 13 FDIC-insured institutions have failed; the majority (eight) failed during the 3rd quarter. The quarter began with the failure of IndyMac, at the time the largest U.S. bank failure in history. IndyMac only held this record for a brief time. In late September, the financial credit wave sank Washington Mutual, which then became the largest FDIC-insured institution to fail. The FDIC has placed 117 banks on its unpublished "watch list."

When the quarter ended, one thing was clear – the financial markets as we knew them had changed.



As shown in the timeline on the previous page, U.S. investment banks and insurance companies were not immune to the financial tidal wave. The credit market crisis reached global proportions.

In an effort to shore up the beleaguered financial sector and restore confidence in the markets, U.S. Treasury Secretary, Henry Paulson, presented a $700 billion dollar rescue plan to Congress in late September. The quarter ended without its passage, although the plan passed in early October, but market values in all major markets on September 30th reflected near hysteria.

Equity Markets Under Water

The past few quarters have been remarkably challenging for equity investors as well. During the 3rd quarter, equities continued to retreat from their highs reached less than one year ago. Year-over-year, as of September 30th the Dow Jones Industrial Average was down nearly 22%, while the S&P 500 lost nearly 30%.

The effects of financial instability spilled over to the general economy – what began on Wall Street is now hitting Main Street. After the House rejected the original bailout plan on September 29th, the equity markets continued their downward spiral, as the Dow Jones Industrial Average lost more than 6.98% (778 points for the day). On September 29th, it was estimated that Americans lost nearly $1 trillion in wealth, exceeding the original $700 billion rescue plan.

Consumers

The past months of treading through turbulent markets exhausted consumers and the global economy in general. Year-to-date, the U.S. economy did not produce a single month with positive job growth. Through September 30th, 764,000 jobs (nonfarm payrolls) were lost while the unemployment rate climbed to 6.10%, its highest level since September 2003, up from 5.00% to start the year.

Consumers' confidence in the economy has fallen to levels comparable to the worst points during the recessions of 1980, 1981-82, and 1990-91, and below the low points seen in the wake of the last recession during 2001. Economists anticipate consumer confidence will remain depressed as long as energy prices remain elevated and the housing and labor markets remain weak.

Low consumer confidence has affected retail sales, which experienced the lowest growth (year over year) since November 2002 as many consumers closed their wallets on non-essential items. Since consumer spending on goods and services supports two-thirds of the GDP, this pull-back is expected to hinder economic growth.

Inflation

On July 15th, Federal Reserve Chairman Ben Bernanke stated there are "significant downside risks to the outlook for growth ... [and] upside risks to the inflation outlook have intensified." By quarter end, however, talk of inflation seemed irrelevant.

Early on, commodity prices experienced significant gains, with the Standard & Poor's Global Commodity Index reaching 10,898 points during the quarter, a rise of over 6,000 points from its average of approximately 4,800 over the past 10 years.

On July 3rd, oil reached an all-time high of nearly $148 per barrel. Consumers surely felt the brunt of this increase. In July 2007, it cost the average consumer $61 to fill up a 20-gallon gas tank. In contrast, by July 2008, filling up the same 20-gallon tank cost an average of $82, an increase of nearly 35%. The run-up in oil forced consumers to pinch costs elsewhere, including non-essentials. Some economists attributed the run-up in oil prices to a weak U.S. dollar, traders placing bets on oil futures contracts, global demand exceeding supply, and investors seeking safeguards against increasing inflation.

The credit market turmoil and growing economic weakness quickly overwhelmed any inflation concerns, as economists and market participants shifted their attention to the outlook for economic growth and market stability. Commodity and oil prices decreased significantly from their highs earlier in the quarter. For example, oil ended the quarter at $100 per barrel – a 29% decline from the start of the quarter.

Portfolio Strategy and Outlook

At quarter end, the market outlook remained murky. On October 3rd, to address the financial crisis, Congress passed the Troubled Asset Relief Program ("TARP"). Essentially a lifeline to the financial markets, TARP gives the U.S. Treasury additional tools to deal with the current economic situation. In addition to a rescue plan, to calm the uneasy waters, the markets also called for the Fed to reduce short-term rates.. On October 8th, in an unscheduled meeting, the Federal Open Market Committee reduced the Fed funds target rate by 50 basis points (0.50%) to 1.50%. Fed funds futures contracts show that investors expect that the Fed to reduce rates further in the coming months.

With inflation moving to the back burner, and a lackluster outlook for economic growth, the Fed now has more room to lower short-term rates compared to the previous quarter. The effects of the rescue plan and reductions in the overnight rate did not immediately impact the choppy markets; it will take time for calm to return.

Because of the steep yield curve and outlook for economic weakness in the coming months, PFMAM will target portfolio durations that are neutral to benchmarks. Given the lack of liquidity and pricing inequities in the credit markets, we will continue to underweight corporate securities in portfolios where they are permitted. With Agency/Treasury spreads at extraordinary levels, and given the government's explicit commitment to back Fannie Mae and Freddie Mac, we expect to continue to over-weight Federal Agencies in portfolios.

Going forward, we expect the markets to settle and spreads to narrow; at that time, we would look to increase holdings in select corporate and other less liquid securities such as taxable municipal and mortgage-backed securities, where appropriate. In the meantime, the yield benefit of Federal Agencies will provide an extraordinary boost to current income relative to U.S. Treasury securities.

Executive Summary

PORTFOLIO STRATEGY

- The City's portfolios are well diversified among issuers and maturities in the U.S. Treasury, Federal Agency Corporate sectors.
- The City's portfolios are not exposed to sub-prime mortgages, Bear Sterns, Lehman Brothers, Wachovia, AIG or Washington Mutual corporate bonds.
- The portfolios are of high credit quality and maintain adequate liquidity. The Investment Portfolio's investments are diversified among AAA, AA, and Treasury securities. The City's Short Term Fund Portfolio is invested entirely in A-1+ securities. A-1+ is the highest short-term rating provided by Standard and Poor's.
- During the quarter, the credit crisis came to a head as the U.S. economy experienced several bank failures, continued declines in home values, near-frozen municipal borrowing, and rising unemployment. Investors moved to the high ground and safety of U.S. Treasury securities, thus driving down yields on Treasury securities.
- For the quarter, the market witnessed the extreme widening of spreads between U.S. Treasury and other fixed income securities. In fact, the spread between yields on 2-year U.S. Treasury and Federal Agency securities widened to a record high of 112 basis points (1.12%). This compares to an average spread over the past 10 years of approximately 33 basis points (0.33%). In this capacity, U.S. Treasury securities outperformed all other fixed income securities for the quarter, and by historic margins. For instance, the Merrill Lynch 1-3 year U.S. Treasury index outperformed the Merrill Lynch 1-3 year Federal Agency index by 88 basis points (0.88%) during the quarter, the largest outperformance since the late 1970s.
- The City's Investment Portfolio generated a respective return of 0.96% for the quarter. Nevertheless, the spread widening between the Federal Agency and U.S. Treasury sectors caused the portfolio to underperform its benchmark, the Merrill Lynch 1-3 year U.S. Treasury index. On a relative basis, the City's Investment Portfolio returned strong performance of 5.67% over the past 12 months.
- The Investment Portfolio duration is positioned at approximately 95% of the benchmark; as the markets begin to calm and prices stabilize, we would look to extend duration closer to 100% of the benchmark.
- The Short Term Fund Portfolio ended the quarter with an average quarterly yield to maturity at cost of 2.73%.
- We are comfortable with the City's Portfolios allocation to Federal Agencies, especially as the government has placed Fannie Mae and Freddie Mac into a conservatorship of the U.S. Treasury Department. We expect the historic spread between Federal Agencies and U.S. Treasuries to narrow in the intermediate term, which will reward holders of Federal Agency securities.

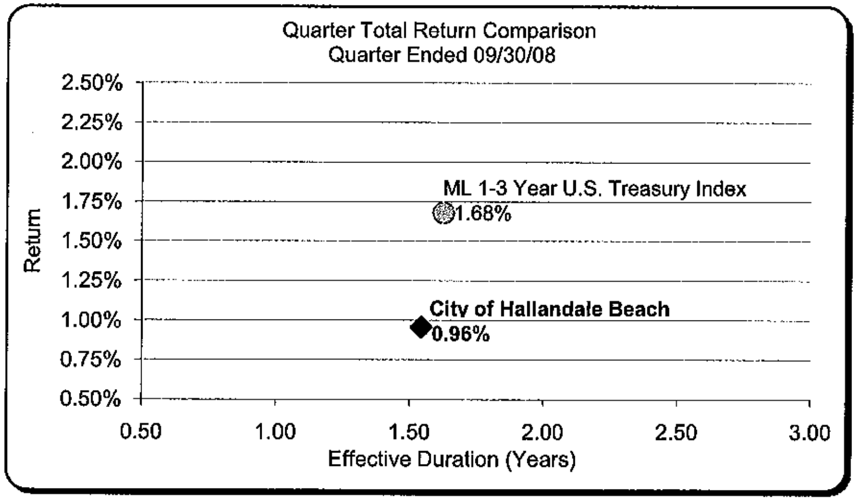
Investment Portfolio Performance

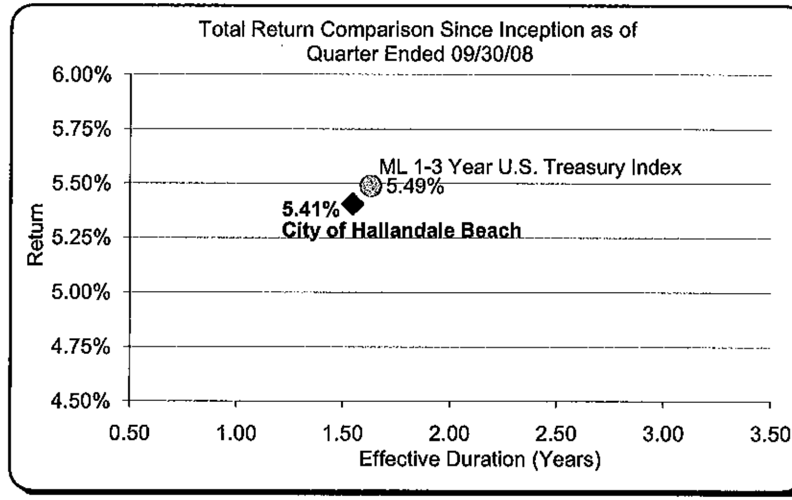
Total Portfolio Value[1,2]	September 30, 2008	June 30, 2008
Market Value	**$30,154,741.82**	$30,016,162.36
Amortized Cost	**$29,927,193.04**	$29,702,750.32

Total Return[1,2,3,4,5,6,7,8]	Quarterly Return September 30, 2008	Annualized Quarter	Last 12 Months	Last 24 Months	Since Inception December 31, 2005
Investment Portfolio	0.96%	**3.85%**	5.67%	**5.72%**	5.41%
Merril Lynch 1-3 Year U.S. Treasury Index	1.68%	6.85%	6.27%	6.03%	5.49%

Effective Duration(Years)[4]	September 30, 2008	June 30, 2008
Investment Portfolio	1.54	**1.60**
Merril Lynch 1-3 Year U.S. Treasury Index	1.63	1.59
Portfolio Duration % of Benchmark Duration	95%	101%

Yields	September 30, 2008	June 30, 2008
Yield at Market	3.36%	3.21%
Yield at Cost	3.76%	4.19%



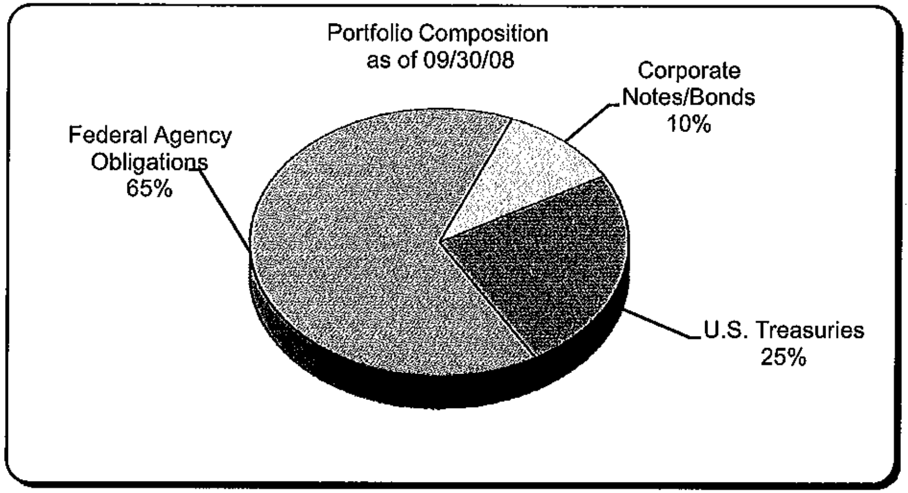


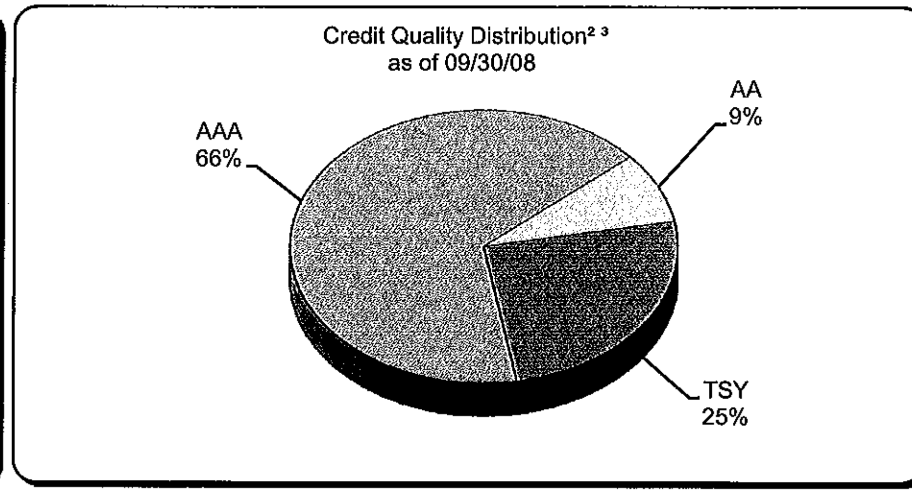
Notes:

1. In order to comply with GASB accrual accounting reporting requirements; forward settling trades are included in the monthly balances.
2. End of quarter trade-date market values of portfolio holdings, including accrued interest.
3. Performance on trade date basis, gross (i.e., before fees), is in accordance with The CFA Institute's Global Investment Performance Standards (GIPS).
4. Merrill Lynch Indices provided by Bloomberg Financial Markets.
5. Quarterly returns are presented on both an unannualized and annualized basis. The annualized return assumes the quarterly return is compounded at the same rate for four quarters and is presented for reference only. The actual annual return will be the result of chaining the most recent four quarterly returns.
6. Excludes money market fund/cash in performance and duration computations.
7. Returns presented for 12 months or longer are presented on an annual basis.
8. Past performance is not indicative of future results.

Investment Portfolio Composition and Credit Quality Characteristics

Security Type[1]	September 30, 2008	% of Portfolio	June 30, 2008	% of Portfolio
U.S. Treasuries	$7,485,861.73	24.8%	$3,723,892.49	12.4%
Federal Agencies	19,517,267.21	64.7%	22,015,249.75	73.3%
Commercial Paper	0.00	0.0%	0.00	0.0%
Certificates of Deposit	0.00	0.0%	0.00	0.0%
Bankers Acceptances	0.00	0.0%	0.00	0.0%
Repurchase Agreements	0.00	0.0%	0.00	0.0%
Municipal Obligations	0.00	0.0%	0.00	0.0%
Corporate Notes/Bonds	3,151,612.88	10.5%	4,277,020.12	14.2%
Mortgage Backed	0.00	0.0%	0.00	0.0%
Money Market Fund/Cash	0.00	0.0%	0.00	0.0%
Totals	$30,154,741.82	100.0%	$30,016,162.36	100.0%



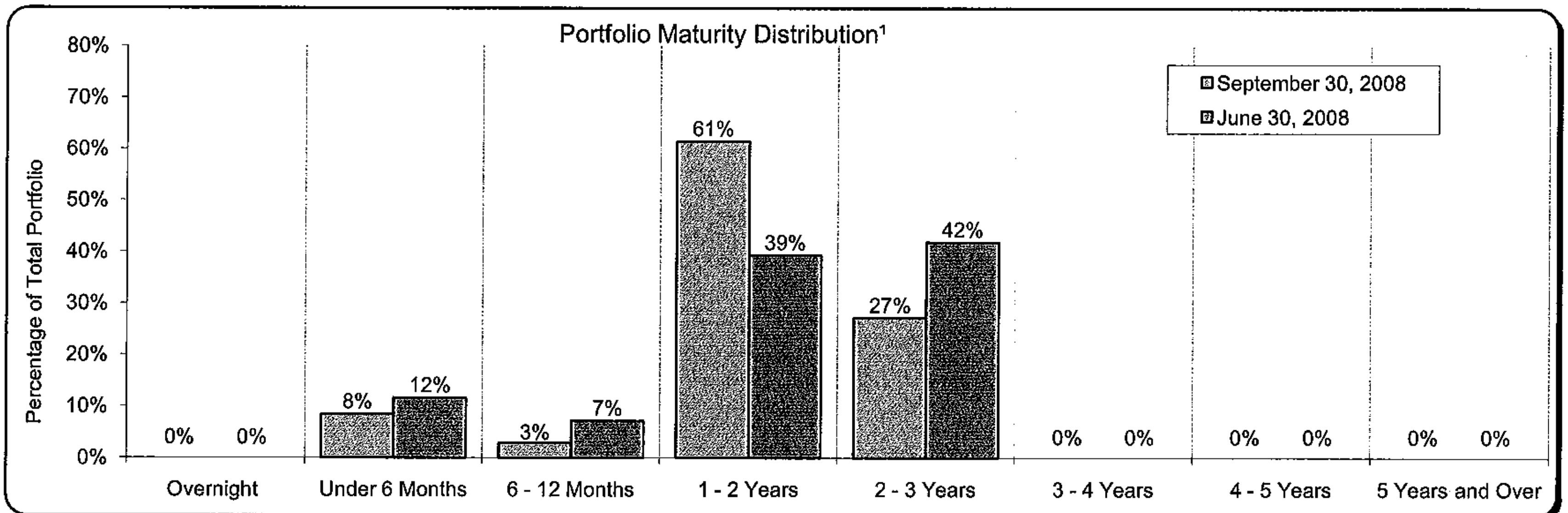


Notes:

1. End of quarter trade-date market values of portfolio holdings, including accrued interest.
2. Credit rating of securities held in portfolio, exclusive of money market fund/LGIP.
3. A rating of "TSY" indicates the security is an obligation of, or explicitly guaranteed by the U. S. Government.

Investment Portfolio Maturity Distribution

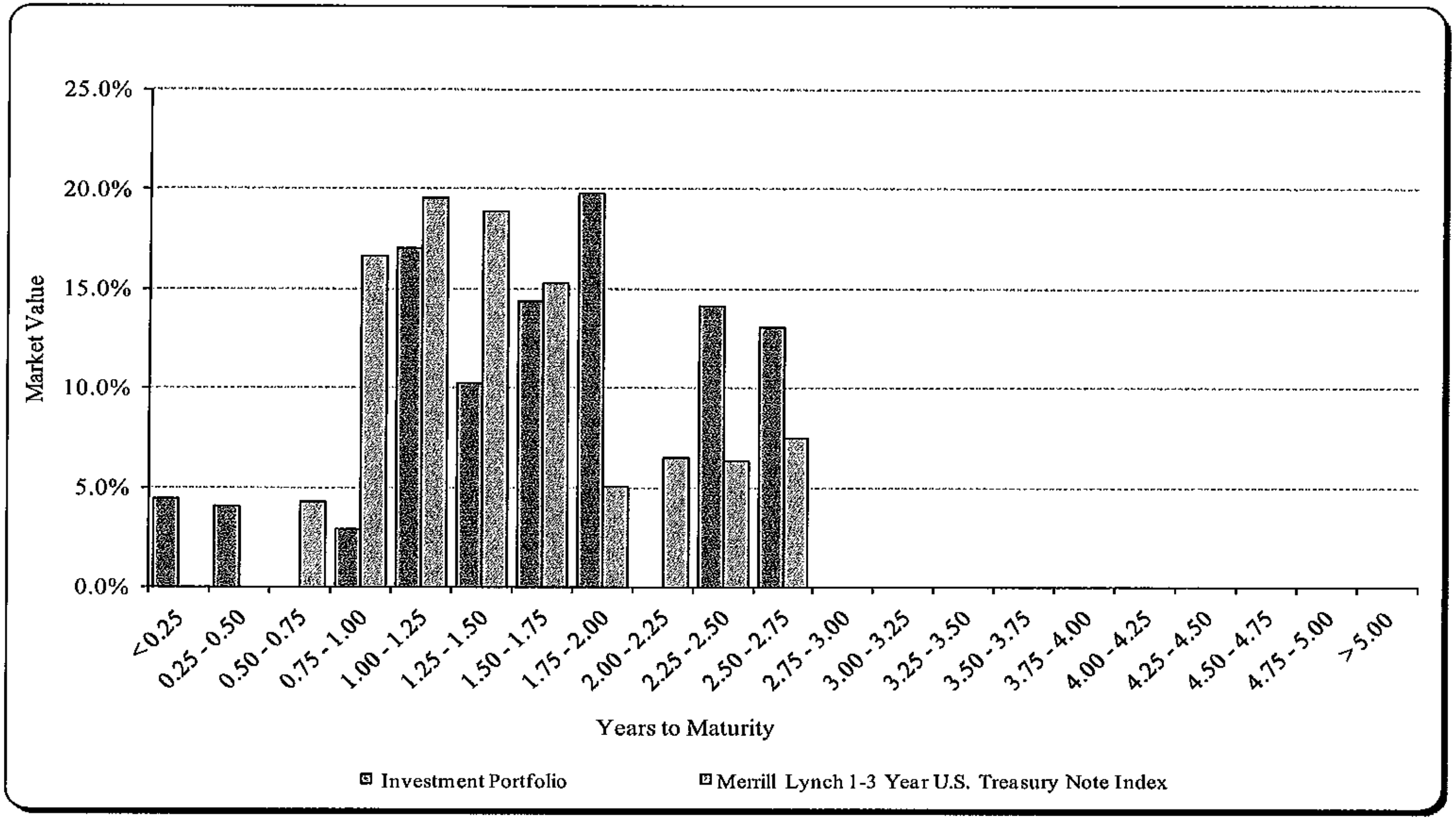
Maturity Distribution[1]	September 30, 2008	June 30, 2008
Overnight (Money Market Fund)	$0.00	$0.00
Under 6 Months	2,546,409.34	3,486,597.82
6 - 12 Months	866,702.44	2,147,045.71
1 - 2 Years	18,531,297.80	11,819,362.66
2 - 3 Years	8,210,332.24	12,563,156.17
3 - 4 Years	0.00	0.00
4 - 5 Years	0.00	0.00
5 Years and Over	0.00	0.00
Totals	$30,154,741.82	$30,016,162.36



Notes:

1. Callable securities in portfolio are included in the maturity distribution analysis to their stated maturity date, although they may be called prior to maturity.

Investment Portfolio Maturity Distribution versus the Benchmark[1]



Notes:

1. Due to the nature of the security, Mortgage-Backed Securities are represented based on their average life maturity rather than their final maturity.

Short Term Fund Portfolio Statistics

Account Name	Amortized Cost[1,2,3] September 30, 2008	Amortized Cost[1,2,3] June 30, 2008	Market Value[1,2,3] September 30, 2008	Market Value[1,2,3] June 30, 2008	Duration (Years) September 30, 2008
Short Term Fund	$1,328,251.94	$1,319,641.12	$1,325,945.60	$1,319,403.20	0.15

Account Name	Quarterly Average Yield to Maturity on Cost[4] September 30, 2008	Quarterly Average Yield to Maturity on Cost[4] June 30, 2008	Quarterly Average Yield to Maturity at Market September 30, 2008	Quarterly Average Yield to Maturity at Market June 30, 2008	Duration (Years) June 30, 2008
Short Term Fund	2.73%	2.86%	3.06%	2.63%	0.15

Benchmarks	September 30, 2008	June 30, 2008
3 Month U.S. Treasury Bill[5, 6]	1.34%	1.67%

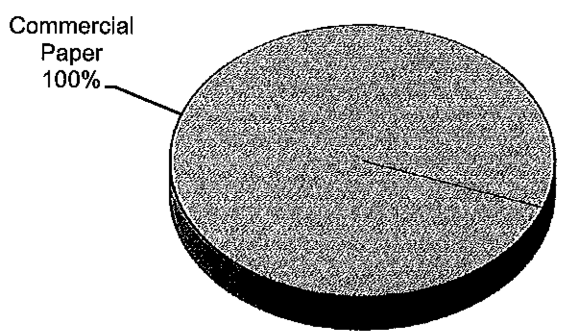
Notes:

1. End of quarter trade-date market values of portfolio holdings, including accrued interest.
2. In order to comply with GASB accrual accounting reporting requirements; forward settling trades are included in the monthly balances.
3. Excludes any money market fund/cash balances held in custodian account.
4. Past performance is not indicative of future results.
5. Average quarterly returns, source Bloomberg.
6. Due to its excessive concentration in Corporate Instruments, the SBA is no longer a suitable benchmark, therefore; we are utilizing the 3 Month U.S. Treasury Bill Index at this time, as it represents a risk-free benchmark.

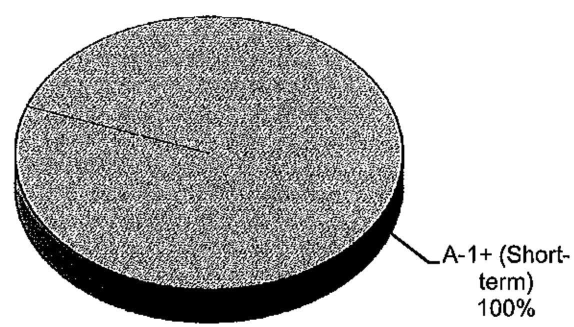
Short Term Fund Portfolio Composition and Credit Quality Characteristics

Security Type[1]	September 30, 2008	% of Portfolio	June 30, 2008	% of Portfolio
U.S. Treasuries	$0.00	0.0%	$0.00	0.0%
Federal Agencies	0.00	0.0%	0.00	0.0%
Commercial Paper	1,325,945.60	100.0%	1,319,403.20	100.0%
Certificates of Deposit	0.00	0.0%	0.00	0.0%
Bankers Acceptances	0.00	0.0%	0.00	0.0%
Repurchase Agreements	0.00	0.0%	0.00	0.0%
Municipal Obligations	0.00	0.0%	0.00	0.0%
Corporate Notes/Bonds	0.00	0.0%	0.00	0.0%
Mortgage Backed	0.00	0.0%	0.00	0.0%
Money Market Fund/Cash	0.00	0.0%	0.00	0.0%
Totals	$1,325,945.60	100.0%	$1,319,403.20	100.0%

Portfolio Composition
as of 09/30/08



Credit Quality Distribution[2]
as of 09/30/08

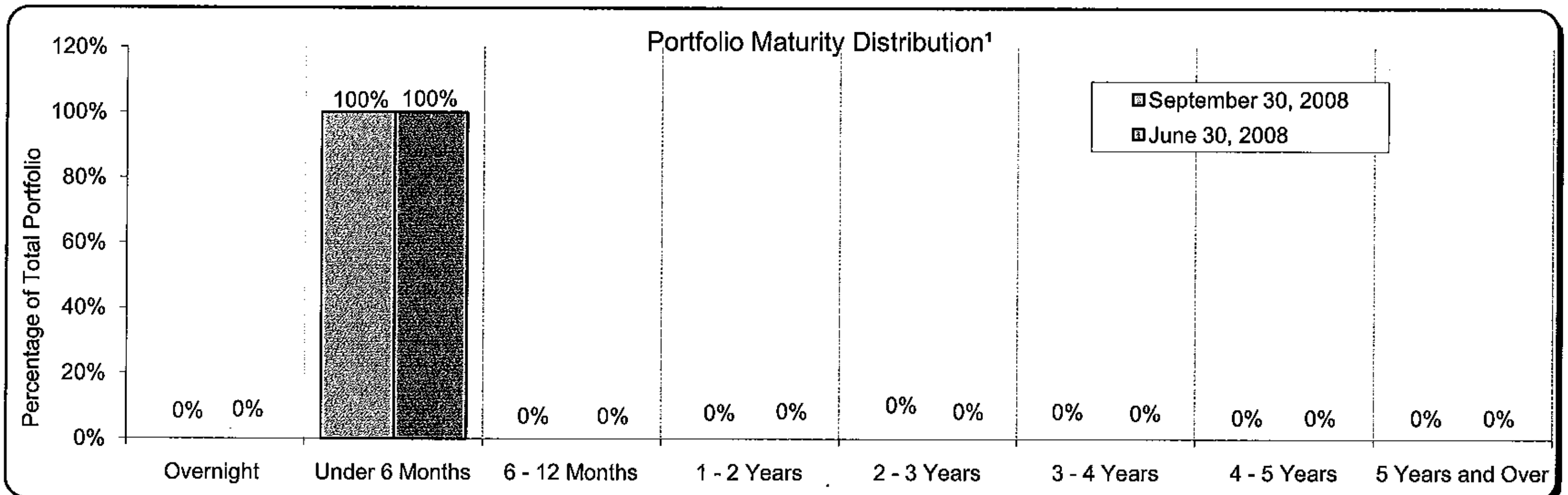


Notes:

1. End of quarter trade-date market values of portfolio holdings, including accrued interest.
2. Credit rating of securities held in portfolio, exclusive of money market fund/LGIP.

Short Term Fund Portfolio Maturity Distribution

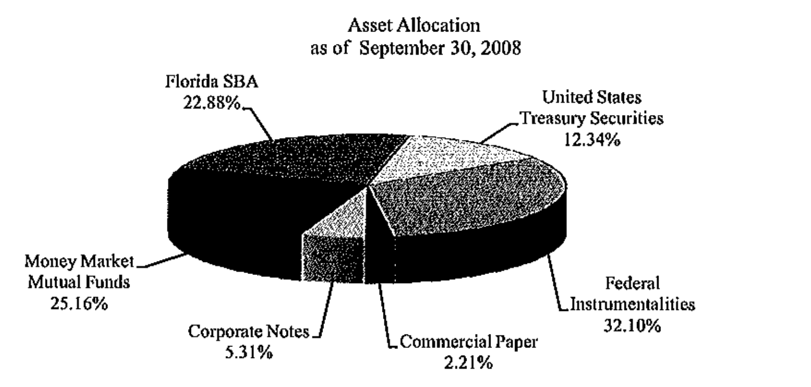
Maturity Distribution[1]	September 30, 2008	June 30, 2008
Overnight (Money Market Fund)	$0.00	$0.00
Under 6 Months	1,325,945.60	1,319,403.20
6 - 12 Months	0.00	0.00
1 - 2 Years	0.00	0.00
2 - 3 Years	0.00	0.00
3 - 4 Years	0.00	0.00
4 - 5 Years	0.00	0.00
5 Years and Over	0.00	0.00
Totals	$1,325,945.60	$1,319,403.20



Notes:

1. Callable securities in portfolio are included in the maturity distribution analysis to their stated maturity date, although they may be called prior to maturity.

Security Type	September 30, 2008	Notes	Permitted by Policy
Florida SBA	22.88%		100%
United States Treasury Securities	12.34%		100%
United States Government Agency Securities	0.00%		100%
Federal Instrumentalities	32.10%	1	100%
Certificates of Deposit	0.00%		10%
Repurchase Agreements	0.00%		20%
Commercial Paper	2.21%		25%
Corporate Notes	5.31%		15%
Mortgage-Backed Securities	0.00%	1	40%
Bankers' Acceptances	0.00%		25%
State and/or Local Government Debt	0.00%		25%
Money Market Mutual Funds	25.16%		20%
Intergovernmental Investment Pool	0.00%		25%



Individual Issuer Breakdown	September 30, 2008	Notes	Permitted by Policy
Government National Mortgage Association (GNMA)	0.00%		40%
US Export-Import Bank (Ex-Im)	0.00%		40%
Farmers Home Administration (FMHA)	0.00%		40%
Federal Financing Bank	0.00%		40%
Federal Housing Administration (FHA)	0.00%		40%
General Services Administration	0.00%		40%
New Communities Act Debentures	0.00%		40%
US Public Housing Notes & Bonds	0.00%		40%
US Dept. of Housing and Urban Development	0.00%		40%
Federal Farm Credit Bank (FFCB)	4.49%		40%
Federal Home Loan Bank (FHLB)	7.59%		40%
Federal National Mortgage Association (FNMA)	8.56%		40%
Federal Home Loan Mortgage Corporation (FHLMC)	11.26%		40%
Student Loan Marketing Association (SLMA)	0.00%		0%

Individual Issuer Breakdown	September 30, 2008	Notes	Permitted by Policy
CD - Bank A	0.00%		10%
CD - Bank B	0.00%		10%
Fully collateralized Repo - A	0.00%		10%
Fully collateralized Repo - B	0.00%		10%
Societe Generale CP	2.21%		5%
CP B	0.00%		5%
CP C	0.00%		5%
Fleet National Bank	2.02%		5%
General Electric	1.07%		5%
Citigroup	2.22%		5%
Corporate Notes D	0.00%		5%
BA Bank A	0.00%		5%
AID Israel Agency Notes	0.19%		40%
Money Market Fund - PFM Funds	25.16%	2	10%
Money Market Fund B	0.00%		10%

Notes:

1. The combined total of Federal Instrumentalities and Mortgage Backed Securities can not be more than 100%. The combined total as of September 30, 2008 is 32.10%.
2. In September 2008 CCRF Money Market fund became PFM Funds.
3. This chart does not include cash from bank.

* No Bond Proceeds.

Investment Portfolio Information For

CITY OF HALLANDALE BEACH INV PORT

Portfolio #

33880100

Section / Report Title

For The Month Ending

September 30, 2008

CITY OF HALLANDALE BEACH
FINANCE DIRECTOR
PATRICIA M. LADOLCETTA
400 SOUTH FEDERAL HIGHWAY
HALLANDALE BEACH FL 33009

PFM Asset Management LLC

Account Summary:

(Excluding Cash)

33880100 CITY OF HALLANDALE BEACH INV PORT

MONTH ENDED: September 30, 2008

SECURITY TYPE	PAR VALUE	AMORTIZED COST	MARKET VALUE	MARKET % OF PORTFOLIO	YTM AT COST	YTM AT MARKET	DURATION TO WORST
CORPORATE NOTE	3,105,000.00	3,143,337.71	3,099,177.61	10.369	4.959	7.050	0.570
FED AGY BOND/NOTE	18,936,000.00	19,138,806.46	19,347,237.29	64.733	4.085	3.295	1.630
US TSY BOND/NOTE	7,205,000.00	7,377,883.60	7,441,161.65	24.897	2.412	1.970	1.666
TOTAL SECURITIES	**29,246,000.00**	**29,660,027.77**	**29,887,576.55**	**100.000**	**3.759 %**	**3.355 %**	**1.529**
TOTAL INVESTMENTS	**29,246,000.00**	**29,660,027.77**	**29,887,576.55**	**100.000 %**			
ACCRUED INTEREST		267,165.27	267,165.27				
TOTAL PORTFOLIO	**$29,246,000.00**	**$29,927,193.04**	**$30,154,741.82**				

PFM Asset Management LLC

Detail of Securities Held: *33880100* *CITY OF HALLANDALE BEACH INV PORT*

(Excluding Cash)

MONTH ENDED: September 30, 2008

SECURITY TYPE CUSIP	DESCRIPTION	PAR	COUPON	MATURITY DATE	S&P RATING	TRADE DATE	SETTLE DATE	ORIGINAL COST	YTM AT COST	ACCRUED INTEREST	AMORTIZED COST	MARKET VALUE
CORPORATE NOTE												
046003JT7	ASSOCIATES CORP NA (CITI) GL SR N	1,300,000	6.25	11/01/08	AA-	08/29/07	09/04/07	1,311,479.00	5.445	33,854.17	1,300,849.11	1,296,751.30
33901LAA2	FLEET NATIONAL BANK (BAC) SUB I	1,200,000	5.75	01/15/09	AA-	12/28/06	01/04/07	1,213,920.00	5.140	14,566.67	1,202,061.71	1,201,237.20
36962GWB6	GENERAL ELEC CAP CORP GLOBAL S	605,000	6.13	02/22/11	AAA	03/03/08	03/06/08	648,432.95	3.549	4,014.43	640,426.89	601,189.11
		3,105,000						3,173,831.95	4.959	52,435.27	3,143,337.71	3,099,177.61
FED AGY BOND/NOTE												
3134A3M78	FHLMC GLOBAL REFERENCE NOTES	198,000	6.63	09/15/09	AAA	08/31/06	09/06/06	206,933.76	4.999	583.00	200,967.24	204,435.00
31359MEY5	FNMA GLOBAL BENCHMARK NOTES	640,000	6.63	09/15/09	AAA	08/31/06	09/06/06	668,821.76	5.002	1,884.44	649,573.08	659,800.00
465139TX1	AID ZERO COUPON GLOBAL US GOV	120,000	0.00	11/01/09	TSY	11/22/05	11/23/05	100,462.50	4.563	0.00	114,275.93	117,641.88
3137EABB4	FHLMC GLOBAL NOTES	1,270,000	4.13	11/30/09	AAA	12/27/07	01/02/08	1,278,634.73	3.749	17,608.02	1,275,348.81	1,283,890.63
3133XGYT5	FHLB TAP BONDS	1,000,000	5.00	12/11/09	AAA	07/11/07	07/12/07	995,270.00	5.209	15,277.78	997,612.39	1,020,937.50
31331XRP9	FFCB BONDS	1,335,000	4.80	03/08/10	AAA	05/30/07	06/01/07	1,324,093.05	5.117	4,094.00	1,329,210.51	1,360,031.25
3133XJUS5	FHLB TAP BONDS	935,000	5.00	03/12/10	AAA	05/09/07	05/14/07	936,568.00	4.930	2,467.36	935,863.09	957,498.44
31331XWL2	FFCB DESIGNATED BONDS	1,350,000	4.75	05/07/10	AAA	07/31/07	08/01/07	1,340,381.25	5.026	25,650.00	1,344,339.18	1,380,375.00
31359MFS7	FNMA GLOBAL BENCHMARK NOTES	1,370,000	7.13	06/15/10	AAA	09/27/07	09/28/07	1,462,496.92	4.453	28,741.46	1,429,453.56	1,459,906.25
3137EABL2	FHLMC GLOBAL NOTES	1,437,000	2.88	06/28/10	AAA	06/10/08	06/10/08	1,417,857.72	3.552	14,689.33	1,420,684.89	1,430,373.99
3134A4VB7	FHLMC GLOBAL REFERENCE NOTES	750,000	4.13	07/12/10	AAA	07/05/07	07/09/07	725,739.75	5.302	6,789.06	735,196.97	762,656.25
3133XRWL0	FHLB NOTES	535,000	3.38	08/13/10	AAA	07/31/08	08/01/08	536,214.45	3.258	3,159.84	536,119.09	535,501.56
31359MYN7	FNMA GLOBAL BENCHMARK NOTES	256,000	4.25	08/15/10	AAA	08/17/07	08/20/07	252,272.38	4.779	1,390.22	253,604.28	261,200.00
31359MYN7	FNMA GLOBAL BENCHMARK NOTES	258,000	4.25	08/15/10	AAA	08/21/07	08/24/07	254,819.63	4.698	1,401.08	255,950.72	263,240.63
3128X4GV7	FHLMC GLOBAL NOTES (EX-CALLA	246,000	4.88	08/16/10	AAA	08/21/07	08/24/07	246,998.76	4.727	1,499.06	246,646.53	253,307.92
3133XGRD8	FHLB BONDS	2,000,000	5.13	09/29/10	AAA	08/20/08	08/21/08	2,077,140.00	3.214	569.44	2,073,260.52	2,063,750.00
31359MF40	FNMA GLOBAL BENCHMARK NOTES	1,445,000	4.50	02/15/11	AAA	01/31/08	02/05/08	1,510,604.45	2.922	8,308.75	1,496,879.99	1,486,995.31
31359MF40	FNMA GLOBAL BENCHMARK NOTES	180,000	4.50	02/15/11	AAA	03/04/08	03/06/08	189,361.98	2.650	1,035.00	187,606.11	185,231.25
3137EABF5	FHLMC GLOBAL NOTES	143,000	3.25	02/25/11	AAA	01/15/08	01/17/08	143,277.13	3.183	464.75	143,220.66	142,597.81
3137EABF5	FHLMC GLOBAL NOTES	1,840,000	3.25	02/25/11	AAA	03/31/08	04/03/08	1,873,510.08	2.591	5,980.00	1,868,039.36	1,834,825.00
31359MJH7	FNMA GLOBAL BENCHMARK NOTES	800,000	6.00	05/15/11	AAA	05/30/07	06/01/07	824,844.00	5.122	18,133.33	817,028.18	854,000.00
3128X7VB7	FHLMC MTN (CALLABLE)	828,000	4.00	06/09/11	AAA	05/20/08	06/09/08	827,917.20	4.004	10,304.00	827,925.37	829,041.62
		18,936,000						19,194,219.50	4.085	170,029.92	19,138,806.46	19,347,237.29
US TSY BOND/NOTE												
912828HD5	US TREASURY NOTES	2,625,000	4.00	09/30/09	TSY	09/02/08	09/04/08	2,676,372.07	2.141	288.46	2,672,901.50	2,678,731.13
912828HU7	US TREASURY NOTES	755,000	1.75	03/31/10	TSY	04/18/08	04/23/08	749,632.42	2.126	36.30	750,835.13	753,289.17
912828ED8	US TREASURY NOTES	770,000	4.13	08/15/10	TSY	05/29/08	05/30/08	791,596.09	2.807	4,056.62	788,385.64	801,461.43
912828JJ0	US TREASURY NOTES	1,010,000	2.38	08/31/10	TSY	08/28/08	09/04/08	1,009,921.09	2.379	2,054.18	1,009,924.18	1,017,732.56
912828FD7	US TREASURY NOTES	1,185,000	4.88	04/30/11	TSY	04/29/08	04/30/08	1,265,728.13	2.504	24,174.97	1,254,814.44	1,268,134.86
912828FH8	US TREASURY NOTES	860,000	4.88	05/31/11	TSY	05/29/08	05/30/08	906,023.44	2.998	14,089.55	901,022.71	921,812.50

PFM Asset Management LLC

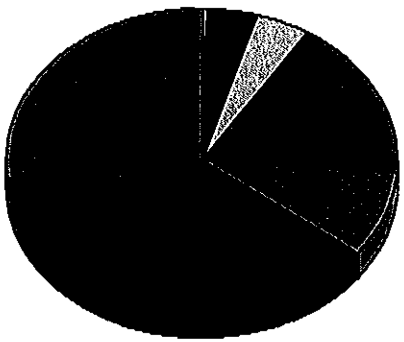
Detail of Securities Held: *33880100* *CITY OF HALLANDALE BEACH INV PORT*

(Excluding Cash)

MONTH ENDED: September 30, 2008

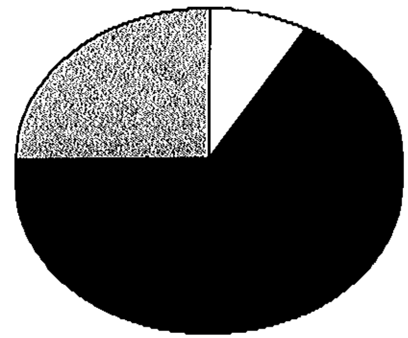
SECURITY TYPE CUSIP	DESCRIPTION	PAR	COUPON	MATURITY DATE	S&P RATING	TRADE DATE	SETTLE DATE	ORIGINAL COST	YTM AT COST	ACCRUED INTEREST	AMORTIZED COST	MARKET VALUE
		7,205,000						7,399,273.24	2.412	44,700.08	7,377,883.60	7,441,161.65
TOTAL SECURITIES		**$29,246,000**						**$29,767,324.69**	**3.759 %**	**$267,165.27**	**$29,660,027.77**	**$29,887,576.55**

Issuer by Market Value



AGENCY FOR INTERNATIONAL DEVELOPMENT	$117,642	0.4%
BANK OF AMERICA	$1,201,237	4.0%
CITIGROUP INC	$1,296,751	4.3%
FANNIE MAE	$5,170,373	17.3%
FEDERAL FARM CREDIT BANKS	$2,740,406	9.2%
FEDERAL HOME LOAN BANKS	$4,577,688	15.3%
FREDDIE MAC	$6,741,128	22.6%
GENERAL ELECTRIC CO	$601,189	2.0%
UNITED STATES TREASURY	$7,441,162	24.9%
Total:	$29,887,577	100.0%

Ratings by Market Value



AA-	$2,497,989	8.4%
AAA	$19,830,785	66.4%
TSY	$7,558,804	25.3%
Total:	$29,887,577	100.0%

Fair Market Values & Analytics: 33880100 CITY OF HALLANDALE BEACH INV PORT

(Excluding Cash)

MONTH ENDED: September 30, 2008

SECURITY TYPE CUSIP	DESCRIPTION	PAR	COUPON	MATURITY DATE	FIRST CALL DATE	MARKET PRICE	MARKET VALUE	UNREAL G/(L) ON AMORT COST	UNREAL G/(L) ON COST	DURATION TO WORST	YTM AT MKT
CORPORATE NOTE											
046003JT7	ASSOCIATES CORP NA (CITI) GL SR N	1,300,000	6.25	11/01/08		99.750	1,296,751.30	(4,097.81)	(14,727.70)	0.086	8.943
33901LAA2	FLEET NATIONAL BANK (BAC) SUB]	1,200,000	5.75	01/15/09		100.103	1,201,237.20	(824.51)	(12,682.80)	0.287	5.327
36962GWB6	GENERAL ELEC CAP CORP GLOBAL !	605,000	6.13	02/22/11		99.370	601,189.11	(39,237.78)	(47,243.84)	2.180	6.409
FED AGY BOND/NOTE											
3134A3M78	FHLMC GLOBAL REFERENCE NOTES	198,000	6.63	09/15/09		103.250	204,435.00	3,467.76	(2,498.76)	0.928	3.153
31359MEY5	FNMA GLOBAL BENCHMARK NOTES	640,000	6.63	09/15/09		103.094	659,800.00	10,226.92	(9,021.76)	0.927	3.316
465139TX1	AID ZERO COUPON GLOBAL US GOV	120,000	0.00	11/01/09		98.035	117,641.88	3,365.95	17,179.38	1.078	1.836
3137EABB4	FHLMC GLOBAL NOTES	1,270,000	4.13	11/30/09		101.094	1,283,890.63	8,541.82	5,255.90	1.119	3.160
3133XGYT5	FHLB TAP BONDS	1,000,000	5.00	12/11/09		102.094	1,020,937.50	23,325.11	25,667.50	1.143	3.199
31331XRP9	FFCB BONDS	1,335,000	4.80	03/08/10		101.875	1,360,031.25	30,820.74	35,938.20	1.381	3.451
3133XJUS5	FHLB TAP BONDS	935,000	5.00	03/12/10		102.406	957,498.44	21,635.35	20,930.44	1.391	3.286
31331XWL2	FFCB DESIGNATED BONDS	1,350,000	4.75	05/07/10		102.250	1,380,375.00	36,035.82	39,993.75	1.510	3.295
31359MFS7	FNMA GLOBAL BENCHMARK NOTES	1,370,000	7.13	06/15/10		106.563	1,459,906.25	30,452.69	(2,590.67)	1.587	3.145
3137EABL2	FHLMC GLOBAL NOTES	1,437,000	2.88	06/28/10		99.539	1,430,373.99	9,689.10	12,516.27	1.672	3.146
3134A4VB7	FHLMC GLOBAL REFERENCE NOTES	750,000	4.13	07/12/10		101.688	762,656.25	27,459.28	36,916.50	1.698	3.142
3133XRWL0	FHLB NOTES	535,000	3.38	08/13/10		100.094	535,501.56	(617.53)	(712.89)	1.789	3.320
31359MYN7	FNMA GLOBAL BENCHMARK NOTES	256,000	4.25	08/15/10		102.031	261,200.00	7,595.72	8,927.62	1.786	3.124
31359MYN7	FNMA GLOBAL BENCHMARK NOTES	258,000	4.25	08/15/10		102.031	263,240.63	7,289.91	8,421.00	1.786	3.124
3128X4GV7	FHLMC GLOBAL NOTES (EX-CALLA	246,000	4.88	08/16/10	08/16/06	102.971	253,307.92	6,661.39	6,309.16	1.780	3.230
3133XGRD8	FHLB BONDS	2,000,000	5.13	09/29/10		103.188	2,063,750.00	(9,510.52)	(13,390.00)	1.892	3.459
31359MF40	FNMA GLOBAL BENCHMARK NOTES	1,445,000	4.50	02/15/11		102.906	1,486,995.31	(9,884.68)	(23,609.14)	2.233	3.218
31359MF40	FNMA GLOBAL BENCHMARK NOTES	180,000	4.50	02/15/11		102.906	185,231.25	(2,374.86)	(4,130.73)	2.233	3.218
3137EABF5	FHLMC GLOBAL NOTES	143,000	3.25	02/25/11		99.719	142,597.81	(622.85)	(679.32)	2.285	3.372
3137EABF5	FHLMC GLOBAL NOTES	1,840,000	3.25	02/25/11		99.719	1,834,825.00	(33,214.36)	(38,685.08)	2.285	3.372
31359MJH7	FNMA GLOBAL BENCHMARK NOTES	800,000	6.00	05/15/11		106.750	854,000.00	36,971.82	29,156.00	2.385	3.293
3128X7VB7	FHLMC MTN (CALLABLE)	828,000	4.00	06/09/11	09/09/08	100.126	829,041.62	1,116.25	1,124.42	0.191	3.948
US TSY BOND/NOTE											
912828HD5	US TREASURY NOTES	2,625,000	4.00	09/30/09		102.047	2,678,731.13	5,829.63	2,359.06	0.981	1.924
912828HU7	US TREASURY NOTES	755,000	1.75	03/31/10		99.773	753,289.17	2,454.04	3,656.75	1.473	1.904
912828ED8	US TREASURY NOTES	770,000	4.13	08/15/10		104.086	801,461.43	13,075.79	9,865.34	1.800	1.896
912828JJ0	US TREASURY NOTES	1,010,000	2.38	08/31/10		100.766	1,017,732.56	7,808.38	7,811.47	1.864	1.966
912828FD7	US TREASURY NOTES	1,185,000	4.88	04/30/11		107.016	1,268,134.86	13,320.42	2,406.73	2.394	2.072
912828FH8	US TREASURY NOTES	860,000	4.88	05/31/11		107.188	921,812.50	20,789.79	15,789.06	2.476	2.089
SUBTOTALS							$29,887,576.55	$227,548.78	$120,251.86	1.529	3.355 %

PFM Asset Management LLC

Fair Market Values & Analytics: *33880100* *CITY OF HALLANDALE BEACH INV PORT*
(Excluding Cash)

MONTH ENDED: September 30, 2008

SECURITY TYPE CUSIP	DESCRIPTION	PAR	COUPON	MATURITY DATE	FIRST CALL DATE	MARKET PRICE	MARKET VALUE	UNREAL G/(L) ON AMORT COST	UNREAL G/(L) ON COST	DURATION TO WORST	YTM AT MKT
ACCRUED INTEREST ON INVESTMENT							267,165.27				
TOTAL MARKET VALUE OF INVESTMENTS							**$30,154,741.82**				

PFM Asset Management LLC

Security Transactions & Interest: *33880100* *CITY OF HALLANDALE BEACH INV PORT*

(Excluding Cash)

MONTH ENDED: September 30, 2008

TRADE	SETTLE	TRAN TYPE	SECURITY DESCRIPTION	CUSIP	S&P RATING	PAR	COUPON	MATURITY DATE	PRINCIPAL AMOUNT	ACCRUED INTEREST	TOTAL
09/02/08	09/02/08	INTEREST	MONEY MARKET FUND	MONEY0002	NR				0.00	233.47	233.47
09/08/08	09/08/08	INTEREST	FFCB BONDS	31331XRP9	AAA	1,335,000	4.800	03/08/10	0.00	32,040.00	32,040.00
09/12/08	09/12/08	INTEREST	FHLB TAP BONDS	3133XJUS5	AAA	935,000	5.000	03/12/10	0.00	23,375.00	23,375.00
09/15/08	09/15/08	INTEREST	FHLMC GLOBAL REFERENCE NOTES	3134A3M78	AAA	198,000	6.625	09/15/09	0.00	6,558.75	6,558.75
09/15/08	09/15/08	INTEREST	FNMA GLOBAL BENCHMARK NOTES	31359MEY5	AAA	640,000	6.625	09/15/09	0.00	21,200.00	21,200.00
09/29/08	09/29/08	INTEREST	FHLB BONDS	3133XGRD8	AAA	2,000,000	5.125	09/29/10	0.00	51,250.00	51,250.00
09/30/08	09/30/08	INTEREST	US TREASURY NOTES	912828HD5	TSY	2,625,000	4.000	09/30/09	0.00	52,500.00	52,500.00
09/30/08	09/30/08	INTEREST	US TREASURY NOTES	912828HU7	TSY	755,000	1.750	03/31/10	0.00	6,606.25	6,606.25
						8,488,000			0.00	193,763.47	193,763.47
08/28/08	09/04/08	BUY	US TREASURY NOTES	912828JJ0	TSY	1,010,000	2.375	08/31/10	(1,009,921.09)	(265.06)	(1,010,186.15)
09/02/08	09/04/08	BUY	US TREASURY NOTES	912828HD5	TSY	2,625,000	4.000	09/30/09	(2,676,372.07)	(45,040.98)	(2,721,413.05)
						3,635,000			(3,686,293.16)	(45,306.04)	(3,731,599.20)
09/04/08	09/04/08	MATURITY	FHLB DISC NOTE	313384E62	A-1+	1,040,000	0.000	09/04/08	1,040,000.00	0.00	1,040,000.00
09/04/08	09/04/08	MATURITY	FNMA DISC NOTE	313588E68	A-1+	2,050,000	0.000	09/04/08	2,050,000.00	0.00	2,050,000.00
09/04/08	09/04/08	MATURITY	US TREASURY BILL	912795G47	TSY	644,000	0.000	09/04/08	644,000.00	0.00	644,000.00
						3,734,000			3,734,000.00	0.00	3,734,000.00
TOTAL SECURITY TRANSACTIONS											**196,164.27**

Cash Transactions Report: 33880100 CITY OF HALLANDALE BEACH INV PORT

MONTH ENDED: September 30, 2008

CASH DATE	TRANSACTION CODE	TRANSACTION DESCRIPTION	TOTAL AMOUNT
	No transactions during the month.		

NET CASH CONTRIBUTIONS/(WITHDRAWS)

Realized Gains and Losses: *33880100* *CITY OF HALLANDALE BEACH INV PORT*

(Excluding Cash)

MONTH ENDED: September 30, 2008

TRADE DATE	SETTLE DATE	TRAN TYPE	SALE METHOD	SECURITY DESCRIPTION	CUSIP	PAR VALUE	COUPON	PRINCIPAL PROCEEDS	REALIZED G/(L) COST	REALIZED G/(L) AMORT CST
09/04/08	09/04/08	MATURITY		FHLB DISC NOTE	313384E62	1,040,000	0.000	1,040,000.00	338.00	0.00
09/04/08	09/04/08	MATURITY		FNMA DISC NOTE	313588E68	2,050,000	0.000	2,050,000.00	1,195.83	0.00
09/04/08	09/04/08	MATURITY		US TREASURY BILL	912795G47	644,000	0.000	644,000.00	457.51	0.00
TOTAL GAINS AND LOSSES									$1,991.34	$0.00

PFM Asset Management LLC

Cash Balance Report: *33880100* *CITY OF HALLANDALE BEACH INV PORT*

MONTH ENDED: September 30, 2008

CASH BALANCE: $225,120.82

Earnings Calculation Templates

Current Month-End Book Value	+	
Current Month-End Accrued Interest	+	
Less Purchases	-	
Less Purchased Interest	-	
Add Disposals (Sales, Maturities, Paydowns, Sinks, etc.)	+	
Add Coupon Interest Received	+	
Less Previous Month-End Book Value	-	
Less Previous Month-End Accrued Interest	-	
Total Accrual Basis Earnings For The Month		

Add Coupon Interest Received	+	
Less Purchased Interest Related to Coupons	-	
Add/Subtract Gains or Losses on Cost For The Mth	+/-	
Total Cost Basis Earnings For The Month		

Economic Calendar

10/01/2008 - ISM Manufacturing
10/03/2008 - Unemployment Rate
10/15/2008 - Producer Price Index
10/15/2008 - Retail Sales
10/15/2008 - Empire Manufacturing
10/16/2008 - Consumer Price Index
10/17/2008 - Housing Starts
10/17/2008 - Building Permits
10/24/2008 - Existing Home Saless
10/29/2008 - Durable Goods Orders
10/29/2008 - FOMC Meeting
10/31/2008 - Personal Spending

Market Commentary

The Standard & Poor's 500 Index fell 8.8% on September 29, the most since the crash of October 1987 after the House of Representatives rejected a proposed rescue bill for the financial sector. The rescue plan is intended to help restore confidence in the banking sector and improve the credit markets. The credit markets remain frozen in the aftermath of the Lehman Brothers bankruptcy and the failure of Washington Mutual the United States' largest bank failure. Governments around the world have attempted to restore order in the credit markets through liquidity injections and direct support to stressed institutions. Economists are concerned that a lack of credit will weigh on an already weak economy. There are also concerns that additional financial institutions could fail as a result of lost confidence, lack of liquidity and additional asset write-downs. Despite central bank efforts, most measures of risk remain elevated. Credit spreads and important borrowing benchmarks like LIBOR are trading at or near record levels pushing borrowing cost higher. A significant flight to quality developed in September as investors sought the safety and liquidity of the Treasury market. Demand for short-term Treasuries drove their yields to near 0%. Economic fundamentals have taken a backseat to credit events, but further weakness in the employment market or economic outlook could grab the market's attention.

Investment Portfolio Information For

CITY OF HALLANDALE BEACH SHORT TERM FUND

Portfolio #

33880110

Section / Report Title

For The Month Ending

September 30, 2008

CITY OF HALLANDALE BEACH
FINANCE DIRECTOR
PATRICIA M. LADOLCETTA
400 SOUTH FEDERAL HIGHWAY
HALLANDALE BEACH FL 33009

PFM Asset Management LLC

Account Summary:

33880110 *CITY OF HALLANDALE BEACH SHORT TERM FUND*

(Excluding Cash)

MONTH ENDED: September 30, 2008

SECURITY TYPE	PAR VALUE	AMORTIZED COST	MARKET VALUE	MARKET % OF PORTFOLIO	YTM AT COST	YTM AT MARKET	DURATION TO WORST
COMMERCIAL PAPER	1,334,000.00	1,328,251.94	1,325,945.60	100.000	2.789	3.836	0.153
TOTAL SECURITIES	**1,334,000.00**	**1,328,251.94**	**1,325,945.60**	**100.000**	**2.789 %**	**3.836 %**	**0.153**
TOTAL INVESTMENTS	**1,334,000.00**	**1,328,251.94**	**1,325,945.60**	**100.000 %**			
ACCRUED INTEREST		0.00	0.00				
TOTAL PORTFOLIO	**$1,334,000.00**	**$1,328,251.94**	**$1,325,945.60**				

PFM Asset Management LLC

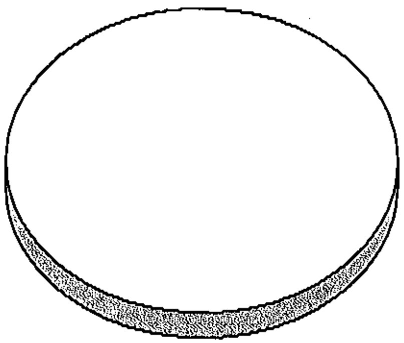
Detail of Securities Held: *33880110* *CITY OF HALLANDALE BEACH SHORT TERM FUND*

(Excluding Cash)

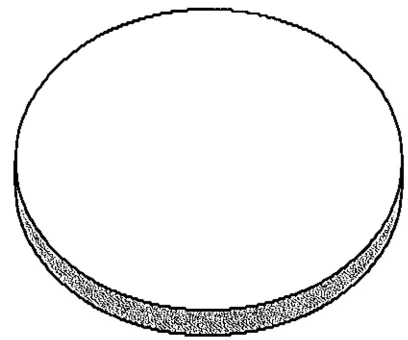
MONTH ENDED: September 30, 2008

SECURITY TYPE CUSIP	DESCRIPTION	PAR	COUPON	MATURITY DATE	S&P RATING	TRADE DATE	SETTLE DATE	ORIGINAL COST	YTM AT COST	ACCRUED INTEREST	AMORTIZED COST	MARKET VALUE
COMMERCIAL PAPER												
83365RLS2	SOCIETE GENERALE N AMER COMM	1,334,000	0.00	11/26/08	A-1+	08/28/08	08/28/08	1,324,762.05	2.789	0.00	1,328,251.94	1,325,945.60
		1,334,000						1,324,762.05	2.789	0.00	1,328,251.94	1,325,945.60
TOTAL SECURITIES		**$1,334,000**						**$1,324,762.05**	**2.789 %**	**$0.00**	**$1,328,251.94**	**$1,325,945.60**

Issuer by Market Value



Ratings by Market Value



PFM Asset Management LLC

Fair Market Values & Analytics: 33880110 CITY OF HALLANDALE BEACH SHORT TERM FUND

(Excluding Cash)

MONTH ENDED: September 30, 2008

SECURITY TYPE CUSIP	DESCRIPTION	PAR	COUPON	MATURITY DATE	FIRST CALL DATE	MARKET PRICE	MARKET VALUE	UNREAL G/(L) ON AMORT COST	UNREAL G/(L) ON COST	DURATION TO WORST	YTM AT MKT
COMMERCIAL PAPER											
83365RLS2	SOCIETE GENERALE N AMER COMM	1,334,000	0.00	11/26/08		99.396	1,325,945.60	(2,306.34)	1,183.55	0.153	3.836
SUBTOTALS							**$1,325,945.60**	**($2,306.34)**	**$1,183.55**	**0.153**	**3.836 %**

ACCRUED INTEREST ON INVESTMENT	0.00
TOTAL MARKET VALUE OF INVESTMENTS	$1,325,945.60

Security Transactions & Interest: 33880110 CITY OF HALLANDALE BEACH SHORT TERM FUND

(Excluding Cash)

MONTH ENDED: September 30, 2008

TRADE	SETTLE	TRAN TYPE	SECURITY DESCRIPTION	CUSIP	S&P RATING	PAR	COUPON	MATURITY DATE	PRINCIPAL AMOUNT	ACCRUED INTEREST	TOTAL
TOTAL SECURITY TRANSACTIONS											**0.00**

PFM Asset Management LLC

Cash Transactions Report: *33880110* *CITY OF HALLANDALE BEACH SHORT TERM FUND*

MONTH ENDED: September 30, 2008

CASH DATE	TRANSACTION CODE	TRANSACTION DESCRIPTION	TOTAL AMOUNT
	No transactions during the month.		

NET CASH CONTRIBUTIONS/(WITHDRAWS)

PFM Asset Management LLC

Realized Gains and Losses: *33880110* *CITY OF HALLANDALE BEACH SHORT TERM FUND*

(Excluding Cash)

MONTH ENDED: September 30, 2008

TRADE DATE	SETTLE DATE	TRAN TYPE	SALE METHOD	SECURITY DESCRIPTION	CUSIP	PAR VALUE	COUPON	PRINCIPAL PROCEEDS	REALIZED G/(L) COST	REALIZED G/(L) AMORT CST
				No transactions during the month.						
TOTAL GAINS AND LOSSES										

PFM Asset Management LLC

Cash Balance Report: *33880110* *CITY OF HALLANDALE BEACH SHORT TERM FUND*

MONTH ENDED: September 30, 2008

CASH BALANCE: $0.00

Earnings Calculation Templates

Current Month-End Book Value	+	
Current Month-End Accrued Interest	+	
Less Purchases	-	
Less Purchased Interest	-	
Add Disposals (Sales, Maturities, Paydowns, Sinks, etc.)	+	
Add Coupon Interest Received	+	
Less Previous Month-End Book Value	-	
Less Previous Month-End Accrued Interest	-	
Total Accrual Basis Earnings For The Month		

Add Coupon Interest Received	+	
Less Purchased Interest Related to Coupons	-	
Add/Subtract Gains or Losses on Cost For The Mth	+/-	
Total Cost Basis Earnings For The Month		

Economic Calendar

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