September 2006

MONTHLY INVESTMENT INCOME REPORT

Commonwealth of Kentucky
John R. Farris, Secretary
FINANCE AND ADMINISTRATION CABINET

Kentucky
UNBRIDLED SPIRIT

Date: 09/30/06

PORTFOLIO SUMMARY
POOLS

	TYPE	MARKET VALUE	MARKET YIELD (%)	DURATION (Years)	PERCENT of TOTAL	STATUTORY LIMIT
Treasuries						
	Bills	0.00	0.00	0.00	0%	
	Treasury Notes	296,402,543.50	4.84	1.06	8%	
Sub-total		296,402,543.50	4.84	1.06	8%	
Agencies	Notes	1,021,898,428.52	5.19	1.02	26%	
	Discounts	0.00	0.00	0.00	0%	
Sub-total		1,021,898,428.52	5.19	1.02	26%	
Municipals		301,891,757.02	5.25	0.51	8%	
Corporates		293,096,341.14	5.42	1.12	7%	25%
Mortgages	Pools	108,799,929.08	5.73	1.69	3%	
	CMO's	226,942,652.89	5.41	1.36	6%	
Sub-total		335,742,581.97	5.51	1.47	9%	25%
Asset Backs		356,496,276.16	5.36	0.17	9%	20%
Repurchase Agreements						
	Overnight	673,300,212.49	5.13	0.01	17%	
	< 30 days	28,854,853.66	4.69	0.04	1%	
	< 60 days	5,503,903.47	4.83	0.09	0%	
	< 90 days	0.00	0.00	0.00	0%	
	< 1 year	2,807,943.09	3.57	0.72	0%	
	< 2 years	2,632,728.11	4.18	1.84	0%	
	> 2 years	9,045,941.02	2.70	4.40	0%	
	Flex Repos	16,226,210.01	11.62	4.87	1%	
Sub-total		738,371,791.85	5.21	0.18	19%	
Money Market Securities						
	Commercial Paper	442,722,348.87	5.28	0.01	11%	A1-P1
	Money Mkt Fund	99,000,000.00	5.25	0.01	3%	
	Certificates of Deposit	574,617.92	2.04	2.85	0%	
Sub-total		542,296,966.79	5.27	0.01	14%	20%
Derivatives						
	Swaptions	168,495.67	5.44	0.00	0%	
	OTC Options	0.00	0.00	0.00	0%	
Sub-total		168,495.67	0.00	0.00	0%	
TOTALS		3,886,365,182.62	5.25	0.65	100%	

Date: 09/30/06

PORTFOLIO SUMMARY
TRAN POOL

	TYPE	MARKET VALUE	MARKET YIELD (%)	DURATION (Years)	PERCENT of TOTAL	STATUTORY LIMIT
Treasuries						
	Bills	0.00	0.00	0.00	0%	
	Treasury Notes	0.00	0.00	0.00	0%	
Sub-total		0.00	0.00	0.00	0%	
Agencies	Notes	0.00	0.00	0.00	0%	
	Discounts	0.00	0.00	0.00	0%	
Sub-total		0.00	0.00	0.00	0%	
Corporates		0.00	0.00	0.00	0%	25%
Municipals		5,005,055.56	5.20	0.08	3%	
Mortgages	CMOs	25,784,088.11	5.74	0.59	17%	25%
ABS		104,695,411.37	5.37	0.04	68%	
Repurchase Agreements						
	Overnight	17,458,784.56	5.13	0.01	12%	
	< 30 days	0.00	0.00	0.00	0%	
	< 60 days	0.00	0.00	0.00	0%	
	< 90 days	0.00	0.00	0.00	0%	
	< 1 year	0.00	0.00	0.00	0%	
	< 2 years	0.00	0.00	0.00	0%	
	> 2 years	0.00	0.00	0.00	0%	
	Flex Repos	0.00	0.00	0.00	0%	
Sub-total		17,458,784.56	0.00	0.00	12%	
Money Market Securities						
	Commercial Paper	0.00	0.00	0.00	0%	A1-P1
	Money Mkt Fund	0.00	0.00	0.00	0%	
	Certificates of Deposit	0.00	0.00	0.00	0%	
Sub-total		0.00	0.00	0.00	0%	
TOTALS		152,943,339.60	5.40	0.13	100%	

Date: 09/30/06

PORTFOLIO SUMMARY
SHORT TERM POOL

	TYPE	MARKET VALUE	MARKET YIELD (%)	DURATION (Years)	PERCENT of TOTAL	STATUTORY LIMIT
Treasuries						
	Bills	0.00	0.00	0.00	0%	
	Treasury Notes	0.00	0.00	0.00	0%	
Sub-total		0.00	0.00	0.00	0%	
Agencies	Notes	30,162,098.61	4.82	0.46	2%	
	Discounts	0.00	0.00	0.00	0%	
Sub-total		30,162,098.61	0.00	0.00	2%	
Corporates		98,426,040.36	5.42	0.56	6%	25%
Municipals		177,158,908.87	5.27	0.08	10%	
Mortgages	CMOs	69,648,380.04	5.27	0.12	4%	25%
ABS		218,952,666.59	5.41	0.10	13%	
Repurchase Agreements						
	Overnight	555,502,688.67	5.13	0.01	33%	
	< 30 days	0.00	0.00	0.00	0%	
	< 60 days	0.00	0.00	0.00	0%	
	< 90 days	0.00	0.00	0.00	0%	
	< 1 year	0.00	0.00	0.00	0%	
	< 2 years	0.00	0.00	0.00	0%	
	> 2 years	0.00	0.00	0.00	0%	
	Flex Repos	0.00	0.00	0.00	0%	
Sub-total		555,502,688.67	5.13	0.01	33%	
Money Market Securities						
	Commercial Paper	442,722,348.87	5.28	0.01	26%	A1-P1
	Money Mkt Fund	99,000,000.00	5.25	0.01	6%	
	Certificates of Deposit	0.00	0.00	0.00	0%	
Sub-total		541,722,348.87	5.28	0.01	32%	
TOTALS		1,691,573,132.01	5.24	0.07	100%	

Date: 09/30/06

PORTFOLIO SUMMARY
INTERMEDIATE TERM POOL

	TYPE	MARKET VALUE	MARKET YIELD (%)	DURATION (Years)	PERCENT of TOTAL	STATUTORY LIMIT
Treasuries						
	Bills	0.00	0.00	0.00	0%	
	Treasury Notes	190,937,502.20	4.82	1.09	11%	
Sub-total		190,937,502.20	4.82	1.09	11%	
Agencies	Notes	762,590,463.36	5.23	1.03	45%	
	Discounts	0.00	0.00	0.00	0%	
Sub-total		762,590,463.36	5.23	1.03	45%	
Municipals		119,727,792.59	5.22	1.16	7%	
Corporates		194,670,300.78	5.43	1.41	12%	25%
Mortgages	Pools	108,799,929.08	5.73	1.69	7%	
	CMO's	131,510,184.74	5.42	2.17	8%	
Sub-total		240,310,113.82	5.56	1.95	15%	25%
Asset Backs		32,848,198.20	5.05	1.06	2%	20%
Repurchase Agreements						
	Overnight	74,718,315.56	5.13	0.01	4%	
	< 30 days	28,854,853.66	4.69	0.04	2%	
	< 60 days	5,503,903.47	4.83	0.09	0%	
	< 90 days	0.00	0.00	0.00	0%	
	< 1 year	2,807,943.09	3.57	0.72	0%	
	< 2 years	2,632,728.11	4.18	1.84	0%	
	> 2 years	9,045,941.02	2.70	4.40	1%	
	Flex Repos	16,226,210.01	11.62	4.87	1%	
Sub-total		139,789,894.92	5.57	0.92	8%	
Money Market Securities						
	Commercial Paper	0.00	0.00	0.00	0%	A1-P1
	Money Mkt Fund	0.00	0.00	0.00	0%	
	Certificates of Deposit	574,617.92	2.04	2.85	0%	
Sub-total		574,617.92	2.04	2.85	0%	20%
Derivatives						
	Swaps	168,495.67	5.44	0.00	0%	
	OTC Options	0.00	0.00	0.00	0%	
Sub-total		168,495.67	0.00	0.00	0%	
TOTALS		1,681,617,379.46	5.28	1.21	100%	

Date: 09/30/06

PORTFOLIO SUMMARY
UK HOSPITAL

		TYPE	MARKET VALUE	MARKET YIELD (%)	DURATION (Years)	PERCENT of TOTAL	STATUTORY LIMIT
Treasuries							
		Bills	0.00	0.00	0.00	0%	
		Treasury Notes	0.00	0.00	0.00	0%	
	Sub-total		0.00	0.00	0.00	0%	
Agencies		Notes	57,980,253.56	5.20	0.37	0%	
		Discounts	0.00	0.00	0.00	0%	
	Sub-total		57,980,253.56	5.20	0.37	71%	
Municipals			0.00	0.00	0.00	0%	
Corporates			0.00	0.00	0.00	0%	25%
Mortgages		Pools	0.00	0.00	0.00	0%	
		CMO's	0.00	0.00	0.00	0%	
	Sub-total		0.00	0.00	0.00	0%	25%
Asset Backs			0.00	0.00	0.00	0%	20%
Repurchase Agreements							
		Overnight	23,970,688.10	5.13	0.01	0%	
		< 30 days	0.00	0.00	0.00	0%	
		< 60 days	0.00	0.00	0.00	0%	
		< 90 days	0.00	0.00	0.00	0%	
		< 1 year	0.00	0.00	0.00	0%	
		< 2 years	0.00	0.00	0.00	0%	
		> 2 years	0.00	0.00	0.00	0%	
		Flex Repos	0.00	0.00	0.00	0%	
	Sub-total		23,970,688.10	5.13	0.01	29%	
Money Market Securities							
		Commercial Paper	0.00	0.00	0.00	0%	A1-P1
		Money Mkt Fund	0.00	0.00	0.00	0%	
		Certificates of Deposit	0.00	0.00	0.00	0%	
	Sub-total		0.00	0.00	0.00	0%	20%
TOTALS			81,950,941.66	5.18	0.26	0%	

Date: 09/30/06

PORTFOLIO SUMMARY
BOND PROCEEDS POOL

	TYPE	MARKET VALUE	MARKET YIELD (%)	DURATION (Years)	PERCENT of TOTAL	STATUTORY LIMIT
Treasuries						
	Bills	0.00	0.00	0.00	0%	
	Treasury Notes	105,465,041.30	4.88	1.01	38%	
Sub-total		105,465,041.30	4.88	1.01	38%	
Agencies	Notes	171,165,612.99	5.06	1.27	61%	
	Discounts	0.00	0.00	0.00	0%	
Sub-total		171,165,612.99	5.06	1.27	61%	
Municipals		0.00	0.00	0.00	0%	
Mortgages	Pools	0.00	0.00	0.00	0%	
	CMO's	0.00	0.00	0.00	0%	
Sub-total		0.00	0.00	0.00	0%	
Asset Backs		0.00	0.00	0.00	0%	
Repurchase Agreements						
	Overnight	1,649,735.60	5.13	0.01	1%	
	< 30 days	0.00	0.00	0.00	0%	
	< 60 days	0.00	0.00	0.00	0%	
	< 90 days	0.00	0.00	0.00	0%	
	< 1 year	0.00	0.00	0.00	0%	
	< 2 years	0.00	0.00	0.00	0%	
	> 2 years	0.00	0.00	0.00	0%	
	Flex Repos	0.00	0.00	0.00	0%	
Sub-total		1,649,735.60	5.13	0.01	1%	
Money Market Securities						
	Commercial Paper	0.00	0.00	0.00	0%	NONE ALLOWED
	Money Mkt Fund	0.00	0.00	0.00	0%	
	Certificates of Deposit	0.00	0.00	0.00	0%	
Sub-total		0.00	0.00	0.00	0%	
TOTALS		278,280,389.89	4.99	1.16	100%	

Investment Balances and Income

September 2006

Portfolio	Average Daily Balance	Monthly Income	Yield
Bond Proceeds	282,327,570.46	1,526,023.12	6.29%
Intermediate	1,684,918,270.22	9,616,092.74	6.84%
PHASE II	88,681,519.32	316,525.03	4.15%
Short Term	1,344,295,033.99	6,120,065.69	5.38%
Tran	152,282,228.61	698,857.06	5.40%
UK HSPTL	21,799,670.01	346,023.22	4.89%
	3,574,304,292.61	**18,623,586.86**	

ACCRUED EARNINGS

September 2006

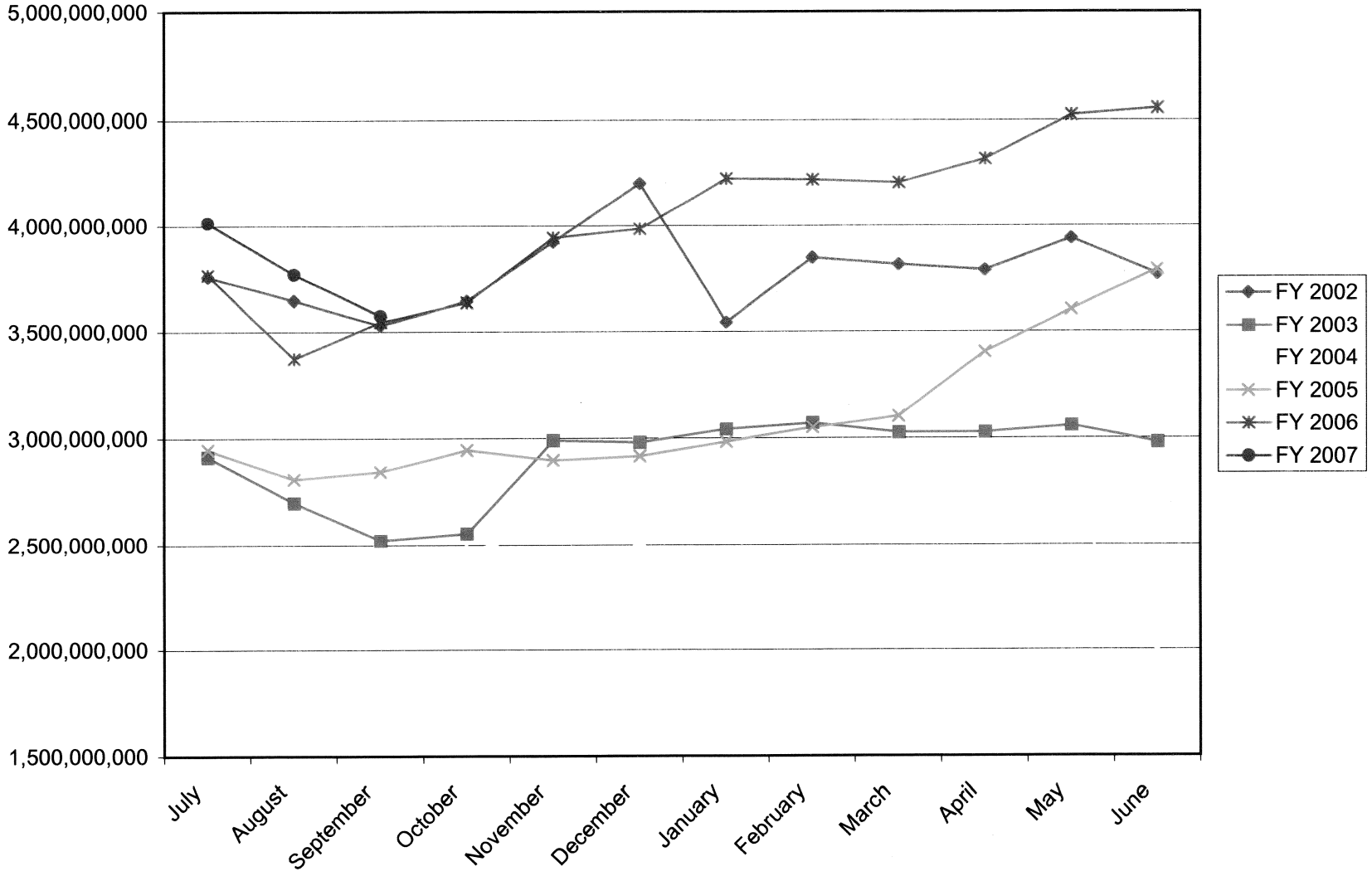
	Month		YTD	
	Actual	Budget	Actual	Budget
General Fund	3,302,116	0	11,759,810	0
Capital Con.	866,051	690,625	2,763,532	2,107,291
Transportation	1,963,019	750,000	5,930,714	2,250,000
Agency	520,377	566,667	3,119,850	1,735,417
T&R	321,266	177,083	1,019,486	531,249

CASH DISTRIBUTION

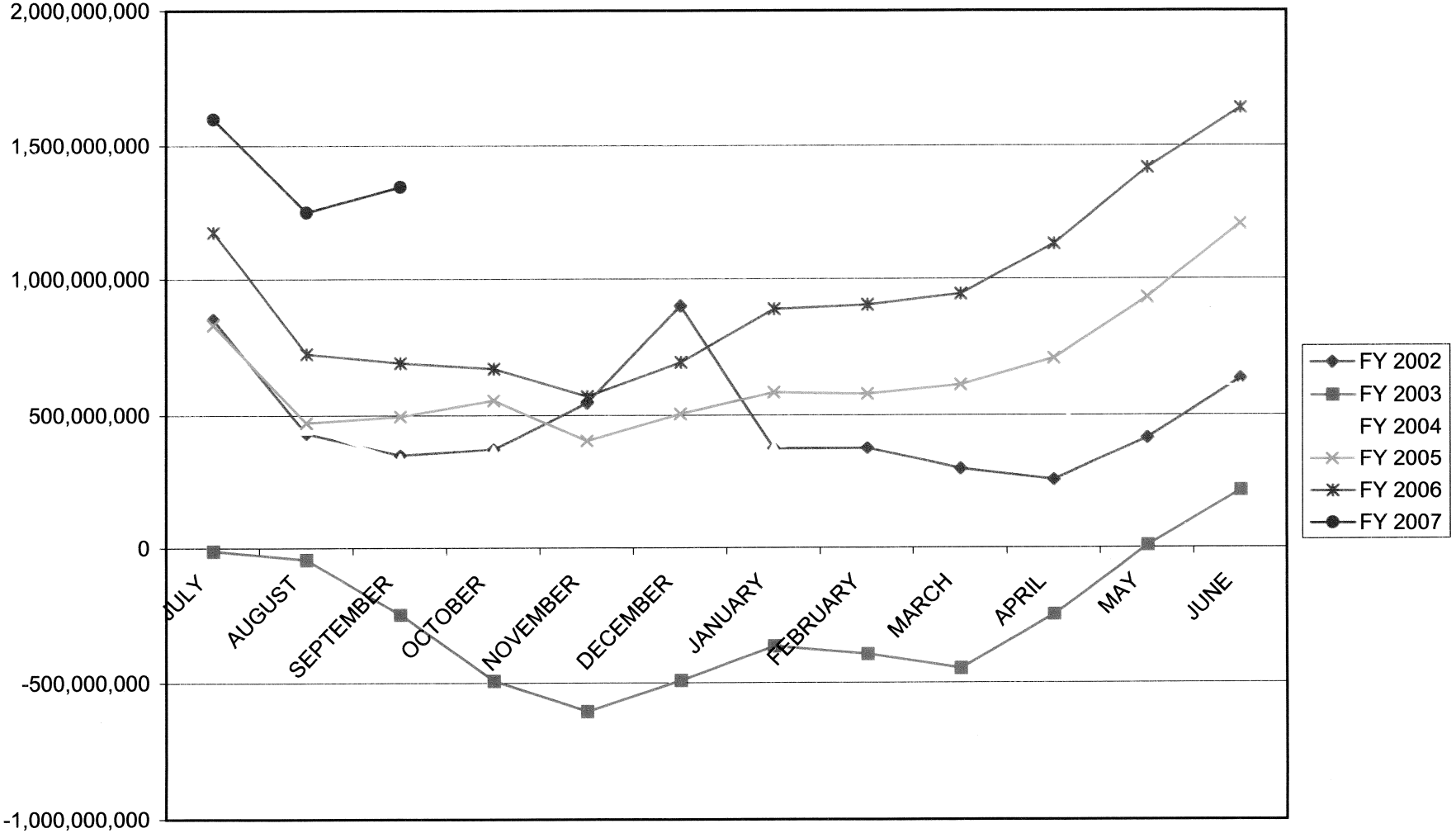
September 2006

	Month		YTD	
	Actual	Budget	Actual	Budget
General Fund	0	0	0	0
Capital Con.	338,792	690,625	1,826,757	2,107,291
Transportation	957,408	750,000	4,116,195	2,250,000
Agency	512,447	566,667	2,867,950	1,735,417
T&R	116,126	177,083	679,576	531,249

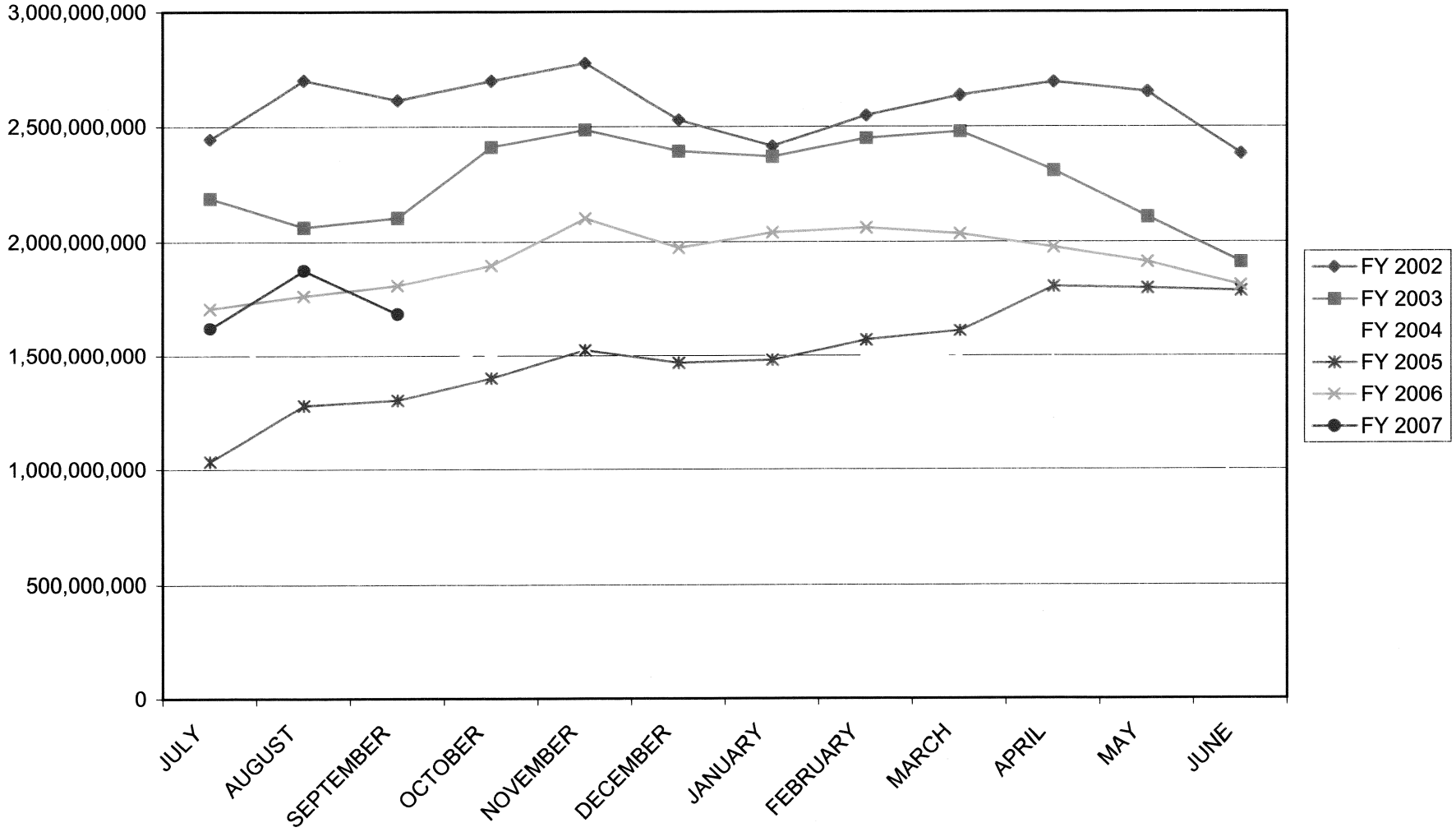
INVESTABLE BALANCES



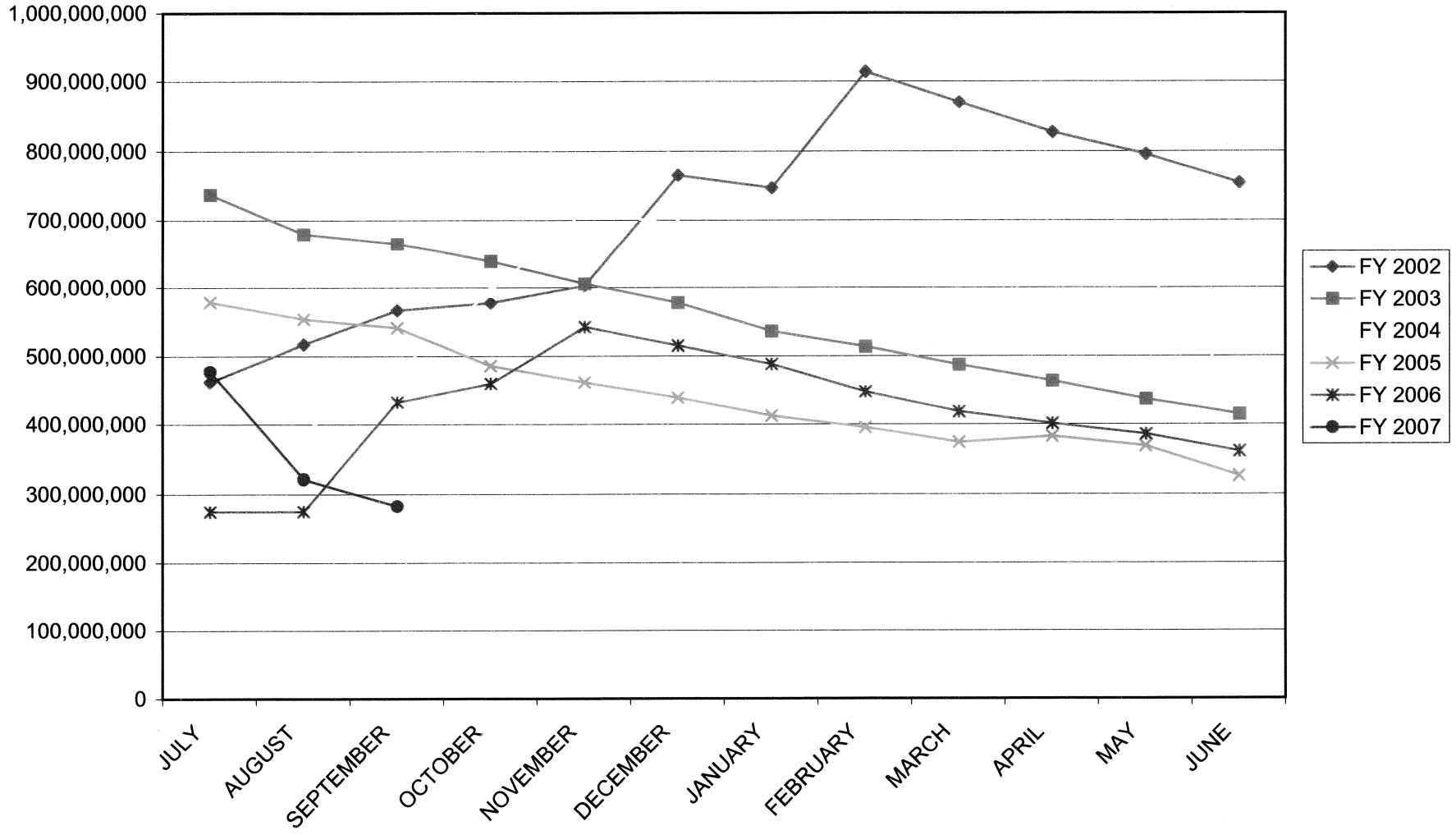
SHORT TERM POOL
INVESTABLE BALANCES



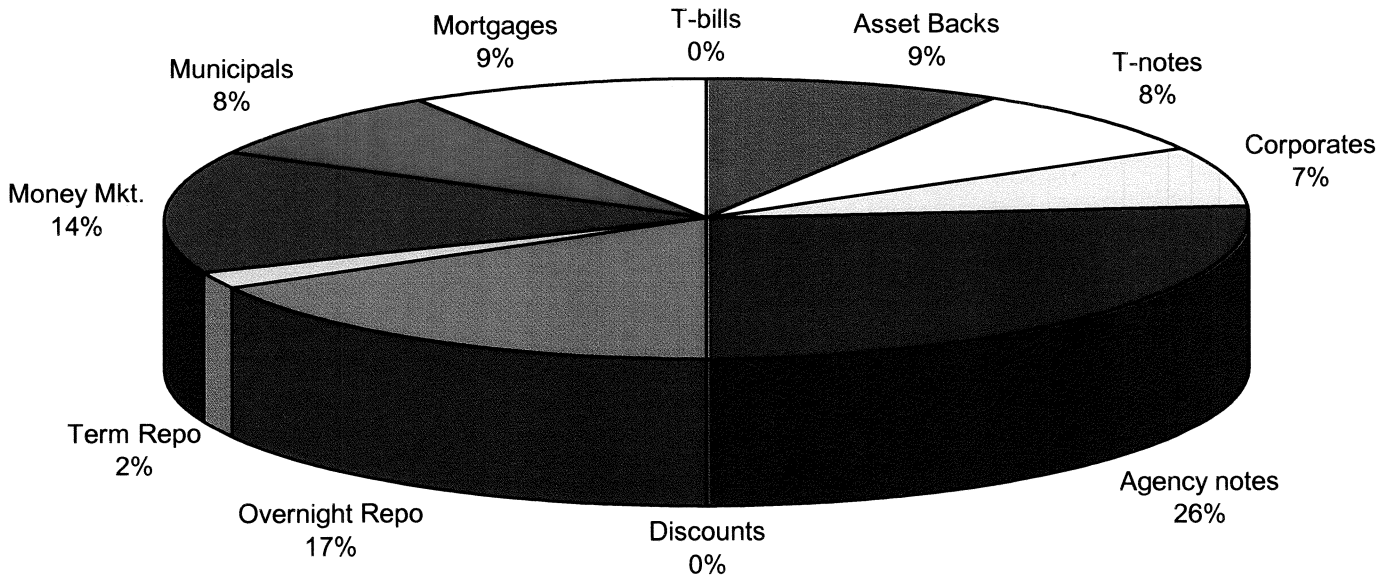
INTERMEDIATE POOL
INVESTABLE BALANCES



BOND PROCEEDS
INVESTABLE BALANCES

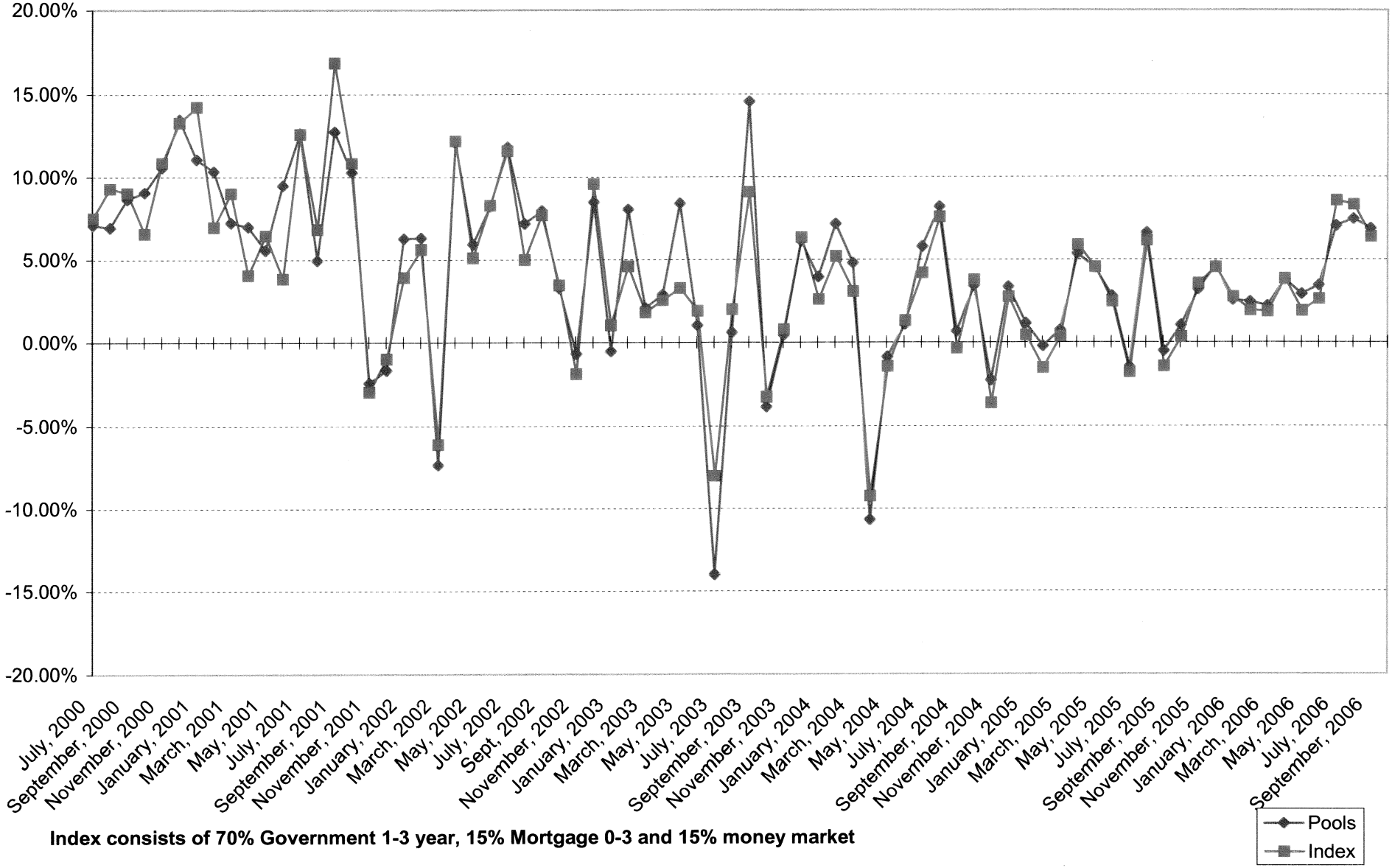


Distribution of Investments for September

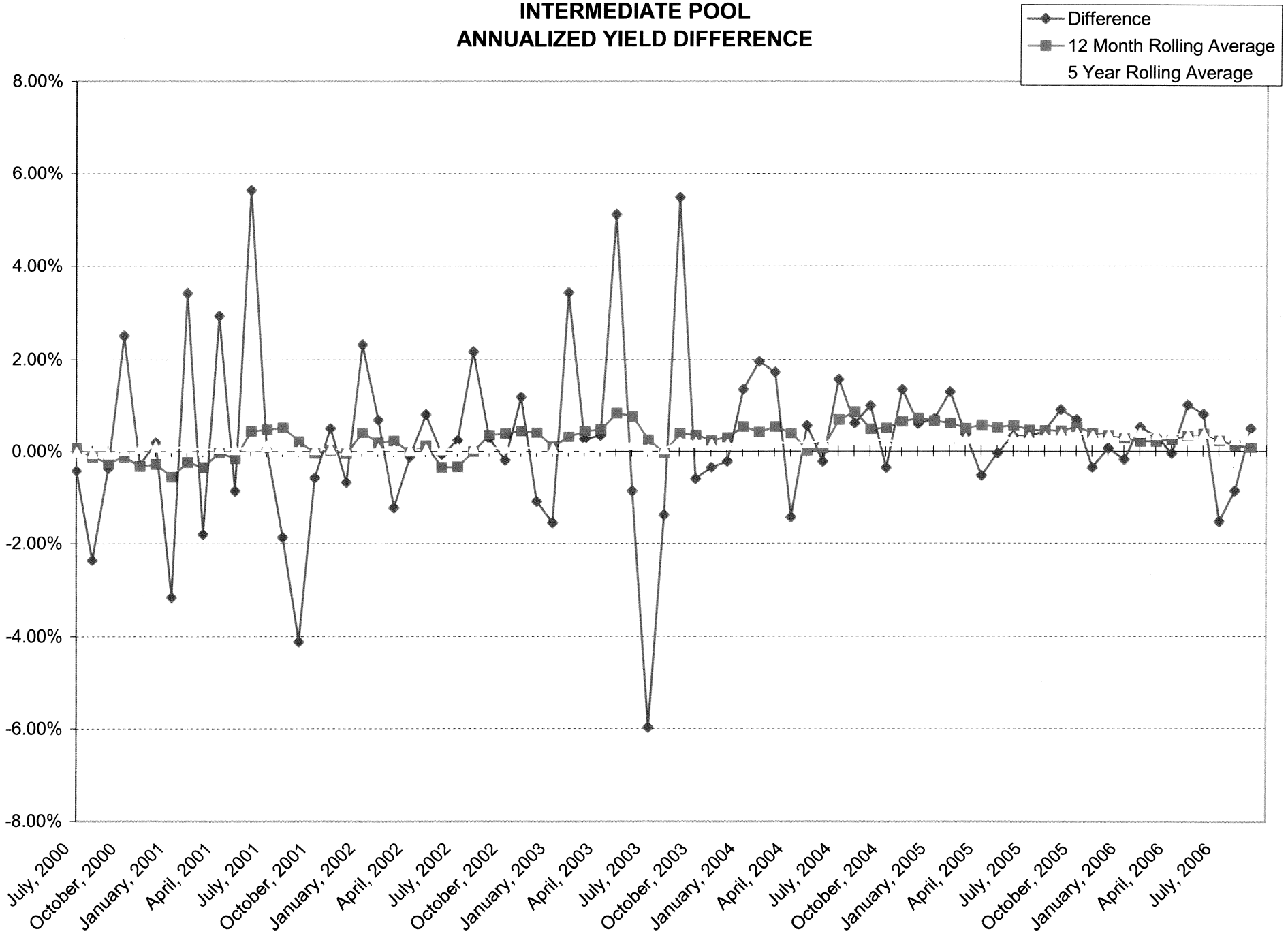


LIMITS
Corporates 25%
Mortgages 25%
Asset Backs 20%
Money Mkt. 20%

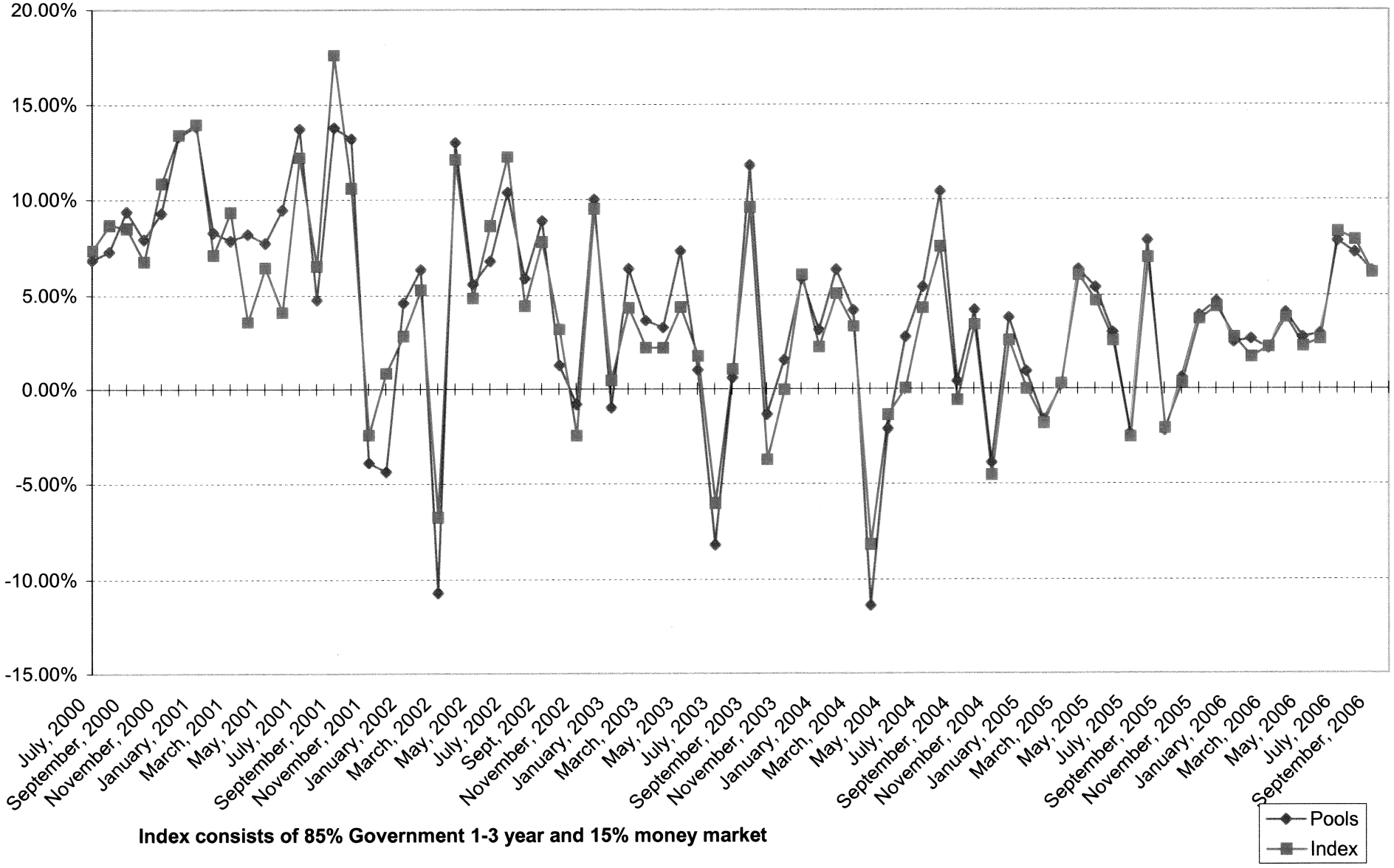
INTERMEDIATE POOL
ANNUALIZED YIELD



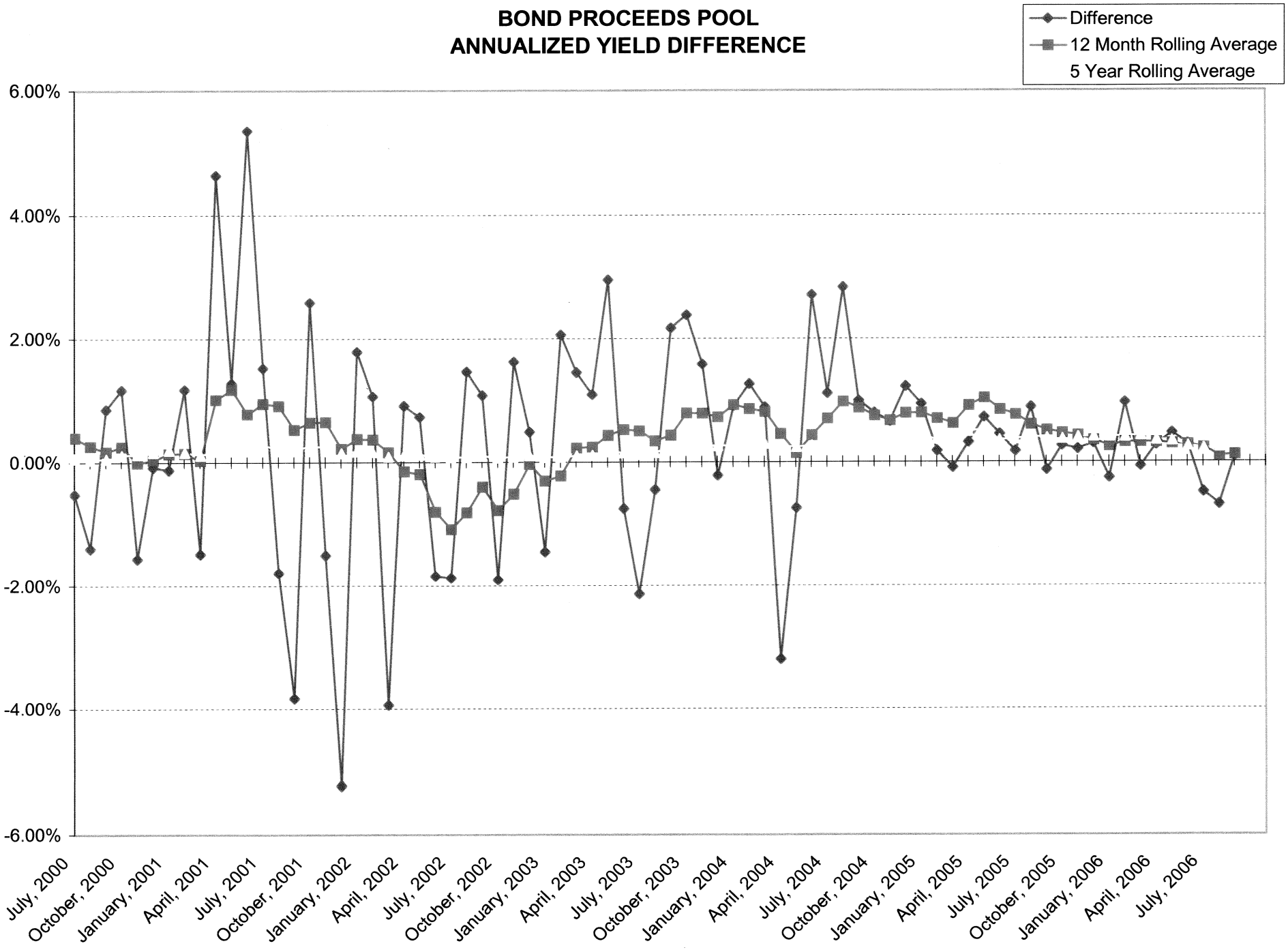
Index consists of 70% Government 1-3 year, 15% Mortgage 0-3 and 15% money market


INTERMEDIATE POOL
ANNUALIZED YIELD DIFFERENCE
Difference
12 Month Rolling Average
5 Year Rolling Average
8.00%
6.00%
4.00%
2.00%
0.00%
-2.00%
-4.00%
-6.00%
-8.00%
July, 2000
October, 2000
January, 2001
April, 2001
July, 2001
October, 2001
January, 2002
April, 2002
July, 2002
October, 2002
January, 2003
April, 2003
July, 2003
October, 2003
January, 2004
April, 2004
July, 2004
October, 2004
January, 2005
April, 2005
July, 2005
October, 2005
January, 2006
April, 2006
July, 2006

BOND PROCEEDS POOL
ANNUALIZED YIELD



Index consists of 85% Government 1-3 year and 15% money market


BOND PROCEEDS POOL
ANNUALIZED YIELD DIFFERENCE
Difference
12 Month Rolling Average
5 Year Rolling Average
6.00%
4.00%
2.00%
0.00%
-2.00%
-4.00%
-6.00%
July, 2000
October, 2000
January, 2001
April, 2001
July, 2001
October, 2001
January, 2002
April, 2002
July, 2002
October, 2002
January, 2003
April, 2003
July, 2003
October, 2003
January, 2004
April, 2004
July, 2004
October, 2004
January, 2005
April, 2005
July, 2005
October, 2005
January, 2006
April, 2006
July, 2006