

# REPORT

To the Honorable Mayor and City Council  
From the City Manager

May 10, 2007

## Subject

Monthly Investment Report for Period Ending April 30, 2007

## Background

The attached investment report indicates that on April 30, 2007 surplus funds (excluding cash with fiscal agents) from all sources in the amount of \$125,196,621.07 were invested producing an average yield of 4.621%. The target Fed Funds rate for April is 5.25%.

The attached investment listing represents all securities in which City funds, including all trust funds and agency funds, are invested (excluding deferred compensation plans) and indicates any security dealers that were used to invest City funds during the month.

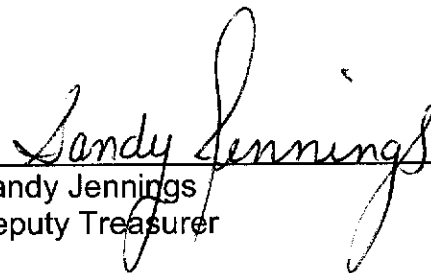
As of April 30, the City has sufficient liquid resources available to meet expenditure requirements for the next six months.

The City's Investment Policy requires that the Council be advised each month of the number of securities maturing beyond one year. The City presently has 15 securities meeting the criteria.

All City investments are in compliance with the City's Investment Policy.



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Brian J. Ponty  
Director of Finance and Financial Planning



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Sandy Jennings  
Deputy Treasurer

cc: Edward P. Everett, City Manager

I N V E S T M E N T P O R T F O L I O

30 APR 2007

TYPE	DATE PURCHASED	PURCHASE PRICE (\$)	MATURITY DATE	YIELD %	PAR VALUE (\$)	% OF PORTFOLIO	MARKET VALUE (\$) (2)	Average MATURITY (Months)	CALL DATE
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US AGENCIES, SECURITIES, AND CORPORATE NOTES									
Federal National Mortgage Assoc.	05-11-04	3,116,790.00	05-15-07	3.501	3,000,000.00	2.396	3,000,000.00	0.00	
Fed Farm Credit	02-02-07	3,004,200.00	07-19-07	5.181	3,000,000.00	2.396	3,001,890.00	0.05	
Federal Home Loan Bank	03-21-05	2,978,940.00	08-24-07	4.106	3,000,000.00	2.396	2,986,890.00	0.07	
Federal National Mortgage Assoc.	09-07-04	3,000,000.00	09-07-07	3.601	3,000,000.00	2.396	2,987,820.00	0.10	
Federal National Mortgage Assoc.	04-04-07	1,463,250.00	09-26-07	5.238	1,500,000.00	1.198	1,468,800.00	0.05	
Federal Home Loan Bank	04-04-07	1,461,855.83	10-03-07	5.233	1,500,000.00	1.198	1,467,450.00	0.06	
Treasury Notes	01-17-07	2,981,550.00	10-31-07	5.051	3,000,000.00	2.396	2,990,400.00	0.14	
Federal National Mortgage Assoc.	02-22-07	2,893,950.83	11-02-07	5.248	3,000,000.00	2.396	2,922,900.00	0.14	
Federal National Mortgage Assoc.	01-04-05	2,975,625.00	01-15-08	3.535	3,000,000.00	2.396	2,959,680.00	0.19	
Federal Home Loan Bank	02-17-05	2,986,875.00	02-15-08	3.780	3,000,000.00	2.396	2,963,430.00	0.22	
Federal Home Loan Bank	07-08-05	2,991,600.00	03-24-08	4.358	3,000,000.00	2.396	2,977,500.00	0.24	
Federal National Mortgage Assoc.	(1) 05-03-05	3,171,562.50	05-15-08	3.979	3,000,000.00	2.396	3,027,180.00	0.29	
Federal Home Loan Mortgage Corp.	(1) 06-02-05	3,007,500.00	06-02-08	4.260	3,000,000.00	2.396	2,977,590.00	0.31	
Federal National Mortgage Assoc.	(1) 06-29-05	2,891,880.00	06-15-08	3.798	3,000,000.00	2.396	2,917,500.00	0.31	
Federal Home Loan Mortgage Corp.	(1) 02-14-06	2,914,410.00	09-15-08	4.810	3,000,000.00	2.396	2,946,570.00	0.38	
Federal National Mortgage Assoc.	(1) 03-16-06	2,919,390.00	11-17-08	4.959	3,000,000.00	2.396	2,951,250.00	0.43	
Treasury Notes	(1) 04-18-06	2,968,593.75	02-15-09	4.899	3,000,000.00	2.396	2,991,330.00	0.50	
Federal Home Loan Mortgage Corp.	(1) 12-27-06	3,055,530.00	03-15-09	4.855	3,000,000.00	2.396	3,045,930.00	0.53	
Federal Home Loan Bank	(1) 06-16-06	2,988,120.00	06-12-09	5.390	3,000,000.00	2.396	3,023,430.00	0.60	
Federal Home Loan Bank	(1) 01-09-07	3,035,130.00	07-17-09	4.875	3,000,000.00	2.396	3,033,750.00	0.62	
Federal Home Loan Bank	(1) 09-06-06	3,019,560.00	09-11-09	5.010	3,000,000.00	2.396	3,028,140.00	0.67	
Fed Farm Credit	(1) 11-08-06	3,003,447.00	10-23-09	4.957	3,000,000.00	2.396	3,012,180.00	0.72	
Federal Home Loan Mortgage Corp.	(1) 12-05-06	3,012,000.00	11-03-09	4.600	3,000,000.00	2.396	2,995,320.00	0.72	
Treasury Notes	(1) 01-03-07	2,909,531.25	01-15-10	4.703	3,000,000.00	2.396	2,930,280.00	0.79	
Federal National Mortgage Assoc.	(1) 02-02-07	2,903,190.00	02-15-10	5.034	3,000,000.00	2.396	2,930,640.00	0.81	
Federal Home Loan Bank	(1) 03-13-07	3,015,360.00	03-12-10	4.810	3,000,000.00	2.396	3,015,930.00	0.81	
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Total Governments		74,669,841.16		4.557	75,000,000.00	59.906	74,553,780.00	9.76	
LIQUID ACCOUNTS									
STATE OF CALIFORNIA LAIF - CITY OF REDWOOD CITY				5.222	22,950,203.79	18.331		0.18	
COUNTY OF SAN MATEO - CITY OF REDWOOD CITY				4.720	18,464,493.43	14.748		0.15	
COUNTY OF SAN MATEO - PUBLIC FINANCING AUTHORITY				4.720	1,874,533.41	1.497		0.01	
COUNTY OF SAN MATEO - REDEVELOPMENT AGENCY				4.720	6,907,390.44	5.517		0.06	
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I N V E S T M E N T P O R T F O L I O

30 APR 2007

TYPE	DATE PURCHASED	PURCHASE PRICE (\$)	MATURITY DATE	YIELD %	PAR VALUE (\$)	% OF PORTFOLIO	MARKET VALUE (\$) (2)	Average MATURITY (Months)	CALL DATE
Total Liquid Accounts				4.950	50,196,621.07	40.094		0.40	
SUB-TOTAL				(average weighted yield) 4.621	125,196,621.07	100.00		10.17	
CASH AND INVESTMENTS WITH FISCAL AGENTS									
1997 TAX ALLOC REFUNDING BONDS - I&R FUND				4.690	1,626,824.27	3.504			
1997 TAX ALLOC REFUNDING BONDS - RESERVE FUND - GIC				6.190	1,592,384.01	3.430			
1998 CITY HALL COP - RESERVE FUND - LAIF				5.222	1,069,509.59	2.304			
1998 CITY HALL COP - RESERVE FUND - MONEY MARKET				4.690	472.42	0.001			
1998 LEASE REVENUE REFUNDING-RESERVE FUND-US TREASURY				4.290	1,185,187.50	2.553			
1998 LEAVE REVENUE REFUNDING BONDS - I&R FUND				4.660	429.20	0.001			
1998 PFA LS REV REFDG BONDS - RESERVE FUND - MONEY MARKET				4.740	40,793.38	0.088			
1999 SEAPORT CONS. BONDS - I&R FUND - MONEY MARKET				4.610	29,305.91	0.063			
1999 SEAPORT CONS. BONDS - RESERVE FUND - MONEY MARKET				3.340	29.91	0.000			
1999 SEAPORT CONS. BONDS - REV ACCT - MONEY MARKET				0.000	8.79	0.000			
1999 SEAPORT CONS BONDS RESERVE FUND TREASURY				4.990	944,406.25	2.034			
2000A PACIFIC SHORES - TRAFFIC MITIGATION PROJ FUND				4.750	340,807.19	0.734			
2000A PACIFIC SHORES BONDS - CONSTRUCTION FUND - MONEY MARKET				4.750	1,031,022.29	2.221			
2000A PACIFIC SHORES BONDS - I&R FUND				4.750	64.16	0.000			
2000A PACIFIC SHORES BONDS - REBATE FUND				4.750	55,377.15	0.119			
2000A PACIFIC SHORES BONDS - RESERVE FUND - MONEY MARKET				4.750	87,625.48	0.189			
2000A PACIFIC SHORES BONDS - SPECIAL TAX FUND				4.750	16,142.11	0.035			
2000A PACIFIC SHORES BONDS- RESERVE FUND-TRSY				4.600	2,056,289.46	4.429			
2001A RWS TRANS IMPRVMT BONDS - ADM EXPENSE FUND				4.830	4.14	0.000			
2001A RWS TRANS IMPRVMT BONDS - I&R FUND				4.750	100.90	0.000			
2001A RWS TRANS IMPRVMT BONDS - PRINCIPAL FUND - MONEY MARKET				4.750	16.19	0.000			
2001A RWS TRANS IMPRVMT BONDS - RESERVE FUND - MONEY MARKET				4.760	348,733.57	0.751			
2003 PFA LEASE REVENUE REFUNDING BONDS - I&R FUND				4.760	154.78	0.000			
2003 PFA LS REV REFDG BONDS - RESERVE FUND - FED HOM LOAN MTG				5.110	1,016,650.00	2.190			
2003 PFA LS REV REFDG BONDS - RESERVE FUND - MONEY MARKET				4.750	100,472.50	0.216			
2003A RDA TAX ALLOCATION BONDS - CONSTRUCTION FUND				4.760	1,241,798.50	2.675			
2003A RDA TAX ALLOCATION BONDS - I&R FUND				4.700	6,941.37	0.015			
2003A RDA TAX ALLOCATION BONDS - MONEY MARKET				4.770	482.10	0.001			
2003B RWS TRAF IMPRV PHASE II BONDS - I&R FUND				4.750	167.95	0.000			
2003B RWS TRAF IMPRV PHASE II BONDS - PRINCIPAL FUND - MONEY MARK				4.780	11.28	0.000			
2003B RWS TRAF IMPRV PHASE II BONDS - RESERVE FUND - MONEY MARKET				4.750	468,203.65	1.008			

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2005A WATER REV BONDS - INCOME AND PRINCIPAL				4.760	857.89	0.002			
2005A WATER REV BONDS - RESERVE FUND - MBIA GIC				4.911	2,164,425.00	4.662			
2005A WATER REV BONDS - RESERVE FUND - MONEY MKT				4.910	0.00	0.000			
2005A WATER REV BONDS PROJECT FUND - MONEY MARKET				4.760	407,912.94	0.879			
2006A WATER REV BONDS - COST OF ISSUANCE FUND				0.000	0.00	0.000			
2006A WATER REV BONDS - INC&PRIN - MONEY MARKET				4.760	872.44	0.002			
2006A WATER REV BONDS - PROJECT FUND - GIC				4.695	16,949,944.74	36.508			
2006A WATER REV BONDS - PROJECT FUND - MONEY MARKET				4.840	0.00	0.000			
2006A WATER REV BONDS - RESERVE FUND - GIC				4.691	1,573,906.25	3.390			
2006A WATER REV BONDS - RESERVE FUND - MONEY MARKET				4.760	14.90	0.000			
CAPITAL PROJECT FUND - MONEY MARKET				4.750	5,519,190.59	11.888			
TRAFFIC IMPACT FUND - MONEY MARKET				4.760	6,550,568.23	14.109			
Total with Fiscal Agents					46,428,108.98	100.0			
TOTAL BOTH PORTFOLIOS					<u>171,624,730.05</u>				

\* Difference in value between Principal Amount and Market Value may be due to timing of purchase. Some of these investments may have been purchased when interest rates were low. Principal amount also indicates PAR (face) value and does not reflect whether investment was purchased at a discount or premium. As interest rates increase or decrease the value of the investment will decrease or increase accordingly. The City's investment intention is to hold the investments to maturity thereby receiving PAR value at maturity unless the City will realize a profit by liquidating the investment prior to maturity date.

(1) Denotes investments with a maturity greater than one (1) year.

(2) Market value obtained from the Principal Portfolio statement issued by Union Bank of California, Redwood City's third party administrator.