

# REPORT

To the Honorable Mayor and City Council  
From the City Manager

May 11, 2006

## Subject

Monthly Investment Report for Period Ending April 30, 2006

## Background

The attached investment report indicates that on April 30, 2006 funds available (excluding cash with fiscal agents) from all sources in the amount of \$124,099,348.27 were invested producing an average yield of 3.593%. The target Fed Funds rate as of April 30 was 4.75%.

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.

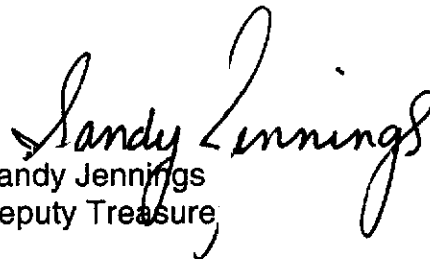
As of April 30, the City has sufficient liquid resources available to meet expenditure requirements for the next six months.

The City's Investment Policy requires that the Council be advised each month of the current value of any securities with a maturity of greater than one year. The City presently has 12 securities meeting the criteria.

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



Brian J. Ponty  
Director of Finance and Financial Planning



Sandy Jennings  
Deputy Treasure

cc: Edward P. Everett, City Manager

INVESTMENT PORTFOLIO

30 APR 2006

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.	07-24-03	3,000,000.00	07-24-06	2.070	3,000,000.00	1.473	2,983,140.00	0.08	
CITIGROUP	10-09-03	1,080,380.00	08-09-06	2.540	1,000,000.00	0.491	1,001,050.00	0.04	
Federal Home Loan Bank	08-14-03	2,000,000.00	08-14-06	2.550	2,000,000.00	0.982	1,985,000.00	0.08	
Federal Home Loan Bank	08-14-03	2,991,000.00	08-14-06	2.655	3,000,000.00	1.473	2,977,500.00	0.12	
Federal Home Loan Bank	01-02-04	3,031,875.00	09-15-06	2.460	3,000,000.00	1.473	2,974,680.00	0.15	
Federal Home Loan Bank	11-24-03	2,998,125.00	11-24-06	2.872	3,000,000.00	1.473	2,960,640.00	0.23	
Federal Home Loan Bank	12-29-03	3,000,000.00	12-29-06	3.140	3,000,000.00	1.473	2,959,680.00	0.31	
Federal National Mortgage Assoc.	01-22-04	3,221,640.00	01-15-07	2.416	3,000,000.00	1.473	2,995,320.00	0.31	
Federal Home Loan Mortgage Corp.	02-09-04	2,995,560.00	02-09-07	2.802	3,000,000.00	1.473	2,944,590.00	0.35	
Federal Home Loan Mortgage Corp.	03-12-04	3,019,410.00	02-09-07	2.026	3,000,000.00	1.473	2,944,590.00	0.35	
Federal Home Loan Mortgage Corp.	02-03-04	2,984,700.00	02-15-07	2.550	3,000,000.00	1.473	2,935,320.00	0.35	
Federal Home Loan Mortgage Corp.	03-16-04	3,236,430.00	03-15-07	2.146	3,000,000.00	1.473	2,991,570.00	0.38	
Federal National Mortgage Assoc.	03-02-04	3,412,500.00	03-15-07	2.401	3,000,000.00	1.473	3,047,820.00	0.38	
Federal National Mortgage Assoc.	04-19-04	3,206,790.00	04-15-07	2.829	3,000,000.00	1.473	3,001,890.00	0.42	
Federal National Mortgage Assoc.	04-27-04	2,988,000.00	04-27-07	3.015	3,000,000.00	1.473	2,933,430.00	0.46	
Federal National Mortgage Assoc.	(1) 05-11-04	3,116,790.00	05-15-07	3.501	3,000,000.00	1.473	2,990,640.00	0.46	
Federal Home Loan Bank	(1) 03-21-05	2,978,940.00	08-24-07	4.106	3,000,000.00	1.473	2,947,500.00	0.62	
Federal National Mortgage Assoc.	(1) 09-07-04	3,000,000.00	09-07-07	3.601	3,000,000.00	1.473	2,956,890.00	0.62	
Federal National Mortgage Assoc.	(1) 01-04-05	2,975,625.00	01-15-08	3.535	3,000,000.00	1.473	2,908,140.00	0.77	
Federal Home Loan Bank	(1) 02-17-05	2,986,875.00	02-15-08	3.780	3,000,000.00	1.473	2,919,390.00	0.81	
Federal Home Loan Bank	(1) 07-08-05	2,991,600.00	03-24-08	4.358	3,000,000.00	1.473	2,950,320.00	0.88	
Federal National Mortgage Assoc.	(1) 05-03-05	3,171,562.50	05-15-08	3.979	3,000,000.00	1.473	3,049,680.00	0.92	
Federal Home Loan Mortgage Corp.	(1) 06-02-05	3,007,500.00	06-02-08	4.260	3,000,000.00	1.473	2,946,750.00	0.96	06-02-06
Federal National Mortgage Assoc.	(1) 06-29-05	2,891,880.00	06-15-08	3.798	3,000,000.00	1.473	2,842,500.00	0.96	
Federal Home Loan Mortgage Corp.	(1) 02-14-06	2,914,410.00	09-15-08	4.810	3,000,000.00	1.473	2,898,750.00	1.08	
Federal National Mortgage Assoc.	(1) 03-16-06	2,919,390.00	11-17-08	4.959	3,000,000.00	1.473	2,905,320.00	1.19	
Treasury Notes	(1) 04-18-06	2,968,593.75	02-15-09	4.899	3,000,000.00	1.473	2,970,480.00	1.31	
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Total Governments		79,089,576.25		3.319	78,000,000.00	38.303	76,922,580.00	14.58	
LIQUID ACCOUNTS									
STATE OF CALIFORNIA LAIF - CITY OF REDWOOD CITY				4.304	10,137,587.63	4.978		60.57	
COUNTY OF SAN MATEO - CITY OF REDWOOD CITY				4.020	24,000,845.67	11.786		143.39	
COUNTY OF SAN MATEO - PUBLIC FINANCING AUTHORITY				4.020	1,803,142.67	0.885		10.77	
COUNTY OF SAN MATEO - REDEVELOPMENT AGENCY				4.020	10,157,772.30	4.988		60.69	

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

30 APR 2006

TYPE	DATE PURCHASED	PURCHASE PRICE (\$)	MATURITY DATE	YIELD %	PAR VALUE (\$)	% OF PORTFOLIO	MARKET VALUE (\$)(2)	Average MATURITY (Months)	CALL DATE
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				4.082	46,099,348.27	22.638		275.41	
				3.593	124,099,348.27	60.94		289.99	
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CASH AND INVESTMENTS WITH FISCAL AGENTS									
1997 TAX ALLOC REFUNDING BONDS - I&R FUND				4.190	1,271,792.03	0.625			
1997 TAX ALLOC REFUNDING BONDS - RESERVE FUND				6.190	1,591,188.78	0.781			
1998 CITY HALL COP - RESERVE FUND				4.190	27,000.12	0.013			
1998 CITY HALL COP - RESERVE FUND - LAIF				4.304	1,043,667.89	0.513			
1998 PFA LS REV REFDG BONDS - RESERVE FUND - MONEY MARKET				4.200	9,416.55	0.005			
1998 PFA LS REV REFDG BONDS - RESERVE FUND - US TREASURY				2.530	1,191,000.00	0.585			
1999 SEAPORT CONS. BONDS - I&R FUND - MONEY MARKET				4.170	72,493.86	0.036			
1999 SEAPORT CONS. BONDS - RESERVE FUND - MONEY MARKET				4.170	73,054.13	0.036			
1999 SEAPORT CONS. BONDS - RESERVE FUND - US TREASURY				2.530	893,498.14	0.439			
1999 SEAPORT CONS. BONDS - REV ACCT - MONEY MARKET				0.000	9.73	0.000			
2000A PACIFIC SHORES BONDS - CONSTRUCTION FUND - MONEY MARKET				4.180	1,309,038.36	0.643			
2000A PACIFIC SHORES BONDS - I&R FUND				4.180	307.30	0.000			
2000A PACIFIC SHORES BONDS - RESERVE FUND				4.170	2,148,699.59	1.055			
2000A PACIFIC SHORES BONDS - SPECIAL TAX FUND				4.170	15,403.16	0.008			
2001A RWS TRANS IMPRVMT BONDS - ADM EXPENSE FUND				3.860	4.10	0.000			
2001A RWS TRANS IMPRVMT BONDS - I&R FUND				4.180	73.31	0.000			
2001A RWS TRANS IMPRVMT BONDS - RESERVE FUND				4.170	332,770.64	0.163			
2003 PFA LEASE REVENUE REFUNDING BONDS - I&R FUND				4.170	57,869.91	0.028			
2003 PFA LS REV REFDG BONDS - COURTHOUSE PROJECT				4.180	568,107.42	0.279			
2003 PFA LS REV REFDG BONDS - RESERVE FUND - FED HOM LOAN MTG				5.120	1,016,650.00	0.499			
2003 PFA LS REV REFDG BONDS - RESERVE FUND - MONEY MARKET				4.180	92,283.21	0.045			
2003A RDA TAX ALLOCATION BONDS - CONSTRUCTION FUND				4.180	3,962,137.53	1.946			
2003A RDA TAX ALLOCATION BONDS - I&R FUND				4.190	6,628.98	0.003			
2003A RDA TAX ALLOCATION BONDS - MONEY MARKET				4.190	561,311.54	0.276			
2003B RWS TRAF IMPRV PHASE II BONDS - I&R FUND				4.170	116.36	0.000			
2003B RWS TRAF IMPRV PHASE II BONDS - RESERVE FUND - MONEY MARKET				4.170	49,552.16	0.024			
2003B RWS TRAF IMPRV PHASE II BONDS - RESERVE FUND - US TREASURY				2.390	393,890.63	0.193			
2005A WATER REV BONDS - INCOME AND PRINCIPAL				3.900	826.88	0.000			
2005A WATER REV BONDS - RESERVE FUND - MBIA INC				4.910	2,164,425.00	1.063			
2005A WATER REV BONDS - RESERVE FUND - MONEY MKT				3.670	157.40	0.000			

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2005A WATER REV BONDS PROJ FUND - AEGON				3.290	16,474,364.99	8.090			
2006A WATER REV BONDS - COST OF ISSUANCE FUND				4.180	9,070.45	0.004			
2006A WATER REV BONDS - PROJECT FUND				4.695	23,778,085.85	11.676			
2006A WATER REV BONDS - RESERVE FUND				4.691	1,575,291.77	0.774			
CAPITAL PROJECT FUND				4.180	12,424,072.58	6.101			
PAL BLDG LOAN & RDA PROJECTS				4.180	1,034.22	0.001			
PFA BONDS - HOUSING PROJECT FUND				4.670	160,813.70	0.079			
TRAFFIC IMPACT FUND				4.170	6,265,639.34	3.077			
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Total with Fiscal Agents					79,541,747.61	39.06			
TOTAL PORTFOLIO					203,641,095.88	100.00			

\* 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.