

REPORT

To the Honorable Mayor and City Council
From the City Manager

February 7, 2006

Subject

Monthly Investment Report for Period Ending January 31, 2006

Background

The attached investment report indicates that on January 31, 2006 surplus funds (excluding cash with fiscal agents) from all sources in the amount of \$115,250,162.65 were invested producing an average yield of 3.296%. The target Fed Funds rate for January is 4.50%.

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 January 31, 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 16 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 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

31 JAN 2006

TYPE	DATE PURCHASED	PURCHASE PRICE (\$)	MATURITY DATE	YIELD %	PAR VALUE (\$)	% OF PORTFOLIO	MARKET VALUE (\$)(2)	Average MATURITY (Months)	CALL DATE
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	1 713	2 971 890 00	0 22	
CITIGROUP	10 09 03	1 080 380 00	08 09 06	2 540	1 000 000 00	0 571	1 003 480 00	0 09	
Federal Home Loan Bank	08 14 03	2 000 000 00	08 14 06	2 550	2 000 000 00	1 142	1 977 500 00	0 17	
Federal Home Loan Bank	08 14 03	2 991 000 00	08 14 06	2 655	3 000 000 00	1 713	2 966 250 00	0 26	
Federal Home Loan Bank	01 02 04	3 031 875 00	09 15 06	2 460	3 000 000 00	1 713	2 966 250 00	0 30	
Federal Home Loan Bank	11 24 03	2 998 125 00	11 24 06	2 872	3 000 000 00	1 713	2 953 140 00	0 39	
Federal Home Loan Bank	12 29 03	3 000 000 00	12 29 06	3 140	3 000 000 00	1 713	2 955 000 00	0 48	
Federal National Mortgage Assoc	01 22 04	3 221 640 00	01 15 07	2 416	3 000 000 00	1 713	3 003 750 00	0 48	
Federal Home Loan Mortgage Corp	(1) 02 09 04	2 995 560 00	02 09 07	2 802	3 000 000 00	1 713	2 937 630 00	0 52	
Federal Home Loan Mortgage Corp	(1) 03 12 04	3 019 410 00	02 09 07	2 026	3 000 000 00	1 713	2 937 630 00	0 52	
Federal Home Loan Mortgage Corp	(1) 02 03 04	2 984 700 00	02 15 07	2 550	3 000 000 00	1 713	2 925 000 00	0 52	
Federal Home Loan Mortgage Corp	(1) 03 16 04	3 236 430 00	03 15 07	2 146	3 000 000 00	1 713	3 000 930 00	0 57	
Federal National Mortgage Assoc	(1) 03 02 04	3 412 500 00	03 15 07	2 401	3 000 000 00	1 713	3 073 140 00	0 57	
Federal National Mortgage Assoc	(1) 04 19 04	3 206 790 00	04 15 07	2 829	3 000 000 00	1 713	3 014 070 00	0 61	
Federal National Mortgage Assoc	(1) 04 27 04	2 988 000 00	04 27 07	3 015	3 000 000 00	1 713	2 929 680 00	0 65	
Federal National Mortgage Assoc	(1) 05 11 04	3 116 790 00	05 15 07	3 501	3 000 000 00	1 713	3 000 930 00	0 65	
Federal Home Loan Bank	(1) 03 21 05	2 978 940 00	08 24 07	4 106	3 000 000 00	1 713	2 954 070 00	0 83	
Federal National Mortgage Assoc	(1) 09 07 04	3 000 000 00	09 07 07	2 750	3 000 000 00	1 713	2 965 320 00	0 83	
Federal National Mortgage Assoc	(1) 01 04 05	2 975 625 00	01 15 08	3 535	3 000 000 00	1 713	2 915 640 00	1 00	
Federal Home Loan Bank	(1) 02 17 05	2 986 875 00	02 15 08	3 780	3 000 000 00	1 713	2 930 640 00	1 04	
Federal Home Loan Bank	(1) 07 08 05	2 991 600 00	03 24 08	4 358	3 000 000 00	1 713	2 964 390 00	1 13	
Federal National Mortgage Assoc	(1) 05 03 05	3 171 562 50	05 15 08	3 979	3 000 000 00	1 713	3 078 750 00	1 17	
Federal Home Loan Mortgage Corp	(1) 06 02 05	3 007 500 00	06 02 08	4 260	3 000 000 00	1 713	2 963 220 00	1 22	06 02 06
Federal National Mortgage Assoc	(1) 06 29 05	2 891 880 00	06 15 08	3 798	3 000 000 00	1 713	2 848 140 00	1 22	
Total Governments		70 287 182 50		*	69 000 000 00	39 404	68 236 440 00	15 43	
LIQUID ACCOUNTS									
STATE OF CALIFORNIA LAIF	CITY OF REDWOOD CITY			3 808	13 337 354 57	7 617		89 50	
COUNTY OF SAN MATEO	CITY OF REDWOOD CITY			3 520	24 692 197 67	14 101		165 69	
COUNTY OF SAN MATEO	PUBLIC FINANCING AUTHORITY			3 520	1 780 115 78	1 017		11 94	
COUNTY OF SAN MATEO	REDEVELOPMENT AGENCY			3 520	6 440 494 63	3 678		43 22	
Total Liquid Accounts					46 250 162 65	26 412		310 35	

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31 JAN 2006

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SUB TOTAL				(average weighted yield)	3 296 115 250 162 65	65 82		325 78	
CASH AND INVESTMENTS WITH FISCAL AGENTS									
1997 TAX ALLOC REFUNDING BONDS			I&R FUND	3 660	1 454 874 60	0 831			
1997 TAX ALLOC REFUNDING BONDS			RESERVE FUND	6 190	1 543 018 70	0 881			
1998 CITY HALL COP			RESERVE FUND	0 000	0 06	0 000			
1998 CITY HALL COP			RESERVE FUND LAIF	3 808	1 060 134 62	0 605			
1998 LEAVE REVENUE REFUNDING BONDS			I&R FUND	0 000	0 67	0 000			
1998 PFA LS REV REFDG BONDS			RESERVE FUND MONEY MARKET	3 660	32 375 40	0 018			
1998 PFA LS REV REFDG BONDS			RESERVE FUND US TREASURY	2 540	1 191 000 00	0 680			
1999 SEAPORT CONS BONDS			I&R FUND MONEY MARKET	3 420	71 381 10	0 041			
1999 SEAPORT CONS BONDS			RESERVE FUND MONEY MARKET	3 420	72 612 02	0 041			
1999 SEAPORT CONS BONDS			RESERVE FUND US TREASURY	2 540	893 250 00	0 510			
1999 SEAPORT CONS BONDS			REV ACCT MONEY MARKET	3 210	93 57	0 000			
2000A PACIFIC SHORES BONDS			CONSTRUCTION FUND MONEY MARKET	3 900	1 292 614 04	0 738			
2000A PACIFIC SHORES BONDS			I&R FUND	3 910	967 20	0 001			
2000A PACIFIC SHORES BONDS			RESERVE FUND	3 910	662 541 68	0 378			
2000A PACIFIC SHORES BONDS			SPECIAL TAX FUND	3 910	15 209 91	0 009			
2001 RDA TAX ALLOC BONDS			CAP INTEREST FUND MONEY MARKET	3 660	879 838 69	0 502			
2001A RWS TRANS IMPRVMT BONDS			ADM EXPENSE FUND	3 860	4 14	0 000			
2001A RWS TRANS IMPRVMT BONDS			I&R FUND	3 910	130 88	0 000			
2001A RWS TRANS IMPRVMT BONDS			RESERVE FUND	3 910	328 595 30	0 188			
2003 PFA LEASE REVENUE REFUNDING BONDS			I&R FUND	3 910	917 28	0 001			
2003 PFA LS REV REFDG BONDS			COURTHOUSE PROJECT	3 900	1 183 575 15	0 676			
2003 PFA LS REV REFDG BONDS			RESERVE FUND FED HOM LOAN MTG	5 070	1 016 650 00	0 581			
2003 PFA LS REV REFDG BONDS			RESERVE FUND MONEY MARKET	3 900	71 823 90	0 041			
2003A RDA TAX ALLOCATION BONDS			CONSTRUCTION FUND	3 910	4 773 007 47	2 726			
2003A RDA TAX ALLOCATION BONDS			I&R FUND	3 650	4 545 20	0 003			
2003B RWS TRAF IMPRV PHASE II BONDS			CONSTRUCTION FUND	0 000	0 00	0 000			
2003B RWS TRAF IMPRV PHASE II BONDS			I&R FUND	3 900	153 27	0 000			
2003B RWS TRAF IMPRV PHASE II BONDS			RESERVE FUND MONEY MARKET	3 900	44 223 29	0 025			
2003B RWS TRAF IMPRV PHASE II BONDS			RESERVE FUND US TREASURY	2 400	393 890 63	0 225			
2005 WATER REV BONDS			RESERVE FUND MBIA INC	5 330	2 203 744 77	1 258			
2005A WATER REV BONDS			RESERVE FUND MONEY MARKET	3 900	21 915 93	0 013			
2005A WATER REV BONDS PROJ FUND			AEGON	3 290	20 100 652 60	11 479			
2005A WATER REV BONDS PROJECT FUND			BNY HAMILTON TSRY	5 550	0 18	0 000			

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CAPITAL PROJECT FUND				3 910	12 657 586 52	7 228			
PAL BLDG LOAN & RDA PROJECTS				3 910	1 543 240 61	0 881			
PFA BONDS HOUSING PROJECT FUND				3 940	159 094 40	0 091			
TRAFFIC IMPACT FUND				3 910	6 187 022 42	3 533			
LAIF P *** WRONG REPORT SECTION ***									
Total with Fiscal Agents					59 860 686 20	34 18			
TOTAL PORTFOLIO					175 110 848 85	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