

# REPORT

To the Honorable Mayor and City Council  
From the City Manager

April 13, 2006

## Subject

Monthly Investment Report for Period Ending March 31, 2006

## Background

The attached investment report indicates that on March 31, 2006 surplus funds (excluding cash with fiscal agents) from all sources in the amount of \$108,632,131 were invested producing an average yield of 3.294%. The target Fed Funds rate for March is 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 March 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 13 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 MAR 2006

TYPE	DATE PURCHASED	PURCHASE PRICE (\$)	MATURITY DATE	YIELD %	PAR VALUE (\$)	% OF PORTFOLIO	MARKET VALUE (\$)(2)	Average MATURITY (Months)	CALL DATE
Federal National Mortgage Assoc.	07-24-03	3,000,000.00	07-24-06	2.070	3,000,000.00	1.818	2,979,390.00	0.12	
CITIGROUP	10-09-03	1,080,380.00	08-09-06	2.540	1,000,000.00	0.606	1,001,670.00	0.05	
Federal Home Loan Bank	08-14-03	2,000,000.00	08-14-06	2.550	2,000,000.00	1.212	1,982,500.00	0.11	
Federal Home Loan Bank	08-14-03	2,991,000.00	08-14-06	2.655	3,000,000.00	1.818	2,973,750.00	0.16	
Federal Home Loan Bank	01-02-04	3,031,875.00	09-15-06	2.460	3,000,000.00	1.818	2,970,930.00	0.20	
Federal Home Loan Bank	11-24-03	2,998,125.00	11-24-06	2.872	3,000,000.00	1.818	2,956,890.00	0.28	
Federal Home Loan Bank	12-29-03	3,000,000.00	12-29-06	3.140	3,000,000.00	1.818	2,956,890.00	0.36	
Federal National Mortgage Assoc.	01-22-04	3,221,640.00	01-15-07	2.416	3,000,000.00	1.818	2,996,250.00	0.36	
Federal Home Loan Mortgage Corp.	02-09-04	2,995,560.00	02-09-07	2.802	3,000,000.00	1.818	2,940,990.00	0.40	
Federal Home Loan Mortgage Corp.	03-12-04	3,019,410.00	02-09-07	2.026	3,000,000.00	1.818	2,940,990.00	0.40	
Federal Home Loan Mortgage Corp.	02-03-04	2,984,700.00	02-15-07	2.550	3,000,000.00	1.818	2,930,640.00	0.40	
Federal Home Loan Mortgage Corp.	03-16-04	3,236,430.00	03-15-07	2.146	3,000,000.00	1.818	2,992,500.00	0.44	
Federal National Mortgage Assoc.	03-02-04	3,412,500.00	03-15-07	2.401	3,000,000.00	1.818	3,054,390.00	0.44	
Federal National Mortgage Assoc.	(1) 04-19-04	3,206,790.00	04-15-07	2.829	3,000,000.00	1.818	3,003,750.00	0.48	
Federal National Mortgage Assoc.	(1) 04-27-04	2,988,000.00	04-27-07	3.015	3,000,000.00	1.818	2,930,640.00	0.52	
Federal National Mortgage Assoc.	(1) 05-11-04	3,116,790.00	05-15-07	3.501	3,000,000.00	1.818	2,991,570.00	0.52	
Federal Home Loan Bank	(1) 03-21-05	2,978,940.00	08-24-07	4.106	3,000,000.00	1.818	2,946,570.00	0.68	
Federal National Mortgage Assoc.	(1) 09-07-04	3,000,000.00	09-07-07	3.601	3,000,000.00	1.818	2,956,890.00	0.68	
Federal National Mortgage Assoc.	(1) 01-04-05	2,975,625.00	01-15-08	3.535	3,000,000.00	1.818	2,907,180.00	0.84	
Federal Home Loan Bank	(1) 02-17-05	2,986,875.00	02-15-08	3.780	3,000,000.00	1.818	2,920,320.00	0.88	
Federal Home Loan Bank	(1) 07-08-05	2,991,600.00	03-24-08	4.358	3,000,000.00	1.818	2,952,180.00	0.96	
Federal National Mortgage Assoc.	(1) 05-03-05	3,171,562.50	05-15-08	3.979	3,000,000.00	1.818	3,055,320.00	1.00	06-02-06
Federal Home Loan Mortgage Corp.	(1) 06-02-05	3,007,500.00	06-02-08	4.260	3,000,000.00	1.818	2,948,730.00	1.04	
Federal National Mortgage Assoc.	(1) 06-29-05	2,891,880.00	06-15-08	3.798	3,000,000.00	1.818	2,841,570.00	1.04	
Federal Home Loan Mortgage Corp.	(1) 02-14-06	2,914,410.00	09-15-08	4.810	3,000,000.00	1.818	2,902,500.00	1.16	
Federal National Mortgage Assoc.	(1) 03-16-06	2,919,390.00	11-17-08	4.959	3,000,000.00	1.818	2,909,070.00	1.28	
Total Governments		76,120,982.50		3.258	75,000,000.00	45.453	73,944,070.00	14.80	
LIQUID ACCOUNTS									
STATE OF CALIFORNIA LAIF - CITY OF REDWOOD CITY				4.142	10,127,354.57	6.138		62.79	
COUNTY OF SAN MATEO - CITY OF REDWOOD CITY				3.190	15,092,852.25	9.147		93.58	
COUNTY OF SAN MATEO - PUBLIC FINANCING AUTHORITY				3.190	1,803,142.67	1.093		11.18	
COUNTY OF SAN MATEO - REDEVELOPMENT AGENCY				3.190	6,608,781.51	4.005		40.97	



I N V E S T M E N T P O R T F O L I O  
31 MAR 2006

TYPE	DATE PURCHASED	PURCHASE PRICE (\$)	MATURITY DATE	YIELD %	PAR VALUE (\$)	% OF PORTFOLIO	MARKET VALUE (\$)(2)	Average MATURITY (Months)	CALL DATE
CAPITAL PROJECT FUND				4.180	12,588,565.31	7.629			
PAL BLDG LOAN & RDA PROJECTS				4.180	0.00	0.000			
PFA BONDS - HOUSING PROJECT FUND				4.460	160,207.35	0.097			
TRAFFIC IMPACT FUND				4.180	6,244,054.99	3.784			
Total with Fiscal Agents					56,372,131.07	34.16			
TOTAL PORTFOLIO					165,004,262.07	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.