

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.

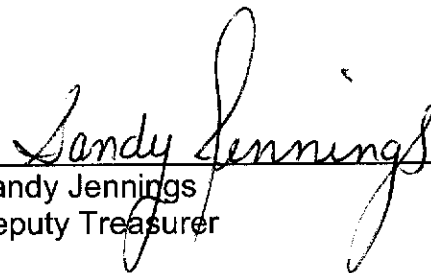
As of April 30, the City has sufficient liquid resources available to meet expenditure requirements for the next six months.

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.



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

30 APR 2007

| 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. | 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 | |
| ----- | | | | | | | | | |
| 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 | |
| ----- | | | | | | | | | |

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 | | | |

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 |
|-----------------------------------------------------|-------------------|------------------------|------------------|------------|-----------------------|-------------------|-------------------------|---------------------------------|--------------|
| 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.