

Council/Agency Meeting Held: _____	_____ City Clerk's Signature
Deferred/Continued to: _____	
<input type="checkbox"/> Approved <input type="checkbox"/> Conditionally Approved <input type="checkbox"/> Denied	
Council Meeting Date:                      2/4/2008	Department ID Number:              CT08-06

**CITY OF HUNTINGTON BEACH  
REQUEST FOR CITY COUNCIL ACTION**

**SUBMITTED TO:** HONORABLE MAYOR AND CITY COUNCIL MEMBERS

**SUBMITTED BY:** SHARI L. FREIDENRICH, CPA, CITY TREASURER *SLF*

**PREPARED BY:** SHARI L. FREIDENRICH, CPA, CITY TREASURER *SLF*

**SUBJECT:** REVIEW AND ACCEPT CITY TREASURER'S DECEMBER 2007 INVESTMENT SUMMARY REPORT

Statement of Issue, Funding Source, Recommended Action, Alternative Action(s), Analysis, Environmental Status, Attachment(s)
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**Statement of Issue:** Review and accept the Monthly Investment Report for December 2007, pursuant to Section 17.0 of the Investment Policy of the City of Huntington Beach.

**Funding Source:** Not Applicable.

**Recommended Action:** Motion to: Review and accept the Monthly Investment Report. Following review of the report by motion of Council, accept the Monthly Investment Report for December 2007, pursuant to Section 17.0 of the Investment Policy of the City of Huntington Beach.

**Alternative Action(s):** Deny or critique monthly report.

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# REQUEST FOR CITY COUNCIL ACTION

MEETING DATE: 2/4/2008

DEPARTMENT ID NUMBER: CT08-06

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**Analysis:** Not Applicable.

**Strategic Plan Goal:** E-1: Engaging the Community – Increase community involvement by educating residents; C-2: City Service – Provide quality public services with the highest professional standards.

**Environmental Status:** Not Applicable.

**Attachment(s):**

City Clerk's Page Number	No.	Description
3	1.	Monthly Investment Report and Summary of Investments for December 2007
17	2.	Schedule of Bond Investments
19	3.	Deferred Compensation Plan Summary Information
21	4.	December 2007 PowerPoint Presentation

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# ATTACHMENT #1

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City of Huntington Beach  
 Summary of City Investment Portfolio, Bond Proceeds, and Deferred Compensation  
 Activity for December 2007

<b>City Investment Portfolio:</b>	<b>November</b>	<b>December</b>	<b>Inc./ (Dec.)</b>
End of month City Portfolio Balance	\$204,839,596	\$228,324,879	\$23,485,283
End of month General Fund Balance	\$22,667,993	\$35,688,305	\$13,020,312
Monthly Effective Rate of Return	4.81%	4.63%	-0.18%
Average Maturity ( in days)	371	377	6
End of Month Market Value	\$205,524,737	\$229,019,767	\$23,495,030
End of month bank cash balance	\$4,389,190	\$3,701,442	(\$687,748)

<b>Bond Proceeds Investments:*</b>	<b>October</b>	<b>November</b>	<b>Inc./ (Dec.)</b>
End of Month Bond Reserve Par Value	\$16,483,281	\$16,339,311	(\$143,970)
End of Month Bond Reserve Market Value	\$16,483,281	\$16,339,311	(\$143,970)

<b>Deferred Compensation Investments:**</b>	<b>September</b>	<b>December</b>	<b>Inc./ (Dec.)</b>
Participant Balances	\$84,760,317	\$84,249,629	(\$510,688)

<b>Comparison to Budget / City Portfolio:</b>	<b>Budget</b>	<b>Actual</b>	<b>Inc./ (Dec.)</b>
Interest Earned for Month	\$505,167	\$836,158	\$330,991
Interest Earned Year to Date	\$1,515,501	\$2,469,928	\$954,427
Earned Interest Yield Year to Date	4.85%	4.74%	0.49%

\*Bond Proceeds Statements are issued monthly and may lag by more than one month.

\*\*Deferred Compensation Statements are issued quarterly.

**Summary by Individual Investment in City Investment Portfolio:**

	<b>December</b>	<b>% of Total</b>	<b>Policy Limit</b>	<b>Days to Mat.</b>	<b>YTM Int. Rate</b>
Federal Agency Issues - Coupon	\$105,708,058	46%	None	720	4.47%
Local Agency Inv. Fund (LAIF)	\$59,909,969	26%	60 million	1	4.80%
Treasury Securities - Coupon	\$16,043,593	7%	None	303	4.32%
Medium Term Notes	\$3,946,488	2%	20%	673	5.06%
Commercial Paper Disc. - Amortizing	\$23,873,072	11%	25%	40	4.93%
Federal Agency Disc. - Amortizing	\$18,843,699	8%	None	71	4.49%
	<b>\$228,324,879</b>	<b>100%</b>		<b>377</b>	<b>4.61%</b>

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BY INK



City of Huntington Beach  
2000 Main St  
Huntington Beach

**City of HB  
Portfolio Management  
Portfolio Summary  
December 31, 2007**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Federal Agency Issues - Coupon	105,700,000.00	106,193,998.00	105,708,058.33	46.30	1,263	720	4.410	4.472
Local Agency Investment Funds	59,909,968.65	59,909,968.65	59,909,968.65	26.24	1	1	4.735	4.801
Treasury Securities - Coupon	16,000,000.00	16,182,200.00	16,043,592.97	7.03	548	303	4.258	4.317
Medium Term Notes	4,000,000.00	4,000,760.00	3,946,488.26	1.73	1,057	673	4.988	5.057
Commercial Paper Disc. -Amortizing	24,000,000.00	23,879,840.00	23,873,071.41	10.46	111	40	4.861	4.928
Federal Agency Disc. -Amortizing	19,000,000.00	18,853,000.00	18,843,696.89	8.25	126	71	4.432	4.494
<b>Investments</b>	<b>228,609,968.65</b>	<b>229,019,766.65</b>	<b>228,324,878.61</b>	<b>100.00%</b>	<b>664</b>	<b>377</b>	<b>4.544</b>	<b>4.607</b>

**Cash and Accrued Interest**

Accrued Interest at Purchase	244,017.27	244,017.27	244,017.27					
Subtotal		244,017.27	244,017.27					
<b>Total Cash and Investments</b>	<b>228,609,968.65</b>	<b>229,263,783.92</b>	<b>228,568,895.78</b>		<b>664</b>	<b>377</b>	<b>4.544</b>	<b>4.607</b>

**Total Earnings**

	December 31 Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	836,157.56	2,469,928.37	
Current Budget	505,167.00	1,515,501.00	6,062,004.00
Last Year Actual	761,301.00	2,202,808.00	10,317,142.00
<b>Average Daily Balance</b>	<b>212,710,842.34</b>	<b>206,867,394.22</b>	
<b>Effective Rate of Return</b>	<b>4.63%</b>	<b>4.74%</b>	

I certify that this report accurately reflects all City and Redevelopment Agency pooled investments and is in conformity with all State laws and the investment policy statement filed with the City Council on November 5, 2007. A copy of this policy is available at the office of the City Clerk. The investment program herein shown provides sufficient cash flow liquidity to meet the next six months obligations. Market Values provided by Union Bank via Merrill Lynch and Interactive Data Corporation.

*Shari Freidenrich*  
SHARIE FREIDENRICH, CPA, CITY TREASURER

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Reporting period 12/01/2007-12/31/2007

Run Date: 01/11/2008 - 14:35

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PM (PRF\_PM1) SymRept 6.41.202  
Report Ver. 5.00

**City of HB  
Portfolio Management  
Portfolio Details - Investments  
December 31, 2007**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 365	Days to Maturity	Maturity Date
31331TC74	3230	Federal Farm Credit Bank		04/15/2004	1,000,000.00	996,880.00	1,000,000.00	3.500	AAA	3.500	105	04/15/2008
31331SCQ4	3263	Federal Farm Credit Bank		10/28/2004	2,000,000.00	1,996,260.00	2,000,000.00	4.000	AAA	4.000	301	10/28/2008
31331SGH0	3276	Federal Farm Credit Bank		12/15/2004	2,000,000.00	1,997,500.00	2,000,000.00	4.000	AAA	4.000	349	12/15/2008
31331SD59	3314	Federal Farm Credit Bank		06/21/2005	2,000,000.00	2,000,000.00	2,000,000.00	4.480	AAA	4.480	902	06/21/2010
31331XC67	3537	Federal Farm Credit Bank		06/08/2007	2,000,000.00	2,038,120.00	1,997,300.11	5.050	AAA	5.150	524	06/08/2009
31331XE57	3542	Federal Farm Credit Bank		06/18/2007	2,000,000.00	2,018,120.00	2,000,000.00	5.850	AAA	5.850	1,630	06/18/2012
31331YKR0	3599	Federal Farm Credit Bank		12/26/2007	2,000,000.00	2,000,620.00	2,000,000.00	4.350	AAA	4.350	450	03/26/2009
3133MXEL9	3136	Federal Home Loan Bank		04/07/2003	2,000,000.00	1,991,880.00	2,000,000.00	3.020	AAA	3.020	97	04/07/2008
31339YJ53	3164	Federal Home Loan Bank		07/28/2003	2,000,000.00	1,988,120.00	2,000,000.00	3.320	AAA	3.320	209	07/28/2008
31339YNF5	3165	Federal Home Loan Bank		07/29/2003	2,000,000.00	1,983,760.00	2,000,000.00	2.900	AAA	2.900	210	07/29/2008
3133X1CF2	3178	Federal Home Loan Bank		08/29/2003	1,850,000.00	1,846,540.50	1,850,000.00	4.000	AAA	4.000	272	09/29/2008
3133XFFF8	3378	Federal Home Loan Bank		05/05/2006	2,000,000.00	2,010,000.00	2,000,000.00	5.500	AAA	5.500	1,039	11/05/2010
3133XGN59	3413	Federal Home Loan Bank		08/25/2006	2,000,000.00	2,023,120.00	2,000,000.00	5.700	AAA	5.700	1,332	08/25/2011
3133XGWP5	3421	Federal Home Loan Bank		09/22/2006	2,000,000.00	2,021,880.00	2,000,000.00	5.430	AAA	5.430	1,360	09/22/2011
3133XGYQ1	3424	Federal Home Loan Bank		09/15/2006	2,000,000.00	2,055,620.00	2,000,000.00	5.300	AAA	5.300	1,363	09/15/2011
3133XHNL2	3437	Federal Home Loan Bank		11/03/2006	2,000,000.00	2,021,880.00	2,000,000.00	5.250	AAA	5.250	672	11/03/2009
3133XJKL1	3474	Federal Home Loan Bank		01/16/2007	2,000,000.00	2,011,260.00	2,000,000.00	5.150	AAA	5.150	927	07/16/2010
3133XJV88	3487	Federal Home Loan Bank		02/12/2007	2,000,000.00	2,031,880.00	2,000,000.00	5.300	AAA	5.300	1,319	08/12/2011
3133XLC50	3538	Federal Home Loan Bank		06/12/2007	2,000,000.00	2,051,260.00	2,000,000.00	5.550	AAA	5.550	1,624	06/12/2012
3133XLA86	3540	Federal Home Loan Bank		06/15/2007	2,000,000.00	2,040,000.00	1,996,930.56	5.350	AAA	5.419	896	06/15/2010
3133XLQ22	3546	Federal Home Loan Bank		07/20/2007	2,000,000.00	2,101,880.00	2,000,000.00	5.600	AAA	5.600	1,662	07/20/2012
3133XM6S5	3557	Federal Home Loan Bank		09/04/2007	2,000,000.00	2,003,120.00	2,000,000.00	5.125	AAA	5.125	247	09/04/2008
3133XMH2	3565	Federal Home Loan Bank		10/03/2007	2,000,000.00	2,002,500.00	2,000,000.00	4.700	AAA	4.700	276	10/03/2008
3133MEUC3	3577	Federal Home Loan Bank		11/02/2007	2,000,000.00	2,008,120.00	2,009,123.11	5.750	AAA	4.492	135	05/15/2008
3133XN4G1	3578	Federal Home Loan Bank		11/23/2007	2,000,000.00	1,998,120.00	2,000,000.00	4.360	AAA	4.360	143	05/23/2008
3133XNBW8	3579	Federal Home Loan Bank		11/26/2007	2,000,000.00	2,009,380.00	2,000,000.00	4.625	AAA	4.625	1,333	08/26/2011
3133XNEL9	3583	Federal Home Loan Bank		11/26/2007	2,000,000.00	1,996,880.00	2,000,000.00	4.335	AAA	4.335	143	05/23/2008
3133XNET2	3584	Federal Home Loan Bank		11/28/2007	2,000,000.00	1,995,620.00	2,000,000.00	4.375	AAA	4.375	118	04/28/2008
3133XNCK3	3585	Federal Home Loan Bank		11/28/2007	2,000,000.00	2,009,380.00	2,000,000.00	4.600	AAA	4.600	1,333	08/26/2011
3133XNPT0	3588	Federal Home Loan Bank		12/17/2007	2,000,000.00	2,022,500.00	2,000,000.00	4.500	AAA	4.500	1,812	12/17/2012
3133XNQ19	3589	Federal Home Loan Bank		12/26/2007	2,000,000.00	2,009,380.00	2,000,000.00	4.550	AAA	4.550	1,364	09/26/2011
3133XNR92	3590	Federal Home Loan Bank		12/17/2007	2,000,000.00	2,003,760.00	2,000,000.00	4.375	AAA	4.375	990	09/17/2010
3133XNSR1	3594	Federal Home Loan Bank		12/18/2007	2,000,000.00	1,998,120.00	2,000,000.00	4.250	AAA	4.250	169	06/18/2008
3133XM2H3	3601	Federal Home Loan Bank		12/28/2007	2,000,000.00	2,006,880.00	2,009,041.55	4.885	AAA	4.149	232	08/20/2008
3128X1RJ8	3158	Federal Home Loan Mort Corp		07/22/2003	2,000,000.00	1,984,980.00	2,000,000.00	3.000	AAA	3.000	203	07/22/2008
3128X1TF4	3163	Federal Home Loan Mort Corp		07/23/2003	2,000,000.00	1,988,100.00	2,000,000.00	3.000	AAA	3.000	22	01/23/2008

Portfolio CITY  
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**City of HB**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**December 31, 2007**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 365	Days to Maturity	Maturity Date
<b>Federal Agency Issues - Coupon</b>												
3128X3D91	3264	Federal Home Loan Mort Corp		10/25/2004	2,000,000.00	1,993,560.00	2,000,000.00	3.560	AAA	3.560	115	04/25/2008
3128X3K85	3266	Federal Home Loan Mort Corp		11/18/2004	2,000,000.00	2,019,780.00	2,000,000.00	4.125	AAA	4.125	687	11/18/2009
3128X3K93	3267	Federal Home Loan Mort Corp		11/22/2004	2,000,000.00	1,990,840.00	2,000,000.00	3.600	AAA	3.600	142	05/22/2008
3128X5LP1	3429	Federal Home Loan Mort Corp		10/06/2006	2,000,000.00	2,012,960.00	1,998,494.44	5.250	AAA	5.273	1,374	10/06/2011
3128X5TU2	3459	Federal Home Loan Mort Corp		12/18/2006	2,000,000.00	2,010,240.00	2,000,000.00	5.050	AAA	5.050	717	12/18/2009
3128X5UM8	3461	Federal Home Loan Mort Corp		12/29/2006	2,000,000.00	2,026,280.00	2,000,000.00	5.250	AAA	5.250	1,458	12/29/2011
3128X5WH7	3486	Federal Home Loan Mort Corp		02/05/2007	2,000,000.00	2,000,660.00	1,998,367.53	5.550	AAA	5.572	1,469	01/09/2012
3128X4MQ1	3571	Federal Home Loan Mort Corp		10/15/2007	2,000,000.00	2,002,780.00	1,996,817.49	4.480	AAA	4.706	262	09/19/2008
3128X6WC6	3597	Federal Home Loan Mort Corp		12/24/2007	2,000,000.00	2,005,160.00	2,000,000.00	4.450	AAA	4.450	997	09/24/2010
3136F5KW0	3223	Fed. Nat'l Mort. Assoc.		03/30/2004	2,000,000.00	1,993,120.00	2,000,000.00	3.610	AAA	3.610	454	03/30/2009
31359MSC8	3242	Fed. Nat'l Mort. Assoc.		06/04/2004	2,000,000.00	1,999,380.00	1,999,575.00	3.250	AAA	2.052	155	06/04/2008
3136F6FY0	3259	Fed. Nat'l Mort. Assoc.		09/29/2004	2,000,000.00	2,000,000.00	2,000,000.00	4.250	AAA	4.250	637	09/29/2009
3136F6MNG	3268	Fed. Nat'l Mort. Assoc.		11/23/2004	2,000,000.00	1,993,120.00	2,000,000.00	3.700	AAA	3.700	143	05/23/2008
3136F74N4	3433	Fed. Nat'l Mort. Assoc.		10/27/2006	2,000,000.00	2,024,380.00	2,000,000.00	5.375	AAA	5.375	1,395	10/27/2011
31359ME41	3586	Fed. Nat'l Mort. Assoc.		12/12/2007	2,850,000.00	2,846,437.50	2,844,860.37	3.875	AAA	4.212	196	07/15/2008
3136F8YV9	3587	Fed. Nat'l Mort. Assoc.		12/14/2007	2,000,000.00	2,005,620.00	2,000,000.00	4.600	AAA	4.600	1,809	12/14/2012
31359MZH9	3592	Fed. Nat'l Mort. Assoc.		12/14/2007	2,000,000.00	2,006,260.00	2,007,548.17	4.500	AAA	4.003	288	10/15/2008
		<b>Subtotal and Average</b>	<b>98,945,962.00</b>		<b>105,700,000.00</b>	<b>106,193,998.00</b>	<b>105,708,058.33</b>			<b>4.472</b>	<b>720</b>	
<b>Local Agency Investment Funds</b>												
SYS982	982	Laif City			29,919,849.02	29,919,849.02	29,919,849.02	4.801	NR	4.801	1	
SYS2206	2206	LAI-Redevelopment Agency			29,990,119.63	29,990,119.63	29,990,119.63	4.801	NR	4.801	1	
		<b>Subtotal and Average</b>	<b>57,893,194.46</b>		<b>59,909,968.65</b>	<b>59,909,968.65</b>				<b>4.801</b>	<b>1</b>	
<b>Treasury Securities - Coupon</b>												
912828FP0	3435	US Treasury Notes		10/25/2006	2,000,000.00	2,055,320.00	2,000,902.44	4.875	AAA	4.834	592	08/15/2009
912828FT2	3436	US Treasury Notes		10/25/2006	2,000,000.00	2,017,500.00	1,995,951.89	4.625	AAA	4.909	273	09/30/2008
912828FV7	3473	US Treasury Notes		01/08/2007	2,000,000.00	2,024,220.00	2,001,148.04	4.875	AAA	4.795	304	10/31/2008
912828FM7	3476	US Treasury Notes		01/17/2007	2,000,000.00	2,017,500.00	2,000,885.70	5.000	AAA	4.883	212	07/31/2008
912828FV7	3477	US Treasury Notes		01/17/2007	2,000,000.00	2,024,220.00	2,000,000.00	4.875	AAA	4.867	304	10/31/2008
912828EC0	3593	US Treasury Notes		12/14/2007	2,000,000.00	2,008,440.00	2,008,975.77	4.125	AAA	3.383	227	08/15/2008
912828FT2	3596	US Treasury Notes		12/14/2007	2,000,000.00	2,017,500.00	2,017,590.21	4.625	AAA	3.414	273	09/30/2008
912828FR6	3602	US Treasury Notes		12/28/2007	2,000,000.00	2,017,500.00	2,018,138.92	4.875	AAA	3.470	243	08/31/2008
		<b>Subtotal and Average</b>	<b>12,597,746.49</b>		<b>16,000,000.00</b>	<b>16,182,200.00</b>	<b>16,043,592.97</b>			<b>4.317</b>	<b>303</b>	

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Portfolio CITY  
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**City of HB  
Portfolio Management  
Portfolio Details - Investments  
December 31, 2007**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Rated Rate	Moody's	YTM 365	Days to Maturity	Maturity Date
<b>Medium Term Notes</b>												
084664AF8	3475	Berkshire Hathaway Fin		01/17/2007	2,000,000.00	2,010,360.00	1,956,276.25	4.200	Aaa	5.023	1,079	12/15/2010
89233PUV6	3438	Toyota Motor Credit		11/08/2006	2,000,000.00	1,990,400.00	1,990,212.01	4.400	Aa1	5.090	274	10/01/2008
		<b>Subtotal and Average</b>	<b>3,945,402.92</b>		<b>4,000,000.00</b>	<b>4,000,760.00</b>	<b>3,946,486.26</b>			<b>5.057</b>	<b>673</b>	
<b>Commercial Paper Disc. -Amortizing</b>												
02581RBC6	3580	American Express		11/19/2007	2,000,000.00	1,989,680.00	1,989,290.00	4.590	P-1	4.705	42	02/12/2008
02581RAX1	3595	American Express		12/14/2007	2,000,000.00	1,992,660.00	1,992,850.00	4.290	P-1	4.375	30	01/31/2008
02581RAV5	3598	American Express		12/20/2007	2,000,000.00	1,993,180.00	1,993,328.67	4.290	P-1	4.370	28	01/29/2008
17307RAJ3	3551	Citigroup Global		07/27/2007	2,000,000.00	1,995,820.00	1,995,098.33	5.190	P-1	5.398	17	01/18/2008
17307RB45	3559	Citigroup Global		09/13/2007	2,000,000.00	1,991,700.00	1,989,856.67	5.370	P-1	5.564	34	02/04/2008
36959HBE6	3573	General Electric Capital Corp		10/18/2007	2,000,000.00	1,989,180.00	1,988,168.89	4.840	P-1	4.987	44	02/14/2008
36959HAR8	3575	General Electric Capital Corp		10/25/2007	2,000,000.00	1,994,180.00	1,993,706.67	4.720	P-1	4.844	24	01/25/2008
36959HCE5	3581	General Electric Capital Corp		11/19/2007	2,000,000.00	1,990,960.00	1,981,587.78	4.540	P-1	4.671	73	03/14/2008
36959HBU0	3591	General Electric Capital Corp		12/13/2007	2,000,000.00	1,985,460.00	1,985,628.89	4.460	P-1	4.565	58	02/28/2008
61745AB16	3556	Morgan Stanley Dean Witter		08/15/2007	2,000,000.00	1,992,420.00	1,990,837.78	5.320	A1P1	5.533	31	02/01/2008
61745ACH0	3560	Morgan Stanley Dean Witter		09/24/2007	2,000,000.00	1,980,160.00	1,978,846.67	5.010	A1P1	5.206	76	03/17/2008
90262CAQ0	3574	UBS Finance Delaware LLC		10/24/2007	2,000,000.00	1,994,440.00	1,993,873.06	4.795	P-1	4.922	23	01/24/2008
		<b>Subtotal and Average</b>	<b>23,777,410.59</b>		<b>24,000,000.00</b>	<b>23,879,840.00</b>	<b>23,873,071.41</b>			<b>4.928</b>	<b>40</b>	
<b>Federal Agency Disc. -Amortizing</b>												
313312RG7	3566	Federal Farm Credit Bank		10/03/2007	2,000,000.00	2,000,000.00	1,999,748.89	4.520	AAA	4.636	1	01/02/2008
313384JK3	3572	Federal Home Loan Bank		10/17/2007	1,000,000.00	991,400.00	990,384.44	4.550	AAA	4.704	76	03/17/2008
313384TH2	3582	Federal Home Loan Bank		11/20/2007	2,000,000.00	1,988,800.00	1,987,972.22	4.330	AAA	4.439	50	02/20/2008
313396SC8	3568	Federal Home Loan Mort Corp		10/05/2007	2,000,000.00	1,995,600.00	1,994,715.00	4.530	AAA	4.657	21	01/22/2008
313586SN6	3567	Fed. Nat'l Mort. Assoc.		10/04/2007	2,000,000.00	1,993,200.00	1,992,215.56	4.520	AAA	4.653	31	02/01/2008
313586SV8	3569	Fed. Nat'l Mort. Assoc.		10/10/2007	2,000,000.00	1,991,600.00	1,990,415.56	4.540	AAA	4.674	38	02/08/2008
313588TC9	3570	Fed. Nat'l Mort. Assoc.		10/11/2007	2,000,000.00	1,990,000.00	1,988,675.00	4.530	AAA	4.668	45	02/15/2008
313588B38	3600	Fed. Nat'l Mort. Assoc.		12/27/2007	2,000,000.00	1,953,600.00	1,952,333.33	3.900	AAA	4.111	220	08/08/2008
313588UD5	3603	Fed. Nat'l Mort. Assoc.		12/28/2007	2,000,000.00	1,984,200.00	1,983,588.89	4.220	AAA	4.316	70	03/11/2008
313588XZ3	3604	Fed. Nat'l Mort. Assoc.		12/31/2007	2,000,000.00	1,964,600.00	1,963,640.00	4.040	AAA	4.172	162	06/11/2008
		<b>Subtotal and Average</b>	<b>15,228,631.61</b>		<b>19,000,000.00</b>	<b>18,853,000.00</b>	<b>18,843,698.89</b>			<b>4.494</b>	<b>71</b>	
<b>Treasury Discounts -Amortizing</b>												
		<b>Subtotal and Average</b>	<b>322,494.27</b>									

**City of HB**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**December 31, 2007**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to 365	Maturity
Total and Average												
			212,710,842.34		228,609,968.65	229,019,766.65	228,324,878.51			4.607		377

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**City of HB  
Portfolio Management  
Portfolio Details - Cash  
December 31, 2007**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 365	Days to Maturity
		Average Balance	0.00	Accrued Interest at Purchase		244,017.27	244,017.27				0
		Subtotal				244,017.27	244,017.27				
<b>Total Cash and Investmentss</b>			<b>212,710,842.34</b>		<b>228,609,968.65</b>	<b>229,263,783.92</b>	<b>228,568,895.78</b>			<b>4.507</b>	<b>377</b>

**City of HB  
Portfolio Management**

**Activity By Type**

**December 1, 2007 through December 31, 2007**

CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
<b>Federal Agency Issues - Coupon</b>							
31331SWB5	3304	Federal Farm Credit Bank	4.620	12/13/2007	0.00	1,999,442.56	
31331SXV0	3308	Federal Farm Credit Bank	4.450	12/13/2007	0.00	2,000,000.00	
31331XHP0	3452	Federal Farm Credit Bank	5.250	12/14/2007	0.00	2,000,000.00	
31331YKR0	3599	Federal Farm Credit Bank	4.350	12/26/2007	2,000,000.00	0.00	
31333XLEL3	3541	Federal Home Loan Bank	5.400	12/25/2007	0.00	2,000,000.00	
31333XNPT0	3588	Federal Home Loan Bank	4.500	12/17/2007	2,000,000.00	0.00	
31333XNQT9	3589	Federal Home Loan Bank	4.550	12/26/2007	2,000,000.00	0.00	
31333XNR2	3590	Federal Home Loan Bank	4.375	12/17/2007	2,000,000.00	0.00	
31333XNSR1	3594	Federal Home Loan Bank	4.250	12/18/2007	2,000,000.00	0.00	
31333XM2H3	3601	Federal Home Loan Bank	4.885	12/28/2007	2,009,160.00	0.00	
3128X5TD0	3460	Federal Home Loan Mort Corp	5.100	12/26/2007	0.00	2,000,000.00	
3128X6WC6	3597	Federal Home Loan Mort Corp	4.450	12/24/2007	2,000,000.00	0.00	
31359ME41	3586	Fed. Nat'l Mort. Assoc.	3.875	12/12/2007	2,844,357.00	0.00	
3136F8YW9	3587	Fed. Nat'l Mort. Assoc.	4.600	12/14/2007	2,000,000.00	0.00	
31359MZH9	3592	Fed. Nat'l Mort. Assoc.	4.500	12/14/2007	2,008,000.00	0.00	
		<b>Subtotal</b>			<b>20,861,517.00</b>	<b>9,999,442.56</b>	<b>105,708,058.33</b>

<b>Local Agency Investment Funds (Monthly Summary)</b>							
SYS982	982	Laif City	4.801		10,900,000.00	9,000,000.00	
SYS2206	2206	LAIF-Redevelopment Agency	4.801		660,000.00	0.00	
		<b>Subtotal</b>			<b>11,560,000.00</b>	<b>9,000,000.00</b>	<b>59,909,968.65</b>

<b>Treasury Securities - Coupon</b>							
912828EC0	3593	US Treasury Notes	4.125	12/14/2007	2,009,687.50	0.00	
912828FT2	3596	US Treasury Notes	4.625	12/14/2007	2,018,750.00	0.00	
912828FR6	3602	US Treasury Notes	4.875	12/28/2007	2,018,437.50	0.00	
		<b>Subtotal</b>			<b>6,046,875.00</b>	<b>0.00</b>	<b>16,043,592.97</b>

<b>Medium Term Notes</b>							
		<b>Subtotal</b>					<b>3,946,488.26</b>

<b>Commercial Paper Disc. - Amortizing</b>							
02581SZM6	3561	American Express	4.750	12/21/2007	0.00	2,000,000.00	
02581SZQ7	3562	American Express	4.740	12/24/2007	0.00	2,000,000.00	
02581RAX1	3595	American Express	4.290	12/14/2007	1,988,560.00	0.00	
02581RAV5	3598	American Express	4.290	12/20/2007	1,990,466.67	0.00	

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**City of HB**  
**Portfolio Management**  
**Activity By Type**  
**December 1, 2007 through December 31, 2007**

CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
<b>Commercial Paper Disc. -Amortizing</b>							
36959HBU0	3591	General Electric Capital Corp	4.460	12/13/2007	1,980,921.11	0.00	
		<b>Subtotal</b>			<b>5,959,947.78</b>	<b>4,000,000.00</b>	<b>23,873,071.41</b>
<b>Federal Agency Disc. -Amortizing</b>							
313312RA0	3563	Federal Farm Credit Bank	4.500	12/27/2007	0.00	2,000,000.00	
313588B38	3600	Fed. Nat'l Mort. Assoc.	3.900	12/27/2007	1,951,250.00	0.00	
313588UD5	3603	Fed. Nat'l Mort. Assoc.	4.220	12/28/2007	1,982,651.11	0.00	
313588XZ3	3604	Fed. Nat'l Mort. Assoc.	4.040	12/31/2007	1,963,415.56	0.00	
		<b>Subtotal</b>			<b>5,897,316.67</b>	<b>2,000,000.00</b>	<b>18,843,698.89</b>
<b>Treasury Discounts -Amortizing</b>							
912796B59	3547	United States Treasury Bills	4.820	12/06/2007	0.00	2,000,000.00	
		<b>Subtotal</b>			<b>0.00</b>	<b>2,000,000.00</b>	<b>0.00</b>
		<b>Total</b>			<b>50,325,656.45</b>	<b>26,999,442.56</b>	<b>228,324,878.51</b>

**City of HB  
Portfolio Management**

**Activity Summary  
December 2006 through December 2007**

Month End	Year	Number of Securities	Average Balance	Yield to Maturity		Managed Pool Rate	Number of Investments Purchased	Number of Investments Redeemed	Average Term	Days to Maturity
				360 Equivalent	365 Equivalent					
December	2006	89	198,659,563.25	4.571	4.634	5.129	21	14	727	387
January	2007	95	219,934,932.02	4.609	4.673	5.156	17	11	722	401
February	2007	94	219,391,301.54	4.678	4.743	5.181	12	13	737	429
March	2007	91	215,541,134.27	4.702	4.767	5.214	11	14	729	417
April	2007	100	222,964,352.01	4.758	4.825	5.222	17	8	667	371
May	2007	105	242,517,495.45	4.801	4.867	5.248	10	5	634	342
June	2007	105	243,107,792.06	4.803	4.870	5.250	10	10	679	368
July	2007	99	234,531,828.66	4.792	4.859	5.255	7	13	740	398
August	2007	90	219,378,158.87	4.809	4.876	5.253	5	14	749	394
September	2007	87	210,473,705.74	4.807	4.874	5.231	8	11	747	389
October	2007	85	205,534,858.98	4.725	4.791	5.137	12	14	754	380
November	2007	77	202,206,117.59	4.690	4.755	4.962	9	17	698	371
December	2007	87	212,710,842.34	4.544	4.607	4.801	19	9	664	377
<b>Average</b>		<b>93</b>	<b>218,986,335.09</b>	<b>4.715%</b>	<b>4.780%</b>	<b>5.157</b>	<b>12</b>	<b>12</b>	<b>711</b>	<b>386</b>

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**City of HB  
Portfolio Management  
Distribution of Investments By Type  
December 2006 through December 2007**

Security Type	December 2006	January 2007	February 2007	March 2007	April 2007	May 2007	June 2007	July 2007	August 2007	September 2007	October 2007	November 2007	December 2007	Average by Period
<b>Repurchase Agreements</b>														
<b>Certificates of Deposit</b>														
Commercial Paper - Interest Bearing														
Federal Agency Issues - Coupon	50.4	47.4	45.4	45.0	39.7	38.1	42.1	45.2	45.4	44.6	46.6	46.3	46.3	44.8%
Local Agency Investment Funds	17.9	17.9	16.7	18.2	17.1	16.4	16.4	13.9	18.2	19.2	19.7	28.0	26.2	18.9%
Treasury Securities - Coupon	8.6	10.7	10.1	9.3	8.6	7.4	7.4	8.1	6.6	6.7	6.9	4.9	7.0	7.9%
Medium Term Notes	0.9	1.8	1.8	1.8	1.7	1.6	1.6	1.8	1.9	1.9	1.9	1.9	1.7	1.7%
<b>Negotiable CD's</b>														
<b>Certificates of Deposit - Bank</b>														
<b>Mortgage Backed Securities</b>														
<b>Bankers Acceptances -Amortizing</b>														
Commercial Paper Disc. -Amortizing	18.4	16.1	17.1	16.6	15.3	14.7	9.8	9.8	10.2	15.2	13.7	10.7	10.5	13.7%
Federal Agency Disc. -Amortizing	2.8	2.7	1.8	0.9	5.9	8.1	8.1	7.1	7.5	5.7	8.3	7.3	8.3	5.7%
Treasury Discounts -Amortizing	1.0	3.5	7.2	8.2	11.8	13.8	14.6	14.2	10.3	6.7	2.9	1.0		7.3%
<b>Miscellaneous Discounts -Amortizing</b>														
<b>Rolling Repurchase Agreements</b>														



**City of HB**  
**Portfolio Management**  
**Interest Earnings Summary**  
**December 31, 2007**

	December 31 Month Ending	Fiscal Year To Date
<b>CD/Coupon/Discount Investments:</b>		
Interest Collected	652,507.22	1,772,160.00
Plus Accrued Interest at End of Period	942,246.82	942,246.82
Less Accrued Interest at Beginning of Period	( 1,154,285.12)	( 1,429,456.49)
Less Accrued Interest at Purchase During Period	( 0.00)	( 0.00)
Interest Earned during Period	440,468.92	1,284,950.33
Adjusted by Premiums and Discounts	159,068.13	569,925.80
Adjusted by Capital Gains or Losses	557.44	696.57
Earnings during Periods	600,094.49	1,855,572.70
<b>Pass Through Securities:</b>		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	( 0.00)	( 0.00)
Less Accrued Interest at Purchase During Period	( 0.00)	( 0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
<b>Cash/Checking Accounts:</b>		
Interest Collected	0.00	482,131.96
Plus Accrued Interest at End of Period	616,326.81	616,326.81
Less Accrued Interest at Beginning of Period	( 380,263.74)	( 484,103.10)
Interest Earned during Period	236,063.07	614,355.67
<b>Total Interest Earned during Period</b>	<b>676,531.99</b>	<b>1,899,306.00</b>
<b>Total Adjustments from Premiums and Discounts</b>	<b>159,068.13</b>	<b>569,925.80</b>
<b>Total Capital Gains or Losses</b>	<b>557.44</b>	<b>696.57</b>
<b>Total Earnings during Period</b>	<b>836,157.56</b>	<b>2,469,928.37</b>

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**State of California  
Pooled Money Investment Account  
Market Valuation  
12/31/2007**

Description	Carrying Cost Plus		Fair Value	Accrued Interest
	Accrued Interest	Purch. Amortized Cost		
United States Treasury:				
Bills	\$ 784,700,388.88	\$ 795,497,861.11	\$ 796,942,000.00	NA
Notes	\$ 2,220,427,970.50	\$ 2,215,523,437.54	\$ 2,215,716,000.00	\$ 6,504,812.00
Federal Agency:				
SBA	\$ 578,451,292.39	\$ 578,394,064.26	\$ 575,467,730.54	\$ 4,903,338.08
MBS	\$ 1,205,820,690.48	\$ 1,205,820,690.48	\$ 1,206,976,079.60	\$ 5,712,331.49
Bonds	\$ 5,604,749,072.34	\$ 5,604,749,072.34	\$ 5,632,558,632.75	\$ 103,624,510.77
Floater	\$ 2,426,112,362.68	\$ 2,425,134,038.92	\$ 2,424,565,750.00	\$ 15,084,981.62
Discount Notes	\$ 10,085,510,922.30	\$ 10,193,397,043.03	\$ 10,212,121,000.00	NA
FHLMC PC	\$ 235,848.62	\$ 235,848.62	\$ 243,194.53	\$ 3,858.39
GNMA	\$ 180,655.42	\$ 180,655.42	\$ 207,081.06	\$ 1,792.27
CDs - Floaters	\$ 200,000,000.00	\$ 200,000,000.00	\$ 200,000,000.00	\$ 1,694,868.06
Bank Notes	\$ 1,300,000,000.00	\$ 1,300,000,000.00	\$ 1,300,208,143.00	\$ 16,822,555.55
CDs	\$ 11,690,059,968.81	\$ 11,690,059,968.81	\$ 11,691,049,629.50	\$ 86,022,697.19
Commercial Paper	\$ 7,943,547,198.34	\$ 8,005,983,261.39	\$ 8,007,400,455.29	NA
Corporate:				
Floater	\$ 119,020,063.18	\$ 119,020,063.18	\$ 112,035,850.00	\$ 559,151.37
Bonds	\$ 255,596,164.83	\$ 255,596,164.83	\$ 256,929,394.10	\$ 4,056,375.41
Repurchase Agreement	\$ -	\$ -	\$ -	NA
Reverse Repurchase	\$ -	\$ -	\$ -	\$ -
Time Deposits	\$ 9,083,995,000.00	\$ 9,083,995,000.00	\$ 9,083,995,000.00	NA
AB 55 & GF Loans	\$ 9,391,976,926.43	\$ 9,391,976,926.43	\$ 9,391,976,926.43	NA
<b>TOTAL</b>	<b>\$ 62,890,384,525.20</b>	<b>\$ 63,065,564,096.36</b>	<b>\$ 63,108,392,866.80</b>	<b>\$ 244,991,272.20</b>

Fair Value Including Accrued Interest **C-3A . 16** \$ 63,353,384,139.00

Repurchase Agreements, Time Deposits, AB 55 & General Fund loans, and Reverse Repurchase agreements are carried at portfolio book value (carrying cost).

The value of each participating dollar equals the fair value divided by the amortized cost (**1.000679115**). As an example: if an agency has an account balance of \$20,000,000.00, then the agency would report its participation in the LAIF valued at \$20,013,582.30 or \$20,000,000.00 x **1.000679115**.

C-3A.17

# **ATTACHMENT #2**

# Schedule of Bond Investments

Held by Fiscal Agent as of November 30, 2007

## Summary of investments by type

Par Value	Investment Type	Market Value as of 10/31/07	Market Value as of 11/30/07
\$5,730,936	Local Agency Investment Fund (LAIF)	\$5,730,935	\$5,730,936
\$0	Federal Agency Issues	\$0	\$0
\$8,190,455	Investment Agreements	\$8,190,455	\$8,190,455
\$2,417,920	Money Market Funds	\$2,561,891	\$2,417,920
\$0	US Treasury Securities	\$0	\$0
<b>\$16,339,311</b>		<b>\$16,483,281</b>	<b>\$16,339,311</b>

## Summary of Investments by Bond Issue

Par value	Bond Issue Description	Market Value as of 10/31/07	Market Value as of 11/30/07
\$2,511,380	City of Huntington Beach - 2004 Judgment Obligation Bonds (Property Tax Refunds)	\$2,510,468	\$2,511,380
\$2,094,527	City of Huntington Beach - 2003-1 Community Facilities District (Huntington Center - Bella Terra)	\$2,094,108	\$2,094,527
\$1,698,779	Redevelopment Agency of Huntington Beach - 2002 Tax Allocation Refunding Bonds	\$1,698,603	\$1,698,779
\$501,536	Huntington Beach Community Facilities District No. 2002-1 (McDonnell Centre Business Park)	\$501,506	\$501,536
\$2,045,557	Huntington Beach PFA - 2001 Series A (South Beach Improvements & Central Park Sports Complex)	\$2,045,353	\$2,045,557
\$2,695,726	Huntington Beach PFA - 2001 Series B (1993 Civic Center & Police Administration Bldg. Refinance)	\$2,695,458	\$2,695,726
\$1,265,546	City of Huntington Beach - 2001 Community Facilities District (Grand Coast-Hyatt)	\$1,261,041	\$1,265,546
\$174,921	City of Huntington Beach - 90-1 Community Facilities District Special Tax Refunding	\$174,918	\$174,921
\$1,600,624	Huntington Beach PFA - 2000 Series A (Water System Impv., Beach Mt. Facility, Energy Retrofit, SB Phase I)	\$1,754,591	\$1,600,624
\$763,894	Redevelopment Agency of Huntington Beach - 1999 Tax Allocation Refunding Bonds	\$763,891	\$763,894
\$822,367	Huntington Beach Public Finance Authority - Lease Revenue Bonds, 1997 Public Facilities Project	\$821,368	\$822,367
\$164,454	City of Huntington Beach - Multi-Family Mortgage Revenue Refunding Bonds (Huntington Breakers)	\$161,976	\$164,454
\$0	HB Public Finance Authority 1992 Revenue Bonds	\$0	\$0
<b>\$16,339,311</b>		<b>\$16,483,281</b>	<b>\$16,339,311</b>

C-3A.19

# **ATTACHMENT #3**

**City of Huntington Beach**  
**Deferred Compensation Plan Summary Information**  
as of December 31, 2007

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	Beginning Balance (9-30-07)	Contributions	Distributions/ Transfers	Earnings (change in value)	Other	Ending Balance (09-30-07)
<b>ICMA Retirement Corporation (457 Plan)</b>	\$27,083,621	\$622,660	(\$352,677)	(\$330,836)	(\$50)	\$27,022,718
<b>ICMA Retirement Corporation (401 Plan)</b>	\$886,186	\$25,705	\$0	(\$8,376)	\$0	\$903,515
<b>Nationwide Retirement Solutions (457 Plan)</b>	\$56,790,510	\$763,351	(\$886,300)	(\$343,940)	(\$225)	\$56,323,396
<b>Total Deferred Compensation Plan Balances</b>	<b>\$84,760,317</b>	<b>\$1,411,716</b>	<b>(\$1,238,977)</b>	<b>(\$683,152)</b>	<b>(\$275)</b>	<b>\$84,249,629</b>

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# **ATTACHMENT #4**

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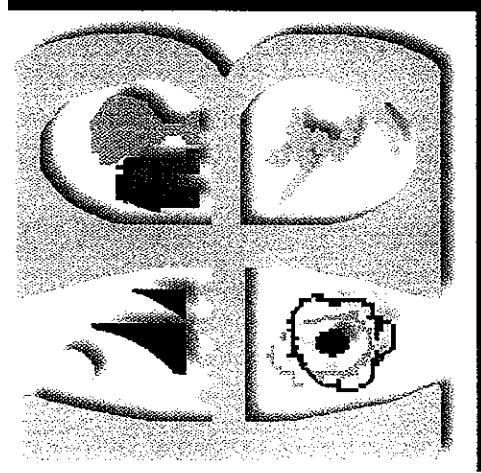
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*Treasurer's Report - Shari L. Freidenrich, CPA, CCMT, CPFA, CPFIM*

## DECEMBER TREASURER'S REPORT



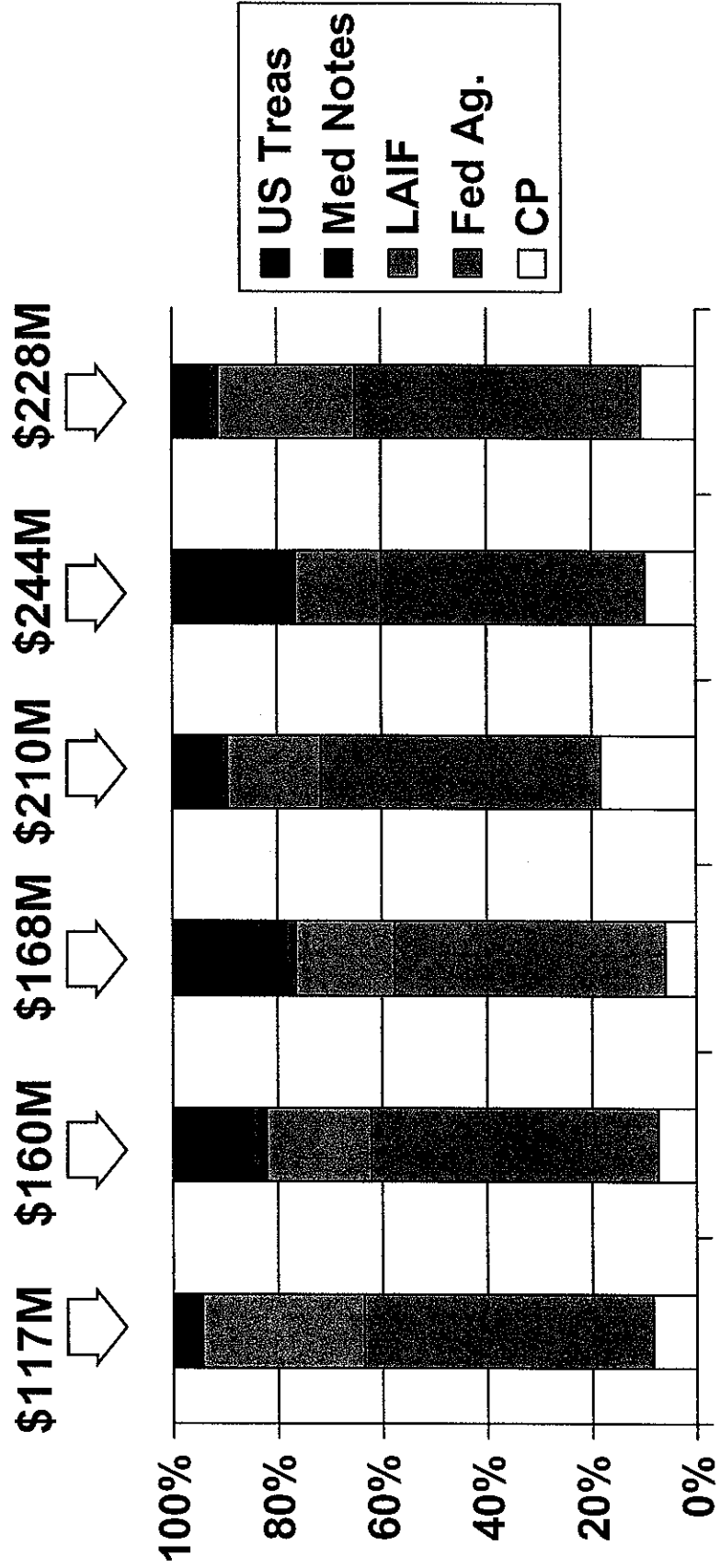
**Shari L. Freidenrich, CPA, CCMT, CPFA, CPFIM**

February 4, 2008

Treasurer's Report - Shari L. Freidenrich, CPA, CCMT, CPFA, CPFIM

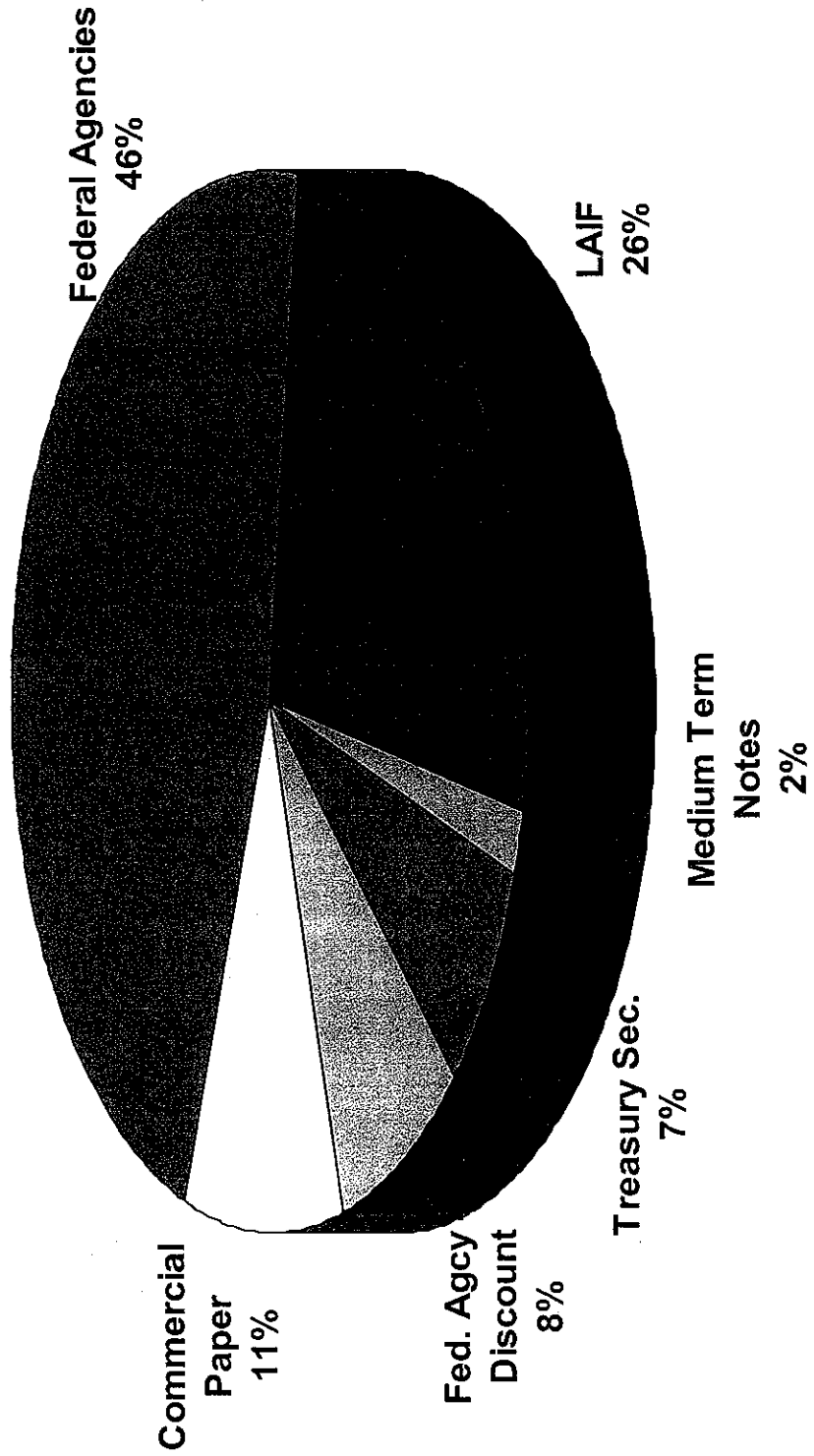
# Investment Balance Trends

Portfolio Balances by Type



Dec-03 Dec-04 Dec-05 Dec-06 Jun-07 Dec-07

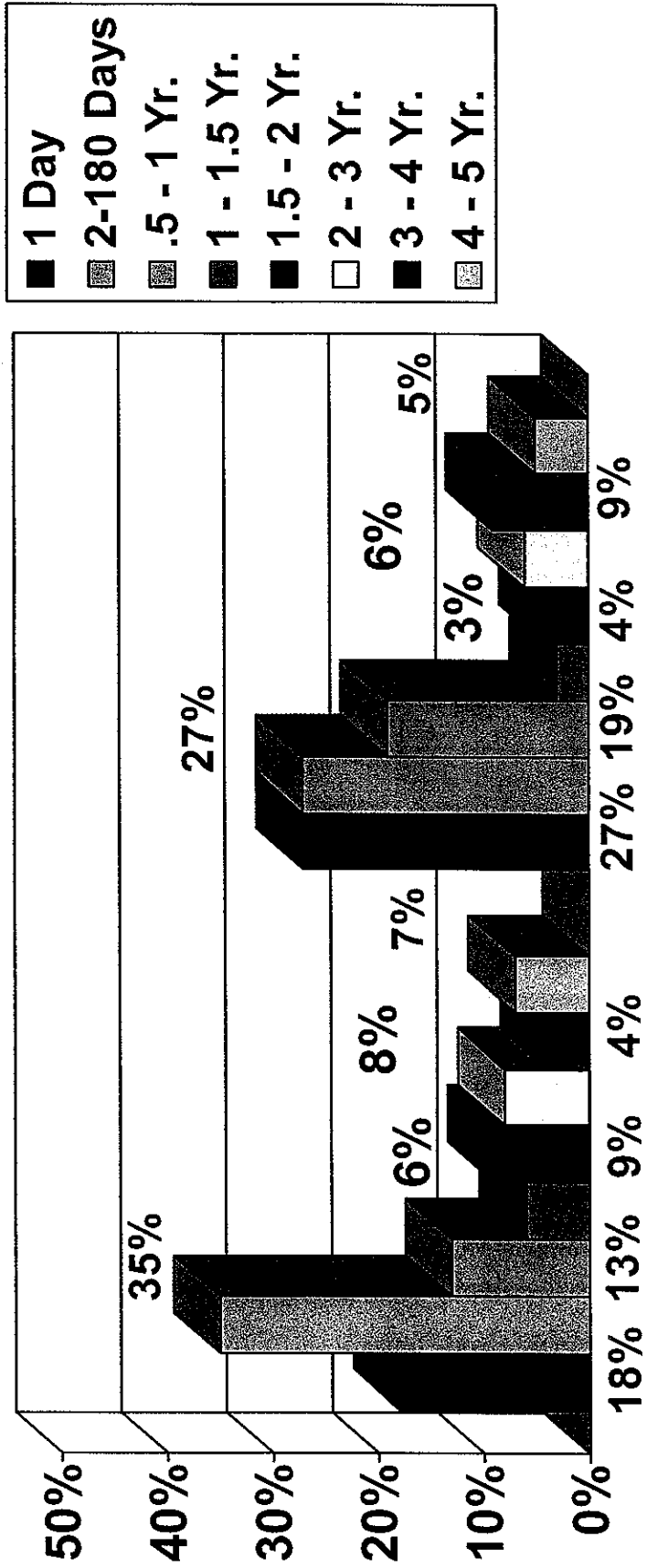
## Investment Percentages By Type of Investment



Treasurer's Report - Shari L. Freidenrich, CPA, CCMT, CPFA, CPFIM

# Liquidity

Investment Maturities by Days, Ending December 2006/2007

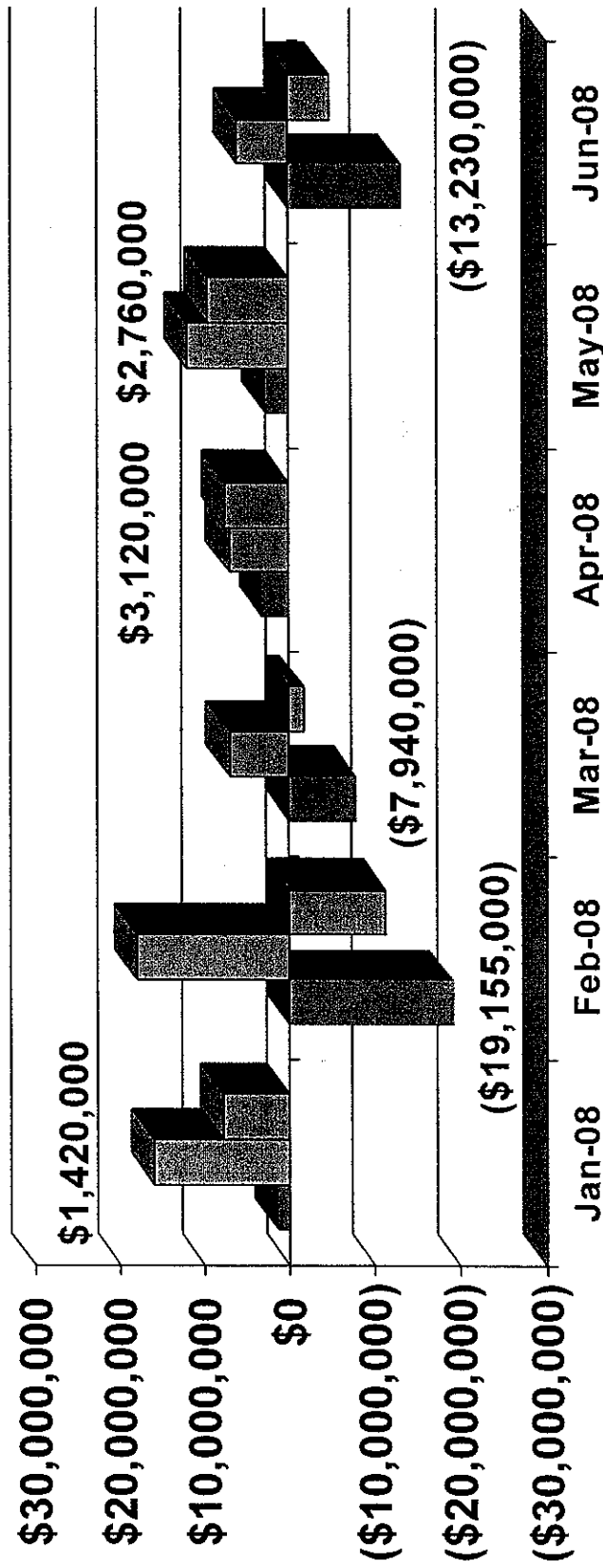


2007

2006

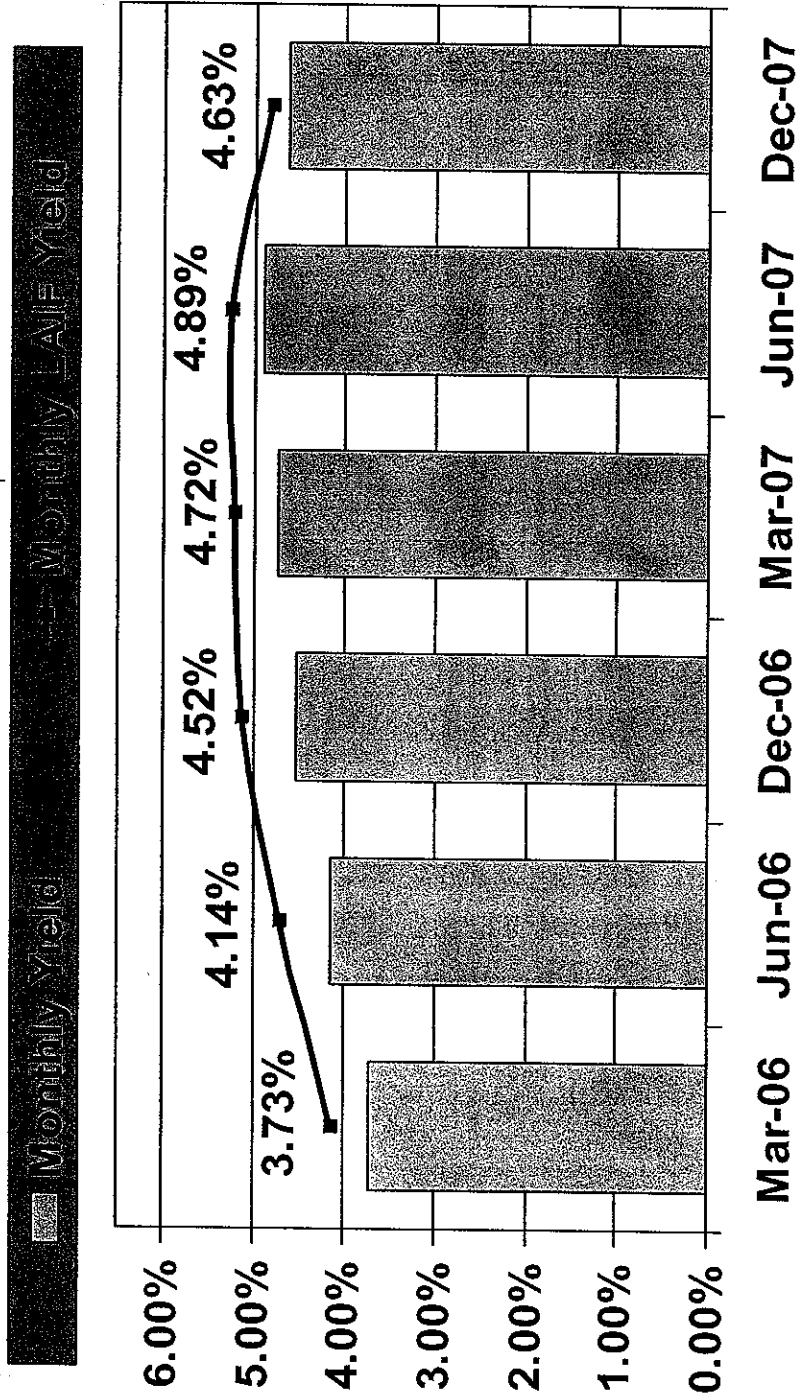
Treasurer's Report - Shari L. Freidenrich, CPA, CCMT, CPFA, CPFIM

## All Funds and General Fund Estimated Net Cash Flow and Maturing Investments - Next 6 Months

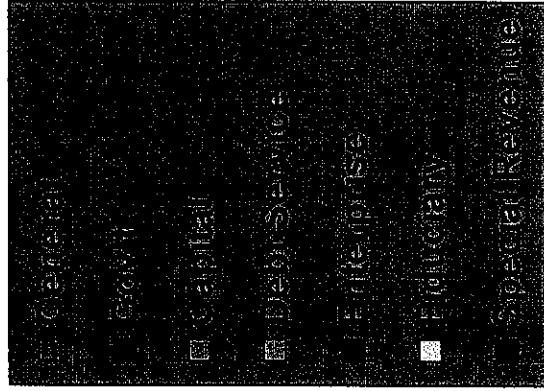
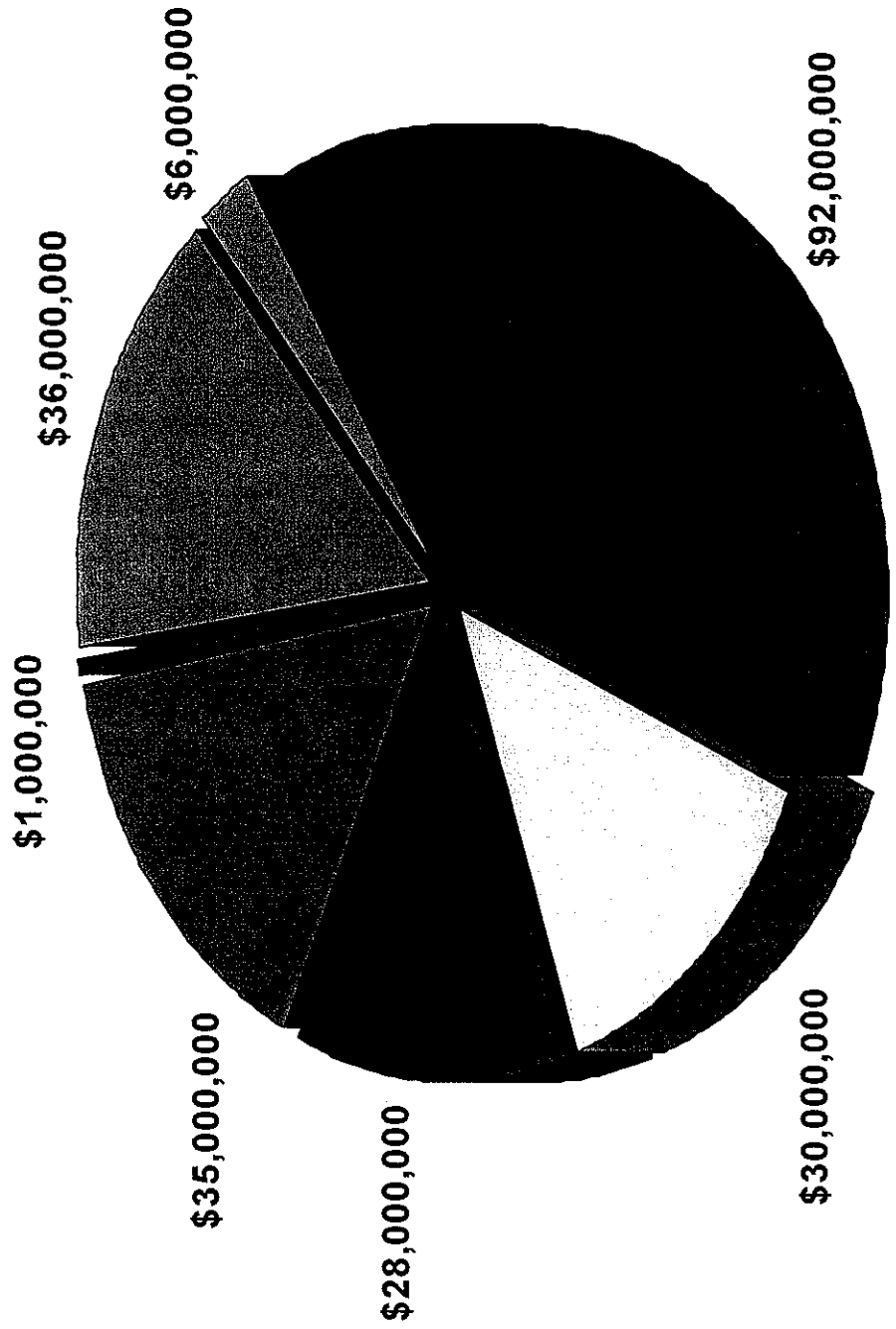


Net Cash Flow ■ Maturing Investments □ General Fund Net Cash Flow

# Investment Yields Trends



## Summary of Investment by City Fund



*Treasurer's Report - Shari L. Freidenrich, CPA, CCMT, CPFA, CPFIM*

## Summary

- Recommendation to City Council