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CITY OF  
HUNTINGTON BEACH

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:                      10/16/06	Department ID Number:              CT06-18

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

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

**SUBMITTED BY:** SHARI L. FREIDENRICH, CITY TREASURER *SJF*

**PREPARED BY:** SHARI L. FREIDENRICH, CITY TREASURER *SJF*

**SUBJECT:** REVIEW AND ACCEPT CITY TREASURER'S AUGUST 2006  
INVESTMENT SUMMARY REPORT

Statement of Issue, Funding Source, Recommended Action, Alternative Action(s), Analysis, Environmental Status, Attachment(s)

**Statement of Issue:** Review and accept the Monthly Investment Report for August 2006, pursuant to Section 17.0 of the Investment Policy of the City of Huntington Beach.

**Funding Source:** Not Applicable

**Recommended Action:** Review and accept the Monthly Investment Report. Following review of the report by motion of Council, accept the Monthly Investment Report for August 2006, pursuant to Section 17.0 of the Investment Policy of the City of Huntington Beach.

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

**Analysis:** Not Applicable

**Environmental Status:** Not Applicable

**Attachment(s):**

City Clerk's Page Number	No.	Description
<i>C-3A. 2</i>	1.	Monthly Investment Report and Summary of Investments for August 2006
<i>C-3A. 14</i>	2.	Schedule of Bond Investments
<i>C-3A. 16</i>	3.	Deferred Compensation Plan Summary Information
<i>C-3A. 18</i>	4.	August 2006 PowerPoint Presentation

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**Monthly Investment Report and Summary of  
Investments for August 2006**

**Attachment 1**

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City of Huntington Beach  
 Summary of City Investment Portfolio, Bond Proceeds, and Deferred Compensation  
 Activity for August 2006

<b>City Investment Portfolio:</b>	<b>July</b>	<b>August</b>	<b>Inc./ (Dec.)</b>
End of month City Portfolio Balance	\$203,517,140	\$196,486,679	(\$7,030,461)
End of month General Fund Balance	\$32,855,911	\$30,086,908	(\$2,769,003)
Earned Interest Yield Average	4.20%	4.24%	0.04%
Average Maturity ( in days)	268	276	8
End of Month Market Value	\$201,636,891	\$194,954,609	(\$6,682,282)
End of month bank cash balance	\$3,236,848	\$7,534,062	\$4,297,214

<b>Bond Proceeds Investments:*</b>	<b>June</b>	<b>July</b>	<b>Inc./ (Dec.)</b>
End of Month Bond Reserve Par Value	\$18,553,118	\$20,364,077	\$1,810,959
End of Month Bond Reserve Market Value	\$18,553,118	\$20,364,077	\$1,810,959

<b>Deferred Compensation Investments:**</b>	<b>March</b>	<b>June</b>	<b>Inc./ (Dec.)</b>
Participant Balances	\$74,339,652	\$73,759,985	(\$579,667)

<b>Comparison to Budget / City Portfolio:</b>	<b>Budget</b>	<b>Actual</b>	<b>Inc./ (Dec.)</b>
Interest Earned for Month	\$247,750	\$725,643	\$477,893
Interest Earned Year to Date	\$2,725,250	\$7,016,290	\$4,291,040
Earned Interest Yield Year to Date	3.25%	3.87%	0.62%

\*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>August</b>	<b>% of Total</b>	<b>Policy Limit</b>	<b>Days to Mat.</b>	<b>Int. Rate</b>
Federal Agency Issues - Coupon	\$100,459,382	51%	None	473	3.79%
Local Agency Inv. Fund (LAIF)	\$34,344,262	18%	\$40 million	1	4.95%
Treasury Securities - Coupon	\$19,914,751	10%	None	222	4.05%
Commercial Paper Disc. - Amortizing	\$29,856,410	15%	25%	56	5.37%
Federal Agency Disc. - Amortizing	\$1,998,075	1%	None	7	5.11%
Treasury Discounts - Amortizing	\$9,913,799	5%	None	63	4.98%
	<b>\$196,486,679</b>	<b>100%</b>		<b>276</b>	<b>4.33%</b>

**City of HB  
Portfolio Management  
Portfolio Summary  
August 31, 2006**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Federal Agency issues - Coupon	100,490,000.00	99,085,345.90	100,459,382.16	51.13	1,122	473	3.734	3.786
Local Agency Investment Funds	34,344,261.78	34,344,261.78	34,344,261.78	17.48	1	1	4.878	4.946
Treasury Securities - Coupon	20,000,000.00	19,758,100.00	19,914,750.69	10.14	667	222	3.991	4.046
Commercial Paper Disc. -Amortizing	30,100,000.00	29,854,301.00	29,856,410.51	15.20	109	56	5.300	5.374
Federal Agency Disc. -Amortizing	2,000,000.00	1,998,000.00	1,998,075.00	1.02	127	7	5.038	5.108
Treasury Discounts -Amortizing	10,000,000.00	9,914,600.00	9,913,798.78	5.05	147	63	4.910	4.978
<b>Investments</b>	<b>196,934,261.78</b>	<b>194,954,608.68</b>	<b>196,486,678.92</b>	<b>100.00%</b>	<b>667</b>	<b>276</b>	<b>4.270</b>	<b>4.330</b>
<b>Cash and Accrued Interest</b>								
Accrued Interest at Purchase		4,303.28	4,303.28					
Subtotal		4,303.28	4,303.28					
<b>Total Cash and investments</b>	<b>196,934,261.78</b>	<b>194,958,911.96</b>	<b>196,490,982.20</b>		<b>667</b>	<b>276</b>	<b>4.270</b>	<b>4.330</b>

Total Earnings	August 31 Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	725,643.16	7,016,290.15	
Current Budget	247,750.00	2,725,250.00	2,973,000.00
Last Year Actual	480,038.00	4,463,657.96	4,935,645.34
<b>Average Daily Balance</b>	<b>201,303,682.89</b>	<b>197,735,704.60</b>	
<b>Effective Rate of Return</b>	<b>4.24%</b>	<b>3.87%</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 Dec. 19, 2005. 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 month's obligations. Market Values provided by Union Bank via Merrill Lynch and Interactive Data Corporation.

*Shari L. Freidenreich*  
**SHARI L. FREIDENREICH, CITY TREASURER**      *Sept. 27, 2006*

**City of HB**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**August 31, 2006**

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>												
313310XM4	3138	Federal Farm Credit Bank		03/28/2003	2,000,000.00	1,996,260.00	2,000,000.00	2.730	AAA	2.730	27	09/28/2006
31331TTQ4	3210	Federal Farm Credit Bank		02/20/2004	1,000,000.00	988,440.00	1,000,000.00	2.850	AAA	2.850	172	02/20/2007
31331TC74	3230	Federal Farm Credit Bank		04/15/2004	1,000,000.00	975,000.00	1,000,000.00	3.500	AAA	3.500	592	04/15/2008
31331SCQ4	3263	Federal Farm Credit Bank		10/28/2004	2,000,000.00	1,955,620.00	2,000,000.00	4.000	AAA	4.000	788	10/28/2008
31331SGH0	3276	Federal Farm Credit Bank		12/15/2004	2,000,000.00	1,953,120.00	2,000,000.00	4.000	AAA	4.000	836	12/15/2008
31331SMB6	3288	Federal Farm Credit Bank		02/02/2005	2,000,000.00	1,966,260.00	2,000,000.00	3.700	AAA	3.700	427	11/02/2007
31331SWB5	3304	Federal Farm Credit Bank		05/06/2005	2,000,000.00	1,971,880.00	1,998,928.51	4.620	AAA	4.642	976	05/04/2009
31331SXV0	3308	Federal Farm Credit Bank		05/24/2005	2,000,000.00	1,970,000.00	2,000,000.00	4.450	AAA	4.450	815	11/24/2008
31331SD59	3314	Federal Farm Credit Bank		06/21/2005	2,000,000.00	1,953,120.00	2,000,000.00	4.480	AAA	4.480	1,389	06/21/2010
31331YR32	3408	Federal Farm Credit Bank		07/19/2006	2,000,000.00	2,003,120.00	2,000,000.00	5.500	AAA	5.500	321	07/19/2007
3133MMXL9	3136	Federal Home Loan Bank		04/07/2003	2,000,000.00	1,936,880.00	2,000,000.00	3.020	AAA	3.020	584	04/07/2008
31339X7A6	3149	Federal Home Loan Bank		06/16/2003	2,000,000.00	1,968,760.00	2,000,000.00	2.400	AAA	2.400	196	03/16/2007
31339YH54	3159	Federal Home Loan Bank		07/23/2003	2,000,000.00	1,976,260.00	2,000,000.00	2.270	AAA	2.270	144	01/23/2007
31339YJE3	3164	Federal Home Loan Bank		07/28/2003	2,000,000.00	1,936,880.00	2,000,000.00	3.320	AAA	3.320	696	07/28/2008
31339YNF5	3165	Federal Home Loan Bank		07/29/2003	2,000,000.00	1,921,880.00	2,000,000.00	2.900	AAA	2.900	697	07/29/2008
3133X1CF2	3178	Federal Home Loan Bank		09/29/2003	1,850,000.00	1,810,687.50	1,850,000.00	4.000	AAA	4.000	759	09/29/2008
31339YUQ3	3195	Federal Home Loan Bank		12/11/2003	2,140,000.00	2,127,288.40	2,138,242.43	2.375	AAA	2.805	73	11/13/2006
3133X2ZN8	3197	Federal Home Loan Bank		12/29/2003	1,000,000.00	997,810.00	1,000,000.00	2.640	AAA	2.641	28	09/29/2006
3133X42E0	3207	Federal Home Loan Bank		02/20/2004	2,000,000.00	1,978,120.00	2,000,000.00	3.000	AAA	3.000	172	02/20/2007
3133X5HE1	3222	Federal Home Loan Bank		04/16/2004	2,000,000.00	1,958,120.00	2,000,000.00	2.800	AAA	2.801	318	07/16/2007
3133X5ZU5	3226	Federal Home Loan Bank		04/27/2004	2,000,000.00	1,971,260.00	2,000,000.00	3.070	AAA	3.070	238	04/27/2007
3133X4RM5	3236	Federal Home Loan Bank		05/20/2004	1,500,000.00	1,487,340.00	1,497,034.46	2.750	AAA	3.390	118	12/28/2006
3133X8QN5	3255	Federal Home Loan Bank		09/28/2004	2,000,000.00	1,958,760.00	2,000,000.00	3.260	AAA	3.260	392	09/28/2007
3133X9TP5	3277	Federal Home Loan Bank		12/28/2004	2,000,000.00	1,986,880.00	2,000,000.00	3.345	AAA	3.345	118	12/28/2006
3133XBVP7	3278	Federal Home Loan Bank		12/29/2004	2,000,000.00	1,996,880.00	2,000,000.00	3.280	AAA	3.280	28	09/29/2006
3133XC3S0	3306	Federal Home Loan Bank		05/25/2005	2,000,000.00	1,981,260.00	2,000,000.00	4.010	AAA	4.010	266	05/25/2007
3133XEAB2	3315	Federal Home Loan Bank		06/29/2005	2,000,000.00	1,997,500.00	2,000,000.00	3.760	AAA	3.760	28	09/29/2006
3133XFEX8	3341	Federal Home Loan Bank		12/29/2005	2,000,000.00	1,998,760.00	2,000,000.00	4.625	AAA	4.625	28	09/29/2006
3133XF4C7	3365	Federal Home Loan Bank		03/28/2006	2,000,000.00	1,996,880.00	2,000,000.00	5.100	AAA	5.100	392	09/28/2007
3133XFFB8	3367	Federal Home Loan Bank		03/29/2006	2,000,000.00	1,996,260.00	2,000,000.00	5.500	AAA	5.000	150	01/29/2007
3133XFWB8	3378	Federal Home Loan Bank		05/05/2006	2,000,000.00	2,001,260.00	2,000,000.00	5.500	AAA	5.500	1,526	11/05/2010
3133XG7M0	3406	Federal Home Loan Bank		06/28/2006	2,000,000.00	1,999,350.00	2,000,000.00	5.420	AAA	5.420	392	09/28/2007
3133XGN59	3413	Federal Home Loan Bank		07/26/2006	2,000,000.00	2,001,880.00	2,000,000.00	5.600	AAA	5.600	328	07/26/2007
3133XGMV3	3416	Federal Home Loan Bank		08/25/2006	2,000,000.00	2,010,000.00	2,000,000.00	5.700	AAA	5.700	1,819	08/25/2011
3128X1RJB	3158	Federal Home Loan Mort Corp		08/23/2006	2,000,000.00	2,000,000.00	2,000,000.00	5.375	AAA	5.375	175	02/23/2007
3128X1TF4	3163	Federal Home Loan Mort Corp		07/22/2003	2,000,000.00	1,926,080.00	2,000,000.00	3.000	AAA	3.000	690	07/22/2008
				07/23/2003	2,000,000.00	1,943,120.00	2,000,000.00	3.000	AAA	3.000	509	01/23/2008

Portfolio City  
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**City of HB  
Portfolio Management  
Portfolio Details - Investments  
August 31, 2006**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Rated Rate	Moody's	YTM	Days to Maturity	Maturity Date
<b>Federal Agency Issues - Coupon</b>												
3128X2TX3	3211	Federal Home Loan Mort Corp	2,000,000.00	02/19/2004	2,000,000.00	1,977,460.00	2,000,599.51	2.750	AAA	2.678	161	02/09/2007
3128X1DE4	3216	Federal Home Loan Mort Corp	2,000,000.00	03/15/2004	2,000,000.00	1,965,000.00	2,000,474.97	2.500	AAA	2.404	94	12/04/2006
3128X2RP2	3225	Federal Home Loan Mort Corp	2,000,000.00	03/29/2004	2,000,000.00	1,977,460.00	2,001,104.47	2.750	AAA	2.618	161	02/09/2007
3128X3D91	3264	Federal Home Loan Mort Corp	2,000,000.00	10/25/2004	2,000,000.00	1,952,120.00	2,000,000.00	3.560	AAA	3.560	602	04/25/2008
3128X3K85	3266	Federal Home Loan Mort Corp	2,000,000.00	11/18/2004	2,000,000.00	1,946,200.00	2,000,000.00	4.125	AAA	4.125	1,174	11/18/2009
3128X3K93	3267	Federal Home Loan Mort Corp	2,000,000.00	11/22/2004	2,000,000.00	1,951,520.00	2,000,000.00	3.800	AAA	3.600	629	05/22/2008
3128X4AK7	3374	Federal Home Loan Mort Corp	2,000,000.00	04/20/2006	2,000,000.00	1,993,180.00	1,994,563.71	3.750	AAA	4.794	75	11/15/2006
3128X4D57	3398	Federal Home Loan Mort Corp	2,000,000.00	06/08/2006	2,000,000.00	1,989,820.00	1,990,556.78	3.800	AAA	5.302	117	12/27/2006
3136F4J54	3201	Fed. Nat'l Mort. Assoc.	2,000,000.00	06/23/2003	2,000,000.00	1,984,380.00	2,000,000.00	3.000	AAA	5.451	119	12/27/2006
3136F5KWO	3223	Fed. Nat'l Mort. Assoc.	2,000,000.00	03/30/2004	2,000,000.00	1,930,620.00	2,000,000.00	3.610	AAA	3.610	941	03/30/2009
31359MSC8	3242	Fed. Nat'l Mort. Assoc.	2,000,000.00	06/04/2004	2,000,000.00	1,937,500.00	1,998,241.67	3.250	AAA	2.052	642	06/04/2008
3136F6FY0	3259	Fed. Nat'l Mort. Assoc.	2,000,000.00	09/29/2004	2,000,000.00	1,952,500.00	2,000,000.00	4.250	AAA	4.250	1,124	09/29/2009
3136F6MNG	3268	Fed. Nat'l Mort. Assoc.	2,000,000.00	11/23/2004	2,000,000.00	1,953,760.00	2,000,000.00	3.700	AAA	3.700	630	05/23/2008
3136F6PB9	3273	Fed. Nat'l Mort. Assoc.	2,000,000.00	11/19/2004	2,000,000.00	1,955,000.00	2,000,000.00	3.700	AAA	3.080	444	11/19/2007
<b>Subtotal and Average</b>			<b>103,939,303.05</b>		<b>100,490,000.00</b>	<b>99,085,345.90</b>	<b>100,459,382.16</b>			<b>3.786</b>	<b>473</b>	
<b>Local Agency Investment Funds</b>												
SVS982	982	Lair City	14,365,240.16		14,365,240.16	14,365,240.16	14,365,240.16	4.946	NR	4.946	1	
SVS2206	2206	Lair-Redevelopment Agency	19,979,021.62		19,979,021.62	19,979,021.62	19,979,021.62	4.946	NR	4.946	1	
<b>Subtotal and Average</b>			<b>36,463,616.62</b>		<b>34,344,261.78</b>	<b>34,344,261.78</b>	<b>34,344,261.78</b>			<b>4.946</b>	<b>1</b>	
<b>Treasury Securities - Coupon</b>												
912828CG3	3235	US Treasury Notes	2,000,000.00	05/17/2004	2,000,000.00	1,973,200.00	1,999,003.08	3.125	AAA	3.195	256	05/15/2007
912828AN0	3244	US Treasury Notes	2,000,000.00	06/10/2004	2,000,000.00	1,955,000.00	1,989,245.81	3.000	AAA	3.473	440	11/15/2007
9128277F3	3246	US Treasury Notes	2,000,000.00	06/14/2004	2,000,000.00	1,993,280.00	2,001,670.32	3.500	AAA	3.068	75	11/15/2006
912828AN0	3270	US Treasury Notes	2,000,000.00	11/15/2004	2,000,000.00	1,955,000.00	1,998,627.36	3.000	AAA	3.060	440	11/15/2007
912828CR9	3271	US Treasury Notes	2,000,000.00	11/10/2004	2,000,000.00	1,958,120.00	1,994,713.54	2.750	AAA	3.034	348	08/15/2007
912828BY5	3275	US Treasury Notes	2,000,000.00	04/20/2006	2,000,000.00	1,974,300.00	1,976,246.89	2.250	AAA	4.931	167	02/15/2007
912828CY4	3276	US Treasury Notes	2,000,000.00	04/20/2006	2,000,000.00	1,991,400.00	1,992,268.04	2.500	AAA	4.928	60	10/31/2006
912828DJ6	3377	US Treasury Notes	2,000,000.00	04/20/2006	2,000,000.00	1,985,900.00	1,985,384.62	3.125	AAA	4.933	152	01/31/2007
912828BP4	3381	US Treasury Notes	2,000,000.00	04/21/2006	2,000,000.00	1,989,680.00	1,990,816.56	2.625	AAA	4.929	75	11/15/2006
912828DQ0	3382	US Treasury Notes	2,000,000.00	04/21/2006	2,000,000.00	1,984,220.00	1,986,774.47	3.750	AAA	4.932	211	03/31/2007
<b>Subtotal and Average</b>			<b>21,840,066.02</b>		<b>20,000,000.00</b>	<b>19,758,100.00</b>	<b>19,914,750.69</b>			<b>4.046</b>	<b>222</b>	

Portfolio CI



**City of HB**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**August 31, 2006**

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>Commercial Paper Disc. -Amortizing</b>												
60406BKK4	3415	Minn. Mng & Mfg (3M)		08/15/2006	2,000,000.00	1,986,000.00	1,986,160.00	5.190	A1+P1	5.312	48	10/19/2006
02581SJN2	3395	American Express		06/01/2006	2,000,000.00	1,993,900.00	1,994,073.33	5.080	P-1	5.234	21	09/22/2006
02581SKA8	3410	American Express		07/31/2006	2,000,000.00	1,988,620.00	1,988,581.67	5.270	P-1	5.399	39	10/10/2006
17307SJ86	3394	Citigroup Global		06/01/2006	2,000,000.00	1,997,960.00	1,998,016.67	5.100	P-1	5.244	7	09/08/2006
17307SK68	3402	Citigroup Global		06/22/2006	2,000,000.00	1,989,800.00	1,989,655.56	5.320	P-1	5.480	35	10/06/2006
17307SNC2	3414	Citigroup Global		08/15/2006	2,000,000.00	1,961,200.00	1,961,134.45	5.260	P-1	5.453	133	01/12/2007
17307SMF6	3418	Citigroup Global		08/29/2006	2,000,000.00	1,969,380.00	1,969,316.67	5.260	P-1	5.419	105	12/15/2006
2470C3LE1	3419	Dell Inc.		08/29/2006	2,000,000.00	1,978,420.00	1,978,498.89	5.230	P-1	5.363	74	11/14/2006
36959JM18	3379	General Electric Capital Corp		04/21/2006	2,000,000.00	1,973,460.00	1,974,722.22	5.000	P-1	5.299	91	12/01/2006
36959JL35	3380	General Electric Capital Corp		04/21/2006	2,000,000.00	1,981,620.00	1,982,500.00	5.000	P-1	5.291	63	11/03/2006
36959JKA0	3409	General Electric Capital Corp		07/31/2006	1,600,000.00	1,590,896.00	1,590,761.33	5.330	P-1	5.461	39	10/10/2006
36959JLH4	3411	General Electric Capital Corp		07/31/2006	2,500,000.00	2,471,925.00	2,471,659.72	5.300	P-1	5.461	77	11/17/2006
43357MJC5	3407	Hitachi Capital Amer Corp		07/17/2006	2,000,000.00	1,996,800.00	1,996,719.33	5.370	P-1	5.491	11	09/12/2006
43357MKA7	3417	Hitachi Capital Amer Corp		08/18/2006	2,000,000.00	1,988,620.00	1,988,495.00	5.310	P-1	5.426	39	10/10/2006
74433HKL7	3397	PRUDENTIAL SECURITIES		06/07/2006	2,000,000.00	1,985,700.00	1,986,116.67	5.100	P-1	5.272	49	10/20/2006
		Subtotal and Average	26,399,033.22		30,100,000.00	29,854,304.00	29,856,410.51			5.374	56	
<b>Federal Agency Disc. -Amortizing</b>												
313397E98	3386	Federal Home Loan Mort Corp		05/04/2006	2,000,000.00	1,998,000.00	1,998,075.00	4.950	AAA	5.108	7	09/08/2006
		Subtotal and Average	2,638,899.17		2,000,000.00	1,998,000.00	1,998,075.00			5.108	7	
<b>Treasury Discounts -Amortizing</b>												
912795XX4	3371	United States Treasury Bills		03/30/2006	2,000,000.00	1,992,560.00	1,993,069.90	4.620	AAA	4.796	27	09/28/2006
912795XU0	3396	United States Treasury Bills		06/05/2006	2,000,000.00	1,998,340.00	1,998,436.67	4.690	AAA	4.814	6	09/07/2006
912795YH8	3399	United States Treasury Bills		06/13/2006	2,000,000.00	1,974,040.00	1,973,648.88	4.890	AAA	5.080	97	12/07/2006
912795XZ9	3405	United States Treasury Bills		06/29/2006	2,000,000.00	1,989,000.00	1,988,793.33	4.920	AAA	5.061	41	10/12/2006
912795YQ8	3412	United States Treasury Bills		07/31/2006	2,000,000.00	1,960,660.00	1,959,850.00	4.950	AAA	5.145	146	01/25/2007
		Subtotal and Average	10,022,764.82		10,000,000.00	9,914,600.00	9,913,798.78			4.978	63	
		Total and Average	201,303,682.89		196,934,261.78	194,954,608.68	196,486,678.92			4.330	276	

**City of HB**  
**Portfolio Management**  
**Portfolio Details - Cash**  
**August 31, 2006**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity
			0.00			4,303.28	4,303.28				0
				Subtotal		4,303.28	4,303.28				
			Total Cash and Investments		201,303,682.89	196,934,261.78	194,958,911.96	196,490,982.20		4.390	276

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Portfolio CITY

**City of HB  
Portfolio Management  
Activity By Type  
August 1, 2006 through August 31, 2006**

CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
<b>Federal Agency Issues - Coupon</b>							
3133X9GC8	3269	Federal Home Loan Bank	3.000	08/30/2006	0.00	2,000,000.00	
3133X9NH9	3272	Federal Home Loan Bank	3.080	08/30/2006	0.00	2,000,000.00	
3133XDV81	3331	Federal Home Loan Bank	4.560	08/30/2006	0.00	2,000,000.00	
3133XGN59	3413	Federal Home Loan Bank	5.700	08/25/2006	2,000,000.00	0.00	
3133XGMV3	3416	Federal Home Loan Bank	5.375	08/23/2006	2,000,000.00	0.00	
3128X1WMS	3368	Federal Home Loan Mort Corp	2.650	08/04/2006	0.00	2,000,000.00	
31359MSV6	3221	Fed. Nat'l Mort. Assoc.	2.750	08/11/2006	0.00	2,000,000.00	
		<b>Subtotal</b>			<b>4,000,000.00</b>	<b>10,000,000.00</b>	<b>100,459,382.16</b>
<b>Local Agency Investment Funds (Monthly Summary)</b>							
SYS982	982	Laif City	4.946		15,400,000.00	10,500,000.00	
		<b>Subtotal</b>			<b>15,400,000.00</b>	<b>10,500,000.00</b>	<b>34,344,261.78</b>
<b>Treasury Securities - Coupon</b>							
912828CU2	3350	US Treasury Notes	2.375	08/31/2006	0.00	2,000,000.00	
		<b>Subtotal</b>			<b>0.00</b>	<b>2,000,000.00</b>	<b>19,914,750.69</b>
<b>Commercial Paper Disc. -Amortizing</b>							
60406BKK4	3415	Minn. Mng & Mfg (3M)	5.190	08/15/2006	1,981,258.33	0.00	
17307SHR6	3383	Citigroup Global	5.010	08/25/2006	0.00	2,000,000.00	
17307SNC2	3414	Citigroup Global	5.260	08/15/2006	1,956,166.67	0.00	
17307SMF6	3418	Citigroup Global	5.260	08/29/2006	1,968,440.00	0.00	
2470C3LE1	3419	Dell Inc.	5.230	08/29/2006	1,977,627.22	0.00	
43357MKA7	3417	Hitachi Capital Amer Corp	5.310	08/18/2006	1,984,365.00	0.00	
80685UH18	3389	Schlumberger Co.	5.020	08/01/2006	0.00	2,000,000.00	
80685UH75	3393	Schlumberger Co.	5.050	08/07/2006	0.00	2,000,000.00	
82619SHJ1	3392	Siemens Capital	5.040	08/18/2006	0.00	2,000,000.00	
		<b>Subtotal</b>			<b>9,867,857.22</b>	<b>8,000,000.00</b>	<b>29,856,410.51</b>
<b>Federal Agency Disc. -Amortizing</b>							
313385A63	3387	Federal Home Loan Bank	4.910	08/04/2006	0.00	2,000,000.00	
313397B26	3390	Federal Home Loan Mort Corp	4.935	08/08/2006	0.00	2,000,000.00	
		<b>Subtotal</b>			<b>0.00</b>	<b>4,000,000.00</b>	<b>1,998,075.00</b>
<b>Treasury Discounts -Amortizing</b>							
912795XP1	3358	United States Treasury Bills	4.420	08/03/2006	0.00	2,000,000.00	

**City of HB**  
**Portfolio Management**  
**Activity By Type**  
**August 1, 2006 through August 31, 2006**

CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
<b>Treasury Discounts - Amortizing</b>							
					0.00	2,000,000.00	9,913,798.78
					29,267,887.22	36,500,000.00	196,486,678.92
					<b>Subtotal</b>		
							<b>Total</b>

**City of HB  
Portfolio Management  
Activity Summary  
August 2005 through August 2006**

Month End	Year	Number of Securities	Average Balance	Yield to Maturity		Managed Pool Rate	Number of Investments Purchased	Number of Investments Redeemed	Average Term	Average Days to Maturity
				360 Equivalent	365 Equivalent					
August	2005	75	176,696,907.30	3.181	3.226	3.179	0	4	747	442
September	2005	73	173,309,998.31	3.278	3.323	3.324	9	11	745	435
October	2005	73	168,421,200.34	3.323	3.370	3.458	3	3	749	416
November	2005	74	170,429,038.72	3.415	3.462	3.636	7	5	740	398
December	2005	80	182,125,168.68	3.559	3.608	3.808	12	6	685	361
January	2006	87	199,324,742.82	3.663	3.714	3.955	8	1	640	321
February	2006	84	202,298,159.37	3.699	3.750	4.043	6	9	658	315
March	2006	83	195,530,162.41	3.764	3.816	4.142	9	10	680	313
April	2006	88	200,664,711.64	3.888	3.942	4.305	9	4	651	290
May	2006	95	218,318,093.06	4.030	4.086	4.563	12	5	618	270
June	2006	96	222,970,372.22	4.139	4.196	4.700	12	11	607	259
July	2006	91	214,176,591.79	4.182	4.240	4.849	7	12	654	268
August	2006	85	201,303,682.89	4.270	4.330	4.946	7	13	667	276
<b>Average</b>		<b>83</b>	<b>194,238,295.75</b>	<b>3.722%</b>	<b>3.774%</b>	<b>4.070</b>	<b>8</b>	<b>7</b>	<b>660</b>	<b>336</b>

**City of HB  
Portfolio Managements  
Distribution of Investments By Type  
August 2005 through August 2006**

Security Type	August 2005	September 2005	October 2005	November 2005	December 2005	January 2006	February 2006	March 2006	April 2006	May 2006	June 2006	July 2006	August 2006	Average by Period
<b>Repurchase Agreements</b>														
<b>Certificates of Deposit</b>														
Commercial Paper - Interest Bearing	53.1	52.4	53.9	54.4	51.1	46.6	47.9	52.0	49.0	46.6	47.7	52.3	51.1	50.6%
Federal Agency Issues - Coupon	21.1	22.8	21.2	22.7	20.9	19.5	19.8	19.0	18.8	17.4	16.9	14.5	17.5	19.4%
Local Agency Investment Funds	6.8	8.0	8.0	8.0	7.3	7.8	8.0	8.2	11.5	10.8	10.8	10.8	10.1	8.9%
Treasury Securities - Coupon	1.4	1.4	1.4	1.4	0.5	0.5	0.5	0.5	0.5					0.6%
Medium Term Notes														
<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	5.7	6.8	4.6	5.7	10.9	11.1	9.4	10.7	10.0	13.9	11.6	13.7	15.2	10.0%
Federal Agency Disc. -Amortizing	4.5	2.3	4.6			3.9	5.5	2.5	3.4	4.9	6.7	2.9	1.0	3.3%
Treasury Discounts -Amortizing	7.4	6.3	6.3	7.9	9.3	10.6	8.9	7.1	6.7	6.3	6.3	5.8	5.1	7.2%
<b>Miscellaneous Discounts -Amortizing</b>														
<b>Rolling Repurchase Agreements</b>														

**State of California  
Pooled Money Investment Account  
Market Valuation  
8/31/2006**

Description	Carrying Cost Plus		Fair Value	Accrued Interest
	Accrued Interest	Purch.		
<b>United States Treasury:</b>				
Bills	\$ 1,815,993,127.76		\$ 1,829,507,000.00	NA
Notes	\$ 899,546,795.50		\$ 897,064,000.00	\$ 8,614,935.00
<b>Federal Agency:</b>				
SBA	\$ 696,607,204.46		\$ 690,439,148.28	\$ 5,909,055.69
MBS	\$ 646,289,490.46		\$ 624,560,019.55	\$ 2,854,563.98
Bonds	\$ 8,759,024,729.72		\$ 8,732,813,658.96	\$ 87,579,243.50
Floater	\$ -		\$ -	\$ -
Discount Notes	\$ 7,261,306,815.40		\$ 7,367,203,000.00	NA
FHLMC PC	\$ 1,011,667.39		\$ 1,045,590.51	\$ 16,354.49
GNMA	\$ 235,332.99		\$ 260,438.88	\$ 2,341.17
<b>Bankers Acceptances</b>				
Bankers Acceptances	\$ -		\$ -	NA
Bank Notes	\$ 1,300,000,000.00		\$ 1,300,074,183.00	\$ 9,909,611.11
CDs	\$ 11,754,405,976.16		\$ 11,753,448,060.13	\$ 125,375,223.19
Commercial Paper	\$ 6,658,653,409.75		\$ 6,711,703,192.92	NA
<b>Corporate:</b>				
Floater	\$ 225,482,704.39		\$ 225,146,800.00	\$ 1,280,370.41
Bonds	\$ 557,519,531.81		\$ 553,095,609.89	\$ 10,206,389.09
<b>Repurchase Agreements</b>				
Repurchase Agreements			\$ -	NA
Reverse Repurchase	\$ -		\$ -	\$ -
<b>Time Deposits</b>				
Time Deposits	\$ 8,070,495,000.00		\$ 8,070,495,000.00	NA
AB 55 & GF Loans	\$ 8,337,459,173.34		\$ 8,337,459,173.34	NA
<b>TOTAL</b>	<b>\$ 56,984,030,959.13</b>		<b>\$ 57,094,314,875.46</b>	<b>\$ 251,748,087.63</b>

Fair Value Including Accrued Interest \$ 57,346,062,963.09

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

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## **Schedule of Bond Investments**

# **Attachment 2**

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# Schedule of Bond Investments

Held by Fiscal Agent as of July 31, 2006

## Summary of investments by type

Par Value	Investment Type	Market Value as of 6/30/06	Market Value as of 7/31/06
\$7,889,554	Local Agency Investment Fund (LAIF)	\$7,812,657	\$7,889,554
\$0	Federal Agency Issues	\$0	\$0
\$5,876,508	Investment Agreements	\$8,236,508	\$5,876,508
\$6,267,527	Money Market Funds	\$2,173,465	\$6,267,527
\$330,488	US Treasury Securities	\$330,488	\$330,488
<b>\$20,364,077</b>		<b>\$18,553,118</b>	<b>\$20,364,077</b>

## Summary of Investments by Bond Issue

Par value	Bond Issue Description	Market Value as of 6/30/06	Market Value as of 7/31/06
\$2,743,156	City of Huntington Beach - 2004 Judgment Obligation Bonds (Property Tax Refunds)	\$2,510,998	\$2,743,156
\$4,264,785	City of Huntington Beach - 2003-1 Community Facilities District (Huntington Center - Bella Terra)	\$4,213,991	\$4,264,785
\$2,850,215	Redevelopment Agency of Huntington Beach - 2002 Tax Allocation Refunding Bonds	\$1,649,783	\$2,850,215
\$521,366	Huntington Beach Community Facilities District No. 2002-1 (McDonnell Centre Business Park)	\$519,203	\$521,366
\$2,042,563	Huntington Beach PFA - 2001 Series A (South Beach Improvements & Central Park Sports Complex)	\$2,042,362	\$2,042,563
\$2,462,762	Huntington Beach PFA - 2001 Series B (1993 Civic Center & Police Administration Bldg. Refinance)	\$2,697,305	\$2,462,762
\$1,303,598	City of Huntington Beach - 2001 Community Facilities District (Grand Coast-Hyatt)	\$1,294,083	\$1,303,598
\$176,159	City of Huntington Beach - 90-1 Community Facilities District Special Tax Refunding	\$174,198	\$176,159
\$1,634,610	Huntington Beach PFA - 2000 Series A (Water System Impv., Beach Mnt. Facility, Energy Retrofit, SB Phase I)	\$1,634,053	\$1,634,610
\$1,308,846	Redevelopment Agency of Huntington Beach - 1999 Tax Allocation Refunding Bonds	\$769,148	\$1,308,846
\$872,930	Huntington Beach Public Finance Authority - Lease Revenue Bonds, 1997 Public Facilities Project	\$872,849	\$872,930
\$134,396	City of Huntington Beach - Multi-Family Mortgage Revenue Refunding Bonds (Huntington Breakers)	\$126,811	\$134,396
\$48,691	HB Public Finance Authority 1992 Revenue Bonds	\$48,335	\$48,691
<b>\$20,364,077</b>		<b>\$18,553,118</b>	<b>\$20,364,077</b>

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**Deferred Compensation Plan Summary  
Information**

**Attachment 3**

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**City of Huntington Beach**  
**Deferred Compensation Plan Summary Information**  
as of June 30, 2006

	Beginning Balance (3-31-06)	Contributions	Distributions/ Transfers	Earnings (change in value)	Other	Ending Balance (6-30-06)
ICMA Retirement Corporation (457 Plan)	\$22,218,364	\$1,104,269	(\$858,811)	(\$311,272)	(\$200)	\$22,152,351
ICMA Retirement Corporation (401 Plan)	\$621,382	\$36,043	\$0	(\$9,137)	\$0	\$648,287
Nationwide Retirement Solutions (457 Plan)	\$51,482,375	\$828,456	(\$979,260)	(\$372,009)	(\$215)	\$50,959,347
Trust Deeds	\$17,532		(\$17,532)			\$0
<b>Total Deferred Compensation Plan Balances</b>	<b>\$74,339,652</b>	<b>\$1,968,768</b>	<b>(\$1,855,603)</b>	<b>(\$692,418)</b>	<b>(\$415)</b>	<b>\$73,759,985</b>

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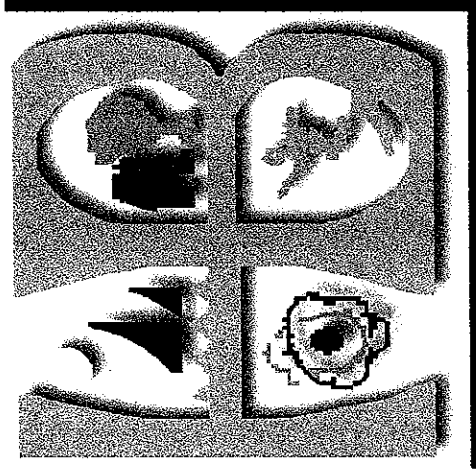
**PowerPoint Presentation**

**Attachment 4**

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

# August Treasurer's Report



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

October 16, 2006

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

<b>Financial Information:</b>	<b>July</b>	<b>August</b>	<b>Inc./ (Dec.)</b>
End of Month City Portfolio	\$203.517	\$196.487	(\$7.030)
End of Month Market Value	\$201.637	\$194.955	(\$6.682)
Interest Earned for Month	\$0.764	\$0.726	(\$0.038)
Earned Interest Yield Year to Date	3.83%	3.87%	0.04%
Average Maturity ( in days)	268	276	8
YTD Average Daily Balance	\$197.372	\$197.736	\$0.364

<b>Summary by Type:</b>	<b>August</b>	<b>% of Total</b>	<b>Policy Limit</b>	<b>Days to Mat.</b>	<b>Rate</b>
Federal Agy - Coupon	\$100.459	51%	None	473	3.79%
LAI (State Pool)	\$34.344	18%	\$40 million	1	4.95%
U.S. Treasury Notes	\$19.915	1%	None	222	4.05%
Discount Comm. Paper	\$29.857	15%	25%	56	5.37%
Discount Federal Agy	\$1.998	1%	None	7	5.11%
Discount Treasury Note	\$9.914	5%	None	63	4.98%
<b>Total</b>	<b>\$196.487</b>	<b>100%</b>		<b>276</b>	<b>4.33%</b>