

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: 12/18/2006	Department ID Number: CT07-03

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

SUBMITTED TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS

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

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

SUBJECT: REVIEW AND ACCEPT CITY TREASURER'S OCTOBER 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 October 2006, 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 October 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>2</i>	1.	Monthly Investment Report and Summary of Investments for October 2006.
<i>14</i>	2.	Schedule of Bond Investments
<i>16</i>	3.	Deferred Compensation Plan Summary Information
<i>18</i>	4.	October 2006 PowerPoint Presentation

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

City Investment Portfolio:	September	October	Inc./ (Dec.)
End of month City Portfolio Balance	\$196,067,763	\$193,874,295	(\$2,193,468)
End of month General Fund Balance	\$23,586,238	\$20,382,376	(\$3,203,862)
Monthly Effective Rate of Return	4.37%	4.40%	0.03%
Average Maturity (in days)	300	360	60
End of Month Market Value	\$194,778,837	\$192,722,720	(\$2,056,117)
End of month bank cash balance	\$3,859,875	\$4,053,463	\$193,588

Bond Proceeds Investments:*	July	August	Inc./ (Dec.)
End of Month Bond Reserve Par Value	\$20,364,077	\$23,058,289	\$2,694,212
End of Month Bond Reserve Market Value	\$20,364,077	\$23,058,289	\$2,694,212

Deferred Compensation Investments:**	June	September	Inc./ (Dec.)
Participant Balances	\$73,759,985	\$75,505,085	\$1,745,100

Comparison to Budget / City Portfolio:	Actual	Actual	Inc./ (Dec.)
Interest Earned for Month	\$450,000	\$732,500	\$282,500
Interest Earned Year to Date	\$450,000	\$732,500	\$282,500
Earned Interest Yield Year to Date	4.25%	4.40%	0.15%

*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:

	October	% of Total	Policy Limit	Days to Mat.	YTM Int. Rate
Federal Agency Issues - Coupon	\$107,473,813	56%	None	577	4.04%
Local Agency Inv. Fund (LAIF)	\$35,276,234	18%	\$40 million	1	5.10%
Treasury Securities - Coupon	\$21,940,991	11%	None	303	4.12%
Commercial Paper Disc. - Amortizing	\$23,245,994	12%	25%	26	5.36%
Federal Agency Disc. - Amortizing	\$1,970,418	1%	None	104	5.31%
Treasury Discounts - Amortizing	\$3,966,845	2%	None	60	5.11%
	\$193,874,295	100%		360	4.43%

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

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 366 Equiv.
Federal Agency Issues - Coupon	107,490,000.00	106,425,253.40	107,473,812.82	55.43	1,184	577	3.982	4.037
Local Agency Investment Funds	35,276,234.64	35,276,234.64	35,276,234.64	18.20	1	1	5.028	5.098
Treasury Securities - Coupon	22,000,000.00	21,838,300.00	21,940,990.78	11.32	746	303	4.061	4.117
Commercial Paper Disc. -Amortizing	23,334,000.00	23,245,571.78	23,245,993.81	11.99	99	26	5.286	5.360
Federal Agency Disc. -Amortizing	2,000,000.00	1,970,800.00	1,970,417.78	1.02	158	104	5.238	5.310
Treasury Discounts -Amortizing	4,000,000.00	3,966,760.00	3,966,845.20	2.05	177	60	5.042	5.112
	194,100,234.64	192,722,719.82	193,874,295.03	100.00%	758	360	4.372	4.433

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 366 Equiv.
Cash and Accrued Interest								
Accrued Interest at Purchase		25,164.16	25,164.16					
Subtotal		25,164.16	25,164.16					
Total Cash and Investments	194,100,234.64	192,747,883.98	193,899,459.19		758	360	4.372	4.433

Total Earnings	October 31 Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	732,499.55	732,499.55	
Current Budget	450,000.00	450,000.00	5,400,000.00
Last Year Actual	493,603.00	493,603.00	7,728,428.00
Average Daily Balance	195,812,113.15	195,812,113.15	
Effective Rate of Return	4.40%	4.40%	

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. FREIDENRICH, CITY TREASURER

City of HB
Portfolio Management
Portfolio Details - Investments
October 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
Federal Agency Issues - Coupon												
31331TTQ4	3210	Federal Farm Credit Bank		02/20/2004	1,000,000.00	992,500.00	1,000,000.00	2.850	AAA	2.850	111	02/20/2007
31331TC74	3230	Federal Farm Credit Bank		04/15/2004	1,000,000.00	979,690.00	1,000,000.00	3.500	AAA	3.500	531	04/15/2008
31331SCQ4	3263	Federal Farm Credit Bank		10/28/2004	2,000,000.00	1,963,120.00	2,000,000.00	4.000	AAA	4.000	727	10/28/2008
31331SGH0	3276	Federal Farm Credit Bank		12/15/2004	2,000,000.00	1,961,260.00	2,000,000.00	4.000	AAA	4.000	775	12/15/2008
31331SMB6	3288	Federal Farm Credit Bank		02/02/2005	2,000,000.00	1,971,880.00	2,000,000.00	3.700	AAA	3.700	386	11/02/2007
31331SWB5	3304	Federal Farm Credit Bank		05/06/2005	2,000,000.00	1,978,120.00	1,998,995.27	4.620	AAA	4.642	915	05/04/2009
31331SXV0	3308	Federal Farm Credit Bank		05/24/2005	2,000,000.00	1,975,620.00	2,000,000.00	4.450	AAA	4.450	754	11/24/2008
31331SD59	3314	Federal Farm Credit Bank		06/21/2005	2,000,000.00	1,960,620.00	2,000,000.00	4.480	AAA	4.480	1,328	06/21/2010
31331VR32	3408	Federal Farm Credit Bank		07/19/2006	2,000,000.00	2,003,760.00	2,000,000.00	5.500	AAA	5.500	260	07/19/2007
31331XAE2	3428	Federal Farm Credit Bank		10/13/2006	2,000,000.00	1,986,260.00	2,000,000.00	5.200	AAA	5.200	1,077	10/13/2009
31331XAK8	3430	Federal Farm Credit Bank		10/16/2006	2,000,000.00	1,993,760.00	2,000,000.00	5.250	AAA	5.250	1,262	04/16/2010
3133MXEL9	3136	Federal Home Loan Bank		04/07/2003	2,000,000.00	1,946,880.00	2,000,000.00	3.020	AAA	3.020	523	04/07/2008
31339X7A6	3149	Federal Home Loan Bank		06/16/2003	2,000,000.00	1,978,120.00	2,000,000.00	2.400	AAA	2.400	135	03/16/2007
31339YH54	3159	Federal Home Loan Bank		07/23/2003	2,000,000.00	1,986,260.00	2,000,000.00	2.270	AAA	2.270	83	01/23/2007
31339YJE3	3164	Federal Home Loan Bank		07/28/2003	2,000,000.00	1,946,880.00	2,000,000.00	3.320	AAA	3.320	635	07/28/2008
31339YNF5	3165	Federal Home Loan Bank		07/29/2003	2,000,000.00	1,933,760.00	2,000,000.00	2.900	AAA	2.900	636	07/29/2008
3133X1CF2	3178	Federal Home Loan Bank		09/29/2003	1,850,000.00	1,817,625.00	1,850,000.00	4.000	AAA	4.000	698	09/29/2008
31339YUQ3	3195	Federal Home Loan Bank		12/11/2003	2,140,000.00	2,137,988.40	2,139,707.07	2.375	AAA	2.805	12	11/13/2006
3133X42E0	3207	Federal Home Loan Bank		02/20/2004	2,000,000.00	1,985,620.00	2,000,000.00	3.000	AAA	3.000	111	02/20/2007
3133X5HE1	3222	Federal Home Loan Bank		04/16/2004	2,000,000.00	1,966,880.00	2,000,000.00	2.800	AAA	2.801	257	07/16/2007
3133X5ZU5	3226	Federal Home Loan Bank		04/27/2004	2,000,000.00	1,978,760.00	2,000,000.00	3.070	AAA	3.070	177	04/27/2007
3133X4RM5	3236	Federal Home Loan Bank		05/20/2004	1,500,000.00	1,493,910.00	1,488,555.25	2.750	AAA	3.390	57	12/28/2006
3133X8QN5	3255	Federal Home Loan Bank		09/28/2004	2,000,000.00	1,966,260.00	2,000,000.00	3.260	AAA	3.260	331	09/28/2007
3133X9TP5	3277	Federal Home Loan Bank		12/28/2004	2,000,000.00	1,993,760.00	2,000,000.00	3.345	AAA	3.345	57	12/28/2006
3133XBVP7	3306	Federal Home Loan Bank		05/25/2005	2,000,000.00	1,966,260.00	2,000,000.00	4.010	AAA	4.010	205	05/25/2007
3133XEXU8	3365	Federal Home Loan Bank		03/28/2006	2,000,000.00	1,998,760.00	2,000,000.00	5.100	AAA	5.100	331	09/28/2007
3133XF4C7	3367	Federal Home Loan Bank		03/29/2006	2,000,000.00	1,997,500.00	2,000,000.00	5.000	AAA	5.000	89	01/29/2007
3133XFFB8	3378	Federal Home Loan Bank		05/05/2006	2,000,000.00	2,004,380.00	2,000,000.00	5.500	AAA	5.500	1,465	11/05/2010
3133XFWB8	3400	Federal Home Loan Bank		06/28/2006	2,000,000.00	2,000,000.00	2,000,000.00	5.420	AAA	5.420	331	09/28/2007
3133XG7M0	3406	Federal Home Loan Bank		07/26/2006	2,000,000.00	2,001,260.00	2,000,000.00	5.600	AAA	5.600	267	07/26/2007
3133XGN59	3413	Federal Home Loan Bank		08/25/2006	2,000,000.00	2,013,120.00	2,000,000.00	5.700	AAA	5.700	1,758	08/25/2011
3133XGMV3	3416	Federal Home Loan Bank		08/23/2006	2,000,000.00	2,000,000.00	2,000,000.00	5.375	AAA	5.375	114	02/23/2007
3133XGWR1	3420	Federal Home Loan Bank		09/20/2006	2,000,000.00	1,999,380.00	2,000,000.00	5.300	AAA	5.300	323	09/20/2007
3133XGWP5	3421	Federal Home Loan Bank		09/22/2006	2,000,000.00	2,004,380.00	2,000,000.00	5.490	AAA	5.430	1,786	09/22/2011
3133XGYQ1	3424	Federal Home Loan Bank		09/15/2006	2,000,000.00	2,008,760.00	2,000,000.00	5.300	AAA	5.300	1,779	09/15/2011
3133XGT4	3425	Federal Home Loan Bank		09/21/2006	2,000,000.00	2,000,000.00	1,999,484.44	5.320	AAA	5.350	324	09/21/2007

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**City of HB
Portfolio Management
Portfolio Details - Investments
October 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
Federal Agency Issues - Coupon												
3128X1RJB	3168	Federal Home Loan Mort Corp		07/22/2003	2,000,000.00	1,937,040.00	2,000,000.00	3.000	AAA	3.000	629	07/22/2008
3128X1TF4	3163	Federal Home Loan Mort Corp		07/23/2003	2,000,000.00	1,951,540.00	2,000,000.00	3.000	AAA	3.000	448	11/23/2008
3128X2TX3	3211	Federal Home Loan Mort Corp		02/19/2004	2,000,000.00	1,985,860.00	2,000,371.85	2.750	AAA	2.678	100	02/09/2007
3128X1DE4	3216	Federal Home Loan Mort Corp		03/15/2004	2,000,000.00	1,994,380.00	2,000,168.54	2.500	AAA	2.404	33	12/04/2006
3128X2RP2	3225	Federal Home Loan Mort Corp		03/29/2004	2,000,000.00	1,985,860.00	2,000,885.05	2.750	AAA	2.618	100	02/09/2007
3128X3D91	3284	Federal Home Loan Mort Corp		10/25/2004	2,000,000.00	1,960,780.00	2,000,000.00	3.560	AAA	3.560	541	04/25/2008
3128X3K85	3286	Federal Home Loan Mort Corp		11/18/2004	2,000,000.00	1,958,780.00	2,000,000.00	4.125	AAA	4.125	1,113	11/18/2009
3128X3K93	3267	Federal Home Loan Mort Corp		11/22/2004	2,000,000.00	1,960,360.00	2,000,000.00	3.600	AAA	3.600	568	05/22/2008
3128X4AK7	3374	Federal Home Loan Mort Corp		04/20/2006	2,000,000.00	1,998,680.00	1,998,971.51	3.750	AAA	4.794	14	11/15/2006
3128X4DS7	3398	Federal Home Loan Mort Corp		06/08/2006	2,000,000.00	1,995,000.00	1,995,441.21	3.800	AAA	5.302	56	12/27/2006
3128X4DS7	3403	Federal Home Loan Mort Corp		06/23/2006	2,000,000.00	1,995,000.00	1,994,996.52	3.800	AAA	5.451	56	12/27/2006
3128X5LP1	3429	Federal Home Loan Mort Corp		10/06/2006	2,000,000.00	1,998,860.00	1,998,027.78	5.250	AAA	5.273	1,800	10/06/2011
3136F4J54	3201	Fed. Nat'l Mort. Assoc.		12/29/2003	2,000,000.00	1,992,500.00	2,000,000.00	3.000	AAA	3.000	58	12/29/2006
3136F5KW0	3223	Fed. Nat'l Mort. Assoc.		03/30/2004	2,000,000.00	1,941,880.00	2,000,000.00	3.610	AAA	3.610	880	03/30/2009
31359MSC8	3242	Fed. Nat'l Mort. Assoc.		06/04/2004	2,000,000.00	1,948,760.00	1,998,408.33	3.250	AAA	2.052	581	06/04/2008
3136F6FY0	3259	Fed. Nat'l Mort. Assoc.		09/29/2004	2,000,000.00	1,960,000.00	2,000,000.00	4.250	AAA	4.250	1,063	09/29/2009
3136F6M16	3288	Fed. Nat'l Mort. Assoc.		11/23/2004	2,000,000.00	1,863,120.00	2,000,000.00	3.700	AAA	3.700	569	05/23/2008
3136F6PB9	3273	Fed. Nat'l Mort. Assoc.		11/19/2004	2,000,000.00	1,871,260.00	2,000,000.00	3.700	AAA	3.700	383	11/19/2007
3136F74N4	3433	Fed. Nat'l Mort. Assoc.		10/27/2006	2,000,000.00	2,002,500.00	2,000,000.00	5.375	AAA	5.375	1,821	10/27/2011
		Subtotal and Average	103,728,205.35		107,490,000.00	106,425,253.40	107,473,812.82			4.037	577	
Local Agency Investment Funds												
SYS982	982	Laif City			15,300,439.73	15,300,439.73	15,300,439.73	5.098	NR	5.098	1	
SYS2206	2206	LAIF-Redevelopment Agency			19,975,794.91	19,975,794.91	19,975,794.91	5.098	NR	5.098	1	
		Subtotal and Average	37,904,987.08		35,276,234.64	35,276,234.64	35,276,234.64			5.098	1	
Treasury Securities - Coupon												
912828CG3	3235	US Treasury Notes		05/17/2004	2,000,000.00	1,979,540.00	1,999,240.63	3.125	AAA	3.195	195	05/15/2007
912828AN0	3244	US Treasury Notes		06/10/2004	2,000,000.00	1,961,880.00	1,990,736.73	3.000	AAA	3.473	379	11/15/2007
912827F3	3246	US Treasury Notes		06/14/2004	2,000,000.00	1,998,600.00	2,000,311.79	3.500	AAA	3.068	14	11/15/2006
912828AN0	3270	US Treasury Notes		11/15/2004	2,000,000.00	1,961,880.00	1,998,817.66	3.000	AAA	3.060	379	11/15/2007
912828CR9	3271	US Treasury Notes		11/10/2004	2,000,000.00	1,965,780.00	1,995,640.19	2.750	AAA	3.034	287	08/15/2007
912828BY5	3375	US Treasury Notes		04/20/2006	2,000,000.00	1,983,440.00	1,984,923.17	2.250	AAA	4.931	106	02/15/2007
912828DJ6	3377	US Treasury Notes		04/20/2006	2,000,000.00	1,990,400.00	1,991,250.00	3.125	AAA	4.933	91	01/31/2007
912828BP4	3381	US Treasury Notes		04/21/2006	2,000,000.00	1,997,960.00	1,998,285.76	2.625	AAA	4.929	14	11/15/2006
912828DQ0	3382	US Treasury Notes		04/21/2006	2,000,000.00	1,989,060.00	1,990,597.97	3.750	AAA	4.932	150	03/31/2007

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**City of HB
Portfolio Management
Portfolio Details - Investments
October 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
Treasury Securities - Coupon												
912828FP0	3435	US Treasury Notes		10/25/2006	2,000,000.00	2,012,960.00	2,001,551.83	4.875	AAA	4.834	1,018	08/15/2009
912828FT2	3436	US Treasury Notes		10/25/2006	2,000,000.00	1,996,800.00	1,989,635.05	4.625	AAA	4.909	699	09/30/2008
		Subtotal and Average	20,777,987.88		22,000,000.00	21,838,300.00	21,940,990.78			4.117	303	
Commercial Paper Disc. -Amortizing												
60406BLN7	3427	Minn. Mng & Mfg (3M)		09/27/2006	2,000,000.00	1,993,880.00	1,993,945.00	5.190	P-1	5.305	21	11/22/2006
17307SNC2	3414	Citigroup Global		08/15/2006	2,000,000.00	1,979,040.00	1,978,960.00	5.260	P-1	5.453	72	01/12/2007
17307SMF6	3418	Citigroup Global		08/29/2006	2,000,000.00	1,987,200.00	1,987,142.22	5.260	P-1	5.419	44	12/15/2006
2470C3LE1	3419	Dell Inc.		08/29/2006	2,000,000.00	1,996,200.00	1,996,222.78	5.230	P-1	5.363	13	11/14/2006
36959JM18	3379	General Electric Capital Corp		04/21/2006	2,000,000.00	1,991,260.00	1,991,666.67	5.000	P-1	5.299	30	12/01/2006
36959JL35	3380	General Electric Capital Corp		04/21/2006	2,000,000.00	1,999,420.00	1,999,444.44	5.000	P-1	5.291	2	11/03/2006
36959JLH4	3411	General Electric Capital Corp		07/31/2006	2,500,000.00	2,484,175.00	2,484,111.11	5.300	P-1	5.461	16	11/17/2006
45974NM11	3434	Intematation Lease Fin. Corp.		10/17/2006	2,000,000.00	1,991,260.00	1,991,283.33	5.230	A1P1	5.338	30	12/01/2006
61745BLH8	3432	Morgan Stanley Dean Witter		10/10/2006	2,000,000.00	1,995,340.00	1,995,333.33	5.250	A1P1	5.353	16	11/17/2006
80685ULH8	3426	Schlumberger Co.		09/27/2006	2,834,000.00	2,827,396.78	2,827,399.93	5.240	P-1	5.353	16	11/17/2006
93114FM43	3431	Wal-Mart Stores		10/10/2006	2,000,000.00	1,990,400.00	1,990,485.00	5.190	P-1	5.304	33	12/04/2006
		Subtotal and Average	25,349,708.69		23,334,000.00	23,245,571.78	23,245,993.81			5.360	26	
Federal Agency Disc. -Amortizing												
313586BV6	3422	Fed. Natl Mort. Assoc.		09/08/2006	2,000,000.00	1,970,600.00	1,970,417.78	5.120	AAA	5.310	104	02/13/2007
		Subtotal and Average	3,383,386.38		2,000,000.00	1,970,600.00	1,970,417.78			5.310	104	
Treasury Discounts -Amortizing												
912795YH8	3399	United States Treasury Bills		06/13/2006	2,000,000.00	1,990,040.00	1,990,220.20	4.890	AAA	5.080	36	12/07/2006
912795YQ8	3412	United States Treasury Bills		07/31/2006	2,000,000.00	1,976,720.00	1,976,625.00	4.950	AAA	5.145	85	01/25/2007
		Subtotal and Average	4,667,837.76		4,000,000.00	3,966,760.00	3,966,845.20			5.112	60	
		Total and Average	195,812,113.15		194,100,234.64	192,722,719.82	193,874,295.03			4.433	360	

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City of HB
 Portfolio Management
 Portfolio Details - Cash
 October 31, 2006

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity
		Average Balance	0.00	Accrued Interest at Purchase	25,164.16	25,164.16	25,164.16				0
		Subtotal			25,164.16	25,164.16	25,164.16				
Total Cash and Investments					194,100,234.64	192,747,883.98	193,899,459.19			4.433	360

**City of HB
Portfolio Management**

**Activity By Type
October 1, 2006 through October 31, 2006**

CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
Federal Agency Issues - Coupon							
31331XAE2	3428	Federal Farm Credit Bank	5.200	10/13/2006	2,000,000.00	0.00	
31331XAK8	3430	Federal Farm Credit Bank	5.250	10/16/2006	2,000,000.00	0.00	
3128X5LP1	3429	Federal Home Loan Mort Corp	5.250	10/06/2006	1,998,000.00	0.00	
3136F74N4	3433	Fed. Nat'l Mort. Assoc.	5.375	10/27/2006	2,000,000.00	0.00	
		Subtotal			7,998,000.00	0.00	107,473,812.82
Local Agency Investment Funds (Monthly Summary)							
SYS982	982	Lair City	5.098		8,785,199.57	11,500,000.00	
SYS2206	2206	LAIF-Redevelopment Agency	5.098		246,773.29	250,000.00	
		Subtotal			9,031,972.86	11,750,000.00	35,276,234.64
Treasury Securities - Coupon							
912828CY4	3376	US Treasury Notes	2.500	10/31/2006	0.00	2,000,000.00	
912828FP0	3435	US Treasury Notes	4.875	10/25/2006	2,001,562.50	0.00	
912828FT2	3436	US Treasury Notes	4.625	10/25/2006	1,989,531.25	0.00	
		Subtotal			3,991,093.75	2,000,000.00	21,940,990.78
Commercial Paper Disc. -Amortizing							
60406BKK4	3415	Minn. Mng & Mfg (3M)	5.190	10/19/2006	0.00	2,000,000.00	
02581SKA8	3410	American Express	5.270	10/10/2006	0.00	2,000,000.00	
17307SK68	3402	Citigroup Global	5.320	10/06/2006	0.00	2,000,000.00	
36959JKA0	3409	General Electric Capital Corp	5.330	10/10/2006	0.00	1,600,000.00	
43357MKA7	3417	Hitachi Capital Amer Corp	5.310	10/10/2006	0.00	2,000,000.00	
45974NM11	3434	Internation Lease Fin. Corp.	5.230	10/17/2006	1,986,925.00	0.00	
61745BLH8	3432	Morgan Stanley Dean Witter	5.250	10/10/2006	1,988,916.67	0.00	
74433HKL7	3397	PRUDENTIAL SECURITIES	5.100	10/20/2006	0.00	2,000,000.00	
93114FM43	3431	Wal-Mart Stores	5.190	10/10/2006	1,984,141.67	0.00	
		Subtotal			5,959,983.34	11,600,000.00	23,245,993.81
Federal Agency Disc. -Amortizing							
313589L68	3423	Fed. Nat'l Mort. Assoc.	5.120	10/23/2006	0.00	2,000,000.00	
		Subtotal			0.00	2,000,000.00	1,970,417.78
Treasury Discounts -Amortizing							
912795XZ9	3405	United States Treasury Bills	4.920	10/12/2006	0.00	2,000,000.00	

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

CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
					0.00	2,000,000.00	3,966,845.20
		Subtotal			26,981,049.95	29,350,000.00	193,874,295.03
		Total					

**City of HB
Portfolio Management
Activity Summary
October 2005 through October 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	Days to Maturity	Average
				360 Equivalent	365 Equivalent						
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
September	2006	82	198,341,282.05	4.372	4.432	5.023	8	11	678		300
October	2006	82	195,812,113.15	4.372	4.433	5.098	9	9	758		360
Average		85	197,630,997.50	3.898%	3.952%	4.348	8	8	676		319

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**City of HB
Portfolio Management
Distribution of Investments By Type
October 2005 through October 2006**

Security Type	October 2005	November 2005	December 2005	January 2006	February 2006	March 2006	April 2006	May 2006	June 2006	July 2006	August 2006	September 2006	October 2006	Average by Period
Repurchase Agreements														
Certificates of Deposit														
Commercial Paper - Interest Bearing														
Federal Agency Issues - Coupon	53.9	54.4	51.1	46.6	47.9	52.0	49.0	46.6	47.7	52.3	51.1	50.7	55.4	50.7%
Local Agency Investment Funds	21.2	22.7	20.9	19.5	19.8	19.0	18.8	17.4	16.9	14.5	17.5	19.4	18.2	18.9%
Treasury Securities - Coupon	8.0	8.0	7.3	7.8	8.0	8.2	11.5	10.8	10.8	10.8	10.1	10.2	11.3	9.4%
Medium Term Notes	1.4	1.4	0.5	0.5	0.5	0.5	0.5							0.4%
Negotiable CD's														
Certificates of Deposit - Bank														
Mortgage Backed Securities														
Bankers Acceptances -Amortizing														
Commercial Paper Disc. -Amortizing	4.6	5.7	10.9	11.1	9.4	10.7	10.0	13.9	11.6	13.7	15.2	14.7	12.0	11.0%
Federal Agency Disc. -Amortizing	4.6			3.9	5.5	2.5	3.4	4.9	6.7	2.9	1.0	2.0	1.0	3.0%
Treasury Discounts -Amortizing	6.3	7.9	9.3	10.6	8.9	7.1	6.7	6.3	6.3	5.8	5.1	3.0	2.1	6.8%
Miscellaneous Discounts -Amortizing														
Rolling Repurchase Agreements														

**State of California
Pooled Money Investment Account
Market Valuation
10/31/2006**

Description	Carrying Cost Plus		Fair Value	Accrued Interest
	Accrued Interest	Purch		
United States Treasury:				
Bills	\$ 1,860,990,322.32		\$ 1,879,612,000.00	NA
Notes	\$ 199,955,437.32		\$ 199,618,000.00	\$ 2,419,398.00
Federal Agency:				
SBA	\$ 693,243,470.77		\$ 687,224,313.84	\$ 6,452,625.65
MBS	\$ 1,005,297,528.69		\$ 981,017,643.46	\$ 4,628,042.69
Bonds	\$ 8,953,533,182.76		\$ 8,930,988,169.29	\$ 132,820,505.29
Floater	\$ -		\$ -	\$ -
Discount Notes	\$ 4,307,369,765.25		\$ 4,353,074,000.00	NA
FHLMC PC	\$ 894,952.91		\$ 924,804.54	\$ 14,474.42
GNMA	\$ 229,984.96		\$ 254,951.71	\$ 2,287.87
Bankers Acceptances				
Bankers Acceptances	\$ -		\$ -	NA
Bank Notes	\$ 1,200,000,000.00		\$ 1,200,066,995.00	\$ 16,669,472.22
CDs	\$ 11,903,275,952.97		\$ 11,899,456,201.25	\$ 124,746,274.37
Commercial Paper	\$ 8,508,929,971.75		\$ 8,575,025,864.17	NA
Corporate:				
Floater	\$ 200,064,842.53		\$ 200,131,250.00	\$ 1,367,599.49
Bonds	\$ 410,833,401.11		\$ 408,508,387.74	\$ 5,770,570.11
Repurchase Agreements				
Repurchase Agreements			\$ -	NA
Reverse Repurchase	\$ (198,520,000.00)		\$ (198,520,000.00)	\$ (713,183.10)
Time Deposits				
Time Deposits	\$ 8,303,495,000.00		\$ 8,303,495,000.00	NA
AB 55 & GF Loans				
AB 55 & GF Loans	\$ 9,517,492,074.70		\$ 9,517,492,074.70	NA
TOTAL	\$ 56,867,085,888.04		\$ 56,938,369,655.70	\$ 294,178,067.01

Fair Value Including Accrued Interest \$ 57,232,547,722.71

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

Held by Fiscal Agent as of August 31, 2006

Summary of investments by type

Par Value	Investment Type	Market Value as of 7/31/06	Market Value as of 8/31/06
\$7,493,580	Local Agency Investment Fund (LAIF)	\$7,889,554	\$7,493,580
\$0	Federal Agency Issues	\$0	\$0
\$8,190,455	Investment Agreements	\$5,876,508	\$8,190,455
\$7,043,766	Money Market Funds	\$6,267,527	\$7,043,766
\$330,488	US Treasury Securities	\$330,488	\$330,488
\$23,058,289		\$20,364,077	\$23,058,289

Summary of Investments by Bond Issue

Par value	Bond Issue Description	Market Value as of 7/31/06	Market Value as of 8/31/06
\$2,491,854	City of Huntington Beach - 2004 Judgment Obligation Bonds (Property Tax Refunds)	\$2,743,156	\$2,491,854
\$5,021,012	City of Huntington Beach - 2003-1 Community Facilities District (Huntington Center - Bella Terra)	\$4,264,785	\$5,021,012
\$1,650,344	Redevelopment Agency of Huntington Beach - 2002 Tax Allocation Refunding Bonds	\$2,850,215	\$1,650,344
\$1,179,781	Huntington Beach Community Facilities District No. 2002-1 (McDonnell Centre Business Park)	\$521,366	\$1,179,781
\$3,351,547	Huntington Beach PFA - 2001 Series A (South Beach Improvements & Central Park Sports Complex)	\$2,042,563	\$3,351,547
\$2,697,101	Huntington Beach PFA - 2001 Series B (1993 Civic Center & Police Administration Bldg. Refinance)	\$2,462,762	\$2,697,101
\$2,013,145	City of Huntington Beach - 2001 Community Facilities District (Grand Coast-Hyatt)	\$1,303,598	\$2,013,145
\$176,161	City of Huntington Beach - 90-1 Community Facilities District Special Tax Refunding	\$176,159	\$176,161
\$2,646,637	Huntington Beach PFA - 2000 Series A (Water System Impv., Beach Mt. Facility, Energy Retrofit, SB Phase I)	\$1,634,610	\$2,646,637
\$776,618	Redevelopment Agency of Huntington Beach - 1999 Tax Allocation Refunding Bonds	\$1,308,846	\$776,618
\$872,933	Huntington Beach Public Finance Authority - Lease Revenue Bonds, 1997 Public Facilities Project	\$872,930	\$872,933
\$132,465	City of Huntington Beach - Multi-Family Mortgage Revenue Refunding Bonds (Huntington Breakers)	\$134,396	\$132,465
\$48,691	HB Public Finance Authority 1992 Revenue Bonds	\$48,691	\$48,691
\$23,058,289		\$20,364,077	\$23,058,289

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

	Beginning Balance (6-30-06)	Contributions	Distributions/ Transfers	Earnings (change in value)	Other	Ending Balance (9-30-06)
ICMA Retirement Corporation (457 Plan)	\$22,152,351	\$432,933	(\$392,490)	\$528,300	(\$100)	\$22,720,994
ICMA Retirement Corporation (401 Plan)	\$648,287	\$24,698	\$0	\$16,127	\$0	\$689,112
Nationwide Retirement Solutions (457 Plan)	\$50,959,347	\$943,020	(\$786,193)	\$978,906	(\$100)	\$52,094,979
Total Deferred Compensation Plan Balances	\$73,759,985	\$1,400,651	(\$1,178,683)	\$1,523,332	(\$200)	\$75,505,085

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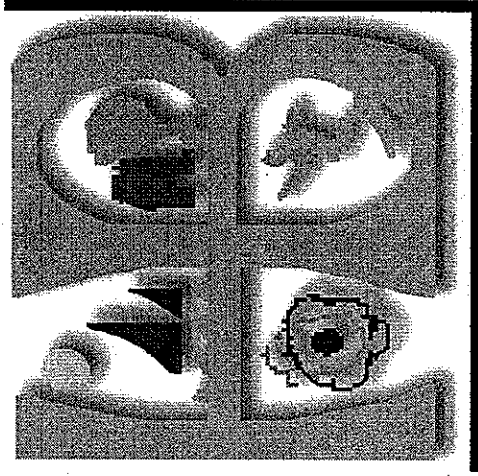
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Treasurer's Report - Shari L. Freidenrich, CPA, CCMT, CPFA

October Treasurer's Report



Shari L. Freidenrich, CPA, CCMT, CPFA

December 18, 2006

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

October 2006 Investment Summary (in millions)

Financial Information:	September	October	Inc./ (Dec.)
End of Month City Portfolio	\$196.068	\$193.874	(\$2.194)
End of Month Market Value	\$194.779	\$192.723	(\$2.056)
Interest Earned for Month	\$0.715	\$0.733	\$0.018
Earned Interest Yield Year to Date	3.91%	4.40%	0.49%
Average Maturity (in days)	300	360	60
YTD Average Daily Balance	\$197.785	\$195.812	(\$1.973)

Summary by Type:	October	% of Total	Policy Limit	Days to Mat.	Rate
Federal Agy - Coupon	\$107.474	56%	None	577	4.04%
LAIF (State Pool)	\$35.276	18%	\$40 million	1	5.10%
U.S. Treasury Notes	\$21.941	11%	None	303	4.12%
Discount Comm. Paper	\$23.246	12%	25%	26	5.36%
Discount Federal Agy	\$1.970	1%	None	104	5.31%
Discount Treasury Note	\$3.967	2%	None	60	5.11%
Total	\$193.874	100%		360	4.43%