



CITY OF BEVERLY HILLS STAFF REPORT

Meeting Date: February 3, 2009
To: Honorable Mayor & City Council
From: Noel Marquis, Assistant Director of Administrative Services
Subject: Portfolio Report – Quarter Ending September 30, 2008

Transmitted herewith are the City's investment reports as of July 31, 2008, August 31, 2008 and September 30, 2008.

A summary of portfolio balances and activities at market value during the months follows. Original cost and par value figures are included in the attached report showing investment holdings at September 30, 2008.

Period Covered	General Portfolio			Restricted Portfolio	Total Portfolio
	Bank of New York	City National Bank	Local Agency Investment Fund	U.S. Bank	
Beginning 07/01/08 @ Market	161,601,872.82	27,675,277.20	15,029,008.36	110,958,687.32	315,264,845.70
Net Investment Activity	(20,267,175.00)	31,460,440.33	-	(18,120,155.14)	(6,926,889.81)
Income	254,659.72	63,676.16	115,843.12	176,554.15	610,733.15
Change in Market Value	494,445.46	-	-	8,183.86	502,629.32
Ending 07/31/08 @ Market	142,083,803.00	59,199,393.69	15,144,851.48	93,023,270.19	309,451,318.36
Beginning 08/01/08 @ Market	142,083,803.00	59,199,393.69	15,144,851.48	93,023,270.19	309,451,318.36
Net Investment Activity	(276,350.00)	(5,016,374.29)	-	-	(5,292,724.29)
Income	161,887.22	55,052.78	-	186,069.08	403,009.08
Change in Market Value	45,704.78	-	-	(10,640.79)	35,063.99
Ending 08/31/08 @ Market	142,015,045.00	54,238,072.18	15,144,851.48	93,198,698.48	304,596,667.14
Beginning 09/01/08 @ Market	142,015,045.00	54,238,072.18	15,144,851.48	93,198,698.48	304,596,667.14
Net Investment Activity	(10,389,300.00)	5,992,357.81	-	-	(4,396,942.19)
Income	296,283.34	73,731.93	-	150,447.35	520,462.62
Change in Market Value	(181,937.84)	-	-	8,343.68	(173,594.16)
Ending 09/30/08 @ Market	131,740,090.50	60,304,161.92	15,144,851.48	93,357,489.51	300,546,593.41

Annualized Returns

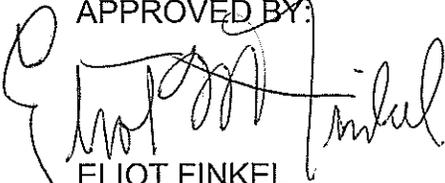
Period Covered	General Portfolio			Restricted Portfolio	Total Portfolio
	Bank of New York	City National Bank	Local Agency Investment Fund	U.S. Bank	
Latest Quarter	2.30%	2.18%	4.21%	2.00%	2.28%
Fiscal Year to Date	5.22%	3.02%	5.93%	3.30%	4.44%
April 2005 to Date	4.37%	3.75%	4.67%	3.69%	4.07%

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The City's general portfolio experienced an increase of \$2.9 million during the quarter due to normal revenue streams and interest earnings.

The restricted portion of the Portfolio experienced a decrease of \$17.6 million during the quarter due to reimbursement of the general portfolio for the buyout of the lease for the Water Treatment Plant from Earth Tech.

The portfolio is in compliance with the City's Investment Policy. Adequate liquidity exists within the portfolio to meet all known City requirements through at least March 31, 2009. It is also believed that the City will have adequate liquidity to meet all requirements for the foreseeable future, beyond March 31, 2009, based upon existing maturity schedules and the current investment policy.

APPROVED BY:

ELIOT FINKEL
City Treasurer

CITY OF BEVERLY HILLS

FINANCE ADMINISTRATION

Investments held at 09/30/08

Issuer	Purchase Date	Maturity Date	Days to Maturity	PAR Value	Purchase Cost	Current Market Value	Current Earnings Percent	Current Earnings Dollars	
Summary									
General Portfolio, City Administered			137	207,949,013	206,886,566	207,189,104	0.9558%	165,639	
Average Weighted Months to Maturity			4.55						
Average Weighted Years to Maturity			0.38						
Portfolio Composition									
Local Agency	15,144,851	7.28%					Difference Cost to Market in Dollars:	302,537	
Money Market	28,304,162	13.61%							
CD	32,000,000	15.39%							
Corporate	27,500,000	13.22%					Difference Cost to Market in Percentage:	0.1462%	
Treasuries	-	0.00%							
FHLB	75,000,000	36.07%							
FNMA	30,000,000	14.43%							
FHLMC	-	0.00%							
TOTAL	207,949,013	100.00%							

Safe keeping is provided by BNY Western Trust.

Bond Proceeds: Funds under administration by Trust Agent - US Bank

Construction Accounts								
99 Refunding			1	68,770	68,770	68,770	2.0600%	118
01 Refunding			1	870,731	870,731	870,731	2.0600%	1,495
03 Refunding			22	11,629,407	11,603,747	11,624,182	1.8329%	17,763
07 Water			1	31,560,192	31,560,192	31,560,192	2.0600%	54,178
07 Refunding			1	32,348,208	32,348,208	32,348,208	2.0600%	55,531
08 Water			1	385,496	385,496	385,496	2.0600%	662
Reserve Accounts								
07 Water			1	3,259,340	3,259,340	3,259,340	2.0600%	5,595
07 Refunding			1	8,730,462	8,730,462	8,730,462	2.0600%	14,987
08 Water			1	2,870,891	2,870,891	2,870,891	2.0600%	4,928
08 Wastewater			1	1,639,218	1,639,218	1,639,218	2.0600%	2,814
Total Portfolio			120	301,311,728	300,223,621	300,546,593	1.2110%	323,711
Average Weighted Months to Maturity				4				
Average Weighted Years to Maturity				0.33				
Dollars maturing in 2008				241,311,728	80.09%			
Dollars maturing in 2009				60,000,000	19.91%			
Dollars maturing in 2010				-	0.00%			
Dollars maturing in 2011 AND Beyond				-	0.00%			
Total dollars				301,311,728	100.00%			
Difference Cost to Market in Dollars				322,973				
Difference Cost to Market in Percentage				0.1076%				

NOTE:

Market Value is based on US Bank and BNY monthly account statements. These reports use market prices which are based on the market trends for the date of the report, generally the last banking day of the month.

CITY OF BEVERLY HILLS

FINANCE ADMINISTRATION

Investments held at 09/30/08

Issuer	Purchase Date	Maturity Date	Days to Maturity	PAR Value	Purchase Cost	Current Market Value	Current Earnings Percent	Current Earnings Dollars
Overnight								
General Portfolio								
CNB CNI	Daily	Daily	1	28,304,162	28,304,162	28,304,162	1.4500%	34,201
CNB CD		09/05/10	705	32,000,000	32,000,000	32,000,000	3.0000%	80,000
Bond Proceeds								
Construction Accounts								
99 Refunding		Daily	1	68,770	68,770	68,770	2.0600%	118
01 Refunding		Daily	1	870,731	870,731	870,731	2.0600%	1,495
03 Refunding		Daily	1	6,011,407	6,011,407	6,011,407	2.0600%	10,320
07 Water		Daily	1	31,560,192	31,560,192	31,560,192	2.0600%	54,178
07 Refunding				32,348,208	32,348,208	32,348,208	2.0600%	55,531
Reserve Accounts								
07 Water		Daily	1	3,259,340	3,259,340	3,259,340	2.0600%	5,595
07 Refunding		Daily	1	8,730,462	8,730,462	8,730,462	2.0600%	14,987
Total:				\$ 143,153,272	143,153,272	143,153,272		256,425

Managed								
General Portfolio								
State	Pool	Pool	120	15,144,851	15,144,851	15,144,851	3.1100%	39,250
Total:				\$ 15,144,851	15,144,851	15,144,851		39,250

2008								
General Portfolio								
FNMA		10/15/08	15	10,000,000	9,915,792	9,998,000	0.0000%	0
FHLB		10/24/08	24	20,000,000	20,157,460	20,018,750	4.5000%	75,000
GE CAP CORP		11/12/08	43	17,500,000	17,297,126	17,421,891	0.0000%	0
FNMA		11/26/08	57	15,000,000	14,850,550	14,955,000	0.0000%	0
JP MORGAN CHASE		12/08/08	69	10,000,000	9,882,275	9,929,075	0.0000%	0
Bond Proceeds								
Construction Accounts								
03 Refunding								
0	01/00/00	01/00/00	0	0	0	0	0.0000%	0
UST	08/14/08	11/13/08	44	5,618,000	5,592,340	5,612,775	1.5900%	7,444
Total:				\$ 78,118,000	77,695,543	77,935,491		82,444

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Investments held at 09/30/08

Issuer	Purchase Date	Maturity Date	Days to Maturity	PAR Value	Purchase Cost	Current Market Value	Current Earnings Percent	Current Earnings Dollars
2009								
General Portfolio								
FHLB	08/07/08	01/02/09	94	15,000,000	14,837,817	14,890,500	0.0000%	0
FHLB	08/28/08	01/26/09	118	10,000,000	9,885,833	9,908,000	0.0000%	0
FHLB	09/04/08	03/03/09	154	10,000,000	9,859,000	9,875,000	0.0000%	0
FHLB	09/10/08	03/20/09	171	20,000,000	19,751,700	19,722,000	0.0000%	0
FNMA	04/29/04	04/29/09	211	5,000,000	5,000,000	5,021,875	4.1250%	17,188
Total:				\$ 60,000,000	59,334,350	59,417,375		17,188