



## CITY OF BEVERLY HILLS STAFF REPORT

**Meeting Date:** May 20, 2008  
**To:** Honorable Mayor & City Council  
**From:** Noel Marquis, Assistant Director of Administrative Services  
**Subject:** Portfolio Report – Quarter Ending December 31, 2007

Transmitted herewith are the City's investment reports as of October 31, 2007, November 30, 2007 and December 31, 2007.

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 December 31, 2007.

Period Covered	General Portfolio			Restricted Portfolio	Total Portfolio
	Bank of New York	City National Bank	Local Agency Investment Fund	U.S. Bank	
Beginning 10/01/07 @ Market	193,360,113.69	10,695,851.39	29,194,821.31	91,950,280.90	325,201,067.29
Net Investment Activity	(40,103,124.97)	33,390,653.43	-	(7.86)	(6,712,479.40)
Income	840,041.66	30,028.78	383,543.93	281,661.75	1,535,276.12
Change in Market Value	(5,168.65)	-	-	20,361.71	15,193.06
Ending 10/31/07 @ Market	154,091,861.73	44,116,533.60	29,578,365.24	92,252,296.50	320,039,057.07
Beginning 11/01/07 @ Market	154,091,861.73	44,116,533.60	29,578,365.24	92,252,296.50	320,039,057.07
Net Investment Activity	23,799,558.33	(31,741,632.89)	-	4,647,241.53	(3,294,833.03)
Income	1,026,005.56	67,261.46	-	343,988.33	1,437,255.35
Change in Market Value	129,687.41	-	-	(38,391.01)	91,296.40
Ending 11/30/07 @ Market	179,047,113.03	12,442,162.17	29,578,365.24	97,205,135.35	318,272,775.79
Beginning 12/01/07 @ Market	179,047,113.03	12,442,162.17	29,578,365.24	97,205,135.35	318,272,775.79
Net Investment Activity	(30,208,366.67)	22,936,279.49	(15,000,000.00)	(6,315,492.54)	(28,587,579.72)
Income	1,107,777.78	53,530.94	-	356,522.34	1,517,831.06
Change in Market Value	(123,566.57)	-	(6,260.48)	10,402.70	(119,424.35)
Ending 12/31/07 @ Market	149,822,957.57	35,431,972.60	14,572,104.76	91,256,567.85	291,083,602.78

### 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	7.35%	2.34%	5.24%	4.25%	5.84%
Fiscal Year to Date	6.45%	3.78%	5.49%	4.28%	5.53%
April 2005 to Date	4.44%	4.01%	4.36%	3.94%	4.19%

Meeting Date: May 20, 2008

The City's general portfolio experienced a decrease of \$33.4 million during the quarter due primarily to the deposit of the Montage adjacent parking structure funds into the construction escrow account and.

The restricted portion of the Portfolio experienced a decrease of \$694 thousand during the quarter due primarily to draw downs for capital projects.

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 June 30, 2008. It is also believed that the City will have adequate liquidity to meet all requirements for the foreseeable future, beyond June 30, 2008, 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 12/31/07

Issuer	Purchase Date	Maturity Date	Days to Maturity	PAR Value	Purchase Cost	Current Market Value	Current Earnings Percent	Current Earnings Dollars
<b>Summary</b>								
General Portfolio, City Administered			40	201,871,370	199,821,729	199,827,035	1.3254%	222,967
Average Weighted Months to Maturity			1.33					
Average Weighted Years to Maturity			0.11					
Portfolio Composition								
Local Agency	14,562,215	7.21%				Difference Cost to Market in Dollars:	5,306	
Money Market	35,431,973	17.55%				Difference Cost to Market in Percentage:	0.0027%	
Corporate	55,000,000	27.25%						
Treasuries	0	0.00%						
FHLB	51,818,182	25.67%						
FNMA	45,059,000	22.32%						
FHLMC	0	0.00%						
<b>TOTAL</b>	<b>201,871,370</b>	<b>100.00%</b>						

Safe keeping is provided by BNY Western Trust.

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

Construction Accounts								
99 Refunding			1	66,169	66,169	66,169	3.2900%	181
01 Refunding			1	855,423	855,423	855,423	3.2900%	2,345
03 Refunding			32	11,479,816	11,422,787	11,451,942	995.8283%	9,526,604
07 Water			1	31,560,192	31,560,192	31,560,192	3.2900%	86,528
07 Refunding			1	31,675,648	31,675,648	31,675,648	3.2900%	86,844
Reserve Accounts								
98 Water			1	1,030,115	1,030,115	1,030,115	3.2900%	2,824
98 Wastewater			1	1,716,748	1,716,748	1,716,748	3.2900%	4,707
07 Water			1	3,410,334	3,410,334	3,410,334	3.2900%	9,350
07 Refunding			1	9,489,998	9,489,998	9,489,998	3.2900%	26,018
Total Portfolio			53	293,155,811	291,049,141	291,083,603	1.6004%	9,968,369
Average Weighted Months to Maturity			2					
Average Weighted Years to Maturity			0.14					
Dollars maturing in 2008				283,155,811	96.59%			
Dollars maturing in 2009				10,000,000	3.41%			
Dollars maturing in 2010				-	0.00%			
Dollars maturing in 2011 AND Beyond				-	0.00%			
Total dollars				293,155,811	100.00%			
Difference Cost to Market in Dollars				34,461				
Difference Cost to Market in Percentage				0.0118%				

**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.

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Issuer	Purchase Date	Maturity Date	Days to Maturity	PAR Value	Purchase Cost	Current Market Value	Current Earnings Percent	Current Earnings Dollars
<b>Overnight</b>								
<b>General Portfolio</b>								
CNB CNI	Daily	Daily	1	35,431,973	35,431,973	35,431,973	3.7000%	109,249
<b>Bond Proceeds</b>								
<b>Construction Accounts</b>								
99 Refunding		Daily	1	66,169	66,169	66,169	3.2900%	181
01 Refunding		Daily	1	855,423	855,423	855,423	3.2900%	2,345
03 Refunding		Daily	1	1,000,816	1,000,816	1,000,816	3.2900%	2,744
07 Water		Daily	1	31,560,192	31,560,192	31,560,192	3.2900%	86,528
07 Refunding				31,675,648	31,675,648	31,675,648	3.2900%	86,844
<b>Reserve Accounts</b>								
98 Water		Daily	1	1,030,115	1,030,115	1,030,115	3.2900%	2,824
98 Wastewater		Daily	1	1,716,748	1,716,748	1,716,748	3.2900%	4,707
07 Water		Daily	1	3,410,334	3,410,334	3,410,334	3.2900%	9,350
07 Refunding		Daily	1	9,489,998	9,489,998	9,489,998	3.2900%	26,018
<b>Total:</b>				\$ 116,237,414	116,237,414	116,237,414		330,790

<b>Managed</b>								
<b>General Portfolio</b>								
State	Pool	Pool	120	14,562,215	14,562,215	14,572,105	4.9600%	60,190
<b>Total:</b>				\$ 14,562,215	14,562,215	14,572,105		60,190

<b>2008</b>								
<b>General Portfolio</b>								
FNMA	08/22/07	01/02/08	2	20,059,000	19,708,476	19,711,090	0.0000%	0
BANKARERIC	01/14/08	01/14/08	14	7,500,000	7,389,975	7,387,214	0.0000%	0
MEDTRONIC	11/02/08	01/18/08	18	10,000,000	9,902,039	9,898,022	0.0000%	0
FHLB	09/14/07	01/30/08	30	15,000,000	14,732,050	14,742,953	0.0000%	0
MEDTRONIC	11/02/08	01/18/08	18	10,000,000	9,902,039	9,898,022	0.0000%	0
GE CAP COR	11/01/08	02/14/08	45	10,000,000	9,869,333	9,865,420	0.0000%	0
UBS FIN	09/28/07	02/27/08	58	7,500,000	7,341,667	7,344,704	0.0000%	0
PROCTER G	11/02/08	02/28/08	59	10,000,000	9,855,122	9,848,132	0.0000%	0
FNMA	11/13/08	03/14/08	74	20,000,000	19,716,689	19,716,829	0.0000%	0
FHLB	11/20/08	03/25/08	85	25,000,000	24,626,375	24,635,997	0.0000%	0
FHLB	06/30/03	06/30/08	182	5,000,000	5,000,000	4,965,625	3.0400%	12,667
FHLB	08/11/03	08/11/08	224	1,818,182	1,818,182	1,812,500	3.8000%	5,758
<b>Bond Proceeds</b>								
<b>Construction Accounts</b>								
<b>03 Refunding</b>								
UST	01/00/00	01/17/08	17	5,030,000	5,020,141	5,024,467	2.5800%	10,815
UST	08/16/07	02/21/08	52	5,449,000	5,401,830	5,426,659	2095.0000%	9,513,046
<b>Total:</b>				\$ 152,356,182	150,283,917	150,277,635		9,542,285

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### Investments held at 12/31/07

Issuer	Purchase Date	Maturity Date	Days to Maturity	PAR Value	Purchase Cost	Current Market Value	Current Earnings Percent	Current Earnings Dollars
<b>2009</b>								
<b>General Portfolio</b>								
FNMA	04/29/04	04/29/09	485	5,000,000	5,000,000	5,023,438	4.1250%	17,188
FHLB	05/21/04	05/20/09	506	5,000,000	5,000,000	5,000,000	4.3000%	17,917
<b>Total:</b>				\$ 10,000,000	10,000,000	10,023,438		35,104