



CITY OF BEVERLY HILLS STAFF REPORT

Meeting Date: October 7, 2008
To: Honorable Mayor & City Council
From: Noel Marquis, Assistant Director of Administrative Services
Subject: Portfolio Report – Quarter Ending June 30, 2008

Transmitted herewith are the City's investment reports as of April 30, 2008, May 31, 2008 and June 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 June 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 04/01/08 @ Market	161,651,262.92	55,488,264.14	14,875,003.72	91,858,423.76	323,872,954.54
Net Investment Activity	(634,988.80)	8,105,207.12	-	32,693,582.26	40,163,800.58
Income	758,262.70	106,356.02	154,004.64	113,672.08	1,132,295.44
Change in Market Value	(86,508.28)	-	-	8,890.06	(77,618.22)
Ending 04/30/08 @ Market	161,688,028.54	63,699,827.28	15,029,008.36	124,674,568.16	365,091,432.34

Beginning 05/01/08 @ Market	161,688,028.54	63,699,827.28	15,029,008.36	124,674,568.16	365,091,432.34
Net Investment Activity	(394,633.07)	(11,509,663.50)	-	30,175,241.33	18,270,944.76
Income	253,519.17	85,229.93	-	216,597.76	555,346.86
Change in Market Value	(28,878.37)	-	-	(20,976.75)	(49,855.12)
Ending 05/31/08 @ Market	161,518,036.27	52,275,393.71	15,029,008.36	155,045,430.50	383,867,868.84

Beginning 06/01/08 @ Market	161,518,036.27	52,275,393.71	15,029,008.36	155,045,430.50	383,867,868.84
Net Investment Activity	59,584.39	(24,685,608.46)	-	(44,408,946.26)	(69,034,970.33)
Income	106,222.83	85,491.95	-	311,920.60	503,635.38
Change in Market Value	(81,970.67)	-	-	10,282.48	(71,688.19)
Ending 06/30/08 @ Market	161,601,872.82	27,675,277.20	15,029,008.36	110,958,687.32	315,264,845.70

Annualized Returns

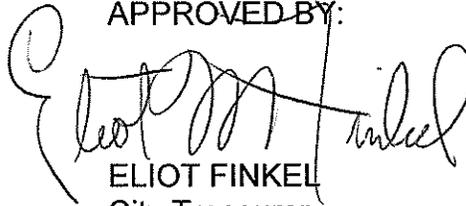
Period Covered	General Portfolio			Restricted Portfolio	Total Portfolio
	Bank of New York	City National Bank	Local Agency Investment Fund	U.S. Bank	
Latest Quarter	2.30%	2.18%	4.21%	2.00%	2.28%
Fiscal Year to Date	5.22%	3.02%	5.93%	3.30%	4.44%
April 2005 to Date	4.37%	3.75%	4.67%	3.69%	4.07%

The City's general portfolio experienced a decrease of \$27.7 million during the quarter due to debt service payments and the buyout of the Earth Tech lease for the Water Treatment Plant. The general portfolio will be reimbursed by the bond escrowed proceeds in early July.

The restricted portion of the Portfolio experienced an increase of \$19.1 million during the quarter due to escrowed funds from a new debt issues. This increase is temporary as the escrowed funds will be used in July 2008 to reimburse 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 December 31, 2008. It is also believed that the City will have adequate liquidity to meet all requirements for the foreseeable future, beyond December 31, 2008, based upon existing maturity schedules and the current investment policy.

APPROVED BY:

A handwritten signature in black ink, appearing to read 'Eliot Finkel', written over a vertical line that serves as a signature line.

ELIOT FINKEL
City Treasurer

CITY OF BEVERLY HILLS

FINANCE ADMINISTRATION

Investments held at 06/30/08

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			67	205,204,286	204,361,833	204,306,158	0.6211%	106,208
Average Weighted Months to Maturity			2.23					
Average Weighted Years to Maturity			0.19					
Portfolio Composition								
Local Agency	15,029,008	7.32%				Difference Cost to Market in Dollars:		(55,675)
Money Market	27,675,277	13.49%				Difference Cost to Market in Percentage:		-0.0272%
Corporate	52,500,000	25.58%						
Treasuries	-	0.00%						
FHLB	95,000,000	46.30%						
FNMA	15,000,000	7.31%						
FHLMC	-	0.00%						
TOTAL	205,204,286	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	67,980	67,980	67,980	2.1000%	119
01 Refunding			1	866,174	866,174	866,174	2.1000%	1,516
03 Refunding			29	11,584,579	11,555,188	11,569,671	1.6653%	16,077
07 Water			1	31,560,192	31,560,192	31,560,192	2.1000%	55,230
07 Refunding			1	32,178,941	32,178,941	32,178,941	2.1000%	56,313
08 Water			1	18,450,000	18,450,000	18,450,000	2.1000%	32,288
Reserve Accounts								
98 Water			0	0	0	0	N/A	0
98 Wastewater			0	0	0	0	N/A	0
07 Water			1	3,077,039	3,077,039	3,077,039	2.1000%	5,385
07 Refunding			1	8,697,290	8,697,290	8,697,290	2.1000%	15,220
08 Water			1	2,840,552	2,840,552	2,840,552	2.1000%	4,971
08 Wastewater			1	1,650,849	1,650,849	1,650,849	2.1000%	2,889
Total Portfolio			45	316,177,881	315,306,037	315,264,846	1.0046%	296,216
Average Weighted Months to Maturity			1					
Average Weighted Years to Maturity			0.12					
Dollars maturing in 2008				311,177,881	98.42%			
Dollars maturing in 2009				5,000,000	1.58%			
Dollars maturing in 2010				-	0.00%			
Dollars maturing in 2011 AND Beyond				-	0.00%			
Total dollars				316,177,881	100.00%			
Difference Cost to Market in Dollars				(41,192)				
Difference Cost to Market in Percentage				-0.0131%				

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 06/30/08

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	27,675,277	27,675,277	27,675,277	1.5900%	36,670
Bond Proceeds								
Construction Accounts								
99 Refunding		Daily	1	67,980	67,980	67,980	2.1000%	119
01 Refunding		Daily	1	866,174	866,174	866,174	2.1000%	1,516
03 Refunding		Daily	1	1,001,579	1,001,579	1,001,579	2.1000%	1,753
07 Water		Daily	1	31,560,192	31,560,192	31,560,192	2.1000%	55,230
07 Refunding				32,178,941	32,178,941	32,178,941	2.1000%	56,313
Reserve Accounts								
98 Water		Daily	1	0	0	0	2.1000%	0
98 Wastewater		Daily	1	0	0	0	2.1000%	0
07 Water		Daily	1	3,077,039	3,077,039	3,077,039	2.1000%	5,385
07 Refunding		Daily	1	8,697,290	8,697,290	8,697,290	2.1000%	15,220
Total:				\$ 105,124,471	105,124,471	105,124,471		172,206

Managed								
General Portfolio								
State	Pool	Pool	120	15,029,008	15,029,008	15,029,008	4.1800%	52,351
Total:				\$ 15,029,008	15,029,008	15,029,008		52,351

2008								
General Portfolio								
ABBEY NATL		07/02/08	2	15,000,000	14,908,625	14,904,081	0.0000%	0
TORONTO DOMINION		07/08/08	8	10,000,000	9,935,600	9,932,414	0.0000%	0
FHLB		07/14/08	14	10,000,000	9,948,949	9,948,323	0.0000%	0
FHLB		07/23/08	23	10,000,000	9,952,167	9,951,547	0.0000%	0
FHLB		08/07/08	38	15,000,000	14,915,438	14,912,226	0.0000%	0
FHLB		08/29/08	60	10,000,000	9,922,675	9,919,721	0.0000%	0
FHLB		09/04/08	66	10,000,000	9,932,222	9,925,467	0.0000%	0
FHLB		09/10/08	72	20,000,000	19,854,444	19,840,736	0.0000%	0
GE CAP CORP		09/24/08	86	10,000,000	9,917,050	9,906,393	0.0000%	0
FNMA		10/15/08	107	10,000,000	9,915,792	9,906,351	0.0000%	0
FHLB		10/24/08	116	20,000,000	20,157,460	20,118,750	0.0000%	0
GE CAP CORP		11/12/08	135	17,500,000	17,297,126	17,284,303	0.0000%	0
Bond Proceeds								
Construction Accounts								
03 Refunding								
UST	06/19/08	07/17/08	17	5,015,000	5,008,480	5,011,841	1.5400%	6,436
UST	06/19/08	08/14/08	45	5,568,000	5,545,129	5,556,252	1.7000%	7,888
Total:				\$ 168,083,000	167,211,157	167,118,402		14,324

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Investments held at 06/30/08

Issuer	Purchase Date	Maturity Date	Days to Maturity	PAR Value	Purchase Cost	Current Market Value	Current Earnings Percent	Current Earnings Dollars
2009								
General Portfolio								
FNMA	04/29/04	04/29/09	303	5,000,000	5,000,000	5,051,563	4.1250%	17,188
Total:				\$ 5,000,000	5,000,000	5,051,563		17,188