ITEM NO. 12

STAFF REPORT

CITY OF OCEANSIDE

DATE: December 6, 2006

TO: Honorable Mayor and City Councilmembers

FROM: Rosemary R. Jones, City Treasurer

SUBJECT: **PRESENTATION OF TREASURER'S REPORT – QUARTER ENDED SEPTEMBER 30, 2006**

SYNOPSIS

The Treasurer's Report provides general information to Council regarding the status of the City's investment portfolio. As its purpose is informational in nature, no action by Council is required on the report.

BACKGROUND

Since 1994, the City Treasurer has been making quarterly report presentations to City Council regarding the status of the investment portfolio. The last report was for the quarter and fiscal year ended June 30, 2006.

ANALYSIS

The quarterly Treasurer's report is intended to provide an awareness of the activity and performance of the City's investment portfolio. The goal of the Treasurer's office is to make investments in conformance with the investment policy adopted by the City Council.

REVIEW OF QUARTER ENDED SEPTEMBER 30, 2006

For the quarter ended September 30, 2006, the City's portfolio had a book value of $222,183,674.81 (book value is the cost of the security plus any amortization or accretion of premiums or discounts). The average yield to maturity of the portfolio was 4.05%, which has generated fiscal year accrued earnings of $2,267,780.80.

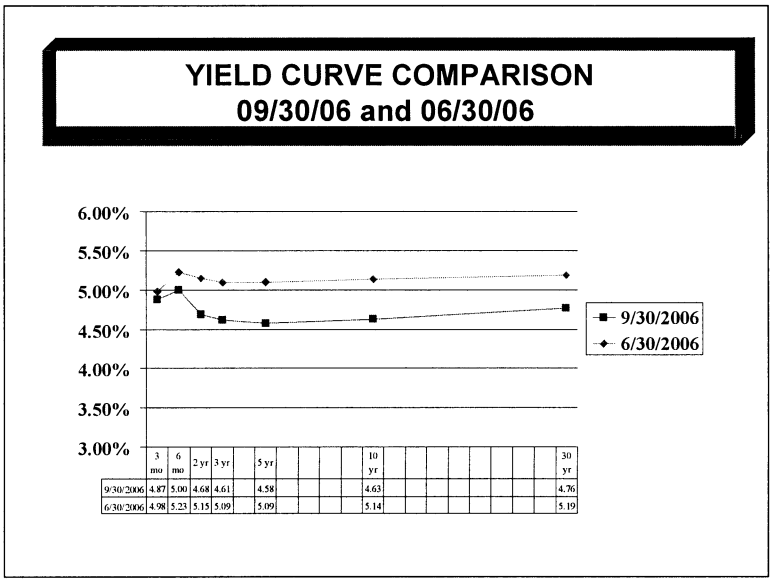
The following table provides a comparison of the portfolio for the quarter ended September 30, 2006, the previous quarter ended June 30, 2006 and same period last year, September 30, 2005.

City of Oceanside
Portfolio Comparison
September 30, 2006, June 30, 2006 and September 30, 2005

	Sept 30, 2006	June 30, 2006	Sept 30, 2005
Book Value	$222,183,674.81	$237,084,305.99	$207,274,061.03
Market Value	$220,856,098.02	$234,206,082.39	$203,832,146.29
Unrealized Gains/(Losses)	$ (1,327,576.79)	$ (2,878,223.60)	$ (3,441,914.74)
Average YTM	4.05%	3.671%	2.739%
Liquidity 0 – 6 months	41.03%	37.51%	12.34%
Average DTM	375 (1.03 years)	365 (1 year)	417 (1.14 years)
YTD Earnings	$2,267,780.80	$6,581,791.95	$1,477,182.43
YTD Capital Gains/(Losses)	$ 3,736.66	$ 1,884.29	$ 0.00

The average weighted yield to maturity of the portfolio continues to increase due primarily to the reinvestment of securities maturing in coupons yielding above 5%. Since last quarter, the average weighted yield to maturity increased nearly 40 basis points (4.05% vs. 3.671%). Portfolio liquidity remains high (41.03% in 0 to 6-months), however it is expected that the future portfolio liquidity percentage will decline. The fiscal year initial quarterly cash flow requirements have been met and investment of excess liquidity will occur in the upcoming quarter.

Bond prices increased significantly during the quarter, as much as 50 basis points (.50%) in most areas of the curve. The increase in price (decrease in yields) was due to weaker than expected economic data indicating a slowing of the economy, especially in the housing markets, that in turn has lead the Federal Reserve Board (the Fed) to leave interest rates unchanged at the August 8 and September 20 Federal Open Market Committee (FOMC) meetings held during the quarter. This downward shift in the yield curve is illustrated in the following graph that compares the yield curve at September 30 to the yield curve at June 30.



The Federal Reserve Board has indicated that the future direction of monetary policy will be "data dependent", and if the economy still shows signs of slowing, the most likely decision from the Fed will be to continue to leave rates unchanged. Market analysts are suggesting that the Fed may even reverse its policy stance and begin to lower rates in 2007 if the economy continues its slowing trend. Staff has already begun the process of slowly extending the duration of the portfolio in anticipation of a declining interest rate market.

FISCAL IMPACT

Fiscal year accrued earnings to date totaled $2,267,781, an increase of $790,598 from the same quarter last year (September 2005).

COMMISSION/COMMITTEE REPORT

The Investment Oversight Committee reviewed the quarter end report for September 30, 2006 at its November 14, 2006 regular meeting, and concurs with its contents. The Committee confirms that the investments are in compliance with the California State Code and the City's adopted investment policy, and that the portfolio is managed in a satisfactory manner.

CITY ATTORNEY'S ANALYSIS

City Attorney analysis does not apply.

RECOMMENDATION

Information only, no action required.

PREPARED BY:

MICHELE C. LUND, CCMT
Treasury Manager

REVIEWED BY:

ROSEMARY R. JONES, CCMT
City Treasurer

attachments: Treasurer's Quarter End Report – September 30, 2006

CITY OF OCEANSIDE

TREASURER'S REPORT

For Quarter Ended
September 30, 2006

CITY OF OCEANSIDE
OFFICE OF THE CITY TREASURER

TO: CITY COUNCIL
CITY MANAGER

DATE: October 31, 2006

SUBJECT: INVESTMENT REPORT FOR THE QUARTER ENDED SEPTEMBER 30, 2006

Market commentary for quarter ended September 30, 2006

At both the August and September Federal Open Market Committee meetings, the Federal Reserve Board decided to keep the Fed Funds rate at 5.25%, "pausing" their cycle of raising interest rates at the last 17 FOMC meetings. Economic data showing that the economy may be slowing down prompted the pause and the market reacted by rallying (bond prices increasing, interest rates decreasing) by 50 basis points from the 2-year to the 30-year Treasury securities by quarter end.

For quarter ended September 30, 2006, portfolio statistics are as follows:

• Portfolio Book Value	$222,183,674.81
• Portfolio Market Value	$220,856,098.02
• Unrealized Loss	$(1,327,576.79)
• Average Yield-to-Maturity	4.051%
• Liquidity (0 – 6-months)	40.59%
• Average Days to Maturity	375 (1.03 years)
• Fiscal Year-to-Date Earnings	$2,267,780.80
• Year-to-Date Capital Gains/(Losses)	$3,736.66

In compliance with the California Code Section 53646, I hereby certify that sufficient investment liquidity and anticipated revenues are available to meet the City's budgeted expenditure requirements for the next six months. I also certify that investments in the City's portfolio meet the requirements of the City of Oceanside's adopted investment policy and the California Government Code section 53601. Market prices are obtained from Bank of New York and the State Treasurer's Office (LAIF).

Respectfully submitted,

ROSEMARY R. JONES

ROSEMARY R. JONES, CCMT
CITY TREASURER

CITY OF OCEANSIDE
PORTFOLIO SUMMARY
FOR QUARTER ENDED SEPTEMBER 30, 2006

INVESTMENT TYPE	FACE VALUE	BOOK VALUE	MARKET VALUE	YIELD TO MATURITY	AVERAGE DAYS TO MATURITY	PERCENT OF PORTFOLIO
Quarter Ended September 30, 2006						
LAIF	$ 23,250,000.00	$ 23,250,000.00	$ 23,294,996.84	5.023%	1	10.46%
Treasury Securities - Coupon	4,000,000.00	3,993,229.74	3,975,785.00	3.986%	304	1.80%
Federal Agency Non - Callable	137,205,000.00	136,588,917.54	135,440,817.55	3.555%	356	61.48%
Federal Agency - Callable	49,050,000.00	49,030,693.09	48,820,798.63	4.741%	657	22.07%
Federal Agency - Discount Notes	9,500,000.00	9,320,834.44	9,323,700.00	5.276%	133	4.20%
Total Investments	$ 223,005,000.00	$ 222,183,674.81	$ 220,856,098.02	4.050%	375	100.00%
Unrealized Gain/(Loss) (Market Value - Book Value)			(1,327,576.79)			
Plus Accrued Interest			$ 1,860,224.89			
Portfolio Liquidation Unrealized Gain/(Loss)			$ 532,648.10			

Prior Period Comparisons

	FACE VALUE	BOOK VALUE	MARKET VALUE	YIELD TO MATURITY	AVERAGE DAYS TO MATURITY
Quarter Ended June 30, 2006					
Investment Totals	$ 237,935,000.00	$ 237,084,305.99	$ 234,206,082.39	3.671%	365
Unrealized Gain/(Loss) (Market Value - Book Value)			(2,878,223.60)		
Plus Accrued Interest			1,719,740.25		
Portfolio Liquidation Unrealized Gain/(Loss)			$ (1,158,483.35)		
Quarter and Year Ended September 30, 2005					
Investment Totals	$ 207,375,000.00	$ 207,274,061.03	$ 203,832,146.29	2.739%	417
Unrealized Gain/(Loss) (Market Value - Book Value)			(3,441,914.74)		
Plus Accrued Interest			1,346,561.60		
Portfolio Liquidation Unrealized Gain/(Loss)			$ (2,095,353.14)		

Market prices used in calclulating market values were obtained from Bank of New York and State Treasurer's Office (LAIF).

TREASURER'S REPORT

PORTFOLIO DETAILS

As Of September 30, 2006

Oceanside Quarterly Report
Portfolio Management
Portfolio Details - Investments
September 30, 2006

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity	Maturity Date
LAIF												
SYS18000	18000	Local Agency Investment Fund			14,000,000.00	14,027,094.87	14,000,000.00	5.023		5.023	1	
SYS18001	18001	Local Agency Investment Fund			9,250,000.00	9,267,901.97	9,250,000.00	5.023		5.023	1	
		Subtotal and Average	**21,850,000.00**		**23,250,000.00**	**23,294,996.84**	**23,250,000.00**			**5.023**	**1**	
Treasury Securities - Coupon												
912828DJ6	05-0032	U.S. Treasury Note		02/18/2005	2,000,000.00	1,987,660.00	1,998,232.97	3.125		3.400	122	01/31/2007
912828EU0	06-0019	U.S. Treasury Note		02/02/2006	1,000,000.00	994,062.50	998,484.40	4.375		4.495	487	01/31/2008
912828EU0	06-0020	U.S. Treasury Note		02/10/2006	1,000,000.00	994,062.50	996,512.37	4.375		4.651	487	01/31/2008
		Subtotal and Average	**3,992,870.76**		**4,000,000.00**	**3,975,785.00**	**3,993,229.74**			**3.986**	**304**	
Federal Agency - Non Callable												
3133X5CM8	04-0098	Federal Home Loan Bank		04/12/2004	1,000,000.00	999,062.50	1,000,000.00	2.140		2.153	11	10/12/2006
31331SMC4	05-0031	Federal Farm Credit Bank		01/27/2005	1,000,000.00	999,062.50	999,953.36	3.250		3.354	17	10/18/2006
31331TGE5	04-0050	Federal Farm Credit Bank		10/27/2003	1,000,000.00	998,125.00	1,000,000.00	2.660		2.660	26	10/27/2006
31331TGE5	04-0052	Federal Farm Credit Bank		10/27/2003	1,000,000.00	998,125.00	1,000,000.00	2.660		2.660	26	10/27/2006
3128X07M5	03-0076	Federal Home Loan Mort Corp		05/06/2003	1,000,000.00	997,820.00	1,000,000.00	3.050		3.059	36	11/06/2006
3128X06F1	03-0075	Federal Home Loan Mort Corp		05/07/2003	1,500,000.00	1,496,640.00	1,500,000.00	3.050		3.058	37	11/07/2006
3136F6HR3	05-0018	Federal National Mortgage Assc		11/10/2004	1,000,000.00	997,500.00	1,000,000.00	3.000		3.138	39	11/09/2006
31331TQQ7	04-0072	Federal Farm Credit Bank		02/13/2004	1,950,000.00	1,943,906.25	1,950,000.00	2.520		2.525	43	11/13/2006
3136F3TA4	04-0019	Federal National Mortgage Assc		07/24/2003	2,000,000.00	1,994,375.00	2,000,000.00	2.800		2.799	43	11/13/2006
3133X2B46	06-0010	Federal Home Loan Bank		01/13/2006	1,000,000.00	996,875.00	997,706.75	2.750		4.681	45	11/15/2006
31331TMB4	04-0062	Federal Farm Credit Bank		11/24/2003	2,000,000.00	1,992,500.00	2,000,000.00	2.700		2.700	54	11/24/2006
31331TMB4	05-0033	Federal Farm Credit Bank		02/18/2005	1,000,000.00	996,250.00	999,399.17	2.700		3.121	54	11/24/2006
31331TL82	04-0127	Federal Farm Credit Bank		05/28/2004	1,000,000.00	996,250.00	1,000,000.00	3.040		3.071	59	11/29/2006
31331SFW8	05-0019	Federal Farm Credit Bank		12/01/2004	2,000,000.00	1,992,500.00	2,000,000.00	3.125		3.190	61	12/01/2006
3128X1DE4	03-0082	Federal Home Loan Mort Corp		06/04/2003	1,000,000.00	995,000.00	1,000,000.00	2.500		2.500	64	12/04/2006
3128X1GF8	03-0094	Federal Home Loan Mort Corp		06/04/2003	1,650,000.00	1,641,304.50	1,650,000.00	2.250		2.250	64	12/04/2006
3128X1GF8	04-0113	Federal Home Loan Mort Corp		04/15/2004	1,000,000.00	994,730.00	1,000,000.00	2.250		2.769	64	12/04/2006
3128X1GQ4	03-0095	Federal Home Loan Mort Corp		06/11/2003	1,000,000.00	994,520.00	1,000,000.00	2.450		2.450	71	12/11/2006
31339X3N2	03-0087	Federal Home Loan Bank		06/12/2003	1,000,000.00	994,687.50	1,000,000.00	2.500		2.530	72	12/12/2006
3128X1JT5	04-0081	Federal Home Loan Mort Corp		02/05/2004	1,500,000.00	1,490,670.00	1,500,000.00	2.150		2.520	73	12/13/2006
31339XK29	03-0093	Federal Home Loan Bank		06/26/2003	1,000,000.00	993,437.50	1,000,000.00	2.500		2.500	86	12/26/2006
3128X1LY1	03-0098	Federal Home Loan Mort Corp		06/26/2003	2,000,000.00	1,986,020.00	2,000,000.00	2.300		2.300	86	12/26/2006
31331TMN8	04-0066	Federal Farm Credit Bank		12/29/2003	1,000,000.00	994,375.00	1,000,000.00	3.040		3.040	89	12/29/2006
3136F3E44	03-0099	Federal National Mortgage Assc		06/30/2003	1,000,000.00	992,500.00	1,000,000.00	2.150		2.150	89	12/29/2006
3136F3G91	03-0100	Federal National Mortgage Assc		06/30/2003	1,000,000.00	992,500.00	1,000,000.00	2.125		2.125	89	12/29/2006
3128X1NN3	04-0093	Federal Home Loan Mort Corp		03/11/2004	1,935,000.00	1,919,345.85	1,935,000.00	2.050		2.205	93	01/02/2007
31331QZ75	04-0010	Federal Farm Credit Bank		07/16/2003	1,000,000.00	991,250.00	1,000,000.00	2.250		2.325	107	01/16/2007

Oceanside Quarterly Report
Portfolio Management
Portfolio Details - Investments
September 30, 2006

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity	Maturity Date
Federal Agency - Non Callable												
3136F3L46	04-0086	Federal National Mortgage Assc		02/27/2004	1,375,000.00	1,362,539.06	1,375,000.00	2.180		2.435	107	01/16/2007
3133XBKW4	05-0035	Federal Home Loan Bank		04/26/2005	1,000,000.00	995,937.50	1,000,000.00	4.000		4.003	117	01/26/2007
3128X1SV0	04-0008	Federal Home Loan Mort Corp		07/29/2003	1,000,000.00	991,230.00	1,000,000.00	2.580		2.580	120	01/29/2007
31339YR53	04-0012	Federal Home Loan Bank		07/30/2003	1,000,000.00	990,625.00	1,000,000.00	2.415		2.415	121	01/30/2007
31339YNY4	04-0013	Federal Home Loan Bank		07/30/2003	1,000,000.00	990,625.00	1,000,000.00	2.370		2.393	121	01/30/2007
3128X1VW4	04-0020	Federal Home Loan Mort Corp		07/30/2003	2,000,000.00	1,983,400.00	2,000,000.00	2.750		2.750	121	01/30/2007
3136F3W28	04-0016	Federal National Mortgage Assc		07/30/2003	1,000,000.00	990,937.50	1,000,000.00	2.500		2.500	121	01/30/2007
3136F36F8	04-0026	Federal National Mortgage Assc		08/12/2003	1,000,000.00	991,875.00	1,000,000.00	3.010		3.010	134	02/12/2007
31331TTN1	04-0122	Federal Farm Credit Bank		04/27/2004	1,440,000.00	1,423,800.00	1,437,658.30	2.550		2.969	149	02/27/2007
3136F5DG3	04-0084	Federal National Mortgage Assc		02/27/2004	1,500,000.00	1,483,593.75	1,500,000.00	2.500		2.641	149	02/27/2007
3128X4HQ7	06-0014	Federal Home Loan Mort Corp		01/20/2006	2,000,000.00	1,991,400.00	1,996,675.88	4.250		4.670	150	02/28/2007
3136F5FW6	04-0087	Federal National Mortgage Assc		03/08/2004	1,000,000.00	988,125.00	1,000,000.00	2.500		2.622	158	03/08/2007
3136F6CP2	05-0013	Federal National Mortgage Assc		10/20/2004	2,000,000.00	1,980,625.00	2,000,000.00	3.100		3.126	164	03/14/2007
3128X3XZ1	05-0009	Federal Home Loan Mort Corp		09/30/2004	1,000,000.00	988,990.00	1,000,000.00	3.000		3.157	178	03/28/2007
3128X22W4	04-0100	Federal Home Loan Mort Corp		03/29/2004	1,000,000.00	986,050.00	1,000,000.00	2.400		2.465	179	03/29/2007
3133XB5Z4	05-0037	Federal Home Loan Bank		05/16/2005	1,000,000.00	993,437.50	999,788.28	4.000		4.041	186	04/05/2007
31339XWS9	04-0003	Federal Home Loan Bank		07/10/2003	1,000,000.00	985,000.00	1,000,000.00	2.375		2.375	191	04/10/2007
3136F5PV7	04-0109	Federal National Mortgage Assc		04/19/2004	1,000,000.00	986,875.00	1,000,000.00	2.820		2.820	200	04/19/2007
3136F5RC7	04-0117	Federal National Mortgage Assc		04/26/2004	1,000,000.00	986,562.50	1,000,000.00	2.875		3.023	207	04/26/2007
31339YM74	04-0007	Federal Home Loan Bank		07/30/2003	1,000,000.00	984,375.00	1,000,000.00	2.500		2.500	211	04/30/2007
3133XBQ65	05-0036	Federal Home Loan Bank		05/13/2005	1,000,000.00	991,562.50	1,000,000.00	4.000		4.000	226	05/15/2007
3128X3EL3	04-0123	Federal Home Loan Mort Corp		05/17/2004	1,000,000.00	987,980.00	1,000,000.00	3.300		3.311	228	05/17/2007
3136F5VB4	04-0116	Federal National Mortgage Assc		05/18/2004	1,000,000.00	986,250.00	1,000,000.00	3.150		3.150	229	05/18/2007
3136F5VB4	04-0126	Federal National Mortgage Assc		05/18/2004	1,000,000.00	986,250.00	1,000,000.00	3.150		3.399	229	05/18/2007
3133X9EZ9	05-0016	Federal Home Loan Bank		12/01/2004	1,000,000.00	986,875.00	1,000,000.00	3.250		3.250	243	06/01/2007
3133X9KJ8	05-0020	Federal Home Loan Bank		12/08/2004	1,000,000.00	988,125.00	1,000,000.00	3.460		3.460	250	06/08/2007
3133XBXU4	05-0038	Federal Home Loan Bank		06/13/2005	1,000,000.00	990,937.50	999,781.25	4.000		4.033	255	06/13/2007
3133XBXU4	05-0039	Federal Home Loan Bank		06/13/2005	2,000,000.00	1,981,875.00	2,000,000.00	4.000		4.000	255	06/13/2007
31331SHS5	05-0022	Federal Farm Credit Bank		12/29/2004	1,000,000.00	987,812.50	1,000,000.00	3.550		3.550	271	06/29/2007
3133XC7E7	05-0041	Federal Home Loan Bank		06/29/2005	1,000,000.00	991,250.00	1,000,000.00	4.000		4.000	271	06/29/2007
31331SKG7	05-0024	Federal Farm Credit Bank		01/13/2005	1,000,000.00	986,875.00	1,000,000.00	3.500		3.500	285	07/13/2007
31331VR32	07-0005	Federal Farm Credit Bank		07/19/2006	1,000,000.00	1,002,187.50	1,000,000.00	5.500		5.500	291	07/19/2007
31331Q7K7	04-0025	Federal Farm Credit Bank		08/13/2003	1,000,000.00	984,062.50	1,000,000.00	3.300		3.300	316	08/13/2007
3133X9HT0	05-0021	Federal Home Loan Bank		11/30/2004	1,000,000.00	985,000.00	1,000,000.00	3.450		3.475	333	08/30/2007
3136F6BF5	05-0004	Federal National Mortgage Assc		09/07/2004	1,000,000.00	984,062.50	1,000,000.00	3.375		3.441	341	09/07/2007
3136F6BF5	05-0017	Federal National Mortgage Assc		11/09/2004	1,000,000.00	984,062.50	1,000,000.00	3.375		3.479	341	09/07/2007
3133X8FQ0	05-0003	Federal Home Loan Bank		09/14/2004	2,000,000.00	1,966,875.00	2,000,000.00	3.350		3.350	348	09/14/2007
31331TYF2	04-0091	Federal Farm Credit Bank		03/10/2004	2,000,000.00	1,954,375.00	1,998,667.34	2.625		2.699	351	09/17/2007
3128X36R9	05-0040	Federal Home Loan Mort Corp		06/13/2005	1,000,000.00	988,550.00	999,865.64	4.050		4.062	358	09/24/2007

Oceanside Quarterly Report
Portfolio Management
Portfolio Details - Investments
September 30, 2006

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity	Maturity Date
Federal Agency - Non Callable												
31359MK51	06-0028	Federal National Mortgage Assc		03/31/2006	1,000,000.00	1,000,625.00	1,000,000.00	5.200		5.211	362	09/28/2007
3136F5NF4	04-0105	Federal National Mortgage Assc		04/05/2004	2,000,000.00	1,951,875.00	2,000,000.00	2.670		2.670	369	10/05/2007
31331TAD3	04-0097	Federal Farm Credit Bank		04/15/2004	1,000,000.00	974,687.50	1,000,000.00	2.590		2.590	379	10/15/2007
31331TYR6	04-0101	Federal Farm Credit Bank		04/22/2004	1,900,000.00	1,851,312.50	1,900,000.00	2.610		2.616	386	10/22/2007
3136F5RK9	05-0011	Federal National Mortgage Assc		10/04/2004	1,000,000.00	979,375.00	1,000,000.00	3.125		3.424	390	10/26/2007
3136F6JE0	05-0012	Federal National Mortgage Assc		11/01/2004	2,000,000.00	1,962,500.00	2,000,000.00	3.300		3.335	396	11/01/2007
3133X8LT7	05-0006	Federal Home Loan Bank		09/28/2004	1,000,000.00	981,562.50	1,000,000.00	3.510		3.511	453	12/28/2007
31331SNN9	07-0018	Federal Farm Credit Bank		09/07/2006	1,000,000.00	982,500.00	981,737.55	3.625		5.141	460	01/04/2008
31359MQP1	05-0005	Federal National Mortgage Assc		09/07/2004	1,000,000.00	980,312.50	1,000,000.00	3.500		3.624	484	01/28/2008
31331SDW0	05-0015	Federal Farm Credit Bank		11/01/2004	1,000,000.00	975,312.50	1,000,000.00	3.125		3.126	488	02/01/2008
3128X0L31	05-0010	Federal Home Loan Mort Corp		09/30/2004	1,000,000.00	975,000.00	1,000,000.00	3.250		3.475	512	02/25/2008
3133XETW9	06-0025	Federal Home Loan Bank		03/07/2006	1,000,000.00	1,000,937.50	998,880.82	5.100		5.183	522	03/06/2008
3133XAT56	06-0034	Federal Home Loan Bank		04/13/2006	1,000,000.00	985,937.50	983,833.19	4.000		5.190	526	03/10/2008
3128X3XX6	05-0008	Federal Home Loan Mort Corp		09/21/2004	2,000,000.00	1,957,620.00	2,000,000.00	3.500		3.500	540	03/24/2008
3128X36X6	06-0036	Federal Home Loan Mort Corp		04/17/2006	1,000,000.00	987,930.00	986,050.26	4.250		5.245	544	03/28/2008
3128X03N7	05-0007	Federal Home Loan Mort Corp		09/16/2004	2,000,000.00	1,955,625.00	2,000,000.00	3.500		3.560	548	04/01/2008
3128X3D91	05-0014	Federal Home Loan Mort Corp		10/25/2004	3,000,000.00	2,935,830.00	3,000,000.00	3.560		3.560	572	04/25/2008
3133XDPD7	06-0046	Federal Home Loan Bank		05/05/2006	1,000,000.00	996,875.00	993,191.00	4.800		5.257	579	05/02/2008
31331SCZ4	06-0040	Federal Farm Credit Bank		04/20/2006	1,000,000.00	976,875.00	975,143.65	3.500		5.150	586	05/09/2008
3136F3D94	04-0102	Federal National Mortgage Assc		03/30/2004	1,000,000.00	962,812.50	997,962.93	2.800		2.924	639	07/01/2008
3133XCFC2	06-0035	Federal Home Loan Bank		04/13/2006	1,000,000.00	986,250.00	983,114.49	4.200		5.205	656	07/18/2008
31339YVV1	06-0016	Federal Home Loan Bank		01/23/2006	2,250,000.00	2,187,421.88	2,202,183.74	3.375		4.635	659	07/21/2008
3133X0LJ6	06-0011	Federal Home Loan Bank		01/19/2006	2,000,000.00	1,955,625.00	1,970,434.25	3.750		4.595	684	08/15/2008
3133X0EP0	06-0009	Federal Home Loan Bank		01/12/2006	1,000,000.00	978,125.00	983,614.46	3.780		4.705	694	08/25/2008
3133XCSA2	06-0008	Federal Home Loan Bank		01/12/2006	1,000,000.00	986,250.00	991,763.25	4.250		4.701	712	09/12/2008
31359MTF0	06-0051	Federal National Mortgage Assc		05/10/2006	2,000,000.00	1,954,375.00	1,945,063.01	3.750		5.259	715	09/15/2008
3133XCZS5	06-0012	Federal Home Loan Bank		01/19/2006	2,000,000.00	1,971,875.00	1,987,301.54	4.250		4.590	726	09/26/2008
3133XCZS5	06-0013	Federal Home Loan Bank		01/20/2006	2,000,000.00	1,971,875.00	1,986,084.89	4.250		4.623	726	09/26/2008
31331VDG8	06-0017	Federal Farm Credit Bank		01/26/2006	2,000,000.00	1,983,750.00	1,997,912.17	4.580		4.632	750	10/20/2008
3128X16N2	06-0015	Federal Home Loan Mort Corp		01/23/2006	1,355,000.00	1,325,359.38	1,334,880.47	3.875		4.632	771	11/10/2008
31359MTQ6	06-0023	Federal National Mortgage Assc		02/17/2006	1,000,000.00	976,875.00	978,791.86	3.875		4.951	778	11/17/2008
31331TNK3	06-0027	Federal Farm Credit Bank		03/29/2006	1,000,000.00	971,250.00	973,067.85	3.700		5.016	808	12/17/2008
3128X2JY2	06-0039	Federal Home Loan Mort Corp		04/20/2006	1,000,000.00	995,420.00	991,234.44	4.750		5.170	821	12/30/2008
31331SM75	06-0022	Federal Farm Credit Bank		02/17/2006	1,500,000.00	1,467,187.50	1,468,275.17	3.950		4.964	827	01/05/2009
31331VW93	07-0014	Federal Farm Credit Bank		08/17/2006	1,000,000.00	1,003,125.00	1,000,000.00	5.125		5.125	870	02/17/2009
31331TB34	06-0043	Federal Farm Credit Bank		05/03/2006	2,000,000.00	1,906,250.00	1,895,795.00	2.950		5.225	911	03/30/2009
31331VYR1	06-0050	Federal Farm Credit Bank		05/10/2006	1,000,000.00	1,010,000.00	1,000,642.74	5.300		5.280	1,191	01/04/2010
3128X34V2	06-0061	Federal Home Loan Mort Corp		06/12/2006	1,000,000.00	975,200.00	968,299.90	4.240		5.279	1,240	02/22/2010
31331QF69	07-0022	Federal Farm Credit Bank		09/07/2006	1,450,000.00	1,398,796.88	1,394,848.33	3.875		5.044	1,314	05/07/2010

Oceanside Quarterly Report
Portfolio Management
Portfolio Details - Investments
September 30, 2006

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity	Maturity Date
Federal Agency - Non Callable												
3133XBUL7	06-0060	Federal Home Loan Bank		06/12/2006	1,000,000.00	990,000.00	979,314.61	4.650		5.284	1,333	05/26/2010
		Subtotal and Average	**139,767,483.76**		**136,305,000.00**	**134,540,817.55**	**135,688,917.54**			**3.559**	**358**	
Federal Agency - Callable												
31331TJ69	04-0121	Federal Farm Credit Bank		05/24/2004	900,000.00	900,000.00	900,000.00	3.020		3.020	54	11/24/2006
31339XTT1	04-0002	Federal Home Loan Bank		07/09/2003	1,000,000.00	991,875.00	1,000,000.00	2.250		2.250	100	01/09/2007
3133XA4B0	05-0026	Federal Home Loan Bank		01/10/2005	1,000,000.00	994,687.50	1,000,000.00	3.375		3.375	101	01/10/2007
3128X1QG5	03-0101	Federal Home Loan Mort Corp		06/30/2003	1,000,000.00	985,870.00	1,000,000.00	2.380		2.380	180	03/30/2007
3128X1AT4	03-0080	Federal Home Loan Mort Corp		05/14/2003	1,000,000.00	987,820.00	1,000,000.00	3.250		3.250	225	05/14/2007
3133X03W7	04-0018	Federal Home Loan Bank		08/18/2003	1,875,000.00	1,849,218.75	1,875,000.00	3.030		3.031	229	05/18/2007
3133XGM76	07-0013	Federal Home Loan Bank		08/16/2006	1,000,000.00	1,000,625.00	1,000,000.00	5.525		5.525	318	08/15/2007
3128X2E50	04-0085	Federal Home Loan Mort Corp		03/17/2004	2,000,000.00	1,961,900.00	2,000,000.00	3.100		3.100	351	09/17/2007
3128X2Q24	04-0092	Federal Home Loan Mort Corp		03/17/2004	1,000,000.00	981,406.25	1,000,000.00	3.150		3.150	351	09/17/2007
3128X2K95	04-0088	Federal Home Loan Mort Corp		03/18/2004	1,000,000.00	979,980.00	1,000,000.00	3.000		3.000	352	09/18/2007
3128X22Y0	04-0099	Federal Home Loan Mort Corp		04/05/2004	1,425,000.00	1,392,738.00	1,425,000.00	2.800		2.805	369	10/05/2007
3128X25L5	04-0106	Federal Home Loan Mort Corp		04/12/2004	1,250,000.00	1,221,212.50	1,250,000.00	2.800		2.831	376	10/12/2007
3128X25Y7	04-0107	Federal Home Loan Mort Corp		04/19/2004	1,000,000.00	977,790.00	1,000,000.00	2.920		2.920	383	10/19/2007
3133XDTW1	06-0018	Federal Home Loan Bank		02/03/2006	1,000,000.00	997,812.50	999,810.10	4.900		4.960	416	11/21/2007
31359ME82	06-0030	Federal National Mortgage Assc		03/31/2006	1,250,000.00	1,246,484.38	1,247,991.07	4.875		5.139	467	01/11/2008
31359MH71	06-0033	Federal National Mortgage Assc		04/13/2006	1,000,000.00	998,750.00	998,215.83	5.100		5.320	509	02/22/2008
3128X4M65	06-0029	Federal Home Loan Mort Corp		03/31/2006	1,000,000.00	998,260.00	999,020.32	5.125		5.244	514	02/27/2008
31359MG49	06-0031	Federal National Mortgage Assc		03/31/2006	1,250,000.00	1,247,656.25	1,248,320.55	5.000		5.165	514	02/27/2008
3128X4Q79	06-0026	Federal Home Loan Mort Corp		03/14/2006	1,000,000.00	998,520.00	999,080.27	5.100		5.208	530	03/14/2008
3136F7ZG5	06-0045	Federal National Mortgage Assc		05/08/2006	1,000,000.00	1,000,000.00	998,679.92	5.300		5.417	585	05/08/2008
3136F7ZG5	06-0048	Federal National Mortgage Assc		05/09/2006	1,000,000.00	1,000,000.00	998,676.24	5.300		5.417	585	05/08/2008
3136F7ZH3	06-0049	Federal National Mortgage Assc		05/08/2006	1,000,000.00	1,000,312.50	1,000,000.00	5.350		5.350	585	05/08/2008
3128X47H8	07-0011	Federal Home Loan Mort Corp		08/15/2006	1,000,000.00	1,000,600.00	998,566.72	5.375		5.473	599	05/22/2008
3133XFSX5	06-0059	Federal Home Loan Bank		06/15/2006	1,000,000.00	1,001,250.00	1,000,000.00	5.500		5.500	621	06/13/2008
3128X5CQ9	06-0058	Federal Home Loan Mort Corp		06/13/2006	1,000,000.00	1,001,500.00	1,000,000.00	5.500		5.500	621	06/13/2008
3128X5CQ9	07-0010	Federal Home Loan Mort Corp		08/09/2006	1,000,000.00	1,001,500.00	999,867.37	5.500		5.505	621	06/13/2008
31331VS98	07-0006	Federal Farm Credit Bank		08/08/2006	1,000,000.00	1,000,937.50	1,000,000.00	5.550		5.550	677	08/08/2008
31331VS98	07-0007	Federal Farm Credit Bank		08/08/2006	1,000,000.00	1,000,937.50	1,000,000.00	5.550		5.550	677	08/08/2008
3128X4Z95	06-0042	Federal Home Loan Mort Corp		05/03/2006	1,000,000.00	998,810.00	999,013.60	5.350		5.424	750	10/20/2008
31331VZ33	07-0012	Federal Farm Credit Bank		08/23/2006	2,000,000.00	2,001,250.00	2,000,000.00	5.500		5.500	876	02/23/2009
31331VZ33	07-0017	Federal Farm Credit Bank		08/30/2006	1,000,000.00	1,000,625.00	1,000,000.00	5.500		5.499	876	02/23/2009
31359ML35	07-0019	Federal National Mortgage Assc		09/07/2006	1,000,000.00	1,000,000.00	999,444.44	5.400		5.424	925	04/13/2009
3128X43R0	06-0037	Federal Home Loan Mort Corp		04/24/2006	1,000,000.00	1,000,250.00	999,471.07	5.500		5.534	936	04/24/2009
3128X43R0	06-0054	Federal Home Loan Mort Corp		05/18/2006	1,000,000.00	1,000,250.00	999,637.50	5.500		5.521	936	04/24/2009

Oceanside Quarterly Report
Portfolio Management
Portfolio Details - Investments
September 30, 2006

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity	Maturity Date
Federal Agency - Callable												
31359MM75	06-0047	Federal National Mortgage Assc		05/05/2006	1,000,000.00	1,000,312.50	999,531.28	5.550		5.579	946	05/04/2009
3133XFJN7	06-0044	Federal Home Loan Bank		05/25/2006	1,000,000.00	1,000,000.00	1,000,000.00	5.375		5.375	968	05/26/2009
3133XFPC4	06-0063	Federal Home Loan Bank		06/13/2006	1,000,000.00	1,001,562.50	999,003.76	5.500		5.546	978	06/05/2009
3133XFPC4	06-0065	Federal Home Loan Bank		06/16/2006	1,000,000.00	1,001,562.50	996,745.86	5.500		5.650	978	06/05/2009
3133XGQV9	07-0021	Federal Home Loan Bank		09/15/2006	1,000,000.00	999,375.00	999,764.81	5.375		5.388	988	06/15/2009
3133XGSL9	07-0015	Federal Home Loan Bank		09/08/2006	1,000,000.00	998,750.00	1,000,000.00	5.260		5.260	1,074	09/09/2009
3133XGSX3	07-0016	Federal Home Loan Bank		09/11/2006	1,000,000.00	999,375.00	1,000,000.00	5.410		5.410	1,076	09/11/2009
3133XGSX3	07-0020	Federal Home Loan Bank		09/11/2006	1,000,000.00	999,375.00	999,852.38	5.410		5.416	1,076	09/11/2009
3133XFVX1	06-0062	Federal Home Loan Bank		06/21/2006	1,000,000.00	1,000,937.50	1,000,000.00	5.600		5.600	1,177	12/21/2009
31331V4T0	07-0023	Federal Farm Credit Bank		09/29/2006	2,000,000.00	1,998,750.00	2,000,000.00	5.400		5.400	1,275	03/29/2010
3128X5AH1	06-0052	Federal Home Loan Mort Corp		06/08/2006	1,000,000.00	999,970.00	1,000,000.00	6.000		6.000	1,346	06/08/2010
		Subtotal and Average	**46,929,467.28**		**49,950,000.00**	**49,720,798.63**	**49,930,693.09**			**4.710**	**646**	
Federal Agency Disc. -Amortizing												
313385J56	06-0024	Federal Home Loan Bank		03/01/2006	1,500,000.00	1,499,100.00	1,499,025.00			4.900	5	10/06/2006
313588BY0	06-0032	Federal National Mortgage Assc		04/12/2006	2,000,000.00	1,961,600.00	1,962,433.33	4.900		5.143	138	02/16/2007
313588CL7	06-0038	Federal National Mortgage Assc		04/17/2006	1,000,000.00	979,100.00	979,500.00	4.920		5.167	150	02/28/2007
313588CN3	07-0003	Federal National Mortgage Assc		07/03/2006	2,000,000.00	1,957,600.00	1,955,666.67	5.250		5.517	152	03/02/2007
313588DC6	07-0004	Federal National Mortgage Assc		07/06/2006	2,000,000.00	1,953,800.00	1,951,214.44	5.290		5.562	166	03/16/2007
313396EL3	06-0041	Federal Home Loan Mort Corp		04/20/2006	1,000,000.00	972,500.00	972,995.00	4.910		5.171	198	04/17/2007
		Subtotal and Average	**11,282,714.80**		**9,500,000.00**	**9,323,700.00**	**9,320,834.44**			**5.276**	**133**	
		Total and Average	**223,822,536.60**		**223,005,000.00**	**220,856,098.02**	**222,183,674.81**			**4.051**	**375**	

Oceanside Quarterly Report
Portfolio Management
Portfolio Details - Cash
September 30, 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		85,521.53	85,521.53				0
				Subtotal		85,521.53	85,521.53				
		Total Cash and Investmentss	223,822,536.60		223,005,000.00	220,941,619.55	222,269,196.34			4.051	375

TREASURER'S REPORT

INVESTMENT TRANSACTIONS

07/01/06 Through 09/30/06

Oceanside Quarterly Report
Purchases Report
Sorted by Fund - Fund
July 1, 2006 - September 30, 2006

CUSIP	Investment #	Fund	Sec. Type	Issuer	Original Par Value	Purchase Date	Payment Periods	Principal Purchased	Accrued Interest at Purchase	Rate at Purchase	Maturity Date	YTM	Ending Book Value
Undefined Fund													
313589F81	07-0002		AFD	FNMA	2,000,000.00	07/03/2006	09/15 - At Maturity	1,978,581.11		5.210	09/15/2006	5.340	0.00
313588CN3	07-0003		AFD	FNMA	2,000,000.00	07/03/2006	03/02 - At Maturity	1,929,416.67		5.250	03/02/2007	5.517	1,955,666.67
313588DC6	07-0004		AFD	FNMA	2,000,000.00	07/06/2006	03/16 - At Maturity	1,925,646.11		5.290	03/16/2007	5.562	1,951,214.44
3133XFXK7	07-0001		FAC	FHLB	1,000,000.00	07/14/2006	09/14 - Final Pmt.	1,000,000.00		6.000	01/14/2010	6.000	0.00
31331VR32	07-0005		NCB	FFCB	1,000,000.00	07/19/2006	01/19 - 07/19	1,000,000.00		5.500	07/19/2007	5.500	1,000,000.00
313589D91	07-0008		AFD	FNMA	1,000,000.00	07/27/2006	08/31 - At Maturity	994,963.89		5.180	08/31/2006	5.279	0.00
912828FC9	07-0009		TRC	TN	2,000,000.00	07/31/2006	07/31 - Final Pmt.	1,995,000.00	Sold	4.875	04/30/2008	5.021	0.00
31331VS98	07-0006		FAC	FFCB	1,000,000.00	08/08/2006	02/08 - 08/08	1,000,000.00		5.550	08/08/2008	5.550	1,000,000.00
31331VS98	07-0007		FAC	FFCB	1,000,000.00	08/08/2006	02/08 - 08/08	1,000,000.00		5.550	08/08/2008	5.550	1,000,000.00
3128X5CQ9	07-0010		FAC	FHLMC	1,000,000.00	08/09/2006	12/13 - 06/13	999,840.00	8,555.56	5.500	06/13/2008	5.505	999,867.37
3128X47H8	07-0011		FAC	FHLMC	1,000,000.00	08/15/2006	11/22 - 05/22	998,281.30	12,392.36	5.375	05/22/2008	5.473	998,566.72
3133XGM76	07-0013		FAC	FHLB	1,000,000.00	08/16/2006	08/15 - Final Pmt.	1,000,000.00	153.47	5.525	08/15/2007	5.525	1,000,000.00
31331VW93	07-0014		NCB	FFCB	1,000,000.00	08/17/2006	02/17 - 08/17	1,000,000.00		5.125	02/17/2009	5.125	1,000,000.00
31331VZ33	07-0012		FAC	FFCB	2,000,000.00	08/23/2006	02/23 - 08/23	2,000,000.00		5.500	02/23/2009	5.500	2,000,000.00
31331VZ33	07-0017		FAC	FFCB	1,000,000.00	08/30/2006	02/23 - 08/23	1,000,000.00	1,069.44	5.500	02/23/2009	5.499	1,000,000.00
31331SNN9	07-0018		NCB	FFCB	1,000,000.00	09/07/2006	01/04 - 07/04	980,770.00	6,343.75	3.625	01/04/2008	5.141	981,737.55
31331QF69	07-0022		NCB	FFCB	1,450,000.00	09/07/2006	11/07 - 05/07	1,393,827.00	18,729.17	3.875	05/07/2010	5.044	1,394,848.33
31359ML35	07-0019		FAC	FNMA	1,000,000.00	09/07/2006	10/13 - 04/13	999,375.00	21,600.00	5.400	04/13/2009	5.424	999,444.44
3133XGSL9	07-0015		FAC	FHLB	1,000,000.00	09/08/2006	03/09 - 09/09	1,000,000.00		5.260	09/09/2009	5.260	1,000,000.00
3133XGSX3	07-0016		FAC	FHLB	1,000,000.00	09/11/2006	03/11 - 09/11	1,000,000.00		5.410	09/11/2009	5.410	1,000,000.00
3133XGSX3	07-0020		FAC	FHLB	1,000,000.00	09/11/2006	03/11 - 09/11	999,843.70		5.410	09/11/2009	5.416	999,852.38
3133XGQV9	07-0021		FAC	FHLB	1,000,000.00	09/15/2006	12/15 - 06/15	999,750.00		5.375	06/15/2009	5.388	999,764.81
31331V4T0	07-0023		FAC	FFCB	2,000,000.00	09/29/2006	03/29 - 09/29	2,000,000.00		5.400	03/29/2010	5.400	2,000,000.00
				Subtotal	**29,450,000.00**			**29,195,294.78**	**68,843.75**				**23,280,962.71**

Managed Pool Deposits

					Deposit Amount	Deposit Date	Deposit Amount	Rate
SYS18000	18000		LA1	LAIF	1,750,000.00	07/03/2006	1,750,000.00	4.700
SYS18000	18000		LA1	LAIF	1,250,000.00	07/07/2006	1,250,000.00	4.700
SYS18000	18000		LA1	LAIF	1,000,000.00	07/13/2006	1,000,000.00	4.700
SYS18000	18000		LA1	LAIF	1,750,000.00	07/14/2006	1,750,000.00	4.700
SYS18000	18000		LA1	LAIF	1,250,000.00	07/20/2006	1,250,000.00	4.700
SYS18000	18000		LA1	LAIF	7,000,000.00	07/21/2006	7,000,000.00	4.700
SYS18000	18000		LA1	LAIF	5,000,000.00	08/01/2006	5,000,000.00	4.700

Oceanside Quarterly Report
Purchases Report
July 1, 2006 - September 30, 2006

CUSIP	Investment #	Fund	Sec. Type	Issuer	Original Par Value	Purchase Date	Payment Periods	Principal Purchased	Accrued Interest at Purchase	Rate at Purchase	Maturity Date	YTM	Ending Book Value
Managed Pool Deposits					Deposit Amount	Deposit Date		Deposit Amount		Rate			
SYS18000	18000		LA1	LAIF	750,000.00	08/04/2006		750,000.00		4.700			
SYS18000	18000		LA1	LAIF	8,000,000.00	08/07/2006		8,000,000.00		4.700			
SYS18000	18000		LA1	LAIF	1,250,000.00	08/09/2006		1,250,000.00		4.700			
SYS18000	18000		LA1	LAIF	2,500,000.00	08/11/2006		2,500,000.00		4.700			
SYS18000	18000		LA1	LAIF	1,750,000.00	08/16/2006		1,750,000.00		4.700			
SYS18000	18000		LA1	LAIF	1,250,000.00	08/24/2006		1,250,000.00		4.700			
SYS18000	18000		LA1	LAIF	1,750,000.00	08/25/2006		1,750,000.00		4.700			
SYS18000	18000		LA1	LAIF	1,250,000.00	08/28/2006		1,250,000.00		4.700			
SYS18000	18000		LA1	LAIF	1,500,000.00	09/01/2006		1,500,000.00		4.700			
SYS18000	18000		LA1	LAIF	1,000,000.00	09/05/2006		1,000,000.00		4.700			
SYS18000	18000		LA1	LAIF	1,000,000.00	09/13/2006		1,000,000.00		4.700			
SYS18000	18000		LA1	LAIF	1,750,000.00	09/21/2006		1,750,000.00		4.700			
SYS18001	18001		LA1	LAIF	1,500,000.00	09/22/2006		1,500,000.00		4.700			
SYS18001	18001		LA1	LAIF	1,250,000.00	09/26/2006		1,250,000.00		4.700			
SYS18001	18001		LA1	LAIF	1,000,000.00	09/27/2006		1,000,000.00		4.700			
				Subtotal	**46,500,000.00**			**46,500,000.00**					
		Total Purchases and Deposits			**75,950,000.00**			**75,695,294.78**	**68,843.75**				**23,280,962.71**

Oceanside Quarterly Report
Maturity Report
Sorted by Maturity Date
Receipts during July 1, 2006 - September 30, 2006

CUSIP	Investment #	Fund	Sec. Type	Issuer	Par Value	Maturity Date	Purchase Date	Rate at Maturity	Book Value at Maturity	Interest	Maturity Proceeds	Net Income
313589YW7	06-0056		AFD	FNMA	4,000,000.00	07/03/2006	05/19/2006	4.890	4,000,000.00	0.00	4,000,000.00	0.00
31331TPC9	04-0069		NCB	FFCB	1,000,000.00	07/06/2006	01/06/2004	2.510	1,000,000.00	12,550.00	1,012,550.00	12,550.00
31339XSH8	04-0001		NCB	FHLB	2,000,000.00	07/07/2006	07/03/2003	2.000	2,000,000.00	20,000.00	2,020,000.00	20,000.00
3128X1QU4	04-0009		NCB	FHLMC	1,000,000.00	07/07/2006	07/08/2003	2.000	1,000,000.00	10,000.00	1,010,000.00	10,000.00
31339Y2Q4	04-0004		NCB	FHLB	1,000,000.00	07/14/2006	07/16/2003	2.000	1,000,000.00	9,888.89	1,009,888.89	9,888.89
31339Y6C1	04-0005		NCB	FHLB	1,000,000.00	07/14/2006	07/14/2003	2.125	1,000,000.00	10,625.00	1,010,625.00	10,625.00
3128X1QH3	04-0011		NCB	FHLMC	1,000,000.00	07/14/2006	07/14/2003	2.000	1,000,000.00	10,000.00	1,010,000.00	10,000.00
3128X1RW9	04-0014		NCB	FHLMC	1,000,000.00	07/14/2006	07/14/2003	2.050	1,000,000.00	10,250.00	1,010,250.00	10,250.00
31331Q4Y0	04-0063		FAC	FFCB	1,935,000.00	07/21/2006	11/25/2003	2.150	1,935,000.00	20,801.25	1,955,801.25	20,801.25
313385ZQ2	06-0066		AFD	FHLB	4,000,000.00	07/21/2006	06/23/2006	5.130	4,000,000.00	0.00	4,000,000.00	0.00
3136F3V60	04-0073		NCB	FNMA	1,820,000.00	07/21/2006	01/23/2004	2.150	1,820,000.00	19,565.00	1,839,565.00	19,565.00
3128X1SP3	04-0015		NCB	FHLMC	1,000,000.00	07/28/2006	07/28/2003	2.125	1,000,000.00	10,625.00	1,010,625.00	10,625.00
3136F33Q7	04-0017		NCB	FNMA	2,000,000.00	08/04/2006	08/04/2003	2.410	2,000,000.00	24,100.00	2,024,100.00	24,100.00
3136F33Q7	04-0028		NCB	FNMA	1,000,000.00	08/04/2006	08/08/2003	2.410	1,000,000.00	12,050.00	1,012,050.00	12,050.00
3128X2QK4	04-0071		NCB	FHLMC	1,000,000.00	08/09/2006	02/09/2004	2.500	1,000,000.00	12,500.00	1,012,500.00	12,500.00
3136F34T0	04-0021		NCB	FNMA	1,000,000.00	08/11/2006	08/11/2003	2.500	1,000,000.00	12,500.00	1,012,500.00	12,500.00
3136F34T0	04-0043		NCB	FNMA	1,000,000.00	08/11/2006	09/02/2003	2.500	1,000,000.00	12,500.00	1,012,500.00	12,500.00
3133X06K0	04-0120		NCB	FHLB	1,000,000.00	08/15/2006	04/23/2004	2.375	1,000,000.00	11,875.00	1,011,875.00	11,875.00
3136F45G5	04-0077		NCB	FNMA	1,975,000.00	08/17/2006	02/17/2004	2.420	1,975,000.00	23,897.50	1,998,897.50	23,897.50
3128X2WL5	04-0082		NCB	FHLMC	1,000,000.00	08/24/2006	02/24/2004	2.500	1,000,000.00	12,500.00	1,012,500.00	12,500.00
31331TSN2	04-0078		NCB	FFCB	2,000,000.00	08/25/2006	02/25/2004	2.560	2,000,000.00	25,600.00	2,025,600.00	25,600.00
3133MYW86	03-0083		NCB	FHLB	1,000,000.00	08/28/2006	05/28/2003	2.400	1,000,000.00	12,000.00	1,012,000.00	12,000.00
313589D91	07-0008		AFD	FNMA	1,000,000.00	08/31/2006	07/27/2006	5.180	1,000,000.00	0.00	1,000,000.00	0.00
31331QWK9	04-0114		NCB	FFCB	2,900,000.00	09/01/2006	04/16/2004	2.250	2,900,000.00	32,625.00	2,932,625.00	32,625.00
3133MYWS2	03-0088		NCB	FHLB	1,000,000.00	09/05/2006	06/05/2003	2.500	1,000,000.00	12,500.00	1,012,500.00	12,500.00
3133MYYH4	03-0084		NCB	FHLB	1,000,000.00	09/11/2006	06/11/2003	2.460	1,000,000.00	6,150.00	1,006,150.00	6,150.00
3133X14N4	05-0001		NCB	FHLB	1,000,000.00	09/15/2006	07/22/2004	2.875	1,000,000.00	14,375.00	1,014,375.00	14,375.00
313589F81	07-0002		AFD	FNMA	2,000,000.00	09/15/2006	07/03/2006	5.210	2,000,000.00	0.00	2,000,000.00	0.00
313397G70	06-0021		AFD	FHLMC	1,500,000.00	09/22/2006	02/14/2006	4.630	1,500,000.00	0.00	1,500,000.00	0.00
31331TXE6	04-0094		NCB	FFCB	1,000,000.00	09/29/2006	03/29/2004	2.070	1,000,000.00	10,350.00	1,010,350.00	10,350.00
3133X4VR9	04-0096		NCB	FHLB	1,000,000.00	09/29/2006	03/29/2004	2.560	1,000,000.00	12,800.00	1,012,800.00	12,800.00
3136F5JT9	04-0095		NCB	FNMA	1,000,000.00	09/29/2006	03/29/2004	2.070	1,000,000.00	10,350.00	1,010,350.00	10,350.00
			Total Maturities		**47,130,000.00**				**47,130,000.00**	**392,977.64**	**47,522,977.64**	**392,977.64**

Oceanside Quarterly Report
Sales/Call Report
Sorted by Fund - Fund
July 1, 2006 - September 30, 2006

CUSIP	Investment #	Fund	Issuer Sec. Type	Purchase Date	Redem. Date Matur. Date	Par Value	Rate at Redem.	Book Value at Redem.	Redemption Principal	Redemption Interest	Total Amount	Net Income
Undefined Fund												
912828FC9	06-0064		TN TRC	06/16/2006	07/31/2006 04/30/2008	2,000,000.00	4.875	1,992,701.48	1,995,156.25	24,375.00	2,019,531.25 Sale	26,829.77
912828FC9	07-0009		TN TRC	07/31/2006	07/31/2006 04/30/2008	2,000,000.00	4.875	1,995,000.00	1,995,156.25	24,375.00	2,019,531.25 Sale	24,531.25
912828FG0	06-0057		TN TRC	06/01/2006	08/09/2006 05/31/2008	1,000,000.00	4.875	997,311.86	998,437.50	9,323.77	1,007,761.27 Sale	10,449.41
3133XFXK7	07-0001		FHLB FAC	07/14/2006	09/14/2006 01/14/2010	1,000,000.00	6.000	1,000,000.00	1,000,000.00	10,000.00	1,010,000.00 Call	10,000.00
3128X5DN5	06-0067		FHLMC NCB	06/26/2006	09/26/2006 12/26/2008	1,000,000.00	5.500	1,000,000.00	1,000,000.00	13,750.00	1,013,750.00 Call	13,750.00
					Subtotal	**7,000,000.00**		**6,985,013.34**	**6,988,750.00**	**81,823.77**	**7,070,573.77**	**85,560.43**

Managed Pool Withdrawals				Withdrawal Date	Withdrawal Amount	Current Rate	Withdrawal Amount	Withdrawal Amount
SYS18000	18000	LAIF	07/01/2006	07/17/2006	1,250,000.00	5.023	1,250,000.00	1,250,000.00
SYS18000	18000	LAIF	07/01/2006	07/24/2006	250,000.00	5.023	250,000.00	250,000.00
SYS18000	18000	LAIF	07/01/2006	07/25/2006	750,000.00	5.023	750,000.00	750,000.00
SYS18000	18000	LAIF	07/01/2006	07/26/2006	1,750,000.00	5.023	1,750,000.00	1,750,000.00
SYS18000	18000	LAIF	07/01/2006	07/31/2006	5,000,000.00	5.023	5,000,000.00	5,000,000.00
SYS18000	18000	LAIF	07/01/2006	08/08/2006	2,750,000.00	5.023	2,750,000.00	2,750,000.00
SYS18000	18000	LAIF	07/01/2006	08/14/2006	2,000,000.00	5.023	2,000,000.00	2,000,000.00
SYS18000	18000	LAIF	07/01/2006	08/21/2006	8,000,000.00	5.023	8,000,000.00	8,000,000.00
SYS18000	18000	LAIF	07/01/2006	08/22/2006	750,000.00	5.023	750,000.00	750,000.00
SYS18000	18000	LAIF	07/01/2006	08/23/2006	2,000,000.00	5.023	2,000,000.00	2,000,000.00
SYS18000	18000	LAIF	07/01/2006	08/31/2006	3,750,000.00	5.023	3,750,000.00	3,750,000.00
SYS18000	18000	LAIF	07/01/2006	09/07/2006	3,500,000.00	5.023	3,500,000.00	3,500,000.00
SYS18000	18000	LAIF	07/01/2006	09/08/2006	1,250,000.00	5.023	1,250,000.00	1,250,000.00
SYS18000	18000	LAIF	07/01/2006	09/11/2006	750,000.00	5.023	750,000.00	750,000.00
SYS18000	18000	LAIF	07/01/2006	09/15/2006	1,000,000.00	5.023	1,000,000.00	1,000,000.00
SYS18000	18000	LAIF	07/01/2006	09/19/2006	500,000.00	5.023	500,000.00	500,000.00
SYS18000	18000	LAIF	07/01/2006	09/20/2006	500,000.00	5.023	500,000.00	500,000.00
SYS18000	18000	LAIF	07/01/2006	09/29/2006	1,000,000.00	5.023	1,000,000.00	1,000,000.00
				Subtotal	**36,750,000.00**		**36,750,000.00**	**36,750,000.00**

Oceanside Quarterly Report
Sales/Call Report
July 1, 2006 - September 30, 2006

CUSIP	Investment #	Fund	Issuer Sec. Type	Purchas Date	Redem. Date Matur. Date	Par Value	Rate at Redem.	Book Value at Redem.	Redemption Principal	Redemption Interest	Total Amount	Net Income
			Total Sales and Withdrawals			43,750,000.00		6,985,013.34	43,738,750.00	81,823.77	43,820,573.77	85,560.43

TREASURER'S REPORT

LAIF ACTIVITY
GRAPHS

As of September 30, 2006

Oceanside Quarterly Report
Cash/Checking Activity
July 1, 2006 - September 30, 2006

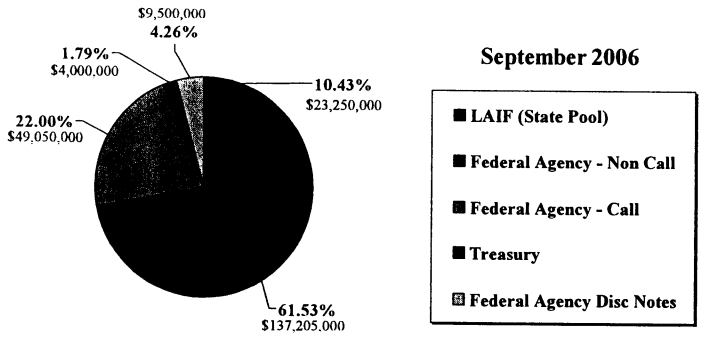
Issuer Investment #	Fund	Security ID	Transaction Date	Receipt	Deposits	Withdrawals	Interest Received	Balance
LAIF								
Local Agency Investment Fund								
18000		SYS18000						**8,000,000.00**
			07/01/2006					8,000,000.00
			07/03/2006		1,750,000.00			9,750,000.00
			07/07/2006		1,250,000.00			11,000,000.00
			07/13/2006		1,000,000.00			12,000,000.00
			07/14/2006		1,750,000.00			13,750,000.00
			07/14/2006				104,996.97	13,750,000.00
			07/17/2006			1,250,000.00		12,500,000.00
			07/20/2006		1,250,000.00			13,750,000.00
			07/21/2006		7,000,000.00			20,750,000.00
			07/24/2006			250,000.00		20,500,000.00
			07/25/2006			750,000.00		19,750,000.00
			07/26/2006			1,750,000.00		18,000,000.00
			07/31/2006			5,000,000.00		13,000,000.00
			07/31/2006					13,000,000.00
			08/01/2006		5,000,000.00			18,000,000.00
			08/04/2006		750,000.00			18,750,000.00
			08/07/2006		8,000,000.00			26,750,000.00
			08/08/2006			2,750,000.00		24,000,000.00
			08/09/2006		1,250,000.00			25,250,000.00
			08/11/2006		2,500,000.00			27,750,000.00
			08/14/2006			2,000,000.00		25,750,000.00
			08/16/2006		1,750,000.00			27,500,000.00
			08/21/2006			8,000,000.00		19,500,000.00
			08/22/2006			750,000.00		18,750,000.00
			08/23/2006			2,000,000.00		16,750,000.00
			08/24/2006		1,250,000.00			18,000,000.00
			08/25/2006		1,750,000.00			19,750,000.00
			08/28/2006		1,250,000.00			21,000,000.00
			08/31/2006			3,750,000.00		17,250,000.00
			08/31/2006					17,250,000.00
			09/01/2006		1,500,000.00			18,750,000.00
			09/05/2006		1,000,000.00			19,750,000.00
			09/07/2006			3,500,000.00		16,250,000.00
			09/08/2006			1,250,000.00		15,000,000.00
			09/11/2006			750,000.00		14,250,000.00

Oceanside Quarterly Report
Cash/Checking Activity
July 1, 2006 - September 30, 2006

Issuer Investment #	Fund	Security ID	Transaction Date	Receipt	Deposits	Withdrawals	Interest Received	Balance
Local Agency Investment Fund								
18000		SYS18000						**14,250,000.00**
			09/13/2006		1,000,000.00			15,250,000.00
			09/15/2006			1,000,000.00		14,250,000.00
			09/19/2006			500,000.00		13,750,000.00
			09/20/2006			500,000.00		13,250,000.00
			09/21/2006		1,750,000.00			15,000,000.00
			09/29/2006			1,000,000.00		14,000,000.00
			09/29/2006					14,000,000.00
Subtotal and Ending Balance					**42,750,000.00**	**36,750,000.00**	**104,996.97**	**14,000,000.00**
18001		SYS18001						**5,500,000.00**
			07/01/2006					5,500,000.00
			07/14/2006				62,080.31	5,500,000.00
			07/31/2006					5,500,000.00
			08/31/2006					5,500,000.00
			09/22/2006		1,500,000.00			7,000,000.00
			09/26/2006		1,250,000.00			8,250,000.00
			09/27/2006		1,000,000.00			9,250,000.00
			09/29/2006					9,250,000.00
Subtotal and Ending Balance					**3,750,000.00**	**0.00**	**62,080.31**	**9,250,000.00**
			Total		**46,500,000.00**	**36,750,000.00**	**167,077.28**	**23,250,000.00**

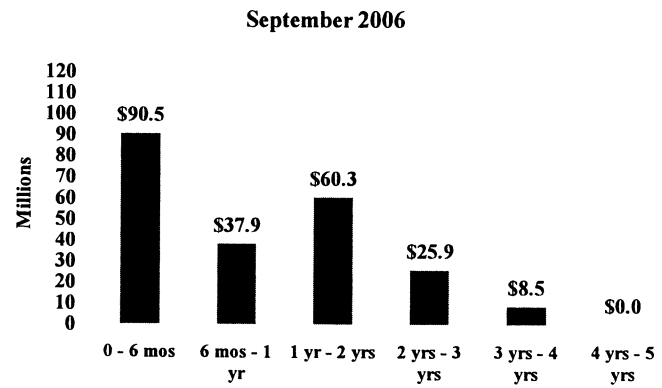
CITY OF OCEANSIDE
INVESTMENT PORTFOLIO SUMMARY GRAPHS

BREAKDOWN OF INVENTORY BY TYPE



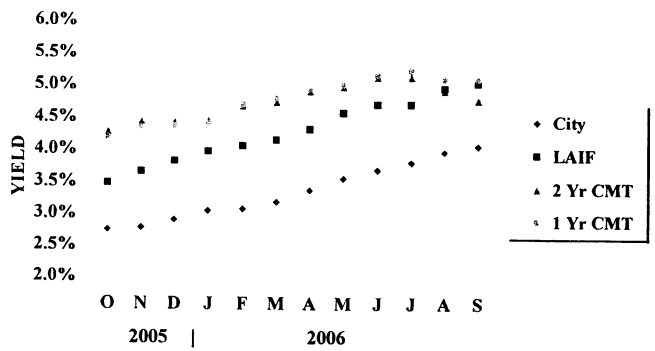
GRAPH 1

AGING OF MATURING INVESTMENTS



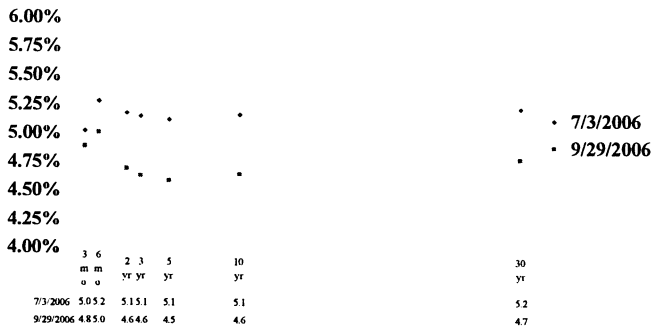
GRAPH 2

INVESTMENT PORTFOLIO YIELD COMPARISON
City, Local Agency Investment Fund, 1 & 2-Yr CMT



GRAPH 3

HISTORICAL YIELD CURVE COMPARISON
7/3/06 to 9/29/06



GRAPH 4

TREASURER'S REPORT

BOND FUNDS -
2002 REDEVELOPMENT TAX ALLOCATION BONDS
FUNDS HELD BY OUTSIDE MANAGEMENT

As of September 30, 2006

2002 TA Bonds - Month End Rpts
Portfolio Management
Portfolio Summary
September 30, 2006

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM
Local Agency Investment Fund	466,000.00	466,901.87	466,000.00	100.00	1	1	5.023
Investments	**466,000.00**	**466,901.87**	**466,000.00**	**100.00%**	**1**	**1**	**5.023**

Total Earnings	September 30 Month Ending	Fiscal Year To Date
Current Year	1,887.08	5,787.06
Average Daily Balance	**466,000.00**	**466,000.00**
Effective Rate of Return	**4.93%**	**4.93%**

Rosemary R. Jones, CDC Treasurer

Reporting period 09/01/2006-09/30/2006
Data Updated: SET_MOEN: 11/06/2006 17:59
Run Date: 11/06/2006 - 17:59

Portfolio 02TA
NL! AP
PM (PRF_PM1) SymRept 6.41.202a
Report Ver. 5.00

2002 TA Bonds - Month End Rpts
Portfolio Management
Portfolio Details - Investments
September 30, 2006

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity	Maturity Date
Local Agency Investment Fund												
SYS18002-TA	18002-TA	State of CA LAIF			466,000.00	466,901.87	466,000.00	5.023		5.023	1	
		Subtotal and Average	**466,000.00**		**466,000.00**	**466,901.87**	**466,000.00**			**5.023**	**1**	
		Total and Average	**466,000.00**		**466,000.00**	**466,901.87**	**466,000.00**			**5.023**	**1**	

2002 TA Bonds - Month End Rpts
Cash/Checking Activity
July 1, 2006 - September 30, 2006

Issuer Investment #	Fund	Security ID	Current Rate	Transaction Date	Receipt	Deposits	Withdrawals	Interest Received	Balance
Local Agency Investment Fund									
State of CA LAIF									
18002-TA		SYS18002-TA							**466,000.00**
			4.700	07/01/2006					466,000.00
			4.700	07/14/2006				13,725.39	466,000.00
			4.849	07/31/2006					466,000.00
			4.946	08/31/2006					466,000.00
			5.023	09/29/2006					466,000.00
Subtotal and Ending Balance			**5.023**			**0.00**	**0.00**	**13,725.39**	**466,000.00**
				Total		**0.00**	**0.00**	**13,725.39**	**466,000.00**

CITY OF OCEANSIDE
FUNDS MANAGED BY OUTSIDE PARTIES
AS OF SEPTEMBER 30, 2006

TYPE OF FUND/INSTITUTION	MARKET VALUE	INSTITUTION TOTAL
BOND FUNDS		
Bank of New York		
1994 Local Agency Revenue Bonds (Assesment District Refinance), Series A	37,667.51	
1998 Oceanside Certificates of Participation - Police & Library Facility	4,453.01	
1998 Water Revenue Refunding Bonds	2,411,599.91	
1998 Watereuse Variable Rate Demand Bonds	248,704.29	
2002 Tax Allocation Bonds	2,002,495.93	
2002 Community Facilities District Bonds - Ocean Ranch Corporate Centre	2,583,359.41	
2002 Community Facilities District Bonds - Morro Hills Development	11,253,330.13	
2003 Refunding Certificates of Participation - 93 Series A Bonds	2,742,478.75	
2003 Revenue Certificates of Participation - Wastewater System Bonds	227.92	
2003 Refunding Certificates of Participation - Water System Bonds	1,157.92	
2004 Community Facilities District Bonds - Morro Hills Development Imp#1	794,155.57	
2004 Community Facilities District Bonds - Morro Hills Development	1,064,906.18	
2004 Community Facilities District Bonds - Ocean Ranch Corporate Centre	0.04	
2004 Refunding Tax Allocation Bonds	1,922,195.06	
2005 Civic Center Refunding Certificates of Participation	309,775.95	
2005 Pension Obligation Bonds	1,089,093.15	
		26,465,600.73
Rabobank		
2003 Tax Allocation Bonds	15,511,086.04	
		$ 15,511,086.04
		$ 41,976,686.77