ITEM NO. 16

STAFF REPORT

CITY OF OCEANSIDE

DATE: December 8, 2010

TO: Honorable Mayor and City Councilmembers

FROM: City Treasurer's Office

SUBJECT: **PRESENTATION OF TREASURER'S REPORT – QUARTER ENDED SEPTEMBER 30, 2010**

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 year ended June 30, 2010.

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, 2010

For the quarter ended September 30, 2010, the City's portfolio had a book value of $144,296,201.87 (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 1.743%, which has generated fiscal year accrued earnings of $703,241.54.

The following table provides a rolling 12-month comparison of the portfolio by quarter.

City of Oceanside
Portfolio Comparison
Rolling 12-Month Quarterly Comparison

	Sept 30, 2010	June 30, 2010	Mar 31, 2010	Dec 31, 2009
Book Value	$144,296,201.87	$165,299,594.88	$145,493,091.27	$152,393,059.72
Market Value	$145,412,990.83	$166,651,933.26	$146,186,004.35	$153,333,339.68
Unrealized Gain/(Loss)	$1,116,778.96	$1,352,338.38	$692,913.08	$940,279.96
Average YTM	1.743%	1.850%	2.271%	2.292%
Liquidity 0 – 6 months	34.39%	24.95%	9.93%	30.08%
Average DTM	722 (1.98 years)	834 (2.29 years)	960 (2.63 years)	691 (1.89 years)
Quarterly Earnings	$703,241.54	$835,019.57	$881,650.09	$950,331.44
Qtr Capital Gain/(Loss)	$500.00	$37,582.50	$32,507.56	$0.00

The portfolio's average weighted yield declined by 10 basis points when compared to the prior quarter ending June 30, 2010. Contributing to the decline was the weighted investment in the State's Local Agency Investment Fund (LAIF) which provided liquid funds during the first quarter of the fiscal year in anticipation of low revenue receipts during the quarter. While these funds are very liquid to cover operating expenditures and debt service payments, earnings on the funds are very low (0.50%). During the following quarter (October – December) it is anticipated that the yield to maturity will improve through the investment of LAIF funds in higher yielding securities.

Bond interest rates continued their decline during the quarter, especially in the 2 to 7-year sector of the Treasury curve. The largest decline, 53 basis points, was found in the 5-year Treasury note. While the concerns over European credit quality subsided, investors focused on whether the economy will continue to show minimal growth and low inflation or enter into a double-dip recession and a deflationary environment. The Federal Reserve (Fed) continued to leave the Fed Funds rate at a range of 0% to 0.25% during the August and September Federal Open Market Committee (FOMC) meetings. The September minutes stated that the Fed was "prepared to provide additional accommodation if needed to support the economic recovery and to return inflation, over time, to levels consistent with its mandate." Although there have been opposing views of how effective a second round of quantitative easing by the Fed will be on the economy, the one constant factor has been that interest rates remain at historical lows.

FISCAL IMPACT

Fiscal year-to-date earnings were $703,214.54 as of September 30, 2010, which is a decrease of $516,302.86 from the same period last year (September 2009). The City's General Fund has earned $283,406.00 as of 9/30/10. The table on the following page provides the earnings distribution according to major fund categories:

INVESTMENT EARNINGS BY FUND
FY 2010-2011 as of 9/30/10

Fund Name	FYTD Average Cash Balances	FYTD Investment Earnings
General Fund	$61,088,531	$283,406
Special Revenue Funds – Police	1,237,137	6,709
Special Revenue Funds – Transportation	1,093,410	9,893
Lighting and Landscape Districts	765,287	3,520
CDC – Housing	8,227,312	38,966
CDC – Redevelopment	4,424,059	26,797
Community Facilities/Special Districts	4,030,436	17,238
Development Impact Fee Funds	30,643,767	139,380
Water Funds	31,966,556	136,878
Sewer Funds	4,988,083	23,099
Harbor Fund	3,356,895	14,206
Trust Funds	711,697	3,142
Unallocated Earnings Adjustments		8
Year to Date Totals as of 9/30/10	**$152,533,170**	**$703,242**

The General Fund category includes cash balances from internal service and special funds that are consolidated for purposes of calculating investment earnings. The following table provides the detail of the composition of the General Fund category in the previous table.

COMPOSITION OF GENERAL FUND
AVERAGE CASH BALANCES
FY 2010-2011 as of 9/30/10

Fund Name	FYTD Average Cash Balances
General Fund	$18,541,623
Grants	(1,555,914)
City Debt Service Fund	(2,017,209)
General Fund Community Facilities CIP	4,175,665
Solid Waste Fund	3,368,749
Internal Service Funds	31,493,133
Trust Funds	7,511,947
Other Unrestricted Funds	(429,463)
Year to Date Totals as of 09/30/10	**$61,088,531**

City banking and investment expenses are charged on a pro rata basis to all funds that have invested cash balances. Banking and investment expenses totaled $98,176.50 fiscal year-to-date as of 09/30/10. The banking and investment expense breakdown is shown in the following table:

Banking and Investment Expenses	FYTD Expenses as of 09/30/10
Banking Expenses	
Armored Carrier	7,087
Bank Fees	-
Bank Supplies	472
Check Stock	1,855
Merchant Services	76,529
Investment Expenses	
Bloomberg System	7,674
Custody and Safekeeping	-
Investment Software Maintenance	4,559
Total Banking and Investment Expenses	**$98,176**

COMMISSION/COMMITTEE REPORT

The Investment Oversight Committee reviewed the quarter and year ended report for September 30, 2010, at its November 9, 2010, 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

Staff recommends that the City Council accept the Treasurer's Report for the quarter ended September 30, 2010.

PREPARED BY:

Michele C. Lund, CCMT
Treasury Manager

SUBMITTED BY:

Peter A. Weiss
City Manager

Attachments: Treasurer's Quarter and Year End Report – September 30, 2010

CITY OF OCEANSIDE

TREASURER'S REPORT

For Quarter Ended
September 30, 2010

CITY OF OCEANSIDE
OFFICE OF THE CITY TREASURER

TO: CITY COUNCIL
CITY MANAGER

DATE: OCTOBER 28, 2010

SUBJECT: INVESTMENT REPORT FOR THE QUARTER ENDED SEPTEMBER 30, 2010

Following is summary information for the City of Oceanside Investment Portfolio for the quarter ended September 30, 2010.

Market/Portfolio Commentary

Bond interest rates continued their decline during the quarter, especially in the 2 to 7-year sector of the Treasury curve. The largest decline, 53 basis points, was found in the 5-year Treasury note. While the concerns over European credit quality subsided, investors focused on whether the economy will continue to show minimal growth and low inflation or enter into a double-dip recession and a deflationary environment. The Federal Reserve continued to leave the Fed Funds rate at a range of 0% to 0.25% during the August and September FOMC meetings. The September minutes stated that the Fed was "prepared to provide additional accommodation if needed to support the economic recovery and to return inflation, over time, to levels consistent with its mandate."

For month of September, portfolio statistics are as follows:

- Portfolio Book Value $144,296,201.87
- Portfolio Market Value $145,412,990.83
- Unrealized Gain $1,116,788.96
- Average Yield-to-Maturity 1.743%
- Liquidity (0 – 6-months) 34.39%
- Average Days to Maturity 722 (1.98 years)
- Fiscal Year-to-Date Earnings $703,241.54
- Fiscal Year-to-Date Capital Gains/(Losses) $500.00

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,

Gary Felien

Gary Felien
City Treasurer

CITY OF OCEANSIDE
PORTFOLIO SUMMARY
FOR QUARTER ENDED SEPTEMBER 30, 2010

INVESTMENT TYPE	FACE VALUE	BOOK VALUE	MARKET VALUE	YIELD TO MATURITY	DAYS TO MATURITY	PERCENT OF PORTFOLIO
Quarter Ended September 30, 2010						
LAIF	$ 42,250,000.00	$ 42,250,000.00	$ 42,330,902.42	0.500%	1	29.28%
Treasury Securities - Coupon	0.00	0.00	0.00	0.000%	0	0.00%
Federal Agency Non - Callable	17,035,000.00	17,043,795.53	17,441,821.88	3.174%	376	11.81%
Federal Agency - Callable	71,020,000.00	71,002,406.34	71,535,586.53	2.111%	1,058	49.21%
Federal Agency Callable - Step Up	14,000,000.00	14,000,000.00	14,104,680.00	1.882%	1,619	9.70%
Total Investments	$ 144,305,000.00	$ 144,296,201.87	$ 145,412,990.83	1.743%	722	100.00%
Unrealized Gain/(Loss) (Market Value - Book Value)			1,116,788.96			
Plus Accrued Interest			$ 600,892.98			
Portfolio Liquidation Unrealized Gain/(Loss)			$ 1,717,681.94			

Prior Period Comparisons

	FACE VALUE	BOOK VALUE	MARKET VALUE	YIELD TO MATURITY	DAYS TO MATURITY	PERCENT OF PORTFOLIO
Quarter and Year Ended June 30, 2010						
LAIF	$ 41,250,000.00	$ 41,250,000.00	$ 41,317,805.76	0.528%	1	24.95%
Treasury Securities - Coupon	-	-	-	0.000%	0	0.00%
Federal Agency Non - Callable	17,035,000.00	17,052,681.45	17,495,936.25	3.174%	468	10.32%
Federal Agency - Callable	90,020,000.00	89,996,913.43	90,742,926.25	2.187%	1,137	54.44%
Federal Agency - Discount Notes	17,000,000.00	17,000,000.00	17,095,265.00	1.947%	1,617	10.28%
Total Investments	$ 165,305,000.00	$ 165,299,594.88	$ 166,651,933.26	1.850%	834	100.00%
Unrealized Gain/(Loss) (Market Value - Book Value)			1,352,338.38			
Plus Accrued Interest			730,494.93			
Portfolio Liquidation Unrealized Gain/(Loss)			$ 2,082,833.31			
Quarter Ended March 31, 2010						
LAIF	$ 10,000,000.00	$ 10,000,000.00	$ 10,011,830.91	0.547%	1	6.87%
Treasury Securities - Coupon	2,000,000.00	1,986,959.60	1,988,280.00	1.602%	1,079	1.37%
Federal Agency Non - Callable	20,485,000.00	20,507,292.76	21,004,394.69	3.536%	363	14.10%
Federal Agency - Callable	98,020,000.00	97,999,238.91	98,189,151.25	2.225%	1,065	67.36%
Federal Agency - Discount Notes	15,000,000.00	14,999,600.00	14,992,347.50	2.084%	1,713	10.31%
Total Investments	$ 145,505,000.00	$ 145,493,091.27	$ 146,186,004.35	2.271%	960	100.00%
Unrealized Gain/(Loss) (Market Value - Book Value)			692,913.08			
Plus Accrued Interest			760,483.83			
Portfolio Liquidation Unrealized Gain/(Loss)			$ 1,453,396.91			

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, 2010

Oceanside Investment Pool
Portfolio Management
Portfolio Details - Investments
September 30, 2010

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM	Days to Maturity	Maturity Date
LAIF												
SYS18000	18000	Local Agency Investment Fund			24,750,000.00	24,797,392.54	24,750,000.00	0.500		0.500	1	
SYS18001	18001	Local Agency Investment Fund			17,500,000.00	17,533,509.88	17,500,000.00	0.500		0.500	1	
		Subtotal and Average	**42,658,333.33**		**42,250,000.00**	**42,330,902.42**	**42,250,000.00**			**0.500**	**1**	
Federal Agency - Non Callable												
31331YWG1	08-0122	Federal Farm Credit Bank		05/23/2008	2,000,000.00	2,023,750.00	1,998,227.68	3.000		3.220	153	03/03/2011
31331VSK3	09-0024	Federal Farm Credit Bank		11/21/2008	1,710,000.00	1,740,459.38	1,721,507.39	4.875		3.030	140	02/18/2011
3133XR4U1	08-0120	Federal Home Loan Bank		05/22/2008	1,000,000.00	1,017,500.00	998,190.33	3.125		3.401	252	06/10/2011
3133XPWW0	08-0125	Federal Home Loan Bank		05/28/2008	1,000,000.00	1,013,437.50	999,468.79	3.250		3.374	161	03/11/2011
3133XRC65	08-0132	Federal Home Loan Bank		06/06/2008	4,000,000.00	4,085,000.00	3,995,690.74	3.375		3.540	252	06/10/2011
3133XJVL9	09-0025	Federal Home Loan Bank		11/21/2008	1,325,000.00	1,351,500.00	1,334,723.90	5.000		3.270	161	03/11/2011
3133XTS49	09-0092	Federal Home Loan Bank		06/08/2009	1,000,000.00	1,023,437.50	995,986.70	1.875		2.117	628	06/20/2012
3133XXQV2	10-0059	Federal Home Loan Bank		04/05/2010	2,000,000.00	2,069,375.00	2,000,000.00	2.000		2.000	1,155	11/29/2013
3128X7JK1	08-0118	Federal Home Loan Mort Corp		05/21/2008	2,000,000.00	2,030,800.00	2,000,000.00	3.250		3.404	195	04/14/2011
3136F9DH3	08-0100	Federal National Mortgage Assc		03/25/2008	1,000,000.00	1,086,562.50	1,000,000.00	4.250		4.250	906	03/25/2013
		Subtotal and Average	**17,045,227.15**		**17,035,000.00**	**17,441,821.88**	**17,043,795.53**			**3.174**	**376**	
Federal Agency - Callable												
31331GXN4	09-0089	Federal Farm Credit Bank		06/03/2009	1,000,000.00	1,013,750.00	1,000,000.00	2.700		2.700	976	06/03/2013
31331JBJ1	10-0023	Federal Farm Credit Bank		01/14/2010	2,000,000.00	2,007,500.00	2,000,000.00	2.000		2.000	836	01/14/2013
31331JDL4	10-0044	Federal Farm Credit Bank		02/11/2010	2,000,000.00	2,011,250.00	2,000,000.00	2.420		2.420	1,229	02/11/2014
31331JFL2	10-0047	Federal Farm Credit Bank		03/03/2010	1,000,000.00	1,009,375.00	1,000,000.00	2.490		2.490	1,249	03/03/2014
31331JLY7	10-0065	Federal Farm Credit Bank		04/28/2010	1,000,000.00	1,010,000.00	1,000,000.00	2.375		2.375	1,305	04/28/2014
31331JMX8	10-0070	Federal Farm Credit Bank		05/06/2010	1,000,000.00	1,007,500.00	1,000,000.00	1.950		1.950	948	05/06/2013
31331JNM1	10-0075	Federal Farm Credit Bank		05/13/2010	1,000,000.00	1,011,562.50	1,000,000.00	2.450		2.450	1,320	05/13/2014
31331JNM1	10-0076	Federal Farm Credit Bank		05/13/2010	1,000,000.00	1,011,562.50	1,000,000.00	2.450		2.450	1,320	05/13/2014
31331JNL3	10-0077	Federal Farm Credit Bank		05/17/2010	1,000,000.00	1,001,250.00	1,000,000.00	1.950		1.950	959	05/17/2013
31331JNL3	10-0078	Federal Farm Credit Bank		05/17/2010	1,000,000.00	1,001,250.00	1,000,000.00	1.950		1.950	959	05/17/2013
31331JPV9	10-0082	Federal Farm Credit Bank		06/03/2010	1,000,000.00	1,003,437.50	1,000,000.00	2.800		2.800	1,706	06/03/2015
31331JPV9	10-0083	Federal Farm Credit Bank		06/03/2010	1,000,000.00	1,003,437.50	1,000,000.00	2.800		2.800	1,706	06/03/2015
3133XWBS7	10-0010	Federal Home Loan Bank		12/28/2009	1,000,000.00	1,005,937.50	1,000,000.00	1.250		1.250	1,001	06/28/2013
3133XW7E3	10-0012	Federal Home Loan Bank		12/23/2009	1,000,000.00	1,004,062.50	1,000,000.00	2.500		2.500	1,179	12/23/2013
3133XWDX4	10-0016	Federal Home Loan Bank		01/05/2010	1,000,000.00	1,004,062.50	1,000,000.00	2.250		2.250	1,008	07/05/2013
3133XWMW6	10-0026	Federal Home Loan Bank		01/27/2010	1,000,000.00	1,025,937.50	1,000,000.00	2.375		2.375	1,214	01/27/2014
3133XWM22	10-0032	Federal Home Loan Bank		01/22/2010	1,000,000.00	1,012,812.50	1,000,000.00	2.200		2.200	1,025	07/22/2013
3133XX3T2	10-0046	Federal Home Loan Bank		02/26/2010	2,000,000.00	2,005,625.00	2,000,000.00	2.150		2.150	1,152	11/26/2013

Pool Month End Reports
Portfolio Management
Portfolio Details - Investments
September 30, 2010

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM	Days to Maturity	Maturity Date
Federal Agency - Callable												
3133XX3P0	10-0050	Federal Home Loan Bank		02/25/2010	2,000,000.00	2,013,750.00	2,000,000.00	2.100		2.100	1,151	11/25/2013
3133XXED5	10-0051	Federal Home Loan Bank		03/17/2010	2,000,000.00	2,015,000.00	2,000,000.00	2.000		2.000	1,082	09/17/2013
313370YV4	11-0005	Federal Home Loan Bank		09/30/2010	1,000,000.00	997,527.78	997,527.78	1.900		1.953	1,825	09/30/2015
3128X7SV7	08-0119	Federal Home Loan Mort Corp		05/23/2008	1,000,000.00	1,004,660.00	999,288.18	3.700		4.002	784	11/23/2012
3128X8ER9	09-0045	Federal Home Loan Mort Corp		01/20/2009	2,000,000.00	2,012,660.00	2,000,000.00	2.375		2.375	658	07/20/2012
3128X8B84	09-0084	Federal Home Loan Mort Corp		05/13/2009	1,000,000.00	1,011,875.00	999,691.67	2.400		2.426	955	05/13/2013
3128X9SW1	10-0033	Federal Home Loan Mort Corp		01/25/2010	1,000,000.00	1,004,540.00	1,000,000.00	2.000		2.000	847	01/25/2013
3128X9WX4	10-0034	Federal Home Loan Mort Corp		02/08/2010	1,000,000.00	1,005,000.00	1,000,000.00	2.000		2.000	950	05/08/2013
3128X9WX4	10-0035	Federal Home Loan Mort Corp		02/08/2010	1,000,000.00	1,005,000.00	1,000,000.00	2.000		2.000	950	05/08/2013
3128X9XR6	10-0040	Federal Home Loan Mort Corp		02/23/2010	2,000,000.00	2,011,320.00	2,000,000.00	2.125		2.125	1,057	08/23/2013
3128X9ZK9	10-0045	Federal Home Loan Mort Corp		02/25/2010	2,000,000.00	2,009,500.00	1,999,680.00	1.800		1.814	878	02/25/2013
3128X92J8	10-0062	Federal Home Loan Mort Corp		04/07/2010	2,000,000.00	2,012,200.00	1,999,225.00	2.125		2.147	1,102	10/07/2013
3134G1GX6	10-0094	Federal Home Loan Mort Corp		06/30/2010	1,000,000.00	1,011,960.00	1,000,000.00	2.050		2.050	1,368	06/30/2014
3134G1HX5	10-0095	Federal Home Loan Mort Corp		06/30/2010	1,000,000.00	1,012,420.00	1,000,000.00	2.100		2.100	1,368	06/30/2014
3134G1JD7	10-0096	Federal Home Loan Mort Corp		06/30/2010	1,000,000.00	1,009,280.00	1,000,000.00	2.150		2.150	1,368	06/30/2014
3136F92J1	09-0037	Federal National Mortgage Assc		12/29/2008	1,000,000.00	1,003,125.00	999,963.33	2.000		2.010	454	12/29/2011
3136F94H3	09-0047	Federal National Mortgage Assc		01/28/2009	2,000,000.00	2,013,125.00	2,000,000.00	2.500		2.500	1,215	01/28/2014
3136FHCF0	09-0066	Federal National Mortgage Assc		02/26/2009	1,000,000.00	1,006,875.00	1,000,000.00	2.250		2.250	511	02/24/2012
3136FHCF0	09-0067	Federal National Mortgage Assc		02/26/2009	2,000,000.00	2,013,750.00	2,000,000.00	2.250		2.250	511	02/24/2012
3136FHJU0	09-0073	Federal National Mortgage Assc		04/29/2009	2,000,000.00	2,020,000.00	2,000,000.00	2.250		2.250	759	10/29/2012
31398AC26	10-0020	Federal National Mortgage Assc		01/06/2010	2,000,000.00	2,015,000.00	1,993,636.17	1.750		1.970	819	12/28/2012
3136FJ4C2	10-0039	Federal National Mortgage Assc		02/23/2010	2,000,000.00	2,033,125.00	2,000,000.00	2.000		2.000	1,057	08/23/2013
31398AK35	10-0057	Federal National Mortgage Assc		03/25/2010	1,000,000.00	1,005,625.00	1,000,000.00	1.850		1.850	906	03/25/2013
3136FMHT4	10-0063	Federal National Mortgage Assc		04/15/2010	2,000,000.00	2,001,250.00	2,000,000.00	2.000		2.042	1,018	07/15/2013
3136FMNX8	10-0066	Federal National Mortgage Assc		04/29/2010	1,000,000.00	1,007,812.50	999,344.44	2.000		2.048	1,032	07/29/2013
31398AQ54	10-0067	Federal National Mortgage Assc		05/06/2010	1,000,000.00	1,007,500.00	999,552.08	1.875		1.901	948	05/06/2013
3136FMPH1	10-0068	Federal National Mortgage Assc		05/14/2010	1,000,000.00	1,012,500.00	997,761.11	2.050		2.139	1,140	11/14/2013
3136FMPH1	10-0069	Federal National Mortgage Assc		05/14/2010	1,000,000.00	1,012,500.00	998,507.41	2.050		2.110	1,140	11/14/2013
31398AS45	10-0072	Federal National Mortgage Assc		05/24/2010	1,000,000.00	1,008,437.50	1,000,000.00	2.000		2.000	997	06/24/2013
31398AS37	10-0073	Federal National Mortgage Assc		05/25/2010	1,000,000.00	1,004,062.50	1,000,000.00	1.300		1.300	602	05/25/2012
3136FMVV3	10-0084	Federal National Mortgage Assc		06/14/2010	1,000,000.00	1,010,312.50	1,000,000.00	2.000		2.000	1,260	03/14/2014
3136FMVV3	10-0085	Federal National Mortgage Assc		06/14/2010	2,000,000.00	2,020,625.00	2,000,000.00	2.000		2.000	1,260	03/14/2014
3136FMXM1	10-0090	Federal National Mortgage Assc		06/16/2010	1,000,000.00	1,007,500.00	998,229.17	2.050		2.116	1,354	06/16/2014
3136FMG65	11-0002	Federal National Mortgage Assc		07/15/2010	1,000,000.00	1,011,875.00	1,000,000.00	2.000		2.000	1,383	07/15/2014
		Subtotal and Average	**72,670,437.52**		**71,020,000.00**	**71,535,586.53**	**71,002,406.34**			**2.168**	**1,058**	

Pool Month End Reports
Portfolio Management
Portfolio Details - Investments
September 30, 2010

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM	Days to Maturity	Maturity Date
Federal Agency Callable - Step Up												
3133XWTX7	10-0041	Federal Home Loan Bank		02/24/2010	2,000,000.00	2,055,625.00	2,000,000.00	2.000		2.000	1,607	02/24/2015
3133XXGX9	10-0052	Federal Home Loan Bank		03/16/2010	1,000,000.00	1,004,062.50	1,000,000.00	1.250		1.250	1,627	03/16/2015
3134G1FQ2	10-0091	Federal Home Loan Mort Corp		06/24/2010	1,000,000.00	1,003,430.00	1,000,000.00	2.000		2.000	1,727	06/24/2015
3136FMJN5	10-0060	Federal National Mortgage Assc		04/12/2010	1,000,000.00	1,003,437.50	1,000,000.00	1.100		1.100	924	04/12/2013
3136FMRJ5	10-0071	Federal National Mortgage Assc		05/26/2010	1,000,000.00	1,003,125.00	1,000,000.00	2.500		2.500	1,698	05/26/2015
3136FMUX0	10-0081	Federal National Mortgage Assc		06/03/2010	1,000,000.00	1,002,187.50	1,000,000.00	2.000		2.000	1,706	06/03/2015
3136FMXY5	10-0088	Federal National Mortgage Assc		06/15/2010	1,000,000.00	1,008,125.00	1,000,000.00	2.000		2.000	1,718	06/15/2015
3136FMYF5	10-0089	Federal National Mortgage Assc		06/15/2010	1,000,000.00	1,008,125.00	1,000,000.00	2.000		2.000	1,718	06/15/2015
3136FMZV9	10-0093	Federal National Mortgage Assc		06/23/2010	1,000,000.00	1,001,875.00	1,000,000.00	1.500		1.500	1,361	06/23/2014
3136FMG99	11-0001	Federal National Mortgage Assc		07/13/2010	1,000,000.00	1,003,437.50	1,000,000.00	2.000		2.000	1,746	07/13/2015
3136FMM50	11-0003	Federal National Mortgage Assc		07/07/2010	2,000,000.00	2,007,500.00	2,000,000.00	2.000		2.000	1,740	07/07/2015
3136FMM50	11-0004	Federal National Mortgage Assc		07/07/2010	1,000,000.00	1,003,750.00	1,000,000.00	2.000		2.000	1,740	07/07/2015
		Subtotal and Average	**14,000,000.00**		**14,000,000.00**	**14,104,680.00**	**14,000,000.00**			**1.882**	**1,619**	
		Total and Average	**146,373,998.01**		**144,305,000.00**	**145,445,780.79**	**144,296,201.87**			**1.775**	**723**	

TREASURER'S REPORT

INVESTMENT TRANSACTIONS

07/01/10 Through 09/30/10

Oceanside Quarterly Report
Purchases Report
Sorted by Fund - Fund
July 1, 2010 - September 30, 2010

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
Investment Clearing													
3136FMM50	11-0003	102	MC1	FNMA	2,000,000.00	07/07/2010	01/07 - 07/07	2,000,000.00		2.000	07/07/2015	2.585	2,000,000.00
3136FMM50	11-0004	102	MC1	FNMA	1,000,000.00	07/07/2010	01/07 - 07/07	1,000,000.00		2.000	07/07/2015	2.585	1,000,000.00
3136FMG99	11-0001	102	MC1	FNMA	1,000,000.00	07/13/2010	01/13 - 07/13	1,000,000.00		2.000	07/13/2015	2.796	1,000,000.00
313370YV4	11-0005	102	FAC	FHLB	1,000,000.00	09/30/2010	03/30 - 09/30	997,500.00		1.900	09/30/2015	1.953	997,527.78
				Subtotal	**5,000,000.00**			**4,997,500.00**	**0.00**				**4,997,527.78**
			Total Purchases		**5,000,000.00**			**4,997,500.00**	**0.00**				**4,997,527.78**

Oceanside Quarterly Report
Sales/Call Report
Sorted by Maturity Date - Fund
July 1, 2010 - September 30, 2010

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
01/27/2012												
3136F94M2	09-0049		FNMA FAC	01/27/2009	07/27/2010 01/27/2012	2,000,000.00	2.000	2,000,000.00	2,000,000.00	20,000.00	2,020,000.00 Call	20,000.00
					Subtotal	**2,000,000.00**		**2,000,000.00**	**2,000,000.00**	**20,000.00**	**2,020,000.00**	**20,000.00**
05/25/2012												
3134G1DX9	10-0074	102	FHLMC FAC	05/25/2010	08/25/2010 05/25/2012	1,000,000.00	1.000V	1,000,000.00	1,000,000.00	2,500.00	1,002,500.00 Call	2,500.00
					Subtotal	**1,000,000.00**		**1,000,000.00**	**1,000,000.00**	**2,500.00**	**1,002,500.00**	**2,500.00**
07/19/2012												
3128X9SY7	10-0025		FHLMC FAC	01/19/2010	07/19/2010 07/19/2012	1,000,000.00	1.625	1,000,000.00	1,000,000.00	8,125.00	1,008,125.00 Call	8,125.00
					Subtotal	**1,000,000.00**		**1,000,000.00**	**1,000,000.00**	**8,125.00**	**1,008,125.00**	**8,125.00**
11/23/2012												
3133XWUG2	10-0037	102	FHLB FAC	02/23/2010	08/23/2010 11/23/2012	1,000,000.00	1.610	1,000,000.00	1,000,000.00	8,050.00	1,008,050.00 Call	8,050.00
					Subtotal	**1,000,000.00**		**1,000,000.00**	**1,000,000.00**	**8,050.00**	**1,008,050.00**	**8,050.00**
01/28/2013												
3128X9VE7	10-0027		FHLMC MC1	01/28/2010	07/28/2010 01/28/2013	1,000,000.00	1.000V	1,000,000.00	1,000,000.00	5,000.00	1,005,000.00 Call	5,000.00
					Subtotal	**1,000,000.00**		**1,000,000.00**	**1,000,000.00**	**5,000.00**	**1,005,000.00**	**5,000.00**
04/15/2013												
3128X93H1	10-0064		FHLMC FAC	04/15/2010	07/15/2010 04/15/2013	1,000,000.00	2.000	1,000,000.00	1,000,000.00	5,000.00	1,005,000.00 Call	5,000.00
					Subtotal	**1,000,000.00**		**1,000,000.00**	**1,000,000.00**	**5,000.00**	**1,005,000.00**	**5,000.00**
07/12/2013												
31331JBN2	10-0022		FFCB FAC	01/12/2010	07/12/2010 07/12/2013	1,000,000.00	2.350	1,000,000.00	1,000,000.00	11,750.00	1,011,750.00 Call	11,750.00
					Subtotal	**1,000,000.00**		**1,000,000.00**	**1,000,000.00**	**11,750.00**	**1,011,750.00**	**11,750.00**
09/16/2013												
31398AJ29	10-0053	102	FNMA FAC	03/16/2010	09/16/2010 09/16/2013	1,000,000.00	2.100	1,000,000.00	1,000,000.00	10,500.00	1,010,500.00 Call	10,500.00
					Subtotal	**1,000,000.00**		**1,000,000.00**	**1,000,000.00**	**10,500.00**	**1,010,500.00**	**10,500.00**

V - Security with variable rate change.

Data Updated: SET_QTR: 10/19/2010 14:44
Run Date: 10/19/2010 - 14:44

Portfolio POOL
NL! AP
SA (PRF_SA) 7.1.1
Report Ver. 7.3.2

Oceanside Quarterly Report
Sales/Call Report
July 1, 2010 - September 30, 2010

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
09/23/2013												
31331GS26	10-0008	102	FFCB FAC	09/23/2009	09/23/2010 09/23/2013	2,000,000.00	2.350	2,000,000.00	2,000,000.00	23,500.00	2,023,500.00 Call	23,500.00
					Subtotal	**2,000,000.00**		**2,000,000.00**	**2,000,000.00**	**23,500.00**	**2,023,500.00**	**23,500.00**
12/02/2013												
31331JPP2	10-0086	102	FFCB FAC	06/03/2010	09/02/2010 12/02/2013	1,000,000.00	2.000	1,000,000.00	1,000,000.00	5,000.00	1,005,000.00 Call	5,000.00
					Subtotal	**1,000,000.00**		**1,000,000.00**	**1,000,000.00**	**5,000.00**	**1,005,000.00**	**5,000.00**
12/17/2013												
3128X9M23	10-0056	102	FHLMC FAC	03/17/2010	09/17/2010 12/17/2013	1,000,000.00	2.200	1,000,000.00	1,000,000.00	11,000.00	1,011,000.00 Call	11,000.00
					Subtotal	**1,000,000.00**		**1,000,000.00**	**1,000,000.00**	**11,000.00**	**1,011,000.00**	**11,000.00**
01/06/2014												
3136FJA76	10-0015		FNMA FAC	01/06/2010	07/06/2010 01/06/2014	1,000,000.00	2.300	1,000,000.00	1,000,000.00	11,500.00	1,011,500.00 Call	11,500.00
					Subtotal	**1,000,000.00**		**1,000,000.00**	**1,000,000.00**	**11,500.00**	**1,011,500.00**	**11,500.00**
01/08/2014												
3133XWFN4	10-0028		FHLB FAC	01/20/2010	07/08/2010 01/08/2014	2,000,000.00	2.550	2,000,000.00	2,000,000.00	25,500.00	2,025,500.00 Call	25,500.00
					Subtotal	**2,000,000.00**		**2,000,000.00**	**2,000,000.00**	**25,500.00**	**2,025,500.00**	**25,500.00**
04/07/2014												
31331JJL8	10-0061		FFCB FAC	04/07/2010	07/07/2010 04/07/2014	2,000,000.00	2.450	1,999,500.00	2,000,000.00	12,250.00	2,012,250.00 Call	12,750.00
					Subtotal	**2,000,000.00**		**1,999,500.00**	**2,000,000.00**	**12,250.00**	**2,012,250.00**	**12,750.00**
06/02/2014												
31331JPS6	10-0080	102	FFCB FAC	06/02/2010	09/02/2010 06/02/2014	1,000,000.00	2.350	1,000,000.00	1,000,000.00	5,875.00	1,005,875.00 Call	5,875.00
31331JPS6	10-0087	102	FFCB FAC	06/07/2010	09/02/2010 06/02/2014	2,000,000.00	2.350	2,000,000.00	2,000,000.00	11,750.00	2,011,750.00 Call	11,750.00
					Subtotal	**3,000,000.00**		**3,000,000.00**	**3,000,000.00**	**17,625.00**	**3,017,625.00**	**17,625.00**
08/25/2014												
31398AYW6	10-0006		FNMA FAC	08/25/2009	08/25/2010 08/25/2014	1,000,000.00	3.500	1,000,000.00	1,000,000.00	17,500.00	1,017,500.00 Call	17,500.00
3133XWUS6	10-0038	102	FHLB MC1	02/25/2010	08/25/2010 08/25/2014	1,000,000.00	2.000V	1,000,000.00	1,000,000.00	10,000.00	1,010,000.00 Call	10,000.00
					Subtotal	**2,000,000.00**		**2,000,000.00**	**2,000,000.00**	**27,500.00**	**2,027,500.00**	**27,500.00**

V - Security with variable rate change.

Oceanside Quarterly Report
Sales/Call Report
July 1, 2010 - September 30, 2010

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
01/29/2015												
3128X9WC0	10-0031		FHLMC MC1	01/29/2010	07/29/2010 01/29/2015	2,000,000.00	2.500V	2,000,000.00	2,000,000.00	25,000.00	2,025,000.00 Call	25,000.00
					Subtotal	**2,000,000.00**		**2,000,000.00**	**2,000,000.00**	**25,000.00**	**2,025,000.00**	**25,000.00**
02/10/2015												
3133XWSY6	10-0036		FHLB MC1	02/10/2010	08/10/2010 02/10/2015	2,000,000.00	2.000V	2,000,000.00	2,000,000.00	20,000.00	2,020,000.00 Call	20,000.00
					Subtotal	**2,000,000.00**		**2,000,000.00**	**2,000,000.00**	**20,000.00**	**2,020,000.00**	**20,000.00**
02/26/2015												
3128X9XY1	10-0043	102	FHLMC MC1	02/26/2010	08/26/2010 02/26/2015	1,000,000.00	2.750V	1,000,000.00	1,000,000.00	13,750.00	1,013,750.00 Call	13,750.00
					Subtotal	**1,000,000.00**		**1,000,000.00**	**1,000,000.00**	**13,750.00**	**1,013,750.00**	**13,750.00**
					Total Sales	**28,000,000.00**		**27,999,500.00**	**28,000,000.00**	**263,550.00**	**28,263,550.00**	**264,050.00**

V - Security with variable rate change.

TREASURER'S REPORT

LAIF ACTIVITY
GRAPHS

As of September 30, 2010

Oceanside Quarterly Report
Cash/Checking Activity
July 1, 2010 - September 30, 2010

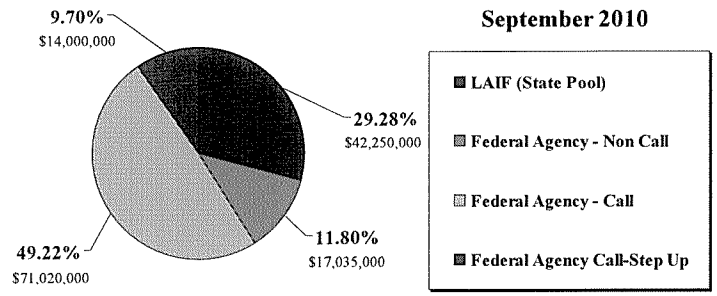
Issuer Investment #	Fund	Security ID	Current Rate	Transaction Date	Receipt	Deposits	Withdrawals	Interest Received	Balance
LAIF									
Local Agency Investment Fund									
18000		SYS18000							**23,750,000.00**
			0.528	07/01/2010					23,750,000.00
			0.528	07/02/2010			500,000.00		23,250,000.00
			0.528	07/08/2010		1,750,000.00			25,000,000.00
			0.528	07/13/2010		1,000,000.00			26,000,000.00
			0.528	07/14/2010			500,000.00		25,500,000.00
			0.528	07/15/2010			3,250,000.00		22,250,000.00
			0.528	07/15/2010				28,582.82	22,250,000.00
			0.528	07/16/2010			2,250,000.00		20,000,000.00
			0.528	07/19/2010		1,000,000.00			21,000,000.00
			0.528	07/26/2010			1,250,000.00		19,750,000.00
			0.528	07/27/2010		2,500,000.00			22,250,000.00
			0.528	07/28/2010		1,250,000.00			23,500,000.00
			0.528	07/30/2010			4,500,000.00		19,000,000.00
			0.531	07/31/2010					19,000,000.00
			0.531	08/03/2010		750,000.00			19,750,000.00
			0.531	08/10/2010		3,000,000.00			22,750,000.00
			0.531	08/16/2010			2,250,000.00		20,500,000.00
			0.531	08/23/2010		1,500,000.00			22,000,000.00
			0.531	08/25/2010		5,500,000.00			27,500,000.00
			0.531	08/26/2010			1,000,000.00		26,500,000.00
			0.531	08/27/2010			2,250,000.00		24,250,000.00
			0.531	08/30/2010			750,000.00		23,500,000.00
			0.531	08/31/2010			4,750,000.00		18,750,000.00
			0.513	08/31/2010					18,750,000.00
			0.513	09/01/2010		1,250,000.00			20,000,000.00
			0.513	09/02/2010		5,000,000.00			25,000,000.00
			0.513	09/08/2010		1,750,000.00			26,750,000.00
			0.513	09/10/2010			1,250,000.00		25,500,000.00
			0.513	09/15/2010			2,250,000.00		23,250,000.00
			0.513	09/16/2010		1,000,000.00			24,250,000.00
			0.513	09/20/2010		750,000.00			25,000,000.00
			0.513	09/23/2010		1,250,000.00			26,250,000.00
			0.513	09/30/2010			1,500,000.00		24,750,000.00
			0.500	09/30/2010					24,750,000.00

Oceanside Quarterly Report
Cash/Checking Activity
July 1, 2010 - September 30, 2010

Issuer Investment #	Fund	Security ID	Current Rate	Transaction Date	Receipt	Deposits	Withdrawals	Interest Received	Balance
Subtotal and Ending Balance			**0.500**			**29,250,000.00**	**28,250,000.00**	**28,582.82**	**24,750,000.00**
18001		SYS18001							**17,500,000.00**
			0.528	07/01/2010					17,500,000.00
			0.528	07/15/2010				19,554.26	17,500,000.00
			0.531	07/31/2010					17,500,000.00
			0.513	08/31/2010					17,500,000.00
			0.500	09/30/2010					17,500,000.00
Subtotal and Ending Balance			**0.500**			**0.00**	**0.00**	**19,554.26**	**17,500,000.00**
				Total		**29,250,000.00**	**28,250,000.00**	**48,137.08**	**42,250,000.00**

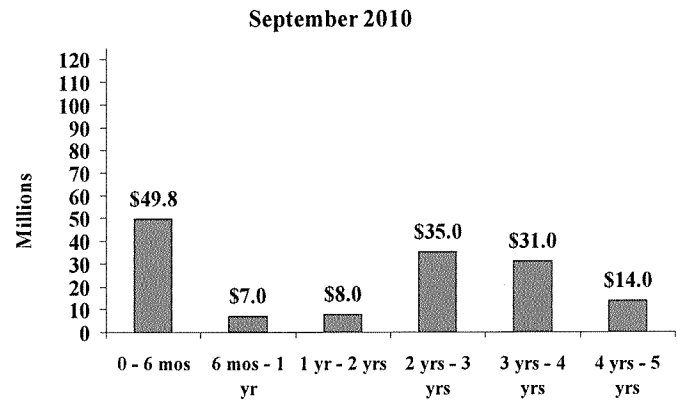
CITY OF OCEANSIDE
INVESTMENT PORTFOLIO SUMMARY GRAPHS

BREAKDOWN OF INVENTORY BY TYPE



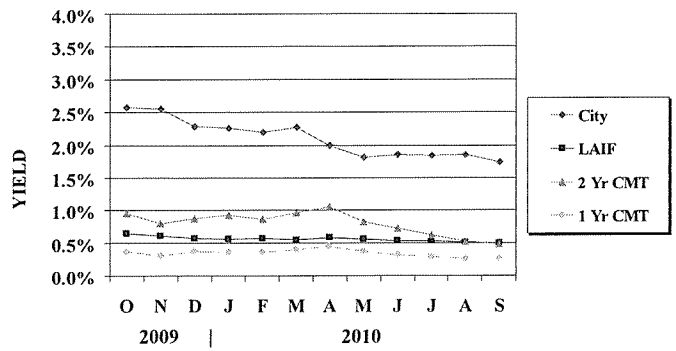
GRAPH 1

AGING OF MATURING INVESTMENTS



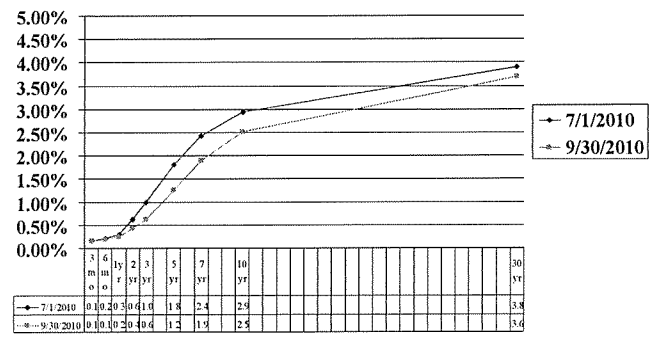
GRAPH 2

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



GRAPH 3

HISTORICAL YIELD CURVE COMPARISON
7/1/10 to 9/30/10



	3 mo	6 mo	1yr	2 yr	3 yr	5 yr	7 yr	10 yr	30 yr
7/1/2010	0.10	0.20	0.30	0.61	1.0	1.8	2.4	2.9	3.8
9/30/2010	0.10	0.10	0.20	0.40	0.6	1.2	1.9	2.5	3.6

GRAPH 4

TREASURER'S REPORT

BOND FUNDS -
2003 REDEVELOPMENT TAX ALLOCATION BONDS
FUNDS HELD BY OUTSIDE MANAGEMENT

As of September 30, 2010

2003 Escrow Tax Allocation
Portfolio Management
Portfolio Summary
September 30, 2010

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 365 Equiv.
Managed Pool Accounts	14,446,000.00	14,473,661.92	14,446,000.00	100.00	1	1	0.500
Investments	**14,446,000.00**	**14,473,661.92**	**14,446,000.00**	**100.00%**	**1**	**1**	**0.500**

Total Earnings	September 30 Month Ending	Fiscal Year To Date
Current Year	6,085.12	18,661.04
Average Daily Balance	**14,446,000.00**	**14,446,000.00**
Effective Rate of Return	**0.51%**	**0.51%**

Gary Felien, Commission Treasurer

Reporting period 09/01/2010-09/30/2010

Run Date: 10/26/2010 - 12:16

Portfolio 03TA
AP
PM (PRF_PM1) 7.3.0
Report Ver. 7.3.2

2003 Escrow Tax Allocation
Portfolio Management
Portfolio Details - Investments
September 30, 2010

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Managed Pool Accounts												
SYS18002-TA	18002-TA	State of CA LAIF			14,446,000.00	14,473,661.92	14,446,000.00	0.500	0.493	0.500	1	
		Subtotal and Average	**14,446,000.00**		**14,446,000.00**	**14,473,661.92**	**14,446,000.00**		**0.493**	**0.500**	**1**	
		Total and Average	**14,446,000.00**		**14,446,000.00**	**14,473,661.92**	**14,446,000.00**		**0.493**	**0.500**	**1**	

Month End Reports
Cash/Checking Activity
July 1, 2010 - September 30, 2010

Issuer Investment #	Fund	Security ID	Current Rate	Transaction Date	Receipt	Deposits	Withdrawals	Interest Received	Balance
Managed Pool Accounts									
State of CA LAIF									
18002-TA	03 TA	SYS18002-TA							**14,446,000.00**
			0.528	07/01/2010					14,446,000.00
			0.528	07/15/2010				20,031.76	14,446,000.00
			0.531	07/31/2010					14,446,000.00
			0.513	08/31/2010					14,446,000.00
			0.500	09/30/2010					14,446,000.00
Subtotal and Ending Balance			**0.500**			**0.00**	**0.00**	**20,031.76**	**14,446,000.00**
				Total		**0.00**	**0.00**	**20,031.76**	**14,446,000.00**

CITY OF OCEANSIDE
FUNDS MANAGED BY OUTSIDE PARTIES
AS OF SEPTEMBER 30, 2010

TYPE OF FUND/INSTITUTION	MARKET VALUE	INSTITUTION TOTAL
BOND FUNDS		
Bank of New York		
1998 Water Revenue Refunding Bonds	866,989.54	
2002 Tax Allocation Bonds	2,980,157.73	
2002 Community Facilities District Bonds - Ocean Ranch Corporate Centre	2,432,753.74	
2002 Community Facilities District Bonds - Morro Hills Development	4,095,239.45	
2003 Refunding Certificates of Participation - Series A	2,636,779.19	
2004 Community Facilities District Bonds - Morro Hills Development Imp#1	723,301.90	
2004 Community Facilities District Bonds - Morro Hills Development	943,897.15	
2004 Refunding Tax Allocation Bonds	1,432,646.60	
2005 Pension Obligation Bonds	1,012,958.59	
2008 Community Facilities District Bonds-Pacific Coast Business Park	937,554.00	
2008 Revenue Refunding Bonds	936,621.92	
TOTAL FUNDS MANAGED BY OUTSIDE PARTIES	**$ 18,062,277.89**	