ITEM NO. 10

STAFF REPORT

CITY OF OCEANSIDE

DATE: March 7, 2007

TO: Honorable Mayor and City Councilmembers

FROM: Rosemary R. Jones, City Treasurer

SUBJECT: **PRESENTATION OF TREASURER'S REPORT – QUARTER ENDED DECEMBER 31, 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 September 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 DECEMBER 31, 2006

For the quarter ended December 31, 2006, the City's portfolio had a book value of $230,369,602.54 (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 4.454%, which has generated fiscal year accrued earnings of $4,647,462.02.

The following table provides a comparison of the portfolio for the quarter ended December 31, 2006, to the prior two quarters, September and June 2006.

City of Oceanside
Portfolio Comparison
December 31, 2006, September 30, 2006, and June 30, 2006

	Dec 31, 2006	Sept 30, 2006	June 30, 2006
Book Value	$230,369,602.54	$222,183,674.81	$237,084,305.99
Market Value	$229,345,547.20	$220,856,098.02	$234,206,082.39
Unrealized Gains/(Losses)	$ (1,024,055.34)	$ (1,327,576.79)	$ (2,878,223.60)
Average YTM	4.454%	4.05%	3.671%
Liquidity 0 – 6 months	32.41%	41.03%	37.51%
Average DTM	474 (1.30 years)	375 (1.03 years)	365 (1 year)
Quarterly Earnings	$2,379,681.22	$2,267,780.80	$2,007,271.87
Qrtly Capital Gains/(Losses)	$ 9,031.67	$ 3,736.66	$ 1,884.29

The average weighted yield to maturity of the portfolio maturity increased 40 basis points (4.454% vs. 4.05%) as low yielding securities have been maturing and are replaced by securities yielding above 5%. Interest earnings have also been increasing significantly over previous reporting periods. The increase is directly correlated to the increase in yield to maturity: the higher the portfolio is yielding, the greater the income to the City.

Bond prices finished the quarter about 15 basis points (.15%) lower as economic indicators showed renewed signs of moderate growth. The Federal Reserve Board (the Fed) kept interest rates unchanged at both the October 25 and December 12 Federal Open Market Committee (FOMC) meetings held during that quarter. The market had already priced in the expectation that the Federal Reserve Board would lower interest rates during the first quarter of the 2007 calendar year. With economic indicators coming in stronger than expected, they reversed that expectation causing yields to increase (decline in price).

The Federal Reserve Board continues to be "data dependent" when considering the future direction of monetary policy. Their major concern is keeping inflation contained, keeping a watchful eye on indicators that still show signs of potential higher inflation. Although the housing market has cooled, the Federal Reserve Board is still concerned that high energy prices as well as job and wage growth have a potential to increase inflation. The expectation is that the Federal Reserve Board will continue to hold rates steady for the first half of calendar 2007.

FISCAL IMPACT

Fiscal year accrued earnings to date totaled $4,647,462, an increase of $1,765,936 from the same quarter the prior year (December 2005). Of the $4.6 million in overall earnings, $1,253,792 was earned by the General Fund.

COMMISSION/COMMITTEE REPORT

The Investment Oversight Committee reviewed the quarter end report for December 31, 2006 at its February 13, 2007, 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 – December 31, 2006

CITY OF OCEANSIDE

TREASURER'S REPORT

For Quarter Ended
December 31, 2006

CITY OF OCEANSIDE
OFFICE OF THE CITY TREASURER

TO: CITY COUNCIL
CITY MANAGER

DATE: January 31, 2007

SUBJECT: INVESTMENT REPORT FOR THE QUARTER ENDED DECEMBER 31, 2006

Market commentary for quarter ended December 31, 2006

The Federal Reserve Board continued to hold the Fed Funds rate at 5.25% at all three of the Federal Open Market Committee meetings held during the quarter (September 20, October 25 and December 12, 2006). While economic data was showing a possible slowdown of the economy on the horizon, especially with a cooling housing market, The Fed stated that high fuel prices and high labor costs were of enough an inflation risk concern to continue to hold rates steady. Bond prices ended the quarter lower (interest rates higher), with the two-year Treasury note at 4.81% on December 31, 2006 compared to 4.64% on September 30, 2006.

For quarter ended December 31, 2006, portfolio statistics are as follows:

• Portfolio Book Value	$230,369,602.54
• Portfolio Market Value	$229,345,547.20
• Unrealized Loss	$(1,024,055.34)
• Average Yield-to-Maturity	4.454%
• Liquidity (0 – 6-months)	32.41%
• Average Days to Maturity	474 (1.3 years)
• Fiscal Year-to-Date Earnings	$4,647,462.02
• Year-to-Date Capital Gains/(Losses)	$12,768.33

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 LRJ
ROSEMARY R. JONES, CCMT
CITY TREASURER

CITY OF OCEANSIDE
PORTFOLIO SUMMARY
FOR QUARTER ENDED DECEMBER 31, 2006

INVESTMENT TYPE	FACE VALUE	BOOK VALUE	MARKET VALUE	YIELD TO MATURITY	AVERAGE DAYS TO MATURITY	PERCENT OF PORTFOLIO
Quarter Ended December 31, 2005						
LAIF	$ 16,250,000.00	$ 16,250,000.00	$ 16,240,971.94	5.129%	1	7.05%
Treasury Securities - Coupon	6,000,000.00	5,994,445.56	5,976,640.00	4.208%	375	2.60%
Federal Agency Non - Callable	109,455,000.00	108,963,961.03	108,204,897.20	3.797%	340	47.30%
Federal Agency - Callable	86,800,000.00	86,784,007.55	86,542,638.06	5.050%	796	37.67%
Federal Agency - Discount Notes	12,500,000.00	12,377,188.40	12,380,400.00	5.288%	69	5.37%
Total Investments	$ 231,005,000.00	$ 230,369,602.54	$ 229,345,547.20	4.454%	474	100.00%
Unrealized Gain/(Loss) (Market Value - Book Value)			(1,024,055.34)			
Plus Accrued Interest			$ 2,083,678.25			
Portfolio Liquidation Unrealized Gain/(Loss)			$ 1,059,622.91			

Prior Period Comparisons

	FACE VALUE	BOOK VALUE	MARKET VALUE	YIELD TO MATURITY	AVERAGE DAYS TO MATURITY
Quarter Ended September 30, 2006					
Investment Totals	$ 223,005,000.00	$ 222,183,674.81	$ 220,856,098.02	4.050%	375
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		
Quarter and Year Ended December 31, 2005					
Investment Totals	$ 216,450,000.00	$ 216,272,459.89	$ 212,996,710.02	2.889%	321
Unrealized Gain/(Loss) (Market Value - Book Value)			(3,275,749.87)		
Plus Accrued Interest			1,273,268.53		
Portfolio Liquidation Unrealized Gain/(Loss)			$ (2,002,481.34)		

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 December 31, 2006

Oceanside Quarterly Report
Portfolio Management
Portfolio Details - Investments
December 31, 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			7,000,000.00	6,996,110.99	7,000,000.00	5.129		5.129	1	
SYS18001	18001	Local Agency Investment Fund			9,250,000.00	9,244,860.95	9,250,000.00	5.129		5.129	1	
		Subtotal and Average	**17,000,000.00**		**16,250,000.00**	**16,240,971.94**	**16,250,000.00**			**5.129**	**1**	
Treasury Securities - Coupon												
912828DJ6	05-0032	U.S. Treasury Note		02/18/2005	2,000,000.00	1,997,100.00	1,999,565.48	3.125		3.400	30	01/31/2007
912828EU0	06-0019	U.S. Treasury Note		02/02/2006	1,000,000.00	993,400.00	998,770.71	4.375		4.495	395	01/31/2008
912828EU0	06-0020	U.S. Treasury Note		02/10/2006	1,000,000.00	993,400.00	997,171.22	4.375		4.651	395	01/31/2008
912828FZ8	07-0047	U.S. Treasury Note		12/11/2006	2,000,000.00	1,992,740.00	1,998,938.15	4.625		4.654	699	11/30/2008
		Subtotal and Average	**5,349,245.16**		**6,000,000.00**	**5,976,640.00**	**5,994,445.56**			**4.208**	**375**	
Federal Agency - Non Callable												
3128X1NN3	04-0093	Federal Home Loan Mort Corp		03/11/2004	1,935,000.00	1,935,000.00	1,935,000.00	2.050		2.205	1	01/02/2007
31339XTT1	04-0002	Federal Home Loan Bank		07/09/2003	1,000,000.00	999,375.00	1,000,000.00	2.250		2.250	8	01/09/2007
31331QZ75	04-0010	Federal Farm Credit Bank		07/16/2003	1,000,000.00	998,750.00	1,000,000.00	2.250		2.325	15	01/16/2007
3136F3L46	04-0086	Federal National Mortgage Assc		02/27/2004	1,375,000.00	1,373,281.25	1,375,000.00	2.180		2.435	15	01/16/2007
3133XBKW4	05-0035	Federal Home Loan Bank		04/26/2005	1,000,000.00	999,375.00	1,000,000.00	4.000		4.003	25	01/26/2007
3128X1SV0	04-0008	Federal Home Loan Mort Corp		07/29/2003	1,000,000.00	998,060.00	1,000,000.00	2.580		2.580	28	01/29/2007
31339YR53	04-0012	Federal Home Loan Bank		07/30/2003	1,000,000.00	997,812.50	1,000,000.00	2.415		2.415	29	01/30/2007
31339YNY4	04-0013	Federal Home Loan Bank		07/30/2003	1,000,000.00	997,812.50	1,000,000.00	2.370		2.393	29	01/30/2007
3128X1VW4	04-0020	Federal Home Loan Mort Corp		07/30/2003	2,000,000.00	1,996,250.00	2,000,000.00	2.750		2.750	29	01/30/2007
3136F3W28	04-0016	Federal National Mortgage Assc		07/30/2003	1,000,000.00	997,812.50	1,000,000.00	2.500		2.500	29	01/30/2007
3136F36F8	04-0026	Federal National Mortgage Assc		08/12/2003	1,000,000.00	997,500.00	1,000,000.00	3.010		3.010	42	02/12/2007
31331TTN1	04-0122	Federal Farm Credit Bank		04/27/2004	1,440,000.00	1,434,150.00	1,439,101.81	2.550		2.969	57	02/27/2007
3136F5DG3	04-0084	Federal National Mortgage Assc		02/27/2004	1,500,000.00	1,493,906.25	1,500,000.00	2.500		2.641	57	02/27/2007
3128X4HQ7	06-0014	Federal Home Loan Mort Corp		01/20/2006	2,000,000.00	1,997,060.00	1,998,711.06	4.250		4.670	58	02/28/2007
3136F5FW6	04-0087	Federal National Mortgage Assc		03/08/2004	1,000,000.00	995,312.50	1,000,000.00	2.500		2.622	66	03/08/2007
3136F6CP2	05-0013	Federal National Mortgage Assc		10/20/2004	2,000,000.00	1,991,875.00	2,000,000.00	3.100		3.126	72	03/14/2007
3128X3XZ1	05-0009	Federal Home Loan Mort Corp		09/30/2004	1,000,000.00	994,900.00	1,000,000.00	3.000		3.157	86	03/28/2007
3128X22W4	04-0100	Federal Home Loan Mort Corp		03/29/2004	1,000,000.00	993,430.00	1,000,000.00	2.400		2.465	87	03/29/2007
3128X1QG5	03-0101	Federal Home Loan Mort Corp		06/30/2003	1,000,000.00	993,380.00	1,000,000.00	2.380		2.380	88	03/30/2007
3133XB5Z4	05-0037	Federal Home Loan Bank		05/16/2005	1,000,000.00	996,875.00	999,891.84	4.000		4.041	94	04/05/2007
31339XWS9	04-0003	Federal Home Loan Bank		07/10/2003	1,000,000.00	992,812.50	1,000,000.00	2.375		2.375	99	04/10/2007
3136F5PV7	04-0109	Federal National Mortgage Assc		04/19/2004	1,000,000.00	993,125.00	1,000,000.00	2.820		2.820	108	04/19/2007
3136F5RC7	04-0117	Federal National Mortgage Assc		04/26/2004	1,000,000.00	992,812.50	1,000,000.00	2.875		3.023	115	04/26/2007
31339YM74	04-0007	Federal Home Loan Bank		07/30/2003	1,000,000.00	991,562.50	1,000,000.00	2.500		2.500	119	04/30/2007
3128X1AT4	03-0080	Federal Home Loan Mort Corp		05/14/2003	1,000,000.00	993,190.00	1,000,000.00	3.250		3.250	133	05/14/2007
3133XBQ65	05-0036	Federal Home Loan Bank		05/13/2005	1,000,000.00	995,312.50	1,000,000.00	4.000		4.000	134	05/15/2007

Oceanside Quarterly Report
Portfolio Management
Portfolio Details - Investments
December 31, 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												
3128X3EL3	04-0123	Federal Home Loan Mort Corp		05/17/2004	1,000,000.00	993,230.00	1,000,000.00	3.300		3.311	136	05/17/2007
3136F5VB4	04-0116	Federal National Mortgage Assc		05/18/2004	1,000,000.00	992,187.50	1,000,000.00	3.150		3.150	137	05/18/2007
3136F5VB4	04-0126	Federal National Mortgage Assc		05/18/2004	1,000,000.00	992,187.50	1,000,000.00	3.150		3.399	137	05/18/2007
3133X9EZ9	05-0016	Federal Home Loan Bank		12/01/2004	1,000,000.00	992,187.50	1,000,000.00	3.250		3.250	151	06/01/2007
3133X9KJ8	05-0020	Federal Home Loan Bank		12/08/2004	1,000,000.00	992,812.50	1,000,000.00	3.460		3.460	158	06/08/2007
3133XBXU4	05-0038	Federal Home Loan Bank		06/13/2005	1,000,000.00	994,375.00	999,859.38	4.000		4.033	163	06/13/2007
3133XBXU4	05-0039	Federal Home Loan Bank		06/13/2005	2,000,000.00	1,988,750.00	2,000,000.00	4.000		4.000	163	06/13/2007
31331SHS5	05-0022	Federal Farm Credit Bank		12/29/2004	1,000,000.00	991,875.00	1,000,000.00	3.550		3.550	179	06/29/2007
3133XC7E7	05-0041	Federal Home Loan Bank		06/29/2005	1,000,000.00	994,062.50	1,000,000.00	4.000		4.000	179	06/29/2007
31331SKG7	05-0024	Federal Farm Credit Bank		01/13/2005	1,000,000.00	990,937.50	1,000,000.00	3.500		3.500	193	07/13/2007
31331VR32	07-0005	Federal Farm Credit Bank		07/19/2006	1,000,000.00	1,001,250.00	1,000,000.00	5.500		5.500	199	07/19/2007
31331Q7K7	04-0025	Federal Farm Credit Bank		08/13/2003	1,000,000.00	988,437.50	1,000,000.00	3.300		3.300	224	08/13/2007
3133X9HT0	05-0021	Federal Home Loan Bank		11/30/2004	1,000,000.00	988,437.50	1,000,000.00	3.450		3.475	241	08/30/2007
3136F6BF5	05-0004	Federal National Mortgage Assc		09/07/2004	1,000,000.00	987,500.00	1,000,000.00	3.375		3.441	249	09/07/2007
3136F6BF5	05-0017	Federal National Mortgage Assc		11/09/2004	1,000,000.00	987,500.00	1,000,000.00	3.375		3.479	249	09/07/2007
3133X8FQ0	05-0003	Federal Home Loan Bank		09/14/2004	2,000,000.00	1,974,375.00	2,000,000.00	3.350		3.350	256	09/14/2007
31331TYF2	04-0091	Federal Farm Credit Bank		03/10/2004	2,000,000.00	1,964,375.00	1,999,013.99	2.625		2.699	259	09/17/2007
3128X36R9	05-0040	Federal Home Loan Mort Corp		06/13/2005	1,000,000.00	990,625.00	999,899.89	4.050		4.062	266	09/24/2007
31359MK51	06-0028	Federal National Mortgage Assc		03/31/2006	1,000,000.00	999,687.50	1,000,000.00	5.200		5.211	270	09/28/2007
3136F5NF4	04-0105	Federal National Mortgage Assc		04/05/2004	2,000,000.00	1,961,875.00	2,000,000.00	2.670		2.670	277	10/05/2007
31331TAD3	04-0097	Federal Farm Credit Bank		04/15/2004	1,000,000.00	979,687.50	1,000,000.00	2.590		2.590	287	10/15/2007
31331XBD3	07-0035	Federal Farm Credit Bank		10/19/2006	2,000,000.00	1,998,125.00	2,000,000.00	5.125		5.125	291	10/19/2007
31331TYR6	04-0101	Federal Farm Credit Bank		04/22/2004	1,900,000.00	1,860,812.50	1,900,000.00	2.610		2.616	294	10/22/2007
3136F5RK9	05-0011	Federal National Mortgage Assc		10/04/2004	1,000,000.00	983,125.00	1,000,000.00	3.125		3.424	298	10/26/2007
3136F6JE0	05-0012	Federal National Mortgage Assc		11/01/2004	2,000,000.00	1,968,750.00	2,000,000.00	3.300		3.335	304	11/01/2007
3133XDTW1	06-0018	Federal Home Loan Bank		02/03/2006	1,000,000.00	997,187.50	1,000,000.00	4.900		4.960	324	11/21/2007
3133X8LT7	05-0006	Federal Home Loan Bank		09/28/2004	1,000,000.00	983,750.00	1,000,000.00	3.510		3.511	361	12/28/2007
31331SNN9	07-0018	Federal Farm Credit Bank		09/07/2006	1,000,000.00	984,375.00	985,365.85	3.625		5.141	368	01/04/2008
31359ME82	06-0030	Federal National Mortgage Assc		03/31/2006	1,250,000.00	1,245,703.13	1,249,799.11	4.875		5.139	375	01/11/2008
31359MQP1	05-0005	Federal National Mortgage Assc		09/07/2004	1,000,000.00	982,500.00	1,000,000.00	3.500		3.624	392	01/28/2008
31331SDW0	05-0015	Federal Farm Credit Bank		11/01/2004	1,000,000.00	978,437.50	1,000,000.00	3.125		3.126	396	02/01/2008
3128X0L31	05-0010	Federal Home Loan Mort Corp		09/30/2004	1,000,000.00	977,500.00	1,000,000.00	3.250		3.475	420	02/25/2008
3133XETW9	06-0025	Federal Home Loan Bank		03/07/2006	1,000,000.00	999,062.50	999,076.41	5.100		5.183	430	03/06/2008
3133XAT56	06-0034	Federal Home Loan Bank		04/13/2006	1,000,000.00	986,562.50	986,636.68	4.000		5.190	434	03/10/2008
3128X3XX6	05-0008	Federal Home Loan Mort Corp		09/21/2004	2,000,000.00	1,960,900.00	2,000,000.00	3.500		3.500	448	03/24/2008
3128X36X6	06-0036	Federal Home Loan Mort Corp		04/17/2006	1,000,000.00	988,010.00	988,388.20	4.250		5.245	452	03/28/2008
3128X03N7	05-0007	Federal Home Loan Mort Corp		09/16/2004	2,000,000.00	1,959,375.00	2,000,000.00	3.500		3.560	456	04/01/2008
3128X3D91	05-0014	Federal Home Loan Mort Corp		10/25/2004	3,000,000.00	2,940,600.00	3,000,000.00	3.560		3.560	480	04/25/2008
3133XDPD7	06-0046	Federal Home Loan Bank		05/05/2006	1,000,000.00	995,625.00	994,264.23	4.800		5.257	487	05/02/2008

Oceanside Quarterly Report
Portfolio Management
Portfolio Details - Investments
December 31, 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												
31331SCZ4	06-0040	Federal Farm Credit Bank		04/20/2006	1,000,000.00	979,062.50	979,014.02	3.500		5.150	494	05/09/2008
3136F3D94	04-0102	Federal National Mortgage Assc		03/30/2004	1,000,000.00	966,562.50	998,253.94	2.800		2.924	547	07/01/2008
3133XCFC2	06-0035	Federal Home Loan Bank		04/13/2006	1,000,000.00	986,875.00	985,463.33	4.200		5.205	564	07/18/2008
31339YVV1	06-0016	Federal Home Loan Bank		01/23/2006	2,250,000.00	2,193,046.88	2,208,804.45	3.375		4.635	567	07/21/2008
3133X0LJ6	06-0011	Federal Home Loan Bank		01/19/2006	2,000,000.00	1,959,375.00	1,974,382.20	3.750		4.595	592	08/15/2008
3133X0EP0	06-0009	Federal Home Loan Bank		01/12/2006	1,000,000.00	979,687.50	985,770.46	3.780		4.705	602	08/25/2008
3133XCSA2	06-0008	Federal Home Loan Bank		01/12/2006	1,000,000.00	986,875.00	992,820.75	4.250		4.701	620	09/12/2008
31359MTF0	06-0051	Federal National Mortgage Assc		05/10/2006	2,000,000.00	1,957,500.00	1,952,086.20	3.750		5.259	623	09/15/2008
3133XCZS5	06-0012	Federal Home Loan Bank		01/19/2006	2,000,000.00	1,973,125.00	1,988,899.95	4.250		4.590	634	09/26/2008
3133XCZS5	06-0013	Federal Home Loan Bank		01/20/2006	2,000,000.00	1,973,125.00	1,987,836.44	4.250		4.623	634	09/26/2008
31331VDG8	06-0017	Federal Farm Credit Bank		01/26/2006	2,000,000.00	1,983,750.00	1,998,166.44	4.580		4.632	658	10/20/2008
3128X16N2	06-0015	Federal Home Loan Mort Corp		01/23/2006	1,355,000.00	1,327,476.56	1,337,266.19	3.875		4.632	679	11/10/2008
31331TNK3	06-0027	Federal Farm Credit Bank		03/29/2006	1,000,000.00	973,437.50	976,112.94	3.700		5.016	716	12/17/2008
3128X2JY2	06-0039	Federal Home Loan Mort Corp		04/20/2006	1,000,000.00	994,940.00	992,209.60	4.750		5.170	729	12/30/2008
31331VW93	07-0014	Federal Farm Credit Bank		08/17/2006	1,000,000.00	1,001,875.00	1,000,000.00	5.125		5.125	778	02/17/2009
31331TB34	06-0043	Federal Farm Credit Bank		05/03/2006	2,000,000.00	1,913,125.00	1,906,227.09	2.950		5.225	819	03/30/2009
31331VYR1	06-0050	Federal Farm Credit Bank		05/10/2006	1,000,000.00	1,008,437.50	1,000,593.42	5.300		5.280	1,099	01/04/2010
3128X34V2	06-0061	Federal Home Loan Mort Corp		06/12/2006	1,000,000.00	976,680.00	970,636.52	4.240		5.279	1,148	02/22/2010
31331QF69	07-0022	Federal Farm Credit Bank		09/07/2006	1,450,000.00	1,401,515.63	1,398,678.30	3.875		5.044	1,222	05/07/2010
3133XBUL7	06-0060	Federal Home Loan Bank		06/12/2006	1,000,000.00	990,937.50	980,730.34	4.650		5.284	1,241	05/26/2010
		Subtotal and Average	**116,009,469.92**		**109,455,000.00**	**108,204,897.20**	**108,963,961.03**			**3.797**	**340**	
Federal Agency - Callable												
3133XA4B0	05-0026	Federal Home Loan Bank		01/10/2005	1,000,000.00	999,687.50	1,000,000.00	3.375		3.375	9	01/10/2007
3133X03W7	04-0018	Federal Home Loan Bank		08/18/2003	1,875,000.00	1,860,351.56	1,875,000.00	3.030		3.031	137	05/18/2007
3133XGM76	07-0013	Federal Home Loan Bank		08/16/2006	1,000,000.00	1,000,312.50	1,000,000.00	5.525		5.525	226	08/15/2007
3128X2E50	04-0085	Federal Home Loan Mort Corp		03/17/2004	2,000,000.00	1,970,380.00	2,000,000.00	3.100		3.100	259	09/17/2007
3128X2Q24	04-0092	Federal Home Loan Mort Corp		03/17/2004	1,000,000.00	985,530.00	1,000,000.00	3.150		3.150	259	09/17/2007
3128X2K95	04-0088	Federal Home Loan Mort Corp		03/18/2004	1,000,000.00	984,450.00	1,000,000.00	3.000		3.000	260	09/18/2007
3128X22Y0	04-0099	Federal Home Loan Mort Corp		04/05/2004	1,425,000.00	1,399,321.50	1,425,000.00	2.800		2.805	277	10/05/2007
3128X25L5	04-0106	Federal Home Loan Mort Corp		04/12/2004	1,250,000.00	1,226,937.50	1,250,000.00	2.800		2.831	284	10/12/2007
3128X25Y7	04-0107	Federal Home Loan Mort Corp		04/19/2004	1,000,000.00	982,040.00	1,000,000.00	2.920		2.920	291	10/19/2007
31359MH71	06-0033	Federal National Mortgage Assc		04/13/2006	1,000,000.00	999,062.50	999,354.66	5.100		5.320	417	02/22/2008
3128X4M65	06-0029	Federal Home Loan Mort Corp		03/31/2006	1,000,000.00	997,450.00	999,624.23	5.125		5.244	422	02/27/2008
31359MG49	06-0031	Federal National Mortgage Assc		03/31/2006	1,250,000.00	1,246,875.00	1,249,355.83	5.000		5.165	422	02/27/2008
3128X4Q79	06-0026	Federal Home Loan Mort Corp		03/14/2006	1,000,000.00	998,460.00	999,588.10	5.100		5.208	438	03/14/2008
3136F7ZG5	06-0045	Federal National Mortgage Assc		05/08/2006	1,000,000.00	999,375.00	999,227.42	5.300		5.417	493	05/08/2008
3136F7ZG5	06-0048	Federal National Mortgage Assc		05/09/2006	1,000,000.00	999,375.00	999,225.26	5.300		5.417	493	05/08/2008

Oceanside Quarterly Report
Portfolio Management
Portfolio Details - Investments
December 31, 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												
3136F7ZH3	06-0049	Federal National Mortgage Assc		05/08/2006	1,000,000.00	999,375.00	1,000,000.00	5.350		5.350	493	05/08/2008
3128X47H8	07-0011	Federal Home Loan Mort Corp		08/15/2006	1,000,000.00	999,750.00	999,125.14	5.375		5.473	507	05/22/2008
3133XFSX5	06-0059	Federal Home Loan Bank		06/15/2006	1,000,000.00	1,000,312.50	1,000,000.00	5.500		5.500	529	06/13/2008
3128X5CQ9	06-0058	Federal Home Loan Mort Corp		06/13/2006	1,000,000.00	1,000,460.00	1,000,000.00	5.500		5.500	529	06/13/2008
3128X5CQ9	07-0010	Federal Home Loan Mort Corp		08/09/2006	1,000,000.00	1,000,460.00	999,914.74	5.500		5.505	529	06/13/2008
31331VS98	07-0006	Federal Farm Credit Bank		08/08/2006	1,000,000.00	1,000,312.50	1,000,000.00	5.550		5.550	585	08/08/2008
31331VS98	07-0007	Federal Farm Credit Bank		08/08/2006	1,000,000.00	1,000,312.50	1,000,000.00	5.550		5.550	585	08/08/2008
31359MY64	07-0041	Federal National Mortgage Assc		11/09/2006	2,000,000.00	1,993,750.00	1,997,649.38	5.125		5.200	641	10/03/2008
3128X4Z95	06-0042	Federal Home Loan Mort Corp		05/03/2006	1,000,000.00	998,090.00	999,459.71	5.350		5.424	658	10/20/2008
3128X5MP0	07-0036	Federal Home Loan Mort Corp		11/07/2006	1,000,000.00	998,520.00	1,000,000.00	5.250		5.250	676	11/07/2008
3133XHKV3	07-0037	Federal Home Loan Bank		11/14/2006	1,000,000.00	998,750.00	1,000,000.00	5.250		5.250	683	11/14/2008
3133XHY30	07-0050	Federal Home Loan Bank		12/14/2006	2,000,000.00	1,993,750.00	1,998,811.77	5.125		5.158	697	11/28/2008
3136F76K8	07-0040	Federal National Mortgage Assc		12/01/2006	2,000,000.00	1,998,125.00	2,000,000.00	5.300		5.300	700	12/01/2008
3128X5RE0	07-0046	Federal Home Loan Mort Corp		12/11/2006	2,000,000.00	1,997,420.00	2,000,000.00	5.250		5.250	710	12/11/2008
31359M2R3	07-0058	Federal National Mortgage Assc		12/21/2006	1,000,000.00	998,125.00	1,000,303.75	5.220		5.203	717	12/18/2008
3128X5TD0	07-0049	Federal Home Loan Mort Corp		12/26/2006	2,000,000.00	1,993,460.00	2,000,000.00	5.100		5.100	725	12/26/2008
3128X5TD0	07-0055	Federal Home Loan Mort Corp		12/26/2006	1,000,000.00	996,730.00	1,000,000.00	5.100		5.100	725	12/26/2008
3128X5UC0	07-0054	Federal Home Loan Mort Corp		12/29/2006	1,000,000.00	998,310.00	1,000,000.00	5.250		5.250	728	12/29/2008
31331VZ33	07-0012	Federal Farm Credit Bank		08/23/2006	2,000,000.00	2,000,000.00	2,000,000.00	5.500		5.500	784	02/23/2009
31331VZ33	07-0017	Federal Farm Credit Bank		08/30/2006	1,000,000.00	1,000,000.00	1,000,000.00	5.500		5.499	784	02/23/2009
31331V5Q5	07-0024	Federal Farm Credit Bank		10/03/2006	2,000,000.00	1,998,125.00	2,000,000.00	5.250		5.250	823	04/03/2009
31331V5Q5	07-0025	Federal Farm Credit Bank		10/03/2006	1,000,000.00	999,062.50	1,000,000.00	5.250		5.250	823	04/03/2009
31359ML35	07-0019	Federal National Mortgage Assc		09/07/2006	1,000,000.00	999,687.50	999,704.86	5.400		5.424	833	04/13/2009
3128X43R0	06-0037	Federal Home Loan Mort Corp		04/24/2006	1,000,000.00	999,700.00	999,705.57	5.500		5.534	844	04/24/2009
3128X43R0	06-0054	Federal Home Loan Mort Corp		05/18/2006	1,000,000.00	999,700.00	999,798.21	5.500		5.521	844	04/24/2009
31359MM75	06-0047	Federal National Mortgage Assc		05/05/2006	1,000,000.00	999,687.50	999,729.33	5.550		5.579	854	05/04/2009
3133XFJN7	06-0044	Federal Home Loan Bank		05/25/2006	1,000,000.00	999,375.00	1,000,000.00	5.375		5.375	876	05/26/2009
3136F76Z5	07-0045	Federal National Mortgage Assc		12/04/2006	1,000,000.00	997,187.50	1,000,000.00	5.200		5.200	885	06/04/2009
3133XFPC4	06-0063	Federal Home Loan Bank		06/13/2006	1,000,000.00	1,000,625.00	999,215.23	5.500		5.546	886	06/05/2009
3133XFPC4	06-0065	Federal Home Loan Bank		06/16/2006	1,000,000.00	1,000,625.00	997,436.60	5.500		5.650	886	06/05/2009
3133XGQV9	07-0021	Federal Home Loan Bank		09/15/2006	1,000,000.00	999,062.50	999,848.15	5.375		5.388	896	06/15/2009
31359MX24	07-0029	Federal National Mortgage Assc		10/02/2006	2,000,000.00	1,998,125.00	2,000,000.00	5.400		5.374	970	08/28/2009
3133XGSL9	07-0015	Federal Home Loan Bank		09/08/2006	1,000,000.00	997,812.50	1,000,000.00	5.260		5.260	982	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	984	09/11/2009
3133XGSX3	07-0020	Federal Home Loan Bank		09/11/2006	1,000,000.00	999,375.00	999,891.46	5.410		5.416	984	09/11/2009
3133XGSX3	07-0032	Federal Home Loan Bank		10/11/2006	1,000,000.00	999,375.00	1,000,000.00	5.410		5.408	984	09/11/2009
3133XHAZ5	07-0027	Federal Home Loan Bank		10/05/2006	2,000,000.00	1,994,375.00	2,000,000.00	5.250		5.250	1,008	10/05/2009
31331XAE2	07-0030	Federal Farm Credit Bank		10/13/2006	1,000,000.00	998,437.50	1,000,000.00	5.200		5.200	1,016	10/13/2009
3133XHFA5	07-0033	Federal Home Loan Bank		10/16/2006	1,000,000.00	995,937.50	998,387.50	5.000		5.065	1,019	10/16/2009

Oceanside Quarterly Report
Portfolio Management
Portfolio Details - Investments
December 31, 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												
3136F74Z7	07-0038	Federal National Mortgage Assc		11/07/2006	1,000,000.00	998,125.00	998,945.09	5.300		5.345	1,026	10/23/2009
31331XCZ3	07-0039	Federal Farm Credit Bank		11/13/2006	1,000,000.00	997,187.50	1,000,000.00	5.250		5.250	1,047	11/13/2009
3133XHQT2	07-0042	Federal Home Loan Bank		11/15/2006	1,000,000.00	998,125.00	1,000,000.00	5.300		5.300	1,050	11/16/2009
3128X5PT9	07-0043	Federal Home Loan Mort Corp		11/20/2006	2,000,000.00	1,995,937.50	2,000,000.00	5.250		5.250	1,054	11/20/2009
31359M2F9	07-0044	Federal National Mortgage Assc		11/27/2006	2,000,000.00	1,996,875.00	2,000,000.00	5.340		5.340	1,061	11/27/2009
31331XFH0	07-0057	Federal Farm Credit Bank		12/21/2006	1,000,000.00	996,250.00	999,705.56	5.150		5.161	1,078	12/14/2009
3128X5TU2	07-0051	Federal Home Loan Mort Corp		12/18/2006	1,000,000.00	995,320.00	1,000,000.00	5.050		5.050	1,082	12/18/2009
3128X5TU2	07-0053	Federal Home Loan Mort Corp		12/18/2006	1,000,000.00	995,320.00	1,000,000.00	5.050		5.050	1,082	12/18/2009
3133XFVX1	06-0062	Federal Home Loan Bank		06/21/2006	1,000,000.00	1,000,625.00	1,000,000.00	5.600		5.600	1,085	12/21/2009
31331V4T0	07-0023	Federal Farm Credit Bank		09/29/2006	2,000,000.00	1,999,375.00	2,000,000.00	5.400		5.400	1,183	03/29/2010
31331XAK8	07-0031	Federal Farm Credit Bank		10/16/2006	2,000,000.00	1,993,125.00	2,000,000.00	5.250		5.250	1,201	04/16/2010
31331V6R2	07-0026	Federal Farm Credit Bank		10/04/2006	1,000,000.00	998,437.50	1,000,000.00	5.250		5.250	1,372	10/04/2010
3128X5TQ1	07-0052	Federal Home Loan Mort Corp		12/28/2006	1,000,000.00	996,040.00	1,000,000.00	5.250		5.250	1,457	12/28/2010
31331XAA0	07-0028	Federal Farm Credit Bank		10/19/2006	2,000,000.00	1,993,125.00	2,000,000.00	5.375		5.375	1,752	10/19/2011
31331XBC5	07-0034	Federal Farm Credit Bank		10/19/2006	2,000,000.00	1,997,500.00	2,000,000.00	5.500		5.500	1,752	10/19/2011
		Subtotal and Average	**78,621,845.04**		**86,800,000.00**	**86,542,638.06**	**86,784,007.55**			**5.050**	**796**	
Federal Agency Disc. -Amortizing												
313588AK1	07-0048	Federal National Mortgage Assc		12/12/2006	1,250,000.00	1,248,750.00	1,248,396.88	5.130		5.151	9	01/10/2007
313588BY0	06-0032	Federal National Mortgage Assc		04/12/2006	2,000,000.00	1,987,400.00	1,987,477.78	4.900		5.143	46	02/16/2007
313588CL7	06-0038	Federal National Mortgage Assc		04/17/2006	1,000,000.00	992,000.00	992,073.33	4.920		5.167	58	02/28/2007
313588CN3	07-0003	Federal National Mortgage Assc		07/03/2006	2,000,000.00	1,983,600.00	1,982,500.00	5.250		5.517	60	03/02/2007
313588DC6	07-0004	Federal National Mortgage Assc		07/06/2006	2,000,000.00	1,979,600.00	1,978,252.22	5.290		5.562	74	03/16/2007
313588EG6	07-0056	Federal National Mortgage Assc		12/20/2006	3,250,000.00	3,203,850.00	3,202,945.41	5.110		5.194	102	04/13/2007
313396EL3	06-0041	Federal Home Loan Mort Corp		04/20/2006	1,000,000.00	985,200.00	985,542.78	4.910		5.171	106	04/17/2007
		Subtotal and Average	**9,952,076.89**		**12,500,000.00**	**12,380,400.00**	**12,377,188.40**			**5.288**	**69**	
		Total and Average	**226,932,637.02**		**231,005,000.00**	**229,345,547.20**	**230,369,602.54**			**4.454**	**474**	

Oceanside Quarterly Report
Portfolio Management
Portfolio Details - Cash
December 31, 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		43,373.38	43,373.38				0
				Subtotal		43,373.38	43,373.38				
	Total Cash and Investmentss		226,932,637.02		231,005,000.00	229,388,920.58	230,412,975.92			4.454	474

TREASURER'S REPORT

INVESTMENT TRANSACTIONS

10/01/06 Through 12/31/06

Oceanside Quarterly Report
Purchases Report
Sorted by Fund - Fund
October 1, 2006 - December 31, 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													
31359MX24	07-0029		FAC	FNMA	2,000,000.00	10/02/2006	02/28 - 08/28	2,000,000.00	10,200.00	5.400	08/28/2009	5.374	2,000,000.00
31331V5Q5	07-0024		FAC	FFCB	2,000,000.00	10/03/2006	04/03 - 10/03	2,000,000.00		5.250	04/03/2009	5.250	2,000,000.00
31331V5Q5	07-0025		FAC	FFCB	1,000,000.00	10/03/2006	04/03 - 10/03	1,000,000.00		5.250	04/03/2009	5.250	1,000,000.00
31331V6R2	07-0026		FAC	FFCB	1,000,000.00	10/04/2006	04/04 - 10/04	1,000,000.00		5.250	10/04/2010	5.250	1,000,000.00
3133XHAZ5	07-0027		FAC	FHLB	2,000,000.00	10/05/2006	04/05 - 10/05	2,000,000.00		5.250	10/05/2009	5.250	2,000,000.00
3133XGSX3	07-0032		FAC	FHLB	1,000,000.00	10/11/2006	03/11 - 09/11	1,000,000.00	4,508.33	5.410	09/11/2009	5.408	1,000,000.00
31331XAE2	07-0030		FAC	FFCB	1,000,000.00	10/13/2006	04/13 - 10/13	1,000,000.00		5.200	10/13/2009	5.200	1,000,000.00
31331XAK8	07-0031		FAC	FFCB	2,000,000.00	10/16/2006	04/16 - 10/16	2,000,000.00		5.250	04/16/2010	5.250	2,000,000.00
3133XHFA5	07-0033		FAC	FHLB	1,000,000.00	10/16/2006	04/16 - 10/16	998,200.00		5.000	10/16/2009	5.065	998,387.50
31331XAA0	07-0028		FAC	FFCB	2,000,000.00	10/19/2006	04/19 - 10/19	2,000,000.00		5.375	10/19/2011	5.375	2,000,000.00
31331XBC5	07-0034		FAC	FFCB	2,000,000.00	10/19/2006	04/19 - 10/19	2,000,000.00		5.500	10/19/2011	5.500	2,000,000.00
31331XBD3	07-0035		NCB	FFCB	2,000,000.00	10/19/2006	04/19 - 10/19	2,000,000.00		5.125	10/19/2007	5.125	2,000,000.00
3128X5MP0	07-0036		FAC	FHLMC	1,000,000.00	11/07/2006	05/07 - 11/07	1,000,000.00		5.250	11/07/2008	5.250	1,000,000.00
3136F74Z7	07-0038		FAC	FNMA	1,000,000.00	11/07/2006	04/23 - 10/23	998,750.00	2,061.11	5.300	10/23/2009	5.345	998,945.09
31359MY64	07-0041		FAC	FNMA	2,000,000.00	11/09/2006	04/03 - 10/03	1,997,200.00	10,250.00	5.125	10/03/2008	5.200	1,997,649.38
31331XCZ3	07-0039		FAC	FFCB	1,000,000.00	11/13/2006	05/13 - 11/13	1,000,000.00		5.250	11/13/2009	5.250	1,000,000.00
3133XHKV3	07-0037		FAC	FHLB	1,000,000.00	11/14/2006	05/14 - 11/14	1,000,000.00		5.250	11/14/2008	5.250	1,000,000.00
3133XHQT2	07-0042		FAC	FHLB	1,000,000.00	11/15/2006	05/16 - 11/16	1,000,000.00		5.300	11/16/2009	5.300	1,000,000.00
3128X5PT9	07-0043		FAC	FHLMC	2,000,000.00	11/20/2006	05/20 - 11/20	2,000,000.00		5.250	11/20/2009	5.250	2,000,000.00
31359M2F9	07-0044		FAC	FNMA	2,000,000.00	11/27/2006	05/27 - 11/27	2,000,000.00		5.340	11/27/2009	5.340	2,000,000.00
3136F76K8	07-0040		FAC	FNMA	2,000,000.00	12/01/2006	06/01 - 12/01	2,000,000.00		5.300	12/01/2008	5.300	2,000,000.00
3136F76Z5	07-0045		FAC	FNMA	1,000,000.00	12/04/2006	06/04 - 12/04	1,000,000.00		5.200	06/04/2009	5.200	1,000,000.00
3128X5RE0	07-0046		FAC	FHLMC	2,000,000.00	12/11/2006	06/11 - 12/11	2,000,000.00		5.250	12/11/2008	5.250	2,000,000.00
912828FZ8	07-0047		TRC	TN	2,000,000.00	12/11/2006	05/31 - 11/30	1,998,906.25	2,795.33	4.625	11/30/2008	4.654	1,998,938.15
313588AK1	07-0048		AFD	FNMA	1,250,000.00	12/12/2006	01/10 - At Maturity	1,244,834.38		5.130	01/10/2007	5.151	1,248,396.88
3133XHY30	07-0050		FAC	FHLB	2,000,000.00	12/14/2006	05/28 - 11/28	1,998,750.00	4,555.56	5.125	11/28/2008	5.158	1,998,811.77
3128X5TU2	07-0051		FAC	FHLMC	1,000,000.00	12/18/2006	06/18 - 12/18	1,000,000.00		5.050	12/18/2009	5.050	1,000,000.00
3128X5TU2	07-0053		FAC	FHLMC	1,000,000.00	12/18/2006	06/18 - 12/18	1,000,000.00		5.050	12/18/2009	5.050	1,000,000.00
313588EG6	07-0056		AFD	FNMA	3,250,000.00	12/20/2006	04/13 - At Maturity	3,197,409.58		5.110	04/13/2007	5.194	3,202,945.41
31331XFH0	07-0057		FAC	FFCB	1,000,000.00	12/21/2006	06/14 - 12/14	999,687.50	1,001.39	5.150	12/14/2009	5.161	999,705.56
31359M2R3	07-0058		FAC	FNMA	1,000,000.00	12/21/2006	06/18 - 12/18	1,000,312.50	435.00	5.220	12/18/2008	5.203	1,000,303.75
3128X5TD0	07-0049		FAC	FHLMC	2,000,000.00	12/26/2006	06/26 - 12/26	2,000,000.00		5.100	12/26/2008	5.100	2,000,000.00
3128X5TD0	07-0055		FAC	FHLMC	1,000,000.00	12/26/2006	06/26 - 12/26	1,000,000.00		5.100	12/26/2008	5.100	1,000,000.00
3128X5TQ1	07-0052		FAC	FHLMC	1,000,000.00	12/28/2006	06/28 - 12/28	1,000,000.00		5.250	12/28/2010	5.250	1,000,000.00

Oceanside Quarterly Report
Purchases Report
October 1, 2006 - December 31, 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													
3128X5UC0	07-0054		FAC	FHLMC	1,000,000.00	12/29/2006	06/29 - 12/29	1,000,000.00		5.250	12/29/2008	5.250	1,000,000.00
				Subtotal	**52,500,000.00**			**52,434,050.21**	**35,806.72**				**52,444,083.49**
Managed Pool Deposits					**Deposit Amount**	**Deposit Date**		**Deposit Amount**		**Rate**			
SYS18000	18000		LA1	LAIF	3,250,000.00	10/06/2006		3,250,000.00		4.700			
SYS18000	18000		LA1	LAIF	750,000.00	10/11/2006		750,000.00		4.700			
SYS18000	18000		LA1	LAIF	1,000,000.00	10/24/2006		1,000,000.00		4.700			
SYS18000	18000		LA1	LAIF	1,250,000.00	10/27/2006		1,250,000.00		4.700			
SYS18000	18000		LA1	LAIF	1,750,000.00	11/01/2006		1,750,000.00		4.700			
SYS18000	18000		LA1	LAIF	2,000,000.00	11/02/2006		2,000,000.00		4.700			
SYS18000	18000		LA1	LAIF	1,000,000.00	11/06/2006		1,000,000.00		4.700			
SYS18000	18000		LA1	LAIF	500,000.00	11/13/2006		500,000.00		4.700			
SYS18000	18000		LA1	LAIF	1,750,000.00	11/27/2006		1,750,000.00		4.700			
SYS18000	18000		LA1	LAIF	2,250,000.00	12/04/2006		2,250,000.00		4.700			
SYS18000	18000		LA1	LAIF	2,250,000.00	12/05/2006		2,250,000.00		4.700			
SYS18000	18000		LA1	LAIF	7,000,000.00	12/13/2006		7,000,000.00		4.700			
SYS18001	18001		LA1	LAIF	7,500,000.00	12/13/2006		7,500,000.00		4.700			
				Subtotal	**32,250,000.00**			**32,250,000.00**					
		Total Purchases and Deposits			**84,750,000.00**			**84,684,050.21**	**35,806.72**				**52,444,083.49**

Oceanside Quarterly Report
Maturity Report
Sorted by Maturity Date
Receipts during October 1, 2006 - December 31, 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
313385J56	06-0024		AFD	FHLB	1,500,000.00	10/06/2006	03/01/2006		1,500,000.00	0.00	1,500,000.00	0.00
3133X5CM8	04-0098		NCB	FHLB	1,000,000.00	10/12/2006	04/12/2004	2.140	1,000,000.00	10,700.00	1,010,700.00	10,700.00
31331SMC4	05-0031		NCB	FFCB	1,000,000.00	10/18/2006	01/27/2005	3.250	1,000,000.00	16,250.00	1,016,250.00	16,250.00
31331TGE5	04-0050		NCB	FFCB	1,000,000.00	10/27/2006	10/27/2003	2.660	1,000,000.00	13,300.00	1,013,300.00	13,300.00
31331TGE5	04-0052		NCB	FFCB	1,000,000.00	10/27/2006	10/27/2003	2.660	1,000,000.00	13,300.00	1,013,300.00	13,300.00
3128X07M5	03-0076		NCB	FHLMC	1,000,000.00	11/06/2006	05/06/2003	3.050	1,000,000.00	15,250.00	1,015,250.00	15,250.00
3128X06F1	03-0075		NCB	FHLMC	1,500,000.00	11/07/2006	05/07/2003	3.050	1,500,000.00	22,875.00	1,522,875.00	22,875.00
3136F6HR3	05-0018		NCB	FNMA	1,000,000.00	11/09/2006	11/10/2004	3.000	1,000,000.00	15,000.00	1,015,000.00	15,000.00
31331TQQ7	04-0072		NCB	FFCB	1,950,000.00	11/13/2006	02/13/2004	2.520	1,950,000.00	12,285.00	1,962,285.00	12,285.00
3136F3TA4	04-0019		NCB	FNMA	2,000,000.00	11/13/2006	07/24/2003	2.800	2,000,000.00	28,000.00	2,028,000.00	28,000.00
3133X2B46	06-0010		NCB	FHLB	1,000,000.00	11/15/2006	01/13/2006	2.750	1,000,000.00	13,750.00	1,013,750.00	13,750.00
31331TMB4	04-0062		NCB	FFCB	2,000,000.00	11/24/2006	11/24/2003	2.700	2,000,000.00	27,000.00	2,027,000.00	27,000.00
31331TJ69	04-0121		NCB	FFCB	900,000.00	11/24/2006	05/24/2004	3.020	900,000.00	13,590.00	913,590.00	13,590.00
31331TMB4	05-0033		NCB	FFCB	1,000,000.00	11/24/2006	02/18/2005	2.700	1,000,000.00	13,500.00	1,013,500.00	13,500.00
31331TL82	04-0127		NCB	FFCB	1,000,000.00	11/29/2006	05/28/2004	3.040	1,000,000.00	15,200.00	1,015,200.00	15,200.00
31331SFW8	05-0019		NCB	FFCB	2,000,000.00	12/01/2006	12/01/2004	3.125	2,000,000.00	31,250.00	2,031,250.00	31,250.00
3128X1DE4	03-0082		NCB	FHLMC	1,000,000.00	12/04/2006	06/04/2003	2.500	1,000,000.00	12,500.00	1,012,500.00	12,500.00
3128X1GF8	03-0094		NCB	FHLMC	1,650,000.00	12/04/2006	06/04/2003	2.250	1,650,000.00	18,562.50	1,668,562.50	18,562.50
3128X1GF8	04-0113		NCB	FHLMC	1,000,000.00	12/04/2006	04/15/2004	2.250	1,000,000.00	11,250.00	1,011,250.00	11,250.00
3128X1GQ4	03-0095		NCB	FHLMC	1,000,000.00	12/11/2006	06/11/2003	2.450	1,000,000.00	12,250.00	1,012,250.00	12,250.00
31339X3N2	03-0087		NCB	FHLB	1,000,000.00	12/12/2006	06/12/2003	2.500	1,000,000.00	12,500.00	1,012,500.00	12,500.00
3128X1JT5	04-0081		NCB	FHLMC	1,500,000.00	12/13/2006	02/05/2004	2.150	1,500,000.00	16,125.00	1,516,125.00	16,125.00
31339XK29	03-0093		NCB	FHLB	1,000,000.00	12/26/2006	06/26/2003	2.500	1,000,000.00	12,500.00	1,012,500.00	12,500.00
3128X1LY1	03-0098		NCB	FHLMC	2,000,000.00	12/26/2006	06/26/2003	2.300	2,000,000.00	23,000.00	2,023,000.00	23,000.00
31331TMN8	04-0066		NCB	FFCB	1,000,000.00	12/29/2006	12/29/2003	3.040	1,000,000.00	15,200.00	1,015,200.00	15,200.00
3136F3E44	03-0099		NCB	FNMA	1,000,000.00	12/29/2006	06/30/2003	2.150	1,000,000.00	10,750.00	1,010,750.00	10,750.00
3136F3G91	03-0100		NCB	FNMA	1,000,000.00	12/29/2006	06/30/2003	2.125	1,000,000.00	10,625.00	1,010,625.00	10,625.00
				Total Maturities	**34,000,000.00**				**34,000,000.00**	**416,512.50**	**34,416,512.50**	**416,512.50**

Oceanside Quarterly Report
Sales/Call Report
Sorted by Fund - Fund
October 1, 2006 - December 31, 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												
3128X5AH1	06-0052		FHLMC FAC	06/08/2006	10/05/2006 06/08/2010	1,000,000.00	6.000	1,000,000.00	1,000,000.00	19,500.00	1,019,500.00 Sale	19,500.00
31331SM75	06-0022		FFCB NCB	02/17/2006	12/05/2006 01/05/2009	1,500,000.00	3.950	1,470,769.51	1,476,705.00	24,687.50	1,501,392.50 Sale	30,622.99
31359MTQ6	06-0023		FNMA NCB	02/17/2006	12/05/2006 11/17/2008	1,000,000.00	3.875	980,563.82	983,660.00	1,937.50	985,597.50 Sale	5,033.68
					Subtotal	**3,500,000.00**		**3,451,333.33**	**3,460,365.00**	**46,125.00**	**3,506,490.00**	**55,156.67**

Managed Pool Withdrawals					Withdrawal Date	Withdrawal Amount	Current Rate		Withdrawal Amount		Withdrawal Amount
SYS18000	18000		LAIF	07/01/2006	10/02/2006	2,000,000.00	5.129		2,000,000.00		2,000,000.00
SYS18001	18001		LAIF	07/01/2006	10/03/2006	3,000,000.00	5.129		3,000,000.00		3,000,000.00
SYS18000	18000		LAIF	07/01/2006	10/04/2006	750,000.00	5.129		750,000.00		750,000.00
SYS18000	18000		LAIF	07/01/2006	10/05/2006	500,000.00	5.129		500,000.00		500,000.00
SYS18000	18000		LAIF	07/01/2006	10/13/2006	1,500,000.00	5.129		1,500,000.00		1,500,000.00
SYS18000	18000		LAIF	07/01/2006	10/16/2006	5,250,000.00	5.129		5,250,000.00		5,250,000.00
SYS18001	18001		LAIF	07/01/2006	10/19/2006	2,500,000.00	5.129		2,500,000.00		2,500,000.00
SYS18000	18000		LAIF	07/01/2006	10/31/2006	3,500,000.00	5.129		3,500,000.00		3,500,000.00
SYS18000	18000		LAIF	07/01/2006	11/07/2006	500,000.00	5.129		500,000.00		500,000.00
SYS18000	18000		LAIF	07/01/2006	11/09/2006	1,000,000.00	5.129		1,000,000.00		1,000,000.00
SYS18000	18000		LAIF	07/01/2006	11/14/2006	500,000.00	5.129		500,000.00		500,000.00
SYS18000	18000		LAIF	07/01/2006	11/15/2006	250,000.00	5.129		250,000.00		250,000.00
SYS18000	18000		LAIF	07/01/2006	11/20/2006	2,250,000.00	5.129		2,250,000.00		2,250,000.00
SYS18000	18000		LAIF	07/01/2006	11/22/2006	1,500,000.00	5.129		1,500,000.00		1,500,000.00
SYS18000	18000		LAIF	07/01/2006	12/08/2006	750,000.00	5.129		750,000.00		750,000.00
SYS18000	18000		LAIF	07/01/2006	12/11/2006	3,750,000.00	5.129		3,750,000.00		3,750,000.00
SYS18000	18000		LAIF	07/01/2006	12/14/2006	2,750,000.00	5.129		2,750,000.00		2,750,000.00
SYS18000	18000		LAIF	07/01/2006	12/15/2006	1,500,000.00	5.129		1,500,000.00		1,500,000.00
SYS18001	18001		LAIF	07/01/2006	12/18/2006	2,000,000.00	5.129		2,000,000.00		2,000,000.00
SYS18000	18000		LAIF	07/01/2006	12/21/2006	1,500,000.00	5.129		1,500,000.00		1,500,000.00
SYS18000	18000		LAIF	07/01/2006	12/22/2006	750,000.00	5.129		750,000.00		750,000.00
SYS18000	18000		LAIF	07/01/2006	12/28/2006	1,250,000.00	5.129		1,250,000.00		1,250,000.00
					Subtotal	**39,250,000.00**			**39,250,000.00**		**39,250,000.00**

Oceanside Quarterly Report
Sales/Call Report
October 1, 2006 - December 31, 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
			Total Sales and Withdrawals			42,750,000.00		3,451,333.33	42,710,365.00	46,125.00	42,756,490.00	55,156.67

TREASURER'S REPORT

LAIF ACTIVITY
GRAPHS

As of December 31, 2006

Oceanside Quarterly Report
Cash/Checking Activity
October 1, 2006 - December 31, 2006

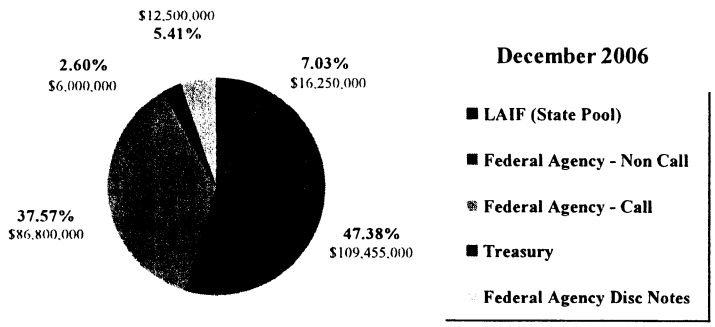
Issuer Investment #	Fund	Security ID	Transaction Date	Receipt	Deposits	Withdrawals	Interest Received	Balance
LAIF								
Local Agency Investment Fund								
18000		SYS18000						**14,000,000.00**
			10/02/2006			2,000,000.00		12,000,000.00
			10/04/2006			750,000.00		11,250,000.00
			10/05/2006			500,000.00		10,750,000.00
			10/06/2006		3,250,000.00			14,000,000.00
			10/11/2006		750,000.00			14,750,000.00
			10/13/2006			1,500,000.00		13,250,000.00
			10/13/2006				215,165.29	13,250,000.00
			10/16/2006			5,250,000.00		8,000,000.00
			10/24/2006		1,000,000.00			9,000,000.00
			10/27/2006		1,250,000.00			10,250,000.00
			10/31/2006			3,500,000.00		6,750,000.00
			10/31/2006					6,750,000.00
			11/01/2006		1,750,000.00			8,500,000.00
			11/02/2006		2,000,000.00			10,500,000.00
			11/06/2006		1,000,000.00			11,500,000.00
			11/07/2006			500,000.00		11,000,000.00
			11/09/2006			1,000,000.00		10,000,000.00
			11/13/2006		500,000.00			10,500,000.00
			11/14/2006			500,000.00		10,000,000.00
			11/15/2006			250,000.00		9,750,000.00
			11/20/2006			2,250,000.00		7,500,000.00
			11/22/2006			1,500,000.00		6,000,000.00
			11/27/2006		1,750,000.00			7,750,000.00
			11/30/2006					7,750,000.00
			12/04/2006		2,250,000.00			10,000,000.00
			12/05/2006		2,250,000.00			12,250,000.00
			12/08/2006			750,000.00		11,500,000.00
			12/11/2006			3,750,000.00		7,750,000.00
			12/13/2006		7,000,000.00			14,750,000.00
			12/14/2006			2,750,000.00		12,000,000.00
			12/15/2006			1,500,000.00		10,500,000.00
			12/21/2006			1,500,000.00		9,000,000.00
			12/22/2006			750,000.00		8,250,000.00
			12/28/2006			1,250,000.00		7,000,000.00
			12/29/2006					7,000,000.00

Oceanside Quarterly Report
Cash/Checking Activity
October 1, 2006 - December 31, 2006

Issuer Investment #	Fund	Security ID	Transaction Date	Receipt	Deposits	Withdrawals	Interest Received	Balance
Subtotal and Ending Balance					**24,750,000.00**	**31,750,000.00**	**215,165.29**	**7,000,000.00**
18001		SYS18001						**9,250,000.00**
			10/03/2006			3,000,000.00		6,250,000.00
			10/13/2006				71,508.04	6,250,000.00
			10/19/2006			2,500,000.00		3,750,000.00
			10/31/2006					3,750,000.00
			11/30/2006					3,750,000.00
			12/13/2006		7,500,000.00			11,250,000.00
			12/18/2006			2,000,000.00		9,250,000.00
			12/29/2006					9,250,000.00
Subtotal and Ending Balance					**7,500,000.00**	**7,500,000.00**	**71,508.04**	**9,250,000.00**
			Total		**32,250,000.00**	**39,250,000.00**	**286,673.33**	**16,250,000.00**

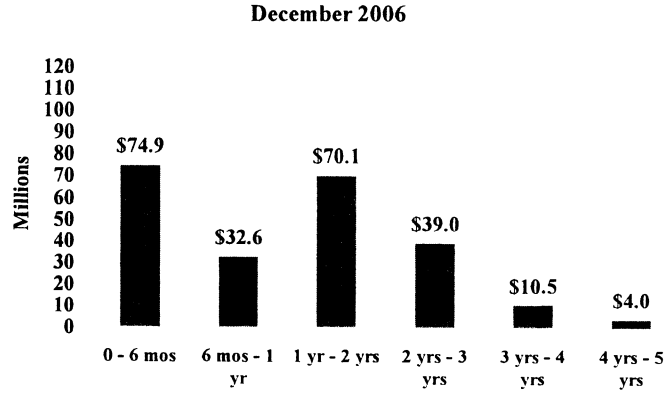
CITY OF OCEANSIDE
INVESTMENT PORTFOLIO SUMMARY GRAPHS

BREAKDOWN OF INVENTORY BY TYPE



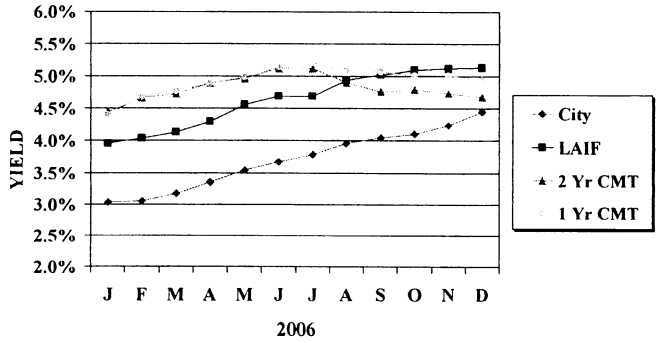
GRAPH 1

AGING OF MATURING INVESTMENTS



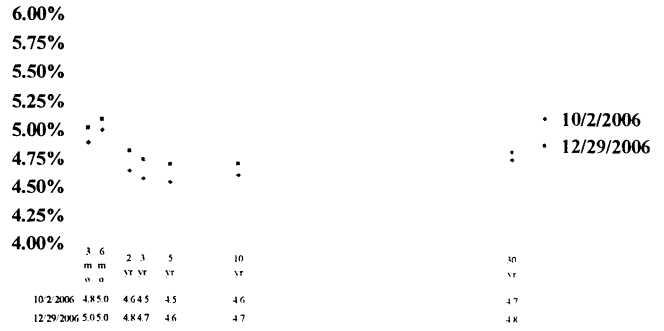
GRAPH 2

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



GRAPH 3

HISTORICAL YIELD CURVE COMPARISON
10/2/06 to 12/29/06



	3 mo	6 mo	2 yr	3 yr	5 yr	10 yr	30 yr
10/2/2006	4.8	5.0	4.6	4.5	4.5	4.6	4.7
12/29/2006	5.0	5.0	4.8	4.7	4.6	4.7	4.8

GRAPH 4

TREASURER'S REPORT

BOND FUNDS -
2002 REDEVELOPMENT TAX ALLOCATION BONDS
2003 REDEVELOPMENT TAX ALLOCATION BONDS
FUNDS HELD BY OUTSIDE MANAGEMENT

As of December 31, 2006

2002 Tax Allocation Bonds
Portfolio Management
Portfolio Summary
December 31, 2006

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM
Local Agency Investment Fund	466,000.00	465,741.10	466,000.00	100.00	1	1	5.129
Investments	**466,000.00**	**465,741.10**	**466,000.00**	**100.00%**	**1**	**1**	**5.129**

Total Earnings	**December 31 Period Ending**
Current Year	5,970.44
Average Daily Balance	**466,000.00**
Effective Rate of Return	**5.08%**

Rosemary R. Jones, CDC Treasurer

Reporting period 10/01/2006-12/31/2006

Run Date: 01/29/2007 - 13:47

No fiscal year history available

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

2002 Tax Allocation Bonds
Portfolio Management
Portfolio Details - Investments
December 31, 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	465,741.10	466,000.00	5.129		5.129	1	
		Subtotal and Average	**466,000.00**		**466,000.00**	**465,741.10**	**466,000.00**			**5.129**	**1**	
		Total and Average	**466,000.00**		**466,000.00**	**465,741.10**	**466,000.00**			**5.129**	**1**	

2002 Tax Allocation Bonds
Cash/Checking Activity
October 1, 2006 - December 31, 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**
			5.023	10/13/2006				5,787.06	466,000.00
			5.098	10/31/2006					466,000.00
			5.125	11/30/2006					466,000.00
			5.129	12/29/2006					466,000.00
Subtotal and Ending Balance			**5.129**			**0.00**	**0.00**	**5,787.06**	**466,000.00**
				Total		**0.00**	**0.00**	**5,787.06**	**466,000.00**

2003 Escrow Tax Allocation
Portfolio Management
Portfolio Summary
December 31, 2006

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Federal Agency Coupon Securities	3,490,000.00	3,481,798.50	3,481,050.04	24.77	136	94	5.152	5.224
Federal Agency Disc. -Amortizing	10,633,000.00	10,575,111.60	10,572,524.87	75.23	71	40	5.168	5.239
	14,123,000.00	**14,056,910.10**	**14,053,574.91**	**100.00%**	**87**	**53**	**5.164**	**5.235**
Investments								
Cash and Accrued Interest								
Accrued Interest at Purchase		18,540.63	18,540.63					
Subtotal		18,540.63	18,540.63					
Total Cash and Investments	**14,123,000.00**	**14,075,450.73**	**14,072,115.54**		**87**	**53**	**5.164**	**5.235**

Total Earnings	**December 31 Period Ending**
Current Year	142,649.68
Average Daily Balance	**10,918,166.56**
Effective Rate of Return	**5.18%**

Rosemary R. Jones, Commission Treasurer

Reporting period 10/01/2006-12/31/2006

Run Date: 01/29/2007 - 13:51

No fiscal year history available

Portfolio 03TA
AP
PM (PRF_PM1) SymRept 6.41.202a
Report Ver. 5.00

2003 Escrow Tax Allocation
Portfolio Management
Portfolio Details - Investments
December 31, 2006

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Federal Agency Coupon Securities												
3128X4QC8	03-TA06	Federal Home Loan Mtg Corp		11/20/2006	3,490,000.00	3,481,798.50	3,481,050.04	4.250		5.224	94	04/05/2007
		Subtotal and Average	**1,588,326.38**		**3,490,000.00**	**3,481,798.50**	**3,481,050.04**			**5.224**	**94**	
Federal Agency Disc. -Amortizing												
313588AM7	03-TA05	Federal National Mtg Assn		11/14/2006	5,568,000.00	5,560,761.60	5,559,289.17	5.120		5.235	11	01/12/2007
313588DA0	03-TA07	Federal National Mtg Assn		12/19/2006	5,065,000.00	5,014,350.00	5,013,235.70	5.110		5.244	72	03/14/2007
		Subtotal and Average	**9,329,840.18**		**10,633,000.00**	**10,575,111.60**	**10,572,524.87**			**5.239**	**40**	
		Total and Average	**10,918,166.56**		**14,123,000.00**	**14,056,910.10**	**14,053,574.91**			**5.235**	**53**	

2003 Escrow Tax Allocation
Portfolio Management
Portfolio Details - Cash
December 31, 2006

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity
		Average Balance	0.00	Accrued Interest at Purchase		18,540.63	18,540.63				0
				Subtotal		18,540.63	18,540.63				
	Total Cash and Investmentss		10,918,166.56		14,123,000.00	14,075,450.73	14,072,115.54			5.235	53

CITY OF OCEANSIDE
FUNDS MANAGED BY OUTSIDE PARTIES
AS OF DECEMBER 31, 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	38,294.62	
1998 Oceanside Certificates of Participation - Police & Library Facility	5,465.07	
1998 Water Revenue Refunding Bonds	1,665,162.77	
1998 Watereuse Variable Rate Demand Bonds	251,288.44	
2002 Tax Allocation Bonds	3,276,625.22	
2002 Community Facilities District Bonds - Ocean Ranch Corporate Centre	2,612,336.09	
2002 Community Facilities District Bonds - Morro Hills Development	9,044,760.40	
2003 Refunding Certificates of Participation - 93 Series A Bonds	2,200,509.70	
2003 Revenue Certificates of Participation - Wastewater System Bonds	53.57	
2003 Refunding Certificates of Participation - Water System Bonds	326,798.07	
2004 Community Facilities District Bonds - Morro Hills Development Imp#1	26,242.84	
2004 Community Facilities District Bonds - Morro Hills Development	1,076,850.93	
2004 Community Facilities District Bonds - Ocean Ranch Corporate Centre	0.04	
2004 Refunding Tax Allocation Bonds	1,943,755.90	
2005 Civic Center Refunding Certificates of Participation	458,462.72	
2005 Pension Obligation Bonds	1,101,307.68	
		24,027,914.06
Rabobank		
2003 Tax Allocation Bonds	365,138.72	
		$ 365,138.72
		$ 24,393,052.78