ITEM NO. 16

STAFF REPORT

CITY OF OCEANSIDE

DATE: September 13, 2006

TO: Honorable Mayor and City Councilmembers

FROM: Rosemary R. Jones, City Treasurer

SUBJECT: **PRESENTATION OF TREASURER'S REPORT – QUARTER AND YEAR ENDED JUNE 30, 2006**

SYNOPSIS

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

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 ended March 31, 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 AND YEAR ENDED JUNE 30, 2006

For the quarter and year ended June 30, 2006, the City's portfolio had a book value of $237,084,305.99 (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 3.671 percent, which has generated fiscal year accrued earnings of $6,581,791.95.

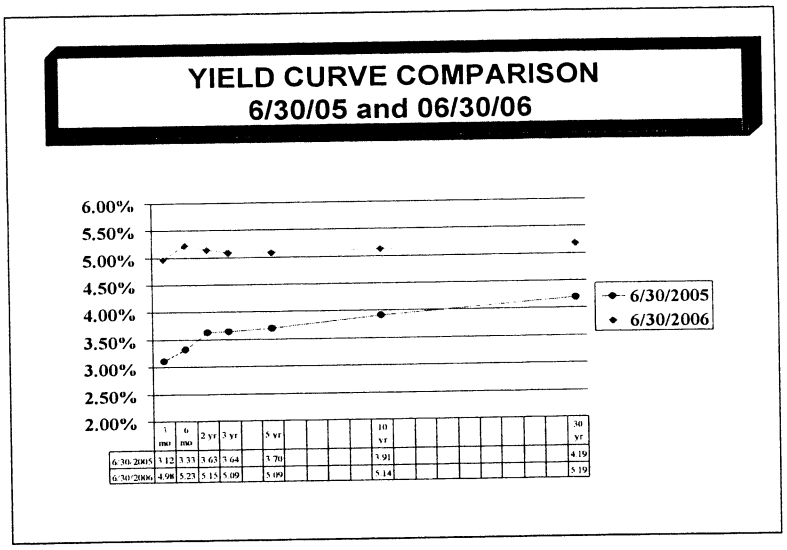
The following table provides a comparison of the portfolio for the quarter and year ended June 30, 2006, the previous quarter ended March 31, 2006, and prior quarter and year ended June 30, 2005.

City of Oceanside
Portfolio Comparison
June 30, 2006, March 31, 2006 and June 30, 2005

	June 30, 2006	Mar 31, 2006	June 30, 2005
Book Value	$237,084,305.99	$219,666,719.96	$229,466,292.32
Market Value	$234,206,082.39	$216,566,420.28	$226,680,068.81
Unrealized Gains/(Losses)	$ (2,878,223.60)	$ (3,100,299.68)	$ (2,786,223.51)
Average YTM	3.671%	3.178%	2.753%
Liquidity 0 – 6 months	37.51%	33.54%	16.08%
Average DTM	365 (1 year)	340 (0.94 years)	459 (1.26 years)
YTD Earnings	$6,581,791.95	$4,569,402.59	$5,747,823.22
YTD Capital Gains/(Losses)	$ 1,884.29	$ 0.00	$ 156.25

As can be seen, the portfolio has experienced significant change when compared to last fiscal year end. The average weighted yield to maturity has increased 91 basis points (3.671% at 6/30/06 vs. 2.753% at 6/30/05). Cash flow constraints during the first half of the fiscal year did not allow staff to participate in the market in order to take advantage of the rising interest rate environment. However, once cash flow improved, staff began to purchase securities yielding 4% to 5.5%, replacing maturing securities having yields of 1.5% to 2.5%. The portfolio also has 37% liquidity over the next six months, allowing for cash flow needs during the first quarter of the fiscal year when expenditures typically outpace revenues. Another item worth mentioning is the stability in unrealized losses. Despite the fact that interest rates have risen well above 100 basis points this past fiscal year (the 2-year Treasury note increased 152 basis points to 5.15% from 3.63%), the unrealized losses remained the same on a percentage basis. To protect portfolio principal, staff invested in non-callable securities which hold value much better in a rising rate market as compared to callable securities.

This past fiscal year was a year of rising interest rates. The Federal Reserve Board raised interest rates a total of eight times during the fiscal year bringing the Fed Funds rate to 5.25%, a 200 basis point increase from the 3.25% at June 30, 2005. The Fed has increased the Fed Funds rate a total of 17 times since June 30, 2004, in an effort to contain inflation in a growing economy. The yield curve shifted during the fiscal year from flat to inverted and back to relatively flat again as seen in the yield curve comparison graph below. The chart shows the overall increase in interest rates across the curve, with yields around 5% or higher from 3 months to 30 years.



During the year, the Fed moved from its measured approach of increasing interest rates 25 basis points each meeting to raising interest rates based on the economic data releases, or being more data-dependent. Throughout the year the economy has experienced robust growth in jobs and the housing markets, which kept the Fed at its measured increase in rates. However, since the beginning of the calendar year, economic reports have been pointing to more moderate growth, attributed to the past Fed interest rate increases, a cooling housing market and the increasing cost of petroleum. The apparent slowing of growth prompted the Fed to pause interest rate increases at the August Federal Open Market Committee meeting. It is yet to be seen whether the Fed has completed its current tightening cycle or will need to increase interest rates if inflationary factors are evident in future economic releases. In either event the City's portfolio is positioned well to take advantage of any future interest rate direction.

At times during the fiscal year investment of the portfolio was a challenge based on the varied market conditions experienced. Although interest rates ended higher across the curve by over 100 basis points, there were times when the curve inverted from the 6-month T-bill to the 30-year bond signaling the possibility of an economic slowdown. Also, there were times when extenuating factors, such as the hurricanes last year and the conflicts in the Middle East caused the markets to rally unexpectedly.

FISCAL IMPACT

Accrued earnings for the fiscal year ended June 30, 2006, totaled $6,581,791.95, an increase of $833,968.73 from the previous year end (June 2005).

COMMISSION/COMMITTEE REPORT

The Investment Oversight Committee reviewed the quarter and year end report for June 30, 2006, at its August 15, 2006, regular meeting, and concurs with its contents. The Committee confirms that all 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 – June 30, 2006

CITY OF OCEANSIDE

TREASURER'S REPORT

For Quarter and Year Ended

June 30, 2006

CITY OF OCEANSIDE
OFFICE OF THE CITY TREASURER

TO: CITY COUNCIL
CITY MANAGER

DATE: JULY 27, 2006

SUBJECT: INVESTMENT REPORT FOR THE QUARTER AND YEAR ENDED JUNE 30, 2006

Market commentary for quarter and year ended June 30, 2006

The Fed raised rates 25 basis points at each of the FOMC meetings held in May and June during the quarter. Accordingly, interest rates rose across the curve, shifting the curve upward while remaining flat. Minute releases continue to indicate that the Fed may be close to the end of its current tightening cycle. However, high energy costs keep thoughts of inflation on the forefront of the Fed's concerns and may keep the Fed increasing rates. Some of the economic data point to a moderation in economic growth which keeps the market on its toes as to whether or not the Fed will continue to raise interest rates or pause at the next FOMC meeting in August.

For quarter and year ended June 30, 2006, portfolio statistics are as follows:

• Portfolio Book Value	$237,084,305.99
• Portfolio Market Value	$234,206,082.39
• Unrealized Loss	$(2,878,223.60)
• Average Yield-to-Maturity	3.671%
• Liquidity (0 – 6-months)	37.51%
• Average Days to Maturity	365 (1 year)
• Year-to-Date Earnings	$6,581,791.95
• Year-to-Date Capital Gains/(Losses)	$1,884.29

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 RRJ

ROSEMARY R. JONES, CCMT
CITY TREASURER

CITY OF OCEANSIDE
PORTFOLIO SUMMARY
FOR QUARTER AND YEAR ENDED JUNE 30, 2006

INVESTMENT TYPE	FACE VALUE	BOOK VALUE	MARKET VALUE	YIELD TO MATURITY	AVERAGE DAYS TO MATURITY	PERCENT OF PORTFOLIO
Quarter and Year Ended June 30, 2006						
LAIF	$ 13,500,000.00	$ 13,500,000.00	$ 13,475,508.59	4.700%	1	5.69%
Treasury Securities - Coupon	7,000,000.00	6,980,464.15	6,933,870.00	4.452%	518	2.94%
Federal Agency Non - Callable	154,950,000.00	154,352,496.31	152,110,664.98	3.277%	359	65.10%
Federal Agency - Callable	47,485,000.00	47,433,996.50	46,877,938.82	4.122%	555	20.01%
Federal Agency - Discount Notes	15,000,000.00	14,817,349.03	14,808,100.00	5.029%	89	6.25%
Total Investments	$ 237,935,000.00	$ 237,084,305.99	$ 234,206,082.39	3.671%	365	100.00%
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)			

Prior Period Comparisons

	FACE VALUE	BOOK VALUE	MARKET VALUE	YIELD TO MATURITY	AVERAGE DAYS TO MATURITY
Quarter Ended March 31, 2006					
Investment Totals	$ 220,130,000.00	$ 219,666,719.96	$ 216,566,420.28	3.178%	340
Unrealized Gain/(Loss) (Market Value - Book Value)			(3,100,299.68)		
Plus Accrued Interest			1,435,990.97		
Portfolio Liquidation Unrealized Gain/(Loss)			$ (1,664,308.71)		
Quarter and Year Ended June 30, 2005					
Investment Totals	$ 229,625,000.00	$ 229,466,292.32	$ 226,680,068.81	2.753%	459
Unrealized Gain/(Loss) (Market Value - Book Value)			(2,786,223.51)		
Plus Accrued Interest			1,447,112.52		
Portfolio Liquidation Unrealized Gain/(Loss)			$ (1,339,110.99)		

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 June 30, 2006

Oceanside Quarterly Report
Portfolio Management
Portfolio Details - Investments
June 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			8,000,000.00	7,985,486.57	8,000,000.00	4.700		4.700	1	
SYS18001	18001	Local Agency Investment Fund			5,500,000.00	5,490,022.02	5,500,000.00	4.700		4.700	1	
		Subtotal and Average	**15,375,000.00**		**13,500,000.00**	**13,475,508.59**	**13,500,000.00**			**4.700**	**1**	
Treasury Securities - Coupon												
912828DJ6	05-0032	U.S. Treasury Note		02/18/2005	2,000,000.00	1,975,240.00	1,996,900.46	3.125		3.400	214	01/31/2007
912828EU0	06-0019	U.S. Treasury Note		02/02/2006	1,000,000.00	987,540.00	998,198.09	4.375		4.495	579	01/31/2008
912828EU0	06-0020	U.S. Treasury Note		02/10/2006	1,000,000.00	987,540.00	995,853.52	4.375		4.651	579	01/31/2008
912828FC9	06-0064	U.S. Treasury Note		06/16/2006	2,000,000.00	1,989,140.00	1,992,358.83	4.875		5.093	669	04/30/2008
912828FG0	06-0057	U.S. Treasury Note		06/01/2006	1,000,000.00	994,410.00	997,153.25	4.875		5.033	700	05/31/2008
		Subtotal and Average	**6,116,855.72**		**7,000,000.00**	**6,933,870.00**	**6,980,464.15**			**4.452**	**518**	
Federal Agency - Non Callable												
31331TPC9	04-0069	Federal Farm Credit Bank		01/06/2004	1,000,000.00	999,687.50	1,000,000.00	2.510		2.510	5	07/06/2006
31339XSH8	04-0001	Federal Home Loan Bank		07/03/2003	2,000,000.00	1,999,375.00	2,000,000.00	2.000		2.005	6	07/07/2006
3128X1QU4	04-0009	Federal Home Loan Mort Corp		07/08/2003	1,000,000.00	999,687.50	1,000,000.00	2.000		2.120	6	07/07/2006
31339Y2Q4	04-0004	Federal Home Loan Bank		07/16/2003	1,000,000.00	999,062.50	1,000,000.00	2.000		2.000	13	07/14/2006
31339Y6C1	04-0005	Federal Home Loan Bank		07/14/2003	1,000,000.00	999,062.50	1,000,000.00	2.125		2.125	13	07/14/2006
3128X1QH3	04-0011	Federal Home Loan Mort Corp		07/14/2003	1,000,000.00	998,940.00	1,000,000.00	2.000		2.130	13	07/14/2006
3128X1RW9	04-0014	Federal Home Loan Mort Corp		07/14/2003	1,000,000.00	998,950.00	1,000,000.00	2.050		2.150	13	07/14/2006
3136F3V60	04-0073	Federal National Mortgage Assc		01/23/2004	1,820,000.00	1,817,156.25	1,820,000.00	2.150		2.282	20	07/21/2006
3128X1SP3	04-0015	Federal Home Loan Mort Corp		07/28/2003	1,000,000.00	997,680.00	1,000,000.00	2.125		2.150	27	07/28/2006
3136F33Q7	04-0017	Federal National Mortgage Assc		08/04/2003	2,000,000.00	1,995,000.00	2,000,000.00	2.410		2.410	34	08/04/2006
3136F33Q7	04-0028	Federal National Mortgage Assc		08/08/2003	1,000,000.00	997,500.00	1,000,000.00	2.410		2.576	34	08/04/2006
3128X2QK4	04-0071	Federal Home Loan Mort Corp		02/09/2004	1,000,000.00	997,031.25	1,000,000.00	2.500		2.500	39	08/09/2006
3136F34T0	04-0021	Federal National Mortgage Assc		08/11/2003	1,000,000.00	996,875.00	1,000,000.00	2.500		2.500	41	08/11/2006
3136F34T0	04-0043	Federal National Mortgage Assc		09/02/2003	1,000,000.00	996,875.00	1,000,000.00	2.500		2.840	41	08/11/2006
3133X06K0	04-0120	Federal Home Loan Bank		04/23/2004	1,000,000.00	996,250.00	999,710.31	2.375		2.620	45	08/15/2006
3136F45G5	04-0077	Federal National Mortgage Assc		02/17/2004	1,975,000.00	1,967,593.75	1,975,000.00	2.420		2.510	47	08/17/2006
3128X2WL5	04-0082	Federal Home Loan Mort Corp		02/24/2004	1,000,000.00	995,810.00	1,000,000.00	2.500		2.521	54	08/24/2006
31331TSN2	04-0078	Federal Farm Credit Bank		02/25/2004	2,000,000.00	1,991,875.00	2,000,000.00	2.560		2.560	55	08/25/2006
3133MYW86	03-0083	Federal Home Loan Bank		05/28/2003	1,000,000.00	995,312.50	1,000,000.00	2.400		2.412	58	08/28/2006
31331QWK9	04-0114	Federal Farm Credit Bank		04/16/2004	2,900,000.00	2,885,500.00	2,899,063.66	2.250		2.450	62	09/01/2006
3133MYWS2	03-0088	Federal Home Loan Bank		06/05/2003	1,000,000.00	995,000.00	1,000,000.00	2.500		2.501	66	09/05/2006
3133MYYH4	03-0084	Federal Home Loan Bank		06/11/2003	1,000,000.00	994,375.00	1,000,000.00	2.460		2.461	72	09/11/2006
3133X14N4	05-0001	Federal Home Loan Bank		07/22/2004	1,000,000.00	995,000.00	999,711.35	2.875		3.020	76	09/15/2006
31331TXE6	04-0094	Federal Farm Credit Bank		03/29/2004	1,000,000.00	991,875.00	1,000,000.00	2.070		2.070	90	09/29/2006
3133X4VR9	04-0096	Federal Home Loan Bank		03/29/2004	1,000,000.00	993,125.00	1,000,000.00	2.560		2.482	90	09/29/2006

Oceanside Quarterly Report
Portfolio Management
Portfolio Details - Investments
June 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												
3136F5JT9	04-0095	Federal National Mortgage Assc		03/29/2004	1,000,000.00	991,875.00	1,000,000.00	2.070		2.070	90	09/29/2006
3133X5CM8	04-0098	Federal Home Loan Bank		04/12/2004	1,000,000.00	990,937.50	1,000,000.00	2.140		2.153	103	10/12/2006
31331SMC4	05-0031	Federal Farm Credit Bank		01/27/2005	1,000,000.00	993,750.00	999,706.47	3.250		3.354	109	10/18/2006
31331TGE5	04-0050	Federal Farm Credit Bank		10/27/2003	1,000,000.00	991,250.00	1,000,000.00	2.660		2.660	118	10/27/2006
31331TGE5	04-0052	Federal Farm Credit Bank		10/27/2003	1,000,000.00	991,250.00	1,000,000.00	2.660		2.660	118	10/27/2006
3128X07M5	03-0076	Federal Home Loan Mort Corp		05/06/2003	1,000,000.00	991,930.00	1,000,000.00	3.050		3.059	128	11/06/2006
3128X06F1	03-0075	Federal Home Loan Mort Corp		05/07/2003	1,500,000.00	1,487,812.50	1,500,000.00	3.050		3.058	129	11/07/2006
3136F6HR3	05-0018	Federal National Mortgage Assc		11/10/2004	1,000,000.00	991,562.50	1,000,000.00	3.000		3.138	131	11/09/2006
31331TQQ7	04-0072	Federal Farm Credit Bank		02/13/2004	1,950,000.00	1,929,890.63	1,950,000.00	2.520		2.525	135	11/13/2006
3136F3TA4	04-0019	Federal National Mortgage Assc		07/24/2003	2,000,000.00	1,981,250.00	2,000,000.00	2.800		2.799	135	11/13/2006
3133X2B46	06-0010	Federal Home Loan Bank		01/13/2006	1,000,000.00	990,312.50	993,016.03	2.750		4.681	137	11/15/2006
31331TMB4	04-0062	Federal Farm Credit Bank		11/24/2003	2,000,000.00	1,978,750.00	2,000,000.00	2.700		2.700	146	11/24/2006
31331TMB4	05-0033	Federal Farm Credit Bank		02/18/2005	1,000,000.00	989,375.00	998,378.88	2.700		3.121	146	11/24/2006
31331TJ69	04-0121	Federal Farm Credit Bank		05/24/2004	900,000.00	891,562.50	900,000.00	3.020		3.020	148	11/26/2006
31331TL82	04-0127	Federal Farm Credit Bank		05/28/2004	1,000,000.00	990,312.50	1,000,000.00	3.040		3.071	151	11/29/2006
31331SFW8	05-0019	Federal Farm Credit Bank		12/01/2004	2,000,000.00	1,981,250.00	2,000,000.00	3.125		3.190	153	12/01/2006
3128X1DE4	03-0082	Federal Home Loan Mort Corp		06/04/2003	1,000,000.00	987,812.50	1,000,000.00	2.500		2.500	156	12/04/2006
3128X1GF8	03-0094	Federal Home Loan Mort Corp		06/04/2003	1,650,000.00	1,628,269.50	1,650,000.00	2.250		2.250	156	12/04/2006
3128X1GF8	04-0113	Federal Home Loan Mort Corp		04/15/2004	1,000,000.00	986,830.00	1,000,000.00	2.250		2.769	156	12/04/2006
3128X1GQ4	03-0095	Federal Home Loan Mort Corp		06/11/2003	1,000,000.00	986,960.00	1,000,000.00	2.450		2.450	163	12/11/2006
3128X1JT5	04-0081	Federal Home Loan Mort Corp		02/05/2004	1,500,000.00	1,478,203.13	1,500,000.00	2.150		2.520	165	12/13/2006
3128X1LY1	03-0098	Federal Home Loan Mort Corp		06/26/2003	2,000,000.00	1,969,520.00	2,000,000.00	2.300		2.300	178	12/26/2006
31331TMN8	04-0066	Federal Farm Credit Bank		12/29/2003	1,000,000.00	987,812.50	1,000,000.00	3.040		3.040	181	12/29/2006
3136F3E44	03-0099	Federal National Mortgage Assc		06/30/2003	1,000,000.00	983,750.00	1,000,000.00	2.150		2.150	181	12/29/2006
3136F3G91	03-0100	Federal National Mortgage Assc		06/30/2003	1,000,000.00	983,750.00	1,000,000.00	2.125		2.125	181	12/29/2006
3128X1NN3	04-0093	Federal Home Loan Mort Corp		03/11/2004	1,935,000.00	1,902,044.53	1,935,000.00	2.050		2.205	185	01/02/2007
31331QZ75	04-0010	Federal Farm Credit Bank		07/16/2003	1,000,000.00	982,812.50	1,000,000.00	2.250		2.325	199	01/16/2007
3136F3L46	04-0086	Federal National Mortgage Assc		02/27/2004	1,375,000.00	1,350,507.81	1,375,000.00	2.180		2.435	199	01/16/2007
3133XBKW4	05-0035	Federal Home Loan Bank		04/26/2005	1,000,000.00	991,250.00	1,000,000.00	4.000		4.003	209	01/26/2007
31339YR53	04-0012	Federal Home Loan Bank		07/30/2003	1,000,000.00	982,500.00	1,000,000.00	2.415		2.415	213	01/30/2007
31339YNY4	04-0013	Federal Home Loan Bank		07/30/2003	1,000,000.00	982,187.50	1,000,000.00	2.370		2.393	213	01/30/2007
3128X1VW4	04-0020	Federal Home Loan Mort Corp		07/30/2003	2,000,000.00	1,968,460.00	2,000,000.00	2.750		2.750	213	01/30/2007
3136F36F8	04-0026	Federal National Mortgage Assc		08/12/2003	1,000,000.00	985,000.00	1,000,000.00	3.010		3.010	226	02/12/2007
31331TTN1	04-0122	Federal Farm Credit Bank		04/27/2004	1,440,000.00	1,411,650.00	1,436,214.78	2.550		2.969	241	02/27/2007
3128X4HQ7	06-0014	Federal Home Loan Mort Corp		01/20/2006	2,000,000.00	1,983,160.00	1,994,640.70	4.250		4.670	242	02/28/2007
3136F6CP2	05-0013	Federal National Mortgage Assc		10/20/2004	2,000,000.00	1,966,875.00	2,000,000.00	3.100		3.126	256	03/14/2007
3128X3XZ1	05-0009	Federal Home Loan Mort Corp		09/30/2004	1,000,000.00	981,800.00	1,000,000.00	3.000		3.157	270	03/28/2007
3128X22W4	04-0100	Federal Home Loan Mort Corp		03/29/2004	1,000,000.00	977,450.00	1,000,000.00	2.400		2.465	271	03/29/2007
3133XB5Z4	05-0037	Federal Home Loan Bank		05/16/2005	1,000,000.00	988,750.00	999,684.72	4.000		4.041	278	04/05/2007

Oceanside Quarterly Report
Portfolio Management
Portfolio Details - Investments
June 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												
31339XWS9	04-0003	Federal Home Loan Bank		07/10/2003	1,000,000.00	976,562.50	1,000,000.00	2.375		2.375	283	04/10/2007
3136F5PV7	04-0109	Federal National Mortgage Assc		04/19/2004	1,000,000.00	979,062.50	1,000,000.00	2.820		2.820	292	04/19/2007
3136F5RC7	04-0117	Federal National Mortgage Assc		04/26/2004	1,000,000.00	979,062.50	1,000,000.00	2.875		3.023	299	04/26/2007
31339YM74	04-0007	Federal Home Loan Bank		07/30/2003	1,000,000.00	975,625.00	1,000,000.00	2.500		2.500	303	04/30/2007
3133XBQ65	05-0036	Federal Home Loan Bank		05/13/2005	1,000,000.00	985,937.50	1,000,000.00	4.000		4.000	318	05/15/2007
3128X3EL3	04-0123	Federal Home Loan Mort Corp		05/17/2004	1,000,000.00	981,100.00	1,000,000.00	3.300		3.311	320	05/17/2007
3136F5VB4	04-0116	Federal National Mortgage Assc		05/18/2004	1,000,000.00	978,750.00	1,000,000.00	3.150		3.150	321	05/18/2007
3136F5VB4	04-0126	Federal National Mortgage Assc		05/18/2004	1,000,000.00	978,750.00	1,000,000.00	3.150		3.399	321	05/18/2007
3133X9EZ9	05-0016	Federal Home Loan Bank		12/01/2004	1,000,000.00	980,000.00	1,000,000.00	3.250		3.250	335	06/01/2007
3133X9KJ8	05-0020	Federal Home Loan Bank		12/08/2004	1,000,000.00	981,250.00	1,000,000.00	3.460		3.460	342	06/08/2007
3133XBXU4	05-0038	Federal Home Loan Bank		06/13/2005	1,000,000.00	985,312.50	999,703.13	4.000		4.033	347	06/13/2007
3133XBXU4	05-0039	Federal Home Loan Bank		06/13/2005	2,000,000.00	1,970,625.00	2,000,000.00	4.000		4.000	347	06/13/2007
31331SHS5	05-0022	Federal Farm Credit Bank		12/29/2004	1,000,000.00	981,250.00	1,000,000.00	3.550		3.550	363	06/29/2007
3133XC7E7	05-0041	Federal Home Loan Bank		06/29/2005	1,000,000.00	985,312.50	1,000,000.00	4.000		4.000	363	06/29/2007
31331SKG7	05-0024	Federal Farm Credit Bank		01/13/2005	1,000,000.00	980,000.00	1,000,000.00	3.500		3.500	377	07/13/2007
31331Q7K7	04-0025	Federal Farm Credit Bank		08/13/2003	1,000,000.00	976,250.00	1,000,000.00	3.300		3.300	408	08/13/2007
3133X9HT0	05-0021	Federal Home Loan Bank		11/30/2004	1,000,000.00	977,187.50	1,000,000.00	3.450		3.475	425	08/30/2007
3136F6BF5	05-0004	Federal National Mortgage Assc		09/07/2004	1,000,000.00	975,937.50	1,000,000.00	3.375		3.441	433	09/07/2007
3136F6BF5	05-0017	Federal National Mortgage Assc		11/09/2004	1,000,000.00	975,937.50	1,000,000.00	3.375		3.479	433	09/07/2007
3133X8FQ0	05-0003	Federal Home Loan Bank		09/14/2004	2,000,000.00	1,950,625.00	2,000,000.00	3.350		3.350	440	09/14/2007
31331TYF2	04-0091	Federal Farm Credit Bank		03/10/2004	2,000,000.00	1,934,375.00	1,998,320.69	2.625		2.699	443	09/17/2007
3128X36R9	05-0040	Federal Home Loan Mort Corp		06/13/2005	1,000,000.00	981,406.25	999,831.38	4.050		4.062	450	09/24/2007
3136F5NF4	04-0105	Federal National Mortgage Assc		04/05/2004	2,000,000.00	1,931,875.00	2,000,000.00	2.670		2.670	461	10/05/2007
31331TAD3	04-0097	Federal Farm Credit Bank		04/15/2004	1,000,000.00	964,375.00	1,000,000.00	2.590		2.590	471	10/15/2007
31331TYR6	04-0101	Federal Farm Credit Bank		04/22/2004	1,900,000.00	1,831,125.00	1,900,000.00	2.610		2.616	478	10/22/2007
3136F5RK9	05-0011	Federal National Mortgage Assc		10/04/2004	1,000,000.00	970,000.00	1,000,000.00	3.125		3.424	482	10/26/2007
3136F6JE0	05-0012	Federal National Mortgage Assc		11/01/2004	2,000,000.00	1,943,750.00	2,000,000.00	3.300		3.335	488	11/01/2007
3133X8LT7	05-0006	Federal Home Loan Bank		09/28/2004	1,000,000.00	971,875.00	1,000,000.00	3.510		3.511	545	12/28/2007
31359MQP1	05-0005	Federal National Mortgage Assc		09/07/2004	1,000,000.00	970,312.50	1,000,000.00	3.500		3.624	576	01/28/2008
31331SDW0	05-0015	Federal Farm Credit Bank		11/01/2004	1,000,000.00	964,687.50	1,000,000.00	3.125		3.126	580	02/01/2008
3128X0L31	05-0010	Federal Home Loan Mort Corp		09/30/2004	1,000,000.00	964,062.50	1,000,000.00	3.250		3.475	604	02/25/2008
3133XAT56	06-0034	Federal Home Loan Bank		04/13/2006	1,000,000.00	976,250.00	981,029.69	4.000		5.190	618	03/10/2008
3128X3XX6	05-0008	Federal Home Loan Mort Corp		09/21/2004	2,000,000.00	1,935,360.00	2,000,000.00	3.500		3.500	632	03/24/2008
3128X36X6	06-0036	Federal Home Loan Mort Corp		04/17/2006	1,000,000.00	978,125.00	983,712.31	4.250		5.245	636	03/28/2008
3128X03N7	05-0007	Federal Home Loan Mort Corp		09/16/2004	2,000,000.00	1,933,125.00	2,000,000.00	3.500		3.560	640	04/01/2008
3128X3D91	05-0014	Federal Home Loan Mort Corp		10/25/2004	3,000,000.00	2,901,750.00	3,000,000.00	3.560		3.560	664	04/25/2008
3133XDPD7	06-0046	Federal Home Loan Bank		05/05/2006	1,000,000.00	988,125.00	992,117.78	4.800		5.257	671	05/02/2008
31331SCZ4	06-0040	Federal Farm Credit Bank		04/20/2006	1,000,000.00	965,625.00	971,273.29	3.500		5.150	678	05/09/2008
3136F3D94	04-0102	Federal National Mortgage Assc		03/30/2004	1,000,000.00	950,312.50	997,671.92	2.800		2.924	731	07/01/2008

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June 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												
3133XCFC2	06-0035	Federal Home Loan Bank		04/13/2006	1,000,000.00	975,937.50	980,765.66	4.200		5.205	748	07/18/2008
31339YVV1	06-0016	Federal Home Loan Bank		01/23/2006	2,250,000.00	2,160,000.00	2,195,563.03	3.375		4.635	751	07/21/2008
3133X0LJ6	06-0011	Federal Home Loan Bank		01/19/2006	2,000,000.00	1,932,500.00	1,966,486.31	3.750		4.595	776	08/15/2008
3133X0EP0	06-0009	Federal Home Loan Bank		01/12/2006	1,000,000.00	966,250.00	981,458.47	3.780		4.705	786	08/25/2008
3133XCSA2	06-0008	Federal Home Loan Bank		01/12/2006	1,000,000.00	975,312.50	990,705.75	4.250		4.701	804	09/12/2008
31359MTF0	06-0051	Federal National Mortgage Assc		05/10/2006	2,000,000.00	1,930,000.00	1,938,039.81	3.750		5.259	807	09/15/2008
3133XCZS5	06-0012	Federal Home Loan Bank		01/19/2006	2,000,000.00	1,950,000.00	1,985,703.13	4.250		4.590	818	09/26/2008
3133XCZS5	06-0013	Federal Home Loan Bank		01/20/2006	2,000,000.00	1,950,000.00	1,984,333.33	4.250		4.623	818	09/26/2008
31331VDG8	06-0017	Federal Farm Credit Bank		01/26/2006	2,000,000.00	1,963,125.00	1,997,657.91	4.580		4.632	842	10/20/2008
3128X16N2	06-0015	Federal Home Loan Mort Corp		01/23/2006	1,355,000.00	1,308,421.88	1,332,494.76	3.875		4.632	863	11/10/2008
31359MTQ6	06-0023	Federal National Mortgage Assc		02/17/2006	1,000,000.00	964,062.50	976,300.04	3.875		4.951	870	11/17/2008
31331TNK3	06-0027	Federal Farm Credit Bank		03/29/2006	1,000,000.00	958,437.50	970,022.76	3.700		5.016	900	12/17/2008
3128X2JY2	06-0039	Federal Home Loan Mort Corp		04/20/2006	1,000,000.00	984,120.00	990,259.29	4.750		5.170	913	12/30/2008
31331SM75	06-0022	Federal Farm Credit Bank		02/17/2006	1,500,000.00	1,448,437.50	1,464,767.51	3.950		4.964	919	01/05/2009
31331TB34	06-0043	Federal Farm Credit Bank		05/03/2006	2,000,000.00	1,875,000.00	1,885,362.90	2.950		5.225	1,003	03/30/2009
31331VYR1	06-0050	Federal Farm Credit Bank		05/10/2006	1,000,000.00	995,937.50	1,000,692.05	5.300		5.280	1,283	01/04/2010
3128X34V2	06-0061	Federal Home Loan Mort Corp		06/12/2006	1,000,000.00	956,420.00	965,963.29	4.240		5.279	1,332	02/22/2010
3133XBUL7	06-0060	Federal Home Loan Bank		06/12/2006	1,000,000.00	971,875.00	977,898.88	4.650		5.284	1,425	05/26/2010
		Subtotal and Average	**160,634,585.81**		**156,950,000.00**	**154,081,914.98**	**156,333,261.97**			**3.284**	**359**	
Federal Agency - Callable												
31331Q4Y0	04-0063	Federal Farm Credit Bank		11/25/2003	1,935,000.00	1,931,976.56	1,934,673.32	2.150		2.465	20	07/21/2006
31339X3N2	03-0087	Federal Home Loan Bank		06/12/2003	1,000,000.00	986,875.00	1,000,000.00	2.500		2.530	164	12/12/2006
31339XK29	03-0093	Federal Home Loan Bank		06/26/2003	1,000,000.00	985,312.50	1,000,000.00	2.500		2.500	178	12/26/2006
31339XTT1	04-0002	Federal Home Loan Bank		07/09/2003	1,000,000.00	983,437.50	1,000,000.00	2.250		2.250	192	01/09/2007
3133XA4B0	05-0026	Federal Home Loan Bank		01/10/2005	1,000,000.00	988,750.00	1,000,000.00	3.375		3.375	193	01/10/2007
3128X1SV0	04-0008	Federal Home Loan Mort Corp		07/29/2003	1,000,000.00	983,370.00	1,000,000.00	2.580		2.580	212	01/29/2007
3136F3W28	04-0016	Federal National Mortgage Assc		07/30/2003	1,000,000.00	982,812.50	1,000,000.00	2.500		2.500	213	01/30/2007
3136F5DG3	04-0084	Federal National Mortgage Assc		02/27/2004	1,500,000.00	1,470,937.50	1,500,000.00	2.500		2.641	241	02/27/2007
3136F5FW6	04-0087	Federal National Mortgage Assc		03/08/2004	1,000,000.00	979,687.50	1,000,000.00	2.500		2.622	250	03/08/2007
3128X1QG5	03-0101	Federal Home Loan Mort Corp		06/30/2003	1,000,000.00	977,040.00	1,000,000.00	2.380		2.380	272	03/30/2007
3128X1AT4	03-0080	Federal Home Loan Mort Corp		05/14/2003	1,000,000.00	980,720.00	1,000,000.00	3.250		3.250	317	05/14/2007
3133X03W7	04-0018	Federal Home Loan Bank		08/18/2003	1,875,000.00	1,835,156.25	1,875,000.00	3.030		3.031	321	05/18/2007
3128X2E50	04-0085	Federal Home Loan Mort Corp		03/17/2004	2,000,000.00	1,944,220.00	2,000,000.00	3.100		3.100	443	09/17/2007
3128X2Q24	04-0092	Federal Home Loan Mort Corp		03/17/2004	1,000,000.00	972,690.00	1,000,000.00	3.150		3.150	443	09/17/2007
3128X2K95	04-0088	Federal Home Loan Mort Corp		03/18/2004	1,000,000.00	970,900.00	1,000,000.00	3.000		3.000	444	09/18/2007
31359MK51	06-0028	Federal National Mortgage Assc		03/31/2006	1,000,000.00	995,937.50	999,866.82	5.200		5.211	454	09/28/2007
3128X22Y0	04-0099	Federal Home Loan Mort Corp		04/05/2004	1,425,000.00	1,378,573.50	1,425,000.00	2.800		2.805	461	10/05/2007

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Portfolio Management
Portfolio Details - Investments
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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												
3128X25L5	04-0106	Federal Home Loan Mort Corp		04/12/2004	1,250,000.00	1,208,662.50	1,250,000.00	2.800		2.831	468	10/12/2007
3128X25Y7	04-0107	Federal Home Loan Mort Corp		04/19/2004	1,000,000.00	967,930.00	1,000,000.00	2.920		2.920	475	10/19/2007
3133XDTW1	06-0018	Federal Home Loan Bank		02/03/2006	1,000,000.00	991,875.00	999,156.02	4.900		4.960	508	11/21/2007
31359ME82	06-0030	Federal National Mortgage Assc		03/31/2006	1,250,000.00	1,238,671.88	1,245,166.02	4.875		5.139	559	01/11/2008
31359MH71	06-0033	Federal National Mortgage Assc		04/13/2006	1,000,000.00	993,125.00	996,545.87	5.100		5.320	601	02/22/2008
3128X4M65	06-0029	Federal Home Loan Mort Corp		03/31/2006	1,000,000.00	991,770.00	998,099.49	5.125		5.244	606	02/27/2008
31359MG49	06-0031	Federal National Mortgage Assc		03/31/2006	1,250,000.00	1,239,453.13	1,246,741.98	5.000		5.165	606	02/27/2008
3133XETW9	06-0025	Federal Home Loan Bank		03/07/2006	1,000,000.00	993,437.50	998,685.24	5.100		5.183	614	03/06/2008
3128X4Q79	06-0026	Federal Home Loan Mort Corp		03/14/2006	1,000,000.00	992,860.00	998,270.57	5.100		5.208	622	03/14/2008
3136F7ZG5	06-0045	Federal National Mortgage Assc		05/08/2006	1,000,000.00	995,000.00	997,971.21	5.300		5.417	677	05/08/2008
3136F7ZG5	06-0048	Federal National Mortgage Assc		05/09/2006	1,000,000.00	995,000.00	997,968.39	5.300		5.417	677	05/08/2008
3136F7ZH3	06-0049	Federal National Mortgage Assc		05/08/2006	1,000,000.00	995,625.00	1,000,000.00	5.350		5.350	677	05/08/2008
3133XFSX5	06-0059	Federal Home Loan Bank		06/15/2006	1,000,000.00	997,500.00	1,000,000.00	5.500		5.500	713	06/13/2008
3128X5CQ9	06-0058	Federal Home Loan Mort Corp		06/13/2006	1,000,000.00	997,420.00	1,000,000.00	5.500		5.500	713	06/13/2008
3128X4Z95	06-0042	Federal Home Loan Mort Corp		05/03/2006	1,000,000.00	993,780.00	998,392.47	5.350		5.424	842	10/20/2008
3128X5DN5	06-0067	Federal Home Loan Mort Corp		06/26/2006	1,000,000.00	998,680.00	999,129.86	5.500		5.538	909	12/26/2008
3128X43R0	06-0037	Federal Home Loan Mort Corp		04/24/2006	1,000,000.00	995,200.00	999,120.19	5.500		5.534	1,028	04/24/2009
3128X43R0	06-0054	Federal Home Loan Mort Corp		05/18/2006	1,000,000.00	995,200.00	999,424.43	5.500		5.521	1,028	04/24/2009
31359MM75	06-0047	Federal National Mortgage Assc		05/05/2006	1,000,000.00	994,687.50	999,251.00	5.550		5.579	1,038	05/04/2009
3133XFJN7	06-0044	Federal Home Loan Bank		05/25/2006	1,000,000.00	993,750.00	1,000,000.00	5.375		5.375	1,060	05/26/2009
3133XFPC4	06-0063	Federal Home Loan Bank		06/13/2006	1,000,000.00	995,937.50	998,770.99	5.500		5.546	1,070	06/05/2009
3133XFPC4	06-0065	Federal Home Loan Bank		06/16/2006	1,000,000.00	995,937.50	995,996.97	5.500		5.650	1,070	06/05/2009
3133XFVX1	06-0062	Federal Home Loan Bank		06/21/2006	1,000,000.00	996,250.00	1,000,000.00	5.600		5.600	1,269	12/21/2009
3128X5AH1	06-0052	Federal Home Loan Mort Corp		06/08/2006	1,000,000.00	1,000,540.00	1,000,000.00	6.000		6.000	1,438	06/08/2010
		Subtotal and Average	**41,955,605.92**		**45,485,000.00**	**44,906,688.82**	**45,453,230.84**			**4.136**	**562**	
Federal Agency Disc. -Amortizing												
313589YW7	06-0056	Federal National Mortgage Assc		05/19/2006	4,000,000.00	4,000,000.00	3,998,913.33	4.890		4.920	2	07/03/2006
313385ZQ2	06-0066	Federal Home Loan Bank		06/23/2006	4,000,000.00	3,989,600.00	3,988,600.00	5.130		5.151	20	07/21/2006
313397G70	06-0021	Federal Home Loan Mort Corp		02/14/2006	1,500,000.00	1,482,300.00	1,483,987.92	4.630		4.793	83	09/22/2006
313385J56	06-0024	Federal Home Loan Bank		03/01/2006	1,500,000.00	1,479,300.00	1,481,085.00			4.900	97	10/06/2006
313588BY0	06-0032	Federal National Mortgage Assc		04/12/2006	2,000,000.00	1,933,600.00	1,937,388.89	4.900		5.143	230	02/16/2007
313588CL7	06-0038	Federal National Mortgage Assc		04/17/2006	1,000,000.00	965,100.00	966,926.67	4.920		5.167	242	02/28/2007
313396EL3	06-0041	Federal Home Loan Mort Corp		04/20/2006	1,000,000.00	958,200.00	960,447.22	4.910		5.171	290	04/17/2007
		Subtotal and Average	**16,647,982.59**		**15,000,000.00**	**14,808,100.00**	**14,817,349.03**			**5.029**	**89**	

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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity
		Total and Average	240,730,030.04		237,935,000.00	234,206,082.39	237,084,305.99			3.671	365

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Portfolio Management
Portfolio Details - Cash
June 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		111,256.43	111,256.43				0
				Subtotal		111,256.43	111,256.43				
		Total Cash and Investmentss	240,730,030.04		237,935,000.00	234,317,338.82	237,195,562.42			3.671	365

TREASURER'S REPORT

INVESTMENT TRANSACTIONS

04/01/06 Through 06/30/06

Oceanside Quarterly Report
Purchases Report
Sorted by Fund - Fund
April 1, 2006 - June 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													
313588BY0	06-0032		AFD	FNMA	2,000,000.00	04/12/2006	02/16 - At Maturity	1,915,611.11		4.900	02/16/2007	5.143	1,937,388.89
3133XAT56	06-0034		NCB	FHLB	1,000,000.00	04/13/2006	09/10 - 03/10	978,600.00	3,666.67	4.000	03/10/2008	5.190	981,029.69
3133XCFC2	06-0035		NCB	FHLB	1,000,000.00	04/13/2006	07/18 - 01/18	978,730.00	9,916.67	4.200	07/18/2008	5.205	980,765.66
31359MH71	06-0033		FAC	FNMA	1,000,000.00	04/13/2006	08/22 - 02/22	996,090.00	7,225.00	5.100	02/22/2008	5.320	996,545.87
3128X36X6	06-0036		NCB	FHLMC	1,000,000.00	04/17/2006	09/28 - 03/28	981,790.00	2,243.06	4.250	03/28/2008	5.245	983,712.31
313588CL7	06-0038		AFD	FNMA	1,000,000.00	04/17/2006	02/28 - At Maturity	956,676.67		4.920	02/28/2007	5.167	966,926.67
31331SCZ4	06-0040		NCB	FFCB	1,000,000.00	04/20/2006	05/09 - 11/09	968,220.00	Received	3.500	05/09/2008	5.150	971,273.29
3128X2JY2	06-0039		NCB	FHLMC	1,000,000.00	04/20/2006	06/30 - 12/30	989,490.00	Received	4.750	12/30/2008	5.170	990,259.29
313396EL3	06-0041		AFD	FHLMC	1,000,000.00	04/20/2006	04/17 - At Maturity	950,627.22		4.910	04/17/2007	5.171	960,447.22
3128X43R0	06-0037		FAC	FHLMC	1,000,000.00	04/24/2006	10/24 - 04/24	999,062.00		5.500	04/24/2009	5.534	999,120.19
31331TB34	06-0043		NCB	FFCB	2,000,000.00	05/03/2006	09/30 - 03/30	1,878,640.00	5,408.33	2.950	03/30/2009	5.225	1,885,362.90
3128X4Z95	06-0042		FAC	FHLMC	1,000,000.00	05/03/2006	10/20 - 04/20	998,280.00	1,931.94	5.350	10/20/2008	5.424	998,392.47
3133XDPD7	06-0046		NCB	FHLB	1,000,000.00	05/05/2006	11/02 - 05/02	991,450.00	400.00	4.800	05/02/2008	5.257	992,117.78
31359MM75	06-0047		FAC	FNMA	1,000,000.00	05/05/2006	11/04 - 05/04	999,210.00	154.17	5.550	05/04/2009	5.579	999,251.00
3136F7ZG5	06-0045		FAC	FNMA	1,000,000.00	05/08/2006	11/08 - 05/08	997,810.00		5.300	05/08/2008	5.417	997,971.21
3136F7ZH3	06-0049		FAC	FNMA	1,000,000.00	05/08/2006	11/08 - 05/08	1,000,000.00		5.350	05/08/2008	5.350	1,000,000.00
3136F7ZG5	06-0048		FAC	FNMA	1,000,000.00	05/09/2006	11/08 - 05/08	997,810.00	147.22	5.300	05/08/2008	5.417	997,968.39
31331VYR1	06-0050		NCB	FFCB	1,000,000.00	05/10/2006	07/04 - 01/04	1,000,720.00	883.33	5.300	01/04/2010	5.280	1,000,692.05
31359MTF0	06-0051		NCB	FNMA	2,000,000.00	05/10/2006	09/15 - 03/15	1,934,060.00	11,458.33	3.750	09/15/2008	5.259	1,938,039.81
912828FC9	06-0053		TRC	TN	2,000,000.00	05/16/2006	06/05 - Final Pmt.	1,995,312.50	Sold	4.875	04/30/2008	5.001	0.00
3128X43R0	06-0054		FAC	FHLMC	1,000,000.00	05/18/2006	10/24 - 04/24	999,400.00	3,666.67	5.500	04/24/2009	5.521	999,424.43
313589YJ6	06-0055		AFD	FNMA	4,000,000.00	05/19/2006	06/21 - At Maturity	3,982,143.33		4.870	06/21/2006	4.892	0.00
313589YW7	06-0056		AFD	FNMA	4,000,000.00	05/19/2006	07/03 - At Maturity	3,975,550.00		4.890	07/03/2006	4.920	3,998,913.33
3133XFJN7	06-0044		FAC	FHLB	1,000,000.00	05/25/2006	11/26 - 05/26	1,000,000.00		5.375	05/26/2009	5.375	1,000,000.00
912828FG0	06-0057		TRC	TN	1,000,000.00	06/01/2006	11/30 - 05/31	997,031.25	133.20	4.875	05/31/2008	5.033	997,153.25
3128X5AH1	06-0052		FAC	FHLMC	1,000,000.00	06/08/2006	12/08 - 06/08	1,000,000.00		6.000	06/08/2010	6.000	1,000,000.00
3133XBUL7	06-0060		NCB	FHLB	1,000,000.00	06/12/2006	11/26 - 05/26	977,600.00	2,066.67	4.650	05/26/2010	5.284	977,898.88
3128X34V2	06-0061		NCB	FHLMC	1,000,000.00	06/12/2006	08/22 - 02/22	965,470.00	12,955.56	4.240	02/22/2010	5.279	965,963.29
3133XFPC4	06-0063		FAC	FHLB	1,000,000.00	06/13/2006	12/05 - 06/05	998,750.00	1,222.22	5.500	06/05/2009	5.546	998,770.99
3128X5CQ9	06-0058		FAC	FHLMC	1,000,000.00	06/13/2006	12/13 - 06/13	1,000,000.00		5.500	06/13/2008	5.500	1,000,000.00
3133XFSX5	06-0059		FAC	FHLB	1,000,000.00	06/15/2006	12/13 - 06/13	1,000,000.00		5.500	06/13/2008	5.500	1,000,000.00
3133XFPC4	06-0065		FAC	FHLB	1,000,000.00	06/16/2006	12/05 - 06/05	995,940.00	1,680.56	5.500	06/05/2009	5.650	995,996.97
912828FC9	06-0064		TRC	TN	2,000,000.00	06/16/2006	10/31 - 04/30	1,992,187.50	12,452.45	4.875	04/30/2008	5.093	1,992,358.83
3133XFVX1	06-0062		FAC	FHLB	1,000,000.00	06/21/2006	12/21 - 06/21	1,000,000.00		5.600	12/21/2009	5.600	1,000,000.00

Received = Accrued Interest at Purchase was received by report ending date.

Oceanside Quarterly Report
Purchases Report
April 1, 2006 - June 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													
313385ZQ2	06-0066		AFD	FHLB	4,000,000.00	06/23/2006	07/21 - At Maturity	3,984,040.00		5.130	07/21/2006	5.151	3,988,600.00
3128X5DN5	06-0067		FAC	FHLMC	1,000,000.00	06/26/2006	12/26 - 06/26	999,125.00		5.500	12/26/2008	5.538	999,129.86
				Subtotal	**50,000,000.00**			**49,375,426.58**	**77,612.05**				**43,491,474.52**
Managed Pool Deposits					**Deposit Amount**	**Deposit Date**		**Deposit Amount**		**Rate**			
SYS18000	18000		LA1	LAIF	5,750,000.00	04/12/2006		5,750,000.00		2.967			
SYS18000	18000		LA1	LAIF	2,750,000.00	04/17/2006		2,750,000.00		2.967			
SYS18000	18000		LA1	LAIF	1,750,000.00	04/18/2006		1,750,000.00		2.967			
SYS18000	18000		LA1	LAIF	2,750,000.00	04/19/2006		2,750,000.00		2.967			
SYS18000	18000		LA1	LAIF	1,500,000.00	04/28/2006		1,500,000.00		2.967			
SYS18000	18000		LA1	LAIF	3,250,000.00	05/03/2006		3,250,000.00		2.967			
SYS18000	18000		LA1	LAIF	2,000,000.00	05/17/2006		2,000,000.00		2.967			
SYS18000	18000		LA1	LAIF	750,000.00	05/22/2006		750,000.00		2.967			
SYS18000	18000		LA1	LAIF	2,500,000.00	06/05/2006		2,500,000.00		2.967			
SYS18000	18000		LA1	LAIF	3,500,000.00	06/14/2006		3,500,000.00		2.967			
SYS18000	18000		LA1	LAIF	1,500,000.00	06/19/2006		1,500,000.00		2.967			
SYS18000	18000		LA1	LAIF	3,750,000.00	06/21/2006		3,750,000.00		2.967			
				Subtotal	**31,750,000.00**			**31,750,000.00**					
		Total Purchases and Deposits			**81,750,000.00**			**81,125,426.58**	**77,612.05**				**43,491,474.52**

Oceanside Quarterly Report
Maturity Report
Sorted by Maturity Date
Receipts during April 1, 2006 - June 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
31359MQZ9	03-0062		NCB	FNMA	1,000,000.00	04/15/2006	03/14/2003	2.125	1,000,000.00	10,625.00	1,010,625.00	10,625.00
31359MQZ9	03-0063		NCB	FNMA	2,000,000.00	04/15/2006	03/14/2003	2.125	2,000,000.00	21,250.00	2,021,250.00	21,250.00
31359MQZ9	03-0064		NCB	FNMA	2,000,000.00	04/15/2006	03/14/2003	2.125	2,000,000.00	21,250.00	2,021,250.00	21,250.00
31331TF71	04-0115		NCB	FFCB	1,000,000.00	04/26/2006	04/26/2004	2.200	1,000,000.00	11,000.00	1,011,000.00	11,000.00
3128X26P5	04-0110		NCB	FHLMC	1,000,000.00	04/27/2006	04/27/2004	2.000	1,000,000.00	10,000.00	1,010,000.00	10,000.00
3128X3BU6	04-0111		NCB	FHLMC	1,000,000.00	04/28/2006	04/28/2004	2.270	1,000,000.00	11,350.00	1,011,350.00	11,350.00
3128X3DJ9	04-0119		NCB	FHLMC	1,000,000.00	04/28/2006	04/28/2004	2.500	1,000,000.00	12,500.00	1,012,500.00	12,500.00
3136F42L7	05-0002		NCB	FNMA	1,000,000.00	05/03/2006	07/22/2004	2.200	1,000,000.00	11,000.00	1,011,000.00	11,000.00
3136F44B7	04-0074		NCB	FNMA	1,000,000.00	05/05/2006	02/05/2004	2.210	1,000,000.00	5,525.00	1,005,525.00	5,525.00
3136F44B7	04-0075		NCB	FNMA	1,000,000.00	05/05/2006	02/05/2004	2.210	1,000,000.00	5,525.00	1,005,525.00	5,525.00
31331TM73	04-0125		NCB	FFCB	1,000,000.00	05/18/2006	05/18/2004	2.500	1,000,000.00	12,500.00	1,012,500.00	12,500.00
31331TKP5	04-0058		FAC	FFCB	1,000,000.00	05/19/2006	11/19/2003	2.650	1,000,000.00	13,250.00	1,013,250.00	13,250.00
31331TKP5	04-0061		FAC	FFCB	1,000,000.00	05/19/2006	11/19/2003	2.650	1,000,000.00	13,250.00	1,013,250.00	13,250.00
31359MRV7	05-0028		NCB	FNMA	1,000,000.00	05/26/2006	01/05/2005	2.250	1,000,000.00	11,250.00	1,011,250.00	11,250.00
31331QP43	04-0067		NCB	FFCB	1,945,000.00	06/05/2006	12/17/2003	2.210	1,945,000.00	21,492.25	1,966,492.25	21,492.25
31339XCC6	05-0029		NCB	FHLB	1,000,000.00	06/09/2006	01/12/2005	2.010	1,000,000.00	10,050.00	1,010,050.00	10,050.00
31331QP27	03-0089		NCB	FFCB	2,000,000.00	06/12/2006	06/12/2003	2.050	2,000,000.00	20,500.00	2,020,500.00	20,500.00
313385YB6	06-0006		AFD	FHLB	1,500,000.00	06/14/2006	12/15/2005	4.350	1,500,000.00	0.00	1,500,000.00	0.00
31359MSE4	04-0108		NCB	FNMA	1,000,000.00	06/16/2006	04/02/2004	1.750	1,000,000.00	8,750.00	1,008,750.00	8,750.00
3136F3YD2	03-0097		NCB	FNMA	1,000,000.00	06/19/2006	06/19/2003	2.150	1,000,000.00	10,750.00	1,010,750.00	10,750.00
313589YJ6	06-0055		AFD	FNMA	4,000,000.00	06/21/2006	05/19/2006	4.870	4,000,000.00	0.00	4,000,000.00	0.00
313385YL4	06-0007		AFD	FHLB	2,000,000.00	06/23/2006	12/27/2005	4.410	2,000,000.00	0.00	2,000,000.00	0.00
31339XGZ1	03-0092		NCB	FHLB	1,000,000.00	06/26/2006	06/26/2003	2.100	1,000,000.00	10,500.00	1,010,500.00	10,500.00
31331SKN2	05-0025		NCB	FFCB	1,000,000.00	06/27/2006	12/27/2004	3.000	1,000,000.00	15,000.00	1,015,000.00	15,000.00
3133X9UN8	05-0023		NCB	FHLB	1,000,000.00	06/30/2006	12/30/2004	3.180	1,000,000.00	15,900.00	1,015,900.00	15,900.00
				Total Maturities	**33,445,000.00**				**33,445,000.00**	**283,217.25**	**33,728,217.25**	**283,217.25**

Oceanside Quarterly Report
Sales/Call Report
Sorted by Fund - Fund
April 1, 2006 - June 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	06-0053		TN TRC	05/16/2006	05/17/2006 04/30/2008	1,000,000.00	4.875	997,659.53	998,671.88	2,252.04	1,000,923.92 Sale	3,264.39
912828FC9	06-0053		TN TRC	05/16/2006	06/05/2006 04/30/2008	1,000,000.00	4.875	997,721.81	998,593.75	4,769.02	1,003,362.77 Sale	5,640.96
					Subtotal	**2,000,000.00**		**1,995,381.34**	**1,997,265.63**	**7,021.06**	**2,004,286.69**	**8,905.35**
Managed Pool Withdrawals					**Withdrawal Date**	**Withdrawal Amount**	**Current Rate**				**Withdrawal Amount**	**Withdrawal Amount**
SYS18000	18000		LAIF	07/01/2005	04/13/2006	2,500,000.00	4.700		2,500,000.00		2,500,000.00	
SYS18000	18000		LAIF	07/01/2005	04/14/2006	2,750,000.00	4.700		2,750,000.00		2,750,000.00	
SYS18000	18000		LAIF	07/01/2005	04/20/2006	2,250,000.00	4.700		2,250,000.00		2,250,000.00	
SYS18000	18000		LAIF	07/01/2005	04/24/2006	1,000,000.00	4.700		1,000,000.00		1,000,000.00	
SYS18000	18000		LAIF	07/01/2005	05/08/2006	1,250,000.00	4.700		1,250,000.00		1,250,000.00	
SYS18000	18000		LAIF	07/01/2005	05/09/2006	1,500,000.00	4.700		1,500,000.00		1,500,000.00	
SYS18000	18000		LAIF	07/01/2005	05/10/2006	250,000.00	4.700		250,000.00		250,000.00	
SYS18000	18000		LAIF	07/01/2005	05/12/2006	2,000,000.00	4.700		2,000,000.00		2,000,000.00	
SYS18000	18000		LAIF	07/01/2005	05/16/2006	2,000,000.00	4.700		2,000,000.00		2,000,000.00	
SYS18000	18000		LAIF	07/01/2005	05/30/2006	750,000.00	4.700		750,000.00		750,000.00	
SYS18000	18000		LAIF	07/01/2005	05/31/2006	500,000.00	4.700		500,000.00		500,000.00	
SYS18000	18000		LAIF	07/01/2005	06/09/2006	500,000.00	4.700		500,000.00		500,000.00	
SYS18000	18000		LAIF	07/01/2005	06/13/2006	3,250,000.00	4.700		3,250,000.00		3,250,000.00	
SYS18000	18000		LAIF	07/01/2005	06/15/2006	500,000.00	4.700		500,000.00		500,000.00	
SYS18000	18000		LAIF	07/01/2005	06/16/2006	2,500,000.00	4.700		2,500,000.00		2,500,000.00	
SYS18000	18000		LAIF	07/01/2005	06/23/2006	1,750,000.00	4.700		1,750,000.00		1,750,000.00	
SYS18000	18000		LAIF	07/01/2005	06/28/2006	3,250,000.00	4.700		3,250,000.00		3,250,000.00	
					Subtotal	**28,500,000.00**			**28,500,000.00**		**28,500,000.00**	
					Total Sales and Withdrawals	**30,500,000.00**		**1,995,381.34**	**30,497,265.63**	**7,021.06**	**30,504,286.69**	**8,905.35**

TREASURER'S REPORT

LAIF ACTIVITY
GRAPHS

As of June 30, 2006

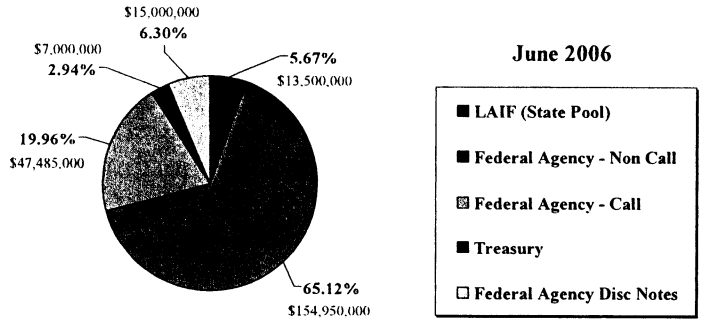
Oceanside Quarterly Report
Cash/Checking Activity
April 1, 2006 - June 30, 2006

Issuer Investment #	Fund	Security ID	Transaction Date	Receipt	Deposits	Withdrawals	Interest Received	Balance
LAIF								
Local Agency Investment Fund								
18000		SYS18000						
								4,750,000.00
			04/12/2006		5,750,000.00			10,500,000.00
			04/13/2006			2,500,000.00		8,000,000.00
			04/14/2006				54,208.96	8,000,000.00
			04/14/2006			2,750,000.00		5,250,000.00
			04/17/2006		2,750,000.00			8,000,000.00
			04/18/2006		1,750,000.00			9,750,000.00
			04/19/2006		2,750,000.00			12,500,000.00
			04/20/2006			2,250,000.00		10,250,000.00
			04/24/2006			1,000,000.00		9,250,000.00
			04/28/2006		1,500,000.00			10,750,000.00
			04/30/2006					10,750,000.00
			05/03/2006		3,250,000.00			14,000,000.00
			05/08/2006			1,250,000.00		12,750,000.00
			05/09/2006			1,500,000.00		11,250,000.00
			05/10/2006			250,000.00		11,000,000.00
			05/12/2006			2,000,000.00		9,000,000.00
			05/16/2006			2,000,000.00		7,000,000.00
			05/17/2006		2,000,000.00			9,000,000.00
			05/22/2006		750,000.00			9,750,000.00
			05/30/2006			750,000.00		9,000,000.00
			05/31/2006			500,000.00		8,500,000.00
			05/31/2006					8,500,000.00
			06/05/2006		2,500,000.00			11,000,000.00
			06/09/2006			500,000.00		10,500,000.00
			06/13/2006			3,250,000.00		7,250,000.00
			06/14/2006		3,500,000.00			10,750,000.00
			06/15/2006			500,000.00		10,250,000.00
			06/16/2006			2,500,000.00		7,750,000.00
			06/19/2006		1,500,000.00			9,250,000.00
			06/21/2006		3,750,000.00			13,000,000.00
			06/23/2006			1,750,000.00		11,250,000.00
			06/28/2006			3,250,000.00		8,000,000.00
			06/30/2006					8,000,000.00
Subtotal and Ending Balance					**31,750,000.00**	**28,500,000.00**	**54,208.96**	**8,000,000.00**

Issuer Investment #	Fund	Security ID	Transaction Date	Receipt	Deposits	Withdrawals	Interest Received	Balance
Local Agency Investment Fund								
								5,500,000.00
18001		SYS18001						
							77,130.56	5,500,000.00
			04/14/2006					5,500,000.00
			04/30/2006					5,500,000.00
			05/31/2006					5,500,000.00
			06/30/2006					5,500,000.00
Subtotal and Ending Balance					**0.00**	**0.00**	**77,130.56**	**5,500,000.00**
			Total		**31,750,000.00**	**28,500,000.00**	**131,339.52**	**13,500,000.00**

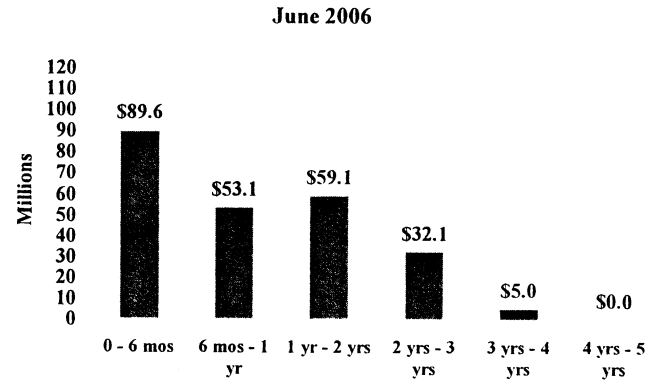
CITY OF OCEANSIDE
INVESTMENT PORTFOLIO SUMMARY GRAPHS

BREAKDOWN OF INVENTORY BY TYPE



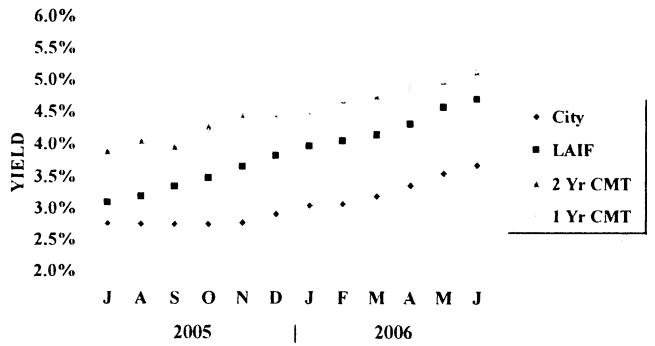
GRAPH 1

AGING OF MATURING INVESTMENTS



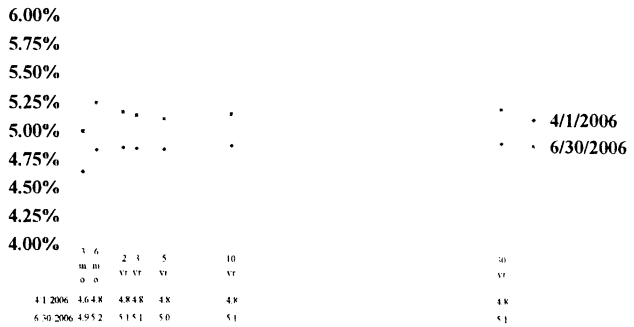
GRAPH 2

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



GRAPH 3

HISTORICAL YIELD CURVE COMPARISON
4/1/06 to 6/30/06



GRAPH 4

TREASURER'S REPORT

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

As of June 30, 2006

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

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM
Local Agency Investment Fund	466,000.00	465,154.59	466,000.00	100.00	1	1	4.700
Investments	**466,000.00**	**465,154.59**	**466,000.00**	**100.00%**	**1**	**1**	**4.700**

Total Earnings	June 30 Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	1,734.03	80,035.05	80,035.05
Average Daily Balance	**466,000.00**	**2,150,794.52**	
Effective Rate of Return	**4.53%**	**3.72%**	

Rosemary R. Jones, CDC Treasurer

Reporting period 06/01/2006-06/30/2006
Data Updated: SET_MOEN: 07/20/2006 13:46
Run Date: 07/20/2006 - 13:46

2002 TA Bonds - Month End Rpts
Portfolio Management
Portfolio Details - Investments
June 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	465,154.59	466,000.00	4.700		4.700	1	
		Subtotal and Average	**466,000.00**		**466,000.00**	**465,154.59**	**466,000.00**			**4.700**	**1**	
		Total and Average	**466,000.00**		**466,000.00**	**465,154.59**	**466,000.00**			**4.700**	**1**	

2002 TA Bonds - Month End Rpts
Cash/Checking Activity
April 1, 2006 - June 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							**2,216,000.00**
			4.142	04/14/2006				22,054.74	2,216,000.00
			4.304	04/30/2006					2,216,000.00
			4.304	05/10/2006			1,750,000.00		466,000.00
			4.563	05/31/2006					466,000.00
			4.700	06/30/2006					466,000.00
Subtotal and Ending Balance			**4.700**			**0.00**	**1,750,000.00**	**22,054.74**	**466,000.00**
Total						**0.00**	**1,750,000.00**	**22,054.74**	**466,000.00**

CITY OF OCEANSIDE
FUNDS MANAGED BY OUTSIDE PARTIES
AS OF JUNE 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	450,274.61	
1998 Oceanside Certificates of Participation - Police & Library Facility	1,571.59	
1998 Water Revenue Refunding Bonds	1,635,829.28	
1998 Watereuse Variable Rate Demand Bonds	246,323.13	
2002 Tax Allocation Bonds	2,014,763.64	
2002 Community Facilities District Bonds - Ocean Ranch Corporate Centre	2,555,253.74	
2002 Community Facilities District Bonds - Morro Hills Development	11,250,274.72	
2003 Refunding Certificates of Participation - 93 Series A Bonds	2,196,412.76	
2003 Revenue Certificates of Participation - Wastewater System Bonds	225.21	
2003 Refunding Certificates of Participation - Water System Bonds	126.51	
2004 Community Facilities District Bonds - Morro Hills Development Imp#1	790,907.43	
2004 Community Facilities District Bonds - Morro Hills Development	1,053,358.39	
2004 Community Facilities District Bonds - Ocean Ranch Corporate Centre	18.55	
2004 Refunding Tax Allocation Bonds	1,900,933.51	
2005 Civic Center Refunding Certificates of Participation	309,775.95	
2005 Pension Obligation Bonds	44,715.27	
		24,450,764.29
Rabobank		
2003 Tax Allocation Bonds	15,742,064.33	
		$ 15,742,064.33
		$ 40,192,828.62