



Memorandum

TO: PUBLIC SAFETY, FINANCE AND
STRATEGIC SUPPORT COMMITTEE

FROM: Scott P. Johnson

SUBJECT: FY 2006-07 THIRD QUARTER
INVESTMENT REPORT

DATE: May 3, 2007

Approved

Date

5/1/07

COUNCIL DISTRICT: City-Wide

RECOMMENDATIONS

Accept the FY 2006-07 Third Quarter Investment Report.

Discussion

The FY 2006-07 Third Quarter Investment Report for the quarter ended March 31, 2007 was previously transmitted electronically to the City Council to meet the reporting requirements set forth in the California Government Code Sections 53600 et seq. and the City of San Jose Investment Policy. The electronic version of this report was also posted on the City's website at www2.csjfinance.org and a hard copy filed in the City Clerk's Office located at 200 East Santa Clara Street.

Attached is a copy of the FY 2006-07 Third Quarter Investment Report focusing on:

- Quarterly Portfolio Statistics and Performance
- Investment Strategy
- Policy Reporting Requirements
- Significant Developments

Staff from the Finance Department will be available to answer questions at the Public Safety, Finance and Strategic Support Committee meeting on May 17, 2007.

SCOTT P. JOHNSON
Director of Finance

Attachment



SENT TO COUNCIL: _____

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Scott P. Johnson

**SUBJECT: INVESTMENT REPORT FOR
THE QUARTER ENDED
MARCH 31, 2007**

DATE: April 30, 2007

Approved

Kay Winer

Date

4/30/07

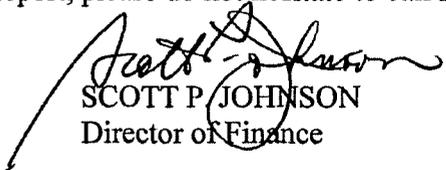
INFORMATION

Transmitted herewith is the City's investment report for the quarter ended March 31, 2007. To meet the reporting requirements set forth in the California Government Code Sections 53600 et seq. and the City of San Jose Investment Policy, an electronic version of this report will be posted on the City's website at www2.csjfinance.org and a hard copy will be on file at the City Clerk's Office located at 200 East Santa Clara Street.

This report will be distributed to the Public Safety, Finance and Strategic Support Committee (PSF&SSC) for discussion during its meeting on May 17, 2007 and will be agendaized through the PSF&SS Committee to a subsequent City Council meeting.

The total investment portfolio as of March 31, 2007 was \$1.145 billion. This is an increase of approximately \$44 million from December 31, 2006, primarily due to the receipt of property taxes and triple flip/vehicle license fee payments from the County. For the quarter ended March 31, 2007, the earned interest yield was 4.671%, an increase from the 4.344% reported for the quarter ended December 31, 2006, reflecting the reinvestment, in a higher interest rate environment, of maturing securities purchased in periods of lower interest rates. The weighted average days to maturity as of March 31, 2007 was 526 days, an increase of 154 days from 372 days as of December 31, 2006 due to staff placing investments in the 36-48 month range. As of March 31, 2007, approximately 93.2% of the portfolio consists of U.S. Treasury and Federal Agency securities

If you have any questions on this investment report, please do not hesitate to call me at 535-7001.


SCOTT P. JOHNSON
Director of Finance

Attachment

cc: Les White, City Manager
Gerald Silva, City Auditor
Richard Doyle, City Attorney
Kay Winer, Chief Deputy City Manager