

**Council Meeting: April 29, 2008****SUBJECT: CITY OF SUNNYVALE INVESTMENT REPORT 1st QUARTER
2008****BACKGROUND**

All local agencies are required to file reports on a quarterly basis with their legislative body on the status of their investment portfolio. The report must be submitted within 30 days following the end of the quarter covered by the report.

The report includes all investments managed by the City of Sunnyvale and provides information on the values (par, book, and market), term, and yield of each security. Summary information by type of security and detailed information on each security is provided. An evaluation of portfolio performance this accounting period compared to the previous accounting period and compared to the same accounting period of last fiscal year is also included.

Short term cash is invested in an interest bearing checking account with our primary banking institution, Union Bank and with the State Treasurer Local Agency Investment Fund (LAIF) to meet the liquidity needs of the City. Both investment vehicles provide liquidity within 24 hours.

Securities are priced at the end of every accounting period. In some cases, the City may have investments with a current market value that is greater or less than the recorded value. These changes in market value are due to fluctuations in the marketplace having no effect on yield, as the City does not intend to sell securities prior to maturity.

The market value is higher than recorded value for this quarter due to changes in the market as mentioned in the previous paragraph.

FISCAL IMPACT

Interest earnings for FY 2007/2008 as of Period 10 for all City funds totaled \$8,257,042.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, in the Council Chambers lobby, in the

Office of the City Clerk, at the Library, Senior Center, Community Center and Department of Public Safety; posting the agenda and report on the City's Web site; and making the report available at the Library and the Office of the City Clerk.

RECOMMENDATION

It is recommended that the City Council receive and file the investment report.

Reviewed by:

Mary J. Bradley Director, Finance

Prepared by: Therese B. Balbo, Finance Manager

Approved by:

Amy Chan

City Manager

Attachments

1. City of Sunnyvale's FY 2007/2008 Period 10 Investment Report



CITY OF SUNNYVALE

PORTFOLIO EVALUATION PERIOD 10 FY 2007/2008

INFORMATION UPDATE:

As required by California Government Code Section 53646, the Treasurer may render a quarterly report to the City Council and City Manager containing detailed information on all securities, investments, and moneys held by the City. This report shall be submitted within 30 days following the end of the quarter covered by the report.

It should be noted that the Finance Department has routinely provided this information on an accounting period basis within 30 days following the end of each accounting period.

I hereby certify that the City's portfolio complies with the City's adopted Investment Policy and the reporting requirements of State Law, and that the amount of the funds available are sufficient to meet expenditure requirements for the next 6 months, ending October 2008.

Date: April 17, 2008

Mary J. Bradley, Director of Finance

cc: Members of the City Council
City Manager

PORTFOLIO EVALUATION - PERIOD 10 FY 2007/2008 3/9/2008 - 4/5/2008)

DESCRIPTION	DOLLAR AMOUNT	FY 07/08 PERIOD 10 (3/9/08 - 4/5/08)	FY 07/08 PERIOD 9 (2/10/08 - 3/8/08)	FY 06/07 PERIOD 10 (3/11/07- 4/7/07)
TOTAL PORTFOLIO MARKET VALUE		\$243,850,503.24	\$237,513,085.35	\$214,887,039.10
AVERAGE LIFE OF PORTFOLIO (DAYS)		174	168	185
CITY - WEIGHTED YIELD (Current Period)		3.98%	4.15%	4.97%
STATE POOL YIELD		3.71%	4.04%	5.22%
90 DAY T-BILL RATE (Current Period)		1.17%	2.00%	4.89%
VARIANCE FROM CITY YIELD		2.81%	2.15%	0.08%
1 YEAR TREASURY RATE (Current Period)		1.54%	1.94%	4.92%
VARIANCE FROM CITY YIELD		2.44%	2.21%	0.05%
TREASURY YIELD WITH SAME AVG LIFE AS PORTFOLIO		1.39%	2.03%	5.01%
VARIANCE FROM CITY YIELD		2.59%	2.12%	-0.04%
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TOTAL INVESTMENTS MATURING WITHIN 0 TO 1 YEAR	\$199,708,952.19	81.90%	83.17%	85.69%
TOTAL INVESTMENTS MATURING WITHIN 1 TO 3 YEARS	\$44,140,648.68	18.10%	16.83%	14.31%
TOTAL INVESTMENTS MATURING WITHIN 3 TO 5 YEARS	\$0.00	0.00%	0.00%	0.00%
TOTAL INVESTMENTS MATURING OVER 5 YEARS **	\$902.37	0.00%	0.00%	0.00%
TOTAL	\$243,850,503.24	100.0%	100.0%	100.0%

** In accordance with Government Code 53601, the City Council, as part of the City's investment program, granted express authority to invest in US Treasury and US Agency securities with final stated maturities up to seven years. No investment shall be made in any other security type that at the time of investment has a term remaining to maturity in excess of five years unless granted express authority by the City Council to do so.



**CITY OF SUNNYVALE
Portfolio Management
Portfolio Summary
March 9, 2008 through April 5, 2008**

City of Sunnyvale
650 West Olive Ave.
Sunnyvale, CA, 94086
(408)730-7604

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Managed Pool Accounts	39,999,559.42	39,999,559.42	39,999,559.42	16.48	1	1	4.892	4.960
Passbook/Checking Accounts	25,326,265.96	25,326,265.96	25,326,265.96	10.44	1	1	2.919	2.960
Medium Term Notes	13,700,000.00	13,752,181.10	13,578,222.91	5.59	774	254	5.276	5.349
Federal Agency Issues - Coupon	147,689,000.00	149,686,200.61	148,889,471.05	61.35	427	240	3.699	3.750
Treasury Securities - Coupon	11,000,000.00	11,106,250.00	10,928,992.60	4.50	570	214	4.559	4.623
US Govt Mortgage Passthroughs	8,426.17	8,846.20	8,381.54	0.00	5,686	658	9.236	9.364
Federal Agency Disc. -Amortizing	4,000,000.00	3,971,199.95	3,963,510.00	1.63	191	123	2.739	2.777
Investments	241,723,251.55	243,850,503.24	242,694,403.48	100.00%	334	174	3.926	3.980
Cash and Accrued Interest								
Accrued Interest at Purchase		498,145.70	498,145.70					
Subtotal		498,145.70	498,145.70					
Total Cash and Investments	241,723,251.55	244,348,648.94	243,192,549.18		334	174	3.926	3.980
Total Earnings								
	April 5 Month Ending	Fiscal Year To Date						
Current Year	729,668.42	8,257,042.42						

MARY J. BRADLEY, TREASURER

CITY OF SUNNYVALE
Portfolio Management
Portfolio Details - Investments
April 5, 2008

CUSIP	Investment #	Issuer	Purchase	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 365	Days to Maturity	Maturity Date
Managed Pool Accounts											
SYS90-119	90-119	STATEPOOL		39,999,559.42	39,999,559.42	39,999,559.42	4.960		4.960	1	
Subtotal and Average				39,999,559.42	39,999,559.42	39,999,559.42			4.960	1	
Passbook/Checking Accounts											
SYS08-006	08-006	UNION BANK OF CALIFORNIA	09/04/2007	25,326,265.96	25,326,265.96	25,326,265.96	2.960		2.960	1	
Subtotal and Average				25,326,265.96	25,326,265.96	25,326,265.96			2.960	1	
Medium Term Notes											
36962GB78	06-093	GENERAL ELECTRIC	05/19/2006	2,700,000.00	2,700,396.74	2,696,848.08	3.500		5.290	25	05/01/2008
36962GR48	07-036	GENERAL ELECTRIC	06/15/2007	3,000,000.00	3,030,525.05	2,946,708.54	4.125		5.484	513	09/01/2009
892332AL1	06-092	TOYOTA	05/11/2006	3,000,000.00	2,994,786.07	2,978,411.63	2.875		5.290	117	08/01/2008
892332AL1	06-094	TOYOTA	05/19/2006	2,000,000.00	1,996,524.05	1,985,715.03	2.875		5.270	117	08/01/2008
98153BAE4	07-035	World Savings Bank	06/12/2007	3,000,000.00	3,029,949.19	2,970,539.63	4.500		5.380	435	06/15/2009
Subtotal and Average				13,700,000.00	13,752,181.10	13,578,222.91			5.349	254	
Federal Agency Issues - Coupon											
31331RWC5	06-097	FEDERAL FARM CREDIT BANK	06/27/2006	1,355,000.00	1,364,274.89	1,355,969.90	5.960		5.565	71	06/16/2008
3133XMQG9	08-012	FEDERAL FARM CREDIT BANK	10/24/2007	4,000,000.00	4,048,750.00	4,002,772.00	4.625		4.495	201	10/24/2008
31331TQV6	08-013	FEDERAL FARM CREDIT BANK	11/16/2007	3,000,000.00	3,021,562.50	2,982,659.02	3.300		4.047	292	01/23/2009
31331S2L6	08-014	FEDERAL FARM CREDIT BANK	11/16/2007	3,000,000.00	3,029,062.50	3,000,698.52	4.250		4.199	187	10/10/2008
3133XDT76	06-084	FEDERAL HOME LOAN BANK	03/08/2006	3,000,000.00	3,047,812.50	2,994,030.66	4.750		5.058	250	12/12/2008
3133XFJX5	06-095	FEDERAL HOME LOAN BANK	06/16/2006	3,000,000.00	3,015,000.00	2,998,301.17	5.125		5.447	68	06/13/2008
3133X5ZR2	07-021	FEDERAL HOME LOAN BANK	04/05/2007	4,000,000.00	4,002,500.00	3,996,173.85	3.530		5.085	23	04/29/2008
3133XFLG9	07-037	FEDERAL HOME LOAN BANK	06/15/2007	3,000,000.00	3,097,500.00	2,997,112.47	5.250		5.337	432	06/12/2009
3133XC4D2	08-002	FEDERAL HOME LOAN BANK	08/13/2007	3,000,000.00	3,009,375.00	2,995,042.67	4.100		5.011	68	06/13/2008
3133XJMQ8	08-007	FEDERAL HOME LOAN BANK	09/05/2007	3,000,000.00	3,021,562.50	3,000,443.73	5.000		4.938	101	07/16/2008
31339YVV1	08-008	FEDERAL HOME LOAN BANK	09/19/2007	3,000,000.00	3,008,437.50	2,988,088.41	3.375		4.775	106	07/21/2008
3133XLRX3	08-016	FEDERAL HOME LOAN BANK	12/12/2007	3,000,000.00	3,064,687.50	3,028,519.49	5.250		3.985	285	01/16/2009
3133XHHW5	08-019	FEDERAL HOME LOAN BANK	01/09/2008	4,000,000.00	4,048,750.00	4,022,585.28	5.100		3.816	166	09/19/2008
31339YVV1	08-022	FEDERAL HOME LOAN BANK	01/18/2008	4,000,000.00	4,011,250.00	4,000,000.00	3.375		3.375	106	07/21/2008
3133XLJL8	08-023	FEDERAL HOME LOAN BANK	01/28/2008	4,000,000.00	4,081,250.00	4,072,334.97	5.250		2.676	262	12/24/2008
3133XJTC2	08-025	FEDERAL HOME LOAN BANK	01/30/2008	4,000,000.00	4,088,750.00	4,077,319.78	5.125		2.726	302	02/02/2009
3133XEN96	08-026	FEDERAL HOME LOAN BANK	01/31/2008	4,000,000.00	4,087,500.00	4,075,011.84	4.750		2.693	341	03/13/2009
3133XPA61	08-027	FEDERAL HOME LOAN BANK	02/01/2008	4,000,000.00	4,020,000.00	4,015,970.90	3.000		2.490	292	01/23/2009
3133XKLY9	08-028	FEDERAL HOME LOAN BANK	02/05/2008	4,000,000.00	4,097,500.00	4,090,031.16	4.750		2.556	383	04/24/2009
3133XFLG9	08-030	FEDERAL HOME LOAN BANK	02/08/2008	4,000,000.00	4,130,000.00	4,130,898.18	5.250		2.420	432	06/12/2009
3133XQ2C5	08-032	FEDERAL HOME LOAN BANK	03/07/2008	3,500,000.00	3,507,656.25	3,513,128.90	2.630		2.202	327	02/27/2009
3133XL6B4	08-033	FEDERAL HOME LOAN BANK	03/07/2008	4,000,000.00	4,123,750.00	4,129,308.81	5.125		2.282	424	06/04/2009

Portfolio CITY
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CITY OF SUNNYVALE
Portfolio Management
Portfolio Details - Investments
April 5, 2008

CUSIP	Investment #	Issuer	Purchase	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 365	Days to Maturity	Maturity Date
Federal Agency Issues - Coupon											
3133XQBD3	08-036	FEDERAL HOME LOAN BANK	03/26/2008	4,000,000.00	3,996,250.00	4,007,068.37	2.375		2.181	338	03/10/2009
3133XGEQ3	08-037	FEDERAL HOME LOAN BANK	04/04/2008	4,000,000.00	4,145,000.00	4,149,854.30	5.250		2.370	486	08/05/2009
3128X3D91	06-086	FEDERAL HOME LOAN MORT CORP	03/30/2006	3,000,000.00	3,001,788.02	2,997,712.35	3.560		5.099	19	04/25/2008
3134A2DT2	07-032	FEDERAL HOME LOAN MORT CORP	05/21/2007	3,000,000.00	3,002,812.50	3,000,363.33	5.750		5.241	9	04/15/2008
3137EAAE9	08-029	FEDERAL HOME LOAN MORT CORP	02/08/2008	4,000,000.00	4,125,000.00	4,125,856.16	5.250		2.390	410	05/21/2009
3134A4UQ5	08-031	FEDERAL HOME LOAN MORT CORP	02/08/2008	4,000,000.00	4,040,000.00	4,036,260.52	3.375		2.470	374	04/15/2009
3137EAAE9	08-034	FEDERAL HOME LOAN MORT CORP	03/25/2008	4,000,000.00	4,125,000.00	4,131,508.17	5.250		2.270	410	05/21/2009
3133XFYK6	08-035	FEDERAL HOME LOAN MORT CORP	03/25/2008	4,000,000.00	4,146,250.00	4,156,271.19	5.375		2.259	467	07/17/2009
3136F5C90	06-099	FEDERAL NATL MORTGAGE ASSN	06/30/2006	3,000,000.00	3,013,125.00	2,998,395.26	5.200		5.565	57	06/02/2008
31359MRW5	07-031	FEDERAL NATL MORTGAGE ASSN	05/21/2007	3,834,000.00	3,836,396.25	3,823,707.64	2.875		5.210	43	05/19/2008
31359MRW5	08-003	FEDERAL NATL MORTGAGE ASSN	08/20/2007	3,000,000.00	3,001,875.00	2,993,171.15	2.875		4.832	43	05/19/2008
31359M5T6	08-010	FEDERAL NATL MORTGAGE ASSN	09/21/2007	4,000,000.00	4,045,000.00	4,008,203.40	5.125		4.599	149	09/02/2008
31359MTR4	08-011	FEDERAL NATL MORTGAGE ASSN	10/19/2007	3,000,000.00	3,023,437.50	2,979,520.35	3.375		4.395	253	12/15/2008
31359MUQ4	08-015	FEDERAL NATL MORTGAGE ASSN	11/16/2007	4,000,000.00	4,027,500.00	3,968,266.67	3.125		3.993	344	03/16/2009
31359MSQ7	08-017	FEDERAL NATL MORTGAGE ASSN	12/12/2007	3,000,000.00	3,009,375.00	2,990,573.84	3.250		4.142	131	08/15/2008
31359ME41	08-018	FEDERAL NATL MORTGAGE ASSN	12/20/2007	4,000,000.00	4,021,250.00	3,996,947.90	3.875		4.154	100	07/15/2008
31359MZH9	08-020	FEDERAL NATL MORTGAGE ASSN	01/10/2008	4,000,000.00	4,046,250.00	4,017,401.75	4.500		3.645	192	10/15/2008
31398AAF9	08-021	FEDERAL NATL MORTGAGE ASSN	01/17/2008	4,000,000.00	4,057,500.00	4,036,767.83	4.900		3.261	211	11/03/2008
880591DB5	06-090	TENNESSEE VALLEY AUTHORITY	05/04/2006	3,000,000.00	3,047,730.10	3,003,337.36	5.375		5.175	221	11/13/2008
880591DB5	07-034	TENNESSEE VALLEY AUTHORITY	06/11/2007	3,000,000.00	3,047,730.10	3,001,881.80	5.375		5.262	221	11/13/2008
Subtotal and Average				147,689,000.00	149,686,200.61	148,889,471.05			3.750	240	
Treasury Securities - Coupon											
912828DT4	06-096	UNITED STATE TREASURY	06/26/2006	3,000,000.00	3,007,500.00	2,995,423.05	3.750		5.268	39	05/15/2008
912828CH1	07-033	UNITED STATE TREASURY	06/08/2007	2,000,000.00	2,046,250.00	1,976,607.14	3.875		4.997	404	05/15/2009
912828BZ2	08-004	UNITED STATE TREASURY	08/24/2007	3,000,000.00	3,031,875.00	2,969,977.47	3.000		4.213	315	02/15/2009
912828BK5	08-005	UNITED STATE TREASURY	08/24/2007	3,000,000.00	3,020,625.00	2,986,984.94	3.125		4.136	162	09/15/2008
Subtotal and Average				11,000,000.00	11,106,250.00	10,928,992.60			4.623	214	
US Govt Mortgage Passthroughs											
313401KA8	86-081	FEDERAL HOME LOAN MORT CORP	07/01/1994	253.54	283.70	273.35	13.500		12.154	908	10/01/2010
313401TJ0	87-009	FEDERAL HOME LOAN MORT CORP	07/01/1994	785.34	902.37	804.48	10.000		9.680	2,886	03/01/2016
31340RGH1	88-137	FEDERAL HOME LOAN MORT CORP	07/01/1994	3,503.44	3,636.89	3,468.41	9.000		9.215	360	04/01/2009
362055UF0	88-135	GOVT NATL MORTGAGE ASSN	07/01/1994	375.95	382.50	371.25	9.000		9.241	223	11/15/2008
362063F46	88-136	GOVT NATL MORTGAGE ASSN	07/01/1994	3,507.90	3,640.74	3,464.05	9.000		9.234	465	07/15/2009
Subtotal and Average				8,426.17	8,846.20	8,381.54			9.364	658	

**CITY OF SUNNYVALE
Portfolio Management
Portfolio Details - Investments
April 5, 2008**

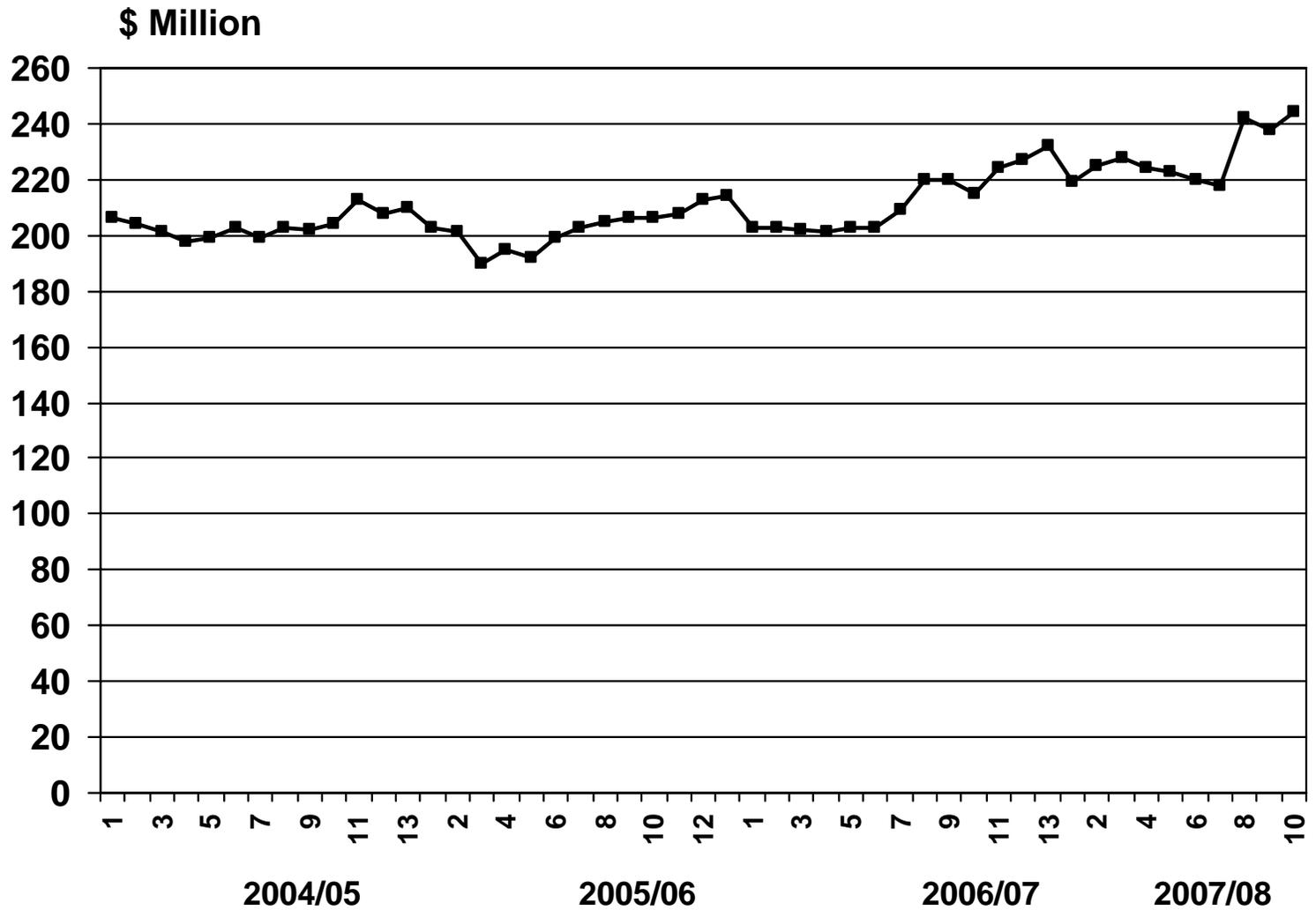
CUSIP	Investment #	Issuer	Purchase	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 365	Days to Maturity	Maturity Date
Federal Agency Disc. -Amortizing											
313384B24	08-024	FEDERAL HOME LOAN BANK	01/29/2008	4,000,000.00	3,971,199.95	3,963,510.00	2.670		2.777	123	08/07/2008
Subtotal and Average				4,000,000.00	3,971,199.95	3,963,510.00			2.777	123	
Total and Average				241,723,251.55	243,850,503.24	242,694,403.48			3.980	174	

**CITY OF SUNNYVALE
Portfolio Management
Portfolio Details - Cash
April 5, 2008**

CUSIP	Investment #	Issuer	Purchase	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 365	Days to Maturity
Subtotal and Average			Accrued Interest at Purchase		498,145.70	498,145.70				0
			Subtotal		498,145.70	498,145.70				
Total Cash and Investmentss				241,723,251.55	244,348,648.94	243,192,549.18			3.980	174

INVESTMENT PORTFOLIO

PORTFOLIO TREND



INVESTMENT PORTFOLIO COMPARISON OF ANNUAL YIELDS

