

# Agenda Report

**TO:** CITY COUNCIL

**DATE:** March 14, 2005

**THROUGH:** FINANCE COMMITTEE

**FROM:** CITY MANAGER

**SUBJECT:** QUARTERLY INVESTMENT REPORT  
QUARTER ENDING DECEMBER 31, 2004

## **RECOMMENDATION**

This report is for information purposes only.

## **BACKGROUND**

Government Code Section 53646 (b)(1) requires the Treasurer or Chief Fiscal Officer of a local agency to render a quarterly report to the legislative body of the local agency containing detailed information on all securities, investments, and moneys of the local agency, a statement of compliance of the portfolio with the statement of investment policy, and a statement of the local agency's ability to meet its pool's expenditure requirements for the next six months. By requiring these reports to be made, this bill imposes a state-mandated local program. The bill requires the Treasurer or Chief Fiscal Officer to report whatever additional information or data may be required by the legislative body of the local agency.

In addition to the report required by Section 16480.7, Section 16481.2 was added to the Government Code requiring the Treasurer to submit a quarterly report to the legislative body/oversight committee within 30 days following the end of the quarter containing the following:

- 1) The type of investment, name of the issuer, date of maturity, par and dollar amount invested in each security, investment, and money within the treasury.
- 2) The weighted average maturity of the investments within the treasury.

- 3) Any funds, investments, or programs, including loans, that are under the management of contracted parties.
- 4) The market value as of the date of the report, and the source of this valuation for any security within the treasury.
- 5) A description of the compliance with the statement of investment policy.

### **ECONOMIC SUMMARY**

The U.S. economy grew at a 3.8% annual rate in the final three months of 2004. This growth rate was faster than market's expectation because of smaller trade deficit than anticipated and a surge in business spending on equipment and software. The year ended with an impressive GDP growth rate of 4.4% for 2004. The bond market registered a respective return in 2004 despite the Fed increasing the short-term interest rates five times during the year. Non-farm payroll numbers continued to be a focus of attention during the quarter as the number moved from 119,000 in October to 312,000 and 137,000 in November and December respectively. The price of oil was almost exact opposite to the equity market. As the price of oil fell from a high of \$54 per barrel on October 26<sup>th</sup> to a low of \$41 on December 27<sup>th</sup>, the Dow Industrial average increased by 10.75% during this same period.

The FOMC met twice during the quarter, on November 10<sup>th</sup> and December 14<sup>th</sup>. At both meetings, the Fed increased the overnight lending rate by 0.25%, keeping in line with their self described "measured" pace of rate increases. The consensus expects the Fed Funds rate to move from its current 2.5% level up to 3.5%-4.0% by year end.

### **Total Funds under management as of 12/31/2004 (market values):**

Pooled Investment Portfolio	284,178,613
Capital Endowment Portfolio	12,192,813
Stranded Investment Reserve Portfolio	146,874,889
Special Funds	19,589,332
Investments held with Fiscal Agents	<u>111,610,043</u>
Total Funds under management	<u>574,445,690</u>

Per the Government Code requirements, attached are the reports by each fund, indicating the type of investments, date of maturity, par and dollar amount invested in each security, as well as investment and moneys within the treasury with market values as of December 31, 2004. The City Treasurer prices the pooled portfolio and all other funds and investments under management on a monthly basis. The market values are obtained from Interactive Data Corporation (IDC) and Bloomberg Financial System. IDC is an independent third party whose sole service is to provide market prices for all types of securities.

The types of securities held in the portfolio and their percentage allocation to the total are in compliance with the City's Fiscal Year 2005 Investment Policy, which was adopted by the City Council on October 25, 2004 and Section 53600 of the State Government Code. The City Treasurer currently maintains an average of over \$40 million short-term liquid investments (one to 90 day maturities). This balance, along with anticipated cash flows into the City's account, represent a strong liquidity position to meet budgeted expenditures for the next six months.

Respectfully submitted



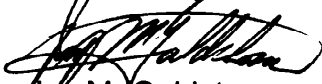
Cynthia J. Kurtz  
City Manager

Prepared by:



Vic Ergonian  
City Treasurer

Approved by:



Jay M. Goldstone  
Director of Finance

# City of Pasadena Quarterly Investment Report

Quarter Ending 12/31/04

Prepared by the Department of Finance  
Treasury Division

# **I. Pooled Investment Portfolio**



**CITY OF PASADENA**  
**Treasurer's Pooled Investment Portfolio**

Vicken Erganian  
 City Treasurer

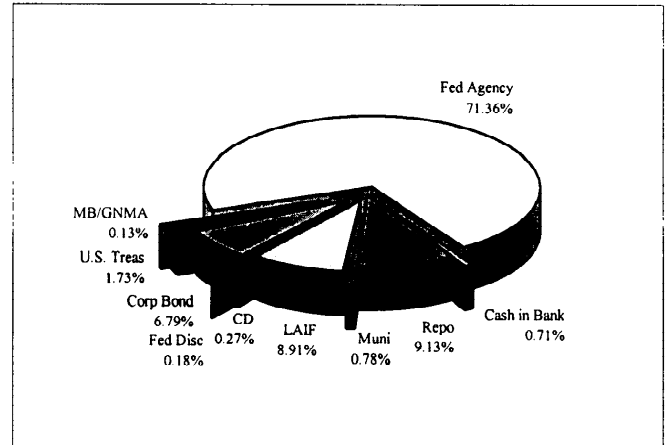
**DECEMBER 2004**

**PORTFOLIO COMPLIANCE**

The Treasurer's investment portfolio is in compliance with the California Government Code Section 53601 and the City's Investment Policy approved by the City Council on October 25, 2004. The holdings in the investment pool are in compliance with the current investment policy statement. Further information on compliance issues can be obtained by calling the City of Pasadena Treasurer's Office. A complete copy of the monthly investment report on the investment portfolio, including a detailed listing of each investment, is available by calling the Treasurer's office at (626)744-4422.

**PORTFOLIO STRUCTURE AS OF 12/31/04**

<b>TYPE</b>	<b>MARKET VALUE</b>	<b>PERCENT</b>
Repurchase Agreements	25,800,000	9.13%
Municipal Bonds	2,209,606	0.78%
LAIF	25,167,206	8.91%
Certificate of Deposit	750,000	0.27%
Federal Agencies - Discount	506,716	0.18%
Corporate Bonds	19,176,665	6.79%
U.S. Treasury Bonds	4,887,500	1.73%
Mortgage Backed Securities/GNMAs	378,730	0.13%
Federal Agencies	201,553,053	71.36%
Cash in Bank	2,005,796	0.71%
<b>TOTALS:</b>	<b>282,435,273</b>	<b>100.00%</b>
Accrued Interest Receivable	1,743,340	
<b>GRAND TOTAL:</b>	<b>284,178,613</b>	



**PORTFOLIO LIQUIDITY AS OF 12/31/04**

<b>Aging Interval</b>	<b>Par Value</b>	<b>Percent of Portfolio</b>
0-30 Days	53,100,689	18.73%
31 days - 1 Year	16,813,962	5.93%
1 - 2 Years	73,634,886	25.97%
2 - 3 Years	40,761,902	14.38%
3 - 4 Years	75,001,720	26.45%
4 - 5 Years	22,001,974	7.76%
Over 5 Years	2,212,712	0.78%
<b>TOTAL:</b>	<b>283,527,845</b>	<b>100.00%</b>

**PORTFOLIO STATISTICS**

	<b>Dec-04</b>	<b>Nov-04</b>	<b>Oct-04</b>	<b>Sep-04</b>	<b>Aug-04</b>	<b>July-04</b>
Month-End Mkt Value	284,178,613	280,814,388	281,273,497	277,126,446	284,845,298	275,734,096
Modified Duration	2.00	2.03	2.02	1.96	2.07	2.21
Weighted Average Maturity	2.15	2.18	2.18	2.11	2.24	2.40
Yield to Maturity	2.907%	2.899%	2.823%	2.752%	2.778%	2.810%
Effective yield - Year to Date	2.830%	2.820%	2.810%	2.750%	2.750%	2.730%
Interest Earned	691,126	672,177	648,415	646,122	666,224	667,398
Fiscal Year To Date Interest Earned	3,991,463	3,300,336	2,628,159	1,979,744	1,333,622	667,398
Fair Value Change Gain/(Loss)	180,233	(1,410,440)	250,713	(351,022)	1,480,155	644,769
Fiscal Year To Date change in fair value	794,409	614,176	2,024,616	1,773,903	2,124,925	644,769
Total Fiscal YTD earnings	4,785,872	3,914,512	4,652,775	3,753,647	3,458,547	1,312,167

**CITY POOLED PORTFOLIO**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**December 31, 2004**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 365	Days to Maturity	Maturity Date
<b>Repurchase Agreements</b>												
SYS9691	9691	MERRILL LYNCH		12/30/2004	25,800,000.00	25,800,000.00	25,800,000.00	2.250		2.281	2	01/03/2005
		<b>Subtotal and Average</b>	<b>12,390,422.71</b>		<b>25,800,000.00</b>	<b>25,800,000.00</b>	<b>25,800,000.00</b>			<b>2.281</b>	<b>2</b>	
<b>LAIF</b>												
SYS864	864	Local Agency Investment Fund			25,167,206.26	25,167,206.26	25,167,206.26	2.000		2.000	1	
		<b>Subtotal and Average</b>	<b>25,167,206.26</b>		<b>25,167,206.26</b>	<b>25,167,206.26</b>	<b>25,167,206.26</b>			<b>2.000</b>	<b>1</b>	
<b>Money Market Fund</b>												
SYS6120	6120	MERRILL LYNCH			0.00	0.00	0.00	1.710		1.734	1	
		<b>Subtotal and Average</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>			<b>0.000</b>	<b>0</b>	
<b>Mortgage Backs</b>												
31282UXQ5	6481	FED HOME LOAN MORTGAGE CORP		01/28/2002	353,646.74	362,438.40	360,830.19	5.500	Aaa	4.670	730	01/01/2007
362068B64	147	GOVERNMENT NATL MORTGAGE ASSOC		06/01/1994	1,909.28	2,100.27	1,909.28	11.000	Aaa	11.000	1,809	12/15/2009
362069A46	146	GOVERNMENT NATL MORTGAGE ASSOC		09/01/1994	5,408.46	5,998.79	5,408.46	11.000	Aaa	11.000	1,990	03/15/2010
362136TU7	141	GOVERNMENT NATL MORTGAGE ASSOC		06/01/1994	5,121.99	5,774.38	5,121.99	11.500	Aaa	11.500	2,967	02/15/2013
362102T70	143	GOVERNMENT NATL MORTGAGE ASSOC		06/01/1994	1,350.58	1,527.61	1,350.58	11.500	Aaa	11.500	3,056	05/15/2013
36215VY03	127	GOVERNMENT NATL MORTGAGE ASSOC		06/01/1994	799.64	900.27	799.64	11.000	Aaa	11.000	4,031	01/15/2016
		<b>Subtotal and Average</b>	<b>369,351.33</b>		<b>368,236.69</b>	<b>378,729.72</b>	<b>375,420.14</b>			<b>4.925</b>	<b>798</b>	
<b>Certificates of Deposit - Bank</b>												
SYS9159	9159	Community Bank		06/29/2004	750,000.00	750,000.00	750,000.00	3.500		3.500	909	06/29/2007
		<b>Subtotal and Average</b>	<b>750,000.00</b>		<b>750,000.00</b>	<b>750,000.00</b>	<b>750,000.00</b>			<b>3.500</b>	<b>909</b>	
<b>Federal Agency Issues - Coupon</b>												
3133X3Z55	8739	Federal Home Loan Bank		02/26/2004	2,000,000.00	1,987,500.00	2,000,000.00	1.800	Aaa	1.800	237	08/26/2005
3128X1ZF3	8387	FED HOME LOAN MORTGAGE CORP		10/28/2003	5,000,000.00	4,965,975.19	5,000,000.00	2.070	Aaa	2.070	300	10/28/2005
3133X3VH3	8715	Federal Home Loan Bank		02/25/2004	5,000,000.00	4,965,625.00	5,000,000.00	2.150	Aaa	2.151	328	11/25/2005
3136F3ZJ4	8901	FED NATIONAL MORTGAGE ASSOC		03/25/2004	3,485,000.00	3,427,101.56	3,468,800.43	2.000	Aaa	1.896	394	01/30/2006
3136F3V29	8098	FED NATIONAL MORTGAGE ASSOC		08/06/2003	4,000,000.00	3,956,250.00	4,000,822.92	2.020	Aaa	2.001	401	02/06/2006
3128X2E35	8787	FED HOME LOAN MORTGAGE CORP		03/15/2004	3,000,000.00	2,967,957.00	3,000,000.00	2.150	Aaa	2.150	438	03/15/2006
3136F55X0	8975	FED NATIONAL MORTGAGE ASSOC		04/28/2004	3,000,000.00	2,998,136.72	2,998,136.72	2.300	Aaa	2.348	482	04/28/2006
3133X6LP9	8939	Federal Home Loan Bank		05/11/2004	4,000,000.00	3,972,500.00	4,000,000.00	2.600	Aaa	2.600	495	05/11/2006
3133X7VF8	9230	Federal Home Loan Bank		08/03/2004	2,000,000.00	1,996,250.00	2,001,588.89	2.000	Aaa	3.427	579	08/03/2006
3136F3Z82	8940	FED NATIONAL MORTGAGE ASSOC		04/15/2004	2,500,000.00	2,471,093.75	2,494,807.69	2.410	Aaa	2.544	583	08/07/2006

**CITY POOLED PORTFOLIO**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**December 31, 2004**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity	Maturity Date
										365		
3136F44N1	8786	FED NATIONAL MORTGAGE ASSOC		02/24/2004	4,000,000.00	3,961,250.00	4,001,640.54	2.550	Aaa	2.524	593	08/17/2006
3136F44N1	8829	FED NATIONAL MORTGAGE ASSOC		03/12/2004	3,000,000.00	2,970,937.50	3,004,395.00	2.550	Aaa	2.456	593	08/17/2006
3136F5E5	9082	FED NATIONAL MORTGAGE ASSOC		06/01/2004	2,500,000.00	2,482,968.75	2,495,396.80	3.000	Aaa	3.107	594	08/18/2006
3133X4T27	8818	Federal Home Loan Bank		03/15/2004	4,000,000.00	3,952,500.00	4,000,000.00	2.475	Aaa	2.475	622	09/15/2006
3133X8EY4	9275	Federal Home Loan Bank		09/15/2004	3,000,000.00	2,990,625.00	3,000,000.00	3.020	Aaa	3.020	622	09/15/2006
3133X1YZ4	8434	Federal Home Loan Bank		11/13/2003	3,000,000.00	2,981,250.00	3,000,000.00	3.100	Aaa	3.100	681	11/13/2006
3133X6PD2	8974	Federal Home Loan Bank		05/14/2004	3,000,000.00	2,989,687.50	3,000,000.00	3.060	Aaa	3.060	682	11/14/2006
3133X9SP1	9484	Federal Home Loan Bank		11/17/2004	2,500,000.00	2,489,843.75	2,500,000.00	3.020	Aaa	3.020	685	11/17/2006
3128X3EW9	8986	FED HOME LOAN MORTGAGE CORP		05/17/2004	3,000,000.00	2,992,598.88	3,000,000.00	3.125	Aaa	3.125	685	11/17/2006
3133X9FX3	9570	Federal Home Loan Bank		11/29/2004	2,000,000.00	1,991,875.00	1,997,611.27	3.050	Aaa	3.115	696	11/28/2006
3133MYZD2	7890	Federal Home Loan Bank		06/12/2003	3,000,000.00	2,965,312.50	3,000,000.00	2.645	Aaa	2.645	710	12/12/2006
3133X4EL1	8785	Federal Home Loan Bank		03/18/2004	4,000,000.00	3,963,750.00	4,000,000.00	2.765	Aaa	2.766	717	12/19/2006
3128X1HX8	7988	FED HOME LOAN MORTGAGE CORP		06/19/2003	5,000,000.00	4,927,594.76	5,004,389.88	2.500	Aaa	2.382	717	12/19/2006
3128X1HX8	7989	FED HOME LOAN MORTGAGE CORP		06/19/2003	5,000,000.00	4,927,594.76	5,010,535.71	2.500	Aaa	2.316	717	12/19/2006
3128X1LY1	7991	FED HOME LOAN MORTGAGE CORP		06/26/2003	2,500,000.00	2,463,712.46	2,500,000.00	2.300	Aaa	2.300	724	12/26/2006
3133X5EB0	8870	Federal Home Loan Bank		04/12/2004	2,000,000.00	1,968,750.00	2,000,000.00	2.465	Aaa	2.466	741	01/12/2007
3133X6K39	8938	Federal Home Loan Bank		05/12/2004	4,000,000.00	3,980,000.00	4,000,000.00	3.050	Aaa	3.051	772	02/12/2007
3133X6PZ3	8976	Federal Home Loan Bank		05/14/2004	3,000,000.00	2,991,562.50	3,000,000.00	3.200	Aaa	3.201	774	02/14/2007
3133X4NV9	8874	Federal Home Loan Bank		03/24/2004	5,000,000.00	4,976,562.50	5,013,932.05	2.250	Aaa	2.120	810	03/22/2007
3133X4X63	8824	Federal Home Loan Bank		03/29/2004	3,000,000.00	2,951,250.00	3,000,000.00	3.050	Aaa	3.050	816	03/28/2007
3136F5GU9	8825	FED NATIONAL MORTGAGE ASSOC		03/29/2004	3,000,000.00	2,978,437.50	3,000,000.00	3.000	Aaa	3.000	817	03/29/2007
3133X6CM6	8934	Federal Home Loan Bank		04/30/2004	3,000,000.00	2,978,437.50	3,000,000.00	3.030	Aaa	3.030	849	04/30/2007
3133X4D24	8741	Federal Home Loan Bank		03/11/2004	4,000,000.00	3,971,250.00	4,000,000.00	3.170	Aaa	3.170	983	09/11/2007
3128X3WZ2	9363	FED HOME LOAN MORTGAGE CORP		09/27/2004	2,000,000.00	1,998,129.94	2,000,000.00	3.500	Aaa	3.500	989	09/27/2007
3133X8SC7	9411	Federal Home Loan Bank		10/12/2004	3,000,000.00	2,993,437.50	3,000,000.00	3.450	Aaa	3.450	1,014	10/12/2007
3133X9JU5	9539	Federal Home Loan Bank		12/07/2004	3,000,000.00	3,000,000.00	3,000,000.00	3.770	Aaa	3.770	1,070	12/07/2007
3133X9NT3	9571	Federal Home Loan Bank		12/10/2004	2,500,000.00	2,504,687.50	2,500,000.00	3.740	Aaa	3.740	1,073	12/10/2007
3133X5M21	8873	Federal Home Loan Bank		03/29/2004	2,000,000.00	1,971,875.00	2,000,000.00	3.000	Aaa	3.001	1,091	12/28/2007
3128X3A52	9452	FED HOME LOAN MORTGAGE CORP		10/28/2004	3,000,000.00	2,996,271.06	3,000,000.00	3.000	Aaa	3.754	1,213	04/28/2008
3136F3PD2	7815	FED NATIONAL MORTGAGE ASSOC		04/30/2003	3,000,000.00	2,997,187.50	3,000,000.00	3.660	Aaa	3.660	1,215	04/30/2008
3128X1BD8	7850	FED HOME LOAN MORTGAGE CORP		05/19/2003	4,000,000.00	3,985,852.05	4,000,000.00	3.500	Aaa	3.500	1,234	05/19/2008
3128X1BD8	8005	FED HOME LOAN MORTGAGE CORP		06/13/2003	4,000,000.00	3,985,852.05	4,045,434.97	3.500	Aaa	3.135	1,234	05/19/2008
3133MYQ4	7888	Federal Home Loan Bank		06/04/2003	4,000,000.00	3,940,000.00	4,000,000.00	3.150	Aaa	3.150	1,250	06/04/2008
31339X6Q2	7984	Federal Home Loan Bank		06/12/2003	3,000,000.00	2,945,625.00	3,000,000.00	3.050	Aaa	3.050	1,258	06/12/2008
3133X9QC6	9594	Federal Home Loan Bank		12/17/2004	3,000,000.00	3,006,562.50	3,000,000.00	4.000	Aaa	4.000	1,263	06/17/2008
31339XDU5	7931	Federal Home Loan Bank		06/19/2003	2,000,000.00	1,970,625.00	2,000,000.00	3.170	Aaa	3.170	1,265	06/19/2008

Portfolio PASD  
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**CITY POOLED PORTFOLIO**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**December 31, 2004**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 365	Days to Maturity	Maturity Date
<b>Federal Agency Issues - Coupon</b>												
31339XH7	7965	Federal Home Loan Bank		06/28/2003	2,000,000.00	1,975,000.00	2,000,000.00	3.250	Aaa	3.250	1,272	06/26/2008
31339XC66	7987	Federal Home Loan Bank		06/30/2003	5,000,000.00	4,898,437.50	5,004,371.53	3.000	Aaa	2.973	1,276	06/30/2008
31339YA51	8047	Federal Home Loan Bank		07/16/2003	2,500,000.00	2,456,250.00	2,500,000.00	3.100	Aaa	3.100	1,292	07/16/2008
31339YS37	8096	Federal Home Loan Bank		07/30/2003	2,500,000.00	2,478,125.00	2,500,000.00	3.400	Aaa	3.400	1,306	07/30/2008
31339YR87	8092	Federal Home Loan Bank		08/05/2003	5,000,000.00	4,968,750.00	5,000,000.00	3.500	Aaa	3.500	1,312	08/05/2008
31339YSF0	8097	Federal Home Loan Bank		08/07/2003	3,000,000.00	2,968,125.00	3,000,000.00	3.350	Aaa	3.350	1,314	08/07/2008
31339YX88	8100	Federal Home Loan Bank		08/14/2003	2,500,000.00	2,481,406.25	2,500,000.00	3.625	Aaa	3.625	1,321	08/14/2008
3136F34U7	8158	FED NATIONAL MORTGAGE ASSOC		08/14/2003	2,500,000.00	2,503,906.25	2,500,000.00	3.910	Aaa	3.910	1,321	08/14/2008
3133X8KU5	9362	Federal Home Loan Bank		09/30/2004	2,000,000.00	2,002,500.00	2,000,000.00	3.920	Aaa	3.920	1,368	09/30/2008
3128X1T56	8386	FED HOME LOAN MORTGAGE CORP		10/15/2003	2,000,000.00	2,006,069.95	2,000,000.00	4.000	Aaa	4.000	1,383	10/15/2008
3135A0AY5	9482	FED NATIONAL MORTGAGE ASSOC		10/22/2004	3,000,000.00	2,986,875.00	3,000,000.00	3.000	Aaa	3.760	1,389	10/21/2008
3136F5GC9	8822	FED NATIONAL MORTGAGE ASSOC		03/15/2004	3,000,000.00	2,984,062.50	3,000,000.00	3.000	Aaa	4.000	1,534	03/15/2009
3136F5GF0	8821	FED NATIONAL MORTGAGE ASSOC		03/16/2004	4,000,000.00	4,001,250.00	4,000,000.00	4.040	Aaa	4.040	1,535	03/16/2009
3133X6BG0	8931	Federal Home Loan Bank		04/29/2004	3,000,000.00	2,998,125.00	2,998,377.08	3.000	Aaa	3.014	1,579	04/29/2009
3133X6C20	8932	Federal Home Loan Bank		05/04/2004	3,000,000.00	3,003,750.00	3,000,000.00	4.240	Aaa	4.240	1,584	05/04/2009
3136F6LD9	9505	FED NATIONAL MORTGAGE ASSOC		11/15/2004	2,000,000.00	2,003,750.00	2,000,000.00	4.150	Aaa	4.150	1,595	05/15/2009
3133X8SD5	9412	Federal Home Loan Bank		10/13/2004	3,000,000.00	3,000,937.50	3,000,000.00	4.100	Aaa	4.100	1,746	10/13/2009
3136F6HG7	9455	FED NATIONAL MORTGAGE ASSOC		10/28/2004	2,000,000.00	2,002,500.00	2,000,000.00	4.500	Aaa	4.500	1,761	10/28/2008
3133X92H2	9456	Federal Home Loan Bank		11/02/2004	2,000,000.00	2,001,875.00	2,000,000.00	4.125	Aaa	4.125	1,766	11/02/2009
<b>Subtotal and Average</b>			<b>7,642,723.77</b>		<b>202,985,000.00</b>	<b>201,553,053.41</b>	<b>203,040,241.48</b>			<b>3.052</b>	<b>950</b>	
<b>Treasury Securities - Coupon</b>												
912828AZ3	8024	US Treasury		06/17/2003	5,000,000.00	4,887,500.00	5,079,542.49	2.625		2.125	1,230	05/15/2008
<b>Subtotal and Average</b>			<b>5,080,512.52</b>		<b>5,000,000.00</b>	<b>4,887,500.00</b>	<b>5,079,542.49</b>			<b>2.125</b>	<b>1,230</b>	
<b>Municipal Bond - PCDC</b>												
SYS1783	1783	PCDC		06/30/1996	2,209,606.42	2,209,606.42	2,209,606.42	6.000		6.000	2,371	06/30/2011
<b>Subtotal and Average</b>			<b>2,209,606.42</b>		<b>2,209,606.42</b>	<b>2,209,606.42</b>	<b>2,209,606.42</b>			<b>6.000</b>	<b>2,371</b>	
<b>Corporate Bonds - Coupon</b>												
36962GUL6	7453	GENERAL ELECTRIC CORP BOND		12/27/2002	2,500,000.00	2,543,057.63	2,544,861.89	7.500	Aaa	2.502	134	05/15/2005
45974VYU6	6912	AIG		07/12/2002	1,750,000.00	1,765,925.06	1,755,368.74	5.120	A1	4.342	151	06/01/2005
36962GA46	7891	GENERAL ELECTRIC CORP BOND		05/19/2003	2,500,000.00	2,493,682.48	2,517,466.94	2.850	Aaa	2.179	394	01/30/2006
22541LAA1	7674	credit suisse		03/14/2003	2,000,000.00	2,078,622.13	2,090,038.46	5.875	Aa3	2.870	577	08/01/2006
16161ABS6	8095	JPMORGAN CHASE		07/14/2003	3,000,000.00	3,238,152.01	3,295,154.39	6.375	Aa3	3.087	1,186	04/01/2008
459745FF7	8068	AIG		06/30/2003	2,500,000.00	2,531,930.16	2,611,487.65	4.500	A1	3.049	1,216	05/01/2008

Portfolio PASD  
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**CITY POOLED PORTFOLIO**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**December 31, 2004**

USIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 365	Days to Maturity	Maturity Date
<b>Corporate Bonds - Coupon</b>												
2237LNR9	8048	COUNTRYWIDE HOME LOAN		06/24/2003	2,500,000.00	2,444,567.49	2,532,364.18	3.250	A3	2.838	1,236	05/21/2008
6233RAG8	9504	VERIZON GLOBAL		10/28/2004	2,000,000.00	2,080,728.15	2,105,965.69	5.550	A2	4.023	1,383	10/15/2008
		<b>Subtotal and Average</b>	<b>2,107,055.82</b>		<b>18,750,000.00</b>	<b>19,176,865.11</b>	<b>19,452,707.94</b>			<b>3.048</b>	<b>819</b>	
<b>Federal Agency Disc. - Amortizing</b>												
13397AT8	9507	FEDERAL HOME LOAN DISCOUNT NOT		11/01/2004	85,000.00	84,923.50	84,303.75	17.899	A1+	18.880	17	01/18/2005
13589GC1	9191	FNMA DISCOUNT NOTE		07/07/2004	86,000.00	85,131.40	83,714.72	6.388	A1+	6.885	146	05/27/2005
13589HG1	9336	FNMA DISCOUNT NOTE		09/02/2004	86,000.00	84,933.60	83,543.21	5.847	A1+	6.242	174	06/24/2005
13589HK2	9418	FNMA DISCOUNT NOTE		10/04/2004	85,000.00	83,928.00	82,509.74	5.905	A1+	6.296	177	06/27/2005
13397HL8	9241	FEDERAL HOME LOAN DISCOUNT NOT		08/02/2004	86,000.00	84,907.80	83,515.85	5.750	A1+	6.169	178	06/28/2005
13589HP1	9586	FED NATIONAL MORTGAGE ASSOC		12/01/2004	84,000.00	82,891.19	81,515.82	5.831	Aaa	6.180	181	07/01/2005
		<b>Subtotal and Average</b>	<b>27,000.00</b>		<b>512,000.00</b>	<b>506,716.49</b>	<b>498,103.09</b>			<b>8.471</b>	<b>145</b>	
		<b>Total and Average</b>	<b>55,743,876.82</b>		<b>281,522,046.37</b>	<b>280,429,477.41</b>	<b>282,373,827.82</b>			<b>2.907</b>	<b>784</b>	

Cash 2,005,795.63  
Accrued Interest 1,743,340.00  
Total Market Value 284,178,613.04

Pooled portfolio -Total Return performance

		ML 1-3 Corp/Govt <u>(AAA)</u>	Pooled Portfolio <u>(AAA)</u>
<b>1998</b>	1st quarter	1.501	1.692
	2nd quarter	1.552	1.950
	3rd quarter	2.974	2.180
	4th quarter	<u>0.815</u>	<u>1.110</u>
		6.842	6.932
<b>1999</b>	1st quarter	0.721	0.762
	2nd quarter	0.591	0.394
	3rd quarter	1.217	1.200
	4th quarter	<u>0.685</u>	<u>0.672</u>
		3.214	3.028
<b>2000</b>	1st quarter	1.241	1.490
	2nd quarter	1.685	1.690
	3rd quarter	2.251	2.180
	4th quarter	<u>2.664</u>	<u>2.470</u>
		7.841	7.830
<b>2001</b>	1st quarter	2.905	2.160
	2nd quarter	1.297	1.320
	3rd quarter	3.473	2.550
	4th quarter	<u>0.787</u>	<u>0.952</u>
		8.462	6.982
<b>2002</b>	1st quarter	0.018	0.132
	2nd quarter	2.410	2.190
	3rd quarter	2.364	1.210
	4th quarter	<u>1.180</u>	<u>1.080</u>
		5.972	4.612
<b>2003</b>	1st quarter	0.866	1.129
	2nd quarter	1.105	0.862
	3rd quarter	0.490	0.570
	4th quarter	<u>0.256</u>	<u>0.370</u>
		2.717	2.931
<b>2004</b>	1st quarter	1.120	0.910
	2nd quarter	(1.120)	(0.57)
	3rd quarter	1.130	1.38
	4th quarter	<u>0.096</u>	<u>0.37</u>
		1.226	2.09

**Effective Yield for the period 7/1/03 through 12/31/04**

Pooled Portfolio Fiscal YTD effective yield	2.830%
State Treasurer's LAIF Fiscal YTD yield	1.830%
Average yield on the 2 year Treasury	2.670%

## COMPLIANCE REPORT

### Pooled Investment Portfolio As of 12/31/04

	<u>Diversification</u>			<u>Credit Quality</u>			<u>Maturity</u>
	<u>Portfolio % of total</u>	<u>State Gov't Code limits</u>	<u>Portfolio compliance</u>	<u>Portfolio Credit Quality</u>	<u>Credit Quality per Gov Code</u>	<u>Portfolio compliance</u>	
Cash	0.71%	100%	In compliance	Collateralized	Collateralized	In compliance	In compliance
Repurchase Agreements	9.13%	100%	In compliance	102% Collateral	102% Collateral	In compliance	In compliance
LAIF	8.91%	100%	In compliance	n/a	n/a	In compliance	In compliance
Money Market	0.00%	100%	In compliance	AAA	AAA	In compliance	In compliance
Agency CMOs/Mortgage Backed	0.13%	20%	In compliance	AAA/Aaa	AAA/aaa	In compliance	In compliance
Asset Backed Securities	0.00%	20%	In compliance	AAA/Aaa	AAA/aaa	In compliance	In compliance
Municipal Bonds	0.78%	100%	In compliance	AAA/Aaa	A or better	In compliance	In compliance
Non-negotiable CDs	0.27%	10%	In compliance	Collateralized	Collateralized	In compliance	In compliance
Federal Agency Issues	71.36%	100%	In compliance	AAA/Aaa	AAA/aaa	In compliance	In compliance
Treasury Securities	1.73%	100%	In compliance	AAA/Aaa	AAA/aaa	In compliance	In compliance
Commercial Paper	0.00%	100%	In compliance	A1P1	A1P1	In compliance	In compliance
Federal Agency Discount	0.18%	100%	In compliance	AAA/Aaa	AAA/aaa	In compliance	In compliance
Corporate Bonds	6.79%	30%	In compliance	AA	A or better	In compliance	In compliance
	100.00%						

Portfolio Value 284,178,613

**CITY POOLED PORTFOLIO**

Portfolio Management

Distribution of Investments By Type - Historic

(By Book Values)

In %

Investment Type	Fiscal Year Total													
	June 1995	June 1996	June 1997	June 1998	June 1999	June 2000	June 2001	June 2002	June 2003	June 2004	1st Qtr 2005	2nd Qtr 2005	3rd Qtr 2005	4th Qtr 2005
Agency CMOs/Mortgage Backed	20.91	19.63	18.27	19.77	12.36	10.90	0.03	1.66	0.55	0.19	0.13	1.12		
Asset Backed Securities	13.67	7.34	1.11	0.00	0.00	0.00	1.56	0.19	0.00	0.00	0.00	0.00		
Certificate of Deposit	1.27	1.26	1.59	0.00	0.43	0.00	1.33	1.02	0.81	0.27	0.26	0.95		
Commerical Paper - Disc (Amortizing)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.08	0.00	0.12	0.00	0.17		
Corporate Bonds - Coupon	0.00	0.00	0.00	2.51	7.76	5.75	22.66	13.28	14.68	6.95	6.84	20.17		
Federal Agency Issues - Coupon	2.55	19.15	18.12	24.59	44.01	45.19	48.60	57.48	47.80	68.59	71.40	50.33		
L.A.I.F.	0.00	9.05	13.52	8.81	9.24	0.29	19.76	9.45	16.29	14.21	8.85	19.01		
Money Market	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.44	0.00	0.00	0.00	0.00		
Municipal Bonds	2.55	2.30	2.78	3.06	4.59	3.92	3.25	1.30	1.00	0.79	0.78	1.28		
Mutual Funds	17.32	9.81	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Repurchase Agreements	28.47	7.44	8.19	25.93	10.34	25.97	0.89	10.88	8.23	4.99	9.07	5.29		
Treasury Securities	12.72	23.94	36.38	13.91	8.98	6.92	0.00	0.00	8.17	1.81	1.79	0.00		
Federal Agency Discount	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.54	0.39	1.09	0.18	0.29		
Cash	0.54	0.08	0.04	1.42	2.29	1.06	1.92	0.67	2.08	1.00	0.71	1.40		
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>0.00</b>	<b>0.00</b>

**Mar-04**

Aging Interval	Par Value	Percent of Portfolio
0-30 Days	94,223,879	34.59%
31 days - 1 Year	4,884,000	1.79%
1 - 2 Years	29,852,158	10.96%
2 - 3 Years	48,500,000	17.80%
3 - 4 Years	11,000,000	4.04%
4 - 5 Years	81,500,000	29.92%
Over 5 Years	2,457,947	0.90%
<b>TOTAL:</b>	<b>272,417,984</b>	<b>100.00%</b>

**Jun-04**

Aging Interval	Par Value	Percent of Portfolio
0-30 Days	16,867,545	6.01%
31 days - 1 Year	47,885,568	17.07%
1 - 2 Years	37,647,191	13.42%
2 - 3 Years	75,100,043	26.78%
3 - 4 Years	42,752,035	15.24%
4 - 5 Years	58,002,339	20.68%
Over 5 Years	2,214,265	0.79%
<b>TOTAL:</b>	<b>280,468,986</b>	<b>100.00%</b>

**Sep-04**

Aging Interval	Par Value	Percent of Portfolio
0-30 Days	28,155,139	10.22%
31 days - 1 Year	47,614,597	17.29%
1 - 2 Years	53,142,527	19.29%
2 - 3 Years	56,302,576	20.44%
3 - 4 Years	67,000,000	24.33%
4 - 5 Years	21,000,000	7.62%
Over 5 Years	2,209,606	0.80%
<b>TOTAL:</b>	<b>275,424,445</b>	<b>100.00%</b>

**Dec-04**

Aging Interval	Par Value	Percent of Portfolio
0-30 Days	53,100,689	18.73%
31 days - 1 Year	16,813,962	5.93%
1 - 2 Years	73,634,886	25.97%
2 - 3 Years	40,761,902	14.38%
3 - 4 Years	75,001,720	26.45%
4 - 5 Years	22,001,974	7.76%
Over 5 Years	2,212,712	0.78%
<b>TOTAL:</b>	<b>283,527,845</b>	<b>100.00%</b>

note: Par Value Total equals Par Value of Investments plus Cash in Bank at end of December, 2004.  
(\$281,522,049.37 + 2,005,795.63)

**INVESTMENTS IN ISSUERS REPRESENTING OVER 5% OF THE  
PORTFOLIO**  
(in millions)

	<u>Dec 31, 2004</u> POOL (\$)	POOL (%)
FHLB	119.373	42.006%
FHLMC	35.458	12.477%
FNMA	47.966	16.879%
OTHER FEDERAL AGENCIES	0.510	0.179%
<b>Total Fed Agencies</b>	<b>203.307</b>	<b>71.542%</b>
OTHER PORTFOLIO INVESTMENTS	80.872	28.458%
<b>Total Investments</b>	<b>284.179</b>	<b>100.000%</b>

## **II. Capital Endowment Portfolio**





**CITY OF PASADENA**  
**Capital Endowment Portfolio**

Vicken Erganian  
City Treasurer

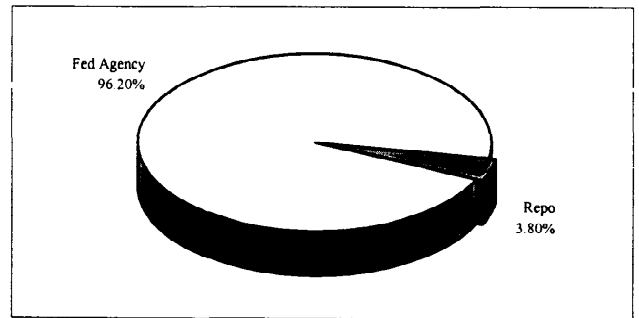
**DECEMBER 2004**

**PORTFOLIO COMPLIANCE**

The Treasurer's investment portfolio is in compliance with the California Government Code Section 53601 and the City's Investment Policy approved by the City Council on October 25, 2004. The holdings in the investment pool are in compliance with the current investment policy statement. Further information on compliance issues can be obtained by calling the City of Pasadena Treasurer's Office. A complete copy of the monthly investment report on the investment portfolio, including a detailed listing of each investment, is available by calling the Treasurer's office at (626)744-4422.

**PORTFOLIO STRUCTURE AS OF 12/31/04**

TYPE	MARKET VALUE	PERCENT
Repurchase Agreements	459,935	3.80%
Federal Agency Issues	11,655,446	96.20%
<b>TOTALS:</b>	<b>12,115,381</b>	<b>100.00%</b>
Accrued Interest Receivable	77,431	
<b>GRAND TOTAL:</b>	<b>12,192,813</b>	



**PORTFOLIO LIQUIDITY AS OF 12/31/04**

Aging Interval	Par Value	Percent of Portfolio
0-30 Days	459,935	3.77%
31 days - 1 Year	-	0.00%
1 - 2 Years	-	0.00%
2 - 3 Years	3,000,000	24.57%
3 - 4 Years	6,500,000	53.24%
4 - 5 Years	2,250,000	18.43%
Over 5 Years	-	0.00%
<b>TOTAL:</b>	<b>12,209,935</b>	<b>100.00%</b>

**PORTFOLIO STATISTICS**

	Dec-04	Nov-04	Oct-04	Sep-04	Aug-04	July-04
Month-End Mkt Value	12,192,813	12,364,194	12,404,378	12,359,879	12,339,092	12,716,435
Modified Duration	2.95	2.98	3.07	3.13	3.18	3.13
Weighted Average Maturity	3.18	3.20	3.31	3.40	3.46	3.41
Yield to Maturity	3.334%	3.305%	3.305%	3.312%	3.326%	3.235%
Effective Yield - Year to Date	3.260%	3.260%	4.320%	3.230%	3.200%	3.170%
Interest Earned	34,568	34,471	34,289	33,339	34,380	34,709
Fiscal Year To Date Interest Earned	205,756	171,188	136,717	102,428	69,089	34,709
Fair Value Change Gain/(Loss)	14,876	(74,655)	10,210	(12,552)	97,891	35,030
Fiscal Year To Date change in fair value	70,800	55,925	130,579	120,370	132,922	35,030
Total Fiscal YTD earnings	276,557	227,113	267,296	222,798	202,011	69,739

**CAPITAL ENDOWMENT**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**December 31, 2004**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 365	Days to Maturity	Maturity Date
<b>Repurchase Agreements</b>												
SYS9684	9694	MERRILL LYNCH		12/30/2004	459,934.91	459,934.91	459,934.91	2.250		2.281	2	01/03/2005
<b>Subtotal and Average</b>			<b>616,119.58</b>		<b>459,934.91</b>	<b>459,934.91</b>				<b>2.281</b>	<b>2</b>	
<b>Federal Agency Issues - Coupon</b>												
3126X1A14	7849	FED HOME LOAN MORTGAGE CORP		05/14/2003	1,500,000.00	1,495,723.57	1,500,000.00	3.250	Aaa	3.250	863	05/14/2007
3133X5ZQ4	8933	Federal Home Loan Bank		04/30/2004	1,500,000.00	1,486,406.25	1,500,000.00	3.375	Aaa	3.375	1,032	10/30/2007
3133X5M21	8872	Federal Home Loan Bank		03/29/2004	2,000,000.00	1,971,875.00	2,000,000.00	3.000	Aaa	3.001	1,091	12/28/2007
31339XA3	7892	Federal Home Loan Bank		07/02/2003	2,500,000.00	2,457,812.50	2,500,000.00	3.010	Aaa	3.011	1,187	04/02/2008
3126X1BD8	8084	FED HOME LOAN MORTGAGE CORP		07/10/2003	2,000,000.00	1,992,926.03	2,013,927.96	3.500	Aaa	3.275	1,234	05/19/2008
3136F5JUR0	8977	FED NATIONAL MORTGAGE ASSOC		04/29/2004	1,250,000.00	1,250,390.63	1,250,000.00	4.320	Aaa	4.320	1,579	04/29/2009
3136F6FY0	9413	FED NATIONAL MORTGAGE ASSOC		09/29/2004	1,000,000.00	1,000,312.50	1,000,000.00	4.250	Aaa	4.250	1,732	09/29/2009
<b>Subtotal and Average</b>			<b>11,764,088.42</b>		<b>11,750,000.00</b>	<b>11,655,448.48</b>	<b>11,763,927.96</b>			<b>3.376</b>	<b>1,206</b>	
<b>Total and Average</b>			<b>12,380,208.00</b>		<b>12,209,934.91</b>	<b>12,115,381.39</b>	<b>12,223,862.87</b>			<b>3.334</b>	<b>1,160</b>	

Accrued Interest 77,431.00  
Total Market Value 12,192,812.39

**COMPLIANCE REPORT**

Capital Endowment Portfolio  
As of 12/31/04

	Diversification			Credit Quality			Maturity
	Portfolio % of total	State Gov't Code limits	Portfolio compliance	Portfolio Credit Quality	Credit Quality per Gov Code	Portfolio compliance	
Repurchase Agreements	3.80%	100%	In compliance	102% Collateral	102% Collateral	In compliance	In compliance
LAIF	0.00%	100%	In compliance	n/a	n/a	In compliance	In compliance
Money Market	0.00%	100%	In compliance	AAA	AAA	In compliance	In compliance
Agency CMOs	0.00%	20%	In compliance	n/a	AAA/aaa	In compliance	In compliance
Municipal Bonds	0.00%	100%	In compliance	n/a	A or better	In compliance	In compliance
Non-negotiable CDs	0.00%	10%	In compliance	n/a	Collateralized	In compliance	In compliance
Federal Agency Issues	96.20%	100%	In compliance	AAA/Aaa	AAA/aaa	In compliance	In compliance
Treasury Securities	0.00%	100%	In compliance	AAA/Aaa	AAA/aaa	In compliance	In compliance
Commercial Paper	0.00%	100%	In compliance	A1P1	A1P1	In compliance	In compliance
Corporate Bonds	0.00%	30%	In compliance	n/a	A or better	In compliance	In compliance
	100.00%						

Portfolio Value 12,192,813

**CAPITAL ENDOWMENT**

Portfolio Management  
 Distribution of Investments By Type - Historic  
 (By Book Values)  
 In %

Investment Type	Fiscal Year Total													
	June 1995	June 1996	June 1997	June 1998	June 1999	June 2000	June 2001	June 2002	June 2003	June 2004	1st Qtr 2005	2nd Qtr 2005	3rd Qtr 2005	4th Qtr 2005
Agency CMOs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Asset Backed Securities	11.04	4.17	1.95	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Certificate of Deposit	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Commerical Paper - Disc (Amortizing)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Corporate Bonds - Coupon	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15.92	0.00	0.00	0.00	0.00	0.00
Federal Agency Issues - Coupon	0.00	6.84	11.75	35.78	57.25	58.05	85.20	67.45	35.54	92.24	95.70	3.76	0.00	0.00
L.A.I.F.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Money Market	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Municipal Bonds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Mutual Funds	85.26	47.47	0.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Repurchase Agreements	3.70	7.46	3.09	18.87	3.05	14.17	14.80	32.55	28.86	7.76	4.30	96.24	0.00	0.00
Treasury Securities	0.00	34.06	82.61	45.35	39.70	27.78	0.00	0.00	19.68	0.00	0.00	0.00	0.00	0.00
Federal Agency Discount	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>0.00</b>	<b>0.00</b>

**INVESTMENTS IN ISSUERS REPRESENTING OVER 5% OF THE  
PORTFOLIO**  
(in millions)

	<u>Dec 31, 2004</u> CAPITAL ENDOWMENT (\$)	CAPITAL ENDOWMENT (%)
FHLB	5.960	48.881%
FHLMC	3.502	28.721%
FNMA	2.269	18.609%
<b>OTHER FEDERAL AGENCIES</b>		
<b>Total Fed Agencies</b>	<b>11.731</b>	<b>0.962</b>
<b>OTHER PORTFOLIO INVESTMENTS</b>	<b>0.462</b>	<b>3.789%</b>
<b>Total Investments</b>	<b>12.193</b>	<b>100.000%</b>

### **III. Power Reserve Portfolio**



**CITY OF PASADENA**  
**Power Reserve Portfolio**

Vicken Erganian  
City Treasurer

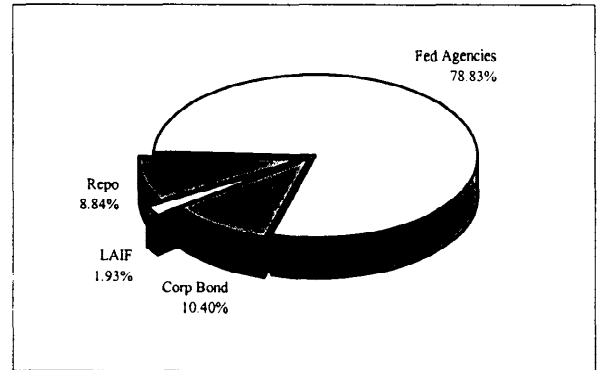
**DECEMBER 2004**

**PORTFOLIO COMPLIANCE**

The Treasurer's investment portfolio is in compliance with the California Government Code Section 53601 and the City's Investment Policy approved by the City Council on October 25, 2004. The holdings in the investment pool are in compliance with the current investment policy statement. Further information on compliance issues can be obtained by calling the City of Pasadena Treasurer's Office. A complete copy of the monthly investment report on the investment portfolio, including a detailed listing of each investment, is available by calling the Treasurer's office at (626)744-4422.

**PORTFOLIO STRUCTURE AS OF 12/31/04**

TYPE	MARKET VALUE	PERCENT
Repurchase Agreements	12,866,048	8.84%
Federal Agencies	114,730,952	78.83%
Corporate Bonds	15,140,212	10.40%
LAIF	2,808,710	1.93%
<b>TOTALS:</b>	<b>145,545,922</b>	<b>100.00%</b>
Accrued Interest Receivable	1,328,967	
<b>GRAND TOTAL:</b>	<b>146,874,889</b>	



**PORTFOLIO LIQUIDITY AS OF 12/31/04**

Aging Interval	Par Value	Percent of Portfolio
0 - 30 days	15,674,758	10.73%
31 days - 1 Year	2,500,000	1.71%
1 - 2 Years	14,000,000	9.58%
2 - 3 Years	12,500,000	8.55%
3 - 4 Years	11,800,000	8.08%
4 - 5 Years	17,900,000	12.25%
Over 5 Years	71,750,000	49.10%
<b>TOTAL:</b>	<b>146,124,758</b>	<b>100.00%</b>

**PORTFOLIO STATISTICS**

	Dec-04	Nov-04	Oct-04	Sep-04	Aug-04	July-04
Month-End Mkt Value	146,874,889	145,936,721	146,520,813	145,920,571	145,712,172	143,897,114
Modified Duration	4.65	4.69	4.73	4.37	4.73	4.80
Weighted Average Maturity	5.85	5.95	6.05	5.70	6.32	6.16
Yield to Maturity	4.017%	3.988%	3.936%	3.854%	4.090%	4.041%
Effective Yield - Year to Date	4.170%	4.230%	4.310%	4.540%	4.790%	5.570%
Interest Earned	507,357	499,011	485,485	483,530	504,155	499,956
Fiscal Year To Date Interest Earned	2,979,494	2,472,137	1,973,126	1,487,641	1,004,111	499,956
Fair Value Change Gain/(Loss)	447,483	(1,083,104)	113,322	(275,839)	1,305,590	654,470
Fiscal Year To Date change in fair value	1,161,923	714,440	1,797,543	1,684,222	1,960,060	654,470
Total Fiscal YTD earnings	4,141,417	3,186,577	3,770,669	3,171,863	2,964,171	1,154,426

**POWER RESERVE FUND**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**December 31, 2004**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 365	Days to Maturity	Maturity Date
<b>Repurchase Agreements</b>												
SY59696	9896	MERRILL LYNCH	11,947,648.16	12/30/2004	12,866,047.54	12,866,047.54	12,866,047.54	2.250		2.281	2	01/03/2005
		<b>Subtotal and Average</b>			<b>12,866,047.54</b>	<b>12,866,047.54</b>				<b>2.281</b>	<b>2</b>	
<b>LAIF</b>												
SY56184	6184	Local Agency Investment Fund			2,808,710.25	2,808,710.25	2,808,710.25	2.000		2.000	1	
		<b>Subtotal and Average</b>	<b>2,808,710.25</b>		<b>2,808,710.25</b>	<b>2,808,710.25</b>				<b>2.000</b>	<b>1</b>	
<b>Federal Agency Issues - Coupon</b>												
3133X55P9	8865	Federal Home Loan Bank		04/08/2004	3,000,000.00	2,959,687.50	2,998,106.00	2.000	Aaa	2.024	464	04/10/2006
3136F5SP7	8937	FED NATIONAL MORTGAGE ASSOC		05/10/2004	2,500,000.00	2,479,687.50	2,500,000.00	2.500	Aaa	2.500	494	05/10/2006
3133X23W3	8436	Federal Home Loan Bank		11/26/2003	2,500,000.00	2,487,500.00	2,500,000.00	2.760	Aaa	2.760	510	05/29/2006
3136F44N1	8830	FED NATIONAL MORTGAGE ASSOC		03/12/2004	3,000,000.00	2,970,937.50	3,004,395.00	2.550	Aaa	2.456	593	08/17/2006
3133X2LV5	8509	Federal Home Loan Bank		12/18/2003	2,500,000.00	2,475,781.25	2,500,000.00	3.250	Aaa	3.250	898	06/18/2007
3133X4DU2	8742	Federal Home Loan Bank		03/18/2004	3,000,000.00	2,975,625.00	3,000,000.00	3.030	Aaa	3.031	898	06/18/2007
3133X4L25	8788	Federal Home Loan Bank		03/25/2004	3,000,000.00	2,974,687.50	3,000,000.00	3.030	Aaa	3.031	905	06/25/2007
3133X8VL3	9416	Federal Home Loan Bank		10/26/2004	2,000,000.00	2,000,625.00	2,000,000.00	3.625	Aaa	3.625	1,028	10/26/2007
3128X1EB9	8433	FED HOME LOAN MORTGAGE CORP		09/23/2003	2,500,000.00	2,476,562.50	2,479,492.53	3.250	Aaa	3.511	1,250	06/04/2008
3133X95T3	9483	Federal Home Loan Bank		11/17/2004	2,000,000.00	2,001,250.00	2,000,000.00	4.000	Aaa	4.000	1,416	11/17/2008
3133X3WA7	8181	Federal Home Loan Bank		08/20/2003	2,500,000.00	2,504,687.50	2,497,649.94	4.060	Aaa	4.086	1,511	02/20/2009
3136F5GCG	8823	FED NATIONAL MORTGAGE ASSOC		03/15/2004	2,000,000.00	1,989,375.00	2,000,000.00	3.000	Aaa	4.000	1,534	03/15/2009
3136F6LD9	9506	FED NATIONAL MORTGAGE ASSOC		11/15/2004	2,000,000.00	2,003,750.00	2,000,000.00	4.150	Aaa	4.150	1,585	05/15/2009
3133X4NY3	8814	Federal Home Loan Bank		03/25/2004	3,000,000.00	2,997,187.50	3,000,000.00	4.000	Aaa	4.001	1,636	06/25/2009
3133X3WA7	8717	Federal Home Loan Bank		02/27/2004	2,400,000.00	2,403,750.00	2,400,000.00	4.320	Aaa	4.320	1,699	08/27/2009
3136F6FY0	9414	FED NATIONAL MORTGAGE ASSOC		09/29/2004	2,000,000.00	2,000,625.00	2,000,000.00	4.250	Aaa	4.250	1,732	09/29/2009
3136F6HG7	9454	FED NATIONAL MORTGAGE ASSOC		10/28/2004	2,000,000.00	2,002,500.00	2,000,000.00	4.500	Aaa	4.500	1,761	10/28/2009
3133X92H2	9457	Federal Home Loan Bank		11/02/2004	2,000,000.00	2,001,875.00	2,000,000.00	4.125	Aaa	4.125	1,766	11/02/2009
3128X2ZL2	8831	FED HOME LOAN MORTGAGE CORP		03/12/2004	3,000,000.00	2,998,256.84	3,013,600.16	4.250	Aaa	4.150	1,894	03/10/2010
3133X5KB3	9573	Federal Home Loan Bank		12/09/2004	2,000,000.00	1,975,000.00	1,964,349.67	4.125	Aaa	4.455	2,273	03/24/2011
31331QJ57	7885	Federal Farm Credit Bank		05/19/2003	2,000,000.00	1,976,250.00	2,000,000.00	4.200	Aaa	4.200	2,329	05/19/2011
31331QJ57	7886	Federal Farm Credit Bank		05/19/2003	2,000,000.00	1,976,250.00	2,000,000.00	4.200	Aaa	4.200	2,329	05/19/2011
3134A4HE7	7813	FED HOME LOAN MORTGAGE CORP		04/16/2003	3,000,000.00	3,111,562.50	3,216,604.90	6.375	Aaa	5.019	2,403	08/01/2011
3136F5JA0	8826	FED NATIONAL MORTGAGE ASSOC		03/19/2004	2,000,000.00	2,000,625.00	2,000,000.00	3.000	Aaa	4.500	2,449	09/16/2011
3133X9JW1	9595	Federal Home Loan Bank		12/03/2004	2,000,000.00	2,006,875.00	1,995,055.60	4.875	Aaa	4.918	2,525	12/01/2011
31339XD68	7930	Federal Home Loan Bank		06/19/2003	2,500,000.00	2,436,718.75	2,500,000.00	4.000	Aaa	4.000	2,543	12/19/2011
3128X0V73	7489	FED HOME LOAN MORTGAGE CORP		01/17/2003	2,000,000.00	2,001,336.06	1,994,520.99	5.000	Aaa	5.048	2,572	01/17/2012
3136F5KS9	8902	FED NATIONAL MORTGAGE ASSOC		03/30/2004	2,500,000.00	2,482,812.50	2,500,000.00	4.520	Aaa	4.520	2,645	03/30/2012

Portfolio PASD  
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**POWER RESERVE FUND**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**December 31, 2004**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 365	Days to Maturity	Maturity Date
<b>Federal Agency Issues - Coupon</b>												
3136F3UA2	7929	FED NATIONAL MORTGAGE ASSOC		05/28/2003	3,000,000.00	2,950,312.50	3,018,512.22	4.250	Aaa	4.149	2,697	05/21/2012
3136F5R70	8935	FED NATIONAL MORTGAGE ASSOC		04/15/2004	2,500,000.00	2,500,781.25	2,500,000.00	5.250	Aaa	5.250	3,026	04/15/2013
3136F3PV2	7823	FED NATIONAL MORTGAGE ASSOC		04/30/2003	2,000,000.00	2,003,750.00	2,000,000.00	5.000	Aaa	5.000	3,041	04/30/2013
3136F5A43	9057	FED NATIONAL MORTGAGE ASSOC		05/28/2004	1,250,000.00	1,253,515.63	1,250,000.00	4.250	Aaa	5.887	3,065	05/24/2013
31339Y3U4	8044	Federal Home Loan Bank		07/02/2003	2,500,000.00	2,434,375.00	2,500,000.00	4.240	Aaa	4.240	3,104	07/02/2013
31339Y3N0	8043	Federal Home Loan Bank		07/17/2003	2,500,000.00	2,436,718.75	2,497,863.89	4.250	Aaa	4.262	3,119	07/17/2013
31339YYQ9	8155	Federal Home Loan Bank		08/13/2003	2,000,000.00	2,000,000.00	2,000,000.00	5.125	Aaa	5.125	3,146	08/13/2013
3133X0BN8	8157	Federal Home Loan Bank		08/13/2003	2,000,000.00	2,000,000.00	2,000,000.00	5.200	Aaa	5.200	3,146	08/13/2013
3136F5FE6	8819	FED NATIONAL MORTGAGE ASSOC		03/15/2004	2,500,000.00	2,482,031.25	2,500,000.00	4.000	Aaa	5.130	3,359	03/14/2014
3128X3XN8	9391	FED HOME LOAN MORTGAGE CORP		09/22/2004	2,000,000.00	1,989,111.94	1,993,921.88	5.000	Aaa	5.040	3,551	09/22/2014
3133X8UA8	9415	Federal Home Loan Bank		10/14/2004	2,000,000.00	2,014,375.00	2,000,000.00	5.250	Aaa	5.250	3,573	10/14/2014
3128X2Y90	8869	FED HOME LOAN MORTGAGE CORP		04/07/2004	2,000,000.00	1,991,452.03	1,999,416.67	5.000	Aaa	5.004	3,748	04/07/2015
3128X1CL9	7889	FED HOME LOAN MORTGAGE CORP		05/15/2003	2,000,000.00	2,003,352.05	2,030,249.02	5.200	Aaa	5.004	3,783	05/12/2015
3136F5NS6	8912	FED NATIONAL MORTGAGE ASSOC		04/12/2004	2,000,000.00	1,973,125.00	2,000,000.00	4.000	Aaa	5.280	4,119	04/12/2016
3128X07E3	9453	FED HOME LOAN MORTGAGE 1		10/08/2004	2,000,000.00	1,993,425.90	1,985,299.78	5.250	Aaa	5.338	4,128	04/21/2016
3128X24P7	8903	FED HOME LOAN MORTGAGE CORP		04/20/2004	2,000,000.00	1,951,831.97	1,997,629.12	5.000	Aaa	5.013	4,675	10/20/2017
3133MY4C8	7806	Federal Home Loan Bank		05/01/2003	2,500,000.00	2,499,218.75	2,496,527.78	5.625	Aaa	5.641	4,868	05/01/2018
31339XEX8	7932	Federal Home Loan Bank		05/28/2003	3,000,000.00	2,818,125.00	3,000,000.00	5.000	Aaa	5.000	4,892	05/25/2018
3136F5GB1	8828	FED NATIONAL MORTGAGE ASSOC		03/29/2004	2,000,000.00	1,977,500.00	2,000,000.00	5.500	Aaa	5.500	5,200	03/29/2019
3128X3RJ4	9193	FED HOME LOAN MORTGAGE CORP		07/26/2004	2,000,000.00	2,003,135.99	2,000,000.00	6.000	Aaa	6.000	5,319	07/26/2019
3136F54Z1	9231	FED NATIONAL MORTGAGE ASSOC		08/12/2004	1,000,000.00	997,187.50	1,000,000.00	5.250	Aaa	5.730	5,336	08/12/2019
3135A0AP4	9410	FED NATIONAL MORTGAGE ASSOC		10/01/2004	2,000,000.00	1,941,250.00	2,000,000.00	4.500	Aaa	4.500	5,385	09/30/2019
3128X1LM7	7990	FED HOME LOAN MORTGAGE CORP		06/11/2003	2,000,000.00	1,894,595.95	1,995,398.97	5.000	Aaa	5.020	6,551	12/09/2022
<b>Subtotal and Average</b>					<b>115,650,000.00</b>	<b>114,730,951.86</b>	<b>115,829,594.12</b>			<b>4.337</b>	<b>2,594</b>	
<b>Corporate Bonds - Coupon</b>												
125569DJ6	7742	CIT FINANCIAL HOLDING		03/31/2003	2,500,000.00	2,542,542.65	2,531,869.14	6.625	A2	3.695	165	06/15/2005
125577AN8	7846	CIT FINANCIAL HOLDING		04/25/2003	2,000,000.00	2,070,296.02	2,059,052.22	6.500	A2	3.650	402	02/07/2006
369622DG7	7491	GENERAL ELECTRIC CORP BOND		01/14/2003	1,000,000.00	1,080,225.07	1,074,067.57	7.875	Aaa	3.680	699	12/01/2006
459745FA8	7963	AIG		05/30/2003	2,000,000.00	2,089,747.92	2,112,997.36	5.625	A1	3.120	881	06/01/2007
524908FD7	8093	LEHMAN BROS HLDS		07/11/2003	3,000,000.00	3,020,702.82	3,085,157.05	4.000	A1	3.001	1,116	01/22/2008
459745FF7	7926	AIG		05/19/2003	2,300,000.00	2,329,375.75	2,357,678.11	4.500	A1	3.669	1,216	05/01/2008
125581AE8	8069	CIT FINANCIAL HOLDING		07/01/2003	2,000,000.00	2,007,322.08	2,035,512.19	4.000	A2	3.420	1,223	05/08/2008
<b>Subtotal and Average</b>					<b>14,800,000.00</b>	<b>15,140,212.31</b>	<b>15,256,133.64</b>			<b>3.428</b>	<b>830</b>	

**POWER RESERVE FUND**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**December 31, 2004**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity
		Total and Average	105,177,336.03		146,124,757.79	145,545,921.96	146,760,485.55			4.017	2,134
		Accrued Interest				1,328,967					
		Total Market Value				146,874,888.96					

**Power Reserve Portfolio - Total Return performance**

		ML 3-5 (AA)	ML 1-3 (AAA)	Power Reserve
<b>1998</b>	1st quarter	1.638	1.501	1.993
	2nd quarter	2.130	1.552	2.108
	3rd quarter	5.387	2.974	3.942
	4th quarter	<u>0.017</u>	<u>0.815</u>	<u>0.480</u>
		9.172	6.842	8.523
<b>1999</b>	1st quarter	(0.782)	0.721	0.040
	2nd quarter	(0.922)	0.591	(0.787)
	3rd quarter	0.777	1.217	0.978
	4th quarter	<u>(0.315)</u>	<u>0.685</u>	<u>0.160</u>
		(1.242)	3.214	0.391
<b>2000</b>	1st quarter	1.339	1.241	1.220
	2nd quarter	1.690	1.685	1.850
	3rd quarter	3.051	2.251	3.140
	4th quarter	<u>3.721</u>	<u>2.664</u>	<u>3.680</u>
		9.801	7.841	9.890
<b>2001</b>	1st quarter	3.559	2.905	3.080
	2nd quarter	0.674	1.297	0.990
	3rd quarter	5.170	3.473	3.960
	4th quarter	<u>(0.225)</u>	<u>0.787</u>	<u>0.700</u>
		9.178	8.462	8.730
<b>2002</b>	1st quarter	-0.262	0.018	0.013
	2nd quarter	3.920	2.410	2.820
	3rd quarter	5.099	2.364	1.650
	4th quarter	<u>1.610</u>	<u>1.180</u>	<u>1.260</u>
		10.367	5.972	5.743
<b>2003</b>	1st quarter	1.570	0.866	1.250
	2nd quarter	2.590	1.105	1.260
	3rd quarter	0.110	0.490	0.560
	4th quarter	<u>-0.056</u>	<u>0.256</u>	<u>0.870</u>
		4.214	2.717	3.940
<b>2004</b>	1st quarter	2.580	1.120	1.680
	2nd quarter	(2.730)	(1.120)	(1.250)
	3rd quarter	2.650	1.130	2.340
	4th quarter	<u>0.248</u>	<u>0.096</u>	<u>0.660</u>
		2.748	1.226	3.430

**Effective Yield for period 7/1/04 through 12/31/04**

Power Reserve Portfolio Fiscal YTD yield	4.17%
State Treasurer's LAIF Fiscal YTD yield	1.67%
Average yield on the five year Treasury	3.49%

**COMPLIANCE REPORT**

Power Reserve Portfolio  
As of 12/31/04

	Diversification			Credit Quality			Maturity
	Portfolio % of total	State Gov't Code limits	Portfolio compliance	Portfolio Credit Quality	Credit Quality per Gov Code	Portfolio compliance	
Repurchase Agreements	8.84%	100%	In compliance	102% Collateral	102% Collateral	In compliance	In compliance
LAIF	1.93%	100%	In compliance	n/a	n/a	In compliance	In compliance
Money Market	0.00%	100%	In compliance	AAA	AAA	In compliance	In compliance
Agency CMOs/Mortgage Backed	0.00%	20%	In compliance	AAA/Aaa	AAA/aaa	In compliance	In compliance
Municipal Bonds	0.00%	100%	In compliance	AAA/Aaa	A or better	In compliance	In compliance
Non-negotiable CDs	0.00%	10%	In compliance	n/a	Collateralized	In compliance	In compliance
Federal Agency Issues	78.83%	100%	In compliance	AAA/Aaa	AAA/aaa	In compliance	In compliance
Treasury Securities	0.00%	100%	In compliance	AAA/Aaa	AAA/aaa	In compliance	In compliance
Commercial Paper	0.00%	100%	In compliance	A1P1	A1P1	In compliance	In compliance
Corporate Bonds	10.40%	30%	In compliance	AA	A or better	In compliance	In compliance
	100.00%						

Portfolio Value                   146,874,889

**POWER RESERVE FUND**

Portfolio Management  
 Distribution of Investments By Type - Historic  
 (By Book Values)  
 In %

Investment Type	Fiscal Year Total											
	June 1997	June 1998	June 1999	June 2000	June 2001	June 2002	June 2003	June 2004	1st Qtr 2005	2nd Qtr 2005	3rd Qtr 2005	4th Qtr 2005
Agency CMOs/Mortgage Backed	29.94	15.53	4.33	3.28	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Asset Backed Securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Certificate of Deposit	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Commerical Paper - Disc (Amortizing)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Corporate Bonds - Coupon	0.00	15.08	29.87	28.41	20.64	14.90	21.99	10.69	10.55	10.40	10.40	10.40
Federal Agency Issues - Coupon	41.52	47.31	61.01	64.61	65.08	58.33	60.93	79.57	71.86	78.92	78.92	78.92
L.A.I.F.	0.00	0.00	0.00	0.00	0.00	16.61	8.31	8.81	1.90	1.91	1.91	1.91
Money Market	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Municipal Bonds	0.00	3.73	3.40	2.57	1.97	1.93	2.04	0.69	0.00	0.00	0.00	0.00
Mutual Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Repurchase Agreements	0.36	10.33	0.14	0.22	12.31	8.23	3.33	0.24	15.69	8.77	8.77	8.77
Treasury Securities	28.18	8.02	1.26	0.90	0.00	0.00	3.40	0.00	0.00	0.00	0.00	0.00
Federal Agency Discount	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>0.00</b>	<b>0.00</b>

**INVESTMENTS IN ISSUERS REPRESENTING OVER 5% OF THE  
PORTFOLIO**  
(in millions)

	<u>Dec 31, 2004</u> POWER RESERVE (\$)	POWER RESERVE (%)
FHLB	51.009	34.730%
FHLMC	24.595	16.746%
FNMA	36.203	24.649%
OTHER FEDERAL AGENCIES	3.972	2.704%
<b>Total Fed Agencies</b>	<b>115.779</b>	<b>78.828%</b>
OTHER PORTFOLIO INVESTMENTS	31.096	21.172%
<b>Total Investments</b>	<b>146.875</b>	<b>100.000%</b>

## **IV. Miscellaneous Portfolios**

**Miscellaneous Funds  
December, 2004**

<u>Fund</u>	<u>Coupon</u>	<u>Maturity</u>	<u>Face Value</u>	<u>Cost Per Book</u>	<u>Market Value</u>
<b><u>PCDC</u></b>					
FHLB 31339XHN7 (7966)	3.25%	6/26/2008	\$1,250,000.00	\$1,250,000.00	\$1,234,375.00
FHLMC 3128X1BD8 (8049)	3.50%	5/19/2008	\$1,500,000.00	\$1,513,578.36	\$1,494,694.52
FHLB 3133X4U58 (8820)	2.50%	9/26/2006	\$2,500,000.00	\$2,499,454.86	\$2,470,312.50
FHLB 3133X53K2 (8827)	2.30%	9/26/2006	\$2,000,000.00	\$2,000,000.00	\$1,970,000.00
FHLB 3133X5LM8 (8871)	2.41%	12/29/2006	\$2,000,000.00	\$2,000,000.00	\$1,967,500.00
LAIF	1.56%	11/1/2004	\$2,739,703.74	\$2,739,703.74	\$2,739,703.74
SUB-TOTAL			\$11,989,703.74	\$12,002,736.96	\$11,876,585.76
REPO	1.30%	12/1/2004	\$2,945,696.50	\$2,945,696.50	\$2,945,696.50
TOTAL:			\$14,935,400.24	\$14,948,433.46	\$14,822,282.26
Weighted Average Maturity = 1.69					

**1987 CAPITAL IMPROVEMENTS**

REPO	1.30%	12/1/2004	\$458,224.64	\$458,224.64	\$458,224.64
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Weighted Average Maturity = 1 day

**CFD**

GIC	5.73%	12/1/2025	\$1,329,066.80	\$1,329,066.80	\$1,329,066.80
REPO	1.30%	12/1/2004	\$49,899.64	\$49,899.64	\$49,899.64
TOTAL:			\$1,378,966.44	\$1,378,966.44	\$1,378,966.44

Weighted Average Maturity = 20.16



Miscellaneous Funds  
December, 2004

Fund	Coupon	Maturity	Face Value	Cost Per Book	Market Value
<b><u>1996 HOUSING BOND</u></b>					
REPO	1.30%	12/1/2004	\$1,041,537.95	\$1,041,537.95	\$1,041,537.95
Weighted Average Maturity = 1 day					
<b><u>1982 BOND LITIGATION RESERVE</u></b>					
REPO	1.30%	12/1/2004	\$103,927.87	\$103,927.87	\$103,927.87
Weighted Average Maturity = 1 day					
<b><u>1976 ESCHEATMENT</u></b>					
REPO	1.30%	12/1/2004	\$44,268.52	\$44,268.52	\$44,268.52
FHLB 3133X9NT3	3.74%	12/10/2007	\$500,000.00	\$500,000.00	\$500,937.50
Weighted Average Maturity = 2.76					
<b><u>1999 EQUIPMENT LEASE FINANCING</u></b>					
REPO	1.30%	12/1/2004	\$1,239,187.32	\$1,239,187.32	\$1,239,187.32
Weighted Average Maturity = 1 day					
<b>GRAND TOTAL:</b>			<b>\$19,701,512.98</b>	<b>\$19,714,546.20</b>	<b>\$19,589,332.50</b>

## **V. Investments Held by Trustees**

**Schedule of Funds Held by Trustee**

**CITY OF PASADENA**

**For Period Ending 12/31/2004**

Trustee/Officer Maturity Date	Issue Name Investment	\$ Amount Shares/Par Value	Cost	Market Value	Maturity Date	% Yld
BNY	Pasadena Tax Pension 2004 Bond					
Mark Golder (213) 630-6418	<b>Cost of Issue Account #281703</b>					
	Goldman Fin. Sq. Tr. Prime Obligation #463	\$ 2,511,352.00	\$ 2,511,352.00	\$ 2,511,352.00	12/01/04	1.86%
	Goldman Fin. Sq. Tr. Prime Obligation #463	579.00	579.00	579.00	12/01/04	1.85%
	<b>Total</b>	<b>2,511,931.00</b>	<b>2,511,931.00</b>	<b>2,511,931.00</b>		
BNY	Pasadena 2004AB COPS					
Mark Golder (213) 630-6418	<b>Cost of Issue Account #281671</b>					
	Cash	\$ -	\$ 8.00	\$ 8.00	12/01/04	0.00%
	<b>Base Rent Account #281676</b>					
	AMBAC Insurance Pol.#22331BE \$40,325,000 2/1/19	N/A	N/A	N/A	02/01/19	
	<b>Total</b>	<b>-</b>	<b>8.00</b>	<b>8.00</b>		
City of Pasadena Vic Erganian (626) 744-4422	Pasadena Electric Revenue 2003					
BNY	<b>Reserve Account</b>					
Mark Golder (213) 630-6418	Societe Generale Inv. Agreement dated 9/17/03 @ 5.54%	\$701,325.00	\$701,325.00	\$701,325.00	06/01/22	5.54%
	<b>Bond Fund Account #281625</b>					
	Financial Security Assurance Insurance Policy Policy #201570-N Dated 8/21/03 \$9,905,000	N/A	N/A	N/A	06/01/22	
	<b>Total</b>	<b>701,325.00</b>	<b>701,325.00</b>	<b>701,325.00</b>		
BNY	Pasadena Water Revenue 2003					
Mark Golder (213) 630-6418	<b>Parity Reserve Account #281651</b>					
	Goldman Fin. Sq. Tr. Prime Obligation #463	13.00	13.00	13.00	12/01/04	1.87%
	Societe Generale Inv. Agreement dated 9/17/03 @ 5.76%	3,390,132.00	3,390,132.00	3,390,132.00	06/01/33	5.76%
	<b>Debt Service Fund Account #281652</b>					
	FGIC Insurance Policy #0301090, Dated 8/21/03 \$47,425,000 Orig Issuance	N/A	N/A	N/A	06/01/33	
	<b>Total</b>	<b>3,390,145.00</b>	<b>3,390,145.00</b>	<b>3,390,145.00</b>		
BNY	Pasadena City Hall/Park 2003					
Mark Golder (213) 630-6418	<b>Cost of Issuance Account #281630</b>					
	Goldman Fin. Sq. Tr. Prime Obligation #463	118.00	118.00	118.00	12/01/04	1.86%
	<b>Base Rent Account #281631</b>					
	Goldman Fin. Sq. Tr. Prime Obligation #463	110,909.00	110,909.00	110,909.00	12/01/04	1.85%
	Goldman Fin. Sq. Tr. Prime Obligation #463	155.00	155.00	155.00	12/01/04	1.85%
	Ambac Ins. Policy #20520BE, \$73,790,000, 1/29/03	N/A	N/A	N/A	01/01/33	
	<b>Certificate Account #281634</b>					
	Goldman Fin. Sq. Tr. Prime Obligation #463	129,267.00	129,267.00	129,267.00	12/01/04	1.85%
	Goldman Fin. Sq. Tr. Prime Obligation #463	49.00	49.00	49.00	12/01/04	1.86%
	L.A.I.F. Cusip #S86432260	13,234,984.00	13,234,984.00	13,234,984.00	12/01/04	2.23%
	Trinity Plus Funding Inv. Agmt. dated 2/20/03	49,980,445.00	49,980,445.00	49,980,445.00	08/15/06	2.37%
	<b>Reserve Account #281635</b>					
	Goldman Fin. Sq. Tr. Prime Obligation #463	2,981.00	2,981.00	2,981.00	12/01/04	1.85%
	AIGMFC Inv. Agmt. dated 2/20/03	4,836,374.00	4,836,374.00	4,836,374.00	02/01/33	5.27%
	<b>Total</b>	<b>\$68,295,282.00</b>	<b>\$68,295,282.00</b>	<b>\$68,295,282.00</b>		
	Pasadena Electric Revenue 2002					
	<b>Bond Fund Account #281620</b>					
	MBIA Ins. Policy #38581 8/6/02 \$82,320,000	N/A	N/A	N/A	06/01/22	
	<b>Parity Reserve Account #281621</b>					
	MBIA Debt Service Surety Bond #27359 (2) 5662619.95 8/06/02	N/A	N/A	N/A	08/01/24	
BNY	Pasadena 2001 COPS Capital Improvements					
Mark Golder (213) 630-6418	<b>Lease Payments Account #281602</b>					
	Goldman Fin. Sq. Tr. Prime Obligation #463	36.00	36.00	36.00	12/01/04	1.87%
	Goldman Fin. Sq. Tr. Prime Obligation #463	2,177,381.00	2,177,381.00	2,177,381.00	12/01/04	1.85%
	MBIA Ins. Policy #37169 1/8/02 \$2,330,000	N/A	N/A	N/A	01/01/09	
	<b>Reserve Account #281603</b>					
	Federal Home Ln Bks Deb, Rate 5.50%, Maturity 10/14/16	2,175,000.00	2,175,000.00	2,177,039.00	12/01/04	5.49%
	Goldman Fin. Sq. Tr. Prime Obligation #463	27,550.00	27,550.00	27,550.00	12/01/04	1.86%
	Goldman Fin. Sq. Tr. Prime Obligation #463	70,632.00	70,632.00	70,632.00	12/01/04	1.85%
	<b>Total</b>	<b>\$4,450,599.00</b>	<b>\$4,450,599.00</b>	<b>\$4,452,638.00</b>		

BNY	Pasadena Financing Authority 2000				
Mark Golder	<b>Orange Grove Reserve Account #281452</b>				
(213) 630-6418	Goldman Fin. Sq. Tr. Prime Obligation #463	676.00	676.00	676.00	12/01/04 1.86%
	Goldman Fin. Sq. Tr. Prime Obligation #463	8,767.00	8,767.00	8,767.00	12/01/04 1.86%
	Tennessee Valley Auth. Pwr. Bond				
	Pwr. Bd. 1995 Ser A Rate: 6.375%	274,500.00	272,570.00	278,865.00	06/15/05 6.27%
	<b>Villa Parke Reserve Account #281453</b>				
	Goldman Fin. Sq. Tr. Prime Obligation #463	2,752.00	2,752.00	2,752.00	12/01/04 1.86%
	Goldman Fin. Sq. Tr. Prime Obligation #463	5,609.00	5,609.00	5,609.00	12/01/04 1.86%
	Tennessee Valley Auth. Pwr. Bond				
	Pwr. Bd. 1995 Ser A Rate: 6.375%	175,500.00	174,266.00	178,290.00	06/15/05 6.27%
	<b>Pasadena PFA Revenue Account #281454</b>				
	Goldman Fin. Sq. Tr. Prime Obligation #463	1,160.00	1,160.00	1,160.00	12/01/04 1.85%
	<b>Pasadena PFA Surplus Account #281457</b>				
	Goldman Fin. Sq. Tr. Prime Obligation #463	47,309.00	47,309.00	47,309.00	12/01/04 1.85%
	<b>Total</b>	<b>516,273.00</b>	<b>513,109.00</b>	<b>523,428.00</b>	
	Pasadena (Paseo Parking)				
Wells Fargo Bank	<b>Cap. Interest Account #10006503</b>				
Robert Schneider	Wells Fargo Government Money Market Fund	0.00	0.00	0.00	12/01/04 0.00%
	<b>Reserve Account #10006504</b>				
	Wells Fargo Government Money Market Fund	13,750.00	13,750.00	13,750.00	12/01/04 1.77%
	FHLB, Dated 7/30/03	1,375,000.00	1,375,000.00	1,362,968.75	07/30/08 3.43%
	Sur. Bnd Pol #SB1059BE, AMBAC Assurance Corp.				
	\$1,357,506	N/A	N/A	N/A	
	<b>Bond Fund Account #10006505</b>				
	Wells Fargo Government Money Market Fund	16.00	16.00	16.00	12/01/04 2.43%
	MBI Ins. Pol. #17405BE, AMBAC Assurance Corp.	N/A	N/A	N/A	
	<b>Total</b>	<b>\$1,388,766.00</b>	<b>\$1,388,766.00</b>	<b>\$1,376,734.75</b>	
BNY	Pasadena Pension Ser99A				
Mark Golder	<b>Bond Fund Account #281381</b>				
(213) 630-6418	Federal Natl Mtge Assn Discount NT	9,028,000.00	9,028,000.00	8,944,040.00	05/16/05 6.68%
	General Electric Cap Corp Disc C/P	0.00	0.00	0.00	11/15/04 0.00%
	Goldman Fin. Sq. Tr. Prime Obligation #463	1,019.00	1,019.00	1,019.00	12/01/04 1.86%
	MBI Ins. Pol. #16660BE, AMBAC Assurance Corp.	N/A	N/A	N/A	08/05/99
	<b>Interest Payment Account #281382</b>				
	Goldman Fin. Sq. Tr. Prime Obligation #463	1.00	1.00	1.00	12/01/04 1.92%
	<b>Total</b>	<b>\$9,029,020.00</b>	<b>\$9,029,020.00</b>	<b>\$8,945,060.00</b>	
BNY	Pasa Elec RFDG '98				
Mark Golder	<b>Bond Fund Acct #281366</b>				
(213) 630-6418	MBIA Fin Guaranty Ins Pol#27359(1)	1.00	1.00	0.00	08/01/24 0.00%
	<b>Parity RSV #281367</b>				
	MBIA D/S Rsv Sur Bnd#27359(2) 5,662,619.95	0.00	0.00	0.00	08/01/24
	<b>Total</b>	<b>1.00</b>	<b>1.00</b>	<b>0.00</b>	
BNY	Pasadena 96 TABS (Townhouse)				
Mark Golder	<b>Reserve Account #281361</b>				
(213) 630-6418	Goldman Fin. Sq. Tr. Prime Obligation #463	11,617.00	11,617.00	11,617.00	12/01/04 1.85%
	FHLB Deb 7.25%	320,000.00	323,437.00	325,500.00	05/13/05 7.12%
	<b>Total</b>	<b>\$331,617.00</b>	<b>\$335,054.00</b>	<b>\$337,117.00</b>	
BNY	Pasadena 1996 Var Rate COP				
Mark Golder	<b>Base Rental #281346</b>				
(213) 630-6418	Goldman Fin. Sq. Tr. Prime Obligation #463	29.00	29.00	29.00	12/01/04 1.86%
	Goldman Fin. Sq. Tr. Prime Obligation #463	13,275.00	13,275.00	13,275.00	12/01/04 1.86%
	Cash	0.00	33.00	33.00	12/01/04 0.00%
	<b>Reserve Account #281347</b>				
	FFCB @ 2.95%	900,000.00	902,250.00	880,594.00	06/12/08 2.95%
	Goldman Fin. Sq. Tr. Prime Obligation #463	5,750.00	5,750.00	5,750.00	12/01/04 1.86%
	<b>Account #281352</b>				
	BONY/CSTRS Irr. L/C #S000435503/STRS-42				
	\$9,363,332 (91) & \$18,828,439 (96)	N/A	N/A	N/A	07/27/04
	<b>Total</b>	<b>\$919,054.00</b>	<b>\$921,337.00</b>	<b>\$899,681.00</b>	
BNY	1996 COP (Multi-Purpose)				
Mark Golder	<b>Base Rental #281185</b>				
(213) 630-6418	Goldman Fin. Sq. Tr. Prime Obligation #463	45.00	45.00	45.00	12/01/04 1.86%
	Goldman Fin. Sq. Tr. Prime Obligation #463	7,596.00	7,596.00	7,596.00	11/01/04 1.85%
	<b>Certificate Fund #281186</b>				
	Goldman Fin. Sq. Tr. Prime Obligation #463	727,312.00	727,312.00	727,312.00	12/01/04 1.85%
	Goldman Fin. Sq. Tr. Prime Obligation #463	637,671.00	637,671.00	637,671.00	12/01/04 1.85%

	Fed Home Ln Bk @ 1.80%	1,250,000.00	1,250,000.00	1,242,188.00	08/06/05	1.80%
	Fed Home Ln Bk @ 1.51%	1,000,000.00	1,000,000.00	996,875.00	04/26/05	1.51%
	<b>Reserve Fund #281207</b>					
	AMBAC Cap Fndng Inc,GIC2/1/16	1,197,121.00	1,197,121.00	1,197,121.00	02/01/16	6.86%
	<b>Total Funds</b>	<b>\$4,819,745.00</b>	<b>\$4,819,745.00</b>	<b>\$4,808,808.00</b>		
	1994 FARECAL					
BNY	<b>Water Revenue Acct #410428</b>					
Terry Petta	Aim Short Term Treas Inst	16.00	16.00	16.00	12/01/04	1.99%
(213) 630-6246	<b>Total</b>	<b>\$16.00</b>	<b>\$16.00</b>	<b>\$16.00</b>		
	1993 Refunding & Cap.					
BNY	<b>Base Rent #281136</b>					
Mark Golder	Goldman Fin. Sq. Tr. Prime Obligation #463	70.00	70.00	70.00	12/01/04	1.86%
(213) 630-6418	<b>Rebate #281142</b>					
	Federal Home Ln Banks	1,500,000.00	1,499,766.00	1,503,281.00	02/24/09	4.21%
	Goldman Fin. Sq. Tr. Prime Obligation #463	15,927.00	15,927.00	15,927.00	12/01/04	1.85%
	Goldman Fin. Sq. Tr. Prime Obligation #463	32,842.00	32,842.00	32,842.00	12/01/04	1.85%
	<b>Certificate Reserve #281143</b>					
	Federal Home Ln Banks, rate 4.10%, Maturity 11/02/09	3,470,000.00	3,470,000.00	3,471,084.38	11/02/09	4.10%
	Goldman Fin. Sq. Tr. Prime Obligation #463	10,844.00	10,844.00	10,844.00	12/01/04	1.85%
	Goldman Fin. Sq. Tr. Prime Obligation #463	92,289.00	92,289.00	92,289.00	12/01/04	1.86%
	<b>Total Funds</b>	<b>\$5,121,972.00</b>	<b>\$5,121,738.00</b>	<b>\$5,126,337.38</b>		
	93 Old Pasa Pkng Rfndng					
BNY	<b>Reserve Fund 281147</b>					
Mark Golder	Goldman Fin. Sq. Tr. Prime Obligation #463	78,326.00	78,326.00	78,326.00	12/01/04	1.86%
(213) 630-6418	GIC \$2,238,536.00 7%, 1/1/2018	2,225,313.00	2,225,313.00	2,225,313.00	01/01/18	7.00%
	<b>Total</b>	<b>\$2,303,639.00</b>	<b>\$2,303,639.00</b>	<b>\$2,303,639.00</b>		
	1993 Villa/Parke					
BNY	<b>Reserve Fund #281132</b>					
Mark Golder	Goldman Fin. Sq. Tr. Prime Obligation #463	894.00	894.00	894.00	12/01/04	1.85%
(213) 630-6418	Federal Natl Mtg Assn	138,000.00	138,000.00	138,302.00	10/05/09	4.17%
	Goldman Fin. Sq. Tr. Prime Obligation #463	23.00	23.00	23.00	12/01/04	1.86%
	<b>Total</b>	<b>\$138,917.00</b>	<b>\$138,917.00</b>	<b>\$139,219.00</b>		
	93 Rfndng Lake/Wash TABS					
BNY	<b>Expense Fund #281119</b>					
Mark Golder	Goldman Fin. Sq. Tr. Prime Obligation #463	6,360.00	6,360.00	6,360.00	12/01/04	1.86%
(213) 630-6418	Goldman Fin. Sq. Tr. Prime Obligation #463	847.00	847.00	847.00	12/01/04	1.86%
	<b>Interest Fund #281120</b>					
	Goldman Fin. Sq. Tr. Prime Obligation #463	0.00	0.00	0.00	11/01/04	0.00%
	<b>Reserve Fund #281124</b>					
	Federal Natl Mtg Assn	108,000.00	108,000.00	108,236.00	10/05/09	4.17%
	Goldman Fin. Sq. Tr. Prime Obligation #463	520.00	520.00	520.00	12/01/04	1.85%
	<b>Total</b>	<b>\$115,727.00</b>	<b>\$115,727.00</b>	<b>\$115,963.00</b>		
	93 Refundng Fair Oaks TABS					
BNY	<b>Reserve Fund #281116</b>					
Mark Golder	Goldman Fin. Sq. Tr. Prime Obligation #463	116.00	116.00	116.00	12/01/04	1.86%
(213) 630-6418	Federal Natl Mtg Assn	320,000.00	320,000.00	320,700.00	10/05/09	4.17%
	Goldman Fin. Sq. Tr. Prime Obligation #463	1,095.00	1,095.00	1,095.00	12/01/04	1.85%
	<b>Total</b>	<b>\$321,211.00</b>	<b>\$321,211.00</b>	<b>\$321,911.00</b>		
	1991 Variable Rate COP					
BNY	<b>Base Payment #281335</b>					
Mark Golder	Goldman Fin. Sq. Tr. Prime Obligation #463	25.00	25.00	25.00	12/01/04	1.87%
(213) 630-6418	Goldman Fin. Sq. Tr. Prime Obligation #463	8,850.00	8,850.00	8,850.00	12/01/04	1.87%
	Cash	0.00	174.00	174.00		0.00%
	<b>Certificate Reserve #281336</b>					
	FFCB @ 2.95%	600,000.00	601,500.00	587,063.00	06/12/08	2.95%
	Goldman Fin. Sq. Tr. Prime Obligation #463	34,500.00	34,500.00	34,500.00	12/01/04	1.86%
	<b>Letter of Credit #281341</b>					
	BONY/CSTR'S Irr. L/C #S000435503	N/A	N/A	N/A	07/27/04	
	<b>Total</b>	<b>\$643,375.00</b>	<b>\$645,049.00</b>	<b>\$630,612.00</b>		
	1987 Los Robles					
BNY	<b>Base Rent #060755</b>					
Mark Golder	Goldman Fin. Sq. Tr. Prime Obligation #463	10.00	10.00	10.00	12/01/04	1.85%
(213) 630-6418	Goldman Fin. Sq. Tr. Prime Obligation #463	40,770.00	40,770.00	40,770.00	12/01/04	1.85%
	<b>Reserve Fund #060757</b>					
	FHLB @ 3.02%	2,700,000.00	2,705,063.00	2,648,531.00	06/12/08	3.07%
	Goldman Fin. Sq. Tr. Prime Obligation Fund-B	25.00	25.00	25.00	12/01/04	1.86%

Inv. Approved by L/C Account #060758  
 Sanwa BONY/CSTRS Irr. L/C #S00043502/STRS-41  
 \$17,664,167  
**Total**

N/A	N/A	N/A	07/27/04
\$2,740,805.00	\$2,745,868.00	\$2,689,336.00	

SCPPA SCPPA Investments  
 Yolly Pantig **SCPPA Project Stabilization Fund**  
 (213) 367-3074 The Bank of New York Cash Reserve  
 BNY Hamilton Trsy Mondy FD Premier #741  
 FHLB @ 3.0%  
 FHLB @ 3.04%  
 FHLB @2.75%  
**Total**

	0.00	0.00	07/01/04	0.00%
138,319.00	138,319.00	138,319.00	12/01/04	1.54%
1,310,000.00	1,310,000.00	1,282,572.00	07/24/08	3.06%
2,175,000.00	2,175,000.00	2,160,047.00	04/27/07	3.06%
465,000.00	465,000.00	459,914.00	02/20/07	2.78%
\$4,088,319.00	\$4,088,319.00	\$4,040,852.00		

**TOTAL FUND BALANCE**

\$111,827,739.00	\$111,836,806.00	\$111,610,043.13
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\*Footnote: Yields based on cost.