

CITY OF LONG BEACH, CALIFORNIA

**QUARTERLY ANALYSIS OF
CASH AND INVESTMENTS**

AS OF

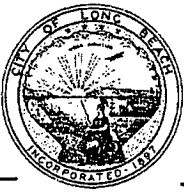
SEPTEMBER 30, 2006



OFFICE OF THE CITY AUDITOR

**LAURA L. DOUD, CPA
CITY AUDITOR**

City of Long Beach, California



CITY OF LONG BEACH

OFFICE OF THE CITY AUDITOR

333 W. OCEAN BOULEVARD, 8TH FLOOR LONG BEACH, CA 90802 PHONE: 562.570.6751 FAX: 562.570.6167

December 20, 2007

Independent Auditor's Report

Honorable Mayor and City Council Members
Citizens of Long Beach, California

RE: Quarterly Audit of Cash and Investment Balances

We have examined the cash and investment balances of the City of Long Beach as of September 30, 2006, pursuant to the requirements of Section 803 of the *Charter of the City of Long Beach, California*. The objectives of our examination were to agree cash and investments as to the amount and description as recorded on the City's books with outside depositories. In addition, our objectives included evaluating the City's compliance with provisions of the California Government Code and the City's Investment Policy. The City of Long Beach, Department of Financial Management is responsible for the cash and investment balances. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and *Generally Accepted Government Auditing Standards*. Our examination included examining, on a test basis, evidence supporting cash and investment balances and performing such other procedures as we deemed necessary. We believe that our examination provides a reasonable basis for our opinion.

The City's cash and investment balances as of September 30, 2006 are summarized as follows:

Pooled Cash and Investments	\$ 1,426,456,444
Non-Pooled Cash and Investments	<u>272,126,463</u>
Total	<u>\$ 1,698,582,907</u>

Attached are the following schedules:

- Comparative Statement of Pooled and Non-Pooled Cash and Investment Balances by Fund
- Schedule of Cash and Investments by Security Type

In our opinion, the Schedules of Cash and Investment Balances referred to above present, in all material respects, the cash and investment balances of the City of Long Beach as of September 30, 2006. Also, we found the City to be in general compliance with the California Government Code and the City's Investment Policy.

Respectfully submitted,

LAURA L. DOUD, CPA
City Auditor

City of Long Beach
Comparative Statement of Pooled and Non-Pooled Cash and Investment Balances by Fund
At September 30, 2006 with Comparative Totals for September 30, 2005

Fund #	Fund Name	Pooled Amount 9/30/2006	Non-Pooled Amount 9/30/2006	Total at 9/30/2006	Total at 9/30/2005
100	General Fund, General	\$ 36,736,735	\$ 3,611,752	\$ 40,348,487	\$ 40,474,271
103	General Fund, Library	254,651	-	254,651	232,667
105	General Fund, Parks and Recreation	3,172,439	2,017,535	5,189,974	22,097,657
120	Special Revenue, General Grants	1,869,919	-	1,869,919	492,810
130	Special Revenue, Health	1,332,317	500	1,332,817	1,084,342
131	Special Revenue, CUPA	312,150	-	312,150	357,618
132	Special Revenue, Parking & Business	712,003	-	712,003	453,828
133	Special Advertising & Promotion	1,762,966	-	1,762,966	2,604,137
134	Special Revenue, Upland Oil	4,286,183	-	4,286,183	3,864,526
135	Special Revenue, Housing Development	27,184,863	1,040,185	28,225,048	24,144,140
136	SR-Belmont Shore Parking Meter	635,197	23,595	658,792	582,697
149	Special Revenue, Business Assistance	244,251	-	244,251	812,153
150	Community Development Grants	4,473,582	2,956	4,476,538	3,738,145
151	Special Revenue, Housing Authority	11,968,701	131,666	12,100,367	5,629,111
180	Special Revenue, Park Development	747,054	-	747,054	522,882
181	Gas Tax Street Improvement	10,988,933	-	10,988,933	5,181,123
182	Special Revenue, Transportation	30,180,542	-	30,180,542	27,703,349
201	Capital Projects	17,025,635	1,095,308	18,120,943	19,898,205
202	Assessment District-Capital Projects	2,500,604	96	2,500,700	2,428,260
220	RDA - LB Bond Finance Authority	-	31,555	31,555	-
221	RDA-Poly High	114,295	2,734,550	2,848,845	3,950,348
222	RDA-West Beach	486,575	1,585,648	2,072,223	2,092,151
223	RDA-West Long Beach	17,401,986	3,159,654	20,561,640	19,780,030
224	RDA-Downtown	8,969,488	8,901,125	17,870,613	17,050,135
225	RDA-Project Income	4,044,161	-	4,044,161	3,919,205
227	RDA-Los Altos	230,155	408,005	638,160	761,626
228	RDA-Central	744,999	29,062,779	29,807,778	47,449,990
230	RDA-North	7,675,547	49,372,206	57,047,753	102,211,868
232	RDA-Housing	12,743	56,735,120	56,747,863	54,074,060
301	Gas Revenue	14,870,157	684,371	15,554,528	16,993,225
310	Water	10,585,883	3,599,050	14,184,933	12,578,165
311	Sewer	10,124,858	-	10,124,858	9,274,376
320	Airport	17,675,300	1,042,835	18,718,135	15,290,812
330	Refuse/Recycling	21,722,244	-	21,722,244	18,029,895
331	SERRF	32,057,841	-	32,057,841	32,365,471
339	SERRF JPA	650,371	11,718,303	12,368,674	12,601,029
340	Towing Operations	1,642,877	-	1,642,877	2,409,447
380	Civic Center	13,266,649	9,677,936	22,944,585	20,561,566
385	General Services	5,096,085	-	5,096,085	7,070,444
386	Fleet Services Fund	15,232,311	2,678,915	17,911,226	19,557,725
390	Insurance	6,509,159	-	6,509,159	25,596,550
391	Employee Benefits	56,844,499	-	56,844,499	58,364,501
401	Tidelands Operations	21,255,941	15,279,335	36,535,276	28,906,512
403	Tidelands - Marina	4,470,638	-	4,470,638	4,467,436
410	Tidelands - Queen Mary	919,232	-	919,232	714,980
411	Tidelands Queensway Bay	5,498,224	4,762,291	10,260,515	6,601,118
413	Parking Authority - Queensway Bay	-	-	-	803,466
420	Tidelands Oil Revenue	22,460,073	-	22,460,073	120,793,223
421	Tidelands Reserve - Subsidence	146,659,185	3,169,176	149,828,361	148,442,890
430	Harbor Operations	459,485,860	-	459,485,860	294,067,394
432	Harbor Debt Service	363,530,450	54,153,081	417,683,531	402,207,441
440	Expendable Trusts	942,667	-	942,667	977,860
451	ICTF JPA	2,468,404	-	2,468,404	2,774,398
452	Earthquake Assessment	1,015,064	-	1,015,064	1,058,141
453	AG, Other Special Assessment	1,664,090	-	1,664,090	1,609,821
455	Other Agency	2,779,321	-	2,779,321	2,239,883
460	Los Cerritos Wetlands Authority	-	19,860	19,860	-
470	Agency Special Assessment CFD #5	853,942	1,293,055	2,146,997	1,325,308
471	Agency Special Assessment LBBFA	-	821,896	821,896	794,492
472	Agency Special Assessment Pike	2,172,297	3,312,124	5,484,421	5,233,177
999	Accrued Interest Receivable	(12,065,852)	-	(12,065,852)	(10,983,432)
TOTAL CASH AND INVESTMENTS		\$ 1,426,456,444	\$ 272,126,463	\$ 1,698,582,907	\$ 1,676,318,648

Percent Change of Pooled and Non-Pooled Cash and Investments from 9/30/05 to 9/30/06

1.33%

Note: Cash and Investments are reported on a modified accrual basis in the Comprehensive Annual Financial Report (CAFR). Accordingly, for the Fiscal Year ended September 30, 2006, the Cash and Investment total per the CAFR includes accrued interest of \$12 million.

City of Long Beach
Schedule of Cash and Investments by Security Type
September 30, 2006

	<u>Pooled</u>	<u>Non-Pooled*</u>	<u>Total 09/30/2006</u>	<u>Total 09/30/2005</u>
CASH:				
Cash in Banks	\$ 8,767,478	\$ 160,647	\$ 8,928,125	\$ (8,409,152)
Cash with Fiscal Agents	-	222,316,804	222,316,804	306,899,448
	<u>\$ 8,767,478</u>	<u>\$ 222,477,451</u>	<u>\$ 231,244,929</u>	<u>\$ 298,490,296</u>
INVESTMENTS:				
U.S. T - Bills	\$ -	\$ -	\$ -	\$ -
U.S. Treasury Notes	212,719,658	-	212,719,658	284,094,035
Federal Farm Credit Bank	164,483,158	-	164,483,158	198,314,202
Federal Home Loan Bank	258,630,067	-	258,630,067	202,337,350
Federal National Mortgage Association	344,711,777	-	344,711,777	235,716,567
Federal Home Loan Mortgage Corporation	264,946,706	-	264,946,706	215,066,489
Student Loan Marketing Association	-	-	-	-
Negotiable Certificates of Deposit	-	-	-	-
Medium Term Notes	33,260,495	-	33,260,495	94,350,066
Commercial Paper	132,730,520	-	132,730,520	-
L.A.I.F.	2,909,377	-	2,909,377	94,240,514
Money Market	-	-	-	33,759
Certificates of Deposit	-	10,000,000	10,000,000	10,000,000
Guaranteed Investment Contracts	-	36,479,836	36,479,836	36,727,408
Special Assessment Bonds	-	1,358,731	1,358,731	1,267,092
Municipal Bonds	-	1,810,445	1,810,445	2,179,340
Savers Loan	3,297,208	-	3,297,208	3,501,530
Total Investments	<u>\$ 1,417,688,966</u>	<u>\$ 49,649,012</u>	<u>\$ 1,467,337,978</u>	<u>\$ 1,377,828,352</u>
TOTAL CASH AND INVESTMENTS	<u>\$ 1,426,456,444</u>	<u>\$ 272,126,463</u>	<u>\$ 1,698,582,907</u>	<u>\$ 1,676,318,648</u>

* Non-pooled cash and investments are generally pledged to the payment of specific project costs or security of certain outstanding bonds and are not available for operations.

