

M E M O R A N D U M

TO: Chief Administrative Officer  
Mayor Prussing  
Members, Urbana City Council

FROM: City Comptroller

RE: Quarterly Investment Report for Quarter Ended Sep. 30, 2006

DATE: October 19, 2006

The City's investment policy requires that a quarterly investment report be submitted to the City Council. Attached please find the city's investment report as of Sep. 30, 2006.

Two last 2 columns report any changes in investments and cash accounts during the quarter. The total amount invested decreased approximately \$1 million, due to timing of receipts and payments. The average yield is 4.6% on fixed investments (CD's and U.S. Treasury) and 5.1% on short-term money market and savings investments. The average outstanding length of maturity time for the fixed investments is 4.1 years.

The City's investment portfolio at Sep. 30, 2006 complies and is in accordance with State laws and the City's investment policies that were approved on November 15, 1999.

<u>Institution</u>	<u>Type of Investment</u>	<u>Maturity Date</u>	<u>Date Purchased</u>	<u>Yield</u>	<u>09/30/06 \$ Market</u>	<u>% Portfolio</u>	<u>09/30/06 \$ Market</u>	<u>% Increase (Decrease)</u>	<u>Reason for Change</u>
Central IL Bank	CD	12/06/06	12/06/05	4.300%	\$ 100,000		\$ 100,000	0.00%	
Regions Bank	CD	12/03/06	11/03/05	4.140%	\$ 96,000		\$ 96,000	0.00%	
National City	CD	01/06/07	12/06/05	4.400%	\$ 95,000		\$ 95,000	0.00%	
Centrue Bank	CD	11/24/07	11/23/04	3.230%	\$ 105,292		\$ 105,292	0.00%	
Main St. Bank and Trust	CD	11/23/07	11/23/04	3.090%	\$ 105,528		\$ 104,712	0.78%	Accrued interest
Chase Bank	CD	11/23/07	11/23/04	2.760%	\$ 99,714		\$ 99,714	0.00%	
Smith Barney	CD	10/11/06	10/03/01	5.000%	\$ 100,000		\$ 100,000	0.00%	
Smith Barney	CD	11/21/07	11/16/05	4.600%	\$ 96,000		\$ 96,000	0.00%	
Smith Barney	CD	11/23/10	11/16/05	4.850%	\$ 96,000		\$ 96,000	0.00%	
Smith Barney	CD	08/25/06	11/16/05	4.350%	\$ -		\$ 96,000	-100.00%	Maturity
Smith Barney	CD	11/29/06	11/16/05	4.400%	\$ 96,000		\$ 96,000	0.00%	
Smith Barney	CD	06/06/08	05/30/06	5.250%	\$ 96,000		\$ 96,000	0.00%	
Smith Barney	CD	07/05/07	06/23/06	5.400%	\$ 94,000		\$ 94,000	0.00%	
Smith Barney	CD	06/20/08	06/14/06	5.250%	\$ 96,000		\$ 96,000	0.00%	
Smith Barney	CD	09/06/07	08/25/06	5.150%	\$ 96,000		\$ -	100.00%	Purchase
Stifel, Nicolaus	CD	08/31/09	09/01/04	3.855%	\$ 85,040		\$ 85,040	0.00%	
Stifel, Nicolaus	CD	12/12/18	12/12/03	3.500%	\$ 94,000		\$ 94,000	0.00%	
Stifel, Nicolaus	CD	03/10/08	03/06/06	5.000%	\$ 95,000		\$ 95,000	0.00%	
Edward Jones	CD	12/24/08	12/24/03	3.750%	\$ 98,000		\$ 98,000	0.00%	
Edward Jones	CD	12/26/08	12/26/03	3.750%	\$ 98,000		\$ 98,000	0.00%	
Edward Jones	CD	11/28/07	05/28/04	3.850%	\$ 95,000		\$ 95,000	0.00%	
Edward Jones	CD	12/03/07	12/03/04	3.500%	\$ 99,000		\$ 99,000	0.00%	
Edward Jones	CD	07/06/07	07/06/06	5.500%	\$ 94,000			100.00%	Purchase
Merrill Lynch	CD	06/11/07	06/07/04	3.350%	\$ 69,000		\$ 69,000	0.00%	
Merrill Lynch	CD	12/17/07	11/29/04	3.350%	\$ 100,000		\$ 100,000	0.00%	
Merrill Lynch	CD	12/10/07	11/29/04	3.300%	\$ 100,000		\$ 100,000	0.00%	
Merrill Lynch	CD	12/10/07	11/29/04	3.400%	\$ 100,000		\$ 100,000	0.00%	
Merrill Lynch	CD	12/15/06	12/06/04	3.050%	\$ 100,000		\$ 100,000	0.00%	
Merrill Lynch	CD	12/18/06	12/06/04	3.000%	\$ 100,000		\$ 100,000	0.00%	
Merrill Lynch	CD	02/20/07	02/08/05	3.350%	\$ 66,000		\$ 66,000	0.00%	
Merrill Lynch	CD	02/19/08	02/07/05	3.550%	\$ 66,000		\$ 66,000	0.00%	
Subtotal, CD's					\$ 2,830,574	8.36%	\$ 2,735,759	3.47%	

Institution	Type of Investment	Maturity Date	Date Purchased	Yield	\$ Market	% Portfolio	\$ Market	% Increase (Decrease)	Reason for Change
Merrill Lynch	US Govt, Agency, FICO	3/26/07	11/03/93	6.600%	245,254		245,254	0.00%	
Merrill Lynch	US Govt, Agency, FICO	9/26/07	11/03/93	6.640%	234,090		234,090	0.00%	
Merrill Lynch	US Govt, Agency, FICO	12/27/07	11/03/93	6.750%	157,992		157,992	0.00%	
Merrill Lynch	US Govt, Agency, FICO	3/7/08	11/03/93	6.770%	120,686		120,686	0.00%	
Merrill Lynch	US Govt, Agency, FICO	6/27/09	11/03/93	7.000%	150,063		150,063	0.00%	
Merrill Lynch	US Govt, Agency, FICO	11/2/09	11/03/93	7.010%	165,758		165,758	0.00%	
Merrill Lynch	US Govt, Agency, FICO	11/11/09	11/03/93	7.010%	88,617		88,617	0.00%	
Merrill Lynch	US Govt, Agency, TNote	11/15/08	07/03/02	4.750%	1,238,813		1,238,813	0.00%	
Merrill Lynch	US Govt, Agency, TNote	5/15/07	07/08/02	4.375%	1,240,425		1,240,425	0.00%	
Merrill Lynch	US Govt, Agency, FNMA	11/18/11	05/13/04	4.000%	158,550		158,550	0.00%	
Merrill Lynch	US Govt, Agency, Tstrip	5/15/09	05/26/04	3.800%	520,345		520,345	0.00%	
Merrill Lynch	US Govt, Agency, Tstrip	5/15/11	05/26/04	4.310%	530,443		530,443	0.00%	
Merrill Lynch	US Govt, Agency, FHLM	5/28/13	11/23/04	4.250%	462,095		462,095	0.00%	
Smith Barney	US Govt, Agency, GNMA	10/20/23	11/26/93	6.500%	24,565		26,068	-5.77%	Principal Payments
Smith Barney	US Govt, Agency, GNMA	11/20/23	11/26/93	6.500%	1,679		1,712	-1.95%	Principal Payments
Smith Barney	US Govt, Agency, FHLM	3/15/13	05/24/04	5.750%	559,784		559,784	0.00%	
Smith Barney	US Govt, Agency, FHLM	7/15/10	05/24/04	4.480%	566,405		566,405	0.00%	
Smith Barney	US Govt, Agency, FICO	6/27/11	05/25/04	4.680%	540,155		540,155	0.00%	
Smith Barney	US Govt, Agency, FICO	5/30/12	05/25/04	4.900%	550,185		550,185	0.00%	
Smith Barney	US Govt, Agency, Tstrip	11/15/09	11/16/05	4.046%	801,059		801,059	0.00%	
Edward Jones	US Govt, Agency, FHLM	5/15/30	05/28/04	5.000%	935,000		935,000	0.00%	
Edward Jones	US Govt, Agency, FNMA	12/15/09	12/15/04	4.500%	1,576,708		1,576,708	0.00%	
Edward Jones	US Govt, Agency, FHLM	11/15/09	05/27/05	4.000%	978,790		978,790	0.00%	
Edward Jones	US Govt, Agency, Tstrip	8/15/09	12/05/05	4.204%	697,898		697,898	0.00%	
Edward Jones	US Govt, Agency, TNote	4/30/11	05/19/06	4.875%	411,757		411,757	0.00%	
Edward Jones	US Govt, Agency, Tnote	4/30/08	05/19/06	4.875%	413,741		413,741	0.00%	
Edward Jones	US Govt, Agency, FHLMC	5/15/26	05/19/06	6.000%	404,992		404,992	0.00%	
Stifel, Nicolaus	US Govt, Agency, FICO	6/6/07	09/12/02	9.000%	109,435		109,435	0.00%	
Stifel, Nicolaus	US Govt, Agency, FICO	11/30/08	09/19/02	9.800%	175,762		175,762	0.00%	
Stifel, Nicolaus	US Govt, Agency, FHLM	5/15/14	05/14/04	4.500%	210,315		210,315	0.00%	
Stifel, Nicolaus	US Govt, Agency, FHLB	11/2/07	11/18/04	3.375%	437,760		437,760	0.00%	
Stifel, Nicolaus	US Govt, Agency, FHLB	6/6/08	11/19/04	3.750%	435,960		435,960	0.00%	
Stifel, Nicolaus	US Govt, Agency, FNMA	5/28/09	11/19/04	4.290%	435,780		435,780	0.00%	
Stifel, Nicolaus	US Govt, Agency, TNote	11/15/07	11/29/04	3.000%	485,400		485,400	0.00%	
Stifel, Nicolaus	US Govt, Agency, Tnote	11/30/06	11/29/04	2.8750%	495,150		495,150	0.00%	
Stifel, Nicolaus	US Govt, Agency, Tstrip	11/15/09	12/07/04	3.050%	1,075,080		1,075,080	0.00%	
Stifel, Nicolaus	US Govt, Agency, FHLB	8/22/08	12/23/05	4.650%	167,093		167,093	0.00%	
Stifel, Nicolaus	US Govt, Agency, FHLMC	8/15/18	05/11/06	5.125%	112,363		112,363	0.00%	
Subtotal, U.S. Govt.					\$ 17,915,947	52.89%	\$ 17,917,483	-0.01%	

Institution	Type of Investment	Maturity Date	Date Purchased	Yield	\$ Market	% Portfolio	\$ Market	% Increase (Decrease)	Reason for Change
Merrill Lynch	MM	n/a	n/a	n/a	\$ 2,220		\$ 9,181	-75.82%	Interest, Check Issued
Edward Jones	MM	n/a	n/a	4.500%	\$ 21,588		\$ 96,500	-77.63%	Investment Purchase, Interest
Smith Barney	MM	n/a	n/a	4.800%	\$ 8,349		\$ 97,785	-91.46%	Investment Purchase, Interest
Stifel, Nicolaus	MM			4.410%	\$ 10,169		\$ -	#DIV/0!	Investment Interest
IL Metropolitan Investment Fund	US Govt Pool Fund			5.250%	\$ 2,184,454		\$ 2,156,212	1.31%	Interest
Illinois Funds-Money Market	Govt. Pool, IL Funds	n/a	n/a	5.139%	\$ 1,377,155		\$ 1,702,985	-19.13%	State Payments, Interest. \$20K Transfer from E Pay
Illinois Funds-Prime Funds	Govt. Pool, IL Funds	n/a	n/a	5.201%	\$ 13,243		\$ 13,071	1.32%	Interest
Illinois Funds-E Pay Account	Govt. Pool, IL Funds	n/a	n/a	4.834%	\$ 22,139		\$ 8,911	100.00%	Revenue Payments, Transfer to IL Funds MM
Chase Bank	Savings	n/a	n/a	5.120%	\$ 1,403,789		\$ 1,386,612	1.24%	Interest
Busey Bank	Savings	n/a	n/a	4.980%	\$ 8,081,485		\$ 8,738,672	-7.52%	Normal Bill Paying,
Subtotal, MM, IPTIP, & Savings					\$ 13,124,591	38.75%	\$ 14,209,930	-7.64%	
TOTALS					\$ 33,871,112	100.00%	\$ 34,863,171	-2.85%	