



OFFICE OF THE CITY AUDITOR
Long Beach, California

LAURA L. DOUD, CPA
City Auditor

December 16, 2008

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Receive and file the Quarterly Audit of Cash and Investment Reports for the quarters ending December 31, 2007, and March 31, 2008.

DISCUSSION:

Pursuant to Section 803 of the City Charter, the Office of the City Auditor is charged with verifying cash in the City Treasury on a quarterly basis and providing a written report to the City Council. The City Auditor conducts quarterly audits of the City's cash and investments to confirm the amount and description with outside depositories and to ensure investments are in compliance with all applicable laws and policies. Attached are the quarterly audits of cash and investments for the quarters ending December 31, 2007 and March 31, 2008.

TIMING CONSIDERATIONS:

This item is not time sensitive.

FISCAL IMPACT:

Approving this action would have no fiscal impact.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

LAURA L. DOUD, CPA
CITY AUDITOR

Attachments (2)



**City of Long Beach
Office of the City Auditor**

Quarterly Audit of Cash & Investments

As of December 31, 2007

December 8, 2008

Laura L. Doud, CPA
City Auditor

Office of the City Auditor

Audit Report
Quarterly Audit of Cash & Investments

As of December 31, 2007

December 8, 2008



Audit Staff

City Auditor: Laura L. Doud
Assistant City Auditor: James Johnson
Deputy City Auditor: Janet Day
Senior Auditor: Sotheary Hul
Audit Staff: Kris Lopez

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EXECUTIVE SUMMARY

The Office of the City Auditor has completed the quarterly audit of the cash and investment balances of the City of Long Beach as of December 31, 2007. The City of Long Beach's management is responsible for the schedules of cash and investments. Our responsibility is to verify cash on a quarterly basis and provide a written report to the City Council. As of December 31, 2007, the City's cash and investment portfolio totaled approximately \$2 billion.

Based on the results of audit procedures performed as described below, cash and investment balances as recorded on the City's books as of December 31, 2007, agree as to the amount and description with outside depositories. Also, we found the City to be in compliance with the California Government Code and the City's Investment Policy.

BACKGROUND

City Charter Mandate

Pursuant to Section 803 of the Charter of the City of Long Beach, California, the Office of the City Auditor is charged with verifying cash in the City Treasury on a quarterly basis and providing a written report to the City Council.

This performance audit of the cash and investment balances of the City of Long Beach includes verifying cash and investments with outside depositories, and evaluating the City Treasurer's compliance with the California Government Code §53601 and the City's Investment Policy, which is adopted annually by the City Council.

Pooled Cash and Investments

The City's pooled cash is a grouping of the City's available cash for investments. The larger amount of money involved in a pool allows the City to earn a higher rate of return than each fund could receive by itself. Pooled funds that are not needed for operations are invested by the Treasury Bureau. The interest income earned in pooled cash and investments is apportioned to funds based on the ratio of daily cash balances to the total of pooled cash and investments.

Non-pooled Cash and Investments

Generally, non-pooled cash is used for specific project operations or pledged for reserves or interest payments of outstanding debt.

AUDIT OBJECTIVES, SCOPE, AND METHODOLOGY

The objectives of our audit were to agree cash and investments as to the amount and description recorded on the City's books with outside depositories, and to evaluate the City's compliance with provisions of the California Government Code §53601 and the City's Investment Policy.

The scope of this audit was limited to the quarter ending December 31, 2007.

We performed the following procedures in our audit:

- Conducted interviews of management personnel to gain an understanding of the internal controls in place surrounding the safeguarding of City's cash and investments.
- Obtained written confirmations of all cash held by banks and investments held by the City Treasurer's safekeeping agent and other custodians as of December 31, 2007 and agreed them to the City's general ledger.
- Traced the balance of total investments on the City Treasurer's Investment Holdings Report as of December 31, 2007 to the City's general ledger.
- Analyzed the bank account and investment reconciliations as of December 31, 2007 and agreed them to the City's general ledger.
- Compared investments listed on the City Treasurer's Investment Activity Portfolio Statistics Report as of December 31, 2007 to the types of investments authorized for the City in accordance with the City's Investment Policy and California Government Code §53601.
- Compared the portfolio mix of investment types listed in the City Treasurer's Investment Activity Portfolio Statistics Report as of December 31, 2007 to the portfolio mix limitations imposed by the City's Investment Policy and California Government Code §53601 for specific investment types.
- Recomputed and reviewed supporting documentation, on a sample basis, relevant to the purchase, sale and maturity of individual investments to determine compliance with the following provisions of the California Government Code §53601 and the City's Investment Policy:
 - Purchase of investments meet minimum rating requirements and maximum allowable maturity periods.
 - All sections of the investment transaction record are properly completed and authorized by the City Treasurer.
 - Transactions are supported by documentation from third-party sources (individual broker confirmations, safekeeping statements, custodian statements, etc.).

The City finalizes its calculations of accrued interest at the end of the fiscal year; and thus, the testing of interest is conducted as part of our fourth quarter cash and investments audit. As such, we did not test accrued interest; which is excluded from the total cash and investments as of December 31, 2007. In addition, the allocation of cash and investments between funds was outside the scope of this audit.

We conducted this audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

RESULTS AND CONCLUSIONS

The City's cash and investment balances as of December 31, 2007 are summarized as follows:

| | |
|---------------------------------|-------------------------|
| Pooled Cash and Investments | \$ 1,720,673,452 |
| Non-Pooled Cash and Investments | <u>263,329,784</u> |
| Total Cash and Investments | <u>\$ 1,984,003,236</u> |

The Schedule of Pooled and Non-Pooled Cash and Investment Balances by Fund, and the Schedule of Pooled and Non-Pooled Cash and Investment Balances by Security Type are attached.

Based on the results of audit procedures performed, cash and investment balances as recorded on the City's books as of December 31, 2007, agree as to the amount and description with outside depositories. Also, we found the City to be in compliance with the California Government Code and the City's Investment Policy.

We noted certain internal control matters that we reported to management of the City of Long Beach, Office of Financial Management, in a separate letter dated December 8, 2008.

MANAGEMENT COMMENTS

Management comments had not yet been received as of the date and filing of this report.

ATTACHMENT I

CITY OF LONG BEACH
OFFICE OF THE CITY AUDITORPOOLED AND NON-POOLED CASH AND INVESTMENT BALANCES BY FUND
AT DECEMBER 31, 2007 WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2006

| Fund # | Name of Fund | Pooled 12/31/2007 | Non-Pooled 12/31/2007 | Total at 12/31/2007 | Total at 12/31/2006 |
|--------|--------------------------------------|----------------------|--------------------------|------------------------|------------------------|
| 100 | General Fund, General | \$ 60,567,140 | \$ 4,300,680 | \$ 64,867,820 | \$ 50,727,704 |
| 103 | General Fund, Library | (918,497) | 20,705 | (897,792) | (832,315) |
| 105 | General Fund, Parks and Recreation | 2,310,691 | 2,577,858 | 4,888,549 | 4,603,288 |
| 120 | Special Revenue, General Grants | 5,559,253 | - | 5,559,253 | 4,133,881 |
| 121 | Special Revenue, Police & Fire | 1,767,423 | - | 1,767,423 | - |
| 130 | Special Revenue, Health | 614,114 | 12,950 | 627,064 | 800,442 |
| 131 | Special Revenue, CUPA | 868,590 | - | 868,590 | 746,197 |
| 132 | Special Revenue, Parking & Business | 1,312,847 | - | 1,312,847 | 1,043,412 |
| 133 | Special Advertising & Promotion | 1,191,687 | 281 | 1,191,968 | 1,568,549 |
| 134 | Special Revenue, Upland Oil | 5,259,436 | - | 5,259,436 | 7,234,911 |
| 135 | Housing Development | 43,030,820 | 15,297 | 43,046,117 | 32,908,305 |
| 136 | Belmont Shore Parking Meters | 618,499 | 32,576 | 651,075 | 717,214 |
| 137 | Planning & Building Department | 1,925,874 | - | 1,925,874 | 861,309 |
| 149 | Special Revenue, Business Assistance | 1,761,499 | - | 1,761,499 | 136,151 |
| 150 | Community Development Grants | 4,030,077 | 12,956 | 4,043,033 | 4,630,328 |
| 151 | Housing Authority | 19,638,645 | 92,476 | 19,731,121 | 14,006,094 |
| 180 | Special Revenue, Park Development | 391,224 | - | 391,224 | 466,516 |
| 181 | Gas Tax Street Improvement | 8,587,990 | - | 8,587,990 | 10,258,922 |
| 182 | Special Revenue, Transportation | 34,549,428 | - | 34,549,428 | 27,013,316 |
| 201 | Capital Projects | 15,241,137 | 22,107,813 | 37,348,950 | 23,596,809 |
| 202 | Assessment District-Capital Projects | 2,644,899 | 654 | 2,645,553 | 2,526,725 |
| 220 | RDA-LB Bond Authority | - | 39,142 | 39,142 | 32,657 |
| 221 | RDA-Poly High | 825,832 | 979,854 | 1,805,686 | 2,552,607 |
| 222 | RDA-West Beach | 1,445,492 | 1,625,538 | 3,071,030 | 2,709,256 |
| 223 | RDA-West Long Beach | 21,447,784 | 3,135,739 | 24,583,523 | 26,005,685 |
| 224 | RDA-Downtown | 16,904,662 | 8,222,416 | 25,127,078 | 17,022,831 |
| 225 | RDA-Project Income | 2,100,823 | - | 2,100,823 | 4,062,262 |
| 227 | RDA-Los Altos | 537,128 | 408,176 | 945,304 | 874,576 |
| 228 | RDA-Central | 7,739,571 | 11,674,044 | 19,413,615 | 29,974,621 |
| 230 | RDA-North | 24,406,974 | 42,231,457 | 66,638,431 | 70,116,376 |
| 232 | RDA-Housing | 2,609,304 | 37,514,729 | 40,124,033 | 51,913,674 |
| 301 | Gas Revenue | 5,482,072 | 655,500 | 6,137,572 | 14,498,820 |
| 310 | Water | 8,726,410 | 3,619,050 | 12,345,460 | 13,336,787 |
| 311 | Sewer | 4,306,558 | - | 4,306,558 | 8,343,390 |
| 320 | Airport | 17,507,982 | 235,349 | 17,743,331 | 20,742,744 |
| 330 | Refuse/Recycling | 23,384,490 | 3,000 | 23,387,490 | 22,964,430 |
| 331 | SERRF | 32,129,104 | - | 32,129,104 | 28,539,541 |
| 339 | SERRF JPA | 419,919 | 12,018,408 | 12,438,327 | 12,375,663 |
| 340 | Towing Operations | 938,105 | 3,700 | 941,805 | 2,336,964 |
| 380 | Civic Center | 10,035,117 | 8,016,899 | 18,052,016 | 22,886,800 |
| 385 | General Services | 4,007,174 | 3,041 | 4,010,215 | 2,747,917 |

ATTACHMENT I
(continued)
CITY OF LONG BEACH
OFFICE OF THE CITY AUDITOR

POOLED AND NON-POOLED CASH AND INVESTMENT BALANCES BY FUND
AT DECEMBER 31, 2007 WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2006

| Fund # | Name of Fund | Pooled 12/31/2007 | Non-Pooled 12/31/2007 | Total at 12/31/2007 | Total at 12/31/2006 |
|-----------------------------------|---|---------------------------|--------------------------|-------------------------|----------------------------|
| 386 | Fleet Services Fund | 9,615,438 | 2,750,416 | 12,365,854 | 17,584,929 |
| 390 | Insurance | 15,790,804 | 60 | 15,790,864 | 8,941,352 |
| 391 | Employee Benefits | 55,465,700 | - | 55,465,700 | 56,579,636 |
| 401 | Tidelands Operations | 34,627,962 | 15,909,526 | 50,537,488 | 34,748,259 |
| 403 | Tidelands-Marina | 8,248,353 | 15,600 | 8,263,953 | 1,937,304 |
| 410 | Queen Mary | 1,281,401 | - | 1,281,401 | 963,115 |
| 411 | Tidelands Operating - Rainbow Harbor Area | 2,409,195 | 4,569,211 | 6,978,406 | 10,671,919 |
| 413 | Parking Authority - Queensway Bay | - | - | - | 3,060 |
| 420 | Tidelands Oil Revenue | 47,919,522 | 3,000 | 47,922,522 | 11,243,047 |
| 421 | Tidelands Reserve - Subsidence | 156,570,985 | 2,783,336 | 159,354,321 | 151,468,613 |
| 430 | Harbor - Operations | 625,724,891 | 35,000 | 625,759,891 | 520,621,459 |
| 431 | Harbor - Capital | (31,206,194) | - | (31,206,194) | (29,189,861) |
| 432 | Harbor Debt Service | 388,194,027 | 53,738,679 | 441,932,706 | 417,543,530 |
| 440 | Expandable Trusts | 1,014,555 | - | 1,014,555 | 962,830 |
| 450 | Deferred Compensation | - | - | - | - |
| 451 | ICTF JPA | 20,080,845 | - | 20,080,845 | 10,807,930 |
| 452 | Earthquake Assessment Agency Funds | 1,802,737 | - | 1,802,737 | 1,881,713 |
| 453 | Other Special Assessment | 2,169,881 | - | 2,169,881 | 2,098,455 |
| 455 | Other Agency | 2,692,941 | 1,500 | 2,694,441 | 2,433,449 |
| 460 | Los Cerritos Wetlands Authority | - | 34,242 | 34,242 | 19,844 |
| 470 | Agency Special Assessment CFD #5 LB Towne Center | 100,221 | 1,316,017 | 1,416,238 | 1,333,699 |
| 471 | Agency Special Assessment LBBFA Local Agency | - | 862,378 | 862,378 | 824,761 |
| 472 | Agency Special Assessment CFD#6 Pike Pub Impv | (1,786,136) | 7,175,713 | 5,389,577 | 3,423,267 |
| 473 | Park | 367,421 | 14,574,818 | 14,942,239 | - |
| 999 | Accrued Interest Receivable | (16,318,374) | - | (16,318,374) | - |
| TOTAL CASH AND INVESTMENTS | | <u>\$ 1,720,673,452 *</u> | <u>\$ 263,329,784</u> | <u>\$ 1,984,003,236</u> | <u>\$ 1,768,087,669 **</u> |

* We tested the City's Pooled Investment Fund in aggregate; the City's allocation of Pooled Investments is presented for informational purposes only.

** The total for 12/31/2006 includes accrued interest. Accrued interest was deducted in the data presented under 12/31/2007.

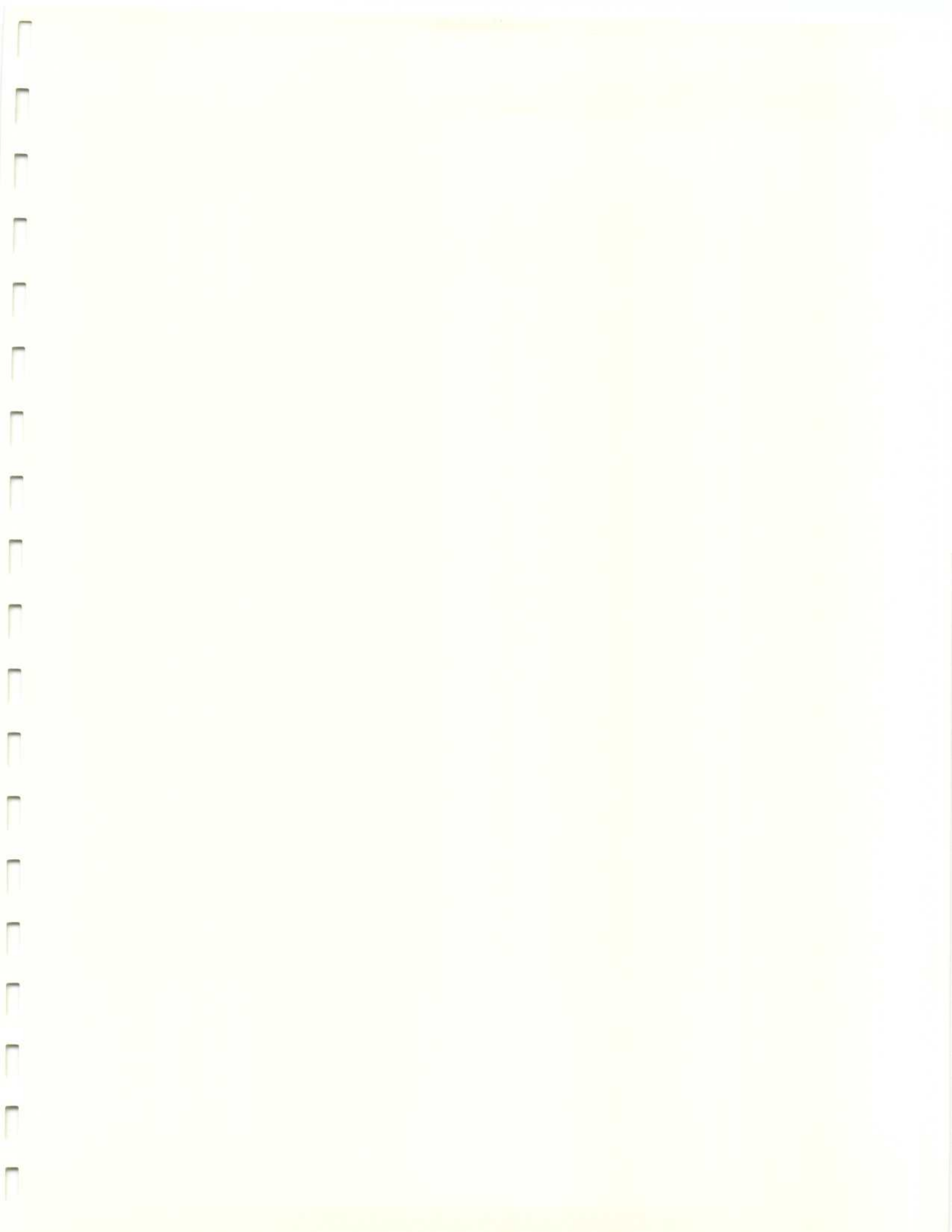
ATTACHMENT II

CITY OF LONG BEACH
OFFICE OF THE CITY AUDITOR

POOLED AND NON-POOLED CASH AND INVESTMENT BALANCES BY SECURITY TYPE
AT DECEMBER 31, 2007 WITH COMPARATIVE TOTALS FROM DECEMBER 31, 2006

| | <u>Pooled</u> <u>12/31/2007</u> | <u>Non-Pooled</u> <u>12/31/2006</u> | <u>Total</u> <u>12/31/2007</u> | <u>Total *</u> <u>12/31/2006</u> |
|-----------------------------------|------------------------------------|--|-----------------------------------|-------------------------------------|
| CASH: | | | | |
| Cash in Banks | \$ (611,490) | \$ 734,651 | \$ 123,161 | \$ 8,768,378 |
| Cash with Fiscal Agents | - | 213,334,623 | 213,334,623 | 208,819,094 |
| | <u>\$ (611,490)</u> | <u>\$ 214,069,274</u> | <u>\$ 213,457,784</u> | <u>\$ 217,587,472</u> |
| INVESTMENTS: | | | | |
| U.S. Treasury Notes | \$ 124,254,538 | \$ - | \$ 124,254,538 | \$ 199,713,433 |
| Federal Farm Credit Bank | 81,572,228 | - | 81,572,228 | 131,688,290 |
| Federal Home Loan Bank | 354,458,853 | - | 354,458,853 | 306,464,891 |
| Federal National Mortgage Assn. | 437,966,655 | - | 437,966,655 | 340,112,414 |
| Federal Home Loan Mortgage Corp. | 331,562,020 | - | 331,562,020 | 308,128,461 |
| Medium Term Notes | 64,408,381 | - | 64,408,381 | 33,685,560 |
| Commercial Paper | 204,900,700 | - | 204,900,700 | 174,845,131 |
| L.A.I.F. | 119,113,601 | - | 119,113,601 | 2,944,855 |
| Certificates of Deposit | - | 10,000,000 | 10,000,000 | 10,000,000 |
| Guaranteed Investment Contracts | - | 36,477,173 | 36,477,173 | 36,477,415 |
| Special Assessment Bonds | - | 1,473,611 | 1,473,611 | 1,381,707 |
| Municipal Bonds | - | 1,309,726 | 1,309,726 | 1,810,445 |
| Savers Loan | 3,047,966 | - | 3,047,966 | 3,247,595 |
| Total Investments | <u>\$ 1,721,284,942</u> | <u>\$ 49,260,510</u> | <u>\$ 1,770,545,452</u> | <u>\$ 1,550,500,197</u> |
| TOTAL CASH AND INVESTMENTS | <u>\$ 1,720,673,452</u> | <u>\$ 263,329,784</u> | <u>\$ 1,984,003,236</u> | <u>\$ 1,768,087,669</u> |

* All amounts presented as of 12/31/2006 include accrued interest; the amounts presented as of 12/31/2007 exclude accrued interest.





**City of Long Beach
Office of the City Auditor**

Quarterly Audit of Cash & Investments

As of March 31, 2008

December 8, 2008

Laura L. Doud, CPA
City Auditor

Audit Report
Quarterly Audit of Cash & Investments

As of March 31, 2008

December 8, 2008



Audit Staff

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Audit Staff: Scott Gardiner

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EXECUTIVE SUMMARY

The Office of the City Auditor has completed the quarterly audit of the cash and investment balances of the City of Long Beach as of March 31, 2008. The City of Long Beach's management is responsible for the schedules of cash and investments. Our responsibility is to verify cash on a quarterly basis and provide a written report to the City Council. As of March 31, 2008, the City's cash and investment portfolio totaled approximately \$2.1 billion.

Based on the results of audit procedures performed as described below, cash and investment balances as recorded on the City's books as of March 31, 2008, agree as to the amount and description with outside depositories. Also, we found the City to be in compliance with the California Government Code and the City's Investment Policy.

BACKGROUND

City Charter Mandate

Pursuant to Section 803 of the Charter of the City of Long Beach, California, the Office of the City Auditor is charged with verifying cash in the City Treasury on a quarterly basis and providing a written report to the City Council.

This performance audit of the cash and investment balances of the City of Long Beach includes verifying cash and investments with outside depositories, and evaluating the City Treasurer's compliance with the California Government Code §53601 and the City's Investment Policy, which is adopted annually by the City Council.

Pooled Cash and Investments

The City's pooled cash is a grouping of the City's available cash for investments. The larger amount of money involved in a pool allows the City to earn a higher rate of return than each fund could receive by itself. Pooled funds that are not needed for operations are invested by the Treasury Bureau. The interest income earned in pooled cash and investments is apportioned to funds based on the ratio of daily cash balances to the total of pooled cash and investments.

Non-pooled Cash and Investments

Generally, non-pooled cash is used for specific project operations or pledged for reserves or interest payments of outstanding debt.

AUDIT OBJECTIVES, SCOPE, AND METHODOLOGY

The objectives of our audit were to agree cash and investments as to the amount and description recorded on the City's books with outside depositories and to evaluate the City's compliance with provisions of the California Government Code §53601 and the City's Investment Policy.

The scope of this audit was limited to the quarter ending March 31, 2008.

We performed the following procedures in our audit:

- Conducted interviews of management personnel to gain an understanding of the internal controls in place surrounding the safeguarding of City's cash and investments.
- Obtained written confirmations of all cash held by banks and investments held by the City Treasurer's safekeeping agent and other custodians as of March 31, 2008 and agreed them to the City's general ledger.
- Traced the balance of total investments on the City Treasurer's Investment Holdings Report as of March 31, 2008 to the City's general ledger.
- Analyzed the bank account and investment reconciliations as of March 31, 2008 and agreed them to the City's general ledger.
- Compared investments listed on the City Treasurer's Investment Activity Portfolio Statistics Report as of March 31, 2008 to the types of investments authorized for the City in accordance with the City's Investment Policy and California Government Code §53601.
- Compared the portfolio mix of investment types listed in the City Treasurer's Investment Activity Portfolio Statistics Report as of March 31, 2008 to the portfolio mix limitations imposed by the City's Investment Policy and California Government Code §53601 for specific investment types.
- Recomputed and reviewed supporting documentation, on a sample basis, relevant to the purchase, sale and maturity of individual investments to determine compliance with the following provisions of the California Government Code §53601, and the City's Investment Policy:
 - Purchase of investments meet minimum rating requirements and maximum allowable maturity periods.
 - All sections of the investment transaction record are properly completed and authorized by the City Treasurer.
 - Transactions are supported by documentation from third-party sources (individual broker confirmations, safekeeping statements, custodian statements, etc.).

The City finalizes its calculations of accrued interest at the end of the fiscal year; thus, testing of this interest is conducted as part of our fourth quarter cash and investments audit. As such, we did not test accrued interest, which is excluded from the Total Cash and Investments as of March 31, 2008. In addition, the allocation of cash and investments between funds was outside the scope of this audit.

We conducted this audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

RESULTS AND CONCLUSIONS

The City's cash and investment balances as of March 31, 2008 are summarized as follows:

| | |
|---------------------------------|-------------------------|
| Pooled Cash and Investments | \$ 1,841,736,598 |
| Non-Pooled Cash and Investments | <u>246,507,431</u> |
| Total Cash and Investments | <u>\$ 2,088,244,029</u> |

The Schedule of Pooled and Non-Pooled Cash and Investment Balances by Fund, and the Schedule of Pooled and Non-Pooled Cash and Investment Balances by Security Type are attached.

Based on the results of audit procedures performed, cash and investment balances as recorded on the City's books as of March 31, 2008, agree as to the amount and description with outside depositories. Also, we found the City to be in compliance with the California Government Code and the City's Investment Policy.

We noted certain internal control matters that we reported to management of the City of Long Beach, Office of Financial Management, in a separate letter dated December 8, 2008.

MANAGEMENT COMMENTS

Management comments had not yet been received as of the date and filing of this report.

ATTACHMENT I

CITY OF LONG BEACH
OFFICE OF THE CITY AUDITORPOOLED AND NON-POOLED CASH AND INVESTMENT BALANCES BY FUND
AT MARCH 31, 2008 WITH COMPARATIVE TOTALS FOR MARCH 31, 2007

| Fund # | Name of Fund | Pooled 3/31/2008 | Non-Pooled 3/31/2008 | Total at 3/31/2008 | Total at 3/31/2007 |
|--------|--------------------------------------|---------------------|-------------------------|-----------------------|-----------------------|
| 100 | General Fund, General | \$ 78,370,254 | \$ 4,225,844 | 82,596,098 | \$ 67,793,368 |
| 103 | General Fund, Library | (1,726,752) | 20,705 | (1,706,047) | (927,770) |
| 105 | General Fund, Parks and Recreation | 2,963,593 | 2,448,529 | 5,412,122 | 3,458,500 |
| 120 | Special Revenue, General Grants | 8,483,568 | - | 8,483,568 | 5,349,557 |
| 121 | Special Revenue, Police & Fire | 2,677,666 | - | 2,677,666 | - |
| 130 | Special Revenue, Health | 1,301,153 | 4,305 | 1,305,458 | 1,237,912 |
| 131 | Special Revenue, CUPA | 648,429 | - | 648,429 | 585,171 |
| 132 | Special Revenue, Parking & Business | 1,124,647 | - | 1,124,647 | 1,054,889 |
| 133 | Special Advertising & Promotion | 2,104,599 | 281 | 2,104,880 | 1,409,810 |
| 134 | Special Revenue, Upland Oil | 5,153,892 | - | 5,153,892 | 5,115,068 |
| 135 | Housing Development | 44,485,331 | 21,381 | 44,506,712 | 36,514,590 |
| 136 | Belmont Shore Parking Meters | 698,003 | 34,980 | 732,983 | 668,812 |
| 137 | Planning & Building Department | 1,797,047 | - | 1,797,047 | 914,506 |
| 149 | Special Revenue, Business Assitance | 2,221,316 | - | 2,221,316 | 1,008,866 |
| 150 | Community Development Grants | 2,912,891 | 12,956 | 2,925,847 | 4,475,461 |
| 151 | Housing Authority | 19,806,480 | 1,010,555 | 20,817,035 | 16,024,643 |
| 180 | Special Revenue, Park Development | 287,550 | - | 287,550 | 132,690 |
| 181 | Gas Tax Street Improvement | 7,902,612 | - | 7,902,612 | 10,932,123 |
| 182 | Special Revenue, Transportation | 43,664,184 | - | 43,664,184 | 30,670,306 |
| 201 | Capital Projects | 21,580,899 | 21,703,720 | 43,284,619 | 43,301,075 |
| 202 | Assessment District-Capital Projects | 2,673,402 | 659 | 2,674,061 | 2,555,128 |
| 220 | RDA-LB Bond Authority | - | 31,694 | 31,694 | 53,031 |
| 221 | RDA-Poly High | 862,004 | 218,184 | 1,080,188 | 1,758,840 |
| 222 | RDA-West Beach | 1,219,130 | 1,631,381 | 2,850,511 | 2,713,555 |
| 223 | RDA-West Long Beach | 21,806,675 | 3,149,734 | 24,956,409 | 25,796,725 |
| 224 | RDA-Downtown | 18,142,511 | 8,196,684 | 26,339,195 | 17,484,135 |
| 225 | RDA-Project Income | 1,064,049 | - | 1,064,049 | 4,238,928 |
| 227 | RDA-Los Altos | 411,028 | 407,988 | 819,016 | 894,168 |
| 228 | RDA-Central | 6,684,294 | 10,581,881 | 17,266,175 | 24,683,009 |
| 230 | RDA-North | 21,243,750 | 39,042,444 | 60,286,194 | 65,919,099 |
| 232 | RDA-Housing | 86,543 | 33,936,082 | 34,022,625 | 48,387,618 |
| 301 | Gas Revenue | 13,820,835 | 655,500 | 14,476,335 | 23,244,067 |
| 310 | Water | 10,256,068 | 3,619,050 | 13,875,118 | 13,312,001 |
| 311 | Sewer | 4,261,384 | - | 4,261,384 | 7,043,505 |
| 320 | Airport | 25,504,221 | 237,006 | 25,741,227 | 21,985,142 |
| 330 | Refuse/Recycling | 24,297,308 | 3,000 | 24,300,308 | 23,605,357 |
| 331 | SERRF | 38,888,748 | - | 38,888,748 | 34,615,784 |
| 339 | SERRF JPA | 282,376 | 12,257,959 | 12,540,335 | 12,652,587 |
| 340 | Towing Operations | 700,269 | 3,700 | 703,969 | 2,362,455 |
| 380 | Civic Center | 8,205,775 | 4,022,482 | 12,228,257 | 21,898,230 |
| 385 | General Services | 3,352,344 | 3,041 | 3,355,385 | 3,519,851 |

ATTACHMENT I
(continued)
CITY OF LONG BEACH
OFFICE OF THE CITY AUDITOR

POOLED AND NON-POOLED CASH AND INVESTMENT BALANCES BY FUND
AT MARCH 31, 2008 WITH COMPARATIVE TOTALS FOR MARCH 31, 2007

| Fund # | Name of Fund | Pooled 3/31/2008 | Non-Pooled 3/31/2008 | Total at 3/31/2008 | Total at 3/31/2007 |
|-----------------------------------|---|--------------------------|-------------------------|-------------------------|---------------------------|
| 386 | Fleet Services Fund | 9,439,982 | 2,752,174 | 12,192,156 | 16,494,307 |
| 390 | Insurance | 17,746,883 | 61 | 17,746,944 | 10,741,662 |
| 391 | Employee Benefits | 56,486,133 | - | 56,486,133 | 56,981,728 |
| 401 | Tidelands Operations | 41,900,101 | 13,596,337 | 55,496,438 | 38,984,112 |
| 403 | Tidelands-Marina | 7,519,972 | 15,600 | 7,535,572 | 1,010,785 |
| 410 | Queen Mary | 1,353,655 | - | 1,353,655 | 994,379 |
| 411 | Tidelands Operating - Rainbow Harbor Area | 2,723,018 | 4,616,000 | 7,339,018 | 10,421,520 |
| 413 | Parking Authority - Queensway Bay | - | - | - | 3,816 |
| 420 | Tidelands Oil Revenue | 40,784,957 | 3,000 | 40,787,957 | 17,623,795 |
| 421 | Tidelands Reserve - Subsidence | 158,310,282 | 2,798,655 | 161,108,937 | 153,216,806 |
| 430 | Harbor - Operations | 689,063,328 | 35,000 | 689,098,328 | 597,340,775 |
| 431 | Harbor - Capital | (54,810,345) | - | (54,810,345) | (64,230,476) |
| 432 | Harbor Debt Service | 417,442,278 | 53,886,082 | 471,328,360 | 443,744,043 |
| 440 | Expandable Trusts | 1,044,044 | - | 1,044,044 | 994,155 |
| 451 | ICTF JPA | 12,283,003 | - | 12,283,003 | 10,932,149 |
| 452 | Earthquake Assessment Agency Funds | 1,790,181 | - | 1,790,181 | 1,547,248 |
| 453 | Other Special Assessment | 2,227,727 | - | 2,227,727 | 2,137,686 |
| 455 | Other Agency | 2,681,271 | 1,500 | 2,682,771 | 2,457,866 |
| 460 | Los Cerritos Wetlands Authority | - | 34,000 | 34,000 | 19,246 |
| | Agency Special Assessmt CFD #5 LB | | | | |
| 470 | Towne Center | 535,477 | 1,299,052 | 1,834,529 | 1,806,621 |
| | Agency Special Assessment LBBFA Local | | | | |
| 471 | Agency | - | 868,520 | 868,520 | 836,674 |
| | Agency Special Assessment CFD#6 Pike | | | | |
| 472 | Pub Impv | 8,787 | 4,455,778 | 4,464,565 | 4,516,696 |
| 473 | Agency Special Assessment - Douglas Park | 171,235 | 14,663,947 | 14,835,182 | - |
| 999 | Accued Interest Receivable | (17,185,447) | - | (17,185,447) | - |
| TOTAL CASH AND INVESTMENTS | | <u>\$ 1,841,736,598*</u> | <u>\$ 246,507,431</u> | <u>\$ 2,088,244,029</u> | <u>\$ 1,897,018,385**</u> |

* We tested the City's Pooled Investment Fund in aggregate; the City's allocation of Pooled Investments is presented for informational purposes only.

** The total for 3/31/2007 includes accrued interest. Accrued interest was deducted from Pooled Cash and Investments as of 3/31/2008.

ATTACHMENT II

CITY OF LONG BEACH
OFFICE OF THE CITY AUDITORPOOLED AND NON-POOLED CASH AND INVESTMENT BALANCES BY SECURITY TYPE
AT MARCH 31, 2008 WITH COMPARATIVE TOTALS FOR MARCH 31, 2007

| | Pooled 3/31/2008 | Non-Pooled 3/31/2008 | Total 3/31/2008 | Total * 3/31/2007 |
|--|-------------------------|-------------------------|-------------------------|-------------------------|
| CASH: | | | | |
| Cash in Banks | \$ 8,346,403 | \$ 1,650,086 | \$ 9,996,489 | \$ 10,611,651 |
| Cash with Fiscal Agents | - | 195,581,516 | 195,581,516 | 225,759,457 |
| | <u>\$ 8,346,403</u> | <u>\$ 197,231,602</u> | <u>\$ 205,578,005</u> | <u>\$ 236,371,108</u> |
| INVESTMENTS: | | | | |
| U.S. Treasury Notes | \$ 104,479,867 | \$ - | \$ 104,479,867 | \$ 199,949,767 |
| Federal Farm Credit Bank | 109,773,279 | - | 109,773,279 | 127,563,109 |
| Federal Home Loan Bank | 352,856,184 | - | 352,856,184 | 318,165,183 |
| Federal National Mortgage Association | 336,817,088 | - | 336,817,088 | 396,498,423 |
| Federal Home Loan Mortgage Corporation | 395,148,664 | - | 395,148,664 | 276,558,434 |
| Negotiable Certificates of Deposit | 50,000,000 | - | 50,000,000 | - |
| Medium Term Notes | 64,409,022 | - | 64,409,022 | 46,699,104 |
| Commercial Paper | 257,899,518 | - | 257,899,518 | 239,551,119 |
| L.A.I.F. | 159,010,137 | - | 159,010,137 | 2,982,701 |
| Certificates of Deposit | - | 10,000,000 | 10,000,000 | 10,000,000 |
| Guaranteed Investment Contracts | - | 36,477,174 | 36,477,174 | 36,477,520 |
| Special Assessment Bonds | - | 1,488,929 | 1,488,929 | 1,404,683 |
| Municipal Bonds | - | 1,309,726 | 1,309,726 | 1,599,470 |
| Savers Loan | 2,996,436 | - | 2,996,436 | 3,197,764 |
| Total Investments | <u>\$ 1,833,390,195</u> | <u>\$ 49,275,829</u> | <u>\$ 1,882,666,024</u> | <u>\$ 1,660,647,277</u> |
| TOTAL CASH AND INVESTMENTS | <u>\$ 1,841,736,598</u> | <u>\$ 246,507,431</u> | <u>\$ 2,088,244,029</u> | <u>\$ 1,897,018,385</u> |

* All amounts presented as of 3/31/2007 include accrued interest; the amounts presented as of 3/31/2008 exclude accrued interest.

