



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

R-21

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March 3, 2009

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Receive and file Investment Report for Quarter Ending December 31, 2008.
(Citywide)

DISCUSSION

The Department of Financial Management, City Treasurer's Office, invests the City's funds in compliance with the California Government Code; Section 53600 et seq., and the City's Investment Policy. As of December 31, 2008, these funds had a market value of approximately \$1.7 billion, with approximately \$869 million, or 50 percent of funds, maturing within six months, ensuring that sufficient funds are available to meet the City's cash and liquidity needs.

Statutory Compliance

All investment transactions have been executed in conformance with the City's Investment Policy and the California Government Code. According to the California Government Code, the maturity term of all investments is limited to a maximum of five years unless the local agency legislative body gives prior approval to exceed this limitation. The City's Investment Policy currently requires that all funds invested in the City's investment pool not exceed a weighted average maturity of three years. In addition, the Investment Advisory Committee, which consists of the Assistant City Manager, Assistant City Attorney, Assistant City Auditor, Director of Financial Management/CFO, City Treasurer, City Controller, Budget and Performance Management Bureau Manager, and designated representatives from the Harbor, Water and Community Development departments, meets quarterly, or as needed, to review investment policies, strategies and performance.

Investment Pool Rating

As of September 30, 2008, the City's investment portfolio carries the highest credit rating of AAf/S1 and the lowest volatility rating of S1 by the Standard & Poor's rating agency. This rating confirms the safety of the City's invested funds and qualifies the Investment Pool as an alternative investment for proceeds from bonds issued by the City.

Financial Markets Performance

The financial markets credit crisis following the Lehman bankruptcy filing and felt around the world continued through December 31, 2008. Additionally, the U.S. Treasury added two programs totaling \$800 billion to its existing 15 programs bringing the total size of its economic stabilization actions to over \$2.7 trillion. The new programs will purchase both asset-backed securities and mortgage-backed securities from financial institutions to provide much needed liquidity in both of these markets. To date, Citigroup, Inc., AIG, Bank of America Corporation, JP Morgan Chase & Co., The Goldman Sachs Group, Inc., and Wells Fargo & Co., have all received assistance from the U.S. Treasury's Troubled Assets Relief Program (TARP).

The City of Long Beach completed its claim filing with the Bankruptcy Court and, in addition, has hired outside counsel to submit a Fraud Complaint against Directors, Officers and other third parties involved with Lehman Holdings Inc. The City, along with a working group of at least 23 other cities, counties and other public entities whose exposure has grown to approximately \$789 million, from \$650 million, continues to work together through our legislative leaders, seeking assistance from the Federal Bailout plan. Recently the working group reached out to other public entities throughout the United States in order to apply more pressure on the Federal government to provide relief. The information gathered to date, increases the national exposure of public agencies to Lehman Holdings of nearly \$1.7 billion in 19 states (see Attachments B, C and D).

Investment Performance – Overall Portfolio

The City Treasurer's Office invests in a variety of fixed-income securities that vary in maturity from one day to five years (excluding the Health SAVRS loan), as authorized by the City's Investment Policy and the California Government Code. The City's adopted 2009 Investment Policy divides the City's investment portfolio into a short-term and a long-term portfolio whose benchmarks are the 3-Month Treasury Bill and the Merrill Lynch One-to-Three Year Treasury/ Agency Index, respectively. Both are market indices that change daily, therefore, actual returns can vary depending on book yields and security calls before the final maturity date. The weighted average book yield for the period was 3.03 percent. Book yield represents the actual earnings received on the total Investment Portfolio.

At December 31, 2008, the City's investment pool market yield was 2.73 percent compared to 3.19 percent at September 30, 2008. During the quarter, the short-term benchmark fell 123 basis points, while the long-term benchmark indices fell 103 basis points, respectively, due to the overall credit crisis and failing economy. The following table summarizes the Investment Pool market yield performance for the quarter ending December 31, 2008:

Portfolio Funds	Amount of Funds	Quarter End Values		
		Benchmark Return	Weighted Avg Maturity*	Yield**
Short-Term Investment Pool	\$ 722,341,419	0.08 percent	0.39 years	1.49 percent
Long-Term Investment Pool	\$ 1,007,643,248	0.81 percent	1.58 years	3.62 percent
Total Investment Pool	\$ 1,729,984,667	0.50 percent	1.10 years	2.73 percent

* Weighted Average Maturity assumes securities are not called or sold prior to the actual maturity date. ** Market Yield of Portfolio at quarter end.

The following table summarizes the purchase yield of the new investments vs. the average Benchmark Yield in the short-term portfolio by month for the quarter ending December 31, 2008. The purchase yield of new investments generally outperformed the Benchmark yields:

SHORT-TERM PORTFOLIO

Month	Amount of Funds Invested	Benchmark vs. Purchase Yield Analysis		
		Benchmark Return*	Purchase Yield**	Over/(Under) Benchmark
October 2008	\$ 20,000,000	0.64 percent	0.60 percent	(0.04) percentage points
November 2008	\$ 20,000,000	0.19 percent	0.60 percent	0.41 percentage points
December 2008	\$ 55,391,000	0.02 percent	0.73 percent	0.71 percentage points
Total Invested Funds *	\$ 95,391,000	0.19 percent	0.68 percent	0.49 percentage points

* 91-Day T-Bill and other returns listed are weighted averages for the period. Excludes overnight and short-term investments under 30 days. **Purchase Yields stated to maturity assume the securities are not called or sold prior to the maturity date.

The following table summarizes the purchase yield of the new investments vs. the average Benchmark Yield in the short-term portfolio by month for the quarter ending December 31, 2008. Due to unprecedented market volatility, the maturities of the long-term portfolio were systematically shortened (e.g. from average 18 – 24 month maturities to 6 to 18 months resulting in lower yields.

LONG-TERM PORTFOLIO

Month	Amount of Funds Invested	Benchmark vs. Purchase Yield Analysis		
		Benchmark Return*	Purchase Yield**	Over/(Under) Benchmark
October 2008	\$ 145,000,000	2.06 percent	0.91 percent	(1.15) percentage points
November 2008	\$ 229,000,000	1.57 percent	1.00 percent	(0.57) percentage points
December 2008	\$ 271,223,000	0.98 percent	1.07 percent	0.09 percentage points
Total Invested Funds *	\$ 645,223,000	1.43 percent	1.01 percent	(0.42) percentage points

* Merrill Lynch One-to-Three Year Treasury/Agency Index and other returns listed are weighted averages for the period. Excludes overnight and short-term investments under 30 days. **Yields are stated to maturity and assume the securities are not called or sold prior to the maturity date.

LAIF's weighted average quarterly yield was 2.35 percent, which is down from 2.78 percent at September 30, 2008. As of December 31, 2008, the City had approximately \$160 million invested in the State Treasurer's Local Agency Investment Fund (LAIF) pool.

A complete listing of investment balances, portfolio distribution and performance values can be found in Attachment A.

The City's investment pool consists of all City funds except certain bond and special assessment district proceeds. The non-pooled investments are invested separately in accordance with bond indenture provisions or other legal requirements.

Short-Term Investment Strategy

The City has adopted an investment strategy for the short-term portfolio that maintains sufficient liquidity within a rolling 12-month period to satisfy the City's cash needs.

Long-Term Investment Strategy

Due to the uncertainty and the unprecedented volatility in the capital markets, shorter investment maturities are currently more favorable.

Cash Management Goals

The City's cash management goals are to maintain and preserve the safety of funds in custody and provide adequate liquidity for anticipated expenditure needs.

This matter was reviewed by Budget Management Officer Victoria Bell, Assistant City Attorney Heather A. Mahood and the City's Investment Advisory Committee on January 27, 2009.

TIMING CONSIDERATIONS

This item is not time critical.

FISCAL IMPACT

There is no fiscal impact associated with this action.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



DAVID S. NAKAMOTO
CITY TREASURER



LORI ANN FARRELL
DIRECTOR OF FINANCIAL MANAGEMENT/CFO

APPROVED:



PATRICK H. WEST
CITY MANAGER

ATTACHMENT A
CITY OF LONG BEACH INVESTMENT PORTFOLIO
AS OF DECEMBER 31, 2008

DESCRIPTION	CUSIP	RATING	CPN	FUND	PAR VALUE	BOOK VALUE	MARKET VALUE	MATURITY DATE	MARKET YIELD	WAM (IN YEARS)
CASH AND CASH EQUIVALENTS										
BANK OF AMERICA			0.005	97	5,949,622	5,949,622	5,949,622	01/01/09	0.005	0.003
UNION BANK OF CALIFORNIA (UBOC)			0.120	97	314,281,250	314,281,250	314,281,250	01/01/09	0.120	0.003
GUARANTEED RATE MANAGED ACCT. - UBOC		N/A	1.700	97	79,937,028	79,937,028	79,937,028	01/01/09	1.700	0.003
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TOTAL CASH AND EQUIVALENTS					400,167,899	400,167,899	400,167,899		0.434	0.003
SHORT - TERM PORTFOLIO										
FED FARM CREDIT BANK	31331YF88	AAA	4.125	97	10,000,000	9,940,890	10,003,125	04/22/13	4.124	4.310
FFCB Total					10,000,000	9,940,890	10,003,125			
FED HOME LOAN BANK	3133XQQS4	AAA	3.750	97	7,670,000	7,617,865	7,729,922	04/23/12	3.721	3.312
FED HOME LOAN BANK	3133XQ6D9	AAA	2.250	97	10,000,000	9,997,974	10,034,375	03/04/09	2.242	0.173
FED HOME LOAN BANK	3133XPWJ9	AAA	2.830	97	2,600,000	2,599,647	2,611,375	03/03/09	2.818	0.170
FED HOME LOAN BANK	3133XPY57	AAA	2.750	97	15,000,000	15,319,069	15,351,563	03/12/10	2.687	1.195
FED HOME LOAN BANK	3133XNTD1	AAA	3.750	97	11,170,000	11,496,729	11,512,081	01/08/10	3.639	1.022
FED HOME LOAN BANK	3133XPK52	AAA	2.560	97	20,000,000	20,240,409	20,243,750	08/04/09	2.529	0.592
FED HOME LOAN BANK	313397AJ0	AAA	2.670	97	10,000,000	9,994,067	9,999,978	01/09/09	2.670	0.025
FED HOME LOAN BANK Total					76,440,000	77,265,761	77,483,043			
FED NAT MORTG ASSOC	31359MEY5	AAA	6.625	97	6,229,000	6,491,425	6,484,000	09/15/09	6.364	0.707
FED NAT MORTG ASSOC	31398AMU3	AAA	3.550	97	10,000,000	9,987,491	10,028,125	02/08/11	3.540	2.107
FED NAT MORTG ASSOC Total					16,229,000	16,478,916	16,512,125			
FEDERAL HOME LN MTG. CORP.	3128X62J4	AAA	3.500	97	7,000,000	6,981,644	7,021,875	08/15/11	3.489	2.622
FEDERAL HOME LN MTG. CORP.	3128X62G0	AAA	4.250	97	7,000,000	6,992,684	7,035,000	03/06/13	4.229	4.181
FEDERAL HOME LN MTG. CORP.	3128X7DG6	AAA	3.300	97	7,900,000	7,890,734	7,900,000	04/01/11	3.300	2.249
FEDERAL HOME LN MTG. CORP.	3128X7EX8	AAA	4.125	97	5,000,000	4,998,934	5,000,000	04/01/13	4.125	4.252
FEDERAL HOME LN MTG. CORP.	3128X7PD0	AAA	3.875	97	7,000,000	7,000,000	7,019,688	05/05/11	3.864	2.342
FEDERAL HOME LN MTG. CORP.	3128X7PF5	AAA	4.250	97	7,000,000	7,000,000	7,026,250	05/14/12	4.234	3.370
FEDERAL HOME LN MTG. CORP.	3128X7KJ2	AAA	2.450	97	4,175,000	4,172,454	4,177,609	05/08/09	2.448	0.351
FEDERAL HOME LN MTG. CORP.	3128X5WL8	AAA	5.300	97	2,992,000	2,995,927	2,994,805	01/09/12	5.295	3.025
FEDERAL HOME LN MTG. CORP.	313385BT2	AAA	2.680	97	10,000,000	9,969,478	10,000,000	02/11/09	2.680	0.115
FHLMC HOME LN MTG. CORP. TOTAL					58,067,000	58,001,855	58,175,227			
LOCAL AGENCY INVESTMENT FUND (L.A.I.F.)		N/A	2.200	97	160,000,000	160,000,000	160,000,000	01/01/09	2.200	0.003
LOCAL AGENCY INVESTMENT FUND (L.A.I.F.) TOTAL					160,000,000	160,000,000	160,000,000			
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TOTAL SHORT-TERM PORTFOLIO					320,736,000	321,687,421	322,173,520		2.795	0.863
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TOTAL CASH AND SHORT - TERM PORTFOLIO					720,903,899	721,855,321	722,341,419		1.487	0.386
					720,903,899	721,855,320	722,341,419			

ATTACHMENT A
CITY OF LONG BEACH INVESTMENT PORTFOLIO
AS OF DECEMBER 31, 2008

LONG - TERM PORTFOLIO										
DESCRIPTION	CUSIP	RATING	CPN	FUND	PAR VALUE	BOOK VALUE	MARKET VALUE	MATURITY DATE	MARKET YIELD	WAM (IN YEARS)
FED FARM CREDIT BANK	31331SNF6	AAA	3.750	99	2,000,000	1,999,982	2,002,500	01/15/09	3.745	0.041
FED FARM CREDIT BANK	31331SNF6	AAA	3.750	99	3,000,000	2,999,972	3,003,750	01/15/09	3.745	0.041
FED FARM CREDIT BANK	31331SQ89	AAA	4.125	99	5,000,000	4,999,060	5,100,000	07/17/09	4.044	0.542
FED FARM CREDIT BANK	31331SNF6	AAA	3.750	99	5,000,000	4,998,927	5,006,250	01/15/09	3.745	0.041
FED FARM CREDIT BANK	31331SQN6	AAA	3.900	99	5,000,000	4,996,632	4,996,632	02/24/09	3.903	0.151
FED FARM CREDIT BANK	31331SNF6	AAA	3.750	99	1,990,000	1,989,120	1,992,488	01/15/09	3.745	0.041
FED FARM CREDIT BANK	31331YWW6	AAA	3.250	99	7,000,000	6,998,801	7,032,813	03/10/11	3.235	2.189
FED FARM CREDIT BANK	31331YZT0	AAA	3.250	99	10,000,000	9,990,625	10,003,125	04/01/11	3.249	2.249
FED FARM CREDIT BANK	31331GJB6	AAA	1.000	99	7,000,000	7,000,000	7,006,563	12/30/09	0.999	0.997
FED FARM CREDIT BANK	31331XWL2	AAA	4.750	99	9,973,000	10,431,923	10,493,466	05/07/10	4.514	1.348
FED FARM CREDIT BANK	31331YYU8	AAA	2.250	99	10,200,000	10,337,245	10,404,000	07/01/10	2.206	1.499
FED FARM CREDIT BANK Total					66,163,000	66,742,288	67,041,586			
FED HOME LOAN BANK	3133XJSQ2	AAA	5.450	99	6,000,000	6,005,241	6,028,125	02/09/12	5.425	3.110
FED HOME LOAN BANK	3133XJLH9	AAA	5.250	99	8,000,000	7,979,010	8,020,000	01/23/12	5.237	3.063
FED HOME LOAN BANK	3133X3YY3	AAA	3.500	99	4,105,000	4,097,161	4,120,394	02/13/09	3.487	0.121
FED HOME LOAN BANK	3133XLUM3	AAA	5.125	99	5,000,000	5,016,216	5,137,500	08/05/09	4.988	0.595
FED HOME LOAN BANK (pledged GW)	3133XMES6	AAA	4.375	99	7,000,000	6,986,095	7,393,750	10/22/10	4.142	1.808
FED HOME LOAN BANK	3133XMKS9	AAA	5.020	99	5,000,000	5,000,000	5,151,563	10/22/12	4.872	3.811
FED HOME LOAN BANK	3133XMMN8	AAA	5.250	99	5,000,000	5,000,000	5,059,375	10/23/12	5.188	3.814
FED HOME LOAN BANK	3133XMSQ5	AAA	4.250	99	7,000,000	6,999,488	7,220,938	11/20/09	4.120	0.888
FED HOME LOAN BANK	3133XMR52	AAA	5.050	99	8,000,000	8,046,491	8,102,500	11/01/12	4.986	3.838
FED HOME LOAN BANK	3133XNCG2	AAA	4.750	99	7,000,000	7,000,000	7,098,438	11/27/12	4.684	3.910
FED HOME LOAN BANK	3133XNBB4	AAA	4.875	99	7,000,000	7,000,000	7,210,000	11/27/12	4.733	3.910
FED HOME LOAN BANK	3133XNWF2	AAA	4.375	99	10,000,000	10,000,000	10,006,250	10/07/11	4.372	2.767
FED HOME LOAN BANK	3133XP4T8	AAA	4.200	99	10,000,000	10,000,000	10,021,875	01/28/13	4.191	4.079
FED HOME LOAN BANK	3133XPAL8	AAA	3.625	99	8,000,000	7,998,598	8,002,500	02/08/11	3.624	2.107
FED HOME LOAN BANK	3133XPEV2	AAA	4.000	99	7,000,000	7,000,000	7,019,688	02/08/13	3.989	4.110
FED HOME LOAN BANK	3133XPH49	AAA	4.450	99	5,505,000	5,505,000	5,525,644	02/12/13	4.433	4.121
FED HOME LOAN BANK	3133XQ6G2	AAA	4.250	99	10,000,000	10,000,000	10,065,625	03/18/13	4.222	4.214
FED HOME LOAN BANK	3133XPRJ5	AAA	3.750	99	7,500,000	7,485,056	7,502,344	02/22/12	3.749	3.145
FED HOME LOAN BANK	3133XP3G7	AAA	3.750	99	6,000,000	6,033,247	6,013,125	01/28/11	3.742	2.077
FED HOME LOAN BANK	3133XQFL1	AAA	3.300	99	10,000,000	10,000,000	10,003,125	04/01/11	3.299	2.249
FED HOME LOAN BANK	3133XQKA9	AAA	4.150	99	10,000,000	10,000,000	10,000,000	04/02/13	4.150	4.255
FED HOME LOAN BANK	3133M8JJ4	AAA	5.823	99	6,950,000	7,034,083	7,082,484	05/06/09	5.714	0.345

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AS OF DECEMBER 31, 2008

LONG - TERM PORTFOLIO										
DESCRIPTION	CUSIP	RATING	CPN	FUND	PAR VALUE	BOOK VALUE	MARKET VALUE	MATURITY DATE	MARKET YIELD	WAM (IN YEARS)
FED HOME LOAN BANK	3133XQMJ8	AAA	2.300	99	6,000,000	6,001,070	6,030,000	04/03/09	2.289	0.255
FED HOME LOAN BANK	3133XQTN2	AAA	2.320	99	10,000,000	9,995,242	10,065,625	04/28/09	2.305	0.323
FED HOME LOAN BANK	3133XR2Y5	AAA	3.000	99	8,000,000	7,976,994	8,247,500	06/11/10	2.910	1.444
FED HOME LOAN BANK	3133X8RL8	AAA	3.710	99	7,000,000	7,049,664	7,199,063	12/23/09	3.607	0.978
FED HOME LOAN BANK	3133XR2Y5	AAA	3.000	99	6,000,000	5,999,075	6,185,625	06/11/10	2.910	1.444
FED HOME LOAN BANK	3133X4ZC8	AAA	3.000	99	10,000,000	10,016,274	10,078,125	04/15/09	2.977	0.288
FED HOME LOAN BANK	3133XGEQ3	AAA	5.250	99	7,000,000	7,103,899	7,196,875	08/05/09	5.106	0.595
FED HOME LOAN BANK	3133XRN22	AAA	3.500	99	5,400,000	5,576,930	5,570,438	07/16/10	3.393	1.540
FED HOME LOAN BANK	313385JY3	AAA	2.900	99	10,000,000	9,827,611	9,979,194	08/03/09	2.906	0.589
FED HOME LOAN BANK Total					229,460,000	229,732,444	232,337,685			
FED NAT MORTG ASSOC	31359MXL2	AAA	4.000	99	4,625,000	4,621,381	4,636,563	01/26/09	3.990	0.071
FED NAT MORTG ASSOC	31359MXL2	AAA	4.000	99	8,030,000	8,023,458	8,050,075	01/26/09	3.990	0.071
FED NAT MORTG ASSOC	31359MXL2	AAA	4.000	99	5,253,000	5,248,727	5,266,133	01/26/09	3.990	0.071
FED NAT MORTG ASSOC	3136F5MG3	AAA	3.310	99	2,210,000	2,201,560	2,225,194	03/30/09	3.287	0.244
FED NAT MORTG ASSOC	31359MUW1	AAA	3.850	99	2,925,000	2,916,331	2,953,336	04/14/09	3.813	0.285
FED NAT MORTG ASSOC	31359MVE0	AAA	4.250	99	8,035,000	8,094,513	8,147,992	05/15/09	4.191	0.370
FED NAT MORTG ASSOC	31359MVE0	AAA	4.250	99	8,000,000	8,046,049	8,112,500	05/15/09	4.191	0.370
FED NAT MORTG ASSOC	31359MZE6	AAA	4.570	99	12,000,000	12,102,238	12,217,500	06/15/09	4.489	0.455
FED NAT MORTG ASSOC	31359MXH1	AAA	3.875	99	4,471,000	4,618,350	4,619,102	02/15/10	3.751	1.126
FED NAT MORTG ASSOC	3136F6ZZ5	AAA	4.230	99	7,660,000	7,947,841	7,932,888	02/22/10	4.084	1.145
FED NAT MORTG ASSOC	31398APJ5	AAA	3.000	99	10,000,000	9,994,880	10,228,125	03/10/10	2.933	1.189
FED NAT MORTG ASSOC	3136F9EJ8	AAA	3.000	99	10,000,000	9,997,467	10,056,250	04/07/10	2.983	1.266
FED NAT MORTG ASSOC	31359MB28	AAA	4.750	99	2,745,000	2,735,736	2,871,098	04/19/10	4.541	1.299
FED NAT MORTG ASSOC	31359MB28	AAA	4.750	99	6,870,000	6,848,308	7,185,591	04/19/10	4.541	1.299
FED NAT MORTG ASSOC	3136F9RK1	AAA	3.000	99	7,000,000	6,998,837	7,030,625	06/11/10	2.987	1.444
FED NAT MORTG ASSOC	3136F8Q40	AAA	3.500	99	10,000,000	10,000,000	10,025,000	02/04/11	3.491	2.096
FED NAT MORTG ASSOC	3136F7UX3	AAA	5.160	99	5,000,000	4,973,241	5,031,250	02/24/11	5.128	2.151
FED NAT MORTG ASSOC	31398ANH1	AAA	3.250	99	8,000,000	7,997,133	8,027,500	02/25/11	3.239	2.153
FED NAT MORTG ASSOC	31398APM8	AAA	3.000	99	10,000,000	9,992,500	10,050,000	04/01/11	2.985	2.249
FED NAT MORTG ASSOC	31398APM8	AAA	3.000	99	11,935,000	11,851,260	11,994,675	04/01/11	2.985	2.249
FED NAT MORTG ASSOC	3136F7B48	AAA	5.625	99	3,000,000	3,001,738	3,044,063	05/19/11	5.544	2.381
FED NAT MORTG ASSOC	3136F7B48	AAA	5.625	99	5,000,000	5,002,849	5,073,438	05/19/11	5.544	2.381
FED NAT MORTG ASSOC	3136F9AK9	AAA	3.570	99	8,440,000	8,440,000	8,587,700	08/26/11	3.509	2.652
FED NAT MORTG ASSOC	3136F8TN5	AAA	5.350	99	7,000,000	7,000,000	7,006,563	10/10/12	5.345	3.778
FED NAT MORTG ASSOC	3136F8TT2	AAA	5.270	99	5,000,000	5,000,000	5,004,688	10/10/12	5.265	3.778
FED NAT MORTG ASSOC	3136F8TN5	AAA	5.350	99	5,000,000	5,000,000	5,004,688	10/10/12	5.345	3.778

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CITY OF LONG BEACH INVESTMENT PORTFOLIO
AS OF DECEMBER 31, 2008

LONG - TERM PORTFOLIO										
DESCRIPTION	CUSIP	RATING	CPN	FUND	PAR VALUE	BOOK VALUE	MARKET VALUE	MATURITY DATE	MARKET YIELD	WAM (IN YEARS)
FED NAT MORTG ASSOC	3136F8XV2	AAA	4.300	99	5,000,000	5,000,000	5,173,438	12/03/12	4.156	3.926
FED NAT MORTG ASSOC	3136F8Z99	AAA	4.300	99	5,000,000	5,000,000	5,003,125	02/13/13	4.297	4.123
FED NAT MORTG ASSOC	3136F8Z73	AAA	4.000	99	8,000,000	7,984,490	8,027,500	02/20/13	3.986	4.142
FED NAT MORTG ASSOC	31398APT3	AAA	4.000	99	10,000,000	10,036,932	10,078,125	04/17/13	3.969	4.296
FED NAT MORTG ASSOC	313589DG5	AAA	2.720	99	10,000,000	9,941,067	10,000,000	03/20/09	2.720	0.216
FED NAT MORTG ASSOC	313589HY2	AAA	2.830	99	10,000,000	9,850,639	9,978,125	07/10/09	2.836	0.523
FED NAT MORTG ASSOC Total					226,199,000	226,467,522	228,642,845			
FEDERAL HOME LN MTG. CORP.	3128X7UD4	AAA	4.050	99	8,000,000	7,998,349	8,035,000	11/21/11	4.032	2.890
FEDERAL HOME LN MTG. CORP.	3128X2P90	AAA	3.755	99	5,000,000	4,996,586	5,034,375	03/18/09	3.729	0.211
FEDERAL HOME LN MTG. CORP.	3128X4N56	AAA	5.250	99	5,000,000	4,972,509	5,031,250	02/24/11	5.217	2.151
FEDERAL HOME LN MTG. CORP.	3128X52N7	AAA	5.250	99	7,000,000	6,999,277	7,065,625	04/03/12	5.201	3.258
FEDERAL HOME LN MTG. CORP.	3128X56P8	AAA	5.000	99	10,000,000	10,000,000	10,162,500	05/28/10	4.920	1.405
FEDERAL HOME LN MTG. CORP.	3128X2QF5	AAA	3.625	99	5,350,000	5,344,945	5,365,047	02/03/09	3.615	0.093
FEDERAL HOME LN MTG. CORP.	3128X3VA8	AAA	4.125	99	3,000,000	2,991,253	3,064,688	09/01/09	4.038	0.668
FEDERAL HOME LN MTG. CORP.	3128X6YJ9	AAA	4.500	99	7,000,000	7,000,000	7,004,375	01/09/13	4.497	4.027
FEDERAL HOME LN MTG. CORP.	3128X6P83	AAA	3.640	99	7,000,000	7,000,000	7,017,500	02/04/11	3.631	2.096
FEDERAL HOME LN MTG. CORP.	3128X6V60	AAA	4.000	99	10,000,000	10,000,000	10,040,625	02/22/12	3.984	3.145
FEDERAL HOME LN MTG. CORP.	3128X6R40	AAA	3.500	99	10,000,000	10,000,000	10,025,000	02/07/11	3.491	2.104
FEDERAL HOME LN MTG. CORP.	3128X6Y59	AAA	3.050	99	10,000,000	9,988,601	10,290,625	08/12/10	2.964	1.614
FEDERAL HOME LN MTG. CORP.	3128X6Y26	AAA	3.250	99	7,260,000	7,254,780	7,543,594	02/11/11	3.128	2.115
FEDERAL HOME LN MTG. CORP.	3128X7DV3	AAA	3.375	99	10,000,000	10,000,000	10,059,375	04/02/12	3.355	3.255
FEDERAL HOME LN MTG. CORP.	3128X7DV3	AAA	3.375	99	20,000,000	19,963,406	20,118,750	04/02/12	3.355	3.255
FEDERAL HOME LN MTG. CORP.	3128X7DK7	AAA	4.250	99	10,000,000	10,000,000	10,012,500	04/15/13	4.245	4.290
FEDERAL HOME LN MTG. CORP.	3128X7LZ5	AAA	3.000	99	7,335,000	7,329,549	7,506,914	04/28/10	2.931	1.323
FEDERAL HOME LN MTG. CORP.	3128X7RH9	AAA	3.250	99	6,000,000	5,993,775	6,018,750	05/19/10	3.240	1.381
FEDERAL HOME LN MTG. CORP.	3128X7US1	AAA	4.625	99	7,000,000	7,000,000	7,039,375	06/03/13	4.599	4.425
FEDERAL HOME LN MTG. CORP.	3128X7TS3	AAA	3.600	99	8,000,000	7,986,601	8,085,000	05/20/11	3.562	2.384
FEDERAL HOME LN MTG. CORP.	3137EABB4	AAA	4.125	99	8,000,000	8,074,387	8,227,500	11/30/09	4.011	0.915
FEDERAL HOME LN MTG. CORP.	3137EAAE9	AAA	5.250	99	5,000,000	5,044,748	5,092,188	05/21/09	5.155	0.386
FEDERAL HOME LN MTG. CORP.	3128X7V84	AAA	3.020	99	7,000,000	7,000,000	7,024,063	08/25/09	3.010	0.649
FEDERAL HOME LN MTG. CORP.	3134A4US1	AAA	4.250	99	6,128,000	6,168,978	6,252,475	07/15/09	4.165	0.537
FEDERAL HOME LN MTG. CORP.	3137EABB4	AAA	4.125	99	15,000,000	15,479,896	15,426,563	11/30/09	4.011	0.915
FEDERAL HOME LN MTG. CORP.	3134A4VB7	AAA	4.125	99	2,519,000	2,623,522	2,618,973	07/12/10	3.968	1.529
FEDERAL HOME LN MTG. CORP.	3128X8DH2	AAA	1.000	99	10,000,000	10,000,000	9,987,500	12/30/09	1.001	0.997
FEDERAL HOME LN MTG. CORP.	313397AM3	AAA	2.630	99	10,000,000	9,991,964	10,000,000	01/12/09	2.630	0.033
FHLMC HOME LN MTG. CORP TOTAL					226,592,000	227,203,126	229,150,128			
UNITED STATES TREASURY BILLS	912795L25	AAA	1.225	99	10,000,000	9,969,035	9,996,875	04/02/09	1.225	0.252

ATTACHMENT A
CITY OF LONG BEACH INVESTMENT PORTFOLIO
AS OF DECEMBER 31, 2008

LONG - TERM PORTFOLIO										
DESCRIPTION	CUSIP	RATING	CPN	FUND	PAR VALUE	BOOK VALUE	MARKET VALUE	MATURITY DATE	MARKET YIELD	WAM (IN YEARS)
UNITED STATES TREASURY BILLS	912795J69	AAA	0.410	99	10,000,000	9,999,203	10,000,000	01/08/09	0.410	0.022
UNITED STATES TREASURY BILLS	912795L41	AAA	0.960	99	10,000,000	9,972,000	9,996,875	04/16/09	0.960	0.290
UNITED STATES TREASURY BILLS	912795K34	AAA	0.780	99	10,000,000	9,990,900	10,000,000	02/12/09	0.780	0.118
UNITED STATES TREASURY BILLS TOTAL					40,000,000	39,931,138	39,993,750			
UNITED STATES TREASURY NOTES	912828BV1	AAA	3.250	99	5,000,000	4,998,350	5,004,688	01/15/09	3.247	0.041
UNITED STATES TREASURY NOTES	912828BZ2	AAA	3.000	99	5,000,000	4,995,853	5,017,188	02/15/09	2.990	0.126
UNITED STATES TREASURY NOTES	912828CC2	AAA	2.625	99	5,000,000	4,986,017	5,025,000	03/15/09	2.612	0.203
UNITED STATES TREASURY NOTES	912828CC2	AAA	2.625	99	5,000,000	4,988,940	5,025,000	03/15/09	2.612	0.203
UNITED STATES TREASURY NOTES	912828CC2	AAA	2.625	99	5,000,000	4,988,940	5,025,000	03/15/09	2.612	0.203
UNITED STATES TREASURY NOTES	912828CE8	AAA	3.125	99	5,000,000	4,991,191	5,042,188	04/15/09	3.099	0.288
UNITED STATES TREASURY NOTES	912828CE8	AAA	3.125	99	5,000,000	4,991,162	5,042,188	04/15/09	3.099	0.288
UNITED STATES TREASURY NOTES	912828CE8	AAA	3.125	99	5,000,000	4,990,953	5,042,188	04/15/09	3.099	0.288
UNITED STATES TREASURY NOTES	912828CH1	AAA	3.875	99	10,000,000	10,106,176	10,137,500	05/15/09	3.822	0.370
UNITED STATES TREASURY NOTES	912828CH1	AAA	3.875	99	10,000,000	10,099,346	10,137,500	05/15/09	3.822	0.370
UNITED STATES TREASURY NOTES	912828CL2	AAA	4.000	99	15,000,000	15,195,766	15,253,125	06/15/09	3.934	0.455
UNITED STATES TREASURY NOTES	912828CL2	AAA	4.000	99	15,000,000	15,228,602	15,253,125	06/15/09	3.934	0.455
UNITED STATES TREASURY NOTES	912828CN8	AAA	3.625	99	5,000,000	4,988,259	5,088,063	07/15/09	3.562	0.537
UNITED STATES TREASURY NOTES	912828CN8	AAA	3.625	99	10,000,000	10,106,353	10,178,125	07/15/09	3.562	0.537
UNITED STATES TREASURY NOTES	912828CS7	AAA	3.500	99	10,000,000	10,126,201	10,196,875	08/15/09	3.432	0.622
UNITED STATES TREASURY NOTES	912828FP0	AAA	4.875	99	5,000,000	5,113,051	5,139,063	08/15/09	4.743	0.622
UNITED STATES TREASURY NOTES	912828CS7	AAA	3.500	99	10,000,000	10,156,798	10,196,875	08/15/09	3.432	0.622
UNITED STATES TREASURY NOTES	912828HB9	AAA	4.000	99	10,000,000	10,185,204	10,237,500	08/31/09	3.907	0.666
UNITED STATES TREASURY NOTES	912828CV0	AAA	3.375	99	10,000,000	10,127,599	10,212,500	09/15/09	3.305	0.707
UNITED STATES TREASURY NOTES	912828HD5	AAA	4.000	99	10,000,000	10,197,644	10,268,750	09/30/09	3.895	0.748
UNITED STATES TREASURY NOTES	912828HD5	AAA	4.000	99	10,000,000	10,213,841	10,268,750	09/30/09	3.895	0.748
UNITED STATES TREASURY NOTES	912828CX6	AAA	3.375	99	10,000,000	10,165,557	10,240,625	10/15/09	3.296	0.789
UNITED STATES TREASURY NOTES	912828CX6	AAA	3.375	99	7,000,000	7,137,576	7,168,438	10/15/09	3.296	0.789
UNITED STATES TREASURY NOTES	912828HF0	AAA	3.625	99	10,000,000	10,190,690	10,262,500	10/31/09	3.532	0.833
UNITED STATES TREASURY NOTES	912828HF0	AAA	3.625	99	7,000,000	7,157,905	7,183,750	10/31/09	3.532	0.833
UNITED STATES TREASURY NOTES TOTAL					204,000,000	206,427,976	207,647,500			
TOTAL LONG - TERM PORTFOLIO					992,414,000	996,504,493	1,004,813,494		3.621	1.584
TOTAL SHORT TERM AND LONG TERM PORTFOLIO					1,713,317,899	1,718,359,814	1,727,154,913			1.083
HEALTH SAVORS LOAN			3.300	99	2,829,754	2,829,754	2,829,754	04/22/19	3.300	10.312
TOTAL INVESTMENT PORTFOLIO					1,716,147,654	1,721,189,568	1,729,984,667		2.730	1.099

County Manager's Office

**COUNTY OF SAN MATEO**

COUNTY GOVERNMENT CENTER • REDWOOD CITY • CALIFORNIA 94063-1662
 WEB PAGE ADDRESS: <http://www.co.sanmateo.ca.us>

BOARD OF SUPERVISORS
 MARK CHURCH
 CAROLE GROOM
 RICHARD S. GORDON
 ROSE JACOBS GIBSON
 ADRIENNE TISSIER

DAVID S. BOESCH
 COUNTY MANAGER
 CLERK OF THE BOARD

(650) 363-4123
 FAX: (650) 363-1916

February 3, 2009

Honorable Timothy F. Geithner
 Secretary of the Treasury
 Department of the Treasury
 1500 Pennsylvania Avenue, NW
 Washington, D.C. 20220

RE: Local Agency Troubled Assets

Dear Secretary Geithner:

We, the undersigned, respectfully request that you purchase debt securities to eliminate exposure of losses of taxpayer dollars arising from investments in Lehman Brothers Holdings, Inc., and Washington Mutual. We represent cities, counties, schools and special districts throughout the State of California and we hold debt securities in these two institutions. By law, we can only invest in what are deemed conservative instruments that are rated at least investment grade. These investments represent taxpayer money that was intended to be used for all manner of local government needs including school classroom construction, health care, police and fire services.

Combined our par value exposure is \$350 million. Public agencies across the country have lost a minimum of an additional \$1.67 billion, including Sarasota County, Florida \$40 million, Mohave County, Arizona \$5 million, Massachusetts State College Building Authority \$5.2 million, Michigan State University \$10 million and the list goes on.

The securities we own meet the definition of "Troubled Assets" found in Section 3(9) of the Emergency Economic Stabilization Act of 2008. The ultimate purpose of the Act is to stabilize the financial system while protecting taxpayers. In other words, it is our position that there is no better way to protect the taxpayers than by the Secretary exercising the authority to purchase Troubled Assets that are directly owned by taxpayers.

The recital/preamble of the Emergency Economic Stabilization Act of 2008 states in part that the intent of the Act is:

[t]o purchase and insure certain types of troubled assets for the purpose of providing stability to and preventing disruption in the economy and financial systems and protecting taxpayers...

The Emergency Economic Stabilization Act of 2008, Troubled Assets Relief Program (TARP) contains specific provisions, including Section 103, authorizing the Secretary of the Treasury to take action to provide relief. In fact, at the behest of Congresswoman Eshoo, working closely with Financial Services Chairman Barney Frank, the language contained in that Section, subpart 7 was included to direct you to consider the stability of public instrumentalities, such as cities and counties that have suffered losses due to the bankruptcies. For instance, subparts 1 and 2 direct you to consider the interests of taxpayers and the protection of jobs and retirement security. Loss of these investments may mean teachers will be out of work instead of in the classroom. Subparts 4 and 5, require you to consider the long-term viability of financial institutions and ensure that all institutions are eligible to participate. It is a matter of equity that Lehman and Washington Mutual are able to participate in this rescue program and as a matter of fairness for the taxpayers of public agencies in California and across the nation.

It would be inequitable were the federal bailout to buy bad mortgages, shore up Wall Street financial institutions, yet fail to protect agencies' taxpayer money. Moreover, local governments operate in the open and are transparent to taxpayers and federal regulators. The elected officials that oversee these agencies are held accountable. As mandated investors of local agency funds, city, county and district treasurers are integral parts of the financial systems of this country. The purpose of the Act directly addresses our situation. We hold "troubled assets" the loss of which will disrupt and destabilize our local economy as well as these national and local "financial systems." Most importantly, purchase of these troubled assets would directly "protect taxpayers" since it is their tax dollars which are at risk. These assets do not represent complex financial instruments in which some people got rich while others got in over their heads. Rather, these instruments represent an attempt at conservative stewardship of public funds, the loss of which was caused by the sudden collapse of the oldest investment bank in our country. These investments appeared far from risky and represent the backbone of local government finance.

Our collective exposure represents a severe financial hardship to our agencies, and to all our local schools and special districts. Our Treasurers had invested in these assets in good faith and in conformance with all of our statutory limitations and conservative policy considerations. These losses have severely impacted the budgets of our local government entities. Without mitigation the losses will impact the delivery of all manner of local government programs and services, including police, fire, health care, transportation, education and the construction of classrooms.

We ask that you consider the effect of this potential loss and use your authority to equally protect Main Street as Treasury has already done for Wall Street, and protect taxpayer moneys held by local governments across the country that have become the unintended victims of the Lehman bankruptcy and the failure of Washington Mutual. U.S. Senator Dianne Feinstein and Representatives Barney Frank, Anna Eshoo and Jackie Speier, are working on legislation requiring federal TARP money be used to help local governments harmed by these investments in now-failed financial institutions. They believe, as do we, that the Treasury has the authority and more over, the responsibility under the Act to protect local taxpayers.

Accordingly, we respectfully request that you authorize the federal purchase or insurance of these assets under the provisions of the TARP program. We also request a meeting in Washington with you to discuss this urgent matter.

Sincerely,

National Association of Counties
Association of Public Treasurers of the United States and Canada
California State Association of Counties
California Municipal Treasurers Association
County of Madera
County of San Mateo
County of Monterey
County of Sacramento
County of Placer
County of Plumas
Tehama County Treasurer
County of Tuolumne
San Mateo County Transportation Authority
Peninsula Corridor Joint Powers Board
Bay Area Air Quality District
Beach Cities Health District
Calaveras Water District
Marin Municipal Water District
Metropolitan Water District of Southern California
Modesto Irrigation District
Orange County (California) Transportation Authority
South Bayside Waste Management Authority
Vallejo Sanitation and Flood Control District
Town of Atherton
City of Auburn
City of Burbank

The Honorable Timothy F. Geithner

3 February 2009

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City of Costa Mesa
City of Cerritos
Culver City
City of Burlingame
Daly City
City of El Segundo
City of Fremont
City of Folsom
City of Fontana
City of Glendale
City of Long Beach
City of Loomis
City of Millbrae
City of Moreno Valley
City of San Mateo
City of Santa Clarita
City of Shafter
City of South San Francisco
City of Ventura
Bayshore Elementary School District

C: Speaker Nancy Pelosi
Majority Leader Harry Reid
The Honorable Barbara Boxer
The Honorable Dianne Feinstein
The Honorable John Kerry
The Honorable Carl Levin
The Honorable Mel Martinez
The Honorable Bill Nelson
The Honorable Debbie Stabenow
The Honorable Anna Eshoo
The Honorable Barney Frank
The Honorable Jackie Speier
The Honorable Board of Supervisors, San Mateo County
The Honorable Lee Buffington, San Mateo County
Mike Murphy, County Counsel, San Mateo County
David Boesch, County Manager, San Mateo County
CSAC
NACO

111TH CONGRESS
1ST SESSION

S. 116

To require the Secretary of the Treasury to allocate \$10,000,000,000 of Troubled Asset Relief Program funds to local governments that have suffered significant losses due to highly-rated investments in failed financial institutions.

IN THE SENATE OF THE UNITED STATES

JANUARY 6, 2009

Mrs. FEINSTEIN introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To require the Secretary of the Treasury to allocate \$10,000,000,000 of Troubled Asset Relief Program funds to local governments that have suffered significant losses due to highly-rated investments in failed financial institutions.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "TARP Assistance for
5 Local Governments Act of 2009".

1 **SEC. 2. ASSISTANCE TO LOCAL GOVERNMENTS.**

2 Section 101(a) of the Emergency Economic Stabiliza-
3 tion Act of 2008 (12 U.S.C. 5211(a)) is amended by add-
4 ing at the end the following:

5 “(4) ASSISTANCE TO LOCAL GOVERNMENTS.—

6 “(A) PURCHASE AUTHORITY.—The Sec-
7 retary shall use \$10,000,000,000 of funds made
8 available for the TARP to assist public instru-
9 mentalities, such as counties and cities, that
10 have suffered significant increased costs or
11 losses due to investments with failed financial
12 institutions, as described in subparagraph (B).

13 “(B) LIMITED TO HIGHLY RATED INVEST-
14 MENTS.—Assistance under this paragraph shall
15 be limited to public instrumentalities that have
16 suffered due to investments that the Secretary
17 determines were highly rated in any failed fi-
18 nancial institution, whether or not the financial
19 institution is assisted under this Act.”.

○

DRAFT SUMMARY OF LEHMAN/WaMu LOSSES BY PUBLIC AGENCIES

FEBRUARY 6, 2009

Lehman/WaMu Losses By State*

State	Amount
Alaska	\$75,000
Arizona	\$61,600,620
California	\$789,427,528
Delaware	\$529,000
Florida	\$465,225,000
Georgia	\$697,220
Illinois	\$22,600,000
Massachusetts	\$5,218,524
Michigan	\$10,000,000
Minnesota	\$56,404,536
Mississippi	\$1,219
Missouri	\$50,000,000
Nevada	\$254,500
New Jersey	\$1,920
New York	\$6,375,102
Oregon	\$173,575,000
Pennsylvania	\$200,000
Tennessee	\$18
Texas	\$2,961
Washington	\$130,444,000
TOTAL	\$1,772,632,148

Lehman/WaMu Losses By Jurisdiction Type*

Jurisdiction Type	Amount
City	\$142,995,289
County	\$270,269,853
School	\$41,100,000
Special District	\$49,670,348
State	\$1,268,596,657
TOTAL	\$1,772,632,148

Lehman/WaMu Losses – States over \$20 million in losses*

State	Amount
California	\$789,427,528
Florida	\$465,225,000
Oregon	\$173,575,000
Washington	\$130,444,000
Arizona	\$61,600,620
Minnesota	\$56,404,536
Missouri	\$50,000,000
Illinois	\$22,600,000
TOTAL	\$1,749,276,684

*Includes tax liens, commercial paper, secured and unsecured notes, and may include some double counting as States/Counties/Cities belong to pools and may have each filed a claim with Lehman Brothers Holding, Inc.



February 13, 2009

The Honorable Timothy F. Geithner, Secretary
Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

Dear Secretary Geithner,

We write to you with a great sense of urgency regarding the Troubled Asset Recovery Program (TARP) and request that you exercise your authority under Section 103(Z) of the *Emergency Economic Stabilization Act of 2008* to purchase the troubled assets held by local governments.

As you know, local governments provide critical services and programs that every American family and business relies on to protect public safety, provide healthcare services, respond to emergencies and educate our children. Given our current economic situation, these services are essential for the millions of families suffering economic hardship. Our country cannot properly function without them.

Like businesses and governments at every level, county governments, city governments, and school districts have been hit hard by tightening economic conditions, a shrinking tax base and reduced federal support. 42 California counties, cities, health, water, and sanitation districts, transportation agencies, and joint powers boards recently wrote to you detailing a financial exposure of \$350 million, and they are not the only local governments who have lost significant investments.

Public agencies across the country have lost a minimum of \$1.67 billion, including: the State of Arizona local government investment pool \$40 million, Florida State Board of Administration Investment Pool \$400 million, City of Thousand Oaks \$14 million, City of Ventura \$10 million, Sarasota County, Florida \$40 million, Mohave County, Arizona \$5 million, Massachusetts State College Building Authority \$5.2 million, Michigan State University \$10 million, CalPers \$393 million, State of Missouri Retirement System \$50 million, State of Oregon Investment Pool \$170 million, Washington State Board Investment Pool \$130 million, and the list goes on.

The Honorable Timothy F. Geithner, Secretary
Department of Treasury
February 13, 2009
Page 2

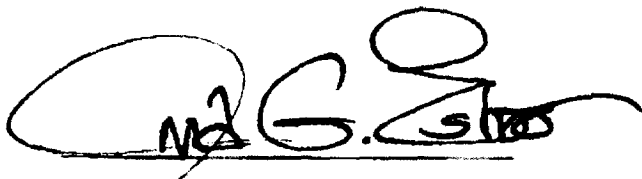
All of these agencies invested in conservative corporate bonds and notes issued by firms that have now filed for bankruptcy, including Lehman Brothers Inc., and the catastrophic losses of these localities will result in massive job losses, termination of ongoing construction projects, and elimination or reduction of critical services. Hospitals will reduce services and staff. Schools will lay off teachers. Police and fire departments will have to reduce patrols and limit services.

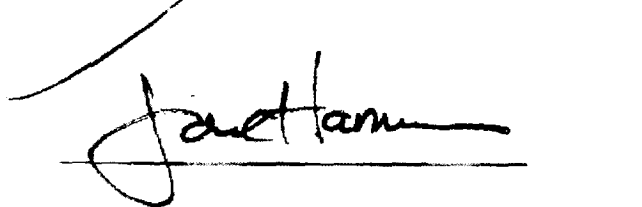
On January 15, 2009, Rep. Anna G. Eshoo asked Chairman Barney Frank of the Financial Services Committee on the House floor whether the *Emergency Economic Stabilization Act of 2008* granted the Treasury Secretary the authority to purchase troubled assets held by local governments. The Chairman confirmed that authority and said "we expect it to be used and demand a written explanation as to why not. Municipalities have been the unfair victim of this economic crisis."

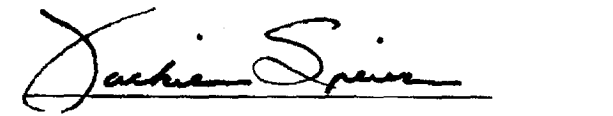
The *Emergency Economic Stabilization Act of 2008* was signed into law to stabilize our financial system, protect taxpayers, and mitigate the current losses to our economy. If local governments are forced to bear catastrophic losses, local economies will be severely impacted, which in turn will further exacerbate the ongoing problems with our economy and our financial system.

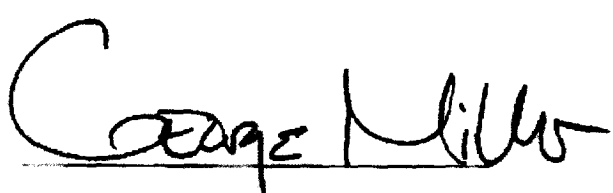
We strongly urge you to use your authority to protect taxpayer funds and purchase the troubled assets held by local institutions. We would like to meet with you to discuss this matter and our staff will follow up with your office to schedule a meeting as soon as possible.

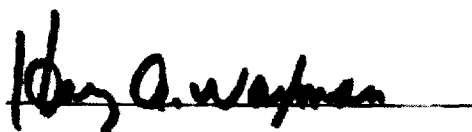
Sincerely,

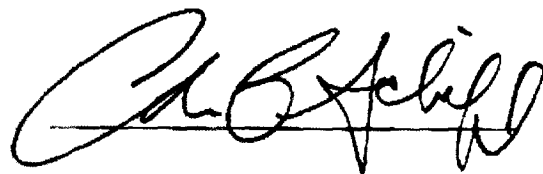












Lynn Woolsey

~~John M.~~

~~Laura Richardson~~

~~Michael M.~~

Luan A. Davis

In Ltc

Di Cely

Rina J. Kelly

Sam Fan

Yung Sun

Loretta Sanchez

~~Steve Casey~~

Walter Strong

Doris A. Metzner

Zee Loff

Lucille Royal-Allard

The Honorable Timothy F. Geithner, Secretary
Department of Treasury
February 13, 2009
Page 4

Bob Silver

Diane E. Watson

Barbara Lee

Paul M. Grijalva

Luis G. Gohmert

cc: The Honorable Benjamin S. Bernanke, Chairman of the Board of Governors of the
Federal Reserve System
The Honorable James B. Lockhart III, Director the Federal Housing Finance Agency
The Honorable Mary L. Schapiro, Chairman of the Securities Exchange Commission
The Honorable Shaun Donovan, Secretary of Housing and Urban Development

ATTACHMENT D

Known Public Entities with Lehman Exposure	
PUBLIC ENTITY	AMT (In Millions)
CaIPERS	\$393.50*
San Mateo County	\$155.00
Sacramento County	\$33.00
City of Long Beach	\$19.90
Los Angeles Dept. of Water and Power	\$18.00
Monterey County Investment Pool	\$10.00
City of Burbank	\$10.00
City of Fontana	\$10.00
California Excess Insurance Authority (CSAC)	\$10.00
San Bernardino County Retirement	\$8.00
San Bernardino County Retirement Fund	\$8.00
Sequoia Community College District	\$6.50
Metropolitan Water District of Southern California	\$5.40
City of Costa Mesa	\$5.00
City of Ventura (2)	\$5.00
Modesto Irrigation District	\$5.00
Alameda County	\$5.00
Vallejo Sanitation & Flood Control District	\$4.50
City of Cerritos	\$4.00
City of Fremont	\$4.00
City of El Segundo	\$3.00
Orange County Transportation Authority	\$3.00
Tuolumne County Investment Pool	\$2.00
City of Santa Clarita	\$2.00
Calaveras County Water District	\$1.40
City of Culver City	\$1.00
Santa Clara County	\$1.00
Tehama County	\$1.00
Marin Municipal Water District	\$1.00
City of Folsom	\$0.70
Beach Cities Health District	\$0.50
City of Loomis	\$0.50
City of Shafter	\$0.30
City of Auburn	\$0.10

TOTAL CALIFORNIA:	\$737.30
OTHER STATES	
FLORIDA	\$465.23
OREGON	\$173.58
WASHINGTON	\$130.44
ARIZONA	\$61.60
MISSOURI	\$60.00
MINNESOTA	\$56.40
ILLINOIS	\$22.60

TOTAL OTHER STATES	\$969.84

* Excludes exposure to Lehman stock