



KENAI PENINSULA BOROUGH - FINANCE DEPARTMENT

TO: Ron Long, President
Kenai Peninsula Borough Assembly Members

THRU: John J. Williams, Mayor *[Signature]*

FROM: Craig C. Chapman, Finance Director *J.C. for CC*

DATE: 7/17/2006

SUBJECT: Investment Portfolio Report

Attached is a report on the Borough's investment portfolio as of June 30, 2006. The report shows the type of securities owned, percentage of each type, maturity of the securities, and average yield.

Investment Portfolio

Securities

Agencies	\$ 93,203,942	66.59%
Corporate Bonds	5,459,070	3.90%
Total Securities	<u>102,561,712</u>	<u>73.27%</u>

Cash and Cash Equivalents

Repurchase Account	7,222,439	5.16%
Certificates of Deposit	-	0.00%
Union Bank of California Money Market Sweep	137,473	0.10%
AMLIP	5,285	0.00%
2006 CES Bonds	2,504,997	1.79%
2003 School Bonds (SEWARD)	3,274,338	2.34%
2004 CPGH Bonds	7,998,294	5.71%
2004 SPH Bonds	14,598,400	10.43%
2000 School Bonds	147,616	0.11%
2003 Solid Waste Bonds	819,885	0.59%
Total Cash and Cash Equivalents	<u>36,708,726</u>	<u>26.23%</u>

USAD's / RIAD's

			Portfolio Yield
Robinson Loop	11,614	0.01%	<u>10.50%</u>
Kenai Keys	6,970	0.00%	10.25%
Island Lake	9,926	0.01%	9.75%
Moose Range Meadows	2,061	0.00%	11.50%
Ross Road	1,440	0.00%	10.50%
Timberland Terrace	4,484	0.00%	11.50%
K-Beach Subdivision	119,207	0.09%	6.25%
Inglebrook	10,329	0.01%	7.00%
Otter Trail	17,626	0.01%	7.00%
Tote Road and Echo Lake Road	153,923	0.11%	6.25%
Char Subdivision	73,518	0.05%	6.75%
Tustamena Subdivision	111,941	0.08%	7.75%
Pollard Loop	89,134	0.06%	9.25%
Scoter Landing	87,380	0.06%	9.25%
Total USAD's / RIAD's	<u>699,554</u>	<u>0.50%</u>	<u>7.55%</u>

Total Investment Portfolio

	\$ <u>139,969,992</u>	<u>100.00%</u>
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Maturity

Less than one year	67,007,372	47.87%	4.48%
One to five years	72,263,066	51.63%	4.07%
USAD's	699,554	0.50%	7.55%

TOTAL

	\$ <u>139,969,992</u>	<u>100.00%</u>	<u>4.286%</u>
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INVESTMENT PORTFOLIO

June 30, 2006

Purchase Date	Maturity Date	Security Description	Par Value	Coupon Rate	Yield	Purchase Price	Fair Value 6/30/06
05/05/06	08/03/06	PEFCPP Comm Paper	1,000,000.00	0.000%	5.153%	987,350.00	995,450.00
05/05/06	09/28/06	FHLB	1,000,000.00	3.750%	5.187%	994,330.00	995,940.00
05/22/06	10/30/06	Countrywide Home	2,000,000.00	7.200%	5.380%	2,015,610.00	2,009,600.00
05/09/06	11/22/08	Key Corp	1,500,000.00	3.050%	5.352%	1,481,970.00	1,484,400.00
05/19/06	12/14/06	GECC Comm Paper	3,000,000.00	0.000%	5.245%	2,911,349.17	2,926,350.00
06/27/06	12/15/06	FHLMC	5,000,000.00	2.875%	5.550%	4,939,035.00	4,942,200.00
05/09/06	02/15/07	Countrywide Home	2,000,000.00	2.875%	5.467%	1,961,490.00	1,966,660.00

CPGH Bonds:

01/21/04	07/21/06	Freddie Mac	4,975,000.00	2.625%	2.038%	5,003,761.72	4,967,885.75
04/12/04	08/11/06	Federal Home Loan Bank	5,000,000.00	2.430%	2.396%	5,003,750.00	4,984,400.00
02/13/04	11/13/06	Federal Home Loan Bank	5,000,000.00	2.710%	2.710%	5,000,000.00	4,951,550.00

Investment with External manager:	72,272,686.16	4.070%	72,263,065.75	70,145,087.56
	102,747,686.16	2.694%	102,561,711.64	100,369,523.31

Investment Portfolio - Purchase Price	\$ 102,561,711.64
Investment Portfolio - Fair Value 6/30/06	100,369,523.31
Fair Value Adjustment - 6/30/06	(2,192,188.33)
Fair Value Adjustment - 07/01/2005	(1,284,868.91)
Change in Fair Value FY2006	\$ (907,319.42)

