Butte County

LAND OF NATURAL WEALTH AND BEAUTY

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January 15, 2008

Butte County Board of Supervisors
Butte County Chief Administrative Officer

The attached investment report for December 2007 is submitted in accordance with the Butte County Statement of Investment Policy dated July 1, 2007. All investments are in compliance with this policy.

The attached Investment Report demonstrates that sufficient liquidity is available to meet anticipated expenditures during the next six months.

The Local Agency Investment Fund (LAIF) is used as a benchmark for portfolio performance. In the current market, the portfolio's yield may drop below LAIF's yield from time to time, as is the case for the last year or so. A look at the 5 year moving average for the Butte County Treasury yields vs. LAIF yields demonstrates that, over time, a medium term, laddered portfolio will generally outperform a shorter term investment strategy, which LAIF usually mirrors. The 5 year moving average for Butte County Treasury yields for Fiscal Years 05/06 and 06/07 compared to those of LAIF shows margins of 1.692% and 1.178%, respectively. Using $275,000,000 as a baseline portfolio (actively invested balance), this translates to enhanced earnings averaging $3,239,500 per year for the past five years.

Investments are marked to market monthly based on a current market price determined by US Bancorp Investments. Quarterly Investment Reports are made available on the Treasurer-Tax Collector website at http://www.buttecounty.net/ttc.

Yours truly,

C. Linda Barnes
Butte County Treasurer-Tax Collector

cc: Butte County Board of Supervisors
Butte County District Attorney
Butte County Schools-JPA
Butte-Glenn Community College
Butte County Auditor-Controller
Butte County Superintendent of Schools
Butte County Sheriff
Treasury Oversight Committee

Quarterly:
Butte County Special Districts
CDIAC

BUTTE COUNTY TREASURER'S INVESTMENT REPORT

December 31, 2007

ACTIVELY MANAGED PORTFOLIO:	Yield to Maturity	Weighted Average Maturity (days)	PAR VALUE	FAIR VALUE	COST CARRIED
LOCAL AGENCY INVESTMENT FUND (LAIF)	4.801%	1	98,455,346.86	98,455,346.86	98,455,346.86
CALTRUST	3.670%	1	136,080.31	136,080.31	136,080.31
CERTIFICATES OF DEPOSIT	4.850%	1,576	500,000.00	500,000.00	500,000.00
FEDERAL AGENCY NOTES*	4.279%	876	255,075,000.00	258,377,041.15	256,358,942.08
COMMERCIAL PAPER*	-	-	0.00	0.00	0.00
CORPORATE NOTES*	-	-	0.00	0.00	0.00
MONEY MARKET FUNDS	-	-	0.00	0.00	0.00
NEGOTIABLE CDs	-	-	0.00	0.00	0.00
TOTAL ACTIVELY MANAGED PORTFOLIO:	**4.424%**	**634**	**354,166,427.17**	**357,468,468.32**	**355,450,369.25**

*See page 4 for detailed list of investments

PASSIVELY INVESTED PORTFOLIO (Note and Bond Proceeds)	PAR VALUE	FAIR VALUE	COST CARRIED
TRAN NOTES - LOCAL AGENCY INVESTMENT FUND (LAIF)	12,992,156.43	12,992,156.43	12,992,156.43
BONDS - LOCAL AGENCY INVESTMENT FUND (LAIF)			
- Chico Unified School District "A"	10,623,592.84	10,623,592.84	10,623,592.84
- Paradise Unified School District "M"	1,965,626.14	1,965,626.14	1,965,626.14
- Oroville Union High School District "A"	895,459.19	895,459.19	895,459.19
- Butte/Glenn Community College District "A"	117,378.91	117,378.91	117,378.91
- Butte/Glenn Community College District "B"	29,565,778.64	29,565,778.64	29,565,778.64
- Thermalito Union School District "M"	387,598.69	387,598.69	387,598.69
SUBTOTAL NOTE AND BOND PROCEEDS	56,547,590.84	56,547,590.84	56,547,590.84
INVESTMENTS WITH TRUSTEES (See "Investments Under Management of Trustees," for detail)	17,945,492.02	17,948,740.82	17,938,752.82
TOTAL PASSIVELY INVESTED PORTFOLIO:	**74,493,082.86**	**74,496,331.66**	**74,486,343.66**

	PAR VALUE	FAIR VALUE	COST CARRIED
TOTAL INVESTMENT PORTFOLIO:	**428,659,510.03**	**431,964,799.98**	**429,936,712.91**

SIX MONTH LIQUIDITY PROJECTIONS

Estimated Cash Receipts For Next Six Months	444,752,433	
Estimated Disbursements For Next Six Months	(461,060,477)	
Estimated Net Cash Flow For Next Six Months**	(16,308,044)	(A)
Securities Maturing	38,020,000	(B)
Local Agency Investment Fund / Cal Trust (includes TRAN)	111,583,584	(C)
Total Liquidity For Next Six Months	133,295,539	(A+B+C)
Estimated Cash Available For Long Term Investment	(30,000,000)	
Remaining Available Liquidity	103,295,539	
Total Par Value of actively managed investments maturing in less than 12 months	**161,611,427**	
Total Par Value of actively managed investments maturing in more than 12 months		

** Includes TRAN (Tax and Revenue Anticipation Notes) receipts and disbursements

11/30/2007

BUTTE COUNTY TREASURER'S INVESTMENT REPORT
INVESTMENTS UNDER MANAGEMENT OF TRUSTEES
December 31, 2007

LOAN PROGRAM	INVESTMENT TYPE	MATURITY DATE	DESCRIPTION	ANNUAL YIELD	PAR VALUE	FAIR VALUE	COST CARRIED
2003 REFUNDING COP							
U.S. BANK, TRUSTEE							
Expense Fund #[redacted]6106	Money Market		First Amer Treas Oblig Fund D	3.360%	17,649.54	17,649.54	17,649.54
Reserve Fund #[redacted]6101	Money Market		First Amer Treas Oblig Fund D	3.360%	8,943.79	8,943.79	8,943.79
	US Treas/Agency	02/15/08	FHLB #3133MVZA4	3.380%	520,000.00	519,188.80	513,260.80
Lease Payment #[redacted]6100	Money Market		First Amer Treas Oblig Fund D	3.360%	38,832.61	38,832.61	38,832.61
SUBTOTAL					585,425.94	584,614.74	578,686.74
2004 PENSION OBLIGATION BONDS							
WELLS FARGO BANK, TRUSTEE							
Series A Bond Fund #[redacted]1106	Money Market		Gov MMF Service Fund #743	4.082%	871,340.40	871,340.40	871,340.40
Int. Rate Stabilization Fund #[redacted]1109	Money Market		Gov MMF Service Fund #743	4.082%	1,838,518.32	1,838,518.32	1,838,518.32
Series B Interest Fund #[redacted]1301	Money Market		Gov MMF Service Fund #743	4.082%	1,306,291.06	1,306,291.06	1,306,291.06
Series C Interest Fund #[redacted]1501	Money Market		Gov MMF Service Fund #743	4.082%	576.79	576.79	576.79
SUBTOTAL					4,016,726.57	4,016,726.57	4,016,726.57
2004 WORKERS' COMPENSATION FUNDING							
WELLS FARGO BANK, TRUSTEE							
Trust Fund #[redacted]0600	Money Market		Gov MMF Service Fund #743	4.082%	462,924.09	462,924.09	462,924.09
	Cash		Cash		26,470.21	26,470.21	26,470.21
	Annuity Contract	5/1/08	Transamerica Life Ins & Annuity	3.050%	10,069,731.30	10,069,731.30	10,069,731.30
Custodial Account #[redacted]1600	Money Market		Gov MMF Service Fund #743	4.082%	1,280,885.96	1,280,885.96	1,280,885.96
G B BRAGG & ASSOC - Claims Administrators			Business Interest Checking	0.210%	28,650.13	28,650.13	28,650.13
Umpqua Bank #[redacted]5374							
SUBTOTAL					11,868,661.69	11,868,661.69	11,868,661.69
2006 COP - NEAL ROAD LANDFILL							
WELLS FARGO BANK, TRUSTEE							
Certificate Reserve Fund #[redacted]0800	Money Market		Gov MMF Service Fund #743	4.082%	220,871.60	220,871.60	220,871.60
	US Treas/Agency	12/17/12	FHLB #3133XNMB2	4.250%	1,000,000.00	1,004,060.00	1,000,000.00
Base Rental Payment Fund #[redacted]0801	Money Market		Gov MMF Service Fund #743	4.082%	243,575.00	243,575.00	243,575.00
Expense Fund #[redacted]0802	Money Market		Gov MMF Service Fund #743	4.082%	10,231.22	10,231.22	10,231.22
SUBTOTAL					1,474,677.82	1,478,737.82	1,474,677.82
					PAR VALUE	**FAIR VALUE**	**COST CARRIED**
GRAND TOTAL					**17,945,492.02**	**17,948,740.82**	**17,938,752.82**

BUTTE COUNTY TREASURER'S INVESTMENT REPORT
ACTIVELY MANAGED PORTFOLIO "AT-A-GLANCE"
December 31, 2007

Investments by Type*

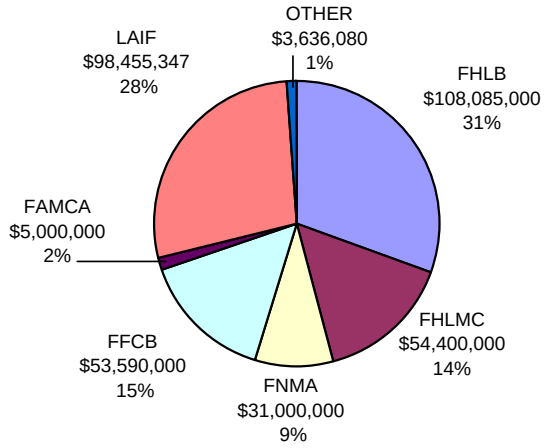
Federal Home Loan Bank	FHLB	$	108,085,000
Fed Home Loan Mortgage Corp	FHLMC	$	54,400,000
Fed National Mortgage Assn	FNMA	$	31,000,000
Federal Farm Credit Bank	FFCB	$	53,590,000
Fed Agriculture Mortgage Corp	FAMCA	$	5,000,000
Local Agency Investment Fund	LAIF	$	98,455,347
CD, TVA, Cal Trust	OTHER	$	3,636,080
TOTAL PAR VALUE		$	354,166,427

Investments by Maturity & Yield*

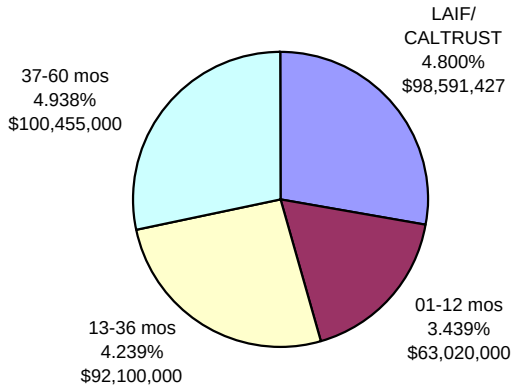
LAIF/CALTRUST	4.800%	$	98,591,427
01-12 months	3.439%	$	63,020,000
13-36 months	4.239%	$	92,100,000
37-60 months	4.938%	$	100,455,000
TOTAL PAR VALUE		$	354,166,427

* Investments managed by Trustees, School Bond Proceeds and TRAN Proceeds are not included

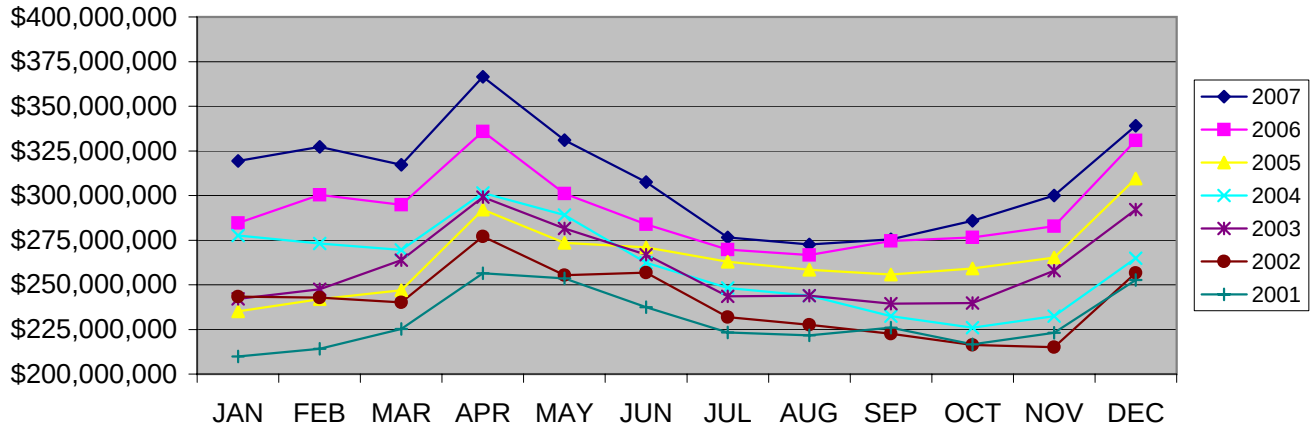
INVESTMENTS BY TYPE



INVESTMENTS BY MATURITY & YIELD



BUTTE COUNTY TREASURY GENERAL LEDGER FUND BALANCE
Net of Tax and Revenue Anticipation Notes (TRAN) and Bond Proceeds



BUTTE COUNTY TREASURER'S INVESTMENT REPORT

MANAGED PORTFOLIO - DETAILS OF SECURITIES HELD

December 31, 2007

Security	Description	Credit Rating	Purchase Date	Maturity Date	Yield to Maturity (%)	Par Value	Fair Value	Cost Carried*
31331RMX0	FFCB MEDIUM TERM NOTE	AAA	1/14/2003	1/14/2008	3.523	3,020,000.00	3,021,751.60	3,022,561.55
31359MQM8	FEDERAL NATL MORTGAGE ASSN	AAA	1/15/2003	1/15/2008	3.51	5,000,000.00	4,996,875.00	4,999,485.50
31331QZP5	FEDERAL FARM CREDIT BANK	AAA	4/16/2003	4/16/2008	3.673	5,000,000.00	4,985,937.50	4,998,822.07
31359MRW5	FEDERAL NATL MORTGAGE ASSN	AAA	3/29/2004	5/19/2008	2.929	5,000,000.00	4,967,187.50	4,998,861.98
3128X1CD7	FEDERAL HOME LOAN MTG CORP	AAA	5/21/2003	5/21/2008	3.5	5,000,000.00	4,980,435.00	5,000,000.00
3133MYZX8	FEDERAL HOME LOAN BANK	AAA	6/2/2003	6/2/2008	3	5,000,000.00	4,967,187.50	5,000,000.00
3128X1EB9	FEDERAL HOME LOAN MTG CORP	AAA	6/4/2003	6/4/2008	3.253	5,000,000.00	4,973,437.50	4,999,923.71
3133MYYU5	FEDERAL HOME LOAN BANK	AAA	6/5/2003	6/5/2008	3.264	5,000,000.00	4,971,875.00	4,999,693.25
31331TRH6	FEDERAL FARM CREDIT BANK	AAA	1/28/2004	7/28/2008	3.633	5,000,000.00	4,976,562.50	4,999,785.49
3133X0LJ6	FEDERAL HOME LOAN BANK	AAA	12/10/2003	8/15/2008	3.62	5,000,000.00	4,979,687.50	5,003,846.99
31359MTF0	FEDERAL NATL MORTGAGE ASSN	AAA	3/26/2004	9/15/2008	2.228	5,000,000.00	4,979,687.50	5,017,598.22
3133X2BZ7	FEDERAL HOME LOAN BANK	AAA	12/2/2003	11/14/2008	3.85	5,000,000.00	4,978,125.00	4,989,863.93
3133X2BZ7	FEDERAL HOME LOAN BANK	AAA	12/10/2003	11/14/2008	3.69	5,000,000.00	4,978,125.00	4,997,033.45
3128X2ME2	FEDERAL HOME LOAN MTG CORP	AAA	3/29/2004	1/12/2009	2.838	5,000,000.00	4,989,062.50	5,020,774.72
31359MEK5	FEDERAL NATL MORT ASSN	AAA	1/15/2004	1/15/2009	3.74	5,000,000.00	5,059,375.00	5,076,291.03
3136F45D2	FEDERAL NATL MORTGAGE ASSN	AAA	1/30/2004	1/30/2009	4.011	5,000,000.00	4,992,187.50	4,999,427.48
3133M7N77	FEDERAL HOME LOAN BANK	AAA	3/5/2004	2/17/2009	3.431	3,980,000.00	4,047,162.50	4,070,167.13
3133X56B9	FEDERAL HOME LOAN BANK	AAA	3/30/2004	3/30/2009	3.32	5,000,000.00	4,956,250.00	5,000,000.00
31331TD40	FEDERAL FARM CREDIT BANK	AAA	4/15/2004	4/15/2009	3.655	5,000,000.00	4,967,187.50	4,989,580.72
3134A4UQ5	FEDERAL HOME LOAN MTG CORP	AAA	4/15/2004	4/15/2009	3.497	5,000,000.00	4,959,375.00	4,991,798.35
31331VBR6	FEDERAL FARM CREDIT BANK	AAA	11/20/2006	6/11/2009	4.899	3,000,000.00	3,019,687.50	2,981,859.28
3128X1PN1	FEDERAL HOME LOAN MTG CORP	AAA	12/13/2004	7/9/2009	3.74	2,000,000.00	1,978,952.00	1,985,451.40
3128X3SL8	FEDERAL HOME LOAN MTG CORP	AAA	12/13/2004	7/30/2009	3.733	2,750,000.00	2,768,046.88	2,756,902.84
3128X3VA8	FEDERAL HOME LOAN MTG CORP	AAA	12/15/2004	9/1/2009	4.118	2,000,000.00	2,005,958.00	2,000,000.00
3128X3WY5	FEDERAL HOME LOAN MTG CORP	AAA	12/10/2004	9/22/2009	4.04	3,500,000.00	3,504,102.00	3,497,734.10
31331HE29	FEDERAL FARM CREDIT BANK	AAA	10/28/2005	2/9/2010	4.744	2,500,000.00	2,678,906.25	2,628,397.80
3128X34V2	FEDERAL HOME LOAN MTG CORP	AAA	6/17/2005	2/22/2010	4.346	3,000,000.00	3,021,774.00	2,993,656.19
3128X35R0	FEDERAL HOME LOAN MTG CORP	AAA	3/11/2005	3/1/2010	4.552	3,000,000.00	3,028,482.00	2,989,585.81
3134A33L8	FHLMC DEBENTURES	AAA	3/15/2005	3/15/2010	4.41	3,000,000.00	3,196,875.00	3,154,021.39
31331STD5	FEDERAL FARM CREDIT BANK	AAA	4/5/2005	4/5/2010	4.627	3,000,000.00	3,049,687.50	3,001,521.65
31331SZQ9	FEDERAL FARM CREDIT BANK	AAA	6/21/2005	6/10/2010	4.23	3,370,000.00	3,378,425.00	3,351,832.51
3133XBTH8	FEDERAL HOME LOAN BANK	AAA	6/21/2005	6/11/2010	4.232	3,000,000.00	3,025,312.50	3,001,258.97
3133XCEQ2	FEDERAL HOME LOAN BANK	AAA	7/27/2005	7/13/2010	4.582	3,000,000.00	3,034,687.50	2,985,368.52
3128X4GL9	FEDERAL HOME LOAN MTG CORP	AAA	9/19/2005	8/4/2010	4.784	3,000,000.00	3,066,429.00	3,000,000.00
31331TBZ3	FEDERAL FARM CREDIT BANK	AAA	9/21/2005	8/27/2010	4.405	3,000,000.00	3,042,187.50	3,003,211.62
3133XCTV5	FEDERAL HOME LOAN BANK	AAA	10/11/2005	9/1/2010	4.994	3,000,000.00	3,084,375.00	3,000,000.00
3133XCUR2	FEDERAL HOME LOAN BANK	AAA	9/15/2005	9/10/2010	4.292	3,000,000.00	3,043,125.00	3,015,191.28
31315PAP4	FEDERAL AGRIC MTG CORP	AAA	10/13/2005	10/12/2010	4.68	3,000,000.00	3,058,578.00	2,995,531.20
31331VDJ2	FEDERAL FARM CREDIT BANK	AAA	10/21/2005	10/20/2010	4.674	3,000,000.00	3,064,687.50	3,002,105.42
31331VLW4	FEDERAL FARM CREDIT BANK	AAA	1/6/2006	12/23/2010	4.77	3,000,000.00	3,077,812.50	3,002,443.73
307692AA1	FARMER MAC GTD NOTES TR		6/2/2006	1/14/2011	5.469	2,000,000.00	1,968,433.21	1,968,433.21
3133MDBT9	FEDERAL HOME LOAN BANK	AAA	2/15/2006	2/15/2011	4.899	3,000,000.00	3,165,000.00	3,082,281.41
3128X2ZQ1	FEDERAL HOME LOAN MTG CORP	AAA	3/2/2006	2/24/2011	4.984	3,000,000.00	3,018,750.00	2,927,759.20
3133XENX3	FEDERAL HOME LOAN BANK	AAA	3/13/2006	3/11/2011	4.987	3,000,000.00	3,085,312.50	2,990,522.19
3133X7C69	FEDERAL HOME LOAN BANK	AAA	5/15/2006	5/13/2011	5.32	3,000,000.00	3,094,687.50	2,971,947.49
3136F7B48	FEDERAL NATL MORTGAGE ASSN	AAA	10/2/2006	5/19/2011	5.121	3,000,000.00	3,067,500.00	3,019,246.88
3136F67B9	FEDERAL NATL MORTGAGE ASSN	AAA	12/18/2006	6/14/2011	4.83	3,000,000.00	3,064,687.50	2,982,462.62
3128X1MB0	FHLMC STRUCTURED NOTE	AAA	10/26/2006	6/20/2011	5.1	1,150,000.00	1,187,910.90	1,146,430.58
31339YPU0	FHLB STEP-UP	AAA	12/14/2006	7/29/2011	4.83	1,000,000.00	1,032,812.50	1,005,345.39
3133MGYH3	FHLB CONSOL BOND	AAA	10/26/2006	8/15/2011	5.069	3,000,000.00	3,173,437.50	3,064,764.27
3133XF5T9	FEDERAL HOME LOAN BANK	AAA	10/2/2006	9/9/2011	4.93	3,000,000.00	3,097,500.00	3,006,725.94
3133XF5T9	FEDERAL HOME LOAN BANK	AAA	12/18/2006	9/9/2011	4.836	3,000,000.00	3,097,500.00	3,015,879.79
31331V5Y8	FEDERAL FARM CREDIT BANK	AAA	11/27/2006	10/3/2011	4.877	3,000,000.00	3,097,500.00	3,012,062.88
3133XHAD4	FEDERAL HOME LOAN BANK	AAA	11/20/2006	10/6/2011	5.246	3,000,000.00	3,017,812.50	3,000,000.00
3134A1CV0	FEDERAL HOME LOAN MTG CORP	AAA	12/11/2006	10/24/2011	4.78	1,000,000.00	1,099,687.50	1,072,996.92
3133XHRB0	FEDERAL HOME LOAN BANK	AAA	11/7/2006	11/7/2011	5.125	2,000,000.00	2,031,875.00	2,000,000.00
3133XHRK0	FEDERAL HOME LOAN BANK	AAA	1/25/2007	12/9/2011	5.082	3,000,000.00	3,068,437.50	2,965,463.53
3133XJ6K9	FEDERAL HOME LOAN BANK	AAA	12/12/2006	12/12/2011	5.034	2,550,000.00	2,575,500.00	2,546,980.38
3133XJAW8	FEDERAL HOME LOAN BANK	AAA	12/15/2006	12/15/2011	5	3,000,000.00	3,044,062.50	3,000,000.00
31331XSF0	FEDERAL FARM CREDIT BANK	AAA	3/12/2007	3/12/2012	4.872	3,000,000.00	3,079,687.50	2,997,567.49
3133XKAL9	FEDERAL HOME LOAN BANK	AAA	3/21/2007	3/21/2012	5.007	2,555,000.00	2,598,914.06	2,554,325.76
31331XVH2	FEDERAL FARM CREDIT BANK	AAA	4/16/2007	4/12/2012	5.005	3,000,000.00	3,082,500.00	2,985,369.08
3133XKQS7	FEDERAL HOME LOAN BANK	AAA	5/7/2007	5/7/2012	5.05	3,000,000.00	3,075,000.00	3,000,000.00
3133XKT70	FHLB 5.2 5/14/12	AAA	5/14/2007	5/14/2012	5.2	3,000,000.00	3,048,750.00	3,000,000.00
880591DT6	TENN VALLEY AUTHORITY BD	AAA	5/23/2007	5/23/2012	4.855	3,000,000.00	3,294,165.00	3,224,101.69
3133XLEA7	FEDERAL HOME LOAN BANK	AAA	6/14/2007	6/8/2012	5.526	5,000,000.00	5,239,062.50	4,971,068.84
3133XLMJ9	FEDERAL HOME LOAN BANK	AAA	11/16/2007	7/23/2012	4.239	2,500,000.00	2,600,000.00	2,578,422.44
31331S2T9	FEDERAL FARM CREDIT BANK	AAA	11/16/2007	8/10/2012	4.379	2,700,000.00	2,737,968.75	2,718,874.05
3128X4HF1	FEDERAL HOME LOAN MTG CORP	AAA	12/28/2007	8/15/2012	4.17	2,000,000.00	2,065,532.00	2,069,015.57
3133XLX73	FEDERAL HOME LOAN BANK	AAA	11/16/2007	9/14/2012	4.358	2,500,000.00	2,582,812.50	2,567,286.52
3133XML66	FEDERAL HOME LOAN BANK	AAA	12/28/2007	10/10/2012	4.13	3,000,000.00	3,051,562.50	3,063,549.09
31331YEB2	FEDERAL FARM CREDIT BANK	AAA	11/16/2007	11/16/2012	4.84	3,000,000.00	3,031,875.00	3,000,000.00
3133XN5M7	FEDERAL HOME LOAN BANK	AAA	11/19/2007	11/19/2012	5.182	3,000,000.00	3,006,562.50	3,000,000.00
3133XNHE2	FEDERAL HOME LOAN BANK	AAA	12/3/2007	12/3/2012	5	5,000,000.00	5,017,187.50	5,000,000.00
3128X6RX6	FEDERAL HOME LOAN MTG CORP	AAA	12/11/2007	12/11/2012	4.8	5,000,000.00	5,021,490.00	5,000,000.00
TOTAL					**4.279%**	**255,075,000.00**	**258,377,041.15**	**256,030,472.49 ***

*Source: US Bank Safekeeping (values may differ from Treasurer's Cost Carried due to accretion method variation)