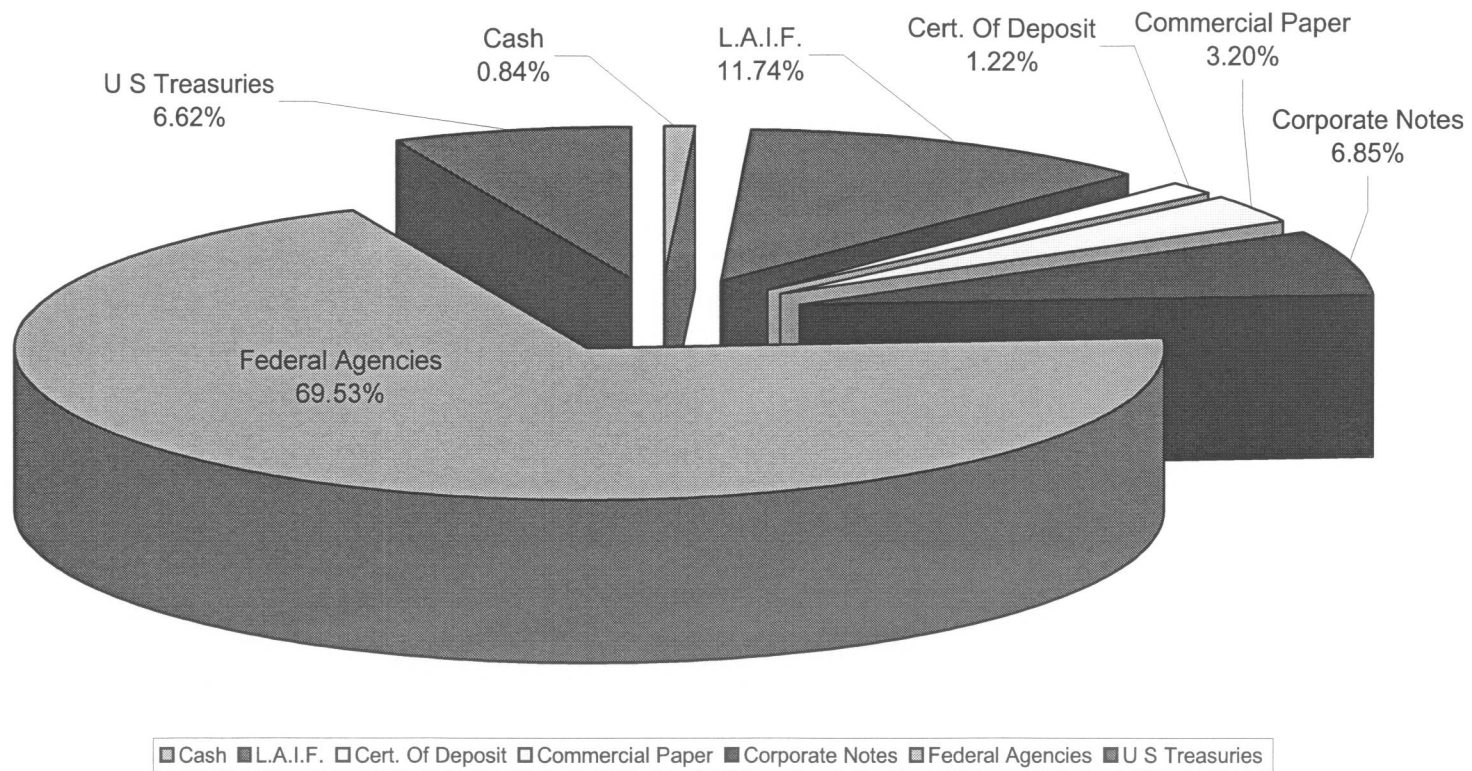


BALANCES, YIELDS AND AVERAGE MATURITIES
June 30, 2004

<u>Description</u>	<u>Market Balance</u>	<u>Percent of Funds</u>	<u>Market Yield</u>	<u>Average Weighted Maturity</u>	
				<u>Days</u>	<u>Years</u>
Bank Deposits	\$10,176,785	0.83%	1.02%	1.0	0.00
Money Market Funds	\$33,475	0.00%	0.59%	1.0	0.00
L.A.I.F.	\$143,187,070	11.74%	1.52%	1.0	0.00
Subtotal: Cash & Overnight Investments	\$153,397,330	12.58%	1.49%	1.0	0.00
Bankers Acceptances - Discount	\$0	0.00%	-	-	-
Commercial Paper - Discount	\$38,997,871	3.20%	1.12%	1.0	0.00
Certificated of Deposits	\$14,884,349	1.22%	1.42%	442.0	1.21
Corporate Notes	\$10,880,100	0.89%	5.49%	465.3	1.27
U S Agencies	\$118,718,344	9.74%	1.97%	592.3	1.62
U S Treasuries	\$4,953,795	0.41%	1.65%	608.0	1.67
Reverse Repurchases	\$0	0.00%	-	-	-
Repurchase Agreements	\$0	0.00%	-	-	-
Pooled Investments (Short-Term):	\$188,434,458	15.45%	1.94%	450.7	1.23
Total Short Term Portfolio:	\$341,831,789	28.03%	1.74%	248.9	0.68
Bankers Acceptances - Discount	\$0	0.00%	-	-	-
Commercial Paper - Discount	\$0	0.00%	-	-	-
Certificated of Deposits	\$0	0.00%	-	-	-
U S Agencies	\$724,058,141	59.38%	3.22%	661.3	1.81
U S Treasuries	\$75,826,419	6.22%	2.40%	470.1	1.29
Asset Backed Securities	\$0	0.00%	-	-	-
Collateral	\$5,015,858	0.41%	2.50%	503.0	1.38
Securities Lending	\$0	0.00%	-	-	-
Corporate Notes	\$0	0.00%	-	-	-
Corporate Bonds	\$72,622,666	5.96%	3.27%	747.4	2.05
Total Long Term Portfolio:	\$877,523,083	71.97%	3.15%	651.0	1.78
Total Cash and Investments	\$1,219,354,872	100.00%	2.75%	538.1	1.47

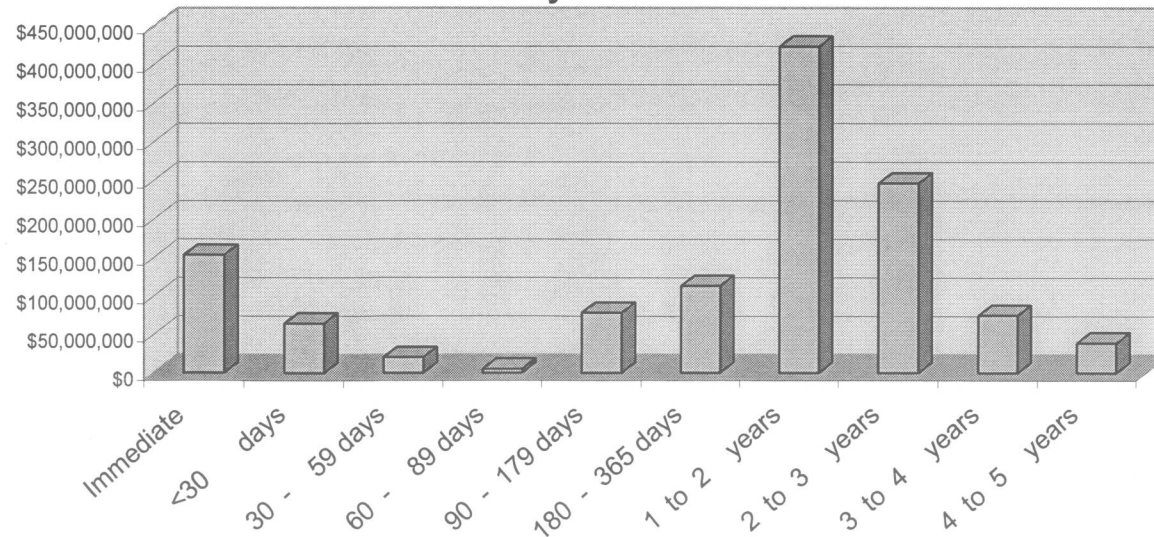
Allocation of Pooled Securities June 30, 2004



LIQUIDITY SCHEDULE
June 30, 2004

<u>Description</u>	<u>Availability</u>	<u>Market Value Balance</u>	<u>Cumulative</u>	<u>% of Total Assets</u>
Bank Deposits	Immediate	\$10,176,785	\$10,176,785	0.83%
Money Market Funds	Immediate	\$33,475	\$10,210,260	0.84%
L.A.I.F.	Immediate	\$143,187,070	\$153,397,330	12.58%
Pooled and External Investments Maturing:				
	<30 days	\$64,320,621	\$217,717,951	17.86%
	30 - 59 days	\$20,424,444	\$238,142,395	19.53%
	60 - 89 days	\$5,071,840	\$243,214,236	19.95%
	90 - 179 days	\$78,436,999	\$321,651,235	26.38%
	180 - 365 days	\$113,317,902	\$434,969,137	35.67%
	1 to 2 years	\$423,612,351	\$858,581,488	70.41%
	2 to 3 years	\$246,506,890	\$1,105,088,378	90.63%
	3 to 4 years	\$75,136,898	\$1,180,225,276	96.79%
	4 to 5 years	\$39,129,596	\$1,219,354,872	100.00%
Total Cash, Pooled, and External Investments		\$1,219,354,872		100.00%

Maturity Schedule



Attachment A
September 7, 2004

SUMMARY and COMPARISON OF YIELDS AND BALANCES
June 30, 2004

<u>Description</u>	<u>Current Month June, 2004</u>	<u>Prior Month May, 2004</u>
Yield to Maturity (at market):		
Bank Deposits	1.02%	0.93%
Money Market Funds	0.59%	0.59%
L.A.I.F.	1.52%	1.43%
Pooled Investments (Short)	1.94%	2.12%
Pooled Investments (Long Term)	3.15%	3.31%
Pooled Investments (Total)	2.93%	2.98%
Total Weighted Average YTM	2.75%	2.76%
Weighted Average Maturity (Days)	538	569
Weighted Average Maturity (Years)	1.5	1.6
Balances (at market):		
Bank Deposits	\$10,176,785	\$14,495,981
Money Market Funds	\$33,475	\$33,459
L.A.I.F.	\$143,187,070	\$151,024,271
Pooled Investments (Short)	\$188,434,458	\$168,381,423
Pooled Investments (Long Term)	\$877,523,083	\$874,494,811
Pooled Investments (Total)	\$1,065,957,541	\$1,042,876,234
Total Value - Market:	\$1,219,354,872	\$1,208,429,945
Total Value - Book:	\$1,217,464,651	\$1,204,772,200
Total Value - Par:	\$1,210,951,243	\$1,198,273,441
Interest - Earned	\$2,833,050	\$2,707,961
Interest - Paid	\$2,526,763	\$2,550,087

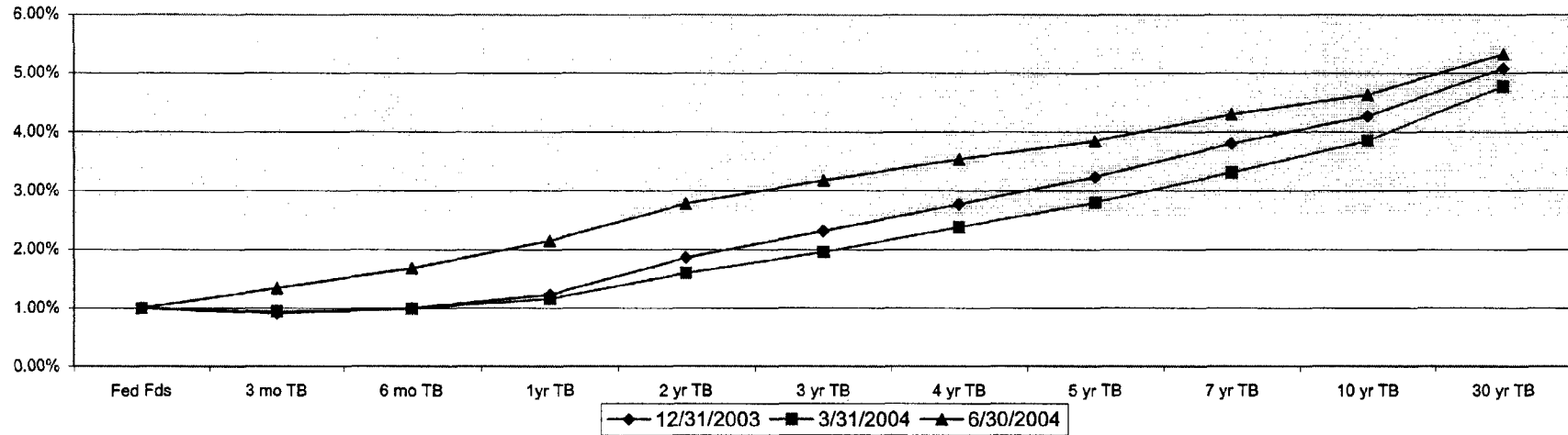
Attachment A
September 7, 2004

INVESTMENT PERFORMANCE
June 30, 2004

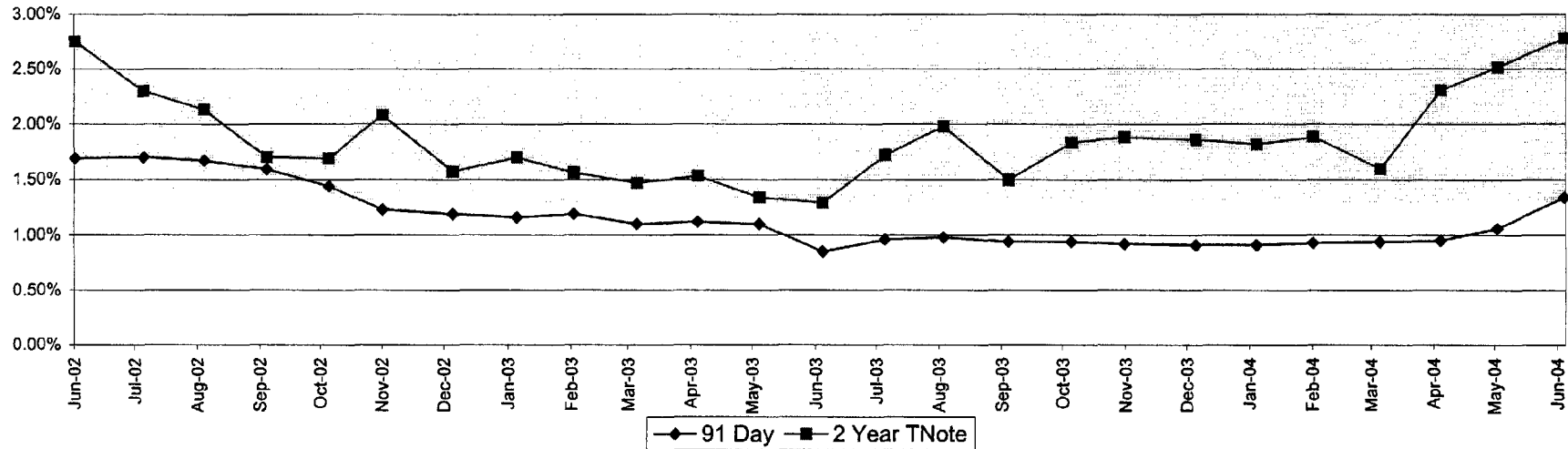
<u>Description</u>	<u>Market Value</u>	<u>Cost Value</u>	<u>Avg Maturity</u>		<u>Month Ended Jun-04</u>	<u>Quarter Ending</u>				<u>Year End Jun-04</u>
			<u>days</u>	<u>years</u>		<u>Jun-04</u>	<u>Mar-04</u>	<u>Dec-03</u>	<u>Sep-03</u>	
Short Term Funds	\$341,831,789	\$341,597,211	249	0.68	0.07	(0.27)	0.37	0.40	0.22	0.72
Long Term Pooled Funds	\$443,258,101	\$437,663,820	644	1.77	0.07	(0.84)	0.96	(0.37)	0.31	0.05
Total Pooled Funds	\$1,065,957,541	\$1,065,081,408	615	1.69	0.06	(0.96)	0.96	0.25	0.29	0.53
Composite Total Funds	\$1,219,354,872	\$1,217,464,651	538	1.47	0.07	(0.81)	0.84	0.27	0.24	0.54
Performance Benchmarks										
	91 Day T-Bill				0.07	0.24	0.24	0.26	0.25	0.98
	Merrill Lynch 1-3 Year Treasuries				(0.01)	(1.06)	1.00	0.15	0.43	0.50

Performance information is based on total return of investment. The Definition of total return of an investment is the increase/decrease in market price from one marking period to the next, plus any accrued interest.

U.S. Treasury Yield Curve



U.S. Treasury Interest Rates - Historical
91 Day TBill / 2 Year Note



Attachment A
September 7, 2004

City of Long Beach Asset Holdings

Month End: 6/30/04

Security Name	Quality Rating	Security (CUSIP)	PAR Value	Book Value	Market Value	Accrued Income	Maturity Date	Market Yield
CASH & EQUIVALENTS								
Bank Deposits	NA	Total	10,156,452	10,156,452	10,156,452	20,333	1.0	1.02%
Money Market Funds	NA	Total	33,475	33,475	33,475	-	1.0	0.59%
L.A.I.F.	NA	Total	142,193,316	142,193,316	142,193,316	993,755	1.0	1.52%
CASH & EQUIVALENTS		TOTAL	152,383,243	152,383,243	152,383,243	1,014,087	1.0	1.49%
POOLED INVESTMENTS (SHORT)								
Bankers Acceptances - Discount		Total	-	-	-	-	-	0.00%
INTERNATIONAL BUS MACH CORP CP	P-1	45920DG15	9,000,000	8,999,657.50	8,999,154.40	342.50	07/01/04	1.12%
MERRILL LYNCH & CO DISC C/P	P-1	59018JG16	30,000,000	29,998,791.67	29,997,165.67	1,208.33	07/01/04	1.12%
Commercial Paper - Discount		Total	39,000,000	38,998,449	38,996,320	1,550.83	1.0	1.12%
BANK OF AMER N A DISC C/D	P-1	06050GCB4	15,000,000	15,000,000.00	14,822,815.50	61,533.30	09/15/05	1.42%
Certificates of Deposits		Total	15,000,000	15,000,000	14,822,816	61,533.30	442.0	1.42%
Reverse Repurchase Agreements		Total	-	-	-	-	-	0.00%
Repurchase Agreements		Total	-	-	-	-	-	0.00%
FEDERAL HOME LN MTG CORP DEB	GOVT	3128X1Y35	2,810,000.00	2,819,863.10	2,791,559.38	10,927.75	10/21/05	2.01%
FEDERAL HOME LN MTG CORP DEB M/T/N	GOVT	3128X2FX8	2,856,000.00	2,871,450.96	2,828,696.64	2,380.00	12/15/05	2.02%
FEDERAL HOME LN MTG CORP M/T/N STEP CPN	GOVT	3128X2Z40	5,000,000.00	5,001,500.00	4,904,687.50	25,086.81	12/02/04	2.17%
FEDERAL HOME LN MTG CORP M/T/N STEP CPN	GOVT	3128X3CB7	5,000,000.00	5,000,000.00	4,965,625.00	15,277.78	05/05/06	2.01%
FEDERAL HOME LN MTG CORP DISC NTS	GOVT	313396R70	8,000,000.00	7,920,677.78	7,941,600.00	-	12/02/04	1.22%
FEDERAL HOME LN BKS DEB	GOVT	31339XF41	3,500,000.00	3,500,000.00	3,424,531.25	3,208.31	06/19/07	2.81%

Attachment A
September 7, 2004

City of Long Beach Asset Holdings

Month End: 6/30/04

Security Name	Quality Rating	Security (CUSIP)	PAR Value	Book Value	Market Value	Accrued Income	Maturity Date	Market Yield
FEDERAL HOME LN BKS	GOVT	31339XGL2	5,000,000.00	4,994,400.00	4,914,062.50	5,541.65	06/12/06	2.14%
FEDERAL HOME LN BKS DEB	GOVT	3133X3QY2	20,000,000.00	19,915,000.00	19,712,500.00	217,733.20	02/09/07	2.80%
FEDERAL HOME LN BKS DEB	GOVT	3133X4NL1	4,000,000.00	3,996,250.00	3,963,750.00	19,250.00	09/16/05	1.67%
FEDERAL HOME LN BKS	GOVT	3133X4TA9	10,000,000.00	10,000,000.00	9,959,375.00	43,944.40	04/01/05	1.41%
FEDERAL HOME LN BKS DEB	GOVT	3133X5GP7	1,000,000.00	1,000,000.00	979,062.50	6,572.22	03/30/07	2.66%
FEDERAL HOME LN BKS DEB	GOVT	3133X5GS1	1,370,000.00	1,370,000.00	1,338,746.88	8,761.52	03/30/07	2.59%
FEDERAL HOME LN BKS	GOVT	3133X5PL6	5,000,000.00	5,000,000.00	4,953,125.00	187.50	06/30/05	1.36%
FEDERAL HOME LN BKS	GOVT	3133X5QJ0	10,000,000.00	10,000,000.00	9,846,875.00	40,444.40	12/30/05	1.62%
FEDERAL NATL MTGE ASSN DISCOUNT NT	GOVT	313588P33	5,000,000.00	4,952,555.56	4,970,000.00	-	11/12/04	1.13%
FEDERAL NATL MTG ASSN M/T/N	GOVT	3136F44N1	6,000,000.00	5,997,000.00	5,932,500.00	56,949.96	08/17/06	2.58%
FEDERAL NATL MTG ASSN M/T/N STEP CPN	GOVT	3136F44Z4	10,000,000.00	9,995,500.00	9,918,750.00	63,645.83	08/09/06	1.64%
FEDERAL NATL MTG ASSN M/T/N	GOVT	3136F4MG6	10,000,000.00	9,906,250.00	9,887,500.00	35,555.50	01/27/06	2.02%
FEDERAL NATL MTG ASSN MEDIUM	GOVT	3136F5LZ2	5,000,000.00	5,000,000.00	4,907,812.50	22,118.05	03/30/06	1.78%
U.S. Agencies		Total	119,536,000	119,240,447	118,140,759	577,585	592.3	1.97%
UNITED STATES TREAS 1.625 FEB 28 06	GOVT	912828CB4	5,000,000.00	4,973,437.50	4,926,562.50	27,232.10	02/28/06	1.65%
U.S. Treasuries		Total	5,000,000	4,973,438	4,926,563	27,232	608.0	1.65%
MERRILL LYNCH & CO INC M/T/N	AAA	59018YMG3	4,800,000.00	4,966,704.00	4,874,640.00	68,402.64	03/08/05	4.47%
ROLLINS TRUCK LEASING CORP	AAA	775741AJ0	5,500,000.00	6,034,930.00	5,848,370.00	88,687.50	04/05/06	6.35%
Corporate Notes		Total	10,300,000	11,001,634	10,723,010	157,090	465.3	5.49%
POOLED INVESTMENTS (SHORT)		TOTAL	188,836,000	189,213,968	187,609,467	824,991	450.7	1.94%
SHORT TERM FUNDS		TOTAL	341,219,243	341,597,211	339,992,710	1,839,079	249.1	1.74%
POOLED INVESTMENTS (LONG TERM)								
FED FARM CRED BANK 5.15 17APR2006	GOVT	31331LFM5	10,000,000	9,924,800.00	10,393,750.00	105,861.10	04/17/06	4.95%
FEDERAL FARM CR BKS CONS	GOVT	31331LYJ1	5,000,000	4,995,784.71	5,056,250.00	82,206.90	01/24/05	3.73%
FEDERAL FARM CR BKS CONS	GOVT	31331QCK1	15,000,000	14,985,300.00	15,037,500.00	89,062.50	10/01/04	2.37%
FEDERAL FARM CR BKS CONS	GOVT	31331QJT5	10,000,000	9,986,700.00	10,015,625.00	23,000.00	05/25/05	2.30%
FEDERAL FARM CR BKS CONS	GOVT	31331QKC0	20,000,000	19,961,200.00	19,993,750.00	63,888.80	11/15/05	2.50%

Attachment A
September 7, 2004

City of Long Beach Asset Holdings

Month End: 6/30/04

Security Name	Quality Rating	Security (CUSIP)	PAR Value	Book Value	Market Value	Accrued Income	Maturity Date	Market Yield
FEDERAL FARM CR BKS CONS	GOVT	31331QKV8	10,000,000	10,000,000.00	9,987,500.00	28,388.80	12/03/07	3.65%
FEDERAL FARM CR BKS CONS	GOVT	31331QMJ3	10,000,000	9,964,400.00	10,000,000.00	11,666.60	12/15/05	2.63%
FEDERAL FARM CR BKS CONS	GOVT	31331TVP3	6,000,000	6,007,500.00	5,921,250.00	37,666.62	03/08/06	2.03%
FED HOME LOANS BK 5.375 15FEB2006	GOVT	3133MD6L2	2,080,000	2,061,009.60	2,165,800.00	42,235.54	02/15/06	5.16%
FED HOME LOANS BK 5.375 15MAY2006	GOVT	3133MEU66	10,000,000	10,004,687.50	10,440,625.00	68,680.50	05/15/06	5.15%
FEDERAL HOME LN BKS	GOVT	3133MJ2A7	10,000,000	9,997,800.00	10,062,500.00	76,527.70	10/15/04	3.60%
DESCRIPTION MISSING 3.5 26NOV2004	GOVT	3133MJSK7	10,000,000	9,992,500.00	10,081,250.00	34,027.70	11/26/04	3.47%
FED HOME LOANS BK 4.125 15NOV2006	GOVT	3133MJUR9	2,695,000	2,587,792.90	2,749,742.19	14,204.89	11/15/06	4.04%
FED HOME LOAN BK 4.875 15NOV2006	GOVT	3133MKED5	10,000,000	9,946,800.00	10,362,500.00	62,291.60	11/15/06	4.70%
FED HOME LOANS BK 3.875 15DEC2004	GOVT	3133MKGJ0	5,000,000	4,962,600.00	5,051,562.50	8,611.10	12/15/04	3.84%
FED HOME LOANS BK 4.0 15FEB2005	GOVT	3133MLRK3	10,000,000	9,987,400.00	10,131,250.00	151,111.10	02/15/05	3.95%
FED HOME LOANS BK 4.125 13MAY2005	GOVT	3133MNS69	10,000,000	9,990,200.00	10,168,750.00	52,708.30	05/13/05	4.06%
FEDERAL HOME LN BKS DEB	GOVT	3133MQ3S1	15,000,000	14,959,650.00	15,140,625.00	184,166.55	08/15/05	3.22%
FEDERAL HOME LN MTG CORP	GOVT	3128X13L9	6,500,000	6,532,500.00	6,468,150.00	24,456.25	10/28/05	2.16%
FEDERAL HOME LN MTG CORP	GOVT	3128X1WM5	10,000,000	10,042,000.00	9,915,300.00	108,208.30	08/04/06	2.67%
FEDERAL HOME LN MTG CORP	GOVT	3128X2E43	5,000,000	5,000,000.00	4,937,500.00	34,444.40	02/28/06	2.03%
FEDERAL HOME LN MTG CORP M/T/N	GOVT	3128X2L52	15,000,000	15,000,000.00	14,668,800.00	97,500.00	03/16/07	2.30%
FEDERAL HOME LN MTG CORP	GOVT	3128X3BP7	10,000,000	10,000,000.00	9,887,500.00	53,333.30	04/27/07	3.03%
FEDERAL HOME LN MTG CORP DEB	GOVT	3128X3CE1	10,000,000	10,000,000.00	9,980,300.00	35,555.50	04/27/07	2.00%
FEDERAL HOME LN MTG CORP	GOVT	312925A34	5,000,000	5,000,000.00	5,007,812.50	98,750.00	07/23/07	4.49%
FEDERAL HOME LN MTG 5.250 JAN 15 06	GOVT	3134A4CX0	5,000,000	4,995,000.00	5,185,937.50	121,041.65	01/15/06	5.06%
FREDDIE MAC 3.25 15NOV2004	GOVT	3134A4LX0	10,000,000	10,255,700.00	10,065,625.00	41,527.70	11/15/04	3.23%
FEDERAL HOME LN MTG 3.500 SEP 15 07	GOVT	3134A4RH9	10,000,000	9,965,500.00	9,971,875.00	103,055.50	09/15/07	3.51%
FNMA 5.25 15JUN2006	GOVT	31359MJX2	10,000,000	9,978,440.00	10,421,875.00	23,333.30	06/15/06	5.04%
FNMA 3.5 15SEP2004	GOVT	31359MKW2	5,000,000	4,991,505.00	5,020,312.50	51,527.75	09/15/04	3.49%
FNMA 4.375 15OCT2006	GOVT	31359MLH4	10,000,000	9,806,500.00	10,253,125.00	92,361.10	10/15/06	4.27%
FEDERAL NATL MTG ASSN	GOVT	31359MPT4	10,000,000	10,139,200.00	10,053,125.00	60,694.40	10/15/05	2.86%
FEDERAL NATL MTG AS 2.625 19JAN2007	GOVT	31359MTX1	10,000,000	9,976,100.00	9,803,125.00	117,395.80	01/19/07	2.68%
FEDERAL NATL MTG ASSN	GOVT	31359MUA9	4,000,000	4,018,750.00	3,965,000.00	36,250.00	02/28/06	2.27%
FEDERAL NATL MTG ASSN M/T/N	GOVT	3136F3Q58	10,000,000	10,000,000.00	9,687,500.00	139,791.60	07/16/08	3.15%
FEDERAL NATL MTG ASSN M/T/N	GOVT	3136F3V86	5,000,000	5,000,000.00	4,870,312.50	70,441.65	07/23/08	3.30%

Attachment A
September 7, 2004

City of Long Beach Asset Holdings

Month End: 6/30/04

Security Name	Quality Rating	Security (CUSIP)	PAR Value	Book Value	Market Value	Accrued Income	Maturity Date	Market Yield
FEDERAL NATL MTG ASSN M/T/N STEP CPN	GOVT	3136F4ZP2	2,952,000	2,975,320.80	2,956,612.50	205.00	12/29/06	2.50%
FEDERAL NATL MTG ASSN M/T/N	GOVT	3136F5ED9	10,000,000	9,880,000.00	9,834,375.00	62,569.40	05/16/06	2.16%
FEDERAL NATL MTG ASSN	GOVT	31359MSC8	15,000,000	14,970,000.00	14,671,875.00	36,562.50	06/14/08	3.32%
SALLIE MAE 5.25 15MAR2006	GOVT	86387UAV7	10,000,000	9,956,640.63	10,403,125.00	154,583.30	03/15/06	5.05%
SALLIE MAE 3.375 15JUL2004	GOVT	86387UBF1	20,000,000	20,063,140.00	20,012,500.00	311,250.00	07/15/04	3.39%
U.S. Agencies		Total	379,227,000	378,862,421	380,801,892	3,011,145	633.1	3.34%
U.S. Treasuries		Total	-	-	-	-	-	0.00%
AMERICAN GENERAL FI 5.875 14JUL2006	A+	02635PRG0	5,000,000	4,997,700.00	5,250,000.00	62,013.85	07/14/06	5.60%
GENERAL ELEC CAP CORP MEDIUM	AAA	36962GA46	10,000,000	10,050,800.00	10,013,100.00	119,541.60	01/30/06	2.85%
GENERAL ELEC CAP CORP M/T/N	AAA	36962GD68	13,730,000	13,896,662.80	13,655,858.00	181,541.08	08/15/07	3.52%
GENERAL ELECTRIC CA 5.375 15MAR2007	AAA	36962GXY5	2,000,000	1,998,300.00	2,098,020.00	31,652.76	03/15/07	5.12%
GENERAL ELEC CAP CORP M/T/N	AAA	36962GZM9	10,000,000	10,000,000.00	10,049,100.00	73,088.80	10/03/05	2.98%
MERRILL LYNCH & CO INC M/T/N	AAA	59018YQY0	10,000,000	10,066,300.00	10,010,400.00	38,733.30	05/05/06	2.49%
WAL-MART STORES INC 4.15 15JUN2005	AA	931142BQ5	2,800,000	2,796,136.00	2,840,992.00	5,164.43	06/15/05	4.09%
Corporate Bonds		Total	53,530,000	53,805,899	53,917,470	511,736	736.7	3.40%
Asset Backed Securities		Total	-	-	-	-	-	0.00%
Bankers Acceptance		Total	-	-	-	-	-	0.00%
Commercial Paper - Discount		Total	-	-	-	-	-	0.00%
Certificates of Deposits		Total	-	-	-	-	-	0.00%
Corporate Notes		Total	-	-	-	-	-	0.00%
COLLATERAL ASSETS		285642	5,000,000	4,995,500	5,000,000	15,858	11/15/05	2.50%
Collateral		Total	5,000,000	4,995,500	5,000,000	15,858	503.0	2.50%
Securities Lending		Total	-	-	-	-	-	0.00%
POOLED INVESTMENTS (LONG TERM)		TOTAL	437,757,000	437,663,820	439,719,362	3,538,739	644.3	3.34%
POOLED INVESTMENTS (TOTAL)		TOTAL	626,593,000	626,877,788	627,328,829	4,363,730	303.9	2.92%

Attachment A
September 7, 2004

City of Long Beach Asset Holdings

Month End: 6/30/04

Security Name	Quality Rating	Security (CUSIP)	PAR Value	Book Value	Market Value	Accrued Income	Maturity Date	Market Yield
EXTERNAL INVESTMENTS (LONG TERM)								
FEDERAL FARM CR BKS CONS	GOVT	31331QFH5	10,000,000	10,181,250	10,003,125	55,556	10/11/05	2.50%
FEDERAL FARM CR BKS CONS	GOVT	31331QJC2	8,740,000	8,977,619	8,715,419	36,125	11/13/06	3.11%
FED HOME LN BANK	GOVT	31339X2X1	15,000,000	15,051,135	14,779,688	20,350	03/03/06	2.66%
FEDERAL HOME LN BKS	GOVT	31339XAZ7	5,000,000	4,986,025	4,898,438	4,167	06/15/06	1.91%
FEDERAL HOME LN BKS	GOVT	31339XHJ6	5,000,000	4,990,625	4,875,000	40,639	03/26/08	3.16%
FEDERAL HOME LN BKS	GOVT	31339XTT1	10,000,000	9,978,125	9,750,000	107,500	01/09/07	2.31%
FEDERAL HOME LN BKS	GOVT	31339YVV1	10,000,000	10,065,625	9,778,125	150,000	07/21/08	3.45%
FEDERAL HOME LN BK	GOVT	3133MGU53	20,000,000	20,581,250	20,075,000	349,444	08/13/04	4.61%
FEDERAL HOME LN BKS	GOVT	3133MQST2	10,000,000	10,158,950	10,065,625	113,333	08/18/05	2.98%
FEDERAL HOME LN BKS DEB	GOVT	3133MTL71	10,000,000	10,078,125	10,021,875	25,556	11/15/04	2.00%
FEDERAL HOME LN BKS DEB	GOVT	3133MTL89	5,000,000	5,066,060	4,995,313	15,972	11/15/05	2.50%
FEDERAL HOME LN BKS	GOVT	3133MUMU6	10,000,000	10,104,200	9,984,375	11,111	12/15/05	2.00%
FEDERAL HOME LN MTG CORP	GOVT	3128X1DK0	7,000,000	7,013,720	6,873,230	19,892	11/28/07	3.16%
FEDERAL HOME LN MTG CORP	GOVT	3128X1HM2	10,000,000	9,815,700	9,562,100	22,819	05/30/08	2.77%
FEDERAL HOME LN MTG CORP M/T/N	GOVT	3128X1LD7	10,000,000	9,966,800	9,756,600	3,125	12/26/06	2.31%
FEDERAL HOME LN MTG CORP	GOVT	3128X1VW4	9,000,000	9,000,000	8,878,230	103,812	01/30/07	2.79%
FEDERAL HOME LN MTG CORP	GOVT	3128X2RP2	6,000,000	5,998,125	5,916,060	65,083	02/09/07	2.79%
FEDERAL HOME LN MTG CORP	GOVT	3128X2ZC2	3,500,000	3,499,453	3,457,344	24,889	02/23/06	2.02%
FHLMC 5.5 15JUL2006	GOVT	3134A4GK4	20,000,000	21,594,000	20,931,250	507,222	07/15/06	5.26%
FEDERAL HOME LN MTG CORP	GOVT	3134A4RA4	10,000,000	10,240,625	10,053,125	84,653	09/15/05	2.86%
FEDERAL HOME LN MTG CORP	GOVT	3134A4TR5	5,000,000	5,008,000	4,984,375	11,181	05/15/05	1.65%
FEDERAL HOME LN MTG CORP DEB	GOVT	3134A4UN2	20,000,000	19,942,300	19,487,500	217,708	02/15/07	2.45%
FNMA 7.125 15FEB2005	GOVT	31359MFH1	9,420,000	10,076,291	9,726,150	253,555	02/15/05	6.90%
FEDERAL NATL MTG ASS 6.000 DEC 15 05	GOVT	31359MGM9	10,000,000	10,729,900	10,481,250	26,667	12/15/05	5.72%
FED NATL MORT ASSC 5 NT 15/01/2007	GOVT	31359MLZ4	10,000,000	10,591,000	10,396,875	230,556	01/15/07	4.81%
FEDERAL NATL MTG ASSN	GOVT	31359MQZ9	15,000,000	15,079,688	14,803,125	67,292	04/15/06	2.15%
FEDERAL NATL MTG ASSN	GOVT	31359MUA9	2,000,000	2,011,460	1,982,500	18,125	02/28/06	2.27%
FEDERAL NATL MTG ASSN M/T/N	GOVT	3136F3D29	10,000,000	9,818,750	9,543,750	736	06/30/08	2.78%
FEDERAL NATL MTG ASSN M/T/N	GOVT	3136F3P26	10,000,000	10,003,125	9,893,750	87,778	01/23/06	2.04%

Attachment A
September 7, 2004

City of Long Beach Asset Holdings

Month End: 6/30/04

Security Name	Quality Rating	Security (CUSIP)	PAR Value	Book Value	Market Value	Accrued Income	Maturity Date	Market Yield
FEDERAL NATL MTG ASSN M/T/N	GOVT	3136F4SP0	10,000,000	10,018,300	9,946,875	36,789	11/17/06	3.03%
FEDERAL NATL MTG ASSN MEDIUM	GOVT	3136F5HB0	18,000,000	18,007,031	17,786,250	109,720	03/17/06	2.14%
FEDERAL NATL MTG ASSN MEDIUM	GOVT	3136F5SP7	10,000,000	9,980,000	9,921,875	35,417	05/10/06	2.52%
FEDERAL NAT'L MTGE ASSN DISCOUNT	GOVT	313588ZB4	5,000,000	4,991,703	4,999,000	-	07/07/04	1.03%
STUDENT LN MARKETING ASSN	GOVT	86387UBJ3	10,000,000	10,081,250	10,006,250	58,889	03/15/05	2.00%
U.S. Agencies		Total	338,660,000	343,686,210	337,329,445	2,915,659	693.2	3.08%
UNITED STATES TREAS 7.000 JUL 15 06	GOVT	912827Y55	10,000,000	11,170,313	10,834,375	323,077	07/15/06	6.46%
UNITED STATES TREAS 1.625 APR 30 05	GOVT	912828AX8	10,000,000	9,990,625	9,971,875	27,378	04/30/05	1.63%
UNITED STATES TREAS NTS	GOVT	912828BB5	10,000,000	9,948,438	9,931,250	10,587	05/31/05	1.26%
UNITED STATES TREAS 1.125 JUN 30 05	GOVT	912828BC3	10,000,000	9,933,594	9,909,375	306	06/30/05	2.52%
U S TREAS NTS	GOVT	912828BJ8	10,000,000	10,068,750	9,978,125	33,424	08/31/05	1.13%
UNITED STATES TREAS NOTES	GOVT	912828BL3	5,000,000	4,982,422	4,962,500	20,423	09/30/05	1.64%
UNITED STATES TREAS NTS	GOVT	912828BU3	10,000,000	10,007,031	9,915,625	510	12/31/05	1.89%
UNITED STATES TREAS 1.625 FEB 28 06	GOVT	912828CB4	10,000,000	9,974,219	9,853,125	54,464	12/31/05	1.90%
U.S. Treasuries		Total	75,000,000	76,075,391	75,356,250	470,169	470.1	2.40%
BANK OF AMERICA CORP 3.250 AUG 15 08	A+	060505BC7	5,000,000	4,985,100	4,827,550	61,389	08/15/08	3.37%
GENERAL ELEC CAP CORP MEDIUM	AAA	36962GE34	10,000,000	10,115,300	9,899,900	73,333	10/03/05	2.78%
MERRILL LYNCH & CO INC M/T/N	A+	59018YQY0	3,315,000	3,341,619	3,318,448	12,840	05/05/06	2.49%
Corporate Bonds		Total	18,315,000	18,442,019	18,045,898	147,562	779.4	2.88%
Bankers Acceptances - Discount		Total	-	-	-	-	-	0.00%
EXTERNAL INVESTMENTS (LONG TERM)		TOTAL	431,975,000	438,203,620	430,731,593	3,533,390	657.8	2.95%
LONG TERM FUNDS		TOTAL	869,732,000	875,867,440	870,450,955	7,072,128	651.0	3.15%
TOTAL FUNDS	AAAf	TOTAL	1,210,951,243	1,217,464,651	1,210,443,665	8,911,207	538.1	2.75%

Glossary of Investment Terms

TERM	DEFINITION
American Depository Receipts (ADR)	Receipt for the shares of foreign-based companies that are held in U.S. banks and sold in the U.S. market. Also known as ADSs—American Depository Shares.
Asset Allocation	Investing in different classes of securities to mitigate risk from market fluctuations in interest rates. Identifies the risk characteristics of the portfolio.
Accrued Interest	The amount earned from the date of purchase to maturity or the coupon payment date.
Bankers Acceptances	A draft or bill of exchange accepted by a bank or trust company, used primarily to finance international trade. Bankers Acceptances (BA) are usually issued at a discount with payment of par value upon maturity. Maturity dates range from one day to 186 days.
Basis Point	The smallest measure used for quoting yields on bonds and notes. One basis point is equal to 1/100 percent or 0.01% of yield. For example, if the Federal Reserve increases rates 50 basis points, or a bond's yield changes 50 basis points, that equates to 0.5% or ½ of 1%.
Bear Market	Period of falling stock prices. A bear stock market usually indicates the anticipation of a declining economy. A bear bond market indicates rising interest rates.
Benchmark	A benchmark consists of a collection of securities that show return on investment over time. This is a passive measurement and does not evaluate active investment management. An example of a benchmark would be the Merrill Lynch 1-3 year Corporate/ Government Index that includes all Government Agency and Corporation debt issues over \$150 million that mature from one to three years. When a security's maturity becomes less than one year, the security is removed from the index; conversely, a security that's maturity date becomes less than four years is included in the index.
Bond	A debt security. It is usually issued by government agencies, municipalities, and corporations. The purchaser actually lends the entity money and so is considered the creditor. The entity is the seller and is considered the debtor or issuer. The issuer agrees to repay the principal amount of the loan at a specified time (maturity). Interest bearing bonds pay interest periodically at a predetermined time. A discounted bond such as a Zero Coupon bond pays no interest. It is sold at a discount from face value and the investor receives a rate of return through price appreciation and the bond is redeemed at face value.
Book Value	The cost value at which an asset is carried on a balance sheet. This value is the cost of principal, less accrued interest. Book value may be more or less than market value.
Broker-Dealer	A firm or individual acting as both a principal and an agent. A Broker acts on behalf of the client searching for the best deal in the market place. A Dealer acts on behalf of itself in making the market. A Dealer may hold a position and maintain inventories of securities. A Broker carries out the transaction but does not take possession of the security or maintain inventories.
Bull Market	A period of rising prices. The beginning of a bull stock market usually signals economic growth.
Callable Security	A debt security that may at the option of the original issuer be refunded or "called" prior to the stated maturity of the security. Callable investments may be structured to be callable one time, quarterly, semi-annually or continuously callable on published dates of the issue.

Glossary of Investment Terms

TERM	DEFINITION
Certificate of Deposit (CD)	Debt instrument issued by a bank. Maturities can be from 7 days to 1 year or longer. A time Certificate of Deposit is registered in the name of the depositor. Interest rates for public funds must be paid on a 360-day year. All public funds deposits must be insured or collateralized.
Collected Funds	Funds that are immediately available to the depositor.
Commercial Paper	Short-term debt obligations with normal maturities ranging from several days to nine months. The debt is usually discounted, issued by banks and corporations, and normally unsecured although often backed by a bank line of credit.
Coupon Rate	The specified annual interest rate payable to the bond or note holder by the issuer. The rate may be fixed or float to an index, such as the three month LIBOR
Credit Rating	A declaration of the credit worthiness of an investment portfolio or debt issue, the major national rating agencies are Standard and Poor's, Moodys Investor Service and Fitch Investors Service
Current Yield	Annual dividend or interest rate divided by the current market price.
Custodian	Bank or financial institution that actually holds the securities and assets for a client or fund.
Derivative	A type of security whose value is derived from an underlying asset. Derivatives range from simple option contracts, to forward and future contracts, to extremely complex and volatile products such as interest rates or currency swaps. Except for the plain vanilla derivatives such as options, these products are better left to the sophisticated institutional traders.
Discount	<ol style="list-style-type: none"> 1. The difference between a bond's current price and its face value. 2. Some debt instruments such as Treasury bills and Zero Coupon bonds are sold at prices far below the actual maturity value. These deep discount instruments do not pay interest. Instead, one interest payment is recorded when the security matures or sold. If held to maturity, investor receives the par value of the security. The yield is determined by the price appreciation.
Discount Rate	The interest rate charged by the Federal Reserve for loans to member banks. The Fed changes rates in an attempt to control monetary policy. When the Fed increases rates, or tightens the money supply, entities borrow less, and consequently there is less money available for all uses. The effect is to slow down the economy. The alternative is that the Fed lowers rates, or eases the money supply. Money is more readily available, encouraging economic growth.
Discount Securities	on-interest bearing investments that are issued at a discount and redeemed at maturity for the full face value or par value. Examples of discount securities are U.S. Treasury Bills, Commercial Paper, Bankers Acceptances and Federal Agency discount notes.
Diversification	A method of reducing risk through asset allocation. Diversification can be by type of security, issuer, maturity date and amount of funds invested. By investing in several different trading vehicles the risk associated with owning only one asset is spread out. Investing in a range of maturity dates protects the portfolio from unrealized losses due to market rate fluctuations.
Dividend	Earnings of a corporation or mutual fund passed on to shareholders.

Glossary of Investment Terms

TERM	DEFINITION
Duration	Time weighted life of a bond with the weights being the cash flows. It denotes the years necessary to recover the investment. For example, if the duration is 7.2, that means it will take 7.2 years to recoup the investment.
Fixed Income Investment	Normally refers to debt issued by government, municipal and corporate issues. These securities usually pay a fixed rate of return.
Government National Mortgage Association (GNMA)	Also known as "Ginnie Mae." It is a government-owned agency of HUD which assists in housing financing. It guarantees the full and timely payment of monthly principal and interest on mortgage backed securities.
Guaranteed Income Contract (GIC)	A contract between an insurance company and a corporate profit-sharing or pension plan that guarantees a specific rate of return on the invested capital over the life of the contract.
Liquidity	The ability to convert assets into immediate cash. Short-term investments such as money markets and T Bills are considered liquid instruments whereas long term bonds and stocks are assumed to be less liquid.
Management Fee	The amount charged against investor assets for advisory service. The standard industry mutual fund management fee is approximately 0.5% of fund assets.
Market Value	The current market value of the security. The amount at which a financial instrument can be exchanged (current transaction) between willing parties.
Maturity	The date on which a bond's principal is due and repaid to the investor.
Medium Term Corporate Notes (MTNs)	Debt issues by major corporations organized and operating within the United States. These securities can be either unsecured or secured by collateral; payment is based on 30 days over 360 days. The City can only invest up to 30% of the portfolio in MTNs with a credit rating of AAA, AA or A from a nationally recognized rating service.
Municipal Bond	A debt instrument issued by a state or local government. The interest is exempt from federal income taxation, and also exempt from federal and local tax in the issuing state. There are generally two types: General Obligation (GO) and revenue bonds. GOs are backed by the full faith and credit of the taxing power of the issuer and revenue bonds are backed by the particular revenues or incomes from the project.
Negotiable Certificates of Deposit (NCDs)	Certificates of Deposit issued by banks that are in negotiable or bearer form. These certificates are not insured or collateralized. Interest is generally paid at maturity.
Par Value	The face value of a debt issue, the amount of principal the bondholder will receive at maturity.
Price Risk	The risk a debt security's price may change due to a rise or fall in current market interest rates.
Risk	The possibility that an investment will not perform as anticipated. An acceptable degree of risk must be determined by the individual with the understanding that the higher the expected return, the greater the risk factor. There are many different kinds of risk, such as exchange, inflation, interest rate, liquidity, political, et cetera. Most investors are considered to be risk adverse. That is, they seek security over risk.
Total Return	Total earnings which are comprised of dividends, accrued interest, capital gains distributions, and price appreciation.
12(b)-1 Fee	Named after the applicable SEC rule, these are promotional fees charged by mutual funds to pay for distribution costs and commissions. The NASD placed caps on the fees in 1993. The fees are explained in the prospectus.

Glossary of Investment Terms

TERM	DEFINITION
Treasury Bills	Short-term debt issued by the U.S. government with maximum maturity of one year. Bills are sold at discount. The difference between purchase price and maturity value is considered as the interest.
Treasury Bond	Long-term debt issued by the U.S. government with maturity of over 10 years. U.S. bonds have the highest rating of fixed income securities, and so offer a lower yield than municipals and corporates. Bonds usually pay interest semi-annually and can be callable; however, usually only in the later years.
Treasury Note	Intermediate term interest bearing debt issued by the U.S. government with maturity of 1-10 years. Notes do pay interest and can be callable.
Yield	The return on an investor's capital investment. For a bond, the current yield is the coupon rate of interest divided by the purchase price. Yields on bonds are inversely related to bond prices. As the prices of bonds go up, the yield declines.
Yield Curve	Traces yields on securities with varying maturities. The normally upward sloping curve is called the positive yield curve. Interest rates for long-term rates are higher than short-term rates. An inverted yield curve occurs in a situation where short-term interest rates are higher than long-term rates. This occurs when the demand for short-term credit drives up the rates on instruments such as Treasury bills. It can be an indicator of an unhealthy economy with high inflation and little consumer confidence.
Yield to Call Date (YTC)	The calculated yield on a bond from the purchase date until the first call date. The call date is the date(s) that the issuer of the debt security may refund or "call" the security. Securities that are called are usually refunded at par value.
Yield to Maturity (YTM)	The calculated yield on a bond from the current date until maturity. It is expressed as the rate of return on a bond that includes the total annual interest payments, purchase price, redemption value and time to maturity. The YTM is only effective if the bond is held to maturity.