



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

R-15

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August 16, 2011

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Receive and file the Investment Report for Quarter Ending June 30, 2011. (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 June 30, 2011, these funds had a market value of approximately \$1.84 billion, with approximately \$766 million, or approximately 41 percent of funds, maturing within six months, ensuring that sufficient funds are available to meet the City's 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, composed of the Assistant City Manager, the Deputy City Auditor, Assistant City Attorney, Director of Financial Management/CFO, City Treasurer, City Controller, Budget and Performance Management Bureau staff, and designated representatives from the Harbor, Water and Development Services departments, meets monthly, or as needed, to review investment policies, strategies and performance.

Investment Pool Rating

As of March 31, 2011, Standard and Poor's reaffirmed the City's investment portfolio rating of AAf and one of the lowest volatility ratings of S1. 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.

Investment Performance

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 Select Auction Variable Rate Securities loan) as authorized by the City's Investment Policy and the California Government Code. The City's adopted 2011 Investment Policy divides the City's investment portfolio into a short-term, intermediate-term and a long-term portfolio whose benchmarks are the Three-Month Treasury Bill, One-Year Constant Maturity Treasury (CMT) and the Merrill Lynch One-to-Five Year Treasury/Agency Index, respectively. All 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 0.53 percent (annualized). Book yield represents the return received on the total investment portfolio on an annualized basis.

On June 30, 2011, the City's investment pool market yield was 0.38 percent (annualized). During the quarter, the average short-term benchmark decreased by seven basis points, while the intermediate-term benchmark decreased by eight basis points. The long-term benchmark decreased by thirty-one basis points. The following table summarizes the City's investment pool market yield and performance for the quarter ending June 30, 2011:

Investment Portfolio Funds	Amount of Funds	Quarter End Values		
		Benchmark Return**	Weighted Avg Maturity*	Yield**
Short-Term Pool	\$ 745,798,659	0.02 percent	0.29 years	0.29 percent
Intermediate-Term Pool	\$ 679,430,197	0.19 percent	0.83 years	0.41 percent
Long-Term Pool	\$ 415,650,861	0.46 percent	1.69 years	0.50 percent
Total Pool	\$ 1,840,879,717	0.19 percent	0.81 years	0.38 percent

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

The following table summarizes the purchase yield of the new investments versus the average benchmark yield in the short-term portfolio by month for the quarter ending June 30, 2011:

SHORT-TERM PORTFOLIO

Month	Amount of Funds Invested	Benchmark vs. Purchase Yield Analysis		
		Benchmark Return*	Purchase Yield**	Over/(Under) Benchmark*
April, 2011	\$ 113,100,000	0.05 percent	0.13 percent	0.08 percentage points
May, 2011	\$ 115,000,000	0.03 percent	0.17 percent	0.14 percentage points
June, 2011	\$ 122,125,000	0.03 percent	0.29 percent	0.26 percentage points
Total Funds	\$ 350,225,000	0.04 percent	0.20 percent	0.16 percentage points

* 91-Day T-Bill and other returns listed are weighted averages for the period. **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 versus the average benchmark yield in the intermediate-term portfolio by month for the quarter ending June 30, 2011:

INTERMEDIATE -TERM PORTFOLIO

Month	Amount of Funds Invested	Benchmark vs. Purchase Yield Analysis		
		Benchmark Return*	Purchase Yield**	Over/(Under) Benchmark*
April, 2011	\$ 89,500,000	0.25 percent	0.44 percent	0.19 percentage points
May, 2011	\$ 72,500,000	0.19 percent	0.47 percent	0.28 percentage points
June, 2011	\$ 50,000,000	0.18 percent	0.64 percent	0.46 percentage points
Total Funds	\$ 212,000,000	0.21 percent	0.50 percent	0.29 percentage points

* One Year CMT and other returns listed are weighted averages for the period. **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 versus the average benchmark yield in the long-term portfolio by month for the quarter ending June 30, 2011. Our Investment Advisor, Chandler Asset Management, manages the long-term portfolio through activity pre-approved by the City Treasurer or a designated representative before execution.

LONG-TERM PORTFOLIO

Month	Amount of Funds Invested	Benchmark vs. Purchase Yield Analysis		
		Benchmark Return*	Purchase Yield**	Over/(Under) Benchmark*
April, 2011	\$ 24,950,000	0.68 percent	1.49 percent	0.81 percentage points
May, 2011	\$ 10,700,000	0.52 percent	1.36 percent	0.84 percentage points
June, 2011	\$ 10,500,000	0.30 percent	0.64 percent	0.34 percentage points
Total Funds	\$ 46,150,000	0.56 percent	1.27 percent	0.71 percentage points

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

As of June 30, 2011, the City has approximately \$100,000,000 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 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.

Intermediate-Term Strategy

The City has adopted an investment strategy for the intermediate-term portfolio that maintains a weighted maturity of one year and provides cash needs for maturities greater than six months.

Long-Term Investment Strategy

Chandler Asset Management began reviewing and recommending a strategy for the long-term investment portfolio with the Investment Advisory Committee in October 2009. Given historically low interest rates, the Investment Advisory Committee has recommended a temporary strategy to benchmark the long-term portfolio to the One-Three Year Treasury/Agency Index.

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 Assistant City Attorney Heather A. Mahood and the City's Investment Advisory Committee on July 26, 2011, and Budget Management Officer Victoria Bell on July 15, 2011.

TIMING CONSIDERATIONS

This item is not time critical.

FISCAL IMPACT

There is no fiscal impact or local job impact associated with this action.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT/CFO

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ATTACHMENT A – INVESTMENT PORTFOLIO AS OF JUNE 30, 2011

APPROVED:



PATRICK H. WEST
CITY MANAGER

SECURITY DESCRIPTION	S&P RATING	ORIGINAL FACE	BOOK VALUE	MARKET VALUE	ACCRUED INTEREST	MKT YIELD	MATURITY DATE
UNION BANK OF CALIFORNIA		142,625,256	142,625,256	142,625,256	0	0.40	07/01/11
BANK OF AMERICA		8,796,373	8,796,373	8,796,373	0	0.00	07/01/11
LOCAL AGENCY INVESTMENT FUND (L.A.I.F.)		100,251,463	100,251,463	100,251,463	93,879	0.45	07/01/11
TOTAL CASH AND EQUIVALENTS		251,673,092	251,673,092	251,673,092	93,879	0.41	1
SHORT-TERM PORTFOLIO							
SECURITY DESCRIPTION	S&P RATING	ORIGINAL FACE	BOOK VALUE	MARKET VALUE	ACCRUED INTEREST	MKT YIELD	MATURITY DATE
FED HOME LOAN BANK	AAA	5,000,000	5,000,679	5,000,000	18,021	0.75	07/08/11
FED NAT MORTG ASSOC	AAA	20,000,000	19,999,700	20,000,000	0	0.03	07/19/11
FED NAT MORTG ASSOC	AAA	10,000,000	9,999,850	10,000,000	0	0.03	07/19/11
FEDERAL HOME LOAN MORTGAGE CORP.	AAA	10,000,000	9,999,125	10,000,000	0	0.09	08/05/11
FED NAT MORTG ASSOC	AAA	6,549,000	6,573,851	6,577,652	89,685	0.12	08/15/11
FED NAT MORTG ASSOC	AAA	10,000,000	9,998,639	10,000,000	0	0.10	08/19/11
FED FARM CREDIT BANK	AAA	10,000,000	10,002,523	10,009,375	22,478	0.13	09/01/11
FEDERAL HOME LOAN MORTGAGE CORP.	AAA	10,000,000	9,998,250	10,000,000	0	0.10	09/02/11
FEDERAL HOME LOAN MORTGAGE CORP.	AAA	20,000,000	19,998,111	20,000,000	0	0.05	09/07/11
U.S. TREASURY BILLS	AAA	10,000,000	9,996,426	9,999,000	0	0.04	09/22/11
U.S. TREASURY NOTES	AAA	10,000,000	10,018,745	10,023,000	25,137	0.08	09/30/11
U.S. TREASURY NOTES	AAA	8,000,000	8,014,861	8,018,400	20,109	0.08	09/30/11
U.S. TREASURY NOTES	AAA	10,000,000	10,018,805	10,023,000	25,137	0.08	09/30/11
U.S. TREASURY NOTES	AAA	15,000,000	15,030,714	15,034,500	37,705	0.08	09/30/11
U.S. TREASURY NOTES	AAA	15,000,000	15,030,714	15,034,500	37,705	0.08	09/30/11
U.S. TREASURY NOTES	AAA	15,000,000	15,031,315	15,034,500	37,705	0.08	09/30/11
FEDERAL HOME LOAN MORTGAGE CORP.	AAA	10,000,000	9,995,689	10,000,000	0	0.16	10/06/11
FEDERAL HOME LOAN MORTGAGE CORP.	AAA	10,000,000	9,997,025	10,000,000	0	0.09	10/28/11
FED FARM CREDIT BANK	AAA	15,000,000	14,994,317	14,997,417	0	0.05	11/02/11
FED NAT MORTG ASSOC	AAA	8,996,000	9,165,758	9,173,109	61,785	0.12	11/15/11
U.S. TREASURY NOTES	AAA	18,000,000	18,100,915	18,109,800	40,231	0.12	11/15/11
U.S. TREASURY NOTES	AAA	5,000,000	5,018,939	5,023,000	2,459	0.12	12/15/11
FED HOME LOAN BANK	AAA	10,000,000	10,032,697	10,040,625	833	0.18	12/28/11
FEDERAL HOME LOAN MORTGAGE CORP.	AAA	15,000,000	14,990,350	14,990,625	0	0.12	01/10/12
FED NAT MORTG ASSOC	AAA	7,000,000	7,019,646	7,024,063	28,753	0.23	01/12/12

SHORT-TERM PORTFOLIO										
SECURITY DESCRIPTION	S&P RATING	ORIGINAL FACE	BOOK VALUE	MARKET VALUE	ACCRUED INTEREST	MKT YIELD	MATURITY DATE			
FED FARM CREDIT BANK	AAA	5,000,000	4,996,899	4,996,899	0	0.11	01/20/12			
FEDERAL HOME LOAN MORTGAGE CORP.	AAA	10,000,000	9,993,000	9,993,750	0	0.11	01/27/12			
U.S. TREASURY NOTES	AAA	10,000,000	10,259,118	10,269,000	198,135	0.15	01/31/12			
FEDERAL HOME LOAN MORTGAGE CORP.	AAA	10,000,000	9,991,911	9,993,750	0	0.10	02/10/12			
FED NAT MORTG ASSOC	AAA	10,000,000	10,303,268	10,290,625	187,500	0.36	02/16/12			
FED FARM CREDIT BANK	AAA	10,000,000	10,006,869	10,000,000	8,089	0.28	03/16/12			
FED HOME LOAN BANK	AAA	10,000,000	9,988,356	9,990,539	0	0.13	03/19/12			
FED FARM CREDIT BANK	AAA	10,000,000	10,004,155	9,993,750	6,197	0.32	03/23/12			
FEDERAL HOME LOAN MORTGAGE CORP.	AAA	6,000,000	6,078,478	6,078,750	34,708	0.32	03/23/12			
FED HOME LOAN BANK	AAA	10,000,000	10,140,701	10,153,125	48,750	0.30	04/13/12			
FED FARM CREDIT BANK	AAA	4,224,000	4,285,432	4,290,000	17,424	0.33	04/24/12			
FEDERAL HOME LOAN MORTGAGE CORP.	AAA	7,000,000	7,043,924	7,045,938	14,438	0.32	04/25/12			
FED NAT MORTG ASSOC	AAA	25,000,000	24,958,042	24,960,938	0	0.18	05/14/12			
FED NAT MORTG ASSOC	AAA	20,000,000	19,966,433	19,968,750	0	0.18	05/14/12			
FED HOME LOAN BANK	AAA	4,680,000	4,893,693	4,902,300	34,385	0.31	05/15/12			
FED NAT MORTG ASSOC	AAA	10,000,000	10,001,677	10,003,125	26,736	0.60	07/27/12			
FEDERAL HOME LOAN MORTGAGE CORP.	AAA	10,000,000	10,000,000	10,006,250	7,917	0.70	11/23/12			
FED HOME LOAN BANK	AAA	3,100,000	3,100,000	3,100,000	2,799	0.50	04/26/13			
FED HOME LOAN BANK	AAA	7,000,000	7,000,000	7,002,188	7,899	0.61	04/26/13			
FED FARM CREDIT BANK	AAA	7,000,000	7,000,000	6,989,063	1,983	0.68	06/13/13			
FEDERAL HOME LOAN MORTGAGE CORP.	AAA	5,000,000	5,000,000	5,001,563	7,917	0.74	10/15/13			
FEDERAL HOME LOAN MORTGAGE CORP.	AAA	10,000,000	10,000,000	10,021,875	6,111	0.91	12/09/13			
FED HOME LOAN BANK	AAA	4,950,000	4,950,000	4,960,828	2,578	0.67	06/06/14			
SHORT-TERM PORTFOLIO		492,499,000	493,989,601	494,125,568	1,061,309	0.44	160			
SUB TOTAL CASH AND SHORT - TERM PORTFOLIO		744,172,092	745,662,693	745,798,659	1,155,188	0.29	106			

INTERMEIDATE - TERM PORTFOLIO									
SECURITY DESCRIPTION	S&P RATING	ORIGINAL FACE	BOOK VALUE	MARKET VALUE	ACCRUED INTEREST	MKT YIELD	MATURITY DATE		
FEDERAL HOME LN BKS	AAA	20,000,000	20,001,025	20,000,000	72,083	0.75	07/08/11		
FEDERAL HOME LOAN MORTGAGE CORP.	AAA	3,325,000	3,332,285	3,333,313	79,038	0.24	07/18/11		
FEDERAL HOME LOAN MORTGAGE CORP.	AAA	10,000,000	10,021,911	10,025,000	237,708	0.24	07/18/11		
FED HOME LOAN BANK	AAA	15,000,000	15,009,347	15,018,750	104,271	1.63	07/27/11		
U.S. TREASURY NOTES	AAA	7,000,000	7,002,841	7,005,600	29,199	0.07	07/31/11		
FED NAT MORTG ASSOC	AAA	10,000,000	10,035,909	10,043,750	136,944	0.12	08/15/11		
U.S. TREASURY NOTES	AAA	10,000,000	10,007,345	10,016,000	33,424	0.05	08/31/11		
FED HOME LOAN BANK	AAA	15,000,000	15,082,937	15,103,125	175,000	0.16	09/09/11		
FED HOME LOAN BANK	AAA	7,910,000	7,964,238	7,969,325	83,632	0.07	09/16/11		
FED HOME LOAN BANK	AAA	10,000,000	10,000,270	10,006,250	7,667	0.05	09/29/11		
FED FARM CREDIT BANK	AAA	11,045,000	11,122,352	11,141,644	93,422	0.11	10/03/11		
FED FARM CREDIT BANK	AAA	10,900,000	10,922,110	10,927,250	29,634	0.16	10/03/11		
FED FARM CREDIT BANK	AAA	10,000,000	10,098,104	10,121,875	34,667	0.09	11/21/11		
FED HOME LOAN BANK	AAA	10,815,000	10,816,242	10,845,417	8,490	0.09	11/25/11		
FEDERAL HOME LOAN MORTGAGE CORP.	AAA	10,000,000	10,032,660	10,043,750	5,000	0.17	12/15/11		
FED HOME LOAN BANK	AAA	10,000,000	10,016,368	10,028,125	2,083	0.16	12/21/11		
FED NAT MORTG ASSOC	AAA	5,000,000	5,014,135	5,017,188	20,538	0.23	01/12/12		
U.S. TREASURY NOTES	AAA	15,000,000	15,095,130	15,115,500	77,486	0.15	02/15/12		
FED HOME LOAN BANK	AAA	10,000,000	10,048,722	10,056,250	35,000	0.31	03/09/12		
FED HOME LOAN BANK	AAA	9,000,000	9,045,764	9,050,625	31,500	0.31	03/09/12		
FEDERAL HOME LOAN MORTGAGE CORP.	AAA	15,000,000	15,107,546	15,196,875	86,771	0.32	03/23/12		
FED NAT MORTG ASSOC	AAA	15,000,000	15,082,936	15,187,500	55,469	0.32	04/20/12		
FED FARM CREDIT BANK	AAA	10,000,000	10,149,995	10,156,250	41,250	0.33	04/24/12		
FED FARM CREDIT BANK	AAA	8,000,000	8,000,000	7,997,500	3,900	0.31	04/25/12		
FED FARM CREDIT BANK	AAA	8,000,000	8,000,000	7,997,500	3,900	0.31	04/25/12		
U.S. TREASURY NOTES	AAA	20,000,000	20,097,135	20,132,000	33,696	0.21	04/30/12		
FED HOME LOAN BANK	AAA	8,000,000	8,069,306	8,080,800	14,049	0.22	05/15/12		
FED NAT MORTG ASSOC	AAA	7,000,000	7,045,540	7,050,313	9,406	0.31	05/18/12		
FED HOME LOAN BANK	AAA	8,000,000	8,312,546	8,297,500	46,583	0.65	05/18/12		
FEDERAL HOME LOAN BANK (Pledged to Cigna)	AAA	7,000,000	7,059,639	7,067,813	6,149	0.34	06/08/12		
FED HOME LOAN BANK	AAA	10,000,000	10,075,793	10,096,875	8,785	0.34	06/08/12		
FED FARM CREDIT BANK	AAA	7,000,000	6,986,994	6,997,813	875	0.33	06/15/12		
FEDERAL HOME LOAN MORTGAGE CORP.	AAA	10,000,000	10,119,760	10,137,500	7,778	0.31	06/15/12		
FEDERAL HOME LOAN MORTGAGE CORP.	AAA	6,000,000	6,287,513	6,303,750	141,792	0.26	07/15/12		

INTERMEIDATE - TERM PORTFOLIO									
SECURITY DESCRIPTION	S&P RATING	ORIGINAL FACE	BOOK VALUE	MARKET VALUE	ACCRUED INTEREST	MIKT YIELD	MATURITY DATE		
FEDERAL HOME LOAN MORTGAGE CORP.	AAA	7,000,000	7,047,766	7,056,875	33,688	0.37	07/27/12		
FEDERAL HOME LOAN MORTGAGE CORP.	AAA	6,500,000	6,550,337	6,552,813	31,281	0.37	07/27/12		
FED NAT MORTG ASSOC	AAA	7,000,000	7,054,084	7,059,063	33,031	0.34	07/30/12		
FED NAT MORTG ASSOC	AAA	10,000,000	10,076,080	10,084,375	47,188	0.34	07/30/12		
FED NAT MORTG ASSOC	AAA	10,000,000	10,078,800	10,084,375	47,188	0.34	07/30/12		
FED HOME LOAN BANK	AAA	15,175,000	15,912,387	15,900,555	265,141	0.36	08/15/12		
FED HOME LOAN BANK	AAA	12,000,000	12,161,646	12,191,250	75,250	0.35	08/22/12		
FED HOME LOAN BANK	AAA	10,000,000	10,164,540	10,196,875	59,444	0.36	09/14/12		
FED NAT MORTG ASSOC	AAA	10,000,000	10,456,160	10,484,375	128,819	0.35	09/15/12		
U.S. TREASURY NOTES	AAA	20,000,000	20,248,625	20,262,000	80,707	0.29	09/15/12		
U.S. TREASURY NOTES	AAA	10,000,000	9,998,629	10,011,000	9,426	0.29	09/30/12		
FED NAT MORTG ASSOC	AAA	10,000,000	9,972,393	10,015,625	8,472	0.38	10/30/12		
FED NAT MORTG ASSOC	AAA	10,000,000	9,992,859	10,015,625	8,472	0.38	10/30/12		
FED NAT MORTG ASSOC	AAA	10,000,000	10,005,037	10,003,125	8,472	0.48	10/30/12		
FED FARM CREDIT BANK	AAA	7,000,000	7,000,000	7,000,000	3,593	0.42	11/16/12		
FED NAT MORTG ASSOC	AAA	10,000,000	10,593,390	10,603,125	55,417	0.38	11/19/12		
FED FARM CREDIT BANK	AAA	7,000,000	7,000,000	7,000,000	3,238	0.45	11/23/12		
FEDERAL HOME LOAN MORTGAGE CORP.	AAA	10,000,000	9,951,583	9,996,875	3,229	0.40	11/30/12		
FED NAT MORTG ASSOC	AAA	7,000,000	6,983,210	7,002,188	219	0.35	12/28/12		
FEDERAL HOME LOAN MORTGAGE CORP.	AAA	10,000,000	10,103,923	10,146,875	65,694	0.41	01/09/13		
FED FARM CREDIT BANK	AAA	5,000,000	4,998,854	5,003,125	3,607	0.49	01/11/13		
FED NAT MORTG ASSOC	AAA	10,000,000	10,542,427	10,540,625	170,000	0.55	01/28/13		
FED HOME LOAN BANK	AAA	8,500,000	8,667,231	8,670,000	46,691	0.56	03/08/13		
FEDERAL HOME LOAN MORTGAGE CORP.	AAA	5,000,000	4,994,988	5,021,875	8,000	0.56	04/19/13		
FED FARM CREDIT BANK	AAA	10,000,000	9,996,511	9,984,375	111	0.49	04/29/13		
FED FARM CREDIT BANK	AAA	10,000,000	10,000,000	10,000,000	5,156	0.64	05/01/13		
FED HOME LOAN BANK	AAA	5,000,000	5,000,000	5,003,125	5,417	0.72	05/09/13		
U.S. TREASURY NOTES (Pledged to Union Bank - Consent Agreement)	AAA	3,000,000	3,064,316	3,064,688	2,302	0.52	06/14/13		
FED HOME LOAN BANK	AAA	5,000,000	5,107,193	5,107,813	3,837	0.52	06/14/13		
FEDERAL HOME LOAN MORTGAGE CORP.	AAA	5,000,000	5,000,000	5,004,688	1,111	0.75	06/21/13		
FEDERAL HOME LOAN MORTGAGE CORP.	AAA	10,000,000	10,000,000	10,009,375	2,222	0.75	06/21/13		
FEDERAL HOME LOAN MORTGAGE CORP.	AAA	15,000,000	15,000,000	15,070,313	62,333	0.88	08/15/13		
FED FARM CREDIT BANK	AAA	7,000,000	7,000,000	6,991,250	3,063	0.81	09/09/13		
FED NAT MORTG ASSOC	AAA	8,000,000	8,008,771	8,017,500	25,067	1.10	09/27/13		
FED NAT MORTG ASSOC	AAA	10,620,000	10,637,287	10,643,231	33,276	1.10	09/27/13		
FED FARM CREDIT BANK	AAA	8,000,000	7,987,540	8,062,500	28,111	1.09	03/28/14		
SUBTOTAL INTERMEDIATE TERM PORTFOLIO		672,790,000	678,420,962	679,430,197	3,125,461	0.41	306		

LONG - TERM PORTFOLIO									
SECURITY DESCRIPTION	S&P RATING	ORIGINAL FACE	BOOK VALUE	MARKET VALUE	ACCRUED INTEREST	MKT YIELD	MATURITY DATE		
WELLS FARGO ADVANTAGE GOVT. MONEY MARKET FUND		212,819	212,819	212,819	0	0.00	07/01/11		
FEDERAL HOME LOAN MORTGAGE CORP.	AAA	9,000,000	9,226,466	9,270,000	238,625	0.21	01/15/12		
FED FARM CREDIT BANK	AAA	9,840,000	9,889,852	9,935,325	89,107	0.23	01/17/12		
U.S. TREASURY NOTES	AAA	10,250,000	10,275,540	10,328,925	52,949	0.15	02/15/12		
U.S. TREASURY NOTES	AAA	10,000,000	10,022,297	10,085,000	40,353	0.18	03/15/12		
FEDERAL HOME LOAN MORTGAGE CORP.	AAA	9,860,000	9,931,164	9,989,413	57,037	0.32	03/23/12		
FED NAT MORTG ASSOC	AAA	10,000,000	10,053,585	10,125,000	36,979	0.32	04/20/12		
FED FARM CREDIT BANK	AAA	9,840,000	9,941,842	9,993,750	40,590	0.33	04/24/12		
FED HOME LOAN BANK	AAA	9,100,000	9,459,065	9,532,250	66,860	0.31	05/15/12		
U.S. TREASURY NOTES	AAA	10,000,000	10,012,212	10,101,000	17,561	0.22	05/15/12		
FED NAT MORTG ASSOC	AAA	9,245,000	9,552,506	9,588,798	53,833	0.65	05/18/12		
FED HOME LOAN BANK	AAA	9,955,000	10,027,531	10,104,325	5,703	0.33	06/20/12		
FEDERAL HOME LOAN MORTGAGE CORP.	AAA	9,230,000	9,607,130	9,697,269	218,123	0.26	07/15/12		
U.S. TREASURY NOTES	AAA	10,000,000	10,040,072	10,131,000	69,199	0.24	07/15/12		
FED HOME LOAN BANK	AAA	10,000,000	10,033,079	10,159,375	62,708	0.35	08/22/12		
FED NAT MORTG ASSOC	AAA	9,250,000	9,564,243	9,698,047	119,158	0.35	09/15/12		
FED HOME LOAN BANK	AAA	9,200,000	9,569,736	9,703,125	95,738	0.33	10/10/12		
U.S. TREASURY NOTES	AAA	10,250,000	10,249,611	10,391,450	29,651	0.30	10/15/12		
FED HOME LOAN BANK	AAA	9,265,000	9,643,310	9,774,575	53,274	0.48	11/15/12		
FED NAT MORTG ASSOC	AAA	9,205,000	9,625,693	9,760,177	51,011	0.38	11/19/12		
FED FARM CREDIT BANK	AAA	9,990,000	10,050,425	10,202,288	11,967	0.39	12/07/12		
U.S. TREASURY NOTES	AAA	10,175,000	10,151,844	10,289,978	5,004	0.35	12/15/12		
FEDERAL HOME LOAN MORTGAGE CORP.	AAA	10,165,000	10,140,032	10,314,298	66,778	0.41	01/09/13		
U.S. TREASURY NOTES	AAA	10,600,000	10,588,709	10,764,300	67,238	0.37	01/15/13		
FED NAT MORTG ASSOC	AAA	9,700,000	10,000,579	10,188,031	135,766	0.50	02/12/13		
U.S. TREASURY NOTES	AAA	11,000,000	10,973,737	11,174,900	56,823	0.39	02/15/13		
FED FARM CREDIT BANK	AAA	9,920,000	9,938,492	10,115,300	62,207	0.54	02/21/13		
FED HOME LOAN BANK	AAA	10,000,000	10,109,014	10,200,000	45,590	0.46	03/20/13		
FED FARM CREDIT BANK	AAA	10,000,000	9,987,843	10,184,375	1,910	0.44	06/25/13		
FEDERAL HOME LOAN MORTGAGE CORP.	AAA	9,650,000	10,287,847	10,403,906	103,939	0.61	09/27/13		
FED FARM CREDIT BANK	AAA	9,350,000	9,965,524	10,027,875	83,533	0.65	10/07/13		
FED HOME LOAN BANK	AAA	9,500,000	9,983,396	10,138,281	69,832	0.68	10/18/13		
U.S. TREASURY NOTES	AAA	11,000,000	11,295,162	11,366,300	18,634	0.61	11/30/13		

Attachment A
City of Long Beach, CA
Investment Portfolio
As of June 30, 2011

LONG - TERM PORTFOLIO

SECURITY DESCRIPTION	S&P RATING	ORIGINAL FACE	BOOK VALUE	MARKET VALUE	ACCRUED INTEREST	MKT YIELD	MATURITY DATE
FED NAT MORTG ASSOC	AAA	10,500,000	10,372,103	10,500,000	2,844	0.75	12/18/13
FEDERAL HOME LOAN MORTGAGE CORP.	AAA	9,965,000	10,210,792	10,404,083	120,410	0.73	01/07/14
FED NAT MORTG ASSOC	AAA	10,000,000	10,303,237	10,515,625	111,528	0.74	02/05/14
FED FARM CREDIT BANK	AAA	10,000,000	10,353,359	10,481,250	53,229	0.88	04/17/14
FEDERAL HOME LOAN MORTGAGE CORP.	AAA	10,000,000	10,436,064	10,443,750	47,222	0.90	04/23/14
U.S. TREASURY NOTES	AAA	10,500,000	10,607,598	10,569,300	13,410	0.77	05/15/14
FEDERAL HOME LOAN MORTGAGE CORP.	AAA	9,950,000	10,403,001	10,531,453	126,863	1.06	07/28/14
FED FARM CREDIT BANK	AAA	10,700,000	10,793,400	10,857,156	19,802	1.18	11/19/14
FED HOME LOAN BANK	AAA	5,000,000	5,165,002	5,218,750	41,250	1.53	03/13/15
SUBTOTAL LONG TERM PORTFOLIO		401,367,819	409,054,912	413,472,821	2,664,239	0.50	606
SAVRS LOAN		2,178,040	2,178,040	2,178,040	827	0.50	2853
TOTAL ALL PORTFOLIOS		1,820,507,950	1,835,316,606	1,840,879,717	6,945,715	0.38	296