



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

R-22

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December 14, 2010

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Receive and File the attached Investment Report for Quarter Ending September 30, 2010. (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 September 30, 2010, these funds had a market value of approximately \$1.623 billion, with approximately \$562 million, or approximately 35 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 September 30, 2010, Standard and Poor's reaffirmed the City's investment portfolio rating of AA Af 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 2010 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 0.58 percent. Book yield represents the return received on the total investment portfolio.

On September 30, 2010, the City's investment pool market yield was 0.40 percent. During the quarter, the average short-term benchmark increased one basis point, while the intermediate-term benchmark decreased nine basis points. The long-term benchmark decreased thirty-three basis points. The following table summarizes the City's investment pool market yield and performance for the quarter ending September 30, 2010:

Investment Portfolio Funds	Amount of Funds	Quarter End Values		
		Benchmark Return**	Weighted Avg Maturity*	Yield**
Short-Term Pool	\$ 459,046,942	0.16 percent	0.25 years	0.36 percent
Intermediate-Term Pool	\$ 752,768,865	0.27 percent	0.58 years	0.37 percent
Long-Term Pool	\$ 412,036,687	0.46 percent	1.85 years	0.50 percent
Total Pool	\$ 1,623,852,494	0.29 percent	0.81 years	0.40 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 September 30, 2010:

SHORT-TERM PORTFOLIO

Month	Amount of Funds Invested	Benchmark vs. Purchase Yield Analysis		
		Benchmark Return*	Purchase Yield**	Over/(Under) Benchmark*
July, 2010	\$ 47,775,000	0.15 percent	0.21 percent	0.06 percentage points
August, 2010	\$ 40,685,000	0.15 percent	0.22 percent	0.07 percentage points
September, 2010	\$ 68,000,000	0.15 percent	0.22 percent	0.07 percentage points
Total Funds	\$ 156,460,000	0.15 percent	0.22 percent	0.07 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 September 30, 2010:

INTERMEDIATE -TERM PORTFOLIO

Month	Amount of Funds Invested	Benchmark vs. Purchase Yield Analysis		
		Benchmark Return*	Purchase Yield**	Over/(Under) Benchmark*
July, 2010	\$ 25,000,000	0.29 percent	0.37 percent	0.08 percentage points
August, 2010	\$ 69,910,000	0.26 percent	0.41 percent	0.15 percentage points
September, 2010	\$ 45,910,000	0.26 percent	0.65 percent	0.39 percentage points
Total Funds	\$ 140,810,000	0.27 percent	0.48 percent	0.21 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 September 30, 2010. 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*
July, 2010	\$ 14,000,000	0.64 percent	0.97 percent	0.33 percentage points
August, 2010	\$ 11,000,000	0.54 percent	0.87 percent	0.33 percentage points
September, 2010	\$ 9,350,000	0.52 percent	0.92 percent	0.40 percentage points
Total Funds	\$ 34,350,000	0.58 percent	0.92 percent	0.35 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 September 30, 2010, the City has approximately \$50,000,000 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 October 26, 2010, and Budget and Performance Management Bureau Manager Lou Palmer on November 22, 2010.

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, CA
 Investment Portfolio
 As of September 30, 2010

AS OF:		09/30/10											
INVEST NO.	DESCRIPTION	RATING	PAR VALUE	BOOK VALUE	MARKET VALUE	ACCRUED INTEREST	MATURITY DATE	DURATION	MKT YIELD				
	UNION BANK OF CALIFORNIA		100,018,381	100,018,381	100,018,381	0	10/01/10	0.00	0.40				
	BANK OF AMERICA		9,166,878	9,166,878	9,166,878	0	10/01/10	0.00	0.00				
	LOCAL AGENCY INVESTMENT FUND (L.A.I.F.)		50,048,698	50,048,698	50,048,698	66,877	10/01/10	0.00	0.53				
	GUARANTEED MANAGED RATE ACCOUNT		219,606	219,606	219,606	20	10/01/10	0.00	0.11				
	TOTAL CASH AND EQUIVALENTS		159,453,563	159,453,563	159,453,563	66,897	1	0.002	0.42				
SHORT-TERM PORTFOLIO													
INVEST. NO.	SECURITY DESCRIPTION	RATING	PAR VALUE	BOOK VALUE	MARKET VALUE	ACCRUED INTEREST	MATURITY DATE	DURATION	MARKET YIELD				
13931	U.S. TREASURY BILL	AAA	10,000,000	9,999,242	10,000,000	0	10/14/10	0.038	0.21				
13987	U.S. TREASURY BILL	AAA	20,000,000	19,996,033	20,000,000	0	11/12/10	0.118	0.17				
14000	U.S. TREASURY BILL	AAA	20,000,000	19,996,500	20,000,000	0	11/12/10	0.118	0.15				
13792	FEDERAL HOME LOAN BANK	AAA	20,000,000	20,002,710	20,006,250	43,889	11/23/10	0.148	0.29				
13988	FEDERAL FARM CREDIT BANK	AAA	17,775,000	17,887,352	17,886,094	211,078	12/06/10	0.183	0.33				
13922	FEDERAL HOME LOAN MTG. CORP.	AAA	15,000,000	14,989,867	14,995,313	0	12/16/10	0.211	0.15				
14033	U.S. TREASURY BILL	AAA	30,000,000	29,982,400	29,981,251	0	02/10/11	0.364	0.17				
13990	FEDERAL HOME LOAN MTG. CORP.	AAA	10,000,000	9,990,764	9,993,750	0	02/11/11	0.367	0.17				
13981	FEDERAL HOME LOAN MTG. CORP.	AAA	13,895,000	14,226,554	14,238,033	34,738	03/15/11	0.454	0.23				
13975	FEDERAL HOME LOAN MTG. CORP.	AAA	10,000,000	10,071,584	10,075,000	69,965	04/26/11	0.568	0.31				
13972	U.S. TREASURY BILL	AAA	25,000,000	25,069,309	25,093,750	91,542	04/30/11	0.581	0.23				
14023	FED NAT MORTG ASSOC	AAA	20,000,000	19,975,111	19,975,000	0	05/13/11	0.616	0.20				
13962	FED NAT MORTG ASSOC	AAA	10,000,000	10,339,132	10,353,125	226,667	05/15/11	0.611	0.34				
13979	FEDERAL FARM CREDIT BANK	AAA	10,000,000	10,002,233	10,012,500	16,528	06/01/11	0.668	0.31				
13980	FEDERAL HOME LOAN MTG. CORP.	AAA	10,000,000	9,968,500	9,987,500	0	06/10/11	0.693	0.18				
13985	FED NAT MORTG ASSOC	AAA	6,549,000	6,726,344	6,737,284	30,335	08/15/11	0.866	0.33				
13982	FEDERAL FARM CREDIT BANK	AAA	10,000,000	10,013,879	10,031,250	5,478	09/01/11	0.918	0.34				
14032	FEDERAL HOME LOAN MTG. CORP.	AAA	8,000,000	7,998,830	7,997,500	800	09/22/11	0.977	0.43				
14006	FEDERAL HOME LOAN MTG. CORP.	AAA	4,185,000	4,196,528	4,194,155	9,445	01/26/12	1.313	1.08				
13950	FED NAT MORTG ASSOC	AAA	10,000,000	10,001,096	10,009,375	50,917	05/10/12	1.592	1.24				
14024	FEDERAL HOME LOAN BANK	AAA	10,000,000	10,011,635	10,006,250	8,854	08/10/12	1.852	0.59				
13983	FEDERAL HOME LOAN BANK	AAA	8,000,000	8,021,938	8,020,000	41,111	12/21/12	2.180	1.73				
	SUBTOTAL SHORT - TERM PORTFOLIO		298,404,000	299,467,540	299,593,379	841,346	138	0.562	0.33				
	SUB TOTAL CASH AND SHORT - TERM PORTFOLIO		457,857,563	458,921,103	459,046,942	908,243	90	0.37	0.36				

Attachment A
City of Long Beach, CA
Investment Portfolio
As of September 30, 2010

INTERMEDIATE-TERM PORTFOLIO										
INVEST. NO.	SECURITY DESCRIPTION	RATING	PAR VALUE	BOOK VALUE	MARKET VALUE	ACCRUED INTEREST	MATURITY DATE	DURATION	MARKET YIELD	
13783	FEDERAL HOME LOAN BANK	AAA	15,000,000	15,000,289	15,000,000	31,900	10/07/10	0.019	0.44	
13752	FED NAT MORTG ASSOC	AAA	10,000,000	10,007,997	10,009,375	134,965	10/12/10	0.033	0.06	
13817	FEDERAL HOME LOAN BANK	AAA	7,075,000	7,077,492	7,077,211	41,025	10/14/10	0.038	0.44	
13816	FEDERAL HOME LOAN BANK	AAA	10,260,000	10,260,902	10,260,000	53,295	10/15/10	0.041	0.50	
12470	FEDERAL HOME LOAN BANK (Pledged to Cigna)	AAA	7,000,000	6,999,551	7,017,500	135,260	10/22/10	0.060	0.28	
13743	FEDERAL HOME LN MTG CORP	AAA	10,000,000	10,037,202	10,040,625	102,222	11/23/10	0.148	0.11	
13769	U.S. TREASURY NOTE	AAA	15,000,000	15,021,897	15,023,437	63,012	11/30/10	0.167	0.31	
13738	FEDERAL FARM CREDIT BANK	AAA	7,684,000	7,730,841	7,732,025	91,248	12/06/10	0.183	0.33	
13723	U.S. TREASURY NOTE	AAA	10,000,000	10,009,157	10,015,625	22,113	12/31/10	0.252	0.25	
13745	FEDERAL HOME LN MTG CORP	AAA	10,000,000	10,030,845	10,034,375	35,000	01/07/11	0.271	0.22	
13784	FEDERAL HOME LN MTG CORP	AAA	20,780,000	20,837,636	20,851,431	72,730	01/07/11	0.271	0.22	
13926	FEDERAL HOME LN MTG CORP	AAA	15,000,000	15,193,993	15,201,563	144,479	01/18/11	0.301	0.26	
13849	FED NAT MORTG ASSOC	AAA	10,000,000	9,988,800	9,993,750	0	01/21/11	0.309	0.20	
13766	U.S. TREASURY NOTE	AAA	10,000,000	10,017,257	10,021,875	14,742	01/31/11	0.337	0.36	
13876	FED NAT MORTG ASSOC	AAA	6,000,000	5,990,200	5,996,250	0	02/25/11	0.405	0.15	
13770	U.S. TREASURY NOTE	AAA	10,000,000	10,016,283	10,028,125	7,493	02/28/11	0.413	0.20	
13808	U.S. TREASURY NOTE	AAA	10,000,000	10,013,630	10,028,125	7,493	02/28/11	0.413	0.20	
13807	FEDERAL HOME LOAN BANK	AAA	10,000,000	10,098,332	10,115,625	15,972	03/11/11	0.444	0.29	
13918	FEDERAL HOME LN MTG CORP	AAA	20,000,000	20,467,628	20,493,750	50,000	03/15/11	0.454	0.23	
13761	FED NAT MORTG ASSOC	AAA	8,000,000	8,043,744	8,057,500	3,111	03/23/11	0.476	0.25	
13924	FED NAT MORTG ASSOC	AAA	20,000,000	20,123,325	20,143,750	7,778	03/23/11	0.476	0.25	
13809	U.S. TREASURY NOTE	AAA	10,000,000	10,013,888	10,034,375	240	03/31/11	0.498	0.19	
13957	FEDERAL HOME LOAN BANK	AAA	4,500,000	4,500,000	4,502,813	500	04/06/11	0.515	0.38	
13959	FEDERAL HOME LN MTG CORP	AAA	11,000,000	11,074,208	11,082,500	76,962	04/26/11	0.568	0.31	
13735	FED NAT MORTG ASSOC	AAA	8,000,000	8,035,663	8,050,000	46,750	04/28/11	0.574	0.29	
13895	FED NAT MORTG ASSOC	AAA	4,738,000	4,760,200	4,767,613	27,688	04/28/11	0.574	0.29	
13854	U.S. TREASURY NOTE	AAA	10,000,000	10,028,694	10,037,500	36,617	04/30/11	0.581	0.23	
13921	U.S. TREASURY NOTE	AAA	15,000,000	15,035,229	15,056,250	54,925	04/30/11	0.581	0.23	
13737	FEDERAL HOME LOAN BANK	AAA	10,000,000	10,013,242	10,034,375	34,708	05/04/11	0.592	0.27	
13869	FEDERAL HOME LOAN BANK	AAA	25,000,000	25,059,574	25,085,938	86,771	05/04/11	0.592	0.27	
13944	FEDERAL HOME LOAN BANK	AAA	10,000,000	10,014,453	10,037,500	32,222	05/06/11	0.598	0.17	
13991	FED NAT MORTG ASSOC	AAA	15,000,000	14,968,128	14,981,250	10,767	05/13/11	0.619	0.54	
13878	FED NAT MORTG ASSOC	AAA	10,000,000	10,338,952	10,353,125	226,667	05/15/11	0.611	0.34	
13953	FED NAT MORTG ASSOC	AAA	15,000,000	15,504,751	15,529,688	340,000	05/15/11	0.611	0.34	
13934	FED NAT MORTG ASSOC	AAA	10,000,000	10,178,380	10,196,875	123,750	05/19/11	0.628	0.27	
13964	FEDERAL HOME LN MTG CORP	AAA	20,000,000	20,764,514	20,812,500	353,333	06/15/11	0.694	0.26	
13793	FEDERAL FARM CREDIT BANK	AAA	12,500,000	12,780,252	12,820,313	135,417	06/20/11	0.713	0.34	
13798	FEDERAL HOME LOAN BANK	AAA	10,000,000	10,184,790	10,209,375	90,938	06/24/11	0.725	0.51	

INTERMEDIATE-TERM PORTFOLIO										
INVEST. NO.	SECURITY DESCRIPTION	RATING	PAR VALUE	BOOK VALUE	MARKET VALUE	ACCRUED INTEREST	MATURITY DATE	DURATION	MARKET YIELD	
13935	FEDERAL HOME LN MTG CORP	AAA	10,000,000	10,243,561	10,265,625	99,028	06/29/11	0.738	0.31	
13670	U.S. TREASURY NOTES (Pledged to Union Bank - Consent Agreement)	AAA	2,700,000	2,699,173	2,717,719	7,676	06/30/11	0.747	0.25	
13670	U.S. TREASURY NOTE	AAA	12,300,000	12,296,234	12,380,719	34,970	06/30/11	0.747	0.25	
13977	FEDERAL HOME LOAN BANK	AAA	20,000,000	20,040,569	20,068,750	34,583	07/08/11	0.770	0.30	
13967	FEDERAL HOME LN MTG CORP	AAA	3,325,000	3,447,990	3,456,961	35,397	07/18/11	0.787	0.28	
13968	FEDERAL HOME LN MTG CORP	AAA	10,000,000	10,369,903	10,396,875	106,458	07/18/11	0.787	0.28	
13785	FEDERAL HOME LOAN BANK	AAA	15,000,000	15,106,407	15,159,375	43,333	07/27/11	0.821	0.33	
13871	U.S. TREASURY NOTE	AAA	7,000,000	7,028,692	7,043,750	11,793	07/31/11	0.831	0.25	
13945	FED NAT MORTG ASSOC	AAA	10,000,000	10,256,262	10,287,500	46,319	08/15/11	0.866	0.33	
14005	FEDERAL HOME LOAN BANK	AAA	10,000,000	10,000,000	9,996,875	5,000	08/16/11	0.877	0.44	
13870	U.S. TREASURY NOTE	AAA	10,000,000	10,040,218	10,065,625	8,564	08/31/11	0.914	0.28	
13923	FEDERAL HOME LOAN BANK	AAA	15,000,000	15,412,244	15,478,125	34,375	09/09/11	0.933	0.36	
14018	FEDERAL HOME LOAN BANK	AAA	7,910,000	8,159,494	8,164,603	11,947	09/16/11	0.952	0.27	
13971	FEDERAL FARM CREDIT BANK	AAA	11,045,000	11,349,365	11,393,608	190,066	10/03/11	0.983	0.36	
14035	FEDERAL FARM CREDIT BANK	AAA	10,900,000	10,986,996	10,974,938	60,291	10/03/11	1.000	0.44	
14028	FEDERAL HOME LOAN BANK	AAA	5,000,000	5,000,000	4,998,438	188	10/07/11	1.016	0.48	
13963	FEDERAL FARM CREDIT BANK	AAA	10,000,000	10,287,304	10,318,750	114,667	11/21/11	1.119	0.40	
14010	FEDERAL FARM CREDIT BANK	AAA	7,000,000	7,000,000	6,995,625	3,238	11/23/11	1.144	0.50	
13969	FEDERAL HOME LOAN BANK	AAA	10,815,000	10,818,572	10,865,695	29,714	11/25/11	1.147	0.38	
14017	FEDERAL HOME LN MTG CORP	AAA	10,000,000	10,086,429	10,090,625	33,125	12/15/11	1.200	0.37	
14019	FEDERAL HOME LOAN BANK	AAA	10,000,000	10,042,365	10,043,750	21,667	12/21/11	1.223	0.39	
13805	FEDERAL HOME LN MTG CORP	AAA	5,000,000	5,000,000	5,014,063	12,604	01/25/12	1.309	1.16	
13806	FEDERAL HOME LN MTG CORP	AAA	5,000,000	5,000,000	5,012,500	11,917	01/25/12	1.310	1.11	
13928	FEDERAL HOME LN MTG CORP	AAA	15,000,000	15,218,376	15,370,313	7,083	03/23/12	1.465	0.45	
13927	FED NAT MORTG ASSOC	AAA	15,000,000	15,160,419	15,328,125	125,781	04/20/12	1.528	0.46	
13952	FED NAT MORTG ASSOC	AAA	4,100,000	4,100,449	4,103,844	20,876	05/10/12	1.592	1.24	
13999	FEDERAL HOME LN MTG CORP	AAA	10,000,000	10,000,000	9,993,750	8,889	07/27/12	1.818	0.53	
14029	FEDERAL FARM CREDIT BANK	AAA	8,000,000	7,986,564	8,000,000	2,756	09/10/12	1.935	0.62	
14031	FED NAT MORTG ASSOC	AAA	10,000,000	9,997,050	10,009,375	667	09/28/12	1.983	0.75	
14041	FEDERAL HOME LN MTG CORP	AAA	5,000,000	5,000,000	5,007,813	333	09/28/12	1.983	0.72	
12622	FED NAT MORTG ASSOC	AAA	5,000,000	5,000,000	5,031,250	70,472	12/03/12	2.072	3.99	
14030	FEDERAL FARM CREDIT BANK	AAA	7,000,000	6,992,433	7,000,000	2,022	12/17/12	2.194	0.80	
14014	FEDERAL HOME LOAN BANK	AAA	5,000,000	5,000,000	5,000,000	3,299	08/23/13	2.874	0.62	
	SUBTOTAL INTERMEDIATE TERM PORTFOLIO		744,632,000	751,348,984	752,768,865	3,911,191	211	0.740	0.37	

LONG-TERM PORTFOLIO

INVEST. NO.	SECURITY DESCRIPTION	RATING	PAR VALUE	BOOK VALUE	MARKET VALUE	ACCRUED INTEREST	MATURITY DATE	DURATION	MARKET YIELD
13720	Dreyfus Govt Cash Management Fund	AAA	137,300	137,300	137,300	0	10/01/10	0.003	0.00
13813	U.S. TREASURY NOTE	AAA	10,000,000	10,022,663	10,162,500	51,936	05/15/12	1.605	0.37
13822	U.S. TREASURY NOTE	AAA	10,000,000	10,045,890	10,153,125	6,077	03/15/12	1.448	0.32
13842	U.S. TREASURY NOTE	AAA	10,175,000	10,139,983	10,318,086	33,778	12/15/12	2.180	0.48
13885	U.S. TREASURY NOTE	AAA	10,000,000	10,068,861	10,203,125	31,793	07/15/12	1.770	0.36
13892	U.S. TREASURY NOTE	AAA	10,250,000	10,305,988	10,397,344	18,000	02/15/12	1.365	0.33
13893	U.S. TREASURY NOTE	AAA	10,250,000	10,249,385	10,442,188	65,078	10/15/12	2.008	0.45
13911	U.S. TREASURY NOTE	AAA	11,000,000	10,961,688	11,220,000	19,317	02/15/13	2.341	0.53
13936	U.S. TREASURY NOTE	AAA	10,600,000	10,583,244	10,808,688	30,893	01/15/13	2.258	0.51
13961	U.S. TREASURY NOTE	AAA	9,425,000	9,856,713	9,881,524	142,534	11/30/11	1.135	0.34
14013	U.S. TREASURY NOTE	AAA	11,000,000	11,386,418	11,450,313	73,934	11/30/13	3.067	0.69
13731	FED FARM CREDIT BANK	AAA	9,600,000	9,847,781	9,903,000	165,200	10/03/11	0.983	0.36
13733	FED FARM CREDIT BANK	AAA	9,500,000	9,753,533	9,802,813	35,790	08/25/11	0.893	0.34
13771	FED FARM CREDIT BANK	AAA	9,840,000	9,958,526	10,039,875	39,907	01/17/12	1.283	0.43
13843	FED FARM CREDIT BANK	AAA	9,920,000	9,946,954	10,137,000	18,807	02/21/13	2.349	0.82
13864	FED FARM CREDIT BANK	AAA	9,990,000	10,082,043	10,252,238	58,795	12/07/12	2.140	0.66
13868	FED FARM CREDIT BANK	AAA	9,840,000	10,035,689	10,104,450	95,940	04/24/12	1.534	0.53
13965	FED FARM CREDIT BANK	AAA	10,000,000	9,983,245	10,175,000	36,285	06/25/13	2.685	0.73
14037	FED FARM CREDIT BANK	AAA	9,350,000	10,169,190	10,197,344	174,111	10/07/13	2.837	0.83
13775	FED HOME LOAN BANK	AAA	9,265,000	9,850,079	10,026,467	157,505	11/15/12	2.022	0.60
13824	FED HOME LOAN BANK	AAA	10,000,000	10,054,809	10,228,125	18,958	08/22/12	1.869	0.54
13865	FED HOME LOAN BANK	AAA	9,955,000	10,083,644	10,188,320	52,367	06/20/12	1.695	0.51
13866	FED HOME LOAN BANK	AAA	9,820,000	10,008,365	10,090,050	103,110	04/13/12	1.503	0.45

Attachment A
City of Long Beach, CA
Investment Portfolio
As of September 30, 2010

LONG-TERM PORTFOLIO

INVEST. NO.	SECURITY DESCRIPTION	RATING	PAR VALUE	BOOK VALUE	MARKET VALUE	ACCRUED INTEREST	MATURITY DATE	DURATION	MARKET YIELD
13882	FED HOME LOAN BANK	AAA	9,100,000	9,767,816	9,876,344	197,672	05/15/12	1.547	0.47
13883	FED HOME LOAN BANK	AAA	9,400,000	9,825,017	9,872,938	169,298	11/18/11	1.099	0.42
13884	FED HOME LOAN BANK	AAA	9,200,000	9,787,228	9,961,875	202,113	10/10/12	1.922	0.51
13992	FED HOME LOAN BANK	AAA	9,500,000	10,141,216	10,310,469	155,925	10/18/13	2.877	0.79
13781	FED NAT MORTG ASSOC	AAA	9,250,000	9,759,740	9,937,969	17,986	09/15/12	1.897	0.55
13823	FED NAT MORTG ASSOC	AAA	10,000,000	10,103,646	10,218,750	83,854	04/20/12	1.528	0.46
13847	FED NAT MORTG ASSOC	AAA	9,700,000	10,140,264	10,372,938	47,860	02/12/13	2.282	0.67
13863	FED NAT MORTG ASSOC	AAA	9,205,000	9,853,779	10,013,314	160,320	11/19/12	2.028	0.61
13867	FED NAT MORTG ASSOC	AAA	9,245,000	9,814,419	9,903,706	166,506	05/18/12	1.566	0.49
13904	FED NAT MORTG ASSOC	AAA	10,000,000	9,983,089	10,056,250	19,201	01/12/12	1.277	0.43
13913	FED NAT MORTG ASSOC	AAA	10,000,000	10,127,536	10,203,125	45,556	01/09/12	1.260	0.40
13937	FED NAT MORTG ASSOC	AAA	10,000,000	10,017,563	10,075,000	35,556	11/23/11	1.140	0.34
12867	FEDERAL HOME LN MTG CORP	AAA	2,360,000	2,359,710	2,385,075	10,653	02/11/11	0.367	0.33
13732	FEDERAL HOME LN MTG CORP	AAA	10,100,000	10,107,233	10,191,531	33,456	12/15/11	1.200	0.37
13772	FEDERAL HOME LN MTG CORP	AAA	9,860,000	10,004,502	10,103,419	4,656	03/23/12	1.465	0.45
13776	FEDERAL HOME LN MTG CORP	AAA	9,000,000	9,541,649	9,607,500	109,250	01/15/12	1.252	0.50
13841	FEDERAL HOME LN MTG CORP	AAA	10,165,000	10,127,730	10,333,358	31,836	01/09/13	2.241	0.64
13862	FEDERAL HOME LN MTG CORP	AAA	9,230,000	9,879,390	9,985,706	99,863	07/15/12	1.721	0.53
13912	FEDERAL HOME LN MTG CORP	AAA	9,460,000	9,886,641	9,927,088	23,124	09/15/11	0.945	0.34
	SUBTOTAL LONG TERM PORTFOLIO		394,692,300	404,760,160	409,655,226	3,044,803	659	1.758	0.50
	SAVRS LO		2,381,462	2,381,462	2,381,462	1,111	04/22/19	7.639	0.54
	TOTAL ALL PORTFOLIOS		1,599,563,325	1,617,411,710	1,623,852,494	7,865,349	294	0.902	0.40