




Office of the City Manager

INFORMATION CALENDAR

September 20, 2005

To: Honorable Mayor and
Members of the City Council

From:  Phil Kamlarz, City Manager

Submitted by: Fran David, Director, Finance

Subject: Investment Report: Quarter Ended June 30, 2005

SUMMARY

- All local agencies are required to file reports on a quarterly basis with their legislative body on the status of their investment portfolio. The report includes all investments managed by the City of Berkeley and provides information on the values (par, book, and market), term, and yield of each security.
- The return on pooled investments for the quarter ended June 30, 2005 was 3.369% or .52% higher than the 2.849% earned by the State Local Agency Investment Fund, which is the benchmark for investment performance used by the City. Staff expects this difference to continue to narrow in future quarters because the yield curve (i.e., relationship between long and short-term interest rates) continues to flatten. The rate earned by the City during the fourth quarter increased .10% from the quarter ended March 31, 2005.
- Staff expects an increase of approximately 22% in the City's interest income in FY 2006 as a result of the increases in short-term interest rates.
- The return on Retiree Medical Trust Fund (Miscellaneous Plan) investments for the quarter was 7.947% or .947% higher than the 7% return the City's actuary determined that the City needed to earn on investments to fund the plan at the 70% level;
- All investments made were in compliance with the City's investment policies;
- The Federal Reserve Board (the Fed) has increased the Federal Funds rate (i.e., short-term interest rates) from 1% on June 30, 2004, to 3.50% on August 9, 2005. Bond market participants expect the rate to increase to 4.0% by year-end, and they give it a 50/50 chance of increasing to 4.5% by August 2006. As short-term interest rates continue to increase from the current level, medium and long-term rates are expected to increase slightly from current levels.

CURRENT SITUATION AND ITS EFFECTS

All local agencies are required to file reports on a quarterly basis with their legislative body on the status of their investment portfolio. The report includes all investments managed by the City of Berkeley and provides information on the values (par, book, and market), term, and yield of each security.

Summary information by type of security and detailed information on each security is provided on Attachment I page A-2. An evaluation of portfolio performance this accounting period compared to the previous two accounting periods is also included on Attachment I page A-1.

Portfolio Results

*** Liquidity of Portfolio**

The average investment in the pooled portfolio matures in 583 days, a decrease of 27 days from the quarter ending March 31, 2005. The drop in the average maturity of the investment portfolio occurred because staff is investing funds in one to two year maturities versus four or five year maturities because the market isn't currently compensating investors for assuming the risk associated with the longer maturities (i.e., yields of 4.14% to 4.40% are available on one to two-year securities versus 4.75% to 5.0% on four and five-year securities).

*** Comparison of Results to Performance Measures – Pooled Investments**

The City's yield on investments for the quarter ended June 30, 2005 was 3.369%, an increase of 10 basis points (0.10%) from the quarter ended March 31, 2005. The average yield on a 90-day Treasury bill during the quarter ended June 30, 2005 was 2.97%, an increase of 0.23% from the previous quarter.

Staff exceeded their performance measure on the rate of return for April 2005, May 2005, and June 2005 by 63 basis points (0.63%), 47 basis points (0.47%), and 46 basis points (0.46%), respectively. The performance measure for the return on investments is that the rate of return of the portfolio is above the rate earned by State LAIF.

PERIOD	CITY	STATE LAIF	DIFFERENCE
April 2005	3.353%	2.724%	0.63%
May 2005	3.325%	2.856%	0.47%
June 2005	3.430%	2.967%	0.46%
April 1 through June 30, 2005	3.369%	2.849%	0.52%

The difference between the rates earned by the City and State LAIF has already started to narrow since the Fed started increasing short-term interest rates, because of the narrowing of the interest rate yield curve. Staff expects this difference to narrow further as the yield curve continues to flatten in the coming months.

* **Investment Results-Retiree Health Insurance Funds**

Average interest rates earned on the retiree health insurance trust funds for the quarter ended June 30, 2005 were as follows:

Retiree Medical Trust Fund (Miscellaneous Employees)	7.947%
Fire Retiree Medical Trust Fund	5.014%
Police Retiree Medical Trust Fund	5.665%

Currently, the rates earned on the miscellaneous plan are higher than those earned on the Fire and Police plans because some miscellaneous purchases were made earlier when rates were higher, and the maturities on the miscellaneous securities are longer.

Details related to retiree health trust fund investments are in Attachment I, Exhibits B, C and D of this report.

* **Discussion of Interest Rate Environment and Outlook**

Staff analysis indicates that there are two inter-related macro economic factors that could significantly impact the City's General Fund interest income and other revenue results in FY 2006: (1) the interest rate environment; and (2) the level of the U.S. dollar in currency markets, and the inclination of foreign central banks to diversify their holdings of foreign currency away from the dollar.

Interest Rate Environment

During the quarter, the targeted Federal Funds rate rose from 2.75% to 3.25% on June 30 2005, as the Federal Reserve Board increased the rate by .25% for the ninth straight time. This trend will favorably impact the amount of interest income earned by the City in FY 2006. Since June 30, 2004, the targeted Federal funds rate increased from 1% to 3.25 as of June 30, 2005.

The Fed is trying to move the Federal Funds rate to a neutral level (i.e., a rate that neither stimulates nor hinders growth in the economy). That rate has typically ranged between 3% and 5%. Bond market participants originally thought the Fed would increase the Federal Funds rate to 3.75% and stop. However, they now feel certain that the Fed will raise the rate to 3.75% at its September 20, 2005 meeting, and to 4.0% at its November 1, 2005 meeting, as reflected by the Federal Funds Futures quotes on August 12, 2005. Bond market participants are less certain about the Fed's intentions in calendar year 2006: Currently, bond market participants believe the Fed will continue to raise the Federal Funds rate in 2006, with a 68% probability of a move to 4.25% at its February 2006 meeting, and a 52% probability the rate will be raised to 4.5% in August 2006. (See Attachment II – Federal Funds Futures quotes).

Despite the 250 basis points increase in short-term interest rates since June 30, 2004, the rates on medium and long-term securities have actually declined (with the 5-year Treasury Note declining from 3.93% on June 30, 2004 to 3.77% on June 30, 2005, and the 10-year

Treasury Note declining from 4.73% on June 30, 2004 to 4.00 on June 30, 2005). In the near future, staff expects medium and long-term interest rates to increase slightly in reaction to further increases in short-term rates. Staff is expecting the yield curve to flatten further as the Federal Funds rate moves up to 4.0%, by the end of the calendar year. As a result of the flattening of the yield curve, Staff has determined that securities that provide the most value are one and two-year securities, which yield rates close to those of four and five-year securities, without the risks inherent in longer-term securities.

The primary reasons staff doesn't expect a dramatic increase in long-term rates that might normally accompany a Fed tightening of interest rates like we have experienced over the last year are (1) inflation is expected to remain relatively low; (2) the economy is expected to grow at a slow to moderate pace; (3) the U.S. economy is highly leveraged and raising interest rates higher than the level needed to keep inflation under control is likely to produce a recession; (4) since Federal Reserve Board Chairman, Alan Greenspan, is retiring from the Fed in January 2006, it is unlikely he will make moves that will trigger a recession; and (5) the huge U.S. current account deficit (estimated at approximately \$600 billion for calendar years 2005 and 2006) will result in a huge demand for U. S. Treasury securities. This demand will continue to be there as long as foreigners (especially Japan and China) consider growth in exports to the U.S. to be a high priority. Since the savings rate in the U. S. is so low, the growth in these imports has to be financed by foreigners, particularly the countries benefiting from the trade deficit (Japan, China and other Asian countries). For example, purchases of Treasuries from foreign entities exceeded \$400 billion for the fiscal year ended September 30, 2004, and totaled \$220 billion from October 1, 2004 through June 30, 2005.

Level of the Dollar in Currency Markets

Foreigners own over 50% of U. S. Treasury securities and are major participants in Treasury auctions. Japan also spends billions of dollars to prop up the dollar in the currency markets, to try to keep their currency (and exported goods) from getting too expensive. If foreigners started selling their vast holdings of U. S. Treasury securities, there would be a financial crisis in the world's financial markets. Interest rates would rise sharply, and the U. S. would be forced into a recession because there would be less debt financing available for all kinds of purchases (e.g., homes, factories, purchases of other companies, purchases of products).

Foreigners don't even have to sell current Treasury holdings for there to be severe negative consequences for Treasury Bond prices and interest rates. If they merely reduced their participation in Treasury auctions, Treasury Bond prices would start declining, and interest on Treasury Bonds would rise. At some point, these foreign investors are going to be concerned about diversifying away from U.S. Treasury securities and about their return on investment. That return on investments is reduced when the dollar falls relative to their currency, because this results in currency losses. Although it is possible that Japan and China could withdraw their support for the dollar (as it continues to fall in the currency markets), and cause the Fed to defend the dollar by raising interest rates sharply, it is unlikely to happen any time soon. This scenario is unlikely because both countries need the massive exports to the U.S. to sustain economic growth in their own countries.

BACKGROUND

Pooled Investments

Short-term cash is invested primarily in government sponsored enterprises (referred to as Federal Agency) discount notes and commercial paper. Additional cash is invested in a money market fund or over night securities to meet the liquidity needs of the City. Pooled investments are also made in medium term notes, treasury coupon securities, and federal agency coupon securities for periods of one to five years.

In some cases, the City may have investments with a current market value that is greater or less than the recorded cost. These changes in market value are due to fluctuations in the marketplace having no effect on yield, as the City does not intend to sell securities prior to maturity.

Retiree Health Trust Fund Investments

The City agreed to provide retiree Health insurance coverage for fire, police and miscellaneous employees under certain terms and conditions. An actuarial study commissioned by the City determined that, in addition to City Contributions, a rate of return of 7% on miscellaneous employees trust fund assets invested must be achieved to fund the retiree health benefit at the desired 70% level.

City Finance Department staff manages these investment portfolios. The City's investment policies were revised on November 23, 1999 to provide the necessary flexibility in maturity limits and investment options needed to enable the retiree health plan assets to earn the 7% rate of return required to fund the plan at the 70% level.

CONTACT PERSON

Robert Hicks, Deputy Director of Finance, Finance Department, 981-7339

Attachments:

I: Investment Details for the Quarter Ended June 30, 2005

Exhibit A: Pooled Investments Portfolio Results

Exhibit B: Miscellaneous Employees Retiree Medical Trust Fund

Exhibit C: Fire Medical Trust Fund

Exhibit D: Police Medical Trust Fund

II: Federal Funds Futures Quotes

ATTACHMENT I

INVESTMENT DETAILS FOR THE QUARTER ENDED JUNE 30, 2005

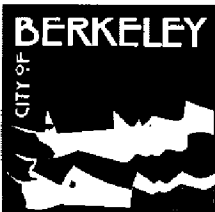
EXHIBIT A

POOLED INVESTMENTS PORTFOLIO RESULTS

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**PORTFOLIO EVALUATION
QUARTER ENDED JUNE 30, 2005**

DESCRIPTION	June-05		March-05		December-04	
TOTAL PORTFOLIO:						
POOLED INVESTMENTS	\$144,849,685		\$129,061,569		\$125,599,108	
RETIREE HEALTH TRUST FUND INVESTMENTS	4,801,021		4,800,086		4,799,151	
OTHER NON-POOLED INVESTMENTS	<u>0</u>		<u>0</u>		<u>0</u>	
TOTAL INVESTMENTS	<u>149,650,706</u>		<u>133,861,655</u>		<u>130,398,259</u>	
AVERAGE LIFE OF PORTFOLIO:						
POOLED INVESTMENTS	583 days		610 days		748 days	
NON-POOLED INVESTMENTS	6.36 years		6.56 years		6.76 years	
CITY - WEIGHTED YIELD						
POOLED INVESTMENTS	3.427%		3.205%		3.271%	
RETIREE HEALTH TRUST INVESTMENTS	6.20%		6.20%		6.25%	
PRIME RATE AT END OF PERIOD						
90 DAY CD RATE	3.38%		2.97%		2.45%	
90 DAY T-BILL RATE	2.97%		2.74%		2.19%	
2 YEAR T-BILL RATE	3.64%		3.73%		3.01%	
TOTAL INVESTMENTS MATURING WITHIN 1 TO 365 DAYS	68,699,018	45.91%	56,817,628	42.45%	48,717,163	37.36%
TOTAL INVESTMENTS MATURING WITHIN 1 TO 3 YEARS	40,811,788	27.27%	32,810,596	24.51%	5,026,391	3.85%
TOTAL INVESTMENTS MATURING WITHIN 3 TO 5 YEARS	35,490,116	23.72%	39,584,354	29.57%	72,006,333	55.22%
TOTAL INVESTMENTS MATURING WITHIN 5 TO 10 YEARS	3,506,831	2.34%	3,507,126	2.62%	3,507,421	2.69%
TOTAL INVESTMENTS MATURING OVER 10 YEARS	1,142,952	0.76%	1,141,951	0.85%	1,140,950	0.87%
TOTAL	<u>149,650,706</u>	100%	<u>133,861,655</u>	100%	<u>130,398,259</u>	100%



Pooled Investments Selected Funds
Investments by Issuer
Active Investments
Sorted by Maturity Date
June 30, 2005

City of Berkeley
 2180 Milvia Street
 Berkeley, Ca 94704
 (510)981-7339

CUSIP	Investment #	Security Type	Investment Class	Book Value	Current Rate	Market Value	Market Date	YTM 365	YTM Redemption Date	Days To Maturity	Call Date	Collateral
AMERICAN EXPRESS CARD												
02581RU19	11240	Commercial Paper Disc. -Amortizing	Held	3,000,000.00		2,999,700.00	06/30/2005	3.194	07/01/2005			
		Subtotal and Average		3,000,000.00		2,999,700.00		3.194				
farm credit												
313313HU5	11224	Federal Agency Disc. -Amortizing	Held	9,645,965.76	3.010	9,646,140.00	06/30/2005	3.056	07/06/2005	5		
		Subtotal and Average		9,645,965.76		9,646,140.00		3.056		5		
federal farm credit bank												
31331TPE5	11039	Federal Agency Coupon Securities	Held	3,452,960.00	3.150	3,452,960.00	06/30/2005	3.122	07/12/2007	741		
		Subtotal and Average		3,452,960.00		3,452,960.00		3.122		741		
federal home loan bank board												
313385HZ2	11241	Federal Agency Disc. -Amortizing	Held	10,990,772.22	3.020	10,999,880.00	06/30/2005	3.065	07/11/2005	10		
313385JD9	11222	Federal Agency Disc. -Amortizing	Held	4,549,544.12	3.080	4,549,534.00	06/30/2005	3.130	07/15/2005	14		
31338BAK8	11069	Federal Agency Coupon Securities	Held	4,981,941.43	2.500	4,960,950.00	06/30/2005	3.076	02/24/2006	238		
3133XC5Y5	11237	Federal Agency Coupon Securities	Held	5,000,000.00	4.000	4,984,400.00	06/30/2005	4.003	03/30/2007	637	03/30/2006	
3133XAYS0	11144	Federal Agency Coupon Securities	Held	3,000,000.00	4.000	3,003,750.00	06/30/2005	4.000	09/24/2007	815	03/24/2006	
3133X8WV6	11063	Federal Agency Coupon Securities	Held	3,000,000.00	3.000	2,996,250.00	06/30/2005	2.833	10/19/2007	840	07/19/2005	
3133XB74	11191	Federal Agency Coupon Securities	Held	5,000,000.00	4.050	5,006,250.00	06/30/2005	4.050	11/16/2007	868	05/16/2006	
3133XBQ57	11192	Federal Agency Coupon Securities	Held	5,000,000.00	4.180	5,006,250.00	06/30/2005	4.182	02/19/2008	963		
3133MYX9	10999	Federal Agency Coupon Securities	Held	5,000,000.00	3.250	4,942,200.00	06/30/2005	3.100	06/05/2008	1,070	09/05/2005	
31339XKC7	11019	Federal Agency Coupon Securities	Held	3,000,000.00	3.250	2,979,390.00	06/30/2005	3.000	06/26/2008	1,091	09/26/2005	
3133XC27	11236	Federal Agency Coupon Securities	Held	3,000,000.00	4.000	3,000,000.00	06/30/2005	4.000	06/30/2008	1,095	09/30/2005	
31339YQF2	11029	Federal Agency Coupon Securities	Held	3,000,000.00	3.000	2,988,750.00	06/30/2005	2.950	07/30/2008	1,125	07/30/2005	
31339YK27	11030	Federal Agency Coupon Securities	Held	3,000,000.00	3.000	2,956,890.00	06/30/2005	2.900	07/30/2008	1,125	07/30/2005	
3133X07B9	11033	Federal Agency Coupon Securities	Held	5,000,000.00	3.500	5,000,000.00	06/30/2005	3.400	08/20/2008	1,146	08/20/2005	
3133X3S46	11046	Federal Agency Coupon Securities	Held	3,000,000.00	3.125	2,968,140.00	06/30/2005	3.125	02/25/2009	1,335	08/25/2005	
		Subtotal and Average		66,522,257.77		66,332,634.00		3.388		707		
federal home loan mortgage cor												
31340SK76	10314	Federal Home Loan Mortgage Corp	Held	674.94	7.000	692.89	06/30/2005	7.000		1		
313397JH5	11225	Federal Agency Disc. -Amortizing	Held	9,984,350.00	3.130	9,984,000.00	06/30/2005	3.181	07/19/2005	18		

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Pooled Investments Selected Funds
Investments by Issuer
Sorted by Maturity Date

CUSIP	Investment #	Security Type	Investment Class	Book Value	Current Rate	Market Value	Market Date	YTM	Redemption Date	Days To Maturity	Call Date	Collateral
3128X4CK5	11233	Federal Agency Coupon Securities	Held	4,000,000.00	4.000	3,996,680.00	06/30/2005	3.85	06/29/2007	728	12/29/2005	
3128X2MF9	11062	Federal Agency Coupon Securities	Held	2,250,000.00	3.750	2,240,257.50	06/30/2005	3.749	01/28/2008	941	07/28/2005	
3128X1EB9	11000	Federal Agency Coupon Securities	Held	1,925,000.00	3.250	1,891,312.50	06/30/2005	3.005	06/04/2008	1,069		
3128X2KUB	11041	Federal Agency Coupon Securities	Held	5,000,000.00	3.250	4,987,150.00	06/30/2005	3.200	01/14/2009	1,293	07/14/2005	
3128X26Y6	11051	Federal Agency Coupon Securities	Held	4,000,000.00	4.125	4,011,320.00	06/30/2005	4.125	04/27/2009	1,396		
		Subtotal and Average		27,160,024.94		27,111,412.89		3.479		711		
fidelity money market												
SYS10245	10245	Fidelity Money Market	Held	0.00		0.00				1		
		Subtotal and Average		0.00		0.00						
federal national mortgage asso												
313588JR5	11220	Federal Agency Disc. -Amortizing	Held	8,927,033.28	3.090	8,926,421.90	06/30/2005	3.144	07/27/2005	26		
3136F5AS0	11064	Federal Agency Coupon Securities	Held	2,400,000.00	2.250	2,369,256.00	06/30/2005	3.150	05/17/2006	320		
31359MLH4	10323	Federal Agency Coupon Securities	Held	1,999,274.19	4.375	2,016,260.00	06/30/2005	4.407	10/15/2006	471		
3136F6SM2	11068	Federal Agency Coupon Securities	Held	5,000,000.00	3.580	4,973,450.00	06/30/2005	3.580	06/28/2007	727		
3136F6VP1	11078	Federal Agency Coupon Securities	Held	5,000,000.00	3.720	4,985,950.00	06/30/2005	3.720	07/18/2007	747	01/18/2006	
3136F5BL4	11048	Federal Agency Coupon Securities	Held	4,000,000.00	4.100	3,988,760.00	06/30/2005	4.000	02/13/2009	1,323		
		Subtotal and Average		27,326,307.47		27,260,097.90		3.547		534		
MORGAN STANLEY DEAN WITTER												
61745KU13	11238	Commercial Paper Disc. -Amortizing	Held	3,000,000.00		2,999,700.00	06/30/2005	3.387	07/01/2005			
		Subtotal and Average		3,000,000.00		2,999,700.00		3.387				
us treasury												
912810CY2	10292	Treasury Coupon Securities	Held	636,787.97	14.000	695,134.70	06/30/2005	7.847	11/15/2006	502		
912810DF2	10141	Treasury Coupon Securities	Held	522,915.76	12.000	615,853.44	06/30/2005	8.449	08/15/2008	1,141		
		Subtotal and Average		1,159,703.73		1,310,988.14		8.118		790		
UBS FINANCE												
90262CU13	11239	Commercial Paper Disc. -Amortizing	Held	3,000,000.00		2,999,700.00	06/30/2005	3.377	07/01/2005			
		Subtotal and Average		3,000,000.00		2,999,700.00		3.377				
Wells Fargo Bank												
SYS11067	11067	Wells Fargo FHLB Investments	Held	535,425.25		535,425.25				1		
		Subtotal and Average		535,425.25		535,425.25				1		
		Total and Average		144,849,684.92		144,648,758.18		3.427		583		



City of Berkeley
2180 Milvia Street
Berkeley, Ca 94704
(510)981-7339

Pooled Investments Selected Funds
Interest Earnings
Sorted by Fund - Issuer
April 1, 2005 - June 30, 2005
Yield on Average Book Value

CUSIP	Investment #	Fund	Issuer	Ending Par Value	Beginning Book Value	Average Book Value	Maturity Date	Current Rate	Annualized Yield	Interest Earned	Amortization/ Accretion	Adjusted Interest Earnings
Fund: pooled investment-long term												
31331TPE5	11039	010	FFCB	3,500,000.00	3,500,000.00	3,500,000.00	07/12/2007	3.150	3.159	27,562.50	0.00	27,562.50
3133MYX9	10989	010	FHLB	5,000,000.00	5,000,000.00	5,000,000.00	06/05/2008	3.250	3.081	38,402.78	0.00	38,402.78
31339XKC7	11019	010	FHLB	3,000,000.00	3,000,000.00	3,000,000.00	06/26/2008	3.250	3.022	22,604.17	0.00	22,604.17
31339YQF2	11029	010	FHLB	3,000,000.00	3,000,000.00	3,000,000.00	07/30/2008	3.000	3.008	22,500.00	0.00	22,500.00
31339YK27	11030	010	FHLB	3,000,000.00	3,000,000.00	3,000,000.00	07/30/2008	3.000	3.008	22,500.00	0.00	22,500.00
3133X07B9	11033	010	FHLB	5,000,000.00	5,000,000.00	5,000,000.00	08/20/2008	3.500	3.510	43,750.00	0.00	43,750.00
3133X3S46	11046	010	FHLB	3,000,000.00	3,000,000.00	3,000,000.00	02/25/2009	3.125	3.134	23,437.50	0.00	23,437.50
3133X7CN2	11058	010	FHLB	3,000,000.00	3,000,000.00	2,307,692.31	12/10/2007	4.000	3.998	23,000.00	0.00	23,000.00
3133XBWV8	11063	010	FHLB	3,000,000.00	3,000,000.00	3,000,000.00	10/19/2007	3.000	2.808	21,000.00	0.00	21,000.00
3133XBAK8	11069	010	FHLB	4,974,966.02	4,974,966.02	4,978,504.83	02/24/2006	2.500	3.080	31,250.00	6,975.41	38,225.41
3133XAYS0	11144	010	FHLB	3,000,000.00	3,000,000.00	3,000,000.00	09/24/2007	4.000	4.011	30,000.00	0.00	30,000.00
3133XB74	11191	010	FHLB	5,000,000.00	5,000,000.00	5,000,000.00	11/16/2007	4.050	4.017	25,312.50	0.00	25,312.50
3133XBQ57	11192	010	FHLB	5,000,000.00	5,000,000.00	5,000,000.00	02/19/2008	4.180	4.139	24,383.33	0.00	24,383.33
3133XC27	11236	010	FHLB	3,000,000.00	3,000,000.00	3,000,000.00	06/30/2008	4.000	4.056	333.33	0.00	333.33
3133XC5Y5	11237	010	FHLB	5,000,000.00	5,000,000.00	5,000,000.00	03/30/2007	4.000	4.056	555.56	0.00	555.56
31340SK75	10314	010	FHLMC	674.94	748.64	713.42		7.000	5.015	8.92	0.00	8.92
3128X1EB9	11000	010	FHLMC	1,925,000.00	1,925,000.00	1,925,000.00	06/04/2008	3.250	3.259	15,640.63	0.00	15,640.63
3128X2KU8	11041	010	FHLMC	5,000,000.00	5,000,000.00	5,000,000.00	01/14/2009	3.250	3.259	40,625.00	0.00	40,625.00
3128X26Y8	11051	010	FHLMC	4,000,000.00	4,000,000.00	4,000,000.00	04/27/2009	4.125	4.136	41,250.00	0.00	41,250.00
3128X2MF9	11062	010	FHLMC	2,250,000.00	2,250,000.00	2,250,000.00	01/28/2008	3.750	3.760	21,093.75	0.00	21,093.75
3128X4CK5	11233	010	FHLMC	4,000,000.00	4,000,000.00	4,000,000.00	06/29/2007	4.000	4.056	888.89	0.00	888.89
31359MLH4	10323	010	FNMA	1,999,133.41	1,999,133.41	1,999,204.83	10/15/2006	4.375	4.417	21,875.00	140.78	22,015.78
3136F1B66	10534	010	FNMA	5,000,000.00	5,000,000.00	5,000,000.00	05/03/2007	5.150	5.222	22,888.89	0.00	22,888.89
3136F5BL4	11048	010	FNMA	4,000,000.00	4,000,000.00	4,000,000.00	02/13/2009	4.100	4.111	41,000.00	0.00	41,000.00
3136F5AS0	11064	010	FNMA	2,400,000.00	2,400,000.00	2,400,000.00	05/17/2006	2.250	2.256	13,500.00	0.00	13,500.00
3136F6SM2	11068	010	FNMA	5,000,000.00	5,000,000.00	5,000,000.00	06/28/2007	3.580	3.590	44,750.00	0.00	44,750.00
3136F6VP1	11078	010	FNMA	5,000,000.00	5,000,000.00	5,000,000.00	07/18/2007	3.720	3.730	46,500.00	0.00	46,500.00
79549BCM	10030	010	SALOMO	4,000,000.00	4,000,000.00	4,000,000.00	06/15/2005	6.250	6.167	51,388.89	-695.04	50,693.85
912810CF2	10141	010	TREASU	496,000.00	525,062.42	523,977.30	08/15/2008	12.000	9.810	14,962.20	-2,146.66	12,815.54
912810CY2	10292	010	TREASU	611,000.00	641,462.88	639,099.64	11/15/2006	14.000	10.448	21,322.08	-4,674.71	16,647.37

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Pooled Investments Selected Funds
Interest Earnings

April 1, 2005 - June 30, 2005

CUSIP	Investment #	Fund	Issuer	Ending Par Value	Beginning Book Value	Average Book Value	Maturity Date	Current Rate	Annualized Yield	Interest Earned	Adjusted Interest Earnings	
											Amortization/Accretion	Adjusted Interest Earnings
Fund: pooled investments-short term												
313385FZ4	11198	020	FHLB	20,000,000.00	0.00	219,780.22	05/24/2005	2.900	2.940	0.00	1,611.11	1,611.11
313385GAB	11199	020	FHLB	28,000,000.00	0.00	307,692.31	05/25/2005	2.900	2.940	0.00	2,255.56	2,255.56
313385GW0	11200	020	FHLB	15,000,000.00	0.00	3,458,701.92	06/14/2005	2.950	2.993	0.00	25,812.50	25,812.50
313385GB6	11201	020	FHLB	29,000,000.00	0.00	318,681.32	05/26/2005	2.910	2.950	0.00	2,344.17	2,344.17
313385GG5	11203	020	FHLB	25,000,000.00	0.00	1,373,404.30	05/31/2005	2.910	2.951	0.00	10,104.17	10,104.17
313385GHS	11204	020	FHLB	27,000,000.00	0.00	296,703.30	06/01/2005	2.980	3.021	0.00	2,235.00	2,235.00
313385FF8	11205	020	FHLB	17,000,000.00	0.00	186,813.19	05/06/2005	2.890	2.930	0.00	1,364.72	1,364.72
313385GJ9	11206	020	FHLB	27,000,000.00	0.00	296,703.30	06/02/2005	2.950	2.991	0.00	2,212.50	2,212.50
313385GK6	11207	020	FHLB	27,000,000.00	0.00	296,703.30	06/03/2005	2.930	2.971	0.00	2,197.50	2,197.50
313385GN0	11208	020	FHLB	27,000,000.00	0.00	593,370.37	06/05/2005	4.395	4.456	0.00	6,592.50	6,592.50
313385GP5	11209	020	FHLB	28,000,000.00	0.00	307,692.31	06/07/2005	2.930	2.971	0.00	2,278.89	2,278.89
313385GQ3	11210	020	FHLB	15,000,000.00	0.00	164,895.16	06/08/2005	2.910	2.950	0.00	1,212.50	1,212.50
313385GR1	11212	020	FHLB	8,000,000.00	0.00	87,912.09	06/09/2005	2.920	2.961	0.00	648.89	648.89
313385GX8	11213	020	FHLB	20,000,000.00	0.00	1,538,084.62	06/15/2005	2.940	2.982	0.00	11,433.33	11,433.33
313385GS9	11214	020	FHLB	8,000,000.00	0.00	87,912.09	06/10/2005	2.900	2.940	0.00	644.44	644.44
313385GV2	11215	020	FHLB	8,000,000.00	0.00	263,714.95	06/13/2005	2.910	2.951	0.00	1,940.00	1,940.00
313385GW0	11216	020	FHLB	8,000,000.00	0.00	87,912.09	06/14/2005	2.940	2.981	0.00	653.33	653.33
313385GX8	11217	020	FHLB	23,000,000.00	0.00	252,747.25	06/15/2005	2.950	2.991	0.00	1,884.72	1,884.72
313385GY6	11218	020	FHLB	47,000,000.00	0.00	516,483.52	06/16/2005	2.980	3.021	0.00	3,890.56	3,890.56
313385HC3	11221	020	FHLB	33,000,000.00	0.00	1,087,825.05	06/20/2005	2.880	2.920	0.00	7,920.00	7,920.00
313385ID9	11222	020	FHLB	4,555,000.00	0.00	699,540.16	07/15/2005	3.080	3.128	0.00	5,455.88	5,455.88
313385HD1	11223	020	FHLB	17,000,000.00	0.00	186,813.19	06/21/2005	2.900	2.940	0.00	1,368.44	1,368.44
313385HE9	11226	020	FHLB	19,000,000.00	0.00	208,791.21	06/22/2005	2.920	2.961	0.00	1,541.11	1,541.11
313385HN9	11228	020	FHLB	10,000,000.00	0.00	878,874.73	06/30/2005	2.880	2.921	0.00	6,400.00	6,400.00
313385HG4	11229	020	FHLB	8,000,000.00	0.00	87,912.09	06/24/2005	2.930	2.971	0.00	651.11	651.11
313385HKS	11230	020	FHLB	7,000,000.00	0.00	230,750.32	06/27/2005	2.950	2.991	0.00	1,720.83	1,720.83
313385HL3	11231	020	FHLB	6,000,000.00	0.00	65,934.07	06/28/2005	3.010	3.052	0.00	501.67	501.67
313385HM1	11232	020	FHLB	9,000,000.00	0.00	98,901.10	06/29/2005	3.030	3.072	0.00	757.50	757.50
313385HN9	11234	020	FHLB	14,000,000.00	0.00	153,846.15	06/30/2005	3.000	3.042	0.00	1,166.67	1,166.67
313385HN9	11235	020	FHLB	4,000,000.00	0.00	43,956.04	06/30/2005	3.020	3.062	0.00	335.56	335.56
313385HZ2	11241	020	FHLB	11,000,000.00	0.00	120,777.72	07/11/2005	3.020	3.065	0.00	922.78	922.78
313397GA3	11156	020	FHLMC	3,773,000.00	0.00	2,110,426.86	05/25/2005	2.800	2.844	0.00	14,966.23	14,966.23
313397EN7	11167	020	FHLMC	17,000,000.00	0.00	186,813.19	04/19/2005	2.610	2.646	0.00	1,232.50	1,232.50
313397EP2	11169	020	FHLMC	16,000,000.00	0.00	175,824.18	04/20/2005	2.630	2.667	0.00	1,168.89	1,168.89
313397FZ9	11175	020	FHLMC	20,000,000.00	0.00	6,366,611.84	05/24/2005	2.830	2.872	0.00	45,594.44	45,594.44
313397JH5	11225	020	FHLMC	10,000,000.00	0.00	1,206,373.96	07/19/2005	3.130	3.180	0.00	9,563.89	9,563.89
313589DX8	11143	020	FNMA	20,000,000.00	19,995,583.33	659,292.12	04/04/2005	2.650	2.687	0.00	4,416.67	4,416.67
313589DY6	11153	020	FNMA	15,000,000.00	0.00	164,835.16	04/05/2005	2.650	2.687	0.00	1,104.17	1,104.17

Pooled Investments Selected Funds
Interest Earnings
April 1, 2005 - June 30, 2005

CUSIP	Investment #	Fund	Issuer	Ending Par Value	Beginning Book Value	Average Book Value	Maturity Date	Current Rate	Annualized Yield	Interest Earned	Adjusted Interest Earnings	
											Amortization/Accretion	Adjusted Interest Earnings
Fund: pooled investments-short term												
313389HM8	11157	020	FNMA	7,357,000.00	0.00	6,929,129.82	06/29/2005	2.880	2.930	0.00	50,616.16	50,616.16
313589FN8	11188	020	FNMA	14,000,000.00	0.00	153,846.15	05/14/2005	2.920	2.961	0.00	1,135.56	1,135.56
313589GQ0	11211	020	FNMA	13,000,000.00	0.00	142,857.14	06/08/2005	2.920	2.961	0.00	1,054.44	1,054.44
313589GZ0	11219	020	FNMA	38,000,000.00	0.00	417,582.42	06/17/2005	2.940	2.981	0.00	3,103.33	3,103.33
313589JRS	11220	020	FNMA	8,947,000.00	0.00	1,470,602.91	07/27/2005	3.090	3.142	0.00	11,519.26	11,519.26
313589HF3	11227	020	FNMA	10,000,000.00	0.00	109,890.11	06/23/2005	2.880	2.920	0.00	800.00	800.00
61745KU13	11238	020	MSDWD	3,000,000.00	0.00	32,967.03	07/01/2005	3.366	3.366	0.00	278.33	278.33
90262CU13	11239	020	UBSFIN	3,000,000.00	0.00	32,967.03	07/01/2005	3.376	3.376	0.00	277.50	277.50
9497FOTL6	11202	020	WFCNEW	3,000,000.00	0.00	856,255.95	06/20/2005	2.980	3.025	0.00	6,456.67	6,456.67
			Subtotal	1,296,675,000.00	19,995,583.33	55,187,559.80			2.929	0.00	402,952.75	402,952.75
Fund: money market accounts												
SYS10245	10245	030	FIDELI	0.00	577,567.09	136,952.91			2.481	847.06	0.00	847.06
SYS11067	11067	030	WELLS	535,425.25	3,271,350.74	1,935,107.07			1.862	8,981.37	0.00	8,981.37
			Subtotal	535,425.25	3,848,917.83	2,072,059.98			1.903	9,828.43	0.00	9,828.43
			Total	1,400,393,100.19	105,061,569.37	138,904,971.45			3.369	764,114.35	402,552.53	1,166,666.88



City of Berkeley
2180 Milvia Street
Berkeley, Ca 94704
(510)981-7339

Pooled Investments Selected Funds
Interest Earnings
Sorted by Fund - Issuer
April 1, 2005 - April 30, 2005
Yield on Average Book Value

CUSIP	Investment #	Fund	Issuer	Ending Par Value	Beginning Book Value	Average Book Value	Maturity Date	Current Rate	Annualized Yield	Interest Earned	Adjusted Interest Earnings	
											Amortization/ Accretion	Adjusted Interest Earnings
Fund: pooled investment- long term												
31331TPE5	11039	010	FFCB	3,500,000.00	3,500,000.00	3,500,000.00	07/12/2007	3.150	3.194	9,187.50	0.00	9,187.50
3133MYX9	10999	010	FHLB	5,000,000.00	5,000,000.00	5,000,000.00	06/05/2008	3.000	3.042	12,500.00	0.00	12,500.00
31339XK7	11019	010	FHLB	3,000,000.00	3,000,000.00	3,000,000.00	06/26/2008	3.000	3.042	7,500.00	0.00	7,500.00
31339YQF2	11029	010	FHLB	3,000,000.00	3,000,000.00	3,000,000.00	07/30/2008	3.000	3.042	7,500.00	0.00	7,500.00
31339YK27	11030	010	FHLB	3,000,000.00	3,000,000.00	3,000,000.00	07/30/2008	3.000	3.042	7,500.00	0.00	7,500.00
3133X07B9	11033	010	FHLB	5,000,000.00	5,000,000.00	5,000,000.00	08/20/2008	3.500	3.549	14,583.33	0.00	14,583.33
3133X3S46	11046	010	FHLB	3,000,000.00	3,000,000.00	3,000,000.00	02/25/2009	3.125	3.168	7,812.50	0.00	7,812.50
3133X7CN2	11058	010	FHLB	3,000,000.00	3,000,000.00	3,000,000.00	12/10/2007	4.000	4.056	10,000.00	0.00	10,000.00
3133X8WW8	11063	010	FHLB	3,000,000.00	3,000,000.00	3,000,000.00	10/19/2007	3.000	2.433	6,000.00	0.00	6,000.00
3133X6AK8	11069	010	FHLB	5,000,000.00	4,974,966.02	4,976,167.34	02/24/2006	2.500	3.115	10,416.66	2,325.14	12,741.80
3133XAYS0	11144	010	FHLB	3,000,000.00	3,000,000.00	3,000,000.00	09/24/2007	4.000	4.056	10,000.00	0.00	10,000.00
31340SK76	10314	010	FHLMC	727.89	748.64	737.57		7.000	4.767	2.89	0.00	2.89
3128X1EB9	11000	010	FHLMC	1,925,000.00	1,925,000.00	1,925,000.00	06/04/2008	3.250	3.295	5,213.54	0.00	5,213.54
3128X2KU8	11041	010	FHLMC	5,000,000.00	5,000,000.00	5,000,000.00	01/14/2009	3.250	3.295	13,541.67	0.00	13,541.67
3128X26Y6	11051	010	FHLMC	4,000,000.00	4,000,000.00	4,000,000.00	04/27/2009	4.125	4.182	13,750.00	0.00	13,750.00
3128X2MF9	11062	010	FHLMC	2,250,000.00	2,250,000.00	2,250,000.00	01/28/2008	3.750	3.802	7,031.25	0.00	7,031.25
31359MLH4	10323	010	FNMA	1,999,133.41	1,999,133.41	1,999,157.65	10/15/2006	4.375	4.466	7,291.86	46.93	7,338.79
3136F1B66	10534	010	FNMA	5,000,000.00	5,000,000.00	5,000,000.00	05/03/2007	5.150	5.222	21,458.33	0.00	21,458.33
3136F5BL4	11048	010	FNMA	4,000,000.00	4,000,000.00	4,000,000.00	02/19/2009	4.100	4.157	13,666.66	0.00	13,666.66
3136F8AS0	11064	010	FNMA	2,400,000.00	2,400,000.00	2,400,000.00	05/17/2006	2.250	2.281	4,500.00	0.00	4,500.00
3136F6SM2	11068	010	FNMA	5,000,000.00	5,000,000.00	5,000,000.00	06/28/2007	3.580	3.630	14,916.66	0.00	14,916.66
3136F8VP1	11078	010	FNMA	5,000,000.00	5,000,000.00	5,000,000.00	07/19/2007	3.720	3.772	15,500.00	0.00	15,500.00
79549BCM	10030	010	SALOMO	4,000,000.00	4,000,895.04	4,000,549.46	06/15/2005	6.250	6.250	20,833.33	-281.77	20,551.56
912810DF2	10141	010	TREASU	496,000.00	525,062.42	524,696.78	08/15/2008	12.000	9.797	4,932.59	-707.69	4,224.90
912810CY2	10292	010	TREASU	611,000.00	641,462.68	640,666.44	11/15/2006	14.000	10.536	7,088.95	-1,541.11	5,547.84
Subtotal				81,182,727.89	81,217,068.21	81,216,975.24			3.764	252,727.52	-158.50	252,569.02
Fund: pooled investments-short term												
313313EF1	11154	020	FCDN	10,000,000.00	0.00	2,665,977.04	04/12/2005	2.660	2.698	0.00	5,911.11	5,911.11
31338DX1	11152	020	FHLB	23,000,000.00	0.00	2,299,827.50	04/04/2005	2.700	2.738	0.00	5,175.00	5,175.00

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Pooled Investments Selected Funds
Interest Earnings
April 1, 2005 - April 30, 2005

CUSIP	Investment #	Fund	Issuer	Ending Par Value	Beginning Book Value	Average Book Value	Maturity Date	Current Rate	Annualized Yield	Interest Earned	Amortization/Accretion	Adjusted Interest Earnings
Fund: pooled investments-short term												
313385EG7	11155	020	FHLB	5,000,000.00	0.00	1,499,556.67	04/13/2005	2.660	2.698	0.00	3,325.00	3,325.00
313385DZ6	11158	020	FHLB	15,000,000.00	0.00	500,000.00	04/08/2005	2.630	2.667	0.00	1,095.83	1,095.83
313385EA0	11159	020	FHLB	15,000,000.00	0.00	500,000.00	04/07/2005	2.600	2.636	0.00	1,083.33	1,083.33
313385EB8	11160	020	FHLB	15,000,000.00	0.00	500,000.00	04/08/2005	2.610	2.646	0.00	1,087.50	1,087.50
313385EE2	11161	020	FHLB	15,000,000.00	0.00	1,499,891.67	04/11/2005	2.600	2.636	0.00	3,250.00	3,250.00
313385EM4	11162	020	FHLB	16,000,000.00	0.00	3,732,515.11	04/18/2005	2.630	2.667	0.00	8,182.22	8,182.22
313385EG7	11163	020	FHLB	10,000,000.00	0.00	333,333.33	04/13/2005	2.630	2.667	0.00	730.56	730.56
313385EH5	11164	020	FHLB	14,000,000.00	0.00	466,666.67	04/14/2005	2.840	2.677	0.00	1,026.67	1,026.67
313385EJ1	11165	020	FHLB	14,000,000.00	0.00	466,666.67	04/15/2005	2.700	2.738	0.00	1,050.00	1,050.00
313385EM4	11166	020	FHLB	36,000,000.00	0.00	3,599,727.00	04/18/2005	2.730	2.768	0.00	8,190.00	8,190.00
313385EU6	11168	020	FHLB	35,000,000.00	0.00	8,164,870.00	04/25/2005	2.840	2.677	0.00	17,966.67	17,966.67
313385EQ5	11170	020	FHLB	16,000,000.00	0.00	533,333.33	04/21/2005	2.650	2.687	0.00	1,177.78	1,177.78
313385ER3	11171	020	FHLB	17,000,000.00	0.00	566,666.67	04/22/2005	2.630	2.667	0.00	1,241.94	1,241.94
313385EU6	11172	020	FHLB	17,000,000.00	0.00	1,899,875.81	04/25/2005	2.630	2.667	0.00	3,725.83	3,725.83
313385EV4	11173	020	FHLB	13,000,000.00	0.00	433,333.33	04/26/2005	2.630	2.667	0.00	949.72	949.72
313385FV3	11174	020	FHLB	19,393,000.00	0.00	3,872,067.79	05/20/2005	2.820	2.864	0.00	9,114.71	9,114.71
313385EW2	11176	020	FHLB	14,000,000.00	0.00	466,666.67	04/27/2005	2.670	2.707	0.00	1,038.33	1,038.33
313385EX0	11177	020	FHLB	14,000,000.00	0.00	466,666.67	04/28/2005	2.700	2.738	0.00	1,050.00	1,050.00
313385EY8	11178	020	FHLB	15,000,000.00	0.00	500,000.00	04/29/2005	2.770	2.808	0.00	1,154.17	1,154.17
313385FB7	11179	020	FHLB	13,000,000.00	0.00	866,570.25	05/02/2005	2.870	2.707	0.00	1,928.33	1,928.33
313397GA3	11156	020	FHLMC	3,773,000.00	0.00	3,385,927.93	05/25/2005	2.800	2.847	0.00	7,923.30	7,923.30
313397EN7	11167	020	FHLMC	17,000,000.00	0.00	566,666.67	04/19/2005	2.610	2.646	0.00	1,232.50	1,232.50
313397EP2	11169	020	FHLMC	16,000,000.00	0.00	533,333.33	04/20/2005	2.630	2.667	0.00	1,168.89	1,168.89
313397FZ9	11175	020	FHLMC	20,000,000.00	0.00	3,991,981.67	05/24/2005	2.830	2.875	0.00	9,433.33	9,433.33
313589DX8	11143	020	FNMA	20,000,000.00	19,995,583.33	1,999,852.78	04/04/2005	2.650	2.667	0.00	4,416.67	4,416.67
313589DY6	11153	020	FNMA	15,000,000.00	0.00	500,000.00	04/05/2005	2.650	2.667	0.00	1,104.17	1,104.17
313389HM8	11157	020	FNMA	7,357,000.00	0.00	6,583,161.31	06/29/2005	2.680	2.937	0.00	15,891.12	15,891.12
			Subtotal	460,523,000.00	19,995,583.33	53,195,135.85			2.759	0.00	120,624.68	120,624.68
Fund: money market accounts												
SYS10245	10245	030	FIDELI	128,973.82	577,567.09	329,604.49			2.437	660.24	0.00	660.24
SYS11067	11067	030	WELLS	255,221.54	3,271,350.74	1,781,088.01			1.663	2,434.25	0.00	2,434.25
			Subtotal	384,195.36	3,848,917.83	2,110,692.49			1.784	3,094.49	0.00	3,094.49
			Total	542,089,923.25	105,061,569.37	136,522,803.59			3.353	255,822.01	120,466.18	376,288.19



City of Berkeley
2180 Milvia Street
Berkeley, Ca 94704
(510)981-7339

**Pooled Investments Selected Funds
Interest Earnings
Sorted by Fund - Issuer
May 1, 2005 - May 31, 2005
Yield on Average Book Value**

CUSIP	Investment #	Fund	Issuer	Ending Par Value	Beginning Book Value	Average Book Value	Maturity Date	Current Rate	Annualized Yield	Interest Earned	Amortization/ Accretion	Adjusted Interest Earnings
Fund: pooled investment- long term												
31331TPE5	11039	010	FFCB	3,500,000.00	3,500,000.00	3,500,000.00	07/12/2007	3.150	3.091	9,187.50	0.00	9,187.50
3133MYX9	10999	010	FHLB	5,000,000.00	5,000,000.00	5,000,000.00	06/05/2008	3.000	2.944	12,500.00	0.00	12,500.00
31339XK7	11019	010	FHLB	3,000,000.00	3,000,000.00	3,000,000.00	06/26/2008	3.000	2.944	7,500.00	0.00	7,500.00
31339YQF2	11029	010	FHLB	3,000,000.00	3,000,000.00	3,000,000.00	07/30/2008	3.000	2.944	7,500.00	0.00	7,500.00
31339YK27	11030	010	FHLB	3,000,000.00	3,000,000.00	3,000,000.00	07/30/2008	3.000	2.944	7,500.00	0.00	7,500.00
3133X07B9	11033	010	FHLB	5,000,000.00	5,000,000.00	5,000,000.00	08/20/2008	3.500	3.434	14,583.33	0.00	14,583.33
3133X3S46	11046	010	FHLB	3,000,000.00	3,000,000.00	3,000,000.00	02/25/2009	3.125	3.066	7,812.50	0.00	7,812.50
3133X7CN2	11058	010	FHLB	3,000,000.00	3,000,000.00	3,000,000.00	12/10/2007	4.000	3.925	10,000.00	0.00	10,000.00
3133X8WW8	11063	010	FHLB	3,000,000.00	3,000,000.00	3,000,000.00	10/19/2007	3.000	2.944	7,500.00	0.00	7,500.00
3133X8AK8	11069	010	FHLB	5,000,000.00	4,977,291.16	4,978,528.73	02/24/2006	2.500	3.013	10,416.67	2,325.14	12,741.81
3133XAYS0	11144	010	FHLB	3,000,000.00	3,000,000.00	3,000,000.00	09/24/2007	4.000	3.925	10,000.00	0.00	10,000.00
3133XB74	11191	010	FHLB	5,000,000.00	5,000,000.00	5,000,000.00	11/16/2007	4.050	3.850	8,437.50	0.00	8,437.50
3133XBQ57	11192	010	FHLB	5,000,000.00	5,000,000.00	5,000,000.00	02/19/2008	4.180	3.912	6,966.67	0.00	6,966.67
31340SK76	10314	010	FHLMC	702.55	727.89	714.81		7.000	4.711	2.86	0.00	2.86
3128X1EB9	11000	010	FHLMC	1,925,000.00	1,925,000.00	1,925,000.00	06/04/2008	3.250	3.189	5,213.55	0.00	5,213.55
3128X2KUB	11041	010	FHLMC	5,000,000.00	5,000,000.00	5,000,000.00	01/14/2009	3.250	3.189	13,541.67	0.00	13,541.67
3128X26Y6	11051	010	FHLMC	4,000,000.00	4,000,000.00	4,000,000.00	04/27/2009	4.125	4.047	13,750.00	0.00	13,750.00
3128X2MF9	11062	010	FHLMC	2,250,000.00	2,250,000.00	2,250,000.00	01/28/2008	3.750	3.679	7,031.25	0.00	7,031.25
31359MLH4	10323	010	FNMA	1,999,180.34	1,999,205.31	1,999,205.31	10/15/2006	4.375	4.322	7,291.67	46.92	7,338.59
3136F1B66	10534	010	FNMA	5,000,000.00	5,000,000.00	5,000,000.00	05/03/2007	5.150	5.222	1,430.56	0.00	1,430.56
3136F5BL4	11048	010	FNMA	4,000,000.00	4,000,000.00	4,000,000.00	02/13/2009	4.100	4.023	13,666.67	0.00	13,666.67
3136FSAS0	11064	010	FNMA	2,400,000.00	2,400,000.00	2,400,000.00	05/17/2006	2.250	2.208	4,500.00	0.00	4,500.00
3136F6SM2	11068	010	FNMA	5,000,000.00	5,000,000.00	5,000,000.00	06/28/2007	3.580	3.513	14,916.67	0.00	14,916.67
3136F6VP1	11078	010	FNMA	5,000,000.00	5,000,000.00	5,000,000.00	07/18/2007	3.720	3.650	15,500.00	0.00	15,500.00
795495CM	10030	010	SALOMO	4,000,413.27	4,000,413.27	4,000,263.29	06/15/2005	6.250	6.049	20,853.34	-281.78	20,571.56
912810DF2	10141	010	TREASU	496,000.00	524,354.73	523,977.30	08/15/2008	12.000	9.810	5,097.02	-731.28	4,365.74
912810CY2	10292	010	TREASU	611,000.00	639,921.57	639,098.64	11/15/2006	14.000	10.441	7,259.76	-1,592.49	5,667.27
Subtotal				91,182,702.55	81,216,888.96	81,216,769.08			3.620	249,999.19	-233.49	249,765.70

Pooled Investments Selected Funds
Interest Earnings
May 1, 2005 - May 31, 2005

CUSIP	Investment #	Fund	Issuer	Ending Par Value	Beginning Book Value	Average Book Value	Maturity Date	Current Rate	Annualized Yield	Interest Earned	Adjusted Interest Earnings	
											Amortization/Accretion	Adjusted Interest Earnings
Fund: pooled investments-short term												
313385FV3	11174	020	FHLB	19,393,000.00	19,364,136.75	11,877,652.60	05/20/2005	2.820	2.861	0.00	28,863.25	28,863.25
313385FB7	11179	020	FHLB	13,000,000.00	12,999,035.83	419,354.84	05/02/2005	2.670	2.707	0.00	964.17	964.17
313385FC5	11180	020	FHLB	14,000,000.00	0.00	451,612.90	05/03/2005	2.820	2.859	0.00	1,096.67	1,096.67
313385FD3	11181	020	FHLB	17,000,000.00	0.00	548,387.10	05/04/2005	2.880	2.920	0.00	1,360.00	1,360.00
313385FE1	11182	020	FHLB	17,000,000.00	0.00	548,387.10	05/05/2005	2.910	2.950	0.00	1,374.17	1,374.17
313385FJ0	11184	020	FHLB	17,000,000.00	0.00	548,387.10	05/07/2005	8.700	8.821	0.00	4,108.33	4,108.33
313385FK7	11185	020	FHLB	18,000,000.00	0.00	580,645.16	05/10/2005	2.900	2.940	0.00	1,450.00	1,450.00
313385FL5	11186	020	FHLB	16,000,000.00	0.00	516,129.03	05/11/2005	2.910	2.950	0.00	1,293.33	1,293.33
313385FR2	11187	020	FHLB	13,000,000.00	0.00	516,129.03	05/12/2005	2.900	2.940	0.00	1,288.89	1,288.89
313385FS0	11189	020	FHLB	8,000,000.00	0.00	1,257,963.17	05/16/2005	2.900	2.940	0.00	3,141.67	3,141.67
313385FT8	11190	020	FHLB	8,000,000.00	0.00	258,064.52	05/17/2005	2.980	3.021	0.00	662.22	662.22
313385FU5	11193	020	FHLB	8,000,000.00	0.00	258,064.52	05/18/2005	2.900	2.940	0.00	644.44	644.44
313385FV3	11194	020	FHLB	8,000,000.00	0.00	258,064.52	05/19/2005	2.900	2.940	0.00	644.44	644.44
313385FV7	11196	020	FHLB	3,000,000.00	0.00	96,774.19	05/20/2005	2.900	2.940	0.00	241.67	241.67
313385FZ4	11198	020	FHLB	20,000,000.00	0.00	1,548,261.94	05/23/2005	2.910	2.951	0.00	3,880.00	3,880.00
313385GA8	11199	020	FHLB	26,000,000.00	0.00	645,161.29	05/24/2005	2.900	2.940	0.00	1,611.11	1,611.11
313385GW0	11200	020	FHLB	15,000,000.00	0.00	903,225.81	05/25/2005	2.900	2.940	0.00	2,255.56	2,255.56
313385GB6	11201	020	FHLB	29,000,000.00	0.00	3,885,733.87	06/14/2005	2.950	2.995	0.00	9,833.33	9,833.33
313385GG5	11203	020	FHLB	25,000,000.00	0.00	935,483.87	05/26/2005	2.910	2.950	0.00	2,344.17	2,344.17
313385GH3	11204	020	FHLB	27,000,000.00	0.00	4,031,606.18	05/31/2005	2.910	2.951	0.00	10,104.17	10,104.17
313385FF8	11205	020	FHLB	17,000,000.00	0.00	870,967.74	06/01/2005	2.980	3.021	0.00	2,335.00	2,335.00
313387GA3	11156	020	FHLMC	3,773,000.00	3,765,957.07	546,387.10	05/06/2005	2.890	2.930	0.00	1,364.72	1,364.72
313387FZ9	11175	020	FHLMC	20,000,000.00	19,963,838.89	2,918,419.56	05/25/2005	2.800	2.841	0.00	7,042.93	7,042.93
313389HMB	11157	020	FNMA	7,357,000.00	7,322,274.96	14,825,878.32	05/24/2005	2.830	2.872	0.00	36,161.11	36,161.11
313589FNB	11188	020	FNMA	14,000,000.00	0.00	7,331,691.92	06/29/2005	2.880	2.930	0.00	18,245.36	18,245.36
9497FOTL6	11202	020	WFCNEW	3,000,000.00	0.00	451,612.90	05/14/2005	2.920	2.961	0.00	1,135.56	1,135.56
			Subtotal	412,523,000.00	63,415,243.50	57,688,231.97			2.961	0.00	145,084.60	145,084.60
Fund: money market accounts												
SYS10245	10245	030	FIDELI	21,449.01	126,973.82	62,985.76			2.618	140.05	0.00	140.05
SYS11067	11067	030	WELLS	924,535.19	255,221.54	2,183,179.19			1.960	3,634.01	0.00	3,634.01
			Subtotal	945,984.20	384,195.36	2,246,164.95			1.978	3,774.06	0.00	3,774.06
			Total	504,651,686.75	145,016,327.82	141,151,186.00			3.325	253,713.25	144,851.11	398,564.36



City of Berkeley
2180 Milvia Street
Berkeley, Ca 94704
(510)981-7339

Pooled Investments Selected Funds
Interest Earnings
Sorted by Fund - Issuer
June 1, 2005 - June 30, 2005
Yield on Average Book Value

CUSIP	Investment #	Fund	Issuer	Ending Par Value	Beginning Book Value	Average Book Value	Maturity Date	Current Rate	Annualized Yield	Interest Earned	Adjusted Interest Earnings	
											Amortization/ Accretion	Adjusted Interest Earnings
Fund: pooled investment- long term												
31331TPE5	11039	010	FECB	3,500,000.00	3,500,000.00	3,500,000.00	07/12/2007	3.150	3.194	9,187.50	0.00	9,187.50
3133MYX9	10999	010	FHLB	5,000,000.00	5,000,000.00	5,000,000.00	06/05/2008	3.250	3.261	13,402.78	0.00	13,402.78
31339XK7	11019	010	FHLB	3,000,000.00	3,000,000.00	3,000,000.00	06/26/2008	3.250	3.084	7,604.17	0.00	7,604.17
31339YQF2	11029	010	FHLB	3,000,000.00	3,000,000.00	3,000,000.00	07/30/2008	3.000	3.042	7,500.00	0.00	7,500.00
31339YK27	11030	010	FHLB	3,000,000.00	3,000,000.00	3,000,000.00	07/30/2008	3.000	3.042	7,500.00	0.00	7,500.00
3133X07B9	11033	010	FHLB	5,000,000.00	5,000,000.00	5,000,000.00	08/20/2008	3.500	3.549	14,583.34	0.00	14,583.34
3133X3S46	11046	010	FHLB	3,000,000.00	3,000,000.00	3,000,000.00	02/25/2009	3.125	3.188	7,812.50	0.00	7,812.50
3133X7CN2	11058	010	FHLB	3,000,000.00	3,000,000.00	3,000,000.00	12/10/2007	4.000	4.056	3,000.00	0.00	3,000.00
3133X6WW6	11063	010	FHLB	3,000,000.00	3,000,000.00	3,000,000.00	10/19/2007	3.000	3.042	7,500.00	0.00	7,500.00
3133X6AK8	11069	010	FHLB	4,979,616.30	4,980,817.62	4,980,817.62	02/24/2006	2.500	3.112	10,416.67	2,325.13	12,741.80
3133XAY50	11144	010	FHLB	3,000,000.00	3,000,000.00	3,000,000.00	09/24/2007	4.000	4.056	10,000.00	0.00	10,000.00
3133XB74	11191	010	FHLB	5,000,000.00	5,000,000.00	5,000,000.00	11/16/2007	4.050	4.106	16,875.00	0.00	16,875.00
3133XBQ57	11192	010	FHLB	5,000,000.00	5,000,000.00	5,000,000.00	02/19/2008	4.180	4.238	17,416.66	0.00	17,416.66
3133XCC27	11236	010	FHLB	3,000,000.00	3,000,000.00	3,000,000.00	06/30/2008	4.000	4.056	333.33	0.00	333.33
3133XC5Y5	11237	010	FHLB	5,000,000.00	5,000,000.00	5,000,000.00	03/30/2007	4.000	4.056	555.56	0.00	555.56
31340SK76	10314	010	FHLMC	674.94	702.55	687.82		7.000	5.607	3.17	0.00	3.17
3128X1EB9	11000	010	FHLMC	1,925,000.00	1,925,000.00	1,925,000.00	06/04/2008	3.250	3.295	5,213.54	0.00	5,213.54
3128X2KJ8	11041	010	FHLMC	5,000,000.00	5,000,000.00	5,000,000.00	01/14/2009	3.250	3.295	13,541.66	0.00	13,541.66
3128X26Y6	11051	010	FHLMC	4,000,000.00	4,000,000.00	4,000,000.00	04/27/2009	4.125	4.182	13,750.00	0.00	13,750.00
3128X2MF9	11062	010	FHLMC	2,250,000.00	2,250,000.00	2,250,000.00	01/28/2008	3.750	3.802	7,031.25	0.00	7,031.25
3128X4CK5	11233	010	FHLMC	4,000,000.00	4,000,000.00	4,000,000.00	06/29/2007	4.000	4.056	888.89	0.00	888.89
31359MLH4	10323	010	FNMA	1,999,227.26	1,999,251.51	1,999,251.51	10/15/2006	4.375	4.466	7,291.67	46.93	7,338.60
3136F5BL4	11048	010	FNMA	4,000,000.00	4,000,000.00	4,000,000.00	02/13/2009	4.100	4.157	13,666.67	0.00	13,666.67
3136F5AS0	11064	010	FNMA	2,400,000.00	2,400,000.00	2,400,000.00	05/17/2006	2.250	2.281	4,500.00	0.00	4,500.00
3136F6SM2	11068	010	FNMA	5,000,000.00	5,000,000.00	5,000,000.00	06/28/2007	3.580	3.630	14,916.67	0.00	14,916.67
3136F6VP1	11078	010	FNMA	5,000,000.00	5,000,000.00	5,000,000.00	07/18/2007	3.720	3.772	15,500.00	0.00	15,500.00
79549BCM	10030	010	SALOMO	4,000,131.49	4,000,131.49	4,000,131.49	06/15/2005	6.250	6.251	9,722.22	-131.49	9,590.73
912810DF2	10141	010	TREASU	496,000.00	523,623.45	523,257.81	09/15/2008	12.000	9.824	4,932.59	-707.69	4,224.90
912810CY2	10292	010	TREASU	611,000.00	638,329.08	637,532.84	11/15/2006	14.000	10.367	6,973.37	-1,541.11	5,432.26
Subtotal				98,182,874.94	86,216,630.13	82,516,576.09			3.710	251,619.21	-8.23	251,619.98

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Pooled Investments Selected Funds
Interest Earnings
June 1, 2005 - June 30, 2005

CUSIP	Investment #	Fund	Issuer	Ending Par Value	Beginning Book Value	Average Book Value	Maturity Date	Current Rate	Annualized Yield	Interest Earned	Amortization/Accretion	Adjusted Interest Earnings
Fund: pooled investments-short term												
02581RU19	11240	020	AXPCRD	3,000,000.00	0.00	100,000.00	07/01/2005		3.194	0.00	262.50	262.50
313313HU5	11224	020	FCDN	9,650,000.00	0.00	3,535,374.89	07/06/2005	3.010	3.054	0.00	8,675.32	8,675.32
313385GW0	11200	020	FHLB	15,000,000.00	14,984,020.83	6,496,804.17	06/14/2005	2.950	2.992	0.00	15,979.17	15,979.17
313385GJ9	11206	020	FHLB	27,000,000.00	0.00	900,000.00	06/02/2005	2.950	2.991	0.00	2,212.50	2,212.50
313385GK6	11207	020	FHLB	27,000,000.00	0.00	900,000.00	06/03/2005	2.930	2.971	0.00	2,197.50	2,197.50
313385GN0	11208	020	FHLB	27,000,000.00	0.00	1,799,890.13	06/05/2005	4.395	4.456	0.00	6,592.50	6,592.50
313385GP5	11209	020	FHLB	28,000,000.00	0.00	933,333.33	06/07/2005	2.930	2.971	0.00	2,278.89	2,278.89
313385GQ3	11210	020	FHLB	15,000,000.00	0.00	500,000.00	06/08/2005	2.910	2.950	0.00	1,212.50	1,212.50
313385GR1	11212	020	FHLB	8,000,000.00	0.00	266,666.67	06/09/2005	2.920	2.961	0.00	648.89	648.89
313385GX8	11213	020	FHLB	20,000,000.00	0.00	4,665,523.33	06/15/2005	2.940	2.982	0.00	11,433.33	11,433.33
313385GS9	11214	020	FHLB	8,000,000.00	0.00	266,666.67	06/10/2005	2.900	2.940	0.00	644.44	644.44
313385GV2	11215	020	FHLB	8,000,000.00	0.00	799,895.33	06/13/2005	2.910	2.951	0.00	1,940.00	1,940.00
313385GW0	11216	020	FHLB	8,000,000.00	0.00	266,666.67	06/14/2005	2.940	2.981	0.00	653.33	653.33
313385GX8	11217	020	FHLB	23,000,000.00	0.00	766,666.67	06/15/2005	2.950	2.991	0.00	1,884.72	1,884.72
313385GY6	11218	020	FHLB	47,000,000.00	0.00	1,566,666.67	06/16/2005	2.980	3.021	0.00	3,890.56	3,890.56
313385HC3	11221	020	FHLB	33,000,000.00	0.00	3,299,736.00	06/20/2005	2.880	2.920	0.00	7,920.00	7,920.00
313385JD9	11222	020	FHLB	4,555,000.00	0.00	2,121,938.48	07/15/2005	3.080	3.128	0.00	5,455.88	5,455.88
313385HD1	11223	020	FHLB	17,000,000.00	0.00	566,666.67	06/21/2005	2.900	2.940	0.00	1,369.44	1,369.44
313385HE9	11226	020	FHLB	19,000,000.00	0.00	633,333.33	06/22/2005	2.920	2.961	0.00	1,541.11	1,541.11
313385HN9	11228	020	FHLB	10,000,000.00	0.00	2,665,920.00	06/30/2005	2.860	2.921	0.00	6,400.00	6,400.00
313385HG4	11229	020	FHLB	8,000,000.00	0.00	266,666.67	06/24/2005	2.930	2.971	0.00	651.11	651.11
313385HK5	11230	020	FHLB	7,000,000.00	0.00	699,942.64	06/27/2005	2.950	2.991	0.00	1,720.83	1,720.83
313385HL3	11231	020	FHLB	6,000,000.00	0.00	200,000.00	06/28/2005	3.010	3.052	0.00	501.67	501.67
313385HM1	11232	020	FHLB	9,000,000.00	0.00	300,000.00	06/29/2005	3.030	3.072	0.00	757.50	757.50
313385HN9	11234	020	FHLB	14,000,000.00	0.00	466,666.67	06/30/2005	3.000	3.042	0.00	1,166.67	1,166.67
313385HN9	11235	020	FHLB	4,000,000.00	0.00	133,333.33	06/30/2005	3.020	3.062	0.00	335.56	335.56
313385HZ2	11241	020	FHLB	11,000,000.00	0.00	366,359.07	07/11/2005	3.020	3.066	0.00	922.78	922.78
313397JH5	11225	020	FHLMC	10,000,000.00	0.00	3,659,334.35	07/19/2005	3.130	3.180	0.00	9,563.89	9,563.89
313389HM8	11157	020	FNMA	7,357,000.00	7,340,520.32	6,859,117.48	06/29/2005	2.860	2.923	0.00	16,479.68	16,479.68
313589GQ0	11211	020	FNMA	13,000,000.00	0.00	433,333.33	06/08/2005	2.920	2.961	0.00	1,054.44	1,054.44
313589GZ0	11219	020	FNMA	38,000,000.00	0.00	1,266,666.67	06/17/2005	2.940	2.981	0.00	3,103.33	3,103.33
313589JRS	11220	020	FNMA	8,947,000.00	0.00	4,460,628.81	07/27/2005	3.090	3.142	0.00	11,519.26	11,519.26
313589HF3	11227	020	FNMA	10,000,000.00	0.00	333,333.33	06/23/2005	2.880	2.920	0.00	800.00	800.00
61745KU13	11238	020	MSDWD	3,000,000.00	0.00	100,000.00	07/01/2005	3.386	3.386	0.00	278.33	278.33
90262CU13	11239	020	UBSFIN	3,000,000.00	0.00	100,000.00	07/01/2005	3.376	3.376	0.00	277.50	277.50
9497FOTL6	11202	020	WFCNEW	3,000,000.00	2,995,281.66	1,898,584.50	06/20/2005	2.980	3.024	0.00	4,718.34	4,718.34
Subtotal				512,509,000.00	25,319,922.81	54,595,955.85			3.058	0.00	137,243.47	137,243.47

Pooled Investments Selected Funds
Interest Earnings
June 1, 2005 - June 30, 2005

CUSIP	Investment #	Fund	Issuer	Ending Par Value	Beginning Book Value	Average Book Value	Maturity Date	Current Rate	Annualized Yield	Interest Earned	Adjusted Interest Earnings	
											Amortization/ Accretion	Adjusted Interest Earnings
Fund: money market accounts												
SYS10245	10245	030	FIDELI	0.00	21,449.01	20,734.04			2.744	46.77	0.00	46.77
SYS11067	11067	030	WELLS	535,425.25	924,535.19	1,832,784.94			1.934	2,913.11	0.00	2,913.11
			Subtotal	535,425.25	945,984.20	1,853,518.98			1.943	2,959.88	0.00	2,959.88
			Total	611,227,100.19	112,482,437.14	138,966,050.93			3.430	254,579.09	137,235.24	391,814.33



City of Berkeley
 2180 Milvia Street
 Berkeley, Ca 94704
 (510)981-7339

**Pooled Investments
 Portfolio Management
 Portfolio Summary
 June 30, 2005**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM/C 360 Equiv.	YTM/C 365 Equiv.
Medium Term Notes	900,000.00	1,007,898.00	864,783.44	0.58	4,884	3,225	7.194	7.294
Commercial Paper Disc - Amortizing	9,000,000.00	8,999,100.00	9,000,000.00	6.01	1	0	3.274	3.319
Federal Agency Coupon Securities	93,430,000.00	93,079,520.70	93,407,453.14	62.42	1,364	435	3.443	3.491
Federal Agency Disc - Amortizing	44,152,000.00	44,095,975.90	44,097,665.38	29.47	24	14	3.069	3.112
Treasury Coupon Securities	1,107,000.00	1,310,988.14	1,159,703.73	0.77	7,569	790	8.007	8.118
Federal Home Loan Mortgage Corp	674.94	692.89	674.94	0.00	1	1	8.904	7.000
Savo Island Loan	585,000.00	585,000.00	585,000.00	0.39	1	1	7.890	8.000
Wells Fargo FHLB Investments	535,425.25	535,425.25	535,425.25	0.36	1	1	0.000	0.000
Investments	149,710,100.19	149,614,600.88	149,650,705.88	100.00%	944	301	3.385	3.432

Cash and Accrued Interest
 Accrued Interest at Purchase
 Subtotal

10,781.25
10,781.25

Total Cash and Investments

149,710,100.19	149,625,382.13	149,661,487.13
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Total Earnings

	June 30 Month Ending	Fiscal Year To Date
Current Year	415,255.15	10,955,132.89
Average Daily Balance	143,766,921.23	

Bob Hicks, Deputy Director

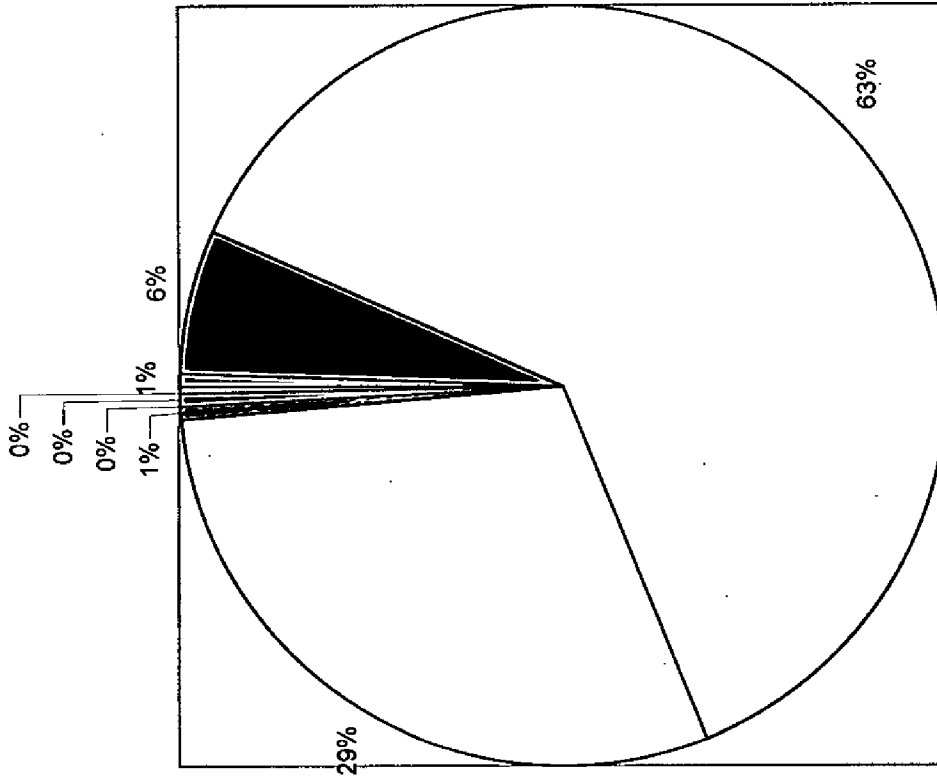
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 Report Ver. 5.00

No fiscal year history available

Pooled Investments
 Portfolio Management
 Portfolio Summary

City of Berkeley
 2180 Milvia Street
 Berkeley, Ca 94704
 (510)981-7339

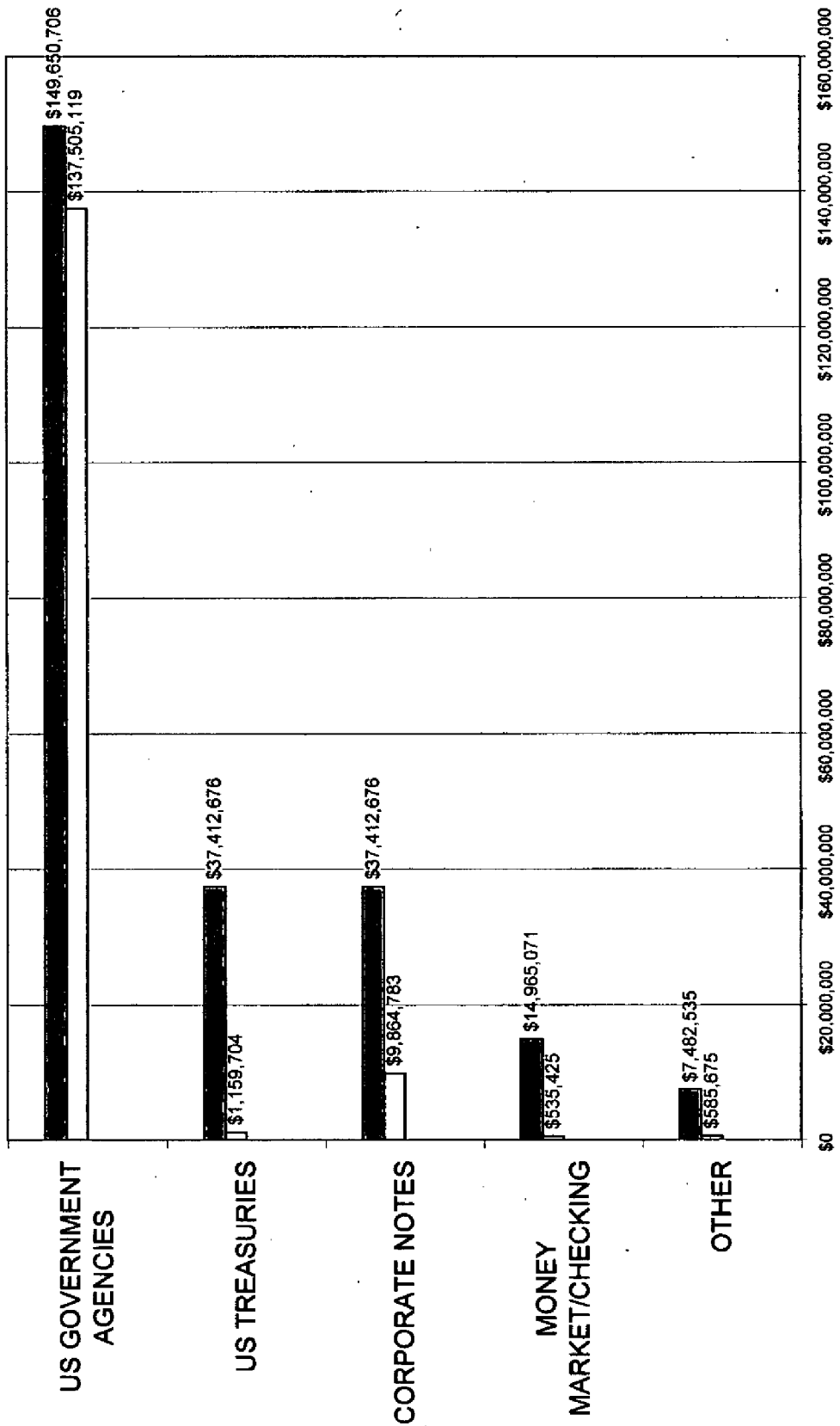
Book Value by Investment Type



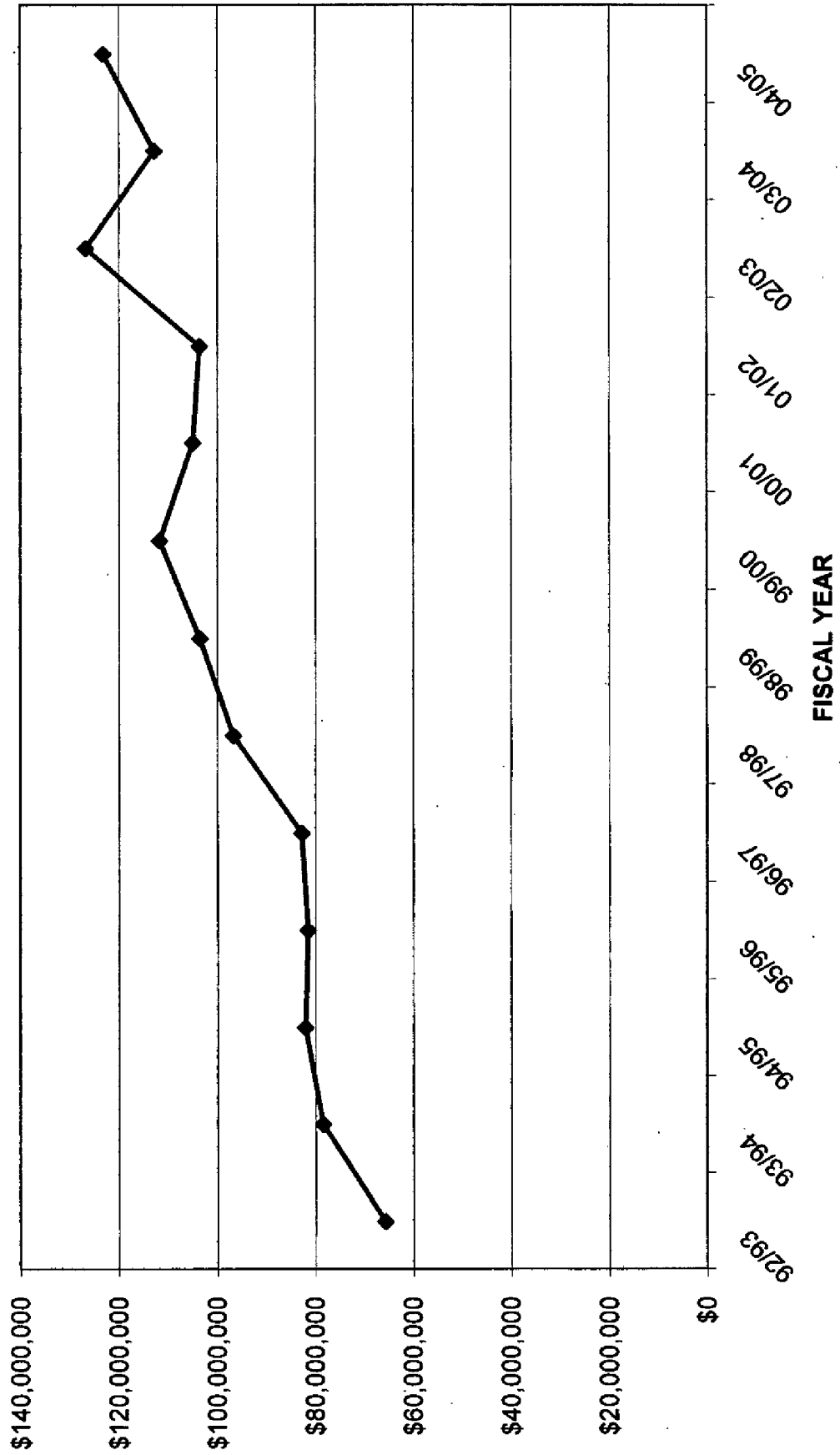
- Medium Term Notes
- Commercial Paper Disc. -Amortizing
- Federal Agency Coupon Securities
- Federal Agency Disc. -Amortizing
- Treasury Coupon Securities
- Federal Home Loan Mortgage Corp
- Savo Island Loan
- Wells Fargo FHLB Investments

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CURRENT HOLDINGS VS POLICY LIMITS



INVESTMENT PORTFOLIO TREND





City of Berkeley
 2180 Milvia Street
 Berkeley, Ca 94704
 (510)981-7339

**Pooled Investments Selected Funds
 Aging Report
 By Maturity Date
 As of June 30, 2005**

Aging Interval:	Maturity Par Value	Percent of Portfolio	Current Book Value	Current Market Value
0 days (06/30/2005 - 06/30/2005)	28,213,094.99	19.52%	28,213,094.99	28,213,094.99
1 - 1 days (07/01/2005 - 07/01/2005)	0.00	0.00%	0.00	0.00
2 - 7 days (07/02/2005 - 07/07/2005)	9,650,000.00	6.68%	9,645,158.92	9,645,158.92
8 - 14 days (07/08/2005 - 07/14/2005)	0.00	0.00%	0.00	0.00
15 - 21 days (07/15/2005 - 07/21/2005)	14,555,000.00	10.07%	14,532,634.96	14,532,634.96
22 - 28 days (07/22/2005 - 07/28/2005)	8,947,000.00	6.19%	8,926,265.33	8,926,265.33
29 - 30 days (07/29/2005 - 07/30/2005)	0.00	0.00%	0.00	0.00
31 - 60 days (07/31/2005 - 08/29/2005)	0.00	0.00%	0.00	0.00
61 - 90 days (08/30/2005 - 09/28/2005)	0.00	0.00%	0.00	0.00
91 - 180 days (09/29/2005 - 12/27/2005)	0.00	0.00%	0.00	0.00
181 - 365 days (12/28/2005 - 06/30/2006)	7,400,000.00	5.12%	7,381,863.93	7,331,012.00
366 - 730 days (07/01/2006 - 06/30/2007)	11,611,000.00	8.03%	11,636,111.97	11,690,452.07
731 days and after (07/01/2007 -)	64,171,000.00	44.39%	64,197,939.35	64,042,760.14
Total for	34 Investments	100.00	144,533,069.45	144,381,378.41

EXHIBIT B

MISCELLANEOUS EMPLOYEES RETIREE MEDICAL TRUST FUND



City of Berkeley
 2180 Milvia Street
 Berkeley, Ca 94704
 (510)981-7339

Retiree Medical Trust Fund
Interest Earnings
 Sorted by Fund - Issuer
 April 1, 2005 - June 30, 2005
 Yield on Average Book Value

CUSIP	Investment #	Fund	Issuer	Ending Par Value	Beginning Book Value	Average Book Value	Maturity Date	Current Rate	Annualized Yield	Interest Earned	Adjusted Interest Earnings	
											Amortization/ Accretion	Adjusted Interest Earnings
SYS10988	10988	940	EMPMED	585,000.00	585,000.00	585,000.00	08/10/2009	8.000	8.000	11,667.94	0.00	11,667.94
31315MAY	10297	940	FMS	155,000.00	151,124.72	151,124.72	08/10/2009	6.865	7.668	2,660.19	228.96	2,889.15
24240VAM	11061	940	MDW	100,000.00	92,825.18	92,909.83	01/01/2016	6.750	8.005	1,687.50	166.86	1,854.36
24240VAM	10301	940	MDW	100,000.00	92,825.19	92,909.84	01/01/2016	6.750	8.005	1,687.50	166.85	1,854.35
			Subtotal	940,000.00	921,658.93	921,944.39			7.947	17,703.13	562.67	18,265.80
			Total	940,000.00	921,658.93	921,944.39			7.947	17,703.13	562.67	18,265.80



City of Berkeley
 2180 Milvia Street
 Berkeley, Ca 94704
 (510)981-7339

Pooled Investments
Fund 940 - Retiree Medical Trust Fund
Investments by Fund
June 30, 2005

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
Medium Term Notes											
24240VAM	10301	DEAN WITTER DISC	10/20/2000	92,992.04	100,000.00	112,621.00	6.750	7.798	7.906	01/01/2016	3,836
24240VAM	11061	DEAN WITTER DISC	06/30/2004	92,992.04	100,000.00	112,621.00	6.750	7.665	7.771	01/01/2016	3,836
		Subtotal and Average		185,984.08	200,000.00	225,242.00		7.732	7.839		3,836
Federal Agency Coupon Securities											
31315MAY	10297	FARMER MAC	05/09/2000	151,237.52	155,000.00	171,916.70	6.865	7.593	7.699	08/10/2009	1,501
		Subtotal and Average		151,237.52	155,000.00	171,916.70		7.594	7.699		1,501
Savo Island Loan											
SYS10988	10988	Employee Medical Trust	04/01/2003	585,000.00	585,000.00	585,000.00	8.000	7.890	8.000		1
		Subtotal and Average		585,000.00	585,000.00	585,000.00		7.890	8.000		1
		Total Investments and Average		922,221.60	940,000.00	982,158.70		7.810	7.918		1,020

EXHIBIT C
FIRE MEDICAL TRUST FUND



City of Berkeley
 2180 Milvia Street
 Berkeley, Ca 94704
 (510)981-7339

FIRE RETIREE MEDICAL TRUST
Interest Earnings
 Sorted by Fund - Issuer
 April 1, 2005 - June 30, 2005
 Yield on Average Book Value

CUSIP	Investment #	Fund	Issuer	Ending Par Value	Beginning Book Value	Average Book Value	Maturity Date	Current Rate	Annualized Yield	Adjusted Interest Earnings		
										Interest Earned	Amortization/ Accretion	Adjusted Interest Earnings
Fund: FIRE RETIREE MEDICAL TRUST												
3128X0VT3	10848	949	FHLMC	600,000.00	600,000.00	600,000.00	01/17/2012	5.000	5.014	7,500.00	0.00	7,500.00
3128X2AM4	11049	949	FHLMC	1,000,000.00	1,000,000.00	1,000,000.00	04/23/2014	5.000	5.014	12,500.00	0.00	12,500.00
			Subtotal	1,600,000.00	1,600,000.00	1,600,000.00			5.014	20,000.00	0.00	20,000.00
			Total	1,600,000.00	1,600,000.00	1,600,000.00			5.014	20,000.00	0.00	20,000.00



Pooled Investments
Fund 949 - FIRE RETIREE MEDICAL TRUST
Investments by Fund
June 30, 2005

City of Berkeley
 2180 Milvia Street
 Berkeley, Ca 94704
 (510)981-7339

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity	
Federal Agency Coupon Securities												
3128X0VT3	10848	federal home loan mortgage cor	01/17/2003	600,000.00	600,000.00	600,354.00	5.000	5.000	5.069	01/17/2012	2,391	
3128X24M4	11049	federal home loan mortgage cor	04/23/2004	1,000,000.00	1,000,000.00	1,000,160.00	5.000	4.931	5.000	04/23/2014	3,218	
		Subtotal and Average		1,600,000.00	1,600,000.00	1,600,514.00		4.957	5.026		2,907	
		Total Investments and Average		1,600,000.00	1,600,000.00	1,600,514.00		4.957	5.026		2,907	

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EXHIBIT D

POLICE MEDICAL TRUST FUND



City of Berkeley
 2180 Milvia Street
 Berkeley, Ca 94704
 (510)981-7339

POLICE RETIREE MEDICAL TRUST
Interest Earnings
 Sorted by Fund - Issuer
 April 1, 2005 - June 30, 2005
 Yield on Average Book Value

CUSIP	Investment #	Fund	Issuer	Ending Par Value	Beginning Book Value	Average Book Value	Maturity Date	Current Rate	Annualized Yield	Interest Earned	Adjusted Interest Earnings	
											Amortization/ Accretion	Adjusted Interest Earnings
Fund: POLICE RETIREE MEDICAL TRUST												
3128X0VT3	10849	950	FHLMC	600,000.00	600,000.00	600,000.00	01/17/2012	5.000	5.014	7,500.00	0.00	7,500.00
3128X24M4	11050	950	FHLMC	1,000,000.00	1,000,000.00	1,000,000.00	04/23/2014	5.000	5.014	12,500.00	0.00	12,500.00
617446GM5	10313	950	MDW	300,000.00	307,126.20	306,976.53	04/15/2011	6.750	6.229	5,062.50	-295.01	4,767.49
24240VAM	10309	950	MDW	400,000.00	371,300.74	371,639.34	01/01/2016	6.750	8.005	6,750.00	667.43	7,417.43
			Subtotal	2,300,000.00	2,278,426.94	2,278,615.88			5.665	31,812.50	372.42	32,184.92
			Total	2,300,000.00	2,278,426.94	2,278,615.88			5.665	31,812.50	372.42	32,184.92



Pooled Investments
Fund 950 - POLICE RETIREE MEDICAL TRUST
Investments by Fund
June 30, 2005

City of Berkeley
 2180 Milvia Street
 Berkeley, Ca 94704
 (510)981-7339

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
Medium Term Notes											
24240VAM	10309	DEAN WITTER DISC	10/20/2000	371,968.17	400,000.00	450,484.00	6.750	7.798	7.906	01/01/2016	3,836
617446GM5	10313	DEAN WITTER DISC	08/30/2001	306,831.19	300,000.00	332,172.00	6.750	6.134	6.219	04/15/2011	2,114
		Subtotal and Average		678,799.36	700,000.00	782,656.00		7.046	7.144		3,057
Federal Agency Coupon Securities											
3128X0VT3	10849	federal home loan mortgage cor	01/17/2003	600,000.00	600,000.00	600,354.00	5.000	5.000	5.069	01/17/2012	2,391
3128X24M4	11050	federal home loan mortgage cor	04/23/2004	1,000,000.00	1,000,000.00	1,000,160.00	5.000	4.931	5.000	04/23/2014	3,218
		Subtotal and Average		1,600,000.00	1,600,000.00	1,600,514.00		4.957	5.026		2,907
		Total Investments and Average		2,278,799.36	2,300,000.00	2,383,170.00		5.580	5.657		2,952

ATTACHMENT II

Federal Funds Futures Quotes

MONTH	CLOSING TRADE August 12, 2005	Indication from the market of the likelihood of a .25% change in rates occurring in this month, from 3.50% to 3.75%	Indication from the market of the likelihood of rate increasing to 3.75%, from 4.0% in this month	Indication from the market of the likelihood of rate increasing to 4.00%, from 4.25% in this month	Indication from the market of the likelihood of rate increasing to 4.25%, from 4.50% in this month
September 2005	3.615%	46%			
October 2005	3.775%	100%			
November 2005	3.985%		94%		
December 2005	4.065			26%	
February 2006	4.17%			68%	
August 2006	4.38%				52%