Orange County Treasurer-Tax Collector Noncompliance Report Summary For the Month Ended July 31, 2004

During July the County, Educational, and John Wayne Airport Investment pools all were free of noncompliance incidents. Although certain Investment Policy Statement (IPS) guidelines were temporarily exceeded during the month in the County and Educational Pools, the Treasurer believes they did not cause any material impact of a negative nature.

Technical Incidents

Issues regarding technical incidents are reported as follows:

Credit Watch-Negative

As reported in our June Noncompliance Report Summary, Moody's placed Archer-Daniels-Midland's (ADM) senior unsecured long-term debt rating on credit watch negative on June 25, 2004. The ADM securities were purchased before the rating agency's action and are considered technical incidents. The Treasurer has decided to hold these securities until maturity.

Investment Pool	Instrument Type	Maturity Date	Face Amount	% of Total Portfolio	Credit Watch Negative	ST/LT Ratings
County	СР	08/03/04	\$ 25,000,000	1.30%	Moody's	P1/A1 *-
County	CP	08/10/04	30,000,000	1.56%	Moody's	P1/A1 *-
Educational	CP	08/03/04	27,582,000	1.56%	Moody's	P1/A1 *-
Educational	CP	08/10/04	4,150,000	0.24%	Moody's	P1/A1 *-
		Total	\$ 86,732,000			

* Credit Watch.

ORANGE COUNTY TREASURER-TAX COLLECTOR INVESTMENT POLICY COMPLIANCE July 31, 2004

Investment Policy Guidelines		Orange County Investment Pool		Orange County Educational Investment Pool		John Wayne Airport Investment Pool	
Percent of Portfolio	Investment Type	Market Value of Investments	Percent of Portfolio	Market Value of Investments	Percent of Portfolio	Market Value of Investments	Percent of Portfolio
100%	U.S. Treasuries	-	-	-	-	\$1,997,188	4.52
100%	U.S. Government Agencies	\$611,816,026	24.07%	\$895,481,273	40.47%	20,445,085	46.28
40%	Commercial Paper	866,574,359	34.10%	655,092,138	29.61%	16,909,124	38.27
50%	Repurchase Agreements	140,000,000	5.51%	80,000,000	3.61%	-	-
30%	Negotiable Certificates of Deposit	436,357,333	17.17%	178,954,108	8.09%	3,499,522	7.92
20%	Money Market Funds	12,893,619	0.51%	26,533,743	1.20%	1,328,952	3.01
40%	Bankers' Acceptances	29,873,755	1.18%	29,904,280	1.35%	-	-
10%	State & Local Agency Obligations	-	-	-	-	-	-
10%	Receivable-Backed Securities	-	-	-	-	-	-
30%	Medium-Term Notes	443,687,055	17.46%	346,695,525	15.67%	-	-
		\$2,541,202,147	100.00%	\$2,212,661,067	100.00%	\$44,179,871	100.00

Compliance Category (Yes/No)	Money Market Fund (Fund #692)	Extended Fund (Fund #699)	Orange County E Investment	John Wayne Investmen	
Percentage Limits	Yes		Yes	Yes	
Maturity Limits	Yes	Yes	Yes	Yes	
Quality Limits	Yes		Yes	Yes	
Net Asset Value Limits	Yes		Yes	Yes	