

NEUBERGER BERMAN CALIFORNIA INTERMEDIATE MUNICIPAL FUND INC
Form N-CSRS
July 07, 2008

As filed with the Securities and Exchange Commission on July 7, 2008

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF

REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number: 811-21167

NEUBERGER BERMAN CALIFORNIA INTERMEDIATE MUNICIPAL FUND INC.

(Exact Name of the Registrant as Specified in Charter)

c/o Neuberger Berman Management Inc.

605 Third Avenue, 2nd Floor

New York, New York 10158-0180

(Address of Principal Executive Offices Zip Code)

Registrant's telephone number, including area code: (212) 476-8800

Peter E. Sundman, Chief Executive Officer

c/o Neuberger Berman Management Inc.

Neuberger Berman California Intermediate Municipal Fund Inc.

605 Third Avenue, 2nd Floor

New York, New York 10158-0180

Arthur C. Delibert, Esq.

K&L Gates LLP

1601 K Street, N.W.

Washington, D.C. 20006-1600

(Names and Addresses of agents for service)

Date of fiscal year end: October 31, 2008

Date of reporting period: April 30, 2008

Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR unless the Form displays a currently valid Office of Management and Budget (OMB) control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

Item 1. Report to Shareholders

Neuberger Berman

Intermediate Municipal Closed-End Funds

Neuberger Berman California Intermediate Municipal Fund Inc. (Ticker Symbol: NBW)

Neuberger Berman Intermediate Municipal Fund Inc. (Ticker Symbol: NBH)

Neuberger Berman New York Intermediate Municipal Fund Inc. (Ticker Symbol: NBO)

Semi-Annual Report

April 30, 2008

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Chairman's Letter

Dear Shareholder,

I am pleased to present to you this semi-annual report for the Neuberger Berman Intermediate Municipal Closed-End Funds for the six months ended April 30, 2008. The report includes portfolio commentary, listings of the Funds' investments, and their financial statements for the reporting period.

Each Fund's investment objective is to provide a high level of current income exempt from regular federal income tax and, for each state-specific fund, a high level of current income exempt from that state's personal income taxes (and, in the case of the New York Fund, New York City personal income tax).

We invest in intermediate-term municipal bonds because our experience and research indicate strongly that this maturity range has historically offered the best risk/reward profile on the yield curve, providing much of the return of longer-term bonds — with less volatility and risk.

We believe that our conservative investment philosophy and disciplined investment process will benefit you with superior tax exempt current income over the long term.

Since February 2008, the market for auction rate preferred securities has experienced significant disruption that has resulted in failed auctions for many of these securities, including the auction market preferred shares issued by the Funds. While at this time we cannot predict whether, how or when complete or partial liquidity will return, we continue to work toward finding a solution while keeping in mind the interests of both the common and preferred shareholders of the Funds.

Thank you for your confidence in Neuberger Berman. We will continue to do our best to earn it.

Sincerely,

Peter Sundman
Chairman of the Board
Neuberger Berman California Intermediate Municipal Fund Inc.
Neuberger Berman Intermediate Municipal Fund Inc.
Neuberger Berman New York Intermediate Municipal Fund Inc.

Intermediate Municipal Closed-End Funds Portfolio Commentaries

For the six months ended April 30, 2008, on a net asset value (NAV) basis, all three of the Neuberger Berman Intermediate Municipal Closed End Funds posted positive returns, outperforming the Lipper Closed-End Intermediate Municipal Debt Funds Average but trailing the Lehman Bothers 10-Year Municipal Bond Index.

Over the first two months of the period, the fixed income markets showed some signs of stabilizing as the credit crunch triggered by the subprime mortgage crisis appeared to be easing. However, in January, credit market conditions began to deteriorate rapidly as major U.S. financial institutions continued to announce huge write-downs of fixed income assets and France's Société Générale reported a substantial loss. At this juncture, many segments of the fixed income markets, including the municipal securities auction market, seized up. The Fed responded with a 75-basis-point (0.75%) inter-meeting rate cut followed by another 50-basis-point cut a week later at its regularly scheduled January meeting. In addition, it took steps to inject liquidity by creating term auction facilities for banks. However, before these Fed actions could have much impact, in March, Bear Stearns, the U.S.'s fifth largest investment bank, appeared close to failure, prompting panic selling in the corporate bond and equities markets. Once again, the Fed moved aggressively, backing the JPMorgan Chase acquisition of Bear Stearns, cutting interest rates by an additional 75 basis points, and opening its discount window (lending facilities) to primary fixed income dealers. By April, the last month of this semi-annual reporting period, frozen credit markets started to thaw, but fixed income investors remained wary.

In the midst of this kind of market disruption, investment grade municipal securities conceivably could have benefited from investors' "flight to quality." However, several factors created a cloud over the municipal market: paralysis in the municipal securities auction market, credit downgrades and/or credit watches for a number of AAA-rated municipal bond insurers, and the mass liquidation of municipal securities by hedge funds seeking to meet margin calls.

We believe that a decline in the amount of issues enhanced with AAA insurance will create additional opportunities to add yield and illustrate the benefit of our research-intensive approach. We also think the worst of the hedge fund selling is over. The silver lining to this cloud is that the yields on high grade municipal securities now approximate the yields on comparable maturity U.S. Treasuries, creating an even greater yield advantage for investors in high federal and state income tax brackets.

Under more normal circumstances, we would have responded to Fed rate cuts by extending the weighted average maturity and duration of the Funds' portfolios. Recently, we have been selectively adding some longer maturity securities to the Funds' portfolios. However, we are reluctant to move too far out on the yield curve, because inflation remains a problem that we believe Fed Chairman Bernanke will eventually have to confront. This will not likely happen until the economy has weathered the current storm, but when GDP growth increases to the 2%–3% range, we believe the Fed will reverse course and begin tightening.

Our primary response to the challenges in the municipal securities market has been to remain diligent in analyzing the credit quality of portfolio holdings. We have been weeding out revenue bonds of more economically sensitive issuers and gravitating to securities with high levels of debt service coverage and strong legal covenants securing revenue streams.

Looking ahead, although we can't be sure that more "shoes won't drop," leading financial companies have bolstered their balance sheets and we suspect that write-downs will trend lower over the next several quarters. A healthier financial sector along with low interest rates and a Fed that has come up with some creative solutions to free up credit should combine to help stabilize the fixed income markets. In addition, municipal securities' historically high after-tax yield advantage over U.S. Treasuries should, in our view, create a more favorable response from fixed income investors.

California Intermediate Municipal Fund Inc.

For the six months ended April 30, 2008, on an NAV basis, the California Intermediate Municipal Fund posted a positive return, but lagged the Lehman 10-Year Municipal Bond Index.

**CALIFORNIA INTERMEDIATE
MUNICIPAL FUND
RATING SUMMARY**

AAA	39.7%
AA	14.5
A	21.1
BBB	17.0

BB	1.3
B	0.0
CCC	0.0
Not Rated	5.5
Short Term	0.9

As of April 30, 2008, the portfolio included 87.5% revenue bonds, 11.2% general obligation bonds, and 1.3% cash and cash equivalents. Bonds subject to the Alternative Minimum Tax (AMT) equaled 13.3% of assets. At the close of the reporting period, the Fund's duration was 4.6 years and its leverage position was 37.8% of assets.

Intermediate Municipal Fund Inc.

For the six months ended April 30, 2008, on an NAV basis, the Intermediate Municipal Fund generated a positive return, but trailed the Lehman 10-Year Municipal Bond Index.

As of April 30, 2008, the portfolio included 77.9% revenue bonds, 16.4% general obligation bonds, 3.9% pre-refunded/escrowed bonds, and 1.8% cash and cash equivalents. Bonds subject to the Alternative Minimum Tax (AMT) equaled 11.7% of assets. At the close of the reporting period, the Fund's duration was 4.5 years and its leverage position was 37.7% of assets.

**INTERMEDIATE MUNICIPAL FUND
RATING SUMMARY**

AAA	42.1%
AA	13.5
A	16.5
BBB	17.1
BB	2.8
B	0.0
CCC	0.9
Not Rated	7.1
Short Term	0.0

New York Intermediate Municipal Fund Inc.

For the six months ended April 30, 2008, on an NAV basis, the New York Intermediate Municipal Fund delivered a positive return, but failed to match the return of the Lehman 10-Year Municipal Bond Index.

As of April 30, 2008, the portfolio included 92.8% revenue bonds, 3.7% general obligation bonds, and 3.5% pre-refunded/escrowed bonds. Bonds subject to the Alternative Minimum Tax (AMT) equaled 19.6% of assets. At the close of the reporting period, the Fund's duration was 4.4 years and its leverage position was 37.9% of assets.

**NEW YORK INTERMEDIATE
MUNICIPAL FUND
RATING SUMMARY**

AAA	28.1%
AA	25.7
A	12.1
BBB	16.6
BB	11.8
B	0.0
CCC	0.0
Not Rated	4.7
Short Term	1.0

Sincerely,

James L. Iselin
Portfolio Manager

PERFORMANCE HIGHLIGHTS

Neuberger Berman

NAV^{1,3,4,5}	Inception Date	Total Return Six Month Period Ended 4/30/2008	Total Return 1 Year Ended 4/30/2008	5 Year	Average Annual Total Return Since Inception
California Intermediate Municipal Fund	09/24/2002	0.26%	1.42%	4.94%	5.25%
Intermediate Municipal Fund	09/24/2002	0.74%	1.95%	5.13%	5.47%
New York Intermediate Municipal Fund	09/24/2002	1.29%	2.35%	5.11%	5.26%
Market Price^{2,3,4,5}	Inception Date	Total Return Six Month Period Ended 4/30/2008	Total Return 1 Year Ended 4/30/2008	5 Year	Average Annual Total Return Since Inception
California Intermediate Municipal Fund	09/24/2002	3.14%	(5.44%)	4.69%	2.88%
Intermediate Municipal Fund	09/24/2002	4.26%	(1.11%)	3.99%	2.96%
New York Intermediate Municipal Fund	09/24/2002	0.85%	(4.94%)	3.57%	2.50%

Closed-end funds, unlike open-end funds, are not continually offered. There is an initial public offering and, once issued, common shares of closed-end funds are sold in the open market through a stock exchange.

The composition, industries and holdings of the Fund are subject to change. Investment return will fluctuate. Past performance is not guarantee of future results.

Endnotes

- 1** Returns based on net asset value (NAV) of the Funds.
- 2** Returns based on market price of Fund shares on the American Stock Exchange.
- 3** A portion of the income from each Fund may be a tax preference item for purposes of the Federal Alternative Minimum Tax for certain investors.
- 4** Neuberger Berman Management Inc. has contractually agreed to waive a portion of the management fees that it is entitled to receive from each Fund. Each undertaking lasts until October 31, 2011. Please see the notes to the financial statements for specific information regarding the rate of the management fees waived by Neuberger Berman Management Inc. Absent such a waiver, the performance of each Fund would be lower.
- 5** Unaudited performance data current to the most recent month-end are available at www.nb.com.

Glossary of Indices

Lehman Brothers 10-Year Municipal Bond Index:

The Lehman Brothers 10-Year Municipal Bond Index is the 10-year (8-12) component of the Lehman Brothers Municipal Bond Index, which is a rules-based, market-value-weighted index engineered for the long-term tax-exempt bond market. To be included in the index, bonds must have a minimum credit rating of Baa. They must have an outstanding par value of at least \$5 million and be issued as part of a transaction of at least \$50 million. The bonds must have a dated-date after December 31, 1990 and must be at least one year from their maturity date. Remarketed issues, taxable municipal bonds, bonds with floating rates, and derivatives, are excluded from the benchmark.

Lipper Closed-End Intermediate Municipal Debt Funds Average:

The average of all closed-end mutual funds tracked by Lipper that invest in municipal debt issues with dollar-weighted average maturities of five to ten years.

Please note that the indices do not take into account any fees and expenses or any tax consequences of investing in the individual securities that they track and that investors cannot invest directly in any index. Data about the performance of each index are prepared or obtained by Neuberger Berman Management Inc. and include reinvestment of all dividends and capital gain distributions. Each Fund may invest in securities not included in its respective indices.

Schedule of Investments California Intermediate Municipal Fund Inc.

(Unaudited)

PRINCIPAL AMOUNT (000's omitted)	SECURITY [®]	VALUE [†] (000's omitted)
Arizona (0.8%)		
\$ 750	Verrado Comm. Fac. Dist. Number 1 G.O., Ser. 2003, 6.15%, due 7/15/17	\$ 764
California (140.0%)		
270	Abag Fin. Au. Cert. of Participation Rev. (Channing House), Ser. 1999, 4.90%, due 2/15/09	271 ^B
3,050	Abag Fin. Au. Cert. of Participation Rev. (Episcopal Homes Foundation), Ser. 1998, 5.13%, due 7/1/18	3,003 ^B
1,000	Abag Fin. Au. Rev. (San Diego Hosp. Assoc.), Ser. 2003 C, 5.13%, due 3/1/18	1,002 ^B
1,250	Alameda Co. Cert. of Participation Ref. Rev., Ser. 2001 A, (MBIA Insured), 5.38%, due 12/1/17	1,326
1,285	Bay Area Governments Assoc. BART SFO Extension Rev. (Arpt. Premium Fare), Ser. 2002 A, (AMBAC Insured), 5.00%, due 8/1/21	1,313
1,000	Burbank Pub. Svc. Dept. Elec. Rev., Ser. 1998, (FSA Insured), 5.13%, due 6/1/16	1,011
450	California Co. Tobacco Securitization Agcy. Tobacco Settlement Asset-Backed Rev., Ser. 2002, 4.75%, due 6/1/19	449
1,750	California Ed. Fac. Au. Ref. Rev. (Stanford Univ.), Ser. 2001 R, 5.00%, due 11/1/21	1,806 ^B
2,000	California HFA Home Mtge. Rev., Ser. 2006 E, (FGIC Insured), 4.88%, due 2/1/17	1,973
2,000	California Hlth. Fac. Fin. Au. Rev. (Catholic Healthcare West), Ser. 2004 I, 4.95%, due 7/1/26 Putable 7/1/14	2,086 ^B
2,000	California Hlth. Fac. Fin. Au. Rev. (Cedars-Sinai Med. Ctr.), Ser. 2005, 5.00%, due 11/15/21	2,033 ^B
1,000	California Hlth. Fac. Fin. Au. Rev. (Kaiser Permanente), Ser. 1998 B, 5.00%, due 10/1/20	1,021 ^B
500	California Muni. Fin. Au. Ed. Rev. (American Heritage Ed. Foundation Proj.), Ser. 2006 A, 5.00%, due 6/1/16	485 ^B
1,040	California Muni. Fin. Au. Rev. (Loma Linda Univ.), Ser. 2007, 5.00%, due 4/1/21	1,056
4,000	California Poll. Ctrl. Fin. Au. Ref. PCR (Pacific Gas & Elec. Co.), Ser. 1996 A, (MBIA Insured), 5.35%, due 12/1/16	4,111 ^B
1,500	California Poll. Ctrl. Fin. Au. Solid Waste Disp. Rev. (Republic Svc., Inc. Proj.), Ser. 2002 B, 5.25%, due 6/1/23 Putable 12/1/17	1,384 ^B
3,000	California Poll. Ctrl. Fin. Au. Solid Waste Disp. Rev. (Waste Management, Inc. Proj.), Ser. 2005 C, 5.13%, due 11/1/23	2,604 ^B
1,400	California St. Dept. of Wtr. Res. Pwr. Supply Rev., Ser. 2002 B4, (LOC: Bayerische Landesbank), 2.45%, due 5/1/08	1,400 ^H
4,500	California St. Dept. of Wtr. Res. Pwr. Supply Rev., Ser. 2002 A, 5.75%, due 5/1/17 Pre-Refunded 5/1/12	5,025
1,000	California St. Dept. of Wtr. Res. Pwr. Supply Rev., Ser. 2002 A, 5.38%, due 5/1/22 Pre-Refunded 5/1/12	1,103
1,470	California St. Dept. of Wtr. Rev. (Ctrl. Valley Proj.), Ser. 2008 AE, 5.00%, due 12/1/20	1,591
2,250	California St. G.O., Ser. 2002, 5.00%, due 10/1/17	2,344

1,000	California St. Pub. Works Board Lease (Dept. of Gen. Svc.) Rev. (Cap. East End Complex), Ser. 2002 A, (AMBAC Insured), 5.25%, due 12/1/16	1,071
1,095	California St. Pub. Works Board Lease Rev. (California Comm. Colleges), Ser. 2004 B, 5.50%, due 6/1/20	1,166
3,000	California St. Pub. Works Board Lease Rev. (Regents of the Univ. of California, UCLA Replacement Hosp.), Ser. 2002 A, (FSA Insured), 5.38%, due 10/1/13	3,272
1,000	California St. Univ. Fresno Assoc., Inc. Rev. (Auxiliary Organization Event Ctr.), Ser. 2002, 5.00%, due 7/1/12	1,079
2,000	California Statewide CDA Cert. of Participation Rev. (Children's Hosp. Los Angeles), Ser. 1999, 5.13%, due 8/15/19	1,957 ^B
1,630	California Statewide CDA Cert. of Participation Rev. (The Internext Group), Ser. 1999, 5.38%, due 4/1/17	1,635 ^B
1,000	California Statewide CDA Hlth. Fac. Rev. (Adventist Hlth.), Ser. 2005 A, 5.00%, due 3/1/20	1,002 ^B
5,000	California Statewide CDA Hlth. Fac. Rev. (Mem. Hlth. Svcs.), Ser. 2003 A, 6.00%, due 10/1/16	5,363 ^B
1,500	California Statewide CDA Rev. (California Baptist Univ.), Ser. 2007 A, 5.30%, due 11/1/18	1,483 ^B
1,000	California Statewide CDA Rev. (Daughters of Charity Hlth.), Ser. 2005 G, 5.00%, due 7/1/22	931 ^B
500	California Statewide CDA Rev. (Valley Care Hlth. Sys.), Ser. 2007 A, 4.80%, due 7/15/17	467 ^B
1,020	Cerritos Pub. Fin. Au. Sub. Tax Allocation Rev. (Cerritos Redevel. Proj.), Ser. 2002 B, 4.40%, due 11/1/16	1,016
2,550	Contra Costa Comm. College Dist. G.O., Ser. 2002, (FGIC Insured), 5.25%, due 8/1/17	2,707
1,365	Daly City Hsg. Dev. Fin. Agcy. Rev. Ref. (Franciscan Mobile Home Park), Ser. 2007 A, 5.00%, due 12/15/21	1,374 ^B

See Notes to Schedule of Investments

PRINCIPAL AMOUNT (000's omitted)	SECURITY [®]	VALUE [†] (000's omitted)
\$ 820	Folsom Pub. Fin. Au. Spec. Tax Rev., Ser. 2007 B, 4.40%, due 9/1/12	\$ 805
250	Folsom Pub. Fin. Au. Spec. Tax Rev., Ser. 2007 B, 4.40%, due 9/1/13	243
2,000	Fresno Joint Pwr. Fin. Au. Lease Rev. (Master Lease Proj.), Ser. 2008 A, 5.00%, due 4/1/23	2,076
1,000	Fresno Unified Sch. Dist. Ref. G.O., Ser. 2002 A, (MBIA Insured), 6.00%, due 2/1/17	1,098
2,835	Glendale Redev. Agcy. Tax Allocation Rev. (Central Glendale Redev. Proj.), Ser. 2002, (MBIA Insured), 5.00%, due 12/1/16	2,939
2,480	Glendale Redev. Agcy. Tax Allocation Rev. (Central Glendale Redev. Proj.), Ser. 2002, (MBIA Insured), 5.25%, due 12/1/17	2,651
1,000	Kings Canyon Joint Unified Sch. Dist. G.O., Ser. 2002, (FGIC Insured), 5.38%, due 8/1/17	1,065
1,245	Long Beach Bond Fin. Au. Tax Allocation Rev. (Downtown, North Long Beach, Poly High, & West Beach Redev. Proj.), Ser. 2002 A, (AMBAC Insured), 5.38%, due 8/1/17	1,371
660	Long Beach Bond Fin. Au. Tax Allocation Rev. (North Long Beach Proj.), Ser. 2002 A, (AMBAC Insured), 5.38%, due 8/1/17	699
500	Long Beach Fin. Au. Rev., Ser. 1992, (AMBAC Insured), 6.00%, due 11/1/17	564
1,275	Los Angeles Co. Long Beach Unified Sch. Dist. G.O., Ser. 2002 D, (FSA Insured), 5.00%, due 8/1/17	1,326
5,000	Los Angeles Dept. of Arpts. Rev. (Los Angeles Int'l Arpt.), Ser. 2002 A, (FGIC Insured), 5.25%, due 5/15/18	5,213
500	Marin Co. Dixie Elementary Sch. Dist. G.O., Ser. 2000 A, (FSA Insured), 5.38%, due 8/1/17	528
1,045	Marin Co. Muni. Wtr. Dist. Wtr. Ref. Rev., Ser. 2002, (AMBAC Insured), 5.00%, due 7/1/17	1,094
1,090	Moreland Sch. Dist. Ref. G.O., Ser. 2002, (FGIC Insured), 5.13%, due 9/1/17	1,143
1,000	Mountain House Pub. Fin. Au. Util. Sys. Rev., Ser. 2007, 5.00%, due 12/1/22	1,014
535	Nevada & Placer Cos. Irrigation Dist. Cert. of Participation Rev., Ser. 2002, (FGIC Insured), 5.00%, due 1/1/16	553
565	Nevada & Placer Cos. Irrigation Dist. Cert. of Participation Rev., Ser. 2002, (FGIC Insured), 5.00%, due 1/1/17	579
500	Northstar Comm. Svcs. Dist. Spec. Tax (Comm. Facs. Dist. Number 1), Ser. 2006, 4.70%, due 9/1/18	460
500	Northstar Comm. Svcs. Dist. Spec. Tax (Comm. Facs. Dist. Number 1), Ser. 2006, 4.75%, due 9/1/19	452
1,045	Oakland G.O., Ser. 2002 A, (FGIC Insured), 5.00%, due 1/15/15	1,091
1,210	Oakland G.O., Ser. 2002 A, (FGIC Insured), 5.00%, due 1/15/18	1,251
605	Oakland Redev. Agcy. Rev. (Coliseum Area Redev. Proj.), Ser. 2003, 5.00%, due 9/1/16	659
635	Oakland Redev. Agcy. Rev. (Coliseum Area Redev. Proj.), Ser. 2003, 5.00%, due 9/1/17	692
1,290	Oakland Redev. Agcy. Sub. Tax Allocation Rev. (Central Dist. Redev. Proj.), Ser. 2003, (FGIC Insured), 5.50%, due 9/1/17	1,372
1,445	Oceanside Cert. of Participation Ref. Rev., Ser. 2003 A, (AMBAC Insured), 5.25%, due 4/1/14	1,557
3,890	Port of Oakland Ref. Rev., Ser. 2002 N, (MBIA Insured), 5.00%, due 11/1/13	4,034
2,655	Riverside Co. Eastern Muni. Wtr. Dist. Cert. of Participation Wtr. & Swr. Rev., Ser. 2001 A, (FGIC Insured), 5.00%, due 7/1/19	2,727
440		430

	Roseville Stone Point Comm. Fac. District Number 1 Special Tax Rev., Ser. 2003, 5.70%, due 9/1/17	
2,600	Sacramento Muni. Util. Dist. Elec. Rev., Ser. 1997 K, (AMBAC Insured), 5.70%, due 7/1/17	2,921
830	San Diego Redev. Agcy. Sub. Parking Rev. (Centre City Redev. Proj.), Ser. 2003 B, 4.80%, due 9/1/15	843
820	San Diego Redev. Agcy. Sub. Parking Rev. (Centre City Redev. Proj.), Ser. 2003 B, 4.90%, due 9/1/16	832
2,000	San Diego Unified Sch. Dist. G.O., Ser. 2002 D, (FGIC Insured), 5.25%, due 7/1/21	2,162
1,500	San Francisco Bay Area Toll Au. Toll Bridge Rev., Ser. 2001 D, 5.00%, due 4/1/17	1,599
1,500	San Francisco City & Co. Int'l Arpt. Rev., Ser. 1999 23A, (FGIC Insured), 5.25%, due 5/1/16	1,524
5,000	San Francisco City & Co. Redev. Agcy. Lease Ref. Rev. (George R. Moscone Convention Ctr.), Ser. 2003, (FSA Insured), 5.00%, due 7/1/17	5,227
1,000	San Jose Arpt. Ref. Rev., Ser. 2003 B, (FSA Insured), 5.00%, due 3/1/11	1,044
1,615	San Jose Arpt. Ref. Rev., Ser. 2003 B, (FSA Insured), 5.00%, due 3/1/12	1,694
2,500	San Jose Fin. Au. Lease Rev. (Civic Ctr. Proj.), Ser. 2002 B, (AMBAC Insured), 5.25%, due 6/1/17	2,649
925	San Jose Multi-Family Hsg. Rev. (Fallen Leaves Apts. Proj.), Ser. 2002 J1, (AMBAC Insured), 4.95%, due 12/1/22	901 ^B
1,620	Santa Clara Co. Fremont Union High Sch. Dist. G.O., Ser. 2002 C, (FSA Insured), 5.00%, due 9/1/20	1,759
1,000	Santa Rosa Rancheria Tachi Yokut Tribe Enterprise Rev., Ser. 2003, 6.13%, due 3/1/13	1,000
525	Sierra View Local Hlth. Care Dist. Rev., Ser. 2007, 4.40%, due 7/1/13	534
505	Sierra View Local Hlth. Care Dist. Rev., Ser. 2007, 4.50%, due 7/1/14	514
3,905	Solano Co. Cert. of Participation Rev., Ser. 2002, (MBIA Insured), 5.25%, due 11/1/17	4,294
920	South Gate Pub. Fin. Au. Tax Allocation Rev. (South Gate Redev. Proj. Number 1), Ser. 2002, (XLCA Insured), 5.00%, due 9/1/16	950
400	Southern California Pub. Pwr. Au. Rev. (Natural Gas Proj. Number 1), Ser. 2007 A, 5.00%, due 11/1/18	401
1,250	Sunnyvale Sch. Dist. G.O. (Election 2004), Ser. 2005 A, (FSA Insured), 5.00%, due 9/1/21	1,322
1,300	Tulare Local Hlth. Care Dist., Ser. 2007, 5.00%, due 11/1/20	1,228
		136,004

See Notes to Schedule of Investments

PRINCIPAL AMOUNT (000's omitted)	SECURITY [@]	VALUE [†] (000's omitted)
Florida (0.8%)		
\$ 750	Miami Beach Hlth. Fac. Au. Hosp. Ref. Rev. (Mount Sinai Med. Ctr. of Florida Proj.), Ser. 2004, 6.25%, due 11/15/09	\$ 761 ^B
Guam (0.7%)		
700	Guam Gov't. Waterworks Au. Wtr. & Wastewater Sys. Rev., Ser. 2005, 5.50%, due 7/1/16	713
Louisiana (2.8%)		
1,500	Morehouse Parish Ref. PCR (Int'l Paper Co. Proj.), Ser. 2001 A, 5.25%, due 11/15/13	1,512 ^B
1,250	Tobacco Settlement Fin. Corp. Tobacco Settlement Asset-Backed Rev., Ser. 2001 B, 5.50%, due 5/15/30	1,202
		2,714
New York (1.5%)		
1,000	Nassau Co. IDA Continuing Care Retirement Comm. Rev. (The Amsterdam Harborside), Ser. 2007 A, 5.88%, due 1/1/18	994 ^B
500	New York City IDA Liberty Rev. (7 World Trade Center, LLC Proj.), Ser. 2005 A, 6.25%, due 3/1/15	505
		1,499
North Carolina (1.6%)		
1,405	North Carolina Muni. Pwr. Agcy. Number 1 Catawba Elec. Rev., Ser. 2003 A, 5.50%, due 1/1/14	1,512
Pennsylvania (1.0%)		
1,000	Cumberland Co. West Shore Area Au. Hosp. Rev. (Holy Spirit Hosp. of the Sisters of Christian Charity Proj.), Ser. 2001, 6.00%, due 1/1/18	1,017 ^B
Puerto Rico (6.6%)		
1,255	Puerto Rico Children's Trust Tobacco Settlement Asset-Backed Rev., Ser. 2002, 5.38%, due 5/15/33	1,204
1,000	Puerto Rico Ind., Tourist, Ed., Med. & Env. Ctrl. Fac. Rev. (Polytechnic Univ. of Puerto Rico Proj.), Ser. 2002 A, (ACA Insured), 5.25%, due 8/1/15	1,010 ^B
3,000	Puerto Rico Muni. Fin. Agcy. Rev., Ser. 2002 A, (FSA Insured), 5.25%, due 8/1/17	3,154
1,000	Puerto Rico Muni. Fin. Agcy. Rev., Ser. 2002 A, (FSA Insured), 5.25%, due 8/1/21	1,036
		6,404
Texas (2.4%)		
900	Brazos River Au. Ref. PCR (TXU Energy Co. LLC Proj.), Ser. 2003 A, 6.75%, due 4/1/38 Putable 4/1/13	861 ^B
1,000	Brazos River Harbor Navigation Dist. of Brazoria Co. Env. Fac. Rev. (Dow Chemical Co. Proj.), Ser. 2002 A-4, 5.20%, due 5/15/33 Putable 5/15/08	1,001 ^B
500	Dallas-Fort Worth Int'l Arpt. Fac. Imp. Corp. Rev., Ser. 2004 A-1, 6.15%, due 1/1/16	492 ^B
		2,354
Virgin Islands (2.1%)		
250	Virgin Islands Pub. Fin. Au. Refinery Fac. Rev. (HOVENSA Refinery), Ser. 2003, 6.13%, due 7/1/22	250
750	Virgin Islands Pub. Fin. Au. Rev. (Virgin Islands Matching Fund Loan Notes), Ser. 1998 E, 6.00%, due 10/1/22	761
1,000	Virgin Islands Wtr. & Pwr. Au. Elec. Sys. Ref. Rev., Ser. 1998, 5.30%, due 7/1/18	979
		1,990
	Total Investments (160.3%) (Cost \$154,754)	155,732^{##}
	Cash, receivables and other assets, less liabilities (0.4%)	439

	Liquidation Value of Auction Market Preferred Shares [(60.7%)]	(59,000)
	Total Net Assets Applicable to Common Shareholders (100.0%)	\$ 97,171

See Notes to Schedule of Investments

Schedule of Investments Intermediate Municipal Fund Inc.

(Unaudited)

PRINCIPAL AMOUNT	SECURITY [@]	VALUE [†]
(000's omitted)		(000's omitted)
Alabama (1.5%)		
\$ 4,210	DCH Hlth. Care Au. Hlth. Care Fac. Rev., Ser. 2002, 5.25%, due 6/1/14	\$ 4,435
Arizona (2.3%)		
1,465	Arizona Energy Management Svcs. (Main) LLC Energy Conservation Rev. (Arizona St. Univ. Proj.-Main Campus), Ser. 2002, (MBIA Insured), 5.25%, due 7/1/17	1,550
1,255	Salt Verde Fin. Corp. Sr. Gas Rev., Ser. 2007, 5.25%, due 12/1/20	1,262
1,750	Verrado Comm. Fac. Dist. Number 1 G.O., Ser. 2003, 6.15%, due 7/15/17	1,782
2,325	Verrado Comm. Fac. Dist. Number 1 G.O., Ser. 2006, 5.05%, due 7/15/18	2,126
		6,720
California (7.9%)		
3,500	California Poll. Ctrl. Fin. Au. Solid Waste Disp. Rev. (Republic Svcs., Inc. Proj.), Ser. 2002 B, 5.25%, due 6/1/23 Putable 12/1/17	3,229 ^B
2,000	California Poll. Ctrl. Fin. Au. Solid Waste Disp. Rev. (Waste Management, Inc. Proj.), Ser. 2005 C, 5.13%, due 11/1/23	1,736 ^B
2,500	California St. Dept. of Wtr. Res. Pwr. Supply Rev., Ser. 2002 A, 5.75%, due 5/1/17 Pre-Refunded 5/1/12	2,792
3,460	California St. Dept. of Wtr. Res. Pwr. Supply Rev., Ser. 2002 A, 5.38%, due 5/1/22 Pre-Refunded 5/1/12	3,815
1,500	California St. Pub. Works Board Lease Rev., Ser. 2002 A, (AMBAC Insured), 5.25%, due 12/1/17	1,596
1,240	California Statewide CDA Hlth. Fac. Rev. (Mem. Hlth. Svcs.), Ser. 2003 A, 6.00%, due 10/1/16	1,330 ^B
1,270	California Statewide CDA Rev. (California Baptist Univ.), Ser. 2007 A, 5.30%, due 11/1/18	1,256 ^B
3,000	Golden St. Tobacco Securitization Corp. Tobacco Settlement Asset-Backed Rev., Ser. 2003 A-1, 6.25%, due 6/1/33	3,253
2,080	Oakland Redev. Agcy. Sub. Tax Allocation Rev. (Central Dist. Redev. Proj.), Ser. 2003, (FGIC Insured), 5.50%, due 9/1/18	2,199
740	San Diego Redev. Agcy. Sub. Parking Rev. (Centre City Redev. Proj.), Ser. 2003 B, 5.00%, due 9/1/17	749
1,500	Santa Rosa Rancheria Tachi Yokut Tribe Enterprise Rev., Ser. 2006, 4.88%, due 3/1/16	1,470
		23,425
Colorado (5.3%)		
4,220	Colorado Springs Util. Sys. Sub. Lien Ref. Rev., Ser. 2002 A, (AMBAC Insured), 5.38%, due 11/15/18	4,497
1,785	Denver City & Co. Arpt. Sys. Ref. Rev., Ser. 1991 D, (XLCA Insured), 7.75%, due 11/15/13	1,984
4,000	Denver City & Co. Arpt. Sys. Ref. Rev., Ser. 2002 E, (FGIC Insured), 5.25%, due 11/15/14	4,076
4,610	Thornton Cert. of Participation, Ser. 2002, (AMBAC Insured), 5.38%, due 12/1/16 Pre-Refunded 12/1/12	5,060
		15,617

Connecticut (0.8%)

2,400	Mashantucket Western Pequot Tribe Spec. Rev., Sub. Ser. 1997 B, 5.70%, due 9/1/12	2,420 ⁿ
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District of Columbia (1.6%)

4,495	Dist. of Columbia (Washington, D.C.) Ref. G.O., Ser. 2002 C, (XLCA Insured), 5.25%, due 6/1/13	4,810
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Florida (8.3%)

2,560	Fiddlers Creek Comm. Dev. Dist. Number 2 Spec. Assessment Rev., Ser. 2003 A, 6.00%, due 5/1/16	2,373
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1,750	Miami Beach Hlth. Fac. Au. Hosp. Ref. Rev. (Mount Sinai Med. Ctr. of Florida Proj.), Ser. 2004, 6.25%, due 11/15/09	1,776 ^b
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1,500	Miami-Dade Co. Ind. Dev. Au. Solid Waste Disp. Rev. (Florida Pwr. & Light Co. Proj.), Ser. 2003, 2.75%, due 5/1/08	1,500 ^{uB}
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8,140	Orange Co. Sales Tax Ref. Rev., Ser. 2002 A, (FGIC Insured), 5.13%, due 1/1/18	8,497
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2,085	Palm Beach Co. Hlth. Fac. Au. Hosp. Ref. Rev. (BRCH Corp. Oblig. Group), Ser. 2001, 5.00%, due 12/1/12	2,147 ^b
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See Notes to Schedule of Investments

PRINCIPAL AMOUNT		SECURITY [@]	VALUE [†]
(000's omitted)			(000's omitted)
\$	7,000	Palm Beach Co. Sch. Board Cert. of Participation, Ser. 2001 B, (AMBAC Insured), 5.38%, due 8/1/17	\$ 7,386
	1,000	Sarasota Co. Util. Sys. Ref. Rev., Ser. 2002 C, (FGIC Insured), 5.25%, due 10/1/20	1,034
			24,713
Georgia (3.0%)			
	4,575	Henry Co. Wtr. & Swr. Au. Wtr. & Swr. Ref. Rev., Ser. 2002 A, (MBIA Insured), 5.13%, due 2/1/17	4,922
	1,000	Main Street Natural Gas, Inc. Gas Proj. Rev., Ser. 2007 B, 5.00%, due 3/15/14	993
	2,710	Newnan Hosp. Au. Rev. Anticipation Cert. (Newnan Hosp., Inc. Proj.), Ser. 2002, (MBIA Insured), 5.50%, due 1/1/18	2,895 ^B
			8,810
Illinois (12.7%)			
	3,000	Bartlett Tax Increment Ref. Rev. (Quarry Redev. Proj.), Ser. 2007, 5.35%, due 1/1/17	2,905
	5,940	Chicago G.O., Ser. 2002 A, (AMBAC Insured), 5.38%, due 1/1/17 Pre-Refunded 7/1/12	6,507
	180	Chicago G.O. (Unrefunded Bal.), Ser. 2002 A, (AMBAC Insured), 5.38%, due 1/1/17	192
	1,500	Chicago Metro. Wtr. Reclamation Dist. Cap. Imp. G.O., Ser. 2002 C, 5.38%, due 12/1/16 Pre-Refunded 12/1/12	1,653
	1,970	Cook County Illinois Township High Sch. Dist. Number 225 Northfield Township, 5.00%, due 12/1/25	2,057
	5,130	Illinois Ed. Fac. Au. Rev. (Field Museum of Natural History), Ser. 2002, 4.30%, due 11/1/36 Putable 11/1/13	5,284 ^{uB}
	4,000	Illinois Fin. Au. Rev. (Clare Oaks Proj.), Ser. 2006 A, 5.75%, due 11/15/16	3,989 ^B
	5,000	Illinois G.O., Ser. 2002, (MBIA Insured), 5.25%, due 10/1/14	5,405
	3,000	Illinois Hlth. Fac. Au. Rev. (Loyola Univ. Hlth. Sys.) (Unrefunded Bal.), Ser. 1997 A, (MBIA Insured), 6.00%, due 7/1/14	3,430 ^B
	1,670	Illinois Metro. Pier & Exposition Au. Dedicated St. Tax Ref. Rev., Ser. 1998 A, (FGIC Insured), 5.50%, due 6/15/17	1,879
	2,000	Kane, Cooke, & DuPage Cos. Elgin Sch. Dist. Number U-46 G.O., Ser. 1998, (FSA Insured), 5.35%, due 1/1/15	2,121
	2,250	Southwestern Illinois Local Gov't Dev. Au. Rev., (Collinsville Ltd.), Ser. 2007, 5.00%, due 3/1/25	2,051
			37,473
Indiana (9.7%)			
	1,995	Indiana Bond Bank Rev. (St. Revolving Fund Prog.), Ser. 2001 A, 5.38%, due 2/1/17 Pre-Refunded 2/1/13	2,206
	760	Indiana Bond Bank Rev. (St. Revolving Fund Prog.), Ser. 2001 B, 5.25%, due 2/1/18 Pre-Refunded 2/1/13	830
	8,005	Indiana Bond Bank Rev. (Unrefunded Bal. Revolving Fund Prog.), Ser. 2001 A, 5.38%, due 2/1/17	8,585
	2,800	Indiana Bond Bank Rev. (Unrefunded Bal. Revolving Fund Prog.), Ser. 2002 B, 5.25%, due 2/1/18	2,982
	4,000	Indiana Hlth. & Ed. Fac. Fin. Au. Hosp. Ref. Rev. (Clarian Hlth. Oblig. Group), Ser. 2006 B, 5.00%, due 2/15/21	4,002 ^B
	1,000	Indiana Muni. Pwr. Agcy. Pwr. Supply Sys. Rev., Ser. 2002 B, (MBIA Insured), 5.25%, due 1/1/18	1,056
	2,050	Indiana St. Hlth. Fac. Fin. Au. Rev. (Hlth. Sys. Sisters of St. Francis), Ser. 2001, 5.35%, due 11/1/15	2,152 ^B

1,065	Indiana St. Recreational Dev. Comm. Rev., Ser. 2002, (AMBAC Insured), 5.25%, due 7/1/18	1,118
1,125	Indiana St. Recreational Dev. Comm. Rev., Ser. 2002, (AMBAC Insured), 5.25%, due 7/1/19	1,175
2,580	Indianapolis Local Pub. Imp. Rev. (Indianapolis Arpt. Au. Proj.), Ser. 2003 A, (FSA Insured), 5.63%, due 1/1/17	2,673
2,000	Jasper Hosp. Au. Hosp. Fac. Ref. Rev. (Mem. Hosp. & Hlth. Care Ctr. Proj.), Ser. 2002, (Radian Insured), 5.50%, due 11/1/17	2,087 ^B
		28,866
Iowa (2.7%)		
1,000	Coralville Urban Renewal Rev., Tax Increment, Ser. 2007 C, 5.00%, due 6/1/15	1,039
3,000	Iowa Tobacco Settlement Au. Tobacco Settlement Asset-Backed Rev., Ser. 2001 B, 5.30%, due 6/1/25 Pre-Refunded 6/1/11	3,182
3,000	Iowa Tobacco Settlement Au. Tobacco Settlement Asset-Backed Rev., Ser. 2005 C, 5.38%, due 6/1/38	2,614

See Notes to Schedule of Investments

PRINCIPAL AMOUNT (000's omitted)	SECURITY [@]	VALUE [†] (000's omitted)
\$ 1,005	Kirkwood Comm. College Iowa New Jobs Training Cert. (Merged Area X), Ser. 2007 1B, 5.00%, due 6/1/17	\$ 1,034
		7,869
Louisiana (1.2%)		
2,500	Morehouse Parish Ref. PCR (Int'l Paper Co. Proj.), Ser. 2001 A, 5.25%, due 11/15/13	2,520 ^B
1,000	Tobacco Settlement Fin. Corp. Tobacco Settlement Asset-Backed Rev., Ser. 2001 B, 5.50%, due 5/15/30	962
		3,482
Maryland (0.5%)		
1,000	Maryland St. Hlth. & Higher Ed. Fac. Au. Rev. (Union Hosp. of Cecil Co.), Ser. 2002, 5.50%, due 7/1/14	1,049 ^B
400	Prince George's Co. Unrefunded Bal. Cons. Pub. Imp. G.O., Ser. 2001, (FGIC Insured), 5.25%, due 12/1/16 Pre-Refunded 12/1/11	438
		1,487
Massachusetts (8.8%)		
3,000	Massachusetts Port Au. Spec. Fac. Rev. (Delta Air Lines, Inc. Proj.), Ser. 2001 A, (AMBAC Insured), 5.50%, due 1/1/19	2,860 ^B
1,850	Massachusetts St. G.O., Ser. 2002 E, (MBIA Insured), 5.38%, due 1/1/18 Pre-Refunded 1/1/13	2,014
2,450	Massachusetts St. Hlth. & Ed. Fac. Au. Rev. (Caritas Christi Oblig. Group), Ser. 1999 A, 5.70%, due 7/1/15	2,484 ^B
100	Massachusetts St. Hlth. & Ed. Fac. Au. Rev. (Harvard Univ.), Ser. 1999 R, 2.00%, due 5/1/08	100 ^{uB}
2,810	Massachusetts St. Hlth. & Ed. Fac. Au. Rev. (Milford-Whitinsville Reg. Hosp.), Ser. 1998 C, 5.75%, due 7/15/13	2,861 ^B
4,935	Massachusetts St. Hlth. & Ed. Fac. Au. Rev. (New England Med. Ctr. Hosp.), Ser. 2002 H, (FGIC Insured), 5.38%, due 5/15/16 Pre-Refunded 5/15/12	5,344 ^B
2,775	Massachusetts St. Wtr. Poll. Abatement Trust (Unrefunded Bal. Rev. Pool Prog.), Ser. 2001, 5.25%, due 2/1/16	2,946
5,030	Massachusetts St. Wtr. Poll. Abatement Trust Rev. (MWRA Prog.), Ser. 2002 A, 5.25%, due 8/1/19	5,303
2,000	Massachusetts St. Wtr. Poll. Abatement Trust Rev. (Pool Prog.), Ser. 2001, 5.25%, due 2/1/16 Pre-Refunded 8/1/11	2,152
		26,064
Michigan (4.9%)		
3,075	Detroit Sch. Dist. Sch. Bldg. & Site Imp. G.O., Ser. 2002 A, (FGIC Insured), 5.50%, due 5/1/15 Pre-Refunded 5/1/13	3,406
1,070	Ingham & Clinton Cos. East Lansing Bldg. Au. Ref. G.O., Ser. 1999, 5.25%, due 10/1/16	1,096
1,375	Macomb Co. New Haven Comm. Sch. Bldg. & Site G.O., Ser. 2002, 5.25%, due 5/1/17 Pre-Refunded 11/1/12	1,500
1,500	Michigan St. Bldg. Au. Rev. (Fac. Prog.), Ser. 2001 II, 5.50%, due 10/15/18 Pre-Refunded 10/15/11	1,625
3,850	Royal Oak Hosp. Fin. Au. Hosp. Ref. Rev. (William Beaumont Hosp.), Ser. 1996, 6.25%, due 1/1/12	4,155 ^B
2,000	Summit Academy North Pub. Sch. Academy Ref. Rev., Ser. 2005, 5.25%, due 11/1/20	1,845
975	Summit Academy Pub. Sch. Academy Ref. Rev., Ser. 2005, 6.00%, due 11/1/15	982

			14,609
Minnesota (2.3%)			
2,000		Freeborn Co. Hsg. & Redev. Au. Lease Rev. (Criminal Justice Ctr. Proj.), Ser. 2002, 5.38%, due 2/1/17	2,080
2,000		Maple Grove Hlth. Care Sys. Rev. (Maple Grove Hosp. Corp.), Ser. 2007, 5.00%, due 5/1/17	2,061 ^b
2,540		St. Paul Port Au. Lease Rev. (Office Bldg. at Cedar Street), Ser. 2002, 5.00%, due 12/1/17	2,670
			6,811
Mississippi (0.5%)			
1,500		Mississippi Dev. Bank Spec. Oblig. (Wilkinson Co. Correctional), Ser. 2008 D, 5.00%, due 8/1/15	1,584

See Notes to Schedule of Investments

PRINCIPAL AMOUNT	SECURITY [®]	VALUE [†]
(000's omitted)		(000's omitted)
Missouri (4.9%)		
\$ 3,495	Bi State Dev. Agcy. Metro. Dist. Rev. (Metrolink Cross Co. Extension Proj.), Ser. 2002 B, (FSA Insured), 5.25%, due 10/1/16	\$ 3,794
2,000	Boone Co. Hosp. Ref. Rev. (Boone Hosp. Ctr.), Ser. 2002, 5.05%, due 8/1/20	2,030 ^B
2,425	Branson Dev. Fin. Board Infrastructure Fac. Board Rev., Ser. 2003 A, 5.00%, due 12/1/17	2,465
740	Branson Ind. Dev. Au. Ltd. Oblig. Tax Increment Rev. (Branson Landing-Retail Proj.), Ser. 2005, 5.25%, due 6/1/21	670
2,965	Missouri St Univ. Auxiliary Enterprise Sys. Rev., Ser. 2007 A, (XLCA Insured), 5.00%, due 4/1/26	2,961
2,000	Missouri St. Env. Imp. & Energy Res. Au. Wtr. Poll. Ctrl. & Drinking Wtr. Rev., Ser. 2002 B, 5.50%, due 7/1/16	2,183
435	Missouri St. Hsg. Dev. Comm. Multi-Family Hsg. Rev., Ser. 2001 II, (FHA Insured), 5.25%, due 12/1/16	445 ^A
110	Missouri St. Hsg. Dev. Comm. Multi-Family Hsg. Rev., Ser. 2001 III, (FHA Insured), 5.05%, due 12/1/15	113
		14,661
Nebraska (0.6%)		
1,725	Central Plains Energy Proj. Rev. (Nebraska Gas Proj. Number 1), Ser. 2007 A, 5.00%, due 12/1/14	1,735
Nevada (4.3%)		
5,335	Clark Co. Passenger Fac. Charge Ref. Rev. (Las Vegas-McCarran Int'l Arpt. Proj.), Ser. 2002 A, (MBIA Insured), 5.25%, due 7/1/10	5,499
4,355	Las Vegas Valley Wtr. Dist. Ref. & Wtr. Imp. G.O., Ser. 2003 A, (FGIC Insured), 5.25%, due 6/1/16	4,646
2,295	Truckee Meadows Wtr. Au. Wtr. Rev., Ser. 2001 A, (FSA Insured), 5.50%, due 7/1/15	2,457
		12,602
New Hampshire (1.8%)		
3,310	New Hampshire Hlth. Ed. Fac. Au. Rev. (Univ. Sys. of New Hampshire), Ser. 2001, (AMBAC Insured), 5.38%, due 7/1/17 Pre-Refunded 7/1/11	3,608
1,700	New Hampshire Hlth. Ed. Fac. Au. Rev. (Univ. Sys. of New Hampshire) (Unrefunded Bal.), Ser. 2001, (AMBAC Insured), 5.38%, due 7/1/17	1,803
		5,411
New Jersey (6.4%)		
5,000	New Jersey Bldg. Au. St. Bldg. Ref. Rev., Ser. 2002 B, (FSA Insured), 5.25%, due 12/15/15	5,385
1,500	New Jersey Econ. Dev. Au. Cigarette Tax Rev., Ser. 2004, 5.63%, due 6/15/19	1,490
700	New Jersey Econ. Dev. Au. Retirement Comm. Rev. Ref. (Seabrook Vlg., Inc. Fac.), Ser. 2006, 5.25%, due 11/15/26	613 ^B
6,900	New Jersey Ed. Fac. Au. Rev. (Stevens Institute of Technology), Ser. 2002 C, 5.25%, due 7/1/17 Pre-Refunded 7/1/13	7,584 ^B
4,000	New Jersey Hlth. Care Fac. Fin. Au. Rev. (Somerset Med. Ctr. Issue), Ser. 2003, 5.50%, due 7/1/18	3,867 ^B
		18,939
New York (4.7%)		
990	Lyons Comm. Hlth. Initiatives Corp. Fac. Rev., Ser. 2004, 5.50%, due 9/1/14	1,081
3,250	New York City G.O., Ser. 2002 C, 5.50%, due 8/1/15	3,517
2,580	New York City IDA Civic Fac. Rev. (Lycee Francais de New York Proj.), Ser. 2002 A, (ACA Insured), 5.50%, due 6/1/14	2,646 ^B

750	New York City IDA Civic Fac. Rev. (Vaughn College of Aeronautics and Technology), Ser. 2006 A, 5.00%, due 12/1/21	665 ^B
2,750	New York City IDA Liberty Rev. (7 World Trade Center, LLC Proj.), Ser. 2005 A, 6.25%, due 3/1/15	2,778
1,250	New York Liberty Dev. Corp. Rev. (Nat'l Sports Museum Proj.), Ser. 2006 A, 6.13%, due 2/15/19	1,244
1,700	New York St. Dorm. Au. Personal Income Tax Rev., Ser. 2003 A, 5.38%, due 3/15/20 Pre-Refunded 3/15/13	1,881
		13,812
North Dakota (1.5%)		
4,100	Fargo Hlth. Sys. Rev. (Meritcare Obligated Group), Ser. 2002 A, (AMBAC Insured), 5.63%, due 6/1/17	4,400 ^B

See Notes to Schedule of Investments

PRINCIPAL AMOUNT (000's omitted)	SECURITY [@]	VALUE [†] (000's omitted)
Ohio (1.3%)		
\$ 3,760	Ohio Air Quality Dev. Au. Env. Imp. Ref. Rev. (USX Corp. Proj.), Ser. 1995, 5.00%, due 11/1/15 Putable 11/1/11	\$ 3,847 ^B
Pennsylvania (6.4%)		
1,765	Cumberland Co. West Shore Area Au. Hosp. Rev. (Holy Spirit Hosp. of the Sisters of Christian Charity Proj.), Ser. 2001, 6.05%, due 1/1/19	1,795 ^B
565	Delaware River Joint Toll Bridge Comm. Sys. Rev., Ser. 2003, 5.25%, due 7/1/18 Pre-Refunded 7/1/13	622
435	Delaware River Joint Toll Bridge Comm. Sys. Rev. (Unrefunded Bal.), Ser. 2003, 5.25%, due 7/1/18	460
2,000	Lancaster Co. Hosp. Au. Rev. (Brethren Vlg. Proj.), Ser. 2008 A, 6.10%, due 7/1/22	2,000 ^B
2,000	Lehigh Co. Gen. Purp. Au. Rev. (KidsPeace Oblig. Group), Ser. 1998, 6.00%, due 11/1/23	1,797 ^B
5,000	Montgomery Co. Higher Ed. & Hlth. Au. Hosp. Rev. (Abington Mem. Hosp. Proj.), Ser. 2002 A, 5.00%, due 6/1/19	5,065 ^B
1,000	Pennsylvania Econ. Dev. Fin. Au. Res. Rec. Ref. Rev. (Colver Proj.), Ser. 2005 G, 5.13%, due 12/1/15	963
2,000	Philadelphia Arpt. Ref. Rev. (Philadelphia Arpt. Sys.), Ser. 1998 A, (FGIC Insured), 5.38%, due 6/15/14	2,042
1,480	Sayre Hlth. Care Fac. Au. Rev., (Guthrie Hlth. Proj.), Ser. 2002 A, 5.75%, due 12/1/21 Pre-Refunded 12/1/11	1,634 ^B