

Edgar Filing: APEX MUNICIPAL FUND INC - Form N-Q

APEX MUNICIPAL FUND INC
 Form N-Q
 May 26, 2006

UNITED STATES
 SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED MANAGEMENT
 INVESTMENT COMPANY

Investment Company Act File number 811-5227

Name of Fund: Apex Municipal Fund, Inc.

Fund Address: P.O. Box 9011
 Princeton, NJ 08543-9011

Name and address of agent for service: Robert C. Doll, Jr., Chief Executive
 Officer, Apex Municipal Fund, Inc., 800 Scudders Mill Road, Plainsboro,
 NJ 08536. Mailing address: P.O. Box 9011, Princeton, NJ 08543-9011

Registrant's telephone number, including area code: (609) 282-2800

Date of fiscal year end: 06/30/2006

Date of reporting period: 01/01/06 - 03/31/06

Item 1 - Schedule of Investments

Apex Municipal Fund, Inc.
 Schedule of Investments as of March 31, 2006 (in Thousands)

| State | Face Amount | Municipal Bonds |
|----------------|-------------|--|
| Alabama - 0.5% | \$ 1,000 | Brewton, Alabama, IDB, PCR, Refunding (Container Corporation of Smurfit Corp. Project), 8% due 4/01/2009 |
| Alaska - 1.0% | 2,000 | Alaska Industrial Development and Export Authority Revenue Bonds (Alaska Cargoport), AMT, 8% due 5/01/2023 |
| Arizona - 3.7% | 1,000 | Maricopa County, Arizona, IDA, Education Revenue Bonds (Arizona Project 1), Series A, 6.625% due 7/01/2020 |
| | 80 | Maricopa County, Arizona, IDA, M/F Housing Revenue Bonds (Sun Ki Project), Series A, 5.875% due 11/01/2008 |
| | 20 | Maricopa County, Arizona, IDA, M/F Housing Revenue Bonds (Sun Ki Project), Series A, 6% due 11/01/2010 |
| | 1,020 | Maricopa County, Arizona, IDA, M/F Housing Revenue Bonds (Sun Ki Project), Series A, 6.75% due 5/01/2031 |
| | 4,000 | Phoenix, Arizona, IDA, Airport Facility, Revenue Refunding Bonds (Airlines Inc. Project), AMT, 6.30% due 4/01/2023 |
| | 1,000 | Pima County, Arizona, IDA, Education Revenue Bonds (Arizona Char Project), Series E, 7.25% due 7/01/2031 |
| | 500 | Yavapai County, Arizona, IDA, Hospital Facility Revenue Bonds (Y |

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Medical Center), Series A, 6% due 8/01/2033

| | | |
|--------------------|-------|---|
| California - 2.2% | 1,800 | California State, GO, 5% due 2/01/2033 |
| | 1,300 | California State, Various Purpose, GO, 5.25% due 11/01/2025 |
| | 1,000 | Fontana, California, Special Tax, Refunding (Community Facilities 22 - Sierra), 6% due 9/01/2034 |
| Colorado - 5.6% | 2,765 | Denver, Colorado, Urban Renewal Authority, Tax Increment Revenue AMT, 7.75% due 9/01/2016 |
| | 2,800 | Elk Valley, Colorado, Public Improvement Revenue Bonds (Public Improvement Series A, 7.30% due 9/01/2022 |
| | 1,235 | North Range, Colorado, Metropolitan District Number 1, GO, 7.25% |
| | 2,000 | Plaza Metropolitan District Number 1, Colorado, Tax Allocation Revenue Bonds (Public Improvement Fees), 8% due 12/01/2025 |
| | 500 | Plaza Metropolitan District Number 1, Colorado, Tax Allocation Revenue Bonds (Public Improvement Fees), 8.125% due 12/01/2025 |
| | 830 | Southlands, Colorado, Medical District, GO (Metropolitan District Number 1), 6% due 12/01/2034 |
| Connecticut - 1.6% | 1,650 | Bridgeport, Connecticut, Senior Living Facilities Revenue Bonds (Retirement Community Project), 7.25% due 4/01/2035 |

Portfolio Abbreviations

To simplify the listings of Apex Municipal Fund, Inc.'s portfolio holdings in the Schedule of Investments, we have abbreviated the names of many of the securities according to the list at right.

| | |
|------|--------------------------------------|
| AMT | Alternative Minimum Tax (subject to) |
| BAN | Bond Anticipation Notes |
| EDA | Economic Development Authority |
| GO | General Obligation Bonds |
| IDA | Industrial Development Authority |
| IDB | Industrial Development Board |
| IDR | Industrial Development Revenue Bonds |
| M/F | Multi-Family |
| PCR | Pollution Control Revenue Bonds |
| VRDN | Variable Rate Demand Notes |

Apex Municipal Fund, Inc.

Schedule of Investments as of March 31, 2006

(in Thousands)

| State | Face Amount | Municipal Bonds |
|----------------|-------------|---|
| | \$ 490 | Connecticut State Development Authority, Airport Facility Revenue Bonds (LearJet Inc. Project), AMT, 7.95% due 4/01/2026 |
| | 1,160 | New Haven, Connecticut, Facility Revenue Bonds (Hill Health Corporation), 9.25% due 5/01/2017 |
| Florida - 8.0% | 785 | Arbor Greene Community Development District, Florida, Special Assessment Bonds, 7.60% due 5/01/2018 |
| | 800 | Capital Projects Finance Authority, Florida, Continuing Care Retirement Bonds (Glenridge on Palmer Ranch), Series A, 8% due 6/01/2032 |
| | 2,500 | Hillsborough County, Florida, IDA, Exempt Facilities Revenue Bonds (Gypsum), AMT, Series A, 7.125% due 4/01/2030 |

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| | | |
|-----------------|-------|---|
| | 845 | Lakewood Ranch, Florida, Community Development District Number 5 Assessment Revenue Refunding Bonds, Series A, 6.70% due 5/01/2033 |
| | 1,500 | Midtown Miami, Florida, Community Development District, Special Bonds, Series A, 6% due 5/01/2024 |
| | 1,350 | Midtown Miami, Florida, Community Development District, Special Bonds, Series A, 6.25% due 5/01/2037 |
| | 820 | Orlando, Florida, Greater Orlando Aviation Authority, Airport Facility Bonds (JetBlue Airways Corp.), AMT, 6.375% due 11/15/2026 |
| | 1,555 | Orlando, Florida, Urban Community Development District, Capital Assessment Bonds, Series A, 6.95% due 5/01/2033 |
| | 1,895 | Santa Rosa Bay Bridge Authority, Florida, Revenue Bonds, 6.25% due 5/01/2033 |
| | 2,640 | Tampa Palms, Florida, Open Space and Transportation Community Development Revenue Bonds, Capital Improvement (Richmond Place Project), 7.5% due 5/01/2033 |
| ----- | | |
| Georgia - 4.0% | 2,000 | Atlanta, Georgia, Tax Allocation Bonds (Atlantic Station Project), due 12/01/2024 |
| | 410 | Atlanta, Georgia, Tax Allocation Bonds (Eastside Project), Series A, due 1/01/2020 |
| | 495 | Atlanta, Georgia, Tax Allocation Bonds (Princeton Lakes Project), Series A, due 1/01/2031 |
| | 830 | Brunswick & Glynn County, Georgia, Development Authority, First Bonds (Coastal Community Retirement Corporation Project), Series A, due 1/01/2025 |
| | 1,185 | Brunswick & Glynn County, Georgia, Development Authority, First Bonds (Coastal Community Retirement Corporation Project), Series A, due 1/01/2035 |
| | 1,580 | Fulton County, Georgia, Development Authority, PCR (General Motor Vehicle Refunding, VRDN, 8% due 4/01/2010 (e)) |
| | 830 | Savannah, Georgia, EDA, Revenue Bonds (Marshes of Skidaway), First Series A, 7.40% due 1/01/2034 |
| ----- | | |
| Idaho - 0.8% | 1,470 | Idaho Health Facilities Authority, Revenue Refunding Bonds (Vallée Corporation), Series A, 7.75% due 11/15/2016 |
| ----- | | |
| Illinois - 8.0% | 1,845 | Caseyville, Illinois, Senior Tax Increment Revenue Bonds (Forest Park), due 12/30/2022 |
| | 3,000 | Chicago, Illinois, O'Hare International Airport, Special Facilities Bonds (American Airlines Inc. Project), 8.20% due 12/01/2024 |
| | 585 | Illinois Development Finance Authority Revenue Bonds (Primary Health Facilities Acquisition Program), 7.75% due 12/01/2006 (a) |

Apex Municipal Fund, Inc.

Schedule of Investments as of March 31, 2006

(in Thousands)

| State | Face Amount | Municipal Bonds |
|-------|-------------|--|
| | \$ 2,605 | Illinois Development Finance Authority Revenue Bonds (Primary Health Facilities Acquisition Program), 7.75% due 12/01/2016 |
| | 2,050 | Illinois State Finance Authority Revenue Bonds (Clare At Water Tower), Series A, 6.125% due 5/15/2038 |
| | 430 | Illinois State Finance Authority Revenue Bonds (Landing At Plymouth), Series A, 6% due 5/15/2037 |
| | 490 | Illinois State Finance Authority Revenue Bonds (Primary Health Care Program), 6.60% due 7/01/2024 |
| | 755 | Lincolnshire, Illinois, Special Service Area Number 1, Special Tax |

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| | | |
|----------------------|-------|---|
| | | (Sedgebrook Project), 6.25% due 3/01/2034 |
| | 2,400 | Lombard, Illinois, Public Facilities Corporation, First Tier Revenue Bonds (Conference Center and Hotel), Series A-1, 7.125% due 1/01/2036 |
| | 265 | Naperville, Illinois, IDR (General Motors Corporation), Refunding Bonds due 12/01/2012 (e) |
| | 760 | Village of Wheeling, Illinois, Revenue Bonds (North Milwaukee/Laurens Increment Financing (TIF) Redevelopment Project), 6% due 1/01/2012 |
| Iowa - 2.4% | 3,855 | Iowa Finance Authority, Health Care Facilities, Revenue Refunding Bonds (Initiatives Project), 9.25% due 7/01/2025 |
| Kansas - 0.5% | 1,230 | Wyandotte County, Kansas, Kansas City Unified Government Revenue Bonds (General Motors Corporation Project), 6% due 6/01/2025 |
| Louisiana - 1.3% | 1,300 | Louisiana Public Facilities Authority, Hospital Revenue Bonds (For the Missionaries of Our Lady Health System, Inc.), Series A, 5.25% due 1/01/2012 |
| | 1,290 | New Orleans, Louisiana, Sewer Service Revenue Notes, BAN, 3% due 1/01/2012 |
| Maine - 0.4% | 840 | Maine Finance Authority, Solid Waste Recycling Facilities Revenue Bonds (Northern Paper Project-Bowater), AMT, 7.75% due 10/01/2022 |
| Maryland - 1.0% | 385 | Baltimore, Maryland, Convention Center Hotel Revenue Bonds, Sub-series A, 5.75% due 9/01/2039 |
| | 1,500 | Maryland State Energy Financing Administration, Limited Obligation Revenue Bonds (Cogeneration-AES Warrior Run), AMT, 7.40% due 9/01/2019 |
| Massachusetts - 4.7% | 1,845 | Massachusetts State Development Finance Agency, First Mortgage Revenue Bonds (Overlook Communities Inc.), Series A, 6.25% due 7/01/2034 |
| | 1,245 | Massachusetts State Development Finance Agency, Revenue Refunding Bonds (Nazarene College), 5.625% due 4/01/2019 |
| | 1,220 | Massachusetts State Development Finance Agency, Revenue Refunding Bonds (Nazarene College), 5.625% due 4/01/2029 |
| | 850 | Massachusetts State Health and Educational Facilities Authority, Revenue Bonds (Jordan Hospital), Series E, 6.75% due 10/01/2033 |
| | 2,100 | Massachusetts State Health and Educational Facilities Authority, Revenue Bonds (Bay Cove Human Services Issue), Series A, 5.90% due 4/01/2016 |
| | 500 | Massachusetts State Health and Educational Facilities Authority, Revenue Bonds (Milton Hospital), Series, 5.50% due 7/01/2016 |
| | 1,200 | Massachusetts State Industrial Finance Agency Revenue Bonds, Sewer Treatment (Resource Control Composting), AMT, 9.25% due 6/01/2010 |

Apex Municipal Fund, Inc.

Schedule of Investments as of March 31, 2006

(in Thousands)

| State | Face Amount | Municipal Bonds |
|------------------|-------------|---|
| Michigan - 0.6% | \$ 1,150 | Macomb County, Michigan, Hospital Finance Authority, Hospital Revenue Bonds (Clemens General Hospital), Series B, 5.875% due 11/15/2034 |
| Minnesota - 0.7% | 1,230 | Saint Paul, Minnesota, Port Authority, Hotel Facility, Revenue Bonds (Radisson Kellogg Project), Series 2, 7.375% due 8/01/2008 (a) |
| Missouri - 1.2% | 1,155 | Fenton, Missouri, Tax Increment Revenue Refunding and Improvement Bonds (Bluffs), 7% due 10/01/2011 (a) |

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| | | |
|--------------------|-------|---|
| | 1,000 | Kansas City, Missouri, IDA, First Mortgage Health Facilities Rev (Spencer Place), Series A, 6.50% due 1/01/2035 |
| Nevada - 0.2% | 430 | Clark County, Nevada, Improvement District Number 142, Special A 6.375% due 8/01/2023 |
| New Jersey - 13.7% | 2,000 | Camden County, New Jersey, Improvement Authority, Lease Revenue (Hauling & Warehousing), AMT, Series A, 9.625% due 1/01/2011 (b) (1) |
| | 4,500 | Camden County, New Jersey, Improvement Authority, Lease Revenue (Hauling & Warehousing), AMT, Series A, 9.875% due 1/01/2021 (b) (1) |
| | 6,000 | Camden County, New Jersey, Pollution Control Financing Authority Resource Recovery, Revenue Refunding Bonds, AMT, Series A, 7.50% due 1/01/2021 |
| | 2,170 | New Jersey EDA, Cigarette Tax Revenue Bonds, 5.50% due 6/15/2024 |
| | 1,500 | New Jersey EDA, IDR, Refunding (Newark Airport Marriott Hotel), Series A, 7.25% due 11/15/2031 |
| | 1,000 | New Jersey EDA, Retirement Community Revenue Bonds (Cedar Crest Facility), Series A, 7.25% due 11/15/2031 |
| | 3,700 | New Jersey EDA, Retirement Community Revenue Bonds (Seabrook Village), Series A, 8.125% due 11/15/2023 |
| | 3,050 | New Jersey EDA, Special Facility Revenue Bonds (Continental Airline), AMT, 6.625% due 9/15/2012 |
| | 3,000 | New Jersey EDA, Special Facility Revenue Bonds (Continental Airline), AMT, 6.25% due 9/15/2029 |
| | 1,870 | New Jersey Health Care Facilities Financing Authority Revenue Bonds (Hospital Association), 6.625% due 7/01/2036 |
| | 1,265 | Tobacco Settlement Financing Corporation of New Jersey, Asset-Based, 5.75% due 6/01/2032 |
| | 1,075 | Tobacco Settlement Financing Corporation of New Jersey, Asset-Based, 7% due 6/01/2041 |
| New Mexico - 3.5% | 1,680 | Farmington, New Mexico, PCR, Refunding (Public Service Company of New Mexico Juan Project), Series B, 4.875% due 4/01/2033 |
| | 5,000 | Farmington, New Mexico, PCR, Refunding (Tucson Electric Power Company Project), Series A, 6.95% due 10/01/2020 |
| New York - 5.5% | 1,000 | Dutchess County, New York, IDA, Civic Facility Revenue Bonds (Saratoga Hospital), Series b, 7.50% due 3/01/2029 |
| | 350 | New York City, New York, City IDA, Civic Facility Revenue Bonds, Series A, due 6/01/2028 |
| | 1,495 | New York City, New York, City IDA, Civic Facility Revenue Bonds (Facility Pooled Program), Series C-1, 6.50% due 7/01/2024 |
| | 1,730 | New York City, New York, City IDA, Special Facility Revenue Bonds (Plc Project), AMT, 7.625% due 12/01/2032 |
| | 2,080 | New York State Dormitory Authority, Non-State Supported Debt, Revenue Bonds (Mount Sinai-NYU Medical Center Health System), 5.50% due 7/01/2026 |

Apex Municipal Fund, Inc.

Schedule of Investments as of March 31, 2006

(in Thousands)

| State | Face Amount | Municipal Bonds |
|-------|-------------|--|
| | \$ 1,865 | New York State Dormitory Authority, Non-State Supported Debt, Revenue Bonds (Mount Sinai Hospital), Series C, 5.50% due 7/01/2026 |
| | 635 | Utica, New York, GO, Public Improvement, 9.25% due 8/15/2006 |
| | 1,180 | Westchester County, New York, IDA, Continuing Care Retirement, Revenue Bonds (Kendal on Hudson Project), Series A, 6.50% due 1/01/2034 |

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| | | |
|-----------------------|-------|--|
| North Carolina - 0.5% | 1,000 | North Carolina Medical Care Commission, Retirement Facilities, Revenue Bonds (Givens Estates Project), Series A, 6.50% due 7/01/2029 |
| Oklahoma - 0.4% | 750 | Norman, Oklahoma, Regional Hospital Authority, Hospital Revenue Bonds due 9/01/2029 |
| Oregon - 0.7% | 1,310 | Western Generation Agency, Oregon, Cogeneration Project Revenue Bonds (Cogeneration Project), AMT, Series B, 7.40% due 1/01/2016 |
| Pennsylvania - 6.8% | 1,160 | Bucks County, Pennsylvania, IDA, Retirement Community Revenue Bonds (Living Revenue Refunding Bonds (Jenners Pond Inc. Project)), Series A, 6.125% due 1/01/2025 |
| | 1,750 | Chester County, Pennsylvania, Health and Education Facilities Authority, Living Revenue Refunding Bonds (Jenners Pond Inc. Project), 7.625% due 1/01/2025 |
| | 900 | Montgomery County, Pennsylvania, Higher Education and Health Authority, Bonds (Faulkeways at Gwynedd Project), 6.75% due 11/15/2024 |
| | 925 | Montgomery County, Pennsylvania, Higher Education and Health Authority, Bonds (Faulkeways at Gwynedd Project), 6.75% due 11/15/2030 |
| | 1,700 | Montgomery County, Pennsylvania, IDA, Revenue Bonds (Whitemarsh Project), 6.25% due 2/01/2035 |
| | 1,600 | Philadelphia, Pennsylvania, Authority for IDR (Air Cargo), AMT, due 1/01/2025 |
| | 4,460 | Philadelphia, Pennsylvania, Authority for IDR, Commercial Development Revenue Bonds due 12/01/2017 |
| Rhode Island - 1.0% | 1,750 | Central Falls, Rhode Island, Detention Facility Corporation, Detention Facility Revenue Refunding Bonds, 7.25% due 7/15/2035 |
| Tennessee - 1.0% | 1,800 | Shelby County, Tennessee, Health, Educational and Housing Facilities Authority, Bonds (Germantown Village), Series A, 7.25% due 12/01/2034 |
| Texas - 7.7% | 1,000 | Austin, Texas, Convention Center Revenue Bonds (Convention Center Project), Tier, Series A, 6.70% due 1/01/2028 |
| | 2,530 | Brazos River Authority, Texas, PCR, Refunding (Texas Utility Commission Project), Series A, 7.70% due 4/01/2033 |
| | 2,760 | Brazos River Authority, Texas, PCR, Refunding (Utilities Electric Project), Series B, 5.05% due 6/01/2030 |
| | 1,220 | Brazos River Authority, Texas, Revenue Refunding Bonds (Reliant Energy Project), Series B, 7.75% due 12/01/2018 |
| | 830 | Grand Prairie, Texas, Housing Finance Corporation Revenue Bonds (Living Center), 7.75% due 1/01/2034 |
| | 1,000 | Houston, Texas, Health Facilities Development Corporation, Retirement Revenue Bonds (Buckingham Senior Living Community), Series A, 7.75% due 1/01/2029 |
| | 875 | Kerrville, Texas, Health Facilities Development Corporation, Hospital Revenue Bonds (Sid Peterson Memorial Hospital Project), 5.375% due 8/15/2035 |

Apex Municipal Fund, Inc.

Schedule of Investments as of March 31, 2006

(in Thousands)

| State | Face Amount | Municipal Bonds |
|-------|-------------|---|
| | \$ 2,310 | Matagorda County, Texas, Navigation District Number 1, Revenue Bonds (Reliant Energy Inc.), Series C, 8% due 5/01/2029 |
| | 1,330 | Port Corpus Christi, Texas, Individual Development Corporation, Facilities Revenue Bonds (Citgo Petroleum Corporation Project), |

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11/01/2031

| | | |
|--|--------|--|
| Utah - 1.2% | 2,240 | Carbon County, Utah, Solid Waste Disposal, Revenue Refunding Bonds (Environmental), AMT, Series A, 7.45% due 7/01/2017 |
| Virginia - 5.2% | 2,470 | Dulles Town Center, Virginia, Community Development Authority, Sales Tax (Dulles Town Center Project), 6.25% due 3/01/2026 |
| | 22,600 | Pocahontas Parkway Association, Virginia, Toll Road Revenue Bonds 5.888%** due 8/15/2025 |
| West Virginia - 0.6% | 1,125 | Princeton, West Virginia, Hospital Revenue Refunding Bonds (Community Association Inc. Project), 6.20% due 5/01/2013 |
| Wisconsin - 0.7% | 1,320 | Wisconsin State Health and Educational Facilities Authority Revenue (Castle Place Project), Series A, 7% due 12/01/2031 |
| U.S. Virgin Islands - 1.2% | 2,100 | Virgin Islands Government Refinery Facilities, Revenue Refunding Bonds (Coker Project), AMT, 6.50% due 7/01/2021 |
| Total Municipal Bonds (Cost - \$184,663) - 98.1% | | |

Shares Held Short-Term Securities

| | |
|---|--|
| 1,500 | Merrill Lynch Institutional Tax-Exempt Fund, 3.02% (d) (f) |
| Total Short-Term Securities (Cost - \$1,500) - 0.8% | |
| Total Investments (Cost - \$186,163*) - 98.9% | |
| Other Assets Less Liabilities - 1.1% | |
| Net Assets - 100.0% | |

* The cost and unrealized appreciation (depreciation) of investments as of March 31, 2006, as computed for federal income tax purposes, were as follows:

| | |
|-------------------------------|------------|
| Aggregate cost | \$ 186,144 |
| Gross unrealized appreciation | \$ 12,551 |
| Gross unrealized depreciation | (6,711) |
| Net unrealized appreciation | \$ 5,840 |

** Represents a zero coupon bond; the interest rate shown reflects the effective yield at the time of purchase.

(a) Prerefunded.

(b) Non-income producing security; issuer filed for bankruptcy or is in default of interest payments.

Apex Municipal Fund, Inc.
Schedule of Investments as of March 31, 2006

(in Thousands)

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- (c) Restricted securities as to resale, representing 0.5% of net assets were as follows:

| Issue | Acquisition Date(s) |
|--|---------------------|
| Camden County, New Jersey Improvement Authority, Lease Revenue Bonds (Holt Hauling & Warehousing), AMT, Series A, 9.625% due 1/01/2011 | 1/29/19 |
| Camden County, New Jersey Improvement Authority, Lease Revenue Bonds (Holt Hauling & Warehousing), AMT, Series A, 9.875% due 1/01/2021 | 2/06/199 1/29/19 |
| Total | |

- (d) Investments in companies considered to be an affiliate of the Fund, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, were as follows:

| Affiliate | Net Activity | Dividend Income |
|---|--------------|-----------------|
| Merrill Lynch Institutional Tax-Exempt Fund | (2,200) | \$ 56 |

- (e) Security may have a maturity of more than one year at time of issuance, but has variable rate and demand features that qualify it as a short-term security. The rate disclosed is that currently in effect. This rate changes periodically based upon prevailing market rates.
- (f) Floating rate security.

Item 2 - Controls and Procedures

- 2(a) - The registrant's certifying officers have reasonably designed such disclosure controls and procedures to ensure material information relating to the registrant is made known to us by others particularly during the period in which this report is being prepared. The registrant's certifying officers have determined that the registrant's disclosure controls and procedures are effective based on our evaluation of these controls and procedures as of a date within 90 days prior to the filing date of this report.
- 2(b) - There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the Act (17 CFR 270.30a-3(d)) that occurred during the last fiscal quarter of the period covered by this report that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 3 - Exhibits

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Certifications - Attached hereto

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Apex Municipal Fund, Inc.

By: /s/ Robert C. Doll, Jr.

Robert C. Doll, Jr.
Chief Executive Officer
Apex Municipal Fund, Inc.

Date: May 22, 2006

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Robert C. Doll, Jr.

Robert C. Doll, Jr.
Chief Executive Officer
Apex Municipal Fund, Inc.

Date: May 22, 2006

By: /s/ Donald C. Burke

Donald C. Burke
Chief Financial Officer
Apex Municipal Fund, Inc.

Date: May 22, 2006