

Council Meeting of
December 19, 2006

Honorable Mayor and Members
Of the City Council
City Hall
Torrance, California

Members of the Council:

SUBJECT: Investment Report for October 2006

RECOMMENDATION

The City Treasurer recommends that City Council accept and file the attached monthly investment report for the month of October 2006.

FUNDING

Not applicable

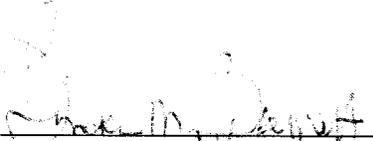
BACKGROUND

On January 10, 2006, Your Honorable Body, through passage of Resolution 01-06, adopted an official "Statement of Investment Policy" as recommended by the City Treasurer. The City's Statement of Investment Policy requires the City Treasurer to report a monthly statement of investment activity. This requirement was providing the attached report, which demonstrates the City of Torrance investment activity during the month of October 2006.

Investment Committee Note

The Investment Committee, made up of the Finance Director, City Manager, Assistant City Attorney, and City Treasurer, as created by your Honorable Body, has reviewed the attached report and find that it is in concurrence with the City of Torrance Investment Policy.

Respectfully submitted,


Linda M. Barnett
City Treasurer

Noted:


LeRoy J. Jackson
Investment Committee Member

Cc: City Manager
City Clerk

CITY OF TORRANCE

MONTHLY INVESTMENT PORTFOLIO REPORT
For the Month of October 2006Table of Contents

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City of Torrance
Investment Portfolio Highlights
For October 2006

RETURN

	<u>Current Month</u>	<u>Previous Month</u>
Average City Portfolio YTM	4.209	4.099
Average U.S. Treasury Constant Maturity	4.950	4.910
LAIF Average Monthly Return	5.098	5.023
Average City Portfolio YTM - 1 year prior	3.214	3.207

INTEREST INCOME

	<u>Current Period</u>	<u>Prior Year</u>
Fiscal year to date	1,801,540	1,258,914
Current month	452,232	306,752

MATURITY

	<u>Current Month</u>	<u>Prior Month</u>
Average Maturity (days)	557	534
Average Maturity 1 Year Prior (days)	611	611
Weighted Average Maturity (years)	1.53	1.47

VOLUMES

	<u>Total \$ Volume</u>	<u># of Transactions</u>
Purchases	16,383,531	15
Maturities	16,190,198	13

Transactions include deposits to and 8 withdrawals from LAIF, 0 purchases and maturities of the Bank of America Overnight Sweep Account.

VALUE OF PORTFOLIO PER GASB STATEMENT NO. 31

<u>GASB required securities</u>	<u>Beginning Investment Value as of July 1, 2005</u>	<u>Purchase/Redempt. Of Principal</u>	<u>Change in Market Value</u>	<u>Ending Investment Value as of Oct. 31, 2006</u>
Federal Agency (coup)	66,642,798	993,310	626,878	68,262,986
Treasury Securities	14,549,640	2,983,047	178,613	17,711,300
Medium Term Notes	19,848,918	-7,890	252,559	20,093,587
Municipal Bonds	2,027,507	-121,941	0	1,905,566
SUB-TOTAL PER GASB 31	103,068,863	3,846,526	1,058,050	107,973,439
<u>Non-GASB securities</u>				
LAIF	25,700,000	-5,700,000	0	20,000,000
Money Market	700,000	-700,000	0	0
Federal Agency – Disc.	3,949,700	-2,007,095	52,995	1,995,600
Treasury Security - Disc.	0	0	0	0
Certificate of Deposits -Disc.	0	0	0	0
Commercial paper	0	0	0	0
TOTAL PORTFOLIO	133,418,563	-4,560,569	1,111,045	129,969,039

The market values contained on this report are received from Union Bank of California and are believed to be reliable.

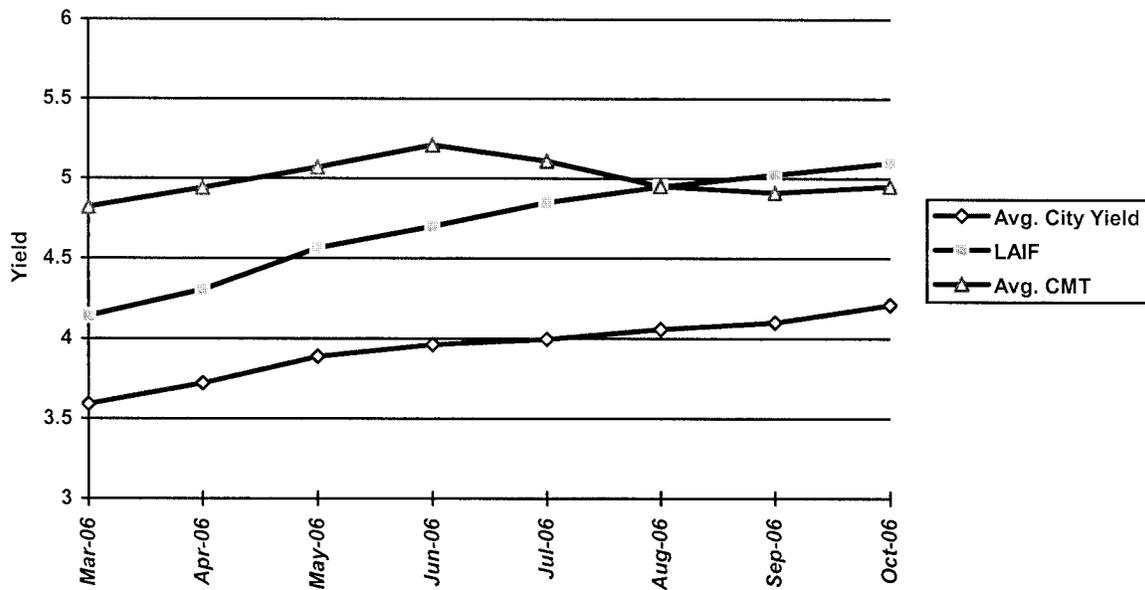
CITY OF TORRANCE

City Treasurer's Office

*Monthly Investment Report Summary
For the month of October 2006*

I. Return

41.21% of the portfolio is invested at one-year maturity or less as of October 31, 2006. The City Average yield on the portfolio was 4.209% compared to 4.950% for the U.S. Treasury at Constant Maturity (CMT) of 12 months. The portfolio performed below the benchmark as of October 31, 2006 by 75 basis points.



II. Volumes

The investment activity in September included 0 redemption. We currently do not utilize our sweep account investment.

III. Diversification of Investments

The activity in the month of October consisted of 8 purchases totaling \$8 million with an average rate of return of 5.07% and 5 redemptions totaling \$7.0 million with an average rate of return of 3.238%. The activity in the LAIF Account consisted of 7 deposits of \$8.1 million and 7 withdrawals of \$8.9 million. The portfolio remained unchanged at \$131.1 million.

<u>Asset Category</u>	<u>October</u>	<u>September</u>
1. LAIF	15.24	15.88%
2. Money Market Sweep	0.00	.00%
3. Federal Agency Issues(coup)	52.44	52.52%
4. Federal Agency Issues(disc)	1.52	1.52%
5. Treasury Securities	13.72	12.22%
6. Treasury Securities(disc)	0.00	.00%
7. Medium Term Notes	15.63	16.41%
8. Municipal Bonds	1.45	1.45%
9. Commercial Paper(disc)	<u>0.00</u>	<u>.00%</u>
	100.00%	100.00%

IV. Maturity

As of October 31, 2006, the current maturity allocation is 56.59% of the portfolio invested between the 6 month to 3-year maturity levels. 28.28% of our portfolio is under the 0-6 month maturity level, we are adequately meeting the 6-month liquidity requirement of SB 564* with approximately \$37.10 million available for expenditures.

<u>As of Maturity</u>	<u>October 31, 2006</u>	<u>September 30, 2006</u>
0 to 6 months	28.28%	31.11%
6 months to 1 year	12.93%	11.44%
1 to 2 years	35.30%	35.40%
2 to 3 years	8.36%	8.39%
3 to 4 years	5.32%	4.58%
4 to 5 years	7.60%	6.86%
5 years and after	2.21%	2.22%

V. Value

The Governmental Accounting Standards Board (GASB) has established Statement No. 31 for setting investment valuation standards. We will note the unrealized gain/(loss) monthly although we will not physically apply it to earnings until year-end, as GASB 31 requires. The portfolio paper gain or loss is the difference between the book and market value of securities with a maturity term of one year or greater at purchase. The disclosure of paper losses reveals the worse case scenario of liquidity in our portfolio. The philosophy of the city is to buy and hold to maturity.

NOTE: *SB 564 passed in 1995, effective February 1, 1996, requires that local agencies submit a quarterly report to the legislative body containing detailed information on all securities, investments, and moneys of the local agency. It also requires a statement of compliance of the portfolio with the statement of investment policy and a statement of the local agency's ability to meet the expenditure requirements of the pool for the next six months.

City of Torrance
Investment Portfolio Summary
As of October 31, 2006

Investment Type	Book Value (\$)	Percent of Portfolio	Percent Permitted by Policy	Average Term	Average Days to Maturity	Maturity Allowed by Policy	365 Equiv.
Local Agency Investment Fund	20,000,000	15.24	**	1	1	N/A	5.098
Money Market Sweep Account	00	.00		1	1		4.980
Federal Agency Issues – Coupon	69,801,162	52.43	75	1,272	675	5 years	4.188
Federal Farm Credit Bank	18,994,860	14.46	30	358	375	5 years	5.157
Federal Home Loan Bank	31,830,799	24.31	30	396	422	5 years	5.080
Federal Home Loan Mortgage Corp.	12,981,498	9.96	30	254	270	5 years	5.194
Federal National Mortgage Assoc.	7,989,999	6.13	30	275	293	5 years	5.230
Treasury Securities – Coupon	17,008,293	13.72	100	1,269	565	5 years	3.460
Medium Term Notes	20,511,613	15.63	20	1,428	607	5years	3.655
Municipal Bond Issue	1,905,565	1.45		3,848	2,069	N/A	8.000
Federal Agency Disc	1,995,995	1.52		276	15	5 years	4.846
Commercial Paper Disc-Amort	0	.00					.000
Treasury Discount-Amort	0	.00					.000
Certificate of Deposits-Disc	0	.00					.000
Total Investments & Averages	131,222,629	100.00		1,124	557		4.209
Pending Redemptions							
Accrued Interest at Purchase	40,296						
Total Cash & Purchase Interest	40,296						
Total Cash & Investments	131,262,925						

Portfolio Notes:

**Maximum allowed by Investment Policy is \$40 million per Agency.

General LAIF account = \$14,000,000

RDA LAIF account = \$6,000,000

I certify that this report accurately reflects all pooled investments and is in conformity with the City of Torrance Investment Policy Statement adopted by Res. 06-01 on January 10, 2006. A copy of this policy is available at the office of the City Clerk. The investment program herein shown provides sufficient cash flow liquidity to meet six month's estimated expenditures.

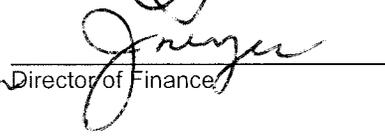

Linda M. Barnett
City Treasurer

Date

Reviewed by the Investment Advisory Committee


City Manager


Assistant City Attorney


Director of Finance


City Treasurer

City of Torrance
Portfolio Management
Activity Summary
October 2005 through October 2006

Month End	Year	Number of Securities	Average Balance	Yield to Maturity		Managed Pool Rate	Number of Investments Purchased	Number of Investments Redeemed	Average Term	Average Days to Maturity
				360 Equivalent	365 Equivalent					
October	2005	93	113,012,768.63	3.175	3.219	3.458	0	0	1,176	611
November	2005	89	108,295,138.67	3.164	3.208	3.636	0	4	1,157	593
December	2005	86	105,560,634.01	3.224	3.269	3.808	0	3	1,122	556
January	2006	86	111,949,316.79	3.350	3.397	3.955	2	3	1,019	494
February	2006	89	121,772,906.01	3.458	3.506	4.043	5	2	980	465
March	2006	93	120,797,411.52	3.543	3.592	4.142	5	1	1,030	480
April	2006	98	122,958,455.81	3.668	3.719	4.304	5	0	983	460
May	2006	100	131,682,219.57	3.836	3.890	4.563	5	3	971	468
June	2006	102	135,161,830.21	3.914	3.969	4.700	4	2	1,009	491
July	2006	102	133,831,718.22	3.943	3.998	4.849	2	3	1,042	492
August	2006	105	134,291,949.08	4.004	4.060	4.946	6	3	1,066	502
September	2006	104	131,736,926.88	4.043	4.100	5.023	5	6	1,118	534
October	2006	107	130,413,578.00	4.152	4.210	5.098	8	5	1,124	557
Average		96	123,186,715.62	3.652%	3.703%	4.348	4	3	1,061	516

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invest no.	BROKER	DESCRIPTION	PURCHASE DATE	QUALITY RATING	MATURITY DATE	DAYS TO MATURITY	RATE	YIELD	PAR VALUE	COST	MARKET VALUE
(I) PURCHASES*											
10619	Citigroup	FHLLB	10/02/2006	AAA/Aaa	10/02/2009	1066	5.150%	5.150%	1,000,000	1,000,000	1,001,560
10621	Brookstreet	FNMA	10/05/2006	AAA/Aaa	07/15/2007	256	4.250%	5.111%	1,000,000	993,450	993,130
10622	Citigroup	FHLLB	10/16/2006	AAA/Aaa	04/16/2010	1262	5.250%	5.250%	1,000,000	1,000,000	996,880
10623	Brookstreet	Home Depot	10/11/2006	AAA/Aaa	03/01/2011	1581	5.200%	5.059%	1,000,000	1,005,000	1,003,000
10624	Dean Witter	FHLLB	10/27/2006	AAA/Aaa	10/27/2011	1821	5.200%	5.200%	1,000,000	1,000,000	996,880
10625	Citigroup	FHLLB	10/20/2006	AAA/Aaa	09/12/2008	681	5.000%	5.038%	1,000,000	998,790	1,001,560
10626	Dean Witter	USTN	10/23/2006	AAA/Aaa	09/30/2008	699	4.625%	4.854%	1,000,000	995,781	998,400
10627	Dean Witter	USTN	10/31/2006	AAA/Aaa	10/31/2008	730	4.875%	4.858%	1,000,000	1,000,312	1,003,360
									8,000,000	7,993,333	7,994,770
Weighted Average Yield											5.065%

invest no.	BROKER	DESCRIPTION	PURCHASE DATE	QUALITY RATING	MATURITY DATE	RATE	YIELD	PAR VALUE	BOOK VALUE	MARKET VALUE	
(II) MATURITIES**											
10595	Dean Witter	FNMA	04/28/2006	AAA/Aaa	10/02/2006	6.000%	5.967%	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	
10518	First Tennessee	FHLLB	04/13/2004	AAA/Aaa	10/13/2006	2.250%	2.249%	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	
10515	Dean Witter	Bayer Landes Bank	03/08/2004	AAA/Aaa	10/16/2006	2.600%	2.405%	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	
10509	Smith Barney	FHLLB	01/30/2004	AAA/Aaa	10/20/2006	2.750%	2.816%	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	
10571	Dean Witter	FHLLB	04/27/2005	AAA/Aaa	10/27/2006	4.010%	4.006%	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	
									7,000,000	7,000,000	7,000,000
Weighted Average Yield											3.238%

* At purchase date these investments met or exceeded the quality rating requirements set forth by the Investment Policy.

** At maturity date these investments met or exceeded the quality rating requirements set forth by the Investment Policy.

(III) LAIF TRANSACTIONS

DEALER	DESCRIPTION	BEGIN BAL.	RATE	YIELD	DEPOSITS	WITHDRAWALS	INTEREST	END BAL.
State of California	Local Agency Pool	15,600,000	5.098%	5.098%	6,400,000	8,000,000	223,760	14,000,000
	City	5,200,000	5.098%	5.098%	1,700,000	900,000	66,437	6,000,000
	RDA				\$ 8,100,000	\$ 8,900,000	\$ 290,197	\$20,000,000

City of Torrance
Portfolio Management
Interest Earnings Summary
October 31, 2006

	October 31 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	339,811.11	1,277,951.37
Plus Accrued Interest at End of Period	1,062,462.65	1,062,462.65
Less Accrued Interest at Beginning of Period	(1,047,716.45)	(978,674.44)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
	<u>354,557.31</u>	<u>1,361,739.58</u>
Interest Earned during Period		
Adjusted by Premiums and Discounts	12,441.59	64,059.03
Adjusted by Capital Gains or Losses	0.00	0.00
	<u>366,998.90</u>	<u>1,425,798.61</u>
Earnings during Periods		
Pass Through Securities:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
	<u>0.00</u>	<u>0.00</u>
Interest Earned during Period		
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
	<u>0.00</u>	<u>0.00</u>
Earnings during Periods		
Cash/Checking Accounts:		
Interest Collected	290,338.45	561,467.24
Plus Accrued Interest at End of Period	85,052.05	85,052.05
Less Accrued Interest at Beginning of Period	(290,284.21)	(270,893.92)
	<u>85,106.29</u>	<u>375,625.37</u>
Interest Earned during Period		
Total Interest Earned during Period	439,663.60	1,737,364.95
Total Adjustments from Premiums and Discounts	12,441.59	64,059.03
Total Capital Gains or Losses	0.00	0.00
Total Earnings during Period	452,105.19	1,801,423.98

City of Torrance
Portfolio Management
Portfolio Details - Investments
October 31, 2006

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity	Maturity Date
Local Agency Investment Funds												
SYS10000	10000	Local Agency Invest Fund GEN'L			14,000,000.00	14,000,000.00	14,000,000.00	5.098		5.098	1	
SYS10001	10001	Local Agency Invest. Fund RDA			6,000,000.00	6,000,000.00	6,000,000.00	5.098		5.098	1	
		Subtotal and Average	19,839,469.87		20,000,000.00	20,000,000.00	20,000,000.00			5.098	1	
Money Market Sweep Account												
SYS10131	10131	Bank of America			0.00	0.00	0.00	3.250	AA2	3.250	1	
SYS1000	1000	Union Bank of California			0.00	0.00	0.00	4.980		4.980	1	
		Subtotal and Average	0.00		0.00	0.00	0.00			0.000	0	

Federal Agency Issues - Coupon

31331QZE1	10483	FEDERAL FARM CREDIT BANK		08/06/2003	1,000,000.00	984,380.00	1,000,000.00	3.100	Aaa	3.100	278	08/06/2007
31331TGG0	10481	FEDERAL FARM CREDIT BANK		10/15/2003	1,000,000.00	984,060.00	1,000,000.00	3.450	Aaa	3.450	348	10/15/2007
31331TQF9	10507	FEDERAL FARM CREDIT BANK		02/09/2004	1,000,000.00	978,750.00	1,000,000.00	3.000	Aaa	3.001	373	11/09/2007
31331TVG3	10513	FEDERAL FARM CREDIT BANK		03/24/2004	1,000,000.00	976,880.00	1,000,000.00	3.000	Aaa	3.001	418	12/24/2007
31331TYR6	10516	FEDERAL FARM CREDIT BANK		04/22/2004	1,000,000.00	975,940.00	1,000,000.00	2.610	Aaa	2.610	355	10/22/2007
31331TYD7	10519	FEDERAL FARM CREDIT BANK		04/15/2004	1,000,000.00	966,250.00	1,000,000.00	3.080	Aaa	3.080	714	10/15/2008
31331TZG9	10520	FEDERAL FARM CREDIT BANK		04/12/2004	1,000,000.00	988,440.00	1,000,000.00	2.690	Aaa	2.690	162	04/12/2007
31331TB91	10526	FEDERAL FARM CREDIT BANK		04/29/2004	1,000,000.00	980,310.00	1,000,000.00	3.100	Aaa	3.100	362	10/29/2007
31331TL90	10531	FEDERAL FARM CREDIT BANK		05/17/2004	1,000,000.00	990,310.00	1,000,000.00	3.450	Aaa	3.450	197	05/17/2007
31331SMB6	10559	FEDERAL FARM CREDIT BANK		02/02/2005	1,000,000.00	985,940.00	999,888.58	3.700	Aaa	3.711	366	11/02/2007
31331SNB5	10567	FEDERAL FARM CREDIT BANK		03/10/2005	1,000,000.00	982,190.00	994,754.86	3.550	Aaa	4.000	453	01/28/2008
31331SRL9	10570	FEDERAL FARM CREDIT BANK		04/04/2005	1,000,000.00	995,310.00	999,263.63	3.750	Aaa	4.021	105	02/14/2007
31331SD42	10576	FEDERAL FARM CREDIT BANK		06/30/2005	1,000,000.00	987,190.00	1,000,000.00	4.125	Aaa	4.125	607	06/30/2008
31331VTK2	10592	FEDERAL FARM CREDIT BANK		03/22/2006	2,000,000.00	1,996,880.00	2,000,000.00	5.090	Aaa	5.097	233	06/22/2007
31331VVF7	10600	FEDERAL FARM CREDIT BANK		05/04/2006	1,000,000.00	1,009,380.00	1,000,000.00	5.250	Aaa	5.250	915	05/04/2009
31331VV45	10610	FEDERAL FARM CREDIT BANK		08/01/2006	1,000,000.00	1,001,250.00	1,000,000.00	5.750	Aaa	5.750	1,734	08/01/2011
31331VA48	10618	FEDERAL FARM CREDIT BANK		09/13/2006	1,000,000.00	1,001,250.00	1,000,953.54	5.250	Aaa	5.151	398	12/04/2007
31331XAK8	10622	FEDERAL FARM CREDIT BANK		10/16/2006	1,000,000.00	996,880.00	1,000,000.00	5.250	Aaa	5.250	1,262	04/16/2010
3133M/NP4	10445	FEDERAL HOME LOAN BANK		02/06/2003	833,333.33	820,316.66	833,267.50	3.750	Aaa	3.757	462	02/06/2008
3133M/YU5	10469	FEDERAL HOME LOAN BANK		06/05/2003	1,000,000.00	974,690.00	1,000,000.00	3.250	Aaa	3.250	582	06/05/2008
31339XBY9	10471	FEDERAL HOME LOAN BANK		05/28/2003	2,000,000.00	1,982,500.00	2,000,000.00	2.550	Aaa	2.550	119	02/28/2007
31339YAG7	10478	FEDERAL HOME LOAN BANK		07/16/2003	1,000,000.00	993,750.00	1,000,000.00	2.350	Aaa	2.350	76	01/16/2007
31339YF23	10479	FEDERAL HOME LOAN BANK		07/23/2003	1,000,000.00	993,440.00	999,928.82	2.430	Aaa	2.463	83	01/23/2007
31339YKX9	10480	FEDERAL HOME LOAN BANK		07/30/2003	1,000,000.00	968,440.00	1,000,000.00	3.000	Aaa	3.000	637	07/30/2008
3133X0FJ3	10482	FEDERAL HOME LOAN BANK		08/13/2003	1,000,000.00	983,440.00	1,000,000.00	4.000	Aaa	4.000	651	08/13/2008
3133X1RC3	10493	FEDERAL HOME LOAN BANK		10/30/2003	1,000,000.00	985,630.00	1,000,000.00	3.250	Aaa	3.251	271	07/30/2007

Portfolio CITY
AP

City of Torrance
Portfolio Management
Portfolio Details - Investments
October 31, 2006

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity	Maturity Date
Federal Agency Issues - Coupon												
3133X2AZ8	10495	FEDERAL HOME LOAN BANK		11/26/2003	1,000,000.00	989,380.00	1,000,000.00	3.350	Aaa	3.350	205	05/25/2007
31339YV1	10503	FEDERAL HOME LOAN BANK		01/21/2004	1,000,000.00	975,000.00	999,073.83	3.375	Aaa	3.433	628	07/21/2008
3133X3JR5	10505	FEDERAL HOME LOAN BANK		02/13/2004	1,000,000.00	983,750.00	999,720.24	3.070	Aaa	3.108	285	08/13/2007
3133X5X45	10524	FEDERAL HOME LOAN BANK		04/21/2004	1,000,000.00	967,190.00	1,000,000.00	3.420	Aaa	3.420	902	04/21/2009
3133X6CF1	10525	FEDERAL HOME LOAN BANK		04/21/2004	1,000,000.00	991,560.00	1,000,000.00	3.500	Aaa	3.500	902	04/21/2009
3133X75B6	10533	FEDERAL HOME LOAN BANK		05/28/2004	1,000,000.00	993,440.00	1,000,000.00	3.280	Aaa	3.281	119	02/28/2007
3133XAL47	10560	FEDERAL HOME LOAN BANK		02/24/2005	1,000,000.00	988,130.00	1,000,000.00	3.685	Aaa	3.685	296	08/24/2007
3133XAMZ7	10562	FEDERAL HOME LOAN BANK		03/03/2005	1,000,000.00	986,880.00	1,000,000.00	4.000	Aaa	4.000	488	03/03/2008
3133XAQU4	10563	FEDERAL HOME LOAN BANK		03/07/2005	1,000,000.00	986,250.00	1,000,000.00	3.825	Aaa	3.827	401	12/07/2007
3133XAQV2	10564	FEDERAL HOME LOAN BANK		03/08/2005	1,000,000.00	984,060.00	1,000,000.00	4.000	Aaa	4.000	677	09/08/2008
3133XAXE2	10566	FEDERAL HOME LOAN BANK		03/22/2005	1,000,000.00	997,500.00	1,000,000.00	3.700	Aaa	3.702	51	12/22/2006
3133XEFR5	10581	FEDERAL HOME LOAN BANK		01/30/2006	1,000,000.00	997,190.00	1,000,000.00	5.000	Aaa	5.000	453	01/28/2008
3133XEV30	10591	FEDERAL HOME LOAN BANK		03/21/2006	1,000,000.00	998,130.00	1,000,000.00	5.040	Aaa	5.040	324	09/21/2007
3133XFCM6	10594	FEDERAL HOME LOAN BANK		04/28/2006	1,000,000.00	1,001,560.00	1,000,000.00	5.400	Aaa	5.400	1,274	04/28/2010
3133XFHS8	10599	FEDERAL HOME LOAN BANK		05/19/2006	1,000,000.00	1,009,690.00	1,000,000.00	5.520	Aaa	5.520	1,660	05/19/2011
3133XFHX4	10607	FEDERAL HOME LOAN BANK		07/13/2006	1,000,000.00	1,001,880.00	1,000,000.00	6.000	Aaa	6.000	1,715	07/13/2011
3133XGDT6	10608	FEDERAL HOME LOAN BANK		08/11/2006	1,000,000.00	1,009,060.00	1,000,000.00	5.700	Aaa	5.700	1,379	08/11/2010
3133XGNW0	10612	FEDERAL HOME LOAN BANK		09/11/2006	1,000,000.00	997,810.00	1,000,000.00	5.500	Aaa	5.500	1,045	09/11/2009
3133XGTS3	10616	FEDERAL HOME LOAN BANK		09/08/2006	1,000,000.00	1,000,630.00	1,000,000.00	5.375	Aaa	5.375	1,407	09/08/2010
3133XGTX2	10617	FEDERAL HOME LOAN BANK		09/19/2006	1,000,000.00	998,750.00	1,000,000.00	5.500	Aaa	5.500	1,234	03/19/2010
3133XGZP2	10619	FEDERAL HOME LOAN BANK		10/02/2006	1,000,000.00	1,001,560.00	1,000,000.00	5.150	Aaa	5.150	1,066	10/02/2009
3133XHEX6	10624	FEDERAL HOME LOAN BANK		10/27/2006	1,000,000.00	996,880.00	1,000,000.00	5.200	Aaa	5.200	1,821	10/27/2011
3133XEZP7	10625	FEDERAL HOME LOAN BANK		10/20/2006	1,000,000.00	1,001,560.00	998,809.52	5.000	Aaa	5.038	681	09/12/2008
3128X1GF8	10473	FEDERAL HOME LOAN MORTGAGE CO		06/04/2003	1,000,000.00	997,130.00	1,000,000.00	2.250	Aaa	2.250	33	12/04/2006
3128X17E1	10494	FEDERAL HOME LOAN MORTGAGE CO		11/17/2003	1,000,000.00	998,930.00	1,000,000.00	3.000	Aaa	3.000	16	11/17/2006
3128X1GD3	10508	FEDERAL HOME LOAN MORTGAGE CO		01/30/2004	1,000,000.00	964,700.00	989,739.35	3.110	Aaa	3.644	771	12/11/2008
3128X25Y7	10521	FEDERAL HOME LOAN MORTGAGE CO		04/19/2004	1,000,000.00	979,080.00	1,000,000.00	2.920	Aaa	2.920	352	10/19/2007
3128X4YE5	10584	FEDERAL HOME LOAN MORTGAGE CO		01/30/2006	1,000,000.00	998,620.00	999,512.43	5.000	Aaa	5.030	630	07/23/2008
3128X4K67	10585	FEDERAL HOME LOAN MORTGAGE CO		03/07/2006	1,000,000.00	997,700.00	1,000,000.00	5.250	Aaa	5.250	492	03/07/2008
3128X42C4	10593	FEDERAL HOME LOAN MORTGAGE CO		04/11/2006	1,000,000.00	1,000,560.00	999,722.36	5.600	Aaa	5.607	1,615	04/04/2011
3128X45A5	10598	FEDERAL HOME LOAN MORTGAGE CO		05/10/2006	1,000,000.00	1,000,470.00	1,000,000.00	5.700	Aaa	5.700	1,651	05/10/2011
3128X46R7	10601	FEDERAL HOME LOAN MORTGAGE CO		05/10/2006	1,000,000.00	1,000,040.00	1,000,000.00	5.500	Aaa	5.500	740	11/10/2008
3128X46G9	10602	FEDERAL HOME LOAN MORTGAGE CO		05/24/2006	1,000,000.00	1,000,340.00	1,000,000.00	6.000	Aaa	6.000	1,665	05/24/2011
3128X5BF4	10603	FEDERAL HOME LOAN MORTGAGE CO		06/08/2006	1,000,000.00	1,000,420.00	1,000,000.00	5.800	Aaa	5.800	1,133	12/08/2009
3128X4N56	10605	FEDERAL HOME LOAN MORTGAGE CO		06/09/2006	1,000,000.00	1,002,420.00	992,524.36	5.250	Aaa	5.461	1,576	02/24/2011
3128X5KL1	10620	FEDERAL HOME LOAN MORTGAGE CO		09/29/2006	1,000,000.00	1,004,980.00	1,000,000.00	5.500	Aaa	5.500	1,793	09/29/2011

Portfolio CITY
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City of Torrance
Portfolio Management
Portfolio Details - Investments
October 31, 2006

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity	Maturity Date
Federal Agency Issues - Coupon												
3136F5PC9	10522	FEDERAL NATIONAL MORT ASSOC		04/19/2004	1,000,000.00	987,190.00	1,000,000.00	2.500	Aaa	2.500	169	04/19/2007
31359MVC4	10536	FEDERAL NATIONAL MORT ASSOC		05/17/2004	1,000,000.00	991,880.00	999,945.56	3.750	Aaa	3.761	197	05/17/2007
3136F7FE2	10578	FEDERAL NATIONAL MORT ASSOC		07/28/2006	1,000,000.00	990,940.00	1,000,000.00	4.300	Aaa	4.300	453	01/28/2008
3136F7F44	10606	FEDERAL NATIONAL MORT ASSOC		06/22/2006	1,000,000.00	1,009,380.00	1,000,000.00	5.500	Aaa	5.500	1,694	06/22/2011
3136F7Q75	10609	FEDERAL NATIONAL MORT ASSOC		08/03/2006	1,000,000.00	1,002,190.00	1,000,000.00	5.750	Aaa	5.750	1,006	08/03/2009
31359MNP4	10621	FEDERAL NATIONAL MORT ASSOC		10/05/2006	1,000,000.00	993,130.00	994,068.21	4.250	Aaa	5.111	256	07/15/2007
Subtotal and Average					69,833,333.33	69,261,736.66	69,801,162.79			4.207	683	
Treasury Securities - Coupon												
91282AZ3	10475	U.S.TREASURY NOTE		06/16/2003	5,000,000.00	4,843,950.00	5,037,347.91	2.625	Aaa	2.110	561	05/15/2008
91282BG4	10484	U.S.TREASURY NOTE		08/15/2003	1,000,000.00	975,200.00	998,366.61	3.250	Aaa	3.350	653	08/15/2008
91282BP4	10488	U.S.TREASURY NOTE		11/17/2003	1,000,000.00	998,980.00	1,000,064.24	2.625	Aaa	2.450	14	11/15/2006
91282CG3	10535	U.S.TREASURY NOTE		05/17/2004	1,000,000.00	989,770.00	999,790.91	3.125	Aaa	3.166	195	05/15/2007
91282DJ6	10561	U.S.TREASURY NOTE		01/31/2005	1,000,000.00	995,200.00	999,688.66	3.125	Aaa	3.255	91	01/31/2007
91282DK3	10565	U.S.TREASURY NOTE		02/15/2005	1,000,000.00	982,150.00	998,967.67	3.375	Aaa	3.460	471	02/15/2008
91282DK3	10574	U.S.TREASURY NOTE		05/09/2005	1,000,000.00	982,150.00	995,127.69	3.375	Aaa	3.775	471	02/15/2008
91282DT4	10577	U.S.TREASURY NOTE		07/13/2005	1,000,000.00	985,230.00	998,814.21	3.750	Aaa	3.831	561	05/15/2008
91282DZ0	10579	U.S.TREASURY NOTE		07/25/2005	1,000,000.00	976,600.00	993,950.99	3.875	Aaa	4.057	1,352	07/15/2010
91282E0C	10580	U.S.TREASURY NOTE		08/15/2005	1,000,000.00	990,820.00	999,441.43	4.125	Aaa	4.159	653	08/15/2008
91282DY3	10611	U.S.TREASURY NOTE		07/31/2006	1,000,000.00	990,740.00	990,585.94	3.625	Aaa	5.098	241	06/30/2007
91282FT2	10626	U.S.TREASURY NOTE		10/23/2006	1,000,000.00	998,400.00	995,834.88	4.625	Aaa	4.854	699	09/30/2008
91282FV7	10627	U.S.TREASURY NOTE		10/31/2006	1,000,000.00	1,003,360.00	1,000,312.07	4.875	Aaa	4.858	730	10/31/2008
Subtotal and Average					17,000,000.00	16,712,550.00	17,008,293.21			3.340	526	
Medium Term Notes												
02003MAG9	10573	ALLSTATE LIFE GLOBAL TRUST		05/09/2005	1,000,000.00	982,060.00	997,315.98	3.850	Aa2	4.080	450	01/25/2008
060505BH6	10586	Bank of America		04/13/2006	1,000,000.00	963,960.00	960,886.00	3.375	AA2	5.230	839	02/17/2009
06423EPM1	10556	Bank One NA Illinois		01/18/2005	1,000,000.00	960,550.00	1,000,225.66	3.700	3.680	3.680	440	01/15/2008
172967BS9	10466	Citigroup		05/12/2003	1,000,000.00	979,210.00	1,005,319.62	3.500	Aa1	3.400	457	02/01/2008
172967BS9	10572	Citigroup		04/28/2005	1,585,000.00	1,552,047.85	1,573,284.89	3.500	Aa1	4.130	457	02/01/2008
166760AA6	10455	ChevronTexaco		02/25/2003	1,000,000.00	985,390.00	1,003,879.76	3.500	Aa2	3.025	320	09/17/2007
36962GB78	10465	General Electric Capital Corp		05/12/2003	1,000,000.00	976,410.00	1,004,820.46	3.500	Aaa	3.150	547	05/01/2008
36966RFV3	10476	General Electric Capital Corp		06/19/2003	2,000,000.00	1,907,340.00	2,000,000.00	2.450	Aaa	2.450	592	06/15/2008
37576AM4	10472	Gillette Company		05/27/2003	1,000,000.00	959,710.00	999,143.74	2.500	Aa3	2.558	578	06/01/2008
437076AN2	10623	Home Depot		10/11/2006	1,000,000.00	1,003,000.00	1,004,936.71	5.200	Aa3	5.059	1,581	03/01/2011
441812KG8	10613	Household Finance Co		08/22/2006	1,000,000.00	992,740.00	988,014.79	4.750	Aa3	5.260	926	05/15/2009

Medium Term Notes

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity	Maturity Date
Subtotal and Average					17,000,000.00	16,712,550.00	17,008,293.21			3.340	526	

Portfolio City
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**City of Torrance
Portfolio Management
Portfolio Details - Investments
October 31, 2006**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity	Maturity Date
Medium Term Notes												
59217EAD6	10477	MetLife		06/19/2003	1,000,000.00	955,460.00	1,000,761.13	2.600	Aa2	2.550	596	06/19/2008
59217EAD6	10481	MetLife		07/25/2003	1,000,000.00	955,460.00	987,320.00	2.600	Aa2	3.450	596	06/19/2008
742718BX6	10538	Procter & Gamble		08/02/2004	1,000,000.00	986,900.00	1,007,384.06	4.300	Aa3	3.850	653	08/15/2008
717081AK9	10511	Pfizer Inc.		02/03/2004	1,000,000.00	989,640.00	1,000,051.35	2.500	Aaa	2.486	134	03/15/2007
949746EX5	10464	Wells Fargo Co		05/12/2003	1,000,000.00	977,590.00	1,006,169.39	3.500	Aa1	3.031	520	04/04/2008
949746EX5	10557	Wells Fargo Co		01/24/2005	1,000,000.00	977,590.00	996,917.54	3.500	Aa1	3.730	520	04/04/2008
949746IQ5	10569	Wells Fargo Co		04/04/2005	1,000,000.00	984,610.00	997,647.61	4.125	Aa1	4.310	495	03/10/2008
98153BAE4	10604	World Savings Bank		06/05/2006	1,000,000.00	983,920.00	977,534.53	4.500	Aa3	5.440	957	06/15/2009
		Subtotal and Average	680,782.97		20,585,000.00	20,093,587.85	20,511,613.22			3.655	607	

Municipal Bond Issues - Coupon

SYS10423	10423	Skpk-2001TxAllocRef Bd		12/18/2001	1,905,564.91	1,905,564.91	1,905,564.91	8.000		8.000	2,069	07/01/2012
		Subtotal and Average	1,905,564.91		1,905,564.91	1,905,564.91	1,905,564.91			8.000	2,069	

Federal Agency Disc. - Amortizing

313589M91	10587	FEDERAL NATIONAL MORT ASSOC		02/13/2006	1,000,000.00	999,700.00	999,741.67	4.650	Aaa	4.839	2	11/03/2006
313589R47	10588	FEDERAL NATIONAL MORT ASSOC		02/13/2006	1,000,000.00	995,900.00	996,254.17	4.650	Aaa	4.853	29	11/30/2006
		Subtotal and Average	1,992,120.83		2,000,000.00	1,995,600.00	1,995,995.84			4.846	15	
		Total and Average	25,287,236.27		131,323,898.24	129,969,039.42	131,222,629.97			4.209	557	

II. RESTRICTED FUNDS

CASH AND INVESTMENTS HELD BY FISCAL AGENT
FOR PERIOD ENDING
September 30, 2006

TORRANCE IMPROVEMENTS

Bank of New York Western Trust Co.	Book Value	Reserve Requirement	Over/Under Funded Reserve(1)(2) (market value)	Market Value	Yield	Investment Description
<i>City of Torrance 2004A&B COP Refunding - #3060645 (Maturity - June 1, 2024 & June 1, 2034)</i>						
Construction Fund Acct #360646	10,946,798.00			10,946,798.00	2.47	MBIA INVEST. AGREEMENT**
	13.24			13.24	4.75	Hamilton Trsy Money Fd Premier
Required Reserve Acct #360649	2,777,213.00	2,777,213.00		2,777,213.00	4.95	MBIA Invest Agreement**
Required Reserve Acct #360649						Hamilton Trsy Money Fd Premier
Lease Paymt Fund Acct # 360648	3,519.90			3,519.90	4.78	Hamilton Trsy Money Fd Premier
Bank of New York Western Trust Co.						
	Book Value	Reserve Requirement	Over/Under Funded Reserve(1)(2) (market value)	Market Value	Yield	Investment Description
<i>Torrance PFA 98COP</i>						
Lease payment Fund Acct #428584	318.77			318.77	4.86	Fidelity US Trsy Port III
Acq & Constr Fund Acct # 428587						Fidelity US Trsy Port III
Reserve Acct # 428590						Fidelity US Trsy Port III
Reserve Acct # 428590	553,085.00	553,085.00		553,085.00	5.61	AIG Investment Agrmt 5.61% due 11/28/28**

WATER ENTERPRISE REVENUE BONDS

Bank of New York Western Trust Co.	Book Value	Reserve Requirement	Over/Under Funded Reserve(1)(2) (market value)	Market Value	Yield	Investment Description
<i>2004 Torrance Water Refunding Bond #360700-(Maturity March 1, 2014)</i>						
Debt Service Fund #360759	287.35			287.35	4.91	JP Morgan Prime MM Premier
Cost of Issuance acct #360758						JP Morgan Prime MM Premier
Reserve Cash Acct #360760	11,332.48			11,332.48		
Reserve Acct. #360760						
Required Rerserve Acct # 360760	505,000.00	505,000.00	8,259.51	505,000.00	4.34	JP Morgan Prime MM Premier
						FSA Capital Management Invest Agmt.
Bank of New York Western Trust Co.						
	Book Value	Reserve Requirement	Over/Under Funded Reserve(1)(2) (market value)	Market Value	Yield	Investment Description

REDEVELOPMENT AGENCY

Bank of New York Western Trust Co.	Book Value	Reserve Requirement	Over/Under Funded Reserve(1)(2) (market value)	Market Value	Yield	Investment Description
<i>Torrance RDA (Downtown) 98A (matures Sept. 1, 2028)</i>						
Interest / Debt Service Acct # 428478	4,831.30			4,831.30	4.86	Fidelity Treas Money Market
Reserve Acct # 428469	586,890.00	586,890.00		586,890.00	4.950	AIM Prime Money Market

CASH AND INVESTMENTS HELD BY FISCAL AGENT

FOR PERIOD ENDING

September 30, 2006

Bank of New York Western Trust Co.	Book Value	Reserve Requirement	Over/Under Funded Reserve(1)(2) (market value)	Market Value	Yield	Investment Description
<i>Torrance RDA (Industrial) 98B (matures Sept. 1, 2028)</i>						
Costs of Issuance / Interest Acct # 428529	8,456.92			8,456.92	4.86	Fidelity US Trsy Port III
Reserve Acct # 428517	1,037,984.75			1,037,984.75	4.95	AIM Prime Money Market
Reserve Acct # 428517		1,037,985.00				BNY Cash Reserve

Bank of New York Western Trust Co.	Book Value	Reserve Requirement	Over/Under Funded Reserve(1)(2) (market value)	Market Value	Yield	Investment Description
<i>Torrance RDA (Industrial) 99C (matures Sept. 1, 2028)</i>						
Interest Acct # 428877	375.57			375.57	4.86	Fidelity US Trsy Port III
Reserve acct # 428882	1,300,480.00			1,300,480.00	5.980	AMBAC Investment Agmnt **
		1,300,480.00	0.00			

TOTAL: ALL CASH & INVESTMENTS	17,736,586.28			17,736,586.28		
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** Investment Agreements were authorized by Council through their approval of the bond documents

- (1) Reserve requirements may be overfunded due to an accumulation of funds which are adjusted at every scheduled payout. These funds will be transferred to the lease payment/principal/interest account when interest/principal payouts are made by the City.
- (2) Over/under funded reserve requirements is for memorandum purposes only. Reserve requirements as outlined in the bond indenture require that at time (day of) of semi-annual payments to bondholders that the market value of the investments held in reserve is equal to the reserve requirement. Due to market fluctuations throughout the year it is normal to see both over and under funded situations.

CITY OF TORRANCE DEFERRED COMPENSATION ACCOUNTS
Quarter Ending
September 30, 2006

457PLAN A
PERMANENT EMPLOYEES

Participant Account Summary

Beginning Balance	Contributions	Acct. Transfers In	Interest	Change in Value	Fees	Hardship	Payouts	Acct. Transfers Out	Outstanding Loans	Ending Balance
101,111,170.58	1,765,264.73	13,517,376.97	548,397.85	1,500,548.02	(2,779.75)		(1,454,628.35)	(13,517,376.97)	(1) 1,207,244.33	103,467,973.08
	Book Value	Market Value								
Investment Type	1,326,128.77	1,326,128.77								
Fixed Funds (GCF)	60,082,884.40	60,082,884.40								
Variable Funds	42,058,959.91	42,058,959.91								
Stable Value Fund	1,207,244.33	1,207,244.33								
(1) Outstanding Loan	104,675,217.41	104,675,217.41								
Totals										

(1) Participant Loan Outstanding Balance included in Total Assets

457PLAN B
MANAGEMENT, POLICE, FIRE, ENGINEERS

Beginning Balance	Contributions	Acct. Transfers In	Interest	Change in Value	Fees	Hardship	Payouts	Acct. Transfers Out	Ending Balance
1,790,689.01	77,270.72		7,792.33	2,663.16	0.00	0.00	(71,840.13)		1,806,575.09

Investment Type	Book Value	Market Value
Variable Funds	67,315.94	67,315.94
Fixed Funds	1,725,679.73	1,725,679.73
Gov't Guaranteed	13,579.40	13,342.44
Totals	1,806,575.07	1,806,338.11

401(A)
MANAGEMENT, POLICE, FIRE, ENGINEERS

Beginning Balance	Contributions	Acct. Transfers In	Interest	Change in Value	Fees	Hardship	Payouts	Acct. Transfers Out	Outstanding Loans	Ending Balance
3,284,695.47	149,164.25	159,991.71	16,243.85	48,096.06	(45.39)	0	(46,560.44)	(159,991.71)	(1) 12,361.04	3,451,593.80

Investment Type	Book Value	Market Value
Fixed Funds	848.39	848.39
Variable Funds	2,100,440.58	2,100,440.58
Stable Value Fund	1,350,304.83	1,350,304.83
Outstanding Loans	13,804.71	13,804.71
Totals	3,465,398.51	3,465,398.51

(1) Outstanding Loan Balance included in Total Assets

RETIREMENT HEALTH SAVINGS PLAN (RHSP)
MANAGEMENT, POLICE, FIRE, MISC.

Beginning Balance	Contributions	Distributions	Fees	Gain/Loss	Ending Balance
2,484,995.87	214,566.44	(85,285.86)	(2,935.03)	56,630.20	2,667,971.62
Investment Type	Book Value	Market Value			
Variable Funds	1,152,428.06	1,152,428.06			
Stable Value Funds	1,515,543.56	1,515,543.56			
Totals	2,667,971.62	2,667,971.62			

III. CASH & INVESTMENT PORTFOLIO SHARE

**CITY OF TORRANCE
CASH AND INVESTMENT PORTFOLIO SHARE (A)
AS OF OCTOBER 31, 2006**

FUND	SHARE OF INVESTMENTS	POOLED CASH & INVESTMENTS BALANCE	CASH PERCENT
N General	23,598,005.49	23,145,268.00	17.98
R Parks & Recr Facility & Open Space	2,432,183.90	2,385,521.45	1.85
R State Gas Tax	5,142,096.07	5,043,442.83	3.92
R Federal Housing, Community Dev	192,656.11	188,959.92	0.15
R Work Investment Network - WIN	(1,218,831.16)	(1,195,447.38) (B)	(0.93)
R Street Lighting	264,622.02	259,545.14	0.20
R Traffic Congestion Relief Act 2000 - AB2928	1,781,693.05	1,747,510.53	1.36
R Police Asset Forfeiture	3,139,461.99	3,079,230.11	2.39
N Government Cable	1,596,029.29	1,565,408.81	1.22
R Local Return - Proposition C	3,625,110.24	3,555,561.00	2.76
R LACMTA Grants - Proposition C	20,596.32	20,201.17	0.02
R Discretionary - Proposition C	9,682.53	9,496.77	0.01
R Grants/Donations	(10,297.45)	(10,099.89) (C)	(0.01)
R Citizens Options for Public Safety (COPS) Grant Funds - AB3229	140,119.27	137,431.02	0.11
R Seismic Education Fund	44,975.44	44,112.57	0.03
R Rehabilitation Housing	514,952.20	505,072.63	0.39
R Police Inmate Welfare Fund	82,770.76	81,182.77	0.06
N Capital Improvements	16,122,857.41	15,813,533.73	12.29
R Vanpool/Rideshare Fund	363,097.22	356,131.05	0.28
R Torrance Improvement Fund	6,105,689.67	5,988,549.49	4.65
R Animal Control Fund	138,465.34	135,808.83	0.11
R Redevelopment-Capital Proj	6,142,044.48	6,024,206.82	4.68
R Redevelopment Debt Service	435,067.09	426,720.15	0.33
N Airport Fund	7,126,503.39	6,989,778.48	5.43
N Transit Operations	3,340,129.53	3,276,047.76	2.55
R Development Impact Fund	23,186.32	22,741.48	0.02
N Water Operations	11,540,868.39	11,319,452.06	8.79
N Emergency Medical Service Enterprise Fund	(241,226.27)	(236,598.24) (D)	(0.18)
N Sanitation Operations	2,690,095.42	2,638,484.83	2.05
N Cultural Arts Enterprise	554,750.56	544,107.44	0.42
N Sewer Enterprise Fund	9,443,509.47	9,262,331.84	7.20
N Parks & Recr Enterprise Fund	(133,508.84)	(130,947.42) (E)	(0.10)
N Self Insurance Fund	7,062,413.75	6,926,918.42	5.38
N Fleet Services	11,858,154.52	11,630,650.92	9.04
R Postemployment/Compensated Absences Fund	3,569,349.01	3,500,869.57	2.72
R Trust & Agency	3,725,357.44	3,653,884.92	2.84
TOTAL	131,222,629.97	128,705,069.58	100.00

R = Restricted Funds

N = Non-Restricted Funds

(A) The difference between the Share of Investments total of \$131,222,629.97 and the Pooled Cash and Investments total of \$128,705,069.58 is primarily due to outstanding warrants and adjusting journal entries. (See reconciliation schedule attached)

(B) Reimbursement for FY 04-05 in the amount of \$108,356 is pending review and approval by the City of Los Angeles.
 Reimbursement for FY 05-06 in the amount of \$836,358 is pending review and approval by the City of Los Angeles.
 Reimbursement for FY 06-07 in the amount of \$37,456 is pending from the County of Los Angeles Summer Youth Program.
 Reimbursement for FY 06-07 in the amount of \$1,975 is pending from the City of Carson.
 Reimbursement for FY 06-07 in the amount of \$204,077 is pending review and approval by the City of Los Angeles.
 The amount of \$111,694 was received from the City of Los Angeles on 11/13/06.
 Reimbursement for FY 06-07 in the amount of \$7,225 is pending from the County of Los Angeles.

(C) FEAP 331-Lago Seco Park Development - Primary Elements has a negative cash balance of <\$242,729>.
 Final reimbursement request is planned for December 2006 after site approval by the grant monitors.

(D) A transfer-in from the General Fund in the amount of \$550,000 was posted on 11/11/06.

(E) Revenues for the winter session for approximately \$300,000 is expected to be collected during the registration period from 11/29/06 through 12/13/06

**CITY OF TORRANCE
CASH AND INVESTMENT RECONCILIATION
AS OF OCTOBER 31, 2006**

INVESTMENTS PER PORTFOLIO SUMMARY (City Pool)		131,222,629.97
CASH AND INVESTMENTS PER BOOKS		128,705,069.58
CASH IN BANKS:		
Cash in B of A General Account		(\$1,245,250.28)
Cash in B of A Payroll Account		0.00
OUTSTANDING WARRANTS:		
General Account	1,476,809.34	
Payroll Account	63,207.45	
Workers Compensation Account	56,305.76	
Housing Account	<u>309,204.03</u>	1,905,526.58
Miscellaneous outstanding adjusting journal entries		(705,139.28)
PE 10/28/06 Payroll checks posted 10/28/06 and paid 11/3/06		2,562,423.37
INVESTMENTS PER BOOKS		\$131,222,629.97