

Council Meeting of  
September 11, 2007

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

Members of the Council:

**SUBJECT: Investment Report for July 2007**

**RECOMMENDATION**

Recommendation of the City Treasurer that City Council accept and file the attached monthly investment report for the month of July 2007.

**FUNDING**

Not applicable

**BACKGROUND**

On March 06, 2007, Your Honorable Body, through passage of Resolution 23-07, 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 July 2007.

**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 July 31, 2007Table of Contents

	<u>Page No.</u>
<b>I. CITY OF TORRANCE – POOLED FUNDS</b>	
<i>A. <u>Summary Reports</u></i>	
Investment Portfolio Highlights	1
Monthly Investment Summary Notes	2-3
Investment Portfolio Summary	4
Investment Activity Summary	5
Investment Portfolio Activity	6
Interest Earnings Summary	7
<i>B. <u>Detailed Reports</u></i>	
Investment Portfolio Details and Quality Ratings	8-12
<b>II. RESTRICTED FUNDS</b>	
Cash and Investments Held by Fiscal Agent	13-14
Deferred Compensation Account	15
<b>III. CASH &amp; INVESTMENT PORTFOLIO SHARE</b>	
Cash & Investment Share as of July 31, 2007	16
Cash & Investment Reconciliation	17

City of Torrance  
Investment Portfolio Highlights  
For July 2007

**RETURN**

	<u>Current Month</u>	<u>Previous Month</u>
Average City Portfolio YTM	4.716	4.690
Average U.S. Treasury Constant Maturity	4.620	4.910
LAIF Average Monthly Return	5.255	5.250
Average City Portfolio YTM - 1 year prior	3.998	3.967

**INTEREST INCOME**

	<u>Current Period</u>	<u>Prior Year</u>
Fiscal year to date	694,712	449,196
Current month	694,712	449,196

**MATURITY**

	<u>Current Month</u>	<u>Prior Month</u>
Average Maturity (days)	577	610
Average Maturity 1 Year Prior (days)	492	491
Weighted Average Maturity (years)	1.58	1.68

**VOLUMES**

	<u>Total \$ Volume</u>	<u># of Transactions</u>
Purchases	47,982,115	14
Maturities	42,194,011	12

Transactions include 9 deposits to and 8 withdrawals from LAIF, 0 purchases and 0 maturities of the Union of Bank Money Market Sweep Account.

**VALUE OF PORTFOLIO PER GASB STATEMENT NO. 31**

<u>GASB required securities</u>	<u>Beginning Investment Value as of July 1, 2007</u>	<u>Purchase/Redempt. Of Principal</u>	<u>Change in Market Value</u>	<u>Ending Investment Value as of July 31, 2007</u>
Federal Agency (coup)	81,334,705	-2,310	178,100	81,510,495
Treasury Securities	18,771,260	0	78,670	18,849,930
Medium Term Notes	27,303,734	974,880	72,909	28,351,523
Municipal Bonds	1,778,745	-350,644	0	1,428,101
<b>SUB-TOTAL PER GASB 31</b>	<b>129,188,444</b>	<b>621,926</b>	<b>329,679</b>	<b>130,140,049</b>
<u>Non-GASB securities</u>				
LAIF	33,000,000	4,375,000	0	37,375,000
Money Market	0	0	0	0
Federal Agency – Disc.	0	791,177	1,463	792,640
Treasury Security – Disc.	0	0	0	0
Certificate of Deposits -Disc.	0	0	0	0
Commercial paper	0	0	0	0
<b>TOTAL PORTFOLIO</b>	<b>162,188,444</b>	<b>5,788,103</b>	<b>331,142</b>	<b>168,307,689</b>

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

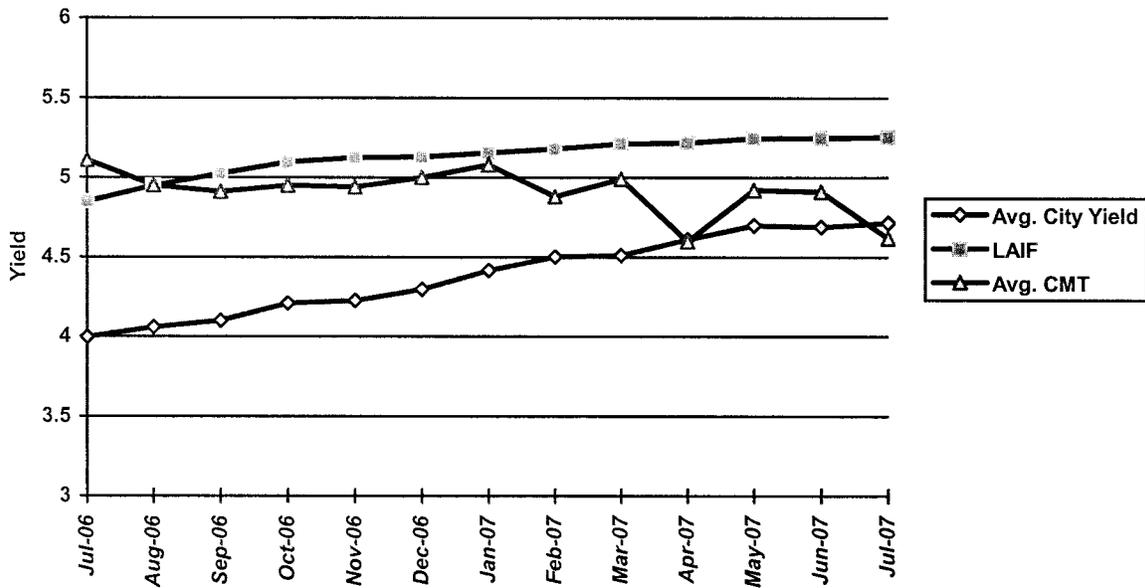
# CITY OF TORRANCE

*City Treasurer's Office*

*Monthly Investment Report Summary  
For the month of July 2007*

## I. Return

49.54% of the portfolio is invested at one-year maturity or less as of July 31, 2007. The City Average yield on the portfolio was 4.716% compared to 4.620% for the U.S. Treasury at Constant Maturity (CMT) of 18 months. The portfolio performed above the benchmark as of July 31, 2007 by 10 basis points.



## II. Volumes

The investment activity in March included 0 redemption in the Union Bank of California money market account.

### III. Diversification of Investments

The activity in the month of July consisted of 5 purchases totaling \$4.8 million with an average rate of return of 5.376% and 2 redemptions and 1 call for a total of \$3.4 million with an average rate of return of 5.122%. The activity in the LAIF Account consisted of 9 deposits of \$43.2 million and 8 withdrawals of \$38.8 million. The portfolio increased by \$6.1 million.

<u>Asset Category</u>	<u>July</u>	<u>June</u>
1. LAIF	22.12	20.22
2. Money Market Sweep	0.00	0.00
3. Federal Agency Issues(coup)	48.41	50.14
4. Federal Agency Issues(disc)	0.47	0.00
5. Treasury Securities	11.22	11.62
6. Treasury Securities(disc)	0.00	0.00
7. Medium Term Notes	16.93	16.93
8. Municipal Bonds	.85	1.09
9. Commercial Paper(disc)	<u>0.00</u>	<u>0.00</u>
	100.00%	100.00%

### IV. Maturity

As of July 31, 2007, the current maturity allocation is 45.75% of the portfolio invested between the 6 month to 3-year maturity levels. 32.20% 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 \$54.6 million available for expenditures.

<u>As of Maturity</u>	<u>July</u>	<u>June</u>
0 to 6 months	32.20%	30.41%
6 months to 1 year	17.34%	17.29%
1 to 2 years	17.09%	18.86%
2 to 3 years	11.32%	9.12%
3 to 4 years	10.01%	9.86%
4 to 5 years	12.04%	12.77%
5 years and after	0.00%	1.69%

### 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  
Portfolio Management  
Activity Summary  
July 2006 through July 2007**

Month End	Year	Number of Securities	Average Balance	Yield to Maturity		Managed Pool Rate	Number of Investments Purchased	Number of Investments Redeemed	Average Term	Days to Maturity
				360 Equivalent	365 Equivalent					
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
November	2006	106	129,007,328.20	4.167	4.225	5.125	5	6	1,163	580
December	2006	107	127,296,010.21	4.238	4.297	5.129	4	3	1,136	568
January	2007	111	136,375,095.76	4.357	4.417	5.156	7	4	1,079	554
February	2007	111	145,787,945.58	4.439	4.501	5.181	3	3	1,048	544
March	2007	112	145,915,518.74	4.450	4.512	5.214	2	1	1,069	539
April	2007	115	149,185,490.26	4.549	4.612	5.220	7	4	1,031	538
May	2007	120	161,418,165.47	4.636	4.700	5.248	10	5	1,011	560
June	2007	125	164,612,410.59	4.626	4.690	5.250	7	2	1,092	610
July	2007	127	175,269,777.75	4.652	4.717	5.255	5	4	1,050	577
<b>Average</b>		<b>112</b>	<b>143,453,266.07</b>	<b>4.328%</b>	<b>4.388%</b>	<b>5.130</b>	<b>5</b>	<b>4</b>	<b>1,079</b>	<b>550</b>

July 2007

invest no.	BROKER	DESCRIPTION	PURCHASE DATE	QUALITY RATING	MATURITY DATE	DAYS TO MATURITY	RATE	YIELD	PAR VALUE	COST	MARKET VALUE
<b>(I) PURCHASES*</b>											
10673	Citigroup	FNMA	07/02/2007	AAA/Aaa	07/02/2009	701	5.375%	5.375%	1,000,000	1,000,000	999,060
10674	Dean Witter	FHLB	07/19/2007	AAA/Aaa	10/05/2007	65	5.090%	5.218%	800,000	791,177	792,640
10675	Citigroup	Toyota Motor Credi	07/23/2007	/Aa1	06/01/2010	1035	4.540%	5.500%	1,000,000	974,880	988,200
10676	Dean Witter	FHLMC	07/30/2007	AAA/Aaa	07/30/2010	1094	5.550%	5.550%	1,000,000	1,000,000	1,000,380
10677	Great Pacific Securities	FHLMC	07/23/2007	AAA/Aaa	08/23/2010	1118	5.125%	5.205%	1,000,000	997,690	1,003,130

4,800,000    4,763,747    4,783,410

5.376%

Weighted Average Yield

invest no.	BROKER	DESCRIPTION	PURCHASE DATE	QUALITY RATING	MATURITY DATE	RATE	YIELD	PAR VALUE	BOOK VALUE	MARKET VALUE
<b>(II) MATURITIES**</b>										
10493	Smith Barney	FHLB	10/30/2003	AAA/Aaa	07/30/2007	3.250%	3.249%	\$1,000,000	\$1,000,000	\$1,000,000
10607	Brookstreet	FHLB	07/13/2006	AAA/Aaa	07/13/2007	6.000%	6.000%	\$1,000,000	\$1,000,000	\$1,000,000
10621	Brookstreet	FNMA	10/05/2006	AAA/Aaa	07/15/2007	4.250%	5.108%	\$1,000,000	\$1,000,000	\$1,000,000
10423		SkyPark Bond	12/18/2001		07/01/2012	8.000%	7.999%	\$350,644	\$350,644	\$350,644

3,350,644    3,350,644    3,350,644

5.122%

Weighted Average Yield

(III) LAIF TRANSACTIONS

DEALER	DESCRIPTION	BEGIN BAL.	RATE	YIELD	DEPOSITS	WITHDRAWALS	INTEREST	END BAL.
-	State of California	-	-	-	-	-	-	-
	Local Agency Pool	27,800,000	5.255%	5.255%	12,250,000	10,175,000	378,469	29,875,000
	City	5,200,000	5.255%	5.255%	30,500,000	28,200,000	89,898	7,500,000
	RDA	\$33,000,000			42,750,000	38,375,000	\$468,367.00	\$37,375,000

**City of Torrance**  
**Portfolio Management**  
**Interest Earnings Summary**  
**July 31, 2007**

	July 31 Month Ending	Fiscal Year To Date
<b>CD/Coupon/Discount Investments:</b>		
Interest Collected	490,045.65	490,045.65
Plus Accrued Interest at End of Period	1,405,246.64	1,405,246.64
Less Accrued Interest at Beginning of Period	( 1,410,319.55)	( 1,410,319.55)
Less Accrued Interest at Purchase During Period	( 0.00)	( 0.00)
	<u>484,972.74</u>	<u>484,972.74</u>
Interest Earned during Period		
Adjusted by Premiums and Discounts	10,348.35	10,348.35
Adjusted by Capital Gains or Losses	0.00	0.00
	<u>495,321.09</u>	<u>495,321.09</u>
<b>Earnings during Periods</b>		
	<u>495,321.09</u>	<u>495,321.09</u>
<b>Pass Through Securities:</b>		
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>
<b>Earnings during Periods</b>		
	<u>0.00</u>	<u>0.00</u>
<b>Cash/Checking Accounts:</b>		
Interest Collected	468,367.37	468,367.37
Plus Accrued Interest at End of Period	199,333.35	199,333.35
Less Accrued Interest at Beginning of Period	( 468,309.86)	( 468,309.86)
	<u>199,390.86</u>	<u>199,390.86</u>
Interest Earned during Period		
	<u>199,390.86</u>	<u>199,390.86</u>
<b>Total Interest Earned during Period</b>		
	<b>684,363.60</b>	<b>684,363.60</b>
<b>Total Adjustments from Premiums and Discounts</b>		
	<b>10,348.35</b>	<b>10,348.35</b>
<b>Total Capital Gains or Losses</b>		
	<b>0.00</b>	<b>0.00</b>
<b>Total Earnings during Period</b>		
	<b>694,711.95</b>	<b>694,711.95</b>

**City of Torrance**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**July 31, 2007**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity	Maturity Date
<b>Local Agency Investment Funds</b>												
SYS10000	10000	Local Agency Invest Fund GEN'L			29,875,000.00	29,875,000.00	29,875,000.00	5.255		5.255	1	
SYS10001	10001	Local Agency Invest. Fund RDA			7,500,000.00	7,500,000.00	7,500,000.00	5.255		5.255	1	
		<b>Subtotal and Average</b>	<b>44,716,310.09</b>		<b>37,375,000.00</b>	<b>37,375,000.00</b>	<b>37,375,000.00</b>			<b>5.255</b>	<b>1</b>	
<b>Money Market Sweep Account</b>												
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	5.120		5.120	1	
		<b>Subtotal and Average</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>			<b>0.000</b>	<b>0</b>	
<b>Federal Agency Issues - Coupon</b>												
31315PLV8	10655	Farmer Mac		04/25/2007	1,000,000.00	996,160.00	1,000,000.00	5.550		5.550	1,729	04/25/2012
31331Q7E1	10483	FEDERAL FARM CREDIT BANK		08/06/2003	1,000,000.00	999,690.00	1,000,000.00	3.100	Aaa	3.100	5	08/06/2007
31331TGG0	10491	FEDERAL FARM CREDIT BANK		10/15/2003	1,000,000.00	996,250.00	1,000,000.00	3.450	Aaa	3.450	75	10/15/2007
31331TQP9	10507	FEDERAL FARM CREDIT BANK		02/09/2004	1,000,000.00	993,750.00	1,000,000.00	3.000	Aaa	3.001	100	11/09/2007
31331TVG3	10513	FEDERAL FARM CREDIT BANK		03/24/2004	1,000,000.00	990,940.00	1,000,000.00	3.000	Aaa	3.001	145	12/24/2007
31331TYR6	10516	FEDERAL FARM CREDIT BANK		04/22/2004	1,000,000.00	994,060.00	1,000,000.00	2.610	Aaa	2.610	82	10/22/2007
31331TYD7	10519	FEDERAL FARM CREDIT BANK		04/15/2004	1,000,000.00	977,500.00	1,000,000.00	3.080	Aaa	3.080	441	10/15/2008
31331TB91	10526	FEDERAL FARM CREDIT BANK		04/29/2004	1,000,000.00	994,690.00	1,000,000.00	3.100	Aaa	3.100	89	10/29/2007
31331SMB6	10559	FEDERAL FARM CREDIT BANK		02/02/2005	1,000,000.00	995,940.00	999,971.91	3.700	Aaa	3.711	93	11/02/2007
31331SNB5	10567	FEDERAL FARM CREDIT BANK		03/10/2005	1,000,000.00	991,560.00	997,923.06	3.550	Aaa	4.000	180	01/28/2008
31331SD42	10576	FEDERAL FARM CREDIT BANK		06/30/2005	1,000,000.00	991,250.00	1,000,000.00	4.125	Aaa	4.125	334	06/30/2008
31331VYF7	10600	FEDERAL FARM CREDIT BANK		05/04/2006	1,000,000.00	1,005,310.00	1,000,000.00	5.250	Aaa	5.250	642	05/04/2009
31331V445	10610	FEDERAL FARM CREDIT BANK		08/01/2006	1,000,000.00	1,000,000.00	1,000,000.00	5.750	Aaa	5.750	1,461	08/01/2011
31331VA48	10618	FEDERAL FARM CREDIT BANK		09/13/2006	1,000,000.00	999,690.00	1,000,298.44	5.250	Aaa	5.151	125	12/04/2007
31331XAK8	10622	FEDERAL FARM CREDIT BANK		10/16/2006	1,000,000.00	999,060.00	1,000,000.00	5.250	Aaa	5.250	989	04/16/2010
31331XMQ2	10640	FEDERAL FARM CREDIT BANK		01/26/2007	1,000,000.00	1,000,000.00	1,000,000.00	5.000	Aaa	5.002	1,029	05/26/2010
31331XUJ2	10645	FEDERAL FARM CREDIT BANK		02/12/2007	1,000,000.00	999,060.00	1,000,000.00	5.350	Aaa	5.350	926	02/12/2010
31331XUM2	10649	FEDERAL FARM CREDIT BANK		04/05/2007	1,000,000.00	995,940.00	1,000,000.00	5.400	Aaa	5.400	1,343	04/05/2011
31331XVL3	10653	FEDERAL FARM CREDIT BANK		04/16/2007	1,000,000.00	996,250.00	1,000,000.00	5.200	Aaa	5.200	989	04/16/2010
31331XWQ1	10654	FEDERAL FARM CREDIT BANK		04/25/2007	1,000,000.00	993,440.00	999,750.00	5.390	Aaa	5.396	1,729	04/25/2012
3133MWNPA	10445	FEDERAL HOME LOAN BANK		02/06/2003	833,333.33	826,825.00	833,306.56	3.750	Aaa	3.757	189	02/06/2008
3133MYU5	10469	FEDERAL HOME LOAN BANK		06/05/2003	1,000,000.00	984,380.00	1,000,000.00	3.250	Aaa	3.250	309	06/05/2008
31339YKX9	10480	FEDERAL HOME LOAN BANK		07/30/2003	1,000,000.00	980,000.00	1,000,000.00	3.000	Aaa	3.000	364	07/30/2008
3133X0FJ3	10482	FEDERAL HOME LOAN BANK		08/13/2003	1,000,000.00	989,380.00	1,000,000.00	4.000	Aaa	4.000	378	08/13/2008
31339YV1	10503	FEDERAL HOME LOAN BANK		01/21/2004	1,000,000.00	984,060.00	999,477.16	3.375	Aaa	3.433	355	07/21/2008
3133X3JR5	10505	FEDERAL HOME LOAN BANK		02/13/2004	1,000,000.00	999,380.00	999,988.10	3.070	Aaa	3.108	12	08/13/2007

Portfolio CITY  
AP

**City of Torrance**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**July 31, 2007**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity	Maturity Date
<b>Federal Agency Issues - Coupon</b>												
3133X5X45	10524	FEDERAL HOME LOAN BANK		04/21/2004	1,000,000.00	975,310.00	1,000,000.00	3.420	Aaa	3.420	629	04/21/2009
3133XAL47	10560	FEDERAL HOME LOAN BANK		02/24/2005	1,000,000.00	999,060.00	1,000,000.00	3.685	Aaa	3.685	23	08/24/2007
3133XAMZ7	10562	FEDERAL HOME LOAN BANK		03/03/2005	1,000,000.00	992,500.00	1,000,000.00	4.000	Aaa	4.000	215	03/03/2008
3133XAQU4	10563	FEDERAL HOME LOAN BANK		03/07/2005	1,000,000.00	994,690.00	1,000,000.00	3.825	Aaa	3.827	128	12/07/2007
3133XAQV2	10564	FEDERAL HOME LOAN BANK		03/08/2005	1,000,000.00	989,060.00	1,000,000.00	4.000	Aaa	4.000	404	09/08/2008
3133XEFR5	10581	FEDERAL HOME LOAN BANK		01/30/2006	1,000,000.00	998,440.00	1,000,000.00	5.000	Aaa	5.000	180	01/28/2008
3133XEV30	10591	FEDERAL HOME LOAN BANK		03/21/2006	1,000,000.00	999,380.00	1,000,000.00	5.040	Aaa	5.040	51	09/21/2007
3133XFCM6	10594	FEDERAL HOME LOAN BANK		04/28/2006	1,000,000.00	999,060.00	1,000,000.00	5.400	Aaa	5.400	1,001	04/28/2010
3133XFH58	10599	FEDERAL HOME LOAN BANK		05/19/2006	1,000,000.00	1,005,000.00	1,000,000.00	5.520	Aaa	5.520	1,387	05/19/2011
3133XGD76	10608	FEDERAL HOME LOAN BANK		08/11/2006	1,000,000.00	1,002,500.00	1,000,000.00	5.700	Aaa	5.700	1,106	08/11/2010
3133XGNW0	10612	FEDERAL HOME LOAN BANK		09/11/2006	1,000,000.00	999,380.00	1,000,000.00	5.500	Aaa	5.500	772	09/11/2009
3133XGTS3	10616	FEDERAL HOME LOAN BANK		09/08/2006	1,000,000.00	998,750.00	1,000,000.00	5.375	Aaa	5.375	1,134	09/08/2010
3133XGTX2	10617	FEDERAL HOME LOAN BANK		09/19/2006	1,000,000.00	1,000,000.00	1,000,000.00	5.500	Aaa	5.500	961	03/19/2010
3133XGZP2	10619	FEDERAL HOME LOAN BANK		10/02/2006	1,000,000.00	997,810.00	1,000,000.00	5.150	Aaa	5.150	793	10/02/2009
3133XHEX6	10624	FEDERAL HOME LOAN BANK		10/27/2006	1,000,000.00	993,750.00	1,000,000.00	5.200	Aaa	5.200	1,548	10/27/2011
3133XEZP7	10625	FEDERAL HOME LOAN BANK		10/20/2006	1,000,000.00	999,690.00	999,288.55	5.000	Aaa	5.038	408	09/12/2008
3133XJZS6	10634	FEDERAL HOME LOAN BANK		12/13/2006	1,000,000.00	996,250.00	1,000,000.00	5.500	Aaa	5.500	1,595	12/13/2011
3133XJF60	10635	FEDERAL HOME LOAN BANK		01/17/2007	1,000,000.00	995,630.00	1,000,000.00	5.500	Aaa	5.500	1,630	01/17/2012
3133XJPZ5	10639	FEDERAL HOME LOAN BANK		01/26/2007	1,000,000.00	998,440.00	1,000,000.00	5.200	Aaa	5.200	1,090	07/26/2010
3133XJT99	10644	FEDERAL HOME LOAN BANK		02/05/2007	1,000,000.00	1,000,630.00	1,000,000.00	5.350	Aaa	5.350	554	02/05/2009
3133XJUD8	10646	FEDERAL HOME LOAN BANK		02/09/2007	1,000,000.00	1,000,940.00	1,000,000.00	5.500	Aaa	5.500	1,663	02/09/2012
3133XKAK1	10647	FEDERAL HOME LOAN BANK		03/20/2007	1,000,000.00	997,810.00	1,000,000.00	5.000	Aaa	5.000	597	03/20/2009
3133XKDC6	10648	FEDERAL HOME LOAN BANK		03/30/2007	1,000,000.00	997,810.00	1,000,000.00	5.030	Aaa	5.030	604	03/27/2009
3133XKFF5	10651	FEDERAL HOME LOAN BANK		04/20/2007	1,000,000.00	994,380.00	1,000,000.00	5.050	Aaa	5.050	1,358	04/20/2011
3133XKFU4	10652	FEDERAL HOME LOAN BANK		04/23/2007	1,000,000.00	998,130.00	1,000,000.00	5.700	Aaa	5.700	1,727	04/23/2012
3133XKPE9	10656	FEDERAL HOME LOAN BANK		05/04/2007	1,000,000.00	993,750.00	1,000,000.00	5.125	Aaa	5.125	1,372	05/04/2011
3133XKQ65	10658	FEDERAL HOME LOAN BANK		05/15/2007	1,000,000.00	994,380.00	1,000,000.00	5.200	Aaa	5.200	1,749	05/15/2012
3133XKYE9	10662	FEDERAL HOME LOAN BANK		05/25/2007	1,000,000.00	997,190.00	1,000,000.00	5.200	Aaa	5.200	1,759	05/25/2012
3133XL2U6	10665	FEDERAL HOME LOAN BANK		05/29/2007	1,000,000.00	999,060.00	1,000,000.00	5.250	Aaa	5.250	667	05/29/2009
3133XLAFO	10667	FEDERAL HOME LOAN BANK		06/20/2007	1,000,000.00	999,380.00	1,000,000.00	5.600	Aaa	5.600	1,785	06/20/2012
3128X1GD3	10508	FEDERAL HOME LOAN MORTGAGE CO		01/30/2004	1,000,000.00	975,800.00	993,384.58	3.110	Aaa	3.644	498	12/11/2008
3128X2B57	10521	FEDERAL HOME LOAN MORTGAGE CO		04/19/2004	1,000,000.00	994,810.00	1,000,000.00	2.920	Aaa	2.920	79	10/19/2007
3128X4YE5	10584	FEDERAL HOME LOAN MORTGAGE CO		01/30/2006	1,000,000.00	999,210.00	999,724.08	5.000	Aaa	5.030	357	07/23/2008
3128X4K67	10585	FEDERAL HOME LOAN MORTGAGE CO		03/07/2006	1,000,000.00	999,580.00	1,000,000.00	5.250	Aaa	5.250	219	03/07/2008
3128X4N56	10605	FEDERAL HOME LOAN MORTGAGE CO		06/09/2006	1,000,000.00	997,610.00	994,947.44	5.250	Aaa	5.461	1,303	02/24/2011
3128X5KL1	10620	FEDERAL HOME LOAN MORTGAGE CO		09/29/2006	1,000,000.00	998,380.00	1,000,000.00	5.500	Aaa	5.500	1,520	09/29/2011

Portfolio CITY  
AP

**City of Torrance**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**July 31, 2007**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity	Maturity Date
<b>Federal Agency Issues - Coupon</b>												
3128X5MP0	10628	FEDERAL HOME LOAN MORTGAGE CO		11/07/2006	1,000,000.00	1,000,020.00	1,000,000.00	5.250	Aaa	5.250	464	11/07/2008
3128X5NT1	10629	FEDERAL HOME LOAN MORTGAGE CO		11/14/2006	1,000,000.00	995,610.00	1,000,000.00	5.350	Aaa	5.350	1,566	11/14/2011
3128X5PV4	10631	FEDERAL HOME LOAN MORTGAGE CO		11/24/2006	1,000,000.00	994,900.00	1,000,000.00	5.125	Aaa	5.125	1,211	11/24/2010
3128X5QW1	10633	FEDERAL HOME LOAN MORTGAGE CO		12/05/2006	1,000,000.00	996,140.00	1,000,000.00	5.250	Aaa	5.250	1,587	12/05/2011
3128X5TD0	10636	FEDERAL HOME LOAN MORTGAGE CO		12/26/2006	1,000,000.00	999,130.00	999,649.31	5.100	Aaa	5.127	513	12/26/2008
3128X5VF2	10637	FEDERAL HOME LOAN MORTGAGE CO		12/27/2006	1,000,000.00	994,180.00	1,000,000.00	5.400	Aaa	5.400	1,609	12/27/2011
3128X52A5	10650	FEDERAL HOME LOAN MORTGAGE CO		04/17/2007	1,000,000.00	995,230.00	1,000,000.00	5.550	Aaa	5.550	1,721	04/17/2012
3128X52N7	10661	FEDERAL HOME LOAN MORTGAGE CO		05/16/2007	1,000,000.00	993,830.00	999,042.69	5.250	Aaa	5.272	1,707	04/03/2012
3128X6CS3	10666	FEDERAL HOME LOAN MORTGAGE CO		06/20/2007	1,000,000.00	998,900.00	1,000,000.00	5.625	Aaa	5.625	1,419	06/20/2011
3128X6CX2	10668	FEDERAL HOME LOAN MORTGAGE CO		06/15/2007	1,000,000.00	1,004,670.00	999,521.30	5.400	Aaa	5.418	1,049	06/15/2010
3128X6HP4	10676	FEDERAL HOME LOAN MORTGAGE CO		07/30/2007	1,000,000.00	1,000,380.00	1,000,000.00	5.550	Aaa	5.550	1,094	07/30/2010
3137EAAAX7	10677	FEDERAL HOME LOAN MORTGAGE CO		07/23/2007	1,000,000.00	1,003,130.00	997,706.65	5.125	Aaa	5.205	1,118	08/23/2010
3136F7FE2	10578	FEDERAL NATIONAL MORT ASSOC		07/28/2005	1,000,000.00	995,000.00	1,000,000.00	4.300	Aaa	4.300	180	01/28/2008
3136F7F44	10606	FEDERAL NATIONAL MORT ASSOC		06/22/2006	1,000,000.00	1,004,690.00	1,000,000.00	5.500	Aaa	5.500	1,421	06/22/2011
3136F7Q75	10609	FEDERAL NATIONAL MORT ASSOC		08/03/2006	1,000,000.00	1,000,000.00	1,000,000.00	5.750	Aaa	5.750	733	08/03/2009
3136F8FJ9	10641	FEDERAL NATIONAL MORT ASSOC		01/30/2007	1,000,000.00	1,000,310.00	1,000,000.00	5.300	Aaa	5.300	548	01/30/2009
3136F8LU7	10657	FEDERAL NATIONAL MORT ASSOC		05/09/2007	1,000,000.00	995,630.00	1,000,000.00	5.250	Aaa	5.250	1,377	05/09/2011
31359M6J7	10659	FEDERAL NATIONAL MORT ASSOC		05/10/2007	1,000,000.00	996,880.00	999,265.52	5.400	Aaa	5.417	1,699	03/26/2012
3136F8MV4	10663	FEDERAL NATIONAL MORT ASSOC		05/23/2007	1,000,000.00	994,690.00	1,000,000.00	5.750	Aaa	5.750	1,757	05/23/2012
3136F8PP4	10673	FEDERAL NATIONAL MORT ASSOC		07/02/2007	1,000,000.00	999,060.00	1,000,000.00	5.375	Aaa	5.375	701	07/02/2009
<b>Subtotal and Average</b>					<b>81,833,333.33</b>	<b>81,510,495.00</b>	<b>81,813,245.35</b>			<b>4.797</b>	<b>860</b>	

**Treasury Securities - Coupon**

912828AZ3	10475	U.S. TREASURY NOTE		06/16/2003	5,000,000.00	4,912,900.00	5,019,173.26	2.625	Aaa	2.110	288	05/15/2008
912828BG4	10484	U.S. TREASURY NOTE		08/15/2003	1,000,000.00	984,610.00	999,049.48	3.250	Aaa	3.350	380	08/15/2008
912828DK3	10585	U.S. TREASURY NOTE		02/15/2005	1,000,000.00	991,640.00	999,566.03	3.375	Aaa	3.460	198	02/15/2008
912828DK3	10574	U.S. TREASURY NOTE		05/09/2005	1,000,000.00	991,640.00	997,951.77	3.375	Aaa	3.775	198	02/15/2008
912828DT4	10577	U.S. TREASURY NOTE		07/13/2005	1,000,000.00	991,170.00	999,392.12	3.750	Aaa	3.831	288	05/15/2008
912828DZ0	10579	U.S. TREASURY NOTE		07/25/2005	1,000,000.00	982,030.00	995,172.43	3.875	Aaa	4.057	1,079	07/15/2010
912828EC0	10580	U.S. TREASURY NOTE		08/15/2005	1,000,000.00	993,280.00	999,674.95	4.125	Aaa	4.159	380	08/15/2008
912828FT2	10626	U.S. TREASURY NOTE		10/23/2006	1,000,000.00	998,670.00	997,461.60	4.625	Aaa	4.854	426	09/30/2008
912828FV7	10627	U.S. TREASURY NOTE		10/31/2006	1,000,000.00	1,001,560.00	1,000,195.37	4.875	Aaa	4.858	457	10/31/2008
912828FM7	10638	U.S. TREASURY NOTE		01/22/2007	1,000,000.00	1,001,640.00	1,000,656.47	5.000	Aaa	4.930	365	07/31/2008
912828GP9	10664	U.S. TREASURY NOTE		05/23/2007	2,000,000.00	1,996,260.00	1,989,580.69	4.500	Aaa	4.814	638	04/30/2009
912828GR5	10669	U.S. TREASURY NOTE		06/08/2007	1,000,000.00	998,750.00	986,942.63	4.500	Aaa	5.008	1,018	05/15/2010
912828GG9	10671	U.S. TREASURY NOTE		06/15/2007	1,000,000.00	1,004,610.00	991,522.88	4.750	Aaa	5.109	929	02/15/2010

Portfolio CITY  
AP

**City of Torrance  
Portfolio Management  
Portfolio Details - Investments  
July 31, 2007**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity	Maturity Date
912828FX3	10672	U.S.TREASURY NOTE	18,966,050.19	06/15/2007	1,000,000.00	1,001,170.00	989,859.42	4.625	Aaa	5.100	837	11/15/2009
		<b>Subtotal and Average</b>	<b>18,966,050.19</b>		<b>19,000,000.00</b>	<b>18,849,930.00</b>	<b>18,966,199.10</b>			<b>3.820</b>	<b>487</b>	
<b>Medium Term Notes</b>												
02003MAG9	10573	ALLSTATE LIFE GLOBAL TRUST		05/09/2005	1,000,000.00	992,300.00	998,948.16	3.850	Aa2	4.080	177	01/25/2008
060505BH6	10596	Bank of America		04/13/2006	1,000,000.00	973,470.00	973,671.45	3.375	AA2	5.230	566	02/17/2009
06423EPM1	10556	Bank One NA Illinois		01/18/2005	1,000,000.00	991,990.00	1,000,085.27	3.700		3.680	167	01/15/2008
172967BS9	10466	Citigroup		05/12/2003	1,000,000.00	991,370.00	1,002,134.93	3.500	Aa1	3.040	184	02/01/2008
172967BS9	10572	Citigroup		04/28/2005	1,585,000.00	1,571,321.45	1,580,313.95	3.500	Aa1	4.130	184	02/01/2008
166760AA6	10455	ChevronTexaco		02/25/2003	1,000,000.00	997,860.00	1,000,564.77	3.500	Aa2	3.025	47	09/17/2007
36962GB78	10465	General Electric Capital Corp		05/12/2003	1,000,000.00	987,400.00	1,002,410.23	3.500	Aaa	3.150	274	05/01/2008
36966RFV3	10476	General Electric Capital Corp		06/19/2003	2,000,000.00	1,944,740.00	2,000,000.00	2.450	Aaa	2.450	319	06/15/2008
375766AM4	10472	Gillette Company		05/27/2003	1,000,000.00	976,870.00	999,549.33	2.500	Aa3	2.558	305	06/01/2008
38143UBEO	10660	Goldman Sachs		05/14/2007	1,210,000.00	1,181,601.30	1,192,454.76	4.500		5.050	1,049	06/15/2010
437076AN2	10623	Home Depot		10/11/2006	1,000,000.00	984,340.00	1,004,082.28	5.200	Aa3	5.059	1,308	03/01/2011
441812KG8	10613	Household Finance Co		08/22/2006	1,000,000.00	989,510.00	991,555.28	4.750	Aa3	5.260	653	05/15/2009
40429CCX8	10632	Household Finance Co		11/20/2006	1,000,000.00	992,770.00	1,002,396.14	5.250	Aa3	5.170	1,262	01/14/2011
441812KH6	10642	Household Finance Co		01/30/2007	1,000,000.00	972,010.00	976,791.75	4.125	Aa3	5.224	838	11/16/2009
59018YVVO	10630	MERRILL LYNCH		11/17/2006	1,000,000.00	980,330.00	992,888.00	4.790	Aa3	5.050	1,099	08/04/2010
59018YSK8	10643	MERRILL LYNCH		01/30/2007	2,000,000.00	1,962,060.00	1,970,581.67	4.125	Aa3	5.200	533	01/15/2009
59217EAD6	10477	Met Life		06/19/2003	1,000,000.00	975,090.00	1,000,411.63	2.600	Aa2	2.550	323	06/19/2008
59217EAD6	10481	Met Life		07/25/2003	1,000,000.00	975,090.00	993,142.45	2.600	Aa2	3.450	323	06/19/2008
742718BX6	10538	Procter & Gamble		08/02/2004	1,000,000.00	988,220.00	1,004,288.26	4.300	Aa3	3.850	380	08/15/2008
89233PUA2	10675	Toyota Motor Credit		07/23/2007	1,000,000.00	988,200.00	974,880.00	4.540	Aa1	5.500	1,035	06/01/2010
90327QCCO	10670	USAA Capital Corp		06/12/2007	2,000,000.00	1,982,700.00	1,965,802.17	4.640		5.420	867	12/15/2009
949746EX5	10484	Wells Fargo Co		05/12/2003	1,000,000.00	986,540.00	1,002,922.34	3.500	Aa1	3.031	247	04/04/2008
949746EX5	10557	Wells Fargo Co		01/24/2005	1,000,000.00	986,540.00	998,539.89	3.500	Aa1	3.730	247	04/04/2008
949746JQ5	10569	Wells Fargo Co		04/04/2005	1,000,000.00	990,940.00	998,946.48	4.125	Aa1	4.310	222	03/10/2008
98153BAE4	10604	World Savings Bank		06/05/2006	1,000,000.00	988,260.00	983,960.04	4.500	Aa3	5.440	684	06/15/2009
		<b>Subtotal and Average</b>	<b>27,916,176.48</b>		<b>28,795,000.00</b>	<b>28,351,522.75</b>	<b>28,611,321.23</b>			<b>4.202</b>	<b>531</b>	
<b>Municipal Bond Issues - Coupon</b>												
SYS10423	10423	Skpk-2001TxAllocRef Bd	1,428,101.91	12/18/2001	1,428,101.91	1,428,101.91	1,428,101.91	8.000		7.999	1,796	07/01/2012
		<b>Subtotal and Average</b>	<b>1,428,101.91</b>		<b>1,428,101.91</b>	<b>1,428,101.91</b>	<b>1,428,101.91</b>			<b>7.999</b>	<b>1,796</b>	

**City of Torrance  
Portfolio Management  
Portfolio Details - Investments  
July 31, 2007**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity	Maturity Date
		<b>Federal Agency Disc. -Amortizing</b>										
313384MP1	10674	FEDERAL HOME LOAN BANK	332,116.08	07/19/2007	800,000.00	792,640.00	792,647.78	5.090	Aaa	5.147	65	10/05/2007
		<b>Subtotal and Average</b>			<b>800,000.00</b>	<b>792,640.00</b>	<b>792,647.78</b>			<b>5.147</b>	<b>65</b>	
		<b>Total and Average</b>	<b>175,269,777.75</b>		<b>169,231,435.24</b>	<b>168,307,689.66</b>	<b>168,986,515.37</b>			<b>4.716</b>	<b>577</b>	

## II. RESTRICTED FUNDS

**CASH AND INVESTMENTS HELD BY FISCAL AGENT**

FOR PERIOD ENDING

June 30, 2007

**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&amp;B COP Refunding - #3060645 (Maturity - June 1, 2024 &amp; June 1, 2034)</i>						
Construction Fund Acct #360646	3,839,766.05			3,839,766.05	2.47	MBIA INVEST. AGREEMENT**
	8.58			8.58	4.56	Hamilton Trsy Money Fd Premier
Required Reserve Acct #360649	2,777,212.50	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	3,961.69			3,961.69	4.60	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	330.58			722.63	4.67	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	1,494.00			1,494.20	4.91	JP Morgan Prime MM Premier
Cost of Issuance acct #360758						JP Morgan Prime MM Premier
Reserve Cash Acct #360760	22,410.33			22,410.33	4.92	JP Morgan Prime MM Premier
Reserve Acct. #360760	505,000.00	505,000.00	8,259.51	505,000.00	4.34	FSA Capital Management Invest Agmt.
Required Reserve Acct # 360760						

**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	11,457.40			11,457.40	4.68	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**  
 June 30, 2007

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	20,209.88			20,209.88	4.67	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	372.95			372.95	4.67	Fidelity US Trsy Port III
Reserve acct # 428882	1,300,480.00			1,300,480.00	5.980	AMBAC Investment Agmnt **

<b>TOTAL: ALL CASH &amp; INVESTMENTS</b>	<b>10,660,663.71</b>			<b>10,661,056.46</b>		
--	----------------------	--	--	----------------------	--	--

\*\* 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

June 30, 2007

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
108,819,525.58	2,045,064.04	14,364,844.16	589,550.62	3,652,327.36	(2,307.98)		(2,392,332.33)	(14,339,844.17)	(11,316,856.37)	112,736,827.28
	Book Value	Market Value								
Investment Type	1,132,607.39	1,132,607.39								
Fixed Funds (GCF)	67,803,968.15	67,803,968.15								
Variable Funds	43,456,605.97	43,456,605.97								
Stable Value Fund	343,645.77	343,645.77								
Self-Direct	1,316,856.37	1,316,856.37								
J) Outstanding Loan	114,053,683.65	114,053,683.65								
Totals										

(I) Participant Loan Outstanding Balance included in Total Assets

457PLAN B  
RECURRENT/PART-TIME/TEMPORARY EMPLOYEES

Beginning Balance	Contributions	Acct. Transfers In	Interest	Change in Value	Fees	Hardship	Payouts	Acct. Transfers Out	Ending Balance
1,869,211.20	71,788.85	54,304.35	8,155.39	5,038.20	0.00	0.00	(96,421.13)	(54,304.35)	1,857,772.51
	Book Value	Market Value							
Investment Type	89,266.24	89,266.24							
Variable Funds	1,751,581.89	1,751,581.89							
Fixed Funds	16,924.38	16,924.38							
Govt Guaranteed	1,857,772.51	1,857,772.51							
Totals									

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
4,115,439.36	97,778.35	651,595.24	19,645.49	158,284.95	(74.13)	0	(33,139.13)	(651,595.24)	(1) 24,098.82	4,357,934.89
	Book Value	Market Value								
Investment Type	740.51	740.51								
Fixed Funds	3,112,016.07	3,112,016.07								
Variable Funds	1,245,178.31	1,245,178.31								
Stable Value Fund	24,098.82	24,098.82								
Outstanding Loans	4,352,033.71	4,352,033.71								
Totals										

(I) 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
3,340,825.87	78,678.12	(103,314.66)	(4,000.77)	81,845.26	3,394,033.82
	Book Value	Market Value			
Investment Type	1,468,505.32	1,468,505.32			
Variable Funds	1,925,528.50	1,925,528.50			
Stable Value Funds	3,394,033.82	3,394,033.82			
Totals					

### III. CASH & INVESTMENT PORTFOLIO SHARE

**CITY OF TORRANCE  
CASH AND INVESTMENT PORTFOLIO SHARE (A)  
AS OF JULY 31, 2007**

FUND	SHARE OF INVESTMENTS	POOLED CASH & INVESTMENTS BALANCE	CASH PERCENT
N General	48,332,014.79	48,191,142.74	28.54
R Parks & Recr Facility & Open Space	3,275,114.55	3,265,568.66	1.93
R State Gas Tax	6,375,263.22	6,356,681.41	3.76
R Federal Housing, Community Dev	1,122,973.15	1,119,700.05	0.66
R Work Investment Network - WIN	216,842.21	216,210.19	0.13
R Street Lighting	397,566.21	396,407.43	0.23
R Traffic Congestion Relief Act 2000 - AB2928	706,364.75	704,305.93	0.42
R Police Asset Forfeiture	3,248,889.56	3,239,420.11	1.92
N Government Cable	2,409,050.05	2,402,028.46	1.42
R Local Return - Proposition C	4,508,530.74	4,495,389.84	2.66
R Grants/Donations	(110,903.01)	(110,579.76) (B)	(0.07)
R Citizens Options for Public Safety (COPS) Grant Funds - AB3229	238,111.85	237,417.83	0.14
R Seismic Education Fund	44,892.15	44,761.30	0.03
R Rehabilitation Housing	532,787.63	531,234.73	0.31
R Police Inmate Welfare Fund	75,951.53	75,730.16	0.04
N Capital Improvements	19,906,270.29	19,848,250.01	11.76
R Vanpool/Rideshare Fund	276,795.74	275,988.97	0.16
R Torrance Improvement Fund	5,611,756.00	5,595,399.56	3.31
R Animal Control Fund	102,980.92	102,680.76	0.06
R Redevelopment-Capital Proj	7,580,202.68	7,558,108.86	4.48
R Redevelopment Debt Service	762,141.80	759,920.41	0.45
N DNA Sampling Fund	7,401.57	7,380.00	0.00
N Airport Fund	7,224,660.86	7,203,603.34	4.27
N Transit Operations	4,172,783.75	4,160,621.45	2.46
R Development Impact Fund	243,930.66	243,219.68	0.14
N Water Operations	11,141,937.80	11,109,462.69	6.58
N Emergency Medical Service Enterprise Fund	245,992.07	245,275.08	0.15
N Sanitation Operations	3,200,708.40	3,191,379.38	1.89
N Cultural Arts Enterprise	478,678.83	477,283.64	0.28
N Sewer Enterprise Fund	10,627,744.85	10,596,768.44	6.28
N Parks & Recr Enterprise Fund	53,476.09	53,320.22	0.03
N Self Insurance Fund	6,027,974.75	6,010,405.17	3.56
N Fleet Services	11,024,435.04	10,992,302.41	6.51
R Postemployment/Compensated Absences Fund	6,242,766.09	6,224,570.46	3.69
R Trust & Agency	3,031,655.30	3,022,819.01	1.79
<b>TOTAL</b>	<b>169,337,158.89</b>	<b>168,843,596.35</b>	<b>100.00</b>

R = Restricted Funds

N = Non-Restricted Funds

(A) The difference between the Share of Investments total of \$169,337,158.89 and the Pooled Cash and Investments total of \$168,843,596.35 is primarily due to outstanding warrants and adjusting journal entries. (See reconciliation schedule attached)

(B) A-15 Artesia Median Landscaping -Torrance share has a negative cash balance of <\$75,000>. Reimbursement documents with required changes were submitted in April 2007. Reimbursement is expected in September.

T-43/T-44 Torrance Blvd. Rehab has a negative cash balance of <\$54,780>.

Request for billing is based on progress reports. Progress billing was submitted on 8/22/07 for \$36,423.

FEAP 331-Lago Seco Park Development - Primary Elements has a negative cash balance of <\$261,252>.

Final payment request submitted in June 2007 is being reviewed by the State.

Ocean/226th Vest Pocket Park has a negative cash balance of <\$80,000>.

Final payment request submitted in June 2007 and is being reviewed by Los Angeles County.

**CITY OF TORRANCE  
CASH AND INVESTMENT RECONCILIATION  
AS OF JULY 31, 2007**

INVESTMENTS PER PORTFOLIO SUMMARY (City Pool)		<b>169,337,158.89</b>
 CASH AND INVESTMENTS PER BOOKS		 <b>168,843,596.35</b>
CASH IN BANKS:		
Cash in B of A General Account		(\$1,031,866.38)
Cash in B of A Payroll Account		0.00
 OUTSTANDING WARRANTS:		
General Account	606,715.93	
Payroll Account	183,902.63	
Workers Compensation Account	136,277.19	
Housing Account	270,918.67	1,197,814.42
 Miscellaneous outstanding adjusting journal entries		 327,614.50
 INVESTMENTS PER BOOKS		 <b>\$169,337,158.89</b>