

Council Meeting of  
February 5, 2008

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

Members of Council:

**SUBJECT: Accept and file Investment Reports for November 2007 and December 2007**

**RECOMMENDATION**

Recommendation of the City Treasurer that City Council accept and file the attached monthly investment reports for the month of November 2007 and December 2007.

**FUNDING**

Not applicable

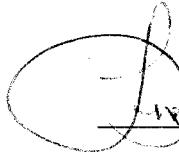
**BACKGROUND**

On December 04, 2007, Your Honorable Body, through passage of Resolution 2007-110, 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 months of November 2007 and December 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 December 2007

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**City of Torrance  
Investment Portfolio Highlights  
For December 2007**

**RETURN**

	<u>Current Month</u>	<u>Previous Month</u>
Average City Portfolio YTM	4.718	4.747
Average U.S. Treasury Constant Maturity	3.050	3.170
LAIF Average Monthly Return	4.801	4.962
Average City Portfolio YTM - 1 year prior	4.297	4.225

**INTEREST INCOME**

	<u>Current Period</u>	<u>Prior Year</u>
Fiscal year to date	3,952,669	2,706,283
Current month	653,318	452,108

**MATURITY**

	<u>Current Month</u>	<u>Prior Month</u>
Average Maturity (days)	652	639
Average Maturity 1 Year Prior (days)	568	580
Weighted Average Maturity (years)	1.79	1.75

**VOLUMES**

	<u>Total \$ Volume</u>	<u># of Transactions</u>
Purchases	20,003,275	17
Maturities	20,412,875	17

Transactions include 6 deposits to and 7 withdrawals from LAIF, 3 purchases and 3 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 December 31, 2007</u>
Federal Agency (coup)	81,334,705	-3,310,308	1,254,138	79,278,535
Treasury Securities	18,771,260	0	403,660	19,174,920
Medium Term Notes	27,303,734	4,482,093	332,123	32,117,950
Municipal Bonds	1,778,745	-350,643	0	1,428,102
<b>SUB-TOTAL PER GASB 31</b>	<b>129,188,444</b>	<b>821,142</b>	<b>1,989,921</b>	<b>131,999,507</b>
<u>Non-GASB securities</u>				
LAIF	33,000,000	4,200,000	0	37,200,000
Money Market	0	0	0	0
Federal Agency – Disc.	0	-18,704	18,704	0
Treasury Security – Disc.	0	0	0	0
Certificate of Deposits -Disc.	0	0	0	0
Commercial paper	0	756,766	27,140	783,906
<b>TOTAL PORTFOLIO</b>	<b>162,188,444</b>	<b>5,759,204</b>	<b>2,035,765</b>	<b>169,983,413</b>

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

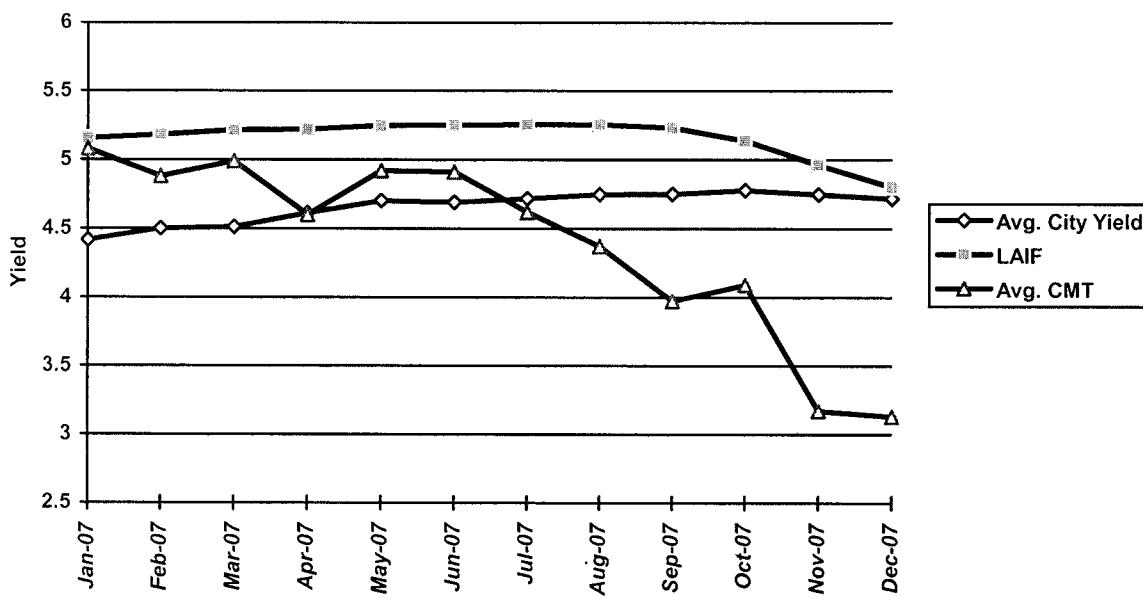
# CITY OF TORRANCE

## *City Treasurer's Office*

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

### I. Return

48.12% of the portfolio is invested at one-year maturity or less as of December 31, 2007. The City Average yield on the portfolio was 4.718% compared to 3.05% for the U.S. Treasury at Constant Maturity (CMT) of 24 months. The portfolio performed above the benchmark as of December 31, 2007 by 167 basis points.



### II. Volumes

The investment activity for November included 3 redemption in the Union Bank of California money market account.

### **III. Diversification of Investments**

The activity in the month of December consisted of 8 redemptions made up of four calls and three maturities with a rate of 4.732% and there were 8 purchases with the rate of 4.737%. LAIF activity consisted of 6 deposits of \$17.1 million and 7 withdrawals of \$12.4. The portfolio increased by \$5.6 million from the previous month.

<u>Asset Category</u>	<u>December</u>	<u>November</u>
1. LAIF	22.01%	19.89%
2. Money Market Sweep	0.00%	0.00%
3. Federal Agency Issues(coup)	46.46%	48.11%
4. Federal Agency Issues(disc)	0.00%	0.00%
5. Treasury Securities	11.22%	11.61%
6. Treasury Securities(disc)	0.00%	0.00%
7. Medium Term Notes	19.01%	19.05%
8. Municipal Bonds	.84%	.87%
9. Commercial Paper(disc)	<u>0.46%</u>	<u>0.47%</u>
	100.00%	100.00%

### **IV. Maturity**

As of December 31, 2007, the current maturity allocation is 33.32% of the portfolio invested between the 6 month to 3-year maturity levels. 39.01% 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 \$66.4 million available for expenditures.

<u>As of Maturity</u>	<u>December</u>	<u>November</u>
0 to 6 months	39.01%	33.15%
6 months to 1 year	9.11%	15.81%
1 to 2 years	11.75%	12.46%
2 to 3 years	12.46%	12.90%
3 to 4 years	6.46%	6.08%
4 to 5 years	18.28%	15.95%
5 years and after	2.94%	3.65%

### **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.

<sup>6</sup>  
**City of Torrance  
 Investment Portfolio Summary  
 As of December 31, 2007**

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	37,200,000	22.01	**	1	1	N/A	4.801
Money Market Sweep Account	00	.00		1	1		4.450
Federal Agency Issues – Coupon	78,511,794	46.45	75	1,525	1094	5 years	4.993
Farmer Mac	1,000,000	.59	30	115	115	5 years	4.466
Federal Farm Credit Bank	12,999,433	7.73	30	443	476	5 years	4.235
Federal Home Loan Bank	39,527,099	23.49	30	328	374	5 years	4.121
Federal Home Loan Mortgage Corp.	15,987,491	9.50	30	313	440	5 years	4.108
Federal National Mortgage Assoc.	8,997,771	5.32	30	160	165	5 years	4.340
Treasury Securities -- Coupon	18,967,732	11.22	100	1,222	334	5 years	3.822
Medium Term Notes	32,133,858	19.01	20	1,262	487	5 years	4.315
Municipal Bond Issue	1,428,102	.84		3,848	1,643	N/A	7.999
Federal Agency Disc	0.00	.00				5 years	.000
Commercial Paper Disc-Amort	783,760	.46		126	2		5.608
Treasury Discount-Amort	00	.00					.000
Certificate of Deposits-Disc	00	.00					.000
Total Investments & Averages	169,025,247	100.00		1,119	652		4.718
Pending Redemptions							
Accrued Interest at Purchase	26,370						
Total Cash & Purchase Interest	26,370						
Total Cash & Investments	169,051,618						

Portfolio Notes:

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

General LAIF account = \$29,700,000

RDA LAIF account = \$7,500,000

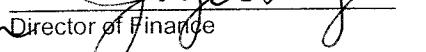
I certify that this report accurately reflects all pooled investments and is in conformity with the City of Torrance Investment Policy Statement adopted by Res. 07-23 on March 6, 2007. A copy of this policy is available at the office of the City Clerk. The investment program herein shown provides sufficient cash flow liquidity to meet six month's estimated expenditures.

  
 Linda M. Barnett 1/22/08  
 Date

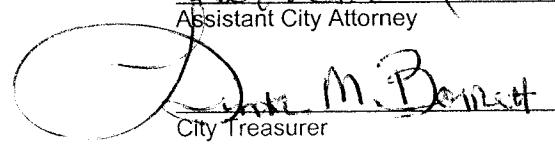
Linda M. Barnett  
 City Treasurer

Reviewed by the Investment Advisory Committee

  
 Linda M. Barnett  
 City Manager

  
 Linda M. Barnett  
 Director of Finance

  
 Linda M. Barnett  
 Assistant City Attorney

  
 Linda M. Barnett  
 City Treasurer

**City of Torrance  
Portfolio Management  
Activity Summary**

**December 2006 through December 2007**

Month End	Year	Number of Securities	Yield to Maturity		Managed Pool Rate	Number of Investments Purchased	Number of Investments Redeemed	Average Term	Average Days to Maturity
			360 Equivalent	365 Equivalent					
December	2006	107	127,296,010.21	4.238	4.297	5.129	4	3	568
January	2007	111	136,375,095.76	4.357	4.417	5.156	7	4	554
February	2007	111	145,787,945.58	4.439	4.501	5.181	3	3	544
March	2007	112	145,915,518.74	4.450	4.512	5.214	2	1	539
April	2007	115	149,185,490.26	4.549	4.612	5.220	7	4	538
May	2007	120	161,418,165.47	4.636	4.700	5.248	10	5	560
June	2007	125	164,612,410.59	4.626	4.690	5.250	7	2	610
July	2007	127	175,269,777.75	4.652	4.717	5.255	5	4	577
August	2007	130	169,819,611.53	4.684	4.749	5.253	8	5	585
September	2007	130	165,210,959.42	4.686	4.751	5.231	4	4	604
October	2007	127	164,833,882.31	4.713	4.778	5.137	6	10	632
November	2007	126	163,514,491.25	4.684	4.749	4.962	4	5	639
December	2007	127	164,262,749.72	4.655	4.720	4.801	8	7	652
Average	121	156,461,308.53	4.567%	4.630%	5.157	6	4	1,078	585

invest no.	BROKER	PURCHASE DATE	DESCRIPTION	QUALITY RATING	MATURITY DATE	DAYS TO MATURITY	RATE	YIELD	PAR VALUE	COST	MARKET VALUE
<b>(I) PURCHASES*</b>											
10701	Great Pacific Securities	12/17/2007	FHLB	AAA/Aaa	12/17/2012	1812	4.550%	1,000,000	1,000,000	1,000,000	1,000,000
10702	Dean Witter	12/03/2007	FHLB	AAA/Aaa	12/03/2012	1708	4.520%	895,000	895,000	895,000	895,000
10703	Citigroup	12/03/2007	General Electric	AAA/Aaa	09/13/2010	986	4.250%	1,000,000	995,950	996,063	996,063
10704	Citigroup	12/05/2007	FFCB	AAA/Aaa	12/05/2012	1800	4.875%	1,000,000	1,000,000	1,000,000	1,000,000
10705	Citigroup	12/27/2007	FHLB	AAA/Aaa	12/27/2012	1822	4.875%	1,000,000	1,000,000	1,000,000	1,000,000
10706	Higgins Capital	12/14/2007	FFCB	AAA/Aaa	12/14/2012	1809	4.400%	1,000,000	1,000,000	1,000,000	1,000,000
10707	Citigroup	12/13/2007	FHLMC	AAA/Aaa	12/11/2012	1806	5.000%	1,000,000	999,200	999,208	999,208
10708	Great Pacific Securities	12/28/2007	FFCB	AAA/Aaa	12/28/2011	1457	5.250%	1,000,000	1,000,000	1,000,000	1,000,000

**\$7,895,000**

**\$7,890,150**

**\$7,890,271**

4.737%

Weighted Average Yield

invest no.	BROKER	PURCHASE DATE	DESCRIPTION	QUALITY RATING	MATURITY DATE	RATE	YIELD	PAR VALUE	BOOK VALUE	MARKET VALUE
<b>(II) MATURITIES**</b>										
10618	Citigroup	09/13/2006	FFCB	AAA/Aaa	12/04/2007	5.250%	5.164%	1,000,000	1,000,000	1,000,000
10633	Great Pacific Securities	12/05/2006	FHLMC	AAA/Aaa	12/05/2007	5.250%	5.250%	1,000,000	1,000,000	1,000,000
10563	Dean Witter	03/07/2006	FHLB	AAA/Aaa	12/07/2007	3.825%	3.820%	1,000,000	1,000,000	1,000,000
10585	IPM	03/07/2006	FHLMC	AAA/Aaa	12/07/2007	5.250%	5.240%	1,000,000	1,000,000	1,000,000
10634	Higgins	12/13/2006	FHLB	AAA/Aaa	12/13/2007	5.500%	5.500%	1,000,000	1,000,000	1,000,000
10513	Dean Witter	03/24/2004	FFCB	AAA/Aaa	12/24/2007	3.000%	2.997%	1,000,000	1,000,000	1,000,000
10636	Citigroup	12/26/2006	FHLMC	AAA/Aaa	12/26/2007	5.100%	5.151%	1,000,000	999,750	1,000,000

**\$7,000,000**

**\$6,999,750**

**\$7,000,000**

Weighted Average Yield

4.732%

\* 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	25,000,000	4.801%	4.801%	17,100,000	12,400,000	-	29,700,000
	City	7,500,000	4.801%	4.801%	\$17,100,000	\$12,400,000	\$	7,500,000
	RDA	\$32,500,000						\$37,200,000

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

	December 31 Month Ending	Fiscal Year To Date
<b>CD/Coupon/Discount Investments:</b>		
Interest Collected	448,400.55	2,927,320.87
Plus Accrued Interest at End of Period	1,440,813.54	1,440,813.54
Less Accrued Interest at Beginning of Period	( 1,389,322.29)	( 1,410,319.55)
Less Accrued Interest at Purchase During Period	( 0.00)	( 0.00)
Interest Earned during Period	499,891.80	2,957,814.86
Adjusted by Premiums and Discounts	13,518.00	99,278.78
Adjusted by Capital Gains or Losses	250.00	-21,299.75
Earnings during Periods	513,659.80	3,035,793.89
<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)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
<b>Cash/Checking Accounts:</b>		
Interest Collected	0.00	971,987.78
Plus Accrued Interest at End of Period	413,197.35	413,197.35
Less Accrued Interest at Beginning of Period	( 273,538.78)	( 468,309.86)
Interest Earned during Period	139,658.57	916,875.27
Total Interest Earned during Period	639,550.37	3,874,690.13
Total Adjustments from Premiums and Discounts	13,518.00	99,278.78
Total Capital Gains or Losses	250.00	-21,299.75
Total Earnings during Period	653,318.37	3,952,669.16

**City of Torrance**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**December 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			29,700,000.00	29,700,000.00				4.801	1	
SYS10001	10001	Local Agency Invest Fund RDA			7,500,000.00	7,500,000.00				4.801	1	
		<b>Subtotal and Average</b>	<b>33,145,161.29</b>		<b>37,200,000.00</b>	<b>37,200,000.00</b>				<b>4.801</b>	<b>1</b>	
<b>Money Market Sweep Account</b>												
SYS10131	10131	Bank of America			0.00	0.00				3.250	AA2	
SYS1000	1000	Union Bank of California			0.00	0.00				4.880	1	
		<b>Subtotal and Average</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>												
31315PLV9	10655	Farmer Mac		04/25/2007	1,000,000.00	1,005,300.00				5.550	1,576	
31331TYD7	10519	FEDERAL FARM CREDIT BANK		04/15/2004	1,000,000.00	991,250.00				3.080	288	
31331SNB5	10567	FEDERAL FARM CREDIT BANK		03/10/2005	1,000,000.00	999,060.00				3.550	27	
31331SD42	10576	FEDERAL FARM CREDIT BANK		06/30/2005	1,000,000.00	998,440.00				4.125	181	
31331VYF7	10600	FEDERAL FARM CREDIT BANK		05/04/2006	1,000,000.00	1,019,380.00				5.250	489	
31331XMQ2	10640	FEDERAL FARM CREDIT BANK		01/26/2007	1,000,000.00	1,031,880.00				5.002	876	
31331XNU2	10645	FEDERAL FARM CREDIT BANK		02/12/2007	1,000,000.00	1,001,560.00				5.350	773	
31331XVL3	10653	FEDERAL FARM CREDIT BANK		04/16/2007	1,000,000.00	1,002,500.00				5.200	836	
31331XWQ1	10654	FEDERAL FARM CREDIT BANK		04/25/2007	1,000,000.00	1,004,690.00				5.390	1,576	
31331XT36	10678	FEDERAL FARM CREDIT BANK		08/01/2007	1,000,000.00	1,024,690.00				5.250	1,674	
31331XZ24	10688	FEDERAL FARM CREDIT BANK		09/14/2007	1,000,000.00	1,025,000.00				5.250	1,718	
31331YGL8	10704	FEDERAL FARM CREDIT BANK		12/05/2007	1,000,000.00	1,002,190.00				4.875	1,800	
31331YHR4	10706	FEDERAL FARM CREDIT BANK		12/14/2007	1,000,000.00	1,006,880.00				4.400	1,809	
31331YKW9	10708	FEDERAL FARM CREDIT BANK		12/28/2007	1,000,000.00	1,008,440.00				5.250	1,457	
31331MVNP4	10445	FEDERAL HOME LOAN BANK		02/06/2003	833,333.33	832,550.00				833,328.27	3,750	
31331MYU5	10469	FEDERAL HOME LOAN BANK		06/05/2003	1,000,000.00	994,380.00				3.250	156	
31339YKX9	10480	FEDERAL HOME LOAN BANK		07/30/2003	1,000,000.00	992,190.00				3,000	211	
313320FJ3	10482	FEDERAL HOME LOAN BANK		08/13/2003	1,000,000.00	997,810.00				4,000	225	
31339YVV1	10503	FEDERAL HOME LOAN BANK		01/21/2004	1,000,000.00	994,690.00				3,375	3,757	
31339YX45	10524	FEDERAL HOME LOAN BANK		04/21/2004	1,000,000.00	995,630.00				3,420	476	
3133XAMZ7	10562	FEDERAL HOME LOAN BANK		03/03/2005	1,000,000.00	999,060.00				4,000	62	
3133XAQV2	10564	FEDERAL HOME LOAN BANK		03/08/2005	1,000,000.00	998,130.00				4,000	251	
3133XEFR5	10581	FEDERAL HOME LOAN BANK		01/30/2006	1,000,000.00	1,000,310.00				5,000	27	
3133XFECM6	10594	FEDERAL HOME LOAN BANK		04/28/2006	1,000,000.00	1,004,380.00				5,400	848	
3133XFHS8	10599	FEDERAL HOME LOAN BANK		05/19/2006	1,000,000.00	1,023,130.00				5,520	1,234	
3133XGD76	10608	FEDERAL HOME LOAN BANK		08/11/2006	1,000,000.00	1,009,690.00				5,700	953	

Portfolio CITY

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**City of Torrance  
Portfolio Management  
Portfolio Details - Investments  
December 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>												
3133XGTS3	10616	FEDERAL HOME LOAN BANK	1,000,000.00	09/08/2006	1,008,440.00	1,000,000.00	5.375	Aaa	5.375	981	09/08/2010	
3133XGZP2	10619	FEDERAL HOME LOAN BANK	1,000,000.00	10/02/2006	1,009,060.00	1,000,000.00	5.150	Aaa	5.150	640	10/02/2009	
3133XHEX6	10624	FEDERAL HOME LOAN BANK	1,000,000.00	10/27/2006	1,010,630.00	1,000,000.00	5.200	Aaa	5.200	1,395	10/27/2011	
3133XEZP7	10625	FEDERAL HOME LOAN BANK	1,000,000.00	10/20/2006	1,005,000.00	999,554.88	5.000	Aaa	5.038	255	09/12/2008	
3133XJF60	10635	FEDERAL HOME LOAN BANK	800,000.00	01/17/2007	800,000.00	800,000.00	5.500	Aaa	5.500	1,477	01/17/2012	
3133XJP25	10639	FEDERAL HOME LOAN BANK	1,000,000.00	01/26/2007	1,011,880.00	1,000,000.00	5.200	Aaa	5.200	937	07/26/2010	
3133XJT99	10644	FEDERAL HOME LOAN BANK	1,000,000.00	02/05/2007	1,001,250.00	1,000,000.00	5.350	Aaa	5.350	401	02/05/2009	
3133XJUD8	10646	FEDERAL HOME LOAN BANK	1,000,000.00	02/09/2007	1,018,130.00	1,000,000.00	5.500	Aaa	5.500	1,500	02/09/2012	
3133XKAK1	10647	FEDERAL HOME LOAN BANK	1,000,000.00	03/20/2007	1,002,500.00	1,000,000.00	5.000	Aaa	5,000	444	03/20/2009	
3133XKKDC6	10648	FEDERAL HOME LOAN BANK	1,000,000.00	03/30/2007	1,002,500.00	1,000,000.00	5.030	Aaa	5,030	451	03/27/2009	
3133XKF75	10651	FEDERAL HOME LOAN BANK	1,000,000.00	04/20/2007	1,015,310.00	1,000,000.00	5.050	Aaa	5,050	1,205	04/20/2011	
3133XKPE9	10656	FEDERAL HOME LOAN BANK	1,000,000.00	05/04/2007	1,009,690.00	1,000,000.00	5.125	Aaa	5,125	1,219	05/04/2011	
3133XKQ65	10658	FEDERAL HOME LOAN BANK	1,000,000.00	05/15/2007	1,019,060.00	1,000,000.00	5.200	Aaa	5,200	1,586	05/15/2012	
3133XKYE9	10662	FEDERAL HOME LOAN BANK	1,000,000.00	05/25/2007	1,037,810.00	1,000,000.00	5.200	Aaa	5,200	1,606	05/25/2012	
3133XL2U6	10665	FEDERAL HOME LOAN BANK	1,000,000.00	05/29/2007	1,005,630.00	1,000,000.00	5.250	Aaa	5,250	514	05/29/2009	
3133XLAF0	10667	FEDERAL HOME LOAN BANK	1,000,000.00	06/20/2007	1,008,130.00	1,000,000.00	5,600	Aaa	5,600	1,632	06/20/2012	
3133XLVX8	10679	FEDERAL HOME LOAN BANK	500,000.00	08/06/2007	513,125.00	500,000.00	5,400	Aaa	5,400	1,679	08/06/2012	
3133XLWB5	10680	FEDERAL HOME LOAN BANK	500,000.00	08/14/2007	513,750.00	500,000.00	5,460	Aaa	5,460	1,687	08/14/2012	
3133XM3S8	10684	FEDERAL HOME LOAN BANK	1,000,000.00	08/27/2007	1,038,130.00	1,000,000.00	5,125	Aaa	5,125	1,700	08/27/2012	
3133XM3E9	10685	FEDERAL HOME LOAN BANK	1,000,000.00	09/10/2007	1,011,250.00	1,000,000.00	5,600	Aaa	5,600	1,714	09/10/2012	
3133XMG39	10691	FEDERAL HOME LOAN BANK	2,000,000.00	10/09/2007	2,047,500.00	2,000,000.00	5,100	Aaa	5,100	1,743	10/09/2012	
3133XMG70	10693	FEDERAL HOME LOAN BANK	1,000,000.00	10/16/2007	1,010,000.00	1,000,000.00	5,250	Aaa	5,250	1,750	10/16/2012	
3133XMPZ8	10696	FEDERAL HOME LOAN BANK	2,000,000.00	10/22/2007	2,050,000.00	2,000,000.00	5,150	Aaa	5,150	1,756	10/22/2012	
3133XMSY8	10698	FEDERAL HOME LOAN BANK	1,000,000.00	11/07/2007	1,003,750.00	999,515.00	5,100	Aaa	5,111	1,772	11/07/2012	
3133XNJA8	10701	FEDERAL HOME LOAN BANK	1,000,000.00	12/17/2007	1,002,500.00	1,000,000.00	4,550	Aaa	4,550	1,812	12/17/2012	
3133XNHS1	10702	FEDERAL HOME LOAN BANK	895,000.00	12/03/2007	895,000.00	895,000.00	4,520	Aaa	4,520	1,798	12/03/2012	
3133XNNC9	10705	FEDERAL HOME LOAN MORTGAGE CO	1,000,000.00	12/27/2007	1,004,060.00	1,000,000.00	4,875	Aaa	4,875	1,822	12/27/2012	
3128X1GD3	10508	FEDERAL HOME LOAN MORTGAGE CO	1,000,000.00	01/30/2004	991,250.00	995,409.71	3,110	Aaa	3,644	345	12/11/2008	
3128X4YE5	10584	FEDERAL HOME LOAN MORTGAGE CO	1,000,000.00	01/30/2006	1,003,380.00	999,841.66	5,000	Aaa	5,030	204	07/23/2008	
3128X4N56	10605	FEDERAL HOME LOAN MORTGAGE CO	1,000,000.00	06/09/2006	1,013,450.00	996,293.59	5,250	Aaa	5,461	1,150	02/24/2011	
3128X5KL1	10620	FEDERAL HOME LOAN MORTGAGE CO	1,000,000.00	09/29/2006	1,011,860.00	1,000,000.00	5,500	Aaa	5,500	1,367	09/29/2011	
3128X5NT1	10629	FEDERAL HOME LOAN MORTGAGE CO	1,000,000.00	11/14/2006	1,009,190.00	1,000,000.00	5,350	Aaa	5,350	1,413	11/14/2011	
3128X5PV4	10631	FEDERAL HOME LOAN MORTGAGE CO	1,000,000.00	11/24/2006	1,009,230.00	1,000,000.00	5,125	Aaa	5,125	1,058	11/24/2010	
3128X5VF2	10637	FEDERAL HOME LOAN MORTGAGE CO	1,000,000.00	12/27/2006	1,007,460.00	1,000,000.00	5,400	Aaa	5,400	1,456	12/27/2011	
3128X52A5	10650	FEDERAL HOME LOAN MORTGAGE CO	1,000,000.00	04/11/2007	1,000,730.00	1,000,000.00	5,550	Aaa	5,550	1,568	04/17/2012	
3128X52N7	10661	FEDERAL HOME LOAN MORTGAGE CO	1,000,000.00	05/16/2007	1,011,970.00	999,128.06	5,250	Aaa	5,272	1,554	04/03/2012	

Portfolio CITY

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**City of Torrance  
Portfolio Management  
Portfolio Details - Investments  
December 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>												
3128X6CS3	10666	FEDERAL HOME LOAN MORTGAGE CO	06/20/2007	1,000,000.00	1,008,030.00	1,000,000.00	5,625	Aaa	5.625	1,266	06/20/2011	
3128X6CX2	10668	FEDERAL HOME LOAN MORTGAGE CO	06/15/2007	1,000,000.00	1,020,850.00	999,590.74	5,400	Aaa	5.418	896	06/15/2010	
3128X6HP4	10676	FEDERAL HOME LOAN MORTGAGE CO	07/30/2007	1,000,000.00	1,008,170.00	1,000,000.00	5,550	Aaa	5.550	941	07/30/2010	
3137EAAX7	10677	FEDERAL HOME LOAN MORTGAGE CO	07/23/2007	1,000,000.00	1,037,810.00	998,018.81	5,125	Aaa	5.205	965	08/23/2010	
3128X6LK0	10687	FEDERAL HOME LOAN MORTGAGE CO	09/18/2007	1,000,000.00	1,009,920.00	1,000,000.00	5,350	Aaa	5.350	1,722	09/18/2012	
3128X6NS1	10695	FEDERAL HOME LOAN MORTGAGE CO	10/15/2007	1,000,000.00	1,023,400.00	1,000,000.00	5,050	Aaa	5.050	1,749	10/15/2012	
3128X6UL8	10707	FEDERAL HOME LOAN MORTGAGE CO	12/13/2007	1,000,000.00	1,004,530.00	999,208.01	5,000	Aaa	5.018	1,806	12/11/2012	
3136E7FE2	10578	FEDERAL NATIONAL MORT ASSOC	07/28/2005	1,000,000.00	999,690.00	1,000,000.00	4,300	Aaa	4.300	27	01/28/2008	
3136E7F44	10606	FEDERAL NATIONAL MORT ASSOC	06/22/2006	1,000,000.00	1,025,310.00	1,000,000.00	5,500	Aaa	5.500	1,268	06/22/2011	
3136E8FJ9	10641	FEDERAL NATIONAL MORT ASSOC	01/30/2007	1,000,000.00	1,000,940.00	1,000,000.00	5,300	Aaa	5.300	395	01/30/2009	
3136E8LLU7	10657	FEDERAL NATIONAL MORT ASSOC	05/09/2007	1,000,000.00	1,004,690.00	1,000,000.00	5,250	Aaa	5.250	1,224	05/09/2011	
3135M6J7	10659	FEDERAL NATIONAL MORT ASSOC	05/10/2007	1,000,000.00	1,003,750.00	999,331.29	5,400	Aaa	5.417	1,546	03/26/2012	
3136F8MV4	10663	FEDERAL NATIONAL MORT ASSOC	05/23/2007	1,000,000.00	1,007,500.00	1,000,000.00	5,750	Aaa	5.750	1,604	05/23/2012	
3136E8PP4	10673	FEDERAL NATIONAL MORT ASSOC	07/02/2007	1,000,000.00	1,007,190.00	1,000,000.00	5,375	Aaa	5.375	548	07/02/2009	
3135M6V0	10683	FEDERAL NATIONAL MORT ASSOC	08/16/2007	1,000,000.00	1,003,750.00	998,440.05	5,400	Aaa	5.440	1,553	04/02/2012	
3136F8SU0	10690	FEDERAL NATIONAL MORT ASSOC	09/18/2007	1,000,000.00	1,007,190.00	1,000,000.00	5,200	Aaa	5.200	1,722	09/18/2012	
<b>Subtotal and Average</b>			<b>2,354,351.10</b>		<b>78,528,333.33</b>	<b>79,278,535.00</b>		<b>78,511,794.28</b>		<b>4,993</b>	<b>1,094</b>	
<b>Treasury Securities - Coupon</b>												
912828AZ3	10475	U.S.TREASURY NOTE	06/16/2003	5,000,000.00	4,987,100.00	5,008,987.47	2,625	Aaa	2,110	135	05/15/2008	
912828BG4	10484	U.S.TREASURY NOTE	08/15/2003	1,000,000.00	999,530.00	999,432.19	3,250	Aaa	3,350	227	08/15/2008	
912828DK3	10565	U.S.TREASURY NOTE	02/15/2005	1,000,000.00	1,000,080.00	999,901.37	3,375	Aaa	3,460	45	02/15/2008	
912828DK3	10574	U.S.TREASURY NOTE	05/09/2005	1,000,000.00	1,000,080.00	999,534.49	3,375	Aaa	3,775	45	02/15/2008	
912828DT4	10577	U.S.TREASURY NOTE	07/13/2005	1,000,000.00	1,001,170.00	999,713.18	3,750	Aaa	3,831	135	05/15/2008	
912828DZ0	10579	U.S.TREASURY NOTE	07/25/2005	1,000,000.00	1,020,310.00	995,856.97	3,875	Aaa	4,057	926	07/15/2010	
912828EC0	10580	U.S.TREASURY NOTE	08/15/2005	1,000,000.00	1,004,220.00	999,805.83	4,125	Aaa	4,159	227	08/15/2008	
912828FT2	10626	U.S.TREASURY NOTE	10/23/2006	1,000,000.00	1,008,750.00	998,373.28	4,625	Aaa	4,854	273	09/30/2008	
912828FV7	10627	U.S.TREASURY NOTE	10/31/2006	1,000,000.00	1,012,110.00	1,000,128.96	4,875	Aaa	4,858	304	10/31/2008	
912828FM7	10638	U.S.TREASURY NOTE	01/22/2007	1,000,000.00	1,008,750.00	1,000,381.29	5,000	Aaa	4,930	212	07/31/2008	
912828GP9	10664	U.S.TREASURY NOTE	05/23/2007	2,000,000.00	2,036,100.00	1,992,078.36	4,500	Aaa	4,814	485	04/30/2009	
912828GR5	10669	U.S.TREASURY NOTE	06/08/2007	1,000,000.00	1,033,360.00	988,905.08	4,500	Aaa	5,008	865	05/15/2010	
912828GG9	10671	U.S.TREASURY NOTE	06/15/2007	1,000,000.00	1,034,530.00	992,919.00	4,750	Aaa	5,109	776	02/15/2010	
912828FX3	10672	U.S.TREASURY NOTE	06/15/2007	1,000,000.00	1,028,830.00	991,713.08	4,625	Aaa	5,100	684	11/15/2009	
<b>Subtotal and Average</b>			<b>1,984,313.47</b>					<b>18,967,732.55</b>		<b>3,822</b>	<b>334</b>	

**City of Torrance  
Portfolio Management  
Portfolio Details - Investments  
December 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
Medium Term Notes												
02003MAG9	10573	ALLSTATE LIFE GLOBAL TRUST	05/09/2005	1,000,000.00	999,430.00	999,854.92	3,850	Aa2	4.080	24	01/25/2008	
060505BH6	10596	Bank of America	04/13/2006	1,000,000.00	987,060.00	980,774.47	3,375	AA2	5.230	413	02/17/2009	
060505AR5	10699	Bank of America	11/02/2007	990,000.00	992,425.50	990,114.80	4,875	AA2	4.871	1,719	09/15/2012	
06423EPM1	10556	Bank One NA Illinois	01/18/2005	1,000,000.00	999,450.00	1,000,007.28	3,700		3,680	14	01/15/2008	
172967BS9	10466	Citigroup	05/12/2003	1,000,000.00	998,720.00	1,000,365.65	3,500	Aa1	3.040	31	02/01/2008	
	10572	Citigroup	04/28/2005	1,585,000.00	1,582,971.20	1,584,218.99	3,500	Aa1	4.130	31	02/01/2008	
	10692	Colgate-Palmolive Co.	10/01/2007	500,000.00	503,905.00	502,837.66	5,580		4,880	310	11/06/2008	
	10465	General Electric Capital Corp	05/12/2003	1,000,000.00	995,680.00	1,001,071.21	3,500	Aaa	3,150	121	05/01/2008	
	10476	General Electric Capital Corp	06/19/2003	2,000,000.00	1,975,380.00	2,000,000.00	2,450	Aaa	2,450	166	06/15/2008	
	10703	General Electric Capital Corp	12/03/2007	1,000,000.00	996,470.00	996,063.40	4,250	Aaa	4,404	986	09/13/2010	
	10472	Gillette Company	05/27/2003	1,000,000.00	990,950.00	999,774.67	2,500	Aa3	2,558	152	06/01/2008	
	10660	Goldman Sachs	05/14/2007	1,210,000.00	1,206,019.10	1,195,000.01	4,500		5,050	896	06/15/2010	
	10613	Household Finance Co	08/22/2006	1,000,000.00	996,880.00	993,522.22	4,750	Aa3	5,260	500	06/15/2009	
	10632	Household Finance Co	11/20/2006	1,000,000.00	999,660.00	1,002,106.99	5,250	Aa3	5,170	1,108	01/14/2011	
	10642	Household Finance Co	01/30/2007	1,000,000.00	988,550.00	981,011.43	4,125	Aa3	5,224	685	11/16/2009	
	10694	Household Finance Co	10/12/2007	1,000,000.00	990,920.00	1,000,000.00	5,000	Aa3	5,000	1,018	10/15/2010	
	10700	Household Finance Co	11/29/2007	1,000,000.00	995,700.00	1,000,000.00	5,050	Aa3	5,050	1,049	11/15/2010	
	10630	MERRILL LYNCH	11/17/2006	1,000,000.00	990,880.00	993,873.04	4,790	Aa3	5,050	946	08/04/2010	
	10643	MERRILL LYNCH	01/30/2007	2,000,000.00	1,973,940.00	1,979,002.95	4,125	Aa3	5,200	380	01/15/2009	
	10477	Met Life	06/19/2003	1,000,000.00	989,360.00	1,000,217.47	2,600	Aa2	2,550	170	06/19/2008	
	10481	Met Life	07/25/2003	1,000,000.00	989,360.00	996,377.14	2,600	Aa2	3,450	170	06/19/2008	
	10697	New York Life Global	11/02/2007	1,000,000.00	1,002,150.00	999,811.75	4,625	Aaa	4,630	958	08/16/2010	
	10538	Procter & Gamble	08/02/2004	1,000,000.00	997,890.00	1,002,568.37	4,300	Aa3	3,850	227	08/15/2008	
	10675	Toyota Motor Credit	07/23/2007	1,000,000.00	999,770.00	975,717.33	4,540	Aa1	5,500	882	06/01/2010	
	10670	USAA Capital Corp	06/12/2007	2,000,000.00	1,985,380.00	1,971,808.82	4,640		5,420	714	12/15/2009	
	10464	Wells Fargo Co	05/12/2003	1,000,000.00	995,850.00	1,001,118.43	3,500	Aa1	3,031	94	04/04/2008	
	10557	Wells Fargo Co	01/24/2005	1,000,000.00	995,850.00	999,441.19	3,500	Aa1	3,750	94	04/04/2008	
	10569	Wells Fargo Co	04/04/2005	1,000,000.00	997,180.00	999,668.07	4,125	Aa1	4,310	69	03/10/2008	
	10604	World Savings Bank	06/05/2006	1,000,000.00	1,000,370.00	987,529.76	4,500	Aa3	5,440	531	06/15/2009	
		<b>Subtotal and Average</b>	<b>931,751.86</b>			<b>32,117,950.80</b>				<b>4,315</b>	<b>4877</b>	
<b>Municipal Bond Issues - Coupon</b>						<b>32,133,858.02</b>						
SYS10423	10423	Skpk-2001TxAllocRef Bd	12/18/2001	1,428,101.91	1,428,101.91		1,428,101.91	8,000		7,999	1,643	07/01/2012
		<b>Subtotal and Average</b>	<b>1,428,101.91</b>				<b>1,428,101.91</b>			<b>7,999</b>	<b>1,643</b>	

Portfolio CITY

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**City of Torrance  
Portfolio Management  
Portfolio Details - Investments  
December 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>Commercial Paper Disc. -Amortizing</b>												
61745AA33	10686	Morgan Stanley & Co. Inc.	08/30/2007	784,000.00	783,905.92	783,760.44	5,500			5.608	2	01/03/2008
		Subtotal and Average		784,000.00	783,905.92	783,760.44				5.608	2	
		Total and Average	40,625,643.41	169,225,435.24	169,983,413.63	169,025,247.20				4.718	652	

## II. RESTRICTED FUNDS

*Reports Appear Quarterly*

### III. CASH & INVESTMENT PORTFOLIO SHARE

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

	FUND	SHARE OF INVESTMENTS	POOLED CASH & INVESTMENTS BALANCE	CASH PERCENT
N	General	41,011,219.92	40,351,041.40	24.26
R	Parks & Recr Facility & Open Space	3,334,462.34	3,280,785.80	1.97
R	State Gas Tax	6,471,373.48	6,367,200.48	3.83
R	Federal Housing, Community Dev	1,118,856.81	1,100,846.00	0.66
R	Work Investment Network - WIN	360.10	354.30	0.00
R	Street Lighting	333,333.18	327,967.35	0.20
R	Traffic Congestion Relief Act 2000 - AB2928	627,533.13	617,431.41	0.37
R	Police Asset Forfeiture	3,145,243.04	3,094,612.46	1.86
N	Government Cable	2,064,899.93	2,031,660.18	1.22
R	Local Return - Proposition C	5,312,053.26	5,226,542.43	3.14
R	Grants/Donations	132,516.50	130,383.31	0.08
R	Citizens Options for Public Safety (COPS) Grant Funds - AB3229	455,050.32	447,725.14	0.27
R	Seismic Education Fund	53,017.34	52,163.89	0.03
R	Rehabilitation Housing	558,791.89	549,796.73	0.33
R	Police Inmate Welfare Fund	84,787.44	83,422.57	0.05
N	Capital Improvements	24,075,163.91	23,687,613.72	14.24
R	Vanpool/Rideshare Fund	287,595.99	282,966.41	0.17
R	Torrance Improvement Fund	5,892,006.99	5,797,160.35	3.49
R	Animal Control Fund	38,542.32	37,921.88	0.02
R	Redevelopment-Capital Proj	7,919,834.62	7,792,345.00	4.69
R	Redevelopment Debt Service	651,881.72	641,388.05	0.39
N	DNA Sampling Fund	8,537.43	8,400.00	0.01
N	Airport Fund	6,984,738.96	6,872,302.05	4.13
N	Transit Operations	4,773,998.22	4,697,148.74	2.82
R	Development Impact Fund	579,241.52	569,917.17	0.34
N	Water Operations	9,748,596.89	9,591,668.75	5.77
N	Emergency Medical Service Enterprise Fund	7,920.96	7,793.45	0.00
N	Sanitation Operations	3,009,453.75	2,961,009.04	1.78
N	Cultural Arts Enterprise	423,360.51	416,545.46	0.25
N	Sewer Enterprise Fund	11,145,698.14	10,966,280.15	6.59
N	Parks & Recr Enterprise Fund	(69,708.93)	(68,586.79) (B)	(0.04)
N	Self Insurance Fund	7,548,850.76	7,427,333.06	4.47
N	Fleet Services	12,821,628.47	12,615,232.18	7.59
R	Postemployment/Compensated Absences Fund	5,587,882.34	5,497,931.35	3.31
R	Trust & Agency	2,886,523.97	2,840,058.12	1.71
<b>TOTAL</b>		<b>169,025,247.20</b>	<b>166,304,361.59</b>	<b>100.00</b>

R = Restricted Funds

N = Non-Restricted Funds

- (A) The difference between the Share of Investments total of \$169,025,247.20 and the Pooled Cash and Investments total of \$166,304,361.59 is primarily due to outstanding warrants and adjusting journal entries. (See reconciliation schedule attached)
- (B) Salary reimbursements from Prop A for \$199,000 will be billed in June 2008.

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

INVESTMENTS PER PORTFOLIO SUMMARY  
(City Pool)

**169,025,247.20**

CASH AND INVESTMENTS PER BOOKS

**166,304,361.59**

**CASH IN BANKS:**

Cash in B of A General Account	(\$591,551.33)
Cash in B of A Payroll Account	0.00

**OUTSTANDING WARRANTS:**

General Account	1,143,785.27
Payroll Account	265,371.43
Workers Compensation Account	108,997.93
Housing Account	<u>304,588.14</u>
	1,822,742.77

Miscellaneous outstanding adjusting journal entries	367,759.63
Payroll for PE 01/05/08 posted on 12/31/07 and paid on 01/11/08	1,121,934.54

INVESTMENTS PER BOOKS

**\$169,025,247.20**

**CITY OF TORRANCE****MONTHLY INVESTMENT PORTFOLIO REPORT  
For the Month of November 2007**Table of Contents

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**City of Torrance  
Investment Portfolio Highlights  
For November 2007**

**RETURN**

	<u>Current Month</u>	<u>Previous Month</u>
Average City Portfolio YTM	4.747	4.777
Average U.S. Treasury Constant Maturity	3.170	4.090
LAIIF Average Monthly Return	4.962	5.137
Average City Portfolio YTM - 1 year prior	4.225	4.209

**INTEREST INCOME**

	<u>Current Period</u>	<u>Prior Year</u>
Fiscal year to date	3,299,351	2,254,176
Current month	648,147	451,382

**MATURITY**

	<u>Current Month</u>	<u>Prior Month</u>
Average Maturity (days)	639	604
Average Maturity 1 Year Prior (days)	580	534
Weighted Average Maturity (years)	1.75	1.66

**VOLUMES**

	<u>Total \$ Volume</u>	<u># of Transactions</u>
Purchases	15,945,919	12
Maturities	18,204,500	16

Transactions include 5 deposits to and 8 withdrawals from LAIF, 3 purchases and 3 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 November 30, 2007</u>
Federal Agency (coup)	81,334,705	-3,204,507	1,245,744	79,375,942
Treasury Securities	18,771,260	0	416,100	19,187,360
Medium Term Notes	27,303,734	3,486,143	385,065	31,174,942
Municipal Bonds	1,778,745	-350,643	0	1,428,102
<b>SUB-TOTAL PER GASB 31</b>	<b>129,188,444</b>	<b>-69,007</b>	<b>2,046,909</b>	<b>131,166,346</b>
<u>Non-GASB securities</u>				
LAIIF	33,000,000	-500,000	0	32,500,000
Money Market	0	0	0	0
Federal Agency – Disc.	0	-18,704	18,704	0
Treasury Security – Disc.	0	0	0	0
Certificate of Deposits -Disc.	0	0	0	0
Commercial paper	0	756,766	23,957	780,723
<b>TOTAL PORTFOLIO</b>	<b>162,188,444</b>	<b>169,055</b>	<b>2,089,570</b>	<b>164,447,069</b>

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

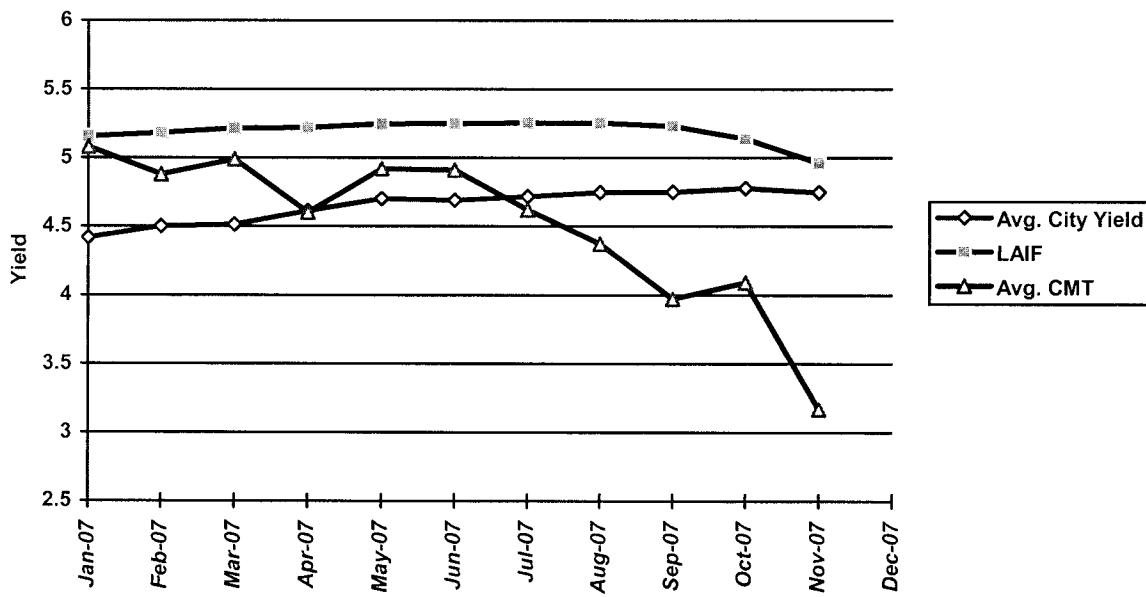
# CITY OF TORRANCE

## City Treasurer's Office

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

### I. Return

49.32% of the portfolio is invested at one-year maturity or less as of November 30, 2007. The City Average yield on the portfolio was 4.747% compared to 3.17% for the U.S. Treasury at Constant Maturity (CMT) of 18 months. The portfolio performed above the benchmark as of November 30, 2007 by 158 basis points.



### II. Volumes

The investment activity for November included 3 redemption in the Union Bank of California money market account.

### **III. Diversification of Investments**

The activity in the month of November consisted of 5 redemptions made up of two calls and three maturities with a rate of 4.596% and there were 4 purchases with the rate of 4.933%. LAIF activity consisted of 5 deposits of \$10.1 million and 8 withdrawals of \$11.6. The portfolio decreased by \$2.2 million from the previous month.

<u>Asset Category</u>	<u>November</u>	<u>October</u>
1. LAIF	19.89%	20.51%
2. Money Market Sweep	0.00%	0.00%
3. Federal Agency Issues(coup)	48.11%	49.27%
4. Federal Agency Issues(disc)	0.00%	0.00%
5. Treasury Securities	11.61%	11.45%
6. Treasury Securities(disc)	0.00%	0.00%
7. Medium Term Notes	19.05%	16.98%
8. Municipal Bonds	.87%	.86%
9. Commercial Paper(disc)	0.47%	0.93%
	100.00%	100.00%

### **IV. Maturity**

As of November 30, 2007, the current maturity allocation is 36.43% of the portfolio invested between the 6 month to 3-year maturity levels. 37.02% 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 \$61.7 million available for expenditures.

<u>As of Maturity</u>	<u>November</u>	<u>October</u>
0 to 6 months	33.15%	33.15%
6 months to 1 year	15.81%	15.81%
1 to 2 years	12.46%	12.46%
2 to 3 years	12.90%	12.90%
3 to 4 years	6.08%	6.08%
4 to 5 years	15.95%	15.95%
5 years and after	3.65%	3.65%

### **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.

23  
 City of Torrance  
 Investment Portfolio Summary  
 As of November 30, 2007

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	32,500,000	19.89	**	1	1	N/A	4.962
Money Market Sweep Account	00	.00		1	1		4.640
Federal Agency Issues – Coupon	78,616,029	48.11	75	1,468	1011	5 years	4.987
Farmer Mac	1,000,000	.62	30	146	146	5 years	4.373
Federal Farm Credit Bank	11,999,088	7.36	30	364	396	5 years	4.611
Federal Home Loan Bank	38,631,988	23.70	30	355	415	5 years	4.723
Federal Home Loan Mortgage Corp.	17,987,224	11.08	30	370	415	5 years	4.612
Federal National Mortgage Assoc.	8,997,727	5.51	30	189	196	5 years	4.614
Treasury Securities – Coupon	18,967,423	11.61	100	1,222	365	5 years	3.821
Medium Term Notes	31,129,728	19.05	20	1,270	502	5years	4.312
Municipal Bond Issue	1,428,102	.87		3,848	1,674	N/A	7.999
Federal Agency Disc	0.00	.00				5 years	.000
Commercial Paper Disc-Amort	780,047	.48		126	33		5.608
Treasury Discount-Amort	00	.00					.000
Certificate of Deposits-Disc	00	.00					.000
Total Investments & Averages	163,421,329	100.00		1,124	639		4.747
Pending Redemptions							
Accrued Interest at Purchase	32,506						
Total Cash & Purchase Interest	32,506						
Total Cash & Investments	163,453,835						

Portfolio Notes:

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

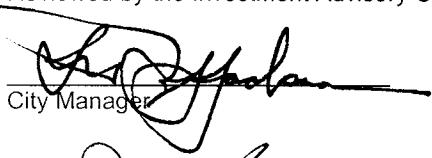
General LAIF account = \$25,000,000

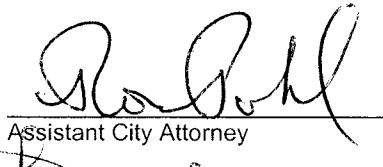
RDA LAIF account = \$7,500,000

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. 07-23 on March 6, 2007. 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    1-22-07  
 Date  
 City Treasurer

Reviewed by the Investment Advisory Committee

  
 City Manager  
 for   
 Joyce Ringer  
 Director of Finance

  
 Assistant City Attorney  
  
 Linda M. Barnett  
 City Treasurer

**City of Torrance  
Portfolio Management  
Activity Summary**

**November 2006 through November 2007**

Month End	Year	Number of Securities	Yield to Maturity		Managed Pool Rate	Number of Investments Purchased	Number of Investments Redeemed	Average Term	Days to Maturity
			Average Balance	Equivalent					
November	2006	106	129,007,328.20	4.167	4.225	5.125	5	6	1,163
December	2006	107	127,296,010.21	4.238	4.297	5.129	4	3	1,136
January	2007	111	136,375,095.76	4.357	4.417	5.156	7	4	1,079
February	2007	111	145,787,945.58	4.439	4.501	5.181	3	3	1,048
March	2007	112	145,915,518.74	4.450	4.512	5.214	2	1	1,069
April	2007	115	149,185,490.26	4.549	4.612	5.220	7	4	1,031
May	2007	120	161,418,165.47	4.636	4.700	5.248	10	5	1,011
June	2007	125	164,612,410.59	4.626	4.690	5.250	7	2	1,092
July	2007	127	175,269,777.75	4.652	4.717	5.255	5	4	1,050
August	2007	130	169,819,611.53	4.684	4.749	5.253	8	5	1,056
September	2007	130	165,210,959.42	4.686	4.751	5.231	4	4	1,090
October	2007	127	164,833,882.31	4.713	4.778	5.137	6	10	1,105
November	2007	126	163,514,491.25	4.684	4.749	4.962	4	5	1,124
	Average	119	153,763,931.10	4.529%	4.592%	5.182	6	4	1,081
							579		579

**November 2007**

invest no.	BROKER	PURCHASE DATE	DESCRIPTION	QUALITY RATING	MATURITY DATE	DAYS TO MATURITY	RATE	YIELD	PAR VALUE	COST	MARKET VALUE
(I) PURCHASES*											
10697 BRST		11/02/2007	New York Life	AAA/Aaa	08/16/2010	989	4.625%	4.630%	1,000,000	999,800	999,806
10698 GPS		11/07/2007	FHLB	AAA/Aaa	11/07/2012	1803	5.100%	5.111%	1,000,000	999,500	999,507
10699 Citigroup		11/02/2007	Bank of America	AA-/AA2	09/15/2012	1750	4.875%	4.871%	990,000	990,119	990,117
10700 Citigroup		11/29/2007	Household	AA-/Aa3	11/15/2010	1080	5.050%	5.120%	1,000,000	1,000,000	1,000,000

\$3,990,000	\$3,989,419	\$3,989,430
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Weighted Average Yield

4.933%

invest no.	BROKER	PURCHASE DATE	DESCRIPTION	QUALITY RATING	MATURITY DATE	RATE	YIELD	PAR VALUE	BOOK VALUE	MARKET VALUE	
(II) MATURITIES**											
10559 UBoc		02/02/2005	FFCB	AAA/Aaa	11/02/2007	3.700%	3.712%	1,000,000	1,000,000	1,000,000	
10628 Citigroup		11/07/2006	FHLMC	AAA/Aaa	11/07/2007	5.250%	5.250%	1,000,000	1,000,000	1,000,000	
10507 FINCOR		02/09/2004	FFCB	AAA/Aaa	11/09/2007	3.000%	2.999%	1,000,000	1,000,000	1,000,000	
10652 Citigroup		04/23/2007	FHLB	AAA/Aaa	11/23/2007	5.700%	5.671%	1,000,000	1,000,000	1,000,000	
10682 Morgan Stanley		08/15/2007	Morgan Stanley & Co	AAA/Aaa	11/26/2007	5.490%	5.566%	773,000	773,000	773,000	

\$4,773,000	\$4,773,000	\$4,773,000
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Weighted Average Yield

4.596%

\* 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) LAII TRANSACTIONS**

DEALER	DESCRIPTION	BEGIN BAL.	RATE	YIELD	DEPOSITS	WITHDRAWALS	INTEREST	END BAL.
- State of California	- Local Agency Pool	26,475,000	4.962%	4.962%	10,150,000	-	11,625,000	25,000,000
City		7,500,000	4.962%	4.962%	-	-	-	7,500,000
RDA		\$33,975,000			\$10,150,000	\$11,625,000	\$ -	\$32,500,000

**City of Torrance  
Portfolio Management  
Interest Earnings Summary  
November 30, 2007**

	November 30 Month Ending	Fiscal Year To Date
<b>CD/Coupon/Discount Investments:</b>		
Interest Collected	526,977.49	2,478,920.32
Plus Accrued Interest at End of Period	1,389,322.29	1,389,322.29
Less Accrued Interest at Beginning of Period	( 1,418,040.89)	( 1,410,319.55)
Less Accrued Interest at Purchase During Period	( 0.00)	( 0.00)
Interest Earned during Period	498,258.89	2,457,923.06
Adjusted by Premiums and Discounts	15,315.13	85,760.78
Adjusted by Capital Gains or Losses	0.00	-21,549.75
Earnings during Periods	513,574.02	2,522,134.09
<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)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
<b>Cash/Checking Accounts:</b>		
Interest Collected	0.00	971,987.78
Plus Accrued Interest at End of Period	273,538.78	273,538.78
Less Accrued Interest at Beginning of Period	( 138,966.01)	( 468,309.86)
Interest Earned during Period	134,572.77	777,216.70
Total Interest Earned during Period	632,831.66	3,235,139.76
Total Adjustments from Premiums and Discounts	15,315.13	85,760.78
Total Capital Gains or Losses	0.00	-21,549.75
Total Earnings during Period	648,146.79	3,299,350.79

**City of Torrance  
Portfolio Management  
Portfolio Details - Investments  
November 30, 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			25,000,000.00	25,000,000.00				4.962		1
SYS10001	10001	Local Agency Invest Fund RDA			7,500,000.00	7,500,000.00				4.962		1
		<b>Subtotal and Average</b>	<b>31,667,500.00</b>		<b>32,500,000.00</b>	<b>32,500,000.00</b>				<b>4.962</b>		<b>1</b>
<b>Money Market Sweep Account</b>												
SYS10131	10131	Bank of America			0.00	0.00				3.250		AA2
SYS10000	1000	Union Bank of California			0.00	0.00				4.880		1
		<b>Subtotal and Average</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>												
31315PLV9	10655	Farmer Mac		04/25/2007	1,000,000.00	1,006,380.00				5.550		1,607 04/25/2012
31331TVG3	10513	FEDERAL FARM CREDIT BANK		03/24/2004	1,000,000.00	999,060.00				3.000		Aaa 3.001 23 12/24/2007
31331TYD7	10519	FEDERAL FARM CREDIT BANK		04/15/2004	1,000,000.00	990,310.00				3.080		Aaa 3.080 319 10/15/2008
31331SNB5	10567	FEDERAL FARM CREDIT BANK		03/10/2005	1,000,000.00	998,750.00				3.550		Aaa 4.000 58 01/28/2008
31331SD42	10576	FEDERAL FARM CREDIT BANK		06/30/2005	1,000,000.00	998,130.00				4.125		Aaa 4.125 212 06/30/2008
31331VYF7	10600	FEDERAL FARM CREDIT BANK		05/04/2006	1,000,000.00	1,019,690.00				5.250		Aaa 5.250 520 05/04/2009
31331VA48	10618	FEDERAL FARM CREDIT BANK		09/13/2006	1,000,000.00	1,000,000.00				5.250		Aaa 5.151 3 12/04/2007
31331XMQ2	10640	FEDERAL FARM CREDIT BANK		01/26/2007	1,000,000.00	1,030,310.00				5.000		Aaa 5.002 907 05/26/2010
31331XNU2	10645	FEDERAL FARM CREDIT BANK		02/12/2007	1,000,000.00	1,002,500.00				5.350		Aaa 5.350 804 02/12/2010
31331XVL3	10653	FEDERAL FARM CREDIT BANK		04/16/2007	1,000,000.00	1,002,810.00				5.200		Aaa 5.200 867 04/16/2010
31331XWQ1	10654	FEDERAL FARM CREDIT BANK		04/25/2007	1,000,000.00	1,005,630.00				5.390		Aaa 5.396 1,607 04/25/2012
31331XT36	10678	FEDERAL FARM CREDIT BANK		08/01/2007	1,000,000.00	1,052,190.00				5.250		Aaa 5.250 1,705 08/01/2012
31331XZ24	10688	FEDERAL FARM CREDIT BANK		09/14/2007	1,000,000.00	1,024,380.00				5.250		Aaa 5.250 1,749 09/14/2012
3133MNP4	10445	FEDERAL HOME LOAN BANK		02/06/2003	833,333.33	832,291.66				3.750		Aaa 3.757 67 02/06/2008
3133MYU5	10469	FEDERAL HOME LOAN BANK		06/05/2003	1,000,000.00	993,750.00				3.250		Aaa 3.250 187 06/05/2008
3133YKX9	10480	FEDERAL HOME LOAN BANK		07/30/2003	1,000,000.00	990,940.00				3.000		Aaa 3.000 242 07/30/2008
3133QFJ3	10482	FEDERAL HOME LOAN BANK		08/13/2003	1,000,000.00	997,500.00				4.000		Aaa 4.000 256 08/13/2008
31330F03	10503	FEDERAL HOME LOAN BANK		01/21/2004	1,000,000.00	993,440.00				4.000		Aaa 4.000 233 07/21/2008
3133X5X45	10524	FEDERAL HOME LOAN BANK		04/21/2004	1,000,000.00	994,380.00				3.420		Aaa 3.420 507 04/21/2009
3133XAMZ7	10662	FEDERAL HOME LOAN BANK		03/03/2005	1,000,000.00	999,060.00				4.000		Aaa 4.000 93 03/03/2008
3133QAQU4	10663	FEDERAL HOME LOAN BANK		03/07/2005	1,000,000.00	1,000,000.00				3.825		Aaa 3.827 6 12/07/2007
3133AQV2	10664	FEDERAL HOME LOAN BANK		03/08/2005	1,000,000.00	997,810.00				4.000		Aaa 4.000 282 09/08/2008
3133XEFR5	10581	FEDERAL HOME LOAN BANK		01/30/2006	1,000,000.00	1,000,940.00				5.000		Aaa 5.000 58 01/28/2008
3133XFCM6	10594	FEDERAL HOME LOAN BANK		04/28/2006	1,000,000.00	1,005,000.00				5.400		Aaa 5.400 879 04/28/2010
3133XFHS8	10599	FEDERAL HOME LOAN BANK		05/19/2006	1,000,000.00	1,024,380.00				5.520		Aaa 5.520 1,265 05/19/2011
3133XGD76	10608	FEDERAL HOME LOAN BANK		08/11/2006	1,000,000.00	1,010,310.00				5.700		Aaa 5.700 984 08/11/2010

8

Portfolio CITY

AP

**City of Torrance  
Portfolio Management  
Portfolio Details - Investments  
November 30, 2007**

28

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	Maturity Date
<b>Federal Agency Issues - Coupon</b>										
3133XGTS3	10616	FEDERAL HOME LOAN BANK	1,000,000.00	09/08/2006	1,009,060.00	1,000,000.00	5.375	Aaa	5.375	09/08/2010
3133XGZP2	10619	FEDERAL HOME LOAN BANK	1,000,000.00	10/02/2006	1,009,380.00	1,000,000.00	5.150	Aaa	5.150	10/02/2009
3133XHEX6	10624	FEDERAL HOME LOAN BANK	1,000,000.00	10/27/2006	1,011,250.00	1,000,000.00	5.200	Aaa	5.200	1,426 10/27/2011
3133XEZP7	10625	FEDERAL HOME LOAN BANK	1,000,000.00	10/20/2006	1,005,310.00	999,501.45	5.000	Aaa	5.038	09/12/2008
3133XJ2S6	10634	FEDERAL HOME LOAN BANK	1,000,000.00	12/13/2006	1,000,310.00	1,000,000.00	5.500	Aaa	5.500	1,473 12/13/2011
3133XJF60	10635	FEDERAL HOME LOAN BANK	800,000.00	01/17/2007	800,000.00	800,000.00	5.500	Aaa	5.500	1,508 01/17/2012
3133XJPZ5	10639	FEDERAL HOME LOAN BANK	1,000,000.00	01/26/2007	1,012,190.00	1,000,000.00	5.200	Aaa	5.200	968 07/26/2010
3133XJT99	10644	FEDERAL HOME LOAN BANK	1,000,000.00	02/05/2007	1,002,190.00	1,000,000.00	5.350	Aaa	5.350	432 02/05/2009
3133XJUD8	10646	FEDERAL HOME LOAN BANK	1,000,000.00	02/09/2007	1,019,060.00	1,000,000.00	5.500	Aaa	5.500	1,531 02/09/2012
3133XKAK1	10647	FEDERAL HOME LOAN BANK	1,000,000.00	03/20/2007	1,003,130.00	1,000,000.00	5.000	Aaa	5,000	475 03/20/2009
3133XKD6	10648	FEDERAL HOME LOAN BANK	1,000,000.00	03/30/2007	1,003,440.00	1,000,000.00	5.030	Aaa	5,030	482 03/27/2009
3133XKF75	10651	FEDERAL HOME LOAN BANK	1,000,000.00	04/20/2007	1,015,940.00	1,000,000.00	5.050	Aaa	5,050	1,236 04/20/2011
3133XKPE9	10656	FEDERAL HOME LOAN BANK	1,000,000.00	05/04/2007	1,010,310.00	1,000,000.00	5.125	Aaa	5,125	1,250 05/04/2011
3133XQK65	10658	FEDERAL HOME LOAN BANK	1,000,000.00	05/15/2007	1,019,380.00	1,000,000.00	5.200	Aaa	5,200	1,627 05/15/2012
3133XKYE9	10662	FEDERAL HOME LOAN BANK	1,000,000.00	05/25/2007	1,036,560.00	1,000,000.00	5.200	Aaa	5,200	1,637 05/25/2012
3133XL2U6	10665	FEDERAL HOME LOAN BANK	1,000,000.00	05/29/2007	1,006,250.00	1,000,000.00	5.250	Aaa	5,250	545 05/29/2009
3133XLAF0	10667	FEDERAL HOME LOAN BANK	1,000,000.00	06/20/2007	1,009,060.00	1,000,000.00	5.600	Aaa	5,600	1,663 06/20/2012
3133XLVX8	10679	FEDERAL HOME LOAN BANK	500,000.00	08/06/2007	512,970.00	500,000.00	5,400	Aaa	5,400	1,710 08/06/2012
3133XLWBS	10680	FEDERAL HOME LOAN BANK	500,000.00	08/14/2007	513,750.00	500,000.00	5,460	Aaa	5,460	1,718 08/14/2012
3133XM3S8	10684	FEDERAL HOME LOAN BANK	1,000,000.00	08/27/2007	1,036,250.00	1,000,000.00	5,125	Aaa	5,125	1,731 08/27/2012
3133XM3E9	10685	FEDERAL HOME LOAN BANK	1,000,000.00	09/10/2007	1,011,880.00	1,000,000.00	5,600	Aaa	5,600	1,745 09/10/2012
3133XMG39	10691	FEDERAL HOME LOAN BANK	2,000,000.00	10/09/2007	2,045,620.00	2,000,000.00	5,100	Aaa	5,100	1,774 10/09/2012
3133XMG70	10693	FEDERAL HOME LOAN BANK	1,000,000.00	10/16/2007	1,010,310.00	1,000,000.00	5,250	Aaa	5,250	1,781 10/16/2012
3133XMPZ8	10696	FEDERAL HOME LOAN BANK	2,000,000.00	10/22/2007	2,048,760.00	2,000,000.00	5,150	Aaa	5,150	1,787 10/22/2012
3133XMSY8	10698	FEDERAL HOME LOAN BANK	1,000,000.00	11/07/2007	1,004,060.00	999,506.67	5,100	Aaa	5,111	1,803 11/07/2012
3128X1GD3	10698	FEDERAL HOME LOAN MORTGAGE CO	1,000,000.00	01/30/2004	990,580.00	995,004.68	3,110	Aaa	3,644	376 12/11/2008
3128X4YE5	106984	FEDERAL HOME LOAN MORTGAGE CO	1,000,000.00	01/30/2006	1,003,560.00	999,818.14	5,000	Aaa	5,030	235 07/23/2008
3128X4K67	106985	FEDERAL HOME LOAN MORTGAGE CO	1,000,000.00	03/07/2006	1,000,090.00	1,000,000.00	5,250	Aaa	5,250	97 03/07/2008
3128X4N56	106995	FEDERAL HOME LOAN MORTGAGE CO	1,000,000.00	06/09/2006	1,015,310.00	996,024.36	5,250	Aaa	5,461	1,181 02/24/2011
3128X5KL1	106996	FEDERAL HOME LOAN MORTGAGE CO	1,000,000.00	09/29/2006	1,012,790.00	1,000,000.00	5,500	Aaa	5,500	1,398 09/29/2011
3128X5NT1	106997	FEDERAL HOME LOAN MORTGAGE CO	1,000,000.00	11/14/2006	1,013,420.00	1,000,000.00	5,350	Aaa	5,350	1,444 11/14/2011
3128X5PV4	106998	FEDERAL HOME LOAN MORTGAGE CO	1,000,000.00	11/24/2006	1,009,740.00	1,000,000.00	5,125	Aaa	5,125	1,089 11/24/2010
3128X5QW1	106999	FEDERAL HOME LOAN MORTGAGE CO	1,000,000.00	12/05/2006	1,000,080.00	1,000,000.00	5,250	Aaa	5,250	1,465 12/05/2011
3128X5TDO	1069996	FEDERAL HOME LOAN MORTGAGE CO	1,000,000.00	12/26/2006	1,000,680.00	999,732.64	5,100	Aaa	5,127	391 12/26/2008
3128X5VF2	1069997	FEDERAL HOME LOAN MORTGAGE CO	1,000,000.00	12/27/2006	1,008,360.00	1,000,000.00	5,400	Aaa	5,400	1,487 12/27/2011
3128X52A5	1069998	FEDERAL HOME LOAN MORTGAGE CO	1,000,000.00	04/11/2007	1,002,090.00	1,000,000.00	5,550	Aaa	5,550	1,599 04/17/2012

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Portfolio CITY

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**City of Torrance  
Portfolio Management  
Portfolio Details - Investments**  
**November 30, 2007**

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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>												
3128X52N7	10661	FEDERAL HOME LOAN MORTGAGE CO	5/16/2007		1,000,000.00	1,018,320.00	999,110.98	5.250	Aaa	5.272	1,585	04/03/2012
3128X6CS3	10666	FEDERAL HOME LOAN MORTGAGE CO	6/20/2007		1,000,000.00	1,009,180.00	1,000,000.00	5.625	Aaa	5.625	1,297	06/20/2011
3128X6CX2	10668	FEDERAL HOME LOAN MORTGAGE CO	6/15/2007		1,000,000.00	1,021,090.00	999,576.85	5.400	Aaa	5.418	927	06/15/2010
3128X6HP4	10676	FEDERAL HOME LOAN MORTGAGE CO	7/30/2007		1,000,000.00	1,008,950.00	1,000,000.00	5.550	Aaa	5.550	972	07/30/2010
3137EAAX7	10677	FEDERAL HOME LOAN MORTGAGE CO	7/23/2007		1,000,000.00	1,036,250.00	997,956.38	5.125	Aaa	5.205	936	08/23/2010
3128X6LK0	10687	FEDERAL HOME LOAN MORTGAGE CO	9/18/2007		1,000,000.00	1,010,350.00	1,000,000.00	5.350	Aaa	5.350	1,753	09/18/2012
3128X6NS1	10685	FEDERAL HOME LOAN MORTGAGE CO	10/15/2007		1,000,000.00	1,021,850.00	1,000,000.00	5.050	Aaa	5.050	1,780	10/15/2012
3136F7FE2	10578	FEDERAL NATIONAL MORT ASSOC	7/28/2005		1,000,000.00	999,690.00	1,000,000.00	4.300	Aaa	4.300	58	01/28/2008
3136F7F44	10606	FEDERAL NATIONAL MORT ASSOC	6/22/2006		1,000,000.00	1,026,250.00	1,000,000.00	5.500	Aaa	5.500	1,299	06/22/2011
3136F8F19	10641	FEDERAL NATIONAL MORT ASSOC	9/30/2007		1,000,000.00	1,002,190.00	1,000,000.00	5.300	Aaa	5.300	426	01/30/2009
3136F8LL7	10657	FEDERAL NATIONAL MORT ASSOC	5/9/2007		1,000,000.00	1,005,630.00	1,000,000.00	5.250	Aaa	5.250	1,255	05/09/2011
31359M6J7	10659	FEDERAL NATIONAL MORT ASSOC	5/10/2007		1,000,000.00	1,004,690.00	999,318.14	5.400	Aaa	5.417	1,577	03/26/2012
3136F8MV4	10663	FEDERAL NATIONAL MORT ASSOC	5/23/2007		1,000,000.00	1,008,440.00	1,000,000.00	5.750	Aaa	5.750	1,635	05/23/2012
3136F8PP4	10673	FEDERAL NATIONAL MORT ASSOC	7/22/2007		1,000,000.00	1,007,500.00	1,000,000.00	5.375	Aaa	5.375	579	07/02/2009
31359M6V0	10683	FEDERAL NATIONAL MORT ASSOC	8/16/2007		1,000,000.00	1,005,000.00	998,409.49	5.400	Aaa	5.440	1,584	04/02/2012
3136F8SU0	10690	FEDERAL NATIONAL MORT ASSOC	9/18/2007		1,000,000.00	1,007,500.00	1,000,000.00	5.200	Aaa	5.200	1,753	09/18/2012
<b>Subtotal and Average</b>			<b>798,602.78</b>		<b>78,633,333.33</b>	<b>79,375,941.66</b>		<b>78,616,028.57</b>		<b>4.987</b>	<b>1,011</b>	
<b>Treasury Securities - Coupon</b>												
912828AZ3	10475	U.S.TREASURY NOTE	6/16/2003		5,000,000.00	4,985,150.00	5,011,051.25	2.625	Aaa	2.110	166	05/15/2008
912828BG4	10484	U.S.TREASURY NOTE	8/15/2003		1,000,000.00	999,770.00	999,354.65	3.250	Aaa	3.350	258	08/15/2008
912828DK3	10565	U.S.TREASURY NOTE	2/15/2005		1,000,000.00	1,000,160.00	999,833.42	3.375	Aaa	3.460	78	02/15/2008
912828DK3	10574	U.S.TREASURY NOTE	5/09/2005		1,000,000.00	1,000,160.00	999,213.81	3.375	Aaa	3.775	76	02/15/2008
912828DT4	10577	U.S.TREASURY NOTE	7/13/2005		1,000,000.00	1,002,030.00	999,648.97	3.750	Aaa	3.831	166	05/15/2008
912828DZ0	10579	U.S.TREASURY NOTE	7/25/2005		1,000,000.00	1,021,170.00	995,718.27	3.875	Aaa	4.057	957	07/15/2010
912828ECD	10580	U.S.TREASURY NOTE	8/15/2005		1,000,000.00	1,005,160.00	999,779.31	4.125	Aaa	4.159	258	08/15/2008
912828FT2	10626	U.S.TREASURY NOTE	10/23/2006		1,000,000.00	1,010,160.00	998,188.56	4.625	Aaa	4.854	304	09/30/2008
912828FV7	10627	U.S.TREASURY NOTE	10/31/2006		1,000,000.00	1,013,830.00	1,000,143.21	4.875	Aaa	4.858	335	10/31/2008
912828FM7	10638	U.S.TREASURY NOTE	1/22/2007		1,000,000.00	1,010,470.00	1,000,437.05	5.000	Aaa	4.930	243	07/31/2008
912828GP9	10664	U.S.TREASURY NOTE	5/23/2007		2,000,000.00	2,038,440.00	1,991,573.09	4.500	Aaa	4.814	516	04/30/2009
912828GR5	10669	U.S.TREASURY NOTE	6/08/2007		1,000,000.00	1,034,840.00	988,507.46	4.500	Aaa	5.008	896	05/15/2010
912828GG9	10671	U.S.TREASURY NOTE	6/15/2007		1,000,000.00	1,035,940.00	992,636.13	4.750	Aaa	5.109	807	02/15/2010
912828FX3	10672	U.S.TREASURY NOTE	6/15/2007		1,000,000.00	1,030,080.00	991,337.50	4.625	Aaa	5.100	715	11/15/2009
<b>Subtotal and Average</b>			<b>1,983,66.64</b>							<b>3.821</b>	<b>365</b>	
												<b>18,967,422.68</b>

**City of Torrance  
Portfolio Management  
Portfolio Details - Investments  
November 30, 2007**

CUSIP	Medium Term Notes	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity	Maturity Date
02003MAG9	10573	ALLSTATE LIFE GLOBAL TRUST		05/09/2005		1,000,000.00	997,880.00	999,673.57	3.850	Aa2	4.080	55	01/25/2008
060505FBH6	10596	Bank of America		04/13/2006		1,000,000.00	989,480.00	979,353.87	3.375	AA2	5.230	444	02/17/2009
060505AR5	10699	Bank of America		11/02/2007		990,000.00	994,474.80	990,116.83	4.875	AA2	4.871	1,750	09/15/2012
06423EPM1	10556	Bank One NA Illinois		01/18/2005		1,000,000.00	997,850.00	1,000,022.88	3.700		3.680	45	01/15/2008
172967BS9	10466	Citigroup		05/12/2003		1,000,000.00	996,740.00	1,000,719.51	3.500	Aa1	3.040	62	02/01/2008
172967BS9	10572	Citigroup		04/28/2005		1,585,000.00	1,578,832.90	1,583,437.98	3.500	Aa1	4.130	62	02/01/2008
19416QCH1	10692	Colgate-Palmolive Co.		10/01/2007		500,000.00	503,455.00	503,116.77	5.580		4.880	341	11/06/2008
36962GB78	10465	General Electric Capital Corp		05/12/2003		1,000,000.00	993,860.00	1,001,339.02	3.500		3.150	152	05/01/2008
36966RFV3	10476	General Electric Capital Corp		06/19/2003		2,000,000.00	1,988,800.00	2,000,000.00	2.450		2.450	197	06/15/2008
375786AM4	10472	Gillette Company		05/27/2003		1,000,000.00	987,940.00	999,729.60	2.500	Aa3	2.558	183	06/01/2008
38143UJE0	10660	Goldman Sachs		05/14/2007		1,210,000.00	1,209,419.20	1,194,490.96	4.500		5.050	927	06/15/2010
441812KG8	10613	Household Finance Co		08/22/2006		1,000,000.00	998,450.00	993,128.83	4.750	Aa3	5.260	531	05/15/2009
40429CCX8	10632	Household Finance Co		11/20/2006		1,000,000.00	1,005,060.00	1,002,164.82	5.250	Aa3	5.170	1,140	01/14/2011
441812KH6	10642	Household Finance Co		01/30/2007		1,000,000.00	986,430.00	980,167.50	4.125	Aa3	5.224	716	11/16/2009
40429XB39	10694	Household Finance Co		10/12/2007		1,000,000.00	1,009,840.00	1,000,000.00	5.000	Aa3	5.000	1,049	10/15/2010
40429XC95	10700	Household Finance Co		11/29/2007		1,000,000.00	996,190.00	1,000,000.00	5.050	Aa3	5.050	1,080	11/15/2010
59018YVVO	10630	MERRILL LYNCH		11/17/2006		1,000,000.00	993,200.00	993,676.04	4.790	Aa3	5.050	977	08/04/2010
59018YSK8	10643	MERRILL LYNCH		01/30/2007		2,000,000.00	1,969,620.00	1,977,318.70	4.125	Aa3	5.290	411	01/15/2009
5921EAD6	10477	Met Life		06/19/2003		1,000,000.00	986,100.00	1,000,256.30	2.600	Aa2	2.550	201	06/19/2008
5921EAD6	10481	Met Life		07/25/2003		1,000,000.00	986,100.00	995,730.20	2.600	Aa2	3.450	201	06/19/2008
64952VVAE3	10697	New York Life Global		11/02/2007		1,000,000.00	1,024,030.00	999,805.78	4.625	Aaa	4.630	989	08/16/2010
742718BX6	10538	Procter & Gamble		08/02/2004		1,000,000.00	995,930.00	1,002,912.35	4.300	Aa3	3.850	258	08/15/2008
8923SPUA2	10675	Toyota Motor Credit		07/23/2007		1,000,000.00	1,000,460.00	974,880.00	4.540	Aa1	5.500	913	06/01/2010
90327QCQ0	10670	USAA Capital Corp		06/12/2007		2,000,000.00	2,021,000.00	1,970,607.49	4.640		5,420	745	12/15/2009
949746EX5	10464	Wells Fargo Co		05/12/2003		1,000,000.00	993,400.00	1,001,479.21	3.500	Aa1	3.031	125	04/04/2008
949746EX5	10557	Wells Fargo Co		01/24/2005		1,000,000.00	993,400.00	999,260.93	3.500	Aa1	3.730	125	04/04/2008
949746JQ5	10569	Wells Fargo Co		04/04/2005		1,000,000.00	994,760.00	999,523.75	4.125	Aa1	4.310	100	03/10/2008
98153BAE4	10604	World Savings Bank		06/05/2006		1,000,000.00	1,001,640.00	986,815.82	4.500	Aa3	5,440	562	06/15/2009
<b>Subtotal and Average</b>						<b>31,285,000.00</b>	<b>31,174,941.90</b>	<b>31,129,728.71</b>			<b>4.312</b>	<b>502</b>	
<b>Municipal Bond Issues - Coupon</b>													
SYS10423	10423	Skpk-2001TxAllocRef Bd		12/18/2001		1,428,101.91	1,428,101.91	1,428,101.91	8.000		7.999	1,674	07/01/2012
		<b>Subtotal and Average</b>				<b>1,428,101.91</b>					<b>7.999</b>	<b>1,674</b>	

**City of Torrance  
Portfolio Management  
Portfolio Details - Investments  
November 30, 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>Commercial Paper Disc. -Amortizing</b>												
61745AA33	10686	Morgan Stanley & Co. Inc.	08/30/2007	784,000.00	780,722.88	780,047.33	5.500			5.608	33	01/03/2008
		Subtotal and Average	778,310.56	784,000.00	780,722.88	780,047.33				5.608	33	
		Total and Average	37,680,981.41	163,630,435.24	164,447,068.35	163,421,329.20				4.747	639	

## II. RESTRICTED FUNDS

*Reports Appear Quarterly*

### III. CASH & INVESTMENT PORTFOLIO SHARE

**CITY OF TORRANCE**  
**CASH AND INVESTMENT PORTFOLIO SHARE (A)**  
**AS OF NOVEMBER 30, 2007**

	FUND	SHARE OF INVESTMENTS	POOLED CASH & INVESTMENTS BALANCE	CASH PERCENT
N	General	35,294,217.33	34,510,787.86	21.60
R	Parks & Recr Facility & Open Space	3,299,090.68	3,225,860.42	2.02
R	State Gas Tax	6,659,239.55	6,511,423.71	4.07
R	Federal Housing, Community Dev	1,131,255.45	1,106,144.85	0.69
R	Work Investment Network - WIN	362.34	354.30	0.00
R	Street Lighting	93,704.73	91,624.76	0.06
R	Traffic Congestion Relief Act 2000 - AB2928	629,632.37	615,656.35	0.39
R	Police Asset Forfeiture	3,162,086.34	3,091,897.18	1.93
N	Government Cable	2,191,040.99	2,142,406.22	1.34
R	Local Return - Proposition C	5,360,898.74	5,241,902.30	3.28
R	Grants/Donations	149,605.48	146,284.67	0.09
R	Citizens Options for Public Safety (COPS) Grant Funds - AB3229	467,832.19	457,447.67	0.29
R	Seismic Education Fund	52,191.07	51,032.58	0.03
R	Rehabilitation Housing	559,069.45	546,659.73	0.34
R	Police Inmate Welfare Fund	83,387.48	81,536.52	0.05
N	Capital Improvements	24,334,444.12	23,794,289.89	14.89
R	Vanpool/Rideshare Fund	280,070.02	273,853.28	0.17
R	Torrance Improvement Fund	5,950,400.67	5,818,319.00	3.64
R	Animal Control Fund	53,465.89	52,279.10	0.03
R	Redevelopment-Capital Proj	7,385,406.88	7,221,472.22	4.52
R	Redevelopment Debt Service	(99,153.56)	(96,952.64) (B)	(0.06)
N	DNA Sampling Fund	8,590.69	8,400.00	0.01
N	Airport Fund	6,802,415.09	6,651,421.16	4.16
N	Transit Operations	4,998,283.62	4,887,336.19	3.06
R	Development Impact Fund	579,711.00	566,843.09	0.35
N	Water Operations	10,621,215.73	10,385,455.48	6.50
N	Emergency Medical Service Enterprise Fund	4,369.44	4,272.45	0.00
N	Sanitation Operations	2,775,609.45	2,713,998.95	1.70
N	Cultural Arts Enterprise	425,717.72	416,268.02	0.26
N	Sewer Enterprise Fund	11,176,693.73	10,928,603.48	6.84
N	Parks & Recr Enterprise Fund	(329,249.53)	(321,941.14) (C)	(0.20)
N	Self Insurance Fund	7,357,046.24	7,193,741.11	4.50
N	Fleet Services	12,944,536.96	12,657,205.71	7.92
R	Postemployment/Compensated Absences Fund	5,927,997.55	5,796,413.16	3.63
R	Trust & Agency	3,090,143.30	3,021,551.06	1.89
<b>TOTAL</b>		<b>163,421,329.20</b>	<b>159,793,848.69</b>	<b>100.00</b>

R = Restricted Funds

N = Non-Restricted Funds

- (A) The difference between the Share of Investments total of \$163,421,329.20 and the Pooled Cash and Investments total of \$159,793,848.69 is primarily due to outstanding warrants and adjusting journal entries. (See reconciliation schedule attached)
- (B) \$1,897,201 debt service payment for Downtown and Industrial was disbursed in August. Additional tax increments for these project areas are expected to be received in December.
- (C) Revenues for the winter session for approximately \$270,000 is expected to be collected during the registration period from 11/27/07 through 12/11/07. Salary reimbursements from Prop A for \$199,000 will be billed in June 2008.

**CITY OF TORRANCE  
CASH AND INVESTMENT RECONCILIATION  
AS OF NOVEMBER 30, 2007**

**INVESTMENTS PER PORTFOLIO SUMMARY**  
(City Pool)

**163,421,329.20**

**CASH AND INVESTMENTS PER BOOKS**

**159,793,848.69**

**CASH IN BANKS:**

Cash in B of A General Account	(\$346,103.19)
Cash in B of A Payroll Account	0.00

**OUTSTANDING WARRANTS:**

General Account	1,030,208.36	
Payroll Account	665,719.97	
Workers Compensation Account	90,838.42	
Housing Account	328,063.14	2,114,829.89
Miscellaneous outstanding adjusting journal entries	356,385.66	
Payroll for PE 12/8/07 posted on 11/30/07 and paid on 12/14/07	1,502,368.15	

**INVESTMENTS PER BOOKS**

**\$163,421,329.20**