

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

Members of Council:

**SUBJECT: Accept and file Investment Reports for January 2008**

**RECOMMENDATION**

Recommendation of the City Treasurer that City Council accept and file the attached monthly investment reports for the month of January 2008.

**FUNDING**

Not applicable

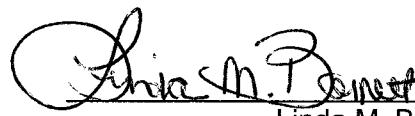
**BACKGROUND**

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 January 2008.

**Investment Committee Note**

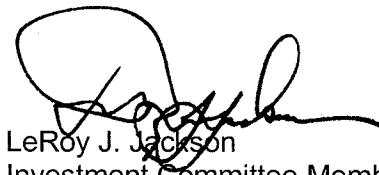
The Investment Committee, made up of the Finance Director, City Manager, Assistant City Attorney, and City Treasurer, as created by your Honorable Body, has reviewed the attached report and find that it is in concurrence with the City of Torrance Investment Policy.

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 January 31, 2008

Table of Contents

|   | <u>Page No.</u> |
|---|-----------------|
| <b>I. CITY OF TORRANCE – POOLED FUNDS</b>         |                 |
| <i>A. Summary Reports</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. Detailed Reports</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 January 31, 2008    | 16              |
| Cash & Investment Reconciliation                  | 17              |

**City of Torrance  
Investment Portfolio Highlights  
For January 2008**

**RETURN**

|   | <u>Current Month</u> | <u>Previous Month</u> |
|---|----------------------|-----------------------|
| Average City Portfolio YTM                | 4.661                | 4.718                 |
| Average U.S. Treasury Constant Maturity   | 2.14                 | 3.050                 |
| LAIF Average Monthly Return               | 4.620                | 4.801                 |
| Average City Portfolio YTM - 1 year prior | 4.417                | 4.297                 |

**INTEREST INCOME**

|                     | <u>Current Period</u> | <u>Prior Year</u> |
|---------------------|-----------------------|-------------------|
| Fiscal year to date | 4,641,077             | 3,201,956         |
| Current month       | 701,262               | 495,673           |

**MATURITY**

|                                      | <u>Current Month</u> | <u>Prior Month</u> |
|--------------------------------------|----------------------|--------------------|
| Average Maturity (days)              | 665                  | 652                |
| Average Maturity 1 Year Prior (days) | 554                  | 568                |
| Weighted Average Maturity (years)    | 1.83                 | 1.79               |

**VOLUMES**

|            | <u>Total \$ Volume</u> | <u># of Transactions</u> |
|------------|------------------------|--------------------------|
| Purchases  | 65,483,278             | 22                       |
| Maturities | 45,396,873             | 24                       |

Transactions include 8 deposits to and 7 withdrawals from LAIF, 5 purchases and 5 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 January 31, 2008</u> |
|---------------------------------|--|---------------------------------------|-------------------------------|---|
| Federal Agency (coup)           | 81,334,705   | 2,929,293                             | 1,957,841                     | 86,221,839  |
| Treasury Securities             | 18,771,260   | -6,009,844                            | 551,094                       | 13,312,510  |
| Medium Term Notes               | 27,303,734   | 5,537,774                             | 695,863                       | 33,537,371  |
| Municipal Bonds                 | 1,778,745  | -469,591                              | 0                             | 1,309,154   |
| <b>SUB-TOTAL PER GASB 31</b>    | <b>129,188,444</b>                                   | <b>1,987,632</b>                      | <b>3,204,798</b>              | <b>134,380,874</b>                                    |
| <u>Non-GASB securities</u>      |  |                                       |                               |   |
| LAIF                            | 33,000,000   | 18,900,000                            | 0                             | 51,900,000  |
| Money Market                    | 0  | 3,001,292                             | 0                             | 3,001,292   |
| 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  | -27,234                               | 27,234                        | 0   |
| <b>TOTAL PORTFOLIO</b>          | <b>162,188,444</b>                                   | <b>23,842,986</b>                     | <b>3,250,736</b>              | <b>189,282,166</b>                                    |

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

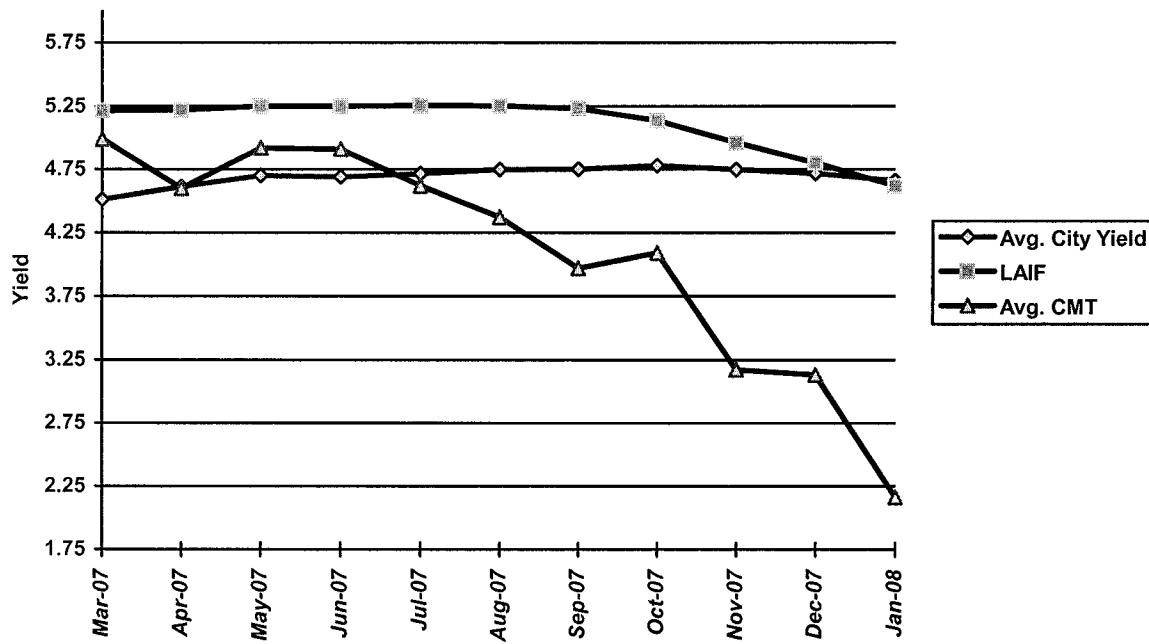
# CITY OF TORRANCE

## City Treasurer's Office

*Monthly Investment Report Summary  
For the month of January 2008*

### I. Return

46.88% of the portfolio is invested at one-year maturity or less as of January 31, 2008. The City Average yield on the portfolio was 4.661% compared to 2.16% for the U.S. Treasury at Constant Maturity (CMT) of 24 months. The portfolio performed above the benchmark as of January 31, 2008 by 250 basis points.



### II. Volumes

The investment activity for January included 5 redemption and 5 deposits in the Union Bank of California money market account.

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

The activity in the months of January consisted of 9 purchases totaling \$15.1 million with an average yield to maturity of 4.04% and 6 redemptions, 3 calls and 2 sales for a total of \$14.6 million with an average yield to maturity of 3.82%. The activity in the LAIF Account consisted of 7 deposits of \$22.3 million and 6 withdrawals of \$7.6 million. The activity in the sweep account consisted of 5 deposits of \$11.1 million and 5 withdrawals of \$8.1 million. The portfolio increased by \$19.0 million.

| Asset Category                 | January | December |
|--------------------------------|---------|----------|
| 1. LAIF                        | 27.74   | 22.01%   |
| 2. Money Market Sweep          | 1.60    | 0.00%    |
| 3. Federal Agency Issues(coup) | 45.29   | 46.46%   |
| 4. Federal Agency Issues(disc) | 0.00    | 0.00%    |
| 5. Treasury Securities         | 6.93    | 11.22%   |
| 6. Treasury Securities(disc)   | 0.00    | 0.00%    |
| 7. Medium Term Notes           | 17.74   | 19.01%   |
| 8. Municipal Bonds             | .70     | .84%     |
| 9. Commercial Paper(disc)      | 0.00    | 0.46%    |
|                                | 100.00% | 100.00%  |

### **IV. Maturity**

As of January 31, 2008, the current maturity allocation is 31.38% of the portfolio invested between the 6 month to 3-year maturity levels. 39.13% 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 \$73.1 million available for expenditures.

| As of Maturity     | January | December |
|--------------------|---------|----------|
| 0 to 6 months      | 39.12%  | 39.01%   |
| 6 months to 1 year | 7.75%   | 9.11%    |
| 1 to 2 years       | 10.69%  | 11.75%   |
| 2 to 3 years       | 12.94%  | 12.46%   |
| 3 to 4 years       | 6.95%   | 6.46%    |
| 4 to 5 years       | 19.08%  | 18.28%   |
| 5 years and after  | 3.47%   | 2.94%    |

### **V. Value**

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

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

**City of Torrance**  
**Investment Portfolio Summary**  
**As of January 31, 2008**

| 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     | 51,900,000      | 27.74                | **                          | 1            | 1                        | N/A                        | 4.620      |
| Money Market Sweep Account       | 3,001,292       | 1.60                 |                             | 1            | 1                        |                            | 3.770      |
| Federal Agency Issues – Coupon   | 84,752,656      | 45.29                | 75                          | 1,543        | 1158                     | 5 years                    | 4.831      |
| Farmer Mac                       | 1,000,000       | .53                  | 30                          | 84           | 84                       | 5 years                    | 4.129      |
| Federal Farm Credit Bank         | 19,038,750      | 10.22                | 30                          | 472          | 495                      | 5 years                    | 3.081      |
| Federal Home Loan Bank           | 38,727,210      | 20.87                | 30                          | 319          | 338                      | 5 years                    | 3.113      |
| Federal Home Loan Mortgage Corp. | 16,988,880      | 9.15                 | 30                          | 262          | 302                      | 5 years                    | 3.005      |
| Federal National Mortgage Assoc. | 8,997,815       | 4.80                 | 30                          | 499          | 540                      | 5 years                    | 3.585      |
| Treasury Securities – Coupon     | 12,961,341      | 6.93                 | 100                         | 1,015        | 395                      | 5 years                    | 4.483      |
| Medium Term Notes                | 33,197,183      | 17.74                | 20                          | 1,289        | 571                      | 5 years                    | 4.311      |
| Municipal Bond Issue             | 1,309,153       | .70                  |                             | 3,848        | 1,612                    | N/A                        | 7.999      |
| Federal Agency Disc              | 0.00            | .00                  |                             |              |                          | 5 years                    | .000       |
| Commercial Paper Disc-Amort      | 00              | .00                  |                             |              |                          |                            | .000       |
| Treasury Discount-Amort          | 00              | .00                  |                             |              |                          |                            | .000       |
| Certificate of Deposits-Disc     | 00              | .00                  |                             |              |                          |                            | .000       |
| Total Investments & Averages     | 187,121,626     | 100.00               |                             | 1,025        | 665                      |                            | 4.661      |
| Pending Redemptions              |                 |                      |                             |              |                          |                            |            |
| Accrued Interest at Purchase     | 44,041          |                      |                             |              |                          |                            |            |
| Total Cash & Purchase Interest   | 44,041          |                      |                             |              |                          |                            |            |
| Total Cash & Investments         | 187,165,667     |                      |                             |              |                          |                            |            |

Portfolio Notes:

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

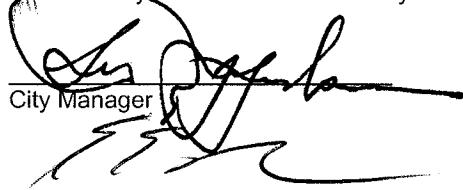
General LAIF account = \$39,600,000

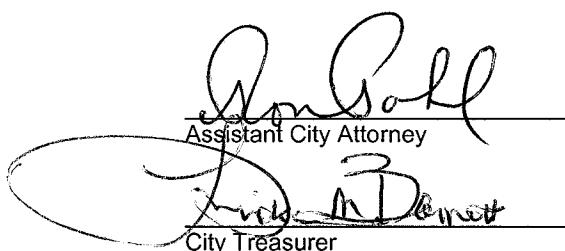
RDA LAIF account = \$12,300,000

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. 07-110 on December 4, 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 2-26-08  
Date  
City Treasurer

Reviewed by the Investment Advisory Committee

  
City Manager  
Director of Finance

  
Assistant City Attorney  
Linda M. Barnett  
City Treasurer

**City of Torrance  
Portfolio Management  
Activity Summary  
January 2007 through January 2008**

| 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               | 365    | Equivalent |                   |                                 |                                |              |                          |
| 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                      |
| August    | 2007    | 130                  | 169,819,611.53    | 4.684  | 4.749      | 5.253             | 8                               | 5                              | 1,056        | 585                      |
| September | 2007    | 130                  | 165,210,959.42    | 4.686  | 4.751      | 5.231             | 4                               | 4                              | 1,090        | 604                      |
| October   | 2007    | 127                  | 164,833,882.31    | 4.713  | 4.778      | 5.137             | 6                               | 10                             | 1,105        | 632                      |
| November  | 2007    | 126                  | 163,514,491.25    | 4.684  | 4.749      | 4.962             | 4                               | 5                              | 1,124        | 639                      |
| December  | 2007    | 127                  | 164,262,749.72    | 4.655  | 4.719      | 4.801             | 8                               | 7                              | 1,119        | 652                      |
| January   | 2008    | 126                  | 176,545,132.75    | 4.598  | 4.661      | 4.620             | 10                              | 12                             | 1,025        | 665                      |
|           | Average | 122                  | 160,316,669.13    | 4.594% | 4.658%     | 5.118             | 6                               | 5                              | 1,069        | 592                      |

| invest no.                     | BROKER | PURCHASE DATE                 | DESCRIPTION | QUALITY RATING | MATURITY DATE | DAY'S TO MATURITY | RATE   | YIELD  | PAR VALUE           | COST                | MARKET VALUE        |
|--------------------------------|--------|-------------------------------|-------------|----------------|---------------|-------------------|--------|--------|---------------------|---------------------|---------------------|
| <b>(I) PURCHASES*</b>          |        |                               |             |                |               |                   |        |        |                     |                     |                     |
| 1000a                          |        | 01/01/2008 LAIF - Tran Acct   |             |                |               |                   |        |        |                     |                     |                     |
| 10709 Citigroup                |        | 01/15/2008 Berkshire Hathaway |             |                | 12/15/2010    | 1048              | 4.200% | 3.648% | 0                   | 14,628.250          | 14,628.250          |
| 10710 Citigroup                |        | 01/24/2008 FFCB               | Aaa/AAA     | Aaa/AAA        | 01/24/2011    | 1088              | 3.750% | 3.750% | 1,000,000           | 1,000,000           | 1,020,880           |
| 10711 Citigroup                |        | 01/14/2008 FHLMC              | Aaa/AAA     | Aaa/AAA        | 01/11/2010    | 710               | 4.400% | 4.384% | 2,000,000           | 2,000,586           | 2,006,920           |
| 10712 Higgins Capital          |        | 01/22/2008 FHLB               | Aaa/AAA     | Aaa/AAA        | 01/22/2013    | 1817              | 4.050% | 4.050% | 1,000,000           | 1,000,000           | 1,016,560           |
| 10714 Great Pacific Securities |        | 01/18/2008 Berkshire Hathaway |             |                | 10/15/2013    | 2083              | 4.625% | 4.300% | 1,000,000           | 1,016,217           | 1,024,690           |
| 10715 Citigroup                |        | 01/23/2008 Wells Fargo        | Aal         | Aal            | 01/12/2011    | 1076              | 4.875% | 4.000% | 1,000,000           | 1,024,069           | 1,018,200           |
| 10716 Stone Youngberg          |        | 01/25/2008 FFCB               | Aaa/AAA     | Aaa/AAA        | 01/25/2013    | 1820              | 3.800% | 3.657% | 2,500,000           | 2,516,250           | 2,501,325           |
| 10717 Stone Youngberg          |        | 01/30/2008 FFCB               | Aaa/AAA     | Aaa/AAA        | 01/30/2012    | 1459              | 3.850% | 3.674% | 3,500,000           | 3,522,750           | 3,537,205           |
| 10720 Higgins Capital          |        | 01/29/2008 FNMA               | Aaa/AAA     | Aaa/AAA        | 01/29/2013    | 1824              | 3.625% | 3.625% | 2,000,000           | 2,000,000           | 2,008,760           |
|                                |        |                               |             |                |               |                   |        |        | <b>\$15,000,000</b> | <b>\$29,723,001</b> | <b>\$29,732,730</b> |

Weighted Average Yield

3.899%

| invest no.               | BROKER | PURCHASE DATE             | DESCRIPTION | QUALITY RATING | MATURITY DATE | RATE   | YIELD  | PAR VALUE           | BOOK VALUE          | MARKET VALUE        |
|--------------------------|--------|---------------------------|-------------|----------------|---------------|--------|--------|---------------------|---------------------|---------------------|
| <b>(II) MATURITIES**</b> |        |                           |             |                |               |        |        |                     |                     |                     |
| 10423                    |        | 12/18/2001 Municipal Bond |             |                |               |        |        |                     |                     |                     |
| 10686 Dean Witter        |        | 08/30/2007 Morgan Stanley |             |                | 01/03/2008    | 8.000% | 8.000% | 118,948             | 118,948             | 118,948             |
| 10536 UBoC               |        | 01/18/2005 Bank One       |             |                | 01/15/2008    | 5.550% | 5.600% | 784,000             | 784,000             | 784,000             |
| 10573 Higgins Capital    |        | 05/09/2005 Allstate       | Aa2/AA      | Aaa/AAA        | 01/25/2008    | 3.700% | 3.670% | 1,000,000           | 1,000,000           | 1,000,000           |
| 10567 Smith Barney       |        | 03/10/2005 FFCB           | Aaa/AAA     | Aaa/AAA        | 01/28/2008    | 3.850% | 4.080% | 1,000,000           | 1,000,000           | 1,000,000           |
| 10581 Higgins Capital    |        | 01/30/2006 FHLB           | Aaa/AAA     | Aaa/AAA        | 01/28/2008    | 3.550% | 4.000% | 1,000,000           | 1,000,000           | 1,000,000           |
| 10578 Higgins Capital    |        | 07/28/2005 FNMA           | Aaa/AAA     | Aaa/AAA        | 01/28/2008    | 5.000% | 5.000% | 1,000,000           | 1,000,000           | 1,000,000           |
| 10475 Dean Witter        |        | 06/16/2003 USTN           | Aaa/AAA     | Aaa/AAA        | 01/24/2008    | 4.300% | 4.300% | 1,000,000           | 1,000,000           | 1,000,000           |
| 10577 Higgins Capital    |        | 07/13/2005 USTN           | Aaa/AAA     | Aaa/AAA        | 01/24/2008    | 2.625% | 2.110% | 5,000,000           | 5,000,000           | 5,000,000           |
| 10635 Dean Witter        |        | 01/17/2007 FHLB           | Aaa/AAA     | Aaa/AAA        | 01/17/2008    | 3.750% | 3.830% | 1,000,000           | 1,000,000           | 1,000,000           |
| 10641 Dean Witter        |        | 01/30/2007 FNMA           | Aaa/AAA     | Aaa/AAA        | 01/30/2008    | 5.500% | 5.500% | 800,000             | 800,000             | 800,000             |
| 10650 Citigroup          |        | 04/17/2007 FHLMC          | Aaa/AAA     | Aaa/AAA        | 01/17/2008    | 5.550% | 5.300% | 1,000,000           | 1,000,000           | 1,000,000           |
|                          |        |                           |             |                |               |        |        | <b>\$14,702,948</b> | <b>\$14,702,948</b> | <b>\$14,702,948</b> |

Weighted Average Yield

4.745%

\* 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 | 29,700,000          | 4.620% | 4.620% | 15,400,000          | 20,128,250          | 304,719             | 24,971,750          |
|                     | City              | 0                   | 4.620% | 4.620% | 14,628,250          | -                   | -                   | 14,628,250          |
|                     | Tran Acct         | 7,500,000           | 4.620% | 4.620% | 6,900,000           | 2,100,000           | 93,484              | 12,300,000          |
|                     | RDA               | <u>\$37,200,000</u> |        |        | <u>\$36,928,250</u> | <u>\$22,228,250</u> | <u>\$398,202,73</u> | <u>\$51,900,000</u> |

**City of Torrance  
Portfolio Management  
Interest Earnings Summary  
January 31, 2008**

|   | January 31 Month Ending | Fiscal Year To Date |
|---|-------------------------|---------------------|
| <b>CD/Coupon/Discount Investments:</b>          |                         |                     |
| Interest Collected                              | 542,326.00              | 3,469,646.87        |
| Plus Accrued Interest at End of Period          | 1,403,177.49            | 1,403,177.49        |
| Less Accrued Interest at Beginning of Period    | ( 1,440,673.26)         | ( 1,410,319.55)     |
| Less Accrued Interest at Purchase During Period | ( 0.00)                 | ( 0.00)             |
| Interest Earned during Period                   | 504,830.23              | 3,462,504.81        |
| Adjusted by Premiums and Discounts              | 9,973.70                | 109,252.48          |
| Adjusted by Capital Gains or Losses             | 2,625.07                | -18,674.68          |
| Earnings during Periods                         | 517,429.00              | 3,553,082.61        |
| <br><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                |
| <br><b>Cash/Checking Accounts:</b>              |                         |                     |
| Interest Collected                              | 398,202.24              | 1,370,190.02        |
| Plus Accrued Interest at End of Period          | 186,114.35              | 186,114.35          |
| Less Accrued Interest at Beginning of Period    | ( 400,483.45)           | ( 468,309.86)       |
| Interest Earned during Period                   | 183,833.14              | 1,087,994.51        |
| Total Interest Earned during Period             | 688,663.37              | 4,550,499.32        |
| Total Adjustments from Premiums and Discounts   | 9,973.70                | 109,252.48          |
| Total Capital Gains or Losses                   | 2,625.07                | -18,674.68          |
| Total Earnings during Period                    | 701,262.14              | 4,641,077.12        |

**City of Torrance**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**January 31, 2008**

| CUSIP                                 | Investment # | Issuer                         | Average Balance          | Purchase Date | Par Value            | Market Value         | Book Value | Stated Rate  | Moody's      | YTM          | Days to Maturity | Date       |
|---------------------------------------|--------------|--------------------------------|--------------------------|---------------|----------------------|----------------------|------------|--------------|--------------|--------------|------------------|------------|
| <b>Local Agency Investment Funds</b>  |              |                                |                          |               |                      |                      |            |              |              |              |                  |            |
| SYS10000                              | 10000        | Local Agency Invest Fund GEN'L |                          |               | 24,971,750.00        | 24,971,750.00        |            | 4.620        |              | 4.620        | 1                |            |
| SYS10001                              | 10001        | Local Agency Invest Fund RDA   |                          |               | 12,300,000.00        | 12,300,000.00        |            | 4.620        |              | 4.620        | 1                |            |
| SYS1000a                              | 1000A        | LAIF - TRANS FUNDS             |                          | 01/01/2008    | 14,628,250.00        | 14,628,250.00        |            | 4.620        |              | 4.620        | 1                |            |
|                                       |              | <b>Subtotal and Average</b>    | <b>43,918,850.90</b>     |               | <b>51,900,000.00</b> | <b>51,900,000.00</b> |            |              |              | <b>4.620</b> | <b>1</b>         |            |
| <b>Money Market Sweep Account</b>     |              |                                |                          |               |                      |                      |            |              |              |              |                  |            |
| SYS10131                              | 10131        | Bank of America                |                          |               | 0.00                 | 0.00                 |            | 4.620        | AA2          | 4.620        | 1                |            |
| SYS1000                               | 1000         | Union Bank of California       |                          |               | 3,001,291.50         | 3,001,291.50         |            | 3.770        |              | 3,770        | 1                |            |
|                                       |              | <b>Subtotal and Average</b>    | <b>0.00</b>              |               | <b>3,001,291.50</b>  | <b>3,001,291.50</b>  |            |              | <b>3.770</b> | <b>1</b>     |                  |            |
| <b>Federal Agency Issues - Coupon</b> |              |                                |                          |               |                      |                      |            |              |              |              |                  |            |
| 313315PLV9                            | 10655        | Farmer Mac                     |                          | 04/25/2007    | 1,000,000.00         | 1,006,960.00         |            | 1,000,000.00 | 5.550        | 5.550        | 04/25/2012       |            |
| 31331TYD7                             | 10519        | FEDERAL FARM CREDIT BANK       |                          | 04/15/2004    | 1,000,000.00         | 1,002,500.00         |            | 1,000,000.00 | 3.080        | Aaa          | 3.080            | 257        |
| 31331SD42                             | 10576        | FEDERAL FARM CREDIT BANK       |                          | 06/3/2005     | 1,000,000.00         | 1,005,000.00         |            | 1,000,000.00 | 4.125        | Aaa          | 4.125            | 06/30/2008 |
| 10                                    | 31331VYF7    | 10600                          | FEDERAL FARM CREDIT BANK | 05/04/2006    | 1,000,000.00         | 1,032,190.00         |            | 1,000,000.00 | 5.250        | Aaa          | 5.250            | 05/04/2009 |
| 31331XMQ2                             | 10640        | FEDERAL FARM CREDIT BANK       |                          | 01/26/2007    | 1,000,000.00         | 1,049,060.00         |            | 1,000,000.00 | 5.000        | Aaa          | 5.002            | 05/26/2010 |
| 31331XNU2                             | 10645        | FEDERAL FARM CREDIT BANK       |                          | 02/12/2007    | 1,000,000.00         | 1,000,940.00         |            | 1,000,000.00 | 5.350        | Aaa          | 5.350            | 742        |
| 31331XVL3                             | 10653        | FEDERAL FARM CREDIT BANK       |                          | 04/16/2007    | 1,000,000.00         | 1,004,380.00         |            | 1,000,000.00 | 5.200        | Aaa          | 5.200            | 805        |
| 31331XWQ1                             | 10654        | FEDERAL FARM CREDIT BANK       |                          | 04/25/2007    | 1,000,000.00         | 1,006,560.00         |            | 999,750.00   | 5.390        | Aaa          | 5.396            | 1,545      |
| 31331XT36                             | 10678        | FEDERAL FARM CREDIT BANK       |                          | 08/01/2007    | 1,000,000.00         | 1,079,380.00         |            | 1,000,000.00 | 5.250        | Aaa          | 5.250            | 1,643      |
| 31331XZ24                             | 10688        | FEDERAL FARM CREDIT BANK       |                          | 09/14/2007    | 1,000,000.00         | 1,040,000.00         |            | 1,000,000.00 | 5.250        | Aaa          | 5.250            | 1,687      |
| 31331YGL8                             | 10704        | FEDERAL FARM CREDIT BANK       |                          | 12/05/2007    | 1,000,000.00         | 1,013,440.00         |            | 1,000,000.00 | 4.875        | Aaa          | 4.875            | 1,769      |
| 31331YHR4                             | 10706        | FEDERAL FARM CREDIT BANK       |                          | 12/14/2007    | 1,000,000.00         | 1,025,630.00         |            | 1,000,000.00 | 4.400        | Aaa          | 4.400            | 1,778      |
| 31331YKW9                             | 10708        | FEDERAL FARM CREDIT BANK       |                          | 12/28/2007    | 1,000,000.00         | 1,027,810.00         |            | 1,000,000.00 | 5.250        | Aaa          | 5.250            | 1,426      |
| 31331YPL8                             | 10710        | FEDERAL FARM CREDIT BANK       |                          | 01/24/2008    | 1,000,000.00         | 1,010,940.00         |            | 1,000,000.00 | 3.750        | Aaa          | 3.750            | 1,088      |
| 31331YQP8                             | 10716        | FEDERAL FARM CREDIT BANK       |                          | 01/25/2008    | 2,500,000.00         | 2,516,250.00         |            | 2,516,250.00 | 3.800        | Aaa          | 3.657            | 1,820      |
| 31331YQQ6                             | 10717        | FEDERAL FARM CREDIT BANK       |                          | 01/30/2008    | 3,500,000.00         | 3,537,205.00         |            | 3,522,750.00 | 3.850        | Aaa          | 3,674            | 1,459      |
| 31331VN4                              | 10445        | FEDERAL HOME LOAN BANK         |                          | 02/06/2003    | 833,333.33           | 833,333.33           |            | 833,332.61   | 3.750        | Aaa          | 3,757            | 5          |
| 31331YYU5                             | 10469        | FEDERAL HOME LOAN BANK         |                          | 06/05/2003    | 1,000,000.00         | 1,000,310.00         |            | 1,000,000.00 | 3.250        | Aaa          | 3,250            | 125        |
| 31331YKX9                             | 10480        | FEDERAL HOME LOAN BANK         |                          | 07/30/2003    | 1,000,000.00         | 1,000,940.00         |            | 1,000,000.00 | 3.000        | Aaa          | 3,000            | 180        |
| 31331XOFJ3                            | 10482        | FEDERAL HOME LOAN BANK         |                          | 08/13/2003    | 1,000,000.00         | 1,000,000.00         |            | 1,000,000.00 | 4.000        | Aaa          | 4,000            | 194        |
| 31339YVV1                             | 10503        | FEDERAL HOME LOAN BANK         |                          | 01/21/2004    | 1,000,000.00         | 1,002,500.00         |            | 999,746.05   | 3.375        | Aaa          | 3,433            | 171        |
| 313315X45                             | 10524        | FEDERAL HOME LOAN BANK         |                          | 04/21/2004    | 1,000,000.00         | 1,009,380.00         |            | 1,000,000.00 | 3.420        | Aaa          | 3,420            | 445        |
| 31331AAMZ7                            | 10562        | FEDERAL HOME LOAN BANK         |                          | 03/03/2005    | 1,000,000.00         | 1,007,190.00         |            | 1,000,000.00 | 4.000        | Aaa          | 4,000            | 31         |
| 31331AQV2                             | 10564        | FEDERAL HOME LOAN BANK         |                          | 03/08/2005    | 1,000,000.00         | 1,007,190.00         |            | 1,000,000.00 | 4.000        | Aaa          | 4,000            | 220        |
| 31331XFCM6                            | 10594        | FEDERAL HOME LOAN BANK         |                          | 04/28/2006    | 1,000,000.00         | 1,006,250.00         |            | 1,000,000.00 | 5.400        | Aaa          | 5,400            | 817        |

Portfolio CITY

AP

PM (PRF\_PM2) SymRept 6.41.2020

**City of Torrance**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**January 31, 2008**

| CUSIP                                 | Investment # | Issuer                        | Average Balance | Purchase Date | Par Value    | Market Value | Book Value | Stated Rate | Moody's | YTM        | Days to Maturity | Date |
|---------------------------------------|--------------|-------------------------------|-----------------|---------------|--------------|--------------|------------|-------------|---------|------------|------------------|------|
| <b>Federal Agency Issues - Coupon</b> |              |                               |                 |               |              |              |            |             |         |            |                  |      |
| 3133XFHS8                             | 10599        | FEDERAL HOME LOAN BANK        | 5/19/2006       | 1,000,000.00  | 1,035,000.00 | 1,000,000.00 | 5.520      | Aaa         | 5.520   | 1,203      | 05/19/2011       |      |
| 3133XGD76                             | 10608        | FEDERAL HOME LOAN BANK        | 8/1/2006        | 1,000,000.00  | 1,015,000.00 | 1,000,000.00 | 5.700      | Aaa         | 5.700   | 922        | 08/11/2010       |      |
| 3133XGTS3                             | 10616        | FEDERAL HOME LOAN BANK        | 9/8/2006        | 1,000,000.00  | 1,015,000.00 | 1,000,000.00 | 5.375      | Aaa         | 5.375   | 950        | 09/08/2010       |      |
| 3133XGPZ2                             | 10619        | FEDERAL HOME LOAN BANK        | 10/2/2006       | 1,000,000.00  | 1,016,880.00 | 1,000,000.00 | 5.150      | Aaa         | 5.150   | 609        | 10/02/2009       |      |
| 3133XHEX6                             | 10624        | FEDERAL HOME LOAN BANK        | 10/27/2006      | 1,000,000.00  | 1,019,380.00 | 1,000,000.00 | 5.200      | Aaa         | 5.200   | 1,364      | 10/27/2011       |      |
| 3133XEZP7                             | 10625        | FEDERAL HOME LOAN BANK        | 10/29/2006      | 1,000,000.00  | 1,013,440.00 | 999,607.90   | 5.000      | Aaa         | 5.038   | 224        | 09/12/2008       |      |
| 3133XJPZ5                             | 10639        | FEDERAL HOME LOAN BANK        | 1/26/2007       | 1,000,000.00  | 1,023,130.00 | 1,000,000.00 | 5.200      | Aaa         | 5.200   | 906        | 07/26/2010       |      |
| 3133XJT99                             | 10644        | FEDERAL HOME LOAN BANK        | 2/5/2007        | 1,000,000.00  | 1,000,310.00 | 1,000,000.00 | 5.350      | Aaa         | 5.350   | 370        | 02/05/2009       |      |
| 3133XLUD8                             | 10646        | FEDERAL HOME LOAN BANK        | 2/9/2007        | 1,000,000.00  | 1,029,690.00 | 1,000,000.00 | 5.500      | Aaa         | 5.500   | 1,468      | 02/09/2012       |      |
| 3133XKAK1                             | 10647        | FEDERAL HOME LOAN BANK        | 3/20/2007       | 1,000,000.00  | 1,003,130.00 | 1,000,000.00 | 5.000      | Aaa         | 5.000   | 413        | 03/20/2009       |      |
| 3133XKKDC6                            | 10648        | FEDERAL HOME LOAN BANK        | 3/30/2007       | 1,000,000.00  | 1,003,750.00 | 1,000,000.00 | 5.030      | Aaa         | 5.030   | 420        | 03/27/2009       |      |
| 3133XKF75                             | 10651        | FEDERAL HOME LOAN BANK        | 4/20/2007       | 1,000,000.00  | 1,026,880.00 | 1,000,000.00 | 5.050      | Aaa         | 5.050   | 1,174      | 04/20/2011       |      |
| 3133XKPE9                             | 10656        | FEDERAL HOME LOAN BANK        | 5/4/2007        | 1,000,000.00  | 1,017,810.00 | 1,000,000.00 | 5.125      | Aaa         | 5.125   | 1,188      | 05/04/2011       |      |
| 3133XKQ65                             | 10658        | FEDERAL HOME LOAN BANK        | 5/15/2007       | 1,000,000.00  | 1,032,810.00 | 1,000,000.00 | 5.200      | Aaa         | 5.200   | 1,565      | 05/15/2012       |      |
| 3133XKYE9                             | 10662        | FEDERAL HOME LOAN BANK        | 5/25/2007       | 1,000,000.00  | 1,056,880.00 | 1,000,000.00 | 5.200      | Aaa         | 5.200   | 1,575      | 05/25/2012       |      |
| 3133XL2U6                             | 10665        | FEDERAL HOME LOAN BANK        | 5/29/2007       | 1,000,000.00  | 1,008,440.00 | 1,000,000.00 | 5.250      | Aaa         | 5.250   | 483        | 05/29/2009       |      |
| 3133XLAF0                             | 10667        | FEDERAL HOME LOAN BANK        | 6/20/2007       | 1,000,000.00  | 1,011,560.00 | 1,000,000.00 | 5.600      | Aaa         | 5.600   | 1,601      | 06/20/2012       |      |
| 3133XLVX8                             | 10679        | FEDERAL HOME LOAN BANK        | 8/6/2007        | 500,000.00    | 520,155.00   | 500,000.00   | 5.400      | Aaa         | 5.400   | 1,648      | 08/06/2012       |      |
| 3133XLWB5                             | 10680        | FEDERAL HOME LOAN BANK        | 8/14/2007       | 500,000.00    | 520,940.00   | 500,000.00   | 5.460      | Aaa         | 5.460   | 1,656      | 08/14/2012       |      |
| 3133XMS8                              | 10684        | FEDERAL HOME LOAN BANK        | 8/27/2007       | 1,000,000.00  | 1,058,750.00 | 1,000,000.00 | 5.125      | Aaa         | 5.125   | 1,669      | 08/27/2012       |      |
| 3133XME9                              | 10685        | FEDERAL HOME LOAN BANK        | 9/10/2007       | 1,000,000.00  | 1,017,810.00 | 1,000,000.00 | 5.600      | Aaa         | 5.600   | 1,683      | 09/10/2012       |      |
| 3133XMC39                             | 10691        | FEDERAL HOME LOAN BANK        | 10/9/2007       | 2,000,000.00  | 2,077,500.00 | 2,000,000.00 | 5.100      | Aaa         | 5.100   | 1,712      | 10/09/2012       |      |
| 3133XMG70                             | 10693        | FEDERAL HOME LOAN BANK        | 10/16/2007      | 1,000,000.00  | 1,018,130.00 | 1,000,000.00 | 5.250      | Aaa         | 5.250   | 1,719      | 10/16/2012       |      |
| 3133XMPZ8                             | 10696        | FEDERAL HOME LOAN BANK        | 10/22/2007      | 2,000,000.00  | 2,080,620.00 | 2,000,000.00 | 5.150      | Aaa         | 5.150   | 1,725      | 10/22/2012       |      |
| 3133XMSY8                             | 10698        | FEDERAL HOME LOAN BANK        | 11/07/2007      | 1,000,000.00  | 1,006,250.00 | 1,000,000.00 | 5.100      | Aaa         | 5.111   | 1,741      | 11/07/2012       |      |
| 3133XNJA8                             | 10701        | FEDERAL HOME LOAN BANK        | 12/17/2007      | 1,000,000.00  | 1,021,880.00 | 1,000,000.00 | 4.550      | Aaa         | 4.550   | 1,781      | 12/17/2012       |      |
| 3133XNHS1                             | 10702        | FEDERAL HOME LOAN BANK        | 12/03/2007      | 895,000.00    | 910,939.95   | 895,000.00   | 4.520      | Aaa         | 4.520   | 1,767      | 12/03/2008       |      |
| 3133XNINC9                            | 10705        | FEDERAL HOME LOAN MORTGAGE CO | 06/09/2006      | 1,000,000.00  | 1,008,750.00 | 1,000,000.00 | 4.875      | Aaa         | 4.875   | 1,791      | 12/27/2012       |      |
| 3133XNYV5                             | 10712        | FEDERAL HOME LOAN MORTGAGE CO | 01/22/2008      | 1,000,000.00  | 1,016,560.00 | 1,000,000.00 | 4.050      | Aaa         | 4.050   | 1,817      | 01/22/2013       |      |
| 3128X1GD3                             | 10508        | FEDERAL HOME LOAN MORTGAGE CO | 01/30/2004      | 1,003,700.00  | 995,814.73   | 3,110        | Aaa        | 3,644       | 314     | 12/11/2008 |                  |      |
| 3128X4YE5                             | 10584        | FEDERAL HOME LOAN MORTGAGE CO | 01/30/2006      | 1,010,260.00  | 999,865.17   | 5,000        | Aaa        | 5,030       | 173     | 07/23/2008 |                  |      |
| 3128X4N56                             | 10605        | FEDERAL HOME LOAN MORTGAGE CO | 06/09/2006      | 1,023,460.00  | 996,562.82   | 5,250        | Aaa        | 5,461       | 1,119   | 02/24/2011 |                  |      |
| 3128X5KL1                             | 10620        | FEDERAL HOME LOAN MORTGAGE CO | 09/29/2006      | 1,019,120.00  | 1,000,000.00 | 5,500        | Aaa        | 5,500       | 1,336   | 09/29/2011 |                  |      |
| 3128X5NT1                             | 10629        | FEDERAL HOME LOAN MORTGAGE CO | 11/14/2006      | 1,018,590.00  | 1,000,000.00 | 5,350        | Aaa        | 5,350       | 1,382   | 11/14/2011 |                  |      |
| 3128X5PV4                             | 10631        | FEDERAL HOME LOAN MORTGAGE CO | 11/24/2006      | 1,017,730.00  | 1,000,000.00 | 5,125        | Aaa        | 5,125       | 1,027   | 11/24/2010 |                  |      |
| 3128X5VF2                             | 10637        | FEDERAL HOME LOAN MORTGAGE CO | 12/27/2006      | 1,011,470.00  | 1,000,000.00 | 5,400        | Aaa        | 5,400       | 1,425   | 12/27/2011 |                  |      |

Portfolio CITY

AP  
PM (PRF\_PM2) SymRept 6.41.2028

**City of Torrance**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**January 31, 2008**

| CUSIP                                 | Investment # | Issuer                        | Average Balance | Purchase Date       | Par Value    | Market Value         | Book Value           | Stated Rate | Moody's              | YTM   | Days to Maturity | Date         |
|---------------------------------------|--------------|-------------------------------|-----------------|---------------------|--------------|----------------------|----------------------|-------------|----------------------|-------|------------------|--------------|
| <b>Federal Agency Issues - Coupon</b> |              |                               |                 |                     |              |                      |                      |             |                      |       |                  |              |
| 3128X52N7                             | 10661        | FEDERAL HOME LOAN MORTGAGE CO | 5/16/2007       | 1,000,000.00        | 1,025,460.00 | 999,145.13           | 5.250                | Aaa         | 5.272                | 1,523 | 04/03/2012       |              |
| 3128X6CS3                             | 10668        | FEDERAL HOME LOAN MORTGAGE CO | 6/20/2007       | 1,000,000.00        | 1,011,200.00 | 1,000,000.00         | 5.625                | Aaa         | 5.625                | 1,235 | 06/20/2011       |              |
| 3128X6CX2                             | 10668        | FEDERAL HOME LOAN MORTGAGE CO | 6/15/2007       | 1,000,000.00        | 1,034,290.00 | 999,604.63           | 5.400                | Aaa         | 5.418                | 865   | 06/15/2010       |              |
| 3128X6HP4                             | 10676        | FEDERAL HOME LOAN MORTGAGE CO | 7/30/2007       | 1,000,000.00        | 1,013,370.00 | 1,000,000.00         | 5.550                | Aaa         | 5.550                | 910   | 07/30/2010       |              |
| 3137EAAX7                             | 10677        | FEDERAL HOME LOAN MORTGAGE CO | 7/23/2007       | 1,000,000.00        | 1,055,000.00 | 998,081.24           | 5.125                | Aaa         | 5.205                | 934   | 08/23/2010       |              |
| 3128X6LK0                             | 10687        | FEDERAL HOME LOAN MORTGAGE CO | 9/18/2007       | 1,000,000.00        | 1,017,000.00 | 1,000,000.00         | 5.350                | Aaa         | 5.350                | 1,691 | 09/18/2012       |              |
| 3128X6NS1                             | 10695        | FEDERAL HOME LOAN MORTGAGE CO | 10/15/2007      | 1,000,000.00        | 1,038,260.00 | 1,000,000.00         | 5.050                | Aaa         | 5.050                | 1,718 | 10/15/2012       |              |
| 3128X6UL8                             | 10707        | FEDERAL HOME LOAN MORTGAGE CO | 12/13/2007      | 1,000,000.00        | 1,008,260.00 | 999,221.36           | 5.000                | Aaa         | 5.018                | 1,775 | 12/11/2012       |              |
| 3128X6XZ4                             | 10711        | FEDERAL HOME LOAN MORTGAGE CO | 01/14/2008      | 2,000,000.00        | 2,006,920.00 | 2,000,585.77         | 4.400                | Aaa         | 4.384                | 710   | 01/11/2010       |              |
| 3136F7F44                             | 10606        | FEDERAL NATIONAL MORT ASSOC   | 6/22/2006       | 1,000,000.00        | 1,037,910.00 | 1,000,000.00         | 5.500                | Aaa         | 5.500                | 1,237 | 06/22/2011       |              |
| 3136F8LL7                             | 10657        | FEDERAL NATIONAL MORT ASSOC   | 5/09/2007       | 1,000,000.00        | 1,006,880.00 | 1,000,000.00         | 5.250                | Aaa         | 5.260                | 1,193 | 05/09/2011       |              |
| 31355M6J7                             | 10659        | FEDERAL NATIONAL MORT ASSOC   | 5/10/2007       | 1,000,000.00        | 1,004,380.00 | 999,344.45           | 5.400                | Aaa         | 5.417                | 1,515 | 03/26/2012       |              |
| 3136F8MV4                             | 10663        | FEDERAL NATIONAL MORT ASSOC   | 5/23/2007       | 1,000,000.00        | 1,010,000.00 | 1,000,000.00         | 5.750                | Aaa         | 5.750                | 1,573 | 05/23/2012       |              |
| 3136F8PP4                             | 10673        | FEDERAL NATIONAL MORT ASSOC   | 7/02/2007       | 1,000,000.00        | 1,010,940.00 | 1,000,000.00         | 5.375                | Aaa         | 5.375                | 517   | 07/02/2009       |              |
| 31355M6V0                             | 10683        | FEDERAL NATIONAL MORT ASSOC   | 8/16/2007       | 1,000,000.00        | 1,004,690.00 | 998,470.62           | 5.400                | Aaa         | 5.440                | 1,522 | 04/02/2012       |              |
| 3136F8SU0                             | 10690        | FEDERAL NATIONAL MORT ASSOC   | 9/18/2007       | 1,000,000.00        | 1,014,690.00 | 1,000,000.00         | 5.200                | Aaa         | 5.200                | 1,691 | 09/18/2012       |              |
| 3136F8N92                             | 10720        | FEDERAL NATIONAL MORT ASSOC   | 01/29/2008      | 2,000,000.00        | 2,008,760.00 | 2,000,000.00         | 3.625                | Aaa         | 3.625                | 1,824 | 01/29/2013       |              |
| <b>Subtotal and Average</b>           |              |                               |                 | <b>989,008.06</b>   |              | <b>84,728,333.33</b> | <b>86,221,838.28</b> |             | <b>84,752,655.81</b> |       | <b>4,831</b>     | <b>1,158</b> |
| <b>Treasury Securities - Coupon</b>   |              |                               |                 |                     |              |                      |                      |             |                      |       |                  |              |
| 912828BG4                             | 10484        | U.S.TREASURY NOTE             | 8/15/2003       | 1,000,000.00        | 1,005,780.00 | 999,509.73           | 3.250                | Aaa         | 3.350                | 196   | 08/15/2008       |              |
| 912828DK3                             | 10565        | U.S.TREASURY NOTE             | 02/15/2005      | 1,000,000.00        | 1,000,500.00 | 999,969.32           | 3.375                | Aaa         | 3.460                | 14    | 02/15/2008       |              |
| 912828DK3                             | 10574        | U.S.TREASURY NOTE             | 05/09/2005      | 1,000,000.00        | 1,000,500.00 | 999,855.18           | 3.375                | Aaa         | 3.775                | 14    | 02/15/2008       |              |
| 912828DZ0                             | 10579        | U.S.TREASURY NOTE             | 07/25/2005      | 1,000,000.00        | 1,040,500.00 | 995,995.66           | 3.875                | Aaa         | 4.057                | 895   | 07/15/2010       |              |
| 912828EC0                             | 10580        | U.S.TREASURY NOTE             | 08/15/2005      | 1,000,000.00        | 1,010,390.00 | 999,832.34           | 4.125                | Aaa         | 4.159                | 196   | 08/15/2008       |              |
| 912828FT2                             | 10626        | U.S.TREASURY NOTE             | 10/23/2006      | 1,000,000.00        | 1,015,780.00 | 998,558.00           | 4.625                | Aaa         | 4.854                | 242   | 09/30/2008       |              |
| 912828FV7                             | 10627        | U.S.TREASURY NOTE             | 10/31/2006      | 1,000,000.00        | 1,019,770.00 | 1,000,116.71         | 4.875                | Aaa         | 4.858                | 273   | 10/31/2008       |              |
| 912828FM7                             | 10638        | U.S.TREASURY NOTE             | 01/22/2007      | 1,000,000.00        | 1,014,140.00 | 1,000,325.54         | 5.000                | Aaa         | 4.930                | 181   | 07/31/2008       |              |
| 912828GP9                             | 10664        | U.S.TREASURY NOTE             | 05/23/2007      | 2,000,000.00        | 2,058,120.00 | 1,992,585.63         | 4.500                | Aaa         | 4.814                | 454   | 04/30/2009       |              |
| 912828GR5                             | 10689        | U.S.TREASURY NOTE             | 06/08/2007      | 1,000,000.00        | 1,052,190.00 | 989,302.71           | 4.500                | Aaa         | 5.008                | 834   | 05/15/2010       |              |
| 912828GG9                             | 10671        | U.S.TREASURY NOTE             | 06/15/2007      | 1,000,000.00        | 1,051,410.00 | 993,201.88           | 4.750                | Aaa         | 5.109                | 745   | 02/15/2010       |              |
| 912828FX3                             | 10672        | U.S.TREASURY NOTE             | 06/15/2007      | 1,000,000.00        | 1,043,280.00 | 992,088.65           | 4.625                | Aaa         | 5.100                | 653   | 11/15/2009       |              |
| <b>Subtotal and Average</b>           |              |                               |                 | <b>1,984,971.93</b> |              | <b>13,312,510.00</b> | <b>13,312,510.00</b> |             | <b>12,961,341.35</b> |       | <b>4,483</b>     | <b>395</b>   |

**City of Torrance**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**January 31, 2008**

| CUSIP                                 | Investment # | Issuer                        | Average Balance   | Purchase Date       | Par Value            | Market Value         | Book Value | Stated Rate | Moody's | YTM                  | Days to Maturity | Date         |
|---------------------------------------|--------------|-------------------------------|-------------------|---------------------|----------------------|----------------------|------------|-------------|---------|----------------------|------------------|--------------|
| Medium Term Notes                     |              |                               |                   |                     |                      |                      |            |             |         |                      |                  |              |
| 060505BH6                             | 10596        | Bank of America               | 04/13/2006        | 1,000,000.00        | 1,000,280.00         | 982,195.08           | 3,375      | AA2         | 5.230   | 382                  | 02/17/2009       |              |
| 060505AR5                             | 10639        | Bank of America               | 11/02/2007        | 990,000.00          | 1,010,948.40         | 990,112.77           | 4,875      | AA2         | 4.871   | 1,658                | 09/15/2012       |              |
| 0844664AF8                            | 10709        | Berkshire Hathaway            | 01/15/2008        | 1,000,000.00        | 1,020,880.00         | 1,014,879.75         | 4,200      | 3,648       | 1,048   | 12/15/2010           |                  |              |
| 0844664D3                             | 10714        | Berkshire Hathaway            | 01/18/2008        | 1,000,000.00        | 1,024,690.00         | 1,016,217.36         | 4,625      | 4,300       | 2,083   | 10/15/2013           |                  |              |
| 172967BS9                             | 10466        | Citigroup                     | 05/12/2003        | 1,000,000.00        | 1,000,000.00         | 1,000,011.80         | 3,500      | Aa1         | 3,040   | 0                    | 02/01/2008       |              |
| 172967BS9                             | 10572        | Citigroup                     | 04/28/2005        | 1,585,000.00        | 1,585,000.00         | 1,585,000.00         | 3,500      | Aa1         | 4,130   | 0                    | 02/01/2008       |              |
| 19416QCH1                             | 10682        | Colgate-Palmolive Co.         | 10/01/2007        | 500,000.00          | 508,715.00           | 502,558.54           | 5,580      | Aaa         | 4,880   | 279                  | 11/06/2008       |              |
| 36962GB78                             | 10465        | General Electric Capital Corp | 05/12/2003        | 1,000,000.00        | 1,000,400.00         | 1,000,803.41         | 3,500      | Aaa         | 3,150   | 90                   | 05/01/2008       |              |
| 36966RFV3                             | 10476        | General Electric Capital Corp | 06/19/2003        | 2,000,000.00        | 1,989,000.00         | 2,000,000.00         | 2,450      | Aaa         | 2,450   | 135                  | 06/15/2008       |              |
| 36962GK78                             | 10703        | General Electric Capital Corp | 12/03/2007        | 1,000,000.00        | 1,016,940.00         | 996,184.90           | 4,250      | Aaa         | 4,404   | 955                  | 09/13/2010       |              |
| 375766AM4                             | 10472        | Gillette Company              | 05/27/2003        | 1,000,000.00        | 997,660.00           | 999,819.73           | 2,500      | Aa3         | 2,558   | 121                  | 06/01/2008       |              |
| 38143UBE0                             | 10660        | Goldman Sachs                 | 05/14/2007        | 1,210,000.00        | 1,233,837.00         | 1,195,509.06         | 4,500      | Aa3         | 5,050   | 865                  | 06/15/2010       |              |
| 441812KG8                             | 10613        | Household Finance Co          | 08/22/2006        | 1,000,000.00        | 1,008,820.00         | 993,915.61           | 4,750      | Aa3         | 5,260   | 469                  | 05/15/2009       |              |
| 40429CCX8                             | 10632        | Household Finance Co          | 11/20/2006        | 1,000,000.00        | 1,021,560.00         | 1,002,049.16         | 5,250      | Aa3         | 5,170   | 1,078                | 01/14/2011       |              |
| 441812KH6                             | 10642        | Household Finance Co          | 01/30/2007        | 1,000,000.00        | 1,000,620.00         | 981,855.37           | 4,125      | Aa3         | 5,224   | 654                  | 11/16/2009       |              |
| 40429XB39                             | 10694        | Household Finance Co          | 10/12/2007        | 1,000,000.00        | 1,013,130.00         | 1,000,000.00         | 5,000      | Aa3         | 5,000   | 987                  | 10/15/2010       |              |
| 40429XC95                             | 10700        | Household Finance Co          | 11/29/2007        | 1,000,000.00        | 1,018,030.00         | 1,000,000.00         | 5,050      | Aa3         | 5,050   | 1,018                | 11/15/2010       |              |
| 59018YVV0                             | 10630        | MERRILL LYNCH                 | 11/17/2006        | 1,000,000.00        | 1,004,630.00         | 994,070.05           | 4,790      | Aa3         | 5,050   | 915                  | 08/04/2010       |              |
| 59018YSK8                             | 10643        | MERRILL LYNCH                 | 01/30/2007        | 2,000,000.00        | 1,993,000.00         | 1,980,637.21         | 4,125      | Aa3         | 5,200   | 349                  | 01/15/2009       |              |
| 59217EAD6                             | 10477        | Met Life                      | 06/19/2003        | 1,000,000.00        | 996,970.00           | 1,000,178.63         | 2,600      | Aa2         | 2,550   | 139                  | 06/19/2008       |              |
| 59217EAD6                             | 10481        | Met Life                      | 07/25/2003        | 1,000,000.00        | 996,970.00           | 997,024.08           | 2,600      | Aa2         | 3,450   | 139                  | 06/19/2008       |              |
| 64952WAE3                             | 10697        | New York Life Global          | 11/02/2007        | 1,000,000.00        | 1,023,250.00         | 999,817.73           | 4,625      | Aaa         | 4,630   | 927                  | 08/16/2010       |              |
| 7422718BX6                            | 10538        | Procter & Gamble              | 08/02/2004        | 1,000,000.00        | 1,005,780.00         | 1,002,224.39         | 4,300      | Aa3         | 3,850   | 196                  | 08/15/2008       |              |
| 89223PUA2                             | 10675        | Toyota Motor Credit           | 07/23/2007        | 1,000,000.00        | 1,019,600.00         | 976,554.67           | 4,540      | Aa1         | 5,500   | 851                  | 06/01/2010       |              |
| 90327QCQ0                             | 10670        | USAA Capital Corp             | 06/12/2007        | 2,000,000.00        | 2,017,400.00         | 1,973,010.14         | 4,640      | Aa2         | 5,420   | 683                  | 12/15/2009       |              |
| 949746EX5                             | 10464        | Wells Fargo Co                | 05/12/2003        | 1,000,000.00        | 999,740.00           | 1,000,757.64         | 3,500      | Aa1         | 3,031   | 63                   | 04/04/2008       |              |
| 949746EX5                             | 10557        | Wells Fargo Co                | 01/24/2005        | 1,000,000.00        | 999,740.00           | 999,621.45           | 3,500      | Aa1         | 3,730   | 63                   | 04/04/2008       |              |
| 949746JQ5                             | 10569        | Wells Fargo Co                | 04/04/2005        | 1,000,000.00        | 999,930.00           | 999,812.39           | 4,125      | Aa1         | 4,310   | 38                   | 03/10/2008       |              |
| 949746NB3                             | 10715        | Wells Fargo Co                | 01/23/2008        | 1,000,000.00        | 1,018,200.00         | 1,024,068.52         | 4,875      | Aa1         | 4,000   | 1,076                | 01/12/2011       |              |
| 98153BAE4                             | 10604        | World Savings Bank            | 06/05/2006        | 1,000,000.00        | 1,011,650.00         | 988,243.71           | 4,500      | Aa3         | 5,440   | 500                  | 06/15/2009       |              |
| <b>Subtotal and Average</b>           |              |                               | <b>756,287.44</b> |                     | <b>33,285,000.00</b> | <b>33,537,370.40</b> |            |             |         | <b>33,197,183.15</b> |                  | <b>4,311</b> |
| <b>Municipal Bond Issues - Coupon</b> |              |                               |                   |                     |                      |                      |            |             |         |                      |                  | <b>571</b>   |
| SYS10423                              | 10423        | Skpk-2001TxAllocRef Bd        | 12/18/2001        | 1,309,153.95        | 1,309,153.95         | 1,309,153.95         |            |             |         | 8,000                |                  | 7,999        |
|                                       |              | <b>Subtotal and Average</b>   |                   | <b>1,309,153.95</b> | <b>1,309,153.95</b>  | <b>1,309,153.95</b>  |            |             |         |                      |                  | <b>7,999</b> |

Portfolio CITY

AP  
PM (PRF\_PM2) SymRept 6.41.2020

**City of Torrance  
Portfolio Management  
Portfolio Details - Investments  
January 31, 2008**

| CUSIP                                     | Investment # | Issuer               | Average Balance | Purchase Date | Par Value      | Market Value   | Book Value     | Stated Rate | Moody's Rate | YTM   | Days to Maturity | Maturity Date |
|---|--------------|----------------------|-----------------|---------------|----------------|----------------|----------------|-------------|--------------|-------|------------------|---------------|
| <b>Commercial Paper Disc. -Amortizing</b> |              |                      |                 |               |                |                |                |             |              |       |                  |               |
|   |              | Subtotal and Average | 50,576.78       |               |                |                |                |             |              |       |                  |               |
|   |              | Total and Average    | 49,008,889.07   |               | 187,223,778.78 | 189,282,164.13 | 187,121,625.76 |             |              | 4.661 | 665              |               |
|   |              |                      |                 |               |                |                |                |             |              |       |                  |               |

## **II. RESTRICTED FUNDS**

**CASH AND INVESTMENTS HELD BY FISCAL AGENT**  
 FOR PERIOD ENDING  
 September 30, 2007

**TORRANCE IMPROVEMENTS**

| Bank of New York Western Trust Co.   | Book Value   | Reserve Requirement | Over/Under Funded<br>Reserve(1)(2)<br>(market value) | Market Value | Yield | Investment Description         |
|--|--------------|---------------------|--|--------------|-------|--------------------------------|
| <i>City of Torrance 2004A&amp;B COP Refunding - #3060645 (Maturity - June 1, 2034)</i> |              |                     |  |              |       |                                |
| Construction Fund Acct #360646   | 3,219,549.00 |                     |  | 3,219,549.00 | 3.14  | MBIA INVEST. AGREEMENT**       |
|  | 24,204.00    |                     |  | 24,204.00    | 3.14  | Hamilton Trsy Money Fd Premier |
| Required Reserve Acct #360649  | 2,777,213.00 | 2,777,213.00        |  | 2,777,213.00 | 4.95  | MBIA Invest Agreement**        |
| Required Reserve Acct #360649  | 68,354.00    |                     |  | 68,354.00    | 3.14  | Hamilton Trsy Money Fd Premier |
| Lease Paymt Fund Acct # 360648   | 1,533.00     |                     |  | 1,533.00     | 3.13  | Hamilton Trsy Money Fd Premier |

| Bank of New York Western Trust Co. | Book Value | Reserve Requirement | Over/Under Funded<br>Reserve(1)(2)<br>(market value) | Market Value | Yield | Investment Description                     |
|------------------------------------|------------|---------------------|--|--------------|-------|--|
| <i>Torrance PFA 98COP</i>          |            |                     |  |              |       |  |
| Lease Payment Fund Acct #428584    | 513.00     |                     |  | 513.00       | 3.26  | Fidelity US Trsy Port III                  |
| Acq & Constr Fund Acct # 428587    |            |                     |  |              |       | Fidelity US Trsy Port III                  |
| Reserve Acct # 428590              |            |                     |  |              |       | Fidelity US Trsy Port III                  |
| Or Reserve Acct # 428590           | 553,085.00 | 553,085.00          |  | 553,085.00   | 5.61  | AIG Investment Agmnt 5.61% due 11/28/28 ** |

**WATER ENTERPRISE REVENUE BONDS**

| Bank of New York Western Trust Co.   | Book Value | Reserve Requirement | Over/Under Funded<br>Reserve(1)(2)<br>(market value) | Market Value | Yield  | Investment Description              |
|--|------------|---------------------|--|--------------|--------|-------------------------------------|
| <i>2004 Torrance Water Refunding Bond #360700-(Maturity March 1, 2014)</i> |            |                     |  |              |        |                                     |
| Debt Service Fund #360759  | 279.00     |                     |  |              | 279.00 | 4.49                                |
| Cost of Issuance acct #360758  |            |                     |  |              |        | JP Morgan Prime MM Premier          |
| Reserve Cash Acct #360760  |            |                     |  |              |        | JP Morgan Prime MM Premier          |
| Reserve Acct. # 360760   | 34,189.00  |                     |  | 34,189.00    | 4.49   | JP Morgan Prime MM Premier          |
| Required Reserve Acct # 360760   | 505,000.00 | 505,000.00          |  | 505,000.00   | 4.34   | FSA Capital Management Invest Agmt. |

**REDEVELOPMENT AGENCY**

| Bank of New York Western Trust Co.                         | Book Value | Reserve Requirement | Over/Under Funded<br>Reserve(1)(2)<br>(market value) | Market Value | Yield | Investment Description      |
|--|------------|---------------------|--|--------------|-------|-----------------------------|
| <i>Torrance RDA (Downtown) 98A (matures Sept. 1, 2028)</i> |            |                     |  |              |       |                             |
| Interest / Debt Service Acct # 428478                      | 11,257.00  |                     |  | 11,257.00    | 3.27  | Fidelity Treas Money Market |
| Reserve Acct # 428469                                      | 586,890.00 |                     |  | 586,890.00   | 4.950 | AIM Prime Money Market      |

**CASH AND INVESTMENTS HELD BY FISCAL AGENT**  
**FOR PERIOD ENDING**  
**September 30, 2007**

| Bank  | Book Value           | Reserve Requirement | Over/Under Funded<br>Reserve(1)(2)<br>(market value) | Market Value         | Yield        | Investment Description    |
|---|----------------------|---------------------|--|----------------------|--------------|---------------------------|
| <b>Bank of New York Western Trust Co.</b>             |                      |                     |  |                      |              |                           |
| Torrance RDA (Industrial) 98B (matures Sept. 1, 2028) | 19,864.00            |                     |  | 19,864.00            | 3.27         | Fidelity US Trsy Port III |
| Costs of Issuance / Interest Acct # 428529            | 1,037,984.75         |                     |  | 1,037,984.75         | 4.95         | AIM Prime Money Market    |
| Reserve Acct # 428517                                 |                      |                     |  |                      |              | BNY Cash Reserve          |
| Reserve Acct # 428517                                 | 1,037,985.00         |                     |  |                      |              |                           |
| <br>  |                      |                     |  |                      |              |                           |
| <b>Bank of New York Western Trust Co.</b>             |                      |                     |  |                      |              |                           |
| Torrance RDA (Industrial) 99C (matures Sept. 1, 2028) |                      |                     |  |                      |              |                           |
| Interest Acct # 428877                                | 477.00               |                     |  |                      | 477.00       | Fidelity US Trsy Port III |
| Reserve acct # 428882                                 | 1,300,480.00         | 1,300,480.00        |  | 0.00                 | 1,300,480.00 | AMBAC Investment Agmnt ** |
| <br>  |                      |                     |  |                      |              |                           |
| <b>TOTAL: ALL CASH &amp; INVESTMENTS</b>              | <b>10,140,871.75</b> |                     |  | <b>10,140,871.75</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**

**December 31, 2007**

**457PLAN A**

*PERMANENT EMPLOYEES*

**Participant Account Summary**

| Beginning Balance | Contributions | Acct. Transfers<br>In | Interest | Change in<br>Value | Fees | Hardship | Payouts        | Acct. Transfers<br>Out | Outstanding Loans | Ending Balance |
|-------------------|---------------|-----------------------|----------|--------------------|------|----------|----------------|------------------------|-------------------|----------------|
| 114,340,608.02    | 2,107,019.65  | 12,906,146.80         | #####    | (2,604.42)         |      |          | (2,223,291.15) | (12,906,146.80)        | (1)1,466,182.73   | 113,176,254.19 |

Investment Type Book Value Market Value

|                         |                       |                       |
|-------------------------|-----------------------|-----------------------|
| Fixed Funds (GCF)       | 816,662.12            | 816,662.12            |
| Variable Funds          | 65,938,541.05         | 65,938,541.05         |
| Stable Value Fund       | 45,325,225.35         | 45,325,225.35         |
| Sel. Direct             | 1,095,825.67          | 1,095,825.67          |
| <u>Total</u>            | <u>1,466,182.73</u>   | <u>1,466,182.73</u>   |
| <u>Outstanding Loan</u> | <u>114,642,436.92</u> | <u>114,642,436.92</u> |
| <b>Totals</b>           | <b>114,642,436.92</b> | <b>114,642,436.92</b> |

**(1) Participant Loan Outstanding Balance included in Total Assets**

**457PLAN B**

*RECURRENTPARTTIME/TEMPORARY EMPLOYEES*

| Beginning Balance | Contributions | Acct. Transfers<br>In | Interest | Change in<br>Value | Fees | Hardship | Payouts     | Acct. Transfers<br>Out | Outstanding Loans | Ending Balance |
|-------------------|---------------|-----------------------|----------|--------------------|------|----------|-------------|------------------------|-------------------|----------------|
| 1,838,344.58      | 76,619.96     | 70,223.22             | 8,213.11 | (1,978.51)         | 0.00 | 0.00     | (47,145.46) | (70,223.22)            | 1,874,053.68      |                |

Investment Type Book Value Market Value

|                 |                     |                     |
|-----------------|---------------------|---------------------|
| Variable Funds  | 104,046.43          | 104,046.43          |
| Fixed Funds     | 1,751,128.98        | 1,727,248.70        |
| Govt Guaranteed | 18,878.27           | 18,899.98           |
| <u>Total</u>    | <u>1,874,053.68</u> | <u>1,850,195.11</u> |

**401(A)**

*MANAGEMENT, POLICE, FIRE, ENGINEERS*

| Beginning Balance | Contributions | Acct. Transfers<br>In | Interest   | Change in<br>Value | Fees     | Hardship | Payouts     | Acct. Transfers<br>Out | Outstanding Loans | Ending Balance |
|-------------------|---------------|-----------------------|------------|--------------------|----------|----------|-------------|------------------------|-------------------|----------------|
| 4,431,018.02      | 281,521.82    | 220,814.54            | 143,896.73 | (194,347.44)       | (103.45) | 0        | (62,452.71) | (220,814.54)           | (1)               | 27,353.51      |

Investment Type Book Value Market Value

|                          |                     |                     |
|--------------------------|---------------------|---------------------|
| Fixed Funds              | 707.98              | 707.98              |
| Variable Funds           | 2,906,066.46        | 2,906,066.46        |
| Stable Value Fund        | 1,680,543.96        | 1,680,543.96        |
| Sel.Direct Fund          | 12,215.08           | 12,215.08           |
| <u>Outstanding Loans</u> | <u>27,353.51</u>    | <u>27,353.51</u>    |
| <b>Totals</b>            | <b>4,626,886.99</b> | <b>4,626,886.99</b> |

**(1) Outstanding Loan Balance included in Total Assets**

*RETIREMENT HEALTH SAVINGS PLAN (RHSP)*

| Beginning Balance | Contributions | Distributions | Fees       | Gain/Loss | Ending Balance |
|-------------------|---------------|---------------|------------|-----------|----------------|
| 3,430,131.51      | 823,968.12    | (251,734.06)  | (4,082.62) | -2,560.98 | 3,995,721.97   |

*MANAGEMENT, POLICE, FIRE, MISC.*

| Beginning Balance                       | Contributions       | Distributions       | Fees | Gain/Loss | Ending Balance |
|---|---------------------|---------------------|------|-----------|----------------|
| Investment Type Book Value Market Value |                     |                     |      |           |                |
| Variable Funds                          | 1,601,698.72        | 1,601,698.72        |      |           |                |
| Stable Value Funds                      | 2,394,623.25        | 2,394,623.25        |      |           |                |
| <b>Totals</b>                           | <b>3,995,721.97</b> | <b>3,995,721.97</b> |      |           |                |

### **III. CASH & INVESTMENT PORTFOLIO SHARE**

**CITY OF TORRANCE**  
**CASH AND INVESTMENT PORTFOLIO SHARE (A)**  
**AS OF JANUARY 31, 2008**

|   | FUND   | SHARE OF<br>INVESTMENTS | POOLED CASH &<br>INVESTMENTS<br>BALANCE | CASH<br>PERCENT |
|---|--|-------------------------|---|-----------------|
| N | General  | 56,642,819.83           | 55,088,030.96                           | 30.11           |
| R | Parks & Recr Facility & Open Space                             | 3,405,860.93            | 3,312,373.45                            | 1.81            |
| R | State Gas Tax  | 6,930,248.74            | 6,740,020.33                            | 3.68            |
| R | Federal Housing, Community Dev                                 | 1,150,450.22            | 1,118,871.51                            | 0.61            |
| R | Work Investment Network - WIN                                  | (50,718.68)             | (49,326.50) (B)                         | (0.03)          |
| R | Street Lighting  | 336,834.35              | 327,588.58                              | 0.18            |
| R | Traffic Congestion Relief Act 2000 - AB2928                    | 638,332.30              | 620,810.72                              | 0.34            |
| R | Police Asset Forfeiture  | 3,181,123.43            | 3,093,804.77                            | 1.69            |
| N | Government Cable   | 2,416,341.96            | 2,350,015.78                            | 1.28            |
| R | Local Return - Proposition C                                   | 5,509,956.08            | 5,358,713.28                            | 2.93            |
| R | Grants/Donations   | 145,458.49              | 141,465.80                              | 0.08            |
| R | Citizens Options for Public Safety (COPS) Grant Funds - AB3229 | 476,718.54              | 463,633.09                              | 0.25            |
| R | Seismic Education Fund   | 50,271.26               | 48,891.36                               | 0.03            |
| R | Rehabilitation Housing   | 568,539.57              | 552,933.73                              | 0.30            |
| R | Police Inmate Welfare Fund                                     | 88,292.39               | 85,868.85                               | 0.05            |
| N | Capital Improvements   | 24,259,871.94           | 23,593,962.67                           | 12.90           |
| R | Vanpool/Rideshare Fund   | 290,317.22              | 282,348.30                              | 0.15            |
| R | Torrance Improvement Fund                                      | 5,954,711.01            | 5,791,260.14                            | 3.17            |
| R | Animal Control Fund  | 25,976.10               | 25,263.08                               | 0.01            |
| R | Redevelopment-Capital Proj                                     | 8,224,568.00            | 7,998,811.82                            | 4.37            |
| R | Redevelopment Debt Service                                     | 879,862.00              | 855,710.67                              | 0.47            |
| N | DNA Sampling Fund  | 9,099.78                | 8,850.00                                | 0.00            |
| N | Airport Fund   | 7,184,795.60            | 6,987,580.13                            | 3.82            |
| N | Transit Operations   | 4,368,390.68            | 4,248,482.72                            | 2.32            |
| R | Development Impact Fund  | 592,324.03              | 576,065.33                              | 0.31            |
| N | Water Operations   | 10,676,651.25           | 10,383,587.83                           | 5.68            |
| N | Emergency Medical Service Enterprise Fund                      | 8,127.52                | 7,904.43                                | 0.00            |
| N | Sanitation Operations  | 2,964,187.39            | 2,882,823.40                            | 1.58            |
| N | Cultural Arts Enterprise                                       | 370,456.66              | 360,287.99                              | 0.20            |
| N | Sewer Enterprise Fund  | 11,336,570.14           | 11,025,392.60                           | 6.03            |
| N | Parks & Recr Enterprise Fund                                   | (180,201.74)            | (175,255.38) (C)                        | (0.10)          |
| N | Self Insurance Fund  | 7,747,827.09            | 7,535,156.97                            | 4.12            |
| N | Fleet Services   | 13,533,937.06           | 13,162,443.99                           | 7.19            |
| R | Postemployment/Compensated Absences Fund                       | 5,472,615.08            | 5,322,397.26                            | 2.91            |
| R | Trust & Agency   | 2,911,009.53            | 2,831,105.22                            | 1.55            |
|   | <b>TOTAL</b>   | <b>188,121,625.76</b>   | <b>182,957,874.88</b>                   | <b>100.00</b>   |

R = Restricted Funds

N = Non-Restricted Funds

- (A) The difference between the Share of Investments total of \$188,121,625.76 and the Pooled Cash and Investments total of \$182,957,874.88 is primarily due to outstanding warrants and adjusting journal entries. (See reconciliation schedule attached)
- (B) \$60,749 was received from the City of Los Angeles on 2/5/08.
- (C) Salary reimbursements from Prop A for \$199,000 will be billed in June 2008.

**CITY OF TORRANCE  
CASH AND INVESTMENT RECONCILIATION  
AS OF JANUARY 31, 2008**

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

**188,121,625.76**

**CASH AND INVESTMENTS PER BOOKS**

**182,957,874.88**

**CASH IN BANKS:**

|                                |                |
|--------------------------------|----------------|
| Cash in B of A General Account | (\$934,481.23) |
| Cash in B of A Payroll Account | 0.00           |

**OUTSTANDING WARRANTS:**

|                              |                   |
|------------------------------|-------------------|
| General Account              | 1,185,532.60      |
| Payroll Account              | 115,826.78        |
| Workers Compensation Account | 95,052.82         |
| Housing Account              | <u>297,438.45</u> |
|                              | 1,693,850.65      |

|  |              |
|--|--------------|
| Miscellaneous outstanding adjusting journal entries        | 1,659,872.28 |
| Payroll for PE 2/2/08 posted on 1/31/08 and paid on 2/8/07 | 2,744,509.18 |

**INVESTMENTS PER BOOKS**

**\$188,121,625.76**