Council Meeting of
April 1, 2008

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

Members of Council:

SUBJECT: Accept and file Investment Reports for February 2008

RECOMMENDATION

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

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CITY OF TORRANCE

MONTHLY INVESTMENT PORTFOLIO REPORT
For the Month of February 2007

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City of Torrance
Investment Portfolio Highlights
For February 2008

RETURN

	Current Month	Previous Month
Average City Portfolio YTM	4.513	4.661
Average U.S. Treasury Constant Maturity	1.650	2.14
LAIF Average Monthly Return	4.161	4.620
Average City Portfolio YTM - 1 year prior	4.501	4.417

INTEREST INCOME

	Current Period	Prior Year
Fiscal year to date	5,372,299	3,728,011
Current month	731,222	526,055

MATURITY

	Current Month	Prior Month
Average Maturity (days)	802	665
Average Maturity 1 Year Prior (days)	544	554
Weighted Average Maturity (years)	2.20	1.83

VOLUMES

	Total $ Volume	# of Transactions
Purchases	35,304,542	26
Maturities	32,543,608	26

Transactions include 1 deposits to and 4 withdrawals from LAIF, 9 purchases and 11 maturities of the Union of Bank Money Market Sweep Account.

VALUE OF PORTFOLIO PER GASB STATEMENT NO. 31

GASB required securities	Beginning Investment Value as of July 1,2007	Purchase/Redempt. Of Principal	Change in Market Value	Ending Investment Value as of February 29, 2008
Federal Agency (coup)	81,334,705	16,075,960	2,120,014	99,530,679
Treasury Securities	18,771,260	-10,023,514	592,084	9,339,830
Medium Term Notes	27,303,734	4,952,774	834,729	33,091,237
Municipal Bonds	1,778,745	-469,591	0	1,309,154
SUB-TOTAL PER GASB 31	**129,188,444**	**10,535,629**	**3,546,827**	**143,270,900**
Non-GASB securities				
LAIF	33,000,000	16,100,000	0	49,100,000
Money Market	0	0	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
TOTAL PORTFOLIO	**162,188,444**	**26,589,691**	**3,592,765**	**192,370,900**

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

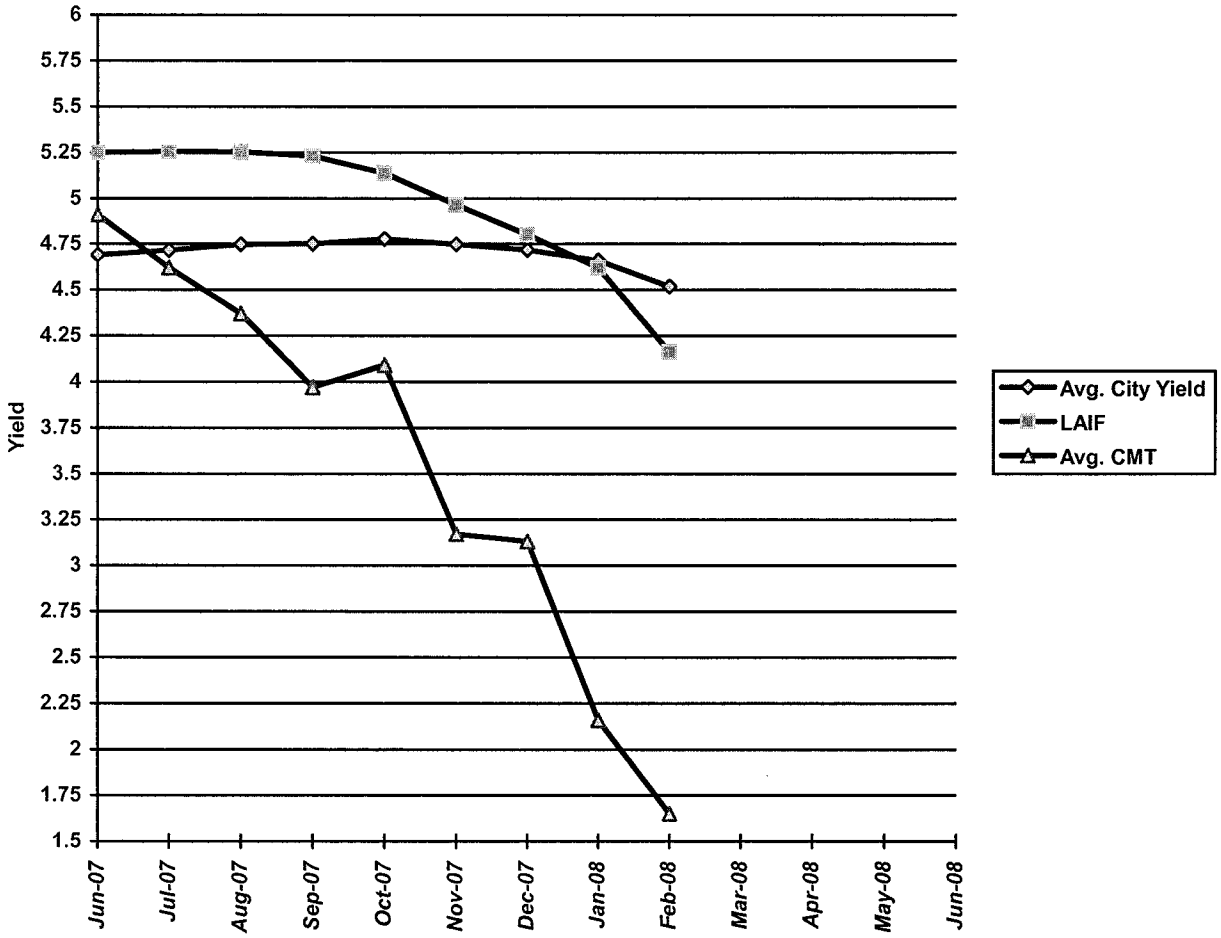
CITY OF TORRANCE

City Treasurer's Office

Monthly Investment Report Summary
For the month of February 2008

I. Return

39.26% of the portfolio is invested at one-year maturity or less as of February 29, 2008. The City Average yield on the portfolio was 4.513% compared to 1.65% for the U.S. Treasury at Constant Maturity (CMT) of 24 months. The portfolio performed above the benchmark as of February 29, 2008 by 287 basis points.



II. Volumes

The investment activity for February included 8 redemption and 9 deposits in the Union Bank of California money market account.

III. Diversification of Investments

The activity in the month of February consisted of 14 purchases totaling $19.9 million with an average yield to maturity of 3.87% and 5 redemptions, 4 calls and 2 sales for a total of $11.4 million with an average yield to maturity of 3.95%. The activity in the LAIF Account consisted of 1 deposit of $1.2 million and 4 withdrawals of $2.8 million. The activity in the sweep account consisted of 9 deposits of $10.5 million and 11 withdrawals of $13.5 million. The portfolio increased by $1.8 million.

Asset Category	February	January
1. LAIF	25.86	27.74
2. Money Market Sweep	.00	1.60
3. Federal Agency Issues(coup)	51.56	45.29
4. Federal Agency Issues(disc)	0.00	0.00
5. Treasury Securities	4.72	6.93
6. Treasury Securities(disc)	0.00	0.00
7. Medium Term Notes	17.18	17.74
8. Municipal Bonds	.69	.70
9. Commercial Paper(disc)	0.00	0.00
	100.00%	100.00%

IV. Maturity

As of February 29, 2008, the current maturity allocation is 27.21% of the portfolio invested between the 6 month to 3-year maturity levels. 34.26% 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 $65.1 million available for expenditures.

As of Maturity	February	January
0 to 6 months	34.26%	39.12%
6 months to 1 year	5.00%	7.75%
1 to 2 years	9.47%	10.69%
2 to 3 years	12.74%	12.94%
3 to 4 years	8.68%	6.95%
4 to 5 years	23.00%	19.08%
5 years and after	6.84%	3.47%

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 February 29, 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	49,100,000	25.86	**	1	1	N/A	4.161
Money Market Sweep Account	00			1	1		3.770
Federal Agency Issues – Coupon	97,900,825	51.56	75	1,589	1279	5 years	4.672
Farmer Mac	1,000,000	.52	30	55	55	5 years	4.654
Federal Farm Credit Bank	24,038,750	12.71	30	489	516	5 years	3.057
Federal Home Loan Bank	42,885,006	22.69	30	337	352	5 years	2.963
Federal Home Loan Mortgage Corp.	18,989,660	10.03	30	265	281	5 years	3.175
Federal National Mortgage Assoc.	10,987,409	5.78	30	417	450	5 years	3.639
Treasury Securities – Coupon	8,963,874	4.72	100	906	496	5 years	4.838
Medium Term Notes	32,618,417	17.18	20	1,300	643	5years	4.340
Municipal Bond Issue	1,309,153	.69		3,848	1,583	N/A	7.999
Federal Agency Disc	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	189,892,269	100.00		1,112	804		4.513
Pending Redemptions							
Accrued Interest at Purchase	35,227						
Total Cash & Purchase Interest	35,227						
Total Cash & Investments	189,927,497						

Portfolio Notes:

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

General LAIF account = $39,600,000

RDA LAIF account = $9,500,000

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. 07-110 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 3-25-08

Linda M. Barnett — Date

City Treasurer

Reviewed by the Investment Advisory Committee

City Manager

Assistant City Attorney

for Director of Finance

City Treasurer

City of Torrance
Portfolio Management
Activity Summary
February 2007 through February 2008

Month End	Year	Number of Securities	Average Balance	Yield to Maturity 360 Equivalent	Yield to Maturity 365 Equivalent	Managed Pool Rate	Number of Investments Purchased	Number of Investments Redeemed	Average Term	Average Days to Maturity
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
February	2008	129	188,047,543.59	4.452	4.514	4.161	14	11	1,112	804
	Average	**123**	**164,241,501.96**	**4.602%**	**4.666%**	**5.041**	**7**	**6**	**1,072**	**611**

invest no.	BROKER	PURCHASE DATE	DESCRIPTION	QUALITY RATING	MATURITY DATE	DAYS TO MATURITY	RATE	YIELD	PAR VALUE	COST	MARKET VALUE
(I) PURCHASES*											
10718	Citigroup	02/04/2008	FFCB	AAA/Aaa	02/04/2011	1070	3.200%	3.200%	1,000,000	1,000,000	1,003,130
10719	Citigroup	02/06/2008	FFCB	AAA/Aaa	02/06/2012	1437	3.625%	3.625%	1,000,000	1,000,000	1,009,380
10721	Stone & Young	02/04/2008	FFCB	AAA/Aaa	01/25/2013	1791	3.800%	3.800%	1,000,000	1,000,000	1,012,810
10722	Citigroup	02/05/2008	FHLMC	AAA/Aaa	02/05/2013	1802	4.000%	4.000%	2,000,000	2,000,000	2,004,780
10723	Citigroup	02/01/2008	FFCB	AAA/Aaa	02/01/2013	1798	3.790%	3.790%	1,000,000	1,000,000	1,006,560
10724		02/13/2008	FHLB	AAA/Aaa	02/13/2013	1810	3.850%	4.006%	1,000,000	993,000	1,000,630
10725	Higgins Capital	02/05/2008	FHLB	AAA/Aaa	02/05/2013	1802	3.660%	3.660%	1,000,000	1,000,000	1,010,630
10726	Citigroup	02/11/2008	FFCB	AAA/Aaa	02/11/2013	1808	3.750%	3.750%	2,000,000	2,000,000	2,000,000
10727	Wedbush	02/25/2008	FHLB	AAA/Aaa	02/25/2013	1822	3.750%	3.750%	1,000,000	1,000,000	1,008,440
10728	Stone & Young	02/27/2008	FHLB	AAA/Aaa	02/27/2013	1824	3.875%	3.875%	1,000,000	1,000,000	1,008,130
10729	Citigroup	02/14/2008	GECC	AAA/Aaa	02/15/2012	1446	4.000%	4.000%	2,000,000	2,000,000	2,007,080
10730	Citigroup	02/22/2008	FNMA	AAA/Aaa	02/22/2013	1819	4.125%	4.248%	2,000,000	1,989,000	2,012,500
10731	Citigroup	02/27/2008	FHLB	AAA/Aaa	02/27/2012	1458	3.800%	3.800%	2,000,000	2,000,000	2,024,380
10732	Stone & Young	02/27/2008	FHLB	AAA/Aaa	02/27/2013	1824	4.250%	4.272%	2,000,000	1,998,000	2,028,120
									$20,000,000	**$19,980,000**	**$20,136,570**
					Weighted Average Yield			**3.841%**			

invest no.	BROKER	PURCHASE DATE	DESCRIPTION	QUALITY RATING	MATURITY DATE	RATE	YIELD	PAR VALUE	BOOK VALUE	MARKET VALUE
(II) MATURITIES**										
10466	Smith Barney	05/12/2003	Citigroup	Aa1/AA-	02/01/2008	3.500%	3.500%	1,000,000	1,000,012	1,000,000
10572	Higgins Capital	04/28/2005	Citigroup	Aa1/AA-	02/01/2008	3.500%	3.500%	1,585,000	1,585,000	1,585,000
10445	Smith Barney	02/06/2003	FHLB	AAA/Aaa	02/06/2008	3.750%	3.750%	833,333	833,333	833,333
10565	Dean Witter	02/15/2005	USTN	AAA/Aaa	02/15/2008	3.375%	3.375%	1,000,000	1,000,000	1,000,000
10574	Higgins Capital	05/09/2005	USTN	AAA/Aaa	02/15/2008	3.375%	3.375%	1,000,000	1,000,000	1,000,000
10482	First Tenneessee National	08/13/2003	FHLB	AAA/Aaa	02/04/2008	4.000%	4.000%	1,000,000	1,000,000	1,000,000
10484	Dean Witter	08/15/2003	USTN	AAA/Aaa	02/27/2008	3.250%	3.250%	1,000,000	999,575	1,000,000
10562	Citigroup	03/03/2005	FHLB	AAA/Aaa	02/04/2008	4.000%	4.000%	1,000,000	1,000,000	1,000,000
10580	Morgan Stanley Dean Witte	08/15/2005	USTN	AAA/Aaa	02/27/2008	4.125%	4.125%	1,000,000	999,855	1,000,000
10645	Citigroup	02/12/2007	FFCB	AAA/Aaa	02/12/2008	5.350%	5.350%	1,000,000	1,000,000	1,000,000
10644			FHLB	AAA/Aaa	02/05/2008	5.350%	5.350%	1,000,000	1,000,000	1,000,000
								$11,418,333	**$11,417,774**	**$11,418,333**
					Weighted Average Yield		**3.961%**			

* 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							
			City	24,971,750	4.161%	4.161%		3,657,063		21,314,688
			Tran Acct	14,628,250	4.161%	4.161%	3,657,063			18,285,313
			RDA	12,300,000	4.161%	4.161%	1,200,000	4,000,000		9,500,000
				$51,900,000			$4,857,063	$7,657,063	$ -	**$49,100,000**

City of Torrance
Portfolio Management
Interest Earnings Summary
February 29, 2008

	February 29 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	528,547.98	3,998,194.85
Plus Accrued Interest at End of Period	1,389,169.98	1,389,169.98
Less Accrued Interest at Beginning of Period	(1,403,177.49)	(1,410,319.55)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	514,540.47	3,977,045.28
Adjusted by Premiums and Discounts	9,710.18	118,962.66
Adjusted by Capital Gains or Losses	14,228.85	-4,445.83
Earnings during Periods	538,479.50	4,091,562.11
Pass Through Securities:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
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
Cash/Checking Accounts:		
Interest Collected	0.00	1,370,190.02
Plus Accrued Interest at End of Period	378,857.00	378,857.00
Less Accrued Interest at Beginning of Period	(186,114.35)	(468,309.86)
Interest Earned during Period	192,742.65	1,280,737.16
Total Interest Earned during Period	**707,283.12**	**5,257,782.44**
Total Adjustments from Premiums and Discounts	**9,710.18**	**118,962.66**
Total Capital Gains or Losses	**14,228.85**	**-4,445.83**
Total Earnings during Period	**731,222.15**	**5,372,299.27**

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City of Torrance
Portfolio Management
Portfolio Details - Investments
February 29, 2008

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity	Maturity Date
Local Agency Investment Funds												
SYS10000	10000	Local Agency Invest Fund GEN'L			21,314,687.50	21,314,687.50	21,314,687.50	4.161		4.161	1	
SYS10001	10001	Local Agency Invest. Fund RDA			9,500,000.00	9,500,000.00	9,500,000.00	4.161		4.161	1	
SYS1000a	1000A	LAIF - TRANS FUNDS		01/01/2008	18,285,312.50	18,285,312.50	18,285,312.50	4.161		4.161	1	
		Subtotal and Average	**50,893,103.45**		**49,100,000.00**	**49,100,000.00**	**49,100,000.00**			**4.161**	**1**	
Money Market Sweep Account												
SYS10131	10131	Bank of America			0.00	0.00	0.00	4.620	AA2	4.620	1	
SYS1000	1000	Union Bank of California			0.00	0.00	0.00	3.290		3.290	1	
		Subtotal and Average	**0.00**		**0.00**	**0.00**	**0.00**			**0.000**	**0**	
Federal Agency Issues - Coupon												
31315PLV9	10655	Farmer Mac		04/25/2007	1,000,000.00	1,004,380.00	1,000,000.00	5.550		5.550	1,516	04/25/2012
31331TYD7	10519	FEDERAL FARM CREDIT BANK		04/15/2004	1,000,000.00	1,003,440.00	1,000,000.00	3.080	Aaa	3.080	228	10/15/2008
31331SD42	10576	FEDERAL FARM CREDIT BANK		06/30/2005	1,000,000.00	1,004,380.00	1,000,000.00	4.125	Aaa	4.125	121	06/30/2008
31331VYF7	10600	FEDERAL FARM CREDIT BANK		05/04/2006	1,000,000.00	1,033,750.00	1,000,000.00	5.250	Aaa	5.250	429	05/04/2009
31331XMQ2	10640	FEDERAL FARM CREDIT BANK		01/26/2007	1,000,000.00	1,055,000.00	1,000,000.00	5.000	Aaa	5.002	816	05/26/2010
31331XVL3	10653	FEDERAL FARM CREDIT BANK		04/16/2007	1,000,000.00	1,002,810.00	1,000,000.00	5.200	Aaa	5.200	776	04/16/2010
31331XWQ1	10654	FEDERAL FARM CREDIT BANK		04/25/2007	1,000,000.00	1,004,060.00	999,750.00	5.390	Aaa	5.396	1,516	04/25/2012
31331XT36	10678	FEDERAL FARM CREDIT BANK		08/01/2007	1,000,000.00	1,082,810.00	1,000,000.00	5.250	Aaa	5.250	1,614	08/01/2012
31331X2Z4	10688	FEDERAL FARM CREDIT BANK		09/14/2007	1,000,000.00	1,041,560.00	1,000,000.00	5.250	Aaa	5.250	1,658	09/14/2012
31331YGL8	10704	FEDERAL FARM CREDIT BANK		12/05/2007	1,000,000.00	1,013,750.00	1,000,000.00	4.875	Aaa	4.875	1,740	12/05/2012
31331YHR4	10706	FEDERAL FARM CREDIT BANK		12/14/2007	1,000,000.00	1,030,000.00	1,000,000.00	4.400	Aaa	4.400	1,749	12/14/2012
31331YKW9	10708	FEDERAL FARM CREDIT BANK		12/28/2007	1,000,000.00	1,032,810.00	1,000,000.00	5.250	Aaa	5.250	1,397	12/28/2011
31331YPL8	10710	FEDERAL FARM CREDIT BANK		01/24/2008	1,000,000.00	1,013,440.00	1,000,000.00	3.750	Aaa	3.750	1,059	01/24/2011
31331YQP8	10716	FEDERAL FARM CREDIT BANK		01/25/2008	2,500,000.00	2,532,025.00	2,516,250.00	3.800	Aaa	3.657	1,791	01/25/2013
31331YQQ6	10717	FEDERAL FARM CREDIT BANK		01/30/2008	3,500,000.00	3,541,580.00	3,522,750.00	3.850	Aaa	3.674	1,430	01/30/2012
31331YRA0	10718	FEDERAL FARM CREDIT BANK		02/04/2008	1,000,000.00	1,003,130.00	1,000,000.00	3.200	Aaa	3.200	1,070	02/04/2011
31331YRD4	10719	FEDERAL FARM CREDIT BANK		02/06/2008	1,000,000.00	1,009,380.00	1,000,000.00	3.625	Aaa	3.625	1,437	02/06/2012
31331YQP8	10721	FEDERAL FARM CREDIT BANK		02/04/2008	1,000,000.00	1,012,810.00	1,000,000.00	3.800	Aaa	3.800	1,791	01/25/2013
31331YSB7	10723	FEDERAL FARM CREDIT BANK		02/01/2008	1,000,000.00	1,006,560.00	1,000,000.00	3.790	Aaa	3.790	1,798	02/01/2013
31331YTS9	10726	FEDERAL FARM CREDIT BANK		02/11/2008	2,000,000.00	2,000,000.00	2,000,000.00	3.750	Aaa	3.750	1,808	02/11/2013
3133MYYU5	10469	FEDERAL HOME LOAN BANK		06/05/2003	1,000,000.00	1,000,000.00	1,000,000.00	3.250	Aaa	3.250	96	06/05/2008
31339YKX9	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	151	07/30/2008
31339YVV1	10503	FEDERAL HOME LOAN BANK		01/21/2004	1,000,000.00	1,002,190.00	999,790.86	3.375	Aaa	3.433	142	07/21/2008
3133X5X45	10524	FEDERAL HOME LOAN BANK		04/21/2004	1,000,000.00	1,012,500.00	1,000,000.00	3.420	Aaa	3.420	416	04/21/2009
3133XAQV2	10564	FEDERAL HOME LOAN BANK		03/08/2005	1,000,000.00	1,007,500.00	1,000,000.00	4.000	Aaa	4.000	191	09/08/2008

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City of Torrance
Portfolio Management
Portfolio Details - Investments
February 29, 2008

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity	Maturity Date
Federal Agency Issues - Coupon												
3133XFCM6	10594	FEDERAL HOME LOAN BANK		04/28/2006	1,000,000.00	1,004,060.00	1,000,000.00	5.400	Aaa	5.400	788	04/28/2010
3133XFHS8	10599	FEDERAL HOME LOAN BANK		05/19/2006	1,000,000.00	1,033,750.00	1,000,000.00	5.520	Aaa	5.520	1,174	05/19/2011
3133XGD76	10608	FEDERAL HOME LOAN BANK		08/11/2006	1,000,000.00	1,012,810.00	1,000,000.00	5.700	Aaa	5.700	893	08/11/2010
3133XGTS3	10616	FEDERAL HOME LOAN BANK		09/08/2006	1,000,000.00	1,013,440.00	1,000,000.00	5.375	Aaa	5.375	921	09/08/2010
3133XGZP2	10619	FEDERAL HOME LOAN BANK		10/02/2006	1,000,000.00	1,015,630.00	1,000,000.00	5.150	Aaa	5.150	580	10/02/2009
3133XHEX6	10624	FEDERAL HOME LOAN BANK		10/27/2006	1,000,000.00	1,017,500.00	1,000,000.00	5.200	Aaa	5.200	1,335	10/27/2011
3133XEZP7	10625	FEDERAL HOME LOAN BANK		10/20/2006	1,000,000.00	1,012,810.00	999,661.13	5.000	Aaa	5.038	195	09/12/2008
3133XJPZ5	10639	FEDERAL HOME LOAN BANK		01/26/2007	1,000,000.00	1,021,880.00	1,000,000.00	5.200	Aaa	5.200	877	07/26/2010
3133XJUD8	10646	FEDERAL HOME LOAN BANK		02/09/2007	1,000,000.00	1,027,810.00	1,000,000.00	5.500	Aaa	5.500	1,440	02/09/2012
3133XKAK1	10647	FEDERAL HOME LOAN BANK		03/20/2007	1,000,000.00	1,001,250.00	1,000,000.00	5.000	Aaa	5.000	384	03/20/2009
3133XKDC6	10648	FEDERAL HOME LOAN BANK		03/30/2007	1,000,000.00	1,001,880.00	1,000,000.00	5.030	Aaa	5.030	391	03/27/2009
3133XKF75	10651	FEDERAL HOME LOAN BANK		04/20/2007	1,000,000.00	1,025,630.00	1,000,000.00	5.050	Aaa	5.050	1,145	04/20/2011
3133XKPE9	10656	FEDERAL HOME LOAN BANK		05/04/2007	1,000,000.00	1,015,630.00	1,000,000.00	5.125	Aaa	5.125	1,159	05/04/2011
3133XKQ65	10658	FEDERAL HOME LOAN BANK		05/15/2007	1,000,000.00	1,032,500.00	1,000,000.00	5.200	Aaa	5.200	1,536	05/15/2012
3133XKYE9	10662	FEDERAL HOME LOAN BANK		05/25/2007	1,000,000.00	1,062,190.00	1,000,000.00	5.200	Aaa	5.200	1,546	05/25/2012
3133XL2U6	10665	FEDERAL HOME LOAN BANK		05/29/2007	1,000,000.00	1,006,880.00	1,000,000.00	5.250	Aaa	5.250	454	05/29/2009
3133XLAF0	10667	FEDERAL HOME LOAN BANK		06/20/2007	1,000,000.00	1,009,060.00	1,000,000.00	5.600	Aaa	5.600	1,572	06/20/2012
3133XLVX8	10679	FEDERAL HOME LOAN BANK		08/06/2007	500,000.00	520,625.00	500,000.00	5.400	Aaa	5.400	1,619	08/06/2012
3133XLWB5	10680	FEDERAL HOME LOAN BANK		08/14/2007	500,000.00	521,250.00	500,000.00	5.460	Aaa	5.460	1,627	08/14/2012
3133XM3S8	10684	FEDERAL HOME LOAN BANK		08/27/2007	1,000,000.00	1,064,060.00	1,000,000.00	5.125	Aaa	5.125	1,640	08/27/2012
3133XM3E9	10685	FEDERAL HOME LOAN BANK		09/10/2007	1,000,000.00	1,015,630.00	1,000,000.00	5.600	Aaa	5.600	1,654	09/10/2012
3133XMG39	10691	FEDERAL HOME LOAN BANK		10/09/2007	2,000,000.00	2,081,880.00	2,000,000.00	5.100	Aaa	5.100	1,683	10/09/2012
3133XMG70	10693	FEDERAL HOME LOAN BANK		10/16/2007	1,000,000.00	1,016,250.00	1,000,000.00	5.250	Aaa	5.250	1,690	10/16/2012
3133XMPZ8	10696	FEDERAL HOME LOAN BANK		10/22/2007	2,000,000.00	2,085,000.00	2,000,000.00	5.150	Aaa	5.150	1,696	10/22/2012
3133XMSY8	10698	FEDERAL HOME LOAN BANK		11/07/2007	1,000,000.00	1,004,060.00	999,531.67	5.100	Aaa	5.111	1,712	11/07/2012
3133XNJA8	10701	FEDERAL HOME LOAN BANK		12/17/2007	1,000,000.00	1,026,250.00	1,000,000.00	4.550	Aaa	4.550	1,752	12/17/2012
3133XNHS1	10702	FEDERAL HOME LOAN BANK		12/03/2007	895,000.00	912,058.70	895,000.00	4.520	Aaa	4.520	1,738	12/03/2012
3133XNNC9	10705	FEDERAL HOME LOAN BANK		12/27/2007	1,000,000.00	1,006,880.00	1,000,000.00	4.875	Aaa	4.875	1,762	12/27/2012
3133XNYV5	10712	FEDERAL HOME LOAN BANK		01/22/2008	1,000,000.00	1,021,250.00	1,000,000.00	4.050	Aaa	4.050	1,788	01/22/2013
3133XPB29	10724	FEDERAL HOME LOAN BANK		02/13/2008	1,000,000.00	1,000,630.00	993,000.00	3.850	Aaa	4.006	1,810	02/13/2013
3133XPF90	10725	FEDERAL HOME LOAN BANK		02/05/2008	1,000,000.00	1,010,630.00	1,000,000.00	3.660	Aaa	3.660	1,802	02/05/2013
3133XPMS0	10727	FEDERAL HOME LOAN BANK		02/25/2008	1,000,000.00	1,008,440.00	1,000,000.00	3.750	Aaa	3.750	1,822	02/25/2013
3133XPMT8	10728	FEDERAL HOME LOAN BANK		02/27/2008	1,000,000.00	1,008,130.00	1,000,000.00	3.875	Aaa	3.875	1,824	02/27/2013
3133XPXP4	10731	FEDERAL HOME LOAN BANK		02/27/2008	2,000,000.00	2,024,380.00	2,000,000.00	3.800	Aaa	3.800	1,458	02/27/2012
3133XPY73	10732	FEDERAL HOME LOAN BANK		02/27/2008	2,000,000.00	2,028,120.00	1,998,022.22	4.250	Aaa	4.272	1,824	02/27/2013
3128X1GD3	10508	FEDERAL HOME LOAN MORTGAGE CO		01/30/2004	1,000,000.00	1,005,120.00	996,219.76	3.110	Aaa	3.644	285	12/11/2008

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City of Torrance
Portfolio Management
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February 29, 2008

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity	Maturity Date
Federal Agency Issues - Coupon												
3128X4YE5	10584	FEDERAL HOME LOAN MORTGAGE CO		01/30/2006	1,000,000.00	1,008,520.00	999,888.69	5.000	Aaa	5.030	144	07/23/2008
3128X4N56	10605	FEDERAL HOME LOAN MORTGAGE CO		06/09/2006	1,000,000.00	1,021,290.00	996,832.05	5.250	Aaa	5.461	1,090	02/24/2011
3128X5KL1	10620	FEDERAL HOME LOAN MORTGAGE CO		09/29/2006	1,000,000.00	1,016,540.00	1,000,000.00	5.500	Aaa	5.500	1,307	09/29/2011
3128X5NT1	10629	FEDERAL HOME LOAN MORTGAGE CO		11/14/2006	1,000,000.00	1,016,550.00	1,000,000.00	5.350	Aaa	5.350	1,353	11/14/2011
3128X5PV4	10631	FEDERAL HOME LOAN MORTGAGE CO		11/24/2006	1,000,000.00	1,015,940.00	1,000,000.00	5.125	Aaa	5.125	998	11/24/2010
3128X5VF2	10637	FEDERAL HOME LOAN MORTGAGE CO		12/27/2006	1,000,000.00	1,009,110.00	1,000,000.00	5.400	Aaa	5.400	1,396	12/27/2011
3128X52N7	10661	FEDERAL HOME LOAN MORTGAGE CO		05/16/2007	1,000,000.00	1,024,730.00	999,162.21	5.250	Aaa	5.272	1,494	04/03/2012
3128X6CS3	10666	FEDERAL HOME LOAN MORTGAGE CO		06/20/2007	1,000,000.00	1,008,500.00	1,000,000.00	5.625	Aaa	5.625	1,206	06/20/2011
3128X6CX2	10668	FEDERAL HOME LOAN MORTGAGE CO		06/15/2007	1,000,000.00	1,034,550.00	999,618.52	5.400	Aaa	5.418	836	06/15/2010
3128X6HP4	10676	FEDERAL HOME LOAN MORTGAGE CO		07/30/2007	1,000,000.00	1,011,310.00	1,000,000.00	5.550	Aaa	5.550	881	07/30/2010
3137EAAX7	10677	FEDERAL HOME LOAN MORTGAGE CO		07/23/2007	1,000,000.00	1,060,940.00	998,143.68	5.125	Aaa	5.205	905	08/23/2010
3128X6LK0	10687	FEDERAL HOME LOAN MORTGAGE CO		09/18/2007	1,000,000.00	1,014,880.00	1,000,000.00	5.350	Aaa	5.350	1,662	09/18/2012
3128X6NS1	10695	FEDERAL HOME LOAN MORTGAGE CO		10/15/2007	1,000,000.00	1,040,590.00	1,000,000.00	5.050	Aaa	5.050	1,689	10/15/2012
3128X6UL8	10707	FEDERAL HOME LOAN MORTGAGE CO		12/13/2007	1,000,000.00	1,006,330.00	999,234.71	5.000	Aaa	5.018	1,746	12/11/2012
3128X6XZ4	10711	FEDERAL HOME LOAN MORTGAGE CO		01/14/2008	2,000,000.00	2,004,000.00	2,000,560.67	4.400	Aaa	4.384	681	01/11/2010
3128X6P67	10722	FEDERAL HOME LOAN MORTGAGE CO		02/05/2008	2,000,000.00	2,004,780.00	2,000,000.00	4.000	Aaa	4.000	1,802	02/05/2013
3136F7F44	10606	FEDERAL NATIONAL MORT ASSOC		06/22/2006	1,000,000.00	1,036,560.00	1,000,000.00	5.500	Aaa	5.500	1,208	06/22/2011
3136F8LU7	10657	FEDERAL NATIONAL MORT ASSOC		05/09/2007	1,000,000.00	1,004,380.00	1,000,000.00	5.250	Aaa	5.250	1,164	05/09/2011
31359M6J7	10659	FEDERAL NATIONAL MORT ASSOC		05/10/2007	1,000,000.00	1,001,880.00	999,357.60	5.400	Aaa	5.417	1,486	03/26/2012
3136F8MV4	10663	FEDERAL NATIONAL MORT ASSOC		05/23/2007	1,000,000.00	1,007,190.00	1,000,000.00	5.750	Aaa	5.750	1,544	05/23/2012
3136F8PP4	10673	FEDERAL NATIONAL MORT ASSOC		07/02/2007	1,000,000.00	1,009,690.00	1,000,000.00	5.375	Aaa	5.375	488	07/02/2009
31359M6V0	10683	FEDERAL NATIONAL MORT ASSOC		08/16/2007	1,000,000.00	1,002,190.00	998,501.19	5.400	Aaa	5.440	1,493	04/02/2012
3136F8SU0	10690	FEDERAL NATIONAL MORT ASSOC		09/18/2007	1,000,000.00	1,012,810.00	1,000,000.00	5.200	Aaa	5.200	1,662	09/18/2012
3136F8N92	10720	FEDERAL NATIONAL MORT ASSOC		01/29/2008	2,000,000.00	2,018,760.00	2,000,000.00	3.625	Aaa	3.625	1,795	01/29/2013
3136F83X1	10730	FEDERAL NATIONAL MORT ASSOC		02/22/2008	2,000,000.00	2,012,500.00	1,989,550.00	4.125	Aaa	4.248	1,819	02/22/2013
		Subtotal and Average	**962,355.17**		**97,895,000.00**	**99,530,678.70**	**97,900,824.96**			**4.672**	**1,279**	
Treasury Securities - Coupon												
912828DZ0	10579	U.S.TREASURY NOTE		07/25/2005	1,000,000.00	1,050,860.00	996,125.41	3.875	Aaa	4.057	866	07/15/2010
912828FT2	10626	U.S.TREASURY NOTE		10/23/2006	1,000,000.00	1,016,170.00	998,730.80	4.625	Aaa	4.854	213	09/30/2008
912828FV7	10627	U.S.TREASURY NOTE		10/31/2006	1,000,000.00	1,020,230.00	1,000,104.31	4.875	Aaa	4.858	244	10/31/2008
912828FM7	10638	U.S.TREASURY NOTE		01/22/2007	1,000,000.00	1,012,890.00	1,000,273.38	5.000	Aaa	4.930	152	07/31/2008
912828GP9	10664	U.S.TREASURY NOTE		05/23/2007	2,000,000.00	2,067,180.00	1,993,059.23	4.500	Aaa	4.814	425	04/30/2009
912828GR5	10669	U.S.TREASURY NOTE		06/08/2007	1,000,000.00	1,062,030.00	989,674.67	4.500	Aaa	5.008	805	05/15/2010
912828GG9	10671	U.S.TREASURY NOTE		06/15/2007	1,000,000.00	1,059,840.00	993,466.50	4.750	Aaa	5.109	716	02/15/2010
912828FX3	10672	U.S.TREASURY NOTE		06/15/2007	1,000,000.00	1,050,630.00	992,440.00	4.625	Aaa	5.100	624	11/15/2009

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City of Torrance
Portfolio Management
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February 29, 2008

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity	Maturity Date
		Subtotal and Average	**1,985,609.14**		**9,000,000.00**	**9,339,830.00**	**8,963,874.30**			**4.838**	**496**	
Medium Term Notes												
060505BH6	10596	Bank of America		04/13/2006	1,000,000.00	1,001,050.00	983,615.68	3.375	AA2	5.230	353	02/17/2009
060505AR5	10699	Bank of America		11/02/2007	990,000.00	1,021,333.50	990,110.74	4.875	AA2	4.871	1,659	09/15/2012
084664AF8	10709	Berkshire Hathaway		01/15/2008	1,000,000.00	1,031,990.00	1,014,448.04	4.200		3.648	1,019	12/15/2010
084664AD3	10714	Berkshire Hathaway		01/18/2008	1,000,000.00	1,039,940.00	1,015,980.49	4.625		4.300	2,054	10/15/2013
19416QCH1	10692	Colgate-Palmolive Co.		10/01/2007	500,000.00	507,765.00	502,279.43	5.580		4.880	250	11/06/2008
36962GB78	10465	General Electric Capital Corp		05/12/2003	1,000,000.00	1,000,280.00	1,000,535.61	3.500	Aaa	3.150	61	05/01/2008
36966RFV3	10476	General Electric Capital Corp		06/19/2003	2,000,000.00	1,991,640.00	2,000,000.00	2.450	Aaa	2.450	106	06/15/2008
36962GK78	10703	General Electric Capital Corp		12/03/2007	1,000,000.00	1,029,170.00	996,306.40	4.250	Aaa	4.404	926	09/13/2010
36966RV94	10729	General Electric Capital Corp		02/14/2008	2,000,000.00	2,007,080.00	2,000,000.00	4.000	Aaa	4.000	1,446	02/15/2012
375766AM4	10472	Gillettee Company		05/27/2003	1,000,000.00	998,340.00	999,864.80	2.500	Aa3	2.558	92	06/01/2008
38143UBE0	10660	Goldman Sachs		05/14/2007	1,210,000.00	1,241,447.90	1,196,018.11	4.500		5.050	836	06/15/2010
441812KG8	10613	Household Finance Co		08/22/2006	1,000,000.00	1,009,120.00	994,308.99	4.750	Aa3	5.260	440	05/15/2009
40429CCX8	10632	Household Finance Co		11/20/2006	1,000,000.00	1,013,560.00	1,001,991.33	5.250	Aa3	5.170	1,049	01/14/2011
441812KH6	10642	Household Finance Co		01/30/2007	1,000,000.00	1,005,180.00	982,699.30	4.125	Aa3	5.224	625	11/16/2009
40429XB39	10694	Household Finance Co		10/12/2007	1,000,000.00	1,024,020.00	1,000,000.00	5.000	Aa3	5.000	958	10/15/2010
40429XC95	10700	Household Finance Co		11/29/2007	1,000,000.00	1,028,830.00	1,000,000.00	5.050	Aa3	5.050	989	11/15/2010
59018YVV0	10630	MERRILL LYNCH		11/17/2006	1,000,000.00	1,010,370.00	994,267.06	4.790	Aa3	5.050	886	08/04/2010
59018YSK8	10643	MERRILL LYNCH		01/30/2007	2,000,000.00	1,991,240.00	1,982,371.46	4.125	Aa3	5.200	320	01/15/2009
59217EAD6	10477	Met Life		06/19/2003	1,000,000.00	997,190.00	1,000,139.80	2.600	Aa2	2.550	110	06/19/2008
59217EAD6	10481	Met Life		07/25/2003	1,000,000.00	997,190.00	997,671.02	2.600	Aa2	3.450	110	06/19/2008
64952WAE3	10697	New York Life Global		11/02/2007	1,000,000.00	1,034,570.00	999,823.71	4.625	Aaa	4.630	898	08/16/2010
742718BX6	10538	Procter & Gamble		08/02/2004	1,000,000.00	1,003,660.00	1,001,880.41	4.300	Aa3	3.850	167	08/15/2008
89233PUA2	10675	Toyota Motor Credit		07/23/2007	1,000,000.00	1,030,100.00	977,392.00	4.540	Aa1	5.500	822	06/01/2010
90327QCQ0	10670	USAA Capital Corp		06/12/2007	2,000,000.00	2,035,880.00	1,974,211.47	4.640		5.420	654	12/15/2009
949746EX5	10464	Wells Fargo Co		05/12/2003	1,000,000.00	999,760.00	1,000,396.86	3.500	Aa1	3.031	34	04/04/2008
949746EX5	10557	Wells Fargo Co		01/24/2005	1,000,000.00	999,760.00	999,801.71	3.500	Aa1	3.730	34	04/04/2008
949746JQ5	10569	Wells Fargo Co		04/04/2005	1,000,000.00	999,970.00	999,956.70	4.125	Aa1	4.310	9	03/10/2008
949746NB3	10715	Wells Fargo Co		01/23/2008	1,000,000.00	1,026,460.00	1,023,387.98	4.875	Aa1	4.000	1,047	01/12/2011
98153BAE4	10604	World Savings Bank		06/05/2006	1,000,000.00	1,014,340.00	988,957.65	4.500	Aa3	5.440	471	06/15/2009
		Subtotal and Average	**1,103,448.28**		**32,700,000.00**	**33,091,236.40**	**32,618,416.75**			**4.340**	**643**	
Muncipal Bond Issues - Coupon												
SYS10423	10423	Skpk-2001TxAllocRef Bd		12/18/2001	1,309,153.95	1,309,153.95	1,309,153.95	8.000		7.999	1,583	07/01/2012
		Subtotal and Average	**1,309,153.95**		**1,309,153.95**	**1,309,153.95**	**1,309,153.95**			**7.999**	**1,583**	

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City of Torrance
Portfolio Management
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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
		Total and Average	56,253,669.98		190,004,153.95	192,370,899.05	189,892,269.96			4.513	804

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II. RESTRICTED FUNDS

Reports Appear Quarterly

III. CASH & INVESTMENT PORTFOLIO SHARE

CITY OF TORRANCE
CASH AND INVESTMENT PORTFOLIO SHARE (A)
AS OF FEBRUARY 29, 2008

	FUND	SHARE OF INVESTMENTS	POOLED CASH & INVESTMENTS BALANCE		CASH PERCENT
N	General	61,909,399.12	60,418,485.79		32.60
R	Parks & Recr Facility & Open Space	3,408,219.46	3,326,142.10		1.79
R	State Gas Tax	6,737,479.31	6,575,226.12		3.55
R	Federal Housing, Community Dev	666,752.02	650,695.18		0.35
R	Work Investment Network - WIN	89,092.53	86,946.99		0.05
R	Street Lighting	336,060.42	327,967.35		0.18
R	Traffic Congestion Relief Act 2000 - AB2928	625,681.07	610,613.31		0.33
R	Police Asset Forfeiture	3,118,732.58	3,043,626.70		1.64
N	Government Cable	2,275,383.25	2,220,587.06		1.20
R	Local Return - Proposition C	5,830,589.21	5,690,175.91		3.07
R	Grants/Donations	443,936.26	433,245.31		0.23
R	Citizens Options for Public Safety (COPS) Grant Funds - AB3229	453,626.88	442,702.56		0.24
R	Seismic Education Fund	51,332.66	50,096.46		0.03
R	Rehabilitation Housing	569,565.10	555,848.73		0.30
R	Police Inmate Welfare Fund	88,257.61	86,132.17		0.05
N	Capital Improvements	23,973,929.48	23,396,584.98		12.63
R	Vanpool/Rideshare Fund	292,650.25	285,602.59		0.15
R	Torrance Improvement Fund	5,755,741.03	5,617,130.24		3.03
R	Animal Control Fund	23,950.67	23,373.89		0.01
R	Redevelopment-Capital Proj	8,465,387.21	8,261,522.23		4.46
R	Redevelopment Debt Service	534,750.93	521,872.96		0.28
N	DNA Sampling Fund	9,068.39	8,850.00		0.00
N	Airport Fund	7,126,430.28	6,954,810.30		3.75
N	Transit Operations	2,373,202.98	2,316,051.08		1.25
R	Development Impact Fund	590,280.57	576,065.33		0.31
N	Water Operations	10,018,431.62	9,777,165.94		5.28
N	Emergency Medical Service Enterprise Fund	10,191.50	9,946.07		0.01
N	Sanitation Operations	3,159,139.94	3,083,060.96		1.66
N	Cultural Arts Enterprise	382,331.96	373,124.57		0.20
N	Sewer Enterprise Fund	11,372,167.10	11,098,300.52		5.99
N	Parks & Recr Enterprise Fund	(201,285.09)	(196,437.71)	(B)	(0.11)
N	Self Insurance Fund	7,765,713.63	7,578,698.31		4.09
N	Fleet Services	12,952,538.89	12,640,613.51		6.82
R	Postemployment/Compensated Absences Fund	5,715,370.03	5,577,731.46		3.01
R	Trust & Agency	2,968,171.09	2,896,691.06		1.56
	TOTAL	**189,892,269.96**	**185,319,250.03**		**100.00**

R = Restricted Funds
N = Non-Restricted Funds

(A) The difference between the Share of Investments total of $189,892,269.96 and the Pooled Cash and Investments total of $185,319,250.03 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 FEBRUARY 29, 2008

INVESTMENTS PER PORTFOLIO SUMMARY (City Pool)		**189,892,269.96**
CASH AND INVESTMENTS PER BOOKS		**185,319,250.03**
CASH IN BANKS:		
Cash in B of A General Account		($943,469.95)
Cash in B of A Payroll Account		0.00
OUTSTANDING WARRANTS:		
General Account	870,951.66	
Payroll Account	104,603.08	
Workers Compensation Account	91,454.41	
Housing Account	337,206.64	1,404,215.79
Miscellaneous outstanding adjusting journal entries		1,216,470.78
Payroll for PE 3/1/08 posted on 2/29/08 and paid on 3/7/08		2,895,803.31
INVESTMENTS PER BOOKS		**$189,892,269.96**