

Council Meeting of  
June 10, 2008

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

Members of Council:

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

**RECOMMENDATION**

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

**FUNDING**

Not applicable

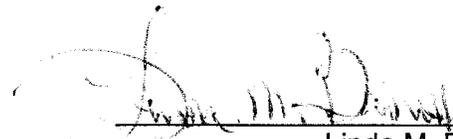
**BACKGROUND**

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 April 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 April 2008Table of Contents

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City of Torrance  
Investment Portfolio Highlights  
For April 2008

**RETURN**

|   | <u>Current Month</u> | <u>Previous Month</u> |
|---|----------------------|-----------------------|
| Average City Portfolio YTM                | 4.254                | 4.391                 |
| Average U.S. Treasury Constant Maturity   | 2.290                | 1.620                 |
| LAIF Average Monthly Return               | 3.400                | 3.777                 |
| Average City Portfolio YTM - 1 year prior | 4.612                | 4.512                 |

**INTEREST INCOME**

|                     | <u>Current Period</u> | <u>Prior Year</u> |
|---------------------|-----------------------|-------------------|
| Fiscal year to date | 6,941,319             | 4,842,901         |
| Current month       | 703,613               | 564,036           |

**MATURITY**

|                                      | <u>Current Month</u> | <u>Prior Month</u> |
|--------------------------------------|----------------------|--------------------|
| Average Maturity (days)              | 876                  | 837                |
| Average Maturity 1 Year Prior (days) | 538                  | 539                |
| Weighted Average Maturity (years)    | 2.40                 | 2.30               |

**VOLUMES**

|            | <u>Total \$ Volume</u> | <u># of Transactions</u> |
|------------|------------------------|--------------------------|
| Purchases  | 34,994,492             | 19                       |
| Maturities | 25,759,137             | 19                       |

Transactions include 7 deposits to and 6 withdrawals from LAIF, 3 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<br/>Value as of July 1, 2007</u> | <u>Purchase/Redempt.<br/>Of Principal</u> | <u>Change in Market<br/>Value</u> | <u>Ending Investment Value<br/>as of April 30, 2008</u> |
|---------------------------------|--|---|-----------------------------------|---|
| Federal Agency (coup)           | 81,334,705   | 22,804,985                                | 1,799,437                         | 105,939,127   |
| Treasury Securities             | 18,771,260   | -10,023,514                               | 503,524                           | 9,251,270   |
| Medium Term Notes               | 27,303,734   | 3,012,253                                 | 472,506                           | 30,788,493  |
| Municipal Bonds                 | 1,778,745  | -469,591                                  | 0                                 | 1,309,154   |
| <b>SUB-TOTAL PER GASB 31</b>    | <b>129,188,444</b>                                       | <b>15,324,133</b>                         | <b>2,775,467</b>                  | <b>147,288,044</b>                                      |
| <u>Non-GASB securities</u>      |  |   |                                   |   |
| LAIF                            | 33,000,000   | 18,760,584                                | 0                                 | 51,760,584  |
| Money Market                    | 0  | 0   | 0                                 | 0   |
| Federal Agency – Disc.          | 0  | -18,704                                   | 18,704                            | 0   |
| Treasury Security – Disc.       | 0  | 0   | 0                                 | 0   |
| Certificate of Deposits -Disc.  | 0  | 0   | 0                                 | 0   |
| Commercial paper                | 0  | -27,234                                   | 27,234                            | 0   |
| <b>TOTAL PORTFOLIO</b>          | <b>162,188,444</b>                                       | <b>34,038,779</b>                         | <b>2,821,405</b>                  | <b>199,048,628</b>                                      |

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

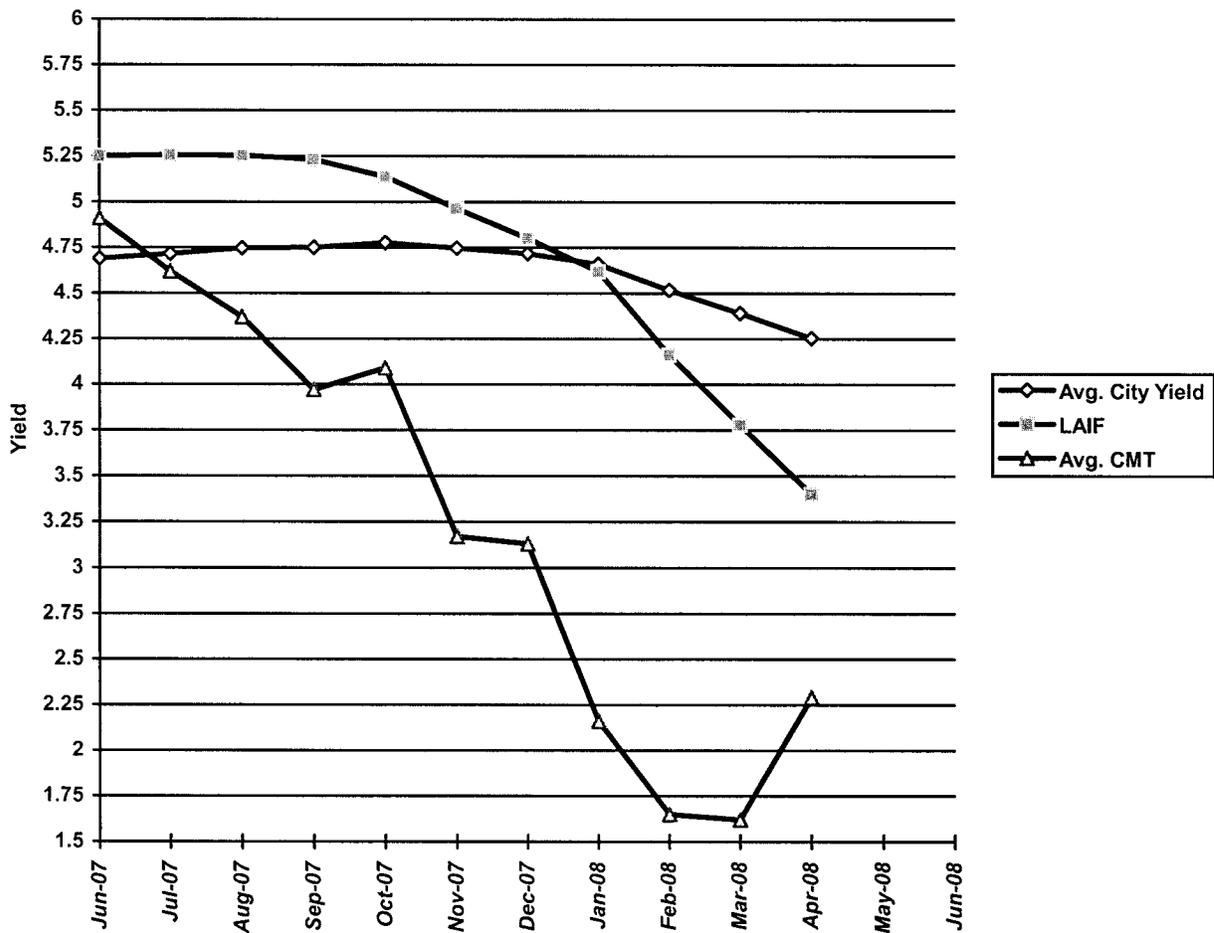
# CITY OF TORRANCE

*City Treasurer's Office*

Monthly Investment Report Summary  
For the month of April 2008

## I. Return

36.42% of the portfolio is invested at one-year maturity or less as of April 30, 2008. The City Average yield on the portfolio was 4.254% compared to 2.29% for the U.S. Treasury at Constant Maturity (CMT) of 24 months. The portfolio performed above the benchmark as of April 30, 2008 by 196 basis points.



## II. Volumes

The investment activity for April included 5 redemption and 3 deposits in the Union Bank of California money market account.

### III. Diversification of Investments

The activity in the month of April consisted of 9 purchases totaling \$15 million with an average yield to maturity of 3.99% and 2 redemptions and 6 calls for a total of \$9.0 million with an average yield to maturity of 4.724%. The activity in the LAIF Account consisted of 7 deposit of \$10.8 million and 6 withdrawals of \$4.1 million. The activity in the sweep account consisted of 3 deposits of \$5.0 million and 5 withdrawals of \$9.0 million. The portfolio increased by \$9.3 million.

| <u>Asset Category</u>          | <u>April</u> | <u>March</u> |
|--------------------------------|--------------|--------------|
| 1. LAIF                        | 26.22        | 23.69        |
| 2. Money Market Sweep          | 0.00         | 2.13         |
| 3. Federal Agency Issues(coup) | 53.03        | 51.90        |
| 4. Federal Agency Issues(disc) | 0.00         | 0.00         |
| 5. Treasury Securities         | 4.54         | 4.77         |
| 6. Treasury Securities(disc)   | 0.00         | 0.00         |
| 7. Medium Term Notes           | 15.55        | 16.81        |
| 8. Municipal Bonds             | .66          | .70          |
| 9. Commercial Paper(disc)      | <u>0.00</u>  | <u>0.00</u>  |
|                                | 100.00%      | 100.00%      |

### IV. Maturity

As of April 30, 2008, the current maturity allocation is 21.02% of the portfolio invested between the 6 month to 3-year maturity levels. 33.65% of our portfolio is under the 0-6 month maturity level, we are adequately meeting the 6-month liquidity requirement of SB 564\* with approximately \$66.8 million available for expenditures.

| <u>As of Maturity</u> | <u>April</u> | <u>March</u> |
|-----------------------|--------------|--------------|
| 0 to 6 months         | 33.65%       | 33.26%       |
| 6 months to 1 year    | 2.77%        | 3.98%        |
| 1 to 2 years          | 6.55%        | 7.97%        |
| 2 to 3 years          | 11.70%       | 13.39%       |
| 3 to 4 years          | 11.84%       | 10.89%       |
| 4 to 5 years          | 29.96%       | 26.93%       |
| 5 years and after     | 3.53%        | 3.59%        |

### 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 April 30, 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            | 51,760,584         | 26.22                | **                          | 1            | 1                        | N/A                        | 3.400        |
| Money Market Sweep Account              | 00                 | .00                  |                             | 1            | 1                        |                            | 2.29         |
| Federal Agency Issues – Coupon          | 104,646,209        | 53.02                | 75                          | 1,655        | 1,399                    | 5 years                    | 4.531        |
| Farmer Mac                              | 00                 | .53                  | 30                          | 56           | 24                       | 5 years                    | 5.076        |
| Federal Farm Credit Bank                | 30,035,170         | 15.28                | 30                          | 427          | 450                      | 5 years                    | 3.138        |
| Federal Home Loan Bank                  | 45,633,555         | 23.28                | 30                          | 428          | 441                      | 5 years                    | 3.215        |
| Federal Home Loan Mortgage Corp.        | 19,984,267         | 10.19                | 30                          | 288          | 300                      | 5 years                    | 3.405        |
| Federal National Mortgage Assoc.        | 8,993,216          | 4.56                 | 30                          | 442          | 482                      | 5 years                    | 3.687        |
| Treasury Securities – Coupon            | 8,967,449          | 4.54                 | 100                         | 906          | 435                      | 5 years                    | 4.838        |
| Medium Term Notes                       | 30,689,731         | 15.55                | 20                          | 1,298        | 669                      | 5 years                    | 4.421        |
| Municipal Bond Issue                    | 1,309,154          | .70                  |                             | 3,848        | 1,552                    | 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         |
| <b>Total Investments &amp; Averages</b> | <b>197,373,126</b> | <b>100.00</b>        |                             | <b>1,146</b> | <b>876</b>               |                            | <b>4.254</b> |
| Pending Redemptions                     |                    |                      |                             |              |                          |                            |              |
| Accrued Interest at Purchase            | 35,628             |                      |                             |              |                          |                            |              |
| Total Cash & Purchase Interest          | 35,628             |                      |                             |              |                          |                            |              |
| Total Cash & Investments                | 197,408,754        |                      |                             |              |                          |                            |              |

**Portfolio Notes:**

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

General LAIF account = \$39,961,846

RDA LAIF account = \$11,798,738

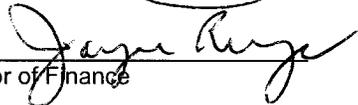
I certify that this report accurately reflects all pooled investments and is in conformity with the City of Torrance Investment Policy Statement adopted by Res. 07-110 on December 4, 2007. A copy of this policy is available at the office of the City Clerk. The investment program herein shown provides sufficient cash flow liquidity to meet six month's estimated expenditures.

  
Linda M. Barnett  
City Treasurer

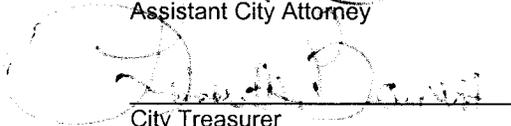
Date

Reviewed by the Investment Advisory Committee

  
City Manager

  
Director of Finance

  
Assistant City Attorney

  
City Treasurer

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

| Month End      | Year | Number of Securities | Average Balance       | Yield to Maturity |                | Managed Pool Rate | Number of Investments Purchased | Number of Investments Redeemed | Average Term | Days to Maturity |
|----------------|------|----------------------|-----------------------|-------------------|----------------|-------------------|---------------------------------|--------------------------------|--------------|------------------|
|                |      |                      |                       | 360 Equivalent    | 365 Equivalent |                   |                                 |                                |              |                  |
| 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              |
| March          | 2008 | 125                  | 187,972,492.91        | 4.331             | 4.391          | 3.777             | 4                               | 8                              | 1,125        | 837              |
| April          | 2008 | 126                  | 192,345,930.83        | 4.196             | 4.254          | 3.400             | 9                               | 8                              | 1,146        | 876              |
| <b>Average</b> |      | <b>126</b>           | <b>170,967,761.16</b> | <b>4.574%</b>     | <b>4.637%</b>  | <b>4.793</b>      | <b>7</b>                        | <b>7</b>                       | <b>1,084</b> | <b>660</b>       |

| invest no.            | BROKER            | PURCHASE DATE | DESCRIPTION  | QUALITY RATING | MATURITY DATE | DAYS TO MATURITY | RATE   | YIELD  | PAR VALUE | COST                | MARKET VALUE        |
|-----------------------|-------------------|---------------|--------------|----------------|---------------|------------------|--------|--------|-----------|---------------------|---------------------|
| <b>(I) PURCHASES*</b> |                   |               |              |                |               |                  |        |        |           |                     |                     |
| 10737                 | Great Pacific Sec | 04/01/2008    | FHLMC        | AAA/Aaa        | 04/01/2013    | 1796             | 3.900% | 3.911% | 1,000,000 | 999,500             | 989,510             |
| 10738                 | Great Pacific Sec | 04/16/2008    | FHLB         | AAA/Aaa        | 04/16/2013    | 1811             | 3.750% | 3.754% | 2,000,000 | 1,999,600           | 1,976,260           |
| 10739                 | Stone & Young     | 04/03/2008    | FFCB         | AAA/Aaa        | 04/03/2013    | 1798             | 3.980% | 3.980% | 1,000,000 | 1,000,000           | 1,005,940           |
| 10740                 | Higgins Capital   | 04/02/2008    | FHLB         | AAA/Aaa        | 04/02/2013    | 1797             | 4.150% | 4.150% | 1,000,000 | 1,000,000           | 1,009,060           |
| 10741                 | Stone & Young     | 04/03/2008    | FFCB         | AAA/Aaa        | 04/03/2013    | 1798             | 3.980% | 3.980% | 3,000,000 | 3,000,000           | 3,017,820           |
| 10742                 | Great Pacific Sec | 04/15/2008    | FHLB         | AAA/Aaa        | 04/15/2013    | 1810             | 3.700% | 3.700% | 2,000,000 | 2,000,000           | 1,985,000           |
| 10743                 | Citigroup         | 04/18/2008    | Goldman Sach | AAA/Aaa        | 01/15/2012    | 1354             | 6.600% | 4.840% | 1,000,000 | 1,059,480           | 1,049,330           |
| 10744                 | Citigroup         | 04/18/2008    | FFCB         | AAA/Aaa        | 02/25/2013    | 1761             | 4.000% | 4.045% | 2,000,000 | 1,996,001           | 2,013,760           |
| 10745                 | Great Pacific Sec | 04/29/2008    | FHLMC        | AAA/Aaa        | 04/29/2013    | 1824             | 3.920% | 3.987% | 2,000,000 | 1,994,000           | 2,011,380           |
|                       |                   |               |              |                |               |                  |        |        |           | <b>\$15,048,581</b> | <b>\$15,058,060</b> |

Weighted Average Yield 4.039%

| invest no.               | BROKER            | PURCHASE DATE | DESCRIPTION      | QUALITY RATING | MATURITY DATE | RATE   | YIELD  | PAR VALUE          | BOOK VALUE         | MARKET VALUE       |
|--------------------------|-------------------|---------------|------------------|----------------|---------------|--------|--------|--------------------|--------------------|--------------------|
| <b>(II) MATURITIES**</b> |                   |               |                  |                |               |        |        |                    |                    |                    |
| 10464                    | Smith Barney      | 05/12/2003    | Wells Fargo Bank | AA/Aa1         | 03/05/2008    | 3.500% | 3.500% | 1,000,000          | 1,000,000          | 1,000,000          |
| 10557                    | Higgins Capital   | 01/24/2005    | Wells Fargo Bank | AA/Aa1         | 03/10/2008    | 3.500% | 3.500% | 1,000,000          | 1,000,000          | 1,000,000          |
| 10594                    | Dean Witter       | 04/28/2006    | FHLB             | AAA/Aaa        | 04/28/2008    | 5.400% | 5.400% | 1,000,000          | 1,000,000          | 1,000,000          |
| 10653                    | Dean Witter       | 04/16/2007    | FFCB             | AAA/Aaa        | 04/16/2008    | 5.200% | 5.200% | 1,000,000          | 1,000,000          | 1,000,000          |
| 10654                    | Great Pacific Sec | 04/25/2007    | FFCB             | AAA/Aaa        | 04/25/2008    | 5.390% | 5.390% | 1,000,000          | 1,000,000          | 1,000,000          |
| 10655                    | Dean Witter       | 04/25/2007    | Farmer Mac       | AAA/Aaa        | 04/25/2007    | 5.550% | 5.550% | 1,000,000          | 1,000,000          | 1,000,000          |
| 10683                    | Higgins Capital   | 08/16/2007    | FNMA             | AAA/Aaa        | 04/02/2008    | 5.400% | 5.400% | 1,000,000          | 1,000,000          | 1,000,000          |
| 10711                    | Citigroup         | 01/14/2008    | FHLMC            | AAA/Aaa        | 04/11/2008    | 4.400% | 4.400% | 2,000,000          | 2,000,000          | 2,000,000          |
|                          |                   |               |                  |                |               |        |        | <b>\$9,000,000</b> | <b>\$9,000,000</b> | <b>\$9,000,000</b> |

Weighted Average Yield 4.793%

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

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

(III) LAIF TRANSACTIONS

| DEALER              | DESCRIPTION       | BEGIN BAL.   | RATE   | YIELD  | DEPOSITS     | WITHDRAWALS | INTEREST      | END BAL.     |
|---------------------|-------------------|--------------|--------|--------|--------------|-------------|---------------|--------------|
| State of California | Local Agency Pool | 15,432,624   | 3.400% | 3.400% | 4,786,846    | 5,857,062   | 386,846       | 14,362,408   |
|                     | City              | 21,942,376   | 3.400% | 3.400% | 3,657,062    | 1,900,000   | 98,738        | 25,599,438   |
|                     | Tran Acct         | 7,200,000    | 3.400% | 3.400% | 6,498,738    | \$7,757,062 | \$ 485,584.00 | 11,798,738   |
|                     | RDA               | \$44,575,000 |        |        | \$14,942,646 |             |               | \$51,760,584 |

**City of Torrance**  
**Portfolio Management**  
**Interest Earnings Summary**  
**April 30, 2008**

|  | April 30 Month Ending | Fiscal Year To Date |
|--|-----------------------|---------------------|
| <b>CD/Coupon/Discount Investments:</b>               |                       |                     |
| Interest Collected                                   | 560,752.08            | 5,000,495.71        |
| Plus Accrued Interest at End of Period               | 1,465,836.79          | 1,465,836.79        |
| Less Accrued Interest at Beginning of Period         | ( 1,484,786.05)       | ( 1,410,319.55)     |
| Less Accrued Interest at Purchase During Period      | ( 0.00)               | ( 0.00)             |
|  | <u>541,802.82</u>     | <u>5,056,012.95</u> |
| Interest Earned during Period                        |                       |                     |
| Adjusted by Premiums and Discounts                   | 10,700.03             | 140,638.94          |
| Adjusted by Capital Gains or Losses                  | 1,190.03              | 5,644.44            |
|  | <u>553,692.88</u>     | <u>5,202,296.33</u> |
| <b>Earnings during Periods</b>                       |                       |                     |
|  |                       |                     |
| <b>Pass Through Securities:</b>                      |                       |                     |
| Interest Collected                                   | 0.00                  | 0.00                |
| Plus Accrued Interest at End of Period               | 0.00                  | 0.00                |
| Less Accrued Interest at Beginning of Period         | ( 0.00)               | ( 0.00)             |
| Less Accrued Interest at Purchase During Period      | ( 0.00)               | ( 0.00)             |
|  | <u>0.00</u>           | <u>0.00</u>         |
| Interest Earned during Period                        |                       |                     |
| Adjusted by Premiums and Discounts                   | 0.00                  | 0.00                |
| Adjusted by Capital Gains or Losses                  | 0.00                  | 0.00                |
|  | <u>0.00</u>           | <u>0.00</u>         |
| <b>Earnings during Periods</b>                       |                       |                     |
|  |                       |                     |
| <b>Cash/Checking Accounts:</b>                       |                       |                     |
| Interest Collected                                   | 488,848.42            | 1,865,585.98        |
| Plus Accrued Interest at End of Period               | 341,746.74            | 341,746.74          |
| Less Accrued Interest at Beginning of Period         | ( 680,675.24)         | ( 468,309.86)       |
|  | <u>149,919.92</u>     | <u>1,739,022.86</u> |
| Interest Earned during Period                        |                       |                     |
| <b>Total Interest Earned during Period</b>           | <b>691,722.74</b>     | <b>6,795,035.81</b> |
| <b>Total Adjustments from Premiums and Discounts</b> | <b>10,700.03</b>      | <b>140,638.94</b>   |
| <b>Total Capital Gains or Losses</b>                 | <b>1,190.03</b>       | <b>5,644.44</b>     |
|  | <u>703,612.80</u>     | <u>6,941,319.19</u> |
| <b>Total Earnings during Period</b>                  |                       |                     |
|  |                       |                     |

**City of Torrance**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**April 30, 2008**

| CUSIP                                 | Investment # | Issuer                         | Average Balance      | Purchase Date | Par Value            | Market Value         | Book Value           | Stated Rate | Moody's | YTM          | Days to Maturity | Maturity Date |
|---------------------------------------|--------------|--------------------------------|----------------------|---------------|----------------------|----------------------|----------------------|-------------|---------|--------------|------------------|---------------|
| <b>Local Agency Investment Funds</b>  |              |                                |                      |               |                      |                      |                      |             |         |              |                  |               |
| SYS10000                              | 10000        | Local Agency Invest Fund GEN'L |                      |               | 14,362,408.58        | 14,362,408.58        | 14,362,408.58        | 3.400       |         | 3.400        | 1                |               |
| SYS10001                              | 10001        | Local Agency Invest. Fund RDA  |                      |               | 11,798,737.63        | 11,798,737.63        | 11,798,737.63        | 3.400       |         | 3.400        | 1                |               |
| SYS1000a                              | 1000A        | LAIF - TRANS FUNDS             |                      | 01/01/2008    | 25,599,437.50        | 25,599,437.50        | 25,599,437.50        | 3.400       |         | 3.400        | 1                |               |
|                                       |              | <b>Subtotal and Average</b>    | <b>47,797,311.31</b> |               | <b>51,760,583.71</b> | <b>51,760,583.71</b> | <b>51,760,583.71</b> |             |         | <b>3.400</b> | <b>1</b>         |               |
| <b>Money Market Sweep Account</b>     |              |                                |                      |               |                      |                      |                      |             |         |              |                  |               |
| 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                 | 2.910       |         | 2.910        | 1                |               |
|                                       |              | <b>Subtotal and Average</b>    | <b>0.00</b>          |               | <b>0.00</b>          | <b>0.00</b>          | <b>0.00</b>          |             |         | <b>0.000</b> | <b>0</b>         |               |
| <b>Federal Agency Issues - Coupon</b> |              |                                |                      |               |                      |                      |                      |             |         |              |                  |               |
| 31331TYD7                             | 10519        | FEDERAL FARM CREDIT BANK       |                      | 04/15/2004    | 1,000,000.00         | 1,002,810.00         | 1,000,000.00         | 3.080       | Aaa     | 3.080        | 167              | 10/15/2008    |
| 31331SD42                             | 10576        | FEDERAL FARM CREDIT BANK       |                      | 06/30/2005    | 1,000,000.00         | 1,002,810.00         | 1,000,000.00         | 4.125       | Aaa     | 4.125        | 60               | 06/30/2008    |
| 31331VYF7                             | 10600        | FEDERAL FARM CREDIT BANK       |                      | 05/04/2006    | 1,000,000.00         | 1,025,000.00         | 1,000,000.00         | 5.250       | Aaa     | 5.250        | 368              | 05/04/2009    |
| 31331XMQ2                             | 10640        | FEDERAL FARM CREDIT BANK       |                      | 01/26/2007    | 1,000,000.00         | 1,044,060.00         | 1,000,000.00         | 5.000       | Aaa     | 5.002        | 755              | 05/26/2010    |
| 31331XT36                             | 10678        | FEDERAL FARM CREDIT BANK       |                      | 08/01/2007    | 1,000,000.00         | 1,070,940.00         | 1,000,000.00         | 5.250       | Aaa     | 5.250        | 1,553            | 08/01/2012    |
| 31331XZ24                             | 10688        | FEDERAL FARM CREDIT BANK       |                      | 09/14/2007    | 1,000,000.00         | 1,038,440.00         | 1,000,000.00         | 5.250       | Aaa     | 5.250        | 1,597            | 09/14/2012    |
| 31331YGL8                             | 10704        | FEDERAL FARM CREDIT BANK       |                      | 12/05/2007    | 1,000,000.00         | 1,010,310.00         | 1,000,000.00         | 4.875       | Aaa     | 4.875        | 1,679            | 12/05/2012    |
| 31331YHR4                             | 10706        | FEDERAL FARM CREDIT BANK       |                      | 12/14/2007    | 1,000,000.00         | 1,022,810.00         | 1,000,000.00         | 4.400       | Aaa     | 4.400        | 1,688            | 12/14/2012    |
| 31331YKW9                             | 10708        | FEDERAL FARM CREDIT BANK       |                      | 12/28/2007    | 1,000,000.00         | 1,024,690.00         | 1,000,000.00         | 5.250       | Aaa     | 5.250        | 1,336            | 12/28/2011    |
| 31331YPL8                             | 10710        | FEDERAL FARM CREDIT BANK       |                      | 01/24/2008    | 1,000,000.00         | 1,012,190.00         | 1,000,000.00         | 3.750       | Aaa     | 3.750        | 998              | 01/24/2011    |
| 31331YQP8                             | 10716        | FEDERAL FARM CREDIT BANK       |                      | 01/25/2008    | 2,500,000.00         | 2,510,950.00         | 2,516,250.00         | 3.800       | Aaa     | 3.657        | 1,730            | 01/25/2013    |
| 31331YQQ6                             | 10717        | FEDERAL FARM CREDIT BANK       |                      | 01/30/2008    | 3,500,000.00         | 3,536,085.00         | 3,522,750.00         | 3.850       | Aaa     | 3.674        | 1,369            | 01/30/2012    |
| 31331YRA0                             | 10718        | FEDERAL FARM CREDIT BANK       |                      | 02/04/2008    | 1,000,000.00         | 1,000,630.00         | 1,000,000.00         | 3.200       | Aaa     | 3.200        | 1,009            | 02/04/2011    |
| 31331YRD4                             | 10719        | FEDERAL FARM CREDIT BANK       |                      | 02/06/2008    | 1,000,000.00         | 1,006,250.00         | 1,000,000.00         | 3.625       | Aaa     | 3.625        | 1,376            | 02/06/2012    |
| 31331YQP8                             | 10721        | FEDERAL FARM CREDIT BANK       |                      | 02/04/2008    | 1,000,000.00         | 1,004,380.00         | 1,000,000.00         | 3.800       | Aaa     | 3.800        | 1,730            | 01/25/2013    |
| 31331YSB7                             | 10723        | FEDERAL FARM CREDIT BANK       |                      | 02/01/2008    | 1,000,000.00         | 998,130.00           | 1,000,000.00         | 3.790       | Aaa     | 3.790        | 1,737            | 02/01/2013    |
| 31331YTS9                             | 10726        | FEDERAL FARM CREDIT BANK       |                      | 02/11/2008    | 2,000,000.00         | 2,003,760.00         | 2,000,000.00         | 3.750       | Aaa     | 3.750        | 1,747            | 02/11/2013    |
| 31331YXJ4                             | 10734        | FEDERAL FARM CREDIT BANK       |                      | 03/11/2008    | 2,000,000.00         | 2,011,260.00         | 2,000,000.00         | 3.950       | Aaa     | 3.950        | 1,775            | 03/11/2013    |
| 31331YA83                             | 10739        | FEDERAL FARM CREDIT BANK       |                      | 04/03/2008    | 1,000,000.00         | 1,005,940.00         | 1,000,000.00         | 3.980       | Aaa     | 3.980        | 1,798            | 04/03/2013    |
| 31331YA83                             | 10741        | FEDERAL FARM CREDIT BANK       |                      | 04/03/2008    | 3,000,000.00         | 3,017,820.00         | 3,000,000.00         | 3.980       | Aaa     | 3.980        | 1,798            | 04/03/2013    |
| 31331YVJ6                             | 10744        | FEDERAL FARM CREDIT BANK       |                      | 04/18/2008    | 2,000,000.00         | 2,013,760.00         | 1,996,170.43         | 4.000       | Aaa     | 4.045        | 1,761            | 02/25/2013    |
| 3133XAQV2                             | 10564        | FEDERAL HOME LOAN BANK         |                      | 03/08/2005    | 1,000,000.00         | 1,005,630.00         | 1,000,000.00         | 4.000       | Aaa     | 4.000        | 130              | 09/08/2008    |
| 3133XFHS8                             | 10599        | FEDERAL HOME LOAN BANK         |                      | 05/19/2006    | 1,000,000.00         | 1,031,560.00         | 1,000,000.00         | 5.520       | Aaa     | 5.520        | 1,113            | 05/19/2011    |
| 3133XGD76                             | 10608        | FEDERAL HOME LOAN BANK         |                      | 08/11/2006    | 1,000,000.00         | 1,009,690.00         | 1,000,000.00         | 5.700       | Aaa     | 5.700        | 832              | 08/11/2010    |
| 3133XGT53                             | 10616        | FEDERAL HOME LOAN BANK         |                      | 09/08/2006    | 1,000,000.00         | 1,010,940.00         | 1,000,000.00         | 5.375       | Aaa     | 5.375        | 860              | 09/08/2010    |

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**City of Torrance**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**April 30, 2008**

| CUSIP                                 | Investment # | Issuer                        | Average Balance | Purchase Date | Par Value    | Market Value | Book Value   | Stated Rate | Moody's | YTM   | Days to Maturity | Maturity Date |
|---------------------------------------|--------------|-------------------------------|-----------------|---------------|--------------|--------------|--------------|-------------|---------|-------|------------------|---------------|
| <b>Federal Agency Issues - Coupon</b> |              |                               |                 |               |              |              |              |             |         |       |                  |               |
| 3133XGZP2                             | 10619        | FEDERAL HOME LOAN BANK        |                 | 10/02/2006    | 1,000,000.00 | 1,010,630.00 | 1,000,000.00 | 5.150       | Aaa     | 5.150 | 519              | 10/02/2009    |
| 3133XHEX6                             | 10624        | FEDERAL HOME LOAN BANK        |                 | 10/27/2006    | 1,000,000.00 | 1,015,000.00 | 1,000,000.00 | 5.200       | Aaa     | 5.200 | 1,274            | 10/27/2011    |
| 3133XEPZ7                             | 10625        | FEDERAL HOME LOAN BANK        |                 | 10/20/2006    | 1,000,000.00 | 1,009,380.00 | 999,767.58   | 5.000       | Aaa     | 5.038 | 134              | 09/12/2008    |
| 3133XJPZ5                             | 10639        | FEDERAL HOME LOAN BANK        |                 | 01/26/2007    | 1,000,000.00 | 1,022,190.00 | 1,000,000.00 | 5.200       | Aaa     | 5.200 | 816              | 07/26/2010    |
| 3133XJUD8                             | 10646        | FEDERAL HOME LOAN BANK        |                 | 02/09/2007    | 1,000,000.00 | 1,026,880.00 | 1,000,000.00 | 5.500       | Aaa     | 5.500 | 1,379            | 02/09/2012    |
| 3133XKF75                             | 10651        | FEDERAL HOME LOAN BANK        |                 | 04/20/2007    | 1,000,000.00 | 1,024,690.00 | 1,000,000.00 | 5.050       | Aaa     | 5.050 | 1,084            | 04/20/2011    |
| 3133XKPE9                             | 10656        | FEDERAL HOME LOAN BANK        |                 | 05/04/2007    | 1,000,000.00 | 1,013,440.00 | 1,000,000.00 | 5.125       | Aaa     | 5.125 | 1,098            | 05/04/2011    |
| 3133XKQ85                             | 10658        | FEDERAL HOME LOAN BANK        |                 | 05/15/2007    | 1,000,000.00 | 1,032,190.00 | 1,000,000.00 | 5.200       | Aaa     | 5.200 | 1,475            | 05/15/2012    |
| 3133XKYE9                             | 10662        | FEDERAL HOME LOAN BANK        |                 | 05/25/2007    | 1,000,000.00 | 1,049,690.00 | 1,000,000.00 | 5.200       | Aaa     | 5.200 | 1,485            | 05/25/2012    |
| 3133XL2J6                             | 10665        | FEDERAL HOME LOAN BANK        |                 | 05/29/2007    | 1,000,000.00 | 1,001,880.00 | 1,000,000.00 | 5.250       | Aaa     | 5.250 | 393              | 05/29/2009    |
| 3133XLAFO                             | 10667        | FEDERAL HOME LOAN BANK        |                 | 06/20/2007    | 1,000,000.00 | 1,005,000.00 | 1,000,000.00 | 5.600       | Aaa     | 5.600 | 1,511            | 06/20/2012    |
| 3133XLVX8                             | 10679        | FEDERAL HOME LOAN BANK        |                 | 08/06/2007    | 500,000.00   | 519,530.00   | 500,000.00   | 5.400       | Aaa     | 5.400 | 1,558            | 08/06/2012    |
| 3133XLWB5                             | 10680        | FEDERAL HOME LOAN BANK        |                 | 08/14/2007    | 500,000.00   | 520,155.00   | 500,000.00   | 5.460       | Aaa     | 5.460 | 1,566            | 08/14/2012    |
| 3133XM3S8                             | 10684        | FEDERAL HOME LOAN BANK        |                 | 08/27/2007    | 1,000,000.00 | 1,051,250.00 | 1,000,000.00 | 5.125       | Aaa     | 5.125 | 1,579            | 08/27/2012    |
| 3133XM3E9                             | 10685        | FEDERAL HOME LOAN BANK        |                 | 09/10/2007    | 1,000,000.00 | 1,012,500.00 | 1,000,000.00 | 5.600       | Aaa     | 5.600 | 1,593            | 09/10/2012    |
| 3133XMG39                             | 10691        | FEDERAL HOME LOAN BANK        |                 | 10/09/2007    | 2,000,000.00 | 2,074,380.00 | 2,000,000.00 | 5.100       | Aaa     | 5.100 | 1,622            | 10/09/2012    |
| 3133XMG70                             | 10693        | FEDERAL HOME LOAN BANK        |                 | 10/16/2007    | 1,000,000.00 | 1,014,380.00 | 1,000,000.00 | 5.250       | Aaa     | 5.250 | 1,629            | 10/16/2012    |
| 3133XMPZ8                             | 10696        | FEDERAL HOME LOAN BANK        |                 | 10/22/2007    | 2,000,000.00 | 2,076,880.00 | 2,000,000.00 | 5.150       | Aaa     | 5.150 | 1,635            | 10/22/2012    |
| 3133XMSY8                             | 10698        | FEDERAL HOME LOAN BANK        |                 | 11/07/2007    | 1,000,000.00 | 1,000,630.00 | 999,548.33   | 5.100       | Aaa     | 5.111 | 1,651            | 11/07/2012    |
| 3133XNJA8                             | 10701        | FEDERAL HOME LOAN BANK        |                 | 12/17/2007    | 1,000,000.00 | 1,019,060.00 | 1,000,000.00 | 4.550       | Aaa     | 4.550 | 1,691            | 12/17/2012    |
| 3133XNHS1                             | 10702        | FEDERAL HOME LOAN BANK        |                 | 12/03/2007    | 895,000.00   | 910,385.05   | 895,000.00   | 4.520       | Aaa     | 4.520 | 1,677            | 12/03/2012    |
| 3133XNNC9                             | 10705        | FEDERAL HOME LOAN BANK        |                 | 12/27/2007    | 1,000,000.00 | 1,004,380.00 | 1,000,000.00 | 4.875       | Aaa     | 4.875 | 1,701            | 12/27/2012    |
| 3133XNYV5                             | 10712        | FEDERAL HOME LOAN BANK        |                 | 01/22/2008    | 1,000,000.00 | 1,012,810.00 | 1,000,000.00 | 4.050       | Aaa     | 4.050 | 1,727            | 01/22/2013    |
| 3133XPBZ9                             | 10724        | FEDERAL HOME LOAN BANK        |                 | 02/13/2008    | 1,000,000.00 | 995,310.00   | 993,000.00   | 3.850       | Aaa     | 4.006 | 1,749            | 02/13/2013    |
| 3133XPFO0                             | 10725        | FEDERAL HOME LOAN BANK        |                 | 02/05/2008    | 1,000,000.00 | 1,001,560.00 | 1,000,000.00 | 3.660       | Aaa     | 3.660 | 1,741            | 02/05/2013    |
| 3133XPM50                             | 10727        | FEDERAL HOME LOAN BANK        |                 | 02/25/2008    | 1,000,000.00 | 1,001,250.00 | 1,000,000.00 | 3.750       | Aaa     | 3.750 | 1,761            | 02/25/2013    |
| 3133XPMT8                             | 10728        | FEDERAL HOME LOAN BANK        |                 | 02/27/2008    | 1,000,000.00 | 1,004,060.00 | 1,000,000.00 | 3.875       | Aaa     | 3.875 | 1,763            | 02/27/2013    |
| 3133XPXP4                             | 10731        | FEDERAL HOME LOAN BANK        |                 | 02/27/2008    | 2,000,000.00 | 2,021,260.00 | 2,000,000.00 | 3.800       | Aaa     | 3.800 | 1,397            | 02/27/2012    |
| 3133XPY73                             | 10732        | FEDERAL HOME LOAN BANK        |                 | 02/27/2008    | 2,000,000.00 | 2,006,880.00 | 1,998,355.56 | 4.250       | Aaa     | 4.272 | 1,763            | 02/27/2013    |
| 3133XPY24                             | 10733        | FEDERAL HOME LOAN BANK        |                 | 03/13/2008    | 1,000,000.00 | 1,013,130.00 | 998,505.00   | 3.950       | Aaa     | 3.997 | 1,412            | 03/13/2012    |
| 3133XQCL4                             | 10735        | FEDERAL HOME LOAN BANK        |                 | 03/28/2008    | 2,750,000.00 | 2,756,022.50 | 2,750,000.00 | 3.720       | Aaa     | 3.720 | 1,790            | 03/26/2013    |
| 3133XQEH1                             | 10736        | FEDERAL HOME LOAN BANK        |                 | 03/18/2008    | 1,000,000.00 | 1,008,750.00 | 999,769.91   | 4.000       | Aaa     | 4.006 | 1,782            | 03/18/2013    |
| 3133XQJZ6                             | 10738        | FEDERAL HOME LOAN BANK        |                 | 04/16/2008    | 2,000,000.00 | 1,976,260.00 | 1,999,608.33 | 3.750       | Aaa     | 3.754 | 1,811            | 04/16/2013    |
| 3133XQKA9                             | 10740        | FEDERAL HOME LOAN BANK        |                 | 04/02/2008    | 1,000,000.00 | 1,009,060.00 | 1,000,000.00 | 4.150       | Aaa     | 4.150 | 1,797            | 04/02/2013    |
| 3133XQJA1                             | 10742        | FEDERAL HOME LOAN BANK        |                 | 04/15/2008    | 2,000,000.00 | 1,985,000.00 | 2,000,000.00 | 3.700       | Aaa     | 3.700 | 1,810            | 04/15/2013    |
| 3128X1GD3                             | 10508        | FEDERAL HOME LOAN MORTGAGE CO |                 | 01/30/2004    | 1,000,000.00 | 1,003,160.00 | 997,029.81   | 3.110       | Aaa     | 3.644 | 224              | 12/11/2008    |

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**City of Torrance**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**April 30, 2008**

| CUSIP                                 | Investment # | Issuer                        | Average Balance | Purchase Date | Par Value             | Market Value          | Book Value            | Stated Rate | Moody's | YTM          | Days to Maturity | Maturity Date |
|---------------------------------------|--------------|-------------------------------|-----------------|---------------|-----------------------|-----------------------|-----------------------|-------------|---------|--------------|------------------|---------------|
| <b>Federal Agency Issues - Coupon</b> |              |                               |                 |               |                       |                       |                       |             |         |              |                  |               |
| 3128X4YE5                             | 10584        | FEDERAL HOME LOAN MORTGAGE CO |                 | 01/30/2006    | 1,000,000.00          | 1,005,880.00          | 999,935.72            | 5.000       | Aaa     | 5.030        | 83               | 07/23/2008    |
| 3128X4N56                             | 10605        | FEDERAL HOME LOAN MORTGAGE CO |                 | 06/09/2006    | 1,000,000.00          | 1,022,130.00          | 997,370.51            | 5.250       | Aaa     | 5.461        | 1,029            | 02/24/2011    |
| 3128X5KL1                             | 10620        | FEDERAL HOME LOAN MORTGAGE CO |                 | 09/29/2006    | 1,000,000.00          | 1,013,530.00          | 1,000,000.00          | 5.500       | Aaa     | 5.500        | 1,246            | 09/29/2011    |
| 3128X5NT1                             | 10629        | FEDERAL HOME LOAN MORTGAGE CO |                 | 11/14/2006    | 1,000,000.00          | 1,015,230.00          | 1,000,000.00          | 5.350       | Aaa     | 5.350        | 1,292            | 11/14/2011    |
| 3128X5PV4                             | 10631        | FEDERAL HOME LOAN MORTGAGE CO |                 | 11/24/2006    | 1,000,000.00          | 1,015,820.00          | 1,000,000.00          | 5.125       | Aaa     | 5.125        | 937              | 11/24/2010    |
| 3128X5VF2                             | 10637        | FEDERAL HOME LOAN MORTGAGE CO |                 | 12/27/2006    | 1,000,000.00          | 1,005,200.00          | 1,000,000.00          | 5.400       | Aaa     | 5.400        | 1,335            | 12/27/2011    |
| 3128X5ZN7                             | 10661        | FEDERAL HOME LOAN MORTGAGE CO |                 | 05/16/2007    | 1,000,000.00          | 1,024,540.00          | 999,196.36            | 5.250       | Aaa     | 5.272        | 1,433            | 04/03/2012    |
| 3128X6CS3                             | 10666        | FEDERAL HOME LOAN MORTGAGE CO |                 | 06/20/2007    | 1,000,000.00          | 1,004,450.00          | 1,000,000.00          | 5.625       | Aaa     | 5.625        | 1,145            | 06/20/2011    |
| 3128X6CX2                             | 10668        | FEDERAL HOME LOAN MORTGAGE CO |                 | 06/15/2007    | 1,000,000.00          | 1,034,530.00          | 999,646.30            | 5.400       | Aaa     | 5.418        | 775              | 06/15/2010    |
| 3128X6HP4                             | 10676        | FEDERAL HOME LOAN MORTGAGE CO |                 | 07/30/2007    | 1,000,000.00          | 1,008,200.00          | 1,000,000.00          | 5.550       | Aaa     | 5.550        | 820              | 07/30/2010    |
| 3137EAAAX7                            | 10677        | FEDERAL HOME LOAN MORTGAGE CO |                 | 07/23/2007    | 1,000,000.00          | 1,050,000.00          | 998,268.54            | 5.125       | Aaa     | 5.205        | 844              | 08/23/2010    |
| 3128X6LK0                             | 10687        | FEDERAL HOME LOAN MORTGAGE CO |                 | 09/18/2007    | 1,000,000.00          | 1,012,270.00          | 1,000,000.00          | 5.350       | Aaa     | 5.350        | 1,601            | 09/18/2012    |
| 3128X6NS1                             | 10685        | FEDERAL HOME LOAN MORTGAGE CO |                 | 10/15/2007    | 1,000,000.00          | 1,036,170.00          | 1,000,000.00          | 5.050       | Aaa     | 5.050        | 1,628            | 10/15/2012    |
| 3128X6JL8                             | 10707        | FEDERAL HOME LOAN MORTGAGE CO |                 | 12/13/2007    | 1,000,000.00          | 1,003,210.00          | 999,261.40            | 5.000       | Aaa     | 5.018        | 1,685            | 12/11/2012    |
| 3128X6P67                             | 10722        | FEDERAL HOME LOAN MORTGAGE CO |                 | 02/05/2008    | 2,000,000.00          | 1,992,500.00          | 2,000,000.00          | 4.000       | Aaa     | 4.000        | 1,741            | 02/05/2013    |
| 3128X7FV1                             | 10737        | FEDERAL HOME LOAN MORTGAGE CO |                 | 04/01/2008    | 1,000,000.00          | 989,510.00            | 999,541.67            | 3.900       | Aaa     | 3.911        | 1,796            | 04/01/2013    |
| 3128X7LX0                             | 10745        | FEDERAL HOME LOAN MORTGAGE CO |                 | 04/29/2008    | 2,000,000.00          | 2,011,380.00          | 1,994,016.67          | 3.920       | Aaa     | 3.987        | 1,824            | 04/29/2013    |
| 3136F7F44                             | 10606        | FEDERAL NATIONAL MORT ASSOC   |                 | 06/22/2006    | 1,000,000.00          | 1,034,060.00          | 1,000,000.00          | 5.500       | Aaa     | 5.500        | 1,147            | 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        | 1,103            | 05/09/2011    |
| 3136F8MV4                             | 10663        | FEDERAL NATIONAL MORT ASSOC   |                 | 05/23/2007    | 1,000,000.00          | 1,002,190.00          | 1,000,000.00          | 5.750       | Aaa     | 5.750        | 1,483            | 05/23/2012    |
| 3136F8PP4                             | 10673        | FEDERAL NATIONAL MORT ASSOC   |                 | 07/02/2007    | 1,000,000.00          | 1,004,380.00          | 1,000,000.00          | 5.375       | Aaa     | 5.375        | 427              | 07/02/2009    |
| 3136F8SU0                             | 10690        | FEDERAL NATIONAL MORT ASSOC   |                 | 09/18/2007    | 1,000,000.00          | 1,010,940.00          | 1,000,000.00          | 5.200       | Aaa     | 5.200        | 1,601            | 09/18/2012    |
| 3136F8N92                             | 10720        | FEDERAL NATIONAL MORT ASSOC   |                 | 01/29/2008    | 2,000,000.00          | 1,999,380.00          | 2,000,000.00          | 3.625       | Aaa     | 3.625        | 1,734            | 01/29/2013    |
| 3136F83X1                             | 10730        | FEDERAL NATIONAL MORT ASSOC   |                 | 02/22/2008    | 2,000,000.00          | 2,009,380.00          | 1,993,216.67          | 4.125       | Aaa     | 4.248        | 1,758            | 02/22/2013    |
| <b>Subtotal and Average</b>           |              |                               |                 |               | <b>104,645,000.00</b> | <b>105,939,127.55</b> | <b>104,646,208.79</b> |             |         | <b>4.531</b> | <b>1,399</b>     |               |
| <b>Treasury Securities - Coupon</b>   |              |                               |                 |               |                       |                       |                       |             |         |              |                  |               |
| 912828DZ0                             | 10579        | U.S.TREASURY NOTE             |                 | 07/25/2005    | 1,000,000.00          | 1,035,860.00          | 996,398.33            | 3.875       | Aaa     | 4.057        | 805              | 07/15/2010    |
| 912828FT2                             | 10626        | U.S.TREASURY NOTE             |                 | 10/23/2006    | 1,000,000.00          | 1,012,580.00          | 999,094.28            | 4.625       | Aaa     | 4.854        | 152              | 09/30/2008    |
| 912828FV7                             | 10627        | U.S.TREASURY NOTE             |                 | 10/31/2006    | 1,000,000.00          | 1,015,780.00          | 1,000,078.23          | 4.875       | Aaa     | 4.858        | 183              | 10/31/2008    |
| 912828FM7                             | 10638        | U.S.TREASURY NOTE             |                 | 01/22/2007    | 1,000,000.00          | 1,008,670.00          | 1,000,163.67          | 5.000       | Aaa     | 4.930        | 91               | 07/31/2008    |
| 912828GP9                             | 10664        | U.S.TREASURY NOTE             |                 | 05/23/2007    | 2,000,000.00          | 2,051,100.00          | 1,994,055.44          | 4.500       | Aaa     | 4.814        | 364              | 04/30/2009    |
| 912828GR5                             | 10669        | U.S.TREASURY NOTE             |                 | 06/08/2007    | 1,000,000.00          | 1,045,630.00          | 990,457.09            | 4.500       | Aaa     | 5.008        | 744              | 05/15/2010    |
| 912828G9                              | 10671        | U.S.TREASURY NOTE             |                 | 06/15/2007    | 1,000,000.00          | 1,044,770.00          | 994,023.13            | 4.750       | Aaa     | 5.109        | 655              | 02/15/2010    |
| 912828FX3                             | 10672        | U.S.TREASURY NOTE             |                 | 06/15/2007    | 1,000,000.00          | 1,036,880.00          | 993,179.04            | 4.625       | Aaa     | 5.100        | 563              | 11/15/2009    |

**City of Torrance  
Portfolio Management  
Portfolio Details - Investments  
April 30, 2008**

| CUSIP                                 | Investment # | Issuer                        | Average Balance     | Purchase Date | Par Value            | Market Value         | Book Value           | Stated Rate | Moody's | YTM          | Days to Maturity | Maturity Date |
|---------------------------------------|--------------|-------------------------------|---------------------|---------------|----------------------|----------------------|----------------------|-------------|---------|--------------|------------------|---------------|
| <b>Subtotal and Average</b>           |              |                               | <b>1,986,894.18</b> |               | <b>9,000,000.00</b>  | <b>9,251,270.00</b>  | <b>8,967,449.21</b>  |             |         | <b>4.838</b> | <b>435</b>       |               |
| <b>Medium Term Notes</b>              |              |                               |                     |               |                      |                      |                      |             |         |              |                  |               |
| 060505BH6                             | 10596        | Bank of America               |                     | 04/13/2006    | 1,000,000.00         | 997,100.00           | 986,456.89           | 3.375       | AA2     | 5.230        | 292              | 02/17/2009    |
| 060505AR5                             | 10699        | Bank of America               |                     | 11/02/2007    | 990,000.00           | 999,106.00           | 990,106.67           | 4.875       | AA2     | 4.871        | 1,598            | 09/15/2012    |
| 084664AF8                             | 10709        | Berkshire Hathaway            |                     | 01/15/2008    | 1,000,000.00         | 1,016,030.00         | 1,013,584.61         | 4.200       |         | 3.648        | 958              | 12/15/2010    |
| 084664AD3                             | 10714        | Berkshire Hathaway            |                     | 01/18/2008    | 1,000,000.00         | 1,015,800.00         | 1,015,506.76         | 4.625       |         | 4.300        | 1,993            | 10/15/2013    |
| 19416QCH1                             | 10692        | Colgate-Palmolive Co.         |                     | 10/01/2007    | 500,000.00           | 505,120.00           | 501,721.20           | 5.580       |         | 4.880        | 189              | 11/06/2008    |
| 36962GB78                             | 10465        | General Electric Capital Corp |                     | 05/12/2003    | 1,000,000.00         | 1,000,000.00         | 1,000,000.00         | 3.500       | Aaa     | 3.150        | 0                | 05/01/2008    |
| 36968RFV3                             | 10476        | General Electric Capital Corp |                     | 06/19/2003    | 2,000,000.00         | 1,996,640.00         | 2,000,000.00         | 2.450       | Aaa     | 2.450        | 45               | 06/15/2008    |
| 36962GK78                             | 10703        | General Electric Capital Corp |                     | 12/03/2007    | 1,000,000.00         | 1,008,150.00         | 996,549.40           | 4.250       | Aaa     | 4.404        | 865              | 09/13/2010    |
| 36966RV94                             | 10729        | General Electric Capital Corp |                     | 02/14/2008    | 2,000,000.00         | 1,957,720.00         | 2,000,000.00         | 4.000       | Aaa     | 4.000        | 1,385            | 02/15/2012    |
| 375766AM4                             | 10472        | Gillette Company              |                     | 05/27/2003    | 1,000,000.00         | 999,670.00           | 999,954.93           | 2.500       | Aa3     | 2.558        | 31               | 06/01/2008    |
| 38143UBE0                             | 10660        | Goldman Sachs                 |                     | 05/14/2007    | 1,210,000.00         | 1,209,225.60         | 1,197,036.21         | 4.500       |         | 5.050        | 775              | 06/15/2010    |
| 38141GBU7                             | 10743        | Goldman Sachs                 |                     | 04/18/2008    | 1,000,000.00         | 1,049,330.00         | 1,058,905.95         | 6.600       |         | 4.840        | 1,354            | 01/15/2012    |
| 441812KG8                             | 10613        | Household Finance Co          |                     | 08/22/2006    | 1,000,000.00         | 1,004,460.00         | 995,095.77           | 4.750       | Aa3     | 5.260        | 379              | 05/15/2009    |
| 40429CCX8                             | 10632        | Household Finance Co          |                     | 11/20/2006    | 1,000,000.00         | 1,004,970.00         | 1,001,875.66         | 5.250       | Aa3     | 5.170        | 988              | 01/14/2011    |
| 441812KH6                             | 10642        | Household Finance Co          |                     | 01/30/2007    | 1,000,000.00         | 997,940.00           | 984,387.18           | 4.125       | Aa3     | 5.224        | 564              | 11/16/2009    |
| 40429XB39                             | 10694        | Household Finance Co          |                     | 10/12/2007    | 1,000,000.00         | 996,850.00           | 1,000,000.00         | 5.000       | Aa3     | 5.000        | 897              | 10/15/2010    |
| 40429XC95                             | 10700        | Household Finance Co          |                     | 11/29/2007    | 1,000,000.00         | 1,001,430.00         | 1,000,000.00         | 5.050       | Aa3     | 5.050        | 928              | 11/15/2010    |
| 59018YV00                             | 10630        | MERRILL LYNCH                 |                     | 11/17/2006    | 1,000,000.00         | 977,910.00           | 994,661.08           | 4.790       | Aa3     | 5.050        | 825              | 08/04/2010    |
| 59018YSK8                             | 10643        | MERRILL LYNCH                 |                     | 01/30/2007    | 2,000,000.00         | 1,982,700.00         | 1,985,739.97         | 4.125       | Aa3     | 5.200        | 259              | 01/15/2009    |
| 59217EAD6                             | 10477        | Met Life                      |                     | 06/19/2003    | 1,000,000.00         | 999,120.00           | 1,000,062.13         | 2.600       | Aa2     | 2.550        | 49               | 06/19/2008    |
| 59217EAD6                             | 10481        | Met Life                      |                     | 07/25/2003    | 1,000,000.00         | 999,120.00           | 998,964.90           | 2.600       | Aa2     | 3.450        | 49               | 06/19/2008    |
| 64952WAE3                             | 10697        | New York Life Global          |                     | 11/02/2007    | 1,000,000.00         | 1,019,170.00         | 999,835.66           | 4.625       | Aaa     | 4.630        | 837              | 08/16/2010    |
| 742718BX6                             | 10538        | Procter & Gamble              |                     | 08/02/2004    | 1,000,000.00         | 1,002,450.00         | 1,001,192.46         | 4.300       | Aa3     | 3.850        | 106              | 08/15/2008    |
| 89233PUA2                             | 10675        | Toyota Motor Credit           |                     | 07/23/2007    | 1,000,000.00         | 1,015,580.00         | 979,066.67           | 4.540       | Aa1     | 5.500        | 761              | 06/01/2010    |
| 90327QCQ0                             | 10670        | USAA Capital Corp             |                     | 06/12/2007    | 2,000,000.00         | 2,015,140.00         | 1,976,614.13         | 4.640       |         | 5.420        | 593              | 12/15/2009    |
| 949746NB3                             | 10715        | Wells Fargo Co                |                     | 01/23/2008    | 1,000,000.00         | 1,014,140.00         | 1,022,026.89         | 4.875       | Aa1     | 4.000        | 986              | 01/12/2011    |
| 98153BAE4                             | 10604        | World Savings Bank            |                     | 06/05/2006    | 1,000,000.00         | 1,003,620.00         | 990,385.54           | 4.500       | Aa3     | 5.440        | 410              | 06/15/2009    |
| <b>Subtotal and Average</b>           |              |                               | <b>458,974.06</b>   |               | <b>30,700,000.00</b> | <b>30,788,493.60</b> | <b>30,689,730.66</b> |             |         | <b>4.421</b> | <b>669</b>       |               |
| <b>Municipal Bond Issues - Coupon</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        | 1,522            | 07/01/2012    |
| <b>Subtotal and Average</b>           |              |                               | <b>1,309,153.95</b> |               | <b>1,309,153.95</b>  | <b>1,309,153.95</b>  | <b>1,309,153.95</b>  |             |         | <b>7.999</b> | <b>1,522</b>     |               |

**City of Torrance**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**April 30, 2008**

| CUSIP             | Investment # | Issuer | Average Balance | Purchase Date | Par Value      | Market Value   | Book Value     | Stated Rate | Moody's | YTM   | Days to Maturity |
|-------------------|--------------|--------|-----------------|---------------|----------------|----------------|----------------|-------------|---------|-------|------------------|
| Total and Average |              |        | 52,550,240.99   |               | 197,414,737.66 | 199,048,628.81 | 197,373,126.32 |             |         | 4.254 | 876              |

## II. RESTRICTED FUNDS

*Reports Appear Quarterly*

### III. CASH & INVESTMENT PORTFOLIO SHARE

CITY OF TORRANCE  
CASH AND INVESTMENT PORTFOLIO SHARE (A)  
AS OF APRIL 30, 2008

| FUND   | SHARE OF<br>INVESTMENTS | POOLED CASH &<br>INVESTMENTS<br>BALANCE | CASH<br>PERCENT |
|--|-------------------------|---|-----------------|
| N General  | 69,441,087.94           | 68,607,418.50                           | 35.18           |
| R Parks & Recr Facility & Open Space                             | 3,419,205.50            | 3,378,156.50                            | 1.73            |
| R State Gas Tax  | 6,824,285.15            | 6,742,356.74                            | 3.46            |
| R Federal Housing, Community Dev                                 | 1,130,808.53            | 1,117,232.70                            | 0.57            |
| R Street Lighting  | 430,785.52              | 425,613.76                              | 0.22            |
| R Traffic Congestion Relief Act 2000 - AB2928                    | 621,520.69              | 614,059.07                              | 0.31            |
| R Police Asset Forfeiture  | 2,953,886.75            | 2,918,424.10                            | 1.50            |
| N Government Cable   | 2,038,129.60            | 2,013,661.00                            | 1.03            |
| R Local Return - Proposition C                                   | 5,890,595.41            | 5,819,876.34                            | 2.98            |
| R Grants/Donations   | 513,298.59              | 507,136.22                              | 0.26            |
| R Citizens Options for Public Safety (COPS) Grant Funds - AB3229 | 456,966.34              | 451,480.27                              | 0.23            |
| R Seismic Education Fund   | 49,550.72               | 48,955.84                               | 0.03            |
| R Rehabilitation Housing   | 568,802.44              | 561,973.73                              | 0.29            |
| R Police Inmate Welfare Fund                                     | 81,462.22               | 80,484.23                               | 0.04            |
| N Capital Improvements   | 23,384,507.53           | 23,103,766.69                           | 11.85           |
| R Vanpool/Rideshare Fund   | 299,383.12              | 295,788.90                              | 0.15            |
| R Torrance Improvement Fund                                      | 5,654,033.14            | 5,586,154.10                            | 2.86            |
| R Animal Control Fund  | (7,285.01)              | (7,197.55) (B)                          | (0.00)          |
| R Redevelopment-Capital Proj                                     | 8,506,635.22            | 8,404,509.49                            | 4.31            |
| R Redevelopment Debt Service                                     | 906,595.58              | 895,711.52                              | 0.46            |
| N DNA Sampling Fund  | 10,597.22               | 10,470.00                               | 0.01            |
| N Airport Fund   | 7,361,795.86            | 7,273,414.41                            | 3.73            |
| N Transit Operations   | 2,263,410.35            | 2,236,237.16                            | 1.15            |
| R Development Impact Fund  | 597,324.89              | 590,153.75                              | 0.30            |
| N Water Operations   | 9,882,184.63            | 9,763,544.85                            | 5.01            |
| N Emergency Medical Service Enterprise Fund                      | 11,010.73               | 10,878.54                               | 0.01            |
| N Sanitation Operations  | 3,211,740.79            | 3,173,182.49                            | 1.63            |
| N Cultural Arts Enterprise                                       | 287,698.74              | 284,244.80                              | 0.15            |
| N Sewer Enterprise Fund  | 10,783,543.17           | 10,654,082.20                           | 5.46            |
| N Parks & Recr Enterprise Fund                                   | (191,398.15)            | (189,100.33) (C)                        | (0.10)          |
| N Self Insurance Fund  | 8,158,378.08            | 8,060,433.32                            | 4.13            |
| N Fleet Services   | 12,835,294.67           | 12,681,201.56                           | 6.50            |
| R Postemployment/Compensated Absences Fund                       | 6,053,199.31            | 5,980,528.11                            | 3.07            |
| R Trust & Agency   | 2,944,091.03            | 2,908,745.98                            | 1.49            |
| <b>TOTAL</b>   | <b>197,373,126.32</b>   | <b>195,003,578.99</b>                   | <b>100.00</b>   |

R = Restricted Funds

N = Non-Restricted Funds

(A) The difference between the Share of Investments total of \$197,373,126.32 and the Pooled Cash and Investments total of \$195,003,578.99 is primarily due to outstanding warrants and adjusting journal entries. (See reconciliation schedule attached)

(B) The majority of Animal Control revenues are received in May and June when animal licenses are renewed.

(C) Salary reimbursements from Prop A for \$199,000 will be billed in June 2008.

**CITY OF TORRANCE  
CASH AND INVESTMENT RECONCILIATION  
AS OF APRIL 30, 2008**

|  |              |                           |
|--|--------------|---------------------------|
| INVESTMENTS PER PORTFOLIO SUMMARY<br>(City Pool)             |              | <b>197,373,126.32</b>     |
| <br>CASH AND INVESTMENTS PER BOOKS                           |              | <br><b>195,003,578.99</b> |
| <br>CASH IN BANKS:   |              |                           |
| Cash in B of A General Account                               |              | (\$3,660,436.28)          |
| Cash in B of A Payroll Account                               |              | 0.00                      |
| <br>OUTSTANDING WARRANTS:                                    |              |                           |
| General Account  | 1,302,233.79 |                           |
| Payroll Account  | 70,774.64    |                           |
| Workers Compensation Account                                 | 62,221.49    |                           |
| Housing Account  | 289,341.16   | 1,724,571.08              |
| <br>Miscellaneous outstanding adjusting journal entries      |              | 619,294.72                |
| Payroll for PE 4/26/08 posted on 4/26/08 and paid on 5/2/08  |              | 2,670,478.26              |
| Payroll for PE 5/10/08 posted on 4/30/08 and paid on 5/16/08 |              | 1,015,639.55              |
| INVESTMENTS PER BOOKS  |              | <b>\$197,373,126.32</b>   |