

Council Meeting of
February 3, 2009

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

Members of Council:

SUBJECT: Accept and file Investment Reports for December 2008

RECOMMENDATION

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

FUNDING

Not applicable

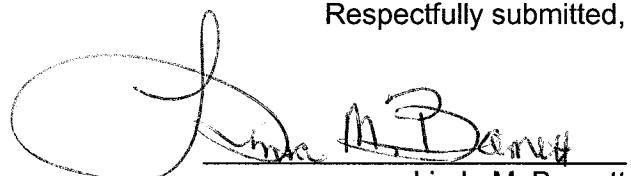
BACKGROUND

On December 09, 2008, Your Honorable Body, through passage of Resolution 2008-123, 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 December 2008.

Investment Committee Note

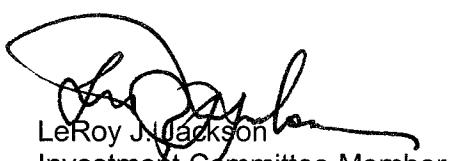
The Investment Committee, made up of the Finance Director, City Manager, Assistant City Attorney, and City Treasurer, as created by your Honorable Body, has reviewed the attached report and find that it is in concurrence with the City of Torrance Investment Policy.

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 December 31, 2008

Table of Contents

	<u>Page No.</u>
I. CITY OF TORRANCE – POOLED FUNDS	
<i>A. <u>Summary Reports</u></i>	
Investment Portfolio Highlights	1
Monthly Investment Summary Notes	2-3
Investment Portfolio Summary	4
Investment Activity Summary	5
Investment Portfolio Activity	6
Interest Earnings Summary	7
<i>B. <u>Detailed Reports</u></i>	
Investment Portfolio Details and Quality Ratings	8-12
II. RESTRICTED FUNDS	
Cash and Investments Held by Fiscal Agent	13-14
Deferred Compensation Account	15
III. CASH & INVESTMENT PORTFOLIO SHARE	
Cash & Investment Share as of December 31, 2008	16
Cash & Investment Reconciliation	17

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

RETURN

	<u>Current Month</u>	<u>Previous Month</u>
Average City Portfolio YTM	4.006	4.099
Average U.S. Treasury Constant Maturity	1.000	1.270
LAIF Average Monthly Return	2.353	2.568
Average City Portfolio YTM - 1 year prior	4.719	4.747

INTEREST INCOME

	<u>Current Period</u>	<u>Prior Year</u>
Fiscal year to date	3,832,226	3,939,731
Current month	597,432	652,743

MATURITY

	<u>Current Month</u>	<u>Prior Month</u>
Average Maturity (days)	989	1059
Average Maturity 1 Year Prior (days)	652	639
Weighted Average Maturity (years)	2.71	2.90

VOLUMES

	<u>Total \$ Volume</u>	<u># of Transactions</u>
Purchases	30,372,750	4
Maturities	23,672,750	10

Transactions include 4 deposits to and 9 withdrawals from LAIF, 0 purchases and 0 maturities of the Union of Bank Money Market Sweep Account.

VALUE OF PORTFOLIO PER GASB STATEMENT NO. 31

<u>GASB required securities</u>	<u>Beginning Investment Value as of July 1,2008</u>	<u>Purchase/Redempt. Of Principal</u>	<u>Change in Market Value</u>	<u>Ending Investment Value as of December 31, 2008</u>
Federal Agency (coup)	117,807,309	1,910,622	2,171,061	121,888,992
Treasury Securities	9,181,240	-3,000,000	41,730	6,222,970
Medium Term Notes	25,558,720	-3,453,080	-310,086	21,795,554
Municipal Bonds	1,309,154	-123,706	0	1,185,448
SUB-TOTAL PER GASB 31	153,856,423	-4,666,164	1,902,705	151,092,964
<u>Non-GASB securities</u>				
LAIF	48,200,000	-23,850,000	0	24,350,000
Money Market	6,000,000	-6,000,000	0	0
Federal Agency – Disc.	0	-18,704	18,704	0
Treasury Security – Disc.	0	0	0	0
Certificate of Deposits -Disc.	0	200,000	0	200,000
Commercial paper	0	983,890	13,430	997,320
TOTAL PORTFOLIO	208,056,423	-33,350,978	1,934,839	176,640,284

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

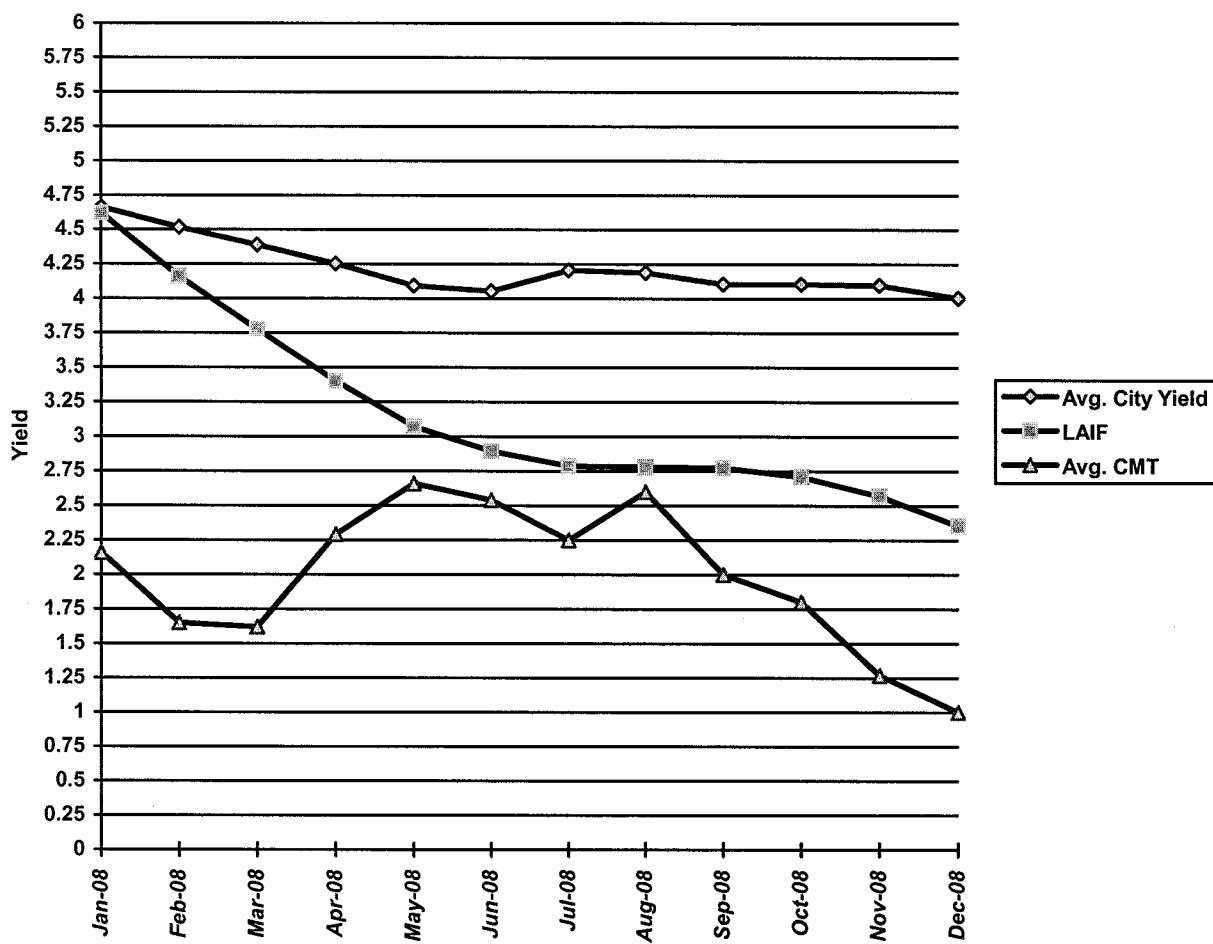
CITY OF TORRANCE

City Treasurer's Office

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

I. Return

20.34% of the portfolio is invested at one-year maturity or less as of December 31, 2008. The City Average yield on the portfolio was 4.006% compared to 1.00% for the U.S. Treasury at Constant Maturity (CMT) of 36 months. The portfolio performed above the benchmark as of December 31, 2008 by 300 basis points.



II. Volumes

The investment activity for August included 0 deposits and 0 redemption in the Union Bank of California money market account.

III. Diversification of Investments

In the month of December there were no new purchases. There was 1 call for a total of \$1.0 million with an average yield of 4.865%. The activity in the LAIF Account consisted of 4 deposits for a total of \$22.0 million and 9 withdrawals for a total of \$15.3 million. The portfolio increased by \$5.7 million.

<u>Asset Category</u>	<u>December</u>	<u>November</u>
1. LAIF	13.92	10.43
2. Certificate of Deposits	.11	.12
3. Money Market Sweep	0.00	0.00
4. Federal Agency Issues(coup)	68.57	71.48
5. Federal Agency Issues(disc)	0.00	0.00
6. Treasury Securities	3.42	3.53
7. Treasury Securities(disc)	0.00	0.00
8. Medium Term Notes	12.73	13.15
9. Municipal Bonds	.68	.70
10. Commercial Paper(disc)	<u>0.57</u>	<u>0.59</u>
	100.00%	100.00%

IV. Maturity

As of December 31, 2008, the current maturity allocation is 24.57% of the portfolio invested between the 6 month to 3-year maturity levels. 18.62% 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 \$32.53 million available for expenditures.

<u>As of Maturity</u>	<u>December</u>	<u>November</u>
0 to 6 months	18.62%	14.70%
6 months to 1 year	1.72%	1.18%
1 to 2 years	9.84%	10.77%
2 to 3 years	13.01%	14.04%
3 to 4 years	24.64%	24.94%
4 to 5 years	32.17%	34.37%
5 years and after	<u>0.00%</u>	<u>0.00%</u>
	100.00%	100.00%

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 December 31, 2008**

Investment Type	Book Value (\$)	Percent of Portfolio	Percent Permitted by Policy	Average Term	Average Days to Maturity	Maturity Allowed by Policy	365 Equiv.
Local Agency Investment Fund	24,350,000	13.92	**	1	1	N/A	2.353
Money Market Sweep Account	00	0.00		1	1		.009
Federal Agency Issues – Coupon	119,913,687	68.57	75	1,570	1,280	5 years	4.133
Farmer Mac	00	.00	30	00	00	5 years	.000
Federal Farm Credit Bank	52,037,327	29.93	30	400	425	5 years	2.372
Federal Home Loan Bank	51,880,468	29.98	30	365	410	5 years	2.171
Federal Home Loan Mortgage Corp.	6,995,891	4.02	30	388	416	5 years	2.879
Federal National Mortgage Assoc.	9,000,000	5.18	30	750	818	5 years	2.637
Treasury Securities – Coupon	5,981,557	3.42	100	1,027	337	5 years	4.817
Medium Term Notes	22,254,245	12.73	20	1,220	715	5 years	4.739
Municipal Bond Issue	1,185,448	.68		3,848	1,277	N/A	7.999
Federal Agency Disc	00	.00				5 years	.000
Commercial Paper Disc-Amort	993,970	.57		179	67	5 years	3.293
Treasury Discount-Amort	00	.00					.000
Certificate of Deposits-Disc	200,000	.11		152	81		3.300
Total Investments & Averages	174,878,907	100.00		1,294	989		4.006
Pending Redemptions							
Accrued Interest at Purchase	26,924						
Total Cash & Purchase Interest	26,924						
Total Cash & Investments	174,905,830						

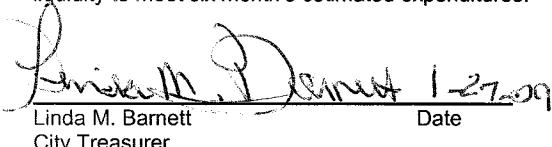
Portfolio Notes:

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

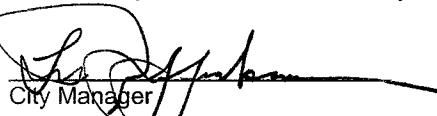
General LAIF account = \$18,700,000

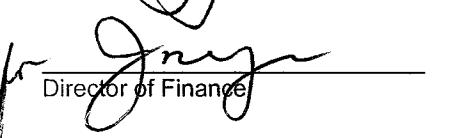
RDA LAIF account = \$ 5,650,000

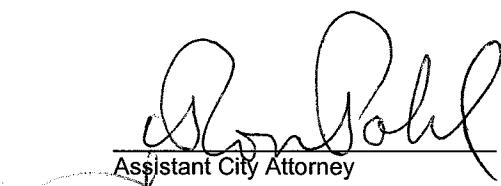
I certify that this report accurately reflects all pooled investments and is in conformity with the City of Torrance Investment Policy Statement adopted by Res. 08-123 on December 9, 2008. A copy of this policy is available at the office of the City Clerk. The investment program herein shown provides sufficient cash flow liquidity to meet six month's estimated expenditures.


Linda M. Barnett
Date
City Treasurer

Reviewed by the Investment Advisory Committee


City Manager


Director of Finance


Assistant City Attorney


City Treasurer

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

Month End	Year	Number of Securities	Yield to Maturity		Managed Pool Rate	Number of Investments Purchased	Number of Investments Redeemed	Average Term	Average Days to Maturity
			Average Balance	360 Equivalent					
December	2007	127	164,262,749.72	4.655	4.719	4,801	8	7	1,119
January	2008	126	176,545,132.75	4.598	4.661	4,620	10	12	1,025
February	2008	129	188,047,543.59	4.452	4.514	4,161	14	11	1,112
March	2008	125	187,972,492.91	4.331	4.391	3,777	4	8	1,125
April	2008	126	192,345,930.83	4.196	4.254	3,400	9	8	1,146
May	2008	133	203,045,113.25	4.037	4.093	3,072	12	5	1,151
June	2008	128	209,041,697.28	3.999	4.055	2,894	7	12	1,121
July	2008	131	191,237,074.56	4.150	4.208	2,787	7	5	1,299
August	2008	121	179,060,067.82	4.132	4.189	2,779	3	13	1,326
September	2008	116	174,777,539.06	4.048	4.104	2,774	3	8	1,295
October	2008	115	173,786,048.44	4.050	4.106	2,709	3	4	1,331
November	2008	113	170,422,160.66	4.043	4.100	2,568	0	2	1,349
December	2008	112	170,568,129.23	3.952	4.007	2,353	0	1	1,294
	Average	123	183,102,719.57	4.203%	4.262%	3,284	6	7	1,207
							917		

December 2008

Invest no. (I) PURCHASES*	BROKER	PURCHASE DATE	DESCRIPTION	QUALITY RATING	MATURITY DATE	DAYS TO MATURITY	RATE	YIELD	PAR VALUE	COST	MARKET VALUE

Weighted Average Yield

0.000%

Invest no. (II) MATURITIES**	BROKER	PURCHASE DATE	DESCRIPTION	QUALITY RATING	MATURITY DATE	RATE	YIELD	PAR VALUE	BOOK VALUE	MARKET VALUE
10704		12/05/2007 FFCB		AAA/Aaa	12/05/2012	4.875%	4.865%	1,000,000	1,000,000	1,000,000

Weighted Average Yield

4.865%

* 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.
-	Local Agency Pool	5,672,750	2.355%	2.355%	22,000,000	18,672,750	9,000,000	
-	City	6,327,250	2.355%	2.355%			6,327,250	
-	Tran. Acct	5,650,000	2.355%	2.355%	8,372,750	5,000,000	9,022,750	
-	RDA				\$30,372,750	\$23,672,750	\$ -	\$24,350,000

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

	December 31 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	387,069.50	3,238,749.14
Plus Accrued Interest at End of Period	1,753,381.45	1,753,381.45
Less Accrued Interest at Beginning of Period	(1,608,999.26)	(1,690,974.34)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	531,451.69	3,301,156.25
Adjusted by Premiums and Discounts	9,091.94	52,667.53
Adjusted by Capital Gains or Losses	0.00	78,029.28
Earnings during Periods	540,543.63	3,431,853.06
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	561,556.06
Plus Accrued Interest at End of Period	636,994.98	636,994.98
Less Accrued Interest at Beginning of Period	(580,105.87)	(798,178.01)
Interest Earned during Period	56,889.11	400,373.03
Total Interest Earned during Period	588,340.80	3,701,529.28
Total Adjustments from Premiums and Discounts	9,091.94	52,667.53
Total Capital Gains or Losses	0.00	78,029.28
Total Earnings during Period	597,432.74	3,832,226.09

City of Torrance
Portfolio Management
Portfolio Details - Investments
December 31, 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 GENL	9,000,000.00		9,000,000.00	9,000,000.00	9,000,000.00	2.353		2.353	1	
SYS10001	10001	Local Agency Invest Fund RDA	5,650,000.00		5,650,000.00	5,650,000.00	5,650,000.00	2.353		2.353	1	
SYS1000a	1000A	LAIF - TRANS FUNDS	9,700,000.00		9,700,000.00	9,700,000.00	9,700,000.00	2.353		2.353	1	
		Subtotal and Average	19,333,870.97		24,350,000.00	24,350,000.00				2.353	1	
Cert. of Deposit - Collateralized												
SYS10780	10780	PREFERRED BANK	10/22/2008		200,000.00	200,000.00	200,000.00	3.300		3.300	81	
		Subtotal and Average	200,000.00		200,000.00	200,000.00				3.300	81	
Money Market Sweep Account												
SYS10131	10131	Bank of America	0.00		0.00	0.00	0.00	4.620	Aa2	4.620	1	
SYS1000	1000	Union Bank of California	0.00		0.00	0.00	0.00	0.137		0.137	1	
		Subtotal and Average	0.00		0.00	0.00				0.000	0	
Federal Agency Issues - Coupon												
31331VYF7	10600	FEDERAL FARM CREDIT BANK	05/04/2006		1,000,000.00	1,016,560.00	1,000,000.00	5.250	Aaa	5.250	05/04/2009	
31331XNQ2	10640	FEDERAL FARM CREDIT BANK	01/26/2007		1,000,000.00	1,057,500.00	1,000,000.00	5.000	Aaa	5.002	05/26/2010	
31331XT36	10678	FEDERAL FARM CREDIT BANK	08/01/2007		1,000,000.00	1,109,380.00	1,000,000.00	5.250	Aaa	5.250	08/01/2012	
31331XZ24	10688	FEDERAL FARM CREDIT BANK	09/14/2007		1,000,000.00	1,028,440.00	1,000,000.00	5.250	Aaa	5.250	13,352 09/14/2012	
31331YHR4	10706	FEDERAL FARM CREDIT BANK	12/14/2007		1,000,000.00	1,025,310.00	1,000,000.00	4.400	Aaa	4.400	12/14/2012	
31331YKw9	10708	FEDERAL FARM CREDIT BANK	12/28/2007		1,000,000.00	1,031,250.00	1,000,000.00	4.250	Aaa	4.250	1,091 12/28/2011	
31331YPL8	10710	FEDERAL FARM CREDIT BANK	01/24/2008		1,000,000.00	1,016,560.00	1,000,000.00	3.750	Aaa	3.750	01/24/2011	
31331YQP8	10716	FEDERAL FARM CREDIT BANK	01/25/2008		2,500,000.00	2,543,750.00	2,516,250.00	3.800	Aaa	3.657	1,485 01/25/2013	
31331YQQ6	10717	FEDERAL FARM CREDIT BANK	01/30/2008		3,500,000.00	3,507,665.00	3,522,750.00	3.850	Aaa	3.674	1,124 01/30/2012	
31331YRA0	10718	FEDERAL FARM CREDIT BANK	02/04/2008		1,000,000.00	1,002,190.00	1,000,000.00	3.200	Aaa	3.200	764 02/04/2011	
31331YRD4	10719	FEDERAL FARM CREDIT BANK	02/06/2008		1,000,000.00	1,002,500.00	1,000,000.00	3.625	Aaa	3.625	1,131 02/06/2012	
31331YQP8	10721	FEDERAL FARM CREDIT BANK	02/04/2008		1,000,000.00	1,017,500.00	1,000,000.00	3.800	Aaa	3.800	1,485 01/25/2013	
31331YSB7	10723	FEDERAL FARM CREDIT BANK	02/01/2008		1,000,000.00	1,014,690.00	1,000,000.00	3.790	Aaa	3.790	1,492 02/01/2013	
31331YTS9	10726	FEDERAL FARM CREDIT BANK	02/11/2008		2,000,000.00	2,034,380.00	2,000,000.00	3.750	Aaa	3.750	1,502 02/11/2013	
31331YXJ4	10734	FEDERAL FARM CREDIT BANK	03/11/2008		2,000,000.00	2,008,760.00	2,000,000.00	3.950	Aaa	3.950	1,530 03/11/2013	
31331YA83	10739	FEDERAL FARM CREDIT BANK	04/03/2008		1,000,000.00	1,002,190.00	1,000,000.00	3.980	Aaa	3.980	1,553 04/03/2013	
31331YA83	10741	FEDERAL FARM CREDIT BANK	04/03/2008		3,000,000.00	3,006,570.00	3,000,000.00	3.980	Aaa	3.980	1,553 04/03/2013	
31331YYJ6	10744	FEDERAL FARM CREDIT BANK	04/18/2008		2,000,000.00	2,007,500.00	1,999,296.61	4.000	Aaa	4.045	1,516 02/25/2013	
31331YN63	10756	FEDERAL FARM CREDIT BANK	05/15/2008		1,000,000.00	1,010,310.00	1,000,000.00	3.800	Aaa	3.800	1,230 05/15/2012	
31331YT26	10757	FEDERAL FARM CREDIT BANK	06/02/2008		2,000,000.00	2,048,760.00	1,989,754.81	3.620	Aaa	3.627	882 06/02/2011	
31331YT42	10758	FEDERAL FARM CREDIT BANK	06/03/2008		1,000,000.00	1,028,690.00	1,000,000.00	4.240	Aaa	4.240	1,614 06/03/2013	

Portfolio CITY

AP

PM (PRF_PM2) SymRep 6.41.202b

Run Date: 01/23/2009 - 13:59

Report Ver. 5.00

City of Torrance
Portfolio Management
Portfolio Details - Investments
December 31, 2008

11

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	YTM	Days to Maturity	Moody's	Stated Rate
Federal Agency Issues - Coupon											
31331Y2G4	10768	FEDERAL FARM CREDIT BANK	07/01/2008	1,000,000.00	1,041,880.00	1,000,000.00	4.850	1.642	07/01/2013	Aaa	4.850
31331Y4A5	10771	FEDERAL FARM CREDIT BANK	07/28/2008	1,000,000.00	1,017,190.00	1,000,000.00	3.875	Aaa	3.875	938	07/28/2011
31331Y6E5	10772	FEDERAL FARM CREDIT BANK	08/13/2008	1,000,000.00	1,019,690.00	1,000,000.00	4.750	Aaa	4.750	1,685	08/13/2013
31331Y3F5	10773	FEDERAL FARM CREDIT BANK	08/14/2008	5,000,000.00	5,087,500.00	5,004,688.82	4.750	Aaa	4.712	1,656	07/15/2013
31331Y6T2	10774	FEDERAL FARM CREDIT BANK	08/20/2008	5,000,000.00	5,021,900.00	5,000,000.00	4.500	Aaa	4.500	1,327	08/20/2012
31331GCF4	10776	FEDERAL FARM CREDIT BANK	08/23/2008	1,000,000.00	1,043,440.00	1,000,319.66	3.125	Aaa	3.113	995	09/23/2011
31331GBS7	10777	FEDERAL FARM CREDIT BANK	08/30/2008	3,000,000.00	3,045,930.00	2,995,020.17	3.100	Aaa	3.219	624	09/17/2010
31331GBT5	10778	FEDERAL FARM CREDIT BANK	10/07/2008	2,000,000.00	1,998,247.06	1,999,247.06	3.980	Aaa	4.003	1,355	09/17/2012
31331GDF3	10779	FEDERAL FARM CREDIT BANK	10/15/2008	2,000,000.00	2,056,260.00	2,000,000.00	4.250	Aaa	4.250	1,748	10/15/2013
3133XFHS8	10599	FEDERAL HOME LOAN BANK	05/19/2006	1,000,000.00	1,018,130.00	1,000,000.00	5.520	Aaa	5.520	868	05/19/2011
3133XJPZ5	10639	FEDERAL HOME LOAN BANK	01/26/2007	1,000,000.00	1,003,130.00	1,000,000.00	5.200	Aaa	5.200	571	07/26/2010
3133XJUD8	10646	FEDERAL HOME LOAN BANK	02/09/2007	1,000,000.00	1,004,380.00	1,000,000.00	5.500	Aaa	5.500	1,134	02/09/2012
3133XXKF75	10651	FEDERAL HOME LOAN BANK	04/20/2007	1,000,000.00	1,012,810.00	1,000,000.00	5.050	Aaa	5.050	839	04/20/2011
3133XXKQ55	10658	FEDERAL HOME LOAN BANK	05/15/2007	1,000,000.00	1,015,630.00	1,000,000.00	5.200	Aaa	5.200	1,230	05/15/2012
3133XXYE9	10662	FEDERAL HOME LOAN BANK	05/25/2007	1,000,000.00	1,053,130.00	1,000,000.00	5.200	Aaa	5.200	1,240	05/25/2012
3133XLVX8	10679	FEDERAL HOME LOAN BANK	08/06/2007	500,000.00	512,970.00	500,000.00	5.400	Aaa	5.400	1,313	08/06/2012
3133XLWB5	10680	FEDERAL HOME LOAN BANK	08/14/2007	500,000.00	513,440.00	500,000.00	5.460	Aaa	5.460	1,321	08/14/2012
3133XMS58	10684	FEDERAL HOME LOAN BANK	08/27/2007	1,000,000.00	1,057,500.00	1,000,000.00	5.125	Aaa	5.125	1,334	08/27/2012
3133XMG39	10691	FEDERAL HOME LOAN BANK	10/09/2007	2,000,000.00	2,060,000.00	2,000,000.00	5.100	Aaa	5.100	1,377	10/09/2012
3133XMP28	10696	FEDERAL HOME LOAN BANK	10/22/2007	2,000,000.00	2,063,120.00	2,000,000.00	5.150	Aaa	5.150	1,390	10/22/2012
3133XNUA8	10701	FEDERAL HOME LOAN BANK	12/17/2007	1,000,000.00	1,023,440.00	1,000,000.00	4.550	Aaa	4.550	1,446	12/17/2012
3133XNHS1	10702	FEDERAL HOME LOAN BANK	12/03/2007	895,000.00	906,187.50	895,000.00	4.520	Aaa	4.520	1,432	12/03/2012
3133XNYV5	10712	FEDERAL HOME LOAN BANK	01/22/2008	1,000,000.00	1,021,880.00	1,000,000.00	4.050	Aaa	4.050	1,482	01/22/2013
3133XPB29	10724	FEDERAL HOME LOAN BANK	02/13/2008	1,000,000.00	1,000,310.00	993,596.30	3.850	Aaa	4.006	1,504	02/13/2013
3133XPFF90	10725	FEDERAL HOME LOAN BANK	02/05/2008	1,000,000.00	1,018,440.00	1,000,000.00	3.660	Aaa	3.660	1,496	02/05/2013
3133XPMS0	10727	FEDERAL HOME LOAN BANK	02/25/2008	1,000,000.00	1,011,250.00	1,000,000.00	3.750	Aaa	3.750	1,516	02/25/2013
3133XPMT8	10728	FEDERAL HOME LOAN BANK	02/27/2008	1,000,000.00	1,003,440.00	1,000,000.00	3.875	Aaa	3.875	1,518	02/27/2013
3133XPXP4	10731	FEDERAL HOME LOAN BANK	02/27/2008	2,000,000.00	2,008,760.00	2,000,000.00	3.800	Aaa	3.800	1,152	02/27/2012
3133XPV73	10732	FEDERAL HOME LOAN BANK	02/27/2008	2,000,000.00	2,006,880.00	1,999,688.89	4.260	Aaa	4.272	1,518	02/27/2013
3133XPV24	10733	FEDERAL HOME LOAN BANK	03/13/2008	1,000,000.00	1,005,940.00	999,655.00	3.950	Aaa	3.997	1,167	03/13/2012
3133XQCL4	10735	FEDERAL HOME LOAN BANK	03/26/2008	2,750,000.00	2,806,732.50	2,750,000.00	3.720	Aaa	3.720	1,545	03/26/2013
3133XQEHI	10736	FEDERAL HOME LOAN BANK	03/18/2008	1,000,000.00	1,015,310.00	999,881.02	4.000	Aaa	4.006	1,537	03/18/2013
3133XQIZ6	10738	FEDERAL HOME LOAN BANK	04/16/2008	2,000,000.00	2,025,000.00	1,999,741.67	3.750	Aaa	3.754	1,566	04/16/2013
3133XQKA9	10740	FEDERAL HOME LOAN BANK	04/02/2008	1,000,000.00	1,000,000.00	4.150	Aaa	4.150	1,552	04/02/2013	
3133XQJA1	10742	FEDERAL HOME LOAN BANK	04/15/2008	2,000,000.00	2,058,760.00	2,000,000.00	3.700	Aaa	3.700	1,565	04/15/2013
3133XQVY5	10746	FEDERAL HOME LOAN BANK	05/13/2008	2,000,000.00	2,053,760.00	1,999,658.33	4.125	Aaa	4.131	1,593	05/13/2013

Portfolio CITY

AP

PM (PRF_PM2) SymRep 6.41.202b

City of Torrance
Portfolio Management
Portfolio Details - Investments
December 31, 2008

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	YTM	Days to Maturity	Maturity Date	Stated Rate	Moody's
Federal Agency Issues - Coupon												
3133XQWWD0	10747	FEDERAL HOME LOAN BANK	05/08/2008	1,500,000.00	1,514,535.00	1,499,285.63	3,700				3.742	1,041 11/08/2011
3133XQWX6	10748	FEDERAL HOME LOAN BANK	05/07/2008	1,500,000.00	1,547,340.00	1,500,000.00	3,760				3.760	1,222 05/07/2012
3133XQYL0	10750	FEDERAL HOME LOAN BANK	05/19/2008	1,000,000.00	1,003,440.00	1,000,000.00	3,720				3.721	1,142 02/17/2012
3133XQZB8	10751	FEDERAL HOME LOAN BANK	05/14/2008	1,000,000.00	1,029,060.00	1,000,000.00	3,625				3.625	1,229 05/14/2012
3133XR6T2	10753	FEDERAL HOME LOAN BANK	05/27/2008	2,000,000.00	2,021,880.00	2,000,000.00	3,500				3.500	876 05/27/2011
3133XR7E4	10755	FEDERAL HOME LOAN BANK	05/28/2008	1,000,000.00	1,010,630.00	1,000,000.00	3,560				3.560	877 05/28/2011
3133XRCH1	10759	FEDERAL HOME LOAN BANK	06/12/2008	2,000,000.00	2,025,620.00	1,989,105.56	4,000				4.027	1,258 06/12/2012
3133XRFD7	10761	FEDERAL HOME LOAN BANK	06/11/2008	1,000,000.00	1,014,380.00	1,000,000.00	4,250				4.250	1,257 06/11/2012
3133XRFE9	10762	FEDERAL HOME LOAN BANK	06/17/2008	2,245,000.00	2,308,151.85	2,244,856.15	3,800				3.804	897 06/17/2011
3133XRKU3	10764	FEDERAL HOME LOAN BANK	06/25/2008	1,000,000.00	1,042,190.00	1,000,000.00	4,350				4.350	1,271 06/25/2012
3133XRNW6	10767	FEDERAL HOME LOAN BANK	07/14/2008	1,000,000.00	1,018,440.00	1,000,000.00	4,250				4.250	924 07/14/2011
3133XRRS1	10770	FEDERAL HOME LOAN BANK	07/22/2008	2,000,000.00	2,035,620.00	2,000,000.00	4,020				4.020	932 07/22/2011
3128XGF67	10722	FEDERAL HOME LOAN MORTGAGE CO	02/05/2008	2,000,000.00	2,004,300.00	2,000,000.00	4,000				4,000	1,496 02/05/2013
3128X7FV1	10737	FEDERAL HOME LOAN MORTGAGE CO	04/01/2008	1,000,000.00	1,004,210.00	999,875.00	3,900				3,911	1,551 04/01/2013
3128X7LX0	10745	FEDERAL HOME LOAN MORTGAGE CO	04/29/2008	2,000,000.00	2,039,520.00	1,996,016.67	3,920				3,987	1,579 04/29/2013
3128X7SA3	10754	FEDERAL HOME LOAN MORTGAGE CO	05/28/2008	1,000,000.00	1,004,890.00	1,000,000.00	4,400				4,400	1,608 05/28/2013
3128X7G32	10763	FEDERAL HOME LOAN MORTGAGE CO	06/30/2008	1,000,000.00	1,015,660.00	1,000,000.00	4,050				4,050	728 12/30/2010
3136FBN92	10720	FEDERAL NATIONAL MORT ASSOC	01/29/2008	2,000,000.00	2,028,120.00	2,000,000.00	3,625				3,625	1,489 01/29/2013
3136FB3X1	10730	FEDERAL NATIONAL MORT ASSOC	02/22/2008	2,000,000.00	2,007,500.00	2,000,000.00	4,125				4,248	1,513 02/22/2013
3136FGMV2	10749	FEDERAL NATIONAL MORT ASSOC	05/05/2008	1,000,000.00	1,029,060.00	1,000,000.00	3,250				3,250	854 05/05/2011
3136FGNE9	10752	FEDERAL NATIONAL MORT ASSOC	05/14/2008	1,000,000.00	1,016,120.00	1,000,000.00	4,000				4,000	1,594 05/14/2013
3136FGFWQ2	10765	FEDERAL NATIONAL MORT ASSOC	07/02/2008	1,000,000.00	1,016,250.00	1,000,000.00	4,000				4,000	547 07/02/2010
3136FGFWQ2	10766	FEDERAL NATIONAL MORT ASSOC	07/02/2008	1,000,000.00	1,016,250.00	1,000,000.00	4,000				4,000	547 07/02/2010
3136FGXY4	10769	FEDERAL NATIONAL MORT ASSOC	07/14/2008	1,000,000.00	1,001,250.00	1,000,000.00	4,050				4,050	743 01/14/2011
Subtotal and Average			7,994,277.23		119,389,000.00	121,889,238.91		119,913,687.35			4,133	1,280
Treasury Securities - Coupon												
912828DZ0	10579	U.S.TREASURY NOTE	07/25/2005	1,000,000.00	1,054,800.00	997,494.49	3,875				4,057	560 07/15/2010
912828GP9	10664	U.S.TREASURY NOTE	05/23/2007	2,000,000.00	2,028,280.00	1,998,056.59	4,500				4,814	119 04/30/2009
912828GR5	10669	U.S.TREASURY NOTE	06/08/2007	1,000,000.00	1,055,980.00	993,599.58	4,500				5,008	499 05/15/2010
912828GG9	10671	U.S.TREASURY NOTE	06/15/2007	1,000,000.00	1,047,620.00	996,258.75	4,750				5,109	410 02/15/2010
912828FX3	10672	U.S.TREASURY NOTE	06/15/2007	1,000,000.00	1,036,290.00	996,147.31	4,625				5,100	318 11/15/2009
		Subtotal and Average	1,992,087.45		6,222,970.00			5,981,556.72			4,817	337

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

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity	Maturity Date
Medium Term Notes												
080505BH6	10596	Bank of America		04/13/2006	1,000,000.00	997,190.00				3.375		Aa2
080505AR5	10699	Bank of America		11/02/2007	990,000.00	976,902.30	990,090.40	4.875	Aa2	5.230		47 02/17/2009
084664AF8	10709	Berkshire Hathaway		01/15/2008	1,000,000.00	1,014,380.00	1,010,130.90	4.200	Aaa	3.648		1,353 09/15/2012
084664AD3	10714	Berkshire Hathaway		01/18/2008	1,000,000.00	992,280.00	1,013,611.84	4.625	Aaa	4.300		1,748 10/15/2013
36962GK78	10703	General Electric Capital Corp		12/03/2007	1,000,000.00	1,003,530.00	997,521.40	4.250	Aaa	4.404		620 09/13/2010
369666RV94	10729	General Electric Capital Corp		02/14/2008	2,000,000.00	1,913,220.00	2,000,000.00	4.000	Aaa	4.000		1,140 02/15/2012
369666RY59	10760	General Electric Capital Corp		05/30/2008	2,000,000.00	1,892,360.00	2,000,000.00	4.150	Aaa	4.150		1,230 05/15/2012
38143UBE0	10660	Goldman Sachs		05/14/2007	1,210,000.00	1,192,321.90	1,201,108.60	4.500	Aa3	5.050		530 06/15/2010
38141GBU7	10743	Goldman Sachs		04/18/2008	1,000,000.00	986,670.00	1,048,308.18	6.600	Aa3	4.840		1,109 01/15/2012
40429CCX8	10632	Household Finance Co		11/20/2006	1,000,000.00	969,520.00	1,001,413.01	5.250	Aa3	5.1170		743 01/14/2011
40429XB39	10694	Household Finance Co		10/12/2007	1,000,000.00	966,430.00	1,000,000.00	5.000	Aa3	5.000		652 10/15/2010
40429XC95	10700	Household Finance Co		11/29/2007	1,000,000.00	967,620.00	1,000,000.00	5.050	Aa3	5.050		683 11/15/2010
59018VVV0	10630	MERRILL LYNCH		11/17/2006	1,000,000.00	972,230.00	996,237.14	4.790	A2	5.050		580 08/04/2010
59018YSK8	10643	MERRILL LYNCH		01/30/2007	2,000,000.00	1,998,140.00	1,999,214.01	4.125	A2	5.200		14 01/15/2009
64952WAE3	10697	New York Life Global		11/02/2007	1,000,000.00	991,640.00	999,883.47	4.625	Aaa	4.630		592 08/16/2010
90327QCQ0	10670	USAA Capital Corp		06/12/2007	2,000,000.00	2,012,660.00	1,986,224.76	4.640	Aa1	5.420		348 12/15/2009
949746NB3	10715	Wells Fargo Co		01/23/2008	1,000,000.00	1,000,040.00	1,016,582.55	4.875	Aa1	4.000		741 01/12/2011
98153BAE4	10604	World Savings Bank		06/05/2006	1,000,000.00	946,920.00	996,097.10	4.500	Aa3	5.440		165 06/15/2009
		Subtotal and Average	2,000,000.00		22,200,000.00	21,795,554.20	22,254,245.10			4.739	715	
Municipal Bond Issues - Coupon												
SYS10423	10423	Skpk<2001TxAllocRef Bd		12/18/2001	1,185,448.08	1,185,448.08	1,185,448.08	8.000		7.999		1,277 07/01/2012
		Subtotal and Average	1,185,448.08		1,185,448.08	1,185,448.08	1,185,448.08			7.999	1,277	
Commercial Paper Disc. -Amortizing												
61745AQ93	10775	Morgan Stanley & Co. Inc.		09/11/2008	1,000,000.00	997,320.00	993,970.00	3.240		3.293		67 03/09/2009
		Subtotal and Average	992,620.00		1,000,000.00	997,320.00	993,970.00			3.293	67	
		Total and Average	33,698,303.73		174,825,448.08	176,640,531.19	174,878,907.25			4.006	989	

**City of Torrance
Portfolio Management
Portfolio Details - Cash
December 31, 2008**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity
	Average Balance		0.00	Accrued Interest at Purchase		26,923.60	26,923.60			0	
		Subtotal				26,923.60	26,923.60				
	Total Cash and Investments		170,568,129.23		174,825,448.08	176,667,454.79	174,905,830.85			4.006	989

II. RESTRICTED FUNDS

CASH AND INVESTMENTS HELD BY FISCAL AGENT
FOR PERIOD ENDING
December 31, 2008

TORRANCE IMPROVEMENTS

Bank of New York Western Trust Co.	Book Value	Reserve Requirement	Over/Under Funded Reserve(1)(2) (market value)	Market Value	Yield	Investment Description
<i>City of Torrance 2004 A&B COP Refunding - #30060645 (Maturity - June 1, 2034)</i>						
Construction Fund Acct #360646	3,211,200.82			3,211,200.80	0.00	Dreyfus Instl Res Treasury
	75,502.75			75,502.75	0.00	Dreyfus Instl Res Treasury
Required Reserve Acct #360649	2,777,213.00	2,777,213.00		2,777,213.00	0.00	Dreyfus Instl Res Treasury
Required Reserve Acct #360649						Dreyfus Instl Res Treasury
Lease Paymt Fund Acct # 360648	44.15			44.15	0.00	Dreyfus Instl Res Treasury

Bank of New York Western Trust Co.	Book Value	Reserve Requirement	Over/Under Funded Reserve(1)(2) (market value)	Market Value	Yield	Investment Description
<i>Torrance PFA 98COP</i>						
Lease payment Fund Acct #428584	0.35				0.35	0.00
Acq & Constr Fund Acct # 428587						Fidelity Treas M Mkt
Reserve Acct # 428590						Fidelity Treas M Mkt
Reserve Acct # 428590	553,085.00	553,085.00		553,085.00	5.61	JP Morgan Prime MM Premier
						FSA Capital Management Invest Agmt.
						5.61% due 11/28/28 **

WATER ENTERPRISE REVENUE BONDS

Bank of New York Western Trust Co.	Book Value	Reserve Requirement	Over/Under Funded Reserve(1)(2) (market value)	Market Value	Yield	Investment Description
<i>2004 Torrance Water Refunding Bond #360700-(Maturity March 1, 2014)</i>						
Debt Service Fund #360759	91.58				91.58	1.49
Cost of Issuance acct #360758						JP Morgan Prime MM Premier
Reserve Cash Acct #360760						JP Morgan Prime MM Premier
Reserve Acct #360760	57,075.37	505,000.00	505,000.00	57,075.37	1.49	JP Morgan Prime MM Premier
Required Reserve Acct # 360760				505,000.00	4.34	FSA Capital Management Invest Agmt.

REDEVELOPMENT AGENCY

Bank of New York Western Trust Co.	Book Value	Reserve Requirement	Over/Under Funded Reserve(1)(2) (market value)	Market Value	Yield	Investment Description
<i>Torrance RDA (Downtown) 98A (matures Sept. 1, 2028)</i>						
Interest / Debt Service Acct # 428478	4,094.19				4,094.19	0.09
Reserve Acct # 428469	586,890.00	586,890.00		586,890.00	0.750	Fidelity Treas Money Market
						AIM Prime Money Market

CASH AND INVESTMENTS HELD BY FISCAL AGENT
FOR PERIOD ENDING
December 31, 2008

Bank of New York Western Trust Co.	Book Value	Reserve Requirement	Over/Under Funded Reserve(1)(2) (market value)	Market Value	Yield	Investment Description
<i>Torrance RDA (Industrial) 98B (matures Sept. 1, 2028)</i> Costs of Issuance / Interest Acct # 428529 Reserve Acct # 428517 Reserve Acct # 428517	7,222.71 1,037,984.75	1,037,984.75		7,222.71 1,037,984.75	0.09 0.75	Fidelity Treas M Mkt AIM Prime Money Market

Bank of New York Western Trust Co.	Book Value	Reserve Requirement	Over/Under Funded Reserve(1)(2) (market value)	Market Value	Yield	Investment Description
<i>Torrance RDA (Industrial) 99C (matures Sept. 1, 2028)</i> Interest Acct # 428877 Reserve acct # 428882	16,309.33 1,300,480.00	1,300,480.00		0.00	16,309.33 1,300,480.00	0.10 0.100
TOTAL: ALL CASH & INVESTMENTS	10,132,194.00			10,132,193.98		

** Investment Agreements were authorized by Council through their approval of the bond documents

- (1) Reserve requirements may be overfunded due to an accumulation of funds which are adjusted at every scheduled payout. These funds will be transferred to the lease payment/principal/interest account when interest/principal payouts are made by the City.
- (2) Over/under funded reserve requirements is for memorandum purposes only. Reserve requirements as outlined in the bond indenture require that at time (day of) of semi-annual payments to bondholders that the market value of the investments held in reserve is equal to the reserve requirement. Due to market fluctuations throughout the year it is normal to see both over and under funded situations.

CITY OF TORRANCE DEFERRED COMPENSATION ACCOUNTS
Quarter Ending

December 31, 2008

457 PLAN A
PERMANENT EMPLOYEES

Participant Account Summary

Beginning Balance	Contributions	Acct. Transfers In	Interest	Change in Value	Fees	Hardship	Payouts	Acct. Transfers Out	Outstanding Loans	Ending Balance
103,392,488.64	1,957,942.21	9,121,327.21	992,106.41	(10,789,182.05)	(2,807.43)			(79,191,363)	(11),965,624.00	94,733,624.15
Investment Type	Book Value	Market Value								
Fixed Funds (GCF)	592,133.46	592,133.46								
Variable Funds	39,760,787.73	39,760,787.73								
Stable Value Fund	53,039,472.51	53,039,472.51								
Self-Direct	1,361,240.45	1,361,240.45								
1) Outstanding Loan	1,965,624.00	1,965,624.00								
Totals	96,719,258.15	96,719,258.15								

(1) Participant Loan Outstanding Balance included in Total Assets

457 PLAN B
RECURRENT/PART-TIME/TEMPORARY EMPLOYEES

Beginning Balance	Contributions	Acct. Transfers In	Interest	Change in Value	Fees	Hardship	Payouts	Acct. Transfers Out	Ending Balance
1,916,164.05	86,105.62	355,491.60	9,374.07	(13,453.34)	0.00	0.00	(69,530.33)	(355,491.60)	1,928,660.07
Investment Type	Book Value	Market Value							
Variable Funds	57,711.41	57,711.41							
Fixed Funds	1,846,897.77	1,846,897.77							
Gov't Guaranteed	24,050.89	24,558.37							
Totals	1,928,660.07	1,929,167.55							

401(A)

MANAGEMENT, POLICE, FIRE, ENGINEERS

Beginning Balance	Contributions	Acct. Transfers In	Interest	Change in Value	Fees	Hardship	Payouts	Acct. Transfers Out	Outstanding Loans	Ending Balance
4,167,328.36	339,977.52	317,149.37	48,164.33	(503,124.78)	(179.37)	0	(6,479.00)	(317,149.37)	(1)	20,310.47
Investment Type	Book Value	Market Value								
Fixed Funds	688.21	688.21								
Variable Funds	1,826,799.70	1,826,799.70								
Stable Value Fund	2,202,040.09	2,202,040.09								
Self-Direct fund	16,159.06	16,159.06								
Outstanding Loans	20,310.47	20,310.47								
Totals	4,065,997.53	4,065,997.53								

(1) Outstanding Loan Balance included in Total Assets

RETIREMENT/HEALTH SAVINGS PLAN (RHSP)

MANAGEMENT, POLICE, FIRE, MISC.

Beginning Balance	Contributions	Distributions	Fees	Gain/Loss	Ending Balance
3,573,597.84	211,048.83	(108,541.15)	(4,269.36)	-149,557.34	3,522,478.82
Investment Type	Book Value	Market Value			
Variable Funds	1,205,614.07	1,205,614.07			
Stable Value Funds	2,316,864.75	2,316,864.75			
Totals	3,522,478.82	3,522,478.82			

III. CASH & INVESTMENT PORTFOLIO SHARE

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

	FUND	SHARE OF INVESTMENTS	POOLED CASH & INVESTMENTS BALANCE	CASH PERCENT
N	General	43,873,792.53	43,319,344.35	25.09
R	Parks & Recr Facility & Open Space	3,582,703.16	3,537,427.31	2.05
R	State Gas Tax	6,918,730.94	6,831,296.56	3.96
R	Federal Housing, Community Dev	527,656.33	520,988.16	0.30
R	Street Lighting	314,285.48	310,313.75	0.18
R	Traffic Congestion Relief Act 2000 - AB2928	390,309.76	385,377.28	0.22
R	Proposition 1B	2,487,320.52	2,455,887.40	1.42
R	Police Asset Forfeiture	3,107,619.13	3,068,347.08	1.78
N	Government Cable	2,417,511.83	2,386,960.90	1.38
R	Local Return - Proposition C	6,247,904.55	6,168,947.64	3.57
R	Grants/Donations	1,269,706.76	1,253,661.04	0.73
R	Citizens Options for Public Safety (COPS) Grant Funds - AB3229	298,328.49	294,558.41	0.17
R	Seismic Education Fund	52,946.49	52,277.39	0.03
R	Rehabilitation Housing	601,840.39	594,234.73	0.34
R	Police Inmate Welfare Fund	53,790.23	53,110.46	0.03
N	Capital Improvements	23,358,482.65	23,063,293.49	13.36
R	Vanpool/Rideshare Fund	325,295.10	321,184.23	0.19
R	Torrance Improvement Fund	4,950,879.44	4,888,313.48	2.83
R	Animal Control Fund	23,027.02	22,736.02	0.01
R	Redevelopment-Capital Proj	9,386,549.03	9,267,927.99	5.37
R	Redevelopment Debt Service	1,766,019.41	1,743,701.62	1.01
N	DNA Sampling Fund	10,938.23	10,800.00	0.01
N	Airport Fund	6,566,739.47	6,483,753.33	3.76
N	Transit Operations	2,731,850.27	2,697,326.94	1.56
R	Development Impact Fund	728,608.81	719,401.13	0.42
N	Water Operations	6,085,400.75	6,008,497.45	3.48
N	Emergency Medical Service Enterprise Fund	-	-	0.00
N	Sanitation Operations	3,303,444.73	3,261,697.96	1.89
N	Cultural Arts Enterprise	406,508.36	401,371.17	0.23
N	Sewer Enterprise Fund	11,138,854.56	10,998,089.03	6.37
N	Parks & Recr Enterprise Fund	(288,979.73)	(285,327.79) (B)	(0.17)
N	Self Insurance Fund	8,746,380.41	8,635,849.40	5.00
N	Fleet Services	14,175,340.28	13,996,201.64	8.11
R	Postemployment/Compensated Absences Fund	6,243,292.94	6,164,394.30	3.57
R	Trust & Agency	3,075,828.92	3,036,958.61	1.76
TOTAL		174,878,907.25	172,668,902.46	100.00

R = Restricted Funds

N = Non-Restricted Funds

- (A) The difference between the Share of Investments total of \$174,878,907.25 and the Pooled Cash and Investments total of \$172,668,902.46 is primarily due to outstanding warrants and adjusting journal entries. (See reconciliation schedule attached)
- (B) Salary reimbursements from Prop A for \$209,000 will be billed in June 2009.
In addition, registration for Spring classes begins February 24, 2009, generating revenues.

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

INVESTMENTS PER PORTFOLIO SUMMARY
(City Pool)

174,878,907.25

CASH AND INVESTMENTS PER BOOKS

172,668,902.46

CASH IN BANKS:

Cash in B of A General Account	(\$1,644,897.67)
Cash in B of A Payroll Account	0.00

OUTSTANDING WARRANTS:

General Account	1,365,301.88
Payroll Account	167,216.41
Workers Compensation Account	106,758.31
Housing Account	8,130.00
	1,647,406.60

Miscellaneous outstanding adjusting journal entries	646,312.79
Payroll for PE 1/3/09 posted on 12/31/08 and paid on 12/9/09	1,561,183.07
INVESTMENTS PER BOOKS	\$174,878,907.25