

Council Meeting of  
May 5, 2009

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

Members of Council:

**SUBJECT: Accept and file Investment Reports for March 2009**

**RECOMMENDATION**

Recommendation of the City Treasurer that City Council accept and file the attached monthly investment report for the month of March 2009.

**FUNDING**

Not applicable

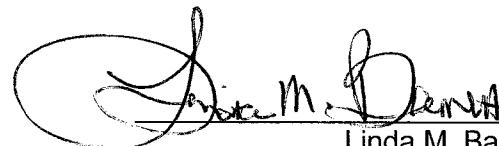
**BACKGROUND**

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 month of March 2009.

**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 March 2009

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**City of Torrance  
Investment Portfolio Highlights  
For March 2009**

**RETURN**

	<u>Current Month</u>	<u>Previous Month</u>
Average City Portfolio YTM	3.474	3.482
Average U.S. Treasury Constant Maturity	0.810	1.000
LAIF Average Monthly Return	1.822	1.869
Average City Portfolio YTM - 1 year prior	4.391	4.627

**INTEREST INCOME**

	<u>Current Period</u>	<u>Prior Year</u>
Fiscal year to date	5,556,136	6,236,904
Current month	567,806	768,895

**MATURITY**

	<u>Current Month</u>	<u>Prior Month</u>
Average Maturity (days)	813	800
Average Maturity 1 Year Prior (days)	837	805
Weighted Average Maturity (years)	2.29	2.19

**VOLUMES**

	<u>Total \$ Volume</u>	<u># of Transactions</u>
Purchases	15,813,585	16
Maturities	21,398,835	16

Transactions include 4 deposits to and 7 withdrawals from LAIF, 4 purchases and 4 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 March 31, 2009</u>
Federal Agency (coup)	117,807,309	-8,608,249	1,785,134	110,984,194
Treasury Securities	9,181,240	-3,000,000	-26,700	6,154,540
Medium Term Notes	25,558,720	-5,435,580	-776,275	19,346,865
Municipal Bonds	1,309,154	-252,360	0	1,056,794
<b>SUB-TOTAL PER GASB 31</b>	<b>153,856,423</b>	<b>-17,296,189</b>	<b>982,159</b>	<b>137,542,392</b>
<u>Non-GASB securities</u>				
LAIF	48,200,000	-400,000	0	47,800,000
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	-16,110	16,110	0
<b>TOTAL PORTFOLIO</b>	<b>208,056,423</b>	<b>-23,531,003</b>	<b>1,016,973</b>	<b>185,542,393</b>

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

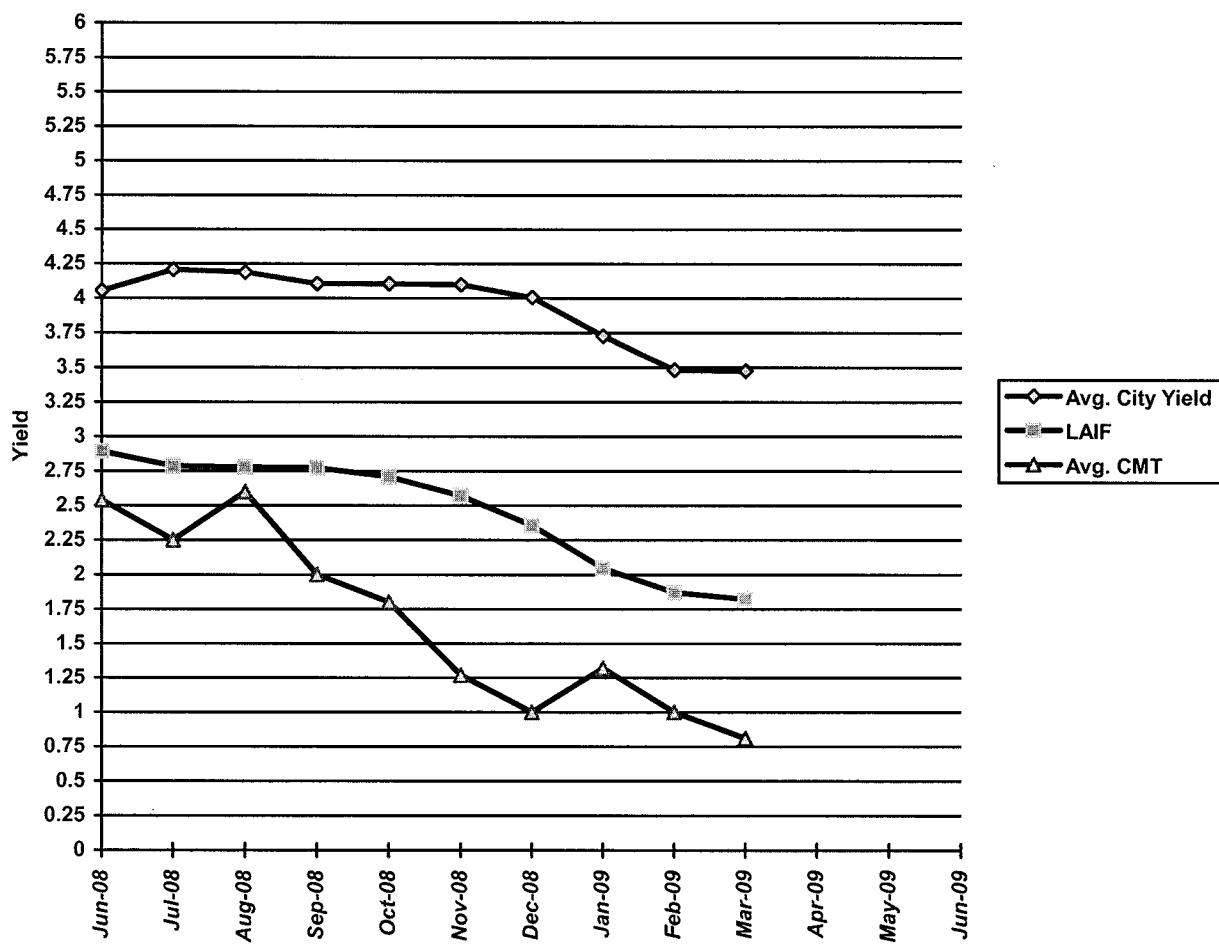
# CITY OF TORRANCE

## City Treasurer's Office

*Monthly Investment Report Summary  
For the month of March 2009*

### I. Return

30.33% of the portfolio is invested at one-year maturity or less as of March 31, 2009. The City Average yield on the portfolio was 3.474% compared to .81% for the U.S. Treasury at Constant Maturity (CMT) of 24 months. The portfolio performed above the benchmark as of March 31, 2009 by 266 basis points.



### II. Volumes

The investment activity for March included 4 deposits and 4 redemption in the Union Bank of California money market account.

### III. Diversification of Investments

In the month of March there were eight purchases for a total of \$7.2 million with an average yield of 2.64%. There were 3 calls and 2 redemptions for a total of \$5.2 million with an average yield of 3.82%. The activity in the LAIF Account consisted of 4 deposits for a total of \$4.6 million and 7 withdrawals for a total of \$11.2 million. The portfolio decreased by \$5.6 million.

<u>Asset Category</u>	<u>March</u>	<u>February</u>
1. LAIF	25.87	28.59
2. Certificate of Deposits	.11	.11
3. Money Market Sweep	0.00	0.00
4. Federal Agency Issues(coup)	59.23	56.95
5. Federal Agency Issues(disc)	0.00	0.00
6. Treasury Securities	3.24	3.14
7. Treasury Securities(disc)	0.00	0.00
8. Medium Term Notes	10.98	10.12
9. Municipal Bonds	.57	.56
10. Commercial Paper(disc)	0.00	0.53
	100.00%	100.00%

### IV. Maturity

As of March 31, 2009, the current maturity allocation is 29.23% of the portfolio invested between the 6 month to 3-year maturity levels. 28.16% 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 \$52.0 million available for expenditures.

<u>As of Maturity</u>	<u>March</u>	<u>February</u>
0 to 6 months	28.15%	31.18%
6 months to 1 year	2.17%	2.09%
1 to 2 years	11.49%	10.04%
2 to 3 years	15.57%	11.37%
3 to 4 years	23.80%	22.45%
4 to 5 years	17.74%	22.35%
5 years and after	1.08%	0.52%
	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 March 31, 2009**

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	47,800,000	25.87	**	1	1	N/A	1.822
Money Market Sweep Account	00	0.00		1	1		.600
Federal Agency Issues – Coupon	109,398,040	59.23	75	1,532	1,213	5 years	3.875
Farmer Mac	00	.00	30	00	00	5 years	.000
Federal Farm Credit Bank	43,513,544	23.79	30	272	287	5 years	2.415
Federal Home Loan Bank	48,888,726	26.75	30	382	400	5 years	2.136
Federal Home Loan Mortgage Corp.	4,995,771	2.73	30	310	319	5 years	1.503
Federal National Mortgage Assoc.	12,000,000	6.52	30	665	710	5 years	2.541
Treasury Securities – Coupon	5,986,495	3.24	100	1,027	247	5 years	4.817
Medium Term Notes	20,274,175	10.98	20	1,249	727	5 years	4.591
Municipal Bond Issue	1,056,794	.57		3,848	1,187	N/A	7.999
Federal Agency Disc	00	.00				5 years	.000
Commercial Paper Disc-Amort	00	.00				5 years	.000
Treasury Discount-Amort	00	.00					.000
Certificate of Deposits-Disc	200,000	.11		179	170		1.600
Total Investments & Averages	184,715,506	100.00		1,100	813		3.474
Pending Redemptions							
Accrued Interest at Purchase	10,604						
Total Cash & Purchase Interest	10,604						
Total Cash & Investments	184,726,110						

**Portfolio Notes:**

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

General LAIF account = \$38,800,000

RDA LAIF account = \$ 9,000,000

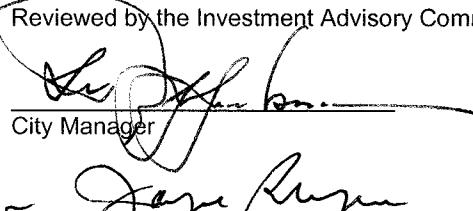
I certify that this report accurately reflects all pooled investments and is in conformity with the City of Torrance Investment Policy Statement adopted by Res. 08-123 on December 9, 2008. A copy of this policy is available at the office of the City Clerk. The investment program herein shown provides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

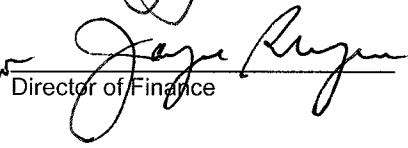


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Date

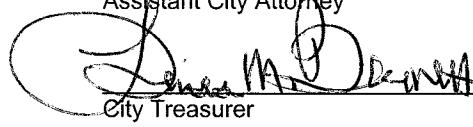
Linda M. Barnett  
City Treasurer

Reviewed by the Investment Advisory Committee

  
City Manager

  
Director of Finance

  
Ron Rohl  
Assistant City Attorney

  
Linda M. Barnett  
City Treasurer

**City of Torrance  
Portfolio Management  
Activity Summary**

**March 2008 through March 2009**

Month End	Year	Number of Securities	Average Balance	Yield to Maturity		Managed Pool Rate	Number of Investments Purchased	Number of Investments Redeemed	Average Term	Average Days to Maturity
				360	Equivalent					
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
May	2008	133	203,045,113.25	4.037	4.093	3.072	12	5	1,151	889
June	2008	128	209,041,697.28	3.999	4.055	2.894	7	12	1,121	907
July	2008	131	191,237,074.56	4.150	4.208	2.787	7	5	1,299	1,043
August	2008	121	179,060,067.82	4.132	4.189	2.779	3	13	1,326	1,079
September	2008	116	174,777,539.06	4.048	4.104	2.774	3	8	1,295	1,051
October	2008	115	173,786,048.44	4.050	4.106	2.709	3	4	1,331	1,069
November	2008	113	170,422,160.66	4.043	4.100	2.568	0	2	1,349	1,059
December	2008	112	170,568,129.23	3.952	4.007	2.353	0	1	1,294	989
January	2009	108	178,904,878.54	3.677	3.728	2.046	1	6	1,160	876
February	2009	103	188,346,804.95	3.409	3.457	1.869	7	12	1,059	794
March	2009	106	186,171,306.63	3.427	3.475	1.822	8	5	1,100	813
	Average	118	185,011,183.90	3.958%	4.013%	2.681	5	7	1,212	945

invest no.	BROKER	PURCHASE DATE	DESCRIPTION	QUALITY RATING	MATURITY DATE	DAYS TO MATURITY	RATE	YIELD	PAR VALUE	COST	MARKET VALUE
(I) PURCHASES*											
10787 Wedbush	03/02/2009 FNMA	AAA/Aaa	03/02/2011	335	2,000%	1,000,000	1,000,000	1,000,000	1,000,000	1,002,810	
10790 Citigroup	03/06/2009 FHLB	AAA/Aaa	09/06/2011	888	2,100%	1,000,000	1,000,000	1,000,000	1,000,000	1,009,690	
10791 Dean Witter	03/10/2009 FNMA	AAA/Aaa	03/10/2014	343	3,375%	1,000,000	1,000,000	1,000,000	1,000,000	1,006,880	
10792 Stone & Young	03/03/2009 FFCB	AAA/Aaa	03/03/2014	336	3,250%	1,000,000	998,250	998,250	998,250	1,001,560	
10793 Higgins Capital	03/05/2009 FNMA	AAA/Aaa	02/24/2012	694	2,250%	1,000,000	1,000,000	1,000,000	1,000,000	1,008,440	
10794 Citigroup	03/24/2009 FHLMC	AAA/Aaa	03/24/2014	722	2,375%	1,000,000	999,000	999,000	999,000	1,008,330	
10795 Citigroup	03/10/2009 Berkshire Hathaway AAA/Aaa		12/15/2010	623	4,200%	1,000,000	1,017,500	1,017,500	1,014,320	1,014,320	
10796	03/23/2009 Preferred Bank		09/18/2009	170	1,600%	200,000	200,000	200,000	200,000	200,000	

\$7,200,000    \$7,214,750    \$7,252,030

Weighted Average Yield

2.363%

invest no.	BROKER	PURCHASE DATE	DESCRIPTION	QUALITY RATING	MATURITY DATE	RATE	YIELD	PAR VALUE	BOOK VALUE	MARKET VALUE	
(II) MATURITIES**											
10728 Stone & Young	02/27/2008 FHLB	AAA/Aaa	02/27/2013	3,875%	3,887%	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	
10775 Dean Witter	09/11/2008 Morgan Stanley		03/09/2009	3,240%	3,285%	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	
10734 Stone & Young	03/11/2008 FFCB	AAA/Aaa	03/11/2013	3,950%	3,950%	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	
10733 Citigroup	03/13/2008 FHLB	AAA/Aaa	03/13/2012	3,950%	4,123%	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	
10780	10/22/2008 Preferred Bank		03/23/2009	3,300%	3,346%	200,000	200,000	200,000	200,000	200,000	

\$5,200,000    \$5,200,000    \$5,200,000

Weighted Average Yield

3.820%

\* 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) LAIE TRANSACTIONS

DEALER	DESCRIPTION	BEGIN BAL.	RATE	YIELD	DEPOSITS WITHDRAWALS	INTEREST	END BAL.
State of California	Local Agency Pool	27,000,000	1.822%	1.822%	4,600,000	5,600,000	26,000,000
	City	12,800,000	1.822%	1.822%	-	-	12,800,000
	Tran Acct	14,600,000	1.822%	1.822%	\$4,600,000	\$11,200,000	\$9,000,000
	RDA						\$47,800,000
		<u>\$54,400,000</u>					

**City of Torrance  
Portfolio Management  
Interest Earnings Summary  
March 31, 2009**

	March 31 Month Ending	Fiscal Year To Date
<b>CD/Coupon/Discount Investments:</b>		
Interest Collected	346,742.93	5,080,803.05
Plus Accrued Interest at End of Period	1,371,434.87	1,371,434.87
Less Accrued Interest at Beginning of Period	( 1,256,329.78)	( 1,690,974.34)
Less Accrued Interest at Purchase During Period	( 0.00)	( 0.00)
Interest Earned during Period	<u>461,848.02</u>	<u>4,761,263.58</u>
Adjusted by Premiums and Discounts	2,705.01	69,698.24
Adjusted by Capital Gains or Losses	0.00	61,501.50
Earnings during Periods	<u>464,553.03</u>	<u>4,892,463.32</u>
<b>Pass Through Securities:</b>		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	( 0.00)	( 0.00)
Less Accrued Interest at Purchase During Period	( 0.00)	( 0.00)
Interest Earned during Period	<u>0.00</u>	<u>0.00</u>
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	<u>0.00</u>	<u>0.00</u>
<b>Cash/Checking Accounts:</b>		
Interest Collected	0.00	685,361.20
Plus Accrued Interest at End of Period	776,489.83	776,489.83
Less Accrued Interest at Beginning of Period	( 673,236.66)	( 798,1178.01)
Interest Earned during Period	<u>103,253.17</u>	<u>663,673.02</u>
<b>Total Interest Earned during Period</b>	<b>565,101.19</b>	<b>5,424,936.60</b>
<b>Total Adjustments from Premiums and Discounts</b>	<b>2,705.01</b>	<b>69,698.24</b>
<b>Total Capital Gains or Losses</b>	<b>0.00</b>	<b>61,501.50</b>
<b>Total Earnings during Period</b>	<b>567,806.20</b>	<b>5,556,136.34</b>

**City of Torrance  
Portfolio Management  
Portfolio Details - Investments**  
**March 31, 2009**

10

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 GENL			26,000,000.00	26,000,000.00	26,000,000.00	1.822	Aaa	1.822	1	
SYS10001	10001	Local Agency Invest. Fund RDA			9,000,000.00	9,000,000.00	9,000,000.00	1.822	Aaa	1.822	1	
SYS1000a	1000A	LAIF - TRANS FUNDS			12,800,000.00	12,800,000.00	12,800,000.00	1.822		1.822	1	
		<b>Subtotal and Average</b>	<b>48,874,193.55</b>		<b>47,800,000.00</b>	<b>47,800,000.00</b>	<b>47,800,000.00</b>			<b>1.822</b>	<b>1</b>	
<b>Cert. of Deposit - Collateralized</b>												
SYS10796	10796	PREFERRED BANK		03/23/2009	200,000.00	200,000.00	200,000.00	1.600		1.600	170	09/18/2009
		<b>Subtotal and Average</b>	<b>58,064.52</b>		<b>200,000.00</b>	<b>200,000.00</b>	<b>200,000.00</b>			<b>1.600</b>	<b>170</b>	
<b>Money Market Sweep Account</b>												
SYS10131	10131	Bank of America			0.00	0.00	0.00	0.004	Aa2	4.620	1	
SYS1000	1000	Union Bank of California			0.00	0.00	0.00	0.004		0.004	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>												
31331VYF7	10600	FEDERAL FARM CREDIT BANK		05/04/2006	1,000,000.00	1,004,380.00	1,000,000.00	5.250	Aaa	5.250	33	05/04/2009
31331XMQ2	10640	FEDERAL FARM CREDIT BANK		01/26/2007	1,000,000.00	1,044,380.00	1,000,000.00	5.000	Aaa	5.002	420	05/26/2010
31331XT36	10678	FEDERAL FARM CREDIT BANK		08/01/2007	1,000,000.00	1,088,440.00	1,000,000.00	5.250	Aaa	5.250	1,218	08/01/2012
31331XZ24	10688	FEDERAL FARM CREDIT BANK		09/14/2007	1,000,000.00	1,018,130.00	1,000,000.00	5.250	Aaa	5.250	1,262	09/14/2012
31331YHR4	10706	FEDERAL FARM CREDIT BANK		12/14/2007	1,000,000.00	1,021,250.00	1,000,000.00	4.400	Aaa	4.400	1,353	12/14/2012
31331YKW9	10708	FEDERAL FARM CREDIT BANK		12/28/2007	1,000,000.00	1,021,250.00	1,000,000.00	4.250	Aaa	4.250	1,001	12/28/2011
31331YPL8	10710	FEDERAL FARM CREDIT BANK		01/24/2008	1,000,000.00	1,008,440.00	1,000,000.00	3.750	Aaa	3.750	663	01/24/2011
31331YQP8	10716	FEDERAL FARM CREDIT BANK		01/25/2008	2,500,000.00	2,545,325.00	2,516,250.00	3.800	Aaa	3.657	1,395	01/25/2013
31331YQP8	10721	FEDERAL FARM CREDIT BANK		02/04/2008	1,000,000.00	1,018,130.00	1,000,000.00	3.800	Aaa	3.800	1,395	01/25/2013
31331SB7	10723	FEDERAL FARM CREDIT BANK		02/01/2008	1,000,000.00	1,016,250.00	1,000,000.00	3.790	Aaa	3.790	1,402	02/01/2013
31331TS9	10726	FEDERAL FARM CREDIT BANK		02/11/2008	2,000,000.00	2,036,260.00	2,000,000.00	3.750	Aaa	3.750	1,412	02/11/2013
31331YAS3	10739	FEDERAL FARM CREDIT BANK		04/03/2008	1,000,000.00	1,000,310.00	1,000,000.00	3.980	Aaa	3.980	1,463	04/03/2013
31331YAS3	10741	FEDERAL FARM CREDIT BANK		04/03/2008	3,000,000.00	3,000,930.00	3,000,000.00	3.980	Aaa	3.980	1,463	04/03/2013
31331YN63	10756	FEDERAL FARM CREDIT BANK		05/15/2008	1,000,000.00	1,003,130.00	1,000,000.00	3.800	Aaa	3.800	1,140	05/15/2012
31331YT26	10757	FEDERAL FARM CREDIT BANK		06/02/2008	2,000,000.00	2,032,500.00	1,999,821.48	3.620	Aaa	3.627	792	06/02/2011
31331YT42	10758	FEDERAL FARM CREDIT BANK		06/03/2008	1,000,000.00	1,028,440.00	1,000,000.00	4.240	Aaa	4.240	1,524	06/03/2013
31331Y2G4	10768	FEDERAL FARM CREDIT BANK		07/01/2008	1,000,000.00	1,038,440.00	1,000,000.00	4.850	Aaa	4.850	1,552	07/01/2013
31331Y4A5	10771	FEDERAL FARM CREDIT BANK		07/28/2008	1,000,000.00	1,008,750.00	1,000,000.00	3.875	Aaa	3.875	848	07/28/2011
31331Y6E5	10772	FEDERAL FARM CREDIT BANK		08/13/2008	1,000,000.00	1,012,190.00	1,000,000.00	4.750	Aaa	4.750	1,595	08/13/2013
31331Y3F5	10773	FEDERAL FARM CREDIT BANK		08/14/2008	5,000,000.00	5,002,513.60	4,750	Aaa	4.712	1,566	07/15/2013	
31331GC4	10776	FEDERAL FARM CREDIT BANK		09/23/2008	1,000,000.00	1,034,060.00	1,000,290.36	3.125	Aaa	3.113	905	09/23/2011

Portfolio CITY

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**City of Torrance**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**March 31, 2009**

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>												
31331GBS7	107777	FEDERAL FARM CREDIT BANK	09/30/2008	3,000,000.00	3,026,250.00	2,996,770.89	3,100	Aaa	3.219	534	09/17/2010	
31331GBT5	10778	FEDERAL FARM CREDIT BANK	10/07/2008	2,000,000.00	2,022,500.00	1,999,511.76	3,980	Aaa	4.003	1,265	09/17/2012	
31331GDF3	10779	FEDERAL FARM CREDIT BANK	10/15/2008	2,000,000.00	2,054,380.00	2,000,000.00	4,250	Aaa	4.250	1,658	10/15/2013	
31331GLP2	10781	FEDERAL FARM CREDIT BANK	01/30/2009	2,000,000.00	1,991,260.00	2,000,000.00	3,100	Aaa	3.100	1,765	01/30/2014	
31331GLR8	10782	FEDERAL FARM CREDIT BANK	02/06/2009	2,000,000.00	1,998,880.00	2,000,000.00	2,350	Aaa	2.350	1,041	02/06/2012	
31331GLY3	10783	FEDERAL FARM CREDIT BANK	02/11/2009	1,000,000.00	996,560.00	1,000,000.00	2,850	Aaa	2.850	1,412	02/11/2013	
31331GRA1	10792	FEDERAL FARM CREDIT BANK	03/03/2009	1,000,000.00	1,001,560.00	998,386.11	3,250	Aaa	3.288	1,797	03/03/2014	
3133XFS8	10599	FEDERAL HOME LOAN BANK	05/19/2006	1,000,000.00	1,005,940.00	1,000,000.00	5,520	Aaa	5.520	778	05/19/2011	
3133XKF75	10651	FEDERAL HOME LOAN BANK	04/20/2007	1,000,000.00	1,002,190.00	1,000,000.00	5,050	Aaa	5.050	749	04/20/2011	
3133XKQ85	10658	FEDERAL HOME LOAN BANK	05/15/2007	1,000,000.00	1,005,000.00	1,000,000.00	5,200	Aaa	5.200	1,140	05/15/2012	
3133XRYE9	10662	FEDERAL HOME LOAN BANK	05/25/2007	1,000,000.00	1,043,130.00	1,000,000.00	5,200	Aaa	5,200	1,150	05/25/2012	
3133XLVX8	10679	FEDERAL HOME LOAN BANK	08/06/2007	500,000.00	507,345.00	500,000.00	5,400	Aaa	5,400	1,223	08/06/2012	
3133XLWBS5	10680	FEDERAL HOME LOAN BANK	08/14/2007	500,000.00	507,970.00	500,000.00	5,460	Aaa	5,460	1,231	08/14/2012	
3133XM3S8	10684	FEDERAL HOME LOAN BANK	08/27/2007	1,000,000.00	1,051,560.00	1,000,000.00	5,125	Aaa	5,125	1,244	08/27/2012	
3133XMG39	10691	FEDERAL HOME LOAN BANK	10/09/2007	2,000,000.00	2,041,380.00	2,000,000.00	5,100	Aaa	5,100	1,287	10/09/2012	
3133XMP28	10696	FEDERAL HOME LOAN BANK	10/22/2007	2,000,000.00	2,045,000.00	2,000,000.00	5,150	Aaa	5,150	1,300	10/22/2012	
3133XNUA8	10701	FEDERAL HOME LOAN BANK	12/17/2007	1,000,000.00	1,021,880.00	1,000,000.00	4,550	Aaa	4,550	1,356	12/17/2012	
3133XNH51	10702	FEDERAL HOME LOAN BANK	12/03/2007	895,000.00	900,038.85	895,000.00	4,520	Aaa	4,520	1,342	12/03/2012	
3133XNV5	10712	FEDERAL HOME LOAN BANK	01/22/2008	1,000,000.00	1,022,810.00	1,000,000.00	4,050	Aaa	4,050	1,392	01/22/2013	
3133XPF90	10725	FEDERAL HOME LOAN BANK	02/05/2008	1,000,000.00	1,020,310.00	1,000,000.00	3,660	Aaa	3,660	1,406	02/05/2013	
3133XPM50	10727	FEDERAL HOME LOAN BANK	02/25/2008	1,000,000.00	1,010,940.00	1,000,000.00	3,750	Aaa	3,750	1,426	02/25/2013	
3133XQCL4	10735	FEDERAL HOME LOAN BANK	03/26/2008	2,750,000.00	2,813,607.50	2,750,000.00	3,720	Aaa	3,720	1,455	03/26/2013	
3133XQEY1	10736	FEDERAL HOME LOAN BANK	03/18/2008	1,000,000.00	1,013,440.00	999,922.69	4,000	Aaa	4,000	1,447	03/18/2013	
3133XQW50	10738	FEDERAL HOME LOAN BANK	04/16/2008	2,000,000.00	2,037,500.00	1,999,791.67	3,750	Aaa	3,754	1,476	04/16/2013	
3133XQJA1	10742	FEDERAL HOME LOAN BANK	04/15/2008	2,000,000.00	2,075,000.00	2,000,000.00	3,700	Aaa	3,700	1,475	04/15/2013	
3133XQY55	10746	FEDERAL HOME LOAN BANK	05/13/2008	2,000,000.00	2,060,000.00	1,999,720.83	4,125	Aaa	4,131	1,503	05/13/2013	
3133XQWD0	10747	FEDERAL HOME LOAN BANK	05/08/2008	1,500,000.00	1,503,750.00	1,499,791.88	3,700	Aaa	3,742	951	11/08/2011	
3133XQWZ6	10748	FEDERAL HOME LOAN BANK	05/07/2008	1,500,000.00	1,537,500.00	1,500,000.00	3,760	Aaa	3,760	1,132	05/07/2012	
3133XQZ88	10751	FEDERAL HOME LOAN BANK	05/14/2008	1,000,000.00	1,024,060.00	1,000,000.00	3,625	Aaa	3,625	1,139	05/14/2012	
3133XR6T2	10753	FEDERAL HOME LOAN BANK	05/27/2008	2,000,000.00	2,007,500.00	2,000,000.00	3,500	Aaa	3,500	786	05/27/2011	
3133XR7F4	10755	FEDERAL HOME LOAN BANK	05/28/2008	1,000,000.00	1,003,750.00	1,000,000.00	3,560	Aaa	3,560	787	05/28/2011	
3133XRCH1	10759	FEDERAL HOME LOAN BANK	06/12/2008	2,000,000.00	2,011,260.00	1,999,605.56	4,000	Aaa	4,027	1,168	06/12/2012	
3133XRFD7	10761	FEDERAL HOME LOAN BANK	06/11/2008	1,000,000.00	1,005,940.00	1,000,000.00	4,250	Aaa	4,250	1,167	06/11/2012	
3133XRFU9	10762	FEDERAL HOME LOAN BANK	06/17/2008	2,245,000.00	2,286,397.80	2,244,893.57	3,800	Aaa	3,804	807	06/17/2011	
3133XRNKU3	10764	FEDERAL HOME LOAN BANK	06/25/2008	1,000,000.00	1,035,630.00	1,000,000.00	4,350	Aaa	4,350	1,181	06/25/2012	
3133XRNW6	10767	FEDERAL HOME LOAN BANK	07/14/2008	1,000,000.00	1,008,750.00	1,000,000.00	4,250	Aaa	4,250	834	07/14/2011	

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**City of Torrance  
Portfolio Management  
Portfolio Details - Investments**  
**March 31, 2009**

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>												
3133XRRS1	10770	FEDERAL HOME LOAN BANK	07/22/2008	2,000,000.00	2,017,500.00	2,000,000.00	4,020	Aaa	4.020	842	07/22/2011	
3133XSV93	10784	FEDERAL HOME LOAN BANK	02/18/2009	1,000,000.00	1,001,250.00	1,000,000.00	3,250	Aaa	3,250	1,784	02/18/2014	
3133XT2P0	10785	FEDERAL HOME LOAN BANK	02/24/2009	2,000,000.00	2,008,120.00	2,000,000.00	2,550	Aaa	2,550	1,059	02/24/2012	
3133XT6J0	10788	FEDERAL HOME LOAN BANK	02/26/2009	2,000,000.00	2,005,620.00	2,000,000.00	2,625	Aaa	2,625	1,427	02/26/2013	
3133XT6W1	10789	FEDERAL HOME LOAN BANK	02/27/2009	2,000,000.00	2,011,850.00	2,000,000.00	2,150	Aaa	2,150	1,062	02/27/2012	
3133XTA97	10790	FEDERAL HOME LOAN BANK	03/06/2009	1,000,000.00	1,009,690.00	1,000,000.00	2,100	Aaa	2,100	888	09/06/2011	
3128X7FV1	10737	FEDERAL HOME LOAN MORTGAGE CO	04/01/2008	1,000,000.00	1,000,000.00	1,000,000.00	3,900	Aaa	3,911	1,461	04/01/2013	
3128X7LX0	10745	FEDERAL HOME LOAN MORTGAGE CO	04/29/2008	2,000,000.00	2,051,480.00	1,996,766.67	3,920	Aaa	3,987	1,489	04/29/2013	
3128X7G32	10763	FEDERAL HOME LOAN MORTGAGE CO	06/30/2008	1,000,000.00	1,007,350.00	1,000,000.00	4,050	Aaa	4,050	638	12/30/2010	
3128X8QM7	10794	FEDERAL HOME LOAN MORTGAGE CO	03/24/2009	1,000,000.00	1,008,330.00	999,003.89	2,375	Aaa	2,396	1,818	03/24/2014	
3136F8N92	10720	FEDERAL NATIONAL MORT ASSOC	01/29/2008	2,000,000.00	2,039,380.00	2,000,000.00	3,625	Aaa	3,625	1,399	01/29/2013	
3136F83X1	10730	FEDERAL NATIONAL MORT ASSOC	02/22/2008	2,000,000.00	2,008,760.00	2,000,000.00	4,125	Aaa	4,248	1,423	02/22/2013	
3136F9MV2	10749	FEDERAL NATIONAL MORT ASSOC	05/05/2008	1,000,000.00	1,020,940.00	1,000,000.00	3,250	Aaa	3,250	764	05/05/2011	
3136F9NE9	10752	FEDERAL NATIONAL MORT ASSOC	05/14/2008	1,000,000.00	1,022,810.00	1,000,000.00	4,000	Aaa	4,000	1,504	05/14/2013	
3136F9NWQ2	10765	FEDERAL NATIONAL MORT ASSOC	07/02/2008	1,000,000.00	1,007,810.00	1,000,000.00	4,000	Aaa	4,000	457	07/02/2010	
3136F9WQ2	10766	FEDERAL NATIONAL MORT ASSOC	07/02/2008	1,000,000.00	1,007,810.00	1,000,000.00	4,000	Aaa	4,000	457	07/02/2010	
3136FHAK1	10786	FEDERAL NATIONAL MORT ASSOC	02/27/2009	1,000,000.00	1,006,880.00	1,000,000.00	2,625	Aaa	2,625	1,244	08/27/2012	
31398AVL3	10787	FEDERAL NATIONAL MORT ASSOC	03/02/2009	1,000,000.00	1,002,810.00	1,000,000.00	2,000	Aaa	2,000	700	03/02/2011	
31398AVP0	10791	FEDERAL NATIONAL MORT ASSOC	03/10/2009	1,000,000.00	1,006,880.00	1,000,000.00	3,375	Aaa	3,375	1,304	03/10/2014	
3136FHCF0	10793	FEDERAL NATIONAL MORT ASSOC	03/05/2009	1,000,000.00	1,008,440.00	1,000,000.00	2,250	Aaa	2,250	1,059	02/24/2012	
Subtotal and Average			17,578,818.68		109,390,000.00	110,984,194.15				3,875	1,213	
<b>Treasury Securities - Coupon</b>												
912828DZ0	10579	U.S. TREASURY NOTE	07/25/2005	1,000,000.00	1,042,700.00	997,897.16	3,875	Aaa	4,057	470	07/15/2010	
912828GF9	10664	U.S. TREASURY NOTE	05/23/2007	2,000,000.00	2,006,880.00	1,999,526.39	4,500	Aaa	4,814	29	04/30/2009	
912828GR5	10669	U.S. TREASURY NOTE	06/08/2007	1,000,000.00	1,043,710.00	994,753.96	4,500	Aaa	5,008	409	05/15/2010	
912828GG9	10671	U.S. TREASURY NOTE	06/15/2007	1,000,000.00	1,035,980.00	997,080.00	4,750	Aaa	5,109	320	02/15/2010	
912828FX3	10672	U.S. TREASURY NOTE	06/15/2007	1,000,000.00	1,025,270.00	997,237.69	4,625	Aaa	5,100	228	11/15/2009	
Subtotal and Average			1,993,999.99		6,000,000.00	6,154,540.00				4,817	247	
<b>Medium Term Notes</b>												
060505AR5	10699	Bank of America	11/02/2007	990,000.00	893,504.70	990,084.31	4,875	Aa2	4,871	1,263	09/15/2012	
08466AF8	10709	Berkshire Hathaway	01/15/2008	1,000,000.00	1,014,320.00	1,008,335.75	4,200	Aaa	3,648	623	12/15/2010	
08466AD3	10714	Berkshire Hathaway	01/18/2008	1,000,000.00	1,014,200.00	1,012,901.25	4,625	Aaa	4,300	1,658	10/15/2013	
08466AF8	10795	Berkshire Hathaway	03/10/2009	1,000,000.00	1,014,320.00	1,016,921.26	4,200	Aaa	3,170	623	12/15/2010	
36962GK78	10703	General Electric Capital Corp	12/03/2007	1,000,000.00	985,570.00	997,885.90	4,250	Aaa	4,404	530	09/13/2010	

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**City of Torrance**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**March 31, 2009**

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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity	Maturity Date
<b>Medium Term Notes</b>												
369666RV94	10729	General Electric Capital Corp	2,000,000.00	02/14/2008		1,895,740.00	2,000,000.00	4.000	Aaa	4.000	1,050	02/15/2012
369666RV59	10760	General Electric Capital Corp	2,000,000.00	05/30/2008		1,813,100.00	2,000,000.00	4.150	Aaa	4.150	1,140	05/15/2012
381430BE0	10660	Goldman Sachs	1,210,000.00	05/14/2007		1,207,410.60	1,202,635.75	4.500	Aa3	5.050	440	06/15/2010
381411GBU7	10743	Goldman Sachs	1,000,000.00	04/18/2008		998,980.00	1,044,334.02	6.600	Aa3	4.840	1,019	01/15/2012
40429CCX8	10632	Household Finance Co	1,000,000.00	11/20/2006		857,250.00	1,001,239.52	5.250	A3	5.110	653	01/14/2011
40429XB39	10694	Household Finance Co	1,000,000.00	10/12/2007		886,590.00	1,000,000.00	5.000	A3	5.000	562	10/15/2010
40429XC95	10700	Household Finance Co	1,000,000.00	11/29/2007		881,050.00	1,000,000.00	5.050	A3	5.050	593	11/15/2010
59018YVV0	10630	MERRILL LYNCH	1,000,000.00	11/17/2006		909,190.00	996,828.17	4.790	A2	5.050	490	08/04/2010
64952WAE3	10697	New York Life Global	1,000,000.00	11/02/2007		991,000.00	999,901.39	4.625	Aaa	4.630	502	08/16/2010
90327QCQ0	10670	USAA Capital Corp	2,000,000.00	06/12/2007		1,997,940.00	1,989,828.75	4.640	Aa1	5.420	258	12/15/2009
949746NB3	10715	Wells Fargo Co	1,000,000.00	01/23/2008		998,370.00	1,014,540.93	4.875	Aa1	4.000	651	01/12/2011
98153BAE4	10604	World Savings Bank	1,000,000.00	06/05/2006		998,650.00	998,238.94	4.500	Aa3	5.440	75	06/15/2009
<b>Subtotal and Average</b>			<b>721,872.75</b>		<b>20,200,000.00</b>	<b>19,346,865.30</b>	<b>20,274,175.94</b>		<b>4.591</b>	<b>727</b>		
<b>Municipal Bond Issues - Coupon</b>												
SYS10423	10423	Skpk~2001TxAllocRef Bd		12/18/2001		1,056,793.97	1,056,793.97	8.000		7.999	1,187	07/01/2012
<b>Subtotal and Average</b>			<b>1,056,793.97</b>			<b>1,056,793.97</b>	<b>1,056,793.97</b>		<b>7.999</b>	<b>1,187</b>		
<b>Commercial Paper Disc. - Amortizing</b>												
<b>Subtotal and Average</b>			<b>257,983.23</b>									
<b>Total and Average</b>			<b>70,541,725.78</b>			<b>184,646,793.97</b>	<b>185,542,393.42</b>	<b>184,715,506.07</b>		<b>3.474</b>	<b>813</b>	

**City of Torrance**  
**Portfolio Management**  
**Portfolio Details - Cash**  
**March 31, 2009**

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		10,604.17	10,604.17			0	
				Subtotal		10,604.17	10,604.17				
	Total Cash and Investments		186,171,306.63		184,646,793.97	185,532,997.59	184,726,110.24		3.474	813	

## **II. RESTRICTED FUNDS**

*Reports Appear Quarterly*

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

**CITY OF TORRANCE**  
**CASH AND INVESTMENT PORTFOLIO SHARE (A)**  
**AS OF MARCH 31, 2009**

	FUND	SHARE OF INVESTMENTS	POOLED CASH & INVESTMENTS BALANCE	CASH PERCENT
N	General	53,203,723.55	51,964,119.84	28.80
R	Parks & Recr Facility & Open Space	3,686,167.59	3,600,282.87	2.00
R	State Gas Tax	5,752,918.28	5,618,879.94	3.11
R	Federal Housing, Community Dev	413,640.73	404,003.24	0.22
R	Street Lighting	355,919.41	347,626.78	0.19
R	Traffic Congestion Relief Act 2000 - AB2928	685,907.87	669,926.77	0.37
R	Proposition 1B	2,541,902.81	2,482,678.53	1.38
R	Police Asset Forfeiture	3,169,551.20	3,095,703.22	1.72
N	Government Cable	2,479,376.16	2,421,608.70	1.34
R	Local Return - Proposition C	6,257,431.94	6,111,638.84	3.39
R	Grants/Donations	(850,566.22)	(830,748.72) (B)	(0.46)
R	Citizens Options for Public Safety (COPS) Grant Funds - AB3229	271,546.26	265,219.45	0.15
R	Seismic Education Fund	53,317.12	52,074.87	0.03
R	Rehabilitation Housing	617,738.54	603,345.73	0.33
R	Police Inmate Welfare Fund	51,028.37	49,839.45	0.03
N	Capital Improvements	24,744,861.37	24,168,326.12	13.40
R	Vanpool/Rideshare Fund	338,785.43	330,892.00	0.18
R	Torrance Improvement Fund	5,267,323.73	5,144,599.35	2.85
R	Animal Control Fund	23,380.77	22,836.02	0.01
R	Redevelopment-Capital Proj	9,926,941.64	9,695,651.93	5.37
R	Redevelopment Debt Service	1,687,314.33	1,648,001.27	0.91
N	DNA Sampling Fund	11,241.93	10,980.00	0.01
N	Airport Fund	6,808,883.50	6,650,242.02	3.69
N	Transit Operations	2,946,114.21	2,877,472.13	1.59
R	Development Impact Fund	736,562.44	719,401.13	0.40
N	Water Operations	5,079,531.54	4,961,182.57	2.75
N	Emergency Medical Service Enterprise Fund	-	- (C)	0.00
N	Sanitation Operations	3,190,182.40	3,115,853.73	1.73
N	Cultural Arts Enterprise	385,377.13	376,398.15	0.21
N	Sewer Enterprise Fund	11,439,642.97	11,173,108.55	6.19
N	Parks & Recreation Enterprise Fund	-	- (D)	0.00
N	Self Insurance Fund	8,516,510.14	8,318,082.35	4.61
N	Fleet Services	14,342,939.80	14,008,760.91	7.76
R	Postemployment/Compensated Absences Fund	7,375,918.50	7,204,065.57	3.99
R	Trust & Agency	3,204,390.65	3,129,730.94	1.73
<b>TOTAL</b>		<b>184,715,506.07</b>	<b>180,411,784.25</b>	<b>100.00</b>

R = Restricted Funds

N = Non-Restricted Funds

- (A) The difference between the Share of Investments total of \$184,715,506.07 and the Pooled Cash and Investments total of \$180,411,784.25 is primarily due to outstanding warrants and adjusting journal entries. (See reconciliation schedule attached)
- (B) T43-T44 Torrance Blvd. Rehabilitation negative cash balance is <\$1,184,655>. Request for reimbursement is in progress and is scheduled to be mailed in late April. Reimbursement is expected to be received 30 days from date of receipt of invoice by the State.
- (C) A subsidy from the General Fund was transferred to the Emergency Medical Service Enterprise Fund to offset a negative cash balance of <\$895,488.58>.
- (D) A subsidy from the General Fund was transferred to the Parks & Recreation Enterprise Fund to offset a negative cash balance of <\$578,077.71>.

**CITY OF TORRANCE  
CASH AND INVESTMENT RECONCILIATION  
AS OF MARCH 31, 2009**

INVESTMENTS PER PORTFOLIO SUMMARY (City Pool)	<b>184,715,506.07</b>
CASH AND INVESTMENTS PER BOOKS	<b>180,411,784.25</b>
<b>CASH IN BANKS:</b>	
Cash in B of A General Account	(\$1,319,072.20)
Cash in B of A Payroll Account	0.00
<b>OUTSTANDING WARRANTS:</b>	
General Account	1,647,104.89
Payroll Account	86,609.44
Workers Compensation Account	49,364.11
Housing Account	<u>7,144.00</u> 1,790,222.44
Miscellaneous outstanding adjusting journal entries	234,626.83
Payroll for PE 3/28/09 posted on 3/28/09 and paid on 4/3/09	2,896,370.93
Payroll for PE 3/31/09 posted on 3/31/09 and paid on 4/17/09	701,573.82
<b>INVESTMENTS PER BOOKS</b>	<b>\$184,715,506.07</b>