

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

Members of Council:

SUBJECT: Accept and file Investment Reports for September 2009

RECOMMENDATION

Recommendation of the City Treasurer that City Council accept and file the attached monthly investment report for the month of September 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 September 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:

Mary Jordano
for LeRoy J. Jackson
Investment Committee Member

CC: City Manager
City Clerk

CITY OF TORRANCE

MONTHLY INVESTMENT PORTFOLIO REPORT
For the Month of September 2009Table 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	
(Reports Appear Quarterly)	
III. CASH & INVESTMENT PORTFOLIO SHARE	
Cash & Investment Share as of September 30, 2009	13
Cash & Investment Reconciliation	14

City of Torrance
Investment Portfolio Highlights
For September 2009

RETURN

	<u>Current Month</u>	<u>Previous Month</u>
Average City Portfolio YTM	2.942	2.999
Average U.S. Treasury Constant Maturity	.000917610	.970
LAIF Average Monthly Return	.925	.925
Average City Portfolio YTM - 1 year prior	4.104	4.189

INTEREST INCOME

	<u>Current Period</u>	<u>Prior Year</u>
Fiscal year to date	1,272,870	2,032,606
Current month	393,809	590,382

MATURITY

	<u>Current Month</u>	<u>Prior Month</u>
Average Maturity (days)	884	895
Average Maturity 1 Year Prior (days)	1,210	1,079
Weighted Average Maturity (years)	2.942	2.45

VOLUMES

	<u>Total \$ Volume</u>	<u># of Transactions</u>
Purchases	16,766,000	14
Maturities	20,233,000	15

Transactions include 6 deposits to and 6 withdrawals from LAIF, 2 purchases and 3 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 1,2009</u>	<u>Purchase/Redempt. Of Principal</u>	<u>Change in Market Value</u>	<u>Ending Investment Value as of August 31, 2009</u>
Federal Agency (coup)	113,311,155	-11004,500	-33,321	102,273,334
Treasury Securities	4,111,960	0	-35,440	4,076,520
Medium Term Notes	21,408,439	-2,006,360	295,014	19,697,093
Municipal Bonds	1,056,794	-133,800	0	922,994
SUB-TOTAL PER GASB 31	139,888,348	-13,144,660	226,253	126,969,941
<u>Non-GASB securities</u>				
LAIF	50,300,000	-18,200,000	0	32,100,000
Money Market	0	00	0	0
Federal Agency – Disc.	0	-18,704	18,704	0
Treasury Security – Disc.	0	0	0	0
Certificate of Deposits -Disc.	200,000	0	-200,000	0
Negotiable Certificate Deposits		1,470,000	-12,992	1,457,008
Commercial paper	0	0	0	0
TOTAL PORTFOLIO	190,388,348	-29,893,364	31,965	160,526,949

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

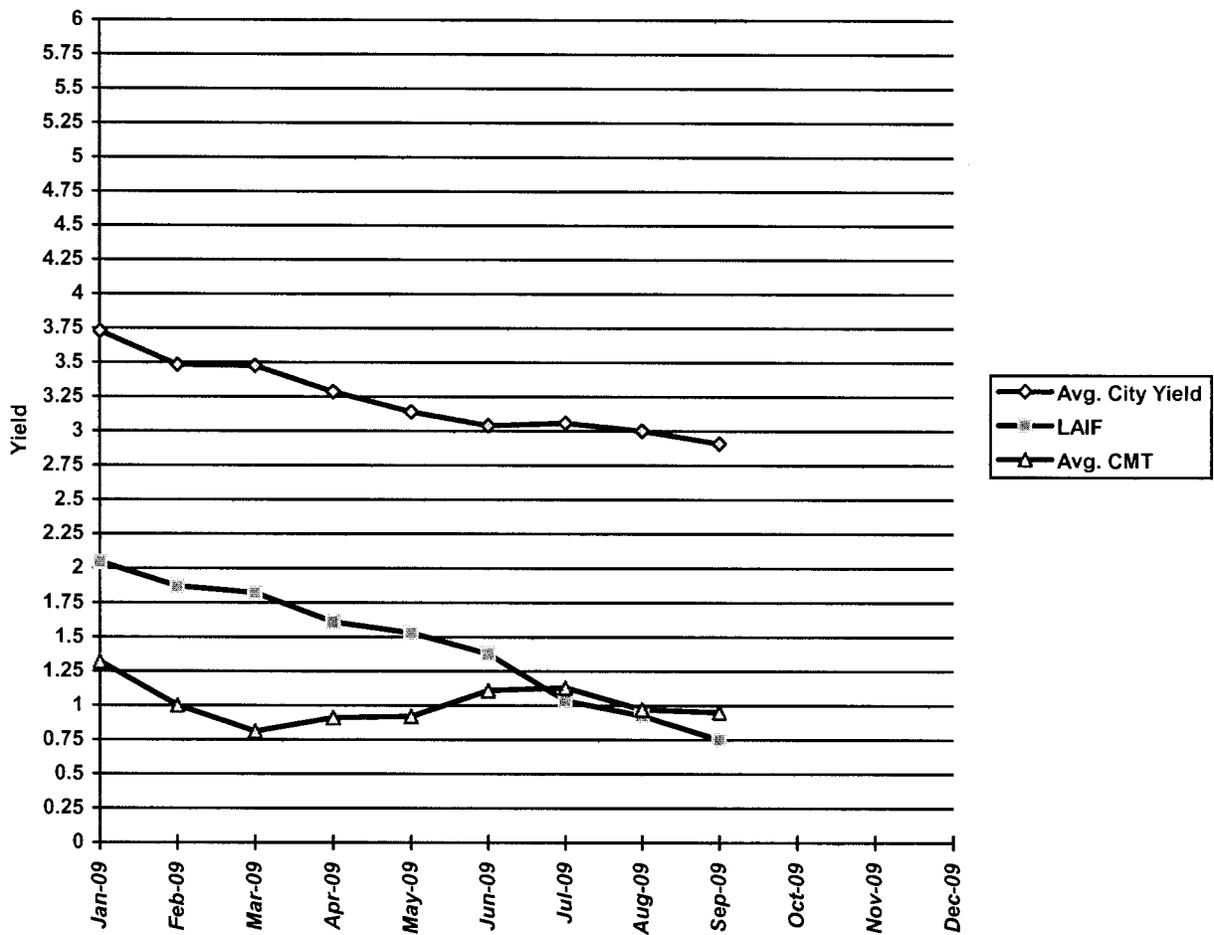
CITY OF TORRANCE

City Treasurer's Office

Monthly Investment Report Summary
For the month of September 2009

I. Return

26.85% of the portfolio is invested at one-year maturity or less as of September 30, 2009. The City Average yield on the portfolio was 2.907% compared to .950% for the U.S. Treasury at Constant Maturity (CMT) of 24 months. The portfolio performed above the benchmark as of September 30, 2009 by 1.96 basis points.



II. Volumes

The investment activity for September included 2 deposits and 3 redemption in the Union Bank of California money market account.

III. Diversification of Investments

In the month of September there were 6 purchases for a total of \$4.7 million with an average yield of 2.60%. There were 6 calls and 1 sale for a total of \$10.0 million with an average yield of 3.319%. The activity in the LAIF Account consisted of 6 deposits for a total of \$8.3 million and 5 withdrawals for a total of \$5.9. The portfolio decreased by \$2.9 million.

<u>Asset Category</u>	<u>September</u>	<u>August</u>
1. LAIF	20.22	18.55
2. Certificate of Deposits	.00	.12
3. Negotiable Cert. of Deposits	.93	.45
4. Money Market Sweep	.00	.00
5. Federal Agency Issues(coup)	63.60	65.96
6. Federal Agency Issues(disc)	0.00	0.00
7. Treasury Securities	2.52	2.46
8. Treasury Securities(disc)	0.00	0.00
9. Medium Term Notes	12.15	11.89
10. Municipal Bonds	.58	.57
11. Commercial Paper(disc)	<u>0.00</u>	<u>0.00</u>
	100.00%	100.00%

IV. Maturity

As of September 30, 2009, the current maturity allocation is 30.38% of the portfolio invested between the 6 month to 3-year maturity levels. 22.95% 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 \$36.49 million available for expenditures.

<u>As of Maturity</u>	<u>September</u>	<u>August</u>
0 to 6 months	22.95%	21.15%
6 months to 1 year	3.90%	3.83%
1 to 2 years	9.11%	9.40%
2 to 3 years	17.37%	19.22%
3 to 4 years	29.70%	31.60%
4 to 5 years	16.97%	14.80%
5 years and after	<u>.00%</u>	<u>.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 September 30, 2009**

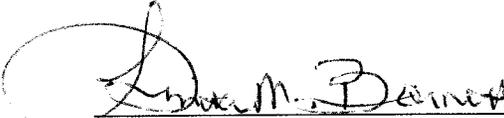
Investment Type	Book Value	Percent of Portfolio	Percent Permitted by Policy	Average Term	Average Days to Maturity	Maturity Allowed by Policy	365 Equiv.
Local Agency Investment Fund	32,100,000	20.22%	**	1	1	N/A	.750%
Certificates of Deposit - Collateralized	00	.00		180	17	5 years	.00%
Negotiable CDs	1,470,000	.93		1,035	1,012	5 years	2.168%
Money Market Sweep Account	0	.00%		1	1		.000%
Federal Agency Issues - Coupons	101,006,431	63.61%	75%	1,557	1,216	5 years	3.241%
Farmer Mac	0	0.00%	30%			5 years	
Federal Farm Credit Bank	30,513,894	19.27%	30%	987	1,153	5 years	2.790%
Federal Home Loan Bank	38,490,986	24.35%	30%	1,010	1,197	5 years	3.066%
Federal Home Loan Mortgage Corp.	12,001,551	7.58%	30%	1,302	1,403	5 years	2.605%
Federal National Mortgage Assoc.	20,000,000	12.55%	30%	1,155	1,230	5 years	2.262%
Treasury Securities - Coupons	3,994,021	2.52%	100%	1,187	174	5 years	4.818%
Medium Term Notes	19,294,943	12.15%	20%	1,296	747	5 years	4.166%
Municipal Bond Issues - Coupon	922,993	.58%		3,848	1,004		7.999%
Total Investments & Averages	158,788,390	100.00%		1,210	884		2.907%
Pending Redemptions	0						
Accrued Interest at Purchase	11,809						
Total Accrued Interest	11,809						
TOTAL CASH & INVESTMENTS	158,800,200						

Portfolio Notes:

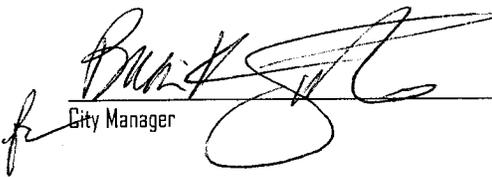
**Maximum allowed by Investment Policy is \$40 million per agency.

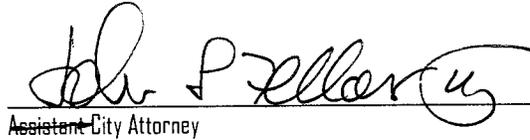
General LAIF account = \$ 19,800,000
ROA LAIF account = \$ 10,300,000

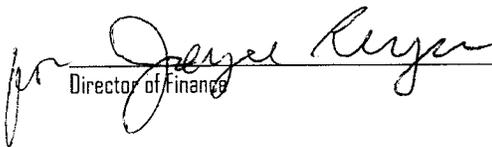
I certify that this report accurately reflects all pooled investments and is in conformity with the city of Torrance Investment Policy Statement adopted by resolution 08-123 on December 9, 2008. A copy of this policy is available at the office of the City Clerk. The investment program herein shown provides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

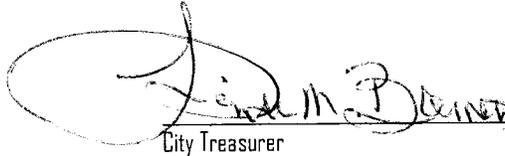

Linda M. Barnett
City Treasurer

Reviewed by the Investment Advisory Committee:


City Manager


Assistant City Attorney


Director of Finance


City Treasurer

**City of Torrance
Portfolio Management
Activity Summary
September 2008 through September 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	Days to Maturity	Average
				360 Equivalent	365 Equivalent						
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	
April	2009	103	184,304,902.18	3.241	3.286	1.607	2	5	1,058	774	
May	2009	102	188,346,744.47	3.095	3.138	1.530	8	9	1,053	778	
June	2009	103	186,356,879.12	2.999	3.041	1.377	6	5	1,068	792	
July	2009	100	172,896,716.22	3.016	3.058	1.035	4	8	1,192	879	
August	2009	102	163,098,619.91	2.958	2.999	0.925	9	7	1,212	895	
September	2009	108	158,250,967.29	2.868	2.908	0.750	6	6	1,210	884	
Average		107	176,567,163.89	3.445%	3.493%	1.797	4	6	1,183	896	

invest no.	BROKER	DESCRIPTION	PURCHASE DATE	QUALITY RATING	MATURITY DATE	DAYS TO MATURITY	RATE	YIELD	PAR VALUE	COST	MARKET VALUE
(I) PURCHASES*											
10826	Dean Witter	FHLB	09/15/2009	AAA/Aaa	03/15/2013	1261	2.350%	2.350%	1,000,000	1,000,000	1,008,130
10827	Citigroup	FHLB	09/04/2009	AAA/Aaa	09/04/2014	1799	2.125%	2.125%	1,000,000	1,000,000	1,002,500
10828	Great Pacific Securities	FHLB	09/29/2009	AAA/Aaa	09/29/2014	1824	3.125%	3.147%	2,000,000	1,998,000	1,994,380
10829	Stone & Young	American Express	09/23/2009	AAA/Aaa	09/23/2011	722	1.800%	1.800%	245,000	245,000	243,229
10831	Stone & Young	Discover Bank	09/23/2009	AAA/Aaa	09/24/2012	1089	2.050%	2.050%	245,000	245,000	240,882
10832	Stone & Young	Bank of North America	09/23/2009	AAA/Aaa	09/24/2012	1089	2.300%	2.300%	245,000	245,000	242,273

\$4,735,000 **\$4,733,000** **\$4,731,394**

Weighted Average Yield 1.722%

invest no.	BROKER	DESCRIPTION	PURCHASE DATE	QUALITY RATING	MATURITY DATE	RATE	YIELD	PAR VALUE	BOOK VALUE	MARKET VALUE
(II) MATURITIES**										
10796		Preferred Bank	03/22/2009	AAA/Aaa	09/18/2009	1.600%	1.600%	200,000	200,000	200,000
10688	Citigroup	FECB	09/14/2007	AAA/Aaa	09/14/2009	5.250%	5.243%	1,000,000	1,000,000	1,000,000
10777	Stone & Young	FECB	09/30/2008	AAA/Aaa	09/17/2009	3.100%	3.333%	3,000,000	3,000,000	3,000,000
10778	Stone & Young	FECB	10/07/2008	AAA/Aaa	09/17/2009	3.990%	4.040%	2,000,000	2,000,000	2,000,000
10797	Citigroup	FECB	04/13/2009	AAA/Aaa	09/17/2009	2.080%	2.069%	3,000,000	3,000,000	3,000,000
10736	Great Pacific Securities	FHLB	03/18/2008	AAA/Aaa	09/18/2009	4.000%	4.006%	1,000,000	1,000,000	1,000,000

\$10,200,000 **\$10,200,000** **\$10,200,000**

Weighted Average Yield 3.287%

* 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	19,800,000	0.750%	0.750%	8,300,000	6,300,000	21,800,000
	City	0	0.750%	0.750%	-	-	0
	Tran Acct	10,300,000	0.750%	0.750%	-	-	10,300,000
	RDA	\$30,100,000	-	-	\$8,300,000	\$6,300,000	\$32,100,000

City of Torrance
Portfolio Management
Interest Earnings Summary
September 30, 2009

	September 30 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	372,168.14	1,451,801.01
Plus Accrued Interest at End of Period	1,058,973.91	1,058,973.91
Less Accrued Interest at Beginning of Period	(1,058,562.56)	(1,346,621.82)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	372,579.49	1,164,153.10
Adjusted by Premiums and Discounts	-191.21	-280.89
Adjusted by Capital Gains or Losses	0.00	16,075.45
Earnings during Periods	372,388.28	1,179,947.66
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	189,919.15
Plus Accrued Interest at End of Period	720,266.74	720,266.74
Less Accrued Interest at Beginning of Period	(698,893.91)	(818,341.29)
Interest Earned during Period	21,372.83	91,844.60
Total Interest Earned during Period	393,952.32	1,255,997.70
Total Adjustments from Premiums and Discounts	-191.21	-280.89
Total Capital Gains or Losses	0.00	16,075.45
Total Earnings during Period	393,761.11	1,271,792.26

City of Torrance
Portfolio Management
Portfolio Details - Investments
September 30, 2009

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM	Days to Maturity	Maturity Date
Local Agency Investment Funds												
SYS10000	10000	Local Agency Invest Fund GEN'L			21,800,000.00	21,800,000.00	21,800,000.00	0.750		0.750	1	
SYS10001	10001	Local Agency Invest. Fund RDA			10,300,000.00	10,300,000.00	10,300,000.00	0.750		0.750	1	
SYS1000a	1000A	LAIF - TRANS FUNDS			0.00	0.00	0.00	0.750		0.750	1	
		Subtotal and Average	28,173,333.33		32,100,000.00	32,100,000.00	32,100,000.00			0.750	1	
Cert. of Deposit - Collateralized												
		Subtotal and Average	113,333.33									
Money Market Sweep Account												
SYS10131	10131	Bank of America			0.00	0.00	0.00	0.450		0.450	1	
SYS1000	1000	Union Bank of California			0.00	0.00	0.00	0.001		0.001	1	
		Subtotal and Average	979,533.33		0.00	0.00	0.00			0.000	0	
Negotiable CD's												
02586TG32	10829	American Express Centurian		09/23/2009	245,000.00	243,228.65	245,000.00	1.800		1.800	722	09/23/2011
05568PSJ7	10832	BMW Bank of North America		09/23/2009	245,000.00	242,273.15	245,000.00	2.300		2.300	1,089	09/24/2012
254670KW1	10831	Discover Bank		09/23/2009	245,000.00	240,881.55	245,000.00	2.050		2.050	1,089	09/24/2012
46147ULM0	10824	Investors Community Bank		08/24/2009	245,000.00	242,280.50	245,000.00	2.250		2.279	1,058	08/24/2012
509685EA7	10823	Lake Forest B&T		08/26/2009	245,000.00	244,835.85	245,000.00	2.350		2.350	1,061	08/27/2012
86789UBH1	10822	SunSouth Bank		08/18/2009	245,000.00	243,507.95	245,000.00	2.200		2.228	1,051	08/17/2012
		Subtotal and Average	931,000.00		1,470,000.00	1,457,007.65	1,470,000.00			2.168	1,012	
Federal Agency Issues - Coupon												
31331XMQ2	10640	FEDERAL FARM CREDIT BANK		01/26/2007	1,000,000.00	1,030,000.00	1,000,000.00	5.000	Aaa	5.002	237	05/26/2010
31331XT36	10678	FEDERAL FARM CREDIT BANK		08/01/2007	1,000,000.00	1,096,560.00	1,000,000.00	5.250	Aaa	5.250	1,035	08/01/2012
31331YHR4	10706	FEDERAL FARM CREDIT BANK		12/14/2007	1,000,000.00	1,007,810.00	1,000,000.00	4.400	Aaa	4.400	1,170	12/14/2012
31331YKW9	10708	FEDERAL FARM CREDIT BANK		12/28/2007	1,000,000.00	1,009,060.00	1,000,000.00	4.250	Aaa	4.250	818	12/28/2011
31331YQP8	10716	FEDERAL FARM CREDIT BANK		01/25/2008	2,500,000.00	2,526,575.00	2,516,250.00	3.800	Aaa	3.657	1,212	01/25/2013
31331YQP8	10721	FEDERAL FARM CREDIT BANK		02/04/2008	1,000,000.00	1,010,630.00	1,000,000.00	3.800	Aaa	3.800	1,212	01/25/2013
31331YSB7	10723	FEDERAL FARM CREDIT BANK		02/01/2008	1,000,000.00	1,010,630.00	1,000,000.00	3.790	Aaa	3.790	1,219	02/01/2013
31331YTS9	10726	FEDERAL FARM CREDIT BANK		02/11/2008	2,000,000.00	2,024,380.00	2,000,000.00	3.750	Aaa	3.750	1,229	02/11/2013
31331YT26	10757	FEDERAL FARM CREDIT BANK		06/02/2008	2,000,000.00	2,011,260.00	1,999,954.81	3.620	Aaa	3.627	609	06/02/2011
31331YT42	10758	FEDERAL FARM CREDIT BANK		06/03/2008	1,000,000.00	1,025,310.00	1,000,000.00	4.240	Aaa	4.240	1,341	06/03/2013
31331Y2G4	10768	FEDERAL FARM CREDIT BANK		07/01/2008	1,000,000.00	1,033,130.00	1,000,000.00	4.850	Aaa	4.850	1,369	07/01/2013
31331GCF4	10776	FEDERAL FARM CREDIT BANK		09/23/2008	1,000,000.00	1,037,500.00	1,000,231.77	3.125	Aaa	3.113	722	09/23/2011

Portfolio CITY
AP
PM (PRF_PM2) 7.2.5

**City of Torrance
Portfolio Management
Portfolio Details - Investments
September 30, 2009**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM	Days to Maturity	Maturity Date
Federal Agency Issues - Coupon												
31331GDF3	10779	FEDERAL FARM CREDIT BANK		10/15/2008	2,000,000.00	2,061,880.00	2,000,000.00	4.250	Aaa	4.250	1,475	10/15/2013
31331GLP2	10781	FEDERAL FARM CREDIT BANK		01/30/2009	2,000,000.00	2,000,620.00	2,000,000.00	3.100	Aaa	3.100	1,582	01/30/2014
31331GLY3	10783	FEDERAL FARM CREDIT BANK		02/11/2009	1,000,000.00	1,004,690.00	1,000,000.00	2.850	Aaa	2.850	1,229	02/11/2013
31331GPA1	10792	FEDERAL FARM CREDIT BANK		03/03/2009	1,000,000.00	1,006,560.00	999,261.11	3.250	Aaa	3.288	1,614	03/03/2014
31331GVD8	10800	FEDERAL FARM CREDIT BANK		05/08/2009	1,000,000.00	1,002,810.00	1,000,000.00	2.200	Aaa	2.200	1,285	04/08/2013
31331GWL9	10803	FEDERAL FARM CREDIT BANK		05/20/2009	2,000,000.00	2,006,880.00	2,000,000.00	2.500	Aaa	2.500	1,327	05/20/2013
31331GWS4	10805	FEDERAL FARM CREDIT BANK		05/28/2009	1,000,000.00	1,000,310.00	1,000,000.00	1.590	Aaa	1.590	788	11/28/2011
31331GWQ8	10806	FEDERAL FARM CREDIT BANK		05/22/2009	2,000,000.00	2,004,380.00	2,000,000.00	1.800	Aaa	1.800	963	05/21/2012
31331GYA1	10809	FEDERAL FARM CREDIT BANK		06/15/2009	2,000,000.00	2,008,120.00	1,998,196.30	2.000	Aaa	2.035	988	06/15/2012
31331GH77	10818	FEDERAL FARM CREDIT BANK		08/11/2009	1,000,000.00	1,010,630.00	1,000,000.00	3.450	Aaa	3.450	1,775	08/11/2014
3133XKYE9	10862	FEDERAL HOME LOAN BANK		05/25/2007	1,000,000.00	1,030,310.00	1,000,000.00	5.200	Aaa	5.200	967	05/25/2012
3133XM3S8	10684	FEDERAL HOME LOAN BANK		08/27/2007	1,000,000.00	1,040,310.00	1,000,000.00	5.125	Aaa	5.125	1,061	08/27/2012
3133XMG39	10691	FEDERAL HOME LOAN BANK		10/09/2007	2,000,000.00	2,001,880.00	2,000,000.00	5.100	Aaa	5.100	1,104	10/09/2012
3133XMPZ8	10696	FEDERAL HOME LOAN BANK		10/22/2007	2,000,000.00	2,005,620.00	2,000,000.00	5.150	Aaa	5.150	1,117	10/22/2012
3133XNJA8	10701	FEDERAL HOME LOAN BANK		12/17/2007	1,000,000.00	1,008,130.00	1,000,000.00	4.550	Aaa	4.550	1,173	12/17/2012
3133XNV5	10712	FEDERAL HOME LOAN BANK		01/22/2008	1,000,000.00	1,011,560.00	1,000,000.00	4.050	Aaa	4.050	1,209	01/22/2013
3133XPF90	10725	FEDERAL HOME LOAN BANK		02/05/2008	1,000,000.00	1,011,560.00	1,000,000.00	3.660	Aaa	3.660	1,223	02/05/2013
3133XQCL4	10735	FEDERAL HOME LOAN BANK		03/26/2008	2,750,000.00	2,796,420.00	2,750,000.00	3.720	Aaa	3.720	1,272	03/26/2013
3133XQZ6	10738	FEDERAL HOME LOAN BANK		04/16/2008	2,000,000.00	2,033,120.00	1,999,891.67	3.750	Aaa	3.754	1,293	04/16/2013
3133XQJA1	10742	FEDERAL HOME LOAN BANK		04/15/2008	2,000,000.00	2,078,760.00	2,000,000.00	3.700	Aaa	3.700	1,292	04/15/2013
3133XQVY5	10746	FEDERAL HOME LOAN BANK		05/13/2008	2,000,000.00	2,047,500.00	1,999,845.83	4.125	Aaa	4.131	1,320	05/13/2013
3133XQWx6	10748	FEDERAL HOME LOAN BANK		05/07/2008	1,500,000.00	1,529,535.00	1,500,000.00	3.760	Aaa	3.760	949	05/07/2012
3133XQZ88	10751	FEDERAL HOME LOAN BANK		05/14/2008	1,000,000.00	1,019,380.00	1,000,000.00	3.625	Aaa	3.625	956	05/14/2012
3133XRFU9	10762	FEDERAL HOME LOAN BANK		06/17/2008	2,245,000.00	2,262,533.45	2,244,968.40	3.800	Aaa	3.804	624	06/17/2011
3133XRKU3	10764	FEDERAL HOME LOAN BANK		06/25/2008	1,000,000.00	1,027,810.00	1,000,000.00	4.350	Aaa	4.350	998	06/25/2012
3133XS993	10784	FEDERAL HOME LOAN BANK		02/18/2009	1,000,000.00	1,003,750.00	1,000,000.00	3.250	Aaa	3.250	1,601	02/18/2014
3133XT2P0	10785	FEDERAL HOME LOAN BANK		02/24/2009	2,000,000.00	2,015,000.00	2,000,000.00	2.550	Aaa	2.550	876	02/24/2012
3133XT6J0	10788	FEDERAL HOME LOAN BANK		02/26/2009	2,000,000.00	2,024,380.00	2,000,000.00	2.625	Aaa	2.625	1,244	02/26/2013
3133XT6W1	10789	FEDERAL HOME LOAN BANK		02/27/2009	2,000,000.00	2,041,880.00	2,000,000.00	2.150	Aaa	2.150	879	02/27/2012
3133XTA97	10790	FEDERAL HOME LOAN BANK		03/06/2009	1,000,000.00	1,022,810.00	1,000,000.00	2.100	Aaa	2.100	705	09/06/2011
3133XU6N8	10816	FEDERAL HOME LOAN BANK		08/05/2009	1,000,000.00	999,060.00	998,277.78	3.000	Aaa	3.054	1,769	08/05/2014
3133XUBA0	10817	FEDERAL HOME LOAN BANK		07/30/2009	1,000,000.00	1,007,500.00	1,000,000.00	2.150	Aaa	2.150	1,763	07/30/2014
3133XUNK5	10825	FEDERAL HOME LOAN BANK		08/26/2009	1,000,000.00	1,008,750.00	1,000,000.00	2.850	Aaa	2.850	1,425	08/26/2013
3133XUPC1	10826	FEDERAL HOME LOAN BANK		09/15/2009	1,000,000.00	1,008,130.00	1,000,000.00	2.350	Aaa	2.350	1,261	03/15/2013
3133XUPB3	10827	FEDERAL HOME LOAN BANK		09/04/2009	1,000,000.00	1,002,500.00	1,000,000.00	2.125	Aaa	2.125	1,799	09/04/2014
3133XUV59	10828	FEDERAL HOME LOAN BANK		09/29/2009	2,000,000.00	1,994,380.00	1,998,002.22	3.125	Aaa	3.147	1,824	09/29/2014

City of Torrance
Portfolio Management
Portfolio Details - Investments
September 30, 2009

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM	Days to Maturity	Maturity Date
Federal Agency Issues - Coupon												
3128X7LX0	10745	FEDERAL HOME LOAN MORTGAGE CO		04/29/2008	2,000,000.00	2,040,620.00	1,998,266.67	3.920	Aaa	3.987	1,306	04/29/2013
3128X8QM7	10794	FEDERAL HOME LOAN MORTGAGE CO		03/24/2009	1,000,000.00	1,016,080.00	999,103.89	2.375	Aaa	2.396	1,635	03/24/2014
3128X8TZ5	10798	FEDERAL HOME LOAN MORTGAGE CO		04/20/2009	2,000,000.00	2,014,740.00	2,000,000.00	2.500	Aaa	2.500	1,285	04/08/2013
3128X8E73	10801	FEDERAL HOME LOAN MORTGAGE CO		05/19/2009	1,000,000.00	1,007,060.00	1,000,000.00	2.170	Aaa	2.170	1,145	11/19/2012
3128X8M58	10802	FEDERAL HOME LOAN MORTGAGE CO		05/07/2009	1,000,000.00	1,011,230.00	1,004,181.05	2.350	Aaa	2.129	883	03/02/2012
3128X8R46	10810	FEDERAL HOME LOAN MORTGAGE CO		06/25/2009	2,000,000.00	2,032,700.00	2,000,000.00	3.000	Aaa	3.000	1,363	06/25/2013
3128X8S29	10811	FEDERAL HOME LOAN MORTGAGE CO		06/30/2009	1,000,000.00	1,013,320.00	1,000,000.00	3.000	Aaa	3.000	1,733	06/30/2014
3128X8ZV3	10814	FEDERAL HOME LOAN MORTGAGE CO		07/14/2009	1,000,000.00	1,015,270.00	1,000,000.00	3.400	Aaa	3.400	1,747	07/14/2014
3128X9BA7	10819	FEDERAL HOME LOAN MORTGAGE CO		08/25/2009	1,000,000.00	1,009,360.00	1,000,000.00	3.625	Aaa	3.625	1,789	08/25/2014
3136F8N92	10720	FEDERAL NATIONAL MORT ASSOC		01/29/2008	2,000,000.00	2,021,260.00	2,000,000.00	3.625	Aaa	3.625	1,216	01/29/2013
3136F9MV2	10749	FEDERAL NATIONAL MORT ASSOC		05/05/2008	1,000,000.00	1,017,500.00	1,000,000.00	3.250	Aaa	3.250	581	05/05/2011
3136F9NE9	10752	FEDERAL NATIONAL MORT ASSOC		05/14/2008	1,000,000.00	1,019,380.00	1,000,000.00	4.000	Aaa	4.000	1,321	05/14/2013
3136FHAK1	10786	FEDERAL NATIONAL MORT ASSOC		02/27/2009	1,000,000.00	1,010,630.00	1,000,000.00	2.625	Aaa	2.625	1,061	08/27/2012
31398AVL3	10787	FEDERAL NATIONAL MORT ASSOC		03/02/2009	1,000,000.00	1,004,060.00	1,000,000.00	2.000	Aaa	2.000	517	03/02/2011
31398AVR0	10791	FEDERAL NATIONAL MORT ASSOC		03/10/2009	1,000,000.00	1,008,440.00	1,000,000.00	3.375	Aaa	3.375	1,621	03/10/2014
3136FHCF0	10793	FEDERAL NATIONAL MORT ASSOC		03/05/2009	1,000,000.00	1,015,630.00	1,000,000.00	2.250	Aaa	2.250	876	02/24/2012
3136FHXP7	10799	FEDERAL NATIONAL MORT ASSOC		05/14/2009	2,000,000.00	1,995,620.00	2,000,000.00	2.125	Aaa	2.125	1,686	05/14/2014
3136FHWB7	10804	FEDERAL NATIONAL MORT ASSOC		05/21/2009	2,000,000.00	2,011,260.00	2,000,000.00	1.500	Aaa	1.500	781	11/21/2011
3136FHUY9	10807	FEDERAL NATIONAL MORT ASSOC		06/01/2009	2,000,000.00	2,006,880.00	2,000,000.00	1.400	Aaa	1.400	974	06/01/2012
3136FHXF7	10808	FEDERAL NATIONAL MORT ASSOC		06/10/2009	2,000,000.00	2,009,380.00	2,000,000.00	2.000	Aaa	2.000	1,166	12/10/2012
3136FHQ73	10813	FEDERAL NATIONAL MORT ASSOC		07/08/2009	2,000,000.00	2,010,620.00	2,000,000.00	3.000	Aaa	3.000	1,741	07/08/2014
31398AYN6	10815	FEDERAL NATIONAL MORT ASSOC		07/28/2009	2,000,000.00	2,020,000.00	2,000,000.00	3.000	Aaa	3.000	1,761	07/28/2014
Subtotal and Average					100,995,000.00	102,273,333.45	101,006,431.50			3.241	1,216	
Treasury Securities - Coupon												
912828DZ0	10579	U.S.TREASURY NOTE		07/25/2005	1,000,000.00	1,027,810.00	998,715.93	3.875	Aaa	4.057	287	07/15/2010
912828GR5	10669	U.S.TREASURY NOTE		06/08/2007	1,000,000.00	1,026,250.00	997,101.21	4.500	Aaa	5.008	226	05/15/2010
912828GG9	10671	U.S.TREASURY NOTE		06/15/2007	1,000,000.00	1,016,990.00	998,749.88	4.750	Aaa	5.109	137	02/15/2010
912828FX3	10672	U.S.TREASURY NOTE		06/15/2007	1,000,000.00	1,005,470.00	999,454.81	4.625	Aaa	5.100	45	11/15/2009
Subtotal and Average					4,000,000.00	4,076,520.00	3,994,021.83			4.818	174	
Medium Term Notes												
060505AR5	10699	Bank of America		11/02/2007	990,000.00	1,016,512.20	990,072.11	4.875	Aaa	4.871	1,080	09/15/2012
084664AF8	10709	Berkshire Hathaway		01/15/2008	1,000,000.00	1,033,750.00	1,006,245.47	4.200	Aaa	3.648	440	12/15/2010
084664AD3	10714	Berkshire Hathaway		01/18/2008	1,000,000.00	1,057,840.00	1,011,480.06	4.625	Aaa	4.300	1,475	10/15/2013
084664AF8	10795	Berkshire Hathaway		03/10/2009	1,000,000.00	1,033,750.00	1,011,960.63	4.200	Aaa	3.170	440	12/15/2010

City of Torrance
Portfolio Management
Portfolio Details - Investments
September 30, 2009

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM	Days to Maturity	Maturity Date
Medium Term Notes												
36967HAY3	10812	General Electric Capital Corp		06/22/2009	2,000,000.00	2,049,100.00	2,018,872.96	2.625	Aaa	2.320	1,184	12/28/2012
38143UBE0	10660	Goldman Sachs		05/14/2007	1,210,000.00	1,241,121.20	1,205,690.05	4.500		5.050	257	06/15/2010
38141GBU7	10743	Goldman Sachs		04/18/2008	1,000,000.00	1,085,870.00	1,036,385.69	6.600		4.840	836	01/15/2012
40429CCX8	10632	Household Finance Co		11/20/2006	1,000,000.00	1,028,030.00	1,000,892.53	5.250		5.170	470	01/14/2011
40429XB39	10694	Household Finance Co		10/12/2007	1,000,000.00	1,011,700.00	1,000,000.00	5.000		5.000	379	10/15/2010
40429XC95	10700	Household Finance Co		11/29/2007	1,000,000.00	1,013,770.00	1,000,000.00	5.050		5.050	410	11/15/2010
59018YV0	10630	MERRILL LYNCH		11/17/2006	1,000,000.00	1,025,330.00	998,010.22	4.790		5.050	307	08/04/2010
594918AB0	10821	MicroSoft Corp		08/17/2009	1,000,000.00	1,013,470.00	1,000,000.00	2.950		2.949	1,704	06/01/2014
64952WAE3	10697	New York Life Global		11/02/2007	1,000,000.00	1,018,140.00	999,937.25	4.625	Aaa	4.630	319	08/16/2010
90327QCC0	10670	USAA Capital Corp		06/12/2007	2,000,000.00	2,005,400.00	1,997,036.72	4.640		5.420	75	12/15/2009
93114ZCN1	10820	Wal-Mart Stores		08/14/2009	2,000,000.00	2,030,500.00	2,007,902.22	3.000		2.902	1,586	02/03/2014
949746NB3	10715	Wells Fargo Co		01/23/2008	1,000,000.00	1,032,810.00	1,010,457.67	4.875		4.000	468	01/12/2011
		Subtotal and Average	19,296,047.53		19,200,000.00	19,697,093.40	19,294,943.58			4.166	747	
Municipal Bond Issues - Coupon												
SYS10423	10423	Skpk-2001TxAllocRef Bd		12/18/2001	922,993.69	922,993.69	922,993.69	8.000		7.999	1,004	07/01/2012
		Subtotal and Average	922,993.69		922,993.69	922,993.69	922,993.69			7.999	1,004	
		Total and Average	158,250,967.29		158,687,993.69	160,526,948.19	158,788,390.60			2.907	884	

City of Torrance
Portfolio Management
Portfolio Details - Cash
September 30, 2009

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM	Days to Maturity
		Average Balance	0.00	Accrued Interest at Purchase		11,809.73	11,809.73				0
				Subtotal		11,809.73	11,809.73				
		Total Cash and Investments	158,250,967.29		158,687,993.69	160,538,757.92	158,800,200.33			2.907	884

II. RESTRICTED FUNDS

Reports Appear Quarterly

III. CASH & INVESTMENT PORTFOLIO SHARE

CITY OF TORRANCE
CASH AND INVESTMENT PORTFOLIO SHARE (A)
AS OF SEPTEMBER 30, 2009

FUND	SHARE OF INVESTMENTS	POOLED CASH & INVESTMENTS BALANCE	CASH PERCENT
N General	34,396,088.82	33,534,915.25	21.66
R Parks & Recr Facility & Open Space	3,831,001.01	3,735,084.38	2.41
R State Gas Tax	6,567,138.17	6,402,716.98	4.14
R Federal Housing, Community Dev	162,973.68	158,893.31	0.10
R Street Lighting	168,827.66	164,600.73	0.11
R Traffic Congestion Relief Act 2000 - AB2928	-	-	(B) 0.00
R Proposition 1B	1,726,516.46	1,683,289.73	1.09
R Police Asset Forfeiture	3,324,717.88	3,241,477.04	2.09
N Government Cable	2,468,829.83	2,407,017.83	1.55
R Local Return - Proposition C	5,742,894.42	5,599,109.79	3.62
R Grants/Donations	(3,444,875.60)	(3,358,626.38)	(C) (2.17)
R Citizens Options for Public Safety (COPS) Grant Funds - AB3229	120,123.19	117,115.67	0.08
R Seismic Education Fund	54,119.07	52,764.09	0.03
R Rehabilitation Housing	637,802.16	621,833.53	0.40
R Police Inmate Welfare Fund	53,933.30	52,582.97	0.03
N Capital Improvements	21,984,179.46	21,433,762.39	13.84
R Vanpool/Rideshare Fund	358,481.10	349,505.82	0.23
R Torrance Improvement Fund	4,324,546.85	4,216,273.33	2.72
R Animal Control Fund	30,882.73	30,109.52	0.02
R Redevelopment-Capital Proj	10,574,314.18	10,309,565.48	6.66
R Redevelopment Debt Service	697,799.00	680,328.23	0.44
N DNA Sampling Fund	24,062.45	23,460.00	0.02
N Airport Fund	6,668,049.88	6,501,102.17	4.20
N Transit Operations	4,406,634.46	4,296,305.72	2.78
R Development Impact Fund	737,875.29	719,401.13	0.46
N Water Operations	4,822,204.44	4,701,471.09	3.04
N Emergency Medical Service Enterprise Fund	-	81,680.99	0.05
N Sanitation Operations	2,602,521.64	2,537,362.40	1.64
N Cultural Arts Enterprise	542,154.58	528,580.68	0.34
N Sewer Enterprise Fund	11,842,523.43	11,546,022.62	7.46
N Parks & Recreation Enterprise Fund	39,632.18	38,639.91	0.02
N Self Insurance Fund	9,675,264.05	9,433,024.83	6.09
N Fleet Services	14,620,808.98	14,254,748.34	9.21
R Postemployment/Compensated Absences Fund	5,832,817.41	5,686,781.38	3.67
R Trust & Agency	3,109,769.92	3,031,910.73	1.96
TOTAL	158,788,390.60	154,812,811.68	100.00

R = Restricted Funds

N = Non-Restricted Funds

(A) The difference between the Share of Investments total of \$158,788,390.60 and the Pooled Cash and Investments total of \$154,812,811.68 is primarily due to outstanding warrants and adjusting journal entries. (See reconciliation schedule attached)

(B) All fiscal year 2008-09 Traffic Congestion Relief Act 2000 - AB2928 funds in the amount of \$1,276,609 were spent on the T43/44 for the Torrance Boulevard Rehabilitation project.

(C) T 030 Del Amo Blvd. Extension has a negative cash balance of <\$3,719,821>.

Reimbursement request was submitted by Public Works in October and is expected to be received in November.

**CITY OF TORRANCE
CASH AND INVESTMENT RECONCILIATION
AS OF SEPTEMBER 30, 2009**

INVESTMENTS PER PORTFOLIO SUMMARY (City Pool)		158,788,390.60
 CASH AND INVESTMENTS PER BOOKS		 154,812,811.68
 CASH IN BANKS:		
Cash in B of A General Account		(\$568,688.51)
Cash in B of A Payroll Account		0.00
 OUTSTANDING WARRANTS:		
General Account	1,400,166.62	
Payroll Account	75,342.56	
Workers Compensation Account	25,358.82	1,500,868.00
 Miscellaneous outstanding adjusting journal entries		139,821.97
Payroll for PE 9/26/09 posted on 9/26/09 and paid on 10/2/09		2,903,577.46
INVESTMENTS PER BOOKS		\$158,788,390.60