Council Meeting of
December 8, 2009

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

Members of Council:

SUBJECT: Accept and file Investment Reports for October 2009

RECOMMENDATION

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

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CITY OF TORRANCE

MONTHLY INVESTMENT PORTFOLIO REPORT
For the Month of October 31, 2009

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City of Torrance
Investment Portfolio Highlights
For October 2009

RETURN

	Current Month	Previous Month
Average City Portfolio YTM	2.890	2.942
Average U.S. Treasury Constant Maturity	.900	.950
LAIF Average Monthly Return	.646	.925
Average City Portfolio YTM - 1 year prior	4.105	4.104

INTEREST INCOME

	Current Period	Prior Year
Fiscal year to date	1,644,006	2,642,089
Current month	372,206	609,483

MATURITY

	Current Month	Prior Month
Average Maturity (days)	885	884
Average Maturity 1 Year Prior (days)	1,069	1,210
Weighted Average Maturity (years)	2.42	2.942

VOLUMES

	Total $ Volume	# of Transactions
Purchases	12,190,107	8
Maturities	20,600,107	9

Transactions include 4 deposits to and 7 withdrawals from LAIF, 1 purchases and 2 maturities of the Union of Bank Money Market Sweep Account.

VALUE OF PORTFOLIO PER GASB STATEMENT NO. 31

GASB required securities	Beginning Investment Value as of July 1, 2009	Purchase/Redempt. Of Principal	Change in Market Value	Ending Investment Value as of October 31, 2009
Federal Agency (coup)	113,311,155	-15,004,500	-65,051	98,241,604
Treasury Securities	4,111,960	0	-49,070	4,062,890
Medium Term Notes	21,408,439	-2,006,360	357,677	19,759,756
Municipal Bonds	1,056,794	-133,800	0	922,994
SUB-TOTAL PER GASB 31	**139,888,348**	**-17,144,660**	**243,556**	**122,987,244**
Non-GASB securities				
LAIF	50,300,000	-23,100,000	0	27,200,000
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		1,960,000	-14,842	1,945,158
Commercial paper	0	0	0	0
TOTAL PORTFOLIO	**190,388,348**	**-38,303,364**	**47,418**	**152,132,402**

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

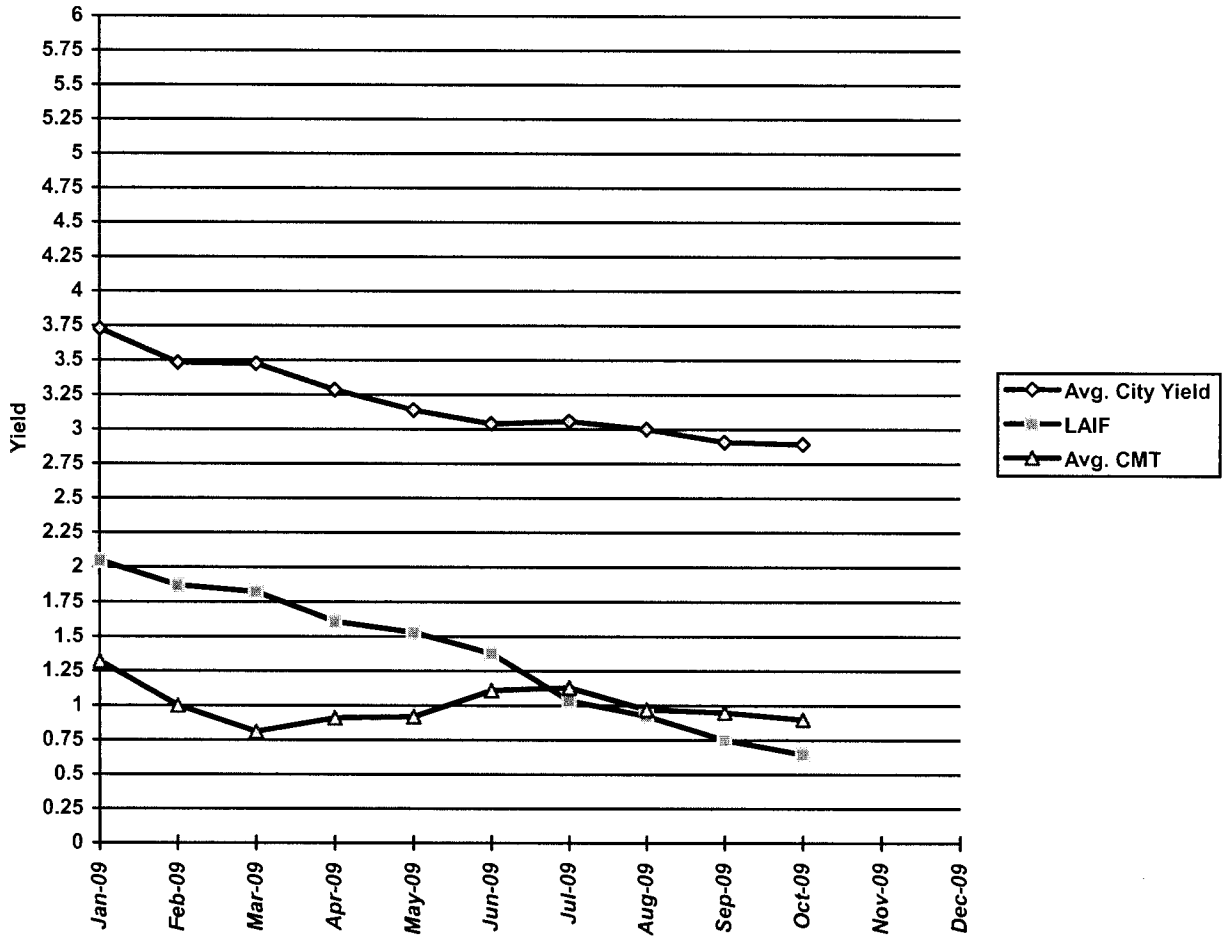
CITY OF TORRANCE

City Treasurer's Office

Monthly Investment Report Summary
For the month of October 2009

I. Return

25.57% of the portfolio is invested at one-year maturity or less as of October 31, 2009. The City Average yield on the portfolio was 2.890% compared to .90% for the U.S. Treasury at Constant Maturity (CMT) of 24 months. The portfolio performed above the benchmark as of October 31, 2009 by 1.99 basis points.



II. Volumes

The investment activity for October included 1 deposits and 2 redemption in the Union Bank of California money market account.

III. Diversification of Investments

In the month of October there were 4 purchases for a total of $2.5 million with an average yield of 2.16%. There were 3 calls for a total of $6.0 million with an average yield of 4.447%. The activity in the LAIF Account consisted of 4 deposit for a total of $7.7 million and 7 withdrawals for a total of $12.6. The portfolio decreased by $1.7 million.

Asset Category	October	September
1. LAIF	18.09	20.22
2. Certificate of Deposits	.00	.00
3. Negotiable Cert. of Deposits	1.30	.93
4. Money Market Sweep	.00	.00
5. Federal Agency Issues(coup)	64.51	63.60
6. Federal Agency Issues(disc)	0.00	0.00
7. Treasury Securities	2.66	2.52
8. Treasury Securities(disc)	0.00	0.00
9. Medium Term Notes	12.83	12.15
10. Municipal Bonds	.61	.58
11. Commercial Paper(disc)	0.00	0.00
	100.00%	100.00%

IV. Maturity

As of October 31, 2009, the current maturity allocation is 32.49% of the portfolio invested between the 6 month to 3-year maturity levels. 20.77% 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.

As of Maturity	October	September
0 to 6 months	20.77%	22.95%
6 months to 1 year	4.80%	3.90%
1 to 2 years	9.14%	9.11%
2 to 3 years	18.55%	17.37%
3 to 4 years	30.77%	29.70%
4 to 5 years	15.97%	16.97%
5 years and after	.00%	.00%
	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 October 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	27,200,000	18.09%	**	1	1	N/A	.646%
Certificates of Deposit – Collateralized	00	.00		180	17	5 years	.00%
Negotiable COs	1,960,000	1.30		1,005	958	5 years	2.138%
Money Market Sweep Account	0	.00%		1	1		.000%
Federal Agency Issues – Coupons	97,007,033	64.51%	75%	1,546	1,195	5 years	3.152%
Farmer Mac	0	0.00%	30%			5 years	
Federal Farm Credit Bank	29,514,108	19.68%	30%	1,016	1,117	5 years	2.760%
Federal Home Loan Bank	34,491,486	23.00%	30%	1,060	1,176	5 years	2.853%
Federal Home Loan Mortgage Corp.	12,001,439	8.01%	30%	1,278	1,372	5 years	2.571%
Federal National Mortgage Assoc.	21,000,000	13.92%	30%	1,151	1,229	5 years	2.262%
Treasury Securities – Coupons	3,995,217	2.66%	100%	1,187	143	5 years	4.818%
Medium Tern Notes	19,292,659	12.83%	20%	1,296	716	5 years	4.166%
Municipal Bond Issues – Coupon	922,993	.61%		3,848	973		7.999%
Total Investments & Averages	150,377,902	100.00%		1,232	885		2.890%
Pending Redemptions	0						
Accrued Interest at Purchase	10,143						
Total Accrued Interest	10,143						
TOTAL CASH & INVESTMENTS	150,388,045						

Portfolio Notes:
**Maximum allowed by Investment Policy is $40 million per agency.
General LAIF account = $ 16,900,000
RDA 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

City Attorney

for Director of Finance

City Treasurer

City of Torrance
Portfolio Management
Activity Summary
October 2008 through October 2009

Month End	Year	Number of Securities	Average Balance	Yield to Maturity 360 Equivalent	Yield to Maturity 365 Equivalent	Managed Pool Rate	Number of Investments Purchased	Number of Investments Redeemed	Average Term	Average Days to Maturity
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
October	**2009**	106	153,201,872.01	2.851	2.890	0.646	4	3	1,232	885
	Average	**106**	**174,873,640.39**	**3.353%**	**3.399%**	**1.634**	**4**	**6**	**1,178**	**884**

October 2009

invest no.	BROKER	PURCHASE DATE	DESCRIPTION	QUALITY RATING	MATURITY DATE	DAYS TO MATURITY	RATE	YIELD	PAR VALUE	COST	MARKET VALUE
(I) PURCHASES*											
10830	CNB	10/05/2009	Cathay Bank	Aa/	10/05/2011	703	1.750%	1.750%	245,000	245,000	245,000
10833	CNB	10/14/2009	Midfirst Bank	Aa/	10/15/2012	1079	2.350%	2.350%	245,000	245,000	245,000
10834	Higgins Capital	10/29/2009	FNMA	AAA/Aaa	10/29/2014	1823	2.250%	2.250%	1,000,000	1,000,000	1,000,000
10835		10/27/2009	FFCB	AAA/Aaa	10/27/2014	1821	2.875%	2.875%	1,000,000	1,000,000	1,000,000
									$2,490,000	**$2,490,000**	**$2,490,000**
						Weighted Average Yield		1.153%			

invest no.	BROKER	PURCHASE DATE	DESCRIPTION	QUALITY RATING	MATURITY DATE	RATE	YIELD	PAR VALUE	BOOK VALUE	MARKET VALUE
(II) MATURITIES**										
10781	Morgan Stanley	01/30/2009	Federal Farm Credit Ban	AAA/Aaa	10/08/2009	3.100%	3.105%	2,000,000	2,000,000	2,000,000
10691	Citigroup	10/09/2007	Federal Home Loan Ban	AAA/Aaa	10/09/2009	5.100%	5.093%	2,000,000	2,000,000	2 000,000
10696	Citigroup	10/22/2007	Federal Home Loan Ban	AAA/Aaa	10/22/2009	5.150%	5.143%	2,000,000	2,000,000	2,000,000
								$6,000,000	**$6,000,000**	**$6,000,000**
					Weighted Average Yield		**4.447%**			

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

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

(III) LAIF TRANSACTIONS

	DEALER		DESCRIPTION	BEGIN BAL.	RATE	YIELD	DEPOSITS	WITHDRAWALS	INTEREST	END BAL.
-	State of California	-	Local Agency Pool							
			City	21,800,000	0.646%	0.646%	7,700,000	12,600,000		16,900,000
			Tran Acct	0	0.646%	0.646%				0
			RDA	10,300,000	0.646%	0.646%	-	-		10,300,000
				$32,100,000			$7,700,000	$12,600,000	$ -	**$27,200,000**

City of Torrance
Portfolio Management
Interest Earnings Summary
October 31, 2009

	October 31 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	339,444.66	1,791,245.67
Plus Accrued Interest at End of Period	1,075,294.07	1,073,706.32
Less Accrued Interest at Beginning of Period	(1,060,561.66)	(1,346,621.82)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	354,177.07	1,518,330.17
Adjusted by Premiums and Discounts	-487.74	-768.63
Adjusted by Capital Gains or Losses	0.00	16,075.45
Earnings during Periods	353,689.33	1,533,636.99
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	8.95	190,035.38
Plus Accrued Interest at End of Period	738,674.76	738,674.76
Less Accrued Interest at Beginning of Period	(720,167.08)	(818,341.29)
Interest Earned during Period	18,516.63	110,368.85
Total Interest Earned during Period	**372,693.70**	**1,628,699.02**
Total Adjustments from Premiums and Discounts	**-487.74**	**-768.63**
Total Capital Gains or Losses	**0.00**	**16,075.45**
Total Earnings during Period	**372,205.96**	**1,644,005.84**

Portfolio CITY
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City of Torrance
Portfolio Management
Portfolio Details - Investments
October 31, 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			16,900,000.00	16,900,000.00	16,900,000.00	0.646		0.646	1	
SYS10001	10001	Local Agency Invest. Fund RDA			10,300,000.00	10,300,000.00	10,300,000.00	0.646		0.646	1	
SYS1000a	1000A	LAIF - TRANS FUNDS			0.00	0.00	0.00	0.646		0.646	1	
		Subtotal and Average	**29,190,322.58**		**27,200,000.00**	**27,200,000.00**	**27,200,000.00**			**0.646**	**1**	
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	**387,148.68**		**0.00**	**0.00**	**0.00**			**0.000**	**0**	
Negotiable CD's												
02586TG32	10829	American Express Centurian		09/23/2009	245,000.00	243,703.95	245,000.00	1.800		1.800	691	09/23/2011
05568PSJ7	10832	BMW Bank of North America		09/23/2009	245,000.00	242,621.05	245,000.00	2.300		2.300	1,058	09/24/2012
149159GX7	10830	Cathay Bank		10/05/2009	245,000.00	243,289.90	245,000.00	1.750		1.750	703	10/05/2011
254670KW1	10831	Discover Bank		09/23/2009	245,000.00	241,263.75	245,000.00	2.050		2.050	1,058	09/24/2012
46147ULM0	10824	Investors Community Bank		08/24/2009	245,000.00	242,625.95	245,000.00	2.250		2.279	1,027	08/24/2012
509685EA7	10823	Lake Forest B&T		08/26/2009	245,000.00	245,110.25	245,000.00	2.350		2.350	1,030	08/27/2012
59740JGR4	10833	MidFirst Bank		10/14/2009	245,000.00	242,723.95	245,000.00	2.350		2.350	1,079	10/15/2012
86789UBH1	10822	SunSouth Bank		08/18/2009	245,000.00	243,819.10	245,000.00	2.200		2.228	1,020	08/17/2012
		Subtotal and Average	**1,825,645.16**		**1,960,000.00**	**1,945,157.90**	**1,960,000.00**			**2.138**	**958**	
Federal Agency Issues - Coupon												
31331XMQ2	10640	FEDERAL FARM CREDIT BANK		01/26/2007	1,000,000.00	1,026,560.00	1,000,000.00	5.000	Aaa	5.002	206	05/26/2010
31331XT36	10678	FEDERAL FARM CREDIT BANK		08/01/2007	1,000,000.00	1,099,060.00	1,000,000.00	5.250	Aaa	5.250	1,004	08/01/2012
31331YHR4	10706	FEDERAL FARM CREDIT BANK		12/14/2007	1,000,000.00	1,004,690.00	1,000,000.00	4.400	Aaa	4.400	1,139	12/14/2012
31331YKW9	10708	FEDERAL FARM CREDIT BANK		12/28/2007	1,000,000.00	1,005,940.00	1,000,000.00	4.250	Aaa	4.250	787	12/28/2011
31331YQP8	10716	FEDERAL FARM CREDIT BANK		01/25/2008	2,500,000.00	2,520,325.00	2,516,250.00	3.800	Aaa	3.657	1,181	01/25/2013
31331YQP8	10721	FEDERAL FARM CREDIT BANK		02/04/2008	1,000,000.00	1,008,130.00	1,000,000.00	3.800	Aaa	3.800	1,181	01/25/2013
31331YSB7	10723	FEDERAL FARM CREDIT BANK		02/01/2008	1,000,000.00	1,008,440.00	1,000,000.00	3.790	Aaa	3.790	1,188	02/01/2013
31331YTS9	10726	FEDERAL FARM CREDIT BANK		02/11/2008	2,000,000.00	2,019,380.00	2,000,000.00	3.750	Aaa	3.750	1,198	02/11/2013
31331YT26	10757	FEDERAL FARM CREDIT BANK		06/02/2008	2,000,000.00	2,005,620.00	1,999,977.04	3.620	Aaa	3.627	578	06/02/2011
31331YT42	10758	FEDERAL FARM CREDIT BANK		06/03/2008	1,000,000.00	1,023,750.00	1,000,000.00	4.240	Aaa	4.240	1,310	06/03/2013
31331Y2G4	10768	FEDERAL FARM CREDIT BANK		07/01/2008	1,000,000.00	1,030,940.00	1,000,000.00	4.850	Aaa	4.850	1,338	07/01/2013
31331GCF4	10776	FEDERAL FARM CREDIT BANK		09/23/2008	1,000,000.00	1,038,750.00	1,000,222.00	3.125	Aaa	3.113	691	09/23/2011
31331GDF3	10779	FEDERAL FARM CREDIT BANK		10/15/2008	2,000,000.00	2,065,000.00	2,000,000.00	4.250	Aaa	4.250	1,444	10/15/2013

City of Torrance
Portfolio Management
Portfolio Details - Investments
October 31, 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												
31331GLY3	10783	FEDERAL FARM CREDIT BANK		02/11/2009	1,000,000.00	1,005,630.00	1,000,000.00	2.850	Aaa	2.850	1,198	02/11/2013
31331GPA1	10792	FEDERAL FARM CREDIT BANK		03/03/2009	1,000,000.00	1,007,190.00	999,406.94	3.250	Aaa	3.288	1,583	03/03/2014
31331GVD8	10800	FEDERAL FARM CREDIT BANK		05/08/2009	1,000,000.00	1,010,630.00	1,000,000.00	2.200	Aaa	2.200	1,254	04/08/2013
31331GWL9	10803	FEDERAL FARM CREDIT BANK		05/20/2009	2,000,000.00	2,015,620.00	2,000,000.00	2.500	Aaa	2.500	1,296	05/20/2013
31331GWS4	10805	FEDERAL FARM CREDIT BANK		05/28/2009	1,000,000.00	1,000,000.00	1,000,000.00	1.590	Aaa	1.590	757	11/28/2011
31331GWQ8	10806	FEDERAL FARM CREDIT BANK		05/22/2009	2,000,000.00	2,009,380.00	2,000,000.00	1.800	Aaa	1.800	932	05/21/2012
31331GYA1	10809	FEDERAL FARM CREDIT BANK		06/15/2009	2,000,000.00	2,012,500.00	1,998,251.85	2.000	Aaa	2.035	957	06/15/2012
31331GH77	10818	FEDERAL FARM CREDIT BANK		08/11/2009	1,000,000.00	1,012,190.00	1,000,000.00	3.450	Aaa	3.450	1,744	08/11/2014
31331G2J7	10835	FEDERAL FARM CREDIT BANK		10/27/2009	1,000,000.00	997,500.00	1,000,000.00	2.875	Aaa	2.875	1,821	10/27/2014
3133XKYE9	10662	FEDERAL HOME LOAN BANK		05/25/2007	1,000,000.00	1,026,880.00	1,000,000.00	5.200	Aaa	5.200	936	05/25/2012
3133XM3S8	10684	FEDERAL HOME LOAN BANK		08/27/2007	1,000,000.00	1,037,500.00	1,000,000.00	5.125	Aaa	5.125	1,030	08/27/2012
3133XNJA8	10701	FEDERAL HOME LOAN BANK		12/17/2007	1,000,000.00	1,005,000.00	1,000,000.00	4.550	Aaa	4.550	1,142	12/17/2012
3133XNYV5	10712	FEDERAL HOME LOAN BANK		01/22/2008	1,000,000.00	1,008,440.00	1,000,000.00	4.050	Aaa	4.050	1,178	01/22/2013
3133XPF90	10725	FEDERAL HOME LOAN BANK		02/05/2008	1,000,000.00	1,009,060.00	1,000,000.00	3.660	Aaa	3.660	1,192	02/05/2013
3133XQCL4	10735	FEDERAL HOME LOAN BANK		03/26/2008	2,750,000.00	2,789,545.00	2,750,000.00	3.720	Aaa	3.720	1,241	03/26/2013
3133XQJZ6	10738	FEDERAL HOME LOAN BANK		04/16/2008	2,000,000.00	2,029,380.00	1,999,908.33	3.750	Aaa	3.754	1,262	04/16/2013
3133XQJA1	10742	FEDERAL HOME LOAN BANK		04/15/2008	2,000,000.00	2,080,620.00	2,000,000.00	3.700	Aaa	3.700	1,261	04/15/2013
3133XQVY5	10746	FEDERAL HOME LOAN BANK		05/13/2008	2,000,000.00	2,042,500.00	1,999,866.67	4.125	Aaa	4.131	1,289	05/13/2013
3133XQWX6	10748	FEDERAL HOME LOAN BANK		05/07/2008	1,500,000.00	1,525,785.00	1,500,000.00	3.760	Aaa	3.760	918	05/07/2012
3133XQZ88	10751	FEDERAL HOME LOAN BANK		05/14/2008	1,000,000.00	1,016,880.00	1,000,000.00	3.625	Aaa	3.625	925	05/14/2012
3133XRFU9	10762	FEDERAL HOME LOAN BANK		06/17/2008	2,245,000.00	2,255,529.05	2,244,980.88	3.800	Aaa	3.804	593	06/17/2011
3133XRKU3	10764	FEDERAL HOME LOAN BANK		06/25/2008	1,000,000.00	1,025,000.00	1,000,000.00	4.350	Aaa	4.350	967	06/25/2012
3133XSY93	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	1,570	02/18/2014
3133XT2P0	10785	FEDERAL HOME LOAN BANK		02/24/2009	2,000,000.00	2,011,880.00	2,000,000.00	2.550	Aaa	2.550	845	02/24/2012
3133XT6J0	10788	FEDERAL HOME LOAN BANK		02/26/2009	2,000,000.00	2,032,500.00	2,000,000.00	2.625	Aaa	2.625	1,213	02/26/2013
3133XT6W1	10789	FEDERAL HOME LOAN BANK		02/27/2009	2,000,000.00	2,043,760.00	2,000,000.00	2.150	Aaa	2.150	848	02/27/2012
3133XTA97	10790	FEDERAL HOME LOAN BANK		03/06/2009	1,000,000.00	1,022,190.00	1,000,000.00	2.100	Aaa	2.100	674	09/06/2011
3133XU6N8	10816	FEDERAL HOME LOAN BANK		08/05/2009	1,000,000.00	1,001,250.00	998,694.44	3.000	Aaa	3.054	1,738	08/05/2014
3133XUBA0	10817	FEDERAL HOME LOAN BANK		07/30/2009	1,000,000.00	1,012,500.00	1,000,000.00	2.150	Aaa	2.150	1,732	07/30/2014
3133XUNK5	10825	FEDERAL HOME LOAN BANK		08/26/2009	1,000,000.00	1,011,560.00	1,000,000.00	2.850	Aaa	2.850	1,394	08/26/2013
3133XUPC1	10826	FEDERAL HOME LOAN BANK		09/15/2009	1,000,000.00	1,010,940.00	1,000,000.00	2.350	Aaa	2.350	1,230	03/15/2013
3133XUPB3	10827	FEDERAL HOME LOAN BANK		09/04/2009	1,000,000.00	1,008,130.00	1,000,000.00	2.125	Aaa	2.125	1,768	09/04/2014
3133XUV59	10828	FEDERAL HOME LOAN BANK		09/29/2009	2,000,000.00	1,998,760.00	1,998,035.56	3.125	Aaa	3.147	1,793	09/29/2014
3128X7LX0	10745	FEDERAL HOME LOAN MORTGAGE CO		04/29/2008	2,000,000.00	2,036,100.00	1,998,516.67	3.920	Aaa	3.987	1,275	04/29/2013
3128X8QM7	10794	FEDERAL HOME LOAN MORTGAGE CO		03/24/2009	1,000,000.00	1,018,140.00	999,120.56	2.375	Aaa	2.396	1,604	03/24/2014
3128X8TZ5	10798	FEDERAL HOME LOAN MORTGAGE CO		04/20/2009	2,000,000.00	2,022,480.00	2,000,000.00	2.500	Aaa	2.500	1,254	04/08/2013

City of Torrance
Portfolio Management
Portfolio Details - Investments
October 31, 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												
3128X8E73	10801	FEDERAL HOME LOAN MORTGAGE CO		05/19/2009	1,000,000.00	1,010,280.00	1,000,000.00	2.170	Aaa	2.170	1,114	11/19/2012
3128X8MS8	10802	FEDERAL HOME LOAN MORTGAGE CO		05/07/2009	1,000,000.00	1,011,890.00	1,003,802.11	2.350	Aaa	2.129	852	03/02/2012
3128X8R46	10810	FEDERAL HOME LOAN MORTGAGE CO		06/25/2009	2,000,000.00	2,033,360.00	2,000,000.00	3.000	Aaa	3.000	1,332	06/25/2013
3128X8S29	10811	FEDERAL HOME LOAN MORTGAGE CO		06/30/2009	1,000,000.00	1,013,490.00	1,000,000.00	3.000	Aaa	3.000	1,702	06/30/2014
3128X82V3	10814	FEDERAL HOME LOAN MORTGAGE CO		07/14/2009	1,000,000.00	1,016,460.00	1,000,000.00	3.400	Aaa	3.400	1,716	07/14/2014
3128X9BA7	10819	FEDERAL HOME LOAN MORTGAGE CO		08/25/2009	1,000,000.00	1,008,130.00	1,000,000.00	3.625	Aaa	3.625	1,758	08/25/2014
3136F8N92	10720	FEDERAL NATIONAL MORT ASSOC		01/29/2008	2,000,000.00	2,015,620.00	2,000,000.00	3.625	Aaa	3.625	1,185	01/29/2013
3136F9MV2	10749	FEDERAL NATIONAL MORT ASSOC		05/05/2008	1,000,000.00	1,015,000.00	1,000,000.00	3.250	Aaa	3.250	550	05/05/2011
3136F9NE9	10752	FEDERAL NATIONAL MORT ASSOC		05/14/2008	1,000,000.00	1,017,500.00	1,000,000.00	4.000	Aaa	4.000	1,290	05/14/2013
3136FHAK1	10786	FEDERAL NATIONAL MORT ASSOC		02/27/2009	1,000,000.00	1,011,250.00	1,000,000.00	2.625	Aaa	2.625	1,030	08/27/2012
31398AVL3	10787	FEDERAL NATIONAL MORT ASSOC		03/02/2009	1,000,000.00	1,003,440.00	1,000,000.00	2.000	Aaa	2.000	486	03/02/2011
31398AVR0	10791	FEDERAL NATIONAL MORT ASSOC		03/10/2009	1,000,000.00	1,002,190.00	1,000,000.00	3.375	Aaa	3.375	1,590	03/10/2014
3136FHCF0	10793	FEDERAL NATIONAL MORT ASSOC		03/05/2009	1,000,000.00	1,015,000.00	1,000,000.00	2.250	Aaa	2.250	845	02/24/2012
3136FHPX7	10799	FEDERAL NATIONAL MORT ASSOC		05/14/2009	2,000,000.00	2,003,120.00	2,000,000.00	2.125	Aaa	2.125	1,655	05/14/2014
3136FHWB7	10804	FEDERAL NATIONAL MORT ASSOC		05/21/2009	2,000,000.00	2,010,000.00	2,000,000.00	1.500	Aaa	1.500	750	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	943	06/01/2012
3136FHXF7	10808	FEDERAL NATIONAL MORT ASSOC		06/10/2009	2,000,000.00	2,011,260.00	2,000,000.00	2.000	Aaa	2.000	1,135	12/10/2012
3136FHQ73	10813	FEDERAL NATIONAL MORT ASSOC		07/08/2009	2,000,000.00	2,000,000.00	2,000,000.00	3.000	Aaa	3.000	1,710	07/08/2014
31398AYN6	10815	FEDERAL NATIONAL MORT ASSOC		07/28/2009	2,000,000.00	2,026,260.00	2,000,000.00	3.000	Aaa	3.000	1,730	07/28/2014
3136FJJL6	10834	FEDERAL NATIONAL MORT ASSOC		10/29/2009	1,000,000.00	999,690.00	1,000,000.00	2.250	Aaa	2.250	1,823	10/29/2014
		Subtotal and Average	**97,587,396.84**		**96,995,000.00**	**98,241,604.05**	**97,007,033.05**			**3.152**	**1,195**	
Treasury Securities - Coupon												
912828DZ0	10579	U.S.TREASURY NOTE		07/25/2005	1,000,000.00	1,025,270.00	998,854.63	3.875	Aaa	4.057	256	07/15/2010
912828GR5	10669	U.S.TREASURY NOTE		06/08/2007	1,000,000.00	1,022,970.00	997,498.83	4.500	Aaa	5.008	195	05/15/2010
912828GG9	10671	U.S.TREASURY NOTE		06/15/2007	1,000,000.00	1,013,130.00	999,032.75	4.750	Aaa	5.109	106	02/15/2010
912828FX3	10672	U.S.TREASURY NOTE		06/15/2007	1,000,000.00	1,001,520.00	999,830.38	4.625	Aaa	5.100	14	11/15/2009
		Subtotal and Average	**3,994,638.48**		**4,000,000.00**	**4,062,890.00**	**3,995,216.59**			**4.818**	**143**	
Medium Term Notes												
060505AR5	10699	Bank of America		11/02/2007	990,000.00	1,043,143.20	990,070.07	4.875		4.871	1,049	09/15/2012
084664AF8	10709	Berkshire Hathaway		01/15/2008	1,000,000.00	1,030,890.00	1,005,813.75	4.200	Aaa	3.648	409	12/15/2010
084664AD3	10714	Berkshire Hathaway		01/18/2008	1,000,000.00	1,075,590.00	1,011,243.19	4.625	Aaa	4.300	1,444	10/15/2013
084664AF8	10795	Berkshire Hathaway		03/10/2009	1,000,000.00	1,030,890.00	1,011,133.86	4.200	Aaa	3.170	409	12/15/2010
36967HAY3	10812	General Electric Capital Corp		06/22/2009	2,000,000.00	2,053,700.00	2,018,387.80	2.625	Aaa	2.320	1,153	12/28/2012
38143UBE0	10660	Goldman Sachs		05/14/2007	1,210,000.00	1,236,753.10	1,206,199.10	4.500		5.050	226	06/15/2010

City of Torrance
Portfolio Management
Portfolio Details - Investments
October 31, 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												
38141GBU7	10743	Goldman Sachs		04/18/2008	1,000,000.00	1,088,990.00	1,035,060.97	6.600		4.840	805	01/15/2012
40429CCX8	10632	Household Finance Co		11/20/2006	1,000,000.00	1,036,430.00	1,000,834.70	5.250		5.170	439	01/14/2011
40429XB39	10694	Household Finance Co		10/12/2007	1,000,000.00	1,013,020.00	1,000,000.00	5.000		5.000	348	10/15/2010
40429XC95	10700	Household Finance Co		11/29/2007	1,000,000.00	1,014,160.00	1,000,000.00	5.050		5.050	379	11/15/2010
59018YVV0	10630	MERRILL LYNCH		11/17/2006	1,000,000.00	1,024,160.00	998,207.23	4.790		5.050	276	08/04/2010
594918AB0	10821	MicroSoft Corp		08/17/2009	1,000,000.00	1,014,560.00	1,000,000.00	2.950		2.949	1,673	06/01/2014
64952WAE3	10697	New York Life Global		11/02/2007	1,000,000.00	1,018,050.00	999,943.23	4.625	Aaa	4.630	288	08/16/2010
90327QCQ0	10670	USAA Capital Corp		06/12/2007	2,000,000.00	2,003,200.00	1,998,238.05	4.640		5.420	44	12/15/2009
931142CN1	10820	Wal-Mart Stores		08/14/2009	2,000,000.00	2,037,580.00	2,007,750.45	3.000		2.902	1,555	02/03/2014
949746NB3	10715	Wells Fargo Co		01/23/2008	1,000,000.00	1,038,640.00	1,009,777.13	4.875		4.000	437	01/12/2011
		Subtotal and Average	**19,293,726.58**		**19,200,000.00**	**19,759,756.30**	**19,292,659.53**			**4.166**	**716**	
Muncipal Bond Issues - Coupon												
SYS10423	10423	Skpk-2001TxAllocRef Bd		12/18/2001	922,993.69	922,993.69	922,993.69	8.000		7.999	973	07/01/2012
		Subtotal and Average	**922,993.69**		**922,993.69**	**922,993.69**	**922,993.69**			**7.999**	**973**	
		Total and Average	**153,201,872.01**		**150,277,993.69**	**152,132,401.94**	**150,377,902.86**			**2.890**	**885**	

City of Torrance
Portfolio Management
Portfolio Details - Cash
October 31, 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		10,143.06	10,143.06				**0**
				Subtotal		10,143.06	10,143.06				
	Total Cash and Investments		**153,201,872.01**		**150,277,993.69**	**152,142,545.00**	**150,388,045.92**			**2.890**	**885**

II. RESTRICTED FUNDS

CASH AND INVESTMENTS HELD BY FISCAL AGENT

FOR PERIOD ENDING

September 30, 2009

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
City of Torrance 2004A&B COP Refunding - #3060645 (Maturity - June 1, 2024 & June 1, 2034)						
Construction Fund Acct #360646	2,389,181.56			2,389,181.56	0.00	Dreyfus Inst'l Res Treasury
					0.00	Dreyfus Inst'l Res Treasury
Required Reserve Acct #360649	2,740,000.00	2,777,213.00		2,779,595.78	1.63	FHLB/cusip 3133XTXH4
Required Reserve Acct #360649	1,042.59			1,042.59	0.00	Dreyfus Inst'l Res Treasury
Lease Paymt Fund Acct # 360648	5,565.66		3,426.37	5,565.66	0.00	Dreyfus Inst'l 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
Torrance PFA 98COP						
Lease payment Fund Acct #428584						Fidelity Treas M Mrkt
Acq & Constr Fund Acct # 428587						Fidelity Treas M Mrkt
Reserve Acct # 428590						Fidelity Treas M Mrkt
Reserve Acct # 428590	553,085.00	553,085.00		553,085.00	5.61	AIG Investment Agrmt 5.61% due 11/28/28 **

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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
2004 Torrance Water Refunding Bond #360700-(Maturity March 1, 2014)						
Debt Service Fund #360759	6,685.41			6,685.41	0.00	JP Morgan Prime MM Premier
Cost of Issuance acct #360758						JP Morgan Prime MM Premier
Reserve Cash Acct #360760						
Reserve Acct. #360760	11,080.26			11,080.26	0.00	JP Morgan Prime MM Premier
Required Rerserve Act # 360760	505,000.00	505,000.00	11,080.26	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
Torrance RDA (Downtown) 98A (matures Sept. 1, 2028)						
Interest / Debt Service Acct # 428478	104.54			104.54		Fidelity Treas Money Market
Reserve Acct # 428469	579,000.00	585,694.69		587,367.35	1.625	FHLB/cusip 3133XTXH4

CASH AND INVESTMENTS HELD BY FISCAL AGENT

FOR PERIOD ENDING

September 30, 2009

	1,318.35		2,991.01	1,318.35	0.00	AIM Prime MM

Bank of New York Western Trust Co.	Book Value	Reserve Requirement	Over/Under Funded Reserve(1)(2) (market value)	Market Value	Yield	Investment Description
Torrance RDA (Industrial) 98B (matures Sept. 1, 2028)						
Costs of Issuance / Interest Acct # 428529	2,080.00			2,080.00	0.01	Fidelity Treas M Mrkt
Reserve Acct # 428517	1,024,000.00	1,037,984.75		1,038,798.21	1.63	FHLB/cusip 3133XTXH4
Reserve Acct # 428517	467.24		1,280.70	467.24	0.00	AIM Prime MM

Bank of New York Western Trust Co.	Book Value	Reserve Requirement	Over/Under Funded Reserve(1)(2) (market value)	Market Value	Yield	Investment Description
Torrance RDA (Industrial) 99C (matures Sept. 1, 2028)						
Interest Acct # 428877	231.47			231.47	0.00	Fidelity Treas M Mrkt
Reserve acct # 428882	3,930.30			3,930.30	0.01	Fidelity Treas M Mrkt
Reserve acct # 428882	1,282,000.00	1,300,480.00	3,976.97	1,300,526.67	0.010	FHLB/cusip 3133XTXH4
TOTAL: ALL CASH & INVESTMENTS	**9,104,772.38**			**9,186,060.39**		

**** 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

September 30, 2009

457PLAN 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
100,789,603.89	1,748,035.80	6,674,327.54	###########	6,842,636.26	(3,104.21)		(1,516,976.74)	(6,663,327.54)	**(1)2,352,769.82**	108,903,157.63

Investment Type	Book Value	Market Value
Fixed Funds (GCF)	409,030.22	409,030.22
Variable Funds	51,566,486.05	51,566,486.05
Stable Value Fund	54,349,435.77	54,349,435.77
Self-Direct	2,578,205.17	2,578,205.17
(1) Outstanding Loan:	2,352,769.82	2,352,769.82
Totals	111,255,927.03	111,255,927.03

(1) Participant Loan Outstanding Balance included in Total Assets

457PLAN B

RECURRENT/PART-TIME/TEMPORARY EMPLOYEES

Beginning Balance	Contributions	Acct. Transfers In	Interest	Change in Value	Fees	Hardship	Payouts	Acct. Transfers Out	Ending Balance
2,000,946.59	89,389.03	48,627.02	11,014.74	10,841.72	0.00	0.00	(47,355.58)	(48,627.02)	2,064,836.50

Investment Type	Book Value	Market Value
Variable Funds	85,951.87	85,951.87
Fixed Funds	1,275,191.43	1,275,191.43
GTD Fixed	675,603.15	675,603.15
Gov't Guaranteed	28,090.05	29,102.42
Totals	2,064,836.50	2,065,848.87

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
4,515,028.16	84,882.53	213,266.20	26,963.87	363,799.50	(188.35)	0		(213,266.20)	**(1) 24,623.07**	4,990,485.71

Investment Type	Book Value	Market Value
Fixed Funds	672.99	672.99
Variable Funds	2,713,380.90	2,713,380.90
Stable Value Fund	2,258,421.37	2,258,421.37
Self-direct fund	18,010.45	18,010.45
Outstanding Loans	24,623.07	24,623.07
Totals	5,015,108.78	5,015,108.78

(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
3,447,630.50	431.21	(71,406.15)	(4,115.21)	134,754.46	3,507,294.81

Investment Type	Book Value	Market Value
Variable Funds	1,450,114.33	1,450,114.33
Stable Value Funds	2,057,180.48	2,057,180.48
Totals	3,507,294.81	3,507,294.81

III. CASH & INVESTMENT PORTFOLIO SHARE

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

	FUND	SHARE OF INVESTMENTS	POOLED CASH & INVESTMENTS BALANCE		CASH PERCENT
N	General	29,694,956.82	29,842,741.46		19.75
R	Parks & Recr Facility & Open Space	3,719,468.05	3,737,978.95		2.47
R	State Gas Tax	6,545,434.52	6,578,009.57		4.35
R	Federal Housing, Community Dev	97,414.45	97,899.26		0.06
R	Street Lighting	27,866.40	28,005.08		0.02
R	Traffic Congestion Relief Act 2000 - AB2928	-	-	(B)	0.00
R	Proposition 1B	1,678,821.11	1,687,176.20		1.12
R	Police Asset Forfeiture	3,244,309.29	3,260,455.43		2.16
N	Government Cable	2,647,177.06	2,660,351.42		1.76
R	Local Return - Proposition C	5,746,161.56	5,774,758.82		3.82
R	Grants/Donations	81,859.00	82,266.39		0.05
R	Citizens Options for Public Safety (COPS) Grant Funds - AB3229	99,688.75	100,184.88		0.07
R	Seismic Education Fund	51,626.57	51,883.50		0.03
R	Rehabilitation Housing	621,875.11	624,970.03		0.41
R	Police Inmate Welfare Fund	52,420.66	52,681.55		0.03
N	Capital Improvements	21,205,911.08	21,311,447.78		14.10
R	Vanpool/Rideshare Fund	359,617.59	361,407.32		0.24
R	Torrance Improvement Fund	4,195,886.42	4,216,768.33		2.79
R	Animal Control Fund	27,000.64	27,135.02		0.02
R	Redevelopment-Capital Proj	6,324,354.59	6,355,829.38		4.21
R	Redevelopment Debt Service	503,405.22	505,910.55		0.33
N	DNA Sampling Fund	29,791.73	29,940.00		0.02
N	Airport Fund	6,354,974.83	6,386,602.01		4.23
N	Transit Operations	3,965,801.72	3,985,538.56		2.64
R	Development Impact Fund	715,838.57	719,401.13		0.48
N	Water Operations	5,424,266.06	5,451,261.32		3.61
N	Emergency Medical Service Enterprise Fund	-	-	(C)	0.00
N	Sanitation Operations	2,652,231.00	2,665,430.51		1.76
N	Cultural Arts Enterprise	528,430.56	531,060.43		0.35
N	Sewer Enterprise Fund	11,481,726.04	11,538,867.82		7.64
N	Parks & Recreation Enterprise Fund	(246,136.84)	(247,361.80)	(D)	(0.16)
N	Self Insurance Fund	9,373,078.20	9,419,725.75		6.23
N	Fleet Services	14,140,840.06	14,211,215.61		9.40
R	Postemployment/Compensated Absences Fund	5,875,295.34	5,904,535.27		3.91
R	Trust & Agency	3,156,510.68	3,172,219.87		2.10
	TOTAL	**150,377,902.86**	**151,126,297.40**		**100.00**

R = Restricted Funds
N = Non-Restricted Funds

(A) The difference between the Share of Investments total of $150,377,902.86 and the Pooled Cash and Investments total of $151,126,297.40 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) A subsidy from the General Fund was transferred to the Emergency Medical Service Enterprise Fund to offset a negative cash balance of <$21,252>.

(D) The Turkey Trot in November is expected to generate $50,000 in registration fees.
Registration for the winter session will start on 12/01/2009. Approximately $300,000 in revenues is expected to be collected.

CITY OF TORRANCE
CASH AND INVESTMENT RECONCILIATION
AS OF OCTOBER 31, 2009

INVESTMENTS PER PORTFOLIO SUMMARY (City Pool)		**150,377,902.86**
CASH AND INVESTMENTS PER BOOKS		**151,126,297.40**
CASH IN BANKS:		
Cash in B of A General Account		($4,689,387.11)
Cash in B of A Payroll Account		0.00
OUTSTANDING WARRANTS:		
General Account	1,632,269.88	
Payroll Account	290,665.49	
Workers Compensation Account	101,942.40	2,024,877.77
Miscellaneous outstanding adjusting journal entries		259,740.85
Payroll for PE 10/31/09 posted on 10/31/09 and paid on 11/13/09		1,656,373.95
INVESTMENTS PER BOOKS		**$150,377,902.86**