Council Meeting of
March 9, 2010

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

Members of Council:

SUBJECT: Accept and file Investment Reports for January 2010

RECOMMENDATION

Recommendation of the City Treasurer that City Council accept and file the attached monthly investment report for the month of January 2010.

FUNDING

Not applicable

BACKGROUND

On December 08, 2009, Your Honorable Body, through passage of Resolution 2009-118, 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 January 2010.

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 January 2010

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City of Torrance
Investment Portfolio Highlights
For January 2010

RETURN

	Current Month	Previous Month
Average City Portfolio YTM	2.488	2.732
Average U.S. Treasury Constant Maturity	.820	1.14
LAIF Average Monthly Return	.558	.569
Average City Portfolio YTM - 1 year prior	3.727	4.006

INTEREST INCOME

	Current Period	Prior Year
Fiscal year to date	2,647,010	4,403,130
Current month	324,621	570,904

MATURITY

	Current Month	Prior Month
Average Maturity (days)	806	883
Average Maturity 1 Year Prior (days)	876	989
Weighted Average Maturity (years)	2.40	2.42

VOLUMES

	Total $ Volume	# of Transactions
Purchases	34,340,504	17
Maturities	21,602,001	14

Transactions include 6 deposits to and 7 withdrawals from LAIF, 4 purchases and 1 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 January 31, 2010
Federal Agency (coup)	113,311,155	-14,256,401	-413,191	98,641,563
Treasury Securities	4,111,960	-1,000,000	-80,980	3,030,980
Medium Term Notes	21,408,439	-4,006,360	374,970	17,777,049
Municipal Bonds	1,056,794	-272,952	0	783,842
SUB-TOTAL PER GASB 31	**139,888,348**	**-19,535,713**	**-119,201**	**120,233,434**
Non-GASB securities				
LAIF	50,300,000	-7,600,000	0	42,700,000
Money Market	0	56	0	56
Federal Agency – Disc.	0	-18,704	18,704	0
Treasury Security – Disc.	0	0	0	0
Certificate of Deposits -Disc.	200,000	-200,000	0	0
Negotiable Certificate Deposits		2,450,000	13,027	2,463,027
Commercial paper	0	0	0	0
TOTAL PORTFOLIO	**190,388,348**	**-24,904,361**	**-87,470**	**165,396,517**

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

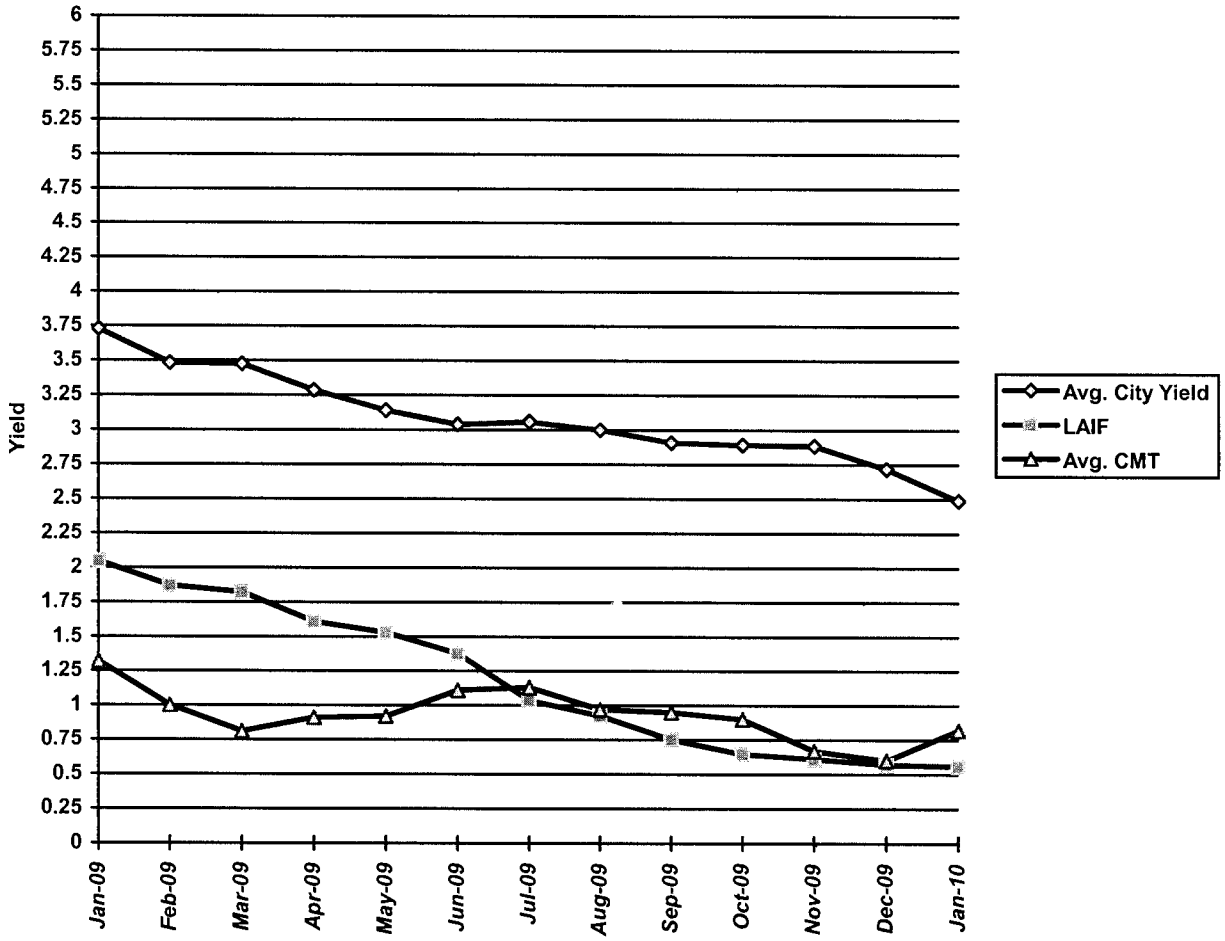
CITY OF TORRANCE

City Treasurer's Office

Monthly Investment Report Summary
For the month of January 2010

I. Return

34.12% of the portfolio is invested at one-year maturity or less as of January 31, 2010. The City Average yield on the portfolio was 2.488% compared to .82% for the U.S. Treasury at Constant Maturity (CMT) of 24 months. The portfolio performed above the benchmark as of January 31, 2010 by 1.67 basis points.



II. Volumes

The investment activity for January included 3 deposits and 1 redemption in the Union Bank of California money market account.

III. Diversification of Investments

In the month of January there were 7 purchases for a total of $10.0 million. There were 5 calls for a total of $8.5 million with an average yield of 3.49%. The activity in the LAIF Account consisted of 6 deposit for a total of $20.5 million and 7 withdrawals for a total of $10.4 million. The portfolio increased by $10.7 million.

Asset Category	January	December
1. LAIF	26.04	20.30
2. Certificate of Deposits	.00	.00
3. Negotiable Cert. of Deposits	1.49	1.62
4. Money Market Sweep	.00	.00
5. Federal Agency Issues(coup)	59.62	64.06
6. Federal Agency Issues(disc)	0.00	0.00
7. Treasury Securities	1.83	1.98
8. Treasury Securities(disc)	0.00	0.00
9. Medium Term Notes	10.54	11.43
10. Municipal Bonds	.48	.61
11. Commercial Paper(disc)	0.00	0.00
	100.00%	100.00%

IV. Maturity

As of January 31, 2010, the current maturity allocation is 28.51% of the portfolio invested between the 6 month to 3-year maturity levels. 29.24% 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 $47.90 million available for expenditures.

As of Maturity	January	December
0 to 6 months	29.23%	23.49%
6 months to 1 year	4.88%	4.63%
1 to 2 years	4.57%	5.63%
2 to 3 years	19.06%	19.44%
3 to 4 years	23.34%	26.96%
4 to 5 years	18.92%	19.85%
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 January 31, 2010

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	42,700,000	26.04%	**	1	1	N/A	.558%
Certificates of Deposit – Collateralized	00	.00		180	17	5 years	.00%
Negotiable COs	2,450,000	1.49		1,023	902	5 years	2.193%
Money Market Sweep Account	56	.00%		1	1		.006%
Federal Agency Issues – Coupons	97,740,994	59.61%	75%	1,530	1,195	5 years	2.954%
Farmer Mac	0	0.00%	30%			5 years	
Federal Farm Credit Bank	26,992,170	16.52%	30%	1,000	1,165	5 years	2.623%
Federal Home Loan Bank	38,747,967	23.66%	30%	1,059	1,188	5 years	2.659%
Federal Home Loan Mortgage Corp.	13,000,856	7.94%	30%	1,230	1,319	5 years	2.666%
Federal National Mortgage Assoc.	19,000,000	11.56%	30%	1,095	1,161	5 years	2.196%
Treasury Securities – Coupons	2,997,817	1.83%	100%	1,288	94	5 years	4.725%
Medium Tern Notes	17,283,965	10.54%	20%	1,340	701	5 years	4.021%
Municipal Bond Issues – Coupon	783,841	.48%		3,848	881		7.999%
Total Investments & Averages	163,956,674	100.00%		1,111	806		2.488%
Pending Redemptions	0						
Accrued Interest at Purchase	6,689						
Total Accrued Interest	6,689						
TOTAL CASH & INVESTMENTS	163,963,363						

Portfolio Notes:
**Maximum allowed by Investment Policy is $40 million per agency.
General LAIF account = $ 40,900,000
RDA LAIF account = $ 6,300,000

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 09-117 on December 8, 2009. 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

Director of Finance

City Treasurer

City of Torrance
Portfolio Management
Activity Summary
January 2009 through January 2010

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
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
November	**2009**	100	149,620,161.47	2.858	2.898	0.611	0	3	1,242	869
December	**2009**	102	148,276,586.11	2.681	2.718	0.569	8	6	1,225	883
January	**2010**	103	154,340,502.72	2.454	2.488	0.560	7	6	1,111	806
	Average	**104**	**170,030,434.00**	**3.041%**	**3.083%**	**1.181**	**5**	**6**	**1,148**	**841**

January 2010

invest no.	BROKER	PURCHASE DATE	DESCRIPTION	QUALITY RATING	MATURITY DATE	DAYS TO MATURITY	RATE	YIELD	PAR VALUE	COST	MARKET VALUE
(I) PURCHASES*											
10845	Higgins Capital	01/05/2010	FHLB	AAA/Aaa	07/15/2013	1250	2.250%	2.250%	2,000,000	2,000,000	2,001,880
10847	Dean Witter	01/15/2010	FNMA	AAA/Aaa	01/15/2015	1809	3.300%	3.300%	1,000,000	1,000,000	1,000,000
10848	Higgins Capital	01/27/2010	FHLB	AAA/Aaa	01/27/2015	1821	3.000%	3.000%	2,000,000	2,000,000	2,002,500
10849	Stone & Young	01/25/2010	FFCB	AAA/Aaa	03/22/2013	1145	2.000%	2.101%	2,000,000	1,993,848	2,001,260
10850	Wedbush	01/27/2010	FHLB	AAA/Aaa	04/27/2012	816	1.250%	1.250%	1,000,000	1,000,000	1,000,630
10851	Wedbush	01/14/2010	FFCB	AAA/Aaa	05/22/2012	841	1.400%	1.400%	1,000,000	1,000,000	999,950
10852	Citigroup	01/29/2010	FHLB	AAA/Aaa	10/29/2012	1001	1.600%	1.600%	1,000,000	1,000,000	1,001,880
									$10,000,000	**$9,993,848**	**$10,008,100**
							Weighted Average Yield	2.225%			

invest no.	BROKER	PURCHASE DATE	DESCRIPTION	QUALITY RATING	MATURITY DATE	RATE	YIELD	PAR VALUE	BOOK VALUE	MARKET VALUE
(II) MATURITIES**										
10712	Higgins Capital	01/22/2008	FHLB	AAA/Aaa	01/22/2013	4.050%	4.044%	1,000,000	1,000,000	1,000,000
10716	Stone & Young	01/25/2008	FFCB	AAA/Aaa	01/25/2013	3.800%	3.448%	2,500,000	2,500,000	2,500,000
10721	Stone & Young	02/04/2008	FFCB	AAA/Aaa	01/25/2013	3.800%	3.799%	1,000,000	1,000,000	1,000,000
10720	Higgins Capital	01/29/2010	FNMA	AAA/Aaa	01/29/2013	3.625%	3.620%	2,000,000	2,000,000	2,000,000
10813	Dean Witter	07/08/2009	FNMA	AAA/Aaa	07/08/2014	3.000%	2.976%	2,000,000	2,000,000	2,000,000
								$8,500,000	**$8,500,000**	**$8,500,000**
						Weighted Average Yield	3.489%			

* 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	25,000,000	0.558%	0.558%	21,800,000	10,400,000		36,400,000
			Tran Acct	0	0.558%	0.558%				0
			RDA	6,300,000	0.558%	0.558%	-			6,300,000
				$31,300,000			$21,800,000	$10,400,000	$ -	**$42,700,000**

City of Torrance
Portfolio Management
Interest Earnings Summary
January 31, 2010

	January 31 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	388,345.71	2,930,577.18
Plus Accrued Interest at End of Period	935,374.34	933,786.59
Less Accrued Interest at Beginning of Period	(997,014.97)	(1,346,621.82)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	326,705.08	2,517,741.95
Adjusted by Premiums and Discounts	-1,896.05	-4,749.36
Adjusted by Capital Gains or Losses	-16,250.00	-174.55
Earnings during Periods	308,559.03	2,512,818.04
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	44,125.18	306,802.43
Plus Accrued Interest at End of Period	645,731.70	645,731.70
Less Accrued Interest at Beginning of Period	(673,794.90)	(818,341.29)
Interest Earned during Period	16,061.98	134,192.84
Total Interest Earned during Period	**342,767.06**	**2,651,934.79**
Total Adjustments from Premiums and Discounts	**-1,896.05**	**-4,749.36**
Total Capital Gains or Losses	**-16,250.00**	**-174.55**
Total Earnings during Period	**324,621.01**	**2,647,010.88**

City of Torrance
Portfolio Management
Portfolio Details - Investments
January 31, 2010

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			36,400,000.00	36,400,000.00	36,400,000.00	0.558		0.558	1	
SYS10001	10001	Local Agency Invest. Fund RDA			6,300,000.00	6,300,000.00	6,300,000.00	0.569		0.569	1	
SYS1000a	1000A	LAIF - TRANS FUNDS			0.00	0.00	0.00	0.611		0.611	1	
		Subtotal and Average	**33,259,012.19**		**42,700,000.00**	**42,700,000.00**	**42,700,000.00**			**0.560**	**1**	
Money Market Sweep Account												
SYS10131	10131	Bank of America			0.00	0.00	0.00	0.450	AA	0.450	1	
SYS1000	1000	Union Bank of California			56.05	56.05	56.05	0.008		0.008	1	
		Subtotal and Average	**258,280.86**		**56.05**	**56.05**	**56.05**			**0.008**	**1**	
Negotiable CD's												
319180DA0	10839	First Bank Lexington Tennessee		12/16/2009	245,000.00	244,536.95	245,000.00	2.050		2.475	1,050	12/17/2012
02586TG32	10829	American Express Centurian		09/23/2009	245,000.00	246,808.10	245,000.00	1.800		1.800	599	09/23/2011
05568PSJ7	10832	BMW Bank of North America		09/23/2009	245,000.00	246,202.95	245,000.00	2.300		2.300	966	09/24/2012
149159GX7	10830	Cathay Bank		10/05/2009	245,000.00	246,514.10	245,000.00	1.750		1.750	611	10/05/2011
254670KW1	10831	Discover Bank		09/23/2009	245,000.00	244,953.45	245,000.00	2.050		2.050	966	09/24/2012
36159SJS1	10838	GE Money bank		12/11/2009	245,000.00	245,624.75	245,000.00	2.350		2.350	1,044	12/11/2012
46147ULM0	10824	Investors Community Bank		08/24/2009	245,000.00	246,232.35	245,000.00	2.250		2.279	935	08/24/2012
509685EA7	10823	Lake Forest B&T		08/26/2009	245,000.00	248,520.65	245,000.00	2.350		2.350	938	08/27/2012
59740JGR4	10833	MidFirst Bank		10/14/2009	245,000.00	246,291.15	245,000.00	2.350		2.350	987	10/15/2012
86789UBH1	10822	SunSouth Bank		08/18/2009	245,000.00	247,342.20	245,000.00	2.200		2.228	928	08/17/2012
		Subtotal and Average	**2,450,000.00**		**2,450,000.00**	**2,463,026.65**	**2,450,000.00**			**2.193**	**902**	
Federal Agency Issues - Coupon												
31331XMQ2	10640	FEDERAL FARM CREDIT BANK		01/26/2007	1,000,000.00	1,015,630.00	1,000,000.00	5.000	AAA	5.002	114	05/26/2010
31331XT36	10678	FEDERAL FARM CREDIT BANK		08/01/2007	1,000,000.00	1,094,690.00	1,000,000.00	5.250	AAA	5.250	912	08/01/2012
31331YSB7	10723	FEDERAL FARM CREDIT BANK		02/01/2008	1,000,000.00	1,000,000.00	1,000,000.00	3.790	AAA	3.790	1,096	02/01/2013
31331YTS9	10726	FEDERAL FARM CREDIT BANK		02/11/2008	2,000,000.00	2,001,880.00	2,000,000.00	3.750	AAA	3.750	1,106	02/11/2013
31331YT42	10758	FEDERAL FARM CREDIT BANK		06/03/2008	1,000,000.00	1,013,750.00	1,000,000.00	4.240	AAA	4.240	1,218	06/03/2013
31331Y2G4	10768	FEDERAL FARM CREDIT BANK		07/01/2008	1,000,000.00	1,019,380.00	1,000,000.00	4.850	AAA	4.850	1,246	07/01/2013
31331GCF4	10776	FEDERAL FARM CREDIT BANK		09/23/2008	1,000,000.00	1,036,560.00	1,000,192.71	3.125	AAA	3.113	599	09/23/2011
31331GDF3	10779	FEDERAL FARM CREDIT BANK		10/15/2008	2,000,000.00	2,053,120.00	2,000,000.00	4.250	AAA	4.250	1,352	10/15/2013
31331GLY3	10783	FEDERAL FARM CREDIT BANK		02/11/2009	1,000,000.00	1,000,630.00	1,000,000.00	2.850	AAA	2.850	1,106	02/11/2013
31331GPA1	10792	FEDERAL FARM CREDIT BANK		03/03/2009	1,000,000.00	1,002,810.00	999,844.44	3.250	AAA	3.288	1,491	03/03/2014
31331GVD8	10800	FEDERAL FARM CREDIT BANK		05/08/2009	1,000,000.00	1,015,000.00	1,000,000.00	2.200	AAA	2.200	1,162	04/08/2013

City of Torrance
Portfolio Management
Portfolio Details - Investments
January 31, 2010

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												
31331GWL9	10803	FEDERAL FARM CREDIT BANK		05/20/2009	2,000,000.00	2,011,880.00	2,000,000.00	2.500	AAA	2.500	1,204	05/20/2013
31331GWQ8	10806	FEDERAL FARM CREDIT BANK		05/22/2009	2,000,000.00	2,008,120.00	2,000,000.00	1.800	AAA	1.800	840	05/21/2012
31331GYA1	10809	FEDERAL FARM CREDIT BANK		06/15/2009	2,000,000.00	2,010,620.00	1,998,418.52	2.000	AAA	2.035	865	06/15/2012
31331GH77	10818	FEDERAL FARM CREDIT BANK		08/11/2009	1,000,000.00	1,012,500.00	1,000,000.00	3.450	AAA	3.450	1,652	08/11/2014
31331G2J7	10835	FEDERAL FARM CREDIT BANK		10/27/2009	1,000,000.00	1,005,000.00	1,000,000.00	2.875	AAA	2.875	1,729	10/27/2014
31331G4L0	10836	FEDERAL FARM CREDIT BANK		12/01/2009	2,000,000.00	1,997,500.00	1,999,833.33	2.970	AAA	2.975	1,764	12/01/2014
31331JAA1	10842	FEDERAL FARM CREDIT BANK		12/22/2009	1,000,000.00	999,380.00	1,000,000.00	3.000	AAA	3.000	1,785	12/22/2014
31331G7H6	10849	FEDERAL FARM CREDIT BANK		01/25/2010	2,000,000.00	2,001,260.00	1,993,881.18	2.000	AAA	2.101	1,145	03/22/2013
31331G7G8	10851	FEDERAL FARM CREDIT BANK		01/14/2010	1,000,000.00	999,950.00	1,000,000.00	1.400	AAA	1.400	841	05/22/2012
3133XKYE9	10662	FEDERAL HOME LOAN BANK		05/25/2007	1,000,000.00	1,015,000.00	1,000,000.00	5.200	AAA	5.200	844	05/25/2012
3133XM3S8	10684	FEDERAL HOME LOAN BANK		08/27/2007	1,000,000.00	1,026,250.00	1,000,000.00	5.125	AAA	5.125	938	08/27/2012
3133XPF90	10725	FEDERAL HOME LOAN BANK		02/05/2008	1,000,000.00	1,000,310.00	1,000,000.00	3.660	AAA	3.660	1,100	02/05/2013
3133XQCL4	10735	FEDERAL HOME LOAN BANK		03/26/2008	2,750,000.00	2,764,602.50	2,750,000.00	3.720	AAA	3.720	1,149	03/26/2013
3133XQJZ6	10738	FEDERAL HOME LOAN BANK		04/16/2008	2,000,000.00	2,013,120.00	1,999,958.33	3.750	AAA	3.754	1,170	04/16/2013
3133XQJA1	10742	FEDERAL HOME LOAN BANK		04/15/2008	2,000,000.00	2,071,880.00	2,000,000.00	3.700	AAA	3.700	1,169	04/15/2013
3133XQVY5	10746	FEDERAL HOME LOAN BANK		05/13/2008	2,000,000.00	2,021,880.00	1,999,929.17	4.125	AAA	4.131	1,197	05/13/2013
3133XQWX6	10748	FEDERAL HOME LOAN BANK		05/07/2008	1,500,000.00	1,513,125.00	1,500,000.00	3.760	AAA	3.760	826	05/07/2012
3133XQZ88	10751	FEDERAL HOME LOAN BANK		05/14/2008	1,000,000.00	1,009,060.00	1,000,000.00	3.625	AAA	3.625	833	05/14/2012
3133XRKU3	10764	FEDERAL HOME LOAN BANK		06/25/2008	1,000,000.00	1,015,310.00	1,000,000.00	4.350	AAA	4.350	875	06/25/2012
3133XT2P0	10785	FEDERAL HOME LOAN BANK		02/24/2009	2,000,000.00	2,002,500.00	2,000,000.00	2.550	AAA	2.550	753	02/24/2012
3133XT6J0	10788	FEDERAL HOME LOAN BANK		02/26/2009	2,000,000.00	2,038,120.00	2,000,000.00	2.625	AAA	2.625	1,121	02/26/2013
3133XT6W1	10789	FEDERAL HOME LOAN BANK		02/27/2009	2,000,000.00	2,042,500.00	2,000,000.00	2.150	AAA	2.150	756	02/27/2012
3133XTA97	10790	FEDERAL HOME LOAN BANK		03/06/2009	1,000,000.00	1,020,310.00	1,000,000.00	2.100	AAA	2.100	582	09/06/2011
3133XU6N8	10816	FEDERAL HOME LOAN BANK		08/05/2009	1,000,000.00	1,000,310.00	999,944.44	3.000	AAA	3.054	1,646	08/05/2014
3133XUBA0	10817	FEDERAL HOME LOAN BANK		07/30/2009	1,000,000.00	1,014,690.00	1,000,000.00	2.150	AAA	2.150	1,640	07/30/2014
3133XUNK5	10825	FEDERAL HOME LOAN BANK		08/26/2009	1,000,000.00	1,010,000.00	1,000,000.00	2.850	AAA	2.850	1,302	08/26/2013
3133XUPC1	10826	FEDERAL HOME LOAN BANK		09/15/2009	1,000,000.00	1,010,000.00	1,000,000.00	2.350	AAA	2.350	1,138	03/15/2013
3133XUPB3	10827	FEDERAL HOME LOAN BANK		09/04/2009	1,000,000.00	1,010,940.00	1,000,000.00	2.125	AAA	2.125	1,676	09/04/2014
3133XUV59	10828	FEDERAL HOME LOAN BANK		09/29/2009	2,000,000.00	2,000,000.00	1,998,135.56	3.125	AAA	3.147	1,701	09/29/2014
3133XVZW4	10837	FEDERAL HOME LOAN BANK		12/30/2009	2,000,000.00	2,001,260.00	2,000,000.00	2.000	AAA	3.045	1,793	12/30/2014
3133XWDX4	10845	FEDERAL HOME LOAN BANK		01/05/2010	2,000,000.00	2,001,880.00	2,000,000.00	2.250	AAA	2.250	1,250	07/05/2013
3133XWHJ1	10846	FEDERAL HOME LOAN BANK		12/28/2009	1,500,000.00	1,504,215.00	1,500,000.00	2.050	AAA	2.050	1,243	06/28/2013
3133XWNR6	10848	FEDERAL HOME LOAN BANK		01/27/2010	2,000,000.00	2,002,500.00	2,000,000.00	3.000	AAA	3.000	1,821	01/27/2015
3133XWP52	10850	FEDERAL HOME LOAN BANK		01/27/2010	1,000,000.00	1,000,630.00	1,000,000.00	1.250	AAA	1.250	816	04/27/2012
3133XWPN3	10852	FEDERAL HOME LOAN BANK		01/29/2010	1,000,000.00	1,001,880.00	1,000,000.00	1.600	AAA	1.600	1,001	10/29/2012
3128X7LX0	10745	FEDERAL HOME LOAN MORTGAGE CO		04/29/2008	2,000,000.00	2,017,300.00	1,999,266.67	3.920	AAA	3.987	1,183	04/29/2013

City of Torrance
Portfolio Management
Portfolio Details - Investments
January 31, 2010

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												
3128X8QM7	10794	FEDERAL HOME LOAN MORTGAGE CO		03/24/2009	1,000,000.00	1,018,260.00	999,170.56	2.375	AAA	2.396	1,512	03/24/2014
3128X8TZ5	10798	FEDERAL HOME LOAN MORTGAGE CO		04/20/2009	2,000,000.00	2,026,400.00	2,000,000.00	2.500	AAA	2.500	1,162	04/08/2013
3128X8E73	10801	FEDERAL HOME LOAN MORTGAGE CO		05/19/2009	1,000,000.00	1,012,510.00	1,000,000.00	2.170	AAA	2.170	1,022	11/19/2012
3128X8MS8	10802	FEDERAL HOME LOAN MORTGAGE CO		05/07/2009	1,000,000.00	1,009,630.00	1,002,665.26	2.350	AAA	2.129	760	03/02/2012
3128X8R46	10810	FEDERAL HOME LOAN MORTGAGE CO		06/25/2009	2,000,000.00	2,022,140.00	2,000,000.00	3.000	AAA	3.000	1,240	06/25/2013
3128X8S29	10811	FEDERAL HOME LOAN MORTGAGE CO		06/30/2009	1,000,000.00	1,010,850.00	1,000,000.00	3.000	AAA	3.763	1,610	06/30/2014
3128X82V3	10814	FEDERAL HOME LOAN MORTGAGE CO		07/14/2009	1,000,000.00	1,015,930.00	1,000,000.00	3.400	AAA	3.400	1,624	07/14/2014
3128X9BA7	10819	FEDERAL HOME LOAN MORTGAGE CO		08/25/2009	1,000,000.00	1,002,200.00	1,000,000.00	3.625	AAA	3.625	1,666	08/25/2014
3128X9RQ5	10844	FEDERAL HOME LOAN MORTGAGE CO		12/30/2009	1,000,000.00	994,350.00	999,754.31	3.000	AAA	3.005	1,793	12/30/2014
3136F9MV2	10749	FEDERAL NATIONAL MORT ASSOC		05/05/2008	1,000,000.00	1,007,500.00	1,000,000.00	3.250	AAA	3.250	458	05/05/2011
3136F9NE9	10752	FEDERAL NATIONAL MORT ASSOC		05/14/2008	1,000,000.00	1,009,060.00	1,000,000.00	4.000	AAA	4.000	1,198	05/14/2013
3136FHAK1	10786	FEDERAL NATIONAL MORT ASSOC		02/27/2009	1,000,000.00	1,009,690.00	1,000,000.00	2.625	AAA	2.625	938	08/27/2012
31398AVL3	10787	FEDERAL NATIONAL MORT ASSOC		03/02/2009	1,000,000.00	1,001,560.00	1,000,000.00	2.000	AAA	2.000	394	03/02/2011
31398AVR0	10791	FEDERAL NATIONAL MORT ASSOC		03/10/2009	1,000,000.00	1,003,440.00	1,000,000.00	3.375	AAA	3.375	1,498	03/10/2014
3136FHCF0	10793	FEDERAL NATIONAL MORT ASSOC		03/05/2009	1,000,000.00	1,015,940.00	1,000,000.00	2.250		2.250	753	02/24/2012
3136FHP[illegible]7	10799	FEDERAL NATIONAL MORT ASSOC		05/14/2009	2,000,000.00	2,011,380.00	2,000,000.00	2.125	AAA	2.125	1,503	05/14/2014
3136FHWB7	10804	FEDERAL NATIONAL MORT ASSOC		05/21/2009	2,000,000.00	2,006,880.00	2,000,000.00	1.500	AAA	1.500	658	11/21/2011
3136FHUY9	10807	FEDERAL NATIONAL MORT ASSOC		06/01/2009	2,000,000.00	2,005,000.00	2,000,000.00	1.400	AAA	1.400	851	06/01/2012
3136FHXF7	10808	FEDERAL NATIONAL MORT ASSOC		06/10/2009	2,000,000.00	2,017,500.00	2,000,000.00	2.000	AAA	2.000	1,043	12/10/2012
31398AYN6	10815	FEDERAL NATIONAL MORT ASSOC		07/28/2009	2,000,000.00	2,013,120.00	2,000,000.00	3.000	AAA	3.000	1,638	07/28/2014
3136FJJL6	10834	FEDERAL NATIONAL MORT ASSOC		10/29/2009	1,000,000.00	1,001,880.00	1,000,000.00	2.250	AAA	2.250	1,731	10/29/2014
3136FJA68	10843	FEDERAL NATIONAL MORT ASSOC		12/29/2009	1,000,000.00	996,560.00	1,000,000.00	2.750	AAA	2.950	1,792	12/29/2014
3136FKJ83	10847	FEDERAL NATIONAL MORT ASSOC		01/15/2010	1,000,000.00	1,000,000.00	1,000,000.00	3.300	AAA	3.300	1,809	01/15/2015
		Subtotal and Average	**97,306,351.70**		**97,750,000.00**	**98,641,512.50**	**97,740,994.48**			**2.954**	**1,195**	
Treasury Securities - Coupon												
912828DZ0	10579	U.S.TREASURY NOTE		07/25/2005	1,000,000.00	1,016,880.00	999,266.24	3.875	AAA	4.057	164	07/15/2010
912828GR5	10669	U.S.TREASURY NOTE		06/08/2007	1,000,000.00	1,012,420.00	998,678.87	4.500	AAA	5.008	103	05/15/2010
912828GG9	10671	U.S.TREASURY NOTE		06/15/2007	1,000,000.00	1,001,680.00	999,872.25	4.750	AAA	5.109	14	02/15/2010
		Subtotal and Average	**2,997,420.98**		**3,000,000.00**	**3,030,980.00**	**2,997,817.36**			**4.725**	**94**	
Medium Term Notes												
060505AR5	10699	Bank of America		11/02/2007	990,000.00	1,049,172.30	990,063.97	4.875	AA	4.871	957	09/15/2012
084664AF8	10709	Berkshire Hathaway		01/15/2008	1,000,000.00	1,033,500.00	1,004,518.61	4.200	AAA	3.648	317	12/15/2010
084664AD3	10714	Berkshire Hathaway		01/18/2008	1,000,000.00	1,081,850.00	1,010,532.60	4.625	AAA	4.300	1,352	10/15/2013
084664AF8	10795	Berkshire Hathaway		03/10/2009	1,000,000.00	1,033,500.00	1,008,653.54	4.200	AAA	3.170	317	12/15/2010

City of Torrance
Portfolio Management
Portfolio Details - Investments
January 31, 2010

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	2,055,920.00	2,016,932.30	2.625		2.320	1,061	12/28/2012
38143UBE0	10660	Goldman Sachs		05/14/2007	1,210,000.00	1,227,266.70	1,207,726.25	4.500		5.050	134	06/15/2010
38141GBU7	10743	Goldman Sachs		04/18/2008	1,000,000.00	1,089,900.00	1,031,086.80	6.600		4.840	713	01/15/2012
40429CCX8	10632	Household Finance Co		11/20/2006	1,000,000.00	1,038,410.00	1,000,661.20	5.250	A	5.170	347	01/14/2011
40429XB39	10694	Household Finance Co		10/12/2007	1,000,000.00	1,013,410.00	1,000,000.00	5.000	A	5.000	256	10/15/2010
40429XC95	10700	Household Finance Co		11/29/2007	1,000,000.00	1,014,700.00	1,000,000.00	5.050	A	5.050	287	11/15/2010
59018YVV0	10630	MERRILL LYNCH		11/17/2006	1,000,000.00	1,020,330.00	998,798.25	4.790	A	5.050	184	08/04/2010
594918AB0	10821	MicroSoft Corp		08/17/2009	1,000,000.00	1,024,120.00	1,000,000.00	2.950		2.949	1,581	06/01/2014
64952WAE3	10697	New York Life Global		11/02/2007	1,000,000.00	1,017,200.00	999,961.16	4.625	AAA	4.630	196	08/16/2010
931142CN1	10820	Wal-Mart Stores		08/14/2009	2,000,000.00	2,037,280.00	2,007,295.14	3.000	AA	2.902	1,463	02/03/2014
949746NB3	10715	Wells Fargo Co		01/23/2008	1,000,000.00	1,040,490.00	1,007,735.50	4.875		4.000	345	01/12/2011
		Subtotal and Average	**17,285,595.58**		**17,200,000.00**	**17,777,049.00**	**17,283,965.32**			**4.021**	**701**	
Muncipal Bond Issues - Coupon												
SYS10423	10423	Skpk-2001TxAllocRef Bd		12/18/2001	783,841.40	783,841.40	783,841.40	8.000		7.999	881	07/01/2012
		Subtotal and Average	**783,841.40**		**783,841.40**	**783,841.40**	**783,841.40**			**7.999**	**881**	
		Total and Average	**154,340,502.72**		**163,883,897.45**	**165,396,465.60**	**163,956,674.61**			**2.488**	**806**	

City of Torrance
Portfolio Management
Portfolio Details - Cash
January 31, 2010

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		6,688.90	6,688.90				**0**
				Subtotal		6,688.90	6,688.90				
	Total Cash and Investments		**154,340,502.72**		**163,883,897.45**	**165,403,154.50**	**163,963,363.51**			**2.488**	**806**

II. RESTRICTED FUNDS

Reports Appear Quarterly

III. CASH & INVESTMENT PORTFOLIO SHARE

CITY OF TORRANCE
CASH AND INVESTMENT PORTFOLIO SHARE (A)
AS OF JANUARY 31, 2010

FUND	SHARE OF INVESTMENTS	POOLED CASH & INVESTMENTS BALANCE		CASH PERCENT
General	40,574,235.96	39,907,650.58		24.75
Parks & Recr Facility & Open Space	3,864,747.80	3,801,254.69		2.36
State Gas Tax	6,341,540.88	6,237,357.07		3.87
Federal Housing, Community Dev	23,556.27	23,169.27		0.01
Street Lighting	298,789.42	293,880.67		0.18
Traffic Congestion Relief Act 2000 - AB2928	-	-	(B)	0.00
Proposition 1B	1,603,494.37	1,577,150.91		0.98
Police Asset Forfeiture	3,432,853.30	3,376,455.69		2.09
Drainage Improvement	19,857.40	19,531.17		0.01
Government Cable	2,931,139.21	2,882,984.16		1.79
Local Return - Proposition C	6,303,624.96	6,200,064.06		3.84
Grants/Donations	(823,040.30)	(809,518.75)	(C)	(0.50)
Citizens Options for Public Safety (COPS) Grant Funds - AB3229	116,574.63	114,659.45		0.07
Seismic Education Fund	56,383.95	55,457.63		0.03
Rehabilitation Housing	644,863.15	634,268.83		0.39
Meadow Park Parking Lot	47,116.08	46,342.02		0.03
Police Inmate Welfare Fund	53,924.23	53,038.32		0.03
Capital Improvements	24,964,090.94	24,553,961.27		15.23
Geologic Hazard Abatement	14,555.77	14,316.64		0.01
El Camino Training Fund-Fire	581,554.91	572,000.67		0.35
El Camino Training Fund-Police	48,016.19	47,227.34		0.03
Vanpool/Rideshare Fund	372,568.09	366,447.25		0.23
Torrance Improvement Fund	(15,264.12)	(15,013.35)	(D)	(0.01)
Animal Control Fund	26,844.54	26,403.52		0.02
Redevelopment-Capital Proj	7,309,004.39	7,188,926.33		4.46
Redevelopment Debt Service	2,070,158.26	2,036,148.08		1.26
Underground Storage Tank Fund	3,050.11	3,000.00		0.00
DNA Sampling Fund	37,028.33	36,420.00		0.02
Airport Fund	5,872,293.57	5,775,818.92		3.58
Transit Operations	4,505,038.02	4,431,025.72		2.75
Development Impact Fund	669,741.73	658,738.69		0.41
Water Operations	4,884,718.96	4,804,468.96		2.98
Emergency Medical Service Enterprise Fund	-	-		0.00
Sanitation Operations	2,545,015.69	2,503,204.18		1.55
Cultural Arts Enterprise	381,825.44	375,552.51		0.23
Sewer Enterprise Fund	11,794,274.66	11,600,509.06		7.19
Parks & Recreation Enterprise Fund	(330,169.22)	(324,744.94)		(0.20)
Self Insurance Fund	9,455,624.12	9,300,279.71		5.77
Fleet Services	13,799,153.60	13,572,450.28		8.42
Postemployment/Compensated Absences Fund	5,958,888.01	5,860,990.72		3.63
Trust & Agency	3,519,001.30	3,461,188.39		2.15
TOTAL	**163,956,674.61**	**161,263,065.72**		**100.00**

(A) The difference between the Share of Investments total of $163,956,674.61 and the Pooled Cash and Investments total of $161,263,065.72 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) T43-T44-Torrance Blvd. Rehabilitation has a negative cash balance <423,534.78>.
Reimbursement request of $376,848.95 has been submitted and payment from METRO is expected by the end of March.

2007 UASI Grant for Fire-Breathing Apparatus has a negative cash balance of <$303,960>.
The expenditures occurred during November and December. Reimbursement is expected within two (2) months.

T-030 Del Amo Blvd Extension has a negative cash balance of <$354,704>.
Reimbursement in the amount of $298,348.51 was received on 2/10/10.

(D) Amount represents expenditures for T-51 Crenshaw Boulevard between Maricopa Street and Sepulveda Boulevard rehabilitation project. Drawdown will be requested in March 2010.

CITY OF TORRANCE
CASH AND INVESTMENT RECONCILIATION
AS OF JANUARY 31, 2010

INVESTMENTS PER PORTFOLIO SUMMARY (City Pool)		**163,956,674.61**
CASH AND INVESTMENTS PER BOOKS		**161,263,065.72**
CASH IN BANKS:		
Cash in B of A General Account		($1,459,071.17)
Cash in B of A Payroll Account		0.00
OUTSTANDING WARRANTS:		
General Account	994,020.03	
Payroll Account	92,904.48	
Workers Compensation Account	119,497.69	1,206,422.20
Miscellaneous outstanding adjusting journal entries		114,696.46
Payroll for PE 1/30/10 posted on 1/30/10 and paid on 2/5/10		2,831,561.40
INVESTMENTS PER BOOKS		**$163,956,674.61**