

Council Meeting of
May 4, 2010

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

Members of Council:

SUBJECT: Accept and file Investment Reports for March 2010

RECOMMENDATION

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

FUNDING

Not applicable

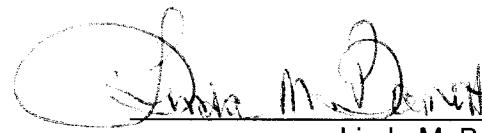
BACKGROUND

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 March 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

CITY OF TORRANCE

MONTHLY INVESTMENT PORTFOLIO REPORT For the Month of March 2010

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**City of Torrance
Investment Portfolio Highlights
For March 2010**

RETURN

	<u>Current Month</u>	<u>Previous Month</u>
Average City Portfolio YTM	2.405	2.350
Average U.S. Treasury Constant Maturity	1.020	.810
LAIF Average Monthly Return	.547	.577
Average City Portfolio YTM - 1 year prior	3.474	3.456

INTEREST INCOME

	<u>Current Period</u>	<u>Prior Year</u>
Fiscal year to date	3,289,302	5,556,574
Current month	318,734	568,244

MATURITY

	<u>Current Month</u>	<u>Prior Month</u>
Average Maturity (days)	815	764
Average Maturity 1 Year Prior (days)	813	794
Weighted Average Maturity (years)	2.23	2.18

VOLUMES

	<u>Total \$ Volume</u>	<u># of Transactions</u>
Purchases	14,797,863	11
Maturities	19,850,000	13

Transactions include 3 deposits to and 8 withdrawals from LAIF, 1 purchases and 1 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 March 31, 2010</u>
Federal Agency (coup)	113,311,155	-15,009,652	-646,303	97,655,200
Treasury Securities	4,111,960	-2,000,000	-95,980	2,015,980
Medium Term Notes	21,408,439	-4,006,360	287,249	17,689,328
Municipal Bonds	1,056,794	-272,952	0	783,842
SUB-TOTAL PER GASB 31	139,888,348	-21,288,964	-455,034	118,144,350
<u>Non-GASB securities</u>				
LAIF	50,300,000	-9,700,000	0	40,600,000
Money Market	0	64	0	64
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	0	2,450,000
Commercial paper	0	0	0	0
TOTAL PORTFOLIO	190,388,348	-28,757,604	-436,330	161,194,414

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

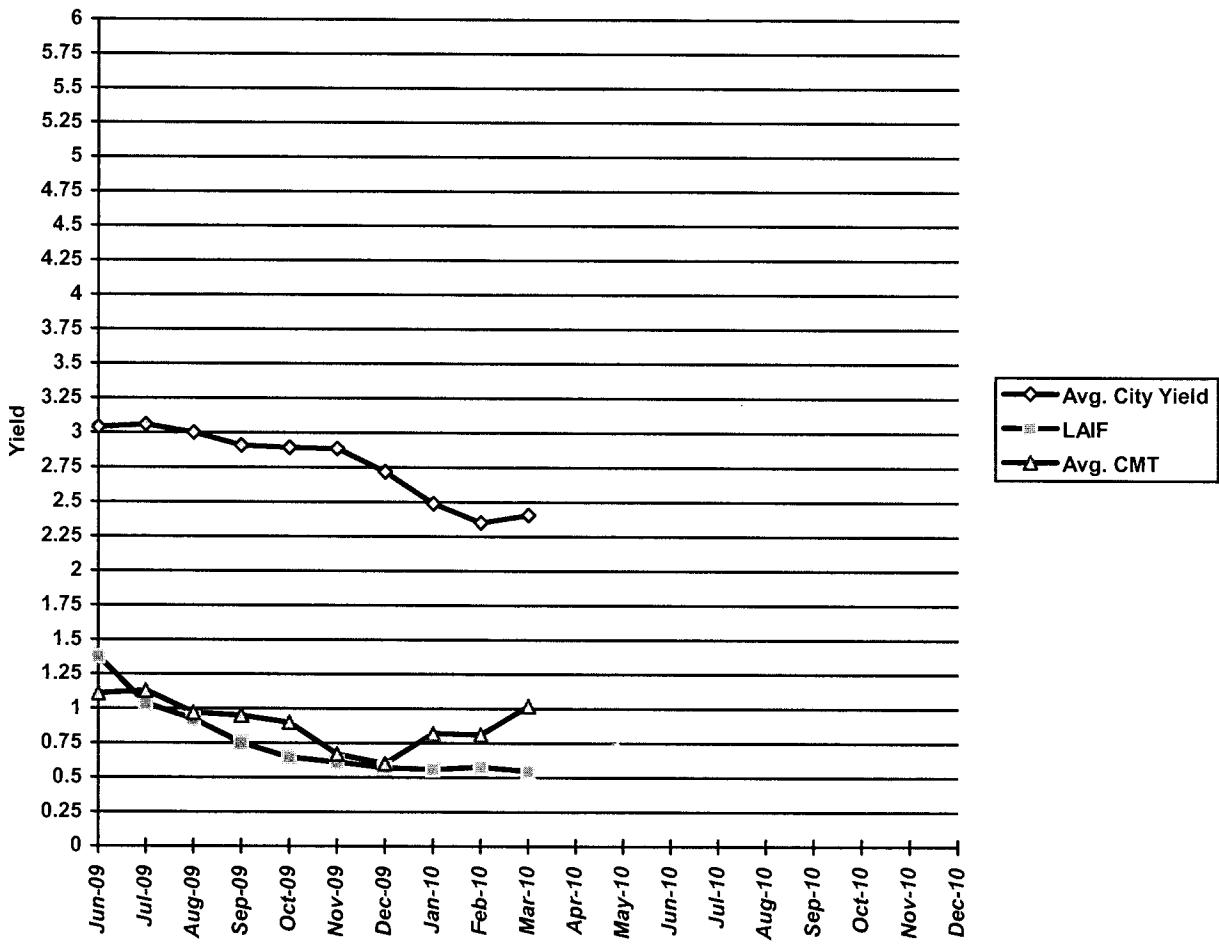
CITY OF TORRANCE

City Treasurer's Office

*Monthly Investment Report Summary
For the month of March 2010*

I. Return

33.0% of the portfolio is invested at one-year maturity or less as of March 31, 2010. The City Average yield on the portfolio was 2.405% compared to 1.02% for the U.S. Treasury at Constant Maturity (CMT) of 24 months. The portfolio performed above the benchmark as of March 31, 2010 by 1.39 basis points.



II. Volumes

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

III. Diversification of Investments

In the month of March there were 7 purchases for a total of \$9.0 million. There were 4 calls for a total of \$5.7 million with an average yield of 3.31%. The activity in the LAIF Account consisted of 3 deposit for a total of \$4.8 million and 8 withdrawals for a total of \$13.1 million. The portfolio decreased by \$5.0 million.

<u>Asset Category</u>	<u>March</u>	<u>February</u>
1. LAIF	25.36	29.61
2. Certificate of Deposits	.00	.00
3. Negotiable Cert. of Deposits	1.53	1.48
4. Money Market Sweep	.00	.00
5. Federal Agency Issues(coup)	60.58	56.77
6. Federal Agency Issues(disc)	0.00	0.00
7. Treasury Securities	1.25	1.21
8. Treasury Securities(disc)	0.00	0.00
9. Medium Term Notes	10.79	10.46
10. Municipal Bonds	.49	.47
11. Commercial Paper(disc)	<u>0.00</u>	<u>0.00</u>
	100.00%	100.00%

IV. Maturity

As of March 31, 2010, the current maturity allocation is 29.19% of the portfolio invested between the 6 month to 3-year maturity levels. 29.25% 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 \$46.60 million available for expenditures.

<u>As of Maturity</u>	<u>March</u>	<u>February</u>
0 to 6 months	29.25%	33.40%
6 months to 1 year	3.75%	3.63%
1 to 2 years	6.55%	6.35%
2 to 3 years	18.89%	17.10%
3 to 4 years	22.81%	22.56%
4 to 5 years	18.75%	16.96%
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 March 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	40,600,000	25.36%	**	1	1	N/A	.547%
Certificates of Deposit - Collateralized	00	.00		180	0	5 years	.00%
Negotiable CDs	2,450,000	1.53		1,023	843	5 years	2.145%
Money Market Sweep Account	64	.00%		0	0		.005%
Federal Agency Issues - Coupons	96,990,498	60.58%	75%	1,516	1,201	5 years	2.813%
Farmer Mac	0	0.00%	30%			5 years	
Federal Farm Credit Bank	26,989,895	16.90%	30%	1,130	1,211	5 years	2.583%
Federal Home Loan Bank	35,999,962	22.51%	30%	1,062	1,152	5 years	2.481%
Federal Home Loan Mortgage Corp.	13,000,641	8.14%	30%	1,187	1,273	5 years	2.660%
Federal National Mortgage Assoc.	21,000,000	13.06%	30%	1,111	1,219	5 years	2.304%
Treasury Securities - Coupons	1,998,966	1.25%	100%	1,444	75	5 years	4.533%
Medium Term Notes	17,276,995	10.79%	20%	1,340	642	5 years	4.021%
Municipal Bond Issues - Coupon	783,841	.49%		3,848	822		7.999%
Total Investments & Averages	160,100,364	100.00		1,116	815		2.405%
Pending Redemptions	0						
Accrued Interest at Purchase	1,371						
Total Accrued Interest	1,371						
TOTAL CASH & INVESTMENTS	160,101,735						

Portfolio Notes:

**Maximum allowed by Investment Policy is \$50 million per agency.

General LAIF account = \$ 33,500,000

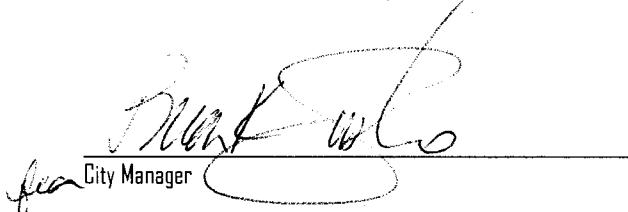
ROA LAIF account = \$ 7,100,000

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 08-118 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:



Mark S. Weller
City Manager



Eric
Director of Finance



John R. Zoller
City Attorney



Linda M. Barnett
City Treasurer

**City of Torrance
Portfolio Management
Activity Summary**

March 2009 through March 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
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
February	2010	102	164,020,836.85	2.322	2.354	0.577	7	9	1,052	764
March	2010	105	161,231,038.66	2.372	2.405	0.547	7	4	1,116	815
	Average	103	166,926,857.89	2.857%	2.897%	0.966	6	6	1,144	834
									∞	

MARCH 2010

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invest no.	BROKER	PURCHASE DATE	DESCRIPTION	QUALITY RATING	MATURITY DATE	DAYS TO MATURITY	RATE	YIELD	PAR VALUE	COST	MARKET VALUE
(I) PURCHASES*											
10861 Wedbush		03/03/2010 FHILB		AAA/Aaa	09/03/2013	1230	2.100%	2,000,000	2,000,000	2,001,880	
10862 Wedbush		03/10/2010 FNMA		AAA/Aaa	09/10/2014	1602	2.650%	1,000,000	1,000,000	994,060	
10863 Wedbush		03/17/2010 FNMA		AAA/Aaa	03/17/2015	1790	2.760%	1,000,000	1,000,000	987,190	
10864 Higgins Capital		03/22/2010 FFCB		AAA/Aaa	09/15/2014	1607	2.650%	1,000,000	999,800	992,190	
10865 Higgins Capital		03/26/2010 FHILB		AAA/Aaa	03/26/2014	1434	1.500%	2,000,000	2,000,000	1,998,760	
10866 Great Pacific Securities		03/30/2010 FFCB		AAA/Aaa	03/30/2015	1803	2.950%	1,000,000	1,000,000	1,000,000	
10867 Stone & Young		03/30/2010 FFCB		AAA/Aaa	03/30/2015	1803	2.950%	1,000,000	998,000	1,000,000	

invest no.	BROKER	PURCHASE DATE	DESCRIPTION	QUALITY RATING	MATURITY DATE	RATE	YIELD	PAR VALUE	BOOK VALUE	MARKET VALUE
(II) MATURITIES**										
10787 Wedbush		03/02/2009 FNMA		AAA/Aaa	03/02/2011	2.000%	2,000,000	1,000,000	1,000,000	1,000,000
10792 Stone & Young		03/03/2009 FFCB		AAA/Aaa	03/03/2014	3.250%	3.425%	1,000,000	1,000,000	1,000,000
10791 Dean Witter		03/10/2009 FNMA		AAA/Aaa	03/10/2014	3.375%	3.375%	1,000,000	1,000,000	1,000,000
10735 Stone & Young		03/26/2008 FHILB		AAA/Aaa	03/26/2013	3.720%	3.720%	2,750,000	2,750,000	2,750,000

Weighted Average Yield

2.512%

invest no.	BROKER	PURCHASE DATE	DESCRIPTION	QUALITY RATING	MATURITY DATE	RATE	YIELD	PAR VALUE	BOOK VALUE	MARKET VALUE
(III) LAI TRANSACTIONS										
DEALER	State of California	-	DESCRIPTION	BEGIN BAL.		RATE	YIELD	DEPOSITS WITHDRAWALS	INTEREST	END BAL.
			Local Agency Pool	42,600,000	0.547%	0.547%	4,000,000	13,100,000		33,500,000
			City Tran Acct	0	0.547%	0.547%	800,000			0
			RDA	6,300,000	0.547%	0.547%	\$4,800,000	\$13,100,000	\$ -	7,100,000
				<u>\$48,900,000</u>						<u>\$40,600,000</u>

* 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

**City of Torrance
Portfolio Management
Interest Earnings Summary
March 31, 2010**

	March 31 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	205,172.77	3,575,763.71
Plus Accrued Interest at End of Period	895,704.89	894,117.13
Less Accrued Interest at Beginning of Period	(800,361.22)	(1,346,737.81)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	<u>300,516.44</u>	<u>3,123,143.03</u>
Adjusted by Premiums and Discounts	-2,695.70	-9,731.07
Adjusted by Capital Gains or Losses	0.00	1,688.78
Earnings during Periods	<u>297,820.74</u>	<u>3,115,100.74</u>
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	<u>0.00</u>	<u>0.00</u>
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	<u>0.00</u>	<u>0.00</u>
Cash/Checking Accounts:		
Interest Collected	1.03	306,867.43
Plus Accrued Interest at End of Period	685,675.25	685,675.25
Less Accrued Interest at Beginning of Period	(664,762.54)	(818,341.29)
Interest Earned during Period	<u>20,913.74</u>	<u>174,201.39</u>
Total Interest Earned during Period	<u>321,430.18</u>	<u>3,297,344.42</u>
Total Adjustments from Premiums and Discounts	<u>-2,695.70</u>	<u>-9,731.07</u>
Total Capital Gains or Losses	<u>0.00</u>	<u>1,688.78</u>
Total Earnings during Period	<u>318,734.48</u>	<u>3,289,302.13</u>

**City of Torrance
Portfolio Management
Portfolio Details - Investments
March 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	33,500,000.00			33,500,000.00		0.547		0.547	1	
SYS10001	10001	Local Agency Invest Fund RDA	7,100,000.00			7,100,000.00		0.547		0.547	1	
SYS1000a	1000A	LAIF - TRANS FUNDS	0.00			0.00		0.547		0.547	1	
Subtotal and Average			44,187,036.77		40,600,000.00	40,600,000.00				0.547	1	
Cert. of Deposit - Insured												
319160DA0	10839	First Bank Lexington Tennessee	12/16/2009		245,000.00	245,000.00		2.050		2.050	12/17/2012	
02586TG32	10829	American Express Centurian	09/23/2009		245,000.00	245,000.00		1.800		1.800	09/23/2011	
05568PSJ7	10832	BMW Bank of North America	09/23/2009		245,000.00	245,000.00		2.300		2.300	09/24/2012	
149159GX7	10830	Cathay Bank	10/05/2009		245,000.00	245,000.00		1.750		1.750	10/05/2011	
254670QKWH1	10831	Discover Bank	09/23/2009		245,000.00	245,000.00		2.050		2.050	09/24/2012	
36159SSJS1	10838	GE Money bank	12/11/2009		245,000.00	245,000.00		2.350		2.350	12/11/2012	
46147ULM0	10824	Investors Community Bank	08/24/2009		245,000.00	245,000.00		2.250		2.250	08/24/2012	
509665EA7	10823	Lake Forest B&T	08/26/2009		245,00.00	245,00.00		2.350		2.350	08/27/2012	
59740JGR4	10833	MidFirst Bank	10/14/2009		245,00.00	245,00.00		2.350		2.350	10/15/2012	
86789UJBH1	1082_-	SunSouth Bank	08/18/2009		245,00.00	245,00.00		2.200		2.200	08/17/2012	
Subtotal and Average			2,450,000.00		2,450,000.00	2,450,000.00				2.145	843	
Money Market Sweep Account												
SYS10131	10131	Bank of America	0.00			0.00		0.450		AA	0.450	
SYS1000	1000	Union Bank of California	63.97			63.97		63.97		0.000	0.000	
Subtotal and Average			32,322.03		63.97	63.97				0.000	1	
Federal Agency Issues - Coupon												
31331XMQ2	10640	FEDERAL FARM CREDIT BANK	01/26/2007		1,000,000.00	1,007,190.00		1,000,000.00		5,000	5/26/2010	
31331XT36	10678	FEDERAL FARM CREDIT BANK	08/01/2007		1,000,000.00	1,087,190.00		1,000,000.00		5,250	8/3/2012	
31331YT42	10758	FEDERAL FARM CREDIT BANK	06/03/2008		1,000,000.00	1,006,560.00		1,000,000.00		4,240	6/03/2013	
31331Y2G4	10768	FEDERAL FARM CREDIT BANK	07/01/2008		1,000,000.00	1,011,250.00		1,000,000.00		4,850	1,187	7/01/2013
31331GCF4	10776	FEDERAL FARM CREDIT BANK	09/23/2008		1,000,000.00	1,033,440.00		1,000,173.18		3,125	3/13/2011	
31331GDF3	10779	FEDERAL FARM CREDIT BANK	10/15/2008		2,000,000.00	2,040,620.00		2,000,000.00		4,250	4/25/2013	
31331GV/D8	10800	FEDERAL FARM CREDIT BANK	05/08/2009		1,000,000.00	1,008,130.00		1,000,000.00		2,200	1,103	4/08/2013
31331GW/L9	10803	FEDERAL FARM CREDIT BANK	05/20/2009		2,000,000.00	2,005,620.00		2,000,000.00		2,500	1,145	5/20/2013
31331GW/Q8	10806	FEDERAL FARM CREDIT BANK	05/22/2009		2,000,000.00	2,003,760.00		2,000,000.00		1,800	781	5/21/2012
31331GYA1	10809	FEDERAL FARM CREDIT BANK	06/15/2009		2,000,000.00	2,006,260.00		2,000,000.00		2,035	806	6/15/2012
31331GH77	10818	FEDERAL FARM CREDIT BANK	08/11/2009		1,000,000.00	1,011,250.00		1,000,000.00		3,450	1,593	8/11/2014

Portfolio CITY

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

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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													
31331G2J7	10835	FEDERAL FARM CREDIT BANK	10/27/2009	1,000,000.00	1,006,880.00	1,000,000.00	1,000,000.00	2.875	AAA	2.875	1,670	10/27/2014	
31331G4L0	10836	FEDERAL FARM CREDIT BANK	12/01/2009	2,000,000.00	2,000,620.00	2,000,000.00	2,000,000.00	2.970	AAA	2.975	1,705	12/01/2014	
31331JAA1	10842	FEDERAL FARM CREDIT BANK	12/22/2009	1,000,000.00	1,001,880.00	1,000,000.00	1,000,000.00	3.000	AAA	3.000	1,726	12/22/2014	
31331G7H6	10849	FEDERAL FARM CREDIT BANK	01/25/2010	2,000,000.00	1,996,880.00	1,994,205.79	2,000,000.00	1,994,205.79	2.000	AAA	2.101	1,086	03/22/2013
31331G7G8	10851	FEDERAL FARM CREDIT BANK	01/14/2010	1,000,000.00	999,950.00	1,000,000.00	1,000,000.00	1,400	AAA	1,400	782	05/22/2012	
31331JCX9	10857	FEDERAL FARM CREDIT BANK	02/02/2010	1,000,000.00	1,002,190.00	999,163.89	1,002,190.00	2,950	AAA	2,972	1,768	02/02/2015	
31331JDL4	10859	FEDERAL FARM CREDIT BANK	02/11/2010	1,000,000.00	999,060.00	1,000,000.00	1,000,000.00	2,420	AAA	2,420	1,412	02/11/2014	
31331JGW7	10864	FEDERAL FARM CREDIT BANK	03/22/2010	1,000,000.00	992,190.00	999,821.69	1,000,000.00	2,650	AAA	2,655	1,628	09/15/2014	
31331JJU3	10866	FEDERAL FARM CREDIT BANK	03/30/2010	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	2,950	AAA	2,950	1,824	03/30/2015	
31331JJU3	10867	FEDERAL FARM CREDIT BANK	03/30/2010	1,000,000.00	1,000,000.00	998,001.11	1,000,000.00	2,950	AAA	2,993	1,824	03/30/2015	
31331KYE9	10862	FEDERAL HOME LOAN BANK	05/25/2007	1,000,000.00	1,007,190.00	1,000,000.00	1,000,000.00	5,200	AAA	5,200	785	05/25/2012	
3133XMJS8	10884	FEDERAL HOME LOAN BANK	08/27/2007	1,000,000.00	1,018,750.00	1,000,000.00	1,000,000.00	5,125	AAA	5,125	879	08/27/2012	
3133XQJZ6	10738	FEDERAL HOME LOAN BANK	04/16/2008	2,000,000.00	2,002,500.00	1,999,991.67	2,000,000.00	3,750	AAA	3,754	1,111	04/16/2013	
3133XQJA1	10742	FEDERAL HOME LOAN BANK	04/15/2008	2,000,000.00	2,062,500.00	2,000,000.00	2,000,000.00	3,700	AAA	3,700	1,110	04/15/2013	
3133XQVY5	10746	FEDERAL HOME LOAN BANK	05/13/2008	2,000,000.00	2,008,760.00	1,999,970.83	2,000,000.00	4,125	AAA	4,131	1,138	05/13/2013	
3133XQMWX6	10748	FEDERAL HOME LOAN BANK	05/07/2008	1,500,000.00	1,505,160.00	1,500,000.00	1,500,000.00	3,760	AAA	3,760	767	05/07/2012	
3133XQZB8	10751	FEDERAL HOME LOAN BANK	05/14/2008	1,000,000.00	1,003,750.00	1,000,000.00	1,000,000.00	3,625	AAA	3,625	774	05/14/2012	
3133XRKU3	10764	FEDERAL HOME LOAN BANK	06/25/2008	1,000,000.00	1,009,060.00	1,000,000.00	1,000,000.00	4,350	AAA	4,350	816	06/25/2012	
3133XT6J0	10788	FEDERAL HOME LOAN BANK	02/26/2009	2,000,000.00	2,030,000.00	2,000,000.00	2,000,000.00	2,625	AAA	2,625	1,062	02/26/2013	
3133XT6W1	10789	FEDERAL HOME LOAN BANK	02/27/2009	2,000,000.00	2,038,760.00	2,000,000.00	2,000,000.00	2,150	AAA	2,150	697	02/27/2012	
3133XTA97	10790	FEDERAL HOME LOAN BANK	03/06/2009	1,000,000.00	1,018,130.00	1,000,000.00	1,000,000.00	2,100	AAA	2,100	523	09/06/2011	
3133XUBA0	10817	FEDERAL HOME LOAN BANK	07/30/2009	1,000,000.00	1,018,440.00	1,000,000.00	1,000,000.00	2,150	AAA	2,150	1,581	07/30/2014	
3133XT6J0	10825	FEDERAL HOME LOAN BANK	08/26/2009	1,000,000.00	1,008,750.00	1,000,000.00	1,000,000.00	2,850	AAA	2,850	1,243	08/26/2013	
3133XT6W1	10826	FEDERAL HOME LOAN BANK	09/15/2009	1,000,000.00	1,007,810.00	1,000,000.00	1,000,000.00	2,350	AAA	2,350	1,079	03/15/2013	
3133XUPC1	10827	FEDERAL HOME LOAN BANK	09/04/2009	1,000,000.00	1,014,380.00	1,000,000.00	1,000,000.00	2,125	AAA	2,125	1,617	09/04/2014	
3133XUPB3	10837	FEDERAL HOME LOAN BANK	12/30/2009	2,000,000.00	2,006,880.00	2,000,000.00	2,000,000.00	3,045	AAA	3,045	1,734	12/30/2014	
3133XVZW4	10837	FEDERAL HOME LOAN BANK	01/05/2010	2,000,000.00	2,001,260.00	2,000,000.00	2,000,000.00	2,250	AAA	2,250	1,191	07/05/2013	
3133XUNK5	10845	FEDERAL HOME LOAN BANK	01/29/2010	1,000,000.00	1,009,940.00	1,000,000.00	1,000,000.00	1,600	AAA	1,600	942	10/29/2012	
3133XUPC1	10846	FEDERAL HOME LOAN BANK	12/28/2009	1,500,000.00	1,502,340.00	997,500.00	1,500,000.00	2,050	AAA	2,050	1,184	06/28/2013	
3133XWMR6	10848	FEDERAL HOME LOAN BANK	01/27/2010	2,000,000.00	2,002,500.00	1,000,000.00	2,000,000.00	3,000	AAA	3,000	1,762	01/27/2015	
3133XWP52	10850	FEDERAL HOME LOAN BANK	01/27/2010	1,000,000.00	1,000,630.00	1,000,000.00	1,000,000.00	1,250	AAA	1,250	757	04/27/2012	
3133XWPN3	10852	FEDERAL HOME LOAN BANK	01/29/2010	1,000,000.00	1,000,940.00	1,000,000.00	1,000,000.00	1,600	AAA	1,600	942	10/29/2012	
3133XWV63	10854	FEDERAL HOME LOAN BANK	02/26/2010	1,000,000.00	997,500.00	1,000,000.00	1,000,000.00	2,000	AAA	2,000	1,243	08/26/2013	
3133XWTG4	10855	FEDERAL HOME LOAN BANK	02/18/2010	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	2,170	AAA	2,170	1,327	11/18/2013	
3133XX7H4	10861	FEDERAL HOME LOAN BANK	03/03/2010	2,000,000.00	2,001,880.00	2,000,000.00	2,000,000.00	2,100	AAA	2,100	1,251	09/03/2013	
3133XXPD3	10865	FEDERAL HOME LOAN BANK	03/26/2010	2,000,000.00	1,998,760.00	2,000,000.00	2,000,000.00	1,500	AAA	1,500	1,455	03/26/2014	
3128X7LX0	10745	FEDERAL HOME LOAN MORTGAGE CO	04/29/2008	2,000,000.00	1,999,766.67	2,005,260.00	1,999,766.67	3,920	AAA	3,987	1,124	04/29/2013	

Portfolio CITY
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**City of Torrance
Portfolio Management
Portfolio Details - Investments
March 31, 2010**

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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	1,019,850.00	999,203.89	2.375	AAA	2.396	1,453	03/24/2014	
3128X8T25	10798	FEDERAL HOME LOAN MORTGAGE CO	04/20/2009		2,000,000.00	2,030,820.00	2,000,000.00	2.500	AAA	2.500	1,103	04/08/2013	
3128X8ET3	10801	FEDERAL HOME LOAN MORTGAGE CO	05/19/2009		1,000,000.00	1,010,870.00	1,000,000.00	2.170	AAA	2.170	963	11/19/2012	
3128X8MS8	10802	FEDERAL HOME LOAN MORTGAGE CO	05/07/2009		1,000,000.00	1,006,660.00	1,001,907.37	2.350	AAA	2.129	701	03/02/2012	
3128X8R46	10810	FEDERAL HOME LOAN MORTGAGE CO	06/25/2009		2,000,000.00	2,012,520.00	2,000,000.00	3.000	AAA	3.000	1,181	06/25/2013	
3128X8S29	10811	FEDERAL HOME LOAN MORTGAGE CO	06/30/2009		1,000,000.00	1,007,240.00	1,000,000.00	3.000	AAA	3.763	1,551	06/30/2014	
3128X82V3	10814	FEDERAL HOME LOAN MORTGAGE CO	07/14/2009		1,000,000.00	1,017,340.00	1,000,000.00	3.400	AAA	3.400	1,565	07/14/2014	
3128X9RQ5	10844	FEDERAL HOME LOAN MORTGAGE CO	12/30/2009		1,000,000.00	997,130.00	999,762.64	3,000	AAA	3,005	1,734	12/30/2014	
3128X9XX3	10858	FEDERAL HOME LOAN MORTGAGE CO	02/17/2010		1,000,000.00	1,001,190.00	1,000,000.00	3,000	AAA	3,000	1,783	02/17/2015	
3136F9MV2	10749	FEDERAL NATIONAL MORT ASSOC	05/05/2008		1,000,000.00	1,002,500.00	1,000,000.00	3,250	AAA	3,250	399	05/05/2011	
3136F9NE9	10752	FEDERAL NATIONAL MORT ASSOC	05/14/2008		1,000,000.00	1,003,750.00	1,000,000.00	4,000	AAA	4,000	1,139	05/14/2013	
3136FFHAK1	10786	FEDERAL NATIONAL MORT ASSOC	02/27/2009		1,000,000.00	1,006,880.00	1,000,000.00	2,625	AAA	2,625	879	08/27/2012	
3136FFHC0	10793	FEDERAL NATIONAL MORT ASSOC	03/05/2009		1,000,000.00	1,013,440.00	1,000,000.00	2,250	AAA	2,250	694	02/24/2012	
3136FFHPX7	10799	FEDERAL NATIONAL MORT ASSOC	05/14/2009		2,000,000.00	2,018,760.00	2,000,000.00	2,125	AAA	2,125	1,504	05/14/2014	
3136FFHWB7	10804	FEDERAL NATIONAL MORT ASSOC	05/21/2009		2,000,000.00	2,003,120.00	2,000,000.00	1,500	AAA	1,500	599	11/21/2011	
3136FFHUY9	10807	FEDERAL NATIONAL MORT ASSOC	06/01/2009		2,000,000.00	2,002,500.00	2,000,000.00	1,400	AAA	1,400	792	06/01/2012	
3136FFHXF7	10808	FEDERAL NATIONAL MORT ASSOC	06/10/2009		2,000,000.00	2,015,000.00	2,000,000.00	2,000	AAA	2,000	984	12/10/2012	
3136FAYN6	10815	FEDERAL NATIONAL MORT ASSOC	07/28/2009		2,000,000.00	2,015,000.00	2,000,000.00	3,000	AAA	3,000	1,579	07/28/2014	
3136FJL6	10834	FEDERAL NATIONAL MORT ASSOC	10/29/2009		1,000,000.00	1,001,560.00	1,000,000.00	2,250	AAA	2,250	1,672	10/29/2014	
3136FJA68	10843	FEDERAL NATIONAL MORT ASSOC	12/29/2009		1,000,000.00	999,380.00	1,000,000.00	2,750	AAA	2,960	1,733	12/29/2014	
3136FKUJ83	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	1,750	01/15/2015	
3136FJY70	10853	FEDERAL NATIONAL MORT ASSOC	02/09/2010		1,000,000.00	999,690.00	1,000,000.00	3,100	AAA	3,100	1,775	02/09/2015	
3136FJ4C2	10856	FEDERAL NATIONAL MORT ASSOC	02/23/2010		1,000,000.00	995,940.00	1,000,000.00	2,000	AAA	2,000	1,240	08/23/2013	
3136FMCJ1	10862	FEDERAL NATIONAL MORT ASSOC	03/10/2010		1,000,000.00	994,060.00	1,000,000.00	2,650	AAA	2,650	1,623	09/10/2014	
3136FMCT9	10863	FEDERAL NATIONAL MORT ASSOC	03/17/2010		1,000,000.00	987,190.00	1,000,000.00	2,760	AAA	2,760	1,811	03/17/2015	
Subtotal and Average				94,500,447.30		97,000,000.00	97,655,200.00			96,990,493.36		2,813	1,201
Treasury Securities - Coupon													
912828DZ0	10579	U.S.TREASURY NOTE	07/25/2005		1,000,000.00	1,010,780.00	999,530.22	3.875	AAA	4,057	105	07/15/2010	
912828GR5	10669	U.S.TREASURY NOTE	06/08/2007		1,000,000.00	1,005,200.00	999,435.63	4,500	AAA	5,008	44	05/15/2010	
Medium Term Notes				1,998,706.34		2,000,000.00	2,015,980.00			1,998,963.85		4,533	75
060505AR5	10699	Bank of America	11/02/2007		990,000.00	1,037,371.50	990,059.91	4,875	A	4,871	898	09/15/2012	
084664AF8	10709	Berkshire Hathaway	01/15/2008		1,000,000.00	1,023,670.00	1,003,655.18	4,200	AA	3,648	258	12/15/2010	
084664AD3	10714	Berkshire Hathaway	01/18/2008		1,000,000.00	1,078,960.00	1,010,058.87	4,625	AA	4,300	1,293	10/15/2013	

Portfolio CITY

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City of Torrance
Portfolio Management
Portfolio Details - Investments
March 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												
084664AF8	10795	Berkshire Hathaway	03/10/2009	1,000,000.00	1,023,670.00	1,007,000.00	4.200	AA	3.170	258	12/15/2010	
35967HAY3	10812	General Electric Capital Corp	06/22/2009	2,000,000.00	2,053,820.00	2,015,961.97	2.625	AAA	2.320	1,002	12/28/2012	
38143UBE0	10660	Goldman Sachs	05/14/2007	1,210,000.00	1,219,026.60	1,208,744.34	4.500	A	5.050	75	06/15/2010	
38141GBU7	10743	Goldman Sachs	04/18/2008	1,000,000.00	1,085,050.00	1,028,437.36	6.600	A	4.840	654	01/15/2012	
40429CCX8	10632	Household Finance Co	11/20/2006	1,000,000.00	1,030,980.00	1,000,545.54	5.250	A	5.170	288	01/14/2011	
40429XB39	10694	Household Finance Co	10/12/2007	1,000,000.00	1,000,000.00	1,000,000.00	5.000	A	5.000	197	10/15/2010	
40429XC95	10700	Household Finance Co	11/29/2007	1,000,000.00	1,018,770.00	1,000,000.00	5.050	A	5.050	228	11/15/2010	
55018YVVO	10630	MERRILL LYNCH	11/17/2006	1,000,000.00	1,012,840.00	999,192.27	4.790	A	5.050	125	08/04/2010	
534918AB0	10821	MicroSoft Corp	08/17/2009	1,000,000.00	1,015,250.00	1,000,000.00	2.950	AAA	2.949	1,522	06/01/2014	
64952VAE3	10697	New York Life Global	11/02/2007	1,000,000.00	1,011,660.00	999,973.11	4.625	AAA	4.630	137	08/16/2010	
931142CN1	10820	Wal-Mart Stores	08/14/2009	2,000,000.00	2,042,260.00	2,006,991.60	3.000	AA	2.902	1,404	02/03/2014	
949746NB3	10715	Wells Fargo Co	01/23/2008	1,000,000.00	1,036,000.00	1,006,374.42	4.875	AA	4.000	286	01/12/2011	
Subtotal and Average				17,278,624.81	17,200,000.00	17,689,328.10	17,276,994.57		4.021	642		
Municipal Bond Issues - Coupon												
SYS .0423	10423	Skpk-2001TxAllocRefBd	12/18/2001	783,841.40	783,841.40	783,841.40	8,000		7,999	822	07/01/2012	
		Subtotal and Average		783,841.40	783,841.40	783,841.40			7,999	822		
		Total and Average		161,231,038.66	160,033,905.37	161,194,413.47	160,100,364.15					
							2,405	815				

**City of Torrance
Portfolio Management
Portfolio Details - Cash
March 31, 2010**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM	Days to Maturity
			0.00	Accrued Interest at Purchase		1,370.84	1,370.84			0	
				Subtotal		1,370.84	1,370.84			0	
			161,231,038.66		160,033,905.37	161,195,784.31	160,101,734.99			2,405	815
		Total Cash and Investments									

II. RESTRICTED FUNDS

Reports Appear Quarterly

III. CASH & INVESTMENT PORTFOLIO SHARE

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

FUND	SHARE OF INVESTMENTS	POOLED CASH & INVESTMENTS BALANCE	CASH PERCENT
General	40,199,243.55	38,823,938.21	25.11
Parks & Recr Facility & Open Space	3,959,559.38	3,824,094.07	2.47
State Gas Tax	6,273,768.62	6,059,129.07	3.92
Federal Housing, Community Dev	354,466.91	342,339.81	0.22
Street Lighting	170,431.57	164,600.73	0.11
Traffic Congestion Relief Act 2000 - AB2928	-	-	(B) 0.00
Proposition 1B	1,576,740.15	1,522,796.37	0.98
Police Asset Forfeiture	2,957,627.42	2,856,440.42	1.85
Drainage Improvement	20,223.05	19,531.17	0.01
Government Cable	2,760,600.05	2,666,153.80	1.72
Local Return - Proposition C	6,726,375.39	6,496,251.16	4.20
Grants/Donations	(386,644.23)	(373,416.27) (C)	(0.24)
Citizens Options for Public Safety (COPS) Grant Funds - AB3229	133,296.00	128,735.65	0.08
Seismic Education Fund	56,752.20	54,810.58	0.04
Rehabilitation Housing	662,926.83	640,246.63	0.41
Meadow Park Parking Lot	48,501.36	46,842.02	0.03
Police Inmate Welfare Fund	52,905.16	51,095.16	0.03
Capital Improvements	24,203,748.42	23,375,684.47	15.12
Geologic Hazard Abatement	14,823.79	14,316.64	0.01
El Camino Training Fund-Fire	613,522.64	592,532.67	0.38
El Camino Training Fund-Police	48,900.33	47,227.34	0.03
Vanpool/Rideshare Fund	377,614.91	364,695.87	0.24
Torrance Improvement Fund	(28,261.41)	(27,294.52) (D)	(0.02)
Animal Control Fund	(8,302.26)	(8,018.22) (E)	(0.01)
Redevelopment-Capital Proj	7,982,565.33	7,709,464.05	4.99
Redevelopment Debt Service	2,430,607.67	2,347,451.19	1.52
Underground Storage Tank Fund	3,106.27	3,000.00	0.00
DNA Sampling Fund	37,710.15	36,420.00	0.02
Airport Fund	5,978,046.72	5,773,524.47	3.73
Transit Operations	(1,872,801.36)	(1,808,728.67) (F)	(1.17)
Development Impact Fund	842,690.19	813,859.89	0.53
Water Operations	4,838,479.85	4,672,944.72	3.02
Emergency Medical Service Enterprise Fund	-	-	0.00
Sanitation Operations	2,395,866.75	2,313,898.83	1.50
Cultural Arts Enterprise	414,784.62	400,593.92	0.26
Sewer Enterprise Fund	11,868,582.44	11,462,531.89	7.41
Parks & Recreation Enterprise Fund	(296,768.94)	(286,615.82)	(0.19)
Self Insurance Fund	10,019,987.56	9,677,181.55	6.26
Fleet Services	13,713,382.65	13,244,217.39	8.57
Postemployment/Compensated Absences Fund	7,316,791.30	7,066,467.63	4.57
Trust & Agency	3,638,489.45	3,514,008.65	2.27
TOTAL	160,100,340.49	154,622,952.52	100.00

- (A) The difference between the Share of Investments total of \$160,100,340.49 and the Pooled Cash and Investments total of \$154,622,952.52 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) 2007 UASI Grant for Fire-Breathing Apparatus has a negative cash balance of <\$303,960>. The reimbursement request was submitted to the City of Los Angeles in January 2010. The City of Los Angeles processes the reimbursement and sends it to the State. The City of LA has not given us a status on the reimbursement.
- T-030 Del Amo Blvd Extension has a negative cash balance of <210,640> A reimbursement request in the amount of \$150,928.20 was submitted on April 13, 2010. Reimbursement will be received by the end of May.
- (D) Amount represents expenditures for T-51 Crenshaw Boulevard between Maricopa Street and Sepulveda Boulevard rehabilitation project. Drawdown was requested in April and reimbursement is expected to be received in May.
- (E) Animal license renewal period begins in April and revenues will increase.
- (F) Federal Transit Administration's reimbursement for three new buses paid in March was received on 4/1/10 in the total amount of \$1,770,330.

**CITY OF TORRANCE
CASH AND INVESTMENT RECONCILIATION
AS OF MARCH 31, 2010**

**INVESTMENTS PER PORTFOLIO SUMMARY
(City Pool)**

160,100,340.49

CASH AND INVESTMENTS PER BOOKS

154,622,952.52

CASH IN BANKS:

Cash in B of A General Account	(\$2,451,874.30)
Cash in B of A Payroll Account	0.00

OUTSTANDING WARRANTS:

General Account	2,067,503.09
Payroll Account	62,679.11
Workers Compensation Account	41,886.94
	2,172,069.14

Miscellaneous outstanding adjusting journal entries	1,985,308.95
Payroll for PE 3/27/10 posted on 3/27/10 and paid on 4/2/10	2,815,563.00
Payroll for PE 3/31/10 posted on 3/31/10 and paid on 4/16/10	956,321.18

INVESTMENTS PER BOOKS

\$160,100,340.49