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

8A

CITY OF TORRANCE

MONTHLY INVESTMENT PORTFOLIO REPORT
For the Month of March 2010

Table of Contents

	Page No.
I. CITY OF TORRANCE – POOLED FUNDS	
A. Summary Reports	
Investment Portfolio Highlights	1
Monthly Investment Summary Notes	2-3
Investment Portfolio Summary	4
Investment Activity Summary	5
Investment Portfolio Activity	6
Interest Earnings Summary	7
B. Detailed Reports	
Investment Portfolio Details and Quality Ratings	8-12
II. RESTRICTED FUNDS	
(Reports Appear Quarterly)	
III. CASH & INVESTMENT PORTFOLIO SHARE	
Cash & Investment Share as of March 31, 2010	13
Cash & Investment Reconciliation	14

City of Torrance
Investment Portfolio Highlights
For March 2010

RETURN

	Current Month	Previous Month
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

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

MATURITY

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

VOLUMES

	Total $ Volume	# of Transactions
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

GASB required securities	Beginning Investment Value as of July 1, 2009	Purchase/Redempt. Of Principal	Change in Market Value	Ending Investment Value as of March 31, 2010
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**
Non-GASB securities				
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.

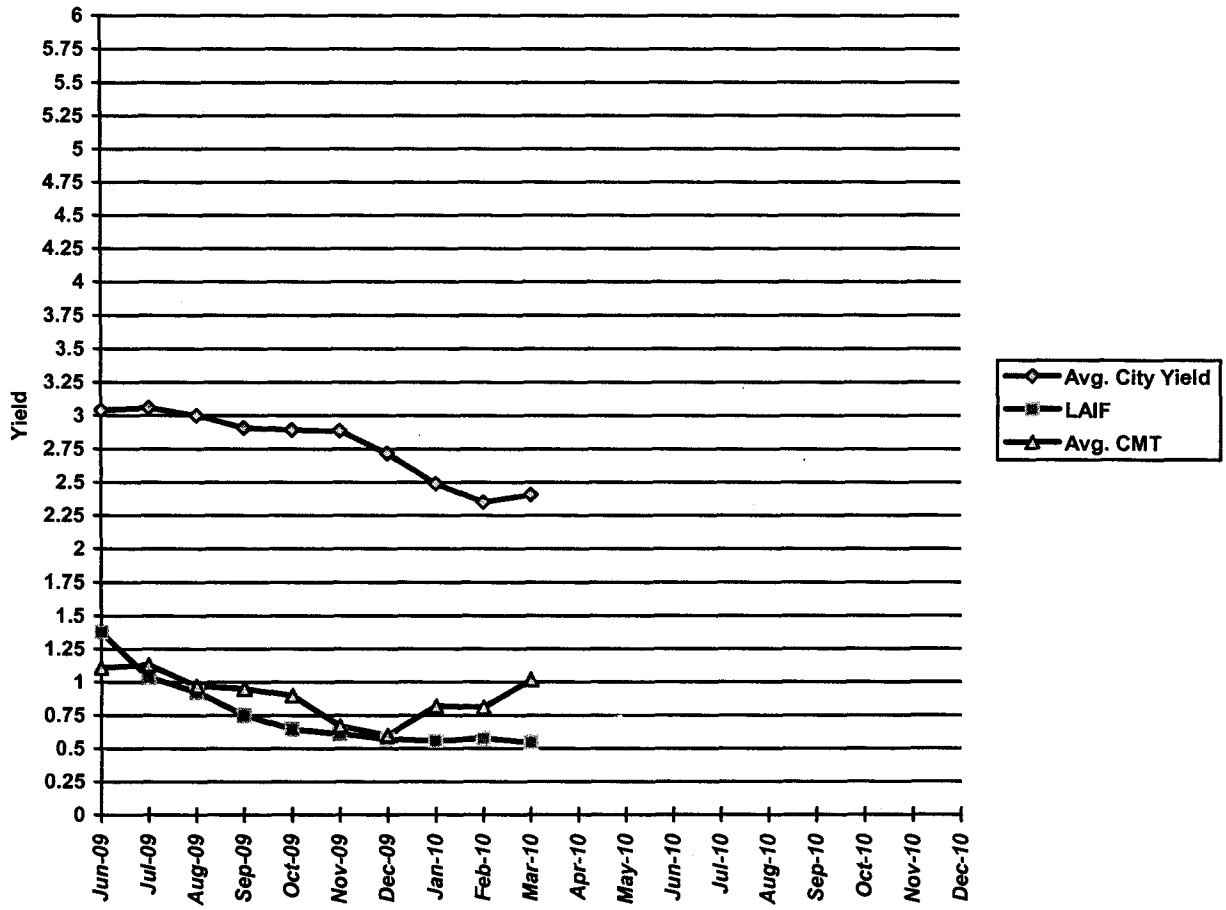
CITY OF TORRANCE

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.

Asset Category	March	February
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)	0.00	0.00
	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.

As of Maturity	March	February
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	.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 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 Tern 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
RDA 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 09-118 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:

for City Manager

City Attorney

Director of Finance

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**

Run Date: 04/21/2010 - 12:59

Portfolio CITY
AP
PM (PRF_PM4) 7.2.5
Report Ver. 7.3.1

MARCH 2010

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	FHLB	AAA/Aaa	09/03/2013	1230	2.100%	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%	2.650%	1,000,000	1,000,000	994,060
10863	Wedbush	03/17/2010	FNMA	AAA/Aaa	03/17/2015	1790	2.760%	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%	2.655%	1,000,000	999,800	992,190
10865	Higgins Capital	03/26/2010	FHLB	AAA/Aaa	03/26/2014	1434	1.500%	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%	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%	2.993%	1,000,000	998,000	1,000,000
									$9,000,000	$8,997,800	$8,974,080
						Weighted Average Yield		2.512%			

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%	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	FHLB	AAA/Aaa	03/26/2013	3.720%	3.720%	2,750,000	2,750,000	2,750,000
								$5,750,000	$5,750,000	$5,750,000
					Weighted Average Yield		3.310%			

* 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	42,600,000	0.547%	0.547%	4,000,000	13,100,000		33,500,000
			Tran Acct	0	0.547%	0.547%				0
			RDA	6,300,000	0.547%	0.547%	800,000			7,100,000
				$48,900,000			$4,800,000	$13,100,000	$ -	$40,600,000

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	300,516.44	3,123,143.03
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	297,820.74	3,115,100.74
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	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	20,913.74	174,201.39
Total Interest Earned during Period	**321,430.18**	**3,297,344.42**
Total Adjustments from Premiums and Discounts	**-2,695.70**	**-9,731.07**
Total Capital Gains or Losses	**0.00**	**1,688.78**
Total Earnings during Period	**318,734.48**	**3,289,302.13**

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	33,500,000.00	0.547		0.547	1	
SYS10001	10001	Local Agency Invest. Fund RDA			7,100,000.00	7,100,000.00	7,100,000.00	0.547		0.547	1	
SYS1000a	1000A	LAIF - TRANS FUNDS			0.00	0.00	0.00	0.547		0.547	1	
		Subtotal and Average	**44,187,096.77**		**40,600,000.00**	**40,600,000.00**	**40,600,000.00**			**0.547**	**1**	
Cert. of Deposit - Insured												
319180DA0	10839	First Bank Lexington Tennessee		12/16/2009	245,000.00	245,000.00	245,000.00	2.050		2.050	991	12/17/2012
02586TG32	10829	American Express Centurian		09/23/2009	245,000.00	245,000.00	245,000.00	1.800		1.800	540	09/23/2011
05568PSJ7	10832	BMW Bank of North America		09/23/2009	245,000.00	245,000.00	245,000.00	2.300		2.300	907	09/24/2012
149159GX7	10830	Cathay Bank		10/05/2009	245,000.00	245,000.00	245,000.00	1.750		1.750	552	10/05/2011
254670QKW1	10831	Discover Bank		09/23/2009	245,000.00	245,000.00	245,000.00	2.050		2.050	907	09/24/2012
36159SJS1	10838	GE Money bank		12/11/2009	245,000.00	245,000.00	245,000.00	2.350		2.350	985	12/11/2012
46147ULM0	10824	Investors Community Bank		08/24/2009	245,000.00	245,000.00	245,000.00	2.250		2.250	876	08/24/2012
509685EA7	10823	Lake Forest B&T		08/26/2009	245,000.00	245,000.00	245,000.00	2.350		2.350	879	08/27/2012
59740JGR4	10833	MidFirst Bank		10/14/2009	245,000.00	245,000.00	245,000.00	2.350		2.350	928	10/15/2012
86789UBH1	1082[illegible]	SunSouth Bank		08/18/2009	245,000.00	245,000.00	245,000.00	2.200		2.200	869	08/17/2012
		Subtotal and Average	**2,450,000.00**		**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	0.00	0.450	AA	0.450	1	
SYS1000	1000	Union Bank of California			63.97	63.97	63.97			0.000	1	
		Subtotal and Average	**32,322.03**		**63.97**	**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	AAA	5.002	55	05/26/2010
31331XT36	10678	FEDERAL FARM CREDIT BANK		08/01/2007	1,000,000.00	1,087,190.00	1,000,000.00	5.250	AAA	5.250	853	08/01/2012
31331YT42	10758	FEDERAL FARM CREDIT BANK		06/03/2008	1,000,000.00	1,006,560.00	1,000,000.00	4.240	AAA	4.240	1,159	06/03/2013
31331Y2G4	10768	FEDERAL FARM CREDIT BANK		07/01/2008	1,000,000.00	1,011,250.00	1,000,000.00	4.850	AAA	4.850	1,187	07/01/2013
31331GCF4	10776	FEDERAL FARM CREDIT BANK		09/23/2008	1,000,000.00	1,033,440.00	1,000,173.18	3.125	AAA	3.113	540	09/23/2011
31331GDF3	10779	FEDERAL FARM CREDIT BANK		10/15/2008	2,000,000.00	2,040,620.00	2,000,000.00	4.250	AAA	4.250	1,293	10/15/2013
31331GVD8	10800	FEDERAL FARM CREDIT BANK		05/08/2009	1,000,000.00	1,008,130.00	1,000,000.00	2.200	AAA	2.200	1,103	04/08/2013
31331GWL9	10803	FEDERAL FARM CREDIT BANK		05/20/2009	2,000,000.00	2,005,620.00	2,000,000.00	2.500	AAA	2.500	1,145	05/20/2013
31331GWQ8	10806	FEDERAL FARM CREDIT BANK		05/22/2009	2,000,000.00	2,003,760.00	2,000,000.00	1.800	AAA	1.800	781	05/21/2012
31331GYA1	10809	FEDERAL FARM CREDIT BANK		06/15/2009	2,000,000.00	2,006,260.00	1,998,529.63	2.000	AAA	2.035	806	06/15/2012
31331GH77	10818	FEDERAL FARM CREDIT BANK		08/11/2009	1,000,000.00	1,011,250.00	1,000,000.00	3.450	AAA	3.450	1,593	08/11/2014

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
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	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	2.970	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	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	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	1.400	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	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	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	2.650	AAA	2.655	1,628	09/15/2014
31331JJJ3	10866	FEDERAL FARM CREDIT BANK		03/30/2010	1,000,000.00	1,000,000.00	1,000,000.00	2.950	AAA	2.950	1,824	03/30/2015
31331JJJ3	10867	FEDERAL FARM CREDIT BANK		03/30/2010	1,000,000.00	1,000,000.00	998,001.11	2.950	AAA	2.993	1,824	03/30/2015
3133XKYE9	10662	FEDERAL HOME LOAN BANK		05/25/2007	1,000,000.00	1,007,190.00	1,000,000.00	5.200	AAA	5.200	785	05/25/2012
3133XM3S8	10684	FEDERAL HOME LOAN BANK		08/27/2007	1,000,000.00	1,018,750.00	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	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	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	4.125	AAA	4.131	1,138	05/13/2013
3133XQWX6	10748	FEDERAL HOME LOAN BANK		05/07/2008	1,500,000.00	1,505,160.00	1,500,000.00	3.760	AAA	3.760	767	05/07/2012
3133XQZ88	10751	FEDERAL HOME LOAN BANK		05/14/2008	1,000,000.00	1,003,750.00	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	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	2.625	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	2.150	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	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	2.150	AAA	2.150	1,581	07/30/2014
3133XUNK5	10825	FEDERAL HOME LOAN BANK		08/26/2009	1,000,000.00	1,008,750.00	1,000,000.00	2.850	AAA	2.850	1,243	08/26/2013
3133XUPC1	10826	FEDERAL HOME LOAN BANK		09/15/2009	1,000,000.00	1,007,810.00	1,000,000.00	2.350	AAA	2.350	1,079	03/15/2013
3133XUPB3	10827	FEDERAL HOME LOAN BANK		09/04/2009	1,000,000.00	1,014,380.00	1,000,000.00	2.125	AAA	2.125	1,617	09/04/2014
3133XVZW4	10837	FEDERAL HOME LOAN BANK		12/30/2009	2,000,000.00	2,006,880.00	2,000,000.00	2.000	AAA	3.045	1,734	12/30/2014
3133XWDX4	10845	FEDERAL HOME LOAN BANK		01/05/2010	2,000,000.00	2,001,260.00	2,000,000.00	2.250	AAA	2.250	1,191	07/05/2013
3133XWHJ1	10846	FEDERAL HOME LOAN BANK		12/28/2009	1,500,000.00	1,502,340.00	1,500,000.00	2.050	AAA	2.050	1,184	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	1,762	01/27/2015
3133XWP52	10850	FEDERAL HOME LOAN BANK		01/27/2010	1,000,000.00	1,000,630.00	1,000,000.00	1.250	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	1.600	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	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	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	2.100	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	1.500	AAA	1.500	1,455	03/26/2014
3128X7LX0	10745	FEDERAL HOME LOAN MORTGAGE CO		04/29/2008	2,000,000.00	2,005,260.00	1,999,766.67	3.920	AAA	3.987	1,124	04/29/2013

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
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
3128X8TZ5	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
3128X8E73	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
3136FHAK1	10786	FEDERAL NATIONAL MORT ASSOC		02/27/2009	1,000,000.00	1,006,880.00	1,000,000.00	2.625	AAA	2.625	879	08/27/2012
3136FHCF0	10793	FEDERAL NATIONAL MORT ASSOC		03/05/2009	1,000,000.00	1,013,440.00	1,000,000.00	2.250		2.250	694	02/24/2012
3136FHPX7	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
3136FHWB7	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
3136FHUY9	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
3136FHXF7	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
31398AYN6	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
3136FJJL6	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	2.950	1,733	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	1,750	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**	**96,990,498.36**			**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
		Subtotal and Average	**1,998,706.34**		**2,000,000.00**	**2,015,980.00**	**1,998,965.85**			**4.533**	**75**	
Medium Term Notes												
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

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
36967HAY3	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
59018YVV0	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
594918AB0	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
64952WAE3	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**	
Muncipal Bond Issues - Coupon												
SYS .0423	10423	Skpk-2001TxAllocRef Bd		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**	**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
		Average Balance	0.00	Accrued Interest at Purchase		1,370.84	1,370.84				0
				Subtotal		1,370.84	1,370.84				
		Total Cash and Investments	161,231,038.66		160,033,905.37	161,195,784.31	160,101,734.99			2.405	815

* 219,000 Draft

47,371
9026
25,050
30,980
18,470
12,840

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**