

# CITY OF TORRANCE

## MONTHLY INVESTMENT PORTFOLIO REPORT For the Month of December 31 2010

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# Investment Report December 2010

## Investment Portfolio Highlights

RETURN	Current Month	Previous Month
Average City Portfolio YTM	1.745	1.766
Average U.S. Treasury Constant	0.061	0.47
LAIIF Average Month Return	0.462	0.454
Average City Portfolio YTM - 1 year	2.718	2.898

INTEREST INCOME	Current Month	Prior Month
Fiscal year to date	\$1,398,956	\$2,322,325
Current month	\$216,183	\$343,960

MATURITY	Current Month	Prior Month
Average Maturity (days)	909	837
Average Maturity 1 Year Prior	863	885
Weighted Average Maturity (years)	2.49	2.3

VOLUMES	Total Volume	% of Purchases
Purchases	\$28,231,651	26
Maturities	\$21,743,564	16

Month End	Year	Number of Securities	Average Balance	Yield to Maturity 365	Yield to Managed Pool Rate	Purchased	Inv. Redeemed	Inv. Average Term	Average Days to Mat.
December	2009	102	148,276,586.11	2.681	2.718	8	6	1,225	883
January	2010	103	154,340,502.72	2.454	2.488	7	6	1,111	806
February	2010	102	164,020,836.85	2.322	2.354	7	9	1,052	764
March	2010	105	161,231,038.66	2.372	2.405	7	4	1,116	815
April	2010	102	160,143,409.68	2.138	2.168	7	10	1,057	810
May	2010	99	169,888,452.49	1.922	1.948	11	14	987	794
June	2010	97	172,280,902.64	2.105	2.134	9	11	1,162	943
July	2010	95	159,722,146.67	1.963	1.99	2	4	1,084	873
August	2010	90	156,005,742.83	1.834	1.828	3	9	1,014	803
September	2010	93	152,517,311.30	1.834	1.859	6	3	1,073	843
October	2010	97	149,927,484.87	1.745	1.769	10	6	1,073	837
November	2010	103	148,449,326.74	1.742	1.766	10	4	1,141	883
December	2010	105	147,425,111.17	1.722	1.745	6	4	1,159	909
		<b>99</b>	<b>157,248,373.29</b>	<b>2.062</b>	<b>2.090</b>	<b>7</b>	<b>7</b>	<b>1,098</b>	<b>843</b>

Investment Number	BROKER	DESCRIPTION	QUALITY RATING	MATURITY DATE	DAYS TO MATURITY	RATE	YIELD	PAR VALUE	COST	MARKET VALUE	
10926	Stone & Youngberg	FHLMC	AAA/Aaa	12/10/2010	1461	1.75%	1.83%	2,000,000	1,992,500	1,946,920	
10927	Great Pacific Securities	FHLMC	AAA/Aaa	12/15/2010	1835	2.10%	2.23%	1,000,000	994,000	991,860	
10928	Dean Witter	Walmart	AAA/Aaa	12/15/2010	1431	2.25%	2.21%	1,000,000	1,001,590	993,560	
10929	Higgins Capital	FHILB	AAA/Aaa	12/30/2010	1826	2.15%	2.15%	1,000,000	1,000,000	997,467	
10930	Vining Sparks	FAMCA	AAA/Aaa	12/30/2010	1826	2.57%	2.57%	2,000,000	2,000,000	1,997,300	
10931	Stone & Youngberg	FFCB	AAA/Aaa	12/28/2010	1826	2.45%	2.45%	2,000,000	2,000,000	1,995,160	
								<b>2.24%</b>	<b>9,000,000</b>	<b>8,988,090</b>	<b>8,922,267</b>

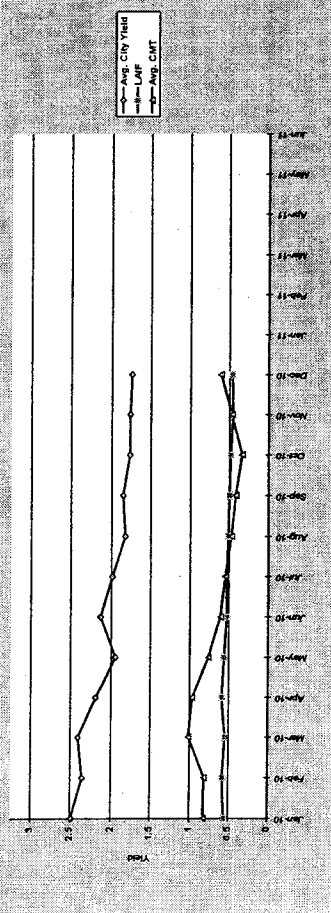
MATURITIES/CALLS	Rate	Yield	Deposits	Withdrawals	Interest	Ending Balance
10808	6/10/2009	0.462	14,000,000	10,500,000	24,300,000	24,300,000
10842	12/22/2009	0.462			6,600,000	6,600,000
10709	1/15/2008	0.462				
10795	3/10/2009	0.462				
						<b>\$30,900,000</b>

State of California	Beginning Balance	Rate	Yield	Deposits	Withdrawals	Interest	Ending Balance
Local Agency Pool	20,800,000	0.462	0.462	14,000,000	10,500,000	24,300,000	24,300,000
City	6,600,000	0.462	0.462			6,600,000	6,600,000
Redevelopment Agency							
						<b>\$</b>	<b>27,400,000</b>



Investment Report  
December 2010

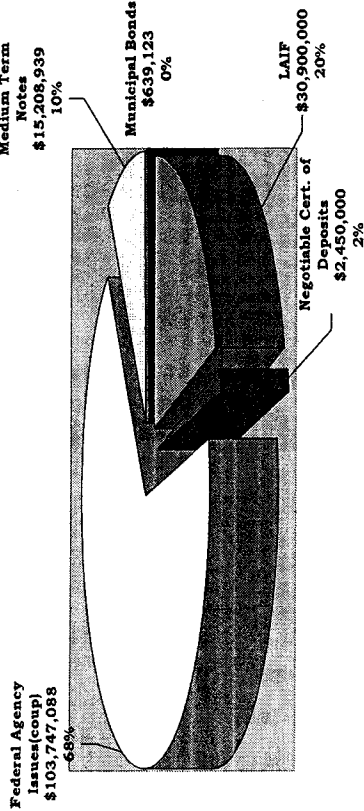
Portfolio Performance



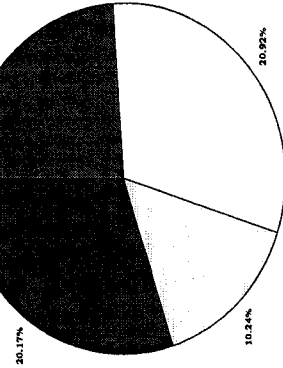
Interest Earnings Summary

CD/Coupon/Discount Investments:	Month Ending December 31	Fiscal Year End
Interest Collected	243,526	1,490,835
Plus Accrued Interest at 500,347	500,347	500,347
Less Accrued Interest at 531,283	(531,283)	(735,304)
Interest Earned	211,590	1,354,878
Adjusted by Premium	(6,229)	(44,411)
Adjusted by Capital	0	0
<b>Net Interest Earned</b>	<b>205,361</b>	<b>1,310,467</b>
Cash/Checking Accounts:		
Interest Collected	35,05	114,894
Plus Accrued Interest at 26,821	26,821	26,821
Less Accrued Interest at (16,034)	(16,034)	(53,225)
Interest Earned	10,822	88,490
Total Interest Earned	222,412	1,443,368
Total Adjustments from	(6,229)	(44,411)
Net Interest Earned	216,183	1,398,957

Portfolio Diversification

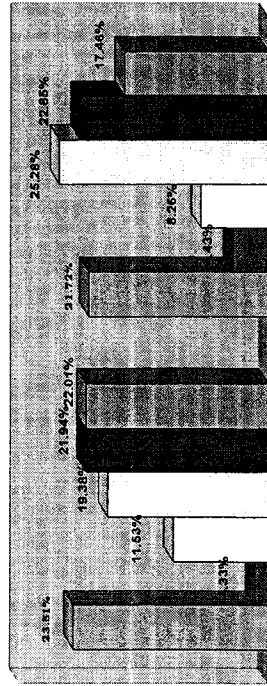


Federal Agency Issues  
67.4%  
of Total Portfolio

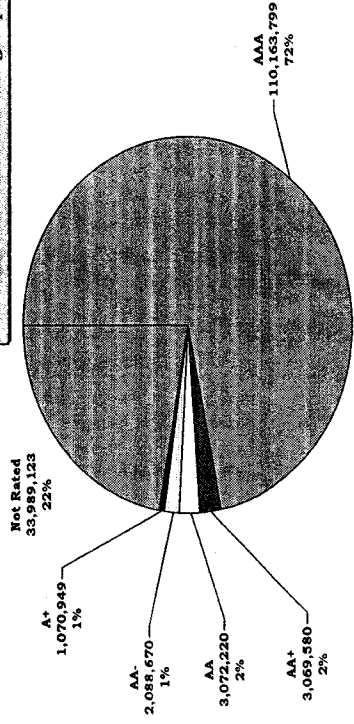


Farmer Mac  
Federal Farm Credit Bank  
Federal Home Loan Mortgage Corp  
Federal National Mortgage Assoc.

Portfolio Aging Summary



Market Value and Credit Rating Report



00 to 6 months  
6 months to 1 year  
1 to 2 years  
2 to 3 years  
3 to 4 years  
4 to 5 years



# Investment Report

December 2010

**Portfolio Summary**

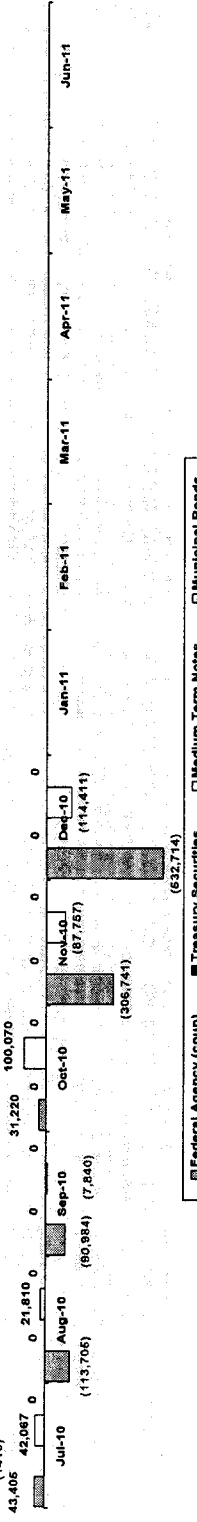
VALUE OF PORTFOLIO PER GASB NO. 31

Local Agency Investment Fund	Book Value	% of Portfolio	% per Policy	Duration	Days to Maturity	Current Yield	GASB required securities	Beginning Investment Value as of July 1, 2010	Purchase/Redemption of Principal	Change in Market Value	Ending Investment Value as of November 30, 2010
Local Agency Investment Fund	30,900,000	20.20%	0	**	1	N/A	Federal Agency (coup)	104,259,550	708,680	-980,481	103,987,749
Certificates of Deposit - Collateralized	0	0.00%	0		180	0.00%	Treasury Securities	1,001,410	-1,000,000	-1,410	0
Negotiable CDs	2,450,000	1.60%	1.023		568	2.15%	Medium Term Notes	13,334,170	2,189,360	-46,061	15,477,469
Money Market Sweep Account	0	0.00%	0		1	0.00%	Municipal Bonds	783,841	-144,718	0	639,123
Federal Agency Issues - Coupons	103,747,088	67.84%	75%		1,433	2.02%					
Farmer Mac	2,000,000	1.30%	30%		1700	2.60%					
Federal Farm Credit Bank	24,534,795	16.10%	30%		1,215	1.92%					
Federal Home Loan Bank	31,526,847	20.69%	30%		867	1.36%					
Federal Home Loan Mortgage	18,087,148	11.70%	30%		1,286	2.10%					
Federal National Mortgage	27,598,297	18.02%	30%		1,142	1.76%					
Treasury Securities - Coupons	0	0.00%	100%		0	0.00%					
Medium Term Notes	15,209,939	9.94%	20%		1,265	2.16%					
Municipal Bond Issues - Coupon	639,123	0.42%	0		3,848	8.00%					
<b>Total Investments &amp; Averages</b>	<b>152,946,151</b>	<b>100.00%</b>	<b>100.00%</b>	<b>1,159</b>	<b>909</b>	<b>1.75%</b>					
<b>Effective Rate of Return</b>								<b>\$119,378,971</b>	<b>\$1,753,322</b>	<b>(\$1,027,952)</b>	<b>\$120,104,341</b>

**Non-GASB securities**

LAIF	28,775,000	2.125,000	0	30,900,000
Money Market	0	0	0	0
Federal Agency - Treasury Security - Certificate of	0	0	0	0
Deposits - Disc. Negotiable	2,450,000	0	0	2,450,000
Certificate Deposits	0	0	0	0
Commercial paper	0	0	0	0
<b>TOTAL PORTFOLIO</b>	<b>\$150,603,971</b>	<b>\$3,878,322</b>	<b>(\$1,027,952)</b>	<b>\$153,454,341</b>

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 calculate and record as GASB 31. The purpose of this report is to provide information on the investment portfolio and to provide a summary of the investment portfolio. The disclosure of paper losses reveals the worst 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.



Legend:  Federal Agency (coup)  Treasury Securities  Medium Term Notes  Municipal Bonds

Portfolio Notes:  
 \*\*Maximum allowed by Investment Policy is \$50 million per agency. General LAIF account = \$24,300,000 RDA LAIF account = \$6,600,000  
 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 05-118 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.  
 Reviewed by the Investment Advisory Committee:

*[Signature]*  
 Dana Cortez  
 City Treasurer

*[Signature]*  
 Peter J. Hill  
 City Attorney

*[Signature]*  
 City Treasurer

*[Signature]*  
 Director of Finance

**City of Torrance**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**December 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
<b>Local Agency Investment Funds</b>												
SYS10000	10000	Local Agency Invest Fund GEN'L	27,932,258.06		24,300,000.00	24,300,000.00	24,300,000.00	0.462		0.462	1	
SYS10001	10001	Local Agency Invest. Fund RDA			6,600,000.00	6,600,000.00	6,600,000.00	0.462		0.462	1	
<b>Subtotal and Average</b>					<b>30,900,000.00</b>	<b>30,900,000.00</b>	<b>30,900,000.00</b>			<b>0.462</b>	<b>1</b>	
<b>Cert. of Deposit - Insured</b>												
319180DA0	10839	First Bank Lexington Tennessee		12/16/2009	245,000.00	245,000.00	245,000.00	2.050		2.050	716	12/17/2012
02586TG32	10829	American Express Centurian		09/23/2009	245,000.00	245,000.00	245,000.00	1.800		1.800	265	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	632	09/24/2012
149159GX7	10830	Cathay Bank		10/05/2009	245,000.00	245,000.00	245,000.00	1.750		1.750	277	10/05/2011
254670KW1	10831	Discover Bank		09/23/2009	245,000.00	245,000.00	245,000.00	2.050		2.050	632	09/24/2012
36159SJS1	10838	GE Money bank		12/11/2009	245,000.00	245,000.00	245,000.00	2.350		2.350	710	12/11/2012
46147ULM0	10824	Investors Community Bank		08/24/2009	245,000.00	245,000.00	245,000.00	2.250		2.250	601	08/24/2012
509885EA7	10823	Lake Forest B&T		08/26/2009	245,000.00	245,000.00	245,000.00	2.350		2.350	604	08/27/2012
59740JGR4	10833	MidFirst Bank		10/14/2009	245,000.00	245,000.00	245,000.00	2.350		2.350	653	10/15/2012
86789UBH1	10822	SunSouth Bank		08/18/2009	245,000.00	245,000.00	245,000.00	2.200		2.200	584	08/17/2012
<b>Subtotal and Average</b>			<b>2,450,000.00</b>		<b>2,450,000.00</b>	<b>2,450,000.00</b>	<b>2,450,000.00</b>			<b>2.145</b>	<b>568</b>	
<b>Money Market Sweep Account</b>												
SYS10131	10131	Bank of America			0.00	0.00	0.00	0.450		0.450	1	
SYS1000	1000	Union Bank of California			0.00	0.00	0.00	0.030		0.030	1	
<b>Subtotal and Average</b>			<b>1,311,042.69</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>			<b>0.000</b>	<b>0</b>	
<b>Federal Agency Issues - Coupon</b>												
31315PMT3	10930	Farmer Mac		12/30/2010	2,000,000.00	1,997,300.00	2,000,000.00	2.570	AAA	2.570	1,824	12/30/2015
31331XT36	10678	FEDERAL FARM CREDIT BANK		08/01/2007	1,000,000.00	1,073,480.00	1,000,000.00	5.250	AAA	5.250	578	08/01/2012
31331GCCF4	10776	FEDERAL FARM CREDIT BANK		09/23/2008	1,000,000.00	1,019,860.00	1,000,085.29	3.125	AAA	3.113	265	09/23/2011
31331GVDB	10800	FEDERAL FARM CREDIT BANK		05/08/2009	1,000,000.00	1,030,860.00	1,000,000.00	2.200	AAA	2.200	828	04/08/2013
31331G2J7	10835	FEDERAL FARM CREDIT BANK		10/27/2009	1,000,000.00	1,024,420.00	1,000,000.00	2.875	AAA	2.875	1,395	10/27/2014
31331JCX9	10857	FEDERAL FARM CREDIT BANK		02/02/2010	1,000,000.00	1,002,460.00	999,913.89	2.950	AAA	2.972	1,493	02/02/2015
31331JDL4	10859	FEDERAL FARM CREDIT BANK		02/11/2010	1,000,000.00	1,001,680.00	1,000,000.00	2.420	AAA	2.420	1,137	02/11/2014
31331JJJ3	10866	FEDERAL FARM CREDIT BANK		03/30/2010	1,000,000.00	1,006,330.00	1,000,000.00	2.950	AAA	2.950	1,549	03/30/2015
31331JJJ3	10867	FEDERAL FARM CREDIT BANK		03/30/2010	1,000,000.00	1,006,330.00	998,301.11	2.950	AAA	2.993	1,549	03/30/2015
31331JKA0	10870	FEDERAL FARM CREDIT BANK		04/09/2010	1,000,000.00	1,012,750.00	1,000,000.00	2.900	AAA	2.900	1,559	04/09/2015
31331JJF1	10873	FEDERAL FARM CREDIT BANK		04/13/2010	3,000,000.00	3,012,360.00	2,999,853.96	2.390	AAA	2.395	1,178	03/24/2014
31331XVW8	10879	FEDERAL FARM CREDIT BANK		05/05/2010	500,000.00	559,665.00	544,361.69	5.000	AAA	2.192	1,210	04/25/2014
31331JNR0	10883	FEDERAL FARM CREDIT BANK		05/18/2010	1,000,000.00	1,009,620.00	1,000,000.00	2.970	AAA	2.970	1,588	05/18/2015

Portfolio CITY  
AP  
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**City of Torrance  
Portfolio Management  
Portfolio Details - Investments  
December 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
	<b>Federal Agency Issues - Coupon</b>											
31331JNN9	10886	FEDERAL FARM CREDIT BANK		06/03/2010	1,000,000.00	1,004,260.00	1,000,000.00	1.680	AAA	1.680	884	06/03/2013
31331JQD8	10893	FEDERAL FARM CREDIT BANK		06/08/2010	1,000,000.00	1,017,520.00	1,000,000.00	2.590	AAA	2.590	1,619	06/08/2015
31331JC84	10904	FEDERAL FARM CREDIT BANK		09/09/2010	1,000,000.00	996,880.00	1,000,000.00	1.040	AAA	1.040	982	09/09/2013
31331JQ55	10907	FEDERAL FARM CREDIT BANK		10/06/2010	1,000,000.00	987,920.00	1,000,000.00	1.150	AAA	1.150	1,374	10/06/2014
31331JQ89	10908	FEDERAL FARM CREDIT BANK		10/18/2010	1,000,000.00	993,460.00	1,000,000.00	1.000	AAA	1.000	1,021	10/18/2013
31331JN41	10911	FEDERAL FARM CREDIT BANK		10/08/2010	1,000,000.00	992,600.00	1,000,000.00	1.350	AAA	1.351	1,283	07/07/2014
31331JX99	10916	FEDERAL FARM CREDIT BANK		11/04/2010	1,000,000.00	985,770.00	1,000,000.00	1.230	AAA	1.230	1,403	11/04/2014
31331JZ48	10918	FEDERAL FARM CREDIT BANK		11/04/2010	1,000,000.00	981,780.00	1,000,000.00	1.230	AAA	1.230	1,403	11/04/2014
31331J2R3	10922	FEDERAL FARM CREDIT BANK		11/19/2010	1,000,000.00	975,120.00	992,279.41	1.620	AAA	1.804	1,780	11/16/2015
31331J6P3	10931	FEDERAL FARM CREDIT BANK		12/28/2010	2,000,000.00	1,995,160.00	2,000,000.00	2.450	AAA	2.450	1,822	12/28/2015
3133XQJA1	10742	FEDERAL HOME LOAN BANK		04/15/2008	2,000,000.00	2,018,580.00	2,000,000.00	3.700	AAA	3.700	835	04/15/2013
3133XT6J0	10788	FEDERAL HOME LOAN BANK		02/26/2009	2,000,000.00	2,064,500.00	2,000,000.00	2.625	AAA	2.625	787	02/26/2013
3133XT6W1	10789	FEDERAL HOME LOAN BANK		02/27/2009	2,000,000.00	2,039,140.00	2,000,000.00	2.150	AAA	2.150	422	02/27/2012
3133XTA97	10790	FEDERAL HOME LOAN BANK		03/06/2009	1,000,000.00	1,011,720.00	1,000,000.00	2.100	AAA	2.100	248	09/06/2011
3133XUBA0	10817	FEDERAL HOME LOAN BANK		07/30/2009	1,000,000.00	1,029,530.00	1,000,000.00	2.150	AAA	2.150	1,306	07/30/2014
3133XUPB3	10827	FEDERAL HOME LOAN BANK		09/04/2009	1,000,000.00	1,030,170.00	1,000,000.00	2.125	AAA	2.125	1,342	09/04/2014
3133XWDX4	10845	FEDERAL HOME LOAN BANK		01/05/2010	2,000,000.00	2,000,100.00	2,000,000.00	2.250	AAA	2.250	916	07/05/2013
3133XWHJ1	10846	FEDERAL HOME LOAN BANK		12/28/2009	1,500,000.00	1,521,585.00	1,500,000.00	2.050	AAA	2.050	909	06/28/2013
3133XWP52	10850	FEDERAL HOME LOAN BANK		01/27/2010	1,000,000.00	1,000,640.00	1,000,000.00	1.250	AAA	1.250	482	04/27/2012
3133XWTG4	10855	FEDERAL HOME LOAN BANK		02/18/2010	1,000,000.00	1,002,160.00	1,000,000.00	2.170	AAA	2.170	1,052	11/18/2013
3133XX7H4	10861	FEDERAL HOME LOAN BANK		03/03/2010	2,000,000.00	2,005,440.00	2,000,000.00	2.100	AAA	2.100	976	09/03/2013
3133XXPD3	10865	FEDERAL HOME LOAN BANK		03/26/2010	2,000,000.00	2,027,520.00	2,000,000.00	1.500	AAA	1.500	1,180	03/26/2014
3133XYKF1	10884	FEDERAL HOME LOAN BANK		05/28/2010	1,000,000.00	1,019,660.00	1,000,000.00	2.000	AAA	2.000	1,608	05/28/2015
3133XYM69	10890	FEDERAL HOME LOAN BANK		06/11/2010	2,000,000.00	2,003,760.00	2,000,000.00	1.500	AAA	1.500	800	03/11/2013
3133XYPB5	10891	FEDERAL HOME LOAN BANK		06/03/2010	4,000,000.00	4,006,880.00	4,000,201.21	0.580	AAA	0.568	153	06/03/2011
3133XY6S9	10899	FEDERAL HOME LOAN BANK		08/26/2010	1,000,000.00	1,025,170.00	1,027,698.86	2.000	AAA	1.002	1,032	10/29/2013
313370TX6	10901	FEDERAL HOME LOAN BANK		09/23/2010	1,000,000.00	981,070.00	999,272.22	1.000	AAA	1.649	1,726	09/23/2015
313370WA2	10902	FEDERAL HOME LOAN BANK		09/17/2010	1,000,000.00	994,530.00	1,000,000.00	1.375	AAA	1.375	1,355	09/17/2014
313371CQ7	10912	FEDERAL HOME LOAN BANK		10/28/2010	1,000,000.00	970,150.00	999,675.00	1.000	AAA	1.010	1,761	10/28/2015
313371R32	10921	FEDERAL HOME LOAN BANK		11/24/2010	1,000,000.00	1,000,000.00	1,000,000.00	1.050	AAA	1.757	1,788	11/24/2015
313372A79	10929	FEDERAL HOME LOAN BANK		12/30/2010	1,000,000.00	997,467.00	1,000,000.00	2.150	AAA	2.150	1,824	12/30/2015
3128XQM7	10794	FEDERAL HOME LOAN MORTGAGE CO		03/24/2009	1,000,000.00	1,004,790.00	999,353.89	2.375	AAA	2.396	1,178	03/24/2014
3128X8TZ5	10798	FEDERAL HOME LOAN MORTGAGE CO		04/20/2009	2,000,000.00	2,011,020.00	2,000,000.00	2.500	AAA	2.500	828	04/08/2013
3128X8E73	10801	FEDERAL HOME LOAN MORTGAGE CO		05/19/2009	1,000,000.00	1,006,710.00	1,000,000.00	2.170	AAA	2.170	688	11/19/2012
3128X82V3	10814	FEDERAL HOME LOAN MORTGAGE CO		07/14/2009	1,000,000.00	1,000,880.00	1,000,000.00	3.400	AAA	3.400	1,290	07/14/2014
3128X9XX3	10858	FEDERAL HOME LOAN MORTGAGE CO		02/17/2010	1,000,000.00	1,003,530.00	1,000,000.00	3.000	AAA	3.000	1,508	02/17/2015

Portfolio CITY  
AP

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

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Rated Rate	S&P	YTM	Days to Maturity	Maturity Date
<b>Federal Agency Issues - Coupon</b>												
3134G1QY3	10898	FEDERAL HOME LOAN MORTGAGE CO		08/24/2010	1,000,000.00	999,630.00	1,000,000.00	1.450	AAA	1.450	1,150	02/24/2014
3134G1VS0	10903	FEDERAL HOME LOAN MORTGAGE CO		10/21/2010	1,000,000.00	993,430.00	1,000,000.00	1.125	AAA	1.125	1,024	10/21/2013
3134G1WH3	10909	FEDERAL HOME LOAN MORTGAGE CO		10/28/2010	1,000,000.00	989,030.00	1,000,000.00	1.200	AAA	1.200	1,213	04/28/2014
3128X1CS4	10915	FEDERAL HOME LOAN MORTGAGE CO		10/27/2010	1,000,000.00	1,101,600.00	1,109,573.99	4.580	AAA	0.730	1,053	11/19/2013
3134G1XV1	10917	FEDERAL HOME LOAN MORTGAGE CO		11/16/2010	1,000,000.00	968,720.00	999,750.00	1.700	AAA	1.710	1,780	11/16/2015
3134G1XX7	10919	FEDERAL HOME LOAN MORTGAGE CO		11/09/2010	1,000,000.00	973,720.00	999,644.44	1.000	AAA	1.744	1,773	11/09/2015
3134G1YF5	10920	FEDERAL HOME LOAN MORTGAGE CO		11/17/2010	1,000,000.00	975,050.00	997,955.56	1.750	AAA	1.834	1,781	11/17/2015
3134G1ZU1	10923	FEDERAL HOME LOAN MORTGAGE CO		11/23/2010	2,000,000.00	1,946,920.00	1,992,844.44	1.750	AAA	1.834	1,787	11/23/2015
3134G1ZU1	10926	FEDERAL HOME LOAN MORTGAGE CO		12/10/2010	2,000,000.00	1,946,920.00	1,992,959.18	1.750	AAA	1.829	1,787	11/23/2015
3134G1B29	10927	FEDERAL HOME LOAN MORTGAGE CO		12/15/2010	1,000,000.00	991,860.00	995,066.67	2.100	AAA	2.227	1,809	12/15/2015
3136FHCF0	10793	FEDERAL NATIONAL MORT ASSOC		03/05/2009	1,000,000.00	1,002,440.00	1,000,000.00	2.250	AAA	2.250	419	02/24/2012
3136FHPX7	10799	FEDERAL NATIONAL MORT ASSOC		05/14/2009	2,000,000.00	2,024,260.00	2,000,000.00	2.125	AAA	2.125	1,229	05/14/2014
31388AYN6	10815	FEDERAL NATIONAL MORT ASSOC		07/28/2009	2,000,000.00	2,027,520.00	2,000,000.00	3.000	AAA	3.000	1,304	07/28/2014
3136FJAC2	10856	FEDERAL NATIONAL MORT ASSOC		02/23/2010	1,000,000.00	1,013,490.00	1,000,000.00	2.000	AAA	2.000	965	08/23/2013
3136FMCJ1	10862	FEDERAL NATIONAL MORT ASSOC		03/10/2010	1,000,000.00	1,004,680.00	1,000,000.00	2.650	AAA	2.650	1,348	09/10/2014
3136FMCJ9	10863	FEDERAL NATIONAL MORT ASSOC		03/17/2010	1,000,000.00	1,005,400.00	1,000,000.00	2.760	AAA	2.760	1,536	03/17/2015
31398AM74	10871	FEDERAL NATIONAL MORT ASSOC		04/21/2010	1,000,000.00	1,005,230.00	1,000,000.00	2.250	AAA	2.250	1,024	10/21/2013
3136FMSX3	10880	FEDERAL NATIONAL MORT ASSOC		05/14/2010	1,000,000.00	1,002,170.00	1,000,000.00	2.375	AAA	2.375	1,229	05/14/2014
3136FMJK8	10885	FEDERAL NATIONAL MORT ASSOC		06/02/2010	1,000,000.00	1,007,960.00	1,000,000.00	2.250	AAA	2.250	1,248	06/02/2014
3136FMJK8	10888	FEDERAL NATIONAL MORT ASSOC		06/02/2010	2,000,000.00	2,015,920.00	2,000,000.00	2.250	AAA	2.250	1,248	06/02/2014
3136FMWS9	10892	FEDERAL NATIONAL MORT ASSOC		06/15/2010	4,000,000.00	4,013,120.00	4,000,000.00	1.125	AAA	1.125	531	06/15/2012
3136FMCQ23	10894	FEDERAL NATIONAL MORT ASSOC		06/28/2010	2,000,000.00	1,997,920.00	2,000,000.00	2.000	AAA	1.992	1,367	09/29/2014
3136FM3D4	10896	FEDERAL NATIONAL MORT ASSOC		07/28/2010	1,000,000.00	999,720.00	1,000,000.00	1.500	AAA	2.229	1,669	07/28/2015
3136FPAM9	10897	FEDERAL NATIONAL MORT ASSOC		08/25/2010	1,000,000.00	996,550.00	1,000,000.00	1.000	AAA	1.743	1,332	08/25/2014
3136FPEG8	10900	FEDERAL NATIONAL MORT ASSOC		09/15/2010	1,600,000.00	1,577,072.00	1,600,000.00	1.375	AAA	1.994	1,718	09/15/2015
3136FPPEE3	10905	FEDERAL NATIONAL MORT ASSOC		09/14/2010	2,000,000.00	1,970,780.00	1,998,297.22	1.725	AAA	1.746	1,717	09/14/2015
3136FPGA9	10906	FEDERAL NATIONAL MORT ASSOC		09/20/2010	1,000,000.00	996,370.00	1,000,000.00	1.000	AAA	1.000	993	09/20/2013
3136FPQG5	10910	FEDERAL NATIONAL MORT ASSOC		10/26/2010	1,000,000.00	993,930.00	1,000,000.00	0.850	AAA	0.850	937	07/26/2013
3136FPRB5	10914	FEDERAL NATIONAL MORT ASSOC		10/20/2010	1,000,000.00	982,050.00	1,000,000.00	1.000	AAA	1.897	1,753	10/20/2015
<b>Subtotal and Average</b>					<b>103,600,000.00</b>	<b>103,987,749.00</b>	<b>103,747,088.03</b>			<b>2.018</b>	<b>1,183</b>	

Medium Term Notes	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Rated Rate	S&P	YTM	Days to Maturity	Maturity Date
88579EAE5	10895	3M Company		07/20/2010	1,000,000.00	1,087,920.00	1,081,494.11	4.375	AA-	0.613	957	08/15/2013
084664AD3	10714	Berkshire Hathaway		01/18/2008	1,000,000.00	1,085,930.00	1,007,927.08	4.625	AA+	4.300	1,018	10/15/2013
17314JAT0	10874	Citibank		04/15/2010	3,000,000.00	3,060,690.00	3,011,606.12	1.750	AAA	1.112	727	12/28/2012
191216AN0	10924	COCA-COLA		11/22/2010	1,085,000.00	1,070,949.25	1,077,336.02	0.750	A+	1.000	1,049	11/15/2013
<b>Portfolio CITY</b>										<b>AP</b>		
										<b>PM (PRF_PM2) 7.2.5</b>		

**City of Torrance  
Portfolio Management  
Portfolio Details - Investments  
December 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
<b>Medium Term Notes</b>												
36962G4H4	10913	General Electric		10/19/2010	1,000,000.00	1,022,300.00	1,033,301.88	2.800	AA+	1.125	738	01/08/2013
36962G4T8	10925	General Electric		11/19/2010	1,000,000.00	961,350.00	979,229.07	2.250	AA+	2.710	1,773	11/09/2015
36967HAY3	10812	General Electric Capital Corp		06/22/2009	2,000,000.00	2,074,380.00	2,011,595.47	2.625	AAA	2.320	727	12/28/2012
594918AB0	10821	MicroSoft Corp		08/17/2009	1,000,000.00	1,040,980.00	1,000,000.00	2.950	AAA	2.949	1,247	06/01/2014
931142CN1	10820	Wal-Mart Stores		08/14/2009	2,000,000.00	2,078,660.00	2,005,625.66	3.000	AA	2.902	1,129	02/03/2014
931142CT8	10928	Wal-Mart Stores		12/15/2010	1,000,000.00	993,560.00	1,001,574.52	2.250	AA	2.213	1,649	07/08/2015
949746NB3	10715	Wells Fargo Co		01/23/2008	1,000,000.00	1,000,750.00	1,000,249.53	4.875	AA-	4.000	11	01/12/2011
		<b>Subtotal and Average</b>	<b>15,663,505.76</b>		<b>15,085,000.00</b>	<b>15,477,469.25</b>	<b>15,209,939.46</b>			<b>2.163</b>	<b>954</b>	
<b>Municipal Bond Issues - Coupon</b>												
SYS10423	10423	Skpk-2001TXAllocRef Bd		12/18/2001	639,123.03	639,123.03	639,123.03	8.000		7.999	547	07/01/2012
		<b>Subtotal and Average</b>	<b>639,123.03</b>		<b>639,123.03</b>	<b>639,123.03</b>	<b>639,123.03</b>			<b>7.999</b>	<b>547</b>	
		<b>Total and Average</b>	<b>147,425,111.17</b>		<b>152,674,123.03</b>	<b>153,454,341.28</b>	<b>152,946,150.52</b>			<b>1.745</b>	<b>909</b>	



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

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM	Days to Maturity
	1000A	LAIF - TRANS FUNDS		07/01/2010	0.00	0.00	0.00	0.462		0.462	1
		Average Balance	0.00	Accrued Interest at Purchase		39,075.88	39,075.88				0
		Subtotal				39,075.88	39,075.88				
		Total Cash and Investments	147,425,111.17		152,674,123.03	153,493,417.16	152,985,226.40			1.745	909

**CASH AND INVESTMENT PORTFOLIO SHARE (A)  
AS OF DECEMBER 31, 2010**

FUND	SHARE OF INVESTMENTS	POOLED CASH & INVESTMENTS BALANCE	CASH PERCENT
General	31,332,968.40	30,639,664.50	20.49
Parks & Recr Facility & Open Space	4,101,926.65	4,011,163.41	2.68
State Gas Tax	7,441,676.50	7,277,014.69	4.87
Federal Housing, Community Dev	303,691.29	296,971.52	0.20
Street Lighting	27,672.30	27,060.00	0.02
Traffic Congestion Relief Act 2000 - AB2928	1,397,964.24	1,367,031.52	0.91
Proposition 1B	940,490.69	919,680.47	0.61
Police Asset Forfeiture	4,070,630.72	3,980,559.96	2.66
Drainage Improvement	19,884.45	19,444.47	0.01
Measure R Local Return	1,620,041.93	1,584,195.30	1.06
Government Cable	3,043,795.56	2,976,445.56	1.99
Local Return - Proposition C	5,980,600.21	5,848,267.60	3.91
Grants/Donations	(1,164,671.82)	(1,138,901.15) (B)	(0.76)
Citizens Options for Public Safety (COPS) Grant Funds - AB3229	179,533.83	175,561.29	0.12
Seismic Education Fund	58,203.59	56,915.72	0.04
Rehabilitation Housing	683,148.34	668,032.33	0.45
Meadow Park Parking Lot	39,798.44	38,917.82	0.03
Police Inmate Welfare Fund	51,329.01	50,193.25	0.03
Capital Improvements	23,205,039.11	22,691,581.72	15.17
Geologic Hazard Abatement	14,640.59	14,316.64	0.01
El Camino Training Fund-Fire	653,641.79	639,178.67	0.43
El Camino Training Fund-Police	10,226.28	10,000.00	0.01
Vanpool/Rideshare Fund	47,307.36	46,260.59	0.03
Torrance Improvement Fund	(7,610.58)	(7,442.18) (C)	(0.00)
Animal Control Fund	(5,999.88)	(5,867.12) (D)	(0.00)
Redevelopment-Capital Proj	7,024,259.60	6,868,833.96	4.59
Torrance Improvements Debt Service	-	-	0.00
Redevelopment Debt Service	946,240.07	925,302.64	0.62
Underground Storage Tank Fund	3,067.88	3,000.00	0.00
DNA Sampling Fund	54,577.64	53,370.00	0.04
Airport Fund	5,205,392.50	5,090,212.89	3.40
Transit Operations	4,791,662.94	4,685,637.92	3.13
Development Impact Fund	1,007,086.80	984,803.01	0.66
Water Operations	4,995,439.59	4,884,905.61	3.27
Emergency Medical Service Enterprise Fund	39,953.02	39,068.98	0.03
Sanitation Operations	1,972,911.38	1,929,256.81	1.29
Cultural Arts Enterprise	244,521.00	239,110.49	0.16
Sewer Enterprise Fund	11,016,614.89	10,772,850.49	7.20
Parks & Recreation Enterprise Fund	(516,395.08)	(504,968.82) (E)	(0.34)
Self Insurance Fund	8,780,987.55	8,586,690.83	5.74
Fleet Services	13,475,592.35	13,177,418.21	8.81
Postemployment/Compensated Absences Fund	6,216,609.15	6,079,054.38	4.06
Trust & Agency	3,641,700.25	3,561,120.43	2.38
<b>TOTAL</b>	<b>152,946,150.52</b>	<b>149,561,914.41</b>	<b>100.00</b>

(A) The difference between the Share of Investments total of \$152,946,150.52 and the Pooled Cash and Investments total of \$149,561,914.41 is primarily due to outstanding warrants and adjusting journal entries. (See reconciliation schedule attached)

(B) 2008 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 mid September. The City of Los Angeles processes the reimbursement and sends it to the State.

FEAP653 Lomita Right of Way Open Space has a negative cash balance of <\$623,519> Reimbursement requests for 80% payment will be submitted by the end of January 2011. Final payment requests (remaining 20%) will be submitted after Notice of Completion has been filed by General Services.

FEAP726 2007 Buffer Zone Protection Plan Grant has a negative cash balance of <\$177,198> The State has received the reimbursement claim and the funds are expected to be received in February 2011.

(C) Amount represents expenditures for T-051 Crenshaw Boulevard between Maricopa Street and Sepulveda Boulevard rehabilitation project. Drawdown is pending.

(D) Animal license renewal period begins in April and revenues will increase.

(E) Negative cash balance represents net losses from prior years.



City of Torrance  
Investment Report  
December 2010

**CASH AND INVESTMENT RECONCILIATION  
AS OF DECEMBER 31, 2010**

INVESTMENTS PER PORTFOLIO SUMMARY (City Pool)		<b>152,946,150.52</b>
CASH AND INVESTMENTS PER BOOKS		<b>149,561,914.41</b>
CASH IN BANKS:		
Cash in B of A General Account		(\$686,566.02)
Cash in B of A Payroll Account		0.00
OUTSTANDING WARRANTS:		
General Account	1,445,279.92	
Payroll Account	134,705.86	
Workers Compensation Account	205,105.43	
		1,785,091.21
Miscellaneous outstanding adjusting journal entries		642,183.81
Housing Fund restricted cash		(610,047.68)
Payroll for PE 12/31/10 posted on 12/31/10 and paid on 01/7/11		2,253,574.79
INVESTMENTS PER BOOKS		<b>152,946,150.52</b>