

Council Meeting of
January 14, 2014

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

Members of Council:

SUBJECT: City Treasurer - Accept and file Investment Report for November 2013

RECOMMENDATION

Recommendation of the City Treasurer that City Council accept and file the attached monthly investment report for the month of November 2013.

FUNDING

Not applicable

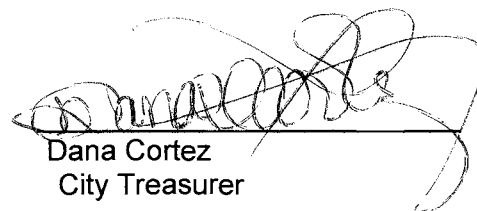
BACKGROUND

On December 17, 2013, Your Honorable Body, through passage of Resolution 2013-86, 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 is provided in the attached report.

Investment Committee Note

The Investment Committee, made up of the Finance Director, City Manager, City Attorney, City Treasurer and Deputy City Treasurer, as created by your Honorable Body, has reviewed the attached report.

Respectfully submitted,



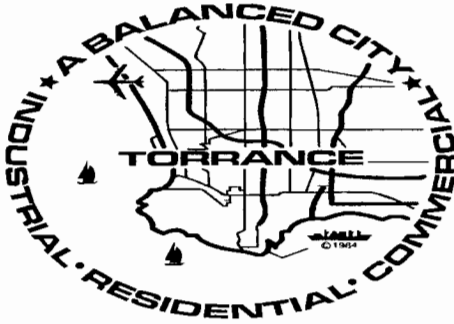
Dana Cortez
City Treasurer

Noted: ...



LeRoy J. Jackson
City Manager

CC: City Manager
City Clerk



Investment Advisory Committee Meeting

AGENDA

**December 23,
2013**

11:00am

**City Manager's
Conference Room**

- Call to Order
 - Approval of 11/25/2013 & 12/09/13 Minutes of Meeting
 - Presentation by the City Treasurer of the November 2013 Investment Reports
- Oral Communication
- Adjournment

Investment Report Summary Notes for November 2013

Investment Activity during the Period

The investment activity for November included 1 purchase and 2 redemptions.

Purchases

<u>Issuer</u>	<u>PAR VALUE</u>	<u>TERM</u>	<u>RATE</u>	<u>YIELD</u>	<u>Structure</u>
Colgate Palmolive	2,000,000	4.5 years	1.549%	1.599%	Bullet

Bullet bonds cannot be redeemed early by the issuer because they do not contain any callable provisions.

Redemptions

<u>Issuer</u>	<u>PAR VALUE</u>	<u>TERM</u>	<u>RATE</u>	<u>YIELD</u>	<u>STATUS</u>
Federal Home Loan Mortgage Corp	1,000,000	3 years	4.58%	.779%	Matured
Coca Cola	1,085,000	3 years	.75%	.995%	Matured

The LAIF balance decreased by \$2.5 million and the average monthly yield was .263%. During the month of November we had 2 LAIF deposits and 6 withdrawals. The total portfolio decreased by \$2.7 million.

Liquidity of the Portfolio

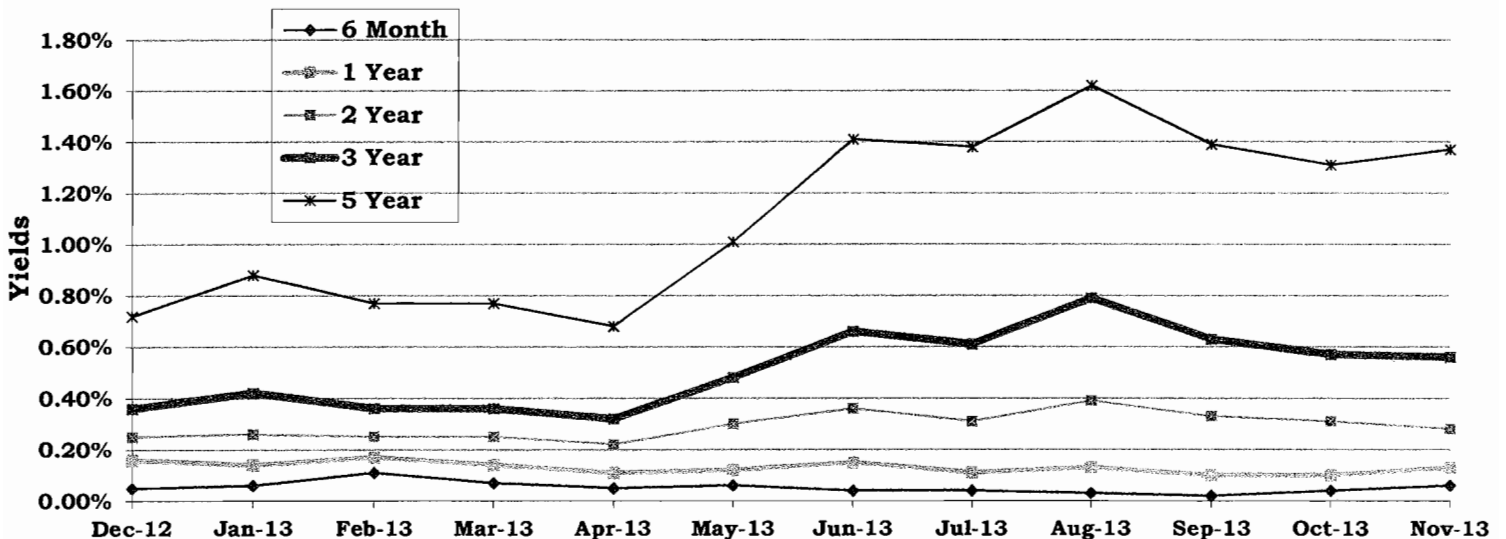
- The current goal is to keep the portfolio at an average maturity between 2 to 3 years based on current economic trends. The goal was set between 2 to 3 years as a gauge to meet liquidity needs and in order to take advantage of rising interest rates. Average maturity is a moving target which is contingent upon the current state or conditions of the economy. The portfolio's current average maturity is 1077 days or 2.95 years.
- The City is in compliance with California Government Code Section 53646 which requires local agency to report its ability to meet pooled expenditure requirements for the next six (6) months. Currently, our projected cash flows for the next six months show that anticipated inflows exceed outflows in the amount of \$26.7 million excluding LAIF that has a projected average balance of 11.3 million for the same period.

Investment Comparison to Benchmark

For the month of November the City's yield to maturity on pooled investments was 1.113%. The yield increased 3 basis points or .03% from the previous month. Yield to maturity incorporates anticipated interest earnings, amortization and accretion of the portfolio as part of its calculation. The average effective rate of return for fiscal year-to-date is 1.18%. The effective rate of return is the actual performance of the portfolio which includes interest earned, loss/gain, amortization and accretion. The average yield on the 3 year U.S. Constant Maturing Treasury (CMT) was .56%. The portfolio performed above these benchmarks (CMT) by 55 basis points or .55%.

The graph below tracks the US Constant Maturing Treasury yields for the past twelve month period for a variety of terms.

Historical Constant Maturing Treasury Yields



Compliance

The City of Torrance Investment Policy is crafted using California Government Code §53600 as its foundation while integrating the City's conservative approach to investing by making the City's policy much more restrictive.

Prepared by the City Treasurer's Dept. for Investment Advisory Committee reference.

Investment Report Summary Notes for November 2013

At the end of FY 2012-2013 the city's portfolio was in full compliance with the City's Investment Policy. During the month of July the portfolio size was reduced by about \$30 million dollar which is normal as the City prepays its PERS contribution during this period. The portfolio overall was in compliance with the Investment Policy by sector but the shrinkage of the portfolio caused certain issuers to be above the permitted limits. Our investment policy as the Government code only requires that purchases be in compliance at the time of purchase which they were. Details below reflect issuers above the allowed limits:

Federal Agency Issuer:

Federal Home Loan Mortgage Corporation = FHLMC

Allowed amount = 30% per Policy

May 2013 is the date of the last purchase -23.50%

July 2013: FHLMC – 31.28%

August 2013: NONE

September 2013: NONE

October 2013: FHLMC – 30.79%

November 2013: FHLMC – 30.71%

Corporate Issuer:

General Electric Capital Corporation = GECC

Allowed amount per Policy = 5%

February 2012 date of the last purchase-4.64%

GECC – 5.75%

GECC – 5.38%

GECC – 5.33%

GECC – 5.56%

GECC – 5.80%

During this period no new purchases were made with the identified issuers. The policy does not require that the portfolio be stored to the permitted limits as these purchases were made within policy. It is anticipated that as the portfolio size grows in the upcoming months this matter will correct itself.



CITY of TORRANCE
Monthly Investment Portfolio Report
November 30, 2013

Table of Content

I. CITY OF TORRANCE – POOLED FUNDS

	<u>Page</u>
• <u>Summary Reports</u>	
○ Portfolio Highlights.....	1
○ Portfolio Activity Summary.....	1
○ Portfolio Summary.....	2
○ Investment Portfolio Monthly Activity.....	3
○ Portfolio Performance.....	4
○ Portfolio Earnings Summary.....	4
• <u>Portfolio Distribution Reports</u>	
○ Maturity Distribution.....	5
○ Market Value and Credit Rating.....	6
○ Federal Agencies Distribution.....	6
○ Portfolio Sectors.....	6
○ Value of Portfolio per GASB 31.....	7
• <u>Detailed Reports</u>	
○ Investment Portfolio Details.....	8-12

II. RESTRICTED FUNDS

• Cash Balance RDA Successor Account.....	13
---	----

III. CASH & INVESTMENT PORTFOLIO SHARE

• Cash & Investment Share as of November 30, 2013..	14
• Cash & Investment Reconciliation.....	15



Investment Report

November 2013

Investment Portfolio Highlights

RETURN		<u>Current Month</u>	<u>Previous Month</u>
Average City Portfolio YTM	1.113%		1.088%
Average U.S. Treasury Constant Maturity - 3 year	0.560%		0.570%
LAIF Average Monthly Return	0.263%		0.266%
Average City Portfolio YTM - 1 year prior	1.333%		1.325%

INTEREST INCOME	<u>Current Period</u>	<u>Prior Year</u>
Fiscal year to date	\$713,438	\$828,846
Current month	\$125,746	\$156,453

MATURITY	<u>Current Month</u>	<u>Prior Month</u>
Average Maturity (days)	1077	1059
Average Maturity 1 Year Prior (days)	1084	1040
Weighted Average Maturity (years)	2.95	2.90

VOLUMES	<u>Total \$ Volume</u>	<u># of Transactions</u>
Purchases	\$10,184,599	3
Maturities/Redemptions	\$12,768,644	8

Portfolio Activity Summary

Month End	Year	Number of Securities	Average Balance	Yield to Maturity 360	Yield to Maturity 365	Managed Pool Rate	Investments Purchased	Investments Redeemed	Average Term	Average Days to Mat
November	2012	103	141,033,428.15	1.309	1.327	0.324%	5	6	1,455	1,084
December	2012	102	140,618,535.89	1.249	1.266	0.326%	5	6	1,392	1,034
January	2013	105	152,968,256.16	1.141	1.157	0.300%	6	3	1,272	946
February	2013	103	163,915,502.52	1.071	1.086	0.286%	2	4	1,199	897
March	2013	103	162,544,755.27	1.088	1.103	0.285%	3	3	1,228	895
April	2013	101	163,304,432.84	0.968	0.981	0.264%	6	8	1,120	822
May	2013	106	176,251,178.31	0.903	0.916	0.245%	9	4	1,081	800
June	2013	107	179,938,768.77	0.956	0.969	0.244%	2	0	1,199	885
July	2013	103	145,319,168.79	1.068	1.083	0.267%	1	4	1,441	1,059
August	2013	101	143,718,235.33	1.003	1.017	0.271%	0	2	1,333	963
September	2013	97	147,018,331.76	0.988	1.002	0.257%	0	4	1,314	930
October	2013	102	148,793,736.36	1.073	1.088	0.266%	7	2	1,475	1,059
November	2013	101	139,220,177.47	1.098	1.113	0.263%	1	2	1,513	1,077
Average		103	154,130,931.87	1.070%	1.085%	0.277%	4	4	1,309	958



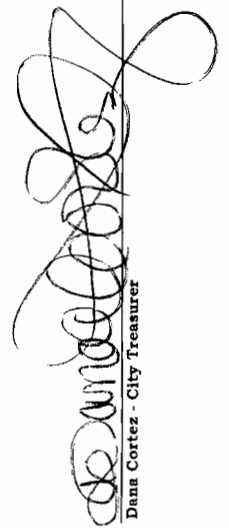
Investment Report November 2013

Investment Portfolio Summary

	% of		Market Value	Portfolio (BV)	Portfolio (MV)	% per Policy	Modified Duration	Days to Maturity	Maximum Term	YTM
	Book Value	% of								
Local Agency Investment Fund (State of California)	\$6,100,000	4.43%	\$6,100,000	4.43%	4.43%	\$50M	0.00%	1	N/A	0.263%
Union Bank Custodial - Money Market Account (For Pending Purchases/Interest)	\$15,000	0.01%	\$15,000	0.01%	0.01%	100%	0.00%	1	N/A	0.001%
Negotiable Certificates of Deposit	\$7,105,000	5.16%	\$7,086,068	5.15%	5.15%	20%	2.31%	868	5 Years	0.560%
Federal Agency Issues	\$101,490,226	73.66%	\$101,127,120	73.44%	73.44%	75%	3.26%	1228	5 Year	0.962%
Farmer Mac	\$14,499,554	10.52%	\$14,385,945	10.45%	10.45%	30%	3.94%	1487	5 Year	1.125%
Federal Farm Credit Bank	\$16,622,483	12.06%	\$16,722,345	12.14%	12.14%	30%	2.71%	1018	5 Year	1.269%
Federal Home Loan Bank	\$18,035,980	13.09%	\$17,885,720	12.99%	12.99%	30%	3.61%	1359	5 Year	0.941%
Federal Home Loan Mortgage Corporation	\$42,314,386	30.71% *	\$42,187,960	30.64% *	30.64%	30%	2.96%	1120	5 Year	0.798%
Federal National Mortgage Association	\$10,017,823	7.27%	\$9,945,150	7.22%	7.22%	30%	3.80%	1418	5 Year	0.946%
U.S. Treasury Securities	\$0		\$0			100%			5 Year	
Medium Term Notes	\$23,067,707	16.74%	\$23,371,816	16.97%	16.97%	20%	2.02%	762	5 Year	2.174%
3m	\$1,085,135	0.79%	\$1,073,336	0.78%	0.78%	5%	3.48%	1303	5 Year	0.864%
Barclay	\$3,000,000	2.18%	\$3,037,320	2.21%	2.21%	5%	2.79%	1062	5 Year	3.287%
Bank of Montreal	\$1,000,982	0.73%	\$995,710	0.72%	0.72%	5%	3.65%	1380	5 Year	1.373%
Colgate Palmolive Co.	\$1,995,339	1.45%	\$1,987,080	1.44%	1.44%	5%	4.71%	1796	5 Year	1.599%
General Electric	\$991,706	0.72%	\$1,030,680	0.75%	0.75%	5%	1.90%	708	5 Year	2.710%
General Electric Capital Corp	\$7,992,230	5.80% *	\$8,153,940	5.92% *	5.92%	5%	1.47%	548	5 Year	2.126%
MicroSoft Corp	\$1,000,000	0.73%	\$1,012,970	0.74%	0.74%	5%	0.50%	182	5 Year	2.949%
Toyota Motor Center Corp	\$3,001,443	2.18%	\$3,042,770	2.21%	2.21%	5%	1.81%	675	5 Year	1.389%
Wal-Mart Stores	\$3,000,872	2.18%	\$3,038,010	2.21%	2.21%	5%	0.64%	237	5 Year	2.672%
Total Investments	\$137,777,933	100.00%	\$137,700,004	100.00%	100.00%		2.85%	1077	Earnings Credit	1.113%
Cash In Bank - General	\$1,757,529								Earnings Credit	0.250%
Cash In Bank - Housing	\$1,623,486								Earnings Credit	0.250%
Total Funds	\$141,158,948									

* Portfolio Notes: Section 53601 of the California Government Code which is the foundation of our Statement of Investment Policy states that "Where this section specifies a percentage limitation for a particular category of investment, that percentage is applicable only at the date of purchase". These two investments were in compliance at the time of purchase.

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 2012-94 on December 18, 2012, per California Government Code §53601. A copy of this policy is available at the office of the City Clerk.


 Dana Cortez - City Treasurer


 Shiela Abalayan - Deputy City Treasurer

Effective Rate of Return
Month Ending **Fiscal YTD**
 1.10% 1.18%



Investment Report

November 2013

Portfolio Monthly Activity Detail

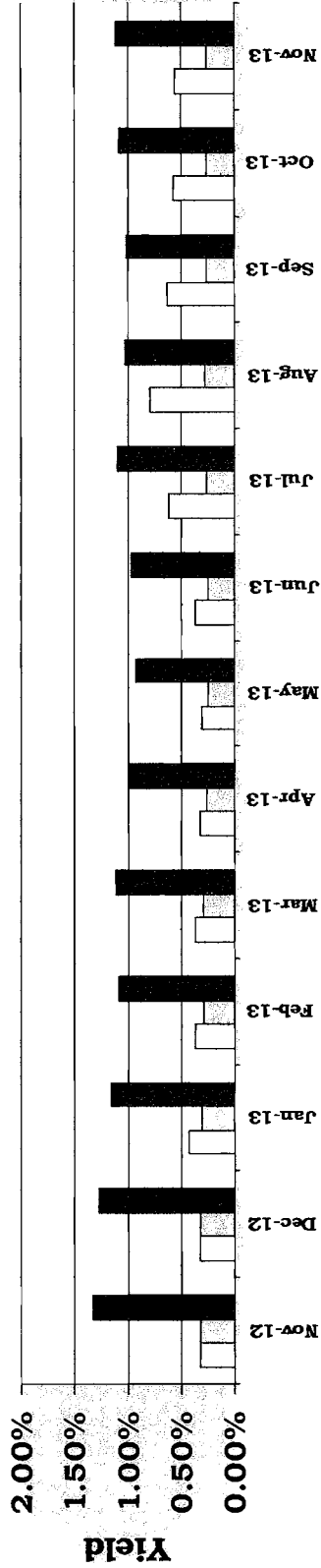
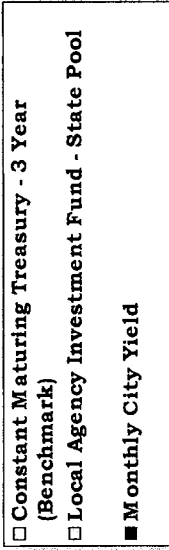
Investment Number.	BROKER	PURCHASE DATE	DESCRIPTION	QUALITY RATING	MATURITY DATE	DAYS HELD/ MATURITY	RATE	YIELD	PAR VALUE	Book Value	MARKET VALUE	
PURCHASES												
11116	Morgan Stanley	11/01/2013	Colgate Palmolive	AA-	11/01/2018	1687	1.549%	1.599%	2,000,000	1,995,260	1,987,080	
									1.599%	\$2,000,000	\$1,995,260	\$1,987,080
MATURITIES/CALLS/SALES												
10915	Wedbush Securities	11/22/2010	PHLMC	AA+/Aaa	11/15/2013	1119/1119	4.58%	0.779%	1,000,000	1,000,000	1,000,000	
10924	Wedbush Securities	10/27/2010	Coca Cola	AA-/Aa3	11/19/2013	1089/1089	0.75%	0.995%	1,085,000	1,085,000	1,085,000	
									0.891%	\$2,085,000	2,085,000	\$2,085,000
State of California Local Agency Pool												
		City	Rate	Yield	Deposits	Withdrawals	Interest Earned	Ending Balance				
		8,609,305	0.263%	0.263%	5,000,000	7,509,305		6,100,000				
		\$8,609,305			\$5,000,000	\$7,509,305	\$	6,100,000				



Investment Report

November 2013

Portfolio Performance



Portfolio Earnings Summary

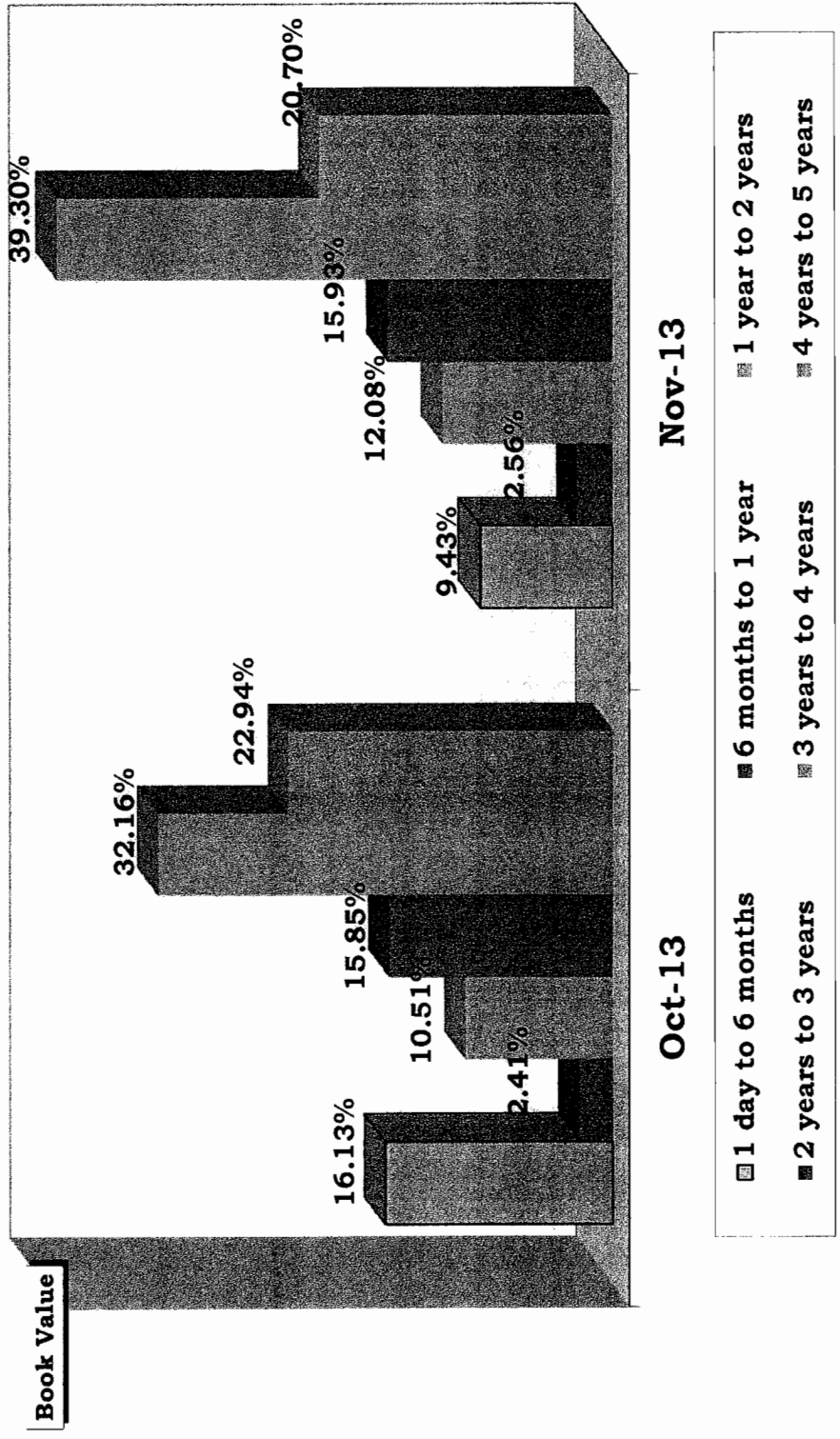
	November 30, 2013	Fiscal Year to Date
CD/Coupon/Discount Investments:		
Interest Collected	\$104,334.68	\$916,025.86
Plus Interest at End of Period	\$576,675.07	\$576,675.06
Less Accrued Interest at Beginning of Period	(\$507,575.06)	(\$598,200.54)
Interest Earned	\$173,434.69	\$894,500.38
Adjusted By Premium	(\$48,939.32)	(\$265,920.02)
Adjusted by Capital	\$0.00	\$70,290.08
Earnings during Cash/Checking Accounts:	\$124,495.37	\$698,870.44
Interest Collected	\$4.56	\$35,435.61
Plus Accrued Interest at End of Period	\$5,228.60	\$5,228.60
Less Interest at Beginning of Period	(\$3,982.93)	(\$26,096.69)
Interest Earned	\$1,250.23	\$14,567.52
Total Interest Earned	\$174,684.92	\$909,067.90
Total Adjustments from Premium and Discounts	(\$48,939.32)	(\$265,920.02)
Total Capital Gains or Loss	\$0.00	\$70,290.08
Total Earnings this Period	\$125,745.60	\$713,437.96



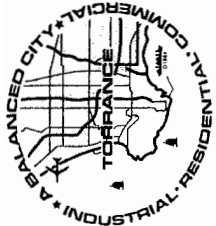
Investment Report

November 2013

Maturity Distribution



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 monies 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.

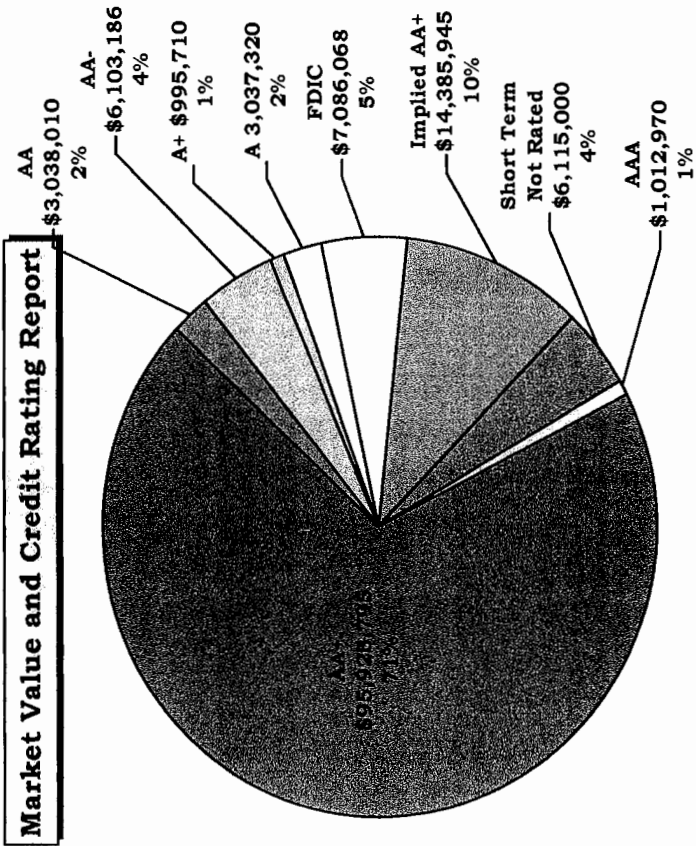


Investment Report

November 2013

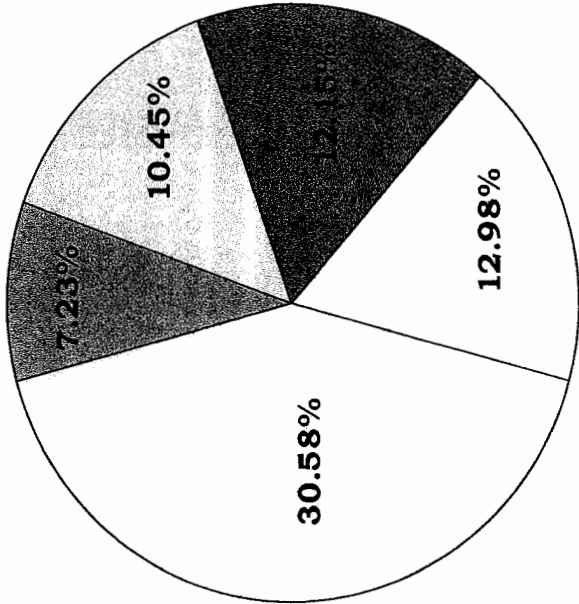
Portfolio Distribution

Market Value and Credit Rating Report

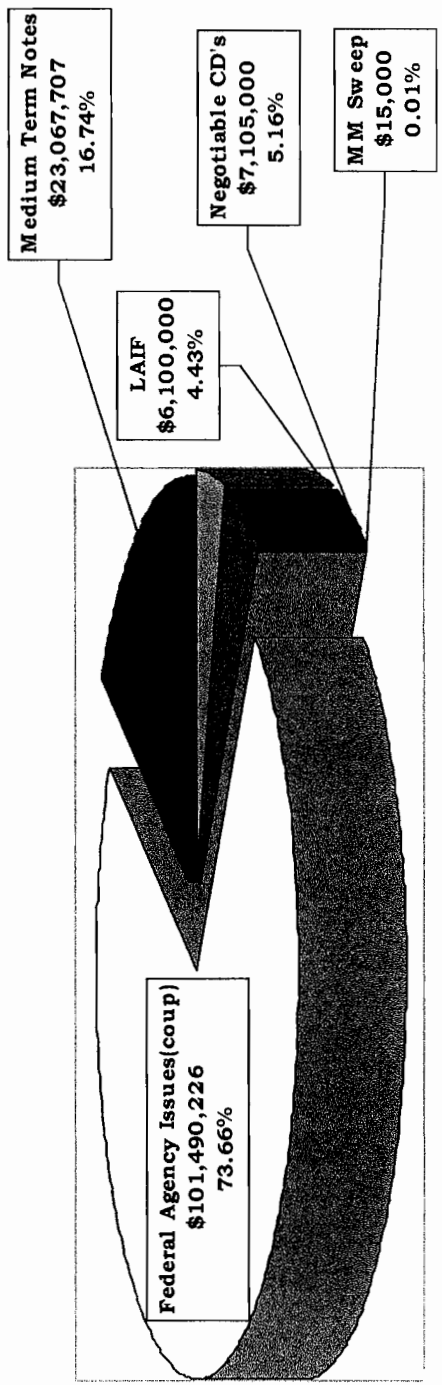


- Farmer Mac
- Fed Farm Credit Bank
- Federal Home Loan Bank
- Federal Home Loan Mortgage Corp
- Federal National Mortgage Assoc.

Federal Agencies Distribution (MV)



Portfolio Sectors (Book Value)





Investment Report

November 2013

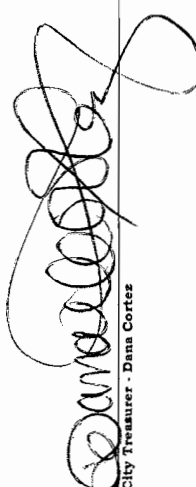
Value of Portfolio per GASB 31

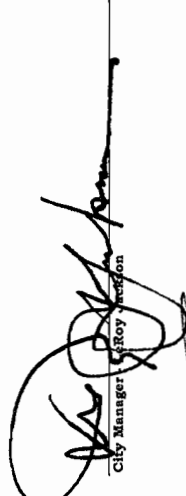
	Beginning Investment Value as of <u>July 1, 2013</u>	Change in Market Value	Ending Investment Value as of <u>November 30, 2013</u>
Federal Agency (Coupon)	\$105,287,920	\$461,090	\$101,127,120
U.S. Treasury Securities	\$0	\$0	\$0
Negotiable Certificate Deposits	\$6,843,933	(\$2,865)	\$7,086,068
Medium Term Notes	\$25,441,688	\$19,868	\$23,371,816
Municipal Bonds	\$0	\$0	\$0
SUBTOTAL PER GASB 31	\$137,573,541	\$478,093	\$131,585,004
<u>Non-GASB</u>			
Local Agency Investment Funds	\$40,100,000	\$0	\$6,100,000
Money Market	\$0	\$0	\$15,000
Federal Agency - Disc.	\$0	\$0	\$0
Treasury Security - Disc.	\$0	\$0	\$0
Certificate of Deposits - Disc.	\$0	\$0	\$0
Commercial paper	\$0	\$0	\$0
TOTAL PORTFOLIO	\$177,673,541	\$478,093	\$137,700,004

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 longer 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.

GASB31 requires Governmental entities, including governmental external investment pools, should report investments at fair value in the balance sheet (or other statement of financial position). Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Reviewed by the Investment Advisory Committee:


 City Treasurer - Dana Cortez


 City Manager - Kelly Jackson


 City Attorney - John Fellows III


 Deputy City Treasurer - Shiela Abalayan

**Monthly Investment Reports
Portfolio Management
Portfolio Details - Investments
November 30, 2013**

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			6,100,000.00	6,100,000.00	6,100,000.00	0.263		0.263	1	
SYS1000a	1000A	LAIF - TRANS FUNDS		07/01/2013	0.00	0.00	0.00	0.263		0.263	1	
		Subtotal and Average	5,693,333.33		6,100,000.00	6,100,000.00	6,100,000.00			0.263	1	
Money Market Sweep Account												
316175109S	1000	Union Bank of California			15,000.00	15,000.00	15,000.00	0.001		0.001	1	
		Subtotal and Average	734,275.72		15,000.00	15,000.00	15,000.00			0.001	1	
Negotiable CD's												
33764JHM0	11052	First Bank of Puerto Rico		08/01/2012	245,000.00	246,337.70	245,000.00	1.250	FDIC	1.251	974	08/01/2016
330459AE8	11110	1st National Bank Kentucky		10/03/2013	245,000.00	244,429.15	245,000.00	0.900	FDIC	0.900	1,037	10/03/2016
332135FA5	11069	First National Bank of Omaha		10/10/2012	245,000.00	245,044.10	245,000.00	0.550	FDIC	0.550	130	04/10/2014
02005QNR0	11044	Ally Bank		08/01/2012	245,000.00	246,374.45	245,000.00	1.150	FDIC	1.150	610	08/03/2015
02587DLD8	11070	American Express Cent		10/04/2012	245,000.00	245,009.80	245,000.00	1.550	FDIC	1.550	1,403	10/04/2017
037630NA0	11047	Apple Bank Savings		09/01/2012	245,000.00	245,031.85	245,000.00	0.500	FDIC	0.500	64	02/03/2014
06740AYC7	11090	Barclays Bank		03/12/2013	245,000.00	240,543.94	245,000.00	1.000	FDIC	0.900	1,562	03/12/2018
06426NGR7	11068	Bank of China		09/26/2012	245,000.00	245,637.00	245,000.00	0.650	FDIC	0.650	299	09/26/2014
05568PZ91	11073	BMW Bank of North America		11/02/2012	245,000.00	245,879.55	245,000.00	0.950	FDIC	0.900	701	11/02/2015
060824XH1	11091	Bank of Baroda		03/08/2013	245,000.00	240,406.25	245,000.00	1.250	FDIC	0.000	1,558	03/08/2018
149159HR9	11094	Cathay Bank		04/12/2013	245,000.00	239,975.05	245,000.00	1.000	FDIC	1.001	1,593	04/12/2018
17284CBZ6	11093	CIT BANK		04/17/2013	245,000.00	239,835.40	245,000.00	1.150	FDIC	0.000	1,598	04/17/2018
20033AAU0	11084	Comenity Capital Bank		01/18/2013	245,000.00	243,980.80	245,000.00	0.750	FDIC	0.750	1,144	01/18/2017
254671GK0	11058	Discover Bank		09/19/2012	245,000.00	246,195.60	245,000.00	1.250	FDIC	1.250	1,023	09/19/2016
25811L2K4	11077	DORAL BANK		12/07/2012	245,000.00	245,000.00	245,000.00	0.550	FDIC	0.550	5	12/06/2013
29976DNQ9	11059	EverBank		09/14/2012	245,000.00	246,222.55	245,000.00	0.900	FDIC	0.900	1,018	09/14/2016
307660HE3	11113	Farm Bureau Bank		10/15/2013	245,000.00	244,363.00	245,000.00	0.900	FDIC	0.000	1,048	10/14/2016
36160XN52	11051	GE Capital Bank		08/03/2012	245,000.00	246,200.50	245,000.00	1.150	FDIC	1.150	610	08/03/2015
36157PSB6	11111	GE Money bank		10/04/2013	245,000.00	244,394.85	245,000.00	1.200	FDIC	0.000	1,038	10/04/2016
38143AXS9	11045	Goldman Sachs Bank		08/01/2012	245,000.00	246,477.35	245,000.00	1.200	FDIC	1.200	610	08/03/2015
062782W52	11080	BANK OF INDIA		12/05/2012	245,000.00	245,000.00	245,000.00	0.500	FDIC	0.500	3	12/04/2013
48124JRY6	11085	JPMORGAN		01/28/2013	245,000.00	242,611.99	245,000.00	0.750	FDIC	0.000	1,519	01/28/2018
60688TGZ6	11078	Mizuho Corp USA		12/12/2012	245,000.00	245,029.40	245,000.00	0.550	FDIC	0.550	11	12/12/2013
74267GTZ0	11112	Private Bank & Trust Co		10/04/2013	245,000.00	244,220.90	245,000.00	1.000	FDIC	0.000	1,038	10/04/2016
786580X96	11043	Safra National Bank		07/31/2012	245,000.00	246,428.35	245,000.00	0.800	FDIC	0.800	607	07/31/2015
795450NT8	11053	Sallie Mae Bank		08/08/2012	245,000.00	246,359.75	245,000.00	1.100	FDIC	1.100	617	08/10/2015
84603M2H8	11046	Sovereign Bank		08/01/2012	245,000.00	245,627.20	245,000.00	0.850	FDIC	0.850	243	08/01/2014

Portfolio CITY
AP
PM (PRF_PM2) 7.2.5

Data Updated: SET_TR: 12/16/2013 16:25

Run Date: 12/16/2013 - 16:25

Monthly Investment Reports
Portfolio Management
Portfolio Details - Investments
November 30, 2013

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM	Days to Maturity	Maturity Date
Negotiable CD's												
856283UK0	11098	STATE BANK of INDIA		05/14/2013	245,000.00	239,548.75	245,000.00	1.150	FDIC	0.000	1,625	05/14/2018
94768NJD7	11081	Webster Bank		12/12/2012	245,000.00	243,902.40	245,000.00	1.000	FDIC	0.000	1,472	12/12/2017
		Subtotal and Average	7,105,000.00		7,105,000.00	7,086,067.63	7,105,000.00			0.560	868	
Federal Agency Issues - Coupon												
31315PXK0	11071	FARMER MAC		10/25/2012	2,000,000.00	1,988,920.00	2,000,000.00	0.650		1.053	1,424	10/25/2017
31315PWE5	11063	FARMER MAC		01/08/2013	3,000,000.00	2,959,440.00	2,999,922.92	0.930		0.935	1,499	01/08/2018
31315PNZ8	11086	FARMER MAC		01/30/2013	2,000,000.00	1,978,100.00	2,000,999.33	1.050		1.038	1,521	01/30/2018
31315PXM6	11097	FARMER MAC		05/02/2013	2,000,000.00	1,954,980.00	1,999,116.11	0.850		0.860	1,613	05/02/2018
31315PXF1	11099	FARMER MAC		05/02/2013	2,000,000.00	1,997,120.00	1,999,516.11	0.400		0.410	883	05/02/2016
31315P6A2	11115	FARMER MAC		10/04/2013	3,500,000.00	3,507,385.00	3,500,000.00	1.940		1.940	1,767	10/03/2018
31331XWW8	10879	FEDERAL FARM CREDIT BANK		05/05/2010	500,000.00	509,665.00	505,350.15	5.000	AA+	2.192	145	04/25/2014
31331JQ55	10907	FEDERAL FARM CREDIT BANK		10/06/2010	1,000,000.00	1,008,180.00	1,000,000.00	1.150	AA+	1.150	309	10/06/2014
31331KCK4	10942	FEDERAL FARM CREDIT BANK		02/17/2011	1,000,000.00	1,021,890.00	1,000,000.00	2.030	AA+	2.030	443	02/17/2015
31331VPV2	10954	FEDERAL FARM CREDIT BANK		04/01/2011	2,000,000.00	2,209,000.00	2,117,133.33	4.950	AA+	2.280	852	04/01/2016
31331KGN4	10955	FEDERAL FARM CREDIT BANK		04/07/2011	1,000,000.00	1,004,480.00	1,000,000.00	1.400	AA+	1.400	127	04/07/2014
3133EA81	11041	FEDERAL FARM CREDIT BANK		07/30/2012	1,000,000.00	998,970.00	1,000,000.00	0.780	AA+	0.780	1,156	01/30/2017
3133EAX29	11060	FEDERAL FARM CREDIT BANK		09/18/2012	1,000,000.00	993,120.00	1,000,000.00	0.980	AA+	0.980	1,387	09/18/2017
3133EA2K3	11066	FEDERAL FARM CREDIT BANK		09/28/2012	1,000,000.00	1,000,020.00	1,000,000.00	0.450	AA+	0.450	666	09/28/2015
3133EA2H0	11067	FEDERAL FARM CREDIT BANK		10/01/2012	1,000,000.00	1,000,020.00	1,000,000.00	0.440	AA+	0.440	669	10/01/2015
3133EC5A8	11075	FEDERAL FARM CREDIT BANK		11/28/2012	2,000,000.00	1,972,540.00	2,000,000.00	0.870	AA+	0.870	1,457	11/27/2017
3133ECE26	11087	FEDERAL FARM CREDIT BANK		01/30/2013	1,000,000.00	987,240.00	1,000,000.00	0.940	AA+	1.022	1,521	01/30/2018
3133ED3Z3	11109	FEDERAL FARM CREDIT BANK		10/04/2013	3,000,000.00	3,014,730.00	3,000,000.00	1.230	AA+	1.230	1,403	10/04/2017
3133ED4Q2	11114	FEDERAL FARM CREDIT BANK		10/11/2013	1,000,000.00	1,002,490.00	1,000,000.00	1.480	AA+	1.480	1,653	06/11/2018
313373RC8	10956	FEDERAL HOME LOAN BANK		05/16/2011	1,000,000.00	1,007,200.00	1,000,559.19	1.250	AA+	1.164	241	07/30/2014
313376Q99	11007	FEDERAL HOME LOAN BANK		01/13/2012	2,000,000.00	2,002,160.00	2,000,000.00	1.125	AA+	1.125	1,139	01/13/2017
313378W56	11037	FEDERAL HOME LOAN BANK		04/30/2012	2,000,000.00	2,013,380.00	2,000,000.00	2.000	AA+	1.425	1,240	04/24/2017
313370TW8	11040	FEDERAL HOME LOAN BANK		07/25/2012	1,000,000.00	1,038,160.00	1,037,707.45	2.000	AA+	0.620	1,013	09/09/2016
313380P92	11050	FEDERAL HOME LOAN BANK		09/26/2012	1,000,000.00	992,360.00	1,000,000.00	1.000	AA+	1.000	1,395	09/26/2017
313380MF1	11057	FEDERAL HOME LOAN BANK		09/18/2012	1,000,000.00	992,530.00	1,000,000.00	1.000	AA+	1.005	1,387	09/18/2017
3133824S9	11089	FEDERAL HOME LOAN BANK		02/27/2013	1,000,000.00	990,640.00	1,000,000.00	1.100	AA+	1.100	1,549	02/27/2018
313383AA9	11105	FEDERAL HOME LOAN BANK		06/12/2013	4,000,000.00	3,927,880.00	4,000,000.00	1.000	AA+	1.000	1,654	06/12/2018
3133837E5	11106	FEDERAL HOME LOAN BANK		06/06/2013	4,000,000.00	3,922,280.00	4,000,000.00	0.625	AA+	0.625	1,648	06/06/2018
3133834R9	11108	FEDERAL HOME LOAN BANK		05/24/2013	1,000,000.00	999,130.00	997,713.29	0.375	AA+	0.465	936	06/24/2016
3134G3EN6	11003	FEDERAL HOME LOAN MORTGAGE CO		12/30/2011	1,000,000.00	1,000,600.00	1,000,000.00	1.000	AA+	1.000	576	06/30/2015
3134G3GM6	11009	FEDERAL HOME LOAN MORTGAGE CO		01/13/2012	1,000,000.00	1,006,020.00	1,000,000.00	1.300	AA+	1.300	1,139	01/13/2017

Portfolio CITY
AP
PM (PRF_PM2) 7.2.5

Monthly Investment Reports
 Portfolio Management
 Portfolio Details - Investments
 November 30, 2013

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												
3134G3GX2	11010	FEDERAL HOME LOAN MORTGAGE CO		01/13/2012	2,000,000.00	2,002,060.00	2,000,000.00	1.400	AA+	1.400	1,139	01/13/2017
3137EADC0	11017	FEDERAL HOME LOAN MORTGAGE CO		01/30/2012	1,000,000.00	1,007,710.00	997,758.71	1.000	AA+	1.071	1,193	03/08/2017
3134G3MR8	11018	FEDERAL HOME LOAN MORTGAGE CO		02/13/2012	1,000,000.00	1,000,890.00	1,000,000.00	0.550	AA+	0.550	439	02/13/2015
3134G3NA4	11019	FEDERAL HOME LOAN MORTGAGE CO		02/28/2012	3,000,000.00	3,004,260.00	3,000,000.00	0.750	AA+	0.750	1,185	02/28/2015
3134G3MX5	11021	FEDERAL HOME LOAN MORTGAGE CO		02/24/2012	1,000,000.00	1,001,410.00	1,000,000.00	0.800	AA+	0.800	815	02/24/2016
3134G3NA4	11022	FEDERAL HOME LOAN MORTGAGE CO		02/28/2012	2,000,000.00	2,002,840.00	2,000,000.00	0.750	AA+	1.313	1,185	02/28/2017
3134G3MT4	11026	FEDERAL HOME LOAN MORTGAGE CO		02/24/2012	2,000,000.00	2,002,520.00	2,000,000.00	1.125	AA+	1.125	1,181	02/24/2017
3134G3SD3	11027	FEDERAL HOME LOAN MORTGAGE CO		03/28/2012	2,000,000.00	2,003,880.00	2,000,000.00	0.750	AA+	0.750	666	09/28/2015
3137EACT4	11034	FEDERAL HOME LOAN MORTGAGE CO		04/26/2012	1,000,000.00	1,048,910.00	1,041,285.44	2.500	AA+	0.810	908	05/27/2016
3134G3WDB	11039	FEDERAL HOME LOAN MORTGAGE CO		06/12/2012	2,000,000.00	2,007,760.00	2,000,000.00	1.250	AA+	1.250	1,289	06/12/2017
3134G3ZL3	11079	FEDERAL HOME LOAN MORTGAGE CO		12/26/2012	2,000,000.00	1,966,180.00	2,000,000.00	0.850	AA+	0.850	1,486	12/26/2017
3134G33B4	11082	FEDERAL HOME LOAN MORTGAGE CO		01/11/2013	1,000,000.00	988,960.00	1,000,000.00	1.000	AA+	1.000	1,502	01/11/2018
3137EADJ5	11095	FEDERAL HOME LOAN MORTGAGE CO		04/23/2013	3,000,000.00	3,006,120.00	3,036,730.14	1.000	AA+	0.660	1,335	07/28/2017
3137EAA64	11096	FEDERAL HOME LOAN MORTGAGE CO		04/26/2013	5,000,000.00	5,646,900.00	5,862,940.75	5.500	AA+	0.420	960	07/18/2016
3137EADH9	11101	FEDERAL HOME LOAN MORTGAGE CO		05/13/2013	5,000,000.00	5,009,300.00	5,048,885.06	1.000	AA+	0.722	1,306	06/29/2017
3134G44N5	11102	FEDERAL HOME LOAN MORTGAGE CO		05/28/2013	2,000,000.00	1,964,120.00	2,000,000.00	0.750	AA+	0.750	1,458	11/28/2017
3137EAA64	11107	FEDERAL HOME LOAN MORTGAGE CO		05/22/2013	4,000,000.00	4,517,520.00	4,526,785.42	5.500	AA+	0.452	960	07/18/2016
3136G0VA6	11050	FEDERAL NATIONAL MORT ASSOC		08/14/2012	1,000,000.00	996,100.00	1,000,000.00	0.750	AA+	1.226	1,352	08/14/2017
3136G0D57	11054	FEDERAL NATIONAL MORT ASSOC		09/27/2012	1,000,000.00	999,820.00	1,000,000.00	0.750	AA+	1.240	1,396	09/27/2017
3136G0D24	11061	FEDERAL NATIONAL MORT ASSOC		09/25/2012	1,000,000.00	996,420.00	1,000,000.00	0.500	AA+	1.093	1,394	09/25/2017
3136G0F97	11065	FEDERAL NATIONAL MORT ASSOC		09/27/2012	1,000,000.00	999,410.00	1,000,000.00	0.750	AA+	1.179	1,396	09/27/2017
3136G08R7	11076	FEDERAL NATIONAL MORT ASSOC		11/28/2012	1,000,000.00	998,320.00	1,000,000.00	0.625	AA+	1.068	1,457	11/27/2017
3135G0P00	11100	FEDERAL NATIONAL MORT ASSOC		04/26/2013	3,000,000.00	2,987,280.00	3,017,822.69	0.875	AA+	0.720	1,425	10/26/2017
3136G1LZ0	11103	FEDERAL NATIONAL MORT ASSOC		05/28/2013	2,000,000.00	1,967,800.00	2,000,000.00	0.750	AA+	0.750	1,458	11/28/2017
Subtotal and Average							100,000,000.00	101,127,120.00		0.962	1,228	
Medium Term Notes												
88579YAE1	11104	3M Company		05/23/2013	1,080,000.00	1,073,336.40	1,085,134.77	1.000	AA-	0.864	1,303	06/26/2017
06738KXV8	10989	Barclays Bank		10/28/2011	3,000,000.00	3,037,320.00	3,000,000.00	2.500	A	3.287	1,062	10/28/2016
06366RHA6	11056	Bank of Montreal		09/11/2012	1,000,000.00	995,710.00	1,000,982.22	1.400	A+	1.373	1,380	09/11/2017
19416QED8	11116	Colgate Palmolive Co		11/01/2013	2,000,000.00	1,987,080.00	1,995,339.00	1.549	AA-	1.599	1,796	11/01/2018
36962G4T8	10925	General Electric		11/19/2010	1,000,000.00	1,030,680.00	991,705.89	2.250	AA+	2.710	708	11/09/2015
36962G4X9	10935	General Electric Capital Corp		01/10/2011	2,000,000.00	2,003,380.00	1,999,896.38	2.100	AA+	2.154	37	01/07/2014
36962G5N0	11011	General Electric Capital Corp		01/10/2012	2,000,000.00	2,098,240.00	2,001,864.37	2.900	AA+	2.868	1,135	01/09/2014
36962G5M2	11012	General Electric Capital Corp		01/10/2012	2,000,000.00	2,038,320.00	2,001,696.76	2.150	AA+	2.070	404	01/09/2015
36962G4N1	11024	General Electric Capital Corp		02/22/2012	2,000,000.00	2,014,000.00	1,988,772.51	0.993	AA+	1.389	618	08/11/2015

Data Updated: SET_TR: 12/16/2013 16:25

Run Date: 12/16/2013 - 16:25

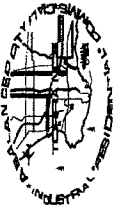
Portfolio CITY
 AP
 PM (PRF_PM2)7.2.5

Monthly Investment Reports
Portfolio Management
Portfolio Details - Investments
November 30, 2013

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												
594918AB0	10821	Microsoft Corp		08/17/2009	1,000,000.00	1,012,970.00	1,000,000.00	2.950	AAA	2.949	182	06/01/2014
89233P5S1	11015	Toyota Motor Credit Corp		01/13/2012	1,000,000.00	1,027,150.00	1,002,654.51	2.050	AA-	1.960	1,138	01/12/2017
89233P5Z5	11023	Toyota Motor Credit Corp		02/17/2012	2,000,000.00	2,015,620.00	1,998,788.89	1.000	AA-	1.102	443	02/17/2015
931142CN1	10820	Wal-Mart Stores		08/14/2009	2,000,000.00	2,008,940.00	2,000,313.66	3.000	AA	2.902	64	02/03/2014
931142CT8	10928	Wal-Mart Stores		12/15/2010	1,000,000.00	1,029,070.00	1,000,558.39	2.250	AA	2.213	584	07/08/2015
Subtotal and Average			23,573,738.40		23,080,000.00	23,371,816.40	23,067,707.35			2.174	762	
Total and Average			139,220,177.47		136,300,000.00	137,700,004.03	137,777,933.44			1.113	1,077	

Monthly Investment Reports
 Portfolio Management
 Portfolio Details - Cash
 November 30, 2013

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		188.61	188.61				0
		Subtotal				188.61	188.61				
		Total Cash and Investments	139,220,177.47		136,300,000.00	137,700,192.64	137,778,122.05			1.113	1,077



CITY OF TORRANCE FISCAL AGENT FOR SUCCESSOR RDA
RESTRICTED CASH BALANCE REPORT
November 30, 2013

Book Value

Bank of America
City of Torrance
Successor RDA Agency
Account # xx-046
209,155.18

Bank of America
City of Torrance
Successor RDA Agency - Low Mod
Account # xx-140
-

Local Agency Investment Fund (LAIF)
City of Torrance
Successor RDA Agency
Account# -xx-3001
777.25

TOTAL
\$ 209,932.43


**CASH AND INVESTMENTS PER BOOKS
AS OF NOVEMBER 30, 2013 (PRE-CLOSE)**

FUND	CASH & INVESTMENTS PER BOOKS	PERCENT OF TOTAL
General	11,942,974.65	8.53
Parks & Recr Facility & Open Space	3,937,388.57	2.82
State Gas Tax	13,401,534.69	9.6
Federal Housing, Community Dev	667,512.12	0.48
Street Lighting	27,060.00	0.02
Traffic Congestion Relief Act 2000 - AB2928	-	0
Proposition 1B	1,689,694.44	1.21
Police Asset Forfeiture	3,783,807.15	2.71
Drainage Improvement	19,444.47	0.01
Measure R Local Return	4,720,563.53	3.38
Government Cable	4,727,094.05	3.39
Local Return - Proposition C	3,760,379.93	2.69
TDA Article 3 Bicycle Fund	218,664.01	0.16
Grants/Donations	(61,332.34) (A)	-0.04
CDBG Fund	(98,451.13) (B)	-0.07
Citizens Options for Public Safety (COPS) Grant Funds - AB3229	215,386.84	0.15
Seismic Education Fund	58,951.98	0.04
Rehabilitation Housing	706,334.73	0.51
Meadow Park Parking Lot	38,027.22	0.03
Police Inmate Welfare Fund	54,452.54	0.04
Capital Improvements	18,038,172.23	12.92
Geologic Hazard Abatement	14,316.64	0.01
El Camino Training Fund-Fire	136,319.70	0.1
El Camino Training Fund-Police	10,000.00	0.01
Vanpool/Rideshare Fund	11,617.60	0.01
Torrance Public Financing - 1998 COP Fire/Police	-	0
Animal Control Fund	-	0
Successor Agency - Low Mod Housing Capital Project	6,217.74 (C)	0
Successor Agency - Downtown Debt Service	14,354.35 (D)	0.01
Successor Agency - Skypark Debt Service	-	0
Successor Agency - Industrial Debt Service	144,670.07 (E)	0.1
Underground Storage Tank Fund	-	0
DNA Sampling Fund	6,777.38	0
Airport Fund	6,336,460.15	4.54
Transit Operations	12,829,460.76	9.19
Development Impact Fund	1,110,467.61	0.8
Water Operations	8,919,709.68	6.39
Emergency Medical Service Enterprise Fund	-	0
Sanitation Operations	(597,400.23) (F)	-0.43
Cultural Arts Enterprise	(90,381.73) (G)	-0.06
Sewer Enterprise Fund	8,665,010.79	6.21
Parks & Recreation Enterprise Fund	252,835.57	0.18
Self Insurance Fund	5,758,322.52	4.12
Fleet Services	17,662,484.94	12.65
Postemployment/Compensated Absences Fund	8,150,497.01	5.84
Trust & Agency	2,437,035.53	1.75
TOTAL CASH AND INVESTMENTS PER BOOKS	139,626,435.76	100

Redev Obligation Retirement Fund

209,155.18 (H)

- (A) T-030 Del Amo Blvd. extension project - MTA Grant has a negative cash balance of <\$506,675.19>. METRO is holding approximately \$701,873 of reimbursement and will issue the check to City when the final review is completed.
T-131 Intersection Improvements - Measure R HW - MTA Grant has a negative cash balance of <\$150,648.79>. Quarterly reimbursement request will be submitted in January 2014.
FEAP764 Torrance Transit Terminal project - Measure R HW-MTA Grant has a negative cash balance of <\$251,229.54>. Quarterly reimbursement request will be submitted in January 2014.
I-111 Measure R N47 Maple Ave @ Sepulveda project - Measure R HW-MTA Grant has a negative cash balance of <\$31,987.04>. MTA audit is in process. Once the audit is completed, Metro will release the payment.
FEAP810 Pueblo Park Renovation - County Grant has a negative cash balance of <\$82,736.90>. As per Department, this grant requires additional documents before the reimbursement request can be submitted. Department is in process to prepare those documents.
I-102 Stormwater Basin Enhancement Program - State Grant has a negative cash balance of <\$25.42>. Department will request the reimbursement when more expenses are accumulated.
- (B) CDBG Fund has a negative cash balance of <\$98,451.13> due to Home Improvement Program charges. Per Department, there are issues related to the reimbursement. Department is working with CDBG for clarification.
- (C) Funds will be used to pay Coleman Court and Ocean Terrace Senior rental subsidy.
- (D) Residuals that will be used to pay Downtown bond debt.
- (E) Residuals that will be used to pay Industrial bond debt.
- (F) Sanitation Operations Fund has a negative cash balance due to the purchase of green waste containers from Toter, Inc. for \$613,481 in May 2012 & \$500,176.05 in September 2012 and a \$145,095.72 transfer to Fleet Veh Reol Fd for a refuse truck in November 2013.
- (G) Finance department is monitoring and working with General Services.
- (H) The cash balance of Redev Obligation Retirement Fund for \$209,155.18 is in a separate Bank of America account.



City of Torrance
Investment Report
November 2013

**CASH AND INVESTMENTS RECONCILIATION
AS OF NOVEMBER 30, 2013 (PRE-CLOSE)**

INVESTMENTS PER PORTFOLIO SUMMARY		\$ 137,777,933.44
Cash in Bank of America General Account	\$ 1,757,528.97	
Cash in Bank of America Housing Account	1,623,485.96	
		<u>3,381,014.93</u>
TOTAL FUNDS PER INVESTMENT REPORT		\$ 141,158,948.37
OUTSTANDING WARRANTS:		
General Account	\$ (1,135,133.63)	
Payroll Account	(71,117.95)	
Workers' Compensation Account	(186,847.48)	
Housing Account	(9,837.00)	
		<u>(1,402,936.06)</u>
MISCELLANEOUS OUTSTANDING ADJUSTING JOURNAL ENTRIES:		
Union Bank transaction on 11/9/2013 Interfaced on 12/9/2013	\$ (11,250.00)	
Union Bank transaction on 11/14/2013 Interfaced on 12/9/2013	(187.27)	
Money market transaction Interfaced on 12/2/2013	(7,500.00)	
Money market transaction Interfaced on 12/2/2013	(7,500.00)	
Duplicate Interest Earnings Interfaced on 12/9/2013	4.56	
11/08/13 Receipts interfaced on 12/05/13	(567.00)	
11/08/13 Receipts interfaced on 12/05/13	(100.00)	
11/21/13 Receipts interfaced on 12/05/13	(99,826.00)	
11/26/13 Receipts interfaced on 12/02/13	(42.00)	
11/26/13 Receipts interfaced on 12/02/13	(1,090.00)	
11/29/13 Receipts interfaced on 12/02/13	(7,833.20)	
11/29/13 Receipts interfaced on 12/02/13	(3,278.18)	
11/26/13 Receipts interfaced Discrepancy, Correction interfaced on 12/05/13	(1.00)	
11/22/13 Payroll Check No.946890, issued on 11/22/13, interfaced in December 13	263.70	
IVR & Parking Web credit card receipts Interfaced on 12/05/2013	(25,612.00)	
Fraudulent Charge to Payroll Bank Account - Pending Bank of America Investigation	700.00	
11/2013 Deposit in transit	34,241.84	
		<u>(129,576.55)</u>
TOTAL CASH AND INVESTMENTS PER BOOKS		\$ 139,626,435.76