

Council Meeting of  
December 17, 2013

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

Members of Council:

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

**RECOMMENDATION**

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

**FUNDING**

Not applicable

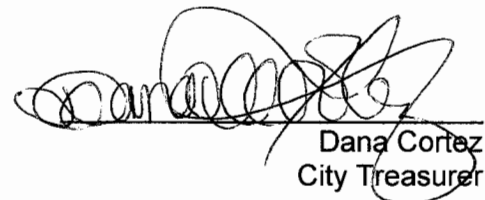
**BACKGROUND**

On December 18, 2012, Your Honorable Body, through passage of Resolution 2012-94, 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

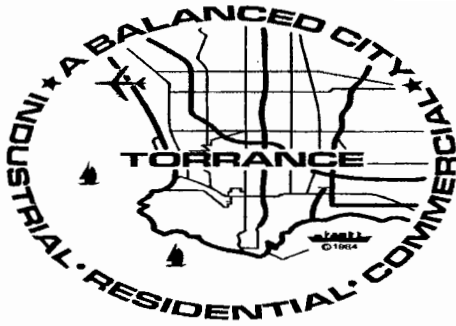
Noted:



LeRoy J. Jackson  
City Manager

CC: City Manager  
City Clerk





# Investment Advisory Committee Special Meeting

## *A G E N D A*

**December 9, 2013**

**2:00pm**

**City Manager's  
Conference Room**

- Call to Order
  - Approval of 10/28/2013 Minutes of Meeting
  - Presentation by the City Treasurer of the changes to October 2013 Investment Reports
  - Review and approve City of Torrance Statement of Investment Policy for 2014
- Oral Communication
- Adjournment

# Investment Report Summary Notes for October 2013

## Investment Activity during the Period

The investment activity for October included 7 purchases and 2 redemptions.

### **Purchases**

<u>Issuer</u>	<u>PAR VALUE</u>	<u>TERM</u>	<u>RATE</u>	<u>YIELD</u>	<u>Structure</u>
Federal Farm Credit Bank	3,000,000	4 years	1.23%	1.23%	Bullet
Federal Farm Credit Bank	1,000,000	4.6 years	1.48%	1.48%	Bullet
Farmer Mac	3,500,000	5 years	1.94%	1.94%	Bullet
1 <sup>st</sup> Nat'l Bank of Kentucky	245,000	3 years	.90%	.90%	Bullet
GE Cap Retail Bank	245,000	3 years	1.20%	1.20%	Bullet
Private Bank & Trust	245,000	3 years	1.00%	1.00%	Bullet
Farm Bureau Bank	245,000	4.5years	.90%	.90%	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>
Berkshire Hathaway	1,000,000	5.75 years	4.63%	4.338%	Matured
Federal Home Loan Bank	1,000,000	3.1 years	2.00%	1.019%	Matured

The LAIF balance decreased by \$16 million and the average monthly yield was .266%. During the month of October we had 3 LAIF deposits and 7 withdrawals. The total portfolio decreased by \$9.4 million. This was primarily due to the full redemption of COP 1998 in the amount of \$5.6 million and expenditures were higher than normal in part due to fire engine purchase for about \$1 million.

## Liquidity of the Portfolio

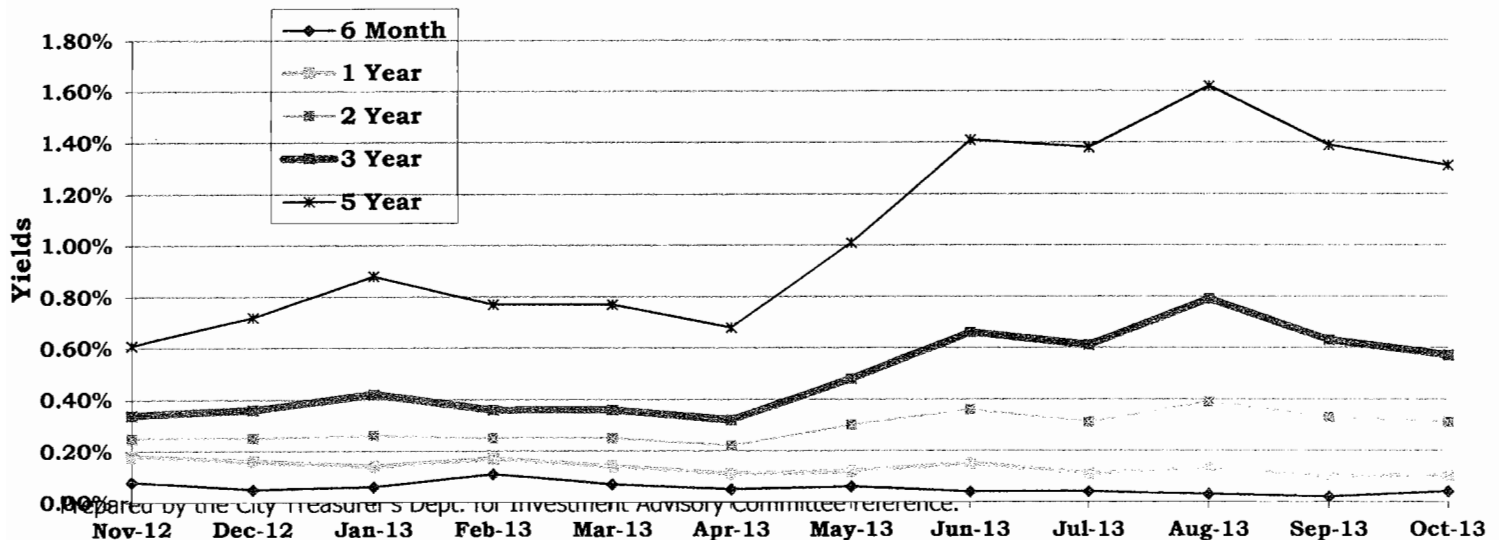
- The current goal is to keep the portfolio at an average maturity between 2 to 3 years based on current economic trends. The goal was set between 2 to 3 years as a gauge to meet liquidity needs and in order to take advantage of rising interest rates. Average maturity is a moving target which is contingent upon the current state or conditions of the economy. The portfolio's current average maturity is 1059 days or 2.9 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 \$1.1 million excluding LAIF that has a projected average balance of 10.6 million for the same period.

## Investment Comparison to Benchmark

For the month of October the City's yield to maturity on pooled investments was 1.088%. Yield to maturity is the calculation of what the portfolio is expected to earn. Yield to maturity incorporates anticipated interest earnings, amortization and accretion of the portfolio as part of its calculation. The yield increased 8 basis points or .08% from the previous month. The average effective rate of return for fiscal year-to-date is 1.19%. 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 .57%. The portfolio performed above these benchmarks (CMT) by 52 basis points or .52%.

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



## Investment Report Summary Notes for October 2013

### **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.

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%

#### **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%

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.

### **Portfolio Forecast**

The Congress and Federal Open Market Committee have been no friends to the economy during this period. Their actions have placed the economy in a precarious state. While we have enjoyed some GDP growth it has not been as robust as anticipated. The economy has survived a short but painful government shut down and sustained "Tapering Talks" which caused a short lived spike in long term rates. Although the government has not arrived at a permanent solution to their budget woes and the threat of another government shutdown looms in the near future, the Federal Open Market Committee has stated they will not "taper" until unemployment goals are obtained. If this is the case we can be rest assured that rates will continue in these all time lows for several quarters to come.



**CITY of TORRANCE**  
**Monthly Investment Portfolio Report**  
**October 31, 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 – as of September 30, 2013**

• Cash Balance RDA Successor Account.....	13
• Cash and Investment Held by Fiscal Agent.....	14-15
• Deferred Compensation Accounts.....	16-17
• Cash and Investment Held by Fiscal Agent as of June 30, 2013 – revised.....	18-19

**III. CASH & INVESTMENT PORTFOLIO SHARE**

• Cash & Investment Share as of October 31, 2013..	20
• Cash & Investment Reconciliation.....	21



# Investment Report October 2013

## Investment Portfolio Highlights

### RETURN

Average City Portfolio YTM  
 Average U.S. Treasury Constant Maturity - 3 year  
 LAIF Average Monthly Return  
 Average City Portfolio YTM - 1 year prior

Current Month  
 1.088%  
 0.570%  
 0.266%  
 1.325%

Previous Month  
 1.005%  
 0.630%  
 0.257%  
 1.334%

### INTEREST INCOME

Fiscal year to date  
 Current month

Current Period  
 \$587,688  
 \$131,631

Prior Year  
 \$672,524  
 \$160,988

### MATURITY

Average Maturity (days)  
 Average Maturity 1 Year Prior (days)  
 Weighted Average Maturity (years)

Current Month  
 1059  
 1040  
 2.90

Prior Month  
 930  
 1084  
 2.55

### VOLUMES

Purchases  
 Maturities/Redemptions

Total \$ Volume  
 \$14,776,422  
 \$24,187,117

# of Transactions  
 11  
 9

## Portfolio Activity Summary

Month End	Year	Number of Securities	Average Balance	Yield to Maturity 360	Maturity 365	Yield to Managed Pool Rate	Investments Purchased	Investments Redeemed	Average Term	Average Days to Mat
October	2012	106	146,172,449.78	1.302	1.321	0.340%	4	5	1,393	1,040
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	1.067	1.082	0.267%	1	4	1,441	1,059
August	2013	101	143,718,235.33	1.002	1.016	0.271%	0	2	1,333	963
September	2013	97	147,018,331.76	0.988	1.001	0.257%	0	4	1,314	930
October	2013	102	148,801,639.58	1.078	1.093	0.266%	7	2	1,475	1,059
<b>Average</b>		<b>103</b>	<b>154,638,140.68</b>	<b>1.086%</b>	<b>1.101%</b>	<b>0.283%</b>	<b>4</b>	<b>4</b>	<b>1,300</b>	<b>955</b>



# Investment Report October 2013

## Investment Portfolio Summary

	Book Value	% of Portfolio (MV)	% per Policy	Modified Duration	Days to Maturity	Maximum Term	YTM
<b>Local Agency Investment Fund (State of California)</b>	<b>\$8,609,305</b>	<b>6.14%</b>	<b>\$50M/1</b>	<b>0.00%</b>	<b>1</b>	<b>N/A</b>	<b>0.266%</b>
<b>Union Bank Custodial - Money Market Account (For Pending Purchases/Interest)</b>	<b>\$0</b>	<b>0.00%</b>	<b>100%</b>	<b>0.00%</b>	<b>1</b>	<b>N/A</b>	<b>0.001%</b>
<b>Negotiable Certificates of Deposit</b>	<b>\$7,105,000</b>	<b>5.09%</b>	<b>20%</b>	<b>2.40%</b>	<b>898</b>	<b>5 Years</b>	<b>0.560%</b>
<b>Federal Agency Issues</b>	<b>\$102,539,848</b>	<b>72.73%</b>	<b>75%</b>	<b>3.31%</b>	<b>1246</b>	<b>5 Year</b>	<b>9.600%</b>
Farmer Mac	\$14,499,479	10.25%	30%	4.02%	1517	5 Year	1.116%
Federal Farm Credit Bank	\$16,627,781	11.94%	30%	2.79%	1048	5 Year	1.270%
Federal Home Loan Bank	\$18,037,109	12.75%	30%	3.69%	1389	5 Year	0.941%
Federal Home Loan Mortgage Corporation	\$43,357,275	30.72% *	30%	2.98%	1123	5 Year	0.796%
Federal National Mortgage Association	\$10,018,203	7.07%	30%	3.88%	1448	5 Year	0.946%
<b>U.S. Treasury Securities</b>	<b>\$0</b>	<b>100%</b>				<b>5 Year</b>	
<b>Medium Term Notes</b>	<b>\$22,156,765</b>	<b>16.04%</b>	<b>20%</b>	<b>1.76%</b>	<b>661</b>	<b>5 Year</b>	<b>2.168%</b>
3m	\$1,085,255	0.77%	5%	3.56%	1333	5 Year	0.864%
Barclay	\$3,000,000	2.18%	5%	2.88%	1092	5 Year	3.287%
Bank of Montreal	\$1,001,004	0.71%	5%	3.74%	1410	5 Year	1.373%
CocaCola	\$1,084,896	0.77%	5%	0.04%	14	5 Year	1.000%
General Electric	\$991,349	0.73%	5%	1.96%	738	5 Year	2.710%
General Electric Capital Corp	\$7,991,777	5.81% *	5%	1.55%	578	5 Year	2.136%
MicroSoft Corp	\$1,000,000	0.72%	5%	0.58%	212	5 Year	2.949%
Toyota Motor Center Corp	\$3,001,431	2.17%	5%	1.89%	705	5 Year	1.389%
Wal-Mart Stores	\$3,001,053	2.17%	5%	0.73%	267	5 Year	2.672%
<b>Total Investments</b>	<b>\$140,410,917</b>	<b>100.00%</b>		<b>2.81%</b>	<b>1059</b>		<b>1.088%</b>
<b>Cash In Bank - General</b>	<b>\$1,325,086</b>				<b>Earnings Credit</b>		<b>0.250%</b>
<b>Cash In Bank - Housing</b>	<b>\$1,568,174</b>				<b>Earnings Credit</b>		<b>0.250%</b>
<b>Total Funds</b>	<b>\$143,304,178</b>						

\* Portfolio Notes: Section 53601 of the California Government Code which is the foundation 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.

Effective Rate of Return  
Month Ending      Fiscal YTD  
1.04%                      1.19%

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

Shida Abalayan - Deputy City Treasurer





# Investment Report

## October 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
11109	Morgan Stanley	10/04/2013	FFCB First Nat'l Bank of Kentucky	AA+	10/04/2017	1433	1.230%	1.230%	3,000,000	3,000,000	3,014,250
11110	Vining Sparks	10/02/2013	FDIC	FDIC	10/03/2016	1067	0.900%	0.900%	245,000	245,000	244,248
11111	Vining Sparks	10/04/2013	GE CAP Retail Bank	FDIC	10/04/2016	1068	1.200%	1.200%	245,000	245,000	244,157
11112	Vining Sparks	10/04/2013	Private Bank & Trust Co.	FDIC	10/04/2016	1068	1.000%	1.000%	245,000	245,000	244,035
11113	Vining Sparks	10/15/2013	Farm Bureau Bank	FDIC	10/14/2016	1078	0.900%	0.900%	245,000	245,000	244,174
11114	Citigroup Great Pacific	10/11/2013	FFCB	AA+	06/11/2018	1683	1.480%	1.480%	1,000,000	1,000,000	1,003,450
11115	Securities	10/04/2013	Farmer Mac		10/03/2018	1797	1.940%	1.940%	3,500,000	3,500,000	3,511,305
							<b>1.526%</b>		<b>\$8,480,000</b>	<b>\$8,480,000</b>	<b>\$8,505,619</b>

#### MATURITIES / CALLS / SALES

10714	Great Pacific Securities	01/18/2008	Berkshire Hathaway	AA+/Aa2	10/15/2013	2097/2097	4.63%	4.338%	1,000,000	1,000,000	1,000,000
10899	Wedbush Securities	08/26/2010	FHLB	AA+/Aaa	10/29/2013	1160/1160	2.00%	1.019%	1,000,000	1,000,000	1,000,000
							<b>2.679%</b>		<b>\$2,000,000</b>	<b>2,000,000</b>	<b>\$2,000,000</b>

#### State of California Local Agency Pool

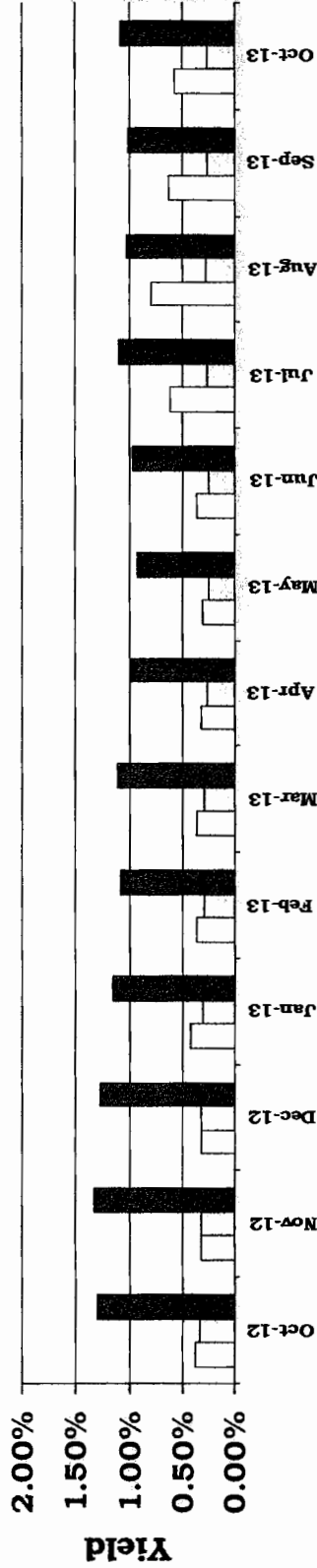
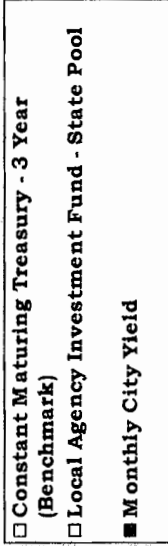
City	24,500,000	0.266%	0.266%	4,100,000	20,000,000	9,305	8,609,305
TRAN Repayment							
	<b>\$24,500,000</b>			<b>\$4,100,000</b>	<b>\$20,000,000</b>	<b>\$ 9,305</b>	<b>8,609,305</b>



# Investment Report

## October 2013

### Portfolio Performance



### Portfolio Earnings Summary

	October 31, 2013	Fiscal Year to Date
<b>CD/Coupon/Discount Investments:</b>		
Interest Collected	\$187,108.77	\$811,691.18
Plus Interest at End of Period	\$507,575.06	\$507,575.05
Less Accrued Interest at Beginning of Period	(\$515,569.15)	(\$598,200.54)
<b>Interest Earned</b>	<b>\$179,114.68</b>	<b>\$721,065.69</b>
Adjusted By Premium	(\$51,020.72)	(\$216,980.70)
Adjusted by Capital	\$0.00	\$70,290.08
<b>Earnings during Cash/Checking Accounts:</b>	<b>\$128,093.96</b>	<b>\$574,375.07</b>
Interest Collected		
Plus Accrued Interest at End of Period	\$9,313.18	\$35,431.05
Less Interest at Beginning of Period	(\$3,978.83)	\$3,978.83
<b>Interest Earned</b>	<b>\$3,537.62</b>	<b>\$13,313.19</b>
<b>Total Interest Earned</b>	<b>\$182,652.30</b>	<b>\$734,378.88</b>
Total Adjustments from Premium and Discounts	(\$51,020.72)	(\$216,980.70)
Total Capital Gains or Loss	\$0.00	\$70,290.08
<b>Total Earnings this Period</b>	<b>\$131,631.58</b>	<b>\$587,688.26</b>

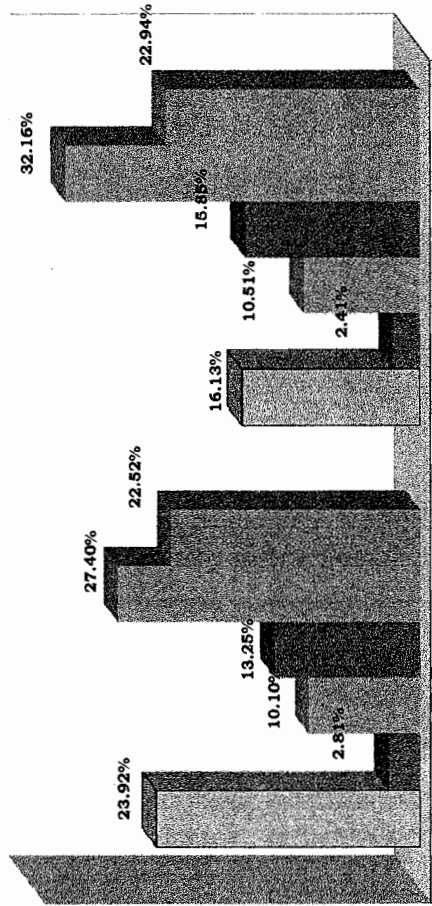


# Investment Report

## October 2013

### Maturity Distribution

**Book Value**



**Sep-13**

**Oct-13**

- █ 1 day to 6 months
- █ 6 months to 1 year
- █ 1 year to 2 years
- █ 2 years to 3 years
- █ 3 years to 4 years
- █ 4 years to 5 years

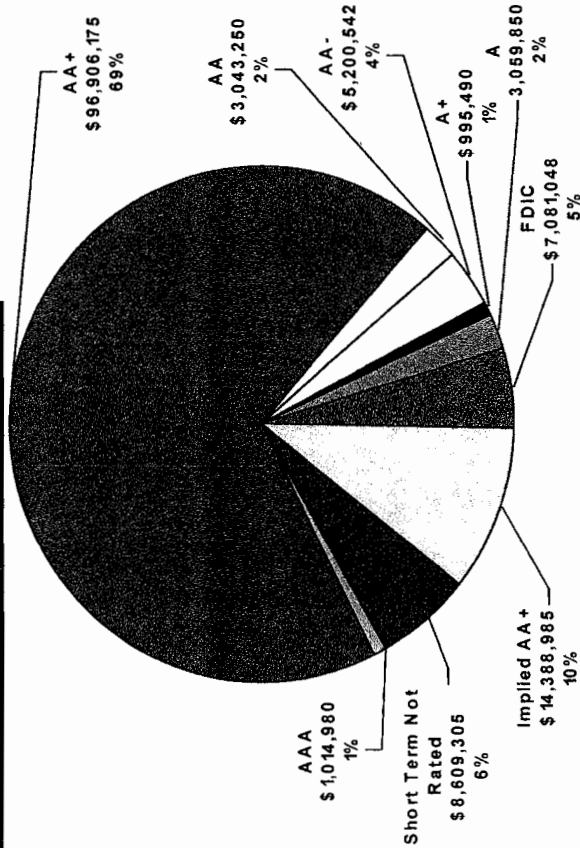
NOTE: \*SB 564 passed in 1995, effective February 1, 1996, requires that local agencies submit a quarterly report to the legislative body containing detailed information on all securities, investments, and monies of the local agency. It also requires a statement of compliance of the portfolio with the 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

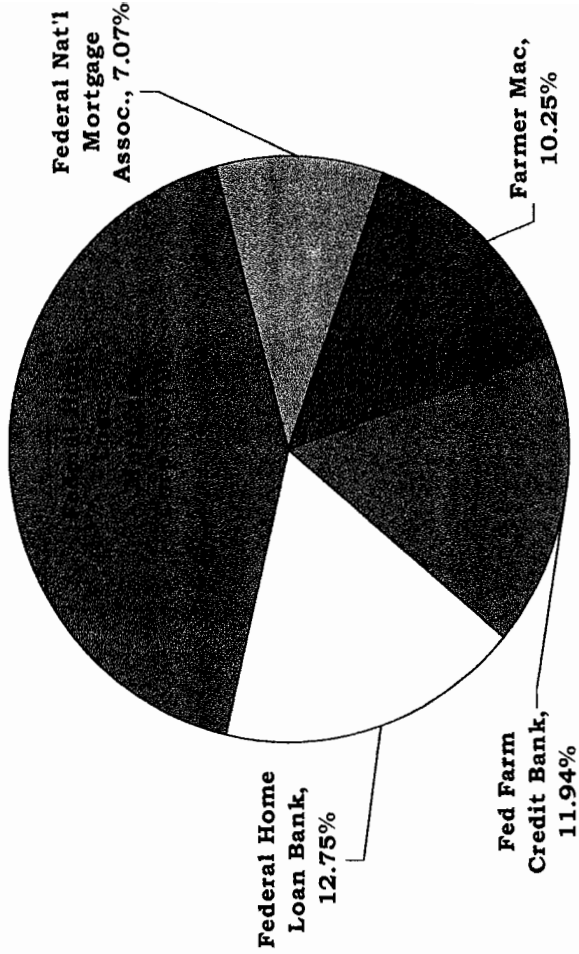
## October 2013

**Market Value and Credit Rating Report**

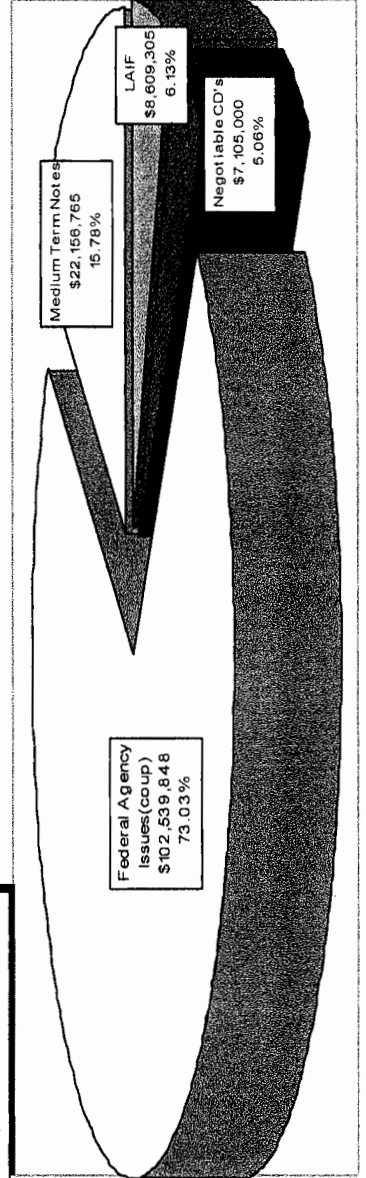


**Portfolio Distribution**

**Federal Agencies Distribution (MV)**



**Portfolio Sectors (Book Value)**





# Investment Report

## October 2013

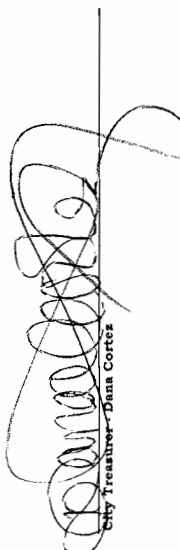
### Value of Portfolio per GASB 31

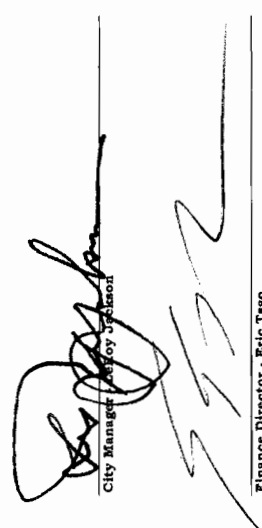
	<u>Beginning Investment Value as of</u> <u>July 1, 2013</u>	<u>Purchase/Redemption of Principal</u>	<u>Change in Market Value</u>	<u>Ending Investment Value as of</u> <u>October 31, 2013</u>
Federal Agency (Coupon)	\$105,287,920	(\$3,621,890)	\$440,850	\$102,106,880
U.S. Treasury Securities	\$0	\$0	\$0	\$0
Negotiable Certificate Deposits	\$6,843,933	\$245,000	(\$7,885)	\$7,081,048
Medium Term Notes	\$25,441,688	(\$3,000,000)	\$60,704	\$22,502,392
Municipal Bonds	\$0	\$0	\$0	\$0
<b>SUBTOTAL PER GASB 31</b>	<b>\$137,573,541</b>	<b>(\$6,376,890)</b>	<b>\$493,669</b>	<b>\$131,690,320</b>
Non-GASB				
Local Agency Investment Funds	\$40,100,000	(\$31,490,695)	\$0	\$8,609,305
Money Market	\$0	\$0	\$0	\$0
Federal Agency - Disc.	\$0	\$0	\$0	\$0
Treasury Security - Disc.	\$0	\$0	\$0	\$0
Certificate of Deposits - Disc.	\$0	\$0	\$0	\$0
Commercial paper	\$0	\$0	\$0	\$0
<b>TOTAL PORTFOLIO</b>	<b>\$177,673,541</b>	<b>(\$37,867,585)</b>	<b>\$493,669</b>	<b>\$140,299,624</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 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

  
 Finance Director - Eric Tsao

  
 City Attorney - John Fellows III

  
 Deputy City Treasurer - Shieila Abajayan

# Monthly Investment Reports

## Portfolio Management

### Portfolio Details - Investments

#### October 31, 2013

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			8,609,304.71	8,609,304.71	8,609,304.71	0.266		0.266	1	
SYS1000a	1000A	LAIF - TRANS FUNDS		07/01/2013	0.00	0.00	0.00	0.267		0.267	1	
		<b>Subtotal and Average</b>	<b>16,195,425.16</b>		<b>8,609,304.71</b>	<b>8,609,304.71</b>	<b>8,609,304.71</b>			<b>0.266</b>	<b>1</b>	
<b>Money Market Sweep Account</b>												
316175108S	1000	Union Bank of California			0.00	0.00	0.00	0.001		0.001	1	
		<b>Subtotal and Average</b>	<b>543,541.23</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>			<b>0.000</b>	<b>0</b>	
<b>Negotiable CD's</b>												
33764JHM0	11052	First Bank of Puerto Rico		08/01/2012	245,000.00	246,220.10	245,000.00	1.250	FDIC	1.251	1,004	08/01/2016
330459AE8	11110	1st National Bank Kentucky		10/03/2013	245,000.00	244,247.85	245,000.00	0.900	FDIC	0.900	1,067	10/03/2016
332135FA5	11069	First National Bank of Omaha		10/10/2012	245,000.00	245,031.85	245,000.00	0.550	FDIC	0.550	160	04/10/2014
020050N90	11044	Ally Bank		08/01/2012	245,000.00	246,305.85	245,000.00	1.150	FDIC	1.150	640	08/03/2015
02587DLB8	11070	American Express Cent		10/04/2012	245,000.00	244,715.80	245,000.00	1.550	FDIC	1.550	1,433	10/04/2017
037830NA0	11047	Apple Bank Savings		08/01/2012	245,000.00	245,049.00	245,000.00	0.500	FDIC	0.500	94	02/03/2014
06740AYC7	11090	Barclays Bank		03/12/2013	245,000.00	240,018.17	245,000.00	1.000	FDIC	0.000	1,592	03/12/2018
06426NGR7	11068	Bank of China		09/26/2012	245,000.00	245,619.85	245,000.00	0.650	FDIC	0.650	329	09/26/2014
05668PZ91	11073	BMW Bank of North America		11/02/2012	245,000.00	245,764.40	245,000.00	0.950	FDIC	0.000	731	11/02/2015
060624XH1	11091	Bank of Baroda		03/08/2013	245,000.00	240,002.00	245,000.00	1.250	FDIC	0.000	1,588	03/08/2018
149159HR9	11094	Cathay Bank		04/12/2013	245,000.00	239,553.65	245,000.00	1.000	FDIC	1.001	1,623	04/12/2018
17284CBZ6	11093	CIT BANK		04/17/2013	245,000.00	239,416.45	245,000.00	1.150	FDIC	0.000	1,628	04/17/2018
20033AAU0	11084	Comenity Capital Bank		01/18/2013	245,000.00	243,711.30	245,000.00	0.750	FDIC	0.750	1,174	01/18/2017
254671GK0	11058	Discover Bank		09/19/2012	245,000.00	246,063.30	245,000.00	1.250	FDIC	1.250	1,053	09/19/2016
25811L2K4	11077	DORAL BANK		12/07/2012	245,000.00	245,009.80	245,000.00	0.550	FDIC	0.550	35	12/06/2013
29976DNQ9	11059	EverBank		09/14/2012	245,000.00	246,092.70	245,000.00	0.900	FDIC	0.900	1,048	09/14/2016
307660HE3	11113	Farm Bureau Bank		10/15/2013	245,000.00	244,174.35	245,000.00	0.900	FDIC	0.000	1,078	10/14/2016
36160XN52	11051	GE Capital Bank		08/03/2012	245,000.00	246,156.40	245,000.00	1.150	FDIC	1.150	640	08/03/2015
36157PSB6	11111	GE Money bank		10/04/2013	245,000.00	244,157.20	245,000.00	1.200	FDIC	0.000	1,068	10/04/2016
38143AXS9	11045	Goldman Sachs Bank		08/01/2012	245,000.00	246,479.80	245,000.00	1.200	FDIC	1.200	640	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	33	12/04/2013
48124JRY6	11085	JPMORGAN		01/28/2013	245,000.00	242,153.10	245,000.00	0.750	FDIC	0.000	1,549	01/28/2018
60688TGZ6	11078	Mizuho Corp USA		12/12/2012	245,000.00	245,083.30	245,000.00	0.550	FDIC	0.550	41	12/12/2013
74267GTZ0	11112	Private Bank & Trust Co		10/04/2013	245,000.00	244,034.70	245,000.00	1.000	FDIC	0.000	1,068	10/04/2016
786580X96	11043	Safra National Bank		07/31/2012	245,000.00	246,359.75	245,000.00	0.800	FDIC	0.800	637	07/31/2015
795450NT8	11053	Sallie Mae Bank		08/08/2012	245,000.00	246,286.25	245,000.00	1.100	FDIC	1.100	647	08/10/2015
84603M2H8	11046	Sovereign Bank		08/01/2012	245,000.00	245,651.70	245,000.00	0.850	FDIC	0.850	273	08/01/2014

Portfolio City  
AP

Data Updated: SET\_TR\_11/22/2013 08:01  
Run Date: 11/22/2013 - 08:01

Monthly Investment Reports  
 Portfolio Management  
 Portfolio Details - Investments  
 October 31, 2013

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM	Days to Maturity	Maturity Date
<b>Negotiable CD's</b>												
856283JK0	11098	STATE BANK of INDIA		05/14/2013	245,000.00	239,117.55	245,000.00	1.150	FDIC	0.000	1,655	05/14/2018
94768NDJ7	11081	Webster Bank		12/12/2012	245,000.00	243,571.65	245,000.00	1.000	FDIC	0.000	1,502	12/12/2017
		<b>Subtotal and Average</b>	<b>6,931,129.03</b>		<b>7,105,000.00</b>	<b>7,081,047.82</b>	<b>7,105,000.00</b>			<b>0.560</b>	<b>898</b>	
<b>Federal Agency Issues - Coupon</b>												
31315PXX0	11071	FARMER MAC		10/25/2012	2,000,000.00	1,988,100.00	2,000,000.00	0.650		1.053	1,454	10/25/2017
31315PWE5	11083	FARMER MAC		01/08/2013	3,000,000.00	2,960,940.00	2,999,860.42	0.930		0.935	1,529	01/08/2018
31315PNZ8	11086	FARMER MAC		01/30/2013	2,000,000.00	1,979,640.00	2,001,019.33	1.050		1.038	1,551	01/30/2018
31315PXM6	11097	FARMER MAC		05/02/2013	2,000,000.00	1,955,980.00	1,999,099.44	0.850		0.860	1,643	05/02/2018
31315PXF1	11099	FARMER MAC		05/02/2013	2,000,000.00	1,993,020.00	1,999,499.44	0.400		0.410	913	05/02/2016
31315P6A2	11115	FARMER MAC		10/04/2013	3,500,000.00	3,511,305.00	3,500,000.00	1.940		1.940	1,797	10/03/2018
31331XWW8	10879	FEDERAL FARM CREDIT BANK		05/05/2010	500,000.00	511,765.00	506,464.77	5.000	AA+	2.192	175	04/25/2014
31331JQ55	10907	FEDERAL FARM CREDIT BANK		10/06/2010	1,000,000.00	1,009,010.00	1,000,000.00	1.150	AA+	1.150	339	10/06/2014
31331KCK4	10942	FEDERAL FARM CREDIT BANK		02/17/2011	1,000,000.00	1,023,200.00	1,000,000.00	2.030	AA+	2.030	473	02/17/2015
31331VPV2	10954	FEDERAL FARM CREDIT BANK		04/01/2011	2,000,000.00	2,212,980.00	2,121,316.67	4.950	AA+	2.280	882	04/01/2016
31331KGN4	10955	FEDERAL FARM CREDIT BANK		04/07/2011	1,000,000.00	1,005,560.00	1,000,000.00	1.400	AA+	1.400	157	04/07/2014
3133EA81	11041	FEDERAL FARM CREDIT BANK		07/30/2012	1,000,000.00	995,610.00	1,000,000.00	0.780	AA+	0.780	1,186	01/30/2017
3133EAX29	11060	FEDERAL FARM CREDIT BANK		09/18/2012	1,000,000.00	992,450.00	1,000,000.00	0.980	AA+	0.980	1,417	09/18/2017
3133EA2K3	11066	FEDERAL FARM CREDIT BANK		09/28/2012	1,000,000.00	1,000,040.00	1,000,000.00	0.450	AA+	0.450	696	09/28/2015
3133EA2H0	11067	FEDERAL FARM CREDIT BANK		10/01/2012	1,000,000.00	1,000,040.00	1,000,000.00	0.440	AA+	0.440	699	10/01/2015
3133EC5A8	11075	FEDERAL FARM CREDIT BANK		11/28/2012	2,000,000.00	1,973,760.00	2,000,000.00	0.870	AA+	0.870	1,487	11/27/2017
3133ECE26	11087	FEDERAL FARM CREDIT BANK		01/30/2013	1,000,000.00	987,990.00	1,000,000.00	0.940	AA+	1.022	1,551	01/30/2018
3133ED3Z3	11109	FEDERAL FARM CREDIT BANK		10/04/2013	3,000,000.00	3,014,250.00	3,000,000.00	1.230	AA+	1.230	1,433	10/04/2017
313373RC8	11114	FEDERAL FARM CREDIT BANK		10/11/2013	1,000,000.00	1,003,450.00	1,000,000.00	1.480	AA+	1.480	1,683	06/11/2018
313376Q99	10956	FEDERAL HOME LOAN BANK		05/16/2011	1,000,000.00	1,008,140.00	1,000,629.38	1.250	AA+	1.164	271	07/30/2014
313378W56	11007	FEDERAL HOME LOAN BANK		01/13/2012	2,000,000.00	2,003,920.00	2,000,000.00	1.125	AA+	1.125	1,169	01/13/2017
313370TW8	11040	FEDERAL HOME LOAN BANK		04/30/2012	2,000,000.00	2,016,440.00	2,000,000.00	2.000	AA+	1.425	1,270	04/24/2017
313380P92	11055	FEDERAL HOME LOAN BANK		07/25/2012	1,000,000.00	1,026,930.00	1,038,840.94	2.000	AA+	0.620	1,043	09/09/2016
313380M1F	11057	FEDERAL HOME LOAN BANK		09/26/2012	1,000,000.00	990,400.00	1,000,000.00	1.000	AA+	1.000	1,425	09/26/2017
3133824S9	11089	FEDERAL HOME LOAN BANK		02/27/2013	1,000,000.00	989,950.00	1,000,000.00	1.100	AA+	1.005	1,417	09/18/2017
313383AA9	11105	FEDERAL HOME LOAN BANK		06/12/2013	4,000,000.00	3,927,200.00	4,000,000.00	1.000	AA+	1.000	1,579	02/27/2018
3133837E5	11106	FEDERAL HOME LOAN BANK		06/06/2013	4,000,000.00	3,919,640.00	4,000,000.00	0.625	AA+	0.625	1,678	06/06/2018
3133834R9	11108	FEDERAL HOME LOAN BANK		05/24/2013	1,000,000.00	998,520.00	997,638.96	0.375	AA+	0.465	966	06/24/2016
3128X1CS4	10915	FEDERAL HOME LOAN MORTGAGE CO		10/27/2010	1,000,000.00	1,002,230.00	1,001,900.13	4.580	AA+	0.730	18	11/19/2013
3134G3EN6	11003	FEDERAL HOME LOAN MORTGAGE CO		12/30/2011	1,000,000.00	1,001,300.00	1,000,000.00	1.000	AA+	1.000	606	06/30/2015

Portfolio CITY  
 AP  
 PM (PRF\_PM2) 7.2.5

Monthly Investment Reports  
 Portfolio Management  
 Portfolio Details - Investments  
 October 31, 2013

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>												
3134G3GM6	11009	FEDERAL HOME LOAN MORTGAGE CO		01/13/2012	1,000,000.00	1,005,350.00	1,000,000.00	1.300	AA+	1.300	1,169	01/13/2017
3134G3GX2	11010	FEDERAL HOME LOAN MORTGAGE CO		01/13/2012	2,000,000.00	2,003,280.00	2,000,000.00	1.400	AA+	1.400	1,169	01/13/2017
3137EADCO	11017	FEDERAL HOME LOAN MORTGAGE CO		01/30/2012	1,000,000.00	1,006,880.00	997,701.58	1.000	AA+	1.071	1,223	03/08/2017
3134G3MR8	11018	FEDERAL HOME LOAN MORTGAGE CO		02/13/2012	1,000,000.00	1,001,260.00	1,000,000.00	0.550	AA+	0.550	469	02/13/2015
3134G3NA4	11019	FEDERAL HOME LOAN MORTGAGE CO		02/28/2012	3,000,000.00	3,006,180.00	3,000,000.00	0.750	AA+	0.750	1,215	02/28/2017
3134G3MX5	11021	FEDERAL HOME LOAN MORTGAGE CO		02/24/2012	1,000,000.00	1,002,040.00	1,000,000.00	0.800	AA+	0.800	845	02/24/2016
3134G3NA4	11022	FEDERAL HOME LOAN MORTGAGE CO		02/28/2012	2,000,000.00	2,004,120.00	2,000,000.00	0.750	AA+	1.313	1,215	02/28/2017
3134G3MT4	11026	FEDERAL HOME LOAN MORTGAGE CO		02/24/2012	2,000,000.00	2,003,720.00	2,000,000.00	1.125	AA+	1.125	1,211	02/24/2017
3134G3SD3	11027	FEDERAL HOME LOAN MORTGAGE CO		03/28/2012	2,000,000.00	2,005,060.00	2,000,000.00	0.750	AA+	0.750	696	09/28/2015
3137EACT4	11034	FEDERAL HOME LOAN MORTGAGE CO		04/26/2012	1,000,000.00	1,048,800.00	1,042,667.76	2.500	AA+	0.810	938	05/27/2016
3134G3WD8	11039	FEDERAL HOME LOAN MORTGAGE CO		06/12/2012	2,000,000.00	2,008,260.00	2,000,000.00	1.250	AA+	1.250	1,319	06/12/2017
3134G32L3	11079	FEDERAL HOME LOAN MORTGAGE CO		12/26/2012	2,000,000.00	1,962,800.00	2,000,000.00	0.850	AA+	0.850	1,516	12/26/2017
3134G33B4	11082	FEDERAL HOME LOAN MORTGAGE CO		01/11/2013	1,000,000.00	979,250.00	1,000,000.00	1.000	AA+	1.000	1,532	01/11/2018
3137EADJ5	11095	FEDERAL HOME LOAN MORTGAGE CO		04/23/2013	3,000,000.00	3,010,440.00	3,037,566.82	1.000	AA+	0.660	1,365	07/28/2017
3137EAA4	11096	FEDERAL HOME LOAN MORTGAGE CO		04/26/2013	5,000,000.00	5,658,950.00	5,683,942.04	5.500	AA+	0.420	990	07/18/2016
3137EADH9	11101	FEDERAL HOME LOAN MORTGAGE CO		05/13/2013	2,000,000.00	5,000,500.00	5,050,023.69	1.000	AA+	0.722	1,336	06/29/2017
3134G44N5	11102	FEDERAL HOME LOAN MORTGAGE CO		05/28/2013	2,000,000.00	1,963,040.00	2,000,000.00	0.750	AA+	0.750	1,488	11/28/2017
3137EAA4	11107	FEDERAL HOME LOAN MORTGAGE CO		05/22/2013	4,000,000.00	4,527,160.00	4,543,473.45	5.500	AA+	0.452	990	07/18/2016
3136G0VA6	11050	FEDERAL NATIONAL MORT ASSOC		08/14/2012	1,000,000.00	993,250.00	1,000,000.00	0.750	AA+	1.226	1,382	08/14/2017
3136G0D57	11054	FEDERAL NATIONAL MORT ASSOC		09/27/2012	1,000,000.00	1,001,110.00	1,000,000.00	0.750	AA+	1.240	1,426	09/27/2017
3136G0D24	11061	FEDERAL NATIONAL MORT ASSOC		09/25/2012	1,000,000.00	993,020.00	1,000,000.00	0.500	AA+	1.093	1,424	09/25/2017
3136G0F97	11065	FEDERAL NATIONAL MORT ASSOC		09/27/2012	1,000,000.00	996,700.00	1,000,000.00	0.750	AA+	1.179	1,426	09/27/2017
3136G0BR7	11076	FEDERAL NATIONAL MORT ASSOC		11/28/2012	1,000,000.00	995,810.00	1,000,000.00	0.500	AA+	1.068	1,487	11/27/2017
3135G0P00	11100	FEDERAL NATIONAL MORT ASSOC		04/26/2013	3,000,000.00	2,972,280.00	3,018,203.24	0.875	AA+	0.720	1,455	10/26/2017
3136G1LZ0	11103	FEDERAL NATIONAL MORT ASSOC		05/28/2013	2,000,000.00	1,963,360.00	2,000,000.00	0.750	AA+	0.750	1,488	11/28/2017
<b>Subtotal and Average</b>					<b>101,000,000.00</b>	<b>102,106,880.00</b>	<b>102,539,848.06</b>			<b>0.960</b>	<b>1,246</b>	
<b>Medium Term Notes</b>												
88579VAE1	11104	3M Company		05/23/2013	1,073,433.60	1,073,433.60	1,085,254.64	1.000	AA-	0.864	1,333	06/26/2017
06738KVX8	10989	Barclays Bank		10/28/2011	3,000,000.00	3,059,850.00	3,000,000.00	2.500	A	3.287	1,092	10/28/2016
06366RHA6	11056	Bank of Montreal		09/11/2012	1,000,000.00	995,490.00	1,001,003.89	1.400	A+	1.373	1,410	09/11/2017
191216AN0	10924	COCA-COLA		11/22/2010	1,085,000.00	1,085,108.50	1,084,896.23	0.750	AA-	1.000	14	11/15/2013
36962G4T8	10925	General Electric		11/19/2010	1,000,000.00	1,028,520.00	991,349.41	2.250	AA+	2.710	738	11/09/2015
36962G4X9	10935	General Electric Capital Corp		01/10/2011	2,000,000.00	2,006,440.00	1,999,810.03	2.100	AA+	2.154	67	01/07/2017
36962G5N0	11011	General Electric Capital Corp		01/10/2012	2,000,000.00	2,099,220.00	2,001,914.40	2.900	AA+	2.868	1,165	01/09/2017
36962G5M2	11012	General Electric Capital Corp		01/10/2012	2,000,000.00	2,039,720.00	2,001,824.65	2.150	AA+	2.070	434	01/09/2015

Portfolio CITY  
 AP  
 PM (PRF\_PM2) 7.2.5



**Monthly Investment Reports**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**October 31, 2013**

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>												
36962G4N1	11024	General Electric Capital Corp		02/22/2012	2,000,000.00	2,014,380.00	1,988,227.49	0.993	AA+	1.389	648	08/11/2015
594918AB0	10821	MicroSoft Corp		08/17/2009	1,000,000.00	1,014,980.00	1,000,000.00	2.950	AAA	2.949	212	06/01/2014
89233P5S1	11015	Toyota Motor Credit Corp		01/13/2012	1,000,000.00	1,025,820.00	1,002,725.55	2.050	AA-	1.960	1,168	01/12/2017
89233P5Z5	11023	Toyota Motor Credit Corp		02/17/2012	2,000,000.00	2,016,180.00	1,998,705.56	1.000	AA-	1.102	473	02/17/2015
931142CN1	10820	Wal-Mart Stores		08/14/2009	2,000,000.00	2,013,200.00	2,000,465.43	3.000	AA	2.902	94	02/03/2014
931142CT8	10928	Wal-Mart Stores		12/15/2010	1,000,000.00	1,030,050.00	1,000,587.42	2.250	AA	2.213	614	07/08/2015
		<b>Subtotal and Average</b>	<b>22,608,045.37</b>		<b>22,165,000.00</b>	<b>22,502,392.10</b>	<b>22,156,764.70</b>			<b>2.168</b>	<b>661</b>	
		<b>Total and Average</b>	<b>148,793,736.36</b>		<b>138,879,304.71</b>	<b>140,299,624.63</b>	<b>140,410,917.47</b>			<b>1.088</b>	<b>1,059</b>	

**Monthly Investment Reports**  
**Portfolio Management**  
**Portfolio Details - Cash**  
**October 31, 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	148,793,736.36		138,879,304.71	140,299,813.24	140,411,106.08			1.088	1,059



CITY OF TORRANCE FISCAL AGENT FOR SUCCESSOR RDA  
RESTRICTED CASH BALANCE REPORT  
October 31, 2013

	<b>Book Value</b>
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	-
<b>TOTAL</b>	<b>\$ 209,155.18</b>

**CITY OF TORRANCE  
CASH INVESTMENT HELD BY FISCAL AGENT  
FOR THE QUARTER ENDING 09-30-13**

**TORRANCE IMPROVEMENTS**

Bank of New York Mellon	Book Value	Reserve Requirement	Over/Under Funded Reserve(1)(2) (market value)	Market Value	Yield	Investment Description	Credit Rating
<i>City of Torrance 2004A&amp;B COP Refunding - #3060645 (Maturity - June 1, 2024 &amp; June 1, 2034)</i>							
Construction Fund Acct #360646	1,211,390.04			1,211,390.04		Dreyfus Inst'l Res Treasury #6541 CUSIP#S99994190	AAA
Required Reserve Acct #360649	2,754,195.00	2,777,212.50	(23,017.50)	2,754,195.00		Dreyfus Inst'l Res Treasury #6541 CUSIP#S99994190	AAA
<b>Bank of New York Mellon</b>							
Reserve Fund Acct #360695	1,258,018.76	1,258,018.76	0.00	1,258,018.76		Dreyfus Inst'l Res Treasury #6541 CUSIP#S99994190	AAA
<b>Bank of New York Mellon</b>							
<i>Torrance PFA 98COP</i>							
Reserve Acct # 428590	568,596.49	553,085.00	15,511.49	568,596.49	5.42	AIG Investment Agrmt 5.61% due 11/28/28 ** CUSIP#S86417480	Not Rated

**WATER ENTERPRISE REVENUE BONDS**

Bank of New York Mellon	Book Value	Reserve Requirement	Over/Under Funded Reserve(1)(2) (market value)	Market Value	Yield	Investment Description	Credit Rating
<i>2004 Torrance Water Refunding Bond #360700-(Maturity March 1, 2014)</i>							
Debit Service #360759	43,955.77			43,955.77	0.01	JP Morgan Prime M Mkt Premier #350 CUSIP#S99999780	Not Rated
Required Reserve Acct # 360760	516,080.26	505,000.00	11,080.26	516,080.26	0.00	FSA Capital Management Invest Agmt. CUSIP#S86253100	

**REDEVELOPMENT AGENCY**

Bank of New York Mellon	Book Value	Reserve Requirement	Over/Under Funded Reserve(1)(2) (market value)	Market Value	Yield	Investment Description	Credit Rating
<i>Torrance RDA (Downtown) 98A (matures Sept. 1, 2028)</i>							
Interest / Debt Service Acct # 428478	0.00			0.00			
Reserve Acct # 428469	586,579.71	586,890.00	(310.29)	586,579.71	0.02	INVESCO Prime Private CUSIP#S99990340	Not Rated
<b>Bank of New York Mellon</b>							
<i>Torrance RDA (Industrial) 98B (matures Sept. 1, 2028)</i>							
Reserve Acct # 428517	1,037,984.75	1,037,984.75	0.00	1,037,984.75	0.02	INVESCO Prime Private CUSIP#S99990340	Not Rated

**CITY OF TORRANCE  
CASH INVESTMENT HELD BY FISCAL AGENT  
FOR THE QUARTER ENDING 09-30-13**

Bank of New York Mellon	Book Value	Reserve Requirement	Over/Under Funded Reserve(1)(2) (market value)	Market Value	Yield	Investment Description
<i>Torrance RDA (Industrial) 99C (matures Sept. 1, 2028)</i>						
Interest Acct # 428877	0.00			0.00		
Reserve acct # 428882	1,295,088.55	1,300,480.00	(5,391.45)	1,295,088.55	0.01	MBIA FINL GUARANTY INS POL.# 29278 CUSIP S86460550

<b>TOTAL: ALL CASH &amp; INVESTMENTS HELD BY FISCAL AGENT</b>	<b>9,227,933.56</b>			<b>9,227,933.56</b>		
---	---------------------	--	--	---------------------	--	--

**\*\* Investment Agreements were authorized by Council through their approval of the bond documents**

- (1) Reserve requirements may be overfunded due to an accumulation of funds which are adjusted at every scheduled payout. These funds will be transferred to the lease payment/principal/interest account when interest/principal payouts are made by the City.
- (2) Over/under funded reserve requirements is for memorandum purposes only. Reserve requirements as outlined in the bond indenture require that at time (day of) of semi-annual payments to bondholders that the market value of the investments held in reserve is equal to the reserve requirement. Due to market fluctuations throughout the year it is normal to see both over and under funded situations.

**CITY OF TORRANCE**  
**EMPLOYEES DEFERRED COMPENSATION PLANS**  
**FOR THE QUARTER ENDING 09-30-13**



**457PLAN A**

PERMANENT EMPLOYEES

Beginning Balance	Contributions	Acct. Transfers In	Interest	Change in Value	Fees	Revenue Sharing Net Change	Withdrawals	Acct. Transfers Out	Outstanding Loans	Ending Balance
141,298,473.73	2,115,455.23	5,003,067.57	434,481.95	5,069,835.95	(5,974.74)	3,131.26 *	(2,696,453.69)	(5,003,067.57)	4,295,137.02	(1) 150,514,086.71
				<u>Book Value</u>		<u>Market Value</u>				
				0.00		0.00				
				73,133,163.00		73,133,163.00				
				68,908,802.78		68,908,802.78				
				4,206,997.08		4,206,997.08				
				4,265,123.85		4,265,123.85				
			<u>Totals</u>	<u>150,514,086.71</u>		<u>150,514,086.71</u>				

1) Outstanding Loans (1) Participant Loan Outstanding Balance included in Total Assets

\* Shown below is the breakdown of transactions for the quarter of the Revenue Sharing also known as Forfeiture/Asset Holding Account. The net change is presented above.

**457 Plan Revenue Sharing**

584,786.14	8,757.84	3,123.42	(8,750.00)							587,917.40
------------	----------	----------	------------	--	--	--	--	--	--	------------

**457PLAN B**

RECURRENT-PART-TIME/TEMPORARY EMPLOYEES

Beginning Balance	Contributions	Acct. Transfers In	Interest	Change in Value	Fees	Forfeiture	Withdrawals	Acct. Transfers Out	Ending Balance
2,694,649.02	95,090.60	102,380.29	14,854.94	8,070.82	(5,175.00)	0.02	(67,294.54)	(102,380.29)	2,740,195.86
				<u>Book Value</u>		<u>Market Value</u>			
				151,460.75		151,460.75			
				357,622.93		357,622.93			
				2,231,112.18		2,231,112.18			
				0.00		0.00			
			<u>Totals</u>	<u>2,740,195.86</u>		<u>2,740,195.86</u>			

**401(A)**

MANAGEMENT, POLICE, FIRE, ENGINEERS

Beginning Balance	Contributions	Acct. Transfers In	Interest	Change in Value	Fees	Forfeiture	Withdrawals	Acct. Transfers Out	Outstanding Loans	Ending Balance
8,990,983.05	103,162.93	275,675.15	23,970.57	374,304.09	(657.55)	4.69	(160,866.10)	(275,675.15)	134,558.96	(1) 9,465,460.64
				<u>Book Value</u>		<u>Market Value</u>				
				0.00		0.00				
				5,412,588.42		5,412,588.42				
				3,782,671.15		3,782,671.15				
				135,642.11		135,642.11				
				134,558.96		134,558.96				
			<u>Totals</u>	<u>9,465,460.64</u>		<u>9,465,460.64</u>				

(1) Outstanding Loan Balance included in Total Assets

**CITY OF TORRANCE  
EMPLOYEES DEFERRED COMPENSATION PLANS  
FOR THE QUARTER ENDING 09-30-13**



**RETIREMENT HEALTH SAVINGS PLAN (RHSP)**

MANAGEMENT, POLICE, FIRE, MISC.

Beginning Balance	Contributions	Distributions	Fees	Gain/Loss	Ending Balance
3,318,492.76	0.00	(84,298.20)	(3,924.77)	140,788.31	3,371,058.10
				Book Value	Market Value
Investment Type				121,130.93	121,130.93
Stable Value/Cash Mgmt Fund				191,623.66	191,623.66
Bond Funds				2,076,604.13	2,076,604.13
Balanced/Asset Alloc Funds				935,468.80	935,468.80
U.S. Stock Funds				46,230.58	46,230.58
Intern'l/Global Stock Funds				3,371,058.10	3,371,058.10
Totals					

**Public Agency Retirement Services (PARS) \***

Beginning Balance	Contributions	Transfer In	Distributions	Fees	Gain/Loss	Transfer Out	Ending Balance
8,427,787.63	535,454.47	381,210.27	(265,728.06)	(13,369.36)	221,472.55	(381,210.27)	8,905,617.23

**Public Agency Retirement Services (PARS) \***

Beginning Balance	Contributions	Transfer In	Distributions	Fees	Gain/Loss	Transfer Out	Ending Balance
2,041.41	1,250.00		(907.20)		(1.36)		2,382.85

\* Covers the period of May 2013 thru September 2013

**CITY OF TORRANCE  
CASH INVESTMENT HELD BY FISCAL AGENT  
FOR THE QUARTER ENDING 06-30-13**

Revised

**TORRANCE IMPROVEMENTS**

Bank of New York Mellon	Book Value	Reserve Requirement	Over/Under Funded Reserve(1)(2) (market value)	Market Value	Yield	Investment Description	Credit Rating
<i>City of Torrance 2004A&amp;B COP Refunding - #3060645 (Maturity - June 1, 2024 &amp; June 1, 2034)</i>							
Construction Fund Acct #360646	1,216,382.98			1,216,382.98		Dreyfus Inst'l Res Treasury #6541 CUSIP#S99994190	AAA
Lease Payment Acct #360648	0.00			0.00			
Required Reserve Acct #360649	2,754,195.00	2,777,212.50	(23,017.50)	2,754,195.00		Dreyfus Inst'l Res Treasury #6541 CUSIP#S99994190	AAA
<b>Bank of New York Mellon</b>							
Lease Payment Fund Acct # 360693	0.00	0.00		0.00			
Reserve Fund Acct #360695	1,258,018.76	1,258,018.76	0.00	1,258,018.76		Dreyfus Inst'l Res Treasury #6541 CUSIP#S99994190	AAA
<b>Bank of New York Mellon</b>							
<i>Torrance PFA 98COP</i>							
Reserve Acct # 428590	568,596.49	553,085.00	15,511.49	568,596.49	5.42	AIG Investment Agrmt 5.61% due 11/28/28 ** CUSIP#S86417480	Not Rated

**WATER ENTERPRISE REVENUE BONDS**

Bank of New York Mellon	Book Value	Reserve Requirement	Over/Under Funded Reserve(1)(2) (market value)	Market Value	Yield	Investment Description	Credit Rating
<i>2004 Torrance Water Refunding Bond #360700-(Maturity March 1, 2014)</i>							
Debit Service #360759	0.00						
Required Reserve Acct # 360760	548,955.76	505,000.00	43,955.76	548,955.76	0.00	JP Morgan Prime M Mkt Premier #350 FSA Capital Management Invest Agmt. CUSIP#S86253100	Not Rated

**REDEVELOPMENT AGENCY**

Bank of New York Mellon	Book Value	Reserve Requirement	Over/Under Funded Reserve(1)(2) (market value)	Market Value	Yield	Investment Description	Credit Rating
<i>Torrance RDA (Downtown) 98A (matures Sept. 1, 2028)</i>							
Interest / Debt Service Acct # 428478	0.00						
Reserve Acct # 428469	586,579.71	586,890.00	(310.29)	586,579.71	0.02	INVESCO Prime Private CUSIP#S99990340	Not Rated
<b>Bank of New York Mellon</b>							
<i>Torrance RDA (Industrial) 98B (matures Sept. 1, 2028)</i>							
Reserve Acct # 428517	1,037,984.75	1,037,984.75	0.00	1,037,984.75	0.02	INVESCO Prime Private CUSIP#S99990340	Not Rated



**CITY OF TORRANCE  
CASH INVESTMENT HELD BY FISCAL AGENT  
FOR THE QUARTER ENDING 06-30-13**

Revised

12

Bank of New York Mellon	Book Value	Reserve Requirement	Over/Under Funded Reserve(1)(2) (market value)	Market Value	Yield	Investment Description	Not Rated
<i>Torrance RDA (Industrial) 99C (matures Sept. 1, 2028)</i>							
Interest Acct # 428877	0.00			0.00			
Reserve acct # 428882	1,295,088.55	1,300,480.00	(5,391.45)	1,295,088.55	0.01	MBIA FINL. GUARANTY INS. POL.#29278 CUSIP S86460550	
<b>TOTAL: ALL CASH &amp; INVESTMENTS HELD BY FISCAL AGENT</b>				<b>9,265,802.00</b>			

**\*\* Investment Agreements were authorized by Council through their approval of the bond documents**

- (1) Reserve requirements may be overfunded due to an accumulation of funds which are adjusted at every scheduled payout. These funds will be transferred to the lease payment/principal/interest account when interest/principal payouts are made by the City.
- (2) Over/under funded reserve requirements is for memorandum purposes only. Reserve requirements as outlined in the bond indenture require that at time (day of) of semi-annual payments to bondholders that the market value of the investments held in reserve is equal to the reserve requirement. Due to market fluctuations throughout the year it is normal to see both over and under funded situations.

**CASH AND INVESTMENTS PER BOOKS  
AS OF OCTOBER 31, 2013 (PRE-CLOSE)**

FUND	CASH & INVESTMENTS PER BOOKS	PERCENT OF TOTAL
General	16,918,696.99	11.99
Parks & Recr Facility & Open Space	3,930,358.26	2.78
State Gas Tax	14,048,465.16	9.93
Federal Housing, Community Dev	656,988.69	0.46
Street Lighting	27,060.00	0.02
Traffic Congestion Relief Act 2000 - AB2928	-	-
Proposition 1B	1,708,071.87	1.21
Police Asset Forfeiture	4,044,959.11	2.86
Drainage Improvement	19,444.47	0.01
Measure R Local Return	290,319.18	0.21
Government Cable	4,354,452.13	3.08
Local Return - Proposition C	3,727,156.99	2.63
TDA Article 3 Bicycle Fund	208,699.37	0.15
Grants/Donations	(46,120.03) (A)	(0.03)
CDBG Fund	(82,380.46) (B)	(0.06)
Citizens Options for Public Safety (COPS) Grant Funds - AB3229	172,655.01	0.12
Seismic Education Fund	58,143.08	0.04
Rehabilitation Housing	706,334.73	0.50
Meadow Park Parking Lot	39,402.22	0.03
Police Inmate Welfare Fund	54,070.10	0.04
Capital Improvements	17,804,675.15	12.58
Geologic Hazard Abatement	14,316.64	0.01
El Camino Training Fund-Fire	136,319.70	0.10
El Camino Training Fund-Police	10,000.00	0.01
Vanpool/Rideshare Fund	10,634.22	0.01
Torrance Public Financing - 1998 COP Fire/Police	(456.87) (C)	-
Animal Control Fund	-	-
Successor Agency - Low Mod Housing Capital Project	7,336.74 (D)	0.01
Successor Agency - Downtown Debt Service	14,354.35 (E)	0.01
Successor Agency - SkyPark Debt Service	-	-
Successor Agency - Industrial Debt Service	144,670.07 (F)	0.10
Underground Storage Tank Fund	-	-
DNA Sampling Fund	4,231.86	-
Airport Fund	6,539,503.56	4.62
Transit Operations	12,171,944.02	8.60
Development Impact Fund	1,110,266.91	0.78
Water Operations	9,235,925.22	6.53
Emergency Medical Service Enterprise Fund	-	-
Sanitation Operations	(338,555.85) (G)	(0.24)
Cultural Arts Enterprise	(13,220.81) (H)	(0.05)
Sewer Enterprise Fund	8,754,050.60	6.19
Parks & Recreation Enterprise Fund	80,840.39	0.06
Self Insurance Fund	5,700,861.35	4.03
Fleet Services	17,228,767.50	12.18
Postemployment/Compensated Absences Fund	9,462,289.34	6.69
Trust & Agency	2,567,160.92	1.81
<b>TOTAL CASH AND INVESTMENTS PER BOOKS</b>	<b>141,482,691.88</b>	<b>100.00</b>
Redev Obligation Retirement Fund	209,155.18 (I)	

- (A) T-030 Del Amo Blvd. extension project - MTA Grant has a negative cash balance of <\$506,461.32>. METRO is holding approximately \$701,873 of retention 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 <\$190,098.72>. Quarterly reimbursement request for \$77,012.71 was submitted on October 25, 2013.
- FEAP764 Torrance Transit Terminal project - Measure R HW-MTA Grant has a negative cash balance of <\$235,782.51>. Quarterly reimbursement request for \$129,558.85 was submitted on October 14, 2013.
- 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 <\$82,380.46> due to Home Improvement Program charges. Reimbursement request will be submitted by Community Development in November 2013.
- (C) The reimbursement request from the Construction Fund for the Certificates of Participation Series 2004 A&B will be submitted in December 2013.
- (D) Funds will be used to pay Coleman Court and Ocean Terrace Senior rental subsidy.
- (E) Residuals that will be used to pay Downtown bond debt.
- (F) Residuals that will be used to pay Industrial bond debt.
- (G) Sanitation Operations Fund has a negative fund due to the purchase of green waste and refuse containers from Toter, Inc for \$613,481 in May 2012 & \$500,176.05 in Sep 2012.
- (H) Finance department is monitoring and working with General Services.
- (I) 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  
October 2013

**CASH AND INVESTMENTS RECONCILIATION  
AS OF OCTOBER 31, 2013 (PRE-CLOSE)**

INVESTMENTS PER PORTFOLIO SUMMARY		\$ 140,410,917.47	
Cash in Bank of America General Account	\$ 1,325,086.00		
Cash in Bank of America Housing Account	<u>1,568,174.28</u>		
			2,893,260.28
TOTAL FUNDS PER INVESTMENT REPORT			<b>\$ 143,304,177.75</b>
OUTSTANDING WARRANTS:			
General Account	\$ (1,128,285.71)		
Payroll Account	(91,087.50)		
Workers' Compensation Account	(128,079.91)		
Housing Account	<u>(7,815.00)</u>		
			(1,355,268.12)
MISCELLANEOUS OUTSTANDING ADJUSTING JOURNAL ENTRIES:			
10/10/13 Receipts interfaced on 11/04/13	\$ (7,815.86)		
10/24/13 Receipts interfaced on 11/05/13	(5,279.47)		
10/25/13 Receipts interfaced on 11/04/13	(702.99)		
10/25/13 Receipts interfaced pending	(10.00)		
10/30/13 Receipts interfaced on 11/04/13	(321,525.31)		
10/30/13 Receipts interfaced on 11/05/13	(133,128.78)		
10/30/13 Receipts interfaced on 11/04/13	(24,134.06)		
IVR & Parking Web credit card receipts Interfaced pending	(29.00)		
10/2013 Deposit in transit	<u>26,407.72</u>		
			(466,217.75)
TOTAL CASH AND INVESTMENTS PER BOOKS			<b>\$ 141,482,691.88</b>