

Council Meeting of  
January 8, 2013

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

Members of Council:

**SUBJECT: Accept and file Investment Report for November 2012**

**RECOMMENDATION**

Recommendation of the City Treasurer that City Council accept and file the attached monthly investment report for the month of November 2012.

**FUNDING**

Not applicable

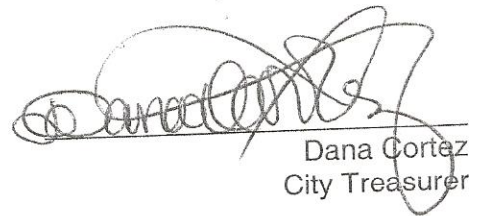
**BACKGROUND**

On December 20, 2011, Your Honorable Body, through passage of Resolution 2011-102, adopted an official "Statement of Investment Policy" as recommended by the City Treasurer. The City's Statement of Investment Policy requires the City Treasurer to report a monthly statement of investment activity. This requirement was providing the attached report.

**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.

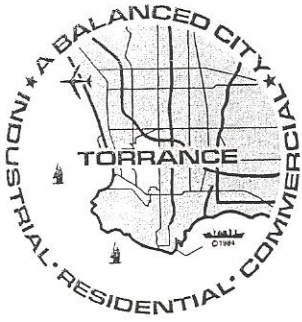
Respectfully submitted,

  
Dana Cortez  
City Treasurer

Noted:

LeRoy J. Jackson  
Investment Committee Member

CC: City Manager  
City Clerk



**CITY of TORRANCE**  
**Monthly Investment Portfolio Report**  
**November 30, 2012**

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# Investment Report November 2012

## Investment Portfolio Highlights

<p><b>RETURN</b></p> <p>Average City Portfolio YTM 1.333%</p> <p>Average U.S. Treasury Constant 0.320%</p> <p>LAIF Average Monthly Return 0.324%</p> <p>Average City Portfolio YTM - 1 year 1.678%</p> <p><b>INTEREST INCOME</b></p> <p>Fiscal year to date \$828,846</p> <p>Current month \$156,453</p> <p><b>MATURITY</b></p> <p>Average Maturity (days) 1084</p> <p>Average Maturity 1 Year Prior 1011</p> <p>Weighted Average Maturity (years) 2.97</p> <p><b>VOLUMES</b></p> <p>Purchases \$26,298,529</p> <p>Maturities \$31,703,515</p>	<p><b>Current Month</b></p> <p>1.3325%</p> <p>0.380%</p> <p>0.340%</p> <p>1.732%</p> <p><b>Prior Year</b></p> <p>\$1,095,664</p> <p>\$214,671</p> <p><b>Prior Month</b></p> <p>1040</p> <p>1052</p> <p>2.85</p> <p><b># of Transactions</b></p> <p>11</p> <p>10</p>
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## Portfolio Activity Summary

	Average Balance	Number of Securities	Year	Month End	Yield to Maturity 365	Inv Purchased	Inv Redeemed	Average Term	Average Days to Mat
2011	149,056,539.20	97	November	1.655	6	9	1,309	1,011	
2011	148,528,510.95	99	December	1.593	6	4	1,278	986	
2012	158,978,462.55	100	January	1.477	10	9	1,194	920	
2012	172,417,574.90	104	February	1.418	10	7	1,227	982	
2012	170,844,028.64	102	March	1.426	3	5	1,284	1,020	
2012	166,719,089.02	106	April	1.415	7	3	1,317	1,048	
2012	178,400,048.95	105	May	1.349	2	3	1,256	983	
2012	183,392,700.59	100	June	1.262	1.280	0.358%	1,181	900	
2012	162,037,232.18	96	July	1.391	1.410	0.363%	1,386	1,045	
2012	145,326,329.75	100	August	1.336	1.355	0.377%	1,377	1,039	
2012	147,274,617.22	107	September	1.341	1.360	0.348%	1,418	1,084	
2012	146,172,452.79	106	October	1.307	1.325	0.340%	1,393	1,040	
2012	141,033,420.88	103	November	1.314	1.333	0.324%	1,455	1,084	
<b>Average</b>	<b>159,200,251.84</b>	<b>101</b>		<b>1.406%</b>	<b>1.426%</b>	<b>0.368%</b>	<b>1.313</b>	<b>1.011</b>	

## Portfolio Activity Detail

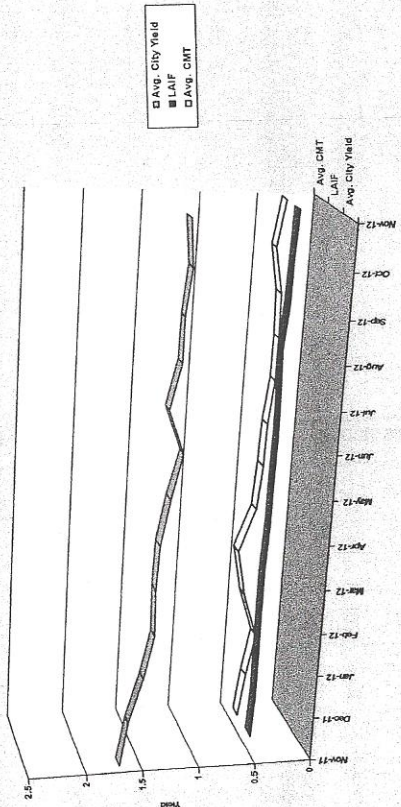
Investment Number.	BROKER	PURCHASE DATE	DESCRIPTION	QUALITY RATING	MATURITY DATE	DAYS HELD/ MATURITY	RATE	YIELD	PAR VALUE	COST	MARKET VALUE
11072	Vining Sparks	11/2/2012	FAMCA	AA+/Aaa	11/3/2017	1798	0.700%	0.700%	2,000,000	2,000,000	2,003,080
11073	Higgins Capital	11/2/2012	BMW	AA+/Aa2	11/2/2015	664	0.950%	0.950%	245,000	245,000	244,076
11074	Vining Sparks	11/7/2012	FAMCA	AA+/Aaa	11/7/2017	1802	1.020%	1.020%	3,000,000	3,000,000	3,007,560
11075	Vining Sparks	11/28/2012	FFCB	AA+/Aaa	11/27/2017	1822	0.870%	0.870%	2,000,000	2,000,000	2,002,280
11076	Higgins Capital	11/28/2012	FNMA	AA+/Aaa	11/27/2017	1822	0.500%	1.068%	1,000,000	1,000,000	1,000,090
<b>MATURITIES/CALLS</b>										<b>8,245,000</b>	<b>8,257,086</b>
10884	Vining Sparks	5/28/2010	FHLB	AA+/Aaa	5/17/2015	915/1826	3.350%	1.995%	1,000,000	1,000,000	1,000,000
10995	Vining Sparks	11/7/2011	FHLMC	AA+/Aaa	5/7/2015	366/1277	1.050%	1.047%	1,000,000	1,000,000	1,000,000
10996	Vining Sparks	11/16/2011	FHLMC	AA+/Aaa	11/16/2015	366/1461	1.250%	1.247%	1,000,000	1,000,000	1,000,000
10997	Vining Sparks	11/29/2011	FHLMC	AA+/Aaa	11/29/2016	366/1827	1.500%	1.496%	1,000,000	1,000,000	1,000,000
10998	Vining Sparks	11/28/2011	FHLMC	AA+/Aaa	11/28/2016	366/1827	1.375%	1.371%	2,000,000	2,000,000	2,000,000
10999	Vining Sparks	11/28/2011	FFCB	AA+/Aaa	11/28/2016	366/1827	1.510%	1.506%	2,000,000	2,000,000	2,000,000
<b>State of California</b>										<b>8,000,000</b>	<b>8,000,000</b>
<b>Local Agency Pool</b>										<b>8,000,000</b>	<b>8,000,000</b>
City										9,013,700	10,513,700
TRANS Repayment										0	0
<b>Total</b>										<b>6,400,000</b>	<b>6,400,000</b>

	Beginning Balance	Rate	Yield	Deposits	Withdrawals	Interest Accrued	Ending Balance
City	9,013,700	0.324%	0.324%	7,900,000	10,513,700	6,400,000	6,400,000
TRANS Repayment	0	0.324%	0.324%	-	0	-	-
<b>Total</b>							<b>6,400,000</b>

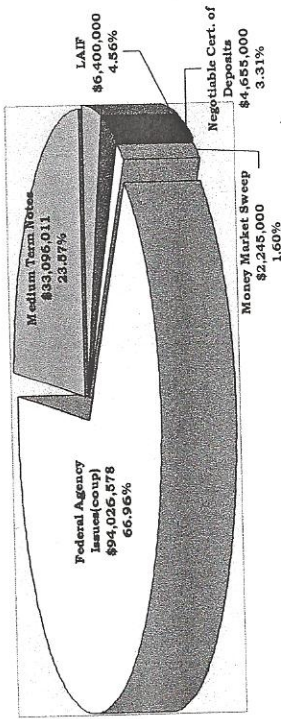


Interest Earnings Summary

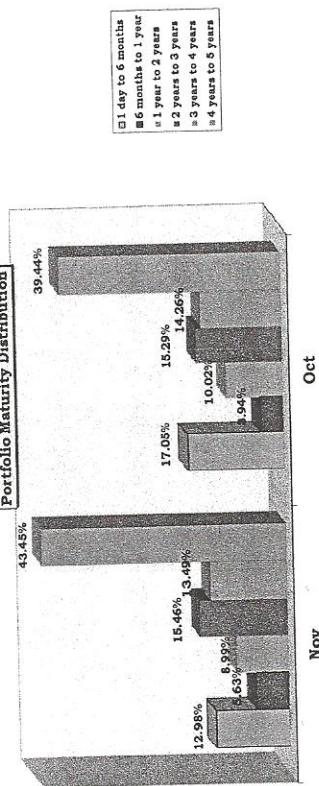
Portfolio Performance



Portfolio Diversification



Portfolio Maturity Distribution



CD/Coupon/Discount Investments:	Month Ending	Nov	Fiscal Year End
Interest Collected	153,516	1,129,821	
Plus Accrued Interest at	506,675	506,645	
Less Accrued Interest at	(380,837)	(706,428)	
<b>Interest Earned</b>	<b>179,354</b>	<b>930,038</b>	
Adjusted by Premium	(24,727)	(122,695)	
<b>Earnings during</b>	<b>154,627</b>	<b>807,344</b>	
Cash/Checking Accounts:			
Interest Collected	13	13,822	
Plus Accrued Interest at	90,538	90,538	
Less Accrued Interest at	(88,924)	(82,857)	
<b>Interest Earned</b>	<b>1,627</b>	<b>21,502</b>	
<b>Total Interest Earned</b>	<b>181,181</b>	<b>951,641</b>	
Premiums and Discounts	(24,727)	(122,695)	
<b>Total Capital Gains or</b>	<b>\$156,453</b>	<b>\$828,846</b>	

Federal National Mortgage Assoc., 12.73%

Farmer Mac, 11.49%

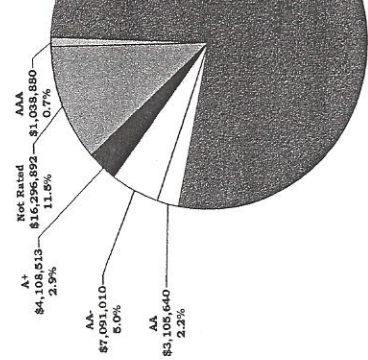
Federal Home Loan Mortgage Corp., 18.58%

Federal Farm Credit Bank, 13.41%

Federal Home Loan Bank, 10.73%

Federal Agency Issues of Total Portfolio, 66.96%

Market Value and Credit Rating Report





# Investment Report November 2012

## Portfolio Summary

Local Agency Investment Fund	Book Value	% of Portfolio	% per Policy	Duration	Days to Maturity	Current Yield
Local Agency Investment Fund	6,400,000	4.56%	**	1	1	N/A 0.324%
Negotiable CDs	4,655,000	3.31%		974	801	5 years 1.051%
Money Market Sweep Account	2,245,000	1.60%		1	1	0.020%
Federal Agency Issues -	94,026,578	66.96%	75%	1,648	1,318	5 years 1.242%
Coupons	16,158,224	11.49%	30%	1,833	1,368	5 years 1.143%
Federal Farm Credit Bank	18,714,922	13.41%	30%	1,111	1,143	5 years 1.282%
Federal Home Loan Bank	15,062,663	10.73%	30%	1,172	1,211	5 years 1.447%
Federal Home Loan Mortgage Corp.	25,091,735	18.55%	30%	1,338	1,374	5 years 1.038%
Federal National Mortgage Assoc.	17,995,033	12.78%	30%	1,458	1,540	5 years 1.413%
Treasury Securities - Coupons	0	0.00%	100%	0	0	0.000%
Medium Term Notes	33,096,011	23.57%*	20%	1,325	700	5 years 1.914%
<b>Total Investments &amp; Effective Rate of Return</b>	<b>140,422,589</b>	<b>100.00%</b>		<b>1,455</b>	<b>1,084</b>	<b>1.333%</b>

\* This investment sector is currently out of compliance with the investment policy. The compliance date for this investment is to be determined.

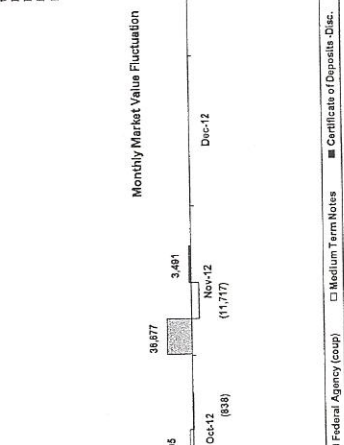
Month	Ending Investment Value as of	Change in Market Value	Ending Investment Value as of
July 1, 2012	106,620,084	-79,944	November 30, 2012
August 1, 2012	0	0	0
September 1, 2012	32,510,722	129,581	33,641,603
October 1, 2012	169,300	0	0
November 1, 2012	\$139,300,107	\$49,637	\$128,437,314
December 1, 2012	1,967,326	-12803.7	4,649,522
January 1, 2013	0	0	0
February 1, 2013	0	0	0
March 1, 2013	\$185,693,831	\$36,834	\$141,731,836
April 1, 2013	0	0	0
May 1, 2013	0	0	0
June 1, 2013	0	0	0

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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 report the same until year-end, as GASB 31 requires. The portfolio paper gain or loss is the difference between the current market value and the amortized cost of the securities with a maturity term of one year or greater at purchase. The disclosure of paper losses reveals the worse case scenario of liquidity in our portfolio. The philosophy of the city is to buy and hold to maturity.

NOTE: RB 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. The report shall include 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.



Reviewed by the Investment Advisory Committee:

*[Signature]* City Manager  
*[Signature]* City Treasurer  
*[Signature]* Deputy City Treasurer

Reviewed by the Investment Advisory Committee:

*[Signature]* City Manager  
*[Signature]* City Treasurer  
*[Signature]* Deputy City Treasurer

**Monthly Investment Reports**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**November 30, 2012**

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>												
	10000	Local Agency Invest Fund GEN'L	6,400,000.00		6,400,000.00	6,400,000.00	6,400,000.00	0.324		0.324	1	
SYS10000		LAIF - TRANS FUNDS	0.00		0.00	0.00	0.00	0.324		0.324	1	
SYS1000a												
		<b>Subtotal and Average</b>	<b>5,789,863.44</b>		<b>6,400,000.00</b>	<b>6,400,000.00</b>	<b>6,400,000.00</b>			<b>0.324</b>	<b>1</b>	
<b>Money Market Sweep Account</b>												
	1000	Union Bank of California	2,245,000.00		2,245,000.00	2,245,000.00	2,245,000.00	0.020		0.020	1	
316175108S												
		<b>Subtotal and Average</b>	<b>695,517.21</b>		<b>2,245,000.00</b>	<b>2,245,000.00</b>	<b>2,245,000.00</b>			<b>0.020</b>	<b>1</b>	
<b>Negotiable CD's</b>												
319180DA0	10839	First Bank Lexington Tennessee	245,000.00	12/17/2009	245,000.00	245,144.55	245,000.00	2.050		2.475	16	12/17/2012
33764JHM0	11052	First Bank of Puerto Rico	245,000.00	08/01/2012	245,000.00	244,791.75	245,000.00	1.250		1.251	1,339	08/01/2016
332135FA5	11069	First National Bank of Omaha	245,000.00	10/10/2012	245,000.00	244,399.75	245,000.00	0.550		0.550	495	04/10/2014
02005QIN90	11044	Ally Bank	245,000.00	08/01/2012	245,000.00	244,632.50	245,000.00	1.150		1.150	975	08/03/2015
02587DLD8	11070	American Express Cent	245,000.00	10/04/2012	245,000.00	244,397.30	245,000.00	1.550		1.550	1,768	10/04/2017
037830NA0	11047	Apple Bank Savings	245,000.00	09/01/2012	245,000.00	244,742.75	245,000.00	0.500		0.500	429	02/03/2014
07370VLN6	11064	Beal Bank USA	245,000.00	09/26/2012	245,000.00	244,755.00	245,000.00	0.400		0.400	298	09/25/2013
07370TUT8	11063	Beal Bank SSB Plano Texas	245,000.00	09/26/2012	245,000.00	244,755.00	245,000.00	0.400		0.400	298	09/25/2013
06426NGR7	11068	Bank of China	245,000.00	09/26/2012	245,000.00	244,813.80	245,000.00	0.650		0.650	664	09/26/2014
06251AYM6	11062	Bank Hapoalim BM NY	245,000.00	09/26/2012	245,000.00	244,948.55	245,000.00	0.500		0.500	299	09/26/2013
05568PZ91	11073	BMW Bank of North America	245,000.00	11/02/2012	245,000.00	244,076.35	245,000.00	0.950		0.950	1,066	11/02/2015
254671GK0	11058	Discover Bank	245,000.00	09/19/2012	245,000.00	244,632.50	245,000.00	1.250		1.250	1,388	09/19/2016
29976DNC9	11059	EverBank	245,000.00	09/14/2012	245,000.00	244,657.00	245,000.00	0.900		0.900	1,383	09/14/2016
36160XN52	11051	GE Capital Bank	245,000.00	08/03/2012	245,000.00	244,568.80	245,000.00	1.150		1.150	975	08/03/2015
36159SJS1	10838	GE Money bank	245,000.00	12/11/2009	245,000.00	245,078.40	245,000.00	2.350		2.350	10	12/11/2012
38143AXS9	11045	Goldman Sachs Bank	245,000.00	08/01/2012	245,000.00	244,568.80	245,000.00	1.200		1.200	975	08/03/2015
786580X96	11043	Safira National Bank	245,000.00	07/31/2012	245,000.00	244,701.10	245,000.00	0.800		0.800	972	07/31/2015
795450NT8	11053	Sallie Mae Bank	245,000.00	08/08/2012	245,000.00	244,617.80	245,000.00	1.100		1.100	982	08/10/2015
84603M2H8	11046	Sovereign Bank	245,000.00	08/01/2012	245,000.00	245,240.10	245,000.00	0.850		0.850	608	08/01/2014
		<b>Subtotal and Average</b>	<b>4,655,000.00</b>		<b>4,655,000.00</b>	<b>4,649,521.80</b>	<b>4,655,000.00</b>			<b>1.051</b>	<b>786</b>	
<b>Federal Agency Issues - Coupon</b>												
31315PQN2	10936	Farmer Mac	3,000,000.00	02/03/2011	3,000,000.00	3,038,490.00	3,000,000.00	1.340	AA+	1.340	429	02/03/2014
31315PA25	10984	Farmer Mac	1,000,000.00	07/27/2011	1,000,000.00	1,049,690.00	999,634.44	2.000	AA+	2.011	1,334	07/27/2016
31315PDZ9	10986	Farmer Mac	2,000,000.00	08/23/2011	2,000,000.00	2,099,400.00	2,068,838.71	2.375	AA+	1.042	963	07/22/2015
31315PVC0	11035	Farmer Mac	3,090,000.00	04/26/2012	3,090,000.00	3,102,730.80	3,089,751.08	1.200	AA+	1.204	1,607	04/26/2017

Portfolio CITY  
AP  
PM (PRF\_PM2) 7.2.5

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Run Date: 12/17/2012 - 12:17

Monthly Investment Reports  
 Portfolio Management  
 Portfolio Details - Investments  
 November 30, 2012

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												
31315PXX0	11071	Farmer Mac		10/25/2012	2,000,000.00	2,003,080.00	2,000,000.00	0.650	AA+	1.053	1,789	10/25/2017
31315PXR5	11072	Farmer Mac		11/02/2012	2,000,000.00	2,004,620.00	2,000,000.00	0.700	AA+	0.700	1,798	11/03/2017
31315PYR4	11074	Farmer Mac		11/07/2012	3,000,000.00	3,007,560.00	3,000,000.00	1.020	AA+	1.020	1,802	11/07/2017
31331GVD8	10800	FEDERAL FARM CREDIT BANK		05/08/2009	1,000,000.00	1,007,010.00	1,000,000.00	2.200	AA+	2.200	128	04/08/2013
31331XWW8	10879	FEDERAL FARM CREDIT BANK		05/05/2010	500,000.00	532,820.00	518,725.54	5.000	AA+	2.192	510	04/25/2014
31331JQ55	10907	FEDERAL FARM CREDIT BANK		10/06/2010	1,000,000.00	1,015,640.00	1,000,000.00	1.150	AA+	1.150	674	10/06/2014
31331KCK4	10942	FEDERAL FARM CREDIT BANK		02/17/2011	1,000,000.00	1,037,390.00	1,000,000.00	2.030	AA+	2.030	808	02/17/2015
31331X2Q4	10947	FEDERAL FARM CREDIT BANK		03/01/2011	1,000,000.00	1,036,080.00	1,029,091.28	5.000	AA+	1.100	277	09/04/2013
31331VPV2	10954	FEDERAL FARM CREDIT BANK		04/01/2011	2,000,000.00	2,297,360.00	2,167,333.33	4.950	AA+	2.280	1,217	04/01/2016
31331KGN4	10955	FEDERAL FARM CREDIT BANK		04/07/2011	1,000,000.00	1,015,360.00	1,000,000.00	1.400	AA+	1.400	492	04/07/2014
31331K5T3	11013	FEDERAL FARM CREDIT BANK		01/11/2012	1,000,000.00	1,000,900.00	1,000,000.00	1.020	AA+	1.020	1,136	01/11/2016
3133EAGH5	11028	FEDERAL FARM CREDIT BANK		03/08/2012	2,000,000.00	2,006,840.00	2,000,000.00	1.250	AA+	1.250	1,558	03/08/2017
3133EAKP2	11032	FEDERAL FARM CREDIT BANK		04/04/2012	1,000,000.00	1,004,480.00	1,000,000.00	1.360	AA+	0.780	1,521	01/30/2017
3133EA81	11041	FEDERAL FARM CREDIT BANK		07/30/2012	1,000,000.00	1,000,040.00	1,000,000.00	0.780	AA+	0.780	1,521	01/30/2017
3133EA24	11048	FEDERAL FARM CREDIT BANK		07/26/2012	1,000,000.00	1,000,030.00	999,771.70	0.730	AA+	0.736	1,333	07/26/2016
3133EA29	11060	FEDERAL FARM CREDIT BANK		09/18/2012	1,000,000.00	1,003,230.00	1,000,000.00	0.980	AA+	0.980	1,752	09/18/2017
3133EA2K3	11066	FEDERAL FARM CREDIT BANK		09/28/2012	1,000,000.00	1,000,220.00	1,000,000.00	0.450	AA+	0.450	1,031	09/28/2015
3133EA2H0	11067	FEDERAL FARM CREDIT BANK		10/01/2012	1,000,000.00	1,001,140.00	1,000,000.00	0.440	AA+	0.440	1,034	10/01/2015
3133EC5A8	11075	FEDERAL FARM CREDIT BANK		11/28/2012	2,000,000.00	2,002,280.00	2,000,000.00	0.870	AA+	0.870	1,822	11/27/2017
3133XT6J0	10788	FEDERAL HOME LOAN BANK		02/26/2009	2,000,000.00	2,011,220.00	2,000,000.00	2.625	AA+	2.625	87	02/26/2013
3133XY6S9	10899	FEDERAL HOME LOAN BANK		08/26/2010	1,000,000.00	1,016,180.00	1,008,924.58	2.000	AA+	1.002	332	10/29/2013
313372W26	10950	FEDERAL HOME LOAN BANK		03/15/2011	1,000,000.00	1,006,750.00	1,000,000.00	2.500	AA+	2.500	1,200	03/15/2016
313373RC8	10956	FEDERAL HOME LOAN BANK		05/16/2011	1,000,000.00	1,015,770.00	1,001,401.47	1.250	AA+	1.164	606	07/30/2014
313374DV9	10969	FEDERAL HOME LOAN BANK		06/28/2011	1,000,000.00	1,001,650.00	1,001,075.00	2.500	AA+	2.045	1,305	06/28/2016
313376Q99	11007	FEDERAL HOME LOAN BANK		01/13/2012	2,000,000.00	2,021,520.00	2,000,000.00	1.125	AA+	1.125	1,504	01/13/2017
313378W56	11037	FEDERAL HOME LOAN BANK		04/30/2012	2,000,000.00	2,047,040.00	2,000,000.00	2.000	AA+	1.425	1,605	04/24/2017
313370TW8	11040	FEDERAL HOME LOAN BANK		07/25/2012	1,000,000.00	1,059,600.00	1,051,309.34	2.000	AA+	0.620	1,378	09/09/2016
313380C62	11049	FEDERAL HOME LOAN BANK		08/23/2012	2,000,000.00	2,000,900.00	2,000,000.00	0.500	AA+	1.031	1,726	08/23/2017
313380P92	11055	FEDERAL HOME LOAN BANK		09/26/2012	1,000,000.00	1,001,410.00	1,000,000.00	1.000	AA+	1.000	1,760	09/26/2017
313380MF1	11057	FEDERAL HOME LOAN BANK		09/18/2012	1,000,000.00	1,000,310.00	999,952.78	1.000	AA+	1.005	1,752	09/18/2017
3128X1CS4	10915	FEDERAL HOME LOAN MORTGAGE CO		10/27/2010	1,000,000.00	1,042,860.00	1,036,735.79	4.580	AA+	0.730	353	11/19/2013
3134G3EN6	11003	FEDERAL HOME LOAN MORTGAGE CO		12/30/2011	1,000,000.00	1,006,960.00	1,000,000.00	1.000	AA+	1.000	941	06/30/2015
3134G3GG9	11008	FEDERAL HOME LOAN MORTGAGE CO		01/09/2012	1,000,000.00	1,000,540.00	1,000,052.78	0.850	AA+	0.833	769	01/09/2015
3134G3GM6	11009	FEDERAL HOME LOAN MORTGAGE CO		01/13/2012	1,000,000.00	1,012,210.00	1,000,000.00	1.300	AA+	1.300	1,504	01/13/2017
3134G3GX2	11010	FEDERAL HOME LOAN MORTGAGE CO		01/13/2012	2,000,000.00	2,018,320.00	2,000,000.00	1.400	AA+	1.400	1,504	01/13/2017

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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM	Days to Maturity	Maturity Date
<b>Federal Agency Issues - Coupon</b>												
3137EAD00	11017	FEDERAL HOME LOAN MORTGAGE CO		01/30/2012	1,000,000.00	1,015,730.90	997,073.13	1.000	AA+	1.071	1,558	03/08/2017
3134G3MR8	11018	FEDERAL HOME LOAN MORTGAGE CO		02/13/2012	1,000,000.00	1,003,180.00	1,000,000.00	0.550	AA+	0.550	804	02/13/2015
3134G3NA4	11019	FEDERAL HOME LOAN MORTGAGE CO		02/28/2012	3,000,000.00	3,024,210.00	3,000,000.00	0.750	AA+	0.750	1,550	02/28/2017
3134G3MX5	11021	FEDERAL HOME LOAN MORTGAGE CO		02/24/2012	1,000,000.00	1,005,900.00	1,000,000.00	0.800	AA+	0.800	1,180	02/24/2016
3134G3NA4	11022	FEDERAL HOME LOAN MORTGAGE CO		02/28/2012	2,000,000.00	2,016,140.00	2,000,000.00	0.750	AA+	1.313	1,550	02/28/2017
3134G3MT4	11026	FEDERAL HOME LOAN MORTGAGE CO		02/24/2012	2,000,000.00	2,013,280.00	2,000,000.00	1.125	AA+	1.125	1,546	02/24/2017
3134G3SD3	11027	FEDERAL HOME LOAN MORTGAGE CO		03/28/2012	2,000,000.00	2,012,280.00	2,000,000.00	0.750	AA+	0.750	1,031	09/28/2015
3137EACT4	11034	FEDERAL HOME LOAN MORTGAGE CO		04/26/2012	1,000,000.00	1,071,200.00	1,057,873.34	2.500	AA+	0.810	1,273	05/27/2016
3134G3VH0	11038	FEDERAL HOME LOAN MORTGAGE CO		05/24/2012	5,000,000.00	5,018,550.00	5,000,000.00	1.200	AA+	1.200	1,635	05/24/2017
3134G3WD8	11039	FEDERAL HOME LOAN MORTGAGE CO		06/12/2012	2,000,000.00	2,023,920.00	2,000,000.00	1.250	AA+	1.250	1,654	06/12/2017
3136FRUP6	10967	FEDERAL NATIONAL MORT ASSOC		07/15/2011	3,000,000.00	3,032,760.00	3,000,000.00	2.000	AA+	2.000	1,322	07/15/2016
3136FTSH3	11000	FEDERAL NATIONAL MORT ASSOC		12/20/2011	1,000,000.00	1,000,500.00	1,000,000.00	1.250	AA+	1.810	1,480	12/20/2016
3136FTT16	11002	FEDERAL NATIONAL MORT ASSOC		12/28/2011	1,000,000.00	1,000,790.00	1,000,000.00	1.375	AA+	1.815	1,488	12/28/2016
3136FTH44	11016	FEDERAL NATIONAL MORT ASSOC		02/09/2012	2,000,000.00	2,004,180.00	2,000,000.00	1.000	AA+	1.343	1,530	02/08/2017
3136FTV69	11025	FEDERAL NATIONAL MORT ASSOC		02/28/2012	2,000,000.00	2,003,680.00	1,999,033.33	0.500	AA+	1.331	1,550	02/28/2017
3136FT3W7	11031	FEDERAL NATIONAL MORT ASSOC		03/28/2012	2,000,000.00	2,007,660.00	2,000,000.00	1.125	AA+	1.332	1,378	03/28/2017
3136G0D01	11033	FEDERAL NATIONAL MORT ASSOC		04/26/2012	2,000,000.00	2,005,620.00	2,000,000.00	1.000	AA+	0.998	1,333	07/26/2016
3136G0VA6	11050	FEDERAL NATIONAL MORT ASSOC		08/14/2012	1,000,000.00	1,002,440.00	1,000,000.00	0.625	AA+	1.226	1,717	08/14/2017
3136G0D57	11054	FEDERAL NATIONAL MORT ASSOC		09/27/2012	1,000,000.00	1,000,940.00	1,000,000.00	0.500	AA+	1.240	1,761	09/27/2017
3136G0D24	11061	FEDERAL NATIONAL MORT ASSOC		09/25/2012	1,000,000.00	1,001,370.00	1,000,000.00	0.500	AA+	1.093	1,759	09/25/2017
3136G0F97	11065	FEDERAL NATIONAL MORT ASSOC		09/27/2012	1,000,000.00	1,001,640.00	1,000,000.00	0.500	AA+	1.179	1,761	09/27/2017
3136G06R7	11076	FEDERAL NATIONAL MORT ASSOC		11/28/2012	1,000,000.00	1,000,090.00	1,000,000.00	0.500	AA+	1.068	1,822	11/27/2017
<b>Subtotal and Average</b>					<b>93,590,000.00</b>	<b>94,795,710.80</b>	<b>94,026,577.67</b>			<b>1.242</b>	<b>1,334</b>	

Medium Term Notes	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM	Days to Maturity	Maturity Date
88579EAE5	10895	3M Company		07/20/2010	1,000,000.00	1,029,300.00	1,021,927.44	4.375	AA-	1.200	257	08/15/2013
06738KXY8	10899	Barclays Bank		10/29/2011	3,000,000.00	3,019,260.00	3,000,000.00	4.375	A+	3.287	1,427	10/28/2016
06366RHA3	11056	Bank of Montreal		09/11/2012	1,000,000.00	1,004,980.00	1,001,242.22	1.400	AA+	1.373	1,745	09/11/2017
084654AD3	10714	Berkshire Hathaway		01/18/2008	1,000,000.00	1,036,380.00	1,002,479.19	4.625	AA+	4.300	318	10/15/2013
084670AU2	10938	Berkshire Hathaway		02/08/2011	3,000,000.00	3,010,560.00	3,006,738.59	2.125	AA+	0.956	72	02/11/2013
1731AJAT0	10874	Citibank		04/15/2010	3,000,000.00	3,003,090.00	3,000,437.05	1.750	AA+	1.112	27	12/28/2012
191216AND	10924	COCA-COLA		11/22/2010	1,085,000.00	1,069,253.20	1,082,450.28	0.750	A+	1.000	349	11/15/2013
36962G4H4	10913	General Electric		10/19/2010	1,000,000.00	1,002,230.00	1,001,694.87	2.800	AA+	1.125	36	01/08/2013
36962G4T8	10925	General Electric		11/19/2010	1,000,000.00	1,033,860.00	987,428.12	2.250	AA+	2.710	1,073	11/09/2015
36962G4X9	10935	General Electric Capital Corp		01/10/2011	2,000,000.00	2,034,040.00	1,998,860.17	2.100	AA+	2.154	402	01/07/2014

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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM	Days to Maturity	Maturity Date
<b>Medium Term Notes</b>												
36962G5N0	11011	General Electric Capital Corp		01/10/2012	2,000,000.00	2,117,080.00	2,002,464.70	2.900	AA+	2.868	1,500	01/09/2017
36962G5M2	11012	General Electric Capital Corp		01/10/2012	2,000,000.00	2,061,660.00	2,003,231.51	2.150	AA+	2.070	769	01/09/2015
36962G4N1	11024	General Electric Capital Corp		02/22/2012	2,000,000.00	2,003,680.00	1,982,137.71	1.060	AA+	1.433	983	08/11/2015
594918AB0	10821	MicroSoft Corp		08/17/2008	1,000,000.00	1,036,880.00	1,000,000.00	2.950	AAA	2.949	547	06/01/2014
89233P4H6	10945	Toyota Motor Credit Corp		02/23/2011	1,000,000.00	1,006,490.00	1,000,581.62	1.375	AA-	1.290	254	08/12/2013
89233P5S1	11015	Toyota Motor Credit Corp		01/13/2012	1,000,000.00	1,040,340.00	1,003,506.98	2.050	AA-	1.960	1,503	01/12/2017
89233P5Z5	11023	Toyota Motor Credit Corp		02/17/2012	2,000,000.00	2,017,460.00	1,997,788.89	1.000	AA-	1.102	808	02/17/2015
89233P6C5	11036	Toyota Motor Credit Corp		05/01/2012	2,000,000.00	1,997,420.00	2,000,000.00	0.500	AA-	0.997	880	04/30/2015
931142CN1	10820	Wal-Mart Stores		08/14/2009	2,000,000.00	2,062,540.00	2,002,134.92	3.000	AA	2.902	429	02/03/2014
931142CT8	10828	Wal-Mart Stores		12/15/2010	1,000,000.00	1,043,100.00	1,000,906.77	2.250	AA	2.213	949	07/08/2015
<b>Subtotal and Average</b>			<b>33,099,295.04</b>		<b>33,085,000.00</b>	<b>33,641,603.20</b>	<b>33,096,011.03</b>			<b>1.914</b>	<b>700</b>	
<b>Total and Average</b>			<b>141,033,420.88</b>		<b>139,975,000.00</b>	<b>141,731,835.80</b>	<b>140,422,588.70</b>			<b>1.333</b>	<b>1,084</b>	

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## **II. RESTRICTED FUNDS**

*Reports Appear Quarterly*

**III. CASH & INVESTMENT PORTFOLIO  
SHARE**

**CASH AND INVESTMENT PORTFOLIO SHARE (A)**  
**AS OF NOVEMBER 30, 2012**

FUND	SHARE OF INVESTMENTS	POOLED CASH & INVESTMENTS BALANCE	CASH PERCENT
General	16,611,992.22	16,642,346.58	11.83
Parks & Recr Facility & Open Space	4,268,846.70	4,259,000.10	3.04
State Gas Tax	11,809,539.71	11,794,362.55	8.41
Federal Housing, Community Dev	294,887.44	293,352.85	0.21
Street Lighting	28,084.52	27,060.00	0.02
Traffic Congestion Relief Act 2000 - AB2928	14,042.26	9,719.23	0.01
Proposition 1B	1,951,873.98	1,943,976.33	1.39
Police Asset Forfeiture	4,170,550.88	4,160,488.81	2.97
Drainage Improvement	14,042.26	19,444.47	0.01
Measure R Local Return	3,033,127.92	3,036,647.21	2.16
Government Cable	4,296,931.21	4,296,247.33	3.06
Local Return - Proposition C	4,296,931.21	4,291,516.54	3.06
TDA Article 3 Bicycle Fund	-	108.37	0.00
Grants/Donations	(603,817.13)	(603,723.54) (B)	(0.43)
CDBG Fund	-	1.00	0.00
Citizens Options for Public Safety (COPS) Grant Funds - AB3229	224,676.14	227,056.35	0.16
Seismic Education Fund	56,169.04	57,857.98	0.04
Rehabilitation Housing	688,070.68	686,334.73	0.49
Meadow Park Parking Lot	56,169.04	54,527.22	0.04
Police Inmate Welfare Fund	56,169.04	51,741.64	0.04
Capital Improvements	20,375,317.62	20,358,392.28	14.51
Geologic Hazard Abatement	14,042.26	14,316.64	0.01
El Camino Training Fund-Fire	140,422.59	136,718.70	0.10
El Camino Training Fund-Police	14,042.26	10,000.00	0.01
Vanpool/Rideshare Fund	14,042.26	10,643.15	0.01
Torrance Public Financing - 1998 COP Fire/Police	(98,295.81)	(104,019.07) (C)	(0.07)
Animal Control Fund	-	-	0.00
Successor Agency - Skypark Capital Project	-	-	0.00
Successor Agency - Downtown Capital Project	-	-	0.00
Successor Agency - Industrial Capital Project	-	-	0.00
Successor Agency - Low Mod Housing Capital Project	14,042.26	9,617.88	0.01
Successor Agency - Downtown Debt Service	182,549.37	182,870.60	0.13
Successor Agency - Skypark Debt Service	-	3,052.38	0.00
Successor Agency - Industrial Debt Service	730,197.46	725,076.82	0.52
Underground Storage Tank Fund	-	3,000.00	0.00
DNA Sampling Fund	84,253.55	80,100.00	0.06
Airport Fund	5,996,044.54	5,989,022.69	4.27
Transit Operations	8,650,031.46	8,639,683.05	6.16
Development Impact Fund	1,025,084.90	1,029,171.63	0.73
Water Operations	8,327,059.51	8,316,815.34	5.93
Emergency Medical Service Enterprise Fund	-	-	0.00
Sanitation Operations	(954,873.60)	(957,490.69) (D)	(0.68)
Cultural Arts Enterprise	98,295.81	91,483.60	0.07
Sewer Enterprise Fund	9,548,736.03	9,541,752.27	6.80
Parks & Recreation Enterprise Fund	(252,760.66)	(253,750.96) (E)	(0.18)
Self Insurance Fund	6,852,622.33	6,839,169.49	4.88
Fleet Services	16,822,626.13	16,801,274.27	11.98
Postemployment/Compensated Absences Fund	8,425,355.32	8,418,465.93	6.00
Trust & Agency	3,145,465.99	3,140,624.67	2.24
<b>TOTAL</b>	<b>140,422,588.70</b>	<b>140,274,056.62</b>	<b>100.00</b>

Account in Trust - RDA Successor Agency-Low Mod Housing

3,878,166.60 (F)

- (A) The difference between the Share of Investments total of \$140,422,588.70 and the Pooled Cash and Investments total of \$140,274,056.62 is primarily due to outstanding warrants and adjusting journal entries. (See reconciliation schedule attached)
- (B) T-030 Del Amo Blvd. extension project - Federal Grant MTA pass thru has a negative cash balance of <\$1,081,921.95>. Reimbursement check for \$520,362.75 was received on 12/03/2012. Department will submit another reimbursement request soon.  
 T-030 Del Amo Blvd. extension project - ARRA-Federal Grant has a negative cash balance of <\$312,417.80>. The final reimbursement check for \$312,147.80 was received on 12/03/2012.  
 T-030 Del Amo Blvd. extension project - MTA Grant has a negative cash balance of <\$519,174.41>. Reimbursement request in the amount of \$600,102.25 was submitted on 11/26/2012.  
 FEAP764 Torrance Transit Terminal project - Measure R HW-MTA Grant has a negative cash balance of <\$564,453.47>. Reimbursement check in the amount of \$186,282.20 was received on 12/04/2012. Department will submit another reimbursement request by the end of January 2013.  
 2010 UASI Grant-Police - Alternate EOC Equipment has a negative cash balance of <\$92,495.25>. Reimbursement check in the amount of \$90,211.69 was received on 12/04/2012.
- (C) The reimbursement request from the Construction Fund for the Certificates of Participation Series 2004 A&B in the amount of \$104,019.07 was submitted on 12/13/2012.
- (D) 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. We anticipate future revenues to cover this deficit.
- (E) Negative cash balance represents net losses from prior years.
- (F) The cash balance of RDA Successor Agency (SA) Low Mod Fund is in a separate bank account. On 8/14/12, Council approved a loan to SA Debt Services in the amount of \$3,192,500 for the payment of bond debt services due in September 2012 and March 2013. The loan will be paid off by property tax increment distributions in January 2013 and June 2013.



City of Torrance  
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**CASH AND INVESTMENTS RECONCILIATION  
AS OF NOVEMBER 30, 2012**

INVESTMENTS PER PORTFOLIO SUMMARY (City Pool)		<b>140,422,588.70</b>
CASH AND INVESTMENTS PER BOOKS		<b>140,274,056.62</b>
CASH IN BANKS:		
Cash in B of A General Account		(348,649.48)
OUTSTANDING WARRANTS:		
General Account	756,447.62	
Payroll Account	78,914.33	
Workers Compensation Account	<u>92,575.53</u>	
		927,937.48
Miscellaneous outstanding adjusting journal entries		321,440.05
Housing Fund restricted cash		(752,195.97)
INVESTMENTS PER BOOKS		<b>140,422,588.70</b>