

Council Meeting of
April 3, 2012

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

Members of Council:

SUBJECT: Accept and file the February 2012 monthly investment report.

RECOMMENDATION

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

FUNDING

Not applicable

BACKGROUND

On December 20, 2011, Your Honorable Body, through passage of Resolution 2011-1024, adopted an official "Statement of Investment Policy" as recommended by the City Treasurer. The City's Statement of Investment Policy requires the City Treasurer to report a monthly statement of investment activity. This requirement was providing the attached report, which demonstrates the City of Torrance investment activity during the month of February 2012.

Investment Committee Note

The Investment Committee, made up of the Finance Director, City Manager, City Attorney and City Treasurer, as created by your Honorable Body, has reviewed the attached report and find that it is in concurrence with the City of Torrance Investment Policy.

Respectfully submitted,


Dana Cortez
City Treasurer

Noted:

LeRoy J. Jackson
Investment Committee Member

CC: City Manager
City Clerk

CITY of TORRANCE
Monthly Investment Portfolio Report
February 29, 2012

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Investment Portfolio Highlights

RETURN	Current Month	Previous Month
Average City Portfolio YTM	1.437%	1.510%
Average U.S. Treasury Constant	0.430%	0.300%
LAI Average Monthly Return	0.389%	0.385%
Average City Portfolio YTM - 1 year	1.718%	1.625%

PLI/OC

INTEREST INCOME	Current Period	Prior Year
Fiscal year to date	\$1,735,208	\$1,875,116
Current month	\$241,586	\$242,136

MATURITY	Current Month	Prior Month
Average Maturity (days)	982	920
Average Maturity 1 Year Prior	935	834
Weighted Average Maturity (years)	2.69	2.52

VOLUMES	Total \$ Volume	# of Transactions
Purchases	\$28,670,000	15
Maturities	\$13,504,949	9

Investment Report
February 2012

Portfolio Activity Detail

Month End	Year	Number of Securities	Average Balance	Yield to Maturity	Yield to Managed Pool	Rate	Inv Purchased	Inv Redeemed	Average Term	Average Days to Mat
February	2011	110	165,317,959.66	1.708	1.732	0.512%	11	6	1,172	934
March	2011	107	165,733,809.87	1.652	1.675	0.508%	7	10	1,150	909
April	2011	105	167,986,247.29	1.542	1.564	0.588%	2	4	1,055	830
May	2011	106	177,136,223.90	1.445	1.465	0.413%	6	6	1,013	800
June	2011	102	182,987,408.39	1.413	1.432	0.448%	6	10	1,000	783
July	2011	113	159,086,446.05	1.734	1.758	0.381%	16	5	1,362	1,105
August	2011	111	156,107,063.51	1.732	1.756	0.408%	2	5	1,363	1,085
September	2011	104	151,370,240.25	1.723	1.747	0.378%	2	9	1,363	1,071
October	2011	100	150,533,371.55	1.721	1.744	0.385%	5	10	1,555	1,052
November	2011	97	149,056,539.20	1.668	1.691	0.401%	6	9	1,309	1,011
December	2011	99	148,528,510.95	1.606	1.628	0.382%	6	4	1,278	986
January	2012	100	158,978,462.55	1.489	1.510	0.395%	10	9	1,194	920
February	2012	104	172,417,574.90	1.418	1.438	0.389%	10	7	1,227	982
Average		104	161,853,416.59	1.604%	1.626%	0.430%	7	7	1,219	958

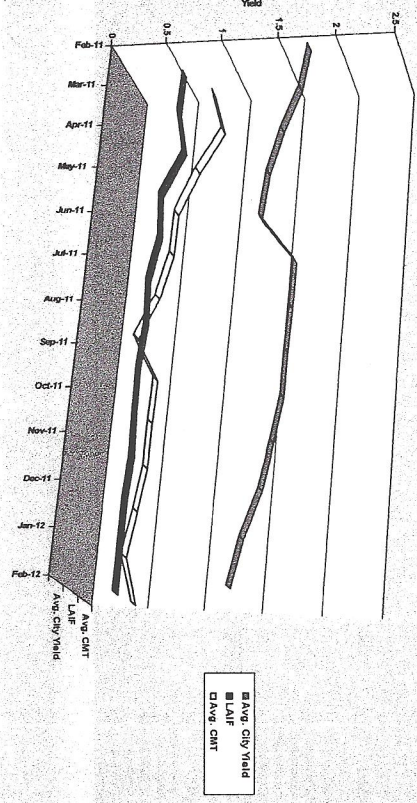
Portfolio Activity Summary

INVESTMENT NUMBER	BROKER	PURCHASE DATE	DESCRIPTION	QUALITY RATING	MATURITY DATE	DAYS HELD/ Maturity	RATE	YIELD	PAR VALUE	COST	MARKET VALUE		
11016	Vining Sparks	2/8/2012	FNMA	AA+	2/8/2017	1805	1.000%	1.343%	2,000,000	2,000,000	2,007,660		
11018	Chitgroup/South Ban	2/13/2012	PHLMC	AA+	2/13/2015	1079	0.550%	0.550%	1,000,000	1,000,000	997,130		
11019	Grant Pacific Sec	2/28/2012	PHLMC	AA+	2/28/2017	1828	0.750%	1.313%	3,000,000	3,000,000	2,983,020		
11020	Vining Sparks	2/3/2012	FAMCA	AAA	2/3/2016	1434	0.875%	0.875%	2,000,000	2,000,000	1,981,220		
11021	Higgins Capital	2/24/2012	PHLMC	AA+	2/24/2016	1455	0.800%	0.800%	1,000,000	1,000,000	993,310		
11022	Higgins Capital	2/28/2012	PHLMC	AA+	2/28/2017	1825	0.750%	1.313%	2,000,000	2,000,000	1,988,680		
11025	Higgins Capital	2/28/2012	FNMA	AA+	2/28/2017	1835	0.500%	1.331%	2,000,000	1,996,033	1,999,580		
11026	Vining Sparks	2/24/2012	PHLMC	AA+	2/24/2017	1821	1.125%	1.125%	2,000,000	2,000,000	1,986,540		
11023	Chitgroup/South Ban	2/17/2012	TOYOTA	AA+	2/17/2015	1102	1.051%	1.105%	2,000,000	1,997,039	1,997,100		
11024	Wedbush Securities	2/22/2012	GECC	AA+	8/11/2015	1258	1.260%	1.597%	2,000,000	1,977,145	1,972,660		
MATURITIES/CALLS										1.193%	19,000,000	18,970,218	18,907,000
10812	Stone & Youngberg	6/22/2009	GECC	AA+	12/28/2012	975/1285	2.625%	2.997%	2,000,000	2,004,949	2,040,980		
10856	Wedbush Securities	2/23/2010	FNMA	AA+	8/23/2013	730/277	2.000%	2.000%	1,000,000	1,000,000	1,000,000		
10943	Chitgroup/South Ban	2/24/2011	FCFB	AA+	2/24/2014	365/1096	1.700%	1.700%	2,000,000	2,000,000	2,000,000		
10944	Higgins Capital	2/28/2011	FHLB	AA+	11/28/2014	365/1369	2.000%	2.000%	1,000,000	1,000,000	1,000,000		
10972	Dean Witter	8/8/2011	FNMA	AA+	5/8/2015	184/1369	1.500%	1.488%	2,000,000	2,000,000	2,000,000		
10941	Stone & Youngberg	2/16/2011	FCFB	AA+	2/16/2016	365/1826	2.800%	2.820%	2,000,000	2,000,000	2,000,000		
Local Agency Pool										2.201%	10,000,000	10,004,949	10,040,980
City		11,400,000	0.389%	0.389%	9,700,000	3,500,000	17,600,000						
Redevelopment Agency		0	0.389%	0.389%	-	0	0	19,000,000					
TRANS Repayment		19,000,000	0.389%	0.389%	-	0	0	19,000,000					
		\$ 30,400,000						\$ 36,600,000					

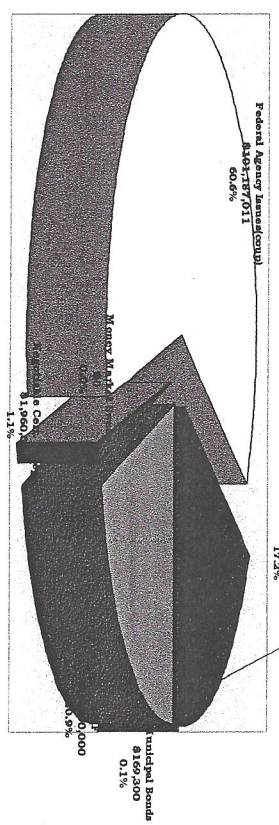


Investment Report
February 2012

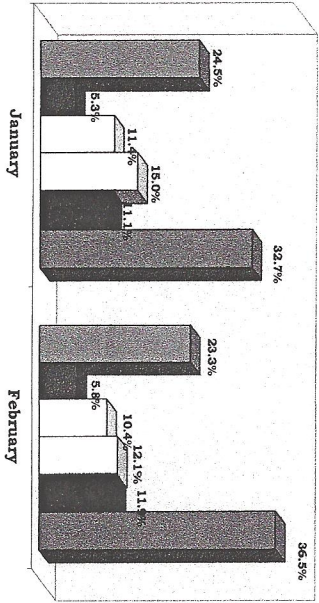
Portfolio Performance



Portfolio Diversification



Portfolio Maturity Distribution

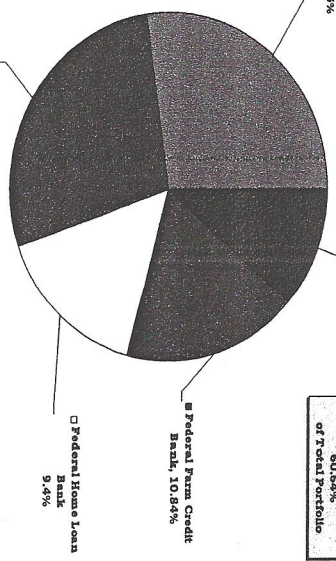


■ 1 day to 6 months
 ■ 6 months to 1 year
 ■ 1 year to 2 years
 ■ 2 years to 3 years
 ■ 3 years to 4 years
 ■ 4 years to 5 years

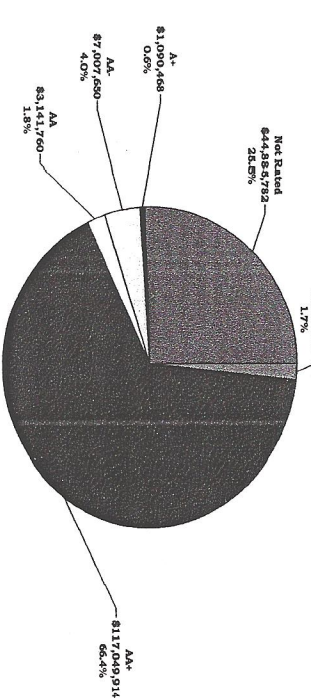
Interest Earnings Summary

CD/Coupon/Discount Investments:	Month Ending February 29	Fiscal Year End
Interest Collected	279,078	1,879,701
Plus Accrued Interest at	870,930	870,930
Less Accrued Interest at	-632,487	-630,614
Interest Earned	217,521	1,320,017
Adjusted by Premium	-37,031	-157,876
Adjusted by Capital	38,031	38,031
Surpluses during	230,521	1,658,172
Cash/Checking/Accounts:	18	66,645
Interest Collected	67,622	67,622
Plus Accrued Interest at	-55,323	-57,371
Less Accrued Interest at	11,317	46,896
Interest Earned	228,838	1,866,913
Total Interest Earned	-23,284	-167,676
Total Adjustments from	36,031	36,031
Total Capital Gains or	36,031	36,031
Total Earnings this Period	\$241,586	\$1,738,268

■ Federal National Mortgage Assoc., 16.43%
 ■ Premier Mco., 6.90%
 ■ Federal Agency Issues of Total Portfolio, 60.64%
 ■ Federal Farm Credit Bank, 10.84%
 ■ Federal Home Loan Bank, 9.4%



Market Value and Credit Rating Report



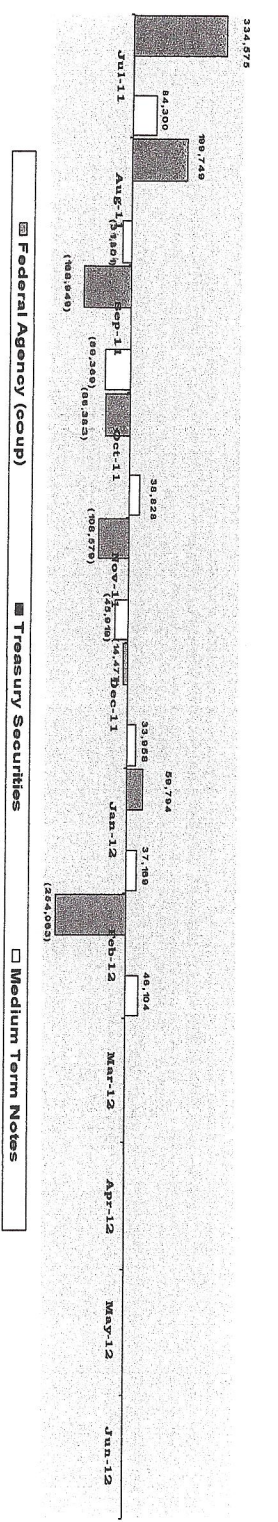


Investment Report
February 2012

Portfolio Summary

VALUE OF PORTFOLIO
PER GASB NO.31

Local Agency Investment Fund	Book Value	% of Portfolio	Duration	Days to Maturity	Current Yield	GASB required securities	Beginning Investment Value as July 1, 2011	Purchase/Redemption of Principal	Change in Market Value	Ending Investment Value as of February 29, 2012
Certificates of Deposit - Collateralized	0	0	180	0	5 years	Treasury Securities	0	0	0	0
Negotiable CDS	1,960,000	1.12%	1,097	247	5 years	Medium Term Notes	20,648,028	9,944,880	73,270	30,666,178
Money Market Sweep Account	0	0.00%	1	1	N/A	Municipal Bonds	488,616	-319,316	0	169,300
Federal Agency Issues - COUPONS	106,167,291	60.64%	75%	1,580	1,277	5 years	1,613%			
Farmer Mac	12,087,942	6.90%	30%	1,045	1,143	5 years	1.197%			
Federal Farm Credit Bank	18,791,442	10.84%	30%	1,078	1,134	5 years	1.257%			
Federal Home Loan Bank	16,430,513	9.40%	30%	1,023	1,064	5 years	1.235%			
Federal Home Loan Mortgage Corp.	30,061,897	17.05%	30%	1,385	1,485	5 years	1.138%			
Federal National Mortgage Assoc.	28,795,497	16.45%	30%	1,535	1,600	5 years	1.276%			
Treasury Securities - Coupons	0	0.00%	100%	0	0	5 years	0.000%			
Medium Term Notes	30,155,704	17.23%	20%	1,340	877	5 years	2.020%			
Municipal Bond Issues - Coupon	169,300	0.10%	3,848	151		7.999%				1,960,000
Total Investments & Averages	175,052,295	100.00%	1,227	982	1.437%					
Effective Rate of Return			Month Ending	Fiscal YTD						
Pending Redemptions	0	1.76%								
Accrued Interest at Purchase	1,144									
Total Accrued Interest	1,144									
TOTAL CASH & INVESTMENTS	175,053,439									



Portfolio Notes:
 *Maturity allowed by Investment Policy is \$50 million per agency. General LAIF account = \$ 17,600,000.000. RDA LAIF account = \$ 0. TRANS payment = \$19,000,000.
 I certify that this report accurately reflects all pooled investments and is in conformity with the City of Philadelphia Investment Policy Statement adopted by resolution 2011-1024 on December 20, 2011. A copy of this policy is available at the office of the City Clerk. The investment program herein shown provides sufficient
 cash flow liquidity to meet 6 months of estimated expenditures.
 Reviewed by the Investment Advisory Committee

[Signature]
 Steve Cortez
 City Treasurer

[Signature]
 City Manager
 Director of Finance

[Signature]
 City Attorney
 City Treasurer

The Governmental Accounting Standards Board (GASB) has established Statement No. 31 for setting investment valuation standards. We will note the unrecorded gain/loss monthly although we will not physically apply it to earnings until year-end, as GASB 31 requires. The portfolio paper gain or loss is the difference between the book and market value of securities with a maturity term of one year or greater at purchase. The disclosure of paper losses reveals the worse case scenario of liquidity in our portfolio. The philosophy of the City is to buy and hold to maturity.
 In accordance with the City of Philadelphia's Investment Policy Statement, dated February 1, 1996, requires that local agencies submit a quarterly report to the legislative body containing detailed information on all securities' investments. This report includes a comparison of the portfolio with the statement of investment policy and a statement of the local agency's ability to meet the expenditure requirements of the pool for the next six months.

City of Torrance
Portfolio Management
Portfolio Details - Investments
February 29, 2012

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	17,600,000.00		17,600,000.00	17,600,000.00	17,600,000.00	0.389	0.389	0.389	1	
SYS10001	10001	Local Agency Invest Fund RDA	0.00		0.00	0.00	0.00	0.389	0.389	0.389	1	
SYS1000a	1000A	LAIF - TRANS FUNDS	19,000,000.00		19,000,000.00	19,000,000.00	19,000,000.00	0.389	0.389	0.389	1	
Subtotal and Average			36,600,000.00		36,600,000.00	36,600,000.00	36,600,000.00				1	
Cent. of Deposit - Insured												
86789UBH1	10822	SunSouth Bank	245,000.00	08/18/2009	245,000.00	247,190.30	245,000.00	2.200	2.200	2.200	169	08/17/2012
46147ULM0	10824	Investors Community Bank	245,000.00	08/24/2009	245,000.00	247,082.50	245,000.00	2.250	2.250	2.250	176	08/24/2012
509685EA7	10823	Lake Forest B&T	245,000.00	08/26/2009	245,000.00	247,572.50	245,000.00	2.350	2.350	2.350	179	08/27/2012
05566PSJ7	10832	BMW Bank of North America	245,000.00	09/23/2009	245,000.00	247,496.55	245,000.00	2.300	2.300	2.300	207	09/24/2012
254670KW1	10831	Discover Bank	245,000.00	09/23/2009	245,000.00	247,227.05	245,000.00	2.050	2.050	2.050	207	09/24/2012
59740JGR4	10833	MidFirst Bank	245,000.00	10/14/2009	245,000.00	247,827.30	245,000.00	2.350	2.350	2.350	228	10/15/2012
36159SJS1	10838	GE Money bank	245,000.00	12/11/2009	245,000.00	248,449.60	245,000.00	2.350	2.350	2.350	285	12/11/2012
319180DA0	10839	First Bank Lexington Tennessee	245,000.00	12/16/2009	245,000.00	248,226.65	245,000.00	2.050	2.050	2.050	291	12/17/2012
Subtotal and Average			1,960,000.00		1,960,000.00	1,981,072.45	1,960,000.00				2.238	218
Money Market Sweep Account												
SYS10131	10131	Bank of America	0.00		0.00	0.00	0.00	0.450	0.450	0.450	1	
SYS1000	1000	Union Bank of California	0.00		0.00	0.00	0.00	0.010	0.010	0.010	1	
Subtotal and Average			2,214,377.71		2,214,377.71	2,214,377.71	2,214,377.71				0	
Federal Agency Issues - Coupon												
31333XT36	10678	FEDERAL FARM CREDIT BANK	1,000,000.00	08/01/2007	1,000,000.00	1,021,360.00	1,000,000.00	5.250	5.250	5.250	153	08/01/2012
31333XT60	10788	FEDERAL HOME LOAN BANK	2,000,000.00	02/26/2009	2,000,000.00	2,040,580.00	2,000,000.00	2.625	2.625	2.625	362	02/26/2013
31333GVD8	10800	FEDERAL FARM CREDIT BANK	1,000,000.00	05/08/2009	1,000,000.00	1,021,450.00	1,000,000.00	2.200	2.200	2.200	403	04/08/2013
313462SQ6	10977	FEDERAL HOME LOAN MORTGAGE CO	2,000,000.00	07/26/2011	2,000,000.00	1,999,760.00	2,000,000.00	0.400	0.699	0.699	512	07/26/2013
313331X2Q4	10947	FEDERAL FARM CREDIT BANK	1,000,000.00	03/01/2011	1,000,000.00	1,070,300.00	1,057,862.87	5.000	1.100	1.100	552	09/04/2013
3136PFGA9	10906	FEDERAL NATIONAL MORT ASSOC	1,000,000.00	09/20/2010	1,000,000.00	1,000,680.00	1,000,000.00	1.000	1.000	1.000	568	09/20/2013
3133373E99	10973	FEDERAL HOME LOAN BANK	400,000.00	07/15/2011	400,000.00	400,580.00	400,383.40	1.150	0.929	0.929	603	10/25/2013
31333XX6S9	10899	FEDERAL HOME LOAN BANK	1,000,000.00	08/26/2010	1,000,000.00	1,027,200.00	1,016,271.04	2.000	1.002	1.002	607	10/29/2013
3128X1CS4	10915	FEDERAL HOME LOAN MORTGAGE CO	1,000,000.00	10/27/2010	1,000,000.00	1,074,000.00	1,065,237.70	4.580	0.730	0.730	628	11/19/2013
31315PQN2	10936	Farmer Mac	3,000,000.00	02/03/2011	3,000,000.00	3,050,520.00	3,000,000.00	1.340	1.340	1.340	704	02/03/2014
31315PSU4	10951	Farmer Mac	2,000,000.00	03/14/2011	2,000,000.00	2,000,740.00	2,000,000.00	1.630	1.630	1.630	743	03/14/2014
31333XXPD3	10865	FEDERAL HOME LOAN BANK	2,000,000.00	03/26/2010	2,000,000.00	2,001,820.00	2,000,000.00	1.500	1.500	1.500	755	03/26/2014
31333KGN4	10955	FEDERAL FARM CREDIT BANK	1,000,000.00	04/07/2011	1,000,000.00	1,018,760.00	1,000,000.00	1.400	1.400	1.400	767	04/07/2014
313331XWV8	10879	FEDERAL FARM CREDIT BANK	500,000.00	05/05/2010	500,000.00	547,710.00	528,757.08	5.000	2.192	2.192	765	04/25/2014

City of Torrance
Portfolio Management
Portfolio Details - Investments
February 29, 2012

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM	Days to Maturity	Maturity Date
31331KRV4	10976	FEDERAL FARM CREDIT BANK		07/18/2011	2,000,000.00	2,002,820.00	2,000,000.00	1.050	AA+	1.050	869	07/18/2014
3133XUBA0	10817	FEDERAL HOME LOAN BANK		07/30/2009	1,000,000.00	1,008,160.00	1,000,000.00	2.150	AA+	2.150	881	07/30/2014
313373RC8	10956	FEDERAL HOME LOAN BANK		05/16/2011	1,000,000.00	1,018,140.00	1,002,033.19	1.250	AA+	1.164	881	07/30/2014
3133XUPB3	10827	FEDERAL HOME LOAN BANK		09/04/2009	1,000,000.00	1,009,550.00	1,000,000.00	2.125	AA+	2.125	917	09/04/2014
313370WA2	10902	FEDERAL HOME LOAN BANK		09/17/2010	1,000,000.00	1,005,710.00	1,000,000.00	1.375	AA+	1.375	930	09/17/2014
3134G17A6	10949	FEDERAL HOME LOAN MORTGAGE CO		03/23/2011	1,000,000.00	1,000,870.00	1,000,000.00	1.750	AA+	1.750	936	09/23/2014
31331JQG5	10907	FEDERAL FARM CREDIT BANK		10/06/2010	1,000,000.00	1,014,090.00	1,000,000.00	1.150	AA+	1.150	949	10/06/2014
3134G3GG9	11008	FEDERAL HOME LOAN MORTGAGE CO		01/09/2012	1,000,000.00	1,001,460.00	1,000,427.78	0.850	AA+	0.833	1,044	01/09/2015
3134G3MR8	11018	FEDERAL HOME LOAN MORTGAGE CO		02/13/2012	1,000,000.00	997,130.00	1,000,000.00	0.550	AA+	0.550	1,079	02/13/2015
31331KCK4	10942	FEDERAL FARM CREDIT BANK		02/17/2011	1,000,000.00	1,039,420.00	1,000,000.00	2.030	AA+	2.030	1,083	02/17/2015
31331JKA0	10870	FEDERAL FARM CREDIT BANK		04/09/2010	1,000,000.00	1,001,870.00	1,000,000.00	2.900	AA+	2.900	1,134	04/09/2015
3134G3S9	10995	FEDERAL HOME LOAN MORTGAGE CO		11/07/2011	1,000,000.00	1,002,700.00	1,000,000.00	1.050	AA+	1.050	1,162	05/07/2015
3133XKFK1	10884	FEDERAL HOME LOAN BANK		05/28/2010	1,000,000.00	1,010,660.00	1,000,000.00	2.000	AA+	2.000	1,183	05/28/2015
31331JQD8	10893	FEDERAL FARM CREDIT BANK		06/08/2010	1,000,000.00	1,005,340.00	1,000,000.00	2.590	AA+	2.590	1,194	06/08/2015
3134G3EN6	11003	FEDERAL HOME LOAN MORTGAGE CO		12/30/2011	1,000,000.00	999,460.00	1,000,000.00	1.000	AA+	1.000	1,216	06/30/2015
31315PDZ9	10986	Farmer Mac		08/23/2011	2,000,000.00	2,094,800.00	2,088,382.83	2.375	AA+	1.042	1,238	07/22/2015
313376666	10993	FEDERAL HOME LOAN BANK		10/27/2011	1,000,000.00	1,002,880.00	1,000,000.00	1.000	AA+	1.000	1,240	07/24/2015
3136PFEE3	10905	FEDERAL NATIONAL MORT ASSOC		09/14/2010	2,000,000.00	2,011,960.00	1,999,463.89	1.725	AA+	1.746	1,292	09/14/2015
3136PFBB5	10914	FEDERAL NATIONAL MORT ASSOC		10/20/2010	1,000,000.00	1,000,790.00	1,000,000.00	1.000	AA+	1.897	1,328	10/20/2015
3136FTJ77	10994	FEDERAL NATIONAL MORT ASSOC		11/04/2011	1,000,000.00	1,001,250.00	1,000,000.00	1.300	AA+	1.300	1,343	11/04/2015
3134G33F7	10996	FEDERAL HOME LOAN MORTGAGE CO		11/16/2011	1,000,000.00	1,003,170.00	1,000,000.00	1.250	AA+	1.250	1,356	11/16/2015
31331K5T3	11013	FEDERAL FARM CREDIT BANK		01/11/2012	1,000,000.00	997,520.00	1,000,000.00	1.020	AA+	1.020	1,411	01/11/2016
31315PZH5	11020	Farmer Mac		02/03/2012	2,000,000.00	1,981,220.00	2,000,000.00	0.875	AAA	0.875	1,434	02/03/2016
3134G3MX5	11021	FEDERAL HOME LOAN MORTGAGE CO		02/24/2012	1,000,000.00	993,310.00	1,000,000.00	0.800	AA+	0.800	1,455	02/24/2016
313372W26	10950	FEDERAL HOME LOAN BANK		03/15/2011	1,000,000.00	1,023,520.00	1,000,000.00	2.500	AA+	2.500	1,475	03/15/2016
31331KJH7	10953	FEDERAL FARM CREDIT BANK		03/30/2011	2,000,000.00	2,003,660.00	1,999,838.89	2.540	AA+	2.561	1,490	03/30/2016
31331VPV2	10954	FEDERAL FARM CREDIT BANK		04/01/2011	2,000,000.00	2,307,700.00	2,204,983.33	4.950	AA+	2.280	1,492	04/01/2016
3134G3L86	10964	FEDERAL HOME LOAN MORTGAGE CO		06/20/2011	2,000,000.00	2,010,200.00	2,000,000.00	2.050	AA+	2.050	1,572	06/20/2016
3136FRQW6	10968	FEDERAL NATIONAL MORT ASSOC		06/27/2011	1,000,000.00	2,015,280.00	2,000,000.00	2.000	AA+	2.000	1,579	06/27/2016
313374DV9	10969	FEDERAL HOME LOAN BANK		06/28/2011	1,000,000.00	1,018,200.00	1,011,825.00	2.500	AA+	2.045	1,580	06/28/2016
3134G3LW0	10966	FEDERAL HOME LOAN MORTGAGE CO		06/28/2011	2,000,000.00	2,008,660.00	1,999,672.22	2.000	AA+	2.000	1,581	06/29/2016
31315PZA0	10971	Farmer Mac		07/06/2011	2,000,000.00	2,011,860.00	2,000,000.00	2.250	AA+	2.250	1,588	07/06/2016
3136FRUE1	10965	FEDERAL NATIONAL MORT ASSOC		07/06/2011	2,000,000.00	2,011,600.00	2,000,000.00	2.075	AA+	2.075	1,588	07/06/2016
3136FRUP6	10967	FEDERAL NATIONAL MORT ASSOC		07/15/2011	3,000,000.00	3,063,960.00	3,000,000.00	2.000	AA+	2.000	1,609	07/15/2016
31315PA25	10984	Farmer Mac		07/27/2011	1,000,000.00	1,023,320.00	999,559.44	2.000	AA+	2.011	1,609	07/27/2016
3136FRE58	10978	FEDERAL NATIONAL MORT ASSOC		07/27/2011	2,000,000.00	2,011,380.00	2,000,000.00	2.000	AA+	2.000	1,609	07/27/2016
3134G3ZZ0	10985	FEDERAL HOME LOAN MORTGAGE CO		09/08/2011	2,000,000.00	2,000,340.00	2,000,000.00	1.125	AA+	1.686	1,652	09/08/2016

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Portfolio CITY

AP

City of Torrance
Portfolio Management
Portfolio Details - Investments
February 29, 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												
3136FRV59	10987	FEDERAL NATIONAL MORT ASSOC	1,000,000.00	09/14/2011	1,000,000.00	1,003,000.00	1,000,000.00	1.050	AA+	1.516	1,658	09/14/2016
3136FTL98	10990	FEDERAL NATIONAL MORT ASSOC	2,000,000.00	10/26/2011	2,000,000.00	2,007,500.00	2,000,000.00	1.250	AA+	1.839	1,700	10/26/2016
3136FTL90	10991	FEDERAL NATIONAL MORT ASSOC	1,800,000.00	10/26/2011	1,800,000.00	1,811,934.00	1,800,000.00	1.375	AA+	1.689	1,700	10/26/2016
3133KX47	10999	FEDERAL FARM CREDIT BANK	2,000,000.00	11/28/2011	2,000,000.00	1,999,580.00	2,000,000.00	1.510	AA+	1.510	1,733	11/28/2016
3134G3BQ2	10998	FEDERAL HOME LOAN MORTGAGE CO	2,000,000.00	11/28/2011	2,000,000.00	2,007,260.00	2,000,000.00	1.375	AA+	1.713	1,733	11/28/2016
3134G25C2	10997	FEDERAL HOME LOAN MORTGAGE CO	1,000,000.00	11/29/2011	1,000,000.00	1,003,120.00	1,000,000.00	1.500	AA+	1.500	1,734	11/29/2016
3136FTSH3	11000	FEDERAL NATIONAL MORT ASSOC	1,000,000.00	12/20/2011	1,000,000.00	1,003,570.00	1,000,000.00	1.250	AA+	1.810	1,756	12/20/2016
3136FTS9	11001	FEDERAL NATIONAL MORT ASSOC	2,000,000.00	12/20/2011	2,000,000.00	2,005,020.00	2,000,000.00	1.500	AA+	1.754	1,755	12/20/2016
313376M51	11004	FEDERAL HOME LOAN BANK	1,000,000.00	12/21/2011	1,000,000.00	1,000,550.00	1,000,000.00	1.450	AA+	1.450	1,756	12/21/2016
3136FTT6	11002	FEDERAL NATIONAL MORT ASSOC	1,000,000.00	12/28/2011	1,000,000.00	1,004,060.00	1,000,000.00	1.375	AA+	1.815	1,763	12/28/2016
3136FTUX5	11005	FEDERAL NATIONAL MORT ASSOC	2,000,000.00	12/28/2011	2,000,000.00	2,000,880.00	2,000,000.00	0.500	AA+	1.844	1,763	12/28/2016
31331K5N6	11014	FEDERAL FARM CREDIT BANK	1,000,000.00	01/11/2012	1,000,000.00	998,120.00	1,000,000.00	1.330	AA+	1.330	1,776	01/10/2017
313376Q99	11007	FEDERAL HOME LOAN BANK	2,000,000.00	01/13/2012	2,000,000.00	1,996,160.00	2,000,000.00	1.125	AA+	1.125	1,779	01/13/2017
3134G3GM6	11009	FEDERAL HOME LOAN MORTGAGE CO	1,000,000.00	01/13/2012	1,000,000.00	999,470.00	1,000,000.00	1.300	AA+	1.300	1,779	01/13/2017
3134G3GX2	11010	FEDERAL HOME LOAN MORTGAGE CO	2,000,000.00	01/13/2012	2,000,000.00	2,004,540.00	2,000,000.00	1.400	AA+	1.400	1,779	01/13/2017
3136FTM44	11016	FEDERAL NATIONAL MORT ASSOC	2,000,000.00	02/08/2012	2,000,000.00	2,007,660.00	2,000,000.00	1.000	AA+	1.343	1,805	02/08/2017
3134G3MT4	11026	FEDERAL HOME LOAN MORTGAGE CO	2,000,000.00	02/24/2012	2,000,000.00	1,986,540.00	2,000,000.00	1.125	AA+	1.125	1,821	02/24/2017
3134G3N44	11019	FEDERAL HOME LOAN MORTGAGE CO	3,000,000.00	02/28/2012	3,000,000.00	2,983,020.00	3,000,000.00	0.750	AA+	0.750	1,825	02/28/2017
3134G3N44	11022	FEDERAL HOME LOAN MORTGAGE CO	2,000,000.00	02/28/2012	2,000,000.00	1,988,680.00	2,000,000.00	0.750	AA+	1.313	1,825	02/28/2017
3136FTV89	11025	FEDERAL NATIONAL MORT ASSOC	2,000,000.00	02/28/2012	2,000,000.00	1,999,680.00	1,996,033.33	0.500	AA+	1.331	1,825	02/28/2017
3137EADC0	11017	FEDERAL HOME LOAN MORTGAGE CO	1,000,000.00	01/30/2012	1,000,000.00	997,230.00	996,559.03	1.000	AA+	1.071	1,833	03/08/2017
Subtotal and Average					102,834,018.63	105,700,000.00	106,796,994.00	106,167,291.02			1.613	1,351
Medium Term Notes												
17314JAT0	10874	Citibank	3,000,000.00	04/15/2010	3,000,000.00	3,037,470.00	3,004,807.55	1.750	AA+	1.112	302	12/28/2012
36962G4H4	10913	General Electric	1,000,000.00	10/19/2010	1,000,000.00	1,019,110.00	1,014,062.83	2.800	AA+	1.125	313	01/08/2013
084670AU2	10938	Berkshire Hathaway	3,000,000.00	02/08/2011	3,000,000.00	3,050,340.00	3,032,730.29	2.125	AA+	0.956	347	02/11/2013
892394H6	10945	Toyota Motor Credit Corp	1,000,000.00	02/23/2011	1,000,000.00	1,011,630.00	1,001,207.27	1.375	AA-	1.290	529	08/12/2013
88579EA5	10895	3M Company	1,000,000.00	07/20/2010	1,000,000.00	1,056,730.00	1,045,236.14	4.375	AA-	1.200	532	08/15/2013
084664AD3	10714	Berkshire Hathaway	1,000,000.00	01/18/2008	1,000,000.00	1,061,080.00	1,004,610.97	4.625	AA+	4.300	593	10/15/2013
191216AN0	10924	COCA-COLA	1,085,000.00	11/22/2010	1,085,000.00	1,090,468.40	1,080,449.05	0.750	A+	1.000	624	11/15/2013
36962G4X9	10935	General Electric Capital Corp	2,000,000.00	01/10/2011	2,000,000.00	2,039,940.00	1,998,083.01	2.100	AA+	2.154	677	01/07/2014
93114ZCN1	10820	Wal-Mart Stores	2,000,000.00	08/14/2009	2,000,000.00	2,095,400.00	2,003,500.86	3.000	AA	2.902	704	02/03/2014
594918AB0	10821	MicroSoft Corp	1,000,000.00	08/17/2009	1,000,000.00	1,056,750.00	1,000,000.00	2.950	AAA	2.949	822	06/01/2014
36962G5M2	11012	General Electric Capital Corp	2,000,000.00	01/10/2012	2,000,000.00	2,051,840.00	2,004,382.58	2.150	AA+	2.070	1,044	01/09/2015
89239B5Z5	11023	Toyota Motor Credit Corp	2,000,000.00	02/17/2012	2,000,000.00	1,997,100.00	1,997,038.89	1.051	AA-	1.102	1,083	02/17/2015

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City of Torrance
Portfolio Management
Portfolio Details - Investments
February 29, 2012

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												
931142CT8	10928	Wal-Mart Stores		12/15/2010	1,000,000.00	1,046,360.00	1,001,168.06	2.250	AA	2.213	1,224	07/08/2015
36962G4N1	11024	General Electric Capital Corp		02/22/2012	2,000,000.00	1,972,660.00	1,977,145.34	1.260	AA+	1.597	1,258	08/11/2015
36962G4T8	10925	General Electric		11/19/2010	1,000,000.00	1,028,540.00	984,219.80	2.250	AA+	2.710	1,348	11/09/2015
06738KXV8	10989	Barclays Bank		10/28/2011	3,000,000.00	2,942,190.00	3,000,000.00	4.375	AA-	3.287	1,702	10/28/2016
36962G5N0	11011	General Electric Capital Corp		01/10/2012	2,000,000.00	2,088,820.00	2,002,914.95	2.900		2.868	1,775	01/09/2017
89233P5S1	11015	Toyota Motor Credit Corp		01/13/2012	1,000,000.00	1,019,750.00	1,004,146.34	2.050	AAA+	1.960	1,778	01/12/2017
		Subtotal and Average			29,077,809.56	30,666,178.40	30,155,703.93			2.002	927	
Municipal Bond Issues - Coupon												
SYS10423	10423	Skpk-2001TXAlloRef Bd		12/18/2001	169,300.03	169,300.03	169,300.03	8.000		7.999	122	07/01/2012
		Subtotal and Average			169,300.03	169,300.03	169,300.03			7.999	122	
		Total and Average			174,514,300.03	176,213,544.88	175,052,294.98			1.437	982	

City of Torrance
Portfolio Management
Portfolio Details - Cash
February 29, 2012

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			1,144.43	1,144.43				0
		Subtotal				1,144.43	1,144.43				
		Total Cash and Investments	172,417,574.90		174,514,300.03	176,214,689.31	175,053,439.41			1.437	982

II. RESTRICTED FUNDS

Reports Appear Quarterly

**III. CASH & INVESTMENT PORTFOLIO
SHARE**


 City of Torrance
 Investment Report
 February 2012

CASH AND INVESTMENT PORTFOLIO SHARE (A)
AS OF FEBRUARY 29, 2012

FUND	SHARE OF INVESTMENTS	POOLED CASH & INVESTMENTS BALANCE	CASH PERCENT
General	49,646,416.32	48,157,438.86	28.37
Parks & Rec Facility & Open Space	4,289,058.32	4,153,542.07	2.45
State Gas Tax	10,764,678.08	10,424,559.41	6.15
Federal Housing, Community Dev	567,058.66	549,141.99	0.32
Street Lighting	27,942.88	27,060.00	0.02
Traffic Congestion Relief Act 2000 - AB2928	516,817.90	500,488.62	0.30
Proposition 1B	495,811.62	480,146.05	0.28
Police Asset Forfeiture	4,234,199.02	4,100,416.09	2.42
Drainage Improvement	20,078.88	19,444.47	0.01
Measure R Local Return	2,819,469.99	2,730,386.57	1.61
Government Cable	3,980,012.96	3,854,261.25	2.27
Local Return - Proposition C	5,264,920.37	5,098,570.97	3.01
TDA Article 3 Bicycle Fund	217,674.56	210,796.96	0.12
Grants/Donations	(1,851,342.90)	(1,792,848.23) (B)	(1.06)
Citizens Options for Public Safety (COPS) Grant Funds - AB3229	247,784.79	239,955.83	0.14
Seismic Education Fund	59,441.84	57,563.73	0.03
Rehabilitation Housing	708,727.55	686,334.73	0.40
Meadow Park Parking Lot	19,875.81	19,247.82	0.01
Police Inmate Welfare Fund	52,871.94	51,201.41	0.03
Capital Improvements	19,962,347.71	19,331,621.27	11.40
Geologic Hazard Abatement	14,783.74	14,316.64	0.01
El Camino Training Fund-Fire	363,873.03	352,376.17	0.21
El Camino Training Fund-Police	10,326.27	10,000.00	0.01
Vanpool/Rideshare Fund	10,026.52	9,709.72	0.01
Torrance Public Financing - 1998 COP Fire/Police	(6,591.92)	(6,383.64) (C)	0.00
Animal Control Fund	33,874.16	-	0.02
Successor Agency - Skypark Capital Project	7,006.69	6,785.31	0.00
Successor Agency - Downtown Capital Project	180,381.66	174,682.36	0.10
Successor Agency - Industrial Capital Project	80,759.59	78,207.93	0.05
Successor Agency - Low Mod Housing Capital Project	8,250,937.63	7,990,242.61	4.71
Successor Agency - Downtown Debt Service	762,348.46	738,261.45	0.44
Successor Agency - Skypark Debt Service	(284,916.50)	(275,914.33) (D)	(0.16)
Successor Agency - Industrial Debt Service	(1,078,071.22)	(1,044,008.69) (E)	(0.62)
Underground Storage Tank Fund	3,097.88	3,000.00	0.00
DNA Sampling Fund	71,777.88	69,510.00	0.04
Airport Fund	5,384,469.54	5,214,342.89	3.08
Transit Operations	6,229,850.84	6,033,013.69	3.56
Development Impact Fund	958,743.47	928,451.20	0.55
Water Operations	6,783,925.76	6,569,582.17	3.88
Emergency Medical Service Enterprise Fund	48,365.32	-	0.03
Sanitation Operations	357,273.53	345,985.19	0.20
Cultural Arts Enterprise	88,602.06	85,802.61	0.05
Sewer Enterprise Fund	10,423,731.78	10,094,385.58	5.95
Parks & Recreation Enterprise Fund	(507,190.43)	(491,165.34) (F)	(0.29)
Self Insurance Fund	7,703,467.52	7,460,070.26	4.40
Fleet Services	15,575,265.52	15,083,152.47	8.90
Postemployment/Compensated Absences Fund	7,931,967.70	7,681,350.80	4.53
Trust & Agency	3,610,362.20	3,496,289.90	2.06
TOTAL	175,052,294.98	169,521,376.82	100.00

- (A) The difference between the Share of Investments total of \$175,052,294.98 and the Pooled Cash and Investments total of \$169,521,376.82 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 <\$1,196,232.11>. Reimbursement check in the amount of \$2,077,568.20 was received on 2-1-2012. Department will submit the reimbursement request in April 2012.
- T-030 Del Amo Blvd. extension project - ARRA-Federal Grant has a negative cash balance of <\$312,417.80>, reimbursement check in the amount of \$74,036.25 was received on February 1, 2012.
- T-030 Del Amo Blvd. extension project - MTA Grant has a negative cash balance of <\$137,185.81>, reimbursement check in the amount of \$362,468.83 was received on February 28, 2012.
- I-077 Madrona marsh restoration project - State Grant has a negative cash balance of <\$370,455.17>, department will submit the final request for reimbursement when the last payment is processed.
- T-051 Crenshaw Blvd. rehabilitation project - Federal Grant - SAFETEA-LU has a negative cash balance of <\$162,940.09>, department submitted reimbursement request on March 6, 2012.
- ECCBG Energy Project - Fed Grant has a negative cash balance of <\$355,247.91>, reimbursement of \$259,115.96 was received on 3-20-2012. The Dept. will request reimbursement of \$96,131.95 in March along with other fee and expenses that were incurred after February 29, 2012.
- 2008 UASI Grant-Fire - UASI Grant-P25 Radios has a negative cash balance of <\$495,121.99>, reimbursement has been requested in Jan 2012.
- (C) A written requisition for disbursement from the Construction Fund for the Certificates of Participation Series 2004 A&B will be requested when the total amount exceeds \$10,000.
- (D) Skypark bond principal and interest payments made on 7-1-2011 and 1-1-2012 which will be offset by future property taxes.
- (E) Industrial bond semi-annual payment made on September 2011 and February 23, 2012 which will be offset by future property taxes.
- (F) Negative cash balance represents net losses from prior years and decrease in subsidy from the General Fund.



City of Torrance
Investment Report
February 2012

**CASH AND INVESTMENTS RECONCILIATION
AS OF FEBRUARY 29, 2012**

INVESTMENTS PER PORTFOLIO SUMMARY (City Pool)		175,052,294.98
CASH AND INVESTMENTS PER BOOKS		169,521,376.82
CASH IN BANKS:		
Cash in B of A General Account		(1,017,822.98)
OUTSTANDING WARRANTS:		
General Account	943,748.27	
Payroll Account	79,360.92	
Workers Compensation Account	106,918.65	
		1,130,027.84
Miscellaneous outstanding adjusting journal entries		2,435,016.67
Housing Fund restricted cash		(720,490.55)
Payroll for PE 02/25/12 posted on 02/25/12 and paid on 03/02/12		2,719,636.62
Payroll for PE 02/29/12 posted on 02/29/12 and paid on 03/16/12		984,550.56
INVESTMENTS PER BOOKS		175,052,294.98