

Council Meeting of
November 8, 2011

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

Members of Council:

SUBJECT: Accept and file September 2011 monthly investment report.

RECOMMENDATION

Recommendation of the City Treasurer that City Council accept and file the monthly investment report for September 2011.

FUNDING

Not applicable

BACKGROUND

On January 4, 2011, Your Honorable Body, through passage of Resolution 2011-04, 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 September 2011.

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,


for Dana Cortez
City Treasurer

Noted:

LeRoy J. Jackson
Investment Committee Member

CC: City Manager
City Clerk



CITY of TORRANCE
Monthly Investment Portfolio Report
September 30, 2011

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Investment Report September 2011

Investment Portfolio Highlights

Average City Portfolio YTM 1.755%
 Average U.S. Treasury Constant 0.420%
 LAIP Average Monthly Return 0.378%
 Average City Portfolio YTM - 1 year 1.755%

Fiscal year to date \$745,601
 Current month \$232,452

Average Maturity (days) 1127
 Average Maturity 1 Year Prior (days) 843
 Weighted Average Maturity (years) 3.09

Purchases \$26,192,465
 Maturities \$32,542,834

Month	2010	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011
September	93	152,517,311.30	1.834	1.859	0.500%	6	3	1,073	843																														
October	97	149,927,484.87	1.745	1.769	0.480%	10	6	1,073	837																														
November	103	148,449,326.74	1.742	1.766	0.454%	10	4	1,141	883																														
December	105	147,425,111.17	1.726	1.750	0.462%	6	4	1,159	909																														
January	104	153,975,753.83	1.616	1.638	0.538%	4	5	1,070	834																														
February	110	165,317,959.66	1.708	1.732	0.512%	11	6	1,172	934																														
March	107	165,733,809.87	1.652	1.675	0.508%	7	10	1,150	909																														
April	105	167,986,247.29	1.542	1.564	0.588%	2	4	1,055	830																														
May	106	177,136,223.90	1.445	1.465	0.413%	6	5	1,013	786																														
June	102	182,987,408.39	1.413	1.432	0.448%	6	10	1,000	783																														
July	113	159,086,446.05	1.734	1.758	0.381%	16	5	1,362	1105																														
August	111	156,107,063.51	1.732	1.756	0.408%	2	5	1,363	1085																														
September	104	151,370,240.25	1.723	1.747	0.378%	2	9	1,363	1071																														
Average	105	159,795,867.29	1.662%	1.685%	0.467%	7	6	1,153	908																														

Investment Number	PURCHASE DATE	BUYER	PURCHASE PRICE	YIELD	DEPOSITS	WITHDRAWALS	INTEREST	ENDING BALANCE
10985	9/8/2011	FHLMC	AA+/Aaa	1.800%	730/730			1,800%
10987	9/14/2011	FNMA	AA+/Aaa	1.375%	92/1096			1,375%
				2.100%	914/914			2,100%
				1.680%	921/461			1,680%
				1.375%	365/1826			1,375%
				1.761%	304/1826			1,761%
				2.231%	304/1826			2,231%
				3.125%	1095/1095			3,125%
				1.100%	365/1826			1,100%
				1.511%	9,575,769	9,575,769		9,575,769
					2,000,000			2,000,000
					1,000,000			1,000,000
					2,000,000			2,000,000
					1,000,000			1,000,000
					2,000,000			2,000,000
					1,000,000			1,000,000
					1,600,000			1,600,000
					1,000,000			1,000,000
					1,000,000			1,000,000
					1,000,000			1,000,000
					1,000,000			1,000,000
					1,000,000			1,000,000
					1,000,000			1,000,000
					1,000,000			1,000,000
					1,000,000			1,000,000
					1,000,000			1,000,000
					730,769	730,769		730,769

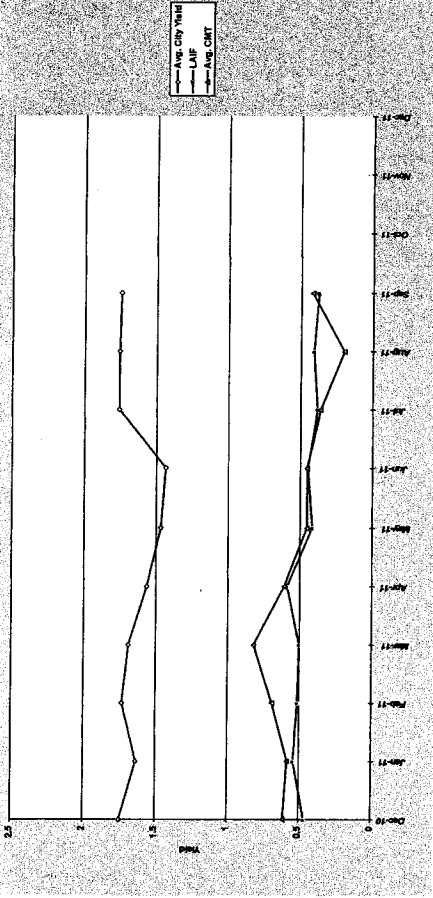
Investment Number	PURCHASE DATE	BUYER	PURCHASE PRICE	YIELD	DEPOSITS	WITHDRAWALS	INTEREST	ENDING BALANCE
10829	9/23/2009	AXP	AA+/Aaa	1.800%	730/730			1,800%
10959	6/2/2011	FHLMC	AA+/Aaa	1.364%	92/1096			1,364%
10790	3/6/2009	FHLMC	AA+/Aaa	2.097%	914/914			2,097%
10963	6/15/2011	FHLMC	AA+/Aaa	1.666%	921/461			1,666%
10900	9/15/2010	FNMA	AA+/Aaa	1.375%	365/1826			1,375%
10917	11/16/2010	FHLMC	AA+/Aaa	1.761%	304/1826			1,761%
10920	11/17/2010	FHLMC	AA+/Aaa	2.231%	304/1826			2,231%
10776	9/23/2008	FHLMC	AA+/Aaa	3.125%	1095/1095			3,125%
10901	9/23/2010	FHLMC	AA+/Aaa	1.100%	365/1826			1,100%
				1.511%	9,575,769	9,575,769		9,575,769
					2,000,000			2,000,000
					1,000,000			1,000,000
					2,000,000			2,000,000
					1,000,000			1,000,000
					2,000,000			2,000,000
					1,000,000			1,000,000
					1,600,000			1,600,000
					1,000,000			1,000,000
					1,000,000			1,000,000
					1,000,000			1,000,000
					1,000,000			1,000,000
					1,000,000			1,000,000
					1,000,000			1,000,000
					1,000,000			1,000,000
					1,000,000			1,000,000
					730,769	730,769		730,769

State of California	Beginning Balance	Rate	Yield	Deposits	Withdrawals	Interest	Ending Balance
Local Agency Pool	2,700,000	0.378%	0.378%	10,500,000	5,300,000		7,900,000
City	7,000,000	0.378%	0.378%	2,900,000	4,900,000		5,000,000
Redevelopment Agency	0	0.378%	0.378%	0	0		0
TRANS Repayment	0						0
	\$ 9,700,000						\$ 12,900,000



Investment Report
September 2011

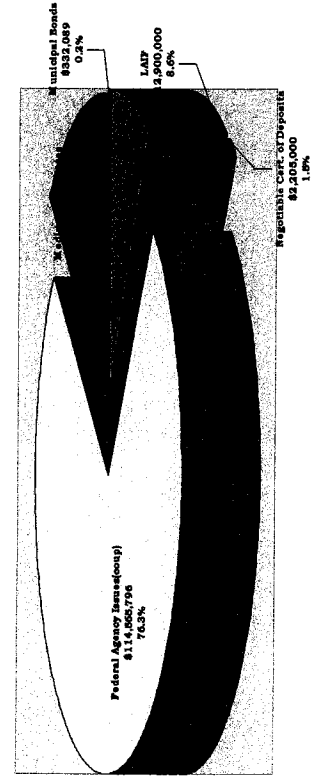
Portfolio Performance



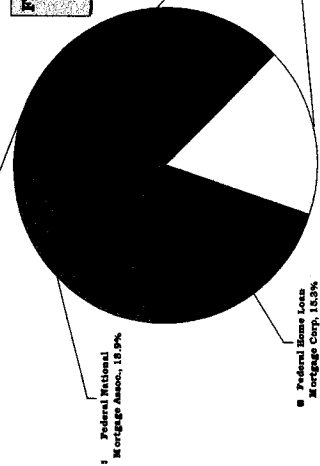
Interest Earnings Summary

CD/Deposit/Discount Investments:	Month Ending September 30	Fiscal Year End
Interest Collected	216,684	674,494
Plus Accrued Interest at 662,443		662,443
Less Accrued Interest at 542,504		530,614
Interest Earned	336,623	706,323
Adjusted by Premium	-20,326	-56,091
Adjusted by Capital		
Earnings (Loss)	216,198	650,231
Cash/Checking Accounts:		
Interest Collected	12	39,896
Plus Accrued Interest at 61,913		61,913
Less Accrued Interest at 59,488		59,488
Interest Earned	2,436	14,321
Total Interest Earned	238,640	720,761
Total Adjustments from Premiums and Discounts	-20,326	-56,091
Total Capital Gains or Losses		
Total Earnings this Period	\$218,634	\$664,669

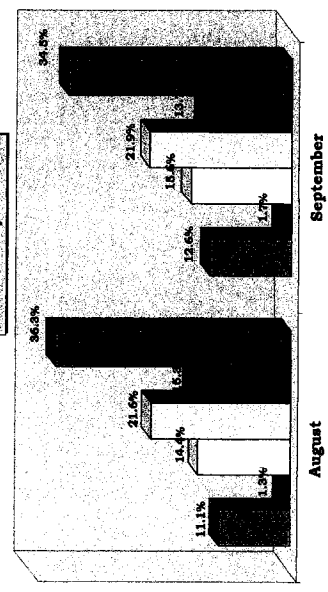
Portfolio Diversification



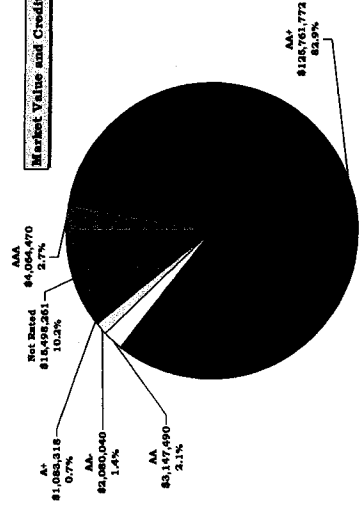
Federal Agency Issues
76.3%
of Total Portfolio



Portfolio Maturity Distribution



Market Value and Credit Rating Report





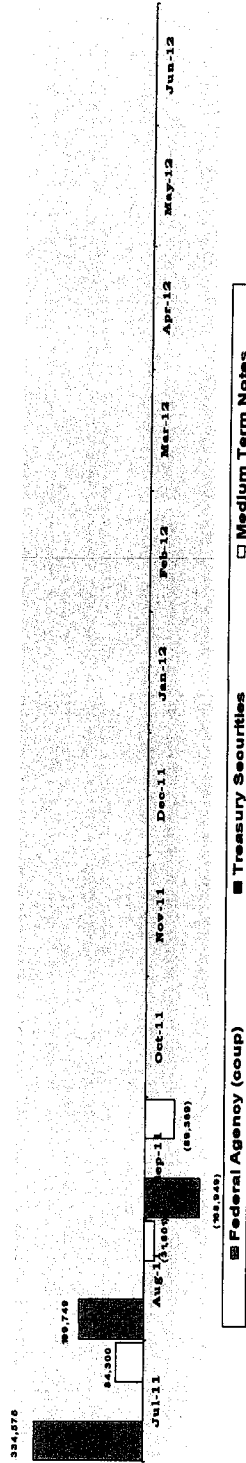
Investment Report
September 2011

Portfolio Summary

Local Agency Investment Fund	Book Value	% of Portfolio	% per Policy	Duration	Days to Maturity	Current Yield	
Certificates of Deposit - Collateralized	12,900,000	8.59%	0	180	0	0.378%	
Negotiable CDs	2,205,000	1.47%	1,056	329	5 years	2.183%	
Money Market Sweep Account	25,400	0.02%	1	1	1	0.010%	
Federal Agency Issues - Coupons	114,565,796	76.25%	75%	1,540	1,271	5 years	1.853%
Farmer Mac	12,098,758	8.06%	30%	1,230	1290	5 years	1.422%
Federal Farm Credit Bank	30,630,484	20.50%	30%	1,133	1,204	5 years	1.509%
Federal Home Loan Bank	20,211,213	13.49%	30%	983	1022	5 years	1.188%
Federal Home Loan Mortgage Corp.	23,077,977	15.26%	30%	1,318	1,377	5 years	1.422%
Federal National Mortgage Assoc.	28,547,364	18.94%	30%	1,347	1,425	5 years	1.527%
Treasury Securities - Coupons	0	0.00%	100%	0	0	5 years	0.000%
Medium Term Notes	20,213,103	13.45%	20%	1,220	715	5 years	1.879%
Municipal Bond Issues - Coupon	332,089	0.22%		3,848	274		7.999%
Total Investments & Averages	150,241,388	100.00%		1,363	1071		1.747%
Effective Rate of Return	Month Ending	Fiscal YTD					
	1.76%	1.70%					
Pending Redemptions	0						
Accrued Interest at Purchase	9,010						
Total Accrued Interest	9,010						
TOTAL CASH & INVESTMENTS	150,250,397						

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 current market value and the amortized cost 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 portfolio paper gain or loss is the difference between the current market value and the amortized cost 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.

NOTE: SB 564 passed in 1998, effective February 1, 1998, requires that we 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.



TOTAL PORTFOLIO **\$183,022,024** **(\$31,750,949)** **\$328,504** **\$151,599,579**

Portfolio Notes:
 **Maximum allowed by Investment Policy is \$50 million per agency. General LAIF account = \$7,900,000 RDA LAIF account = \$5,000,000 TRANS Payment = \$0
 **Maturity: This report accurately reflects all pooled investments and is in conformity with the city of Chicago Investment Policy Statement adopted by resolution 2011-04 on January 4, 2011. A copy of this policy is available at the office of the City Clerk. The investment program herein shown provides sufficient cash for the investment advisory contract.
 for Celestina Campuzano
 City Treasurer
 for James Ruyter
 Director of Finance
 for John F. Allerton
 City Attorney
 for Celestina Campuzano
 City Treasurer

**City of Torrance
Portfolio Management
Portfolio Details - Investments
September 30, 2011**

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			7,900,000.00	7,900,000.00	7,900,000.00	0.378		0.378	1	
SYS10001	10001	Local Agency Invest. Fund RDA			5,000,000.00	5,000,000.00	5,000,000.00	0.378		0.378	1	
SYS1000a	1000A	LAI - TRANS FUNDS			0.00	0.00	0.00	0.378		0.378	1	
		Subtotal and Average	6,826,666.67		12,900,000.00	12,900,000.00	12,900,000.00			0.378	1	
Cert. of Deposit - Insured												
149159GX7	10830	Cathay Bank		10/05/2009	245,000.00	245,000.00	245,000.00	1.750		1.750	4	10/05/2011
86789UBHI	10822	SunSouth Bank		08/18/2008	245,000.00	248,789.95	245,000.00	2.200		2.200	321	08/17/2012
46147ULM0	10824	Investors Community Bank		08/24/2009	245,000.00	248,503.50	245,000.00	2.250		2.250	328	08/24/2012
509885EA7	10823	Lake Forest B&T		08/26/2009	245,000.00	249,373.25	245,000.00	2.350		2.350	331	08/27/2012
05568PSJ7	10832	BMW Bank of North America		09/23/2009	245,000.00	248,787.50	245,000.00	2.300		2.300	359	09/24/2012
254670KW1	10831	Discover Bank		09/23/2009	245,000.00	248,327.10	245,000.00	2.050		2.050	359	09/24/2012
59740JGR4	10833	MidFirst Bank		10/14/2009	245,000.00	249,086.60	245,000.00	2.350		2.350	380	10/15/2012
36159SJS1	10838	GE Money bank		12/11/2008	245,000.00	249,522.70	245,000.00	2.350		2.350	437	12/11/2012
319180DA0	10839	First Bank Lexington Tennessee		12/16/2008	245,000.00	249,133.15	245,000.00	2.050		2.050	443	12/17/2012
		Subtotal and Average	2,384,666.67		2,205,000.00	2,236,543.75	2,205,000.00			2.183	329	
Money Market Sweep Account												
SYS10131	10131	Bank of America			0.00	0.00	0.00	0.450		0.450	1	
SYS1000	1000	Union Bank of California			25,400.00	25,400.00	25,400.00	0.010		0.010	1	
		Subtotal and Average	3,755,524.91		25,400.00	25,400.00	25,400.00			0.010	1	
Federal Agency Issues - Coupon												
3133XT6W1	10789	FEDERAL HOME LOAN BANK		02/27/2009	2,000,000.00	2,016,300.00	2,000,000.00	2.150	AA+	2.150	149	02/27/2012
31331XT36	10678	FEDERAL FARM CREDIT BANK		08/01/2007	1,000,000.00	1,041,060.00	1,000,000.00	5.250	AA+	5.250	305	08/01/2012
31331JTE7	10833	FEDERAL FARM CREDIT BANK		01/11/2011	1,000,000.00	1,001,090.00	1,000,000.00	0.750	AA+	0.750	468	01/11/2013
3133XT6J0	10788	FEDERAL HOME LOAN BANK		02/26/2009	2,000,000.00	2,054,060.00	2,000,000.00	2.625	AA+	2.625	514	02/26/2013
31331GVD8	10800	FEDERAL FARM CREDIT BANK		05/08/2009	1,000,000.00	1,026,970.00	1,000,000.00	2.200	AA+	2.200	555	04/08/2013
3133XWHJ1	10846	FEDERAL HOME LOAN BANK		12/28/2009	1,500,000.00	1,506,270.00	1,500,000.00	2.050	AA+	2.050	636	06/28/2013
3134G2SQ6	10877	FEDERAL HOME LOAN MORTGAGE CO		07/28/2011	1,998,500.00	1,998,500.00	2,000,000.00	0.400	AA+	0.699	664	07/26/2013
3136FPQ65	10910	FEDERAL NATIONAL MORT ASSOC		10/26/2010	1,000,000.00	800,320.00	1,000,000.00	0.850	AA+	0.850	664	07/26/2013
3136FPQ65	10975	FEDERAL NATIONAL MORT ASSOC		07/15/2011	800,000.00	800,256.00	800,245.15	0.850	AA+	0.788	664	07/26/2013
3136FJAC2	10856	FEDERAL NATIONAL MORT ASSOC		02/23/2010	1,000,000.00	1,005,700.00	1,000,000.00	2.000	AA+	2.000	692	08/23/2013
31331XQ4	10947	FEDERAL NATIONAL MORT ASSOC		03/01/2011	1,000,000.00	1,087,340.00	1,073,847.09	5.000	AA+	1.100	704	09/04/2013
3136FPQA9	10906	FEDERAL FARM CREDIT BANK		09/20/2010	1,000,000.00	1,005,450.00	1,000,000.00	1.000	AA+	1.000	720	09/20/2013
31331JQ89	10808	FEDERAL FARM CREDIT BANK		10/18/2010	1,000,000.00	1,000,260.00	1,000,000.00	1.000	AA+	1.000	748	10/18/2013

**City of Torrance
Portfolio Management
Portfolio Details - Investments
September 30, 2011**

CUSIP	Investment # - Coupon	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM	Days to Maturity	Maturity Date
313373E99	10973	FEDERAL HOME LOAN BANK		07/15/2011	400,000.00	402,020.00	401,448.40	1.150	AA+	0.929	755	10/25/2013
3133XY6S9	10899	FEDERAL HOME LOAN BANK		08/26/2010	1,000,000.00	1,031,910.00	1,020,352.41	2.000	AA+	1.002	759	10/29/2013
3128X1CS4	10915	FEDERAL HOME LOAN MORTGAGE CO		10/27/2010	1,000,000.00	1,089,280.00	1,081,072.09	4.580	AA+	0.730	780	11/19/2013
31398A6L1	10974	FEDERAL NATIONAL MORT ASSOC		07/15/2011	750,000.00	750,712.50	750,639.51	1.000	AA+	0.916	780	11/29/2013
31315PQ2	10936	Farmer Mac		02/03/2011	3,000,000.00	3,056,760.00	3,000,000.00	1.340	AA+	1.340	856	02/03/2014
31331KDA5	10943	FEDERAL FARM CREDIT BANK		02/24/2011	2,000,000.00	2,009,880.00	2,000,000.00	1.700	AA+	1.700	877	02/24/2014
31315PSU4	10951	Farmer Mac		03/14/2011	2,000,000.00	2,011,720.00	2,000,000.00	1.630	AA+	1.630	895	03/14/2014
3133XXPD3	10865	FEDERAL HOME LOAN BANK		03/28/2010	2,000,000.00	2,011,720.00	2,000,000.00	1.500	AA+	1.500	907	03/28/2014
31331KGN4	10955	FEDERAL FARM CREDIT BANK		04/07/2011	2,000,000.00	1,020,810.00	1,000,000.00	1.400	AA+	1.400	919	04/07/2014
31331XVW8	10879	FEDERAL FARM CREDIT BANK		05/05/2010	500,000.00	555,895.00	534,330.15	5.000	AA+	1.400	919	04/07/2014
3134G1WH3	10909	FEDERAL HOME LOAN MORTGAGE CO		10/28/2010	1,000,000.00	1,000,530.00	1,000,000.00	1.200	AA+	2.192	937	04/25/2014
3136FHPX7	10799	FEDERAL NATIONAL MORT ASSOC		05/14/2009	2,000,000.00	2,003,140.00	2,000,000.00	2.125	AA+	1.200	940	04/28/2014
3134G2HE5	10957	FEDERAL HOME LOAN MORTGAGE CO		05/23/2011	2,000,000.00	2,002,480.00	1,989,942.22	1.250	AA+	2.125	956	05/14/2014
31331KRV4	10976	FEDERAL FARM CREDIT BANK		07/18/2011	2,000,000.00	2,004,480.00	2,000,000.00	1.050	AA+	1.253	965	05/23/2014
3133XUBA0	10817	FEDERAL HOME LOAN BANK		07/30/2009	1,000,000.00	1,015,540.00	1,000,000.00	2.150	AA+	1.050	1,021	07/18/2014
31333RCP8	10966	FEDERAL HOME LOAN BANK		05/16/2011	1,000,000.00	1,017,250.00	1,002,384.14	1.250	AA+	1.164	1,033	07/30/2014
3133XUPB3	10827	FEDERAL HOME LOAN BANK		09/04/2009	1,000,000.00	1,016,590.00	1,000,000.00	2.125	AA+	2.125	1,069	09/04/2014
313370WA2	10902	FEDERAL HOME LOAN BANK		09/17/2010	1,000,000.00	1,009,310.00	1,000,000.00	1.375	AA+	1.375	1,082	09/17/2014
3134G17A6	10949	FEDERAL HOME LOAN MORTGAGE CO		03/23/2011	1,000,000.00	1,006,370.00	1,000,000.00	1.750	AA+	1.750	1,088	09/23/2014
31331JG55	10907	FEDERAL FARM CREDIT BANK		10/08/2010	1,000,000.00	1,014,110.00	1,000,000.00	1.150	AA+	1.150	1,101	10/08/2014
31331G2J7	10835	FEDERAL FARM CREDIT BANK		10/27/2009	1,000,000.00	1,001,830.00	1,000,000.00	2.875	AA+	2.875	1,122	10/27/2014
31331J2P7	10962	FEDERAL FARM CREDIT BANK		05/27/2011	1,024,000.00	1,025,157.12	1,023,653.65	1.250	AA+	1.287	1,143	11/17/2014
3134G2HC9	10958	FEDERAL HOME LOAN MORTGAGE CO		05/25/2011	2,000,000.00	2,003,060.00	2,000,000.00	1.500	AA+	1.500	1,151	11/25/2014
313372NX8	10944	FEDERAL HOME LOAN BANK		02/28/2011	1,000,000.00	1,006,510.00	1,000,000.00	2.000	AA+	2.000	1,154	11/28/2014
31331J6X6	10952	FEDERAL FARM CREDIT BANK		03/29/2011	775,000.00	777,821.00	775,000.00	2.100	AA+	2.100	1,192	01/05/2015
31331KSK7	10981	FEDERAL FARM CREDIT BANK		07/26/2011	2,000,000.00	2,001,020.00	2,000,000.00	1.340	AA+	1.340	1,213	01/26/2015
31331KCK4	10942	FEDERAL FARM CREDIT BANK		02/17/2011	1,000,000.00	1,041,060.00	1,000,000.00	2.030	AA+	2.030	1,235	02/17/2015
31331JKA0	10870	FEDERAL FARM CREDIT BANK		04/09/2010	1,000,000.00	1,009,720.00	1,000,000.00	2.900	AA+	2.900	1,286	04/09/2015
3136FRD26	10972	FEDERAL NATIONAL MORT ASSOC		08/08/2011	2,000,000.00	2,005,820.00	2,000,000.00	1.500	AA+	1.500	1,315	05/08/2015
3133XYKF1	10884	FEDERAL HOME LOAN BANK		05/28/2010	1,000,000.00	1,018,300.00	1,000,000.00	2.000	AA+	2.000	1,335	05/28/2015
31331JQD8	10893	FEDERAL FARM CREDIT BANK		06/08/2010	1,000,000.00	1,014,490.00	1,000,000.00	2.590	AA+	2.590	1,346	06/08/2015
31315PDZ9	10986	Farmer Mac		08/29/2011	2,000,000.00	2,098,620.00	2,099,240.67	2.375	AA+	1.042	1,390	07/22/2015
3136FRE41	10979	FEDERAL NATIONAL MORT ASSOC		07/27/2011	1,000,000.00	1,004,020.00	1,000,000.00	1.550	AA+	1.550	1,385	07/27/2015
3136FPEE3	10905	FEDERAL NATIONAL MORT ASSOC		09/14/2010	2,000,000.00	2,019,280.00	1,999,047.22	1.725	AA+	1.746	1,444	09/14/2015
313370TX6	10901	FEDERAL HOME LOAN BANK		09/23/2010	269,230.77	269,860.77	269,230.77	1.000	AA+	1.649	1,453	09/23/2015
3136FPRB5	10914	FEDERAL NATIONAL MORT ASSOC		10/20/2010	1,000,000.00	1,003,790.00	1,000,000.00	1.000	AA+	1.897	1,480	10/20/2015
31398AA45	10961	FEDERAL NATIONAL MORT ASSOC		05/27/2011	2,000,000.00	2,001,720.00	1,999,261.60	1.550	AA+	1.800	1,487	10/27/2015

City of Torrance
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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
Federal Agency Issues - Coupon												
313371CQ7	10912	FEDERAL HOME LOAN BANK		10/28/2010	1,000,000.00	1,000,460.00	1,000,000.00	1.000	AA+	1.010	1,488	10/28/2015
3134G1XX7	10919	FEDERAL HOME LOAN MORTGAGE CO		11/09/2010	1,000,000.00	1,000,990.00	1,000,000.00	1.000	AA+	1.744	1,500	11/09/2015
31331J2R3	10922	FEDERAL FARM CREDIT BANK		11/19/2010	1,000,000.00	1,001,890.00	998,897.06	1.620	AA+	1.804	1,507	11/16/2015
3134G1ZU1	10923	FEDERAL HOME LOAN MORTGAGE CO		11/23/2010	2,000,000.00	2,003,960.00	1,998,844.44	1.750	AA+	1.834	1,514	11/23/2015
3134G1ZU1	10926	FEDERAL HOME LOAN MORTGAGE CO		12/10/2010	2,000,000.00	2,003,960.00	1,998,862.97	1.750	AA+	1.829	1,514	11/23/2015
31331J6P3	10931	FEDERAL FARM CREDIT BANK		12/28/2010	2,000,000.00	2,010,240.00	2,000,000.00	2.450	AA+	2.450	1,549	12/28/2015
31315PMT3	10930	Farmer Mac		12/30/2010	2,000,000.00	2,010,920.00	2,000,000.00	2.570	AA+	2.570	1,551	12/30/2015
3136FP4R5	10948	FEDERAL NATIONAL MORT ASSOC		03/10/2011	2,000,000.00	2,013,200.00	1,998,170.35	2.375	AA+	2.429	1,579	01/27/2016
31331KCF5	10941	FEDERAL FARM CREDIT BANK		02/16/2011	2,000,000.00	2,017,400.00	1,999,850.00	2.800	AA+	2.804	1,599	02/16/2016
313372W26	10950	FEDERAL HOME LOAN BANK		03/15/2011	1,000,000.00	1,031,090.00	1,000,000.00	2.500	AA+	2.500	1,627	03/15/2016
31331KHG7	10953	FEDERAL FARM CREDIT BANK		03/30/2011	2,000,000.00	2,022,400.00	1,999,005.56	2.540	AA+	2.561	1,642	03/30/2016
31331VPV2	10954	FEDERAL FARM CREDIT BANK		04/01/2011	2,000,000.00	2,326,560.00	2,225,900.00	4.950	AA+	2.280	1,644	04/01/2016
3134G2LB6	10964	FEDERAL HOME LOAN MORTGAGE CO		06/20/2011	2,000,000.00	2,017,120.00	2,000,000.00	2.060	AA+	2.050	1,724	06/20/2016
3136FRQW6	10968	FEDERAL NATIONAL MORT ASSOC		06/27/2011	2,000,000.00	2,020,380.00	2,000,000.00	2.000	AA+	2.000	1,731	06/27/2016
313374DV9	10969	FEDERAL HOME LOAN BANK		06/28/2011	2,000,000.00	2,024,380.00	2,000,000.00	2.500	AA+	2.045	1,732	06/28/2016
3134G2LW0	10966	FEDERAL HOME LOAN MORTGAGE CO		06/29/2011	2,000,000.00	2,012,700.00	1,997,797.22	2.000	AA+	2.011	1,733	06/29/2016
31315PZA0	10971	Farmer Mac		07/06/2011	2,000,000.00	2,020,720.00	1,998,255.56	2.250	AA+	2.250	1,740	07/06/2016
3136FRUE1	10965	FEDERAL NATIONAL MORT ASSOC		07/06/2011	2,000,000.00	2,018,880.00	2,000,000.00	2.075	AA+	2.075	1,740	07/06/2016
3136FRUP6	10967	FEDERAL NATIONAL MORT ASSOC		07/15/2011	3,000,000.00	3,055,770.00	3,000,000.00	2.000	AA+	2.000	1,749	07/15/2016
31331KSE1	10980	FEDERAL FARM CREDIT BANK		07/20/2011	2,000,000.00	2,001,400.00	2,000,000.00	2.100	AA+	2.100	1,754	07/20/2016
3134G2QH8	10970	FEDERAL HOME LOAN MORTGAGE CO		07/26/2011	3,000,000.00	3,003,150.00	3,000,000.00	2.000	AAA	2.311	1,760	07/26/2016
31315PA25	10984	Farmer Mac		07/27/2011	1,000,000.00	1,016,390.00	999,517.78	2.000	AA+	2.011	1,761	07/27/2016
313374V72	10983	FEDERAL HOME LOAN BANK		07/27/2011	2,000,000.00	2,004,700.00	2,000,000.00	1.250	AA+	2.406	1,761	07/27/2016
3136FRE58	10978	FEDERAL NATIONAL MORT ASSOC		07/27/2011	2,000,000.00	2,016,300.00	2,000,000.00	2.000	AA+	2.000	1,761	07/27/2016
3136FRJ46	10982	FEDERAL NATIONAL MORT ASSOC		07/29/2011	2,000,000.00	2,003,720.00	2,000,000.00	1.250	AA+	2.422	1,761	07/27/2016
3134GZZG0	10985	FEDERAL HOME LOAN MORTGAGE CO		09/08/2011	2,000,000.00	1,984,680.00	2,000,000.00	1.125	AA+	1.686	1,804	09/08/2016
3136FRV59	10987	FEDERAL NATIONAL MORT ASSOC		09/14/2011	1,000,000.00	999,380.00	1,000,000.00	1.050	AA+	1.516	1,810	09/14/2016
Subtotal and Average					114,018,230.77	115,526,932.39	114,565,796.01			1.852	1,271	
Medium Term Notes												
17314JAT0	10874	Citibank		04/15/2010	3,000,000.00	3,052,110.00	3,007,235.61	1.750	AA+	1.112	454	12/28/2012
36967HAY3	10812	General Electric Capital Corp		06/22/2009	2,000,000.00	2,056,460.00	2,007,228.98	2.625	AA+	2.320	454	12/28/2012
36962G4H4	10913	General Electric		10/19/2010	1,000,000.00	1,017,210.00	1,020,933.92	2.800	AA+	1.125	465	01/08/2013
084670AU2	10938	Berkshire Hathaway		02/08/2011	3,000,000.00	3,048,630.00	3,047,170.12	2.125	AA+	0.956	499	02/11/2013
89233P4H6	10945	Toyota Motor Credit Corp		02/23/2011	1,000,000.00	1,007,710.00	1,001,554.85	1.375	AA-	1.290	681	08/12/2013
88578EAE5	10995	3M Company		07/20/2010	1,000,000.00	1,072,330.00	1,058,185.41	4.375	AA-	1.200	684	08/15/2013

**City of Torrance
Portfolio Management
Portfolio Details - Investments
September 30, 2011**

CUSIP	Investment #	Investment Notes	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM	Days to Maturity	Maturity Date
084664AD3	10714		Berkshire Hathaway		01/18/2008	1,000,000.00	1,084,170.00	1,005,796.30	4.825	AA+	4.300	745	10/15/2013
191216AN0	10924		COCA-COLA		11/22/2010	1,085,000.00	1,083,318.25	1,079,337.25	0.750	A+	1.000	776	11/15/2013
36962G4X9	10935		General Electric Capital Corp		01/10/2011	2,000,000.00	2,011,940.00	1,997,651.25	2.100	AA+	2.154	829	01/07/2014
931142CN1	10820		Wal-Mart Stores		08/14/2009	2,000,000.00	2,108,200.00	2,004,259.71	3.000	AA	2.902	856	02/03/2014
594918AB0	10821		MicroSoft Corp		08/17/2009	1,000,000.00	1,061,320.00	1,000,000.00	2.950	AAA	2.949	974	06/01/2014
931142CT8	10828		Wal-Mart Stores		12/15/2010	1,000,000.00	1,039,290.00	1,001,313.23	2.250	AA	2.213	1,376	07/08/2015
36962G4T8	10925		General Electric		11/19/2010	1,000,000.00	988,470.00	982,437.40	2.250	AA+	2.710	1,500	11/09/2015
			Subtotal and Average	20,216,798.02		20,085,000.00	20,611,158.25	20,213,103.03			1.879	715	
Municipal Bond Issues - Coupon													
SYS10423	10423		Skipk-2001TxAllocRef Bd		12/18/2001	332,088.52	332,088.52	332,088.52	8.000		7.999	274	07/01/2012
			Subtotal and Average	332,088.52		332,088.52	332,088.52	332,088.52			7.999	274	
			Total and Average	151,370,240.25		149,565,719.29	151,631,122.91	150,241,387.56			1.747	1,071	

II. RESTRICTED FUNDS

Reports Appear Quarterly

**III. CASH & INVESTMENT PORTFOLIO
SHARE**

**CASH AND INVESTMENT PORTFOLIO SHARE (A)
AS OF SEPTEMBER 30, 2011**

FUND	SHARE OF INVESTMENTS	POOLED CASH & INVESTMENTS BALANCE	CASH PERCENT
General	30,268,058.19	29,715,972.96	20.18
Parks & Recr Facility & Open Space	4,159,332.23	4,083,466.58	2.77
State Gas Tax	9,537,398.43	9,363,437.59	6.36
Federal Housing, Community Dev	399,088.86	391,809.53	0.27
Street Lighting	-	-	0.00
Traffic Congestion Relief Act 2000 - AB2928	796,730.79	782,198.53	0.53
Proposition 1B	796,078.52	781,558.16	0.53
Police Asset Forfeiture	4,117,415.49	4,042,314.40	2.75
Drainage Improvement	19,805.72	19,444.47	0.01
Measure R Local Return	2,495,105.41	2,449,595.03	1.66
Government Cable	3,469,087.92	3,405,812.23	2.31
Local Return - Proposition C	5,344,811.73	5,247,323.10	3.56
Grants/Donations	(929,587.59)	(912,632.04) (B)	(0.62)
Citizens Options for Public Safety (COPS) Grant Funds - AB3229	170,714.85	167,601.03	0.11
Seismic Education Fund	58,307.31	57,243.79	0.04
Rehabilitation Housing	699,085.96	686,334.73	0.47
Meadow Park Parking Lot	26,608.15	26,122.82	0.02
Police Inmate Welfare Fund	51,768.50	50,824.25	0.03
Capital Improvements	21,767,726.26	21,370,685.92	14.51
Geologic Hazard Abatement	14,582.63	14,316.64	0.01
El Camino Training Fund-Fire	693,976.71	681,318.67	0.46
El Camino Training Fund-Police	10,185.79	10,000.00	0.01
Vanpool/Rideshare Fund	5,131.15	5,037.56	0.00
Torrance Public Financing	(8,589.23)	(8,432.56) (C)	(0.01)
Animal Control Fund	25,263.01	24,802.22	0.02
Redevelopment-Capital Proj	7,588,455.23	7,450,042.85	5.06
Redevelopment Debt Service	(1,505,931.62)	(1,478,463.63) (D)	(1.00)
Underground Storage Tank Fund	3,055.74	3,000.00	0.00
DNA Sampling Fund	67,226.20	66,000.00	0.04
Airport Fund	5,217,402.69	5,122,237.98	3.48
Transit Operations	3,253,026.60	3,193,691.84	2.17
Development Impact Fund	861,749.41	846,031.22	0.57
Water Operations	5,899,861.71	5,792,249.04	3.93
Emergency Medical Service Enterprise Fund	-	-	0.00
Sanitation Operations	501,043.50	491,904.54	0.33
Cultural Arts Enterprise	118,612.52	116,449.04	0.08
Sewer Enterprise Fund	10,760,192.93	10,563,928.49	7.17
Parks & Recreation Enterprise Fund	(708,026.31)	(695,112.01) (E)	(0.47)
Self Insurance Fund	7,893,706.21	7,749,726.09	5.26
Fleet Services	14,281,912.54	14,021,412.42	9.52
Postemployment/Compensated Absences Fund	7,729,708.99	7,588,720.16	5.15
Trust & Agency	4,022,073.66	3,948,711.59	2.68
TOTAL	149,972,156.79	147,236,685.23	100.00

- (A) The difference between the Share of Investments total of \$149,972,156.79 and the Pooled Cash and Investments total of \$147,236,685.23 is primarily due to outstanding warrants and adjusting journal entries. (See reconciliation schedule attached)
- (B) T-030 Del Amo Blvd. extension project ARRA-Federal Grant has a negative cash balance of <\$1,571,379.10>, reimbursement request in the amount of \$2,034,250.62 was submitted on 10/05/11.
T-030 Del Amo Blvd. extension project - Federal Grant MTA pass thru has a negative cash balance of <\$103,498.44>, reimbursement request in the amount of \$157,731.78 was submitted on 10/05/11.
Recovery Byrne 2009 has a negative cash balance of <\$51,435.40>, reimbursement for QE 9/30/11 in the amount of \$49,080.61 was received on 10/13/2011.
- (C) A written requisition for disbursement from the Construction Fund for the Certificates of Participation Series 2004 A&B will be requested when the cost exceed \$10,000.00
- (D) Semi-annual payment of Downtown and Industrial Bond was made on 8-25-2011 and this will be covered by future tax increment.
- (E) Negative cash balance represents net losses from prior years and decrease in subsidy from the General Fund.

**CASH AND INVESTMENT RECONCILIATION
AS OF SEPTEMBER 30, 2011**

INVESTMENTS PER PORTFOLIO SUMMARY (City Pool)		149,972,156.79
CASH AND INVESTMENTS PER BOOKS		147,236,685.23
CASH IN BANKS:		
Cash in B of A General Account		(\$1,287,459.62)
OUTSTANDING WARRANTS:		
General Account	1,005,168.72	
Payroll Account	162,971.45	
Workers Compensation Account	136,233.34	
		1,304,373.51
Miscellaneous outstanding adjusting journal entries		1,682,098.33
Housing Fund restricted cash		(475,531.58)
Payroll for PE 9/30/11 posted on 9/30/11 and paid on 10/14/11		1,511,990.92
INVESTMENTS PER BOOKS		\$149,972,156.79