

Council Meeting of
October 4, 2011

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

Members of Council:

SUBJECT: Accept and file August 2011 monthly investment report.

RECOMMENDATION

Recommendation of the City Treasurer that City Council accept and file the monthly investment report for August 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 August 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,


Dana Cortez
City Treasurer

Noted:

LeRoy J. Jackson
Investment Committee Member

CC: City Manager
City Clerk



CITY of TORRANCE
Monthly Investment Portfolio Report
August 31, 2011

Table of Content

I. CITY OF TORRANCE – POOLED FUNDS	
• <u>Summary Reports</u>	
○ Investment Portfolio Highlights	<u>Page</u>
○ Investment Portfolio Summary	
○ Investment Portfolio Activity	1
○ Portfolio Performance	
○ Return and Interest Earning Summary	
○ Portfolio Diversification	2
○ Market Value and Credit Rating	
○ Portfolio Summary	3
○ Value of Portfolio per GASB no. 31	
• <u>Detailed Reports</u>	
○ Investment Portfolio Details	4 - 8
II. RESTRICTED FUNDS – as of June 30, 2011	
• Cash and Investments Held by Fiscal Agent	9-10
• Deferred Compensation Accounts	11-12
III. CASH & INVESTMENT PORTFOLIO SHARE	
• Cash & Investment Share as of August 31, 2011	13
• Cash & Investment Reconciliation	14



Investment Portfolio Highlights

RETURN	Current Month	Previous Month
Average City Portfolio YTM	1.755%	1.758%
Average U.S. Treasury Constant	0.200%	0.360%
LAIF Average Monthly Return	0.408%	0.381%
Average City Portfolio YTM - 1 year	1.755%	1.900%

INTEREST INCOME	Current Period	Prior Year
Fiscal year to date	\$445,935	\$499,329
Current month	\$226,655	\$262,289

MATURITY	Current Month	Prior Month
Average Maturity (days)	1127	1105
Average Maturity 1 Year Prior	803	943
Weighted Average Maturity (years)	3.09	3.03

VOLUMES	Total \$ Volume	# of Transactions
Purchases	\$18,488,182	12
Maturities	\$19,789,581	13

Investment Report
August 2011

Portfolio Activity Detail

Investment Number	BROKER	PURCHASE DATE	DESCRIPTION	QUALITY RATING	MATURITY DATE	DAYS HEAD/ MATURE TO	RATE	YIELD	PAR VALUE	COST	MARKET VALUE
10972	Dean Witter	8/8/2011	FNMA	AA+/Aaa	5/8/2015	1345	1.500%	1.500%	2,000,000	2,000,000	2,009,060
10986	Vanning Sparks	8/23/2011	FAMCA	AA+/Aaa	7/22/2015	1420	2.375%	1.042%	2,000,000	2,101,412	2,095,960

MATURITIES/CALLS

Investment Number	BROKER	PURCHASE DATE	DESCRIPTION	QUALITY RATING	MATURITY DATE	DAYS HEAD/ MATURE TO	RATE	YIELD	PAR VALUE	COST	MARKET VALUE
10946	Higgins Capital	2/28/2011	FNMA	AAA/Aaa	2/25/2014	178/1093	1.500%	1.271%	4,000,000	4,101,412	4,105,020
10897	Citigroup Smith Barney	8/25/2010	FNMA	AAA/Aaa	8/25/2014	365/1461	1.000%	1.512%	1,000,000	1,000,000	1,000,000
10916	Stone & Youngberg	11/4/2010	FPCB	AAA/Aaa	11/4/2014	295/1461	1.230%	1.000%	1,000,000	1,000,000	1,000,000
10918	Great Pacific Securities	11/4/2010	FPCB	AAA/Aaa	11/4/2014	287/1461	1.230%	1.234%	1,000,000	1,000,000	1,000,000
10921	Higgins Capital	11/24/2010	FHLB	AAA/Aaa	11/24/2015	273/1826	1.050%	1.053%	1,000,000	1,000,000	1,000,000

State of California

Local Agency Pool	Beginning Balance	Rate	Yield	Deposits	Withdrawals	Interest	Ending Balance
City	4,100,000	0.408%	0.408%	9,100,000	10,500,000	2,700,000	1,207%
Redevelopment Agency	7,000,000	0.408%	0.408%	8,247	8,247	7,000,000	5,000,000
TRANS Repayment	0	0.408%	0.408%	0	0	0	5,000,000
	\$ 11,100,000					\$ 9,700,000	5,000,000

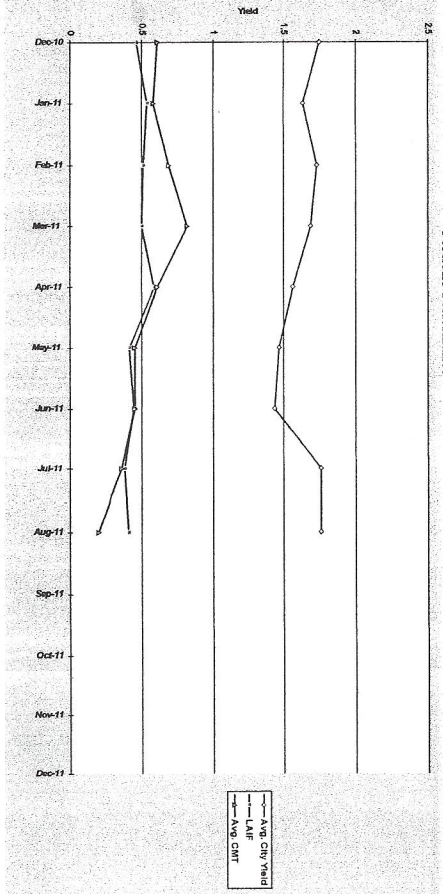
Portfolio Activity Summary

Month End	Year	Number of Securities	Average Balance	Yield to Maturity	Yield to Maturity 365	Rate	Inv Purchased	Inv Redeemed	Average Term	Average Days to Mat
August	2010	90	156,005,742.59	1.804	1.829	0.513%	3	9	1,014	803
September	2010	93	152,517,311.30	1.834	1.859	0.500%	6	3	1,073	843
October	2010	97	149,927,484.87	1.745	1.769	0.480%	10	6	1,073	837
November	2010	103	148,449,326.74	1.742	1.766	0.454%	10	4	1,141	883
December	2010	105	147,425,111.17	1.722	1.745	0.462%	6	4	1,159	909
January	2011	104	153,975,753.83	1.612	1.634	0.538%	4	5	1,070	834
February	2011	110	165,317,959.66	1.708	1.731	0.512%	11	6	1,172	934
March	2011	107	165,669,229.23	1.662	1.685	0.500%	7	10	1,157	909
April	2011	105	167,983,955.20	1.539	1.56	0.588%	2	4	1,055	830
May	2011	106	177,136,223.50	1.445	1.465	0.413%	6	5	1,013	786
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	1105
August	2011	111	156,107,063.51	1.731	1.755	0.408%	2	5	1,363	1055
Average		104	160,137,470.77	1.668%	1.692%	0.477%	7	6	1,127	888

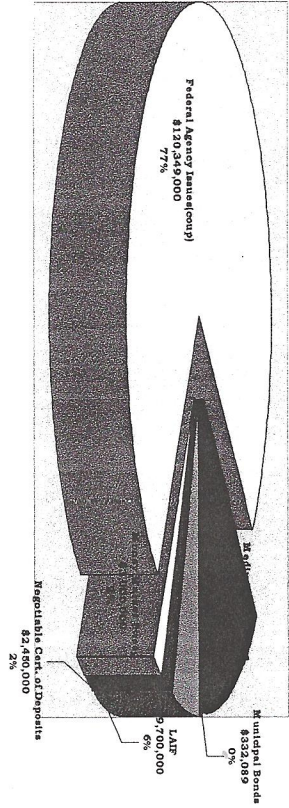


Investment Report August 2011

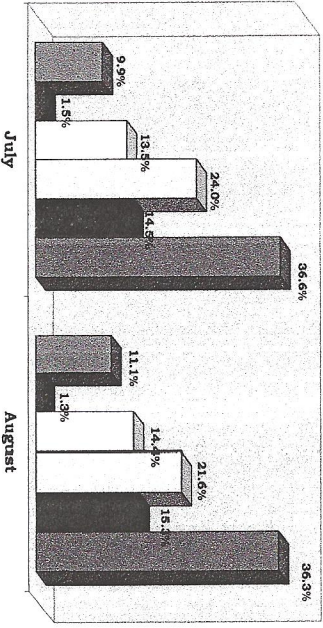
Portfolio Performance



Portfolio Diversification



Portfolio Maturity Distribution

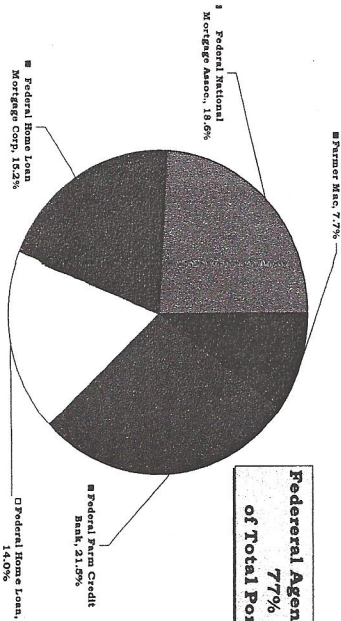


M1 1 day to 6 months
 M2 6 months to 1 year
 M3 1 year to 2 years
 M4 2 years to 3 years
 M5 3 years to 4 years
 M6 4 years to 5 years
 M7 5 years to 8 years

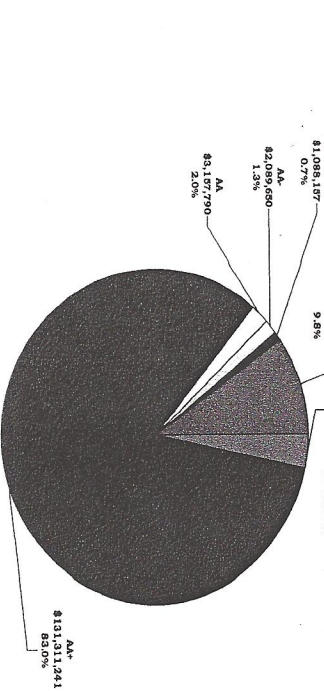
Interest Earnings Summary

CD/Coupon/Discount Investments:	Month Ending July 30	Fiscal Year End
Interest Collected	285,616	457,810
Plus Accrued Interest at	622,804	642,604
Less Accrued Interest at	(583,820)	(570,514)
Total Interest Earned	225,400	469,795
Adjusted by Premium	(18,714)	(35,766)
Adjusted by Capital		
Earnings during	\$ 225,666	\$ 434,033
Cash/Checking Accounts:		
Interest Collected	30	39,884
Plus Accrued Interest at	59,388	59,388
Less Accrued Interest at	(56,450)	(57,371)
Total Interest Earned	2,968	11,902
Total Adjustments from		
Interest Earned	245,368	481,701
Total Capital Status of	(18,714)	(35,766)
Total Earnings this Period	\$226,655	\$445,935

Federal Agency Issues 77% of Total Portfolio



Market Value and Credit Rating Report

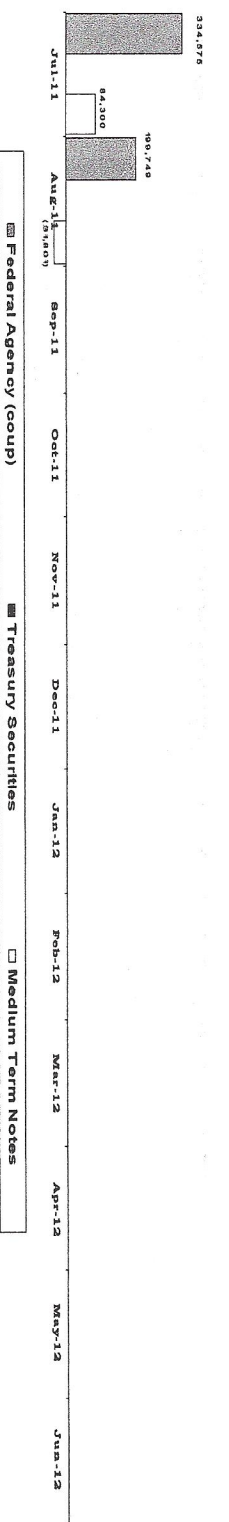




Investment Report
August 2011

Portfolio Summary

Local Agency Investment Fund	Book Value	% of Portfolio	% per Policy	Duration	Days to Maturity	Current Yield	GA SB required securities	Beginning Investment Value as of August 1, 2011	Purchase/Redemption of Principal	Change in Market Value	Ending Investment Value as of August 31, 2011
Certificates of Deposit -	9,700,000	6.19%	**	1	1	0.408%	Federal Agency (coupd)	122,716,803	-890,901	199,749	122,025,651
Collateralized	0	0		180	0	0.000%	Treasury Securities	0	0	0	0
Negotiable CDs	2,450,000	1.56%		1,023	325	2.145%	Medium Term Notes	20,732,328	0	-31,801	20,700,527
Money Market Sweep Account	2,999,999	1.92%		1	1	0.010%	Municipal Bonds	332,089	0	0	332,089
Federal Agency Issues -	120,909,246	77.20%		1,530	1,273	1.863%	SUB-TOTAL PER GASB 31	\$143,781,220	(\$890,901)	\$167,947	\$143,058,267
Coupons	12,100,922	7.73%		1,259	1,320	1.404%	Non-GASB				
Federal Farm Credit Bank	33,637,824	21.54%		1,146	1,207	1.514%	LAIF	11,100,000	-1,400,000	0	9,700,000
Federal Home Loan Bank	21,944,215	14.01%		979	1,019	1.185%	Money Market	2,003,390	996,610	0	3,000,000
Federal Home Loan Mortgage Corp.	24,079,705	15.27%		1,292	1,366	1.440%	Federal Agency -	0	0	0	0
Federal National Mortgage Assoc.	29,146,580	18.65%		1,342	1,443	1.509%	Treasury Security -	0	0	0	0
Treasury Securities - Coupdons	0	0.00%		0	0	0.000%	Certificate of	0	0	0	0
Medium Term Notes	20,085,000	12.92%		1,219	745	1.878%	Deposits - Disc.	0	0	0	0
Municipal Bond Issues -	332,089	0.21%		3,848	304	7.999%	Negotiable Certificate Deposits	2,450,000	0	0	2,450,000
Coupon							Commercial paper	0	0	0	0
Total Investments & Effective Rate of Return	156,476,334	100.00%		1,363	1,085	1.755%	TOTAL PORTFOLIO	\$159,334,610	(\$1,294,291)	\$167,947	\$158,208,266
Pending Redemptions	0	1.71%									
Accrued Interest at Purchase	9,010	0									
Total Accrued Interest	9,010	0									
TOTAL CASH & INVESTMENTS	156,485,343										



Portfolio Notes:
 * Maximum allowed by investment policy is \$50 million per agency. General LAIF account - \$3,500,000 RDA LAIF account - \$6,600,000 TRBAS payments - \$17,000,000
 ** Investment values are based on the most recent available data. Investment values are in conformity with the City of Cleveland Investment Policy Statement adopted by resolution 9911-04 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 flow liquidity to meet six months of estimated expenditures.
 Reviewed by the Investment Advisory Committee:

[Signature] Dana Cortez, City Treasurer
[Signature] City Manager
[Signature] Director of Finance
[Signature] City Attorney
[Signature] City Treasurer

The Governmental Accounting Standards Board (GASB) has established Statement No. 31 for setting investment valuation standards. We will note the unrealized gain/loss monthly although we will not physically apply it to earnings until year-end, as GASB 31 requires. The portfolio paper gain or loss is the difference between the book and market value of securities with a maturity term of one year or greater at purchase. The disclosure of paper gains or losses 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 worst case scenario of the portfolio's ability to meet the expenditure requirements of the pool for the next six months.

City of Torrance
Portfolio Management
Portfolio Details - Investments
August 31, 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 GENL	2,700,000.00		2,700,000.00	2,700,000.00	2,700,000.00	0.408		0.408	1	
SYS10001	10001	Local Agency Invest Fund RDA	7,000,000.00		7,000,000.00	7,000,000.00	7,000,000.00	0.408		0.408	1	
SYS1000a	1000a	LAIF - TRANS FUNDS	0.00		0.00	0.00	0.00	0.408		0.408	1	
Subtotal and Average			9,700,000.00		9,700,000.00	9,700,000.00	9,700,000.00			0.408	1	

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM	Days to Maturity	Maturity Date
Cert. of Deposit - Insured												
02586TG32	10829	American Express Centurian	245,000.00	09/23/2009	245,000.00	245,458.15	245,000.00	1.800		1.800	22	09/23/2011
149159GX7	10830	Cathay Bank	245,000.00	10/05/2009	245,000.00	245,548.80	245,000.00	1.750		1.750	34	10/05/2011
66789UBH1	10822	SunSouth Bank	245,000.00	08/18/2009	245,000.00	249,314.45	245,000.00	2.200		2.200	351	08/17/2012
46147ULM0	10824	Investors Community Bank	245,000.00	08/24/2009	245,000.00	248,949.40	245,000.00	2.250		2.250	358	08/24/2012
509665EA7	10823	Lake Forest B&T	245,000.00	08/26/2009	245,000.00	249,963.70	245,000.00	2.300		2.300	361	08/27/2012
05568PSJ7	10832	BMW Bank of North America	245,000.00	09/23/2009	245,000.00	249,272.80	245,000.00	2.300		2.300	389	09/24/2012
254670KW1	10831	Discover Bank	245,000.00	09/23/2009	245,000.00	248,719.10	245,000.00	2.050		2.050	389	09/24/2012
59740JGR4	10833	MIDFirst Bank	245,000.00	10/14/2009	245,000.00	249,564.35	245,000.00	2.350		2.350	410	10/15/2012
36159SJS1	10838	GE Money bank	245,000.00	12/11/2009	245,000.00	249,949.00	245,000.00	2.350		2.350	467	12/11/2012
319180DAD0	10839	First Bank Lexington Tennessee	245,000.00	12/16/2009	245,000.00	249,490.85	245,000.00	2.050		2.050	473	12/17/2012
Subtotal and Average			2,450,000.00		2,486,230.60	2,450,000.00	2,450,000.00			2.145	325	

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM	Days to Maturity	Maturity Date
Money Market Sweep Account												
SYS10131	10131	Bank of America	0.00		0.00	0.00	0.00	0.450		0.450	1	
SYS1000	1000	Union Bank of California	2,999,999.51		2,999,999.51	2,999,999.51	2,999,999.51	0.010		0.010	1	
Subtotal and Average			1,348,726.20		2,999,999.51	2,999,999.51	2,999,999.51			0.010	1	

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												
3133XTA97	10790	FEDERAL HOME LOAN BANK	1,000,000.00	03/06/2009	1,000,000.00	1,000,270.00	1,000,000.00	2.100	AA+	2.100	5	09/06/2011
31331GCF4	10776	FEDERAL FARM CREDIT BANK	1,000,000.00	09/23/2008	1,000,000.00	1,001,820.00	1,000,007.16	3.125	AA+	3.113	22	09/23/2011
3133XT6W1	10789	FEDERAL HOME LOAN BANK	2,000,000.00	02/27/2009	2,000,000.00	2,019,360.00	2,000,000.00	2.150	AA+	2.150	179	02/27/2012
31331JT36	10678	FEDERAL FARM CREDIT BANK	1,000,000.00	08/01/2007	1,000,000.00	1,045,750.00	1,000,000.00	5.250	AA+	5.250	335	08/01/2012
31331JZ77	10933	FEDERAL FARM CREDIT BANK	1,000,000.00	01/11/2011	1,000,000.00	1,001,630.00	1,000,000.00	0.750	AA+	0.750	498	01/11/2013
3133XT6J0	10788	FEDERAL HOME LOAN BANK	2,000,000.00	02/26/2009	2,000,000.00	2,058,940.00	2,000,000.00	2.625	AA+	2.625	544	02/26/2013
31331GVD8	10800	FEDERAL FARM CREDIT BANK	1,000,000.00	05/08/2009	1,000,000.00	1,029,690.00	1,000,000.00	2.200	AA+	2.200	565	04/08/2013
3133XVH11	10846	FEDERAL HOME LOAN BANK	1,500,000.00	12/28/2009	1,500,000.00	1,508,670.00	1,500,000.00	2.050	AA+	2.050	666	06/28/2013
3134G2SQ6	10977	FEDERAL HOME LOAN MORTGAGE CO	2,000,000.00	07/26/2011	2,000,000.00	1,998,580.00	2,000,000.00	0.400	AA+	0.699	694	07/26/2013
3136FFQG5	10910	FEDERAL NATIONAL MORT ASSOC	1,000,000.00	10/26/2010	1,000,000.00	1,000,810.00	1,000,000.00	0.850	AA+	0.850	694	07/26/2013
3136FFQG5	10975	FEDERAL NATIONAL MORT ASSOC	800,000.00	07/15/2011	800,000.00	800,648.00	800,539.33	0.850	AA+	0.788	694	07/26/2013
3136FJ4C2	10856	FEDERAL NATIONAL MORT ASSOC	1,000,000.00	02/23/2010	1,000,000.00	1,007,200.00	1,000,000.00	2.000	AA+	2.000	722	08/23/2013

Portfolio CITY

AP

PM (PRF_PMT) 7.2.5

Report Ver 7.3.1

**City of Torrance
Portfolio Management
Portfolio Details - Investments
August 31, 2011**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM	Days to Maturity	Maturity Date
31331X2Q4	10947	FEDERAL FARM CREDIT BANK		03/01/2011	1,000,000.00	1,091,650.00	1,077,043.94	5.000	AA+	1.100	734	09/04/2013
3136FFGA9	10906	FEDERAL NATIONAL MORT ASSOC		09/20/2010	1,000,000.00	1,006,220.00	1,000,000.00	1.000	AA+	1.000	750	09/20/2013
31331JQ89	10908	FEDERAL FARM CREDIT BANK		10/18/2010	1,000,000.00	1,000,730.00	1,000,000.00	1.000	AA+	1.000	778	10/18/2013
313373E99	10973	FEDERAL HOME LOAN BANK		07/15/2011	400,000.00	402,388.00	401,661.40	1.150	AA+	0.929	785	10/25/2013
3133XY6S9	10899	FEDERAL HOME LOAN BANK		08/26/2010	1,000,000.00	1,034,410.00	1,021,168.68	2.000	AA+	1.002	789	10/29/2013
3128X1CS4	10915	FEDERAL HOME LOAN MORTGAGE CO		10/27/2010	1,000,000.00	1,093,820.00	1,084,238.97	4.580	AA+	0.730	810	11/19/2013
31398A6L1	10974	FEDERAL NATIONAL MORT ASSOC		07/15/2011	750,000.00	751,125.00	750,970.30	1.000	AA+	0.916	820	11/29/2013
3131SFGN2	10936	Farmer Mac		02/03/2011	3,000,000.00	3,058,920.00	3,000,000.00	1.340	AA+	1.340	886	02/03/2014
31331KDA5	10943	FEDERAL FARM CREDIT BANK		02/24/2011	2,000,000.00	2,011,560.00	2,000,000.00	1.700	AA+	1.700	907	02/24/2014
3131SPSU4	10951	Farmer Mac		03/14/2011	2,000,000.00	2,010,240.00	2,000,000.00	1.630	AA+	1.630	925	03/14/2014
3133XXPD3	10865	FEDERAL HOME LOAN BANK		03/26/2010	2,000,000.00	2,014,280.00	2,000,000.00	1.500	AA+	1.500	937	03/26/2014
31331KGN4	10955	FEDERAL FARM CREDIT BANK		04/07/2011	1,000,000.00	1,021,700.00	1,000,000.00	1.400	AA+	1.400	949	04/07/2014
31331XVW8	10879	FEDERAL FARM CREDIT BANK		05/05/2010	500,000.00	557,930.00	535,444.77	5.000	AA+	2.192	967	04/25/2014
3134G1VH3	10909	FEDERAL HOME LOAN MORTGAGE CO		10/28/2010	1,000,000.00	1,001,160.00	1,000,000.00	1.200	AA+	1.200	970	04/28/2014
3136FHPX7	10799	FEDERAL NATIONAL MORT ASSOC		05/14/2009	2,000,000.00	2,005,640.00	2,000,000.00	2.125	AA+	2.125	986	05/14/2014
3134G2HE5	10957	FEDERAL HOME LOAN MORTGAGE CO		05/23/2011	2,000,000.00	2,003,920.00	1,999,908.89	1.250	AA+	1.253	995	05/23/2014
3134G2HL9	10959	FEDERAL HOME LOAN MORTGAGE CO		06/02/2011	1,000,000.00	1,000,030.00	1,000,000.00	1.375	AA+	1.375	1,005	06/02/2014
31331KRV4	10976	FEDERAL FARM CREDIT BANK		07/18/2011	2,000,000.00	2,004,760.00	2,000,000.00	1.050	AA+	1.050	1,051	07/18/2014
3133XUBA0	10817	FEDERAL HOME LOAN BANK		07/30/2009	1,000,000.00	1,017,680.00	1,000,000.00	2.150	AA+	2.150	1,063	07/30/2014
313373ARC8	10956	FEDERAL HOME LOAN BANK		05/16/2011	1,000,000.00	1,021,390.00	1,002,454.33	1.250	AA+	1.164	1,063	07/30/2014
3133XUPB3	10827	FEDERAL HOME LOAN BANK		09/04/2009	1,000,000.00	1,018,660.00	1,000,000.00	2.125	AA+	2.125	1,089	09/04/2014
313370WA2	10902	FEDERAL HOME LOAN BANK		09/17/2010	1,000,000.00	1,010,640.00	1,000,000.00	1.375	AA+	1.375	1,112	09/17/2014
3134G17A6	10949	FEDERAL HOME LOAN MORTGAGE CO		03/23/2011	1,000,000.00	1,007,660.00	1,000,000.00	1.750	AA+	1.750	1,118	09/23/2014
31331JQ65	10907	FEDERAL FARM CREDIT BANK		10/06/2010	1,000,000.00	1,014,760.00	1,000,000.00	1.150	AA+	1.150	1,131	10/06/2014
31331G2J7	10835	FEDERAL FARM CREDIT BANK		10/27/2009	1,000,000.00	1,004,140.00	1,000,000.00	2.875	AA+	2.875	1,152	10/27/2014
31331J2P7	10962	FEDERAL FARM CREDIT BANK		05/27/2011	1,024,000.00	1,025,832.96	1,023,427.76	1.250	AA+	1.287	1,173	11/17/2014
3134G2HC9	10958	FEDERAL HOME LOAN MORTGAGE CO		05/25/2011	2,000,000.00	2,004,960.00	2,000,000.00	1.500	AA+	1.500	1,181	11/25/2014
313372NX8	10944	FEDERAL HOME LOAN BANK		02/28/2011	1,000,000.00	1,008,160.00	1,000,000.00	2.000	AA+	2.000	1,184	11/28/2014
31331J6X6	10952	FEDERAL FARM CREDIT BANK		03/29/2011	775,000.00	778,634.75	775,000.00	2.100	AA+	2.100	1,222	01/05/2015
31331KCSK4	10981	FEDERAL FARM CREDIT BANK		07/26/2011	2,000,000.00	2,002,160.00	2,000,000.00	1.340	AA+	1.340	1,243	01/26/2015
31331KSK7	10942	FEDERAL FARM CREDIT BANK		02/17/2011	1,000,000.00	1,041,650.00	1,000,000.00	2.030	AA+	2.030	1,285	02/17/2015
31331JKAO	10870	FEDERAL FARM CREDIT BANK		04/09/2010	1,000,000.00	1,011,270.00	1,000,000.00	2.900	AA+	2.900	1,316	04/09/2015
3136FRD26	10972	FEDERAL NATIONAL MORT ASSOC		08/08/2011	2,000,000.00	2,009,060.00	2,000,000.00	1.500	AA+	1.500	1,345	05/08/2015
3133XXKF1	10884	FEDERAL HOME LOAN BANK		05/28/2010	1,000,000.00	1,019,600.00	1,000,000.00	2.000	AA+	2.000	1,385	05/28/2015
31331JQD8	10893	FEDERAL FARM CREDIT BANK		06/08/2010	1,000,000.00	1,016,200.00	1,000,000.00	2.590	AA+	2.590	1,376	06/08/2015
31331KNY2	10863	FEDERAL FARM CREDIT BANK		06/15/2011	2,000,000.00	2,000,880.00	2,000,000.00	1.680	AA+	1.680	1,383	06/15/2015
31315PDZ9	10986	Farmer Mac		08/23/2011	2,000,000.00	2,095,960.00	2,101,412.24	2.375	AA+	1.042	1,420	07/22/2015

Portfolio CITY
AP

City of Torrance
Portfolio Management
Portfolio Details - Investments
August 31, 2011

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												
3136FRE41	10979	FEDERAL NATIONAL MORT ASSOC		07/27/2011	1,000,000.00	1,005,680.00	1,000,000.00	1.550	AA+	1.550	1,425	07/27/2015
3136FPEE3	10905	FEDERAL NATIONAL MORT ASSOC		09/14/2010	2,000,000.00	2,023,780.00	1,998,963.89	1.725	AA+	1.746	1,474	09/14/2015
3136FPEG8	10900	FEDERAL NATIONAL MORT ASSOC		09/15/2010	1,600,000.00	1,600,632.00	1,600,000.00	1.375	AA+	1.994	1,475	09/15/2015
313370TX6	10901	FEDERAL HOME LOAN BANK		09/23/2010	1,000,000.00	1,000,620.00	999,938.89	1.000	AA+	1.649	1,483	09/23/2015
3136FPRB5	10914	FEDERAL NATIONAL MORT ASSOC		10/20/2010	1,000,000.00	1,005,200.00	1,000,000.00	1.000	AA+	1.897	1,510	10/20/2015
31396A4V5	10961	FEDERAL NATIONAL MORT ASSOC		05/27/2011	2,000,000.00	2,004,280.00	1,998,409.60	1.550	AA+	1.600	1,517	10/27/2015
313371CQ7	10912	FEDERAL HOME LOAN BANK		10/28/2010	1,000,000.00	1,000,980.00	1,000,000.00	1.000	AA+	1.010	1,518	10/28/2015
3134G1XX7	10919	FEDERAL HOME LOAN MORTGAGE CO		11/09/2010	1,000,000.00	1,002,000.00	1,000,000.00	1.000	AA+	1.744	1,530	11/09/2015
31331JZR3	10922	FEDERAL FARM CREDIT BANK		11/19/2010	1,000,000.00	1,002,750.00	998,161.76	1.620	AA+	1.804	1,537	11/16/2015
3134G1XV1	10917	FEDERAL HOME LOAN MORTGAGE CO		11/16/2010	1,000,000.00	1,000,630.00	1,000,000.00	1.700	AA+	1.710	1,537	11/16/2015
3134G1YF5	10920	FEDERAL HOME LOAN MORTGAGE CO		11/17/2010	1,000,000.00	1,000,740.00	1,000,000.00	1.750	AA+	1.834	1,538	11/17/2015
3134G1ZU1	10923	FEDERAL HOME LOAN MORTGAGE CO		11/23/2010	2,000,000.00	2,005,940.00	1,998,177.78	1.750	AA+	1.834	1,544	11/23/2015
3134G1ZU1	10926	FEDERAL HOME LOAN MORTGAGE CO		12/10/2010	2,000,000.00	2,005,940.00	1,998,207.00	1.750	AA+	1.829	1,544	11/23/2015
31331JL6P3	10931	FEDERAL FARM CREDIT BANK		12/28/2010	2,000,000.00	2,013,700.00	2,000,000.00	2.450	AA+	2.450	1,579	12/28/2015
31315PMT3	10930	Farmer Mac		12/30/2010	2,000,000.00	2,014,200.00	2,000,000.00	2.570	AA+	2.570	1,561	12/30/2015
3136FP4R5	10948	FEDERAL NATIONAL MORT ASSOC		03/10/2011	2,000,000.00	2,016,880.00	1,997,697.16	2.375	AA+	2.429	1,609	01/27/2016
31331KWC5	10941	FEDERAL FARM CREDIT BANK		02/16/2011	2,000,000.00	2,021,440.00	1,999,816.67	2.800	AA+	2.804	1,629	02/16/2016
313372QW6	10950	FEDERAL HOME LOAN BANK		03/15/2011	1,000,000.00	1,032,760.00	1,000,000.00	2.500	AA+	2.500	1,657	03/15/2016
31331KGH7	10953	FEDERAL FARM CREDIT BANK		03/30/2011	2,000,000.00	2,026,740.00	1,998,838.89	2.540	AA+	2.561	1,672	03/30/2016
31331V2V2	10954	FEDERAL FARM CREDIT BANK		04/01/2011	2,000,000.00	2,338,220.00	2,230,083.33	4.950	AA+	2.280	1,674	04/01/2016
3134G2LB6	10964	FEDERAL HOME LOAN MORTGAGE CO		06/20/2011	2,000,000.00	2,020,440.00	2,000,000.00	2.050	AA+	2.050	1,754	06/20/2016
3136FRQW6	10968	FEDERAL NATIONAL MORT ASSOC		06/27/2011	2,000,000.00	2,022,240.00	2,000,000.00	2.000	AA+	2.000	1,761	06/27/2016
313374DV9	10969	FEDERAL HOME LOAN BANK		06/28/2011	1,000,000.00	1,026,800.00	1,018,991.67	2.500	AA+	2.045	1,762	06/28/2016
3134G2LW0	10966	FEDERAL HOME LOAN MORTGAGE CO		06/29/2011	2,000,000.00	2,015,580.00	1,999,172.22	2.000	AA+	2.011	1,763	06/29/2016
31315PZA0	10971	Farmer Mac		07/06/2011	2,000,000.00	2,025,240.00	2,000,000.00	2.250	AA+	2.250	1,770	07/06/2016
3136FRUE1	10965	FEDERAL NATIONAL MORT ASSOC		07/06/2011	2,000,000.00	2,020,180.00	2,000,000.00	2.675	AA+	2.675	1,770	07/06/2016
3136FRUP6	10967	FEDERAL NATIONAL MORT ASSOC		07/15/2011	3,000,000.00	3,057,360.00	3,000,000.00	2.000	AA+	2.000	1,779	07/15/2016
31331KSE1	10980	FEDERAL FARM CREDIT BANK		07/20/2011	2,000,000.00	2,004,220.00	2,000,000.00	2.100	AA+	2.100	1,784	07/20/2016
3134G2QH8	10970	FEDERAL HOME LOAN MORTGAGE CO		07/26/2011	3,000,000.00	3,007,470.00	3,000,000.00	2.000	AAA	2.311	1,780	07/26/2016
31315PA25	10984	Farmer Mac		07/27/2011	1,000,000.00	1,022,980.00	999,509.44	2.000	AA+	2.011	1,791	07/27/2016
313374V72	10983	FEDERAL HOME LOAN BANK		07/27/2011	2,000,000.00	2,005,920.00	2,000,000.00	1.250	AA+	2.406	1,791	07/27/2016
3136FRE58	10978	FEDERAL NATIONAL MORT ASSOC		07/27/2011	2,000,000.00	2,016,700.00	2,000,000.00	2.000	AA+	2.406	1,791	07/27/2016
3136FRJ46	10982	FEDERAL NATIONAL MORT ASSOC		07/29/2011	2,000,000.00	2,004,640.00	2,000,000.00	1.250	AA+	2.422	1,791	07/27/2016
Subtotal and Average					122,616,441.28	122,025,650.71	120,909,246.07	1.863			1.273	

City of Torrance
Portfolio Management
Portfolio Details - Investments
August 31, 2011

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												
17314JATO	10874	Citibank		04/15/2010	3,000,000.00	3,056,250.00	3,007,721.22	1.750	AA+	1.112	484	12/28/2012
36967HAY3	10812	General Electric Capital Corp		06/22/2009	2,000,000.00	2,061,340.00	2,007,714.14	2.625	AA+	2.320	484	12/28/2012
36962G4H4	10913	General Electric		10/19/2010	1,000,000.00	1,022,440.00	1,022,308.14	2.800	AA+	1.125	495	01/08/2013
084670AU2	10938	Berkshire Hathaway		02/08/2011	3,000,000.00	3,052,290.00	3,050,058.09	2.125	AA+	0.956	529	02/11/2013
89233P4H6	10945	Toyota Motor Credit Corp		02/29/2011	1,000,000.00	1,013,020.00	1,001,524.36	1.375	AA-	1.290	711	08/15/2013
88579EAE5	10895	3M Company		07/20/2010	1,000,000.00	1,076,630.00	1,060,775.27	4.375	AA-	1.200	714	08/15/2013
084664AD3	10714	Berkshire Hathaway		01/18/2008	1,000,000.00	1,073,120.00	1,006,032.16	4.625	AA+	4.300	775	10/15/2013
191216AND	10924	COCA-COLA		11/22/2010	1,085,000.00	1,088,157.35	1,079,114.89	0.750	A+	1.000	806	11/15/2013
36962G4X9	10935	General Electric Capital Corp		01/10/2011	2,000,000.00	2,027,620.00	1,997,564.90	2.100	AA+	2.154	859	01/07/2014
93114ZCN1	10820	Wal-Mart Stores		08/14/2009	2,000,000.00	2,114,800.00	2,004,411.49	3.000	AA	2.902	886	02/03/2014
594918AB0	10821	MicroSoft Corp		08/17/2009	1,000,000.00	1,066,040.00	1,000,000.00	2.950	AAA	2.949	1,004	06/01/2014
93114ZCT8	10928	Wal-Mart Stores		12/15/2010	1,000,000.00	1,042,990.00	1,001,342.26	2.250	AA	2.213	1,406	07/08/2015
36962G4T8	10925	General Electric		11/19/2010	1,000,000.00	1,005,830.00	982,080.92	2.250	AAA	2.710	1,530	11/09/2015
Subtotal and Average			20,224,323.64		20,085,000.00	20,700,527.35	20,220,747.84			1.878	745	
Municipal Bond Issues - Coupon												
SYS10423	10423	Skpk-2001TXallockRef Bd		12/18/2001	332,088.52	332,088.52	332,088.52	8.000		7.999	304	07/01/2012
Subtotal and Average			332,088.52		332,088.52	332,088.52	332,088.52			7.999	304	
Total and Average			156,107,063.51		155,916,088.03	158,244,496.69	156,612,081.94			1.756	1,085	

City of Torrance
Portfolio Management
Portfolio Details - Cash
August 31, 2011

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			9,009.72	9,009.72				0
		Subtotal		Accrued Interest at Purchase		9,009.72	9,009.72				
		Total Cash and Investments	156,107,063.51		155,916,088.03	158,253,506.41	156,621,091.66			1.756	1,085

II. RESTRICTED FUNDS

Reports Appear Quarterly

Cash and Investments Held by Fiscal Agent
for Period Ending
June 30, 2011

457PLAN A
PERMANENT EMPLOYEES

Participant Account Summary

Beginning Balance	Contributions	Acct. Transfers In	Interest	Change in Value	Fees	Forefeiture	Payouts	Acct. Transfers Out	Outstanding Loans	Ending Balance
128,133,978.87	2,059,757.69	5,968,926.02	446,554.00	(20,111.10)	(3,764.86)	524,576.21	(1,718,434.36)	(5,966,624.05)	3,448,312.30	(1) 132,873,170.72
	Book Value	Market Value								
Investment Type										
Fixed Funds (GCF)	6,630.14	6,630.14								
Variable Funds	63,990,914.50	63,990,914.50								
Stable Value Fund	61,568,389.41	61,568,389.41								
Self-Direct	3,858,924.37	3,858,924.37								
1) Outstanding Loan	3,448,312.30	3,448,312.30								
Totals	132,873,170.72	132,873,170.72								

(1) Participant Loan Outstanding Balance included in Total Assets

457PLAN B
RECURRENT/PART-TIME/TEMPORARY EMPLOYEES

Beginning Balance	Contributions	Acct. Transfers In	Interest	Change in Value	Fees	Hardship	Payouts	Acct. Transfers Out	Ending Balance
2,418,228.25	87,764.73	41,263.41	16,399.28	(1,138.86)	0.00	0.00	(44,466.66)	(41,263.41)	2,476,786.74
	Book Value	Market Value							
Investment Type									
Variable Funds	137,504.16	137,504.16							
Fixed Funds (84)	899,344.24	899,344.24							
Stable Value Fund	1,439,938.34	1,439,938.34							
Totals	2,476,786.74	2,476,786.74							

Cash and Investments Held by Fiscal Agent
for Period Ending
June 30, 2011

401(A)

MANAGEMENT, POLICE, FIRE, ENGINEERS

Beginning Balance	Contributions	Acct. Transfers In	Interest	Change in Value	Fees	Hardship	Payouts	Acct. Transfers Out	Outstanding Loans	Ending Balance
7,242,038.59	124,612.56	347,529.16	22,906.84	(682.00)	(345.18)	0	(103,841.14)	(347,529.16)	39,326.26	7,324,015.93
	Book Value	Market Value								
	Fixed Funds	56.28								
	Variable Funds	4,076,225.82								
	Stable Value Fund	3,168,588.89								
	Self-direct fund	39,818.68								
	Outstanding Loans	39,326.26								
	Totals	7,324,015.93								

(1) Outstanding Loan Balance included in Total Assets

RETIREMENT HEALTH SAVINGS PLAN (RHSP)

MANAGEMENT, POLICE, FIRE, MISC.

Beginning Balance	Contributions	Distributions	Fees	Gain/Loss	Ending Balance
3,465,962.27	39,582.00	(81,207.97)	(4,159.70)	28,604.25	3,448,780.85
	Book Value	Market Value			
	Variable Funds	3,234,241.21			
	Stable Value Funds	214,539.64			
	Totals	3,448,780.85			

Public Agency Retirement Services (PARS)

Beginning Balance	Contributions	Transfer In	Distributions	Fees	Gain/Loss	Transfer Out	Ending Balance
5,877,566.43	349,249.49	308,496.34	(105,829.70)	(5,639.19)	40,347.83	(308,496.34)	6,155,694.86

CASH INVESTMENT HELD BY FISCAL AGENTS

for Period Ending

June 30, 2011

TORRANCE IMPROVEMENTS

Bank of New York Mellon	Book Value	Reserve Requirement	Over/Under Funded Reserve(1)(2) (market value)	Market Value	Yield	Investment Description
<i>City of Torrance 2004A&B COP Refunding - #3060645 (Maturity - June 1, 2024 & June 1, 2034)</i>						
Construction Fund Acct #360646	1,861,881.99			1,861,881.99		Dreyfus Inst'l Res Treasury #6541
Lease Payment Acct #360648	15,468.77			15,468.77	0.05	CUSIP#S99994190
Required Reserve Acct #360649	2,775,500.00	2,750,000.00	42,302.49	2,792,302.49	1.11	FHLB/cusip 3133XXPV3
						Dreyfus Inst'l Res Treasury #6541
Bank of New York Mellon						
Lease Payment Fund Acct # 360693	15,750.64			15,750.64		DREYFUS Inst'l Res Treasury #6541
Reserve Fund Acct #360695	1,272,081.26	1,250,000.00	29,718.76	1,279,718.76	1.11	FHLB CUSIP#3133XXPV3
						DREYFUS Inst'l Res Treasury #6541
Bank of New York Mellon						
<i>Torrance PFA 98COP</i>						
Reserve Acct # 428590	553,085.00	553,085.00		553,085.00	5.61	AIG Investment Agrmt 5.61% due 11/28/28 **

WATER ENTERPRISE REVENUE BONDS

Bank of New York Mellon	Book Value	Reserve Requirement	Over/Under Funded Reserve(1)(2) (market value)	Market Value	Yield	Investment Description
<i>2004 Torrance Water Refunding Bond #360700-(Maturity March 1, 2014)</i>						
Debit Service #360759	34,763.44			34,763.44	0.01	JP Morgan Prime M Mkt Premier #350
Required Reserve Acct # 360760	505,000.00	505,000.00	0.00	505,000.00	4.34	FSA Capital Management Invest Agmt.

REDEVELOPMENT AGENCY

Bank of New York Mellon	Book Value	Reserve Requirement	Over/Under Funded Reserve(1)(2) (market value)	Market Value	Yield	Investment Description
<i>Torrance RDA (Downtown) 98A (matures Sept. 1, 2028)</i>						
Interest / Debt Service Acct # 428478	5,856.54			5,856.54		Fidelity Treasury MM #696
Reserve Acct # 428469	583,876.18	580,000.00	7,419.98	587,419.98	1.11	FHLB CUSIP#3133XXPV3
						INVESCO Prime Private CUSIP#S99990340
Bank of New York Mellon						
<i>Torrance RDA (Industrial) 98B (matures Sept. 1, 2028)</i>						
Reserve Acct # 428517	1,041,140.99	1,030,000.00	17,434.28	1,047,434.28	1.11	FHLB CUSIP#3133XXPV3
						INVESCO Prime Private CUSIP#S99990340
Bank of New York Mellon						
<i>Torrance RDA (Industrial) 99C (matures Sept. 1, 2028)</i>						

CASH INVESTMENT HELD BY FISCAL AGENTS

for Period Ending

June 30, 2011

Interest Acct # 428877	7,256.25		7,256.25	0.01	Fidelity Treas M Mkt
Reserve acct # 428882	1,293,024.44	1,290,000.00	1,300,905.34	1.11	CUSIP#S99992760 FHLB CUSIP#3133XXPV3
TOTAL: ALL CASH & INVESTMENTS HELD BY FISCAL AGENT	9,964,685.50		10,006,843.48		

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

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



City of Torrance
Investment Report
August 2011

**CASH AND INVESTMENT PORTFOLIO SHARE (A)
AS OF AUGUST 31, 2011**

FUND	SHARE OF INVESTMENTS	POOLED CASH & INVESTMENTS BALANCE	CASH PERCENT
General	34,441,649.18	33,567,068.76	21.67
Parks & Recr Facility & Open Space	4,196,773.99	4,090,204.87	2.64
State Gas Tax	9,631,248.61	9,386,681.30	6.06
Federal Housing, Community Dev	482,684.43	470,427.57	0.30
Street Lighting	36,335.02	35,412.36	0.02
Traffic Congestion Relief Act 2000 - AB2928	799,996.67	779,682.27	0.50
Proposition 1B	796,068.55	775,853.90	0.50
Police Asset Forfeiture	4,171,668.33	4,065,736.72	2.63
Drainage Improvement	19,951.09	19,444.47	0.01
Measure R Local Return	2,385,509.06	2,324,933.58	1.50
Government Cable	3,195,461.96	3,114,319.26	2.01
Local Return - Proposition C	5,417,945.17	5,280,366.72	3.41
Grants/Donations	393,834.13	383,833.46	0.25
Citizens Options for Public Safety (COPS) Grant Funds - AB3229	165,176.23	160,981.89	0.10
Seismic Education Fund	56,130.02	54,704.70	0.04
Rehabilitation Housing	704,216.99	686,334.73	0.44
Meadow Park Parking Lot	31,035.92	30,247.82	0.02
Police Inmate Welfare Fund	51,981.06	50,661.10	0.03
Capital Improvements	22,027,293.14	21,467,951.77	13.86
Geologic Hazard Abatement	14,689.66	14,316.64	0.01
El Camino Training Fund-Fire	699,070.23	681,318.67	0.44
El Camino Training Fund-Police	10,260.55	10,000.00	0.01
Vanpool/Rideshare Fund	(580.76)	(566.01)	(0.00)
Torrance Public Financing	(8,630.02)	(8,410.88) (B)	(0.01)
Animal Control Fund	40,388.05	39,362.47	0.03
Redevelopment-Capital Proj	7,678,832.17	7,483,842.78	4.83
Redevelopment Debt Service	(609,274.22)	(593,802.86) (C)	(0.38)
Underground Storage Tank Fund	3,078.16	3,000.00	0.00
DNA Sampling Fund	67,719.61	66,000.00	0.04
Airport Fund	5,095,682.96	4,966,287.75	3.21
Transit Operations	4,823,498.86	4,701,015.25	3.04
Development Impact Fund	831,861.91	810,738.35	0.52
Water Operations	5,894,048.33	5,744,380.14	3.71
Emergency Medical Service Enterprise Fund	20,433.85	19,914.97	0.01
Sanitation Operations	517,254.04	504,119.35	0.33
Cultural Arts Enterprise	307,373.05	299,567.89	0.19
Sewer Enterprise Fund	10,972,609.28	10,693,980.66	6.91
Parks & Recreation Enterprise Fund	(215,283.42)	(209,816.71) (D)	(0.14)
Self Insurance Fund	8,247,209.32	8,037,787.07	5.19
Fleet Services	14,218,619.83	13,857,564.92	8.95
Postemployment/Compensated Absences Fund	7,677,364.73	7,482,412.60	4.83
Trust & Agency	3,610,477.17	3,518,795.94	2.27
TOTAL	158,901,662.90	154,866,656.24	100.00

- (A) The difference between the Share of Investments total of \$158,901,662.90 and the Pooled Cash and Investments total of \$154,866,656.24 is primarily due to outstanding warrants and adjusting journal entries. (See reconciliation schedule attached)
- (B) 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
- (C) Semi-annual payment of Downtown and Industrial Bond was made on 8-25-2011 and this will be covered by future tax increment.
- (D) Negative cash balance represents net losses from prior years and decrease in subsidy from the General Fund.



City of Torrance
Investment Report
August 2011

**CASH AND INVESTMENT RECONCILIATION
AS OF AUGUST 31, 2011**

INVESTMENTS PER PORTFOLIO SUMMARY (City Pool)		158,901,662.90
CASH AND INVESTMENTS PER BOOKS		154,866,656.24
CASH IN BANKS:		
Cash in B of A General Account		(\$933,462.91)
OUTSTANDING WARRANTS:		
General Account	881,157.10	
Payroll Account	63,575.04	
Workers Compensation Account	48,518.55	
		993,250.69
Miscellaneous outstanding adjusting journal entries		923,914.45
Housing Fund restricted cash		(517,625.93)
Payroll for PE 8/27/11 posted on 8/27/11 and paid on 9/02/11		2,750,746.32
Payroll for PE 8/31/11 posted on 8/31/11 and paid on 9/16/11		818,184.04
INVESTMENTS PER BOOKS		\$158,901,662.90