Council Meeting of
October 2, 2012

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

Members of Council:

SUBJECT: Accept and file Investment Reports for July 2012 and August 2012

RECOMMENDATION

Recommendation of the City Treasurer that City Council accept and file the attached investment report for the months of July 2012 and August 2012.

FUNDING

Not applicable

BACKGROUND

On December 20, 2011, Your Honorable Body, through passage of Resolution 2011-102, adopted an official "Statement of Investment Policy" as recommended by the City Treasurer. The City's Statement of Investment Policy requires the City Treasurer to report a monthly statement of investment activity. This requirement was providing the attached report, which demonstrates the City of Torrance investment activity during the months of July 2012 and August 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:

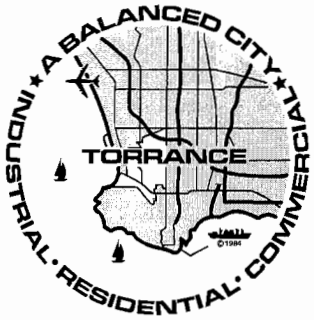
LeRoy J. Jackson
Investment Committee Member

CC: City Manager
City Clerk

Attachments: A) July 2012 Investment Report
B) August 2012 Investment Report

8C

Attachment A



CITY of TORRANCE
Monthly Investment Portfolio Report
July 31, 2012

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Investment Report
July 2012

Investment Portfolio Highlights

RETURN	Current Month	Previous Month
Average City Portfolio YTM	1.421%	1.279%
Average U.S. Treasury Constant	0.300%	0.410%
LAIF Average Monthly Return	0.363%	0.358%
Average City Portfolio YTM - 1 year	1.758%	1.432%

INTEREST INCOME	Current Period	Prior Year
Fiscal year to date	$179,606	$218,160
Current month	$179,606	$218,160

MATURITY	Current Month	Prior Month
Average Maturity (days)	1045	900
Average Maturity 1 Year Prior	1105	783
Weighted Average Maturity (years)	2.86	2.47

VOLUMES	Total $ Volume	# of Transactions
Purchases	$31,775,895	34
Maturities	$69,250,726	18

Portfolio Activity Summary

Month End	Year	Number of Securities	Average Balance	Yield to Maturity	Yield to Maturity 365	Managed Pool Rate	Inv Purchased	Inv Redeemed	Average Term	Average Days to Mat
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	1.732	1.756	0.408%	2	5	1,363	1085
September	2011	104	151,370,240.25	1.723	1.747	0.378%	2	9	1,363	1071
October	2011	100	150,533,371.55	1.721	1.744	0.385%	5	10	1,355	1052
November	2011	97	149,056,539.20	1.668	1.691	0.401%	6	9	1,309	1011
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
March	2012	102	170,844,028.64	1.426	1.446	0.383%	3	5	1,284	1020
April	2012	106	166,719,089.02	1.415	1.434	0.367%	7	3	1,317	1048
May	2012	105	178,373,650.45	1.349	1.368	0.363%	2	3	1,256	984
June	2012	100	183,392,700.59	1.262	,1.28	0.358%	1	6	1,181	900
July	2012	96	162,037,233.69	1.401	1.421	0.363%	4	8	1,386	1045
	Average	**103**	**162,056,012.30**	**1.530%**	**1.552%**	**0.381%**	**6**	**6**	**1,298**	**1016**

Portfolio Activity Detail

Investment Number.	BROKER	PURCHASE DATE	DESCRIPTION	QUALITY RATING	MATURITY DATE	DAYS HELD/ DAYS TO MATURITY	RATE	YIELD	PAR VALUE	COST	MARKET VALUE
PURCHASES											
11040	Wedbush	7/25/2012	FHLB	AA+/Aaa	9/9/2016	1500	2.000%	0.620%	1,000,000	1,056,070	1,053,140
11041	Citigroup	7/30/2012	FFCB	AA+/Aaa	1/30/2017	1643	0.780%	0.780%	1,000,000	1,000,000	999,230
11043	Vining Sparks	7/31/2012	SAFRA		7/31/2015	1094	0.800%	0.800%	245,000	245,000	245,000
11048	Great Pacific Securites	7/26/2012	FFCB	AA+/Aaa	7/26/2016	1455	0.730%	0.736%	1,000,000	999,750	998,210
								0.007186441	**3,245,000**	**3,300,820**	**3,295,580**
MATURITIES/CALLS											
10423	City Muni Bond	12/18/2001	City of Torrance	AA	7/1/2012	3848/3848	8.000%	7.995%	169,300	169,300	169,300
11004	Morgan Stanley	12/21/2011	FHLB	AA+/Aaa	12/21/2016	195/1827	1.450%	1.448%	1,000,000	1,000,000	1,000,000
10971	Vining Sparks	7/6/2011	Farmer Mac	AA+/Aaa	7/6/2016	366/1827	2.250%	2.244%	2,000,000	2,000,000	2,000,000
10965	Dean Witter	7/6/2011	FNMA	AA+/Aaa	7/6/2016	366/1827	2.075%	2.069%	2,000,000	2,000,000	2,000,000
10976	Higgins Capital	7/18/2011	FFCB	AA+/Aaa	7/18/2014	366/1096	1.050%	1.047%	2,000,000	2,000,000	2,000,000
10977	Great Pacific Securities	7/26/2011	FHLMC	AA+/Aaa	7/26/2013	366/731	1.000%	0.399%	2,000,000	2,000,000	2,000,000
10978	Citigroup	7/27/2011	FNMA	AA+/Aaa	7/27/2016	366/1827	2.000%	1.995%	2,000,000	2,000,000	2,000,000
10817	Dean Witter	7/30/2009	FHLB	AA+/Aaa	7/30/2014	1096/1826	5.000%	2.148%	1,000,000	1,000,000	1,000,000
								1.681%	**12,169,300**	**12,169,300**	**12,169,300**

State of California	Beginning Balance	Rate	Yield	Deposits	Withdrawals	Interest Accrued	Ending Balance
Local Agency Pool							
City	3,426,398	0.363%	0.363%	16,127,969	6,454,367	54,367	13,100,000
TRANS Repayment	33,000,000	0.363%	0.363%	-	33,000,000		0
	$ 36,426,398						$ 13,100,000

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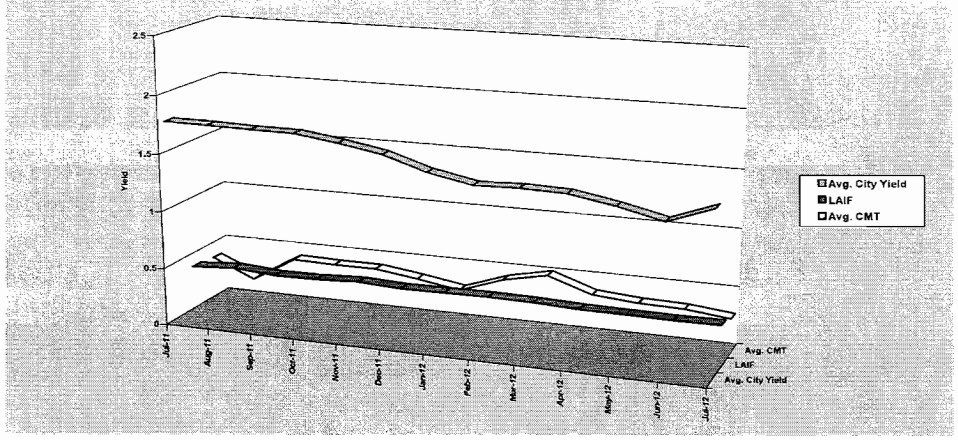
Investment Report
July 2012

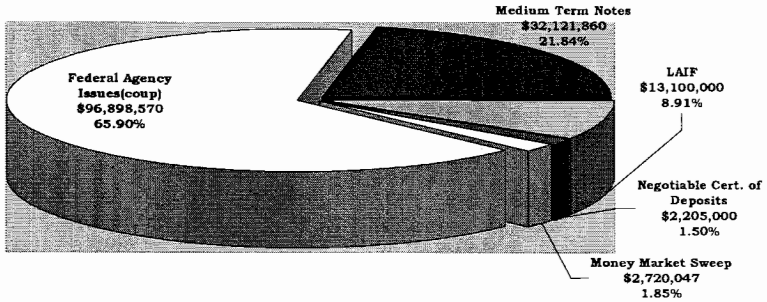
Portfolio Performance

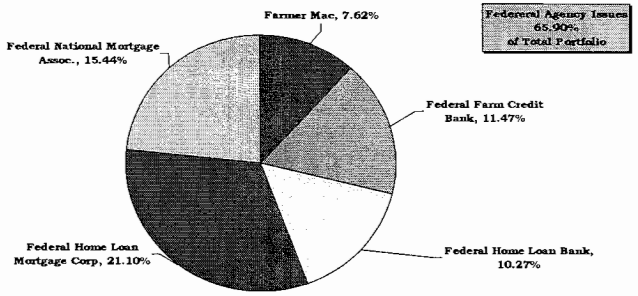


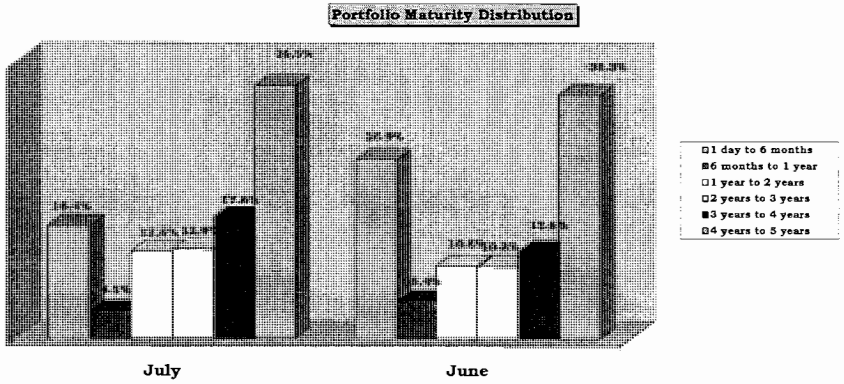
Interest Earnings Summary

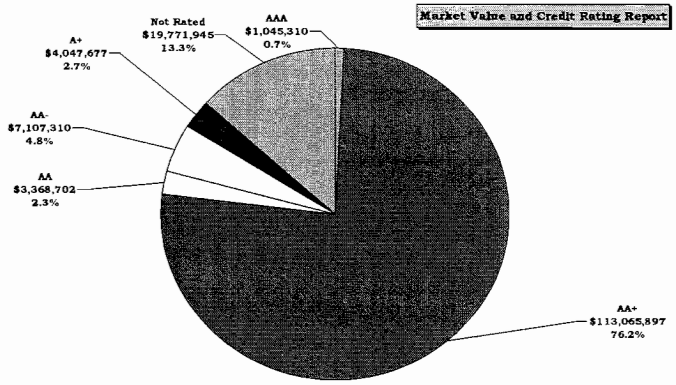
CD/Coupon/Discount Investments:	Month Ending	July 30	Fiscal Year End
Interest Collected		353,449	353,449
Plus Accrued Interest at		572,808	572,808
Less Accrued Interest at		-729,569	-729,569
Interest Earned	$	**196,687**	$ **196,687**
Adjusted by Premium		-23,803	-23,803
Adjusted by Capital		-	-
Earnings during	$	**172,884**	$ **172,884**
Cash/Checking Accounts:			
Interest Collected		47	47
Plus Accrued Interest at		100,137	100,137
Less Accrued Interest at		-93,461	-93,461
Interest Earned	$	**6,723**	$ **6,723**
Total Interest Earned		**203,410**	**203,410**
Total Adjustments from Premiums and Discounts		**-23,803**	**-23,803**
Total Capital Gains or		-	-
Total Earnings this Period		**$179,606**	**$179,606**

Portfolio Diversification









Investment Report
July 2012

Portfolio Summary

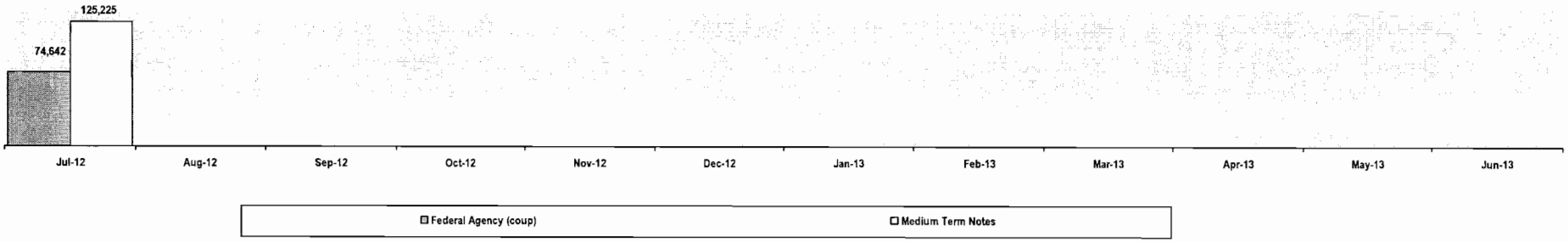
	Book Value	% of Portfolio	% per Policy	Duration	Days to Maturity		Current Yield
Local Agency Investment Fund	13,100,000	8.91%	**	1	1	N/A	0.363%
Certificates of Deposit – Collateralized	0	0		180	0	5 years	0.000%
Negotiable CDs	2,205,000	1.50%		1,096	179	5 years	2.078%
Money Market Sweep Account	2,720,000	1.85%		1	1		0.010%
Federal Agency Issues – Coupons	96,898,570	65.90%	75%	1,645	1,319	5 years	1.417%
Farmer Mac	13,168,783	7.16%	30%	1,111	1,255	5 years	0.988%
Federal Farm Credit Bank	16,757,624	9.18%	30%	974	1,057	5 years	1.038%
Federal Home Loan Bank	16,021,806	8.72%	30%	1,017	1,096	5 years	1.278%
Federal Home Loan Mortgage Corp.	33,114,404	17.87%	30%	1,399	1,442	5 years	0.924%
Federal National Mortgage Assoc.	26,797,164	14.49%	30%	1,388	1,494	5 years	1.331%
Treasury Securities – Coupons	0	0.00%	100%	0	0	5 years	0.000%
Medium Term Notes	32,121,860	21.84%	20%	1,309	789	5 years	1.938%
Total Investments & Averages	**147,045,430**	**100.00%**		**1,386**	**1045**		**1.421%**

Effective Rate of Return	**Month Ending**	**Fiscal YTD**
	1.31%	1.31%
Pending Redemptions	0	
Accrued Interest at Purchase	8,222	
Total Accrued Interest	8,222	
TOTAL CASH & INVESTMENTS	**147,053,652**	

VALUE OF PORTFOLIO PER GASB NO.31

GASB required securities	Beginning Investment Value as July 1, 2011	Purchase/Redemption of Principal	Change in Market Value	Ending Investment Value as of July 31, 2012
Federal Agency (coup)	106,620,084	-8,944,180	74,642	97,750,547
Treasury Securities	0	0	0	0
Medium Term Notes	32,501,902	0	125,225	32,627,127
Municipal Bonds	169,300	-169,300	0	0
SUB-TOTAL PER GASB 31	**$139,291,287**	**($9,113,480)**	**$199,867**	**$130,377,674**
Non-GASB				
LAIF	36,426,398	-23,326,398	0	13,100,000
Money Market	8,000,000	-5,280,000	0	2,720,000
Federal Agency –	0	0	0	0
Treasury Security –	0	0	0	0
Certificate of Deposits -Disc.	0	0	0	0
Negotiable Certificate Deposits	1,960,000	245,000	0	2,205,000
Commercial paper	0	0	0	0
TOTAL PORTFOLIO	**$185,677,685**	**($37,474,878)**	**$199,867**	**$148,402,674**

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 losses reveals the worse case scenario of liquidity in our portfolio. The philosophy of the city is to buy and hold to maturity.
NOTE: *SB 564 passed in 1995, effective February 1, 1996, requires that local agencies submit a quarterly report to the legislative body containing detailed information on all securities, investments, and moneys 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.



Portfolio Notes:
**Maximum allowed by Investment Policy is $50 million per agency. General LAIF account = $ 13,100,000.000 TRANS payment = $33,000,000
I certify that this report accurately reflects all pooled investments and is in conformity with the city of Torrance Investment Policy Statement adopted by resolution 2011-102 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 six months of estimated expenditures.
Reviewed by the Investment Advisory Committee:

Dana Cortez
City Treasurer

City Manager

Director of Finance

City Attorney

City Treasurer

Monthly Investment Reports
Portfolio Management
Portfolio Details - Investments
July 31, 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			13,100,000.00	13,100,000.00	13,100,000.00	0.363		0.363	1	
SYS10001	10001	Local Agency Invest. Fund RDA			0.00	0.00	0.00	0.358		0.358	1	
SYS1000a	1000A	LAIF - TRANS FUNDS			0.00	0.00	0.00	0.363		0.363	1	
		Subtotal and Average	**22,038,617.94**		**13,100,000.00**	**13,100,000.00**	**13,100,000.00**			**0.363**	**1**	
Cert. of Deposit - Insured												
319180DA0	10839	First Bank Lexington Tennessee		12/16/2009	245,000.00	246,631.70	245,000.00	2.050		2.050	138	12/17/2012
05568PSJ7	10832	BMW Bank of North America		09/23/2009	245,000.00	245,661.50	245,000.00	2.300		2.300	54	09/24/2012
254670KW1	10831	Discover Bank		09/23/2009	245,000.00	245,592.90	245,000.00	2.050		2.050	54	09/24/2012
36159SJS1	10838	GE Money bank		12/11/2009	245,000.00	246,690.50	245,000.00	2.350		2.350	132	12/11/2012
46147ULM0	10824	Investors Community Bank		08/24/2009	245,000.00	245,262.15	245,000.00	2.250	AA	2.250	23	08/24/2012
509685EA7	10823	Lake Forest B&T		08/26/2009	245,000.00	245,360.15	245,000.00	2.350		2.350	26	08/27/2012
59740JGR4	10833	MidFirst Bank		10/14/2009	245,000.00	245,953.05	245,000.00	2.350		2.350	75	10/15/2012
786580X96	11043	Safra National Bank		07/31/2012	245,000.00	245,000.00	245,000.00	0.800		0.800	1,094	07/31/2015
86789UBH1	10822	SunSouth Bank		08/18/2009	245,000.00	245,188.65	245,000.00	2.200		2.200	16	08/17/2012
		Subtotal and Average	**1,967,903.23**		**2,205,000.00**	**2,211,340.60**	**2,205,000.00**			**2.078**	**179**	
Money Market Sweep Account												
SYS10131	10131	Bank of America			0.00	0.00	0.00	0.450	AA	0.450	1	
316175108S	1000	Union Bank of California			2,720,000.00	2,720,000.00	2,720,000.00	0.010		0.010	1	
		Subtotal and Average	**5,526,138.13**		**2,720,000.00**	**2,720,000.00**	**2,720,000.00**			**0.010**	**1**	
Federal Agency Issues - Coupon												
31315PQN2	10936	Farmer Mac		02/03/2011	3,000,000.00	3,048,150.00	3,000,000.00	1.340	AA+	1.340	551	02/03/2014
31315PA25	10984	Farmer Mac		07/27/2011	1,000,000.00	1,047,940.00	999,601.11	2.000	AA+	2.011	1,456	07/27/2016
31315PDZ9	10986	Farmer Mac		08/23/2011	2,000,000.00	2,107,720.00	2,077,524.98	2.375	AA+	1.042	1,085	07/22/2015
31315PZH5	11020	Farmer Mac		02/03/2012	2,000,000.00	2,000,080.00	2,000,000.00	0.875	AA+	0.875	1,281	02/03/2016
31315PVC0	11035	Farmer Mac		04/26/2012	3,090,000.00	3,104,615.70	3,089,545.08	1.200	AA+	1.204	1,729	04/26/2017
31331XT36	10678	FEDERAL FARM CREDIT BANK		08/01/2007	1,000,000.00	1,000,000.00	1,000,000.00	5.250	AA+	5.250	0	08/01/2012
31331GVD8	10800	FEDERAL FARM CREDIT BANK		05/08/2009	1,000,000.00	1,013,570.00	1,000,000.00	2.200	AA+	2.200	250	04/08/2013
31331XWW8	10879	FEDERAL FARM CREDIT BANK		05/05/2010	500,000.00	540,475.00	523,184.00	5.000	AA+	2.192	632	04/25/2014
31331JQ55	10907	FEDERAL FARM CREDIT BANK		10/06/2010	1,000,000.00	1,017,540.00	1,000,000.00	1.150	AA+	1.150	796	10/06/2014
31331KCK4	10942	FEDERAL FARM CREDIT BANK		02/17/2011	1,000,000.00	1,041,610.00	1,000,000.00	2.030	AA+	2.030	930	02/17/2015
31331X2Q4	10947	FEDERAL FARM CREDIT BANK		03/01/2011	1,000,000.00	1,052,000.00	1,041,878.65	5.000	AA+	1.100	399	09/04/2013
31331VPV2	10954	FEDERAL FARM CREDIT BANK		04/01/2011	2,000,000.00	2,316,300.00	2,184,066.67	4.950	AA+	2.280	1,339	04/01/2016

Monthly Investment Reports
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Portfolio Details - Investments
July 31, 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												
31331KGN4	10955	FEDERAL FARM CREDIT BANK		04/07/2011	1,000,000.00	1,018,650.00	1,000,000.00	1.400	AA+	1.400	614	04/07/2014
31331KX47	10999	FEDERAL FARM CREDIT BANK		11/28/2011	2,000,000.00	2,007,100.00	2,000,000.00	1.510	AA+	1.510	1,580	11/28/2016
31331K5T3	11013	FEDERAL FARM CREDIT BANK		01/11/2012	1,000,000.00	1,003,230.00	1,000,000.00	1.020	AA+	1.020	1,258	01/11/2016
3133EAGH5	11028	FEDERAL FARM CREDIT BANK		03/08/2012	2,000,000.00	2,011,500.00	2,000,000.00	1.250	AA+	1.250	1,680	03/08/2017
3133EAKP2	11032	FEDERAL FARM CREDIT BANK		04/04/2012	1,000,000.00	1,006,660.00	1,000,000.00	1.360	AA+	1.360	1,707	04/04/2017
3133EAA81	11041	FEDERAL FARM CREDIT BANK		07/30/2012	1,000,000.00	999,230.00	1,000,000.00	0.780	AA+	0.780	1,643	01/30/2017
3133EAA24	11048	FEDERAL FARM CREDIT BANK		07/26/2012	1,000,000.00	998,210.00	999,750.87	0.730	AA+	0.736	1,455	07/26/2016
3133XT6J0	10788	FEDERAL HOME LOAN BANK		02/26/2009	2,000,000.00	2,023,480.00	2,000,000.00	2.625	AA+	2.625	209	02/26/2013
3133XUPB3	10827	FEDERAL HOME LOAN BANK		09/04/2009	1,000,000.00	1,001,790.00	1,000,000.00	2.125	AA+	2.125	764	09/04/2014
3133XYKF1	10884	FEDERAL HOME LOAN BANK		05/28/2010	1,000,000.00	1,005,200.00	1,000,000.00	2.000	AA+	2.000	1,030	05/28/2015
3133XY6S9	10899	FEDERAL HOME LOAN BANK		08/26/2010	1,000,000.00	1,021,610.00	1,012,189.68	2.000	AA+	1.002	454	10/29/2013
313370WA2	10902	FEDERAL HOME LOAN BANK		09/17/2010	1,000,000.00	1,001,450.00	1,000,000.00	1.375	AA+	1.375	777	09/17/2014
313372W26	10950	FEDERAL HOME LOAN BANK		03/15/2011	1,000,000.00	1,014,330.00	1,000,000.00	2.500	AA+	2.500	1,322	03/15/2016
313373RC8	10956	FEDERAL HOME LOAN BANK		05/16/2011	1,000,000.00	1,018,510.00	1,001,682.24	1.250	AA+	1.164	728	07/30/2014
313374DV9	10969	FEDERAL HOME LOAN BANK		06/28/2011	1,000,000.00	1,009,520.00	1,005,852.78	2.500	AA+	2.045	1,427	06/28/2016
3133766B6	10993	FEDERAL HOME LOAN BANK		10/27/2011	1,000,000.00	1,001,670.00	1,000,000.00	1.000	AA+	1.000	1,087	07/24/2015
313376Q99	11007	FEDERAL HOME LOAN BANK		01/13/2012	2,000,000.00	2,021,340.00	2,000,000.00	1.125	AA+	1.125	1,626	01/13/2017
313378W56	11037	FEDERAL HOME LOAN BANK		04/30/2012	2,000,000.00	2,051,140.00	2,000,000.00	2.000	AA+	1.425	1,727	04/24/2017
313370TW8	11040	FEDERAL HOME LOAN BANK		07/25/2012	1,000,000.00	1,053,140.00	1,055,843.30	2.000	AA+	0.620	1,500	09/09/2016
3128X1CS4	10915	FEDERAL HOME LOAN MORTGAGE CO		10/27/2010	1,000,000.00	1,057,450.00	1,049,403.30	4.580	AA+	0.730	475	11/19/2013
3134G23S9	10995	FEDERAL HOME LOAN MORTGAGE CO		11/07/2011	1,000,000.00	1,001,640.00	1,000,000.00	1.050	AA+	1.050	1,009	05/07/2015
3134G23F7	10996	FEDERAL HOME LOAN MORTGAGE CO		11/16/2011	1,000,000.00	1,002,080.00	1,000,000.00	1.250	AA+	1.250	1,202	11/16/2015
3134G25C2	10997	FEDERAL HOME LOAN MORTGAGE CO		11/29/2011	1,000,000.00	1,003,210.00	1,000,000.00	1.500	AA+	1.500	1,581	11/29/2016
3134G3BQ2	10998	FEDERAL HOME LOAN MORTGAGE CO		11/28/2011	2,000,000.00	2,007,240.00	2,000,000.00	1.375	AA+	1.713	1,580	11/28/2016
3134G3EN6	11003	FEDERAL HOME LOAN MORTGAGE CO		12/30/2011	1,000,000.00	1,005,810.00	1,000,000.00	1.000	AA+	1.000	1,063	06/30/2015
3134G3GG9	11008	FEDERAL HOME LOAN MORTGAGE CO		01/09/2012	1,000,000.00	1,001,930.00	1,000,219.44	0.850	AA+	0.833	891	01/09/2015
3134G3GM6	11009	FEDERAL HOME LOAN MORTGAGE CO		01/13/2012	1,000,000.00	1,008,650.00	1,000,000.00	1.300	AA+	1.300	1,626	01/13/2017
3134G3GX2	11010	FEDERAL HOME LOAN MORTGAGE CO		01/13/2012	2,000,000.00	2,017,500.00	2,000,000.00	1.400	AA+	1.400	1,626	01/13/2017
3137EADC0	11017	FEDERAL HOME LOAN MORTGAGE CO		01/30/2012	1,000,000.00	1,009,640.00	996,844.67	1.000	AA+	1.071	1,680	03/08/2017
3134G3MR8	11018	FEDERAL HOME LOAN MORTGAGE CO		02/13/2012	1,000,000.00	1,002,880.00	1,000,000.00	0.550	AA+	0.550	926	02/13/2015
3134G3NA4	11019	FEDERAL HOME LOAN MORTGAGE CO		02/28/2012	3,000,000.00	3,022,170.00	3,000,000.00	0.750	AA+	0.750	1,672	02/28/2017
3134G3MX5	11021	FEDERAL HOME LOAN MORTGAGE CO		02/24/2012	1,000,000.00	1,005,780.00	1,000,000.00	0.800	AA+	0.800	1,302	02/24/2016
3134G3NA4	11022	FEDERAL HOME LOAN MORTGAGE CO		02/28/2012	2,000,000.00	2,014,780.00	2,000,000.00	0.750	AA+	1.313	1,672	02/28/2017
3134G3MT4	11026	FEDERAL HOME LOAN MORTGAGE CO		02/24/2012	2,000,000.00	2,018,500.00	2,000,000.00	1.125	AA+	1.125	1,668	02/24/2017
3134G3SD3	11027	FEDERAL HOME LOAN MORTGAGE CO		03/28/2012	2,000,000.00	2,013,980.00	2,000,000.00	0.750	AA+	0.750	1,153	09/28/2015

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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												
3137EACT4	11034	FEDERAL HOME LOAN MORTGAGE CO		04/26/2012	1,000,000.00	1,070,250.00	1,063,402.64	2.500	AA+	0.810	1,395	05/27/2016
3134G3VH0	11038	FEDERAL HOME LOAN MORTGAGE CO		05/24/2012	5,000,000.00	5,017,950.00	5,000,000.00	1.200	AA+	1.200	1,757	05/24/2017
3134G3WD8	11039	FEDERAL HOME LOAN MORTGAGE CO		06/12/2012	2,000,000.00	2,005,720.00	2,000,000.00	1.250	AA+	1.250	1,776	06/12/2017
3136FPEE3	10905	FEDERAL NATIONAL MORT ASSOC		09/14/2010	2,000,000.00	2,002,840.00	1,999,880.56	1.725	AA+	1.746	1,139	09/14/2015
3136FPGA9	10906	FEDERAL NATIONAL MORT ASSOC		09/20/2010	1,000,000.00	1,000,320.00	1,000,000.00	1.000	AA+	1.000	415	09/20/2013
3136FRUP6	10967	FEDERAL NATIONAL MORT ASSOC		07/15/2011	3,000,000.00	3,048,480.00	3,000,000.00	2.000	AA+	2.000	1,444	07/15/2016
3136FRQW6	10968	FEDERAL NATIONAL MORT ASSOC		06/27/2011	2,000,000.00	2,002,280.00	2,000,000.00	2.000	AA+	2.000	1,426	06/27/2016
3136FRV59	10987	FEDERAL NATIONAL MORT ASSOC		09/14/2011	1,000,000.00	1,001,050.00	1,000,000.00	1.050	AA+	1.516	1,505	09/14/2016
3136FTFU8	10990	FEDERAL NATIONAL MORT ASSOC		10/26/2011	2,000,000.00	2,003,980.00	2,000,000.00	1.250	AA+	1.839	1,547	10/26/2016
3136FTEP0	10991	FEDERAL NATIONAL MORT ASSOC		10/26/2011	1,800,000.00	1,805,616.00	1,800,000.00	1.375	AA+	1.689	1,547	10/26/2016
3136FTSH3	11000	FEDERAL NATIONAL MORT ASSOC		12/20/2011	1,000,000.00	1,003,370.00	1,000,000.00	1.250	AA+	1.810	1,602	12/20/2016
3136FTTT6	11002	FEDERAL NATIONAL MORT ASSOC		12/28/2011	1,000,000.00	1,003,790.00	1,000,000.00	1.375	AA+	1.815	1,610	12/28/2016
3136FTH44	11016	FEDERAL NATIONAL MORT ASSOC		02/08/2012	2,000,000.00	2,009,460.00	2,000,000.00	1.000	AA+	1.343	1,652	02/08/2017
3136FTV89	11025	FEDERAL NATIONAL MORT ASSOC		02/28/2012	2,000,000.00	2,005,940.00	1,997,700.00	0.500	AA+	1.331	1,672	02/28/2017
3136FT3W7	11031	FEDERAL NATIONAL MORT ASSOC		03/28/2012	2,000,000.00	2,011,620.00	2,000,000.00	1.125	AA+	1.332	1,700	03/28/2017
3136G0DQ1	11033	FEDERAL NATIONAL MORT ASSOC		04/26/2012	2,000,000.00	2,006,880.00	2,000,000.00	1.000	AA+	0.998	1,455	07/26/2016
		Subtotal and Average	**100,379,544.79**		**96,390,000.00**	**97,750,546.70**	**96,898,569.97**			**1.417**	**1,319**	
Medium Term Notes												
88579EAE5	10895	3M Company		07/20/2010	1,000,000.00	1,042,990.00	1,032,286.86	4.375	AA-	1.200	379	08/15/2013
06738KXV8	10989	Barclays Bank		10/28/2011	3,000,000.00	2,957,100.00	3,000,000.00	4.375	A+	3.287	1,549	10/28/2016
084664AD3	10714	Berkshire Hathaway		01/18/2008	1,000,000.00	1,049,790.00	1,003,426.65	4.625	AA+	4.300	440	10/15/2013
084670AU2	10938	Berkshire Hathaway		02/08/2011	3,000,000.00	3,028,080.00	3,018,290.46	2.125	AA+	0.956	194	02/11/2013
17314JAT0	10874	Citibank		04/15/2010	3,000,000.00	3,018,990.00	3,002,379.50	1.750	AA+	1.112	149	12/28/2012
191216AN0	10924	COCA-COLA		11/22/2010	1,085,000.00	1,090,576.90	1,081,560.84	0.750	A+	1.000	471	11/15/2013
36962G4H4	10913	General Electric		10/19/2010	1,000,000.00	1,010,610.00	1,007,191.74	2.800	AA+	1.125	160	01/08/2013
36962G4T8	10925	General Electric		11/19/2010	1,000,000.00	1,028,980.00	986,002.20	2.250	AA+	2.710	1,195	11/09/2015
36962G4X9	10935	General Electric Capital Corp		01/10/2011	2,000,000.00	2,034,560.00	1,998,514.76	2.100	AA+	2.154	524	01/07/2014
36962G5N0	11011	General Electric Capital Corp		01/10/2012	2,000,000.00	2,093,580.00	2,002,664.81	2.900	AA+	2.868	1,622	01/09/2017
36962G5M2	11012	General Electric Capital Corp		01/10/2012	2,000,000.00	2,050,760.00	2,003,743.10	2.150	AA+	2.070	891	01/09/2015
36962G4N1	11024	General Electric Capital Corp		02/22/2012	2,000,000.00	1,985,820.00	1,979,927.94	1.217		1.559	1,105	08/11/2015
594918AB0	10821	MicroSoft Corp		08/17/2009	1,000,000.00	1,047,530.00	1,000,000.00	2.950	AAA	2.949	669	06/01/2014
89233P4H6	10945	Toyota Motor Credit Corp		02/23/2011	1,000,000.00	1,010,430.00	1,000,859.69	1.375	AA-	1.290	376	08/12/2013
89233P5S1	11015	Toyota Motor Credit Corp		01/13/2012	1,000,000.00	1,036,790.00	1,003,791.14	2.050	AA-	1.960	1,625	01/12/2017
89233P5Z5	11023	Toyota Motor Credit Corp		02/17/2012	2,000,000.00	2,020,640.00	1,997,455.56	1.000	AA-	1.102	930	02/17/2015

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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
Medium Term Notes												
89233P6C5	11036	Toyota Motor Credit Corp		05/01/2012	2,000,000.00	1,996,460.00	2,000,000.00	0.500	AA-	0.997	1,002	04/30/2015
931142CN1	10820	Wal-Mart Stores		08/14/2009	2,000,000.00	2,075,280.00	2,002,742.00	3.000	AA	2.902	551	02/03/2014
931142CT8	10928	Wal-Mart Stores		12/15/2010	1,000,000.00	1,048,160.00	1,001,022.90	2.250	AA	2.213	1,071	07/08/2015
		Subtotal and Average	**32,125,028.09**		**32,085,000.00**	**32,627,126.90**	**32,121,860.15**			**1.938**	**789**	
		Total and Average	**162,037,232.18**		**146,500,000.00**	**148,409,014.20**	**147,045,430.12**			**1.421**	**1,045**	

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July 31, 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**	Accrued Interest at Purchase		8,222.23	8,222.23				**0**
				Subtotal		8,222.23	8,222.23				
	Total Cash and Investments		**162,037,232.18**		**146,500,000.00**	**148,417,236.43**	**147,053,652.35**			**1.421**	**1,045**

II. RESTRICTED FUNDS

CASH INVESTMENT HELD BY FISCAL AGENTS
FOR THE PERIOD ENDING
JUNE 30, 2012

TORRANCE IMPROVEMENTS

Bank of New York Merllon	Book Value	Reserve Requirement	Over/Under Funded Reserve(1)(2) (market value)	Market Value	Yield	Investment Description
City of Torrance 2004A&B COP Refunding - #3060645 (Maturity - June 1, 2024 & June 1, 2034)						
Construction Fund Acct #360646	1,658,608.83			1,658,608.83		Dreyfus Inst'l Res Treasury #6541
Lease Payment Acct #360648	15,468.77			15,468.77		CUSIP#S99994190
Required Reserve Acct #360649	2,754,195.00	2,750,000.00	4,195.00	2,754,195.00	1.11	FHLB/cusip 3133XXPV3
Bank of New York Mellon						Dreyfus Inst'l Res Treasury #6541 CUSIP#S99994190
Lease Payment Fund Acct # 360693	0.00	0.00		0.00		
Reserve Fund Acct #360695	1,260,737.51	1,250,000.00	10,737.51	1,260,737.51	1.11	Dreyfus Inst'l Res Treasury #6541 FHLB CUSIP#3133XXPV3

Bank of New York Mellon	Book Value	Reserve Requirement	Over/Under Funded Reserve(1)(2) (market value)	Market Value	Yield	Investment Description
Torrance PFA 98COP						
Reserve Acct # 428590	553,085.00	553,085.00		553,085.00	5.61	ment 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
2004 Torrance Water Refunding Bond #360700-(Maturity March 1, 2014)						
Debit Service #360759	0.01			0.01	0.01	gan Prime M Mkt Premier #350
Required Rerserve Act # 360760	527,099.64	505,000.00	22,099.64	527,099.64	4.34	ıpital 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
Torrance RDA (Downtown) 98A (matures Sept. 1, 2028)						
Interest / Debt Service Acct # 428478	3,262.50			3,262.50		CUSIP S99992760
Reserve Acct # 428469	586,579.71	580,000.00	6,579.71	586,579.71	1.125	HLB CUSIP#3133XXPV3
						INVESCO Prime Private CUSIP#S99990340

Bank of New York Mellon	Book Value	Reserve Requirement	Over/Under Funded Reserve(1)(2) (market value)	Market Value	Yield	Investment Description
Torrance RDA (Industrial) 98B (matures Sept. 1, 2028)						

CASH INVESTMENT HELD BY FISCAL AGENTS
FOR THE PERIOD ENDING
JUNE 30, 2012

Reserve Acct # 428517	1,040,338.30	1,030,000.00	10,338.30	1,040,338.30	1.125	HLB CUSIP#3133XXPV3 INVESCO Prime Private CUSIP#S99990340

Bank of New York Mellon	Book Value	Reserve Requirement	Over/Under Funded Reserve(1)(2) (market value)	Market Value	Yield	Investment Description
Torrance RDA (Industrial) 99C (matures Sept. 1, 2028)						
Interest Acct # 428877	0.00			0.00		
Reserve acct # 428882	1,302,344.80	1,290,000.00	12,344.80	1,302,344.80	1.125	HLB CUSIP#3133XXPV3 CUSIP S99992760
TOTAL: ALL CASH & INVESTMENTS HELD BY FISCAL AGENT	**9,701,720.07**			**9,701,720.07**		

**** 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.

Deferred Compensation Accounts
June 2012

457PLAN A *PERMANENT EMPLOYEES*

Beginning Balance	Contributions	Acct. Transfers In	Interest	Change in Value	Fees	Revenue Sharing	Withdrawals	Acct. Transfers Out	Outstanding Loans		Ending Balance
131,709,409.87	2,037,030.67	3,770,089.46	561,692.95	(2,350,174.10)	(4,743.78)	599,037.34	(1,867,495.92)	(3,770,089.46)	**3,533,839.32**	**(1)**	134,218,596.35

Investment Type	Book Value	Market Value
Fixed Funds (GCF)	0.00	0.00
Variable Funds	61,895,813.91	61,895,813.91
Stable Value Fund	65,102,899.18	65,102,899.18
Self-Direct	3,686,043.94	3,686,043.94
(1) Outstanding Loans	3,533,839.32	3,533,839.32
Totals	134,218,596.35	134,218,596.35

(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	Revenue Sharing	Withdrawals	Acct. Transfers Out	Ending Balance
2,599,337.24	66,522.30	71,511.28	16,886.70	(5,859.65)		0.02	(95,955.50)	(71,511.28)	2,580,931.11

Investment Type	Book Value	Market Value
Variable Funds	114,615.97	114,615.97
Fixed Funds (84)	686,589.28	686,589.28
Stable Value Fund	1,779,725.84	1,779,725.84
Forfeiture/Asset	0.02	0.02
Totals	2,580,931.11	2,580,931.11

Deferred Compensation Accounts
June 2012

401(A) *MANAGEMENT, POLICE, FIRE, ENGINEERS*

Beginning Balance	Contributions	Acct. Transfers In	Interest	Change in Value	Fees	Revenue Sharing	Withdrawals	Acct. Transfers Out	Outstanding Loans		Ending Balance
7,849,853.95	85,441.83	127,824.43	29,064.14	(149425.37)	(518.81)	4.55	(49,747.72)	(127,824.43)	**94,529.95**	**(1)**	7,859,202.52

Investment Type	Book Value	Market Value
Fixed Funds	0.00	0.00
Variable Funds	4,119,169.39	4,119,169.39
Stable Value Fund	3,495,638.56	3,495,638.56
Self-direct fund	149,864.62	149,864.62
Outstanding Loans	94,529.95	94,529.95
Totals	7,859,202.52	7,859,202.52

(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
3,369,413.77	0.00	-69,660.76	(4,025.71)	(66,885.46)	3,228,841.84

Investment Type	Book Value	Market Value
Stable Value/Cash Mmgt Fund	100,863.97	100,863.97
Bond Funds	309,046.98	309,046.98
Balanced/Assest Alloc Funds	2,084,281.57	2,084,281.57
U.S. Stock Funds	675,416.27	675,416.27
Intern'l/Global Stock Funds	59,233.05	59,233.05
Totals	3,228,841.84	3,228,841.84

Public Agency Retirement Services (PARS)

Beginning Balance	Contributions	Transfer In	Distributions	Fees	Gain/Loss	Transfer Out	Ending Balance
6,988,709.31	287,966.06	187,417.34	(138,841.93)	(7,926.67)	(129,967.31)	(187,417.34)	6,999,939.46

Public Agency Retirement Services (PARS)

Excess Benefit Plan

Beginning Balance	Contributions	Transfer In	Distributions	Fees	Gain/Loss	Transfer Out	Ending Balance
1,122.79	750.00	250.00	(533.64)	(0.55)		(250.00)	1,338.60

III. CASH & INVESTMENT PORTFOLIO SHARE

City of Torrance
Investment Report
July 2012

CASH AND INVESTMENT PORTFOLIO SHARE (A)
AS OF JULY 31, 2012

FUND	SHARE OF INVESTMENTS	POOLED CASH & INVESTMENTS BALANCE		CASH PERCENT
General	24,953,609.01	24,519,100.97		16.97
Parks & Recr Facility & Open Space	4,264,317.39	4,194,114.32		2.90
State Gas Tax	11,645,997.83	11,453,355.74		7.92
Federal Housing, Community Dev	970,499.82	956,601.13		0.66
Street Lighting	58,818.17	52,129.36		0.04
Traffic Congestion Relief Act 2000 - AB2928	102,931.80	103,126.43		0.07
Proposition 1B	2,117,454.15	2,088,331.69		1.44
Police Asset Forfeiture	4,190,794.67	4,127,181.80		2.85
Drainage Improvement	14,704.54	19,444.47		0.01
Measure R Local Return	3,029,135.80	2,976,517.18		2.06
Government Cable	3,940,817.45	3,871,997.91		2.68
Local Return - Proposition C	5,102,476.32	5,023,228.68		3.47
TDA Article 3 Bicycle Fund	14,704.54	21,028.51		0.01
Grants/Donations	(1,102,840.70)	(1,081,508.29)	(B)	(0.75)
CDBG Fund	-	(6,627.22)	(C)	0.00
Citizens Options for Public Safety (COPS) Grant Funds - AB3229	264,681.77	265,203.07		0.18
Seismic Education Fund	58,818.17	56,119.97		0.04
Rehabilitation Housing	691,113.51	686,334.73		0.47
Meadow Park Parking Lot	44,113.63	36,200.02		0.03
Police Inmate Welfare Fund	58,818.17	51,482.38		0.04
Capital Improvements	20,748,109.77	20,418,206.69		14.11
Geologic Hazard Abatement	14,704.54	14,316.64		0.01
El Camino Training Fund-Fire	161,749.97	160,161.61		0.11
El Camino Training Fund-Police	14,704.54	10,000.00		0.01
Vanpool/Rideshare Fund	-	3,794.32		0.00
Torrance Public Financing - 1998 COP Fire/Police	(73,522.71)	(72,839.77)	(D)	(0.05)
Animal Control Fund	14,704.54	9,923.34		0.01
Successor Agency - Skypark Capital Project	-	6,611.14		0.00
Successor Agency - Downtown Capital Project	191,159.06	183,827.45		0.13
Successor Agency - Industrial Capital Project	73,522.71	78,207.93		0.05
Successor Agency - Low Mod Housing Capital Project	-	-		0.00
Successor Agency - Downtown Debt Service	941,090.73	931,727.88		0.64
Successor Agency - Skypark Debt Service	(220,568.14)	(214,356.83)	(E)	(0.15)
Successor Agency - Industrial Debt Service	(1,661,613.33)	(1,635,371.46)		(1.13)
Underground Storage Tank Fund	-	3,000.00		0.00
DNA Sampling Fund	73,522.71	76,530.00		0.05
Airport Fund	6,072,976.14	5,981,480.20		4.13
Transit Operations	7,808,112.18	7,677,430.67		5.31
Development Impact Fund	1,264,590.67	1,245,469.97		0.86
Water Operations	6,984,657.79	6,867,257.64		4.75
Emergency Medical Service Enterprise Fund	-	-		-
Sanitation Operations	(264,681.77)	(254,559.28)	(F)	(0.18)
Cultural Arts Enterprise	147,045.43	149,532.53		0.10
Sewer Enterprise Fund	9,719,702.73	9,564,939.69		6.61
Parks & Recreation Enterprise Fund	(249,977.23)	(241,790.16)	(G)	(0.17)
Self Insurance Fund	6,925,839.62	6,810,731.19		4.71
Fleet Services	16,660,246.89	16,392,940.45		11.33
Postemployment/Compensated Absences Fund	7,911,043.98	7,785,337.70		5.38
Trust & Agency	3,367,340.28	3,317,588.97		2.29
RDA Successor Agency-Low Mod Housing	-	7,090,876.33	(H)	-
Redev Obligation Retirement Fund	-	1,515,452.68		-
TOTAL	**147,045,427.14**	**153,289,790.37**		**100.00**

(A) The difference between the Share of Investments total of $147,045,427.14 and the Pooled Cash and Investments total of $153,289,790.37 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 <$1,193,763.68>. Reimbursement check in the amount of $1,193,763.68 was received on 8/9/12. Reimbursement request in the amount of $775,806.06 was submitted on 8/17/2012. The balance of $529,301.50 is the retention that City still holds.

T-030 Del Amo Blvd. extension project - ARRA-Federal Grant has a negative cash balance of <$312,417.80>. The balance of $312,147.80 represents the 10% retention. Department will request reimbursement when releasing the retention.

FEAP702 Fluoridation County Grants project - County Grant has a negative cash balance of <$168,838.97>. Reimbursement check for approximately $144,000 will be received in August 2012.

FEAP764 Torrance Transit Terminal project - Measure R HW-MTA Grant has a negative cash balance of <$220,002.89>. Reimbursement request in the amount of $203,021.52 was submitted on 8/7/2012.

EECBG Energy project - Fed Grant has a negative cash balance of <$144,286.44>. Reimbursement request has been submitted. Reimbursement check will be received in August 2012.

2008 UASI Grant-Fire - UASI Grant-P25 Radios has a negative cash balance of <$495,121.99>, Reimbursement request has been submitted in Jan 2012. County will not commit to a specific date.

(C) CDBG Fund has a negative cash balance for <$6,627.22>. Reimbursement request will be submitted by the end of August 2012.

(D) The disbursement from the Construction Fund for the Certificates of Participation Series 2004 A&B in the amount of $74,638.65 was received on 8/17/2012.

(E) According to AB1X26, property tax payment of $1,691,524.71 received on 6/1/12 is in a separate bank account.

(F) Sanitation Operations Fund has a negative fund due to the purchase of recycling containers from Toter, Inc. for $613,481 in May 2012. We anticipate future revenues to cover this deficit.

(G) Negative cash balance represents net losses from prior years

(H) The cash balances of RDA Successor Agency Low Mod Fund & Redev Obligation Retirement Fund are in separate bank accounts.

City of Torrance
Investment Report
July 2012

CASH AND INVESTMENTS RECONCILIATION
AS OF JULY 31, 2012

INVESTMENTS PER PORTFOLIO SUMMARY (City Pool)		**147,045,427.14**
CASH AND INVESTMENTS PER BOOKS		**153,289,790.37**
CASH IN BANKS:		
Cash in B of A General Account		(1,971,977.57)
OUTSTANDING WARRANTS:		
General Account	1,644,160.43	
Payroll Account	78,096.28	
Workers Compensation Account	67,203.34	
		1,789,460.05
Miscellaneous outstanding adjusting journal entries		326,578.46
Housing Fund restricted cash		(1,241,715.41)
RDA Successor Agency-Low Mod Housing cash		(7,090,876.33)
Redev Obligation Retirement Fund cash		(1,515,452.68)
Payroll for PE 07/28/12 posted on 07/28/12 and paid on 08/03/12		2,796,981.65
Payroll for PE 07/31/12 posted on 07/31/12 and paid on 08/17/12		662,638.60
INVESTMENTS PER BOOKS		**147,045,427.14**

Attachment B

CITY of TORRANCE
Monthly Investment Portfolio Report
August 31, 2012

Table of Content

		Page
I.	**CITY OF TORRANCE – POOLED FUNDS**	
	• Summary Reports	
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	o Investment Portfolio Summary	
	o Investment Portfolio Activity	
	o Portfolio Performance	2
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	o Portfolio Diversification	
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II.	**RESTRICTED FUNDS –** Reports appear quarterly	
III.	**CASH & INVESTMENT PORTFOLIO SHARE**	
	• Cash & Investment Share as of August 31, 2012	9
	• Cash & Investment Reconciliation	10

Investment Report
August 2012

Investment Portfolio Highlights

RETURN	Current Month	Previous Month
Average City Portfolio YTM	1.336%	1.421%
Average U.S. Treasury Constant	0.300%	0.300%
LAIF Average Monthly Return	0.377%	0.363%
Average City Portfolio YTM - 1 year	1.756%	1.758%

INTEREST INCOME	Current Period	Prior Year
Fiscal year to date	$346,070	$443,948
Current month	$166,439	$225,789

MATURITY	Current Month	Prior Month
Average Maturity (days)	1039	1045
Average Maturity 1 Year Prior	1085	1105
Weighted Average Maturity (years)	2.85	2.86

VOLUMES	Total $ Volume	# of Transactions
Purchases	$24,110,491	36
Maturities	$21,950,000	21

Portfolio Activity Summary

Month End	Year	Number of Securities	Average Balance	Yield to Maturity	Yield to Maturity 365	Managed Pool Rate	Inv Purchased	Inv Redeemed	Average Term	Average Days to Mat
August	2011	111	156,107,063.51	1.732	1.756	0.408%	2	5	1,363	1085
September	2011	104	151,370,240.25	1.723	1.747	0.378%	2	9	1,363	1071
October	2011	100	150,533,371.55	1.721	1.744	0.385%	5	10	1,355	1052
November	2011	97	149,056,539.20	1.668	1.691	0.401%	6	9	1,309	1011
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
March	2012	102	170,844,028.64	1.426	1.446	0.383%	3	5	1,284	1020
April	2012	106	166,719,089.02	1.415	1.434	0.367%	7	3	1,317	1048
May	2012	105	178,373,650.45	1.349	1.368	0.363%	2	3	1,256	984
June	2012	100	183,392,700.59	1.262	1.28	0.358%	1	6	1,181	900
July	2012	96	162,037,233.69	1.401	1.421	0.363%	4	8	1,386	1045
August	2012	100	145,326,377.34	1.346	1.365	0.377%	10	6	1,377	1039
	Average	102	160,981,548.38	1.500%	1.521%	0.381%	5	6	1,299	1011

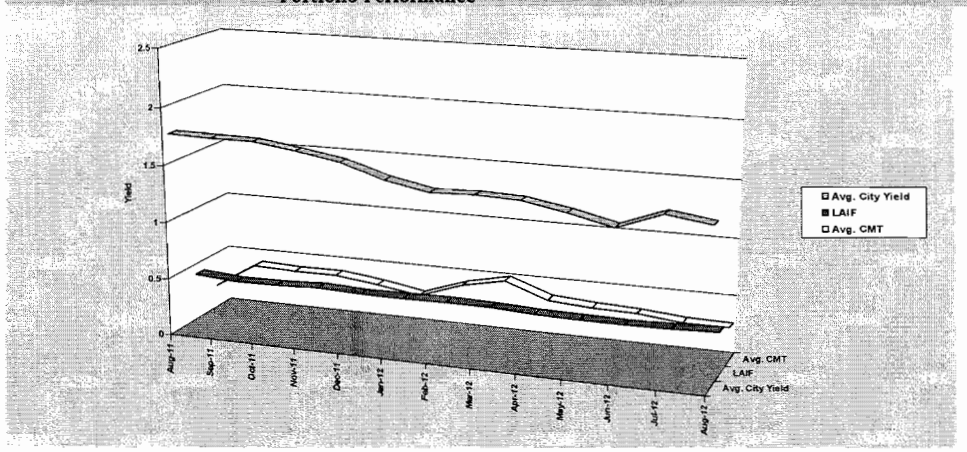
Portfolio Activity Detail

Investment Number.	BROKER	PURCHASE DATE	DESCRIPTION	QUALITY RATING	MATURITY DATE	DAYS HELD/ DAYS TO MATURITY	RATE	YIELD	PAR VALUE	COST	MARKET VALUE
PURCHASES											
11042	Morgan Stanley	8/21/2012	FHLB	AA+/Aaa	8/21/2017	1815	1.100%	1.100%	2,000,000	2,000,000	2,000,780
11044	Vining Sparks	8/1/2012	ALLY		8/3/2015	1066	1.150%	1.150%	245,000	245,000	243,839
11045	Vining Sparks	8/1/2012	GOLD		8/3/2015	1200	1.200%	1.200%	245,000	245,000	243,770
11046	Vining Sparks	8/1/2012	SOVERE		8/1/2014	699	0.850%	0.850%	245,000	245,000	244,392
11047	Vining Sparks	8/1/2012	APPLE		2/3/2014	520	0.500%	0.500%	245,000	245,000	244,346
11049	Great Pacific Securities	8/23/2012	FHLB	AA+/Aaa	8/23/2017	1031	0.500%	1.031%	2,000,000	2,000,000	1,998,200
1150	Citibank	8/14/2012	FNMA	AA+/Aaa	8/14/2017	1808	0.625%	1.226%	1,000,000	1,000,000	1,001,230
11051	Vining Sparks	8/3/2012	GE CAP		8/3/2015	1066	1.150%	1.150%	245,000	245,000	243,763
11052	Wedbush	8/1/2012	1ST T BK		8/1/2016	1430	1.250%	1.250%	245,000	245,000	243,387
11053	Vining Sparks	8/8/2012	SALLMAE		8/10/2015	1073	1.100%	1.100%	245,000	245,000	243,790
								0.810%	**6,715,000**	**6,715,000**	**6,707,497**
MATURITIES/CALLS											
10678	Citigroup	8/1/2007	FFCB	AA+/Aaa	8/1/2012	1827/1827	5.250%	5.244%	1,000,000	1,000,000	1,000,000
11020	Vining Sparks	2/3/2012	Farmer Mac	AA+/Aaa	2/3/2016	182/1461	0.875%	0.877%	2,000,000	2,000,000	2,000,000
10822	Stone & Young	8/18/2009	SunSouth Bank		8/17/2012	1095/1095	2.200%	2.200%	245,000	245,000	245,000
10824	Stone & Young	8/24/2009	Investors Comm		8/24/2012	1096/1096	2.250%	2.480%	245,000	245,000	245,000
10968	Stone & Young	6/27/2011	FNMA	AA+/Aaa	6/27/2016	427/1827	2.000%	1.995%	2,000,000	2,000,000	2,000,000
10823	Stone & Young	8/26/2009	Lake Forest		8/27/2012	1097/1097	2.350%	2.350%	245,000	245,000	245,000
								2.206%	**5,735,000**	**5,735,000**	**5,735,000**

State of California	Beginning Balance	Rate	Yield	Deposits	Withdrawals	Interest Accrued	Ending Balance
Local Agency Pool							
City	13,100,000	0.377%	0.377%	11,400,000	11,500,000	-	13,000,000
TRANS Repayment	0	0.377%	0.377%	-	0		0
	$ 13,100,000						$ 13,000,000

Investment Report
August 2012

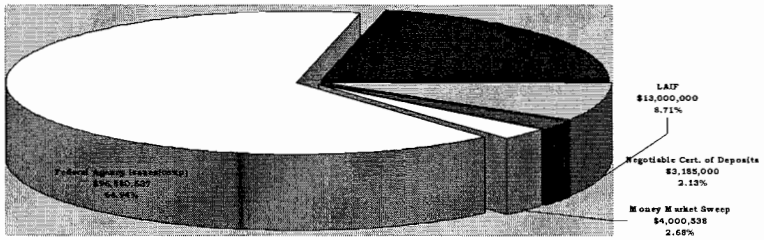
Portfolio Performance

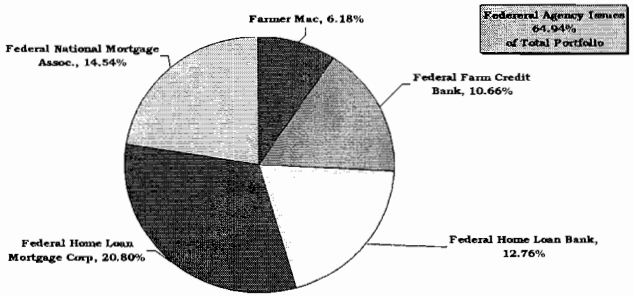


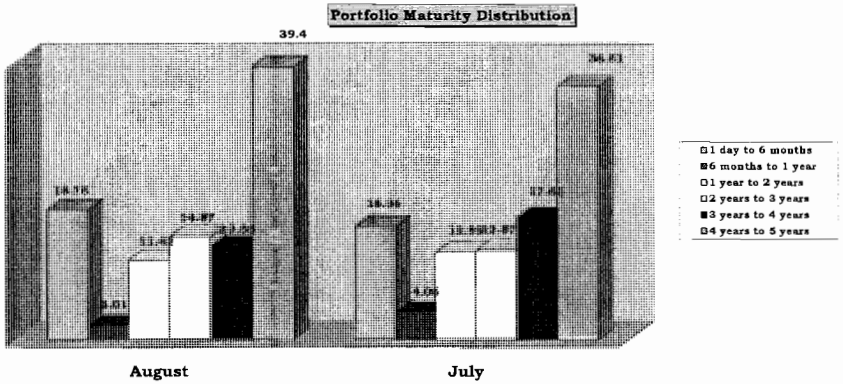
Interest Earnings Summary

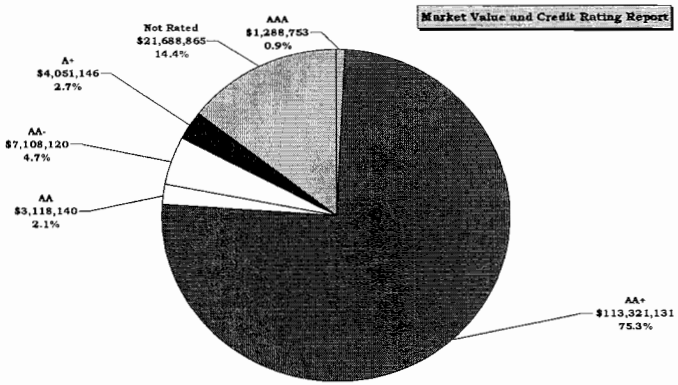
CD/Coupon/Discount Investments:	Month Ending	Aug 31	Fiscal Year End
Interest Collected		257,544	610,999
Plus Accrued Interest at		517,498	517,498
Less Accrued Interest at		-587,207	-743,977
Interest Earned	**$**	**187,835**	**$ 384,519**
Adjusted by Premium		-24,706	-48,509
Adjusted by Capital		-	-
Earnings during	**$**	**163,129**	**$ 336,010**
Cash/Checking Accounts:			
Interest Collected		47	47
Plus Accrued Interest at		103,474	103,474
Less Accrued Interest at		-100,211	-93,461
Interest Earned	**$**	**3,310**	**$ 10,060**
Total Interest Earned		**191,145**	**394,579**
Total Adjustments from Premiums and Discounts		**-24,706**	**-48,509**
Total Capital Gains or		-	-
Total Earnings this Period		**$166,439**	**$346,070**

Portfolio Diversification









Investment Report
August 2012

Portfolio Summary

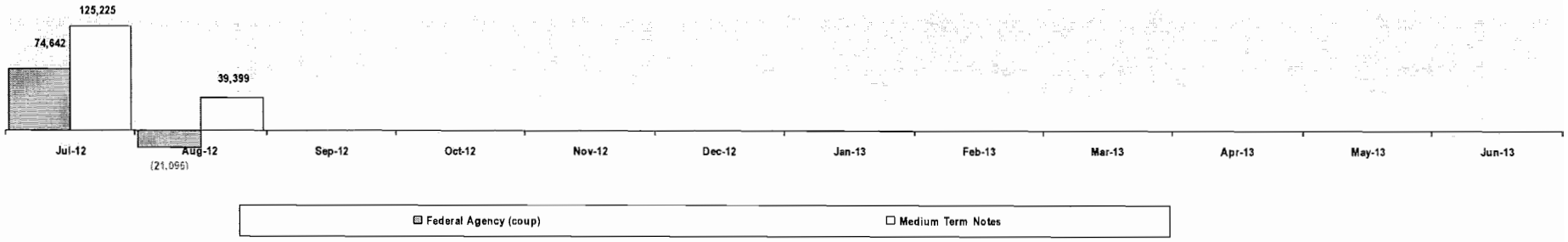
	Book Value	% of Portfolio	% per Policy	Duration	Days to Maturity		Current Yield
Local Agency Investment Fund	13,000,000	8.71%	**	1	1	N/A	0.377%
Certificates of Deposit – Collateralized	0	0		180	0	5 years	0.000%
Negotiable CDs	3,185,000	2.13%		1,054	637	5 years	1.469%
Money Market Sweep Account	4,000,471	2.68%		1	1		0.010%
Federal Agency Issues – Coupons	96,880,637	64.94%	75%	1,652	1,328	5 years	1.360%
Fanner Mac	9,164,559	6.18%	30%	1,102	1,136	5 years	0.642%
Federal Farm Credit Bank	15,740,391	10.66%	30%	1,120	1,164	5 years	0.728%
Federal Home Loan Bank	19,072,354	12.76%	30%	1,101	1,211	5 years	1.096%
Federal Home Loan Mortgage Corp.	31,105,336	20.80%	30%	1,407	1,448	5 years	0.878%
Federal National Mortgage Assoc.	21,797,997	14.54%	30%	1,332	1,456	5 years	1.127%
Treasurv Securities – Coupons	0	0.00%	100%	0	0	5 years	0.000%
Medium Term Notes	32,115,087	21.54%	20%	1,309	758	5 years	1.938%
Total Investments & Averages	**149,181,195**	**100.00%**		**1,377**	**1039**		**1.336%**

Effective Rate of Return	**Month Ending**	**Fiscal YTD**
	1.35%	**1.33%**
Pending Redemptions	0	
Accrued Interest at Purchase	8,222	
Total Accrued Interest	8,222	
TOTAL CASH & INVESTMENTS	**149,189,417**	

VALUE OF PORTFOLIO
PER GASB NO.31

GASB required securities	Beginning Investment Value as July 1, 2012	Purchase/Redemption of Principal	Change in Market Value	Ending Investment Value as of August 31, 2012
Federal Agency (coup)	106,620,084	-8,944,180	53,547	97,729,451
Treasury Securities	0	0	0	0
Medium Term Notes	32,501,902	0	164,624	32,666,526
Municipal Bonds	169,300	-169,300	0	0
SUB-TOTAL PER GASB 31	**$139,291,287**	($9,113,480)	**$218,171**	**$130,395,977**
Non-GASB				
LAIF	36,426,398	-23,426,398	0	13,000,000
Money Market	8,000,000	-3,999,462	0	4,000,538
Federal Agency –	0	0	0	0
Treasurv Security –	0	0	0	0
Certificate of Deposits -Disc.	0	0	0	0
Negotiable Certificate Deposits	1,960,000	1,225,000	0	3,185,000
Commercial paper	0	0	0	0
TOTAL PORTFOLIO	**$185,677,685**	**($35,314,341)**	**$218,171**	**$150,581,515**

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 losses reveals the worse case scenario of liquidity in our portfolio. The philosophy of the city is to buy and hold to maturity.
NOTE:*SB 564 passed in 1995, effective February 1, 1996, requires that local agencies submit a quarterly report to the legislative body containing detailed information on all securities, investments, and moneys 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.



Portfolio Notes:
**Maximum allowed by Investment Policy is $50 million per agency. General LAIF account = $ 13,000,000,000 TRANS payment = $33,000,000
I certify that this report accurately reflects all pooled investments and is in conformity with the city of Torrance Investment Policy Statement adopted by resolution 2011-102 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 six months of estimated expenditures.
Reviewed by the Investment Advisory Committee:

Dana Cortez
City Treasurer

City Manager

Director of Finance

City Attorney

City Treasurer

Monthly Investment Reports
Portfolio Management
Portfolio Details - Investments
August 31, 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			13,000,000.00	13,000,000.00	13,000,000.00	0.377		0.377	1	
SYS10001	10001	Local Agency Invest. Fund RDA			0.00	0.00	0.00	0.358		0.358	1	
SYS1000a	1000A	LAIF - TRANS FUNDS			0.00	0.00	0.00	0.377		0.377	1	
		Subtotal and Average	**10,654,838.71**		**13,000,000.00**	**13,000,000.00**	**13,000,000.00**			**0.377**	**1**	
Cert. of Deposit - Insured												
		Subtotal and Average	**126,451.61**									
Money Market Sweep Account												
SYS10131	10131	Bank of America			0.00	0.00	0.00	0.450	AA	0.450	1	
316175108S	1000	Union Bank of California			4,000,470.69	4,000,470.69	4,000,470.69	0.010		0.010	1	
		Subtotal and Average	**3,359,210.70**		**4,000,470.69**	**4,000,470.69**	**4,000,470.69**			**0.010**	**1**	
Negotiable CD's												
319180DA0	10839	First Bank Lexington Tennessee		12/17/2009	245,000.00	246,229.90	245,000.00	2.050		0.000	107	12/17/2012
33764JHM0	11052	First Bank of Puerto Rico		08/01/2012	245,000.00	243,387.90	245,000.00	1.250		1.251	1,430	08/01/2016
02005QN90	11044	Ally Bank		08/01/2012	245,000.00	243,838.70	245,000.00	1.150		0.000	1,066	08/03/2015
037830NA0	11047	Apple Bank Savings		08/01/2012	245,000.00	244,345.85	245,000.00	0.500		0.000	520	02/03/2014
05568PSJ7	10832	BMW Bank of North America		09/23/2009	245,000.00	245,230.30	245,000.00	2.300		0.000	23	09/24/2012
254670KW1	10831	Discover Bank		09/23/2009	245,000.00	245,205.80	245,000.00	2.050		0.000	23	09/24/2012
36160XN52	11051	GE Capital Bank		08/03/2012	245,000.00	243,762.75	245,000.00	1.150	AAA	0.000	1,066	08/03/2015
36159SJS1	10838	GE Money bank		12/11/2009	245,000.00	246,254.40	245,000.00	2.350		0.000	101	12/11/2012
38143AXS9	11045	Goldman Sachs Bank		08/01/2012	245,000.00	245,000.00	245,000.00	1.200		0.000	1,066	08/03/2015
59740JGR4	10833	MidFirst Bank		10/14/2009	245,000.00	245,509.60	245,000.00	2.350		0.000	44	10/15/2012
786580X96	11043	Safra National Bank		07/31/2012	245,000.00	243,922.00	245,000.00	0.800		0.000	1,063	07/31/2015
795450NT8	11053	Sallie Mae Bank		08/08/2012	245,000.00	243,789.70	245,000.00	1.100	AA+	0.000	1,073	08/10/2015
84603M2H8	11046	Sovereign Bank		08/01/2012	245,000.00	244,392.40	245,000.00	0.850		0.000	699	08/01/2014
		Subtotal and Average	**3,501,129.03**		**3,185,000.00**	**3,180,869.30**	**3,185,000.00**			**0.096**	**637**	
Federal Agency Issues - Coupon												
31315PQN2	10936	Farmer Mac		02/03/2011	3,000,000.00	3,045,930.00	3,000,000.00	1.340	AA+	1.340	520	02/03/2014
31315PA25	10984	Farmer Mac		07/27/2011	1,000,000.00	1,049,540.00	999,609.44	2.000	AA+	2.011	1,425	07/27/2016
31315PDZ9	10986	Farmer Mac		08/23/2011	2,000,000.00	2,107,020.00	2,075,353.42	2.375	AA+	1.042	1,054	07/22/2015
31315PVC0	11035	Farmer Mac		04/26/2012	3,090,000.00	3,106,624.20	3,089,596.58	1.200	AA+	1.204	1,698	04/26/2017

Monthly Investment Reports
Portfolio Management
Portfolio Details - Investments
August 31, 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												
31331GVD8	10800	FEDERAL FARM CREDIT BANK		05/08/2009	1,000,000.00	1,011,880.00	1,000,000.00	2.200	AA+	2.200	219	04/08/2013
31331XWW8	10879	FEDERAL FARM CREDIT BANK		05/05/2010	500,000.00	538,525.00	522,069.38	5.000	AA+	2.192	601	04/25/2014
31331JQ55	10907	FEDERAL FARM CREDIT BANK		10/06/2010	1,000,000.00	1,017,440.00	1,000,000.00	1.150	AA+	1.150	765	10/06/2014
31331KCK4	10942	FEDERAL FARM CREDIT BANK		02/17/2011	1,000,000.00	1,040,850.00	1,000,000.00	2.030	AA+	2.030	899	02/17/2015
31331X2Q4	10947	FEDERAL FARM CREDIT BANK		03/01/2011	1,000,000.00	1,047,820.00	1,038,681.81	5.000	AA+	1.100	368	09/04/2013
31331VPV2	10954	FEDERAL FARM CREDIT BANK		04/01/2011	2,000,000.00	2,312,760.00	2,179,883.33	4.950	AA+	2.280	1,308	04/01/2016
31331KGN4	10955	FEDERAL FARM CREDIT BANK		04/07/2011	1,000,000.00	1,017,970.00	1,000,000.00	1.400	AA+	1.400	583	04/07/2014
31331KX47	10999	FEDERAL FARM CREDIT BANK		11/28/2011	2,000,000.00	2,005,640.00	2,000,000.00	1.510	AA+	1.510	1,549	11/28/2016
31331K5T3	11013	FEDERAL FARM CREDIT BANK		01/11/2012	1,000,000.00	1,002,700.00	1,000,000.00	1.020	AA+	1.020	1,227	01/11/2016
3133EAGH5	11028	FEDERAL FARM CREDIT BANK		03/08/2012	2,000,000.00	2,011,440.00	2,000,000.00	1.250	AA+	1.250	1,649	03/08/2017
3133EAKP2	11032	FEDERAL FARM CREDIT BANK		04/04/2012	1,000,000.00	1,006,780.00	1,000,000.00	1.360	AA+	1.360	1,676	04/04/2017
3133EAA81	11041	FEDERAL FARM CREDIT BANK		07/30/2012	1,000,000.00	1,000,630.00	1,000,000.00	0.780	AA+	0.780	1,612	01/30/2017
3133EAA24	11048	FEDERAL FARM CREDIT BANK		07/26/2012	1,000,000.00	1,000,430.00	999,756.08	0.730	AA+	0.736	1,424	07/26/2016
3133XT6J0	10788	FEDERAL HOME LOAN BANK		02/26/2009	2,000,000.00	2,020,200.00	2,000,000.00	2.625	AA+	2.625	178	02/26/2013
3133XUPB3	10827	FEDERAL HOME LOAN BANK		09/04/2009	1,000,000.00	1,000,000.00	1,000,000.00	2.125	AA+	2.125	733	09/04/2014
3133XYKF1	10884	FEDERAL HOME LOAN BANK		05/28/2010	1,000,000.00	1,003,880.00	1,000,000.00	2.000	AA+	2.000	999	05/28/2015
3133XY6S9	10899	FEDERAL HOME LOAN BANK		08/26/2010	1,000,000.00	1,020,450.00	1,011,373.40	2.000	AA+	1.002	423	10/29/2013
313370WA2	10902	FEDERAL HOME LOAN BANK		09/17/2010	1,000,000.00	1,000,430.00	1,000,000.00	1.375	AA+	1.375	746	09/17/2014
313372W26	10950	FEDERAL HOME LOAN BANK		03/15/2011	1,000,000.00	1,012,330.00	1,000,000.00	2.500	AA+	2.500	1,291	03/15/2016
313373RC8	10956	FEDERAL HOME LOAN BANK		05/16/2011	1,000,000.00	1,018,370.00	1,001,612.05	1.250	AA+	1.164	697	07/30/2014
313374DV9	10969	FEDERAL HOME LOAN BANK		06/28/2011	1,000,000.00	1,007,500.00	1,004,658.33	2.500	AA+	2.045	1,396	06/28/2016
3133766B6	10993	FEDERAL HOME LOAN BANK		10/27/2011	1,000,000.00	1,001,100.00	1,000,000.00	1.000	AA+	1.000	1,056	07/24/2015
313376Q99	11007	FEDERAL HOME LOAN BANK		01/13/2012	2,000,000.00	2,023,160.00	2,000,000.00	1.125	AA+	1.125	1,595	01/13/2017
313378W56	11037	FEDERAL HOME LOAN BANK		04/30/2012	2,000,000.00	2,051,720.00	2,000,000.00	2.000	AA+	1.425	1,696	04/24/2017
313370TW8	11040	FEDERAL HOME LOAN BANK		07/25/2012	1,000,000.00	1,054,420.00	1,054,709.81	2.000	AA+	0.620	1,469	09/09/2016
313380BV8	11042	FEDERAL HOME LOAN BANK		08/21/2012	2,000,000.00	2,000,780.00	2,000,000.00	1.100	AA+	1.100	1,815	08/21/2017
313380C62	11049	FEDERAL HOME LOAN BANK		08/23/2012	2,000,000.00	1,998,200.00	2,000,000.00	0.500	AA+	1.031	1,817	08/23/2017
3128X1CS4	10915	FEDERAL HOME LOAN MORTGAGE CO		10/27/2010	1,000,000.00	1,053,740.00	1,046,236.42	4.580	AA+	0.730	444	11/19/2013
3134G23S9	10995	FEDERAL HOME LOAN MORTGAGE CO		11/07/2011	1,000,000.00	1,001,110.00	1,000,000.00	1.050	AA+	1.050	978	05/07/2015
3134G23F7	10996	FEDERAL HOME LOAN MORTGAGE CO		11/16/2011	1,000,000.00	1,001,490.00	1,000,000.00	1.250	AA+	1.250	1,171	11/16/2015
3134G25C2	10997	FEDERAL HOME LOAN MORTGAGE CO		11/29/2011	1,000,000.00	1,002,630.00	1,000,000.00	1.500	AA+	1.500	1,550	11/29/2016
3134G3BQ2	10998	FEDERAL HOME LOAN MORTGAGE CO		11/28/2011	2,000,000.00	2,005,540.00	2,000,000.00	1.375	AA+	1.713	1,549	11/28/2016
3134G3EN6	11003	FEDERAL HOME LOAN MORTGAGE CO		12/30/2011	1,000,000.00	1,006,350.00	1,000,000.00	1.000	AA+	1.000	1,032	06/30/2015
3134G3GG9	11008	FEDERAL HOME LOAN MORTGAGE CO		01/09/2012	1,000,000.00	1,001,760.00	1,000,177.78	0.850	AA+	0.833	860	01/09/2015
3134G3GM6	11009	FEDERAL HOME LOAN MORTGAGE CO		01/13/2012	1,000,000.00	1,011,090.00	1,000,000.00	1.300	AA+	1.300	1,595	01/13/2017

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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM	Days to Maturity	Maturity Date
Federal Agency Issues - Coupon												
3134G3GX2	11010	FEDERAL HOME LOAN MORTGAGE CO		01/13/2012	2,000,000.00	2,019,220.00	2,000,000.00	1.400	AA+	1.400	1,595	01/13/2017
3137EADC0	11017	FEDERAL HOME LOAN MORTGAGE CO		01/30/2012	1,000,000.00	1,012,660.00	996,901.80	1.000	AA+	1.071	1,649	03/08/2017
3134G3MR8	11018	FEDERAL HOME LOAN MORTGAGE CO		02/13/2012	1,000,000.00	1,003,570.00	1,000,000.00	0.550	AA+	0.550	895	02/13/2015
3134G3NA4	11019	FEDERAL HOME LOAN MORTGAGE CO		02/28/2012	3,000,000.00	3,025,230.00	3,000,000.00	0.750	AA+	0.750	1,641	02/28/2017
3134G3MX5	11021	FEDERAL HOME LOAN MORTGAGE CO		02/24/2012	1,000,000.00	1,006,180.00	1,000,000.00	0.800	AA+	0.800	1,271	02/24/2016
3134G3NA4	11022	FEDERAL HOME LOAN MORTGAGE CO		02/28/2012	2,000,000.00	2,016,820.00	2,000,000.00	0.750	AA+	1.313	1,641	02/28/2017
3134G3MT4	11026	FEDERAL HOME LOAN MORTGAGE CO		02/24/2012	2,000,000.00	2,012,660.00	2,000,000.00	1.125	AA+	1.125	1,637	02/24/2017
3134G3SD3	11027	FEDERAL HOME LOAN MORTGAGE CO		03/28/2012	2,000,000.00	2,012,820.00	2,000,000.00	0.750	AA+	0.750	1,122	09/28/2015
3137EACT4	11034	FEDERAL HOME LOAN MORTGAGE CO		04/26/2012	1,000,000.00	1,071,980.00	1,062,020.31	2.500	AA+	0.810	1,364	05/27/2016
3134G3VH0	11038	FEDERAL HOME LOAN MORTGAGE CO		05/24/2012	5,000,000.00	5,020,200.00	5,000,000.00	1.200	AA+	1.200	1,726	05/24/2017
3134G3WD8	11039	FEDERAL HOME LOAN MORTGAGE CO		06/12/2012	2,000,000.00	2,012,000.00	2,000,000.00	1.250	AA+	1.250	1,745	06/12/2017
3136FPEE3	10905	FEDERAL NATIONAL MORT ASSOC		09/14/2010	2,000,000.00	2,000,680.00	1,999,963.89	1.725	AA+	1.746	1,108	09/14/2015
3136FPGA9	10906	FEDERAL NATIONAL MORT ASSOC		09/20/2010	1,000,000.00	1,000,110.00	1,000,000.00	1.000	AA+	1.000	384	09/20/2013
3136FRUP6	10967	FEDERAL NATIONAL MORT ASSOC		07/15/2011	3,000,000.00	3,046,140.00	3,000,000.00	2.000	AA+	2.000	1,413	07/15/2016
3136FRV59	10987	FEDERAL NATIONAL MORT ASSOC		09/14/2011	1,000,000.00	1,000,270.00	1,000,000.00	1.050	AA+	1.516	1,474	09/14/2016
3136FTFU8	10990	FEDERAL NATIONAL MORT ASSOC		10/26/2011	2,000,000.00	2,002,780.00	2,000,000.00	1.250	AA+	1.839	1,516	10/26/2016
3136FTEP0	10991	FEDERAL NATIONAL MORT ASSOC		10/26/2011	1,800,000.00	1,803,402.00	1,800,000.00	1.375	AA+	1.689	1,516	10/26/2016
3136FTSH3	11000	FEDERAL NATIONAL MORT ASSOC		12/20/2011	1,000,000.00	1,002,950.00	1,000,000.00	1.250	AA+	1.810	1,571	12/20/2016
3136FTTT6	11002	FEDERAL NATIONAL MORT ASSOC		12/28/2011	1,000,000.00	1,003,360.00	1,000,000.00	1.375	AA+	1.815	1,579	12/28/2016
3136FTH44	11016	FEDERAL NATIONAL MORT ASSOC		02/08/2012	2,000,000.00	2,008,860.00	2,000,000.00	1.000	AA+	1.343	1,621	02/08/2017
3136FTV89	11025	FEDERAL NATIONAL MORT ASSOC		02/28/2012	2,000,000.00	2,006,180.00	1,998,033.33	0.500	AA+	1.331	1,641	02/28/2017
3136FT3W7	11031	FEDERAL NATIONAL MORT ASSOC		03/28/2012	2,000,000.00	2,011,720.00	2,000,000.00	1.125	AA+	1.332	1,669	03/28/2017
3136G0DQ1	11033	FEDERAL NATIONAL MORT ASSOC		04/26/2012	2,000,000.00	2,008,200.00	2,000,000.00	1.000	AA+	0.998	1,424	07/26/2016
3136G0VA6	11050	FEDERAL NATIONAL MORT ASSOC		08/14/2012	1,000,000.00	1,001,230.00	1,000,000.00	0.625	AA+	1.226	1,808	08/14/2017
		Subtotal and Average	**95,566,444.45**		**96,390,000.00**	**97,729,451.20**	**96,880,637.16**			**1.360**	**1,328**	
Medium Term Notes												
88579EAE5	10895	3M Company		07/20/2010	1,000,000.00	1,039,260.00	1,029,697.01	4.375	AA-	1.200	348	08/15/2013
06738KXV8	10989	Barclays Bank		10/28/2011	3,000,000.00	2,960,580.00	3,000,000.00	4.375	A+	3.287	1,518	10/28/2016
084664AD3	10714	Berkshire Hathaway		01/18/2008	1,000,000.00	1,047,040.00	1,003,189.78	4.625	AA+	4.300	409	10/15/2013
084670AU2	10938	Berkshire Hathaway		02/08/2011	3,000,000.00	3,023,670.00	3,015,402.49	2.125	AA+	0.956	163	02/11/2013
17314JAT0	10874	Citibank		04/15/2010	3,000,000.00	3,014,580.00	3,001,893.88	1.750	AA+	1.112	118	12/28/2012
191216AN0	10924	COCA-COLA		11/22/2010	1,085,000.00	1,090,566.05	1,081,783.20	0.750	A+	1.000	440	11/15/2013
36962G4H4	10913	General Electric		10/19/2010	1,000,000.00	1,008,290.00	1,005,817.52	2.800	AA+	1.125	129	01/08/2013
36962G4T8	10925	General Electric		11/19/2010	1,000,000.00	1,034,410.00	986,358.68	2.250	AA+	2.710	1,164	11/09/2015

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August 31, 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												
36962G4X9	10935	General Electric Capital Corp		01/10/2011	2,000,000.00	2,039,640.00	1,998,601.11	2.100	AA+	2.154	493	01/07/2014
36962G5N0	11011	General Electric Capital Corp		01/10/2012	2,000,000.00	2,119,320.00	2,002,614.79	2.900	AA+	2.868	1,591	01/09/2017
36962G5M2	11012	General Electric Capital Corp		01/10/2012	2,000,000.00	2,060,940.00	2,003,615.20	2.150	AA+	2.070	860	01/09/2015
36962G4N1	11024	General Electric Capital Corp		02/22/2012	2,000,000.00	1,996,240.00	1,980,480.38	1.217		1.559	1,074	08/11/2015
594918AB0	10821	MicroSoft Corp		08/17/2009	1,000,000.00	1,044,990.00	1,000,000.00	2.950	AAA	2.949	638	06/01/2014
89233P4H6	10945	Toyota Motor Credit Corp		02/23/2011	1,000,000.00	1,010,260.00	1,000,790.17	1.375	AA-	1.290	345	08/12/2013
89233P5S1	11015	Toyota Motor Credit Corp		01/13/2012	1,000,000.00	1,041,280.00	1,003,720.10	2.050	AA-	1.960	1,594	01/12/2017
89233P5Z5	11023	Toyota Motor Credit Corp		02/17/2012	2,000,000.00	2,020,480.00	1,997,538.89	1.000	AA-	1.102	899	02/17/2015
89233P6C5	11036	Toyota Motor Credit Corp		05/01/2012	2,000,000.00	1,996,840.00	2,000,000.00	0.500	AA-	0.997	971	04/30/2015
931142CN1	10820	Wal-Mart Stores		08/14/2009	2,000,000.00	2,072,140.00	2,002,590.23	3.000	AA	2.902	520	02/03/2014
931142CT8	10928	Wal-Mart Stores		12/15/2010	1,000,000.00	1,046,000.00	1,000,993.87	2.250	AA	2.213	1,040	07/08/2015
		Subtotal and Average	**32,118,255.25**		**32,085,000.00**	**32,666,526.05**	**32,115,087.30**			**1.938**	**758**	
		Total and Average	**145,326,329.75**		**148,660,470.69**	**150,577,317.24**	**149,181,195.15**			**1.336**	**1,039**	

Data Updated: SET_TR: 09/24/2012 11:55
Run Date: 09/24/2012 - 11:55

Portfolio CITY
AP
PM (PRF_PM2) 7.2.5

Monthly Investment Reports
Portfolio Management
Portfolio Details - Cash
August 31, 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	Accrued Interest at Purchase		8,222.23	8,222.23				0
				Subtotal		8,222.23	8,222.23				
		Total Cash and Investments	145,326,329.75		148,660,470.69	150,585,539.47	149,189,417.38			1.336	1,039

Data Updated: SET_TR: 09/24/2012 11:55
Run Date: 09/24/2012 - 11:55

Portfolio CITY
AP
PM (PRF_PM2) 7.2.5

II. RESTRICTED FUNDS

Reports Appear Quarterly

III. CASH & INVESTMENT PORTFOLIO SHARE

City of Torrance
Investment Report
August 2012

CASH AND INVESTMENT PORTFOLIO SHARE (A)
AS OF AUGUST 31, 2012

FUND	SHARE OF INVESTMENTS	POOLED CASH & INVESTMENTS BALANCE		CASH PERCENT
General	22,869,477.20	22,881,386.41		15.33
Parks & Recr Facility & Open Space	4,206,909.70	4,209,749.50		2.82
State Gas Tax	11,546,624.50	11,560,356.44		7.74
Federal Housing, Community Dev	939,841.53	934,274.24		0.63
Street Lighting	29,836.24	27,060.00		0.02
Traffic Congestion Relief Act 2000 - AB2928	59,672.48	64,481.82		0.04
Proposition 1B	2,058,700.49	2,059,419.01		1.38
Police Asset Forfeiture	4,132,319.11	4,130,805.60		2.77
Drainage Improvement	14,918.12	19,444.47		0.01
Measure R Local Return	3,162,641.34	3,172,832.60		2.12
Government Cable	4,266,582.18	4,269,182.32		2.86
Local Return - Proposition C	5,042,324.40	5,053,311.62		3.38
TDA Article 3 Bicycle Fund	14,918.12	21,063.54		0.01
Grants/Donations	(611,642.90)	(606,581.36)	(B)	(0.41)
CDBG Fund	(14,918.12)	(15,267.22)	(C)	(0.01)
Citizens Options for Public Safety (COPS) Grant Funds - AB3229	253,608.03	254,697.35		0.17
Seismic Education Fund	59,672.48	57,689.80		0.04
Rehabilitation Housing	686,233.50	686,334.73		0.46
Meadow Park Parking Lot	29,836.24	37,146.42		0.02
Police Inmate Welfare Fund	44,754.36	51,568.56		0.03
Capital Improvements	20,273,724.42	20,299,609.23		13.59
Geologic Hazard Abatement	14,918.12	14,316.64		0.01
El Camino Training Fund-Fire	164,099.31	160,161.61		0.11
El Camino Training Fund-Police	14,918.12	10,000.00		0.01
Vanpool/Rideshare Fund	-	6,056.24		0.00
Torrance Public Financing - 1998 COP Fire/Police	-	-		0.00
Animal Control Fund	-	2,426.75		0.00
Successor Agency - Skypark Capital Project	-	-		0.00
Successor Agency - Downtown Capital Project	-	-		0.00
Successor Agency - Industrial Capital Project	-	-		0.00
Successor Agency - Low Mod Housing Capital Project	(29,836.24)	(27,025.12)	(D)	(0.02)
Successor Agency - Downtown Debt Service	14,918.12	9,593.10		0.01
Successor Agency - Skypark Debt Service	-	3,052.38		0.00
Successor Agency - Industrial Debt Service	14,918.12	17,761.30		0.01
Underground Storage Tank Fund	-	3,000.00		0.00
DNA Sampling Fund	74,590.60	76,530.00		0.05
Airport Fund	6,101,510.88	6,109,659.68		4.09
Transit Operations	10,532,192.38	10,544,328.07		7.06
Development Impact Fund	1,178,531.44	1,174,722.69		0.79
Water Operations	7,802,176.51	7,810,116.30		5.23
Emergency Medical Service Enterprise Fund	-	-		-
Sanitation Operations	(59,672.48)	(62,889.68)	(E)	(0.04)
Cultural Arts Enterprise	179,017.43	179,557.43		0.12
Sewer Enterprise Fund	9,666,941.45	9,675,038.82		6.48
Parks & Recreation Enterprise Fund	(164,099.31)	(161,429.59)	(F)	(0.11)
Self Insurance Fund	6,802,662.50	6,812,323.31		4.56
Fleet Services	16,738,130.10	16,767,656.48		11.22
Postemployment/Compensated Absences Fund	7,727,585.91	7,733,731.32		5.18
Trust & Agency	3,341,658.77	3,353,476.59		2.24
RDA Successor Agency-Low Mod Housing	-	4,802,982.12	(G)	-
TOTAL	**149,181,195.15**	**154,183,711.52**		**100.00**

(A) The difference between the Share of Investments total of $149,181,195.15 and the Pooled Cash and Investments total of $154,183,711.52 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 <$1,341,641.03>. Reimbursement request in the amount of $775,806.06 was submitted on 8/17/2012. The balance of $569,544 is the retention that City still holds.

T-030 Del Amo Blvd. extension project - ARRA-Federal Grant has a negative cash balance of <$312,417.80>. The balance of $312,147.80 represents the 10% retention. Department will request reimbursement when releasing the retention.

FEAP702 Fluoridation County Grants project - County Grant has a negative cash balance of <$168,838.97>. Reimbursement check in the amount of $148,707.87 was received on 9/6/2012.

FEAP764 Torrance Transit Terminal project - Measure R HW-MTA Grant has a negative cash balance of <$400,193.81>. Reimbursement check in the amount of $182,719.37 was received on 9/6/2012. Another quarterly reimbursement request will be filed in October 2012.

2008 UASI Grant-Fire - UASI Grant-P25 Radios has a negative cash balance of <$495,121.99>, Reimbursement request has been submitted in Jan 2012. County will not commit to a specific date.

(C) CDBG Fund has a negative cash balance for <$15,267.22>. Reimbursement checks in the amount of $11,107 were received on 9/13/2012. Reimbursement request in the amount of $2,880 was submitted in May 2012 subject to County's review. Reimbursement request for the balance of $1,280 will be submitted by 9/30/2012.

(D) The negative cash balance represents the Senior Housing Subsidy payments. Housing Successor Agency will make a loan of $42,500 to this fund to cover the cost. The loan will be paid back from future RDA property tax increments.

(E) Sanitation Operations Fund has a negative fund due to the purchase of recycling containers from Toter, Inc. for $613,481 in May 2012. We anticipate future revenues to cover this deficit.

(F) Negative cash balance represents net losses from prior years

(G) The cash balance of RDA Successor Agency Low Mod Fund is in a separate bank account.

City of Torrance
Investment Report
August 2012

CASH AND INVESTMENTS RECONCILIATION
AS OF AUGUST 31, 2012

INVESTMENTS PER PORTFOLIO SUMMARY (City Pool)		**149,181,195.15**
CASH AND INVESTMENTS PER BOOKS		**154,183,711.52**
CASH IN BANKS:		
Cash in B of A General Account		(1,053,962.61)
OUTSTANDING WARRANTS:		
General Account	926,844.18	
Payroll Account	152,698.56	
Workers Compensation Account	91,002.76	
		1,170,545.50
Miscellaneous outstanding adjusting journal entries		(381,781.19)
Housing Fund restricted cash		(1,266,546.73)
RDA Successor Agency-Low Mod Housing cash		(4,802,982.12)
Payroll for PE 08/31/12 posted on 08/31/12 and paid on 09/14/12		1,332,210.78
INVESTMENTS PER BOOKS		**149,181,195.15**