

# City of Manhattan Beach

## Investment Portfolio February 2013

As Finance Director for the City of Manhattan Beach, I hereby certify that these investments are in compliance with the City's investment policy (unless otherwise noted). Sufficient liquidity has been maintained to meet budget expenditure requirements for the current six month period.

---

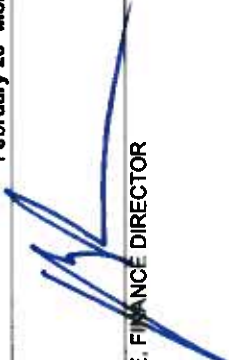
Bruce Moe, Director of Finance

**CITY OF MANHATTAN BEACH**  
**Portfolio Management**  
**Portfolio Summary**  
**February 1, 2013 through February 28, 2013**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
LAI	35,400,000.00	35,400,000.00	35,400,000.00	52.18	1	1	0.282	0.286
Certificates of Deposit - Bank	4,655,000.00	4,697,990.15	4,655,000.00	6.86	1,413	1,138	1.159	1.175
Medium Term Notes	8,000,000.00	8,276,995.00	8,265,942.43	12.18	1,309	1,156	1.250	1.267
Federal Agency Issues - Coupon	19,000,000.00	19,655,770.00	19,518,613.51	28.77	1,515	787	1.537	1.558
<b>Investments</b>	<b>67,055,000.00</b>	<b>68,030,755.15</b>	<b>67,839,555.94</b>	<b>100.00%</b>	<b>693</b>	<b>446</b>	<b>0.821</b>	<b>0.832</b>
<b>Cash and Accrued Interest</b>								
Passbook/Checking (not included in yield calculations)	-144,218.14	-144,218.14	-144,218.14		0	0	0.000	0.000
Accrued Interest at Purchase		5,600.00	5,600.00					
Subtotal		-138,618.14	-138,618.14					
<b>Total Cash and Investments</b>	<b>66,910,781.86</b>	<b>67,892,137.01</b>	<b>67,700,937.80</b>		<b>693</b>	<b>446</b>	<b>0.821</b>	<b>0.832</b>

**Total Earnings** February 28 Month Ending 68,471.75  
**Current Year**

BRUCE A. MOE, FINANCE DIRECTOR



Reporting period 02/01/2013-02/28/2013

Run Date: 03/21/2013 - 11:43

No fiscal year history available

Portfolio CITY  
 CP  
 PM (PRF\_PM1) SymRept 6.42  
 Report Ver. 5.00

**CITY OF MANHATTAN BEACH**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**February 28, 2013**

CUSIP	Investment #	Issuer	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity	Maturity Date
LAIF											
SYSD0000	3000	Local Agency Invest. Fund	07/01/2000	35,400,000.00	35,400,000.00	35,400,000.00	0.286		0.286	1	
		<b>Subtotal and Average</b>		<b>35,400,000.00</b>	<b>35,400,000.00</b>	<b>35,400,000.00</b>	<b>0.286</b>		<b>0.286</b>	<b>1</b>	
<b>Certificates of Deposit - Bank</b>											
SYSD0007	CD0007	Ally Bank	03/21/2012	245,000.00	247,932.65	245,000.00	1.150		1.150	1,116	03/21/2016
SYSD0002	CD0002	American Express Centurion Ban	09/29/2011	245,000.00	246,553.30	245,000.00	1.150		1.150	395	03/31/2014
SYSD0014	CD0014	Bank of Holland	08/29/2012	245,000.00	245,225.40	245,000.00	1.050		1.050	1,642	08/29/2017
SYSD0017	CD0017	BMW BK NORTH AMER	10/26/2012	245,000.00	245,712.95	245,000.00	0.700		0.700	605	10/27/2014
SYSD0003	CD0003	Bank of Manhattan	10/28/2011	245,000.00	245,000.00	245,000.00	1.730		1.730	971	10/28/2015
SYSD0008	CD0008	Bremer Bank	05/30/2012	245,000.00	245,837.90	245,000.00	1.100		1.100	1,551	05/30/2017
SYSD0001	CD0001	Cit Bank	09/28/2011	245,000.00	246,418.55	245,000.00	1.150		1.150	392	03/28/2014
SYSD0006	CD0006	Discover Bank Greenwood Intere	02/15/2012	245,000.00	251,291.60	245,000.00	1.600		1.600	1,447	02/15/2017
SYSD0013	CD0013	Everbank Jacksonville FL	08/29/2012	245,000.00	247,278.50	245,000.00	0.900		0.900	1,277	08/29/2016
SYSD0011	CD0011	Flushing SVGS BK NY	07/27/2012	245,000.00	249,008.20	245,000.00	1.100		1.100	1,609	07/27/2017
SYSD0004	CD0004	GENERAL ELECTRIC CAPITAL	12/29/2011	245,000.00	251,967.80	245,000.00	2.100	AA2	2.100	1,399	12/29/2016
SYSD0005	CD0005	Goldman Sachs	01/05/2012	245,000.00	251,470.45	245,000.00	2.050		2.050	1,406	01/05/2017
SYSD0010	CD0010	BANK HAPQALM NY	07/24/2012	245,000.00	246,391.60	245,000.00	1.000		1.000	875	07/24/2015
SYSD0015	CD0015	Merrick Bank	08/29/2012	245,000.00	247,322.60	245,000.00	0.700		0.700	1,095	02/29/2016
SYSD0009	CD0009	Safra National Bank	05/31/2012	245,000.00	246,548.40	245,000.00	0.600		0.600	822	06/01/2015
SYSD0012	CD0012	SALLIE MAE BANK	08/08/2012	245,000.00	246,332.60	245,000.00	1.100		1.100	892	08/10/2015
SYSD0018	CD0018	State Bank of India	12/21/2012	245,000.00	246,002.05	245,000.00	1.200		1.200	1,756	12/21/2017
SYSD0016	CD0016	SOVEREIGN BANK NATL ASSN	10/24/2012	245,000.00	245,715.40	245,000.00	0.750		0.750	602	10/24/2014
SYSD0019	CD0019	Webster Bank	12/26/2012	245,000.00	245,980.00	245,000.00	1.000		1.000	1,761	12/28/2017
		<b>Subtotal and Average</b>		<b>4,655,000.00</b>	<b>4,697,990.15</b>	<b>4,655,000.00</b>			<b>1.175</b>	<b>1,138</b>	

Money Market Fund	Investment #	Issuer	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity	Maturity Date
SYSGMRA39907	GMRA39907	Union Bank of California	10/09/2008	0.00	0.00	0.00	0.350		0.350	1	
		<b>Subtotal and Average</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.350</b>		<b>0.350</b>	<b>0</b>	

Medium Term Notes	Investment #	Issuer	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity	Maturity Date
084670BD9	MTN0065	BERKSHIRE HATHWY	07/20/2012	1,000,000.00	1,031,950.00	1,034,591.42	1.900	Aaa	1.112	1,432	01/31/2017
20271RAA8	MTN0063	Commonwealth Bank Australia	06/13/2012	1,000,000.00	1,025,810.00	1,006,690.00	1.950		1.750	745	03/16/2015
36962G5C4	MTN0068	Gen elec Cap Corp	10/24/2012	2,000,000.00	2,115,980.00	2,118,131.15	2.950		1.350	1,165	05/09/2016
63254AAC2	MTN0067	NATL AUSTRALIA BANK	10/24/2012	500,000.00	508,600.00	509,880.00	1.600		0.880	889	08/07/2015
89233P6S0	MTN0069	Toyota Motor Corp	12/21/2012	1,000,000.00	1,000,800.00	1,005,100.00	1.250		1.140	1,679	10/05/2017
90520EAC5	MTN0070	Union Bank	12/21/2012	1,000,000.00	1,055,670.00	1,059,655.61	3.000		1.244	1,193	06/06/2016
94974BFA3	MTN0064	WELLS FARGO & CO SRNT	07/20/2012	1,000,000.00	1,009,450.00	1,003,270.00	1.250		1.120	714	02/13/2015
94974BEZ9	MTN0068	WELLS FARGO & CO	10/24/2012	500,000.00	527,735.00	528,624.25	2.625		1.256	1,385	12/15/2016

Portfolio CITY  
CP  
PM (PRF\_PM2) SymRept 6.42

**CITY OF MANHATTAN BEACH**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**February 28, 2013**

CUSIP	Investment #	Issuer	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 365	Days to Maturity	Maturity Date
<b>Subtotal and Average</b>				8,000,000.00	8,278,995.00	8,265,942.43			1.267	1,156	
<b>Federal Agency Issues - Coupon</b>											
31331Y2Q2	FAC0185	FED FARM CR BK	03/26/2010	1,000,000.00	1,014,420.00	1,075,090.00	4.250	AAA	1.880	129	07/08/2013
31331SNP4	FAC0194	FED FARM CR BK	07/14/2010	2,000,000.00	2,169,160.00	2,105,544.24	4.550	AAA	2.177	733	03/04/2015
3133EAUE6	FAC0211	FED FARM CR BK	06/14/2012	2,000,000.00	2,003,200.00	2,000,000.00	0.875	AAA	0.875	1,201	06/14/2016
3133XSAE8	FAC0186	Federal Home Loan Bank	03/26/2010	2,000,000.00	2,042,880.00	2,109,020.00	3.625	AAA	2.030	231	10/18/2913
31337SSZ6	FAC0202	Federal Home Loan Bank	08/29/2011	1,000,000.00	1,052,440.00	1,031,205.35	2.125	AAA	1.233	1,197	06/10/2016
3137EACD9	FAC0198	Federal Home Loan Mortgage	12/22/2010	2,000,000.00	2,076,040.00	2,048,429.01	3.000	AAA	1.576	514	07/28/2014
3128X3L76	FAC0191	Freddie Mac	06/04/2010	2,000,000.00	2,153,760.00	2,096,181.34	5.000	AAA	2.325	622	11/13/2014
3139BAZV7	FAC0197	Fannie Mae	09/20/2010	2,000,000.00	2,081,540.00	2,045,161.07	2.625	AAA	1.482	629	11/20/2014
3136FR7A5	FAC0204	Fannie Mae	10/17/2011	2,000,000.00	2,013,800.00	2,000,000.00	1.250	AAA	1.250	1,326	10/17/2016
3135GOCM3	FAC0206	Fannie Mae	12/28/2011	2,000,000.00	2,047,840.00	2,006,420.00	1.250	AAA	1.160	1,307	09/28/2016
3135GOLL5	FAC0210	Fannie Mae	06/11/2012	1,000,000.00	1,000,690.00	1,001,562.50	0.550	AAA	0.499	643	12/04/2014
<b>Subtotal and Average</b>				19,000,000.00	19,855,770.00	19,518,613.51			1.558	787	
<b>Total and Average</b>				67,055,000.00	68,030,755.15	67,839,555.94			0.832	446	

**CITY OF MANHATTAN BEACH  
 Portfolio Management  
 Portfolio Details - Cash  
 February 28, 2013**

CUSIP	Investment #	Issuer	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to 365 Maturity
<b>Money Market Fund</b>										
SYS39903-39902	39901	UNION BANK	06/01/2003	-144,218.14	-144,218.14	-144,218.14			0.000	1
		<b>Subtotal and Average</b>	<b>Accrued Interest at Purchase</b>		5,600.00	5,600.00				0
		<b>Subtotal</b>			-138,618.14	-138,618.14				
		<b>Total Cash and Investments</b>		<b>66,910,781.86</b>	<b>67,892,137.01</b>	<b>67,700,937.80</b>			<b>0.832</b>	<b>446</b>

**City of Manhattan Beach  
Investment Portfolio Summary  
As of February 28, 2013**

<b>PORTFOLIO PROFILE</b>	<b>Feb 28, 2013</b>	<b>Jan 31, 2013</b>	<b>Dec 31, 2012</b>	<b>Nov 30, 2012</b>	<b>Oct 31, 2012</b>
Total Book Value (Excluding Trust Funds)	\$67,839,556	\$66,039,556	\$62,739,556	\$57,878,152	\$58,831,512
Increase/(Decrease) from Prior Period	1,800,000	3,300,000	4,861,404	(953,360)	(2,299,490)
Percentage Change	2.7%	5.3%	8.4%	(1.6%)	(3.76%)
Average Yield to Maturity (365 Days)	0.832%	0.855%	0.896%	0.921%	0.944%
Increase/(Decrease) from Prior Period	(0.022%)	(0.042%)	(0.025%)	(0.023%)	(0.102%)

**PORTFOLIO ALLOCATIONS**

<b>By Security</b>	<b>Value (Par)</b>	<b>Percent</b>	<b>Par YTM</b>	<b>Time Horizon</b>	<b>Percent</b>
LAIF*	\$35,400,000	52.8%	0.286%	Next 12 months	57%
Certificates of Deposit	4,655,000	6.9%	1.175%	Months 13-24	13%
Medium Term Notes	8,000,000	11.9%	1.267%	Months 25-36	7%
Federal Agencies	19,000,000	28.3%	1.558%	Months 37-48	19%
<b>Total</b>	<b>\$67,055,000</b>	<b>100.0%</b>	<b>0.825%</b>	Months 49-60	3%
				<b>Total</b>	<b>100.0%</b>

\*LAIF YTM as of February 28, 2013

**RECENT ACTIVITY**

<b>Security</b>	<b>Date of Activity</b>	<b>Maturity Date</b>	<b>Purchase (Par)</b>	<b>Maturing/Call</b>	<b>YTM</b>
National Australia Bank - 1.6% Coupon	10/24/2012	8/7/2015	\$500,000		0.880%
Wells Fargo - 2.625% Coupon	10/24/2012	12/15/2016	500,000		1.256%
Certificate of Deposit - 0.7% Coupon	10/26/2012	10/26/2014	245,000		0.700%
Certificate of Deposit - 1.2% Coupon	12/21/2012	12/21/2017	245,000		1.200%
Certificate of Deposit - 1.0% Coupon	12/26/2012	12/26/2017	245,000		1.000%
Toyota Motor Credit - 1.25% Coupon	12/21/2012	10/5/2017	1,000,000		1.140%
Union Bank - 3% Coupon	12/21/2012	6/6/2016	1,000,000		1.240%
<b>Total Purchases</b>			<b>\$3,735,000</b>		<b>1.113%</b>
Called: FFCB - 0.77% Coupon	10/3/2012	2/1/2016		\$2,000,000	0.798%
Called: FFCB - 0.69% Coupon	10/5/2012	10/30/2015		2,000,000	0.720%
Called: FHLB - 1.00% Coupon	10/9/2012	1/3/2017		2,000,000	1.000%
Matured: GE Cap - 5.25% Coupon	10/19/2012	10/19/2012		2,000,000	3.950%
Matured: FHLB - 1.95% Coupon	11/15/2012	11/15/2012		1,000,000	1.840%
Called: FNMA - 0.7% Coupon	12/18/2012	9/18/2015		2,000,000	0.700%
<b>Total Maturing/Calls</b>				<b>\$11,000,000</b>	<b>1.471%</b>

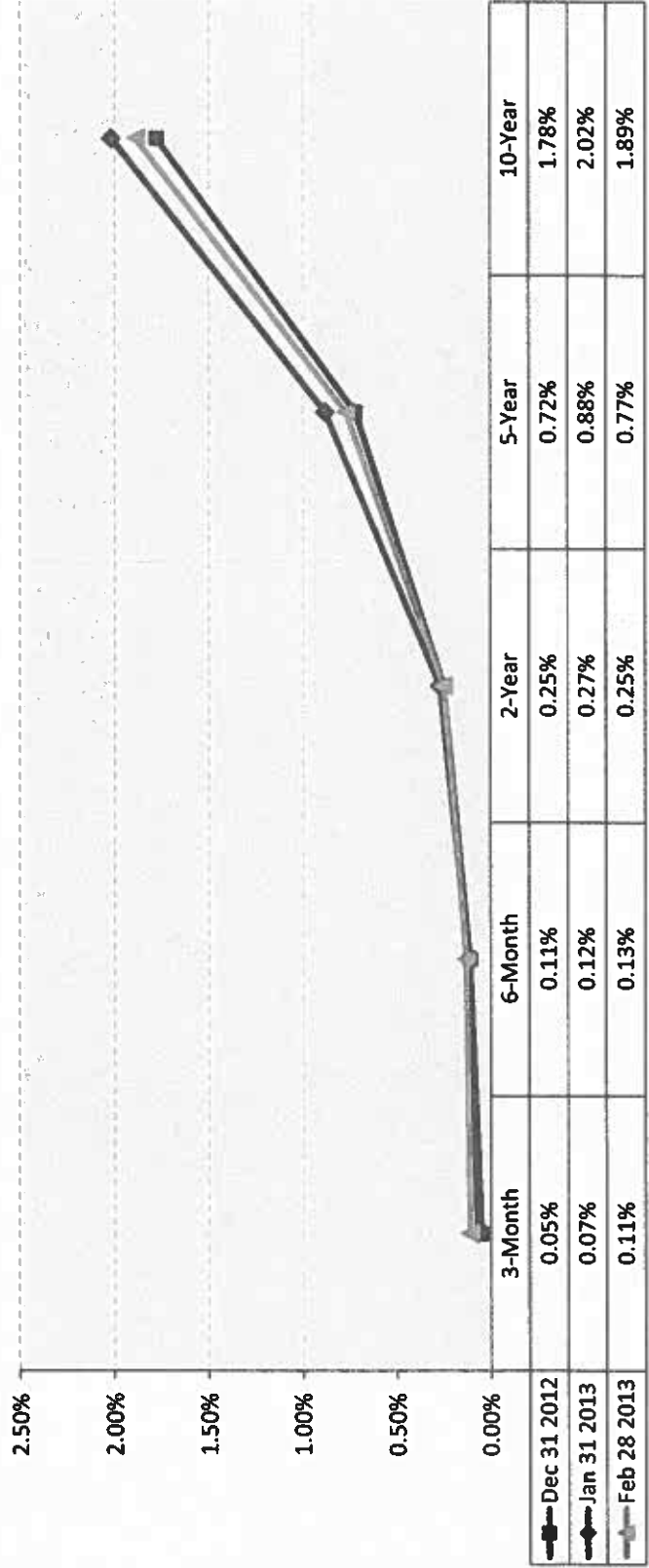
**City of Manhattan Beach  
Investment Portfolio Summary  
As of February 28, 2013**

PORTFOLIO FUNDS HELD IN TRUST	Value
Police/Fire Debt Service Reserve Fund	-
Police/Fire Refund Escrow	\$11,672,777
Police/Fire Refund Delivery Cost	23,061
Marine Avenue	20,430
Pension Bond	16
Metlox & Water/Wastewater Refunding	4
UUAD Assessment Funds	1,576,566
<b>Total Funds Held In Trust</b>	<b>\$13,292,855</b>

As of February 28, 2013

**US Treasuries Yield Curve**

[www.treas.gov](http://www.treas.gov)



**CITY OF MANHATTAN BEACH**  
**Portfolio Maturity Structure**  
 March 2013 through February 2018

**HELD TO MATURITY**  
**Rolling 60 Months**

Month	Mat.	YTM	Inv	Call	Amnt	Month	Mat.	YTM	Inv	Call	Amnt	Month	Mat.	YTM	Inv	Call	Amnt
Mar 13						Mar 14	3/28/14	1.15%	CD	nc	\$0.2M	Mar 15	3/21/15	1.15%	CD	nc	\$0.2M
Apr 13						Apr 14	3/31/14	1.15%	CD	nc	\$0.2M	Apr 15	3/16/15	1.75%	MTN	nc	\$1.0M
May 13						May 14						May 15	5/8/16	1.35%	MTN	nc	\$2.0M
Jun 13						Jun 14						Jun 15	6/1/15	0.80%	CD	nc	\$0.2M
Jul 13	7/8/13	1.88%	FFCB	nc	\$1.0M	Jul 14	7/28/14	1.58%	FHLMC	nc	\$2.0M	Jul 15	7/24/15	1.00%	CD	nc	\$0.2M
Aug 13						Aug 14						Aug 15	8/7/15	0.88%	MTN	nc	\$0.5M
Sep 13						Sep 14						Sep 15	8/10/15	1.10%	CD	nc	\$0.2M
Oct 13	10/16/13	2.03%	FHLB	nc	\$2.0M	Oct 14	10/24/14	0.75%	CD	nc	\$0.2M	Oct 15	10/29/15	1.73%	CD	nc	\$0.2M
Nov 13						Nov 14	11/13/14	2.33%	FHLMC	nc	\$2.0M	Nov 15					
Dec 13						Dec 14	11/20/14	1.48%	FNMA	nc	\$2.0M	Dec 15	12/29/16	2.10%	CD	nc	\$0.2M
Jan 14						Jan 15	12/4/14	0.50%	FNMA	6/4/13	\$1.0M	Jan 16	1/15/17	2.05%	CD	nc	\$0.2M
Feb 14						Feb 15	2/13/15	1.12%	MTN	nc	\$1.0M	Feb 16	2/15/17	1.80%	CD	nc	\$0.2M
Total By Year (excl LAIF)					\$3.0M						\$4.7M						\$12.7M
% of Total Securities (excl LAIF)					9%						15%						40%
% of Total Investments (incl LAIF)					57%						7%						19%

Total Securities	47%	\$31.7M
LAIF	53%	\$35.4M
Total Investments	100%	\$67.1M

Shaded rows indicate months with significant cash inflows.



# City of Manhattan Beach Investment Policy Compliance Chart

As of February 28, 2013

Instrument	Par Value	% of Total	Dollar Compliance		Percentage Compliance		Term Compliance	
			Limit	Compliant?	Limit	Compliant?	Limit	Compliant?
<b>Local Agency Investment Fund (LAIF)*</b>	<b>\$35,400,000</b>	<b>52.8%</b>	<b>\$40,000,000</b>	<b>Yes</b>				
<b>Certificates of Deposit</b>								
Ally Bank	\$245,000	0.4%	\$1,000,000	Yes	5.0%	Yes	5 Years	Yes
American Express Centurion Bank	245,000	0.4%	1,000,000	Yes	5.0%	Yes	5 Years	Yes
Bank of Manhattan	245,000	0.4%	1,000,000	Yes	5.0%	Yes	5 Years	Yes
Bank Hapoalim - NJ	245,000	0.4%	1,000,000	Yes	5.0%	Yes	5 Years	Yes
Bank of Holland	245,000	0.4%	1,000,000	Yes	5.0%	Yes	5 Years	Yes
Bremer Bank	245,000	0.4%	1,000,000	Yes	5.0%	Yes	5 Years	Yes
BMW Bank	245,000	0.4%	1,000,000	Yes	5.0%	Yes	5 Years	Yes
Cit Bank	245,000	0.4%	1,000,000	Yes	5.0%	Yes	5 Years	Yes
Discover Bank	245,000	0.4%	1,000,000	Yes	5.0%	Yes	5 Years	Yes
Everbank Jacksonville FL	245,000	0.4%	1,000,000	Yes	5.0%	Yes	5 Years	Yes
Flushing Savings Bank NY	245,000	0.4%	1,000,000	Yes	5.0%	Yes	5 Years	Yes
GE Capital Financial Bank	245,000	0.4%	1,000,000	Yes	5.0%	Yes	5 Years	Yes
Goldman Sachs Bank	245,000	0.4%	1,000,000	Yes	5.0%	Yes	5 Years	Yes
Merrick Bank	245,000	0.4%	1,000,000	Yes	5.0%	Yes	5 Years	Yes
Safra National Bank	245,000	0.4%	1,000,000	Yes	5.0%	Yes	5 Years	Yes
Sallie Mae	245,000	0.4%	1,000,000	Yes	5.0%	Yes	5 Years	Yes
Sovereign Bank	245,000	0.4%	1,000,000	Yes	5.0%	Yes	5 Years	Yes
State Bank of India - NY	245,000	0.4%	1,000,000	Yes	5.0%	Yes	5 Years	Yes
Webster Bank	245,000	0.4%	1,000,000	Yes	5.0%	Yes	5 Years	Yes
<b>Total Certificate of Deposit</b>	<b>\$4,655,000</b>	<b>6.9%</b>			<b>20.0%</b>	<b>Yes</b>		
<b>Medium Term (Corporate) Notes</b>								
Berkshire Hathaway	1,000,000	1.5%			5.0%	Yes	3 Years	Yes
Commonwealth Bank Australia	1,000,000	1.5%			5.0%	Yes	3 Years	Yes
General Electric Cap Corp	2,000,000	3.0%			5.0%	Yes	3 Years	Yes
National Australia Bank	500,000	0.7%			5.0%	Yes	3 Years	Yes
Toyota Motor Credit	1,000,000	1.5%			5.0%	Yes	3 Years	Yes
Union Bank	1,000,000	1.5%			5.0%	Yes	3 Years	Yes
Wells Fargo & Company	1,500,000	2.2%			5.0%	Yes	3 Years	Yes
<b>Total Medium Term Notes</b>	<b>\$8,000,000</b>	<b>11.9%</b>			<b>20.0%</b>	<b>Yes</b>		
<b>Federal Agencies</b>								
Federal Home Loan Bank (FHLB)	\$3,000,000	4.5%			33.3%	Yes	5 Years	Yes
Federal Farm Credit (FFCB)	5,000,000	7.5%			33.3%	Yes	5 Years	Yes
Fannie Mae (FNMA)	7,000,000	10.4%			33.3%	Yes	5 Years	Yes
Freddie Mac (FHLMIC)	4,000,000	6.0%			33.3%	Yes	5 Years	Yes
<b>Total Federal Agencies</b>	<b>\$19,000,000</b>	<b>28.3%</b>			<b>60.0%</b>	<b>Yes</b>		
<b>Total Portfolio</b>	<b>\$67,055,000</b>	<b>100.0%</b>						

\*Approved by the Finance Subcommittee for the temporary policy suspension until December 2013 to allow over 50% of the portfolio to be invested in LAIF.

**CITY OF MANHATTAN BEACH**  
**February 28, 2013**

<b><u>Investments</u></b>	<b>Book Value</b>
LAIF	\$35,400,000.00
Medium Term Notes	8,265,942.43
Federal Agency Issues-Coupon	19,518,613.51
Certificates of Deposit	4,655,000.00
<b>Subtotal Investments</b>	<b><u>\$67,839,555.94</u></b>
<b><u>Demand Deposit/Petty Cash</u></b>	
Cash in Bank	(\$144,218.14)
Petty Cash	2,345.06
<b>Total Demand Deposit</b>	<b><u>(\$141,873.08)</u></b>
<b><u>Subtotal City Cash &amp; Investments</u></b>	<b><u>\$67,697,682.86</u></b>
<b><u>Bond Funds Held in Trust</u></b>	
Police/Fire Refund Escrow	11,672,777.37
Police/Fire Refund Delivery Cost	23,060.67
Marine	20,430.46
Pension Bond	16.13
Metlox & Water/Wastewater Refunding	4.44
Utility Assessment Dist	1,576,566.42
<b>Subtotal Bonds Held in Trust</b>	<b><u>\$13,292,855.49</u></b>
<b>Treasurer's Balance</b>	<b><u>\$80,990,538.35</u></b>