

City of Manhattan Beach

Investment Portfolio

March 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
March 31, 2013

<u>Investments</u>	Book Value
LAIF	\$33,100,000.00
Medium Term Notes	8,265,942.43
Federal Agency Issues-Coupon	19,518,613.51
Certificates of Deposit	5,635,000.00
Subtotal Investments	\$66,519,555.94

<u>Demand Deposit/Petty Cash</u>	
Cash in Bank	(\$463,240.25)
Petty Cash	2,345.06
Total Demand Deposit	(\$460,895.19)

Subtotal City Cash & Investments **\$66,058,660.75**

<u>Bond Funds Held in Trust</u>	
Police/Fire Refund Escrow	11,672,777.37
Police/Fire Refund Delivery Cost	23,060.84
Marine	19,665.10
Pension Bond	16.13
Meltox & Water/Wastewater Refunding	4.44
Utility Assessment Dist	1,359,647.65
Subtotal Bonds Held in Trust	\$13,075,171.53
Treasurer's Balance	\$79,133,832.28

CITY OF MANHATTAN BEACH
PORTFOLIO SUMMARY
March 1, 2013 through March 31, 2013

	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv	YTM 365 Equiv
Investments								
LAIF	\$33,100,000.00	\$33,100,000.00	\$33,100,000.00	49.76%	1	1	0.281%	0.285%
Certificates of Deposit	5,635,000.00	5,671,656.90	5,635,000.00	8.47%	1,439	1,185	1.097%	1.112%
Medium Term Notes	8,000,000.00	8,268,145.00	8,265,942.43	12.43%	1,309	1,125	1.249%	1.267%
Federal Agency Issues - Coupon	19,000,000.00	19,631,590.00	19,518,613.51	29.34%	1,515	756	1.537%	1.558%
Subtotal Investments	\$65,735,000.00	\$66,671,391.90	\$66,519,555.94	100.00%	730	463	0.839%	0.851%
Cash & Accrued Interest								
Passbook / Checking <i>(not included in yield calculations)</i>	(\$463,240)	(\$463,240)	(\$463,240)					
Accrued Interest at Purchase	-	-	-					
Subtotal Cash & Accrued Interest	(\$463,240)	(\$463,240)	(\$463,240)					
TOTAL INVESTMENTS & CASH	\$65,271,760	\$66,208,152	\$66,056,316		730	463	0.839%	0.851%



BRUCE A. MOE, FINANCE DIRECTOR

CITY OF MANHATTAN BEACH
PORTFOLIO DETAILS - INVESTMENTS & CASH
At March 31, 2013

Investment	CUSIP	Issuer	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 365	Days to Maturity	Maturity Date
LAIF											
LAIF	SYS3000	Local Agency Invest. Fund	7/1/2000	\$33,100,000	\$33,100,000	\$33,100,000	0.29%		0.285%	1	
Subtotal & Weighted Average				\$33,100,000	\$33,100,000	\$33,100,000			0.285%	1	
Certificates of Deposit											
CD0007	02005QZW6	Ally Bank	3/21/2012	\$245,000	\$247,974	\$245,000	1.15%	NA	1.150%	1,085	3/21/2016
CD0002	02587DDT2	American Express Centurion Ba	9/29/2011	\$245,000	\$246,504	\$245,000	1.15%	NA	1.150%	364	3/31/2014
CD0010	06251AYD6	Bank Hapoallm NY	7/24/2012	245,000	246,475	245,000	1.00%	NA/NA	1.000%	844	7/24/2015
CD0014	062649YA0	Bank of Holland	8/29/2012	245,000	245,260	245,000	1.05%	NA/NA	1.050%	1,611	8/29/2017
CD0003	6210003276	Bank of Manhattan	10/28/2011	245,000	245,000	245,000	1.73%	NA	1.730%	940	10/28/2015
CD0008	106895AX3	Bremer Bank	5/30/2012	245,000	245,564	245,000	1.10%	NA	1.100%	1,520	5/30/2017
CD0001	17284AYY8	Cit Bank	9/28/2011	245,000	246,377	245,000	1.15%	NA	1.150%	361	3/28/2014
CD0006	2546703V2	Discover Bank	2/15/2012	245,000	251,458	245,000	1.60%	NA	1.600%	1,416	2/15/2017
CD0013	29976DNM8	Everbank	8/29/2012	245,000	247,357	245,000	0.90%	NA/NA	0.900%	1,246	8/29/2016
CD0011	344030EQ0	Flushing SB NY	7/27/2012	245,000	249,101	245,000	1.10%	NA/NA	1.100%	1,578	7/27/2017
CD0004	36160XC39	GE Cap Financial Inc	12/29/2011	245,000	252,575	245,000	2.10%	NA	2.100%	1,368	12/29/2016
CD0005	38143AFP5	Goldman Sachs Bk	1/5/2012	245,000	251,622	245,000	2.05%	NA	2.050%	1,385	1/15/2017
CD0015	59012YW29	Merrick Bank	8/29/2012	245,000	247,374	245,000	0.70%	NA/NA	0.700%	1,064	2/29/2016
CD0009	786580Q52	Safra National Bank	5/31/2012	245,000	246,617	245,000	0.80%	NA	0.800%	791	6/1/2015
CD0012	795450NT8	Sallie Mae Bank	8/8/2012	245,000	246,423	245,000	1.10%	NA/NA	1.100%	861	8/10/2015
CD0016	84603M3D6	Sovereign Bank Natl Assn	10/24/2012	245,000	245,742	245,000	0.75%	NA/NA	0.750%	571	10/24/2014
CD0017	05568PZ42	BMW Bank North America	10/26/2012	245,000	245,740	245,000	0.70%	NA/NA	0.700%	574	10/27/2014
CD0018	865284J21	State Bank of India	12/21/2012	245,000	246,159	245,000	1.20%	NA/NA	1.200%	1,725	12/21/2017
CD0019	94768JNE5	Webster Bank	12/26/2012	245,000	246,137	245,000	1.00%	NA/NA	1.000%	1,730	12/26/2017
CD0020	90344LBS7	USNY Bank	3/28/2013	245,000	243,153	245,000	0.75%	NA/NA	0.750%	1,488	4/28/2017
CD0021	373128EC7	Georgla Bank & Trust	3/28/2013	245,000	243,167	245,000	0.75%	NA/NA	0.750%	1,457	3/28/2017
CD0022	747133BP0	Pyramax Bank	3/28/2013	245,000	243,167	245,000	0.75%	NA/NA	0.750%	1,457	3/28/2017
CD0023	938828AA8	Washington Federal	3/28/2013	245,000	242,709	245,000	1.00%	NA/NA	1.000%	1,822	3/28/2018
Total Certificates of Deposit				\$5,635,000	\$5,671,657	\$5,635,000			1.112%	1,185	
Medium Term Notes											
MTN0065	084670BD9	Berkshire Hathaway	7/20/2012	1,000,000	1,031,590	1,034,591	1.90%	Aa2/AA+	1.112%	1,401	1/31/2017
MTN0063	20271RAA8	Commwealth Bank Australia	6/13/2012	1,000,000	1,023,690	1,006,690	1.95%	Aa2/AA-	1.750%	714	3/16/2015
MTN0066	36962G5C4	GE Cap Corp	10/24/2012	2,000,000	2,114,080	2,118,131	2.95%	A1/AA+	1.350%	1,134	5/9/2016
MTN0067	63254AAC2	National Australia Bank	10/24/2012	500,000	508,730	509,880	1.60%	Aa2/AA-	0.880%	858	8/7/2015
MTN0064	94974BFA3	Wells Fargo Co	7/20/2012	1,000,000	1,011,530	1,003,270	1.25%	A2/A+	1.120%	683	2/13/2015
MTN0068	94974BEZ9	Wells Fargo & Co	10/24/2012	500,000	525,445	528,624	2.63%	A2/A+	1.256%	1,354	12/15/2016
MTN0069	89233P6S0	Toyota Motor Credit	12/21/2012	1,000,000	998,910	1,005,100	1.25%	Aa3/AA-	1.140%	1,648	10/5/2017
MTN0070	90520EAC5	Unlon Bank	12/21/2012	1,000,000	1,054,170	1,059,656	3.00%	A2/A+	1.244%	1,162	6/6/2016
Subtotal & Weighted Average				\$8,000,000	\$8,268,145	\$8,265,942			1.267%	1,125	

CITY OF MANHATTAN BEACH
PORTFOLIO DETAILS - INVESTMENTS & CASH
At March 31, 2013

Investment	CUSIP	Issuer	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 365	Days to Maturity	Maturity Date
Federal Agency Issues - Coupons											
FAC0185	31331Y2Q2	Fed Farm Cr Bk	3/26/2010	1,000,000	1,011,320	1,075,090	4.25%	AAA / NA	1.880%	98	7/8/2013
FAC0194	31331SNP4	Fed Farm Cr Bk	7/14/2010	2,000,000	2,163,060	2,105,544	4.55%	AAA / NA	2.177%	702	3/4/2015
FAC0211	3133EAUE6	Fed Farm Cr Bk	6/14/2012	2,000,000	2,002,640	2,000,000	0.88%	NA/AA+	0.875%	1,170	6/14/2016
FAC0186	3133XSAE8	Federal Home Loan Bank	3/26/2010	2,000,000	2,038,120	2,109,020	3.63%	AAA / AAA	2.030%	200	10/18/2013
FAC0202	313373SZ6	Federal Home Loan Bank	8/29/2011	1,000,000	1,051,970	1,031,205	2.13%	Aaa/AA+	1.233%	1,166	6/10/2016
FAC0198	3137EACD9	Freddie Mac	12/22/2010	2,000,000	2,072,200	2,048,429	3.00%	AAA / AAA	1.576%	483	7/28/2014
FAC0191	3128X3L76	Freddie Mac	6/4/2010	2,000,000	2,153,080	2,096,181	5.00%	AAA / AAA	2.325%	591	11/13/2014
FAC0197	31398AZV7	Fannie Mae	9/20/2010	2,000,000	2,078,180	2,045,161	2.63%	AAA / AAA	1.482%	598	11/20/2014
FAC0204	3136FR7A5	Fannie Mae	10/17/2011	2,000,000	2,012,120	2,000,000	1.25%	Aaa/AA+	1.250%	1,295	10/17/2016
FAC0206	3135GOCM3	Fannie Mae	12/28/2011	2,000,000	2,048,360	2,006,420	1.25%	Aaa/AA+	1.180%	1,276	9/28/2016
FAC0210	3135GOLL5	Fannie Mae	6/11/2012	1,000,000	1,000,540	1,001,563	0.55%	Aaa/AA+	0.499%	612	12/4/2014
Subtotal & Weighted Average				\$19,000,000	\$19,631,590	\$19,518,614			1.558%	756	
TOTAL & AVERAGE INVESTMENTS				\$65,735,000	\$66,671,392	\$66,519,556			0.756%	362	
Money Market Fund											
SYS39903	39901	Union Bank	6/1/2003	(\$463,240)	(\$463,240)	(\$463,240)					
Subtotal				(\$463,240)	(\$463,240)	(\$463,240)					
TOTAL INVESTMENTS & CASH				\$65,271,760	\$66,208,152	\$66,056,316			0.756%	362	

City of Manhattan Beach
Investment Portfolio Summary
As of March 31, 2013

PORTFOLIO PROFILE	Mar 31, 2013	Feb 28, 2013	Jan 31, 2013	Dec 31, 2012	Nov 30, 2012
Total Book Value (Excluding Trust Funds)	\$66,519,556	\$67,839,556	\$66,039,556	\$62,739,556	\$57,878,152
Increase/(Decrease) from Prior Period	(1,320,000)	1,800,000	3,300,000	4,861,404	(953,360)
Percentage Change	(1.9%)	2.7%	5.3%	8.4%	(1.62%)
Average Yield to Maturity (365 Days)	0.851%	0.832%	0.855%	0.896%	0.921%
Increase/(Decrease) from Prior Period	0.018%	(0.022%)	(0.042%)	(0.025%)	(0.023%)

PORTFOLIO ALLOCATIONS

By Security	Value (Par)	Percent	Par YTM	Time Horizon	Percent
LAIF*	\$33,100,000	50.4%	0.285%	Next 12 months	56%
Certificates of Deposit	5,635,000	8.6%	1.112%	Months 13-24	17%
Medium Term Notes	8,000,000	12.2%	1.267%	Months 25-36	3%
Federal Agencies	19,000,000	28.9%	1.558%	Months 37-48	20%
				Months 49-60	4%
Total	\$65,735,000	100.0%	0.843%	Total	100.0%

*LAIF YTM as of March 31, 2013

RECENT ACTIVITY

Security	Date of Activity	Maturity Date	Purchase (Par)	Maturing/Call	YTM
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%
Certificate of Deposit - 0.75% Coupon	3/22/2013	4/28/2017	245,000		0.750%
Certificate of Deposit - 0.75% Coupon	3/22/2013	3/28/2017	245,000		0.750%
Certificate of Deposit - 0.75% Coupon	3/22/2013	3/28/2017	245,000		0.750%
Certificate of Deposit - 1.00% Coupon	3/22/2013	3/28/2018	245,000		1.000%
Certificate of Deposit - 0.95% Coupon	3/22/2013	3/28/2018	245,000		0.950%
FHLMC - 1.125% Coupon (Callable)	3/22/2013	4/2/2018	2,000,000		1.125%
Total Purchases			\$5,715,000		1.085%
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%
Total Maturing/Calls				\$3,000,000	1.080%

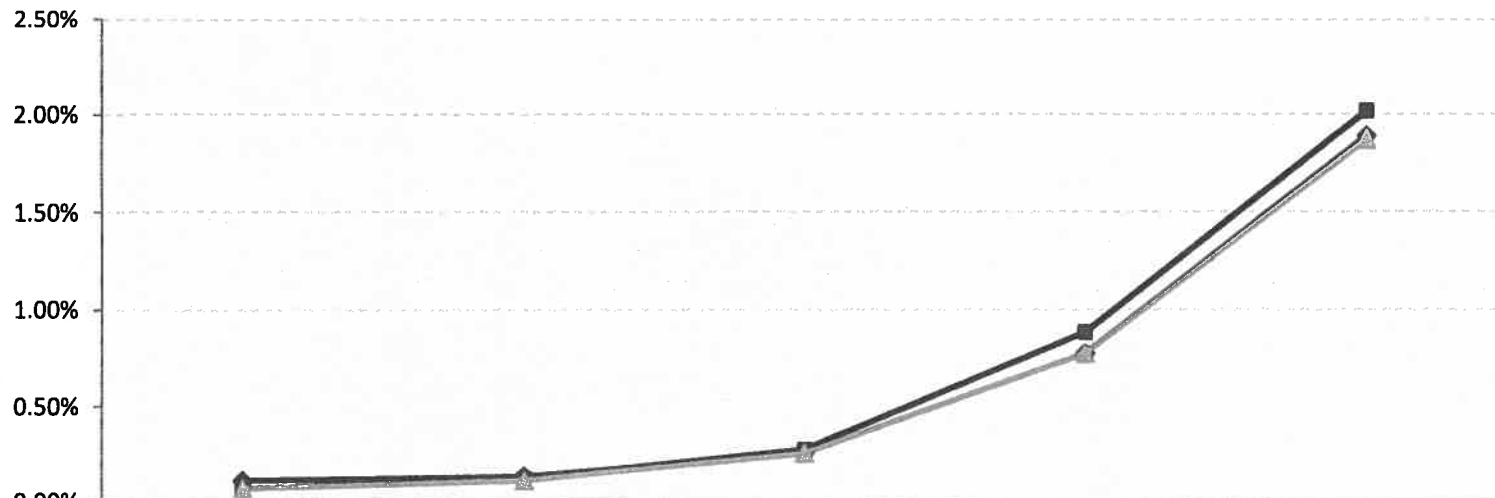
City of Manhattan Beach
Investment Portfolio Summary
As of March 31, 2013

PORTFOLIO FUNDS HELD IN TRUST	Value
Police/Fire Refund Escrow	\$11,672,777
Police/Fire Refund Delivery Cost	23,061
Marine Avenue	19,665
Pension Bond	16
Metlox & Water/Wastewater Refunding	4
UUAD Assessment Funds	1,359,648
Total Funds Held in Trust	\$13,075,172

As of March 31, 2013

US Treasuries Yield Curve

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	3-Month	6-Month	2-Year	5-Year	10-Year
■ Jan 31 2013	0.07%	0.12%	0.27%	0.88%	2.02%
◆ Feb 28 2013	0.11%	0.13%	0.25%	0.77%	1.89%
▲ Mar 28 2013	0.07%	0.11%	0.25%	0.77%	1.87%

CITY OF MANHATTAN BEACH
Portfolio Maturity Structure
April 2013 through March 2018

HELD TO MATURITY
Rolling 60 Months

Mth	Mat.	YTM	Inv	Call	Amt	Mth	Mat.	YTM	Inv	Call	Amt	Mth	Mat.	YTM	Inv	Call	Amt	Mth	Mat.	YTM	Inv	Call	Amt						
Apr 13						Apr 14						Apr 15						Apr 16						Apr 17	4/28/17	0.75%	CD	nc	\$0.2M
May 13						May 14						May 15						May 16	5/9/16	1.35%	MTN	nc	\$2.0M	May 17	5/30/17	1.10%	CD	5/30/13	\$0.2M
Jun 13						Jun 14						Jun 15	8/1/15	0.80%	CD	nc	\$0.2M	Jun 16	6/10/16	1.23%	FHLB	nc	\$1.0M	Jun 17					
																			6/14/16	0.88%	FFCB	6/14/13	\$2.0M						
																			6/6/16	1.24%	MTN	nc	\$1.0M						
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	Jul 16						Jul 17	7/27/17	1.10%	CD	nc	\$0.2M
Aug 13						Aug 14						Aug 15	8/7/15	0.88%	MTN	nc	\$0.5M	Aug 16	8/29/16	0.90%	CD	nc	\$0.2M	Aug 17	8/29/17	1.05%	CD	2/28/13	\$0.2M
													8/10/15	1.10%	CD	nc	\$0.2M												
Sep 13						Sep 14						Sep 15						Sep 16	9/28/16	1.18%	FNMA	nc	\$2.0M	Sep 17					
Oct 13	10/18/13	2.03%	FHLB	nc	\$2.0M	Oct 14	10/24/14	0.75%	CD	nc	\$0.2M	Oct 15	10/28/15	1.73%	CD	nc	\$0.2M	Oct 16	10/17/16	1.25%	FNMA	10/17/13	\$2.0M	Oct 17	10/5/17	1.14%	MTN	12/21/12	\$1.0M
							10/27/14	0.70%	CD	nc	\$0.2M																		
Nov 13						Nov 14	11/13/14	2.33%	FHLMC	nc	\$2.0M	Nov 15						Nov 16						Nov 17					
							11/20/14	1.48%	FNMA	nc	\$2.0M																		
Dec 13						Dec 14	12/4/14	0.50%	FNMA	8/4/13	\$1.0M	Dec 15						Dec 16	12/15/16	1.26%	MTN	nc	\$0.5M	Dec 17	12/21/17	1.20%	CD	nc	\$0.2M
																			12/29/16	2.10%	CD	nc	\$0.2M		12/26/17	1.00%	CD	nc	\$0.2M
Jan 14						Jan 15						Jan 16						Jan 17						Jan 18					
																			1/15/17	2.05%	CD	nc	\$0.2M						
																			1/31/17	1.11%	MTN	nc	\$1.0M						
Feb 14						Feb 15	2/13/15	1.12%	MTN	nc	\$1.0M	Feb 16						Feb 17	2/15/17	1.60%	CD	nc	\$0.2M	Feb 18					
													2/29/16	0.70%	CD	nc	\$0.2M												
Mar 14	3/28/14	1.15%	CD	nc	\$0.2M	Mar 15	3/4/15	2.18%	FFCB	nc	\$2.0M	Mar 16	3/21/16	1.15%	CD	nc	\$0.2M	Mar 17	3/28/17	0.75%	CD	nc	\$0.2M	Mar 18	3/28/18	1.00%	CD	nc	\$0.2M
	3/31/14	1.15%	CD	nc	\$0.2M		3/16/15	1.75%	MTN	nc	\$1.0M								3/28/17	0.75%	CD	nc	\$0.2M						
Total By Year (excl LAIF)					\$3.5M						\$11.5M						\$2.0M						\$13.0M						\$2.7M
% of Total Securities (excl LAIF)					11%						35%						6%						40%						6%
% of Total Investments (incl LAIF)					56%						17%						3%						20%						4%

Total Securities	50%	\$32.6M
LAIF	50%	\$33.1M
Total Investments	100%	\$65.7M

Shaded rows indicate months with significant cash inflows.

City of Manhattan Beach
Investment Policy Compliance Chart

As of March 31, 2013

Instrument	Par Value	% of Total	Dollar Compliance		Percentage Compliance		Term Compliance	
			Limit	Compliant?	Limit	Compliant?	Limit	Compliant?
Local Agency Investment Fund (LAIF)*	\$33,100,000	50.4%	\$40,000,000	Yes	<i>Temporary Suspension</i>			
Certificates of Deposit								
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
Georgia Bank & Trust	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
Pyramax 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
USNY Bank	245,000	0.4%	1,000,000	Yes	5.0%	Yes	5 Years	Yes
Washington Federal	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
Total Certificate of Deposit	\$5,635,000	8.6%			20.0%	Yes		
Medium Term (Corporate) Notes								
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	0.8%			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	2.3%			5.0%	Yes	3 Years	Yes
Total Medium Term Notes	\$8,000,000	12.2%			20.0%	Yes		
Federal Agencies								
Federal Home Loan Bank (FHLB)	\$3,000,000	4.6%			33.3%	Yes	5 Years	Yes
Federal Farm Credit (FFCB)	5,000,000	7.6%			33.3%	Yes	5 Years	Yes
Fannie Mae (FNMA)	7,000,000	10.6%			33.3%	Yes	5 Years	Yes
Freddie Mac (FHLMC)	4,000,000	6.1%			33.3%	Yes	5 Years	Yes
Total Federal Agencies	\$19,000,000	28.9%			60.0%	Yes	5 Years	Yes
Total Portfolio	\$65,735,000	100.0%						

*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.