



City of San Leandro

City Council Investment Report

Quarter Ending
March 31, 2013



City of San Leandro

March 31, 2013

COMPLIANCE WITH INVESTMENT POLICY

Assets managed by Chandler Asset Management are in full compliance with State law and with the City's investment policy.

Category	Standard	Comment
Treasury Issues	No limitations	Complies
Agency Issues	No limitations	Complies
Banker's Acceptances	40% maximum; 30% per issuer; A-rated; 180-day max. maturity	Complies
Commercial Paper	25% maximum; 10% per issuer; 270-day max. maturity; A1/P1 and AA-rated if LT debt	Complies
Negotiable Certificates of Deposit	30% maximum; 10% per issuer	Complies
Medium Terms Notes	30% maximum; A-rated	Complies
Money Market Funds	AAA/Aaa rated; assets greater than \$500MM; 20% maximum	Complies
LAIF	Currently not used by adviser	Complies
Maximum Maturity	5 years	Complies

City of San Leandro

The investment goals of the City of San Leandro are to preserve principal, to provide liquidity, and to attain a rate of return commensurate with the City's investment risk constraints and cash flow needs.

Investment Report Performance Objectives

The performance objective for the City of San Leandro's portfolio managed by Chandler is to attain a rate of return greater than the benchmark 1-3 Year Treasury/Agency securities over a market cycle.

Strategy

In order to achieve these objectives, the City of San Leandro invests in US Treasury securities, federal agency securities, high quality money market instruments and high quality corporate medium term notes in accordance with the City's investment policy and California Government Code Section 53600 et seq.



Portfolio Characteristics

	3/31/2013	12/31/2012
LAIF - City Pool #98-01-809	\$28,734,197	\$28,734,197
LAIF - Successor Agency	5,901,798	5,901,798
LAIF - RDA 1999 Bond Proceeds #11-01-001	0	0
LAIF - RDA 2008 Bond Proceeds #11-01-038	0	0
LAIF - Economic Development Agency	0	0
Passbook/Checking Accounts	114,519	6,325,418
Total LAIF and Bank Accounts	\$34,750,514	\$40,961,413
Investment Portfolio Market Value	\$33,571,831	\$33,525,157
Total Market Value	\$68,322,345	\$74,486,570

LAIF Quarterly Apportionment Rate	0.28%	0.32%
2 year US Treasury Yield to Maturity	0.24%	0.25%
5 year US Treasury Yield to Maturity	0.76%	0.72%

Investment Portfolio:

Average Maturity (yrs)	1.79	1.83
Modified Duration	1.75	1.78
Average Book Yield	0.76%	0.78%
Average Yield to Maturity at Market	0.33%	0.34%
Average Quality S&P/Moody	AA+/Aa1	AA+/Aa1

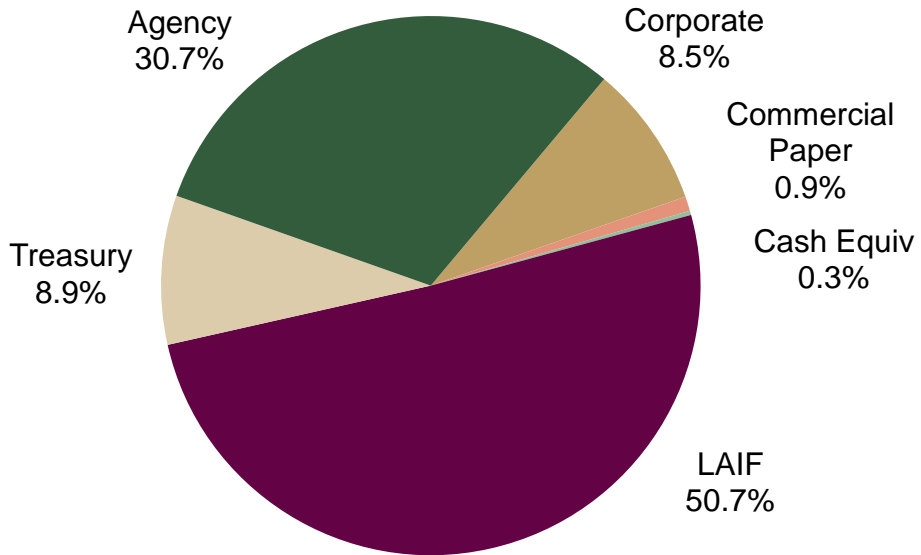
Portfolio Activity

During the first quarter of 2013, activity in the portfolio managed by Chandler Asset Management consisted of the reinvestment of \$2.35 million in several Agency and high quality Corporate securities with maturities ranging from January 2015 to October 2017. The portfolio structure and maturity strategy has been directed by the City. Currently, the portfolio's average maturity is 1.79 years and is about equal to that of the 1-3 Year Government benchmark.

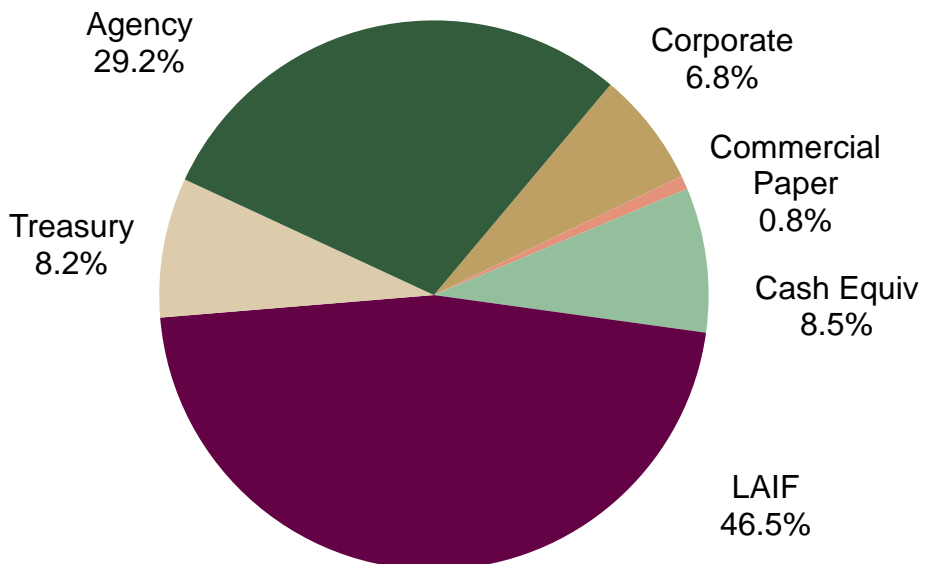


Sector Distribution

March 31, 2013

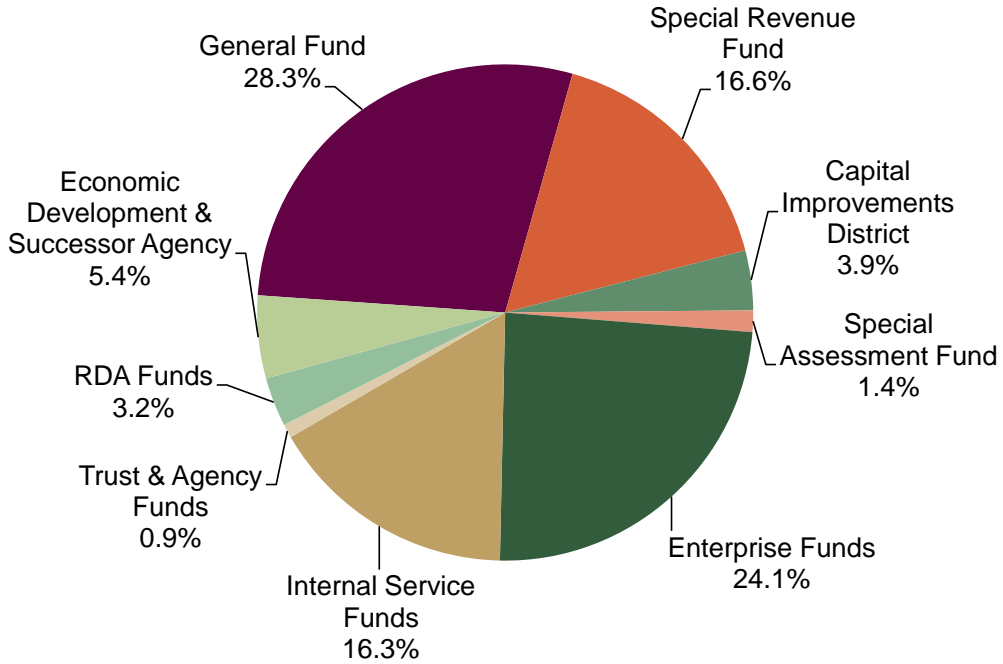


December 31, 2012

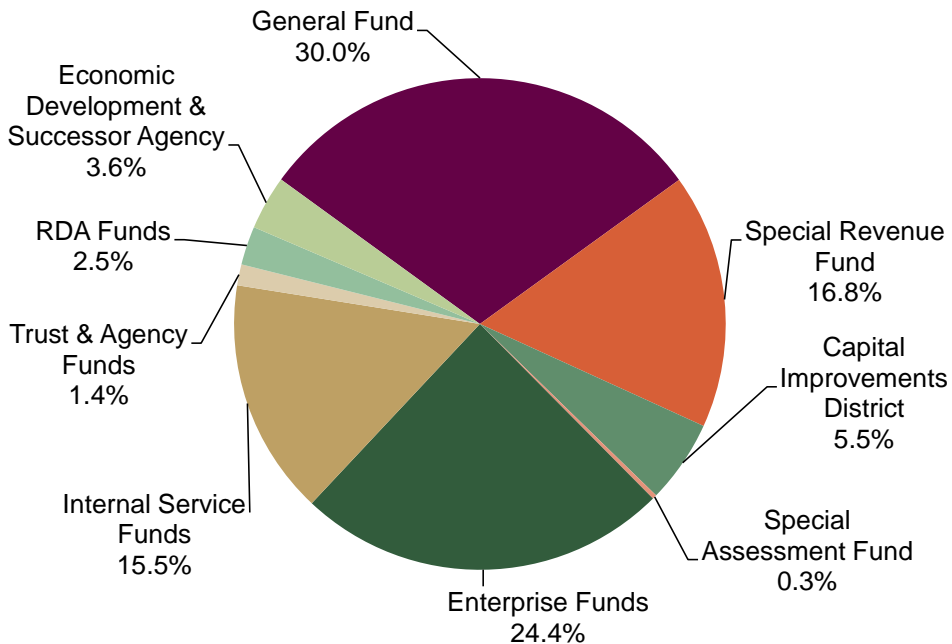




City Fund Allocation March 31, 2013



December 31, 2012





**City of San Leandro
Investments by All Types
Active Investments
March 31, 2013**

CUSIP	Issuer	Coupon	Maturity Date	Par	Purchase Price	Book Value	Purchase Yield	MVACC
LAIF								
SYS113	LAIF - City Pool			\$28,734,197.00	100.00000	\$28,734,197.00		\$28,734,197.00
SYS114	LAIF - Successor Agency			5,901,798.00	100.00000	\$5,901,798.00		\$5,901,798.00
			subtotal	\$34,635,995.00		\$34,635,995.00		\$ 34,635,995.00
Passbook/Checking Accounts								
	Public Funds Checking			114,519.00	100.00000	114,519.00		114,519.00
			subtotal	\$ 114,519.00		\$ 114,519.00		\$ 114,519.00
Government Issues								
431114701	Govt Money Market Fund Highmark	0.005	31-Mar-13	57,721.84	100.00000	57,721.84	0.00	57,721.84
3137EACJ6	Note FHLMC	1.625	15-Apr-13	675,000.00	99.99663	674,977.28	1.71	680,456.06
89233GRH1	Discount CP Toyota Motor Credit	0.310	17-Apr-13	600,000.00	99.98620	599,917.21	0.31	599,917.21
3133XQU34	Note FHLB	3.625	29-May-13	775,000.00	100.53867	779,174.73	0.23	789,031.94
31331JPK3	Note FFCB	1.375	25-Jun-13	750,000.00	100.09246	750,693.44	0.97	755,123.00
912828JK7	Note US Treasury	3.125	31-Aug-13	670,000.00	100.95914	676,426.23	0.79	680,091.13
3133XRX88	Note FHLB	4.000	06-Sep-13	575,000.00	101.37013	582,878.22	0.79	586,313.00
91159HGY0	Callable Note Cont 8/13/13 US Bancorp	1.375	13-Sep-13	440,000.00	100.41079	441,807.49	0.26	441,842.50
36962G4Q4	Note General Electric Capital Corp	1.875	16-Sep-13	500,000.00	100.68481	503,424.07	0.38	503,547.63
594918AF1	Note Microsoft	0.875	27-Sep-13	450,000.00	100.30454	451,370.45	0.25	451,301.05
31331GCS6	Note FFCB	3.875	07-Oct-13	575,000.00	101.52966	583,795.57	0.88	596,955.32
31360CWC2	Pool # 002443 FNMA	12.500	01-Dec-13	15.27	100.65488	15.37	11.06	15.61
46623EJEO	Note JP Morgan Chase	2.050	24-Jan-14	450,000.00	101.11319	455,009.36	0.68	457,745.08
912828KF6	Note US Treasury	1.875	28-Feb-14	750,000.00	100.84905	756,367.89	0.93	762,912.33
24422ERA9	Note John Deere Capital Corp	1.600	03-Mar-14	445,000.00	101.07945	449,803.54	0.43	450,630.34
3133XWKV0	Note FHLB	2.375	14-Mar-14	1,250,000.00	101.13275	1,264,159.38	1.16	1,277,596.91
31398AXJ6	Note FNMA	2.500	15-May-14	750,000.00	101.38736	760,405.18	1.23	776,433.33
912828QM5	Note US Treasury	1.000	15-May-14	975,000.00	100.27706	977,701.31	0.75	987,564.37
912828LK4	Note US Treasury	2.375	31-Aug-14	670,000.00	101.63287	680,940.24	1.19	691,824.06
31331GL80	Note FFCB	3.000	22-Sep-14	975,000.00	102.95893	1,003,849.60	0.96	1,015,946.10
94974BET3	Note Wells Fargo Corp	3.750	01-Oct-14	425,000.00	104.53643	444,279.82	0.70	453,012.60
912828RL6	Note US Treasury	0.500	15-Oct-14	710,000.00	100.31308	712,222.88	0.30	714,633.95
31331KHW3	Note FFCB	1.625	19-Nov-14	725,000.00	102.01794	739,630.09	0.38	745,609.09
3137EACY3	Note FHLMC	0.750	25-Nov-14	950,000.00	100.49763	954,727.47	0.45	960,294.20
3133XVNU1	Note FHLB	2.750	12-Dec-14	1,000,000.00	102.18681	1,021,868.10	1.42	1,050,616.39
3134A4UX0	Note FHLMC	4.500	15-Jan-15	620,000.00	107.57305	666,952.93	0.26	672,545.00
912828RZ5	Note US Treasury	0.250	15-Jan-15	650,000.00	99.93414	649,571.88	0.29	650,467.91
3137EACH0	Note FHLMC	2.875	09-Feb-15	925,000.00	102.14226	944,815.88	1.68	972,980.47
40428HPG1	Note HSBC USA Inc	2.375	13-Feb-15	440,000.00	102.41285	450,616.53	1.06	454,118.13
713448BX5	Note Pepsico Inc.	0.750	05-Mar-15	445,000.00	100.39406	446,753.56	0.54	446,676.61
191216AX8	Note Coca Cola Company	0.750	13-Mar-15	445,000.00	100.57576	447,562.13	0.45	447,437.72
3137EADD8	Note FHLMC	0.500	17-Apr-15	800,000.00	99.61907	796,952.59	0.69	804,949.42
3135GOKM4	Note FNMA	0.500	27-May-15	1,000,000.00	100.11062	1,001,106.16	0.45	1,005,033.22
31398AU34	Note FNMA	2.375	28-Jul-15	600,000.00	104.13550	624,812.99	0.58	630,336.75
3133EADW5	Note FFCB	0.550	17-Aug-15	650,000.00	99.92694	649,525.08	0.58	651,448.34
313370JB5	Note FHLB	1.750	11-Sep-15	1,225,000.00	101.93552	1,248,710.09	0.94	1,266,657.62
278642AB9	Note Ebay Inc	1.625	15-Oct-15	440,000.00	102.65795	451,695.00	0.57	454,439.06
31398A4M1	Note FNMA	1.625	26-Oct-15	950,000.00	102.22731	971,159.48	0.74	986,272.45
912828PE4	Note US Treasury	1.250	31-Oct-15	800,000.00	102.14988	817,199.04	0.41	823,261.30
459200GU9	Note IBM Corp	2.000	05-Jan-16	440,000.00	103.68395	456,209.36	0.65	458,247.58
3134A4ZT4	Note FHLMC	4.750	19-Jan-16	550,000.00	111.30454	612,174.96	0.65	621,986.20
3133EAJU3	Note FFCB	1.050	28-Mar-16	835,000.00	101.77623	849,831.50	0.45	851,726.30
3135G0BA0	Note FNMA	2.375	11-Apr-16	865,000.00	103.81640	898,011.89	1.08	925,655.78
912828QP8	Note US Treasury	1.750	31-May-16	760,000.00	104.19114	791,852.63	0.41	796,757.69
313373S26	Note FHLB	2.125	10-Jun-16	850,000.00	103.06497	876,052.26	1.14	899,746.32
742718DV8	Note Procter & Gamble Co	1.450	15-Aug-16	400,000.00	102.47665	409,906.60	0.71	410,516.31
3137EACW7	Note FHLMC	2.000	25-Aug-16	740,000.00	104.81043	775,597.20	0.57	778,130.72
3135G0ES8	Note FNMA	1.375	15-Nov-16	650,000.00	101.41933	659,225.63	0.97	672,785.39
68389XAN5	Note Oracle Corp	1.200	15-Oct-17	400,000.00	99.85008	399,400.30	1.23	402,520.00
			subtotal	\$ 32,222,737.11		\$ 32,819,462.13		\$ 33,571,831.33
			Total	\$ 66,973,251.11		\$ 67,569,976.13		\$ 68,322,345.33