



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: October 25, 2016

TO: Mayor and Councilmembers

FROM: Treasury Division, Finance Department

SUBJECT: September 30, 2016, Investment Report And September 30, 2016, Fiscal Agent Report

RECOMMENDATION: That Council:

- A. Accept the September 30, 2016, Investment Report; and
- B. Accept the September 30, 2016, Fiscal Agent Report.

DISCUSSION:

On a quarterly basis, staff submits a comprehensive report on the City’s portfolio and related activity pursuant to the City’s Annual Statement of Investment Policy. The current report covers the investment activity for the three-month period of July through September 2016.

Treasury yields were higher by the end of the quarter. As shown in the table to the right, the change in Treasury yields ranged from an increase of 3 basis points on the 3-month Treasury note to an increase of 19 basis points on the 2-year Treasury note.

U.S. Treasury Market					
	6/30/2016	7/31/2016	8/31/2016	9/30/2016	Cumulative Change
3 Month	0.26%	0.28%	0.33%	0.29%	0.03%
6 Month	0.36%	0.38%	0.47%	0.45%	0.09%
1 Year	0.45%	0.50%	0.61%	0.59%	0.14%
2 Year	0.58%	0.67%	0.80%	0.77%	0.19%
3 Year	0.71%	0.76%	0.92%	0.88%	0.17%
4 Year	0.86%	0.90%	1.06%	1.01%	0.15%
5 Year	1.01%	1.03%	1.19%	1.14%	0.13%
10 Year	1.49%	1.46%	1.58%	1.60%	0.11%
30 Year	2.30%	2.18%	2.23%	2.32%	0.02%
LAIF	0.55%	0.60%	0.60%	0.60%	0.05%

Maturities between 1 and 10 years saw the most significant increases in Treasury yield, including the 5-Year note which showed an increase of 13 basis points.

The City generally invests in securities of one to five years in duration. Within this duration, interest rates ranged from 0.59% to 1.14% for Treasury securities at the end of the quarter. The Federal Reserve has been signaling their desire to raise the Federal Funds rate for some time, which in turn influences Treasury yields. The rate increase in

December 2015 was the first in seven years. Their next meeting that includes a summary of economic projections is December 13-14, at which time a rate increase will be once again considered. Note, however, if interest rates are increased at this meeting, it will take several years before we realize a material increase in interest earnings as existing securities mature and are replaced with higher-yielding securities.

Investment Activity

As shown in the Investment Activity table below, the City invested \$14 million during the quarter. The purchases consisted of \$8 million in “AAA” rated Federal Agency callable securities, \$4 million in “AA-” rated corporate note bullets (\$2mm in Toyota Motor Credit Corp & \$2mm in Wells Fargo Bank NA), and \$2 million in “AAA” rated Money Market FedFunds (BlackRock Liquidity FedFund Dollar). The purchases replaced \$14 million in Federal Agency securities that were called, \$2 million in United States Treasury notes, and \$2 million in corporate note bullets (Toyota Motor Credit Corp) that matured over the quarter.

Issuer	Face Amount	Purchase Date	Final Maturity	Call Date	Yield To Call	Yield To Maturity
<i>Purchases:</i>						
Federal National Mortgage Association (FNMA)	\$ 2,000,000	07/26/16	07/26/19	07/26/17	1.125%	1.125%
Federal National Mortgage Association (FNMA)	2,000,000	07/26/16	07/26/19	07/26/17	1.500%	1.125%
Wells Fargo Bank N.A. (WFC)	2,000,000	09/15/16	05/24/19	-	-	1.377%
Toyota Motor Credit (TOYOTA)	2,000,000	09/15/16	05/20/19	-	-	1.307%
Federal National Mortgage Association (FNMA)	2,000,000	09/29/16	09/29/21	03/29/17	1.600%	1.600%
Federal Home Loan Mortgage Corp (FHLMC)	2,000,000	09/29/16	09/29/21	03/29/17	1.250%	1.858%
Blackrock FedFunds (TDDXX)	2,000,000	09/30/16	10/03/16	-	-	1.200%
	\$ 14,000,000					
<i>Calls:</i>						
Federal Home Loan Mortgage Corp (FHLMC)	\$ 2,000,000	01/29/16	01/29/21	07/29/16	1.500%	2.172%
Federal Home Loan Mortgage Corp (FHLMC)	2,000,000	01/29/16	07/29/19	07/29/16	1.500%	1.500%
Federal National Mortgage Association (FNMA)	2,000,000	10/29/15	10/29/20	07/29/16	1.500%	1.766%
Federal Home Loan Mortgage Corp (FHLMC)	2,000,000	08/24/15	08/24/20	08/24/16	2.000%	2.000%
Federal National Mortgage Association (FNMA)	2,000,000	11/30/15	11/25/20	08/25/16	2.015%	2.015%
Federal National Mortgage Association (FNMA)	2,000,000	12/12/12	12/12/17	09/12/16	1.000%	1.000%
Federal Home Loan Mortgage Corp (FHLMC)	2,000,000	06/30/16	06/30/21	09/30/16	1.875%	1.875%
	\$ 14,000,000					
<i>Sales/Maturities:</i>						
United States Treasury Note (USTN)	\$ 2,000,000	02/22/13	08/31/16	-	-	0.502%
Toyota Motor Credit (TOYOTA)	2,000,000	09/26/11	09/15/16	-	-	1.800%
	\$ 4,000,000					

Summary of Cash and Investments

The book rate of return, or portfolio yield, measures the rate of return of actual earnings generated from the portfolio. As shown in the table to the right, during the quarter the City’s book rate of return increased by 2.4 basis points from 1.095 percent at June 30, to 1.119 percent at September 30, 2016.

The portfolio’s average days to maturity, including the long-term Airport promissory note, decreased by 7 days from 556 to 549 days. Excluding the Airport note, the portfolio’s average days to maturity is 405 days, reflecting reinvestment of maturities and calls

Mo. Ended	Yield	Days to Maturity
6/30/2016	1.095%	556
7/31/2016	1.097%	537
8/31/2016	1.056%	483
9/30/2016	1.119%	549

during the quarter in the one-to-five year range in accordance with the City's Annual Statement of Investment Policy. The Annual Statement of Investment Policy requires that the average days to maturity on the portfolio not exceed 2.5 years, excluding any investments with a final maturity longer than 5 years that were separately authorized by Council, such as the Airport promissory note.

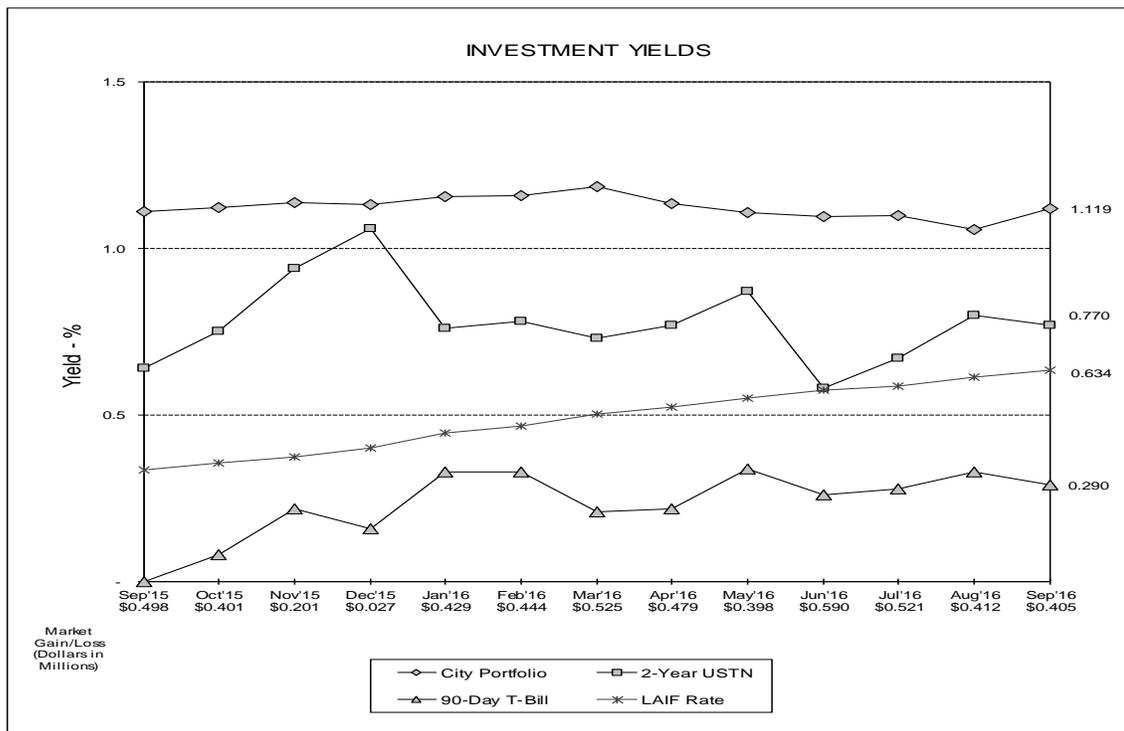
The average LAIF rate at which the City earned interest for funds invested was at 0.60 percent for the quarter ended September 30, 2016, which was up from last quarter by 5 basis points. The City's LAIF holdings at the end of the quarter were \$50 million. Staff expects to reinvest a portion of the LAIF balances in fixed-term or callable securities during the next quarter.

Credit Quality on Corporate Notes

There was one credit quality change to General Electric Capital Corp on September 23, 2016. Standard & Poor's reduced General Electric Co.'s credit rating to AA- from AA. This reduced rating is still well within our investment policy requirements. There were no changes to the other three corporate issuers of the medium-term notes held in the portfolio (i.e., Berkshire Hathaway, Inc., Toyota Motor Credit, and Wells Fargo Bank, NA).

Portfolio Market Gains/Losses

As shown in the Investment Yields chart below, the City's portfolio continues to be in line and above the three benchmark measures (the 90-day T-Bill, 2-year T-Note and



LAIF). The benchmarks serve as indicators of the City's performance; and trends over time that substantially deviate from these benchmarks would warrant further analysis and review. At September 30, 2016, the portfolio had an overall unrealized market gain of approximately \$405,000.

On a quarterly basis, staff reports the five securities with the largest percentage of unrealized losses. However, because securities in the City's portfolio are held to maturity, no market losses would be realized.

Issuer	Face Amount	Maturity	\$ Mkt Change	% Mkt Change
WELLS FARGO BANK NA	\$2,000,000	05/24/19	-\$10,296	-0.51%
FEDERAL NATL MORTGAGE ASSN	\$2,000,000	08/16/21	-\$4,880	-0.24%
FEDERAL NATL MORTGAGE ASSN	\$2,000,000	07/26/19	-\$2,660	-0.13%
TOYOTA MOTOR CREDIT	\$2,000,000	05/20/19	-\$2,279	-0.11%
FEDERAL NATL MORTGAGE ASSN	\$2,000,000	09/29/21	-\$1,380	-0.07%

On a quarterly basis, staff also reports all securities with monthly market declines of greater than 1 percent compared to the prior month. There were no securities in the portfolio with a market decline of greater than 1 percent compared to the prior month.

Additional Reporting Requirements

The following confirmations are made pursuant to California Code Sections 53600 et seq.: (1) the City's portfolio as of September 30, 2016, is in compliance with the City's Statement of Investment Policy; and (2) there are sufficient funds available to meet the City's expenditure requirements for the next six months.

Fiscal Agent Investments

In addition to reporting requirements for public agency portfolios, a description of any of the agency's investments under the management of contracted parties is also required on a quarterly basis. Attachment 2 includes bond funds and the police and fire service retirement fund as of September 30, 2016.

ATTACHMENTS: 1. September 30, 2016, Investment Report
 2. September 30, 2016, Fiscal Agent Report

PREPARED BY: Julie Nemes, Treasury Manager

SUBMITTED BY: Robert Samario, Finance Director

APPROVED BY: City Administrator's Office

CITY OF SANTA BARBARA
Activity and Interest Report
September 30, 2016

INVESTMENT ACTIVITY

PURCHASES OR DEPOSITS

9/15 Toyota Motor Credit Corp (TOYOTA)	\$ 2,000,000
9/15 Wells Fargo Bank NA (WFC)	2,000,000
9/29 Federal National Mortgage Association (FNMA)	2,000,000
9/29 Federal Home Loan Mortgage Corp (FHLMC)	2,000,000
9/30 Blackrock FedFund (TDDXX)	2,000,000
Total	\$ 10,000,000

SALES, MATURITIES, CALLS OR WITHDRAWALS

9/12 Federal National Mortgage Association (FNMA) - Call	\$ (2,000,000)
9/15 Toyota Motor Credit Corp (TOYOTA) - Maturity	(2,000,000)
9/30 Federal Home Loan Mortgage Corp (FHLMC) - Call	(2,000,000)
Total	\$ (6,000,000)

ACTIVITY TOTAL

\$ 4,000,000

INVESTMENT INCOME

POOLED INVESTMENTS

Interest Earned on Investments	\$ 128,177
Amortization	(1,390)
Total	\$ 126,788

INCOME TOTAL

\$ 126,788

CITY OF SANTA BARBARA

Investment Portfolio

September 30, 2016

DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING		STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
			MOODY'S	S & P							
LOCAL AGENCY INVESTMENT FUNDS											
LOCAL AGENCY INVESTMENT FUND	-	-	-	-	0.634	0.634	50,000,000.00	50,000,000.00	50,000,000.00	0.00	
Subtotal, LAIF							50,000,000.00	50,000,000.00	50,000,000.00	0.00	
CERTIFICATES OF DEPOSIT											
ALLY BANK	09/24/15	09/25/17	-	-	1.250	1.250	250,000.00	250,000.00	251,105.00	1,105.00	FDIC Certificate 57803
AMERICAN EXPRESS BANK FSB	10/23/14	10/23/19	-	-	2.200	2.200	250,000.00	250,000.00	257,295.00	7,295.00	FDIC Certificate 35328
AMERICAN EXPRESS CENTURION BK	09/30/15	09/30/20	-	-	2.250	2.250	250,000.00	250,000.00	259,187.50	9,187.50	FDIC Certificate 27471
BMO HARRIS BANK NA	09/30/15	09/29/17	-	-	1.100	1.100	250,000.00	250,000.00	251,082.50	1,082.50	FDIC Certificate 16571
BMW BK NORTH AMERICA	09/30/15	09/30/20	-	-	2.200	2.200	250,000.00	250,000.00	259,197.50	9,197.50	FDIC Certificate 35141
CAPITAL ONE BANK USA NA	10/29/14	10/29/19	-	-	1.900	1.900	250,000.00	250,000.00	257,347.50	7,347.50	FDIC Certificate 33954
CAPITAL ONE NA	09/30/15	09/30/20	-	-	2.250	2.250	250,000.00	250,000.00	259,187.50	9,187.50	FDIC Certificate 4297
DISCOVER BANK	09/30/15	09/30/20	-	-	2.300	2.300	250,000.00	250,000.00	260,167.50	10,167.50	FDIC Certificate 5649
EVERBANK	09/30/15	09/29/17	-	-	1.100	1.100	250,000.00	250,000.00	251,082.50	1,082.50	FDIC Certificate 34775
GE CAPITAL BANK	10/17/14	10/17/19	-	-	2.000	2.000	250,000.00	250,000.00	257,230.00	7,230.00	FDIC Certificate 33778
GOLDMAN SACHS BANK USA	10/29/14	10/29/19	-	-	2.150	2.150	250,000.00	250,000.00	257,315.00	7,315.00	FDIC Certificate 33124
KEY BANK NA	09/30/15	10/02/17	-	-	1.150	1.150	250,000.00	250,000.00	251,102.50	1,102.50	FDIC Certificate 17534
UNION BANK	08/31/12	08/31/17	-	-	1.490	1.511	4,000,000.00	4,000,000.00	4,000,000.00	0.00	
Subtotal, Certificates of deposit							7,000,000.00	7,000,000.00	7,071,300.00	71,300.00	
TREASURY SECURITIES - COUPON											
U S TREASURY NOTE	02/22/13	02/28/17	Aaa	AA+	0.875	0.607	2,000,000.00	2,002,172.80	2,004,200.00	2,027.20	
Subtotal, Treasury Securities							2,000,000.00	2,002,172.80	2,004,200.00	2,027.20	
FEDERAL AGENCY ISSUES - COUPON											
FED AGRICULTURAL MTG CORP	10/03/13	10/03/18	-	-	1.720	1.720	2,000,000.00	2,000,000.00	2,031,220.00	31,220.00	
FED AGRICULTURAL MTG CORP	12/12/13	12/12/18	-	-	1.705	1.705	2,000,000.00	2,000,000.00	2,033,240.00	33,240.00	
FEDERAL FARM CREDIT BANK	09/18/13	09/18/17	Aaa	AA+	1.550	1.550	2,000,000.00	2,000,000.00	2,016,060.00	16,060.00	
FEDERAL FARM CREDIT BANK	07/17/13	07/17/17	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,010,400.00	10,400.00	
FEDERAL FARM CREDIT BANK	06/24/15	06/24/19	Aaa	AA+	1.520	1.520	2,000,000.00	2,000,000.00	2,027,420.00	27,420.00	
FEDERAL HOME LOAN BANK	09/13/13	09/14/18	Aaa	AA+	2.000	1.910	2,000,000.00	2,003,333.49	2,042,100.00	38,766.51	
FEDERAL HOME LOAN BANK	01/17/14	04/17/18	Aaa	AA+	1.480	1.480	2,000,000.00	2,000,000.00	2,019,620.00	19,620.00	
FEDERAL HOME LOAN BANK	01/26/16	04/26/19	Aaa	AA+	1.500	1.500	2,000,000.00	2,000,000.00	2,003,200.00	3,200.00	Callable 01/26/17, once
FEDERAL HOME LOAN BANK	12/16/13	12/14/18	Aaa	AA+	1.750	1.650	2,000,000.00	2,004,207.58	2,036,100.00	31,892.42	
FEDERAL HOME LOAN BANK	06/18/14	06/09/17	Aaa	AA+	1.000	1.003	2,000,000.00	1,999,953.69	2,005,280.00	5,326.31	
FEDERAL HOME LOAN BANK	10/22/14	11/18/16	Aaa	AA+	0.750	0.500	2,000,000.00	2,000,647.67	2,000,980.00	332.33	
FEDERAL HOME LOAN MTG CORP	11/20/13	09/29/17	Aaa	AA+	1.000	1.030	1,000,000.00	999,706.18	1,003,120.00	3,413.82	
FEDERAL HOME LOAN MTG CORP	09/29/16	09/29/21	Aaa	AA+	1.250	1.858	2,000,000.00	2,000,000.00	1,999,720.00	(280.00)	SU 1.25%-3.5% Call 03/29/17, then qtrly
FEDERAL NATL MORTGAGE ASSN	01/30/13	01/30/18	Aaa	AA+	1.030	1.030	3,000,000.00	3,000,000.00	2,998,740.00	(1,260.00)	Callable 10/30/16, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/15/13	10/26/17	Aaa	AA+	0.875	1.062	2,000,000.00	1,996,093.10	2,003,280.00	7,186.90	
FEDERAL NATL MORTGAGE ASSN	12/11/13	11/27/18	Aaa	AA+	1.625	1.606	2,000,000.00	2,000,782.08	2,032,300.00	31,517.92	
FEDERAL NATL MORTGAGE ASSN	05/26/16	05/26/20	Aaa	AA+	1.375	1.375	2,000,000.00	2,000,000.00	2,002,480.00	2,480.00	Callable 05/26/17, once

CITY OF SANTA BARBARA

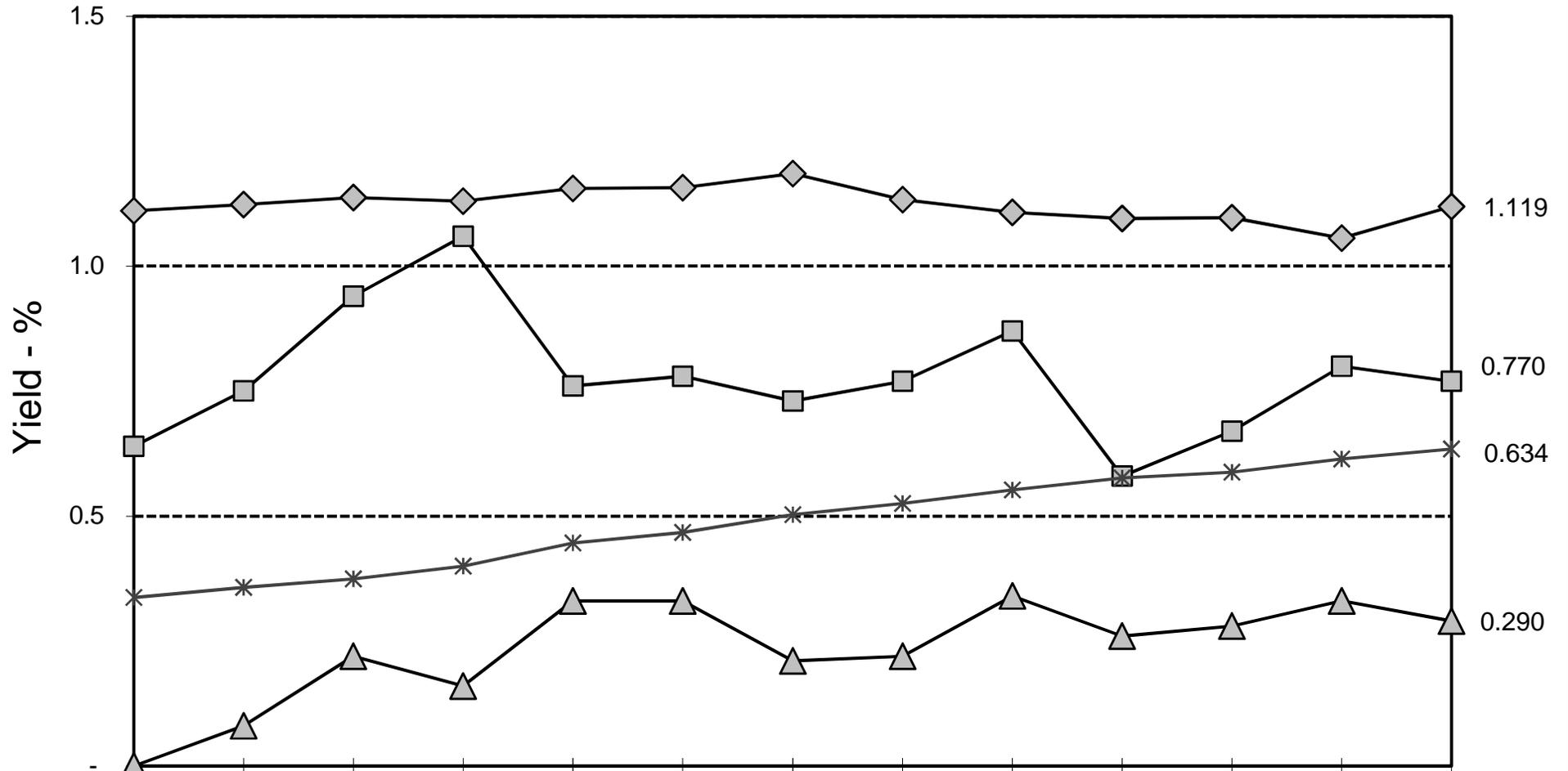
Investment Portfolio

September 30, 2016

DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING MOODY'S	QUALITY RATING S & P	STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
FEDERAL NATL MORTGAGE ASSN	08/16/16	08/16/21	Aaa	AA+	1.500	1.500	2,000,000.00	2,000,000.00	1,995,120.00	(4,880.00)	Callable 08/16/17, then qtrly
FEDERAL NATL MORTGAGE ASSN	12/26/12	12/26/17	Aaa	AA+	1.000	1.000	4,000,000.00	4,000,000.00	4,001,800.00	1,800.00	Callable 12/26/16, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/27/15	11/27/19	Aaa	AA+	1.125	1.678	2,000,000.00	2,000,000.00	2,010,720.00	10,720.00	SU 1.125%-2.250%, Call 11/27/17, once
FEDERAL NATL MORTGAGE ASSN	07/26/16	07/26/19	Aaa	AA+	1.125	1.125	2,000,000.00	2,000,000.00	1,997,340.00	(2,660.00)	Callable 07/26/17, once
FEDERAL NATL MORTGAGE ASSN	09/29/16	09/29/21	Aaa	AA+	1.600	1.600	2,000,000.00	2,000,000.00	1,998,620.00	(1,380.00)	Callable 03/29/17, then qtrly
FEDERAL NATL MORTGAGE ASSN	02/05/13	02/05/18	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	2,000,080.00	80.00	Callable 11/05/16, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/20/13	10/26/17	Aaa	AA+	0.875	1.070	2,000,000.00	1,995,921.61	2,003,280.00	7,358.39	
FEDERAL NATL MORTGAGE ASSN	11/27/15	11/28/18	Aaa	AA+	1.200	1.200	2,000,000.00	2,000,000.00	2,001,240.00	1,240.00	Callable 11/28/16, once
FEDERAL NATL MORTGAGE ASSN	05/26/16	11/26/19	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,006,520.00	6,520.00	Callable 05/26/17, once
Subtotal, Federal Agencies							54,000,000.00	54,000,645.40	54,279,980.00	279,334.60	
CORPORATE/MEDIUM TERM NOTES											
BERKSHIRE HATHAWAY INC	11/29/13	02/09/18	Aa2	AA	1.550	1.550	2,000,000.00	2,000,000.00	2,011,600.00	11,600.00	
GENERAL ELECTRIC CAPITAL CORP	01/14/14	01/14/19	A1	AA-	2.300	2.250	2,000,000.00	2,002,148.94	2,049,740.00	47,591.06	
TOYOTA MOTOR CREDIT	11/20/15	07/13/18	Aa3	AA-	1.550	1.408	2,000,000.00	2,004,944.68	2,010,820.00	5,875.32	
TOYOTA MOTOR CREDIT	09/15/16	05/20/19	Aa3	AA-	1.400	1.307	2,000,000.00	2,004,799.09	2,002,520.00	(2,279.09)	
WELLS FARGO BANK NA	09/15/16	05/24/19	Aa2	AA-	1.750	1.377	2,000,000.00	2,019,296.04	2,009,000.00	(10,296.04)	
Subtotal, Corporate Securities							10,000,000.00	10,031,188.75	10,083,680.00	52,491.25	
SB AIRPORT PROMISSORY NOTE (LT)											
SANTA BARBARA AIRPORT	07/14/09	06/30/29	-	-	3.500	4.195	4,775,295.56	4,775,295.56	4,775,295.56	0.00	
Subtotal, SBA Note							4,775,295.56	4,775,295.56	4,775,295.56	0.00	
MONEY MARKET FUNDS											
BLACKROCK FEDFUND	09/30/16	-	Aaa-mf	AAAm	0.120	0.120	2,000,000.00	2,000,000.00	2,000,000.00	0.00	
Subtotal, Money Market							2,000,000.00	2,000,000.00	2,000,000.00	0.00	
CHECKING ACCOUNT											
MUFG UNION BANK NA CHKNG ACCNT	-	-	-	-	0.400	0.400	10,871,176.48	10,871,176.48	10,871,176.48	0.00	
Subtotal, Checking Account							10,871,176.48	10,871,176.48	10,871,176.48	0.00	
CASH											
UB TRUST CASH	-	-	-	-	0.000	0.400	9,375.00	9,375.00	9,375.00	0.00	
Subtotal, Cash							9,375.00	9,375.00	9,375.00	0.00	
TOTALS							140,655,847.04	140,689,853.99	141,095,007.04	405,153.05	

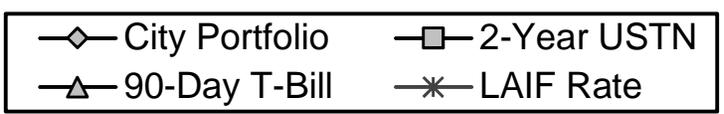
Market values have been obtained from the City's safekeeping agent, MUFG Union Bank NA - The Private Bank (UBTPB). UBTPB uses Interactive Data Pricing Service, Bloomberg and DTC.

INVESTMENT YIELDS



Market Gain/Loss (Dollars in Millions)

Sep'15	Oct'15	Nov'15	Dec'15	Jan'16	Feb'16	Mar'16	Apr'16	May'16	Jun'16	Jul'16	Aug'16	Sep'16
\$0.498	\$0.401	\$0.201	\$0.027	\$0.429	\$0.444	\$0.525	\$0.479	\$0.398	\$0.590	\$0.521	\$0.412	\$0.405



**CITY OF SANTA BARBARA
Fiscal Agent Investments
September 30, 2016**

	CASH & CASH EQUIVALENTS Book & Market	Guaranteed Investment Contracts (GIC) Book & Market	STOCKS		BONDS		US GOVT & AGENCIES		TOTALS	
			Book	Market	Book	Market	Book	Market	Book	Market
BOND FUNDS										
<i>RESERVE FUNDS</i>										
2004 RDA - Housing Bonds	1.34	-	-	-	-	-	-	-	1.34	1.34
2002 Municipal Improvement - Refunding COPs	35,426.21	547,530.00	-	-	-	-	-	-	582,956.21	582,956.21
2011 Water - Safe Drinking Water State Loan	826,730.91	-	-	-	-	-	-	-	826,730.91	826,730.91
2013 Water - Refunding COPS	1,799,874.94	428,069.44	-	-	-	-	636,099.18	645,216.00	2,864,043.56	2,873,160.38
2004 Sewer - Revenue Bonds	64,919.98	1,357,140.00	-	-	-	-	-	-	1,422,059.98	1,422,059.98
2009 Airport - Revenue Bonds	34,643.38	-	-	-	-	-	3,139,457.55	3,179,999.80	3,174,100.93	3,214,643.18
2014 Waterfront - Refunding Bonds	18,437.63	581,455.74	-	-	-	-	-	-	599,893.37	599,893.37
Subtotal, Reserve Funds	<u>2,780,034.39</u>	<u>2,914,195.18</u>	-	-	-	-	<u>3,775,556.73</u>	<u>3,825,215.80</u>	<u>9,469,786.30</u>	<u>9,519,445.37</u>
<i>PROJECT FUNDS</i>										
2001 RDA Bonds	2,368,901.16	-	-	-	-	-	-	-	2,368,901.16	2,368,901.16
2003 RDA Bonds	8,515,969.46	-	-	-	-	-	-	-	8,515,969.46	8,515,969.46
Subtotal, Project Funds	<u>10,884,870.62</u>	-	-	-	-	-	-	-	<u>10,884,870.62</u>	<u>10,884,870.62</u>
SUBTOTAL BOND FUNDS	13,664,905.01	2,914,195.18	-	-	-	-	3,775,556.73	3,825,215.80	20,354,656.92	20,404,315.99
POLICE/FIRE - SVC RETIREMENT FUND										
Police/Fire Funds	18,050.22	-	102,695.93	182,984.24	217,307.33	234,285.30	-	-	338,053.48	435,319.76
	<u>18,050.22</u>	-	<u>102,695.93</u>	<u>182,984.24</u>	<u>217,307.33</u>	<u>234,285.30</u>	-	-	<u>338,053.48</u>	<u>435,319.76</u>
TOTAL FISCAL AGENT INVESTMENTS	<u>13,682,955.23</u>	<u>2,914,195.18</u>	<u>102,695.93</u>	<u>182,984.24</u>	<u>217,307.33</u>	<u>234,285.30</u>	<u>3,775,556.73</u>	<u>3,825,215.80</u>	<u>20,692,710.40</u>	<u>20,839,635.75</u>

Notes:

- (1) Cash & cash equivalents include money market funds.
- (2) Market values have been obtained from the following trustees: US Bank and MUFG Union Bank, N.A. - The Private Bank