



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** September 9, 2014  
**TO:** Mayor and Councilmembers  
**FROM:** Treasury Division, Finance Department  
**SUBJECT:** July 2014 Investment Report

**RECOMMENDATION:**

That Council accept the July 2014 Investment Report.

**DISCUSSION:**

The attached investment report includes Investment Activity, Interest Revenue, a Summary of Cash and Investments, and Investment Portfolio detail as of July 31, 2014.

**ATTACHMENT:** July 2014 Investment Report  
**PREPARED BY:** Genie Wilson, Treasury Manager  
**SUBMITTED BY:** Robert Samario, Finance Director  
**APPROVED BY:** City Administrator's Office

**CITY OF SANTA BARBARA**  
**Activity and Interest Report**  
 July 31, 2014

**INVESTMENT ACTIVITY**

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**PURCHASES OR DEPOSITS**

7/9 Federal Farm Credit Bank (FFCB)	\$ 2,000,000
7/28 Federal Home Loan Mortgage Corp (FHLMC)	2,000,000
<b>Total</b>	<b>\$ 4,000,000</b>

**SALES, MATURITIES, CALLS OR WITHDRAWALS**

7/10 Federal National Mortgage Association (FNMA) - Call	\$ (2,000,000)
7/11/ LAIF Withdrawal - City	(4,000,000)
7/25 Federal Home Loan Mortgage Corp (FHLMC) - Call	(2,000,000)
<b>Total</b>	<b>\$ (8,000,000)</b>

**ACTIVITY TOTAL**

**\$ (4,000,000)**

**INVESTMENT INCOME**

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**POOLED INVESTMENTS**

Interest Earned on Investments	\$ 162,377
Amortization	(10,357)
<b>Total</b>	<b>\$ 152,021</b>

**INCOME TOTAL**

**\$ 152,021**



**CITY OF SANTA BARBARA**

**Investment Portfolio**

**July 31, 2014**

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							
<b>LOCAL AGENCY INVESTMENT FUNDS</b>											
LOCAL AGENCY INVESTMENT FUND	-	-	-	-	0.244	0.244	26,000,000.00	26,000,000.00	26,000,000.00	0.00	
<b>Subtotal, LAIF</b>							26,000,000.00	26,000,000.00	26,000,000.00	0.00	
<b>CERTIFICATES OF DEPOSIT</b>											
MONTECITO BANK & TRUST	11/18/13	11/18/15	-	-	0.600	0.600	2,000,000.00	2,000,000.00	2,000,000.00	0.00	
UNION BANK	08/31/12	08/31/15	-	-	1.230	1.247	2,000,000.00	2,000,000.00	2,000,000.00	0.00	
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	
<b>Subtotal, Certificates of deposit</b>							8,000,000.00	8,000,000.00	8,000,000.00	0.00	
<b>TREASURY SECURITIES - COUPON</b>											
U S TREASURY NOTE	10/25/12	03/15/15	Aaa	AA+	0.375	0.342	2,000,000.00	2,000,405.42	2,003,440.00	3,034.58	
U S TREASURY NOTE	10/25/12	10/31/15	Aaa	AA+	1.250	0.397	2,000,000.00	2,021,161.44	2,025,940.00	4,778.56	
U S TREASURY NOTE	02/22/13	05/15/16	Aaa	AA+	5.125	0.442	2,000,000.00	2,166,125.58	2,166,560.00	434.42	
U S TREASURY NOTE	02/22/13	08/31/16	Aaa	AA+	1.000	0.502	2,000,000.00	2,020,526.58	2,016,880.00	(3,646.58)	
U S TREASURY NOTE	02/22/13	02/28/17	Aaa	AA+	0.875	0.607	2,000,000.00	2,013,645.19	2,001,100.00	(12,545.19)	
<b>Subtotal, Treasury Securities</b>							10,000,000.00	10,221,864.21	10,213,920.00	(7,944.21)	
<b>FEDERAL AGENCY ISSUES - COUPON</b>											
FED AGRICULTURAL MTG CORP	10/03/13	10/03/18	-	-	1.720	1.720	2,000,000.00	2,000,000.00	2,002,400.00	2,400.00	
FED AGRICULTURAL MTG CORP	12/12/13	12/12/18	-	-	1.705	1.705	2,000,000.00	2,000,000.00	2,013,220.00	13,220.00	
FEDERAL FARM CREDIT BANK	07/09/14	07/09/18	Aaa	AA+	1.470	1.470	2,000,000.00	2,000,000.00	1,987,120.00	(12,880.00)	Callable 07/09/15, then continuous
FEDERAL FARM CREDIT BANK	08/15/12	08/15/17	Aaa	AA+	0.980	0.980	2,000,000.00	2,000,000.00	1,990,760.00	(9,240.00)	Callable, continuous
FEDERAL FARM CREDIT BANK	09/18/13	09/18/17	Aaa	AA+	1.550	1.550	2,000,000.00	2,000,000.00	2,026,580.00	26,580.00	
FEDERAL FARM CREDIT BANK	02/16/11	02/16/16	Aaa	AA+	2.570	2.570	2,000,000.00	2,000,000.00	2,067,200.00	67,200.00	
FEDERAL FARM CREDIT BANK	07/17/13	07/17/17	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,019,560.00	19,560.00	
FEDERAL HOME LOAN BANK	08/05/10	09/12/14	Aaa	AA+	1.375	1.375	2,000,000.00	2,000,000.00	2,002,880.00	2,880.00	
FEDERAL HOME LOAN BANK	09/13/13	09/14/18	Aaa	AA+	2.000	1.910	2,000,000.00	2,007,032.10	2,032,980.00	25,947.90	
FEDERAL HOME LOAN BANK	04/17/14	04/17/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,999,200.00	(800.00)	Callable, 04/17/15 once
FEDERAL HOME LOAN BANK	01/16/13	01/16/18	Aaa	AA+	1.000	1.000	4,000,000.00	4,000,000.00	3,949,280.00	(50,720.00)	Callable 10/16/14, then qtrly
FEDERAL HOME LOAN BANK	01/17/14	04/17/18	Aaa	AA+	1.480	1.480	2,000,000.00	2,000,000.00	2,001,700.00	1,700.00	
FEDERAL HOME LOAN BANK	05/28/14	05/28/19	Aaa	AA+	1.375	2.288	2,000,000.00	2,000,000.00	1,989,320.00	(10,680.00)	SU 1.375%-6% Call 11/28/14, then qtrly
FEDERAL HOME LOAN BANK	06/26/14	06/26/19	Aaa	AA+	1.250	2.062	2,000,000.00	1,996,777.78	1,993,440.00	(3,337.78)	SU 1.25%-6% Call 12/26/14, then qtrly
FEDERAL HOME LOAN BANK	06/27/13	06/27/18	Aaa	AA+	1.250	1.493	2,000,000.00	2,000,000.00	1,991,780.00	(8,220.00)	SU 1.125%-2.5% Call 09/27/14, then qtrly
FEDERAL HOME LOAN BANK	04/15/14	04/15/19	Aaa	AA+	2.070	2.070	1,000,000.00	1,000,000.00	995,570.00	(4,430.00)	Callable, continuous
FEDERAL HOME LOAN BANK	05/22/14	05/22/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,999,100.00	(900.00)	Callable 08/22/14, then continuous
FEDERAL HOME LOAN BANK	02/09/11	01/29/15	Aaa	AA+	1.750	1.750	2,000,000.00	2,000,000.00	2,016,180.00	16,180.00	
FEDERAL HOME LOAN BANK	04/15/11	05/27/15	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,029,380.00	29,380.00	
FEDERAL HOME LOAN BANK	12/16/13	12/14/18	Aaa	AA+	1.750	1.650	2,000,000.00	2,008,346.17	2,002,800.00	(5,546.17)	
FEDERAL HOME LOAN BANK	06/18/14	06/09/17	Aaa	AA+	1.000	1.003	2,000,000.00	1,999,808.03	1,997,520.00	(2,288.03)	
FEDERAL HOME LOAN MTG CORP	06/26/13	06/26/18	Aaa	AA+	1.400	1.400	2,000,000.00	2,000,000.00	1,980,720.00	(19,280.00)	Callable 09/26/14, then qtrly
FEDERAL HOME LOAN MTG CORP	12/18/13	12/18/18	Aaa	AA+	1.500	1.839	1,000,000.00	1,000,000.00	1,001,840.00	1,840.00	SU 1.5%-2.75% Call 09/18/14, then qtrly
FEDERAL HOME LOAN MTG CORP	12/31/13	12/31/18	Aaa	AA+	1.825	1.825	1,000,000.00	1,000,000.00	1,004,880.00	4,880.00	Callable 12/31/14, once
FEDERAL HOME LOAN MTG CORP	04/23/12	04/17/15	Aaa	AA+	0.500	0.534	2,000,000.00	1,999,518.51	2,004,440.00	4,921.49	
FEDERAL HOME LOAN MTG CORP	07/24/12	07/24/17	Aaa	AA+	1.125	1.125	2,000,000.00	2,000,000.00	1,995,640.00	(4,360.00)	Callable 10/24/14, then qtrly
FEDERAL HOME LOAN MTG CORP	04/24/14	04/24/19	Aaa	AA+	2.100	2.100	2,000,000.00	2,000,000.00	2,005,600.00	5,600.00	Callable 10/24/14, then qtrly

**CITY OF SANTA BARBARA**

**Investment Portfolio**

**July 31, 2014**

DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING MOODY'S	S & P	STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
FEDERAL HOME LOAN MTG CORP	06/30/14	06/30/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,994,000.00	(6,000.00)	Callable 06/30/15, once
FEDERAL HOME LOAN MTG CORP	09/12/12	09/12/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,994,640.00	(5,360.00)	Callable 09/12/14, then qtrly
FEDERAL HOME LOAN MTG CORP	01/16/13	01/16/18	Aaa	AA+	1.050	1.050	4,000,000.00	4,000,000.00	3,978,040.00	(21,960.00)	Callable 10/16/14, then qtrly
FEDERAL HOME LOAN MTG CORP	11/26/13	11/26/18	Aaa	AA+	1.000	1.793	1,000,000.00	1,000,000.00	1,001,870.00	1,870.00	SU 1%-2% Callable 11/26/14, once
FEDERAL HOME LOAN MTG CORP	07/28/14	04/28/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,996,960.00	(3,040.00)	Callable 10/28/14, then qtrly
FEDERAL HOME LOAN MTG CORP	06/26/13	06/26/18	Aaa	AA+	1.500	1.500	2,000,000.00	2,000,000.00	1,993,340.00	(6,660.00)	Callable 09/26/14, then qtrly
FEDERAL HOME LOAN MTG CORP	11/20/13	09/29/17	Aaa	AA+	1.000	1.030	1,000,000.00	999,066.00	993,780.00	(5,286.00)	
FEDERAL NATL MORTGAGE ASSN	01/30/13	01/30/18	Aaa	AA+	1.030	1.030	3,000,000.00	3,000,000.00	2,959,170.00	(40,830.00)	Callable 10/30/14, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/17/10	11/17/14	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,007,060.00	7,060.00	
FEDERAL NATL MORTGAGE ASSN	12/12/12	12/12/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,975,440.00	(24,560.00)	Callable 09/12/14, then qtrly
FEDERAL NATL MORTGAGE ASSN	06/19/13	12/19/16	Aaa	AA+	0.750	0.750	2,000,000.00	2,000,000.00	1,992,300.00	(7,700.00)	Callable 09/19/14, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/15/13	10/26/17	Aaa	AA+	0.875	1.062	2,000,000.00	1,988,177.83	1,968,540.00	(19,637.83)	
FEDERAL NATL MORTGAGE ASSN	12/11/13	11/27/18	Aaa	AA+	1.625	1.606	2,000,000.00	2,001,568.20	1,993,640.00	(7,928.20)	
FEDERAL NATL MORTGAGE ASSN	11/08/12	11/08/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,978,440.00	(21,560.00)	Callable 08/08/14, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/08/12	11/08/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,978,440.00	(21,560.00)	Callable 08/08/14, 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	3,944,560.00	(55,440.00)	Callable 09/26/14, then qtrly
FEDERAL NATL MORTGAGE ASSN	09/21/10	09/21/15	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,040,120.00	40,120.00	
FEDERAL NATL MORTGAGE ASSN	12/10/10	10/26/15	Aaa	AA+	1.625	2.067	2,000,000.00	1,989,650.46	2,033,760.00	44,109.54	
FEDERAL NATL MORTGAGE ASSN	02/05/13	02/05/18	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,971,340.00	(28,660.00)	Callable 02/05/15, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/20/13	10/26/17	Aaa	AA+	0.875	1.070	2,000,000.00	1,987,658.90	1,968,540.00	(19,118.90)	
<b>Subtotal, Federal Agencies</b>							<b>96,000,000.00</b>	<b>95,977,603.98</b>	<b>95,865,070.00</b>	<b>(112,533.98)</b>	
<b>CORPORATE/MEDIUM TERM NOTES</b>											
BERKSHIRE HATHAWAY FIN	12/15/10	12/15/15	Aa2	AA	2.450	2.530	2,000,000.00	1,997,941.67	2,052,600.00	54,658.33	
BERKSHIRE HATHAWAY INC	11/29/13	02/09/18	Aa2	AA	1.550	1.550	2,000,000.00	2,000,000.00	1,996,160.00	(3,840.00)	
GENERAL ELECTRIC CAPITAL CORP	11/10/10	11/09/15	A1	AA+	2.250	2.250	2,000,000.00	2,000,000.00	2,041,440.00	41,440.00	
GENERAL ELECTRIC CAPITAL CORP	01/14/14	01/14/19	A1	AA+	2.300	2.250	2,000,000.00	2,004,185.61	2,027,360.00	23,174.39	
PROCTOR & GAMBLE	09/20/11	11/15/15	Aa3	AA-	1.800	1.085	2,000,000.00	2,017,970.30	2,033,640.00	15,669.70	
TOYOTA MOTOR CREDIT	09/26/11	09/15/16	Aa3	AA-	2.000	1.800	2,000,000.00	2,008,079.87	2,047,460.00	39,380.13	
<b>Subtotal, Corporate Securities</b>							<b>12,000,000.00</b>	<b>12,028,177.45</b>	<b>12,198,660.00</b>	<b>170,482.55</b>	
<b>SB AIRPORT PROMISSORY NOTE (LT)</b>											
SANTA BARBARA AIRPORT	07/14/09	06/30/29	-	-	3.500	4.195	5,336,966.90	5,336,966.90	5,336,966.90	0.00	
<b>Subtotal, SBA Note</b>							<b>5,336,966.90</b>	<b>5,336,966.90</b>	<b>5,336,966.90</b>	<b>0.00</b>	
<b>CHECKING ACCOUNT</b>											
Union Bank Checking Account	-	-	-	-	0.400	0.400	15,278,637.53	15,278,637.53	15,278,637.53	0.00	
<b>Subtotal, Checking Account</b>							<b>15,278,637.53</b>	<b>15,278,637.53</b>	<b>15,278,637.53</b>	<b>0.00</b>	
<b>TOTALS</b>							<b>172,615,604.43</b>	<b>172,843,250.07</b>	<b>172,893,254.43</b>	<b>50,004.36</b>	

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