



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: February 24, 2015
TO: Mayor and Councilmembers
FROM: Treasury Division, Finance Department
SUBJECT: January 2015 Investment Report

RECOMMENDATION:

That Council accept the January 2015 Investment Report.

DISCUSSION:

The attached investment report includes Investment Activity, Interest Revenue, a Summary of Cash and Investments, and Investment Portfolio detail as of January 31, 2015.

ATTACHMENT: January 2015 Investment Report
PREPARED BY: Julie Nemes, Treasury Manager
SUBMITTED BY: Robert Samario, Acting Assistant City Administrator
APPROVED BY: City Administrator's Office

CITY OF SANTA BARBARA
Activity and Interest Report
 January 31, 2015

INVESTMENT ACTIVITY**PURCHASES OR DEPOSITS**

1/9 LAIF Deposit - City	\$ 10,000,000
1/12 LAIF Deposit - City	2,000,000
1/22 Federal Farm Credit Bank (FFCB)	2,000,000
1/22 Federal Farm Credit Bank (FFCB)	2,000,000
Total	\$ 16,000,000

SALES, MATURITIES, CALLS OR WITHDRAWALS

1/27 Federal Home Loan Bank (FHLB) - Call	\$ (1,000,000)
1/29 Federal Home Loan Bank (FHLB) - Maturity	(2,000,000)
Total	\$ (3,000,000)

ACTIVITY TOTAL

\$ 13,000,000

INVESTMENT INCOME**POOLED INVESTMENTS**

Interest Earned on Investments	\$ 162,567
Amortization	(11,437)
Total	\$ 151,131

INCOME TOTAL

\$ 151,131

CITY OF SANTA BARBARA

Investment Portfolio

January 31, 2015

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
LOCAL AGENCY INVESTMENT FUNDS											
LOCAL AGENCY INVESTMENT FUND	-	-	-	-	0.262	0.262	36,000,000.00	36,000,000.00	36,000,000.00	0.00	
Subtotal, LAIF							36,000,000.00	36,000,000.00	36,000,000.00	0.00	
CERTIFICATES OF DEPOSIT											
AMERICAN EXPRESS BANK FSB	10/23/14	10/23/19	-	-	2.200	2.200	250,000.00	250,000.00	248,972.50	(1,027.50)	FDIC Certificate 35328
CAPITAL ONE BANK USA NA	10/29/14	10/29/19	-	-	1.900	1.900	250,000.00	250,000.00	248,917.50	(1,082.50)	FDIC Certificate 33954
GE CAPITAL BANK	10/17/14	10/17/19	-	-	2.000	2.000	250,000.00	250,000.00	248,907.50	(1,092.50)	FDIC Certificate 33778
GOLDMAN SACHS BANK USA	10/29/14	10/29/19	-	-	2.150	2.150	250,000.00	250,000.00	248,922.50	(1,077.50)	FDIC Certificate 33124
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	
Subtotal, Certificates of deposit							9,000,000.00	9,000,000.00	8,995,720.00	(4,280.00)	
TREASURY SECURITIES - COUPON											
U S TREASURY NOTE	10/25/12	03/15/15	Aaa	AA+	0.375	0.342	2,000,000.00	2,000,075.34	2,000,700.00	624.66	
U S TREASURY NOTE	10/25/12	10/31/15	Aaa	AA+	1.250	0.397	2,000,000.00	2,012,622.62	2,015,940.00	3,317.38	
U S TREASURY NOTE	02/22/13	05/15/16	Aaa	AA+	5.125	0.442	2,000,000.00	2,119,315.31	2,124,540.00	5,224.69	
U S TREASURY NOTE	02/22/13	08/31/16	Aaa	AA+	1.000	0.502	2,000,000.00	2,015,563.52	2,020,000.00	4,436.48	
U S TREASURY NOTE	02/22/13	02/28/17	Aaa	AA+	0.875	0.607	2,000,000.00	2,010,979.89	2,015,000.00	4,020.11	
Subtotal, Treasury Securities							10,000,000.00	10,158,556.68	10,176,180.00	17,623.32	
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	2,042,280.00	42,280.00	
FED AGRICULTURAL MTG CORP	12/12/13	12/12/18	-	-	1.705	1.705	2,000,000.00	2,000,000.00	2,059,760.00	59,760.00	
FEDERAL FARM CREDIT BANK	01/22/15	07/22/19	Aaa	AA+	1.720	1.720	2,000,000.00	2,000,000.00	2,003,580.00	3,580.00	Callable 04/22/15, then continuous
FEDERAL FARM CREDIT BANK	07/09/14	07/09/18	Aaa	AA+	1.470	1.470	2,000,000.00	2,000,000.00	2,008,360.00	8,360.00	Callable 07/09/15, then continuous
FEDERAL FARM CREDIT BANK	01/22/15	01/22/19	Aaa	AA+	1.480	1.480	2,000,000.00	2,000,000.00	2,002,080.00	2,080.00	Callable 01/22/16, 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	2,000,080.00	80.00	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	2,037,720.00	37,720.00	
FEDERAL FARM CREDIT BANK	12/16/14	12/16/19	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,015,280.00	15,280.00	Callable 12/16/15, then continuous
FEDERAL FARM CREDIT BANK	02/16/11	02/16/16	Aaa	AA+	2.570	2.570	2,000,000.00	2,000,000.00	2,048,620.00	48,620.00	
FEDERAL FARM CREDIT BANK	07/17/13	07/17/17	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,025,940.00	25,940.00	
FEDERAL HOME LOAN BANK	09/13/13	09/14/18	Aaa	AA+	2.000	1.910	2,000,000.00	2,006,178.58	2,065,640.00	59,461.42	
FEDERAL HOME LOAN BANK	04/17/14	04/17/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	2,002,440.00	2,440.00	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	3,992,600.00	(7,400.00)	Callable 04/16/15, 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	2,036,720.00	36,720.00	
FEDERAL HOME LOAN BANK	06/26/14	06/26/19	Aaa	AA+	1.250	2.062	2,000,000.00	2,000,000.00	2,002,920.00	2,920.00	SU 1.25%-6% Call 03/26/15, then qtrly
FEDERAL HOME LOAN BANK	11/26/14	11/26/19	Aaa	AA+	1.500	2.102	2,000,000.00	2,000,000.00	2,007,680.00	7,680.00	SU 1.5%-5% Call 05/26/15, 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	2,002,900.00	2,900.00	SU 1.125%-2.5% Call 03/27/15, then qtrly
FEDERAL HOME LOAN BANK	05/22/14	05/22/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	2,000,080.00	80.00	Callable, continuous
FEDERAL HOME LOAN BANK	04/15/11	05/27/15	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,011,960.00	11,960.00	
FEDERAL HOME LOAN BANK	12/16/13	12/14/18	Aaa	AA+	1.750	1.650	2,000,000.00	2,007,391.11	2,050,460.00	43,068.89	
FEDERAL HOME LOAN BANK	06/18/14	06/09/17	Aaa	AA+	1.000	1.003	2,000,000.00	1,999,841.64	2,015,420.00	15,578.36	
FEDERAL HOME LOAN BANK	10/22/14	11/18/16	Aaa	AA+	0.750	0.500	2,000,000.00	2,008,915.76	2,006,080.00	(2,835.76)	

CITY OF SANTA BARBARA

Investment Portfolio

January 31, 2015

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	06/26/13	06/26/18	Aaa	AA+	1.400	1.400	2,000,000.00	2,000,000.00	2,003,340.00	3,340.00	Callable 03/26/15, 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	1,001,800.00	1,800.00	SU 1.5%-2.75% Call 03/18/15, then qtrly
FEDERAL HOME LOAN MTG CORP	04/23/12	04/17/15	Aaa	AA+	0.500	0.534	2,000,000.00	1,999,857.06	2,001,400.00	1,542.94	
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	2,006,040.00	6,040.00	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	2,001,660.00	1,660.00	Callable 03/12/15, 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	4,006,560.00	6,560.00	Callable 04/16/15, then qtrly
FEDERAL HOME LOAN MTG CORP	11/26/14	11/26/19	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,002,420.00	2,420.00	Callable 02/26/15, 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	2,003,520.00	3,520.00	Callable 03/26/15, then qtrly
FEDERAL HOME LOAN MTG CORP	11/20/13	09/29/17	Aaa	AA+	1.000	1.030	1,000,000.00	999,213.74	1,006,700.00	7,486.26	
FEDERAL NATL MORTGAGE ASSN	01/30/13	01/30/18	Aaa	AA+	1.030	1.030	3,000,000.00	3,000,000.00	2,993,040.00	(6,960.00)	Callable 04/30/15, then qtrly
FEDERAL NATL MORTGAGE ASSN	12/12/12	12/12/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,994,620.00	(5,380.00)	Callable 03/12/15, 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	2,001,440.00	1,440.00	Callable 03/19/15, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/15/13	10/26/17	Aaa	AA+	0.875	1.062	2,000,000.00	1,990,004.43	2,006,940.00	16,935.57	
FEDERAL NATL MORTGAGE ASSN	12/11/13	11/27/18	Aaa	AA+	1.625	1.606	2,000,000.00	2,001,386.79	2,039,660.00	38,273.21	
FEDERAL NATL MORTGAGE ASSN	11/08/12	11/08/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,994,580.00	(5,420.00)	Callable 02/08/15, 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	1,994,580.00	(5,420.00)	Callable 02/08/15, 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	3,998,280.00	(1,720.00)	Callable 03/26/15, 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	2,023,040.00	23,040.00	
FEDERAL NATL MORTGAGE ASSN	12/10/10	10/26/15	Aaa	AA+	1.625	2.067	2,000,000.00	1,993,836.79	2,020,840.00	27,003.21	
FEDERAL NATL MORTGAGE ASSN	02/05/13	02/05/18	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,995,320.00	(4,680.00)	Callable 02/05/15, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/20/13	10/26/17	Aaa	AA+	0.875	1.070	<u>2,000,000.00</u>	<u>1,989,565.68</u>	<u>2,006,940.00</u>	<u>17,374.32</u>	
Subtotal, Federal Agencies							<u>91,000,000.00</u>	<u>90,996,191.58</u>	<u>91,541,320.00</u>	<u>545,128.42</u>	
CORPORATE/MEDIUM TERM NOTES											
BERKSHIRE HATHAWAY FIN	12/15/10	12/15/15	Aa2	AA	2.450	2.530	2,000,000.00	1,998,691.67	2,035,780.00	37,088.33	
BERKSHIRE HATHAWAY INC	11/29/13	02/09/18	Aa2	AA	1.550	1.550	2,000,000.00	2,000,000.00	2,020,200.00	20,200.00	
GENERAL ELECTRIC CAPITAL CORP	11/10/10	11/09/15	A1	AA+	2.250	2.250	2,000,000.00	2,000,000.00	2,028,500.00	28,500.00	
GENERAL ELECTRIC CAPITAL CORP	01/14/14	01/14/19	A1	AA+	2.300	2.250	2,000,000.00	2,003,715.61	2,061,340.00	57,624.39	
PROCTOR & GAMBLE	09/20/11	11/15/15	Aa3	AA-	1.800	1.085	2,000,000.00	2,010,999.06	2,022,500.00	11,500.94	
TOYOTA MOTOR CREDIT	09/26/11	09/15/16	Aa3	AA-	2.000	1.800	<u>2,000,000.00</u>	<u>2,006,176.23</u>	<u>2,043,260.00</u>	<u>37,083.77</u>	
Subtotal, Corporate Securities							<u>12,000,000.00</u>	<u>12,019,582.57</u>	<u>12,211,580.00</u>	<u>191,997.43</u>	
SB AIRPORT PROMISSORY NOTE (LT)											
SANTA BARBARA AIRPORT	07/14/09	06/30/29	-	-	3.500	4.195	<u>5,200,181.75</u>	<u>5,200,181.75</u>	<u>5,200,181.75</u>	<u>0.00</u>	
Subtotal, SBA Note							<u>5,200,181.75</u>	<u>5,200,181.75</u>	<u>5,200,181.75</u>	<u>0.00</u>	
CHECKING ACCOUNT											
MUFG UNION BANK NA CHKNG ACCNT	-	-	-	-	0.400	0.400	<u>18,552,392.54</u>	<u>18,552,392.54</u>	<u>18,552,392.54</u>	<u>0.00</u>	
Subtotal, Checking Account							<u>18,552,392.54</u>	<u>18,552,392.54</u>	<u>18,552,392.54</u>	<u>0.00</u>	
TOTALS							<u>181,752,574.29</u>	<u>181,926,905.12</u>	<u>182,677,374.29</u>	<u>750,469.17</u>	

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.