



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: April 28, 2015

TO: Mayor and Councilmembers

FROM: Treasury Division, Finance Department

SUBJECT: March 31, 2015, Investment Report And March 31, 2015, Fiscal Agent Report

RECOMMENDATION: That Council:

- A. Accept the March 31, 2015, Investment Report; and
- B. Accept the March 31, 2015, 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 period of January through March 2015.

The interest rate environment in which the City invests remains extremely low. In most cases, Treasury yields were lower by the end of the quarter as shown in the table to the right. The 6-month and 1-year Treasury yields increased slightly while longer term Treasury yields were significantly lower and showed the largest declines. The change in Treasury yields ranged from a decrease of 28 basis points on the 5-year Treasury note to an increase of 2 basis points on the 1-year Treasury note.

U.S. Treasury Market					
	12/31/2014	1/31/2015	2/28/2015	3/31/2015	Cumulative Change
3 Month	0.04%	0.02%	0.02%	0.03%	-0.01%
6 Month	0.12%	0.07%	0.07%	0.14%	0.02%
1 Year	0.25%	0.18%	0.22%	0.26%	0.01%
2 Year	0.67%	0.47%	0.63%	0.56%	-0.11%
3 Year	1.10%	0.77%	1.01%	0.89%	-0.21%
4 Year	1.36%	0.95%	1.25%	1.12%	-0.24%
5 Year	1.65%	1.18%	1.50%	1.37%	-0.28%
10 Year	2.17%	1.68%	2.00%	1.94%	-0.23%
30 Year	2.75%	2.25%	2.60%	2.54%	-0.21%
LAIF	0.25%	0.26%	0.26%	0.26%	0.01%

The City generally invests in securities of one to five years in duration. Within this duration, interests range from 0.26% to 1.37% for Treasury securities. With the economy relatively strong, there is an expectation that interest rates may increase

within the year, but certainly 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 \$6 million during the quarter. The purchases consisted of \$6 million in “AAA” rated Federal Agency callable securities. The purchases replaced \$3 million in Federal Agency securities that were called, \$2 million in Federal Agency securities that matured, and \$2 million in US Treasury notes that matured over the quarter.

Issuer	Face Amount	Purchase Date	Final Maturity	Call Date	Yield To Call	Yield To Maturity
<i>Purchases:</i>						
Federal Farm Credit Bank (FFCB)	\$ 2,000,000	01/22/15	01/22/19	01/22/16	1.480%	1.480%
Federal Farm Credit Bank (FFCB)	2,000,000	01/22/15	07/22/19	04/22/15	1.720%	1.720%
Federal Farm Credit Bank (FFCB)	2,000,000	02/11/15	02/11/19	02/11/16	1.520%	1.520%
	\$ 6,000,000					
<i>Calls:</i>						
Federal Home Loan Bank (FHLB)	\$ 1,000,000	04/15/14	04/15/19	01/27/15	2.070%	2.070%
Federal Home Loan Bank (FHLB)	2,000,000	06/27/13	06/27/18	03/27/15	1.250%	1.493%
	\$ 3,000,000					
<i>Maturities:</i>						
Federal Home Loan Bank (FHLB)	\$ 2,000,000	02/09/11	01/29/15	-	-	1.750%
United States Treasury Note (USTN)	2,000,000	10/25/12	03/15/15	-	-	0.342%
	\$ 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 3.4 basis points from 1.173 percent at December 31, 2014 to 1.207 percent at March 31, 2015.

Mo. Ended	Yield	Days to Maturity
12/31/2014	1.173%	841
1/31/2015	1.080%	782
2/28/2015	1.167%	821
3/31/2015	1.207%	833

The portfolio’s average days to maturity, including the long-term Airport promissory note, decreased by 8 days from 841 to 833 days. Excluding the Airport note, the portfolio’s average days to maturity is 689 days, reflecting reinvestment of maturities and calls 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.

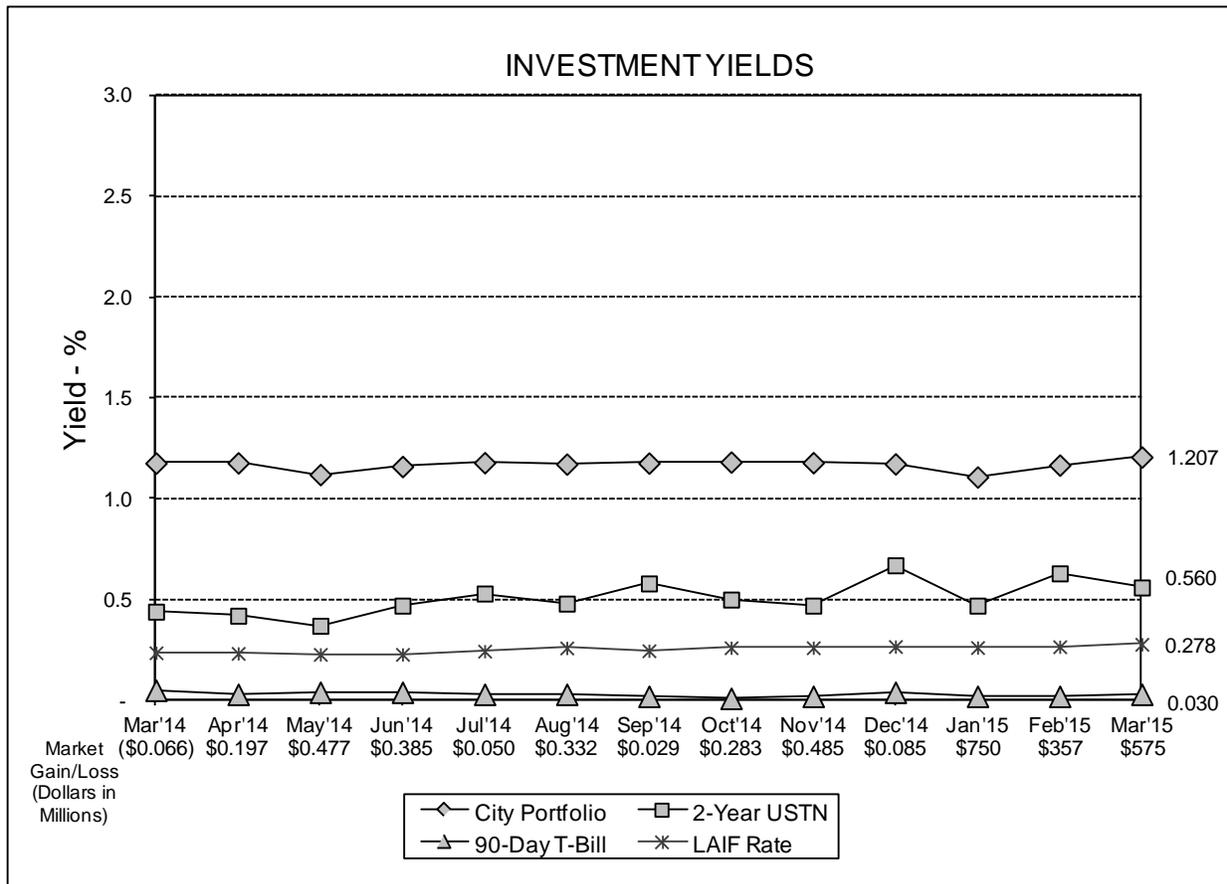
The average LAIF rate at which the City earned interest for funds invested was at 0.26 percent for the quarter ended March 31, 2015, which was up from last quarter by 1 basis point. The City's LAIF holdings at the end of the quarter were \$24 million. Staff expects to reinvest a portion of the LAIF balances in fixed-term or callable securities during the next quarter.

Credit Quality on Corporate Notes

There were no credit quality changes to the four corporate issuers of the medium-term notes held in the portfolio (i.e., Berkshire Hathaway Financial, Inc., General Electric Capital Corp, Proctor & Gamble, and Toyota Motor Credit), and the ratings of all corporate notes remain within the City's Investment Policy guidelines of "A" or better.

Portfolio Market Gains/Losses

As shown in the Investment Yields chart below, the City's portfolio continues to significantly outperform the three benchmark measures (the 90-day T-Bill, 2-year T-Note and LAIF). At March 31, 2015, the portfolio had an overall unrealized market gain of \$0.575 million.



On a quarterly basis, staff reports the five securities with the largest percentage of unrealized losses as shown in the table below. 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
FEDERAL NATL MORTGAGE ASSN	\$2,000,000	12/12/17	-\$10,020	-0.50%
FEDERAL NATL MORTGAGE ASSN	\$2,000,000	02/05/18	-\$9,960	-0.50%
FEDERAL NATL MORTGAGE ASSN	\$2,000,000	11/08/17	-\$9,540	-0.48%
FEDERAL NATL MORTGAGE ASSN	\$2,000,000	11/08/17	-\$9,540	-0.48%
FEDERAL HOME LOAN BANK	\$4,000,000	01/16/18	-\$12,960	-0.32%

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 March 31, 2015, 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 March 31, 2015.

ATTACHMENTS: 1. March 31, 2015, Investment Report
 2. March 31, 2015, Fiscal Agent Report

PREPARED BY: Julie Nemes, Treasury Manager

SUBMITTED BY: Robert Samario, Acting Assistant City Administrator/Finance Director

APPROVED BY: City Administrator's Office

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

INVESTMENT ACTIVITY

PURCHASES OR DEPOSITS

	\$ -
Total	\$ -

SALES, MATURITIES, CALLS OR WITHDRAWALS

3/10 LAIF Withdrawal - City	\$ (2,000,000)
3/15 United States Treasury Note (USTN) - Maturity	(2,000,000)
3/23 LAIF Withdrawal - City	(2,000,000)
3/27 Federal Home Loan Bank (FHLB) - Call	<u>(2,000,000)</u>
Total	\$ (8,000,000)

ACTIVITY TOTAL

\$ (8,000,000)

INVESTMENT INCOME

POOLED INVESTMENTS

Interest Earned on Investments	\$ 172,230
Amortization	<u>(11,406)</u>
Total	\$ 160,823

INCOME TOTAL

\$ 160,823

CITY OF SANTA BARBARA

Investment Portfolio

March 31, 2015

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	-	-	-	-	0.278	0.278	24,000,000.00	24,000,000.00	24,000,000.00	0.00	
Subtotal, LAIF							24,000,000.00	24,000,000.00	24,000,000.00	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	252,082.50	2,082.50	FDIC Certificate 35328
CAPITAL ONE BANK USA NA	10/29/14	10/29/19	-	-	1.900	1.900	250,000.00	250,000.00	252,040.00	2,040.00	FDIC Certificate 33954
GE CAPITAL BANK	10/17/14	10/17/19	-	-	2.000	2.000	250,000.00	250,000.00	252,037.50	2,037.50	FDIC Certificate 33778
GOLDMAN SACHS BANK USA	10/29/14	10/29/19	-	-	2.150	2.150	250,000.00	250,000.00	252,027.50	2,027.50	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	9,008,187.50	8,187.50	
TREASURY SECURITIES - COUPON											
U S TREASURY NOTE	10/25/12	10/31/15	Aaa	AA+	1.250	0.397	2,000,000.00	2,009,884.62	2,012,340.00	2,455.38	
U S TREASURY NOTE	02/22/13	05/15/16	Aaa	AA+	5.125	0.442	2,000,000.00	2,104,305.50	2,106,880.00	2,574.50	
U S TREASURY NOTE	02/22/13	08/31/16	Aaa	AA+	1.000	0.502	2,000,000.00	2,013,972.10	2,016,560.00	2,587.90	
U S TREASURY NOTE	02/22/13	02/28/17	Aaa	AA+	0.875	0.607	2,000,000.00	2,010,125.26	2,012,660.00	2,534.74	
Subtotal, Treasury Securities							8,000,000.00	8,138,287.48	8,148,440.00	10,152.52	
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	2,032,820.00	32,820.00	
FED AGRICULTURAL MTG CORP	12/12/13	12/12/18	-	-	1.705	1.705	2,000,000.00	2,000,000.00	2,047,040.00	47,040.00	
FEDERAL FARM CREDIT BANK	01/22/15	07/22/19	Aaa	AA+	1.720	1.720	2,000,000.00	2,000,000.00	1,996,900.00	(3,100.00)	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	2,005,060.00	5,060.00	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	2,004,380.00	4,380.00	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	2,000,160.00	160.00	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	2,033,160.00	33,160.00	
FEDERAL FARM CREDIT BANK	12/16/14	12/16/19	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,011,640.00	11,640.00	Callable 12/16/15, then continuous
FEDERAL FARM CREDIT BANK	02/11/15	02/11/19	Aaa	AA+	1.520	1.520	2,000,000.00	2,000,000.00	2,004,940.00	4,940.00	Callable 02/11/16, 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	2,040,020.00	40,020.00	
FEDERAL FARM CREDIT BANK	07/17/13	07/17/17	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,022,820.00	22,820.00	
FEDERAL HOME LOAN BANK	09/13/13	09/14/18	Aaa	AA+	2.000	1.910	2,000,000.00	2,005,894.07	2,059,700.00	53,805.93	
FEDERAL HOME LOAN BANK	04/17/14	04/17/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	2,000,660.00	660.00	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	3,987,040.00	(12,960.00)	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	2,029,240.00	29,240.00	
FEDERAL HOME LOAN BANK	06/26/14	06/26/19	Aaa	AA+	1.250	2.062	2,000,000.00	2,000,000.00	2,003,040.00	3,040.00	SU 1.25%-6% Call 06/26/15, 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	2,004,340.00	4,340.00	SU 1.5%-5% Call 05/26/15, 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	2,000,160.00	160.00	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	2,005,840.00	5,840.00	
FEDERAL HOME LOAN BANK	12/16/13	12/14/18	Aaa	AA+	1.750	1.650	2,000,000.00	2,007,072.76	2,041,060.00	33,987.24	
FEDERAL HOME LOAN BANK	06/18/14	06/09/17	Aaa	AA+	1.000	1.003	2,000,000.00	1,999,852.85	2,012,080.00	12,227.15	
FEDERAL HOME LOAN BANK	10/22/14	11/18/16	Aaa	AA+	0.750	0.500	2,000,000.00	2,008,088.95	2,009,280.00	1,191.05	

CITY OF SANTA BARBARA

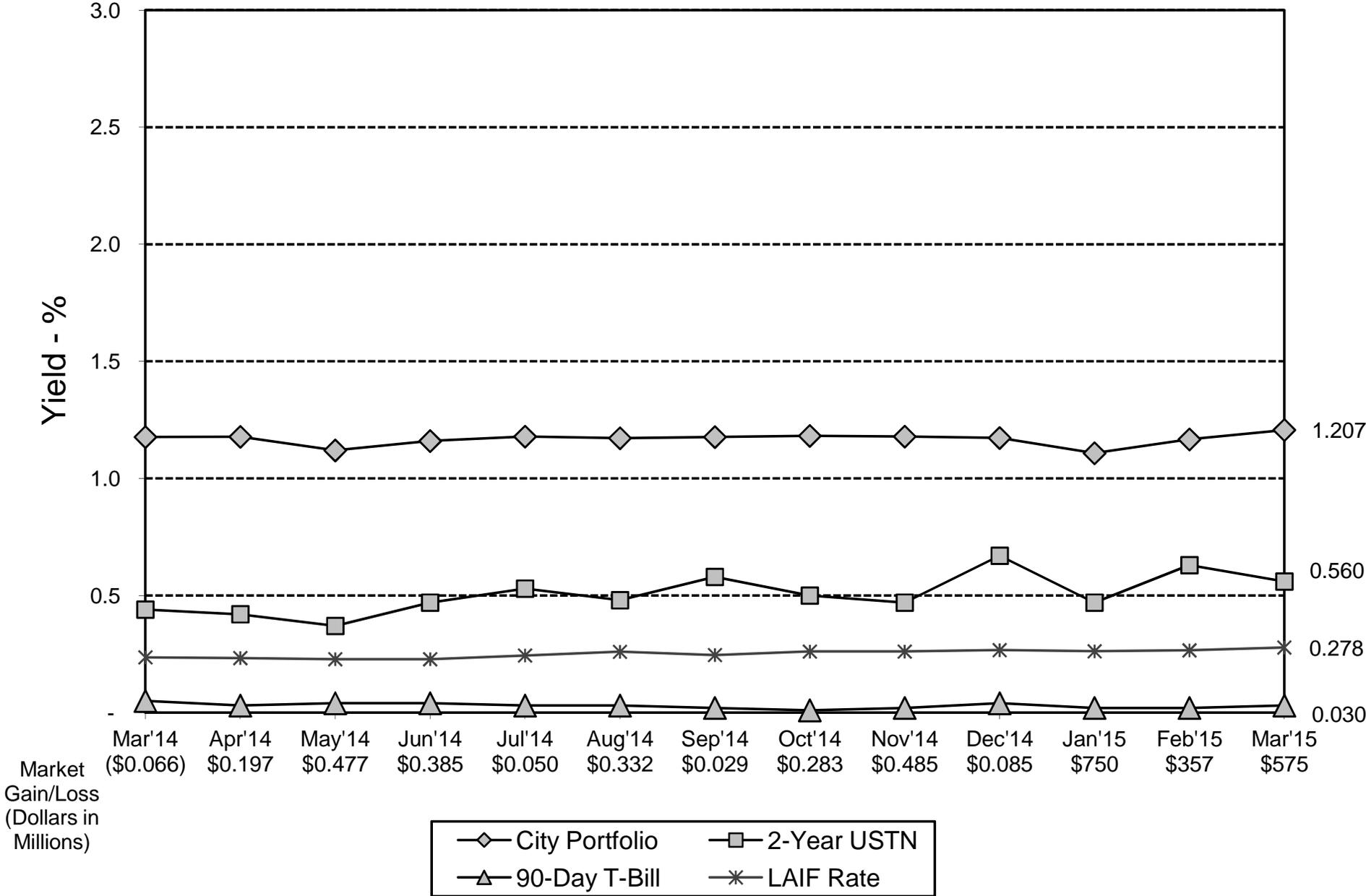
Investment Portfolio

March 31, 2015

DESCRIPTION	PURCHASE	MATURITY	QUALITY RATING		STATED	YIELD AT	FACE	BOOK	MARKET	BOOK	COMMENTS
	DATE	DATE	MOODY'S	S & P							
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	1,999,860.00	(140.00)	Callable 06/26/15, 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	1,002,630.00	2,630.00	SU 1.5%-2.75% Call 06/18/15, then qtrly
FEDERAL HOME LOAN MTG CORP	04/23/12	04/17/15	Aaa	AA+	0.500	0.534	2,000,000.00	1,999,969.91	2,000,380.00	410.09	
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	2,003,600.00	3,600.00	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	1,999,100.00	(900.00)	Callable 06/12/15, 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	4,001,640.00	1,640.00	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	2,005,520.00	5,520.00	Callable 05/26/15, 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	2,004,360.00	4,360.00	Callable 06/26/15, then qtrly
FEDERAL HOME LOAN MTG CORP	11/20/13	09/29/17	Aaa	AA+	1.000	1.030	1,000,000.00	999,262.98	1,003,100.00	3,837.02	
FEDERAL NATL MORTGAGE ASSN	01/30/13	01/30/18	Aaa	AA+	1.030	1.030	3,000,000.00	3,000,000.00	3,002,280.00	2,280.00	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	1,989,980.00	(10,020.00)	Callable 06/12/15, 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	2,001,400.00	1,400.00	Callable 06/19/15, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/15/13	10/26/17	Aaa	AA+	0.875	1.062	2,000,000.00	1,990,613.30	2,002,480.00	11,866.70	
FEDERAL NATL MORTGAGE ASSN	12/11/13	11/27/18	Aaa	AA+	1.625	1.606	2,000,000.00	2,001,326.32	2,031,760.00	30,433.68	
FEDERAL NATL MORTGAGE ASSN	11/08/12	11/08/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,990,460.00	(9,540.00)	Callable 05/08/15, 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	1,990,460.00	(9,540.00)	Callable 05/08/15, 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	3,988,360.00	(11,640.00)	Callable 06/26/15, 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	2,016,940.00	16,940.00	
FEDERAL NATL MORTGAGE ASSN	12/10/10	10/26/15	Aaa	AA+	1.625	2.067	2,000,000.00	1,995,232.23	2,015,980.00	20,747.77	
FEDERAL NATL MORTGAGE ASSN	02/05/13	02/05/18	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,990,040.00	(9,960.00)	Callable 05/05/15, 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>1,990,201.27</u>	<u>2,002,480.00</u>	<u>12,278.73</u>	
Subtotal, Federal Agencies							<u>91,000,000.00</u>	<u>90,997,514.64</u>	<u>91,394,190.00</u>	<u>396,675.36</u>	
CORPORATE/MEDIUM TERM NOTES											
BERKSHIRE HATHAWAY FIN	12/15/10	12/15/15	Aa2	AA	2.450	2.530	2,000,000.00	1,998,941.67	2,027,960.00	29,018.33	
BERKSHIRE HATHAWAY INC	11/29/13	02/09/18	Aa2	AA	1.550	1.550	2,000,000.00	2,000,000.00	2,024,320.00	24,320.00	
GENERAL ELECTRIC CAPITAL CORP	11/10/10	11/09/15	A1	AA+	2.250	2.250	2,000,000.00	2,000,000.00	2,020,780.00	20,780.00	
GENERAL ELECTRIC CAPITAL CORP	01/14/14	01/14/19	A1	AA+	2.300	2.250	2,000,000.00	2,003,558.94	2,046,920.00	43,361.06	
PROCTOR & GAMBLE	09/20/11	11/15/15	Aa3	AA-	1.800	1.085	2,000,000.00	2,008,675.32	2,017,780.00	9,104.68	
TOYOTA MOTOR CREDIT	09/26/11	09/15/16	Aa3	AA-	2.000	1.800	<u>2,000,000.00</u>	<u>2,005,541.69</u>	<u>2,039,080.00</u>	<u>33,538.31</u>	
Subtotal, Corporate Securities							<u>12,000,000.00</u>	<u>12,016,717.62</u>	<u>12,176,840.00</u>	<u>160,122.38</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>12,936,007.55</u>	<u>12,936,007.55</u>	<u>12,936,007.55</u>	<u>0.00</u>	
Subtotal, Checking Account							<u>12,936,007.55</u>	<u>12,936,007.55</u>	<u>12,936,007.55</u>	<u>0.00</u>	
TOTALS							<u>162,136,189.30</u>	<u>162,288,709.04</u>	<u>162,863,846.80</u>	<u>575,137.76</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.

INVESTMENT YIELDS



**CITY OF SANTA BARBARA
Fiscal Agent Investments
March 31, 2015**

	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	0.70	-	-	-	-	-	-	-	0.70	0.70
2002 Municipal Improvement - Refunding COPS	25,084.54	547,530.00	-	-	-	-	-	-	572,614.54	572,614.54
2011 Water - Safe Drinking Water State Loan	550,789.17	-	-	-	-	-	-	-	550,789.17	550,789.17
2013 Water - Refunding COPS	407,521.39	428,069.44	-	-	-	-	636,099.18	647,833.60	1,471,690.01	1,483,424.43
2004 Sewer - Revenue Bonds	63,785.10	1,357,140.00	-	-	-	-	-	-	1,420,925.10	1,420,925.10
2009 Airport - Revenue Bonds	147,202.22	-	-	-	-	-	3,046,310.29	3,079,264.68	3,193,512.51	3,226,466.90
2014 Waterfront - Refunding Bonds	-	581,455.74	-	-	-	-	-	-	581,455.74	581,455.74
Subtotal, Reserve Funds	1,194,383.12	2,914,195.18	-	-	-	-	3,682,409.47	3,727,098.28	7,790,987.77	7,835,676.58
<i>PROJECT FUNDS</i>										
2001 RDA Bonds	2,366,872.68	-	-	-	-	-	-	-	2,366,872.68	2,366,872.68
2003 RDA Bonds	8,508,930.10	-	-	-	-	-	-	-	8,508,930.10	8,508,930.10
Subtotal, Project Funds	10,875,802.78	-	-	-	-	-	-	-	10,875,802.78	10,875,802.78
SUBTOTAL BOND FUNDS	12,070,185.90	2,914,195.18	-	-	-	-	3,682,409.47	3,727,098.28	18,666,790.55	18,711,479.36
POLICE/FIRE - SVC RETIREMENT FUND										
Police/Fire Funds	59,427.89	-	130,772.94	223,661.03	219,414.25	233,669.70	-	-	409,615.08	516,758.62
	59,427.89	-	130,772.94	223,661.03	219,414.25	233,669.70	-	-	409,615.08	516,758.62
TOTAL FISCAL AGENT INVESTMENTS	12,129,613.79	2,914,195.18	130,772.94	223,661.03	219,414.25	233,669.70	3,682,409.47	3,727,098.28	19,076,405.63	19,228,237.98

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