



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: May 19, 2015

TO: Mayor and Councilmembers

FROM: Treasury Division, Finance Department

SUBJECT: April 2015 Investment Report

RECOMMENDATION:

That Council accept the April 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 April 30, 2015.

ATTACHMENT: April 2015 Investment 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
 April 30, 2015

INVESTMENT ACTIVITY

PURCHASES OR DEPOSITS

	\$ -
Total	\$ -

SALES, MATURITIES, CALLS OR WITHDRAWALS

4/15 Federal Home Loan Bank (FHLB) - Call	\$ (2,000,000)
4/17 Federal Home Loan Bank (FHLB) - Call	(2,000,000)
4/17 Federal Home Loan Mortgage Corp (FHLMC) - Maturity	(2,000,000)
Total	\$ (6,000,000)

ACTIVITY TOTAL	\$ (6,000,000)
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INVESTMENT INCOME

POOLED INVESTMENTS

Interest Earned on Investments	\$ 165,506
Amortization	(11,065)
Total	\$ 154,441

INCOME TOTAL	\$ 154,441
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CITY OF SANTA BARBARA
Summary of Cash and Investments
April 30, 2015

ENDING BALANCE AS OF MARCH 31, 2015

Description	Book Value	Yield to Maturity (365 days)	Percent of Portfolio	Average Days to Maturity
MUFG Union Bank NA Checking Account	\$ 12,936,008	0.400%	7.97%	1
State of California LAIF	24,000,000	0.278%	14.79%	1
Certificates of Deposit	9,000,000	1.311%	5.55%	663
Treasury Securities	8,138,287	0.487%	5.01%	459
Federal Agency Issues - Coupon	90,997,515	1.358%	56.07%	1,001
Corporate/Medium Term Notes	12,016,718	1.910%	7.40%	612
	157,088,527	1.109%	96.80%	689
SB Airport Promissory Note	5,200,182	4.195%	3.20%	5,204
Totals and Averages	\$ 162,288,709	1.207%	100.00%	833
Total Cash and Investments	\$ 162,288,709			

NET CASH AND INVESTMENT ACTIVITY FOR APRIL 2015 **\$ (719,719)**

ENDING BALANCE AS OF APRIL 30, 2015

Description	Book Value	Yield to Maturity (365 days)	Percent of Portfolio	Average Days to Maturity
MUFG Union Bank NA Checking Account	\$ 18,227,353	0.400%	11.28%	1 (1)
State of California LAIF	24,000,000	0.283%	14.85%	1 (2)
Certificates of Deposit	9,000,000	1.311%	5.57%	633
Treasury Securities	8,128,019	0.487%	5.03%	430
Federal Agency Issues - Coupon	84,998,150	1.394%	52.61%	1,005
Corporate/Medium Term Notes	12,015,285	1.910%	7.44%	582
	156,368,808	1.095%	96.78%	650
SB Airport Promissory Note	5,200,182	4.195%	3.22%	5,174
Totals and Averages	\$ 161,568,990	1.195%	100.00%	796
Total Cash and Investments	\$ 161,568,990			

Note:

- (1) Interest earnings allowance is provided at the rate of 0.400% by MUFG Union Bank, N.A. to help offset banking fees.
- (2) The average life of the LAIF portfolio as of April 30, 2015 is 220 days.

CITY OF SANTA BARBARA

Investment Portfolio

April 30, 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	-	-	-	-	0.283	0.283	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	252,890.00	2,890.00	FDIC Certificate 35328
CAPITAL ONE BANK USA NA	10/29/14	10/29/19	-	-	1.900	1.900	250,000.00	250,000.00	252,860.00	2,860.00	FDIC Certificate 33954
GE CAPITAL BANK	10/17/14	10/17/19	-	-	2.000	2.000	250,000.00	250,000.00	252,847.50	2,847.50	FDIC Certificate 33778
GOLDMAN SACHS BANK USA	10/29/14	10/29/19	-	-	2.150	2.150	250,000.00	250,000.00	252,842.50	2,842.50	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	9,011,440.00	11,440.00	
TREASURY SECURITIES - COUPON											
U S TREASURY NOTE	10/25/12	10/31/15	Aaa	AA+	1.250	0.397	2,000,000.00	2,008,492.42	2,011,560.00	3,067.58	
U S TREASURY NOTE	02/22/13	05/15/16	Aaa	AA+	5.125	0.442	2,000,000.00	2,096,673.39	2,099,680.00	3,006.61	
U S TREASURY NOTE	02/22/13	08/31/16	Aaa	AA+	1.000	0.502	2,000,000.00	2,013,162.91	2,015,460.00	2,297.09	
U S TREASURY NOTE	02/22/13	02/28/17	Aaa	AA+	0.875	0.607	2,000,000.00	2,009,690.70	2,011,880.00	2,189.30	
Subtotal, Treasury Securities							8,000,000.00	8,128,019.42	8,138,580.00	10,560.58	
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	2,029,020.00	29,020.00	
FED AGRICULTURAL MTG CORP	12/12/13	12/12/18	-	-	1.705	1.705	2,000,000.00	2,000,000.00	2,042,860.00	42,860.00	
FEDERAL FARM CREDIT BANK	01/22/15	07/22/19	Aaa	AA+	1.720	1.720	2,000,000.00	2,000,000.00	1,994,980.00	(5,020.00)	Callable, 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	2,003,240.00	3,240.00	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	2,002,600.00	2,600.00	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	1,996,880.00	(3,120.00)	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	2,032,240.00	32,240.00	
FEDERAL FARM CREDIT BANK	12/16/14	12/16/19	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,010,860.00	10,860.00	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	2,001,740.00	1,740.00	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	2,036,520.00	36,520.00	
FEDERAL FARM CREDIT BANK	07/17/13	07/17/17	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,022,180.00	22,180.00	
FEDERAL HOME LOAN BANK	09/13/13	09/14/18	Aaa	AA+	2.000	1.910	2,000,000.00	2,005,751.82	2,058,680.00	52,928.18	
FEDERAL HOME LOAN BANK	01/16/13	01/16/18	Aaa	AA+	1.000	1.000	4,000,000.00	4,000,000.00	3,986,680.00	(13,320.00)	Callable 07/16/15, 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	2,026,940.00	26,940.00	
FEDERAL HOME LOAN BANK	06/26/14	06/26/19	Aaa	AA+	1.250	2.062	2,000,000.00	2,000,000.00	2,002,980.00	2,980.00	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	2,001,940.00	1,940.00	SU 1.5%-5% Call 05/26/15, then qtrly
FEDERAL HOME LOAN BANK	04/15/11	05/27/15	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,002,760.00	2,760.00	
FEDERAL HOME LOAN BANK	12/16/13	12/14/18	Aaa	AA+	1.750	1.650	2,000,000.00	2,006,913.58	2,041,360.00	34,446.42	
FEDERAL HOME LOAN BANK	06/18/14	06/09/17	Aaa	AA+	1.000	1.003	2,000,000.00	1,999,858.45	2,012,440.00	12,581.55	
FEDERAL HOME LOAN BANK	10/22/14	11/18/16	Aaa	AA+	0.750	0.500	2,000,000.00	2,007,675.55	2,009,140.00	1,464.45	
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	1,999,140.00	(860.00)	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	1,001,790.00	1,790.00	SU 1.5%-2.75% Call 06/18/15, then qtrly
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	2,002,880.00	2,880.00	Callable 06/30/15, once

CITY OF SANTA BARBARA

Investment Portfolio

April 30, 2015

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 HOME LOAN MTG CORP	09/12/12	09/12/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,999,640.00	(360.00)	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	4,006,200.00	6,200.00	Callable 07/16/15, 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	2,002,500.00	2,500.00	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	2,003,660.00	3,660.00	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	999,287.60	1,006,750.00	7,462.40	
FEDERAL NATL MORTGAGE ASSN	01/30/13	01/30/18	Aaa	AA+	1.030	1.030	3,000,000.00	3,000,000.00	3,004,110.00	4,110.00	Callable 07/30/15, 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	1,989,820.00	(10,180.00)	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	2,001,420.00	1,420.00	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	1,990,917.73	2,003,920.00	13,002.27	
FEDERAL NATL MORTGAGE ASSN	12/11/13	11/27/18	Aaa	AA+	1.625	1.606	2,000,000.00	2,001,296.08	2,031,160.00	29,863.92	
FEDERAL NATL MORTGAGE ASSN	11/08/12	11/08/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,997,880.00	(2,120.00)	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	1,997,880.00	(2,120.00)	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	3,987,680.00	(12,320.00)	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	2,014,020.00	14,020.00	
FEDERAL NATL MORTGAGE ASSN	12/10/10	10/26/15	Aaa	AA+	1.625	2.067	2,000,000.00	1,995,929.95	2,014,720.00	18,790.05	
FEDERAL NATL MORTGAGE ASSN	02/05/13	02/05/18	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,989,320.00	(10,680.00)	Callable 05/05/15, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/20/13	10/26/17	Aaa	AA+	0.875	1.070	2,000,000.00	1,990,519.07	2,003,920.00	13,400.93	
Subtotal, Federal Agencies							85,000,000.00	84,998,149.83	85,374,450.00	376,300.17	
CORPORATE/MEDIUM TERM NOTES											
BERKSHIRE HATHAWAY FIN	12/15/10	12/15/15	Aa2	AA	2.450	2.530	2,000,000.00	1,999,066.67	2,024,560.00	25,493.33	
BERKSHIRE HATHAWAY INC	11/29/13	02/09/18	Aa2	AA	1.550	1.550	2,000,000.00	2,000,000.00	2,024,200.00	24,200.00	
GENERAL ELECTRIC CAPITAL CORP	11/10/10	11/09/15	A1	AA+	2.250	2.250	2,000,000.00	2,000,000.00	2,019,540.00	19,540.00	
GENERAL ELECTRIC CAPITAL CORP	01/14/14	01/14/19	A1	AA+	2.300	2.250	2,000,000.00	2,003,480.61	2,047,600.00	44,119.39	
PROCTOR & GAMBLE	09/20/11	11/15/15	Aa3	AA-	1.800	1.085	2,000,000.00	2,007,513.44	2,015,420.00	7,906.56	
TOYOTA MOTOR CREDIT	09/26/11	09/15/16	Aa3	AA-	2.000	1.800	2,000,000.00	2,005,224.42	2,037,680.00	32,455.58	
Subtotal, Corporate Securities							12,000,000.00	12,015,285.14	12,169,000.00	153,714.86	
SB AIRPORT PROMISSORY NOTE (LT)											
SANTA BARBARA AIRPORT	07/14/09	06/30/29	-	-	3.500	4.195	5,200,181.75	5,200,181.75	5,200,181.75	0.00	
Subtotal, SBA Note							5,200,181.75	5,200,181.75	5,200,181.75	0.00	
CHECKING ACCOUNT											
MUFG UNION BANK NA CHKNG ACCNT	-	-	-	-	0.400	0.400	18,227,353.48	18,227,353.48	18,227,353.48	0.00	
Subtotal, Checking Account							18,227,353.48	18,227,353.48	18,227,353.48	0.00	
TOTALS							161,427,535.23	161,568,989.62	162,121,005.23	552,015.61	

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.