



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: July 29, 2014

TO: Mayor and Councilmembers

FROM: Treasury Division, Finance Department

SUBJECT: June 30, 2014, Investment Report And June 30, 2014, Fiscal Agent Report

RECOMMENDATION: That Council:

- A. Accept the June 30, 2014, Investment Report; and
- B. Accept the June 30, 2014, 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 April through June 2014.

Treasury yields were mostly lower by the end of the quarter. As shown in the table to the right, the change in Treasury yields ranged from a decrease of 22 basis points on the 30-year Treasury note to an increase of 3 basis points on the 2-year Treasury note. Longer term maturities saw the largest declines in Treasury yield, and the 5 year note decreased by 11 basis points by the end of the quarter.

U.S. Treasury Market					
	3/31/2014	4/30/2014	5/31/2014	6/30/2014	Cumulative Change
3 Month	0.05%	0.03%	0.04%	0.04%	-0.01%
6 Month	0.07%	0.05%	0.06%	0.07%	0.00%
1 Year	0.13%	0.11%	0.10%	0.11%	-0.02%
2 Year	0.44%	0.42%	0.37%	0.47%	0.03%
3 Year	0.90%	0.87%	0.79%	0.88%	-0.02%
4 Year	1.29%	1.26%	1.16%	1.25%	-0.04%
5 Year	1.73%	1.69%	1.54%	1.62%	-0.11%
10 Year	2.73%	2.67%	2.48%	2.53%	-0.20%
30 Year	3.56%	3.47%	3.33%	3.34%	-0.22%
LAIF	0.23%	0.22%	0.22%	0.22%	-0.01%

Investment Activity

As shown in the Investment Activity table on the next page, the City invested \$15 million during the quarter. The purchases consisted of \$13 million in “AAA” rated Federal Agency callable securities, and \$2 million in “AAA” rated Federal Agency bullets. The

purchases replaced \$2 million in Federal Agency securities that matured, and \$9 million in Federal Agency securities that were called over the quarter. In addition, the portfolio also received \$134,433 in a semi-annual principal payment on the Airport promissory note at the end of June. The outstanding balance on the Airport promissory note is \$5.337 million.

Issuer	Face Amount	Purchase Date	Final Maturity	Call Date	Yield To Call	Yield To Maturity
<i>Purchases:</i>						
Federal Home Loan Bank (FHLB)	\$ 1,000,000	04/15/14	04/15/19	07/15/14	2.070%	2.070%
Federal Home Loan Bank (FHLB)	2,000,000	04/17/14	04/17/17	04/17/15	1.000%	1.000%
Federal Home Loan Mortgage Corp (FHLMC)	2,000,000	04/24/14	04/24/19	10/24/14	2.100%	2.100%
Federal Home Loan Bank (FHLB)	2,000,000	05/28/14	05/28/19	11/28/14	1.357%	2.288%
Federal Home Loan Bank (FHLB)	2,000,000	05/22/14	05/22/17	08/22/14	1.000%	1.000%
Federal Home Loan Bank (FHLB)	2,000,000	06/26/14	06/26/19	12/26/14	1.653%	2.062%
Federal Home Loan Bank (FHLB)	2,000,000	06/18/14	06/09/17	-	-	1.003%
Federal Home Loan Mortgage Corp (FHLMC)	2,000,000	06/30/14	06/30/17	06/30/15	1.000%	1.000%
	\$ 15,000,000					
<i>Calls:</i>						
Federal Home Loan Bank (FHLB)	\$ 2,000,000	07/17/13	07/17/18	04/17/14	1.750%	1.750%
Federal Home Loan Bank (FHLB)	2,000,000	02/13/14	02/13/19	05/13/14	2.050%	2.050%
Federal National Mortgage Association (FNMA)	1,000,000	11/13/13	11/13/18	05/13/14	0.625%	1.857%
Federal National Mortgage Association (FNMA)	2,000,000	08/28/12	08/28/17	05/28/14	1.150%	1.150%
Federal Home Loan Mortgage Corp (FHLMC)	2,000,000	06/12/12	06/12/17	06/12/14	1.250%	1.250%
	\$ 9,000,000					
<i>Maturities:</i>						
Federal Home Loan Mortgage Corp (FHLMC)	\$ 2,000,000	02/11/11	04/02/14	-	-	1.615%
Airport Promissory Note - Partial Redemption	134,433	07/14/09	06/30/29	-	-	4.195%
	\$ 2,134,433					

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 decreased by 1.7 basis points from 1.177 percent at March 31, 2014 to 1.160 percent at June 30, 2014.

Mo. Ended	Yield	Days to Maturity
3/31/2014	1.177%	1008
4/30/2014	1.178%	1007
5/31/2014	1.120%	903
6/30/2014	1.160%	931

The portfolio's average days to maturity, including the long-term Airport promissory note, decreased by 77 days from 1008 to 931 days. Excluding the Airport note, the portfolio's average days to maturity is 791 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 0.22 percent for the quarter ended June 30, 2014, which was down from last quarter by 1 basis point. The City's LAIF holdings at the end of the quarter were \$30 million. Staff expects to reinvest a portion of the LAIF balances in fixed-term or callable securities

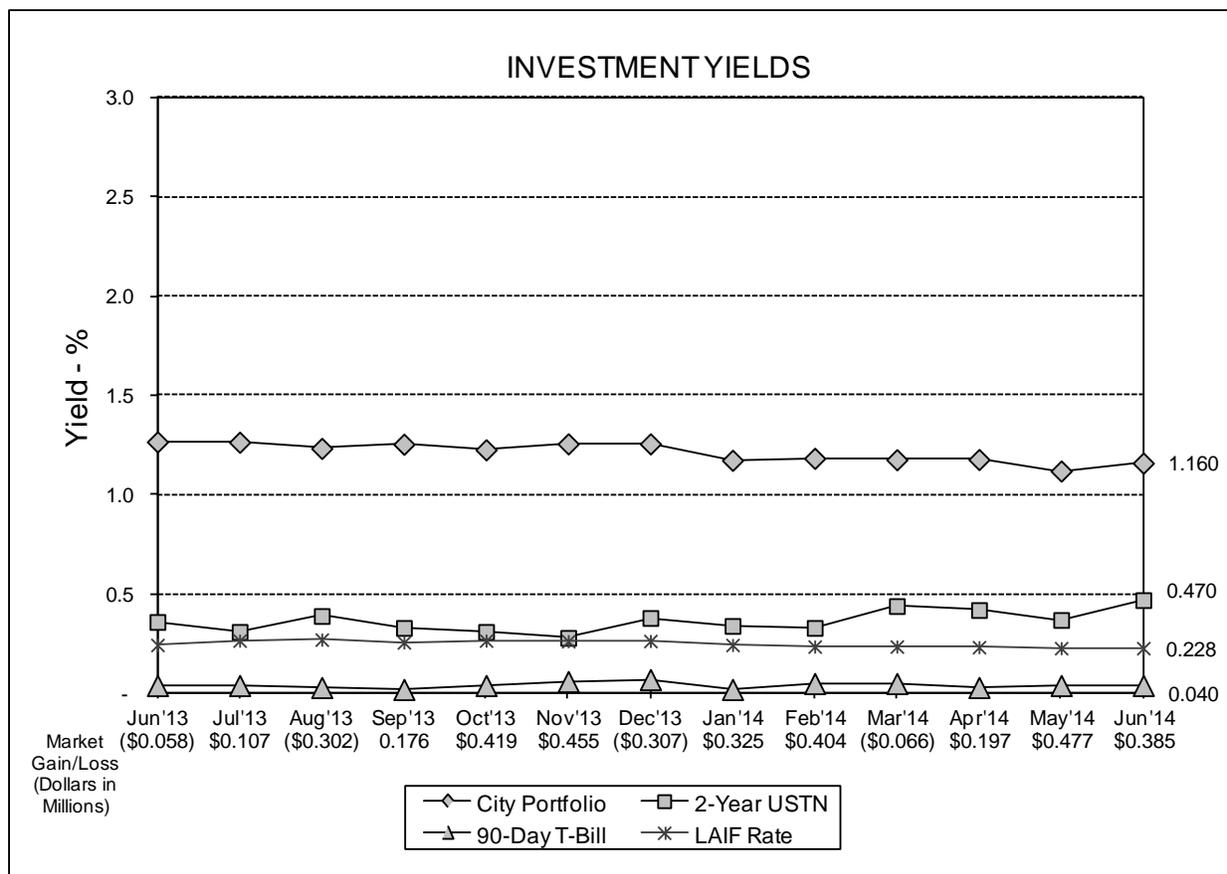
during the next quarter.

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). The City’s portfolio reflected a minimal market gain at June 30th as a result of the modest decrease in market yields during the quarter compared to the yields on securities currently held in the portfolio. At June 30, 2014, the portfolio had an overall unrealized market gain of \$0.385 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	02/05/18	-\$21,960	-1.10%
FEDERAL NATL MORTGAGE ASSN	\$4,000,000	12/26/17	-\$42,680	-1.07%
FEDERAL NATL MORTGAGE ASSN	\$3,000,000	01/30/18	-\$31,020	-1.03%
FEDERAL HOME LOAN BANK	\$4,000,000	01/16/18	-\$38,680	-0.97%
FEDERAL NATL MORTGAGE ASSN	\$2,000,000	12/12/17	-\$18,360	-0.92%

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 June 30, 2014, 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 June 30, 2014.

ATTACHMENTS: 1. June 30, 2014, Investment Report
 2. June 30, 2014, Fiscal Agent 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
 June 30, 2014

INVESTMENT ACTIVITY

PURCHASES OR DEPOSITS

6/18 Federal Home Loan Bank (FHLB)	\$ 2,000,000
6/26 Federal Home Loan Bank (FHLB)	2,000,000
6/30 Federal Home Loan Mortgage Corp (FHLMC)	<u>2,000,000</u>
Total	\$ 6,000,000

SALES, MATURITIES, CALLS OR WITHDRAWALS

6/2 LAIF Withdrawal - City	\$ (1,500,000)
6/12 Federal Home Loan Mortgage Corp (FHLMC) - Call	(2,000,000)
6/30 LAIF Withdrawal - City	(2,000,000)
6/30 Airport Promissory Note - Partial Redemption	<u>(134,433)</u>
Total	\$ (5,634,433)

ACTIVITY TOTAL

\$ 365,567

INVESTMENT INCOME

POOLED INVESTMENTS

Interest Earned on Investments	\$ 167,014
Amortization	<u>(10,572)</u>
Total	\$ 156,442

INCOME TOTAL

\$ 156,442

CITY OF SANTA BARBARA

Investment Portfolio

June 30, 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							
LOCAL AGENCY INVESTMENT FUNDS											
LOCAL AGENCY INVESTMENT FUND	-	-	-	-	0.228	0.228	30,000,000.00	30,000,000.00	30,000,000.00	0.00	
Subtotal, LAIF							30,000,000.00	30,000,000.00	30,000,000.00	0.00	
CERTIFICATES OF DEPOSIT											
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							8,000,000.00	8,000,000.00	8,000,000.00	0.00	
TREASURY SECURITIES - COUPON											
U S TREASURY NOTE	10/25/12	03/15/15	Aaa	AA+	0.375	0.342	2,000,000.00	2,000,461.04	2,004,060.00	3,598.96	
U S TREASURY NOTE	10/25/12	10/31/15	Aaa	AA+	1.250	0.397	2,000,000.00	2,022,600.05	2,028,120.00	5,519.95	
U S TREASURY NOTE	02/22/13	05/15/16	Aaa	AA+	5.125	0.442	2,000,000.00	2,174,012.10	2,176,100.00	2,087.90	
U S TREASURY NOTE	02/22/13	08/31/16	Aaa	AA+	1.000	0.502	2,000,000.00	2,021,362.75	2,020,620.00	(742.75)	
U S TREASURY NOTE	02/22/13	02/28/17	Aaa	AA+	0.875	0.607	2,000,000.00	2,014,094.24	2,007,340.00	(6,754.24)	
Subtotal, Treasury Securities							10,000,000.00	10,232,530.18	10,236,240.00	3,709.82	
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	2,009,880.00	9,880.00	
FED AGRICULTURAL MTG CORP	12/12/13	12/12/18	-	-	1.705	1.705	2,000,000.00	2,000,000.00	2,023,100.00	23,100.00	
FEDERAL FARM CREDIT BANK	08/15/12	08/15/17	Aaa	AA+	0.980	0.980	2,000,000.00	2,000,000.00	1,996,400.00	(3,600.00)	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	2,034,260.00	34,260.00	
FEDERAL FARM CREDIT BANK	02/16/11	02/16/16	Aaa	AA+	2.570	2.570	2,000,000.00	2,000,000.00	2,071,640.00	71,640.00	
FEDERAL FARM CREDIT BANK	07/17/13	07/17/17	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,026,480.00	26,480.00	
FEDERAL HOME LOAN BANK	08/05/10	09/12/14	Aaa	AA+	1.375	1.375	2,000,000.00	2,000,000.00	2,005,080.00	5,080.00	
FEDERAL HOME LOAN BANK	09/13/13	09/14/18	Aaa	AA+	2.000	1.910	2,000,000.00	2,007,174.36	2,039,540.00	32,365.64	
FEDERAL HOME LOAN BANK	04/17/14	04/17/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	2,003,880.00	3,880.00	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	3,961,320.00	(38,680.00)	Callable 07/16/14, 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	2,009,400.00	9,400.00	
FEDERAL HOME LOAN BANK	05/28/14	05/28/19	Aaa	AA+	1.375	2.288	2,000,000.00	2,000,000.00	1,995,460.00	(4,540.00)	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	1,996,111.11	1,998,580.00	2,468.89	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	1,998,140.00	(1,860.00)	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	999,290.00	(710.00)	Callable 07/15/14, then 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	2,002,140.00	2,140.00	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	2,018,620.00	18,620.00	
FEDERAL HOME LOAN BANK	04/15/11	05/27/15	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,032,200.00	32,200.00	
FEDERAL HOME LOAN BANK	12/16/13	12/14/18	Aaa	AA+	1.750	1.650	2,000,000.00	2,008,505.35	2,017,360.00	8,854.65	
FEDERAL HOME LOAN BANK	06/18/14	06/09/17	Aaa	AA+	1.000	1.003	2,000,000.00	1,999,802.43	2,005,880.00	6,077.57	
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	1,987,700.00	(12,300.00)	Callable 09/26/14, then qtrly
FEDERAL HOME LOAN MTG CORP	07/25/13	07/25/18	Aaa	AA+	1.800	1.800	2,000,000.00	2,000,000.00	2,001,800.00	1,800.00	Callable 07/25/14, once
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	1,001,950.00	1,950.00	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	1,006,660.00	6,660.00	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	1,999,462.09	2,005,760.00	6,297.91	

CITY OF SANTA BARBARA

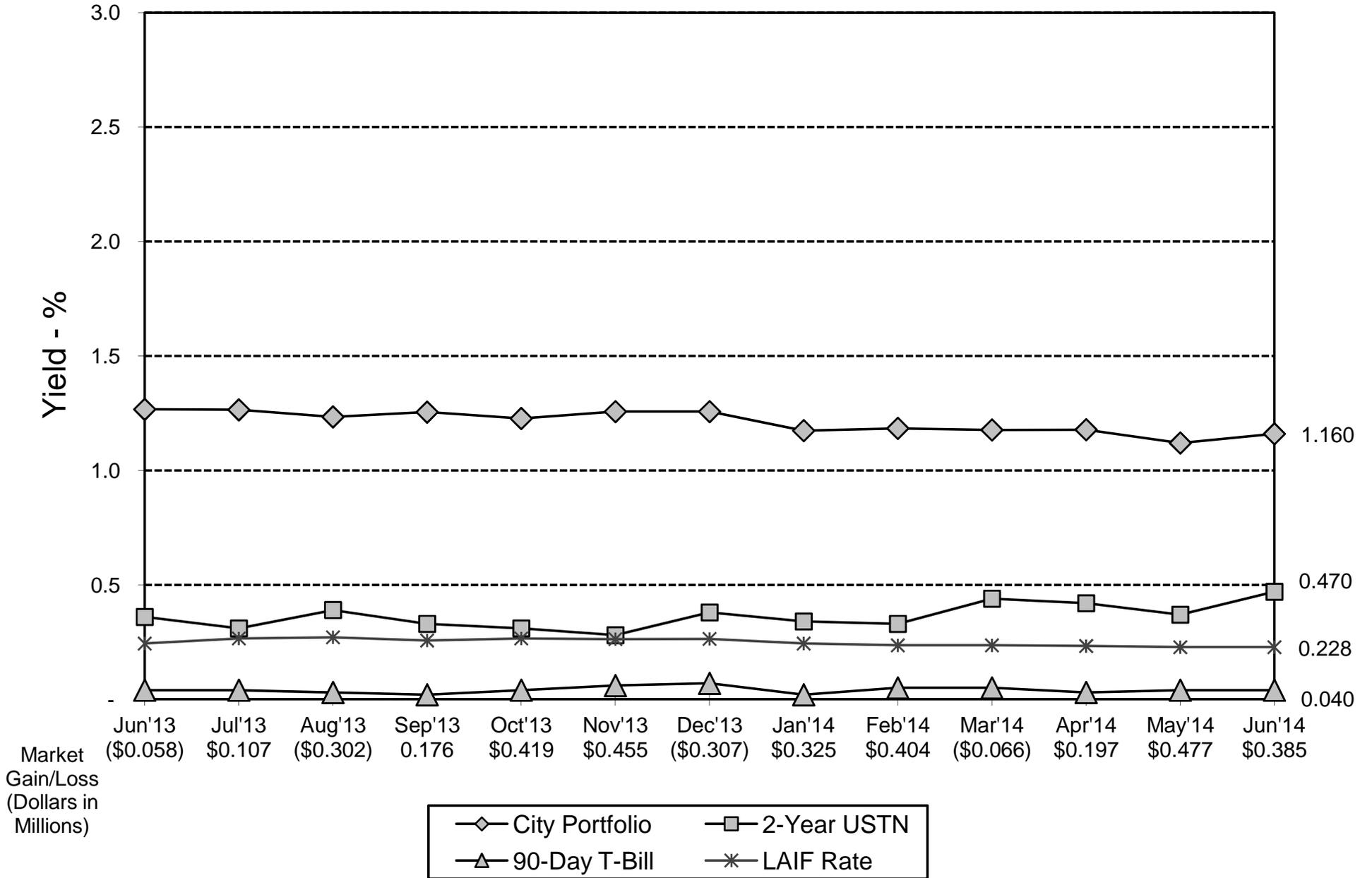
Investment Portfolio

June 30, 2014

DESCRIPTION	PURCHASE	MATURITY	QUALITY RATING		STATED	YIELD AT	FACE	BOOK	MARKET	BOOK	COMMENTS
	DATE	DATE	MOODY'S	S & P							
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	2,001,200.00	1,200.00	Callable 07/24/14, 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	2,009,020.00	9,020.00	Callable 10/24/14, 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	1,999,500.00	(500.00)	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	2,000,580.00	580.00	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	3,969,520.00	(30,480.00)	Callable 07/16/14, 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	1,001,960.00	1,960.00	SU 1%-2% Callable 11/26/14, once
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	2,000,400.00	400.00	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	999,041.38	997,940.00	(1,101.38)	
FEDERAL NATL MORTGAGE ASSN	01/30/13	01/30/18	Aaa	AA+	1.030	1.030	3,000,000.00	3,000,000.00	2,968,980.00	(31,020.00)	Callable 07/30/14, 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	2,008,980.00	8,980.00	
FEDERAL NATL MORTGAGE ASSN	12/12/12	12/12/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,981,640.00	(18,360.00)	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	1,994,960.00	(5,040.00)	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	1,987,873.40	1,985,320.00	(2,553.40)	
FEDERAL NATL MORTGAGE ASSN	12/11/13	11/27/18	Aaa	AA+	1.625	1.606	2,000,000.00	2,001,598.43	2,010,700.00	9,101.57	
FEDERAL NATL MORTGAGE ASSN	11/08/12	11/08/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,984,460.00	(15,540.00)	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	1,984,460.00	(15,540.00)	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	3,957,320.00	(42,680.00)	Callable 09/26/14, then qtrly
FEDERAL NATL MORTGAGE ASSN	07/10/13	07/10/18	Aaa	AA+	1.700	1.700	2,000,000.00	2,000,000.00	2,000,680.00	680.00	Callable 07/10/14, 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	2,040,960.00	40,960.00	
FEDERAL NATL MORTGAGE ASSN	12/10/10	10/26/15	Aaa	AA+	1.625	2.067	2,000,000.00	1,988,952.73	2,034,180.00	45,227.27	
FEDERAL NATL MORTGAGE ASSN	02/05/13	02/05/18	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,978,040.00	(21,960.00)	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	1,987,341.10	1,985,320.00	(2,021.10)	
Subtotal, Federal Agencies							<u>96,000,000.00</u>	<u>95,975,862.38</u>	<u>96,148,640.00</u>	<u>172,777.62</u>	
CORPORATE/MEDIUM TERM NOTES											
BERKSHIRE HATHAWAY FIN	12/15/10	12/15/15	Aa2	AA	2.450	2.530	2,000,000.00	1,997,816.67	2,056,700.00	58,883.33	
BERKSHIRE HATHAWAY INC	11/29/13	02/09/18	Aa2	AA	1.550	1.550	2,000,000.00	2,000,000.00	2,005,260.00	5,260.00	
GENERAL ELECTRIC CAPITAL CORP	11/10/10	11/09/15	A1	AA+	2.250	2.250	2,000,000.00	2,000,000.00	2,045,760.00	45,760.00	
GENERAL ELECTRIC CAPITAL CORP	01/14/14	01/14/19	A1	AA+	2.300	2.250	2,000,000.00	2,004,263.94	2,040,240.00	35,976.06	
PROCTOR & GAMBLE	09/20/11	11/15/15	Aa3	AA-	1.800	1.085	2,000,000.00	2,019,132.17	2,038,640.00	19,507.83	
TOYOTA MOTOR CREDIT	09/26/11	09/15/16	Aa3	AA-	2.000	1.800	2,000,000.00	2,008,397.14	2,051,660.00	43,262.86	
Subtotal, Corporate Securities							<u>12,000,000.00</u>	<u>12,029,609.92</u>	<u>12,238,260.00</u>	<u>208,650.08</u>	
SB AIRPORT PROMISSORY NOTE (LT)											
SANTA BARBARA AIRPORT	07/14/09	06/30/29	-	-	3.500	4.195	<u>5,336,966.90</u>	<u>5,336,966.90</u>	<u>5,336,966.90</u>	<u>0.00</u>	
Subtotal, SBA Note							<u>5,336,966.90</u>	<u>5,336,966.90</u>	<u>5,336,966.90</u>	<u>0.00</u>	
CHECKING ACCOUNT											
Union Bank Checking Account	-	-	-	-	0.400	0.400	<u>16,731,038.94</u>	<u>16,731,038.94</u>	<u>16,731,038.94</u>	<u>0.00</u>	
Subtotal, Checking Account							<u>16,731,038.94</u>	<u>16,731,038.94</u>	<u>16,731,038.94</u>	<u>0.00</u>	
TOTALS							<u>178,068,005.84</u>	<u>178,306,008.32</u>	<u>178,691,145.84</u>	<u>385,137.52</u>	

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.

INVESTMENT YIELDS



**CITY OF SANTA BARBARA
Fiscal Agent Investments
June 30, 2014**

	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	591,683.15	-	-	-	-	-	-	-	591,683.15	591,683.15
2002 Municipal Improvement - Refunding COPS	13,719.74	547,530.00	-	-	-	-	-	-	561,249.74	561,249.74
2011 Water - Safe Drinking Water State Loan	458,922.62	-	-	-	-	-	-	-	458,922.62	458,922.62
2013 Water - Refunding COPS	41,529.10	428,069.44	-	-	-	-	636,099.18	642,054.40	1,105,697.72	1,111,652.94
2004 Sewer - Revenue Bonds	46,549.94	1,357,140.00	-	-	-	-	-	-	1,403,689.94	1,403,689.94
2009 Airport - Revenue Bonds	2,162,521.30	-	-	-	-	-	3,046,223.36	3,052,246.25	5,208,744.66	5,214,767.55
2014 Waterfront - Refunding Bonds	4,439.24	581,455.74	-	-	-	-	-	-	585,894.98	585,894.98
Subtotal, Reserve Funds	3,319,365.09	2,914,195.18	-	-	-	-	3,682,322.54	3,694,300.65	9,915,882.81	9,927,860.92
<i>PROJECT FUNDS</i>										
2001 RDA Bonds	2,366,392.40	-	-	-	-	-	-	-	2,366,392.40	2,366,392.40
2003 RDA Bonds	8,507,245.28	-	-	-	-	-	-	-	8,507,245.28	8,507,245.28
Subtotal, Project Funds	10,873,637.68	-	-	-	-	-	-	-	10,873,637.68	10,873,637.68
SUBTOTAL BOND FUNDS	14,193,002.77	2,914,195.18	-	-	-	-	3,682,322.54	3,694,300.65	20,789,520.49	20,801,498.60
POLICE/FIRE - SVC RETIREMENT FUND										
Police/Fire Funds	65,865.95	-	143,377.82	256,843.94	219,676.71	231,898.40	-	-	428,920.48	554,608.29
	65,865.95	-	143,377.82	256,843.94	219,676.71	231,898.40	-	-	428,920.48	554,608.29
TOTAL FISCAL AGENT INVESTMENTS	14,258,868.72	2,914,195.18	143,377.82	256,843.94	219,676.71	231,898.40	3,682,322.54	3,694,300.65	21,218,440.97	21,356,106.89

Notes:

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