



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: August 23, 2011
TO: Mayor and Councilmembers
FROM: Treasury Division, Finance Department
SUBJECT: July 2011 Investment Report

RECOMMENDATION:

That Council accept the July 2011 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, 2011.

ATTACHMENT: July 2011 Investment Report
PREPARED BY: Jill Taura, Treasury Manager
SUBMITTED BY: Robert Samario, Finance Director
APPROVED BY: City Administrator's Office

CITY OF SANTA BARBARA
Activity and Interest Report
 July 31, 2011

INVESTMENT ACTIVITY

PURCHASES OR DEPOSITS

7/5 Federal National Mortgage Association (FNMA)	\$ 2,000,000
7/7 LAIF Deposit - City	1,000,000
7/12 Pres & Fellows of Harvard College (HARVRD)	2,000,000
7/19 Federal National Mortgage Association (FNMA)	1,000,000
Total	\$ 6,000,000

SALES, MATURITIES, CALLS OR WITHDRAWALS

7/1 LAIF Withdrawal - City	\$ (1,500,000)
7/5 LAIF Withdrawal - City	(3,000,000)
7/7 Federal National Mortgage Association (FNMA) - Call	(2,000,000)
7/11 LAIF Withdrawal - City	(1,000,000)
7/13 LAIF Withdrawal - City	(3,000,000)
7/14 Federal Home Loan Bank (FHLB) - Call	(2,000,000)
7/19 LAIF Withdrawal - City	(1,500,000)
7/22 LAIF Withdrawal - City	(1,000,000)
7/28 LAIF Withdrawal - City	(1,500,000)
7/28 Federal Home Loan Bank (FHLB) - Call	(2,000,000)
Total	\$ (18,500,000)

ACTIVITY TOTAL

\$ (12,500,000)

INTEREST REVENUE

POOLED INVESTMENTS

Interest Earned on Investments	\$ 259,197
Amortization	(13,242)
Interest on SBB&T Accounts	320
Total	\$ 246,276

TOTAL INTEREST EARNED

\$ 246,276

CITY OF SANTA BARBARA

Investment Portfolio

July 31, 2011

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
LOCAL AGENCY INVESTMENT FUNDS											
LOCAL AGENCY INVESTMENT FUND	-	-	-	-	0.380	0.380	36,500,000.00	36,500,000.00	36,500,000.00	0.00	
LOCAL AGENCY INV FUND/RDA	-	-	-	-	0.380	0.380	0.00	0.00	0.00	0.00	
Subtotal, LAIF							36,500,000.00	36,500,000.00	36,500,000.00	0.00	
CERTIFICATES OF DEPOSIT											
MONTECITO BANK & TRUST	11/18/09	11/18/11	-	-	1.750	1.750	2,000,000.00	2,000,000.00	2,000,000.00	0.00	
Subtotal, Certificates of deposit							2,000,000.00	2,000,000.00	2,000,000.00	0.00	
FEDERAL AGENCY ISSUES - COUPON											
FEDERAL FARM CREDIT BANK	03/06/09	04/24/12	Aaa	AAA	2.250	2.120	2,000,000.00	2,001,832.61	2,027,930.00	26,097.39	
FEDERAL FARM CREDIT BANK	10/28/10	10/28/15	Aaa	AAA	1.540	1.540	2,000,000.00	2,000,000.00	2,006,160.00	6,160.00	Callable 10/28/11, then cont.
FEDERAL FARM CREDIT BANK	12/10/10	12/08/14	Aaa	AAA	1.500	1.662	2,000,000.00	1,995,565.64	2,004,990.00	9,424.36	Callable 12/08/11, then cont.
FEDERAL FARM CREDIT BANK	02/02/11	02/02/15	Aaa	AAA	2.000	2.000	1,500,000.00	1,500,000.00	1,509,292.50	9,292.50	Callable 02/02/12, then cont.
FEDERAL FARM CREDIT BANK	02/10/11	02/10/14	Aaa	AAA	1.375	1.375	2,000,000.00	2,000,000.00	2,033,950.00	33,950.00	
FEDERAL FARM CREDIT BANK	03/09/11	03/09/16	Aaa	AAA	2.600	2.621	2,000,000.00	1,998,788.89	2,028,060.00	29,271.11	Callable 03/09/12, then cont.
FEDERAL FARM CREDIT BANK	12/15/10	12/15/15	Aaa	AAA	2.480	2.480	2,000,000.00	2,000,000.00	2,015,690.00	15,690.00	Callable 12/15/11, then cont.
FEDERAL FARM CREDIT BANK	03/04/09	01/17/12	Aaa	AAA	2.000	2.002	2,000,000.00	2,000,000.00	2,016,550.00	16,550.00	
FEDERAL FARM CREDIT BANK	03/05/09	03/04/13	Aaa	AAA	2.600	2.600	2,000,000.00	2,000,000.00	2,069,850.00	69,850.00	
FEDERAL FARM CREDIT BANK	05/08/09	04/08/13	Aaa	AAA	2.200	2.200	2,000,000.00	2,000,000.00	2,059,820.00	59,820.00	
FEDERAL FARM CREDIT BANK	06/19/09	06/18/12	Aaa	AAA	2.125	2.125	2,000,000.00	2,000,000.00	2,031,330.00	31,330.00	
FEDERAL FARM CREDIT BANK	09/30/09	10/03/11	Aaa	AAA	1.125	1.125	2,000,000.00	2,000,000.00	2,002,990.00	2,990.00	
FEDERAL FARM CREDIT BANK	04/30/10	04/09/15	Aaa	AAA	2.900	2.916	2,000,000.00	1,999,460.72	2,026,290.00	26,829.28	Callable 04/09/12, once
FEDERAL FARM CREDIT BANK	11/23/10	11/23/15	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	2,022,550.00	22,550.00	Callable 05/23/12, then cont.
FEDERAL FARM CREDIT BANK	02/16/11	02/16/16	Aaa	AAA	2.570	2.570	2,000,000.00	2,000,000.00	2,096,270.00	96,270.00	
FEDERAL HOME LOAN BANK	05/26/11	05/26/16	Aaa	AAA	1.250	2.421	2,000,000.00	2,000,000.00	2,001,170.00	1,170.00	SU 3.25% Callable 08/26/11, then qtrly
FEDERAL HOME LOAN BANK	05/25/11	11/25/15	Aaa	AAA	1.000	2.555	2,000,000.00	2,000,000.00	2,001,220.00	1,220.00	SU 1.0%-7.0%, Call 08/25/11, then qtrly
FEDERAL HOME LOAN BANK	06/30/11	06/30/16	Aaa	AAA	1.300	2.297	2,000,000.00	2,000,000.00	2,005,790.00	5,790.00	SU 3% Callable 12/30/11, then qtrly
FEDERAL HOME LOAN BANK	03/04/09	06/08/12	Aaa	AAA	4.375	2.110	1,700,000.00	1,731,558.50	1,758,582.00	27,023.50	
FEDERAL HOME LOAN BANK	04/15/10	10/15/13	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	2,064,520.00	64,520.00	
FEDERAL HOME LOAN BANK	08/05/10	09/12/14	Aaa	AAA	1.375	1.375	2,000,000.00	2,000,000.00	2,034,550.00	34,550.00	
FEDERAL HOME LOAN BANK	06/30/11	06/30/16	Aaa	AAA	2.110	2.110	2,000,000.00	2,000,000.00	2,004,270.00	4,270.00	Callable 09/30/11, then qtrly
FEDERAL HOME LOAN BANK	09/17/09	12/13/13	Aaa	AAA	3.125	2.440	2,000,000.00	2,030,599.56	2,119,070.00	88,470.44	
FEDERAL HOME LOAN BANK	01/15/10	10/30/12	Aaa	AAA	1.700	1.700	2,000,000.00	2,000,000.00	2,033,690.00	33,690.00	
FEDERAL HOME LOAN BANK	04/05/10	11/29/13	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	2,065,880.00	65,880.00	
FEDERAL HOME LOAN BANK	06/29/10	10/29/12	Aaa	AAA	1.125	1.125	2,000,000.00	2,000,000.00	2,019,350.00	19,350.00	
FEDERAL HOME LOAN BANK	06/15/11	06/15/16	Aaa	AAA	2.500	2.500	1,995,000.00	1,995,000.00	1,996,496.25	1,496.25	Callable 08/15/11, monthly
FEDERAL HOME LOAN BANK	05/28/10	05/28/15	Aaa	AAA	2.000	2.653	2,000,000.00	2,000,000.00	2,044,190.00	44,190.00	SU 3.35%, Callable 11/28/12, once
FEDERAL HOME LOAN BANK	06/30/10	06/30/14	Aaa	AAA	1.125	2.277	2,000,000.00	2,000,000.00	2,002,290.00	2,290.00	SU 3% Callable 12/30/11, once
FEDERAL HOME LOAN BANK	09/17/09	09/13/13	Aaa	AAA	4.375	2.272	2,000,000.00	2,084,647.80	2,163,260.00	78,612.20	
FEDERAL HOME LOAN BANK	02/22/10	12/13/13	Aaa	AAA	3.125	2.130	2,000,000.00	2,044,980.13	2,119,070.00	74,089.87	

CITY OF SANTA BARBARA

Investment Portfolio

July 31, 2011

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 BANK	03/26/10	06/08/12	Aaa	AAA	1.375	1.325	2,000,000.00	2,000,837.27	2,017,870.00	17,032.73	
FEDERAL HOME LOAN BANK	02/09/11	01/29/15	Aaa	AAA	1.750	1.750	2,000,000.00	2,000,000.00	2,052,300.00	52,300.00	
FEDERAL HOME LOAN BANK	04/15/11	05/27/15	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	2,064,960.00	64,960.00	
FEDERAL HOME LOAN BANK	06/30/11	06/30/16	Aaa	AAA	2.200	2.200	2,000,000.00	2,000,000.00	2,003,640.00	3,640.00	Callable 09/30/11, then cont.
FEDERAL HOME LOAN MTG CORP	09/03/09	09/21/12	Aaa	AAA	2.125	1.699	2,000,000.00	2,009,409.84	2,040,450.00	31,040.16	
FEDERAL HOME LOAN MTG CORP	11/23/10	11/23/15	Aaa	AAA	1.750	1.845	2,000,000.00	1,997,200.00	2,002,100.00	4,900.00	Callable 11/23/11, once
FEDERAL HOME LOAN MTG CORP	01/06/11	02/25/14	Aaa	AAA	1.375	1.375	2,000,000.00	2,000,000.00	2,035,120.00	35,120.00	
FEDERAL HOME LOAN MTG CORP	02/22/11	08/22/14	Aaa	AAA	1.700	1.700	1,500,000.00	1,500,000.00	1,500,960.00	960.00	Callable 08/22/11, once
FEDERAL HOME LOAN MTG CORP	06/09/09	08/17/12	Aaa	AAA	1.000	2.420	2,000,000.00	1,971,610.03	2,010,960.00	39,349.97	
FEDERAL HOME LOAN MTG CORP	03/26/10	04/25/12	Aaa	AAA	1.125	1.197	1,000,000.00	999,478.34	1,005,680.00	6,201.66	
FEDERAL HOME LOAN MTG CORP	02/11/11	04/02/14	Aaa	AAA	4.500	1.615	2,000,000.00	2,149,545.53	2,193,740.00	44,194.47	
FEDERAL NATL MORTGAGE ASSN	02/17/11	02/17/16	Aaa	AAA	2.500	2.500	2,000,000.00	2,000,000.00	2,025,320.00	25,320.00	Callable 02/17/12, once
FEDERAL NATL MORTGAGE ASSN	06/07/11	03/07/16	Aaa	AAA	2.075	2.075	2,000,000.00	2,000,000.00	2,021,270.00	21,270.00	Callable 06/07/12, once
FEDERAL NATL MORTGAGE ASSN	07/05/11	07/05/16	Aaa	AAA	2.200	2.200	2,000,000.00	2,000,000.00	2,010,650.00	10,650.00	Callable 01/05/12, then qtrly
FEDERAL NATL MORTGAGE ASSN	07/19/11	07/19/16	Aaa	AAA	1.900	2.106	1,000,000.00	1,000,000.00	1,004,755.00	4,755.00	SU 2%-3.5%, Call 01/19/12, then qtrly
FEDERAL NATL MORTGAGE ASSN	08/10/10	08/10/15	Aaa	AAA	2.000	2.055	2,000,000.00	1,997,335.00	2,033,630.00	36,295.00	Callable 08/10/12, once
FEDERAL NATL MORTGAGE ASSN	11/17/10	11/17/14	Aaa	AAA	1.300	1.300	2,000,000.00	2,000,000.00	2,024,150.00	24,150.00	
FEDERAL NATL MORTGAGE ASSN	12/28/10	12/28/15	Aaa	AAA	2.000	2.011	2,000,000.00	1,999,591.67	2,010,140.00	10,548.33	Callable 12/28/11, once
FEDERAL NATL MORTGAGE ASSN	04/11/11	04/11/16	Aaa	AAA	2.500	2.500	2,000,000.00	2,000,000.00	2,027,580.00	27,580.00	Callable 04/11/12, once
FEDERAL NATL MORTGAGE ASSN	06/27/11	06/27/16	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	2,018,170.00	18,170.00	Callable 06/27/13, once
FEDERAL NATL MORTGAGE ASSN	08/05/10	08/05/15	Aaa	AAA	2.125	2.125	2,000,000.00	2,000,000.00	2,000,280.00	280.00	Callable 08/05/11, once
FEDERAL NATL MORTGAGE ASSN	09/09/10	09/09/15	Aaa	AAA	1.850	1.871	2,000,000.00	1,999,788.89	2,003,510.00	3,721.11	Callable 09/09/11, once
FEDERAL NATL MORTGAGE ASSN	09/21/10	09/21/15	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	2,058,910.00	58,910.00	
FEDERAL NATL MORTGAGE ASSN	12/10/10	10/26/15	Aaa	AAA	1.625	2.067	2,000,000.00	1,964,532.46	2,026,090.00	61,557.54	
FEDERAL NATL MORTGAGE ASSN	04/18/11	04/18/16	Aaa	AAA	2.500	2.500	2,000,000.00	2,000,000.00	2,055,080.00	55,080.00	Callable 04/18/13, once
FEDERAL NATL MORTGAGE ASSN	06/29/11	12/29/14	Aaa	AAA	1.300	1.300	2,000,000.00	2,000,000.00	2,008,370.00	8,370.00	Callable 03/29/12, once
Subtotal, Federal Agencies							110,695,000.00	110,971,762.88	112,640,805.75	1,669,042.87	
CORPORATE/MEDIUM TERM NOTES											
BERKSHIRE HATHAWAY FIN	12/15/10	12/15/15	Aa2	AA+	2.450	2.530	2,000,000.00	1,993,441.67	2,056,440.00	62,998.33	
GENERAL ELECTRIC CAPITAL CORP	11/10/10	11/09/15	Aa2	AA+	2.250	2.250	2,000,000.00	2,000,000.00	2,009,060.00	9,060.00	
GENERAL ELECTRIC CAPITAL CORP	01/07/11	01/07/14	Aa2	AA+	2.100	2.100	2,000,000.00	2,000,000.00	2,046,120.00	46,120.00	
PRES & FELLOWS OF HARVARD COLL	07/12/11	01/15/14	Aaa	AAA	5.000	1.000	2,000,000.00	2,193,520.62	2,199,460.00	5,939.38	
Subtotal, Corporate Securities							8,000,000.00	8,186,962.29	8,311,080.00	124,117.71	
SB AIRPORT PROMISSORY NOTE (LT)											
SANTA BARBARA AIRPORT	07/14/09	06/30/29	-	-	7.000	7.000	5,962,504.03	5,962,504.03	5,962,504.03	0.00	
Subtotal, SBA Note							5,962,504.03	5,962,504.03	5,962,504.03	0.00	
TOTALS							163,157,504.03	163,621,229.20	165,414,389.78	1,793,160.58	

Market values have been obtained from the City's safekeeping agent, Santa Barbara Bank and Trust (SBB&T). SBB&T uses Interactive Data Pricing Service, Bloomberg and DTC.