



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: February 15, 2011
TO: Mayor and Councilmembers
FROM: Treasury Division, Finance Department
SUBJECT: January 2011 Investment Report

RECOMMENDATION:

That Council accept the January 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 January 31, 2011.

ATTACHMENT: January 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
January 31, 2011

INVESTMENT ACTIVITY

PURCHASES OR DEPOSITS

1/3 LAIF Deposit - City	\$ 3,000,000
1/4 LAIF Deposit - City	2,500,000
1/6 Federal Home Loan Mortgage Corp (FHLMC)	2,000,000
1/7 General Electric Capital Corp (GECC)	2,000,000
1/12 LAIF Deposit - City	3,000,000
1/19 LAIF Deposit - City	4,000,000
1/24 LAIF Deposit - City	2,000,000
1/28 LAIF Deposit - City	5,000,000
Total	\$ 23,500,000

SALES, MATURITIES, CALLS OR WITHDRAWALS

1/5 LAIF Withdrawal - City	\$ (1,000,000)
1/6 LAIF Withdrawal - City	(2,000,000)
1/7 LAIF Withdrawal - City	(1,000,000)
1/12 Wells Fargo & Co. (WFC) - Maturity	(2,000,000)
1/13 Federal Farm Credit Bank (FFCB) - Call	(2,000,000)
1/18 Federal Farm Credit Bank (FFCB) - Maturity	(2,000,000)
1/27 LAIF Withdrawal - City	(1,000,000)
Total	\$ (11,000,000)

ACTIVITY TOTAL

\$ 12,500,000

INTEREST REVENUE

POOLED INVESTMENTS

Interest Earned on Investments	\$ 267,782
Amortization	(4,214)
Interest on SBB&T Accounts	170
Total	\$ 263,738

RDA INVESTMENTS

Interest Earned on Investments (LAIF)	\$ 6,363
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TOTAL INTEREST EARNED

\$ 270,102

CITY OF SANTA BARBARA
Investment Portfolio
January 31, 2011

DESCRIPTION	PURCHASE	MATURITY	QUALITY RATING		STATED	YIELD AT	FACE	BOOK	MARKET	BOOK	COMMENTS
	DATE	DATE	MOODY'S	S & P							
LOCAL AGENCY INVESTMENT FUNDS											
LOCAL AGENCY INVESTMENT FUND	-	-	-	-	0.520	0.520	41,000,000.00	41,000,000.00	41,000,000.00	0.00	
LOCAL AGENCY INV FUND/RDA	-	-	-	-	0.520	0.520	15,000,000.00	15,000,000.00	15,000,000.00	0.00	
Subtotal, LAIF							56,000,000.00	56,000,000.00	56,000,000.00	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	2,003,086.86	2,044,430.00	41,343.14	
FEDERAL FARM CREDIT BANK	10/28/10	10/28/15	Aaa	AAA	1.540	1.540	2,000,000.00	2,000,000.00	1,960,390.00	(39,610.00)	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	1,989,280.73	1,997,270.00	7,989.27	Callable 12/08/11, 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	1,994,100.00	(5,900.00)	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	2,032,210.00	32,210.00	
FEDERAL FARM CREDIT BANK	03/05/09	03/04/13	Aaa	AAA	2.600	2.600	2,000,000.00	2,000,000.00	2,078,630.00	78,630.00	
FEDERAL FARM CREDIT BANK	05/08/09	04/08/13	Aaa	AAA	2.200	2.200	2,000,000.00	2,000,000.00	2,062,540.00	62,540.00	
FEDERAL FARM CREDIT BANK	06/19/09	06/18/12	Aaa	AAA	2.125	2.125	2,000,000.00	2,000,000.00	2,045,160.00	45,160.00	
FEDERAL FARM CREDIT BANK	09/30/09	10/03/11	Aaa	AAA	1.125	1.125	2,000,000.00	2,000,000.00	2,010,050.00	10,050.00	
FEDERAL FARM CREDIT BANK	04/30/10	04/09/15	Aaa	AAA	2.900	2.916	2,000,000.00	1,999,069.30	2,027,310.00	28,240.70	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	1,969,660.00	(30,340.00)	Callable 05/23/12, then cont.
FEDERAL HOME LOAN BANK	05/22/07	06/10/11	Aaa	AAA	5.250	5.005	2,000,000.00	2,001,566.05	2,035,020.00	33,453.95	
FEDERAL HOME LOAN BANK	07/09/07	02/15/11	Aaa	AAA	4.000	5.308	2,000,000.00	1,999,083.95	2,002,980.00	3,896.05	
FEDERAL HOME LOAN BANK	03/04/09	06/08/12	Aaa	AAA	4.375	2.110	1,700,000.00	1,750,061.86	1,780,699.00	30,637.14	
FEDERAL HOME LOAN BANK	04/15/10	10/15/13	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	2,053,920.00	53,920.00	
FEDERAL HOME LOAN BANK	08/05/10	09/12/14	Aaa	AAA	1.375	1.375	2,000,000.00	2,000,000.00	1,992,070.00	(7,930.00)	
FEDERAL HOME LOAN BANK	12/28/10	07/28/14	Aaa	AAA	0.650	1.816	2,000,000.00	2,000,000.00	2,005,030.00	5,030.00	SU 2.05% Callable 07/28/11, once
FEDERAL HOME LOAN BANK	06/30/09	06/30/14	Aaa	AAA	2.000	3.733	2,000,000.00	2,000,000.00	2,007,010.00	7,010.00	SU 5%, Callable 06/30/11, once
FEDERAL HOME LOAN BANK	09/17/09	12/13/13	Aaa	AAA	3.125	2.440	2,000,000.00	2,037,064.25	2,111,740.00	74,675.75	
FEDERAL HOME LOAN BANK	01/15/10	10/30/12	Aaa	AAA	1.700	1.700	2,000,000.00	2,000,000.00	2,039,780.00	39,780.00	
FEDERAL HOME LOAN BANK	03/30/10	09/30/13	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	2,005,160.00	5,160.00	Callable 03/30/11, once
FEDERAL HOME LOAN BANK	04/05/10	11/29/13	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	2,052,850.00	52,850.00	
FEDERAL HOME LOAN BANK	06/29/10	10/29/12	Aaa	AAA	1.125	1.125	2,000,000.00	2,000,000.00	2,019,810.00	19,810.00	
FEDERAL HOME LOAN BANK	05/23/08	06/10/11	Aaa	AAA	3.125	3.520	2,000,000.00	1,997,325.93	2,019,160.00	21,834.07	
FEDERAL HOME LOAN BANK	05/28/10	05/28/15	Aaa	AAA	2.000	2.653	2,000,000.00	2,000,000.00	2,040,650.00	40,650.00	SU 3.35%, Callable 11/28/12, once
FEDERAL HOME LOAN BANK	09/17/09	09/13/13	Aaa	AAA	4.375	2.272	2,000,000.00	2,104,643.34	2,176,940.00	72,296.66	
FEDERAL HOME LOAN BANK	02/22/10	12/13/13	Aaa	AAA	3.125	2.130	2,000,000.00	2,054,482.98	2,111,740.00	57,257.02	
FEDERAL HOME LOAN BANK	03/26/10	06/08/12	Aaa	AAA	1.375	1.325	2,000,000.00	2,001,328.18	2,025,250.00	23,921.82	

CITY OF SANTA BARBARA
Investment Portfolio
January 31, 2011

DESCRIPTION	PURCHASE	MATURITY	QUALITY RATING		STATED	YIELD AT	FACE	BOOK	MARKET	BOOK	COMMENTS
	DATE	DATE	MOODY'S	S & P							
FEDERAL HOME LOAN BANK	07/14/10	07/14/15	Aaa	AAA	2.000	2.336	2,000,000.00	2,000,000.00	2,013,570.00	13,570.00	SU 2.0%-3.5% Call 07/14/11, then qtrly
FEDERAL HOME LOAN BANK	06/30/10	06/30/14	Aaa	AAA	1.125	2.277	2,000,000.00	2,000,000.00	2,018,100.00	18,100.00	SU 3% Callable 12/30/11, once
FEDERAL HOME LOAN MTG CORP	04/08/09	04/08/13	Aaa	AAA	2.500	2.526	2,000,000.00	1,999,813.89	2,008,080.00	8,266.11	Callable 04/08/11, once
FEDERAL HOME LOAN MTG CORP	05/19/09	11/19/12	Aaa	AAA	2.170	2.170	2,000,000.00	2,000,000.00	2,011,060.00	11,060.00	Callable 05/19/11, once
FEDERAL HOME LOAN MTG CORP	09/03/09	09/21/12	Aaa	AAA	2.125	1.699	2,000,000.00	2,013,540.98	2,052,170.00	38,629.02	
FEDERAL HOME LOAN MTG CORP	11/23/10	11/23/15	Aaa	AAA	1.750	1.845	2,000,000.00	1,992,700.00	1,950,040.00	(42,660.00)	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	2,011,340.00	11,340.00	
FEDERAL HOME LOAN MTG CORP	05/13/09	05/13/13	Aaa	AAA	2.400	2.400	2,000,000.00	2,000,000.00	2,011,500.00	11,500.00	Callable 05/13/11, once
FEDERAL HOME LOAN MTG CORP	12/15/10	12/15/15	Aaa	AAA	2.100	2.100	2,000,000.00	2,000,000.00	1,985,980.00	(14,020.00)	Callable 03/15/11, then qtrly
FEDERAL HOME LOAN MTG CORP	06/09/09	08/17/12	Aaa	AAA	1.000	2.420	2,000,000.00	1,958,019.09	2,011,280.00	53,260.91	
FEDERAL HOME LOAN MTG CORP	03/26/10	04/25/12	Aaa	AAA	1.125	1.197	1,000,000.00	999,122.67	1,008,610.00	9,487.33	
FEDERAL HOME LOAN MTG CORP	06/30/10	06/30/15	Aaa	AAA	2.000	2.914	2,000,000.00	2,000,000.00	2,015,660.00	15,660.00	SU 2.0%-4.5%, Call 06/30/11, annually
FEDERAL NATL MORTGAGE ASSN	03/18/09	09/18/12	Aaa	AAA	2.500	2.500	2,000,000.00	2,000,000.00	2,005,990.00	5,990.00	Callable 03/18/11, once
FEDERAL NATL MORTGAGE ASSN	07/07/10	07/07/15	Aaa	AAA	2.350	2.350	2,000,000.00	2,000,000.00	2,009,690.00	9,690.00	Callable 07/07/11, once
FEDERAL NATL MORTGAGE ASSN	05/24/10	06/24/13	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	2,009,980.00	9,980.00	Callable 06/24/11, once
FEDERAL NATL MORTGAGE ASSN	08/10/10	08/10/15	Aaa	AAA	2.000	2.055	2,000,000.00	1,996,035.00	1,977,600.00	(18,435.00)	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	1,971,330.00	(28,670.00)	Callable 05/17/11, once
FEDERAL NATL MORTGAGE ASSN	12/28/10	12/28/15	Aaa	AAA	2.000	2.011	2,000,000.00	1,999,091.67	1,953,060.00	(46,031.67)	Callable 12/28/11, once
FEDERAL NATL MORTGAGE ASSN	02/27/09	02/24/12	Aaa	AAA	2.250	2.250	2,000,000.00	2,000,000.00	2,002,290.00	2,290.00	Callable 02/24/11, 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	1,982,910.00	(17,090.00)	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	1,998,788.89	1,960,830.00	(37,958.89)	Callable 09/09/11, once
FEDERAL NATL MORTGAGE ASSN	12/15/10	12/15/15	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	1,981,550.00	(18,450.00)	Callable 06/15/11, 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	1,975,350.00	(24,650.00)	Callable 03/21/11, once
FEDERAL NATL MORTGAGE ASSN	12/10/10	10/26/15	Aaa	AAA	1.625	2.067	2,000,000.00	1,960,346.13	1,948,530.00	(11,816.13)	
Subtotal, Federal Agencies							<u>102,700,000.00</u>	<u>102,854,451.75</u>	<u>103,578,059.00</u>	<u>723,607.25</u>	
CORPORATE/MEDIUM TERM NOTES											
BERKSHIRE HATHAWAY FIN	12/15/10	12/15/15	Aa2	AA+	2.450	2.530	2,000,000.00	1,992,691.67	1,997,300.00	4,608.33	
GENERAL ELECTRIC CAPITAL CORP	01/10/07	02/22/11	Aa2	AA+	6.125	5.100	2,000,000.00	2,001,064.45	2,006,060.00	4,995.55	
GENERAL ELECTRIC CAPITAL CORP	11/10/10	11/09/15	Aa2	AA+	2.250	2.250	2,000,000.00	2,000,000.00	1,922,980.00	(77,020.00)	
GENERAL ELECTRIC CAPITAL CORP	01/07/11	01/07/14	Aa2	AA+	2.100	2.100	2,000,000.00	2,000,000.00	1,999,980.00	(20.00)	
Subtotal, Corporate Securities							<u>8,000,000.00</u>	<u>7,993,756.12</u>	<u>7,926,320.00</u>	<u>(67,436.12)</u>	
SB AIRPORT PROMISSORY NOTE (LT)											
SANTA BARBARA AIRPORT	07/14/09	06/30/29	-	-	7.000	7.000	6,044,793.28	6,044,793.28	6,044,793.28	0.00	
Subtotal, SBA Note							<u>6,044,793.28</u>	<u>6,044,793.28</u>	<u>6,044,793.28</u>	<u>0.00</u>	
TOTALS							<u>174,744,793.28</u>	<u>174,893,001.15</u>	<u>175,549,172.28</u>	<u>656,171.13</u>	

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.