



# 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**

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**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
<b>Total</b>	<b>\$ 6,000,000</b>

**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)
<b>Total</b>	<b>\$ (18,500,000)</b>

**ACTIVITY TOTAL**

**\$ (12,500,000)**

**INTEREST REVENUE**

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**POOLED INVESTMENTS**

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

**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
<b>LOCAL AGENCY INVESTMENT FUNDS</b>											
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	
<b>Subtotal, LAIF</b>							<b>36,500,000.00</b>	<b>36,500,000.00</b>	<b>36,500,000.00</b>	<b>0.00</b>	
<b>CERTIFICATES OF DEPOSIT</b>											
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	
<b>Subtotal, Certificates of deposit</b>							<b>2,000,000.00</b>	<b>2,000,000.00</b>	<b>2,000,000.00</b>	<b>0.00</b>	
<b>FEDERAL AGENCY ISSUES - COUPON</b>											
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
<b>Subtotal, Federal Agencies</b>							<b>110,695,000.00</b>	<b>110,971,762.88</b>	<b>112,640,805.75</b>	<b>1,669,042.87</b>	
<b>CORPORATE/MEDIUM TERM NOTES</b>											
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	
<b>Subtotal, Corporate Securities</b>							<b>8,000,000.00</b>	<b>8,186,962.29</b>	<b>8,311,080.00</b>	<b>124,117.71</b>	
<b>SB AIRPORT PROMISSORY NOTE (LT)</b>											
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	
<b>Subtotal, SBA Note</b>							<b>5,962,504.03</b>	<b>5,962,504.03</b>	<b>5,962,504.03</b>	<b>0.00</b>	
<b>TOTALS</b>							<b>163,157,504.03</b>	<b>163,621,229.20</b>	<b>165,414,389.78</b>	<b>1,793,160.58</b>	

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.