



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** September 14, 2021

**TO:** Mayor and Councilmembers

**FROM:** Treasury Division, Finance Department

**SUBJECT:** July 2021 Investment Report

**RECOMMENDATION:**

That Council accept the July 2021 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, 2021.

**ATTACHMENT:** July 2021 Investment Report

**PREPARED BY:** Jennifer Tomaszewski, Finance & Treasury Manager

**SUBMITTED BY:** Keith DeMartini, Finance Director

**APPROVED BY:** City Administrator's Office

ATTACHMENT

**CITY OF SANTA BARBARA**  
**Activity and Interest Report**  
**July 31, 2021**

**INVESTMENT ACTIVITY**

**INVESTMENT INCOME**

**PURCHASES OR DEPOSITS**

**POOLED INVESTMENTS**

**Total** \$ -

Interest Earned on Investments	\$	148,794
Amortization		1,970
<b>Total</b>	<b>\$</b>	<b><u>150,764</u></b>

**SALES, MATURITIES, CALLS OR WITHDRAWALS**

7/22 FHLB	\$	(4,000,000)
7/27 FHLMC		(2,000,000)
<b>Total</b>	<b>\$</b>	<b><u>(6,000,000)</u></b>

**ACTIVITY TOTAL** \$ (6,000,000)

**INCOME TOTAL** \$ 150,764

**CITY OF SANTA BARBARA**  
**Summary of Cash and Investments**  
**July 31, 2021**

**ENDING BALANCE AS OF June 30, 2021**

Description	Book Value	Yield to Maturity (365 days)	Percent of Portfolio	Average Days to Maturity
MUFG Union Bank NA Checking Account	\$ 29,531,754	0.450%	10.96%	1 (1)
MUFG Union Bank NA Savings Account	30,000,000	0.050%	11.14%	1
State of California LAIF	75,000,000	0.262%	27.84%	1 (2)
Treasury Securities	20,919,422	0.898%	7.77%	955
Federal Agency Issues - Coupon	80,999,831	1.014%	30.07%	1,182
Corporate/Medium Term Notes	22,940,601	2.363%	8.52%	793
Supranationals Obligations	9,974,814	0.511%	3.70%	1,459
	<u>269,366,422</u>	<u>0.723%</u>	<u>100.00%</u>	<u>552</u>
<b>Totals and Averages</b>	<b><u>\$ 269,366,422</u></b>	<b><u>0.723%</u></b>	<b><u>100.00%</u></b>	<b><u>552</u></b>
<b>Total Cash and Investments</b>	<b><u>\$ 269,366,422</u></b>			

**NET CASH AND INVESTMENT ACTIVITY FOR July 2021**

**\$ (37,516,302)**

**ENDING BALANCE AS OF July 31, 2021**

Description	Book Value	Yield to Maturity (365 days)	Percent of Portfolio	Average Days to Maturity
MUFG Union Bank NA Checking Account	\$ 28,013,482	0.450%	12.08%	1 (1)
State of California LAIF	75,000,000	0.221%	32.35%	1 (2)
Treasury Securities	20,921,172	0.898%	9.02%	924
Federal Agency Issues - Coupon	74,996,209	0.954%	32.35%	1,185
Corporate/Medium Term Notes	22,943,937	2.364%	9.90%	762
Supranationals Obligations	9,975,321	0.511%	4.30%	1,428
	<u>231,850,120</u>	<u>0.771%</u>	<u>100.00%</u>	<u>604</u>
<b>Totals and Averages</b>	<b><u>\$ 231,850,120</u></b>	<b><u>0.771%</u></b>	<b><u>100.00%</u></b>	<b><u>604</u></b>
<b>Total Cash and Investments</b>	<b><u>\$ 231,850,120</u></b>			

Note: (1) Earnings Credit Rate (ECR) is provided at the rate of 0.450% by MUFG Union Bank, N.A. to help offset banking fees.

(2) The average life of the LAIF portfolio as of July 31, 2021 is 301 days.

**CITY OF SANTA BARBARA**

**Investment Portfolio**

**July 31, 2021**

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	-	-	-	-	0.221	0.221	75,000,000.00	75,000,000.00	75,000,000.00	0.00	
<b>Subtotal, LAIF</b>							75,000,000.00	75,000,000.00	75,000,000.00	0.00	
<b>TREASURY SECURITIES - COUPON</b>											
U S TREASURY NOTE	05/03/19	04/30/24	Aaa	AA+	2.250	2.342	2,000,000.00	1,995,258.28	2,105,938.00	110,679.72	
U S TREASURY NOTE	06/27/19	08/31/22	Aaa	AA+	1.875	1.743	2,000,000.00	2,002,764.32	2,038,516.00	35,751.68	
U S TREASURY NOTE	01/22/20	02/28/23	Aaa	AA+	1.500	1.527	2,000,000.00	1,999,165.93	2,043,124.00	43,958.07	
U S TREASURY NOTE	01/22/20	06/30/23	Aaa	AA+	1.375	1.534	2,000,000.00	1,994,090.64	2,045,704.00	51,613.36	
U S TREASURY NOTE	01/12/21	09/15/23	Aaa	AA+	0.125	0.185	3,000,000.00	2,996,184.80	2,994,843.00	(1,341.80)	
U S TREASURY NOTE	01/21/21	10/31/22	Aaa	AA+	0.125	0.118	3,000,000.00	3,000,247.39	3,000,585.00	337.61	
U S TREASURY NOTE	02/12/21	07/31/25	Aaa	AA+	0.250	0.380	3,000,000.00	2,984,570.08	2,964,141.00	(20,429.08)	
U S TREASURY NOTE	06/02/21	05/31/25	Aaa	AA+	0.250	0.553	2,000,000.00	1,977,074.39	1,979,296.00	2,221.61	
U S TREASURY NOTE	06/02/21	12/31/25	Aaa	AA+	0.375	0.700	2,000,000.00	1,971,816.66	1,978,282.00	6,465.34	
<b>Subtotal, Treasury Securities</b>							21,000,000.00	20,921,172.49	21,150,429.00	229,256.51	
<b>FEDERAL AGENCY ISSUES - COUPON</b>											
FED AGRICULTURAL MTG CORP	05/09/19	04/03/23	-	-	2.360	2.371	2,000,000.00	1,999,656.98	2,072,682.00	73,025.02	
FED AGRICULTURAL MTG CORP	02/12/20	02/12/24	-	-	1.390	1.480	2,000,000.00	1,995,584.18	2,054,538.00	58,953.82	
FED AGRICULTURAL MTG CORP	03/02/21	09/22/25	-	-	0.480	0.480	3,000,000.00	3,000,000.00	2,996,427.00	(3,573.00)	Callable 09/22/23, Q
FEDERAL FARM CREDIT BANK	01/31/19	10/23/23	Aaa	AA+	2.650	2.670	2,000,000.00	1,999,189.52	2,106,880.00	107,690.48	
FEDERAL FARM CREDIT BANK	06/24/19	06/14/22	Aaa	AA+	1.875	1.839	2,000,000.00	2,000,602.60	2,031,716.00	31,113.40	
FEDERAL FARM CREDIT BANK	06/27/19	12/12/22	Aaa	AA+	1.875	1.830	2,000,000.00	2,001,175.24	2,047,788.00	46,612.76	
FEDERAL FARM CREDIT BANK	06/15/21	06/15/26	Aaa	AA+	0.900	0.900	2,000,000.00	2,000,000.00	2,002,508.00	2,508.00	Callable 06/15/22, P
FEDERAL FARM CREDIT BANK	05/06/21	05/06/25	Aaa	AA+	0.710	0.710	2,000,000.00	2,000,000.00	2,004,504.00	4,504.00	Callable 05/06/22, P
FEDERAL HOME LOAN BANK	11/22/16	11/22/21	Aaa	AA+	1.750	1.750	2,000,000.00	2,000,000.00	2,009,854.00	9,854.00	
FEDERAL HOME LOAN BANK	01/28/21	01/28/26	Aaa	AA+	0.580	0.580	3,000,000.00	3,000,000.00	2,985,759.00	(14,241.00)	Callable 01/28/22, Q
FEDERAL HOME LOAN BANK	01/28/21	01/28/26	Aaa	AA+	0.250	0.609	3,000,000.00	3,000,000.00	2,994,312.00	(5,688.00)	S/U 0.25-0.70%, callable 01/28/22, 1x
FEDERAL HOME LOAN BANK	01/28/21	01/28/26	Aaa	AA+	0.250	0.649	3,000,000.00	3,000,000.00	2,995,929.00	(4,071.00)	S/U 0.25-0.75%, 1x Call 01/28/22
FEDERAL HOME LOAN BANK	02/25/21	11/25/25	Aaa	AA+	0.500	0.500	3,000,000.00	3,000,000.00	2,986,041.00	(13,959.00)	Callable 02/25/22, A
FEDERAL HOME LOAN BANK	03/16/21	03/16/26	Aaa	AA+	0.500	0.798	2,000,000.00	2,000,000.00	1,995,796.00	(4,204.00)	S/U 0.50-1.00%, Callable 09/16/21 - Q
FEDERAL HOME LOAN BANK	03/30/21	12/30/24	Aaa	AA+	0.530	0.568	2,000,000.00	2,000,000.00	2,001,014.00	1,014.00	Callable 09/30/21, 1x
FEDERAL HOME LOAN BANK	04/15/21	04/15/26	Aaa	AAA	1.000	1.000	2,000,000.00	2,000,000.00	2,003,574.00	3,574.00	Callable 10/15/21, 1x
FEDERAL HOME LOAN BANK	05/20/21	05/20/26	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	2,007,078.00	7,078.00	Callable 05/20/22, Q
FEDERAL HOME LOAN BANK	05/26/21	12/26/25	Aaa	AA+	0.900	0.900	3,000,000.00	3,000,000.00	2,999,796.00	(204.00)	Callable 08/26/21, Q
FEDERAL HOME LOAN BANK	05/26/21	11/26/24	Aaa	AA+	0.550	0.550	2,000,000.00	2,000,000.00	1,999,898.00	(102.00)	Callable 11/26/21, Q
FEDERAL HOME LOAN BANK	06/10/21	06/10/25	Aaa	AA+	0.690	0.690	2,000,000.00	2,000,000.00	2,004,188.00	4,188.00	Callable 06/10/22, Q
FEDERAL HOME LOAN BANK	06/10/21	06/10/26	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	2,007,306.00	7,306.00	Callable 06/10/22, Q
FEDERAL HOME LOAN BANK	06/28/21	03/28/25	Aaa	AA+	0.600	0.600	2,000,000.00	2,000,000.00	2,001,202.00	1,202.00	Callable 03/28/22, Q
FEDERAL HOME LOAN MTG CORP	05/25/17	05/25/22	Aaa	AA+	2.050	2.050	2,000,000.00	2,000,000.00	2,032,196.00	32,196.00	
FEDERAL HOME LOAN MTG CORP	03/16/17	09/16/21	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,004,672.00	4,672.00	
FEDERAL HOME LOAN MTG CORP	11/17/17	08/17/21	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,001,594.00	1,594.00	
FEDERAL HOME LOAN MTG CORP	11/25/20	11/25/25	Aaa	AA+	0.625	0.625	3,000,000.00	3,000,000.00	2,999,739.00	(261.00)	Callable on 11/25/22, A
FEDERAL HOME LOAN MTG CORP	11/24/20	11/24/23	Aaa	AA+	0.320	0.320	3,000,000.00	3,000,000.00	3,000,210.00	210.00	Callable 11/24/21, Q
FEDERAL HOME LOAN MTG CORP	09/09/20	12/09/24	Aaa	AA+	0.500	0.500	3,000,000.00	3,000,000.00	2,998,194.00	(1,806.00)	Callable 12/09/21, Q
FEDERAL NATL MORTGAGE ASSN	08/17/20	08/17/23	Aaa	AA+	0.310	0.310	3,000,000.00	3,000,000.00	3,003,405.00	3,405.00	Callable 02/17/2022, Q
FEDERAL NATL MORTGAGE ASSN	08/26/20	08/26/25	Aaa	AA+	0.600	0.600	4,000,000.00	4,000,000.00	3,999,156.00	(844.00)	Callable 08/26/22, Q
FEDERAL NATL MORTGAGE ASSN	11/17/20	05/17/24	Aaa	AA+	0.375	0.375	3,000,000.00	3,000,000.00	3,006,861.00	6,861.00	Callable on 11/17/2022, Q
<b>Subtotal, Federal Agencies</b>							75,000,000.00	74,996,208.52	75,354,817.00	358,608.48	

**CITY OF SANTA BARBARA**  
**Investment Portfolio**  
**July 31, 2021**

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>SUPRANATIONAL OBLIGATIONS</b>											
INTERNATIONAL BANK FOR RECONST	01/22/21	10/28/25	Aaa	AAA	0.500	0.500	3,000,000.00	3,000,000.00	2,979,522.00	(20,478.00)	
INTERNATIONAL FINANCE CORP	02/22/21	08/22/24	Aaa	AAA	0.250	0.255	3,000,000.00	2,999,554.36	2,988,033.00	(11,521.36)	
INTERNATIONAL FINANCE CORP	03/23/21	03/23/26	Aaa	AAA	0.750	0.805	2,000,000.00	1,994,984.00	2,021,260.00	26,276.00	
INTERNATIONAL FINANCE CORP	06/03/21	07/16/25	Aaa	AAA	0.375	0.621	2,000,000.00	1,980,782.20	1,981,340.00	557.80	
<b>Subtotal, Supranationals</b>							10,000,000.00	9,975,320.56	9,970,155.00	(5,165.56)	
<b>CORPORATE/MEDIUM TERM NOTES</b>											
APPLE INC	01/24/19	05/11/22	Aa1	AA+	2.300	2.847	2,000,000.00	1,991,927.89	2,027,232.00	35,304.11	
APPLE INC	04/23/19	05/03/23	Aa1	AA+	2.400	2.718	2,000,000.00	1,989,487.01	2,073,940.00	84,452.99	
APPLE INC	09/11/19	09/11/24	Aa1	AA+	1.800	1.903	2,000,000.00	1,993,914.67	2,076,326.00	82,411.33	
APPLE INC	02/17/21	02/08/26	Aa1	AA+	0.700	0.705	3,000,000.00	2,999,318.68	2,984,064.00	(15,254.68)	
BERKSHIRE HATHAWAY INC	04/05/18	03/15/23	Aa2	AA	2.750	3.016	2,000,000.00	1,992,033.98	2,072,824.00	80,790.02	
BERKSHIRE HATHAWAY FIN	12/12/18	05/15/22	Aa2	AA	3.000	3.204	2,000,000.00	1,996,968.82	2,043,730.00	46,761.18	
MICROSOFT CORP	03/11/19	02/06/22	Aaa	AAA	2.400	2.564	2,000,000.00	1,998,381.91	2,019,134.00	20,752.09	
MICROSOFT CORP	05/23/19	08/08/23	Aaa	AAA	2.000	2.535	2,000,000.00	1,979,605.61	2,065,296.00	85,690.39	
TOYOTA MOTOR CREDIT	07/27/18	07/20/23	A1	A	3.419	3.392	2,000,000.00	2,000,964.84	2,119,986.00	119,021.16	
TOYOTA MOTOR CREDIT	06/14/19	09/08/22	A1	A	2.150	2.182	2,000,000.00	1,999,317.87	2,042,750.00	43,432.13	
TOYOTA MOTOR CREDIT	03/16/20	02/13/25	A1	A	1.800	1.770	2,000,000.00	2,002,015.62	2,070,452.00	68,436.38	
<b>Subtotal, Corporate Securities</b>							23,000,000.00	22,943,936.90	23,595,734.00	651,797.10	
<b>CHECKING ACCOUNT</b>											
MUFG UNION BANK NA CHKNG ACCNT	-	-	-	-	0.450	0.450	28,013,481.92	28,013,481.92	28,013,481.92	0.00	
<b>Subtotal, Checking Account</b>							28,013,481.92	28,013,481.92	28,013,481.92	0.00	
<b>TOTALS</b>							232,013,481.92	231,850,120.39	233,084,616.92	1,234,496.53	

Market values have been obtained from the City's safekeeping agent, Montecito Bank & Trust ("MB&T").

# INVESTMENT YIELDS

