



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** September 28, 2021

**TO:** Mayor and Councilmembers

**FROM:** Treasury Division, Finance Department

**SUBJECT:** August 2021 Investment Report

**RECOMMENDATION:**

That Council accept the August 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 August 31, 2021.

**ATTACHMENT:** August 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**  
August 31, 2021

**INVESTMENT ACTIVITY**

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**PURCHASES OR DEPOSITS**

**Total** \$ -

**SALES, MATURITIES, CALLS OR WITHDRAWALS**

8/17 FHLMC \$ (2,000,000)

**Total** \$ (2,000,000)

**ACTIVITY TOTAL** \$ (2,000,000)

**INVESTMENT INCOME**

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**POOLED INVESTMENTS**

Interest Earned on Investments \$ 139,738  
Amortization 5,656

**Total** \$ 145,394

**INCOME TOTAL** \$ 145,394

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

**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>
Totals and Averages	<u>\$ 231,850,120</u>	<u>0.771%</u>	<u>100.00%</u>	<u>604</u>
<b>Total Cash and Investments</b>	<b><u>\$ 231,850,120</u></b>			

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

**\$ 6,568,359**

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

Description	Book Value	Yield to Maturity (365 days)	Percent of Portfolio	Average Days to Maturity
MUFG Union Bank NA Checking Account	\$ 36,576,185	0.450%	15.34%	1 (1)
State of California LAIF	75,000,000	0.221%	31.46%	1 (2)
Treasury Securities	20,922,923	0.898%	8.78%	893
Federal Agency Issues - Coupon	72,996,272	0.925%	30.62%	1,186
Corporate/Medium Term Notes	22,947,273	2.364%	9.62%	731
Supranationals Obligations	9,975,827	0.511%	4.18%	1,397
	<u>238,418,479</u>	<u>0.749%</u>	<u>100.00%</u>	<u>571</u>
Totals and Averages	<u>\$ 238,418,479</u>	<u>0.749%</u>	<u>100.00%</u>	<u>571</u>
<b>Total Cash and Investments</b>	<b><u>\$ 238,418,479</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 August 31, 2021 is 312 days.

**CITY OF SANTA BARBARA**

**Investment Portfolio**

**August 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	1,995,404.84	2,101,250.00	105,845.16	
U S TREASURY NOTE	06/27/19	08/31/22	Aaa	AA+	1.875	1.743	2,000,000.00	2,002,547.37	2,035,312.00	32,764.63	
U S TREASURY NOTE	01/22/20	02/28/23	Aaa	AA+	1.500	1.527	2,000,000.00	1,999,210.82	2,040,390.00	41,179.18	
U S TREASURY NOTE	01/22/20	06/30/23	Aaa	AA+	1.375	1.534	2,000,000.00	1,994,353.09	2,043,672.00	49,318.91	
U S TREASURY NOTE	01/12/21	09/15/23	Aaa	AA+	0.125	0.185	3,000,000.00	2,996,337.41	2,993,907.00	(2,430.41)	
U S TREASURY NOTE	01/21/21	10/31/22	Aaa	AA+	0.125	0.118	3,000,000.00	3,000,230.58	3,000,585.00	354.42	
U S TREASURY NOTE	02/12/21	07/31/25	Aaa	AA+	0.250	0.380	3,000,000.00	2,984,897.70	2,959,218.00	(25,679.70)	
U S TREASURY NOTE	06/02/21	05/31/25	Aaa	AA+	0.250	0.553	2,000,000.00	1,977,582.39	1,976,094.00	(1,488.39)	
U S TREASURY NOTE	06/02/21	12/31/25	Aaa	AA+	0.375	0.700	2,000,000.00	1,972,358.31	1,973,906.00	1,547.69	
<b>Subtotal, Treasury Securities</b>							21,000,000.00	20,922,922.51	21,124,334.00	201,411.49	
<b>FEDERAL AGENCY ISSUES - COUPON</b>											
FED AGRICULTURAL MTG CORP	05/09/19	04/03/23	-	-	2.360	2.371	2,000,000.00	1,999,674.07	2,068,866.00	69,191.93	
FED AGRICULTURAL MTG CORP	02/12/20	02/12/24	-	-	1.390	1.480	2,000,000.00	1,995,729.60	2,051,564.00	55,834.40	
FED AGRICULTURAL MTG CORP	03/02/21	09/22/25	-	-	0.480	0.480	3,000,000.00	3,000,000.00	2,992,854.00	(7,146.00)	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	1,999,219.84	2,101,430.00	102,210.16	
FEDERAL FARM CREDIT BANK	06/24/19	06/14/22	Aaa	AA+	1.875	1.839	2,000,000.00	2,000,544.84	2,028,276.00	27,731.16	
FEDERAL FARM CREDIT BANK	06/27/19	12/12/22	Aaa	AA+	1.875	1.830	2,000,000.00	2,001,103.44	2,045,246.00	44,142.56	
FEDERAL FARM CREDIT BANK	06/15/21	06/15/26	Aaa	AA+	0.900	0.900	2,000,000.00	2,000,000.00	2,000,182.00	182.00	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	2,003,112.00	3,112.00	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	2,007,440.00	7,440.00	
FEDERAL HOME LOAN BANK	01/28/21	01/28/26	Aaa	AA+	0.580	0.580	3,000,000.00	3,000,000.00	2,983,461.00	(16,539.00)	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	2,993,973.00	(6,027.00)	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	2,995,470.00	(4,530.00)	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	2,983,563.00	(16,437.00)	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	1,995,274.00	(4,726.00)	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	2,000,596.00	596.00	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	2,001,820.00	1,820.00	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	2,004,920.00	4,920.00	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	3,000,633.00	633.00	Callable 11/26/21, 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	1,999,272.00	(728.00)	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	2,002,806.00	2,806.00	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	2,004,996.00	4,996.00	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	2,000,084.00	84.00	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	2,028,866.00	28,866.00	
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	2,001,616.00	1,616.00	
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	2,996,718.00	(3,282.00)	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	2,999,832.00	(168.00)	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	2,997,117.00	(2,883.00)	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	3,000,990.00	990.00	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	3,995,988.00	(4,012.00)	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	3,005,169.00	5,169.00	Callable on 11/17/2022, Q
<b>Subtotal, Federal Agencies</b>							73,000,000.00	72,996,271.79	73,292,134.00	295,862.21	

**CITY OF SANTA BARBARA**  
**Investment Portfolio**  
**August 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	2,977,350.00	(22,650.00)	
INTERNATIONAL FINANCE CORP	02/22/21	08/22/24	Aaa	AAA	0.250	0.255	3,000,000.00	2,999,566.50	2,983,410.00	(16,156.50)	
INTERNATIONAL FINANCE CORP	03/23/21	03/23/26	Aaa	AAA	0.750	0.805	2,000,000.00	1,995,074.00	2,014,896.00	19,822.00	
INTERNATIONAL FINANCE CORP	06/03/21	07/16/25	Aaa	AAA	0.375	0.621	2,000,000.00	1,981,186.78	1,980,098.00	(1,088.78)	
<b>Subtotal, Supranationals</b>							10,000,000.00	9,975,827.28	9,955,754.00	(20,073.28)	
<b>CORPORATE/MEDIUM TERM NOTES</b>											
APPLE INC	01/24/19	05/11/22	Aa1	AA+	2.300	2.847	2,000,000.00	1,992,792.75	2,024,358.00	31,565.25	
APPLE INC	04/23/19	05/03/23	Aa1	AA+	2.400	2.718	2,000,000.00	1,989,986.04	2,071,274.00	81,287.96	
APPLE INC	09/11/19	09/11/24	Aa1	AA+	1.800	1.903	2,000,000.00	1,994,077.67	2,072,926.00	78,848.33	
APPLE INC	02/17/21	02/08/26	Aa1	AA+	0.700	0.705	3,000,000.00	2,999,331.24	2,985,411.00	(13,920.24)	
BERKSHIRE HATHAWAY INC	04/05/18	03/15/23	Aa2	AA	2.750	3.016	2,000,000.00	1,992,443.19	2,068,206.00	75,762.81	
BERKSHIRE HATHAWAY FIN	12/12/18	05/15/22	Aa2	AA	3.000	3.204	2,000,000.00	1,997,289.02	2,039,844.00	42,554.98	
MICROSOFT CORP	03/11/19	02/06/22	Aaa	AAA	2.400	2.564	2,000,000.00	1,998,644.31	2,015,466.00	16,821.69	
MICROSOFT CORP	05/23/19	08/08/23	Aaa	AAA	2.000	2.535	2,000,000.00	1,980,447.19	2,062,860.00	82,412.81	
TOYOTA MOTOR CREDIT	07/27/18	07/20/23	A1	A	3.419	3.392	2,000,000.00	2,000,924.02	2,118,292.00	117,367.98	
TOYOTA MOTOR CREDIT	06/14/19	09/08/22	A1	A	2.150	2.182	2,000,000.00	1,999,369.42	2,038,656.00	39,286.58	
TOYOTA MOTOR CREDIT	03/16/20	02/13/25	A1	A	1.800	1.770	2,000,000.00	2,001,968.08	2,062,402.00	60,433.92	
<b>Subtotal, Corporate Securities</b>							23,000,000.00	22,947,272.93	23,559,695.00	612,422.07	
<b>CHECKING ACCOUNT</b>											
MUFG UNION BANK NA CHKNG ACCNT	-	-	-	-	0.450	0.450	36,576,184.94	36,576,184.94	36,576,184.94	0.00	
<b>Subtotal, Checking Account</b>							36,576,184.94	36,576,184.94	36,576,184.94	0.00	
<b>TOTALS</b>							238,576,184.94	238,418,479.45	239,508,101.94	1,089,622.49	

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

# INVESTMENT YIELDS

