



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: December 7, 2021

TO: Mayor and Councilmembers

FROM: Treasury Division, Finance Department

SUBJECT: October 2021 Investment Report

RECOMMENDATION:

That Council accept the October 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 October 31, 2021.

ATTACHMENT: October 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
 October 31, 2021

INVESTMENT ACTIVITY

INVESTMENT INCOME

PURCHASES OR DEPOSITS

POOLED INVESTMENTS

10/8 USTN	\$ 2,000,000
10/8 USTN	2,000,000
10/28 FHLB	2,000,000
Total	\$ 6,000,000

Interest Earned on Investments	\$ 146,665
Amortization	7,857
Total	\$ 154,522

SALES, MATURITIES, CALLS OR WITHDRAWALS

10/15 FHLB	\$ (2,000,000)
Total	\$ (2,000,000)

ACTIVITY TOTAL

\$ 4,000,000

INCOME TOTAL

\$ 154,522

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

ENDING BALANCE AS OF September 30, 2021

Description	Book Value	Yield to Maturity (365 days)	Percent of Portfolio	Average Days to Maturity
MUFG Union Bank NA Checking Account	\$ 32,425,123	0.450%	13.17%	1 (1)
State of California LAIF	75,000,000	0.206%	30.46%	1 (2)
Treasury Securities	28,842,600	0.859%	11.72%	1,048
Federal Agency Issues - Coupon	76,996,335	0.884%	31.28%	1,222
Corporate/Medium Term Notes	22,950,609	2.364%	9.32%	701
Supranationals Obligations	9,976,334	0.511%	4.05%	1,367
	<u>246,191,000</u>	<u>0.740%</u>	<u>100.00%</u>	<u>626</u>
Totals and Averages	<u>\$ 246,191,000</u>	<u>0.740%</u>	<u>100.00%</u>	<u>626</u>
Total Cash and Investments	<u>\$ 246,191,000</u>			

NET CASH AND INVESTMENT ACTIVITY FOR October 2021

\$ 4,648,247

ENDING BALANCE AS OF October 31, 2021

Description	Book Value	Yield to Maturity (365 days)	Percent of Portfolio	Average Days to Maturity
MUFG Union Bank NA Checking Account	\$ 33,103,326	0.450%	13.20%	1 (1)
State of California LAIF	75,000,000	0.203%	29.90%	1 (2)
Treasury Securities	32,808,738	0.877%	13.08%	1,109
Federal Agency Issues - Coupon	76,996,398	0.888%	30.70%	1,196
Corporate/Medium Term Notes	22,953,945	2.364%	9.15%	670
Supranationals Obligations	9,976,841	0.511%	3.98%	1,336
	<u>250,839,247</u>	<u>0.744%</u>	<u>100.00%</u>	<u>627</u>
Totals and Averages	<u>\$ 250,839,247</u>	<u>0.744%</u>	<u>100.00%</u>	<u>627</u>
Total Cash and Investments	<u>\$ 250,839,247</u>			

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 October 31, 2021 is 321 days.

CITY OF SANTA BARBARA

Investment Portfolio

October 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
LOCAL AGENCY INVESTMENT FUNDS											
LOCAL AGENCY INVESTMENT FUND	-	-	-	-	0.203	0.203	75,000,000.00	75,000,000.00	75,000,000.00	0.00	
Subtotal, LAIF							75,000,000.00	75,000,000.00	75,000,000.00	0.00	
TREASURY SECURITIES - COUPON											
U S TREASURY NOTE	05/03/19	04/30/24	Aaa	AA+	2.250	2.342	2,000,000.00	1,995,693.22	2,078,906.00	83,212.78	
U S TREASURY NOTE	06/27/19	08/31/22	Aaa	AA+	1.875	1.743	2,000,000.00	2,002,120.48	2,029,062.00	26,941.52	
U S TREASURY NOTE	01/22/20	02/28/23	Aaa	AA+	1.500	1.527	2,000,000.00	1,999,299.15	2,031,640.00	32,340.85	
U S TREASURY NOTE	01/22/20	06/30/23	Aaa	AA+	1.375	1.534	2,000,000.00	1,994,869.52	2,032,500.00	37,630.48	
U S TREASURY NOTE	01/12/21	09/15/23	Aaa	AA+	0.125	0.185	3,000,000.00	2,996,637.70	2,980,665.00	(15,972.70)	
U S TREASURY NOTE	01/21/21	10/31/22	Aaa	AA+	0.125	0.118	3,000,000.00	3,000,197.48	2,999,298.00	(899.48)	
U S TREASURY NOTE	02/12/21	07/31/25	Aaa	AA+	0.250	0.380	3,000,000.00	2,985,542.37	2,919,726.00	(65,816.37)	
U S TREASURY NOTE	06/02/21	05/31/25	Aaa	AA+	0.250	0.553	2,000,000.00	1,978,582.01	1,951,172.00	(27,410.01)	
U S TREASURY NOTE	06/02/21	12/31/25	Aaa	AA+	0.375	0.700	2,000,000.00	1,973,424.14	1,942,734.00	(30,690.14)	
U S TREASURY NOTE	09/03/21	06/30/25	Aaa	AA+	0.250	0.575	2,000,000.00	1,976,505.53	1,948,750.00	(27,755.53)	
U S TREASURY NOTE	09/24/21	04/30/25	Aaa	AA+	0.375	0.663	2,000,000.00	1,980,123.19	1,962,500.00	(17,623.19)	
U S TREASURY NOTE	09/24/21	05/31/26	Aaa	AA+	0.750	0.878	2,000,000.00	1,988,541.67	1,965,000.00	(23,541.67)	
U S TREASURY NOTE	09/24/21	07/31/26	Aaa	AA+	0.625	0.900	2,000,000.00	1,974,509.24	1,949,844.00	(24,665.24)	
U S TREASURY NOTE	10/08/21	08/31/26	Aaa	AA+	0.750	1.004	2,000,000.00	1,976,106.33	1,960,312.00	(15,794.33)	
U S TREASURY NOTE	10/08/21	09/30/26	Aaa	AA+	0.875	1.015	2,000,000.00	1,986,585.71	1,971,094.00	(15,491.71)	
Subtotal, Treasury Securities							33,000,000.00	32,808,737.74	32,723,203.00	(85,534.74)	
FEDERAL AGENCY ISSUES - COUPON											
FED AGRICULTURAL MTG CORP	05/09/19	04/03/23	-	-	2.360	2.371	2,000,000.00	1,999,708.26	2,058,122.00	58,413.74	
FED AGRICULTURAL MTG CORP	02/12/20	02/12/24	-	-	1.390	1.480	2,000,000.00	1,996,020.43	2,036,362.00	40,341.57	
FED AGRICULTURAL MTG CORP	03/02/21	09/22/25	-	-	0.480	0.480	3,000,000.00	3,000,000.00	2,954,607.00	(45,393.00)	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	1,999,280.47	2,082,774.00	83,493.53	
FEDERAL FARM CREDIT BANK	06/24/19	06/14/22	Aaa	AA+	1.875	1.839	2,000,000.00	2,000,429.33	2,021,802.00	21,372.67	
FEDERAL FARM CREDIT BANK	06/27/19	12/12/22	Aaa	AA+	1.875	1.830	2,000,000.00	2,000,959.82	2,036,974.00	36,014.18	
FEDERAL FARM CREDIT BANK	06/15/21	06/15/26	Aaa	AA+	0.900	0.900	2,000,000.00	2,000,000.00	1,969,664.00	(30,336.00)	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	1,988,020.00	(11,980.00)	Callable 05/06/22, P
FEDERAL FARM CREDIT BANK	09/08/21	09/08/26	Aaa	AA+	0.870	0.870	2,000,000.00	2,000,000.00	1,977,730.00	(22,270.00)	Callable 09/08/22, 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	2,001,806.00	1,806.00	
FEDERAL HOME LOAN BANK	01/28/21	01/28/26	Aaa	AA+	0.580	0.580	3,000,000.00	3,000,000.00	2,948,970.00	(51,030.00)	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	2,967,927.00	(32,073.00)	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	2,972,721.00	(27,279.00)	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	2,949,513.00	(50,487.00)	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	1,978,786.00	(21,214.00)	S/U 0.50-1.00%, Callable 12/16/21 - Q
FEDERAL HOME LOAN BANK	05/20/21	05/20/26	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,984,878.00	(15,122.00)	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	2,979,288.00	(20,712.00)	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	1,988,902.00	(11,098.00)	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	1,986,360.00	(13,640.00)	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	1,983,954.00	(16,046.00)	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	1,985,420.00	(14,580.00)	Callable 03/28/22, Q
FEDERAL HOME LOAN BANK	09/23/21	10/23/24	Aaa	AA+	0.470	0.470	2,000,000.00	2,000,000.00	1,989,864.00	(10,136.00)	Callable 09/23/22, Q
FEDERAL HOME LOAN BANK	09/28/21	03/28/25	Aaa	AA+	0.600	0.600	2,000,000.00	2,000,000.00	1,985,420.00	(14,580.00)	Callable 03/28/22, Q
FEDERAL HOME LOAN BANK	09/28/21	09/28/26	Aaa	AA+	0.900	0.900	2,000,000.00	2,000,000.00	1,971,998.00	(28,002.00)	Callable 09/28/22, Q
FEDERAL HOME LOAN BANK	10/28/21	10/28/26	Aaa	AA+	0.625	1.122	2,000,000.00	2,000,000.00	1,988,088.00	(11,912.00)	S/U 1.25% on 10/28/22, 1x

CITY OF SANTA BARBARA

Investment Portfolio

October 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
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	2,022,086.00	22,086.00	
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	2,961,663.00	(38,337.00)	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	2,992,371.00	(7,629.00)	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	2,971,185.00	(28,815.00)	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	2,995,119.00	(4,881.00)	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	3,955,068.00	(44,932.00)	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	2,985,813.00	(14,187.00)	Callable on 11/17/2022, Q
Subtotal, Federal Agencies							77,000,000.00	76,996,398.31	76,673,255.00	(323,143.31)	
SUPRANATIONAL OBLIGATIONS											
INTERNATIONAL BANK FOR RECONST	01/22/21	10/28/25	Aaa	AAA	0.500	0.500	3,000,000.00	3,000,000.00	2,932,158.00	(67,842.00)	
INTERNATIONAL FINANCE CORP	02/22/21	08/22/24	Aaa	AAA	0.250	0.255	3,000,000.00	2,999,590.79	2,954,739.00	(44,851.79)	
INTERNATIONAL FINANCE CORP	03/23/21	03/23/26	Aaa	AAA	0.750	0.805	2,000,000.00	1,995,254.00	1,980,994.00	(14,260.00)	
INTERNATIONAL FINANCE CORP	06/03/21	07/16/25	Aaa	AAA	0.375	0.621	2,000,000.00	1,981,995.95	1,953,812.00	(28,183.95)	
Subtotal, Supranationals							10,000,000.00	9,976,840.74	9,821,703.00	(155,137.74)	
CORPORATE/MEDIUM TERM NOTES											
APPLE INC	01/24/19	05/11/22	Aa1	AA+	2.300	2.847	2,000,000.00	1,994,522.49	2,018,310.00	23,787.51	
APPLE INC	04/23/19	05/03/23	Aa1	AA+	2.400	2.718	2,000,000.00	1,990,984.11	2,056,224.00	65,239.89	
APPLE INC	09/11/19	09/11/24	Aa1	AA+	1.800	1.903	2,000,000.00	1,994,403.67	2,050,596.00	56,192.33	
APPLE INC	02/17/21	02/08/26	Aa1	AA+	0.700	0.705	3,000,000.00	2,999,356.37	2,937,681.00	(61,675.37)	
BERKSHIRE HATHAWAY INC	04/05/18	03/15/23	Aa2	AA	2.750	3.016	2,000,000.00	1,993,261.62	2,056,662.00	63,400.38	
BERKSHIRE HATHAWAY FIN	12/12/18	05/15/22	Aa2	AA	3.000	3.204	2,000,000.00	1,997,929.41	2,028,890.00	30,960.59	
MICROSOFT CORP	03/11/19	02/06/22	Aaa	AAA	2.400	2.564	2,000,000.00	1,999,169.09	2,007,938.00	8,768.91	
MICROSOFT CORP	05/23/19	08/08/23	Aaa	AAA	2.000	2.535	2,000,000.00	1,982,130.36	2,049,208.00	67,077.64	
TOYOTA MOTOR CREDIT	07/27/18	07/20/23	A1	A	3.419	3.392	2,000,000.00	2,000,842.36	2,099,972.00	99,129.64	
TOYOTA MOTOR CREDIT	06/14/19	09/08/22	A1	A	2.150	2.182	2,000,000.00	1,999,472.51	2,031,388.00	31,915.49	
TOYOTA MOTOR CREDIT	03/16/20	02/13/25	A1	A	1.800	1.770	2,000,000.00	2,001,873.01	2,041,776.00	39,902.99	
Subtotal, Corporate Securities							23,000,000.00	22,953,945.00	23,378,645.00	424,700.00	
CHECKING ACCOUNT											
MUFG UNION BANK NA CHKNG ACNT	-	-	-	-	0.450	0.450	33,103,325.64	33,103,325.64	33,103,325.64	0.00	
Subtotal, Checking Account							33,103,325.64	33,103,325.64	33,103,325.64	0.00	
TOTALS							251,103,325.64	250,839,247.43	250,700,131.64	(139,115.79)	

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

INVESTMENT YIELDS

