



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: September 15, 2020

TO: Mayor and Councilmembers

FROM: Treasury Division, Finance Department

SUBJECT: July 2020 Investment Report

RECOMMENDATION:

That Council accept the July 2020 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, 2020.

ATTACHMENT: July 2020 Investment Report

PREPARED BY: Jennifer Tomaszewski, Interim Finance Director

SUBMITTED BY: Jennifer Tomaszewski, Interim Finance Director

APPROVED BY: City Administrator's Office

ATTACHMENT

CITY OF SANTA BARBARA
Activity and Interest Report
July 31, 2020

INVESTMENT ACTIVITY

PURCHASES OR DEPOSITS

Total \$ -

SALES, MATURITIES, CALLS OR WITHDRAWALS

7/28 FHLMC \$ (2,000,000)

Total \$ (2,000,000)

ACTIVITY TOTAL

\$ (2,000,000)

INVESTMENT INCOME

POOLED INVESTMENTS

Interest Earned on Investments \$ 216,338
Amortization 4,203

Total \$ 220,541

INCOME TOTAL

\$ 220,541

CITY OF SANTA BARBARA
Summary of Cash and Investments
July 31, 2020

ENDING BALANCE AS OF June 30, 2020

Description	Book Value	Yield to Maturity (365 days)	Percent of Portfolio	Average Days to Maturity
MUFG Union Bank NA Checking Account	\$ 45,816,644	0.450%	20.76%	1
MUFG Union Bank NA Savings Account	636	0.050%	0.00%	1
State of California LAIF	75,000,000	1.217%	33.98%	1
Certificates of Deposit	1,000,000	2.250%	0.45%	91
Treasury Securities	9,987,494	1.751%	4.53%	863
Federal Agency Issues - Coupon	69,001,413	1.948%	31.26%	893
Corporate/Medium Term Notes	19,901,413	2.613%	9.02%	1,024
	<u>220,707,600</u>	<u>1.441%</u>	<u>100.00%</u>	<u>412</u>
Totals and Averages	<u>\$ 220,707,600</u>	<u>1.441%</u>	<u>100.00%</u>	<u>412</u>
Total Cash and Investments	<u>\$ 220,707,600</u>			

NET CASH AND INVESTMENT ACTIVITY FOR July 2020

\$ (36,367,082)

ENDING BALANCE AS OF July 31, 2020

Description	Book Value	Yield to Maturity (365 days)	Percent of Portfolio	Average Days to Maturity
MUFG Union Bank NA Checking Account	\$ 11,445,479	0.450%	6.21%	1 (1)
MUFG Union Bank NA Savings Account	515	0.050%	0.00%	1
State of California LAIF	75,000,000	0.920%	40.69%	1 (2)
Certificates of Deposit	1,000,000	2.250%	0.54%	60
Treasury Securities	9,988,116	1.751%	5.42%	832
Federal Agency Issues - Coupon	67,001,670	1.954%	36.35%	866
Corporate/Medium Term Notes	19,904,737	2.613%	10.80%	993
	<u>184,340,517</u>	<u>1.502%</u>	<u>100.00%</u>	<u>468</u>
Totals and Averages	<u>\$ 184,340,517</u>	<u>1.502%</u>	<u>100.00%</u>	<u>468</u>
Total Cash and Investments	<u>\$ 184,340,517</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 July 31, 2020 is 177 days.

CITY OF SANTA BARBARA

Investment Portfolio

July 31, 2020

DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING		STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
			MOODY'S	S & P							
LOCAL AGENCY INVESTMENT FUNDS											
LOCAL AGENCY INVESTMENT FUND	-	-	-	-	0.920	0.920	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	
CERTIFICATES OF DEPOSIT											
AMERICAN EXPRESS CENTURION BK	09/30/15	09/30/20	-	-	2.250	2.250	250,000.00	250,000.00	250,916.25	916.25	FDIC Certificate 27471
BMW BK NORTH AMERICA	09/30/15	09/30/20	-	-	2.200	2.200	250,000.00	250,000.00	250,916.50	916.50	FDIC Certificate 35141
CAPITAL ONE NA	09/30/15	09/30/20	-	-	2.250	2.250	250,000.00	250,000.00	250,916.25	916.25	FDIC Certificate 4297
DISCOVER BANK	09/30/15	09/30/20	-	-	2.300	2.300	250,000.00	250,000.00	250,937.50	937.50	FDIC Certificate 5649
Subtotal, Certificates of deposit							1,000,000.00	1,000,000.00	1,003,686.50	3,686.50	
TREASURY SECURITIES - COUPON											
U S TREASURY NOTE	02/01/17	08/31/20	Aaa	AA+	1.375	1.610	2,000,000.00	1,999,627.01	2,001,924.00	2,296.99	
U S TREASURY NOTE	05/03/19	04/30/24	Aaa	AA+	2.250	2.342	2,000,000.00	1,993,532.74	2,156,094.00	162,561.26	
U S TREASURY NOTE	06/27/19	08/31/22	Aaa	AA+	1.875	1.743	2,000,000.00	2,005,318.69	2,072,890.00	67,571.31	
U S TREASURY NOTE	01/22/20	02/28/23	Aaa	AA+	1.500	1.527	2,000,000.00	1,998,637.40	2,071,172.00	72,534.60	
U S TREASURY NOTE	01/22/20	06/30/23	Aaa	AA+	1.375	1.534	2,000,000.00	1,991,000.50	2,072,812.00	81,811.50	
Subtotal, Treasury Securities							10,000,000.00	9,988,116.34	10,374,892.00	386,775.66	
FEDERAL AGENCY ISSUES - COUPON											
FED AGRICULTURAL MTG CORP	12/29/16	01/15/21	-	-	2.000	2.000	2,000,000.00	2,000,000.00	2,017,196.00	17,196.00	
FED AGRICULTURAL MTG CORP	05/09/19	04/03/23	-	-	2.360	2.371	2,000,000.00	1,999,451.85	2,111,660.00	112,208.15	
FED AGRICULTURAL MTG CORP	02/12/20	02/12/24	-	-	1.390	1.480	2,000,000.00	1,993,839.18	2,075,434.00	81,594.82	
FEDERAL FARM CREDIT BANK	10/26/17	10/26/20	Aaa	AA+	1.750	1.750	2,000,000.00	2,000,000.00	2,007,640.00	7,640.00	
FEDERAL FARM CREDIT BANK	05/03/17	05/03/21	Aaa	AA+	1.750	1.750	2,000,000.00	2,000,000.00	2,024,106.00	24,106.00	
FEDERAL FARM CREDIT BANK	01/31/19	10/23/23	Aaa	AA+	2.650	2.670	2,000,000.00	1,998,825.71	2,152,638.00	153,812.29	
FEDERAL FARM CREDIT BANK	06/24/19	06/14/22	Aaa	AA+	1.875	1.839	2,000,000.00	2,001,295.68	2,062,612.00	61,316.32	
FEDERAL FARM CREDIT BANK	06/27/19	12/12/22	Aaa	AA+	1.875	1.830	2,000,000.00	2,002,036.93	2,078,586.00	76,549.07	
FEDERAL FARM CREDIT BANK	06/18/20	06/17/24	Aaa	AA+	0.680	0.680	2,000,000.00	2,000,000.00	2,002,072.00	2,072.00	Callable 06/17/21, 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	2,042,160.00	42,160.00	
FEDERAL HOME LOAN BANK	10/04/18	09/28/23	Aaa	AA+	3.200	3.227	2,000,000.00	1,999,800.42	2,007,226.00	7,425.58	Callable 1X on 09/28/20.
FEDERAL HOME LOAN BANK	10/26/18	10/26/22	Aaa	AA+	3.150	3.150	2,000,000.00	2,000,000.00	2,012,890.00	12,890.00	Callable 1X on 10/26/20.
FEDERAL HOME LOAN BANK	01/22/19	01/22/24	Aaa	AA+	2.830	2.830	2,000,000.00	2,000,000.00	2,022,120.00	22,120.00	Callable 1X on 01/22/21.
FEDERAL HOME LOAN BANK	01/29/20	07/22/24	Aaa	AA+	1.770	1.739	4,000,000.00	4,004,790.70	4,051,920.00	47,129.30	Callable on 07/22/21, Q
FEDERAL HOME LOAN BANK	02/14/20	08/14/23	Aaa	AA+	1.700	1.700	2,000,000.00	2,000,000.00	2,000,812.00	812.00	Callable on 08/14/20, S/A
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	2,067,788.00	67,788.00	

CITY OF SANTA BARBARA

Investment Portfolio

July 31, 2020

DESCRIPTION	PURCHASE	MATURITY	QUALITY RATING		STATED	YIELD AT	FACE	BOOK	MARKET	BOOK	COMMENTS
	DATE	DATE	MOODY'S	S & P	RATE	365	VALUE	VALUE	VALUE	GAIN/(LOSS)	
FEDERAL HOME LOAN MTG CORP	02/27/17	11/27/20	Aaa	AA+	1.850	1.850	2,000,000.00	2,000,000.00	2,010,856.00	10,856.00	
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	2,041,610.00	41,610.00	
FEDERAL HOME LOAN MTG CORP	04/27/17	07/27/21	Aaa	AA+	1.800	1.800	2,000,000.00	2,000,000.00	2,032,644.00	32,644.00	
FEDERAL HOME LOAN MTG CORP	06/22/17	12/22/20	Aaa	AA+	1.700	1.700	2,000,000.00	2,000,000.00	2,012,080.00	12,080.00	
FEDERAL HOME LOAN MTG CORP	10/26/17	04/26/21	Aaa	AA+	1.850	1.850	2,000,000.00	2,000,000.00	2,025,416.00	25,416.00	
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	2,038,234.00	38,234.00	
FEDERAL HOME LOAN MTG CORP	05/30/18	05/26/23	Aaa	AA+	3.000	3.000	2,000,000.00	2,000,000.00	2,041,228.00	41,228.00	Callable 1X on 5/26/2021.
FEDERAL HOME LOAN MTG CORP	03/29/17	03/29/21	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,024,888.00	24,888.00	
FEDERAL HOME LOAN MTG CORP	09/30/19	09/30/24	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,004,366.00	4,366.00	Callable on 09/30/20 , A
FEDERAL HOME LOAN MTG CORP	10/28/19	10/28/24	Aaa	AA+	1.875	1.875	2,000,000.00	2,000,000.00	2,007,142.00	7,142.00	Callable 1X, on 10/28/2020
FEDERAL HOME LOAN MTG CORP	01/29/20	01/22/24	Aaa	AA+	1.750	1.724	4,000,000.00	4,003,491.97	4,023,848.00	20,356.03	Callable on 01/22/21, A
FEDERAL HOME LOAN MTG CORP	02/18/20	12/18/23	Aaa	AA+	1.600	1.596	2,000,000.00	2,000,000.00	2,009,906.00	9,906.00	Callable on 12/18/20, A
FEDERAL HOME LOAN MTG CORP	02/27/20	02/27/25	Aaa	AA+	1.700	1.700	3,000,000.00	3,000,000.00	3,001,980.00	1,980.00	Callable on 08/27/20, Q
FEDERAL NATL MORTGAGE ASSN	01/22/20	02/26/21	Aaa	AA+	1.375	1.540	2,000,000.00	1,998,137.31	2,013,878.00	15,740.69	
FEDERAL NATL MORTGAGE ASSN	01/31/20	10/30/23	Aaa	AA+	1.700	1.700	2,000,000.00	2,000,000.00	2,006,442.00	6,442.00	Callable on 10/30/20, Q
Subtotal, Federal Agencies							<u>67,000,000.00</u>	<u>67,001,669.75</u>	<u>68,031,378.00</u>	<u>1,029,708.25</u>	
CORPORATE/MEDIUM TERM NOTES											
APPLE INC	01/24/19	05/11/22	Aa1	AA+	2.300	2.847	2,000,000.00	1,981,549.45	2,067,622.00	86,072.55	
APPLE INC	04/23/19	05/03/23	Aa1	AA+	2.400	2.718	2,000,000.00	1,983,498.59	2,114,714.00	131,215.41	
APPLE INC	09/11/19	09/11/24	Aa1	AA+	1.800	1.903	2,000,000.00	1,991,958.67	2,106,618.00	114,659.33	
BERKSHIRE HATHAWAY INC	04/05/18	03/15/23	Aa2	AA	2.750	3.016	2,000,000.00	1,987,123.42	2,119,620.00	132,496.58	
BERKSHIRE HATHAWAY FIN	12/12/18	05/15/22	Aa2	AA	3.000	3.204	2,000,000.00	1,993,126.49	2,104,050.00	110,923.51	
MICROSOFT CORP	03/11/19	02/06/22	Aaa	AAA	2.400	2.564	2,000,000.00	1,995,233.21	2,062,140.00	66,906.79	
MICROSOFT CORP	05/23/19	08/08/23	Aaa	AAA	2.000	2.535	2,000,000.00	1,969,506.60	2,097,902.00	128,395.40	
TOYOTA MOTOR CREDIT	07/27/18	07/20/23	A1	A+	3.419	3.392	2,000,000.00	2,001,454.75	2,167,720.00	166,265.25	
TOYOTA MOTOR CREDIT	06/14/19	09/08/22	A1	A+	2.150	2.182	2,000,000.00	1,998,699.31	2,071,364.00	72,664.69	
TOYOTA MOTOR CREDIT	03/16/20	02/13/25	A1	A+	1.800	1.770	2,000,000.00	2,002,586.08	2,093,360.00	90,773.92	
Subtotal, Corporate Securities							<u>20,000,000.00</u>	<u>19,904,736.57</u>	<u>21,005,110.00</u>	<u>1,100,373.43</u>	
CHECKING ACCOUNT											
MUFG UNION BANK NA CHKNG ACCNT	-	-	-	-	0.450	0.450	11,445,479.47	11,445,479.47	11,445,479.47	0.00	
Subtotal, Checking Account							<u>11,445,479.47</u>	<u>11,445,479.47</u>	<u>11,445,479.47</u>	<u>0.00</u>	
SAVINGS ACCOUNT											
MUFG UNION BANK NA SVNGS ACCNT	-	-	-	-	0.050	0.050	514.98	514.98	514.98	0.00	
Subtotal, Cash							<u>514.98</u>	<u>514.98</u>	<u>514.98</u>	<u>0.00</u>	
TOTALS							<u>184,445,994.45</u>	<u>184,340,517.11</u>	<u>186,861,060.95</u>	<u>2,520,543.84</u>	

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

INVESTMENT YIELDS

