



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: December 8, 2020

TO: Mayor and Councilmembers

FROM: Treasury Division, Finance Department

SUBJECT: October 2020 Investment Report

RECOMMENDATION:

That Council accept the October 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 October 31, 2020.

ATTACHMENT: October 2020 Investment Report

PREPARED BY: Salvatore Parrilla, Finance Analyst

SUBMITTED BY: Keith DeMartini, Finance Director

APPROVED BY: City Administrator's Office

ATTACHMENT

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

INVESTMENT ACTIVITY

PURCHASES OR DEPOSITS

Total \$ -

SALES, MATURITIES, CALLS OR WITHDRAWALS

10/26 FFCB \$ (2,000,000)
10/26 FHLB (2,000,000)
10/28 FHLMC (2,000,000)
10/30 FNMA (2,000,000)

Total \$ (8,000,000)

ACTIVITY TOTAL \$ (8,000,000)

INVESTMENT INCOME

POOLED INVESTMENTS

Interest Earned on Investments \$ 200,919
Amortization 3,712

Total \$ 204,631

INCOME TOTAL \$ 204,631

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

ENDING BALANCE AS OF September 30, 2020

Description	Book Value	Yield to Maturity (365 days)	Percent of Portfolio	Average Days to Maturity
MUFG Union Bank NA Checking Account	\$ 26,676,166	0.450%	13.30%	1
State of California LAIF	75,000,000	0.685%	37.39%	1
Treasury Securities	7,988,956	1.786%	3.98%	972
Federal Agency Issues - Coupon	71,002,173	1.656%	35.40%	829
Corporate/Medium Term Notes	19,911,384	2.613%	9.93%	932
	<u>200,578,678</u>	<u>1.233%</u>	<u>100.00%</u>	<u>425</u>
Totals and Averages	<u>\$ 200,578,678</u>	<u>1.233%</u>	<u>100.00%</u>	<u>425</u>
Total Cash and Investments	<u>\$ 200,578,678</u>			

NET CASH AND INVESTMENT ACTIVITY FOR October 2020

\$ 8,098,586

ENDING BALANCE AS OF October 31, 2020

Description	Book Value	Yield to Maturity (365 days)	Percent of Portfolio	Average Days to Maturity
MUFG Union Bank NA Checking Account	\$ 42,771,040	0.450%	20.50%	1 (1)
State of California LAIF	75,000,000	0.620%	35.94%	1 (2)
Treasury Securities	7,989,193	1.786%	3.83%	941
Federal Agency Issues - Coupon	63,002,324	1.597%	30.19%	796
Corporate/Medium Term Notes	19,914,707	2.613%	9.54%	901
	<u>208,677,264</u>	<u>1.115%</u>	<u>100.00%</u>	<u>363</u>
Totals and Averages	<u>\$ 208,677,264</u>	<u>1.115%</u>	<u>100.00%</u>	<u>363</u>
Total Cash and Investments	<u>\$ 208,677,264</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, 2020 is 177 days.

CITY OF SANTA BARBARA

Investment Portfolio

October 31, 2020

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
LOCAL AGENCY INVESTMENT FUNDS											
LOCAL AGENCY INVESTMENT FUND	-	-	-	-	0.620	0.620	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	1,993,967.67	2,140,000.00	146,032.33	
U S TREASURY NOTE	06/27/19	08/31/22	Aaa	AA+	1.875	1.743	2,000,000.00	2,004,674.85	2,062,500.00	57,825.15	
U S TREASURY NOTE	01/22/20	02/28/23	Aaa	AA+	1.500	1.527	2,000,000.00	1,998,770.62	2,061,796.00	63,025.38	
U S TREASURY NOTE	01/22/20	06/30/23	Aaa	AA+	1.375	1.534	2,000,000.00	1,991,779.38	2,063,438.00	71,658.62	
Subtotal, Treasury Securities							8,000,000.00	7,989,192.52	8,327,734.00	338,541.48	
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	2,007,654.00	7,654.00	
FED AGRICULTURAL MTG CORP	05/09/19	04/03/23	-	-	2.360	2.371	2,000,000.00	1,999,503.13	2,102,312.00	102,808.87	
FED AGRICULTURAL MTG CORP	02/12/20	02/12/24	-	-	1.390	1.480	2,000,000.00	1,994,275.43	2,070,384.00	76,108.57	
FED AGRICULTURAL MTG CORP	08/19/20	08/19/22	-	-	0.250	0.250	3,000,000.00	3,000,000.00	2,997,645.00	(2,355.00)	Callable 11/19/20, Q
FEDERAL FARM CREDIT BANK	05/03/17	05/03/21	Aaa	AA+	1.750	1.750	2,000,000.00	2,000,000.00	2,016,438.00	16,438.00	
FEDERAL FARM CREDIT BANK	01/31/19	10/23/23	Aaa	AA+	2.650	2.670	2,000,000.00	1,998,916.66	2,142,316.00	143,399.34	
FEDERAL FARM CREDIT BANK	06/24/19	06/14/22	Aaa	AA+	1.875	1.839	2,000,000.00	2,001,122.41	2,054,232.00	53,109.59	
FEDERAL FARM CREDIT BANK	06/27/19	12/12/22	Aaa	AA+	1.875	1.830	2,000,000.00	2,001,821.51	2,070,924.00	69,102.49	
FEDERAL FARM CREDIT BANK	06/18/20	06/17/24	Aaa	AA+	0.680	0.680	2,000,000.00	2,000,000.00	2,000,202.00	202.00	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	2,033,994.00	33,994.00	
FEDERAL HOME LOAN BANK	01/22/19	01/22/24	Aaa	AA+	2.830	2.830	2,000,000.00	2,000,000.00	2,010,430.00	10,430.00	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	4,004,489.40	4,028,260.00	23,770.60	Callable on 07/22/21, 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	2,058,958.00	58,958.00	
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	2,002,384.00	2,384.00	
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	2,032,042.00	32,042.00	
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	2,024,902.00	24,902.00	
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	2,004,352.00	4,352.00	
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	2,016,732.00	16,732.00	
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	2,028,792.00	28,792.00	
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	2,029,072.00	29,072.00	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	2,015,480.00	15,480.00	
FEDERAL HOME LOAN MTG CORP	01/29/20	01/22/24	Aaa	AA+	1.750	1.724	4,000,000.00	4,003,240.75	4,011,204.00	7,963.25	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	2,003,604.00	3,604.00	Callable on 12/18/20, A
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	2,989,242.00	(10,758.00)	Callable 12/09/21, Q
FEDERAL NATL MORTGAGE ASSN	01/22/20	02/26/21	Aaa	AA+	1.375	1.540	2,000,000.00	1,998,955.08	2,007,976.00	9,020.92	
FEDERAL NATL MORTGAGE ASSN	08/17/20	08/17/23	Aaa	AA+	0.310	0.310	3,000,000.00	3,000,000.00	2,993,226.00	(6,774.00)	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	3,989,712.00	(10,288.00)	Callable 08/26/22, Q
Subtotal, Federal Agencies							63,000,000.00	63,002,324.37	63,742,469.00	740,144.63	

CITY OF SANTA BARBARA
Investment Portfolio
October 31, 2020

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
CORPORATE/MEDIUM TERM NOTES											
APPLE INC	01/24/19	05/11/22	Aa1	AA+	2.300	2.847	2,000,000.00	1,984,144.06	2,056,970.00	72,825.94	
APPLE INC	04/23/19	05/03/23	Aa1	AA+	2.400	2.718	2,000,000.00	1,984,995.70	2,100,120.00	115,124.30	
APPLE INC	09/11/19	09/11/24	Aa1	AA+	1.800	1.903	2,000,000.00	1,992,447.67	2,090,680.00	98,232.33	
BERKSHIRE HATHAWAY INC	04/05/18	03/15/23	Aa2	AA	2.750	3.016	2,000,000.00	1,988,351.06	2,103,120.00	114,768.94	
BERKSHIRE HATHAWAY FIN	12/12/18	05/15/22	Aa2	AA	3.000	3.204	2,000,000.00	1,994,087.07	2,085,812.00	91,724.93	
MICROSOFT CORP	03/11/19	02/06/22	Aaa	AAA	2.400	2.564	2,000,000.00	1,996,020.38	2,050,244.00	54,223.62	
MICROSOFT CORP	05/23/19	08/08/23	Aaa	AAA	2.000	2.535	2,000,000.00	1,972,031.35	2,088,112.00	116,080.65	
TOYOTA MOTOR CREDIT	07/27/18	07/20/23	A1	A	3.419	3.392	2,000,000.00	2,001,332.27	2,166,198.00	164,865.73	
TOYOTA MOTOR CREDIT	06/14/19	09/08/22	A1	A	2.150	2.182	2,000,000.00	1,998,853.95	2,066,418.00	67,564.05	
TOYOTA MOTOR CREDIT	03/16/20	02/13/25	A1	A	1.800	1.770	2,000,000.00	2,002,443.46	2,082,694.00	80,250.54	
Subtotal, Corporate Securities							20,000,000.00	19,914,706.97	20,890,368.00	975,661.03	
CHECKING ACCOUNT											
MUFG UNION BANK NA CHKNG ACCNT	-	-	-	-	0.450	0.450	42,771,040.42	42,771,040.42	42,771,040.42	0.00	
Subtotal, Checking Account							42,771,040.42	42,771,040.42	42,771,040.42	0.00	
TOTALS							208,771,040.42	208,677,264.28	210,731,611.42	2,054,347.14	

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

INVESTMENT YIELDS

