



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: February 23, 2021

TO: Mayor and Councilmembers

FROM: Treasury Division, Finance Department

SUBJECT: January 2021 Investment Report

RECOMMENDATION:

That Council accept the January 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 January 31, 2021.

ATTACHMENT: January 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
 January 31, 2021

INVESTMENT ACTIVITY

INVESTMENT INCOME

PURCHASES OR DEPOSITS

POOLED INVESTMENTS

1/12 USTN	\$ 3,000,000
1/21 USTN	3,000,000
1/22 IBRD	3,000,000
1/28 FHLB	3,000,000
1/28 FHLB	3,000,000
1/28 FHLB	3,000,000
Total	\$ 18,000,000

Interest Earned on Investments	\$ 289,335
Amortization	815
Total	\$ 290,150

SALES, MATURITIES, CALLS OR WITHDRAWALS

1/15 FAMCA	\$ (2,000,000)
1/22 FHLB	(2,000,000)
1/22 FHLMC	(4,000,000)
Total	\$ (8,000,000)

ACTIVITY TOTAL

\$ 10,000,000

INCOME TOTAL

\$ 290,150

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

ENDING BALANCE AS OF December 31, 2020

Description	Book Value	Yield to Maturity (365 days)	Percent of Portfolio	Average Days to Maturity
MUFG Union Bank NA Checking Account	\$ 54,042,502	0.450%	24.24%	1
State of California LAIF	75,000,000	0.540%	33.64%	1
Treasury Securities	7,989,659	1.786%	3.58%	880
Federal Agency Issues - Coupon	66,002,628	1.428%	29.60%	855
Corporate/Medium Term Notes	19,921,354	2.613%	8.94%	840
	<u>222,956,142</u>	<u>1.011%</u>	<u>100.00%</u>	<u>360</u>
Totals and Averages	<u>\$ 222,956,142</u>	<u>1.011%</u>	<u>100.00%</u>	<u>360</u>
Total Cash and Investments	<u>\$ 222,956,142</u>			

NET CASH AND INVESTMENT ACTIVITY FOR January 2021

\$ 7,308,670

ENDING BALANCE AS OF January 31, 2021

Description	Book Value	Yield to Maturity (365 days)	Percent of Portfolio	Average Days to Maturity
MUFG Union Bank NA Checking Account	\$ 36,354,810	0.450%	15.79%	1 (1)
MUFG Union Bank NA Savings Account	15,000,000	0.050%	6.51%	1
State of California LAIF	75,000,000	0.458%	32.57%	1 (2)
Treasury Securities	13,985,535	1.086%	6.07%	826
Federal Agency Issues - Coupon	66,999,790	1.242%	29.10%	960
Corporate/Medium Term Notes	19,924,677	2.613%	8.65%	809
Supranationals Obligations	3,000,000	0.500%	1.30%	1,730
	<u>230,264,812</u>	<u>0.883%</u>	<u>100.00%</u>	<u>423</u>
Totals and Averages	<u>\$ 230,264,812</u>	<u>0.883%</u>	<u>100.00%</u>	<u>423</u>
Total Cash and Investments	<u>\$ 230,264,812</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 January 31, 2021 is 188 days.

CITY OF SANTA BARBARA

Investment Portfolio

January 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	-	-	-	-	0.458	0.458	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	1,994,402.60	2,131,250.00	136,847.40	
U S TREASURY NOTE	06/27/19	08/31/22	Aaa	AA+	1.875	1.743	2,000,000.00	2,004,031.01	2,055,312.00	51,280.99	
U S TREASURY NOTE	01/22/20	02/28/23	Aaa	AA+	1.500	1.527	2,000,000.00	1,998,903.84	2,056,406.00	57,502.16	
U S TREASURY NOTE	01/22/20	06/30/23	Aaa	AA+	1.375	1.534	2,000,000.00	1,992,558.27	2,058,906.00	66,347.73	
U S TREASURY NOTE	01/12/21	09/15/23	Aaa	AA+	0.125	0.185	3,000,000.00	2,995,293.77	2,997,306.00	2,012.23	
U S TREASURY NOTE	01/21/21	10/31/22	Aaa	AA+	0.125	0.118	3,000,000.00	3,000,345.59	3,000,351.00	5.41	
Subtotal, Treasury Securities							14,000,000.00	13,985,535.08	14,299,531.00	313,995.92	
FEDERAL AGENCY ISSUES - COUPON											
FED AGRICULTURAL MTG CORP	05/09/19	04/03/23	-	-	2.360	2.371	2,000,000.00	1,999,554.42	2,096,060.00	96,505.58	
FED AGRICULTURAL MTG CORP	02/12/20	02/12/24	-	-	1.390	1.480	2,000,000.00	1,994,711.68	2,068,848.00	74,136.32	
FED AGRICULTURAL MTG CORP	08/19/20	08/19/22	-	-	0.250	0.250	3,000,000.00	3,000,000.00	2,999,988.00	(12.00)	Callable 02/19/21, 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	2,008,676.00	8,676.00	
FEDERAL FARM CREDIT BANK	01/31/19	10/23/23	Aaa	AA+	2.650	2.670	2,000,000.00	1,999,007.61	2,132,580.00	133,572.39	
FEDERAL FARM CREDIT BANK	06/24/19	06/14/22	Aaa	AA+	1.875	1.839	2,000,000.00	2,000,949.14	2,047,428.00	46,478.86	
FEDERAL FARM CREDIT BANK	06/27/19	12/12/22	Aaa	AA+	1.875	1.830	2,000,000.00	2,001,606.09	2,064,660.00	63,053.91	
FEDERAL FARM CREDIT BANK	06/18/20	06/17/24	Aaa	AA+	0.680	0.680	2,000,000.00	2,000,000.00	2,003,638.00	3,638.00	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	2,026,582.00	26,582.00	
FEDERAL HOME LOAN BANK	01/29/20	07/22/24	Aaa	AA+	1.770	1.739	4,000,000.00	4,004,188.10	4,025,688.00	21,499.90	Callable on 07/22/21, Q
FEDERAL HOME LOAN BANK	01/28/21	01/28/26	Aaa	AA+	0.580	0.580	3,000,000.00	3,000,000.00	2,994,252.00	(5,748.00)	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	2,998,002.00	(1,998.00)	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	2,997,213.00	(2,787.00)	S/U 0.25-0.75%, 1x Call 01/28/22
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	2,051,120.00	51,120.00	
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	2,023,810.00	23,810.00	
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	2,016,990.00	16,990.00	
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	2,008,416.00	8,416.00	
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	2,020,530.00	20,530.00	
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	2,018,426.00	18,426.00	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	2,006,252.00	6,252.00	
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	3,005,997.00	5,997.00	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	3,000,300.00	300.00	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	3,004,686.00	4,686.00	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	1,999,772.84	2,001,784.00	2,011.16	
FEDERAL NATL MORTGAGE ASSN	08/17/20	08/17/23	Aaa	AA+	0.310	0.310	3,000,000.00	3,000,000.00	3,003,471.00	3,471.00	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	3,999,808.00	(192.00)	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	3,000,024.00	24.00	Callable on 11/17/2022, Q
Subtotal, Federal Agencies							67,000,000.00	66,999,789.88	67,625,229.00	625,439.12	
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	2,996,571.00	(3,429.00)	
Subtotal, Supranationals							3,000,000.00	3,000,000.00	2,996,571.00	(3,429.00)	

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Investment Portfolio
January 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
CORPORATE/MEDIUM TERM NOTES											
APPLE INC	01/24/19	05/11/22	Aa1	AA+	2.300	2.847	2,000,000.00	1,986,738.67	2,048,028.00	61,289.33	
APPLE INC	04/23/19	05/03/23	Aa1	AA+	2.400	2.718	2,000,000.00	1,986,492.80	2,094,668.00	108,175.20	
APPLE INC	09/11/19	09/11/24	Aa1	AA+	1.800	1.903	2,000,000.00	1,992,936.67	2,097,768.00	104,831.33	
BERKSHIRE HATHAWAY INC	04/05/18	03/15/23	Aa2	AA	2.750	3.016	2,000,000.00	1,989,578.70	2,094,496.00	104,917.30	
BERKSHIRE HATHAWAY FIN	12/12/18	05/15/22	Aa2	AA	3.000	3.204	2,000,000.00	1,995,047.66	2,071,708.00	76,660.34	
MICROSOFT CORP	03/11/19	02/06/22	Aaa	AAA	2.400	2.564	2,000,000.00	1,996,807.56	2,040,546.00	43,738.44	
MICROSOFT CORP	05/23/19	08/08/23	Aaa	AAA	2.000	2.535	2,000,000.00	1,974,556.11	2,080,336.00	105,779.89	
TOYOTA MOTOR CREDIT	07/27/18	07/20/23	A1	A	3.419	3.392	2,000,000.00	2,001,209.79	2,148,778.00	147,568.21	
TOYOTA MOTOR CREDIT	06/14/19	09/08/22	A1	A	2.150	2.182	2,000,000.00	1,999,008.59	2,059,660.00	60,651.41	
TOYOTA MOTOR CREDIT	03/16/20	02/13/25	A1	A	1.800	1.770	2,000,000.00	2,002,300.85	2,086,344.00	84,043.15	
Subtotal, Corporate Securities							20,000,000.00	19,924,677.40	20,822,332.00	897,654.60	
CHECKING ACCOUNT											
MUFG UNION BANK NA CHKNG ACCNT	-	-	-	-	0.450	0.450	36,354,809.51	36,354,809.51	36,354,809.51	0.00	
Subtotal, Checking Account							36,354,809.51	36,354,809.51	36,354,809.51	0.00	
SAVINGS ACCOUNT											
MUFG UNION BANK NA SVNGS ACCNT	-	-	-	-	0.050	0.050	15,000,000.00	15,000,000.00	15,000,000.00	0.00	
Subtotal, Cash							15,000,000.00	15,000,000.00	15,000,000.00	0.00	
TOTALS							230,354,809.51	230,264,811.87	232,098,472.51	1,833,660.64	

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

INVESTMENT YIELDS

