



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: March 30, 2021

TO: Mayor and Councilmembers

FROM: Treasury Division, Finance Department

SUBJECT: February 2021 Investment Report

RECOMMENDATION:

That Council accept the February 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 February 28, 2021.

ATTACHMENT: February 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
February 28, 2021

INVESTMENT ACTIVITY

INVESTMENT INCOME

PURCHASES OR DEPOSITS

POOLED INVESTMENTS

2/12 USTN	\$ 3,000,000
2/17 AAPL	3,000,000
2/22 IFC	3,000,000
2/25 FHLB	3,000,000
Total	\$ 12,000,000

Interest Earned on Investments	\$ 153,908
Amortization	4,039
Total	\$ 157,947

SALES, MATURITIES, CALLS OR WITHDRAWALS

2/19 FAMCA	\$ (3,000,000)
2/26 FNMA	(2,000,000)
Total	\$ (5,000,000)

ACTIVITY TOTAL

\$ 7,000,000

INCOME TOTAL

\$ 157,947

CITY OF SANTA BARBARA
Summary of Cash and Investments
February 28, 2021

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
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
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
Supranational 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>			

NET CASH AND INVESTMENT ACTIVITY FOR February 2021

\$ (7,002,320)

ENDING BALANCE AS OF February 28, 2021

Description	Book Value	Yield to Maturity (365 days)	Percent of Portfolio	Average Days to Maturity
MUFG Union Bank NA Checking Account	\$ 26,366,937	0.450%	11.97%	1 (1)
MUFG Union Bank NA Savings Account	8,000,000	0.050%	3.63%	1
State of California LAIF	75,000,000	0.407%	34.05%	1 (2)
Treasury Securities	16,968,825	0.961%	7.70%	941
Federal Agency Issues - Coupon	64,999,980	1.245%	29.51%	1,016
Corporate/Medium Term Notes	22,927,257	2.363%	10.41%	915
Supranationals Obligations	5,999,494	0.377%	2.72%	1,486
	<u>220,262,492</u>	<u>0.892%</u>	<u>100.00%</u>	<u>509</u>
Totals and Averages	<u>\$ 220,262,492</u>	<u>0.892%</u>	<u>100.00%</u>	<u>509</u>
MB&T Trust Cash	3,000,000			
Total Cash and Investments	<u>\$ 223,262,492</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 February 28, 2021 is 198 days.

CITY OF SANTA BARBARA

Investment Portfolio

February 28, 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	-	-	-	-	0.407	0.407	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	1,994,534.97	2,118,750.00	124,215.03	
U S TREASURY NOTE	06/27/19	08/31/22	Aaa	AA+	1.875	1.743	2,000,000.00	2,003,835.06	2,051,796.00	47,960.94	
U S TREASURY NOTE	01/22/20	02/28/23	Aaa	AA+	1.500	1.527	2,000,000.00	1,998,944.38	2,053,438.00	54,493.62	
U S TREASURY NOTE	01/22/20	06/30/23	Aaa	AA+	1.375	1.534	2,000,000.00	1,992,795.32	2,053,672.00	60,876.68	
U S TREASURY NOTE	01/12/21	09/15/23	Aaa	AA+	0.125	0.185	3,000,000.00	2,995,431.61	2,991,327.00	(4,104.61)	
U S TREASURY NOTE	01/21/21	10/31/22	Aaa	AA+	0.125	0.118	3,000,000.00	3,000,330.40	2,999,181.00	(1,149.40)	
U S TREASURY NOTE	02/12/21	07/31/25	Aaa	AA+	0.250	0.380	3,000,000.00	2,982,953.10	2,946,093.00	(36,860.10)	
Subtotal, Treasury Securities							17,000,000.00	16,968,824.84	17,214,257.00	245,432.16	
FEDERAL AGENCY ISSUES - COUPON											
FED AGRICULTURAL MTG CORP	05/09/19	04/03/23	-	-	2.360	2.371	2,000,000.00	1,999,571.51	2,090,414.00	90,842.49	
FED AGRICULTURAL MTG CORP	02/12/20	02/12/24	-	-	1.390	1.480	2,000,000.00	1,994,857.10	2,062,674.00	67,816.90	
FEDERAL FARM CREDIT BANK	05/03/17	05/03/21	Aaa	AA+	1.750	1.750	2,000,000.00	2,000,000.00	2,005,862.00	5,862.00	
FEDERAL FARM CREDIT BANK	01/31/19	10/23/23	Aaa	AA+	2.650	2.670	2,000,000.00	1,999,037.93	2,124,830.00	125,792.07	
FEDERAL FARM CREDIT BANK	06/24/19	06/14/22	Aaa	AA+	1.875	1.839	2,000,000.00	2,000,891.38	2,044,188.00	43,296.62	
FEDERAL FARM CREDIT BANK	06/27/19	12/12/22	Aaa	AA+	1.875	1.830	2,000,000.00	2,001,534.28	2,061,194.00	59,659.72	
FEDERAL FARM CREDIT BANK	06/18/20	06/17/24	Aaa	AA+	0.680	0.680	2,000,000.00	2,000,000.00	2,002,816.00	2,816.00	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	2,024,598.00	24,598.00	
FEDERAL HOME LOAN BANK	01/29/20	07/22/24	Aaa	AA+	1.770	1.739	4,000,000.00	4,004,087.66	4,024,384.00	20,296.34	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	2,961,330.00	(38,670.00)	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	2,989,350.00	(10,650.00)	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	2,988,627.00	(11,373.00)	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	2,957,346.00	(42,654.00)	Callable 02/25/22, 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	2,047,796.00	47,796.00	
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	2,020,550.00	20,550.00	
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	2,013,852.00	13,852.00	
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	2,005,366.00	5,366.00	
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	2,017,302.00	17,302.00	
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	2,013,734.00	13,734.00	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	2,002,962.00	2,962.00	
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	2,970,297.00	(29,703.00)	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	3,000,588.00	588.00	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	3,000,717.00	717.00	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	3,002,307.00	2,307.00	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	3,972,156.00	(27,844.00)	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	2,989,008.00	(10,992.00)	Callable on 11/17/2022, Q
Subtotal, Federal Agencies							65,000,000.00	64,999,979.86	65,394,248.00	394,268.14	
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	2,953,944.00	(46,056.00)	
INTERNATIONAL FINANCE CORP	02/22/21	08/22/24	Aaa	AAA	0.250	0.255	3,000,000.00	2,999,493.64	2,983,227.00	(16,266.64)	
Subtotal, Supranationals							6,000,000.00	5,999,493.64	5,937,171.00	(62,322.64)	

CITY OF SANTA BARBARA
Investment Portfolio
February 28, 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	1,987,603.54	2,046,196.00	58,592.46	
APPLE INC	04/23/19	05/03/23	Aa1	AA+	2.400	2.718	2,000,000.00	1,986,991.83	2,089,448.00	102,456.17	
APPLE INC	09/11/19	09/11/24	Aa1	AA+	1.800	1.903	2,000,000.00	1,993,099.67	2,087,860.00	94,760.33	
APPLE INC	02/17/21	02/08/26	Aa1	AA+	0.700	0.705	3,000,000.00	2,999,255.86	2,957,541.00	(41,714.86)	
BERKSHIRE HATHAWAY INC	04/05/18	03/15/23	Aa2	AA	2.750	3.016	2,000,000.00	1,989,987.91	2,089,840.00	99,852.09	
BERKSHIRE HATHAWAY FIN	12/12/18	05/15/22	Aa2	AA	3.000	3.204	2,000,000.00	1,995,367.85	2,068,380.00	73,012.15	
MICROSOFT CORP	03/11/19	02/06/22	Aaa	AAA	2.400	2.564	2,000,000.00	1,997,069.95	2,036,686.00	39,616.05	
MICROSOFT CORP	05/23/19	08/08/23	Aaa	AAA	2.000	2.535	2,000,000.00	1,975,397.69	2,078,626.00	103,228.31	
TOYOTA MOTOR CREDIT	07/27/18	07/20/23	A1	A	3.419	3.392	2,000,000.00	2,001,168.97	2,143,784.00	142,615.03	
TOYOTA MOTOR CREDIT	06/14/19	09/08/22	A1	A	2.150	2.182	2,000,000.00	1,999,060.14	2,055,360.00	56,299.86	
TOYOTA MOTOR CREDIT	03/16/20	02/13/25	A1	A	1.800	1.770	2,000,000.00	2,002,253.31	2,062,370.00	60,116.69	
Subtotal, Corporate Securities							<u>23,000,000.00</u>	<u>22,927,256.72</u>	<u>23,716,091.00</u>	<u>788,834.28</u>	
MONEY MARKET FUNDS											
MB&T TRUST CASH		-	Aaa-mf	AAA	-	-	3,000,000.00	3,000,000.00	3,000,000.00	0.00	
Subtotal, Money Market							<u>3,000,000.00</u>	<u>3,000,000.00</u>	<u>3,000,000.00</u>	<u>0.00</u>	
CHECKING ACCOUNT											
MUFG UNION BANK NA CHKNG ACCNT	-	-	-	-	0.450	0.450	26,366,937.20	26,366,937.20	26,366,937.20	0.00	
Subtotal, Checking Account							<u>26,366,937.20</u>	<u>26,366,937.20</u>	<u>26,366,937.20</u>	<u>0.00</u>	
SAVINGS ACCOUNT											
MUFG UNION BANK NA SVNGS ACCNT	-	-	-	-	0.050	0.050	8,000,000.00	8,000,000.00	8,000,000.00	0.00	
Subtotal, Cash							<u>8,000,000.00</u>	<u>8,000,000.00</u>	<u>8,000,000.00</u>	<u>0.00</u>	
TOTALS							<u>223,366,937.20</u>	<u>223,262,492.26</u>	<u>224,628,704.20</u>	<u>1,366,211.94</u>	

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

INVESTMENT YIELDS

