



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** June 29, 2021

**TO:** Mayor and Councilmembers

**FROM:** Treasury Division, Finance Department

**SUBJECT:** May 2021 Investment Report

**RECOMMENDATION:**

That Council accept the May 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 May 31, 2021.

**ATTACHMENT:** May 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**  
**May 31, 2021**

**INVESTMENT ACTIVITY**

**INVESTMENT INCOME**

**PURCHASES OR DEPOSITS**

**POOLED INVESTMENTS**

5/6 FFCB	\$ 2,000,000
5/20 FHLB	2,000,000
5/26 FHLB	2,000,000
5/26 FHLB	3,000,000

Interest Earned on Investments	\$ 148,856
Amortization	4,101

**Total** \$ 9,000,000

**Total** \$ 152,957

**SALES, MATURITIES, CALLS OR WITHDRAWALS**

5/3 FFCB	\$ (2,000,000)
5/26 FHLMC	(2,000,000)

**Total** \$ (4,000,000)

**ACTIVITY TOTAL**

\$ 5,000,000

**INCOME TOTAL**

\$ 152,957

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

**ENDING BALANCE AS OF April 30, 2021**

Description	Book Value	Yield to Maturity (365 days)	Percent of Portfolio	Average Days to Maturity
MUFG Union Bank NA Checking Account	\$ 43,390,236	0.450%	17.76%	1 (1)
MUFG Union Bank NA Savings Account	8,000,000	0.050%	3.27%	1
State of California LAIF	75,000,000	0.339%	30.70%	1 (2)
Treasury Securities	16,970,203	0.961%	6.95%	880
Federal Agency Issues - Coupon	69,999,906	1.133%	28.65%	1,097
Corporate/Medium Term Notes	22,933,929	2.363%	9.39%	854
Supranationals Obligations	7,994,232	0.484%	3.27%	1,515
	<u>244,288,505</u>	<u>0.815%</u>	<u>100.00%</u>	<u>506</u>
Totals and Averages	<u>\$ 244,288,505</u>	<u>0.815%</u>	<u>100.00%</u>	<u>506</u>

**Total Cash and Investments**

**\$ 244,288,505**

**NET CASH AND INVESTMENT ACTIVITY FOR May 2021**

**\$ 17,257,976**

**ENDING BALANCE AS OF May 31, 2021**

Description	Book Value	Yield to Maturity (365 days)	Percent of Portfolio	Average Days to Maturity
MUFG Union Bank NA Checking Account	\$ 44,644,111	0.450%	17.33%	1 (1)
MUFG Union Bank NA Savings Account	15,000,000	0.050%	5.82%	1
State of California LAIF	75,000,000	0.315%	29.12%	1 (2)
Treasury Securities	16,970,903	0.961%	6.59%	850
Federal Agency Issues - Coupon	74,999,868	1.027%	29.12%	1,164
Corporate/Medium Term Notes	22,937,265	2.363%	8.91%	823
Supranationals Obligations	7,994,334	0.484%	3.10%	1,484
	<u>257,546,481</u>	<u>0.761%</u>	<u>100.00%</u>	<u>515</u>
Totals and Averages	<u>\$ 257,546,481</u>	<u>0.761%</u>	<u>100.00%</u>	<u>515</u>

**MB&T Trust Cash**

4,000,000

**Total Cash and Investments**

**\$ 261,546,481**

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 May 31, 2021 is 221 days.

**CITY OF SANTA BARBARA**

**Investment Portfolio**

**May 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
<b>LOCAL AGENCY INVESTMENT FUNDS</b>											
LOCAL AGENCY INVESTMENT FUND	-	-	-	-	0.315	0.315	75,000,000.00	75,000,000.00	75,000,000.00	0.00	
<b>Subtotal, LAIF</b>							75,000,000.00	75,000,000.00	75,000,000.00	0.00	
<b>TREASURY SECURITIES - COUPON</b>											
U S TREASURY NOTE	05/03/19	04/30/24	Aaa	AA+	2.250	2.342	2,000,000.00	1,994,969.91	2,113,594.00	118,624.09	
U S TREASURY NOTE	06/27/19	08/31/22	Aaa	AA+	1.875	1.743	2,000,000.00	2,003,191.21	2,044,140.00	40,948.79	
U S TREASURY NOTE	01/22/20	02/28/23	Aaa	AA+	1.500	1.527	2,000,000.00	1,999,077.60	2,047,422.00	48,344.40	
U S TREASURY NOTE	01/22/20	06/30/23	Aaa	AA+	1.375	1.534	2,000,000.00	1,993,574.20	2,050,312.00	56,737.80	
U S TREASURY NOTE	01/12/21	09/15/23	Aaa	AA+	0.125	0.185	3,000,000.00	2,995,884.51	2,995,899.00	14.49	
U S TREASURY NOTE	01/21/21	10/31/22	Aaa	AA+	0.125	0.118	3,000,000.00	3,000,280.49	3,000,819.00	538.51	
U S TREASURY NOTE	02/12/21	07/31/25	Aaa	AA+	0.250	0.380	3,000,000.00	2,983,925.40	2,956,875.00	(27,050.40)	
<b>Subtotal, Treasury Securities</b>							17,000,000.00	16,970,903.32	17,209,061.00	238,157.68	
<b>FEDERAL AGENCY ISSUES - COUPON</b>											
FED AGRICULTURAL MTG CORP	05/09/19	04/03/23	-	-	2.360	2.371	2,000,000.00	1,999,622.79	2,079,812.00	80,189.21	
FED AGRICULTURAL MTG CORP	02/12/20	02/12/24	-	-	1.390	1.480	2,000,000.00	1,995,293.35	2,056,998.00	61,704.65	
FED AGRICULTURAL MTG CORP	03/02/21	09/22/25	-	-	0.480	0.480	3,000,000.00	3,000,000.00	2,967,171.00	(32,829.00)	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	1,999,128.88	2,114,072.00	114,943.12	
FEDERAL FARM CREDIT BANK	06/24/19	06/14/22	Aaa	AA+	1.875	1.839	2,000,000.00	2,000,718.11	2,037,646.00	36,927.89	
FEDERAL FARM CREDIT BANK	06/27/19	12/12/22	Aaa	AA+	1.875	1.830	2,000,000.00	2,001,318.86	2,053,572.00	52,253.14	
FEDERAL FARM CREDIT BANK	06/18/20	06/17/24	Aaa	AA+	0.680	0.680	2,000,000.00	2,000,000.00	2,000,514.00	514.00	Callable 06/17/21, 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	1,999,668.00	(332.00)	Callable 05/06/22, 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	2,015,876.00	15,876.00	
FEDERAL HOME LOAN BANK	01/29/20	07/22/24	Aaa	AA+	1.770	1.739	4,000,000.00	4,003,786.36	4,009,132.00	5,345.64	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	2,964,930.00	(35,070.00)	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	2,992,857.00	(7,143.00)	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	2,992,326.00	(7,674.00)	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	2,963,751.00	(36,249.00)	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	1,989,826.00	(10,174.00)	S/U 0.50-1.00%, Callable 06/16/21 - Q
FEDERAL HOME LOAN BANK	03/30/21	12/30/24	Aaa	AA+	0.530	0.530	2,000,000.00	2,000,000.00	2,000,226.00	226.00	Callable 09/30/21, 1x
FEDERAL HOME LOAN BANK	04/15/21	04/15/26	Aaa	AAA	1.000	1.000	2,000,000.00	2,000,000.00	2,001,334.00	1,334.00	Callable 10/15/21, 1x
FEDERAL HOME LOAN BANK	05/20/21	05/20/26	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	2,000,288.00	288.00	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	2,997,318.00	(2,682.00)	Callable 08/26/21, 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	1,999,946.00	(54.00)	Callable 11/26/21, 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	2,038,530.00	38,530.00	
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	2,011,080.00	11,080.00	
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	2,005,280.00	5,280.00	
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	2,008,250.00	8,250.00	
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	2,976,693.00	(23,307.00)	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	3,000,663.00	663.00	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	3,001,521.00	1,521.00	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	3,001,908.00	1,908.00	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	3,980,104.00	(19,896.00)	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	2,995,959.00	(4,041.00)	Callable on 11/17/2022, Q
<b>Subtotal, Federal Agencies</b>							75,000,000.00	74,999,868.35	75,257,251.00	257,382.65	

**CITY OF SANTA BARBARA**  
**Investment Portfolio**  
**May 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
<b>SUPRANATIONAL OBLIGATIONS</b>											
INTERNATIONAL BANK FOR RECONST	01/22/21	10/28/25	Aaa	AAA	0.500	0.500	3,000,000.00	3,000,000.00	2,969,814.00	(30,186.00)	
INTERNATIONAL FINANCE CORP	02/22/21	08/22/24	Aaa	AAA	0.250	0.255	3,000,000.00	2,999,530.07	2,991,579.00	(7,951.07)	
INTERNATIONAL FINANCE CORP	03/23/21	03/23/26	Aaa	AAA	0.750	0.805	2,000,000.00	1,994,804.00	2,009,640.00	14,836.00	
<b>Subtotal, Supranationals</b>							8,000,000.00	7,994,334.07	7,971,033.00	(23,301.07)	
<b>CORPORATE/MEDIUM TERM NOTES</b>											
APPLE INC	01/24/19	05/11/22	Aa1	AA+	2.300	2.847	2,000,000.00	1,990,198.15	2,037,024.00	46,825.85	
APPLE INC	04/23/19	05/03/23	Aa1	AA+	2.400	2.718	2,000,000.00	1,988,488.94	2,079,860.00	91,371.06	
APPLE INC	09/11/19	09/11/24	Aa1	AA+	1.800	1.903	2,000,000.00	1,993,588.67	2,086,418.00	92,829.33	
APPLE INC	02/17/21	02/08/26	Aa1	AA+	0.700	0.705	3,000,000.00	2,999,293.55	2,971,065.00	(28,228.55)	
BERKSHIRE HATHAWAY INC	04/05/18	03/15/23	Aa2	AA	2.750	3.016	2,000,000.00	1,991,215.55	2,080,164.00	88,948.45	
BERKSHIRE HATHAWAY FIN	12/12/18	05/15/22	Aa2	AA	3.000	3.204	2,000,000.00	1,996,328.43	2,054,222.00	57,893.57	
MICROSOFT CORP	03/11/19	02/06/22	Aaa	AAA	2.400	2.564	2,000,000.00	1,997,857.13	2,026,616.00	28,758.87	
MICROSOFT CORP	05/23/19	08/08/23	Aaa	AAA	2.000	2.535	2,000,000.00	1,977,922.44	2,072,664.00	94,741.56	
TOYOTA MOTOR CREDIT	07/27/18	07/20/23	A1	A	3.419	3.392	2,000,000.00	2,001,046.49	2,130,428.00	129,381.51	
TOYOTA MOTOR CREDIT	06/14/19	09/08/22	A1	A	2.150	2.182	2,000,000.00	1,999,214.78	2,049,722.00	50,507.22	
TOYOTA MOTOR CREDIT	03/16/20	02/13/25	A1	A	1.800	1.770	2,000,000.00	2,002,110.70	2,078,142.00	76,031.30	
<b>Subtotal, Corporate Securities</b>							23,000,000.00	22,937,264.83	23,666,325.00	729,060.17	
<b>MONEY MARKET FUNDS</b>											
MB&T TRUST CASH		-	Aaa-mf	AAAm	-	-	4,000,000.00	4,000,000.00	4,000,000.00	0.00	
<b>Subtotal, Money Market</b>							4,000,000.00	4,000,000.00	4,000,000.00	0.00	
<b>CHECKING ACCOUNT</b>											
MUFG UNION BANK NA CHKNG ACCNT	-	-	-	-	0.450	0.450	44,644,110.77	44,644,110.77	44,644,110.77	0.00	
<b>Subtotal, Checking Account</b>							44,644,110.77	44,644,110.77	44,644,110.77	0.00	
<b>SAVINGS ACCOUNT</b>											
MUFG UNION BANK NA SVNGS ACCNT	-	-	-	-	0.050	0.050	15,000,000.00	15,000,000.00	15,000,000.00	0.00	
<b>Subtotal, Cash</b>							15,000,000.00	15,000,000.00	15,000,000.00	0.00	
<b>TOTALS</b>							261,644,110.77	261,546,481.34	262,747,780.77	1,201,299.43	

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

# INVESTMENT YIELDS

