



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** January 31, 2017

**TO:** Mayor and Councilmembers

**FROM:** Treasury Division, Finance Department

**SUBJECT:** December 31, 2016, Investment Report And December 31, 2016, Fiscal Agent Report

**RECOMMENDATION:** That Council:

- A. Accept the December 31, 2016, Investment Report; and
- B. Accept the December 31, 2016, Fiscal Agent Report.

**DISCUSSION:**

On a quarterly basis, staff submits a comprehensive report on the City’s portfolio and related activity pursuant to the City’s Annual Statement of Investment Policy. The current report covers investment activity for the three-month period of October through December 2016.

Treasury yields were higher by the end of the quarter. As shown in the table to the right, the change in Treasury yields ranged from an increase of 17 basis points on the 6-month Treasury note to an increase of 85 basis points on the 10-year Treasury note. All maturities saw significant increases in Treasury yield, including the 5-Year note which showed an increase of 79 basis points during the quarter.

U.S. Treasury Market					
	9/30/2016	10/31/2016	11/30/2016	12/31/2016	Cumulative Change
3 Month	0.29%	0.34%	0.48%	0.51%	0.22%
6 Month	0.45%	0.51%	0.62%	0.62%	0.17%
1 Year	0.59%	0.66%	0.80%	0.85%	0.26%
2 Year	0.77%	0.86%	1.11%	1.20%	0.43%
3 Year	0.88%	1.00%	1.40%	1.47%	0.59%
4 Year	1.01%	1.16%	1.62%	1.70%	0.69%
5 Year	1.14%	1.31%	1.83%	1.93%	0.79%
10 Year	1.60%	1.84%	2.37%	2.45%	0.85%
30 Year	2.32%	2.58%	3.02%	3.06%	0.74%
LAIF	0.60%	0.68%	0.68%	0.68%	0.08%

The City generally invests in securities of one to five years in duration. Within this duration, interest rates ranged from 0.85% to 1.93% for Treasury securities at the end of the quarter. The Federal Reserve has been signaling its desire to raise the Federal Funds rate for some time, which in turn influences Treasury yields. In December 2015, the Federal Reserve increased the Federal Funds rate for the first time in seven years and

raised rates again by .25% at the December 2016 meeting. Even with a higher Federal Funds rate and a corresponding rise in Treasury yields for all maturities, it will take several years before the City realizes a material increase in interest earnings, as existing securities mature and are replaced with higher-yielding securities.

### Investment Activity

As shown in the Investment Activity table below, the City invested \$18 million during the quarter. The purchases consisted of \$12 million in “AAA” rated Federal Agency callable securities (identified by a call date), and \$6 million in “AAA” rated Federal Agency bullet securities. The purchases replaced \$9 million in Federal Agency securities that were called, \$2 million in Money Market FedFunds, and \$2 million in Federal Agency securities that matured over the quarter. In addition, the portfolio also received \$146,614 in a semi-annual principal payment on the Airport promissory note at the end of December. The outstanding balance on the Airport promissory note is \$4.629 million (see Attachment 1).

Issuer	Face Amount	Purchase Date	Final Maturity	Call Date	Yield To Call	Yield To Maturity
<i>Purchases:</i>						
Federal Home Loan Bank (FHLB)	\$ 2,000,000	10/12/16	10/12/21	01/12/17	1.700%	1.700%
Federal Home Loan Mortgage Corp (FHLMC)	2,000,000	10/27/16	10/27/21	04/27/17	1.400%	1.657%
Federal Home Loan Bank (FHLB)	2,000,000	11/22/16	11/22/21	-	-	1.750%
Federal Home Loan Bank (FHLB)	2,000,000	11/23/16	11/23/21	02/23/17	1.650%	1.650%
Federal Farm Credit Bank (FFCB)	2,000,000	12/12/16	12/12/19	-	-	1.450%
Federal Home Loan Bank (FHLB)	2,000,000	12/15/16	06/15/20	12/15/17	1.500%	1.500%
Federal Home Loan Bank (FHLB)	2,000,000	12/28/16	12/28/21	06/28/17	1.625%	2.351%
Federal Agricultural Mortgage Corp (FAMCA)	2,000,000	12/29/16	01/15/21	-	-	2.000%
Federal Home Loan Mortgage Corp (FHLMC)	2,000,000	12/30/16	12/30/21	03/30/17	2.050%	2.050%
	\$ 18,000,000					
<i>Calls:</i>						
Federal National Mortgage Association (FNMA)	\$ 3,000,000	01/30/13	01/30/18	10/30/16	1.030%	1.030%
Federal National Mortgage Association (FNMA)	2,000,000	11/27/15	11/28/18	11/28/16	1.200%	1.200%
Federal National Mortgage Association (FNMA)	4,000,000	12/26/12	12/26/17	12/26/16	1.000%	1.000%
	\$ 9,000,000					
<i>Sales/Maturities:</i>						
Blackrock FedFunds (TDDXX)	\$ 2,000,000	09/30/16	10/03/16	-	-	1.200%
Federal Home Loan Bank (FHLB)	2,000,000	10/22/14	11/18/16	-	-	0.500%
Airport Promissory Note - Partial Redemption	146,614	07/14/09	06/30/29	-	-	4.195%
	\$ 4,146,614					

### Summary of Cash and Investments

The book rate of return, or portfolio yield, measures the rate of return of actual earnings generated from the portfolio. As shown in the table to the right, during the quarter the City’s book rate of return increased by 5.7 basis points from 1.119 percent at September 30, 2016 to 1.176 percent at December 31, 2016.

Mo. Ended	Yield	Days to Maturity
9/30/2016	1.119%	549
10/31/2016	1.093%	519
11/30/2016	1.110%	525
12/31/2016	1.176%	575

The portfolio’s average days to maturity, including the long-term Airport promissory note, increased by 26 days from 549 to 575 days. Excluding the Airport note, the portfolio’s average days to maturity is 460 days, reflecting reinvestment of maturities and calls

during the quarter in the one-to-five year range in accordance with the City's Annual Statement of Investment Policy. The Annual Statement of Investment Policy requires that the average days to maturity on the portfolio not exceed 2.5 years, excluding any investments with a final maturity longer than 5 years that were separately authorized by Council, such as the Airport promissory note.

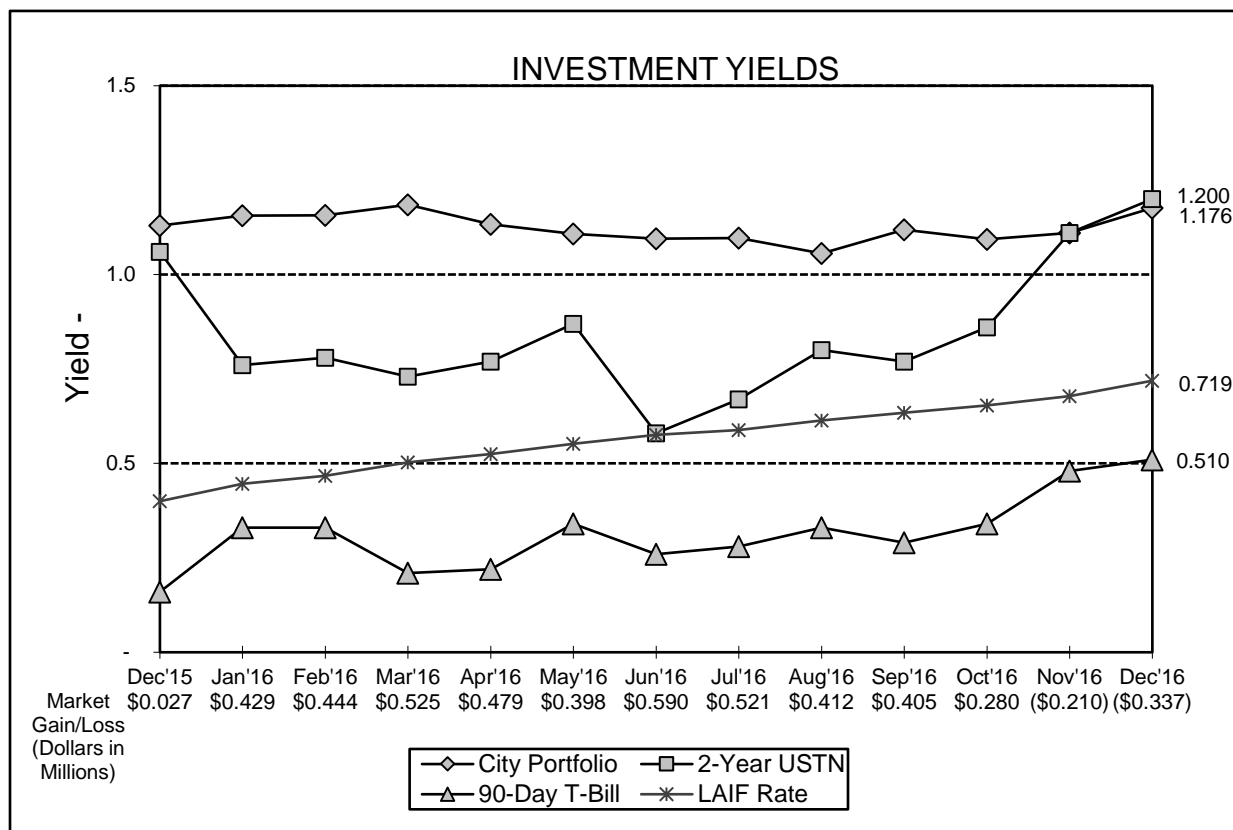
The average LAIF rate at which the City earned interest for funds invested was at 0.68 percent for the quarter ended December 31, 2016; an increase of 8 basis points from the previous quarter. The City's LAIF holdings at the end of the quarter were \$60 million. Staff expects to reinvest a portion of the LAIF balances in fixed-term or callable securities during the next quarter.

### Credit Quality on Corporate Notes

There were no credit quality changes to the four corporate issuers of the medium-term notes held in the portfolio (i.e., Berkshire Hathaway, Inc., General Electric Capital Corp, Toyota Motor Credit, and Wells Fargo Bank, NA), and the ratings of all corporate notes remain within the City's Investment Policy guidelines of "A" or better.

### Portfolio Market Gains/Losses

As shown in the Investment Yields chart below, the City's portfolio rate continues to be in line with the three benchmark measures (the 90-day T-Bill, 2-year T-Note and LAIF).



As of December 31, 2016, the City's portfolio rate exceeds the 90-day Treasury Bill and LAIF rates and is 2.4 basis points below the 2-year Treasury Note rate. These benchmarks serve as indicators of the City's performance. Trends over time that substantially deviate from these benchmarks would warrant further analysis and review. At December 31, 2016, the portfolio had an overall unrealized market loss of approximately \$337,000.

On a quarterly basis, staff reports the five securities with the largest percentage of unrealized losses. However, because securities in the City's portfolio are held to maturity, no market losses would be realized.

Issuer	Face Amount	Maturity	\$ Mkt Change	% Mkt Change
FEDERAL NATL MORTGAGE ASSN	\$2,000,000	08/16/21	-\$71,920	-3.60%
FEDERAL HOME LOAN MTG CORP	\$2,000,000	10/27/21	-\$56,600	-2.83%
FEDERAL NATL MORTGAGE ASSN	\$2,000,000	09/29/21	-\$54,400	-2.72%
FEDERAL HOME LOAN BANK	\$2,000,000	10/12/21	-\$50,540	-2.53%
FEDERAL HOME LOAN BANK	\$2,000,000	11/23/21	-\$43,900	-2.20%

On a quarterly basis, staff also reports all securities with monthly market declines of greater than 1 percent compared to the prior month. At the end of the quarter there were 8 securities in the portfolio with a market decline of greater than 1 percent compared to the prior month.

Issuer	Face Amount	Maturity	Nov-Dec Mkt Change (\$)	Nov-Dec Mkt Change (%)	% Book-Mkt Gain/(Loss) at 12.31.16
DISCOVER BANK	\$250,000	09/30/20	-\$4,088	-1.58%	1.93%
BMW BK NORTH AMERICA	\$250,000	09/30/20	-\$4,075	-1.58%	1.75%
AMERICAN EXPRESS CENTURION BK	\$250,000	09/30/20	-\$4,073	-1.58%	1.75%
CAPITAL ONE NA	\$250,000	09/30/20	-\$4,073	-1.58%	1.75%
CAPITAL ONE BANK USA NA	\$250,000	10/29/19	-\$2,753	-1.07%	1.55%
GOLDMAN SACHS BANK USA	\$250,000	10/29/19	-\$2,740	-1.07%	1.54%
AMERICAN EXPRESS BANK FSB	\$250,000	10/23/19	-\$2,715	-1.06%	1.54%
GE CAPITAL BANK	\$250,000	10/17/19	-\$2,698	-1.05%	1.52%

### Additional Reporting Requirements

The following confirmations are made pursuant to California Code Sections 53600 et seq.: (1) the City's portfolio as of December 31, 2016, is in compliance with the City's Statement of Investment Policy; and (2) there are sufficient funds available to meet the City's expenditure requirements for the next six months.

### **Fiscal Agent Investments**

In addition to reporting requirements for public agency portfolios, a description of any of the agency's investments under the management of contracted parties is also required on a quarterly basis. Attachment 2 includes bond funds and the police and fire service retirement fund as of December 31, 2016.

**ATTACHMENTS:** 1. December 31, 2016, Investment Report  
2. December 31, 2016, Fiscal Agent Report

**PREPARED BY:** Julie Nemes, Treasury Manager

**SUBMITTED BY:** Robert Samario, Finance Director

**APPROVED BY:** City Administrator's Office

**CITY OF SANTA BARBARA**  
**Activity and Interest Report**  
December 31, 2016

**INVESTMENT ACTIVITY**

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**PURCHASES OR DEPOSITS**

12/12 Federal Farm Credit Bank (FFCB)	\$ 2,000,000
12/15 Federal Home Loan Bank (FHLB)	2,000,000
12/28 Federal Home Loan Bank (FHLB)	2,000,000
12/29 Federal Agricultural Mortgage Corp (FAMCA)	2,000,000
12/30 Federal Home Loan Mortgage Corp (FHLMC)	2,000,000
<b>Total</b>	<b>\$ 10,000,000</b>

**SALES, MATURITIES, CALLS OR WITHDRAWALS**

12/23 LAIF Withdrawal - City	\$ (2,000,000)
12/26 Federal National Mortgage Association (FNMA) - Call	(4,000,000)
12/31 Airport Promissory Note - Partial Redemption	(146,614)
<b>Total</b>	<b>\$ (6,146,614)</b>

**ACTIVITY TOTAL**

\$ 3,853,386

**INVESTMENT INCOME**

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**POOLED INVESTMENTS**

Interest Earned on Investments	\$ 147,281
Amortization	(1,197)
<b>Total</b>	<b>\$ 146,084</b>

**INCOME TOTAL**

\$ 146,084



**CITY OF SANTA BARBARA**

**Investment Portfolio**

**December 31, 2016**

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	-	-	-	-	0.719	0.719	60,000,000.00	60,000,000.00	60,000,000.00	0.00	
<b>Subtotal, LAIF</b>							60,000,000.00	60,000,000.00	60,000,000.00	0.00	
<b>CERTIFICATES OF DEPOSIT</b>											
ALLY BANK	09/24/15	09/25/17	-	-	1.250	1.250	250,000.00	250,000.00	250,565.00	565.00	FDIC Certificate 57803
AMERICAN EXPRESS BANK FSB	10/23/14	10/23/19	-	-	2.200	2.200	250,000.00	250,000.00	253,857.50	3,857.50	FDIC Certificate 35328
AMERICAN EXPRESS CENTURION BK	09/30/15	09/30/20	-	-	2.250	2.250	250,000.00	250,000.00	254,377.50	4,377.50	FDIC Certificate 27471
BMO HARRIS BANK NA	09/30/15	09/29/17	-	-	1.100	1.100	250,000.00	250,000.00	250,552.50	552.50	FDIC Certificate 16571
BMW BK NORTH AMERICA	09/30/15	09/30/20	-	-	2.200	2.200	250,000.00	250,000.00	254,382.50	4,382.50	FDIC Certificate 35141
CAPITAL ONE BANK USA NA	10/29/14	10/29/19	-	-	1.900	1.900	250,000.00	250,000.00	253,877.50	3,877.50	FDIC Certificate 33954
CAPITAL ONE NA	09/30/15	09/30/20	-	-	2.250	2.250	250,000.00	250,000.00	254,377.50	4,377.50	FDIC Certificate 4297
DISCOVER BANK	09/30/15	09/30/20	-	-	2.300	2.300	250,000.00	250,000.00	254,827.50	4,827.50	FDIC Certificate 5649
EVERBANK	09/30/15	09/29/17	-	-	1.100	1.100	250,000.00	250,000.00	250,385.00	385.00	FDIC Certificate 34775
GE CAPITAL BANK	10/17/14	10/17/19	-	-	2.000	2.000	250,000.00	250,000.00	253,802.50	3,802.50	FDIC Certificate 33778
GOLDMAN SACHS BANK USA	10/29/14	10/29/19	-	-	2.150	2.150	250,000.00	250,000.00	253,860.00	3,860.00	FDIC Certificate 33124
KEY BANK NA	09/30/15	10/02/17	-	-	1.150	1.150	250,000.00	250,000.00	250,560.00	560.00	FDIC Certificate 17534
UNION BANK	08/31/12	08/31/17	-	-	1.490	1.511	4,000,000.00	4,000,000.00	4,000,000.00	0.00	
<b>Subtotal, Certificates of deposit</b>							7,000,000.00	7,000,000.00	7,035,425.00	35,425.00	
<b>TREASURY SECURITIES - COUPON</b>											
U S TREASURY NOTE	02/22/13	02/28/17	Aaa	AA+	0.875	0.607	2,000,000.00	2,000,840.15	2,001,340.00	499.85	
<b>Subtotal, Treasury Securities</b>							2,000,000.00	2,000,840.15	2,001,340.00	499.85	
<b>FEDERAL AGENCY ISSUES - COUPON</b>											
FED AGRICULTURAL MTG CORP	10/03/13	10/03/18	-	-	1.720	1.720	2,000,000.00	2,000,000.00	2,014,440.00	14,440.00	
FED AGRICULTURAL MTG CORP	12/12/13	12/12/18	-	-	1.705	1.705	2,000,000.00	2,000,000.00	2,015,180.00	15,180.00	
FED AGRICULTURAL MTG CORP	12/29/16	01/15/21	-	-	2.000	2.000	2,000,000.00	2,000,000.00	2,000,000.00	0.00	
FEDERAL FARM CREDIT BANK	09/18/13	09/18/17	Aaa	AA+	1.550	1.550	2,000,000.00	2,000,000.00	2,010,380.00	10,380.00	
FEDERAL FARM CREDIT BANK	07/17/13	07/17/17	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,004,840.00	4,840.00	
FEDERAL FARM CREDIT BANK	06/24/15	06/24/19	Aaa	AA+	1.520	1.520	2,000,000.00	2,000,000.00	2,005,340.00	5,340.00	
FEDERAL FARM CREDIT BANK	12/12/16	12/12/19	Aaa	AA+	1.450	1.450	2,000,000.00	2,000,000.00	1,996,500.00	(3,500.00)	
FEDERAL HOME LOAN BANK	09/13/13	09/14/18	Aaa	AA+	2.000	1.910	2,000,000.00	2,002,906.73	2,027,220.00	24,313.27	
FEDERAL HOME LOAN BANK	01/17/14	04/17/18	Aaa	AA+	1.480	1.480	2,000,000.00	2,000,000.00	2,006,940.00	6,940.00	
FEDERAL HOME LOAN BANK	10/12/16	10/12/21	Aaa	AA+	1.700	1.700	2,000,000.00	2,000,000.00	1,949,460.00	(50,540.00)	Callable 01/12/17, then qtrly
FEDERAL HOME LOAN BANK	11/23/16	11/23/21	Aaa	AA+	1.650	1.650	2,000,000.00	2,000,000.00	1,956,100.00	(43,900.00)	Callable 02/23/17, then qtrly
FEDERAL HOME LOAN BANK	12/28/16	12/28/21	Aaa	AA+	1.625	2.351	2,000,000.00	2,000,000.00	1,995,580.00	(4,420.00)	SU 1.625%-3.75%, Call 06/28/17, then qtrly
FEDERAL HOME LOAN BANK	01/26/16	04/26/19	Aaa	AA+	1.500	1.500	2,000,000.00	2,000,000.00	2,000,000.00	0.00	Callable 01/26/17, once
FEDERAL HOME LOAN BANK	12/16/13	12/14/18	Aaa	AA+	1.750	1.650	2,000,000.00	2,003,730.04	2,020,940.00	17,209.96	
FEDERAL HOME LOAN BANK	06/18/14	06/09/17	Aaa	AA+	1.000	1.003	2,000,000.00	1,999,970.49	2,002,700.00	2,729.51	
FEDERAL HOME LOAN BANK	11/22/16	11/22/21	Aaa	AA+	1.750	1.750	2,000,000.00	2,000,000.00	1,970,220.00	(29,780.00)	
FEDERAL HOME LOAN BANK	12/15/16	06/15/20	Aaa	AA+	1.500	1.500	2,000,000.00	2,000,000.00	1,979,760.00	(20,240.00)	Callable 12/15/17, once
FEDERAL HOME LOAN MTG CORP	12/30/16	12/30/21	Aaa	AA+	2.050	2.050	2,000,000.00	2,000,000.00	1,990,160.00	(9,840.00)	Callable 03/30/17, then qtrly
FEDERAL HOME LOAN MTG CORP	10/27/16	10/27/21	Aaa	AA+	1.400	1.657	2,000,000.00	2,000,000.00	1,943,400.00	(56,600.00)	SU 1.4%-3%, Call 04/27/17, then qtrly
FEDERAL HOME LOAN MTG CORP	11/20/13	09/29/17	Aaa	AA+	1.000	1.030	1,000,000.00	999,780.04	1,000,970.00	1,189.96	



**CITY OF SANTA BARBARA**

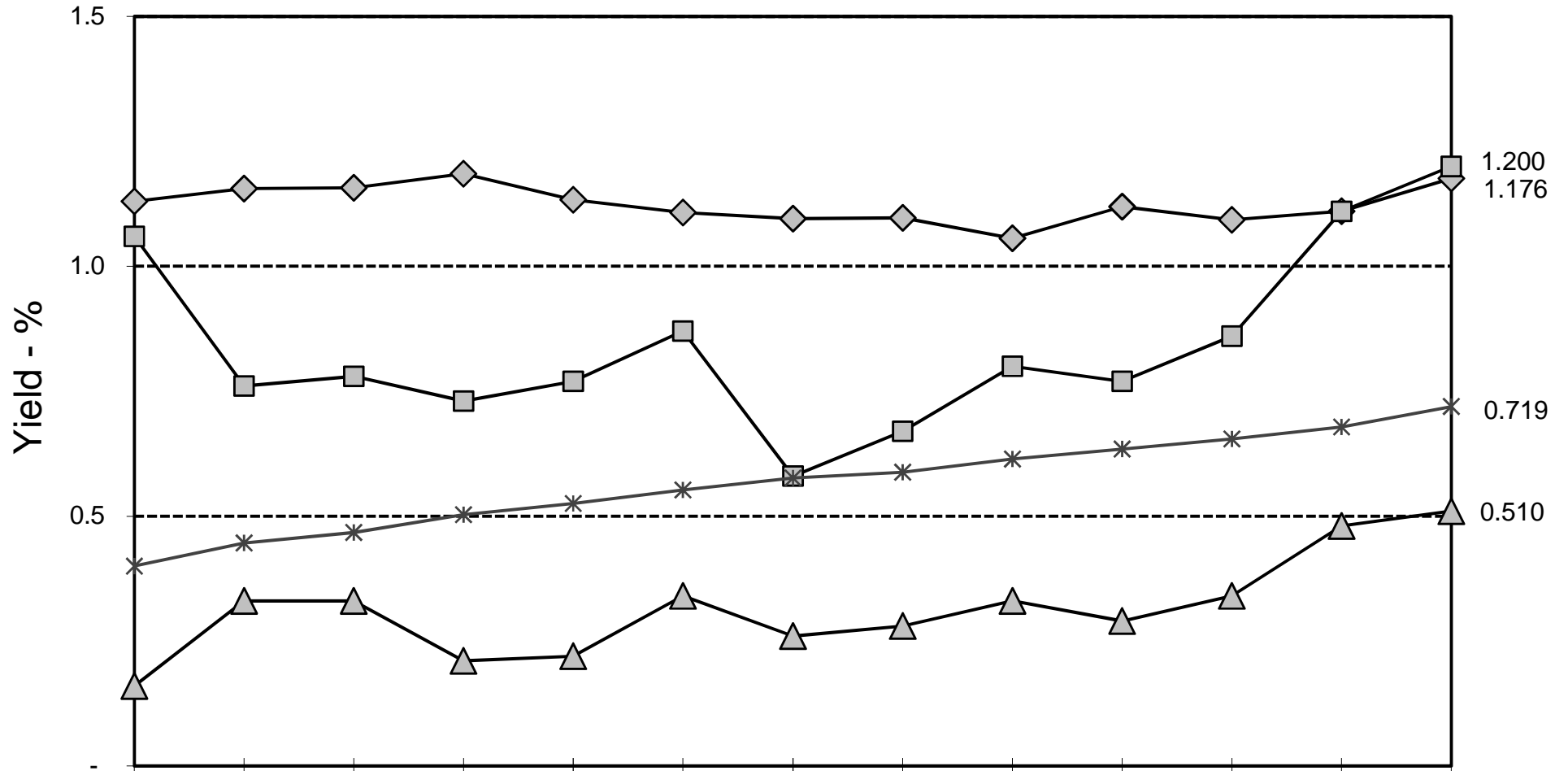
**Investment Portfolio**

**December 31, 2016**

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
FEDERAL HOME LOAN MTG CORP	09/29/16	09/29/21	Aaa	AA+	1.250	1.858	2,000,000.00	2,000,000.00	1,965,900.00	(34,100.00)	SU 1.25%-3.5% Call 03/29/17, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/15/13	10/26/17	Aaa	AA+	0.875	1.062	2,000,000.00	1,997,006.40	2,000,280.00	3,273.60	
FEDERAL NATL MORTGAGE ASSN	12/11/13	11/27/18	Aaa	AA+	1.625	1.606	2,000,000.00	2,000,691.38	2,015,080.00	14,388.62	
FEDERAL NATL MORTGAGE ASSN	05/26/16	05/26/20	Aaa	AA+	1.375	1.375	2,000,000.00	2,000,000.00	1,966,100.00	(33,900.00)	Callable 05/26/17, once
FEDERAL NATL MORTGAGE ASSN	08/16/16	08/16/21	Aaa	AA+	1.500	1.500	2,000,000.00	2,000,000.00	1,928,080.00	(71,920.00)	Callable 08/16/17, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/27/15	11/27/19	Aaa	AA+	1.125	1.678	2,000,000.00	2,000,000.00	1,997,100.00	(2,900.00)	SU 1.125%-2.250%, Call 11/27/17, once
FEDERAL NATL MORTGAGE ASSN	07/26/16	07/26/19	Aaa	AA+	1.125	1.125	2,000,000.00	2,000,000.00	1,976,480.00	(23,520.00)	Callable 07/26/17, once
FEDERAL NATL MORTGAGE ASSN	09/29/16	09/29/21	Aaa	AA+	1.600	1.600	2,000,000.00	2,000,000.00	1,945,600.00	(54,400.00)	Callable 03/29/17, then qtrly
FEDERAL NATL MORTGAGE ASSN	02/05/13	02/05/18	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,992,740.00	(7,260.00)	Callable 02/05/17, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/20/13	10/26/17	Aaa	AA+	0.875	1.070	2,000,000.00	1,996,875.00	2,000,280.00	3,405.00	
FEDERAL NATL MORTGAGE ASSN	05/26/16	11/26/19	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	1,983,360.00	(16,640.00)	Callable 05/26/17, once
<b>Subtotal, Federal Agencies</b>							61,000,000.00	61,000,960.08	60,661,130.00	(339,830.08)	
<b>CORPORATE/MEDIUM TERM NOTES</b>											
BERKSHIRE HATHAWAY INC	11/29/13	02/09/18	Aa2	AA	1.550	1.550	2,000,000.00	2,000,000.00	2,004,040.00	4,040.00	
GENERAL ELECTRIC CAPITAL CORP	01/14/14	01/14/19	A1	AA-	2.300	2.250	2,000,000.00	2,001,913.94	2,023,660.00	21,746.06	
TOYOTA MOTOR CREDIT	11/20/15	07/13/18	Aa3	AA-	1.550	1.408	2,000,000.00	2,004,251.50	1,999,500.00	(4,751.50)	
TOYOTA MOTOR CREDIT	09/15/16	05/20/19	Aa3	AA-	1.400	1.307	2,000,000.00	2,004,343.96	1,977,300.00	(27,043.96)	
WELLS FARGO BANK NA	09/15/16	05/24/19	Aa2	AA-	1.750	1.377	2,000,000.00	2,017,473.75	1,990,340.00	(27,133.75)	
<b>Subtotal, Corporate Securities</b>							10,000,000.00	10,027,983.15	9,994,840.00	(33,143.15)	
<b>SB AIRPORT PROMISSORY NOTE (LT)</b>											
SANTA BARBARA AIRPORT	07/14/09	06/30/29	-	-	3.500	4.195	4,628,681.16	4,628,681.16	4,628,681.16	0.00	
<b>Subtotal, SBA Note</b>							4,628,681.16	4,628,681.16	4,628,681.16	0.00	
<b>CHECKING ACCOUNT</b>											
MUFG UNION BANK NA CHKNG ACCNT	-	-	-	-	0.400	0.400	19,608,111.02	19,608,111.02	19,608,111.02	0.00	
<b>Subtotal, Checking Account</b>							19,608,111.02	19,608,111.02	19,608,111.02	0.00	
<b>TOTALS</b>							164,236,792.18	164,266,575.56	163,929,527.18	(337,048.38)	

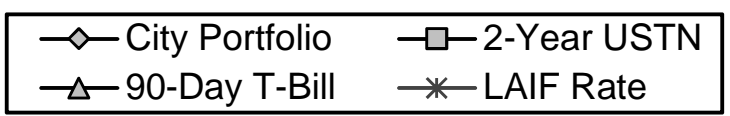
Market values have been obtained from the City's safekeeping agent, MUFG Union Bank NA - The Private Bank (UBTPB). UBTPB uses Interactive Data Pricing Service, Bloomberg and DTC.

# INVESTMENT YIELDS



Market Gain/Loss (Dollars in Millions)

Month	Market Gain/Loss
Dec'15	\$0.027
Jan'16	\$0.429
Feb'16	\$0.444
Mar'16	\$0.525
Apr'16	\$0.479
May'16	\$0.398
Jun'16	\$0.590
Jul'16	\$0.521
Aug'16	\$0.412
Sep'16	\$0.405
Oct'16	\$0.280
Nov'16	(\$0.210)
Dec'16	(\$0.337)



**CITY OF SANTA BARBARA**  
**Fiscal Agent Investments**  
**December 31, 2016**

	CASH & CASH EQUIVALENTS Book & Market	Guaranteed Investment Contracts (GIC) Book & Market	STOCKS		BONDS		US GOVT & AGENCIES		TOTALS		
			Book	Market	Book	Market	Book	Market	Book	Market	
<b>BOND FUNDS</b>											
<i>RESERVE FUNDS</i>											
2004 RDA - Housing Bonds	22,633.90	-	-	-	-	-	-	-	-	22,633.90	22,633.90
2002 Municipal Improvement - Refunding COPS	42,652.25	547,530.00	-	-	-	-	-	-	-	590,182.25	590,182.25
2011 Water - Safe Drinking Water State Loan	918,697.11	-	-	-	-	-	-	-	-	918,697.11	918,697.11
2013 Water - Refunding COPS	16,644.58	428,069.44	-	-	-	-	636,099.18	642,291.20	1,080,813.20	1,087,005.22	1,087,005.22
2016 Sewer - Revenue Bonds	13,042,210.24	-	-	-	-	-	-	-	13,042,210.24	13,042,210.24	13,042,210.24
2009 Airport - Revenue Bonds	1,075,364.04	-	-	-	-	-	3,139,457.55	3,152,689.00	4,214,821.59	4,228,053.04	4,228,053.04
2014 Waterfront - Refunding Bonds	10,073.07	581,455.74	-	-	-	-	-	-	591,528.81	591,528.81	591,528.81
Subtotal, Reserve Funds	<u>15,128,275.19</u>	<u>1,557,055.18</u>	-	-	-	-	<u>3,775,556.73</u>	<u>3,794,980.20</u>	<u>20,460,887.10</u>	<u>20,480,310.57</u>	<u>20,480,310.57</u>
<i>PROJECT FUNDS</i>											
2001 RDA Bonds	69,588.25	-	-	-	-	-	-	-	69,588.25	69,588.25	69,588.25
2003 RDA Bonds	7,697,056.72	-	-	-	-	-	-	-	7,697,056.72	7,697,056.72	7,697,056.72
Subtotal, Project Funds	<u>7,766,644.97</u>	-	-	-	-	-	-	-	<u>7,766,644.97</u>	<u>7,766,644.97</u>	<u>7,766,644.97</u>
<b>SUBTOTAL BOND FUNDS</b>	<b><u>22,894,920.16</u></b>	<b><u>1,557,055.18</u></b>	-	-	-	-	<b><u>3,775,556.73</u></b>	<b><u>3,794,980.20</u></b>	<b><u>28,227,532.07</u></b>	<b><u>28,246,955.54</u></b>	<b><u>28,246,955.54</u></b>
<b>POLICE/FIRE - SVC RETIREMENT FUND</b>											
Police/Fire Funds	8,569.94	-	102,695.93	185,345.83	217,307.33	226,690.30	-	-	328,573.20	420,606.07	420,606.07
	<u>8,569.94</u>	-	<u>102,695.93</u>	<u>185,345.83</u>	<u>217,307.33</u>	<u>226,690.30</u>	-	-	<u>328,573.20</u>	<u>420,606.07</u>	<u>420,606.07</u>
<b>TOTAL FISCAL AGENT INVESTMENTS</b>	<b><u>22,903,490.10</u></b>	<b><u>1,557,055.18</u></b>	<b><u>102,695.93</u></b>	<b><u>185,345.83</u></b>	<b><u>217,307.33</u></b>	<b><u>226,690.30</u></b>	<b><u>3,775,556.73</u></b>	<b><u>3,794,980.20</u></b>	<b><u>28,556,105.27</u></b>	<b><u>28,667,561.61</u></b>	<b><u>28,667,561.61</u></b>

Notes:

- (1) Cash & cash equivalents include money market funds.
- (2) Market values have been obtained from the following trustees: US Bank and MUFG Union Bank, N.A. - The Private Bank