



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** September 8, 2015  
**TO:** Mayor and Councilmembers  
**FROM:** Treasury Division, Finance Department  
**SUBJECT:** July 2015 Investment Report

**RECOMMENDATION:**

That Council accept the July 2015 Investment Report.

**DISCUSSION:**

The attached investment report includes Investment Activity, Interest Revenue, a Summary of Cash and Investments, and Investment Portfolio detail as of July 31, 2015.

**ATTACHMENT:** July 2015 Investment 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**  
**July 31, 2015**

**INVESTMENT ACTIVITY**

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**PURCHASES OR DEPOSITS**

	\$ -
<b>Total</b>	<b>\$ -</b>

**SALES, MATURITIES, CALLS OR WITHDRAWALS**

7/1 Blackrock Treasury Trust Inst. Funds (TTTXX) - Sold	\$ (2,000,000)
7/14 Federal Farm Credit Bank (FFCB) - Call	(2,000,000)
7/29 LAIF Withdrawal - City	(4,000,000)
<b>Total</b>	<b>\$ (8,000,000)</b>

**ACTIVITY TOTAL**

**\$ (8,000,000)**

**INVESTMENT INCOME**

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**POOLED INVESTMENTS**

Interest Earned on Investments	\$ 161,838
Amortization	(11,438)
<b>Total</b>	<b>\$ 150,401</b>

**INCOME TOTAL**

**\$ 150,401**



**CITY OF SANTA BARBARA**

**Investment Portfolio**

**July 31, 2015**

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	-	-	-	-	0.320	0.320	26,000,000.00	26,000,000.00	26,000,000.00	0.00	
<b>Subtotal, LAIF</b>							26,000,000.00	26,000,000.00	26,000,000.00	0.00	
<b>CERTIFICATES OF DEPOSIT</b>											
AMERICAN EXPRESS BANK FSB	10/23/14	10/23/19	-	-	2.200	2.200	250,000.00	250,000.00	249,322.50	(677.50)	FDIC Certificate 35328
CAPITAL ONE BANK USA NA	10/29/14	10/29/19	-	-	1.900	1.900	250,000.00	250,000.00	249,272.50	(727.50)	FDIC Certificate 33954
GE CAPITAL BANK	10/17/14	10/17/19	-	-	2.000	2.000	250,000.00	250,000.00	249,262.50	(737.50)	FDIC Certificate 33778
GOLDMAN SACHS BANK USA	10/29/14	10/29/19	-	-	2.150	2.150	250,000.00	250,000.00	249,277.50	(722.50)	FDIC Certificate 33124
MONTECITO BANK & TRUST	11/18/13	11/18/15	-	-	0.600	0.600	2,000,000.00	2,000,000.00	2,000,000.00	0.00	
UNION BANK	08/31/12	08/31/15	-	-	1.230	1.247	2,000,000.00	2,000,000.00	2,000,000.00	0.00	
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>							9,000,000.00	9,000,000.00	8,997,135.00	(2,865.00)	
<b>TREASURY SECURITIES - COUPON</b>											
U S TREASURY NOTE	10/25/12	10/31/15	Aaa	AA+	1.250	0.397	2,000,000.00	2,004,223.01	2,005,460.00	1,236.99	
U S TREASURY NOTE	02/22/13	05/15/16	Aaa	AA+	5.125	0.442	2,000,000.00	2,073,268.25	2,075,320.00	2,051.75	
U S TREASURY NOTE	02/22/13	08/31/16	Aaa	AA+	1.000	0.502	2,000,000.00	2,010,681.38	2,013,280.00	2,598.62	
U S TREASURY NOTE	02/22/13	02/28/17	Aaa	AA+	0.875	0.607	2,000,000.00	2,008,358.04	2,010,620.00	2,261.96	
<b>Subtotal, Treasury Securities</b>							8,000,000.00	8,096,530.68	8,104,680.00	8,149.32	
<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	2,023,220.00	23,220.00	
FED AGRICULTURAL MTG CORP	12/12/13	12/12/18	-	-	1.705	1.705	2,000,000.00	2,000,000.00	2,036,980.00	36,980.00	
FEDERAL FARM CREDIT BANK	01/22/15	07/22/19	Aaa	AA+	1.720	1.720	2,000,000.00	2,000,000.00	1,996,160.00	(3,840.00)	Callable, continuous
FEDERAL FARM CREDIT BANK	01/22/15	01/22/19	Aaa	AA+	1.480	1.480	2,000,000.00	2,000,000.00	2,000,060.00	60.00	Callable 01/22/16, then continuous
FEDERAL FARM CREDIT BANK	08/15/12	08/15/17	Aaa	AA+	0.980	0.980	2,000,000.00	2,000,000.00	1,998,740.00	(1,260.00)	Callable, continuous
FEDERAL FARM CREDIT BANK	09/18/13	09/18/17	Aaa	AA+	1.550	1.550	2,000,000.00	2,000,000.00	2,028,520.00	28,520.00	
FEDERAL FARM CREDIT BANK	12/16/14	12/16/19	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,007,180.00	7,180.00	Callable 12/16/15, then continuous
FEDERAL FARM CREDIT BANK	02/11/15	02/11/19	Aaa	AA+	1.520	1.520	2,000,000.00	2,000,000.00	1,999,720.00	(280.00)	Callable 02/11/16, then continuous
FEDERAL FARM CREDIT BANK	02/16/11	02/16/16	Aaa	AA+	2.570	2.570	2,000,000.00	2,000,000.00	2,024,600.00	24,600.00	
FEDERAL FARM CREDIT BANK	07/17/13	07/17/17	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,020,720.00	20,720.00	
FEDERAL FARM CREDIT BANK	06/24/15	06/24/19	Aaa	AA+	1.520	1.520	2,000,000.00	2,000,000.00	2,012,220.00	12,220.00	
FEDERAL HOME LOAN BANK	09/13/13	09/14/18	Aaa	AA+	2.000	1.910	2,000,000.00	2,005,325.05	2,051,020.00	45,694.95	
FEDERAL HOME LOAN BANK	01/16/13	01/16/18	Aaa	AA+	1.000	1.000	4,000,000.00	4,000,000.00	3,987,600.00	(12,400.00)	Callable 10/16/15, then qtrly
FEDERAL HOME LOAN BANK	01/17/14	04/17/18	Aaa	AA+	1.480	1.480	2,000,000.00	2,000,000.00	2,024,300.00	24,300.00	
FEDERAL HOME LOAN BANK	06/29/15	06/29/18	Aaa	AA+	1.170	1.170	2,000,000.00	2,000,000.00	1,999,260.00	(740.00)	Callable 06/29/16, once
FEDERAL HOME LOAN BANK	06/26/14	06/26/19	Aaa	AA+	1.250	2.062	2,000,000.00	2,000,000.00	2,002,720.00	2,720.00	SU 1.25%-6% Call 09/26/15, then qtrly
FEDERAL HOME LOAN BANK	11/26/14	11/26/19	Aaa	AA+	1.500	2.102	2,000,000.00	2,000,000.00	2,001,720.00	1,720.00	SU 1.5%-5% Call 08/26/15, then qtrly
FEDERAL HOME LOAN BANK	12/16/13	12/14/18	Aaa	AA+	1.750	1.650	2,000,000.00	2,006,436.05	2,033,880.00	27,443.95	
FEDERAL HOME LOAN BANK	06/18/14	06/09/17	Aaa	AA+	1.000	1.003	2,000,000.00	1,999,875.26	2,010,160.00	10,284.74	
FEDERAL HOME LOAN BANK	10/22/14	11/18/16	Aaa	AA+	0.750	0.500	2,000,000.00	2,006,435.34	2,007,160.00	724.66	
FEDERAL HOME LOAN MTG CORP	06/30/15	06/25/20	Aaa	AA+	1.800	2.070	2,000,000.00	2,000,000.00	2,003,900.00	3,900.00	SU 1.8%-3.5% Call 09/25/15, then qtrly
FEDERAL HOME LOAN MTG CORP	09/12/12	09/12/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,999,600.00	(400.00)	Callable 09/12/15, then qtrly
FEDERAL HOME LOAN MTG CORP	01/16/13	01/16/18	Aaa	AA+	1.050	1.050	4,000,000.00	4,000,000.00	4,005,560.00	5,560.00	Callable 10/16/15, then qtrly
FEDERAL HOME LOAN MTG CORP	11/20/13	09/29/17	Aaa	AA+	1.000	1.030	1,000,000.00	999,361.47	1,003,360.00	3,998.53	

**CITY OF SANTA BARBARA**

**Investment Portfolio**

**July 31, 2015**

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 NATL MORTGAGE ASSN	01/30/13	01/30/18	Aaa	AA+	1.030	1.030	3,000,000.00	3,000,000.00	3,004,890.00	4,890.00	Callable 10/30/15, then qtrly
FEDERAL NATL MORTGAGE ASSN	12/12/12	12/12/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,994,820.00	(5,180.00)	Callable 09/12/15, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/15/13	10/26/17	Aaa	AA+	0.875	1.062	2,000,000.00	1,991,831.03	2,002,420.00	10,588.97	
FEDERAL NATL MORTGAGE ASSN	12/11/13	11/27/18	Aaa	AA+	1.625	1.606	2,000,000.00	2,001,205.38	2,028,660.00	27,454.62	
FEDERAL NATL MORTGAGE ASSN	11/08/12	11/08/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,998,440.00	(1,560.00)	Callable 08/08/15, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/08/12	11/08/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,998,440.00	(1,560.00)	Callable 08/08/15, then qtrly
FEDERAL NATL MORTGAGE ASSN	12/26/12	12/26/17	Aaa	AA+	1.000	1.000	4,000,000.00	4,000,000.00	4,002,320.00	2,320.00	Callable 09/26/15, then qtrly
FEDERAL NATL MORTGAGE ASSN	09/21/10	09/21/15	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,004,940.00	4,940.00	
FEDERAL NATL MORTGAGE ASSN	12/10/10	10/26/15	Aaa	AA+	1.625	2.067	2,000,000.00	1,998,023.12	2,006,560.00	8,536.88	
FEDERAL NATL MORTGAGE ASSN	02/05/13	02/05/18	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,992,200.00	(7,800.00)	Callable 08/05/15, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/20/13	10/26/17	Aaa	AA+	0.875	1.070	2,000,000.00	1,991,472.46	2,002,420.00	10,947.54	
FEDERAL NATL MORTGAGE ASSN	06/30/15	06/30/20	Aaa	AA+	2.000	2.000	<u>2,000,000.00</u>	<u>2,000,000.00</u>	<u>2,005,500.00</u>	<u>5,500.00</u>	Callable 06/30/16, then qtrly
<b>Subtotal, Federal Agencies</b>							<u>78,000,000.00</u>	<u>77,999,965.16</u>	<u>78,319,970.00</u>	<u>320,004.84</u>	
<b>CORPORATE/MEDIUM TERM NOTES</b>											
BERKSHIRE HATHAWAY FIN	12/15/10	12/15/15	Aa2	AA	2.450	2.530	2,000,000.00	1,999,441.67	2,013,580.00	14,138.33	
BERKSHIRE HATHAWAY INC	11/29/13	02/09/18	Aa2	AA	1.550	1.550	2,000,000.00	2,000,000.00	2,011,220.00	11,220.00	
GENERAL ELECTRIC CAPITAL CORP	11/10/10	11/09/15	A1	AA+	2.250	2.250	2,000,000.00	2,000,000.00	2,009,080.00	9,080.00	
GENERAL ELECTRIC CAPITAL CORP	01/14/14	01/14/19	A1	AA+	2.300	2.250	2,000,000.00	2,003,245.61	2,028,340.00	25,094.39	
PROCTOR & GAMBLE	09/20/11	11/15/15	Aa3	AA-	1.800	1.085	2,000,000.00	2,004,027.83	2,007,640.00	3,612.17	
TOYOTA MOTOR CREDIT	09/26/11	09/15/16	Aa3	AA-	2.000	1.800	<u>2,000,000.00</u>	<u>2,004,272.60</u>	<u>2,026,760.00</u>	<u>22,487.40</u>	
<b>Subtotal, Corporate Securities</b>							<u>12,000,000.00</u>	<u>12,010,987.71</u>	<u>12,096,620.00</u>	<u>85,632.29</u>	
<b>SB AIRPORT PROMISSORY NOTE (LT)</b>											
SANTA BARBARA AIRPORT	07/14/09	06/30/29	-	-	3.500	4.195	<u>5,061,002.86</u>	<u>5,061,002.86</u>	<u>5,061,002.86</u>	<u>0.00</u>	
<b>Subtotal, SBA Note</b>							<u>5,061,002.86</u>	<u>5,061,002.86</u>	<u>5,061,002.86</u>	<u>0.00</u>	
<b>CHECKING ACCOUNT</b>											
MUFG UNION BANK NA CHKNG ACCNT	-	-	-	-	0.400	0.400	<u>19,415,683.60</u>	<u>19,415,683.60</u>	<u>19,415,683.60</u>	<u>0.00</u>	
<b>Subtotal, Checking Account</b>							<u>19,415,683.60</u>	<u>19,415,683.60</u>	<u>19,415,683.60</u>	<u>0.00</u>	
<b>TOTALS</b>							<u>157,476,686.46</u>	<u>157,584,170.01</u>	<u>157,995,091.46</u>	<u>410,921.45</u>	

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.