



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: October 27, 2015

TO: Mayor and Councilmembers

FROM: Treasury Division, Finance Department

SUBJECT: September 30, 2015, Investment Report And September 30, 2015, Fiscal Agent Report

RECOMMENDATION: That Council:

- A. Accept the September 30, 2015, Investment Report; and
- B. Accept the September 30, 2015, 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 the investment activity for the three-month period of July through September 2015.

Treasury yields were mostly lower by the end of the quarter. As shown in the table to the right, the change in Treasury yields ranged from an increase of 5 basis points on the 1 Year Treasury note to a decrease of 29 basis points on the 10-year Treasury note. The 5

U.S. Treasury Market					
	6/30/2015	7/31/2015	8/31/2015	9/30/2015	Cumulative Change
3 Month	0.01%	0.08%	0.08%	0.00%	-0.01%
6 Month	0.11%	0.14%	0.27%	0.08%	-0.03%
1 Year	0.28%	0.33%	0.39%	0.33%	0.05%
2 Year	0.64%	0.67%	0.74%	0.64%	0.00%
3 Year	1.01%	1.00%	1.07%	0.92%	-0.09%
4 Year	1.33%	1.25%	1.30%	1.13%	-0.20%
5 Year	1.63%	1.54%	1.54%	1.37%	-0.26%
10 Year	2.35%	2.20%	2.21%	2.06%	-0.29%
30 Year	3.11%	2.92%	2.95%	2.87%	-0.24%
LAIF	0.28%	0.32%	0.32%	0.32%	0.04%

year note decreased by 26 basis points, with the longer term maturities showing the largest decreases in Treasury yield by the end of the quarter.

The City generally invests in securities of one to five years in duration. Within this duration, interests range from 0.33% to 1.37% for Treasury securities. While the U.S. economy is currently relatively strong, impacts from changes in the global economy may affect the timing of expected interest rate increases. Even if interest rates increase within the year,

it will take several years before we realize 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 \$4 million during the quarter. The purchases consisted of \$2 million in “AAA” rated Federal Agency callable securities and \$2 million in Federal Deposit Insurance Corporation (FDIC) insured negotiable Certificates of Deposits. The purchases replaced a portion of the \$14 million in Federal Agency securities that were called, \$2 million in “AAA” rated Institutional U.S. Treasury Money Market Funds, \$2 million in a Non-Negotiable Certificate of Deposit from Union Bank, and \$2 million Federal Agency securities that matured over the quarter.

Issuer	Face Amount	Purchase Date	Final Maturity	Call Date	Yield To Call	Yield To Maturity
<i>Purchases:</i>						
Federal Home Loan Mortgage Corp (FHLMC)	\$ 2,000,000	08/24/15	08/24/20	08/24/16	2.000%	2.000%
Ally Bank (GMATBK)	250,000	09/24/15	09/25/17	-	-	1.250%
BMO Harris Bank NA (BMO)	250,000	09/30/15	09/29/17	-	-	1.100%
Key Bank NA (KEY)	250,000	09/30/15	10/02/17	-	-	1.150%
Everbank (EVER)	250,000	09/30/15	09/29/17	-	-	1.100%
Discover Bank (DFS)	250,000	09/30/15	09/30/20	-	-	2.300%
BMW Bank North America (BMW)	250,000	09/30/15	09/30/20	-	-	2.200%
Capital One NA (COF)	250,000	09/30/15	09/30/20	-	-	2.250%
American Express Centurion Bank (AXP)	250,000	09/30/15	09/30/20	-	-	2.250%
	\$ 4,000,000					
<i>Calls:</i>						
Federal Home Loan Mortgage Corp (FHLMC)	\$ 2,000,000	07/09/14	07/09/18	07/14/15	1.470%	1.470%
Federal Home Loan Bank (FHLB)	2,000,000	11/26/14	11/26/19	08/26/15	1.501%	2.102%
Federal Home Loan Mortgage Corp (FHLMC)	2,000,000	09/12/12	09/12/17	09/12/15	1.000%	1.000%
Federal Farm Credit Bank (FFCB)	2,000,000	01/22/15	07/22/19	09/25/15	1.700%	1.700%
Federal Home Loan Mortgage Corp (FHLMC)	2,000,000	06/30/15	06/25/20	09/25/15	1.800%	1.800%
Federal Home Loan Bank (FHLB)	2,000,000	06/26/14	06/26/19	09/26/15	1.385%	1.385%
Federal Farm Credit Bank (FFCB)	2,000,000	08/15/12	08/15/17	09/28/15	0.980%	0.980%
	\$ 14,000,000					
<i>Sales/Maturities:</i>						
Blackrock Treasury Trust Inst. Funds (TTTXX)	\$ 2,000,000	06/30/15	07/01/15	-	-	0.001%
Union Bank CD (UBCD)	2,000,000	08/31/12	08/31/15	-	-	1.247%
Federal National Mortgage Association (FNMA)	2,000,000	09/21/10	09/21/15	-	-	2.000%
	\$ 6,000,000					

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 decreased by 4.7 basis points from 1.158 percent at June 30, 2015 to 1.111 percent at September 30, 2015.

Mo. Ended	Yield	Days to Maturity
6/30/2015	1.158%	747
7/31/2015	1.180%	736
8/31/2015	1.191%	737
9/30/2015	1.111%	657

The portfolio’s average days to maturity, including the long-term Airport promissory note, decreased by 90 days from 747 to 657 days. Excluding the Airport note, the portfolio’s average days to maturity is 508 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.

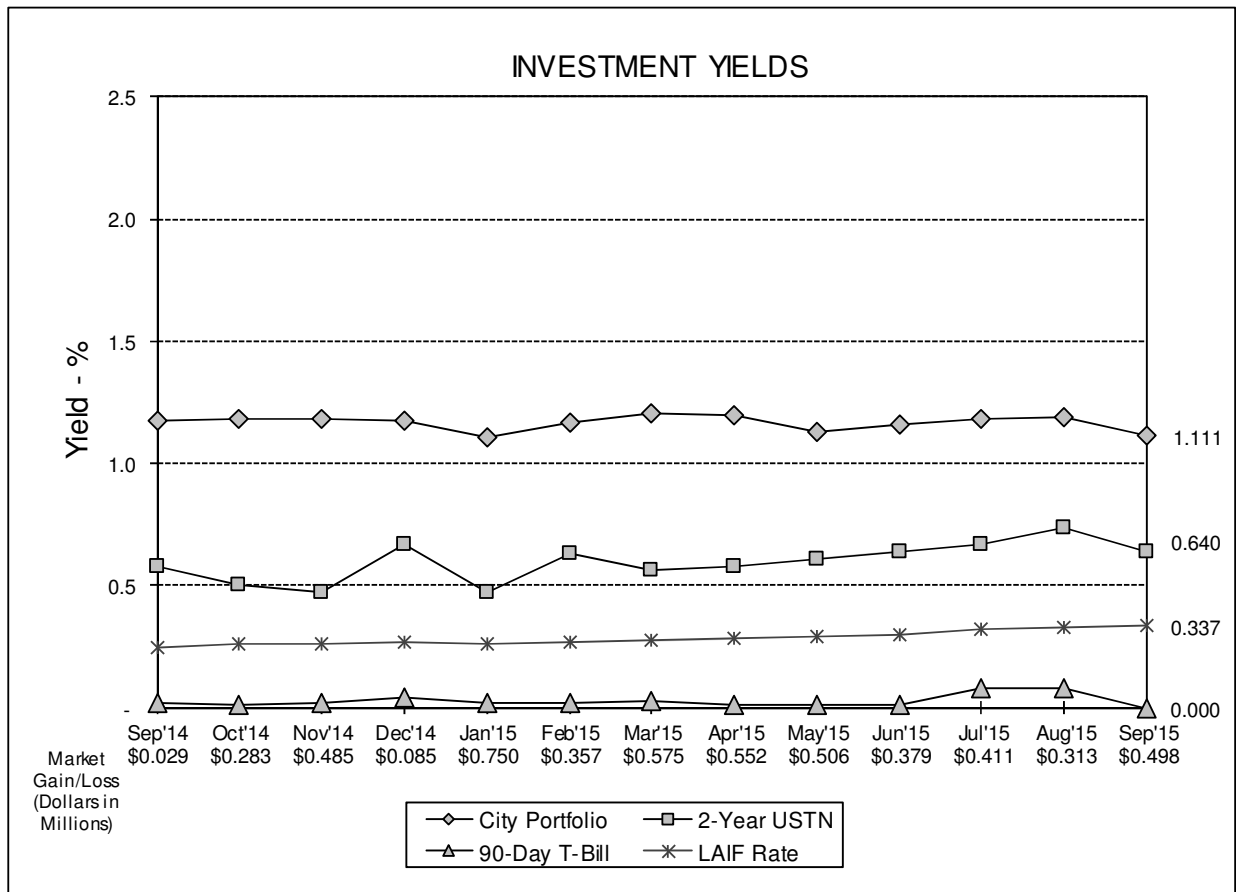
The average LAIF rate at which the City earned interest for funds invested was at 0.32 percent for the quarter ended September 30, 2015, which was up from last quarter by 4 basis points. The City's LAIF holdings at the end of the quarter were \$34 million. Staff expects to reinvest a portion of the LAIF 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 Financial, Inc., General Electric Capital Corp, Proctor & Gamble, and Toyota Motor Credit), 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 continues to be in line and above the three benchmark measures (the 90-day T-Bill, 2-year T-Note and LAIF).



The benchmarks serve as indicators of the City's performance; and trends over time that substantially deviate from these benchmarks would warrant further analysis and review. At September 30, 2015, the portfolio had an overall unrealized market gain of approximately \$498,000.

On a quarterly basis, staff reports the five securities with the largest percentage of unrealized losses as shown in the table below. 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
BMW BK NORTH AMERICA	\$250,000	09/30/20	-\$593	-0.24%
AMERICAN EXPRESS CENTURION BK	\$250,000	09/30/20	-\$590	-0.24%
CAPITAL ONE NA	\$250,000	09/30/20	-\$590	-0.24%
DISCOVER BANK	\$250,000	09/30/20	-\$590	-0.24%
FEDERAL NATL MORTGAGE ASSN	\$2,000,000	02/05/18	-\$2,720	-0.14%

On a quarterly basis, staff also reports all securities with monthly market declines of greater than 1 percent compared to the prior month. There were no securities in the portfolio with a market decline of greater than 1 percent compared to the prior month.

Additional Reporting Requirements

The following confirmations are made pursuant to California Code Sections 53600 et seq.: (1) the City's portfolio as of September 30, 2015, 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 September 30, 2015.

ATTACHMENTS: 1. September 30, 2015, Investment Report
 2. September 30, 2015, 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
September 30, 2015

INVESTMENT ACTIVITY

PURCHASES OR DEPOSITS

9/24 LAIF Deposit - City	\$ 4,000,000
9/24 Ally Bank (GMATBK)	250,000
9/28 LAIF Deposit - City	4,000,000
9/30 Discover Bank (DFS)	250,000
9/30 BMW Bank North America (BMW)	250,000
9/30 Capital One NA (COF)	250,000
9/30 American Express Centurion Bank (AXP)	250,000
9/30 BMO Harris Bank NA (BMO)	250,000
9/30 Everbank (EVER)	250,000
9/30 Key Bank NA (KEY)	250,000
Total	\$ 10,000,000

SALES, MATURITIES, CALLS OR WITHDRAWALS

9/12 Federal Home Loan Mortgage Corp (FHLMC) - Call	\$ (2,000,000)
9/21 Federal National Mortgage Association (FNMA) - Maturity	(2,000,000)
9/25 Federal Farm Credit Bank (FFCB) - Call	(2,000,000)
9/25 Federal Home Loan Mortgage Corp (FHLMC) - Call	(2,000,000)
9/26 Federal Home Loan Bank (FHLB) - Call	(2,000,000)
9/28 Federal Farm Credit Bank (FFCB) - Call	(2,000,000)
Total	\$ (12,000,000)

ACTIVITY TOTAL

\$ (2,000,000)

INVESTMENT INCOME

POOLED INVESTMENTS

Interest Earned on Investments	\$ 154,595
Amortization	(11,095)
Total	\$ 143,499

INCOME TOTAL

\$ 143,499

CITY OF SANTA BARBARA

Investment Portfolio

September 30, 2015

DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING MOODY'S	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	-	-	-	-	0.337	0.337	34,000,000.00	34,000,000.00	34,000,000.00	0.00	
Subtotal, LAIF							34,000,000.00	34,000,000.00	34,000,000.00	0.00	
CERTIFICATES OF DEPOSIT											
ALLY BANK	09/24/15	09/25/17	-	-	1.250	1.250	250,000.00	250,000.00	250,035.00	35.00	FDIC Certificate 57803
AMERICAN EXPRESS BANK FSB	10/23/14	10/23/19	-	-	2.200	2.200	250,000.00	250,000.00	250,232.50	232.50	FDIC Certificate 35328
AMERICAN EXPRESS CENTURION BK	09/30/15	09/30/20	-	-	2.250	2.250	250,000.00	250,000.00	249,410.00	(590.00)	FDIC Certificate 27471
BMO HARRIS BANK NA	09/30/15	09/29/17	-	-	1.100	1.100	250,000.00	250,000.00	249,955.00	(45.00)	FDIC Certificate 16571
BMW BK NORTH AMERICA	09/30/15	09/30/20	-	-	2.200	2.200	250,000.00	250,000.00	249,407.50	(592.50)	FDIC Certificate 35141
CAPITAL ONE BANK USA NA	10/29/14	10/29/19	-	-	1.900	1.900	250,000.00	250,000.00	250,195.00	195.00	FDIC Certificate 33954
CAPITAL ONE NA	09/30/15	09/30/20	-	-	2.250	2.250	250,000.00	250,000.00	249,410.00	(590.00)	FDIC Certificate 4297
DISCOVER BANK	09/30/15	09/30/20	-	-	2.300	2.300	250,000.00	250,000.00	249,410.00	(590.00)	FDIC Certificate 5649
EVERBANK	09/30/15	09/29/17	-	-	1.100	1.100	250,000.00	250,000.00	249,955.00	(45.00)	FDIC Certificate 34775
GE CAPITAL BANK	10/17/14	10/17/19	-	-	2.000	2.000	250,000.00	250,000.00	250,177.50	177.50	FDIC Certificate 33778
GOLDMAN SACHS BANK USA	10/29/14	10/29/19	-	-	2.150	2.150	250,000.00	250,000.00	250,192.50	192.50	FDIC Certificate 33124
KEY BANK NA	09/30/15	10/02/17	-	-	1.150	1.150	250,000.00	250,000.00	249,982.50	(17.50)	FDIC Certificate 17534
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	08/31/17	-	-	1.490	1.511	4,000,000.00	4,000,000.00	4,000,000.00	0.00	
Subtotal, Certificates of deposit							9,000,000.00	9,000,000.00	8,998,362.50	(1,637.50)	
TREASURY SECURITIES - COUPON											
U S TREASURY NOTE	10/25/12	10/31/15	Aaa	AA+	1.250	0.397	2,000,000.00	2,001,392.20	2,001,560.00	167.80	
U S TREASURY NOTE	02/22/13	05/15/16	Aaa	AA+	5.125	0.442	2,000,000.00	2,057,749.63	2,060,860.00	3,110.37	
U S TREASURY NOTE	02/22/13	08/31/16	Aaa	AA+	1.000	0.502	2,000,000.00	2,009,036.01	2,011,180.00	2,143.99	
U S TREASURY NOTE	02/22/13	02/28/17	Aaa	AA+	0.875	0.607	2,000,000.00	2,007,474.44	2,010,360.00	2,885.56	
Subtotal, Treasury Securities							8,000,000.00	8,075,652.28	8,083,960.00	8,307.72	
FEDERAL AGENCY ISSUES - COUPON											
FED AGRICULTURAL MTG CORP	10/03/13	10/03/18	-	-	1.720	1.720	2,000,000.00	2,000,000.00	2,026,360.00	26,360.00	
FED AGRICULTURAL MTG CORP	12/12/13	12/12/18	-	-	1.705	1.705	2,000,000.00	2,000,000.00	2,039,840.00	39,840.00	
FEDERAL FARM CREDIT BANK	01/22/15	01/22/19	Aaa	AA+	1.480	1.480	2,000,000.00	2,000,000.00	2,005,660.00	5,660.00	Callable 01/22/16, then 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	2,029,200.00	29,200.00	
FEDERAL FARM CREDIT BANK	12/16/14	12/16/19	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,006,080.00	6,080.00	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	2,004,360.00	4,360.00	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	2,018,320.00	18,320.00	
FEDERAL FARM CREDIT BANK	07/17/13	07/17/17	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,020,940.00	20,940.00	
FEDERAL FARM CREDIT BANK	06/24/15	06/24/19	Aaa	AA+	1.520	1.520	2,000,000.00	2,000,000.00	2,022,840.00	22,840.00	
FEDERAL HOME LOAN BANK	09/13/13	09/14/18	Aaa	AA+	2.000	1.910	2,000,000.00	2,005,040.54	2,056,380.00	51,339.46	
FEDERAL HOME LOAN BANK	01/16/13	01/16/18	Aaa	AA+	1.000	1.000	4,000,000.00	4,000,000.00	3,997,160.00	(2,840.00)	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	2,026,180.00	26,180.00	
FEDERAL HOME LOAN BANK	06/29/15	06/29/18	Aaa	AA+	1.170	1.170	2,000,000.00	2,000,000.00	2,003,120.00	3,120.00	Callable 06/29/16, once
FEDERAL HOME LOAN BANK	12/16/13	12/14/18	Aaa	AA+	1.750	1.650	2,000,000.00	2,006,117.70	2,040,640.00	34,522.30	
FEDERAL HOME LOAN BANK	06/18/14	06/09/17	Aaa	AA+	1.000	1.003	2,000,000.00	1,999,886.46	2,012,180.00	12,293.54	
FEDERAL HOME LOAN BANK	10/22/14	11/18/16	Aaa	AA+	0.750	0.500	2,000,000.00	2,005,608.53	2,007,500.00	1,891.47	

CITY OF SANTA BARBARA

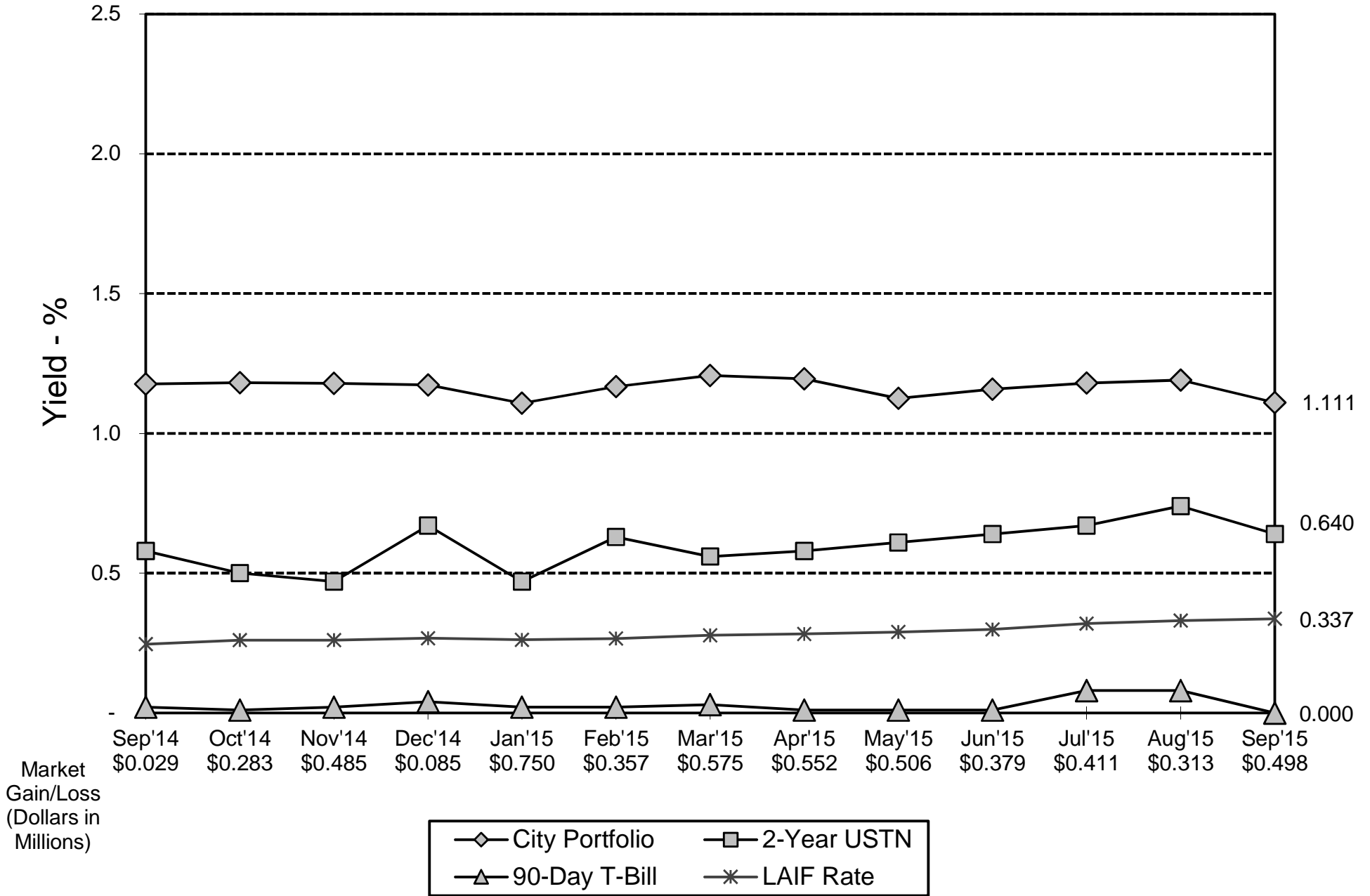
Investment Portfolio

September 30, 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 HOME LOAN MTG CORP	01/16/13	01/16/18	Aaa	AA+	1.050	1.050	4,000,000.00	4,000,000.00	4,001,560.00	1,560.00	Callable 10/16/15, then qtrly
FEDERAL HOME LOAN MTG CORP	08/24/15	08/24/20	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,014,280.00	14,280.00	Callable 08/24/16, then qtrly
FEDERAL HOME LOAN MTG CORP	11/20/13	09/29/17	Aaa	AA+	1.000	1.030	1,000,000.00	999,410.71	1,006,050.00	6,639.29	
FEDERAL NATL MORTGAGE ASSN	01/30/13	01/30/18	Aaa	AA+	1.030	1.030	3,000,000.00	3,000,000.00	3,002,310.00	2,310.00	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	2,002,640.00	2,640.00	Callable 12/12/15, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/15/13	10/26/17	Aaa	AA+	0.875	1.062	2,000,000.00	1,992,439.90	2,006,000.00	13,560.10	
FEDERAL NATL MORTGAGE ASSN	12/11/13	11/27/18	Aaa	AA+	1.625	1.606	2,000,000.00	2,001,144.90	2,035,760.00	34,615.10	
FEDERAL NATL MORTGAGE ASSN	11/08/12	11/08/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,999,920.00	(80.00)	Callable 11/08/15, 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	1,999,920.00	(80.00)	Callable 11/08/15, 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	4,006,560.00	6,560.00	Callable 12/26/15, then qtrly
FEDERAL NATL MORTGAGE ASSN	12/10/10	10/26/15	Aaa	AA+	1.625	2.067	2,000,000.00	1,999,418.56	2,002,000.00	2,581.44	
FEDERAL NATL MORTGAGE ASSN	02/05/13	02/05/18	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,997,280.00	(2,720.00)	Callable 11/05/15, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/20/13	10/26/17	Aaa	AA+	0.875	1.070	2,000,000.00	1,992,108.05	2,006,000.00	13,891.95	
FEDERAL NATL MORTGAGE ASSN	06/30/15	06/30/20	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,015,160.00	15,160.00	Callable 06/30/16, then qtrly
Subtotal, Federal Agencies							<u>66,000,000.00</u>	<u>66,001,175.35</u>	<u>66,412,200.00</u>	<u>411,024.65</u>	
CORPORATE/MEDIUM TERM NOTES											
BERKSHIRE HATHAWAY FIN	12/15/10	12/15/15	Aa2	AA	2.450	2.530	2,000,000.00	1,999,691.67	2,007,100.00	7,408.33	
BERKSHIRE HATHAWAY INC	11/29/13	02/09/18	Aa2	AA	1.550	1.550	2,000,000.00	2,000,000.00	2,016,240.00	16,240.00	
GENERAL ELECTRIC CAPITAL CORP	11/10/10	11/09/15	A1	AA+	2.250	2.250	2,000,000.00	2,000,000.00	2,003,680.00	3,680.00	
GENERAL ELECTRIC CAPITAL CORP	01/14/14	01/14/19	A1	AA+	2.300	2.250	2,000,000.00	2,003,088.94	2,034,140.00	31,051.06	
PROCTOR & GAMBLE	09/20/11	11/15/15	Aa3	AA-	1.800	1.085	2,000,000.00	2,001,704.08	2,003,360.00	1,655.92	
TOYOTA MOTOR CREDIT	09/26/11	09/15/16	Aa3	AA-	2.000	1.800	2,000,000.00	2,003,638.05	2,023,420.00	19,781.95	
Subtotal, Corporate Securities							<u>12,000,000.00</u>	<u>12,008,122.74</u>	<u>12,087,940.00</u>	<u>79,817.26</u>	
SB AIRPORT PROMISSORY NOTE (LT)											
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>	
Subtotal, SBA Note							<u>5,061,002.86</u>	<u>5,061,002.86</u>	<u>5,061,002.86</u>	<u>0.00</u>	
CHECKING ACCOUNT											
MUFG UNION BANK NA CHKNG ACCNT	-	-	-	-	0.400	0.400	<u>18,820,492.04</u>	<u>18,820,492.04</u>	<u>18,820,492.04</u>	<u>0.00</u>	
Subtotal, Checking Account							<u>18,820,492.04</u>	<u>18,820,492.04</u>	<u>18,820,492.04</u>	<u>0.00</u>	
TOTALS							<u>152,881,494.90</u>	<u>152,966,445.27</u>	<u>153,463,957.40</u>	<u>497,512.13</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.

INVESTMENT YIELDS



**CITY OF SANTA BARBARA
Fiscal Agent Investments
September 30, 2015**

	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	
BOND FUNDS											
<i>RESERVE FUNDS</i>											
2004 RDA - Housing Bonds	1.30	-	-	-	-	-	-	-	-	1.30	1.30
2002 Municipal Improvement - Refunding COPS	20,751.46	547,530.00	-	-	-	-	-	-	-	568,281.46	568,281.46
2011 Water - Safe Drinking Water State Loan	642,623.50	-	-	-	-	-	-	-	-	642,623.50	642,623.50
2013 Water - Refunding COPS	1,787,106.75	428,069.44	-	-	-	-	636,099.18	646,937.60	-	2,851,275.37	2,862,113.79
2004 Sewer - Revenue Bonds	64,574.58	1,357,140.00	-	-	-	-	-	-	-	1,421,714.58	1,421,714.58
2009 Airport - Revenue Bonds	25,464.93	-	-	-	-	-	3,139,457.55	3,182,607.40	-	3,164,922.48	3,208,072.33
2014 Waterfront - Refunding Bonds	18,167.33	581,455.74	-	-	-	-	-	-	-	599,623.07	599,623.07
Subtotal, Reserve Funds	<u>2,558,689.85</u>	<u>2,914,195.18</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,775,556.73</u>	<u>3,829,545.00</u>	<u>-</u>	<u>9,248,441.76</u>	<u>9,302,430.03</u>
<i>PROJECT FUNDS</i>											
2001 RDA Bonds	2,367,115.09	-	-	-	-	-	-	-	-	2,367,115.09	2,367,115.09
2003 RDA Bonds	8,509,778.46	-	-	-	-	-	-	-	-	8,509,778.46	8,509,778.46
Subtotal, Project Funds	<u>10,876,893.55</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,876,893.55</u>	<u>10,876,893.55</u>
SUBTOTAL BOND FUNDS	<u>13,435,583.40</u>	<u>2,914,195.18</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,775,556.73</u>	<u>3,829,545.00</u>	<u>-</u>	<u>20,125,335.31</u>	<u>20,179,323.58</u>
POLICE/FIRE - SVC RETIREMENT FUND											
Police/Fire Funds	41,974.05	-	102,711.34	166,276.89	253,267.53	260,457.60	-	-	-	397,952.92	468,708.54
	<u>41,974.05</u>	<u>-</u>	<u>102,711.34</u>	<u>166,276.89</u>	<u>253,267.53</u>	<u>260,457.60</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>397,952.92</u>	<u>468,708.54</u>
TOTAL FISCAL AGENT INVESTMENTS	<u>13,477,557.45</u>	<u>2,914,195.18</u>	<u>102,711.34</u>	<u>166,276.89</u>	<u>253,267.53</u>	<u>260,457.60</u>	<u>3,775,556.73</u>	<u>3,829,545.00</u>	<u>-</u>	<u>20,523,288.23</u>	<u>20,648,032.12</u>

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