



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: February 23, 2016
TO: Mayor and Councilmembers
FROM: Treasury Division, Finance Department
SUBJECT: January 2016 Investment Report

RECOMMENDATION:

That Council accept the January 2016 Investment Report.

DISCUSSION:

The attached investment report includes Investment Activity, Interest Revenue, a Summary of Cash and Investments, and Investment Portfolio detail as of January 31, 2016.

ATTACHMENT: January 2016 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
 January 31, 2016

INVESTMENT ACTIVITY

PURCHASES OR DEPOSITS

1/12 LAIF Deposit - City	\$ 13,000,000
1/26 Federal Home Loan Bank (FHLB)	2,000,000
1/29 Federal Home Loan Mortgage Corp (FHLMC)	2,000,000
1/29 Federal Home Loan Mortgage Corp (FHLMC)	2,000,000
1/29 Federal Home Loan Mortgage Corp (FHLMC)	2,000,000
Total	\$ 21,000,000

SALES, MATURITIES, CALLS OR WITHDRAWALS

1/5 Blackrock Treasury Trust Inst. Funds (TTTXX)	\$ (2,000,000)
Total	\$ (2,000,000)

ACTIVITY TOTAL

\$ 19,000,000

INVESTMENT INCOME

POOLED INVESTMENTS

Interest Earned on Investments	\$ 146,229
Amortization	(9,891)
Total	\$ 136,338

INCOME TOTAL

\$ 136,338

CITY OF SANTA BARBARA

Investment Portfolio

January 31, 2016

DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING		STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
			MOODY'S	S & P							
LOCAL AGENCY INVESTMENT FUNDS											
LOCAL AGENCY INVESTMENT FUND	-	-	-	-	0.446	0.446	50,000,000.00	50,000,000.00	50,000,000.00	0.00	
Subtotal, LAIF							50,000,000.00	50,000,000.00	50,000,000.00	0.00	
CERTIFICATES OF DEPOSIT											
ALLY BANK	09/24/15	09/25/17	-	-	1.250	1.250	250,000.00	250,000.00	250,150.00	150.00	FDIC Certificate 57803
AMERICAN EXPRESS BANK FSB	10/23/14	10/23/19	-	-	2.200	2.200	250,000.00	250,000.00	251,962.50	1,962.50	FDIC Certificate 35328
AMERICAN EXPRESS CENTURION BK	09/30/15	09/30/20	-	-	2.250	2.250	250,000.00	250,000.00	251,825.00	1,825.00	FDIC Certificate 27471
BMO HARRIS BANK NA	09/30/15	09/29/17	-	-	1.100	1.100	250,000.00	250,000.00	250,092.50	92.50	FDIC Certificate 16571
BMW BK NORTH AMERICA	09/30/15	09/30/20	-	-	2.200	2.200	250,000.00	250,000.00	251,827.50	1,827.50	FDIC Certificate 35141
CAPITAL ONE BANK USA NA	10/29/14	10/29/19	-	-	1.900	1.900	250,000.00	250,000.00	251,940.00	1,940.00	FDIC Certificate 33954
CAPITAL ONE NA	09/30/15	09/30/20	-	-	2.250	2.250	250,000.00	250,000.00	251,825.00	1,825.00	FDIC Certificate 4297
DISCOVER BANK	09/30/15	09/30/20	-	-	2.300	2.300	250,000.00	250,000.00	252,932.50	2,932.50	FDIC Certificate 5649
EVERBANK	09/30/15	09/29/17	-	-	1.100	1.100	250,000.00	250,000.00	250,092.50	92.50	FDIC Certificate 34775
GE CAPITAL BANK	10/17/14	10/17/19	-	-	2.000	2.000	250,000.00	250,000.00	251,917.50	1,917.50	FDIC Certificate 33778
GOLDMAN SACHS BANK USA	10/29/14	10/29/19	-	-	2.150	2.150	250,000.00	250,000.00	251,927.50	1,927.50	FDIC Certificate 33124
KEY BANK NA	09/30/15	10/02/17	-	-	1.150	1.150	250,000.00	250,000.00	250,120.00	120.00	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	
Subtotal, Certificates of deposit							7,000,000.00	7,000,000.00	7,016,612.50	16,612.50	
TREASURY SECURITIES - COUPON											
U S TREASURY NOTE	02/22/13	05/15/16	Aaa	AA+	5.125	0.442	2,000,000.00	2,026,457.98	2,026,800.00	342.02	
U S TREASURY NOTE	02/22/13	08/31/16	Aaa	AA+	1.000	0.502	2,000,000.00	2,005,718.31	2,005,100.00	(618.31)	
U S TREASURY NOTE	02/22/13	02/28/17	Aaa	AA+	0.875	0.607	2,000,000.00	2,005,692.74	2,004,140.00	(1,552.74)	
Subtotal, Treasury Securities							6,000,000.00	6,037,869.03	6,036,040.00	(1,829.03)	
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	2,026,780.00	26,780.00	
FED AGRICULTURAL MTG CORP	12/12/13	12/12/18	-	-	1.705	1.705	2,000,000.00	2,000,000.00	2,036,220.00	36,220.00	
FEDERAL FARM CREDIT BANK	01/22/15	01/22/19	Aaa	AA+	1.480	1.480	2,000,000.00	2,000,000.00	2,000,120.00	120.00	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	2,022,000.00	22,000.00	
FEDERAL FARM CREDIT BANK	02/11/15	02/11/19	Aaa	AA+	1.520	1.520	2,000,000.00	2,000,000.00	2,000,040.00	40.00	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	2,001,960.00	1,960.00	
FEDERAL FARM CREDIT BANK	07/17/13	07/17/17	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,013,660.00	13,660.00	
FEDERAL FARM CREDIT BANK	06/24/15	06/24/19	Aaa	AA+	1.520	1.520	2,000,000.00	2,000,000.00	2,024,740.00	24,740.00	
FEDERAL HOME LOAN BANK	09/13/13	09/14/18	Aaa	AA+	2.000	1.910	2,000,000.00	2,004,471.53	2,051,560.00	47,088.47	
FEDERAL HOME LOAN BANK	01/17/14	04/17/18	Aaa	AA+	1.480	1.480	2,000,000.00	2,000,000.00	2,021,140.00	21,140.00	
FEDERAL HOME LOAN BANK	06/29/15	06/29/18	Aaa	AA+	1.170	1.170	2,000,000.00	2,000,000.00	2,003,680.00	3,680.00	Callable 06/29/16, once
FEDERAL HOME LOAN BANK	01/26/16	04/26/19	Aaa	AA+	1.500	1.500	2,000,000.00	2,000,000.00	2,005,240.00	5,240.00	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	2,005,480.99	2,038,360.00	32,879.01	
FEDERAL HOME LOAN BANK	06/18/14	06/09/17	Aaa	AA+	1.000	1.003	2,000,000.00	1,999,908.87	2,006,260.00	6,351.13	
FEDERAL HOME LOAN BANK	10/22/14	11/18/16	Aaa	AA+	0.750	0.500	2,000,000.00	2,003,954.91	2,000,680.00	(3,274.91)	
FEDERAL HOME LOAN MTG CORP	11/25/15	05/25/18	Aaa	AA+	1.050	1.050	2,000,000.00	2,000,000.00	1,999,740.00	(260.00)	Callable 05/25/16, once
FEDERAL HOME LOAN MTG CORP	11/30/15	05/24/19	Aaa	AA+	1.550	1.550	2,000,000.00	2,000,000.00	2,000,400.00	400.00	Callable 02/24/16, then qtrly
FEDERAL HOME LOAN MTG CORP	12/29/15	06/29/18	Aaa	AA+	1.200	1.200	2,000,000.00	2,000,000.00	2,000,940.00	940.00	Callable 06/29/16, once

CITY OF SANTA BARBARA

Investment Portfolio

January 31, 2016

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
FEDERAL HOME LOAN MTG CORP	01/29/16	01/29/21	Aaa	AA+	1.500	2.172	2,000,000.00	2,000,000.00	2,000,540.00	540.00	SU 1.5%-5.5% Call 07/29/16, then qtrly
FEDERAL HOME LOAN MTG CORP	01/29/16	01/29/21	Aaa	AA+	1.500	2.459	2,000,000.00	2,000,000.00	2,000,500.00	500.00	SU 1.5%-6% Call 04/29/16, 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	2,011,020.00	11,020.00	Callable 08/24/16, then qtrly
FEDERAL HOME LOAN MTG CORP	12/28/15	12/28/20	Aaa	AA+	1.500	2.365	2,000,000.00	2,000,000.00	2,001,120.00	1,120.00	SU 1.5%-5% Call 06/28/16, then qtrly
FEDERAL HOME LOAN MTG CORP	11/20/13	09/29/17	Aaa	AA+	1.000	1.030	1,000,000.00	999,509.20	1,003,150.00	3,640.80	
FEDERAL HOME LOAN MTG CORP	01/29/16	07/29/19	Aaa	AA+	1.500	1.500	2,000,000.00	2,000,000.00	2,001,080.00	1,080.00	Callable 07/29/16, then qtrly
FEDERAL NATL MORTGAGE ASSN	01/30/13	01/30/18	Aaa	AA+	1.030	1.030	3,000,000.00	3,000,000.00	3,000,360.00	360.00	Callable 04/30/16, 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	2,001,940.00	1,940.00	Callable 03/12/16, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/15/13	10/26/17	Aaa	AA+	0.875	1.062	2,000,000.00	1,993,657.64	2,002,480.00	8,822.36	
FEDERAL NATL MORTGAGE ASSN	12/11/13	11/27/18	Aaa	AA+	1.625	1.606	2,000,000.00	2,001,023.96	2,034,720.00	33,696.04	
FEDERAL NATL MORTGAGE ASSN	12/26/12	12/26/17	Aaa	AA+	1.000	1.000	4,000,000.00	4,000,000.00	4,004,200.00	4,200.00	Callable 03/26/16, then qtrly
FEDERAL NATL MORTGAGE ASSN	10/29/15	10/29/20	Aaa	AA+	1.500	1.766	2,000,000.00	2,000,000.00	2,000,580.00	580.00	SU 1.5%-3% Call 04/29/16, 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	1,997,140.00	(2,860.00)	Callable 02/05/16, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/20/13	10/26/17	Aaa	AA+	0.875	1.070	2,000,000.00	1,993,379.24	2,002,480.00	9,100.76	
FEDERAL NATL MORTGAGE ASSN	06/30/15	06/30/20	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,009,660.00	9,660.00	Callable 06/30/16, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/27/15	11/28/18	Aaa	AA+	1.200	1.200	2,000,000.00	2,000,000.00	2,002,600.00	2,600.00	Callable 11/28/16, once
FEDERAL NATL MORTGAGE ASSN	11/27/15	11/27/19	Aaa	AA+	1.125	1.678	2,000,000.00	2,000,000.00	2,009,420.00	9,420.00	SU 1.125%-2.250%, Call 11/27/17, once
FEDERAL NATL MORTGAGE ASSN	11/30/15	11/25/20	Aaa	AA+	1.000	2.015	2,000,000.00	2,000,000.00	2,002,800.00	2,800.00	SU 1%-2.2% Call 08/25/16, once
Subtotal, Federal Agencies							<u>74,000,000.00</u>	<u>74,001,386.34</u>	<u>74,339,310.00</u>	<u>337,923.66</u>	
CORPORATE/MEDIUM TERM NOTES											
BERKSHIRE HATHAWAY INC	11/29/13	02/09/18	Aa2	AA	1.550	1.550	2,000,000.00	2,000,000.00	2,014,100.00	14,100.00	
GENERAL ELECTRIC CAPITAL CORP	01/14/14	01/14/19	A1	AA+	2.300	2.250	2,000,000.00	2,002,775.61	2,055,060.00	52,284.39	
TOYOTA MOTOR CREDIT	09/26/11	09/15/16	Aa3	AA-	2.000	1.800	2,000,000.00	2,002,368.97	2,014,660.00	12,291.03	
TOYOTA MOTOR CREDIT	11/20/15	07/13/18	Aa3	AA-	1.550	1.408	2,000,000.00	2,006,793.16	2,004,640.00	(2,153.16)	
Subtotal, Corporate Securities							<u>8,000,000.00</u>	<u>8,011,937.74</u>	<u>8,088,460.00</u>	<u>76,522.26</u>	
SB AIRPORT PROMISSORY NOTE (LT)											
SANTA BARBARA AIRPORT	07/14/09	06/30/29	-	-	3.500	4.195	4,919,388.34	4,919,388.34	4,919,388.34	0.00	
Subtotal, SBA Note							<u>4,919,388.34</u>	<u>4,919,388.34</u>	<u>4,919,388.34</u>	<u>0.00</u>	
CHECKING ACCOUNT											
MUFG UNION BANK NA CHKNG ACCNT	-	-	-	-	0.400	0.400	11,807,186.96	11,807,186.96	11,807,186.96	0.00	
Subtotal, Checking Account							<u>11,807,186.96</u>	<u>11,807,186.96</u>	<u>11,807,186.96</u>	<u>0.00</u>	
TOTALS							<u>161,726,575.30</u>	<u>161,777,768.41</u>	<u>162,206,997.80</u>	<u>429,229.39</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.