



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: November 26, 2013
TO: Mayor and Councilmembers
FROM: Treasury Division, Finance Department
SUBJECT: October 2013 Investment Report

RECOMMENDATION:

That Council accept the October 2013 Investment Report.

DISCUSSION:

The attached investment report includes Investment Activity, Interest Revenue, a Summary of Cash and Investments, and Investment Portfolio detail as of October 31, 2013.

ATTACHMENT: October 2013 Investment Report
PREPARED BY: Genie Wilson, Treasury Manager
SUBMITTED BY: Robert Samario, Finance Director
APPROVED BY: City Administrator's Office

CITY OF SANTA BARBARA
Activity and Interest Report
October 31, 2013

INVESTMENT ACTIVITY

PURCHASES OR DEPOSITS

10/3 Federal Agricultural Mortgage Corp (FAMCA)	\$ 2,000,000
10/9 LAIF Deposit - City	2,000,000
10/28 LAIF Deposit - City	2,000,000
10/29 LAIF Deposit - City	3,000,000
10/30 LAIF Deposit - City	2,000,000
Total	\$ 11,000,000

SALES, MATURITIES, CALLS OR WITHDRAWALS

10/2 LAIF Withdrawal - City	\$ (3,000,000)
10/4 LAIF Withdrawal - City	(1,000,000)
10/15 Federal Home Loan Bank (FHLB) - Maturity	(2,000,000)
10/28 Federal National Mortgage Association (FNMA) - Maturity	(2,000,000)
10/30 Federal Home Loan Bank (FHLB) - Maturity	(1,500,000)
Total	\$ (9,500,000)

ACTIVITY TOTAL

\$ 1,500,000

INVESTMENT INCOME

POOLED INVESTMENTS

Interest Earned on Investments	\$ 178,195
Amortization	(20,586)
Total	\$ 157,609

INCOME TOTAL

\$ 157,609

CITY OF SANTA BARBARA
Investment Portfolio
October 31, 2013

DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING		STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
LOCAL AGENCY INVESTMENT FUNDS											
LOCAL AGENCY INVESTMENT FUND	-	-	-	-	0.266	0.266	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											
MONTECITO BANK & TRUST	11/18/11	11/18/13	-	-	0.800	0.800	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	
Subtotal, Certificates of deposit							8,000,000.00	8,000,000.00	8,000,000.00	0.00	
TREASURY SECURITIES - COUPON											
U S TREASURY NOTE	10/25/12	03/15/15	Aaa	AA+	0.375	0.342	2,000,000.00	2,000,895.16	2,004,540.00	3,644.84	
U S TREASURY NOTE	10/25/12	10/31/15	Aaa	AA+	1.250	0.397	2,000,000.00	2,033,830.47	2,037,180.00	3,349.53	
U S TREASURY NOTE	02/22/13	05/15/16	Aaa	AA+	5.125	0.442	2,000,000.00	2,235,577.78	2,237,660.00	2,082.22	
U S TREASURY NOTE	02/22/13	08/31/16	Aaa	AA+	1.000	0.502	2,000,000.00	2,027,890.26	2,025,160.00	(2,730.26)	
U S TREASURY NOTE	02/22/13	02/28/17	Aaa	AA+	0.875	0.607	2,000,000.00	2,017,599.69	2,009,380.00	(8,219.69)	
Subtotal, Treasury Securities							10,000,000.00	10,315,793.36	10,313,920.00	(1,873.36)	
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	2,007,840.00	7,840.00	
FEDERAL FARM CREDIT BANK	02/10/11	02/10/14	Aaa	AA+	1.375	1.375	2,000,000.00	2,000,000.00	2,006,960.00	6,960.00	
FEDERAL FARM CREDIT BANK	08/15/12	08/15/17	Aaa	AA+	0.980	0.980	2,000,000.00	2,000,000.00	1,994,820.00	(5,180.00)	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	2,035,180.00	35,180.00	
FEDERAL FARM CREDIT BANK	02/16/11	02/16/16	Aaa	AA+	2.570	2.570	2,000,000.00	2,000,000.00	2,095,800.00	95,800.00	
FEDERAL FARM CREDIT BANK	07/17/13	07/17/17	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,021,320.00	21,320.00	
FEDERAL HOME LOAN BANK	08/05/10	09/12/14	Aaa	AA+	1.375	1.375	2,000,000.00	2,000,000.00	2,020,800.00	20,800.00	
FEDERAL HOME LOAN BANK	09/13/13	09/14/18	Aaa	AA+	2.000	1.910	2,000,000.00	2,008,312.39	2,043,860.00	35,547.61	
FEDERAL HOME LOAN BANK	09/17/09	12/13/13	Aaa	AA+	3.125	2.440	2,000,000.00	2,001,508.43	2,007,060.00	5,551.57	
FEDERAL HOME LOAN BANK	04/05/10	11/29/13	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,002,960.00	2,960.00	
FEDERAL HOME LOAN BANK	01/16/13	01/16/18	Aaa	AA+	1.000	1.000	4,000,000.00	4,000,000.00	3,950,400.00	(49,600.00)	Callable 01/16/14, then qtrly
FEDERAL HOME LOAN BANK	07/17/13	07/17/18	Aaa	AA+	1.750	1.750	2,000,000.00	2,000,000.00	2,004,320.00	4,320.00	Callable 01/17/14, then qtrly
FEDERAL HOME LOAN BANK	06/27/13	06/27/18	Aaa	AA+	1.250	1.493	2,000,000.00	2,000,000.00	1,991,760.00	(8,240.00)	SU 1.125%-2.5% Call 12/27/13, then qtrly
FEDERAL HOME LOAN BANK	02/22/10	12/13/13	Aaa	AA+	3.125	2.130	2,000,000.00	2,002,217.33	2,007,060.00	4,842.67	
FEDERAL HOME LOAN BANK	02/09/11	01/29/15	Aaa	AA+	1.750	1.750	2,000,000.00	2,000,000.00	2,038,020.00	38,020.00	
FEDERAL HOME LOAN BANK	04/15/11	05/27/15	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,053,800.00	53,800.00	
FEDERAL HOME LOAN MTG CORP	01/06/11	02/25/14	Aaa	AA+	1.375	1.375	2,000,000.00	2,000,000.00	2,008,000.00	8,000.00	
FEDERAL HOME LOAN MTG CORP	03/28/12	03/28/17	Aaa	AA+	1.350	1.350	2,000,000.00	2,000,000.00	2,009,040.00	9,040.00	Callable 03/28/14, once
FEDERAL HOME LOAN MTG CORP	06/26/13	06/26/18	Aaa	AA+	1.400	1.400	2,000,000.00	2,000,000.00	1,982,520.00	(17,480.00)	Callable 12/26/13, then qtrly
FEDERAL HOME LOAN MTG CORP	07/25/13	07/25/18	Aaa	AA+	1.800	1.800	2,000,000.00	2,000,000.00	2,000,920.00	920.00	Callable 07/25/14, once
FEDERAL HOME LOAN MTG CORP	02/21/12	02/21/17	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,006,520.00	6,520.00	Callable 02/21/14, once

CITY OF SANTA BARBARA
Investment Portfolio
October 31, 2013

DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING		STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
FEDERAL HOME LOAN MTG CORP	04/23/12	04/17/15	Aaa	AA+	0.500	0.534	2,000,000.00	1,999,010.69	2,006,960.00	7,949.31	
FEDERAL HOME LOAN MTG CORP	06/12/12	06/12/17	Aaa	AA+	1.250	1.250	2,000,000.00	2,000,000.00	2,008,260.00	8,260.00	Callable 06/12/14, then qtrly
FEDERAL HOME LOAN MTG CORP	07/24/12	07/24/17	Aaa	AA+	1.125	1.125	2,000,000.00	2,000,000.00	1,998,440.00	(1,560.00)	Callable 01/24/14, 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	1,985,960.00	(14,040.00)	Callable 12/12/13, 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	3,955,880.00	(44,120.00)	Callable 01/16/14, then qtrly
FEDERAL HOME LOAN MTG CORP	02/11/11	04/02/14	Aaa	AA+	4.500	1.615	2,000,000.00	2,023,497.79	2,036,120.00	12,622.21	
FEDERAL HOME LOAN MTG CORP	06/26/13	06/26/18	Aaa	AA+	1.500	1.500	2,000,000.00	2,000,000.00	1,986,000.00	(14,000.00)	Callable 12/26/13, 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	2,961,120.00	(38,880.00)	Callable 01/30/14, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/17/10	11/17/14	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,023,180.00	23,180.00	
FEDERAL NATL MORTGAGE ASSN	08/28/12	08/28/17	Aaa	AA+	1.150	1.150	2,000,000.00	2,000,000.00	1,999,520.00	(480.00)	Callable 11/28/13, 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	1,975,720.00	(24,280.00)	Callable 12/12/13, then qtrly
FEDERAL NATL MORTGAGE ASSN	06/19/13	12/19/16	Aaa	AA+	0.750	0.750	2,000,000.00	2,000,000.00	1,999,400.00	(600.00)	Callable 12/19/13, then qtrly
FEDERAL NATL MORTGAGE ASSN	07/30/13	07/30/18	Aaa	AA+	1.000	1.896	1,000,000.00	1,000,000.00	1,001,230.00	1,230.00	SU 1%-2% Callable 01/30/14, once
FEDERAL NATL MORTGAGE ASSN	11/08/12	11/08/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,978,140.00	(21,860.00)	Callable 11/08/13, 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	1,978,140.00	(21,860.00)	Callable 11/08/13, 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	3,946,320.00	(53,680.00)	Callable 12/26/13, then qtrly
FEDERAL NATL MORTGAGE ASSN	07/10/13	07/10/18	Aaa	AA+	1.700	1.700	2,000,000.00	2,000,000.00	2,007,400.00	7,400.00	Callable 07/10/14, 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	2,062,160.00	62,160.00	
FEDERAL NATL MORTGAGE ASSN	12/10/10	10/26/15	Aaa	AA+	1.625	2.067	2,000,000.00	1,983,370.96	2,049,740.00	66,369.04	
FEDERAL NATL MORTGAGE ASSN	02/05/13	02/05/18	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,973,240.00	(26,760.00)	Callable 02/05/15, then qtrly
Subtotal, Federal Agencies							88,000,000.00	88,017,917.59	88,221,890.00	203,972.41	
CORPORATE/MEDIUM TERM NOTES											
BERKSHIRE HATHAWAY FIN	12/15/10	12/15/15	Aa2	AA	2.450	2.530	2,000,000.00	1,996,816.67	2,078,040.00	81,223.33	
GENERAL ELECTRIC CAPITAL CORP	11/10/10	11/09/15	A1	AA+	2.250	2.250	2,000,000.00	2,000,000.00	2,057,040.00	57,040.00	
GENERAL ELECTRIC CAPITAL CORP	01/07/11	01/07/14	A1	AA+	2.100	2.100	2,000,000.00	2,000,000.00	2,006,440.00	6,440.00	
PROCTOR & GAMBLE	09/20/11	11/15/15	Aa3	AA-	1.800	1.085	2,000,000.00	2,028,427.16	2,052,500.00	24,072.84	
TOYOTA MOTOR CREDIT	09/26/11	09/15/16	Aa3	AA-	2.000	1.800	2,000,000.00	2,010,935.32	2,059,340.00	48,404.68	
Subtotal, Corporate Securities							10,000,000.00	10,036,179.15	10,253,360.00	217,180.85	
SB AIRPORT PROMISSORY NOTE (LT)											
SANTA BARBARA AIRPORT	07/14/09	06/30/29	-	-	3.500	4.195	5,603,519.96	5,603,519.96	5,603,519.96	0.00	
Subtotal, SBA Note							5,603,519.96	5,603,519.96	5,603,519.96	0.00	
TOTALS							155,603,519.96	155,973,410.06	156,392,689.96	419,279.90	

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