



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: May 22, 2012
TO: Mayor and Councilmembers
FROM: Treasury Division, Finance Department
SUBJECT: April 2012 Investment Report

RECOMMENDATION:

That Council accept the April 2012 Investment Report.

DISCUSSION:

The attached investment report includes Investment Activity, Interest Revenue, a Summary of Cash and Investments, and Investment Portfolio detail as of April 30, 2012.

ATTACHMENT: April 2012 Investment Report
PREPARED BY: Jill Taura, Treasury Manager
SUBMITTED BY: Robert Samario, Finance Director
APPROVED BY: City Administrator's Office

CITY OF SANTA BARBARA
Activity and Interest Report
April 30, 2012

INVESTMENT ACTIVITY

PURCHASES OR DEPOSITS

4/3 LAIF Deposit - City	\$ 2,000,000
4/11 LAIF Deposit - City	4,000,000
4/12 Federal National Mortgage Association (FNMA)	2,000,000
4/23 Federal Home Loan Mortgage Corp (FHLMC)	2,000,000
4/24 Federal National Mortgage Association (FNMA)	2,000,000
4/25 LAIF Deposit - City	2,000,000
4/30 LAIF Deposit - City	8,000,000
Total	\$ 22,000,000

SALES, MATURITIES, CALLS OR WITHDRAWALS

4/9 Federal Farm Credit Bank (FFCB) - Call	\$ (2,000,000)
4/11 Federal National Mortgage Association (FNMA) - Call	(2,000,000)
4/18 LAIF Withdrawal - City	(4,000,000)
4/20 LAIF Withdrawal - City	(2,000,000)
4/23 LAIF Withdrawal - City	(2,000,000)
4/24 Federal Farm Credit Bank (FFCB) - Maturity	(2,000,000)
4/25 Federal Home Loan Mortgage Corp (FHLMC) - Maturity	(1,000,000)
Total	\$ (15,000,000)

ACTIVITY TOTAL

\$ 7,000,000

INVESTMENT INCOME

POOLED INVESTMENTS

INTEREST INCOME

Interest Earned on Investments	\$ 223,332
Amortization	(15,025)
Interest on SBB&T Accounts	381
Total	\$ 208,688

REDEVELOPMENT SUCCESSOR AGENCY INVESTMENTS

Interest Earned on Investments (LAIF)	\$ 2,606
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INVESTMENT INCOME TOTAL

\$ 211,294

CITY OF SANTA BARBARA

Investment Portfolio

April 30, 2012

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	-	-	-	-	0.367	0.367	36,000,000.00	36,000,000.00	36,000,000.00	0.00	
LOCAL AGENCY INV FUND/RDAS	-	-	-	-	0.367	0.367	9,000,000.00	9,000,000.00	9,000,000.00	0.00	
Subtotal, LAIF							45,000,000.00	45,000,000.00	45,000,000.00	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	
Subtotal, Certificates of deposit							2,000,000.00	2,000,000.00	2,000,000.00	0.00	
FEDERAL AGENCY ISSUES - COUPON											
FEDERAL FARM CREDIT BANK	02/10/11	02/10/14	Aaa	AA+	1.375	1.375	2,000,000.00	2,000,000.00	2,037,400.00	37,400.00	
FEDERAL FARM CREDIT BANK	03/01/12	03/01/17	Aaa	AA+	1.260	1.260	2,000,000.00	2,000,000.00	2,004,300.00	4,300.00	Callable 03/01/13, then cont.
FEDERAL FARM CREDIT BANK	03/05/09	03/04/13	Aaa	AA+	2.600	2.600	2,000,000.00	2,000,000.00	2,039,240.00	39,240.00	
FEDERAL FARM CREDIT BANK	05/08/09	04/08/13	Aaa	AA+	2.200	2.200	2,000,000.00	2,000,000.00	2,036,160.00	36,160.00	
FEDERAL FARM CREDIT BANK	06/19/09	06/18/12	Aaa	AA+	2.125	2.125	2,000,000.00	2,000,000.00	2,005,220.00	5,220.00	
FEDERAL FARM CREDIT BANK	11/23/10	11/23/15	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,001,980.00	1,980.00	Callable 05/23/12, then cont.
FEDERAL FARM CREDIT BANK	02/16/11	02/16/16	Aaa	AA+	2.570	2.570	2,000,000.00	2,000,000.00	2,138,080.00	138,080.00	
FEDERAL HOME LOAN BANK	03/04/09	06/08/12	Aaa	AA+	4.375	2.110	1,700,000.00	1,703,803.47	1,707,429.00	3,625.53	
FEDERAL HOME LOAN BANK	04/15/10	10/15/13	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,050,180.00	50,180.00	
FEDERAL HOME LOAN BANK	08/05/10	09/12/14	Aaa	AA+	1.375	1.375	2,000,000.00	2,000,000.00	2,045,900.00	45,900.00	
FEDERAL HOME LOAN BANK	09/17/09	12/13/13	Aaa	AA+	3.125	2.440	2,000,000.00	2,020,902.51	2,091,480.00	70,577.49	
FEDERAL HOME LOAN BANK	01/15/10	10/30/12	Aaa	AA+	1.700	1.700	2,000,000.00	2,000,000.00	2,015,160.00	15,160.00	
FEDERAL HOME LOAN BANK	04/05/10	11/29/13	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,054,020.00	54,020.00	
FEDERAL HOME LOAN BANK	06/29/10	10/29/12	Aaa	AA+	1.125	1.125	2,000,000.00	2,000,000.00	2,009,400.00	9,400.00	
FEDERAL HOME LOAN BANK	05/28/10	05/28/15	Aaa	AA+	2.000	2.653	2,000,000.00	2,000,000.00	2,018,220.00	18,220.00	SU 3.35%, Callable 11/28/12, once
FEDERAL HOME LOAN BANK	09/26/11	08/28/13	Aaa	AA+	1.000	0.381	1,000,000.00	1,008,168.28	1,009,730.00	1,561.72	
FEDERAL HOME LOAN BANK	09/17/09	09/13/13	Aaa	AA+	4.375	2.272	2,000,000.00	2,054,654.48	2,112,080.00	57,425.52	
FEDERAL HOME LOAN BANK	02/22/10	12/13/13	Aaa	AA+	3.125	2.130	2,000,000.00	2,030,725.86	2,091,480.00	60,754.14	
FEDERAL HOME LOAN BANK	03/26/10	06/08/12	Aaa	AA+	1.375	1.325	2,000,000.00	2,000,100.91	2,002,580.00	2,479.09	
FEDERAL HOME LOAN BANK	02/09/11	01/29/15	Aaa	AA+	1.750	1.750	2,000,000.00	2,000,000.00	2,070,300.00	70,300.00	
FEDERAL HOME LOAN BANK	04/15/11	05/27/15	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,090,580.00	90,580.00	
FEDERAL HOME LOAN BANK	09/26/11	10/30/13	Aaa	AA+	2.000	0.400	1,500,000.00	1,535,749.85	1,538,640.00	2,890.15	
FEDERAL HOME LOAN BANK	02/28/12	02/28/17	Aaa	AA+	1.250	1.250	5,000,000.00	5,000,000.00	5,004,150.00	4,150.00	Callable 05/28/12, then monthly
FEDERAL HOME LOAN MTG CORP	10/19/11	10/19/16	Aaa	AA+	1.500	1.500	2,000,000.00	2,000,000.00	2,004,840.00	4,840.00	Callable 07/19/12, then qtrly
FEDERAL HOME LOAN MTG CORP	03/28/12	03/28/17	Aaa	AA+	1.210	1.210	2,000,000.00	2,000,000.00	2,004,280.00	4,280.00	Callable 03/28/13, once
FEDERAL HOME LOAN MTG CORP	09/03/09	09/21/12	Aaa	AA+	2.125	1.699	2,000,000.00	2,003,213.11	2,015,620.00	12,406.89	
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	2,038,220.00	38,220.00	
FEDERAL HOME LOAN MTG CORP	11/09/11	11/09/16	Aaa	AA+	1.800	1.800	2,000,000.00	2,000,000.00	2,000,660.00	660.00	Callable 05/09/12, then qtrly
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	2,031,660.00	31,660.00	Callable 03/28/14, once

CITY OF SANTA BARBARA

Investment Portfolio

April 30, 2012

DESCRIPTION	PURCHASE	MATURITY	QUALITY RATING		STATED	YIELD AT	FACE	BOOK	MARKET	BOOK	COMMENTS
	DATE	DATE	MOODY'S	S & P	RATE	365	VALUE	VALUE	VALUE	GAIN/(LOSS)	
FEDERAL HOME LOAN MTG CORP	09/28/11	09/28/16	Aaa	AA+	1.400	1.400	2,000,000.00	2,000,000.00	2,006,680.00	6,680.00	Callable 09/28/12, 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	2,023,180.00	23,180.00	Callable 02/21/14, once
FEDERAL HOME LOAN MTG CORP	04/23/12	04/17/15	Aaa	AA+	0.500	0.534	2,000,000.00	1,997,995.05	1,999,320.00	1,324.95	
FEDERAL HOME LOAN MTG CORP	06/09/09	08/17/12	Aaa	AA+	1.000	2.420	2,000,000.00	1,991,996.45	2,004,420.00	12,423.55	
FEDERAL HOME LOAN MTG CORP	02/11/11	04/02/14	Aaa	AA+	4.500	1.615	2,000,000.00	2,107,529.62	2,156,420.00	48,890.38	
FEDERAL HOME LOAN MTG CORP	10/03/11	10/03/16	Aaa	AA+	1.000	1.612	2,000,000.00	2,000,000.00	2,001,780.00	1,780.00	SU 2.25% Callable 07/03/12, then qtrly
FEDERAL NATL MORTGAGE ASSN	09/28/11	09/28/16	Aaa	AA+	1.000	1.401	1,000,000.00	999,795.83	1,001,720.00	1,924.17	SU 1%-3%, Call 09/28/12, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/09/11	11/09/16	Aaa	AA+	1.500	1.807	2,000,000.00	1,999,738.89	2,012,440.00	12,701.11	SU 1.5%-3.5%, Call 11/09/12, then qtrly
FEDERAL NATL MORTGAGE ASSN	12/28/11	12/28/16	Aaa	AA+	1.125	1.641	2,000,000.00	2,000,000.00	2,006,240.00	6,240.00	SU 2% Callable 12/28/12, then qtrly
FEDERAL NATL MORTGAGE ASSN	06/07/11	03/07/16	Aaa	AA+	2.075	2.075	2,000,000.00	2,000,000.00	2,003,520.00	3,520.00	Callable 06/07/12, once
FEDERAL NATL MORTGAGE ASSN	09/28/11	09/28/16	Aaa	AA+	1.300	1.475	2,000,000.00	2,000,000.00	2,003,880.00	3,880.00	SU 1.3%-2.25%, Call 06/28/12, then qtrly
FEDERAL NATL MORTGAGE ASSN	10/28/11	10/28/16	Aaa	AA+	1.500	1.521	2,000,000.00	1,998,508.33	2,024,840.00	26,331.67	Callable 10/28/13, once
FEDERAL NATL MORTGAGE ASSN	01/25/12	01/25/17	Aaa	AA+	1.000	1.256	2,000,000.00	1,999,266.67	2,006,960.00	7,693.33	SU 1.5%, Callable 01/25/13, then qtrly
FEDERAL NATL MORTGAGE ASSN	08/10/10	08/10/15	Aaa	AA+	2.000	2.055	2,000,000.00	1,999,285.00	2,009,100.00	9,815.00	Callable 08/10/12, once
FEDERAL NATL MORTGAGE ASSN	11/17/10	11/17/14	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,044,360.00	44,360.00	
FEDERAL NATL MORTGAGE ASSN	06/27/11	06/27/16	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,030,600.00	30,600.00	Callable 06/27/13, once
FEDERAL NATL MORTGAGE ASSN	04/12/12	04/12/17	Aaa	AA+	1.400	1.400	2,000,000.00	2,000,000.00	2,012,060.00	12,060.00	Callable 04/12/13, then qtrly
FEDERAL NATL MORTGAGE ASSN	12/28/11	12/28/16	Aaa	AA+	1.625	1.625	2,000,000.00	2,000,000.00	2,012,780.00	12,780.00	Callable 12/28/12, once
FEDERAL NATL MORTGAGE ASSN	03/28/12	03/28/17	Aaa	AA+	1.125	1.332	2,000,000.00	2,000,000.00	2,009,180.00	9,180.00	SU 1.125%-2.25%, Call 03/28/13, 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	2,087,420.00	87,420.00	
FEDERAL NATL MORTGAGE ASSN	12/10/10	10/26/15	Aaa	AA+	1.625	2.067	2,000,000.00	1,970,811.96	2,067,720.00	96,908.04	
FEDERAL NATL MORTGAGE ASSN	04/18/11	04/18/16	Aaa	AA+	2.500	2.500	2,000,000.00	2,000,000.00	2,040,920.00	40,920.00	Callable 04/18/13, once
FEDERAL NATL MORTGAGE ASSN	01/30/12	01/30/17	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,009,260.00	9,260.00	Callable 01/30/13, then qtrly
FEDERAL NATL MORTGAGE ASSN	04/24/12	04/24/17	Aaa	AA+	1.500	1.500	2,000,000.00	2,000,000.00	2,008,360.00	8,360.00	Callable 10/24/12, then qtrly
Subtotal, Federal Agencies							<u>106,200,000.00</u>	<u>106,422,246.27</u>	<u>107,852,149.00</u>	<u>1,429,902.73</u>	
CORPORATE/MEDIUM TERM NOTES											
BERKSHIRE HATHAWAY FIN	12/15/10	12/15/15	Aa2	AA+	2.450	2.530	2,000,000.00	1,994,566.67	2,086,180.00	91,613.33	
GENERAL ELECTRIC CAPITAL CORP	11/10/10	11/09/15	A1	AA+	2.250	2.250	2,000,000.00	2,000,000.00	2,046,480.00	46,480.00	
GENERAL ELECTRIC CAPITAL CORP	01/07/11	01/07/14	A1	AA+	2.100	2.100	2,000,000.00	2,000,000.00	2,036,100.00	36,100.00	
PROCTOR & GAMBLE	09/20/11	11/15/15	Aa3	AA-	1.800	1.085	2,000,000.00	2,049,340.87	2,071,100.00	21,759.13	
TOYOTA MOTOR CREDIT	09/26/11	09/15/16	Aa3	AA-	2.000	1.800	2,000,000.00	2,016,646.22	2,049,700.00	33,053.78	
Subtotal, Corporate Securities							<u>10,000,000.00</u>	<u>10,060,553.76</u>	<u>10,289,560.00</u>	<u>229,006.24</u>	
SB AIRPORT PROMISSORY NOTE (LT)											
SANTA BARBARA AIRPORT	07/14/09	06/30/29	-	-	7.000	7.000	5,877,334.65	5,877,334.65	5,877,334.65	0.00	
Subtotal, SBA Note							<u>5,877,334.65</u>	<u>5,877,334.65</u>	<u>5,877,334.65</u>	<u>0.00</u>	
TOTALS							<u>169,077,334.65</u>	<u>169,360,134.68</u>	<u>171,019,043.65</u>	<u>1,658,908.97</u>	

Market values have been obtained from the City's safekeeping agent, Santa Barbara Bank and Trust (SBB&T). SBB&T uses Interactive Data Pricing Service, Bloomberg and DTC.