



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: June 30, 2015
TO: Mayor and Councilmembers
FROM: Treasury Division, Finance Department
SUBJECT: May 2015 Investment Report

RECOMMENDATION:

That Council accept the May 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 May 31, 2015.

ATTACHMENT: May 2015 Investment Report
PREPARED BY: Julie Nemes, Treasury Manager
SUBMITTED BY: Robert Samario, Finance Director/ Acting Assistant City Administrator
APPROVED BY: City Administrator's Office

CITY OF SANTA BARBARA
Activity and Interest Report
May 31, 2015

INVESTMENT ACTIVITY

PURCHASES OR DEPOSITS

5/29 LAIF Deposit - City	\$ 4,000,000
Total	\$ 4,000,000

SALES, MATURITIES, CALLS OR WITHDRAWALS

5/26 Federal Home Loan Mortgage Corp (FHLMC) - Call	\$ (2,000,000)
5/27 Federal Home Loan Bank (FHLB) - Maturity	(2,000,000)
Total	\$ (4,000,000)

ACTIVITY TOTAL

\$ -

INVESTMENT INCOME

POOLED INVESTMENTS

Interest Earned on Investments	\$ 163,744
Amortization	(11,438)
Total	\$ 152,307

INCOME TOTAL

\$ 152,307

CITY OF SANTA BARBARA

Investment Portfolio

May 31, 2015

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	-	-	-	-	0.290	0.290	28,000,000.00	28,000,000.00	28,000,000.00	0.00	
Subtotal, LAIF							28,000,000.00	28,000,000.00	28,000,000.00	0.00	
CERTIFICATES OF DEPOSIT											
AMERICAN EXPRESS BANK FSB	10/23/14	10/23/19	-	-	2.200	2.200	250,000.00	250,000.00	253,132.50	3,132.50	FDIC Certificate 35328
CAPITAL ONE BANK USA NA	10/29/14	10/29/19	-	-	1.900	1.900	250,000.00	250,000.00	253,105.00	3,105.00	FDIC Certificate 33954
GE CAPITAL BANK	10/17/14	10/17/19	-	-	2.000	2.000	250,000.00	250,000.00	253,092.50	3,092.50	FDIC Certificate 33778
GOLDMAN SACHS BANK USA	10/29/14	10/29/19	-	-	2.150	2.150	250,000.00	250,000.00	253,087.50	3,087.50	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	
Subtotal, Certificates of deposit							9,000,000.00	9,000,000.00	9,012,417.50	12,417.50	
TREASURY SECURITIES - COUPON											
U S TREASURY NOTE	10/25/12	10/31/15	Aaa	AA+	1.250	0.397	2,000,000.00	2,007,053.81	2,009,540.00	2,486.19	
U S TREASURY NOTE	02/22/13	05/15/16	Aaa	AA+	5.125	0.442	2,000,000.00	2,088,786.87	2,091,560.00	2,773.13	
U S TREASURY NOTE	02/22/13	08/31/16	Aaa	AA+	1.000	0.502	2,000,000.00	2,012,326.74	2,015,160.00	2,833.26	
U S TREASURY NOTE	02/22/13	02/28/17	Aaa	AA+	0.875	0.607	2,000,000.00	2,009,241.65	2,011,880.00	2,638.35	
Subtotal, Treasury Securities							8,000,000.00	8,117,409.07	8,128,140.00	10,730.93	
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	2,028,040.00	28,040.00	
FED AGRICULTURAL MTG CORP	12/12/13	12/12/18	-	-	1.705	1.705	2,000,000.00	2,000,000.00	2,042,220.00	42,220.00	
FEDERAL FARM CREDIT BANK	01/22/15	07/22/19	Aaa	AA+	1.720	1.720	2,000,000.00	2,000,000.00	1,995,860.00	(4,140.00)	Callable, continuous
FEDERAL FARM CREDIT BANK	07/09/14	07/09/18	Aaa	AA+	1.470	1.470	2,000,000.00	2,000,000.00	2,002,460.00	2,460.00	Callable 07/09/15, then 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	2,005,820.00	5,820.00	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	1,998,780.00	(1,220.00)	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	2,031,340.00	31,340.00	
FEDERAL FARM CREDIT BANK	12/16/14	12/16/19	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,010,000.00	10,000.00	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	2,001,500.00	1,500.00	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	2,032,520.00	32,520.00	
FEDERAL FARM CREDIT BANK	07/17/13	07/17/17	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,022,960.00	22,960.00	
FEDERAL HOME LOAN BANK	09/13/13	09/14/18	Aaa	AA+	2.000	1.910	2,000,000.00	2,005,609.56	2,058,620.00	53,010.44	
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 07/16/15, 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	2,026,860.00	26,860.00	
FEDERAL HOME LOAN BANK	06/26/14	06/26/19	Aaa	AA+	1.250	2.062	2,000,000.00	2,000,000.00	2,001,360.00	1,360.00	SU 1.25%-6% Call 06/26/15, 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	2,005,160.00	5,160.00	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	2,006,754.40	2,039,940.00	33,185.60	
FEDERAL HOME LOAN BANK	06/18/14	06/09/17	Aaa	AA+	1.000	1.003	2,000,000.00	1,999,864.05	2,012,360.00	12,495.95	
FEDERAL HOME LOAN BANK	10/22/14	11/18/16	Aaa	AA+	0.750	0.500	2,000,000.00	2,007,262.14	2,008,820.00	1,557.86	
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	1,999,700.00	(300.00)	Callable 06/26/15, then qtrly

CITY OF SANTA BARBARA

Investment Portfolio

May 31, 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
FEDERAL HOME LOAN MTG CORP	12/18/13	12/18/18	Aaa	AA+	1.500	1.839	1,000,000.00	1,000,000.00	1,000,650.00	650.00	SU 1.5%-2.75% Call 06/18/15, then qtrly
FEDERAL HOME LOAN MTG CORP	06/30/14	06/30/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	2,001,440.00	1,440.00	Callable 06/30/15, once
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	1,999,320.00	(680.00)	Callable 06/12/15, 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	4,004,880.00	4,880.00	Callable 07/16/15, then qtrly
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	2,001,660.00	1,660.00	Callable 06/26/15, then qtrly
FEDERAL HOME LOAN MTG CORP	11/20/13	09/29/17	Aaa	AA+	1.000	1.030	1,000,000.00	999,312.22	1,003,780.00	4,467.78	
FEDERAL NATL MORTGAGE ASSN	01/30/13	01/30/18	Aaa	AA+	1.030	1.030	3,000,000.00	3,000,000.00	2,994,900.00	(5,100.00)	Callable 07/30/15, 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	1,989,500.00	(10,500.00)	Callable 06/12/15, 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	2,000,540.00	540.00	Callable 06/19/15, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/15/13	10/26/17	Aaa	AA+	0.875	1.062	2,000,000.00	1,991,222.17	2,001,120.00	9,897.83	
FEDERAL NATL MORTGAGE ASSN	12/11/13	11/27/18	Aaa	AA+	1.625	1.606	2,000,000.00	2,001,265.85	2,029,560.00	28,294.15	
FEDERAL NATL MORTGAGE ASSN	11/08/12	11/08/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,999,280.00	(720.00)	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	1,999,280.00	(720.00)	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	3,994,160.00	(5,840.00)	Callable 06/26/15, 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	2,011,540.00	11,540.00	
FEDERAL NATL MORTGAGE ASSN	12/10/10	10/26/15	Aaa	AA+	1.625	2.067	2,000,000.00	1,996,627.68	2,011,780.00	15,152.32	
FEDERAL NATL MORTGAGE ASSN	02/05/13	02/05/18	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,989,140.00	(10,860.00)	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	1,990,836.86	2,001,120.00	10,283.14	
Subtotal, Federal Agencies							<u>81,000,000.00</u>	<u>80,998,754.93</u>	<u>81,345,570.00</u>	<u>346,815.07</u>	
CORPORATE/MEDIUM TERM NOTES											
BERKSHIRE HATHAWAY FIN	12/15/10	12/15/15	Aa2	AA	2.450	2.530	2,000,000.00	1,999,191.67	2,022,280.00	23,088.33	
BERKSHIRE HATHAWAY INC	11/29/13	02/09/18	Aa2	AA	1.550	1.550	2,000,000.00	2,000,000.00	2,022,020.00	22,020.00	
GENERAL ELECTRIC CAPITAL CORP	11/10/10	11/09/15	A1	AA+	2.250	2.250	2,000,000.00	2,000,000.00	2,016,360.00	16,360.00	
GENERAL ELECTRIC CAPITAL CORP	01/14/14	01/14/19	A1	AA+	2.300	2.250	2,000,000.00	2,003,402.28	2,045,460.00	42,057.72	
PROCTOR & GAMBLE	09/20/11	11/15/15	Aa3	AA-	1.800	1.085	2,000,000.00	2,006,351.57	2,012,640.00	6,288.43	
TOYOTA MOTOR CREDIT	09/26/11	09/15/16	Aa3	AA-	2.000	1.800	2,000,000.00	2,004,907.14	2,031,140.00	26,232.86	
Subtotal, Corporate Securities							<u>12,000,000.00</u>	<u>12,013,852.66</u>	<u>12,149,900.00</u>	<u>136,047.34</u>	
SB AIRPORT PROMISSORY NOTE (LT)											
SANTA BARBARA AIRPORT	07/14/09	06/30/29	-	-	3.500	4.195	5,200,181.75	5,200,181.75	5,200,181.75	0.00	
Subtotal, SBA Note							<u>5,200,181.75</u>	<u>5,200,181.75</u>	<u>5,200,181.75</u>	<u>0.00</u>	
CHECKING ACCOUNT											
MUFG UNION BANK NA CHKNG ACCNT	-	-	-	-	0.400	0.400	24,432,436.16	24,432,436.16	24,432,436.16	0.00	
Subtotal, Checking Account							<u>24,432,436.16</u>	<u>24,432,436.16</u>	<u>24,432,436.16</u>	<u>0.00</u>	
TOTALS							<u>167,632,617.91</u>	<u>167,762,634.57</u>	<u>168,268,645.41</u>	<u>506,010.84</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.