



Agenda Item No. 9

File Code No. 260.02

CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: June 24, 2014
TO: Mayor and Councilmembers
FROM: Treasury Division, Finance Department
SUBJECT: May 2014 Investment Report

RECOMMENDATION:

That Council accept the May 2014 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, 2014.

ATTACHMENT: May 2014 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
 May 31, 2014

INVESTMENT ACTIVITY

PURCHASES OR DEPOSITS

5/22 Federal Home Loan Bank (FHLB)	\$ 2,000,000
5/27 LAIF Deposit - City	6,000,000
5/28 Federal Home Loan Bank (FHLB)	<u>2,000,000</u>
Total	\$ 10,000,000

SALES, MATURITIES, CALLS OR WITHDRAWALS

5/1 LAIF Withdrawal - City	\$ (9,000,000)
5/2 LAIF Withdrawal - City	(4,000,000)
5/13 Federal Home Loan Bank (FHLB) - Call	(2,000,000)
5/13 Federal National Mortgage Association (FNMA) - Call	(1,000,000)
5/28 Federal National Mortgage Association (FNMA) - Call	<u>(2,000,000)</u>
Total	\$ (18,000,000)

ACTIVITY TOTAL

\$ (8,000,000)

INVESTMENT INCOME

POOLED INVESTMENTS

Interest Earned on Investments	\$ 167,636
Amortization	<u>(11,029)</u>
Total	\$ 156,607

INCOME TOTAL

\$ 156,607

CITY OF SANTA BARBARA

Investment Portfolio

May 31, 2014

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	-	-	-	-	0.228	0.228	33,500,000.00	33,500,000.00	33,500,000.00	0.00	
Subtotal, LAIF							33,500,000.00	33,500,000.00	33,500,000.00	0.00	
CERTIFICATES OF DEPOSIT											
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							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	2,000,514.85	2,004,460.00	3,945.15	
U S TREASURY NOTE	10/25/12	10/31/15	Aaa	AA+	1.250	0.397	2,000,000.00	2,023,992.25	2,029,920.00	5,927.75	
U S TREASURY NOTE	02/22/13	05/15/16	Aaa	AA+	5.125	0.442	2,000,000.00	2,181,644.21	2,185,460.00	3,815.79	
U S TREASURY NOTE	02/22/13	08/31/16	Aaa	AA+	1.000	0.502	2,000,000.00	2,022,171.95	2,023,900.00	1,728.05	
U S TREASURY NOTE	02/22/13	02/28/17	Aaa	AA+	0.875	0.607	2,000,000.00	2,014,528.80	2,010,160.00	(4,368.80)	
Subtotal, Treasury Securities							10,000,000.00	10,242,852.06	10,253,900.00	11,047.94	
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	2,022,740.00	22,740.00	
FED AGRICULTURAL MTG CORP	12/12/13	12/12/18	-	-	1.705	1.705	2,000,000.00	2,000,000.00	2,022,500.00	22,500.00	
FEDERAL FARM CREDIT BANK	08/15/12	08/15/17	Aaa	AA+	0.980	0.980	2,000,000.00	2,000,000.00	1,996,260.00	(3,740.00)	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	2,043,060.00	43,060.00	
FEDERAL FARM CREDIT BANK	02/16/11	02/16/16	Aaa	AA+	2.570	2.570	2,000,000.00	2,000,000.00	2,076,960.00	76,960.00	
FEDERAL FARM CREDIT BANK	07/17/13	07/17/17	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,031,320.00	31,320.00	
FEDERAL HOME LOAN BANK	08/05/10	09/12/14	Aaa	AA+	1.375	1.375	2,000,000.00	2,000,000.00	2,007,160.00	7,160.00	
FEDERAL HOME LOAN BANK	09/13/13	09/14/18	Aaa	AA+	2.000	1.910	2,000,000.00	2,007,316.61	2,034,540.00	27,223.39	
FEDERAL HOME LOAN BANK	04/17/14	04/17/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	2,006,760.00	6,760.00	Callable, 04/17/15 once
FEDERAL HOME LOAN BANK	01/16/13	01/16/18	Aaa	AA+	1.000	1.000	4,000,000.00	4,000,000.00	3,968,680.00	(31,320.00)	Callable 07/16/14, 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	2,014,920.00	14,920.00	
FEDERAL HOME LOAN BANK	05/28/14	05/28/19	Aaa	AA+	1.375	2.288	2,000,000.00	2,000,000.00	2,001,480.00	1,480.00	SU 1.375%-6% Call 11/28/14, 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	2,001,400.00	1,400.00	SU 1.125%-2.5% Call 06/27/14, then qtrly
FEDERAL HOME LOAN BANK	04/15/14	04/15/19	Aaa	AA+	2.070	2.070	1,000,000.00	1,000,000.00	1,001,410.00	1,410.00	Callable 07/15/14, then cont.
FEDERAL HOME LOAN BANK	05/22/14	05/22/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,999,500.00	(500.00)	Callable 08/22/14, cont.
FEDERAL HOME LOAN BANK	02/09/11	01/29/15	Aaa	AA+	1.750	1.750	2,000,000.00	2,000,000.00	2,021,220.00	21,220.00	
FEDERAL HOME LOAN BANK	04/15/11	05/27/15	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,036,440.00	36,440.00	
FEDERAL HOME LOAN BANK	12/16/13	12/14/18	Aaa	AA+	1.750	1.650	2,000,000.00	2,008,664.53	2,015,880.00	7,215.47	
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	1,987,000.00	(13,000.00)	Callable 06/26/14, 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	2,003,700.00	3,700.00	Callable 07/25/14, once
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	1,000,600.00	600.00	SU 1.5%-2.75% Call 06/18/14, then qtrly
FEDERAL HOME LOAN MTG CORP	12/31/13	12/31/18	Aaa	AA+	1.825	1.825	1,000,000.00	1,000,000.00	1,006,990.00	6,990.00	Callable 12/31/14, once
FEDERAL HOME LOAN MTG CORP	04/23/12	04/17/15	Aaa	AA+	0.500	0.534	2,000,000.00	1,999,405.66	2,005,240.00	5,834.34	
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	2,000,520.00	520.00	Callable 06/12/14, then qtrly

CITY OF SANTA BARBARA

Investment Portfolio

May 31, 2014

DESCRIPTION	PURCHASE	MATURITY	QUALITY RATING		STATED	YIELD AT	FACE	BOOK	MARKET	BOOK	COMMENTS
	DATE	DATE	MOODY'S	S & P							
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	1,998,080.00	(1,920.00)	Callable 07/24/14, then qtrly
FEDERAL HOME LOAN MTG CORP	04/24/14	04/24/19	Aaa	AA+	2.100	2.100	2,000,000.00	2,000,000.00	2,009,500.00	9,500.00	Callable 10/24/14, 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	1,989,240.00	(10,760.00)	Callable 06/12/14, 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	3,964,440.00	(35,560.00)	Callable 07/16/14, then qtrly
FEDERAL HOME LOAN MTG CORP	11/26/13	11/26/18	Aaa	AA+	1.000	1.793	1,000,000.00	1,000,000.00	1,002,500.00	2,500.00	SU 1%-2% Callable 11/26/14, once
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	2,000,280.00	280.00	Callable 06/26/14, then qtrly
FEDERAL HOME LOAN MTG CORP	11/20/13	09/29/17	Aaa	AA+	1.000	1.030	1,000,000.00	999,016.76	1,000,850.00	1,833.24	
FEDERAL NATL MORTGAGE ASSN	01/30/13	01/30/18	Aaa	AA+	1.030	1.030	3,000,000.00	3,000,000.00	2,968,920.00	(31,080.00)	Callable 07/30/14, 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	2,011,000.00	11,000.00	
FEDERAL NATL MORTGAGE ASSN	12/12/12	12/12/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,981,500.00	(18,500.00)	Callable 06/12/14, 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	1,996,320.00	(3,680.00)	Callable 06/19/14, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/15/13	10/26/17	Aaa	AA+	0.875	1.062	2,000,000.00	1,987,568.97	1,990,240.00	2,671.03	
FEDERAL NATL MORTGAGE ASSN	12/11/13	11/27/18	Aaa	AA+	1.625	1.606	2,000,000.00	2,001,628.67	2,014,500.00	12,871.33	
FEDERAL NATL MORTGAGE ASSN	11/08/12	11/08/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,984,200.00	(15,800.00)	Callable 08/08/14, 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	1,984,200.00	(15,800.00)	Callable 08/08/14, 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	3,956,960.00	(43,040.00)	Callable 06/26/14, 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	2,002,720.00	2,720.00	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	2,046,260.00	46,260.00	
FEDERAL NATL MORTGAGE ASSN	12/10/10	10/26/15	Aaa	AA+	1.625	2.067	2,000,000.00	1,988,255.01	2,039,140.00	50,884.99	
FEDERAL NATL MORTGAGE ASSN	02/05/13	02/05/18	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,978,020.00	(21,980.00)	Callable 02/05/15, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/20/13	10/26/17	Aaa	AA+	0.875	1.070	2,000,000.00	1,987,023.31	1,990,240.00	3,216.69	
Subtotal, Federal Agencies							<u>92,000,000.00</u>	<u>91,978,879.52</u>	<u>92,215,390.00</u>	<u>236,510.48</u>	
CORPORATE/MEDIUM TERM NOTES											
BERKSHIRE HATHAWAY FIN	12/15/10	12/15/15	Aa2	AA	2.450	2.530	2,000,000.00	1,997,691.67	2,062,560.00	64,868.33	
BERKSHIRE HATHAWAY INC	11/29/13	02/09/18	Aa2	AA	1.550	1.550	2,000,000.00	2,000,000.00	2,008,040.00	8,040.00	
GENERAL ELECTRIC CAPITAL CORP	11/10/10	11/09/15	A1	AA+	2.250	2.250	2,000,000.00	2,000,000.00	2,051,620.00	51,620.00	
GENERAL ELECTRIC CAPITAL CORP	01/14/14	01/14/19	A1	AA+	2.300	2.250	2,000,000.00	2,004,342.28	2,041,620.00	37,277.72	
PROCTOR & GAMBLE	09/20/11	11/15/15	Aa3	AA-	1.800	1.085	2,000,000.00	2,020,294.05	2,040,420.00	20,125.95	
TOYOTA MOTOR CREDIT	09/26/11	09/15/16	Aa3	AA-	2.000	1.800	2,000,000.00	2,008,714.41	2,056,960.00	48,245.59	
Subtotal, Corporate Securities							<u>12,000,000.00</u>	<u>12,031,042.41</u>	<u>12,261,220.00</u>	<u>230,177.59</u>	
SB AIRPORT PROMISSORY NOTE (LT)											
SANTA BARBARA AIRPORT	07/14/09	06/30/29	-	-	3.500	4.195	5,471,399.48	5,471,399.48	5,471,399.48	0.00	
Subtotal, SBA Note							<u>5,471,399.48</u>	<u>5,471,399.48</u>	<u>5,471,399.48</u>	<u>0.00</u>	
CHECKING ACCOUNT											
Union Bank Checking Account	-	-	-	-	0.400	0.400	21,217,439.00	21,217,439.00	21,217,439.00	0.00	
Subtotal, Checking Account							<u>21,217,439.00</u>	<u>21,217,439.00</u>	<u>21,217,439.00</u>	<u>0.00</u>	
TOTALS							<u>182,188,838.48</u>	<u>182,441,612.47</u>	<u>182,919,348.48</u>	<u>477,736.01</u>	

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.