

CITY OF SANTA BARBARA
Activity and Interest Report
December 31, 2012

INVESTMENT ACTIVITY

PURCHASES OR DEPOSITS

12/5 LAIF Deposit - City	\$ 2,000,000
12/12 Federal National Mortgage Association (FNMA)	2,000,000
12/26 Federal National Mortgage Association (FNMA)	<u>4,000,000</u>
Total	\$ 8,000,000

SALES, MATURITIES, CALLS OR WITHDRAWALS

12/12 LAIF Withdrawal - City	\$ (2,000,000)
12/13 LAIF Withdrawal - City	(3,000,000)
12/20 LAIF Withdrawal - City	(7,000,000)
12/28 Federal National Mortgage Association (FNMA) - Call	(2,000,000)
12/28 Federal National Mortgage Association (FNMA) - Call	(2,000,000)
12/31 Airport Promissory Note - Partial Redemption	<u>(91,236)</u>
Total	\$ (16,091,236)

ACTIVITY TOTAL

\$ (8,091,236)

INVESTMENT INCOME

POOLED INVESTMENTS

Interest Earned on Investments	\$ 194,236
Amortization	(15,093)
Interest on SBB&T Accounts	<u>1,002</u>
Total	\$ 180,144

REDEVELOPMENT SUCCESSOR AGENCY INVESTMENTS

Interest Earned on Investments (LAIF)	<u>\$ 1,855</u>
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INCOME TOTAL

\$ 181,999

CITY OF SANTA BARBARA

Investment Portfolio

December 31, 2012

DESCRIPTION	PURCHASE	MATURITY	QUALITY RATING		STATED	YIELD AT	FACE	BOOK	MARKET	BOOK	COMMENTS
	DATE	DATE	MOODY'S	S & P							
LOCAL AGENCY INVESTMENT FUNDS											
LOCAL AGENCY INVESTMENT FUND	-	-	-	-	0.326	0.326	24,000,000.00	24,000,000.00	24,000,000.00	0.00	
LOCAL AGENCY INV FUND/RDAS	-	-	-	-	0.326	0.326	6,700,000.00	6,700,000.00	6,700,000.00	0.00	
Subtotal, LAIF							30,700,000.00	30,700,000.00	30,700,000.00	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	
SANTA BARBARA BANK & TRUST	08/31/12	08/31/15	-	-	1.230	1.247	2,000,000.00	2,000,000.00	2,000,000.00	0.00	
SANTA BARBARA BANK & TRUST	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	10/31/15	Aaa	AA+	1.250	0.397	2,000,000.00	2,047,938.10	2,051,100.00	3,161.90	
U S TREASURY NOTE	10/25/12	03/15/15	Aaa	AA+	0.375	0.342	2,000,000.00	2,001,440.51	2,004,380.00	2,939.49	
Subtotal, Treasury Securities							4,000,000.00	4,049,378.61	4,055,480.00	6,101.39	
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	2,026,600.00	26,600.00	
FEDERAL FARM CREDIT BANK	03/01/12	03/01/17	Aaa	AA+	1.260	1.260	2,000,000.00	2,000,000.00	2,003,960.00	3,960.00	Callable 03/01/13, then cont.
FEDERAL FARM CREDIT BANK	08/15/12	08/15/17	Aaa	AA+	0.980	0.980	2,000,000.00	2,000,000.00	2,007,720.00	7,720.00	Callable 08/15/13, 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	2,008,640.00	8,640.00	
FEDERAL FARM CREDIT BANK	05/08/09	04/08/13	Aaa	AA+	2.200	2.200	2,000,000.00	2,000,000.00	2,011,220.00	11,220.00	
FEDERAL FARM CREDIT BANK	02/16/11	02/16/16	Aaa	AA+	2.570	2.570	2,000,000.00	2,000,000.00	2,132,900.00	132,900.00	
FEDERAL FARM CREDIT BANK	09/13/12	09/13/17	Aaa	AA+	1.020	1.020	2,000,000.00	2,000,000.00	2,000,160.00	160.00	Callable, continuous
FEDERAL HOME LOAN BANK	04/15/10	10/15/13	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,028,980.00	28,980.00	
FEDERAL HOME LOAN BANK	08/05/10	09/12/14	Aaa	AA+	1.375	1.375	2,000,000.00	2,000,000.00	2,038,060.00	38,060.00	
FEDERAL HOME LOAN BANK	09/17/09	12/13/13	Aaa	AA+	3.125	2.440	2,000,000.00	2,012,282.92	2,056,200.00	43,917.08	
FEDERAL HOME LOAN BANK	04/05/10	11/29/13	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,033,480.00	33,480.00	
FEDERAL HOME LOAN BANK	09/26/11	08/28/13	Aaa	AA+	1.000	0.381	1,000,000.00	1,004,058.45	1,005,550.00	1,491.55	
FEDERAL HOME LOAN BANK	09/17/09	09/13/13	Aaa	AA+	4.375	2.272	2,000,000.00	2,027,993.76	2,058,780.00	30,786.24	
FEDERAL HOME LOAN BANK	02/22/10	12/13/13	Aaa	AA+	3.125	2.130	2,000,000.00	2,018,055.40	2,056,200.00	38,144.60	
FEDERAL HOME LOAN BANK	02/09/11	01/29/15	Aaa	AA+	1.750	1.750	2,000,000.00	2,000,000.00	2,060,260.00	60,260.00	
FEDERAL HOME LOAN BANK	04/15/11	05/27/15	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,080,120.00	80,120.00	
FEDERAL HOME LOAN BANK	09/26/11	10/30/13	Aaa	AA+	2.000	0.400	1,500,000.00	1,519,831.55	1,522,890.00	3,058.45	
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	2,004,080.00	4,080.00	Callable 03/28/13, once
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	2,026,880.00	26,880.00	
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	2,030,480.00	30,480.00	Callable 03/28/14, 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	2,023,180.00	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	1,998,446.44	2,008,180.00	9,733.56	

CITY OF SANTA BARBARA

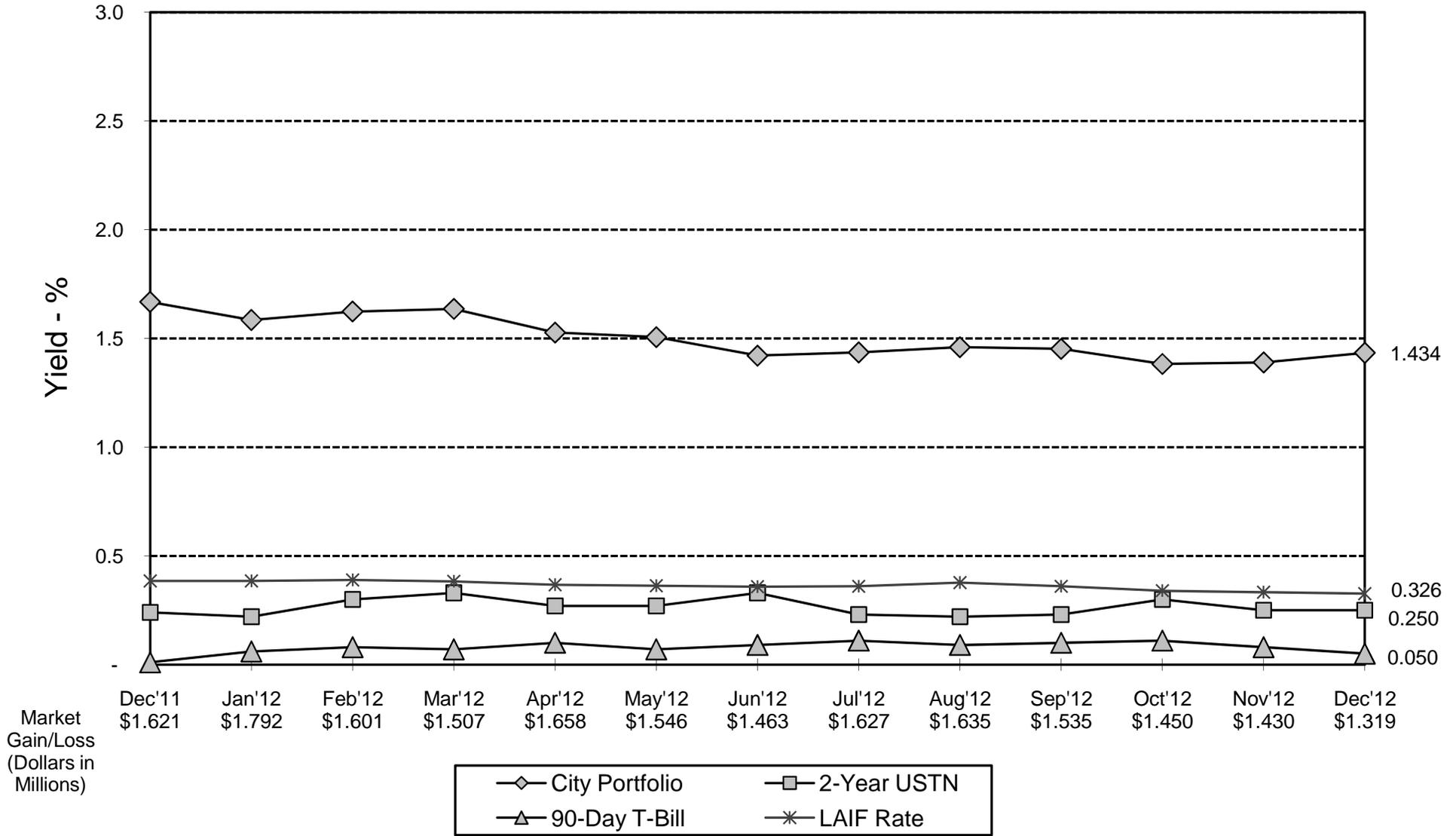
Investment Portfolio

December 31, 2012

DESCRIPTION	PURCHASE	MATURITY	QUALITY RATING		STATED	YIELD AT	FACE	BOOK	MARKET	BOOK	COMMENTS
	DATE	DATE	MOODY'S	S & P							
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	2,022,040.00	22,040.00	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	2,007,620.00	7,620.00	Callable 07/24/13, then qtrly
FEDERAL HOME LOAN MTG CORP	05/24/12	05/24/17	Aaa	AA+	1.200	1.200	2,000,000.00	2,000,000.00	2,005,880.00	5,880.00	Callable 05/24/13, then qtrly
FEDERAL HOME LOAN MTG CORP	08/28/12	08/28/17	Aaa	AA+	1.030	1.030	2,000,000.00	2,000,000.00	2,003,060.00	3,060.00	Callable 02/28/13, 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	2,005,680.00	5,680.00	Callable 09/12/13, then qtrly
FEDERAL HOME LOAN MTG CORP	02/11/11	04/02/14	Aaa	AA+	4.500	1.615	2,000,000.00	2,070,182.14	2,104,840.00	34,657.86	
FEDERAL HOME LOAN MTG CORP	06/07/12	06/07/17	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,008,220.00	8,220.00	Callable 06/07/13, then qtrly
FEDERAL NATL MORTGAGE ASSN	10/28/11	10/28/16	Aaa	AA+	1.500	1.521	2,000,000.00	1,999,175.00	2,020,860.00	21,685.00	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	1,999,933.33	2,001,100.00	1,166.67	SU 1.5%, Callable 01/25/13, 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	2,038,780.00	38,780.00	
FEDERAL NATL MORTGAGE ASSN	06/27/11	06/27/16	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,013,940.00	13,940.00	Callable 06/27/13, once
FEDERAL NATL MORTGAGE ASSN	08/28/12	08/28/17	Aaa	AA+	1.150	1.150	2,000,000.00	2,000,000.00	2,010,500.00	10,500.00	Callable 08/28/13, 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	2,001,060.00	1,060.00	Callable 06/12/13, then qtrly
FEDERAL NATL MORTGAGE ASSN	04/12/12	04/12/17	Aaa	AA+	1.400	1.400	2,000,000.00	2,000,000.00	1,999,800.00	(200.00)	Callable 04/12/13, 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	2,002,000.00	2,000.00	Callable 05/08/13, 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	2,002,000.00	2,000.00	Callable 05/08/13, then qtrly
FEDERAL NATL MORTGAGE ASSN	03/28/12	03/28/17	Aaa	AA+	1.125	1.332	2,000,000.00	2,000,000.00	1,998,140.00	(1,860.00)	SU 1.125%-2.25%, Call 03/28/13, 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	4,000,360.00	360.00	Callable 12/26/13, 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	2,088,840.00	88,840.00	
FEDERAL NATL MORTGAGE ASSN	12/10/10	10/26/15	Aaa	AA+	1.625	2.067	2,000,000.00	1,976,393.74	2,070,460.00	94,066.26	
FEDERAL NATL MORTGAGE ASSN	04/18/11	04/18/16	Aaa	AA+	2.500	2.500	2,000,000.00	2,000,000.00	2,013,000.00	13,000.00	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	2,001,780.00	1,780.00	Callable 01/30/13, then qtrly
FEDERAL NATL MORTGAGE ASSN	06/01/12	05/29/15	Aaa	AA+	0.650	0.650	<u>2,000,000.00</u>	<u>2,000,000.00</u>	<u>2,002,920.00</u>	<u>2,920.00</u>	Callable 05/29/13, once
Subtotal, Federal Agencies							<u>90,500,000.00</u>	<u>90,626,352.73</u>	<u>91,647,400.00</u>	<u>1,021,047.27</u>	
CORPORATE/MEDIUM TERM NOTES											
BERKSHIRE HATHAWAY FIN	12/15/10	12/15/15	Aa2	AA+	2.450	2.530	2,000,000.00	1,995,566.67	2,102,560.00	106,993.33	
GENERAL ELECTRIC CAPITAL CORP	11/10/10	11/09/15	A1	AA+	2.250	2.250	2,000,000.00	2,000,000.00	2,065,420.00	65,420.00	
GENERAL ELECTRIC CAPITAL CORP	01/07/11	01/07/14	A1	AA+	2.100	2.100	2,000,000.00	2,000,000.00	2,032,820.00	32,820.00	
PROCTOR & GAMBLE	09/20/11	11/15/15	Aa3	AA-	1.800	1.085	2,000,000.00	2,040,045.89	2,067,460.00	27,414.11	
TOYOTA MOTOR CREDIT	09/26/11	09/15/16	Aa3	AA-	2.000	1.800	<u>2,000,000.00</u>	<u>2,014,108.04</u>	<u>2,073,500.00</u>	<u>59,391.96</u>	
Subtotal, Corporate Securities							<u>10,000,000.00</u>	<u>10,049,720.60</u>	<u>10,341,760.00</u>	<u>292,039.40</u>	
SB AIRPORT PROMISSORY NOTE (LT)											
SANTA BARBARA AIRPORT	07/14/09	06/30/29	-	-	7.000	7.000	<u>5,697,948.77</u>	<u>5,697,948.77</u>	<u>5,697,948.77</u>	<u>0.00</u>	
Subtotal, SBA Note							<u>5,697,948.77</u>	<u>5,697,948.77</u>	<u>5,697,948.77</u>	<u>0.00</u>	
TOTALS							<u>148,897,948.77</u>	<u>149,123,400.71</u>	<u>150,442,588.77</u>	<u>1,319,188.06</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.

INVESTMENT YIELDS



**CITY OF SANTA BARBARA
Fiscal Agent Investments
December 31, 2012**

	CASH & CASH EQUIVALENTS Book & Market	Guaranteed Investment Contracts (GIC) Book & Market	STOCKS		BONDS		US GOVT & AGENCIES		TOTALS		
			Book	Market	Book	Market	Book	Market	Book	Market	
BOND FUNDS											
<i>RESERVE FUNDS</i>											
2004 RDA - Housing Bonds	60,134.01	-	-	-	-	-	-	-	-	60,134.01	60,134.01
2002 Municipal Improvement - Refunding COPs	13,920.39	547,530.00	-	-	-	-	-	-	-	561,450.39	561,450.39
2002 Water - Refunding COPs	24,277.30	1,088,268.76	-	-	-	-	-	-	-	1,112,546.06	1,112,546.06
1994 Water - Revenue Bonds	19,907.87	757,680.00	-	-	-	-	-	-	-	777,587.87	777,587.87
2002 Waterfront - Reference COPs	207.44	1,393,262.50	-	-	-	-	-	-	-	1,393,469.94	1,393,469.94
Subtotal, Reserve Funds	118,447.01	3,786,741.26	-	-	-	-	-	-	-	3,905,188.27	3,905,188.27
<i>PROJECT FUNDS</i>											
2001 RDA Bonds	2,366,037.23	-	-	-	-	-	-	-	-	2,366,037.23	2,366,037.23
2003 RDA Bonds	8,505,964.59	-	-	-	-	-	-	-	-	8,505,964.59	8,505,964.59
2004 Sewer Revenue Bonds	1,842,118.18	1,357,140.00	-	-	-	-	-	-	-	3,199,258.18	3,199,258.18
2009 Airport Bonds	4,474,212.00	-	-	-	-	-	-	-	-	4,474,212.00	4,474,212.00
Subtotal, Project Funds	17,188,332.00	1,357,140.00	-	-	-	-	-	-	-	18,545,472.00	18,545,472.00
Subtotal Bond Funds	17,306,779.01	5,143,881.26	-	-	-	-	-	-	-	22,450,660.27	22,450,660.27
POLICE/FIRE - SVC RETIREMENT FUND											
Police/Fire Funds	43,019.39	-	197,024.05	265,950.35	264,208.62	265,202.95	-	-	-	504,252.06	574,172.69
	43,019.39	-	197,024.05	265,950.35	264,208.62	265,202.95	-	-	-	504,252.06	574,172.69
TOTAL FISCAL AGENT INVESTMENTS	<u>17,349,798.40</u>	<u>5,143,881.26</u>	<u>197,024.05</u>	<u>265,950.35</u>	<u>264,208.62</u>	<u>265,202.95</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,954,912.33</u>	<u>23,024,832.96</u>

- Notes:
(1) Cash & cash equivalents include money market funds.
(2) Market values have been obtained from the following trustees: US Bank, Bank of New York and Santa Barbara Bank & Trust