



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** May 21, 2013  
**TO:** Mayor and Councilmembers  
**FROM:** Treasury Division, Finance Department  
**SUBJECT:** April 2013 Investment Report

**RECOMMENDATION:**

That Council accept the April 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 April 30, 2013.

**ATTACHMENT:** April 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**  
**April 30, 2013**

**INVESTMENT ACTIVITY**

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**PURCHASES OR DEPOSITS**

4/4 LAIF Deposit - City	\$ 3,000,000
4/11 LAIF Deposit - City	3,000,000
4/30 LAIF Deposit - City	<u>9,000,000</u>
<b>Total</b>	<b>\$ 15,000,000</b>

**SALES, MATURITIES, CALLS OR WITHDRAWALS**

4/8 Federal Farm Credit Bank (FFCB) - Maturity	\$ (2,000,000)
4/12 Federal National Mortgage Association (FNMA) - Call	(2,000,000)
4/18 Federal National Mortgage Association (FNMA) - Call	<u>(2,000,000)</u>
<b>Total</b>	<b>\$ (6,000,000)</b>

**ACTIVITY TOTAL**

\$ 9,000,000

**INVESTMENT INCOME**

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**POOLED INVESTMENTS**

Interest Earned on Investments	\$ 190,999
Amortization	(24,004)
Interest on UB Accounts	<u>199</u>
<b>Total</b>	<b>\$ 167,194</b>

**REDEVELOPMENT SUCCESSOR AGENCY INVESTMENTS**

Interest Earned on Investments (LAIF)	<u>\$ (127)</u>
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**INCOME TOTAL**

\$ 167,067



**CITY OF SANTA BARBARA**

**Investment Portfolio**

**April 30, 2013**

DESCRIPTION	PURCHASE	MATURITY	QUALITY RATING		STATED	YIELD AT	FACE	BOOK	MARKET	BOOK	COMMENTS
	DATE	DATE	MOODY'S	S & P							
<b>LOCAL AGENCY INVESTMENT FUNDS</b>											
LOCAL AGENCY INVESTMENT FUND	-	-	-	-	0.264	0.264	41,000,000.00	41,000,000.00	41,000,000.00	0.00	
LOCAL AGENCY INV FUND/RDAS	-	-	-	-	0.264	0.264	0.00	0.00	0.00	0.00	
<b>Subtotal, LAIF</b>							<b>41,000,000.00</b>	<b>41,000,000.00</b>	<b>41,000,000.00</b>	<b>0.00</b>	
<b>CERTIFICATES OF DEPOSIT</b>											
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	
<b>Subtotal, Certificates of deposit</b>							<b>8,000,000.00</b>	<b>8,000,000.00</b>	<b>8,000,000.00</b>	<b>0.00</b>	
<b>TREASURY SECURITIES - COUPON</b>											
U S TREASURY NOTE	10/25/12	03/15/15	Aaa	AA+	0.375	0.342	2,000,000.00	2,001,225.24	2,006,100.00	4,874.76	
U S TREASURY NOTE	10/25/12	10/31/15	Aaa	AA+	1.250	0.397	2,000,000.00	2,042,369.29	2,048,760.00	6,390.71	
U S TREASURY NOTE	02/22/13	05/15/16	Aaa	AA+	5.125	0.442	2,000,000.00	2,282,388.05	2,289,680.00	7,291.95	
U S TREASURY NOTE	02/22/13	08/31/16	Aaa	AA+	1.000	0.502	2,000,000.00	2,032,853.32	2,041,400.00	8,546.68	
U S TREASURY NOTE	02/22/13	02/28/17	Aaa	AA+	0.875	0.607	2,000,000.00	2,020,265.00	2,031,560.00	11,295.00	
<b>Subtotal, Treasury Securities</b>							<b>10,000,000.00</b>	<b>10,379,100.90</b>	<b>10,417,500.00</b>	<b>38,399.10</b>	
<b>FEDERAL AGENCY ISSUES - COUPON</b>											
FEDERAL FARM CREDIT BANK	02/10/11	02/10/14	Aaa	AA+	1.375	1.375	2,000,000.00	2,000,000.00	2,019,060.00	19,060.00	
FEDERAL FARM CREDIT BANK	08/15/12	08/15/17	Aaa	AA+	0.980	0.980	2,000,000.00	2,000,000.00	2,005,380.00	5,380.00	Callable 08/15/13, 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	2,122,200.00	122,200.00	
FEDERAL FARM CREDIT BANK	09/13/12	09/13/17	Aaa	AA+	1.020	1.020	2,000,000.00	2,000,000.00	2,000,220.00	220.00	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	2,017,120.00	17,120.00	
FEDERAL HOME LOAN BANK	08/05/10	09/12/14	Aaa	AA+	1.375	1.375	2,000,000.00	2,000,000.00	2,031,880.00	31,880.00	
FEDERAL HOME LOAN BANK	09/17/09	12/13/13	Aaa	AA+	3.125	2.440	2,000,000.00	2,007,973.12	2,036,860.00	28,886.88	
FEDERAL HOME LOAN BANK	04/05/10	11/29/13	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,021,600.00	21,600.00	
FEDERAL HOME LOAN BANK	01/16/13	01/16/18	Aaa	AA+	1.000	1.000	4,000,000.00	4,000,000.00	4,004,720.00	4,720.00	Callable 07/16/13, then qtrly
FEDERAL HOME LOAN BANK	09/26/11	08/28/13	Aaa	AA+	1.000	0.381	1,000,000.00	1,002,003.54	1,002,890.00	886.46	
FEDERAL HOME LOAN BANK	09/17/09	09/13/13	Aaa	AA+	4.375	2.272	2,000,000.00	2,014,663.40	2,031,260.00	16,596.60	
FEDERAL HOME LOAN BANK	02/22/10	12/13/13	Aaa	AA+	3.125	2.130	2,000,000.00	2,011,720.18	2,036,860.00	25,139.82	
FEDERAL HOME LOAN BANK	02/09/11	01/29/15	Aaa	AA+	1.750	1.750	2,000,000.00	2,000,000.00	2,052,000.00	52,000.00	
FEDERAL HOME LOAN BANK	04/15/11	05/27/15	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,070,180.00	70,180.00	
FEDERAL HOME LOAN BANK	09/26/11	10/30/13	Aaa	AA+	2.000	0.400	1,500,000.00	1,511,872.40	1,513,935.00	2,062.60	
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	2,020,000.00	20,000.00	
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	2,022,960.00	22,960.00	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	2,018,600.00	18,600.00	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	1,998,672.14	2,009,580.00	10,907.86	

**CITY OF SANTA BARBARA**

**Investment Portfolio**

**April 30, 2013**

DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING MOODY'S	QUALITY RATING S & P	STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
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	2,021,060.00	21,060.00	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	2,004,300.00	4,300.00	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	2,001,340.00	1,340.00	Callable 05/24/13, 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	2,004,660.00	4,660.00	Callable 09/12/13, 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	4,005,240.00	5,240.00	Callable 07/16/13, then qtrly
FEDERAL HOME LOAN MTG CORP	02/11/11	04/02/14	Aaa	AA+	4.500	1.615	2,000,000.00	2,051,508.40	2,078,380.00	26,871.60	
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	2,002,400.00	2,400.00	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	1,999,508.33	2,012,100.00	12,591.67	Callable 10/28/13, once
FEDERAL NATL MORTGAGE ASSN	01/30/13	01/30/18	Aaa	AA+	1.030	1.030	3,000,000.00	3,000,000.00	3,011,760.00	11,760.00	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	2,033,100.00	33,100.00	
FEDERAL NATL MORTGAGE ASSN	06/27/11	06/27/16	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,004,340.00	4,340.00	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	2,007,100.00	7,100.00	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	2,002,040.00	2,040.00	Callable 06/12/13, 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	2,003,840.00	3,840.00	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	2,003,840.00	3,840.00	Callable 05/08/13, 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	4,013,800.00	13,800.00	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	2,078,780.00	78,780.00	
FEDERAL NATL MORTGAGE ASSN	12/10/10	10/26/15	Aaa	AA+	1.625	2.067	2,000,000.00	1,979,184.62	2,062,660.00	83,475.38	
FEDERAL NATL MORTGAGE ASSN	06/01/12	05/29/15	Aaa	AA+	0.650	0.650	2,000,000.00	2,000,000.00	2,000,600.00	600.00	Callable 05/29/13, once
FEDERAL NATL MORTGAGE ASSN	02/05/13	02/05/18	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	2,010,480.00	10,480.00	Callable 02/05/15, then qtrly
<b>Subtotal, Federal Agencies</b>							<b>83,500,000.00</b>	<b>83,577,106.13</b>	<b>84,399,125.00</b>	<b>822,018.87</b>	
<b>CORPORATE/MEDIUM TERM NOTES</b>											
BERKSHIRE HATHAWAY FIN	12/15/10	12/15/15	Aa2	AA+	2.450	2.530	2,000,000.00	1,996,066.67	2,099,060.00	102,993.33	
GENERAL ELECTRIC CAPITAL CORP	11/10/10	11/09/15	A1	AA+	2.250	2.250	2,000,000.00	2,000,000.00	2,070,020.00	70,020.00	
GENERAL ELECTRIC CAPITAL CORP	01/07/11	01/07/14	A1	AA+	2.100	2.100	2,000,000.00	2,000,000.00	2,024,680.00	24,680.00	
PROCTOR & GAMBLE	09/20/11	11/15/15	Aa3	AA-	1.800	1.085	2,000,000.00	2,035,398.39	2,063,780.00	28,381.61	
TOYOTA MOTOR CREDIT	09/26/11	09/15/16	Aa3	AA-	2.000	1.800	2,000,000.00	2,012,838.95	2,076,300.00	63,461.05	
<b>Subtotal, Corporate Securities</b>							<b>10,000,000.00</b>	<b>10,044,304.01</b>	<b>10,333,840.00</b>	<b>289,535.99</b>	
<b>SB AIRPORT PROMISSORY NOTE (LT)</b>											
SANTA BARBARA AIRPORT	07/14/09	06/30/29	-	-	7.000	7.000	5,697,948.77	5,697,948.77	5,697,948.77	0.00	
<b>Subtotal, SBA Note</b>							<b>5,697,948.77</b>	<b>5,697,948.77</b>	<b>5,697,948.77</b>	<b>0.00</b>	
<b>TOTALS</b>							<b>158,197,948.77</b>	<b>158,698,459.81</b>	<b>159,848,413.77</b>	<b>1,149,953.96</b>	

Market values have been obtained from the City's safekeeping agent, Union Bank.