

CITY OF SANTA BARBARA
Activity and Interest Report
August 31, 2013

INVESTMENT ACTIVITY

PURCHASES OR DEPOSITS

8/15 LAIF Deposit - City	\$ 1,000,000
8/21 LAIF Deposit - City	<u>7,000,000</u>
Total	\$ 8,000,000

SALES, MATURITIES, CALLS OR WITHDRAWALS

8/8 LAIF Withdrawal - City	\$ (2,000,000)
8/28 Federal Home Loan Bank (FHLB) - Maturity	<u>(1,000,000)</u>
Total	\$ (3,000,000)

ACTIVITY TOTAL

\$ 5,000,000

INVESTMENT INCOME

POOLED INVESTMENTS

Interest Earned on Investments	\$ 175,700
Amortization	<u>(24,297)</u>
Total	\$ 151,403

INCOME TOTAL

\$ 151,403

CITY OF SANTA BARBARA
Summary of Cash and Investments
August 31, 2013

ENDING BALANCE AS OF JULY 31, 2013

<u>Description</u>	<u>Book Value</u>	<u>Yield to Maturity (365 days)</u>	<u>Percent of Portfolio</u>	<u>Average Days to Maturity</u>
State of California LAIF	\$ 27,000,000	0.266%	17.82%	1
Certificates of Deposit	8,000,000	1.267%	5.28%	963
Treasury Securities - Coupon	10,347,447	0.458%	6.83%	974
Federal Agency Issues - Coupon	90,540,121	1.398%	59.75%	1,117
Corporate/Medium Term Notes	<u>10,040,242</u>	<u>1.950%</u>	<u>6.63%</u>	<u>767</u>
	145,927,810	1.153%	96.31%	868
SB Airport Promissory Note	<u>5,603,520</u>	<u>4.195%</u>	<u>3.70%</u>	<u>5,812</u>
Totals and Averages	<u>\$ 151,531,330</u>	<u>1.265%</u>	<u>100.00%</u>	<u>1,051</u>
SBB&T Money Market Account	<u>5,376,547</u>			
Total Cash and Investments	<u>\$ 156,907,877</u>			

NET CASH AND INVESTMENT ACTIVITY FOR AUGUST 2013 **\$ 3,848,206**

ENDING BALANCE AS OF AUGUST 31, 2013

<u>Description</u>	<u>Book Value</u>	<u>Yield to Maturity (365 days)</u>	<u>Percent of Portfolio</u>	<u>Average Days to Maturity</u>
State of California LAIF	\$ 33,000,000	0.271%	21.09%	1 (1)
Certificates of Deposit	8,000,000	1.267%	5.11%	932
Treasury Securities - Coupon	10,336,781	0.458%	6.60%	943
Federal Agency Issues - Coupon	89,527,844	1.409%	57.20%	1,099
Corporate/Medium Term Notes	<u>10,038,887</u>	<u>1.950%</u>	<u>6.41%</u>	<u>736</u>
	150,903,513	1.123%	96.41%	815
SB Airport Promissory Note	<u>5,603,520</u>	<u>4.195%</u>	<u>3.58%</u>	<u>5,781</u>
Totals and Averages	<u>\$ 156,507,033</u>	<u>1.234%</u>	<u>100.00%</u>	<u>993</u>
UB Money Market Account	3,249,050			
UB Trust Money Market Funds	1,000,000			
Total Cash and Investments	<u>\$ 160,756,083</u>			

(1) The average life of the LAIF portfolio as of August 31, 2013 is 270 days.

CITY OF SANTA BARBARA
Investment Portfolio
August 31, 2013

DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING		STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
	DATE	DATE	MOODY'S	S & P							
LOCAL AGENCY INVESTMENT FUNDS											
LOCAL AGENCY INVESTMENT FUND	-	-	-	-	0.271	0.271	33,000,000.00	33,000,000.00	33,000,000.00	0.00	
Subtotal, LAIF							33,000,000.00	33,000,000.00	33,000,000.00	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	
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	2,001,004.59	2,002,820.00	1,815.41	
U S TREASURY NOTE	10/25/12	10/31/15	Aaa	AA+	1.250	0.397	2,000,000.00	2,036,661.27	2,034,380.00	(2,281.27)	
U S TREASURY NOTE	02/22/13	05/15/16	Aaa	AA+	5.125	0.442	2,000,000.00	2,251,096.40	2,239,380.00	(11,716.40)	
U S TREASURY NOTE	02/22/13	08/31/16	Aaa	AA+	1.000	0.502	2,000,000.00	2,029,535.62	2,012,340.00	(17,195.62)	
U S TREASURY NOTE	02/22/13	02/28/17	Aaa	AA+	0.875	0.607	2,000,000.00	2,018,483.30	1,989,840.00	(28,643.30)	
Subtotal, Treasury Securities							10,000,000.00	10,336,781.18	10,278,760.00	(58,021.18)	
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	2,011,220.00	11,220.00	
FEDERAL FARM CREDIT BANK	08/15/12	08/15/17	Aaa	AA+	0.980	0.980	2,000,000.00	2,000,000.00	1,975,580.00	(24,420.00)	Callable, 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	2,094,940.00	94,940.00	
FEDERAL FARM CREDIT BANK	07/17/13	07/17/17	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,001,720.00	1,720.00	
FEDERAL HOME LOAN BANK	04/15/10	10/15/13	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,004,480.00	4,480.00	
FEDERAL HOME LOAN BANK	08/05/10	09/12/14	Aaa	AA+	1.375	1.375	2,000,000.00	2,000,000.00	2,024,040.00	24,040.00	
FEDERAL HOME LOAN BANK	09/17/09	12/13/13	Aaa	AA+	3.125	2.440	2,000,000.00	2,003,663.33	2,016,900.00	13,236.67	
FEDERAL HOME LOAN BANK	04/05/10	11/29/13	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,009,160.00	9,160.00	
FEDERAL HOME LOAN BANK	01/16/13	01/16/18	Aaa	AA+	1.000	1.000	4,000,000.00	4,000,000.00	3,894,320.00	(105,680.00)	Callable 10/16/13, then qtrly
FEDERAL HOME LOAN BANK	07/17/13	07/17/18	Aaa	AA+	1.750	1.750	2,000,000.00	2,000,000.00	1,980,040.00	(19,960.00)	Callable 10/17/13, 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	1,961,480.00	(38,520.00)	SU 1.125%-2.5% Call 09/27/13, then qtrly
FEDERAL HOME LOAN BANK	09/17/09	09/13/13	Aaa	AA+	4.375	2.272	2,000,000.00	2,001,333.04	2,002,380.00	1,046.96	
FEDERAL HOME LOAN BANK	02/22/10	12/13/13	Aaa	AA+	3.125	2.130	2,000,000.00	2,005,384.95	2,016,900.00	11,515.05	
FEDERAL HOME LOAN BANK	02/09/11	01/29/15	Aaa	AA+	1.750	1.750	2,000,000.00	2,000,000.00	2,040,220.00	40,220.00	
FEDERAL HOME LOAN BANK	04/15/11	05/27/15	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,055,320.00	55,320.00	
FEDERAL HOME LOAN BANK	09/26/11	10/30/13	Aaa	AA+	2.000	0.400	1,500,000.00	1,503,913.25	1,504,560.00	646.75	
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	2,012,200.00	12,200.00	
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	2,006,700.00	6,700.00	Callable 03/28/14, once
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	1,956,520.00	(43,480.00)	Callable 09/26/13, 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	1,999,920.00	(80.00)	Callable 07/25/14, 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	2,005,020.00	5,020.00	Callable 02/21/14, once

CITY OF SANTA BARBARA
Investment Portfolio
August 31, 2013

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	04/23/12	04/17/15	Aaa	AA+	0.500	0.534	2,000,000.00	1,998,897.84	2,004,820.00	5,922.16	
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	1,984,860.00	(15,140.00)	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	1,973,280.00	(26,720.00)	Callable 10/24/13, 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	1,959,080.00	(40,920.00)	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	3,900,800.00	(99,200.00)	Callable 10/16/13, then qtrly
FEDERAL HOME LOAN MTG CORP	02/11/11	04/02/14	Aaa	AA+	4.500	1.615	2,000,000.00	2,032,834.66	2,049,620.00	16,785.34	
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	1,960,320.00	(39,680.00)	Callable 09/26/13, then qtrly
FEDERAL NATL MORTGAGE ASSN	10/28/11	10/28/16	Aaa	AA+	1.500	1.521	2,000,000.00	1,999,841.67	2,003,680.00	3,838.33	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	2,921,190.00	(78,810.00)	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	2,025,140.00	25,140.00	
FEDERAL NATL MORTGAGE ASSN	08/28/12	08/28/17	Aaa	AA+	1.150	1.150	2,000,000.00	2,000,000.00	1,973,480.00	(26,520.00)	Callable 11/28/13, 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	1,949,460.00	(50,540.00)	Callable 09/12/13, 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	1,979,020.00	(20,980.00)	Callable 12/19/13, then qtrly
FEDERAL NATL MORTGAGE ASSN	07/30/13	07/30/18	Aaa	AA+	1.000	1.896	1,000,000.00	1,000,000.00	1,000,130.00	130.00	SU 1%-2% Callable 01/30/14, once
FEDERAL NATL MORTGAGE ASSN	11/08/12	11/08/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,952,100.00	(47,900.00)	Callable 11/08/13, 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	1,952,100.00	(47,900.00)	Callable 11/08/13, 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	3,892,840.00	(107,160.00)	Callable 12/26/13, 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	1,982,960.00	(17,040.00)	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	2,061,880.00	61,880.00	
FEDERAL NATL MORTGAGE ASSN	12/10/10	10/26/15	Aaa	AA+	1.625	2.067	2,000,000.00	1,981,975.51	2,047,320.00	65,344.49	
FEDERAL NATL MORTGAGE ASSN	02/05/13	02/05/18	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,945,260.00	(54,740.00)	Callable 02/05/15, then qtrly
Subtotal, Federal Agencies							89,500,000.00	89,527,844.25	89,092,960.00	(434,884.25)	
CORPORATE/MEDIUM TERM NOTES											
BERKSHIRE HATHAWAY FIN	12/15/10	12/15/15	Aa2	AA	2.450	2.530	2,000,000.00	1,996,566.67	2,074,160.00	77,593.33	
GENERAL ELECTRIC CAPITAL CORP	11/10/10	11/09/15	A1	AA+	2.250	2.250	2,000,000.00	2,000,000.00	2,047,900.00	47,900.00	
GENERAL ELECTRIC CAPITAL CORP	01/07/11	01/07/14	A1	AA+	2.100	2.100	2,000,000.00	2,000,000.00	2,011,900.00	11,900.00	
PROCTOR & GAMBLE	09/20/11	11/15/15	Aa3	AA-	1.800	1.085	2,000,000.00	2,030,750.90	2,049,000.00	18,249.10	
TOYOTA MOTOR CREDIT	09/26/11	09/15/16	Aa3	AA-	2.000	1.800	2,000,000.00	2,011,569.86	2,045,840.00	34,270.14	
Subtotal, Corporate Securities							10,000,000.00	10,038,887.43	10,228,800.00	189,912.57	
SB AIRPORT PROMISSORY NOTE (LT)											
SANTA BARBARA AIRPORT	07/14/09	06/30/29	-	-	3.500	4.195	5,603,519.96	5,603,519.96	5,603,519.96	0.00	
Subtotal, SBA Note							5,603,519.96	5,603,519.96	5,603,519.96	0.00	
TOTALS							156,103,519.96	156,507,032.82	156,204,039.96	(302,992.82)	

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.