

CITY OF SANTA BARBARA
Activity and Interest Report
February 28, 2014

INVESTMENT ACTIVITY

PURCHASES OR DEPOSITS

2/13 Federal Home Loan Bank (FHLB)	\$ 2,000,000
2/21 LAIF Deposit - City	2,000,000
Total	\$ 4,000,000

SALES, MATURITIES, CALLS OR WITHDRAWALS

2/10 Federal Farm Credit Bank (FFCB) - Maturity	\$ (2,000,000)
2/21 Federal Home Loan Mortgage Corp (FHLMC) - Call	(2,000,000)
2/25 Federal Home Loan Mortgage Corp (FHLMC) - Maturity	(2,000,000)
2/26 LAIF Withdrawal - City	(3,500,000)
Total	\$ (9,500,000)

ACTIVITY TOTAL

\$ (5,500,000)

INVESTMENT INCOME

POOLED INVESTMENTS

Interest Earned on Investments	\$ 177,523
Amortization	(14,665)
Total	\$ 162,857

INCOME TOTAL

\$ 162,857

CITY OF SANTA BARBARA
Summary of Cash and Investments
February 28, 2014

ENDING BALANCE AS OF JANUARY 31, 2014

<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	\$ 41,000,000	0.244%	23.46%	1
Certificates of Deposit	8,000,000	1.217%	4.58%	961
Treasury Securities - Coupon	10,284,140	0.458%	5.88%	790
Federal Agency Issues - Coupon	97,984,095	1.375%	56.06%	1,214
Corporate/Medium Term Notes	<u>12,036,772</u>	<u>1.909%</u>	<u>6.89%</u>	<u>1,035</u>
	169,305,007	1.076%	96.87%	870
SB Airport Promissory Note	<u>5,471,399</u>	<u>4.195%</u>	<u>3.13%</u>	<u>5,628</u>
Totals and Averages	<u>\$ 174,776,406</u>	<u>1.174%</u>	<u>100.00%</u>	<u>1,019</u>
UB Checking Account	<u>5,095,510</u>			
Total Cash and Investments	<u>\$ 179,871,916</u>			

NET CASH AND INVESTMENT ACTIVITY FOR FEBRUARY 2014 **\$ (6,359,137)**

ENDING BALANCE AS OF FEBRUARY 28, 2014

<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	\$ 39,500,000	0.236%	23.34%	1 (1)
Certificates of Deposit	8,000,000	1.217%	4.73%	933
Treasury Securities - Coupon	10,274,506	0.458%	6.07%	762
Federal Agency Issues - Coupon	93,980,496	1.391%	55.52%	1,253
Corporate/Medium Term Notes	<u>12,035,340</u>	<u>1.909%</u>	<u>7.11%</u>	<u>1,007</u>
	163,790,341	1.083%	96.77%	887
SB Airport Promissory Note	<u>5,471,399</u>	<u>4.195%</u>	<u>3.23%</u>	<u>5,600</u>
Totals and Averages	<u>\$ 169,261,741</u>	<u>1.184%</u>	<u>100.00%</u>	<u>1,039</u>
UB Checking Account	<u>4,251,039</u>			
Total Cash and Investments	<u>\$ 173,512,779</u>			

(1) The average life of the LAIF portfolio as of February 28, 2014 is 208 days.

CITY OF SANTA BARBARA

Investment Portfolio

February 28, 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	-	-	-	-	0.236	0.236	39,500,000.00	39,500,000.00	39,500,000.00	0.00	
Subtotal, LAIF							39,500,000.00	39,500,000.00	39,500,000.00	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	2,000,679.89	2,004,600.00	3,920.11	
U S TREASURY NOTE	10/25/12	10/31/15	Aaa	AA+	1.250	0.397	2,000,000.00	2,028,261.67	2,033,200.00	4,938.33	
U S TREASURY NOTE	02/22/13	05/15/16	Aaa	AA+	5.125	0.442	2,000,000.00	2,205,049.34	2,206,880.00	1,830.66	
U S TREASURY NOTE	02/22/13	08/31/16	Aaa	AA+	1.000	0.502	2,000,000.00	2,024,653.48	2,024,540.00	(113.48)	
U S TREASURY NOTE	02/22/13	02/28/17	Aaa	AA+	0.875	0.607	2,000,000.00	2,015,861.45	2,009,840.00	(6,021.45)	
Subtotal, Treasury Securities							10,000,000.00	10,274,505.83	10,279,060.00	4,554.17	
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	2,010,320.00	10,320.00	
FED AGRICULTURAL MTG CORP	12/12/13	12/12/18	-	-	1.705	1.705	2,000,000.00	2,000,000.00	2,008,680.00	8,680.00	
FEDERAL FARM CREDIT BANK	08/15/12	08/15/17	Aaa	AA+	0.980	0.980	2,000,000.00	2,000,000.00	1,998,900.00	(1,100.00)	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	2,036,900.00	36,900.00	
FEDERAL FARM CREDIT BANK	02/16/11	02/16/16	Aaa	AA+	2.570	2.570	2,000,000.00	2,000,000.00	2,085,400.00	85,400.00	
FEDERAL FARM CREDIT BANK	07/17/13	07/17/17	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,022,060.00	22,060.00	
FEDERAL HOME LOAN BANK	08/05/10	09/12/14	Aaa	AA+	1.375	1.375	2,000,000.00	2,000,000.00	2,013,120.00	13,120.00	
FEDERAL HOME LOAN BANK	09/13/13	09/14/18	Aaa	AA+	2.000	1.910	2,000,000.00	2,007,743.38	2,041,020.00	33,276.62	
FEDERAL HOME LOAN BANK	01/16/13	01/16/18	Aaa	AA+	1.000	1.000	4,000,000.00	4,000,000.00	3,952,880.00	(47,120.00)	Callable 04/16/14, 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	1,996,700.00	(3,300.00)	Callable 04/17/14, 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	2,009,120.00	9,120.00	
FEDERAL HOME LOAN BANK	02/13/14	02/13/19	Aaa	AA+	2.050	2.050	2,000,000.00	2,000,000.00	2,005,360.00	5,360.00	Callable 05/13/14, 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	1,997,820.00	(2,180.00)	SU 1.125%-2.5% Call 03/27/14, then qtrly
FEDERAL HOME LOAN BANK	02/09/11	01/29/15	Aaa	AA+	1.750	1.750	2,000,000.00	2,000,000.00	2,028,580.00	28,580.00	
FEDERAL HOME LOAN BANK	04/15/11	05/27/15	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,043,500.00	43,500.00	
FEDERAL HOME LOAN BANK	12/16/13	12/14/18	Aaa	AA+	1.750	1.650	2,000,000.00	2,009,142.06	2,014,020.00	4,877.94	
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	2,001,660.00	1,660.00	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	1,982,580.00	(17,420.00)	Callable 03/26/14, 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	2,000,260.00	260.00	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	1,001,960.00	1,960.00	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	1,007,050.00	7,050.00	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	1,999,236.39	2,006,640.00	7,403.61	
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	2,004,500.00	4,500.00	Callable 06/12/14, then qtrly

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Investment Portfolio

February 28, 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							
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	1,999,340.00	(660.00)	Callable 04/24/14, 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	1,987,700.00	(12,300.00)	Callable 03/12/14, 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	3,958,040.00	(41,960.00)	Callable 04/16/14, 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	1,001,170.00	1,170.00	SU 1%-2% Callable 11/26/14, once
FEDERAL HOME LOAN MTG CORP	02/11/11	04/02/14	Aaa	AA+	4.500	1.615	2,000,000.00	2,004,824.05	2,006,940.00	2,115.95	
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	1,996,620.00	(3,380.00)	Callable 03/26/14, then qtrly
FEDERAL HOME LOAN MTG CORP	11/20/13	09/29/17	Aaa	AA+	1.000	1.030	1,000,000.00	998,942.89	997,950.00	(992.89)	
FEDERAL NATL MORTGAGE ASSN	01/30/13	01/30/18	Aaa	AA+	1.030	1.030	3,000,000.00	3,000,000.00	2,964,240.00	(35,760.00)	Callable 04/30/14, 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	2,016,260.00	16,260.00	
FEDERAL NATL MORTGAGE ASSN	08/28/12	08/28/17	Aaa	AA+	1.150	1.150	2,000,000.00	2,000,000.00	2,000,940.00	940.00	Callable 05/28/14, 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	1,979,520.00	(20,480.00)	Callable 03/12/14, 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	1,999,740.00	(260.00)	Callable 03/19/14, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/15/13	10/26/17	Aaa	AA+	0.875	1.062	2,000,000.00	1,986,655.67	1,981,680.00	(4,975.67)	
FEDERAL NATL MORTGAGE ASSN	12/11/13	11/27/18	Aaa	AA+	1.625	1.606	2,000,000.00	2,001,719.37	2,004,240.00	2,520.63	
FEDERAL NATL MORTGAGE ASSN	11/08/12	11/08/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,982,660.00	(17,340.00)	Callable 05/08/14, 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	1,982,660.00	(17,340.00)	Callable 05/08/14, 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	3,953,520.00	(46,480.00)	Callable 03/26/14, 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	2,007,380.00	7,380.00	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	2,052,500.00	52,500.00	
FEDERAL NATL MORTGAGE ASSN	12/10/10	10/26/15	Aaa	AA+	1.625	2.067	2,000,000.00	1,986,161.85	2,042,900.00	56,738.15	
FEDERAL NATL MORTGAGE ASSN	02/05/13	02/05/18	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,975,020.00	(24,980.00)	Callable 02/05/15, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/13/13	11/13/18	Aaa	AA+	0.625	1.857	1,000,000.00	1,000,000.00	1,000,590.00	590.00	SU 2% Callable 05/13/14, once
FEDERAL NATL MORTGAGE ASSN	11/20/13	10/26/17	Aaa	AA+	0.875	1.070	2,000,000.00	1,986,069.92	1,981,680.00	(4,389.92)	
Subtotal, Federal Agencies							94,000,000.00	93,980,495.58	94,142,320.00	161,824.42	
CORPORATE/MEDIUM TERM NOTES											
BERKSHIRE HATHAWAY FIN	12/15/10	12/15/15	Aa2	AA	2.450	2.530	2,000,000.00	1,997,316.67	2,068,740.00	71,423.33	
BERKSHIRE HATHAWAY INC	11/29/13	02/09/18	Aa2	AA	1.550	1.550	2,000,000.00	2,000,000.00	2,003,660.00	3,660.00	
GENERAL ELECTRIC CAPITAL CORP	11/10/10	11/09/15	A1	AA+	2.250	2.250	2,000,000.00	2,000,000.00	2,057,880.00	57,880.00	
GENERAL ELECTRIC CAPITAL CORP	01/14/14	01/14/19	A1	AA+	2.300	2.250	2,000,000.00	2,004,577.28	2,034,920.00	30,342.72	
PROCTOR & GAMBLE	09/20/11	11/15/15	Aa3	AA-	1.800	1.085	2,000,000.00	2,023,779.67	2,046,020.00	22,240.33	
TOYOTA MOTOR CREDIT	09/26/11	09/15/16	Aa3	AA-	2.000	1.800	2,000,000.00	2,009,666.23	2,061,700.00	52,033.77	
Subtotal, Corporate Securities							12,000,000.00	12,035,339.85	12,272,920.00	237,580.15	
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							5,471,399.48	5,471,399.48	5,471,399.48	0.00	
TOTALS							168,971,399.48	169,261,740.74	169,665,699.48	403,958.74	

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.