



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: March 28, 2017

TO: Mayor and Councilmembers

FROM: Treasury Division, Finance Department

SUBJECT: February 2017 Investment Report

RECOMMENDATION:

That Council accept the February 2017 Investment Report.

DISCUSSION:

The attached investment report includes Investment Activity, Interest Revenue, a Summary of Cash and Investments, and Investment Portfolio detail as of February 28, 2017.

ATTACHMENT: February 2017 Investment Report

PREPARED BY: Julie Nemes, Treasury Manager

SUBMITTED BY: Robert Samario, Finance Director

APPROVED BY: City Administrator's Office

CITY OF SANTA BARBARA
Activity and Interest Report
February 28, 2017

INVESTMENT ACTIVITY

PURCHASES OR DEPOSITS

2/1 United States Treasury Note (USTN)	\$ 2,000,000
2/17 Federal Home Loan Mortgage Corp (FHLMC)	2,000,000
2/27 Federal Home Loan Mortgage Corp (FHLMC)	2,000,000
2/28 Federal Home Loan Mortgage Corp (FHLMC)	2,000,000
2/28 Federal Home Loan Mortgage Corp (FHLMC)	2,000,000
Total	\$ 10,000,000

SALES, MATURITIES, CALLS OR WITHDRAWALS

2/28 United States Treasury Note (USTN) - Maturity	\$ (2,000,000)
2/28 LAIF Withdrawal - City	\$ (2,000,000)
Total	\$ (4,000,000)

ACTIVITY TOTAL

\$ 6,000,000

INVESTMENT INCOME

POOLED INVESTMENTS

Interest Earned on Investments	\$ 169,265
Amortization	(791)
Total	\$ 168,474

INCOME TOTAL

\$ 168,474

CITY OF SANTA BARBARA

Investment Portfolio

February 28, 2017

DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING MOODY'S	S & P	STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
LOCAL AGENCY INVESTMENT FUNDS											
LOCAL AGENCY INVESTMENT FUND	-	-	-	-	0.777	0.777	63,000,000.00	63,000,000.00	63,000,000.00	0.00	
Subtotal, LAIF							63,000,000.00	63,000,000.00	63,000,000.00	0.00	
CERTIFICATES OF DEPOSIT											
ALLY BANK	09/24/15	09/25/17	-	-	1.250	1.250	250,000.00	250,000.00	250,720.00	720.00	FDIC Certificate 57803
AMERICAN EXPRESS BANK FSB	10/23/14	10/23/19	-	-	2.200	2.200	250,000.00	250,000.00	253,715.00	3,715.00	FDIC Certificate 35328
AMERICAN EXPRESS CENTURION BK	09/30/15	09/30/20	-	-	2.250	2.250	250,000.00	250,000.00	254,707.50	4,707.50	FDIC Certificate 27471
BMO HARRIS BANK NA	09/30/15	09/29/17	-	-	1.100	1.100	250,000.00	250,000.00	250,727.50	727.50	FDIC Certificate 16571
BMW BK NORTH AMERICA	09/30/15	09/30/20	-	-	2.200	2.200	250,000.00	250,000.00	254,712.50	4,712.50	FDIC Certificate 35141
CAPITAL ONE BANK USA NA	10/29/14	10/29/19	-	-	1.900	1.900	250,000.00	250,000.00	253,735.00	3,735.00	FDIC Certificate 33954
CAPITAL ONE NA	09/30/15	09/30/20	-	-	2.250	2.250	250,000.00	250,000.00	254,707.50	4,707.50	FDIC Certificate 4297
DISCOVER BANK	09/30/15	09/30/20	-	-	2.300	2.300	250,000.00	250,000.00	255,140.00	5,140.00	FDIC Certificate 5649
EVERBANK	09/30/15	09/29/17	-	-	1.100	1.100	250,000.00	250,000.00	250,595.00	595.00	FDIC Certificate 34775
GE CAPITAL BANK	10/17/14	10/17/19	-	-	2.000	2.000	250,000.00	250,000.00	253,660.00	3,660.00	FDIC Certificate 33778
GOLDMAN SACHS BANK USA	10/29/14	10/29/19	-	-	2.150	2.150	250,000.00	250,000.00	253,720.00	3,720.00	FDIC Certificate 33124
KEY BANK NA	09/30/15	10/02/17	-	-	1.150	1.150	250,000.00	250,000.00	250,735.00	735.00	FDIC Certificate 17534
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							7,000,000.00	7,000,000.00	7,036,875.00	36,875.00	
TREASURY SECURITIES - COUPON											
U S TREASURY NOTE	02/01/17	08/31/20	Aaa	AA+	1.375	1.610	2,000,000.00	1,984,098.13	1,982,960.00	(1,138.13)	
Subtotal, Treasury Securities							2,000,000.00	1,984,098.13	1,982,960.00	(1,138.13)	
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	2,015,000.00	15,000.00	
FED AGRICULTURAL MTG CORP	12/12/13	12/12/18	-	-	1.705	1.705	2,000,000.00	2,000,000.00	2,015,940.00	15,940.00	
FED AGRICULTURAL MTG CORP	01/17/17	01/17/20	-	-	1.675	1.675	2,000,000.00	2,000,000.00	1,997,920.00	(2,080.00)	Callable 01/17/18, then semi annual
FED AGRICULTURAL MTG CORP	12/29/16	01/15/21	-	-	2.000	2.000	2,000,000.00	2,000,000.00	2,010,720.00	10,720.00	
FEDERAL FARM CREDIT BANK	09/18/13	09/18/17	Aaa	AA+	1.550	1.550	2,000,000.00	2,000,000.00	2,009,460.00	9,460.00	
FEDERAL FARM CREDIT BANK	07/17/13	07/17/17	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,004,340.00	4,340.00	
FEDERAL FARM CREDIT BANK	06/24/15	06/24/19	Aaa	AA+	1.520	1.520	2,000,000.00	2,000,000.00	2,006,720.00	6,720.00	
FEDERAL FARM CREDIT BANK	12/12/16	12/12/19	Aaa	AA+	1.450	1.450	2,000,000.00	2,000,000.00	1,997,880.00	(2,120.00)	
FEDERAL HOME LOAN BANK	09/13/13	09/14/18	Aaa	AA+	2.000	1.910	2,000,000.00	2,002,622.22	2,025,840.00	23,217.78	
FEDERAL HOME LOAN BANK	01/17/14	04/17/18	Aaa	AA+	1.480	1.480	2,000,000.00	2,000,000.00	2,006,580.00	6,580.00	
FEDERAL HOME LOAN BANK	10/12/16	10/12/21	Aaa	AA+	1.700	1.700	2,000,000.00	2,000,000.00	1,954,700.00	(45,300.00)	Callable 04/12/17, then qtrly
FEDERAL HOME LOAN BANK	11/23/16	11/23/21	Aaa	AA+	1.650	1.650	2,000,000.00	2,000,000.00	1,961,200.00	(38,800.00)	Callable 05/23/17, then qtrly
FEDERAL HOME LOAN BANK	12/28/16	12/28/21	Aaa	AA+	1.625	2.351	2,000,000.00	2,000,000.00	1,998,120.00	(1,880.00)	SU 1.625%-3.75%, Call 06/28/17, then qtrly
FEDERAL HOME LOAN BANK	12/16/13	12/14/18	Aaa	AA+	1.750	1.650	2,000,000.00	2,003,411.69	2,017,500.00	14,088.31	
FEDERAL HOME LOAN BANK	06/18/14	06/09/17	Aaa	AA+	1.000	1.003	2,000,000.00	1,999,981.70	2,002,080.00	2,098.30	
FEDERAL HOME LOAN BANK	11/22/16	11/22/21	Aaa	AA+	1.750	1.750	2,000,000.00	2,000,000.00	1,977,680.00	(22,320.00)	
FEDERAL HOME LOAN BANK	12/15/16	06/15/20	Aaa	AA+	1.500	1.500	2,000,000.00	2,000,000.00	1,981,840.00	(18,160.00)	Callable 12/15/17, once
FEDERAL HOME LOAN MTG CORP	12/30/16	12/30/21	Aaa	AA+	2.050	2.050	2,000,000.00	2,000,000.00	1,992,740.00	(7,260.00)	Callable 03/30/17, then qtrly
FEDERAL HOME LOAN MTG CORP	01/17/17	01/17/20	Aaa	AA+	1.500	1.500	2,000,000.00	2,000,000.00	1,996,620.00	(3,380.00)	
FEDERAL HOME LOAN MTG CORP	02/28/17	02/25/19	Aaa	AA+	1.400	1.400	2,000,000.00	2,000,000.00	1,999,580.00	(420.00)	Callable 08/25/17, then qtrly

CITY OF SANTA BARBARA

Investment Portfolio

February 28, 2017

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	02/28/17	02/25/22	Aaa	AA+	2.375	2.375	2,000,000.00	2,000,000.00	2,000,140.00	140.00	Callable 05/25/17, then qtrly
FEDERAL HOME LOAN MTG CORP	02/27/17	11/27/20	Aaa	AA+	1.850	1.850	2,000,000.00	2,000,000.00	1,997,620.00	(2,380.00)	Callable 11/27/17, once
FEDERAL HOME LOAN MTG CORP	10/27/16	10/27/21	Aaa	AA+	1.400	1.657	2,000,000.00	2,000,000.00	1,949,040.00	(50,960.00)	SU 1.4%-3%, Call 04/27/17, then qtrly
FEDERAL HOME LOAN MTG CORP	01/26/17	01/26/22	Aaa	AA+	2.200	2.200	2,000,000.00	2,000,000.00	1,999,180.00	(820.00)	Callable 01/26/18, then qtrly
FEDERAL HOME LOAN MTG CORP	11/20/13	09/29/17	Aaa	AA+	1.000	1.030	1,000,000.00	999,829.29	1,001,500.00	1,670.71	
FEDERAL HOME LOAN MTG CORP	09/29/16	09/29/21	Aaa	AA+	1.250	1.858	2,000,000.00	2,000,000.00	1,970,380.00	(29,620.00)	SU 1.25%-3.5% Call 03/29/17, then qtrly
FEDERAL HOME LOAN MTG CORP	02/17/17	02/17/22	Aaa	AA+	2.250	2.418	2,000,000.00	2,000,000.00	1,999,680.00	(320.00)	SU 2.25%-3% Call 05/17/17, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/15/13	10/26/17	Aaa	AA+	0.875	1.062	2,000,000.00	1,997,615.27	2,001,160.00	3,544.73	
FEDERAL NATL MORTGAGE ASSN	12/11/13	11/27/18	Aaa	AA+	1.625	1.606	2,000,000.00	2,000,630.91	2,014,500.00	13,869.09	
FEDERAL NATL MORTGAGE ASSN	05/26/16	05/26/20	Aaa	AA+	1.375	1.375	2,000,000.00	2,000,000.00	1,969,100.00	(30,900.00)	Callable 05/26/17, once
FEDERAL NATL MORTGAGE ASSN	08/16/16	08/16/21	Aaa	AA+	1.500	1.500	2,000,000.00	2,000,000.00	1,932,260.00	(67,740.00)	Callable 08/16/17, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/27/15	11/27/19	Aaa	AA+	1.125	1.678	2,000,000.00	2,000,000.00	1,997,920.00	(2,080.00)	SU 1.125%-2.250%, Call 11/27/17, once
FEDERAL NATL MORTGAGE ASSN	07/26/16	07/26/19	Aaa	AA+	1.125	1.125	2,000,000.00	2,000,000.00	1,977,580.00	(22,420.00)	Callable 07/26/17, once
FEDERAL NATL MORTGAGE ASSN	09/29/16	09/29/21	Aaa	AA+	1.600	1.600	2,000,000.00	2,000,000.00	1,950,180.00	(49,820.00)	Callable 03/29/17, then qtrly
FEDERAL NATL MORTGAGE ASSN	02/05/13	02/05/18	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,995,400.00	(4,600.00)	Callable 05/05/17, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/20/13	10/26/17	Aaa	AA+	0.875	1.070	2,000,000.00	1,997,510.59	2,001,160.00	3,649.41	
FEDERAL NATL MORTGAGE ASSN	05/26/16	11/26/19	Aaa	AA+	1.300	1.300	<u>2,000,000.00</u>	<u>2,000,000.00</u>	<u>1,985,220.00</u>	<u>(14,780.00)</u>	Callable 05/26/17, once
Subtotal, Federal Agencies							73,000,000.00	73,001,601.67	72,714,480.00	(287,121.67)	
CORPORATE/MEDIUM TERM NOTES											
BERKSHIRE HATHAWAY INC	11/29/13	02/09/18	Aa2	AA	1.550	1.550	2,000,000.00	2,000,000.00	2,005,880.00	5,880.00	
GENERAL ELECTRIC CAPITAL CORP	01/14/14	01/14/19	A1	AA-	2.300	2.250	2,000,000.00	2,001,757.28	2,027,300.00	25,542.72	
TOYOTA MOTOR CREDIT	11/20/15	07/13/18	Aa3	AA-	1.550	1.408	2,000,000.00	2,003,789.38	2,001,220.00	(2,569.38)	
TOYOTA MOTOR CREDIT	09/15/16	05/20/19	Aa3	AA-	1.400	1.307	2,000,000.00	2,004,040.54	1,985,900.00	(18,140.54)	
WELLS FARGO BANK NA	09/15/16	05/24/19	Aa2	AA-	1.750	1.377	<u>2,000,000.00</u>	<u>2,016,258.89</u>	<u>1,997,860.00</u>	<u>(18,398.89)</u>	
Subtotal, Corporate Securities							10,000,000.00	10,025,846.09	10,018,160.00	(7,686.09)	
SB AIRPORT PROMISSORY NOTE (LT)											
SANTA BARBARA AIRPORT	07/14/09	06/30/29	-	-	3.500	4.195	<u>4,628,681.16</u>	<u>4,628,681.16</u>	<u>4,628,681.16</u>	<u>0.00</u>	
Subtotal, SBA Note							4,628,681.16	4,628,681.16	4,628,681.16	0.00	
CHECKING ACCOUNT											
MUFG UNION BANK NA CHKNG ACCNT	-	-	-	-	0.400	0.400	<u>11,652,137.64</u>	<u>11,652,137.64</u>	<u>11,652,137.64</u>	<u>0.00</u>	
Subtotal, Checking Account							11,652,137.64	11,652,137.64	11,652,137.64	0.00	
TOTALS							171,280,818.80	171,292,364.69	171,033,293.80	(259,070.89)	

Market values have been obtained from the City's safekeeping agent, MUFG Union Bank NA - The Private Bank (UBTPB). UBTPB uses Interactive Data Pricing Service, Bloomberg and DTC.