

**CITY OF SANTA BARBARA**  
**Activity and Interest Report**  
**May 31, 2008**

**INVESTMENT ACTIVITY**

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**PURCHASES OR DEPOSITS**

05/13	LAIF Deposit/City	\$ 1,000,000
05/15	LAIF Deposit/City	2,000,000
05/22	Federal Home Loan Bank (FHLB)	2,000,000
05/23	Federal Home Loan Bank (FHLB)	2,000,000
05/29	LAIF Deposit/City	1,000,000
	<b>Total</b>	<b>\$ 8,000,000</b>

**SALES, MATURITIES, CALLS OR WITHDRAWALS**

05/08	LAIF Withdrawal/City	\$ (300,000)
05/09	LAIF Withdrawal/City	(2,700,000)
05/15	Federal Home Loan Bank (FHLB) Call	(2,000,000)
05/19	LAIF Withdrawal/City	(1,000,000)
05/22	LAIF Withdrawal/City	(6,500,000)
	<b>Total</b>	<b>\$ (12,500,000)</b>

**ACTIVITY TOTAL**

**\$ (4,500,000)**

**INTEREST REVENUE**

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**POOLED INVESTMENTS**

Interest Earned on Investments	\$ 528,584
Amortization	33,945
SBB&T Sweep Account Interest	1,793
SBB&T Trust Account M/M Interest	677
<b>Total</b>	<b>\$ 564,998</b>

**RDA INVESTMENTS**

Interest Earned on Investments (LAIF)	<b>\$ 54,755</b>
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**TOTAL INTEREST EARNED**

**\$ 619,753**



**CITY OF SANTA BARBARA**  
**Investment Portfolio**  
**May 31, 2008**

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
<b>LOCAL AGENCY INVESTMENT FUNDS</b>											
LOCAL AGENCY INVESTMENT FUND	-	-	-	-	3.070	3.070	22,000,000.00	22,000,000.00	22,000,000.00	0.00	
LOCAL AGENCY INV FUND/RDA	-	-	-	-	3.070	3.070	21,000,000.00	21,000,000.00	21,000,000.00	0.00	
<b>Subtotal, LAIF</b>							<b>43,000,000.00</b>	<b>43,000,000.00</b>	<b>43,000,000.00</b>	<b>0.00</b>	
<b>CERTIFICATES OF DEPOSIT</b>											
MONTECITO BANK & TRUST	11/18/06	11/18/08	-	-	5.000	5.000	2,000,000.00	2,000,000.00	2,000,000.00	0.00	
<b>Subtotal, Certificates of deposit</b>							<b>2,000,000.00</b>	<b>2,000,000.00</b>	<b>2,000,000.00</b>	<b>0.00</b>	
<b>TREASURY SECURITIES - COUPON</b>											
U S TREASURY NOTE	05/19/06	05/15/09	Aaa	AAA	4.875	5.000	2,000,000.00	1,997,809.14	2,049,380.00	51,570.86	
U S TREASURY NOTE	02/01/06	02/15/09	Aaa	AAA	3.000	4.501	2,000,000.00	1,980,312.50	2,013,130.00	32,817.50	
<b>Subtotal, Treasury Securities</b>							<b>4,000,000.00</b>	<b>3,978,121.64</b>	<b>4,062,510.00</b>	<b>84,388.36</b>	
<b>FEDERAL AGENCY ISSUES - COUPON</b>											
FEDERAL FARM CREDIT BANK	03/07/06	04/15/09	Aaa	AAA	4.125	5.000	2,000,000.00	1,985,996.39	2,024,690.00	38,693.61	
FEDERAL FARM CREDIT BANK	08/17/06	08/17/09	Aaa	AAA	5.125	5.150	2,000,000.00	1,999,442.89	2,054,380.00	54,937.11	
FEDERAL FARM CREDIT BANK	11/07/06	01/18/11	Aaa	AAA	5.750	5.000	2,000,000.00	2,035,084.75	2,115,940.00	80,855.25	
FEDERAL FARM CREDIT BANK	06/02/06	02/18/09	Aaa	AAA	5.260	5.280	2,000,000.00	1,999,768.28	2,037,190.00	37,421.72	
FEDERAL FARM CREDIT BANK	08/28/06	12/17/08	Aaa	AAA	3.700	5.170	2,000,000.00	1,985,062.39	2,012,810.00	27,747.61	
FEDERAL FARM CREDIT BANK	01/29/07	08/25/10	Aaa	AAA	4.750	5.111	2,000,000.00	1,985,382.95	2,064,690.00	79,307.05	
FEDERAL FARM CREDIT BANK	01/29/07	01/22/09	Aaa	AAA	5.010	5.150	2,000,000.00	1,998,302.33	2,030,940.00	32,637.67	
FEDERAL FARM CREDIT BANK	02/01/08	02/01/13	Aaa	AAA	3.790	3.790	2,000,000.00	2,000,000.00	1,965,940.00	(34,060.00)	Callable 2/01/10, then cont.
FEDERAL HOME LOAN BANK	10/25/06	02/12/10	Aaa	AAA	3.875	5.117	1,000,000.00	980,800.08	1,012,970.00	32,169.92	
FEDERAL HOME LOAN BANK	12/18/06	11/03/09	Aaa	AAA	3.500	4.834	2,000,000.00	1,964,926.76	2,013,130.00	48,203.24	
FEDERAL HOME LOAN BANK	05/22/07	06/10/11	Aaa	AAA	5.250	5.005	2,000,000.00	2,013,220.37	2,084,060.00	70,839.63	
FEDERAL HOME LOAN BANK	07/09/07	02/15/11	Aaa	AAA	4.000	5.308	2,000,000.00	1,936,269.14	2,022,510.00	86,240.86	
FEDERAL HOME LOAN BANK	07/09/07	03/12/10	Aaa	AAA	5.000	5.268	1,000,000.00	995,520.32	1,032,660.00	37,139.68	
FEDERAL HOME LOAN BANK	02/13/08	02/13/13	Aaa	AAA	3.850	4.001	2,000,000.00	1,994,560.00	1,962,810.00	(31,750.00)	Callable 8/13/08, then cont.
FEDERAL HOME LOAN BANK	09/14/06	09/29/10	Aaa	AAA	5.125	5.070	1,000,000.00	1,001,082.78	1,039,530.00	38,447.22	
FEDERAL HOME LOAN BANK	05/10/07	11/10/10	Aaa	AAA	5.125	5.125	2,000,000.00	2,000,000.00	2,020,940.00	20,940.00	Callable 11/10/08, once
FEDERAL HOME LOAN BANK	05/21/07	06/12/09	Aaa	AAA	5.250	5.000	2,000,000.00	2,004,796.46	2,050,000.00	45,203.54	
FEDERAL HOME LOAN BANK	04/02/08	04/02/13	Aaa	AAA	4.150	4.150	2,000,000.00	2,000,000.00	1,996,570.00	(3,430.00)	Callable 1/02/09, then qtrly
FEDERAL HOME LOAN BANK	04/21/08	10/21/11	Aaa	AAA	3.125	3.125	2,000,000.00	2,000,000.00	1,957,190.00	(42,810.00)	Callable 7/21/09, once
FEDERAL HOME LOAN BANK	04/22/08	04/22/13	Aaa	AAA	4.000	4.112	2,000,000.00	1,991,083.33	1,966,570.00	(24,513.33)	Callable 4/22/09, then qtrly
FEDERAL HOME LOAN BANK	05/23/08	06/10/11	Aaa	AAA	3.125	3.520	2,000,000.00	1,977,425.83	1,963,750.00	(13,675.83)	
FEDERAL HOME LOAN BANK	02/17/06	02/17/11	Aaa	AAA	5.020	5.020	2,000,000.00	2,000,000.00	2,031,570.00	31,570.00	Callable 2/17/09, once
FEDERAL HOME LOAN BANK	09/08/06	09/08/09	Aaa	AAA	5.250	5.250	1,000,000.00	1,000,000.00	1,006,560.00	6,560.00	Callable 9/08/08, once
FEDERAL HOME LOAN BANK	03/24/06	09/23/08	Aaa	AAA	5.520	5.015	1,000,000.00	1,001,458.87	1,009,690.00	8,231.13	

**CITY OF SANTA BARBARA**  
**Investment Portfolio**  
**May 31, 2008**

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 BANK	06/02/06	12/12/08	Aaa	AAA	4.750	5.270	1,000,000.00	997,443.54	1,011,720.00	14,276.46	
FEDERAL HOME LOAN BANK	06/23/06	06/30/08	Aaa	AAA	3.000	5.500	2,000,000.00	1,996,235.98	2,000,940.00	4,704.02	
FEDERAL HOME LOAN BANK	08/18/06	08/18/10	Aaa	AAA	5.470	5.470	2,000,000.00	2,000,000.00	2,011,880.00	11,880.00	Callable 8/18/08, once
FEDERAL HOME LOAN BANK	10/18/06	09/11/09	Aaa	AAA	5.250	5.060	1,000,000.00	1,002,165.48	1,027,500.00	25,334.52	
FEDERAL HOME LOAN BANK	11/07/06	10/26/09	Aaa	AAA	5.000	5.000	2,345,000.00	2,344,977.84	2,409,487.50	64,509.66	
FEDERAL HOME LOAN BANK	11/08/06	07/30/10	Aaa	AAA	5.000	5.010	2,000,000.00	1,999,512.40	2,073,440.00	73,927.60	
FEDERAL HOME LOAN BANK	12/06/06	12/12/08	Aaa	AAA	5.000	4.700	2,000,000.00	2,002,946.56	2,025,940.00	22,993.44	
FEDERAL HOME LOAN BANK	12/18/06	06/22/10	Aaa	AAA	4.500	4.825	2,000,000.00	1,987,818.05	2,052,190.00	64,371.95	
FEDERAL HOME LOAN BANK	12/29/06	09/12/08	Aaa	AAA	5.000	5.000	2,000,000.00	1,999,973.64	2,014,380.00	14,406.36	
FEDERAL HOME LOAN BANK	05/21/07	05/15/09	Aaa	AAA	4.250	5.005	1,450,000.00	1,440,149.75	1,471,075.75	30,926.00	
FEDERAL HOME LOAN BANK	06/18/07	03/12/10	Aaa	AAA	4.875	5.382	2,000,000.00	1,983,323.58	2,060,940.00	77,616.42	
FEDERAL HOME LOAN BANK	05/22/08	05/22/13	Aaa	AAA	4.350	4.350	2,000,000.00	2,000,000.00	2,005,310.00	5,310.00	Callable 05/22/09, then qtrly
FEDERAL HOME LOAN MTG CORP	03/26/08	03/26/13	Aaa	AAA	4.200	4.200	2,000,000.00	2,000,000.00	1,979,160.00	(20,840.00)	Callable 3/26/09, then qtrly
FEDERAL HOME LOAN MTG CORP	04/16/08	04/16/13	Aaa	AAA	4.000	4.000	2,000,000.00	2,000,000.00	1,983,420.00	(16,580.00)	Callable 10/16/08, then qtrly
FEDERAL HOME LOAN MTG CORP	06/16/06	06/02/08	Aaa	AAA	4.350	5.370	2,000,000.00	1,999,946.83	2,000,000.00	53.17	
FEDERAL HOME LOAN MTG CORP	09/14/06	09/01/09	Aaa	AAA	4.125	5.070	1,000,000.00	989,148.55	1,014,750.00	25,601.45	
FEDERAL HOME LOAN MTG CORP	11/30/06	11/14/11	Aaa	AAA	5.350	5.250	2,000,000.00	2,001,981.93	2,019,840.00	17,858.07	Callable 11/14/08, once
FEDERAL HOME LOAN MTG CORP	05/29/07	07/06/10	Aaa	AAA	4.500	5.070	2,000,000.00	1,978,059.71	2,051,400.00	73,340.29	
FEDERAL HOME LOAN MTG CORP	10/15/07	10/15/12	Aaa	AAA	5.050	5.050	2,000,000.00	2,000,000.00	2,053,540.00	53,540.00	Callable 10/15/09, once
FEDERAL HOME LOAN MTG CORP	04/02/08	04/02/12	Aaa	AAA	3.375	3.375	2,000,000.00	2,000,000.00	1,964,820.00	(35,180.00)	Callable 4/02/09, once
FEDERAL HOME LOAN MTG CORP	09/08/06	09/08/11	Aaa	AAA	5.500	5.500	1,000,000.00	1,000,000.00	1,007,070.00	7,070.00	Callable 9/08/08, once
FEDERAL HOME LOAN MTG CORP	01/29/07	01/25/10	Aaa	AAA	4.375	5.122	2,000,000.00	1,977,410.33	2,040,540.00	63,129.67	
FEDERAL HOME LOAN MTG CORP	04/20/07	04/20/12	Aaa	AAA	5.250	5.250	2,000,000.00	2,000,000.00	2,046,640.00	46,640.00	Callable 4/20/09, once
FEDERAL HOME LOAN MTG CORP	05/22/07	09/17/10	Aaa	AAA	3.880	5.015	2,000,000.00	1,952,485.99	2,024,440.00	71,954.01	
FEDERAL HOME LOAN MTG CORP	01/09/08	01/09/12	Aaa	AAA	4.250	4.250	2,000,000.00	2,000,000.00	2,012,600.00	12,600.00	Callable 1/09/09, then qtrly
FEDERAL NATL MORTGAGE ASSN	04/27/06	04/20/10	Aaa	AAA	4.750	5.270	2,000,000.00	1,982,496.68	2,060,320.00	77,823.32	
FEDERAL NATL MORTGAGE ASSN	01/12/07	02/24/09	Aaa	AAA	3.740	5.000	2,000,000.00	1,982,701.36	2,016,250.00	33,548.64	
FEDERAL NATL MORTGAGE ASSN	04/17/07	03/06/09	Aaa	AAA	4.625	5.001	2,000,000.00	1,994,548.60	2,030,310.00	35,761.40	
FEDERAL NATL MORTGAGE ASSN	05/21/07	11/03/08	Aaa	AAA	4.900	5.100	2,000,000.00	1,998,375.17	2,020,940.00	22,564.83	
FEDERAL NATL MORTGAGE ASSN	03/05/08	03/05/13	Aaa	AAA	4.100	4.100	2,000,000.00	2,000,000.00	2,000,940.00	940.00	Callable 3/05/10, once
<b>Subtotal, Federal Agencies</b>							<b>98,795,000.00</b>	<b>98,461,885.89</b>	<b>99,968,873.25</b>	<b>1,506,987.36</b>	
<b>CORPORATE/MEDIUM TERM NOTES</b>											
BERKSHIRE HATHAWAY FIN	01/15/08	01/15/10	Aaa	AAA	4.125	3.630	2,250,000.00	2,267,264.50	2,272,657.50	5,393.00	
GENERAL ELECTRIC CAPITAL CORP	01/10/07	02/22/11	Aaa	AAA	6.125	5.100	2,000,000.00	2,049,725.18	2,082,100.00	32,374.82	
GENERAL ELECTRIC CAPITAL CORP	08/15/06	09/15/09	Aaa	AAA	4.625	5.300	2,000,000.00	1,984,106.95	2,023,520.00	39,413.05	
GENERAL ELECTRIC CAPITAL CORP	02/10/06	06/15/09	Aaa	AAA	4.000	5.000	1,000,000.00	990,525.85	1,004,410.00	13,884.15	
GENERAL ELECTRIC CAPITAL CORP	04/17/07	06/15/09	Aaa	AAA	3.250	5.060	2,000,000.00	1,964,753.62	1,992,780.00	28,026.38	

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**Investment Portfolio**  
**May 31, 2008**

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
TOYOTA MOTOR CREDIT	02/28/06	12/15/08	Aaa AAA	5.500	5.016	2,000,000.00	2,004,777.76	2,012,100.00	7,322.24	
TOYOTA MOTOR CREDIT	10/19/06	03/15/10	Aaa AAA	4.250	5.140	2,000,000.00	1,971,077.78	2,031,800.00	60,722.22	
WELLS FARGO & CO.	02/13/06	08/15/08	Aa1 AA+	4.000	5.000	2,000,000.00	1,996,178.58	2,000,320.00	4,141.42	
WELLS FARGO & CO.	05/30/07	01/12/11	Aa1 AA+	4.875	5.260	2,000,000.00	1,981,801.55	2,004,060.00	22,258.45	
WELLS FARGO & CO.	10/10/06	08/09/10	Aa1 AA+	4.625	5.000	2,000,000.00	1,985,153.58	2,010,560.00	25,406.42	
<b>Subtotal, Corporate Securities</b>						19,250,000.00	19,195,365.35	19,434,307.50	238,942.15	
<b>TOTALS</b>						167,045,000.00	166,635,372.88	168,465,690.75	1,830,317.87	

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.