



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: July 1, 2008
TO: Mayor and Councilmembers
FROM: Treasury Division, Finance Department
SUBJECT: May 2008 Investment Report

RECOMMENDATION:

That Council accept the May 2008 Investment Report.

DISCUSSION:

The attached investment report includes Investment Activity, Interest Revenue, a Summary of Cash and Investments, and Investment Portfolio detail as of May 31, 2008.

ATTACHMENT: May 2008 Investment Report
SUBMITTED BY: Robert D. Peirson, Finance Director
APPROVED BY: City Administrator's Office

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

INVESTMENT ACTIVITY

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
	Total	\$ 8,000,000

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)
	Total	\$ (12,500,000)

ACTIVITY TOTAL

\$ (4,500,000)

INTEREST REVENUE

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
Total	\$ 564,998

RDA INVESTMENTS

Interest Earned on Investments (LAIF)	\$ 54,755
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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
LOCAL AGENCY INVESTMENT FUNDS											
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	
Subtotal, LAIF							43,000,000.00	43,000,000.00	43,000,000.00	0.00	
CERTIFICATES OF DEPOSIT											
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	
Subtotal, Certificates of deposit							2,000,000.00	2,000,000.00	2,000,000.00	0.00	
TREASURY SECURITIES - COUPON											
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	
Subtotal, Treasury Securities							4,000,000.00	3,978,121.64	4,062,510.00	84,388.36	
FEDERAL AGENCY ISSUES - COUPON											
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
Subtotal, Federal Agencies							98,795,000.00	98,461,885.89	99,968,873.25	1,506,987.36	
CORPORATE/MEDIUM TERM NOTES											
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	

CITY OF SANTA BARBARA
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	
Subtotal, Corporate Securities						19,250,000.00	19,195,365.35	19,434,307.50	238,942.15	
TOTALS						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.