

**CITY OF SANTA BARBARA  
Activity and Interest Report  
January 31, 2010**

**INVESTMENT ACTIVITY**

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**PURCHASES OR DEPOSITS**

1/5 LAIF Deposit - City	\$ 2,500,000
1/7 LAIF Deposit - City	1,000,000
1/13 Federal Farm Credit Bank (FFCB)	2,000,000
1/15 LAIF Deposit - City	2,000,000
1/15 Federal Home Loan Bank (FHLB)	2,000,000
1/20 LAIF Deposit - City	1,000,000
1/21 LAIF Deposit - City	1,500,000
1/25 LAIF Deposit - City	1,500,000
1/26 LAIF Deposit - City	2,000,000
1/29 LAIF Deposit - City	7,500,000
<b>Total</b>	<b>\$ 23,000,000</b>

**SALES, MATURITIES, CALLS OR WITHDRAWALS**

1/14 LAIF Withdrawal/City	\$ (7,000,000)
1/15 Berkshire Hathaway Fin (BERK) Maturity	(2,250,000)
1/25 Federal Home Loan Mortgage Corp. (FHLMC) Maturity	(2,000,000)
1/28 LAIF Withdrawal/City	(4,500,000)
<b>Total</b>	<b>\$ (15,750,000)</b>

**ACTIVITY TOTAL**

**\$ 7,250,000**

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**INTEREST REVENUE**

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**POOLED INVESTMENTS**

Interest Earned on Investments	\$ 349,646
Amortization	3,980
SBB&T Sweep Account Interest	115
SBB&T Money Market Interest	1
<b>Total</b>	<b>\$ 353,742</b>

**RDA INVESTMENTS**

Interest Earned on Investments (LAIF)	<b>\$ 13,767</b>
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**TOTAL INTEREST EARNED**

**\$ 367,509**

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**CITY OF SANTA BARBARA**  
**Summary of Cash and Investments**  
**January 31, 2010**

**ENDING BALANCE AS OF DECEMBER 31, 2009**

Description	Book Value	Yield to Maturity (365 days)	Percent of Portfolio	Average Days to Maturity
State of California LAIF	\$ 45,100,000	0.569%	27.59%	1
Certificates of Deposit	4,000,000	1.500%	2.45%	504
Federal Agency Issues - Coupon	96,882,898	3.258%	59.27%	932
Corporate/Medium Term Notes	10,256,641	4.797%	6.28%	215
	<u>156,239,539</u>	<u>2.538%</u>	<u>95.59%</u>	<u>605</u>
SB Airport Promissory Note	7,213,661	7.000%	4.41%	7,120
Totals and Averages	<u>\$ 163,453,200</u>	<u>2.735%</u>	<u>100.00%</u>	<u>893</u>
SBB&T Money Market Account	2,860,497			
<b>Total Cash and Investments</b>	<b><u>\$ 166,313,697</u></b>			

**NET CASH AND INVESTMENT ACTIVITY FOR JANUARY 2010**      **\$ 7,263,411**

**ENDING BALANCE AS OF JANUARY 31, 2010**

Description	Book Value	Yield to Maturity (365 days)	Percent of Portfolio	Average Days to Maturity
State of California LAIF	\$ 52,600,000	0.558%	30.81%	1 (1)
Certificates of Deposit	4,000,000	1.500%	2.34%	473
Federal Agency Issues - Coupon	98,886,319	3.187%	57.93%	940
Corporate/Medium Term Notes	8,007,199	5.125%	4.69%	241
	<u>163,493,519</u>	<u>2.395%</u>	<u>95.77%</u>	<u>592</u>
SB Airport Promissory Note	7,213,661	7.000%	4.23%	7,089
Totals and Averages	<u>\$ 170,707,180</u>	<u>2.590%</u>	<u>100.00%</u>	<u>867</u>
SBB&T Money Market Account	2,869,929			
<b>Total Cash and Investments</b>	<b><u>\$ 173,577,109</u></b>			

Note:

(1) The average life of the LAIF portfolio as of January 31, 2010 is 216 days.

**CITY OF SANTA BARBARA**  
**Investment Portfolio**  
**January 31, 2010**

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	-	-	-	-	0.558	0.558	23,000,000.00	23,000,000.00	23,000,000.00	0.00	
LOCAL AGENCY INV FUND/RDA	-	-	-	-	0.558	0.558	29,600,000.00	29,600,000.00	29,600,000.00	0.00	
<b>Subtotal, LAIF</b>							52,600,000.00	52,600,000.00	52,600,000.00	0.00	
<b>CERTIFICATES OF DEPOSIT</b>											
MONTECITO BANK & TRUST	11/18/09	11/18/10	-	-	1.250	1.250	2,000,000.00	2,000,000.00	2,000,000.00	0.00	
MONTECITO BANK & TRUST	11/18/09	11/18/11	-	-	1.750	1.750	2,000,000.00	2,000,000.00	2,000,000.00	0.00	
<b>Subtotal, Certificates of deposit</b>							4,000,000.00	4,000,000.00	4,000,000.00	0.00	
<b>FEDERAL AGENCY ISSUES - COUPON</b>											
FEDERAL FARM CREDIT BANK	03/06/09	04/24/12	Aaa	AAA	2.250	2.120	2,000,000.00	2,005,595.37	2,045,630.00	40,034.63	
FEDERAL FARM CREDIT BANK	10/14/09	10/14/14	Aaa	AAA	2.875	2.875	2,000,000.00	2,000,000.00	2,003,130.00	3,130.00	Callable 10/14/10, then cont.
FEDERAL FARM CREDIT BANK	11/07/06	01/18/11	Aaa	AAA	5.750	5.000	2,000,000.00	2,012,855.76	2,103,130.00	90,274.24	
FEDERAL FARM CREDIT BANK	01/29/07	08/25/10	Aaa	AAA	4.750	5.111	2,000,000.00	1,996,291.20	2,050,310.00	54,018.80	
FEDERAL FARM CREDIT BANK	02/01/08	02/01/13	Aaa	AAA	3.790	3.790	2,000,000.00	2,000,000.00	2,000,000.00	0.00	Callable 2/01/10, then cont.
FEDERAL FARM CREDIT BANK	03/04/09	03/02/12	Aaa	AAA	2.370	2.370	2,000,000.00	2,000,000.00	2,003,120.00	3,120.00	Callable 3/02/10, then cont.
FEDERAL FARM CREDIT BANK	03/04/09	01/17/12	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	2,036,560.00	36,560.00	
FEDERAL FARM CREDIT BANK	03/05/09	03/04/13	Aaa	AAA	2.600	2.600	2,000,000.00	2,000,000.00	2,057,820.00	57,820.00	
FEDERAL FARM CREDIT BANK	05/08/09	04/08/13	Aaa	AAA	2.200	2.200	2,000,000.00	2,000,000.00	2,031,560.00	31,560.00	
FEDERAL FARM CREDIT BANK	06/19/09	06/18/12	Aaa	AAA	2.125	2.125	2,000,000.00	2,000,000.00	2,039,060.00	39,060.00	
FEDERAL FARM CREDIT BANK	09/30/09	10/03/11	Aaa	AAA	1.125	1.125	2,000,000.00	2,000,000.00	2,005,630.00	5,630.00	
FEDERAL FARM CREDIT BANK	12/01/09	12/01/14	Aaa	AAA	2.840	2.840	2,000,000.00	2,000,000.00	1,999,070.00	(930.00)	Callable 12/01/10, then cont.
FEDERAL FARM CREDIT BANK	01/13/10	01/13/15	Aaa	AAA	3.180	3.180	2,000,000.00	2,000,000.00	2,013,750.00	13,750.00	Callable 1/13/11, then cont.
FEDERAL HOME LOAN BANK	10/25/06	02/12/10	Aaa	AAA	3.875	5.117	1,000,000.00	999,654.34	1,001,250.00	1,595.66	
FEDERAL HOME LOAN BANK	05/22/07	06/10/11	Aaa	AAA	5.250	5.005	2,000,000.00	2,005,936.42	2,119,380.00	113,443.58	
FEDERAL HOME LOAN BANK	07/09/07	02/15/11	Aaa	AAA	4.000	5.308	2,000,000.00	1,975,528.40	2,073,440.00	97,911.60	
FEDERAL HOME LOAN BANK	07/09/07	03/12/10	Aaa	AAA	5.000	5.268	1,000,000.00	999,713.47	1,005,630.00	5,916.53	
FEDERAL HOME LOAN BANK	02/26/09	02/24/14	Aaa	AAA	3.250	3.261	2,000,000.00	1,999,935.75	2,003,760.00	3,824.25	Callable 2/24/10, then qtrly
FEDERAL HOME LOAN BANK	03/04/09	06/08/12	Aaa	AAA	4.375	2.110	1,700,000.00	1,787,068.57	1,805,986.50	18,917.93	
FEDERAL HOME LOAN BANK	06/30/09	06/30/14	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	2,030,000.00	30,000.00	StrNt, Callable 6/30/11, once
FEDERAL HOME LOAN BANK	09/30/09	09/30/14	Aaa	AAA	2.000	3.448	2,000,000.00	2,000,000.00	2,003,120.00	3,120.00	StrNt, Callable 12/30/09, qtrly
FEDERAL HOME LOAN BANK	09/17/09	12/13/13	Aaa	AAA	3.125	2.440	2,000,000.00	2,049,993.64	2,065,630.00	15,636.36	
FEDERAL HOME LOAN BANK	01/15/10	10/30/12	Aaa	AAA	1.700	1.700	2,000,000.00	2,000,000.00	2,013,130.00	13,130.00	
FEDERAL HOME LOAN BANK	09/14/06	09/29/10	Aaa	AAA	5.125	5.070	1,000,000.00	1,000,307.52	1,030,785.00	30,477.48	
FEDERAL HOME LOAN BANK	05/23/08	06/10/11	Aaa	AAA	3.125	3.520	2,000,000.00	1,989,863.39	2,059,380.00	69,516.61	
FEDERAL HOME LOAN BANK	11/08/06	07/30/10	Aaa	AAA	5.000	5.010	2,000,000.00	1,999,887.96	2,047,810.00	47,922.04	
FEDERAL HOME LOAN BANK	12/18/06	06/22/10	Aaa	AAA	4.500	4.825	2,000,000.00	1,997,681.98	2,034,380.00	36,698.02	
FEDERAL HOME LOAN BANK	06/18/07	03/12/10	Aaa	AAA	4.875	5.382	2,000,000.00	1,998,933.33	2,010,620.00	11,686.67	
FEDERAL HOME LOAN BANK	06/16/08	12/10/10	Aaa	AAA	3.250	3.800	2,000,000.00	1,991,041.07	2,048,130.00	57,088.93	

**CITY OF SANTA BARBARA**  
**Investment Portfolio**  
**January 31, 2010**

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	09/17/09	09/13/13	Aaa	AAA	4.375	2.272	2,000,000.00	2,144,634.43	2,164,690.00	20,055.57	
FEDERAL HOME LOAN MTG CORP	04/08/09	04/08/13	Aaa	AAA	2.500	2.526	2,000,000.00	1,998,813.89	2,026,400.00	27,586.11	Callable 4/08/11, once
FEDERAL HOME LOAN MTG CORP	05/19/09	11/19/12	Aaa	AAA	2.170	2.170	2,000,000.00	2,000,000.00	2,025,020.00	25,020.00	Callable 5/19/11, once
FEDERAL HOME LOAN MTG CORP	09/03/09	09/21/12	Aaa	AAA	2.125	1.699	2,000,000.00	2,021,803.28	2,041,250.00	19,446.72	
FEDERAL HOME LOAN MTG CORP	05/13/09	05/13/13	Aaa	AAA	2.400	2.400	2,000,000.00	2,000,000.00	2,028,940.00	28,940.00	Callable 5/13/11, once
FEDERAL HOME LOAN MTG CORP	08/26/09	08/26/14	Aaa	AAA	3.625	3.625	2,000,000.00	2,000,000.00	2,004,200.00	4,200.00	Callable 2/26/10, then qtrly
FEDERAL HOME LOAN MTG CORP	05/29/07	07/06/10	Aaa	AAA	4.500	5.070	2,000,000.00	1,995,495.70	2,036,340.00	40,844.30	
FEDERAL HOME LOAN MTG CORP	07/30/09	01/30/13	Aaa	AAA	2.350	2.350	2,000,000.00	2,000,000.00	2,013,100.00	13,100.00	Callable 7/30/10, once
FEDERAL HOME LOAN MTG CORP	10/28/09	10/28/14	Aaa	AAA	3.000	3.000	2,000,000.00	2,000,000.00	1,999,980.00	(20.00)	Callable 10/28/10, then qtrly
FEDERAL HOME LOAN MTG CORP	06/09/09	08/17/12	Aaa	AAA	1.000	2.420	2,000,000.00	1,930,837.21	1,978,120.00	47,282.79	
FEDERAL HOME LOAN MTG CORP	05/22/07	09/17/10	Aaa	AAA	3.880	5.015	2,000,000.00	1,986,999.80	2,042,920.00	55,920.20	
FEDERAL HOME LOAN MTG CORP	04/29/09	10/29/12	Aaa	AAA	2.250	2.250	2,000,000.00	2,000,000.00	2,024,300.00	24,300.00	Callable 10/29/10, once
FEDERAL NATL MORTGAGE ASSN	03/18/09	09/18/12	Aaa	AAA	2.500	2.500	2,000,000.00	2,000,000.00	2,038,750.00	38,750.00	Callable 3/18/11, once
FEDERAL NATL MORTGAGE ASSN	03/23/09	03/23/12	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	2,015,940.00	15,940.00	StrNt, Callable 9/23/10, once
FEDERAL NATL MORTGAGE ASSN	05/04/09	05/04/12	Aaa	AAA	2.150	2.185	2,000,000.00	1,999,483.33	2,008,440.00	8,956.67	Callable 5/04/10, once
FEDERAL NATL MORTGAGE ASSN	09/09/09	09/09/14	Aaa	AAA	3.250	3.250	2,000,000.00	2,000,000.00	2,019,070.00	19,070.00	Callable 9/09/10, once
FEDERAL NATL MORTGAGE ASSN	12/30/09	12/30/14	Aaa	AAA	3.000	3.000	2,000,000.00	2,000,000.00	1,995,940.00	(4,060.00)	Callable 6/30/10, then qtrly
FEDERAL NATL MORTGAGE ASSN	04/27/06	04/20/10	Aaa	AAA	4.750	5.270	2,000,000.00	1,997,963.53	2,019,690.00	21,726.47	
FEDERAL NATL MORTGAGE ASSN	02/27/09	02/24/12	Aaa	AAA	2.250	2.250	2,000,000.00	2,000,000.00	2,032,500.00	32,500.00	Callable 2/24/11, once
FEDERAL NATL MORTGAGE ASSN	05/20/09	11/20/12	Aaa	AAA	2.250	2.250	2,000,000.00	2,000,000.00	2,008,760.00	8,760.00	Callable 5/20/10, once
FEDERAL NATL MORTGAGE ASSN	10/29/09	10/29/14	Aaa	AAA	2.250	3.304	2,000,000.00	2,000,000.00	2,004,070.00	4,070.00	StrNt, Callable 4/29/10 cont.
FEDERAL NATL MORTGAGE ASSN	03/05/08	03/05/13	Aaa	AAA	4.100	4.100	2,000,000.00	2,000,000.00	2,006,880.00	6,880.00	Callable 3/05/10, once
<b>Subtotal, Federal Agencies</b>							<b>98,700,000.00</b>	<b>98,886,319.34</b>	<b>100,276,501.50</b>	<b>1,390,182.16</b>	
<b>CORPORATE/MEDIUM TERM NOTES</b>											
GENERAL ELECTRIC CAPITAL CORP	01/10/07	02/22/11	Aa2	AA+	6.125	5.100	2,000,000.00	2,019,312.23	2,112,820.00	93,507.77	
TOYOTA MOTOR CREDIT	10/19/06	03/15/10	Aa1	AA	4.250	5.140	2,000,000.00	1,998,023.95	2,009,260.00	11,236.05	
WELLS FARGO & CO.	05/30/07	01/12/11	A1	AA-	4.875	5.260	2,000,000.00	1,993,405.24	2,080,980.00	87,574.76	
WELLS FARGO & CO.	10/10/06	08/09/10	A1	AA-	4.625	5.000	2,000,000.00	1,996,457.96	2,044,460.00	48,002.04	
<b>Subtotal, Corporate Securities</b>							<b>8,000,000.00</b>	<b>8,007,199.38</b>	<b>8,247,520.00</b>	<b>240,320.62</b>	
<b>SB AIRPORT PROMISSORY NOTE (LT)</b>											
SANTA BARBARA AIRPORT	07/14/09	06/30/29	-	-	7.000	7.000	7,213,660.84	7,213,660.84	7,213,660.84	0.00	
<b>Subtotal, SBA Note</b>							<b>7,213,660.84</b>	<b>7,213,660.84</b>	<b>7,213,660.84</b>	<b>0.00</b>	
<b>TOTALS</b>							<b>170,513,660.84</b>	<b>170,707,179.56</b>	<b>172,337,682.34</b>	<b>1,630,502.78</b>	

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.