

CITY OF SANTA BARBARA
Activity and Interest Report
June 30, 2011

INVESTMENT ACTIVITY

PURCHASES OR DEPOSITS

6/7 Federal National Mortgage Association (FNMA)	\$ 2,000,000
6/8 LAIF Deposit - City	1,000,000
6/9 LAIF Deposit - City	1,000,000
6/13 LAIF Deposit - City	4,000,000
6/15 Federal Home Loan Bank (FHLB)	1,995,000
6/21 LAIF Deposit - City	16,000,000
6/27 LAIF Deposit - City	1,000,000
6/27 Federal National Mortgage Association (FNMA)	2,000,000
6/29 Federal National Mortgage Association (FNMA)	2,000,000
6/30 Federal Home Loan Bank (FHLB)	2,000,000
6/30 Federal Home Loan Bank (FHLB)	2,000,000
6/30 Federal Home Loan Bank (FHLB)	2,000,000
Total	\$ 36,995,000

SALES, MATURITIES, CALLS OR WITHDRAWALS

6/2 LAIF Withdrawal - City	\$ (4,500,000)
6/10 Federal Home Loan Bank (FHLB) - Maturity	(2,000,000)
6/10 Federal Home Loan Bank (FHLB) - Maturity	(2,000,000)
6/15 Federal National Mortgage Association (FNMA) - Call	(2,000,000)
6/15 Federal Home Loan Mortgage Corp (FHLMC) - Call	(2,000,000)
6/16 LAIF Withdrawal - City	(1,000,000)
6/20 LAIF Withdrawal - City	(1,000,000)
6/21 LAIF Withdrawal - RDA	(15,000,000)
6/23 LAIF Withdrawal - City	(1,000,000)
6/24 Federal National Mortgage Association (FNMA) - Call	(2,000,000)
6/28 LAIF Withdrawal - City	(2,000,000)
6/30 Federal Home Loan Bank (FHLB) - Call	(2,000,000)
6/30 Federal Home Loan Mortgage Corp (FHLMC) - Call	(2,000,000)
6/30 Santa Barbara Airport Promissory Note - Principal Paydown	(82,289)
Total	\$ (38,582,289)

ACTIVITY TOTAL

\$ (1,587,289)

INTEREST REVENUE

POOLED INVESTMENTS

Interest Earned on Investments	\$ 225,370
Amortization	(9,005)
Interest on SBB&T Accounts	249
Total	\$ 216,614

RDA INVESTMENTS

Interest Earned on LAIF Investment	\$ 3,715
Interest Earned on Pooled Investments	30,192
	\$ 33,907

TOTAL INTEREST EARNED

\$ 250,521

CITY OF SANTA BARBARA
Investment Portfolio
June 30, 2011

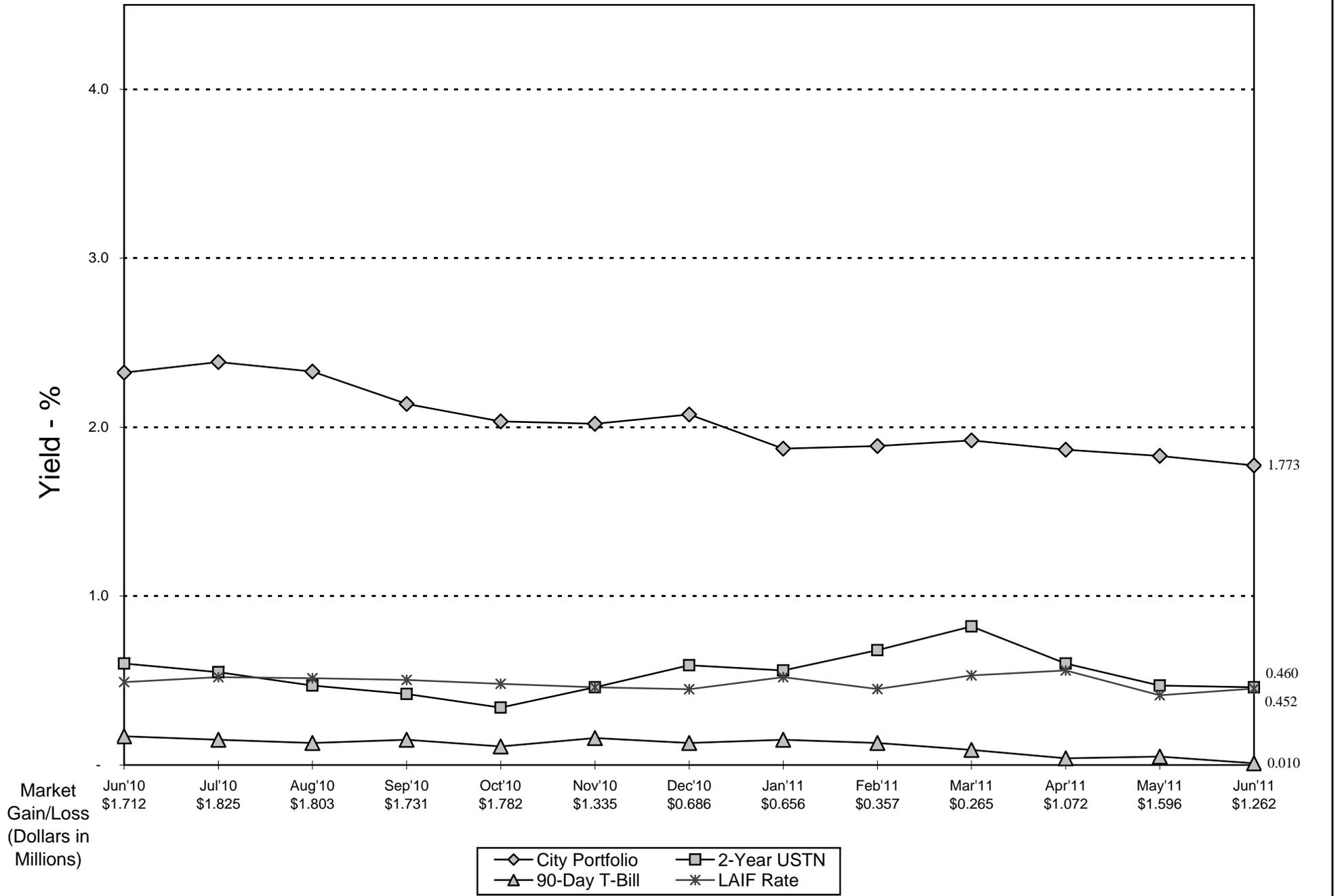
DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING MOODY'S	QUALITY RATING S & P	STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
LOCAL AGENCY INVESTMENT FUNDS											
LOCAL AGENCY INVESTMENT FUND	-	-	-	-	0.452	0.452	48,000,000.00	48,000,000.00	48,000,000.00	0.00	
LOCAL AGENCY INV FUND/RDA	-	-	-	-	0.452	0.452	0.00	0.00	0.00	0.00	
Subtotal, LAIF							48,000,000.00	48,000,000.00	48,000,000.00	0.00	
CERTIFICATES OF DEPOSIT											
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	
Subtotal, Certificates of deposit							2,000,000.00	2,000,000.00	2,000,000.00	0.00	
FEDERAL AGENCY ISSUES - COUPON											
FEDERAL FARM CREDIT BANK	03/06/09	04/24/12	Aaa	AAA	2.250	2.120	2,000,000.00	2,002,041.65	2,031,450.00	29,408.35	
FEDERAL FARM CREDIT BANK	10/28/10	10/28/15	Aaa	AAA	1.540	1.540	2,000,000.00	2,000,000.00	1,984,850.00	(15,150.00)	Callable 10/28/11, then cont.
FEDERAL FARM CREDIT BANK	12/10/10	12/08/14	Aaa	AAA	1.500	1.662	2,000,000.00	1,994,518.16	1,997,870.00	3,351.84	Callable 12/08/11, then cont.
FEDERAL FARM CREDIT BANK	02/02/11	02/02/15	Aaa	AAA	2.000	2.000	1,500,000.00	1,500,000.00	1,508,895.00	8,895.00	Callable 02/02/12, then cont.
FEDERAL FARM CREDIT BANK	02/10/11	02/10/14	Aaa	AAA	1.375	1.375	2,000,000.00	2,000,000.00	2,031,240.00	31,240.00	
FEDERAL FARM CREDIT BANK	03/09/11	03/09/16	Aaa	AAA	2.600	2.621	2,000,000.00	1,998,622.22	2,027,850.00	29,227.78	Callable 03/09/12, then cont.
FEDERAL FARM CREDIT BANK	12/15/10	12/15/15	Aaa	AAA	2.480	2.480	2,000,000.00	2,000,000.00	2,015,870.00	15,870.00	Callable 12/15/11, then cont.
FEDERAL FARM CREDIT BANK	03/04/09	01/17/12	Aaa	AAA	2.000	2.002	2,000,000.00	2,000,000.00	2,019,450.00	19,450.00	
FEDERAL FARM CREDIT BANK	03/05/09	03/04/13	Aaa	AAA	2.600	2.600	2,000,000.00	2,000,000.00	2,072,430.00	72,430.00	
FEDERAL FARM CREDIT BANK	05/08/09	04/08/13	Aaa	AAA	2.200	2.200	2,000,000.00	2,000,000.00	2,061,580.00	61,580.00	
FEDERAL FARM CREDIT BANK	06/19/09	06/18/12	Aaa	AAA	2.125	2.125	2,000,000.00	2,000,000.00	2,034,690.00	34,690.00	
FEDERAL FARM CREDIT BANK	09/30/09	10/03/11	Aaa	AAA	1.125	1.125	2,000,000.00	2,000,000.00	2,004,900.00	4,900.00	
FEDERAL FARM CREDIT BANK	04/30/10	04/09/15	Aaa	AAA	2.900	2.916	2,000,000.00	1,999,395.48	2,030,050.00	30,654.52	Callable 04/09/12, once
FEDERAL FARM CREDIT BANK	11/23/10	11/23/15	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	2,001,180.00	1,180.00	Callable 05/23/12, then cont.
FEDERAL FARM CREDIT BANK	02/16/11	02/16/16	Aaa	AAA	2.570	2.570	2,000,000.00	2,000,000.00	2,064,130.00	64,130.00	
FEDERAL HOME LOAN BANK	05/26/11	05/26/16	Aaa	AAA	1.250	2.421	2,000,000.00	2,000,000.00	2,002,720.00	2,720.00	SU 3.25% Callable 08/26/11, then qtrly
FEDERAL HOME LOAN BANK	05/25/11	11/25/15	Aaa	AAA	1.000	2.555	2,000,000.00	2,000,000.00	2,003,030.00	3,030.00	SU 1.0%-7.0%, Call 08/25/11, then qtrly
FEDERAL HOME LOAN BANK	06/30/11	06/30/16	Aaa	AAA	1.300	2.297	2,000,000.00	2,000,000.00	1,989,350.00	(10,650.00)	SU 3% Callable 12/30/11, then qtrly
FEDERAL HOME LOAN BANK	03/04/09	06/08/12	Aaa	AAA	4.375	2.110	1,700,000.00	1,734,642.39	1,764,736.00	30,093.61	
FEDERAL HOME LOAN BANK	04/15/10	10/15/13	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	2,062,690.00	62,690.00	
FEDERAL HOME LOAN BANK	08/05/10	09/12/14	Aaa	AAA	1.375	1.375	2,000,000.00	2,000,000.00	2,021,080.00	21,080.00	
FEDERAL HOME LOAN BANK	12/28/10	07/28/14	Aaa	AAA	0.650	1.816	2,000,000.00	2,000,000.00	2,000,860.00	860.00	SU 2.05% Callable 07/28/11, once
FEDERAL HOME LOAN BANK	06/30/11	06/30/16	Aaa	AAA	2.110	2.110	2,000,000.00	2,000,000.00	1,983,120.00	(16,880.00)	Callable 09/30/11, then qtrly
FEDERAL HOME LOAN BANK	09/17/09	12/13/13	Aaa	AAA	3.125	2.440	2,000,000.00	2,031,677.01	2,118,280.00	86,602.99	
FEDERAL HOME LOAN BANK	01/15/10	10/30/12	Aaa	AAA	1.700	1.700	2,000,000.00	2,000,000.00	2,035,570.00	35,570.00	
FEDERAL HOME LOAN BANK	04/05/10	11/29/13	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	2,063,500.00	63,500.00	
FEDERAL HOME LOAN BANK	06/29/10	10/29/12	Aaa	AAA	1.125	1.125	2,000,000.00	2,000,000.00	2,020,290.00	20,290.00	
FEDERAL HOME LOAN BANK	06/15/11	06/15/16	Aaa	AAA	2.500	2.500	1,995,000.00	1,995,000.00	1,995,458.85	458.85	Callable 07/15/11, then monthly
FEDERAL HOME LOAN BANK	05/28/10	05/28/15	Aaa	AAA	2.000	2.653	2,000,000.00	2,000,000.00	2,046,990.00	46,990.00	SU 3.35%, Callable 11/28/12, once
FEDERAL HOME LOAN BANK	06/30/10	06/30/14	Aaa	AAA	1.125	2.277	2,000,000.00	2,000,000.00	2,003,810.00	3,810.00	SU 3% Callable 12/30/11, once
FEDERAL HOME LOAN BANK	09/17/09	09/13/13	Aaa	AAA	4.375	2.272	2,000,000.00	2,087,980.39	2,165,580.00	77,599.61	
FEDERAL HOME LOAN BANK	02/22/10	12/13/13	Aaa	AAA	3.125	2.130	2,000,000.00	2,046,563.94	2,118,280.00	71,716.06	

CITY OF SANTA BARBARA
Investment Portfolio
June 30, 2011

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	03/26/10	06/08/12	Aaa	AAA	1.375	1.325	2,000,000.00	2,000,919.09	2,020,110.00	19,190.91	
FEDERAL HOME LOAN BANK	07/14/10	07/14/15	Aaa	AAA	2.000	2.336	2,000,000.00	2,000,000.00	2,001,600.00	1,600.00	SU 2.0%-3.5% Call 07/14/11, then qrtly
FEDERAL HOME LOAN BANK	02/09/11	01/29/15	Aaa	AAA	1.750	1.750	2,000,000.00	2,000,000.00	2,033,800.00	33,800.00	
FEDERAL HOME LOAN BANK	04/15/11	05/27/15	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	2,037,930.00	37,930.00	
FEDERAL HOME LOAN BANK	06/30/11	06/30/16	Aaa	AAA	2.200	2.200	2,000,000.00	2,000,000.00	1,984,820.00	(15,180.00)	Callable 09/30/11, then cont.
FEDERAL HOME LOAN MTG CORP	09/03/09	09/21/12	Aaa	AAA	2.125	1.699	2,000,000.00	2,010,098.36	2,043,580.00	33,481.64	
FEDERAL HOME LOAN MTG CORP	11/23/10	11/23/15	Aaa	AAA	1.750	1.845	2,000,000.00	1,996,450.00	1,979,260.00	(17,190.00)	Callable 11/23/11, once
FEDERAL HOME LOAN MTG CORP	01/06/11	02/25/14	Aaa	AAA	1.375	1.375	2,000,000.00	2,000,000.00	2,029,260.00	29,260.00	
FEDERAL HOME LOAN MTG CORP	02/22/11	08/22/14	Aaa	AAA	1.700	1.700	1,500,000.00	1,500,000.00	1,502,640.00	2,640.00	Callable 08/22/11, once
FEDERAL HOME LOAN MTG CORP	06/09/09	08/17/12	Aaa	AAA	1.000	2.420	2,000,000.00	1,969,344.88	2,012,160.00	42,815.12	
FEDERAL HOME LOAN MTG CORP	03/26/10	04/25/12	Aaa	AAA	1.125	1.197	1,000,000.00	999,419.07	1,006,650.00	7,230.93	
FEDERAL HOME LOAN MTG CORP	02/11/11	04/02/14	Aaa	AAA	4.500	1.615	2,000,000.00	2,154,213.97	2,190,780.00	36,566.03	
FEDERAL NATL MORTGAGE ASSN	07/07/10	07/07/15	Aaa	AAA	2.350	2.350	2,000,000.00	2,000,000.00	2,000,750.00	750.00	Callable 07/07/11, once
FEDERAL NATL MORTGAGE ASSN	02/17/11	02/17/16	Aaa	AAA	2.500	2.500	2,000,000.00	2,000,000.00	2,027,440.00	27,440.00	Callable 02/17/12, once
FEDERAL NATL MORTGAGE ASSN	06/07/11	03/07/16	Aaa	AAA	2.075	2.075	2,000,000.00	2,000,000.00	1,998,210.00	(1,790.00)	Callable 06/07/12, once
FEDERAL NATL MORTGAGE ASSN	08/10/10	08/10/15	Aaa	AAA	2.000	2.055	2,000,000.00	1,997,118.33	2,016,850.00	19,731.67	Callable 08/10/12, once
FEDERAL NATL MORTGAGE ASSN	11/17/10	11/17/14	Aaa	AAA	1.300	1.300	2,000,000.00	2,000,000.00	2,008,930.00	8,930.00	
FEDERAL NATL MORTGAGE ASSN	12/28/10	12/28/15	Aaa	AAA	2.000	2.011	2,000,000.00	1,999,508.33	1,988,060.00	(11,448.33)	Callable 12/28/11, once
FEDERAL NATL MORTGAGE ASSN	04/11/11	04/11/16	Aaa	AAA	2.500	2.500	2,000,000.00	2,000,000.00	2,023,050.00	23,050.00	Callable 04/11/12, once
FEDERAL NATL MORTGAGE ASSN	06/27/11	06/27/16	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	1,983,600.00	(16,400.00)	Callable 06/27/13, once
FEDERAL NATL MORTGAGE ASSN	08/05/10	08/05/15	Aaa	AAA	2.125	2.125	2,000,000.00	2,000,000.00	2,003,750.00	3,750.00	Callable 08/05/11, once
FEDERAL NATL MORTGAGE ASSN	09/09/10	09/09/15	Aaa	AAA	1.850	1.871	2,000,000.00	1,999,622.22	1,993,400.00	(6,222.22)	Callable 09/09/11, once
FEDERAL NATL MORTGAGE ASSN	09/21/10	09/21/15	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	2,027,370.00	27,370.00	
FEDERAL NATL MORTGAGE ASSN	12/10/10	10/26/15	Aaa	AAA	1.625	2.067	2,000,000.00	1,963,834.74	1,993,430.00	29,595.26	
FEDERAL NATL MORTGAGE ASSN	04/18/11	04/18/16	Aaa	AAA	2.500	2.500	2,000,000.00	2,000,000.00	2,030,980.00	30,980.00	Callable 04/18/13, once
FEDERAL NATL MORTGAGE ASSN	06/29/11	12/29/14	Aaa	AAA	1.300	1.300	2,000,000.00	2,000,000.00	1,996,720.00	(3,280.00)	Callable 03/29/12, once
Subtotal, Federal Agencies							113,695,000.00	113,980,970.23	115,216,909.85	1,235,939.62	
CORPORATE/MEDIUM TERM NOTES											
BERKSHIRE HATHAWAY FIN	12/15/10	12/15/15	Aa2	AA+	2.450	2.530	2,000,000.00	1,993,316.67	2,024,920.00	31,603.33	
GENERAL ELECTRIC CAPITAL CORP	11/10/10	11/09/15	Aa2	AA+	2.250	2.250	2,000,000.00	2,000,000.00	1,965,980.00	(34,020.00)	
GENERAL ELECTRIC CAPITAL CORP	01/07/11	01/07/14	Aa2	AA+	2.100	2.100	2,000,000.00	2,000,000.00	2,028,380.00	28,380.00	
Subtotal, Corporate Securities							6,000,000.00	5,993,316.67	6,019,280.00	25,963.33	
SB AIRPORT PROMISSORY NOTE (LT)											
SANTA BARBARA AIRPORT	07/14/09	06/30/29	-	-	7.000	7.000	5,962,504.03	5,962,504.03	5,962,504.03	0.00	
Subtotal, SBA Note							5,962,504.03	5,962,504.03	5,962,504.03	0.00	
TOTALS							175,657,504.03	175,936,790.93	177,198,693.88	1,261,902.95	

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.

INVESTMENT YIELDS



CITY OF SANTA BARBARA
Fiscal Agent Investments
June 30, 2011

	CASH & CASH EQUIVALENTS Book & Market	Guaranteed Investment Contracts (GIC) Book & Market	STOCKS		BONDS		US GOVT & AGENCIES		TOTALS		
			Book	Market	Book	Market	Book	Market	Book	Market	
BOND FUNDS											
<i>RESERVE FUNDS</i>											
2004 RDA - Housing Bonds	565,057.50	-	-	-	-	-	-	-	-	565,057.50	565,057.50
2002 Municipal Improvement - Refunding COPs	13,718.40	547,530.00	-	-	-	-	-	-	-	561,248.40	561,248.40
2002 Water - Refunding COPs	23,658.02	1,088,268.76	-	-	-	-	-	-	-	1,111,926.78	1,111,926.78
1994 Water - Revenue Bonds	19,807.77	757,680.00	-	-	-	-	-	-	-	777,487.77	777,487.77
2002 Waterfront - Reference COPs	877.43	1,393,262.50	-	-	-	-	-	-	-	1,394,139.93	1,394,139.93
1992 Seismic - Safety Bonds	87,465.19	-	-	-	-	-	-	-	-	87,465.19	87,465.19
Subtotal, Reserve Funds	710,584.31	3,786,741.26	-	-	-	-	-	-	-	4,497,325.57	4,497,325.57
<i>PROJECT FUNDS</i>											
2001 RDA Bonds	2,366,719.00	-	-	-	-	-	-	-	-	2,366,719.00	2,366,719.00
2003 RDA Bonds	12,040,655.72	-	-	-	-	-	-	-	-	12,040,655.72	12,040,655.72
2004 Sewer Revenue Bonds	2,196,782.42	1,357,140.00	-	-	-	-	-	-	-	3,553,922.42	3,553,922.42
2009 Airport Bonds	7,206,154.20	-	-	-	-	-	3,100,000.00	3,179,391.00	10,306,154.20	10,385,545.20	
Subtotal, Project Funds	23,810,311.34	1,357,140.00	-	-	-	-	3,100,000.00	3,179,391.00	28,267,451.34	28,346,842.34	
Subtotal Bond Funds	24,520,895.65	5,143,881.26	-	-	-	-	3,100,000.00	3,179,391.00	32,764,776.91	32,844,167.91	
POLICE/FIRE - SVC RETIREMENT FUND											
Police/Fire Funds	32,087.25	-	234,708.75	287,459.81	365,321.90	362,791.65	-	-	632,117.90	682,338.71	
	32,087.25	-	234,708.75	287,459.81	365,321.90	362,791.65	-	-	632,117.90	682,338.71	
TOTAL FISCAL AGENT INVESTMENTS	<u>24,552,982.90</u>	<u>5,143,881.26</u>	<u>234,708.75</u>	<u>287,459.81</u>	<u>365,321.90</u>	<u>362,791.65</u>	<u>3,100,000.00</u>	<u>3,179,391.00</u>	<u>33,396,894.81</u>	<u>33,526,506.62</u>	

Notes:

- (1) Cash & cash equivalents include money market funds.
- (2) Market values have been obtained from the following trustees: US Bank, Bank of New York and Santa Barbara Bank & Trust